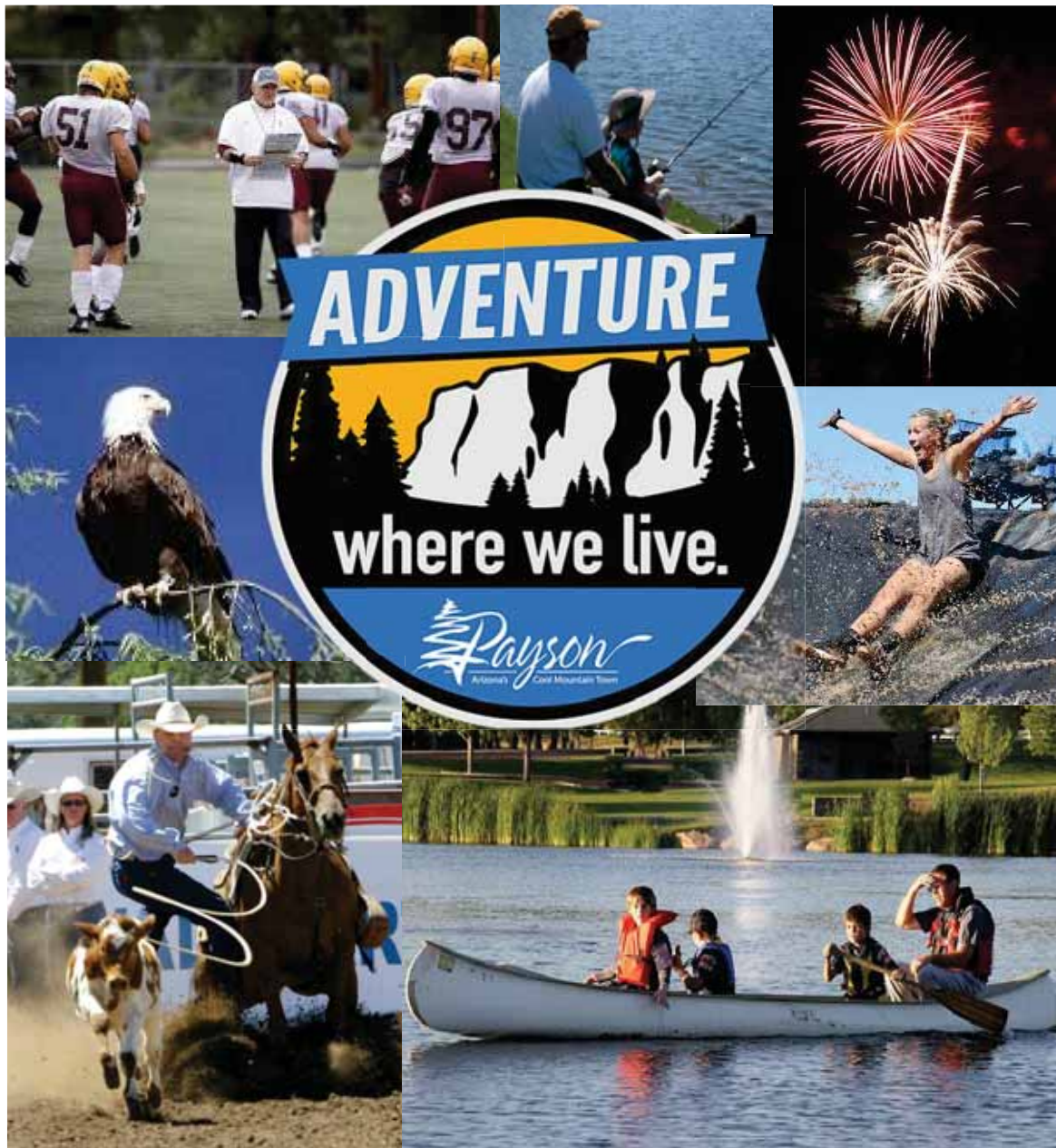
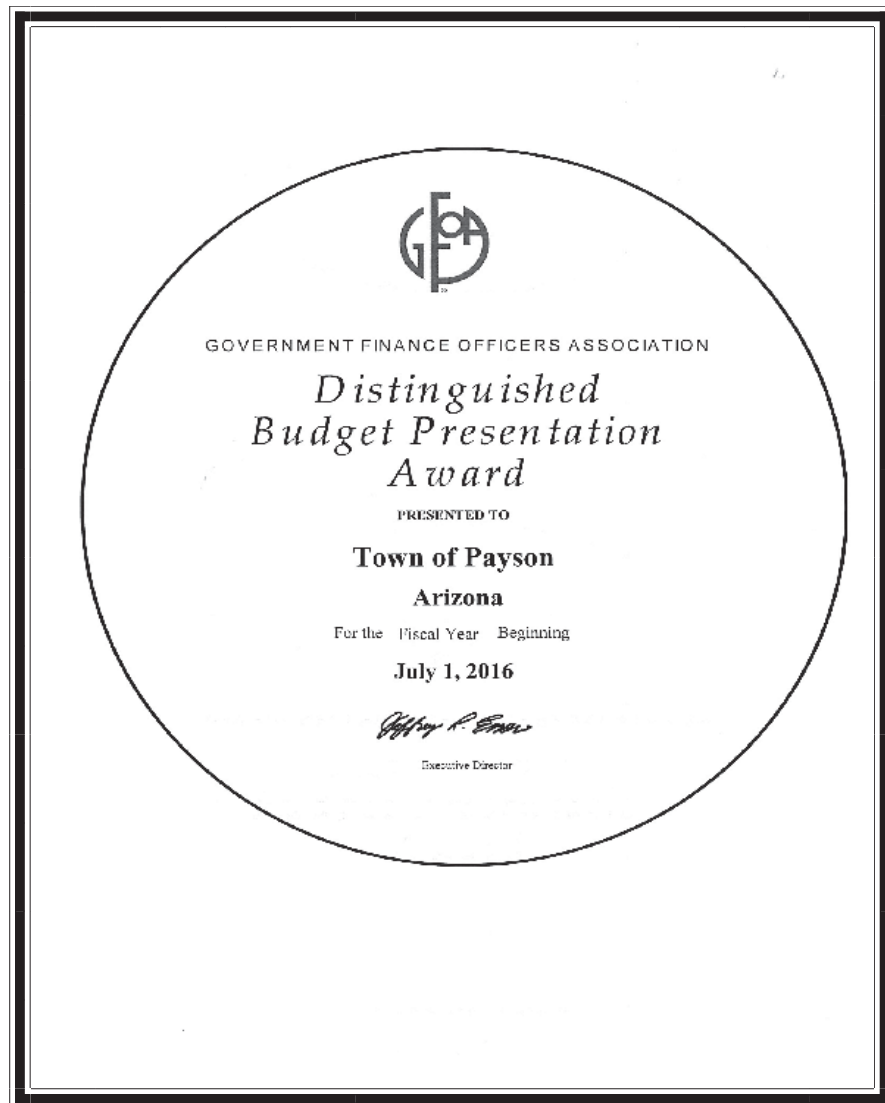


TOWN OF PAYSON ANNUAL BUDGET 2017 / 2018

FOR THE FISCAL YEAR BEGINNING JULY 1, 2017





The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Town of Payson, Arizona for its annual budget for the fiscal year beginning July 1, 2016. In order to receive this award, a government unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

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



2017 ANNUAL BUDGET

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ELECTED TOWN OFFICIALS July 1, 2017

Mayor
Vice Mayor
Councilmember
Councilmember
Councilmember
Councilmember
Councilmember

Craig Swartwood
Fred Carpenter
Su Connell
Barbara Underwood
Rick Croy
Chris Higgins
Janell Sterner



INTRODUCTION



Town of Payson
303 N. Beeline Highway
Payson, Arizona, 85541-4306

Town Hall	(928) 474-5242
Police Dept.	(928) 474-5177
Water Dept.	(928) 474-5242
TDD	(928) 472-6449
Fax	(928) 474-4610

Date: October 6, 2017

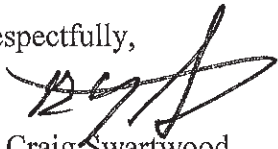
To the Residents of the Town of Payson:

It is a privilege and opportunity to serve the good people who live and work in Arizona's Cool Mountain Town. We continue to make steady progress toward completion of several municipal projects including the C.C. Cragin Water project and enhancements along American Gulch. The future looks bright but there is still much to be done. These times require prudent use of your tax dollars in order for the Town to meet state and federal requirements while at the same time funding necessary local projects to maintain and improve the quality of life in Payson.

Once again the Town 2017-18 Budget is grounded on sound fiscal principles. While a tax increase is never popular, the 0.88% increase passed by the Town Council will allow the Town to meet its current obligations and needs as well as work toward the required contingency fund and financial reserves. The budget is based on Town priorities coupled with department and Council input and projections. Sound financial planning requires that some of our goals be deferred. The Town uses our budget as a comprehensive financial planning tool to maintain fiscal accountability while meeting the Town's obligations and needs.

We acknowledge the hard work of the Town staff and appreciate your input as the Town Council worked to create this fiscally responsible budget. Thank you for your support as we work through these changing economic times. We especially thank the Town Manager, Chief Finance Officer, Financial Services staff, and Town Department Heads for their hours of hard work, insight and input throughout the budget process.

Respectfully,



B. Craig Swartwood,
Mayor



2017 ANNUAL BUDGET

ADMINISTRATIVE STAFF

July 1, 2017

LaRon Garrett
Town Manager

Don Engler
Deputy Town Manager: Public Safety

(vacant)
Deputy Town Manager: Administrative Services

Silvia Smith
Town Clerk

Hector Figueroa
Town Attorney

Deborah Barber
Chief Fiscal Officer

Dorothy Little
Magistrate

David Staub
Fire Chief

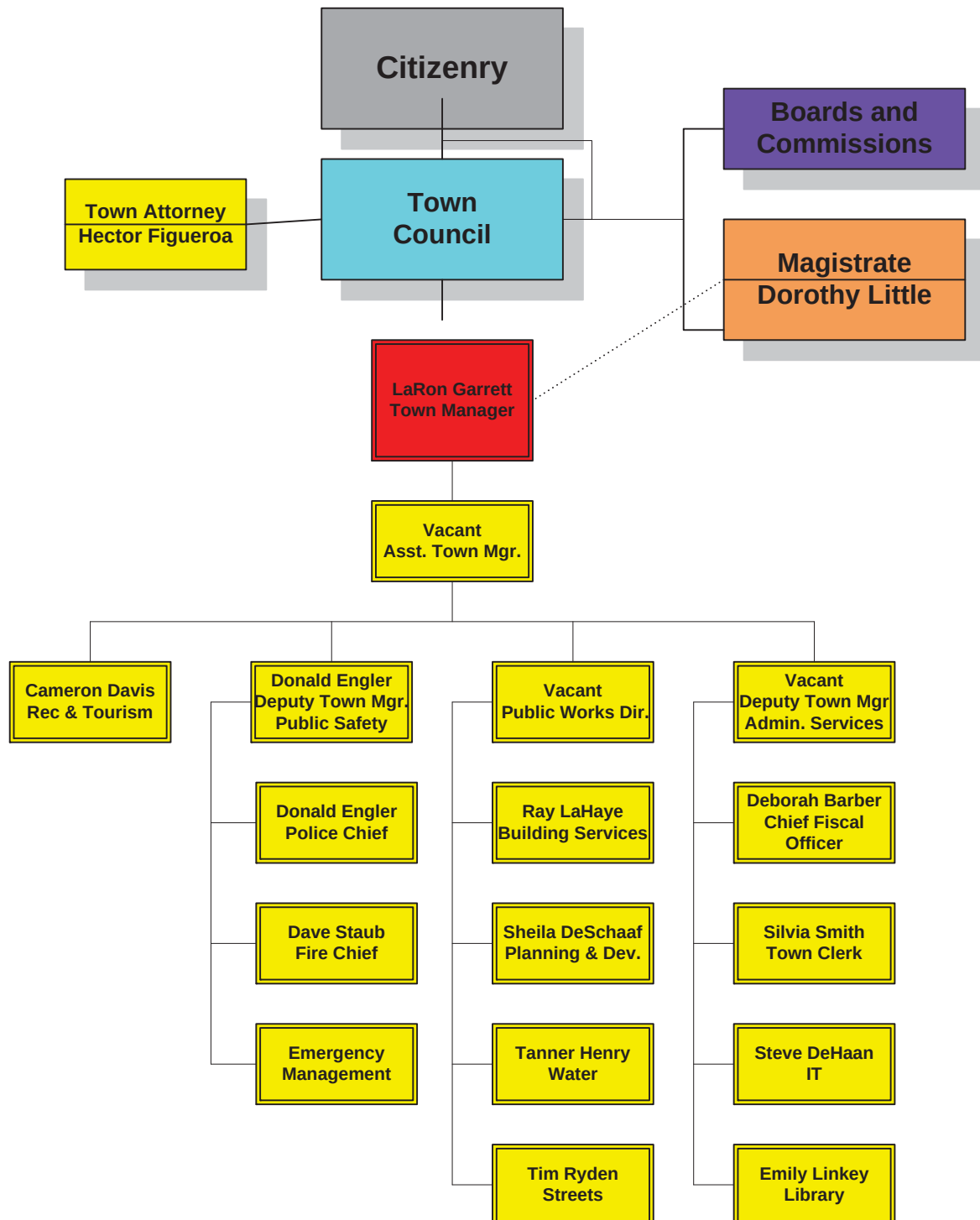
Emily Linkey
Library Director

Cameron Davis
Recreation & Tourism Director

Tim Ryden
Acting Public Works Director

INTRODUCTION

Town of Payson Management Organizational Chart





MISSION STATEMENT

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.

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

CORE VALUES

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 IMPROVEMENT

- ♦ 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.



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.



Town of Payson
303 N. Beeline Highway
Payson, Arizona 85541-4306

Town Hall (928) 474-5242
Fax (928) 474-4610

September 19, 2017

To the Honorable Mayor, Town Council and Citizens:

We respectfully submit the published Town of Payson fiscal year 2017/18 budget as approved by the Town Council on June 22, 2017. The budget forms the Town's structure for providing the services, facilities and infrastructure that have helped make Payson a great Town.

This transmittal letter is divided into the following sections to facilitate review and assimilation. The "budget book" presents much more detailed information for comparing figures to the past and current fiscal years, for guiding implementation of financial plans, and for monitoring results of operations during and at the conclusion of the fiscal year.

- I. Introduction
- II. Budget Highlights
- III. Council Initiatives
- IV. Economic Factors Affecting Budget Decisions
- V. Conclusion

I. INTRODUCTION

Payson is one of Arizona's jewels, 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 and first-class accommodations and entertainment. However, like most Arizona cities and towns, Payson continues to feel the pains of the recession and subsequent slow economic recovery.

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

The budget focuses on providing municipal service to our citizens, and includes strategies to meet the following challenges:

- Enhance Public Safety
- Invest in information technology components and support
- Recognize and incorporate changing and challenging economic conditions
- Undertake strategic planning in several areas, i.e. Capital Improvements Plan, Corporate Strategic Plan, Business Plan, etc.

We 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 budget policies and Council priorities, the Town's debt management plan and long-term financial plan.

Debt Management Plan

The Town of Payson enjoys favorable bond ratings due not only to solid financial planning but also from 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. In addition, as defined by state law, with the consent of the citizens the Town will not exceed 6% of the net secondary assessed value of the property within the Town for general purposes. Also with consent of the citizens, the Town may not exceed 20% of the net secondary assessed value of property within the Town for the purposes of water, sewer, light, parks, open space, and recreation facilities. The Town has 93.7% of the general municipal purpose bonds available, as well as the full capacity available for other water, sewer, parks, 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 is very conservative through the next five years.

Unfortunately, over the last several years, forces outside of our control have challenged the Town's financial and managerial wherewithal. These forces include inflation, economic recession, and the decline in building construction. Measures were put in place to actively pursue commercial growth and promote increased tourism as a means of counteracting these forces. Although we have seen some improvement in construction and new business growth, recovery has been very slow and we are reluctant to believe that the rough times are behind us.

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

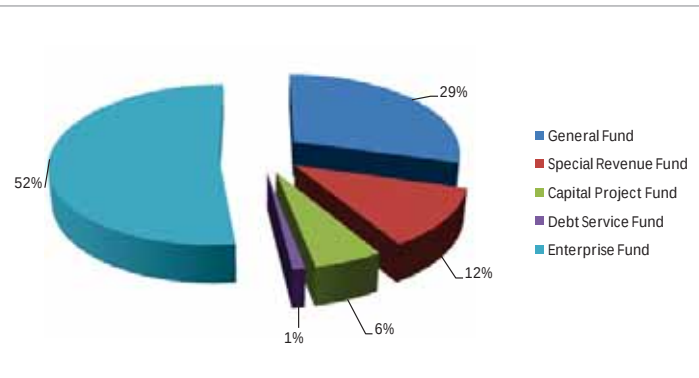
II. BUDGET HIGHLIGHTS

Financial Program

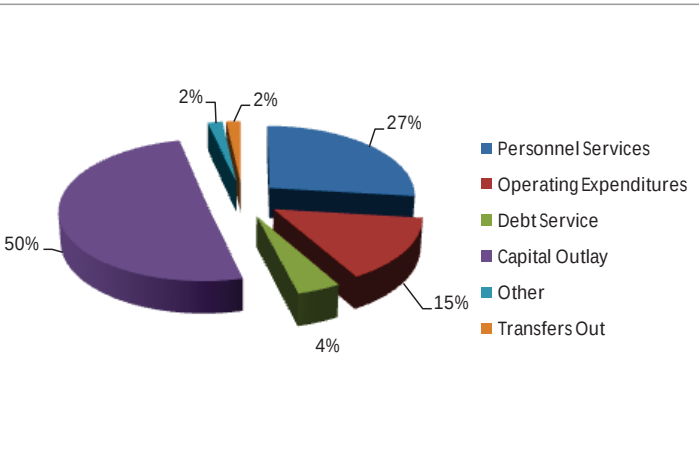
The annual budget for fiscal year 2017/18 for all funds of the Town totals \$60,941,571. This is \$11,272,771 (22.69%) higher than the budget for last fiscal year. Total expenditures of \$60,941,571 exceed the total revenues of \$59,032,400 and the Town plans to use some of its reserves to make up the difference.

Fund Type	Estimated Revenues	Proposed Expenditures
General Fund	\$ 17,330,500	\$ 17,641,100
Special Revenue Fund	\$ 7,066,500	\$ 7,380,000
Capital Project Fund	\$ 3,355,000	\$ 3,597,771
Debt Service Fund	\$ 616,900	\$ 578,500
Enterprise Fund	\$ 30,663,500	\$ 31,744,200
Total	\$ 59,032,400	\$ 60,941,571

**FISCAL YEAR 2017/18
ESTIMATED REVENUES
ALL FUNDS
\$59,032,400**



**FISCAL YEAR 2017/18
EXPENDITURE BY USE
ALL FUNDS
\$60,941,571**



- ◆ \$25,424,100 is appropriated for operating expenditures or expenses (such as personnel services, supplies, utilities, insurance, repairs, maintenance, training, and depreciation). This figure represents a 3.6% increase over last year's budget. The Town has seen cost increases in a wide variety of other goods & services. The efforts of staff to streamline processes and hold the line on spending without jeopardizing quality of service emphasizes their dedication to support the Town through this period of economic challenges.
- ◆ \$30,704,671 is for capital outlay; capital projects, and other one-time grant related expenditures. This is 36.8% higher than last year. The Capital Project funds finance projects that are greater than \$5,000, which may be dependent upon State or Federal grants for a share of the cost, and/or may take several years to complete. The continuation of the C.C. Cragin Pipeline Project, which is key to Payson's water infrastructure plans, is included in this year's budget. The \$24 million budgeted for this project represents 66% of the capital outlay for this fiscal year. Fortunately, the budget also includes some projects that will be funded by grants or intergovernmental revenues. The tight budget continues to limit the availability of funding for other capital expenditures. The difficult economic conditions over the past several years have caused many capital projects to be drastically reduced or put on hold pending economic recovery. Although the economic situation is showing signs of improvement and Council's decision to increase the sales tax rate will boost revenues, these cuts that were made to get us through previous budget years will continue to impact future budgets as additional spending will be required to build capital expenditures back up to acceptable levels.
- ◆ \$4,812,800 is for inter-fund operating transfers, debt service, and other uses of funds. Compared to last year, this category increased \$2,137,100 (79.9%) mainly due to C.C. Cragin Pipeline Project related debt and a water loan transfer.

Significant personnel related changes to the budget included:

- ◆ A 3% merit raise is included in the fiscal year 2017/18 budget
- ◆ COLA increases remain on hold for the 10th consecutive year
- ◆ Most employees received pay increases as a result of a market study
- ◆ Medical insurance split changed from 65/35 to 70/30
- ◆ Fifteen full-time employees received wage adjustments or promotions based on department head recommendations
- ◆ Three part-time Parks Operations employees received wage adjustments and two new part-time positions were added to this division
- ◆ Added one full-time General Maintenance Worker position to be shared by the Event Center and Parks Operations
- ◆ Added a grant funded position for Police Department special programs

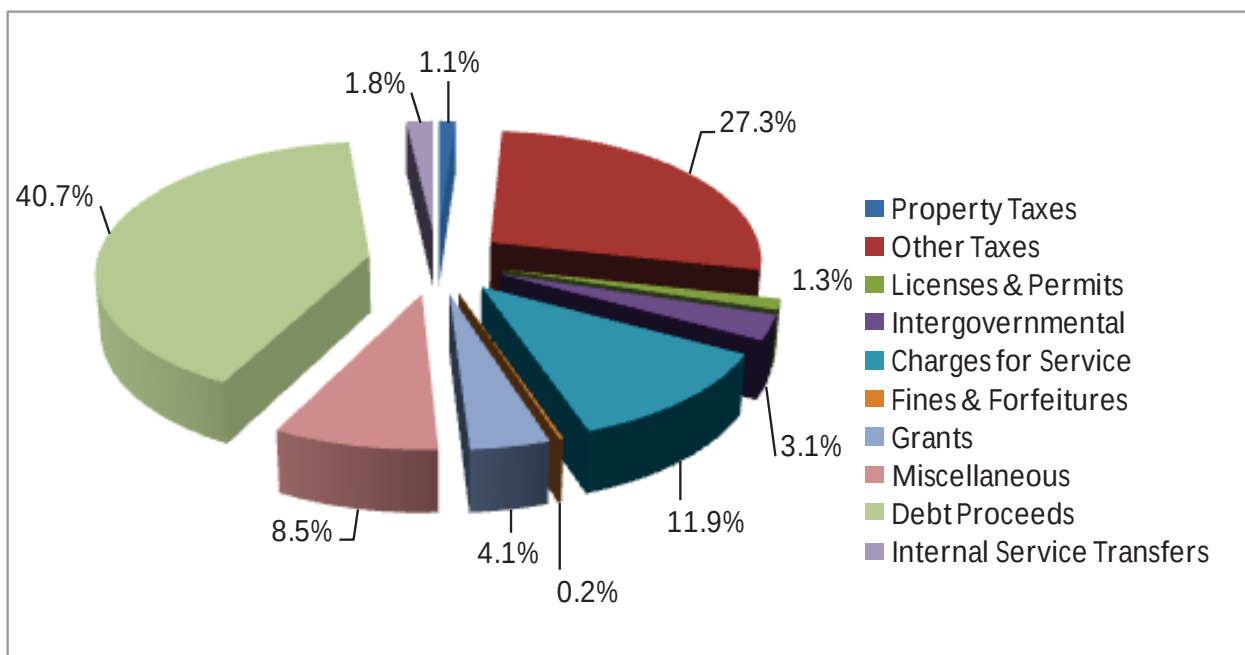
Current operating revenues, grants and other financing sources will finance the budget of the Town. Additional financing sources are inter-fund transfers and reserve funds carried forward from the previous fiscal year.

Local sales tax is the primary source of revenue for the Town. Faced with another hefty increase in the cost of public safety retirement obligations, the Town Council approved a local sales tax increase of 0.88% effective August 1st, 2017. With the new rate of 3% in place, local sales tax revenues are projected to be approximately \$9,350,000 which is an increase of 39.6% over last fiscal year. Since local sales tax is heavily influenced by retail sales and tourism, continued efforts to promote Payson tourism will be crucial.

State shared revenues from sales tax, income taxes, gas taxes, and vehicle license taxes are the next most significant. State shared sales tax which is estimated to be \$1,459,000 reflects a slight increase of almost 1% as compared to last fiscal year. All other State shared revenues are projected to be up. In total, State shared revenue should show an increase of \$203,700 (3.45%) over last year.

In contrast, property taxes are a relatively minor revenue source for the Town. The primary property tax rate is projected to be \$0.3807 per \$100 of assessed value. The levy rate reflects a small decrease of \$0.0032 per \$100 in comparison to fiscal year 2016/17. Currently, the Town does not have a secondary property tax.

REVENUE BY TYPE—ALL FUNDS



Capital Expenditures in the FY 2017/18 Budget

Fiscal policies first adopted in the Town's 1997 Strategic Plan set forth strategies intended to assure that operating and capital expenditures valued less than \$100,000 would be financed on a "pay-as-you-go" basis with cash. Excess cash in the General Fund is transferred to Capital Projects Funds to enable cash appropriations for priority capital expenditures. This excess reserve is available for appropriation for capital expenditures as directed by the Town Council. There are two transfers from General Fund to the Capital Project Funds in this budget for grant matching funds. The Town's match towards an Airport grant project of \$1,313,800 is \$52,600. The Town's match towards the purchase of a new fire engine with a total cost of \$847,800 will be \$40,400. These transfers will not take place if the grants are not awarded.

The Town is completing several major capital projects funded through general obligation bond issues and street special assessment improvement bonds.

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 is being paid by a 0.12% local sales tax increase that became effective in January 2005.

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.

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 /replacements to the existing system. By June 30, 2012, the Town had drawn down \$3.6 million of the loan and had drawn 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 (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.

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 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.***

General Fund year-end fund balance is projected to be \$732,544 or 4.2% of

the estimated revenue for the fiscal year 2017/18. The General Fund Reserve falls short of the financial policy guideline. Although estimated revenues are up due to the sales tax increase, the decision to pay down public safety retirement obligations, complete some maintenance projects that are long overdue, and set aside some money in a contingency fund, has left the Town with another tight budget. This is projected to continue for the next few budget cycles as we strive to catch up with projects and maintenance items that had to be postponed during the recession.

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

General Fund operating revenues are projected to increase by \$2,411,700 (16.2%). The change in revenues is primarily due to the increase in the sales tax rate.

Operating expenditures are projected to increase \$2,033,900 (13.0%) over the fiscal year 2016/17 budget. Although the departments continue to try to hold the line on spending, they are seeing increases in the cost of insurance, fuel, and other goods and services.

At this time, we are able to follow this policy.

- 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.***

As we strive to recover from the recession and catch up on long overdue repair and maintenance projects, excess cash in the General Fund is still limited. In this budget, \$93,000 has been set aside to cover the match on two potential capital grant funded projects.

- 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.***

Due to current economic conditions, funds will not be allocated to the Equipment Replacement Fund.

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

In September 2003, the voters authorized the issuance of \$3,555,000 in general obligation bonds for the purpose of 1) purchasing communications equipment including computer aided dispatch, records management system, and mobile dispatch terminals for the police and fire departments, 2) purchasing a computerized firearms training system, 3) remodeling the Main Street Fire Station, and 4) constructing Fire Station #13, a new station located on the east side of town. \$2,030,000 in bonds was sold in September 2004 with the debt service being paid by a 0.12% sales tax increase in January

2009/2010 fiscal year. There has been no new debt issued since 2005 that would affect property or sales tax rates.

III. COUNCIL INITIATIVES – FY 2016/17

Prompted by hefty increases in the Town's contributions towards public safety retirement, the Council approved a 0.88% increase in the local sales tax rate effective August 1, 2017. This additional revenue will allow the Town to start paying down its obligation to the Public Safety Personnel Retirement System (PSPRS), make a payment towards the Water Department loan, and pay other financial obligations.

The Town Council, citizens and the management staff participated in a strategic planning process to update and enhance the Corporate Strategic Plan (CSP). This plan is divided into ten Key Result Areas (KRA) and each KRA is more specifically defined by Priorities and Strategies that 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 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.)

IV. ECONOMIC FACTORS AFFECTING BUDGET DECISIONS

Preparing for fiscal year 2017/18 and beyond has been particularly challenging. The Town's officials considered many factors during the process of developing this budget. Since we are seeing signs of economic recovery, it is tempting to fill the budget with all of the projects and expenditures that have been delayed for far too long. But, we must continue to budget conservatively. We must focus on restoring our reserve funds for the future, creating a long-term sustainable operation. Even with the projected increase in sales tax revenue, the budget continues to be very tight, but we strive to meet our goals while maintaining fiscal responsibility.

The major economic factors impacting the budget for fiscal year 2017/18 are

growth in construction, expansion of the tourism market, and continued recovery of the financial markets. Great progress has been made through our economic development efforts and this will continue in the 2017/18 fiscal year as we strive to bring new business to town and encourage construction related activity. The Tourism Department has introduced a new marketing campaign, "Adventure Where We Live", that should increase tourism and positively impact sales tax and bed tax revenue. Fortunately, some grant money is available for a few projects but many capital improvements have been put on hold again and future budgets will be affected by these continued postponements. The high cost of employee health insurance, workers compensation insurance, and retirement contributions continue to put a strain on the budget. As we struggle with the uncertainties of the economic picture moving forward, the Town of Payson has a moral obligation to follow a Business Plan that protects our residents against damaging service cuts while enhancing the quality of life.

During the 2016/17 fiscal year, the Town had two major citizen funded projects. The first was done by the Payson Gateway Committee. Over the past 12 years, they have been raising funds to install a life size bronze elk in the roundabout at Highway 87 and Tyler Parkway. That dream came to fruition on June 6th when the elk was installed. This project was completely funded by donations to the Payson Gateway Committee. The second project was a vision of the Mayor to create an apple orchard that would perpetuate an old strain of apples. The orchard was to be located on Town property adjacent to the American Gulch Channel. Shortly after the announcement, citizens came forward and donated funds that more than covered the cost of the 1.1 acre orchard, watering system, and fencing. These projects enhance Payson's tourism efforts and illustrate a few of the many ways that our citizens support our local community and Town government.

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 which should provide Payson with its water needs for many years into the future.

V. CONCLUSION

As we continue to be challenged by the economic conditions at the national, state, and local level, we must stay focused on our long-range financial plan to further streamline the Town's operations and lower costs.

The budget for fiscal year 2017/18 is committed to the Town's policy of managing Payson's financial position by protecting fund balances and reserves, recommending a balanced budget, adding new programs prudently and making decisions within the context of our long-range financial capacity study and debt management plan.

The fiscal year 2017/18 Annual Budget asserts our commitment to meet and exceed our community's highest priority expectations. We continue to strive to meet these needs at the lowest possible cost to our citizens.

With final budget adoption, we wish to express our gratitude to the Department Directors of the Town for helping to assemble this budget. The Staff has come together as a team on numerous occasions over the last few months to discuss and resolve each budget challenge presented. We give special thanks to the Financial Services Department staff (Deborah Barber, Hope Cribb, Tammy Enlow, and Jane Warren) for providing us with timely information, reports, and assistance. We would also like to thank the Town Council for their time, consideration and support in working with staff to make tough decisions and help direct us as we struggle with future budget uncertainties.

Respectfully submitted,



LaRon G. Garrett
Town Manager



Bronze Elk donated by Payson Gateway Committee



2017 ANNUAL BUDGET

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.

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How is the economy of the Town?	Town Manager's Budget Message	7
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INTRODUCTION



2017 ANNUAL BUDGET

HOW TO MAKE THE BEST USE OF THIS DOCUMENT

One 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 policy alternatives that are available. Additionally, the budget document provides Town management with a financial and operating plan that conforms with the direction of the Citizens, Council and the Town's accounting system. The following outline provides descriptions of the major sections of the budget document.

PREFACE: Items shown here are of a general informational nature that apply to all sections of the budget document.

INTRODUCTION: Includes the Town's principal officials, organizational chart, mission statement, core values, and Town profile. 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.

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 (GP), Corporate Strategic Plan (CSP), and Capital Improvement Plan (CIP) are included in this section. The complete plan documents can be viewed at www.paysonaz.gov. The five-year financial forecast is also presented.

THE BUDGET PROCESS: Outlines the steps taken to create the budget.

UNDERSTANDING THE BUDGET: Designed to clarify terminology and outline the accounting structure used in the creation of the budget.

BUDGET SUMMARIES: This section presents budget summaries in various formats: sources and uses, total financial program, revenue and expenditure summary.

THE BUDGET—A CLOSER LOOK: Provides more specific information regarding revenues and expenditures within the various funds.

REVENUE INFORMATION: Presents the revenue side of the budget in both summary and detail formats as well as changes to the Fee Schedule.

EXPENDITURE INFORMATION: Presents the operating budget in summary and in detail by expenditure line item.

DEPARTMENT DETAIL: Provides a closer look at each department/division.

SUPPLEMENTAL INFORMATION: This section presents the budget resolution, financial policies, information on staffing and selected community demographics.

INTRODUCTION

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.



2017 ANNUAL BUDGET

PAYSON PROFILE

...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 town site 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 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, Banner Payson Medical Center, and the Town of Payson.



INTRODUCTION



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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, Assistant Town Manager, or Deputy Town Managers.

The **Town Manager's Department** currently encompasses the Town Manager and Information Services. 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. Information Services, another division of this department, is responsible for keeping the computer technology productive and up-to-date. The Town Manager's Department is led by the Town Manager.

The **Town Clerk Department** provides support to the Town Manager, Mayor, and Council including council meeting agendas & 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 revenue 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 Comprehensive Annual Financial Report. This department is led by the Chief Fiscal Officer (CFO).

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 also led by the Chief Fiscal Officer (CFO).

INTRODUCTION



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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. This department is led by the Town Attorney.

The **Law Enforcement Department** enforces local, state and federal laws in addition to protecting citizens and their property. The department is also responsible for 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 led by the Deputy Town Manager: Public Safety.

The **Fire Department** provides emergency services which include responses to fire suppression, medical emergencies, technical rescues and first responder operations 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 fire-fighting resources to any wildland fire. The department is run by the Fire Chief.

The **Community Development Department** previously consisted of three divisions: Planning & Zoning, Building and Housing. Starting in Fiscal Year 2015/16, this department is strictly an administrative department that functions as central services and supplies for two newly created departments: Planning & Development and Building Services.

The **Building Services Department** provides information and services to the building community and ensures that all structures are built in accordance with adopted building codes. This department is headed by the Chief Building Official.

The **Planning & Development Department** assists residents, businesses and developers through development services and revitalization / redevelopment activities. The Planning/Zoning/Code Enforcement Division provides 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 Economic Development division is responsible for assisting prospective new businesses and serving as an ombudsman for existing businesses. The Housing division seeks to improve and expand housing opportunities in the community through the provision of services to the general public, housing developers, non-profits, and others. This department is headed by the Planning & Development Director.

INTRODUCTION



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The Recreation & Tourism Department provides recreational opportunities to the citizens. The Recreation division develops all of the recreational programs. The Aquatics division oversees activities at Taylor pool. The Multi-Event Center division hosts large scale special events including, but not limited to, 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 outside media. 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 Rec & Tourism. Parks Operations division provides quality development and upkeep of the Town's park system. The Recreation & Tourism department is headed by the Recreation & Tourism Director.

The Public Works Department provides services to support various Town departments, such as: review of plats, development plans, street maintenance & 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. In FY16/17, the budget for the Parks Operations division was under Public Works but staff reported to the Recreation & Tourism Director. Starting FY17/18, the budget was also moved under the Recreation & Tourism Department. The Public Works department is led by the Acting Public Works Director.

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



Green Valley Park

INTRODUCTION

***PLANNING &
PERFORMANCE***



2017 ANNUAL BUDGET

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:

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 re-development areas.

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

GENERAL PLAN



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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 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 2014 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 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 timeframes. The timeframes are divided into short, medium, and long-term categories, subject to vary 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 allows, and may well extend beyond the scope of the General Plan.

GENERAL PLAN



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ENVIRONMENTAL PLANNING

	<u>Goal and Strategy</u>	<u>Primary Stakeholder</u>	<u>Completion Timeframe</u>
EP1	Implement a modified version of the American Gulch Study	Public Works	
.1	Seek funding for Gulch Improvements & work with land owners to implement		Short
EP2	Improve stormwater management facilities and practices for treatment quantity and quality	Public Works	
.1	Ensure adequate construction planning to protect natural vegetation and minimize changes to ground topography		Short
.2	Encourage natural stormwater control methods that retain natural systems and minimize potential damage to private property		Short
EP3	Develop and implement an Urban Forestry & Native Species Protection Plan	Community Development	
.1	Reduce heat island effects by encouraging green roofs, tree canopies, and permeable surfaces		Medium
.2	Actively protect native trees currently in the Town's commercial areas		Short
.3	Ensure any urban forestry lost is replaced tree for tree		Short
.4	Preserve and augment existing native vegetation within commercial development and rights-of-way through pre-development plant inventories and conservation/replacement incentives		Short
.5	Require "Ponderosa Pine" protective / replacement town-wide		Short
EP4	Protect air quality	Community Development	
.1	Enforce clean air standards & regulations		Medium
.2	Work with Gila Community College and other higher education providers to develop a workforce prepared for clean energy jobs of the future		Short

GENERAL PLAN



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ENVIRONMENTAL PLANNING

	<u>Goal and Strategy</u>	<u>Primary Stakeholder</u>	<u>Completion Timeframe</u>
	.3 Encourage development which reduces vehicle miles traveled through multi-modal transportation connectivity		Short
EP5	Develop and adopt a comprehensive energy policy	Community Development	
	.1 Support the solar energy initiative by developing specific incentives and actions for implementation on at least five percent of all structures		Short
	.2 Establish fleet management and fuel usage standards for Town vehicles		Short
	.3 Identify a "green roof" demonstration project		Medium
	.4 Create development incentives to encourage use of solar and other alternative energy sources		Short
	.5 Provide alternative energy incentives for improvements to residential and non-residential structures		Short
	.6 Encourage geothermal energy as well as solar options		Short
	.7 Benchmark other communities that require new single-family homes to meet minimum solar system requirements and modify local regulations as appropriate		Short
EP6	Negotiate development agreements to encourage infill, less impervious surface, & economically viable commercial activity	Community Development	
	.1 Develop a model shared parking agreement to incentivize development by alleviating parking standards		Short
	.2 Work with property owners to maintain vacant commercial space and market it for infill		Medium
EP7	Identify and conserve natural wildlife corridors	Community Development	
	.1 Incorporate natural wildlife habitats and corridors into developments		Short

GENERAL PLAN



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ENVIRONMENTAL PLANNING

	<u>Goal and Strategy</u>	<u>Primary Stakeholder</u>	<u>Completion Timeframe</u>
EP8	Proactively address solid waste management and illegal dumping	Public Works	
.1	Develop and implement a municipal recycling program in partnership with local waste management companies		Short
.2	Work with state and private partners to provide semi-annual large appliance & electronics collections		Short
.3	Organize hazardous waste collection events		Short
EP9	Promote sustainability initiatives	Administration	
.1	Train staff to encourage and promote sustainable building practices including reducing environmental impacts and integrating alternative building materials		Short
.2	Create a Sustainability Advisor position (possibly with existing planning staff) to develop an Environmental Plan to provide guidance for redevelopment and new development		Short
.3	Create a Sustainability Advisory Group comprised of staff, citizens and businesses to advise the Town on environmental sustainability issues		Short

WATER RESOURCES

	<u>Goal and Strategy</u>	<u>Primary Stakeholder</u>	<u>Completion Timeframe</u>
WR1	Continue to promote Safe Yield and conservation of water resources through policies and practices	Water	
.1	Continue to develop wise use policies & programs through the Water Department		Short
.2	Produce and distribute high quality educational materials to promote best practices		Short

GENERAL PLAN



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WATER RESOURCES

	<u>Goal and Strategy</u>	<u>Primary Stakeholder</u>	<u>Completion Timeframe</u>
WR2	Complete the C.C. Cragin Reservoir pipeline	Water	
	.1 Manage the reservoir in partnership with the Salt River Project to serve as the Town's permanent water supply resource		Medium
	.2 Optimize opportunities to partner with other agencies and localities for service		Medium
WR3	Retire the pipeline debt through the responsible sale of water	Administration	
	.1 Sell water to the golf course(s) when reclaimed effluent water supplies are not adequate, when excess potable water is available		Short
	.2 Regularly evaluate water connection and usage rates		Short
	.3 Establish a rate schedule to efficiently and responsibly maintain and operate the system		Short
WR4	Maximize the use of reclaimed waste-water whenever it is safe and economical	Water	
	.1 Work with the Sanitary District to utilize reclaimed effluent wherever possible		Short
	.2 Continue to educate the public on grey water applications and its safe use		Short
	.3 Incentivize the use of grey water plumbing in all new construction		Medium
WR5	Coordinate with the Sanitary District to provide water/sewer to new development	Water	
	.1 Work with developers in the southeast area of Town to provide water/sewer		Medium
	.2 Require applicants to work with Sanitary District to ensure capacity prior to development approval		Short

GENERAL PLAN



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OPEN SPACE, PARKS, AND RECREATION

	<u>Goal and Strategy</u>	<u>Primary Stakeholder</u>	<u>Completion Timeframe</u>
OS1	Develop, adopt, and implement a Parks, Recreation, and Tourism Master Plan	Recreation & Tourism	
.1	Develop, adopt, and implement site master plans for each parks category		Medium
.2	Ensure adequate east-side parkland		Medium
.3	Identify locations for passive recreational activities (e.g. hiking, biking, and other individual-oriented activities)		Short
.4	Identify locations for active recreational activities (e.g. basketball, baseball, soccer, and other team-oriented activities)		Short
.5	Plan appropriate facilities for both indoor and outdoor programs and activities		Medium
OS2	Provide a year-round, multi-use recreation facility	Recreation & Tourism	
.1	Develop greater variety of youth programs		Medium
.2	Provide affordable programs to low and moderate income families		Medium
.3	Expand the amount of programs for all user groups		Medium
OS3	Ensure adequate park land to serve residential development	Community Development	
.1	Negotiate greater residential density in exchange for neighborhood parkland		Medium
.2	Continue plans to develop Overlook Park south of Airport Road in the northwest section of Town		Short
OS4	Design and implement a wayfinding system that enhances tourism	Recreation & Tourism	
.1	Develop sign standards		Short
OS5	Actively recruit recreational tourism	Recreation & Tourism	
.1	Work with state athletic associations to draw regional and state tournaments to Payson		Medium
.2	Continue to build on Payson's strong rodeo and events reputation		Short

GENERAL PLAN



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OPEN SPACE, PARKS, AND RECREATION

	<u>Goal and Strategy</u>	<u>Primary Stakeholder</u>	<u>Completion Timeframe</u>
OS6	Integrate the development of multi-purpose trails in conjunction with the transportation/circulation system	Recreation & Tourism	
.1	Develop a trails master plan to plan & finance an integrated trail network		Short
.2	Incorporate trail elements of the transportation plan into the Parks Master Plan		Short
.3	Develop an urban trails system that parallels roadways where there are no sidewalk or bicycle lanes		Short
OS7	Work with federal partners for the protection and continued use of National Forest land	Recreation & Tourism	
.1	Preserve trail access to regional points of interest		Medium
.2	More effectively promote trail access points for public use		Medium
.3	Establish protection areas for natural resources and watersheds		Medium
OS8	Identify public and private funding opportunities for recreational facilities and programs	Administration	
.1	Fund the acquisition of additional park land as set forth in the General Plan or subsequent Parks, Recreation, and Tourism Master Plan		Medium
.2	Target funding sources for increased park infrastructure improvements and maintenance		Medium

LAND USE

	<u>Goal and Strategy</u>	<u>Primary Stakeholder</u>	<u>Completion Timeframe</u>
LU1	Adopt proactive growth management policies to direct development spatially and aesthetically	Community Development	

GENERAL PLAN



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LAND USE

<u>Goal and Strategy</u>		<u>Primary Stakeholder</u>	<u>Completion Timeframe</u>
.1	Facilitate development where infrastructure exists with excess capacity		Short
.2	Preserve and protect scenic line-of-sight views of the Mogollon Rim through consideration of building height in low-lying areas of Town		Short
.3	Encourage infill development/redevelopment to avoid sprawl & protect open space		Medium
.4	Pursue avenues to eliminate unsightly or dilapidated structures		Long
LU2	Incorporate green infrastructure through-out Town including the growth areas	Community Development	
.1	Encourage the development of neighborhood parks in each new development		Medium
.2	Plan bicycle, pedestrian, and trail links between each new development and commercial centers of Town		Medium
.3	Encourage and facilitate negotiations between land owners to share parking and costs associated with providing parking		Medium
.4	Preserve and augment existing vegetation, especially ponderosa pines, to create or enhance a streetscape		Short
.5	Incorporate sustainable development standards into zoning regulations		Medium
LU3	Improve sign standards, particularly along commercial corridors, to compliment Payson's small-town character	Recreation & Tourism	
.1	Identify Payson gateways and install way-finding elements at each		Short
.2	Consider wayfinding design variations to help define commercial areas of the Town		Medium
LU4	Modernize the land use regulatory process	Community Development	
.1	Consistently apply and enforce regulations on all properties		Short
.2	Consistently apply requirements on all proposals for development		Short

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LAND USE

	<u>Goal and Strategy</u>	<u>Primary Stakeholder</u>	<u>Completion Timeframe</u>
.3	Provide sufficient resources to enforce current codes		Short
.4	Eliminate regulations that are not uniformly enforced		Short
.5	Proactively engage the development community by hosting periodic "roundtable" topic discussions		Short
.6	Evaluate catalysts for development including fee waivers, streamlined development reviews, and other strategies		Short
.7	Work with the development community to design and implement cost effective strategies to manage capital costs incurred by new growth		Medium
.8	Establish administrative review and approval procedures for applications meeting clearly defined criteria		Short
.9	Work with the Design Review Board to establish standards for commercial development, which if met can be approved quickly by Town administration		Short
LU5	Incorporate a variety of housing options in all mixed-use residential developments	Community Development	
.1	Incentivize the inclusion of affordable housing in new developments		Long
.2	Adopt a recommended ratio of affordable, workforce, and market housing		Long
LU6	Provide safe, modern communication infrastructure	Administration	
.1	Encourage new development to provide up-to-date technology and communications infrastructure		Short
.2	Promote both wireless and wired infrastructure as appropriate		Short

GENERAL PLAN



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GROWTH AREA

	<u>Goal and Strategy</u>	<u>Primary Stakeholder</u>	<u>Completion Timeframe</u>
GA1	Participate in land management decisions inside and outside the Town	Administration	
.1	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
.2	Continue the open dialogue with the entity acquiring the forest service site along SR260 to ensure it is developed in a manner consistent with Town's goals		Medium
GA2	Create a Main Street District	Community Development	
.1	Designate Main Street as a district for mixed-use development		Short
.2	Promote a strong community identity with a Main Street District and Event Plan		Short
.3	Encourage mixed use buildings with residential units above first floor commercial space		Short
.4	Provide protected and shaded sidewalks throughout the Main Street Growth Area		Long
.5	Attract dining, small retail, and entertainment business to increase the time spent by each visitor to the district		Long
.6	Facilitate infill investments in the district		Short
GA3	Provide and implement a clear vision for the growth areas	Community Development	
.1	Proactively refine the development and building codes and approval processes to promote the growth area vision		Medium
.2	Design mixed-use districts that encourage development within a quarter-mile walkable radius from a community gathering anchor		Long
.3	Provide affordable, workforce housing with higher density, mixed-use, mixed-income development		Medium

GENERAL PLAN



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GROWTH AREA

	<u>Goal and Strategy</u>	<u>Primary Stakeholder</u>	<u>Completion Timeframe</u>
.4	Ensure adequate public safety personnel and facilities to serve projected growth		Short
.5	Strengthen green & technology infrastructure		Long
.6	Work with the development community to promote Payson as a model for low-energy, sustainable building practices		Medium
GA4	Concentrate uses to promote infill development and preserve open space	Public Works	
.1	Invest in public infrastructure to meet the current and future needs of development while protecting the community's natural resources		Medium
.2	Encourage pedestrian or bicycle movement between commercial destinations to reduce the number of pass-by trip ends per establishment		Medium
.3	Encourage development at Town gateways that welcome visitors, with the goal to extend time spent in the Town by pass-through travelers		Medium
.4	Work with the Sustainability Advisory Group and local developers (see 3.3.9.3 & 6.7.4.5) to develop a method of evaluating the potential environmental impacts of proposed development		Medium
GA5	Create a vibrant and diverse economy with appropriately scaled businesses	Administration	
.1	Conduct a market feasibility study to identify needs and opportunities		Short
.2	Recruit a sustainable, vibrant and diverse retail market		Medium
.3	Target clean, light or medium intensity industrial development		Medium
.4	Work with the Chamber of Commerce to promote, strengthen and recruit small independent shops		Short

GENERAL PLAN



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GROWTH AREA

	<u>Goal and Strategy</u>	<u>Primary Stakeholder</u>	<u>Completion Timeframe</u>
.5	Capture a greater share of the retail expenditures by encouraging pass-through traffic to stop and frequent local business		Medium
.6	Encourage infill opportunities for vacant or under-utilized parcels		Medium

CIRCULATION / TRANSPORTATION

	<u>Goal and Strategy</u>	<u>Primary Stakeholder</u>	<u>Completion Timeframe</u>
CT1	Adopt and implement an annual Capital Improvement Plan	Administration	
.1	Incorporate highest local transportation priorities into the CIP		Short
.2	Use CIP process to educate the public on transportation and other Town priorities		Short
CT2	Continue to be involved in ADOT's efforts to develop an alternative route to alleviate traffic congestion and infrastructure demands	Administration	
.1	Differentiate between Payson's visitor traffic stopping in Town on the way to natural resource recreation areas and commercial traffic passing through		Long
.2	Work with ADOT and US 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
CT3	Design and implement a gateway vision that encourages pass-through traffic to visit	Public Works	
.1	Support the design of a trolley system to improve in-Town connections		Medium

GENERAL PLAN



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CIRCULATION / TRANSPORTATION

	<u>Goal and Strategy</u>	<u>Primary Stakeholder</u>	<u>Completion Timeframe</u>
.2	Transform existing commercial corridors to be pedestrian friendly		Long
.3	Reduce traffic speed through better design		Short
.4	Develop guidelines for landscaping major arterials and collector streets		
CT4	Encourage non-motorized movement around town	Public Works	
.1	Develop a town-wide network of trails & sidewalks, with the first priority to connect residential neighborhoods to commercial centers		Long
.2	Mitigate excessive vehicle miles traveled during peak visitor times with new infrastructure for connectivity and mobility for non-motorized transport		Medium
.3	Identify and implement traffic calming design standards for all collector roads		Short
.4	Work with existing development to reduce the number of sidewalk curb-cuts		Short
.5	Provide additional signalized crosswalks along busy commercial corridors		Short
CT5	Create a more unified look and feel to state-owned commercial corridors	Community Development	
.1	Work with State and commercial stakeholders		Medium
.2	Adopt a corridor overlay focused on building form, style, orientation, and massing		Medium
.3	Ensure effective sign regulations adjacent to state owned rights-of-way and in commercially zoned corridors		Short
CT6	Provide transit service in town	Administration	
.1	Negotiate agreements with large employers to support shuttle system		Medium
.2	Partner with a higher education administration to provide Town-wide transit service		Medium
CT7	Increase pedestrian and bicyclist safety	Public Works	
.1	Identify traffic calming improvements and develop a phased implementaion plan		Short

GENERAL PLAN



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CIRCULATION / TRANSPORTATION

	<u>Goal and Strategy</u>	<u>Primary Stakeholder</u>	<u>Completion Timeframe</u>
	.2 Identify specific off-road options & develop a funding plan		Medium
CT8	Implement previously adopted plans to improve the Town's transportation system	Administration	
	.1 Develop a phasing and funding strategy to implement the 2009 Payson Airport Master Plan		Short
	.2 Prioritize and incorporate the 2011 Payson Transportation Study recommendations into the annual CIP to implement the projects in a fiscally responsible manner		Short

COST OF DEVELOPMENT

	<u>Goal and Strategy</u>	<u>Primary Stakeholder</u>	<u>Completion Timeframe</u>
CD1	Utilize the annual Capital Improvements Plan to implement General Plan strategies	Administration	
	.1 Maintain public facilities and services to provide current levels of service to new development		Medium
	.2 Maintain or improve necessary public service		Short
	.3 Plan for joint school/recreation facilities		Medium
CD2	Ensure the long-term financial stability of the Town with fiscally responsible policies and actions	Administration	
	.1 Explore opportunities for economies of scale. Create service efficiency through regional partnerships.		Medium
	.2 Consider opportunities to share costs for public safety infrastructure		Short
	.3 Support quality education opportunities		Medium

GENERAL PLAN



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COST OF DEVELOPMENT

	<u>Goal and Strategy</u>	<u>Primary Stakeholder</u>	<u>Completion Timeframe</u>
CD3	Encourage high-quality infill development in the designated growth areas where existing infrastructure has the capacity to absorb growth	Community Development	
.1	Encourage more dense development to increase market feasibility		Short
CD4	Form an economic development strategy that identifies target industries	Administration	
.1	Work with Gila Community College to design training programs to provide the workforce for identified target industry employers		Long
CD5	Examine and implement fiscal tools that incentivize development while offsetting its cost to the community	Administration	
.1	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

The General Plan can be viewed in its entirety on the Town of Payson website at www.paysonaz.gov on the Community Development page under the Department tab.

