



# ANNUAL BUDGET 2021/2022

FOR THE FISCAL YEAR BEGINNING JULY 1, 2021





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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Town of Payson**

**Arizona**

For the Fiscal Year Beginning

**July 1, 2020**

*Christopher P. Morill*

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the Town of Payson, Arizona for its annual budget for the fiscal year beginning July 1, 2020. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device.

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





# **INTRODUCTION**



## TOWN MANAGER'S BUDGET MESSAGE

To the Honorable Mayor, Members of the Town Council, and Citizens:

I am pleased to present the Town's adopted budget for Fiscal Year 2021/2022. The fiscal year is July 1, 2021 - June 30, 2022. The balanced budget of \$49,511,900 reflects the Town's strategic goals and priorities to provide services and programs, maintain Town assets, value our employees, and continue with future improvements.

This budget message is an overview of major components of the adopted budget. The budget document presented in the subsequent sections provides much more detailed information about the adopted budget. The budget document is a combined policy document, financial plan, operations guide, and communication tool.

Although the previous year has been unlike anything we have ever faced due to the results of the COVID-19 pandemic, I am confident the adopted budget provides a fiscally responsible plan to protect us from further economic fluctuations. The Town has prepared for such unforeseen events by increasing reserve funds and maintaining a hard line on spending. The adopted budget for fiscal period 2021/2022 continues to demonstrate the Town's policy of strengthening our financial position by protecting fund balances and reserves, recommending a balanced budget, and making decisions within the context of our long-range strategic goals in the General Plan and the Corporate Strategic Plan (CSP). These critical plans posture us for continuous improvement and growth. The budget also upholds our commitment to meet and exceed the community's highest priority expectations. We continue to strive to meet these needs at the lowest possible cost to our citizens.

I would like to thank Mayor Morrissey and the Town Council for their valuable time, commitment, patience, and support in making tough decisions and steering us toward success as we face future budget uncertainties. I also wish to express my gratitude to all Town directors, managers, and staff members for their significant dedication and diligent work in developing and implementing this budget. Furthermore, the Financial Services staff deserves special appreciation for their substantial contributions in assisting with the development of the budget and creating this document.

Finally, I especially want to thank our residents for their contributions to the budget process by dedicating their treasured time to participate in the governance of our town by joining boards, commissions, and committees; attending budget meetings and hearings; communicating through emails, phone calls, and online comment forms; and responding to the town's annual survey.

We aim to provide high quality programs and services to our residents in an effort to create a high quality of life. Town staff and I are honored to serve the residents of our town; we are committed to excellence and welcome you all to join us in the spirit of service.

Troy Smith  
Town Manager



## **BUDGET SUMMARY**

Payson is one of Arizona's jewels, nestled among the largest contiguous stand of Ponderosa pine in North America where you can experience the beauty of dramatic mountain vistas, the serenity of wide-open spaces, and a rich western rodeo heritage along with a variety of outdoor adventures, first-class accommodations and entertainment.

We believe our residents deserve a Town government that is as efficient and effective as the best the private sector has to offer, yet is mindful of the highest ideals of public service. Our residents deserve a Town government that focuses on their needs by delivering the highest quality services at the lowest cost.

The FY2021/2022 budget focuses on providing municipal services to our citizens, and includes following priorities:

- Improve infrastructure maintenance and equipment replacement
- Enhance Public Safety
- Provide high quality programs and services to the community
- Invest in modernization of communication, technology, and security
- Increase revenues by promoting Tourism and Economic Development
- Recognize and incorporate changing and challenging economic conditions
- Undertake strategic planning in several areas, i.e. Capital Improvement Plan, Corporate Strategic Plan, General Plan, etc.

We also continue to build around our core values – Customer Focus, Empowered Employees, Leadership, and Continuous Improvement.

## **MAJOR POLICIES, GUIDELINES AND PRIORITIES**

Budget appropriation choices were made within the context of the Town's fiscal policies, Council priorities, the Town's debt management plan, and long-term financial plan.

### **Debt Management Plan**

The Town of Payson enjoys favorable bond ratings not only due to solid financial planning but also from the adoption of and adherence to the debt management plan by the Town Council. The target length of maturity of the Town's long-term debt is not to exceed 20 years. Furthermore, as defined by state law, with the consent of the citizens, the total debt for general purposes will not exceed 6% of the net secondary assessed value of the property within the Town. Additionally, with the consent of the citizens, total debt for water, lights, parks, open space, and recreation facilities may not exceed 20% of the net secondary assessed value of property within the Town. With the last bond payment made in 2019, the Town now has 100% of the general municipal purpose bond capacity available, as well as the full capacity available for water, parks, streets, etc.

### **Long-Term Financial Plan**

Town staff prepares and updates the Town's long-term financial plans and forecasts annually in preparation for developing suggested budget policies for Town Council consideration. The long-range forecast continues to stay conservative over the next five years.



Over the last several years, forces outside of our control have challenged the Town's financial and managerial resources. These forces included the slow recovery from the previous economic recession, and now the pandemic. Fortunately, measures that were put in place to actively pursue business growth and promote increased tourism have assisted in counteracting these forces. Since the beginning of the pandemic, the Town surprisingly continues to see growth in construction, new businesses, increase in retail sales, and an influx of tourism.

The Town of Payson is dedicated to enhancing the quality of life for its citizens, to provide a superior level of service most effectively and efficiently, while exercising fiscal responsibility. Payson has been and will continue to be proactive in encouraging a quality community and organizational development.

## **BUDGET HIGHLIGHTS**

### **Expenditures**

The annual budget for fiscal year 2021/2022 for all funds of the Town totals \$49,511,900 (excludes transfers). This total is \$6,454,300 (14.9%) higher than the budget for fiscal year 2020/21, and is primarily due to increases in water line replacements, park improvements, increased grant opportunities, new vehicle replacement program, and pandemic recovery plan.

Total budgeted expenditures for fiscal year 2021/2022 exceed total budgeted revenues of \$41,683,800. The Town will use higher than expected carryovers from the prior fiscal year 2020/21 to fund \$7,828,100 in one-time expenses and unfinished projects carried forward into the new fiscal year.

- \$37,228,100 is appropriated for operating expenditures such as personnel services, supplies, utilities, general insurance, repairs, maintenance, and training. Compared to last year, this is an increase of 10.8% due large grants, potential contingency expenditures, and normal personnel wage adjustments. The efforts to streamline processes and hold the line on spending without jeopardizing the quality of service emphasizes our dedication to supporting the Town through this period of economic challenges.
- \$9,086,600 is for capital projects and equipment, and other one-time grant-related expenditures. This is a 41.7% increase over last year's capital outlay of \$6,413,700. The capital allocation funds projects and equipment that are greater than \$5,000.
- \$3,197,200 is for debt service and other uses of funds, including the payoff of the \$412,000 Water Loan
- \$2,780,100 is for inter-fund transfers. Compared to last year, this category is significantly higher due to a \$1,000,000 transfer to the Capital Replacement Fund.

In light of the ongoing impact of the COVID-19 pandemic, the Town's budgeting approach continues to stay conservative. The budget for the fiscal year 2021/2022 is primed with the following improvements:

- Make an additional payment of \$600,000 to the Public Safety Personnel Retirement System



to reduce the Town's unfunded liability.

- Continue the Pavement Maintenance Program to apply a slurry seal to prioritized streets.
- Implement a new vehicle replacement pilot program using a mix of leases and purchases.
- Purchase four additional police patrol vehicles to replace vehicles in our aging fleet.
- Add two police patrol vehicles to support the agreement with the Town of Star Valley
- Improve the pedestrian infrastructure along the Beeline Bus transit route to complement the bus system, making it safer to access.
- Add over \$440,000 to parks to improve the backlog of repairs and maintenance, including safety issues at Mustang Park.
- Added \$170,000 for Public Safety building assessments, remodel design, and enhancing dispatch communications.
- Execute \$183,400 grant for ADA (American Disabilities Act) updates at the airport.
- Construct improvements along E. Granite Dells Rd. including resurfacing and adjustment of alignment to improve safety. This project also includes a new sidewalk along E. Granite Dells Road to improve pedestrian access to the shopping district. This project is 100% funded by ADOT.

Significant personnel related changes to the budget include:

- Added two new positions to the Information Technology Department
- Added one firefighter position for the Fire Department and cancelled Reserve positions
- Added two police officer positions to provide support to Star Valley
- Reallocated two positions for a new public works project manager and assistant engineer
- Moved part-time Victims Advocate position from Legal to the Police Department
- Moved one position from the Finance Department to the Town Manager office
- Provided 1.6% increases for cost of living adjustments
- Authorized up to 2% for merit raises
- Medical premium insurance increased by 5%
- Reclassified multiple positions following updated market analysis and internal equity reviews

### Revenues

Current operating revenues, grants, and other financing sources will finance the budget of the Town. Additional financing sources are inter-fund transfers and reserve funds carried forward from the previous fiscal year.

Local sales tax makes up approximately 54.1% of the Town's General Fund revenue. Since local sales tax is heavily influenced by retail sales and tourism, and as we remain in the midst of the COVID-19 pandemic, continued efforts to promote Payson tourism will be crucial. Projected local sales tax increased by \$1,300,000 to \$12,000,000.

State-shared revenues from sales tax, income taxes, gas taxes, and vehicle license taxes are the next significant source of revenue. State-shared sales tax is estimated to be \$1,600,000, which reflects an increase of 11.6% as compared to last fiscal year. State-shared income tax is projected to be \$1,900,000, reflecting a 16.0% decrease in comparison to the last fiscal year. The expected decrease in our state-shared tax is due to the unpredictability of the impact of COVID-19 and the results of the 2020 Census.



In contrast, property taxes are a relatively minor revenue source for the Town. The primary property tax levy rate is set at \$0.3328 per \$100 of assessed value. This reflects a small decrease of \$0.0114 per \$100 in comparison to the fiscal year 2020/21. The Town currently does not have a secondary property tax.

#### Capital Program

Fiscal policies first adopted in the Town's 1997 Strategic Plan set forth strategies intended to ensure that operating and capital expenditures valued less than \$100,000 would be financed on a "pay-as-you-go" basis with cash. At the end of each fiscal year excess funds in the General Fund are transferred to Capital Improvement Funds to enable cash appropriations for priority capital expenditures. This reserve is available for appropriation for capital expenditures as directed by Town Council.

On September 9, 2003, qualified electors of the Town authorized the issuance of \$3,555,000 in general obligation bonds. At that time \$2,030,000 in bonds were issued for Police Department communications. In the fall of 2009, the Town issued \$1,525,000 of the remaining bonds for the land purchase, construction, and equipping of a third fire station. The debt service was funded by a 0.12% local sales tax increase that became effective in January 2005. The Town's last payment was in July of the fiscal period 2019/2020.

On October 21, 2005, the Town issued \$875,000 of Special Improvement Assessment Bonds to construct Westerly Road in the Town's Green Valley Redevelopment Area. This was a joint public and private project, benefiting both the abutting property owners and the Town. The Town's final payment will be in 2021/2022.

Payson is a mountain town whose water is obtained from deep wells within its corporate boundaries. For many years, the Town Council and staff have been actively seeking additional water sources. Recent agreements with the Federal Government and the Salt River Project have given the Town of Payson and surrounding areas water rights from the C.C. Cragin Reservoir, providing Payson with its water needs for many years into the future.

In August 2009, the Town entered into a \$10.6 million (\$4.0 million in federal grant funding and \$6.6 million in loans) agreement with the Water Infrastructure Finance Authority of Arizona (WIFA) for completion of Phase I of the C.C. Cragin pipeline and required repairs and replacements to the existing system. By June 30, 2012, the Town had drawn down \$3.6 million of the loan and the maximum \$4 million in federal ARRA grant funds. In August 2012, \$2.4 million of the loan was de-obligated and the Town made the final draw of available funds (after de-obligation) in July 2012. The Water Division obtained additional funding from WIFA in 2013 for \$6,250,000, and in 2015, 2016, and 2017 for \$11,000,000 each year for the continuation of the C.C. Cragin project. The C.C. Cragin project was completed in 2020. With the completion of the project, the Town has moved its focus to replacing miles of aging water lines.

## **FISCAL POLICY ASSUMPTIONS**

Financial policy guidelines that were used for the preparation of this budget are shown in italic typestyle. Notes on how this budget conforms to or deviates from past policies are shown beneath each policy statement.

***1. Maintain an annual non-appropriated General Fund Reserve equal to 5% of the estimated revenue for the next fiscal year.***

The General Fund has an established non-appropriated General Fund Reserve of \$1,109,000, which is 5% of the estimated General Fund revenue for the fiscal year 2021/2022. The General Fund Reserve meets the financial policy guideline.

***2. The rate of growth in General Fund operating expenditures will be less than the increase in operating revenues.***

The General Fund operating revenues are projected to increase by 6.20%. This change in revenues is due to increases in intergovernmental revenues, which includes several grant opportunities; increases in fees for construction permits; and a significant increase in local sales tax. Operating expenditures are projected to increase by 6.48% over the last fiscal year 2020/2021 budget. The increase in expenditures is due to adding a new \$500,000 contingency account to the General Fund; 13% increase in retiree insurance benefits; 7% increase in general insurance; annual adjustments to personnel salaries and benefits; and a priority to improve the backlog of existing repairs to park facilities. Although the departments continue to hold the line on spending, the increases mentioned above are not within their control. We did not meet this policy mainly due to reallocating a new contingency account to the General Fund.

***3. Excess cash in the General Fund, above the 5% non-appropriated reserve, will be transferred to the Capital Projects Fund to help fund future capital projects.***

The Town of Payson has been making a come-back from the past years' recession and continues to experience recent increases in revenues. Even though the pandemic gave us a reason to pause, the Town budgeted \$500,000 to contingency funds and \$1,000,000 to the Capital Replacement Fund for the fiscal period 2021/22. The remaining cash continues to build the fund balance to finance large capital projects in the coming future. The intent of this policy was met.

***4. Use lease/purchase financing for equipment acquisitions valued at more than \$100,000. Continue to allocate funds to the Equipment Replacement Fund for future equipment acquisitions.***

Fiscal year 2018/19 was the first year since the recession that funds were allocated to build up the Equipment Replacement Fund with \$100,000 reserved. Fiscal year 2019/20, another \$100,000 was allocated to the fund. Due to the uncertainty surrounding the pandemic, for 2020/21, capital funding was moved to contingency rather than to the Equipment Replacement Fund. However, at the end of 2020/21 revenues came in significantly higher than projected, which allowed the Town to allocate \$1,000,000 to the Equipment Replacement fund for 2021/22. This policy was met.

***5. Voters of Payson will be allowed to ratify the issuance of any new debt that requires an increase in property tax or sales tax rates.***

There has been no new debt issued since 2005 that would affect property or sales tax rates.

### **COUNCIL INITIATIVES**

Each year the Town Council reviews the Corporate Strategic Plan (CSP), and identifies the top priorities to apply to the new budget. The Town staff uses the Council priorities in creating and executing the short-term and long-term plans. In building the FY2021/22 budget, Council took inputs from citizens and staff, and identified the following priorities:

- Streets, Roads, and Sidewalk improvements
- Parks maintenance and development of a community center with a pool
- Upgrade Public Safety buildings and equipment
- Economic Development focusing on Main Street, Evacuation Route, and Event Center

### **STRATEGIC GOALS AND PRIORITIES**

The Town Council, citizens, and management participate in a strategic planning process to update and enhance the Corporate Strategic Plan. This plan has ten Key Result Areas (KRA). Each KRA consist of priorities and strategies to help guide the organization. These Key Result Areas include:

- KRA 1: Economic Development, Tourism, and Economic Vitality
- KRA 2: Financial Excellence
- KRA 3: Infrastructure
- KRA 4: Innovation and Efficiency
- KRA 5: Neighborhoods and Livability
- KRA 6: Social Services
- KRA 7: The Payson Team
- KRA 8: Public Safety
- KRA 9: Sustainability
- KRA 10: Technology

The development of the Corporate Strategic Plan (CSP) is guided by and linked to the long-term goals identified in the Town of Payson's General Plan. More details regarding the General Plan and the Corporate Strategic Plan can be found in the Planning & Performance section of this book.

### **ECONOMIC FACTORS AFFECTING BUDGET DECISIONS**

Throughout the last five years, the Town of Payson has experienced a steady increase in tax revenues, finally bringing the Town out of the 2008 recession. The progress was temporarily brought to a halt as the Town combats unprecedented challenges in the face of the COVID-19 pandemic. The Town responded promptly to the economic threat by implementing fiscal first aid to stabilize the Town of Payson while maintaining the integrity of the Town's Core Values to serve its residents and the Town's financial policies.

As we maneuver through these unique challenges, it may be difficult to predict how the Town's economy will be affected, including record inflation not seen in four decades. The fiscal year 2021/22 conservative budget accounts for a potential stall in revenue, in conjunction with labor shortages, inflation, and some businesses forced to close. The Town will continue to assess, strategically plan, and respond to the challenges as they develop while simultaneously posturing for recovery and growth.

The budget planning process for fiscal year 2021/2022 is a direct response to the barriers presented by the pandemic, but it also focuses on the trend of increasing revenues. Economic stability,





adaptability, and recovery are the primary focus of the budget, but it also includes continued growth and quality of life to the public. The full extent of the impact of the pandemic on the Town's economy has yet to be fully measured, as we remain amid the pandemic. In some cases, the impact can be delayed for a couple of years. The budget intends to allow for flexibility necessary to support a streamlined recovery by bracing for impact and posturing for strategies that promote resiliency.

The major economic factors impacting the budget for fiscal year 2021/2022 are increasing costs of employee health insurance, workers compensation insurance, competitive wage increases, retirement contributions, and general insurance increases, which continue to put a strain on the budget. However, growth in construction, increase in sales, expansion of the tourism market, and continued recovery of the financial markets is helping to offset some of the impacts. Great progress has been made through the economic development efforts of the "Adventure Where We Live" campaign; and this will continue in the 2021/2022 fiscal year, as we strive to bring new businesses to town and encourage construction-related activity. Tourism also impacted an increase in sales tax and bed tax revenue. Additionally, grant opportunities have increased due to the significant input of funds from the American Recovery Plan Act (ARPA) passed by Congress. As we struggle with the uncertainties of the economic picture moving forward, the Town of Payson has a moral obligation to follow our plans that protect our residents against damaging service cuts while enhancing the quality of life.



**The Town of Payson is dedicated to enhancing the quality of life for our citizens by working hard to provide a superior level of service in the most effective and efficient manner while exercising fiscal responsibility.**

## ***TOWN OF PAYSON MISSION***

### **We...**

- ◆ **Value open communication**
- ◆ **Encourage citizen participation**
- ◆ **Operate honestly and fairly**
- ◆ **Conduct ourselves through unity and teamwork**
- ◆ **Respect our differences**
- ◆ **Treasure our natural resources and unique environment**

## ***OUR CORE VALUES***

### ***LEADERSHIP***

- ❖ Establish an inspiring vision that creates a government that works better and costs less.
- ❖ Create an atmosphere of innovation, risk-taking, and tolerance for mistakes.
- ❖ Recognize failure as the price paid for improvement.
- ❖ Lead by example, by involvement, and demonstrate commitment to quality, service, and customers – “walk the talk.”
- ❖ Create a system of guidelines not rules.
- ❖ Remove “red tape” to achieve the organization’s mission.
- ❖ Practice a “can do” attitude.
- ❖ Solicit and listen intently to employees’ requirements and expectations.
- ❖ Recognize and reward quality and customer service initiatives.
- ❖ Recognize change is a given, not government as usual.

### ***EMPOWERED EMPLOYEES***

- ❖ Empower the people closest to the customer, working individually or in teams, to continuously improve the organization’s quality and services.
- ❖ Commit the entire organization to achieving total customer satisfaction.
- ❖ Empower people to make decisions based on their experience, skill, training and capability, rather than their position.
- ❖ Share decision-making and allow people to take authority and responsibility for the organization’s mission.
- ❖ Encourage use of individual judgment to do what needs to be done.
- ❖ Empower employees to contribute to customer satisfaction regardless of organizational level.

### ***CUSTOMER FOCUS***

- ❖ Demonstrate a passion for customer service.
- ❖ Care about employees, so they will be more likely to care about customers.
- ❖ Measure organizational and employee success based on customer satisfaction.
- ❖ Solicit and listen intently to customer requirements and expectations.
- ❖ Maximize the positive impact of customers’ first impressions.
- ❖ Collect customer feedback continuously and use it to improve quality.
- ❖ Achieve customer satisfaction by assessing the specific needs and expectations of each individual customer.

### ***CONTINUOUS IMPROVEMENTS***

- ❖ Commit “every day, in every way, to getting better and better.”
- ❖ Plan for quality.
- ❖ Make quality a never ending effort.
- ❖ Have customers define quality.
- ❖ Let customer feedback drive quality improvements.
- ❖ Focus on process improvements to increase quality.
- ❖ Create a culture in which the right things are done the first time and every time.

## ELECTED TOWN OFFICIALS

July 1, 2021

Mayor	Tom Morrissey
Vice Mayor	Chris Higgins
Councilmember	Barbara Underwood
Councilmember	Suzy Tubbs-Avakian
Councilmember	Jim Ferris
Councilmember	Jolynn Schinstock
Councilmember	Scott Nossek







## TOWN MANAGEMENT

July 1, 2021

TOWN MANAGER

Troy Smith

DEPUTY TOWN MANAGER / PUBLIC WORKS DIRECTOR

Sheila DeSchaaf

DEPUTY TOWN MANAGER OF ADMINISTRATIVE SERVICES

Kevin Artz

TOWN CLERK

Tracie Bailey

TOWN ATTORNEY

Pierce Coleman (Contracted)

MAGISTRATE

Dorothy Little

FIRE CHIEF

David Staub

POLICE CHIEF

Ronald Tischer

FINANCE MANAGER

Heidi Gregory

HUMAN RESOURCES MANAGER

Lynne O'Donnell

LIBRARY DIRECTOR

Emily Linkey

PARKS, RECREATION & TOURISM (INTERIM) DIRECTOR

Christine Smith

COMMUNITY DEVELOPMENT DIRECTOR

Doni Wilbanks

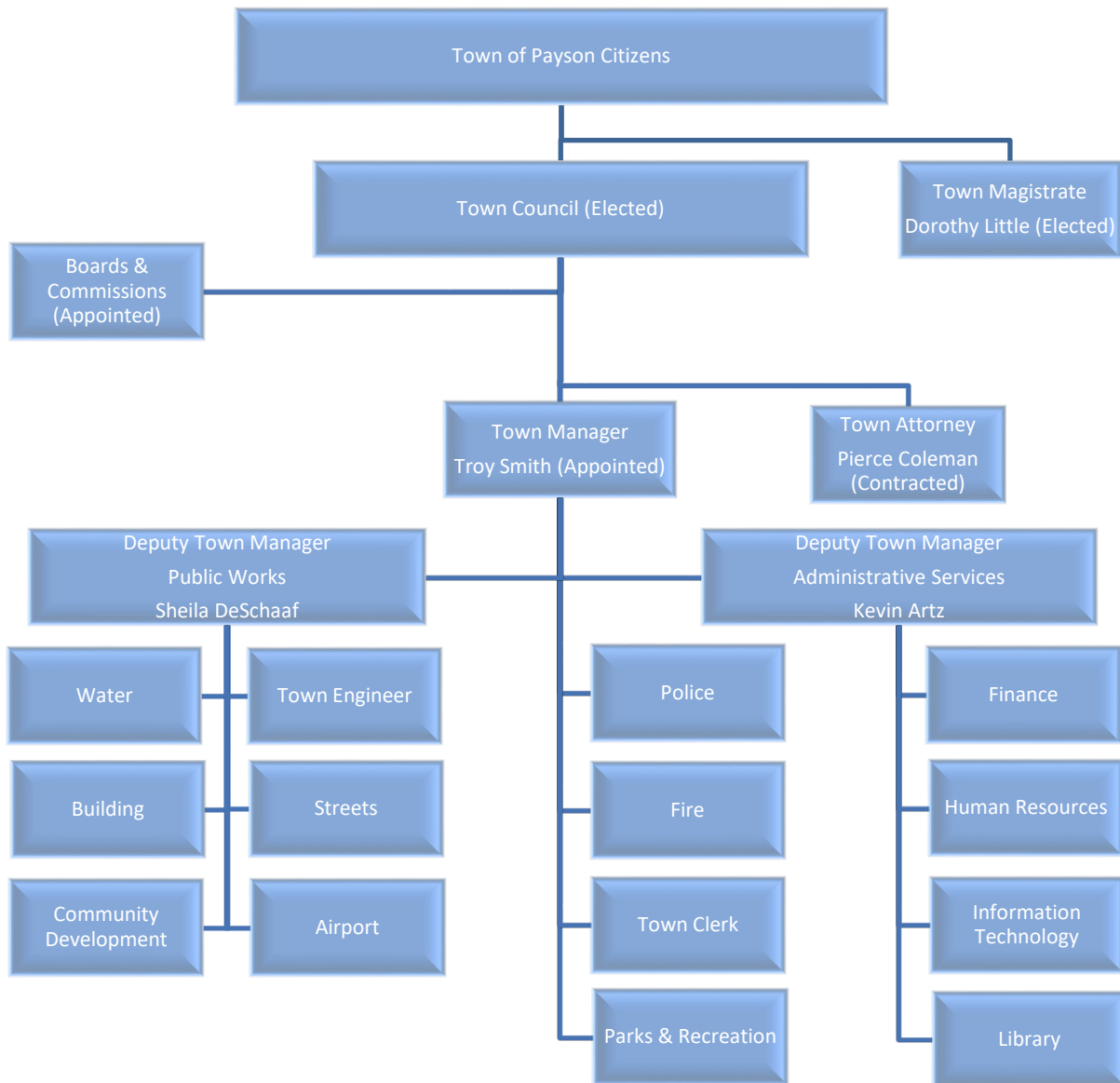
WATER SUPERINTENDENT

Tanner Henry

INFORMATION TECHNOLOGY MANAGER

Steve DeHaan

## Management Organizational Chart



### Department Management

Henry Tanner, Water Superintendent  
 Larry Halberstadt, Town Engineer  
 Ray LaHaye, Chief Building Official  
 Sky Hill, Streets Operations Manager  
 Doni Wilbanks, Community Development Director  
 Dennis Ducker, Airport Coordinator

Ronald Tischer, Police Chief  
 David Staub, Fire Chief  
 Tracie Bailey, Town Clerk  
 Christine Smith, Parks & Rec Director

Heidi Gregory, Finance Manager  
 Lynne O'Donnell, Human Resources Manager  
 Steve DeHaan, Information Technology Manager  
 Emily Linkey, Library Director



## **RESOLUTION NO: 3252**

### **A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF PAYSON, ARIZONA, ADOPTING ESTIMATES OF REVENUES AND EXPENDITURES/EXPENSES, AND ADOPTING SUCH ESTIMATES AS PAYSON'S FINAL BUDGET FOR FISCAL YEAR 2021-2022.**

**WHEREAS**, in accordance with the provisions of Title 42, Chapter 17, Arizona Revised Statutes, on June 24, 2021, the Mayor and Council made an estimate of the different amounts required to meet public expenses for the ensuing year; and

**WHEREAS**, the Mayor and Council also made an estimate of receipts from sources other than direct taxation and of the amount to be raised by taxation upon real and personal property within the Town; and

**WHEREAS**, in accordance with Title 42, Chapter 17, and following due public notice, the Mayor and Council met on July 8, 2021, at which meeting any taxpayer was privileged to appear and be heard in favor of or against any of the proposed expenditures/expenses and tax levies; and

**WHEREAS**, the Mayor and Council find that the required publication has been made (on July 2, 2021 and July 6, 2021) of the estimates together with a notice that the Mayor and Council would meet on July 8, 2021, in the Town Council Chambers at Town Hall, 303 North Beeline Highway, Payson, Arizona, for the purpose of adopting the final budget for FY 2021-2022; and

**WHEREAS**, the Mayor and Town Council find that publication has been duly made (as required by law) of said estimates together with a notice that the Mayor and Town Council would meet on July 8, 2021, in the Town Council Chambers at Town Hall, 303 North Beeline Highway, Payson, Arizona, for the purpose of making tax levies as set forth in the estimates; and

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

### **NOW, THEREFORE, THE MAYOR AND COUNCIL OF THE TOWN OF PAYSON, ARIZONA, DO RESOLVE AS FOLLOWS:**

Section 1: The estimates of revenue and expenditures/expenses shown on Attached (Exhibit A) Schedules A through G are adopted as the budget for the Town of Payson for Fiscal Year 2021-2022.

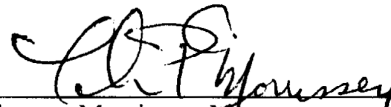
Section 2: The Town of Payson and Town Officials are authorized to take such other actions as are necessary to carry out the purposes and intent of this Resolution.

**JUL 08 2021 SPA. 1.B**



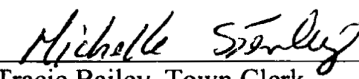
**PASSED AND ADOPTED BY THE MAYOR AND COUNCIL OF THE TOWN OF  
PAYSON, ARIZONA, this 8<sup>th</sup> day of July, 2021, by the following vote:**

AYES 7 NOES 0 ABSTENTIONS 0 ABSENT 0

  
Thomas Morrissey, Mayor

ATTEST:

APPROVED AS TO FORM:

  
for Tracie Bailey, Town Clerk  
Deputy Town clerk

/s/ Aaron D. Arnson  
Pierce Coleman PLLC, Town Attorney



## EXHIBIT “A”

To Resolution No. 3252

Arizona Auditor General’s Office  
Official Towns/Cities Budget Documents  
(Schedules A through G)



## Town of Payson Official City Town Budget Forms

### TOWN OF PAYSON Summary Schedule of Estimated Revenues and Expenditures/Expenses Fiscal Year 2022

Fiscal Year	S c h	FUNDS							
		General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Permanent Fund	Enterprise Funds Available	Internal Service Funds	Total All Funds
2021 Adopted/Adjusted Budgeted Expenditures/Expenses*	E 1	20,020,800	11,262,700	82,300	1,622,300	0	10,069,500	0	43,057,600
2021 Actual Expenditures/Expenses**	E 2	18,522,000	9,547,100	82,200	259,300	0	7,878,900	0	36,289,500
2022 Fund Balance/Net Position at July 1***	3	10,996,462	3,195,408		50,049		22,044,538		36,286,457
2022 Primary Property Tax Levy	B 4	700,400							700,400
2022 Secondary Property Tax Levy	B 5								0
2022 Estimated Revenues Other than Property Taxes	C 6	20,523,100	10,523,300	56,800	914,800	0	8,573,800	0	40,591,800
2022 Other Financing Sources	D 7	0	0	0	0	0	412,000	0	412,000
2022 Other Financing (Uses)	D 8	412,000	0	0	0	0	0	0	412,000
2022 Interfund Transfers In	D 9	976,500	745,800	28,400	1,029,400	0	0	0	2,780,100
2022 Interfund Transfers (Out)	D 10	1,509,200	294,400	0	0	0	976,500	0	2,780,100
2022 Reduction for Amounts Not Available:	11								
LESS: Amounts for Future Debt Retirement:									0
Future Capital Projects									0
Maintained Fund Balance for Financial Stability									0
									0
									0
2022 Total Financial Resources Available	12	31,275,262	14,170,108	85,200	1,994,249	0	30,053,838	0	77,578,657
2022 Budgeted Expenditures/Expenses	E 13	22,871,000	12,722,000	85,200	1,217,400	0	12,204,300	0	49,099,900

#### EXPENDITURE LIMITATION COMPARISON

	2021	2022
1 Budgeted expenditures/expenses	\$ 43,057,600	\$ 49,511,900
2 Add/subtract: estimated net reconciling items		
3 Budgeted expenditures/expenses adjusted for reconciling items	43,057,600	49,511,900
4 Less: estimated exclusions		
5 Amount subject to the expenditure limitation	\$ 43,057,600	\$ 49,511,900
6 EEC expenditure limitation	\$ 43,057,600	\$ 49,511,900

☐ The city/town does not levy property taxes and does not have special assessment districts for which property taxes are levied. Therefore, Schedule B has been omitted.

\* Includes Expenditure/Expense Adjustments Approved in the current year from Schedule E.

\*\* Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.

\*\*\* Amounts on this line represent Fund Balance/Net Position amounts except for amounts not in spendable form (e.g., prepaids and inventories) or legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

## Revenues Other than Property Taxes Fiscal year 2022

SOURCE OF REVENUES	ESTIMATED REVENUES 2021	ACTUAL REVENUES* 2021	ESTIMATED REVENUES 2022
<b>GENERAL FUND</b>			
<b>Local taxes</b>			
Sales Tax - Town	\$ 10,700,000	\$ 12,800,000	\$ 12,000,000
<b>Licenses and permits</b>			
Franchise Fees	395,000	405,300	406,900
Business Licenses	74,000	73,400	74,000
Liquor Licenses	1,200	900	1,000
Building/ROW Permits	345,400	391,400	380,400
<b>Intergovernmental</b>			
State Shared Revenue	3,693,400	3,959,300	3,500,000
Property Taxes - Prior Year	5,000	4,700	5,000
Vehicle License Tax	1,185,100	1,300,000	1,100,000
Tonto Apache Tribe	43,000	39,200	36,200
Police Services IGA	13,800	261,100	331,600
Gila County	448,600	3,000	6,800
Fire Services IGA	922,000	443,400	503,000
Grants	182,500	256,200	1,280,500
<b>Charges for services</b>			
Prosecution Fees	16,000	30,600	30,000
Law Enforcement Charges	7,000	17,100	7,200
Fire Service Charges	7,800	17,000	12,500
Recreation Fees	136,000	90,000	120,800
Zoning Charges	35,000	43,000	40,000
Building Inspections	6,900	16,000	10,000
Engineering\Plan Review	182,500	226,700	200,500
<b>Fines and forfeits</b>			
Court Fines and Fees	122,000	160,000	155,000
<b>Interest on investments</b>			
Interest	50,000	5,000	5,000
<b>In-lieu property taxes</b>			
None			
<b>Contributions</b>			
Voluntary Contributions	4,200	6,400	2,100
<b>Miscellaneous</b>			
Other Revenue	289,300	315,500	251,100
Insurance Recoveries	10,000	12,600	10,000
Surplus Sales	40,000	13,300	40,000
Facilities Lease Fees	13,000	13,300	13,500
<b>Total General Fund</b>	<b>\$ 18,746,200</b>	<b>\$ 20,891,100</b>	<b>\$ 20,523,100</b>
<p>* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.</p>			

## SPECIAL REVENUE FUNDS

### Highway User Revenue Fund--202

Highway Users Gas Tax	\$ 1,846,600	\$ 1,878,700	\$ 1,723,800
Gila County Transportation Tax	870,000	1,104,500	905,300
Inspection Fees		55,000	55,000
Grants	1,651,400	54,000	1,513,400
Other Revenue	14,000	3,000	14,000
	\$ 4,382,000	\$ 3,095,200	\$ 4,211,500

### Recreation Facility Improvement Fund--206

Facility Fees	\$ 14,000	\$ 11,500	\$ 9,000
	\$ 14,000	\$ 11,500	\$ 9,000

### Gifts & Grants Fund--210

Donations - Fire	\$ 100,000	\$	\$ 50,000
	\$ 100,000	\$	\$ 50,000

### Wildland Fire Program--212

Wildland Fire Fees	\$ 120,000	\$ 91,000	\$ 120,000
	\$ 120,000	\$ 91,000	\$ 120,000

### Bed Tax Fund--214

Bed Tax	\$ 330,000	\$ 490,000	\$ 400,000
	\$ 330,000	\$ 490,000	\$ 400,000

### Police Dept of Justice/Impound--215, 216

Defense 1033 Revenue	\$	\$ 31,241	\$
Local RICO Revenue	3,000		
Public Surplus Sales	55,000	25,400	20,000
Impound Fees	9,000	15,000	10,000
	\$ 67,000	\$ 71,641	\$ 30,000

### Library Fund--224

Gila County Library District	\$ 235,000	\$ 235,000	\$ 238,000
Fines	6,000	5,600	4,800
Other Revenue	51,000		100
	\$ 292,000	\$ 240,600	\$ 242,900

### Magistrate Court Funds--231, 233

Magistrate Court - Contributions	\$ 4,000	\$ 4,200	\$ 4,000
	\$ 4,000	\$ 4,200	\$ 4,000

### Airport Fund--260

Airport Grants	\$ 1,003,500	\$ 965,200	\$
Charges for Services	105,200	115,200	113,500
Miscellaneous Revenue	30,600	1,000	21,800
	\$ 1,139,300	\$ 1,081,400	\$ 135,300

### Event Center Fund--265

Event Center Grants	\$ 3,000	1,000	\$ 203,000
Event Revenue	116,000	115,000	108,000
	\$ 119,000	\$ 116,000	\$ 311,000

### Pandemic Funds--285, 286

AZ Cares Act Fund	\$ 1,815,500	1,815,500	\$
American Rescue Plan Act Fund			2,640,600
	\$ 1,815,500	\$ 1,815,500	\$ 2,640,600

### Health Insurance Fund--290

Employee Contributions	\$ 400,000	\$ 452,800	\$ 466,400
Employer Contributions	882,900	1,014,600	1,000,000
Retiree Contributions	145,800	145,000	153,600
Employer Retiree Contributions	640,000	667,000	749,000
	\$ 2,068,700	\$ 2,279,400	\$ 2,369,000

**Total Special Revenue Funds** \$ 10,451,500 \$ 9,296,441 \$ 10,523,300

\* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

#### DEBT SERVICE FUNDS

Westerly Rd. Assessment - Principal	\$ 52,000	\$ 52,000	\$ 55,300
Westerly Rd. Assessment - Interest	4,500	4,500	1,500
	\$ 56,500	\$ 56,500	\$ 56,800

**Total Debt Service Funds** \$ 56,500 \$ 56,500 \$ 56,800

#### CAPITAL PROJECTS FUNDS

##### Grant Capital Project Funds

Grants	\$ 927,300	\$ 199,900	\$ 914,800
	\$ 927,300	\$ 199,900	\$ 914,800

##### American Gulch Improvement District

Grants	\$ 240,000	\$	\$
	\$ 240,000	\$	\$

**Total Capital Projects Funds** \$ 1,167,300 \$ 199,900 \$ 914,800

#### ENTERPRISE FUNDS

Intergovernmental	\$ 40,000	\$ 10,000	\$ 25,000
Charges for Services	7,593,100	8,027,400	8,149,300
Impact Fees	210,000	200,000	205,000
Interest Earnings	200,000	8,500	6,000
	\$ 8,043,100	\$ 8,245,900	\$ 8,385,300

Facilities Leases	\$ 75,000	\$ 78,500	\$ 78,500
Loan Repayment	240,000	240,000	
Other	67,000	109,700	110,000
	\$ 382,000	\$ 428,200	\$ 188,500

**Total Enterprise Funds** \$ 8,425,100 \$ 8,674,100 \$ 8,573,800

**TOTAL ALL FUNDS** \$ 38,846,600 \$ 39,118,041 \$ 40,591,800

\* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.



## Other Financing Sources/(Uses) and Interfund Transfers Fiscal Year 2022

FUND	OTHER FINANCING 2022		INTERFUND TRANSFERS 2022	
	SOURCES	(USES)	IN	(OUT)
<b>GENERAL FUND</b>				
Gifts & Grants Fund	\$	\$	\$	\$
Water Fund		412,000	976,500	
Airport Fund				225,400
Grant Capital Projects				29,400
Capital Replacement Fund				1,000,000
HURF				
Library				226,000
Westerly Road				28,400
<b>Total General Fund</b>	\$	\$ 412,000	\$ 976,500	\$ 1,509,200
<b>SPECIAL REVENUE FUNDS</b>				
HURF	\$	\$	\$	\$
Airport Fund			225,400	
Library			226,000	
Council Contingency				
Event Center			294,400	
Bed Tax Fund				294,400
Gifts & Grants Fund				
<b>Total Special Revenue Funds</b>	\$	\$	\$ 745,800	\$ 294,400
<b>DEBT SERVICE FUNDS</b>				
Westerly Road Debt Service	\$	\$	\$ 28,400	\$
<b>Total Debt Service Funds</b>	\$	\$	\$ 28,400	\$
<b>CAPITAL PROJECTS FUNDS</b>				
Capital Replacement Fund	\$	\$	\$ 1,000,000	\$
Grant Capital Project Fund			29,400	
<b>Total Capital Projects Funds</b>	\$	\$	\$ 1,029,400	\$
<b>PERMANENT FUNDS</b>				
N/A	\$	\$	\$	\$
<b>Total Permanent Funds</b>	\$	\$	\$	\$
<b>ENTERPRISE FUNDS</b>				
General Fund	\$ 412,000	\$	\$	\$ 976,500
<b>Total Enterprise Funds</b>	\$ 412,000	\$	\$	\$ 976,500
<b>TOTAL ALL FUNDS</b>	\$ 412,000	\$ 412,000	\$ 2,780,100	\$ 2,780,100

## Expenditures/Expenses by Fund Fiscal Year 2022

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2021	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2021	ACTUAL EXPENDITURES/ EXPENSES* 2021	BUDGETED EXPENDITURES/ EXPENSES 2022
<b>GENERAL FUND</b>				
Central Services	\$ 1,770,400	\$	\$ 1,716,500	\$ 2,069,500
Town Clerk/Elections	247,700		224,500	200,000
Town Manager	305,200		311,500	525,400
Human Resources	235,900		241,800	291,400
Finance	599,800		590,800	447,000
Information Technology	984,400		926,100	1,138,200
Tourism & Economic Vitality	89,900		91,100	77,700
Town Council	102,600		97,000	104,500
Town Attorney/Magistrate Court	703,900		694,900	586,700
Police	6,981,700		6,464,200	7,711,300
Fire	5,271,700		4,950,900	5,657,700
Parks & Recreation	1,608,100		1,452,700	2,262,400
Community Development	1,119,500		760,000	1,799,200
<b>Total General Fund</b>	<b>\$ 20,020,800</b>	<b>\$</b>	<b>\$ 18,522,000</b>	<b>\$ 22,871,000</b>
<b>SPECIAL REVENUE FUNDS</b>				
HURF	\$ 5,207,300	\$	\$ 2,829,600	\$ 5,128,300
Parks & Rec Facility Impr Fund	7,000		5,700	9,000
Gifts & Grants Fund	100,000			50,000
Fire Wildlands	120,000		91,000	120,000
Court FTG				4,000
Bed Tax Fund	143,500		126,500	264,000
Police Dept. of Justice/Impounds	185,000		91,400	129,900
Library Fund	469,000		422,800	468,900
Airport Fund	1,279,100		1,208,200	360,700
Event Center Fund	383,100		380,200	605,400
CARES/ARPA Fund			1,815,500	2,640,600
Health Ins Fund	2,068,700		2,263,300	2,369,000
Council Contingency Fund	1,300,000		312,900	572,200
<b>Total Special Revenue Funds</b>	<b>\$ 11,262,700</b>	<b>\$</b>	<b>\$ 9,547,100</b>	<b>\$ 12,722,000</b>
<b>DEBT SERVICE FUNDS</b>				
Westerly Rd. Debt Service	\$ 82,300	\$	\$ 82,200	\$ 85,200
<b>Total Debt Service Funds</b>	<b>\$ 82,300</b>	<b>\$</b>	<b>\$ 82,200</b>	<b>\$ 85,200</b>
<b>CAPITAL PROJECTS FUNDS</b>				
Capital Replacement Fund	\$ 336,700	\$	\$ 59,400	\$ 122,900
Grant Capital Projects Fund	929,600		169,900	978,500
Public Safety Bond Project	116,000		30,000	116,000
American Gulch	240,000			
<b>Total Capital Projects Funds</b>	<b>\$ 1,622,300</b>	<b>\$</b>	<b>\$ 259,300</b>	<b>\$ 1,217,400</b>
<b>ENTERPRISE FUNDS</b>				
Water Fund	\$ 10,069,500	\$	\$ 7,878,900	\$ 12,204,300
<b>Total Enterprise Funds</b>	<b>\$ 10,069,500</b>	<b>\$</b>	<b>\$ 7,878,900</b>	<b>\$ 12,204,300</b>
<b>TOTAL ALL FUNDS</b>	<b>\$ 43,057,600</b>	<b>\$</b>	<b>\$ 36,289,500</b>	<b>\$ 49,099,900</b>

\* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

## Expenditures/Expenses by Department

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2021	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2021	ACTUAL EXPENDITURES/ EXPENSES* 2021	BUDGETED EXPENDITURES/ EXPENSES 2022
<b>General Government</b>				
General Fund	\$ 1,770,400	\$	\$ 1,716,500	\$ 2,069,500
Council Contingency Fund	1,300,000		312,900	572,200
CARES/ARPA Fund			1,815,500	2,640,600
Health Insurance Fund	2,068,700		2,263,300	2,369,000
Capital Replacement Fund	336,700		59,400	122,900
<b>Department Total</b>	<b>\$ 5,475,800</b>	<b>\$ -</b>	<b>\$ 6,167,600</b>	<b>\$ 7,774,200</b>
<b>Community Development</b>				
General Fund	1,119,500		760,000	1,799,200
American Gulch	240,000			
Grant Capital Projects-CDBG	253,700		115,900	183,400
<b>Department Total</b>	<b>\$ 1,613,200</b>	<b>\$ -</b>	<b>\$ 875,900</b>	<b>\$ 1,982,600</b>
<b>Fire</b>				
General Fund	5,271,700		4,950,900	5,657,700
Gifts & Grants				50,000
Grant Capital Projects	527,900			587,600
Wildlands	120,000		91,000	120,000
<b>Department Total</b>	<b>\$ 5,919,600</b>	<b>\$ -</b>	<b>\$ 5,041,900</b>	<b>\$ 6,415,300</b>
<b>Parks, Recreation &amp; Tourism</b>				
General Fund	\$ 1,698,000	\$	\$ 1,543,800	\$ 2,340,100
Event Center	383,100		380,200	605,400
Parks & Rec Facility Imprv.Fund	7,000		5,700	9,000
Gifts & Grants Fund	100,000			
Bed Tax Fund	143,500		126,500	264,000
Grant Capital Projects Fund				207,500
<b>Department Total</b>	<b>\$ 2,331,600</b>	<b>\$ -</b>	<b>\$ 2,056,200</b>	<b>\$ 3,426,000</b>
<b>Police</b>				
General Fund	6,981,700		6,464,200	7,711,300
Police Dept. of Justice\Impounds	185,000		91,400	129,900
Public Safety Bond Project	116,000		30,000	116,000
Grant Capital Project Fund	148,000		54,000	
<b>Department Total</b>	<b>\$ 7,430,700</b>	<b>\$ -</b>	<b>\$ 6,639,600</b>	<b>\$ 7,957,200</b>
<b>Public Works</b>				
HURF	\$ 5,207,300	\$	\$ 2,829,600	\$ 5,128,300
Airport Fund	1,279,100		1,208,200	360,700
Westerly Rd. Debt Service	82,300		82,300	85,200
<b>Department Total</b>	<b>\$ 6,568,700</b>		<b>\$ 4,120,100</b>	<b>\$ 5,574,200</b>
<b>Other Departments</b>				
Town Clerk\Elections	247,700		224,600	200,000
Town Manager	305,200		311,500	525,400
Human Resources	235,900		241,800	291,400
Finance	599,800		590,800	447,000
Information Technology	984,400		926,100	1,138,200
Town Council	102,600		97,000	104,500
Town Attorney\Magistrate Court	703,900		694,900	590,700
Library Fund	469,000		422,800	468,900
Water Fund	10,069,500		7,878,900	12,204,300
<b>Other Departments Total</b>	<b>\$ 13,718,000</b>	<b>\$ -</b>	<b>\$ 11,388,400</b>	<b>\$ 15,970,400</b>
<b>Grand Total</b>	<b>\$ 43,057,600</b>	<b>\$ -</b>	<b>\$ 36,289,700</b>	<b>\$ 49,099,900</b>

\* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

## Quick Reference Guide

This Quick Reference Guide will help you find answers to commonly asked budget questions. The Table of Contents will lead you to specific sections of the budget with more detail.

If you have this question...	Refer to	Page
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## HOW TO MAKE THE BEST USE OF THIS DOCUMENT

The purpose of the budget document is to present the Town Council and Citizens with a clear picture of the services that the Town provides and the available policy alternatives. Additionally, the budget document provides Town Management with a financial and operating plan that conforms to the direction of the Citizens and Council. The following outline provides descriptions of the major sections of the budget document.

**INTRODUCTION:** Includes the Town's principal officials, organizational chart, mission statement, and core values. The Town Manager's Budget Message and the Mayor's Budget Message provide an overview of the key issues, programs, and policies that drive the formation of this budget.

**TOWN & COMMUNITY PROFILE:** Provides information about the Town, including demographic statistics and Town staffing.

**PLANNING & PERFORMANCE:** This section presents information regarding the Town's short-term and long-term planning documents and performance measures that quantify progress towards the defined goals. An overview of the General Plan, as well as the detailed Corporate Strategic Plan (CSP), are included in this section. The complete plan documents can be viewed at <http://www.paysonaz.gov/>.

**CAPITAL IMPROVEMENT PLAN:** Provides information about existing and proposed capital projects.

**THE BUDGET PROCESS:** Outlines the steps taken to create the budget. Designed to clarify terminology and outline the accounting structure used in the creation of the budget.

**FUND SUMMARY:** This section provides more specific information regarding revenues and expenditures within the various funds.

**BUDGET SUMMARY:** Presents budget summaries in various formats: sources and uses, total financial program, revenue, and expenditure summary. Includes both a summary and details of revenue by fund, an expenditure summary by function, and expenditure detail by object level for all funds combined, as well as a list of changes to the Fee Schedule.

**DEPARTMENT BUDGETS:** Provides a detailed look at each department and each division within the department.

**SUPPLEMENTAL INFORMATION:** This section presents the Town's financial policies and the glossary.





# **TOWN & COMMUNITY PROFILE**



## ABOUT PAYSON

### GENERAL INFORMATION

Payson is intersected by State Routes 87 and 260, just 90 miles north of Phoenix, Arizona. The Town's boundaries enclose 20.46 square miles in Northern Gila County. Payson is nestled below Arizona's Mogollon Rim at an elevation of approximately 5,000 feet and enjoys a moderate four-season climate. It is surrounded by the Tonto National Forest and the world's largest stand of virgin Ponderosa Pines.

The Payson Townsite was established in 1882 with a population of 40. It was first known as Union Park, although residents referred to the Town as Green Valley. The first post office was opened in 1884 and the postmaster officially changed the name of the Town to Payson, in honor of Senator Louis Edward Payson who was the congressional head of the Post Office and Post Roads at the time. Payson was incorporated in 1973.

In its early years, Payson's economy was based on logging, ranching, and mining. This western heritage still lives on in Payson through its many festivals and events. The Payson Rodeo, now billed as the "World's Oldest Continuous Rodeo", came into being in 1884. The Hashknife Pony Express also makes its annual historic run through Payson, picking up letters for delivery. Other events include arts & crafts fairs, classic car shows, Mountain High Days Festival, Annual Monster Mudda, farmer's markets, and the State Championship Fiddlers Contest.

Tourism, home building, and the retirement industries dominate the current economy with a growing emphasis on manufacturing and service firms. Also being encouraged is a light industry that is compatible with the community's "High Quality of Life". Payson's major employers include the Payson Unified School District, Mazatzal Casino, Gila County, Banner Payson Medical Center, Walmart, and the Town of Payson.





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## **FORM OF GOVERNMENT**

The Town operates under the council-manager form of government. The Town Council, which has policy-making and legislative authority, consists of a mayor and a six-member council. The Town Council is responsible for, among other things, passing ordinances, resolutions, and adopting the Town's annual budget. They also appoint committees and hire the Town Manager and Town Attorney. The Council is elected on a nonpartisan "at large" basis. Council members are elected to four-year staggered terms with three Council members elected every two years. The qualified electors of the Town directly elect the Mayor for a two-year term. The Town Manager is responsible for carrying out the policies, ordinances, and resolutions of the Council, and for overseeing the day-to-day operations of the Town.

The municipal government is broken down into departments that are headed by directors/managers. These directors/managers are hired by and report to the Town Manager or Deputy Town Managers.

The **Town Manager's Department** currently encompasses the Town Manager, Deputy Town Manager of Administrative Services, and Management Analyst. The Town Manager serves as the Chief Administrative Officer supervising the activities of Town departments, implementing Council policy, providing information to the media, and serving as the intergovernmental liaison for the Town. The Town Manager's Department is headed by the Town Manager.

The **Information Technology (IT) Department** is responsible for keeping Payson's computer technology productive and up-to-date. The IT Department is headed by the IT Manager.

The **Town Clerk Department** provides support to the Town Manager, Mayor, and Council, including council meeting agendas and minutes, elections, Town code maintenance, records management, public information requests, and public notices. This department is led by the Town Clerk.

The **Financial Services Department** provides support for the various cost centers. In addition to accounting for the Town's revenues and expenditures, the department also performs cash management, accounts payable, capital assets, accounts receivable, grant monitoring, banking relations, monthly reporting, audit, and debt service functions. The department compiles the annual budget and prepares the Annual Comprehensive Financial Report. This department is led by the Finance Manager.

The **Human Resources Department** handles the administration of employee and retiree benefits, personnel policies and procedures, recruitment, employee training and development, risk management, administration of safety compliance programs, and payroll. This department is led by the Human Resources Manager.



The **Legal Department** represents and provides legal advice to the Mayor, Town Council, and Department Heads. Responsibilities include reviewing contracts, drafting ordinances and resolutions, as well as providing oral and written legal opinions. This department also prosecutes all misdemeanor criminal matters committed within the Town limits and filed with the Town Magistrate Court. The Legal Department is led by the Town Attorney. In February 2020, the Town outsourced the position of Town Attorney to the law firm of Pierce Coleman, PLLC. In January 2021, the Town outsourced the responsibilities of Town Prosecutor to the Law Office of Mark Iacovino.

The **Police Department** enforces local, state, and federal laws in addition to protecting citizens and their property. The department is also responsible for the enforcement of all animal control laws and licenses. The department consists of three divisions. The Communications Division provides dispatch services. The General Operations Division consists of law enforcement, records, evidence, customer service, and clerical functions. The Special Operations Division consists of school resource officers, animal control, and law enforcement grants. The department is headed by the Chief of Police.

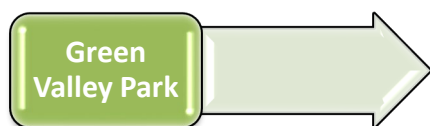
The **Fire Department** provides emergency services which include responses to fires, medical emergencies, technical rescues, and first responder level response to hazardous materials incidents. The Fire Department also participates in the Wildland/Urban Program which allows departments from all over the state to enter into agreements to facilitate the movement of firefighting resources to any wildland fire. The department is led by the Fire Chief.

The **Community Development Department** is headed by the Community Development Director and consists of four divisions: Administration, Planning & Zoning, Building Services, and Economic Development. The Administration Division provides central services to support the other Divisions. The Planning & Zoning Division assists residents, businesses, and developers through development services and revitalization/redevelopment activities, providing comprehensive long-range planning and current land use services to the Town and its citizens while ensuring compliance with federal, state, and local laws. The Building Services Division provides information and services to the building community and ensures that all structures are built in compliance with the adopted building codes. The Economic Development division is responsible for assisting prospective new businesses and serving as an ombudsman for existing businesses while focusing on economic diversification and guiding investment in infrastructure and other capital projects to stimulate private sector development and job growth.

The **Parks, Recreation & Tourism (PR&T) Department** provides recreational opportunities to the citizens of Payson. The Recreation Division develops all of the recreational programs offered by the Town. The Multi-Event Center Division hosts large-scale special events such as equestrian activities. The Trails and Open Spaces Division is responsible for the construction and maintenance of the interconnecting trail system. The Tourism Division markets the Town to potential visitors. The Aquatics Division oversees activities at Taylor pool, which is currently closed. The Parks Operations Division provides quality development and upkeep of the Town's park system. In FY16/17, staff from the Parks Operations Division reported to the Recreation & Tourism Director, but the budget remained under Public Works. Starting in FY17/18, the budget was also moved under the PR&T Department. The Parks, Recreation & Tourism Department is headed by the Parks, Recreation & Tourism Director.

The **Public Works Department** provides services to support various Town departments, such as review of plats, development plans, street maintenance and new construction, public works maintenance contracts, and oversight of new construction within the Town's right-of-way. The Streets Division maintains the 111.1 miles of streets in Town. The Airport Division provides aviation services to Payson and the surrounding areas. The Water Division is a public water utility that supplies drinking water to approximately 16,000 people within a 20.46 square mile area. The Public Works Department is led by the Public Works Director.

The **Library** offers a variety of programs for its patrons as well as a vast collection of books and other media. The Library is led by the Library Director.





## Where is Payson, Arizona?

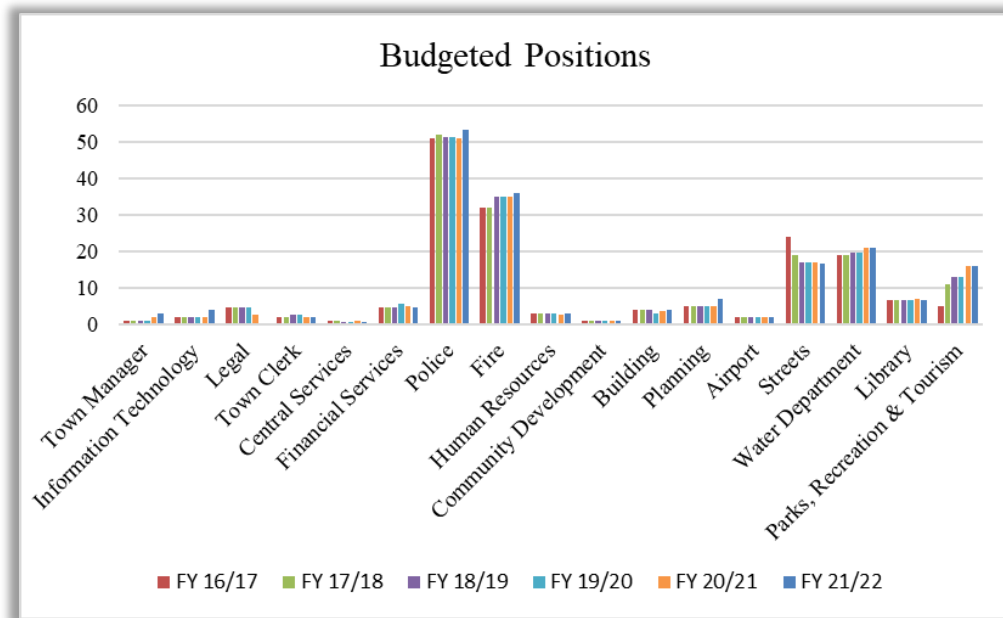


Payson has been called the “Heart of Arizona” because it is located almost exactly in the geographic center of the state. Our town of 20.46 square miles in Northern Gila County is intersected by State Routes 87 and 260 and is nestled just below the Mogollon Rim.

## TOWN STAFFING HISTORY

### Town Budgeted Positions

Department	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22
Town Manager	1	1	1	1	2	3
Information Technology	2	2	2	2	2	4
Legal	5	5	5	5	2.5	0
Town Clerk	2	2	3	3	2	2
Central Services	1	1	1	1	1	0.5
Financial Services	5	5	5	6	5	4.5
Police	51	52	52	52	51	53.5
Fire	32	32	35	35	35	36
Human Resources	3	3	3	3	2.5	3
Community Development	1	1	1	1	1	1
Building	4	4	4	3	3.5	4
Planning	5	5	5	5	5	7
Airport	2	2	2	2	2	2
Streets	24	19	17	17	17	16.5
Water Department	19	19	20	20	21	21
Library	7	7	7	7	7	6.5
Parks, Recreation & Tourism	5	11	13	13	16	16
Total Budgeted Positions	168	170	173	173	175.5	180.5



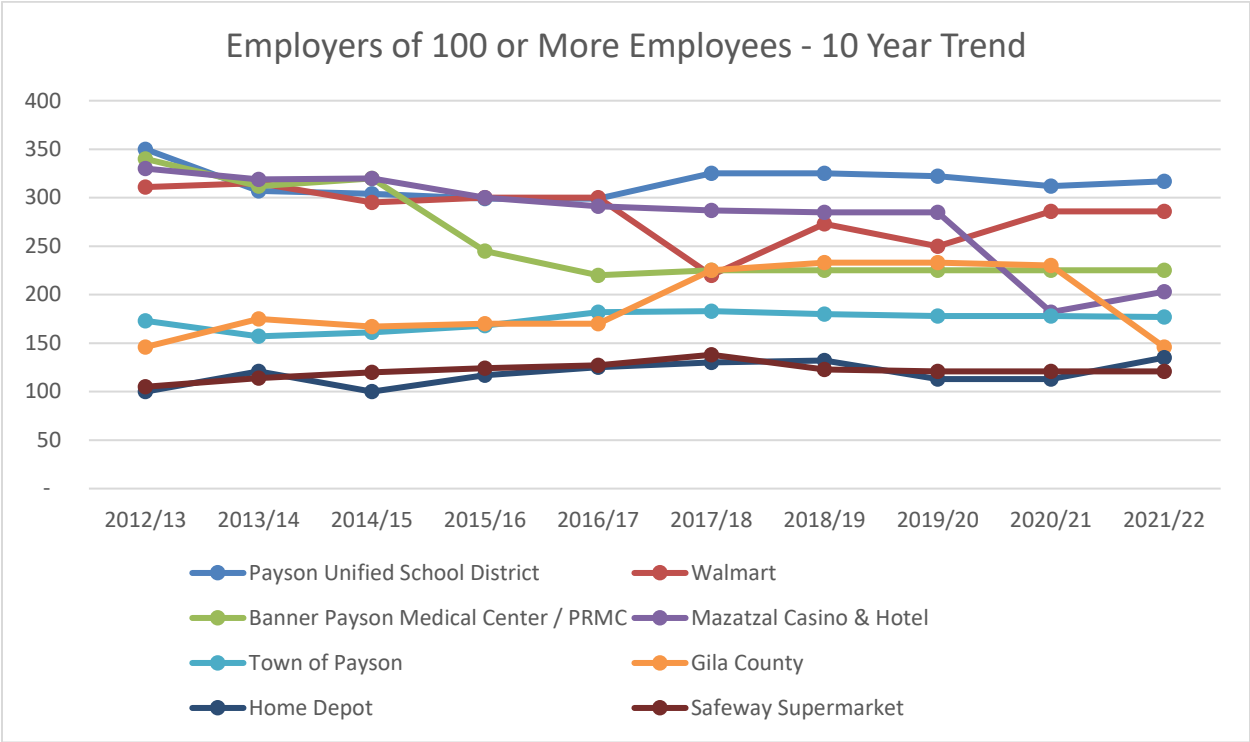
Significant personnel related changes to the budgeted positions include:

- Added two new positions to the Information Technology Department
- Added one firefighter position for the Fire Department and cancelled Reserve positions
- Added two police officer positions to provide support to Star Valley
- Reallocated two positions for a new public works project manager and assistant engineer
- Moved part-time Victims Advocate position from Legal to the Police Department
- Moved one position from the Finance Department to the Town Manager office

### Principal Employers in Payson

Employers	Fiscal Year									
	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Payson Unified School District	350	307	304	299	299	325	325	322	312	317
Walmart	311	315	295	300	300	220	273	250	286	247
Banner Payson Medical Center / PRMC	340	312	320	245	220	225	225	225	225	225
Mazatzal Casino & Hotel	330	319	320	300	291	287	285	285	182	203
Town of Payson	173	157	161	168	182	183	180	178	178	177
Gila County	146	175	167	170	170	225	233	233	230	146
Home Depot	100	121	100	117	125	130	132	113	113	135
Safeway Supermarket	105	114	120	124	127	138	123	121	121	121
Rim Country Health	153	156	145	156	149	148	139	131	81	95
US Forest Service	70	75	80	80	85	149	78	78	77	83
Basha's Supermarket	64	63	75	71	74	74	65	70	70	78
Payson Care Center	140	152	143	156	154	152	134	135	97	75
Gila Community College							120	121	125	74
Buffalo Golf LLC - Chaparral Pines	69	70	70	70	70	83	82	83	69	71
Black Buffalo LLC - The Rim Golf Club	44	45	47	47	47	47	50	52	53	60
<b>Total</b>	<b>2,395</b>	<b>2,381</b>	<b>2,347</b>	<b>2,303</b>	<b>2,293</b>	<b>2,386</b>	<b>2,444</b>	<b>2,397</b>	<b>2,219</b>	<b>2,107</b>

Sources: Human Resources and Personnel Departments of the above-mentioned businesses.



Sources: Human Resources and Personnel Departments of the above-mentioned businesses.



## Demographic & Economic Statistics

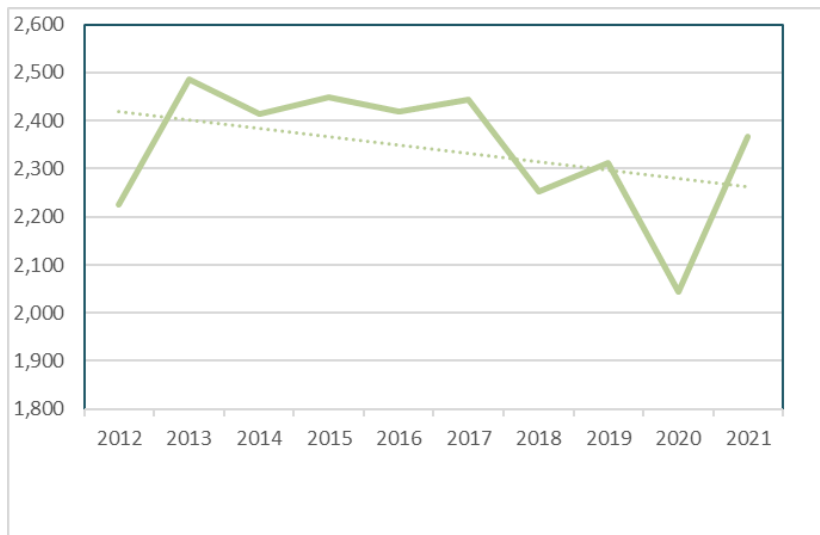
Calendar Year	Population	Median Household	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2021	16,351	\$51,280	\$31,109	60.0	2,368	6.7%
2020	15,338	\$42,987	\$28,627	58.4	2,045	6.3%
2019	15,710	\$46,602	\$28,627	58.4	2,311	5.7%
2018	15,520	\$45,593	\$26,562	57.1	2,253	8.1%
2017	15,476	\$42,856	\$23,461	56.9	2,445	8.2%
2016	15,345	\$42,987	\$23,784	55.5	2,420	3.9%
2015	15,551	\$44,661	\$23,668	52.7	2,450	4.5%
2014	15,245	\$43,535	\$24,690	52.9	2,415	7.5%
2013	15,215	\$43,741	\$24,914	53.1	2,485	9.6%
2012	15,301	\$42,342	\$25,716	53.1	2,225	9.6%

Sources: Sperling's Best Places;  
US Census Bureau 2019 American Community Survey 5-Year Estimates

## School Enrollment

Combined total for Public Elementary School, Junior High School, and High School enrollment as of the start of each school year.

Year	No. of Students
2012	2,225
2013	2,485
2014	2,415
2015	2,450
2016	2,420
2017	2,445
2018	2,253
2019	2,311
2020	2,045
2021	2,368



Source: Payson Unified School District

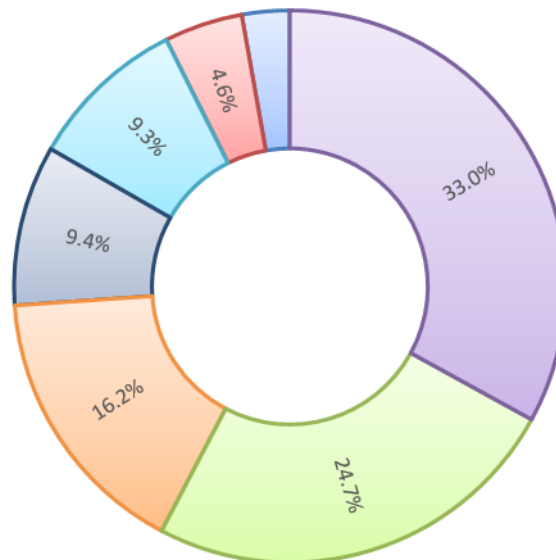


## Educational Attainment

### Population Educational Attainment (over 25 years of age)

Less than 9th grade	2.8%
9th to 12th grade, no diploma	4.6%
High School graduate (no college)	24.7%
Some college	33.0%
Associate's Degree	9.3%
Bachelor's Degree	16.2%
Graduate Degree	9.4%

### Over 25 Educational Attainment



- Less than 9th grade
- 9th to 12th grade, no diploma
- High School graduate (no college)
- Some college
- Associate's Degree
- Bachelor's Degree
- Graduate Degree

Source: <http://worldpopulationreview.com/us-cities/payson-az-population/>

## Population by Sex & Age

<b>Total Population</b>	16,351
Male	46.9%
Female	53.1%
Under 10 years	6.2%
10 to 19 years	8.1%
20 to 29 years	6.9%
30 to 39 years	7.8%
40 to 49 years	8.6%
50 to 59 years	12.5%
60 to 69 years	24.5%
70 to 79 years	16.3%
80 years and over	9.1%

## Population by Race & Ethnicity

### Race & Ethnicity in Payson

- 85.1% White
- 3.5% Native American
- 1.6% Asian
- 0.7% Black
- 0.0% Hawaiian, Pacific Islander
- 0.1% Other
- 1.5% Two or More Races
- 7.5% Hispanic Ethnicity (of any race)

### Marital Status & Children

- 59.9% are married
- 16.1% are divorced or separated
- 8.2% are widowed
- 17.2% households have children

Source: U.S. Census Bureau, 2019 American Community Survey 5-Year Estimates



## Value of Owner-Occupied Housing

Less than \$50,000	6.6%
\$50,000 to \$99,999	5.2%
\$100,000 to \$149,99	8.1%
\$150,000 to \$199,99	19.4%
\$200,000 to \$299,99	31.0%
\$300,000 to \$499,99	17.4%
\$500,000 to \$999,99	11.5%
\$1,000,000 or more	0.8%

## Housing Units by Year Structure Built

2014 and Newer	2.8%
2010 to 2013	0.7%
2000 to 2009	21.4%
1990 to 1999	25.4%
1980 to 1989	25.6%
1970 to 1979	15.9%
1960 to 1969	5.3%
1950 to 1959	1.5%
1940 to 1949	1.4%
1939 and earlier	0.0%

*Source: US Census Bureau 2019 American Community Survey 5-Year Estimates*

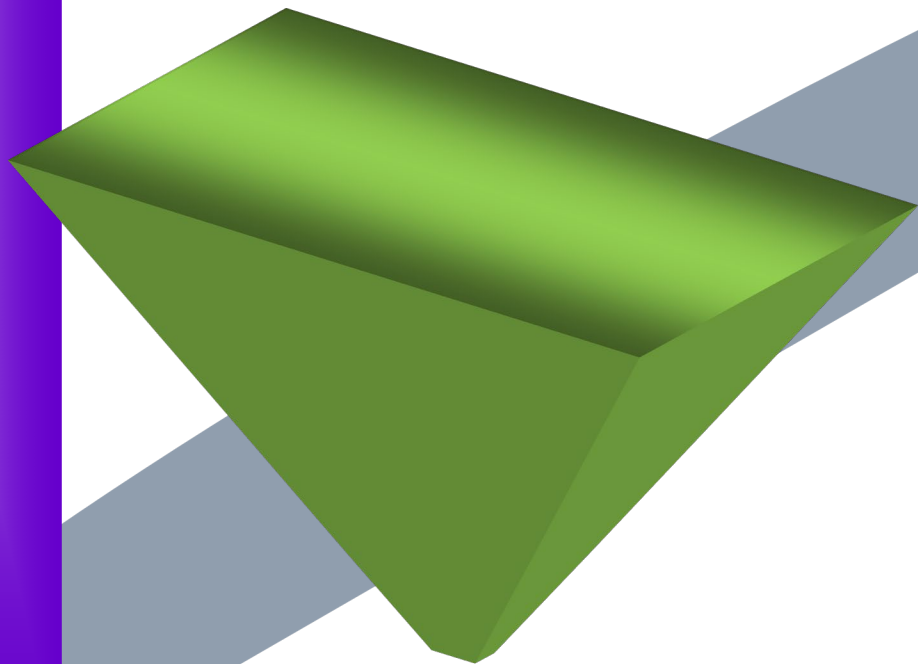
## Comparison of General Housing Statistics

	Payson, AZ	United States
Median Home Age	29	41
Median Home Cost	\$ 328,700	\$ 291,700
Homes Owned	60.3%	56.2%
Homes Rented	16.2%	31.6%
Vacancy Rate	23.5%	12.1%
<u>Average Rent for Homes/Apartments</u>		
Studio Apartment	\$ 790.00	
1 Bedroom Home/Apartment	\$ 795.00	
2 Bedroom Home/Apartment	\$ 1,046.00	
3 Bedroom Home/Apartment	\$ 1,430.00	
4 Bedroom Home/Apartment	\$ 1,439.00	

*Source: Sperling's Best Places*



# **PLANNING & PERFORMANCE**



## GENERAL PLAN

The Town uses the General Plan to set long-range goals and objectives. The Town of Payson General Plan directly reflects the ideas and priorities expressed during the public participation process for the General Plan's update. These stakeholder priorities are intended to guide development decisions and are a direct link between community preferences and policy actions. Through a dynamic community facilitation program, Payson stakeholders crafted a Vision, identified Critical Issues, set forth Guiding Principles, and prioritized Goals and Strategies for a series of Planning Elements. This Plan is continually evaluated, reviewed, and amended with Council approval, to meet changing conditions as needed.

The General Plan Elements, each with a guiding principle and dominant theme are as follows:

### **Environmental Planning Element**

*Strengthen & expand partnerships to continue environmental innovations.*

- Impacts of Growth. Take action to protect the natural character of the Town through well-crafted growth policies.

### **Water Resources Element**

*Utilize prudent allocation of resources to support economic development and environmental sustainability.*

- Water Supply. Take action to ensure sufficient long-term and high-quality water resources for the Town.

### **Open Space, Parks, and Recreation Element**

*Expand active and passive recreational opportunities through program and facility improvements.*

- Open Space. Take action to provide adequate land and amenities to serve increasing demand.

### **Land Use Element**

*Enhance Payson's small-town atmosphere and economic development opportunities with strategic land-use policies for new development and redevelopment areas.*

- Growth Management. Take action to prioritize infill redevelopment to promote the vibrancy of developed areas and protect natural resources of undeveloped areas.

### **Growth Area Element**

*Enact effective growth management policies and sustainable economic development.*

- Housing. Take action to diversify housing options in the Town to ensure housing is accessible to all members of the community.

### **Circulation/Transportation Element**

*Enhance the existing transportation infrastructure to increase connectivity, to improve alternative transportation, and to reduce traffic congestion.*

- **Traffic Calming.** Take action to increase pedestrian and bicycle safety and movement around town through traffic calming infrastructure improvements and defining space for safe, non-motorized circulation.

### **Cost of Development Element**

*Maximize the use of planning and financial tools to mitigate the cost of development to the community while providing incentives for well-planned development.*

- **Fiscal Sustainability.** Take action to maintain current levels of service for necessary public services in a fiscally sustainable manner.

The Town meets these goals by managing the pattern and rate of growth in a way that preserves existing land-use patterns; encouraging the development of Main Street area as a visitor- or tourist-oriented activity center; developing and maintaining a balanced motorized and non-motorized transportation system that is efficient, cost-effective and environmentally sensitive; maintaining the water, mountain views, and watershed systems; and reaching out and being responsive to citizen concerns.

The General Plan is a 132-page document that covers, in detail, the policy direction for each of the above elements, and the methods used to determine how to accomplish that direction. The General Plan can be viewed in its entirety on the Town of Payson website at [www.paysonaz.gov](http://www.paysonaz.gov) on the Community Development page under the Department tab.

The implementation matrix displayed on the following pages is intended to be a dynamic tool and therefore has assigned stakeholders and time frames. The time frames are divided into short, medium, and long-term categories, subject to variance depending on available funds and staff time. Short-term Goals and Strategies are targeted for completion within five years, medium-term is roughly within the 10-year horizon of the General Plan adoption, and long-term Goals and Strategies will be completed as funding and time allow, and may well extend beyond the timespan of the General Plan.

The implementation matrix on the following pages includes the “Goals and Strategies” that the General Plan put forth, their time frame, as well as any recent and/or upcoming progress.



### Completion Timeframes:

Short = Within 5 Years; Medium = Within 10 Years; Long = As funding and time allow

Goal and Strategy	Primary Stakeholder	Completion Timeframe	Implementation Comments
<b>Environmental Planning Element</b>			
<b>Implement a modified version of the American Gulch Study</b>	Public Works		<ul style="list-style-type: none"> <li>•Completed the Gulch improvements funded by the Arizona Water Protection Fund</li> </ul>
Seek funding for Gulch improvements and work with land owners to implement		Short	<ul style="list-style-type: none"> <li>•Working on a maintenance plan for the new improvements</li> <li>• Continued working with landowners to draft a development agreement</li> <li>•Continually searching for partners and funding sources</li> <li>•Maintained the apple orchard adjacent to the Gulch</li> <li>•Bird viewing platform plans are complete but need an update and a contractor is needed</li> </ul>
<b>Improve stormwater management facilities and practices for treatment quantity and quality</b>	Public Works		<ul style="list-style-type: none"> <li>•Continuous via Development Services and development reviews, provided for in current code</li> </ul>
Ensure adequate construction planning to protect natural vegetation and minimize changes to ground topography		Short	<ul style="list-style-type: none"> <li>•Partnering with Gila County to augment drainage infrastructure through the Gila County Courthouse site that will serve a large portion of area along S. Beeline Hwy south of 260</li> </ul>
Encourage natural stormwater control methods that retain natural systems and minimize potential damage to private property		Short	<ul style="list-style-type: none"> <li>•Completed maintenance of natural conveyances within rights of way in many neighborhoods in SE quadrant of Town, N. Vista Rd., &amp; S. Colcord Rd</li> </ul>
<b>Develop and implement an Urban Forestry and Native Species Protection Plan</b>	Community Development		<ul style="list-style-type: none"> <li>•Town staff has begun ESRI software rollout that could aid in this effort in the future</li> <li>•A model program in another municipality has been identified to be emulated – requires funding</li> </ul>
Reduce heat island effects by encouraging green roofs, tree canopies, and permeable surfaces		Medium	<ul style="list-style-type: none"> <li>•Continuous via development reviews</li> <li>•Continuously searching for private partners and funding sources</li> </ul>

Actively protect native trees currently in the Town's commercial areas		Short	Continuous via development reviews & tree permits
Ensure any urban forestry lost is replaced tree for tree		Short	<ul style="list-style-type: none"> <li>•Partner with APS on tree replacements Town wide</li> <li>•Continued enforcement during and after project completion</li> </ul>
Preserve and augment existing native vegetation within commercial development and rights-of-way through predevelopment plant inventories and conservation/replacement incentives		Short	<ul style="list-style-type: none"> <li>•Continuous via development reviews, tree permits, and the encouragement of ROW agreements</li> <li>•Staff created a draft RFP for landscaping and wayfinding along the highway corridors – requires budgetary funding</li> </ul>
Require "Ponderosa Pine" protection/replacement town-wide		Short	Continuous via development reviews, tree permits, and the encouragement of ROW agreements
<b>Protect air quality</b>	Community Development		
Enforce clean air standards and regulations		Medium	Continuous via development reviews
Work with Gila Community College and other higher education providers to develop a workforce prepared for clean energy jobs of the future		Short	<ul style="list-style-type: none"> <li>•Continuous via Economic Development</li> </ul>
Encourage development which reduces vehicle miles traveled through multi-modal transportation connectivity		Short	<ul style="list-style-type: none"> <li>•Continually encouraging developers to provide sidewalk, bicycle and trail connections</li> <li>•Continually searching for funding sources to further develop PATS</li> <li>•CDBG program continues with the Town-wide Removal of Barriers in order to increase connectivity using universal design techniques</li> </ul>
<b>Develop and adopt a comprehensive energy policy</b>	Community Development		<ul style="list-style-type: none"> <li>•Continually research ways to refine codes that promote more energy efficient development</li> <li>•Requires budgetary attention and council approval</li> </ul>
Support the solar energy initiative by developing specific incentives and actions for implementation on at least five percent of all structures		Short	
Establish fleet management and fuel usage standards for Town vehicles		Short	Began conversations with Enterprise Fleet Management and received preliminary

			cost estimates for fleet management – requires budgetary attention
Identify a “green roof” demonstration project		Medium	Continually searching for private partners and funding sources
Create development incentives to encourage use of solar and other alternative energy sources		Short	Requires budgetary attention and council approval
Provide alternative energy incentives for improvements to residential and nonresidential structures		Short	<ul style="list-style-type: none"> <li>•Continue to not require zoning approval on any solar application</li> <li>•Requires budgetary attention and council approval</li> </ul>
Encourage geothermal energy as well as solar options		Short	
Benchmark other communities that require new single-family homes to meet minimum solar system requirements and modify local regulations as appropriate		Short	
<b>Negotiate development agreements to encourage infill, less impervious surface, and economically viable commercial activity</b>	Community Development		Continuous via development reviews
Develop a model shared parking agreement to incentivize development by alleviating parking standards		Short	<ul style="list-style-type: none"> <li>•Continually suggest/encourage new development to negotiate with adjacent, amply-parked properties</li> <li>•Currently looking into ways to modify and improve current parking standards</li> </ul>
Work with property owners to maintain vacant commercial space and market it for infill		Medium	Continuous via Economic Development and Code Enforcement
<b>Identify and conserve natural wildlife corridors</b>	Community Development		<ul style="list-style-type: none"> <li>•Continuous via development reviews</li> </ul>
Incorporate natural wildlife habitats and corridors into developments		Short	
<b>Proactively address solid waste management and illegal dumping</b>	Public Works		<ul style="list-style-type: none"> <li>•Continuous via Code Enforcement efforts and “Lien &amp; Clean”</li> <li>• Continuous via the annual Electronic &amp; Household Hazardous Waste Recycling Event</li> <li>•Funding is needed to provide more community-wide services</li> <li>•Worked with a class of Arizona State University students to develop and</li> </ul>

			distribute a survey regarding recycling in Payson – survey results need analysis
Develop and implement a municipal recycling program in partnership with local waste management companies		Short	<ul style="list-style-type: none"> <li>•Requires budgetary attention and council approval</li> <li>•Worked with a class of Arizona State University students to develop and distribute a survey regarding recycling in Payson – survey results need analysis</li> </ul>
Work with state and private partners to provide semi-annual large appliance and electronics collections		Short	Continuous via the annual Electronic & Household Hazardous Waste Recycling Event
Organize hazardous waste collection events		Short	<ul style="list-style-type: none"> <li>•Requires additional funding sources to continue/expand events</li> <li>•Annual Electronic &amp; Household Hazardous Waste Recycling Event</li> </ul>
<b>Promote sustainability initiatives</b>	Administration		
Train staff to encourage and promote sustainable building practices including reducing environmental impacts and integrating alternative building materials		Short	<ul style="list-style-type: none"> <li>•Requires additional funding</li> <li>•Ongoing through professional development</li> </ul>
Create a Sustainability Advisor position (possibly within existing planning staff) to develop an Environmental Plan to provide guidance for redevelopment and new development		Short	<ul style="list-style-type: none"> <li>•Requires additional staffing and funding</li> </ul>
Create a Sustainability Advisory group comprised of staff, citizens, and businesses to advise the Town on environmental sustainability issues		Short	<ul style="list-style-type: none"> <li>•Requires Council action</li> </ul>
<b>Water Resources Element</b>			
<b>Continue to promote Safe Yield and conservation of water resources through policies and practices</b>	Water		
Continue to develop wise use policies and programs through the Water Departments		Short	<ul style="list-style-type: none"> <li>• Annual Project Wet festival to teach water conservation</li> <li>•Updated the brochures and website</li> </ul>
Produce and distribute high quality educational materials to promote best practices		Short	

<b>Complete the C.C. Cragin Reservoir pipeline</b>	Water		•Began processing water for the 2020 water season and have processed over 2,000 acre-feet and are scheduled to take the whole 3,000 acre-feet allocation before the next operating year.
Manage the reservoir in partnership with the Salt River Project to serve as the Town's permanent water supply resource		Medium	Under our Memorandum of Understanding with the United States Forest Service, National Forest Foundation, SRP, and Bureau of Reclamation, we are collectively pursuing the C.C. Cragin Watershed Project
Optimize opportunities to partner with other agencies and localities for service		Medium	We have intergovernmental agreements with the Tonto Apache Tribe for water service and with Star Valley for emergency water use. We also have an agreement with Payson Water Company to supply bulk water for their needs.
<b>Retire the pipeline debt through the responsible sale of water</b>	Administration		We have established an increasing water rate structure, by Council Resolution 2808, to retire the C.C. Cragin WIFA loans
Sell water to the golf course(s) when reclaimed effluent water supplies are not adequate, when excess potable water is available		Short	We have an approved service agreement for the Chaparral Pines and Rim Golf courses to supply water through Resolutions 2724 and 2725. We have supplied the Chaparral Pines and Rim Golf communities with water of the last few summers when needed. They now are receiving raw water and backwash water from the Treatment plant.
Regularly evaluate water connection and usage rates		Short	We regularly evaluate water connection and usage rates and our annual fee approvals by council. We have evaluated the long term maintenance costs and are prepared to present the findings once the pandemic has subsided.
Establish a rate schedule to efficiently and responsibly maintain and operate the system		Short	Completed by Resolution 2808, long term operations costs were evaluated spring 2020. Results are intended to be presented to council with rate recommendations in Spring 2021
<b>Maximize the use of reclaimed wastewater whenever it is safe and economical</b>	Water		
Work with the Sanitary District to utilize reclaimed effluent wherever possible		Short	We regularly coordinate with the Sanitary District – currently the reclaimed effluent is utilized to its maximum capabilities

Continue to educate the public on grey water applications and its safe use		Short	Informational brochures and attentive staff at the Water Department
Incentivize the use of grey water plumbing in all new construction		Medium	<ul style="list-style-type: none"> <li>•The water conservation rate schedule has been adopted by Resolution 2808 to encourage maximum utilization of water. The use of grey water for irrigation is incentivized by reduction of associated usage fees.</li> <li>•Staff will provide promotional materials to the public in 2021</li> </ul>
<b>Coordinate with the Sanitary District to provide water and sewer to new development</b>	Water		We regularly coordinate with the Sanitary District to provide water and sewer to new development and attend the Development Services meeting every Wednesday
Work with developers in the southeast area of Town to provide water/sewer		Medium	We are regularly working with the developers to provide water and sewer
Require applicants to work with Sanitary District to ensure capacity prior to development approval		Short	We regularly require applicants to work with the Sanitary District to ensure capacity prior to development approval by utilizing the Development Services meetings
<b>Open Space, Parks, and Recreation Element</b>			
<b>Develop, adopt, and implement a Parks, Recreation, and Tourism Master Plan</b>	Parks, Recreation, and Tourism		<ul style="list-style-type: none"> <li>•Town Council adopted Rumsey Park Master Plan Report in 2018.</li> <li>•Proposed Town-wide Parks Development Plan in 20/21 FY planning cycle.</li> </ul>
Develop, adopt, and implement site master plans for each parks category		Medium	<ul style="list-style-type: none"> <li>•Fund a civil plan for Rumsey Park to include drainage, lighting &amp; pedestrian/motor traffic circulation.</li> <li>•Civil Plan can then lead to aesthetic implementation plan for buildings, ramadas, and overall features at Rumsey to transitions throughout the park system.</li> <li>•Design alternatives in the process for Rumsey Park to eliminate floodplain to allow future improvements.</li> </ul>
Ensure adequate east-side parkland		Medium	Location & land acquisition needed, along with funding and partners.
Identify locations for passive recreational activities (e.g., hiking,		Short	•Rim Country Sustainable Recreation Committee is currently working on



biking, and other individual-oriented activities)			<p>identifying and implementing passive recreational activities.</p> <ul style="list-style-type: none"> <li>•Continuing relationships with the Forest Service and Southwest Decision Resource to further implement and designate PATS.</li> </ul>
Identify locations for active recreational activities (e.g., basketball, baseball, soccer, and other team-oriented activities)		Short	<ul style="list-style-type: none"> <li>•Continuous via Parks &amp; Recreation/Planning efforts</li> <li>•Identifying other programming options for a wide demographic and inclusiveness, with incorporating new and upgraded facilities (pickleball, outdoor basketball, etc.).</li> <li>•Continuing relationship with PUSD on shared use agreement pertaining to facilities.</li> </ul>
Plan appropriate facilities for both indoor and outdoor programs and activities		Medium	<ul style="list-style-type: none"> <li>•Continuously searching for areas of opportunity, funding, and partners.</li> <li>•Continuing working relationship with Payson Unified School District for indoor facility use.</li> <li>•Need for future development of aquatics design/implementation plan for growth and continued services at Taylor Pool.</li> </ul>
<b>Provide a year-round, multi-use recreation facility</b>	Parks, Recreation, and Tourism		<ul style="list-style-type: none"> <li>•Need for indoor gym space and extended pool use facility.</li> <li>•Assessing Taylor Pool, along with budget</li> </ul>
Develop a greater variety of youth programs		Medium	Current and ongoing
Provide affordable programs to low and moderate income families		Medium	<ul style="list-style-type: none"> <li>•Continuous via collaboration with the Friends of Payson Parks and Recreation to provide scholarships for low income families.</li> <li>•Developing cost recovery goals to ensure pricing is adequate and can remain affordable.</li> </ul>
Expand the amount of programs for all user groups		Medium	<ul style="list-style-type: none"> <li>•Evaluating funding, staffing needs, facility space (youth, adult, senior)</li> <li>•Ongoing – per COVID even more expansion and new programs are feasible to adjust with the environment</li> </ul>

<b>Ensure adequate park land to serve residential development</b>	Community Development		Continuous via development review/ encouraging developers to provide park land
Negotiate greater residential density in exchange for neighborhood parkland		Medium	Continuous via development review
Continue plans to develop Overlook Park south of Airport Road in the northwest section of Town		Short	Final Block Plat was approved
<b>Design and implement a wayfinding system that enhances tourism</b>	Parks, Recreation, and Tourism		Contingent on funding. Park development plan for any investment into signage can serve long term.
Develop sign standards		Short	
<b>Actively recruit recreational tourism</b>	Parks, Recreation, and Tourism		<ul style="list-style-type: none"> <li>•Continue to work with entities to bring recreational tourism with facilities. 2021 plans to increase facility marketing for this purpose. With the fields available in 2020, the Town drew a large crowd of tournament host due to the inability in other locations to host tournaments, which will result in some retention to future years.</li> </ul>
Work with state athletic associations to draw regional and state tournaments to Payson		Medium	<ul style="list-style-type: none"> <li>•Continuously working with associations to draw more tournaments to Payson – interest level of high school administration</li> <li>•Increased draw to facilities this year with other locations unavailable due to COVID will result in retention of new tournaments and rentals.</li> </ul>
Continue to build on Payson's strong rodeo and events reputation		Short	Continual marketing of facilities, and draw of collegiate and widespread equine events with contribute to this plan. Plans for hosting a collegiate rodeo in spring of 2021 and introduction of new roping and mounted shooter events in 2020.
<b>Integrate the development of multipurpose trails in conjunction with the transportation/circulation system</b>	Parks, Recreation, and Tourism		Continuing communications with Forest Service and Southwest Decision Resources to focus on PATS and an urban trails system to connect Town centers to the forest.
Develop a trails master plan to plan and finance an integrated trail network		Short	<ul style="list-style-type: none"> <li>•Implementation / funding / staff</li> </ul>

Incorporate trail elements of the transportation plan into the Parks Master Plan		Short	•Implementation / funding / staff
Develop an urban trail system that parallels roadways where there are no sidewalks or bicycle lanes		Short	•Implementation / funding / staff
<b>Work with federal partners for the protection and continued use of National Forest land</b>	Parks, Recreation, and Tourism		•Continuous via meetings with Rim Country Sustainable Recreation Committee
Preserve trail access to regional points of interest		Medium	Continually maintain and preserve trailheads and trails with help from volunteers and the Forest Service – limited staff & no coordinator for position
More effectively promote trail access points for public use		Medium	Promotion of the PATS through brochures, ads, Facebook and the website. All access points are clearly marked. Incorporate runs to highlight trails – Boulders.
Establish protection areas for natural resources and watersheds		Medium	Work with the Forest Service to identify these types of areas
<b>Identify public and private funding opportunities for recreational facilities and programs</b>	Administration		
Fund the acquisition of additional park land as set forth in the <u>General Plan</u> or subsequent Parks, recreation, and Tourism Master Plan		Medium	
Target funding sources for increased park infrastructure improvements and maintenance		Medium	Continuously searching for partners and funding sources
<b>Land Use Element</b>			
<b>Adopt proactive growth management policies to direct development spatially and aesthetically</b>	Community Development		Funding is needed to overhaul the Unified Development Code
Facilitate development where infrastructure exists with excess capacity		Short	Continuous via the Economic Development Department
Preserve and protect scenic line-of-sight views of the Mogollon Rim through consideration of building height in low-lying areas of the Town		Short	Continuous via development reviews