GENERAL PLAN

CORPORATE STRATEGIC PLAN

In August, 2012, 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 the difficult economic conditions. The CSP operationalizes the Town's mission statement and its General Plan by specifying priorities and strategies for achieving these priorities over a three year period. Funding is allocated during the subsequent budget process.



KEY RESULTS AREAS—The Corporate Strategic Plan is divided into ten Key Results Areas (KRA). Each KRA is more specifically defined by Priorities and Strategies that help guide the organization. Council did not rank the KRA's as they felt all were equally important at this time.

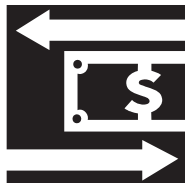
The Key Results Areas (KRA) include:



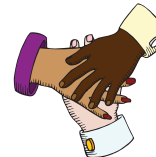
KRA #1
Economic Development,
Tourism & Economic
Vitality



KRA #6
Social Services



KRA #2
Financial Excellence



KRA #7
The Payson Team



KRA #3
Infrastructure



KRA #8
Public Safety



KRA #4
Innovation & Efficiency



KRA #9
Sustainability



KRA #5
Neighborhoods &
Livability



KRA #10
Technology



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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, tourism and economic vitality efforts create.

Priority #1: Create and retain high-quality jobs focusing on key business sectors

To a great extent, 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

Priority #2: Foster an environment of 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

Priority #3: Revitalize areas of Payson

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

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Strategies

- A. Support development of the regional campus project
- B. Promote residential and commercial infill compatible with neighborhoods
- C. Promote adaptive reuse of existing structures
- D. Continue to work on revitalization of the Multi-Purpose Event Complex and other areas

Priority #4: Expand the Town's revenue base

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

Strategies

- A. Continue efforts to preserve and expand the Town's sales tax revenue base
- B. Market events and promote and market Payson as a destination to the business and leisure traveler
- C. Promote and build upon the "Arizona's Cool Mountain Town" brand
- D. Eliminate barriers between government entities for government sponsored events
- E. Support professional/amateur/youth sports, film, entertainment and special events which generate tourism revenue
- F. Encourage the revitalization of existing retail centers and neighborhood retail businesses
- G. Promote and encourage retail/commercial development at the Payson Airport

Priority #5: 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 Central Arizona Association of Governments (CAAG) 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

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KRA 1—Economic Development, Tourism and Economic Vitality Performance Measures

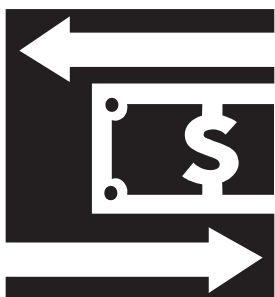
KRA Priority #	Intended Outcome	Department Responsible	FY16/17 Goal	FY16/17 Actual	FY17/18 Goal
4	Implement Tourism Master Plan (% completed)	Tourism	50%	50%	55%
4	Increase # of events held at Events Center	Events Center	44	35	37
4	Increase # of days Event Center is in use	Events Center	155	137	140
4	Visits to tourism website	Tourism	1,000,000	1,072,123	1,100,000
4	# of views on the tourism website	Tourism	2,250,000	3,450,000	3,500,000
4	# of media mentions in the Valley promoting Payson tourism/events	Tourism	3,000	3,210	3,225





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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 is 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.

Priority #1: 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 and 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. In addition, 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.

Priority #2: Develop capital and funding plans for critical infrastructure

With the significant downturn in the state, local and national economy and the associated impact on revenues, the financial capacity to fund and finance additional capital projects has been significantly reduced. As a result, a focus on maintaining existing infrastructure must be balanced with the need for new infrastructure.

Strategies

- A. 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
- B. Identify and evaluate alternative approaches to finance capital investments as part of the capital decision making process

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Priority #3: 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 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 based on external and internal inputs and consistent with best practices to efficiently allocate resources
- B. Establish an expenditure forecast that aligns with the 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 discipline and managing expenditures

Priority #4: 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 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 promote ethical behavior
- C. Provide accurate financial information on a monthly basis 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 Governmental Financial Officers Association (GFOA) each year
- E. Highlight financial successes and educate residents on the importance of high-quality credit rating and other governmental accounting areas

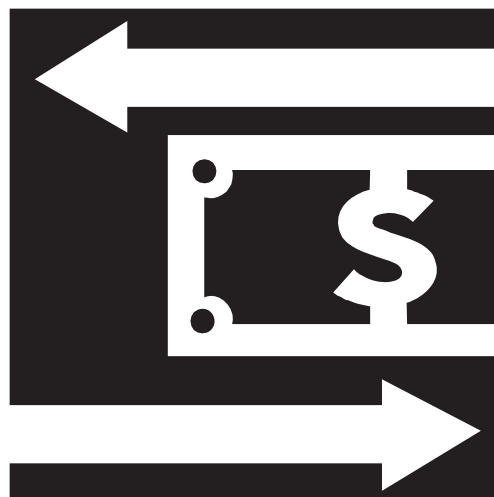


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KRA 2—Financial Excellence Performance Measures

KRA Priority #	Intended Outcome	Department Responsible	FY16/17 Goal	FY16/17 Actual	FY17/18 Goal
4	GFOA Certificate of Achievement for Excellence in Financial Reporting	Finance	Receive Award	Received Award	Receive Award
4	GFOA Distinguished Budget Presentation Award	Finance	Receive Award	Received Award	Receive Award
4	GFOA Certificate for the Popular Annual Financial Report	Finance	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, facilities and telecommunications.

Priority #1: Create and maintain intra-town transportation

Provide safe, clean, efficient sustainable, multi-modal surface transportation systems to support 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 side-walks, bicycle lanes, hiking trails and drainage systems for new residential and commercial development to reduce congestion, improve air quality, reuse materials, 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
- D. 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.
- E. Research the applicability of a passenger regional transit system to meet the demands, if any, of the proposed university campus. Utilize sound methodologies and principles to locate facilities to meet proposed ridership demands and bus operations. Analyze proposed routes to ensure they will support and encourage ridership needs.
- F. 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 visual impact for residents and businesses. Improve reliability and accuracy of as-built documentation through new technology to increase safety and reduce utility locating and relocation costs.
- G. 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



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H. Use the Gila County Transportation Tax to mitigate the street/road issues that have occurred due to the past economic downturn.

Priority #2: Establish and enhance inter-town transportation

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

Strategies

- A. Maintain and enhance aircraft access to Town owned and operated aviation facilities
- B. Continue to implement the 2009 Airport Master Plan, upgrading the airport to become fully compliant with B-II standards
- C. Continue to plan, design, develop, and maintain a regional multi-use trail system to accommodate walkers, hikers, joggers, bicyclists and equestrians
- D. Continue to work with ADOT and the FAA regarding State Route 87 and State Route 260 and the airport, respectively

Priority #3: Develop and operate public utilities

Protect the public health and environment by providing reliable, efficient and affordable water, storm water 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. Continue construction of CC Cragin pipeline project: enhance in-town existing water grid pipeline system; construct new out-of-town waterline; build new water treatment plant
- 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

Priority #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 in order 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, and maintain park buildings, trails systems, open spaces, picnic areas and ramadas, pools, playgrounds, ball courts and fields, restrooms and other park facilities that meet diverse recreational and cultural needs of the Town's residents and visitors
- D. Develop 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





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KRA 3—Infrastructure Performance Measures

KRA Priority #	Intended Outcome	Department Responsible	FY16/17 Goal	FY16/17 Actual	FY17/18 Goal
1	Street improvements completed in linear feet	Streets	1000	500	1000
1	Maintain / Increase # of neighborhood drainage sites improved	Streets	1	2	1
1	Implementation of traffic study priorities (total % completed)	Streets	20%	20%	25%
2	Implement Airport Master Plan (total % completed)	Airport	30%	30%	40%
3	Maintain water usage levels at 80-90 gallons per capita per day	Water	Achieve	Achieved	Achieve
3	C.C.Cragin Project Total % Completed	Water	75%	75%	90%



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KRA #4: Innovation & Efficiency

The Town of Payson must further enhance its commitment to developing new and creative service delivery methods to provide services to residents. The recent economic climate challenges the Town to do more with less, while maintaining high quality public services. The Town must also remain dedicated to developing and seeking continuous improvements in business processes, and maintaining a culture of innovation and efficiency.

Priority #1: Infuse a mindset focused on innovation and efficiency into the Town of Payson organizational culture

An “innovation and efficiency” way of thinking must become a much more prevalent part of the organization’s core value system and be integrated into the way every day business is conducted. Executives, managers, supervisors, and front-line staff must embrace an attitude that questions existing business processes and practices throughout the organization, with the goal of fostering innovation through the creation and implementation of new ideas.

Strategies

- A. Develop a communication plan for executive and middle managers to create an innovation and efficiency movement through all levels of staff
- B. Empower supervisory staff to encourage and reward the creation of innovative ideas as a dominant model within the organization
- C. Build innovation and efficiency core values and skill sets into staff management practices, including recruitment, selection, orientation, development, mentorship, performance measurement, and compensation systems.
- D. Cultivate and reward a philosophy of innovation through exploratory thinking among employees

Priority #2: Establish and support Town programs and mechanisms 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, be results oriented, and demonstrate investment of available means. A proven approach involves assignment of resources dedicated to producing substantial innovative changes that enhance customer service, increase productivity, reduce costs, and engage employees.



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Strategies

- A. Assign an executive sponsor with authority, responsibility, and resources to provide strategic direction, guidance and support for innovation and efficiency objectives
- B. Recruit, select, and assign a creative and diverse Innovation Team of multi-departmental staff with wide ranging skills and experience representing the Town's business units, which explores creative solutions, evaluates business processes, identifies improvements, and investigates right sourcing opportunities
- C. Utilize technology and a standard business process evaluation approach to achieve optimal efficiency and streamlined systems in providing top quality services
- D. Invest in resources necessary to carry out innovation and efficiency strategies and objectives
- E. Develop and implement an organization wide performance measurement program
- F. Develop departmental business plans pursuant to the adopted Corporate Strategic Plan

Priority #3: Work continually toward elimination of barriers restricting 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. Research and implement a 'one-stop shop' program within the community development area

Priority #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



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achievements to the community. It is important for the Town to enhance public awareness about the innovation and make strong efforts to request relevant input.

Strategies

- A. Celebrate innovation and efficiency efforts and accomplishments on a town-wide scale
- B. Actively inform customers of innovation and efficiency efforts through available public communication methods and media
- C. 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
- D. Create an environment that actively celebrates and informs employees of innovation and efficiency efforts throughout the organization

Priority #5: Develop innovative ways of communication with the citizens

Develop innovative ways to keep the citizens aware of the Town's activities and allow them easy access to the services they require.

Strategies

- A. Maintain and improve programming on TV4. Use this medium for more informational and educational purposes.
- B. Improve and enhance e-government systems giving residents more access to information and opportunities to pay bills, apply for vacancies, and purchase some permits and licenses without having to print forms and bring them to Town offices
- C. Diversify the methods of communicating with residents to provide information on Town news and issues to the widest possible audience
- D. Enhance transparency in all government actions
- E. Create and implement a status communication program for the C.C. Cragin Pipeline project.



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KRA 4—Innovation and Efficiency

Performance Measures

KRA Priority #	Intended Outcome	Department Responsible	FY16/17 Goal	FY16/17 Actual	FY17/18 Goal
4 & 5	Visits to websites	All Gov't	210,000	347,000	350,000
		Tourism	1,000,000	1,072,123	1,100,000
4 & 5	Articles/press releases in local newspaper	Tourism	475	513	550
4 & 5	Public e-mail distribution list	All Gov't	2,500	2,450	2,500
		Tourism	250,000	256,345	257,000
4 & 5	TOP Talk Programs		23	23	23
	# of employee presenters	Clerk	30	59	60
	# of guests		60	60	65
4 & 5	Radio appearances	Tourism	75	75	75
4 & 5	Public speaking Engagements	Tourism	50	62	65



KRA #5: Neighborhoods & Livability



Preserve healthy, vibrant, diverse and safe neighborhoods that enhance the quality of life for all Payson residents through neighborhood vitality, by providing a range of housing opportunities and choices, supporting quality parks and open space, and a quality library system.

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

In order 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 prevent blight, address graffiti, illegal activities and deterioration in order to ensure a quality community
- B. Encourage and promote development of fire-wise communities
- 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. Implement the Town of Payson Beautification Plan including signage, Town-Scape and Highway 87 and 260 right-of-way beautification
- E. Strengthen the capacity of neighborhood organizations, volunteers, businesses, non-profit and faith based organizations to assist in addressing neighborhood issues effectively in partnership with the Town to make Payson an attractive place to live and work
- F. Focus revitalization efforts in a manner that maximizes private and public resources to the greatest extent possible
- G. Ensure that new development in or adjacent to neighborhoods is compatible and promotes adaptive reuse of vacant and underutilized buildings and structures
- H. Enhance the physical and economic environment of principally low to moderate income neighborhoods, including strategic revitalization through various programs and services supported and funded through federal, local and private resources
- I. Promote appropriate neighborhood infill development to improve neighborhoods, reduce decay and take advantage of opportunities to maintain healthy communities



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Priority #2: Provide a diverse range of housing opportunities and choices to Payson residents

Promoting diversified housing opportunities enriches the quality of life for all Payson residents, including low to moderate income families, seniors, persons with disabilities and the homeless. Providing a range of housing opportunities allows the Town to continue to preserve healthy, vibrant, diverse and safe neighborhoods.

Strategies

- A. Increase homeownership opportunities to help stabilize neighborhoods
- B. Promote and increase the availability of decent, safe, and affordable housing and expand the supply of assisted housing choices

Priority #3: Ensure Payson residents have quality parks and open spaces

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. Update the Parks Master 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
- 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. Create a network of shared use trails and pathways that are safe, convenient and connected within and between parks
- F. Protect natural and open spaces in order to preserve the environment and provide recreational opportunities for Payson residents and visitors

Priority #4: Promote a strong arts and culture infrastructure

Partner with the community to provide strong arts and culture facilities and programs to create a more beautiful and vibrant town which contributes to a better quality of life.



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Strategies

- A. Enrich and infuse art and culture into all aspects of Payson's life by integrating arts and culture into neighborhoods town-wide and public art into planning and development of Payson's infrastructure
- B. Generate public and private support and resources to strengthen, expand and stabilize funding for the arts
- C. Promote sports, arts and other recreation programming known to improve learning outcomes

Priority #5: Provide accessible and quality library systems to Payson

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. Develop a plan of library development, expanding and/or renovating existing facilities and building new ones to meet residents' needs
- D. Enhance library technology to provide greater access to the internet and electronic resources for library users





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KRA 5—Neighborhoods & Livability

Performance Measures

KRA Priority #	Intended Outcome	Department Responsible	FY16/17 Goal	FY16/17 Actual	FY17/18 Goal
1	# of unsightly properties investigated (workload indicator)	Planning	190	80	100
1	# of unsightly properties investigations closed	Planning	200	78	100
1	Completion of 87/260 beautification plan (percent completed)	Planning	6%	10%	15%
3	# of programs offered to the public	Recreation	125	56	70
3	# of registrations for programs	Recreation	5,200	4,961	5,000
3	# of facility reservations	Recreation	360	426	425
5	# of reference questions (workload indicator)	Library	10,000	11,412	10,000
5	total circulation	Library	125,000	130,380	130,500
5	# of children's programs	Library	201	205	200
5	total attendance at children's programs	Library	4,825	5,067	5,000
5	# of teen programs	Library	76	89	89
5	total attendance at teen programs	Library	750	995	995
5	# of adult programs	Library	125	114	115
5	total attendance at adult programs	Library	1,625	1,865	1,875

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 community and faith-based organizations, as well as, other levels of government.

Priority #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

- A. Promote linkages to job training and other employment and educational resources empowering low and moderate income households to realize a livable wage
- B. 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
- C. Create safe and affordable housing opportunities for all Payson residents by strengthening programs and services that enhance opportunities for households to gain and/or retain housing meeting their economic, social and cultural needs

Priority #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

- A. 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
- B. Strengthen communities by promoting a broad and diverse continuum of programs and services



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KRA 6—Social Services

Performance Measures

KRA Priority #	Intended Outcome	Department Responsible	FY16/17 Goal	FY16/17 Actual	FY17/18 Goal
1 & 2	Complete rehabilitation projects for income-qualified homeowners	Planning	3	2	3
1 & 2	Make referrals to income-qualified housing facilities	Planning	15	16	15
1 & 2	Provide technical assistance to potential applicants for housing rehabilitation	Planning	6	8	6



KRA #7: The Payson Team



As the organization becomes leaner and continues to face 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.

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

The last Town employee pay study was conducted over six years ago. Annual merit increases occurred until the economic downturn began in 2009. Due to the loss of revenues since the economic downturn, benefits have changed and costs for the employees have increased.

Strategies

- A. Continue to implement, when resources become available, the annual market study of current industry and professional pay levels and compensation practices by benchmarking other organizations
- B. Analyze and evaluate merit pay and pay-for-performance options
- C. Develop updated compensation policies and guiding principles
- D. Explore alternate pay and benefit options for part-time or for a non-traditional workforce
- E. Actively seek out a diverse and talented pool of candidates who possess the values and skills consistent with organizational goals

Priority #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 own health and making greater use of technology to ease ever increasing work demands.

Strategies

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



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Priority #3: Establish communications plans to engage and inform employees and the community

The Town's recent budget challenges have made evident the necessity of providing 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 and connection to Town of Payson goals and values among employees at all levels of organization
- B. Promote more interdepartmental communication to increase consistency of messages, ensure faster decision making, empowerment, effectiveness and accountability
- C. Create an alliance of 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 new technologies, such as Facebook, Twitter and other social media, to reach employees and the public
- E. Develop opportunities to "showcase" improvements, accomplishments, and quality programs provided by employees that benefit the community

Priority #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 speed communication and decision making. This has resulted in a flatter organization, increases in 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

Priority #5: Mobilize and leverage community partnerships and volunteer programs to enhance programs and services

The Town continues to make difficult choices regarding programs and services to our customers in light of revenue stream uncertainty. The community has expressed an interest in helping in some 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 record volunteers to Town needs
- C. Identify and engage with 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

Priority #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

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





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KRA 7—The Payson Team Performance Measures

KRA Priority #	Intended Outcome	Department Responsible	FY16/17 Goal	FY16/17 Actual	FY17/18 Goal
2	Conduct Employee Health Fair	Human Resources	Yes	No	Yes
4 & 6	Structural Fire Training Completed (hours)	Fire	2,500	8,669	2,500
4 & 6	Non-structural Training Completed (hours)	Fire	2,500	1,752	2,000
4 & 6	Emergency Medical Training Completed (hours)	Fire	2,000	1,321	1,500
4 & 6	Average Training Hours per Firefighter	Fire	225.0	345.4	225.0
5	# of volunteers	Police	70	54	70
		Fire	12	10	12
5	# of volunteers hours	Police	9,500	7,738	9,500



KRA #8: 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.

Priority #1: Prevent crimes and accidents by enhancing community awareness of public safety systems and partnering with other crime prevention programs

The Town provides the community with information about a variety of public safety issues including crime and accident prevention and education on police and fire department services.

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. Educate communities in traffic safety and the prevention of crime and accidents in the home and work place
- D. Create and implement a program to educate drivers on the proper roundabout driving procedures
- E. Partner with other Town departments, such as Parks and Recreation, Library, and Human Resources, and other agencies, to proactively address crime prevention

Priority #2: Provide public safety workers with the tools necessary to professionally meet town and regional public safety needs

Ensure that public safety workers have the training, education, equipment, facilities and 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 their customers.
- B. Support public safety responders with programs and procedures that promote and support their safety and well-being
- C. Provide necessary resources including personnel, equipment, vehicles, and facilities for public safety service providers



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Priority #3: Ensure timely and appropriate response

The Town of Payson deploys public safety workers in a manner that provides 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 timeframes
- B. Support emergency response with appropriate investigation and prosecution activities
- C. Provide sufficient resources to manage incidents of regional significance
- D. Work in concert with other public safety, governmental, and non-governmental agencies to eliminate duplication, provide quality service, and seek opportunities to work cooperatively to improve customer service and efficiency
- E. Ensure that after an incident, recovery of public and private resources occurs in the affected area(s)

Priority #4: Provide strong 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 non public safety departments
- F. Provide volunteer opportunities for community members

Priority #5: Ensure fiscal responsibility on all public safety efforts

Public safety managers and public safety workers must be responsible stewards of the funds provided by the customers to support public safety efforts



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Strategies

- A. Encourage, support, and value innovation, efficiency, and continuous improvement
- B. Be open to discuss and implement change in service provision methods and change in needs of the communities we serve
- 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

Priority #6: Enhance Wildland / Urban Interface fire conditions 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 Wildland/Urban Interface (WUI) 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





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KRA 8—Public Safety Performance Measures

KRA Priority #	Intended Outcome	Department Responsible	FY16/17 Goal	FY16/17 Actual	FY17/18 Goal
2 & 3	ISO rating	Fire	Class 3	Class 3	Class 3
3	Improve Response Time	Fire	below 6:00	5:29	below 6:00
1	Conduct CPR Classes:				
	# of Citizens Trained	Fire	950	851	900
1	Car Seats Inspected	Fire	300	400	300
3	Structure Fire Save ratio	Fire	above 85%	34%	above 85%
1	Taught 10 week DARE program to 5th graders	Police	complete	completed	complete
1	Host Community Policing Programs:				
	Block Watch Program	Police	Yes	Yes	Yes
	Watch Your Vehicle Program	Police	Yes	No	Yes
	Vehicle VIN Etching Program	Police	Yes	No	Yes
	Click It or Ticket Campaign	Police	Yes	Yes	Yes
	Bicycle Safety Program	Police	Yes	No	Yes
	Drive Hammered Get Nailed Campaign	Police	Yes	Yes	Yes
1,2,3	Reduce Uniform Crime Reporting (UCR) Activity	Police	below 700	Yes	below 700
3	Calls for service (workload indicator)	Police	below 25,000	21,224	below 25,000



CORPORATE STRATEGIC PLAN

KRA #9: Sustainability

The Town of Payson is committed to securing environmental and economic livability for future generations in the region.

Priority #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

- A. Attain and exceed federal air quality standards for the region
- B. Create sound water management policies and ensure choices are available to engage residents in conservation efforts including water, natural habitat and open space
- C. Seek, evaluate and integrate emerging technologies and products including green building elements, environmental purchasing, energy management, alternative fuels, and alternative surfacing materials
- D. Research attaining federal funds to pursue sustainability initiatives
- E. Develop internal organizational sustainability practices program
- F. Facilitate the development and expansion of local green businesses to achieve a stronger economy and job creation in the Town

Priority #2: Enhance sustainable land use and mobility practices

The success in sustainable land use and mobility lies in adopting policies that encourage the use of green infrastructure and buildings, brownfield redevelopment, creating connectivity within road networks and ensuring connectivity between pedestrian, bike, transit and road facilities.

Strategies

- A. Develop and implement voluntary programs and incentives for residents such as Green Construction Code and rooftop solar
- B. Develop integrated pedestrian, bicycle and transit plan
- C. Utilize the Capital Improvement Program to achieve sustainability priorities

Priority #3: Foster collaboration and communication

Empowering employees at all levels through collaborative workgroups will galvanize them to realize the Town's sustainability goals. They, in turn, become an example to the Town's efforts and progress to the community they serve. Communicating and celebrating the Town's accomplishments is essential to motivating employees, customers, stakeholders and the public in achieving sustainability goals.

Strategies

- A. Strengthen and support sustainability efforts through a renewed organizational commitment and public/private partnership networking
- B. Develop public/private partnerships to provide public information and education programs regarding sustainability
- C. Develop media campaigns, utilizing multiple media channels to increase internal and external messaging on organization sustainability programs and accomplishments
- D. Engage Town of Payson employees by fostering a culture of sustainability
- E. Create and implement a status communications program for the C.C. Cragin Pipeline project





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KRA 9—Sustainability

Performance Measures

KRA Priority #	Intended Outcome	Department Responsible	FY16/17 Goal	FY16/17 Actual	FY17/18 Goal
1 & 3	Encourage participation in toilet rebate program *	Water: Residential Commercial	2 1	3 0	2 1
1 & 3	Maintain water usage levels at 80-90 gallons per capita per day	Water	Achieve	Achieved	Achieve
1 & 3	Present In-School Water Conservation program (# of students)	Water	165	200	200
1 & 3	Hold electronic waste E-cycling event	Water Resources	1	0	0
1 & 3	Hold latex paint recycling event	Water Resources	1	0	0
1 & 3	Hold household hazardous waste event	Water Resources	1	0	1
1 & 3	Establish / maintain Antifreeze recycling	Water	Available	Available	Available

*These numbers will continue to decline as customers get converted to low use toilets





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KRA #10: Technology



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

Priority #1: Provide seamless customer service

A seamless customer experience is achieved when a customer interacts with both internal and external Town service providers without experiencing service interruptions during the service delivery process.

Strategies

- A. Use technology to provide a consistent customer experience, based on standardized service processes applied to all forms of customer interaction.
- B. Enhance paysonaz.gov as a single 'front door' for residents and businesses by offering web-based government services

Priority #2: Increase operational efficiency through constant innovation

Constant product and service innovation nurtures ideas and focuses on customer satisfaction, combines process and technology to enhance productivity and value, drives down operational costs, and supports other Town strategies.

Strategies

- A. Support and drive innovations that leverage technology and business solutions town-wide
- B. Focus on organization-wide applications, using right sourcing and managed services where appropriate
- C. Encourage development and use of computer based business analysis processes and tools to more efficiently manage business data as well as help identify trends and innovations that impact customer service delivery
- D. Research, implement and enhance methods of electronic input and payment of citizen transactions

Priority #3: Turn data into information through a web enabled Town

When business data is stored in easily accessible, organization wide repositories, the Town can create opportunities to use data to make better decisions. Internet based information delivery and collection efforts empower the community to

CORPORATE STRATEGIC PLAN



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interact with and receive Town services 24 hours a day, giving them the opportunity to conduct their business online

Strategies

- A. Create technology foundation to support web enabled government services
- B. Identify common transactions and customer services within departmental business processes that can be developed into web-based services
- C. Investigate strategies to assist internal and external customers with access to data and web-based services
- D. Modify and implement online systems that utilize reengineered business process for departments and the community
- E. Research, develop and implement alternative access to the internet, e.g. microwave

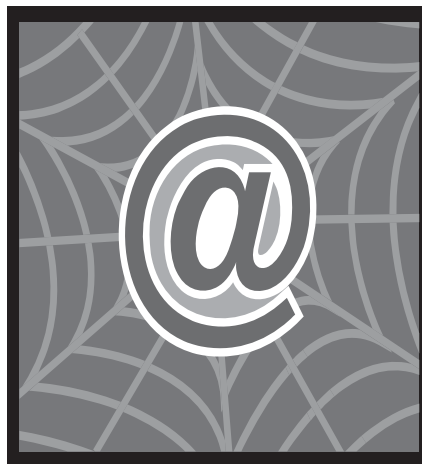


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KRA 10—Technology Performance Measures

KRA Priority #	Intended Outcome	Department Responsible	FY16/17 Goal	FY16/17 Actual	FY17/18 Goal
3	E-Gov availability for all departments *	Info Services	3%	10%	15%
3	Visits to websites	All Gov't	210,000	347,000	350,000
		Tourism	1,000,000	3,450,000	3,550,000
3	# of pages viewed on Tourism website	Tourism	2,250,000	3,450,000	3,500,000
3	Public e-mail distribution list	All Gov't	2,500	2,450	2,500
		Tourism	250,000	256,345	257,000
3	# of Facebook friends	Tourism	9,000	11,700	12,000
* Researching ability and cost to increase Town-wide usage					





KRA MATRIX

The following matrix illustrates links between the ten Key Results Areas 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: 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



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PAYSON'S CAPITAL IMPROVEMENT PLAN

Payson's Capital Improvement Plan (CIP) is our five-year roadmap for creating, maintaining and paying for present and future infrastructure 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 (CIP). 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 might affect 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 Capital Improvement Plan, 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. It 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 will review all of the existing and proposed projects, consider citizen requests, and evaluate management, financial, and planning staff recommendations before making the final decision about which projects should be included in the annual CIP and how those projects should be integrated into the Town's annual budgeting process.

One of the most important aspects of the CIP process is that it is not a once a year effort, but an important ongoing part of the Town's overall management process. New information and evolving priorities require continual review. Each time the review is carried out, it must be done comprehensively.

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

CAPITAL IMPROVEMENT PLAN



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1. The CIP shows citizens where and when projects are expected.
2. The CIP process serves as a basis for the management of projects. This includes the coordination of the efforts of various departments responsible for land acquisition, design, construction and operation of the new facility. It also includes the management of cash flow to ensure the funds are available and are used in the most effective way possible.
3. The CIP can establish a set of priorities that can be embodied in the Town's General Plan guiding decisions on land issues.
4. 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 are able to work with elected officials to determine how much improvement of the Town's infrastructure is realistic in view of what the community is willing to pay through existing revenues, taxes and user fees.
5. 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-considered Capital Improvement Planning process and to adopt and follow the program 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 property tax dollars and user fees to state and federal grants.

The CIP cycle incorporates these key phases:

Planning	Defining/Formulating	Program Decision-Making	Implementation
Long-Term Vision	Needs Identified	Projects Reviewed	Projects Constructed, Operated & 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 plan (CIP) projects. Payson's CIP must comply with the following requirements and limitations:

CAPITAL IMPROVEMENT PLAN



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- ♦ Support Town Council goals and objectives
- ♦ Satisfactorily address all State and Town legal financial limitations
- ♦ Maintain the Town's favorable investment 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 in the Town
- ♦ 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 our Town Council develops its annual and long-term goals and 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.

CAPITAL IMPROVEMENT PLAN



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Five Year Capital Improvement Plan—Summary by Department

Project #	Dept / Division	Description	Fiscal Year 2017/18	Fiscal Year 2018/19	Fiscal Year 2019/20	Fiscal Year 2020/21	Fiscal Year 2021/22	5 Year Total	Future Years	Grand Total	KRA Link*
0910-82	Airport	New Terminal Building						-	2,145,000	2,145,000	3:2
0910-85	Airport	Construct Service Roads						-	470,000	470,000	3:2
0910-86	Airport	Construct Vehicle Parking						-	245,000	245,000	3:2
0910-88	Airport	Construct Various Buildings						-	1,163,000	1,163,000	3:2
1011-10	Airport	New/Expanded Parking Ramps						-	2,990,000	2,990,000	3:2
1213-05	Airport	Construct New West Taxiways						-	650,000	650,000	3:2
1415-02	Airport	Construct Aircraft Wash Rack				150,000		150,000		150,000	3:2
1415-03	Airport	Install Taxiway Lighting		550,000				550,000		550,000	3:2
1415-04	Airport	Construct Snow Removal Equipment Building			400,000			400,000		400,000	3:2
1415-06	Airport	Construct ADA Accessible Route to Ramps		5,000				5,000		5,000	3:2
1415-23	Airport	Expand East Side Aircraft Parking Apron E						-	600,000	600,000	3:2
1617-02	Airport	Construct By-Pass Taxiway for Runway 24		300,000				300,000		300,000	3:2
1617-03	Airport	Install PAPI & REIL		230,000				230,000		230,000	3:2
1718-11	Airport	Reconstruct Ramps A&D / Install Fencing	1,313,800					1,313,800		1,313,800	3:2
		Total Airport Capital Projects	1,313,800	1,085,000	400,000	150,000	-	2,948,800	8,263,000	11,211,800	
0910-35	Gen Gov't	Recycling Program Enhancements						-	250,000	250,000	3:3/9:1,2
1718-01	Gen Gov't - IT	Mobile Switch Replacement	30,000					30,000		30,000	8:2/10:1,2
1718-02	Gen Gov't - IT	Offsite Data Storage- Disaster Recovery Plan	50,000					50,000		50,000	10:1,2,3
		Total Gen Gov't Capital Projects	80,000	-	-	-	-	80,000	250,000	330,000	
0910-42	Parks Maint	Amphitheater Lighting			150,000			150,000		150,000	3:4/5:3
0910-43	Parks Maint	Green Valley Park Ramada Improvements				150,000		150,000		150,000	3:4/5:3
0910-44	Parks Maint	Green Valley Park Maintenance Building		10,000		250,000		260,000		260,000	3:4/5:3
0910-47	Parks Maint	Rumsey Park Restrooms		80,000	80,000			160,000		160,000	3:4/5:3
0910-48	Parks Maint	Rumsey Park Drainage		10,000	150,000			160,000		160,000	3:1,4/5:3
0910-49	Parks Maint	Rumsey Park Pedestrian Circulation Improvements		50,000				50,000	100,000	150,000	3:1,4/5:3
1011-06	Parks Maint	Rumsey Playground Equipment				150,000		150,000		150,000	3:4
1415-21	Parks Maint	Rumsey Park Basketball Court Replacement	40,000					40,000		40,000	3:4/5:3
1617-04	Parks Maint	Rumsey Park Maintenance Building		42,000				42,000		42,000	3:4
1718-07	Parks Maint	Turf Repl - N Rumsey MultiPurpose Field		256,000				256,000		256,000	3:4
1718-08	Parks Maint	Turf Repl - Rumsey 3		97,000				97,000		97,000	3:4
1718-09	Parks Maint	Turf Repl - Dbacks Fields			532,000			532,000		532,000	3:4
1718-12	Parks Maint	GV Playground	71,000					71,000		71,000	3:4
		Total Parks Maint Capital Projects	111,000	545,000	912,000	550,000	-	2,118,000	100,000	2,218,000	

*Note: The KRA link ties the individual projects on the Capital Improvement Plan to the Key Result Area (KRA) within the Corporate Strategic Plan

CAPITAL IMPROVEMENT PLAN



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Five Year Capital Improvement Plan—Summary by Department

Project #	Dept / Division	Description	Fiscal Year 2017/18	Fiscal Year 2018/19	Fiscal Year 2019/20	Fiscal Year 2020/21	Fiscal Year 2021/22	5 Year Total	Future Years	Grand Total	KRA Link*
0910-76	Planning & Dev	Main Street Enhancements						-	500,000	500,000	1:3/3:1/5:1
0910-77	Planning & Dev	Highway Landscape Improvements		200,000	200,000	200,000	150,000	750,000		750,000	3:2/5:1
1617-06	Planning & Dev	Americal Gulch	150,000	400,000	500,000	500,000	500,000	2,050,000	8,100,000	10,150,000	KRA 1,3,5
		Total Planning & Dev Projects	150,000	600,000	700,000	700,000	650,000	2,800,000	8,600,000	11,400,000	
0910-01	Police	Building Remodel		65,500				65,500		65,500	3:4/8:2
0910-02	Police	Parking Lot Improvements		63,800				63,800		63,800	3:4/8:2
1314-03	Police	Building Addition		212,000				212,000		212,000	3:4/8:2
1314-04	Police	Communications Remodel		55,000				55,000		55,000	3:4/8:2
1415-07	Police	Storage Building		92,000				92,000		92,000	3:4/8:2
		Total Police Capital Projects	-	488,300	-	-	-	488,300	-	488,300	
0910-39	Recreation & Tourism	PATS Continuation		125,000	125,000	150,000	150,000	550,000	875,000	1,425,000	3:1,2,4
0910-40	Recreation & Tourism	Trails Master Plan		60,000	60,000			120,000		120,000	3:1,2,4
0910-41	Recreation & Tourism	Parks Master Plan	50,000	95,000				145,000		145,000	3:4/5:3
0910-46	Recreation & Tourism	Land Purchase				1,000,000		1,000,000		1,000,000	1:3/3:4/5:3
1213-01	Recreation & Tourism	Multi-Purpose Bldg		1,500,000				1,500,000		1,500,000	3:4
1718-03	Recreation & Tourism	Event Center Master Plan & Improvements		50,000		7,000,000		7,050,000		7,050,000	3:1,2,4
1718-04	Recreation & Tourism	LED Marketing Message Board						-	350,000	350,000	1:4
1718-05	Recreation & Tourism	Dbacks Fields Control Building		250,000				250,000		250,000	3:4
1718-06	Recreation & Tourism	Community Recreation Center			8,500,000			8,500,000		8,500,000	3:4
		Total Rec & Tourism Capital Projects	50,000	2,080,000	8,685,000	8,150,000	150,000	19,115,000	1,225,000	20,340,000	
0910-04	Streets	Mud Springs Rd Phase II		1,300,000				1,300,000		1,300,000	3:1,2
0910-05	Streets	Mud Springs Rd -Cedar to Frontier						-	855,000	855,000	3:1,2
0910-06 *	Streets	Rumsey Rd - WalMart to McLane						-		-	3:1,2
0910-07 **	Streets	Bonita St	60,000					60,000		60,000	3:1,2
0910-10	Streets	Colcord Rd - Main to Longhorn		75,000	125,000	600,000	1,200,000	2,000,000		2,000,000	3:1,2
0910-11	Streets	McLane Rd - Airport to Payson Ranchos			100,000	500,000	650,000	1,250,000		1,250,000	3:1,2
0910-12	Streets	McLane Rd - Main to Phoenix St		80,000	875,000			955,000		955,000	3:1,2
0910-14	Streets	Goodnow - Hwy 260 to Bonita				40,000	650,000	690,000		690,000	3:1,2
0910-15	Streets	Easy St - Evergreen to Forest				405,000	325,000	730,000		730,000	3:1,2
0910-16	Streets	Easy St - Forest to Gila						-	1,290,000	1,290,000	3:1,2
0910-17	Streets	Easy St - Gila to Bradley						-	1,270,000	1,270,000	3:1,2

* This is a Private Developer Funded project. No Town funds or bonding capacity will be used on this project.

** This is a State funded project. In previous years, the Town contributed funds totaling \$50,000 towards the State project. The total project cost is \$1,575,000.

***Note: The KRA link ties the individual projects on the Capital Improvement Plan to the Key Result Area (KRA) within the Corporate Strategic Plan**

CAPITAL IMPROVEMENT PLAN



2017 ANNUAL BUDGET

Five Year Capital Improvement Plan—Summary by Department

Project #	Dept / Division	Description	Fiscal Year 2017/18	Fiscal Year 2018/19	Fiscal Year 2019/20	Fiscal Year 2020/21	Fiscal Year 2021/22	5 Year Total	Future Years	Grand Total	KRA Link*
0910-18	Streets	Rim Club Parkway - Rim Club to Granite Dells Rd						-	1,230,000	1,230,000	3:1,2
0910-19	Streets	Frontier St - SR87 to McLane						-	2,100,000	2,100,000	3:1,2
0910-20	Streets	Granite Dells Roundabout Landscaping		45,000				45,000		45,000	3:1,2
0910-21	Streets	Granite Dells Roundabout Lighting		45,000				45,000		45,000	3:1,2
0910-23	Streets	Airport Rd Roundabout Landscaping		45,000				45,000		45,000	3:1,2
0910-26	Streets	Pavement Preservation	500,000	525,000	550,000	550,000	550,000	2,675,000	3,500,000	6,175,000	3:1,2
0910-28	Streets	Town Aerial Photo Update		45,000				45,000	100,000	145,000	3:1,2
0910-29	Streets	Green Valley Parking Lot Expansion		300,000				300,000		300,000	3:1,2,4
0910-30	Streets	McLane Rd - Payson Ranchos to Payson Pines Subdivisions		80,000		900,000		980,000		980,000	3:1,2
0910-31	Streets	Longhorn Sidewalks		225,000				225,000		225,000	3:1,2
0910-32	Streets	Phoenix St - Hwy 87 to Sycamore		110,000	50,000	500,000	200,000	860,000		860,000	3:1,2
1415-16	Streets	Town Boundary Fence		47,500	47,500	47,500	47,500	190,000		190,000	3:1,2
1516-03	Streets	East Bonita Street Sidewalk						-	125,000	125,000	3:1,2
1516-04	Streets	East Frontier Drainage		25,000				25,000		25,000	3:1,2
1516-07	Streets	Regional Storm Water Detention Basin				200,000	250,000	450,000		450,000	3:1,2
1516-08	Streets	Manzanita Roundabout Street Lighting			45,000			45,000		45,000	3:1,2
1516-09	Streets	McLane Rd-Phx St to GV Prkwy						-	1,090,000	1,090,000	3:1,2
1617-01	Streets	Westerly Rd Parking Lot Lights		30,000				30,000		30,000	3:1,2
1617-07	Streets	Timber Ridge I.D. ***	2,060,000					2,060,000		2,060,000	3:1,2
		Total Streets Capital Projects	2,620,000	2,977,500	1,792,500	3,742,500	3,872,500	15,005,000	11,560,000	26,565,000	
0910-50	Water	CC Cragin Pipeline	10,000,000					10,000,000		10,000,000	3:3
0910-51	Water	CC Cragin Water Treatment Plant	14,000,000					14,000,000		14,000,000	3:3
0910-58	Water	Wells	75,000	75,000	75,000	75,000	75,000	375,000	75,000	450,000	3:3
0910-61	Water	Radon Gas Treatment System	45,000					45,000		45,000	3:3
0910-62	Water	Water Lines	250,000	250,000	250,000	250,000	250,000	1,250,000	250,000	1,500,000	3:3
1314-02	Water	Environmental Project	128,271					128,271		128,271	3:3
1415-11	Water	Tank Mixing Systems	50,000					50,000		50,000	3:3
1415-12	Water	Chlorine Generator Conversions	35,000					35,000		35,000	3:3
1415-13	Water	Pressure Blowoff Valves	20,000					20,000		20,000	3:3
1415-14	Water	Hydropneumatic Surge Tanks	45,000					45,000		45,000	3:3
		Total Water Capital Projects	24,648,271	325,000	325,000	325,000	325,000	25,948,271	325,000	26,273,271	
TOTAL ALL CAPITAL PROJECTS			28,973,071	8,100,800	12,814,500	13,617,500	4,997,500	68,503,371	30,323,000	98,826,371	

*** The Town's share of the project will be determined if / when the Improvement District is approved.

***Note: The KRA link ties the individual projects on the Capital Improvement Plan to the Key Result Area (KRA) within the Corporate Strategic Plan**

CAPITAL IMPROVEMENT PLAN



2017 ANNUAL BUDGET

Five Year Capital Improvement Plan—Machinery & Equipment

Project #	Department / Division	Description	Fiscal Year 2017/18	Fiscal Year 2018/19	Fiscal Year 2019/20	Fiscal Year 2020/21	Fiscal Year 2021/22	5 Year Total	Future Years	Grand Total	KRA Link*
1415-06M	Airport	Snow Removal Equipment				195,000		195,000		195,000	3:2
1516-12M	Airport	Pickup Truck		30,000				30,000		30,000	3:2
1718-03M	Airport	Flail Mower for Kubota Tractor	5,800					5,800		5,800	3:2
		Total Airport	5,800	30,000	-	195,000	-	230,800	-	230,800	
0910-35M	Building	Vehicle Replacement		25,000	25,000			50,000		50,000	3:1/5:1,2
		Total Building	-	25,000	25,000	-	-	50,000	-	50,000	
0910-13M	Fire	Utility Truck Replacement		350,000				350,000		350,000	8:2
0910-14M	Fire	Water Tender		350,000				350,000		350,000	8:2
0910-15M	Fire	Utility Pickup Truck Replacement		45,000				45,000		45,000	8:2
0910-16M	Fire	Staff Vehicle Replacement		55,000				55,000	55,000	110,000	8:2
0910-17M	Fire	Command Vehicle Replacement		70,000	70,000			140,000		140,000	8:2
0910-19M	Fire	Ladder Truck 111 Replacement		1,200,000				1,200,000		1,200,000	8:2
0910-23M	Fire	Rehab/Support Vehicle		150,000				150,000		150,000	8:2
0910-25M	Fire	Ambulance Replacement		200,000				200,000		200,000	8:2
0910-27M	Fire	Type 1 Engine Replacement	847,800	575,000	575,000	575,000		2,572,800		2,572,800	8:2
0910-28M	Fire	Type 6 Engine Replacement						-	360,000	360,000	8:2
1314-05M	Fire	Radio Repeater		20,000				20,000		20,000	8:2/10:2
		Total Fire Department	847,800	3,015,000	645,000	575,000	-	5,082,800	415,000	5,497,800	
0910-10M	Gen Gov't	Financial Software		75,000				75,000		75,000	10:2
		Total General Government	-	75,000	-	-	-	75,000	-	75,000	
1516-13M	Parks Maint	Kawasaki Mule Utility Vehicle			13,500			13,500		13,500	3:4/5:3
		Total Parks Maintenance	-	-	13,500	-	-	13,500	-	13,500	
1516-14M	Planning&Dev	Vehicle Replacement		23,000				23,000		23,000	3:1/5:1,2
		Total Planning & Development	-	23,000	-	-	-	23,000	-	23,000	
0910-01M	Police	Vehicle Replacement	72,300	165,000	165,000	165,000	165,000	732,300	550,000	1,282,300	8:2
1415-14M	Police	CAD Communications Equipment	114,500					114,500		114,500	8:2/10:2
1516-02M	Police	SHSGP Elk Ridge Base Radio	20,700					20,700		20,700	8:2/10:2
1516-04M	Police	GOHS Accident Measurement Device	36,500					36,500		36,500	8:2
1617-02M	Police	911 Recording Device		52,000				52,000		52,000	8:2/10:2
1718-01M	Police	Body Worn Camera Proposal		30,000	30,000	30,000		90,000		90,000	8:2/10:2
1718-02M	Police	Crisis Response Systems	28,000					28,000		28,000	8:2/10:2
		Total Police Department	272,000	247,000	195,000	195,000	165,000	1,074,000	550,000	1,624,000	
1617-03M	Rec/Tourism	Chevy Colorado Pickup		29,000				29,000		29,000	5:3
1617-04M	Rec/Tourism	Chevy Tahoe	32,000					32,000		32,000	5:3
		Total Rec/Tourism	32,000	29,000	-	-	-	61,000	-	61,000	
0910-05M	Streets	Heavy Equipment		100,000	100,000	100,000	100,000	400,000	200,000	600,000	3:1,2
0910-07M	Streets	Crack Seal Machine Replacement				45,000		45,000		45,000	3:1,2
0910-08M	Streets	Trucks		30,000	30,000	30,000	30,000	120,000	120,000	240,000	3:1,2
1516-07M	Streets	Skidster			40,000			40,000		40,000	3:1,2
1516-09M	Streets	Dump Truck with Snow Plow	138,900					138,900		138,900	3:1,2
1516-10M	Streets	Loader	178,100					178,100		178,100	3:1,2
1718-04M	Streets	Skidster		92,000				92,000		92,000	3:1,2
		Total Streets Department	317,000	222,000	170,000	175,000	130,000	1,014,000	320,000	1,334,000	
0910-33M	Water	Service Truck Replacement	52,000	54,000	56,000	58,000	58,000	278,000	75,000	353,000	3:3
0910-34M	Water	Well Pump Replacements	75,000	77,000	82,000	88,000	88,000	410,000	250,000	660,000	3:3
1011-04M	Water	Fire Hydrant Program		5,000	5,000	5,000	5,000	20,000	25,000	45,000	3:3
1011-05M	Water	Computer Equipment	30,000	20,000	20,000	20,000	20,000	110,000	100,000	210,000	3:3
1415-05M	Water	Ground Penetrating Radar			25,000			25,000		25,000	3:3
1617-05M	Water	Equipment	100,000	100,000	100,000	100,000	100,000	500,000		500,000	3:3
		Total Water Division	257,000	256,000	288,000	271,000	271,000	1,343,000	450,000	1,793,000	
		Total Capital Machinery & Equipment	1,731,600	3,922,000	1,336,500	1,411,000	566,000	8,967,100	1,735,000	10,702,100	

*Note: The KRA link ties the individual projects on the Capital Improvement Plan to the Key Result Area (KRA) within the Corporate Strategic Plan

CAPITAL IMPROVEMENT PLAN



RELATIONSHIP BETWEEN OPERATING AND CAPITAL BUDGETS

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

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

Due to current economic conditions, capital projects are very limited again this fiscal year. Airport and Streets have a few grant funded projects in this year's budget. These projects will not start until the grant funding can be confirmed. The Town's contribution of grant matching funds, in most cases less than 10% of the total project costs, have been included in the budget. The long term costs to maintain the new assets are similar to the operating costs currently being expended on the upkeep of the old assets, so the impact on the operating budget is insignificant. The C.C. Cragin Pipeline Project is in the construction phase, so this project will not impact the current operating budget.



Projected Operating Costs Associated with CIP Projects

Department	CIP Project Concepts	Annual Utilities	Annual Maintenance	Annual Supplies	Annual Personnel
Airport	Construct Aircraft Wash Rack	1,200	-	-	-
Airport	Install Taxiway Lighting	2,000	-	-	-
Airport	Construct Equipment Building	600	500	-	-
Airport	Install PAPI & REIL	600	-	-	-
Police	Building Remodel	500	-	-	-
Police	Storage Building	600	500	-	-
Rec&Tourism	PATS Continuation	-	250	-	-
Rec&Tourism	Multi-Purpose Event Center Bldg	1,200	2,000	600	-
Rec&Tourism	LED Marketing Message Billboard	600	1,000	-	-
Rec&Tourism	Diamondback Fields Control Bldg	600	1,000	300	-
Rec&Tourism	Community Recreation Center	7,200	1,000	3,000	313,200
Parks Maint	Amphitheater Lighting	350	-	-	-
Parks Maint	GV Park Maintenance Bldg	600	500	-	-
Parks Maint	Rumsey Park Maintenance Bldg	600	500	-	-
Streets	Granite Dells Roundabout	400	500	-	-
	Landscaping				
Streets	Granite Dells Roundabout	600	-	-	-
	Lighting				
Streets	Airport Road Roundabout	400	500	-	-
	Landscaping				
Streets	GV Parking Lot Expansion	-	300	-	-
Streets	Town Boundary Fence	-	-	300	300
Streets	Manzanita Roundabout	600	-	-	-
	Street Lighting				
Streets	Parking Lot Lights-Westerly Rd	600	500	-	-



2017 ANNUAL BUDGET

LONG-TERM PLANNING

The Town of Payson's Five-Year Forecast is presented for long-range financial planning and budgeting purposes. The forecast shows FY2014/15 and FY2015/16 actual dollars, FY2016/17 and FY2017/18 budgeted dollars, and projections for FY2018/19 through FY2022/23. 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 in a proactive manner—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 if no other actions are taken by Town leadership to change current circumstances.

An analysis of the Five-Year Forecast emphasizes the fact that the measures put in place during fiscal year 2017/2018 will help move the Town in a positive direction. The increase in the local sales tax rate that took effect on August 1, 2017 will help 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. Over time, the Town will be able to pay down the public safety retirement obligations, pay back the Water Department loan, and get back on an adequate maintenance schedule for capital assets. Soon, the Town will start seeing budgets with revenues that outpace expenditures and there will be an opportunity to build up some reserves as a safeguard against future economic turmoil. These projections will only come to fruition if the Town's efforts to boost tourism and economic development are realized and Town departments continue to scrutinize operational costs for options that will maximize 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 (2) build reserves in the General Fund that comply with the Town's financial policy.

LONG-TERM PLANNING

FIVE-YEAR FINANCIAL FORECAST

	2014/15 Actual	2015 /16 Actual	2016/17 Adopted	2017/18 Proposed	2018/19 Projected	2019/20 Projected	2020/21 Projected	2021/22 Projected	2022/23 Projected
<u>REVENUES</u>									
Taxes	10,990,320	11,397,844	11,678,400	14,481,000	14,915,430	15,362,893	15,823,780	16,298,493	16,787,448
Licenses & Permits	702,278	750,637	896,500	788,500	804,270	820,355	836,763	853,498	870,568
Intergovernmental	206,029	245,671	874,700	663,500	676,770	690,305	704,112	718,194	732,558
Charges for Service	667,603	725,668	927,500	822,600	904,860	995,346	1,094,881	1,204,369	1,324,806
Fines & Forfeitures	122,863	110,837	110,000	90,000	90,900	91,809	92,727	93,654	94,591
Grants	27,177	17,191	89,100	91,600	50,000	50,000	50,000	50,000	50,000
Miscellaneous	458,893	947,208	195,600	33,300	33,300	33,300	33,300	33,300	33,300
Transfers In	95,806	150,304	147,000	360,000	360,000	360,000	360,000	360,000	360,000
Total Revenues	13,270,969	14,345,360	14,918,800	17,330,500	17,835,530	18,404,009	18,995,561	19,611,508	20,253,270
<u>Less: EXPENDITURES</u>									
Personnel Services	9,799,941	10,444,246	11,556,400	13,263,800	13,661,714	14,071,565	14,493,712	14,928,524	15,376,379
Operating Expenses	2,589,635	2,787,136	3,588,700	3,357,300	3,434,518	3,479,167	3,538,312	3,610,140	3,683,426
Capital Outlay	95,830	782,324	20,000	310,000	100,000	100,000	100,000	100,000	100,000
Transfers Out	411,367	302,973	442,100	710,000	717,100	724,271	731,514	738,829	746,217
Total Expenditures	12,896,773	14,316,679	15,607,200	17,641,100	17,913,332	18,375,003	18,863,539	19,377,493	19,906,023
Revenue (under)/over Expenditures	374,196	28,681	(688,400)	(310,600)	(77,802)	29,006	132,023	234,015	347,247



2017 ANNUAL BUDGET

The following growth rate assumptions were used to formulate the Five-Year Forecast:

Revenues

Town sales tax is projected to grow at a rate of 3% each year

Franchise fees and building related revenue is expected to grow by 2% each year as the Town continues its economic development expansion efforts

A 2% growth rate in tourism revenue has been projected since efforts over the past few years to increase this revenue source have been successful

Other revenues are projected to increase with the rate of inflation

Expenditures

Staffing is projected to remain flat over the next five years

Wages and related expenses are projected to increase by 3% each year

Medical/dental/vision insurance is projected to grow by 3% annually

Pension costs are slated to grow by an average 4.5% annually as the rising cost of public safety retirement rates continues to have a big impact on the Town's budget

Other expenditure items are projected to grow with the rate of inflation

Capital

For quite a few years, the tight budget has limited capital expenditures in the General Fund. The postponing of many necessary purchases is creating a greater burden on future budgets. For projection purposes, \$100,000 has been earmarked for capital items since the ability to continue to postpone these purchases probably won't be a viable option in future budgets.

LONG-TERM PLANNING

***THE
BUDGET
PROCESS***



2017 ANNUAL BUDGET

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 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. The Deputy CFO compiles the budget requests from the departments. A budget team is assembled consisting of:



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 for the ensuing year
- ♦ **POLICY DOCUMENT**—reflects how approved Town expenditures are consistent with overall Town policies, initiatives, and priorities
- ♦ **OPERATIONS GUIDE**—documents service level commitments made by the Town departments
- ♦ **COMMUNICATIONS 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. The public participates through direct contact and in public hearings with the Town Council, commissions, committees and advisory boards.

It is the goal of the Town to involve all citizens in the budget process either in the formulation, preparation, implementation, administration or evaluation.

BUDGET PROCESS OVERVIEW



2017 ANNUAL BUDGET

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.

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, assimilating 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. In addition, they are 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 their budget requests or policy issues with the Town Manager.

Creation of individual departmental budgets gives 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.

BUDGET PROCESS OVERVIEW



2017 ANNUAL BUDGET

The Town Manager reviews all department requests and may recommend changes to department priorities and/or projects. The amount of allocation is determined by historical spending patterns for current programs or estimated spending for new programs. These spending estimates are then adjusted to meet current economic conditions, as needed. In addition, the Fiscal Policy defines certain budget constraints related to the Town's projected funding sources and reserves. In the Preliminary budget, 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 3rd Monday in August. Upon adoption, the tax levy is certified to the County Treasurer.

BUDGET PREPARATION

March

- ♦ Capital Improvement Plan updated after presentation of projected needs by department heads and input at public meeting
- ♦ Budget Team starts meeting to discuss year-end revenue projections and revenue forecasts for next budget year
- ♦ Year-end projections are completed to determine beginning balances
- ♦ Departments submit budgets and personnel requests to Financial Services
- ♦ Deputy CFO compiles department submittals to produce 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 Preliminary Budget with supporting information for presentation to the Council and the public

BUDGET PROCESS OVERVIEW



2017 ANNUAL BUDGET

May

- ♦ Adoption of Fee Schedule (if changed)
- ♦ Council holds Work Study sessions with Department Directors (optional)
- ♦ Council accepts Preliminary Budget or requests revisions
- ♦ If required, Financial Services presents amended Preliminary Budget for Council approval
- ♦ The Fee Schedule is adopted

BUDGET ADOPTION

June

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

July

- ♦ 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 PROCESS OVERVIEW



2017 ANNUAL BUDGET

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 (with the exception of 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 PROCESS OVERVIEW



2017 ANNUAL BUDGET

BUDGET CALENDAR

Budget input open to departments	03/01/2017
Budget Team meeting for revenue projections	03/06/2017
Budget Team meeting for revenue projections (continued)	03/07/2017
Corporate Strategic Plan public meeting *	03/07/2017
Capital Improvement Plan public meeting *	03/21/2017
Department budget input completed and submitted to Financial Services	03/25/2017
Finance Manager submits initial budget to Budget Team	03/29/2017
Budget Team reviews department requests	03/29/2017
Budget Team holds department budget meetings	Week of 04/03/2017
Budget Team finalizes figures for budget presentation to Council	04/20/2017
Executive Summary of Budget (presentation) to Council	04/28/2017
Council Work Study w/ Department Heads *	05/02/2017
Council Work Study w/ Department Heads (continued) *	05/04/2017
Budget Team Meeting to Revise Budget & S&U	05/09/2017
Revised Budget to Council *	05/16/2017
Adopt the Fee Schedule (if changed) *	06/01/2017
Adopt Tentative Budget & hold Expenditure Limitation Hearing *	06/01/2017
Publish Budget Summary once a week for two consecutive weeks:	06/06/2017
	06/13/2017
Hold public hearing and adopt Final Budget *	06/22/2017
Make property values provided by Assessor available for inspection (Must be available 7 days prior to adoption of tax levy)	06/29/2017
Adopt property tax levy *	07/06/2017
(Levy must be adopted not less than seven days after Final Budget but on or before the third Monday in August)	
Forward certified copy of tax levy ordinance to County by the third Monday in August	07/13/2017
* Special Council Meeting	

BUDGET CALENDAR

***UNDERSTANDING
THE
BUDGET***



2017 ANNUAL BUDGET

UNDERSTANDING THE BUDGET

Readers and users of governmental budgets and financial statements are frequently confused by what they see. This confusion stems from the method of accounting (namely “fund accounting”) which is required for all governmental entities. 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 chief operating fund and is used to account for all financial resources, except those required to be accounted for in another fund.

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 finance related legal requirements.

Governmental Funds Types:

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.

General Fund

The General Fund is the chief operating fund of 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 principally to fund debt service requirements. Expenditures include, among other things, those for general government, public safety, public works, health & welfare, parks & recreation, building services and planning / development.

UNDERSTANDING THE BUDGET



2017 ANNUAL BUDGET

Special Revenue Funds

Special Revenue Funds are used to account for resources that are legally restricted. These restrictions are generally imposed by grantors, ordinance or law. The Town maintains the following active Special Revenue Funds: Highway Users Revenue Fund (HURF), Gifts & Grants Fund, Parks Facility Improvement Fee Fund, Bed Tax Fund, Police Department of Justice Fund, Library Fund, Airport Fund, Event Center Fund, Police Impound Fee Fund, Magistrate Court, Contingency Fund and Medical Insurance Fund. The Gifts and Grants fund does not have any money budgeted for this fiscal year but the account does carry a balance and will remain open. The Festivals & Events Fund was closed in FY12/13. Law Enforcement Property Program Fund was moved from Special Revenue Funds to Fiduciary Funds in FY13/14.

Capital Project Funds

Capital project funds account for financial resources to be used for the acquisition or construction of major capital facilities. The Town currently maintains the following active capital project funds: Grant Capital Project Fund, Central Arizona Trust Fund, American Gulch Improvement District Fund and Timber Ridge Improvement District Fund. The Construction Excise Tax Revenue Obligation Bonds Fund and the Bonita Street Phase 2 & 3 Fund closed in FY14/15. The Parks Development Fund and Public Safety Impact Fee Fund closed in FY15/16. The Cedar Lane Improvement District Fund and Rancho del Tonto Improvement District Fund are inactive.

Debt Service Funds

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 funds: General Debt Service Fund, Westerly Road Improvement District Debt Service Fund, Excise Tax Revenue Obligation Debt Service Fund, General Obligation Bonds Series 2004 Debt Service Fund and Timber Ridge Improvement District Debt Service Fund. The General Debt Service Fund does not have any money budgeted for this fiscal year since activity is being run through the individual departments. Debt for Rumsey Park Certificates of Participation and Green Valley Park were retired in FY12/13. The Cedar Lane Improvement District Debt Service and Rancho del Tonto Improvement District Debt Service are inactive.

Proprietary Fund Types:

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

UNDERSTANDING THE BUDGET



2017 ANNUAL BUDGET

enterprise funds and internal service funds. The Town does not utilize any internal service funds.

Enterprise Fund

Enterprise Funds are used to account for operations, including debt service, which are financed and operated similarly to private business. The intent is financial self-sufficiency with all costs supported predominantly by user charges. The Town currently maintains one Enterprise Fund: Water Fund. In FY13/14, the C.C. Cragin Development Fund was eliminated and all water/pipeline related activities are being reported under one fund. Although these funds were combined, detailed accounting for the C.C. Cragin expenditures is maintained as a sub-category 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 actually received or paid out. "Full accrual basis" recognizes revenues when earned (rather than when received) and expenditures when an obligation to pay is incurred (rather than when the payment is made). Governments typically use the modified accrual basis of accounting. 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. Other than principal and interest on long-term debt, expenditures are recognized in the accounting period in which the liability was incurred.

Governmental funds include:

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

Proprietary funds are accounted for on an accrual basis of accounting.

Proprietary funds include:

- ◆ Enterprise Funds

The Town's Water Fund, an Enterprise fund, uses the flow of economic resource measurement focus under the full accrual basis of accounting.

UNDERSTANDING THE BUDGET



2017 ANNUAL BUDGET

BASIS OF BUDGETING

The budgetary basis refers to the form of accounting utilized throughout the budget process. The Town budgets for governmental funds, which includes the General Fund, Special Revenue Funds, Debt Service Funds and Capital Project Funds on a modified accrual basis. Using this basis, revenues (income) are recognized in the period they become measurable and available to finance expenditures of the period and expenditures are recorded when incurred.

The budget for proprietary funds, which include Enterprise and Internal Service Funds, are prepared using full accrual basis of accounting, with the exceptions listed below. Under this basis, revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred.

- ◆ Capital Outlay is budgeted as an expense in the year purchased
- ◆ Proceeds from the issuance of debt are considered to be revenues, not an increase in liabilities
- ◆ Principal payments are shown as expenses rather than deductions of a liability
- ◆ Development fees are shown as revenue, not capital contributions
- ◆ Proceeds from the sale of assets are recognized as revenue; however, the gain or loss is not
- ◆ Accrued compensated absences are not considered to be expenditures until paid

Fiscal year budgets are adopted by the Town Council for the general fund, special revenue funds, debt service funds, capital project funds, and enterprise funds.

The budgets are adopted on a basis consistent with generally accepted accounting principals (GAAP).

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.

UNDERSTANDING THE BUDGET



2017 ANNUAL BUDGET

Policy Document

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



- ◆ 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 2014/15 and 2015/16, the adopted budget for fiscal year 2016/17 and the proposed budget for 2017/18. These departmental budgets show the line item actual expenditures and budgets by five major expenditure categories:



- ◆ Salaries and Wages
- ◆ Personnel Benefits – fringe benefits and employee related expenditures
- ◆ Supplies – general supplies and minor items
- ◆ Other Services and Charges – repair and maintenance, contracted services, professional services, memberships, utilities, training, insurance
- ◆ Capital Outlay – acquisition of operating capital items, machinery and equipment, capital repair and maintenance.

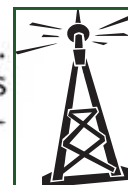
Financial Plan

The major sources of revenue are presented in numeric and graphical formats. The major revenue and expenditure sources are presented for fiscal years 2014/15 and 2015/16, the adopted budget for fiscal year 2016/17 and the proposed budget for 2017/18 in various places throughout the 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.com.



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

UNDERSTANDING THE BUDGET



2017 ANNUAL 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 with the goal of coming as close as possible to what is actually 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.

Debt Management

The Town’s debt management policy is to plan and direct the use of debt so that debt service payments will be a predictable and manageable part of 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 development of the

UNDERSTANDING THE BUDGET



2017 ANNUAL BUDGET

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 General Plan document can be viewed on the Town's website at 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 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 the general revenues of the Town.

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.

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

UNDERSTANDING THE BUDGET

***BUDGET
SUMMARIES***



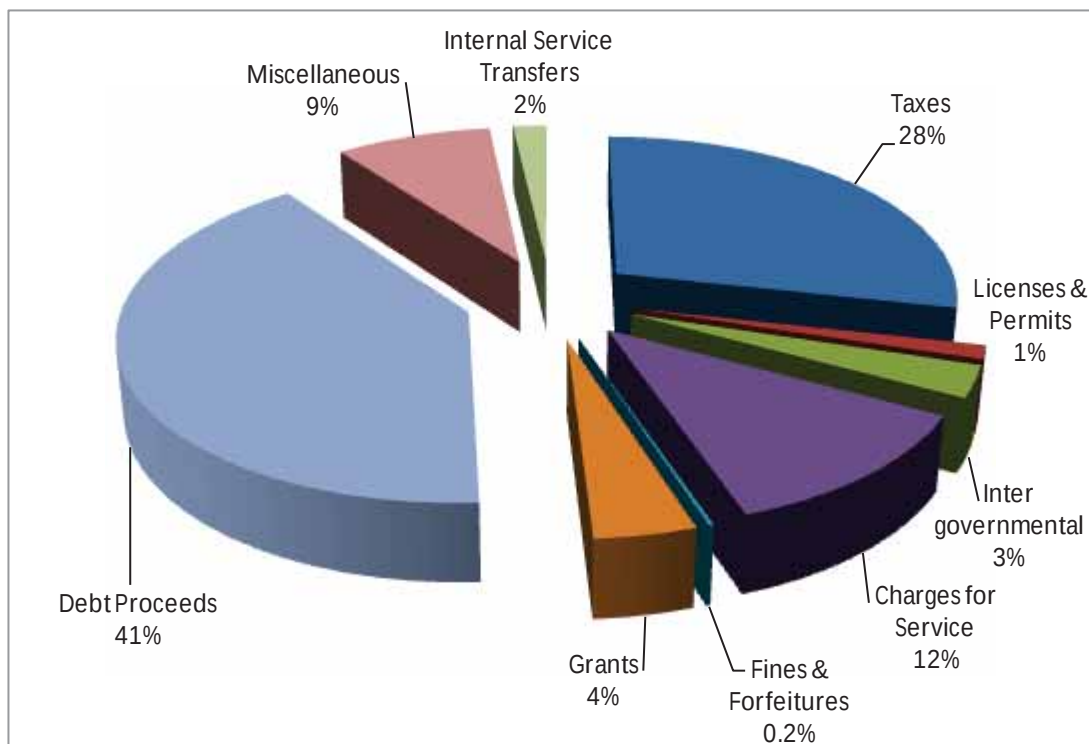
2017 ANNUAL BUDGET

THE BUDGET

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 2017/18 budget total \$59,032,400 which reflect an increase of 26.6% over the 2016/17 adopted budget. This change is primarily due to an increase in the Town sales tax rate that will take effect August 1st, 2017 and an increase in debt proceeds related to the C.C. Cragin Pipeline project.

Category	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed
Taxes	13,106,702	13,567,221	13,911,200	16,797,400
Licenses & Permits	702,278	750,637	896,500	788,500
Intergovernmental	716,622	1,305,797	1,874,700	1,814,900
Charges for Service	5,640,538	6,254,147	6,801,200	7,044,800
Fines & Forfeitures	141,979	127,648	127,000	107,000
Grants	1,035,020	236,718	867,000	2,419,400
Debt Proceeds	-	1,000,000	18,700,000	24,000,000
Miscellaneous	2,755,541	3,831,122	2,763,000	4,991,100
Transfers	676,107	602,573	684,300	1,069,300
Total Operating Revenues	\$ 24,774,787	\$ 27,675,863	\$ 46,624,900	\$ 59,032,400



BUDGET SUMMARY



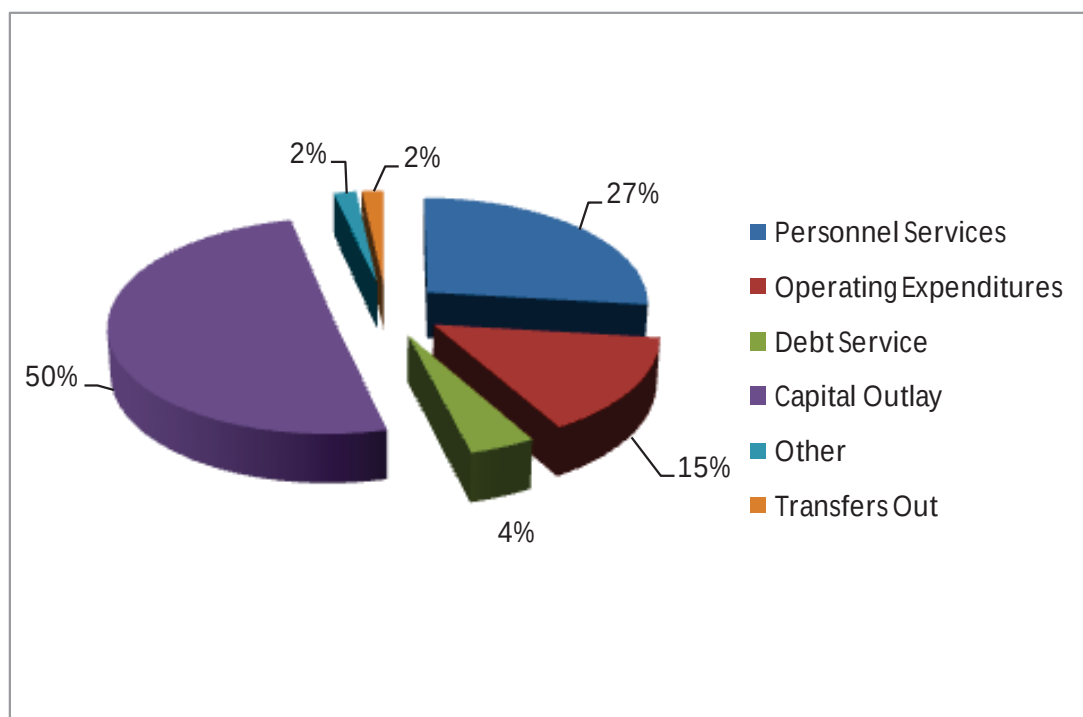
2017 ANNUAL BUDGET

Expenditures:

The annual budget for the Town is divided into five 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 \$9,040,700.
- ♦ The **personnel services budget** consists of the salaries and fringe benefits for all the Town's employees. The amount budgeted for personnel services is \$16,383,400.
- ♦ 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 \$30,704,671.
- ♦ The **debt service budget** is used to repay money borrowed by the Town, primarily for capital improvements and amounts to \$2,637,500.
- ♦ The transfers out budget of \$1,069,300 represents the amount of funds transferred from one fund to another and has a corresponding Transfer In budget causing a net effect of \$0.
- ♦ The **depreciation** expense for the enterprise fund is \$1,106,000.

The total budget, including all six components, is \$60,941,571.



BUDGET SUMMARY



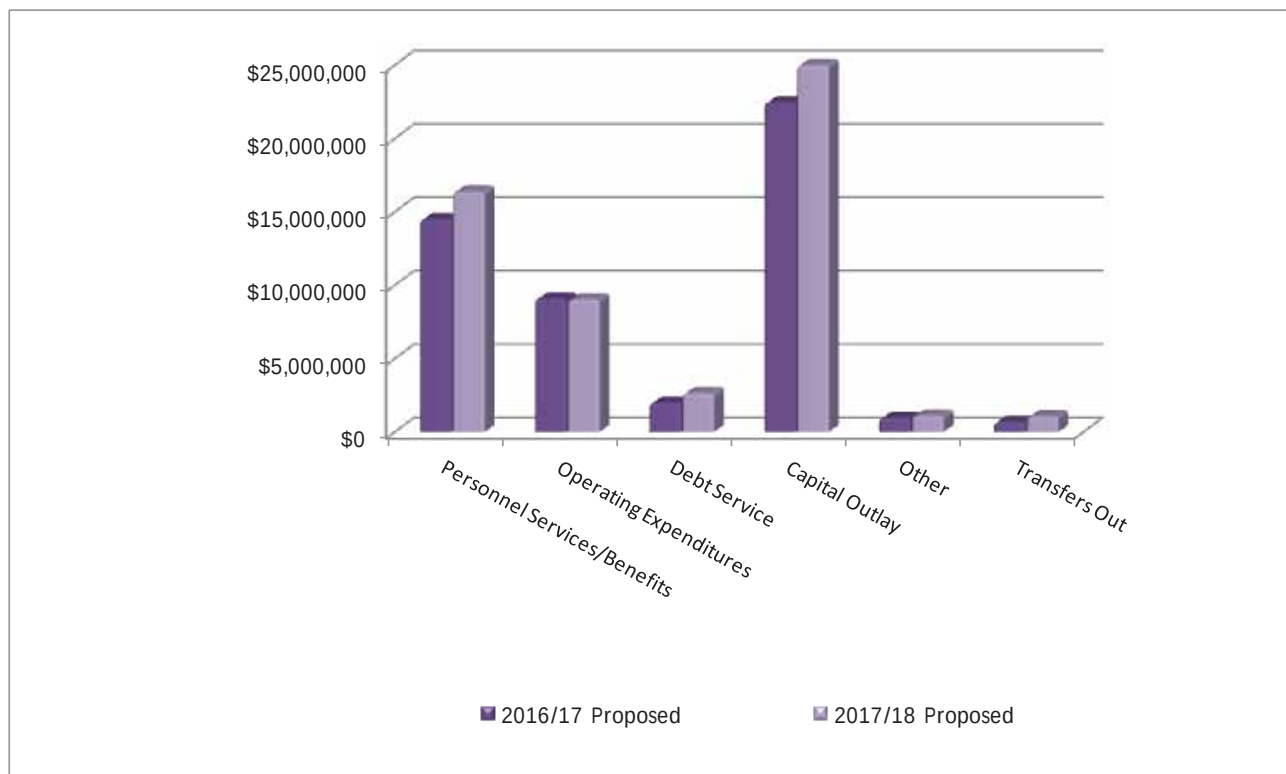
2017 ANNUAL BUDGET

TOTAL FINANCIAL PROGRAM

The following chart depicts the summary of expenditures by category, giving a two-year history and the prior and current years' budgets.

EXPENDITURES & OTHER USES	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed
Personnel Services/Benefits	12,604,888	13,281,220	14,492,800	16,383,400
Operating Expenditures	8,589,486	9,308,780	9,086,700	9,040,700
Debt Service	659,789	648,288	1,991,400	2,637,500
Capital Outlay	2,408,205	10,359,966	22,451,600	30,704,671
Other	2,684,253	2,370,019	962,000	1,106,000
Transfers Out	669,493	602,572	684,300	1,069,300
TOTAL	\$ 27,616,114	\$ 36,570,845	\$ 49,668,800	\$ 60,941,571

EXPENDITURE COMPARISON



BUDGET SUMMARY



2017 ANNUAL BUDGET

EXPENDITURE SUMMARY BY FUND

FUND	2016/17 BUDGET	2017/18 PROPOSED	\$ Inc/Dec	% Inc/Dec
Total General Fund	\$ 15,607,200	\$ 17,641,100	\$ 2,033,900	13.03%
Special Revenue:				
HURF Fund	2,998,600	2,715,600	\$ (283,000)	-9.44%
Parks Facility Imp Fee	-	62,000	\$ 62,000	100.00%
Bed Tax Fund	307,900	423,600	\$ 115,700	37.58%
Police Dept of Justice	40,500	102,300	\$ 61,800	152.59%
Library Fund	378,700	428,300	\$ 49,600	13.10%
Airport Fund	255,900	1,472,300	\$ 1,216,400	475.34%
Event Center Fund	167,500	222,200	\$ 54,700	32.66%
Insurance Fund	2,024,000	1,953,700	\$ (70,300)	-3.47%
Total Special Revenue Funds	\$ 6,173,100	\$ 7,380,000	\$ 1,206,900	19.55%
Debt Service:				
General Debt Service Fund	52,900	-	(52,900)	-100.00%
Westerly Rd Debt Service Fund	82,300	78,900	\$ (3,400)	-4.13%
Excise Tax Revenue Obligation	132,000	128,000	\$ (4,000)	-3.03%
General Obligation Bonds	385,300	331,600	\$ (53,700)	-13.94%
Timber Ridge Debt Service Fund	40,000	40,000	\$ -	0.00%
Total Debt Service Funds	\$ 692,500	\$ 578,500	\$ (114,000)	-16.46%
Capital Project:				
Grant Capital Project Fund	667,100	1,105,000	\$ 437,900	65.64%
Public Safety Construction Fund	150,100	114,500	\$ (35,600)	-23.72%
American Gulch Improvement Dist	-	150,000	\$ 150,000	100.00%
Timber Ridge Improvement District	2,100,000	2,100,000	\$ -	0.00%
CAP Trust Fund	225,000	128,271	\$ (96,729)	-42.99%
Total Capital Project Funds	\$ 3,142,200	\$ 3,597,771	\$ 455,571	14.50%
Total Enterprise Fund	\$ 24,053,800	\$ 31,744,200	\$ 7,690,400	31.97%
TOTAL - ALL FUNDS	\$ 49,668,800	\$ 60,941,571	\$ 11,272,771	22.70%

BUDGET SUMMARY



2017 ANNUAL BUDGET

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, anticipated in-coming funds, anticipated out-going funds, and finally anticipated 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: Beginning Fund Balance reserves, current year Revenues, and Other In-Coming Sources which include operating funds transfers, loan repayments, and other sources of funds that are not technically considered revenues but that come in during the year and can be spent for town purposes. It also includes the offsetting depreciation income entry for a net effect of \$0 on the ending fund balance.

Uses of Funds

The middle portion of the statement shows all proposed "uses" of funds, by major fund group and by department and/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, depreciation expense, and inter-fund loan repayments.

Ending Budget Resources

The last line of the statement shows projected Ending Budget Resources by major fund group. This is the anticipated amount of funds projected to be in reserve at year-end.

BUDGET SUMMARY



2017 ANNUAL BUDGET

Sources and Uses by Fund Group						
2017/2018 Budget						
			Restricted	Debt	Utility	Total
	General	Restricted	Capital	Service	Enterprise	Budgeted
	Fund	Funds	Funds	Funds	Funds	Funds
SOURCES OF FUNDS						
Beginning Budget Resources	\$ 1,043,144	\$ 713,457	\$ 242,825	\$ 399,645	\$ 3,827,146	\$ 6,226,217
Revenues	15,768,600	5,053,300	150,000	427,600	6,481,000	27,880,500
Grants/One Time Revenues	635,100	1,304,200	1,064,600	-	-	3,003,900
Debt Services Proceeds	-	-	2,100,000	-	24,000,000	26,100,000
Other	566,800	229,400	-	-	-	796,200
Operating Transfers In	360,000	479,600	40,400	189,300	182,500	1,251,800
TOTAL SOURCES OF FUNDS	\$ 18,373,644	\$ 7,779,957	\$ 3,597,825	\$ 1,016,545	\$ 34,490,646	\$ 65,258,617
USES OF FUNDS						
Town Council	\$ 102,500	\$ -	\$ -	\$ -	\$ -	\$ 102,500
Clerk/Elections	237,700	-	-	-	-	237,700
Town Manager/Information Svs	943,900	-	-	-	-	943,900
Financial Svcs/General Services	1,872,700	-	-	-	-	1,872,700
Town Attorney/Magistrate Court	661,800	-	-	-	-	661,800
Tourism	129,400	176,400	-	-	-	305,800
Human Resources	238,100	-	-	-	-	238,100
Police	6,448,100	79,000	-	-	-	6,527,100
Fire	3,804,100	-	-	-	-	3,804,100
Community Development	989,900	-	200,000	-	-	1,189,900
Public Works	-	1,838,600	-	-	-	1,838,600
Library	-	428,300	-	-	-	428,300
Airport	-	152,700	-	-	-	152,700
Recreation	1,192,900	244,200	-	-	-	1,437,100
Insurance	-	1,953,700	-	-	-	1,953,700
Water	-	-	-	-	4,653,600	4,653,600
TOTAL OPERATIONS	\$ 16,621,100	\$ 4,872,900	\$ 200,000	\$ -	\$ 4,653,600	\$ 26,347,600
TOTAL DEBT SERVICE	\$ -	\$ -	\$ -	\$ 578,500	\$ 2,059,000	\$ 2,637,500
AVAILABLE FOR CAPITAL	\$ 1,752,544	\$ 2,907,057	\$ 3,397,825	\$ 438,045	\$ 27,778,046	\$ 36,273,517
TOTAL CAPITAL PROJECTS	\$ 310,000	\$ 2,259,900	\$ 3,357,771	\$ -	\$ 24,777,000	\$ 30,704,671
OTHER USES						
Operating Transfers	\$ 527,500	\$ 247,200	\$ 40,000	\$ -	\$ 254,600	\$ 1,069,300
Loans Payable	182,500	-	-	-	-	182,500
TOTAL OTHER USES	\$ 710,000	\$ 247,200	\$ 40,000	\$ -	\$ 254,600	\$ 1,251,800
TOTAL USES OF FUNDS	\$ 17,641,100	\$ 7,380,000	\$ 3,597,771	\$ 578,500	\$ 31,744,200	\$ 60,941,571
ENDING BUDGET RESOURCES	\$ 732,544	\$ 399,957	\$ 54	\$ 438,045	\$ 2,746,446	\$ 4,317,046

BUDGET SUMMARY



2017 ANNUAL BUDGET

REVENUE & EXPENDITURE SUMMARY

	General	Special	Debt	Capital	Enterprise	Total
Fund Activity	Fund	Revenue Funds	Services Funds	Project Funds	Fund	Funds
Beg Fund Bal	\$ 1,043,144	\$ 713,457	\$ 399,645	\$ 242,825	\$ 3,827,146	\$ 6,226,217
Revenue	15,768,600	5,053,300	427,600	150,000	6,481,000	27,880,500
Grants & Other Sources	1,201,900	1,533,600	-	3,164,600	24,000,000	29,900,100
Transfers, net	(350,000)	232,400	189,300	400	(72,100)	-
Expenditures	16,931,100	7,132,800	578,500	3,557,771	31,489,600	59,689,771
Fund Bal Change	(310,600)	(313,500)	38,400	(242,771)	(1,080,700)	(1,909,171)
Ending Fund Balance	\$ 732,544	\$ 399,957	\$ 438,045	\$ 54	\$ 2,746,446	\$ 4,317,046

CHANGES IN PROJECTED FUND BALANCE

- ♦ General Fund—Ending fund balance is projected to be \$732,544 which is a significant increase of 91.7% over last year's projection of \$382,170. The actual fund balance for FY16/17 of \$1,043,144 that carried forward as beginning fund balance for this year came in much higher than projected. There are many reasons for this difference including several budgeted positions that went unfilled and Departments' cost saving measures that reduced actual expenditures. Actions taken by the Town Council, including an 0.88% increase in the local sales tax rate effective August 1st, 2017, are the reasons for this year's increase in projected fund balance. With this increase to the revenue stream in place, 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. Because economic recovery continues at a slow rate, many revenues are still down, intergovernmental funding is at a minimum, and availability of grants is still limited. Department budgets are very lean and most capital projects have been postponed again this year. Projected Ending Fund Balance is still below 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 Fund—Projected ending fund balance of \$399,957 shows a decrease of 9.1% from last year's projection of \$439,815. The actual fund balance for FY16/17 that carried forward as beginning fund balance for this year came in higher than projected at \$713,457. This increase was due, in part, to higher HURF and Gila County Transportation tax revenue. Some of those funds will be used in this fiscal year to complete projects that were postponed in previous fiscal years.
- ♦ Debt Service—Ending fund balance is projected to increase 19.6% from \$366,156 to \$438,045 as reserves are built up to cover future debt service obligations.

BUDGET SUMMARY



2017 ANNUAL BUDGET

- ♦ Capital Project Fund—Ending fund balance is projected to decrease 99.9% from \$71,414 to \$54 as accumulated funds are spent to complete current projects.
- ♦ Enterprise Fund—Ending fund balance is projected to increase from \$2,432,046 to \$2,746,446 as debt proceeds are accumulated for the continuation of the C.C. Cragin Pipeline Project construction.

2017/18 FINANCIAL OVERVIEW - ALL FUNDS

		2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed
<u>REVENUES</u>					
Taxes		13,106,702	13,567,221	13,911,200	16,797,400
Licenses & Permits		702,278	750,637	896,500	788,500
Intergovernmental		716,622	1,305,797	1,874,700	1,814,900
Charges for Service		5,640,538	6,254,147	6,801,200	7,044,800
Fines & Forfeitures		141,979	127,648	127,000	107,000
Grants		1,035,020	236,718	867,000	2,419,400
Debt Proceeds		-	1,000,000	18,700,000	24,000,000
Miscellaneous		2,755,541	3,831,122	2,763,000	4,991,100
Transfers In		676,107	602,573	684,300	1,069,300
Total Revenues		\$ 24,774,787	\$ 27,675,863	\$ 46,624,900	\$ 59,032,400
<u>Less: EXPENDITURES</u>					
Salaries & Wages		8,767,779	9,117,890	9,582,400	10,329,000
Personnel Benefits		3,837,109	4,163,330	4,910,400	6,054,400
Supplies		1,102,110	1,045,810	1,278,100	1,303,300
Services		686,725	706,775	1,142,300	1,097,600
Utilities		969,746	1,069,763	1,131,500	1,183,100
Travel		90,397	95,909	151,200	176,900
Advertising & Public Relations		36,814	35,559	46,700	50,900
Rentals		63,342	177,318	256,000	256,700
Insurance		2,255,172	2,354,942	2,518,000	2,490,800
Repair & Maintenance		715,329	925,031	1,263,100	1,318,600
Miscellaneous		2,669,851	2,897,673	1,299,800	3,182,800
Capital Outlay		2,408,205	10,359,966	22,451,600	28,684,671
Debt Service		659,789	648,288	1,991,400	2,637,500
Depreciation		2,684,253	2,370,019	962,000	1,106,000
Transfers Out		669,493	602,572	684,300	1,069,300
Total Expenditures		\$ 27,616,114	\$ 36,570,845	\$ 49,668,800	\$ 60,941,571
Revenue (under)/Over Expenditures		(2,841,327)	(8,894,982)	(3,043,900)	(1,909,171)

BUDGET SUMMARY

Town of Payson Budget Fiscal Year 2017/18

Total Budget
\$60,941,571

Operating Budgets
\$56,765,300

General Fund
\$17,641,100

Town Council
\$102,500

Police
Department
\$6,525,100

Information
Services
\$803,500

Planning & Dev
\$516,900

Town
Attorney
\$448,700

Town Manager
\$220,400

Fire
Department
\$3,804,100

Human
Resources
\$238,100

Community
Dev Admin
\$108,800

Magistrate
Court
\$213,100

Transfers
\$710,000

Town Clerk/
Elections
\$237,700

Recreation/
Tourism
\$1,475,300

Financial
Service
\$531,600

Centralized
Services
\$1,341,100

Building Services
\$364,200

Enterprise Fund
\$31,744,200

Water Operations
\$4,864,400

Water Capital
\$777,000

C.C.Cragin
\$24,043,800

Water Debt Service
\$2,059,000

Special Revenue
Funds
\$7,380,000

HURF
\$2,715,600

Police – Dept of
Justice
\$102,300

Bed Tax
\$423,600

Parks Facility
Improvement Fee
\$62,000

Event Center
\$222,200

Library
\$428,300

Airport
\$1,472,300

Insurance
\$1,953,700

Debt Services
\$578,500

Timber Ridge Debt
Serv
\$40,000

G.O. Bonds
Series 2004
\$331,600

Westerly Rd Imp
District
\$78,900

Excise Tax
Obligations
\$128,000

Capital Projects
\$3,597,771

Public Safety Bond
\$114,500

Grant Funded
Capital Projects
\$1,105,000

CAP Trust Fund
\$128,271

Timber Ridge
Improvement Dist.
\$2,100,000

Am Gulch
Improvement Dist.
\$150,000

***THE BUDGET
A CLOSER LOOK***



General Fund

The General Fund is the primary operating fund of the Town and is used to account 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. Included in these services are police, fire, parks & recreation, economic development, engineering, general administration and any other activity for which a special revenue fund or an enterprise fund has not been created. The General Fund is the largest fund and 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, Charges for Services, Miscellaneous, Intergovernmental, Transfers In, and Fines & Forfeitures. The following table depicts the major revenue sources and their respective budgets for the General Fund.