Encourage infill development/redevelopment to avoid sprawl and protect open space		Medium	Continuous via the Economic Development and Planning Divisions
Pursue avenues to eliminate unsightly or dilapidated structures		Long	<ul style="list-style-type: none"> <li>•Continuous abatement as part of daily Code Enforcement actions</li> <li>•Continuous via economic development</li> <li>•Staff is working on Lien &amp; Clean and exploring different avenues for enforcement</li> </ul>
<b>Incorporate green infrastructure throughout Town including the growth areas</b>	Community Development		
Encourage the development of neighborhood parks in each new development		Medium	<ul style="list-style-type: none"> <li>•Continuous via development reviews and Development Services</li> </ul>
Plan bicycle, pedestrian, and trail links between each new development and commercial centers of Town		Medium	<ul style="list-style-type: none"> <li>•Continually encouraging developers to provide connections within PATS</li> <li>•Continually searching for funding sources and partnerships to improve our trails system</li> <li>•Town staff has been working with Forest Service staff via the Rim Country Sustainable Recreation Committee to legitimize PATS and improve/enhance the network</li> <li>•Collaborating with Payson Senior Center on the ADOT Grant to fund pedestrian improvements along the Beeline Bus route to make connections more accessible</li> <li>•CDBG funds are being used to create an ADA Transition Plan as part of the Removal of Barriers program</li> <li>•CDBG funds were used to install additional curb ramps and crosswalks on Main Street</li> </ul>
Encourage and facilitate negotiations between land owners to share parking and costs associated with providing parking to patrons of businesses		Medium	<ul style="list-style-type: none"> <li>•Continuous via development reviews and Development Services</li> </ul>
Preserve and augment existing vegetation, especially ponderosa		Short	<ul style="list-style-type: none"> <li>•Continuous via development reviews</li> </ul>

piners, to create or enhance a streetscape			•Staff created a draft RFP for landscaping and wayfinding along the highway corridors – requires budgetary attention
Incorporate sustainable development standards into zoning regulations		Medium	•Continually researching ways to refine codes, processes, and standards •UDC overhaul needs to be budgeted and approved by council
<b>Improve sign standards, particularly along commercial corridors, to compliment Payson's small-town character</b>	Parks, Recreation, and Tourism		•Staff created a draft RFP for landscaping and wayfinding along the highway corridors – requires budgetary attention
Identify Payson gateway(s) and install wayfinding elements at each		Short	•Plans have been drawn for monument entrance signs for the north and east entrances to town – requires budgetary attention
Consider wayfinding design variations to help define commercial areas of the Town		Medium	
<b>Modernize the land use regulatory process</b>	Community Development		•Continually reviewing and improving our codes and processes •UDC overhaul needed – requires funding and council approval
Consistently apply and enforce regulations on all properties		Short	Continuous via development reviews and code enforcement
Consistently apply requirements on all proposals for development		Short	Continuous via development reviews
Provide sufficient resources to enforce current codes		Short	Continuous via full-time Code Enforcement Specialist
Eliminate regulations that are not uniformly enforced		Short	Continually updating and refining codes in conjunction with code enforcement efforts
Proactively engage the development community by hosting periodic “roundtable” topic discussions		Short	Development Services Meetings
Evaluate catalysts for development including fee waivers, streamlined development reviews, and other strategies		Short	Continually researching and reviewing potential strategies for improving development
Work with the development community to design and implement cost effective strategies to manage capital costs incurred by new growth		Medium	•Continuous via Development Services and the permitting process
Establish administrative review and approval procedures for applications meeting clearly defined criteria		Short	•Continuously updating and refining codes

			•UDC overhaul is needed – requires budgeting and council approval
Work with the Design Review Board to establish standards for commercial development, which if met can be approved quickly by Town administration		Short	Design Review Manual was completed, is in effect, and is now enforced administratively
<b>Incorporate a variety of housing options in all mixed-use residential developments</b>	Community Development		
Incentivize the inclusion of affordable housing in new developments		Long	
Adopt a recommended ratio of affordable, workforce, and market housing		Long	
<b>Provide safe, modern communication infrastructure</b>	Administration		•APS, Sparklight, and Gila County are all working on fiber/redundancy projects
Encourage new development to provide up-to-date technology and communications infrastructure		Short	•Town staff continues to participate in the Gila County Broadband Strategic Plan creation
Promote both wireless and wired infrastructure as appropriate		Short	•Initiating mandate for conduit to be installed by developer for all new subdivisions whether requested by existing carriers/providers or not
<b>Growth Area Element</b>			
<b>Participate in land management decisions inside and outside the Town</b>	Administration		Continually collaborate with ADOT, CAG, Forest Service, APS, Gila County, PUSD, NGCSD, Beeline Bus Transit Advisory Committee, community college and other jurisdictions and institutions
Work with the U.S. Forest Service to identify special recreation areas on USFS open space land within town to identify areas of protection versus base exchange property for possible future development		Short	•Rim Country Sustainable Recreation Committee continues to identify and implement recreation opportunities in and around town. Focusing on trails they are currently working on creating a Regional Oversight Council  •Town staff has been collaborating with Forest Service staff to create a roadmap for legitimizing and enhancing/improving the PATS system
Continue the open dialogue with the entity acquiring the forest service site along SR260 to ensure it is		Medium	



developed in a manner consistent with the Town's goals			
<b>Create a Main Street District</b>	Community Development		<ul style="list-style-type: none"> <li>•Main Street Merchants Guild and Main Street Mafia continually collaborate on projects and events in the Main Street area</li> </ul>
Designate Main Street as a district for mixed-use development		Short	Completed
Promote a strong community identity with a Main Street District and Event Plan		Short	<ul style="list-style-type: none"> <li>•Economic Development Department working on implementing several strategies in the Economic Development Strategic Plan that address Main Street</li> <li>•Requires town-wide support, buy-in, and funding</li> <li>•Main Street Merchants Guild and Main Street Mafia continue to work on Main Street events and improvements</li> </ul>
Encourage mixed use buildings with residential units above first floor commercial space		Short	Continuous via development reviews - residential above commercial uses are expressly encouraged within the zoning code
Provide protected and shaded sidewalks throughout the Main Street Growth Area		Long	Requires funding to plan and implement
Attract dining, small retail, and entertainment business to increase the time spent by each visitor to the district		Long	Continuous via Economic Development
Facilitate infill investments in the district		Short	<ul style="list-style-type: none"> <li>•Continuous</li> <li>•Encourage properties with existing water credits</li> <li>•Exceptions to various zoning standards</li> </ul>
<b>Provide and implement a clear vision for the growth areas</b>	Community Development		
Proactively refine the development and building codes and approval processes to promote the growth area vision		Medium	<ul style="list-style-type: none"> <li>•Continually reviewing and refining our procedures and processes</li> <li>•Adopted the 2018 International Building Code</li> <li>•Funding needed for a zoning code overhaul</li> </ul>
Design mixed-use districts that encourage development within a		Long	

quarter-mile walkable radius from a community gathering anchor			
Provide affordable, workforce housing with higher density, mixed-use, mixed-income development		Medium	
Ensure adequate public safety personnel and facilities to serve projected growth		Short	Public Safety Divisions are represented within the Development Services Committee and are included in distribution/review process for all new development proposals
Strengthen green and technology infrastructure		Long	
Work with the development community to promote Payson as a model for low-energy, sustainable building practices		Medium	
<b>Concentrate uses to promote infill development and preserve open space</b>	Public Works		
Invest in public infrastructure to meet the current and future needs of development while protecting the community's natural resources		Medium	<ul style="list-style-type: none"> <li>•Both APS and Sparklight will construct fiber lines to Payson</li> <li>•Participating in the Gila County Broadband Strategic Plan</li> <li>•95% design plans completed for the roundabout at McLane and Longhorn</li> <li>•E. Bonita St. sidewalk will be completed by end of FY2020</li> <li>•C.C. Cragin pipeline and water treatment plant constructed and active</li> <li>•Annual slurry seal projects</li> <li>•Wayfinding, monument signs, and highway improvements pending – require budgetary attention</li> <li>•Co-wrote and received an ADOT 5339 Grant for pedestrian improvements along the Beeline Bus route</li> </ul>
Encourage pedestrian or bicycle movement between commercial destinations to reduce the number of pass-by trip ends per establishment		Medium	<ul style="list-style-type: none"> <li>•Continuous via development reviews</li> <li>•Continue to seek out funding opportunities to complete more sections of PATS</li> </ul>
Encourage development at Town gateways that welcome visitors, with		Medium	<ul style="list-style-type: none"> <li>•Continuous via Economic Development</li> </ul>

the goal to extend time spent in the Town by pass-through travelers			
Work with the Sustainability Advisory Group and local developers to develop a method of evaluating the potential environmental impacts of proposed development		Medium	
<b>Create a vibrant and diverse economy with appropriately scaled businesses</b>	Administration		<ul style="list-style-type: none"><li>•The Economic Development Strategic Plan was completed and is now in the implementation phase</li><li>•Staff will pursue partnerships in 2021 for an update to the Strategic Plan</li></ul>
Conduct a market feasibility study to identify needs and opportunities		Short	
Recruit a sustainable, vibrant and diverse retail market		Medium	
Target clean, light or medium intensity industrial development		Medium	
Work with the Chamber of Commerce to promote, strengthen and recruit small independent shops		Short	
Capture a greater share of retail expenditures by encouraging pass-through traffic to stop and frequent local business		Medium	
Encourage infill opportunities for vacant or underutilized parcels		Medium	
Circulation/Transportation Element			
<b>Adopt and implement an annual Capital Improvements Plan</b>	Administration		Continuous/annual
Incorporate highest local transportation priorities into the CIP		Short	<ul style="list-style-type: none"><li>•East Granite Dells Road improvements with multi-use path funded</li><li>•East Bonita Street sidewalk funded</li><li>•Priority Street Department equipment funded</li><li>•Additional/annual funding required for additional projects</li><li>•NEPA process has begun on Green Valley Parkway</li></ul>
Use CIP process to educate the public on transportation, and other Town priorities		Short	Annual

Continue to be involved in ADOT's efforts to develop an alternate route to alleviate traffic congestion and infrastructure demands	Administration		<ul style="list-style-type: none"> <li>•Completed transportation improvement study for immediate and longer term improvements to the intersection at HWY 87/HWY 260 in collaboration with ADOT. Signal timing/phasing improvements upcoming in the near term. Lane improvements and other recommendations to be refined further with additional analysis. Will require funding commitment by ADOT.</li> <li>•95% plans complete for a roundabout at the intersection of Longhorn Rd. and McLane Rd. – slated for construction in 2024</li> </ul>
Differentiate between Payson's visitor traffic stopping in Town on the way to natural resource recreation areas, and commercial traffic passing through		Long	<ul style="list-style-type: none"> <li>•Requires funding</li> </ul>
Work with ADOT and U.S. Forest Service to design an alternative route that maximizes the use of federal land to prevent new commercial interchanges or strip development along the proposed route		Long	
Design and implement a gateway vision that encourages pass-through traffic to visit	Public Works		<ul style="list-style-type: none"> <li>•Staff created a draft RFP for landscaping and wayfinding along the highway corridors – requires budgetary funding</li> </ul>
Support the design of a trolley system to improve in-Town connections		Medium	<ul style="list-style-type: none"> <li>•Continue to seek out funding opportunities</li> <li>•Payson Senior Center, with help from ADOT, Town of Payson, and Town of Star Valley as funding partners, is operating the Beeline Bus system</li> <li>•Collaborated with Payson Senior Center to receive an ADOT Grant to fund pedestrian improvements along the Beeline Bus route to make connections more accessible</li> </ul>
Transform existing commercial corridors to be pedestrian friendly		Long	<ul style="list-style-type: none"> <li>•CDBG ADA Removal of Barriers program is underway</li> <li>•Collaborated with Payson Senior Center to receive an ADOT Grant to fund pedestrian improvements along the Beeline Bus route</li> </ul>

Reduce traffic speed through better design		Medium	<ul style="list-style-type: none"> <li>•Continually researching ways to improve our streets</li> <li>•Collaborated with Payson Senior Center to receive an ADOT Grant to fund pedestrian improvements along the Beeline Bus route</li> <li>•Requires funding for code updates</li> </ul>
Develop guidelines for landscaping major arterials and collector streets		Short	<ul style="list-style-type: none"> <li>•Completed as part of an Admin Policy for private use of ROW for signage</li> <li>•Staff created a draft RFP for landscaping and wayfinding along the highway corridors – requires budgetary funding</li> </ul>
<b>Encourage non-motorized movement around town</b>	Public Works		<ul style="list-style-type: none"> <li>•Several groups and stakeholders continue to work on efforts to improve and expand bicycle infrastructure and programs</li> </ul>
Develop a town-wide network of trails and sidewalks, with the first priority to connect residential neighborhoods to commercial centers		Long	<ul style="list-style-type: none"> <li>•Continue to seek out funding opportunities to complete more sections of PATS</li> <li>•Rim Country Sustainable Recreation Committee continues to work toward an improved trails system</li> <li>•Continually encourage developers to construct connections</li> <li>•East Granite Dells Road improvements with multi-use path funded</li> </ul>
Mitigate excessive vehicle miles traveled during peak visitor times with new infrastructure for connectivity and mobility for non-motorized transport		Medium	<ul style="list-style-type: none"> <li>•Collaborated with Payson Senior Center to receive an ADOT Grant to fund pedestrian improvements along the Beeline Bus route</li> <li>•East Granite Dells Road improvements with multi-use path funded</li> </ul>
Identify and implement traffic calming design standards for all collector roads		Short	<ul style="list-style-type: none"> <li>•Requires funding</li> </ul>
Work with existing development to reduce the number of sidewalk curb-cuts		Short	Ongoing as development proposals are presented to Development Services and/or as part of street improvement projects funded
Provide additional signalized crosswalks along busy commercial corridors		Short	<ul style="list-style-type: none"> <li>•CDBG ADA Removal of Barriers program funded additional crosswalks on Main Street</li> <li>•Continually seeking funding sources</li> </ul>

			<ul style="list-style-type: none"> <li>Continually collaborating with ADOT on projects</li> </ul>
<b>Create a more unified look and feel to state-owned commercial corridors</b>	Community Development		<ul style="list-style-type: none"> <li>Staff created a draft RFP for landscaping and wayfinding along the highway corridors – requires budgetary funding</li> </ul>
Work with State and commercial stakeholders		Medium	<ul style="list-style-type: none"> <li>Continuous</li> <li>Collaborated with Payson Senior Center to receive an ADOT Grant to fund pedestrian improvements along the Beeline Bus route</li> </ul>
Adopt a corridor overlay focused on building form, style, orientation, and massing		Medium	
Ensure effective sign regulations adjacent to state-owned rights-of-way and in commercially zoned corridors		Short	<ul style="list-style-type: none"> <li>Completed as part of an Admin Policy for private use of ROW for signage, updated EMC provisions, extended temporary sign guidelines</li> <li>Staff created a draft RFP for landscaping and wayfinding along the highway corridors – requires budgetary funding</li> <li>Staff continually seeks ways to improve the sign code</li> </ul>
<b>Provide transit service in town</b>	Administration		<ul style="list-style-type: none"> <li>Payson Senior Center, with help from ADOT, Town of Payson, and Town of Star Valley as funding partners, is operating the Beeline Bus system</li> <li>Continually seeking additional funding sources</li> <li>Participating in the Gila County Transit Governance Study</li> </ul>
Negotiate agreements with large employers to support a shuttle system		Medium	
Partner with a higher education administration to provide Town-wide transit service		Medium	
<b>Increase pedestrian and bicyclist safety</b>	Public Works		<ul style="list-style-type: none"> <li>Collaborated with Payson Senior Center to receive an ADOT Grant to fund pedestrian improvements along the Beeline Bus route</li> <li>East Granite Dells Road improvements with multi-use path included in CAG TIP to fund Design and Construction using HurfEx grant funds</li> </ul>
Identify traffic calming improvements and develop a phased implementation plan		Short	
Identify specific off-road options and develop a funding plan		Medium	<ul style="list-style-type: none"> <li>Several groups and stakeholders continue to work on efforts to improve and expand bicycle infrastructure and programs</li> </ul>



			<ul style="list-style-type: none"> <li>•Continue to seek funding opportunities to implement PATS</li> <li>•Rim Country Sustainable Recreation Committee continues to identify and implement off-road options</li> </ul>
<b>Implement previously adopted plans to improve the Town's transportation system</b>	Administration		<ul style="list-style-type: none"> <li>•Collaborating with Payson Senior Center on the ADOT Grant to fund several projects in the 2011 Payson Transportation Study</li> <li>•Requires funding</li> </ul>
Develop a phasing and funding strategy to implement the 2009 Payson Airport Master Plan		Short	Received 100% grant funding to complete recommended PAPI, REILs and Taxiway lighting per 2009 Master Plan. New master plan process to begin in 2022 for an updated Airport Master Plan.
Prioritize and incorporate the 2011 Payson Transportation Study recommendations into the annual CIP to implement the projects in a fiscally responsible manner		Short	<ul style="list-style-type: none"> <li>•Have incorporated recommended projects into the CIP, requires new funding, Gila Transportation sales tax approved will help create opportunities to complete top ranked projects</li> <li>•Several study recommendations are programmed into CAG TIP for Hurf Ex funding in upcoming years</li> <li>•Collaborated with Payson Senior Center to receive an ADOT Grant to fund several projects in the 2011 Payson Transportation Study</li> <li>•Began acquisition of easement from USFS for construction of S. Green Valley Parkway extension</li> <li>•Applied for grant to fund design of roadway</li> </ul>
<b>Cost of Development</b>			
<b>Utilize the annual Capital Improvements Plan to implement General Plan strategies</b>	Administration		Continuous
Maintain public facilities and services to provide current levels of service to new development		Medium	Ongoing
Maintain or improve necessary public services		Short	Ongoing as funds are available
Plan for joint school/recreation facilities		Medium	The Parks & Recreation Department continues to work closely with PUSD

<b>Ensure the long-term financial stability of the Town with fiscally responsible policies and actions</b>	Administration		
Explore opportunities for economics of scale. Create service efficiency through regional partnerships		Medium	
Consider opportunities to share costs for public safety infrastructure		Short	Continually being considered and negotiated
Support quality education opportunities		Medium	Continually collaborate with educational entities
<b>Encourage high-quality infill development in the designated growth areas where existing infrastructure has the capacity to absorb growth</b>	Community Development		Continuous via Development Services and development review
Encourage more dense development to increase market feasibility		Short	
<b>Form an economic development strategy that identifies target industries</b>	Administration		<ul style="list-style-type: none"> <li>•Town staff is beginning work to update the Economic Development Strategic Plan</li> <li>•Town staff has been participating in the Northeastern Arizona (NEAZ) Business Response team on workforce development</li> </ul>
Work with Gila Community College to design training programs to provide the workforce for identified target industry employers		Short	
<b>Examine and implement fiscal tools and incentivize development while offsetting its cost to the community</b>	Administration		<ul style="list-style-type: none"> <li>•Incorporated in Town Code and continuous via development reviews</li> <li>•Created the Job Creation Incentive Program (pending state legal decision)</li> </ul>
Ensure that new development pays its fair and proportionate share of the cost to maintain current levels of public services such as public safety, parks and recreation, streets, and water resources		Short	

## CORPORATE STRATEGIC PLAN

In March 2020, the Town Council adopted this version of the Corporate Strategic Plan (CSP) with a focus on the changing needs of the community brought about by difficult economic conditions. The CSP is aligned with the Town's mission and its General Plan by specifying priorities and strategies for achieving these priorities over three years. Funding is allocated during the subsequent budget process. The CSP is reviewed annually and updated every three years. The current CSP covers the period 2020 to 2023.

### KEY RESULTS AREAS

The Corporate Strategic Plan is divided into ten Key Results Areas (KRAs). Each KRA is more specifically defined by Priorities and Strategies that help guide the organization. The Council did not rank the KRAs as they felt all were equally important.

The Key Results Areas (KRAs) include:

- KRA #1 Economic Development, Tourism & Economic Vitality
- KRA #2 Financial Excellence
- KRA #3 Infrastructure
- KRA #4 Innovation & Efficiency
- KRA #5 Neighborhoods & Livability
- KRA #6 Social Services
- KRA #7 The Payson Team
- KRA #8 Public Safety
- KRA #9 Sustainability
- KRA #10 Technology



### **KRA #1: ECONOMIC DEVELOPMENT, TOURISM & ECONOMIC VITALITY**

A diverse vibrant economy that provides economic opportunity for residents is essential to achieving the Town's aspirations for a high quality of life. Creating and preserving jobs and enhancing our revenue base are key objectives. Businesses, neighborhoods, and individual residents benefit from the improved quality of life that the Town's economic development, vitality, and tourism efforts create.

- Communicate Payson's story and offerings – through past, present, and future.
- Support and manage resources and business owners.
- Develop expansion of opportunities to contribute to the advancement of the Payson community through revitalization, community partners, innovation, and affordability.

All are essential for creating conditions of economic growth and ensuring economic future.

## Priorities

### 1. Quality job creation and retention.

The quality of life for Payson residents will be dependent on the number and quality of jobs created and retained that are convenient and appropriate for the residents of the Town of Payson.

#### Strategies

- a) Support the attraction of wealth-generating, emerging technology, manufacturing, producer services, renewable energy, and bio-science employers to the Town of Payson.
- b) Support retention and expansion of existing employers.
- c) Support implementation of the Greater Payson Area Economic Development Strategic Plan.

### 2. Foster an environment for entrepreneurial growth.

Entrepreneurs make critical contributions to the economy, including the generation of new jobs. Energized, educated entrepreneurs create economic opportunity for others and enhance a culture of innovation.

#### Strategies

- a) Facilitate the retention and expansion of small and medium-sized wealth-generating businesses, particularly businesses focused on innovation, technology, finance/business services, and bio-sciences.
- b) Participate in regional and state-wide collaboration to enhance entrepreneurial opportunities.
- c) Support and grow diversity in Payson business ownership.

### 3. Revitalize areas of Payson.

A thriving town is critical to the economic health and well-being of the entire regional area. Strong Town centers enhance Payson's image and should be reflective of the Town's collective social and economic aspirations as a region.

#### Strategies

- a) Support development of the regional campus project.
- b) Implement Town-wide landscaping, signage, and wayfinding system to beautify and enhance the Highway 87 and Highway 260 corridors.
- c) Promote residential and commercial infill compatible with neighborhoods.
- d) Promote adaptive reuse of existing structures.
- e) Maintain and enhance existing town centers that serve as an attraction for visitors and residents: Green Valley Park, Rumsey Park, Payson Multi-Event Center, Main Street, and Payson Airport, along with promoting associated trail development and connectivity.
- f) Create a vibrant Town Center/Entertainment District.
- g) Investigate Town site purchase and other land acquisition that could be utilized to further economic vitality, including potential public parking facilities within Main Street/Old Town Payson.

- h) Explore the potential sale/disposal of unused/underutilized Town of Payson parcels if the sale/disposal supports identified economic development goals.

#### **4. Strengthen and grow Payson's economy through travel and tourism promotion.**

Sales taxes provide the largest source of local government funding. Payson needs to attract and retain a fair share of retail activity to sustain quality public services for residents.

##### **Strategies**

- a) Continue to preserve and expand the internal operations to focus efforts in expanding the Town's sales tax revenue base.
- b) Market Payson events and promote and market Payson as a destination to the business and leisure traveler. Develop a market strategy to promote the Payson market inclusively for the tourist.
- c) Develop consistent branding messages and graphics for internal and external use. Continue to promote and build upon Payson as "Arizona's Cool Mountain Town" brand and "Adventure Where We Live" as a subset to this brand.
- d) Support professional/amateur/youth sports, film, entertainment, and special events, which generate tourism revenue. Support and sustain the attraction and development of tourism-driven activities, events, entertainment, and cultural aspects.

#### **5. Payson's economic and tourism industry.**

Cultivate a productive tourism/marketing industry, and maximize internal organization functions to support the overall mission and goals for Payson's economy.

##### **Strategies**

- a) Promote the value and purpose of the Payson tourism industry.
- b) Promote the importance of tourism, economic vitality, and economic development, along with all its working partners and its connection to Payson's growth.
- c) Develop ongoing destination programs and sustainability programs.
- d) Develop internal working relations and connectivity with Parks, Recreation & Tourism, Economic Development, Chamber of Commerce and Visitors Center, and other partners.
- e) Encourage the revitalization of existing retail centers and neighborhood retail businesses.
- f) Promote and encourage retail/commercial development at the Payson Airport.

#### **6. Develop and retain qualified talent to meet the needs of businesses and the community.**

A skilled workforce is essential for an economy to sustain and enhance its competitiveness. A workforce development strategy that allows employers to grow and residents to enhance their income is critical to maintaining a high quality of life for Payson residents.

##### **Strategies**

- a) Collaborate regionally with various community organizations and other providers to create a job training program in Payson.

- b) Strengthen the relationship between the public sector workforce programs and the business community.
- c) Focus resources on enrichment and education programs through community centers, job training programs, and the Library.
- d) Collaborate with Gila County on a summer-time youth employment program.

#### Performance Measures - KRA 1 - Economic Development, Tourism & Economic Vitality

KRA Priority #	Intended Outcome	Department Responsible	FY18/19 Goal	FY18/19 Actual	FY19/20 Goal	FY19/20 Actual	FY20/21 Goal	FY20/21 Actual	FY21/22 Goal
4	Increase # of events held at Events Center	Parks, Rec & Tourism	20	21	21	21	23	20	22
4	Increase # of days Event Center is in use	Parks, Rec & Tourism	80	120	130	120	130	100	120
4	Town of Payson sponsored special events	Parks, Rec & Tourism	N/A	N/A	N/A	31	31	25	25
4	Website user sessions	PR&T	N/A	N/A	N/A	137,257	145,000	144,286	150,000
		Econ Devel	N/A	N/A	N/A	N/A	N/A	3,500	4,000
4	Website page views	PR&T	N/A	N/A	N/A	517,647	540,000	509,791	530,000
		Econ Devel	N/A	N/A	N/A	N/A	N/A	6,584	7,000
4	Total email subscribers	PR&T	N/A	N/A	N/A	8,319	8,500	8,931	9,100
4	Facebook/Instagram followers	PR&T	N/A	N/A	N/A	21,518	25,000	23,966	25,000
1	Roundtables & lunch/learn programs	Economic Development	12	8	10	8	10	10	10
1	Accomplish 5-Year Economic Development Plan	Economic Development	65%	51%	60%	51%	60%	52%	60%
2	Number of businesses visited/retained/recruited	Economic Development	75	6	139	110	60	60	52
4	Main Street Merchant Guild monthly meetings	Economic Development	12	9	8	9	8	6	8





## KRA #2: FINANCIAL EXCELLENCE

Financial excellence ensures the effective and efficient allocation of Town resources for the delivery of quality services to residents. It creates trust and confidence that Town resources are used appropriately. At the core of financial excellence are integrity and innovation. The Payson Financial Excellence strategic plan strives to maintain fiscally sound and sustainable financial plans and budgets that reflect community values and residents' priorities.

### Priorities

#### **1. Maintain a transparent financial environment, free of fraud, waste, and abuse.**

One of the most important aspects of financial excellence is the ability to assure the public, business community, investors, and the rating agencies that systems and processes are in place to prevent fraud, waste and abuse of public funds. An important element of preventing fraud, waste, and abuse is regular financial reports that are easy to access, accurate and understandable. Financial excellence requires the implementation of effective financial policies, quality financial systems, staff training, internal controls, and regular internal and external audits.

##### **Strategies**

- a) Maintain comprehensive and continuous auditing of high-risk areas.
- b) Implement and enforce strong Town-wide policies and practices that protect public resources and promote ethical behavior.
- c) Provide accurate financial information every month that is easily accessible and understandable to internal and external audiences.
- d) Continue to ensure that all steps are taken to receive financial excellence awards for budgeting and financial reporting from the Government Finance Officers Association (GFOA) each year.
- e) Highlight financial successes and educate residents on the importance of high-quality credit ratings and other governmental accounting arenas.

#### **2. Provide accurate and reliable revenue and expenditure forecasting.**

To ensure available resources are allocated to the highest priority needs, accurate and reliable forecasts of both revenues and expenditures are needed. This requires access to the necessary resources and expertise to ensure all critical factors are considered in revenue forecasts and all factors that impact expenditures are considered and modeled. Accuracy of expenditure forecasts also requires the discipline of all Town departments to ensure expenditures are monitored and managed. Without accurate forecasts and management of expenditures, reserve levels may be tapped below critical levels and services may be unnecessarily reduced.

##### **Strategies**

- a) Establish a fiscally responsible revenue forecast consistent with best practices to efficiently allocate resources.
- b) Establish an expenditure forecast that aligns with the Town's strategic priorities.
- c) Develop multi-year performance measures and benchmarks to monitor the effectiveness of financial operations.
- d) Develop multi-year forecasts that contemplate various economic scenarios that assist in the development of alternative planning strategies.

- e) Develop structures and incentives to encourage and reward managers and employees for maintaining fiscal discipline and managing expenditures.

### **3. Develop capital and funding plans for critical infrastructure and equipment.**

A recovering economy following the significant downturn of the prior decade now requires a refocus on maintenance and replacement of critical infrastructure.

#### **Strategies**

- a) Update the Town's Capital Improvement Policy to emphasize an ongoing commitment to funding critical infrastructure and equipment maintenance and replacement.
- b) Establish a financial baseline for annual funding of equipment and infrastructure maintenance and replacement costs.
- c) Amend the five-year capital improvement plan to include a planning process that prioritizes the evaluation of existing facilities and infrastructure for use of available funds and considers repair and/or replacement.
- d) Identify and evaluate alternative approaches to financing capital investments as part of the capital decision-making process.
- e) Continue to allocate resources to the capital replacement fund to provide for major equipment purchases with cash rather than financing.

### **4. Maintain funds for unexpected reductions in revenue and unanticipated expenses.**

The budget process attempts to provide accurate revenue projections and planned expenditures. However, the economy is volatile and can change at any time. Funds need to be available to cover any shortfalls in the anticipated revenues. Also, unexpected expenses can arise after the budget is finalized that need to be covered.

#### **Strategies**

- a) Maintain a reserve fund by following the Town financial policies.
- b) Maintain a contingency fund that can be used for unexpected expenses with the approval of the Town Council, and replenish annually as needed to meet financial policy.

### **5. Maintain high bond ratings.**

A bond rating is a measure of the credit quality of the Town. Factors considered in a rating are the health of the local economy, stability or volatility of revenues, level of reserves for liquidity during unexpected financial conditions, as well as sound financial practices, policies, and structures or systems that allow flexibility to address challenges. An entity that looks long term and has plans to address unexpected changes is positively considered. In essence, a bond rating reflects an independent view of financial excellence. Also, a higher bond rating will usually result in lower borrowing costs.

#### **Strategies**

- a) Achieve the adopted policy for the general fund budgetary fund balance of at least 5% of total expenditures within the next five years.
- b) Develop a multi-year financial plan for the general fund that maintains long-term bond ratings.

- c) Develop and maintain financial policies that achieve high bond ratings.
- d) Maximize current revenues by taking steps to ensure collection of established taxes, rates, fees, and fines.

### Performance Measures - KRA2 - Financial Excellence

KRA Priority #	Intended Outcome	Department Responsible	FY18/19 Goal	FY18/19 Actual	FY19/20 Goal	FY19/20 Actual	FY20/21 Goal	FY20/21 Actual	FY21/22 Goal
4	GFOA Certificate of Achievement for Excellence in Financial	Finance	Receive Award	Received Award	Receive Award	Received Award	Receive Award	Received Award	Receive Award
4	GFOA Distinguished Budget Presentation Award	Finance	Receive Award	Received Award	Receive Award	Received Award	Receive Award	Received Award	Receive Award
4	GFOA Certificate for the Popular Annual Financial Report	Finance	Receive Award	Received Award	Receive Award	Received Award	Receive Award	Received Award	Receive Award

### KRA #3: INFRASTRUCTURE

Infrastructure is the basic physical and organizational structure needed for the operation of a society or enterprise and the services and facilities necessary to function, such as roads, pedestrian and bicycle systems, water supply, storm drainage, airports, public buildings and facilities, and telecommunications.

## Priorities

### 1. Create and maintain intra-town transportation.

Provide safe, clean, efficient, sustainable, multi-modal surface transportation systems to support the mobility needs of present and future residents, businesses, and visitors within the Town of Payson.

#### Strategies

- a) Plan, design, construct and operate new streets, pedestrian-friendly sidewalks, bicycle lanes, hiking trails, and drainage systems to improve sustainability, reduce congestion, improve air quality, leverage new technology, encourage infill development, create livable neighborhoods, and promote growth.
- b) Continue to work with ADOT to implement traffic enhancements at the intersection of SR260/SR87 to reduce traffic congestion and improve safety.
- c) Maintain existing streets and associated assets in a state of good repair, so they are clean, safe, and aesthetically pleasing for all users. Invest resources and technology to extend the service life of existing infrastructure, protect the Town's investment, and support a high quality of life standard.
- d) Continue to collaborate with stakeholders to carry out the transit recommendations found in the Greater Gila County Transit Implementation Plan.
- e) Coordinate, permit, and document private utilities within the Town right-of-way and easement areas to minimize initial roadway disruptions, reduce future roadway cuts, maintain reasonable utility corridors for future development, and minimize

the visual impact for residents and businesses. Improve the reliability and accuracy of as-built documentation through new technology to increase safety and reduce utility locating and relocation costs.

- f) Plan, design, develop, and maintain a green infrastructure, such as interconnected trail systems that increase shade canopy coverage and promote pedestrian mobility, parks, trees, shade, and habitat restoration.
- g) Use the Gila County Transportation Tax to mitigate the street/road issues that have occurred due to the past economic downturn.
- h) Program general fund dollars to increase the Street Department budget to improve streets.
- i) Complete the acquisition of an easement from the Forest Service to connect Green Valley Parkway between the Payson Event Center and Green Valley Park and identify potential funding opportunities.

## **2. Establish and enhance inter-town transportation.**

Provide safe, efficient sustainable, cost-effective multi-modal transportation systems to support economic growth, population growth, and competitiveness through connectivity to regional, state-wide, and national destinations.

### **Strategies**

- a) Maintain and enhance aircraft access to Town-owned and operated aviation facilities.
- b) Update the 2009 Airport Master Plan and continue to procure funding for the implementation of recommended capital improvements.
- c) Explore partnerships and financing mechanisms to construct additional hangars at the airport to further the economic impact of the airport to the local economy and to increase revenue-generating opportunities.
- d) Continue to partner with public and private partners in Rim Country to plan, design, develop and provide recreational opportunities for a variety of users – pedestrian, equestrian, cycling, motorized.
- e) Continue to work with ADOT regarding State Route 87 and State Route 260, and with the FAA regarding the airport.

## **3. Develop and operate public utilities.**

Protect the public health and environment by providing reliable, efficient and affordable water, stormwater, and recycling services.

### **Strategies**

- a) Manage, develop, operate, and maintain infrastructure that is integrated, well maintained, reliable, aesthetically pleasing, and continuously improves the high quality service delivery standards.
- b) Develop a financing plan for long-term sustainable infrastructure growth and replacement that implements an equitable fee structure and incentives for conservation.
- c) Use public/private partnerships for growth and economic development. Optimize regional partnerships to cooperatively utilize new and existing infrastructure to maximize collection efficiencies, implement new diversion and resource recovery

technologies, minimize the need for future capital investment, reduce transportation demands, and provide sustainable land reuse.

- d) Enhance the operation of C.C. Cragin water treatment facilities.
- e) Develop an asset management plan that identifies improvements needed to ensure reliability, regulatory compliance, operational efficiencies, and resource recovery, while creating an integrated system that improves information access by sharing town-wide and across departments.
- f) Explore methods and potential partnerships to establish and maintain an economically viable town-wide recycling program.

#### **4. Construct and manage public facilities.**

Provide safe, efficient, sustainable, cost-effective, well-maintained, and aesthetically pleasing public facilities for delivery of municipal services to residents and visitors; build, maintain, and manage capital assets to preserve long-term investment and ensure uninterrupted support services.

##### **Strategies**

- a) Apply benchmarking and other industry comparison techniques to manage costs and achieve and maintain industry-leading service levels.
- b) Communicate the value of capital asset management and establish a dedicated funding source for Town infrastructure repair and capital improvements.
- c) Plan, construct, maintain and refurbish park facilities and amenities, and continue the development of trails systems and open spaces, to meet the diverse recreational and cultural needs of the Town's residents and visitors.
- d) Develop a long-term financial plan to fund construction, repair, and maintenance of the appearance and safety of existing facilities.
- e) Develop a long-term construction plan for future recreational and cultural facilities.





### Performance Measures - KRA3 - Infrastructure

KRA Priority #	Intended Outcome	Department Responsible	FY18/19 Goal	FY18/19 Actual	FY19/20 Goal	FY19/20 Actual	FY20/21 Goal	FY20/21 Actual	FY21/22 Goal
1	Street improvements completed in linear feet	Streets	1,000	3,000	1,000	2,200	1,000	1,000	1,000
1	Maintain / Increase # of neighborhood drainage sites improved	Streets	1	2	1	2	1	1	2
1	Implementation of traffic study priorities (total % completed)	Streets	25%	25%	30%	30%	35%	32%	35%
2	Implement Airport Master Plan (total % completed)	Airport	40%	33%	40%	35%	40%	40%	45%
3	Maintain water usage levels at 80-90 gallons per capita per day	Water	Achieve	Achieved	Achieve	Achieved	Achieve	Achieved	Achieve
3	C.C.Cragin Project Total % Completed	Water	90%	90%	100%	95%	100%	100%	N/A
3	Design Ponderosa/Cherry Waterline Replacement Project	Water	N/A	N/A	N/A	N/A	N/A	90%	100%
3	Construct Ponderosa/Cherry Waterline Replacement Project	Water	N/A	N/A	N/A	N/A	N/A	N/A	75%
3	Construct GAC Vessel addition to the CC Cragin Treatment Plant	Water	N/A	N/A	N/A	N/A	N/A	N/A	100%
3	Design the E Phoenix Street Waterline Replacement Project	Water	N/A	N/A	N/A	N/A	N/A	N/A	50%
3	Hillcrest Storage Tank Design	Water	N/A	N/A	N/A	N/A	N/A	N/A	75%

### KRA #4: INNOVATION & EFFICIENCY

The Town of Payson is committed to providing exceptional service to our customers through innovative and efficient techniques. The Town shall remain dedicated to developing and seeking continuous improvements in business processes, and maintaining a culture of improvement and efficiency.

### Priorities

#### **1. Infuse a mindset focused on process improvement into the Town of Payson organizational culture.**

All staff must embrace an attitude that questions existing business processes and practices throughout the organization to foster innovation through the creation and implementation of new ideas.

#### **Strategies**

- Ensure Department Heads are creating an environment that promotes innovation and creativity within their respective departments.
- Empower supervisory staff to encourage and reward the creation of innovative ideas within the organization.



- c) Build innovation and efficiency core values and skillsets into staff management practices, including recruitment, selection, orientation, development, mentorship, performance measurement, and compensation systems.
- d) Cultivate and reward a philosophy of continuous improvement among employees.

## **2. Establish and support Town processes focused on developing and implementing tangible innovations throughout the organization.**

The Town's innovation and efficiency efforts must be driven from the top to all levels, and be results-oriented. Resources should be dedicated to producing innovative changes that enhance customer service, increase productivity, reduce costs, and engage employees.

### **Strategies**

- a) Identify an executive team with responsibility, and resources to provide strategic direction, guidance, and support for innovation and efficiency objectives.
- b) Utilize technology and a standard business process evaluation approach to achieve optimal efficiency and streamlined systems in providing top-quality services.
- c) Invest in resources necessary to carry out process improvement strategies and objectives.
- d) Utilize the employee evaluation process to encourage and promote new and innovative ideas.
- e) Develop departmental business plans according to the adopted Corporate Strategic Plan.

## **3. Focus on improving customer satisfaction and the elimination of barriers to innovation and efficiency.**

Several obstacles can stand in the way of creating an environment of innovation and pathways to efficiency. The organization must seek to identify these real or perceived hindrances and, when appropriate, actively remove or facilitate working through them.

### **Strategies**

- a) To lessen the 'business silo' effect, provide incentives for department heads, managers, and staff to collaborate, consolidate, streamline, and adapt to processes or functions that overlap or cross formal organizational structures.
- b) Identify unneeded requirements or obsolete expectations that unnecessarily slow down business processes and work to eliminate them.
- c) Streamline Town boards, committees, and commissions to make the various processes more business-friendly.
- d) Continue to support a 'one-stop-shop' Development Services model.
- e) Support adaptive reuse of vacant building inventory to the greatest extent feasible through application of flexible standards within the existing Buildings Code, zoning relief, and other regulatory processes, and by the creation of targeted development incentives.

## **4. Engage the Payson community in the Town's innovation and efficiency methodologies to facilitate citizen involvement, input, and awareness.**

Involvement by Payson residents in the accomplishment of the Town's innovation and efficiency goals will boost the meaningfulness and connectedness of the achievements to the community.

The Town needs to enhance public awareness about the innovation and efficiency achievements, and make strong efforts to request relevant input.

### Strategies

- Celebrate innovation and efficiency efforts and accomplishments on a Town-wide scale.
- Actively inform customers of innovation and efficiency efforts through available public communication methods and media.
- Continue to reach out to the community through the Mayor and Town Council, Boards and Commissions, neighborhood associations, and other stakeholders to engage the community and invite participation and input.
- Create an environment that actively celebrates and informs employees of innovation and efficiency efforts throughout the organization.

### Performance Measures - KRA 4 - Innovation and Efficiency

KRA Priority #	Intended Outcome	Department Responsible	FY18/19 Goal	FY18/19 Actual	FY19/20 Goal	FY19/20 Actual	FY20/21 Goal	FY20/21 Actual	FY21/22 Goal
4 & 5	Visits to websites	All Gov't	350,000	345,000	350,000	348,000	350,000	348,000	375,000
4 & 5	Website page views	Tourism	N/A	N/A	N/A	517,647	540,000	509,791	530,000
		Econ Devel	N/A	N/A	N/A	N/A	N/A	6,584	7,000
4 & 5	Articles/press releases in local newspaper	Econ Devel	11	11	11	11	11	10	10
4 & 5	Public e-mail distribution list	All Gov't	2,500	2,550	2,600	2,750	2,800	2,740	2,800
		Tourism	257,000	4,829	6,000	8,638	9,000	8,931	9,100
4 & 5	TOP Talk Programs	Clerk	23	21	22	17	22	22	25
	# of employee presenters		60	68	70	37	50	51	55
	# of guests		65	33	40	19	50	17	20
4 & 5	TOP Talk Programs	Police	N/A	4	5	5	5	3	3
	# of employee presenters								
4 & 5	TOP Talk Programs	Econ Devel	4	4	4	3	4	-	-
	# of employee presenters								
	# of guests								
4 & 5	Radio appearances	Police	N/A	11	15	10	10	4	5
		Econ Devel	6	6	6	4	2	1	1
4 & 5	Public speaking engagements	Police	N/A	41	60	3	3	10	10
		Econ Devel	6	6	6	10	5	10	6

## KRA #5: NEIGHBORHOODS & LIVABILITY

To preserve healthy, vibrant, diverse and safe neighborhoods that enhance the quality of life for all Payson residents through neighborhood vitality, support housing opportunities and choices, provide quality parks and open space, and a quality library system.

### Priorities

#### 1. Support neighborhood vitality through strong partnerships, collaborations, and by leveraging resources.

To preserve healthy, vibrant, diverse, and safe neighborhoods, the Town must support neighborhood self-reliance and enhance the quality of life for all residents through community-based problem solving, neighborhood-oriented services, and public/private cooperation.

### **Strategies**

- a) Encourage and continue to enforce compliance with Town ordinances to ensure a quality community.
- b) Explore areas of opportunity to improve or revamp the code compliance process to be more efficient and achieve a resolution more quickly.
- c) Actively work to eliminate noxious and invasive weed species by working with the Forest Service and homeowners/businesses to aggressively reduce noxious and invasive weeds.
- d) Engage neighborhood organizations, volunteers, businesses, nonprofit, and faith-based organizations to collaborate effectively in partnership with the Town to make Payson an attractive place to live and work.
- e) Focus revitalization efforts in a manner that maximizes private and public resources to the greatest extent possible.
- f) Explore funding to revitalize and support neighborhoods.
- g) Collaborate with private organizations and public agencies to implement a regional public transit system based on the Northern Gila County Transit Study.
- h) Work with nonprofit and other organizations to promote and participate in a regional continuum-of-care system that will effectively transition persons who are homeless to appropriate permanent housing.

## **2. Promote diversified housing opportunities to enrich the quality of life for all Payson residents.**

Support a range of housing opportunities that allow the Town to continue to preserve healthy, vibrant, diverse, and safe neighborhoods.

### **Strategies**

- a) Promote and increase the availability of decent, safe, and affordable housing and expand the supply of assisted housing choices.
- b) Evaluate the Planning Area for opportunities to promote additional and diverse housing development, including Townsite purchases and land acquisition.
- c) Encourage the development of special-needs housing and supportive services for persons with disabilities, seniors, the homeless, and those with special needs.
- d) Utilize federal or grant funding to benefit low- to moderate-income households.
- e) Promote appropriate neighborhood infill development to improve neighborhoods, reduce decay, and take advantage of opportunities to maintain healthy communities.

## **3. Ensure Payson residents have quality parks, open space, programming opportunities, and facilities.**

Partner with the community to provide a parks and recreation system that meets the needs of Payson residents and visitors that is convenient, accessible, and diverse in programs, locations and facilities.

### **Strategies**

- a) Develop a Parks Master Plan and Civil Plan.

- b) Support healthy communities by providing clean, safe, and accessible parks and recreational facilities that meet the needs of Payson and incorporate sustainable design standards with available resources.
- c) Explore opportunities to develop park open spaces in population centers that are currently without such facilities and gather community input on wants and needs.
- d) Support diverse and accessible educational and life enrichment activities that embrace art, dance, music, culture, fitness, nutrition, sports, and out-of-school time as a foundation for recreational activities offered at parks and park facilities.
- e) Develop a Trails Master Plan.
- f) Protect natural and open spaces to preserve the environment and provide recreational opportunities for Payson residents and visitors.
- g) Investigate the feasibility of constructing a community center that would provide space for the arts, sports, meeting rooms, etc., along with an aquatics facility or as a separate facility.
- h) Pursue acquisition of additional properties from the Forest Service.
- i) Implement a process where all future land exchanges/acquisitions must include 3% of the traded property to be dedicated to the Town.
- j) Reinstitute focus on outdoor recreation planning and programming.
- k) Pursue relationships with partners or develop funding for senior programming/opportunities to serve a large portion of the population.

#### **4. Promote a strong arts and culture infrastructure.**

Partner with the community to provide strong arts and cultural infrastructure, and programs to create a more beautiful and vibrant town that contributes to a better quality of life.

##### **Strategies**

- a) Enrich all aspects of Payson's life by integrating arts and culture into neighborhoods and development of Payson's infrastructure.
- b) Generate public and private support and resources to strengthen, expand, and stabilize funding for the arts.

#### **5. Provide an accessible library system.**

Partner with the community to provide a library that meets the needs of residents and visitors and is accessible, convenient, and diverse in programs and facilities.

##### **Strategies**

- a) Develop and maintain the library with sufficient technology, materials, hours and staff to meet the needs of the community.
- b) Design, build, and maintain signature facilities that are accessible to all residents.
- c) Enhance library technology to provide greater access to the internet and electronic resources for library users.

### Performance Measures - KRA 5 - Neighborhoods & Livability

KRA Priority #	Intended Outcome	Department Responsible	FY18/19 Goal	FY18/19 Actual	FY19/20 Goal	FY19/20 Actual	FY20/21 Goal	FY20/21 Actual	FY21/22 Goal
1	# of unsightly properties investigated (workload indicator)	Planning	100	90	150	188	120	150	150
1	# of unsightly properties investigations closed	Planning	100	80	145	187	120	142	150
1	Completion of 87/260 beautification plan (percent completed)	Planning	15%	18%	25%	32%	40%	32%	35%
3	# of programs offered to the public	Parks, Rec & Tourism	70	114	120	167	170	61	61
3	# of registrations for programs	Parks, Rec & Tourism	5,000	3,715	4,000	3,296	3,500	2,820	3,300
3	# of facility reservations	PR&T	425	715	750	1,135	1,200	1,822	1,900
3	Youth Sport Programs Offered	PR&T	N/A	N/A	N/A	20	25	42	45
3	Adult Programs Offered	PR&T	N/A	N/A	N/A	11	13	15	15
3	Events at PEC	PR&T	N/A	N/A	N/A	21	25	20	22
3	Special Events/Tournaments (hosted/co-sponsored)	PR&T	N/A	N/A	N/A	48	50	5	4
3	Rentals of Park Facilities	PR&T	N/A	N/A	N/A	1,248	1,300	1,576	1,600
5	# of reference questions (workload indicator)	Library	10,000	11,113	10,000	8,201	10,000	5,902	8,000
5	Total circulation	Library	130,500	141,257	135,000	100,779	135,000	69,453	100,000
5	# of children's programs	Library	200	194	200	132	175	123	175
5	Total attendance at children's programs	Library	5,000	3,950	4,000	7,743	3,000	634	3,000
5	# of teen programs	Library	89	45	50	12	25	35	25
5	Total attendance at teen programs	Library	995	649	650	80	250	210	250
5	# of adult programs	Library	115	153	125	73	100	19	100
5	Total attendance at adult programs	Library	1,875	2,334	2,000	1,118	1,500	93	1,500

### KRA #6: SOCIAL SERVICES

The Town will serve as a catalyst to support a full continuum of high-quality services for Payson residents. Though the Town of Payson has and will continue to respond to specific social services needs directly where appropriate, the framework of this plan defines and coordinates the greater scope of needs and services required by Payson residents. By providing a clear vision and continued leadership, Town services will be provided in tandem with other resources provided by the community and faith-based organizations, as well as other levels of government.

## Priorities

### 1. Enhance the quality of life for low-income or at-risk individuals and families.

The Town of Payson will empower all residents to live in safe, affordable housing and achieve economic self-sufficiency through access to social, employment, and other economic resources needed to maximize their quality of life.

#### Strategies

- Promote linkages to job training and other employment and educational resources empowering low- and moderate-income households to realize a livable wage.
- Enhance the community's capacity to provide at-risk populations, including the disabled, elderly, and chronically homeless, with access to supportive services leading to greater self-sufficiency.
- Create safe and affordable housing opportunities for all Payson residents by creating and strengthening programs and services that enhance opportunities for households to obtain housing that meets their economic, social, and cultural needs.
- Assist those persons and agencies in the Payson area that are working to alleviate homelessness.

### 2. Build healthy, caring communities.

The Town of Payson will promote rich, diverse, and innovative networks of public, community, and faith-based programs, services, and facilities to maximize the potential of the community. The Town will serve as a resource and a catalyst in strengthening neighborhoods and building community capacity.

#### Strategies

- Enhance and expand the formal and informal networks connecting the social services sector (non-profits, faith community, etc.) to individuals and families in high-need neighborhoods.
- Strengthen communities by promoting a broad and diverse continuum of programs and services.
- Develop a directory of community resources and social services providers that are available to the community via multiple sources and at any time of day.

#### Performance Measures - KRA 6 - Social Services

KRA Priority #	Intended Outcome	Department Responsible	FY18/19 Goal	FY18/19 Actual	FY19/20 Goal	FY19/20 Actual	FY20/21 Goal	FY20/21 Actual	FY21/22 Goal
1 & 2	Complete rehabilitation projects for income-qualified homeowners	Planning	3	2	4	N/A	N/A	N/A	N/A
1 & 2	Make referrals to income-qualified housing facilities	Planning	15	15	15	8	10	5	5
1 & 2	Provide technical assistance to potential applicants for housing rehabilitation	Planning	6	15	5	N/A	N/A	N/A	N/A



## **KRA #7: THE PAYSON TEAM**

As the organization faces increasing pressures for improved results, it becomes even more critical for a heightened connection between employees and their work, their organization, and the people they work for and with. Methods for motivating employees must be updated to keep employees engaged and retained within the organization. Additionally, traditional means of communication may no longer be adequate to convey critical information to both employees and the public.

### **Priorities**

#### **1. Establish pay and benefits and a workplace culture that attracts, retains, and motivates a highly qualified workforce.**

Employee turnover and recruitment create a strain on the organization and result in a loss of experience and institutional knowledge. Offering competitive pay and benefits will ensure the Town of Payson can attract and retain a high-quality workforce.

##### **Strategies**

- a) Explore alternate pay and benefit options for part-time employees or for a nontraditional workforce.
- b) Actively seek out a diverse and talented pool of candidates who possess the values and skills consistent with organizational goals.
- c) Investigate options to improve employee benefits and implement the improved benefits as funding becomes available.
- d) Annually review the Town's pay plan and update on an as-needed basis.
- e) Review job descriptions bi-annually for accuracy and completeness and update as needed.

#### **2. Provide a workplace culture that supports the health, productivity, and efficiency of employees.**

The Town of Payson understands that organizational success depends on a healthy, productive, and efficient workplace and workforce. Employees also recognize that they can improve their lives by taking charge of their health and making greater use of technology to ease ever-increasing work demands.

##### **Strategies**

- a) Analyze and evaluate employee and retiree health care benefit options.
- b) Create Town-wide programs focusing on increasing employees' capacity to manage their wellness and health care.
- c) Explore technology uses for greater access to current credible data to make informed decisions and improve work responsiveness.

#### **3. Establish communication plans to engage and inform employees and the community.**

Provide clear, timely, and accurate information to employees and the public to garner support for, and achievement of, organizational goals and continued quality services.

### **Strategies**

- a) Develop and implement comprehensive internal communications to increase understanding of and connection to the Town of Payson goals and values among employees at all levels of the organization.
- b) Promote more interdepartmental communication to increase the consistency of messages, ensure faster decision-making, empowerment, effectiveness, and accountability.
- c) Create an alliance or understanding between employees and the public through a variety of media formats to accurately demonstrate and communicate the Town's efforts in running a world-class operation.
- d) Use applicable technologies, such as text or email distribution lists, to get information to Town employees and/or the public.
- e) Develop opportunities to "showcase" improvements, accomplishments, and quality programs provided by employees that benefit the community.

## **4. Create development opportunities that enhance the Town's standing as a high-performing organization.**

The Town continues to reduce unnecessary hierarchy to improve efficiencies and to speed communication and decision making. This has resulted in a flatter organization, increases in the span of control, and consequently fewer promotional opportunities. Further, an increasing number of employees are leaving the Town as they reach retirement eligibility. As a result, it becomes even more critical to manage and coordinate the available human resources effectively to provide leadership and ongoing quality services to the community.

### **Strategies**

- a) Analyze and develop a reward and recognition program that supports the organization's goal to attract and retain top talent.
- b) Coordinate efforts on the department level to cultivate skilled employees and leaders within the organization.
- c) Establish methods of capturing organizational knowledge and expertise through workforce planning efforts.
- d) Increase professional development and training opportunities that reflect the key values of the organization.

## **5. Mobilize and leverage community partnerships and volunteer programs to enhance programs and services.**

The Town has the potential to maximize service delivery through innovative partnerships. The community has expressed an interest in helping in a variety of areas.

### **Strategies**

- a) Coordinate a Town-wide program that increases exposure to volunteer opportunities throughout the Town of Payson.
- b) Use technology to reach, match, and connect volunteers to the Town's needs.
- c) Identify and engage with the community and corporate partners to develop quality programs and services.
- d) Explore and capitalize on opportunities to work with other governmental entities to pool resources and share information.

- e) Identify new ways to engage volunteers in support of Town services.

## 6. Create employee training and participation programs.

One of the biggest assets of any organization is properly engaged employees. Employees need to feel ownership within the organization, that their performance makes a difference, and that their opinions are heard.

### Strategies

- Develop career paths for employee advancement within the pay plan.
- Utilize employee cross-functional “Power Teams” to develop and implement process change, develop new ideas, and solve issues.
- Create and implement a management succession plan.

### Performance Measures - KRA 7 - The Payson Team

KRA Priority #	Intended Outcome	Department Responsible	FY18/19 Goal	FY18/19 Actual	FY19/20 Goal	FY19/20 Actual	FY20/21 Goal	FY20/21 Actual	FY21/22 Goal
4 & 6	Facility Training Completed (hours)	Fire	648	1,138	576	771	500	250	300
4 & 6	Officer Training Completed (hours)	Fire	N/A	3,826	1,000	1,865	1,000	200	500
4 & 6	Company Training Completed (hours)	Fire	2,000	7,147	7,920	4,511	4,000	3,277	3,500
4 & 6	Driver/Operator Training Completed (hours)	Fire	N/A	4,227	1,000	720	1,000	1,024	500
4 & 6	Emergency Medical Training Completed (hours)	Fire	1,500	1,618	1,500	386	500	1,000	500
4 & 6	Average Training Hours per Firefighter	Fire	225.0	498.8	228.0	201	250	167	225
5	# of volunteers hours	Fire	12	10	12	10	12	6	10
2	Conduct Employee Health Fair	Human Resources	Yes	Yes	Yes	Yes	Yes	Yes	Yes
5	# of volunteers	Police	70	52	60	34	45	35	35
		Police	9,500	8,897	9,000	7,175	6,000	4,500	4,500
5	Number of Volunteers	PR&T	N/A	N/A	N/A	110	125	37	45
5	Town Partners involved in Events & Programs	PR&T	N/A	N/A	N/A	85	100	25	50

## **KRA #8: THE PUBLIC SAFETY**

The Town of Payson is committed to a high level of public safety and working in partnership with the community to maintain a safe and secure town. The Public Safety area includes members of, and services provided by, the Police Department, Fire Department, and Emergency Management. Working together, these departments strive to provide Payson with an environment of safety and security.

### **Priorities**

#### **1. Provide excellent customer service internally and externally.**

Every member of the community and every organization working in Payson is a public safety customer. Firefighters and police officers swear an oath to protect the people they serve. Every public safety worker should serve their customers with dignity and honor to develop mutual trust and respect.

##### **Strategies**

- a) Embrace diversity and treat every customer with respect, compassion, equality and fairness, and work in a way that engenders community trust and support.
- b) Build relationships with communities that encourage collaboration, communication, trust and understanding.
- c) Provide customers with a venue to openly discuss issues of concern.
- d) Seek opportunities to work cooperatively with other jurisdictions and groups to improve the efficiency and effectiveness of customer service.
- e) Maintain relationships with other Town departments to ensure that public safety is incorporated into the plans and goals of nonpublic safety departments.
- f) Provide volunteer opportunities for community members.

**2. Provide public safety professionals with the tools necessary to safely and efficiently meet Town and regional public safety needs.** Ensure that public safety professionals have the training, education, equipment, facilities, and other resources needed to provide a high level of service to the community.

##### **Strategies**

- a) Provide appropriate training, continuing education, and professional development to emergency and non-emergency public safety service providers to be able to better serve the public.
- b) Prioritize training and support for public safety responders to maintain and enhance physical and mental wellness.
- c) Provide necessary resources including personnel, equipment, vehicles, and facilities for public safety service providers.
- d) Ensure adequate levels of staffing are sustained to facilitate the ability to conduct proactive public safety measures as well as educational outreach within the community.

### **3. Ensure timely and appropriate response.**

The Town of Payson deploys public safety professionals to provide a timely and appropriate response to emergencies. Response resources include those needed for routine incidents as well as the capacity to respond to and manage natural and human-caused incidents of regional significance.

#### **Strategies**

- a) Deploy resources to respond to emergencies within acceptable time frames.
- b) Support the emergency response with appropriate investigation and prosecution activities.
- c) Provide sufficient resources to manage incidents of regional significance.
- d) Work collaboratively with other public safety, governmental, and non-governmental agencies to eliminate duplication of services, and provide superior service.
- e) Ensure that after an incident, recovery of public and private resources occurs in the affected area(s).

### **4. Ensure fiscal responsibility.**

All public safety employees have a fiduciary responsibility to utilize funding reasonably and acceptably.

#### **Strategies**

- a) Encourage, support, and value innovation, efficiency, and continuous improvement.
- b) Continually evaluate community needs to ensure efficient and currently acceptable methods are being utilized.
- c) Constantly seek ways to reduce the cost of public safety services while preserving or improving the quality of the service provided.
- d) Utilize resources and technology carefully and effectively.
- e) Pursue grant funding from all sources, as appropriate, to provide public safety services.
- f) Work towards resolving the Town's unfunded liability with the Public Safety Personnel Retirement System.

## **POLICE DEPARTMENT**

The Town of Payson Police Department is committed to utilizing the Community Oriented Policing philosophy to proactively collaborate with stakeholders to build partnerships while reducing crime, social disorder, and the fear of criminal activity.

### **5. Reduce crimes and traffic accidents through education, enforcement, and crime prevention programs.**

The Town provides a variety of resources to better educate and inform the public.

#### **Strategies**

- a) Provide information and education to Payson residents and visitors about actions that can be taken to keep themselves and their families safe.
- b) Provide residents and visitors with information about how public safety agencies

deliver service to the community.

- c) Educate communities in traffic safety and the prevention of crime and accidents in the home and workplace.
- d) Use directed and close patrols to ensure traffic laws are being followed.
- e) Partner with key stakeholders and other law enforcement agencies to collaboratively provide education and crime prevention techniques.

## **FIRE DEPARTMENT**

### **6. Prevent fires and accidents, and other emergencies by enhancing community awareness of public safety systems and enforcing Town Codes.**

#### **Strategies**

- a) Provide information and education to all Payson residents and visitors about actions that can be taken to keep themselves and their families safe.
- b) Provide residents and visitors with information about how public safety agencies deliver service to the community.
- c) Provide routine and regular occupancy inspections to educate business owners on fire safety and correct fire safety violations.

### **7. Address wildland/urban interface fire risks affecting the Town.**

The Fire Department assists the public in the protection of life and property by minimizing the impact of fires. The Fire Department encourages "Fire Wise" communities to reduce the fuel available to a spreading fire.

#### **Strategies**

- a) Leverage wildland fire public information by collaborating with other agencies and efforts.
- b) Enhance code enforcement capabilities by implementing a Fire Prevention Specialist certification program for personnel.
- c) Develop and present a Town-based wildland/urban interface fire code for potential adoption by Council.
- d) Identify, consolidate, and clarify Town ordinances that pertain to hazardous fuel reduction and how they are applied and enforced.
- e) Create and implement a fire-wise program that promotes and educates on fire-wise activities and hazardous fuels safety.
- f) Develop/enhance code enforcement as it pertains to fire-wise issues.



## Performance Measures - KRA 8 - Public Safety

KRA Priority #	Intended Outcome	Department Responsible	FY18/19 Goal	FY18/19 Actual	FY19/20 Goal	FY19/20 Actual	FY20/21 Goal	FY20/21 Actual	FY21/22 Goal
2 & 3	ISO rating	Fire	Class 3	Class 3	Class 3	Class 3	Class 3	Class 3	Class 3
3	Improve Response Time	Fire	Below 6:00	4:14	Below 6:00	4:43	Below 5:00	5:02	Below 6:00
1	Conduct CPR Classes: # of Citizens Trained	Fire	900	665	500	206	300	180	200
3	Structure Fire Save ratio	Fire	Above 85%	90%	Above 85%	72%	70%	59%	70%
1	Teach 10 week DARE program to 5th graders	Police	Complete	Completed	7 Classes	Completed	Complete	Cancelled - COVID	5 classes
3	Block Watch Program	Police	Yes	4	6	6	7	COVID	5
3	Click It or Ticket Campaign	Police	Yes	6	6	0	6	6	7
3	Bicycle Safety Program	Police	Yes	0	2	0	3	COVID	3
3	Drive Hammered Get Nailed Campaign	Police	Yes	9	11	0	10	7	8
3	Calls for service (workload indicator)	Police	Below 25,000	26,103	Below 27,000	19,834	Below 20,000	29,080	29,250

## KRA #9: SUSTAINABILITY

The Town of Payson is committed to meeting the community's environmental, economic, and social needs without compromising the ability of future generations to meet their own needs.

## Priorities

### 1. Enable opportunities for environmental stewardship.

Environmental sustainability is best achieved by encouraging shared responsibilities, protecting natural systems, and promoting the efficient use of natural resources. It is also important to implement policies, programs, and practices that have a far-reaching effect on the environment.

### Strategies

- Attain and exceed federal air quality standards for the region.
- Create sound water management policies and engage the community in conservation efforts.
- Integrate and promote emerging technologies and products including green building elements, environmental purchasing, energy management, alternative fuels, and alternative surfacing materials.
- Seek funds to support environmental protection, enhancement, and improvement projects and programs.
- Support and aid in the implementation of community-wide cleanup and recycling efforts and programs.
- Promote smart land use and growth by encouraging connectivity within road networks and ensuring connectivity between pedestrian, bike, transit, and road facilities and continually evaluating and updating the development code for best practices.

- g) Utilize the Capital Improvement Program to enhance and protect open space and landscaped areas throughout the Town.

## 2. Prioritize economic sustainability.

The success of the Town as a whole lies in the support of economic development. Economic sustainability refers to practices that support long-term economic growth without negatively affecting other future aspects of the community.

### Strategies

- Generate robust job growth within industry clusters by maximizing the assets that Payson has.
- Promote job creation and revenue generation of small business and local entrepreneurs.
- Guide investment in infrastructure and other capital projects to stimulate private sector development and job growth.
- Develop marketing tools to effectively reach target audiences.

## 3. Support social equity and growth.

Economic growth is important to achieve a sustainable community. As development is encouraged for economic growth, social equity must also be considered. Availability and access to resources are key for all community members.

### Strategies

- Create and support policies and procedures that improve the quality of life for all community members and world peace.
- Develop and promote an integrated pedestrian, bicycle, and transit plan to adequately serve and connect all members of the community to necessary services and amenities.
- Recruit new businesses, organizations, and institutions to provide new products or service lines and open up new markets.

### Performance Measures - KRA9 - Sustainability

KRA Priority #	Intended Outcome	Department Responsible	FY18/19 Goal	FY18/19 Actual	FY19/20 Goal	FY19/20 Actual	FY20/21 Goal	FY20/21 Actual	FY21/22 Goal
1 & 3	Maintain water usage levels at 80-90 gallons per capita per day	Water	Achieve	Achieved	Achieve	Achieved	Achieve	90 gpcpd	Achieve
1 & 3	Present In-School Water Conservation program (# of students)	Water	200	200	185	184	Cancelled due to COVID	Cancelled due to COVID	Cancelled Due to COVID
1 & 3	Hold electronic waste E-cycling event	Water	0	1	1	0	Cancelled due to COVID	1	1
1 & 3	Hold latex paint recycling event	Water	0	1	1	0	Cancelled due to COVID	1	1
1 & 3	Hold household hazardous waste event	Water	1	1	1	0	Cancelled due to COVID	1	1
1 & 3	Establish / maintain Antifreeze recycling	Water	Available	Available	Available	Available	Available	Available	Continue Availability

## **KRA #10: TECHNOLOGY**

Information technology (IT) is a vital part of a vibrant Town government. Information technology, utilized appropriately, enables services to the community, increases the efficiency of operations, delivers useful information, and supports innovation.

The Information Technology Department has two primary responsibilities: first, to provide vision, leadership, strategic planning, and innovative technology that will benefit the Town and improve services provided to its citizens. Second, to provide centralized information technology services required by Town Departments.

- Provide and support a secure centralized network, telephony, and computer technology.
- Support and maintain software applications and the data infrastructure enabling effective business analysis.
- Mitigate the risk of loss to the Town's information and computer resources, and develop security policies and guidelines.
- Provide a spatial data repository, tools, and services for town departments so they can create, maintain, represent, and analyze geographic information.

### **Priorities**

#### **1. Provide high-quality, valued IT services.**

##### **Strategies**

- a) Continually improve foundational IT processes: proactively plan, implement, monitor, and measure our environment of resources, systems, applications, networks, and communications to proactively maintain, adjust, repair, extend, and enhance them to increase overall system reliability, efficiency, availability, and security.
- b) Continue to ensure access to and availability of systems 24/7/365.
- c) Replace hardware, software, and network infrastructure in a planned, budgeted, and scheduled manner to prevent obsolescence and reduced organization efficiency.
- d) Provide innovative services and solutions that take advantage of new technologies to ensure the Town can provide primary services to the community and staff in a manner that is aligned with the sustainability standards of the Town and community.
- e) Maintain and update, as necessary, the IT Department 3-5 year plan outlining hardware and software upgrades and replacement.

#### **2. Provide innovative, creative technology solutions.**

##### **Strategies**

- a) Evaluate emerging technologies to discover opportunities to enhance the delivery of core services, increase organizational efficiencies, decrease cost, or support Town Council priorities.

- b) Maintain hardware, software, network, and security standards to ensure a sustainable technology environment, while embracing and exploiting new technologies so the Town can be an innovative leader.
- c) Work to engage technologies such as Web delivery, cloud services, mobile devices, and a variety of virtualization opportunities; deploy and support when applicable.
- d) Research, implement, and enhance methods of electronic input and payment of citizen transactions.

### **3. Deliver exceptional customer interactions and service.**

#### **Strategies**

- a) Research and develop a strategy to provide Wi-Fi at Town parks, events, or possibly town-wide.
- b) Enhance e-commerce. The Town should deliver as many services as practical online to allow the community to conduct town-related business from home, work, or mobile device.
- c) Social Media (Facebook, Twitter, LinkedIn, YouTube) can provide a platform for citizen engagement and distribute information quickly. (See 3-5 year plan, need proper staffing.)
- d) Implement strategies to enhance services the IT department provides. For example, a help desk package that will allow users the ability to solve problems themselves, when appropriate, while providing data to improve the ability to track issues.
- e) Enhance Intranet to provide employees access to resources remotely.
- f) Continue to enhance the website, [www.paysonaz.gov](http://www.paysonaz.gov), as a single “front door” for residents and businesses by offering web-based government services.
- g) Enhance TV4 government access channel programming and continue providing valuable Town information to residents.

### **4. Protect Town resources from cyber threats.**

#### **Strategies**

- a) The IT department is focused on securing technology services to protect against cyber threats, which are increasing in scope and frequency. At the same time, the IT department will continue to evolve and enable innovative ways for Town departments to share information and services. Critical to our success is a strong foundation of governance practices that promote transparency and efficiency.
- b) The IT department will protect sensitive data through robust security and privacy programs; implement and monitor compliance with security and privacy policies, standards, and practices; raise awareness about information security risks; train and educate technology users; and implement next-generation security tools.

### **5. Continue to maintain and enhance the following protective measures that are already in place, while researching new solutions that can assist in protecting Town resources:**

#### **Strategies**

- a) Web filtering – Monitoring and restricting internet access and blocking malicious web sites.

- b) Penetration testing – Performed periodically to evaluate computer and network security by simulating cyber-security attacks from internal and external threats.
- c) External and internal vulnerability scans – Scans our internal and external devices network for vulnerabilities. The scan detects and identifies potential points of an exploit, detects and classifies system weaknesses in computers, networks, and communications equipment, and predicts the effectiveness of countermeasures.
- d) Anti-virus/malware software – Monitoring, detecting, and cleaning all town computers.
- e) Patch management software – Ensuring all computers are updated to protect against the most recent threats.
- f) Enforce Town-wide password and network security standards.

#### Performance Measures - KRA 10 - Technology

KRA Priority #	Intended Outcome	Department Responsible	FY18/19 Goal	FY18/19 Actual	FY19/20 Goal	FY19/20 Actual	FY20/21 Goal	FY20/21 Actual	FY21/22 Goal
3	E-Gov availability for all departments	Info Services	15%	12%	20%	15%	20%	30%	30%
3	Visits to websites	All Gov't	350,000	345,000	350,000	342,000	350,000	348,000	375,000
3	Pageviews	Tourism	N/A	N/A	N/A	517,647	540,000	509,791	530,000
3	Tourism website user sessions	Tourism	N/A	N/A	N/A	137,257	145,000	144,286	150,000
3	Public e-mail distribution list	All Gov't	2,500	2,550	2,600	2,700	2,800	2,740	2,800
		Tourism	N/A	N/A	6,000	8,638	9,000	8,961	9,250
3	Facebook page likes	Tourism	N/A	N/A	N/A	N/A	N/A	19,593	22,000



## KRA MATRIX

The following matrix illustrates links between the ten Key Results Areas (KRA) of the Corporate Strategic Plan (broken out by KRA: Priority: Strategy) to the seven elements of the General Plan:

KRA: Priority: Strategy	Land Use  <u>LU</u>	Growth Area  <u>GA</u>	Circulation  <u>C</u>	Parks, Trails, & Open Spaces  <u>PT</u>	Environmental Planning  <u>EP</u>	Water Resources  <u>WR</u>	Cost of Development  <u>CD</u>
1:4:A							X
1:4:E							X
1:4:G		X					
2:1:All							X
2:2:All			X				X
2:3:All							X
2:4:All							X
3:1:A			X				
3:1:B			X				
3:1:C			X				
3:1:D			X				
3:1:E			X				
3:1:F			X				
3:1:G			X				
3:2:A		X					
3:2:B		X					
3:2:C				X			
3:2:D		X	X				
3:3:A						X	
3:3:B						X	X
3:3:D						X	X
3:3:E						X	
3:4:B							X
3:4:C				X			
3:4:D				X			
3:4:E				X			



## KRA Matrix (Cont'd)

KRA: Priority: Strategy	Land Use <u>LU</u>	Growth Area <u>GA</u>	Circulation <u>C</u>	Parks, Trails, & Open Spaces <u>PT</u>	Environmental Planning <u>EP</u>	Water Resources <u>WR</u>	Cost of Development <u>CD</u>
5:1:A		X					
5:1:B					X		
5:1:C					X		
5:1:D		X					
5:1:E		X					
5:1:F		X					
5:1:G		X					
5:1:H		X					
5:1:I		X					
5:2:A		X					
5:2:B	X						
5:2:C	X	X					
5:2:D	X	X					
5:2:D	X	X					
5:3:A				X			
5:3:B				X			
5:3:C				X			
5:3:D				X			
5:3:E				X	X		
5:3:F	X			X			
5:4:C				X			
6:1:C	X						
8:6:All	X				X		
9:1:All	X				X		
9:1:B			X				
9:1:C							X

## LONG-TERM PLANNING

The Town of Payson's Five-Year Forecast is presented for long-range financial planning and budgeting purposes. The forecast shows FY2018/19 and FY2019/20 actual dollars, FY2020/21 and FY2021/22 budgeted dollars and projections for FY2022/23 through FY2025/26. The projections are based on local trends as well as information obtained from the utilization of national forecasting tools such as the Consumer Price Index (CPI) and Gross Domestic Product (GDP). The goal of this multi-year financial forecast is to help the Town plan for the future proactively, identifying potential issues and formulating options for problem resolution.

The Town's Five-Year Forecast for General Fund revenues and expenditures is depicted in the chart on the following page. This forecast is based on conservative estimates and assumptions as a means of illustrating the Town's future financial position under current circumstances.

An analysis of the Five-Year Forecast emphasizes the fact that the measures put in place during fiscal year 2017/2018 will continue to help move the Town in a positive direction. The increase in the local sales tax rate that took effect on August 1, 2017, has helped generate the revenues that are needed to cover day-to-day expenditures, plus satisfy some of the other financial goals set forth by the Council. The Town has started paying down the public safety retirement obligations, has almost finished paying back the Water Department loan, and has begun setting aside funds to get back on an adequate maintenance schedule for capital assets. During the past few years, the Town's revenues have outpaced expenditures, resulting in increased reserves that provide a safeguard against future economic turmoil. These positive results will only be able to continue if the Town's efforts to boost tourism and economic development are realized, and Town departments continue to scrutinize operational costs and maximize returns on every dollar spent.

In conclusion, the Five-Year Forecast has brought two main goals to the forefront: (1) continue to capitalize on potential revenue opportunities, and (2) build reserves in the General Fund that comply with the Town's financial policy.





## FIVE YEAR FINANCIAL FORECAST (GENERAL FUND)

	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	2022/23 Projected	2023/24 Projected	2024/25 Projected	2025/26 Projected
<b>REVENUES</b>								
Taxes	\$ 15,693,675	\$ 17,061,175	\$ 16,279,800	\$ 17,285,000	\$ 19,700,000	\$ 20,488,000	\$ 21,308,000	\$ 22,160,000
Licenses & Permits	804,416	823,926	815,600	862,300	900,000	927,000	955,000	984,000
Intergovernmental	438,815	47,021	130,900	435,300	400,000	412,000	424,000	437,000
Charges for Service	942,260	889,669	871,000	960,200	950,000	979,000	1,008,000	1,038,000
Fines & Forfeitures	127,348	147,501	122,000	155,000	170,000	175,000	180,000	185,000
Grants	120,214	123,948	816,700	1,183,600	500,000	515,000	530,000	546,000
Miscellaneous	309,123	339,345	406,500	321,700	250,000	258,000	266,000	274,000
Transfers In	322,000	240,300	300,000	976,500	450,000	464,000	478,000	492,000
<b>Total Revenues</b>	<b>\$ 18,757,851</b>	<b>\$ 19,672,885</b>	<b>\$ 19,742,500</b>	<b>\$ 22,179,600</b>	<b>\$ 23,320,000</b>	<b>\$ 24,218,000</b>	<b>\$ 25,149,000</b>	<b>\$ 26,116,000</b>
<b>Less: EXPENDITURES</b>								
Personnel Services	12,616,452	12,662,907	14,017,400	14,925,400	15,000,000	15,600,000	16,224,000	16,873,000
Operating Expenses	3,795,729	4,202,499	5,864,400	7,367,300	6,500,000	6,695,000	6,896,000	7,103,000
Capital Outlay	748,975	71,713	139,000	990,300	1,000,000	1,100,000	1,200,000	1,300,000
Transfers Out	695,391	1,322,819	907,800	1,509,200	750,000	773,000	796,000	820,000
<b>Total Expenditures</b>	<b>\$ 17,856,547</b>	<b>\$ 18,259,938</b>	<b>\$ 20,928,600</b>	<b>\$ 24,792,200</b>	<b>\$ 23,250,000</b>	<b>\$ 24,168,000</b>	<b>\$ 25,116,000</b>	<b>\$ 26,096,000</b>
<b>Revenue less Expenditures:</b>								
over / (under)	\$ 901,304	\$ 1,412,947	\$ (1,186,100)	\$ (2,612,600)	\$ 70,000	\$ 50,000	\$ 33,000	\$ 20,000
<b>Carry Forward</b>	<b>3,835,666</b>	<b>4,736,970</b>	<b>6,149,917</b>	<b>10,996,462</b>	<b>8,383,862</b>	<b>8,453,862</b>	<b>8,503,862</b>	<b>8,536,862</b>
<b>Ending Budget Resource</b>	<b>\$ 4,736,970</b>	<b>\$ 6,149,917</b>	<b>\$ 4,963,817</b>	<b>\$ 8,383,862</b>	<b>\$ 8,453,862</b>	<b>\$ 8,503,862</b>	<b>\$ 8,536,862</b>	<b>\$ 8,556,862</b>

The following assumptions were used to formulate the Five-Year Forecast for the General Fund:

### Revenues

- FY2022/23 projected revenues are based on preliminary actuals for FY2020/21
- Town sales tax is projected to grow at a rate of 4% each year from FY2023/24 forward, based on estimates for inflation, population growth and tourism growth
- Franchise fees and building related revenue are expected to grow by 3% each year from FY2023/24 forward, as the Town continues its economic development expansion efforts
- Other revenues are projected to increase by 3% each year from FY2023/24 forward

### Expenditures

- FY2022/23 projected expenditures are based on preliminary actuals for FY2020/21
- Authorized staffing is projected to remain relatively flat over the next five years
- Wages and related benefits are projected to increase by 4% each year from FY2023/24 forward
- Operating costs and transfers out are projected to increase by 3% each year from FY2023/24 forward
- Capital outlay is projected to increase by \$100,000 per year from FY2023/24 forward

## **Carry Forward**

The carry forward amounts for FY2018/19, FY2019/20 and FY2020/21 are based on actuals from the previous years. The revenues and expenditures for FY2021/22 are from the adopted budget in order to be consistent with the rest of the book. However, the carry forward amount of \$10,996,442 in the FY2021/22 column is taken from the Sources and Uses schedule (see Budget Summary section), which is based on preliminary estimated actuals for FY2020/21, rather than using the ending budget resource amount from the prior year. This has been done in order to provide a more accurate picture of the ending budget resources available for FY2021/22 and future years.





# **CAPITAL IMPROVEMENT PLAN**





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## PAYSON'S CAPITAL IMPROVEMENT PLAN (CIP)

Capital expenditures are expenditures for acquiring or improving capital assets, or for the installation or improvement of infrastructure. Capital expenditures are broken into the categories of land, buildings, infrastructure improvements (streets, sidewalks, etc.), and equipment (vehicles, fire engines, computer servers, etc.).

Payson's Capital Improvement Plan (CIP) is a five-year roadmap for creating, maintaining, and paying for present and future infrastructure and equipment needs. The CIP is designed to ensure that capital improvements will be made when and where they are needed, and the Town will have the funds to pay for and maintain them regardless of changes in the external economic environment.

In conjunction with the annual budgeting process, the Financial Services Department coordinates the Town-wide process of revising and updating the Town's Capital Improvement Plan. Projects included in the CIP will form the basis for appropriations in the annual budget. Some of the projects will have a short-term effect on the Town's operating budget. Others will impact the Town's operating budget for many years.

Payson's elected officials determine the broad parameters for adding new capital improvement projects to the CIP. The Town's management team and staff from various departments participate in an extensive review of past project accomplishments and the identification of new projects for inclusion in the CIP.

Once projects are selected for inclusion in the CIP, the management team must decide which projects need to be implemented in each of the first five years. Determining how and when to schedule projects is a complicated process. The team must take into account all of the variables that affect the Town's ability to generate the funds to pay for those projects without jeopardizing its ability to provide routine, ongoing services and one-time or emergency services when needed.

The Town Council reviews all of the existing and proposed projects. Council must consider citizen requests and evaluate recommendations from Town management and planning staff to determine which projects should be included in the annual CIP and how those projects should be integrated into the Town's annual budgeting process.

The development of the CIP is an integral and perpetual part of the Town's overall management process. The Budget Team must continually review the priorities as they evolve and as new information comes to light to determine the capital plan.

The community will see several widely-recognized benefits as the result of preparing and maintaining a sound Capital Improvement Plan. These include:

- The CIP shows citizens where and when projects are expected.
- The CIP process serves as a basis for the management of projects. This includes the coordination of efforts of various departments responsible for land acquisition, design,



construction, and operation of a new facility. It also includes the management of cash flow to ensure the funds are available and are used effectively.

- The CIP can embody priorities that are established in the Town’s General Plan.
- The CIP establishes the relationship between the desired levels of service and the ability of the Town to fund public facility improvements. In this way, citizens can work with elected officials to determine how much improvement of the Town’s infrastructure is realistic given what the community is willing to pay through existing revenues, taxes, and user fees.
- The CIP establishes a reasonable multi-year spending plan that can keep the expectations for public facility construction within the Town’s ability to pay. Accordingly, agencies issuing bond ratings consider it very important for the Town to have a well-thought-out capital improvement planning process to adopt and follow closely.

The CIP ties the Town’s physical development to community goals and decisions expressed through hearings, citizen advisory groups, and such documents as the General Plan. Not only does the CIP identify projects to meet the goals, but it also matches projects with available funds ranging from tax dollars, user fees, and state or federal grants to possible debt financing.

The CIP cycle incorporates these key phases:

Planning Phase	Defining/Formulating Phase	Program Decision-Making Phase	Implementation Phase
Long-Term Vision	Needs Identified	Projects Reviewed	Projects Constructed, Operated and Maintained
Comprehensive Plan	Specific Project Proposals	Projects Evaluated Against Needs/Plans	
Capital Improvement Plan	Project Financing Identified	Adoption of Funding Package	
Town Council Annual Goals			

### **Guidelines and Policies Used in Developing the Capital Improvement Plan**

Town Council directives and the Town’s fiscal policies also affect the use and issuance of bonds for capital improvement projects. Payson’s CIP must comply with the following requirements and limitations:

- Support Town Council goals and objectives
- Satisfactorily address all State and Town legal financial limitations
- Maintain the Town’s favorable bond ratings and financial integrity
- Ensure that all geographic areas of the Town have comparable quality and types of service

Capital projects should:

- Prevent the deterioration of the Town's existing infrastructure and respond to any anticipated future growth
- Encourage and sustain Payson's economic development
- Be financed through growth in the tax base or development fees, when possible, if constructed in response to residential or commercial development
- Be responsive to the needs of residents and businesses, within the constraints of reasonable taxes and fees
- Take maximum advantage of improvements provided by other units of government where appropriate

The General Plan, Parks Master Plan, Water Master Plan, Airport Master Plan, and other development plans also provide valuable guidance in the preparation of the Capital Improvement Plan.

Payson's five-year forecast is a critical source of information and guidance throughout the capital planning process. It provides the contextual framework within which the Town Council develops its annual and long-term goals & objectives. The forecast assesses external factors such as the economic environment, population growth, and other variables that may affect the Town's ability to finance needed services and capital projects.

### **Citizen Involvement in the Capital Improvement Planning Process**

The CIP is an important public communication medium. It gives residents and businesses a clear and concrete view of the Town's long-term direction for capital improvements and a better understanding of the Town's ongoing needs for stable revenue sources to fund large or multi-year capital projects. Citizens are encouraged to provide input by serving on Town advisory boards and attending Council meetings. In addition, Payson offers citizens the opportunity to complete a CIP survey each year, which helps the Town Council and staff know what capital improvements are most important to citizens.