MAJOR REVENUE SOURCES	2016/17 BUDGET	2017/18 PROPOSED	INCREASE (DECREASE)	PERCENT CHANGE
Taxes	11,678,400	14,481,000	2,802,600	24%
Licenses & Permits	896,500	788,500	(108,000)	-12%
Intergovernmental	825,500	663,500	(162,000)	-20%
Grants	138,300	91,600	(46,700)	-34%
Charges for Service	927,500	822,600	(104,900)	-11%
Fines & Forfeitures	110,000	90,000	(20,000)	-18%
Miscellaneous	195,600	33,300	(162,300)	-83%
Transfers In	147,000	360,000	213,000	145%
TOTAL	\$ 14,918,800	\$ 17,330,500	\$ 2,411,700	16%

Taxes represent the major revenue source in the General Fund. Tax revenues which include town sales tax, state shared sales tax, property tax, vehicle license tax, and state shared income tax comprise 83% of the total 2017/18 General Fund revenues.



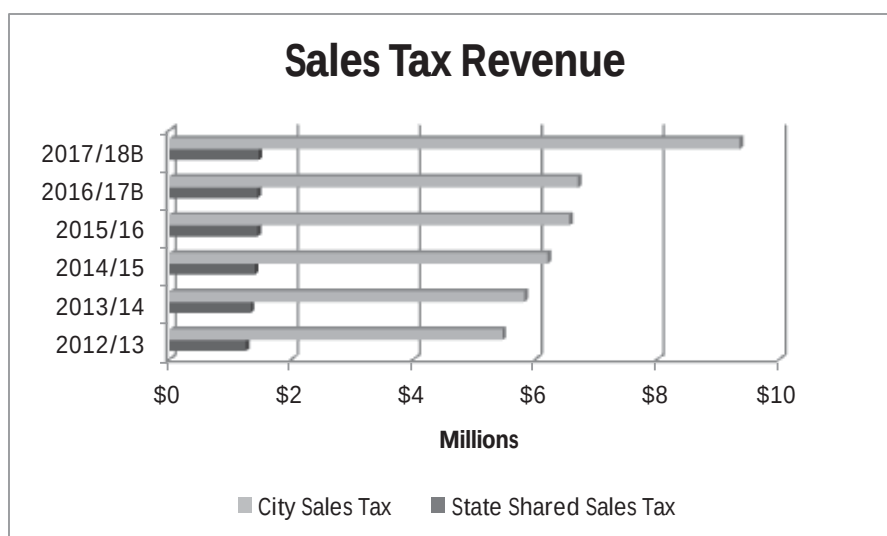
>>> TAXES <<<

Tax revenues are derived from sales tax, property tax, income tax and vehicle taxes. This revenue source is the General Fund's single largest revenue source and the General Fund portion of these taxes is used to pay for general governmental operations.

Sales Tax Revenue

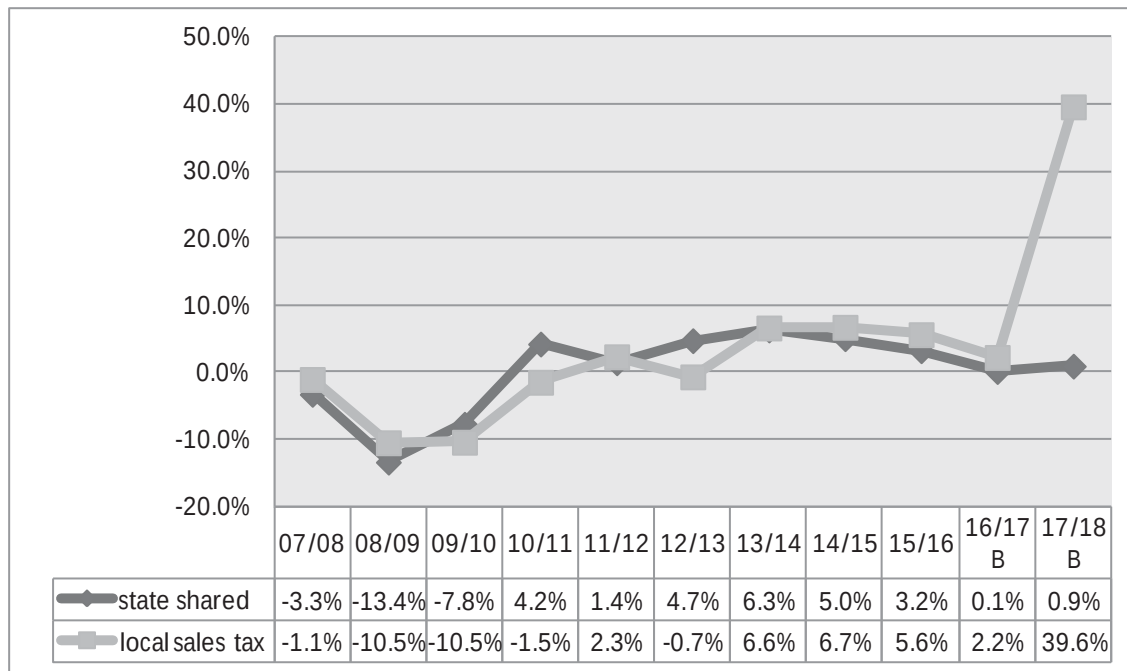
The Transaction Privilege Tax (Sales Tax) is collected on the gross receipts of business activities that occur within the Town of Payson. On July 1, 2017, the Town's tax rate of 2.12%, combined with the State tax rate of 5.6% and the Gila County tax rate of 1% equals a total sales tax rate of 8.72%. As of August 1, 2017, the Town tax rate increased to 3.0% for a total combined tax rate of 9.6%. A portion of the Town's tax (0.12%) is used to pay for the debt service on the revenue bonds issued for Public Safety Improvement Bonds of 2003. This tax amount is transferred into that debt service fund on a monthly basis.

The Town adopted the Model City Tax Code and has an Intergovernmental Agreement (IGA) with the State Department of Revenue to administer and collect the sales tax for the Town. The collected funds are deposited directly into the Town's depository on a timely basis and the Town is notified, by facsimile, as to the amount. Arizona cities and towns share a portion of the total amount collected from the State sales tax. The Town's share of the State Sales Tax is based on the relationship of its population to the total population of all cities and towns within the state.





Changes in Sales Tax Revenue



This graph does a nice job of illustrating the economic downturn and staggeringly slow recovery that we have experienced over the past several years. Although tax revenues have been showing increases over the past few years, this upward movement has not outpaced the increases in the cost of goods and services. This fiscal year, the Town Council felt that it was necessary to increase the local sales tax rate by 0.88% in order to cover the rising cost of doing business as well as establish a rainy day fund and invest in some capital purchases that were long overdue.

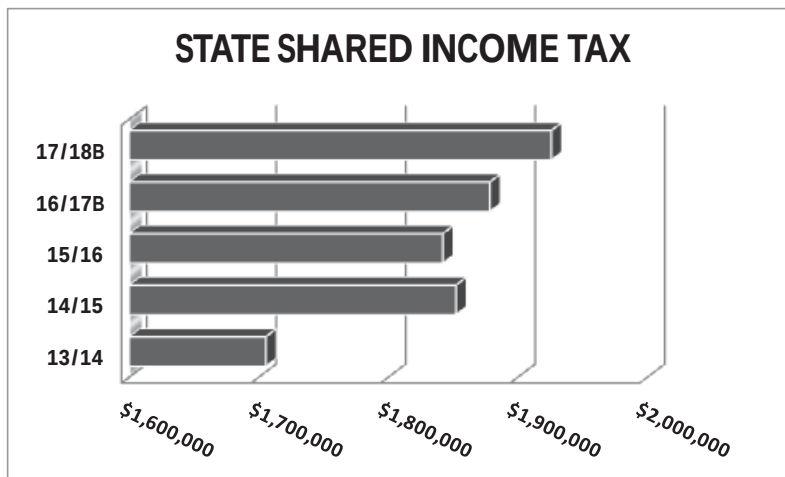
State shared revenues indicate that the economic recovery continues but at a staggeringly slow pace. The state shared sales tax increases of less than 1% over the last two years illustrate the situation.

The Town of Payson continues to focus on tourism and economic development as methods of increasing tax revenue. Increased promotion of special events that draws visitors to Town has had a positive effect on the budget. Our Economic Development Specialist 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. Their creation of new job opportunities and boost to the revenue stream will be the realization of years of hard work to promote the desired growth in the Town.



State Shared Income Tax

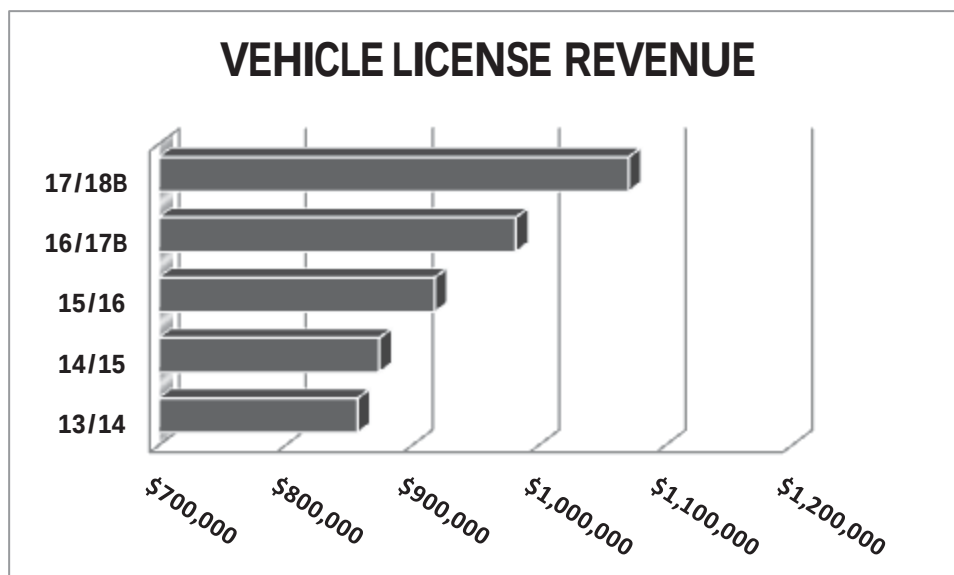
Arizona cities and town share a portion of the total amount collected from the State's income tax. The Town's share of State income tax is based on the relationship between its population compared to the total population of all cities and town within the state.



According to the State, income tax revenue has been trending upward and shows an increase again this year. This is the only shared revenue that can be accurately forecasted since it is based on collections from two year ago.

Vehicle License Tax (VLT)

Arizona cities and towns receive a 25% share of the net revenues collected for the licensing of vehicles in their County. Each entity's share within their County is based on the entity's population in relation to the County as a whole. The County Treasurer distributes these revenues.



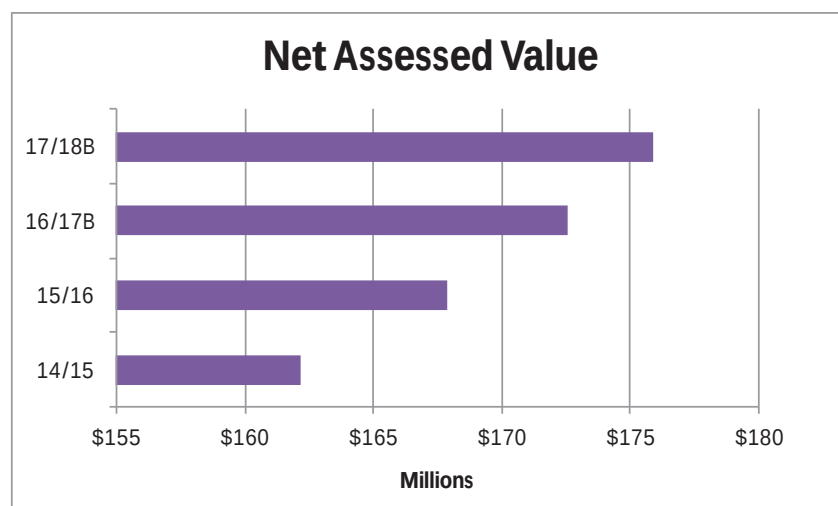
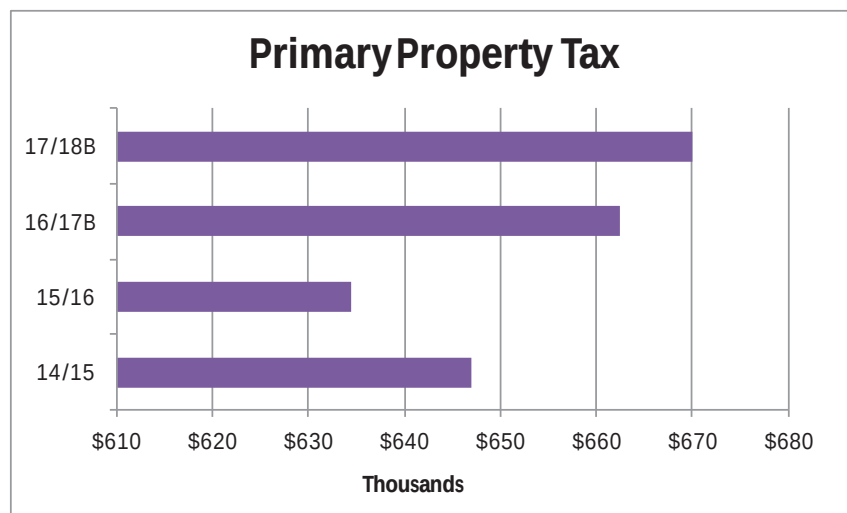


Property Tax—General

The Town property tax consists of a primary tax levy which is limited by law and used for maintenance and operation. The primary property tax is projected to be \$0.3807 per \$100 of assessed value.

As of fiscal year 2012/13, the Town no longer has a secondary property tax. The secondary tax levy was for the sole purpose of paying the general obligation debt of the Town.

It is the policy of the Town to have the citizens approve such debt.

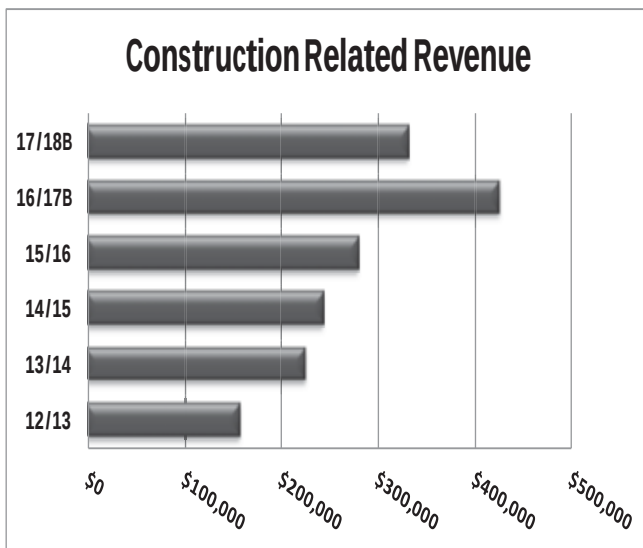




>>>LICENSES & PERMITS <<<

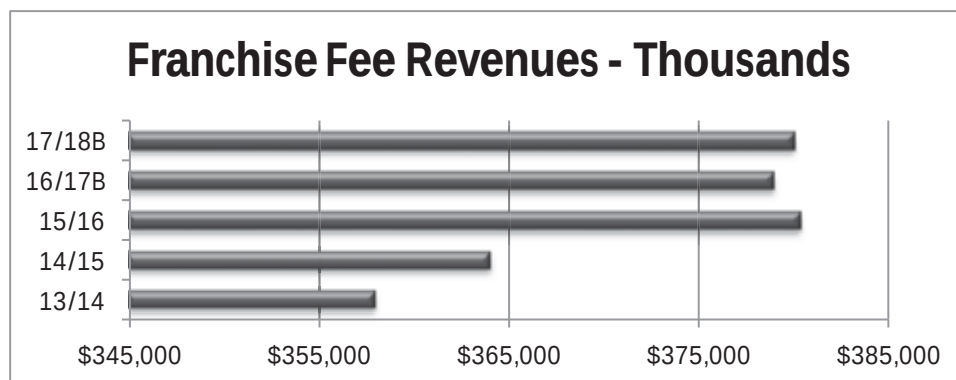
Licenses & permits include business license fees, franchise fees, building permits and other miscellaneous licenses and permits.

Permits The bulk of the revenue in this category is permit fees related to new construction. This has been the case for several years.



Building permit revenue is still recovering from the economic downturn. Last fiscal year, new construction was up as a couple of developers started residential construction projects and commercial construction included the Dunkin Donuts/Five Guys Burgers complex and a new building for Culvers. This fiscal year is not projected to be as busy but the completion of the Arby's building and a few other commercial remodels will reflect positively in the numbers.

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 SuddenLink.



Projections reflect significant increases in franchise fee revenue as the new commercial / residential construction will accelerate the recovery that is already occurring.



Intergovernmental These revenues come from wildland reimbursements, grants and state entitlements.

Fines & Forfeits Fines & forfeits include court fines and fees.

Miscellaneous Includes investment interest, contributions and revenues that do not fit in another category.

>>> GENERAL FUND—EXPENDITURES >>>

The General Fund budget for 2017/18 (including transfers out) totals \$17,331,100 which is 11% higher than the 2016/17 budget. Major expenditure categories include:

- ◆ Personnel Services
- ◆ Operating Expenses
- ◆ Operating Transfers



The following tables depict the major departments/functions in the General Fund and the amounts budgeted in those categories.

EXPENDITURE SUMMARY BY DEPARTMENT—GENERAL FUND ONLY*

DEPARTMENT	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
Town Council	89,842	83,524	106,700	102,500
Town Clerk/Elections	247,067	211,598	253,600	237,700
Town Manager	180,239	317,299	210,700	220,400
Town Attorney	352,201	367,128	425,700	448,700
Financial Services	320,398	357,791	369,900	531,600
Other Governmental Services	1,184,461	1,303,823	1,343,100	1,341,100
Information Services	521,213	567,464	624,900	723,500
Tourism	118,493	126,283	122,700	129,400
Magistrate Court	174,792	206,881	198,100	213,100
Police	4,302,110	4,517,671	5,557,600	6,448,100
Fire	3,071,654	3,152,524	3,386,300	3,804,100
Community Development	672,682	813,032	1,217,800	989,900
Public Works	528,560	630,515	648,000	-
Parks & Recreation	326,802	370,062	453,500	1,192,900
Human Resources	230,806	205,786	226,500	238,100
TOTAL	\$ 12,321,320	\$ 13,231,381	\$ 15,145,100	\$ 16,621,100

*Transfers not included



EXPENDITURE SUMMARY BY CATEGORY—GENERAL FUND*

MAJOR EXPENDITURE	2016/17 BUDGET	2017/18 PROPOSED	INCREASE (DECREASE)	PERCENT CHANGE
Personnel Services/Benefits	11,556,400	13,263,800	1,707,400	14.8%
Operating Expenditures	3,588,700	3,357,300	(231,400)	-6.4%
TOTAL	\$ 15,145,100	\$ 16,621,100	\$ 1,476,000	9.7%

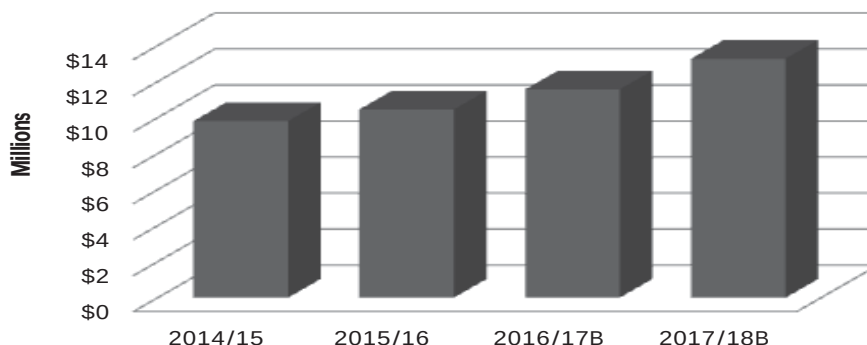
*Transfers not included

Personnel Services

Personnel Services represent a significant portion of the total General Fund budget. In fiscal year 2017/18, salaries and benefits (health insurance, accident insurance, disability insurance, life insurance, and retirement) account for \$13,263,800 or 76.5% of the total General Fund budget. There were quite a few changes to staffing and benefits and the net effect was an increase of 14.8% over the previous year. Changes to Personnel Services for FY17/18 include:

- ♦ Most employees received pay increases as a result of a market study
- ♦ 15 full-time positions received wage adjustments / promotions or reclassifications based on department head recommendations
- ♦ A 3% merit raise was included in this year's budget
- ♦ Cost of living increases remain on hold for the 10th consecutive year
- ♦ 3 part-time Parks Operations employees received wage adjustments and 2 new part-time positions were added to this division
- ♦ Added 1 full-time General Maintenance Worker position to be shared by the Event Center and Parks Operations
- ♦ Added 1 grant funded position for Police Department special programs
- ♦ Costs of Public Safety pension contributions continue to increase dramatically. In this fiscal year alone, the increase was more than \$500,000.

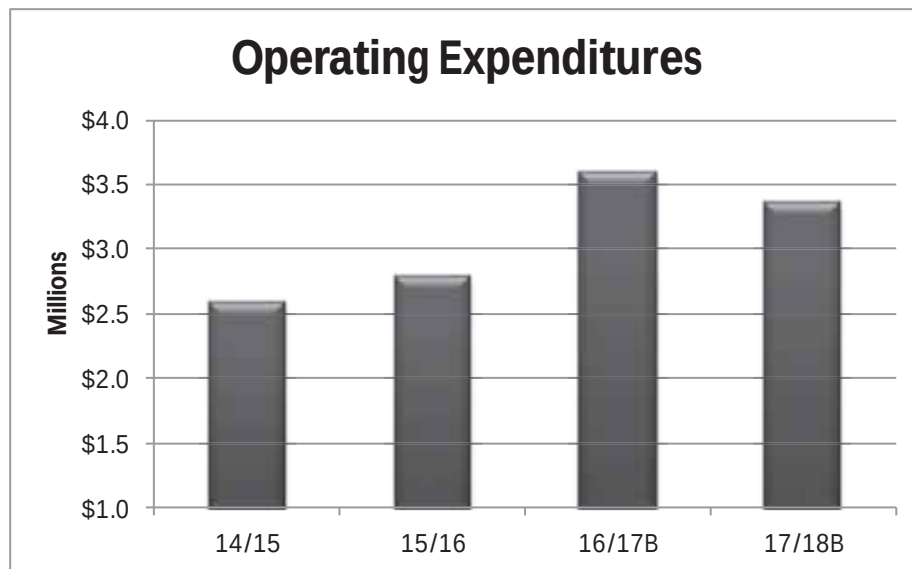
Personnel Services





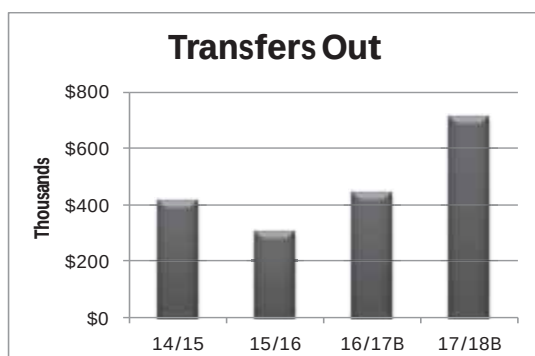
Operating Expenditures

Operating expenditures represent approximately 19.3% of the total General Fund budget. This includes a wide array of expenditures. This category includes all normal day-to-day expenditures (i.e., engineering services, custodial services, repair and maintenance, legal notices, equipment rental and repair, telephone and utility services, legal and accounting services, motor vehicle repair and maintenance, minor equipment, liability insurance, and miscellaneous supplies).



Transfers Out

Transfers Out represent approximately 4% of the total General Fund budget and consist of the following internal transfers:



To Library		181,900
To Airport		105,900
To Rainy Day Fund		50,000
To Grant Capital Project		40,400
To Westerly Dr. Imprv. Debt Service		21,300
Excise Bond Debt Service Fund		128,000
To Water Dept - Loan Repayment		182,500
	\$	710,000



Summary of General Fund Revenues & Expenditures (Operating Only)

General Fund revenues and expenditures (consisting of Operating and Personnel Services) are listed in the following table:

YEAR	REVENUES	PERCENT CHANGE	EXPENDITURES	PERCENT CHANGE	DIFFERENCE
2008/09	12,973,526	-8.9%	12,832,838	-12.5%	140,688
2009/10	11,687,516	-9.9%	12,203,549	-4.9%	(516,033)
2010/11	11,298,741	-3.3%	10,964,437	-10.2%	334,304
2011/12	11,500,661	1.8%	11,695,090	6.7%	(194,429)
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%	14,316,680	11.0%	28,680
2016/17*	14,918,800	4.0%	15,607,200	9.0%	(688,400)
2017/18*	17,330,500	16.2%	17,641,100	13.0%	(310,600)

*Estimated

Economic recovery continues to move at a slow pace. Although state shared revenue and local sales tax are trending up slightly, initial revenue projections indicated that this was still not enough to cover the day to day operations. Many repair / maintenance needs were going to be postponed for yet another year. Prompted by another hefty increase in the cost of public safety retirement obligations, the Town Council decided to raise the local sales tax rate to 3% (previously 2.12%). These additional funds will allow the Town to reduce retirement obligations, establish a rainy day fund, and catch up on personnel and maintenance issues that had been put on hold through numerous budget cycles. The Tourism Department has been directed to continue pursuing every opportunity to expand tourism-related revenues (sales tax & bed tax) by promoting many special events throughout the year. The Economic Development division will continue to work diligently to draw new business to Payson and provide support for current business owners in an effort to positively affect sales tax and building construction revenue. In addition, the Town will continue to evaluate every option for increasing the revenue stream.





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 usually required by statute, ordinance, or federal grant regulation to finance specified activities of the Town.

The Town maintains the following Special Revenue Funds: Highway Users Revenue Fund (HURF), Parks Facilities Improvement Fund, Gifts & Grants Fund, Bed Tax Fund, Police Department of Justice Fund, Police Impound Fee Fund, Library Fund, Airport Fund, Event Center Fund, Contingency Fund and the Medical Insurance Fund. In Fiscal Year 12/13, the Town closed out the Festivals & Events Fund. In Fiscal Year 14/15, the Law Enforcements Property Program Fund was moved to a Fiduciary Fund.

- ♦ **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 such as roads, bridges, curbs, gutters and sidewalks. On November 4, 2014, voters authorized the continuation of the Gila County 1/2 Cent Transportation Excise Tax funds. These monies are also to be used for highway/street purposes so they are recorded within this fund as well.
- ♦ **Gifts & Grants Funds** – This fund is used to track the fund balance for money previously donated to the Town as gifts and grants.
- ♦ **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. In FY10/11, the Town increased the tax from 3% to 5% of each hotel/motel transaction.
- ♦ **Parks Facilities Improvement Fund**—This fund was established in FY14/15 when the Town Council approved the assessment of a \$5 fee that is added to most Parks charges and will be used for improvements to Park facilities.



- ◆ **Police Department of Justice Fund**—This fund accounts for the restricted revenues received from Federal grants, seizures, and Department of Defense. This is money that is distributed to various Police Departments and is restricted for the law enforcement effort.
- ◆ **Police Impound Fee Fund** – During FY16/17, Arizona Revised Statutes 28–3513 established the guidelines allowing the Police Department to charge an administrative fee for impounded vehicles.
- ◆ **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 tracks that revenue and all expenditures related to the library.
- ◆ **Magistrate Court/JCEF Fund** – Judicial Collection Enhancement Fund (JCEF). The State of Arizona established a \$12 penalty fee to be imposed by the local courts, in addition to other fines. Of this fee, \$9 is remitted to the State Superior Court and, \$3 is retained by the local court. The \$3 is to be used for the enhancement of the collection process for penalties and fines.
- ◆ **Magistrate Court/FTG Fund** – Fill The Gap (FTG). 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 for the same purposes that JCEF monies may be used.
- ◆ **Airport Fund** – This fund was established to centralize all expenditures related to the operation of the Town’s municipal airport. It is funded by user fees, grants and an operating transfer from the General Fund.
- ◆ **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. It is funded through user fees, grants and an operating transfer from the Bed Tax Fund.
- ◆ **Contingency Fund** – This fund was established in FY17/18 as a rainy day savings fund.
- ◆ **Medical Insurance Fund** – This fund is a clearing account to receive employee and employer insurance fees and then pay the insurance premium.



>>>> SPECIAL REVENUE FUND—REVENUE <<<<

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

Category	2016/17 Budget	2017/18 Proposed	Increase (Decrease)	Percent Change
Taxes	1,862,800	1,946,400	83,600	4%
Intergovernmental	1,049,200	1,116,400	67,200	6%
Grants	87,500	1,263,200	1,175,700	1344%
Charges for Service	232,200	276,200	44,000	19%
Fines & Forfeitures	17,000	17,000	-	0%
Miscellaneous	2,095,300	1,967,700	(127,600)	-6%
Transfers In	260,700	479,600	218,900	84%
Total Operating Revenues	\$ 5,604,700	\$ 7,066,500	\$ 1,461,800	26%

Taxes, Intergovernmental, and Miscellaneous (mostly health insurance related items) are consistently the major revenues sources in the Special Revenue Funds. These revenues comprise 71.2% of the total 2017/18 Special Revenue Fund revenues.

Airport Grant funding increased from \$85,500 for Fiscal Year 16/17 to \$1,261,200 for this Fiscal Year which represents the majority of the increase in the Grant category.

The increase in **Charges for Service** is primarily due to a projected increase in Event Center revenue. Participation in activities held at this facility continue to increase as promotion of events has expanded to include the greater Phoenix area market.

Transfers In increased significantly. The Airport transfer increased for the grant matching funds required to satisfy the Town's obligation (4%) to this year's project. For the first time in many years, funds are being transferred to the Contingency Fund to start an accumulation of "rainy day" savings. Also, this year, overhead is being treated as a transfer.

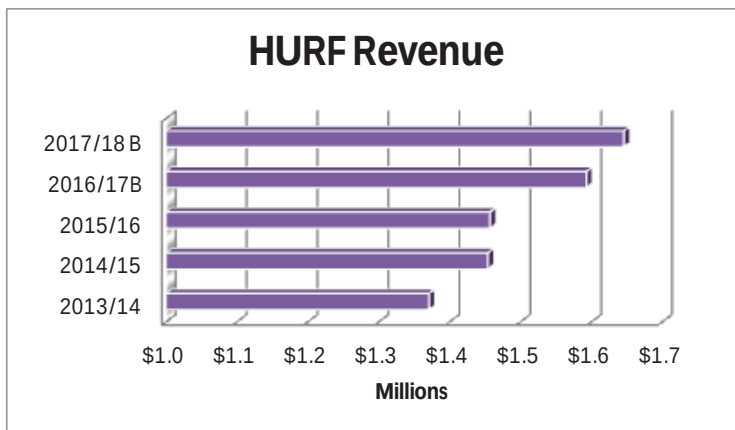


>>>> TAXES <<<<

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

Highway User Gas Tax

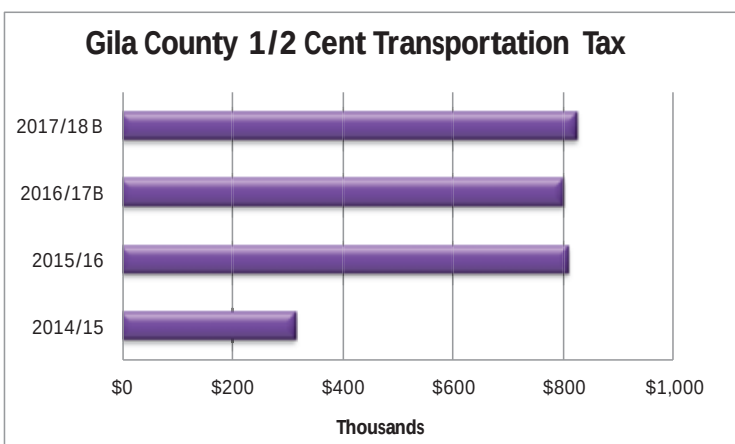
Arizona cities and towns receive a share of the State motor vehicle fuel tax. The distribution formula is based on two separate calculations: the first half is based on an entity's population in relation to the total State population; the second half is based on the County in which the revenues were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



The Arizona Department of Transportation provides the HURF estimate. This revenue is projected to be approximately 7.6% higher than last year's projection. As the economy continues to improve, this revenue is projected to continue to rise.

Gila County 1/2 Cent Transportation Excise Tax

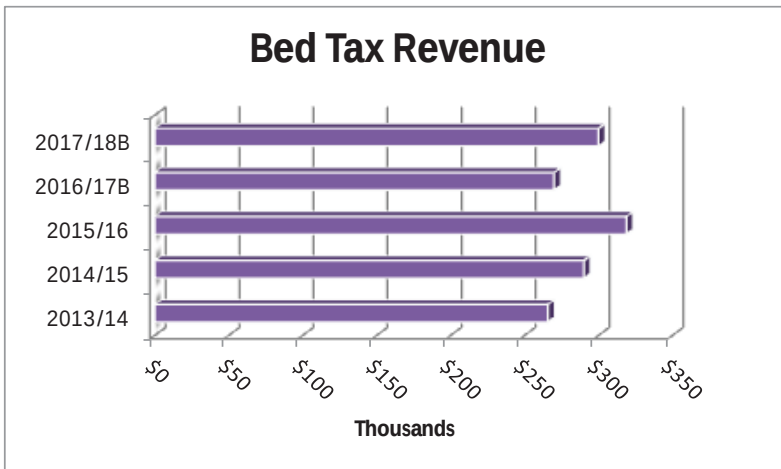
On November 4, 2014, Gila County voters authorized the continuation of the Gila County 1/2 Cent Transportation Excise Tax. All proceeds of the tax are distributed by the AZ Department of Revenue to the County and individual cities and towns within Gila County.



This revenue source has remained very consistent and has been a welcome boost to the Town's funding for streets projects. Like the HURF funding, this revenue is projected to increase as the economy continues to improve.



Bed Tax Originally established in 1985, 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. The current rate is 5% on each transaction.



Continued efforts to promote local events have helped boost this revenue source despite the slow economy. Actual numbers for FY15/16 are well above projections and the initial figures for FY16/17 appear to be trending in the same direction indicating that the budgeted estimate was low.

>>>>> SPECIAL REVENUE FUND—EXPENDITURES <<<<<

The Special Revenue Funds budget for FY2017/18 totals \$7,380,000 and is 19.55% higher than the FY2016/17 budget. The main reason for the increase is the opportunity for a grant-funded airport project.

EXPENDITURE SUMMARY BY FUND—SPECIAL REVENUE FUNDS

FUND	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
HURF Fund	1,621,141	2,373,444	2,998,600	2,715,600
P&R Facility Improvement Fees	-	-	-	62,000
Gifts & Grants Fund	11,528	55,304	-	-
Bed Tax Fund	269,963	248,050	307,900	423,600
Police Dept of Justice	89,244	76,302	40,500	102,300
Library fund	332,904	345,651	378,700	428,300
Airport Fund	989,429	230,496	255,900	1,472,300
Event Center Fund	174,322	171,141	167,500	222,200
Medical Insurance Fund	1,801,964	1,880,294	2,024,000	1,953,700
TOTAL	\$ 5,290,495	\$ 5,380,682	\$ 6,173,100	\$ 7,380,000



EXPENDITURE SUMMARY BY CATEGORY

MAJOR EXPENDITURE	2016/17 BUDGET	2017/18 PROPOSED	INCREASE (DECREASE)	PERCENT CHANGE
Personnel Services	1,636,200	1,750,500	114,300	7.0%
Operating Expenditures	3,149,400	3,122,400	(27,000)	-0.9%
Capital Outlay	1,180,000	2,259,900	1,079,900	91.5%
Transfers Out	207,500	247,200	39,700	19.1%
TOTAL	\$ 6,173,100	\$ 7,380,000	\$ 1,206,900	19.6%

Personnel Services—represents 23.7% 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.

Operating Expenditures—represent 42.3% of the total Special Revenue Funds budget. This category includes a wide array of expenditures including all normal day-to-day expenditures of the programs funded by these restricted funds.

Capital Outlay—represents 30.6% of the Special Revenue Funds total budget. Capital outlay includes all major capital improvements in these restricted funds. This category significantly increased due to a large grant funded project at the Airport.

Transfer Out—represents 3.3% of the total Special Revenue Funds budget. This year's Transfers Out consist of the following internal transfers of funds:

Transfer from Bed Tax Fund to Event Center Fund	100,200
Transfer from Bed Tax Fund to General Fund	147,000
	\$ 247,200



**BUDGET SUMMARY BY FUND
For Special Revenue Funds**

FUND	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed
HURF Fund	1,878,808	2,678,536	2,435,600	2,549,000
Parks & Rec Improvement Fee Fund	15,295	15,055	15,000	15,000
Gifts & Grant Fund	6,679	12,000	12,000	-
Bed Tax Fund	289,988	318,814	270,000	300,000
Police Dept of Justice Fund	62,854	64,570	45,000	68,000
Police Impound Fee	-	-	-	7,000
Library Fund	332,903	345,651	378,700	428,300
Magistrate Court	1,149	1,222	1,000	1,000
Airport Fund	965,263	230,496	255,900	1,472,300
Event Center Fund	174,322	171,142	167,500	222,200
Contingency Fund	-	-	-	50,000
Insurance Fund	1,801,857	1,877,406	2,024,000	1,953,700
Total Revenues	\$ 5,529,118	\$ 5,714,892	\$ 5,604,700	\$ 7,066,500
HURF Fund	1,621,141	2,373,444	2,998,600	2,715,600
P&R Facility Improvement Fees	-	-	-	62,000
Gifts & Grants Fund	11,528	55,304	-	-
Bed Tax Fund	269,963	248,050	307,900	423,600
Police Dept of Justice	89,244	76,302	40,500	102,300
Library fund	332,904	345,651	378,700	428,300
Airport Fund	989,429	230,496	255,900	1,472,300
Event Center Fund	174,322	171,141	167,500	222,200
Insurance Fund	1,801,964	1,880,294	2,024,000	1,953,700
Total Expenditures	\$ 5,290,495	\$ 5,380,682	\$ 6,173,100	\$ 7,380,000



DEBT SERVICE FUNDS

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 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.

2003 Excise Tax Revenue Obligation Series 2003A

The Town has pledged future excise taxes (sales taxes, franchise fees, state shared revenue, etc.) to repay \$860,000 in general obligation bonds issued in 2003. Proceeds of the bonds provided financing for a new public works building. The bonds are payable through 2017. The total principal remaining to be paid on the bonds is \$125,000.

General Obligation Debt Service as of July 1, 2017			
	Excise Tax		
Year	Bonds	Interest	Total
2017	125,000	2,891	127,891
Totals	\$ 125,000	\$ 2,891	\$ 127,891



General Obligation Bonds Project 2003, Series 2004, Westerly Rd Improvement

The Town issued \$875,000 in governmental special assessment bonds to provide financing for improvements in the Westerly Drive Improvement District (District). The bonds are payable solely from special assessments levied against all privately owned lots, pieces and parcels of land lying within the boundaries of the District. The Town owns land within the District and also pays an assessment. The bonds are payable through 2021. The total principal outstanding is \$360,000.

General Obligation Bonds Project 2003, Series 2009, Public Safety—Fire

The Town has pledged special sales taxes to repay \$1,525,000 in governmental general obligation bonds issued in 2009. Proceeds of the bonds provided financing for construction and equipping a new fire station. The bonds are payable solely from special sales taxes and are payable through 2019. Total principal outstanding is \$950,000.

Revenue Backed Debt Service as of July 1, 2017		
	(Principal Only)	
	Westerly Rd	
	Improvement	Fire
Year	District	Bonds
2017	65,000	305,000
2018	70,000	320,000
2019	70,000	325,000
2020	75,000	
2021	80,000	
	\$ 360,000	\$ 950,000
General Town of Payson Debt		
		\$ 1,310,000



WATER ENTERPRISE REVENUE BACKED DEBT

The Town has pledged net revenues from the operation of the Water System to repay loans used to provide financing to pay the costs of making improvements, extensions, renewals, replacements and repairs to the pipeline infrastructure from C.C. Cragin Reservoir to Payson.

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 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 \$4,177,808. The total principal outstanding is \$2,750,849.

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. The total principal outstanding is \$5,259,898 as of July 1, 2017.

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. As of July 1, 2017, the total principal outstanding is \$9,749,899.

WIFA 2016 Loan 4

In 2016, the Water Division obtained another loan from WIFA. The amount of the loan was \$11,000,000 with \$1,000,000 forgivable. As of July 1, 2017, the Town has made one draw of \$1,128,011 of which \$1,000,000 was forgiven leaving an outstanding principal balance of \$128,011.

WIFA 2017 Loan 5

In 2017, the Water Division obtained the final WIFA loan. The amount of the loan was \$11,000,000 with \$1,000,000 forgivable. No funds have been drawn on this loan and no payments are due until funds are drawn.



WATER ENTERPRISE DEBT

Revenue Backed Debt Service as of July 1, 2017 (Principal Only)						
Water Enterprise Debt						
Year	WIFA Loan 1b	WIFA Loan 2	WIFA Loan 3	WIFA Loan 4	WIFA Loan 5	Total
2017	177,408	265,091	255,603	247,078	229,962	1,175,142
2018	182,537	272,514	261,226	252,711	235,573	1,204,561
2019	187,815	280,144	266,973	258,473	241,321	1,234,726
2020	193,244	287,988	272,847	264,366	247,210	1,265,655
2021	198,831	296,052	278,849	270,394	253,242	1,297,368
2022	204,579	304,342	284,984	276,559	259,421	1,329,885
2023	210,494	312,863	291,254	282,864	265,751	1,363,226
2024	216,579	321,623	297,661	289,314	272,235	1,397,412
2025	222,840	330,629	304,210	295,910	278,877	1,432,466
2026	229,282	339,886	310,902	302,657	285,682	1,468,409
2027	235,911	349,403	317,742	309,557	292,653	1,505,266
2028	242,731	359,187	324,732	316,615	299,793	1,543,058
2029	248,598	369,244	331,877	323,834	307,108	1,580,661
2030	-	379,583	339,178	331,218	314,602	1,364,581
2031	-	390,211	346,640	338,769	322,278	1,397,898
2032	-	401,138	354,266	346,493	330,142	1,432,039
2033	-	-	362,060	354,393	338,197	1,054,650
2034	-	-	370,025	36,274	346,449	752,748
2035	-	-	378,166	370,738	354,902	1,103,806
2036	-	-	386,485	379,191	363,562	1,129,238
2037	-	-	394,988	387,836	372,433	1,155,257
2038	-	-	403,678	396,679	381,520	1,181,877
2039	-	-	412,559	405,723	390,829	1,209,111
2040	-	-	421,635	44,974	400,366	866,975
2041	-	-	430,911	424,435	410,135	1,265,481
2042	-	-	440,391	434,112	420,142	1,294,645
2043	-	-	450,079	444,010	430,393	1,324,482
2044	-	-	459,981	454,133	440,895	1,355,009
2045	-	-	-	464,488	451,653	916,141
2046	-	-	-	-	462,673	462,673
	\$ 2,750,849	\$ 5,259,898	\$ 9,749,899	\$ 9,303,798	\$ 9,999,999	\$ 37,064,443
Total Enterprise Debt						\$ 37,064,443



CONTRACT/LEASE DEBT

The Town has incurred debt through equipment lease/purchase agreements.

2015 Equipment Lease/Purchase

This lease/purchase began in 2015 for ball field lights for the Parks & Rec 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, 2017, there is \$354,383 principal outstanding.

This lease/purchase began in 2015 for field turf for the Parks & Rec 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, 2017, there is \$236,994 principal outstanding.

This lease/purchase began in 2015 for a sweeper and backhoe loader for the Streets Division. The lease term is August 2015 to August 2020. The original amount of the lease/purchase was \$345,406 plus interest. As of July 1, 2017, there is \$245,810 principal outstanding.

2014 Equipment Lease/Purchase

This lease/purchase began in 2014 for a mower for Parks Maintenance. The lease term is August 2014 to March 2018. The original amount of the lease/purchase was \$52,801 plus interest. As of July 1, 2017, there is \$13,955 principal outstanding.

Total Contract / Lease Debt Service as of July 1, 2017 (Principal Only)					
					Total
Year	Ballfield Lights	Field Turf	Sweeper/ BackhoeLoader	Mower Lease/Purchase	Contract/Lease Debt
2017	32,055	44,970	68,278	13,954	159,257
2018	33,678	46,153	69,823	1	149,655
2019	35,383	47,367	71,403		154,153
2020	37,175	48,613	36,305		122,093
2021	39,057	49,891			88,949
2022	41,035				41,035
2023	43,113				43,113
2024	45,296				45,296
2025	47,590				47,590
TOTAL	\$ 354,383	\$ 236,994	\$ 245,810	\$ 13,955	\$ 851,142



INTER-FUND DEBT

In Fiscal Year 2010/2011, the Town took a loan from the Water Enterprise fund of \$1,000,000. The repayment terms are principal payments of \$100,000 and interest of \$17,262 per year. Due to the economic downturn and slow recovery, the Town has not been able to make the principal payments until fiscal year 2016/17. Interest has been paid each year. Unpaid principal amounts are being added to the end of the loan period, extending the term of the loan. As of July 1, 2017, there is \$950,000 in principal outstanding but the Council has made repayment of this loan a priority and future budgets will include large principal payments to pay off this loan.

LEGAL DEBT MARGIN

With the consent of the citizens, the Town may be indebted up to 6% of the net secondary assessed value of the property within the Town for general purposes and up to 20% of the net assessed value for the purposes of water, sewer, light, parks, open space, recreation facilities, public safety, public safety facilities, streets and transportation facilities.

Net Secondary Assessed Valuation	\$ 172,579,944
Water, Sewer, Light, Parks, Open Space and Recreational Facility Bonds	
Debt limit - 20% of secondary net assessed valuation	34,515,989
Net debt applicable to limit	-
20% legal debt margin	\$ 34,515,989
All other general obligation bonds	
Debt limit - 6% of secondary net assessed valuation	10,354,797
Net debt applicable to limit	645,000
6% legal debt margin	\$ 9,709,797
Total Legal Debt Margin	\$ 44,225,785



CAPITAL PROJECT FUNDS

Expenditures for acquiring or improving capital assets or for installation or improvement of infrastructure are classified as capital projects. Capital projects are broken into the categories of land, buildings, land & building improvements and equipment.

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

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

Park Development Fund – This fund was established for Park Development Impact Fees. The use of these fees is restricted by ordinance to capital expenditures. This fund was closed in FY15/16.

Green Valley Redevelopment Fund – The Town Council adopted the Green Valley Redevelopment Area Plan (Plan). The purpose of the Plan is to identify and direct specific actions, which will assist in the return of the Main Street area as a functional contributor to the Payson economy and the social well being of our residents.

Central Arizona Project Trust Fund – In 1994, the Town entered into an agreement to assign the Town's Central Arizona Project Water (CAP) allocations in exchange for \$4,218,797 that was placed in a trust fund. The Water Trust Fund monies are to be used only for the purposes of defraying the expenditures associated with investigating, planning, designing, constructing, acquiring, and/or developing an alternative water supply to replace the CAP water assigned.

Public Safety Development Fund—This fund was established for Public Safety Development Impact fees. The use of these fees is restricted by ordinance to capital expenditures. This fund was closed in FY15/16.

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.

Bonita Street Improvement Construction—This fund was established to account for the construction costs of the Bonita Street Improvement Project.



Timber Ridge Improvement District Fund—This fund was established due to the possibility of an improvement district being formed to begin development of the site.

American Gulch Improvement District Fund – This fund was established due to the possibility of an improvement district being formed to begin development of the site.

. . . CAPITAL IMPROVEMENTS . . .

The Capital Improvements portion of the budget includes costs to construct repairs or improvements to the Town's long-term capital plant or equipment assets. Capital Improvements include the construction of new or significant repairs to streets, parks, buildings or other facilities that are not classified as "on-going" expenditures. Capital improvements do not include the on-going costs to maintain or operate a facility or assets. These costs are expensed in the operating budget. Many capital improvement expenditures are basically one-time in nature and replacement may not be required for 25–75 years depending on the improvement.

. . . CAPITAL IMPROVEMENT PLAN . . .

The Capital Improvements Plan (CIP) is a planning process identifying investments the Town intends to make in capital improvements over a period of time. Capital improvements include the facilities, infrastructure and materials needed to perform the jurisdiction's function, and to produce and deliver the services expected of it. Generally, Capital Improvements are a structure, improvement, pieces of equipment or other major assets having a useful life of at least five years. Capital Improvements are provided by or for public purposes and services.

While a CIP does not cover routine maintenance, it does include renovation, major repair or reconstruction of damaged or deteriorating facilities or infrastructure systems. While Capital Facilities do not usually include furniture and equipment, a Capital Project may include the furniture and equipment clearly associated with a newly constructed or renovated 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 Budget as part of the Capital Budget. Additional information about the Capital Improvement Plan can be found in the Planning & Performance section of this book.



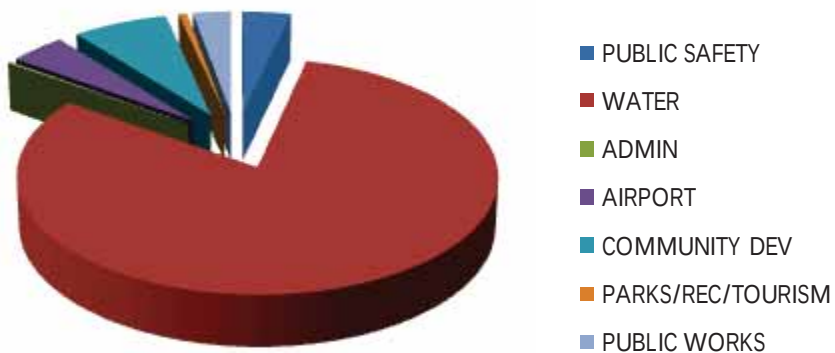
2017 / 2018 Proposed CAPITAL Projects

		<u>PROJECT</u>			<u>ESTIMATED COST</u>
PUBLIC WORKS - STREETS					
	202	Equipment			317,000
	202	Pavement Preservation			500,000
	202	Bonita Street Reconstruction			60,000
					\$ 877,000
FIRE					
	403	Fire Truck Grant			847,800
					\$ 847,800
WATER					
	460	Environmental Project			128,271
	661	Machinery & Equipment			100,000
	661	Wells			75,000
	661	Radon Removal Study			45,000
	661	Water Line			250,000
	661	Pumps for Wells			75,000
	661	Computer Equipment			30,000
	661	Chlorine Generator			35,000
	661	Service Truck			52,000
	661	Surge Tank			45,000
	661	Pressure Blowoff Valves			20,000
	661	Tank Mixing System			50,000
	661	CC Cragin Pipeline			24,000,000
					\$ 24,905,271
POLICE					
	101	Vehicles			49,000
	101	LE Crisis Team Equipment			28,000
	215	Defense 1033 - LE Vehicle			23,300
	403	HSG Radio Program			20,700
	403	GOHS Law Enf Grant			36,500
	425	CAD Communications Equipment			114,500
					\$ 272,000
ADMINISTRATION					
	101	Computer Equipment			80,000
					\$ 80,000

2017 / 2018 Proposed CAPITAL Projects

PROJECT				ESTIMATED COST
PARKS & REC				
101	GV Park Improvements			71,000
101	Vehicle			32,000
101	Master Plan			50,000
206	Basketball Court Replacement			40,000
				\$ 193,000
COMMUNITY DEVELOPMENT				
429	American Gulch Improvements			150,000
434	Timber Ridge Improvement District			2,060,000
				\$ 2,210,000
AIRPORT				
260	Equipment			5,800
260	Ramp Repair A&D / Fence			1,313,800
				\$ 1,319,600
TOTAL				\$ 30,704,671

PROPOSED CAPITAL PROJECTS BY DEPARTMENT FISCAL YEAR 2017/2018





CAPITAL PROJECT DETAIL BY ACCOUNTING

			2014/15	2015/16	2016/17	2017/18
			ACTUAL	ACTUAL	BUDGET	PROPOSED
101-5-1408-00-8004	Capital Equipment		25,091	48,309	20,000	50,000
101-5-2408-01-8004	Machinery & Equipment		51,290	-	-	30,000
101-5-2421-02-8003	Vehicle		-	-	-	49,000
101-5-2421-02-8536	LE Crisis Team Equipment		-	-	-	28,000
101-5-2426-01-8409	e-PCR		19,448	-	-	-
101-5-3442-01-8779	Rumsey Park Improvements		-	734,015	-	-
101-5-3442-01-8780	GV Park Improvements		-	-	-	71,000
101-5-4460-00-8003	Vehicle		-	-	-	32,000
101-5-4460-00-8781	Master Plan		-	-	-	50,000
202-5-3442-00-8004	Equipment		56,574	345,406	225,000	317,000
202-5-3442-00-8713	Pavement Preservation		33,122	252,727	500,000	500,000
202-5-3442-00-8737	Green Valley Parking Lot Ph 1		-	32,491	-	-
202-5-3442-00-8742	Bonita Street Reconstruction		25,657	-	-	60,000
202-5-3442-00-8743	Manzanita Drive Constr		-	110,341	340,000	-
206-5-4460-00-8783	Basketball Court Replacement		-	-	-	40,000
214-5-1410-00-8521	Machinery & Equipment		12,891	-	-	-
215-5-2421-02-8510	Defense 1033 - LE Vehicle		72,830	68,050	20,000	23,300
260-5-4445-00-8509	Equipment		7,350	-	-	5,800
260-5-4445-00-8813	Echo Ramp Expansion & Taxiway		396,453	-	-	-
260-5-4445-00-8814	Ramp Repair A&D/Fence		-	-	-	1,313,800
260-5-4445-00-8820	Boundary Fence		-	-	95,000	-
260-5-4445-00-8821	Runway 24 Run up Apron		409,533	-	-	-
260-5-4445-00-8823	Infield Drainage		5,870	96,901	-	-
265-5-4465-00-8000	Buildings		28,875	-	-	-
265-5-4465-00-8004	Equipment		-	55,174	-	-
403-5-2412-01-8772	Law Enforce-HSG Radio Prog		-	15,471	36,500	20,700
403-5-2412-01-8773	SHSGP Mobile Repeaters		32,020	-	-	-
403-5-2412-01-8774	SHSGP Radios/Headsets		-	-	44,500	-
403-5-2421-01-8762	Law Enf-GOHS Grant		-	-	34,300	36,500
403-5-2426-03-8758	Miscellaneous Fire Grants		-	-	-	847,800
403-5-2426-03-8771	AFG SCBA Grant		-	-	334,300	-

This schedule does not reflect CDBG Housing grants.



CAPITAL PROJECT DETAIL BY ACCOUNTING

			2014/15	2015/16	2016/17	2017/18
			ACTUAL	ACTUAL	BUDGET	PROPOSED
408-5-4463-00-8782	Pickle Ball Court		47,125	-	-	-
409-5-2421-01-8772	LE - Radio Program		47,595	-	-	-
417-5-6428-01-8785	Main Street Improvements		34,060	-	-	-
425-5-2421-16-8407	CAD Police/Fire Comm Eq		7,645	35,644	141,000	114,500
429-5-3442-00-8738	American Gulch Improvement		-	-	-	150,000
434-5-3442-00-8742	Timber Ridge ID		-	-	2,060,000	2,060,000
460-5-5451-00-8594	Environmental Project		-	113,461	225,000	128,271
661-5-5451-08-8002	Machinery & Equipment		8,000	31,203	-	100,000
661-5-5451-08-8007	Wells		-	-	75,000	75,000
661-5-5451-08-8009	Waterlines		107,426	49,297	780,000	250,000
661-5-5451-08-8313	Radon Removal Engineer Stdy		-	-	45,000	45,000
661-5-5451-08-8524	Computer Equipment		5,435	7,110	19,000	30,000
661-5-5451-08-8528	Service Truck		35,614	28,906	100,000	52,000
661-5-5451-08-8529	SCADA Equip-Wells/Tanks		16,199	-	20,000	-
661-5-5451-08-8530	Surge Tank		-	6,810	60,000	45,000
661-5-5451-08-8581	Chlorine Generator		-	-	35,000	35,000
661-5-5451-08-8582	Pressure Blowoff Valves		-	-	20,000	20,000
661-5-5451-08-8587	Security Gate Installation		-	7,559	-	-
661-5-5451-08-8589	Fish Fence Project		11,168	-	-	-
661-5-5451-08-8793	Tank Mixing System		-	-	50,000	50,000
661-5-5451-08-8794	Pumps for Wells		-	34,608	72,000	75,000
661-5-5451-20-8010	CC Cragin Pipeline (SRP)		289,172	783,805	500,000	500,000
661-5-5451-20-8600	CCC Pipeline Constr		621,761	7,502,677	16,600,000	23,500,000
TOTAL CAPITAL PROJECTS			\$ 2,408,205	\$ 10,359,965	\$ 22,451,600	\$ 30,704,671

This schedule does not reflect CDBG Housing grants.

C.C. CRAGIN WATER PROJECT

The Water Source for Payson's Future



PROJECT DESCRIPTION

The Town of Payson has approved a partnership with the Salt River Project for the use of water in Payson from the C.C. Cragin (formerly Blue Ridge) Reservoir. The Town is in the process of constructing a 14.5 mile pipeline along East Houston Mesa Road from Washington Park to Payson. A water treatment facility is being constructed at a location near Payson.

Communities adjacent to this pipeline may wish to connect to the pipeline for use of C.C. Cragin water. Additionally, communities near Payson may wish to partner with the Town of Payson for the delivery of treated water from a Town of Payson water treatment plant. Payson has entered into an agreement for treatment and delivery of this new water source to one of the communities.

PURPOSE and NEED

The Town of Payson currently relies solely on groundwater as its source of drinking water. In keeping with the Town's policy of maintaining a long-term sustainable water supply, the addition of a surface water source is an important component towards meeting that objective. Though existing groundwater resources are sufficient for the foreseeable future, a new surface water source from C.C. Cragin will insure that adequate water supplies are available to our customers, including Payson's future build out population.



C.C. CRAGIN WATER PROJECT

The Water Source for Payson's Future

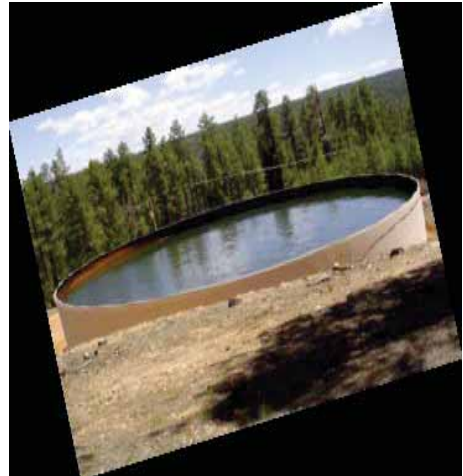
How is the Project Progressing?

- » Phase 2 Penstock (the 2nd 9 miles of raw water penstock) is under construction and scheduled for completion in September 2017
- » ASR well program is in process—the first of six ASR wells is complete and two more are currently in construction
- » SCADA upgrades are at 80% completion
- » Two communication towers were constructed
- » The treatment plant construction contractor has been hired under a Construction Management At Risk (CMAR) process. Construction is in progress and scheduled for completion in July 2018.
- » The hydroelectric generator manufacturing contract has been awarded and is currently under fabrication.

All of the necessary funding for this project has been secured through the Bureau of Reclamation Rural Water Fund and the Water Infrastructure Financing Authority of Arizona.

When Will the Water be Delivered?

Completion of the project is planned for 2018. At that time, a renewable surface water supply will become an integral and essential part of Payson's water resource portfolio.



A brochure and video detailing the C.C. Cragin Project are available on Town of Payson—Water Department website at www.paysonwater.com

C.C. CRAGIN PROJECT HISTORY & TIMELINE

1962- 1965

- * Phelps- Dodge built the "Blue Ridge Project" Dam to capture and exchange water for the Morenci Copper Mine
- * Special Use Permit was issued by the U.S. Forest Service
- * Planned 11- mile tunnel to the East Verde River was abandoned after 4400' due to mud and caving conditions. Project altered to include:
 - * Pumping station (which has seven pumps & one submersible priming pump)
 - * 11 miles of pipeline
 - * Priming reservoir (two- million gallons)
 - * Powerhouse / Generating Station at Washington Park
 - * Power lines (APS added in a 2nd power line & agreed to maintain both)

2005

- * Acquired by SRP to provide water for SRP water users, No. Gila County & others
- * Ownership transferred to U.S. Bureau of Reclamation (SRP became the contract operator)
- * Town acquires 3,000 acre feet rights to C.C.Cragin water

2006- Current

- * Dam inspection by U.S Bureau of Reclamation
- * Electrical wiring updated (pump &/or powerhouse)
- * Mechanical relays were replaced with digital versions
- * Twenty- two above ground sections of pipeline on top of and below Mogollon Rim have been repaired or replaced between the dam and the power generating station
- * U.S. Forest Service / U.S. Bureau of Reclamation jurisdictional issues have been resolved

PAYSON C.C. CRAGIN PROJECT TIMELINE

2011- 2015

- * Ductile iron pipe purchased
- * Obtained a Special Use Permit from the National Forest Service to construct the water project on Tonto National Forest
- * Tailrace connection completed & water moved through system into the East Verde River
- * Power and phone line installed for monitoring
- * Six projects of pipeline installed within the Town of Payson, and two projects outside of town on East Houston Mesa Road
- * Executed a contract with Payson Water Company for water service to Mesa Del Caballo
- * Hydro Electric Generator & Water Treatment Plant Design
- * Raw Water Design
- * Finalizing land purchase for new Water Treatment Plant
- * In negotiations with the Federal Government for water service to the Tonto Apache Reservation Aquifer Storage & Recovery (ASR) Project
- * Construction planned for pipeline project line "A" on North Beeline Highway

What's Next?

- * 2015- 2016 Construction of 3- 5 ASR Wells
- * 2015- 2016 Construction of the Raw Water pipeline
- * 2016- 2017 Construction of the Hydro Electric Plant
- * 2017- 2018 Construction of the Water Treatment Plant
- * 2017- 2018 Construction planned for pipeline project Line "F" along East Highway 260



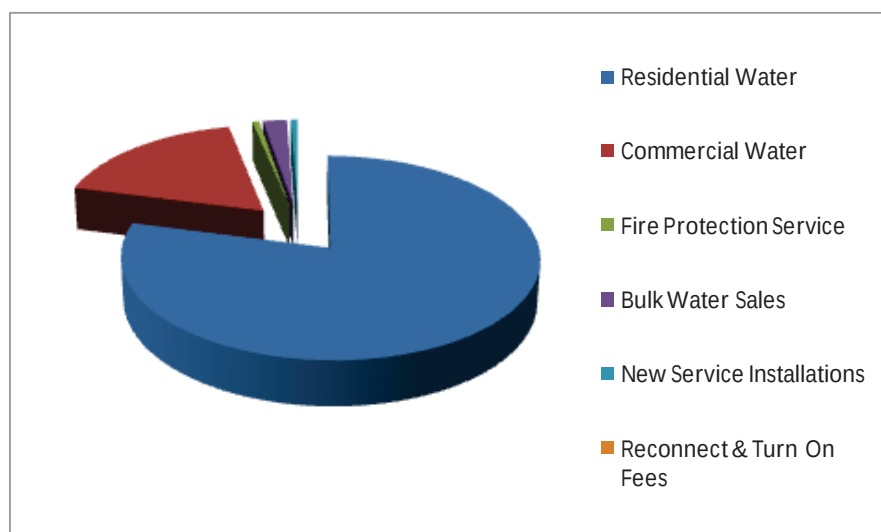
ENTERPRISE FUNDS

The Water Fund is the Town's only Enterprise Fund. User fees and other charges for service are the primary sources of revenue. These are used for operations, maintenance and improvement of the Town's Water System as well as developing new water sources. 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.

Previously, the Town also maintained the C.C.Cragin Development Fund but, in Fiscal Year 2013/14, this enterprise fund was eliminated. C.C. Cragin activity is now being reported in a sub-category within the Water Fund. This activity relates to the construction of a water pipeline that will provide a renewable surface water supply which will become an integral and essential part of Payson's water resources portfolio.

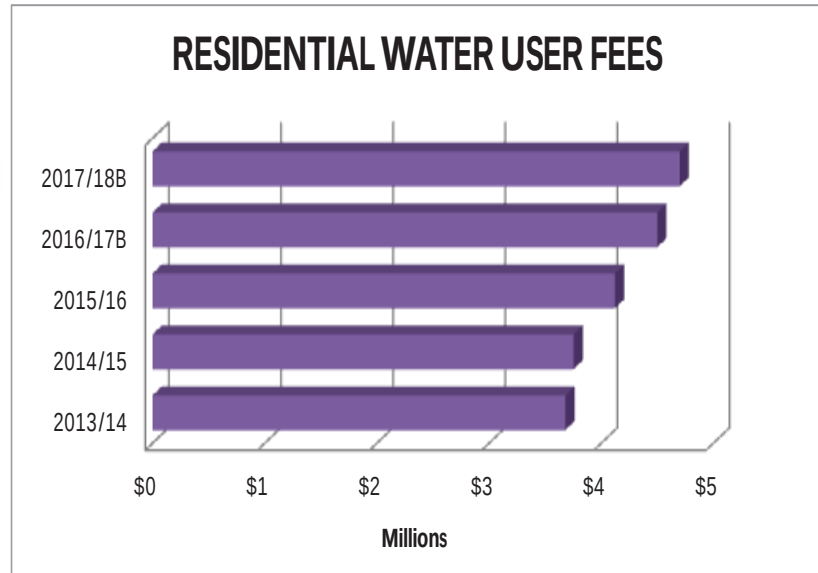
Debt services proceeds are also reflected within the enterprise fund. This funding from Water Infrastructure Financing Authority (WIFA) loans is a key element in the continuation of the C.C. Cragin Pipeline project. Details regarding these loans can be found in the Capital Projects Section of this document.

WATER DEPARTMENT PROJECTED REVENUE CHARGES FOR SERVICE FOR FY2017/18

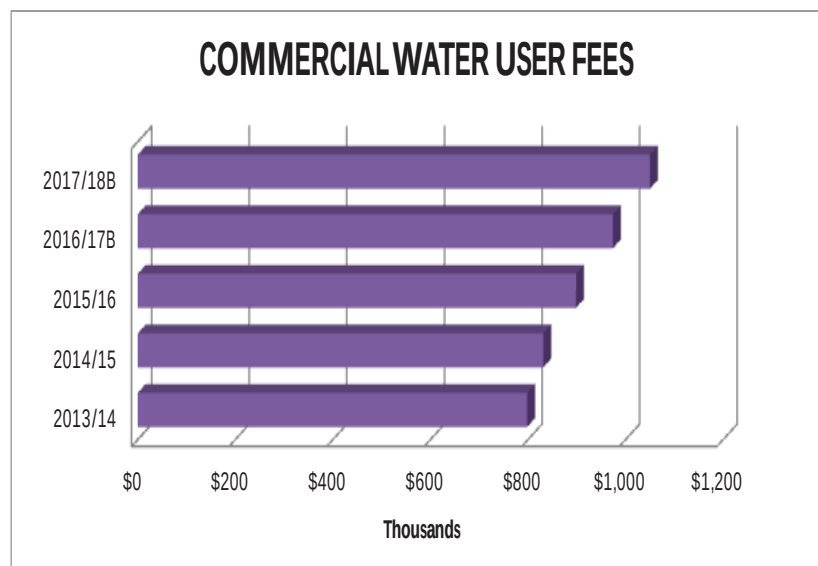




Residential Water User Fees represents 79% of the Water Division's total charges for service. Water usage revenue is conservatively budgeted assuming a slight growth in population. A rate increase occurred in October 2017 and another rate increase will occur in October 2018.



Commercial Water User Fees represent 17.6% of the Water Division's total charges for service. The Town has seen a growth in new business and this increase was taken into consideration when projecting future revenues. The October rate increase also impact this revenue category.



The remaining 3.4% of the Water Division's charges for service are made up of fire protection service fees, bulk water sales, new service installation fees, illegal turn on, reconnect & turn on fees, and facilities recapture fees.



Details regarding Water Division expenditures can be found in the Expenditure Information—Department Detail section of this book.

***REVENUE
INFORMATION***



>>>REVENUE SUMMARY BY FUND<<<

Total revenues for 2017/18 are estimated at

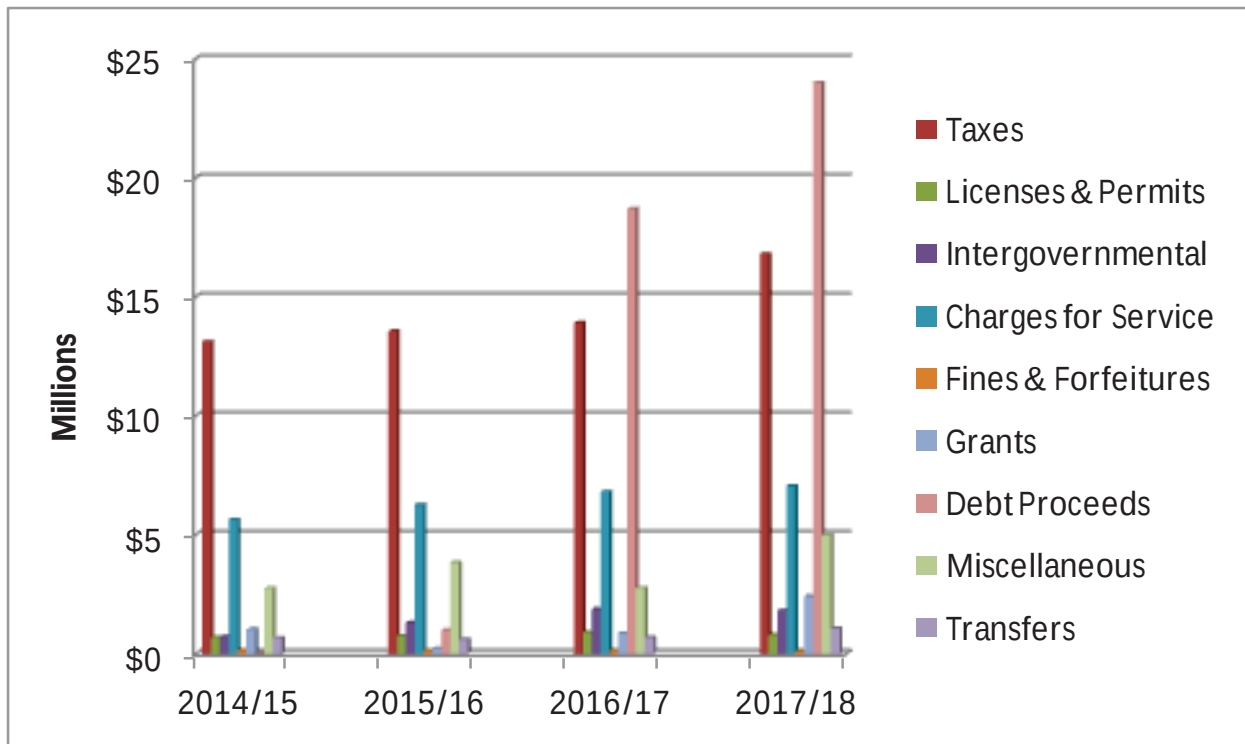
\$59,032,400

Fund	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed
General Fund	13,270,969	14,345,360	14,918,800	17,330,500
HURF Fund	1,878,808	2,678,536	2,435,600	2,549,000
Parks & Rec Improvement Fee Fund	15,295	15,055	15,000	15,000
Gifts & Grant Fund	6,679	12,000	12,000	-
Bed Tax Fund	289,988	318,814	270,000	300,000
Police Dept of Justice Fund	62,854	64,570	45,000	68,000
Police Impound Fee Fund	-	-	-	7,000
Library Fund	332,903	345,651	378,700	428,300
Magistrate Court	1,149	1,222	1,000	1,000
Airport Fund	965,263	230,496	255,900	1,472,300
Event Center Fund	174,322	171,142	167,500	222,200
Contingency Fund	-	-	-	50,000
Medical Insurance Fund	1,801,857	1,877,406	2,024,000	1,953,700
Grant Capital Projects Fund	113,030	89,016	667,100	1,105,000
Park Development Fund	323	-	-	-
Public Safety Development Fund	6,289	-	-	-
American Gulch Improvement District Fund	-	-	-	150,000
Timber Ridge I.D.	-	-	2,100,000	2,100,000
Central Arizona Project Trust Fund	-	5	-	-
General Debt Service	145,087	105,749	52,900	-
Westerly Rd Improvement Fund	83,663	85,500	82,300	78,900
Excise Tax Obligation Debt Service Fund	124,963	134,242	132,000	128,000
General Obligation Bonds Fund	372,509	393,429	370,000	370,000
Timber Ridge ID Debt Service	-	-	40,000	40,000
Water Funds	5,128,836	6,807,670	22,657,100	30,663,500
Total Revenues All Funds	\$ 24,774,787	\$ 27,675,863	\$ 46,624,900	\$ 59,032,400



>>>REVENUE SUMMARY BY CATEGORY<<<

Category	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed
Taxes	13,106,702	13,567,221	13,911,200	16,797,400
Licenses & Permits	702,278	750,637	896,500	788,500
Intergovernmental	716,622	1,305,797	1,874,700	1,814,900
Charges for Service	5,640,538	6,254,147	6,801,200	7,044,800
Fines & Forfeitures	141,979	127,648	127,000	107,000
Grants	1,035,020	236,718	867,000	2,419,400
Debt Proceeds	-	1,000,000	18,700,000	24,000,000
Miscellaneous	2,755,541	3,831,122	2,763,000	4,991,100
Transfers	676,107	602,573	684,300	1,069,300
Total Operating Revenues	\$ 24,774,787	\$ 27,675,863	\$ 46,624,900	\$ 59,032,400





REVENUE DETAIL

Account	Revenue Source	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed
<u>NON-RESTRICTED GENERAL FUND REVENUES</u>					
	<u>Taxes</u>				
101-4-1300-110	Sales Tax - State Shared	1,398,339	1,443,371	1,445,300	1,459,000
101-4-1300-120	Income Tax - State Shared	1,852,281	1,842,238	1,878,500	1,926,000
101-4-1300-130	Vehicle License Tax - Auto Lieu	874,316	917,957	982,100	1,071,000
101-4-1300-310	Sales Tax - Town	6,208,485	6,557,158	6,700,000	9,350,000
101-4-1300-330	Property Tax Levy	647,063	634,475	662,500	670,000
101-4-1300-335	Property Tax Levy - PY	9,836	2,645	10,000	5,000
	Taxes	10,990,320	11,397,844	11,678,400	14,481,000
	<u>Licenses & Permits</u>				
101-4-4300-371	Franchise Fees - Electricity	245,855	247,948	251,500	253,000
101-4-4300-372	Franchise Fees - Gas	49,931	58,260	55,000	55,000
101-4-4300-373	Franchise Fees - Cable TV	68,278	74,205	72,500	72,000
101-4-4300-410	Business License	70,745	71,482	71,000	72,000
101-4-4300-715	Liquor License Fees	1,900	550	1,500	1,500
101-4-4328-410	Building Permits	242,237	278,696	425,000	330,000
101-4-4328-420	ROW Permits	9,458	5,697	5,000	5,000
101-4-4372-410	Animal Control Licenses	13,874	13,799	15,000	-
	Licenses & Permits	702,278	750,637	896,500	788,500
	<u>Intergovernmental</u>				
101-4-2300-989	Tonto Apache Tribe-Prop 202	23,423	24,342	12,000	20,000
101-4-2300-990	Misc Intergovernmental Revenue	961	26,341	21,700	55,000
101-4-2318-110	DOJ Victims Rights Grant	15,818	17,191	21,600	21,600
101-4-2324-120	Law Enf - School Resource	61,452	61,452	61,000	122,000
101-4-2324-130	Gila County Intergovernmental	-	-	658,500	298,500
101-4-2324-140	LE Property Prog Adm Fee	17,947	19,637	10,000	25,000
101-4-2324-248	GOHS Traffic	11,359	-	-	25,000
101-4-2324-253	2016 Step & Radar	-	5,377	7,000	10,000
101-4-2324-254	GOHS 2016 PBTs	-	1,770	-	-
101-4-2324-255	3016-17 Bullet Proof Vest	-	-	6,000	5,000
101-4-2326-270	Fire-SAFER Grant	91,820	-	-	-
101-4-2326-280	Fire Hazardous Fuels Grant	-	-	67,500	-
101-4-2326-767	Police Misc Intgvt Revenue	3,712	3,936	3,000	3,000
101-4-2327-750	Fire-Wildlands/Urban	6,714	102,816	73,000	100,000
101-4-2328-110	REDE Grant	-	-	22,500	50,000
101-4-2328-111	AZCEI Grant	-	-	-	20,000
	Intergovernmental	233,206	262,862	963,800	755,100



REVENUE DETAIL

Account	Revenue Source	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed
	<u>Charges for Services</u>				
101-4-5316-520	Prosecution Fees	35,649	31,928	35,000	30,000
101-4-5316-521	Deferred Prosecution Fees	13,369	12,090	14,000	15,000
101-4-5323-926	Clean & Lien	1,134	9,766	-	2,500
101-4-5324-710	Law Enf - Police Reports	3,946	2,642	4,000	2,600
101-4-5324-765	Law Enf - Vehicle Storage	210	-	2,500	-
101-4-5326-710	Fire Code Plan Review	4,403	7,002	5,000	6,000
101-4-5326-750	Fire Svc Agreement Fees	287,498	321,456	380,000	400,000
101-4-5326-757	Fire Svc Fees - Training	4,350	9,630	15,000	5,000
101-4-5326-758	Fire Svc Fees-Cost Recovery	883	6,400	1,000	1,000
101-4-5326-760	Police Service Fee-Cost Recovery	14,743	3,772	7,500	5,000
101-4-5326-765	Police - Tribe Dispatch Services	-	-	51,000	41,000
101-4-5328-710	Plan Review Fees	136,263	140,350	225,000	150,000
101-4-5328-720	Zoning & Subdivision Fees	37,974	49,418	30,000	25,000
101-4-5328-730	Building - Spec Inspections	7,630	7,970	10,000	7,500
101-4-5341-710	Engineering - Review Fees	7,787	7,408	20,000	10,000
101-4-5363-710	Ramada & Ballfield Fees	10,194	9,676	12,000	12,000
101-4-5364-700	Event Revenue	22,796	20,307	25,000	22,000
101-4-5367-710	Recreation Program Fees	62,886	63,733	63,000	70,000
101-4-5367-715	Outdoor Rec Programming	480	160	500	500
101-4-5369-710	Swimming Pool Fees	13,758	19,373	25,000	15,000
101-4-5369-910	Concessions	1,650	2,587	2,000	2,500
	Charges for Services	667,603	725,668	927,500	822,600
	<u>Fines & Forfeitures</u>				
101-4-3316-510	Court Fines & Fees	122,863	110,837	110,000	90,000
	Fines & Forfeitures	122,863	110,837	110,000	90,000
	<u>Miscellaneous</u>				
101-4-6323-920	Contributions - Volunteer Police	-	50	100	200
101-4-6324-920	Donations - Police	-	228	500	-
101-4-6325-923	Guardian Angel Donations	-	625	300	600
101-4-6326-920	Donations - Fire	-	-	500	-
101-4-6367-920	Donations - Parks & Rec	-	250	-	5,000
101-4-9300-855	Debt Proceeds Capital Leases	-	734,015	-	-
101-4-9300-910	Interest Earnings	1,485	4,674	5,000	7,500
101-4-9300-970	Insurance Recoveries	17,214	2,829	5,000	2,500
101-4-9300-971	Risk Insurance	128,371	-	-	-
101-4-9300-980	Overhead	250,000	154,400	154,400	-
101-4-9300-990	Other Revenue	6,724	(2,335)	5,000	1,000



REVENUE DETAIL

Account	Revenue Source	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed
101-4-9300-992	Sale of Capital Assets	-	9,444	-	-
101-4-9300-993	Facilities Lease Fees	11,220	12,062	11,300	11,500
101-4-9300-996	Public Surplus Sale	24,133	27,053	10,000	2,500
101-4-9326-757	Fire Svc Fees Other	17,531	1,181	2,000	1,000
101-4-9341-730	Map Sales	1,755	2,422	1,500	1,500
101-4-9341-734	Plan Storage Boxes / Code Books	460	310	-	-
	Miscellaneous	458,893	947,208	195,600	33,300
	<u>Transfers In</u>				
101-4-9399-xxx	Operations	95,806	150,304	147,000	360,000
	Transfers In	95,806	150,304	147,000	360,000
Non-Restricted General Fund Revenues		\$ 13,270,969	\$ 14,345,360	\$ 14,918,800	\$ 17,330,500
<u>RESTRICTED OPERATING REVENUES</u>					
<u>HURF Fund (202)</u>					
	<u>Taxes</u>				
202-4-1342-110	Highway Users Gas Tax	1,453,885	1,457,134	1,592,800	1,646,400
	Taxes	1,453,885	1,457,134	1,592,800	1,646,400
	<u>Intergovernmental</u>				
202-4-1342-140	Integov'l from Gila County	313,538	806,453	800,000	825,000
202-4-2342-279	ADOT Grants	66,129	18,992	-	-
	Intergovernmental	379,667	825,445	800,000	825,000
	<u>Charges for Services</u>				
202-4-5300-710	Special Inspection Fees	6,832	-	10,000	30,000
	Charges for Services	6,832	-	10,000	30,000
	<u>Miscellaneous</u>				
202-4-9300-855	Proceeds from Capital Leases	-	345,406	-	-
202-4-9300-980	Enterprise Fund Overhead	32,600	25,800	25,800	-
202-4-9300-990	Other Revenue	5,824	601	2,000	1,000
202-4-9300-996	Public Surplus Sales	-	24,150	5,000	5,000
	Miscellaneous	38,424	395,957	32,800	6,000



REVENUE DETAIL

Account	Revenue Source	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed
	<u>Transfers In</u>				
202-4-9399-xxx	Operations	-	-	-	41,600
	<u>Transfers In</u>	-	-	-	41,600
	HURF Fund	1,878,808	2,678,536	2,435,600	2,549,000
	<u>Parks & Rec Improvement Fee Fund (206)</u>				
	<u>Charges for Service</u>				
206-4-5367-710	Facility Improvement Fee	15,295	15,055	15,000	15,000
	<u>Charges for Service</u>	15,295	15,055	15,000	15,000
	Parks Improvement Fee Fund	15,295	15,055	15,000	15,000
	<u>Gifts & Grants Fund (210)</u>				
	<u>Intergovernmental</u>				
210-4-2446-200	TEV Arts Grant	2,000	-	-	-
	<u>Intergovernmental</u>	2,000	-	-	-
	<u>Miscellaneous</u>				
210-4-6300-920	Contributions - Gen Gov't	1,000	12,000	12,000	-
210-4-6323-920	Contributions - Volunteer Police	60	-	-	-
210-4-6324-920	Contributions - DARE Court	359	-	-	-
210-4-6324-923	Contributions - Guardian Angels	1,735	-	-	-
210-4-6326-920	Donations - Fire Projects	1,525	-	-	-
	<u>Miscellaneous</u>	4,679	12,000	12,000	-
	Gifts & Grants Fund	6,679	12,000	12,000	-
	<u>Bed Tax Fund (214)</u>				
	<u>Taxes</u>				
214-4-1300-370	Bed Tax	289,988	318,814	270,000	300,000
	<u>Taxes</u>	289,988	318,814	270,000	300,000
	Bed Tax Fund	289,988	318,814	270,000	300,000
	<u>Police Department of Justice (215)</u>				
	<u>Intergovernmental</u>				
215-4-2324-121	Local RICO Revenue	-	2,619	-	1,000



REVENUE DETAIL

Account	Revenue Source	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed
215-4-2324-151	Defense 1033 Revenue	19,250	20,500	20,000	20,000
215-4-2324-250	GOHS Grant	-	-	-	41,000
	Intergovernmental	19,250	23,119	20,000	62,000
	Miscellaneous				
215-4-9300-990	Other Revenue	31	-	-	-
215-4-9300-996	Public Surplus Sales	43,573	41,451	25,000	6,000
	Miscellaneous	43,604	41,451	25,000	6,000
	Police Dept of Defense	62,854	64,570	45,000	68,000
	<u>Police Impound Fee (216)</u>				
	<u>Charges for Service</u>				
216-4-5326-761	Impound Fee	-	-	-	7,000
	Charges for Service	-	-	-	7,000
	Police Impound Fee	-	-	-	7,000
	<u>Library (224)</u>				
	<u>Intergovernmental</u>				
224-4-2361-389	Gila County Library District	218,880	230,400	229,200	229,400
	Intergovernmental	218,880	230,400	229,200	229,400
	<u>Miscellaneous</u>				
224-4-9300-990	Other Revenue	-	5,923	-	-
	Miscellaneous	-	5,923	-	-
	<u>Fines & Forfeitures</u>				
224-4-3300-510	Library Fines	19,116	16,811	17,000	17,000
	Fines & Forfeitures	19,116	16,811	17,000	17,000
	<u>Transfers In</u>				
224-4-9399-xxx	Operations	94,907	92,517	132,500	181,900
	Transfers In	94,907	92,517	132,500	181,900
	Library	332,903	345,651	378,700	428,300



REVENUE DETAIL

Account	Revenue Source	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed
<u>Magistrate Court (231, 233)</u>					
	<u>Miscellaneous</u>				
233-4-6300-921	Donations/Contributions	1,149	1,222	1,000	1,000
	Miscellaneous	1,149	1,222	1,000	1,000
	Magistrate Court	1,149	1,222	1,000	1,000
<u>Airport (260)</u>					
	<u>Intergovernmental</u>				
260-4-2300-239	Federal Grant	360,810	-	-	1,208,600
260-4-2300-248	ADOT Grant	385,413	87,019	85,500	52,600
	Intergovernmental	746,223	87,019	85,500	1,261,200
	<u>Charges for Services</u>				
260-4-5345-710	Tie Down Fees	9,780	10,130	10,000	10,000
260-4-5345-720	Gate Fees	9,420	9,150	9,600	9,600
260-4-5345-740	Ground Leases	18,054	18,054	18,100	18,100
260-4-5345-741	Hangar Leases	56,510	56,736	55,000	55,000
260-4-5345-760	Fuel Sales	3,421	4,644	4,000	4,000
260-4-5345-770	Emergency Support	4,892	11,265	5,000	7,000
260-4-5345-780	Campground Use Fee	390	381	500	500
	Charges for Services	102,467	110,360	102,200	104,200
	<u>Miscellaneous</u>				
260-4-9300-980	Overhead	7,700	-	-	-
260-4-9300-990	Other Revenue	510	940	500	1,000
	Miscellaneous	8,210	940	500	1,000
	<u>Transfers In</u>				
260-4-9399-101	from General Fund	57,592	25,240	58,200	53,300
260-4-9399-994	Grant/Capital Match	50,771	6,937	9,500	52,600
	Transfers In	108,363	32,177	67,700	105,900
	Airport	965,263	230,496	255,900	1,472,300
<u>Event Center (265)</u>					
	<u>Intergovernmental</u>				
265-4-2446-200	TEV Arts Grant	-	2,000	2,000	2,000
	Intergovernmental	-	2,000	2,000	2,000



REVENUE DETAIL

Account	Revenue Source	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed
	<u>Charges for Services</u>				
265-4-5365-710	Event Revenue & Interest	100,128	108,296	105,000	120,000
	Charges for Services	100,128	108,296	105,000	120,000
	<u>Transfers In</u>				
265-4-9399-214	From Bed Tax	74,194	60,846	60,500	100,200
	Transfers In	74,194	60,846	60,500	100,200
	Event Center	174,322	171,142	167,500	222,200
	<u>Contingency Fund (280)</u>				
	<u>Transfers In</u>				
280-4-9399-101	From General Fund	-	-	-	50,000
	Transfers In	-	-	-	50,000
	Contingency Fund	-	-	-	50,000
	<u>Medical Insurance Fund (290)</u>				
	<u>Miscellaneous</u>				
290-4-9300-972	Employee Ins Contributions	478,462	451,337	472,100	387,000
290-4-9300-973	Employer Ins Contributions	684,826	698,982	876,800	902,500
290-4-9300-974	Retiree Contributions	147,030	166,279	141,300	113,500
290-4-9300-975	Employer Retiree Contributions	491,539	560,808	533,800	550,700
	Miscellaneous	1,801,857	1,877,406	2,024,000	1,953,700
	Medical Insurance Fund	1,801,857	1,877,406	2,024,000	1,953,700
	Restricted Operating Revenues	\$ 5,529,118	\$ 5,714,892	\$ 5,604,700	\$ 7,066,500
	<u>Grant Capital Projects Fund (403)</u>				
	<u>Intergovernmental</u>				
403-4-2300-283	Hillcrest Base Radio	-	-	27,400	-
403-4-2300-284	GOHS Radar Units	-	-	34,300	36,500
403-4-2300-290	SHSGP Mobile Repeater	32,020	-	-	-
403-4-2324-200	Law Enf-HSG Radio Program	-	15,471	44,500	20,700
403-4-2326-273	AFG SCBA Equip	-	-	317,500	-
403-4-2327-210	AFG Facilities	-	-	-	807,400



REVENUE DETAIL

Account	Revenue Source	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed
403-4-2331-257	CDBG 2010 Housing Rehab	44,880	-	-	-
403-4-2331-259	CDBG Housing 2014-16	36,130	73,545	139,000	-
403-4-2331-260	CDBG Housing 2017-19	-	-	78,500	200,000
	Intergovernmental	113,030	89,016	641,200	1,064,600
	Transfer In				
403-4-9399-101	From General Fund	-	-	16,800	40,400
403-4-9399-425	From Public Safety Bond Fund	-	-	9,100	-
	Transfer In	-	-	25,900	40,400
	Grant Capital Projects Fund	113,030	89,016	667,100	1,105,000
Park Development Fund (408)					
	Transfers In				
408-4-9399-101	From General Fund	323	-	-	-
	Transfers In	323	-	-	-
	Park Development Fund	323	-	-	-
Public Safety Development Fund (409)					
	Transfer In				
409-4-9399-425	From Public Safety	6,289	-	-	-
	Transfer In	6,289	-	-	-
	Public Safety Development Fund	6,289	-	-	-
American Gulch Improvement District (429)					
	Miscellaneous				
429-4-6300-929	Donations / Contributions	-	-	-	150,000
	Miscellaneous	-	-	-	150,000
	American Gulch Imp District	-	-	-	150,000
Timber Ridge I.D. Fund (434)					
	Miscellaneous				
434-4-9300-855	Debt Proceeds	-	-	2,100,000	2,100,000
	Miscellaneous	-	-	2,100,000	2,100,000
	Timber Ridge I.D. Fund	-	-	2,100,000	2,100,000



REVENUE DETAIL

Account	Revenue Source	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed
<u>Central Arizona Project Trust Fund (460)</u>					
	<u>Miscellaneous</u>				
460-4-9300-910	Interest Earnings	-	5	-	-
	Miscellaneous	-	5	-	-
	Central Az Project Trust Fund	-	5	-	-
Restricted Capital Revenues					
		\$ 119,642	\$ 89,021	\$ 2,767,100	\$ 3,355,000
DEBT SERVICE REVENUES					
<u>General Debt Service Fund (801)</u>					
	<u>Transfers In</u>				
801-4-9399-xxx	Operations	145,087	105,749	52,900	-
	Transfers In	145,087	105,749	52,900	-
	General Debt Service Fund	145,087	105,749	52,900	-
<u>Westerly Rd Improvement District (812)</u>					
	<u>Miscellaneous</u>				
812-4-9300-801	Assessment - Principal	38,135	41,601	41,600	45,100
812-4-9300-802	Assessment - Interest	19,353	17,161	14,900	12,500
	Miscellaneous	57,488	58,762	56,500	57,600
	<u>Transfers In</u>				
812-4-9399-xxx	Operations	26,175	26,738	25,800	21,300
	Transfers In	26,175	26,738	25,800	21,300
	Westerly Rd Imp District	83,663	85,500	82,300	78,900
<u>Excise Tax Obligation 2003 (822)</u>					
	<u>Transfers In</u>				
822-4-9399-101	From General Fund	124,963	134,242	132,000	128,000
	Transfers In	124,963	134,242	132,000	128,000
	Excise Tax Obligation 2003	124,963	134,242	132,000	128,000



REVENUE DETAIL

Account	Revenue Source	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed
<u>General Obligation Bonds (823)</u>					
	<u>Taxes</u>				
823-4-1300-310	Sales Tax - Town	372,509	393,429	370,000	370,000
	Taxes	372,509	393,429	370,000	370,000
	General Obligation Bonds	372,509	393,429	370,000	370,000
<u>Timber Ridge ID Debt Service</u>					
	<u>Transfers In</u>				
824-4-9399-434	From ID Fund	-	-	40,000	40,000
	Transfers In	-	-	40,000	40,000
		-	-	40,000	40,000
Debt Service Revenues		\$ 726,222	\$ 718,920	\$ 677,200	\$ 616,900
<u>UTILITY ENTERPRISE FUNDS</u>					
<u>Water (661)</u>					
	<u>Intergovernmental</u>				
661-4-2300-990	Misc Intgov Rev	39,386	22,654	-	35,000
	Intergovernmental	39,386	22,654	-	35,000
	<u>Charges For Service</u>				
661-4-5351-701	Residential Water	3,753,124	4,123,082	4,500,000	4,700,000
661-4-5351-702	Commercial Water	831,528	898,584	974,000	1,050,000
661-4-5351-703	Fire Protection Service	29,349	32,165	29,000	35,000
661-4-5351-704	Bulk Water Sales	97,207	187,966	100,000	125,000
661-4-5351-710	New Service Installation Fees	33,800	49,850	35,000	35,000
661-4-5351-715	Illegal Turn On	-	616	500	-
661-4-5351-716	Reconnect & Turn On Fees	3,205	2,505	3,000	1,000
	Charges For Service	4,748,213	5,294,768	5,641,500	5,946,000
	<u>Miscellaneous</u>				
661-4-5300-722	CC Cragin Devel Imp Fees	187,419	329,538	225,000	340,000
661-4-9300-855	Debt Proceeds	-	1,000,000	16,600,000	24,000,000
661-4-9300-910	Interest Earnings	3,131	22,742	4,000	40,000