## 2021/2022 Proposed Capital Projects by Departments

Department	Fund	Project	Proposed Budget
<b>Public Works - Streets</b>			
	202	Beeline Bus Route Improvements	1,401,100
	202	E. Granite Dells Rd Improvement	493,400
	202	Drainage Improvements	100,000
	202	Equipment	234,100
	202	GIS Asset Mapping Software	31,300
			<u>\$ 2,259,900</u>
<b>Water</b>			
	661	Well Replacement	103,000
	661	Replace Existing Watermains	1,256,000
	661	New Watermains	258,000
	661	Replace Service Trucks	138,000
	661	Water Tank Mixers	10,000
	661	Well Pump or ASR Valve Replacement	100,000
	661	Tank Repairs	143,000
	661	Hillcrest Storage Tank	150,000
	661	Land Acquisition	300,000
	661	Treatment Plant Laboratory & Offices	30,000
	661	Forklift	60,000
	661	GIS Asset Mapping Software	62,500
	661	GAC Vessels	475,000
			<u>\$ 3,085,500</u>
<b>Police</b>			
	101	Patrol Vehicle Replacements	400,000
	101	Building Addition Assessment & Design	75,000
	425	CAD Communication Equipment	116,000
			<u>\$ 591,000</u>
<b>Fire</b>			
	101	Structural Firefighting Gear	50,000
	101	Staff Command Vehicle Replacement	17,200
	403	Water Tender Replacement (Grant)	490,000
			<u>\$ 557,200</u>
<b>Administration</b>			
	101	GIS Asset Mapping Software	31,300
	101	Hyper V Server Addition	30,000
	101	Website Redesign	15,000
	101	Closed Captioning	30,000
	101	Budget & Capital Planning Software	38,400
			<u>\$ 144,700</u>
<b>Parks, Recreation &amp; Tourism</b>			
	101	Vehicle Replacements	100,900
	101	Park Improvements	300,000
	214	Skidsteer	120,000
	265	Splash Pad	417,900
			<u>\$ 938,800</u>
<b>Community Development</b>			
	101	Vehicle Replacement (2)	14,400
	101	Unified Development Code Update	100,000
	403	CDBG ADA Improvements (Airport)	183,400
			<u>\$ 297,800</u>
<b>Airport</b>			
	260	Vehicle Replacement (1)	6,600
	260	Utility Tractor	65,800
	260	Security Cameras	15,000
			<u>\$ 87,400</u>
<b>Total</b>			<u><b>\$ 7,962,300</b></u>

## Capital Project Detail by Fund

Expenditure Code	Expenditure Description	2017/18 ACTUAL	2018/19 ACTUAL	2019/20 ACTUAL	2020/21 ADOPTED	2021/22 PROPOSED
101-5-1408-00-8004	Capital Equipment	49,203	82,023	28,868	-	75,000
101-5-1408-00-8005	GIS Asset Mapping Software	-	-	-	62,500	31,300
101-5-2408-01-8004	Machinery & Equipment	30,701	234,329	-	-	-
101-5-2421-00-8407	Communication Equip	-	51,947	-	-	85,000
101-5-2421-01-8008	Building Remodel Addition	-	-	-	-	75,000
101-5-2421-01-8407	Radio Equipment	-	12,500	-	-	-
101-5-2421-01-8510	Patrol Vehicles	-	165,001	-	45,000	400,000
101-5-2421-01-8530	Taser Equipment	-	42,112	-	-	-
101-5-2421-02-8003	Vehicles	49,000	-	-	-	-
101-5-2421-02-8536	LE Crisis Team Equipment	11,417	-	-	-	-
101-5-2426-01-8004	Office Furniture & Equip	7,297	-	-	-	24,000
101-5-2426-01-8510	Fire Vehicles	-	61,692	8,440	31,500	-
101-5-3442-01-8779	Park Improvements	-	-	3,254	-	300,000
101-5-3442-01-8780	GV Park Improvements	71,870	50,484	24,570	-	-
101-5-4460-00-8003	Vehicle	29,777	-	-	-	-
101-5-4460-00-8781	Master Plan	125,515	-	-	-	-
101-5-6428-00-8003	Vehicle	-	48,887	-	-	-
101-5-6428-01-8315	Highway Improvements	-	-	6,581	-	-
202-5-3442-00-8003	Vehicles	-	191,866	123,743	-	155,200
202-5-3442-00-8004	Equipment	315,682	408	145,937	34,000	78,900
202-5-3442-00-8512	HURF-Skidsteer Equip	-	97,935	-	-	-
202-5-3442-00-8707	ROW's/Drainage	-	7,605	12,625	13,000	-
202-5-3442-00-8710	Granite Dells Improvements	-	-	24,273	505,400	493,400
202-5-3442-00-8742	Bonita Street Reconstruction	124,845	16,624	18,786	30,000	-
202-5-3442-00-8744	Gila County Drainage Project	-	-	-	500,000	-
202-5-3442-00-8745	Beeline Bus Route Improvements	-	-	-	500,000	1,401,100
202-5-3442-00-8746	GIS Asset Mapping Software	-	-	-	62,500	31,300
202-5-3442-00-8747	Airport Rd. Alignment	-	-	-	500,000	-
202-5-3442-00-8900	Project-Cap Qutlay Under 10k	-	4,855	-	-	-
206-5-4460-00-8783	Basketball Court Replace	-	-	49,422	-	-
206-5-4460-00-8784	Pickle Ball Court Replace	-	-	24,531	-	-
206-5-4460-00-8785	Bocce Ball Court	-	-	-	7,000	9,000
210-5-4460-00-8781	Parks	-	-	-	100,000	-
214-5-1410-00-8521	Machinery & Equipment	-	-	-	-	120,000
215-5-2421-02-8510	Defense 1033-LE Vehicle	24,296	14,979	102,684	130,000	87,700
260-5-4445-00-8003	Vehicles	-	44,908	-	-	-
260-5-4445-00-8509	Equipment	5,451	-	-	-	80,800
260-5-4445-00-8814	Ramp repair A&D/Fence	944,820	864,214	-	-	-
260-5-4445-00-8824	Install PAPI & REIL	-	-	82,784	1,003,500	-
280-5-1411-01-8020	Capital Projects	-	-	9,900	-	210,400
280-5-1411-01-8021	Capital Equipment	-	-	-	-	161,800



## Capital Project Detail by Fund – Continued

Expenditure Code	Expenditure Description	2017/18 ACTUAL	2018/19 ACTUAL	2019/20 ACTUAL	2020/21 ADOPTED	2021/22 PROPOSED
402-5-1418-00-8009	Town Hall Generator	-	-	91,685	-	-
402-5-2421-01-8006	Communication Remodel	-	-	-	65,000	-
402-5-2421-01-8510	Police-Patrol Vehicles	-	-	100,428	71,700	71,700
402-5-4463-00-8003	Parks Vehicles	-	-	30,731	-	-
402-5-4463-00-8006	TURF Replacement	-	-	374,319	-	-
402-5-4463-00-8007	Capital Lease - TURF	-	-	51,204	100,000	51,200
402-5-4463-00-8008	Rumsey Restrooms	-	-	-	100,000	-
403-5-2412-01-8772	Law Enforce-HSG Radio Program	28,729	20,700	-	148,000	-
403-5-2421-01-8762	Law Enf-GOHS Grant	36,400	8,966	-	-	-
403-5-2426-03-8758	Miscellaneous Fire Grants	-	29,177	-	-	-
403-5-2426-03-8766	AFG FEMA Grant	-	-	-	-	97,600
403-5-2426-03-8771	AFG SCBA Grant	-	-	-	47,900	-
403-5-2426-03-8772	Water Tender Fire Grant	-	-	-	480,000	490,000
403-5-6428-22-7914	CDBG Grant	9,603	319,088	197,793	253,700	183,400
403-5-3442-03-8780	GV Splash Pad	-	-	-	-	207,500
425-5-2421-16-8407	CAD Police/Fire Comm Equip	10,778	13,642	-	116,000	116,000
429-5-3442-00-8738	American Gulch Improvement	-	2,000	191,719	240,000	-
460-5-5451-00-8594	Environmental Project	87,644	44,967	-	-	-
661-5-5451-08-8000	Buildings	-	8,274	-	-	-
661-5-5451-08-8002	Machinery & Equipment	538,142	155,093	173,827	12,000	60,000
661-5-5451-08-8006	Land Acquisition	-	-	-	250,000	300,000
661-5-5451-08-8007	Wells	35,684	-	-	100,000	103,000
661-5-5451-08-8009	Water Lines	1,694	95,348	43,770	100,000	1,514,000
661-5-5451-08-8524	Equipment	23,012	-	-	-	-
661-5-5451-08-8528	Replace Service Trucks	41,567	81,274	99,639	110,000	138,000
661-5-5451-08-8529	SCADA Equipment - Wells/Tanks	-	-	-	-	293,000
661-5-5451-08-8530	Surge Tanks	-	20,464	-	-	-
661-5-5451-08-8793	Tank Mixing System	8,167	-	18,467	10,000	10,000
661-5-5451-08-8794	Pumps for Wells	-	-	41,026	100,000	-
661-5-5451-08-8795	VFD Distribution Pumps	-	-	-	-	100,000
661-5-5451-08-8796	GIS Asset Mapping Software	-	-	-	125,000	62,500
661-5-5451-08-8797	GAC Vessels	-	-	-	460,000	475,000
661-5-5451-08-8798	WTP Laboratory Offices	-	-	-	-	30,000
661-5-5451-20-8010	CC Cragin Pipeline(SRP)	547,538	-	-	-	-
661-5-5451-20-8600	CCC Pipeline Const	12,334,849	5,194,205	1,141,978	-	-
<b>Total</b>		<b>\$15,493,681</b>	<b>\$ 7,985,567</b>	<b>\$ 3,222,984</b>	<b>\$ 6,413,700</b>	<b>\$ 8,122,800</b>



## 5 YEAR CAPITAL IMPROVEMENTS PLAN – SUMMARY BY DEPARTMENT

Administration - Project #/Description	2021/22	2022/23	2023/24	2024/25	2025/26	5 Year Total	Future Years	Grand Total	KRA No.
2021-112 Municipal Building Need Assessment		125,000				125,000	-	125,000	3
	\$ -	\$ 125,000	\$ -	\$ -	\$ -	\$ 125,000	\$ -	\$ 125,000	
Airport - Project #/Description	2021/22	2022/23	2023/24	2024/25	2025/26	5 Year Total	Future Years	Grand Total	KRA No.
2021-15 Airport Fuel Tanks						-	100,000	100,000	1,3,8
2021-16 Airplane Box Hangers						-	300,000	300,000	1,3
2021-17 Payson Aviation Building						-	16,000	16,000	1,3,8
2021-18 Airport Campground Facilities						-	25,000	25,000	1,3
2021-19 Airport Tee Hangars						-	189,000	189,000	1,3
2021-20 Airport Operations Building						-	7,500	7,500	1,3,8
2021-22M UTV Replacement						-	10,000	10,000	1,3
2021-23M Snow Plow Truck Replacement						-	40,000	40,000	1,3,8
2021-24M Ford F150 Replacement (Lease)	6,600	6,600	6,600			19,800	30,000	49,800	1,3
2021-29M Emergency Generator Replacement						-	33,000	33,000	1,2
2021-73 Airport Master Plan		10,000	15,000	15,000		40,000	-	40,000	1,3,8
2022-02M JD 3046R Utility Tractor Replacement	65,800					65,800	-	65,800	1,3
2022-04M New Airport Security Cameras	15,000					15,000	-	15,000	1,3,8
	\$ 87,400	\$ 16,600	\$ 21,600	\$ 15,000	\$ -	\$ 140,600	\$ -	\$ 750,500	\$ 891,100
Community Development - Project #/Description	2021/22	2022/23	2023/24	2024/25	2025/26	5 Year Total	Future Years	Grand Total	KRA No.
2021-75M Off Road Vehicle Replacement						-	50,000	50,000	1,5
2021-76M 4WD Vehicle Replacement						-	50,000	50,000	1,5
2021-77M P&Z Inspection Field Vehicle (Lease)	7,200	7,200	7,200			21,600	35,000	56,600	1,5
2021-78M Code Enforcement Vehicle (Lease)	7,200	7,200	7,200			21,600	35,000	56,600	1,5
2021-105 Bird Viewing Platform		60,000				60,000	-	60,000	1,5
2021-116 Unified Development Code Update	100,000	100,000				200,000	-	200,000	1,3,5
2021-120M Vehicle Replacement						-	30,000	30,000	1,5
2022 CDBG Grant ADA Improvements	183,400					183,400	-	183,400	1,3,5
2022-03 Commercial District Landscape		330,000	200,000	150,000	150,000	830,000	-	830,000	1,5
	\$ 297,800	\$ 504,400	\$ 214,400	\$ 150,000	\$ 150,000	\$ 1,316,600	\$ 100,000	\$ 100,000	\$ 1,516,600
Fire Dept. - Project #/Description	2021/22	2022/23	2023/24	2024/25	2025/26	5 Year Total	Future Years	Grand Total	KRA No.
2021-59M Replace Physical Fitness Equipment		22,500	22,500			45,000	-	45,000	8
2021-61M Structural Firefighting Gear PPE	50,000	50,000				100,000	-	100,000	8
2021-66M Thermal Imaging Camera Replacements						-	22,000	22,000	8,10
2021-68M Type 1 Engine Replacement						-	710,000	1,420,000	8
2021-101M Staff Command Vehicle Replacement (Lease)	17,200	17,200	17,200		65,000	116,600	70,000	186,600	8
2021-102M Water Tender Replacement (Grant)	490,000					490,000	-	490,000	8
2021-130M Wildland Engine Replacement		500,000				500,000	500,000	1,500,000	8
2021-131M Cardiac Monitor Replacements					280,000	280,000	-	280,000	8
2021-133M Utility Truck Replacement		500,000				500,000	-	500,000	8
2021-135M Hose Storage Replacement		6,000				6,000	-	6,000	8
2021-136M Ladder 111 Replacement			1,400,000			1,400,000	-	1,400,000	8
	\$ 557,200	\$ 1,095,700	\$ 1,439,700	\$ -	\$ 345,000	\$ 3,437,600	\$ 1,302,000	\$ 1,920,000	\$ 6,659,600
Information Technology - Project #/Description	2021/22	2022/23	2023/24	2024/25	2025/26	5 Year Total	Future Years	Grand Total	KRA No.
2021-25 Town Wide Fiber					250,000	250,000	-	250,000	3,4,10
2021-26 OS Software Upgrades					100,000	100,000	-	100,000	10
2021-31 GIS Asset Mapping Software	31,300					31,300	-	31,300	3,4,10
2021-41M Hyper V Server (New Addition)	30,000					30,000	-	30,000	10
2021-42M Fiber Storage Network Area		15,000				15,000	-	15,000	10
2021-43M Hyper V Server Replacement		30,000	30,000	30,000	30,000	120,000	150,000	270,000	10
2021-44M Public Safety MDC's				225,000		225,000	-	225,000	8,10
2021-45M TV Production Equipment				25,000		25,000	-	25,000	4,10
2021-46M Desktop Replacements				25,000	25,000	50,000	25,000	100,000	10
2022-05 Closed Captioning	30,000					30,000	-	30,000	6,10
2022-06 Website Redesign	15,000					15,000	-	15,000	1,10
2022-07 Budget & Capital Impv. Planning Software	38,400					38,400	-	38,400	2,4,10
	\$ 144,700	\$ 45,000	\$ 30,000	\$ 305,000	\$ 405,000	\$ 929,700	\$ 175,000	\$ 25,000	\$ 1,129,700
Police Dept. - Project #/Description	2021/22	2022/23	2023/24	2024/25	2025/26	5 Year Total	Future Years	Grand Total	KRA No.
2021-69 Building Assessment/Design/Addition	75,000	900,000				975,000	-	975,000	3,4,8
2021-70 Communications Remodel		65,000				65,000	-	65,000	3,4,8
2021-92 Parking Lot Improvements		52,600				52,600	-	52,600	3,8
2021-93 Police Building Flooring		20,000				20,000	-	20,000	3,8
2021-94 Town Yard Storage Building		75,000	20,000	20,000		115,000	-	115,000	3,4,8
2021-95 Storage Multipurpose Facility		70,000	630,000			700,000	-	700,000	3,4,8
2021-97M Patrol Vehicle Replacements	400,000	280,000	280,000	280,000	280,000	1,520,000	1,400,000	3,100,000	8
2021-99M Travel Vehicle Replacement		45,000				45,000	45,000	135,000	8
2021-141 Police Roof Replacement						-	21,800	21,800	3,8
2021-150M CAD Police Comm. Equip.	116,000					116,000	-	116,000	8,10
2022-98 Hill Crest Radio Tower		45,000				45,000	-	45,000	3,8
	\$ 591,000	\$ 1,552,600	\$ 930,000	\$ 300,000	\$ 280,000	\$ 3,653,600	\$ 1,466,800	\$ 225,000	\$ 5,345,400





## 5 YEAR CAPITAL IMPROVEMENTS PLAN – SUMMARY BY DEPARTMENT- Continued

Parks, Rec. & Tourism - Project #/Description		2021/22	2022/23	2023/24	2024/25	2025/26	5 Year Total	Future Years	Grand Total	KRA No.
1920-12	Splash Pad	417,900					417,900	-	417,900	1,3,5
2021-84	Runsey Park Restroom (80k FP&R Donation)		385,000				385,000	-	385,000	1,3,5
2021-87	Mustang Park Renovations		320,000				320,000	-	320,000	1,3,5
2022-08	Runsey Park Channel Imprv.		1,500,000				1,500,000	-	1,500,000	1,3,5
2022-09	Parks ADA Improvements		67,000	69,000	71,000	73,000	280,000	395,000	675,000	1,3,5,6
2022-10	Boat Launch Parking		150,000				150,000	-	150,000	1,3,5
2022-11	Parks & Recreation Master Plan		275,000				275,000	-	275,000	1,3,5
2022-12	Parks & Recreation Repairs	300,000					300,000	-	300,000	1,3,5
2022-12M	PR&T Vehicle Replacements (Lease)	100,900	100,900	100,900	123,500	127,000	553,200	697,000	1,250,200	5
2022-13M	Skid Steer Replacement	120,000	-	-	-	-	120,000	-	120,000	5
		\$ 938,800	\$ 2,797,900	\$ 169,900	\$ 194,500	\$ 200,000	\$ 4,301,100	\$ 1,092,000	\$ 5,393,100	
Streets - Project #/Description		2021/22	2022/23	2023/24	2024/25	2025/26	5 Year Total	Future Years	Grand Total	KRA No.
0910-16	Easy St - Forest to Gila						-	- 1,290,000	1,290,000	3
0910-17	Easy St - Gila to Bradley						-	- 1,270,000	1,270,000	3
0910-18	Rim Club Prkwy to Granite Dells Rd						-	- 1,230,000	1,230,000	3
0910-19	Frontier St - SR87 to McLane						-	- 2,100,000	2,100,000	3
0910-20	Granite Dells Roundabout Landscaping (GF)						-	- 45,000	45,000	3,5
0910-21	Granite Dells Roundabout Lighting						-	- 45,000	45,000	3
0910-23	Airport Rd Roundabout Landscaping (GF)						-	- 45,000	45,000	3,5
0910-29	Green Valley Parking Lot Expansion (GF)		300,000				300,000	-	300,000	3,5
0910-30	McLane Rd - Ranchos to Pines		80,000	900,000			980,000	-	980,000	3
0910-31	Longhorn Rd Sidewalks						-	- 225,000	225,000	3,5,8
0910-32	Phoenix St - Hwy 87 to Sycamore						-	- 860,000	860,000	3
1415-16	Town Boundry Fence (GF)						-	- 190,000	190,000	3
1516-04	East Frontier Drainage						-	- 25,000	25,000	3
1516-07	Regional Storm Water Det. Basin						-	- 450,000	450,000	3
1516-08	Manzanita Roundabout St Lighting						-	- 45,000	45,000	3
1516-09	McLane Rd-Phx St to GV Prkwy						-	- 1,090,000	1,090,000	3
1617-01	Westerly Rd Parking Lot Lights (GF)		30,000				30,000	-	30,000	3,8
1819-04	E. Granite Dells Rd Impv. (Grant)	493,400					493,400	-	493,400	3,8
1819-05	Drainage Imprv.- E. Main St & Hwy 87						-	- 53,000	53,000	3
1920-01	North Vista Wash Crossing						-	- 70,000	70,000	3
2021-01	Mud Springs Road Ph 2 Construction						-	- 1,300,000	1,300,000	3
2021-02	Mud Saplings RD - Cedar to Frontier						-	- 855,000	855,000	3
2021-03	West Forest Dr						-	- 568,400	568,400	3
2021-04	Colcord Rd Main St. to Longhorn St.		200,000	1,500,000	300,000		2,000,000	-	2,000,000	3
2021-05	Easy St Between Evergreen & Forest		30,000				30,000	- 700,000	730,000	3
2021-06	Goodnow-HWY 260 to Bonita St				166,700	600,000	766,700	-	766,700	3
2021-07	McLane Rd Main St to Phoenix St						-	- 1,955,000	1,955,000	3
2021-08	McLane Rd Airport to Payson Ranchos		100,000				100,000	- 1,250,000	1,350,000	3
2021-09	Runsey Dr - Walmart to McLane						-	- 650,000	650,000	3
2021-11	Beeline Bus Route Imprv. (Grant)	1,401,100					1,401,100	-	1,401,100	3,5,9
2021-12	Green Valley Parkway Extension		85,000	200,000	1,500,000	2,000,000	3,785,000	-	3,785,000	3
2021-13	Roundabout McLane & Longhorn Rd		161,600	1,035,300			1,196,900	-	1,196,900	3
2021-31	GIS Asset Mapping Software	31,300					31,300	-	31,300	3,4,10
2021-36M	Salt Cinder Spreader Replacement			7,800			7,800	-	7,800	3
2021-48M	3/4 Ton Pickup Replacement (2)	109,900					109,900	-	109,900	3
2021-50M	CAT Backhoe with Thumb Replacement			130,000			130,000	150,000	280,000	3
2021-51M	(3) Snow Plow 8'6 Replacement	29,600					29,600	-	29,600	3
2021-52M	3/4 Ton 4x4 Pick Up Replacement	45,300					45,300	-	45,300	3
2021-54M	1 Ton Truck with Flat Bed Replacement			58,300	58,300		116,600	-	116,600	3
2021-55M	Grizzly Screen Replacement						-	120,000	120,000	3
2021-56M	Asphalt Patch Truck Replacement						-	160,000	160,000	3
2021-57M	CAT Motor Grader Replacement				340,000		340,000	-	340,000	3
2021-58M	Broce Side Broom Replacement			60,000			60,000	-	60,000	3
2021-62M	Tools & Tool Box (New Addition)	24,000					24,000	-	24,000	3
2021-63M	Utility Trailer Replacement						-	12,000	12,000	3
2021-64M	Crack Sealer Replacement						-	90,000	90,000	3
2021-65M	Water Tank Truck Replacement					180,000	180,000	-	180,000	3
2021-67M	Tire Machine Balancer Replacement	25,300					25,300	-	25,300	3
2021-74	Payson Ranchos Drainage Imprv.	100,000					100,000	-	100,000	3
2021-100	Project Mgmt Information System						-	- 150,000	150,000	2,3,4,7,10
2021-109	Main Street Restriping					10,000	10,000	-	10,000	3,9
2021-115M	New Vehicle Lift						-	15,000	15,000	3
2021-117M	Asphalt Zipper						-	120,000	120,000	3
		\$2,259,900	\$ 986,600	\$3,891,400	\$2,365,000	\$2,790,000	\$12,292,900	\$ 1,235,400	\$15,893,000	\$29,421,300

## 5 YEAR CAPITAL IMPROVEMENTS PLAN – SUMMARY BY DEPARTMENT- Continued

Water - Project #/Description	2021/22	2022/23	2023/24	2024/25	2025/26	5 Year Total	Future Years	Grand Total	KRA No
0910-57 New Water mains	258,000	266,000	274,000	282,000	290,000	1,370,000	1,251,000	2,621,000	3,5
0910-58 Well Replacements	103,000	106,000	109,000	113,000	116,000	547,000	499,000	1,046,000	3,5
0910-62 Replace Aging Water mains	1,256,000	1,298,900	1,337,900	1,378,000	1,419,300	6,690,100	6,116,200	12,806,300	3,5
1915-15 Water Tank Mixers	10,000	10,000	10,000	10,000		40,000	-	50,000	3,5
1920-16 Land Acquisition	300,000	400,000				700,000	-	700,000	2,3,5
2021-30 VFD Distribution Pumps	100,000					100,000	-	100,000	3,5
2021-31 GIS Asset Mapping Software	62,500					62,500	-	62,500	3,4,5,10
2021-32 GAC Vessels	475,000					475,000	-	475,000	3,5
2021-33 Hillcrest Storage Tank #2	150,000	450,000				600,000	-	600,000	3,5
2021-35 Tank Maintenance	143,000	147,000	151,000	156,000	161,000	758,000	694,000	1,452,000	3,5
2021-37 Laboratory & Offices	30,000	70,000				100,000	-	100,000	3,5
2021-38M New Fork Lift	60,000					60,000	-	60,000	3,5
2021-39M Replace Service Trucks	113,000	116,000	119,000	123,000	127,000	598,000	548,000	1,146,000	3,5
2022-01M Utility Vehicle Replacements	25,000		26,500			51,500	-	51,500	3,5
	\$3,085,500	\$ 2,863,900	\$2,027,400	\$2,062,000	\$2,113,300	\$12,152,100	\$ 9,108,200	\$ 10,000	\$21,270,300
<b>Total Capital Improvements Projects</b>	<b>\$7,962,300</b>	<b>\$ 9,987,700</b>	<b>\$8,724,400</b>	<b>\$5,391,500</b>	<b>\$6,283,300</b>	<b>\$38,349,200</b>	<b>\$14,479,400</b>	<b>\$18,923,500</b>	<b>\$71,752,100</b>



## CAPITAL IMPROVEMENT PLAN BY FUNDING SOURCE

Funding Source	Project #/Description	2021/22	2022/23	2023/24	2024/25	2025/26	5 Year Total	Future Years	Grand Total	
GF-101	0910-20 Granite Dells Roundabout Landscaping						-	-	45,000	45,000
GF-101	0910-23 Airport Rd Roundabout Landscaping						-	-	45,000	45,000
GF-101	0910-29 Green Valley Parking Lot Expansion		300,000				300,000	-	300,000	300,000
GF-101	1415-16 Town Boundary Fence						-	-	190,000	190,000
GF-101	1617-01 Westerly Rd Parking Lot Lights (GF)		30,000				30,000	-	30,000	30,000
GF-101\Grant	2021-15 Airport Fuel Tanks						-	-	100,000	100,000
GF-101\Grant	2021-16 Airport Box Hangars						-	-	300,000	300,000
GF-101	2021-17 Payson Aviation Building						-	-	16,000	16,000
GF-101	2021-18 Airport Campground Facilities						-	-	25,000	25,000
GF-101\Grant	2021-19 Airport Tee Hangars						-	-	189,000	189,000
GF-101	2021-20 Airport Operations Building						-	-	7,500	7,500
GF-101	2021-22M UTV Replacement						-	-	10,000	10,000
GF-101	2021-23M Snow Plow Truck Replacement						-	-	40,000	40,000
GF-101	2021-24M Ford F150 Replacement (Lease)	6,600	6,600	6,600			19,800	-	30,000	49,800
GF-101	2021-25 Town Wide Fiber					250,000	250,000	-	250,000	250,000
GF-101	2021-26 OS Software Upgrades					100,000	100,000	-	100,000	100,000
GF-101	2021-29M Emergency Generator Replacement						-	-	33,000	33,000
GF-101	2021-31 GIS Asset Mapping Software	31,300					31,300	-	31,300	31,300
GF-101	2021-41M Hyper V Server (New Addition)	30,000					30,000	-	30,000	30,000
GF-101	2021-42M Fiber Storage Network Area		15,000				15,000	-	15,000	15,000
GF-101	2021-43M Hyper V Server Replacement		30,000	30,000	30,000	30,000	120,000	150,000	270,000	270,000
GF-101	2021-44M Public Safety MDC's Replacement				225,000		225,000	-	225,000	225,000
GF-101	2021-45M TV Production Equipment Replacement				25,000		25,000	-	25,000	25,000
GF-101	2021-46M Desktop Replacements				25,000	25,000	50,000	25,000	25,000	100,000
GF-101	2021-59M Replace Physical Fitness Equipment		22,500	22,500			45,000	-	45,000	45,000
GF-101	2021-61M Structural Firefighting Gear PPE	50,000	50,000				100,000	-	100,000	100,000
GF-101	2021-66M Thermal Imaging Camera Replacements						-	22,000	22,000	22,000
GF-101	2021-68M Type 1 Engine Replacement						-	710,000	1,420,000	2,130,000
GF-101	2021-69 Building Assessment/Design/Addition	75,000	900,000				975,000	-	975,000	975,000
GF-101 Grant	2021-73 Airport Master Plan		10,000	15,000	15,000		40,000	-	40,000	40,000
GF-101	2021-75M Off Road Vehicle Replacement						-	50,000	50,000	50,000
GF-101	2021-76M 4WD Vehicle Replacement						-	50,000	50,000	50,000
GF-101	2021-77M P&Z Inspection Field Vehicle (Lease)	7,200	7,200	7,200			21,600	-	35,000	56,600
GF-101	2021-78M Code Enforcement Vehicle (Lease)	7,200	7,200	7,200			21,600	-	35,000	56,600
GF-101	2021-84 Rumsey Park Restroom (80k FP&R Donation)		385,000				385,000	-	385,000	385,000
GF-101	2021-87 Mustang Park Renovations		320,000				320,000	-	320,000	320,000
GF-101	2021-92 Parking Lot Improvements		52,600				52,600	-	52,600	52,600
GF-101	2021-93 Police Building-Flooring		20,000				20,000	-	20,000	20,000
GF-101	2021-94 Town Yard Storage Building		75,000	20,000	20,000		115,000	-	115,000	115,000
GF-101	2021-95 Storage Multipurpose Facility		70,000	630,000			700,000	-	700,000	700,000
GF-101	2021-97M Patrol Vehicle Replacements	400,000	280,000	280,000	280,000	280,000	1,520,000	1,400,000	180,000	3,100,000
GF-101	2021-101M Staff Command Vehicle Replacement (Lease)	17,200	17,200	17,200		65,000	116,600	70,000		186,600
GF-101	2021-105 Bird Viewing Platform		60,000				60,000	-	60,000	60,000
GF-101	2021-112 Municipal Building Need Assessment		125,000				125,000	-	125,000	125,000
GF-101	2021-116 Unified Development Code Update	100,000	100,000				200,000	-	200,000	200,000
GF-101	2021-120M Vehicle Replacement						-	-	30,000	30,000
GF-101	2021-130M Wildland Engine Replacement		500,000				500,000	500,000	500,000	1,500,000
GF-101	2021-131M Cardiac Monitor Replacements					280,000	280,000	-	280,000	280,000
GF-101	2021-133M Utility Fire Truck Replacement		500,000				500,000	-	500,000	500,000
GF-101	2021-135M Hose Storage Replacement		6,000				6,000	-	6,000	6,000
GF-101	2021-136M Ladder 111 Replacement			1,400,000			1,400,000	-	1,400,000	1,400,000
GF-101	2021-141 Police Roof Replacement						-	21,800		21,800
GF-101	2022-03 Commercial District Landscape		330,000	200,000	150,000	150,000	830,000	-	830,000	830,000
GF-101	2022-05 Closed Captioning	30,000					30,000	-	30,000	30,000
GF-101	2022-06 Website Redesign	15,000					15,000	-	15,000	15,000
GF-101	2022-07 Budget & Capital Impv. Planning Software	38,400					38,400	-	38,400	38,400
GF-101	2022-08 Rumsey Park Channel Imprv.		1,500,000				1,500,000	-	1,500,000	1,500,000
GF-101\Grant	2022-09 Parks ADA Improvements		67,000	69,000	71,000	73,000	280,000	395,000		675,000
GF-101	2022-10 Boat Launch Parking		150,000				150,000	-	150,000	150,000
GF-101	2022-11 Parks & Recreation Master Plan		275,000				275,000	-	275,000	275,000
GF-101	2022-12 Parks & Recreation Repairs	300,000					300,000	-	300,000	300,000
GF-101	2022-12M PR&T Vehicle Replacements (Lease)	100,900	100,900	100,900	123,500	127,000	553,200	697,000		1,250,200
GF-101	2022-98 Hill Crest Radio Tower		45,000				45,000	-	45,000	45,000
GF-101	Total General Fund 101	1,208,800	6,357,200	2,805,600	964,500	1,380,000	12,716,100	4,090,800	3,255,500	20,062,400



## CAPITAL IMPROVEMENT PLAN BY FUNDING SOURCE – Continued

Funding Source	Project #/Description	2021/22	2022/23	2023/24	2024/25	2025/26	5 Year Total	Future Years	Grand Total
HURF-202	0910-16 Easy St - Forest to Gila						-	-	1,290,000
HURF-202	0910-17 Easy St - Gila to Bradley						-	-	1,270,000
HURF-202	0910-18 Rim Club Prkwy to Granite Dells Rd						-	-	1,230,000
HURF-202	0910-19 Frontier St - SR87 to McLane						-	-	2,100,000
HURF-202	0910-21 Granite Dells Roundabout Lighting						-	-	45,000
HURF-202	0910-30 McLane Rd - Ranchos to Pines		80,000	900,000			980,000	-	980,000
HURF-202	0910-31 Longhorn Rd Sidewalks						-	-	225,000
HURF-202	0910-32 Phoenix St - Hwy 87 to Sycamore						-	-	860,000
HURF-202	1516-04 East Frontier Drainage						-	-	25,000
HURF-202	1516-07 Regional Storm Water Det. Basin						-	-	450,000
HURF-202	1516-08 Manzanita Roundabout St Lighting						-	-	45,000
HURF-202	1516-09 McLane Rd-Phx St to GV Prkwy						-	-	1,090,000
HURF-202	1819-04 E. Granite Dells Rd Impv. (Grant)	493,400					493,400	-	493,400
Grant/ADOT	1819-05 Drainage Imprv.- E. Main St & Hwy 87						-	-	53,000
HURF-202	1920-01 North Vista Wash Crossing						-	-	70,000
HURF-202	2021-01 Mud Springs Road Ph 2 Construction						-	-	1,300,000
HURF-202	2021-02 Mud Springs RD - Cedar to Frontier						-	-	855,000
HURF-202/ GRT STBGP	2021-03 West Forest Dr						-	568,400	568,400
HURF-202	2021-04 Colcord Rd Main St. to Longhorn St.		200,000	1,500,000	300,000		2,000,000	-	2,000,000
HURF-202	2021-05 Easy St Between Evergreen & Forest		30,000				30,000	-	730,000
HURF-202	2021-06 Goodnow-HWY 260 to Bonita St				166,700	600,000	766,700	-	766,700
HURF-202	2021-07 McLane Rd Main St to Phoenix St						-	-	1,955,000
HURF-202	2021-08 McLane Rd Airport to Payson Ranchos		100,000				100,000	-	1,250,000
HURF-202	2021-09 Runsey Dr -Walmart to McLane						-	-	650,000
HURF-202/ADOT	2021-11 Beeline Bus Route Imprv. (Grant)	1,401,100					1,401,100	-	1,401,100
HURF-202	2021-12 Green Valley Parkway Extension		85,000	200,000	1,500,000	2,000,000	3,785,000	-	3,785,000
HURF-202/ADOT	2021-13 Roundabout McLane & Longhorn Rd		161,600	1,035,300			1,196,900	-	1,196,900
HURF-202	2021-31 GIS Asset Mapping Software	31,300					31,300	-	31,300
HURF-202	2021-36M Salt Cinder Spreader Replacement			7,800			7,800	-	7,800
HURF-202	2021-48M 3/4 Ton Pickup Replacement (2)	109,900					109,900	-	109,900
HURF-202	2021-50M CAT Backhoe with Thumb Replacement			130,000			130,000	150,000	280,000
HURF-202	2021-51M Snow Plow 8'6 (3) Replacements	29,600					29,600	-	29,600
HURF-202	2021-52M 3/4 Ton 4x4 Pick Up Replacement	45,300					45,300	-	45,300
HURF-202	2021-54M 1 Ton Truck with Flat Bed Replacement			58,300	58,300		116,600	-	116,600
HURF-202	2021-55M Grizzly Screen Replacement						-	120,000	120,000
HURF-202	2021-56M Asphalt Patch Truck Replacement						-	160,000	160,000
HURF-202	2021-57M CAT Motor Grader Replacement				340,000		340,000	-	340,000
HURF-202	2021-58M Broce Side Broom Replacement			60,000			60,000	-	60,000
HURF-202	2021-62M Tools & Tool Box (New Addition)	24,000					24,000	-	24,000
HURF-202	2021-63M Utility Trailer Replacement						-	12,000	12,000
HURF-202	2021-64M Crack Sealer Replacement						-	90,000	90,000
HURF-202	2021-65M Water Tank Truck Replacement					180,000	180,000	-	180,000
HURF-202	2021-67M Tire Machine Balancer Replacement	25,300					25,300	-	25,300
HURF-202	2021-74 Payson Ranchos Drainage Imprv.	100,000					100,000	-	100,000
HURF-202	2021-100 Project Mgmt Information System						-	150,000	150,000
HURF-202	2021-109 Main Street Restriping					10,000	10,000	-	10,000
HURF-202	2021-115M New Vehicle Lift						-	15,000	15,000
HURF-202	2021-117M Asphalt Zipper						-	120,000	120,000
<b>HURF-202</b>	<b>Total HURF Fund 202</b>	<b>2,259,900</b>	<b>656,600</b>	<b>3,891,400</b>	<b>2,365,000</b>	<b>2,790,000</b>	<b>11,962,900</b>	<b>1,235,400</b>	<b>28,811,300</b>
Bed Tax Fund-214	2022-13M Skid Steer Replacement	120,000					120,000	-	120,000
<b>Bed Tax Fund-214</b>	<b>Total Bed Tax Fund 214</b>	<b>120,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>120,000</b>	<b>-</b>	<b>120,000</b>
Police Fund - 215	2021-99M Travel Vehicle Replacement		45,000				45,000	45,000	135,000
<b>Police Fund - 215</b>	<b>Total Police DOJ Fund 215</b>	<b>-</b>	<b>45,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>45,000</b>	<b>45,000</b>	<b>135,000</b>
Airport Fund-260	2022-02M JD 3046R Utility Tractor Replacement	65,800					65,800	-	65,800
Airport Fund-260	2022-04M Airport Security Cameras	15,000					15,000	-	15,000
<b>Airport Fund-260</b>	<b>Total Airport Fund 260</b>	<b>80,800</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>80,800</b>	<b>-</b>	<b>80,800</b>
Capital Replmt-402	2021-70 Communications Remodel		65,000				65,000	-	65,000
<b>Capital Replmt-402</b>	<b>Total Capital Replacement Fund 402</b>	<b>-</b>	<b>65,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>65,000</b>	<b>-</b>	<b>65,000</b>
Capital Grants-403/Contingency-280	1920-12 Splash Pad (50% Grant)	417,900					417,900	-	417,900
Cap Grants-403/GF	2021-102M Water Tender Replacement (95% Grant)	490,000					490,000	-	490,000
Capital Grants-403	2022 CDBG Grant ADA Improvements	183,400					183,400	-	183,400
<b>Capital Grants-403</b>	<b>Total Capital Grants Fund 403</b>	<b>1,091,300</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,091,300</b>	<b>-</b>	<b>1,091,300</b>
Public Safety-425	2021-150M CAD Police Comm Equip.	116,000					116,000	-	116,000
<b>Public Safety-425</b>	<b>Total Public Safety Fund 425</b>	<b>116,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>116,000</b>	<b>-</b>	<b>116,000</b>



## CAPITAL IMPROVEMENT PLAN BY FUNDING SOURCE – Continued

Funding Source	Project #/Description	2021/22	2022/23	2023/24	2024/25	2025/26	5 Year Total	Future Years	Grand Total
Water Fund-661	0910-57 New Watermains	258,000	266,000	274,000	282,000	290,000	1,370,000	1,251,000	2,621,000
Water Fund-661	0910-58 Well Replacements	103,000	106,000	109,000	113,000	116,000	547,000	499,000	1,046,000
Water Fund-661	0910-62 Replace Aging Watermains	1,256,000	1,298,900	1,337,900	1,378,000	1,419,300	6,690,100	6,116,200	12,806,300
Water Fund-661	1415-11 Water Tank Mixers	10,000	10,000	10,000	10,000		40,000	- 10,000	50,000
Water Fund-661	1920-16 Land Acquisition	300,000	400,000				700,000	-	700,000
Water Fund-661	2021-30 VFD Distribution Pumps	100,000					100,000	-	100,000
Water Fund-661	2021-31 GIS Asset Mapping Software	62,500					62,500	-	62,500
Water Fund-661	2021-32 GAC Vessels	475,000					475,000	-	475,000
Water Fund-661	2021-33 Hillcrest Storage Tank #2	150,000	450,000				600,000	-	600,000
Water Fund-661	2021-35 Tank Maintenance	143,000	147,000	151,000	156,000	161,000	758,000	694,000	1,452,000
Water Fund-661	2021-37 Laboratory & Offices	30,000	70,000				100,000	-	100,000
Water Fund-661	2021-39M Replace Service Trucks	113,000	116,000	119,000	123,000	127,000	598,000	548,000	1,146,000
Water Fund-661	2022-01M Utility Vehicle Replacements	25,000		26,500			51,500	-	51,500
Water Fund-661	2021-38M New Fork Lift	60,000					60,000	-	60,000
<b>Water Fund-661</b>	<b>Total Water Enterprise Fund 661</b>	<b>3,085,500</b>	<b>2,863,900</b>	<b>2,027,400</b>	<b>2,062,000</b>	<b>2,113,300</b>	<b>12,152,100</b>	<b>9,108,200</b>	<b>21,270,300</b>
<b>Total Capital Improvement Projects</b>		<b>\$7,962,300</b>	<b>\$9,987,700</b>	<b>\$8,724,400</b>	<b>\$5,391,500</b>	<b>\$6,283,300</b>	<b>\$38,349,200</b>	<b>\$14,479,400</b>	<b>\$18,923,500</b>
									<b>\$71,752,100</b>

## CAPITAL IMPROVEMENT PLAN SUMMARY BY FUND

Funding Source	2021/22	2022/23	2023/24	2024/25	2025/26	5 Year Total	Future Years	Grand Total
101 General Fund	\$ 1,208,800	\$ 6,357,200	\$ 2,805,600	\$ 964,500	\$ 1,380,000	\$ 12,716,100	\$ 4,090,800	\$ 20,062,400
202 HURF Fund	2,259,900	656,600	3,891,400	2,365,000	2,790,000	11,962,900	1,235,400	28,811,300
214 Bed Tax Fund	120,000	-	-	-	-	120,000	-	120,000
215 Police DOJ Fund	-	45,000	-	-	-	45,000	45,000	135,000
260 Airport Fund	80,800	-	-	-	-	80,800	-	80,800
402 Capital Replacement Fund	-	65,000	-	-	-	65,000	-	65,000
403 Capital Grants Fund	1,091,300	-	-	-	-	1,091,300	-	1,091,300
425 Public Safety Fund	116,000	-	-	-	-	116,000	-	116,000
661 Water Enterprise Fund	3,085,500	2,863,900	2,027,400	2,062,000	2,113,300	12,152,100	9,108,200	21,270,300
<b>Total</b>	<b>\$ 7,962,300</b>	<b>\$ 9,987,700</b>	<b>\$ 8,724,400</b>	<b>\$ 5,391,500</b>	<b>\$ 6,283,300</b>	<b>\$ 38,349,200</b>	<b>\$14,479,400</b>	<b>\$18,923,500</b>
								<b>\$ 71,752,100</b>

## Nonrecurring Capital Expenditures

In order to provide needed space for the Police Department (PD), \$75,000 has been budgeted this year for assessment and design of an addition to the existing PD building. It is anticipated that next year's budget will include the cost of constructing the addition.

The Community Development Block Grant (CDBG), a federally-funded grant program administered by the Arizona Department of Housing, funds a project selected by the Council that benefits low-moderate income persons or a group of limited clientele, as specified by the US Department of Housing and Urban Development (HUD). The current project is to implement the ADA (Americans with Disabilities Act) Removal of Barriers. \$183,400 has been budgeted this year to remove some of the architectural barriers in Town facilities for people with disabilities.

The Splash Pad project is 50% funded by a grant from Arizona State Parks & Trails. A splash pad is a recreational area with various nozzles and features that can shower, spray, rain, mist, and shoot streams of water, which facilitates water play for children and provides rich sensory experiences. The splash pad will be built at Green Valley Park at a cost of \$417,900.

Payson's water treatment facility is built on land owned by the US Forest Service. The Town is in negotiations with the Forest Service to purchase the land, and has budgeted \$300,000 for this.



## **C.C. CRAGIN WATER PROJECT – The Water Source for Payson’s Future**



### **PROJECT DESCRIPTION**

Throughout its past, the Town of Payson relied solely on groundwater as its source of drinking water. In 2004 the United States Congress passed the Arizona Water Rights Settlement Act which allocated an annual average of 3,000 acre-feet of surface water from the C.C. Cragin Reservoir (pictured above) to the Town of Payson.

In order to bring water from the reservoir to Payson, a 10-year project was launched in 2009 in partnership with the Salt River Project (SRP). The components of this project included:

- A 14.5-mile raw water penstock pipeline, along East Houston Mesa Road from Washington Park to Payson that delivers raw surface water from SRP facilities at Washington Park to a newly constructed hydroelectric generator and treatment facility approximately one mile north of Payson.
- A 175 Kilowatt Pelton Wheel hydroelectric generating station.
- A 4.5 million gallon per day Pall membrane microfiltration water treatment facility with primary flocculation, Granulated Activated Carbon, and pH and hardness adjustment.
- 7 new treated water pipelines, totaling 5.6 miles, to distribute treated potable C.C. Cragin Reservoir water to the existing Town of Payson water distribution system.
- 7 Aquifer Storage and Recovery (ASR) wells. The ASR wells are utilized for injection of excess treated potable water from the treatment facility into the ground for long-term storage and recovery during drought conditions.

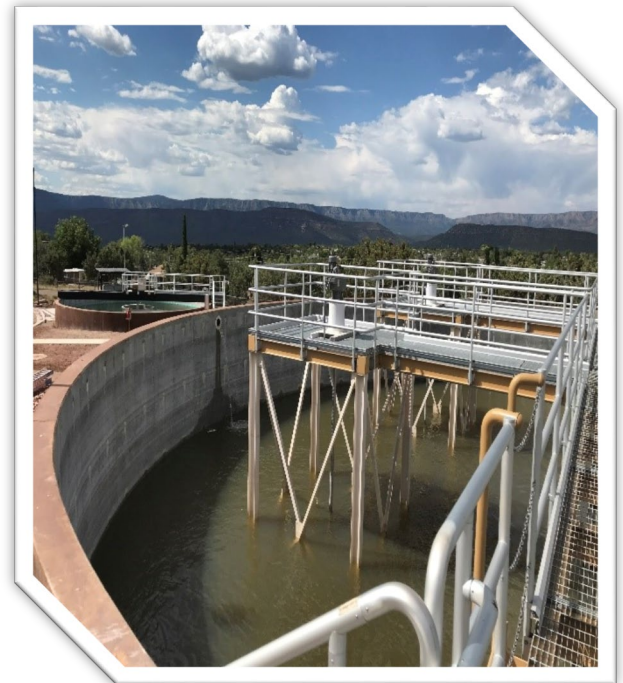
The project was completed during the 2019-2020 fiscal year and successfully delivered water for the first season. In keeping with the Town’s policy of maintaining the long-term sustainable water supply, the addition of a surface water source ensures that adequate water supplies are available to our citizens, including Payson’s future build-out population.



Also as part of the Arizona Water Rights Settlement Act, an additional 500 acre-feet is available for allocation to Northern Gila County communities. Therefore, communities adjacent to the raw water penstock may wish to connect to the pipeline to access C.C. Cragin water in the future. Communities near Payson may wish to partner with the Town for the delivery of treated water from the Town's new water treatment plant. Payson has already agreed to deliver treated water from this new water source to the community of Mesa Del Caballo, adjacent to the treatment facility.

*A brochure and video detailing the C.C. Cragin Project are available on the Town of Payson Water Department website at [www.paysonwater.com](http://www.paysonwater.com).*

## Water Treatment Plant



## What's Next?

The Town of Payson intends to purchase the land upon which the hydroelectric generating station and treatment plant are located from the United States Forest Service. Currently, the Town has a Special Use Permit to operate that facility on the Tonto National Forest.

The Town is also considering potential construction of an 8<sup>th</sup> Aquifer Storage and Recovery well to enlarge the underground aquifer storage capacity of the project.

Now that the C.C. Cragin project has been completed, the Water Department is turning its focus to replacing the aging water lines in several areas of Payson.



## **RELATIONSHIP BETWEEN OPERATING AND CAPITAL BUDGETS**

In most cases, the Town's operating budget is directly affected by the Capital Improvement Plan. Almost every new capital improvement entails ongoing expenditures for routine operations, repairs, and maintenance. As they age, Town facilities and equipment that were once considered state-of-the-art will require renovation, or upgrading for new uses, and safety or structural improvements. Older facilities usually require higher maintenance, repair costs, or replacement. Capital plan pay-as-you-go projects, grant matching funds, debt service payments for bonds, and lease or purchase agreement expenditures also impact the operating fund.

When requests are submitted for capital projects, the requesting department estimates the costs of future operations and maintenance. The estimates are based on experience and anticipated increases in the costs of materials, labor, and other project components. This information is indicated on the Project Description Form and taken into consideration when projects are slated for funding.

The table on the next page shows projected operating costs associated with projects in the Capital Improvement Plan. Some nonrecurring capital projects are not expected to affect the operating budget. For example, the CDBG ADA improvements will be made to existing facilities and are not expected to increase operating costs. The treatment plant lab and offices will replace existing space, so any increased operating costs in the new space should be offset by reduced operating costs in the former space.

Other nonrecurring capital projects will result in increased operating costs. For example, the Police building addition, expected to be completed near the end of FY2022/23, will require janitorial service, maintenance, and utilities for heating, cooling and lighting. The splash pad will require water, electricity, and maintenance. Estimated amounts are on the next page.



## PROJECTED OPERATING COSTS ASSOCIATED WITH CAPITAL IMPROVEMENTS PROJECTS

Department / Capital Improvement Projects	Type of Long Term Costs	FY21/22	FY 22/23	FY 23/24	FY24/25	FY25/26	5 - Year Totals
<b>Community Development</b>							
CDBG ADA Improvements	No Impact to Operating Budget	-	-	-	-	-	\$ -
<b>Police</b>							
Building Addition	Utilities & Maintenance	-	-	5,500	5,665	5,723	\$ 16,888
<b>Parks, Recreation &amp; Tourism</b>							
Splash Pad	Utilities & Maintenance	600	1,300	1,339	1,379	1,421	\$ 6,039
<b>Public Works-Streets &amp; Airport</b>							
Beeline Bus Route Improvements	Routine Maintenance	-	500	2,000	2,060	2,122	\$ 6,682
E. Granite Dells Rd Improvements	Routine Maintenance	-	200	500	515	530	\$ 1,745
Drainage Improvements	Routine Maintenance	-	100	300	309	318	\$ 1,027
<b>Water</b>							
Hillcrest Storage Tank	Minimal Utilities & Maintenance	-	50	100	103	104	\$ 357
Treatment Plant Lab and Offices	No Impact to Operating Budget	-	-	-	-	-	\$ -
GAC Vessels	Utilities & Maintenance	1,000	3,000	3,090	3,183	3,215	\$ 13,488
Tank Mixing System	Utilities & Maintenance	1,450	1,494	1,538	1,584	1,601	\$ 7,667
Water Lines & Wells	No Impact to Operating Budget	-	-	-	-	-	\$ -
<b>Totals</b>		<b>\$ 3,050</b>	<b>\$ 6,644</b>	<b>\$ 14,367</b>	<b>\$ 14,798</b>	<b>\$ 15,035</b>	<b>\$ 53,894</b>

*Note: FY21/22 Operating costs will be less since some projects haven't started or will be completed toward end of year.*





A large purple oval with a gradient from light purple at the top to dark purple at the bottom, featuring a 3D effect with a grey shadow. To its left is a thick, curved purple vertical bar. Below the oval is a 3D green cube with a gradient from light green to dark green, also with a 3D effect and a grey shadow.

# **BUDGET PROCESSES**

## UNDERSTANDING THE BUDGET

The required type of accounting for governmental entities is called “Fund Accounting”. This method of accounting refers to the management and allocation of revenue an organization acquires through donations, tax payments, grants, and other public and private sources. The fund accounting method allows entities to maintain tight controls over resources, while also compartmentalizing activities into different funds to clarify how resources are being directed. The purpose of this section is to provide a general explanation of fund accounting, fund types, and other special terms as they relate to local government.

### FUND ACCOUNTING

To ensure legal compliance and financial management for the various restricted revenues and program expenditures, the Town’s accounting and budget structure is segregated into various funds. This approach is unique to the government sector. Fund accounting segregates functions and activities into separate self-balancing funds that are created and maintained for specific purposes. For example, Special Revenue Funds are used to account for expenditures of restricted revenues, while Enterprise Funds are used to account for self-sustaining “business” related activities for which a fee is charged to cover all costs associated with that business. The General Fund is the Town’s main operating fund and is used to account for all financial resources, except those required to be accounted for in another fund or for which separate tracking is desired.

### FUND STRUCTURE

A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with legal finance requirements. Any fund whose revenues or expenditures, excluding other financing sources and uses, constitute more than 10% of the revenues or expenditures of the appropriated budget is considered a major fund.

### GOVERNMENTAL FUNDS

Governmental Funds are funds generally used to account for tax-supported activities. Most government functions are accounted for in this type of fund. Governmental funds consist of the General Fund, Special Revenue Funds, Capital Project Funds, and Debt Service Funds.

The **General Fund** is the main operating fund for the Town. It accounts for all resources that are not required to be accounted for in other funds. Essentially, the General Fund includes resources that are considered “unrestricted” and are available for expenditure by the Town. A significant part of General Fund revenues are used to maintain and operate the general government; however, a portion is also transferred to other funds. Expenditures include, among other things, those for general government (Town Council, Town Manager, Town Clerk/Elections, Information Services, Human Resources, Financial Services, Town Attorney, Centralized Services, Magistrate Court, Police, Fire, Recreation & Tourism, and Community Development).

**Special Revenue Funds** are used to account for resources that are legally restricted or are separated for tracking purposes. These restrictions are generally imposed by grantors, ordinances,



or laws. The Town maintains the following active Special Revenue Funds: Highway Users Revenue Fund (HURF), Gifts & Grants Fund, Wildland Fire Fund, Bed Tax Fund, Department of Justice Fund, Police Impound Fee Fund, Library Fund, Airport Fund, Event Center Fund, Contingency Fund, Medical Insurance Fund, and the AZ CARES Act Fund (COVID-19).

**Capital Project Funds** account for financial resources to be used for the acquisition or construction of major capital facilities and the Equipment Replacement Fund. The Town currently maintains the following active capital project funds: Public Safety Bond Fund, Grant Funded Capital Project Fund, and American Gulch Improvement District Fund.

**Debt Service Funds** are used to account for the accumulation of resources for, and the payment of, long-term debt principal, interest, and lease/purchases that are not serviced by Enterprise Funds. It does not include contractual obligations accounted for in the individual funds. The Town maintains the following active debt service fund: Westerly Road Improvement District Debt Service Fund. The General Debt Service Fund does not have any money budgeted for this fiscal year since the activity is being run through the individual departments.

## PROPRIETARY FUNDS

Proprietary Funds are used to account for the Town's business activities which are similar to businesses in the private sector. Proprietary funds consist of enterprise funds and internal service funds. The Town does not utilize any internal service funds.

**Enterprise Funds** are self-supporting funds used by municipalities that sell goods and services to the public for a fee. An enterprise fund uses the same accounting framework followed by entities in the private sector. The Town currently maintains one Enterprise Fund: the Water Fund. Detailed accounting for the C.C. Cragin, Water Operations, Water Capital, and Water Debt Service expenditures are maintained as sub-categories within the Water Enterprise Fund.

## BASIS OF ACCOUNTING

The basis of accounting refers to the point at which revenues and expenditures are recognized.

**"Cash basis"** means that revenues and expenditures are recorded when cash is received or paid out.

**"Full Accrual Basis"** uses the "flow of economic resources" measurement focus, recognizing revenues when earned (rather than when received) and expenditures when an obligation to pay is incurred (rather than when the payment is made).

**"Modified accrual basis"** combines accrual-basis accounting with cash basis accounting, using the "current financial resources" measurement focus. Under the modified accrual basis of accounting, revenues are recorded when measurable and available to finance expenditures of the current fiscal year, or soon thereafter, to be used to pay current period obligations. Expenditures are recognized in the accounting period in which the liability was incurred, with some exceptions.

Some of the main ways in which the modified accrual basis of accounting differs from the full accrual basis of accounting include:

- Under full accrual, long-term assets and long-term liabilities are recorded on the balance sheet, whereas under modified accrual, they are not.
- Depreciation is recorded under full accrual, but not under modified accrual.
- Principal payments on debt are shown as reductions of a liability under full accrual, but as expenses under modified accrual.



- Capital outlays are recorded as assets under full accrual, but as expenses under modified accrual.
- Compensated absence liabilities (e.g., sick and vacation leave) are recorded as expenses when earned by employees under full accrual, but are expensed only when paid under modified accrual.
- Proceeds from the issuance of debt result in increased liabilities under full accrual, but are considered revenues under modified accrual.
- Taxes and charges for services are recorded when earned under full accrual, but are recorded only when measurable and available under modified accrual.

In keeping with the accounting standards promulgated by the Governmental Accounting Standards Board (GASB), Payson prepares its audited financial statements using the modified accrual basis of accounting for governmental funds, and the full accrual basis of accounting for proprietary funds.

Governmental funds include:

- General Fund
- Special Revenue Funds
- Debt Service Funds
- Capital Project Funds



Proprietary funds include:

- Enterprise Funds (e.g., Payson's Water Fund)

### **BASIS OF BUDGETING**

Payson uses a fund-based budget. For all funds, the budget, or appropriations, lapse on June 30<sup>th</sup>. Any unspent appropriations required in the subsequent fiscal year are estimated and re-appropriated as carryover budgets in each respective fund.

For the most part, the basis of budgeting is the same as the basis of accounting used in the audited financial statements. Budgets for governmental funds are prepared using the modified accrual basis of accounting. Budgets for proprietary funds use the full accrual basis of accounting, with a few exceptions, some of which are the same as those listed above, e.g.: principal payments on debt, capital outlay, compensated absence liabilities, and proceeds from the issuance of debt.





## **BUDGET DOCUMENT**

The budget document is prepared in such a manner as to present the budget in an easy to read and understandable format for all interested parties. It sets the fiscal plan to be utilized by the Town Council and Town management to attain their goals and objectives in providing quality services at a reasonable cost to the citizens of Payson. To meet these objectives, the budget document has been prepared to be used as a policy document, an operations guide, a financial plan, and a communications device.

### **POLICY DOCUMENT**

The Town Council has established specific goals through policy decisions. Some of these goals and policies are shown in the following areas of this budget book:

- General information section describing the departments' operations, areas of responsibility, and objectives
- Budget highlights section indicating any major changes within the departments required to accomplish their program goals and objectives
- Funding source section reflecting the resources to be used by the departments
- Summary by category section showing the historical information and expenditure commitments to attain goals
- Authorized personnel sections showing the number of authorized positions and historical data.

### **OPERATIONS GUIDE**

The department budget pages show the actual expenditures for fiscal years 2017/18, 2018/19, 2019/20, and the adopted budget for fiscal year 2020/21 and the proposed budget for 2021/22. These departmental budgets show the line item actual expenditures and budgets by five major expenditure categories:

- Salaries and Wages
- Personnel Benefits – employee-related expenditures
- Supplies – general supplies and minor items

- Services and Charges – repair and maintenance, contracted services, professional services, memberships, utilities, training, insurance
- Capital – acquisition of operating capital items, machinery and equipment, capital improvements.

## **FINANCIAL PLAN**

The major sources of revenue are presented in numeric and graphic formats. The major revenue and expenditure actuals are presented for fiscal years 2017/18, 2018/19, 2019/20, and the adopted budget for fiscal year 2020/21 and the proposed budget for 2021/22 in various places throughout this document.

## **COMMUNICATIONS DEVICE**

The document contains narratives that are simple and understandable. Graphs and charts are included for quick analysis. The document is available in the Financial Services Department at Town Hall, Payson Library, and the Town’s website at [www.paysonaz.gov](http://www.paysonaz.gov).

The first section of the document includes the required State budget documents as well as the Town of Payson resolution adopting the budget.

## **BUDGET POLICIES**

The budget policies listed below create a general framework of budgetary goals and objectives. They provide standards against which current budgetary performance can be measured and proposals for future programs are evaluated.

## **BUDGET RESOURCES**

- The Town uses a “zero-based” resource allocation approach. Each department has the opportunity to request their budgetary needs starting from a zero balance.
- Special one-time revenue sources will be used to purchase or pay for non-recurring items. One-time revenues will not be used to support long-term operational expenditures.
- Expenditures from Special Revenue Funds supported by intergovernmental revenues and special purpose taxes are limited strictly to the mandates of the funding source.

## **FUND BALANCE**

Fund balance may be thought of as the uncommitted resources of a fund. It is the policy of the Town to construct the various fund budgets in such a way that there will be sufficient uncommitted resources to cover cash flow needs at all times, regardless of seasonal fluctuations in expenditures or revenues, to provide adequate reserves for emergency needs, and to provide on-going investment earnings.

## **REVENUES**

Revenue estimation is performed to come as close as possible to what is collected by year-end based upon local, regional, and national economic trends. When factors affecting how particular revenues will perform are in doubt, a conservative estimate is made.



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## DEBT MANAGEMENT

The Town's debt management policy is to plan and direct the use of debt so that debt service payments will be predictable and manageable within the operating budget.

## LONG-RANGE GOALS AND OBJECTIVES

The Town uses the General Plan to set long-range goals and objectives. The General Plan is continually evaluated, reviewed, and amended with Council approval, to meet changing conditions as needed. The elements of the General Plan are Land Use, Growth Area, Circulation, Parks/Trails/Open Spaces, Environmental Planning, Water Resources, and Cost of Development.

The Town meets these goals by managing the pattern and rate of growth in a way that preserves existing land-use patterns; encouraging the development of the Main Street area as a visitor or tourist-oriented activity center; developing and maintaining a balanced motorized and non-motorized transportation system that is efficient, cost-effective and environmentally sensitive; maintaining the water, mountain views, and watershed systems; and reaching out and being responsive to citizen concerns.

Additional details regarding the General Plan can be found in the Planning and Performance section of this document. The complete 2014-2024 General Plan document can be viewed on the Town's website at [www.paysonaz.gov](http://www.paysonaz.gov).

## CAPITAL IMPROVEMENTS AND ACQUISITION PROCESS

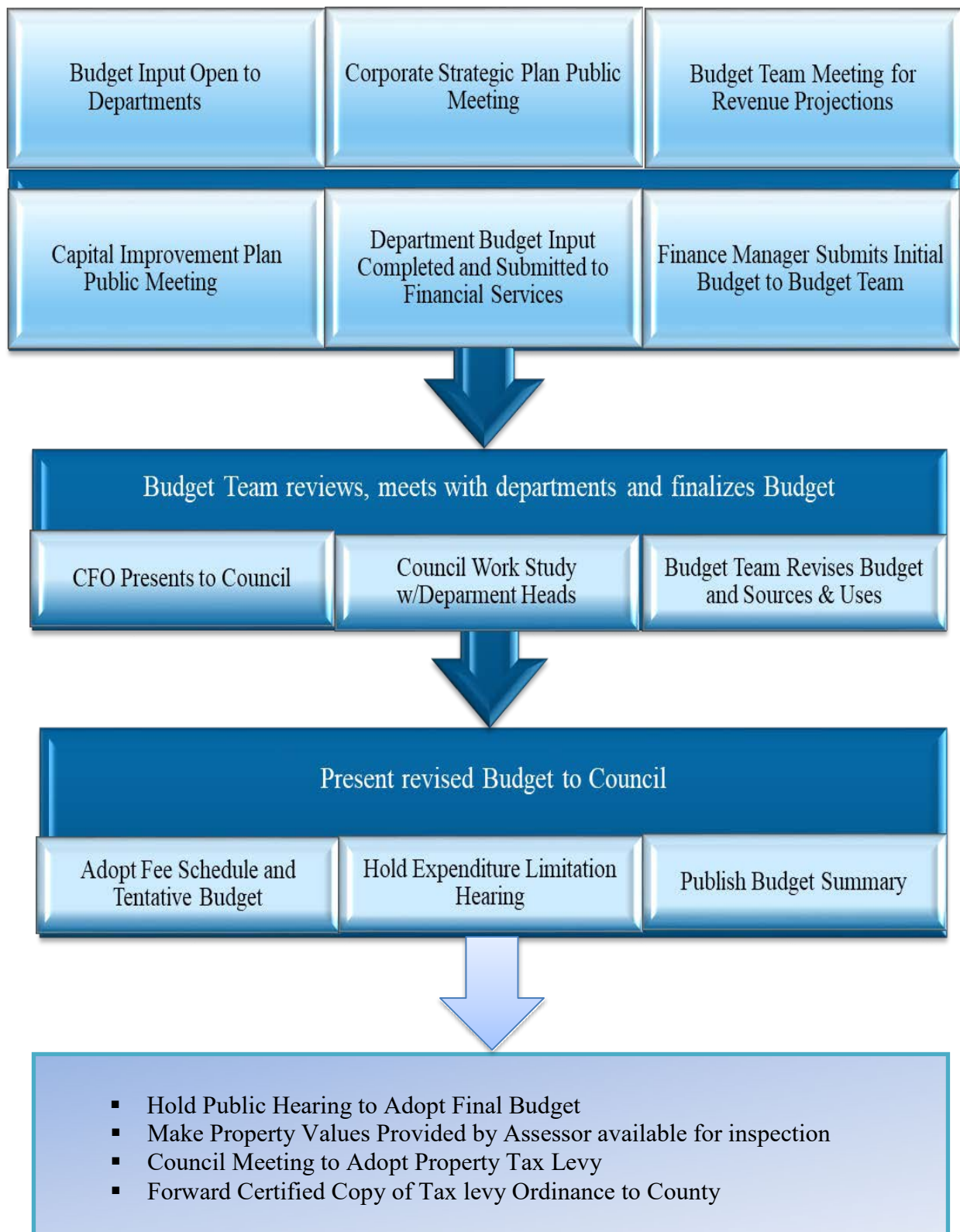
The Capital Program for the Town has two distinct elements: the Capital Improvement Plan (CIP) and the operating capital/equipment acquisition process. The Five Year Capital Improvement Plan is a long-range prioritized schedule of proposed capital projects and replacements with estimated costs. This plan is used to determine which projects will be included in the annual capital budget and to anticipate future capital requirements. The plan is updated and extended for an additional year during the annual budget process. Operating capital items, such as equipment and tools, are requested by Department Directors with their annual operating budget requests. These budget items are shown in the capital outlay section of each division's budget and are usually funded out of general revenues.

Additional information regarding the Capital Improvement Plan can be found in the Planning & Performance section of this document. The complete Capital Improvement Plan document can be viewed on the Town's website at [www.paysonaz.gov](http://www.paysonaz.gov).

*More details regarding budget policies can be found in the Supplemental Section of this document under Financial Policies.*



## BUDGET PROCESS OVERVIEW – FLOW CHART










## BUDGET PROCESS OVERVIEW

The Town Manager is responsible for proposing an Annual Budget to the Town Council. Traditionally, in late May or early June of each year, the Preliminary Budget is presented to the Town Council and community. The final budget is generally adopted in June. The Town's Budget Year runs from July 1 to June 30.

The Town retains full-time professional employees to help develop the budget, including the Town Manager, Financial Services Staff, and Department Heads. Annually, the citizens, staff, Mayor, and Town Council discuss and designate Town priorities. The Corporate Strategic Plan and Capital Improvement Plan serve as useful guides in the development of the budget. A budget team is assembled consisting of:

-  Deputy Town Managers
-  Management Associate
-  Finance Manager
-  Budget Analyst
-  Human Resources Manager

After intense analysis and careful consideration, the Town Manager recommends a budget to the Mayor and Town Council that reflects the citizens', Mayor's, and Council's priorities.

The Annual Budget serves four essential purposes:

- ✓ **FINANCIAL PLAN** — projects revenues and expenditures
- ✓ **POLICY DOCUMENT** — reflects how approved Town expenditures are consistent with overall Town policies, initiatives, and priorities
- ✓ **OPERATION GUIDE** — documents service level commitments made by the Town departments
- ✓ **COMMUNICATION DEVICE** — describes the Town's financial condition, service objectives for the budget year, and the funding sources available to meet the objectives

To ensure that the budget satisfies each essential purpose, the Town follows an established budget process. This process involves the Town Manager, Department Heads, Mayor, Town Council, and the public in deliberation periods and decision points. Our goal is to involve all citizens in the budget process either in the formulation, preparation, implementation, administration, or evaluation. The public participates through direct contact and in public hearings with the Town Council, commissions, committees, and advisory boards.





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## **BUDGET ROLES & RESPONSIBILITIES**

**CITIZENS OF PAYSON** are responsible for participating in the formation of the Corporate Strategic Plan to be presented to the Town Council.

**TOWN COUNCIL** is responsible for establishing the Town's Mission Statement, reviewing and adopting the Corporate Strategic Plan, setting the Town's major goals and objectives, reviewing the Town Manager's Proposed Budget, and approving all related documents.

**THE TOWN MANAGER** is responsible for formulating a Proposed Budget and presenting it to the Town Council.

**FINANCIAL SERVICES STAFF** is responsible for preparing the preliminary budget documents, assembling and totaling the budget data, and preparing the proposed budget document for Council consideration.

**DEPARTMENT DIRECTORS** are responsible for formulating the priorities of their departments, developing the proposed program budget under their control, and submitting it to the Town Manager. They are also responsible for the daily cost management of their programs within the approved budget.

## **BUDGET PROCESS**

Forecasting is an essential part of the budget decision-making process. This process starts by updating the Corporate Strategic Plan (CSP). The CSP is an agenda of priority areas for the Town. It helps establish a Capital Improvement Plan (CIP) that is a major component in forming a consensus-based budget process. Forecasting is also used in estimating revenue to be received and expenditures to be spent. The Town uses a conservative approach when forecasting revenues.

The Town Council's goals and policies set the direction for the development of the budget. The Council's main policy issues serve as guidance for the creation of the budget. These policies are the basis upon which the departments' budgets are formulated. In addition to the Council's policies and goals, each department identifies and discusses the budget requests or policy issues with the Town Manager and the budget team.

The creation of individual departmental budgets allows each major responsibility center an opportunity to evaluate their department goals, objectives, and programs. This allows them to analyze their operations and determine the needs of their departments. Departments thoroughly review all programs and services. It is from this process that the Preliminary Budget is prepared.

The Town Manager and the budget team review all department requests and may recommend changes to department priorities and or projects. The amount of allocation is determined by historic spending patterns for current programs or estimated spending for new programs. These spending estimates are then adjusted to meet current economic conditions, as needed. The Town's Fiscal Policies define certain budget constraints related to the Town's projected funding sources and reserves. In the Preliminary Budget, the selection of which expenditures will be included is at the discretion of the Town Manager according to priorities and budget policies.

The Town Manager submits to the Town Council a Proposed Budget document for the next fiscal year. The Proposed Budget is composed of operating budgets and capital improvement programs. Council reviews the Proposed Budget with staff through a series of public work-study sessions.

In early June, the Tentative Budget is adopted and a public hearing is held on the State Expenditure Limitation document. In late June, a public hearing is held on the Final Budget, which is then adopted by the Council. A public hearing is held on the proposed primary and secondary tax rates and they are then adopted by ordinance. The property tax levy must be adopted not less than 7 days after the final budget adoption but on or before the third Monday in August. Upon adoption, the tax levy is certified to the County Treasurer.

## **BUDGET PREPARATION**

### **March**

- Capital Improvement Plan updated after the presentation of projected needs by department heads and input at a public meeting
- Budget Team starts meeting to discuss year-end revenue projections and revenue forecasts for the next budget year
- Year-end projections are completed to estimate beginning balances
- Departments submit budgets and personnel requests to Financial Services
- Financial Services compiles department submittals to produce an initial budget report

### **April**

- Budget Team holds meetings with individual departments to review budget requests required to accomplish departmental goals
- Budget Team proposes a Preliminary Budget based on all information compiled in the budget development process and ensures that funding supports common goals
- Financial Services prepares the Proposed Budget with supporting information for presentation to the Council and the public

### **May**

- Adoption of Fee Schedule
- Council holds Work-Study sessions with Department Directors (optional)
- Council accepts Proposed Budget or requests revisions
- If required, Finance presents an amended Preliminary Budget for Council approval

## **BUDGET ADOPTION**

### **June**

- The Tentative Budget is adopted
- The Final Budget is adopted

### **July**

- The property tax levy is adopted not less than seven days after the Final Budget but on or before the 3rd Monday in August



### **BUDGET EXECUTION**

Adopted budget allocations are recorded in the Town's accounting system in detailed expenditure and revenue accounts. Throughout the year, the Town monitors expenditures and revenue receipts. Monthly reports of the Town's financial status are made to the Town Manager, Mayor, Council, and Town staff.

Each department is responsible for reviewing the monthly financial reports and limiting expenditures to the authorized budget. Financial Services staff prepares all monthly reports and completes a preliminary review. Any issues are discussed with the appropriate departments. In addition, the major revenue sources of the Town are reviewed monthly and compared to projected amounts.

Unused appropriations lapse at year-end and must be re-appropriated or absorbed into the next year's operating budget. Appropriations for Capital Improvement Projects do not lapse at year-end but are valid for the life of the project.

### **BUDGET AMENDMENTS**

The budget is adopted by the Town Council at the fund level.

The State of Arizona Expenditure Limitation statute requires that the budget cannot be increased after final adoption. Expenditures may not exceed the budgeted total of the fund without the Town Council's approval.

Department heads may request the reallocation of appropriations within a department from one item to another (except for increases in salaries, benefits, and capital improvement projects) subject to the approval of the Town Manager.

The Town Manager, subject to Town Council approval, may reallocate appropriations between departments.

The adopted budget cannot be amended in any way without the approval of the Town Council.



## BUDGET CALENDAR

ACTION	WHO	DATE	TIME
Distribute Survey Monkey CIP Public Survey	Finance	12/01/20	
Email previous requests to Departments for updating	Finance	12/16/20	
Email new requests forms to Dept. Heads	Finance	01/12/21	
Updated existing forms due to Finance	Dept. Directors	01/13/21	
End of Citizen CIP Survey	Finance	01/31/21	
Property value data due from Assessor	Finance	02/10/21	
Post property values within 3 days of receipt	Finance	02/12/21	
Corporate Strategic Plan (CSP) public meeting		02/23/21	3:00 PM
Budget input forms sent to departments	Finance	03/02/21	
Departments submit new CIP request forms to Finance	Dept. Directors	03/05/21	
Fee Schedule Changes due to Finance	Dept. Directors	03/12/21	
Shared revenue numbers from League (preliminary)	Finance	03/18/21	
Revenue Projections - Budget Team meeting for revenue projections	Budget Team	03/19/21	8:30 AM
Department budgets submitted to Finance	Dept. Directors	03/22/21	
Capital Improvement Plan public meeting		03/30/21	3:00 PM
Finance submits initial budget to Budget Team	Finance	04/13/21	
Budget Team reviews Department requests and S&U's analysis	Budget Team	04/14/21	8:30 AM
Budget Team reviews Department requests and S&U's analysis	Budget Team	04/15/21	8:30 AM
Department budget meetings with Town Manager	Dept. Directors	04/20/21	
Publish Fee Schedule (60 days prior to adoption)	Finance\IT	04/23/21	
Budget Team finalizes figures for budget presentation to Council	Budget Team	05/07/21	8:30 AM
Council Work Study w/ Department Heads	Dept Directors	05/18/21	3:00 PM
Council Work Study w/ Department Heads (if needed)	Dept Directors	05/20/21	3:00 PM
Budget Team meeting to revise budget & S&U's	Budget Team	05/25/21	8:30 PM
Special budget meeting - draft budget to Council		06/03/21	3:00 PM
Email Council a revised presentation (if needed)	Finance	06/07/21	
Revised budget presentation to Council (if needed)		06/10/21	3:00 PM
Publish Notice of Intent of Public Hearing of Fee Schedule (15 days prior to adoption)	Finance\IT	06/17/21	
Adopt Tentative Budget (on or before the 3 <sup>rd</sup> Monday in July)		06/24/21	4:15 PM
Publish Budget Summary once a week for two consecutive weeks: include time & location the proposed budget may be examined		07/02/21	
Publish Budget Summary once a week for two consecutive weeks: include time & location the proposed budget may be examined		07/06/21	
Adopt Fee Schedule		07/08/21	
Hold public hearing for Tax Levy and Adopt Final Budget		07/08/21	3:00 PM
Assessor property values will be available for inspection (must be available seven days prior to adoption of tax levy)		07/13/21	
Adopt Property Tax Levy (levy must be adopted not less than seven days after final budget on or before the 3rd Monday in August)		07/22/21	4:30 PM
Forward certified copy of tax levy ordinance to County by the third Monday in August		07/29/21	

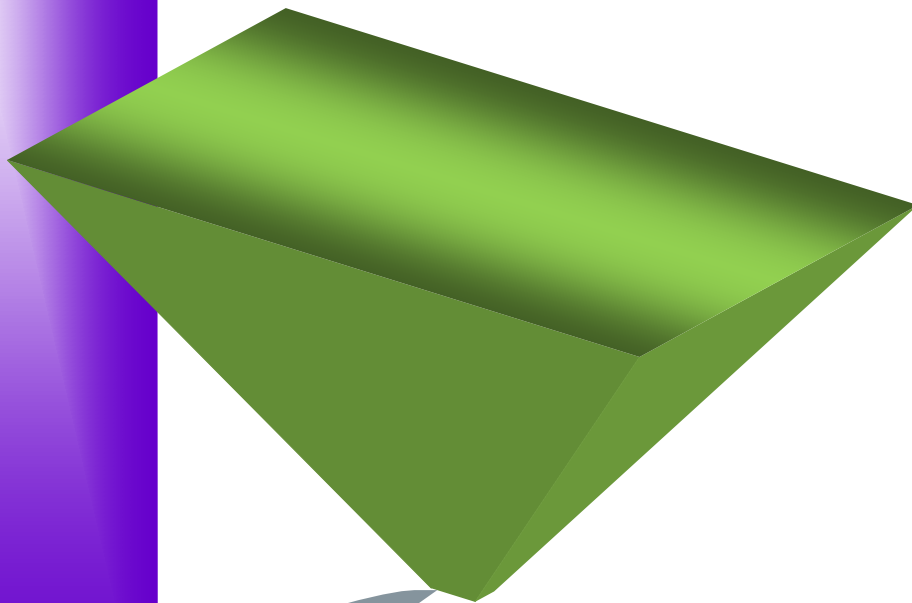
Corporate Strategic Plan

Fee  
Schedule

Capital  
Improvement Plan



# **FUND SUMMARY**





## GENERAL FUND

The General Fund is the Town's primary operating fund. The General Fund accounts for all financial activity not reflected in another fund. It exists to account for the resources devoted to finance the services traditionally associated with local government. Police, fire, parks & recreation, economic development, general administration, and any other activity not separated in its own fund are included in these services. The General Fund is the largest fund and is typically the fund of most interest and significance to citizens.

### GENERAL FUND—REVENUE

General Fund resources include revenues from external sources. The Town's major revenue sources are Taxes; Grants; Licenses & Permits; Intergovernmental; Charges for Services; Fines & Forfeitures; Miscellaneous; and Transfers from other funds. The following table depicts the major revenue sources and their respective budgets for the General Fund.

### *MAJOR REVENUE SOURCES – GENERAL FUND*

MAJOR REVENUE SOURCES	2019/20 ACTUAL	2020/21 ADOPTED	2021/22 PROPOSED	INCREASE (DECREASE)	PERCENT CHANGE
Taxes	17,061,175	16,279,800	17,285,000	1,005,200	6%
Licenses & Permits	823,926	815,600	862,300	46,700	6%
Intergovernmental	47,021	130,900	435,300	304,400	233%
Grants	123,948	816,700	1,183,600	366,900	45%
Charges for Service	889,669	871,000	960,200	89,200	10%
Fines & Forfeitures	147,501	122,000	155,000	33,000	27%
Miscellaneous	339,345	406,500	321,700	(84,800)	-21%
Transfers In	240,300	300,000	976,500	676,500	226%
<b>TOTAL</b>	<b>\$ 19,672,885</b>	<b>\$ 19,742,500</b>	<b>\$ 22,179,600</b>	<b>\$ 2,437,100</b>	<b>12%</b>

### TAXES

Taxes represent the largest revenue source in the General Fund. Tax revenues include Town local sales tax, state shared sales tax, property tax, vehicle license tax, and state shared income tax. These taxes combined comprise 78% of the total 2021/22 General Fund revenues.



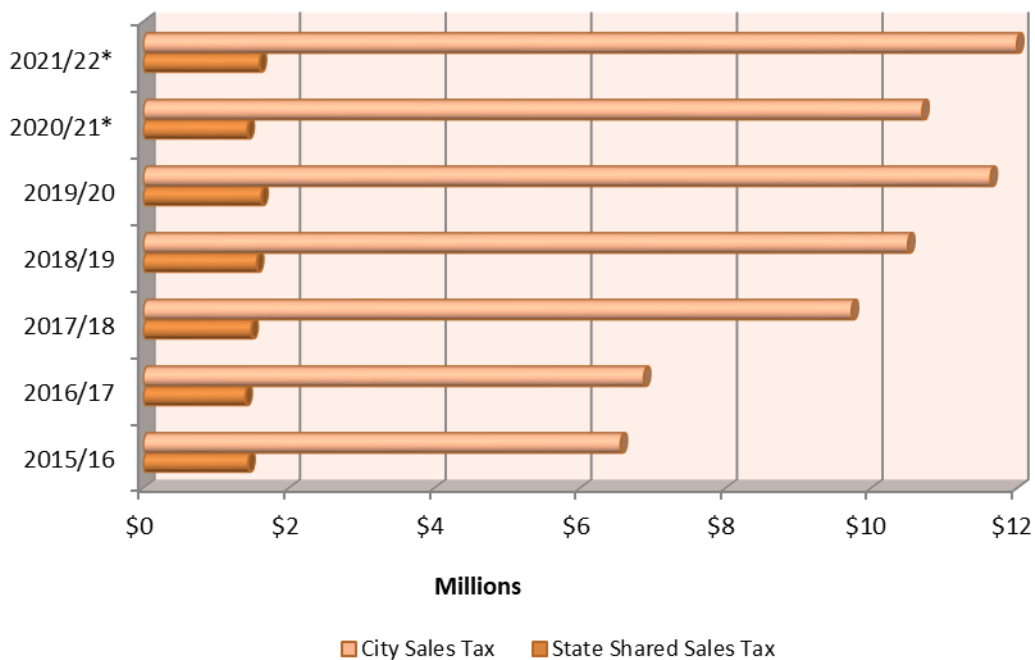


### Local & State Sales Tax Revenue

The Transaction Privilege Tax (sales tax) is collected on gross receipts of business activities that occur within the Town of Payson. As of July 1, 2021, the Town's tax rate of 2.88%, combined with the State tax rate of 5.6% and the Gila County tax rate of 1% equals a total sales tax rate of 9.48%. The Town's tax rate changed from 3% to 2.88% on October 1, 2019. This change was due to the payoff of the public safety bond.

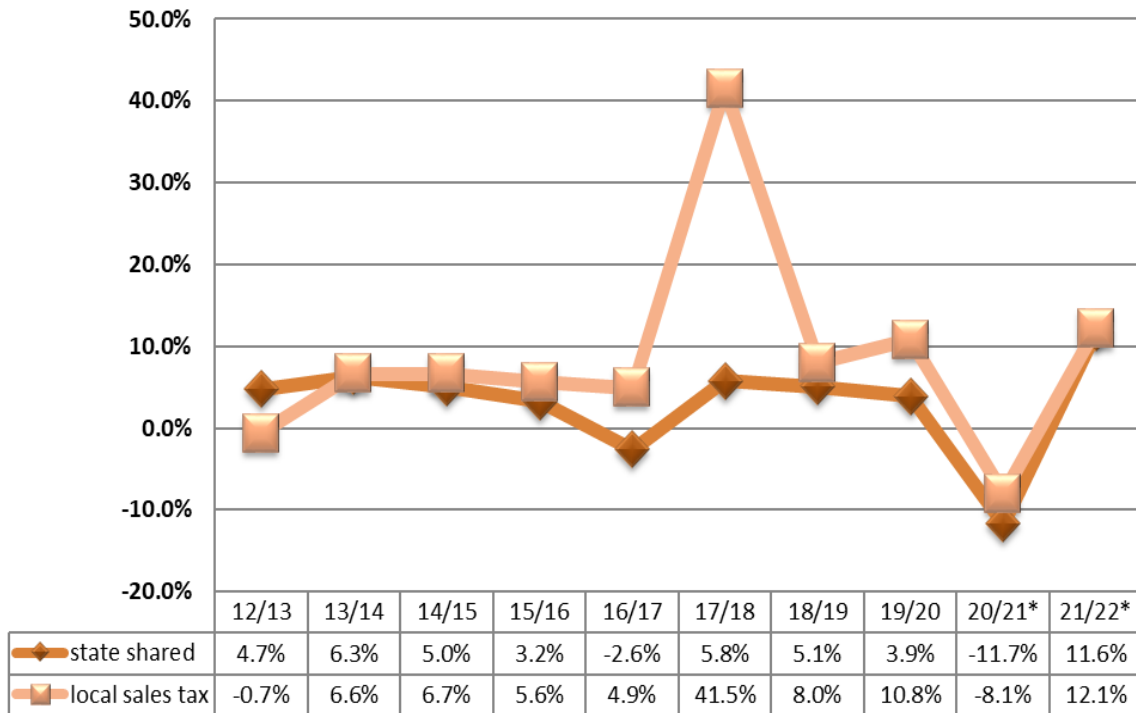
The Town adopted the Model City Tax Code and has an Intergovernmental Agreement (IGA) with the Arizona Department of Revenue to administer and collect the sales tax for the Town. The Arizona Department of Revenue notifies the Town of the amounts collected and then directly deposits the monies into the Town's depository.

### Sales Tax Revenue



*\*20/21 and 21/22 represent budgeted data on charts and graphs*

### Change in Sales Tax Revenue



*\*20/21 and 21/22 represent budgeted data on charts and graphs*

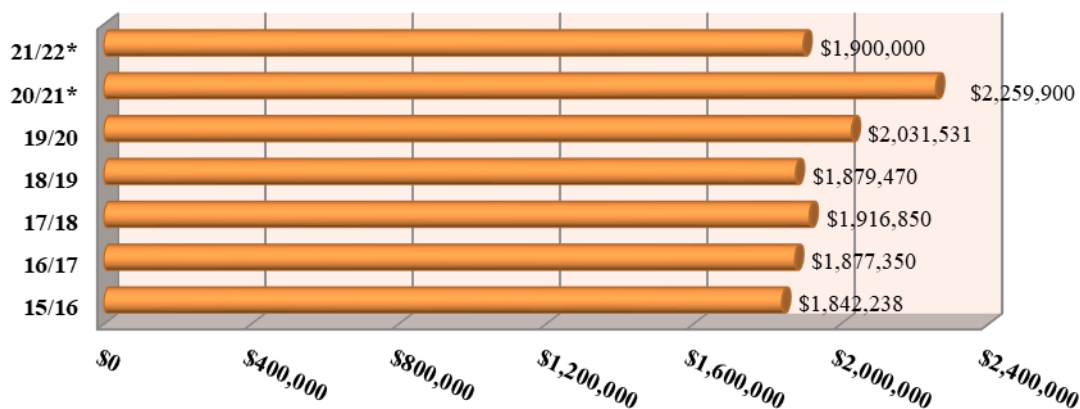
The Sales Tax Revenue and Change in Sales Tax Revenue graphs illustrate the Town's gradual recovery from the economic downturn experienced over a decade ago. Combined Town and State-shared sales tax revenue is projected to increase by \$1.47 million over last year's budget, as sales have proven more resilient than expected through the COVID-19 pandemic. With fluctuating revenues and rising costs of personnel, goods, and services, the Town will continue to assess, plan, and respond to the challenges as they develop.

The Town of Payson continues to focus on tourism and economic development as methods of increasing tax revenue. The numerous special events that draw visitors to Payson have been advertised and promoted with the goal of increasing the numbers of visitors. The Community Development Department has been working diligently with potential new businesses to ensure that they will find a business-friendly environment eager to welcome them to our community. The creation of new job opportunities and a boost to the revenue stream will be the realization of years of hard work in order to promote the desired growth in Payson.

### State Shared Income Tax

Arizona cities and towns share a portion of the total amount collected from the State income tax. The Town's share of state income tax is based on the relationship between its population in comparison to the total population of all cities and towns within Arizona. Based on information provided by the League of Arizona Cities and Towns, estimated state shared income tax revenues are expected to dip by \$.36 million, or 16%, for the fiscal period 2021/2022 due to waiting for the final Census data for fiscal year 2021/22.

#### State Shared Income Tax

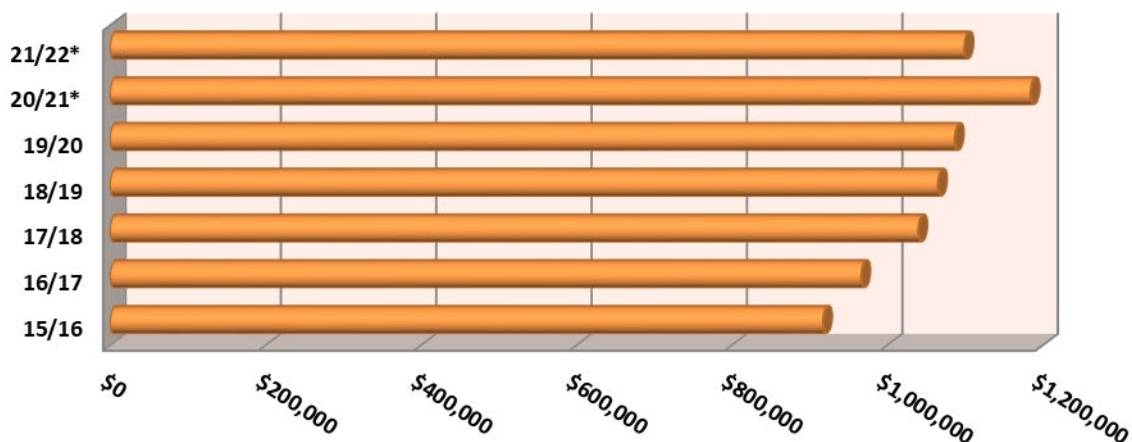


\*20/21 and 21/22 represent budgeted data on charts and graphs

### Vehicle License Tax (VLT)

Arizona cities and towns receive a share of the net revenues collected from the licensing of vehicles in their County. The County Treasurer distributes each entity's share based on population in relation to the County's population as a whole. Revenue from the VLT is projected to decrease by around \$185,000, or 15.6% in FY2021/22.

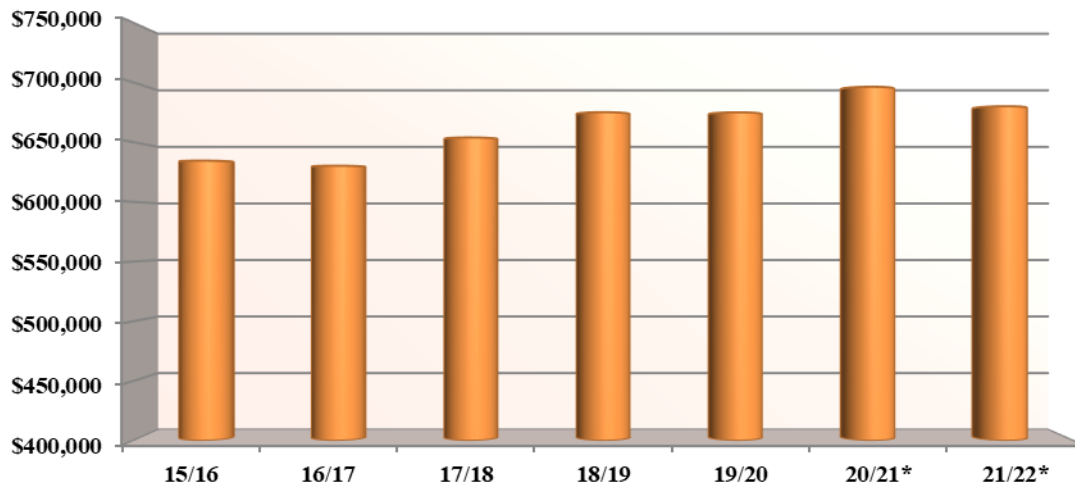
#### Vehicle License Tax Revenue



### ***Property Tax—General***

The Town property tax consists of a primary tax levy that is limited by law and used for maintenance and operations. The tax levy is set at \$0.3328 per \$100 of assessed value for fiscal year 2021/22.

### **Primary Property Tax**



*\* 20/21 and 21/22 represent budgeted data on charts and graphs*



**TOWN OF PAYSON**  
**Tax Levy and Tax Rate Information**  
**Fiscal Year 2022**

	<u>2021</u>	<u>2022</u>
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ <u>840,636</u>	\$ <u>857,449</u>
2. Amount received from primary property taxation in the <b>current year</b> in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18)	\$ _____	
3. Property tax levy amounts		
A. Primary property taxes	\$ <u>696,300</u>	\$ <u>700,400</u>
B. Secondary property taxes		
C. Total property tax levy amounts	\$ <u>696,300</u>	\$ <u>700,400</u>
4. Property taxes collected*		
A. Primary property taxes		
(1) <b>Current</b> year's levy	\$ <u>677,500</u>	
(2) Prior years' levies	<u>5,010</u>	
(3) Total primary property taxes	\$ <u>682,510</u>	
B. Secondary property taxes		
(1) <b>Current</b> year's levy	\$ _____	
(2) Prior years' levies	_____	
(3) Total secondary property taxes	\$ _____	
C. Total property taxes collected	\$ <u>682,510</u>	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	<u>0.3442</u>	<u>0.3328</u>
(2) Secondary property tax rate	_____	_____
(3) Total city/town tax rate	<u>0.3442</u>	<u>0.3328</u>
B. Special assessment district tax rates		
Secondary property tax rates - As of the date the proposed budget was prepared, the city/town was operating <u>No</u> special assessment districts for which secondary property taxes are levied. For information pertaining to these special assessment districts and their tax rates, please contact the city/town.		

\* Includes actual property taxes collected as of the date the proposed budget was prepared, plus estimated property tax collections for the remainder of the fiscal year.

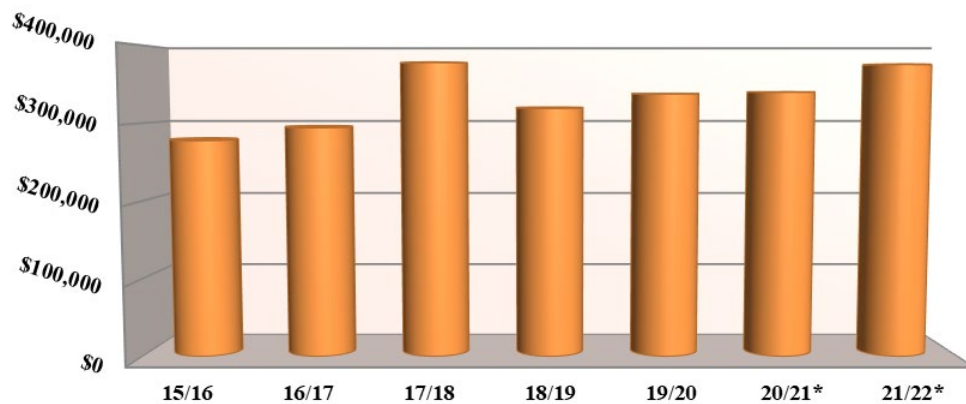
## LICENSES & PERMITS

Licenses & permits include business license fees, franchise fees, building permits, and other miscellaneous licenses and permits.

### ***Permits***

A sizeable portion of the revenue in this category is from permit fees related to new construction. This has been the case for several years. The budget for fiscal year 2020/2021 was similar to the actual revenue in 2019/2020. For fiscal year 2021/2022, building permit revenues are projected to rise by around 10% compared to the previous year's budget due to increases in fees and volume of construction projects.

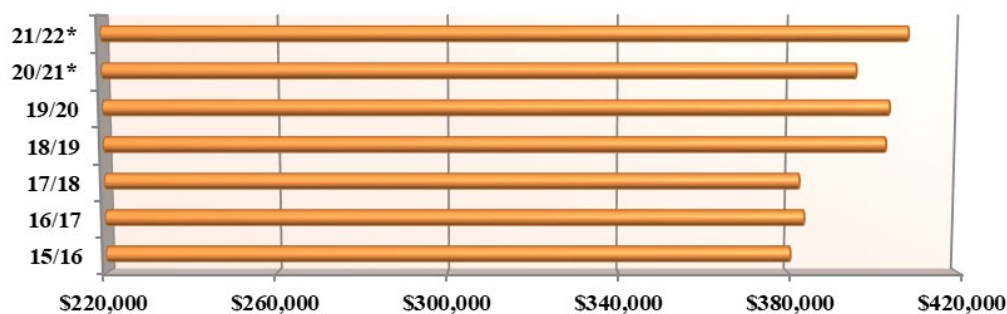
**Building Permits Revenue**



### ***Franchise Fees***

Franchise Fees are based on the gross sales of utility companies. The companies that currently remit a tax include Arizona Public Service, Alliant Gas Company, and Sudden Link.

**Franchise Fee Revenues**



*\*2020/21 and 2021/22 represent budgeted data on charts and graphs*

Projections reflect a slight increase in franchise fee revenues based off agreements and population growth.



## INTERGOVERNMENTAL

Intergovernmental revenues, which come from other governments, include grants, reimbursements, contributions, and intergovernmental agreements (IGA). Wildland fire reimbursements, once accounted for under intergovernmental revenues, are now in a separate revenue fund for tracking purposes. Budgeted intergovernmental revenues increased due to a new item in the 2021/22 proposed budget: Police service agreements for \$331,600. The increase in budgeted grants is primarily due to an increase of \$450,000 in the ACA (aka REDE) grant, partially offset by a reduction in the AZCEI grant.

## FINES & FORFEITS

This category of revenues includes fines and fees from the court. With the Town in the midst of a pandemic, the Budget Team took a conservative approach with projecting these revenues.

## MISCELLANEOUS

Miscellaneous revenues include investment interest, contributions, and other revenues that do not fit in any other revenue category. An item of interest for 2021/22 is an anticipated dividend from the Town's general insurance carrier for \$247,400.

## GENERAL FUND—EXPENDITURES

The General Fund budget for 2021/22 (including transfers) totals \$24,792,200, which is 18.5% higher than the 2020/21 budget of \$20,928,600. The major expenditure categories include Personnel Services, Operating Expenditures, Transfers, and Public Safety Liability.

The following table depicts the major departments in the General Fund and the combined amounts budgeted for those areas.

### EXPENDITURE SUMMARY BY DEPARTMENT - GENERAL FUND

DEPARTMENT	2017/18 ACTUAL	2018/19 ACTUAL	2019/20 ACTUAL	2020/21 ADOPTED	2021/22 PROPOSED
Other Governmental Services	1,869,359	2,250,171	2,992,588	2,821,700	4,143,800
Town Council	85,870	90,596	95,199	102,600	104,500
Town Manager	212,065	219,287	250,647	305,200	525,400
Town Clerk/Elections	216,724	279,217	244,836	247,700	200,000
Town Attorney	424,240	453,674	475,150	487,600	351,000
Magistrate Court	182,947	236,004	216,579	216,300	235,700
Police	5,668,976	6,312,142	6,118,836	7,073,200	7,778,200
Fire	3,764,116	4,426,449	4,489,991	5,271,700	5,657,700
Community Development	864,638	833,137	728,934	1,119,500	1,799,200
Parks & Recreation	1,346,944	1,253,420	1,265,370	1,608,100	2,262,400
Tourism	130,407	63,376	85,554	89,900	77,700
Financial Services	467,656	489,552	484,592	599,800	447,000
Human Resources	227,480	255,653	232,647	235,900	291,400
Information Services	528,395	693,864	579,015	749,400	918,200
<b>TOTAL</b>	<b>\$ 15,989,817</b>	<b>\$ 17,856,542</b>	<b>\$ 18,259,938</b>	<b>\$ 20,928,600</b>	<b>\$ 24,792,200</b>

## EXPENDITURE SUMMARY BY CATEGORY - GENERAL FUND

MAJOR EXPENDITURES	2019/20 ACTUAL	2020/21 ADOPTED	2021/22 PROPOSED	INCREASE (DECREASE)	PERCENT CHANGE
Personnel Services/Benefits	12,662,907	14,017,400	14,925,400	908,000	6.5%
Operating Expenditures	3,367,499	5,024,400	6,355,300	1,330,900	26.5%
Transfers Out	1,322,819	907,800	1,509,200	601,400	66.2%
Other Uses *	906,713	979,000	2,002,300	1,023,300	104.5%
<b>TOTAL</b>	<b>\$ 18,259,938</b>	<b>\$ 20,928,600</b>	<b>\$ 24,792,200</b>	<b>\$ 3,863,600</b>	<b>18.46%</b>

\*Other Uses include: internal Water loan, capital projects, and additional PSPRS payments.

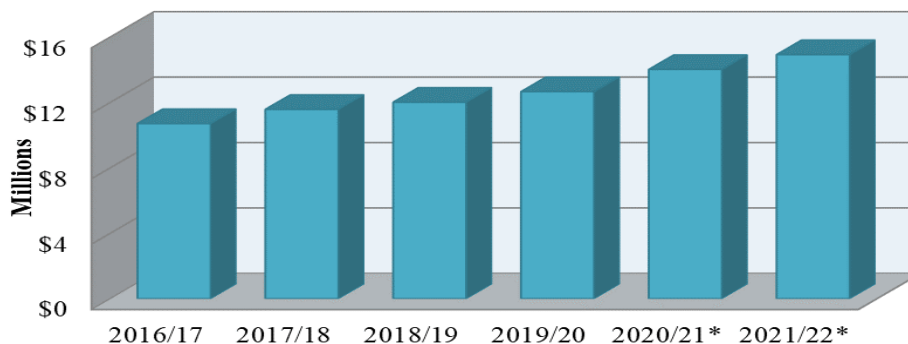
## PERSONNEL SERVICES

Personnel Services represent a significant portion of the total General Fund budget. In fiscal year 2021/22, salaries and benefits (health insurance, disability insurance, life insurance, and retirement) account for \$14,925,400 or 60% of the total General Fund budget. Major changes to personnel costs for FY 2021/22 include:

- Added two new positions to the Information Technology Department
- Added one firefighter position for the Fire Department and cancelled Reserve positions
- Added two police officer positions to provide support to Star Valley
- Reallocated two positions to public works project manager and assistant engineer
- Moved part-time Victims Advocate position from Legal to the Police Department
- Moved one position from the Finance Department to the Town Manager office
- Provided 1.6% increases for cost of living adjustments
- Authorized up to 2% for merit raises for performance
- Medical premium insurance increased 3%
- Reclassified multiple positions following updated market analysis and internal equity reviews

The Town implemented quite a few changes that influence payroll and benefits. The net effect will be an estimated budget increase of 6.5% compared to the previous year. Last fiscal year, the Town realized a savings due to unfilled positions, retirements, and stricter budgeting.

Personnel Services

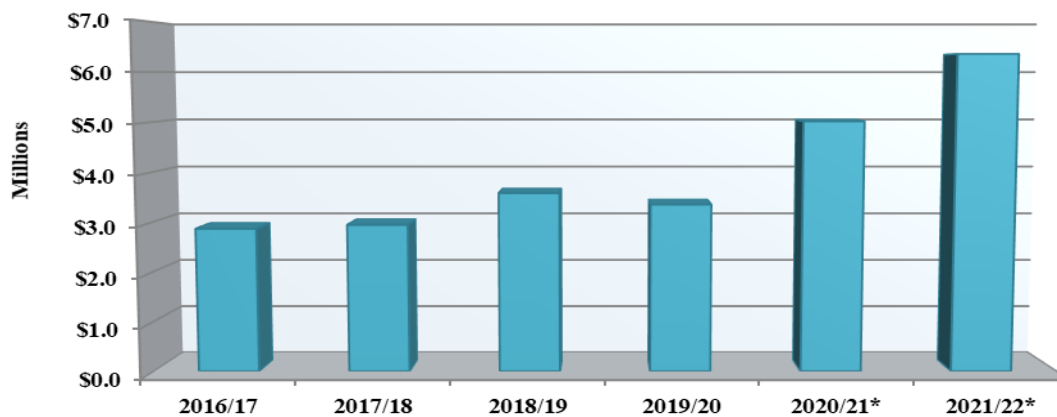


\*2020/21 and 2021/22 represent budgeted data on charts and graphs

## OPERATING EXPENDITURES

Operating expenditures represent approximately 25.6% of the total General Fund budget, and include a wide array of expenditures. This category includes all normal day-to-day expenditures such as custodial services, repairs, maintenance, legal notices, equipment rentals, telephone and utility services, legal and accounting services, motor vehicle repair and maintenance, minor equipment, liability insurance, and miscellaneous supplies. Operating expenditures are budgeted to increase \$1.33 million, or 26.5%, over last year's budget primarily due to: (a) an increase of \$0.6 million in vehicle and equipment lease expenditures, (b) a new budget line of \$0.5 million for contingency expenditures, and (c) an increase of \$0.3 million in grant expenditures.