REVENUE DETAIL

Account	Revenue Source	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed
661-4-9300-980	Enterprise Fund Overhead	-	23,800	47,600	-
661-4-9300-990	Other Revenue	1,409	1,847	1,200	3,000
661-4-9300-992	Sale of Fixed Asset	-	(1,340)	-	-
661-4-9300-993	Facility Lease Fees	72,369	62,079	50,500	62,000
661-4-9300-994	Miscellaneous Revenue	59,109	34,282	20,000	55,000
661-4-9300-996	Public Surplus Sales	500	-	-	-
661-4-9399-101	Loan Repay from GF	17,300	17,300	67,300	182,500
	Miscellaneous	341,237	1,490,248	17,015,600	24,682,500
Water		\$ 5,128,836	\$ 6,807,670	\$ 22,657,100	\$ 30,663,500
TOTALS		\$ 24,774,787	\$ 27,675,863	\$ 46,624,900	\$ 59,032,400



2017 ANNUAL BUDGET

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. Towards the end of the budget process, the proposed Fee Schedule is presented to the Council again. 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:

DEPT	CHANGE	DESCRIPTION	FY2016/17 AMOUNT	FY2017/18 AMOUNT
Comm Dev	Change	Use of outside consultants for plan check and inspections, or both	Actual cost to the jurisdiction, plus 10%	Actual cost to the jurisdiction, plus 20%
Event Cntr	Change	Barrel Series	\$5-35 per night per event	\$10-40 per night per event
Event Cntr	Change	Cowboy Tri	\$5-40 per person per discipline	\$10-45 per person per discipline
Event Cntr	Change	Time Only Practice Runs	\$3-5 per run - one time only \$3 or 2 for \$5	\$5-6 per run - one time only \$5 or 2 for \$6
Event Cntr	Change	Turn and Burn	\$5-35 per night per event	\$5-\$40 per night per event
Event Cntr	Change	Turn and Burn	\$10-35 per person for various age group jackpots	\$10-40 per person for various age group jackpots
Event Cntr	Change	Equip Rental - Electrical Spider Box	\$55 per event and/or location	\$60 per event and/or location
Event Cntr	Change	Equip Rental - PA System	\$55 per event and/or location	\$75 per event and/or location
Event Cntr	Change	Equip Rental - Portable Storage	\$155 per event and/or location	\$160 per event and/or location
Event Cntr	Delete	Equip Rental - Plastic Fence Panel	\$20 per panel per event	-
Event Cntr	Change	Alcohol permit	\$15 each event	\$20 each event
Event Cntr	Change	Arena lights	\$25 per hour	\$30 per hour
Event Cntr	Change	Arena Preparation	\$60 per prep	\$65 per prep
Event Cntr	Change	Facility Supervision / Assistance	\$20 per hour per employee	\$25 pe hour per employee
Event Cntr	Change	Main arena use	\$180 per day	\$185 per day
Event Cntr	Change	On call staff	\$30 per hour per person	\$35 per hour per person
Event Cntr	Change	Security deposit	\$300	\$305
Event Cntr	Change	Vendor lights	\$15 per hour	\$20 per hour
Event Cntr	Change	Stall fee	\$10-50 per night per stall	\$10-55 per night per stall
Event Cntr	Change	Stall fee unauthorized use	\$25-50 per stall per offense per event	\$30-55 per stall per offense per event
Event Cntr	Change	Special event application fee	\$20	\$25
Event Cntr	Change	Water usage fee	Actual usage, \$25 minimum	Actual usage, \$30 minimum
Event Cntr	Change	Vendor fee	\$55-155 per event per endor	\$60-160 per event per vendor
Parks	Change	Court Rental - Basketball	\$15 per hour per court	\$20 per hour per court
Parks	Change	Dog park rental	\$15 per hour for each reserved area or \$20 per hour for both areas	\$20 per hour for each reserved area or \$25 per hour for both areas
Parks	Change	Skate park rental	\$20 per hour per court	\$25 per hour per court

FEE SCHEDULE CHANGES



2017 ANNUAL BUDGET

DEPT	CHANGE	DESCRIPTION	FY2016/17 AMOUNT	FY2017/18 AMOUNT
Parks	Change	Tennis court rental	\$15 per hour per court	\$20 per hour per court
Parks	Change	Volleyball court rental	\$15 per hour per court	\$20 per hour per court
Parks	Change	Athletic field rental	\$20 per hour	\$25 per hour
Parks	Change	Athletic field preparation	\$20 min. per man hour + materials	\$25 min. per man hour + materials
Parks	Change	Rumsey concession rental	\$55 min. per day/unit	\$60 min. per day/unit
Parks	Change	Rumsey - Tournament	\$75 per day per field	\$80 per day per field
Parks	Change	Ramada rentals		all rates increased \$5-11
Parks	Add	3 v 3 basketball		\$150 per team
Parks	Change	Basketball, adult	\$305 per team	\$310 per team
Parks	Change	Basketball, youth	\$30 per child	\$35 per child
Parks	Change	Biddy basketball / startsmart	\$25 per child	\$30 per child
Parks	Change	3 on 3 basketball tournament	\$35 per team	\$50 per team
Parks	Change	Fishing, Kyle fishing class	\$10 per child	\$15 per child
Parks	Change	Football, adult flag	\$255 per team	\$260 per team
Parks	Change	Hike, guided - AZGFD	\$10 per person	\$15 per person
Parks	Change	Mountain bike 101	\$20 per person	\$25 per person
Parks	Change	Moth & butterflies	\$10 per person	\$15 per person
Parks	Change	Skills Contests	Free to \$40 per child per program	Free to \$45 per child per program
Parks	Add	Recreation camps		Contract for Service
Parks	Add	Recreation camps		\$20-80 per child
Parks	Change	Soccer, Spring & Fall	\$30 per child	\$35 per child
Parks	Change	Softball, co-ed Spring	\$255 per team	\$285 per team
Parks	Change	Softball, co-ed Fall	\$255 per team	\$285 per team
Parks	Change	Softball, Summer	\$280 per team	\$310 per team
Parks	Change	Sports tournaments	\$50-475 per team	\$50-600 per team
Parks	Change	Sports Tournament Vendors	\$55 per event per vendor	\$60-155 per event per vendor
Parks	Delete	ASA softball team registration fee	\$25 per team	
Parks	Add	Star gazing & astronomy class		Contract for Service
Parks	Change	T-ball	\$30 per child	\$35 per child
Parks	Change	Volleyball, youth	\$30 per child	\$35 per child
Parks	Change	Volleyball, co-ed	\$190 per team	\$195 per team
Parks	Change	Volleyball, men's / women's	\$190 per team	\$195 per team
Parks	Change	Volleyball, sand	\$105 per team	\$110 per team
Parks	Change	Event sponsorship fees	\$100-5,000 depending on event	\$105-5,005 depending on event
Parks	Change	Late registration fee	up to \$20 per event	up to \$25 per event
Parks	Add	Special event vendor fee		\$50-500
Parks	Add	Merchandise fee		\$5-100 depending on item
Parks	Change	5K run	\$5-85 per person	\$30-90 per person
Parks	Change	Fiddlers contest	\$4-8 per person/per seat/entry fee	\$5-15 per person/per seat/entry fee
Parks	Change	4th of July vendor - food	\$305 per vendor	\$310 per vendor
Parks	Change	4th of July vendor - non food	\$155 per vendor	\$160 per vendor
Parks	Change	Summer concert vendor	\$55 per vendor	\$60 per vendor
Parks	Change	Summer concert vendor	\$205 per vendor - entire season	\$210 per vendor - entire season
Parks	Change	Halloween festival vendor	\$55 per vendor	\$80 per vendor
Parks	Add	Halloween festival vendor booth		\$30
Parks	Change	Music festival vendor - food	\$80	\$85
Parks	Change	Mtn High Games vendor - food	\$80 per vendor	\$85 per vendor
Parks	Change	Mtn High Games vendor - non food	\$55 per vendor	\$60 per vendor
Parks	Change	Electric Light Parade - vehicle towed entry	\$30 per entry	\$35 per entry

FEE SCHEDULE CHANGES



2017 ANNUAL BUDGET

DEPT	CHANGE	DESCRIPTION	FY2016/17 AMOUNT	FY2017/18 AMOUNT
Parks	Change	Electric Light Parade - any motorized vehicle entry	\$20 per entry	\$25 per entry
Parks	Change	Electric Light Parade - walking participant	\$15 per entry	\$20 per entry
Aquatics	Change	Open swim	\$2 per person	\$3 per person
Aquatics	Change	Pool parties	\$60 per hour - up to 50 people	\$125 per hour - up to 50 people
Aquatics	Change	Pool parties	\$125 per hour - 51 to 100 people	\$200 per hour - 51 to 100 people
Aquatics	Change	Swim lessons	\$25 per session	\$40 per session
Aquatics	Change	Swim team	\$75 per child	\$80 per person
Aquatics	Change	Water aerobics	\$2 per person/\$70 season pass	\$3 per person/\$80 season pass
Aquatics	Change	Lap swim	\$2 per person/\$70 season pass	\$3 per person/\$80 season pass

In addition to the annual Fee Schedule update, Town Council has approved the following schedule for utility rate increases:

	Dec-14	Oct-15	Oct-16	Oct-17	Oct-18
Consumption:					
0 to 2,000 Gallons (Minimum)	28.31	30.43	35.00	40.25	43.26
	<u>Rates Per 1,000 Gallons Over Minimum</u>				
2,001 to 5,000 Gallons	3.82	4.11	4.72	5.43	5.84
5,001 to 10,000 Gallons	5.04	5.42	6.23	7.17	7.70
10,001 to 20,000 Gallons	5.76	6.20	7.13	8.20	8.81
20,001 + Gallons	7.20	7.74	8.90	10.24	11.01

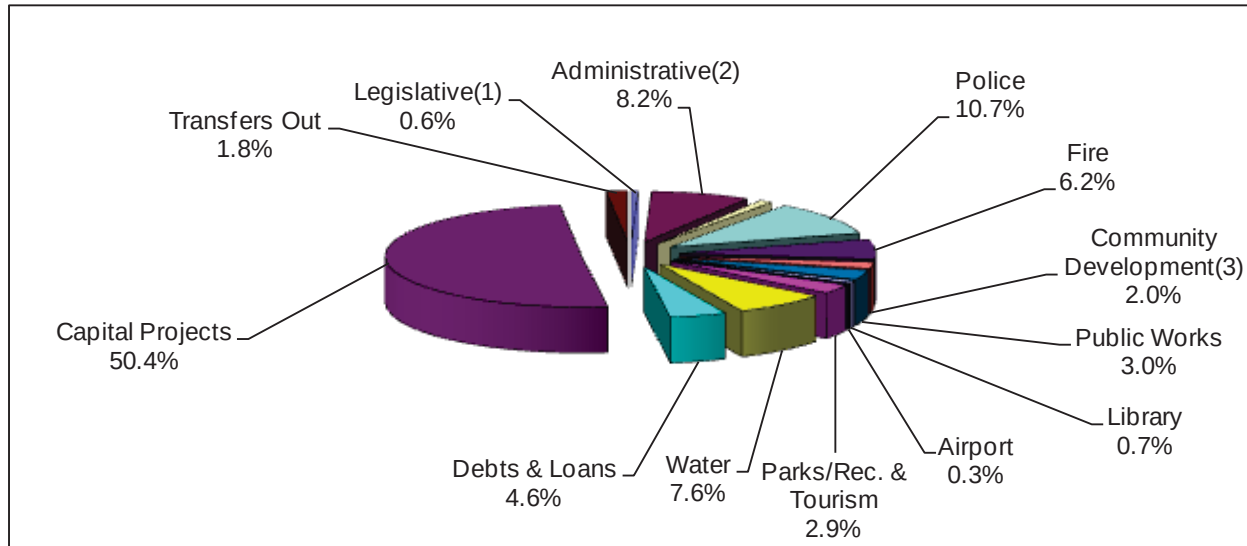
FEE SCHEDULE CHANGES

***EXPENDITURE
INFORMATION***



EXPENDITURES (ALL FUNDS)

2017/18 Budget



	General Fund	Restricted Funds	Restricted Capital Funds	Debt Service Funds	Utility Funds	All Funds	% Total
Legislative ⁽¹⁾	340,200	-	-	-	-	340,200	0.6%
Administrative ⁽²⁾	3,054,700	1,953,700	-	-	-	5,008,400	8.2%
Town Attorney & Court	661,800	-	-	-	-	661,800	1.1%
Police	6,448,100	79,000	-	-	-	6,527,100	10.7%
Fire	3,804,100	-	-	-	-	3,804,100	6.2%
Community Development ⁽³⁾	989,900	-	200,000	-	-	1,189,900	2.0%
Public Works	-	1,838,600	-	-	-	1,838,600	3.0%
Library	-	428,300	-	-	-	428,300	0.7%
Airport	-	152,700	-	-	-	152,700	0.3%
Parks/Rec. & Tourism	1,322,300	420,600	-	-	-	1,742,900	2.9%
Water	-	-	-	-	4,653,600	4,653,600	7.6%
Debts & Loans	182,500	-	-	578,500	2,059,000	2,820,000	4.6%
Capital Projects	310,000	2,259,900	3,357,771	-	24,777,000.00	30,704,671	50.4%
Transfers Out	527,500	247,200	40,000	-	254,600	1,069,300	1.8%
Total Expenditures	\$17,641,100	\$ 7,380,000	\$ 3,597,771	\$ 578,500	\$31,744,200	\$ 60,941,571	100.0%
% of Total	28.95%	12.11%	5.90%	0.95%	52.09%	100.00%	

⁽¹⁾ Legislative includes:	Town Council and Town Clerk Departments				
⁽²⁾ Administrative includes:	Town Manager, Financial Services, Information Services, Human Resources, Other Governmental Services, Property Management, Centralized Services, and Self Insurance				
⁽³⁾ Community Development includes:	Planning & Zoning, Building, Housing				



EXPENSE DETAIL—ALL FUNDS

Category	Description	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed
Salaries & Wages					
xxx-x-xxxx-xx-	5001 Full Time Employees	7,658,565	7,887,687	8,330,500	8,949,800
xxx-x-xxxx-xx-	5002 Part Time Employees	192,694	216,026	241,800	220,500
xxx-x-xxxx-xx-	5003 Temporary Employees	59,662	76,289	138,800	142,400
xxx-x-xxxx-xx-	5005 Paid On Call Employees	36,880	20,254	80,000	80,000
xxx-x-xxxx-xx-	5006 Standby Pay	8,588	8,535	9,000	7,500
xxx-x-xxxx-xx-	50xx Misc Compensation	30,810	27,938	38,400	36,400
xxx-x-xxxx-xx-	52xx Overtime Compensation	738,764	844,502	697,900	845,400
xxx-x-xxxx-xx-	5990 Shift Differential Pay	41,816	36,659	46,000	47,000
		8,767,779	9,117,890	9,582,400	10,329,000
Personnel Benefits					
xxx-x-xxxx-xx-	5501 FICA	513,994	533,037	615,800	664,000
xxx-x-xxxx-xx-	5504 Penisons & Retirement	1,550,618	1,796,279	2,154,100	2,805,100
xxx-x-xxxx-xx-	5505 Retirement Offset Pension	(2,660)	(2,435)	-	500,000
xxx-x-xxxx-xx-	5600 Deferred Compensation	9,133	2,499	-	-
xxx-x-xxxx-xx-	5700 Health/Life Insurance	1,177,287	1,238,897	1,410,600	1,444,000
xxx-x-xxxx-xx-	5800 Workers Comp Insurance	533,554	533,510	657,700	568,700
xxx-x-xxxx-xx-	5701 Disability Insurance	5,602	5,844	7,500	9,900
xxx-x-xxxx-xx-	5801 Unemployment Comp	4,800	2,880	6,000	3,000
xxx-x-xxxx-xx-	5901 Uniform Allowance	44,781	52,819	58,700	59,700
		3,837,109	4,163,330	4,910,400	6,054,400
Supplies					
xxx-x-xxxx-xx-	6001 Office Supplies	54,987	50,951	61,800	62,200
xxx-x-xxxx-xx-	6002 Coffee Supplies	1,081	892	1,200	1,200
xxx-x-xxxx-xx-	6003 Cleaning Supplies	14,111	10,746	15,500	16,400
xxx-x-xxxx-xx-	6008 Chemicals	41,039	32,874	71,800	137,000
xxx-x-xxxx-xx-	6100 Medical/Lab Supplies	17,027	25,145	21,900	28,900
xxx-x-xxxx-xx-	6101 Canine Supplies	3,000	1,541	3,000	3,000
xxx-x-xxxx-xx-	6102 Weapons/Training Supplies	11,925	9,651	15,500	15,500
xxx-x-xxxx-xx-	6005 Safety Program Supplies	18,126	18,411	16,800	18,300
xxx-x-xxxx-xx-	6006 Clothing/Uniforms	14,856	20,951	24,100	25,000
xxx-x-xxxx-xx-	6007 PPE Equipment/Clothing	18,635	23,778	25,000	25,000
xxx-x-xxxx-xx-	6010 Books, Maps & Periodicals	9,208	7,187	10,100	8,100
xxx-x-xxxx-xx-	6011 Small Tools/Minor Equipment	80,281	69,000	102,700	113,100
xxx-x-xxxx-xx-	6012 Communications Eq Supplies	6,107	5,058	5,000	6,500
xxx-x-xxxx-xx-	6013 Computer Supplies	33,464	31,216	53,000	59,000
xxx-x-xxxx-xx-	6016 Park Furnishing	770	740	1,000	1,000
xxx-x-xxxx-xx-	6300 Motor Fuel	213,653	163,798	240,500	199,200
xxx-x-xxxx-xx-	6302 Vehicle Supplies	158,901	192,360	158,100	174,000



EXPENSE DETAIL—ALL FUNDS

Category	Description	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed
xxx-x-xxxx-xx-	6401 Drainage Supplies	1,829	29,739	65,000	20,000
xxx-x-xxxx-xx-	6402 Street/Sidewalk Supplies	116,567	69,675	80,000	70,000
xxx-x-xxxx-xx-	6201 Bldg Materials & Supplies	52,114	39,553	88,200	67,500
xxx-x-xxxx-xx-	6400 Hdwr, Electric & Plumbing Su	17,471	22,818	20,000	20,400
xxx-x-xxxx-xx-	6900 Other Supplies	515	2,926	1,000	-
xxx-x-xxxx-xx-	6014 Landscape Materials	10,777	13,359	10,500	10,500
xxx-x-xxxx-xx-	6202 Misc R&M Supplies	55,914	76,860	84,400	81,500
xxx-x-xxxx-xx-	6015 Signs	64,610	36,782	7,000	5,000
xxx-x-xxxx-xx-	6602 Promotional Supplies	85,142	89,799	95,000	135,000
		1,102,110	1,045,810	1,278,100	1,303,300
<u>Services</u>					
xxx-x-xxxx-xx-	6603 Election Services	-	-	-	-
xxx-x-xxxx-xx-	7004 Compliance/Lab Analysis	29,205	31,900	45,000	125,000
xxx-x-xxxx-xx-	7002 Accounting/Auditing Services	39,000	63,775	40,700	60,700
xxx-x-xxxx-xx-	7100 Legal Services	31,512	12,120	44,500	63,000
xxx-x-xxxx-xx-	7101 Indigent Defense	37,200	33,800	45,000	45,000
xxx-x-xxxx-xx-	7102 Court Services	102,753	133,271	110,000	125,000
xxx-x-xxxx-xx-	7103 Prosecution Services	1,500	-	1,000	1,000
xxx-x-xxxx-xx-	7900 Other Professional Services	401,165	380,967	788,400	563,000
xxx-x-xxxx-xx-	7104 Settlements	-	10,000	20,000	20,000
xxx-x-xxxx-xx-	7005 Computer Software	29,866	26,884	31,000	80,200
xxx-x-xxxx-xx-	7003 Computer Services	14,404	14,058	14,700	14,700
xxx-x-xxxx-xx-	7602 Safety Training Services	120	-	2,000	-
		686,725	706,775	1,142,300	1,097,600
<u>Utilities</u>					
xxx-x-xxxx-xx-	7300 Electricity	597,529	657,052	657,700	692,500
xxx-x-xxxx-xx-	7301 Propane Gas	34,605	29,462	43,400	38,400
xxx-x-xxxx-xx-	7302 Water Service	46,343	54,898	54,700	64,000
xxx-x-xxxx-xx-	7304 Sewer Service	13,215	12,903	14,400	14,100
xxx-x-xxxx-xx-	7305 Garbage Service	26,974	27,170	31,700	34,200
xxx-x-xxxx-xx-	7306 Telephone	212,325	244,341	285,800	294,300
xxx-x-xxxx-xx-	7307 Postage	38,755	43,937	43,800	45,600
		969,746	1,069,763	1,131,500	1,183,100
<u>Travel</u>					
xxx-x-xxxx-xx-	7600 Travel	40,511	41,818	73,300	92,200
xxx-x-xxxx-xx-	7601 Registrations	49,886	54,091	77,900	84,700
		90,397	95,909	151,200	176,900



EXPENSE DETAIL—ALL FUNDS

Category		Description	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed
<u>Advertising & Publishing</u>						
xxx-x-xxxx-xx-	6600	Public Relations	16,420	13,157	21,200	24,900
xxx-x-xxxx-xx-	7907	Advertising	20,394	22,402	25,500	26,000
			36,814	35,559	46,700	50,900
<u>Rentals</u>						
xxx-x-xxxx-xx-	7500	Land & Buildings	11,341	7,371	11,800	11,800
xxx-x-xxxx-xx-	7501	Work Eq & Machine Rental	202	476	500	500
xxx-x-xxxx-xx-	7502	Office Equipment Rental	51,799	169,471	243,700	244,400
			63,342	177,318	256,000	256,700
<u>Insurance</u>						
xxx-x-xxxx-xx-	7903	Insurance	446,604	461,934	487,000	532,100
xxx-x-xxxx-xx-	7904	Insurance Deductibles	6,604	12,714	7,000	5,000
xxx-x-xxxx-xx-	7908	Insurance Premium	1,801,964	1,880,294	2,024,000	1,953,700
			2,255,172	2,354,942	2,518,000	2,490,800
<u>Repair & Maintenance</u>						
xxx-x-xxxx-xx-	6200	Hydrant R&M	10,069	14,138	33,000	33,000
xxx-x-xxxx-xx-	65xx	Water R&M	195,921	214,954	316,500	351,500
xxx-x-xxxx-xx-	7400	Grounds R&M	-	13,651	10,000	32,000
xxx-x-xxxx-xx-	7401	Bldg/Fixture R&M	83,977	57,707	96,700	163,800
xxx-x-xxxx-xx-	7402	Office Equipment R&M	7,227	3,551	11,100	11,300
xxx-x-xxxx-xx-	7403	Computer Equipment R&M	235,637	240,081	254,100	264,500
xxx-x-xxxx-xx-	7404	Communication Eq R&M	106,702	289,356	293,000	292,700
xxx-x-xxxx-xx-	7405	Work Equipment R&M	61,880	35,428	55,300	61,800
xxx-x-xxxx-xx-	7406	Street Light R&M	6,625	12,623	108,400	48,000
xxx-x-xxxx-xx-	7407	R & M Wells	-	2,354	20,000	20,000
xxx-x-xxxx-xx-	7408	Street/Sidewalk Repair Serv	7,291	41,188	65,000	40,000
			715,329	925,031	1,263,100	1,318,600
<u>Miscellaneous</u>						
xxx-x-xxxx-xx-	6700	Dues & Memberships	58,040	44,449	80,800	82,800
xxx-x-xxxx-xx-	6901	Taxes & Assessments	10,258	4,478	500	500
xxx-x-xxxx-xx-	6903	Bank Fees	39,356	32,061	32,000	31,000
xxx-x-xxxx-xx-	6905	Bad Debt	1,204	570	2,200	1,100
xxx-x-xxxx-xx-	6009	Program Costs	155,402	162,589	209,900	226,200
xxx-x-xxxx-xx-	6990	Other Expense	27,781	20,254	42,900	43,700
xxx-x-xxxx-xx-	6991	Other Expense-Law Enforce	8,440	7,291	10,000	13,000
xxx-x-xxxx-xx-	6992	Other Expense-DARE	3,370	3,670	3,500	4,000
xxx-x-xxxx-xx-	7001	Program Overhead	2,068	2,055	5,000	15,000
xxx-x-xxxx-xx-	7901	Lien & Clean	-	5,811	10,000	12,500



EXPENSE DETAIL—ALL FUNDS

Category	Description	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed
xxx-x-xxxx-xx-	7902 Reimbursable Impound Costs	-	-	2,500	3,000
xxx-x-xxxx-xx-	7906 Law Enf. Property Purchase	1,777,257	2,018,718	-	-
xxx-x-xxxx-xx-	7910 Printing & Binding	16,536	14,114	17,500	19,500
xxx-x-xxxx-xx-	7920 Hydrant Program	-	-	-	-
xxx-x-xxxx-xx-	72xx Councilmember Expenses	9,691	5,384	21,900	14,900
xxx-x-xxxx-xx-	7912 Grant Expenses	4,121	25,261	122,900	70,000
xxx-x-xxxx-xx-	7913 Housing Expense	49,720	104,835	139,000	-
xxx-x-xxxx-xx-	7914 Contributions / Donations	7,407	-	78,500	200,000
xxx-x-xxxx-xx-	7915 Overhead	290,300	204,000	227,800	-
xxx-x-xxxx-xx-	7990 Contribution to Other Agencies	191,600	224,833	225,600	243,100
xxx-x-xxxx-xx-	9661 Repay Water Loan	17,300	17,300	67,300	182,500
		2,669,851	2,897,673	1,299,800	1,162,800
Capital Outlay					
xxx-x-xxxx-xx-	8xxx Event Center Building	28,875	-	-	-
xxx-x-xxxx-xx-	8xxx Airport Projects	811,856	96,901	95,000	1,313,800
xxx-x-xxxx-xx-	8xxx Street Improvements	58,779	395,559	840,000	560,000
xxx-x-xxxx-xx-	8xxx Computer Software/Hardware	23,844	83,953	-	80,000
xxx-x-xxxx-xx-	8xxx Timber Ridge ID	-	-	2,060,000	2,060,000
xxx-x-xxxx-xx-	8xxx Machinery & Equipment	186,079	438,893	245,000	595,300
xxx-x-xxxx-xx-	8xxx Vehicular Equipment	108,444	96,956	20,000	156,300
xxx-x-xxxx-xx-	8xxx Parks Development	47,125	734,015	-	161,000
xxx-x-xxxx-xx-	8xxx Grant Funded Projects	79,615	15,471	590,600	905,000
xxx-x-xxxx-xx-	8xxx Main Street Improvements	34,060	-	-	-
xxx-x-xxxx-xx-	8xxx American Gulch Imp Dist	-	-	-	150,000
xxx-x-xxxx-xx-	8xxx Water Projects	1,029,527	8,498,218	18,601,000	24,723,271
		2,408,205	10,359,966	22,451,600	30,704,671
Debt Service					
xxx-x-xxxx-xx-	6901 Debt Service Fees	10,258		5,100	1,600
xxx-x-xxxx-xx-	7950 Principal	544,512	562,473	1,207,700	2,549,000
xxx-x-xxxx-xx-	7951 Interest	105,019	85,815	778,600	86,900
		659,789	648,288	1,991,400	2,637,500
Depreciation					
xxx-x-xxxx-xx-	8005 Depreciation - Infrastructure	654,938	689,587	-	-
xxx-x-xxxx-xx-	8100 Depreciation - Buildings	318,723	315,431	25,000	25,000
xxx-x-xxxx-xx-	8101 Depreciation - Non Buildings	1,236,084	1,176,962	900,000	985,000
xxx-x-xxxx-xx-	8104 Depreciation - Furniture/Eq	3,643	3,645	5,000	5,000
xxx-x-xxxx-xx-	8103 Depreciation - Vehicles	243	55,682	1,000	60,000
xxx-x-xxxx-xx-	8102 Depreciation - Machinery/Eq	464,682	122,772	25,000	25,000
xxx-x-xxxx-xx-	82xx Amortization	5,940	5,940	6,000	6,000
		2,684,253	2,370,019	962,000	1,106,000



EXPENSE DETAIL—ALL FUNDS

Category	Description	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed
Transfers Out					
xxx-x-xxxx-xx- 9101	To General Fund	95,806	150,304	147,000	360,000
xxx-x-xxxx-xx- 9202	To HURF	-	-	-	41,600
xxx-x-xxxx-xx- 9210	To Gifts & Grants Fund	-	-	-	-
xxx-x-xxxx-xx- 9224	To Library	94,907	92,517	132,500	181,900
xxx-x-xxxx-xx- 9260	To Airport	108,362	32,176	67,700	105,900
xxx-x-xxxx-xx- 9265	To Event Center	74,194	60,846	60,500	100,200
xxx-x-xxxx-xx- 9280	To Rainy Day Fund	-	-	-	50,000
xxx-x-xxxx-xx- 9403	To Grant Capital Project	-	-	25,900	40,400
xxx-x-xxxx-xx- 9430	To Const Bonita St	-	-	-	-
xxx-x-xxxx-xx- 9460	To CAP Trust Fund	-	-	-	-
xxx-x-xxxx-xx- 9661	To Water Department	-	-	-	-
xxx-x-xxxx-xx- 98xx	To Debt Service	296,224	266,729	250,700	189,300
xxx-x-xxxx-xx- 9999	To Various	-	-	-	-
		669,493	602,572	684,300	1,069,300
	TOTAL	\$ 27,616,114	\$ 36,570,845	\$ 49,668,800	\$ 60,941,571

EXPENSE SUMMARY BY CATEGORY—ALL FUNDS

Category	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed
Personnel Services/Benefits	12,604,888	13,281,220	14,492,800	16,383,400
Operating Expenditures	8,589,486	9,308,780	9,086,700	9,040,700
Debt Service	659,789	648,288	1,991,400	2,637,500
Capital Outlay	2,408,205	10,359,966	22,451,600	30,704,671
Other	2,684,253	2,370,019	962,000	1,106,000
Transfers Out	669,493	602,572	684,300	1,069,300
	\$ 27,616,114	\$ 36,570,845	\$ 49,668,800	\$ 60,941,571

***DEPARTMENT
DETAIL***

Function and Fund Type Matrix

Functional Unit	General Fund	Special Revenue Funds	Capital Project Funds	Enterprise Funds
	Page #	Fund/Page#	Fund/Page#	Fund/Page#
Town Council	181			
Town Manager	188			
Human Resources	198			
Information Services	192			
Town Clerk	204			
Elections	207			
Property Management	223			
Central Supplies	226			
Other Government Services	228			
Medical Insurance	230	290/230		
Financial Services	217			
Magistrate Courts	233			
Legal	212			
Police - Communications	239			
Police - Operations	242		403/243 409/243 425/243	
Police - Special Operations	246-50	215/248		
Fire - Operations	256	210/257	403/257	
Fire - Wildlands/Urban Program	260			
Public Works - Engineering	324			
Public Works - Streets		202/327		
Public Works - Airport		260/331		
Rec & Tourism - Tourism Division	295	214/295		
Rec & Tourism - Trails & Open Spaces	307			
Rec & Tourism - Recreation Division	299-303	206/299		
Rec & Tourism - Event Center		265/312		
Rec & Tourism - Aquatics	315			
Rec & Tourism - Parks Operations	318			
Community Dev Administration	263			
Planning & Zoning	275		417/275	
Building Services	268			
Economic Development	278			
Affordable Housing			403/281	
Library		224/287		

Functional Unit		General Fund		Special Revenue Funds		Capital Project Funds		Enterprise Funds
		Page #		Fund/Page#		Fund/Page#		Fund/Page#
Water - Administration								661/338
Water - Accounting & Collections								661/340
Water - Transmittion & Distribution								661/341
Water - Operations & Maintenance								661/342
Water - Resources								661/344
Water - Production O&M								661/345
Water - Green Valley Park Maintenance								661/346
Water - WQARF								661/347
Water - Treatment Plant								661/348
Water - CC Cragin								661/349
Water Capital Trust Fund						460/350		

TOWN COUNCIL

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.

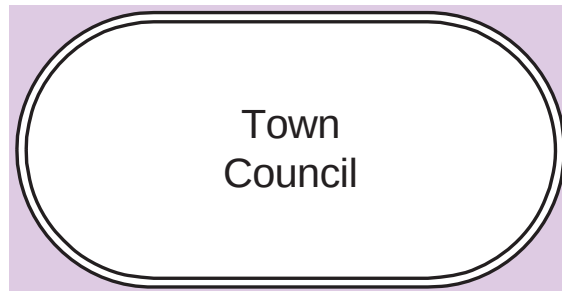
Town of Payson
303 N. Beeline Highway
Payson, AZ 85541
928-474-5242





2017 ANNUAL BUDGET

Council members serve four-year terms. Three Council members are elected every two years and may serve unlimited terms. The Mayor is elected to a two-year term and may serve unlimited terms. The Town Council selects a Vice Mayor from among its membership.



DEPARTMENT EXPENDITURE SUMMARY

Operating Division	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed
Town Council	89,841	83,525	106,700	102,500
Total Expenditures	\$ 89,841	\$ 83,525	\$ 106,700	\$ 102,500

POSITION SUMMARY

	2016/17	2017/18
Town Council Members	7.0	7.0
Total Positions	7.0	7.0

TOWN COUNCIL

TOWN COUNCIL

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

2016/17 ACCOMPLISHMENTS

- ✓ Established clear policy direction and priorities for Town operations
- ✓ Provided a safe, pleasant community for all citizens through aggressive public safety efforts and programs
- ✓ Served the Town through a variety of Town services designed to promote quality of life
- ✓ Responded to the needs of the community by promoting communications and accessibility
- ✓ Approved a financially sound budget that fits within our fiscal constraints
- ✓ Incorporated safeguards to assure fairness and equitable treatment of all citizens
- ✓ Continued to evaluate Town services

2017/18 GOALS



KRA 2: FINANCIAL EXCELLENCE

⇒ Value the tax dollar and maintain a fiscally responsible financial policy

KRA 4: INNOVATION & EFFICIENCY

⇒ Respond to the needs of the community by promoting communications and accessibility

KRA 8: PUBLIC SAFETY

⇒ Provide a safe, pleasant community for all citizens through aggressive public safety efforts and programs

ALL KRAs

⇒ Incorporate safeguards to assure fairness and equitable treatment of all citizens

⇒ Establish clear policy direction and priorities for Town operations

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

⇒ Encourage more citizen interaction to foster an attitude of being more community minded



CONTACT INFORMATION

To send an e-mail to any of the Council Members or the Mayor, just visit the Town of Payson website at:
www.paysonaz.gov
and select the appropriate icon

PHYSICAL LOCATION

Payson Town Complex
Town Hall Building
303 N Beeline Hwy.
Payson, AZ 85541

TOWN COUNCIL BUDGET CHANGES—3 YEARS

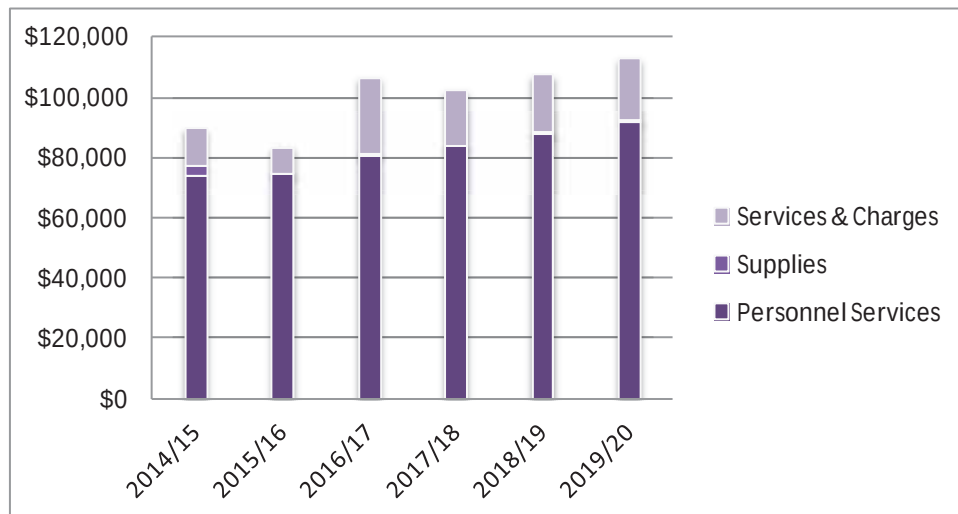
Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Salaries & Wages	46,800	46,800	0.0%	46,800	0.0%
Personnel Benefits	28,061	34,000	21.2%	36,800	8.2%
Supplies	55	500	809.1%	500	0.0%
Other Services & Charges	8,609	25,400	195.0%	18,400	-27.6%
Total Town Council	\$ 83,525	\$ 106,700	27.7%	\$ 102,500	-3.9%

Significant Budget Changes:

- Changes in Personnel Benefits reflect the changes in Council members' benefits
- FY15/16 Supplies & Services—Council is always conservative in their spending and rarely spends everything that is allocated in the budget
- FY17/18 Other Services—Council members elected to apply a portion of their annual budget to help fund new carpeting for the Legal Department

TOWN COUNCIL BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Personnel Services	73,986	74,861	80,800	83,600	87,780	92,169
Supplies	3,181	55	500	500	525	551
Services & Charges	12,674	8,609	25,400	18,400	19,320	20,286
Total Town Council	\$ 89,841	\$ 83,525	\$ 106,700	\$ 102,500	\$ 107,625	\$ 113,006



**TOWN COUNCIL**

		2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SALARIES & WAGES					
101-5-1411-00-5001	Full Time Employees	47,300	46,800	46,800	46,800
	Total Salaries & Wages	47,300	46,800	46,800	46,800
PERSONNEL BENEFITS					
101-5-1411-00-5501	FICA	2,353	2,223	3,600	3,600
101-5-1411-00-5700	Health Insurance	24,101	25,598	30,100	33,000
101-5-1411-00-5800	Worker's Comp Insurance	232	240	300	200
	Total Personnel Benefits	26,686	28,061	34,000	36,800
SUPPLIES					
101-5-1411-00-6001	Office Supplies	2,884	55	500	500
101-5-1411-00-6600	Public Relations	297	-	-	-
	Total Supplies	3,181	55	500	500
OTHER SERVICES & CHARGES					
101-5-1411-00-7306	Telephone Charges	2,984	3,225	3,500	3,500
101-5-1411-00-72xx	Council Member Expenses	9,690	5,384	21,900	14,900
	Total Other Services & Charge	12,674	8,609	25,400	18,400
TOTAL TOWN COUNCIL		\$ 89,841	\$ 83,525	\$ 106,700	\$ 102,500

TOWN MANAGER

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.

Town of Payson
Town Hall
303 N. Beeline Highway
Payson, AZ 85541
928-474-5242

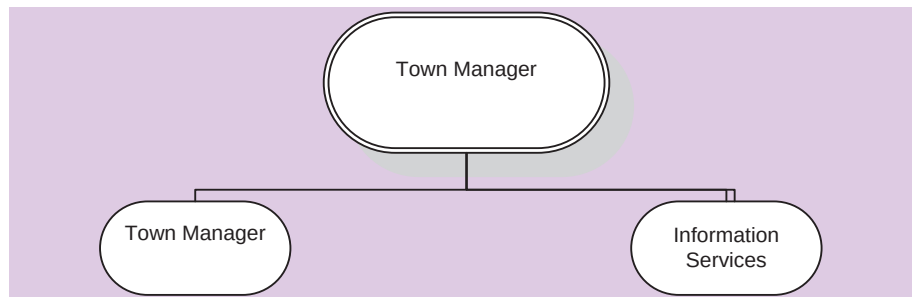
LaRon Garrett—Town Manager
lgarrett@paysonaz.gov





2017 ANNUAL BUDGET

The Town Manager's Department is made up of two divisions: Town Manager and Information Services. In FY14/15, Neighborhood Services and Economic Development divisions were included in the Town Manager's Department. In FY15/16, the Neighborhood Services division was eliminated and Economic Development was moved to the Planning & Development Department. Until FY17/18, Human Resources was included in this department but it is now its own department.



DEPARTMENT EXPENDITURE SUMMARY

Operating Division	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed
Town Manager	180,240	317,298	210,700	220,400
Information Services	597,594	615,772	644,900	803,500
Total Expenditures	\$ 777,834	\$ 933,070	\$ 855,600	\$1,023,900

POSITION SUMMARY

	2016/17	2017/18
Town Manager	1.0	1.0
Information Technology Manager	1.0	1.0
Information Technology Technician	1.0	1.0
Total Town Manager	3.0	3.0

TOWN MANAGER'S DEPARTMENT



2017 ANNUAL BUDGET

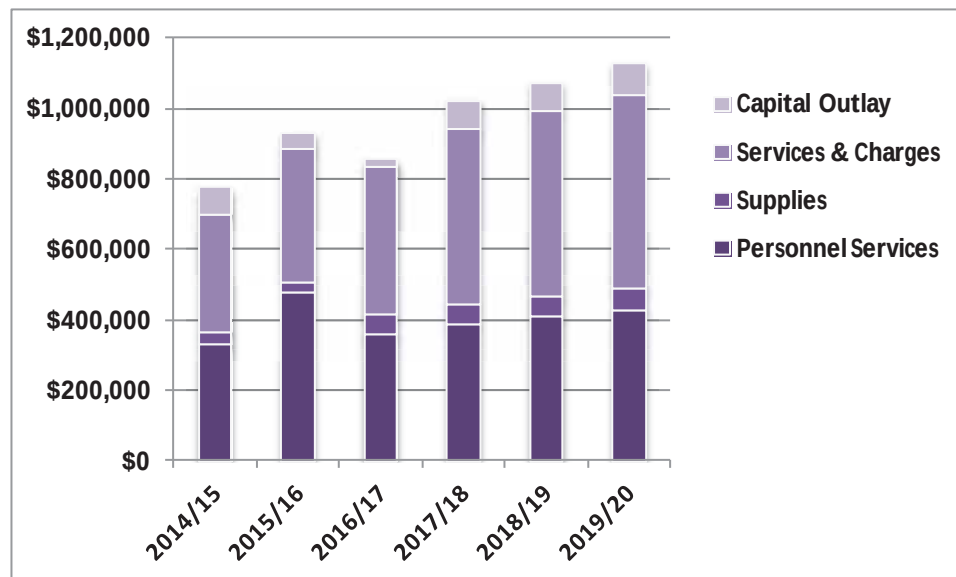
TOWN MANAGER DEPARTMENT BUDGET CHANGES—3 YEARS

Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Salaries & Wages	409,488	284,100	-30.6%	302,100	6.3%
Personnel Benefits	67,529	75,500	11.8%	86,500	14.6%
Supplies	28,804	56,200	95.1%	56,200	0.0%
Other Services & Charges	378,940	419,800	10.8%	499,100	18.9%
Capital Outlay	48,309	20,000	-58.6%	80,000	300.0%
Total Town Manager	\$ 933,070	\$ 855,600	-8.3%	\$ 1,023,900	19.7%

Note: Explanations of significant budget changes are addressed within the individual divisions' sections that follow

TOWN MANAGER DEPARTMENT BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Personnel Services	331,851	477,017	359,600	388,600	408,030	428,432
Supplies	35,124	28,804	56,200	56,200	59,010	61,961
Services & Charges	334,478	378,940	419,800	499,100	524,055	550,258
Capital Outlay	76,381	48,309	20,000	80,000	84,000	88,200
Total Town Manager	\$ 777,834	\$ 933,070	\$ 855,600	\$1,023,900	\$ 1,075,095	\$ 1,128,850



TOWN MANAGER'S DEPARTMENT

TOWN MANAGER DIVISION

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

2016/17 ACCOMPLISHMENTS

- ✓ Updated administrative policies
- ✓ Reviewed operational effectiveness and efficiency
- ✓ Continued building the Town's working relationship with neighboring governmental jurisdictions by providing service
- ✓ Upgraded the Council Chamber sound, video and recording system to provide better access to Council Meetings on electronic media
- ✓ Created an official Town Facebook page
- ✓ Initiated electronic voting for the Council
- ✓ Worked with the Rim Country Education Alliance (RCEA) on the campus project
- ✓ Continued to administer the financial aspects of the C.C. Cragin pipeline project

CONTACT INFORMATION

LaRon Garrett
Town Manager
(928) 474-5242
lgarrett@paysonaz.gov

PHYSICAL LOCATION

Payson Town Complex
Town Hall Building
303 N. Beeline Hwy.
Payson, AZ 85541

2017/18 GOALS



KRA 2: FINANCIAL EXCELLENCE

- ✓ Assist the Finance Department to ensure future budgets are balanced with the new sales tax increase
- ✓ Improve the budget process to include more analysis, better forecasting tools, more departmental participation, more transparency and ease of procedures
- ✓ Continue to administer the financial aspects of the C.C. Cragin pipeline project



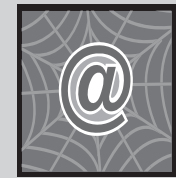
KRA 4: INNOVATION & EFFICIENCY

- ✓ Continue to evaluate operational effectiveness and efficiency



KRA 7: THE PAYSON TEAM

- ✓ Continue to seek partnerships with, and provide assistance to, neighboring jurisdictions
- ✓ Continue to work with Rim Country Education Alliance (RCEA) on the campus project



KRA 10: TECHNOLOGY

- ✓ Continue to enhance transparency by redesigning the Town website to increase its use as a source of public information and make it more user friendly

ALL KRAs

- ✓ Work on implementing objectives set forth in the Corporate Strategic Plan

TOWN MANAGER DIVISION BUDGET CHANGES—3 YEARS

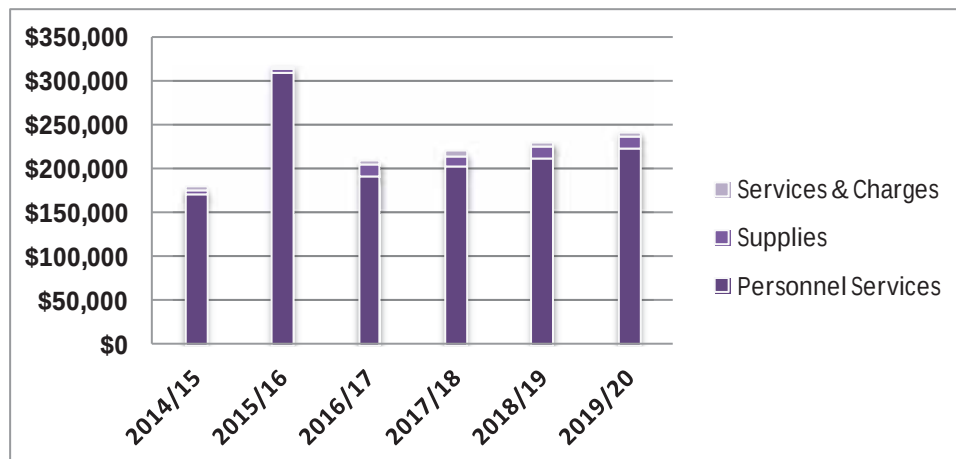
Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Salaries & Wages	274,773	149,200	-45.7%	153,100	2.6%
Personnel Benefits	35,014	41,800	19.4%	50,200	20.1%
Supplies	5,802	13,700	136.1%	11,700	-14.6%
Other Services & Charges	1,709	6,000	251.1%	5,400	-10.0%
Town Manager	\$ 317,298	\$ 210,700	-33.6%	\$ 220,400	4.6%

Significant Budget Changes:

- FY15/16 Salaries & Wages included payout for previous Town Manager
- FY16/17 Personnel Benefits reflects increases in health & workers comp insurance
- FY16/17 Supplies—increased funding for various supplies
- FY16/17 Services—increased for travel / registrations
- FY17/18 Personnel Benefits—legal decision required additional contribution to retirement
- FY17/18 Supplies—reflects reduced office supplies and fuel
- FY17/18 Services—reduction in travel

TOWN MANAGER DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Personnel Services	170,330	309,787	191,000	203,300	213,465	224,138
Supplies	5,127	5,802	13,700	11,700	12,285	12,899
Services & Charges	4,783	1,709	6,000	5,400	5,670	5,954
Town Manager	\$ 180,240	\$ 317,298	\$ 210,700	\$ 220,400	\$ 231,420	\$ 242,991





TOWN MANAGER

		2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SALARIES & WAGES					
101-5-1405-00-5001	Full Time Employees	132,744	274,773	149,200	153,100
	Total Salaries & Wages	132,744	274,773	149,200	153,100
PERSONNEL BENEFITS					
101-5-1405-00-5501	FICA	9,292	13,583	11,400	11,700
101-5-1405-00-5504	Retirement	15,234	12,036	16,900	30,400
101-5-1405-00-5600	Deferred Compensation	9,133	2,499	-	-
101-5-1405-00-5700	Health/Life Insurance	3,126	4,434	7,100	7,100
101-5-1405-00-5701	Disability Insurance	159	128	200	300
101-5-1405-00-5800	Workers Compensation	642	2,334	6,200	700
	Total Personnel Benefits	37,586	35,014	41,800	50,200
SUPPLIES					
101-5-1405-00-6001	Office Supplies	895	105	2,800	400
101-5-1405-00-6005	Safety Supplies	-	-	100	100
101-5-1405-00-6006	Uniforms / Clothing	-	-	-	300
101-5-1405-00-6010	Books & Periodicals	-	-	500	500
101-5-1405-00-6011	Small Tools/Minor Equipment	-	-	200	200
101-5-1405-00-6300	Gasoline,Fuels,Lubricant	-	-	1,500	1,200
101-5-1405-00-6302	R&M Supplies Vehicle	-	-	100	500
101-5-1405-00-6600	Public Relations	2,553	4,366	6,000	6,000
101-5-1405-00-6700	Dues & Memberships	1,653	1,331	2,500	2,500
101-5-1405-00-6990	Other Expense	26	-	-	-
	Total Supplies	5,127	5,802	13,700	11,700
OTHER SERVICES & CHARGES					
101-5-1405-00-7306	Telephone Charges	702	43	900	800
101-5-1405-00-7600	Travel	1,862	796	2,500	2,000
101-5-1405-00-7601	Registrations	2,219	870	2,600	2,600
	Total Other Svcs & Charges	4,783	1,709	6,000	5,400
TOTAL TOWN MANAGER		\$ 180,240	\$ 317,298	\$ 210,700	\$ 220,400

INFORMATION SERVICES DIVISION

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

2016/17 ACCOMPLISHMENTS

- ✓ Continued deployment of SharePoint to all departments
- ✓ Installed and deployed new VoIP phone system
- ✓ Moved user data to new file server
- ✓ Began deployment of Web Filter Solution
- ✓ Finalized desktop migration to Windows 7
- ✓ Continued improving Channel 4 programming
- ✓ Began TV4 equipment replacement
- ✓ Decommissioned Blackberry server
- ✓ Provided data connection configuration for dispatch merger
- ✓ Installed malwarebytes server and began deployment
- ✓ Deployed new file storage server
- ✓ Continued server virtualization
- ✓ Installed and configured new backup server
- ✓ Rewired Legal, Water, Community Development, Fire station 11 & 12, and Parks & Rec buildings
- ✓ Install new UPS for dispatch equipment
- ✓ Re-rollout of Internet and Computer Usage Policy
- ✓ Rewired the Airport buildings and improved internet access

CONTACT INFORMATION

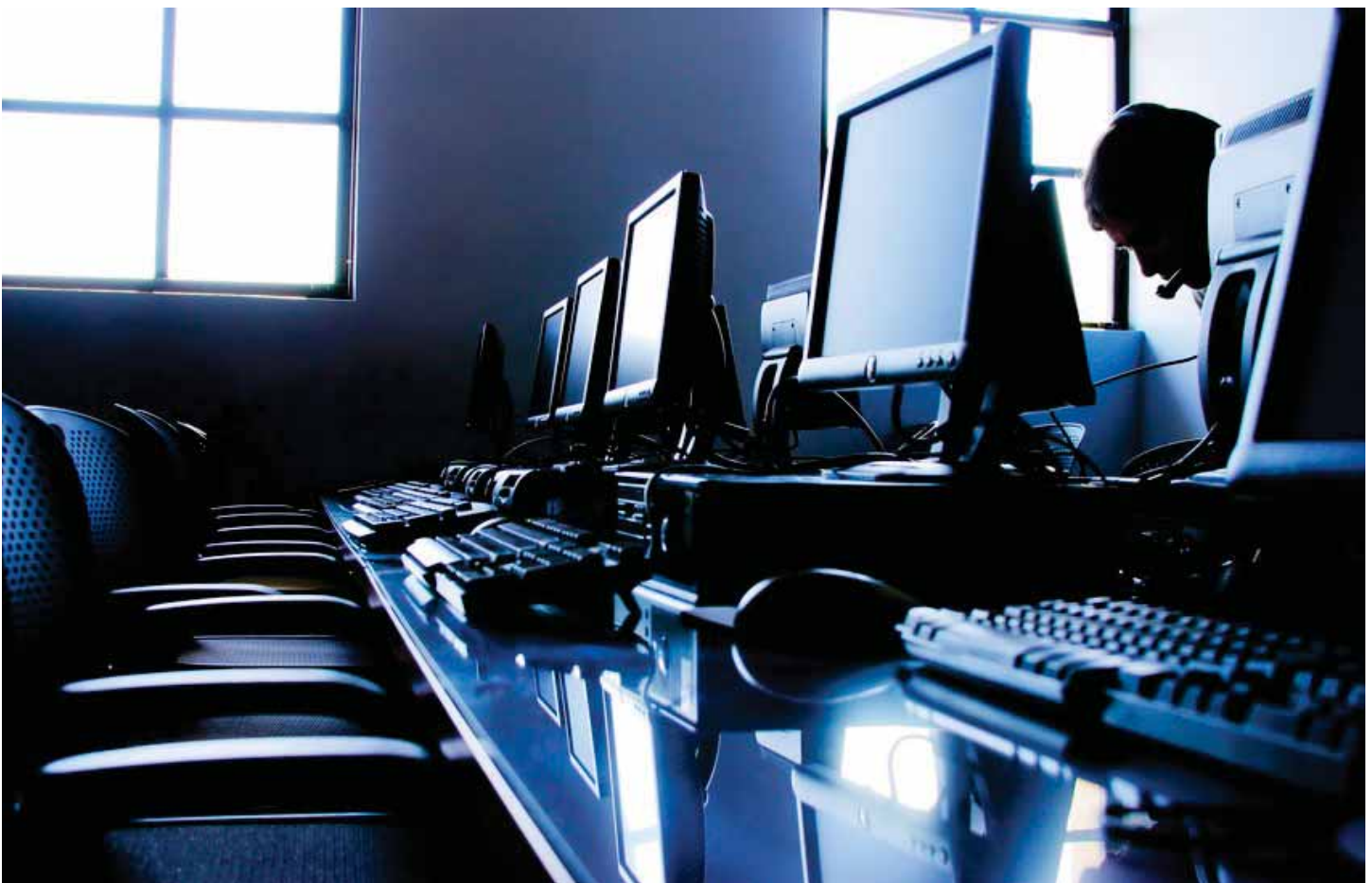
Steve DeHaan
(928) 472-5015
sdehaan@paysonaz.gov

PHYSICAL LOCATION

Payson Town Complex—Town Hall Bldg.
303 N Beeline Hwy.
Payson, AZ 85541

KRA 10: TECHNOLOGY

- ⇒ Implement an offsite disaster recovery solution—Cloud Solution
- ⇒ Video surveillance for Town Buildings
- ⇒ Migrate mailboxes to new exchange server
- ⇒ Replace microphone system
- ⇒ Finalize TV4 equipment replacement
- ⇒ Enable user mailboxes for personal archiving
- ⇒ Continue improving Channel 4 programming
- ⇒ Finish deployment of Web Filter Solution
- ⇒ Finish deployment of SharePoint to all departments
- ⇒ Build Exchange 2007 Edge Server
- ⇒ Finish malwarebytes deployment
- ⇒ New software program for Parks & Rec



INFORMATION SERVICES DIVISION BUDGET CHANGES—3 YEARS

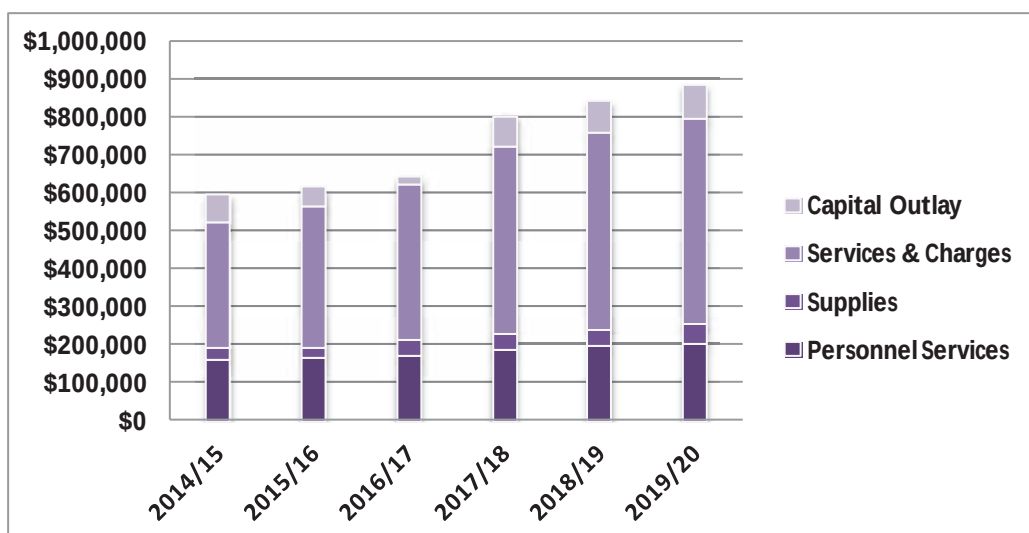
Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Salaries & Wages	134,715	134,900	0.1%	149,000	10.5%
Personnel Benefits	32,515	33,700	3.6%	36,300	7.7%
Supplies	23,002	42,500	84.8%	44,500	4.7%
Other Services & Charges	377,231	413,800	9.7%	493,700	19.3%
Capital	48,309	20,000	-58.6%	80,000	300.0%
Total Information Services	\$ 615,772	\$ 644,900	4.7%	\$ 803,500	24.6%

Significant Budget Changes:

- FY16/17 Supplies—additional funds budgeted for computer equipment/supplies
- FY15/16 & 16/17 Capital—the only capital budgeted was Council Chamber upgrades / TV Equipment which spanned both fiscal years
- FY17/18 Services—reflects increased cost for software licensing and telephone charges
- FY17/18 Capital—includes funding for two new capital projects for offsite data storage and mobile switch replacement

INFORMATION SERVICES DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Personnel Services	161,521	167,230	168,600	185,300	194,565	204,293
Supplies	29,997	23,002	42,500	44,500	46,725	49,061
Services & Charges	329,695	377,231	413,800	493,700	518,385	544,304
Capital Outlay	76,381	48,309	20,000	80,000	84,000	88,200
Total Information Serv	\$ 597,594	\$ 615,772	\$ 644,900	\$ 803,500	\$ 843,675	\$ 885,859



**INFORMATION SERVICES**

	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SALARIES & WAGES				
101-5-1408-00-5001 Full Time Employees	130,459	134,715	134,900	146,000
101-5-1408-00-5200 Overtime Pay	-	-	-	3,000
Total Salaries & Wages	130,459	134,715	134,900	149,000
PERSONNEL BENEFITS				
101-5-1408-00-5501 FICA	9,351	9,815	10,300	11,400
101-5-1408-00-5504 Retirement	14,680	15,226	15,300	16,900
101-5-1408-00-5700 Health/Life Insurance	6,253	6,627	7,100	7,100
101-5-1408-00-5701 Disability Insurance	153	162	200	200
101-5-1408-00-5800 Workers Compensation	625	685	800	700
101-5-1408-00-5990 Miscellaneous	-	-	-	-
Total Personnel Benefits	31,062	32,515	33,700	36,300
SUPPLIES				
101-5-x408-0x-6013 Computer Equipment/Supplies	29,997	23,002	42,500	44,500
Total Supplies	29,997	23,002	42,500	44,500
OTHER SERVICES & CHARGES				
101-5-1408-00-7005 Software Licensing	29,866	26,884	31,000	80,200
101-5-x408-0x-7306 Telephone Charges	79,482	126,733	146,700	167,000
101-5-x408-0x-7403 Computer Equipment R&M	216,547	219,697	229,100	239,500
101-5-1408-00-7900 Other Professional Services	3,800	3,917	7,000	7,000
Total Other Svcs & Charges	329,695	377,231	413,800	493,700
CAPITAL OUTLAY				
101-5-1408-00-8004 Machinery & Equipment	25,091	48,309	20,000	50,000
101-5-2408-01-8004 Machinery & Equipment	51,290	-	-	30,000
Total Capital Outlay	76,381	48,309	20,000	80,000
TOTAL INFORMATION SERVICES	\$ 597,594	\$ 615,772	\$ 644,900	\$ 803,500

HUMAN RESOURCES

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
- Prompting safety first in the work place in order to provide the employees a safer environment

Town of Payson
Town Hall
303 N. Beeline Highway
Payson, AZ 85541
928-474-5011

Melanie Baird-Simmons
Human Resources Manager
Mbaird-simmons@paysonaz.gov





2017 ANNUAL BUDGET

The Human Resources Department is responsible for payroll functions, administration of employee / retiree benefits, personnel policies & procedures, recruitment, employee training & development, risk management and administration of safety programs and compliance. Until FY17/18, Human Resources was included in the Town Manager's Department but it is now its own department.

Human Resources

DEPARTMENT EXPENDITURE SUMMARY

Operating Division	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed
Human Resources	230,805	205,786	226,500	238,100
Total Expenditures	\$ 230,805	\$ 205,786	\$ 226,500	\$ 238,100

POSITION SUMMARY

	2016/17	2017/18
Human Resources Manager	1.0	1.0
Human Resources Analyst	1.0	1.0
Payroll Specialist	1.0	1.0
Total Human Resources	3.0	3.0

HUMAN RESOURCES DEPARTMENT

HUMAN RESOURCES DEPARTMENT

2016/2017 ACCOMPLISHMENTS

- ✓ Coordinated MOM unit, health screenings, and annual vaccines with APEHP annual wellness fair (added bone density and skin cancer screenings plus community partners)
- ✓ Completed and implemented employee safety training module through Southwest Risk Services / Safe Personnel
- ✓ Implemented additional employee training (forklift training for 37 EE's and CPR training for over 70 EE's)
- ✓ Two staff members attended Fall HIPAA training with Segal Company
- ✓ Two staff members attended Fall seminar with Segal Company & ASRS regarding annual updates
- ✓ Two staff members attended 2016 ASRS Employer Conference regarding new legislation updates
- ✓ Revitalized the Safety Committee and implemented regular meetings
- ✓ Reduced number of 457 plans (in progress) from five to two
- ✓ Reduced health care costs (retirees move to ASRS not feasible due to increased rates, changed brokers, reviewed other providers, Aetna)
- ✓ One staff member attended AZ SHRM State Conference
- ✓ Completed SW Risk Safety Walk-throughs (August, November, June)
- ✓ Records retention clean-up (shredded 64 boxes)
- ✓ Created New Hire process with checklist including a safety orientation
- ✓ Created Separation process with checklist
- ✓ Completed thorough review of AMRRP policy
- ✓ Assisted with the Gila County / Payson dispatcher merger
- ✓ Attended 20th Annual Public Practice Legal Seminar / HR Summit (5 sessions)
- ✓ Enrolled one employee in Certified Payroll Professional certification program
- ✓ Completed SDS OSHA compliance

CONTACT INFORMATION

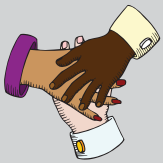
Melanie Baird-Simmons—HR Manager
(928) 472-5011
mbaird-simmons@paysonaz.gov

PHYSICAL LOCATION

Payson Town Complex
Town Hall Building
303 N Beeline Hwy.
Payson, AZ 85541

KRA 7: THE PAYSON TEAM

- ⇒ Initiate a Wellness Committee / program with a goal of two events per year
- ⇒ Roll out the time entry module in Incode (Water Division as tester)
- ⇒ Increase utilization of HR side of Incode
- ⇒ Conduct physical inventory of insured assets (property, vehicles, equipment)
- ⇒ Implement new Performance Evaluation program
- ⇒ Attend a HIPAA compliance training
- ⇒ Increase number of applicants through increased recruiting efforts
- ⇒ Reduce turnover
- ⇒ Conduct 100% new hire safety training
- ⇒ Stipend job descriptions
- ⇒ Attend ASRS Annual training
- ⇒ Initiate Emergency building plan
 - Intercom system for emergency evacuation
 - Fire drills



HUMAN RESOURCES DEPARTMENT BUDGET CHANGES—3 YEARS

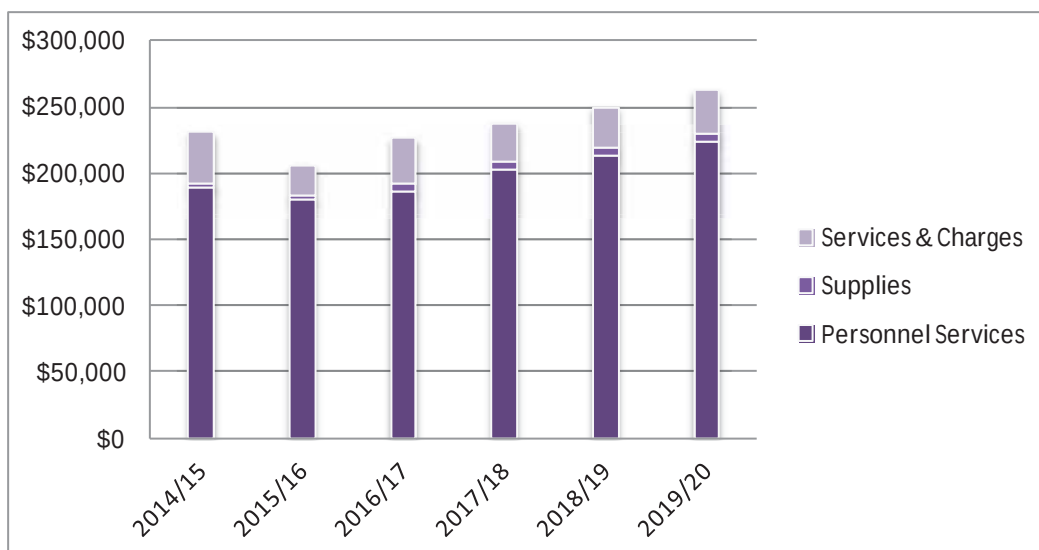
Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Salaries & Wages	140,579	141,400	0.6%	155,200	9.8%
Personnel Benefits	39,218	45,500	16.0%	48,400	6.4%
Supplies	3,480	5,000	43.7%	5,500	10.0%
Other Services & Charges	22,509	34,600	53.7%	29,000	-16.2%
Total Human Resources	\$ 205,786	\$ 226,500	10.1%	\$ 238,100	15.7%

Significant Budget Changes:

- FY16/17 Personnel Benefits—reflects increase in insurance related expenses
- FY16/17 Supplies—new HR Manager requested budget for memberships
- FY16/17 Other Services—new HR Manager requested increase in registrations and additional funds for pre-employment testing & processing
- FY17/18 Other Services—previous year's budget for pre-employment testing & processing was reduced based on updated data on actual costs

HUMAN RESOURCES DEPARTMENT BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Personnel Services	188,852	179,797	186,900	203,600	213,780	224,469
Supplies	3,021	3,480	5,000	5,500	5,775	6,064
Services & Charges	38,932	22,509	34,600	29,000	30,450	31,973
Total Human Resource	\$ 230,805	\$ 205,786	\$ 226,500	\$ 238,100	\$ 250,005	\$ 262,505





HUMAN RESOURCES

		2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SALARIES & WAGES					
101-5-1406-00-5001	Full Time Employees	144,231	140,579	141,400	152,200
101-5-1406-00-5200	Overtime Pay	-	-	-	3,000
	Total Salaries & Wages	144,231	140,579	141,400	155,200
PERSONNEL BENEFITS					
101-5-1406-00-5501	FICA	9,962	9,653	10,900	11,900
101-5-1406-00-5504	Retirement	16,552	14,198	16,100	17,600
101-5-1406-00-5700	Health/Life Insurance	17,230	14,576	17,500	18,000
101-5-1406-00-5701	Disability Insurance	173	151	200	200
101-5-1406-00-5800	Workers Compensation	704	640	800	700
	Total Personnel Benefits	44,621	39,218	45,500	48,400
SUPPLIES					
101-5-1406-00-6001	Office Supplies	1,499	1,496	2,000	2,000
101-5-1406-00-6005	Program Supplies	1,394	1,879	2,200	2,200
101-5-1406-00-6300	Gasoline/Fuels/Lubricant	51	105	-	200
101-5-1406-00-6700	Memberships/Dues/Subsc	-	-	800	1,100
101-5-1406-00-6990	Other Expense	77	-	-	-
	Total Supplies	3,021	3,480	5,000	5,500
OTHER SERVICES & CHARGES					
101-5-1406-00-7306	Telephone Charges	705	399	500	500
101-5-1406-00-7600	Travel Expenses	719	622	900	800
101-5-1406-00-7601	Registration	298	1,373	3,200	3,200
101-5-1406-00-7900	Other Professional Services	30,444	16,016	25,000	20,000
101-5-1406-00-7907	Advertising	6,766	4,099	5,000	4,500
	Total Other Svcs & Charges	38,932	22,509	34,600	29,000
TOTAL HUMAN RESOURCES		\$ 230,805	\$ 205,786	\$ 226,500	\$ 238,100

TOWN CLERK

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.

Payson Town Hall
303 N. Beeline Highway
Payson, AZ 85541
928-474-5242

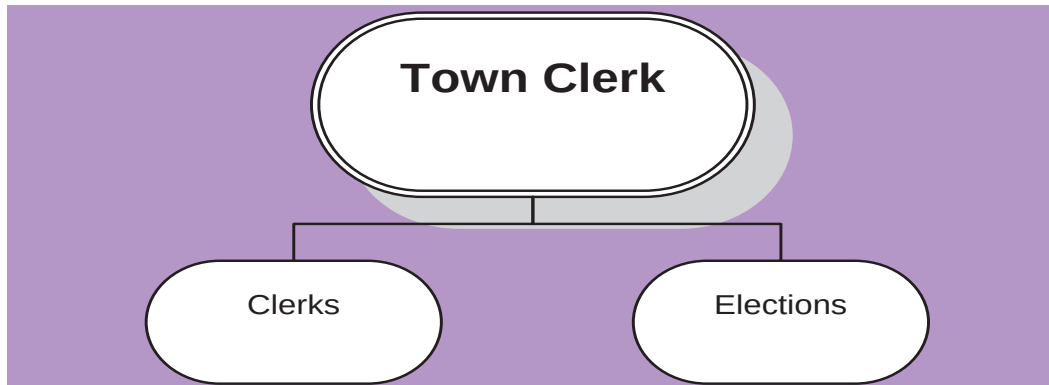
Silvia Smith
ssmith@paysonaz.gov





2017 ANNUAL BUDGET

The Town Clerk's Department is comprised of:
Town Clerk Division and Election Division.



DEPARTMENT EXPENDITURE SUMMARY

Operating Division	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed
Town Clerk	209,958	210,700	212,600	221,700
Elections	37,109	898	41,000	16,000
Total Department	\$ 247,067	\$ 211,598	\$ 253,600	\$ 237,700

POSITION SUMMARY

	2016/17	2017/18
Town Clerk	1.0	1.0
Chief Deputy Town Clerk	1.0	1.0
Total Filled Positions	2.0	2.0

TOWN CLERK'S DEPARTMENT



2017 ANNUAL BUDGET

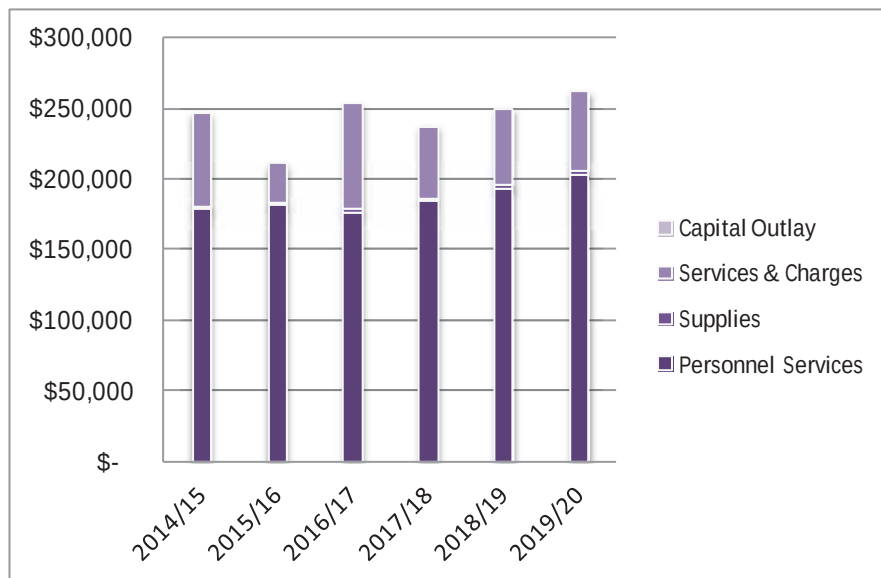
CLERK'S DEPARTMENT BUDGET CHANGES—3 YEARS

Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Salaries & Wages	145,558	139,900	-3.9%	146,300	4.6%
Personnel Benefits	35,776	36,600	2.3%	38,000	3.8%
Supplies	1,833	2,300	25.5%	2,600	13.0%
Other Services & Charges	28,432	74,800	163.1%	50,800	-32.1%
Total Town Clerk Dept.	\$ 211,599	\$ 253,600	19.8%	\$ 237,700	-6.3%

Note: Explanations of significant budget changes are addressed within the individual divisions' sections that follow

CLERK'S DEPARTMENT BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Personnel Services	178,858	181,334	176,500	184,300	193,515	203,191
Supplies	1,699	1,833	2,300	2,600	2,730	2,867
Services & Charges	66,510	28,432	74,800	50,800	53,340	56,007
Capital Outlay	-	-	-	-	-	-
Total Clerk Dept	\$ 247,067	\$ 211,599	\$ 253,600	\$ 237,700	\$ 249,585	\$ 262,064



TOWN CLERK'S DEPARTMENT

TOWN CLERK DIVISION

The Town Clerk Division serves the Town Council, staff, and citizens of the Town of Payson. Its responsibilities include preparation of Council agendas and minutes, records management and public reception.

2016/2017 ACCOMPLISHMENTS

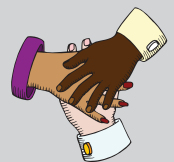
- ✓ Produced 23 TOP Talk Programs with 33 guests plus 59 employees presenting information
- ✓ Worked with the Town Attorney in the administrative cleanup of the Town Code
- ✓ Town Clerk and Deputy Town Clerk attended AMCA Annual Business Meeting and Conference in July 2016

2017/2018 GOALS



KRA 4: INNOVATION & EFFICIENCY

- ⇒ Produce 23 TOP Talk programs increasing guests to 65 plus 60 employees presenting information. Some employees participate in the capacity of a guest and host.



KRA 7: THE PAYSON TEAM

- ⇒ Implement a succession plan for department preparing for Town Clerk retirement
- ⇒ Continue to cross-train staff

CONTACT INFORMATION

Silvia Smith—Town Clerk
(928) 472-5001
ssmith@paysonaz.gov

PHYSICAL LOCATION

Payson Town Complex
Town Hall Building
303 N. Beeline Hwy.
Payson, AZ 85541

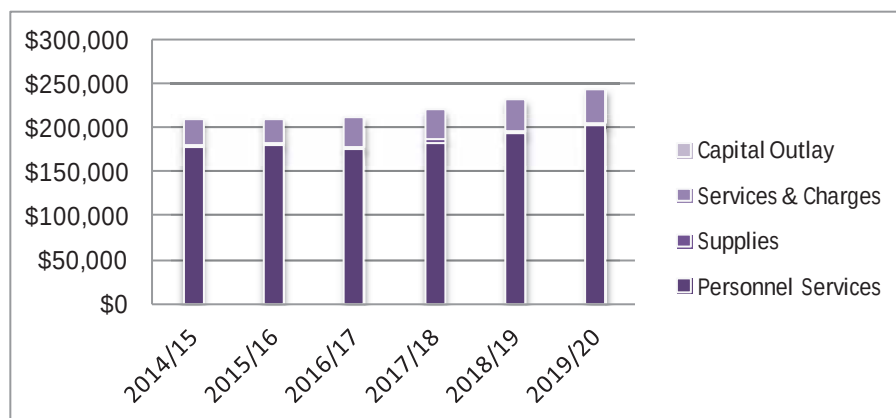
CLERK DIVISION BUDGET CHANGES—3 YEARS

Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Salaries & Wages	145,558	138,100	-5.1%	146,300	5.9%
Personnel Benefits	35,776	38,400	7.3%	38,000	-1.0%
Supplies	1,833	2,300	25.5%	2,600	13.0%
Other Services & Charges	27,533	33,800	22.8%	34,800	3.0%
Total Town Clerk Division	\$ 210,700	\$ 212,600	0.9%	\$ 221,700	4.3%

- FY15/16 Salaries & Wages—included a PTO buy back program that caused wages to be higher than normal
- FY16/17 Supplies— reflect an increase in the cost of office supplies and the inclusion of a uniform allowance that was not part of the previous years' budgets
- FY17/18 Supplies—Small Tools were increased to allow for the purchase of an office chair

CLERK DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Personnel Services	178,858	181,334	176,500	184,300	193,515	203,191
Supplies	1,699	1,833	2,300	2,600	2,730	2,867
Services & Charges	29,401	27,533	33,800	34,800	36,540	38,367
Capital Outlay	-	-	-	-	-	-
Total Clerks	\$ 209,958	\$ 210,700	\$ 212,600	\$ 221,700	\$ 232,785	\$ 244,424





TOWN CLERK

		2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SALARIES & WAGES					
101-5-1402-00-5001	Full Time Employees	143,755	145,558	138,100	145,300
101-5-1402-00-5200	Overtime Pay	-	-	-	1,000
	Total Salaries & Wages	143,755	145,558	138,100	146,300
PERSONNEL BENEFITS					
101-5-1402-00-5501	FICA	10,550	10,672	10,600	11,200
101-5-1402-00-5504	Retirement	16,498	16,520	15,700	16,600
101-5-1402-00-5700	Health/Life Insurance	7,179	7,665	9,000	9,200
101-5-1402-00-5701	Disability Insurance	173	176	200	300
101-5-1402-00-5800	Workers Comp Insurance	703	743	800	700
101-5-1402-00-5990	Miscellaneous	-	-	2,100	-
	Total Personnel Benefits	35,103	35,776	38,400	38,000
SUPPLIES					
101-5-1402-00-6001	Office Supplies	1,118	1,403	1,400	1,400
101-5-1402-00-6006	Uniforms / Clothing	-	-	200	200
101-5-1402-00-6011	Small Tools / Minor Equipment	-	-	-	300
101-5-1402-00-6700	Dues & Memberships	581	430	700	700
	Total Supplies	1,699	1,833	2,300	2,600
OTHER SERVICES & CHARGES					
101-5-1402-00-7003	Computer Services	14,404	14,058	14,700	14,700
101-5-1402-00-7306	Telephone	582	747	700	700
101-5-1402-00-7600	Travel	221	1,372	3,200	4,600
101-5-1402-00-7601	Registrations	265	380	2,200	1,800
101-5-1402-00-7900	Other Professional Services	8,158	5,737	8,000	8,000
101-5-1402-00-7907	Advertising	5,771	5,239	5,000	5,000
	Total Other Svcs & Charges	29,401	27,533	33,800	34,800
TOTAL TOWN CLERK		<u>\$ 209,958</u>	<u>\$ 210,700</u>	<u>\$ 212,600</u>	<u>\$ 221,700</u>

ELECTION DIVISION

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.

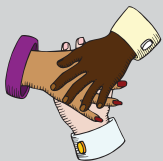
2016/2017 ACCOMPLISHMENTS

- ✓ Town Clerk and Chief Deputy Town Clerk attended 2016 Election Workshop in July 2016

2017/2018 GOALS

KRA 7: THE PAYSON TEAM

- ⇒ Town Clerk and Chief Deputy Town Clerk to attend the July 2017 Election Workshop
- ⇒ Although the next regularly scheduled election cycle is in August 2018, the Clerk's Office will be prepared to complete any unscheduled election processes that may arise during this fiscal year.
- ⇒ If an election is required, coordinate with Gila County Recorder's Office and Gila County Elections Department in Globe to ensure smooth collecting and processing of the ballots



Contact Information

Silvia Smith—Town Clerk
(928) 472-5001
ssmith@paysonaz.gov

Physical Location

Payson Town Complex
Town Hall Building
303 N. Beeline Hwy.
Payson, AZ 85541

ELECTION DIVISION BUDGET CHANGES—3 YEARS

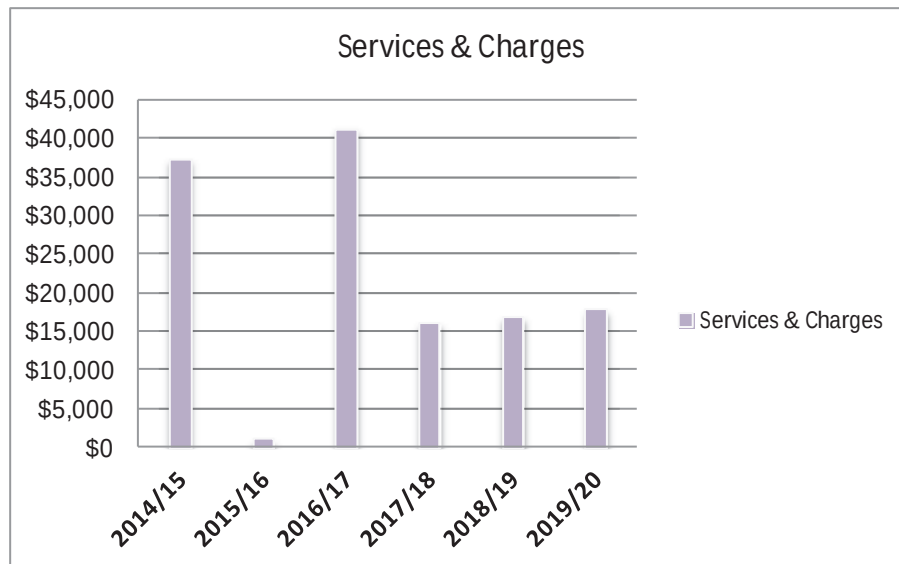
Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Other Services & Charges	899	41,000	4460.6%	16,000	-61.0%
Total Election Division	\$ 899	\$ 41,000	4460.6%	\$ 16,000	-61.0%

Significant Budget Changes:

- FY16/17 Services—Changes in the budget are due to the implementation of consolidated elections
- FY17/18 Services—Budget was reduced because a regular election will not be required during the fiscal year

ELECTION DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Services & Charges	37,109	898	41,000	16,000	16,800	17,640
Total Election	\$ 37,109	\$ 898	\$ 41,000	\$ 16,000	\$ 16,800	\$ 17,640





ANNUAL BUDGET

TOWN CLERK

ELECTIONS

	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
OTHER SERVICES & CHARGES				
101-5-1403-00-7900 Other Professional Services	37,065	26	40,000	15,000
101-5-1403-00-7907 Advertising	44	873	1,000	1,000
Total Other Svcs & Charges	37,109	899	41,000	16,000
TOTAL ELECTIONS	\$ 37,109	\$ 899	\$ 41,000	\$ 16,000

LEGAL DEPARTMENT

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.

Town of Payson—Legal Department
303 N. Beeline Highway
Payson, AZ 85541
928-472-5018

Hector Figueroa—Town Attorney
hfigueroa@paysonaz.gov





2017 ANNUAL BUDGET

The Legal Department (Town Attorney's Office) serves the Town and its residents in two ways—Civil (Internal) and Prosecution (External). By representing the Town of Payson and counseling the Town on the vast array of legal issues it faces, our staff performs public service in the best traditions of the legal profession. Starting in FY11/12, the Legal Department was split into three divisions. In FY14/15, the divisions were moved back and all funds were budgeted under one division.

Legal (Town Attorney)

DEPARTMENT EXPENDITURE SUMMARY

Operating Division	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed
Legal	352,200	367,128	425,700	448,700
Total Expenditures	\$ 352,200	\$ 367,128	\$ 425,700	\$ 448,700

POSITION SUMMARY

	2016/17	2017/18
Town Attorney	1.0	1.0
Prosecutor	1.0	1.0
Office Clerk *	1.5	1.5
Office Manager	1.0	1.0
Total Positions	4.5	4.5

* P/T Office Clerk position is a grant funded Victim Rights position

LEGAL DEPARTMENT

LEGAL

2016/2017 ACCOMPLISHMENTS

- ✓ Prepared record number of ordinances and resolutions
- ✓ Assisted Southwest Risk Services defending the Town in litigation and pre-litigation matters
- ✓ Assisted Department Heads and HR with employee discipline matters
- ✓ Drafted and/or reviewed numerous contracts for Town Departments and/or Council approval
- ✓ Provided legal advice to P&Z Commission and Mayor & Council
- ✓ Negotiated IGA with Houston-Mesa FD and Town of Star Valley & RCEA SLE
- ✓ Initiated new criminal case files, including victim cases, driving under the influence cases, and domestic violence cases
- ✓ Represented the State at various pre-trial Conferences, Review Hearings, Sentencing Hearings, and/or Bench Trials
- ✓ Hired and trained a new Office Clerk III after former Paralegal was promoted to Office Manager

2017/2018 GOALS

KRA 4—INNOVATION & EFFICIENCY

- ⇒ Work with Justice Court to improve judicial process for misdemeanor cases
- ⇒ Continue to create efficiencies to handle increased case numbers with constant staffing levels

KRA 7—THE PAYSON TEAM

- ⇒ Continue to improve communications, interaction, and responsiveness to victims, especially through the Victim Advocate
- ⇒ Assist Southwest Risk appointed legal counsel to prepare for and defend the Town in various legal actions filed against the Town
- ⇒ Prevent the Town from incurring civil liability by being proactive
- ⇒ Continue to work on staff training and development
- ⇒ Provide oversight of dispatch IGAs with Gila County & Tonto Apache Tribe
- ⇒ Negotiate/draft various agreements and contracts as directed by Council
- ⇒ Provide oversight of IGA's for Houston Mesa Fire District Management



CONTACT INFORMATION

Hector Figueroa—Town Attorney
(928) 472-5020
hfigueroa@paysonaz.gov

PHYSICAL LOCATION

Payson Town Complex—Legal Dept.
303 N. Beeline Hwy.
Payson, AZ 85541

LEGAL DEPARTMENT BUDGET CHANGES—3 YEARS

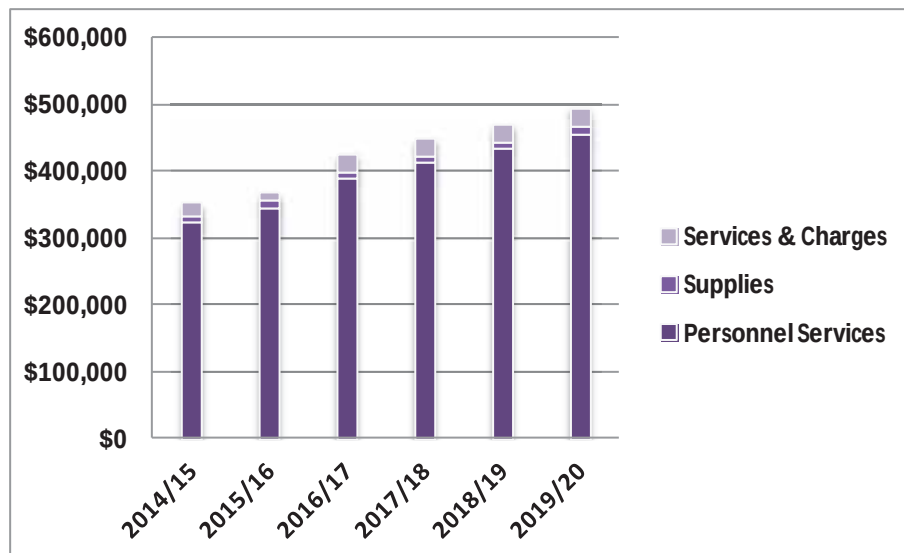
Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Salaries & Wages	277,308	306,000	10.3%	323,300	5.7%
Personnel Benefits	68,302	84,400	23.6%	89,800	6.4%
Supplies	10,332	8,600	-16.8%	9,500	10.5%
Other Services & Charges	11,186	26,700	138.7%	26,100	-2.2%
Total	\$ 367,128	\$ 425,700	16.0%	\$ 448,700	5.4%

Significant Budget Changes:

- FY16/17 Salaries & Benefits—reflects wage adjustments and changes in insurance plan selections
- FY16/17 Supplies—reflects decrease in budget for office and other supplies
- FY16/17 Services—each year, funds are budgeted for potential building repairs but in FY15/16 only a small portion of those funds was used

TOWN ATTORNEY BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Personnel Services	322,627	345,610	390,400	413,100	433,755	455,443
Supplies	10,204	10,332	8,600	9,500	9,975	10,474
Services & Charges	19,369	11,186	26,700	26,100	27,405	28,775
Total	\$ 352,200	\$ 367,128	\$ 425,700	\$ 448,700	\$ 471,135	\$ 494,692





ANNUAL BUDGET

LEGAL

LEGAL

		2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SALARIES & WAGES					
101-5-1418-00-5001	Full Time Employees	220,242	246,897	290,400	306,300
101-5-1418-00-5002	Part Time Employees	43,015	30,411	15,600	16,500
101-5-1418-00-5200	Overtime Pay	-	-	-	500
	Total Salaries & Wages	263,257	277,308	306,000	323,300
PERSONNEL BENEFITS					
101-5-1418-00-5501	FICA	19,429	20,326	23,400	24,700
101-5-1418-00-5504	Retirement	26,169	30,948	34,400	36,300
101-5-1418-00-5700	Health/Life Insurance	12,471	15,432	24,600	26,900
101-5-1418-00-5701	Disability Insurance	232	306	400	500
101-5-1418-00-5800	Workers Compensation	1,069	1,290	1,600	1,400
	Total Personnel Benefits	59,370	68,302	84,400	89,800
SUPPLIES					
101-5-1418-00-6001	Office Supplies	4,614	3,691	2,600	3,000
101-5-1418-00-6010	Books & Periodicals	3,712	4,258	4,000	4,000
101-5-1418-00-6013	Computer Equipment/Supplies	-	-	-	-
101-5-1418-00-6201	Building Repair Materials	409	18	500	500
101-5-1418-00-6700	Memberships/Dues/Subscript	1,280	1,240	1,300	1,400
101-5-1418-00-6990	Other Supplies	189	1,125	200	600
	Total Supplies	10,204	10,332	8,600	9,500
OTHER SERVICES & CHARGES					
101-5-1418-00-7100	Legal Services	9,170	1,320	3,000	3,000
101-5-1418-00-7103	Prosecution Services	1,500	-	1,000	1,000
101-5-1418-00-7300	Electricity Charges	1,458	1,693	2,200	2,000
101-5-1418-00-7301	Propane Gas Charges	1,121	1,063	1,200	1,200
101-5-1418-00-7306	Telephone	586	1,023	1,000	1,000
101-5-1418-00-7307	Postage / Freight	41	19	100	100
101-5-1418-00-7401	Building Repair & Maintenance	840	386	10,000	10,000
101-5-1418-00-7402	Office Equipment R&M	715	-	800	800
101-5-1418-00-7502	Lease Equipment	-	806	-	-
101-5-1418-00-7600	Travel	1,928	1,983	4,000	3,000
101-5-1418-00-7601	Registrations	738	1,453	2,000	2,000
101-5-1418-00-7900	Other Professional Services	1,272	1,440	1,400	2,000
	Total Other Services & Charges	19,369	11,186	26,700	26,100
TOTAL LEGAL		<u>\$ 352,200</u>	<u>\$ 367,128</u>	<u>\$ 425,700</u>	<u>\$ 448,700</u>

FINANCIAL SERVICES

The Finance 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.

Payson Town Complex
303 N. Beeline Highway
Payson, AZ 85541
928-472-5006

Deborah Barber—CFO
dbarber@paysonaz.gov





2017 ANNUAL BUDGET

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 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 improvements planning processes and producing the related financial documents;
- Providing accurate, timely, and useful financial information and support to Council, management, outside agencies and citizens.