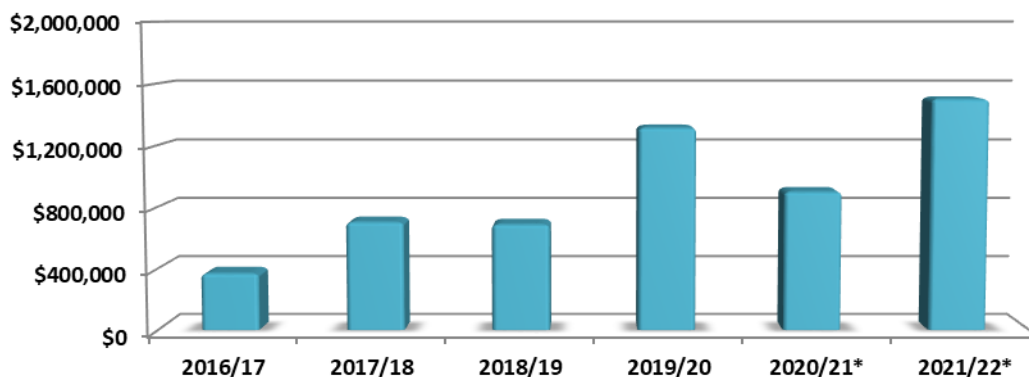
Operating Expenditures



## TRANSFERS-OUT

Transfers-out represent approximately 6.1% or \$1,509,200 of the total General Fund budget for FY 2021/22. Outgoing transfers from the General Fund encompass budgeted monies for the day-to-day operating expenses of various restricted programs such as the Airport and Library. In addition to funding daily operations, transfers from the General Fund are also used to build the Town's Contingency Fund and the Capital Replacement Fund for the preservation of Payson's infrastructure. The \$0.6 million increase in the budget for this category is mainly due to a budgeted transfer of \$1.0 million to the Capital Replacement Fund, partially offset by a reduction in the budgeted transfer to the Contingency Fund.

Transfers Out



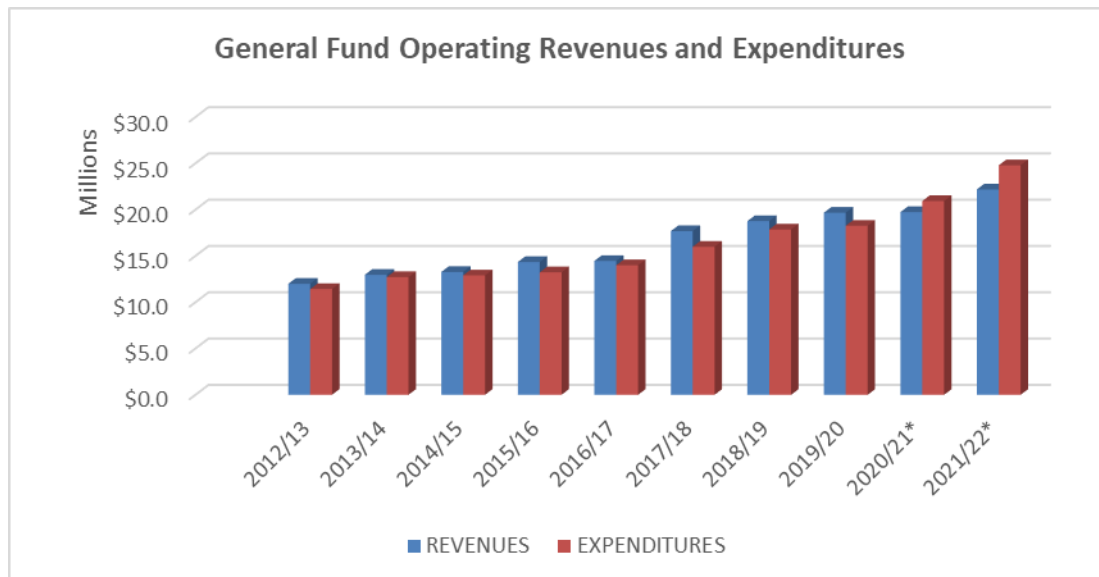
\*2020/21 and 2021/22 represent budgeted data on charts and graphs

## SUMMARY OF GENERAL FUND REVENUES & EXPENDITURES

The following table shows annual revenues and expenditures for the General Fund, as well as the change each year from the prior year.

YEAR	REVENUES	PERCENT CHANGE	EXPENDITURES	PERCENT CHANGE	DIFFERENCE
2012/13	11,993,742	4.3%	11,424,504	-2.3%	569,238
2013/14	12,957,462	8.0%	12,712,900	11.3%	244,562
2014/15	13,270,968	2.4%	12,896,773	1.4%	374,195
2015/16	14,345,360	8.1%	13,231,381	2.6%	1,113,979
2016/17	14,458,678	0.8%	13,994,148	5.8%	464,530
2017/18	17,681,457	22.3%	15,989,831	14.3%	1,691,626
2018/19	18,757,851	6.1%	17,856,542	11.7%	901,309
2019/20	19,672,885	4.9%	18,259,938	2.3%	1,412,947
2020/21*	19,742,500	0.4%	20,928,600	14.6%	(1,186,100)
2021/22*	22,179,600	12.3%	24,792,200	18.5%	(2,612,600)

\*Budgeted



Prompted by another hefty increase in the cost of public safety retirement obligations in 2017, the Town Council raised the local sales tax rate to 3% (previously 2.12%). These additional funds have allowed the Town to reduce retirement obligations, establish a contingency fund, and begin to catch up on personnel and maintenance issues.



The Tourism Division is continuing to pursue every opportunity to expand tourism-related revenues (sales tax & bed tax) by promoting special events throughout the year. The Economic Development specialist continues to work diligently, despite the global pandemic, to draw new business to Payson, and provide support for current business owners to positively affect sales tax and build construction revenue.

## SPECIAL REVENUE FUNDS

Special revenue funds are used to account for proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes, other than major capital projects. The funds are required by statute, ordinance, or federal grant regulation to finance specified activities of the Town.

Payson maintains the following Special Revenue Funds: Airport Fund, Arizona CARES Act Fund, Bed Tax Fund, Contingency Fund, Event Center Fund, Gifts & Grants Fund, Highway Users Revenue Fund (HURF), Library Fund, Medical Insurance Fund, Parks Facilities Improvement Fund, Police Department of Justice Fund, Police Impound Fee Fund, Wildland Fire Fund, and now the American Recovery Plan Act (ARPA) Fund.

**Airport Fund** – This fund was established to centralize all expenditures related to the operation of the Town’s municipal airport. The Airport Fund is funded by user fees, grants, and operating transfers from the General Fund.

**Bed Tax Fund** – This fund collects the Town's Transient Tax. The expenditures of this fund are restricted to promotion, development, and enhancement of the tourism industry within Payson. This tax is an additional 5% of hotel/motel transactions.

**Council Contingency Fund** – This fund was established in FY 2017/18 to build a ‘rainy day’ savings fund in order to be prepared for future economic fluctuations and to comply with a previously neglected financial policy of the Town.

**Event Center Fund** – This fund was established to track expenditures related to the operation of the Town's 36-acre Multi-Event Center Arena used for large-scale events, rodeos, and other outdoor activities. The Event Center activities are funded through user fees, grants, and an operating transfer from the Bed Tax Fund.

**Gifts & Grants Fund** – This fund is used to track the fund balance for money previously donated to the Town as gifts and grants for specific purposes.

**Highway Users Revenue Fund (HURF)** – This fund, also known as the Street Fund, is funded primarily with State shared monies received from the State of Arizona. The use of these funds is restricted by statute to the operation and maintenance of the Town’s infrastructure (roads, bridges, curbs, gutters, sidewalks, etc.).



**Library Fund** – The Town of Payson’s Library is funded through a General Fund transfer, and a special property tax assessed by Gila County specifically for libraries of the County. The tax is distributed by a population-based formula and must be used for library-related expenditures. This fund serves as a tracking system for revenues and expenditures related to the library.

**Magistrate Court/Fill the Gap (FTG) Fund** – The State of Arizona established a 7% increase in surcharges on September 1, 1999. A portion of the increase is distributed to Municipal Courts on a quarterly basis. The program is titled “Municipal Court Fill the Gap” or FTG. The monies collected by this program may be used towards the collection process of penalties and fines.

**Medical Insurance Fund** – This fund is a clearing account to receive employee and employer insurance fees, which are used to pay insurance premiums.

**Parks Facilities Improvement Fund** – This fund was established in the fiscal period 2014/15 when the Town Council approved the assessment of a \$5 fee that is added to most Park charges and is used for improvements to Park facilities. The fund has been building since its inception, and fiscal year 2019/20 was the first year funds were used for the stated purpose of the fund.

**Police Department of Justice Fund** – This fund accounts for the restricted revenues received from Federal grants, seizures, and the Department of Defense. This money is distributed to various Police departments and is restricted for law enforcement efforts.

**Police Impound Fee Fund** – The State of Arizona, Statue 28-3513, establishes guidelines to allow Police departments to charge an administrative fee for impounded vehicles.

**Wildland Fire Fund** – Revenues from the US Forest Service are received to recover costs generated by local participation in fighting wildfires around the State and the nation.

**Arizona CARES Act Fund** – In response to the pandemic (COVID-19), the Coronavirus Aid, Relief, and Economic Security (CARES) Act was signed into law in March 2020 to aid and support severely stressed sectors of the U.S. economy. Payson received funding from this Act.

**American Recovery Plan Act Fund** – The American Recovery Plan Act (ARPA) was signed into law in March 2021 to help the U.S. economy recover from the effects of the COVID-19 pandemic. Payson will receive ARPA funds in FY2021/22 and 2022/23.





### **SPECIAL REVENUE FUND—REVENUE**

Special Revenue Funds include revenues from internal and external sources. The Town’s major revenue sources in this fund are Taxes, Intergovernmental, Grants, Charges for Services, Fines & Forfeitures, and Miscellaneous. The following table depicts the major revenue sources and their respective budgets in the Special Revenue Funds.

Category	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	Increase (Decrease)	Percent Change
Taxes	3,566,254	3,281,600	3,267,100	(14,500)	-0.44%
Intergovernmental	179,179	2,614,500	4,274,000	1,659,500	63.47%
Grants	81,716	1,981,900	203,000	(1,778,900)	-89.76%
Charges for Service	170,607	244,200	295,500	51,300	21.01%
Fines & Forfeitures	6,920	6,000	4,800	(1,200)	-20.00%
Miscellaneous	2,021,789	2,322,400	2,478,900	156,500	6.74%
Transfers In	1,424,846	1,143,800	745,800	(398,000)	-34.80%
<b>TOTAL</b>	<b>\$ 7,451,311</b>	<b>\$ 11,594,400</b>	<b>\$ 11,269,100</b>	<b>\$ (325,300)</b>	<b>-2.81%</b>

**Taxes, Intergovernmental, and Miscellaneous** are consistently the major revenue sources in the Special Revenue Funds. These revenues comprise approximately 89% of the total fiscal year 2021/22 budgeted Special Revenue Fund revenues. The increase of \$1,659,500 to the Intergovernmental revenue budget is primarily due to anticipated ARPA funding this year being higher than the CARES funds received last year, and an anticipated increase in funding for the Beeline Bus project.

**Grants** funding shows a significant decrease in the fiscal period 2021/22 of \$1,778,900 in comparison to last year. This is mainly due to two one-time grants in last year’s budget that are not in this year’s budget: \$1,003,500 for the Airport and \$975,400 for streets.

**Charges for Services** projected revenue increased by \$51,300 due to an anticipated increase in special inspection fee revenue in the Streets Fund.

**Miscellaneous** funding increased from \$2,322,400 for fiscal year 2020/21 to \$2,478,900 for this fiscal year. This projected revenue increase is mostly due to the anticipated increase in employer contributions to the Insurance Fund.

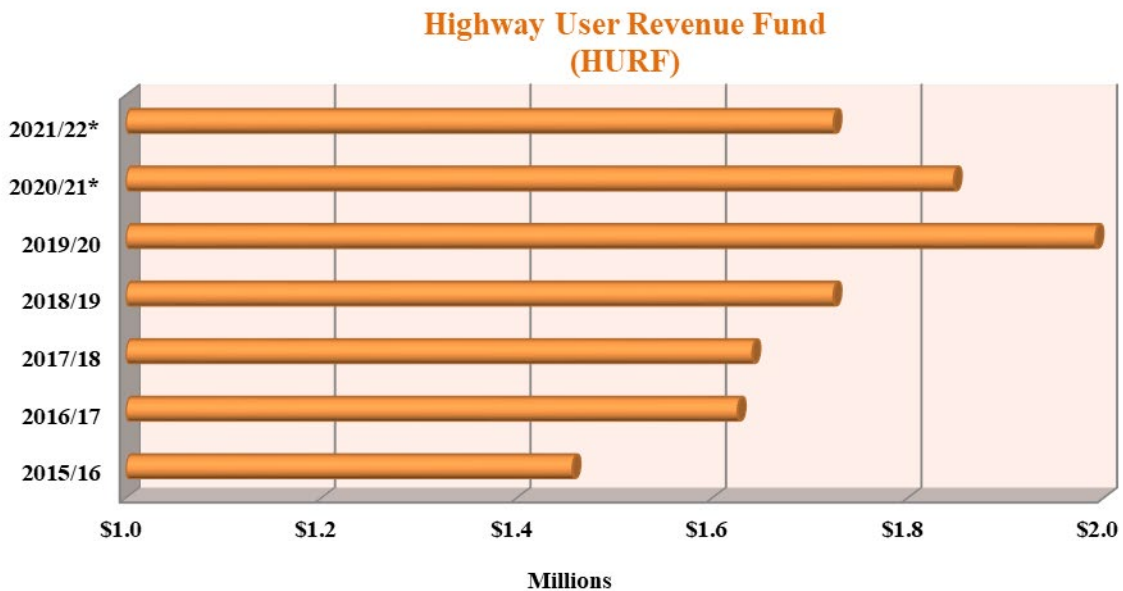
**Transfers-In** decreased significantly in the FY2021/22 budget. This is mainly because last year there was a transfer of \$500,000 from the General Fund into the Contingency Fund to accumulate “rainy day” savings, but there was no similar transfer this year.

## TAXES

Significant Special Revenue Fund tax revenues include Highway User Gas Tax, Gila County 1/2 Cent Transportation Excise Tax, and Bed Tax.

### Highway User Gas Tax

Arizona cities and towns receive a share of the State motor vehicle fuel tax. The distribution formula is based on two separate calculations: the first half is based on an entity's population in relation to the total State population; the second half is based on the County in which the revenues are generated. The Town must use these funds for the construction and maintenance of streets and highways.



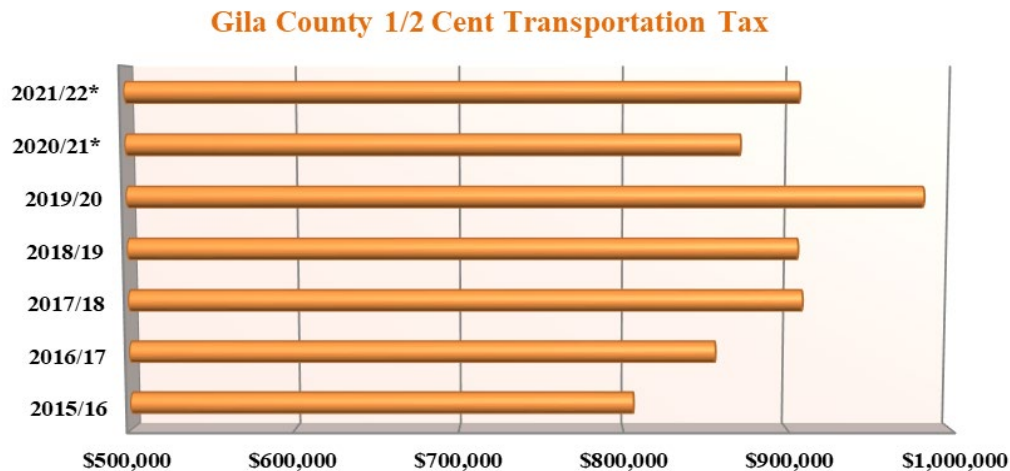
*\* 2020/21 and 2021/22 represent budgeted data on charts and graphs*

Each year The Arizona Department of Transportation provides the Town with the Highway User Revenue Fund estimate. The anticipated revenue for the fiscal year 2021/22 is approximately 6.7% lower than last year's projection.



### ***Gila County 1/2 Cent Transportation Excise Tax***

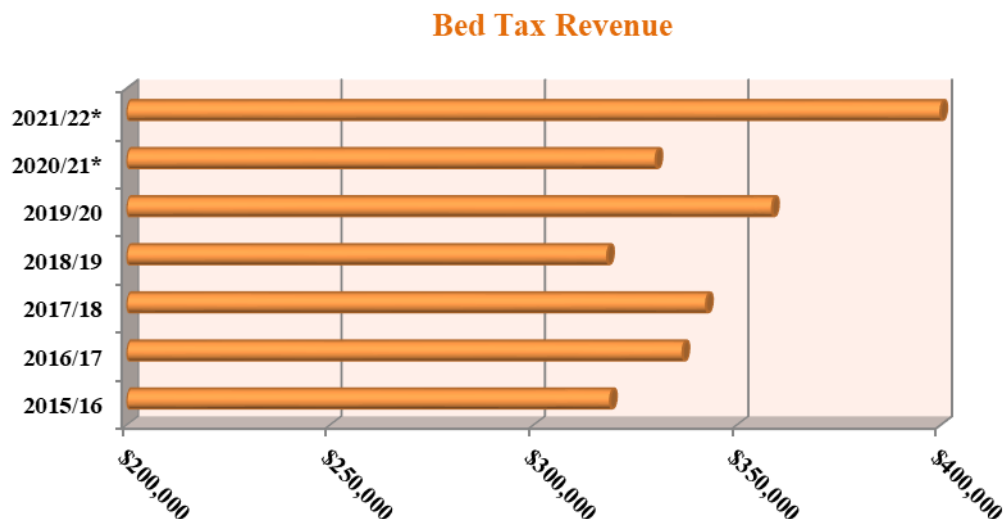
The Arizona Department of Revenue distributes all proceeds of the Gila County 1/2 cent Transportation Excise Tax to the individual cities and towns within Gila County. This revenue source has been a welcome boost to the Town’s funding towards street projects that is in addition to the Highway Users Revenue Fund. Projections for this year’s Transportation Excise Tax revenue are 4.1% higher than for the previous year.



*\* 2020/21 and 2021/22 represent budgeted data on charts and graphs*

### ***Bed Tax***

The operator of a hotel/motel in the Town of Payson charges a transient rental tax on the transaction of a person who exercised occupancy or was entitled to occupancy by reason of concession, permit right-of-access, license, or other agreement for a period of less than thirty consecutive days. Originally established in 1985, the current bed tax rate is 5% on each such transaction. Continued efforts to promote local events have helped boost this revenue source, which is projected to increase by \$70,000 over last year’s budget.



*\*2020/21 and 2021/22 represent budgeted data on charts and graphs*

## **SPECIAL REVENUE FUND—EXPENDITURES**

The Special Revenue Fund expenditure budget for fiscal year 2021/22 totals \$13,016,400, which is 12.9% higher than the fiscal period 2020/21 budget of \$11,526,800. The main reason for this increase is the \$2,640,600 budgeted for expenditure of ARPA funds in FY2021/22, partially offset by the fact that this year we will not be receiving a grant similar to the one-time Federal grant of \$1,003,500 received last fiscal year for the installation of Precision Approach Path Indicators & Runway End Identifier Lights at the Airport.

### **EXPENDITURE SUMMARY BY FUND – SPECIAL REVENUE FUND**

<b>FUND</b>	<b>2017/18 ACTUAL</b>	<b>2018/19 ACTUAL</b>	<b>2019/20 ACTUAL</b>	<b>2020/21 ADOPTED</b>	<b>2021/22 PROPOSED</b>
<b>HURF Fund</b>	2,492,327	2,634,108	2,540,614	5,207,300	5,128,300
<b>P&amp;R Facility Improvement Fees</b>	-	-	73,953	7,000	9,000
<b>Gifts &amp; Grants Fund</b>	-	2,100	-	100,000	50,000
<b>Wildlands/Urban Program Fund</b>	-	-	84,010	120,000	120,000
<b>Bed Tax Fund</b>	481,405	377,319	321,768	407,600	558,400
<b>Police Dept of Justice</b>	27,153	37,384	126,649	157,000	107,700
<b>Police Impound Fund</b>	998	-	7,414	28,000	22,200
<b>Library Fund</b>	374,822	426,087	432,105	469,000	468,900
<b>Magistrate Court / FTG Fund</b>	273	1,229	461	-	4,000
<b>Airport Fund</b>	1,128,390	1,056,515	292,603	1,279,100	360,700
<b>Event Center Fund</b>	279,480	255,994	269,640	383,100	605,400
<b>Contingency Fund</b>	-	59,716	109,871	1,300,000	572,200
<b>ARPA Fund</b>	-	-	-	-	2,640,600
<b>Medical Insurance Fund</b>	1,609,219	1,699,286	1,922,821	2,068,700	2,369,000
<b>TOTAL</b>	<b>\$ 6,394,067</b>	<b>\$ 6,549,738</b>	<b>\$ 6,181,909</b>	<b>\$ 11,526,800</b>	<b>\$13,016,400</b>

### **EXPENDITURE SUMMARY BY CATEGORY - SPECIAL REVENUE FUND**

<b>MAJOR EXPENDITURE</b>	<b>2019/20 ACTUAL</b>	<b>2020/21 ADOPTED</b>	<b>2021/22 PROPOSED</b>	<b>INCREASE (DECREASE)</b>	<b>PERCENT CHANGE</b>
<b>Personnel Services</b>	1,928,915	2,186,500	2,144,100	(42,400)	-1.9%
<b>Operating Expenditures</b>	3,430,862	5,790,800	7,748,300	1,957,500	33.8%
<b>Capital Outlay</b>	594,685	3,285,400	2,829,600	(455,800)	-13.9%
<b>Transfers Out</b>	227,447	264,100	294,400	30,300	11.5%
<b>TOTAL</b>	<b>\$ 6,181,909</b>	<b>\$ 11,526,800</b>	<b>\$ 13,016,400</b>	<b>\$ 1,489,600</b>	<b>12.9%</b>

### **PERSONNEL SERVICES**

Personnel Services represents 16.5% of the total Special Revenue Funds budget. This category consists of salaries and benefits (health insurance, accident insurance, disability insurance, life insurance, retirement) related to the operations funded by these restricted funds. The FY2021/22 budget for this category is similar to last year's budget.

### **OPERATING EXPENDITURES**

Operating Expenditures represent 59.5% of the total Special Revenue Funds budget. This category includes a wide array of expenditures including normal day-to-day costs of the programs funded by these restricted funds. Operating Expenditures are projected to increase by \$1,957,500 primarily due to the anticipated expenditure of \$2.6 million in ARPA funds, partially offset by a decrease in budgeted Contingency Fund expenditures.

### **CAPITAL OUTLAY**

Capital outlay represents 21.7% of the Special Revenue Funds' total budget. Capital outlay includes all major capital improvements in these restricted funds. The budget for this category decreased by \$455,800 due to the completion of a \$1 million Airport project last year, partially offset by contingency funds earmarked in FY2021/22 for fire truck equipment and a possible splash pad.

### **TRANSFERS-OUT**

Transfers-out represents 2.3% of the total Special Revenue Funds expenditure budget for fiscal year 2021/22, with the majority transferring to Parks, Recreation, and Tourism.



## BUDGET SUMMARY BY FUND – SPECIAL REVENUE FUND

FUND	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed
Highway User Revenue Fund	2,665,178	2,798,425	3,086,415	4,444,000	4,211,500
Parks & Rec Improvement Fee Fund	15,442	13,872	6,210	14,000	9,000
Gifts & Grant Fund	-	-	-	100,000	50,000
Wildlands\Urban Program	-	-	104,679	120,000	120,000
Bed Tax Fund	342,411	318,255	358,630	330,000	400,000
Police Dept of Justice Fund	39,123	122,858	97,946	58,000	20,000
Police Impound Fee Fund	13,350	15,300	9,450	9,000	10,000
Library Fund	375,467	425,443	432,103	469,000	468,900
Magistrate Court / FTG Fund	1,312	4,416	4,502	4,000	4,000
Airport Fund	1,128,389	1,056,516	292,604	1,279,100	360,700
Event Center Fund	279,476	255,995	269,642	383,100	605,400
Contingency Fund	50,000	150,000	860,000	500,000	-
Arizona CARES Fund	-	-	-	1,815,500	-
ARPA Fund	-	-	-	-	2,640,600
Medical Insurance Fund	1,609,218	1,670,040	1,929,130	2,068,700	2,369,000
<b>Total Revenues</b>	<b>\$ 6,519,366</b>	<b>\$ 6,831,120</b>	<b>\$ 7,451,311</b>	<b>\$ 11,594,400</b>	<b>\$ 11,269,100</b>
Highway User Revenue Fund	2,492,327	2,634,108	2,540,614	5,207,300	5,128,300
Parks & Rec Improvement Fee Fund	-	-	73,953	7,000	9,000
Gifts & Grant Fund	-	2,100	-	100,000	50,000
Wildlands\Urban Program	-	-	84,010	120,000	120,000
Bed Tax Fund	481,405	377,319	321,768	407,600	558,400
Police Dept of Justice Fund	27,153	37,384	126,649	157,000	107,700
Police Impound Fee Fund	998	-	7,414	28,000	22,200
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Event Center Fund	279,480	255,994	269,640	383,100	605,400
Contingency Fund	-	59,716	109,871	1,300,000	572,200
ARPA Fund	-	-	-	-	2,640,600
Medical Insurance Fund	1,609,219	1,699,286	1,922,821	2,068,700	2,369,000
<b>Total Expenditures</b>	<b>\$ 6,394,067</b>	<b>\$ 6,549,738</b>	<b>\$ 6,181,909</b>	<b>\$ 11,526,800</b>	<b>\$ 13,016,400</b>



## DEBT SERVICE FUND

Debt Service Funds are used to account for all interest, principal, and fees incurred due to general obligation and assessment debt of the Town, except those accounted for in the Water Enterprise Fund. They are also used to maintain debt service reserves as required by bond covenants. Some bond covenants require that an amount sufficient to pay the interest and principal on the installments of each indebtedness next maturing shall be set aside in a separate fund.

### ***Special Assessment Bond, Series 2005, Westerly Rd Improvement District***

The Town issued \$875,000 in governmental special assessment bonds to provide financing for improvements in the Westerly Drive Improvement District. The bonds are payable solely from special assessments levied against all privately owned lots, and pieces and parcels of land within the boundaries of the District. The Town owns land within the District and also pays an assessment. The bond is payable through 2022. The total outstanding principal is \$80,000.





### **WATER ENTERPRISE REVENUE BACKED DEBT**

The Town has pledged net revenues from the operation of the Water System to repay loans used to pay the costs of making improvements, extensions, renewals, replacements, and repairs to the pipeline infrastructure from C.C. Cragin Reservoir to Payson. As of July 1, 2021, the total principal outstanding is **\$32,880,508**. The total outstanding principal is made up of five loans with different payoff dates. The last loan will be paid off July 2046.

#### ***Water Infrastructure Financing Authority (WIFA) 2011 Loan 1B***

In August 2009, the Town entered into a \$10.6 million (\$4.0 million in federal grant funding and \$6.6 million in loans) agreement with the Water Infrastructure Financing Authority (WIFA) of Arizona to start the C.C. Cragin Pipeline Project. By June 30, 2012, the Town had drawn down \$3.6 million of the loan and drew the maximum \$4.0 million in federal ARRA grant funds. In August 2012, \$2.4 million of the loan was de-obligated and the Town made the final draw of available funds in July 2012. The original loan amount after de-obligation was \$4,177,807. As of July 1, 2021, the total principal outstanding is **\$2,009,845**. The final payment for this loan is set for July 2029.

#### ***WIFA 2012 Loan 2***

In 2013, the Water Division obtained another loan from WIFA for the continuation of the C.C. Cragin Pipeline Project. The original loan amount was \$6,250,000. All available funds had been withdrawn by July 1, 2016. As of July 1, 2021, the total principal outstanding is **\$4,154,160**. The final payment for this loan is set for July 2032.

#### ***WIFA 2015 Loan 3***

In 2015, the Water Division obtained another loan from WIFA. The amount of the loan was \$11,000,000 with \$1,000,000 forgivable. All available funds had been withdrawn by July 1, 2018. The total principal outstanding is **\$8,693,200** as of July 1, 2021. The final payment for this loan is set for July 2044.

#### ***WIFA 2016 Loan 4***

In 2016, the Water Division obtained an additional \$11,000,000 loan from WIFA. \$1,000,000 of this loan is forgivable. All available funds had been withdrawn by July 1, 2018. The total principal outstanding is **\$8,977,370** as of July 1, 2021. The final payment for this loan is set for July 2045.

#### ***WIFA 2017 Loan 5***

In 2017, the Water Division obtained the final WIFA loan for \$11,000,000 with \$1,000,000 of this loan being forgivable. As of July 1, 2021, the total principal outstanding is **\$9,045,933**. The final payment for this loan is set for July 2046.



**Revenue Backed Debt Service as of July 1, 2021  
(Principal Only)  
Water Enterprise Debt**

Year	WIFA Loan 1B	WIFA Loan 2	WIFA Loan 3	WIFA Loan 4	WIFA Loan 5	Total
2021	\$198,831	\$296,052	\$278,848	\$270,394	\$253,242	\$1,297,367
2022	\$204,579	\$304,342	\$284,982	\$276,559	\$259,421	\$1,329,883
2023	\$210,494	\$312,863	\$291,252	\$282,864	\$265,751	\$1,363,224
2024	\$216,579	\$321,623	\$297,659	\$289,314	\$272,235	\$1,397,410
2025	\$222,840	\$330,629	\$304,208	\$295,910	\$278,877	\$1,432,464
2026	\$229,282	\$339,886	\$310,900	\$302,657	\$285,682	\$1,468,407
2027	\$235,911	\$349,403	\$317,740	\$309,557	\$292,653	\$1,505,264
2028	\$242,731	\$359,187	\$324,731	\$316,615	\$299,793	\$1,543,057
2029	<u>\$248,598</u>	\$369,244	\$331,875	\$323,834	\$307,108	\$1,580,659
2030		\$379,583	\$339,176	\$331,218	\$314,602	\$1,364,579
2031		\$390,211	\$346,638	\$338,769	\$322,278	\$1,397,896
2032		<u>\$401,137</u>	\$354,264	\$346,493	\$330,142	\$1,432,036
2033			\$362,058	\$354,393	\$338,197	\$1,054,648
2034			\$370,023	\$362,474	\$346,449	\$1,078,946
2035			\$378,163	\$370,738	\$354,902	\$1,103,803
2036			\$386,483	\$379,191	\$363,562	\$1,129,236
2037			\$394,986	\$387,836	\$372,433	\$1,155,255
2038			\$403,675	\$396,679	\$381,520	\$1,181,874
2039			\$412,556	\$405,723	\$390,829	\$1,209,108
2040			\$421,632	\$414,974	\$400,366	\$1,236,972
2041			\$430,908	\$424,435	\$410,135	\$1,265,478
2042			\$440,388	\$434,112	\$420,142	\$1,294,642
2043			\$450,077	\$444,010	\$430,393	\$1,324,480
2044			<u>\$459,978</u>	\$454,133	\$440,895	\$1,355,006
2045				<u>\$464,488</u>	\$451,653	\$916,141
2046					<u>\$462,673</u>	<u>\$462,673</u>
Total	\$2,009,845	\$4,154,160	\$8,693,200	\$8,977,370	\$9,045,933	\$32,880,508

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### **CONTRACT/LEASE DEBT**

The Town has incurred the following debt through equipment lease/purchase agreements. As of July 1, 2021, the total principal outstanding is **\$3,342,151**. The total outstanding principal is made up of seven lease/purchase loans with different payoff dates. The last loan will be paid off July 2032.

#### ***2021 Equipment Lease/Purchase***

This lease/purchase began in 2021 for two fire trucks for the Fire Department. The lease payment term is August 2021 thru August 2027. The original amount of the lease/purchase was \$1,430,181 plus interest. As of July 1, 2021, there is **\$1,430,181** principal outstanding.

#### ***2021 Equipment Lease/Purchase***

This lease/purchase began in 2021 for a Vactor truck for the Street Department. The lease payment term is August 2021 thru August 2024. The original amount of the lease/purchase was \$396,602 plus interest. As of July 1, 2021, there is **\$396,602** principal outstanding.

#### ***2020 Equipment Lease/Purchase***

This lease/purchase began in 2020 for field turf for the Parks & Recreation Department. The lease term is July 2020 thru July 2027. The original amount of the lease/purchase was \$520,639 plus interest. As of July 1, 2021, there is **\$447,377** principal outstanding.

#### ***2018 Equipment Lease/Purchase***

This lease/purchase began in 2018 to upgrade all Town-owned properties with energy-efficient lighting. The lease term is October 2018 thru October 2032. The original amount of the lease/purchase was \$729,033 plus interest. As of July 1, 2021, there is **\$664,148** principal outstanding.

#### ***2017 Equipment Lease/Purchase***

This lease/purchase began in 2017 for a Vactor truck for the Water Department. The lease term is January 2017 thru July 2022. The original amount of the lease/purchase was \$442,246 plus interest. As of July 1, 2021, there is **\$137,860** principal outstanding, which will be paid off early in FY2021/2022.

#### ***2015 Equipment Lease/Purchase***

This lease/purchase began in 2015 for ball field lights for the Parks & Recreation Department. The lease term is August 2015 thru September 2025. The original amount of the lease/purchase was \$402,000 plus interest. As of July 1, 2021, there is **\$216,092** principal outstanding, which will be paid off early in FY2021/2022.

#### ***2015 Equipment Lease/Purchase***

This lease/purchase began in 2015 for field turf for the Parks & Recreation Department. The lease term is March 2016 thru March 2022. The original amount of the lease/purchase was \$332,015 plus interest. As of July 1, 2021, there is **\$49,891** principal outstanding, which will be paid off in FY2021/2022.

**Total Contract/Lease Debt Service as of July 1, 2021  
(Principal Only)**

Year	Fire Engines Trucks	Street Vactor Truck	Park Field Turf 2020	Park Ballfield Lights	Park Field Turf 2015	Water Vactor Truck	Town-Wide Light Upgrades	Total
2021	\$209,277	\$100,304		\$39,057	<u>\$49,891</u>	\$91,396	\$36,502	\$526,427
2022	\$193,834	\$96,911	\$67,187	\$41,035		<u>\$46,464</u>	\$39,393	\$484,824
2023	\$197,595	\$98,754	\$69,978	\$43,113			\$42,429	\$451,869
2024	\$201,430	<u>\$100,632</u>	\$72,885	\$45,296			\$45,617	\$465,860
2025	\$205,338		\$75,912	<u>\$47,591</u>			\$48,965	\$377,806
2026	\$209,323		\$79,066				\$52,478	\$340,866
2027	<u>\$213,384</u>		<u>\$82,350</u>				\$56,165	\$351,900
2028							\$60,031	\$60,031
2029							\$64,087	\$64,087
2030							\$68,339	\$68,339
2031							\$72,795	\$72,795
2032							<u>\$77,347</u>	<u>\$77,347</u>
<b>Totals</b>	\$1,430,181	\$396,602	\$447,377	\$216,092	\$49,891	\$137,860	\$664,148	\$3,342,151

**INTER-FUND DEBT**

In fiscal year 2010/2011, the Town Council approved a loan from the Water Enterprise fund of \$1,000,000. Due to the economic downturn and slow recovery, the Town was not able to make the principal payments until fiscal year 2016/2017. However, the Town did pay the interest each year. The unpaid principal amounts were added to the end of the loan period, extending the term of the loan. The Council recently made the Water loan repayment as one of their priorities. As of July 1, 2021, there is \$36,900 in principal outstanding. This budget includes the final payment to pay off the loan in 2022.

In 2020/2021, the Water Enterprise Fund provided a second loan to the Town in the amount of \$375,000 to replace turf at Rumsey park playing fields. This loan will be paid off in 2022.





## **LEGAL DEBT MARGIN**

With the consent of the citizens, the Town may not exceed a general obligation bond debt ratio of 20% of the net assessed value of property within the Town. This net value is for water, lights, parks, open space, recreation facilities, public safety, public safety facilities, streets, and transportation facilities. Additionally, the Town is allowed to be indebted up to 6% of the net assessed value of the property within the Town for general purposes. The Town paid off the Public Safety general obligation bond in the fiscal period 2019/2020. Lease purchases and WIFA loans are not considered general obligation bond debt and do not fall within these limits.

<b>Net Assessed Valuation</b>	
	<b>\$ 210,481,035</b>
<b>Water, Lights, Parks, Open Space and Recreational Facility Bonds</b>	
<b>Debt limit - 20% of net assessed valuation</b>	<b>42,096,207</b>
<b>Net debt applicable to limit</b>	<b>-</b>
<b>20% legal debt margin</b>	<b>\$ 42,096,207</b>
<b>All other general obligation bonds</b>	
<b>Debt limit - 6% of net assessed valuation</b>	<b>12,628,862</b>
<b>Net debt applicable to limit</b>	<b>-</b>
<b>6% legal debt margin</b>	<b>\$ 12,628,862</b>
<b>Total Legal Debt Margin</b>	<b>\$ 54,725,069</b>







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## CAPITAL PROJECT FUNDS

Expenditures for acquiring or improving capital assets, or for the installation or improvement of infrastructure are classified as capital projects. Capital projects are broken into the categories of land, buildings, infrastructure improvements (streets, sidewalks, etc.), and equipment (vehicles, fire engines, computer servers, etc.).

The capital project funds are used to account for major capital projects. The Town has the following capital project funds:

**Capital Replacement Fund** – This fund is used to provide financial resources to replace the aging fleet and equipment.

**Grant Capital Projects Fund** – This fund centralizes the accounting for major grant-financed projects.

**Public Safety Bond Project Fund** – This fund was established to account for bond proceeds and expenditures pertaining to public safety system upgrades and a computerized firearms training system for the Police Department.

**American Gulch Improvement District Fund** – The American Gulch Linear Park has been a key component of revitalization efforts within the Green Valley Park Redevelopment Area since the 2002 General Plan update. Once complete, the American Gulch Linear Park will make the adjacent private property more developable, provide a recreation amenity that parallels Historic Main Street, and generally boost economic development in the area.

### **CAPITAL IMPROVEMENTS**

The capital improvements portion of the budget includes costs for construction, repairs, or improvements to the Town's long-term capital infrastructure and equipment assets. Capital improvements include the construction of new or significant repairs to streets, parks, buildings, and other facilities that are not classified as "ongoing" expenditures. Capital improvements do not include the ongoing costs to maintain and operate a facility or assets. These costs are expensed in the operating budget. Many capital improvement expenditures are one-time in nature, and replacement may not be required between 5-75 years depending on the improvement.

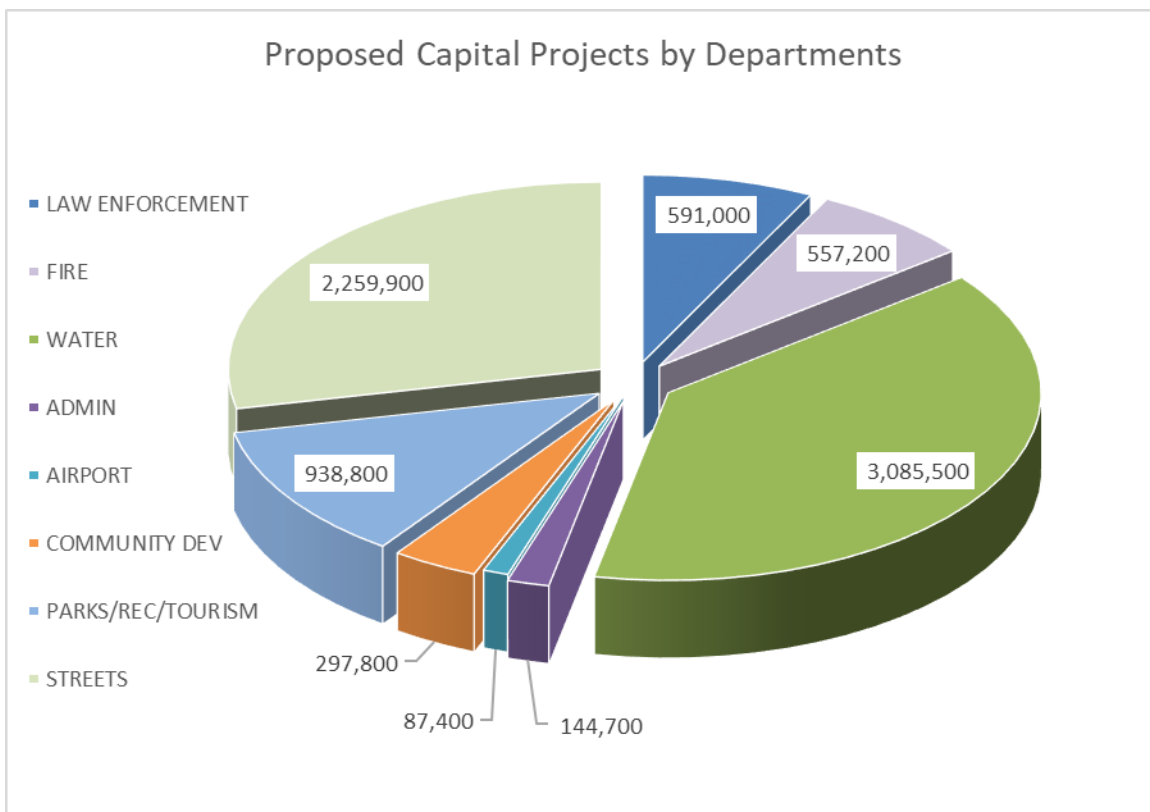
## CAPITAL IMPROVEMENT PLAN

The Capital Improvement Plan (CIP) is a planning process identifying investments the Town intends to make in capital improvements.

Capital does not cover routine maintenance; however, it does include renovations, major repairs, or reconstruction of damaged and deteriorating facilities or infrastructure systems. While capital facilities do not usually include furniture and equipment, a capital project may include the furniture and equipment associated with a newly constructed facility.

Payson uses a five-year planning period for its CIP. The expenditures proposed for the first year of the program are incorporated into the annual capital budget. The dollar amount of capital projects budgeted for the fiscal period 2021/22 is \$7,962,300. Additional information about the Town's CIP is included in the Capital Improvement Program section of this book.

## PROPOSED CAPITAL PROJECTS BY DEPARTMENT FISCAL YEAR 2021/2022



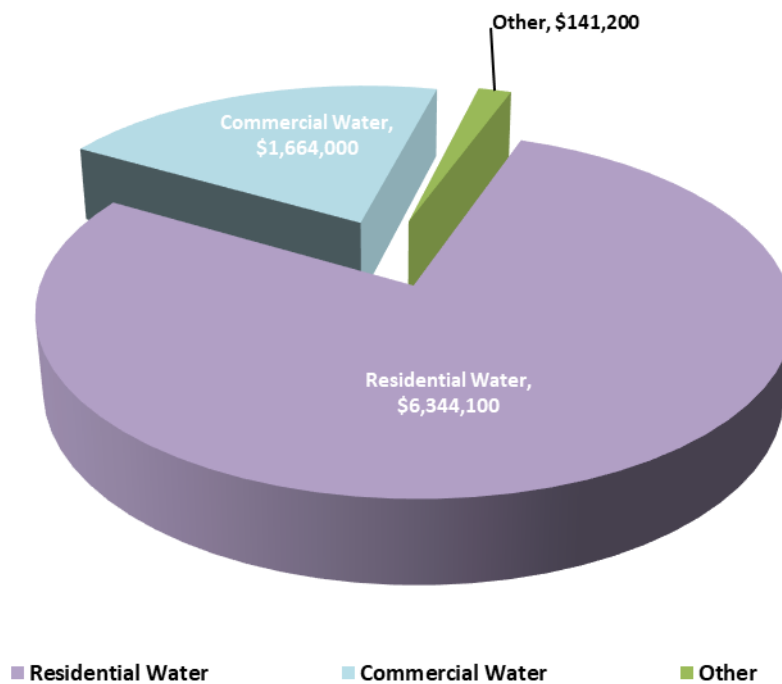
## ENTERPRISE FUND

The Water Fund is the Town's only Enterprise Fund. User fees and charges for service are the primary sources of revenue. These revenues are used for operations, maintenance, and improvements to the Town's water system. The Water Fund accounts for the activities related to the public water utility that supplies drinking water to over 15,000 residents within a 20.46 square mile area.

The C.C. Cragin Pipeline project activity is being reported in a sub-category within the Water Fund. This activity relates to the construction of the water pipeline that, as of fiscal year 2019/20, is providing a renewable surface water supply, as well as the new water treatment plant. These assets are an integral and essential part of Payson's water resources portfolio.

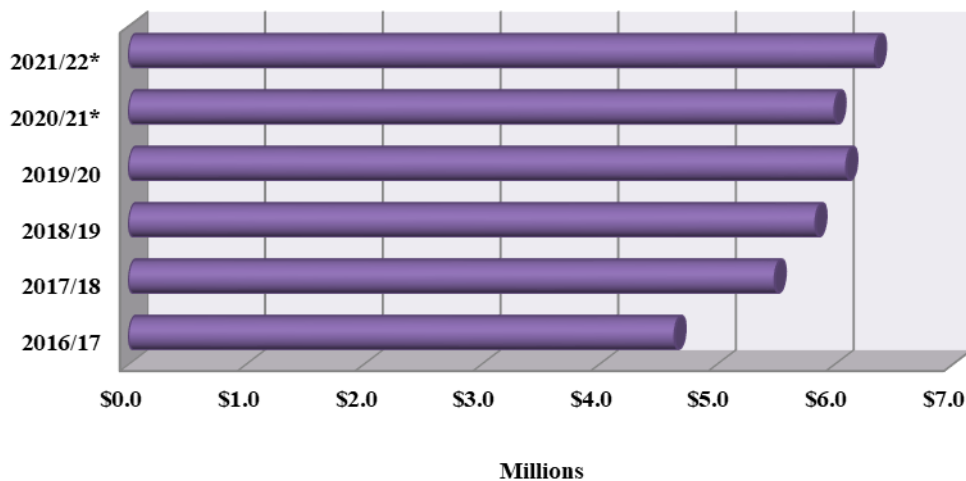
Debt Service for the Enterprise Fund is reflected within the Water Fund. Loans from the Water Infrastructure Financing Authority (WIFA) were a key element in the completion of the C.C. Cragin Pipeline project. Details regarding the WIFA loans are found in the Debt Service Section of this document.

### 2021/22 Water Department Projected Revenue from Charges for Services



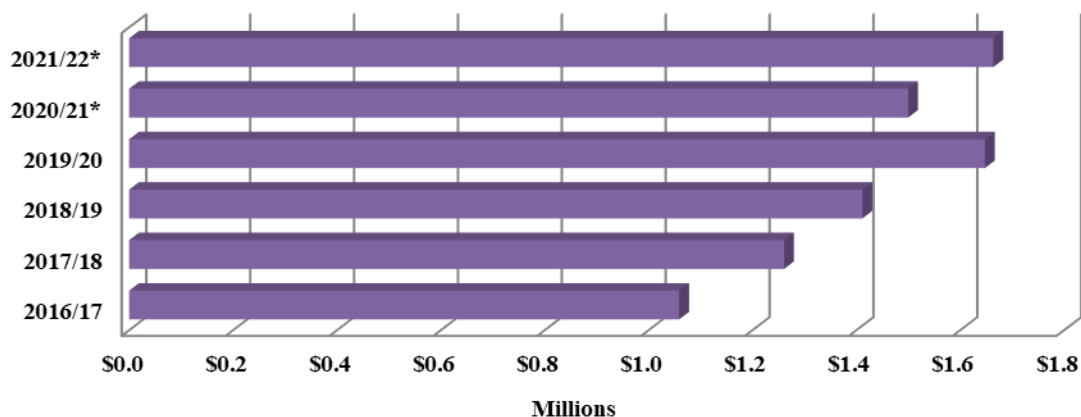
Residential Water User Fees represent 78% of the Water Division’s projected total charges for service in FY 2021/22. Water usage revenue is conservatively budgeted assuming a slight growth in population. Water rates increased in October 2017 and October 2018. Town Council has approved additional annual rate increases for the next four years, beginning in October 2021.

### Residential Water User Fees



Commercial Water User Fees represent 20% of the Water Division’s projected total charges for service in FY 2021/22. The past and future residential rate increases mentioned above also impact this revenue category.

### Commercial Water User Fees



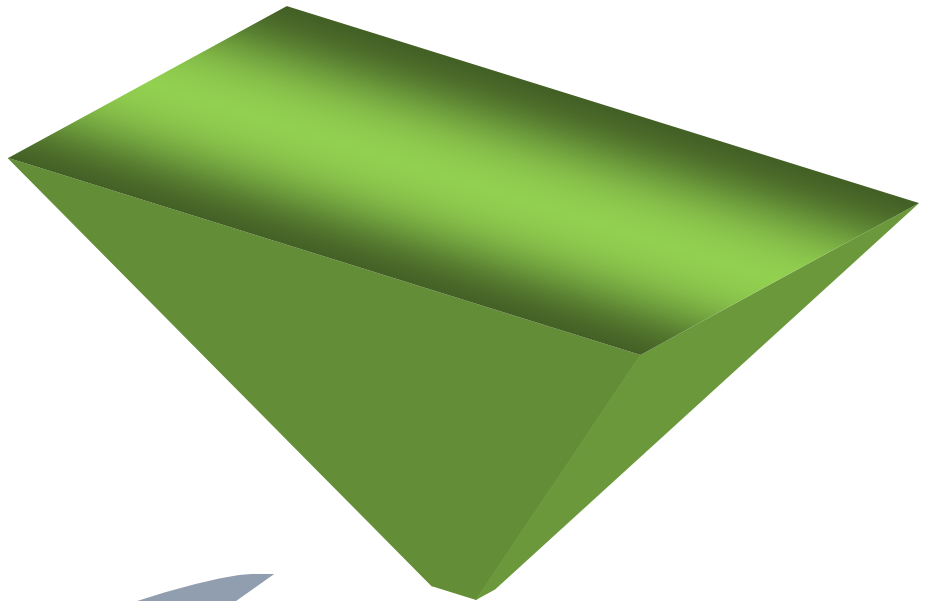
*\*2020/21 and 2021/22 represent budgeted data on charts and graphs*

The remaining 2% of the Water Division’s charges for services consist of fire protection service fees, bulk water sales, new service installation fees, and reconnect & turn-on fees.

***Details regarding Water Division expenditures can be found in the Department Budgets section of this book.***



# **BUDGET SUMMARY**

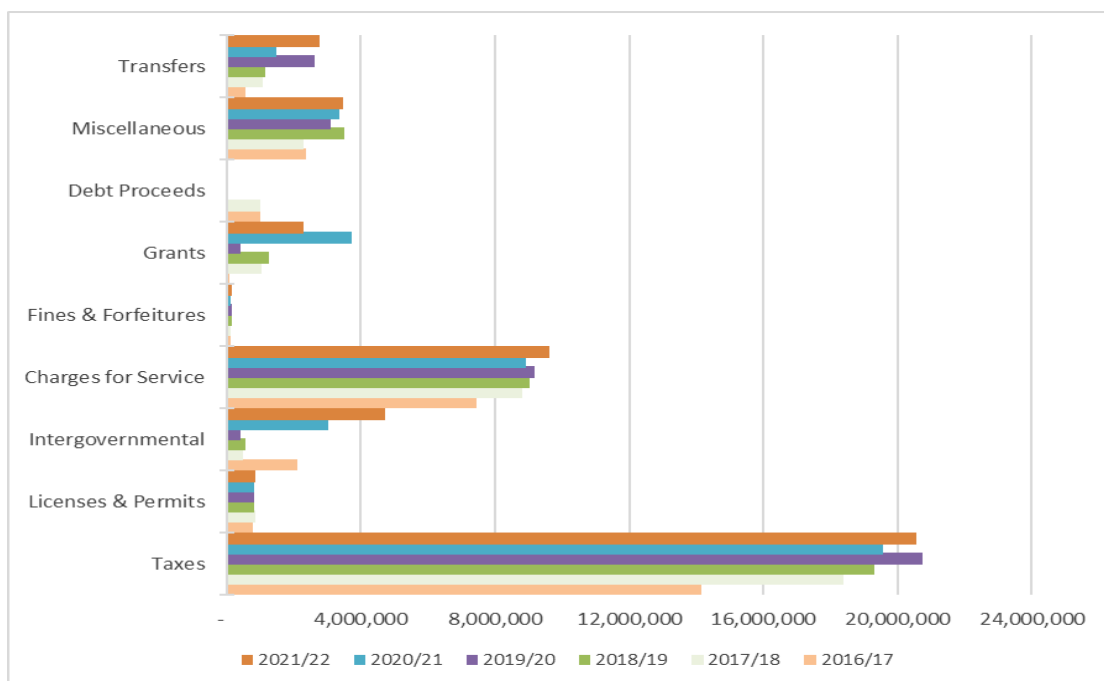


## BUDGET OVERVIEW

### REVENUE

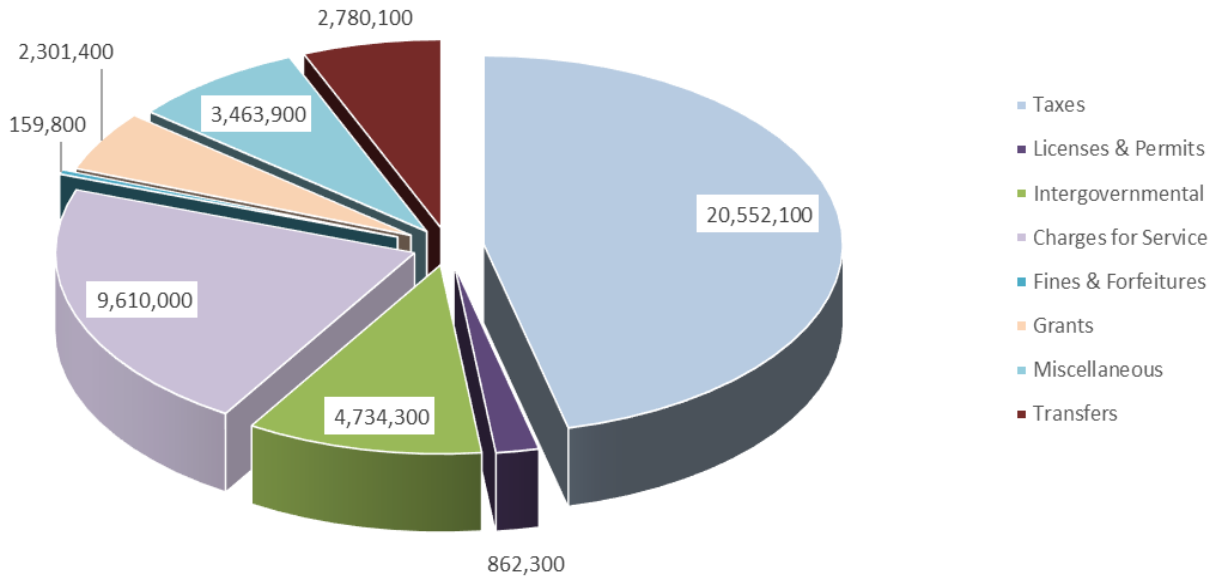
The Town continues a conservative approach to revenue projection. Due to current economic conditions, analysis of current trends was a vital tool in establishing projected revenue figures. Estimated revenues and operating transfers for the 2021/22 budget total \$44,463,900 which reflects an increase of 8.4% over the 2020/21 adopted budget. This change is primarily due to projected increases in revenues from taxes, intergovernmental, and transfers, partially offset by a decrease in grant revenue. For more details on these changes, please see the Fund Summary section in this book (both the General Fund and Special Revenue Funds subsections).

Category	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed
Taxes	14,136,115	18,387,122	19,309,069	20,749,202	19,561,400	20,552,100
Licenses & Permits	769,827	841,736	804,416	823,926	815,600	862,300
Intergovernmental	2,120,072	500,381	565,001	427,919	3,025,400	4,734,300
Charges for Service	7,465,844	8,806,432	9,022,668	9,163,529	8,918,300	9,610,000
Fines & Forfeitures	113,681	129,042	138,765	154,421	128,000	159,800
Grants	92,489	1,033,821	1,248,860	423,478	3,725,900	2,301,400
Debt Proceeds	1,000,000	1,000,000	-	-	-	-
Miscellaneous	2,351,688	2,294,445	3,511,844	3,094,828	3,367,400	3,463,900
Transfers	547,305	1,081,299	1,141,553	2,606,522	1,471,900	2,780,100
<b>Total Operating Revenues</b>	<b>\$28,597,021</b>	<b>\$34,074,278</b>	<b>\$35,742,176</b>	<b>\$37,443,825</b>	<b>\$41,013,900</b>	<b>\$44,463,900</b>





### 2021/22 Proposed Revenue Budget

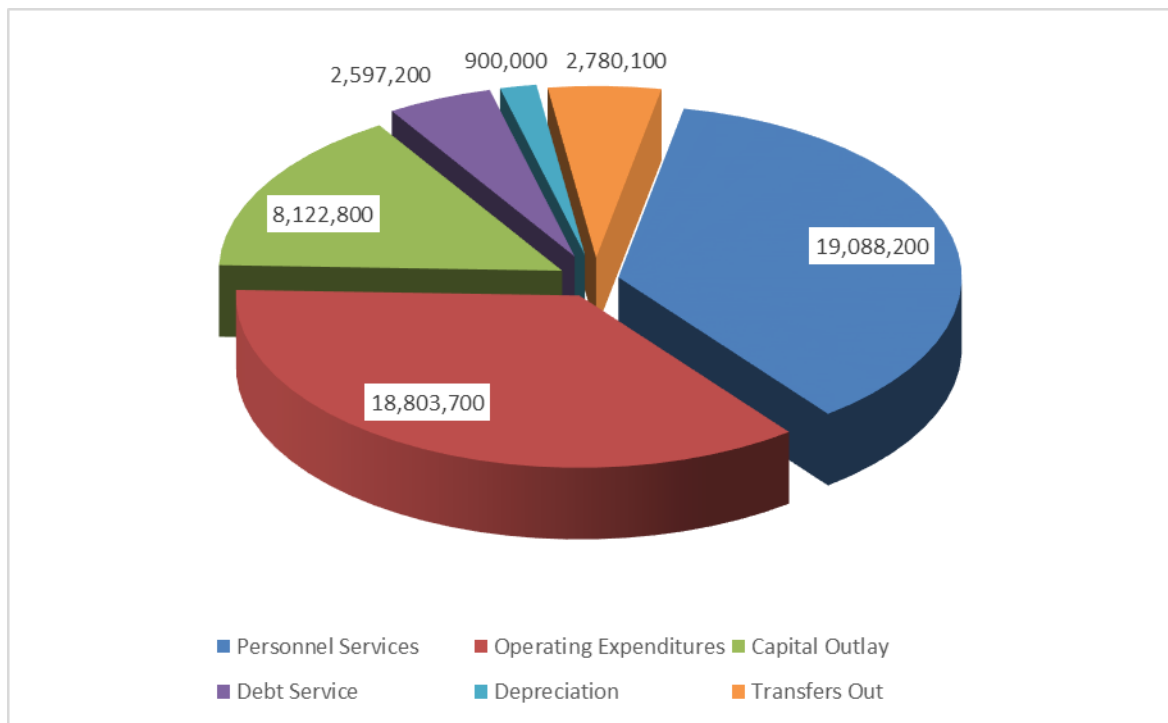


## **EXPENDITURES**

The annual budget for the Town is divided into six major components which include all appropriations (all Governmental and Enterprise funds) for the Town.

- The operating budget finances the day-to-day provisions of Town services and totals \$18,803,700.
- The personnel services budget consists of the salaries and fringe benefits for all the Town's employees. The amount budgeted for personnel services is \$19,088,200.
- The capital outlay budget funds the construction or improvement of Town facilities and infrastructure and the purchase of various types of machinery and equipment. Capital infrastructure improvements are budgeted within the various Town accounts. The capital improvement project budget totals \$8,122,800.
- The debt service budget is used to repay money borrowed by the Town, primarily for capital improvements and amounts to \$2,597,200.
- The transfers-out budget of \$2,780,100 represents the dollar amount transferred from one fund to another and has a corresponding transfers-in budget which causes a net effect of \$0.
- The depreciation expense for the enterprise fund is \$900,000.

The total budget including all six components is \$52,292,000.

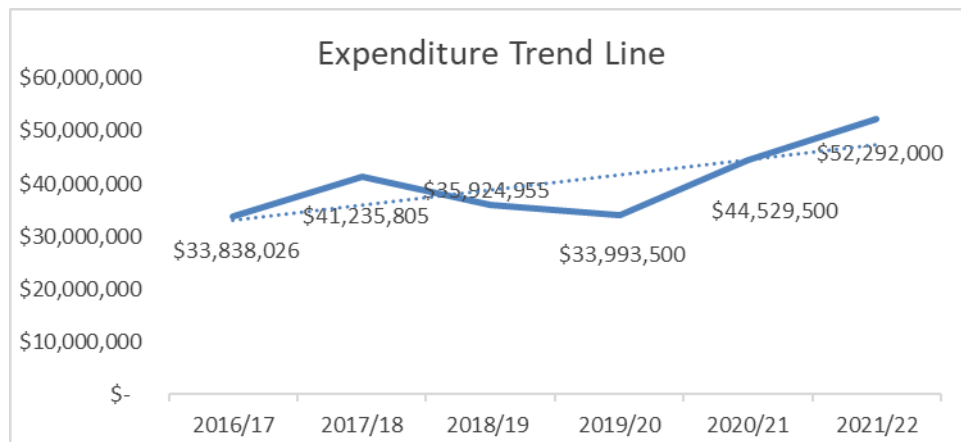




The following chart depicts the summary of expenditures by category, giving a four-year history of prior years' actuals, as well as the 2020/21 adopted budget and 2021/22 proposed budget.

Description	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed
<b>Personnel Services</b>	13,538,458	14,487,054	15,214,124	16,179,727	17,853,850	19,088,200
<b>Operating Expenditures</b>	7,555,831	7,957,885	9,317,612	9,690,938	15,455,750	18,803,700
<b>Capital Outlay</b>	10,064,245	15,493,681	7,985,567	3,222,984	6,413,700	8,122,800
<b>Debt Service</b>	1,043,535	1,277,267	1,367,826	1,422,415	2,438,000	2,597,200
<b>Depreciation</b>	1,088,652	938,620	898,273	870,914	896,300	900,000
<b>Transfers Out</b>	547,305	1,081,298	1,141,553	2,606,522	1,471,900	2,780,100
<b>Total Expenditures</b>	<b>\$ 33,838,026</b>	<b>\$ 41,235,805</b>	<b>\$ 35,924,955</b>	<b>\$ 33,993,500</b>	<b>\$ 44,529,500</b>	<b>\$ 52,292,000</b>

The trend line for the Town's total expenditures reflects projected increases in personnel costs, operating expenditures (including ARPA-funded costs), capital expenditures, and transfers out.





## EXPENDITURE SUMMARY BY FUND

FUND	2019/20 ACTUAL	2020/21 ADOPTED	2021/22 PROPOSED	\$ Inc/Dec	% Inc/Dec
<b>Total General Fund</b>	<b>\$18,259,938</b>	<b>\$20,928,600</b>	<b>\$24,792,200</b>	<b>\$3,863,600</b>	<b>18.5%</b>
<b>Special Revenue Funds:</b>					
Highway User Revenue Fund	2,540,614	5,207,300	5,128,300	\$ (79,000)	-1.5%
Parks & Rec Improvement Fee	73,953	7,000	9,000	\$ 2,000	28.6%
Gifts & Grants Fund	-	100,000	50,000	\$ (50,000)	-50.0%
Fire - Wildlands Fund	84,010	120,000	120,000	\$ -	0.0%
Bed Tax Fund	321,768	407,600	558,400	\$ 150,800	37.0%
Police Dept of Justice Fund	126,649	157,000	107,700	\$ (49,300)	-31.4%
Police Impound Fund	7,414	28,000	22,200	\$ (5,800)	-20.7%
Library Fund	432,105	469,000	468,900	\$ (100)	0.0%
Magistrate Court Fund	461	-	4,000	\$ 4,000	100.0%
Airport Fund	292,603	1,279,100	360,700	\$ (918,400)	-71.8%
Event Center Fund	269,640	383,100	605,400	\$ 222,300	58.0%
Contingency Fund	109,871	1,300,000	572,200	\$ (727,800)	-56.0%
ARPA Fund	-	-	2,640,600	\$ 2,640,600	100.0%
Insurance Fund	1,922,821	2,068,700	2,369,000	\$ 300,300	14.5%
<b>Total Special Revenue Funds</b>	<b>\$ 6,181,909</b>	<b>\$11,526,800</b>	<b>\$13,016,400</b>	<b>\$ 1,489,600</b>	<b>12.9%</b>
<b>Enterprise Fund:</b>					
Water Enterprise Fund	\$ 7,666,618	\$ 10,369,500	\$ 13,180,800	\$ 2,811,300	27.1%
<b>Total Water Enterprise Fund</b>	<b>\$ 7,666,618</b>	<b>\$10,369,500</b>	<b>\$13,180,800</b>	<b>\$ 2,811,300</b>	<b>27.1%</b>
<b>Debt Service Funds:</b>					
Westerly Rd Debt Service Fund	81,200	82,300	85,200	\$ 2,900	3.5%
General Obligation Bonds Fund	765,956	-	-	\$ -	0.0%
<b>Total Debt Service Funds</b>	<b>\$ 847,156</b>	<b>\$ 82,300</b>	<b>\$ 85,200</b>	<b>\$ 2,900</b>	<b>3.5%</b>
<b>Capital Project:</b>					
Capital Replacement Fund	648,367	336,700	122,900	\$ (213,800)	-63.5%
Grant Capital Projects Fund	197,793	929,600	978,500	\$ 48,900	5.3%
Public Safety Bond Projects Fund	-	116,000	116,000	\$ -	0.0%
American Gulch Improvement Dist	191,719	240,000	-	\$ (240,000)	-100.0%
<b>Total Capital Project Funds</b>	<b>\$ 1,037,879</b>	<b>\$ 1,622,300</b>	<b>\$ 1,217,400</b>	<b>\$ (404,900)</b>	<b>-25.0%</b>
<b>TOTAL - ALL FUNDS</b>	<b>\$33,993,500</b>	<b>\$44,529,500</b>	<b>\$52,292,000</b>	<b>\$ 7,762,500</b>	<b>17.4%</b>

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## **SUMMARY OF SOURCES AND USES BY FUND CLASS**

On the next page is the Summary of Sources and Uses Statement by Fund Group. On this single page, the entire Town Budget is summarized and presented. The Sources and Uses Statement shows anticipated funds on hand when the year begins, as well as the anticipated incoming and outgoing funds, and finally the expected funds on hand at year-end.

### **SOURCES OF FUNDS**

The top portion of the statement shows all anticipated sources of funds that will be available during the budget year. These sources include current year revenues, grants, and other incoming sources which include operating fund transfers, loan repayments, and other sources of funds that are technically not considered revenues but that come in during the year and can be spent for Town purposes.

### **USES OF FUNDS**

The middle portion of the statement shows all proposed uses of funds, by major fund groups and by department or major expenditure classification.

Uses of funds include: operating expenditures, debt service expenditures, capital improvement expenditures, and other uses of funds including operating transfers out to other funds and inter-fund loan repayments.

### **ENDING BUDGET RESOURCES**

The Carry Forward line shows the estimated beginning reserves balance. The last line of the statement shows projected ending budget resources by major fund groups. This is the anticipated amount of funds projected to be in reserve at year-end.





**SOURCES AND USES BY FUND GROUP  
2021/2022 BUDGET**

	General Fund	Restricted Funds	Restricted Capital Project Funds	Utility Enterprise Funds	Debt Service Funds	Total Budgeted Funds
<b>SOURCES</b>						
Revenues	17,285,000	5,736,400	-	8,354,300	-	31,375,700
Grants/One-Time Revenues	1,618,900	4,357,000	914,800	25,000	-	6,915,700
Revenues From Others	2,299,200	429,900	-	606,500	56,800	3,392,400
Operating Transfers In	976,500	745,800	1,029,400	-	28,400	2,780,100
Total Sources (Inflow)	\$ 22,179,600	\$ 11,269,100	\$ 1,944,200	\$ 8,985,800	\$ 85,200	\$ 44,463,900
<b>USES OF FUNDS</b>						
<b>Operating Budget</b>						
Centralized Services	1,981,600	-	-	-	-	\$ 1,981,600
Council	104,500	-	-	-	-	\$ 104,500
Clerk	170,000	-	-	-	-	\$ 170,000
Elections	30,000	-	-	-	-	\$ 30,000
Town Manager	525,400	-	-	-	-	\$ 525,400
Legal	586,700	-	-	-	-	\$ 586,700
Finance	447,000	-	-	-	-	\$ 447,000
Human Resources	291,400	-	-	-	-	\$ 291,400
Information Services	1,031,900	-	-	-	-	\$ 1,031,900
Parks, Rec & Tourism	2,040,100	600,600	-	-	-	\$ 2,640,700
Community Development	1,199,200	-	-	-	-	\$ 1,199,200
Streets	-	2,868,400	-	-	-	\$ 2,868,400
Library	-	468,900	-	-	-	\$ 468,900
Airport	-	279,900	-	-	-	\$ 279,900
Police	6,786,300	42,200	-	-	-	\$ 6,828,500
Fire	5,483,700	170,000	-	-	-	\$ 5,653,700
Water	-	-	-	7,018,800	-	\$ 7,018,800
Insurance	-	2,369,000	-	-	-	\$ 2,369,000
Other Governmental	87,900	2,644,600	-	-	-	\$ 2,732,500
Total - Operating Budget	\$ 20,765,700	\$ 9,443,600	\$ -	\$ 7,018,800	\$ -	\$ 37,228,100
Debt Service Fees				-	800	800
Principal				1,300,000	80,000	1,380,000
Interest				800,000	4,400	804,400
Loans Payable	412,000					412,000
PSPRS Liability Buy Down	600,000					600,000
Total - Debt Service	1,012,000			2,100,000	85,200	\$ 3,197,200
Total Capital Projects	\$ 1,505,300	\$ 3,517,300	\$ 978,500	\$ 3,085,500	\$ -	\$ 9,086,600
Other Uses						-
Operating Transfers Out	1,509,200	294,400	-	976,500	-	2,780,100
Total Other Uses	\$ 1,509,200	\$ 294,400	\$ -	\$ 976,500	\$ -	\$ 2,780,100
Total Uses of Funds (Outflow)	\$ 24,792,200	\$ 13,255,300	\$ 978,500	\$ 13,180,800	\$ 85,200	\$ 52,292,000
Carry Forward	\$ 10,996,462	\$ 3,195,408	\$ 50,049	\$ 22,044,538	\$ -	\$ 36,286,457
Ending Budget Resource	\$ 8,383,862	\$ 1,209,208	\$ 1,015,749	\$ 17,849,538	\$ -	\$ 28,458,357





### Function and Fund Type Matrix

Functional Unit	General Fund	Special Revenue	Capital Project	Enterprise
	101	Funds	Funds 402 & 403	Funds 661
	Page No.	Fund	Page No.	Fund
Town Council	197	280	197	
Town Manager	200			
Information Services	205			
Human Resources	208			
Town Clerk	211			
Elections	215			
Legal	217			
Financial Services	219			
Central Services	223	290	223	
Magistrate Courts		231/233	226	
Police - Department	229			
Police - Communications	231			
Police - Operations	233	425	233	402/403 233
Police - Special Operations	236	215	236	
Fire - Operations	240			
Fire - Wildlands/Urban Program		212	244	
Community Development Department	246	429	246	403 246
Building Services	250			
Planning & Zoning	253			
Economic Development	256			
Library		224	258	
Parks, Rec. & Tourism Department	262			
Parks, Rec. & Tourism - Tourism	264	214	264	
Parks, Rec. & Tourism - Recreation	267			
Parks, Rec. & Tourism - Trails	273			
Parks, Rec. & Tourism - Event Center		265	276	
Parks, Rec. & Tourism - Aquatics	278			
Parks, Rec. & Tourism - Parks Ops	280	206	280	402 280
Public Works Department		202	283	
Public Works - Streets		202	286	
Public Works - Airport		260	289	
Water - Enterprise Fund				661 292
Supplemental Information	299			



## REVENUE & EXPENDITURE SUMMARY

Fund Activity	General Fund	Special Revenue Funds	Capital Project Funds	Debt Service Funds	Enterprise Fund	Total Funds
<b>Beginning Fund Balance</b>	\$ 10,996,462	\$ 3,195,408	\$ 50,049	\$ -	\$ 22,044,538	36,286,457
<b>Revenue</b>	17,285,000	5,736,400	-	-	8,354,300	31,375,700
<b>Grants &amp; Other Sources</b>	3,918,100	4,786,900	914,800	-	631,500	10,251,300
<b>Debt Services Proceeds</b>	-	-	-	56,800	-	56,800
<b>Transfers, net</b>	(532,700)	451,400	1,029,400	28,400	(976,500)	-
<b>Expenditures</b>	(23,283,000)	(12,960,900)	(978,500)	(85,200)	(12,204,300)	(49,511,900)
<b>Fund Change</b>	(2,612,600)	(1,986,200)	965,700	-	(4,195,000)	(7,828,100)
<b>Ending Fund Balance</b>	<b>\$8,383,862</b>	<b>\$1,209,208</b>	<b>\$1,015,749</b>	<b>\$0</b>	<b>\$17,849,538</b>	<b>\$28,458,357</b>

### CHANGES IN PROJECTED FUND BALANCE

**General Fund**—Ending fund balance is projected to be \$8,383,862 which is an increase of 128% over last year's projection of \$3,675,900. This is primarily because the actual ending fund balance that carried forward from last year to this year's beginning fund balance came in much higher than originally projected. There are many reasons for this difference: received \$1.8 million in AZ CARES which reduced expenditures in public safety; received over \$2.7 million above projected local sales tax; several budgeted positions went unfilled and departments' cost-saving measures reduced actual expenditures. This budget reflects best efforts to find a balance between the funding of general operations for essential services, long-delayed maintenance projects, and the desire to continue building a reserve. The projected ending fund balance is above the non-appropriated general fund reserve amount required to satisfy Town Fiscal Policy #1. More information regarding items impacting fund balance can be found in the Operating Budget Overview section of this document.

**Special Revenue Funds**—Projected ending fund balance of \$1,209,208 shows a significant decrease in comparison to last year's projection of \$2,286,200. This decrease is due primarily to projected expenditures in the HURF and Contingency funds being higher than revenues in FY2021/22.

**Capital Project Funds**—Ending fund balance is projected to increase to \$1,015,749 from \$155,000. This is primarily due to a net increase of \$0.9 million in the Capital Replacement Fund, as reserves are being built up for future replacement of vehicles and equipment.

**Debt Service**—Ending fund balance is projected to remain at \$0. The Westerly Road Improvement District is paid from special assessments levied against privately owned lots. The Town's remaining balance will be paid in this fiscal period 2021/22.

**Enterprise Fund**—Projected ending fund balance of \$17,849,538 will be much higher than last year's budgeted amount of \$14,906,300. This is primarily because the actual ending fund balance that carried forward from last year to this year's beginning fund balance came in much higher than originally projected.



## 2021/22 FINANCIAL OVERVIEW (ALL FUNDS)

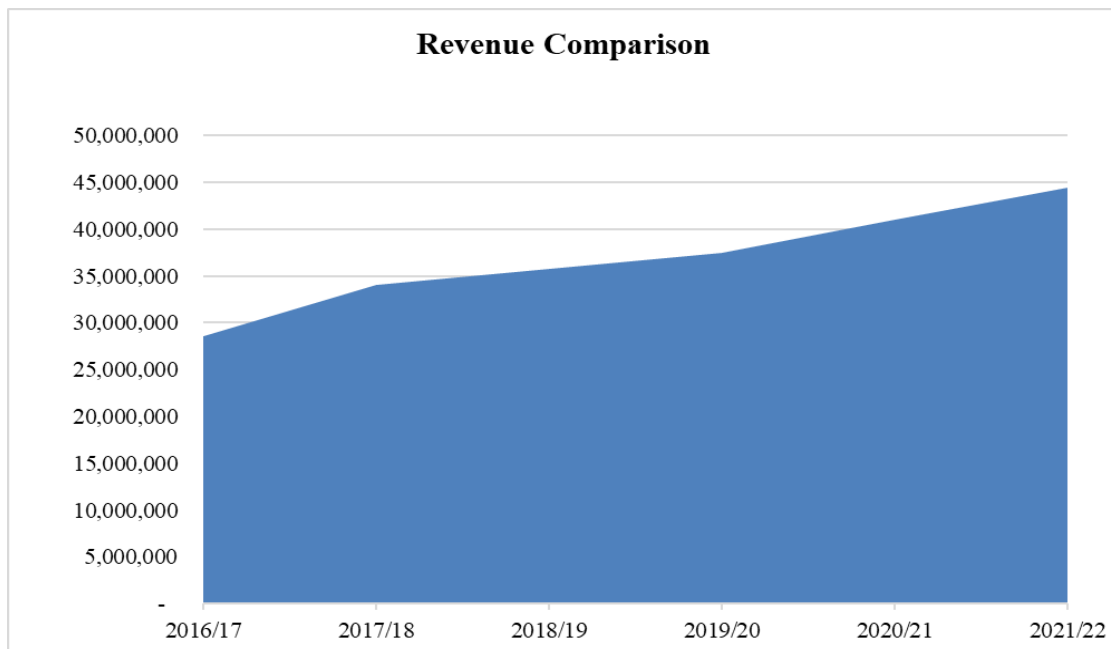
### Revenues & Expenditures Summary

Category	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed
<b>REVENUES</b>					
Taxes	18,387,122	19,309,069	20,749,202	19,561,400	20,552,100
Licenses & Permits	841,736	804,416	823,926	815,600	862,300
Intergovernmental	500,381	565,001	427,919	3,025,400	4,734,300
Charges for Service	8,806,432	9,022,668	9,163,529	8,918,300	9,610,000
Fines & Forfeitures	129,042	138,765	154,421	128,000	159,800
Grants	1,033,821	1,248,860	423,478	3,725,900	2,301,400
Debt Proceeds	1,000,000	-	-	-	-
Miscellaneous	2,294,445	3,511,844	3,094,828	3,367,400	3,463,900
Transfers	1,081,299	1,141,553	2,606,522	1,471,900	2,780,100
<b>Total Revenues</b>	<b>\$ 34,074,278</b>	<b>\$ 35,742,176</b>	<b>\$ 37,443,825</b>	<b>\$ 41,013,900</b>	<b>\$ 44,463,900</b>
<b>LESS: EXPENDITURES</b>					
Salaries & Wages	9,561,680	10,096,262	10,719,264	11,585,800	12,339,200
Personnel Benefits	4,925,374	5,117,862	5,460,463	6,268,050	6,749,000
Supplies	1,487,860	1,812,382	1,911,491	3,222,100	5,840,800
Services	805,786	948,891	1,002,022	1,878,300	1,926,600
Utilities	1,129,873	1,110,059	1,164,602	1,452,050	1,473,000
Travel	109,071	140,310	97,365	194,400	162,800
Advertising & Publishing	37,972	43,714	42,018	71,800	68,700
Rentals	244,952	238,199	242,891	311,200	1,046,900
Insurance	2,154,537	2,172,172	2,428,285	2,614,900	2,980,000
Repair & Maintenance	958,741	1,594,234	1,504,666	2,395,900	2,004,400
Miscellaneous	1,029,093	1,257,651	1,297,598	3,315,100	3,300,500
Capital Outlay	15,493,681	7,985,567	3,222,984	6,413,700	8,122,800
Debt Service	1,277,267	1,367,826	1,422,415	2,438,000	2,597,200
Depreciation	938,620	898,273	870,914	896,300	900,000
Transfers Out	1,081,298	1,141,553	2,606,522	1,471,900	2,780,100
<b>Total Expenditures</b>	<b>\$ 41,235,805</b>	<b>\$ 35,924,955</b>	<b>\$ 33,993,500</b>	<b>\$ 44,529,500</b>	<b>\$ 52,292,000</b>
<b>Revenue less Expenditures (over\under)</b>	<b>\$ (7,161,527)</b>	<b>\$ (182,779)</b>	<b>\$ 3,450,325</b>	<b>\$ (3,515,600)</b>	<b>\$ (7,828,100)</b>



## REVENUE SUMMARY BY FUND

Fund	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed
General Fund	14,458,678	17,681,457	18,757,851	19,672,885	19,742,500	22,179,600
Highway User Revenue Fund	2,540,969	2,665,178	2,798,425	3,086,415	4,444,000	4,211,500
Parks & Rec Improvement Fee Fund	15,698	15,442	13,872	6,210	14,000	9,000
Gifts & Grants Fund	2,000	-	-	-	100,000	50,000
Fire - Wildlands Fund	-	-	-	104,679	120,000	120,000
Bed Tax Fund	341,636	342,411	318,255	358,630	330,000	400,000
Police Dept of Justice Fund	65,680	39,123	122,858	97,946	58,000	20,000
Police Impound Fee Fund	8,000	13,350	15,300	9,450	9,000	10,000
Library Fund	361,299	375,467	425,443	432,103	469,000	468,900
Magistrate Court Fund	1,209	1,312	4,416	4,502	4,000	4,000
Airport Fund	136,170	1,128,389	1,056,516	292,604	1,279,100	360,700
Event Center Fund	152,057	279,476	255,995	269,642	383,100	605,400
Contingency Fund	-	50,000	150,000	860,000	500,000	-
Arizona CARES Act Fund	-	-	-	-	1,815,500	-
ARPA Fund	-	-	-	-	-	2,640,600
Medical Insurance Fund	1,716,187	1,609,218	1,670,040	1,929,130	2,068,700	2,369,000
Equipment Replacement Fund	-	-	100,000	915,956	-	1,000,000
Grant Capital Projects Fund	496,547	89,472	363,190	217,814	929,600	944,200
American Gulch Improvement District Fund	-	-	3,000	191,719	240,000	-
Central Arizona Project Trust Fund	70	1,127	473	-	-	-
Water Fund	7,626,533	9,141,845	9,163,816	8,791,166	8,425,100	8,985,800
General Debt Service Fund	52,875	-	-	-	-	-
Westerly Rd Improvement Debt Svc Fund	82,200	83,762	85,050	81,201	82,300	85,200
Excise Tax Obligation Debt Service Fund	126,610	127,891	-	-	-	-
General Obligation Bonds Fund	412,603	429,358	437,676	121,773	-	-
<b>Grand Total</b>	<b>\$ 28,597,021</b>	<b>\$ 34,074,278</b>	<b>\$ 35,742,176</b>	<b>\$ 37,443,825</b>	<b>\$ 41,013,900</b>	<b>\$ 44,463,900</b>





## REVENUE DETAIL – ALL FUNDS

Account	Revenue Source	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed
<b>NON-RESTRICTED GENERAL FUND REVENUES</b>							
<b><u>Taxes</u></b>							
101-4-1300-110	Sales Tax - State Shared	1,405,549	1,486,942	1,562,694	1,623,575	1,433,500	1,600,000
101-4-1300-120	Income Tax - State Shared	1,877,350	1,916,850	1,879,470	2,031,531	2,259,900	1,900,000
101-4-1300-130	Vehicle License Tax	967,213	1,040,567	1,065,940	1,087,532	1,185,100	1,100,000
101-4-1300-310	Sales Tax - Town	6,876,714	9,730,328	10,504,229	11,637,823	10,700,000	12,000,000
101-4-1300-330	Property Tax Levy	630,218	653,854	675,009	674,901	696,300	680,000
101-4-1300-335	Property Tax Levy - PY	3,970	6,908	6,333	5,813	5,000	5,000
	<b>Taxes Total</b>	<b>11,761,014</b>	<b>14,835,449</b>	<b>15,693,675</b>	<b>17,061,175</b>	<b>16,279,800</b>	<b>17,285,000</b>
<b><u>Licenses &amp; Permits</u></b>							
101-4-4300-371	Franchise Fees - Electricity	249,658	253,903	259,713	265,228	266,000	270,900
101-4-4300-372	Franchise Fees - Gas	52,649	49,810	64,354	61,204	53,000	60,000
101-4-4300-373	Franchise Fees - Cable TV	81,188	78,515	78,170	76,483	76,000	76,000
101-4-4300-410	Business License	71,970	75,075	76,370	75,895	74,000	74,000
101-4-4300-715	Liquor License Fees	1,150	1,275	700	2,399	1,200	1,000
101-4-4328-410	Building Permits	295,055	377,447	319,620	337,836	340,000	375,000
101-4-4328-420	ROW Permits	4,183	5,711	5,489	4,881	5,400	5,400
101-4-4372-410	Animal Control Licenses	13,974	-	-	-	-	-
	<b>Licenses &amp; Permits Total</b>	<b>769,827</b>	<b>841,736</b>	<b>804,416</b>	<b>823,926</b>	<b>815,600</b>	<b>862,300</b>
<b><u>Intergovernmental</u></b>							
101-4-2300-989	Tonto Apache Tribe-Prop 202	20,000	12,322	11,780	-	11,800	-
101-4-2300-990	Misc Intergovernmental Revenue	18,817	3,912	1,095	1,202	500	-
101-4-2318-110	DOJ Victims Rights Grant	19,965	18,924	14,902	14,900	12,000	12,000
101-4-2324-120	Law Enf - School Resource	61,452	97,980	97,536	97,536	195,000	198,700
101-4-2324-130	Gila County Intergovernmental	287,500	290,272	262,111	4,961	13,800	6,800
101-4-2324-140	LE Property Prog Adm Fee	20,427	21,611	22,629	23,889	-	-
101-4-2324-253	GOHS PTS Step & Radar	8,000	2,714	4,293	16,969	104,800	96,900
101-4-2324-255	3016-17 Bullet Proof Vest	3,647	2,946	3,483	562	12,000	6,000
101-4-2324-256	SHSGP PD Grant	-	-	-	-	-	59,600
101-4-2324-257	Police - Grant	-	-	-	-	-	82,000
101-4-2326-270	Fire - SAFER Grant	36,884	-	-	-	-	-
101-4-2326-280	Fire - Hazardous Fuels Grant	-	-	-	-	331,000	306,000
101-4-2326-767	Police - Service Agreements	0	-	-	-	-	331,600
101-4-2327-750	Fire-Wildlands/Urban	113,755	35,344	141,200	-	-	-
101-4-2328-110	ACA (AKA REDE) Grant	22,500	-	-	-	50,000	500,000
101-4-2328-111	AZCEI Grant	-	-	-	10,950	216,700	19,300
	<b>Intergovernmental Total</b>	<b>612,947</b>	<b>486,025</b>	<b>559,029</b>	<b>170,969</b>	<b>947,600</b>	<b>1,618,900</b>



## REVENUE DETAIL - ALL FUNDS - Continued

Account	Revenue Source	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed
<b><u>Charges for Services</u></b>							
101-4-5316-520	Prosecution Fees	26,498	23,069	24,897	4,580	5,000	19,000
101-4-5316-521	Deferred Prosecution Fees	13,050	12,889	12,670	9,630	11,000	11,000
101-4-5323-926	Clean & Lien	2,500	-	7,233	9,074	5,000	5,000
101-4-5324-710	Law Enf - Police Reports	1,924	1,624	1,072	1,190	1,500	1,500
101-4-5324-765	Law Enf - Towing Cost Recovery	-	-	-	-	500	700
101-4-5326-710	Fire Code Plan Review	6,718	28,454	10,823	9,294	6,800	10,000
101-4-5326-750	Fire Svc Agreement Fees	401,816	419,544	434,780	463,135	448,600	503,000
101-4-5326-757	Fire Svc Fees - Training	-	-	-	5,000	-	-
101-4-5326-758	Fire Svc Fees-Cost Recovery	7,572	5,800	7,090	233	1,000	2,500
101-4-5326-760	Police Service Fee-Cost Recovery	3,287	4,067	5,344	12,021	5,000	5,000
101-4-5326-765	Police - Tribe Dispatch Services	41,200	41,200	67,050	28,600	31,200	36,200
101-4-5328-710	Plan Review Fees	161,224	197,858	162,216	177,011	175,000	190,000
101-4-5328-720	Zoning & Subdivision Fees	30,589	29,562	34,889	22,071	30,000	35,000
101-4-5328-730	Building - Spec Inspections	8,295	6,905	8,725	7,805	6,900	10,000
101-4-5341-710	Engineering - Review Fees	7,916	11,605	10,118	7,890	7,500	10,500
101-4-5363-710	Ramada & Ballfield Fees	14,068	17,687	14,381	10,402	12,000	20,000
101-4-5364-700	Event Revenue	15,738	31,411	19,483	15,751	22,000	20,000
101-4-5367-710	Recreation Program Fees	82,393	82,801	88,494	95,314	90,000	80,000
101-4-5367-715	Outdoor Rec Programming	389	100	185	780	800	800
101-4-5369-710	Swimming Pool Fees	22,122	26,724	29,565	8,325	10,000	-
101-4-5369-910	Concessions	2,684	2,615	3,245	1,563	1,200	-
<b>Charges for Services Total</b>		<b>849,983</b>	<b>943,915</b>	<b>942,260</b>	<b>889,669</b>	<b>871,000</b>	<b>960,200</b>
<b><u>Fines &amp; Forfeitures</u></b>							
101-4-3316-510	Court Fines & Fees	98,405	115,496	127,348	147,501	122,000	155,000
<b>Fines &amp; Forfeitures Total</b>		<b>98,405</b>	<b>115,496</b>	<b>127,348</b>	<b>147,501</b>	<b>122,000</b>	<b>155,000</b>
<b><u>Miscellaneous</u></b>							
101-4-6323-920	Contributions - Volunteer Police	150	100	-	100	2,600	800
101-4-6324-922	Contributions - DARE Other	-	681	716	359	500	-
101-4-6325-923	Guardian Angel Donations	633	850	340	792	600	800
101-4-6326-920	Donations - Fire	-	770	403	30	400	400
101-4-6367-920	Donations - Parks & Rec	-	-	-	100	100	100
101-4-9300-910	Interest Earnings	9,917	39,361	137,466	101,773	50,000	5,000
101-4-9300-970	Insurance Recoveries	500	9,187	38,640	37,478	10,000	10,000
101-4-9300-971	SW Risk Insurance Refund	-	-	109,191	163,158	246,000	247,400
101-4-9300-980	Overhead	184,900	-	-	-	-	-
101-4-9300-990	Other Revenue	1,093	2,118	887	3,074	42,000	2,000
101-4-9300-993	Facilities Lease Fees	13,371	11,314	13,371	11,314	13,000	13,500
101-4-9300-996	Public Surplus Sales	5,855	3,290	6,255	20,189	40,000	40,000
101-4-9326-757	Fire Svc Fees Other	787	385	330	5	-	400
101-4-9341-730	Map Sales	2,045	1,550	1,206	680	1,000	1,000
101-4-9341-734	Plan Storage Boxes / Code Books	251	230	318	293	300	300
<b>Miscellaneous Total</b>		<b>219,502</b>	<b>69,836</b>	<b>309,123</b>	<b>339,345</b>	<b>406,500</b>	<b>321,700</b>
<b><u>Transfers In</u></b>							
101-4-9399-XXX	Operations	147,000	389,000	322,000	240,300	300,000	976,500
<b>Transfers In Total</b>		<b>147,000</b>	<b>389,000</b>	<b>322,000</b>	<b>240,300</b>	<b>300,000</b>	<b>976,500</b>
<b>Non-Restricted General Fund Revenues Total</b>		<b>\$ 14,458,678</b>	<b>\$ 17,681,457</b>	<b>\$ 18,757,851</b>	<b>\$ 19,672,885</b>	<b>\$ 19,742,500</b>	<b>\$ 22,179,600</b>





## REVENUE DETAIL - ALL FUNDS – Continued

Account	Revenue Source	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed
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### RESTRICTED OPERATING REVENUES

#### Highway User Revenue Fund (HURF Fund - 202)

<b><u>Taxes</u></b>							
202-4-1342-110	Highway Users Gas Tax	1,625,862	1,641,029	1,723,896	1,991,809	1,846,600	1,723,800
202-4-1342-140	Gila County Transportation Tax	856,002	908,475	905,317	980,815	870,000	905,300
	<b>Taxes Total</b>	<b>2,481,864</b>	<b>2,549,504</b>	<b>2,629,213</b>	<b>2,972,624</b>	<b>2,716,600</b>	<b>2,629,100</b>
<b><u>Intergovernmental</u></b>							
202-4-2342-278	Intergovernmental Other	-	-	-	-	546,000	1,120,000
202-4-2342-279	ADOT Grants	4,748	-	-	-	400,000	-
202-4-2342-280	HURF Exchange	-	-	54,000	54,000	130,000	393,400
202-4-2342-281	Federal Grants	-	-	-	-	575,400	-
	<b>Intergovernmental Total</b>	<b>4,748</b>	<b>-</b>	<b>54,000</b>	<b>54,000</b>	<b>1,651,400</b>	<b>1,513,400</b>
<b><u>Charges for Services</u></b>							
202-4-5300-710	Special Inspection Fees	3,608	-	2,789	-	-	55,000
	<b>Charges for Services Total</b>	<b>3,608</b>	<b>-</b>	<b>2,789</b>	<b>-</b>	<b>-</b>	<b>55,000</b>
<b><u>Miscellaneous</u></b>							
202-4-9300-980	Enterprise Fund Overhead	34,600	-	-	-	-	-
202-4-9300-990	Other Revenue	1,049	1,814	2,323	9,791	2,000	2,000
202-4-9300-996	Public Surplus Sales	15,100	3,260	10,100	-	12,000	12,000
	<b>Miscellaneous Total</b>	<b>50,749</b>	<b>5,074</b>	<b>12,423</b>	<b>9,791</b>	<b>14,000</b>	<b>14,000</b>
<b><u>Transfers In</u></b>							
202-4-9399-XXX	Operations	-	110,600	100,000	50,000	62,000	-
	<b>Transfers In Total</b>	<b>-</b>	<b>110,600</b>	<b>100,000</b>	<b>50,000</b>	<b>62,000</b>	<b>-</b>
<b>HURF Fund Total</b>		<b>\$ 2,540,969</b>	<b>\$ 2,665,178</b>	<b>\$ 2,798,425</b>	<b>\$ 3,086,415</b>	<b>\$ 4,444,000</b>	<b>\$ 4,211,500</b>

#### Parks & Rec Improvement Fee Fund (206)

<b><u>Charges for Service</u></b>							
206-4-5367-710	Facility Improvement Fee	15,698	15,442	13,872	6,110	14,000	9,000
	<b>Charges for Service Total</b>	<b>15,698</b>	<b>15,442</b>	<b>13,872</b>	<b>6,110</b>	<b>14,000</b>	<b>9,000</b>
<b><u>Miscellaneous</u></b>							
206-4-6367-920	Donations - Parks & Rec	-	-	-	100	-	-
		<b>-</b>	<b>-</b>	<b>-</b>	<b>100</b>	<b>-</b>	<b>-</b>
<b>Parks Improvement Fee Fund</b>		<b>\$ 15,698</b>	<b>\$ 15,442</b>	<b>\$ 13,872</b>	<b>\$ 6,210</b>	<b>\$ 14,000</b>	<b>\$ 9,000</b>

## REVENUE DETAIL - ALL FUNDS – Continued

Account	Revenue Source	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed
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### Gifts & Grants Fund (210)

#### Miscellaneous

210-4-6300-920	Contributions - Gen Gov't	2,000	-	-	-	-	-
210-4-6326-920	Donations - Fire Projects	-	-	-	-	-	50,000
210-4-6363-920	Contributions - Parks System	-	-	-	-	100,000	-
	<b>Miscellaneous Total</b>	<b>2,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>100,000</b>	<b>50,000</b>

<b>Gifts &amp; Grants Fund Total</b>		<b>\$ 2,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 100,000</b>	<b>\$ 50,000</b>
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### Wildlands 212

#### Taxes

212-4-2327-750	Fire Wildlands/Urban	-	-	-	104,679	120,000	120,000
	<b>Taxes Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>104,679</b>	<b>120,000</b>	<b>120,000</b>

<b>Fire Wildlands Urban</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 104,679</b>	<b>\$ 120,000</b>	<b>\$ 120,000</b>
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### Bed Tax Fund (214)

#### Taxes

214-4-1300-370	Bed Tax	336,636	342,411	318,105	358,630	330,000	400,000
	<b>Taxes Total</b>	<b>336,636</b>	<b>342,411</b>	<b>318,105</b>	<b>358,630</b>	<b>330,000</b>	<b>400,000</b>

#### Contributions

	Contributions	5,000	-	-	-	-	-
	<b>Contributions Total</b>	<b>5,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
214-4-9300-990	Other Revenue	-	-	150	-	-	-

<b>Bed Tax Fund Total</b>		<b>\$ 341,636</b>	<b>\$ 342,411</b>	<b>\$ 318,255</b>	<b>\$ 358,630</b>	<b>\$ 330,000</b>	<b>\$ 400,000</b>
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## REVENUE DETAIL - ALL FUNDS – Continued

Account	Revenue Source	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed
<b><u>Police Department of Justice (215)</u></b>							
	<b><u>Intergovernmental</u></b>						
215-4-2324-121	Local RICO Revenue	5,664	3,208	-	-	3,000	-
215-4-2324-151	Defense 1033 Revenue	20,500	20,750	19,750	20,500	-	-
	<b>Intergovernmental Total</b>	26,164	23,958	19,750	20,500	3,000	-
	<b><u>Miscellaneous</u></b>						
215-4-9300-996	Public Surplus Sales	39,516	15,165	103,108	77,446	55,000	20,000
	<b>Miscellaneous Total</b>	39,516	15,165	103,108	77,446	55,000	20,000
<b>Police Dept of Defense Total</b>		<b>\$ 65,680</b>	<b>\$ 39,123</b>	<b>\$ 122,858</b>	<b>\$ 97,946</b>	<b>\$ 58,000</b>	<b>\$ 20,000</b>
<b><u>Police Impound Fee (216)</u></b>							
	<b><u>Charges for Service</u></b>						
216-4-5326-761	Impound Fee	8,000	13,350	15,300	9,450	9,000	10,000
	Charges for Service	8,000	13,350	15,300	9,450	9,000	10,000
<b>Police Impound Fee Total</b>		<b>\$ 8,000</b>	<b>\$ 13,350</b>	<b>\$ 15,300</b>	<b>\$ 9,450</b>	<b>\$ 9,000</b>	<b>\$ 10,000</b>
<b><u>Library (224)</u></b>							
	<b><u>Intergovernmental</u></b>						
224-4-2361-389	Gila County Library District	230,400	230,400	230,400	235,000	235,000	238,000
	<b>Intergovernmental Total</b>	230,400	230,400	230,400	235,000	235,000	238,000
	<b><u>Fines &amp; Forfeitures</u></b>						
224-4-3300-510	Library Fines	15,276	13,546	11,417	6,920	6,000	4,800
	<b>Fines &amp; Forfeitures Total</b>	15,276	13,546	11,417	6,920	6,000	4,800
	<b><u>Miscellaneous</u></b>						
224-4-9300-990	Other Revenue	-	33	100	150	50,100	100
	<b>Miscellaneous Total</b>	-	33	100	150	50,100	100
	<b><u>Transfers In</u></b>						
224-4-9399-xxx	Operations	115,623	131,488	183,526	190,033	177,900	226,000
	<b>Transfers In Total</b>	115,623	131,488	183,526	190,033	177,900	226,000
<b>Library Total</b>		<b>\$ 361,299</b>	<b>\$ 375,467</b>	<b>\$ 425,443</b>	<b>\$ 432,103</b>	<b>\$ 469,000</b>	<b>\$ 468,900</b>

## REVENUE DETAIL - ALL FUNDS – Continued

Account	Revenue Source	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed
<b><u>Magistrate Court (231, 233)</u></b>							
<b><u>Miscellaneous</u></b>							
233-4-6300-921	Donations/Contributions	1,209	1,312	4,416	4,502	4,000	4,000
	<b>Miscellaneous Total</b>	1,209	1,312	4,416	4,502	4,000	4,000
<b>Magistrate Court Total</b>		\$ 1,209	\$ 1,312	\$ 4,416	\$ 4,502	\$ 4,000	\$ 4,000
<b><u>Airport (260)</u></b>							
<b><u>Intergovernmental</u></b>							
260-4-2300-239	Federal Grant	-	868,345	787,375	75,033	1,003,500	-
260-4-2300-248	ADOT Grant	1,745	42,626	38,651	3,683	-	-
	<b>Intergovernmental Total</b>	1,745	910,971	826,026	78,716	1,003,500	-
<b><u>Charges for Services</u></b>							
260-4-5345-710	Tie Down Fees	9,520	9,765	10,320	8,340	8,500	7,000
260-4-5345-720	Gate Fees	8,355	8,130	9,440	6,990	8,000	7,000
260-4-5345-740	Ground Leases	19,854	18,531	20,721	19,815	19,700	19,700
260-4-5345-741	Hangar Leases	56,736	56,575	62,110	56,736	57,000	56,000
260-4-5345-760	Fuel Sales	7,496	6,990	5,636	7,692	6,000	6,700
260-4-5345-770	Emergency Support	12,962	9,565	6,942	16,279	6,000	17,000
260-4-5345-780	Campground Use Fee	957	690	-	-	-	100
	<b>Charges for Services Total</b>	115,880	110,246	115,169	115,852	105,200	113,500
<b><u>Miscellaneous</u></b>							
260-4-9300-970	Insurance Recovery	-	24,524	-	-	-	-
260-4-9300-990	Other Revenue	980	1,269	1,190	670	30,600	13,700
260-4-9300-996	Public Surplus Sales	-	-	-	-	-	8,100
	<b>Miscellaneous Total</b>	980	25,793	1,190	670	30,600	21,800
<b><u>Transfers In</u></b>							
260-4-9399-101	from General Fund	17,565	38,753	114,131	97,366	139,800	225,400
260-4-9399-994	Grant/Capital Match	-	42,626	-	-	-	-
	<b>Transfers In Total</b>	17,565	81,379	114,131	97,366	139,800	225,400
<b>Airport Total</b>		\$ 136,170	\$ 1,128,389	\$ 1,056,516	\$ 292,604	\$ 1,279,100	\$ 360,700





## REVENUE DETAIL - ALL FUNDS – Continued

Account	Revenue Source	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed
<b><u>Event Center (265)</u></b>							
<b><u>Intergovernmental</u></b>							
265-4-2446-200	TEV Arts Grant	3,000	3,000	3,000	3,000	3,000	3,000
265-4-2446-201	Grant Revenue	-	-	-	-	-	200,000
	<b>Intergovernmental Total</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>203,000</b>
<b><u>Charges for Services</u></b>							
265-4-5365-710	Event Revenue & Interest	107,693	111,009	127,649	39,195	116,000	108,000
265-4-5365-720	Retail Sales-Taxable	897	731	1,184	-	-	-
	<b>Charges for Services Total</b>	<b>108,590</b>	<b>111,740</b>	<b>128,833</b>	<b>39,195</b>	<b>116,000</b>	<b>108,000</b>
<b><u>Transfers In</u></b>							
265-4-9399-214	From Bed Tax	40,467	164,736	124,162	227,447	264,100	294,400
	<b>Transfers In Total</b>	<b>40,467</b>	<b>164,736</b>	<b>124,162</b>	<b>227,447</b>	<b>264,100</b>	<b>294,400</b>
<b>Event Center Total</b>		<b>\$ 152,057</b>	<b>\$ 279,476</b>	<b>\$ 255,995</b>	<b>\$ 269,642</b>	<b>\$ 383,100</b>	<b>\$ 605,400</b>
<b><u>Contingency Fund (280)</u></b>							
<b><u>Transfers In</u></b>							
280-4-9399-101	From General Fund	-	50,000	150,000	860,000	500,000	-
	<b>Transfers In Total</b>	<b>-</b>	<b>50,000</b>	<b>150,000</b>	<b>860,000</b>	<b>500,000</b>	<b>-</b>
<b>Contingency Fund Total</b>		<b>\$ -</b>	<b>\$ 50,000</b>	<b>\$ 150,000</b>	<b>\$ 860,000</b>	<b>\$ 500,000</b>	<b>\$ -</b>
<b><u>AZ CARES Act COVID-19 Fund (285)</u></b>							
285-4-2310-110	State Shared-Pandemic Relief	-	-	-	-	1,815,500	-
	<b>AZ Cares Act Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,815,500</b>	<b>-</b>
<b>AZ Cares Act Fund Total</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,815,500</b>	<b>\$ -</b>
<b><u>ARPA Fund (286)</u></b>							
286-4-2310-110	State Shared-Pandemic Relief	-	-	-	-	-	2,640,600
	<b>ARPA Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,640,600</b>
<b>ARPA Fund Total</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,640,600</b>
<b><u>Medical Insurance Fund (290)</u></b>							
<b><u>Miscellaneous</u></b>							
290-4-9300-972	Employee Ins Contributions	399,832	326,716	331,469	376,910	400,000	466,400
290-4-9300-973	Employer Ins Contributions	696,162	723,814	718,034	833,489	882,900	1,000,000
290-4-9300-974	Retiree Contributions	134,306	104,885	109,448	137,351	145,800	153,600
290-4-9300-975	Employer Retiree Contributions	485,976	451,275	511,089	581,380	640,000	749,000
290-4-9300-986	Insurance Rebate	(308)	(379)	-	-	-	-
290-4-9300-990	Other Revenue	219	2,907	-	-	-	-
	<b>Miscellaneous Total</b>	<b>1,716,187</b>	<b>1,609,218</b>	<b>1,670,040</b>	<b>1,929,130</b>	<b>2,068,700</b>	<b>2,369,000</b>
<b>Medical Insurance Fund Total</b>		<b>\$ 1,716,187</b>	<b>\$ 1,609,218</b>	<b>\$ 1,670,040</b>	<b>\$ 1,929,130</b>	<b>\$ 2,068,700</b>	<b>\$ 2,369,000</b>
<b>Restricted Operating Revenues Total</b>		<b>\$ 5,340,905</b>	<b>\$ 6,519,366</b>	<b>\$ 6,831,120</b>	<b>\$ 7,451,311</b>	<b>\$ 11,594,400</b>	<b>\$ 11,269,100</b>



## REVENUE DETAIL - ALL FUNDS – Continued

Account	Revenue Source	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed
<b>RESTRICTED CAPITAL REVENUES</b>							
<b><u>Equipment Replacement Fund (402)</u></b>							
	<b><u>Transfers In</u></b>						
402-4-9399-101	From General Fund	-	-	100,000	100,000	-	1,000,000
402-4-9399-102	Transfer In - G.O. Bond Fund	-	-	-	440,956	-	-
402-4-9399-661	Transfer In - Water Loan	-	-	-	375,000	-	-
	<b>Transfers In Total</b>	-	-	100,000	915,956	-	1,000,000
<b>Equipment Replacement Fund</b>	<b>\$</b>	<b>-</b>	<b>\$ -</b>	<b>\$ 100,000</b>	<b>\$ 915,956</b>	<b>\$ -</b>	<b>\$ 1,000,000</b>
<b><u>Grant Capital Projects Fund (403)</u></b>							
	<b><u>Intergovernmental</u></b>						
403-4-2300-284	GOHS Radar Units	8,919	44,504	8,966	-	-	-
403-4-2324-200	Law Enf-HSG Radio Program	-	-	20,021	20,021	148,000	-
403-4-2324-210	AFG Facilities	-	-	-	-	45,600	92,700
403-4-2326-273	AFG SCBA Equip	318,295	-	-	-	-	-
403-4-2327-204	Fire 2019 GOHS Extrication	-	-	29,177	-	-	-
403-4-2327-205	Yavapai Nation Fire Grant	-	-	-	-	480,000	465,500
403-4-2331-260	CDBG Housing	147,894	44,968	283,892	197,793	253,700	149,100
403-4-6367-240	Splash Pad Grant	-	-	-	-	-	207,500
	<b>Intergovernmental Total</b>	<b>475,108</b>	<b>89,472</b>	<b>342,056</b>	<b>217,814</b>	<b>927,300</b>	<b>914,800</b>
	<b><u>Transfer In</u></b>						
403-4-9399-101	From General Fund	21,439	-	21,134	-	2,300	29,400
	<b>Transfer In Total</b>	<b>21,439</b>	<b>-</b>	<b>21,134</b>	<b>-</b>	<b>2,300</b>	<b>29,400</b>
<b>Grant Capital Projects Fund</b>	<b>\$</b>	<b>496,547</b>	<b>\$ 89,472</b>	<b>\$ 363,190</b>	<b>\$ 217,814</b>	<b>\$ 929,600</b>	<b>\$ 944,200</b>
<b><u>American Gulch Improvement District (429)</u></b>							
429-4-2300-990	Misc. Intergovernmental Rev	-	-	-	191,719	240,000	-
	<b><u>Miscellaneous</u></b>						
429-4-6300-929	Donations / Contributions	-	-	3,000	-	-	-
	<b>Miscellaneous Total</b>	<b>-</b>	<b>-</b>	<b>3,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>American Gulch Imp District</b>	<b>\$</b>	<b>-</b>	<b>\$ -</b>	<b>\$ 3,000</b>	<b>\$ 191,719</b>	<b>\$ 240,000</b>	<b>\$ -</b>
<b><u>Central Arizona Project Trust Fund (460)</u></b>							
	<b><u>Miscellaneous</u></b>						
460-4-9300-910	Interest Earnings	70	1,127	473	-	-	-
	<b>Miscellaneous Total</b>	<b>70</b>	<b>1,127</b>	<b>473</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Central Az Project Trust Fund</b>	<b>\$</b>	<b>70</b>	<b>\$ 1,127</b>	<b>\$ 473</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Restricted Capital Revenues Total</b>	<b>\$</b>	<b>496,617</b>	<b>\$ 90,599</b>	<b>\$ 466,663</b>	<b>\$ 1,325,489</b>	<b>\$ 1,169,600</b>	<b>\$ 1,944,200</b>





## REVENUE DETAIL - ALL FUNDS – Continued

Account	Revenue Source	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed
<b>DEBT SERVICE REVENUES</b>							
<b><u>General Debt Service Fund (801)</u></b>							
	<b><u>Transfers In</u></b>						
801-4-9399-xxx	Operations	52,875	-	-	-	-	-
	<b>Transfers In Total</b>	52,875	-	-	-	-	-
<b>General Debt Service Fund</b>		<b>\$ 52,875</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b><u>Westerly Rd Improvement District (812)</u></b>							
	<b><u>Miscellaneous</u></b>						
812-4-9300-801	Assessment - Principal	41,601	45,068	48,535	48,535	52,000	55,300
812-4-9300-802	Assessment - Interest	14,873	12,489	9,915	7,246	4,500	1,500
	<b>Miscellaneous Total</b>	56,474	57,557	58,450	55,781	56,500	56,800
	<b><u>Transfers In</u></b>						
812-4-9399-xxx	Operations	25,726	26,205	26,600	25,420	25,800	28,400
	<b>Transfers In Total</b>	25,726	26,205	26,600	25,420	25,800	28,400
<b>Westerly Rd Imp District Total</b>		<b>\$ 82,200</b>	<b>\$ 83,762</b>	<b>\$ 85,050</b>	<b>\$ 81,201</b>	<b>\$ 82,300</b>	<b>\$ 85,200</b>
<b><u>Excise Tax Obligation 2003 (822)</u></b>							
	<b><u>Transfers In</u></b>						
822-4-9399-101	From General Fund	126,610	127,891	-	-	-	-
	<b>Transfers In Total</b>	126,610	127,891	-	-	-	-
<b>Excise Tax Obligation 2003</b>		<b>\$ 126,610</b>	<b>\$ 127,891</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b><u>General Obligation Bonds (823)</u></b>							
	<b><u>Taxes</u></b>						
823-4-1300-310	Sales Tax - Town	412,603	429,358	437,676	121,773	-	-
	<b>Taxes Total</b>	412,603	429,358	437,676	121,773	-	-
<b>General Obligation Bonds Total</b>		<b>\$ 412,603</b>	<b>\$ 429,358</b>	<b>\$ 437,676</b>	<b>\$ 121,773</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Debt Service Revenues Total</b>		<b>\$ 674,288</b>	<b>\$ 641,011</b>	<b>\$ 522,726</b>	<b>\$ 202,974</b>	<b>\$ 82,300</b>	<b>\$ 85,200</b>

## REVENUE DETAIL - ALL FUNDS – Continued

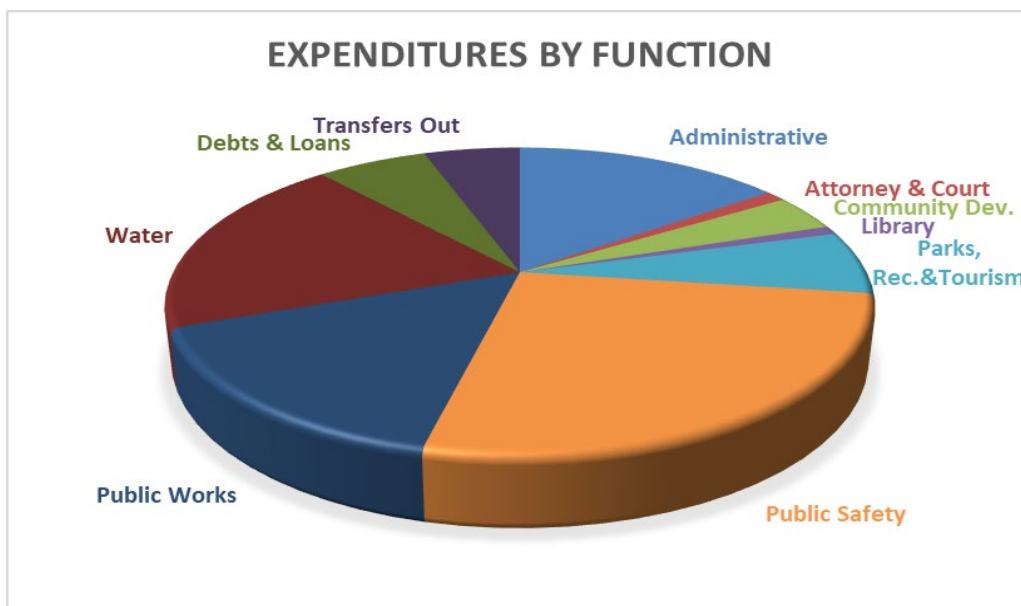
Account	Revenue Source	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed
<b>UTILITY ENTERPRISE FUNDS</b>							
<b><u>Water (661)</u></b>							
	<b><u>Intergovernmental</u></b>						
661-4-2300-990	Misc Intgov Rev	2,447	20,776	10,000	10,000	40,000	25,000
	<b>Intergovernmental Total</b>	2,447	20,776	10,000	10,000	40,000	25,000
	<b><u>Charges For Service</u></b>						
661-4-5300-722	CC Cragin Devel Imp Fees	340,182	457,585	241,109	205,318	210,000	205,000
661-4-5351-701	Residential Water	4,641,208	5,492,129	5,838,463	6,100,049	6,000,000	6,344,100
661-4-5351-702	Commercial Water	1,059,040	1,261,070	1,411,856	1,647,797	1,500,000	1,664,000
661-4-5351-703	Fire Protection Service	36,705	43,907	49,479	50,291	45,000	45,400
661-4-5351-704	Bulk Water Sales	232,198	301,138	212,319	31,341	3,600	19,100
661-4-5351-710	New Service Installation Fees	51,670	49,850	45,550	62,500	40,000	71,300
661-4-5351-715	Illegal Turn-On	-	-	-	200	-	-
661-4-5351-716	Reconnect & Turn On Fees	1,985	3,865	5,120	4,660	4,000	4,100
661-4-9300-855	Facilities Recapture Fee	1,097	2,195	549	1,097	500	1,300
	<b>Charges For Service Total</b>	6,364,085	7,611,739	7,804,445	8,103,253	7,803,100	8,354,300
	<b><u>Miscellaneous</u></b>						
661-4-9300-855	Debt Proceeds	1,000,000	1,000,000	-	-	-	-
661-4-9300-910	Interest Earnings	56,443	166,255	358,201	247,272	200,000	6,000
661-4-9300-970	Insurance Recoveries	-	33,184	-	205	-	-
661-4-9300-990	Other Revenue	2,759	8,225	620,378	38,790	2,000	35,000
661-4-9300-993	Facility Lease Fees	60,367	76,270	79,547	80,312	75,000	78,500
661-4-9300-994	Miscellaneous Revenue	73,132	65,631	90,090	73,705	60,000	55,000
661-4-9300-996	Public Surplus Sales	-	865	1,155	2,629	5,000	20,000
661-4-9399-101	Loan Repay from GF	67,300	158,900	200,000	235,000	240,000	412,000
	<b>Miscellaneous Total</b>	1,260,001	1,509,330	1,349,371	677,913	582,000	606,500
<b>Utility Enterprise Funds Total</b>		<b>\$ 7,626,533</b>	<b>\$ 9,141,845</b>	<b>\$ 9,163,816</b>	<b>\$ 8,791,166</b>	<b>\$ 8,425,100</b>	<b>\$ 8,985,800</b>
<b>TOTALS - ALL FUNDS</b>		<b>\$ 28,597,021</b>	<b>\$ 34,074,278</b>	<b>\$ 35,742,176</b>	<b>\$ 37,443,825</b>	<b>\$ 41,013,900</b>	<b>\$ 44,463,900</b>



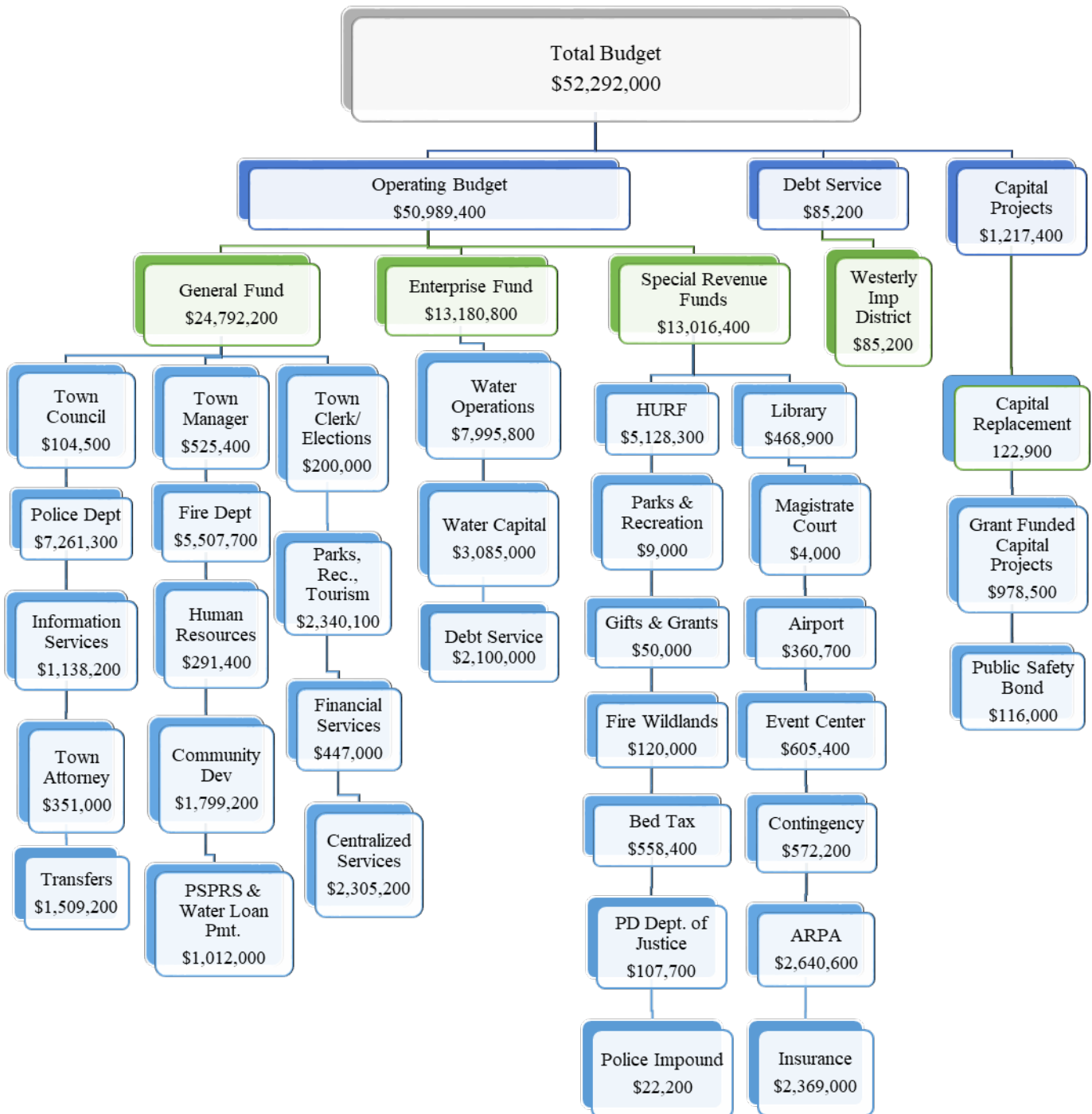
## EXPENDITURE SUMMARY BY FUNCTION (ALL FUNDS) 2021/22 BUDGET

Function	General Fund	Restricted Funds	Restricted Capital Funds	Debt Service Funds	Utility Funds	All Funds	% Total
Administrative	4,776,000	2,941,200	-	-	-	7,717,200	14.8%
Attorney & Court	586,700	4,000	-	-	-	590,700	1.1%
Community Dev.	1,799,200	-	183,400	-	-	1,982,600	3.8%
Library	-	468,900	-	-	-	468,900	0.9%
Parks, Rec.&Tourism	2,340,100	929,600	207,500	-	-	3,477,200	6.6%
Public Safety	12,769,000	487,600	587,600	-	-	13,844,200	26.5%
Public Works	-	8,129,600	-	-	-	8,129,600	15.6%
Water	-	-	-	-	10,104,300	10,104,300	19.3%
Debts & Loans	1,012,000	-	-	85,200	2,100,000	3,197,200	6.1%
Transfers Out	1,509,200	294,400	-	-	976,500	2,780,100	5.3%
<b>Total Expenditures</b>	<b>\$ 24,792,200</b>	<b>\$ 13,255,300</b>	<b>\$ 978,500</b>	<b>\$ 85,200</b>	<b>\$ 13,180,800</b>	<b>\$ 52,292,000</b>	<b>100.0%</b>

- Administrative includes General Administration, Town Council, Town Clerk Department, Elections, Town Manager, Human Resources, Financial Services, Information Technology, Insurance and Other Governmental.
- Community Development includes Planning & Zoning, Economic Development, Housing, and Building.
- Public Safety includes the Police Department and the Fire Department.
- Public Works includes Streets and the Town of Payson Airport. Although Water is part of Public Works, it is shown separately because it is an Enterprise Fund.
- Transfers Out include transfers to other funds.



## TOWN OF PAYSON BUDGETED EXPENDITURES FISCAL YEAR 2021/22



## EXPENDITURES DETAIL (ALL FUNDS)

Category	Description	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed
<b>Salaries &amp; Wages</b>							
xxx-x-xxxx-xx- 5001	Full Time Employees	8,017,410	8,281,081	8,807,928	9,398,869	9,994,000	10,638,500
xxx-x-xxxx-xx- 5002	Part Time Employees	183,976	203,952	203,547	213,304	234,700	227,100
xxx-x-xxxx-xx- 5003	Temporary Employees	76,264	89,644	106,736	88,137	140,200	90,300
xxx-x-xxxx-xx- 5005	Paid On Call Employees	47,756	60,424	85,765	69,637	95,000	2,000
xxx-x-xxxx-xx- 5006	Standby Pay	8,640	12,969	14,138	15,150	13,600	21,400
xxx-x-xxxx-xx- 50xx	Misc Compensation	28,081	28,698	28,587	46,796	66,000	43,500
xxx-x-xxxx-xx- 52xx	Overtime Compensation	794,474	845,762	813,636	845,977	994,300	1,273,400
xxx-x-xxxx-xx- 5990	Shift Differential Pay	44,089	39,150	35,925	41,394	48,000	43,000
<b>Total Salaries &amp; Wages</b>		<b>9,200,690</b>	<b>9,561,680</b>	<b>10,096,262</b>	<b>10,719,264</b>	<b>11,585,800</b>	<b>12,339,200</b>
<b>Personnel Benefits</b>							
xxx-x-xxxx-xx- 5501	FICA	544,483	575,319	606,525	639,231	720,600	726,800
xxx-x-xxxx-xx- 5504	Pensions & Retirement	2,142,608	2,597,696	2,620,056	2,870,083	3,324,700	3,407,500
xxx-x-xxxx-xx- 5700	Health/Life Insurance	1,161,262	1,177,590	1,274,396	1,472,048	1,695,100	2,065,000
xxx-x-xxxx-xx- 5701	Disability Insurance	7,142	8,924	9,075	11,616	13,200	18,000
xxx-x-xxxx-xx- 5800	Workers Comp Insurance	430,055	510,865	520,313	368,244	394,400	410,000
xxx-x-xxxx-xx- 5801	Unemployment Comp	28	240	247	71	-	10,000
xxx-x-xxxx-xx- 5901	Uniform Allowance	52,190	54,740	87,250	99,170	120,050	111,700
<b>Total Personnel Benefits</b>		<b>4,337,768</b>	<b>4,925,374</b>	<b>5,117,862</b>	<b>5,460,463</b>	<b>6,268,050</b>	<b>6,749,000</b>
<b>Supplies</b>							
xxx-x-xxxx-xx- 6001	Office Supplies	55,692	50,434	65,224	67,733	84,400	66,500
xxx-x-xxxx-xx- 6002	Coffee Supplies	771	646	773	441	600	600
xxx-x-xxxx-xx- 6003	Cleaning Supplies	12,440	12,916	14,405	13,481	19,000	18,400
xxx-x-xxxx-xx- 6005	Safety Program Supplies	12,160	13,580	30,904	21,919	24,500	20,600
xxx-x-xxxx-xx- 6006	Clothing/Uniforms	22,000	17,646	21,629	3,100	7,500	6,000
xxx-x-xxxx-xx- 6007	PPE Equipment/Clothing	27,207	38,764	104,820	28,796	75,000	75,000
xxx-x-xxxx-xx- 6008	Chemicals	47,105	53,388	160,087	438,436	833,200	816,900
xxx-x-xxxx-xx- 6010	Books, Maps & Periodicals	2,488	4,926	12,604	7,518	12,500	7,500
xxx-x-xxxx-xx- 6011	Small Tools/Minor Equipment	90,961	84,295	124,246	124,639	311,400	288,000
xxx-x-xxxx-xx- 6012	Communications Eq Supplies	3,463	7,497	8,020	5,549	7,000	6,000
xxx-x-xxxx-xx- 6013	Computer Supplies	46,418	53,763	106,121	102,996	130,500	75,400
xxx-x-xxxx-xx- 6014	Landscape Materials	11,823	15,210	10,066	10,358	11,000	12,000
xxx-x-xxxx-xx- 6015	Signs	5,163	10,175	6,236	12,094	21,100	7,000
xxx-x-xxxx-xx- 6016	Park Furnishing	-	1,466	-	-	1,000	10,000
xxx-x-xxxx-xx- 6100	Medical/Lab Supplies	25,835	36,893	47,112	37,721	40,800	45,000
xxx-x-xxxx-xx- 6101	Canine Supplies	2,028	4,593	2,917	1,427	3,500	2,500
xxx-x-xxxx-xx- 6102	Weapons/Training Supplies	13,984	15,111	17,110	9,909	15,500	15,500
xxx-x-xxxx-xx- 6200	Equip Repair & Maint Supplies	14,970	21,552	39,840	21,741	40,000	42,700
xxx-x-xxxx-xx- 6201	Bldg Materials & Supplies	42,197	67,674	46,582	57,595	78,600	80,700
xxx-x-xxxx-xx- 6202	Misc R&M Supplies	57,535	62,873	73,904	78,053	130,500	253,900
xxx-x-xxxx-xx- 6300	Motor Fuel	169,583	200,728	223,555	176,565	229,500	214,200
xxx-x-xxxx-xx- 6302	Vehicle Supplies	180,538	197,346	208,580	214,267	213,600	210,000
xxx-x-xxxx-xx- 6400	Hdwr, Electric & Plumbing Supp	18,807	21,290	21,447	18,567	24,200	24,400
xxx-x-xxxx-xx- 6401	Drainage Supplies	10,534	20,400	15,895	14,833	110,000	15,000
xxx-x-xxxx-xx- 6402	Street/Sidewalk Supplies	72,348	71,894	102,429	69,246	85,000	195,000
xxx-x-xxxx-xx- 65xx	Water R&M Supplies	196,751	278,188	226,063	301,726	594,200	582,600
xxx-x-xxxx-xx- 6602	Promotional Supplies	91,717	124,612	121,813	72,781	118,000	108,800
xxx-x-xxxx-xx- 6900	Other Supplies	695	-	-	-	-	2,640,600
<b>Total Supplies</b>		<b>1,235,213</b>	<b>1,487,860</b>	<b>1,812,382</b>	<b>1,911,491</b>	<b>3,222,100</b>	<b>5,840,800</b>



## EXPENDITURES DETAIL (ALL FUNDS) – Continued

Category	Description	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed
<b><u>Services</u></b>							
xxx-x-xxxx-xx-	7002 Accounting/Auditing Services	46,238	47,750	50,622	52,450	60,500	62,800
xxx-x-xxxx-xx-	7003 Computer Services	14,829	15,757	16,803	26,095	30,800	-
xxx-x-xxxx-xx-	7004 Compliance/Lab Analysis	22,635	9,849	47,171	50,524	70,000	70,000
xxx-x-xxxx-xx-	7005 Computer Software	23,374	84,665	84,555	63,366	145,000	153,400
xxx-x-xxxx-xx-	7100 Legal Services	18,788	24,706	23,693	211,054	330,000	345,000
xxx-x-xxxx-xx-	7101 Indigent Defense	35,600	38,500	38,600	33,400	40,000	53,000
xxx-x-xxxx-xx-	7102 Court Services	107,580	104,616	151,017	138,553	128,300	126,900
xxx-x-xxxx-xx-	7103 Prosecution Services	-	-	-	1,220	1,300	91,000
xxx-x-xxxx-xx-	7104 Settlements	-	10,000	-	5,427	20,000	-
xxx-x-xxxx-xx-	7602 Safety Training Services	-	-	-	609	10,000	10,000
xxx-x-xxxx-xx-	7900 Other Professional Services	359,935	469,943	536,430	419,324	1,042,400	1,014,500
<b>Total Services</b>		<b>628,979</b>	<b>805,786</b>	<b>948,891</b>	<b>1,002,022</b>	<b>1,878,300</b>	<b>1,926,600</b>
<b><u>Utilities</u></b>							
xxx-x-xxxx-xx-	7300 Electricity	634,308	684,919	615,871	577,233	766,500	745,200
xxx-x-xxxx-xx-	7301 Propane Gas	24,864	29,796	39,464	32,635	41,200	34,400
xxx-x-xxxx-xx-	7302 Water Service	67,097	86,090	94,812	89,935	110,200	100,600
xxx-x-xxxx-xx-	7304 Sewer Service	13,111	12,440	13,154	142,632	140,700	140,500
xxx-x-xxxx-xx-	7305 Garbage Service	27,764	30,680	51,083	36,410	65,300	103,800
xxx-x-xxxx-xx-	7306 Telephone	250,134	253,195	260,271	246,926	284,400	306,900
xxx-x-xxxx-xx-	7307 Postage	45,290	32,753	35,404	38,831	43,750	41,600
<b>Total Utilities</b>		<b>1,062,568</b>	<b>1,129,873</b>	<b>1,110,059</b>	<b>1,164,602</b>	<b>1,452,050</b>	<b>1,473,000</b>
<b><u>Travel</u></b>							
xxx-x-xxxx-xx-	7600 Travel	47,142	55,488	57,410	44,195	98,000	75,700
xxx-x-xxxx-xx-	7601 Registrations	45,168	53,583	82,900	53,170	96,400	87,100
<b>Total Travel</b>		<b>92,310</b>	<b>109,071</b>	<b>140,310</b>	<b>97,365</b>	<b>194,400</b>	<b>162,800</b>
<b><u>Advertising &amp; Publishing</u></b>							
xxx-x-xxxx-xx-	6600 Public Relations	20,127	21,573	28,135	22,964	41,400	29,900
xxx-x-xxxx-xx-	7907 Advertising	15,173	16,399	15,579	19,054	30,400	38,800
<b>Total Advertising &amp; Publishing</b>		<b>35,300</b>	<b>37,972</b>	<b>43,714</b>	<b>42,018</b>	<b>71,800</b>	<b>68,700</b>
<b><u>Rentals</u></b>							
xxx-x-xxxx-xx-	7500 Land & Buildings	9,411	7,827	8,037	7,579	12,700	12,000
xxx-x-xxxx-xx-	7501 Work Eq & Machine Rental	-	151	-	-	500	1,500
xxx-x-xxxx-xx-	7502 Office Equipment Rental	236,843	236,974	230,162	235,312	298,000	894,300
xxx-x-xxxx-xx-	7503 Vehicle Rental	-	-	-	-	-	139,100
<b>Total Rentals</b>		<b>246,254</b>	<b>244,952</b>	<b>238,199</b>	<b>242,891</b>	<b>311,200</b>	<b>1,046,900</b>
<b><u>Insurance</u></b>							
xxx-x-xxxx-xx-	7903 Insurance	503,887	527,317	470,639	499,126	538,700	603,500
xxx-x-xxxx-xx-	7904 Insurance Deductibles	(2,474)	18,001	2,247	6,338	7,500	7,500
xxx-x-xxxx-xx-	7908 Insurance Premium	1,715,052	1,609,219	1,699,286	1,922,821	2,068,700	2,369,000
<b>Total Insurance</b>		<b>2,216,465</b>	<b>2,154,537</b>	<b>2,172,172</b>	<b>2,428,285</b>	<b>2,614,900</b>	<b>2,980,000</b>



## EXPENDITURES DETAIL (ALL FUNDS) – Continued

Category	Description	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed
<b>Repair &amp; Maintenance</b>							
xxx-x-xxxx-xx- 7400	Grounds R&M	9,130	11,198	23,833	21,901	29,300	20,000
xxx-x-xxxx-xx- 7401	Bldg/Fixture R&M	89,098	52,340	193,426	138,357	249,100	107,800
xxx-x-xxxx-xx- 7402	Office Equipment R&M	1,681	5,598	1,235	916	10,200	3,500
xxx-x-xxxx-xx- 7403	Computer Equipment R&M	241,270	271,506	295,578	253,987	317,300	269,900
xxx-x-xxxx-xx- 7404	Communication Eq R&M	137,950	109,369	74,746	77,130	362,500	348,700
xxx-x-xxxx-xx- 7405	Work Equipment R&M	57,290	47,847	88,020	150,666	101,000	95,700
xxx-x-xxxx-xx- 7406	Street Light R&M	33,354	38,335	38,906	17,344	64,500	56,800
xxx-x-xxxx-xx- 7407	R & M Wells	486	14,715	33,234	29,342	47,000	47,000
xxx-x-xxxx-xx- 7408	Street/Sidewalk Repair Serv	38,656	5,307	41,173	13,579	105,000	105,000
xxx-x-xxxx-xx- 7410	R&M CC Cragin Pipeline (SRP)	-	-	294,478	294,478	400,000	350,000
xxx-x-xxxx-xx- 7412	Pavement Preservation Program	-	-	-	506,966	710,000	600,000
xxx-x-xxxx-xx- 8713	Pavement Preservation Program	366,401	402,526	509,605	-	-	-
<b>Total Repair &amp; Maintenance</b>		<b>975,316</b>	<b>958,741</b>	<b>1,594,234</b>	<b>1,504,666</b>	<b>2,395,900</b>	<b>2,004,400</b>
<b>Miscellaneous</b>							
xxx-x-xxxx-xx- 5505	Retirement Offset Pension	-	442,241	600,000	600,000	600,000	600,000
xxx-x-xxxx-xx- 6009	Program Costs	188,678	198,250	223,742	190,217	298,800	277,500
xxx-x-xxxx-xx- 6620	Vehicle Fuel	-	-	1,236	1,610	2,000	600
xxx-x-xxxx-xx- 6630	HM - Small Tools	-	-	652	61	700	200
xxx-x-xxxx-xx- 6700	Dues & Memberships	69,358	61,345	54,506	64,354	99,400	92,400
xxx-x-xxxx-xx- 6901	Taxes & Assessments	652	(891)	(3,945)	(4,454)	500	600
xxx-x-xxxx-xx- 6903	Bank Fees	24,814	20,967	19,681	27,203	27,500	45,600
xxx-x-xxxx-xx- 6904	Contingency Expenses	-	-	59,716	96,657	1,300,000	700,000
xxx-x-xxxx-xx- 6905	Bad Debt	35	123	95	566	1,100	1,100
xxx-x-xxxx-xx- 6990	Other Expense	41,792	23,002	24,025	27,330	42,000	31,800
xxx-x-xxxx-xx- 6991	Other Expense-Law Enforce	9,782	7,171	5,297	6,350	7,000	5,000
xxx-x-xxxx-xx- 6992	Other Expense-DARE	3,710	4,110	4,141	1,963	4,700	5,000
xxx-x-xxxx-xx- 7001	Program Overhead	2,418	2,442	793	14,398	45,000	45,000
xxx-x-xxxx-xx- 72xx	Councilmember Expenses	10,016	3,080	7,387	3,837	8,400	7,200
xxx-x-xxxx-xx- 7806	Vehicle Replacement	-	-	-	-	-	58,400
xxx-x-xxxx-xx- 7901	Lien & Clean	11,854	7,123	7,280	2,553	15,000	15,000
xxx-x-xxxx-xx- 7902	Reimbursable Impound Costs	2,191	-	-	-	-	-
xxx-x-xxxx-xx- 7910	Printing & Binding	18,392	16,222	15,958	14,267	19,600	17,400
xxx-x-xxxx-xx- 7912	Grant Expenses	89,475	3,450	757	11,000	602,700	1,107,700
xxx-x-xxxx-xx- 7913	Housing Expense	147,883	-	-	-	-	-
xxx-x-xxxx-xx- 7914	Contributions / Donations	-	-	-	-	-	50,000
xxx-x-xxxx-xx- 7915	Overhead	219,500	-	-	-	-	-
xxx-x-xxxx-xx- 7990	Contribution to Other Agencies	222,876	240,458	236,330	239,686	240,700	240,000
<b>Total Miscellaneous</b>		<b>1,063,426</b>	<b>1,029,093</b>	<b>1,257,651</b>	<b>1,297,598</b>	<b>3,315,100</b>	<b>3,300,500</b>

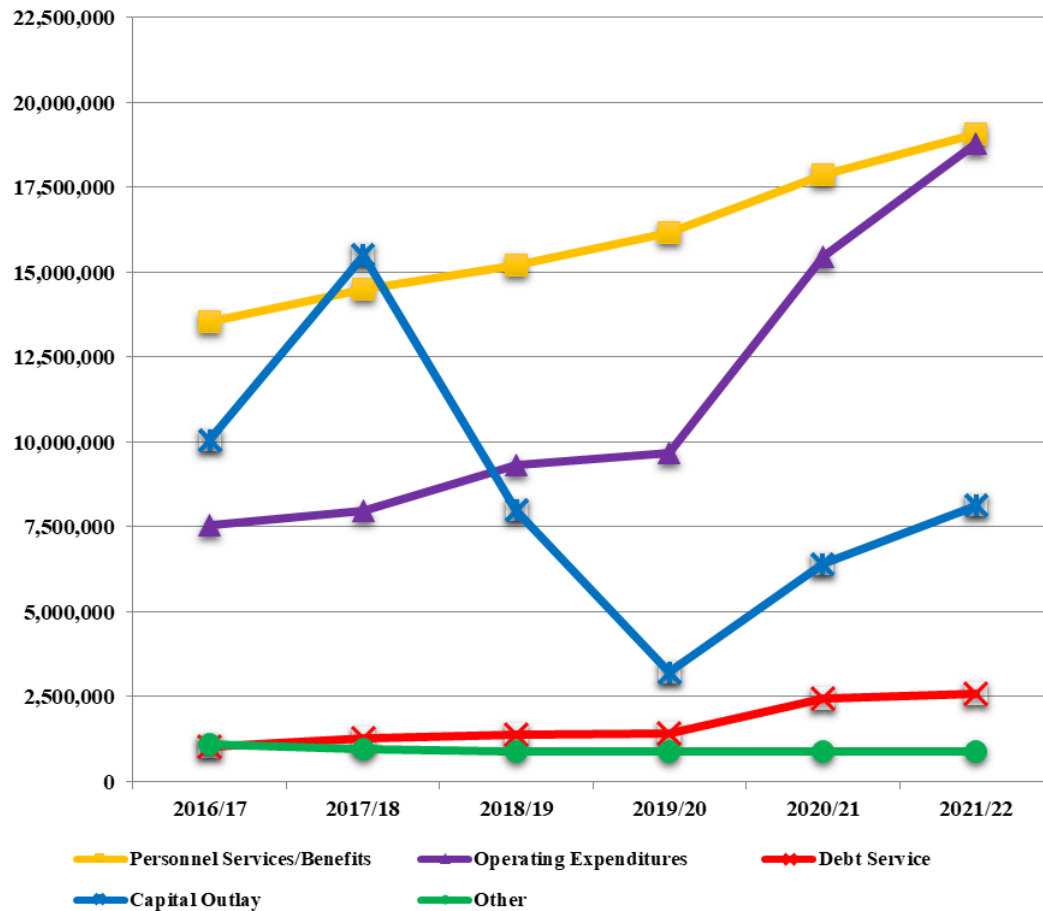


## EXPENDITURES DETAIL (ALL FUNDS) – Continued

Category	Description	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed
<b>Capital Outlay</b>							
xxx-x-xxxx-xx-7914	CDBG Projects	159	9,603	319,088	197,793	253,700	183,400
xxx-x-xxxx-xx-8xxx	Airport Projects	8,089	944,820	864,214	82,784	-	-
xxx-x-xxxx-xx-8xxx	Highway / Street Improvements	477,598	124,845	29,084	62,265	2,048,400	1,894,500
xxx-x-xxxx-xx-8xxx	Computer Software/Hardware	31,161	79,904	316,352	28,868	250,000	200,100
xxx-x-xxxx-xx-8xxx	Machinery & Equipment	247,300	911,779	373,637	411,449	150,000	564,700
xxx-x-xxxx-xx-8xxx	Vehicular Equipment	24,148	144,640	608,607	465,665	278,200	1,014,400
xxx-x-xxxx-xx-8xxx	Parks Development	-	197,385	50,484	537,200	307,000	570,600
xxx-x-xxxx-xx-8xxx	Grant Funded Projects	339,085	65,129	58,843	-	1,679,400	795,100
xxx-x-xxxx-xx-8xxx	Police Station Remodel	-	-	-	-	65,000	75,000
xxx-x-xxxx-xx-8xxx	American Gulch Imp Dist	-	-	2,000	191,719	240,000	-
xxx-x-xxxx-xx-8xxx	Environmental Project	-	87,644	44,967	-	-	-
xxx-x-xxxx-xx-8xxx	Water Projects	8,936,705	12,927,932	5,318,291	1,245,241	1,142,000	2,825,000
<b>Total Capital Outlay</b>		<b>10,064,245</b>	<b>15,493,681</b>	<b>7,985,567</b>	<b>3,222,984</b>	<b>6,413,700</b>	<b>8,122,800</b>
<b>Debt Service</b>							
xxx-x-xxxx-xx-9661	Water Loan Payment	67,300	158,900	200,000	235,000	240,000	412,000
xxx-x-xxxx-xx-6901	Debt Service Fees	2,088	1,500	1,500	750	800	800
xxx-x-xxxx-xx-7950	Principal	527,291	495,000	390,000	395,000	1,340,700	1,380,000
xxx-x-xxxx-xx-7951	Interest	446,856	621,867	776,326	791,665	856,500	804,400
<b>Total Debt Service</b>		<b>1,043,535</b>	<b>1,277,267</b>	<b>1,367,826</b>	<b>1,422,415</b>	<b>2,438,000</b>	<b>2,597,200</b>
<b>Depreciation</b>							
xxx-x-xxxx-xx-8100	Depreciation - Buildings	22,717	22,535	16,489	15,836	16,000	900,000
xxx-x-xxxx-xx-8101	Depreciation - Non Buildings	1,040,919	885,174	744,784	696,839	750,000	-
xxx-x-xxxx-xx-8102	Depreciation - Machinery/Eq	25,173	28,907	38,199	48,741	38,000	-
xxx-x-xxxx-xx-8103	Depreciation - Vehicles	(9,188)	13,385	91,439	101,109	85,000	-
xxx-x-xxxx-xx-8104	Depreciation - Furniture/Eq	3,091	(17,321)	1,422	1,422	1,500	-
xxx-x-xxxx-xx-82xx	Amortization	5,940	5,940	5,940	6,967	5,800	-
<b>Total Depreciation</b>		<b>1,088,652</b>	<b>938,620</b>	<b>898,273</b>	<b>870,914</b>	<b>896,300</b>	<b>900,000</b>
<b>Transfers Out</b>							
xxx-x-xxxx-xx-9101	To General Fund	147,000	389,000	322,000	240,300	300,000	976,500
xxx-x-xxxx-xx-9202	To HURF	-	110,600	100,000	50,000	62,000	-
xxx-x-xxxx-xx-9210	To Gifts & Grants Fund	-	-	-	-	-	-
xxx-x-xxxx-xx-9224	To Library	115,623	131,488	183,526	190,033	177,900	226,000
xxx-x-xxxx-xx-9260	To Airport	17,565	81,378	114,131	97,366	139,800	225,400
xxx-x-xxxx-xx-9265	To Event Center	40,467	164,736	124,162	227,447	264,100	294,400
xxx-x-xxxx-xx-9280	To Contingency Fund	-	50,000	150,000	860,000	500,000	-
xxx-x-xxxx-xx-9303	Capital Replacement Fund	-	-	-	-	-	-
xxx-x-xxxx-xx-9402	To Equipment Fund	-	-	100,000	475,000	-	1,000,000
xxx-x-xxxx-xx-9403	To Grant Capital Project	21,439	-	21,134	-	2,300	29,400
xxx-x-xxxx-xx-9803	To Capital Repl. Fund	-	-	-	440,956	-	-
xxx-x-xxxx-xx-9812	To DS Westerly Rd Imprv	-	26,205	-	-	-	-
xxx-x-xxxx-xx-98xx	To Debt Service	205,211	127,891	26,600	25,420	25,800	28,400
<b>Total Transfers Out</b>		<b>547,305</b>	<b>1,081,298</b>	<b>1,141,553</b>	<b>2,606,522</b>	<b>1,471,900</b>	<b>2,780,100</b>
<b>GRAND TOTAL</b>		<b>\$ 33,838,026</b>	<b>\$ 41,235,805</b>	<b>\$ 35,924,955</b>	<b>\$ 33,993,500</b>	<b>\$ 44,529,500</b>	<b>\$ 52,292,000</b>

## Expenditures by Summary – All Funds

Category	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed
Personnel Services/Benefits	13,538,458	14,487,054	15,214,124	16,179,727	17,853,850	19,088,200
Operating Expenditures	7,555,831	7,957,885	9,317,612	9,690,938	15,455,750	18,803,700
Debt Service	1,043,535	1,277,267	1,367,826	1,422,415	2,438,000	2,597,200
Capital Outlay	10,064,245	15,493,681	7,985,567	3,222,984	6,413,700	8,122,800
Other	1,088,652	938,620	898,273	870,914	896,300	900,000
Transfers Out	547,305	1,081,298	1,141,553	2,606,522	1,471,900	2,780,100
<b>Total Expenditures</b>	<b>\$ 33,838,026</b>	<b>\$ 41,235,805</b>	<b>\$ 35,924,955</b>	<b>\$ 33,993,500</b>	<b>\$ 44,529,500</b>	<b>\$ 52,292,000</b>



## FEE CHANGES

As part of the budget process, each department reviews their fees & charges and submits proposed changes. These changes might include clarifications to the wording or specifics related to a fee. New charges might be added for services that were not provided previously. A new fee structure might be proposed to more effectively cover the costs of a special program. In some cases, annual updates to the fee schedule ensure that the revenues from fee-based programs are consistent with the actual costs to provide those programs or services. For this reason, this is a vital part of the budget process.

The Finance Department accumulates these proposed changes and presents a tentative Fee Schedule to the Town Council and the public. Opportunities for public comment and input are provided. Toward the end of the budget process, the proposed Fee Schedule is presented to the Council a second time for review. At that time, the Council can make modifications or adopt the new Fee Schedule. After adoption, any changes to the Fee Schedule must be taken to Council for authorization.

The following chart highlights the changes that were made to the Fee Schedule for fiscal year 2021/22:

ACTION	DESCRIPTION	FISCAL YEAR 2021/2022
<b>Police Department</b>		
<b>Administrative Fees and Charges</b>		
Changed	Reports up to 20 pages	\$15.00
Changed	Reports per page after 20 pages	\$0.25
Deleted	Certification fee	\$2.50
<b>Cost Recovery for Police Services</b>		
Changed	Police officer and vehicle	\$75.00/hour
Added	Chief and vehicle	\$150.00/hour
Added	Lieutenant and vehicle	\$125.00/hour
Added	Sergeant and vehicle	\$100.00/hour
Added	Holidays - additional	\$10.00/hour
<b>Emergency Services</b>		
...where there is a motor vehicle collision and there is a reasonable suspicion that the recipient of emergency services violated any provision of Arizona Revised Statutes, Title 28, Chapter 3 at the time of the incident...[e.g.,] criminal charges, DUI.... In addition to [fees for serious or fatal collision], if circumstances cause increased costs to the Police Department, the actual cost of the response may be billed at the following rates:		
Added	Lieutenant	\$90.00/hour
<b>Community Development Department</b>		
<b>Temporary Certificate of Occupancy</b>		
Changed	Residential 1st six months	\$200/month
Changed	Residential after six months	\$400/month
Changed	Commercial 1st six months	\$300/month
Changed	Commercial after six months	\$600/month

## FEE CHANGES – Continued

ACTION	DESCRIPTION	FISCAL YEAR 2021/2022
<b>Community Development Department (continued)</b>		
<b>Additional Miscellaneous Building Department Fees</b>		
Deleted	Copies 11 x 17 or smaller	\$.050 per page
Deleted	Copies 11 x 17 to 24 x 36	\$1.00 per page
Deleted	Larger than 24 x 36	\$0.15 per square foot
Deleted	Zoning application submittals - abandonment request	\$250.00
<b>Plan Review Fees for Subdivisions, Multi-Family Residential, Commercial &amp; Industrial Developments</b>		
	Construction plans (grading, drainage, paving, etc.) up to 24" x 36":	
Changed	1st & 2nd review (both included)	\$300/sheet
Changed	Additional reviews (each)	\$150/sheet
Added	Addenda to permitted drawings	\$150/sheet
Added	As-built drawings	\$150/sheet
Deleted	Reports – based on size and complexity of report	\$50 to \$500
Added	Reports (one hour minimum)	\$150/hour
Added	Cost estimates (one hour minimum)	\$150/hour
Added	Other documents (one hour minimum)	\$150/hour
<b>Plan Review Fees for Individual Single-Family Residential Lots</b>		
Deleted	Non-engineered site grading plan, includes one "in process" inspection and one final inspection	\$50.00
Added	Regular grading plan (includes one courtesy and one final inspection)	\$225.00
Deleted	Engineered site grading plan, includes one "in process" inspection and one final inspection	\$115.00/sheet
Added	Engineered grading plan, single sheet (includes one courtesy and one final inspection)	\$450.00
Added	Engineered grading plan, additional sheets	\$150.00/sheet
Added	Addenda to permitted drawings	\$150.00/sheet
Added	As-built drawings	\$150.00/sheet
Changed	Additional site inspections	\$75.00 each
Deleted	Water plan review:	Fee per reviewed sheet
Deleted	Commercial & subdivision development	\$25.00 (1st & 2nd review both included)
Deleted	Additional reviews	\$25.00
Deleted	Report review	\$0.00
Deleted	Residential review	\$0.00
<b>Right of Way Permits</b>		
Changed	Private Construction (with no curb, gutter or pavement cuts)	\$50.00
Changed	Private Construction (with curb, gutter or pavement cuts)	\$100.00 plus bond
Added	Bonds (minimum)	\$2,000.00
	Bond amount will be increased to match the replacement cost of the removed items if that cost exceeds the minimum amount. Bonds are not required if there is an "Agreement to Construct Subdivision Improvements".	
Added	Permits issued after start of work	200% of standard amount

## FEE CHANGES – Continued

ACTION	DESCRIPTION	FISCAL YEAR 2021/2022
<b>Community Development Department (continued)</b>		
<b>Grading Permits</b>		
Deleted	100 cubic yards or less (combined cut and fill)	\$0.00
Deleted	101 to 1,000 cubic yards	\$23.50 plus \$17.00 for each 100 cubic yards or portion thereof over 200
Deleted	10,001 to 100,000 cubic yards	\$325.00 plus \$66.00 for each 10,000 cubic yards or portion thereof over 10,000
Deleted	100,001 cubic yards or more	\$919.00 plus \$26.50 for each 10,000 cubic yards or portion thereof over 100,000 cubic yards
Added	Regular grading plan, single family residential, R1-6 through R1-12	\$0.00
Added	Regular grading plan, single family residential, R1-18 through R1-44	\$25.00/lot
Added	Regular grading plan, single family residential, R1-70 through R1-175	\$50.00/lot
Added	Engineered grading plan (combined cut and fill):	
Added	100 cubic yards or less	\$25.00
Added	101 to 1,000 cubic yards	\$40.00 + \$20.00 per each additional 100 cubic yards or fraction thereof
Added	1,001 to 10,000 cubic yards	\$220.00 + \$15.00 per each additional 1,000 cubic yards or fraction thereof
Added	10,001 to 100,000 cubic yards	\$355.00 + \$75.00 per each additional 10,000 cubic yards or fraction thereof
Added	100,001 cubic yards or more	\$1,030.00 + \$40.00 per each additional 10,000 cubic yards or fraction thereof
Added	Permits issued after start of work	200% of standard amount
<b>Subdivision and Minor Land Division Permits</b>		
Changed	The permit fee is based on 3% of the construction cost of the public improvements, excluding wastewater facilities. This fee includes the cost of Town field observation and project administration. In addition, Right of Way and Grading permits are required at the rates indicated above.	
<b>Non-Subdivision Multi-Family, Commercial or Industrial Lot Developments</b>		
Changed	Permit Fee (\$500 minimum)	\$2,500/acre
Deleted	In addition, a Right of Way and Grading Permit is required prior to construction (See Rates Above)	
Added	These permits are issues to cover the cost of Town field observation and project administration. In addition, Right of Way and Grading Permits are required at the rates indicated above. Fees are calculated based on the total lot area.	
Deleted	Town of Payson Utility Pole Attachment	\$50.00/year
Deleted	<b>Inspections</b>	
Deleted	For major projects, the inspections are included in the cost of the permit.	
Deleted	For Single Family Residential Lots, the first inspection is included in the permit fee.	
Deleted	Each additional inspection (if required)	\$25.00
Deleted	<b>Bonds</b>	
Deleted	Curb & gutter, sidewalk or pavement cuts	\$2,000 (min)
Deleted	Bond amount may be increased to match the replacement cost of the removed items if that cost exceeds \$2,000. No Bond is required if there is an "Agreement to Construct Subdivision Improvements".	
<b>Public Easement or Right-of-Way</b>		
Added	Acceptance - Application filing fee (for each document required)	\$500.00
Changed	Abandonment - Application filing fee	\$500.00
Deleted	The "per square foot" price is based on current prevailing property values. There is no additional cost for easement abandonments.	
Added	Reimbursement will be based on the prevailing property value calculated per square foot. If an abandonment request necessitates acceptance of a new easement or right-of-way in an alternate location, the fees stipulated above for Acceptance will also be charged.	



## FEE CHANGES – Continued

ACTION	DESCRIPTION	FISCAL YEAR 2021/2022
<b>Community Development Department (continued)</b>		
<b>Improvement District Assessment Split</b>		
Changed	Application filing fee	\$750/lot
<b>Bidding Packages</b>		
Deleted	The cost of a bid package is specified in the bid documents. The cost varies depending on the complexity of the project. Also, a portion of the fee may be refundable if the bidder meets the specified requirements.	
Added	Electronic copies of bid packages will be available for download at no cost. Paper copies of bid packages, if available, will be at the cost specified in the Advertisement for Bids.	
Added	<b>Waiver of On-Site Detention</b>	
Added	Excess runoff	\$43,560/acre foot
Added	This fee will be assessed if a variance from on-site detention facilities is granted in accordance with §152.61(F). Fees will be placed in a separate account to be used for future construction of regional detention or drainage conveyance facilities.	
Added	<b>Deposit for Replacement Vegetation on Hillside Lots</b>	
Added	Tree, 2" caliiper	\$525.00 each
Added	Shrub, 5 gallon	\$27.50 each
Added	Drip irrigation system	\$2,100/lot
Added	Deposit will be refunded upon an acceptable final inspection of completed work.	
Added	<b>Consultation</b>	
Added	Town Engineer	\$150.00
Added	Public Works Engineer	\$135.00
Added	Construction Inspector	\$100.00
Added	Outside Consultants	120% of actual cost
Deleted	<b>Townwide Maps</b>	
Deleted	Color - 600 scale	\$25.00
Deleted	Color - 900 scale	\$15.00
Deleted	Black and white - 600 scale	\$12.00
Deleted	Black and white - 900 scale	\$6.00
<b>Large Format Copies, Printing &amp; Scanning</b>		
Deleted	Black and white copies - up to 36" wide	\$0.15/SF
Deleted	Minimum charge \$1.00 per sheet	
Deleted	Color scanning - up to 36" wide	\$0.50/SF
Added	Printing, black and white, up to 36" wide	\$1.50/SF
Added	Printing, color, up to 36" wide	\$4.00/SF
Added	Scanning, up to 36" wide	\$1.00/SF
Added	Copies will include the cost of scanning and printing	
Deleted	<b>Large Format Plotting</b>	
Deleted	Black and white	\$1.25/SF
Deleted	Color	\$3.00/SF
Deleted	Individual lot plots	\$10.00 each
Deleted	Property lines, countour lines, aerial photo, etc.	
Deleted	Town map books	\$10.00 each

## FEE CHANGES – Continued

ACTION	DESCRIPTION	FISCAL YEAR 2021/2022			
Community Development Department (continued)					
Deleted	Copies on Compact Discs				
Deleted	Town maps	\$5.00/CD			
Deleted	Town-wide aerial photos (2 CD set) - .Tif. format	\$10.00/set			
Deleted	Town-wide contours (2' interval) - AutoCAD format	\$5.00/CD			
Deleted	Copies of other items on CD	\$5.00/CD			
Added	Electronic Copies				
Added	File sharing service	No charge			
Added	USB drive	\$5.00 each			
Added	Utility Pole Attachment				
Added	Per pole	\$50.00/year			
	Streetlight Shields				
Changed	Unidirectional	\$150.00 each			
Changed	Multidirectional	\$200.00 each			
	Labor & Equipment Rental Rates				
	Labor rates				
Changed	Regular working hours	\$50.00/person/hour			
Changed	Outside of regular working hours	\$75.00/person/hour			
	Equipment rental rates	Hourly	Daily	Weekly	No. of Emp.
Changed	Crack sealing trailer				
Changed	Dump truck, 5 - 6 cyd				
Added	Dump truck, 7 - 10 cyd	\$45.00	\$315.00	\$1,350.00	1
Changed	Pickup truck				
Changed	Street sweeper, small				
Changed	Street sweeper, large				
Added	Mini excavator	\$45.00	\$315.00	\$1,350.00	1
Added	The total cost of equipment rental will be the equipment rental rate plus the hourly labor rate for the total number of employees required to operate the equipment as noted in the schedule.				
	Barricade Rental				
Added	Delivery/pickup charge (regular working hours)	\$50.00			
Changed	Delivery/pickup charge (outside of regular working hours)	\$75.00			
Added	Technology Improvement Fees				
Added	All permit fees and service fees of all types shall be assessed an additional technology improvement fee equal to four percent (4%) of the permit and/or service fee total to fund technology improvements. Such additional technology improvement fee shall be limited to a maximum of eight hundred dollars (\$800.00) on each permit or service fee transaction. Such additional technology improvement fee shall only be used to acquire and implement improvements to the land development process technologies as approved by the Town Manager.				
Water Department					
	Water Plan Review:	Fee per Reviewed Sheet			
Changed	Commercial & subdivision development	\$300 (1st & 2nd review both included)			
Changed	Additional reviews	\$150/sheet			
Changed	Report review	\$150/hour (1 hour minimum)			
Changed	Residential review	\$60.00			

## FEE CHANGES – Continued

ACTION	DESCRIPTION	FISCAL YEAR 2021/2022
<b>Parks &amp; Recreation Department</b>		
<b>Equestrian Programs</b>		
Deleted	Arena use fee	\$10.00 - \$15.00 per person or \$30.00 per family for each program
Changed	Classes/Clinics	\$10.00 - \$70.00
Changed	Gymkhana	\$10.00 - \$40.00 per night per event \$10.00 per run per each event
Changed	Open areas nights	\$5.00 - \$15.00 per night; \$30.00 - \$100.00 per family for each program
Added	Season passes	\$30.00 - \$100.00 per pass, per program
Changed	Roping Clinic	\$60.00 per person
Changed	Time only practice runs	\$5.00 - \$40.00 per run - 1 time only \$5.00 or 2 for \$6.00
Added	Timing system (electronic eyes)	\$50.00 per day, \$200.00 deposit per event
<b>Equipment Rental</b>		
Changed	Note: Deposit must be paid prior to event day and in accordance with facility rental application/payment requirements.	
Changed	Electrical spider box	\$65.00 per event or relocation, \$200.00 deposit
Changed	PA system	\$80.00 per event and/or relocation, \$200.00 deposit
Changed	Portable stage	\$165.00 per event and/or relocation, \$200.00 deposit
Added	Only available when items are in inventory.	
<b>Event Center Facility Fees</b>		
Changed	Additional Facility Preparation	\$40.00 per hour, per staff
Deleted	Daily facility fee (non-event; private rental)-hourly charge	\$25.00 per hour
Changed	Dry camp fee	\$10.00 per rig per night
Deleted	Event restroom rental	Cost per vendor, per day, per usage
Changed	Event stall rental	\$25.00 per night per stall. Per contracted services and/or agreement
Changed	Facility rental	\$325.00 per day, includes initial main arena prep and chalked parking lanes
Deleted	Facility rental (additional event setup/tear down dates)	\$100 per day
Changed	Facility security deposit	\$300.00 per event
Changed	Stall unauthorized use penalty	\$30.00 per stall, per offense, plus \$35.00 per night stall rental fee and \$40.00 cleanup fee
Changed	Non-event stall rental	\$35.00 per stall, per night
Deleted	Non-event dry camp fee; emergency and approved	\$10.00 per rig per night
Deleted	Onsite TOP staff (PEC Coordinator)	\$25.00 per hour, per employee (charged per half hour increments)
Deleted	On-call staff	\$35.00 per hour, per employee
Added	Onsite staff - call out fee	\$40.00 per hour, per staff
Changed	Panels	\$5.00 per panel
Deleted	Chalked parking	\$80.00 flat fee
Deleted	Registration late fee	\$5.00 - \$10.00 per registration
Deleted	Refuse rental	Cost per vendor, per day, per usage
Changed	Vendor lights	\$25.00 per hour (with facility rental)
<b>Facility Reservation Forms</b>		
Changed	Alcohol permit	\$25.00 per location, per day
Added	Special event deposit (facility & application)	\$300.00 per event, per application
Added	Special event cancellation fee	Cost of deposit, per application agreement
Added	Special event application date alteration fee	Cost of half of the deposit, maximum of one date change eligible, per application agreement
Changed	Application late fees	\$25.00 per event, per vendor
Changed	Vendor application fee	\$25.00 per event, per vendor

## FEE CHANGES – Continued

ACTION	DESCRIPTION	FISCAL YEAR 2021/2022
<b>Parks &amp; Recreation Department (continued)</b>		
<b>Rumsey Park Rentals</b>		
Changed	Dog park	\$25.00/hour for single reserved area (small or large dog area); \$30.00/hour for all areas
<b>Court Rentals</b>		
Changed	Basketball	\$25.00/hour, per court
Changed	Pickle ball	\$25.00/hour, per court
Changed	Skate park	\$25.00/hour
Changed	Tennis	\$25.00/hour, per court
Changed	Volleyball	\$25.00/hour, per court
<b>Athletic Fields</b>		
Changed	Diamondbacks East	\$25.00/hour
Changed	Diamondbacks West	\$25.00/hour
Deleted	Fences (tournament use only)	1 day use: \$120 per field Tournament use of 2+ days, no fee
Added	Temporary fencing (options with Tournament rental only)	\$5.00 per panel, per field, plus \$40.00 setup fee. Eligible fields are Rumsey 2 ball field, Diamondbacks East & West.
Changed	Field preparation	\$25.00 per staff, per hour; option with field rental only
Deleted	Rumsey concession	\$60.00 per day, per unit
Changed	Rumsey - tournaments	\$225.00 per day, per field - includes initial field prep
Deleted	Use rate additional hours - tournament	\$10.00 additional per hour, per field
Changed	On-call staff - tournaments	\$40.00 per hour, per employee
Added	Porta Johns (tournament rental only)	\$50.00 per event, per unit, per department requirements per event
Added	Dumpster (8yd bin)	\$92.00 per event, per unit (fee subject to change based on Town of Payson refuse contract)
Added	Scoreboards with tournament rental only	\$80.00 per day per controller
<b>Ramadas</b>		
Deleted		Min 4 Hrs. 5 Hrs. 6 Hrs. 7 Hrs. 8 Hrs. 9 Hrs. 10 Hrs. 11 Hrs. 12 Hrs. 13 Hrs.
Deleted	Ramada 1	\$20.00 \$23.00 \$26.00 \$29.00 \$32.00 \$35.00 \$38.00 \$41.00 \$44.00 \$47.00
Deleted	Ramada 2	\$20.00 \$23.00 \$26.00 \$29.00 \$32.00 \$35.00 \$38.00 \$41.00 \$44.00 \$47.00
Deleted	Ramada 3	\$25.00 \$29.00 \$33.00 \$37.00 \$41.00 \$45.00 \$49.00 \$53.00 \$57.00 \$61.00
Deleted	Ramada 4	\$35.00 \$40.00 \$45.00 \$50.00 \$55.00 \$60.00 \$65.00 \$70.00 \$75.00 \$80.00
Deleted	Ramada 5	\$40.00 \$46.00 \$52.00 \$58.00 \$64.00 \$70.00 \$76.00 \$82.00 \$88.00 \$94.00
Deleted	Ramada Playground	\$15.00 \$17.00 \$19.00 \$21.00 \$23.00 \$25.00 \$27.00 \$29.00 \$31.00 \$33.00
		Half Day - min 6 hrs Full Day 6am-10pm (16 Hrs)
Added	Rumsey - Ramada 1	\$35.00 \$70.00
Added	Rumsey - Ramada 2	\$35.00 \$70.00
Added	Rumsey - Ramada 3	\$50.00 \$100.00
Added	Rumsey - Ramada 4	\$75.00 \$150.00
Added	Rumsey - Ramada 5	\$100.00 \$200.00
Added	Rumsey - Ramada 6	\$25.00 \$50.00
Added	Green Valley - Ramada 1	\$25.00 \$50.00
Added	Green Valley - Ramada 2	\$25.00 \$50.00
Added	Green Valley - Ramada 3	\$25.00 \$50.00
Added	Green Valley - Ramada 4	\$25.00 \$50.00
<b>Other Park Fees</b>		
Added	Green Valley stage + open grass area	\$200.00, 4-hour minimum, \$50.00/hour additional plus \$200.00 deposit
Added	Lake 3, plus S. parking areas	\$150.00, 4-hour minimum, \$35.00/hour additional plus \$200.00 deposit

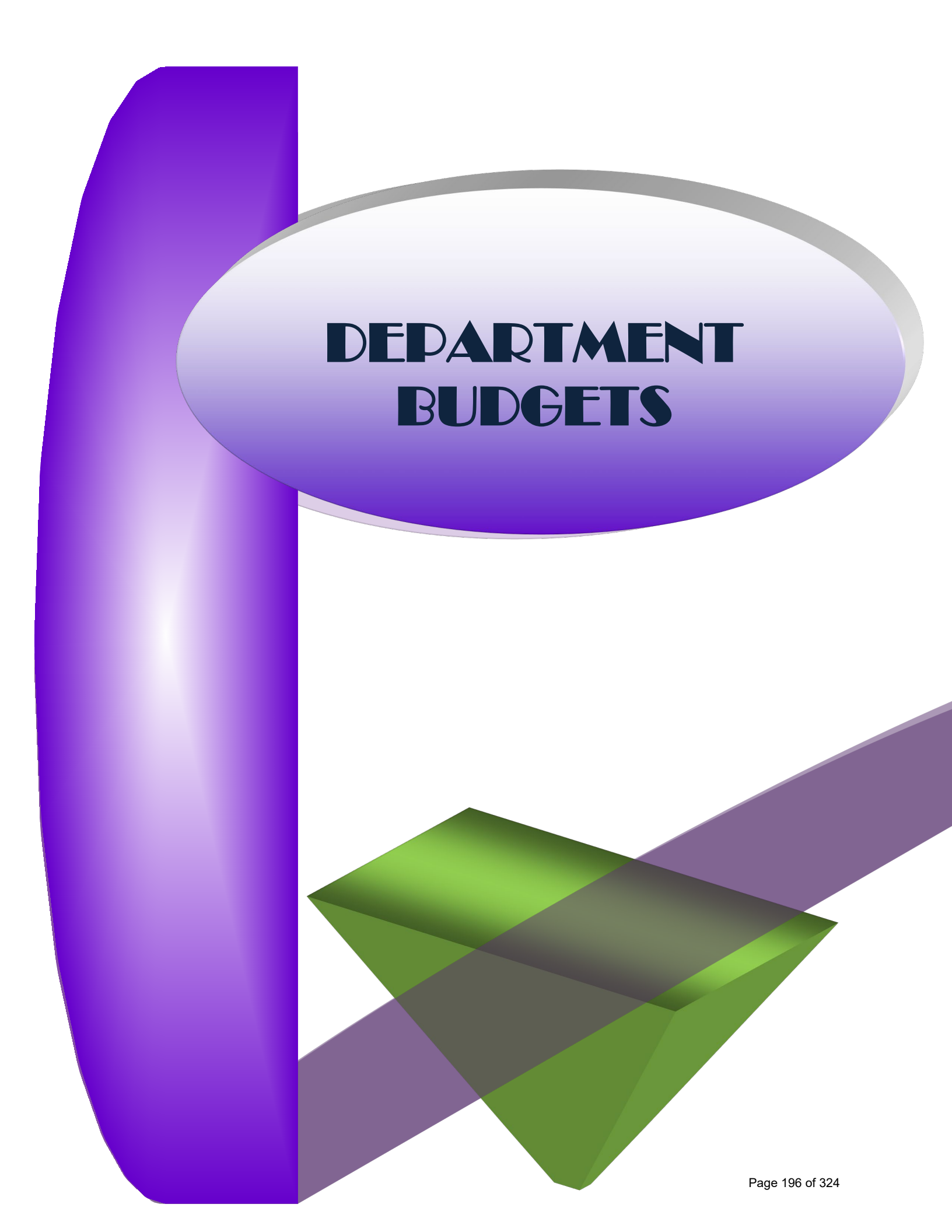


## FEE CHANGES – Continued

ACTION	DESCRIPTION	FISCAL YEAR 2021/2022
<b>Parks &amp; Recreation Department (continued)</b>		
<b>Recreation Programs</b>		
Changed	Youth Programs	\$0 - \$75.00 per participant
Changed	Adult Programs	\$0 - \$500.00 Contract for Services
Changed	Camps/Clinics	\$0 - \$150.00 Contract for Services *
Changed	Outdoor Recreation/Specialty Programs & Classes	\$0 - \$75.00 Contract for Services *
Changed	Open Recreation	\$0 - \$25.00 per registration
<b>Special Events</b>		
Changed	Alcohol permit	\$25.00
<b>Electric Light Parade</b>		
Added		\$35.00 per entry
Deleted	Vehicle towed entry	\$35.00 per entry
Deleted	Motorized vehicle/equestrian group	\$30.00 per group
Deleted	Single motorized vehicle	\$25.00 per entry
Deleted	Walking participant	\$20.00 per entry
Changed	Event sponsorship, in-kind services	\$0 - \$10,000.00 per deliverables or in-kind service agreement
Changed	Halloween trunks	\$40.00 per trunk space
<b>Old Time Opry/Fiddle</b>		
Deleted		\$5.00 - \$50.00 per person, per seat, and/or entry
Added	Small Fry, Junior, Junior Divisions	\$15.00 per participant
Added	Young Adult, Adult, Senior Division	\$15.00 per participant
Added	Specialty Divisions	\$15.00 per participant
Added	Band Competition	\$50.00 per band
Added	Hot Bow Competition	\$35.00 per participant
Changed	Races	\$0 - \$90.00 per participant
Changed	Vendors (food & non-food Items)	\$25.00 - \$500.00 per vendor, per event, per space
Changed	<b>Taylor Pool (Pool is Closed Until Further Notice)</b>	
Changed	Light Plants	\$60.00 per tower, per event
<b>Tourism / Misc. Fees</b>		
<b>Airport</b>		
Added	Scheduled fixed-wing commercial passenger and freight carriers landing fee	\$10.00 per landing

In addition to the annual Fee Schedule update, Town Council has approved water rate increases shown in the schedule below. Rates will increase in fiscal years 2021/22, 2022/23 and 2023/24 by 6% each year. After that, increases of 4% per year are planned for the following six years.

	Oct-2017	Oct-2018	Oct-2021	Oct-2022	Oct-2023
<b>Consumption:</b>					
<b>0 to 2,000 Gallons (Minimum)</b>	\$40.25	\$43.26	\$45.86	\$48.61	\$51.52
<b>Rates per 1,000 Gallons Over Minimum</b>					
<b>2,001 to 5,000 Gallons</b>	\$5.43	\$5.84	\$6.19	\$6.56	\$6.96
<b>5,001 to 10,000 Gallons</b>	\$7.17	\$7.70	\$8.16	\$8.65	\$9.17
<b>10,001 to 20,000 Gallons</b>	\$8.20	\$8.81	\$9.34	\$9.90	\$10.49
<b>20,001+ Gallons</b>	\$10.24	\$11.01	\$11.67	\$12.37	\$13.11



# **DEPARTMENT BUDGETS**





## TOWN COUNCIL DEPARTMENT

### Mission Statement

The mission of the Town Council is to provide the Administrative offices clear policy direction towards making the Town of Payson the premier community in which to live, work, and raise a family.

### Description

Council members serve four-year terms and may serve an unlimited number of terms. The Council elections are staggered every two years with three members up for each election. The Mayor is elected to a two-year term, and also may serve unlimited terms. The Town Council selects a Vice-Mayor from among its membership.

The Town Council is responsible for establishing policy direction for the Town through the adoption of laws, policies, procedures, and programs.

### 2020/21 Accomplishments

#### KRA 2: FINANCIAL EXCELLENCE

- Approved a financially sound budget that fits within limitations of policies and statutes.

#### KRA 3: INFRASTRUCTURE

- Approved ADA removal of Architectural Barriers Project.

#### KRA 7: THE PAYSON TEAM

- Established clear direction on policies and priorities for Town operations.

#### KRA 8: PUBLIC SAFETY

- Provided a safe community for citizens through aggressive public safety programs.

### 2021/22 Objectives

#### KRA 2: FINANCIAL EXCELLENCE

- Value the tax dollars and maintain fiscally responsible financial policies.

#### KRA 5: NEIGHBORHOODS AND LIVIABILITY

- Serve the Town through a variety of services designed to promote quality of life.

#### KRA 7: THE PAYSON TEAM

- Respond to the needs of the community by promoting communication and accessibility.

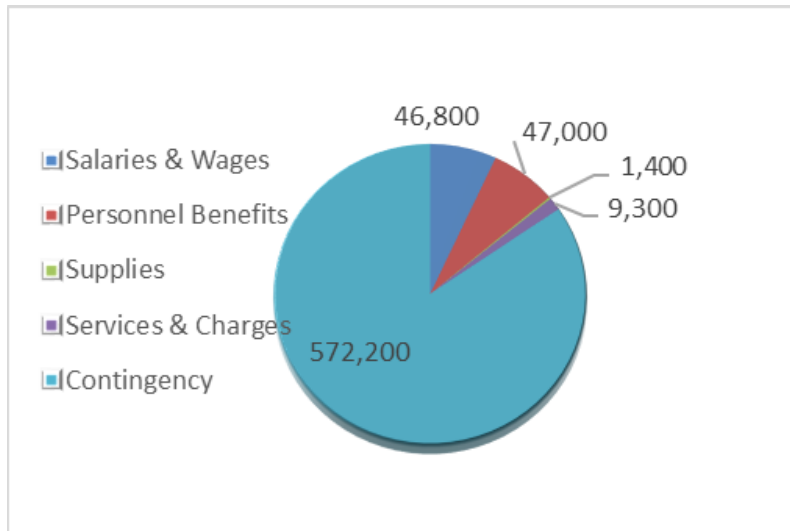
#### KRA 8: THE PUBLIC SAFETY

- Continue to provide a safe community for citizens through aggressive public safety programs.

### Position Summary

	2020/21	2021/22
Town Council Members	7.0	7.0
<b>Total Budgeted Positions</b>	<b>7.0</b>	<b>7.0</b>

### 2021/22 Proposed Expenditures



### Town Council Budget Changes

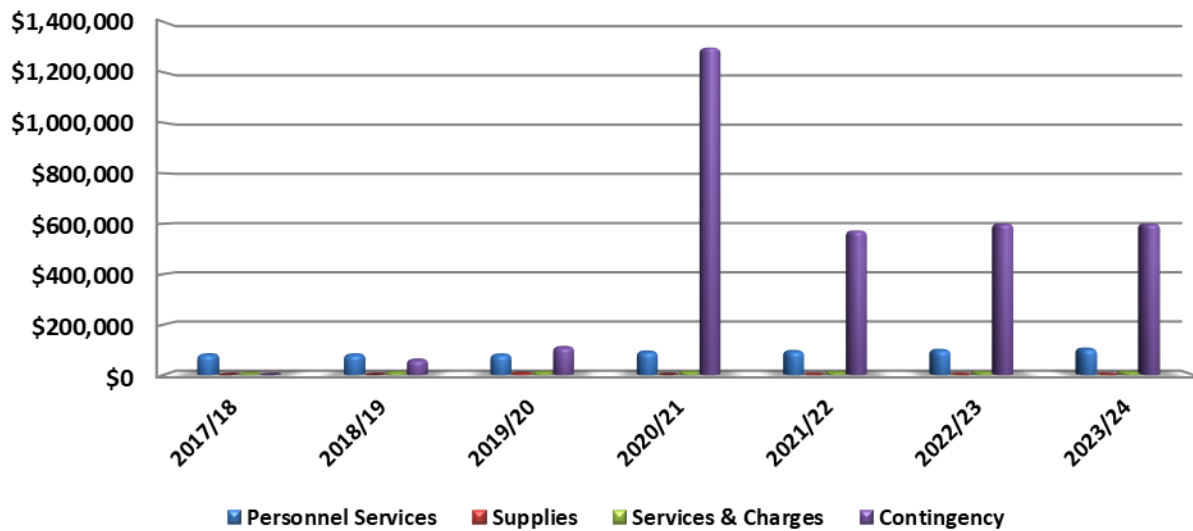
Description	2019/20 Actual	2020/21 Adopted	% Change	2021/22 Proposed	% Change
Salaries & Wages	46,800	46,800	0.0%	46,800	0.0%
Personnel Benefits	33,323	44,800	34.4%	47,000	4.9%
Supplies	5,678	600	-89.4%	1,400	133.3%
Services & Charges	9,398	10,400	10.7%	9,300	-10.6%
Contingency	109,871	1,300,000	1083.2%	572,200	-56.0%
<b>Total Town Council</b>	<b>\$ 205,070</b>	<b>\$ 1,402,600</b>	<b>584.0%</b>	<b>\$ 676,700</b>	<b>-51.8%</b>

#### Significant Budget Changes:

- FY20/21 Benefits – reflects the continuing rise in medical insurance
- FY20/21 Supplies – 2019/20 actual was unusually high due to one-time expenditures; 2020/21 budget is based on typical annual expenditures
- FY20/21 Contingency – budget increased significantly to build a “rainy-day” reserve due to uncertainty of the pandemic.
- FY21/22 Contingency – decreased due to budgeted one-time purchase of Splash Pad in 2020/21.

## Town Council Budget Analysis Historic & Forecast

Classification	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	2022/23 Estimate	2023/24 Estimate
Personnel Services	80,818	80,390	80,123	91,600	93,800	98,500	103,400
Supplies	73	757	5,678	600	1,400	1,500	1,600
Services & Charges	4,979	9,449	9,398	10,400	9,300	9,800	10,300
Contingency	-	59,716	109,871	1,300,000	572,000	600,000	600,000
<b>Total Town Council</b>	<b>\$ 85,870</b>	<b>\$ 150,312</b>	<b>\$ 205,070</b>	<b>\$ 1,402,600</b>	<b>\$ 676,500</b>	<b>\$ 709,800</b>	<b>\$ 715,300</b>





## TOWN MANAGER DEPARTMENT

### Mission Statement

The mission of the Town Manager's Department is to provide support and systems that empower Town departments to anticipate and meet customer expectations and carry out Town Council policy initiatives.

### Description

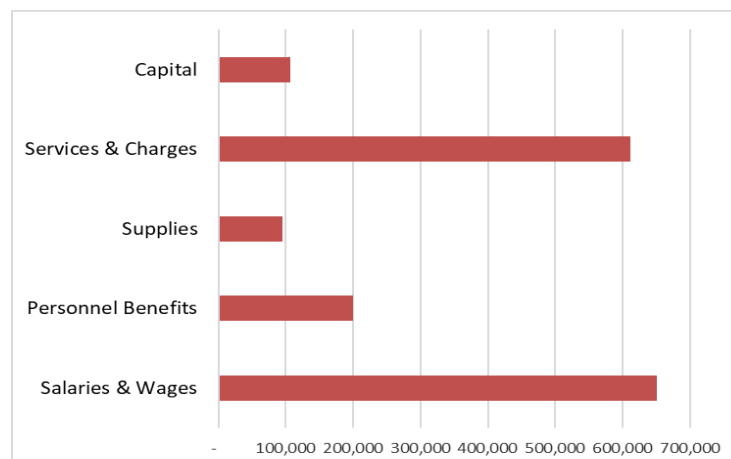
The Town Manager's Department is made up of two divisions: Town Manager and Information Technology Services. The first division includes the Town Manager, Deputy Town Manager and Management Associate; the second includes the Information Technology Manager and Technician.

In FY2019/20, the Town created a new position, Management Associate within the Town Manager Department. In FY2021/22, the CFO position was deleted from Finance and those responsibilities were folded into the responsibilities of a new Deputy Town Manager of Administrative Services, who is also responsible for overseeing the Information Technology Division and other administrative departments such as Finance and Human Resources.

### Position Summary

	2020/21	2021/22
Town Manager	1.0	1.0
Deputy Town Manager	0.0	1.0
Management Analyst	1.0	1.0
Information Technology Mgr.	1.0	1.0
Information Technology Technician	1.0	3.0
<b>Total Budgeted Positions</b>	<b>4.0</b>	<b>7.0</b>

### 2021/22 Proposed Expenditures





## TOWN MANAGER DEPARTMENT

### Town Manager Expenditure Summary by Division

Operating Division	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed
Town Manager	212,065	219,287	250,647	305,200	525,400
Information Technology	770,929	1,144,561	775,533	984,400	1,138,200
<b>Total Town Manager</b>	<b>\$ 982,994</b>	<b>\$ 1,363,848</b>	<b>\$ 1,026,180</b>	<b>\$ 1,289,600</b>	<b>\$ 1,663,600</b>

### Town Manager Department Budget Changes

Description	2019/20 Actual	2020/21 Adopted	% Change	2021/22 Proposed	% Change
Salaries & Wages	361,913	376,900	4.1%	650,600	72.6%
Personnel Benefits	72,485	102,300	41.1%	199,500	95.0%
Supplies	126,856	158,000	24.6%	95,800	-39.4%
Services & Charges	436,058	589,900	35.3%	611,400	3.6%
Capital	28,868	62,500	116.5%	106,300	70.1%
<b>Total Town Manager</b>	<b>\$ 1,026,180</b>	<b>\$ 1,289,600</b>	<b>25.7%</b>	<b>\$ 1,663,600</b>	<b>29.0%</b>

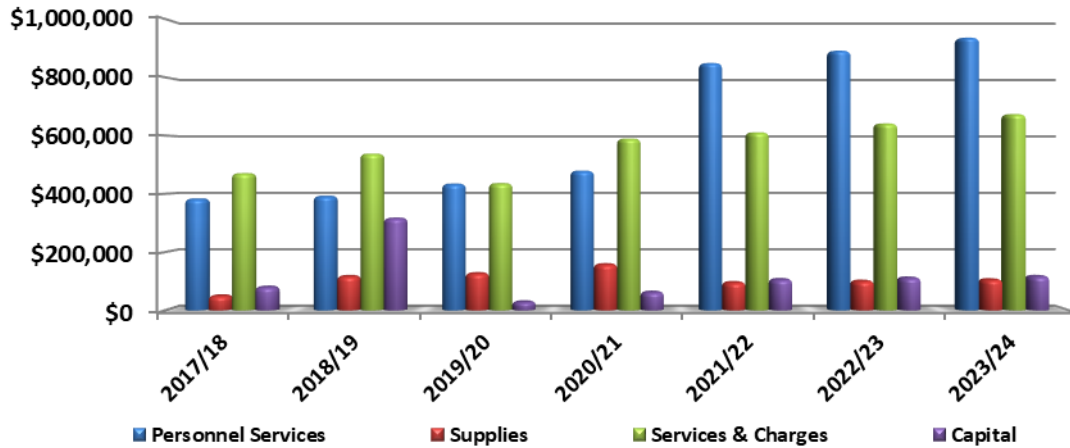
### Town Manager Department Budget Historic & Forecast

Classification	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	2022/23 Estimate	2023/24 Estimate
Personnel Services	382,910	392,366	434,398	479,200	850,100	892,600	937,300
Supplies	49,636	117,076	126,856	158,000	95,800	100,600	105,600
Services & Charges	470,544	538,054	436,058	589,900	611,400	642,000	674,100
Capital	79,904	316,352	28,868	62,500	106,300	111,600	117,200
<b>Total Town Manager</b>	<b>\$ 982,994</b>	<b>\$ 1,363,848</b>	<b>\$ 1,026,180</b>	<b>\$ 1,289,600</b>	<b>\$ 1,663,600</b>	<b>\$ 1,746,800</b>	<b>\$ 1,834,200</b>

Note: Significant budget changes are addressed within the individual divisions' sections that follow.



## Town Manager Budget Historic & Forecast







## TOWN MANAGER – Town Manager Division

### Description

The Town Council appoints a Town Manager who serves at the pleasure of the Council under contract. The Town Manager has four primary roles:

- Chief Administrative Officer - supervising the activities of Town Departments
- Staff Assistant to the Town Council - providing elected officials with technical information, policy recommendations, and reports on activities of Town Departments
- Public Reporting Official - providing media and the public with information about the accomplishments, planned activities, and policies of the Town Government
- Intergovernmental Liaison - representing the Town in its relations with administrative arms of Federal, State, County, and other municipal governmental units, as well as associations devoted to local government management

### 2020/21 Accomplishments

- Coordinated with County, State, and Federal officials concerning the Town's response to the Backbone Fire near Pine and Strawberry
- Collaborated with County, State, and Federal officials on emergency measures related to the COVID-19 pandemic
- Continued to utilize the Town of Payson Facebook page to provide information to the public
- Continued building the Town's working relationship with neighboring governmental jurisdictions
- Continued collaboration with USFS, Gila County, and area stakeholder groups as part of the Rim Country Regional Recreation Workgroup to advance regional outdoor recreational opportunities and offerings for local residents as well visitors

### 2021/22 Objectives

#### KRA 7: THE PAYSON TEAM

- Effectively educate the public on Home Rule and Expenditure Limitations
- Update Administrative Policies and Personnel Manual
- Continue to make an annual payment over and above the minimum repayment to reduce the Town's PSPRS liability
- Enhance transparency and communication using multiple media resources
- Hold Town Hall to update the Town's Corporate Strategic Plan
- Ensure successful rollout of Town-wide Geographical Information System to promote the efficiency of operations and data-driven decision making

### Town Manager Budget Changes

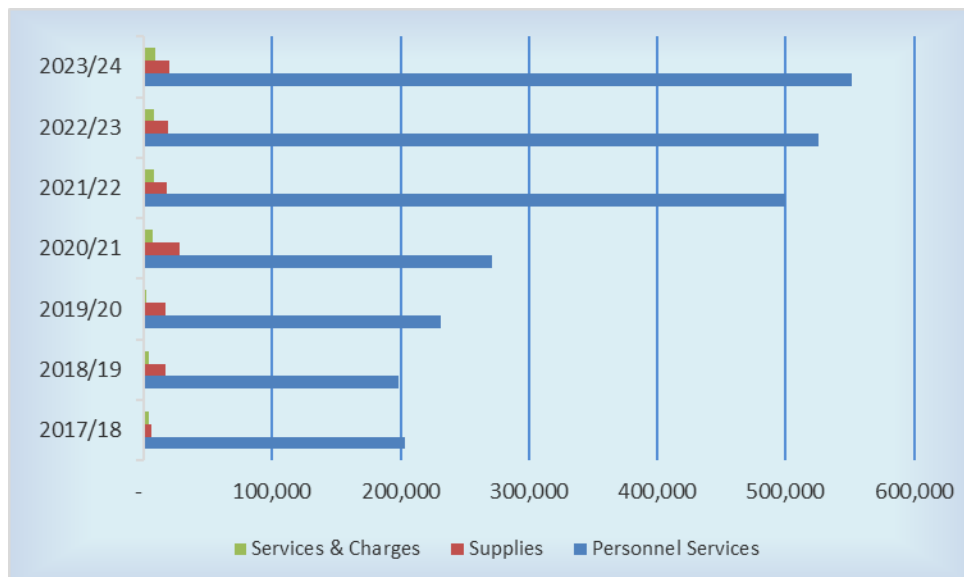
Description	2019/20 Actual	2020/21 Adopted	% Change	2021/22 Proposed	% Change
Salaries & Wages	198,128	210,800	6.4%	386,500	83.3%
Personnel Benefits	32,823	60,000	82.8%	113,600	89.3%
Supplies	17,320	28,000	61.7%	17,700	-36.8%
Services & Charges	2,376	6,400	169.4%	7,600	18.8%
<b>Town Manager</b>	<b>\$ 250,647</b>	<b>\$ 305,200</b>	<b>21.8%</b>	<b>\$ 525,400</b>	<b>72.1%</b>

#### Significant Budget Changes:

- FY20/21 Benefits – 2019/20 actual was much lower than budgeted
- FY20/21 Supplies – reflects an increase in Public Relations and Membership Dues
- FY21/22 Salaries & Wages and Benefits – anticipated salary increase, and new position added: Deputy Town Manager of Administration
- FY21/22 Supplies – decreased public relations based on 5-year baseline history
- FY21/22 Services – increase to travel and training due to adding new position

### Town Manager Division Budget Analysis Historic & Forecast

Classification	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	2022/23 Estimate	2023/24 Estimate
Personnel Services	202,897	198,690	230,951	270,800	500,100	525,100	551,400
Supplies	5,435	17,134	17,320	28,000	17,700	18,600	19,500
Services & Charges	3,733	3,463	2,376	6,400	7,600	8,000	8,400
<b>Town Manager</b>	<b>\$ 212,065</b>	<b>\$ 219,287</b>	<b>\$ 250,647</b>	<b>\$ 305,200</b>	<b>\$ 525,400</b>	<b>\$ 551,700</b>	<b>\$ 579,300</b>



## TOWN MANAGER – Information Technology Division

### Description

The Information Technology Services Division is responsible for keeping the Town's computer technology productive as it pertains to the employees' and citizens' particular business needs.

### 2020/21 Accomplishments

#### KRA 10: INFORMATION TECHNOLOGY

- Provided network connection at the water treatment plant
- Completed desktop replacement and upgrade to Windows 10, over 140 computers.
- Finalized Public Safety software upgrade. Required creating an 8-desktop test environment, upgrading software on 35 desktops. Also replaced 4 dispatch computers.
- Began implementation of Town ESRI Enterprise Portal. Involved creating and configuring 4 HyperV servers along with training.
- Upgraded 40 MDC's to Windows 10 and installed new mobile software application
- Rewired the communications room at Police Department
- Moved Library staff email to Town system
- Began Zoom integration into TV4 production equipment which will enhance hybrid meetings
- Implemented online permit payments along with the mobile app iTrakit for Community Development app, providing the ability to perform field inspections
- Upgrade server OS and SQL on Tracs and Shoretel servers
- Assisted with the implementation of body cams at Police Department
- Built and configured server for EvidenceOnQ which will be used for property management at Police Department
- Configured and implemented ADFS services for ESRI Enterprise login
- Started the Town government website upgrade and redesign process

### 2021/22 Objectives

#### KRA 10: INFORMATION TECHNOLOGY

- Implement Sparklight Internet connection and configure redundancy
- Finish Town government website redesign
- Continue virtual server replacement process
- Work to provide additional power to Town Hall building and install new UPS
- Complete hybrid meeting enhancements
- Rewire server room and install new upgraded switches
- Evaluate Net Motion
- Upgrade MOE circuit bandwidth to remote Town sites

- Continue developing test environment
- Develop video conferencing plan
- Begin the process of implementing a Town-wide security system
- Enhance Intranet
- Research the need to enhance bandwidth for Public Safety mobile application

### Information Technology Budget Changes

Description	2019/20 Actual	2020/21 Adopted	% Change	2021/22 Proposed	% Change
Salaries & Wages	163,785	166,100	1.4%	264,100	59.0%
Personnel Benefits	39,662	42,300	6.7%	85,900	103.1%
Supplies	109,536	130,000	18.7%	78,100	-39.9%
Services & Charges	433,682	583,500	34.5%	603,800	3.5%
Capital	28,868	62,500	116.5%	106,300	70.1%
<b>Total Information Technology \$</b>	<b>775,533</b>	<b>\$ 984,400</b>	<b>26.9%</b>	<b>\$ 1,138,200</b>	<b>15.6%</b>

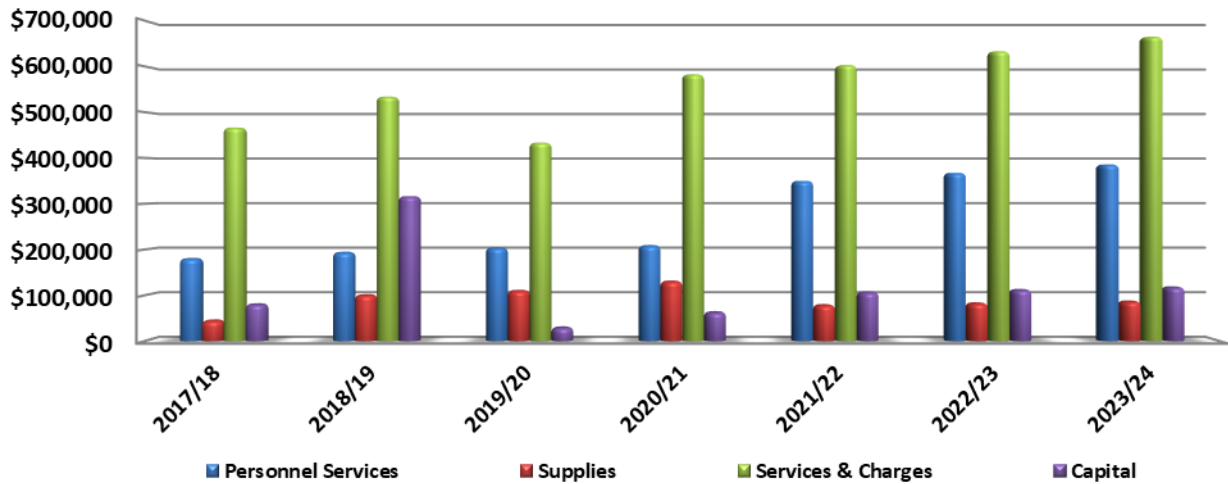
### Significant Budget Changes:

- FY20/21 Supplies – additional funds budgeted for computer equipment and supplies
- FY20/21 Services – reflects the increased cost for software licensing and telephone charges
- FY20/21 Capital – increased capital expenditures for the GIS Mapping Software
- FY21/22 Salaries & Wages and Benefits – added two new positions and anticipated increase in health insurance costs
- FY21/22 Supplies – decreased computer equipment/supplies to meet 5-year baseline
- FY21/22 Capital – increased for virtual server and closed captioning system



## Information Technology Budget Analysis Historic & Forecast

Classification	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	2022/23 Estimate	2023/24 Estimate
Personnel Services	180,013	193,676	203,447	208,400	350,000	367,500	385,900
Supplies	44,201	99,942	109,536	130,000	78,100	82,000	86,100
Services & Charges	466,811	534,591	433,682	583,500	603,800	634,000	665,700
Capital	79,904	316,352	28,868	62,500	106,300	111,600	117,200
<b>Total Info. Tech.</b>	<b>\$770,929</b>	<b>\$1,144,561</b>	<b>\$ 775,533</b>	<b>\$ 984,400</b>	<b>\$1,138,200</b>	<b>\$1,195,100</b>	<b>\$1,254,900</b>





## HUMAN RESOURCES DEPARTMENT

### Mission Statement

The mission of the Human Resources Department is to provide quality administration in human resources and risk management to the Town of Payson, the Town Council, and the Town employees through:

- Facilitating the productivity and effectiveness of the Town of Payson
- Development of employees in ways that are satisfying to the individual and beneficial to the Town
- Anticipating, providing, and administering human resources services consistent with the changing needs of the Town
- Promoting safety first in the workplace to provide the employees with a safer environment

### Description

The Human Resources Department is responsible for payroll functions, administration of employee and retiree benefits, personnel policies & procedures, recruitment, employee training and development, risk management, and administration of safety programs and compliance.

### 2020/21 Accomplishments

#### KRA 7: THE PAYSON TEAM

- Launched Employee Navigator to develop a self-service process for benefit enrollments
- Created a Health Retirement Agreement option for retirees
- Offered onsite flu shots
- Conducted training with supervisors to aid in the implementation of new employee appraisal system
- Hosted an Employee Appreciation Picnic at Rumsey Park
- Established an Employee Engagement Committee
- Implemented certification premium pay for eligible personnel
- Created new position and hired a Deputy Town Manager of Administrative Services to replace retiring CFO/HR Director
- Recruited for and hired a new Town Manager to replace the acting Town Manager
- Created a Benefits & Payroll Specialist position to replace the HR Specialist and Payroll Specialist position.
- Hired an HR Analyst
- Updated job descriptions
- Completed market and internal equity analysis of multiple positions and made classification changes when needed



- Implemented changes to compensation plan to be more competitive and increase retention
- Added Quest Diagnostics as a vendor to increase drug screening options and reduce cost

## 2021/22 Objectives

### KRA 7: THE PAYSON TEAM

- Increase Health Retirement Agreement enrollments
- Develop alternative coverage options for retirees
- Offer onsite flu shots
- Improve new hire onboarding process
- Develop a more efficient separation process
- Streamline payroll process
- Update Town Personnel Manual
- Add and fill new Water Resources Manager/Hydrogeologist position
- Add and fill two new IT positions
- Implement new process for hiring lateral firefighters
- Add teledoc option to TriageNow for industrial injuries
- Implement new process for conducting background checks that give more thorough and timely results
- Have an Employee Appreciation Event
- Improve records management processes
- Audit personnel files
- Update job descriptions
- Complete market and internal equity analysis of positions to make reclassification recommendations as needed

### Position Summary 2021/22

	2020/21	2021/22
Human Resources Manager	0.0	1.0
Human Resources Analyst	1.0	1.0
HR/Finance Support Specialist	0.5	0.0
Payroll Specialist	1.0	1.0
<b>Total Budgeted Positions</b>	<b>2.5</b>	<b>3.0</b>

### Human Resources Budget Changes

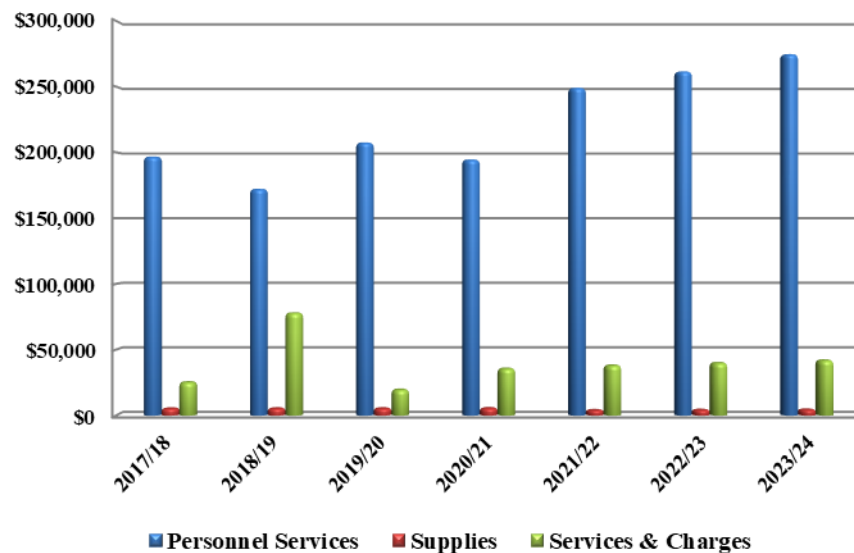
Description	2019/20 Actual	2020/21 Adopted	% Change	2021/22 Proposed	% Change
Salaries & Wages	160,554	149,100	-7.1%	186,900	25.4%
Personnel Benefits	47,107	45,600	-3.2%	62,400	36.8%
Supplies	5,353	5,500	2.7%	4,000	-27.3%
Services & Charges	19,633	35,700	81.8%	38,100	6.7%
<b>Total Human Resources</b>	<b>\$ 232,647</b>	<b>\$ 235,900</b>	<b>1.4%</b>	<b>\$ 291,400</b>	<b>23.5%</b>

#### Significant Budget Changes:

- FY20/21 Salaries & Wages – budget reflects the reorganized positions
- FY20/21 Services – increased budget for recruiting of key management
- FY21/22 Salaries & Wages and Benefits – reflects addition of a full-time HR Manager position, partially offset by the deletion of 0.5 FTE in a staff position.
- FY21/22 Supplies – reduced supplies using a 5-year baseline budget

### Human Resources Budget Analysis Historic and Forecast Expenditures

Classification	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	2022/23 Estimate	2023/24 Estimate
Personnel Services	196,907	172,349	207,661	194,700	249,300	261,800	274,900
Supplies	5,249	5,328	5,353	5,500	4,000	4,200	4,400
Services & Charges	25,324	77,976	19,633	35,700	38,100	40,000	42,000
<b>Total Human Resources</b>	<b>\$227,480</b>	<b>\$255,653</b>	<b>\$232,647</b>	<b>\$235,900</b>	<b>\$291,400</b>	<b>\$306,000</b>	<b>\$321,300</b>





## TOWN CLERK DEPARTMENT

### Description

The Town Clerk's Department is responsible for maintaining the Town's official public records, monitoring public information requests, elections, preparing public information, and providing direct staff support to the Mayor and Town Council.

Town Clerk Department is comprised of the Town Clerk Division and the Election Division.

Operating Division	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed
Town Clerk	214,723	240,536	243,314	205,200	170,000
Elections	2,001	38,681	1,522	42,500	30,000
<b>Total Department</b>	<b>\$ 216,724</b>	<b>\$ 279,217</b>	<b>\$ 244,836</b>	<b>\$ 247,700</b>	<b>\$ 200,000</b>

### Position Summary 2021/22

	2020/21	2021/22
Town Clerk	1.0	1.0
Senior Clerk	0.0	1.0
Chief Deputy Town Clerk	1.0	0.0
<b>Total Budgeted Positions</b>	<b>2.0</b>	<b>2.0</b>

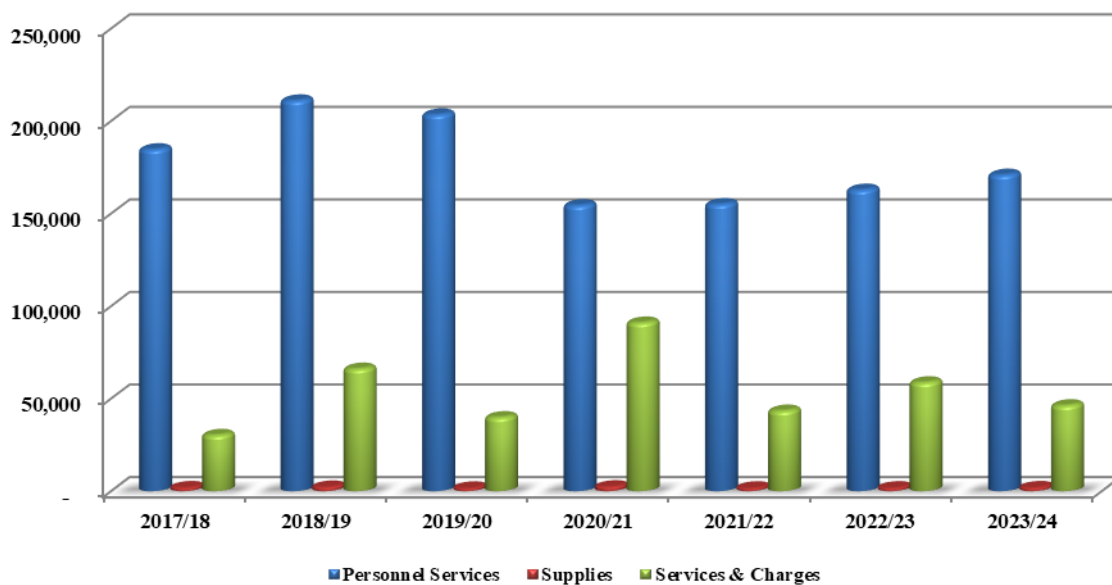
### Town Clerk Department Budget Changes

Description	2019/20 Actual	2020/21 Adopted	% Change	2021/22 Proposed	% Change
Salaries & Wages	162,662	121,200	-25.5%	120,600	-0.5%
Personnel Benefits	40,777	33,200	-18.6%	34,400	3.6%
Supplies	1,531	2,300	50.2%	1,600	-30.4%
Services & Charges	39,866	91,000	128.3%	43,400	-52.3%
<b>Total Town Clerk Dept.</b>	<b>\$ 244,836</b>	<b>\$ 247,700</b>	<b>1.2%</b>	<b>\$ 200,000</b>	<b>-19.3%</b>

Note: Significant budget changes are addressed within the individual divisions' sections that follow.

## Town Clerk Department Budget Analysis Historic & Forecast

Classification	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	2022/23 Estimate	2023/24 Estimate
Personnel Services	184,635	211,012	203,439	154,400	155,000	162,800	170,900
Supplies	1,813	2,118	1,531	2,300	1,600	1,700	1,800
Services & Charges	30,276	66,087	39,866	91,000	43,400	58,700	46,300
<b>Total Clerk Dept</b>	<b>\$216,724</b>	<b>\$279,217</b>	<b>\$ 244,836</b>	<b>\$ 247,700</b>	<b>\$ 200,000</b>	<b>\$ 223,200</b>	<b>\$ 219,000</b>



## TOWN CLERK – Town Clerk Division

### Description

The Town Clerk Division serves the Town Council, staff, and citizens of the Town of Payson. Responsibilities include the preparation of Council agendas, minutes, records management, and public reception.

### 2020/21 Accomplishments

#### KRA 4: INNOVATION & EFFICIENCY

- Continued to coordinate with IT to provide for alternative Council meeting delivery during COVID-19 restrictions and to get the Council Chambers equipment updated to include Zoom.
- Produced 22 Town of Payson (TOP) Talk Programs with 17 guests and 51 employees presenting information.

#### KRA 7: THE PAYSON TEAM

- Town Clerk and Deputy Town Clerk participated in the AMCA Annual Business Meeting and Conference to stay current with the latest trends and best practices for municipal clerks.
- Deputy Town Clerk received her Certified Municipal Clerk designation.

### 2021/22 Objectives

#### KRA 4: INNOVATION & EFFICIENCY

- Coordinate with IT to continue to improve virtual meeting capacity and incorporate Zoom.
- Implement Granicus Suite for tracking Board, Committee and Commission members and new applications for membership.
- Produce 25 Town of Payson (TOP) Talk Programs, with 20 guests and 55 employees.

#### KRA 7: THE PAYSON TEAM

- Continue to cross-train staff.
- Deputy Town Clerk will work towards her Master Municipal Clerk designation.
- Attend continuing education courses in order to stay current with the latest trends and best practices for municipal clerks.

### Town Clerk Division Budget Change

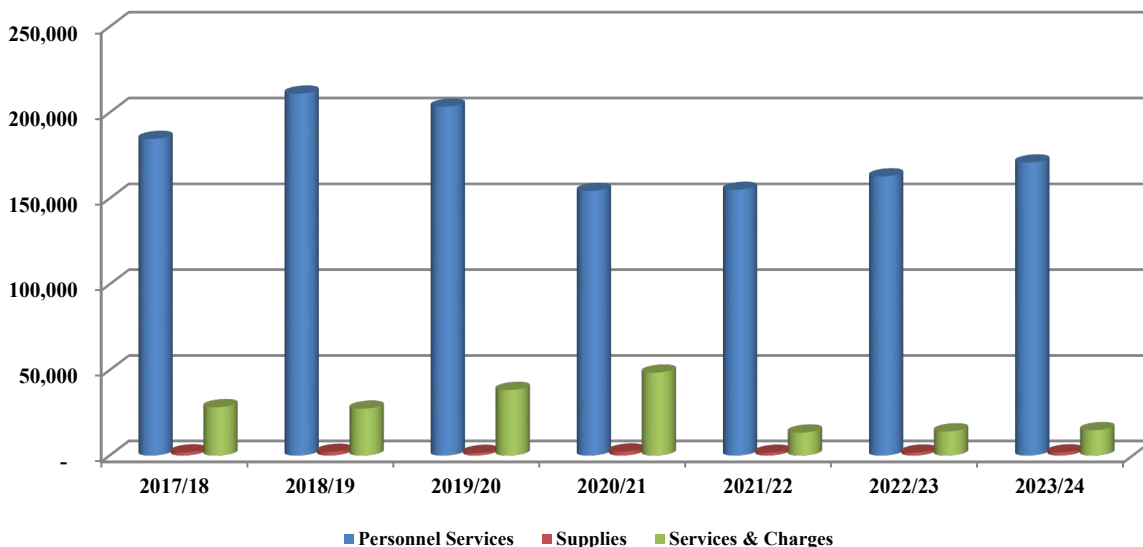
Description	2019/20 Actual	2020/21 Adopted	% Change	2021/22 Proposed	% Change
Salaries & Wages	162,662	121,200	-25.5%	120,600	-0.5%
Personnel Benefits	40,777	33,200	-18.6%	34,400	3.6%
Supplies	1,531	2,300	50.2%	1,600	-30.4%
Services & Charges	38,344	48,500	26.5%	13,400	-72.4%
<b>Total Town Clerk Division</b>	<b>\$ 243,314</b>	<b>\$ 205,200</b>	<b>-15.7%</b>	<b>\$ 170,000</b>	<b>-17.2%</b>

#### Significant Budget Changes:

- FY20/21 Salaries & Wages – reflects a reorganization of positions
- FY20/21 Personnel Benefits – reflects a reorganization of positions
- FY21/22 Supplies – reduced supplies using 5-year baseline history
- FY21/22 Services & Charges – annual contract for Granicus program and Laserfiche moved to Information Technology budget

### Town Clerk Division Budget Analysis Historic & Forecast

Classification	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	2022/23 Estimate	2023/24 Estimate
Personnel Services	184,635	211,012	203,439	154,400	155,000	162,800	170,900
Supplies	1,813	2,118	1,531	2,300	1,600	1,700	1,800
Services & Charges	28,275	27,406	38,344	48,500	13,400	14,100	14,800
<b>Total Town Clerk Div.</b>	<b>\$214,723</b>	<b>\$240,536</b>	<b>\$243,314</b>	<b>\$ 205,200</b>	<b>\$ 170,000</b>	<b>\$ 178,600</b>	<b>\$ 187,500</b>







## TOWN CLERK – Election Division

### Description

The Town Council elections are held every two years. The elections are now consolidated with Gila County, coordinated and conducted by the Town Clerk's Office and Gila County.

### 2020/21 Accomplishments

#### KRA 7: THE PAYSON TEAM

- Town Clerk and Deputy Town Clerk ensured the Town of Payson is compliant with all new election laws by attending the 2020 AMCA Election Workshop.

### 2021/22 Objectives

#### KRA 7: THE PAYSON TEAM

- Town Clerk and Deputy Town Clerk will attend the 2021 AMCA Election Workshop to stay current with the latest election laws.
- Town Clerk and Deputy Town Clerk will attend the 2021 State Election Law Re-Certification Training to stay current with the latest election laws and retain State Election Officer certification.
- Conduct 2022 Primary and General Elections within the budget.
- Coordinate with the Gila County Recorder's Office and Elections Department to ensure an efficient election process.
- Provide a comprehensive orientation for new Town Council Members for a seamless transition.

### Election Division Budget Change

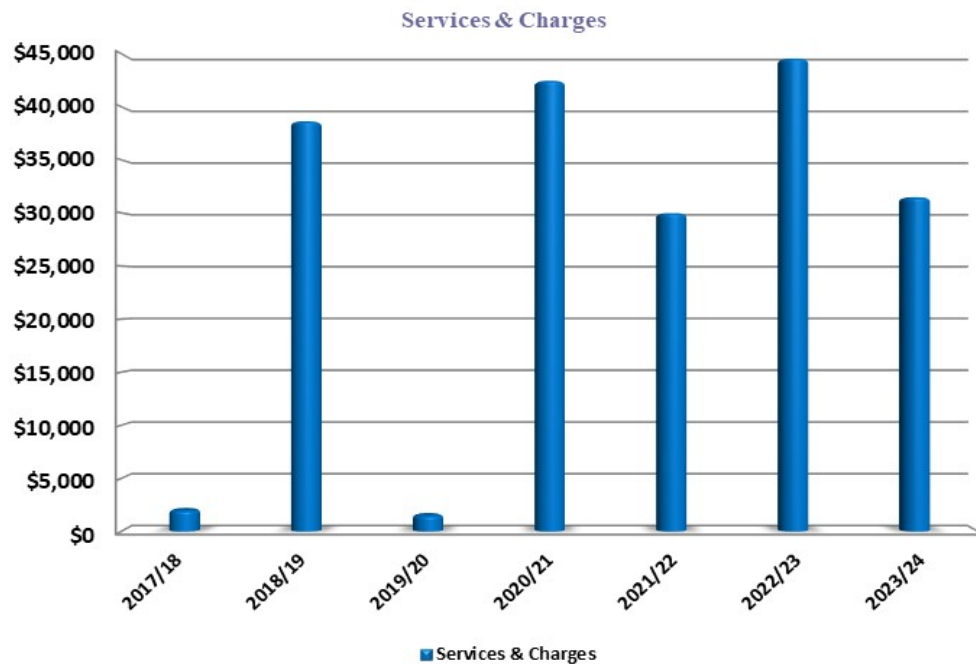
Description	2019/20 Actual	2020/21 Adopted	% Change	2021/22 Proposed	% Change
Services & Charges	1,522	42,500	2692.4%	30,000	-29.4%
<b>Total Election Division</b>	<b>\$ 1,522</b>	<b>\$ 42,500</b>	<b>2692.4%</b>	<b>\$ 30,000</b>	<b>-29.4%</b>

### Significant Budget Changes:

- FY20/21 Services – Budget increased for required elections held every two years.
- FY21/22 Services – Budget partially reduced as a regular election is not being held this year, but there will be a special election for items including home rule and utility franchise agreements.

### Election Division Budget Analysis Historic & Forecast

Classification	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	2022/23 Estimate	2023/24 Estimate
Services & Charges	2,001	38,681	1,522	42,500	30,000	44,600	31,500
<b>Total Election</b>	<b>\$ 2,001</b>	<b>\$ 38,681</b>	<b>\$ 1,522</b>	<b>\$ 42,500</b>	<b>\$ 30,000</b>	<b>\$ 44,600</b>	<b>\$ 31,500</b>





## LEGAL DEPARTMENT

### Mission Statement

The Legal Department strives to provide the highest quality, efficient legal services to the Town of Payson through its Elected Officials, Town Boards, Commissions, Committees, and Town staff for the benefit of the citizens of Payson.

### Description

The Legal Department (Town Attorney's Office) serves the Town and its residents in two ways - Civil (Internal) and Prosecution (External). On the Civil side, the Town Attorney represents and provides legal advice to the Mayor, Town Council, and Department Heads. Responsibilities include reviewing contracts, drafting ordinances and resolutions, as well as providing oral and written legal opinions. On the Prosecution side, the department prosecutes all misdemeanor criminal matters committed within the Town limits and filed with the Town Magistrate Court.

In February 2020, the Town outsourced the position of Town Attorney to the law firm of Pierce Coleman, PLLC. In January 2021, the Town outsourced the responsibilities of Town Prosecutor to the Law Office of Mark Iacovino.

### Position Summary

	2020/21	2021/22
Town Attorney*	0.0	0.0
Prosecutor*	1.0	0.0
Office Clerk	0.5	0.0
Office Manager	1.0	0.0
<b>Total Budgeted Positions</b>	<b>2.5</b>	<b>0.0</b>

\* Town Attorney was contracted in FY20/21 and FY21/22.  
Prosecutor was contracted in FY21/22.

### Legal Department Budget Change

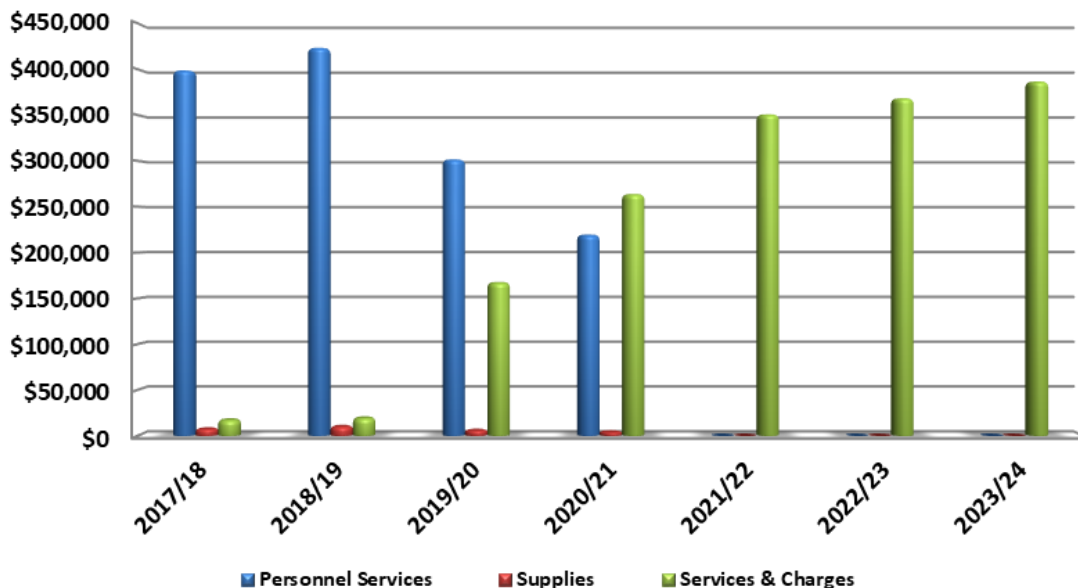
Description	2019/20 Actual	2020/21 Adopted	% Change	2021/22 Proposed	% Change
Salaries & Wages	236,114	167,900	-28.9%	-	-100.0%
Personnel Benefits	65,645	51,600	-21.4%	-	-100.0%
Supplies	6,014	4,200	-30.2%	-	-100.0%
Services & Charges	167,377	263,900	57.7%	351,000	33.0%
<b>Total Legal</b>	<b>\$ 475,150</b>	<b>\$ 487,600</b>	<b>2.6%</b>	<b>\$ 351,000</b>	<b>-28.0%</b>

### Significant Budget Changes:

- FY20/21 Salaries & Wages – Town Attorney position was contracted for this entire fiscal year but in FY19/20 was filled part of the year by an employee, part of year by contractor
- FY20/21 Personnel Benefits – decrease related to budgeted decrease in salaries & wages.
- FY20/21 Services – Town Attorney was contracted for this entire fiscal period, was only contracted for a portion of the prior fiscal year.
- FY21/22 Salaries & Wages – \$0 because all Town Legal Department services are now contracted and are charged to Services.
- FY21/22 Benefits – \$0 since Town Legal Department services are now contracted.
- FY21/22 Supplies – \$0 since Town Legal Department services are now contracted.
- FY21/22 Services – All Town Legal Department services (Town Attorney and Prosecutor) are now contracted and are charged to Services.

### Legal Department Budget Analysis Historic & Forecast

Classification	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	2022/23 Estimate	2023/24 Estimate
Personnel Services	399,067	423,765	301,759	219,500	-	-	-
Supplies	7,607	10,283	6,014	4,200	-	-	-
Services & Charges	17,566	19,626	167,377	263,900	351,000	368,600	387,000
<b>Total Legal</b>	<b>\$424,240</b>	<b>\$453,674</b>	<b>\$475,150</b>	<b>\$487,600</b>	<b>\$351,000</b>	<b>\$368,600</b>	<b>\$387,000</b>





## FINANCIAL SERVICES DEPARTMENT

### Mission Statement

The Financial Services Department strives to provide exceptional service to the citizens and employees of the Town of Payson through 1) accurate and timely accounting and financial activities; 2) effective financial policies, procedures, and controls; 3) budgets, audits, and transparency of information reporting; and 4) maintaining the financial integrity of the Town with effective financial management and fiscal oversight.

### Description

The Financial Services Department maintains the financial integrity of the Town through effective financial management and fiscal oversight. This involves a variety of responsibilities, including:

- Managing the financial affairs that affect all departments, such as the collection of revenues, accounts payable, cash flow, banking, capital assets, grants, debt service, investments, and fund accounting
- Instituting effective accounting policies, procedures, systems and controls to be used Town-wide, and monitoring the allocation of Town resources
- Overseeing the annual budget, audit, and capital improvement planning processes and producing the related financial documents
- Providing accurate, timely, and useful financial information and support to Council, management, and outside agencies and citizens

### 2020/21 Accomplishments

#### KRA 2: FINANCIAL EXCELLENCE

- Successfully completed the 2019/2020 Finance Audit with no material weaknesses
- Added over \$4 million dollars to the General Fund balance to increase reserves and improve bond rating for future bonds
- Strengthened the tagging and tracking of the asset inventory program
- Received GFOA Distinguished Budget Presentation Award (23<sup>rd</sup> consecutive year)

#### KRA 7: THE PAYSON TEAM

- Provided training for finance employees in Capital Assets, Vendor Tax Forms, Budget Analysis, and Government Accounting

### 2021/22 Objectives

#### KRA 2: FINANCIAL EXCELLENCE

- Ensure excellence in fiscal management to maintain public trust
- Continue to improve transparency and accessibility of public information reporting

- Continue to produce quality documents for professional awards and recognition
- Monitor revenues and expenditures to facilitate Council objectives to reduce debt and build cash reserves
- Maintain the contingency fund and continue to build reserve funds in accordance with Town policies
- Develop a plan and identify resources to institute ongoing capital infrastructure replacement

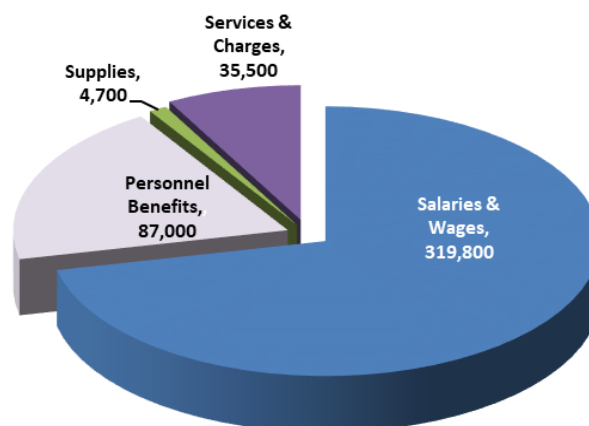
#### KRA 7: THE PAYSON TEAM

- Continue to provide training opportunities for finance team members

#### **Position Summary**

	2020/21	2021/22
Chief Financial Officer	1.0	0.0
Finance Manger	1.0	1.0
Budget Analyst	1.0	1.0
HR/Finance Support Specialist	0.5	1.0
Financial Services Technician	1.0	1.0
Grants Coordinator	0.5	0.5
<b>Total Budgeted Positions</b>	<b>5.0</b>	<b>4.5</b>

#### **2021/22 Proposed Expenditures**





### Financial Services Department Budget Change

Description	2019/20 Actual	2020/21 Adopted	% Change	2021/22 Proposed	% Change
Salaries & Wages	360,927	446,300	23.7%	319,800	-28.3%
Personnel Benefits	92,500	114,000	23.2%	87,000	-23.7%
Supplies	5,903	7,100	20.3%	4,700	-33.8%
Services & Charges	25,262	32,400	28.3%	35,500	9.6%
<b>Total Financial Svcs</b>	<b>\$ 484,592</b>	<b>\$ 599,800</b>	<b>23.8%</b>	<b>\$ 447,000</b>	<b>-25.5%</b>

#### Significant Budget Changes:

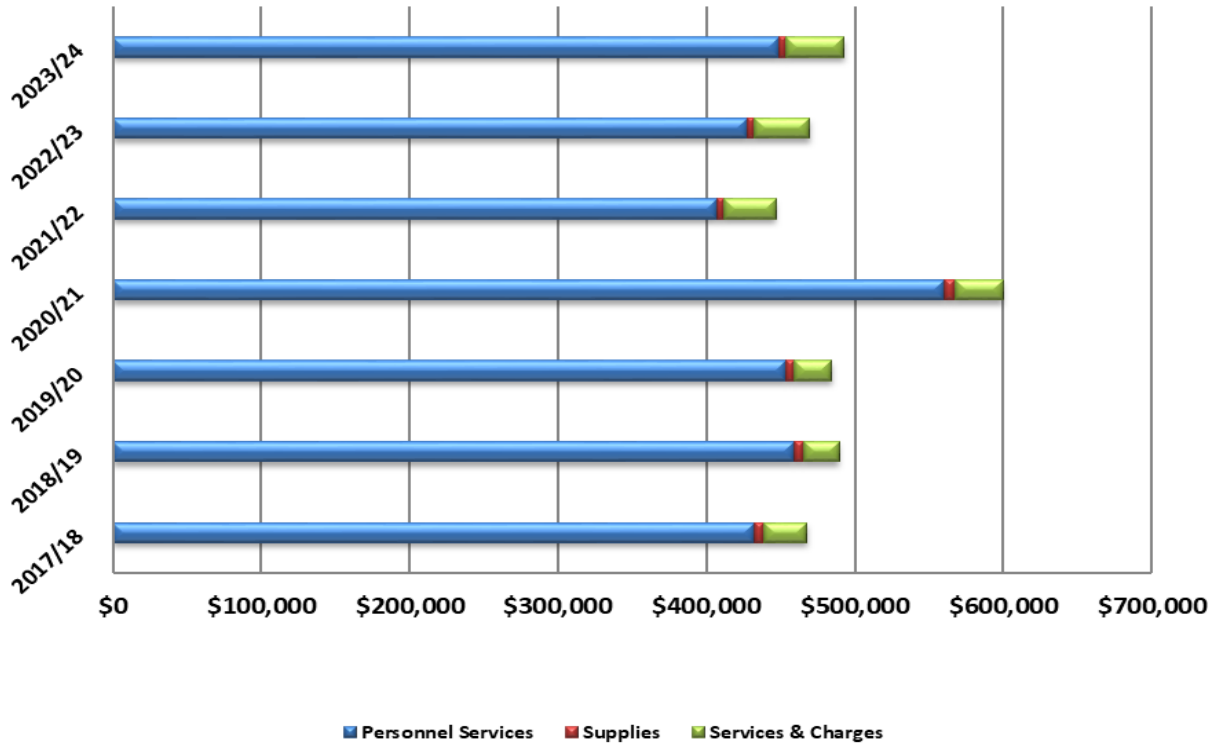
- FY20/21 Salaries & Wages – budget increase to accommodate retirement and overlapping of the CFO position
- FY20/21 Benefits – increase is due to increase in salaries & wages
- FY20/21 Services – increased cost for auditing services
- FY21/22 Salaries & Benefits – CFO position in Financial Services department was repositioned as the new Deputy Town Manager of Administration in the Town Manager Division
- FY21/22 Supplies – reduced supply budget to meet 5-year baseline budget

### Financial Department Budget Analysis Historic & Forecast

Classification	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	2022/23 Estimate	2023/24 Estimate
Personnel Services	432,247	459,001	453,427	560,300	406,800	427,100	448,500
Supplies	6,200	6,255	5,903	7,100	4,700	4,900	5,100
Services & Charges	29,209	24,296	25,262	32,400	35,500	37,300	39,200
<b>Total Financial Svcs</b>	<b>\$467,656</b>	<b>\$489,552</b>	<b>\$484,592</b>	<b>\$599,800</b>	<b>\$447,000</b>	<b>\$469,300</b>	<b>\$492,800</b>



## Financial Department Budget Analysis Historic & Forecast



## CENTRAL SERVICES DEPARTMENT

### Description

Central Services includes the costs for facilities, equipment, and other varied services that are used Town-wide. These services should ideally be divided out to operating departments and activities in accordance with their respective needs. Central Services as a department is operationally organized into four areas: Centralized Supplies, Property Management, Other Governmental Services, and Retiree Benefits.

Centralized Supplies provides for operationally necessary shared equipment as well as the costs associated with the maintenance of that equipment. Shared equipment is made up of items such as photocopiers, fax machines, telephones, and other items of that nature. Also included are banking fees and public relations charges.

Property Management includes ongoing costs to operate and maintain the Town Hall building. Budgeted expenditures are comprised of maintenance and utility accounts for the facilities.

Other Governmental Services accounts are used to track budgeted funds such as contract payments to non-profit organizations providing services to the Town, and liability insurance costs.

Retiree Benefits accounts primarily include costs associated with retirees' health insurance benefits.

### 2020/21 Accomplishments

#### KRA 3: INFRASTRUCTURE

- Managed facility in an efficient, cost-effective manner.
- Maintained facility in a manner that ensured safety and minimized risks to property and persons.

#### KRA 4: INNOVATION & EFFICIENCY

- Maintained office equipment in a manner that reduced downtime of critical functions.

### 2021/22 Objectives

#### KRA 3: INFRASTRUCTURE

- Provide and operate a safe, efficient, sustainable, cost-effective, well-maintained public facility for the delivery of municipal services to residents and visitors.
- Maintain the facility in a manner that ensures safety and minimizes risk to property and persons.

#### KRA 4: INNOVATION & EFFICIENCY

- Maintain office equipment in a manner that reduces downtime of critical functions.

## Proposed Expenditures 2021/22



## Central Services Department Budget Change

Description	2019/20 Actual	2020/21 Adopted	% Change	2021/22 Proposed	% Change
Salaries & Wages	36,329	59,000	62.4%	50,600	-14.2%
Personnel Benefits	6,281	5,200	-17.2%	5,200	0.0%
Retiree Benefits	580,867	641,800	10.5%	759,900	18.4%
Supplies	45,656	50,400	10.4%	563,700	1018.5%
Services & Charges	8,000	6,000	-25.0%	6,000	0.0%
Property Management	140,877	211,000	49.8%	137,800	-34.7%
Other Governmental Services	749,815	797,000	6.3%	958,300	20.2%
Capital	91,685	-	-100.0%	-	0.0%
<b>Total Central Services</b>	<b>\$ 1,659,510</b>	<b>\$ 1,770,400</b>	<b>6.7%</b>	<b>\$ 2,481,500</b>	<b>40.2%</b>

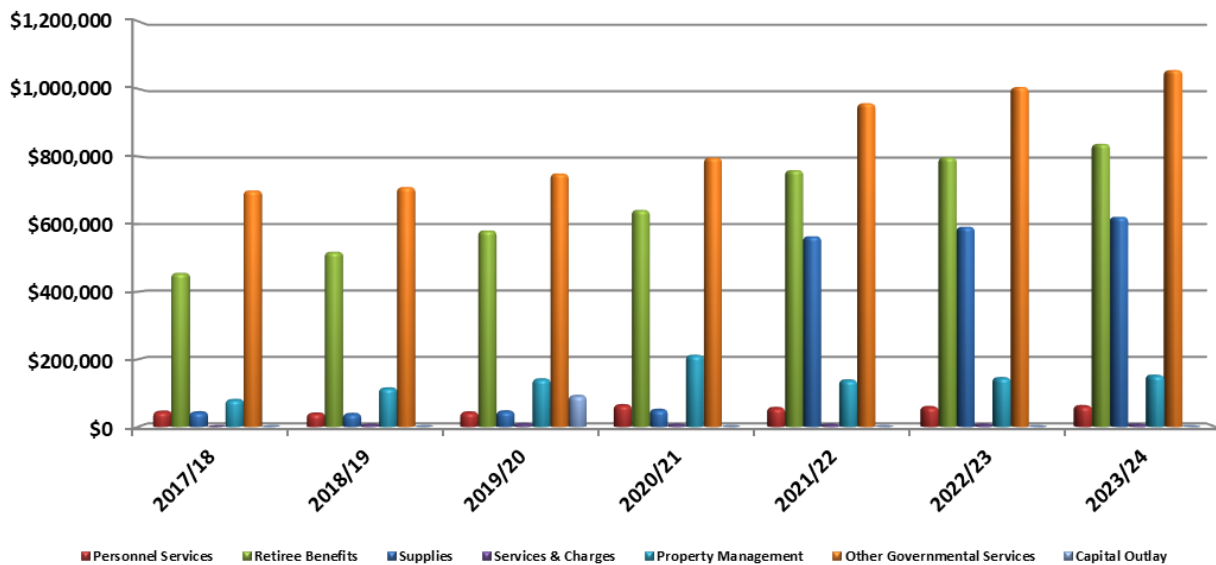
### Significant Budget Changes:

- FY20/21 Salaries & Benefits – new budget line for awards: \$25,000
- FY20/21 Retiree Benefits – increase in number of retirees and in cost per retiree
- FY20/21 Services – increases for one-time project in Building Repair/Maintenance and in Other Professional Services
- FY20/21 Other Governmental Services – increases in Settlements and 7% increase in General Insurance for assets
- FY20/21 Capital – nothing was budgeted for Capital in FY20/21

- FY21/22 Retiree Benefits – 13% increase in costs of retiree medical benefits; budgeted \$10,000 for unemployment compensation
- FY21/22 Supplies – reallocated \$500,000 from Council Contingency Fund into the General Fund for unplanned expenses
- FY21/22 Services – decreases in budget for previous year's one-time Building Repair/ Maintenance and in Other Professional Services
- FY21/22 Other Governmental Services – increase of \$172,000 in budget to payoff Water Loan

### Central Services Department Budget Analysis Historic & Forecast

Classification	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	2022/23 Estimate	2023/24 Estimate
Personnel Services	44,848	39,214	42,610	64,200	55,800	58,600	61,500
Retiree Benefits	454,821	517,573	580,867	641,800	759,900	797,900	837,800
Supplies	42,943	38,060	45,656	50,400	563,700	591,900	621,500
Services & Charges	27	6,003	8,000	6,000	6,000	6,300	6,600
Property Management	79,697	113,955	140,877	211,000	137,800	144,700	151,900
Other Governmental Svcs	699,663	709,701	749,815	797,000	958,300	1,006,200	1,056,500
Capital Outlay	-	-	91,685	-	-	-	-
<b>Total Central Services</b>	<b>\$1,321,999</b>	<b>\$1,424,506</b>	<b>\$1,659,510</b>	<b>\$1,770,400</b>	<b>\$2,481,500</b>	<b>\$2,605,600</b>	<b>\$2,735,800</b>

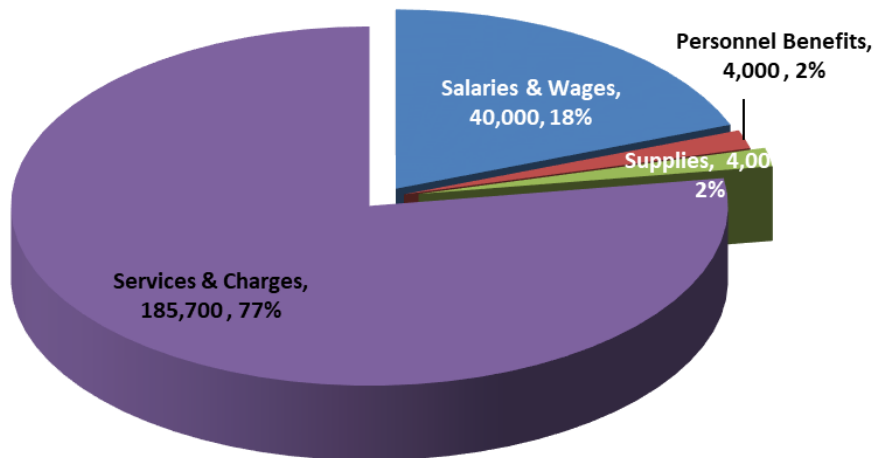


## MAGISTRATE COURT DEPARTMENT

### Description

The Magistrate Court is responsible for the adjudication of civil traffic, criminal traffic and criminal misdemeanor offenses, as well as violations of the Town Code, and Ordinances which occur in the jurisdiction of the Town of Payson.

### 2021/22 Proposed Expenditures



### Magistrate Court Budget Change

Description	2019/20 Actual	2020/21 Adopted	% Change	2021/22 Proposed	% Change
Salaries & Wages	41,212	40,000	-2.9%	46,000	15.0%
Personnel Benefits	3,414	3,500	2.5%	4,000	14.3%
Supplies	461	-	-100.0%	4,000	100.0%
Services & Charges	171,953	172,800	0.5%	185,700	7.5%
<b>Total Magistrate Court</b>	<b>\$ 217,040</b>	<b>\$216,300</b>	<b>-0.3%</b>	<b>\$ 239,700</b>	<b>10.8%</b>

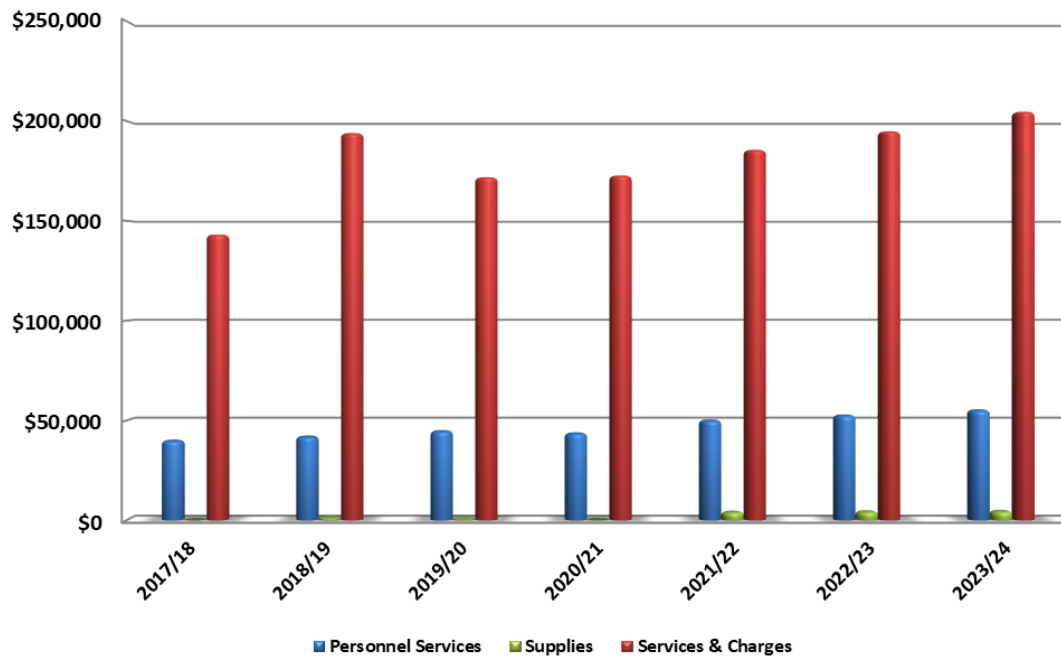
### Significant Budget Changes:

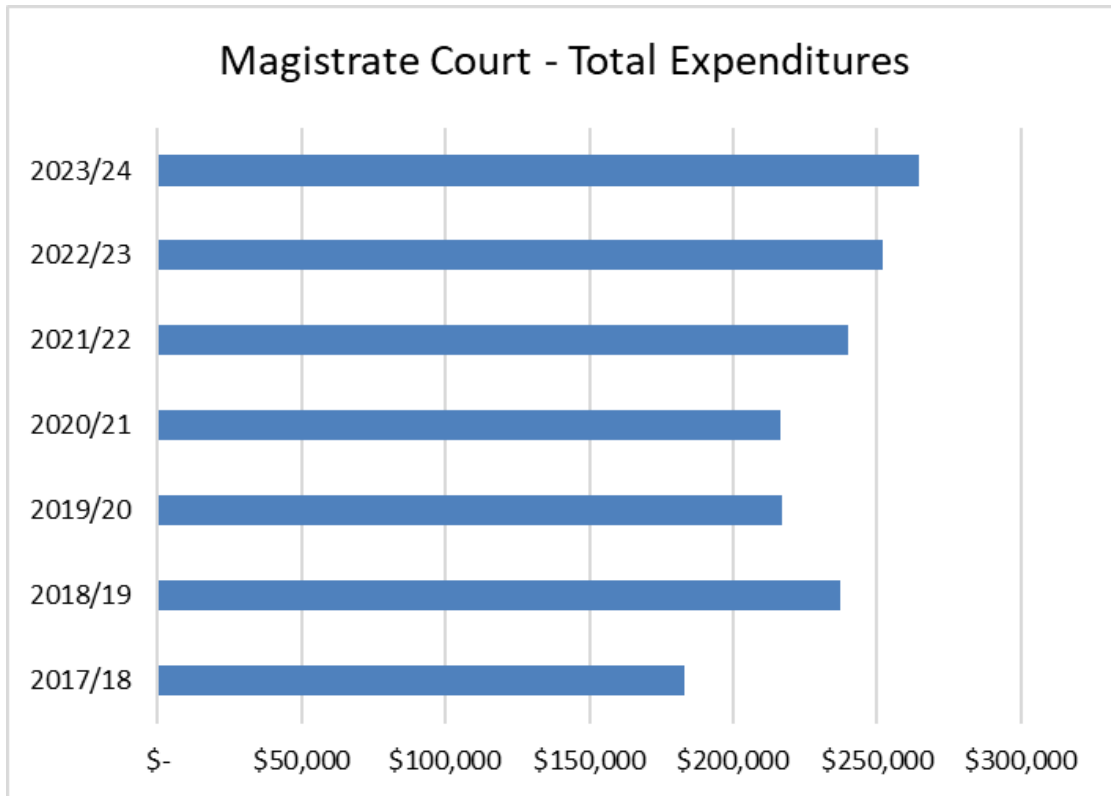
- FY21/22 Salaries & Benefits – increase to salaries which also affects increase in benefits
- FY21/22 Services – increased budget for Indigent Defense Services



## Magistrate Court Budget Analysis Historic & Forecast

Classification	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	2022/23 Estimate	2023/24 Estimate
Personnel Services	39,831	41,887	44,626	43,500	50,000	52,500	55,100
Supplies	-	1,229	461	-	4,000	4,200	4,400
Services & Charges	143,116	194,117	171,953	172,800	185,700	195,000	204,800
<b>Total Magistrate Court</b>	<b>\$182,947</b>	<b>\$237,233</b>	<b>\$217,040</b>	<b>\$216,300</b>	<b>\$239,700</b>	<b>\$251,700</b>	<b>\$264,300</b>







## POLICE DEPARTMENT

### Mission

The Payson Police Department strives to provide the highest quality of Police Services to our community. Our mission is to partner with the community to solve problems and improve public safety in a manner that is fair, impartial, transparent, and consistent. It is our responsibility to ensure that our children are safe in our schools, and the citizens of the Town of Payson feel safe at all times within the limits of the Town.

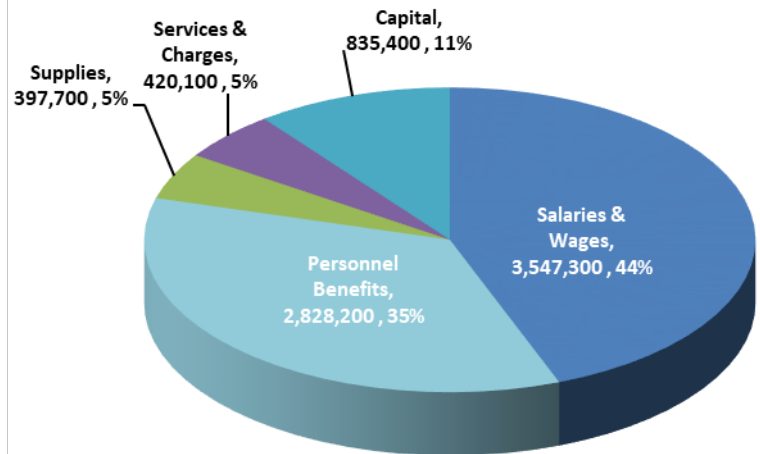
### Description

The Police Department is made up of three divisions: Communications, Operations, and Special Operations.

### Position Summary

	2020/21	2021/22
Police Chief	1.0	1.0
Lieutenant	1.0	1.0
Sergeant	5.0	5.0
Detective/Investigator I & II	3.0	4.0
Police Officer I & II	16.0	16.0
Special Enforcement Officer	1.0	0.0
Victim Advocate	0.0	0.5
Police Officer Trainee	0.0	2.0
Police Officer Recruit	0.0	2.0
Executive Assistant	1.0	0.0
Property & Equipment Mgr.	1.0	1.0
Property & Equip. Technician	1.0	1.0
Records Clerk	2.0	3.0
Records Administrator	1.0	0.0
Support Services Administr.	0.0	1.0
Administrative Secretary	0.0	1.0
Communications Supervisor	1.0	1.0
Dispatch Shift Leader	2.0	1.0
Dispatchers	14.0	12.0
Community Services Officer	1.0	1.0
<b>Total Budgeted Positions</b>	<b>51.0</b>	<b>53.5</b>

### 2021/22 Proposed Expenditures



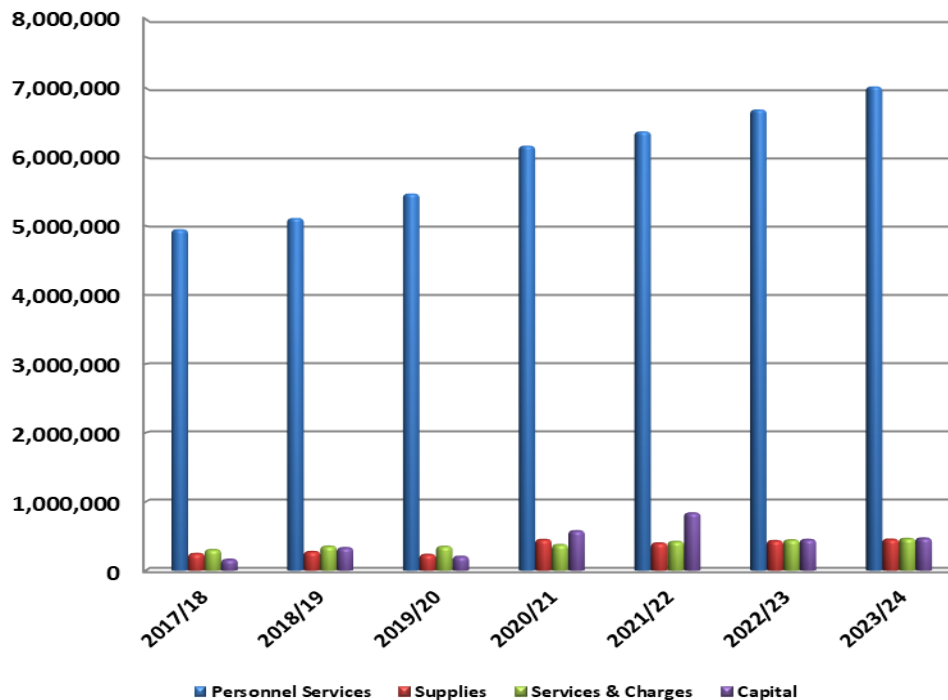
### Police Department Budget Change

Description	2019/20 Actual	2020/21 Adopted	% Change	2021/22 Proposed	% Change
Salaries & Wages	3,007,904	3,318,000	10.3%	3,547,300	6.9%
Personnel Benefits	2,464,800	2,849,900	15.6%	2,828,200	-0.8%
Supplies	231,897	449,400	93.8%	397,700	-11.5%
Services & Charges	348,630	374,400	7.4%	420,100	12.2%
Capital	203,112	575,700	183.4%	835,400	45.1%
<b>Total Police Dept</b>	<b>\$ 6,256,343</b>	<b>\$ 7,567,400</b>	<b>21.0%</b>	<b>\$ 8,028,700</b>	<b>6.1%</b>

Note: Significant budget changes are addressed within the individual divisions' sections that follow.

### Police Department Budget Analysis Historic & Forecast

Classification	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	2022/23 Estimate	2023/24 Estimate
Personnel Services	4,953,746	5,117,770	5,472,704	6,167,900	6,375,500	6,694,300	7,029,000
Supplies	245,073	273,618	231,897	449,400	397,700	432,600	453,400
Services & Charges	301,473	351,180	348,630	374,400	420,100	443,200	464,200
Capital	160,620	329,847	203,112	575,700	835,400	450,000	470,000
<b>Total Police</b>	<b>\$5,660,912</b>	<b>\$6,072,415</b>	<b>\$6,256,343</b>	<b>\$7,567,400</b>	<b>\$8,028,700</b>	<b>\$8,020,100</b>	<b>\$8,416,600</b>





## POLICE DEPARTMENT – Communications

### Description

The Town of Payson provides Communications for both Police and Fire dispatch and E-911 services for Payson and the surrounding area. The E-911 Emergency System is designed to assist the citizens of Payson with easy accessibility to the Police, Fire, and Emergency Medical Services.

### 2020/21 Accomplishments

#### KRA 7: THE PAYSON TEAM

- Began leadership training for newly promoted shift-leads.
- Recruited a Communications Supervisor to oversee all 911 dispatch operations.
- Continued to monitor pay equalization with other 911 centers within the state.
- Attended continuing education courses to stay up to date with the latest trends and best practices.

### 2021/22 Objectives

#### KRA 7: THE PAYSON TEAM

- Fill the Shift Lead positions.
- Implement scheduling software.
- Continue advanced training and support for telecommunicator development and wellness.

### Communications Budget Change

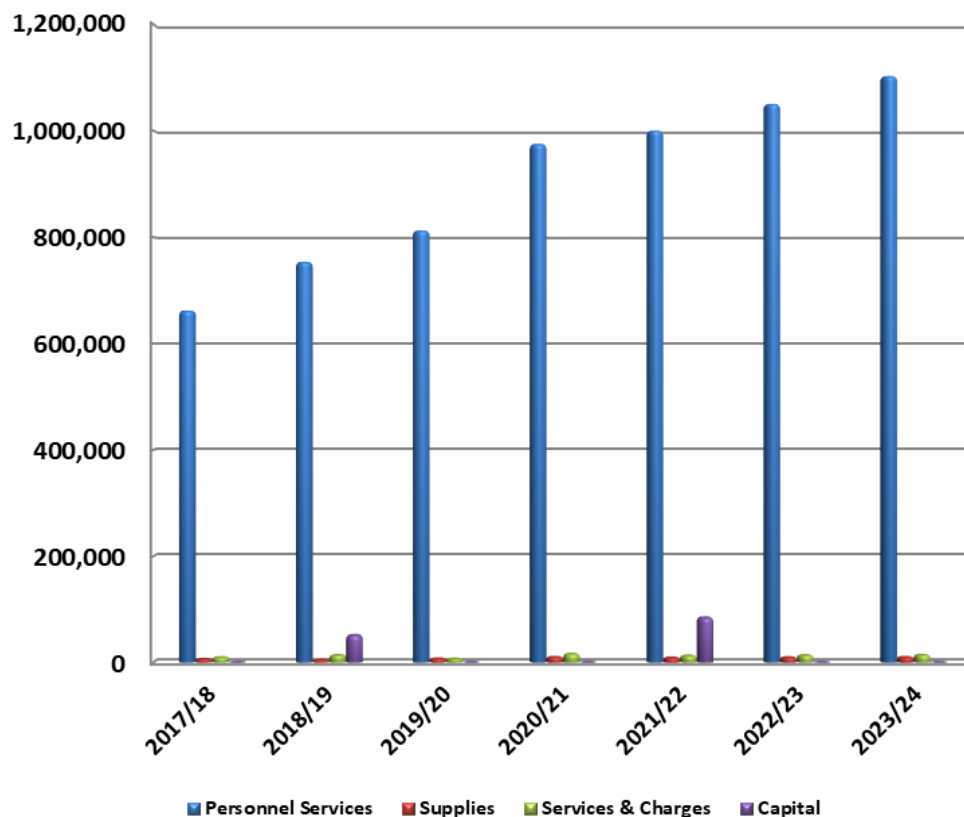
Description	2019/20 Actual	2020/21 Adopted	% Change	2021/22 Proposed	% Change
Salaries & Wages	645,364	766,500	18.8%	779,100	1.6%
Personnel Benefits	167,202	209,100	25.1%	221,500	5.9%
Supplies	7,520	10,400	38.3%	9,400	-9.6%
Services & Charges	7,245	16,300	125.0%	13,000	-20.2%
Capital	-	-	0.0%	85,000	100.0%
<b>Total Communications</b>	<b>\$ 827,331</b>	<b>\$ 1,002,300</b>	<b>21.1%</b>	<b>\$ 1,108,000</b>	<b>10.5%</b>

### Significant Budget Changes:

- FY20/21 Salaries & Benefits – updated market adjustment for dispatchers and added new dispatch manager position
- FY20/21 Services – one-time increase for new position training
- FY21/22 Capital – Priority Dispatch Implementation

### Communications Budget Analysis Historic & Forecast

Classification	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	2022/23 Estimate	2023/24 Estimate
Personnel Services	661,907	753,548	812,566	975,600	1,000,600	1,050,600	1,103,100
Supplies	6,731	5,017	7,520	10,400	9,400	9,900	10,400
Services & Charges	9,961	14,033	7,245	16,300	13,000	13,700	14,400
Capital	-	51,947	-	-	85,000	-	-
<b>Total Communications</b>	<b>\$678,599</b>	<b>\$824,545</b>	<b>\$ 827,331</b>	<b>\$1,002,300</b>	<b>\$1,108,000</b>	<b>\$1,074,200</b>	<b>\$1,127,900</b>







## POLICE DEPARTMENT – Operations

### Description

The Police Operations Division provides protection of life and property from criminal-related activities in the community. Other responsibilities include the safe and expeditious movement of traffic, crime prevention, and narcotics-gang interdiction and intelligence.

### 2020/21 Accomplishments

#### KRA 2: FINANCIAL EXCELLENCE

- Improved the budget process to include more analysis and develop better forecasting tools.
- Monitored overtime hours to stay within budgeted monies for patrol services.
- Relocated property and evidence records at Swiss Village Storage to a more centralized and organized location, thus saving \$8,268 per year.
- Sold and/or returned all unneeded 1033 program equipment to utilize the profits, maintain a fleet that meets current standards, and help maintain aesthetically pleasing public facilities.

#### KRA 7: THE PAYSON TEAM

- Recruited and retained full capacity status for the Police Department certified officer positions.
- Officers attended continuing education courses in order to stay up to date with the latest trends and best practices.
- Implemented a new radio system to promote officer safety and interoperability with DPS and Gila County Sheriff.

#### KRA 8: PUBLIC SAFETY

- Purchased and outfitted 4 police vehicles to revitalize the Police Department's aging fleet and to promote the safety of both the officers and citizens.
- Developed a 10-year replacement plan for vehicles to promote safety and technological advancements.
- Continued retention of records so there is no longer a backlog of cases and files.
- Certified K-9 (Loki) for Patrol and continued training to further utilize him within the department.
- Went live with an upgraded CAD system to improve functionality, mapping, and officer communication.

## 2021/22 Objectives

### KRA 7: THE PAYSON TEAM

- Host AZPOST certified trainings to include CIT, leadership development to enhance personal and professional growth.
- Research and implement software that enhances officer and employee wellness and safety.
- Work with Town Departments to research and recommend a Town-wide camera program that will enhance public safety and increase solvability of incidents throughout the Town.

### KRA 8: PUBLIC SAFETY

- Establish a grant-funded neighborhood watch program to educate people in crime prevention utilizing CPTED and current law enforcement trends.
- Utilize crime analysis and enforcement to reduce accidents and traffic-related complaints.
- Continue to update the fleet and enhance the equipment in each squad.

### Operations Budget Change

Description	2019/20 Actual	2020/21 Adopted	% Change	2021/22 Proposed	% Change
Salaries & Wages	2,292,337	2,386,500	4.1%	2,585,000	8.3%
Personnel Benefits	2,248,827	2,505,100	11.4%	2,454,900	-2.0%
Supplies	210,411	410,500	95.1%	383,700	-6.5%
Services & Charges	258,070	269,700	4.5%	309,100	14.6%
Capital	100,428	445,700	343.8%	662,700	48.7%
<b>Total Operations</b>	<b>\$ 5,110,073</b>	<b>\$ 6,017,500</b>	<b>17.8%</b>	<b>\$ 6,395,400</b>	<b>6.3%</b>

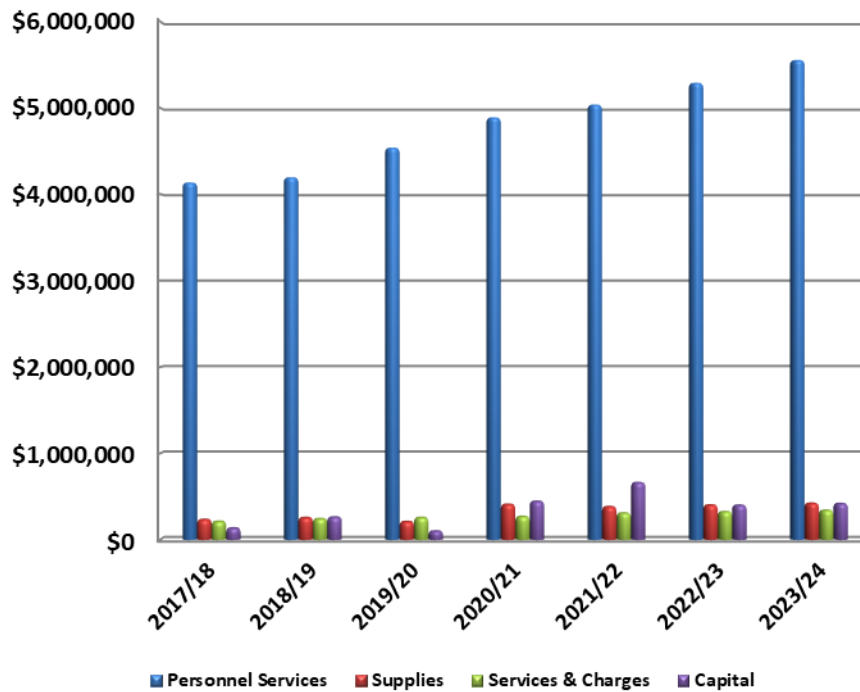
### Significant Budget Changes:

- FY20/21 Personnel Benefits – primarily due to increase in budget for retirement costs
- FY20/21 Supplies – increased budget for small equipment purchases
- FY20/21 Capital – budgeted additional funds for: (a) assessment/design for PD building remodeling, \$65,000; (b) grant-funded HSG radio program, \$148,000; (c) communication equipment, \$116,000
- FY21/22 Salaries & Benefits – added 2 police officer positions to support Star Valley
- FY21/22 Services – increase due to potential grant for body armor & helmets
- FY21/22 Capital – increase of \$355,000 in budget for patrol vehicles, partially offset by decrease of \$148,000 for cost of HSG radio grant budgeted last year but not this year



## Operations Budget Analysis Historic & Forecast

Classification	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	2022/23 Estimate	2023/24 Estimate
Personnel Services	4,136,636	4,197,381	4,541,164	4,891,600	5,039,900	5,291,900	5,556,500
Supplies	234,572	257,969	210,411	410,500	383,700	402,900	423,000
Services & Charges	212,725	244,026	258,070	269,700	309,100	324,600	340,800
Capital	136,324	262,921	100,428	445,700	662,700	400,000	420,000
<b>Total Operations</b>	<b>\$4,720,257</b>	<b>\$4,962,297</b>	<b>\$5,110,073</b>	<b>\$6,017,500</b>	<b>\$6,395,400</b>	<b>\$6,419,400</b>	<b>\$6,740,300</b>





## POLICE DEPARTMENT – Special Operations

### Description

The Special Operations Division includes Community Services Officer, School Resource Officers, law enforcement grants, and narcotics enforcement. The Community Services Officer is responsible for the enforcement of all animal control laws; protecting citizens from zootoxic diseases (such as rabies); providing security to citizens for annoyance, intimidation, and injury from animals; and, through contracted services with the Humane Society, protecting animals from abuse, neglect, and inhumane treatment. Various grants and intergovernmental agreements (IGAs) are utilized to fund special programs such as School Resource Officers, D.A.R.E. programs, DUI enforcement, and traffic enforcement.

### 2020/21 Accomplishments

#### KRA 7: THE PAYSON TEAM

- Retained full capacity status for the Police Department certified officer positions.

#### KRA 8: PUBLIC SAFETY

- Adequately supported the special events sponsored by the Town of Payson with additional resources and Incident Command structure.
- Purchased and outfitted additional police vehicles to revitalize the Police Department's aging fleet.

### 2021/22 Objectives

#### KRA 7: THE PAYSON TEAM

- Host AZPOST certified trainings to include CIT, leadership development to enhance personal and professional growth.
- Research and implement software that enhances officer and employee wellness and safety.

#### KRA 8: PUBLIC SAFETY

- Establish a grant-funded neighborhood watch program to educate people in crime prevention utilizing CPTED and current law enforcement trends.
- Utilize crime analysis and enforcement to reduce accidents and traffic-related complaints.
- Continue to update the fleet and enhance the equipment in each squad.

### Community Services Officer Budget Change

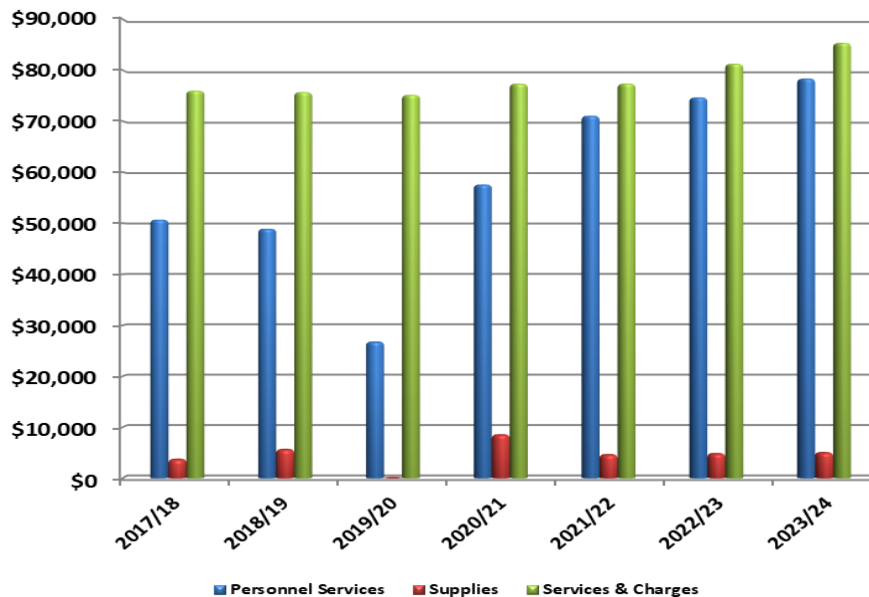
Description	2019/20 Actual	2020/21 Adopted	% Change	2021/22 Proposed	% Change
Salaries & Wages	21,691	42,000	93.6%	49,000	16.7%
Personnel Benefits	5,053	15,600	208.7%	22,100	41.7%
Supplies	-	8,500	100.0%	4,600	-45.9%
Services & Charges	75,200	77,400	2.9%	77,400	0.0%
<b>Total Commun. Svcs. Officer</b>	<b>\$ 101,944</b>	<b>\$ 143,500</b>	<b>40.8%</b>	<b>\$ 153,100</b>	<b>6.7%</b>

#### Significant Budget Changes:

- FY20/21 Salaries & Benefits – increase due to significant gap in position in FY19/20
- FY20/21 Supplies – increase due to significant gap in position and services to the community in FY19/20
- FY21/22 Salaries & Benefits – increase due to change from Animal Control to more broad duties as Community Service Officer
- FY21/22 Supplies – reduced budget due to 5-year baseline history

### Community Services Officer Budget Analysis Historic & Forecast

Classification	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	2022/23 Estimate	2023/24 Estimate
Personnel Services	50,712	48,931	26,744	57,600	71,100	74,700	78,400
Supplies	3,681	5,618	-	8,500	4,600	4,800	5,000
Services & Charges	76,019	75,730	75,200	77,400	77,400	81,300	85,400
<b>Total CSO</b>	<b>\$130,412</b>	<b>\$130,279</b>	<b>\$101,944</b>	<b>\$143,500</b>	<b>\$153,100</b>	<b>\$160,800</b>	<b>\$168,800</b>





### Department of Justice 1033 Budget Change

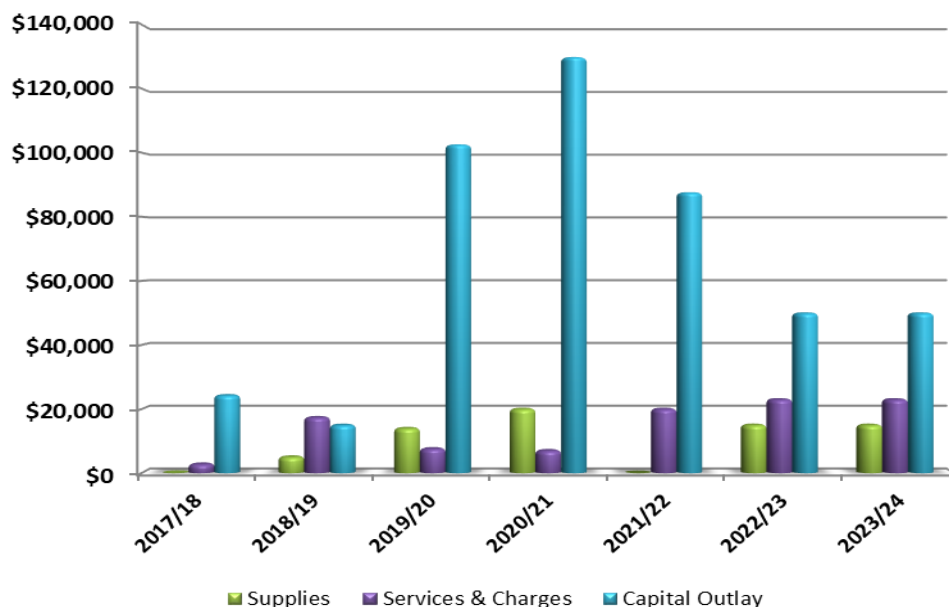
Description	2019/20 Actual	2020/21 Adopted	% Change	2021/22 Proposed	% Change
Supplies	13,966	20,000	43.2%	-	-100.0%
Services & Charges	7,589	7,000	-7.8%	20,000	185.7%
Capital	102,684	130,000	26.6%	87,700	-32.5%
<b>Total Police Grants</b>	<b>\$ 124,239</b>	<b>\$ 157,000</b>	<b>26.4%</b>	<b>\$ 107,700</b>	<b>-31.4%</b>

#### Significant Budget Changes:

- FY20/21 Capital – obtain and equip additional patrol vehicles
- FY21/22 Supplies – reallocated budget to Services
- FY21/22 Services – increase in budget for Other Professional Services
- FY21/22 Capital – decrease due to carryover from FY20/21 vehicle purchases

### Department of Justice 1003 Budget Analysis Historic & Forecast

Classification	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	2022/23 Estimate	2023/24 Estimate
Supplies	89	5,014	13,966	20,000	-	15,000	15,000
Services & Charge	2,768	17,391	7,589	7,000	20,000	23,000	23,000
Capital Outlay	24,296	14,979	102,684	130,000	87,700	50,000	50,000
<b>Total Grants</b>	<b>\$ 27,153</b>	<b>\$ 37,384</b>	<b>\$124,239</b>	<b>\$157,000</b>	<b>\$107,700</b>	<b>\$ 88,000</b>	<b>\$ 88,000</b>





### School Resource Officer (SRO) Budget Change

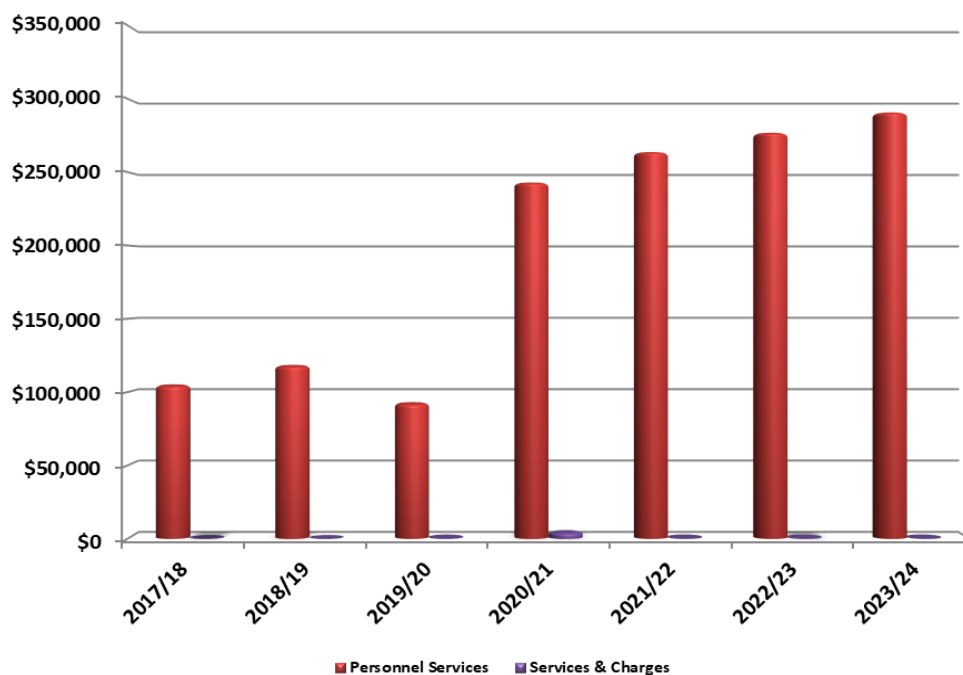
Description	2019/20 Actual	2020/21 Adopted	% Change	2021/22 Proposed	% Change
Salaries & Wages	48,512	123,000	153.5%	134,200	9.1%
Personnel Benefits	43,718	120,100	174.7%	129,700	8.0%
Services & Charges	526	4,000	660.5%	600	-85.0%
<b>Total SRO</b>	<b>\$ 92,756</b>	<b>\$ 247,100</b>	<b>166.4%</b>	<b>\$ 264,500</b>	<b>7.0%</b>

#### Significant Budget Changes:

- FY20/21 Salaries & Wages/Personnel Benefits – increased budget for an additional position and wage adjustments
- FY20/21 Services & Charges – increase in anticipation to the additional position
- FY21/22 Services & Charges – reduced budget using 5-year baseline history

### School Resource Officer Budget Analysis Historic & Forecast

Classification	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	2022/23 Estimate	2023/24 Estimate
Personnel Services	104,491	117,910	92,230	243,100	263,900	277,100	291,000
Services & Charges	-	-	526	4,000	600	600	600
<b>Total SRO</b>	<b>\$ 104,491</b>	<b>\$ 117,910</b>	<b>\$ 92,756</b>	<b>\$ 247,100</b>	<b>\$ 264,500</b>	<b>\$ 277,700</b>	<b>\$ 291,600</b>





## FIRE DEPARTMENT

### Mission Statement

The mission of the Payson Fire Department is to minimize the loss of life resulting from fire, medical emergencies, and other disasters through prevention, education, fire suppression, emergency medical services, and emergency preparedness. This will be accomplished in the most cost-effective manner with maximum utilization of available resources, never sacrificing the safety of our members.

### Description

The Fire Department is comprised of two divisions: Fire Operations and Wildlands/Urban Program.

### Position Summary

	2020/21	2021/22
Fire Chief	1.0	1.0
Battalion Chief	3.0	3.0
Captain	9.0	6.0
Fire Prevention	1.0	1.0
Fuels Manager	1.0	1.0
Engineer	9.0	10.0
Firefighter	10.0	13.0
Administrative Secretary	1.0	1.0
<b>Total Positions</b>	<b>35.0</b>	<b>36.0</b>

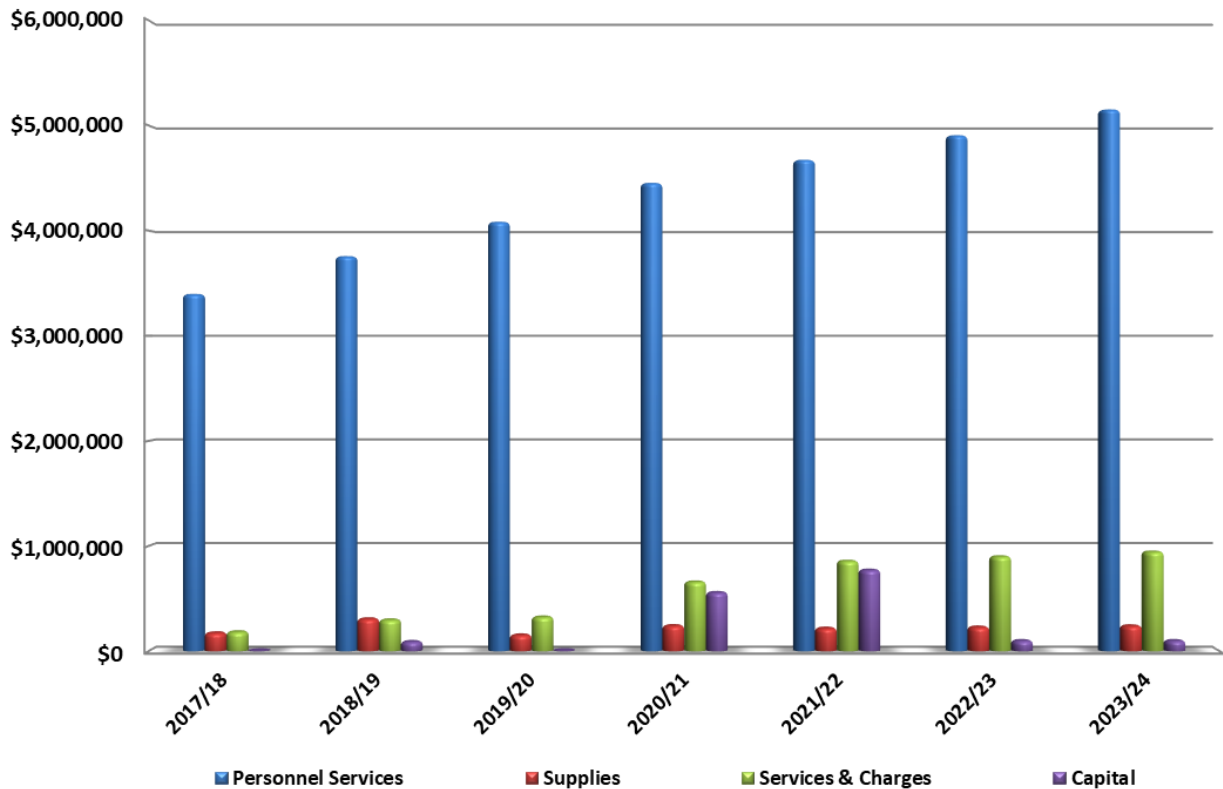
### Fire Department Budget Change

Description	2019/20 Actual	2020/21 Adopted	% Change	2021/22 Proposed	% Change
Salaries & Wages	2,621,007	2,814,600	7.4%	2,854,100	1.4%
Personnel Benefits	1,465,194	1,642,300	12.1%	1,822,600	11.0%
Supplies	154,039	242,900	57.7%	218,600	-10.0%
Services & Charges	325,321	660,400	103.0%	858,400	30.0%
Capital	8,440	559,400	6528.0%	773,400	38.3%
<b>Total Fire</b>	<b>\$ 4,574,001</b>	<b>\$ 5,919,600</b>	<b>29.4%</b>	<b>\$ 6,527,100</b>	<b>10.3%</b>

Note: Significant budget changes are addressed within the individual divisions' sections that follow.

## Fire Department Budget Analysis Historic & Forecast

Classification	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	2022/23 Estimate	2023/24 Estimate
Personnel Services	3,398,507	3,758,791	4,086,201	4,456,900	4,676,700	4,910,600	5,156,100
Supplies	174,077	307,814	154,039	242,900	218,600	229,500	240,900
Services & Charges	184,235	298,152	325,321	660,400	858,400	901,400	946,500
Capital	7,297	90,869	8,440	559,400	773,400	100,000	100,000
<b>Total Fire</b>	<b>\$3,764,116</b>	<b>\$4,455,626</b>	<b>\$4,574,001</b>	<b>\$5,919,600</b>	<b>\$6,527,100</b>	<b>\$6,141,500</b>	<b>\$6,443,500</b>





## FIRE DEPARTMENT – Operations

### Description

The Operations Division protects lives and property by providing fire suppression, rescue, and Emergency Medical Services to the community. This division also provides a wide range of non-emergency services including public education courses, CPR, injury prevention, child car seat safety inspection, non-profit charitable event standbys, fire code administration, fire-wise landscape inspections, and property owner assistance.

### 2020/21 Accomplishments

#### KRA 8: THE PUBLIC SAFETY

- Developed Safety, Health, and Wellness Team under Battalion Chief Noble. Key accomplishments of team include:
  - Rewriting Infectious Control SOP
  - Setting up Medical oversight through HR
- Staffing plan and support staff plan completed by Public Safety Research Group
- Updated 11 SOPs
- Managed response to pandemic
- Successfully obtained a grant from Ft. McDowell Tribal community for new portable radios

### 2021/22 Objectives

#### KRA 8: THE PUBLIC SAFETY

- Implement Priority Dispatch system
- Implement Emergency Medical dispatching
- Implement billing for services delivered to outside areas

### Fire Operations Budget Change

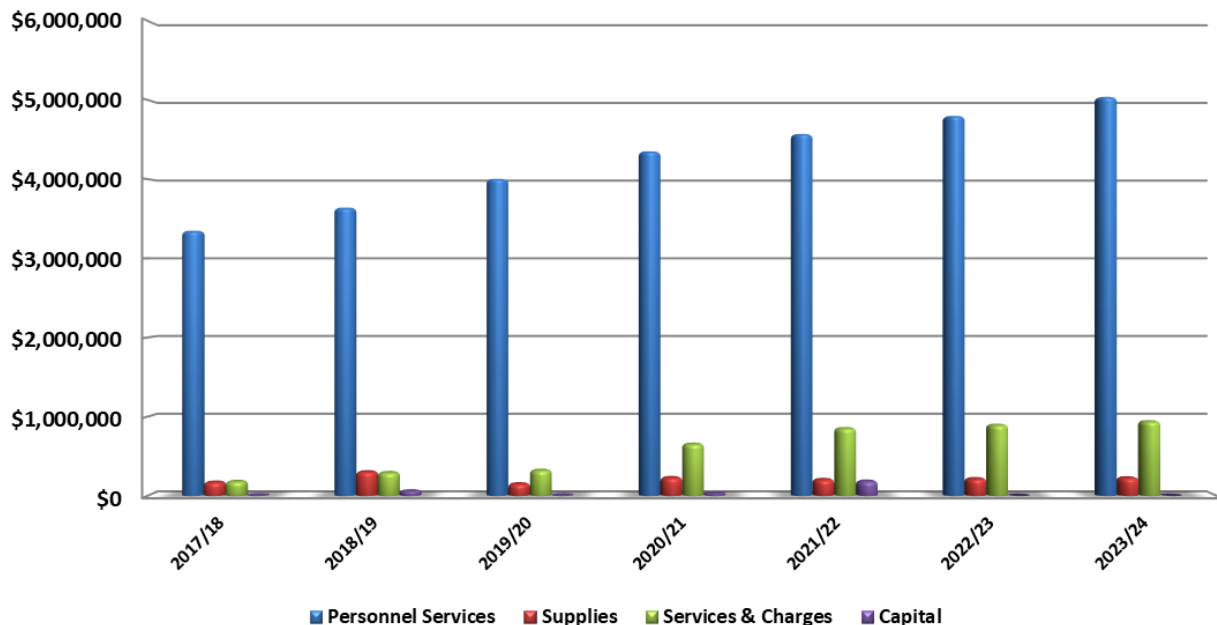
Description	2019/20 Actual	2020/21 Adopted	% Change	2021/22 Proposed	% Change
Salaries & Wages	2,564,633	2,740,600	6.9%	2,780,100	1.4%
Personnel Benefits	1,440,699	1,613,300	12.0%	1,793,600	11.2%
Supplies	152,574	230,900	51.3%	206,600	-10.5%
Services & Charges	323,645	655,400	102.5%	853,400	30.2%
Capital	8,440	31,500	273.2%	185,800	489.8%
<b>Total Fire Operations</b>	<b>\$ 4,489,991</b>	<b>\$ 5,271,700</b>	<b>17.4%</b>	<b>\$ 5,819,500</b>	<b>10.4%</b>

### Significant Budget Changes:

- FY20/21 Benefits – increased budget for retirement, health insurance, workers’ comp insurance
- FY20/21 Supplies – additional funds budgeted for Personal Protective Equipment / clothing
- FY20/21 Services & Charges – budgeted additional \$331,000 for grant-funded preventative fire mitigation measures such as “fire-wising”
- FY20/21 Capital – funds approved for Chief fire response vehicle
- FY21/22 Personnel – add one fire fighter position & cancelled reserve positions; increased budget for retirement and health insurance
- FY21/22 Services & Charges – increase is primarily due to new lease/purchase for two fire trucks
- FY21/22 Capital – purchase equipment for new fire trucks

### Fire Operations Budget Analysis Historic & Forecast

Classification	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	2022/23 Estimate	2023/24 Estimate
Personnel Services	3,347,694	3,640,844	4,005,332	4,353,900	4,573,700	4,802,400	5,042,500
Supplies	173,048	304,477	152,574	230,900	206,600	216,900	227,700
Services & Charges	181,943	295,093	323,645	655,400	853,400	896,100	940,900
Capital	7,297	61,692	8,440	31,500	185,800	-	-
<b>Total Fire Operations</b>	<b>\$ 3,709,982</b>	<b>\$ 4,302,106</b>	<b>\$ 4,489,991</b>	<b>\$ 5,271,700</b>	<b>\$ 5,819,500</b>	<b>\$ 5,915,400</b>	<b>\$ 6,211,100</b>





## FIRE DEPARTMENT – Wildlands

### Description

Payson Fire Department participates with the Arizona State Division of Forestry in a cooperative wildland fire response program. This program allows departments from all over the State to enter into agreements to facilitate the movement of firefighting resources to where they may be needed for wildland fires.

The Payson Fire Department provides personnel and equipment as part of the agreement. Fire department personnel have responded to fires throughout the West. Participation is voluntary and the department charges the State for related expenses.

This program not only allows us to help our neighbors, but also gives our firefighters the opportunity to gain valuable experience and training in the art of wildland firefighting. Also, participation in the program provides funds for wildland fire equipment. This has proven to be invaluable in developing and sustaining wildland fire response capabilities in the Payson area.

### 2020/21 Accomplishments

#### KRA 8: THE PUBLIC SAFETY

- Awarded \$649,000 to remove dangerous wildfire fuels from within the Town. These grants will translate to 244 acres treated within the community.
- Completed treating 20.59 acres.
- We deployed to 11 fires during the fiscal year.
- Chief Bramble successfully completed his Strike Team – Engine Task Book and opened his Task Force Leader Task Book.
- Captain Jarrett Cline opened his Engine Boss Task Book.

### 2021/22 Objectives

#### KRA 8: THE PUBLIC SAFETY

- Continue to reduce wildland fuels on the ground.
- Secure more grant funds to continue clearing wildland fuels.
- Continue to deploy to wildfires to ensure expertise in wildfire response.



### Wildlands Budget Change

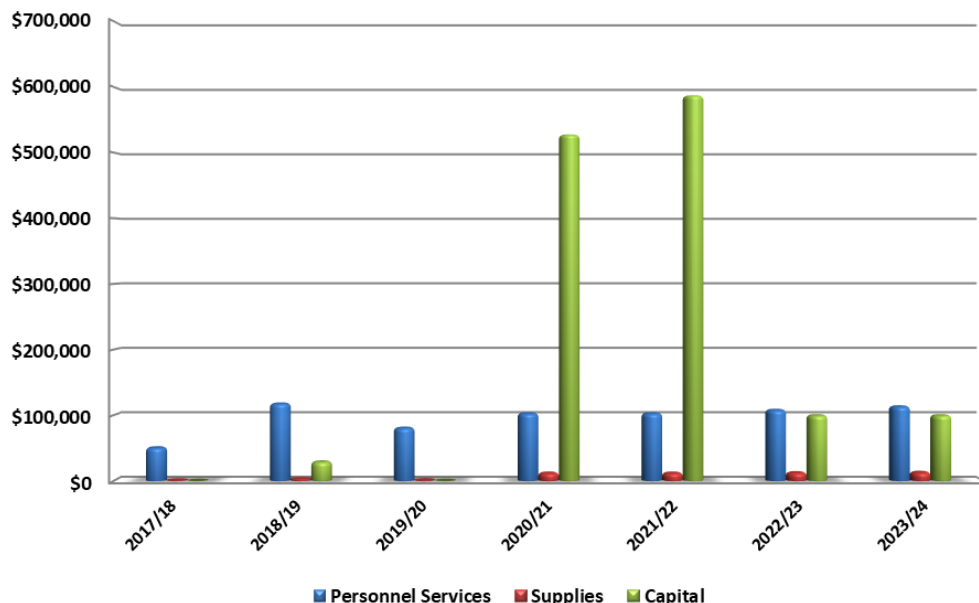
Description	2019/20 Actual	2020/21 Adopted	% Change	2021/22 Proposed	% Change
Salaries & Wages	56,374	74,000	31.3%	74,000	0.0%
Personnel Benefits	24,495	29,000	18.4%	29,000	0.0%
Supplies	1,465	12,000	719.1%	12,000	0.0%
Services & Charges	1,676	5,000	198.3%	5,000	0.0%
Capital	-	527,900	100.0%	587,600	11.3%
<b>Total Wildlands</b>	<b>\$ 84,010</b>	<b>\$ 647,900</b>	<b>671.2%</b>	<b>\$ 707,600</b>	<b>9.2%</b>

### Significant Budget Changes:

- FY20/21 operating costs – each year, funds are budgeted for the potential cost of wildland fires. Actual expenditures depend on the severity of the fire season.
- FY20/21 Capital – anticipated grant for a new water tender truck and AFG SCBA grant
- FY21/22 Capital – resubmitted potential grants for Water Tender and Assistance to Firefighters Grant (AFG)

### Wildlands Budget Analysis Historic & Forecast

Classification	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	2022/23 Estimate	2023/24 Estimate
Personnel Services	50,813	117,947	80,869	103,000	103,000	108,200	113,600
Supplies	1,029	3,337	1,465	12,000	12,000	12,600	13,200
Services & Charges	2,292	3,059	1,676	5,000	5,000	5,300	5,600
Capital	-	29,177	-	527,900	587,600	100,000	100,000
<b>Total Wildlands</b>	<b>\$ 54,134</b>	<b>\$153,520</b>	<b>\$ 84,010</b>	<b>\$647,900</b>	<b>\$707,600</b>	<b>\$226,100</b>	<b>\$ 232,400</b>





## COMMUNITY DEVELOPMENT DEPARTMENT

### Description

The Community Development Department consists of four divisions: Administration, Planning & Zoning, Building Services, and Economic Development. The Administration division handles the administrative functions, providing central services to support the other divisions. Building Services has the responsibility of providing services to the building community. Planning & Zoning has the responsibility of providing land use and development services, while the Economic Development division provides assistance to businesses getting started, expanding, or relocating to Payson. Town Business Licenses are now handled by the Finance Department.

### Position Summary

	2020/21	2021/22
Executive Assistant	1.0	1.0
Planning & Development. Director	1.0	1.0
Code Compliance Specialist	1.0	1.0
Planning Technician	1.0	1.0
Planning Specialist I & II	1.0	1.0
Public Works Project Manager	0.0	1.0
Economic Dev Specialist	1.0	1.0
Chief Building Official	1.0	1.0
Building Inspector	1.0	1.0
Assistant Engineer	0.0	1.0
Permit Technician	2.0	2.0
<b>Total Budgeted Positions</b>	<b>10.0</b>	<b>12.0</b>

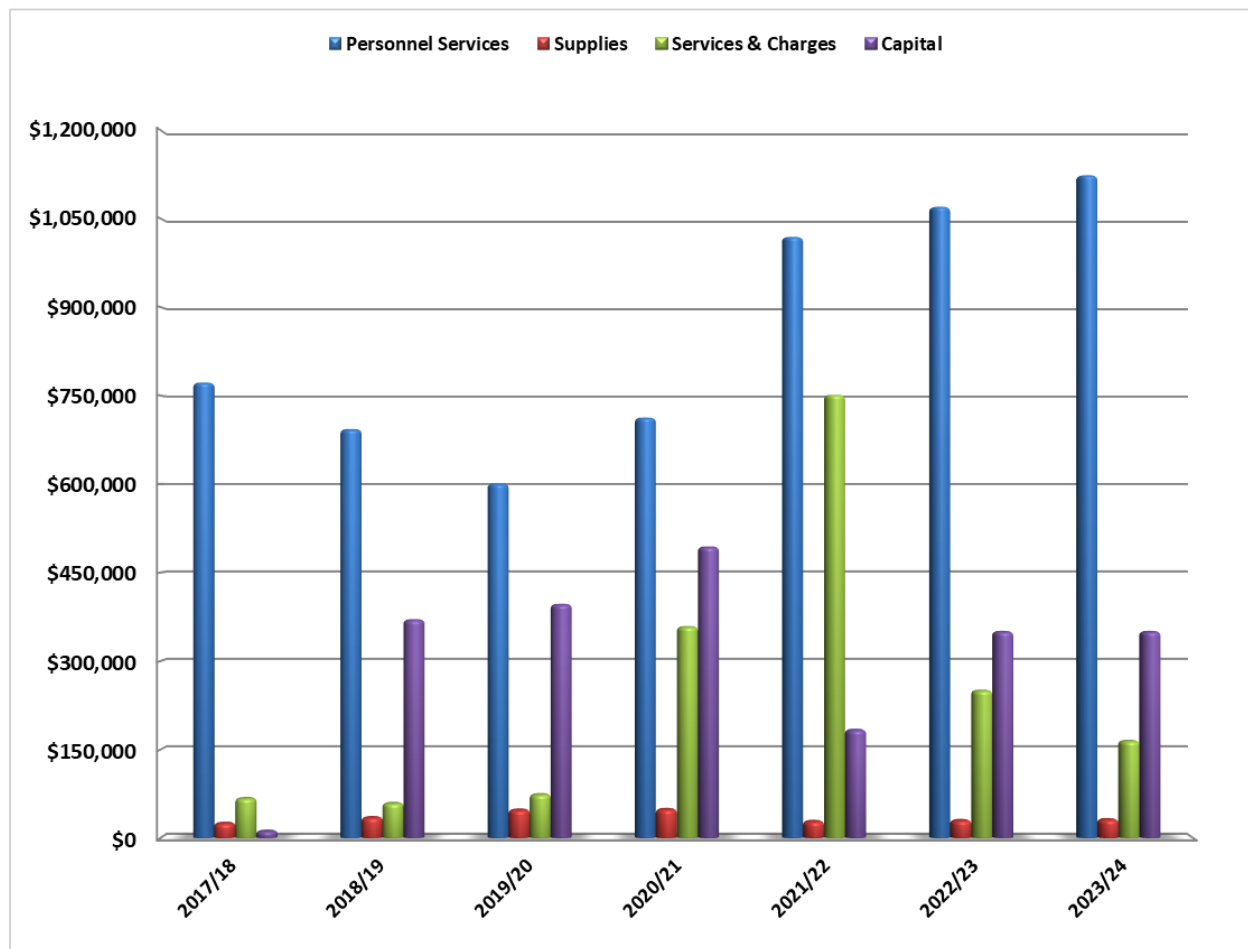
### Community Development Budget Changes

Description	2019/20 Actual	2020/21 Adopted	% Change	2021/22 Proposed	% Change
Salaries & Wages	463,725	546,900	17.9%	836,700	53.0%
Personnel Benefits	137,135	165,800	20.9%	182,800	10.3%
Supplies	47,665	48,600	2.0%	28,300	-41.8%
Services & Charges	73,828	358,200	385.2%	751,400	109.8%
Capital	396,093	493,700	24.6%	183,400	-62.9%
<b>Community Development</b>	<b>\$ 1,118,446</b>	<b>\$ 1,613,200</b>	<b>44.2%</b>	<b>\$ 1,982,600</b>	<b>22.9%</b>

Note: Significant budget changes are addressed within the individual divisions' sections that follow.

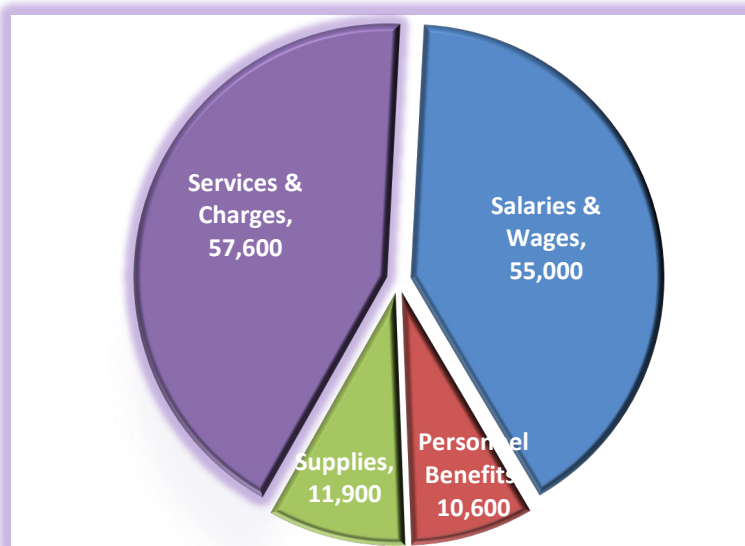
## Community Development Budget Analysis Historic & Forecast

Classification	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	2022/23 Estimate	2023/24 Estimate
Personnel Services	772,198	693,236	600,860	712,700	1,019,500	1,070,500	1,123,900
Supplies	25,143	34,772	47,665	48,600	28,300	29,800	31,300
Services & Charges	67,297	58,964	73,828	358,200	751,400	250,000	164,500
Capital	11,703	369,975	396,093	493,700	183,400	350,000	350,000
<b>Total Community Dev</b>	<b>\$876,341</b>	<b>\$1,156,947</b>	<b>\$1,118,446</b>	<b>\$1,613,200</b>	<b>\$1,982,600</b>	<b>\$1,700,300</b>	<b>\$1,669,700</b>



## COMMUNITY DEVELOPMENT-Administration

### 2021/22 Proposed Expenditures



### Community Development – Administration Budget Change

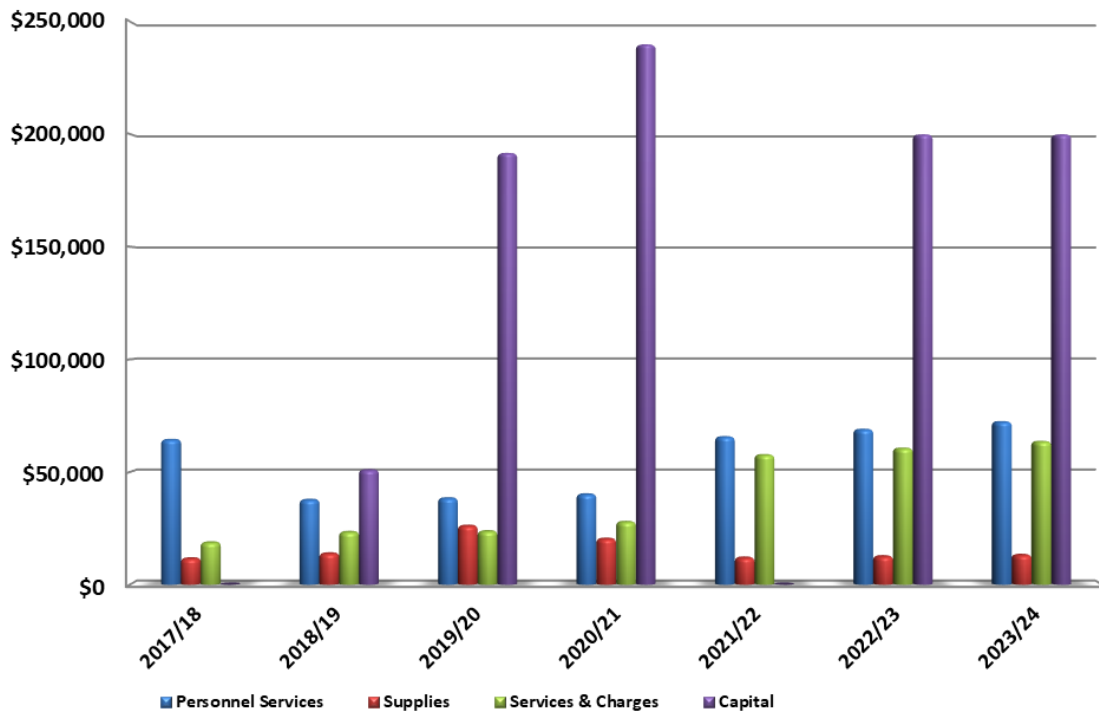
Description	2019/20 Actual	2020/21 Adopted	% Change	2021/22 Proposed	% Change
Salaries & Wages	29,265	30,000	2.5%	55,000	83.3%
Personnel Benefits	9,077	10,100	11.3%	10,600	5.0%
Supplies	26,083	20,300	-22.2%	11,900	-41.4%
Services & Charges	23,660	27,800	17.5%	57,600	107.2%
Capital	191,719	240,000	25.2%	-	-100.0%
<b>Total Administration</b>	<b>\$ 279,804</b>	<b>\$ 328,200</b>	<b>17.3%</b>	<b>\$ 135,100</b>	<b>-58.8%</b>

### Significant Budget Changes:

- FY20/21 Capital – although the FY20/21 budget for American Gulch Improvement project was a little lower than the FY19/20 budget, the FY19/20 actual was about \$61,000 lower than budgeted
- FY21/22 Salaries & Wages – increase due to retirement payout and overlap
- FY21/22 Supplies – reduced supply budget using 5-year baseline history
- FY21/22 Services – budget for new vehicle leasing pilot program and increase in utilities
- FY21/22 Capital – decrease due to no projects budgeted

## Community Development – Administration Budget Analysis Historic & Forecast

Classification	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	2022/23 Estimate	2023/24 Estimate
Personnel Services	64,387	37,653	38,342	40,100	65,600	68,900	72,300
Supplies	11,556	13,776	26,083	20,300	11,900	12,500	13,100
Services & Charges	18,675	23,326	23,660	27,800	57,600	60,500	63,500
Capital	-	50,887	191,719	240,000	-	200,000	200,000
<b>Total Administration</b>	<b>\$ 94,618</b>	<b>\$ 125,642</b>	<b>\$ 279,804</b>	<b>\$ 328,200</b>	<b>\$ 135,100</b>	<b>\$ 341,900</b>	<b>\$ 348,900</b>



## BUILDING SERVICES

### Mission

Building Services protects public health and safety by ensuring that all structures are built in accordance with adopted building codes.

### Description

The Building Services Division provides information to the public on building code requirements, reviews and approves building plans, and performs a complete range of building services. These services include plan check review and inspection for all required codes: building, plumbing, mechanical, and electrical.

### 2020/21 Accomplishments

- Conducted 2,649 building inspections
- Issued 86 new site built home permits
- Issued 2 new commercial building permits – Utility building and Car wash
- Issued 5 manufactured home permits
- Continued to provide comprehensive building plan review and inspections consistent with industry standards in a reasonable timeframe possible, while keeping up with new industry trends and products.
- Implemented in-the-field, real-time inspection process with the use of tablets for field inspectors
- Implemented electronic plan submittal via Dropbox, high capacity e-mail, or (available for purchase) flash drive

### 2021/22 Objectives

#### KRA 2: FINANCIAL EXCELLENCE

- Implement online payments for permits by fiscal-year end
- Update/research permitting and inspection fees

#### KRA 5: NEIGHBORHOODS & LIVABILITY

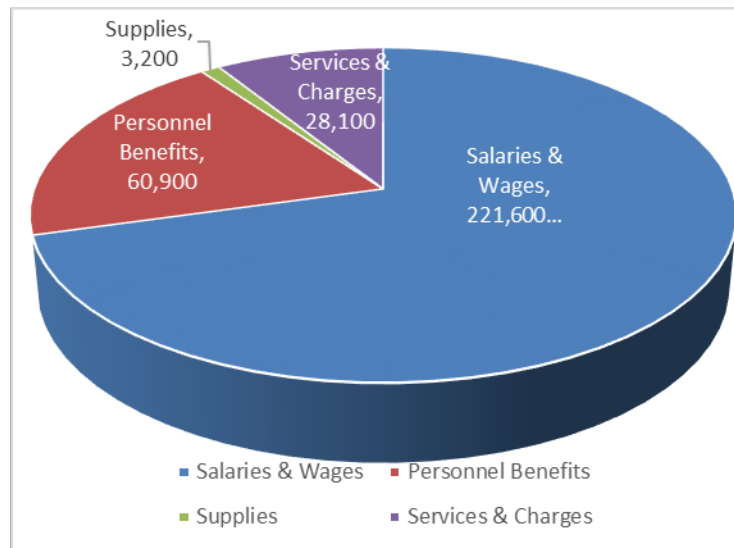
- Continue updating the Unified Development Code to streamline & modernize practices to enhance neighborhood livability, maintain property values, and eliminate blight
- Continue to organize positive outreach events that encourage residents to maintain their properties



#### KRA 7: THE PAYSON TEAM

- Continue to partner with Payson Fire to further community-wide fire-wise efforts
- Attend continuing education classes for building and related codes
- Continue to provide roll-offs for targeted neighborhoods and enforcement campaigns to eliminate nuisance properties in areas with vulnerable populations
- Continue to ensure compliance with zoning codes to prevent slum and blight

#### **2021/22 Proposed Expenditures**



#### **Building Services Division Budget Change**

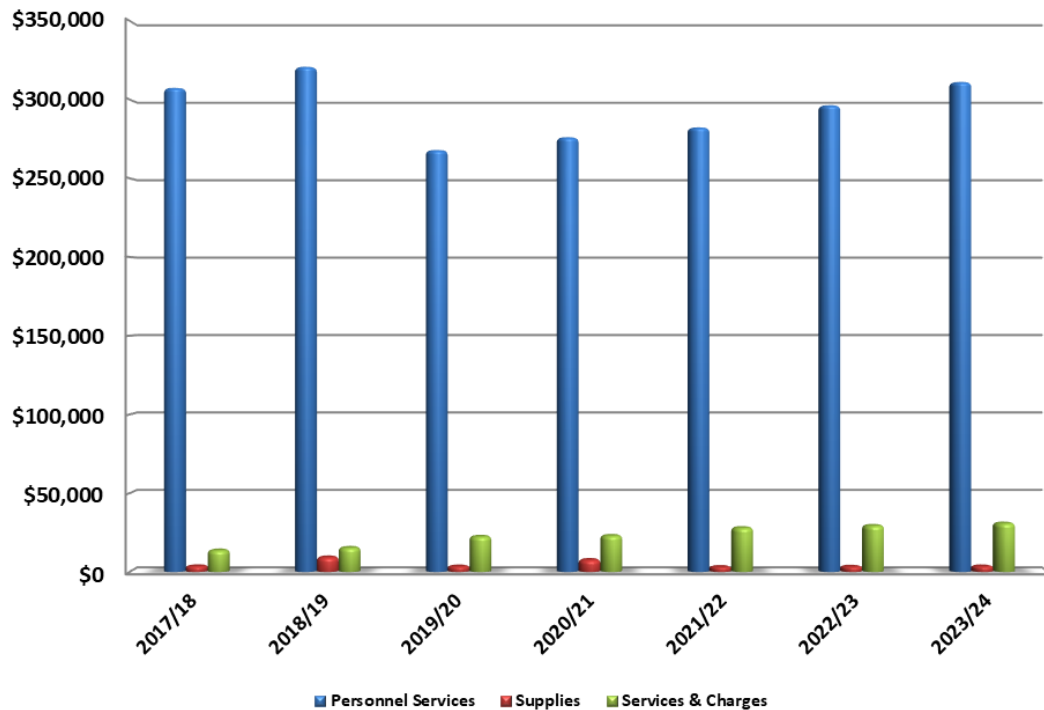
Description	2019/20 Actual	2020/21 Adopted	% Change	2021/22 Proposed	% Change
Salaries & Wages	208,927	213,500	2.2%	221,600	3.8%
Personnel Benefits	59,149	62,750	6.1%	60,900	-2.9%
Supplies	3,544	7,700	117.3%	3,200	-58.4%
Services & Charges	22,550	23,100	2.4%	28,100	21.6%
<b>Total Building</b>	<b>\$ 294,170</b>	<b>\$ 307,050</b>	<b>4.4%</b>	<b>\$ 313,800</b>	<b>2.2%</b>

#### **Significant Budget Changes:**

- No significant budget changes (large percentage changes were reallocation within the division)

## Building Services Division Budget Analysis Historic & Forecast

Classification	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	2022/23 Estimate	2023/24 Estimate
Personnel Services	307,630	321,057	268,076	276,250	282,500	296,600	311,400
Supplies	3,665	9,352	3,544	7,700	3,200	3,400	3,600
Services & Charges	13,792	15,448	22,550	23,100	28,100	29,500	31,000
<b>Total Building</b>	<b>\$325,087</b>	<b>\$345,857</b>	<b>\$ 294,170</b>	<b>\$ 307,050</b>	<b>\$313,800</b>	<b>\$329,500</b>	<b>\$ 346,000</b>





## PLANNING & ZONING

### **Mission**

The mission of the Planning & Zoning Division is to provide comprehensive long-range planning and current land use services to the Town and its citizens while ensuring compliance with federal, state, and local laws.

### **Description**

The Planning & Zoning Division reviews all land use applications to determine their impact on the environment and appropriate mitigation measures based on the Payson Town Code and the Unified Development Code (UDC). The Division serves as the Town's lead agency for the development of the General Plan and zoning code and ensures code compliance.

The Planning & Zoning Division is responsible for the following:

- Enforcement of the zoning regulations
- Plan review for new development and expansion of existing development
- Review of subdivisions and minor land divisions
- Development of new plans and updates to current plans
- Processing conditional use permits, temporary use permits, rezoning applications, sign permits, tree permits, and variances

### **2020/21 Accomplishments**

- Processed 1 conditional use permit; 3 minor land division applications; 3 subdivision applications; 5 temporary use permits; 1 variance application; 6 administrative relief/permits; 2 zoning verifications; 41 record of surveys (ROS)
- Provided development services assistance to new business/development proposals - 41 projects
- Assisted in the completion of artistic crosswalks on Main Street and Westerly, and murals along the American Gulch
- Completed 338 residential plan reviews; 48 sign permits; 22 commercial plan reviews
- Adoption of Ord. 922 and Resolution 3215 Firewise

### **2021/22 Objectives**

#### *KRA 5: NEIGHBORHOODS & LIVABILITY*

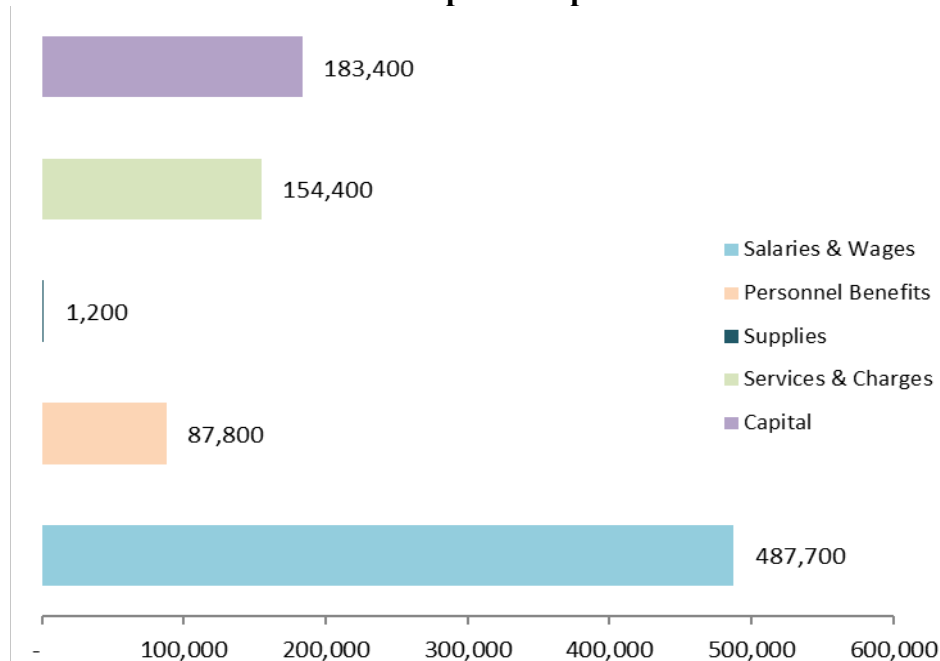
- Continue Unified Development Code updates, policies as needed to promote best practices, both for citizens and towards the implementation of the General Plan
- Continue seeking and applying for grant funding for projects that achieve the goals of the General Plan and other adopted plans and goals
- Initiate a Town-wide wayfinding system plan

- Work towards the construction of entry signage for the Town
- Collaborate with groups/individuals on completing additional segments of the American Gulch
- Construction of ADA removal of barriers improvements

#### KRA 7: THE PAYSON TEAM

- Attend continuing education courses in order to stay up to date with the latest trends and best practices in Planning and for AICP credit

#### 2021/2022 Proposed Expenditures



#### Planning & Zoning Budget Change

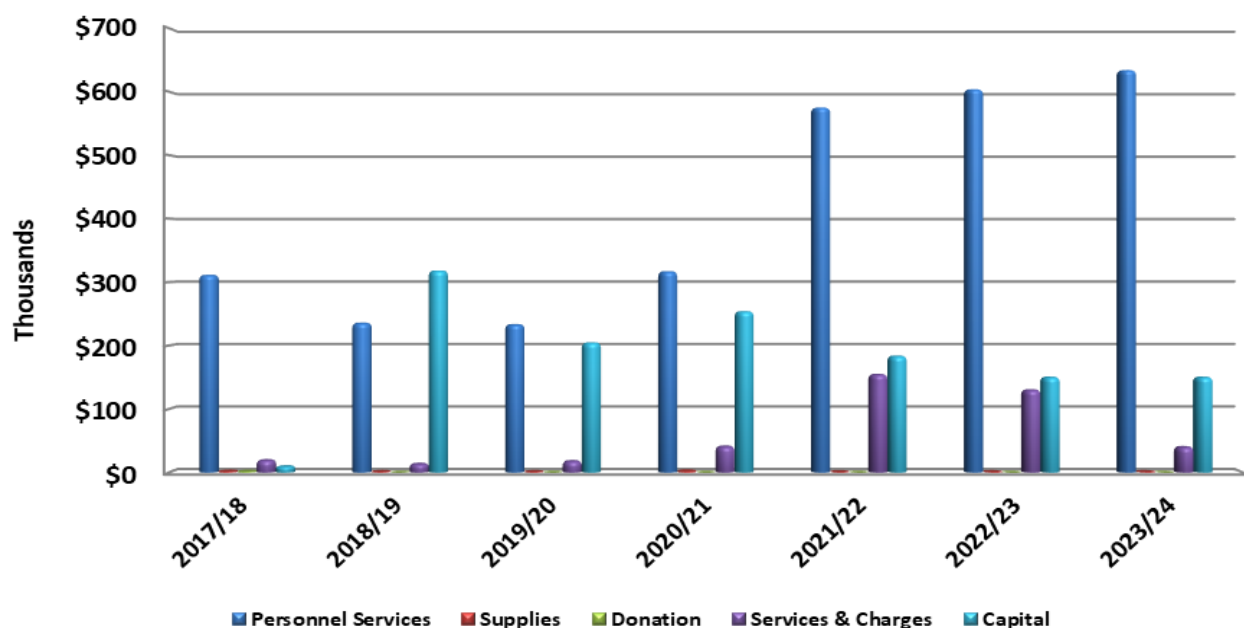
Description	2019/20 Actual	2020/21 Adopted	% Change	2021/22 Proposed	% Change
Salaries & Wages	176,555	241,000	36.5%	487,700	102.4%
Personnel Benefits	56,669	75,950	34.0%	87,800	15.6%
Supplies	1,493	2,700	80.8%	1,200	-55.6%
Services & Charges	17,757	40,900	130.3%	154,400	277.5%
Capital	204,374	253,700	24.1%	183,400	-27.7%
<b>Total Planning &amp; Zoning</b>	<b>\$ 456,848</b>	<b>\$ 614,250</b>	<b>34.5%</b>	<b>\$ 914,500</b>	<b>48.9%</b>

### Significant Budget Changes:

- FY20/21 Salaries & Wages and Benefits – reorganized positions along with wage adjustments
- FY20/21 Services & Charges – (a) FY19/20 actuals for Lien & Clean program were very low; (b) increased FY20/21 budget for grant expense
- FY20/21 Capital – FY19/20 actual for CDBG was lower than budget of \$284,100
- FY21/22 Salaries & Wages – increase due to reallocation of two new positions: assistant engineer and publics work project manager
- FY21/22 Services & Charges – \$100,000 budgeted for Unified Development Code (UDC) update; \$15,400 increase in budget for grant expense
- FY21/22 Capital – reflects reduction in CDBG funding

### Planning & Zoning Budget Analysis Historic & Forecast

Classification	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	2022/23 Estimate	2023/24 Estimate
Personnel Services	311,286	235,598	233,224	316,950	575,500	604,300	634,500
Supplies	2,227	1,573	1,493	2,700	1,200	1,300	1,400
Donation	2,100	-	-	-	-	-	-
Services & Charges	19,257	13,380	17,757	40,900	154,400	130,000	40,000
Capital	9,603	318,088	204,374	253,700	183,400	150,000	150,000
<b>Total Plan &amp; Zoning</b>	<b>\$344,473</b>	<b>\$568,639</b>	<b>\$ 456,848</b>	<b>\$ 614,250</b>	<b>\$914,500</b>	<b>\$885,600</b>	<b>\$825,900</b>





## ECONOMIC DEVELOPMENT

### 2020/21 Accomplishments

- Contracted with Axis Culture Group and Parks, Rec. & Tourism (partner) to work on economic development campaigns and business retention, expansion, and attraction
- Updated “paysonbusiness” website; development services and business license applications are now online
- Worked with multiple outside businesses to bring their business to Payson
- In partnership with Parks & Rec., enacted a QR code (stickers) campaign for local businesses to place at their location to guide customers to “things to do” on the Parks and Rec. website
- Established and launched Payson Size Up - a free tool for local businesses to help with the ‘numbers’ for growing or starting a business in Payson
- Helped with the startup of the Aviation program at the High School

### 2021/22 Objectives

#### KRA 1: ECONOMIC DEVELOPMENT, TOURISM & ECONOMIC VITALITY

- Continue to implement Greater Payson Area Economic Development Strategic Plan
- Foster an environment for entrepreneurial growth
- Continue recruitment and attraction efforts to expand the Town’s revenue base
- Establish a development incentive program
- Continue to act as Town liaison for local business organizations and an ombudsman for development projects
- Apply for grants to support business and economic growth
- Collaborate with Gila Community College and Small Business Development Center on surveying community and business needs

#### KRA 5: NEIGHBORHOODS & LIVABILITY

- Support and promote workforce/higher density housing
- Encourage neighborhood redevelopment

#### KRA 7: THE PAYSON TEAM

- Attend AAED events/training and continuing education courses in order to stay up to date with the latest trends and best practices
- Continue to work closely with other departments and outside entities as development occurs through business licensing, Development Services, and other collaboration efforts



### Economic Development Budget Change

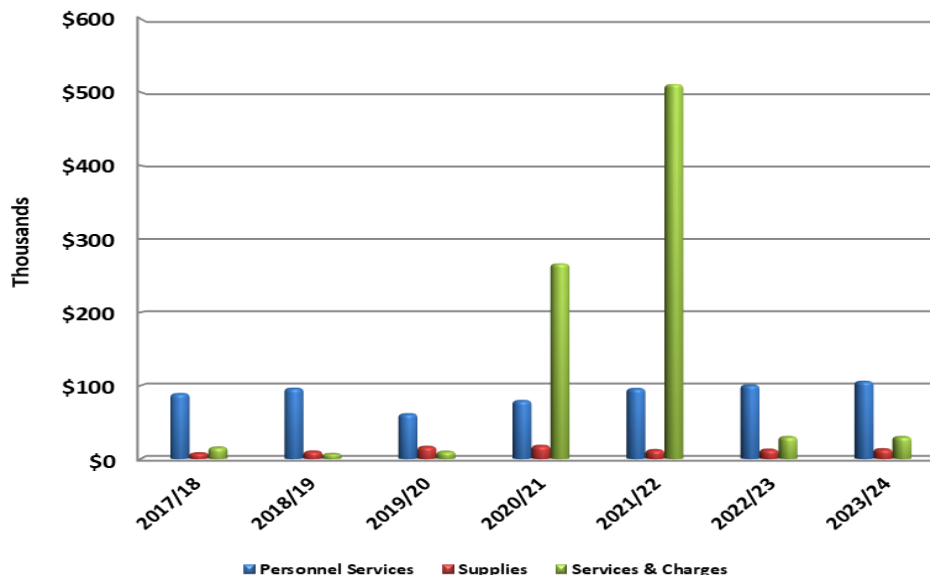
Description	2019/20 Actual	2020/21 Adopted	% Change	2021/22 Proposed	% Change
Salaries & Wages	48,978	62,400	27.4%	72,400	16.0%
Personnel Benefits	12,240	17,000	38.9%	23,500	38.2%
Supplies	16,545	17,900	8.2%	12,000	-33.0%
Services & Charges	9,861	266,400	2601.6%	511,300	91.9%
<b>Total Economic Development</b>	<b>\$ 87,624</b>	<b>\$ 363,700</b>	<b>315.1%</b>	<b>\$ 619,200</b>	<b>70.3%</b>

#### Significant Budget Changes:

- FY20/21 Salaries & Wages and Benefits – higher than FY19/20 because FY19/20 was abnormally low due to a significant gap in the position
- FY20/21 Services & Charges – increase in grant expense due to expected new grant
- FY21/22 Salaries & Wages and Benefits – increased due to wage adjustment to find and retain the position
- FY21/22 Supplies – reduced using 5-year baseline history
- FY21/22 Services & Charges – increase in grant expense related to potential ESP grant

### Economic Development Budget Analysis Historic & Forecast

Classification	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	2022/23 Estimate	2023/24 Estimate
Personnel Services	88,895	96,206	61,218	79,400	95,900	100,700	105,700
Supplies	7,695	10,071	16,545	17,900	12,000	12,600	13,200
Services & Charges	15,573	6,810	9,861	266,400	511,300	30,000	30,000
<b>Total Economic Dev</b>	<b>\$112,163</b>	<b>\$113,087</b>	<b>\$ 87,624</b>	<b>\$ 363,700</b>	<b>\$619,200</b>	<b>\$143,300</b>	<b>\$148,900</b>





## LIBRARY DEPARTMENT

### **Mission**

The Payson Library's mission is to provide excellent customer service and information in a variety of formats. Its collection affords the opportunity to educate, inform, enrich, entertain, and inspire. Libraries are an investment in a more literate, productive and globally competitive nation.

### **2020/21 Accomplishments**

- A project that began in 2018 has finally come to completion, to the betterment of our community. The library meeting room expansion project wrapped up in June of 2021. This addition, paid for entirely by the Library Friends of Payson, was formally gifted to the Town of Payson in July 2021.
- Because the 2020/2021 fiscal year was marked by COVID restrictions and repeated closures, the library struggled to employ its normal fundraising methods. We were unable to hold any large gatherings, serve food, etc. When the library was closed, or open but without the senior volunteers, the bookstore could not function. Thankfully, the bookstore is now open 4 hours each day.
- The Payson Library ran 177 programs and events for patrons of varying interests and ages from July 2020 – July 2021, less than half the number in a normal pre-COVID year. Unfortunately, the closure of the library to the public from November through March, the unfinished meeting room, and the absence of a children's programmer for much of the year had a major impact on the library's ability to provide programming to the community.
- In partnership with the Gila County Library District and the Arizona State Library, we were able to offer story times, science programs, and more... digitally to the public during our down times.
- As the largest and most heavily used library in Gila County, the Payson public library works closely with the Gila County Library District to ensure that a professional standard of service is available countywide. The Payson public library continues to answer more reference questions, circulate more materials, and host more programs than any other library within the county.
- When Rim Country students are forced to remain home due to quarantine or illness, the library provides educational materials to local students to help support the school's distance learning efforts. We further support students by providing free access to the internet both inside and immediately outside the library building.
- With the completion of the library's new meeting room, we were able to move the teen technology and gaming space to a larger venue on the south side of the building. In addition to two new gaming computers (bringing the total to 8), we have added a 3D printer and several maker space amenities to boost creativity and use among the young adults of our community.
- As more and more of our users become comfortable with virtual platforms, and social distancing measures encourage patrons to stay home, the demand for e-Resources has

risen dramatically. The Payson Library, as part of the Gila County Library Consortium, was able to join consortiums with several other rural library districts throughout Arizona to greatly expand our holdings. eBooks and eAudio are more popular and more readily available than ever.

## **2021/22 Objectives**

### *KRA 2: FINANCIAL EXCELLENCE*

- Library staff will continue to assess the needs of the library and its patrons and seek out grants and community partnership opportunities to help fund related projects. The grant funds that have been awarded will be used as described in the applications to promote library service to the community.

### *KRA 3: INFRASTRUCTURE*

- Important building projects like maintenance of aging HVAC systems, required inspections and other needs will be addressed as they arise. We will continue to coordinate with Payson Parks & Recreation and the Payson Police Department to discourage vandalism and keep the entrance to the library presentable. The Payson Library is a beautiful building that our community is proud of and we want to make it as well-kept and functional as possible.

### *KRA 5: NEIGHBORHOODS AND LIVABILITY*

- Library staff will provide quality programs to patrons of varying ages on varying platforms. This will include programs provided in partnership with local schools and organizations.
- The Library will continue to work with Gila County Library District administration and our in-network libraries toward the common goal of providing a positive and cohesive patron service experience throughout the Gila County Library District.

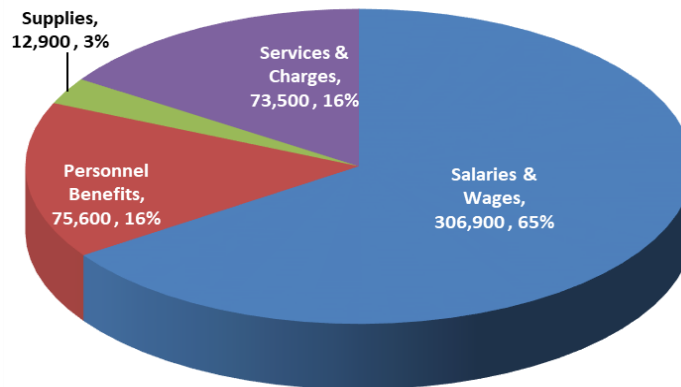
### *KRA 10: TECHNOLOGY*

- The Payson Library will continue to develop new technology strategies to meet the ever-increasing demands of the public for fast, always available connectivity. We will also focus on improving computer literacy amongst our patronage so that they can benefit from the connectivity that we provide.
- With the demand for digitally accessible programs and content rising rapidly due to our changing world, the Payson Library will focus on expanding our eBook and eAudio collections as well as providing programs in digital formats for our community members who feel safest staying at home.

## Position Summary

	2020/21	2021/22
Library Director	1.0	1.0
Assistant Librarian	1.0	1.0
Circulation Supervisor	0.0	1.0
Library IT & Tech Specialist	0.0	1.0
Library Youth Svcs Specialist	0.0	0.5
Library Clerk	4.0	1.5
Library Page	0.5	0.5
<b>Total Budgeted Positions</b>	<b>6.5</b>	<b>6.5</b>

## 2021/22 Proposed Expenditures



## Library Department Budget Change

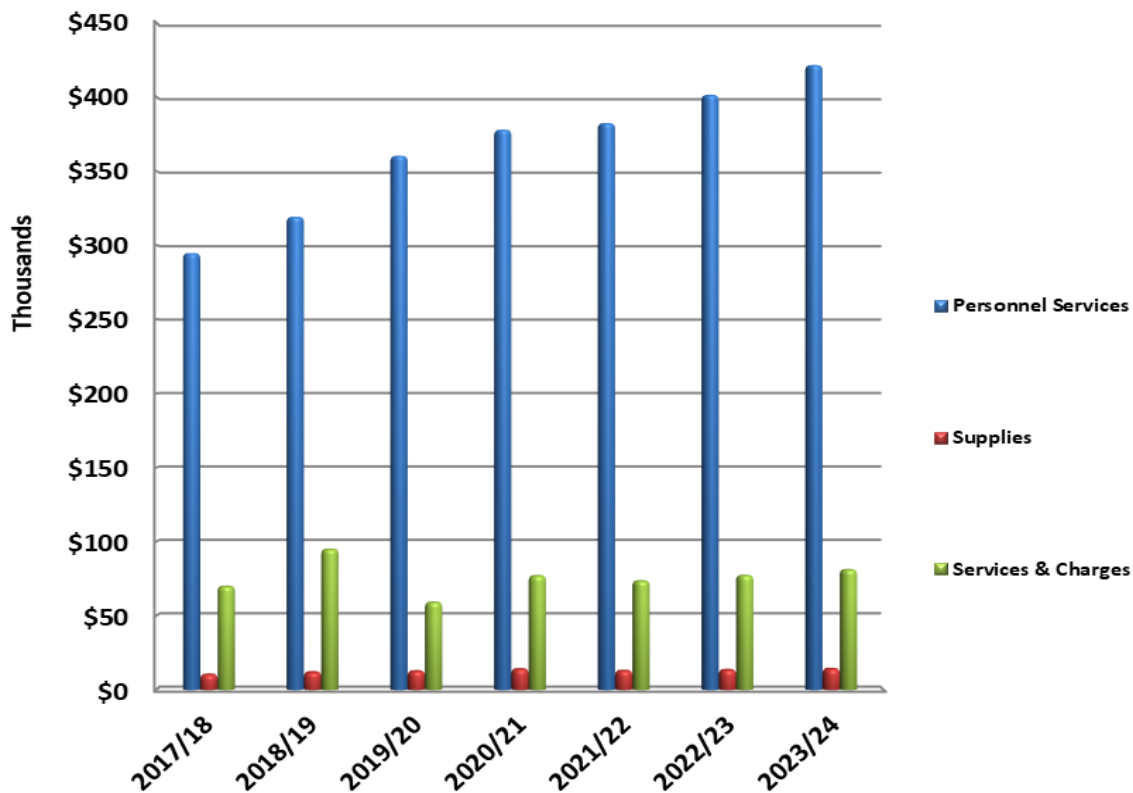
Description	2019/20 Actual	2020/21 Adopted	% Change	2021/22 Proposed	% Change
Salaries & Wages	292,267	304,300	4.1%	306,900	0.9%
Personnel Benefits	68,129	73,700	8.2%	75,600	2.6%
Supplies	12,643	14,000	10.7%	12,900	-7.9%
Services & Charges	59,066	77,000	30.4%	73,500	-4.5%
<b>Total Library</b>	<b>\$ 432,105</b>	<b>\$ 469,000</b>	<b>8.5%</b>	<b>\$ 468,900</b>	<b>0.0%</b>

## Significant Budget Changes:

- FY20/21 Services & Charges – Although the budgets for FY19/20 and FY20/21 were nearly identical, the actual expenditures in FY19/20 were around \$20,000 below budget

### Library Department Budget Analysis Historic & Forecast

Classification	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	2022/23 Estimate	2023/24 Estimate
Personnel Services	294,685	319,230	360,396	378,000	382,500	401,600	421,700
Supplies	10,349	11,965	12,643	14,000	12,900	13,500	14,200
Services & Charges	69,788	94,892	59,066	77,000	73,500	77,200	81,100
<b>Total Library</b>	<b>\$374,822</b>	<b>\$426,087</b>	<b>\$ 432,105</b>	<b>\$ 469,000</b>	<b>\$ 468,900</b>	<b>\$ 492,300</b>	<b>\$ 517,000</b>





## PARKS, RECREATION, & TOURISM DEPARTMENT

### Mission

The mission of the Payson Parks, Recreation & Tourism (PRT) Department is to provide for the health, inspiration, and recreational opportunities for the people of Payson through the creation and maintenance of high-quality programs, facilities, and community special events. In addition, the department will develop outdoor recreational programs that invite tourists and promote existing attractions and special events to increase the overall economic and social vitality of our community.

### Position Summary

	2020/21	2021/22
Parks Rec & Tourism Director	1.0	1.0
Recreation Supervisor	2.0	2.0
Parks Operations Manager	1.0	1.0
Customer Service Representative	1.0	1.0
Graphic Designer	1.0	1.0
General Maintenance Worker	9.0	9.0
Event Center Coordinator	1.0	1.0
<b>Total Budgeted Positions</b>	<b>16.0</b>	<b>16.0</b>

### Description

Parks, Recreation & Tourism is comprised of several Divisions: Tourism, Recreation, Trails & Outdoor Recreation, Event Center, Aquatics, and Parks Operations. The facilities that fall under this Department are Taylor Pool, Rumsey Park, Green Valley Park, the Multi-Event Center, and Payson Area Trails System (PATs).

Parks, Rec, & Tourism	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed
Tourism	300,076	216,533	179,875	233,400	341,700
Parks Operations	790,729	788,753	1,267,066	1,146,700	1,850,800
Trails & Open Space	1,942	1,296	1,788	6,000	5,400
Recreation	470,029	372,692	472,122	563,700	669,800
Event Center	189,480	255,994	269,640	383,100	605,400
Aquatics	84,244	90,679	54,601	98,700	4,100
<b>Total Department</b>	<b>\$1,836,500</b>	<b>\$ 1,725,947</b>	<b>\$ 2,245,092</b>	<b>\$ 2,431,600</b>	<b>\$3,477,200</b>



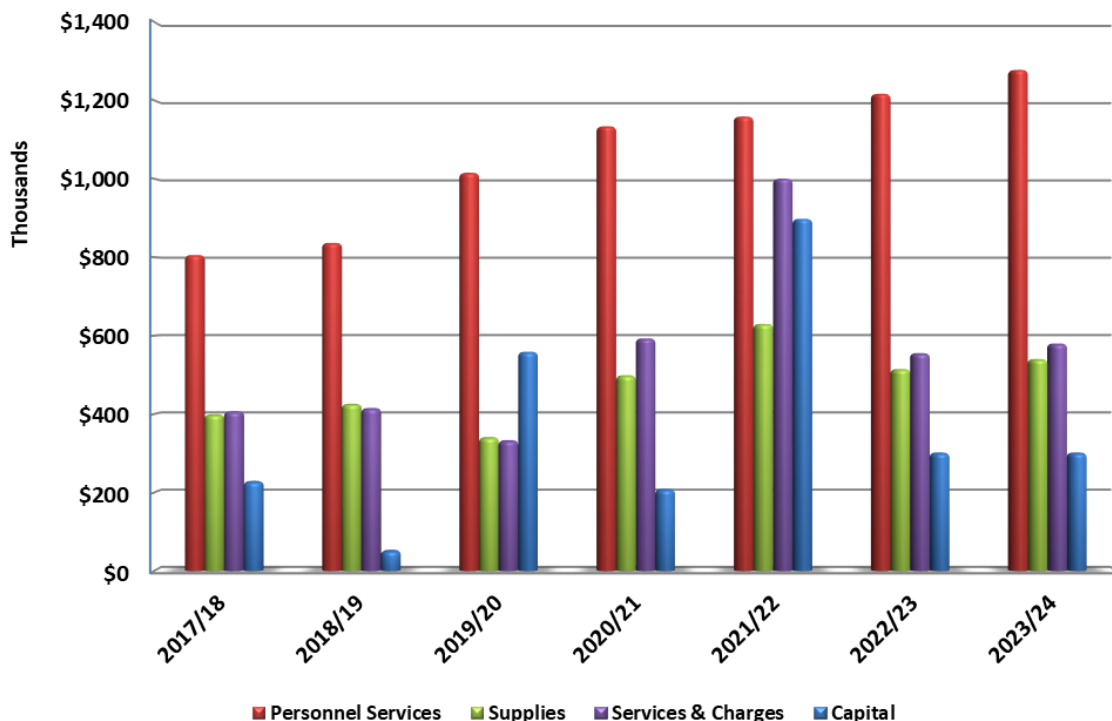
## Parks, Recreation and Tourism Department Budget Change

Description	2019/20 Actual	2020/21 Adopted	% Change	2021/22 Proposed	% Change
Salaries & Wages	779,434	860,800	10.4%	874,200	1.6%
Personnel Benefits	236,438	273,500	15.7%	285,100	4.2%
Supplies	339,531	497,900	46.6%	629,300	26.4%
Services & Charges	331,658	592,400	78.6%	1,000,900	69.0%
Capital	558,031	207,000	-62.9%	898,100	333.9%
<b>Total PRT</b>	<b>\$ 2,245,092</b>	<b>\$ 2,431,600</b>	<b>8.3%</b>	<b>\$ 3,687,600</b>	<b>51.7%</b>

Note: Significant budget changes are addressed within the individual divisions' sections that follow.

## Parks, Recreation, Tourism Department Budget Analysis Historic & Forecast

Classification	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	2022/23 Estimate	2023/24 Estimate
Personnel Services	805,552	836,626	1,015,872	1,134,300	1,159,300	1,217,400	1,278,400
Supplies	397,822	424,771	339,531	497,900	629,300	513,700	539,400
Services & Charges	405,964	413,966	331,658	592,400	1,000,900	554,600	579,100
Capital	227,162	50,484	558,031	207,000	898,100	300,000	300,000
<b>Total PRT</b>	<b>\$ 1,836,500</b>	<b>\$ 1,725,847</b>	<b>\$ 2,245,092</b>	<b>\$ 2,431,600</b>	<b>\$ 3,687,600</b>	<b>\$ 2,585,700</b>	<b>\$ 2,696,900</b>



## PARKS, REC., TOURISM DEPT – Tourism Division

### 2020/21 Accomplishments

- Decreased website bounce rate by 91.6%, which indicates that individuals find our new content and navigation easier and more valuable.
- Website pages per visit increased by 21.9%.
- Received the Governor's Office of Tourism Award for Best Rural Marketing Campaign for Adventure Payson.
- Continued marketing to the Town of Gilbert with targeted postcard campaigns and "80 things to do 80 miles away", a page on the website targeted specifically at travelers from Gilbert visiting Payson.
- Shop Like a Local campaign was pushed via social media encouraging locals and visitors alike to patronize local businesses all year, but especially during the holiday season.
- Virtual Santa's Book Reading streamed on Facebook on Christmas Eve.
- Redesigned and implemented the new Paysonparks.com website to match the look and feel of paysonrimcountry.com. It is now easier to navigate for users who are working through registrations.
- 2020 Adventure Dog campaign ran on Instagram and Facebook with over 50 entrants, crowning Rue as the 2020 Adventure Dog. The campaign always has great success and lots of engagement as individuals on Facebook "vote" for their favorite submitted adventure dog photo by liking and commenting.
- Grew media (photo and video) database for future use in ads, posters, and marketing.
- Developed and distributed quarterly calendars for events and programs.
- Hosted the McDowell family for Adventure Like A Local Boulder Loop video, then shared via social avenues.
- Developed and sold Adventure Where We Live + State 48 collaboration shirts at special events (4<sup>th</sup> of July, Farmer's Market, etc.)
- Created promotions for locals / local community programs.
- Collaborated with locals and business community to promote Payson and events via video.
- Continued the Adventure Like a Local series.
- Promoted facilities within Town- available for reservations or hosting events.
- Explored alternative marketing avenues including print, web, digital, and social media.

### 2021/22 Objectives

#### KRA 1: ECONOMIC DEVELOPMENT, TOURISM & ECONOMIC VITALITY

- Continue partnership campaign with Discover Gilbert & Adventure Where We Live.
- Continue Adventure Like a Local Series, Adventure Dog, and email campaigns.
- Develop internal publications and articles for web distribution.
- Produce event stickers or Payson commemorative items/merchandise.

#### KRA 2: FINANCIAL EXCELLENCE

- Continue to expand budget tracking for expenditures on all marketing avenues and also track return on investment per initiative.

#### KRA 4: INNOVATION & EFFICIENCY

- Continue to explore alternate marketing avenues.

#### KRA 5: NEIGHBORHOODS & LIVABILITY

- Display yearly consistent street banners to maintain on-brand representation throughout the community and provide information to local and outside travelers.
- Establish in-person promotion for both non-Town and Town events.

#### KRA 6: SOCIAL SERVICES

- Develop community cause marketing.

#### KRA 7: THE PAYSON TEAM

- Create social media policies and goals.
- Finalize logo and usage guidelines and get them approved by upper management.

#### KRA 9: SUSTAINABILITY

- Develop layered marketing approach to continue expansion versus redevelopment.

#### KRA 10: TECHNOLOGY

- Build interactions and engagements with media outlets.
- Continue to build out the website and continually update with subject matter entities.
- Incorporate print material into digital magazine forms to be available online.
- Track information about calls and foot traffic to office.



### Tourism Division Budget Change

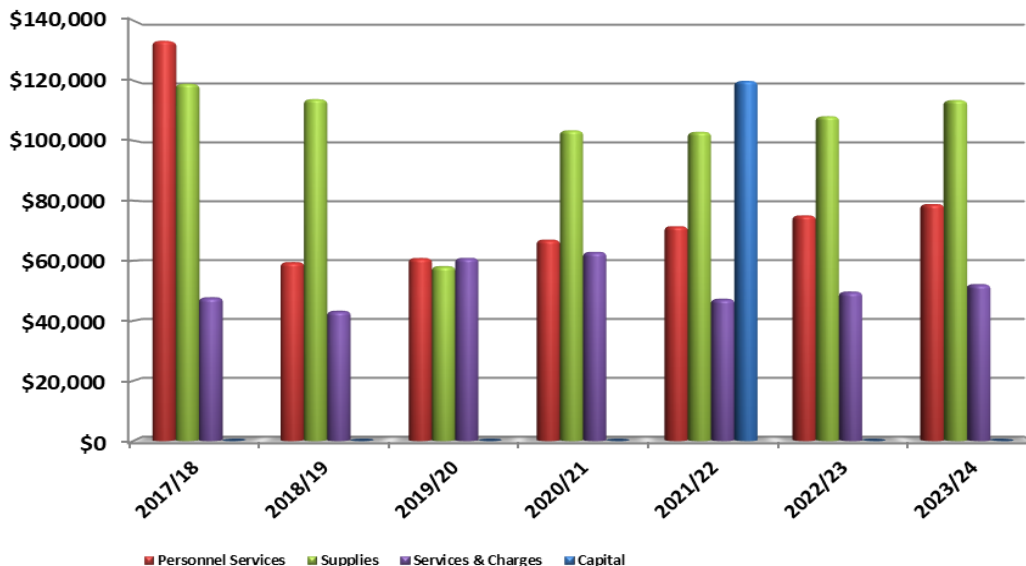
Description	2019/20 Actual	2020/21 Adopted	% Change	2021/22 Proposed	% Change
Salaries & Wages	47,678	52,400	9.9%	61,000	16.4%
Personnel Benefits	13,177	14,600	10.8%	10,500	-28.1%
Supplies	58,130	103,500	78.0%	103,000	-0.5%
Services & Charges	60,890	62,900	3.3%	47,200	-25.0%
Capital	-	-	0.0%	120,000	100.0%
<b>Total Tourism</b>	<b>\$ 179,875</b>	<b>\$ 233,400</b>	<b>29.8%</b>	<b>\$ 341,700</b>	<b>46.4%</b>

#### Significant Budget Changes:

- FY20/21 Supplies – although the budgets for FY2019/20 and 2020/21 were similar, the actuals for FY2019/20 were much lower than budgeted
- FY21/22 Services & Charges – partial budget of advertising services reallocated to Bed Tax
- FY21/22 Capital – added budget for purchase of a Skidsteer

### Tourism Division Budget Analysis Historic & Forecast

Classification	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	2022/23 Estimate	2023/24 Estimate
Personnel Services	133,346	59,483	60,855	67,000	71,500	75,100	78,900
Supplies	119,045	113,897	58,130	103,500	103,000	108,200	113,600
Services & Charges	47,685	43,156	60,890	62,900	47,200	49,600	52,100
Capital	-	-	-	-	120,000	-	-
<b>Total Tourism</b>	<b>\$300,076</b>	<b>\$216,536</b>	<b>\$ 179,875</b>	<b>\$ 233,400</b>	<b>\$341,700</b>	<b>\$232,900</b>	<b>\$ 244,600</b>





## PARKS, REC., TOURISM DEPT – Recreation Divisions

### 2020/21 Accomplishments

- Continued offering an array of youth and adult programs to the community, along with races and special events
- Hosted the 50<sup>th</sup> Anniversary of the Payson Old Time Fiddle & Acoustic Celebration
- Hosted the annual Food Truck Festival
- Hosted the Easter Egg Celebration at Rumsey Park
- Electric Light Parade saw 16 entries for its alternative route of driving through town
- Incorporated monthly town-wide department meeting to improve special event communication within the organization
- Concert Series averaged around 850 spectators per concert, with growing interest from participating bands
- Truck or Treat had 16 participating trunks and was hosted at the Event Center as the event's new venue. The new site will allow for consistency and the ability for the event to grow.

### 2021/22 Objectives

#### KRA 1: ECONOMIC DEVELOPMENT TOURISM & ECONOMIC VITALITY

- Involve locals and businesses in the promotion of events
- Increase opportunities for businesses to partner with events and their functions
- Inform business owners of events and other happenings within the Town
- Seek new tourism grants

#### KRA 2: FINANCIAL EXCELLENCE

- Continue to track and break down cost recovery for events for financial efficiency

#### KRA 4: INNOVATION & EFFICIENCY

- Continue to evaluate events for staff efficiencies in production, and innovative ideas to implement into existing events along with innovation for new offerings

#### KRA 5: NEIGHBORHOODS & LIVABILITY

- Connect the community to local parks and facilities through events

#### KRA 6: SOCIAL SERVICES

- Offer broad programs and events to ensure participation is possible for all members of the community

#### KRA 7: THE PAYSON TEAM

- Inform Town staff of local events

#### KRA 8: PUBLIC SAFETY

- Incorporate PSA/safety information for events

#### KRA 9: SUSTAINABILITY

- Collaborate with partners on events, and communication of public wants/needs

### **Recreation Admin Division Budget Change**

Description	2019/20 Actual	2020/21 Adopted	% Change	2021/22 Proposed	% Change
Salaries & Wages	117,920	127,200	7.9%	133,700	5.1%
Personnel Benefits	30,454	41,300	35.6%	47,300	14.5%
Supplies	5,629	12,400	120.3%	17,500	41.1%
Services & Charges	11,437	15,000	31.2%	119,400	696.0%
<b>Total Rec Admin</b>	<b>\$ 165,440</b>	<b>\$ 195,900</b>	<b>18.4%</b>	<b>\$ 317,900</b>	<b>62.3%</b>

#### **Significant Budget Changes:**

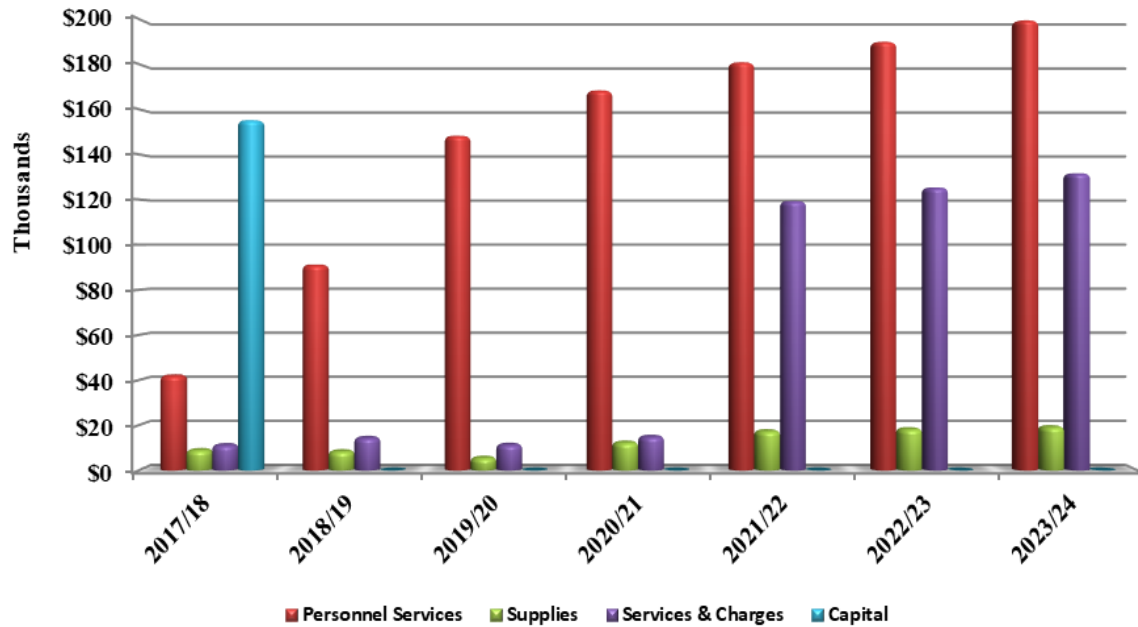
- FY20/21 Personnel Benefits – reflect increases in retirement and insurance
- FY21/22 Supplies – increase in facility repairs from years of delayed maintenance
- FY21/22 Services & Charges – increase is due to 12 new vehicle leasing pilot program

### **Recreation Admin Division Budget Analysis Historic & Forecast**

Classification	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	2022/23 Estimate	2023/24 Estimate
Personnel Services	42,040	91,126	148,374	168,500	181,000	190,100	199,600
Supplies	9,059	8,529	5,629	12,400	17,500	18,400	19,300
Services & Charges	11,272	14,501	11,437	15,000	119,400	125,400	131,700
Capital	155,292	-	-	-	-	-	-
<b>Total Rec Admin</b>	<b>\$217,663</b>	<b>\$114,156</b>	<b>\$165,440</b>	<b>\$195,900</b>	<b>\$317,900</b>	<b>\$333,900</b>	<b>\$350,600</b>



## Recreation Admin Division Budget Analysis Historic & Forecast



## PARKS, REC., TOURISM DEPT – Recreation Division A

### Recreation Division A Budget Changes

Description	2019/20 Actual	2020/21 Adopted	% Change	2021/22 Proposed	% Change
Salaries & Wages	68,109	66,400	-2.5%	68,600	3.3%
Personnel Benefits	19,559	22,500	15.0%	21,000	-6.7%
Supplies	36,886	47,900	29.9%	58,600	22.3%
Services & Charges	7,688	9,700	26.2%	10,000	3.1%
<b>Total Rec Div A</b>	<b>\$ 132,242</b>	<b>\$ 146,500</b>	<b>10.8%</b>	<b>\$ 158,200</b>	<b>8.0%</b>

#### Significant Budget Changes:

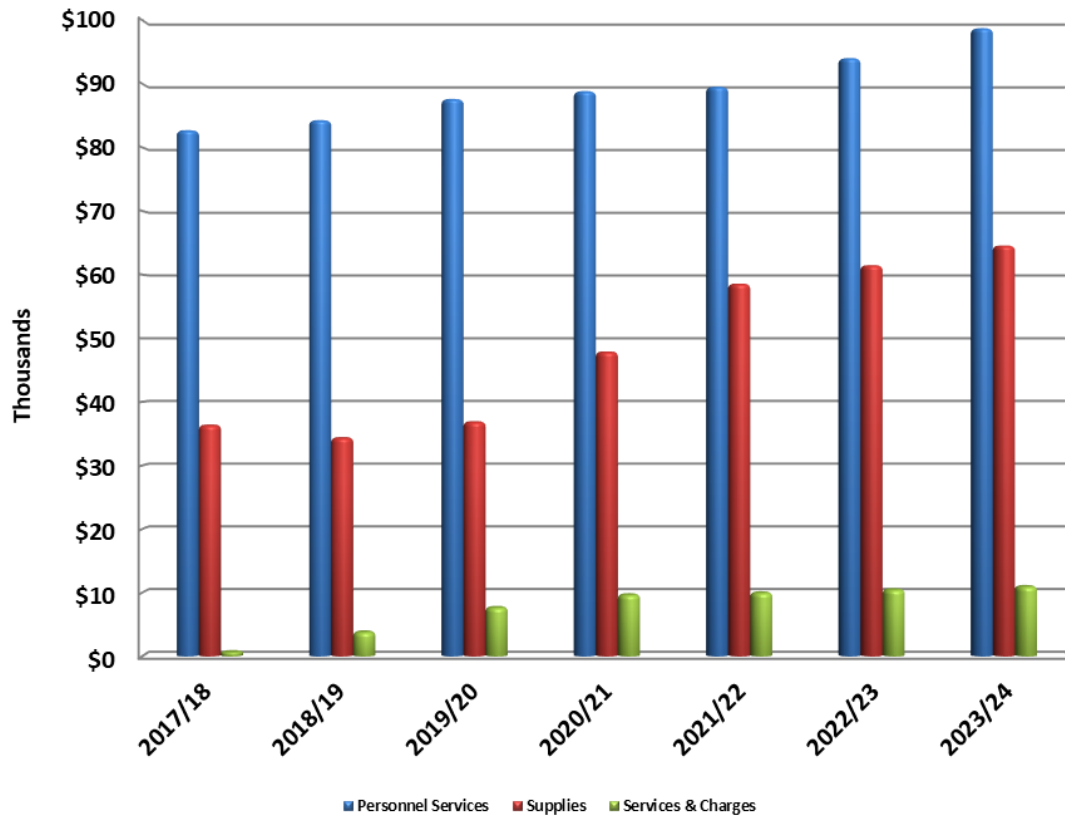
- FY20/21 Supplies – increased budget for Program Supplies
- FY21/22 Supplies – increased budget for Program Supplies

### Recreation A Division Budget Analysis Historic & Forecast

Classification	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	2022/23 Estimate	2023/24 Estimate
Personnel Services	82,747	84,334	87,668	88,900	89,600	94,100	98,800
Supplies	36,361	34,382	36,886	47,900	58,600	61,500	64,600
Services & Charges	694	3,829	7,688	9,700	10,000	10,500	11,000
<b>Total Rec Div A</b>	<b>\$ 119,802</b>	<b>\$ 122,545</b>	<b>\$ 132,242</b>	<b>\$ 146,500</b>	<b>\$ 158,200</b>	<b>\$ 166,100</b>	<b>\$ 174,400</b>



## Recreation A Division Budget Analysis Historic & Forecast







### Recreation Division B Budget Change

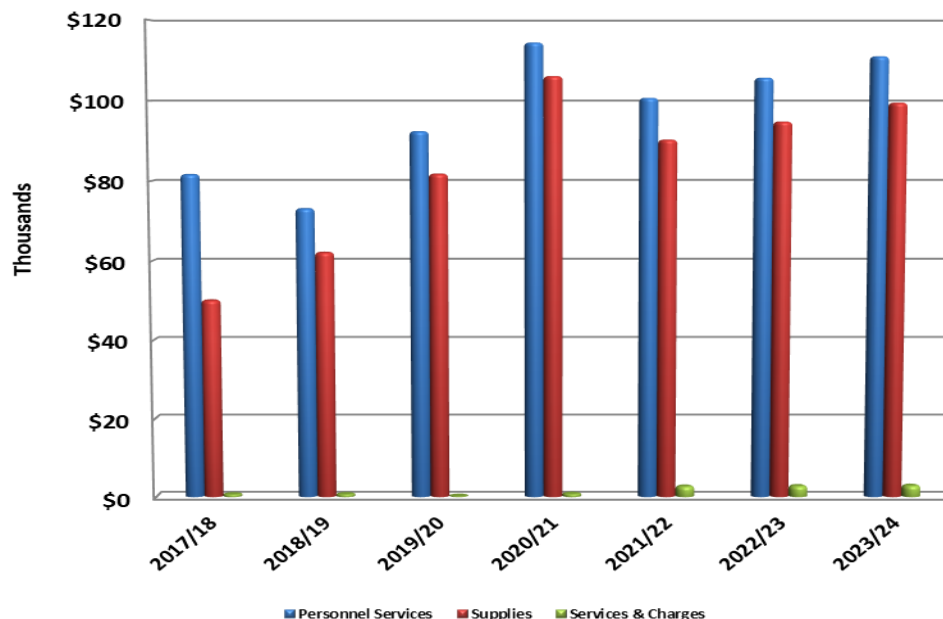
Description	2019/20 Actual	2020/21 Adopted	% Change	2021/22 Proposed	% Change
Salaries & Wages	76,329	93,600	22.6%	79,300	-15.3%
Personnel Benefits	16,087	20,800	29.3%	21,400	2.9%
Supplies	81,802	106,100	29.7%	90,300	-14.9%
Services & Charges	222	800	260.4%	2,700	237.5%
<b>Total Rec Div B</b>	<b>\$174,440</b>	<b>\$221,300</b>	<b>26.9%</b>	<b>\$193,700</b>	<b>-12.5%</b>

#### Significant Budget Changes:

- FY20/21 Salaries & Wages and Benefits – in anticipation of pandemic recovery, increased temporary positions
- FY20/21 Supplies – actual for FY19/20 came in much lower than the budget of \$129,000 due to the pandemic
- FY21/22 Salaries & Wages – budget for temporary wages decreased by \$15,000
- FY21/22 Supplies – reduced budget for Program Supplies by \$15,800 due to slower recovery from the pandemic

### Recreation B Division Budget Analysis Historic & Forecast

Classification	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	2022/23 Estimate	2023/24 Estimate
Personnel Services	81,699	73,141	92,416	114,400	100,700	105,700	111,000
Supplies	50,079	62,133	81,802	106,100	90,300	94,800	99,500
Services & Charges	686	717	222	800	2,700	2,800	2,900
<b>Total Rec Div B</b>	<b>\$132,464</b>	<b>\$135,991</b>	<b>\$174,440</b>	<b>\$221,300</b>	<b>\$193,700</b>	<b>\$203,300</b>	<b>\$213,400</b>





## PARKS, REC., TOURISM DEPT – Trails Division

### Trails Division Budget Change

#### 2020/21 Accomplishments

- Continued offering quarterly fly fishing classes with Payson Fly Casters Club
- Continued partnership with Payson Fly Casters Club to offer new fly tying class
- Continued working relationship with Rim Country Trails Group
- Initiated conversations with the Forest Service on Payson Area Trails System (PATs) and the future of PATs

#### 2021/22 Objectives

##### KRA 1: ECONOMIC DEVELOPMENT TOURISM & ECONOMIC VITALITY

- Promote the Tonto National Forest, and Rim Country's vast outdoor experiences

##### KRA 2: FINANCIAL EXCELLENCE

- Future budget implementations for trail development, next steps

##### KRA 3: INFRASTRUCTURE

- Continue conversations with Forest Service on PATs trails, and future/next steps
- Seek trail designation consensus

##### KRA 4: INNOVATION & EFFICIENCY

- Partner with contract instructors or organizations to offer more outdoor recreational opportunities for the public

##### KRA 6: SOCIAL SERVICES

- Promote local trails – develop a partnership with AZOT Leave No Trace initiative

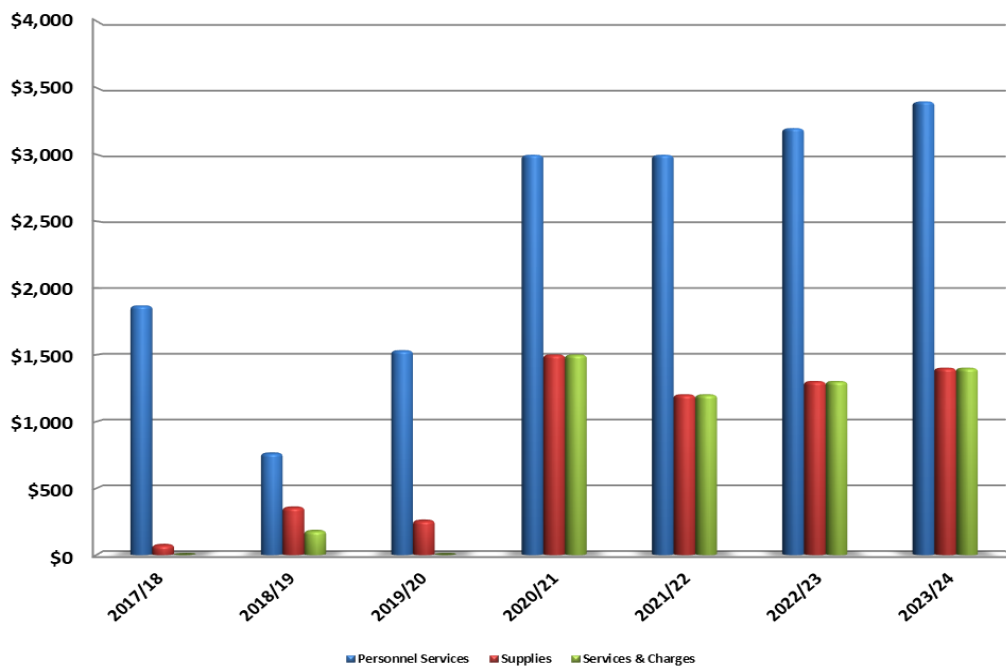
Description	2019/20 Actual	2020/21 Adopted	% Change	2021/22 Proposed	% Change
Salaries & Wages	1,385	2,700	94.9%	2,700	0.0%
Personnel Benefits	147	300	104.1%	300	0.0%
Supplies	256	1,500	486%	1,200	-20.0%
Services & Charges	-	1,500	100.0%	1,200	-20.0%
<b>Total Trails &amp; Open Space</b>	<b>\$ 1,788</b>	<b>\$ 6,000</b>	<b>235.6%</b>	<b>\$ 5,400</b>	<b>-10.0%</b>

#### Significant Budget Changes:

- No significant budget changes (used 5-year baseline history)

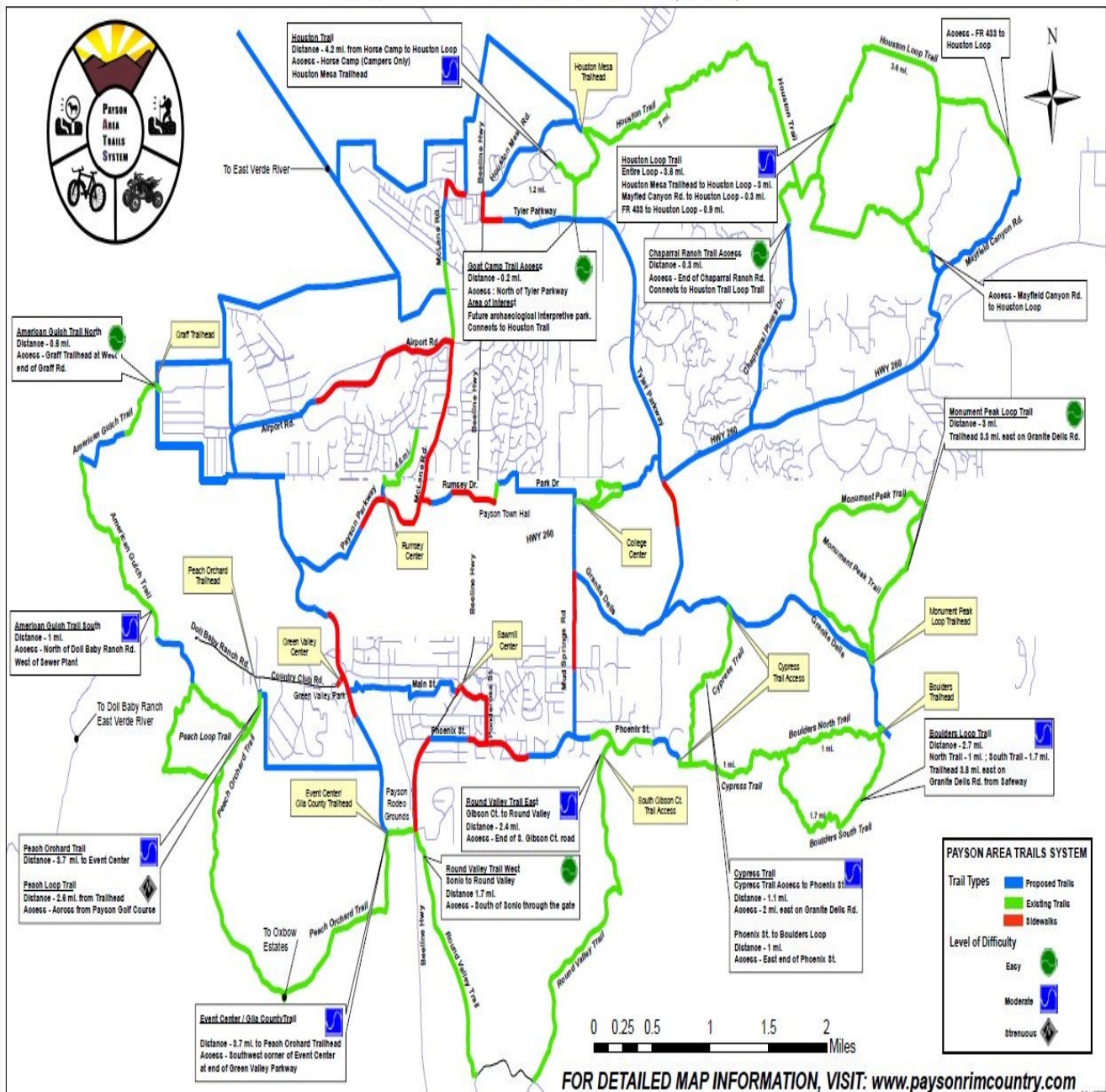
## Trails Division Budget Analysis Historic & Forecast

Classification	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	2022/23 Estimate	2023/24 Estimate
Personnel Services	1,869	762	1,532	3,000	3,000	3,200	3,400
Supplies	73	355	256	1,500	1,200	1,300	1,400
Services & Charges	-	179	-	1,500	1,200	1,300	1,400
<b>Total Trails</b>	<b>\$ 1,942</b>	<b>\$ 1,296</b>	<b>\$ 1,788</b>	<b>\$ 6,000</b>	<b>\$ 5,400</b>	<b>\$ 5,800</b>	<b>\$ 6,200</b>





## PAYSON AREA TRAILS SYSTEM (PATS)





## PARKS, REC., TOURISM DEPT – Event Center Division

### 2020/21 Accomplishments

#### KRA 1: ECONOMIC DEVELOPMENT TOURISM & ECONOMIC VITALITY

- Payson hosted its first college rodeo in March 2021 – received NIRA Grand Canyon Region Rodeo of the year award.
- Joined League of Agricultural and Equine Centers.
- Held first-ever paintball event at Payson Event Center.

#### KRA 10: TECHNOLOGY

- Began exploring implementation of Open Stalls software for stall rental management.

### 2021/22 Objectives

#### KRA 1: ECONOMIC DEVELOPMENT TOURISM & ECONOMIC VITALITY

- Promote the facility for multi-array of events.
- Explore community partnerships in events and support of the facility.

#### KRA 2: FINANCIAL EXCELLENCE

- Analyze fees and charges to improve financial stability of facility and events.
- Increase opportunities for revenue streams (stalls, sale of shavings, partnership, etc.)
- Install software for onsite registration for stall management.

#### KRA 3: INFRASTRUCTURE

- Continue to make facility upgrades and improvements (lead ups).

#### KRA 4: INNOVATION & EFFICIENCY

- Implement policies and procedures for stall rentals, booking of facility, onsite supervision for private rentals.

#### KRA 6: SOCIAL SERVICES

- Promote facility and its offerings to the community.

#### KRA 8: PUBLIC SAFETY

- Implement an evacuation system.

#### KRA 10: TECHNOLOGY

- Install software for onsite registration for stall management.
- Gain access to the internet by using a satellite internet provider

### Event Center Division Budget Change

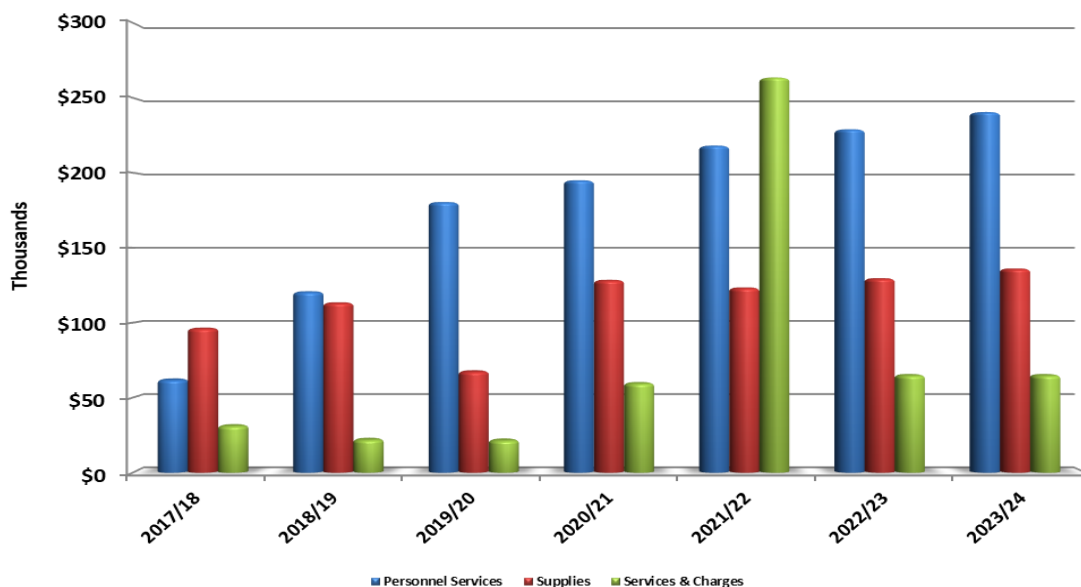
Description	2019/20 Actual	2020/21 Adopted	% Change	2021/22 Proposed	% Change
Salaries & Wages	130,193	141,200	8.5%	160,900	14.0%
Personnel Benefits	50,355	53,900	7.0%	57,400	6.5%
Supplies	67,521	128,400	90.2%	123,300	-4.0%
Services & Charges	21,571	59,600	176.3%	263,800	342.6%
<b>Total Event Center</b>	<b>\$ 269,640</b>	<b>\$ 383,100</b>	<b>42.1%</b>	<b>\$ 605,400</b>	<b>58.0%</b>

#### Significant Budget Changes:

- FY20/21 Salaries & Wages and benefits – budget increased for wage adjustments
- FY20/21 Supplies and Services – although the budget for FY20/21 was similar to the budget for FY19/20, actuals for FY19/20 were far less than budgeted
- FY21/22 Salaries & Wages – primarily due to increase wage adjustments
- FY21/22 Services & Charges – added \$200,000 for expenses related to anticipated grant

### Event Center Division Budget Analysis – Historic & Forecast

Classification	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	2022/23 Estimate	2023/24 Estimate
Personnel Services	62,017	120,682	180,548	195,100	218,300	229,200	240,700
Supplies	96,239	113,274	67,521	128,400	123,300	129,500	136,000
Services & Charges	31,224	22,038	21,571	59,600	263,800	65,000	65,000
<b>Total Event Center</b>	<b>\$ 189,480</b>	<b>\$ 255,994</b>	<b>\$ 269,640</b>	<b>\$ 383,100</b>	<b>\$ 605,400</b>	<b>\$ 423,700</b>	<b>\$ 441,700</b>



## PARKS, REC., TOURISM DEPT – Aquatics Division

### 2020/21 Accomplishments

- Taylor Pool was closed during the fiscal year

### 2021/22 Objectives

- Taylor Pool remains closed

### Aquatic Division Budget Change

Description	2019/20 Actual	2020/21 Adopted	% Change	2021/22 Proposed	% Change
Salaries & Wages	20,419	45,000	120.4%	-	-100.0%
Personnel Benefits	2,719	5,200	91.2%	-	-100.0%
Supplies	12,319	19,700	59.9%	-	-100.0%
Services & Charges	19,144	28,800	50.4%	4,100	-85.8%
<b>Total Aquatics</b>	<b>\$ 54,601</b>	<b>\$ 98,700</b>	<b>80.8%</b>	<b>\$ 4,100</b>	<b>-95.8%</b>

### Significant Budget Changes:

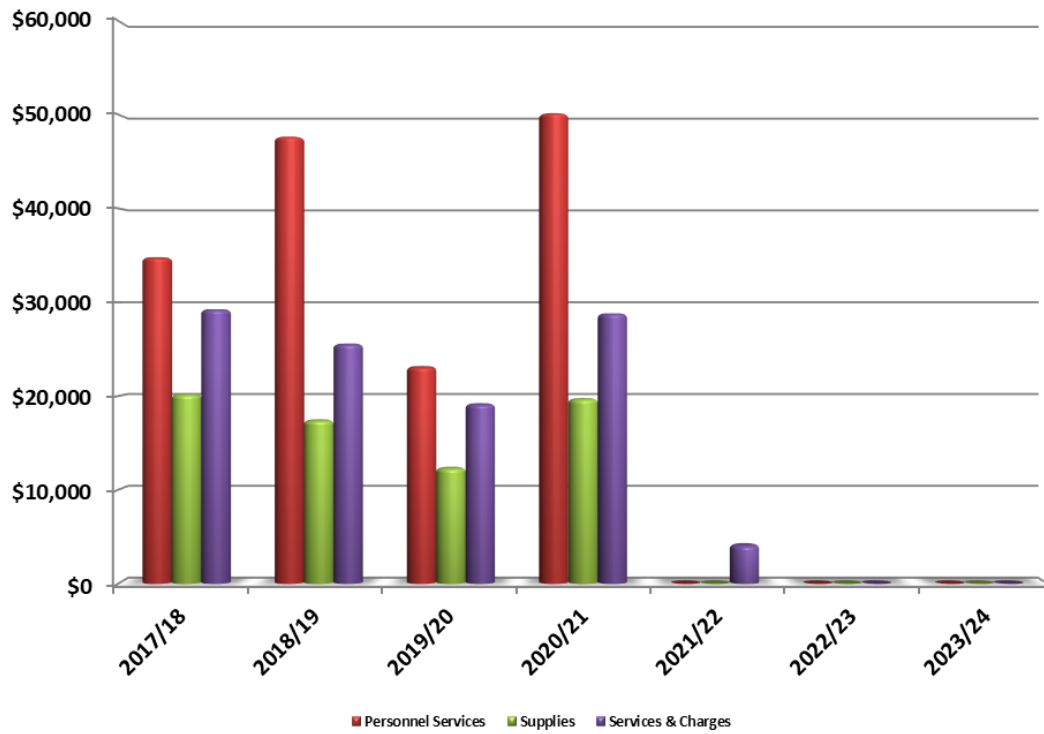
- FY20/21 Salaries & Wages – increased budget for Temporary Wages in anticipation of activities
- FY20/21 Supplies and Services – increased budget in anticipation of activities
- FY21/22 – reduced budget in anticipation of pool remaining closed

### Aquatic Division Budget Analysis Historic & Forecast

Classification	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	2022/23 Estimate	2023/24 Estimate
Personnel Services	34,811	47,698	23,138	50,200	-	-	-
Supplies	20,181	17,421	12,319	19,700	-	-	-
Services & Charges	29,252	25,560	19,144	28,800	4,100	-	-
<b>Total Aquatics</b>	<b>\$ 84,244</b>	<b>\$ 90,679</b>	<b>\$ 54,601</b>	<b>\$ 98,700</b>	<b>\$ 4,100</b>	<b>\$ -</b>	<b>\$ -</b>



### Aquatic Division Budget Analysis Historic & Forecast



## PARKS, REC., TOURISM DEPT – Parks Operations

### 2020/21 Accomplishments

#### KRA 3: INFRASTRUCTURE/ KRA 5: NEIGHBORHOODS & LIVABILITY

- Replaced the artificial turf on the Kiwanis/Diamondbacks softball/baseball facility.
- Completed the floodway mitigation plan in Rumsey Park.
- Completed Green Valley Park shop and crew space building.
- Pursued funding for renovations of our aged facilities to enhance the safety and amenities at our parks.
- Worked with the ADA evaluation group to identify improvements to be made to Town parks and open space areas to meet or exceed current ADA standards.
- Completed ADA improvements in Green Valley Park.

### 2021/22 Objectives

#### KRA 3: INFRASTRUCTURE/ KRA 5: NEIGHBORHOODS & LIVABILITY

- Complete removal of the old forest service building in Green Valley Park and replace with a community Splash pad.
- Complete floodway corrections in Rumsey Park.
- Construct new Diamondbacks restroom.
- Construct Bocce court within Rumsey Park.
- Remove dilapidated maintenance building in Rumsey Park and rework the maintenance yard.
- Begin funding provisions for Rumsey Park, comprehensive civil plan to address full drainage, vehicular circulation, pedestrian circulation, and adequate area/roadway lighting.
- Seek re-funding of the Rumsey playground area restroom facility.
- Provide further “fire-wise” defensible space progress along the north and west borders of Rumsey Park, particularly along private property lines.
- Aggressively pursue funding for renovations of our aged facilities to enhance the safety and amenities at our parks.
- Redevelop and improve the Green Valley Park boat ramp area to be more handicap friendly in conjunction with GDBG grant funds for ADA improvements.
- Improve all Town parks and open space areas to meet or exceed current ADA standards.
- Continue aggressively seeking provisions to evaluate whether to renovate or replace the Taylor Pool facility in Rumsey Park, and move ahead with planning once a decision is made.
- Continue incremental concrete and roofing replacements throughout the parks system.
- Develop a signage and mapping plan for Rumsey Park in conjunction with the ADA and civil planning.



### Parks Operations Division Budget Change

Description	2019/20 Actual	2020/21 Adopted	% Change	2021/22 Proposed	% Change
Salaries & Wages	317,401	332,300	4.7%	368,000	10.7%
Personnel Benefits	103,940	114,900	10.5%	127,200	10.7%
Supplies	76,988	78,400	1.8%	235,400	200.3%
Services & Charges	210,706	414,100	96.5%	552,500	33.4%
Capital	558,031	207,000	-62.9%	778,100	275.9%
<b>Total Parks Operations</b>	<b>\$ 1,267,066</b>	<b>\$ 1,146,700</b>	<b>-9.5%</b>	<b>\$ 2,061,200</b>	<b>79.8%</b>

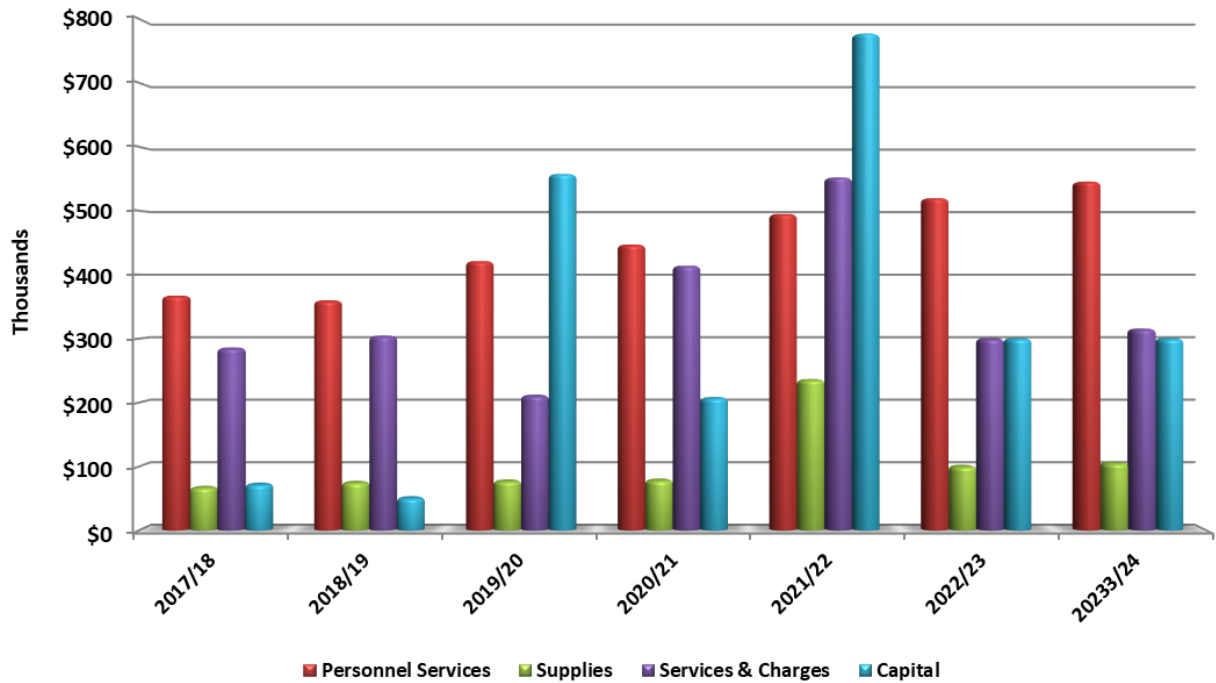
#### Significant budget changes:

- FY20/21 Personnel Benefits – increase in budget for health insurance
- FY20/21 Services & Charges – Professional Services increased by \$100,000 in FY20/21 for the Rumsey Park Civil Plan; the remaining difference is due to FY19/20 actuals coming in much lower than what was budgeted
- FY20/21 Capital – Primarily due to TURF replacement project, which spent \$374,000 in FY19/20 but was completed and therefore not budgeted for FY20/21
- FY21/22 Salaries & Wages and Benefits – increase is due to budget for Streets Division personnel doing some Parks work, and additional \$15,000 budgeted for temporary wages
- FY21/22 Supplies – includes supplies for targeted work on athletic fields (\$90,000), mulch for playgrounds (\$40,000), and replacement parts for playground equipment (\$10,000)
- FY21/22 Services & Charges – additional \$177,000 for paying off MUSCO lights lease early, plus new TURF lease at \$86,000; offset by decrease of \$100,000 for Rumsey Park Civil plan, and \$29,000 reduction in Building Repair and Maintenance
- FY21/22 Capital – \$300,000 budgeted for improvements to all parks, plus \$417,900 for Green Valley Park splash pad, offset by (a) decreases of \$100,000 for Rumsey Park restrooms, and (b) budget for payment on old TURF lease decreasing \$49,000 vs last year

### Parks Operations Division Budget Analysis Historic & Forecast

Classification	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	2022/23 Estimate	2023/24 Estimate
Personnel Services	366,923	359,500	421,341	447,200	495,200	520,000	546,000
Supplies	66,785	74,783	76,988	78,400	235,400	100,000	105,000
Services & Charges	285,151	303,986	210,706	414,100	552,500	300,000	315,000
Capital	71,870	50,484	558,031	207,000	778,100	300,000	300,000
<b>Total Parks Operations</b>	<b>\$ 790,729</b>	<b>\$ 788,753</b>	<b>\$ 1,267,066</b>	<b>\$ 1,146,700</b>	<b>\$ 2,061,200</b>	<b>\$ 1,220,000</b>	<b>\$ 1,266,000</b>

## Parks Operations Division Budget Analysis Historic & Forecast





## PUBLIC WORKS DEPARTMENT

### Mission Statement

The Public Works Department's purpose is to provide safe and efficient infrastructure systems and to provide upgrades and additions to the Town's infrastructure system.

### Description

Public Works is comprised of two divisions: Airport and Streets. (Note: although the Water Department is part of Public Works, it is shown separately because it is an Enterprise Fund.) These two divisions provide engineering, transportation, and drainage for Payson citizens. The Public Works Department also provides services to support various Town Departments such as the review of plats, development plans, addressing, and Public Works maintenance contracts.

The mission of the Payson Airport is to develop into a showpiece gateway, presenting a great first impression of Payson and the Rim Country to tourists and business visitors. The Airport is a major economic driver for the Rim Country and is one of 46 general aviation airports in Arizona. Located in the "heart" of Arizona, it is completely surrounded by 2.9 million acres of the Tonto National Forest. There is no other public use airport within 40 nautical miles of Payson.

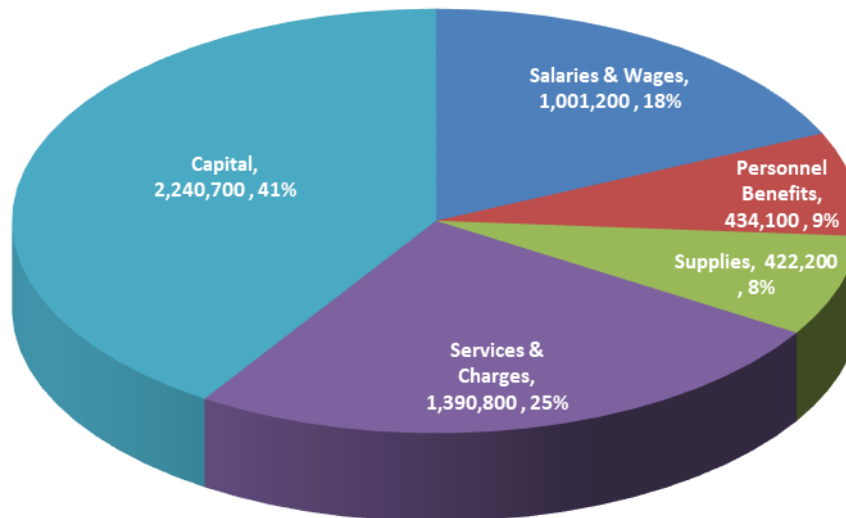
The Streets Division is responsible for the construction and maintenance of the Town's approximately 106 miles of roadway. This includes the roadside right of way, drainage maintenance, sidewalk and curbs maintenance in designated areas, street lighting, snow removal, street sweeping, pothole repair, and street striping. The Highway User Revenue Fund (HURF) passes down from the State of Arizona to fund the Streets Division. The Town's General Fund provides additional funding to supplement the major capital projects related to the streets.

### Position Summary

	2020/21	2021/22
Public Works Director	1.0	1.0
Town Engineer	1.0	1.0
Engineering Technician	1.0	0.5
Administrative Secretary	1.0	0.0
Mechanic	2.0	2.0
Senior Mechanic	1.0	1.0
Crew Leader	2.0	2.0
Streets Operations Manager	1.0	1.0
Streets Maint. Workers	8.0	8.0
Airport Coordinator	1.0	1.0
Airport Operations Technician	1.0	1.0
<b>Total Budgeted Positions</b>	<b>20.0</b>	<b>18.5</b>

## PUBLIC WORKS DEPARTMENT

### 2021/22 Proposed Expenditures



### Public Works Department Budget Change

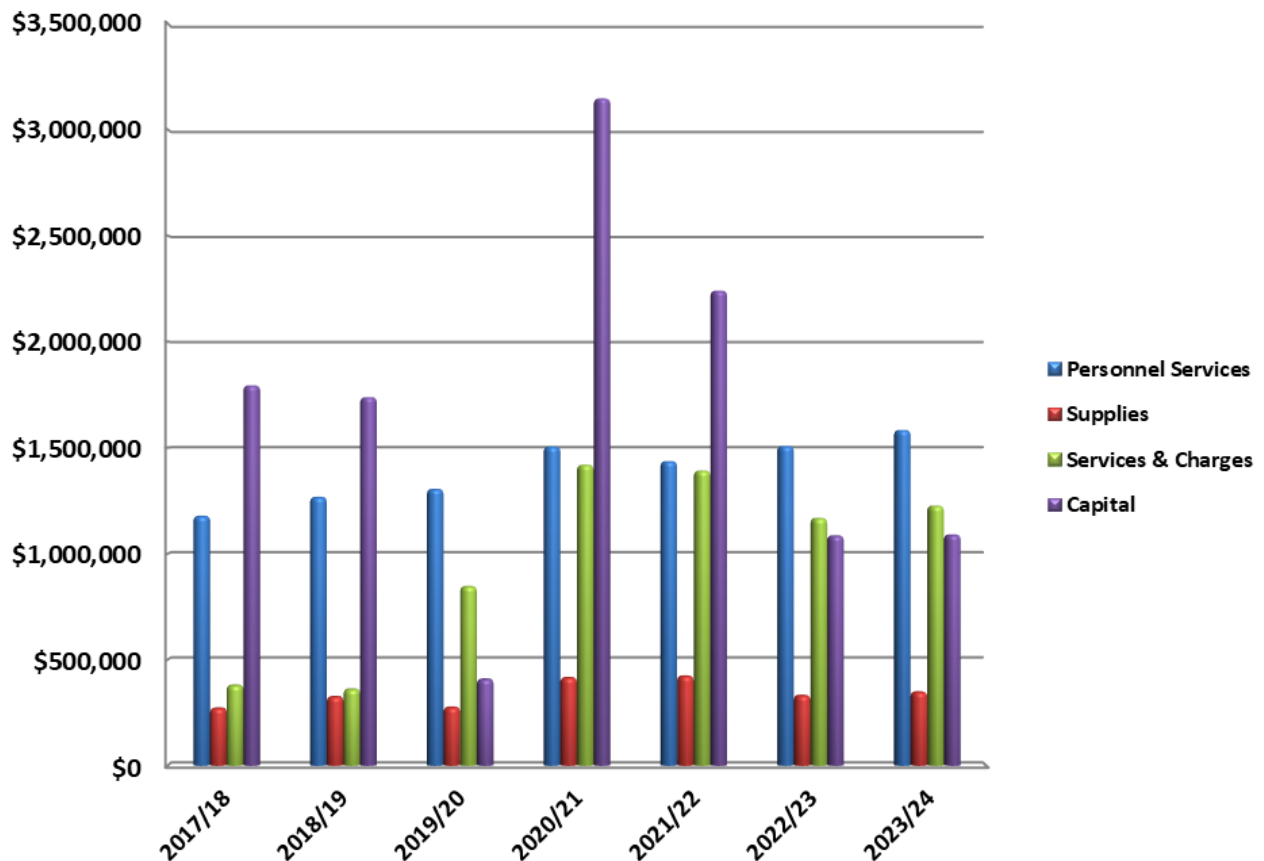
Description	2019/20 Actual	2020/21 Adopted	% Change	2021/22 Proposed	% Change
Salaries & Wages	952,224	1,089,300	14.4%	1,001,200	-8.1%
Personnel Benefits	352,245	415,600	18.0%	434,100	4.5%
Supplies	274,965	415,000	50.9%	422,200	1.7%
Services & Charges	845,635	1,418,100	67.7%	1,390,800	-1.9%
Capital	408,148	3,148,400	671.4%	2,240,700	-28.8%
<b>Total Public Works</b>	<b>\$ 2,833,217</b>	<b>\$ 6,486,400</b>	<b>128.9%</b>	<b>\$ 5,489,000</b>	<b>-15.4%</b>

Note: Significant budget changes are addressed within the individual divisions' sections that follow.

### Public Works Department Budget Analysis Historic & Forecast

Classification	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	2022/23 Estimate	2023/24 Estimate
Personnel Services	1,177,367	1,266,907	1,304,469	1,504,900	1,435,300	1,507,100	1,582,500
Supplies	270,779	325,237	274,965	415,000	422,200	330,600	347,200
Services & Charges	379,247	360,459	845,635	1,418,100	1,390,800	1,166,800	1,225,100
Capital	1,793,324	1,738,020	408,148	3,148,400	2,240,700	1,084,800	1,089,000
<b>Total Public Works</b>	<b>\$3,620,717</b>	<b>\$3,690,623</b>	<b>\$2,833,217</b>	<b>\$6,486,400</b>	<b>\$5,489,000</b>	<b>\$4,089,300</b>	<b>\$4,243,800</b>

### Public Works Department Budget Analysis Historic & Forecast





## PUBLIC WORKS DEPARTMENT – Streets Division

### 2020/21 Accomplishments

#### KRA 3: INFRASTRUCTURE

- Completed pavement preservation slurry seal of several residential streets.
- Procured an additional grant for \$600,000 for a portion of N. McLane Road to improve pedestrian ways in conjunction with the Beeline Bus Transit route.
- Actively participated in Central Arizona Government's Transportation Advisory Committee and received authorization for several HURF Exchange projects as part of the 10-year Transportation Improvement Plan.
- Began design work for improving E. Granite Dells Road.
- Began the environmental review and permitting process to obtain a Special Use Permit from the U.S. Forest Service for the alignment of future S. Green Valley Parkway.
- Provided plan review, construction observation, and public relations services for public and private development projects.

#### KRA 7: THE PAYSON TEAM

- Streets Department crew members successfully completed four AZ-LTAP classes.

### 2021/22 Objectives

#### KRA 3: INFRASTRUCTURE

- Complete design and construction of E. Granite Dells Road improvements.
- Seek funding for future roadway improvements.
- Complete the pavement conditions assessment.
- Continue ESRI/GIS data integration to improve operational efficiency and data-driven capital planning.
- Complete Beeline Bus Route grant-funded roadway improvements and bus shelter installation.
- Implement an updated pavement management program based on assessment data to prolong the life of Payson's road network.
- Continue to remove physical barriers in the right of way to improve accessibility in accordance with the Americans with Disabilities Act and the Town's updated transition plan.

#### KRA 7: THE PAYSON TEAM

- Provide a safe and fun work environment that provides opportunity for employees while accomplishing the objectives set forth by Town Council.
- Continue the Streets Department Road Scholar Program from AZ-LTAP. This program is used to further educate Streets employees on how to maintain streets in an efficient and safe manner. It also provides opportunities for career development.





### Streets Division Budget Change

Description	2019/20 Actual	2020/21 Adopted	% Change	2021/22 Proposed	% Change
Salaries & Wages	838,700	932,900	11.2%	851,800	-8.7%
Personnel Benefits	311,617	359,600	15.4%	382,100	6.3%
Supplies	257,580	398,200	54.6%	407,300	2.3%
Services & Charges	807,353	1,371,700	69.9%	1,327,200	-3.2%
Capital	325,364	2,144,900	559.2%	2,159,900	0.7%
<b>Total Streets</b>	<b>\$ 2,540,614</b>	<b>\$5,207,300</b>	<b>105.0%</b>	<b>\$5,128,300</b>	<b>-1.5%</b>

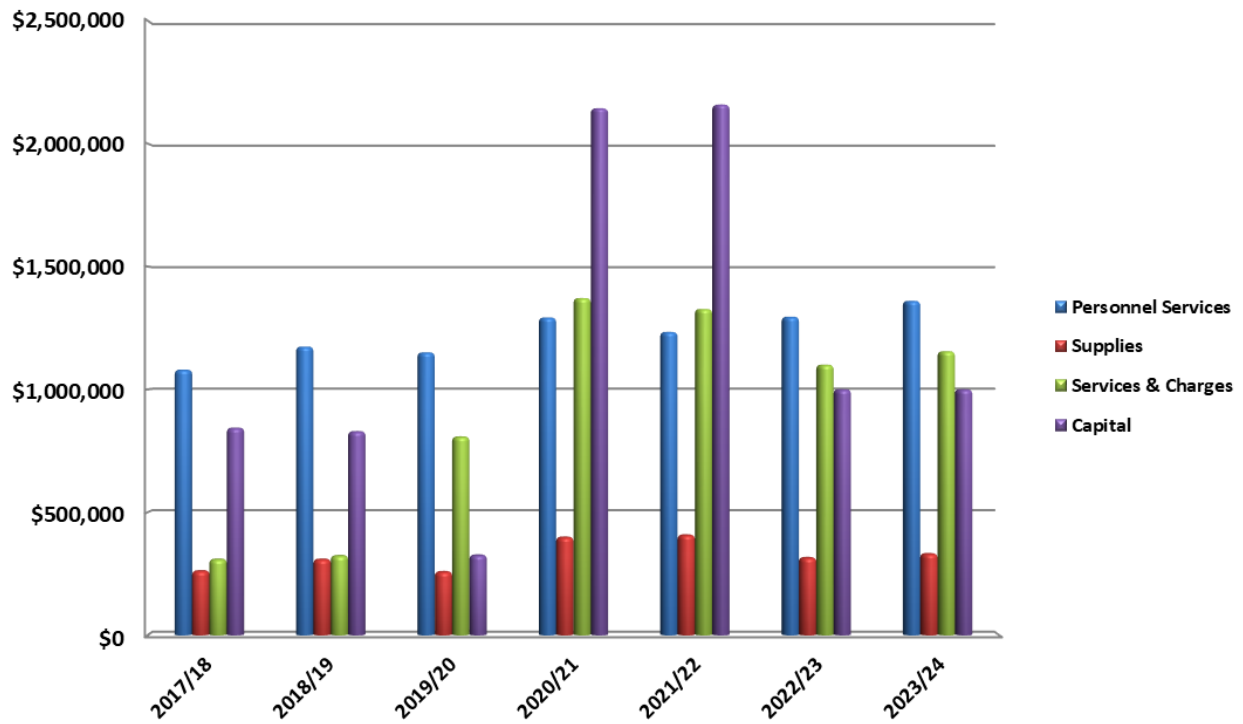
#### Significant Budget Changes:

- FY20/21 Salaries & Wages and Benefits – increase is due to (a) FY19/20 actuals were \$72,000 lower than budget, and (b) normal wage increases budgeted for FY20/21
- FY20/21 Supplies – budgeted for additional drainage supplies, and FY19/20 actuals were below budget
- FY20/21 Services & Charges – budgeted funds for pavement preservation, street & sidewalk repairs, and Other Professional Services
- FY20/21 Capital – new grants awarded for Gila County Drainage Project, Beeline Bus Route, and Airport Rd Alignment; also increase in grant for Granite Dells road project
- FY21/22 Salaries & Benefits – reallocated two positions to community development: public works project manager and assistant engineer

### Streets Division Budget Analysis Historic & Forecast

Classification	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	2022/23 Estimate	2023/24 Estimate
Personnel Services	1,080,007	1,173,953	1,150,317	1,292,500	1,233,900	1,295,600	1,360,400
Supplies	260,948	308,146	257,580	398,200	407,300	315,000	330,800
Services & Charges	308,319	323,111	807,353	1,371,700	1,327,200	1,100,000	1,155,000
Capital	843,053	828,898	325,364	2,144,900	2,159,900	1,000,000	1,000,000
<b>Total Streets</b>	<b>\$2,492,327</b>	<b>\$2,634,108</b>	<b>\$2,540,614</b>	<b>\$5,207,300</b>	<b>\$5,128,300</b>	<b>\$3,710,600</b>	<b>\$3,846,200</b>

## Streets Division Budget Analysis Historic & Forecast



## PUBLIC WORKS DEPARTMENT – Airport

### 2020/21 Accomplishments

#### KRA 1: ECONOMIC DEVELOPMENT, TOURISM & ECONOMIC VITALITY

- Collaborated with PUSD and the aviation community to create Payson's first Aviation Club as a lead-in to expanding STEAM (Science, Technology, Engineering, Arts, and Mathematics) programs in the area to promote interest in aviation-related careers.
- Continued to attract visitors from around the country to explore Payson as a possible choice to relocate their businesses and families.

#### KRA 3: INFRASTRUCTURE

- Completed construction of the \$1million FAA grant-funded PAPI, REILs, and taxiway lighting project.
- Collaborated with FAA and ADOT to complete the 2022-2026 Airport Capital Improvement Plan.
- Successfully obtained funding from CDBG to eliminate all remaining barriers to individuals with disabilities at the Payson Airport.
- Followed CDC and Arizona regulations for COVID-19 as an essential facility to keep the airport operational during the pandemic.
- Procured an additional \$43,000 in grant funding to aid in funding operations and personnel costs.

### 2021/22 Objectives

#### KRA 3: INFRASTRUCTURE

- Complete design and construction of CDBG-funded barrier removal project in accordance with Payson's updated Americans with Disabilities Act transition plan to improve access for all.
- Complete RFQ and select a qualified planning firm to begin the Airport Master Plan Update.
- Update Payson's Disadvantaged Business Enterprise program goals for 2022-2024.
- Continue to explore opportunities for additional hangar facilities.
- Work with first responders to develop group training for safe airport emergency procedures.
- Track customer satisfaction by asking airport users to email comments, positive or negative feedback to help us improve our services.
- Complete design and installation of security enhancements/camera monitoring to enhance safety at the airport.

#### KRA 5: NEIGHBORHOODS & LIVABILITY

- Organize and host the annual Airport Open House.
- Continue to work with Fire and Police Departments to develop group training for aircraft crash emergencies.

#### KRA 7: THE PAYSON TEAM

- Continue to grow positive relationships with all shareholders.

#### KRA 9: SUSTAINABILITY

- Work with Forest Service to improve helitack operations at the airport.

### Airport Division Budget Change

Description	2019/20 Actual	2020/21 Adopted	% Change	2021/22 Proposed	% Change
Salaries & Wages	113,524	156,400	37.8%	149,400	-4.5%
Personnel Benefits	40,628	56,000	37.8%	52,000	-7.1%
Supplies	17,385	16,800	-3.4%	14,900	-11.3%
Services & Charges	38,282	46,400	21.2%	63,600	37.1%
Capital	82,784	1,003,500	1112.2%	80,800	-91.9%
<b>Total Airport</b>	<b>\$ 292,603</b>	<b>\$ 1,279,100</b>	<b>337.1%</b>	<b>\$ 360,700</b>	<b>-71.8%</b>

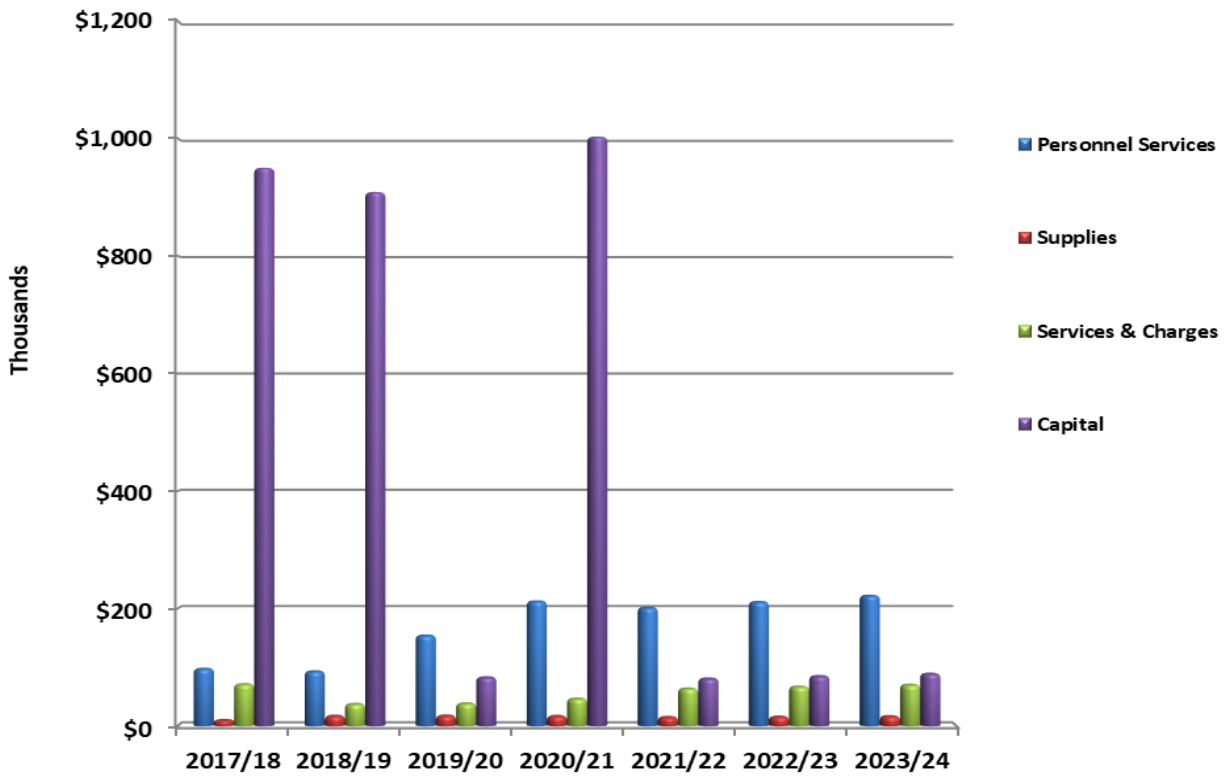
#### Significant budget changes:

- FY20/21 Salaries & Benefits - reflects wage adjustments
- FY20/21 Services & Charges – budget for FY20/21 is the same as budget for FY19/20, but FY19/20 actuals came in under budget in several categories
- FY20/21 Capital - reflects awarded FAA runway grant
- FY21/22 Supplies – reduced budget using 5-year baseline history
- FY21/22 Services & Charges – (a) new budget line item for vehicle pilot lease program, (b) contract services for airport master plan update, (c) increase in general insurance
- FY21/22 Capital – reflects the fluctuations in awarded FAA grant from previous year

### Airport Division Budget Analysis Historic & Forecast

Classification	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	2022/23 Estimate	2023/24 Estimate
Personnel Services	97,360	92,954	154,152	212,400	201,400	211,500	222,100
Supplies	9,831	17,091	17,385	16,800	14,900	15,600	16,400
Services & Charges	70,928	37,348	38,282	46,400	63,600	66,800	70,100
Capital	950,271	909,122	82,784	1,003,500	80,800	84,800	89,000
<b>Total Airport</b>	<b>\$1,128,390</b>	<b>\$1,056,515</b>	<b>\$ 292,603</b>	<b>\$1,279,100</b>	<b>\$ 360,700</b>	<b>\$ 378,700</b>	<b>\$ 397,600</b>

## Airport Division Budget Analysis Historic & Forecast





## WATER – ENTERPRISE FUND

### Description

The Water Department is a self-sufficient Enterprise Fund which charges fees to users for goods or services. The Water Department is responsible for the operation of the Town's drinking water treatment and distribution system. The goal is to supply high-quality, reliable water supply to the citizens within its service boundary and to secure additional water supply for the Town's build-out population.

The Department is divided into several operating areas. Each area is responsible for accumulating costs associated with its respective function:

- Administration accounts for costs associated with the following: planning, budgeting, liaison to legislature, outside legal counsel, State regulatory agencies, professional organizations, oversight of day-to-day operations, consultant contracts, capital program development, and personnel management.
- Accounting & Collection is responsible for the accounting and customer service functions of the Water Division.
- Transmission & Distribution tracks costs incurred during the transmission and distribution of potable water throughout the public water system.
- Operations & Maintenance is responsible for the operation, maintenance, and expansion of the public water system.
- Resources is responsible for the Department's compliance with State and Federal drinking water standards. It administers the backflow prevention program and is the liaison with and participates in the development of cleanup strategies for the Aero Drive Water Quality Assurance Revolving Fund (WQARF) site.
- Production Operations & Maintenance tracks expenses incurred in the production of potable water from below land surface to the elevated storage tanks.
- Green Valley Park Maintenance is responsible for the water quality in the three lakes at Green Valley Park and the aeration equipment that is installed in all the lakes.
- WQARF Site Operations & Maintenance accounts for the expenses related to the remediation of groundwater sources contaminated by industrial chemicals.
- Treatment Plant accounts for the operational costs to ensure that we have water of sufficient quantity and quality. The U.S. Environmental Protection Agency (EPA) and the Arizona Department of Environmental Quality (ADEQ) require all public water systems to test the water they deliver on a frequent basis.
- C.C. Cragin accounts for operations and maintenance costs of the C.C. Cragin Reservoir project, which is now operating at full capacity as of fiscal period 2019/20.

Now that the C.C. Cragin project has been completed, the Water Department is turning its focus to replacing the aging water lines in several areas of Payson.



## 2020/21 Accomplishments

- Received compliance designation from Arizona Department of Environmental Quality (ADEQ) for water system operation and water quality
- Maintained gallons per capita per day water use at less than 90 gallons per capita per day
- Continued working on purchase of C.C. Cragin water treatment plant site
- Continued to develop partnerships for C.C. Cragin pipeline use
- Continued water resource education at the middle school level
- Continued operation of the C.C. Cragin Project water treatment plant
- Demolished aging building at Green Valley Park
- Purchased property to construct Hillcrest Storage Tank 2
- Performed water storage tank maintenance and repairs
- Continued operation of the C.C. Cragin aquifer storage and recovery (ASR) wells
- Performed fire hydrant maintenance program to over 500 hydrants
- Continued a meter testing and validation program for the C.C. Cragin delivery meters and wells

## 2021/22 Objectives

### KRA 2: FINANCIAL EXCELLENCE

- Implement water rates structures approved by Council
- Maintain financial solvency
- Perform accurate monthly meter reading, bill distribution, and payment collections within monthly scheduling deadlines

### KRA 3: INFRASTRUCTURE

- Continue to receive compliance designation from ADEQ for water system operation and water quality
- Complete purchase of C.C. Cragin water treatment plant site
- Operate C.C. Cragin Water Treatment Facility
- Utilize 3,000 acre-feet of C.C. Cragin Surface Water Right Allocation
- Operate C.C. Cragin ASR wells
- Continue installation of backup electric generators at selected well sites and pump stations
- Perform water storage tank maintenance and repairs
- Complete design of the Ponderosa Cherry Waterline Replacement Project
- Construct the Ponderosa Cherry Waterline Replacement Project
- Construct granular activated carbon (GAC) Vessel additions to the C.C. Cragin Treatment Plant
- Design the E. Phoenix Street Waterline Replacement Project
- Design Hillcrest Storage Tank Two

*KRA 4: INNOVATION & EFFICIENCY*

- Begin a flushing program that quantifies water use and records the date of flushing
- Perform C. C. Cragin annual meter validations internally
- Begin utilizing ArcGIS software for asset management

*KRA 5: NEIGHBORHOODS & LIVABILITY*

- Continue to develop partnerships for C.C. Cragin pipeline use
- Continue water quality management of the Green Valley Park lakes

*KRA 7: THE PAYSON TEAM*

- Continue to attend professional development training events to maintain or increase the Arizona Department of Environmental Quality (ADEQ) Water Operator Certifications
- Review market rates and employee compensation for equity

*KRA 9: SUSTAINABILITY*

- Continue operation of the C.C. Cragin Penstock and Treatment Plant
- Continue operation of the C.C. Cragin ASR Wells
- Maintain gallons per capita per day water use at less than 100 gallons per capita per day
- Continue water resource education at the middle school

*KRA 10: TECHNOLOGY*

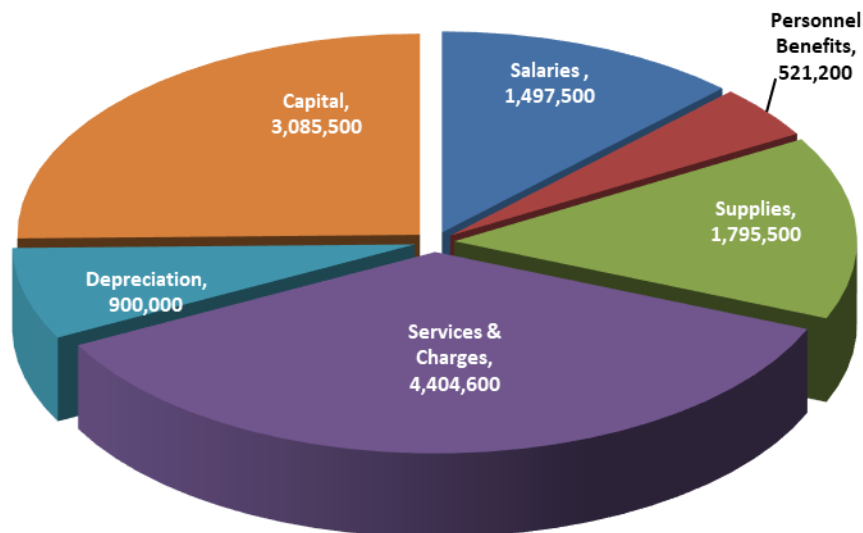
- Continue to enhance SCADA (supervisory control and data acquisition) data collection, monitoring, operating, and telemetry for the water distribution system
- Utilize Aquifer Storage and Recovery (ASR) well data records to model hydrogeological conditions
- Begin data input of Water Department information into GIS software
- Begin utilizing SAMSWater water quality management software



## Position Summary

	2020/21	2021/22
Water Superintendent	1.0	1.0
Water System Operations Supvr	1.0	0.0
Water Quality & Treatment Mngr.	0.0	1.0
Water Sys. Production Supervisor	1.0	1.0
Customer Service Manager	1.0	1.0
Hydrogeologist	0.0	1.0
Water System Operator	4.0	7.0
Utility Services Rep I, II	3.0	3.0
System Crew Leader	4.0	2.0
Water Quality Specialist	1.0	1.0
Water Resource Specialist	1.0	1.0
SCADA Operator	0.0	1.0
Electrician	1.0	0.0
Water Infrastructure Specialist	1.0	1.0
Water System Operator Basic	2.0	0.0
<b>Total Budgeted Positions</b>	<b>21.0</b>	<b>21.0</b>

## 2021/22 Proposed Expenditures



### Water Department Budget Change

Description	2019/20 Actual	2020/21 Adopted	% Change	2021/22 Proposed	% Change
Salaries & Wages	1,194,981	1,244,700	4.2%	1,497,500	20.3%
Personnel Benefits	392,924	405,250	3.1%	521,200	28.6%
Supplies	991,463	1,841,300	85.7%	1,795,500	-2.5%
Services & Charges	2,082,329	4,414,950	112.0%	4,404,600	-0.2%
Depreciation	870,914	896,300	2.9%	900,000	0.4%
Capital	1,518,707	1,267,000	-16.6%	3,085,500	143.5%
<b>Total Water</b>	<b>\$ 7,051,318</b>	<b>\$ 10,069,500</b>	<b>42.8%</b>	<b>\$ 12,204,300</b>	<b>21.2%</b>

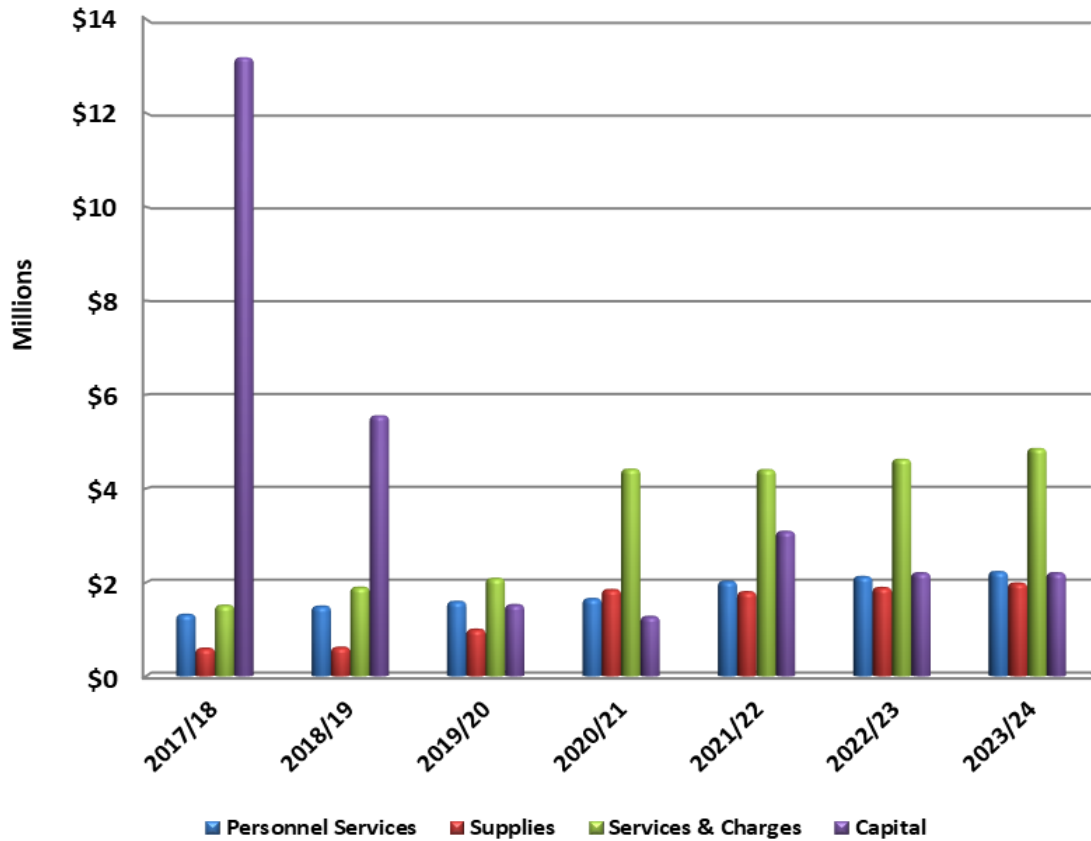
#### Significant Budget Changes:

- FY20/21 Supplies – budget for FY20/21 was nearly the same as budget for FY19/20, but FY19/20 actuals came in \$831,000 under budget, the largest areas being: chemicals \$429,000 under budget; and supplies for repairs and maintenance \$310,000 under budget
- FY20/21 Services & Charges – budget for FY20/21 was only 1.7% higher than the budget for FY19/20, but FY19/20 actuals came in \$2,259,000 under budget, the largest contributors being: debt service - principal \$1,300,000; repairs & maintenance \$332,000; Other Professional Services \$148,000; Electricity \$108,000; leased equipment \$95,000
- FY20/21 Capital – reduction of \$1,142,000 due to completion of the CC Cragin project in FY19/20, offset by new budget in FY20/21 for land acquisition, wells, GAC (granular activated carbon) vessels, and GIS asset mapping software totaling \$935,000
- FY21/22 Salaries & Benefits – budget increased for market analysis wage adjustments and certifications
- FY21/22 Capital – \$1.8 million increase is primarily due to increase of \$1.4 million for project to replace aging water lines, and \$0.3 million for SCADA (supervisory control and data acquisition) system equipment – wells/tanks

### Water Department Budget Analysis Historic & Forecast

Classification	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Adopted	2021/22 Proposed	2022/23 Estimate	2023/24 Estimate
Personnel Services	1,311,156	1,486,629	1,587,905	1,649,950	2,018,700	2,119,600	2,225,600
Supplies	586,746	608,563	991,463	1,841,300	1,795,500	1,885,300	1,979,600
Services & Charges	1,506,047	1,891,207	2,082,329	4,414,950	4,404,600	4,624,800	4,856,000
Depreciation	938,620	898,272	870,914	896,300	900,000	2,800,000	2,850,000
Capital	13,195,460	5,554,659	1,518,707	1,267,000	3,085,500	2,200,000	2,200,000
<b>Total Water</b>	<b>\$ 17,538,029</b>	<b>\$ 10,439,330</b>	<b>\$ 7,051,318</b>	<b>\$ 10,069,500</b>	<b>\$ 12,204,300</b>	<b>\$ 13,629,700</b>	<b>\$ 14,111,200</b>

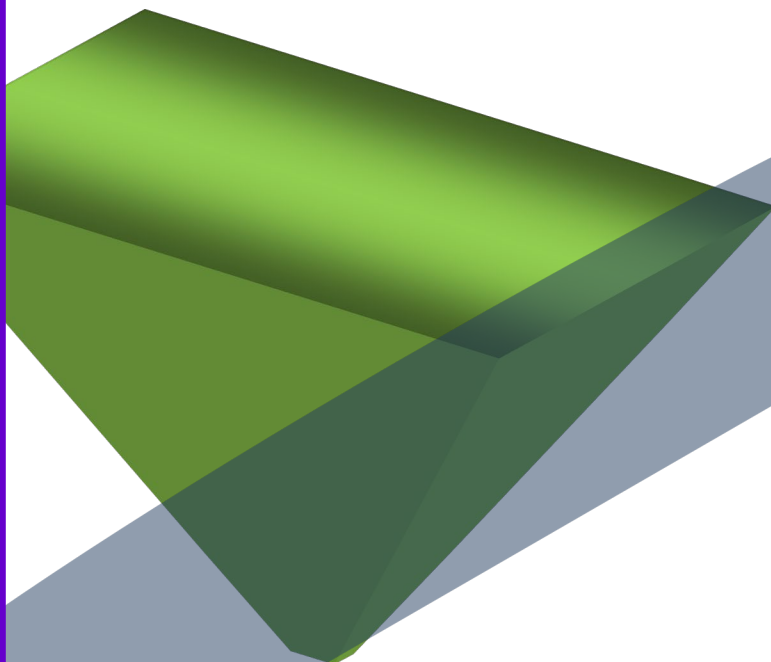
## Water Department Budget Analysis Historic & Forecast







# **SUPPLEMENTAL INFORMATION**







## FINANCIAL POLICIES

The Town of Payson's financial policies set forth the basic framework for the fiscal management of the Town. These policies were developed within the parameters established by applicable provisions of the Town of Payson Ordinances. The policies are to be reviewed on an annual basis and modified to accommodate changing circumstances or conditions.

### ANNUAL BUDGET POLICY

The adoption of the budget is one of the Town Council's most important activities. State of Arizona Statutes include some specific requirements regarding the adoption of the annual budget. The following policies are consistent with these statutes.

The fiscal year of the Town shall begin on the first day of July each year and shall end on the thirtieth day of June of each year.

BUDGET CALENDAR: The budget calendar will follow the specific dates set forth by the State of Arizona Statutes for completion of each task necessary to prepare and adopt the annual budget.

DECENTRALIZED BUDGET PROCESS: The budget process is intended to weigh all competing requests for resources, within expected fiscal constraints. Requests for new, ongoing programs made outside the budget process are not allowed.

BUDGET RESOURCES ALLOCATION: The Town utilizes a "zero-based" resource allocation approach. Each department will have an opportunity to request personnel, goods, capital items, and services needed to carry on its responsibility in an exemplary manner.

Special one-time revenue sources will be used to purchase non-recurring items like capital goods. One-time revenues will not be used to support items that will have a long-term operational impact on future Town expenditures.

For those special revenue funds supported by intergovernmental revenues and special purpose taxes, expenditures are limited strictly to the mandates of the funding source. These resources are not to be used to subsidize other funds, except as required or permitted by program regulations.

The addition of personnel will only be requested to meet program initiatives and policy directives after service needs have been thoroughly examined and it is substantiated that additional staffing will result in increased revenues or enhanced operating efficiencies. To the extent possible, personnel cost reductions will be achieved through attrition.

Capital expenditures will be determined using the 5-year Capital Improvement Plan process. The expense amount attributed to equipment depreciation will be transferred into the Equipment Reserve fund and "Pay-as-you-go" funding will be used for equipment purchases under \$100,000, if funds are available, before considering lease/purchase debt financing.



A contingency fund equal to five percent (5%) of the combined General & Streets Funds expenditure budgets will be maintained annually in a Contingency budget. This fund will be available for unanticipated, unbudgeted expenditures and will require the Town Council's approval to expend. The purpose of this account is to provide some flexibility for unforeseen events without the necessity to spend from the Town's reserves.

As a component of the budget process and when fiscal resources permit, the Town Council may allocate funds to Outside Agency Providers for business, social, recreational, or economic development, or promotional services. Outside Agency Providers must provide a service consistent with an existing recognized Town need, policy, and goal or objective.

**BUDGETED FUNDS:** Annual budgets are adopted for all funds except certain trust and agency funds, if applicable. Controls for trust and agency funds are achieved through stipulations in the trust agreements or by State or Federal agency requirements.

**BALANCED BUDGET:** The budget must be balanced for all budgeted funds. Total estimated expenditures for each of the governmental fund types must equal total anticipated revenues plus that portion of the beginning of the year unreserved fund balance, over the required fund balance reserve. Estimated expenses for proprietary fund types must equal total anticipated revenues and unreserved retained earnings.

**FUND RESERVES:** The Town will maintain a fund reserve for the General Fund to pay expenditures caused by unforeseen emergencies, for shortfalls caused by revenue declines and to eliminate any short-term borrowing for cash flow purposes. This reserve shall be maintained at an amount that represents 5% of total General Fund operating budgeted revenues. The annual contribution will be budgeted from General Fund resources as available to maintain the target reserve level. This is in addition to the carryover balance discussed next.

The Town's General Fund will maintain a year-to-year "carryover balance" in an amount necessary to maintain adequate cash flow and to reduce the demand for short-term borrowing. The carryover balance will equal 90 days of operating expenditures from the prior year. All other funds must never incur a negative fund balance. Reserve funds in the Water utility operating fund should equal 5% of prior year total operating expenses and have a carryover balance equal to 90 days prior year operating expenses.

The Town will establish an equipment reserve fund and, when fiscal resources permit, will appropriate funds to it annually to provide for the timely replacement of equipment.

All expenditures drawn from reserve accounts shall require prior Town Council approval unless previously specifically authorized by the Town Council for expenditure in the annual budget.

**THE BUDGETARY BASIS OF ACCOUNTING:** Budgets for governmental fund types will be adopted on a basis of accounting consistent with generally accepted accounting principles (GAAP). Revenues are recognized when they become measurable and available, and expenditures are encumbered against the budget when they become measurable, or a liability has been incurred, and the liability will be liquidated with current resources. All outstanding expenditures are charged to the budget in the year initially incurred.



**APPROPRIATIONS AT YEAR-END:** All budgeted expenditures that are not authorized by a purchase order lapse at year-end. Expenditures placed with an authorized purchase order before year-end must be invoiced by June 30 and must be paid within 30 calendar days of the close of the fiscal year. Expenditures not paid within this time frame are then charged against the new fiscal year's budget.

**THE LEGAL LEVEL OF BUDGETARY CONTROL:** The budget shall be adopted at the fund level.

The State of Arizona Expenditure Limitation statute requires that the budget cannot be increased after final adoption. Expenditures may not exceed the budgeted total of the fund without the Town Council's approval. If approved, an additional Town Council approval is needed for payment from the Contingency Fund to cover the overage.

The budgeted amount for salaries and benefits for each department may not be increased without the approval of the Town Council.

Department heads may request the reallocation of appropriations within a department from one item to another (other than increasing salaries, benefits, and capital improvement projects), subject to the approval of the Town Manager.

The Town Manager, subject to Town Council approval, may reallocate appropriations between departments.

The adopted budget cannot be amended in any way without the approval of the Town Council.

### **FINANCIAL REPORTING POLICY**

The Town is required to have an annual audit for its financial statements. The following provides policy guidance regarding accounting, general audit, and financial reporting.

**ACCOUNTING AND REPORTING STANDARDS:** The Financial Services Department will establish and maintain a high standard of accounting practices. Accounting standards will conform to current generally accepted accounting practices (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB) and will follow industry best practices as applicable.

**ANNUAL AUDIT:** An annual audit will be conducted and budgeted for in the General Fund and any other fund requiring intensive auditing work as part of the creation of the Town's financial statements. All general-purpose, combining, and individual fund and account group statements and schedules shall be subject to a full scope audit.

All Town departments are subject to audit for compliance with the laws and statutes of the State of Arizona and the policies of the Town of Payson.

All state, federal, and local grant funding are subject to a financial and compliance audit.



Every five (5) years, the Town will issue a request for proposals for audit services to all qualified audit firms located within the State of Arizona. The award of auditing services will be made solely on the response to the request for proposal. After an auditing firm has been chosen, and auditing services contract will be approved by the Town Council.

FINANCIAL STATEMENTS: The Annual Comprehensive Financial Report (ACFR) will be prepared by Town staff and will be used by the auditors during the audit process.

Each year, the ACFR will be submitted to the Government Financial Officer's Association (GFOA) national award program.

POPULAR REPORT: Town staff will create and publish a Popular Annual Financial Report (PAFR). The PAFR is a condensed, easy to read, financial statement.

Each year, the PAFR will be submitted to the Government Finance Officers Association (GFOA) national award program.

BUDGETARY REPORTING: The budgetary reporting system will conform to the Government Finance Officers Association (GFOA) standards for financial reporting and budgeting, the Governmental Accounting Standards Board (GASB), and other professional standards.

MONTHLY REPORTS: The Town will maintain a budgetary control system to ensure adherence to the budget and will prepare timely monthly financial reports comparing actual revenues and expenditures with budgeted amounts. These reports will be distributed to the Town Manager, department heads and will be included in one Council agenda packet per month.

ANNUAL BUSINESS PLAN: A Town-wide annual business plan will be completed each year after the Corporate Strategic Plan has been updated by the Town Council. The annual business plan will provide a statement as to what is anticipated to be accomplished toward the strategic goals based on the allocation of estimated resources in the budget for the new fiscal year.

The business plan helps determine the departmental budgets, sets the direction for staff focus in the upcoming fiscal year, and creates performance measures that can be used to evaluate the effectiveness of the business plan.

ANNUAL BUDGET DOCUMENT: Following the adoption of the annual budget, staff will create and publish the annual budget document.

Each year, the budget document will be submitted to the Government Finance Officers Association (GFOA) national award program.

HISTORICAL TREND ANALYSIS: Town staff will update the Historical Trend Analysis after the financial statements and the audit are completed. This analysis is based on the International City / County Management Association (ICMA) Financial Trend Monitoring System (FTMS). The Historical Trend Analysis document will be distributed to the Town Council and available to the public upon completion.

## **FINANCIAL STABILITY POLICY**

The Town levies a sales tax, assesses business license fees, receives State shared revenues, and franchise fees, and collects assessments on real property within certain improvement districts. The Town also assesses user charges for the water utility, building and code services, public works services, and recreation programs and services. The Town has many expenditures as well.

The following policies guide the assessing and collecting of these revenues, using those revenues to pay expenditures and maintaining a healthy balance between them.

**REVENUES:** The Town will attempt to maintain a diversified and stable revenue stream to shelter it from short-run fluctuations in any single revenue source. The revenue mix should combine elastic and inelastic revenue sources to minimize the effect of economic downturns.

The Town will strive to keep the revenue system simple, which will result in a decrease in compliance costs for the taxpayer or service recipient and a corresponding decrease in avoidance to pay.

The revenue system of the Town will strive to maintain equity in its structure to avoid a disproportionate burden levied on a particular taxpayer group. The Town will seek to minimize or eliminate all forms of subsidization between entities, funds, services, and customers. However, it is recognized that public policy decisions may lead to subsidies in certain circumstances.

The Town will strive to structure its tax base to retain and promote business and industry.

**REVENUE DECLINES:** For short-term (anticipated less than one year) economic downturns and temporary gaps in cash flow, expenditure reductions or restrictions may be imposed. The Council may approve a contribution from reserves, inter-fund loans, and/or transfers from the Contingency Fund to address temporary downturns in Town revenue. Inter-fund loans may be utilized to cover temporary gaps in cash flow.

Deficit financing and borrowing to support on-going operations is not the policy of the Town as a response to long-term (greater than one year) revenue shortfalls. Expenses will be reduced to conform to the revised long-term revenue forecast or revenue increases will be considered.

**USER CHARGES:** The Town will establish fees and user charges at a level related to the total cost of providing that service, although fees may be set at a rate that does not recover the total cost of the program.

When establishing user charges, the following issues must be considered:

- Cost of services
- Pricing to encourage or limit demand
- Identifiable benefits
- Discourage waste

When imposing new fees and/or charges, the proposed fee/charge should be examined using the following criteria:

- Sufficiency - Fees/charges should recover the full cost of issuance, administration, and enforcement, recognizing that adjustments may be necessary for the benefit of the public.

- Efficiency - Fees/charges should be designed for easy, inexpensive administration by the Town and easy, inexpensive compliance by the individual/business paying the fee/charge. (A minimum of the revenue raised through the collection of a fee/charge should be consumed in the process of raising it.)
- Simplicity - Fees/charges will be developed for easy understanding by the payee and Town official, leaving as small a margin as possible for subjective interpretations.

Town staff will review all charges annually to keep pace with the cost of providing that service.

UTILITY RATES: Utility user charges for the water utility will reflect the cost of service and will be established so that operating revenues are at least equal to operating expenditures. A portion of the user rates will cover the replacement of the utility facilities.

The utility will periodically conduct a comprehensive rate study. In each of the intervening years, the staff will review and update the current study.

The overhead fee is a payment from all Enterprise funds to the General Fund for the cost of overhead charges attributed to that Enterprise fund.

The amount of each year's overhead fee will be based on the estimated General Fund expenditures that represent the direct and indirect services provided to the Enterprise fund, less those that are billed directly to those funds.

The utility will maintain a reserve to meet unforeseen emergencies. This reserve shall be separate from the carryover balance. The carryover balance should be sufficient to maintain adequate cash flow and to reduce the demand for short-term borrowing.

REVENUE COLLECTION: The Town will follow an aggressive but humane policy of collecting revenues. Unpaid billings will be sent to a collection agency or collected through the Town's efforts after proper notice is given. Liens or credit report filings may also be used as a means of collections. All adjusted uncollectible accounts will be pursued to the limit of the collector's ability to maintain a goal of not more than .5% of 1% of the total revenue being adjusted for bad debt annually.

An understanding of the revenue sources increases the reliability of the revenue system. The Town will review its revenue sources and enact consistent collection policies so that assurances can be provided that the revenue base will materialize according to budget.

REVENUE HANDBOOK: A revenue handbook may be maintained annually. This handbook will be utilized to adjust for fees and user charges. The handbook will include at least the following information:

- Revenue sources
- Legal authorization
- Method of collection
- Rate or charge history
- Total revenue history



GRANT / DEVELOPER FUNDING: The Town will seek State / Federal grants and developer contributions for funding projects. Grants and contributions will not be budgeted unless the funding source has been identified and an application is contemplated to be submitted.

All potential grants shall be carefully examined for matching requirements. Some grants may not be accepted if the local matching funds cannot be justified or obtained. Grants may also be rejected if programs must be continued with local resources after grant funds are exhausted unless the Town can continue to fund the program with available revenues.

EXPENDITURES: The Town will only propose operating expenditures that can be supported by on-going operating revenues. Before the Town undertakes any agreements that would create fixed on-going expenses, the cost implications of such agreements will be fully determined for current and future years with the aid of strategic planning models.

Capital expenditures may be funded from one-time revenues, but the operating budget expenditures will be reviewed for compliance with this policy provision.

Department heads are responsible for managing their budgets within the total appropriation for their department.

The Town may assess funds for services provided internally by other funds. The estimated direct and indirect costs of service will be budgeted and charged to the fund receiving the service. Inter-fund service fees charged to recover these costs will be recognized as revenue to the providing fund. The method for determining the amount of the inter-fund assessment will be reviewed at least every three (3) years.

ADDITIONS TO PERSONNEL: Emphasis is placed on improving individual and workgroup productivity rather than adding to the workforce. The Town will invest in technology and other efficiency tools to maximize productivity. The Town will hire additional staff only after the need for such positions has been demonstrated and documented.

All compensation planning will focus on the total cost of compensation that includes direct salary, health care benefits, pension contributions, and other benefits of a non-salary nature that are a cost to the Town.

BUDGETED CAPITAL ASSET MAINTENANCE: The Town shall continue to support a scheduled level of maintenance and replacement of its infrastructure and fleet.

The Town will maintain its physical assets at a level adequate to protect the Town's capital investment and minimize future maintenance and replacement costs. The adopted operating budget will provide sufficient resources for the regular repair and maintenance of capital assets.

FINANCIAL PROJECTIONS: Financial projections for both revenue and expenditures are established by the policies outlined in Financial Policy 101.

The Town reviews the prior and current years' revenue/expenditures by line item to prepare the next year's annual budget projections.

Revenue projections for major revenues (those which represent at least 10% of the General Fund) will present conservative, optimistic, and best estimate projections. The projections shall be based on the best information available at the time.

Revenue projections will assess the full spectrum of resources that can be allocated for public services. Each year the Council shall review potential sources of revenue as part of the annual budget process.

### **INVESTMENT POLICY**

**BANKING SERVICES:** Every five (5) years, the Town will issue a request for proposals for banking services to all qualified banks located within the Town's geographic boundaries. The award of banking services will be made solely on the response to the request for proposal.

After a depository has been chosen, a banking services contract will be approved by the Town Council.

**INVESTMENTS:** The Town's investment policy is to minimize credit and market risk while maintaining a competitive yield on its portfolio. Cash temporarily idle is invested in the Local Government Investment Pool (LGIP) established under Arizona Revised Statutes Section 35-326 and operated by the Arizona State Treasurer.

**INVESTMENT REQUIREMENTS:** The Town invests all idle funds in the Local Government Investment Pool (LGIP) established by the State according to A.R.S. 35-326.

Other eligible investments are (A.R.S. 35-323):

- Certificates of deposit in eligible depositories
- Deposits in one or more federally insured banks or savings and loan associations by the procedures prescribed in section A.R.S. 35-323.01.
- Interest-bearing savings accounts in banks and savings and loan institutions doing business in this State whose accounts are insured by Federal deposit insurance for their industry, but only if deposits above the insured amount are secured by the eligible depository to the same extent and in the same manner as required under this article.
- Repurchase agreements with a maximum maturity of one hundred eighty (180) days.
- The pooled investment funds established by the State Treasurer under section A.R.S. 35-326.
- Obligations issued or guaranteed by the United States or any of the senior debt of its agencies, sponsored agencies, corporations, sponsored corporations, or instrumentalities.
- Bonds, notes or other evidences of indebtedness of this State or any of its Counties, incorporated Cities or Towns or school districts.
- Bonds, notes, or evidences of indebtedness of any county, municipal district, municipal utility, or special taxing district of any state that are payable from revenues, earnings, or special tax specifically pledged for the payment of the principal and interest on the obligations, and for the payment of which a lawful sinking fund or reserve fund has been established and is being maintained, but only if no default in payment of principal or

interest on the obligations to be purchased has occurred within five (5) years of the date of investment, or, if such obligations were issued less than five (5) years before the date of investment, no default in payment of principal or interest has occurred on the obligations to be purchased nor any other obligations of the issuer within five (5) years of the investment.

- Bonds, notes, or evidences of indebtedness issued by any county improvement district or municipal improvement district of any state to finance local improvements authorized by law, if the principal and interest of the obligations are payable from assessments on real property within the improvement district. An investment shall not be made if:
  - The face value of all such obligations, and similar obligations outstanding, exceeds fifty percent of the market value of the real property, and if improvements on which the bonds or the assessments for the payment of principal and interest on the bonds are liens inferior only to the liens for general ad valorem taxes.
  - Default in payment of principal or interest on the obligations to be purchased has occurred within five (5) years of the date of investment, or, if the obligations were issued less than five (5) years before the date of investment, a default in the payment of principal or interest has occurred on the obligations to be purchased or on any other obligation of the issuer within five (5) years of the investment.
- Commercial paper of prime quality that is rated “P1” by Moody’s investor’s service or rated “A1” or better by Standard and Poor’s rating service or their successors. All commercial paper must be issued by corporations organized and doing business in the United States.
- Bonds, debentures, and notes that are issued by corporations organized and doing business in the United States and that are rated “A” or better by Moody’s investor service or Standard and Poor’s rating service or their successors.

**ELIGIBLE DEPOSITORY REQUIREMENTS:** Certificates of deposit shall be purchased from the eligible depository bidding the highest permissible rate of interest. No monies over one hundred thousand dollars (\$100,000) may be awarded at any interest rate less than one hundred three percent (103%) of the equivalent bond yield of the offer side of United States Treasury bills having a similar term. If the eligible depository offering to pay the highest rate of interest has bid only for a portion of the monies to be awarded, the remainder of the monies shall be awarded to eligible depositories bidding the next highest rates of interest.

An eligible depository is not eligible to receive total aggregate deposits from this state and all its subdivisions in an amount exceeding twice its capital structure as outlined in the last call of the condition of the superintendent of financial institutions division of the department of insurance and financial institutions.

If two or more eligible depositories submit bids of an identical rate of interest for all or any portion of the monies to be deposited, the award of the deposit of the monies shall be made to the eligible depository among those submitting identical bids having, at the time of the bid opening, the lowest ratio of total public deposits concerning its capital structure.

Each bid submitted and not withdrawn before the time specified, constitutes an irrevocable offer to pay interest as specified in the bid on the deposit, or portion bid for, and the award of a deposit

under this section obligates the depository to accept the deposit and pay interest as specified in the bid under which the deposit is awarded.

The treasurer shall maintain a record of all bids received and shall make available to the board of deposit at its next regularly scheduled meeting a correct list showing the bidders, the bids received, and the amount awarded. These records shall be available to the public and shall be kept in the possession of the treasurer for not less than two (2) years from the date of the report.

Any eligible depository, before receiving a deposit above the insured amount under this article, shall deliver collateral for this subsection equal to at least one hundred two percent of the deposit. The collateral shall be any of the following:

- A bond executed by a surety company that is approved by the Treasury Department of the United States and authorized to do business in this state. The bond shall be approved as to form by the legal advisor of the treasurer.
- Securities or instruments of the following character:
  - United States government or agency obligations
  - State, county, school district, and other district municipal bonds

The safekeeping receipt of a federal reserve bank or any bank located in a reserve city, or any bank authorized to do business in this state, whose combined capital, surplus, and outstanding capital notes and debentures on the date of the safekeeping receipt are ten million dollars or more, evidencing the deposit therein of any securities or instruments described in this section. A safekeeping receipt shall not qualify as security if issued by a bank to secure its public deposits unless issued directly through its trust department. The safekeeping receipt shall show upon its face that it is issued for the account of the treasurer and shall be delivered to the treasurer. The safekeeping receipt may provide for the substitution of securities or instruments which qualify under this section with the affirmative act of the treasurer.

The securities, instruments, or safekeeping receipt for the securities, instruments, or warrants shall be accepted at market value if not above par, and, if at any time their market value becomes less than the deposit liability to that treasurer, additional securities or instruments required to guarantee deposits shall be deposited immediately with the treasurer who made the deposit and deposited by the eligible depository in which the deposit was made.

The condition of the surety bond, or the deposit of securities, instruments, or a safekeeping receipt, must be such that the eligible depository will promptly pay to the parties entitled public monies in its custody, upon lawful demand, and will, when required by law, pay the monies to the treasurer making the deposit.

Notwithstanding the requirements of this section, any institution qualifying as an eligible depository may accept deposits of public monies to the total then authorized insurance of accounts, insured by federal deposit insurance, without depositing a surety bond or securities in place of the surety bond.

An eligible depository shall report monthly to the treasurer the total deposits of that treasurer and the par value and the market value of any pledged collateral securing those deposits.

When a security or instrument pledged as collateral matures or is called for redemption, the cash received for the security or instrument shall be held in place of the security until the depository has obtained a written release or provided substitute securities or instruments.

The surety bond, securities, instruments, or safekeeping receipt of an eligible depository shall be deposited with the treasurer making the deposit, and the treasurer shall be the custodian of the bond, securities, instruments, or safekeeping receipt. The treasurer may then deposit with the depository public monies then in the treasurer's possession in accordance with this article, but not in an amount over the surety bond, securities, instruments, or safekeeping receipt deposited, except for federal deposit insurance.

The following restrictions on investments apply:

- Public operating fund monies shall not be invested for a maturity longer than five years.
- The board of deposit may order the treasurer to sell any of the securities, and any order shall specifically describe the securities and fix the date upon which they are to be sold. Securities so ordered to be sold shall be sold for cash by the treasurer on the date fixed in the order, at the then-current market price. The treasurer and the members of the board are not accountable for any loss occasioned by the sale of securities at prices lower than their cost. Any loss or expense shall be charged against earnings received from investment of public funds.

If the total amount of subdivision monies available for deposit at any time is less than the maximum coverage amount of the Federal Deposit Insurance Corporation, the subdivision board of deposit shall award the deposit of the funds to an eligible depository per an ordinance or resolution of the governing body of the subdivision.

**CERTIFICATE OF DEPOSIT CONDITIONS:** If an investing entity invests in certificates of deposit according to section 9-492, subsection C, Section 15-1025, subsection B, paragraph 7, section 35-313, subsection A, paragraph 2, the investing entity in each case shall invest those monies by all of the following conditions:

- The monies are initially invested through an eligible depository in this state selected by the investing entity.
- The selected eligible depository arranges for the deposit of the monies in certificates of deposit in one or more federally insured banks or saving and loan associations wherever located for the account of the investing entity.
- The full amount of principal and any accrued interest of each certificate of deposit is insured by the federal deposit insurance corporation.
- The selected eligible depository acts as custodian for the investing entity concerning the certificates of deposit issued for its account.
- At the same time that the investing entity's monies are deposited and the certificates of deposit are issued, the selected eligible depository receives a dollar amount of deposits from customers of other federally insured financial institutions equal to or greater than the amount of the monies initially invested by the investing entity through the selected eligible depository.

Monies invested under all of the conditions prescribed in this section are not subject to any security or collateral requirements.

INVESTMENT OF SINKING FUNDS: The governing body of a municipality may invest its sinking funds in the United States, state, or county bonds, or in bonds, debentures, or other obligations issued by the federal land banks, the federal intermediate credit banks, or the banks of cooperatives. (A.R.S. 9-492)

The governing body of a municipality may invest its surplus or idle funds in United States treasury bills, notes, or bonds which have a maturity date of not more than one year from the date of investment and in accounts of any savings and loan association insured by an agency of the government of the United States, up to the amount of such insurance. (A.R.S. 9-492)

The governing body of a municipality may invest its surplus or idle funds following the procedures prescribed in section 35-323.01. (A.R.S. 9-492)

All sinking funds of this state, or a county, city, town or school district, or hospital, irrigation, or drainage district organized as provided by law may be invested and reinvested by the governing body or officer in charge of the sinking funds. The investment shall be made for the best interests of the state or political subdivision described in this subsection. (A.R.S. 35-328)

In the absence of specific direction in the bond indenture, the funds may be invested or reinvested in any of the investment securities allowed for trust funds. (A.R.S. 35-328)

### **DEBT POLICY**

The Debt Management Policy establishes the framework for overall planning and execution for Town debt management. It sets forth guidelines against which current debt issuance planning can be measured and proposals for future debt issues can be evaluated.

When authorized by the Council, the Town will issue long-term debt for high cost, long-lived capital projects/assets. The Town will issue short-term debt only when it is impossible to fund a project/asset initially through long-term debt. Debt issuance will conform to the debt limitations as set by State statute.

ISSUING DEBT: The issuance of short-term debt is limited to projects/assets that cannot be funded initially through long-term debt.

The issuance of long-term debt is limited to capital projects/assets that the Town cannot finance from current revenues or resources.

For purposes of this policy, current resources are defined as that portion of fund balance more than the required reserves (see Policy FIN 101 Section 1.1.7 Fund Reserves).

Every effort will be made to limit the payback period of the bonds to the estimated useful life of the capital projects or assets.





The Town will use long-term debt financing when the following conditions exist:

- Non-continuous capital improvements are desired
- Future citizens will receive a benefit from the improvement

When the Town utilizes long-term debt financing, it will ensure that the debt is financed soundly by:

- Conservatively projecting the revenue sources that will be utilized to repay the debt
- Financing the improvement over a period not greater than the useful life of the improvement
- Determining the cost-benefit of the improvement, including the interest cost, is positive

THE AMOUNT OF DEBT ISSUANCE: The Town will use debt ratios based on debt per assessed value, debt per capita, and debt per capita as a percentage of per capita income as guides. These ratios will assist in guiding the amounts that the Town will permit in debt issuance.

The Town will conform to the debt limitations as set forth by the State statutes. Compliance with state law and this policy will be documented each year in the Town's Comprehensive Annual Financial Report.

Individual percentages, as defined by state law, shall not exceed in any specific debt category:

- General Debt: 6% of secondary net assessed valuation
- Utility Debt: 20% of secondary net assessed valuation
- Open Space & Park Facilities: 20% of secondary net assessed valuation

No debt shall be issued for which the Town is not confident that a sufficient, specifically identified revenue source is available for repayment. The Chief Fiscal Officer shall prepare an analytical review for this purpose before the issuance of any debt.

DEBT MATURITIES: The Town will keep the average maturity of general obligation (GO) bonds at twenty years or less.

All efforts will be made to limit the long-term debt maturity schedule to the estimated useful life of the capital asset constructed or purchased.

OTHER POLICIES: Annual budget appropriations shall include debt service payments and reserve requirements for all long-term debt outstanding, as outlined in the bond covenants.

Debt issues will be sold on a competitive basis and awarded to the bidder who produces the lowest interest cost, except when conditions make a negotiated sale preferable. Revenue bonds can be issued through a negotiated sale when the issue is unusually large, the project is speculative or complex, the issue is a refunding or the market is unstable.

Debt service costs (GO, MPC, Revenue Bond, and Contractual Debt) shall not exceed 25% of the Town's operating revenue. Improvement District (ID) debt is not included in this calculation because it is paid by the property owners of the district.



General obligation debt that is supported by property tax revenues and grows in proportion to the Town's assessed valuation or community acceptable property tax rates will be utilized as authorized by voters. Other types of voter-approved debt may also be utilized when they are supported by dedicated revenue sources (e.g., fees and user charges).

The following factors will be considered when evaluating the pledging of project (facility) revenues towards debt service requirements:

- The project requires monies not available from other sources
- Matching fund monies are available, which may be lost if not applied for promptly
- Catastrophic conditions
- The project to be financed will generate net positive revenues (i.e., the additional tax revenues generated by the project will be greater than the debt service requirements). The net revenues should not simply be positive over the life of the bonds, but must be positive each year within a reasonably short period (e.g., by the third year of debt service payments).

Improvement District (ID) bonds shall be issued only when there is a general Town benefit. ID bonds will be utilized only when it is expected that they will be issued for their full term. It is intended that Improvement District bonds will be used primarily for neighborhoods desiring improvements to their property such as roads, streetlights, public utilities, and storm drainage.

Improvement District debt will be permitted only when the full cash value of the property-to-debt ratio (before improvements being installed) is a minimum of 3:1 before issuance of debt and 5:1 or higher after the construction of improvements. The Town's cumulative improvement district debt will not exceed 5% of the Town's secondary assessed valuation.

Utility rates will be set, at a minimum, to ensure the ratio of revenue-to-debt service meets bond indenture requirements of 1:2. The Town goal will be to maintain a minimum ratio of utility revenue-to-debt service of 1:6 to ensure debt coverage in times of utility revenue fluctuations attributable to weather or other causes and to ensure a balanced, pay-as-you-go Capital Improvement Plan.

The Town may issue inter-fund loans.

Reserve accounts shall be maintained as required by bond covenants or as advisable by the Town Council. The Town shall structure such debt service reserves so that they do not violate IRS arbitrage regulations.

**PROFESSIONAL SERVICES:** All professional service providers (underwriters, financial advisors, bond insurers, etc.) selected in connection with the Town's debt issues will be selected following the Town's procurement policies. In most cases, this will require a request for proposal process.

The Town shall maintain an open line of communication with the rating agencies (Moody's, Standard & Poor's, etc.) informing them of major financial events in the Town as they occur. The Annual Comprehensive Financial Report (ACFR) shall be distributed to the rating agencies no later than January 31st of the year following the ACFR.

## **CAPITAL IMPROVEMENT POLICY**

This policy establishes the framework for overall planning and execution for Town capital improvements. It sets forth guidelines against which current planning and performance can be measured and proposals for future projects can be evaluated.

A capital improvement program (CIP) is a long-range plan of purchasing, constructing, and maintaining the Town's capital assets. A capital budget is the portion of the operating budget that funds capital costs.

**DEVELOPING A CAPITAL IMPROVEMENT PROGRAM (CIP):** A capital improvement program (CIP) will be developed for a period of five years. As resources are available, the most current year of the CIP will be incorporated into the current year's operating budget. The CIP will be reviewed and updated annually.

**DEFINING CAPITAL ASSETS FOR A CIP:** For the CIP, capital assets include all land and land improvements, building projects, and equipment which cost more than \$5,000 and have a useful life (depreciable life) of two years or more.

**PRIORITIZING PROJECTS:** Capital projects and/or capital asset purchases will receive a higher priority if they meet one or more of the following criteria:

- Project/asset is mandatory
- Project/asset is regulatory or environmentally driven
- Project/asset spurs economic development
- Project/asset improves efficiency
- Project/asset provides a needed service
- Project/asset will have a high usage
- Project/asset will reduce operating and maintenance costs
- Project/asset has available state / federal grants
- Project/asset eliminates a hazard
- Project/asset is a prior commitment

**ALLOCATING RESOURCES TO CIP:** The Town will maintain an equipment reserve fund to pay for equipment capital assets. Each annual budget, budgetary resources allowing, will set aside an amount equal to the depreciation of the equipment capital assets.

Capital projects will be funded through a combination of allocated revenues, state / federal grants, and authorized debt.

Capital projects must meet the following criteria:

- If debt-funded, the term of the debt should not exceed the useful life of the project.
- Capital projects shall be built to specifications which enable them to be self-sustaining whenever possible.
- Long-term debt will be issued using revenue bonds whenever feasible, to avoid reaching the general obligation debt limitation.

Capital improvement life cycle costs will be coordinated with the development of the Operating Budget. Future operating, maintenance, and replacement costs associated with new capital improvements will be forecast, matched to available revenue sources, and included in the Operating Budget.

**REPORTING:** Except for "ongoing projects", each project shall be described such that development phases are delineated as separate stages of the project. Examples include land acquisition, design, and construction. "Ongoing projects" represent annual capital programs such as street overlay, sidewalk expansion, or traffic signal rebuild.

An estimate of the operating budget impact of each proposed project shall be identified and incorporated into the Town Corporate Strategic Financial Plan.

The adopted CIP shall constitute the Town's long-range plan for capital expenditures and shall be consistent with the Payson Corporate Strategic Plan.





## GLOSSARY OF BUDGET - RELATED TERMS

**ACCOUNT** A separate financial reporting unit for budgeting, management, or accounting purposes. All budgetary transactions, whether revenue or expenditure, are recorded in accounts.

**ACCOUNTING SYSTEM** The total set of records and procedures used to record, classify, and report information on the financial status and operations of an entity.

**ACCOUNTS PAYABLE** A short-term liability account reflecting amounts owed to private persons or organizations for goods and services received by a government (but not including amounts due to other funds of the same government or to other governments).

**ACCOUNTS RECEIVABLE** An asset account reflecting amounts owed by private individuals or organizations for goods and services furnished by a government.

**ACCRUAL BASIS ACCOUNTING** The method of accounting where revenues and expenditures are recorded based on when they are earned or incurred, rather than when they are received or paid.

**ADOPTION** For budget purposes, a formal action taken by the Council that sets the spending limits for the fiscal year.

**AGENCY POOL PARTICIPANT** A subdivision or an entity of a subdivision that has monies maintained by the treasurer and that has the authority to draw negotiable instruments on the treasurer or make other disbursements from monies that the treasurer holds for the subdivision or entity. (A.R.S. 35-321)

**APPROPRIATED BUDGET** The expenditure authority created by the appropriation resolution/ ordinance, which is signed into law, and the related estimated revenues. The appropriated budget includes all reserves, transfers, allocations, supplemental appropriations, and other legally authorized and executive changes.

**APPROPRIATED FUND BALANCE** The amount of fund balance budgeted as revenue to offset expenses that exceed current revenue.

**APPROPRIATION** Legal authorization adopted annually by the legislative body (Town Council) to make expenditures and obligate money for specific purposes. An appropriation is limited in the amount and the period in which it may be expended.

**ARBITRAGE** The investment of bond proceeds in higher-yielding securities, resulting in interest revenue above the interest costs.

**ASSESSED VALUATION** A determination of the value of a real or personal property as a basis for levying taxes.

**ASSET** Resource owned or held by a government, which has monetary value.

**AUDIT** An examination, usually by an official or private accounting firm, that reports on the accuracy of the annual financial report.

**AVAILABLE (UNDESIGNATED) FUND BALANCE** Funds remaining from the prior year that are available for appropriation and expenditure in the current year.



**BALANCE SHEET** The basic financial statement, which discloses the assets, liabilities, and equities of an entity at a specified date in conformity with GAAP.

**BALANCED BUDGET** The expenses/expenditures do not exceed the budgeted revenue plus the unreserved fund balance.

**BEGINNING FUND BALANCE** For budget purposes, the estimated and actual resources available for expenditure in a fiscal year based on the difference between assets and liabilities at the end of the prior fiscal year in a governmental fund.

**BENEFITS** The Town-provided non-wage compensation such as retirement, worker's compensation, life insurance, medical insurance, and dental insurance.

**BOARD OF DEPOSIT** Common Council (A.R.S. 35-321).

**BOND** A certificate obligating the payment of a specified sum of money which includes the principal or face value, plus interest, to be computed at a specified rate on a specified date or dates in the future or the maturity date(s).

**BONDED DEBT** That portion of the indebtedness represented by outstanding bonds.

**BOND RATING** A grade indicating a governmental entity's financial strength. Generally speaking, the higher the bond rating, the more favorable the interest rate and the lower the cost of financing of capital projects funded by bonds.

**BOND REFERENDUM** An election in which registered voters vote on whether the Town will be allowed to issue debt in the form of interest-bearing bonds.

**BUDGET** A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed revenue, or means of financing the expenditures.

**BUDGET CALENDAR** The schedule of key dates or events, which the Town follows in the preparation, adoption, and administration of the budget.

**BUDGET MESSAGE** A written discussion of the budget, presented by the budget-making authority. It provides Council and citizens with a general summary of the most important budget issues, changes from recent fiscal years, and recommendations regarding the financial policy for the coming year.

**BUDGETARY BASIS** This refers to the basis of accounting used to estimate financing sources and uses in the budget. This generally takes one of two forms: cash or modified accrual.

**BUDGETARY CONTROL** The control or management of a governmental unit or enterprise per an approved budget to keep expenditures within the limitations of authorized appropriations and available revenues.

**CAPITAL ASSET** Tangible or intangible assets used in operations having a useful life over one year, owned or controlled by the Town. Capital assets include buildings, equipment, improvements other than buildings, land and infrastructure.

**CAPITAL IMPROVEMENT PLAN (CIP)** A plan which prioritizes and schedules proposed capital construction projects and major equipment acquisition.





**CAPITAL OUTLAY** Expenditures resulting in the acquisition or addition to the government's general capital assets. These assets usually have a useful life of more than one year.

**CAPITAL PROJECTS** Projects which purchase or construct capital assets. Typically a capital project encompasses a purchase of land and/or the construction of a building or facility.

**CAPITAL PROJECT CONSTRUCTION FUNDS** A type of fund that accounts for major general government construction projects financed by long-term obligations or other financings.

**CAPITAL STRUCTURE** Amount of the capital of the eligible depository shown by the latest call statement of condition as defined by the rule of the department of insurance and financial institutions for the administration of this article. (A.R.S. 35-321).

**CASH BASIS ACCOUNTING** The method of accounting where revenues are recorded when received and expenditures are recorded when paid.

**CHART OF ACCOUNTS** A chart that assigns a unique number to each type of transaction and each budgetary unit in the organization.

**COLLECTING ENTITY** Entity from which the treasurer receives general funding including the county for collections performed by a county treasurer, the city for collection performed by a city treasurer, or the district for collection performed by a district treasurer. (A.R.S. 35-321)

**COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)** An annual federal grant that can be used to revitalize neighborhoods and expand affordable housing.

**COMPREHENSIVE PLAN** A plan required by the state for the future growth and development of the Town.

**CONSUMER PRICE INDEX (CPI)** A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in the cost of living (economic inflation).

**CONTRACTUAL SERVICES** The costs related to services performed for the Town by individuals, businesses, or utilities.

**COST** The amount of money or other consideration exchanged for goods or services. Costs may be incurred even before money is paid; that is, as soon as liability is incurred. Ultimately, however, money or other consideration must be given in exchange.

**COST OF LIVING ADJUSTMENT (COLA)** An increase in salaries to offset the adverse effect of inflation on compensation.

**CURRENT ASSETS** Assets that are available or can be made readily available to finance current operations or to pay current liabilities. Assets that will be used up or converted into cash within one year. Some examples are cash and short-term investments.

**CURRENT LIABILITIES** Debt or other legal obligations arising out of transactions in the past, which must be liquidated, renewed or refunded within one year.



**DEBT SERVICE** The resources required to pay principal and interest on debt.

**DEBT SERVICE FUND** A fund used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

**DEBT SERVICE/LEASE** A cost category that typically reflects the repayment of short-term (less than 5 years) debt associated with the acquisition of capital equipment.

**DEFICIT** The amount by which expenditures exceed revenues during an accounting period.

**DEPARTMENT** An organizational or budgetary unit. Each department serves a specific function as a distinct organizational unit of government, having budget accountability.

**DEPRECIATION** The portion of the cost of a capital asset that is charged as an expense during a specified period based on the service life of the asset, ultimately expending the entire cost of the asset.

**DESIGNATED FUND BALANCE** Monies that remain unspent over the years after all budgeted expenditures have been made, but which are reserved for specific purposes and are unavailable for appropriation.

**DEVELOPMENT-RELATED FEES** Charges related to building, development, and growth in a community. Included are building and street permits, development review fees, and zoning, platting, and subdivision fees.

**DISTINGUISHED BUDGET PRESENTATION AWARD** An award given by the Government Finance Officers Association (GFOA) to governmental entities whose budget documents meet criteria established by the GFOA and excel as a policy document, financial plan, operations guide, and communication tool.

**ELASTIC REVENUE** Revenue type that is highly responsive to changes in the economic base and inflation. Example: sales tax.

**ELIGIBLE DEPOSITORY** Any: (a) Commercial or savings bank or savings and loan association having either a branch in this state or its principal place of business in this state and insured by the federal deposit insurance corporation or its successor or any other insuring instrumentality of the United States according to the applicable federal law. (b) A credit union that is insured by the national credit union administration or its successor. (A.R.S. 35-321)

**ENCUMBRANCES** Commitments related to unperformed contracts for goods or services. Used in budgeting, encumbrances are not GAAP expenditures or liabilities but represent the estimated amount of expenditure ultimately to result if unperformed contracts in the process are completed.

**ENTERPRISE FUND** A type of proprietary fund that contains activities that are operated in a manner similar to private businesses. In Payson, the only Enterprise Fund is the Water Fund.

**EXEMPT** Personnel who are not eligible to receive overtime pay and are expected to put in whatever hours are necessary to complete their job assignments. The respective department head, as partial compensation for overtime hours worked, may allow compensatory time off.

**EXPENDITURE** An outlay of current resources for goods and services. Expenditures reduce the remaining budget authorization (appropriation) available.



**FIDUCIARY FUND** A category of funds used to report assets held in a trustee or agency capacity for others and which therefore cannot be used to support the government's programs.

**FISCAL YEAR (FY)** A 12-month period to which the annual operating budget applies and at the end of which a government determines its financial position and the results of its operations. Payson's fiscal year runs from July 1 through June 30.

**FIXED ASSETS** Assets of significant value that have a useful life of more than one year.

**FRANCHISE** A special privilege granted by a government, permitting the continued use of public property, such as city streets, and usually involving the elements of monopoly and regulation.

**FRANCHISE FEE** A fee paid by public service businesses for the special privilege to use Town streets, alleys, and property in providing their services to the citizens of the community.

**FULL-TIME EQUIVALENT (FTE)** Employee position converted to the decimal equivalent based on 2080 hours per year.

**FUNCTION** Activity which is performed by one or more organizational units to accomplish a goal.

**FUND** An accounting entity having a set of self-balancing accounts that record all financial transactions for specific activities or government functions in attaining certain objectives governed by special regulations, restrictions, or limitations.

**FUND BALANCE** The difference between a fund's assets and liabilities. In the budget, part of the fund balance may be designated and appropriated as a resource to support the fund expenditures.

**GENERAL FUND** The fund used to account for the receipt and expenditure of general government revenues such as taxes, fees for service, and state-shared revenues that are not earmarked for specific functions. The General Fund accounts for services customarily provided by general-purpose local governments, including fire and police protection, park and recreation facilities, land use planning, and the administrative and support services associated with these activities.

**GENERAL OBLIGATION BONDS** Bonds backed by the full faith and credit of the issuing government. In issuing its general obligation bonds, the Town pledges to levy whatever property tax is needed to repay the bonds for any particular year. Bonds cannot be issued without voter approval and are usually issued with maturities of between 15 and 30 years.

**GENERALLY ACCEPTED ACCOUNTING PRINCIPLES (GAAP)** Accounting principles determined through common practice or as promulgated by accounting standard-setting bodies.

**GOAL** The end toward which an endeavor is directed. A Town department may have several goals in the accomplishing of its mission.

**GOVERNMENT FINANCE OFFICERS ASSOCIATION (GFOA)** A professional association of state/provincial and local finance officers dedicated to the sound management of government financial resources.

**GOVERNMENTAL FUNDS** Those funds through which most governmental functions typically are financed. There are five types of governmental funds: the general fund, special revenue funds, debt service funds, capital project funds, and permanent funds.



**GRANT** A contribution of assets by one governmental unit or other organization to be used or spent for a specified purpose, activity, or facility. Typically, these contributions are made to local governments from the State and Federal governments.

**IMPACT FEES** Fees charged to developers or individuals to cover, in whole or in part, the anticipated cost of improvements that will be necessary as a result of the development.

**INELASTIC REVENUE** Revenue types that are not affected by changes in the economic base and inflation. Example: Permit fees.

**INFRASTRUCTURE** Long-lived assets that are immovable; e.g., streets, water or sewer systems, public buildings, and parks.

**INTERFUND TRANSFERS** Amounts transferred from one Town fund to another.

**INTERGOVERNMENTAL** Activities or transactions (contracts, grants, etc.) occurring between government jurisdictions (e.g., towns and counties) such as “intergovernmental revenues”.

**INTERNAL SERVICE FUND** A type of proprietary fund which accounts for the goods and services which are provided by one Town department to other departments on a cost-reimbursement basis.

**INTRAGOVERNMENTAL** Activities or transactions occurring within a single government jurisdiction.

**INVESTING ENTITY** The State, a political subdivision, the governing body of a municipality, or the governing body of a school district. (A.R.S. 35-323.01)

**INVOLUNTARY POOL PARTICIPANT** Subdivision that only receives the principal ratio of the monies collected, for which the principal monies are mandated to be distributed on a specific date and for which the interest earned on the monies between the time of collection and other statutory requirements reverts to the general fund of the collecting entity. (A.R.S. 35-321)

**KEY RESULT AREAS (KRA)** Major priority areas within the Corporate Strategic Plan.

**LEVY** To impose a tax, special assessment, or service charge for the support of government activities. The total amount of taxes, special assessments, or service charges imposed by a government. The term most commonly refers to the real and personal property tax levy.

**LEVY RATE** The rate at which taxes, special assessments, or service charges are imposed. For example, the real and personal property tax levy is the rate at which property is taxed per \$100 assessed valuation.

**LIABILITY** Debt or other legal obligations arising out of transactions in the past that must be liquidated, renewed or refunded at a future date. Does not include encumbrances.

**LICENSES AND PERMITS** Charges for the issuance of licenses and permits. Licenses are required by municipalities for selected trades, occupations, and other activities for regulatory purposes. Permits are issued to aid the regulation of new business activities.

**LINE-ITEM BUDGET** A budget prepared along departmental lines that groups costs in broad categories.

**MAINTENANCE** The upkeep of physical properties in condition for use or occupancy. Examples are the inspection of equipment to detect defects and the making of repairs.



**MISSION** The overall purpose for which a unit of government exists.

**MODIFIED ACCRUAL ACCOUNTING** The accrual basis of accounting adapted to the governmental fund type Spending Measurement Focus. Under it, revenues are recognized when they become both "measurable and available to finance expenditures of the current period". Expenditures are recognized when the related fund liability is incurred except for inventories, prepaid insurance, unpaid benefit amounts, or principal and interest.

**NET BONDED DEBT** The amount calculated as gross bonded debt less debt service monies available at year-end, less debt payable from Enterprise revenues, which ultimately equates to amounts to be repaid through property taxes.

**NON-EXEMPT** Personnel who are eligible to receive overtime pay when overtime work has been authorized or requested by the supervisor.

**OBJECT (OF EXPENDITURE)** The budget accounting term for the previously used "line-item budget" level. The lowest level of detail is used in the budget to designate the item or service to be purchased or obtained as the result of expenditure, e.g., postage, printing, etc.

**OBJECTIVE** In a budgetary context, an objective is some event, activity, or opinion poll result, which can be evaluated to measure progress toward defined goals.

**OPERATING BUDGET** A budget which includes all expenditures expected to be incurred and revenues expected to be received during a year for ongoing operations of a government entity. Such a budget generally excludes amounts budgeted for major capital projects.

**OPERATING TRANSFERS IN/OUT** Specifically identifies the transfer of resources from one fund to another made to support the normal level of operations of the receiving fund.

**ORDINANCE** A law passed by the legislative authority of a local jurisdiction (town or county).

**PERFORMANCE INDICATORS** Measurable means of evaluating the effectiveness of a department or cost center in accomplishing its defined objectives.

**PERMISSIBLE RATE OF INTEREST** Rate of interest in which an eligible financial institution is permitted to pay by state or federal law or valid state rules or federal regulations. (A.R.S. 35-321)

**PERSONNEL SERVICES** Costs related to compensating employees, including wages, insurance, payroll taxes, retirement contributions, and allowances for clothing and automobiles.

**PRIMARY PROPERTY TAX** A limited tax levy used to support general government operations.

**PROPERTY TAX** A levy upon the assessed valuation of property within the Town. Arizona has two types of property tax: primary property tax and secondary property tax.

**PROPRIETARY FUND** A fund used to account for operations that are financed and operated similar to business enterprises. Such a fund is established as a self-supporting operation with revenues provided principally from fees, charges, or contracts for services.



**PUBLIC DEPOSIT** Public monies deposited in an eligible depository according to this article. (A.R.S. 35-321)

**PUBLIC MONIES** Includes subdivision monies. (A.R.S. 35-321)

**PURCHASE ORDER (PO)** A document that authorizes the delivery of specified merchandise or the rendering of certain services and the incurring of a charge for them.

**RESERVE** An account used to indicate that a portion of fund resources is restricted for a specific purpose, or is not available for appropriation and subsequent spending.

**RESOLUTION** A special or temporary order of a legislative body requiring less legal formality than an ordinance or statute.

**RESOURCES** The dollars available for appropriation, including estimated revenues, inter-fund transfers, and in some cases, a beginning fund balance.

**REVENUE** Income received by the Town to support programs or services to the community. It includes such items as taxes, fees, user charges, grants, fines, forfeitures, interest income, and miscellaneous revenue.

**RISK MANAGEMENT** An organized attempt to protect a government's assets against accidental loss in the most economical method.

**SALARIES AND WAGES** Amount paid for services rendered by employees per rates, hours, terms, and conditions authorized by law or stated in employment contracts. This category also includes overtime and temporary help.

**SECONDARY PROPERTY TAX** Voter-approved tax levy which can only be used to retire general bonded debt obligations.

**SPECIAL ASSESSMENT** A compulsory levy made against certain properties to defray all or part of the cost of specific capital improvements or services deemed to benefit primarily those properties.

**SPECIAL REVENUE FUND** A fund used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

**STATE MONIES** All monies in the treasury of this state or coming lawfully into the possession or custody of the state treasurer. (A.R.S. 35-321)

**STRUCTURALLY BALANCED BUDGET** A balanced budget that supports financial sustainability for multiple years into the future. A government needs to make sure that it is aware of the distinction between satisfying the statutory definition and achieving a true structurally balanced budget.

**SUBDIVISION** Any county, non-charter city, or town. Cities governed by charter have the option of operating under this article. (A.R.S. 35-321)

**SUBDIVISION MONIES** All monies in the treasury of a subdivision or coming lawfully into the possession or custody of the treasurer. (A.R.S. 35-321)





**SUPPLIES** A cost category for minor items (individually priced at less than \$5,000) required by departments to conduct their operations.

**SURPLUS** The amount by which revenues exceed expenditures.

**TAX BASE** The wealth of the community available to be taxed by various forms of Town taxes. It is commonly thought of as the assessed value of the community.

**TAX LEVY** The total amount to be raised by general property taxes for the purposes specified in the Tax Levy Ordinance.

**TAXES** Compulsory charges levied by a government for financing services performed for the common benefit of the people. This term does not include specific charges made against particular persons or property for a current or permanent benefit, such as special assessments.

**TENTATIVE BUDGET** A tool that gives policymakers an idea of the Town's relative fiscal position for the coming budget period based on projected revenues and expenditures.

**TREASURER** Includes the treasurer or officer exercising the functions of treasurer of any subdivision but excludes the state treasurer. (A.R.S. 35-321)

**TRUST AND AGENCY FUNDS** A type of fiduciary fund which accounts for assets held by the Town as a trustee.

**TRUST FUNDS** Those monies entrusted to a public body or official for preservation and investment, as prescribed by the instrument establishing such funds. (A.R.S. 35-321)

**UNRESERVED FUND BALANCE** Undesignated monies available for appropriations.

**USER CHARGES** The payment of a fee for direct receipt of public service by the party who benefits from the service.

**WORKLOAD INDICATORS** Specific quantitative measures of work performed within an activity or program (e.g., total miles of streets cleaned).

#### **REFERENCES:**

Arizona Revised Statutes:  
9-492 Cities and Towns  
15-1025 Education

35-313; 35-323; 35-326; 35-328 Public Finance

## Common Acronyms

<b>ACFR</b>	Annual Comprehensive Financial Report
<b>AFFH</b>	Affirmatively Furthering Fair Housing
<b>ARRA</b>	American Recovery and Reinvestment Act of 2009
<b>BARS</b>	Budgeting, Accounting, and Reporting System
<b>CDBG</b>	Community Development Block Grant
<b>CIP</b>	Capital Improvement Plan
<b>COLA</b>	Cost of Living Adjustment
<b>CPI</b>	Consumer Price Index
<b>CSP</b>	Corporate Strategic Plan
<b>FAA</b>	Federal Aviation Administration
<b>FT</b>	Full-time
<b>FTE</b>	Full-time Equivalent
<b>FY</b>	Fiscal Year
<b>GAAP</b>	Generally Accepted Accounting Principles
<b>GASB</b>	Governmental Accounting Standards Board
<b>GFOA</b>	Government Finance Officers Association
<b>GO Bonds</b>	General Obligation Bonds
<b>HURF</b>	Highway Users Revenue Fund
<b>KRA</b>	Key Result Areas
<b>LID</b>	Local Improvement District
<b>OPEB</b>	Other Post Employment Benefits
<b>OSHA</b>	Occupational Safety and Health Administration
<b>PO</b>	Purchase Order
<b>PT</b>	Part-time
<b>RFP</b>	Request for Proposal
<b>SCADA</b>	Supervisory Control and Data Acquisition
<b>WIFA</b>	Water Infrastructure Financing Authority