DEPARTMENT EXPENDITURE SUMMARY

Operating Division	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed
Financial Services	320,399	357,791	369,900	531,600
Total Financial Serv Dept	\$ 320,399	\$ 357,791	\$ 369,900	\$ 531,600

POSITION SUMMARY

	2016/17	2017/18
CFO	0.0	1.0
Deputy CFO	0.0	1.0
Finance Manager	1.0	0.0
Accountant II	1.0	1.0
Budget Analyst I	1.0	1.0
Senior Finance Clerk	1.0	1.0
Grants Coordinator	0.5	0.5
Total Budgeted Positions	4.5	5.5

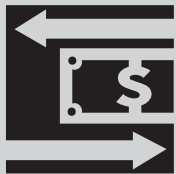
FINANCIAL SERVICES DEPARTMENT

FINANCE DEPARTMENT

2016/2017 ACCOMPLISHMENTS

- ✓ Successfully completed the 2015/2016 Audit
- ✓ Continued to receive professional awards and recognition:
 - * GFOA Certificate of Achievement for Excellence in Financial Reporting (19th consecutive year)
 - * GFOA Distinguished Budget Presentation Award (19th consecutive year)
 - * GFOA Certificate for Popular Annual Financial Report (11th consecutive year)
- ✓ Filled the position of CFO, which had been frozen pending economic recovery
- ✓ Successfully completed RFP for audit services and engaged the firm of Heinfeld Meech
- ✓ Updated capital assets documentation following Town-wide physical inventory
- ✓ Assisted Town departments with new financial software
- ✓ Strengthened internal controls by updating policies and providing training to management and staff

2017/2018 GOALS



KRA 2: FINANCIAL EXCELLENCE

- ⇒ Ensure excellent 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 stated Council objectives of reducing debt and building cash reserves

KRA 7: THE PAYSON TEAM

- ⇒ Increase training opportunities for finance team members

CONTACT INFORMATION

Deborah Barber
Chief Fiscal Officer
(928) 472-5006
dbarber@paysonaz.gov

PHYSICAL LOCATION

Payson Town Complex
Town Hall Building
303 N Beeline Hwy.
Payson, AZ 85541

FINANCE BUDGET CHANGES—3 YEARS

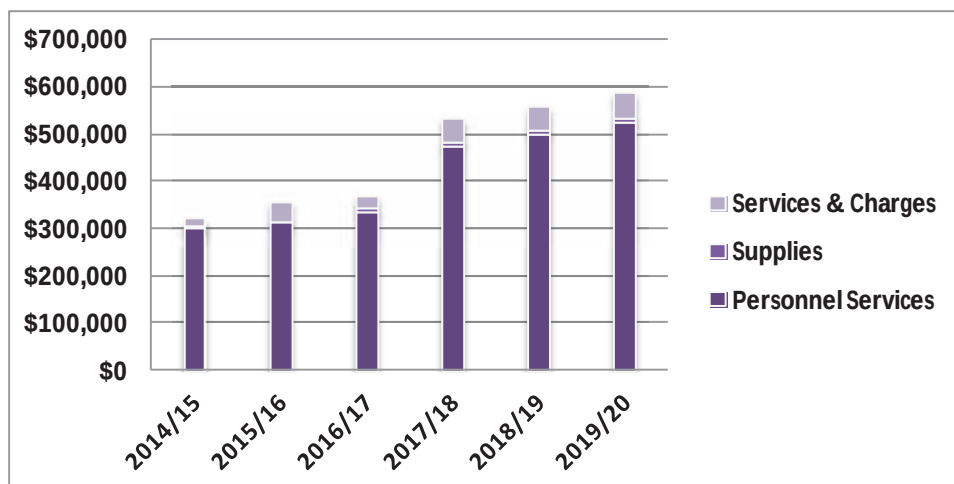
Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Salaries & Wages	249,019	264,100	6.1%	368,700	39.6%
Personnel Benefits	63,437	72,100	13.7%	106,900	48.3%
Supplies	3,164	5,100	61.2%	7,100	39.2%
Other Services & Charges	42,171	28,600	-32.2%	48,900	71.0%
Total Finance Services	\$ 357,791	\$ 369,900	3.4%	\$ 531,600	43.7%

Significant Budget Changes:

- FY16/17 & FY17/18 Salaries/Wages & Personnel Benefits—higher due to anticipated hiring of a CFO in 4th quarter of fiscal year
- FY16/17 Supplies—increased for additional office supplies
- FY16/17 Services—reduced since an actuarial study was not needed this fiscal year
- FY17/18 Supplies—included funds for the purchase of varidesks
- FY17/18 Services—increased due to the need for an actuarial study

FINANCE BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Personnel Services	300,674	312,456	336,200	475,600	499,380	524,349
Supplies	2,904	3,164	5,100	7,100	7,455	7,828
Services & Charges	16,821	42,171	28,600	48,900	51,345	53,912
Total Financial Serv	\$ 320,399	\$ 357,791	\$ 369,900	\$ 531,600	\$ 558,180	\$ 586,089



**FINANCIAL SERVICES**

	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SALARIES & WAGES				
101-5-1407-00-5001 Full Time Employees	197,703	208,410	212,800	315,700
101-5-1407-00-5002 Part Time Employees	43,532	40,609	51,300	53,000
Total Salaries & Wages	241,235	249,019	264,100	368,700
PERSONNEL BENEFITS				
101-5-1407-00-5501 FICA	16,853	17,429	20,200	28,200
101-5-1407-00-5504 Retirement	27,685	28,263	29,900	41,800
101-5-1407-00-5700 Health/Life Insurance	13,432	16,174	20,100	34,600
101-5-1407-00-5701 Disability Insurance	289	301	400	600
101-5-1407-00-5800 Workers Comp Insurance	1,180	1,270	1,500	1,700
Total Personnel Benefits	59,439	63,437	72,100	106,900
SUPPLIES				
101-5-1407-00-6001 Office Supplies	1,628	1,558	3,000	3,000
101-5-1407-00-6010 Books & Periodicals	-	126	300	300
101-5-1407-00-6011 Small Tools/Minor Equipment	36	-	100	2,100
101-5-1407-00-6700 Membership/Dues/Subscript	250	490	700	700
101-5-1407-00-6990 Other Expenses	990	990	1,000	1,000
Total Supplies	2,904	3,164	5,100	7,100
OTHER SERVICES & CHARGES				
101-5-1407-00-7002 Accounting/Auditing Services	15,600	35,990	16,400	36,400
101-5-1407-00-7306 Telephone	717	804	800	1,100
101-5-1407-00-7402 Office Equipment R&M	-	-	400	400
101-5-1407-00-7600 Travel	354	2,389	5,000	5,000
101-5-1407-00-7601 Registrations	-	2,988	6,000	6,000
101-5-1407-00-7900 Other Professional Services	150	-	-	-
Total Other Svcs & Charges	16,821	42,171	28,600	48,900
TOTAL FINANCIAL SERVICES	\$ 320,399	\$ 357,791	\$ 369,900	\$ 531,600

CENTRAL SERVICES

Central services includes the costs for facilities, equipment, or services that are used on a Town-wide basis which cannot be easily or accurately apportioned out to operating departments or activities.

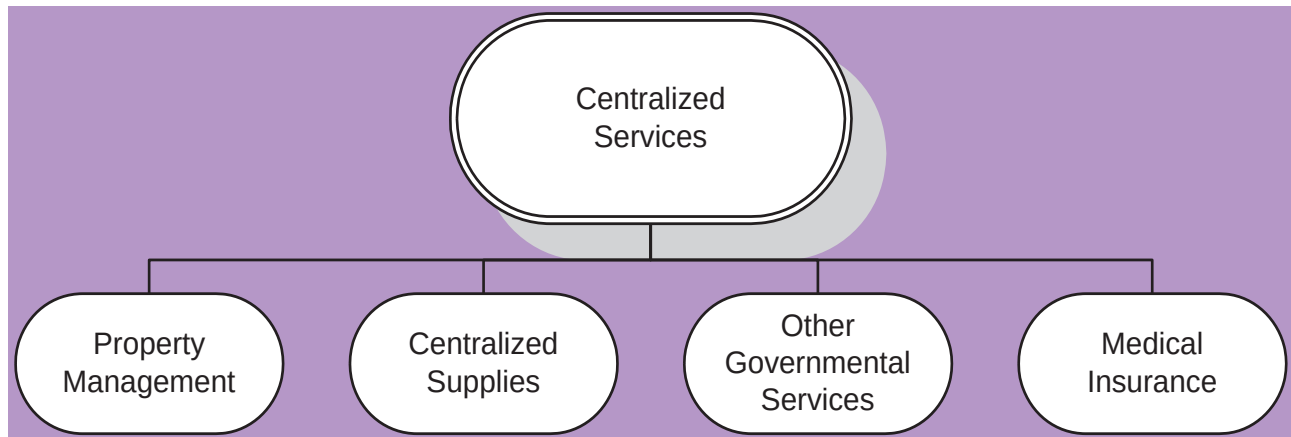
Town of Payson—Town Hall
303 N. Beeline Highway
Payson, AZ 85541
928-474-5242





2017 ANNUAL BUDGET

Central Services is operationally organized into four divisions:



DEPARTMENT EXPENDITURE SUMMARY

Operating Division	2014/15 Actual	2015/16 Actual	2016/17 Proposed	2017/18 Proposed
Property Management	111,422	94,305	105,000	128,200
Centralized Supplies	114,493	99,863	104,800	108,800
Other Governmental Services	475,453	559,866	657,300	729,400
Medical Insurance	2,302,116	2,447,383	2,567,300	2,510,900
Total Department	\$ 3,003,484	\$ 3,201,417	\$ 3,434,400	\$ 3,477,300

POSITION SUMMARY

	2016/17	2017/18
Office Clerk III	1.0	1.0
Total Positions	1.0	1.0

CENTRAL SERVICES DEPARTMENT



2017 ANNUAL BUDGET

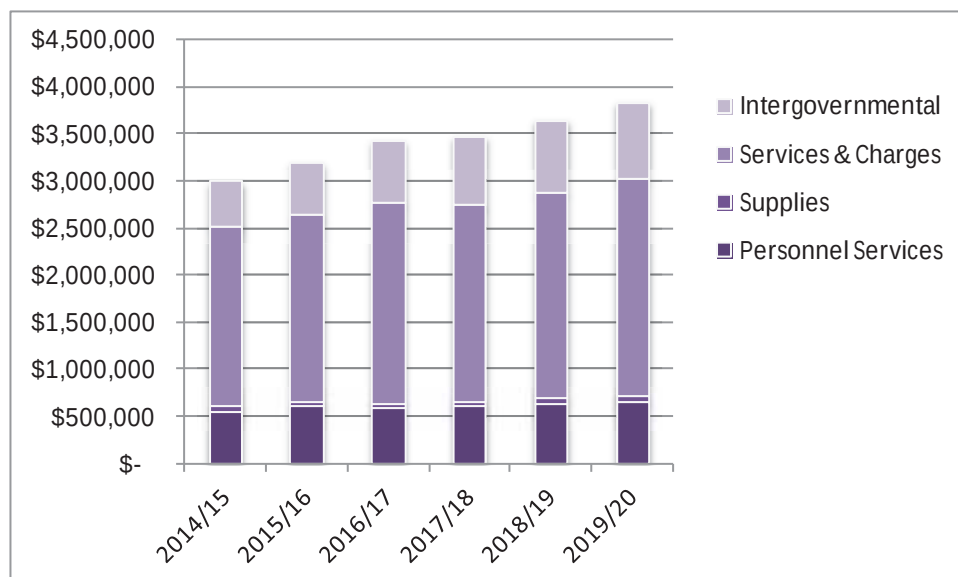
CENTRAL SERVICES DEPARTMENT BUDGET CHANGES—3 YEARS

Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Salaries & Wages	32,060	34,900	8.9%	35,700	2.3%
Personnel Benefits	573,194	550,100	-4.0%	564,000	2.5%
Supplies	50,880	53,100	4.4%	54,300	2.3%
Other Services & Charges	1,985,417	2,139,000	7.7%	2,093,900	-2.1%
Intergovernmental Services	559,866	657,300	17.4%	729,400	11.0%
Total Central Services	\$ 3,201,417	\$ 3,434,400	7.3%	\$ 3,477,300	1.2%

Note: Explanations of significant budget changes are addressed within the individual divisions' sections that follow

CENTRAL SERVICES DEPARTMENT BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Personnel Services	536,998	605,254	585,000	599,700	629,685	661,169
Supplies	70,369	50,880	53,100	54,300	57,015	59,866
Services & Charges	1,920,664	1,985,417	2,139,000	2,093,900	2,198,595	2,308,525
Intergovernmental	475,453	559,866	657,300	729,400	765,870	804,164
Total Central Services	\$ 3,003,484	\$ 3,201,417	\$ 3,434,400	\$ 3,477,300	\$ 3,651,165	\$ 3,833,723



CENTRAL SERVICES DEPARTMENT

PROPERTY MANAGEMENT DIVISION

The Property Management Division includes on-going costs to operate and maintain the Town Hall building. Other Town owned buildings and properties are included in the budgets of their respective departments. Included in this division are maintenance and utilities for the facilities.

2016/2017 ACCOMPLISHMENTS

- ✓ Managed facility in an efficient, cost effective manner
- ✓ Maintained facility in a manner that ensures safety and minimizes risks to property and persons

2017/2018 GOALS



KRA 3: INFRASTRUCTURE

- ⇒ Operate facility in an efficient, cost effective manner
- ⇒ Maintain facility in a manner that ensures safety and minimizes risks to property and person

PROPERTY MANAGEMENT DIVISION BUDGET CHANGES—3 YEARS

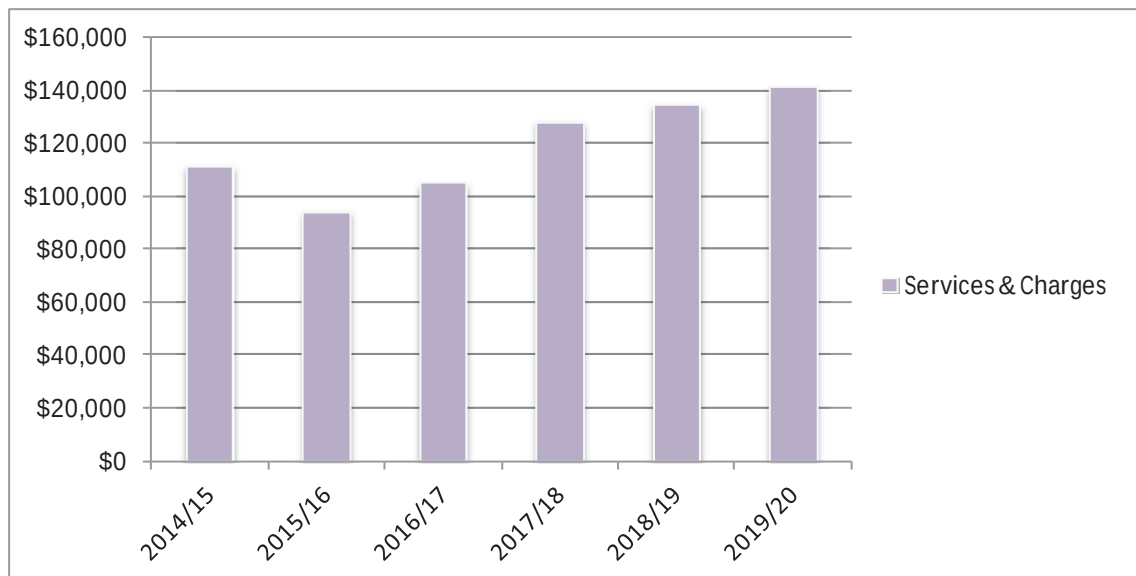
Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Other Services & Charges	94,305	105,000	11.3%	128,200	22.1%
Total Property Management	\$ 94,305	\$ 105,000	11.3%	\$ 128,200	22.1%

Significant Budget Changes:

- FY16/17 Services—includes increases in various utilities and equipment repair/maintenance
- FY17/18 Services—R&M Building increased for anticipated repairs

PROPERTY MANAGEMENT DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Services & Charges	111,422	94,305	105,000	128,200	134,610	141,341
Total Property Mgmt	\$ 111,422	\$ 94,305	\$ 105,000	\$ 128,200	\$ 134,610	\$ 141,341



**PROPERTY MANAGEMENT - TOWN HALL**

	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
OTHER SERVICES & CHARGES				
101-5-1401-00-7900 Other Professional Services	8,089	11,349	9,000	10,000
101-5-1401-00-7300 Electricity	21,150	19,682	23,000	25,000
101-5-1401-00-7301 Propane Gas	3,311	2,554	3,000	3,000
101-5-1401-00-7302 Water	602	740	900	900
101-5-1401-00-7304 Sewer	468	468	500	500
101-5-1401-00-7305 Refuse Disposal	517	468	600	600
101-5-1401-00-7306 Telephone	35,069	32,696	36,000	29,000
101-5-1401-00-7401 Building R&M	14,584	13,595	10,000	37,000
101-5-1401-00-7402 Office Equipment R&M	-	-	500	500
101-5-1401-00-7404 Equipment R&M	15,546	1,685	6,500	6,700
101-5-1401-00-7502 Leased Equipment	12,086	11,068	15,000	15,000
Total Other Svcs & Charges	111,422	94,305	105,000	128,200
TOTAL PROPERTY MGMT - TOWN HALL	\$ 111,422	\$ 94,305	\$ 105,000	\$ 128,200

CENTRAL SUPPLIES DIVISION

The Centralized Supplies Division provides centralized services for shared equipment and supplies where it is not feasible or efficient to allocate costs directly to the various departments. The Division provides supplies, equipment maintenance, and shared equipment such as photocopiers, FAX machines, binding systems, telephone systems, Kroy machine, etc. Also included are banking fees and public relations charges.

2016/2017 ACCOMPLISHMENTS

- ✓ Maintained office equipment in a manner that reduced downtime of critical functions
- ✓ Trained new part-time clerical staff member available to assist various departments as needed

2017/2018 GOALS



KRA 4: INNOVATION & EFFICIENCY

- ⇒ Maintain office equipment to avoid downtime of critical functions
- ⇒ Train new part-time staff

CENTRAL SUPPLIES DIVISION BUDGET CHANGES—3 YEARS

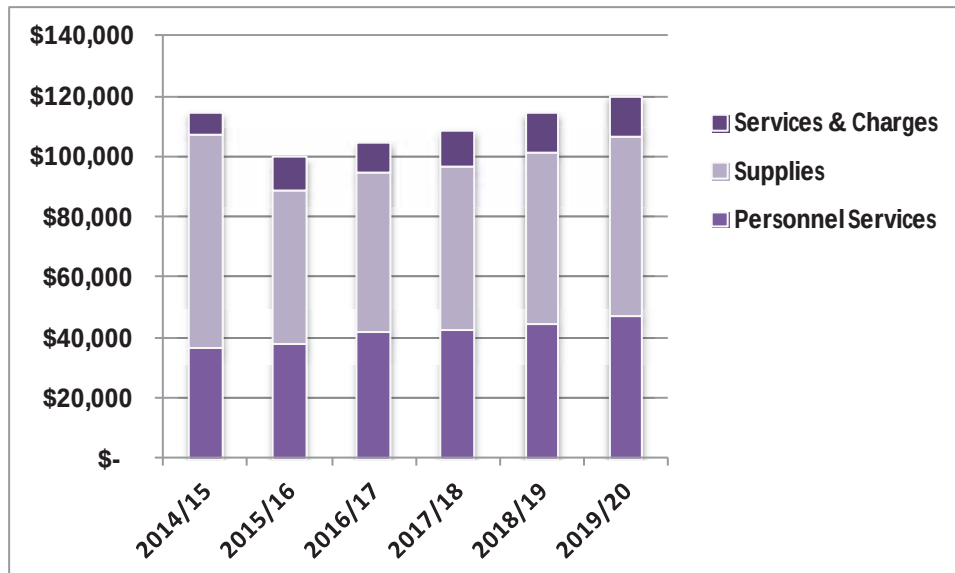
Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Salaries & Wages	32,060	34,900	8.9%	35,700	2.3%
Personnel Benefits	6,105	6,800	11.4%	6,800	0.0%
Supplies	50,880	53,100	4.4%	54,300	2.3%
Other Services & Charges	10,818	10,000	-7.6%	12,000	20.0%
Total Centralized Supplies	\$ 99,863	\$ 104,800	4.9%	\$ 108,800	3.8%

Significant Budget Changes:

- FY16/17 Salaries & Wages and Personnel Benefits— reflects fluctuation in number of scheduled work hours
- FY17/18 Services—increase in budget for postage

CENTRAL SUPPLIES DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Personnel Services	36,846	38,165	41,700	42,500	44,625	46,856
Supplies	70,369	50,880	53,100	54,300	57,015	59,866
Services & Charges	7,278	10,818	10,000	12,000	12,600	13,230
Total Central Supplies	\$ 114,493	\$ 99,863	\$ 104,800	\$ 108,800	\$ 114,240	\$ 119,952





CENTRAL SUPPLIES

	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SALARIES & WAGES				
101-5-1401-00-5001 Full Time Employees	-	-	-	-
101-5-1401-00-5002 Part Time Employees	30,899	32,060	34,900	35,700
Total Salaries & Wages	30,899	32,060	34,900	35,700
PERSONNEL BENEFITS				
101-5-1401-00-5501 FICA	2,364	2,453	2,700	2,700
101-5-1401-00-5504 Retirement	3,546	3,614	4,000	4,000
101-5-1401-00-5700 Health/Life Insurance	-	-	-	-
101-5-1401-00-5701 Disability Insurance	37	38	100	100
Total Personnel Benefits	5,947	6,105	6,800	6,800
SUPPLIES				
101-5-1401-00-6001 Office Supplies	3,515	3,747	5,000	5,000
101-5-1401-00-6002 Coffee Supplies	590	388	600	600
101-5-1401-00-6003 Cleaning Supplies	1,286	1,382	1,200	1,200
101-5-1401-00-6005 Safety Supplies	221	321	300	500
101-5-1401-00-6011 Small Tools/Minor Equip	53	18	100	2,100
101-5-1401-00-6201 R & M Supplies Building	2,154	416	500	500
101-5-1401-00-6300 Gasoline/Fuels/Lubricant	-	31	100	100
101-5-1401-00-6302 R&M Supplies-Vehicle	300	32	500	700
101-5-1401-00-6700 Dues & Memberships	24,255	20,450	21,500	22,100
101-5-1401-00-6901 Taxes & Fees	7,343	383	300	500
101-5-1401-00-6903 Banking Fees	30,627	23,712	23,000	21,000
101-5-1401-00-6990 Other Expenses	25	-	-	-
Total Supplies	70,369	50,880	53,100	54,300
OTHER SERVICES & CHARGES				
101-5-1401-00-7307 Postage	7,278	10,818	10,000	12,000
Total Other Svcs & Charges	7,278	10,818	10,000	12,000
TOTAL CENTRAL SUPPLIES	\$ 114,493	\$ 99,863	\$ 104,800	\$ 108,800

OTHER GOVERNMENTAL SERVICES DIVISION

The Other Governmental Services Division contains costs which are not technically expenditures but are uses of budgetary funds such as contributions to non-profit organizations and liability insurance costs.

OTHER GOVERNMENTAL SERVICES DIVISION BUDGET CHANGES—3 YEARS

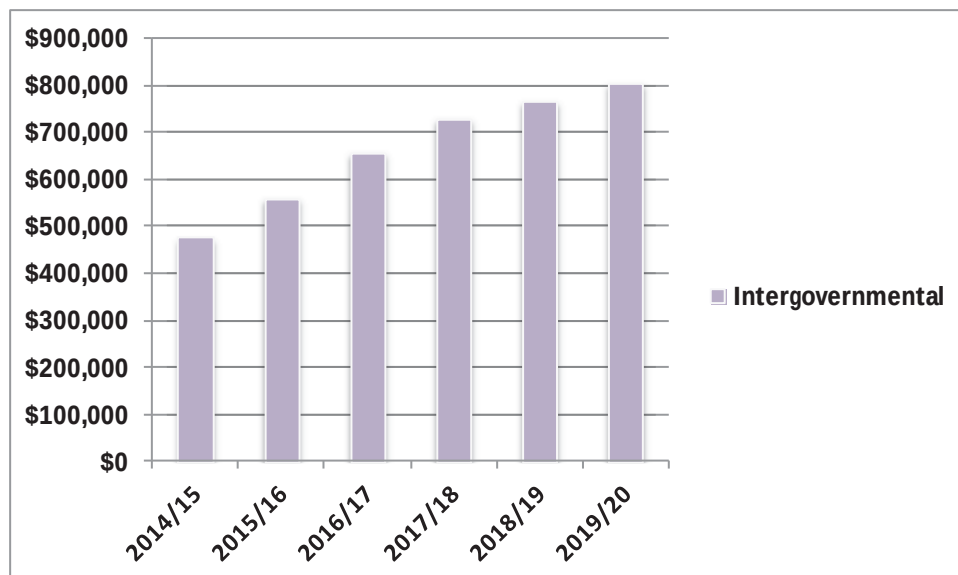
Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Intergovernmental	559,866	657,300	17.4%	729,400	11.0%
Total Other Gov't Services	\$ 559,866	\$ 657,300	17.4%	\$ 729,400	11.0%

Significant Budget Changes:

- FY16/17 Services—includes increase in Water loan repayment
- FY17/18 Services—includes additional increase in Water loan repayment and reduction in overhead transfer

OTHER GOVERNMENTAL SERVICES DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Intergovernmental	475,453	559,866	657,300	729,400	765,870	804,164
Total Other Govt Serv	\$ 475,453	\$ 559,866	\$ 657,300	\$ 729,400	\$ 765,870	\$ 804,164





OTHER GOVERNMENTAL SERVICES

	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SERVICES & CHARGES(Intergovernmental)				
101-5-1401-00-7903 Property /Liability Insurance	335,149	346,419	365,000	400,000
101-5-1401-00-7904 Insurance Deductibles	6,604	12,714	7,000	5,000
101-5-1401-00-7104 Settlements	-	10,000	20,000	20,000
101-5-1401-00-7915 Overhead	-	23,800	47,600	-
101-5-1401-00-7990 Contributions to Other Agencies	-	33,233	34,000	34,000
101-5-7401-03-7990 Contribution to Senior Center	80,400	80,400	80,400	80,400
101-5-7401-03-7990 Contribution to Brush Pit	-	-	-	7,500
101-5-7401-03-7990 Contribution to Chamber of Commerce	36,000	36,000	36,000	-
101-5-9997-00-9661 Loan Repay - Water	17,300	17,300	67,300	182,500
Total Services & Charges	<u>475,453</u>	<u>559,866</u>	<u>657,300</u>	<u>729,400</u>
 TOTAL OTHER GOVERNMENTAL SERVICES	 <u><u>\$ 475,453</u></u>	 <u><u>\$ 559,866</u></u>	 <u><u>\$ 657,300</u></u>	 <u><u>\$ 729,400</u></u>

MEDICAL INSURANCE DIVISION

The Medical Insurance Division was established to track the costs associated with employees and retirees health insurance.

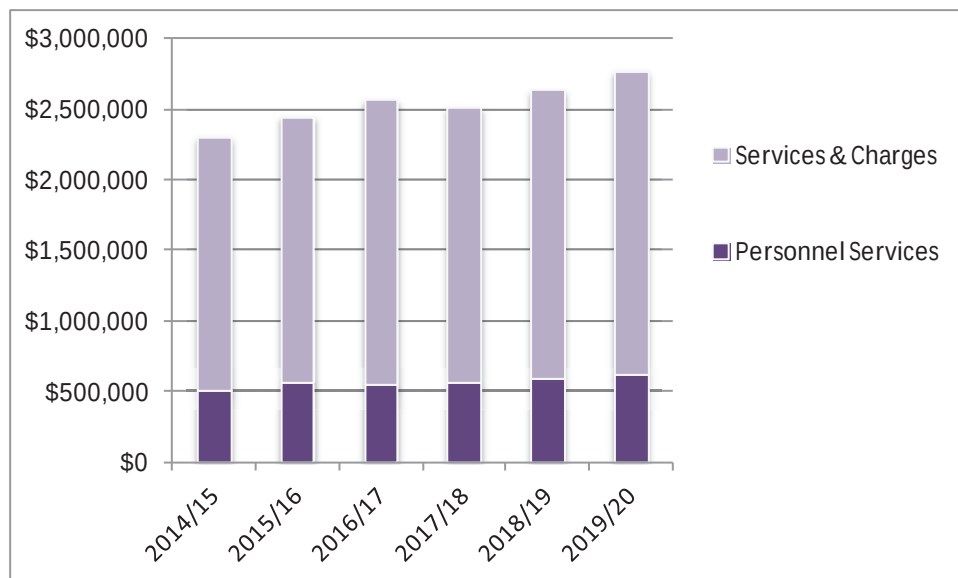
MEDICAL INSURANCE DIVISION BUDGET CHANGES—3 YEARS

Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Personnel Benefits	567,089	543,300	-4.2%	557,200	2.6%
Other Services & Charges	1,880,294	2,024,000	7.6%	1,953,700	-3.5%
Total Medical Insurance	\$ 2,447,383	\$ 2,567,300	4.9%	\$ 2,510,900	-2.2%

No Significant Budget Change

MEDICAL INSURANCE DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Personnel Services	500,152	567,089	543,300	557,200	585,060	614,313
Services & Charges	1,801,964	1,880,294	2,024,000	1,953,700	2,051,385	2,153,954
Total Medical Insurance	\$ 2,302,116	\$ 2,447,383	\$2,567,300	\$ 2,510,900	\$ 2,636,445	\$ 2,768,267



**MEDICAL INSURANCE BENEFIT**

	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
PERSONNEL BENEFITS				
101-5-1401-00-5700 Health/Life Insurance	491,539	560,808	533,800	550,700
101-5-1401-00-5800 Workers Comp Insurance	3,813	3,401	3,500	3,500
101-5-1401-00-5801 Unemployment Compensation	4,800	2,880	6,000	3,000
Total Personnel Benefits	500,152	567,089	543,300	557,200
OTHER SERVICES & CHARGES				
290-5-1401-01-7908 Insurance Premium	1,801,964	1,880,294	2,024,000	1,953,700
Total Other Svcs & Charges	1,801,964	1,880,294	2,024,000	1,953,700
TOTAL MEDICAL INSURANCE BENEFIT	<u>\$ 2,302,116</u>	<u>\$ 2,447,383</u>	<u>\$ 2,567,300</u>	<u>\$ 2,510,900</u>

MAGISTRATE COURT

The Magistrate Court is responsible for the adjudication of misdemeanor crimes, as well as traffic, Town Code violations and Uniform Development Code violations. These services are provided through a contract with the Gila County Justice Court.

The Payson Regional Justice of the Peace serves as the Payson Town Magistrate.

Court statistics are available at www.azcourt.gov



MAGISTRATE COURT BUDGET CHANGES—3 YEARS

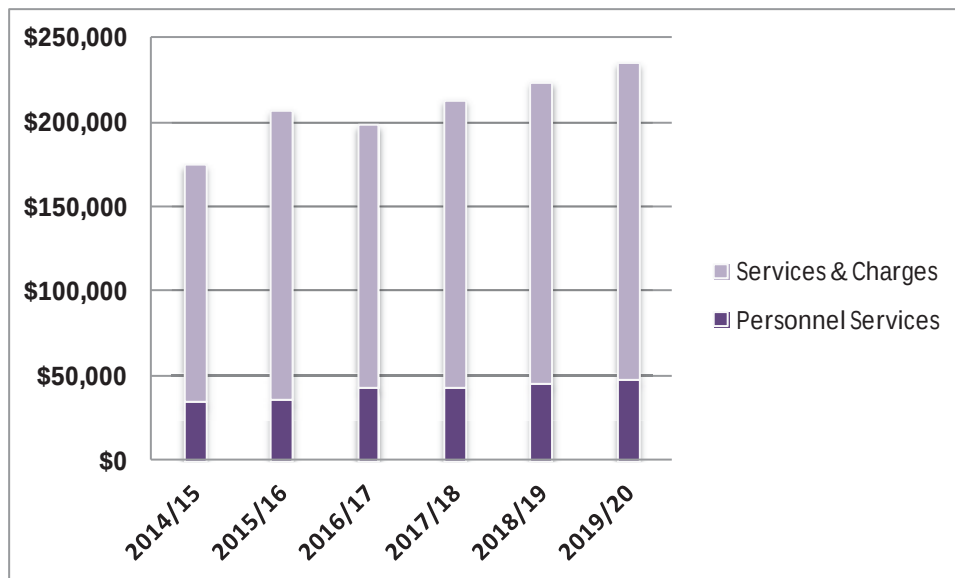
Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Salaries & Wages	33,451	40,000	19.6%	40,000	0.0%
Personnel Benefits	2,559	3,100	21.1%	3,100	0.0%
Other Services & Charges	170,871	155,000	-9.3%	170,000	9.7%
Total Magistrate Court	\$ 206,881	\$ 198,100	-4.2%	\$ 213,100	7.6%

Significant Budget Changes:

- FY16/17 Salaries/Wages & Personnel Benefits—budgeted for anticipated increase
- FY16/17 & FY17/18 Services—Court Contract costs vary from year to year

MAGISTRATE COURT BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Personnel Services	34,839	36,010	43,100	43,100	45,255	47,518
Services & Charges	139,953	170,871	155,000	170,000	178,500	187,425
Total Magistrate Court	\$ 174,792	\$ 206,881	\$ 198,100	\$ 213,100	\$ 223,755	\$ 234,943



**MAGISTRATE COURT**

	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SALARIES & WAGES				
101-5-1416-00-5001 Full Time Employees	32,363	33,451	40,000	40,000
Total Salaries & Wages	32,363	33,451	40,000	40,000
PERSONNEL BENEFITS				
101-5-1416-00-5501 FICA	2,476	2,559	3,100	3,100
Total Personnel Benefits	2,476	2,559	3,100	3,100
OTHER SERVICES & CHARGES				
101-5-1416-00-7002 Accounting & Auditing	-	3,800	-	-
101-5-1416-00-7101 Indigent Defense	37,200	33,800	45,000	45,000
101-5-1416-00-7102 Prof Service-Court Contract	102,753	133,271	110,000	125,000
Total Other Services & Charges	139,953	170,871	155,000	170,000
TOTAL MAGISTRATE COURT	\$ 174,792	\$ 206,881	\$ 198,100	\$ 213,100

POLICE DEPARTMENT

It is the mission of the Payson Police Department to provide the highest quality of Police Services to our community. It is our responsibility to ensure that the people we serve can feel safe in their homes, at their place of business, in our schools, and wherever they may travel within the incorporated limits of the Town of Payson.

Town of Payson Police Department
303 N. Beeline Highway
Payson, AZ 85541
928-474-5066
www.paysonpolice.com

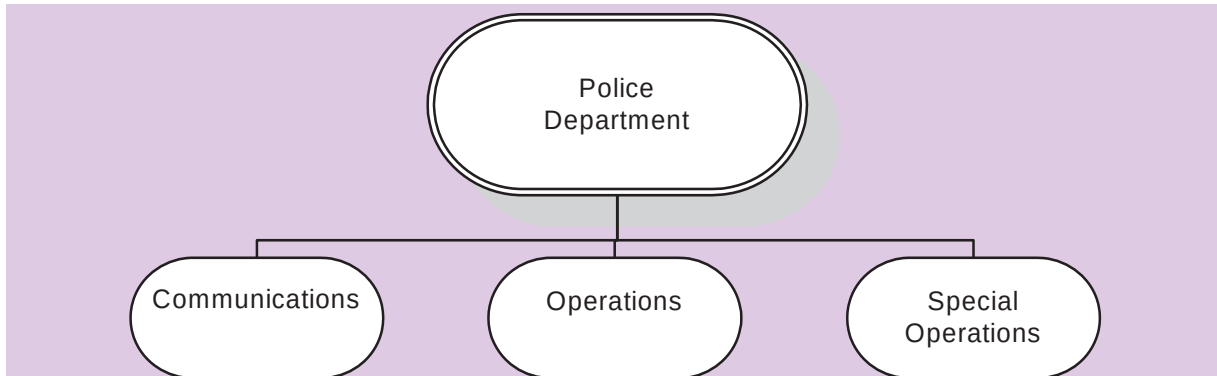
Donald B. Engler—Deputy Town Manager
dengler@paysonaz.gov





2017 ANNUAL BUDGET

The Police Department is made up of three divisions:
Communications, Operations, and Special Operations



DEPARTMENT EXPENDITURE SUMMARY

Operating Division	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed
Communications	482,893	624,729	1,136,900	1,168,800
Operations	3,729,072	3,735,043	4,459,100	6,034,000
Special Operations	265,589	281,200	258,400	444,100
Total Expenditures	\$ 4,477,554	\$ 4,640,972	\$ 5,854,400	\$ 7,646,900

POSITION SUMMARY

	2016/17	2017/18
Deputy Town Manager / Public Safety	1.0	1.0
Police Commander	0.0	1.0
Lieutenant	1.0	1.0
Sergeant	4.0	4.0
Detective/Investigator I & II	4.0	4.0
Police Officer I & II	16.0	15.0
Special Enforcement Officer	1.0	1.0
Executive Assistant	1.0	1.0
Property & Equipment Manager	1.0	1.0
Property Technician	1.0	1.0
Records Clerk	2.0	2.0
Records Administrator	1.0	1.0
Office Clerk (Grant Funded)	0.0	1.0
Communications Supervisor	1.0	1.0
Dispatch Shift Leader	2.0	2.0
Dispatchers	14.0	14.0
Animal Control	1.0	1.0
Total Positions	51.0	52.0

POLICE DEPARTMENT



2017 ANNUAL BUDGET

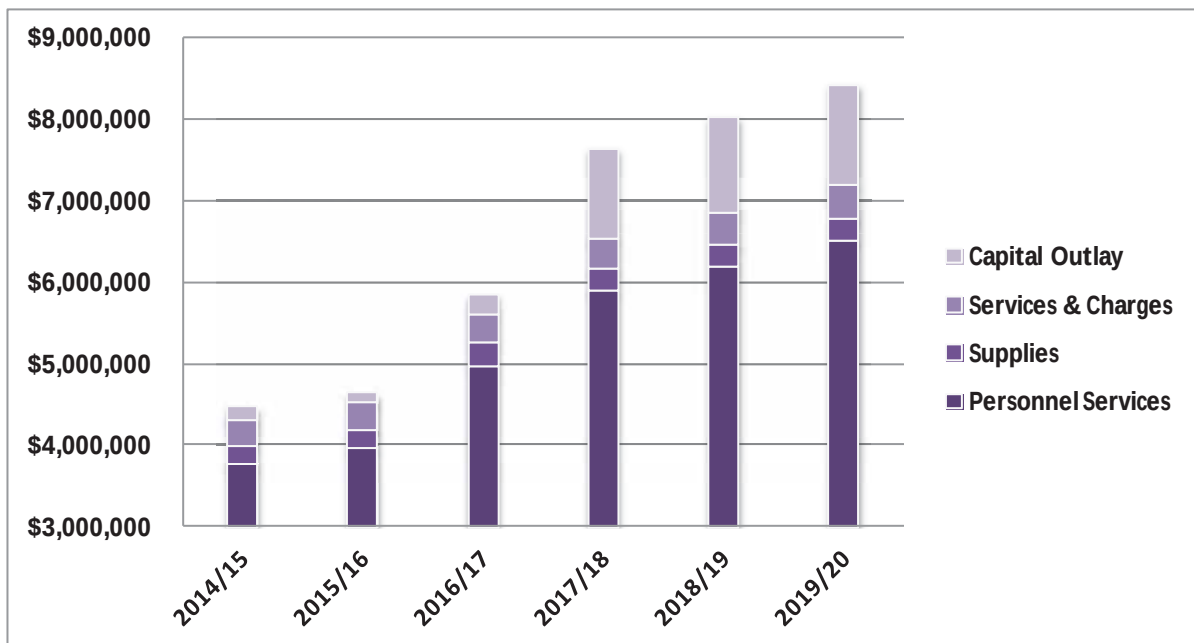
POLICE DEPARTMENT BUDGET CHANGES—3 YEARS

Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Salaries & Wages	2,518,360	2,972,500	18.0%	3,197,600	7.6%
Personnel Benefits	1,441,179	1,987,800	37.9%	2,702,400	35.9%
Supplies	223,571	302,000	35.1%	261,500	-13.4%
Other Services & Charges	338,697	335,800	-0.9%	365,600	8.9%
Capital Outlay	119,165	256,300	115.1%	1,119,800	336.9%
Total Police Dept	\$ 4,640,972	\$ 5,854,400	26.1%	\$ 7,646,900	30.6%

Note: Explanations of significant budget changes are addressed within the individual divisions' sections that follow

POLICE DEPARTMENT BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Personnel Services	3,759,038	3,959,539	4,960,300	5,900,000	6,195,000	6,504,750
Supplies	236,372	223,571	302,000	261,500	274,575	288,304
Services & Charges	322,054	338,697	335,800	365,600	383,880	403,074
Capital Outlay	160,090	119,165	256,300	1,119,800	1,175,790	1,234,580
Total Police	\$ 4,477,554	\$4,640,972	\$ 5,854,400	\$ 7,646,900	\$ 8,029,245	\$ 8,430,707



POLICE DEPARTMENT

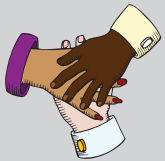
POLICE COMMUNICATIONS DIVISION

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.

2016/2017 ACCOMPLISHMENTS

- ✓ Completed successful merger with Gila County Sheriff's Office and the Northern Regional Dispatch Center is up and operational
- ✓ Completed purchase of computer equipment to support our CAD infrastructure for the Northern Regional Dispatch Center

2017/2018 GOALS



KRA 7: THE PAYSON TEAM & KRA 8: PUBLIC SAFETY

- ⇒ Recruitment and hiring of employees for the Northern Regional Dispatching Center has become a top priority. The department currently has 8 open positions in the dispatch center and is currently working to staff those positions.
- ⇒ Acquire enough staff to be able to reduce overtime costs associated with the dispatch center
- ⇒ Enhance in-house training and off-site training for dispatch employees

Contact Information

Emergency—9-1-1
Dispatch (928) 472-3009
Non-Emergency (928) 474-5177
www.paysonpolice.com

Physical Location

Payson Town Complex
Police Building
303 N. Beeline Hwy.
Payson, AZ 85541

POLICE COMMUNICATIONS DIVISION BUDGET CHANGES—3 YEARS

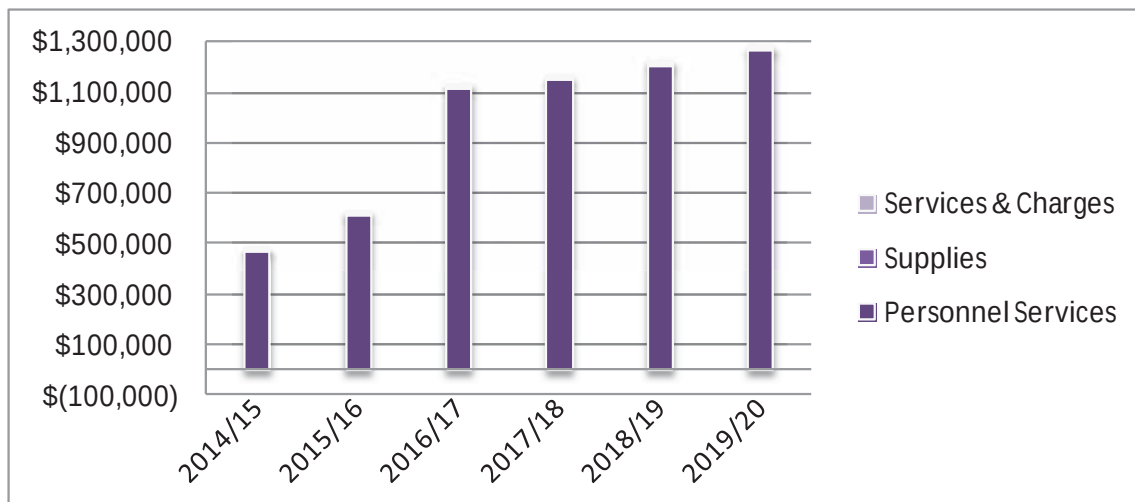
Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Salaries & Wages	494,650	829,000	67.6%	851,800	2.8%
Personnel Benefits	121,317	289,200	138.4%	297,300	2.8%
Supplies	3,379	6,900	104.2%	7,900	14.5%
Other Services & Charges	5,383	11,800	119.2%	11,800	0.0%
Total Communications	\$ 624,729	\$ 1,136,900	82.0%	\$ 1,168,800	2.8%

Significant Budget Changes:

- FY16/17 Salaries / Benefits—staffing increased as the Town of Payson assumed the responsibility of dispatching for the Sheriff's Office through an IGA
- FY16/17 & FY17/18 Supplies—reflects increases in office supplies and small tools to support increased staffing
- FY16/17 Services—increased budget for travel & registration for new staff

POLICE COMMUNICATIONS DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Personnel Services	472,147	615,967	1,118,200	1,149,100	1,206,555	1,266,883
Supplies	5,149	3,379	6,900	7,900	8,295	8,710
Services & Charges	5,597	5,383	11,800	11,800	12,390	13,010
Total Communications	\$ 482,893	\$ 624,729	\$ 1,136,900	\$ 1,168,800	\$ 1,227,240	\$ 1,288,602



**COMMUNICATIONS**

	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SALARIES & WAGES				
101-5-2421-00-5001 Salaries & Wages - Full Time	316,286	354,569	717,800	766,800
101-5-2421-00-5002 Salaries & Wages - Part Time	-	-	15,000	-
101-5-2421-00-520X Overtime Pay	50,582	128,118	81,200	70,000
101-5-2421-00-5990 Shift Differential	12,516	11,963	15,000	15,000
Total Salaries & Wages	379,384	494,650	829,000	851,800
PERSONNEL BENEFITS				
101-5-2421-00-5501 FICA	27,784	36,488	64,300	67,000
101-5-2421-00-5504 Retirement	43,294	59,194	95,500	99,300
101-5-2421-00-5700 Health/Life Insurance	19,467	22,800	123,800	125,500
101-5-2421-00-5701 Disability Insurance	452	582	800	1,400
101-5-2421-00-5800 Workers Comp Insurance	1,766	2,253	4,800	4,100
Total Personnel Benefits	92,763	121,317	289,200	297,300
SUPPLIES				
101-5-2124-00-6001 Office Supplies	2,247	751	3,000	3,000
101-5-2421-00-6011 Small Tools/Minor Equipment	2,073	2,074	3,000	4,000
101-5-2421-00-6600 Public Relations	478	412	400	400
101-5-2421-00-6700 Memberships/Dues/Subscript	351	142	500	500
Total Supplies	5,149	3,379	6,900	7,900
OTHER SERVICES & CHARGES				
101-5-2421-00-7402 Office Equipment R&M	1,079	2,033	2,800	2,800
101-5-2421-00-7502 Lease Equipment	296	506	500	500
101-5-2421-00-7600 Travel	1,001	5	2,500	2,500
101-5-2421-00-7601 Registrations	1,571	439	3,000	3,000
101-5-2421-00-7900 Other Professional Services	1,650	2,400	3,000	3,000
Total Other Svcs & Charges	5,597	5,383	11,800	11,800
TOTAL COMMUNICATIONS	\$ 482,893	\$ 624,729	\$ 1,136,900	\$ 1,168,800

POLICE OPERATIONS DIVISION

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.

2016/2017 ACCOMPLISHMENTS

- ✓ For the first time in over eleven years, the division reached full capacity and was operable at the fully staffed authorized level of 27 full time certified police officers for several months.
- ✓ The communication link build out between the radio site and East Phoenix Street was completed and is operable.
- ✓ The patrol division was able to outfit two patrol vehicles.

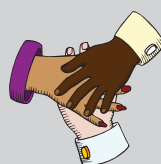
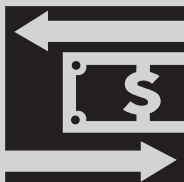
2017/2018 GOALS

KRA 3: FINANCIAL EXCELLENCE / KRA 8: PUBLIC SAFETY

- ⇒ Monitor our overtime to have sufficient overtime monies to cover the entire budget period for patrol services

KRA 7: THE PAYSON TEAM / KRA 8: PUBLIC SAFETY

- ⇒ Reach full staffing capacity of 27 certified police officers which, at this point, requires the addition of one police officer to our current staff
- ⇒ Purchase two additional police vehicles and completely outfit them for patrol fleet use



POLICE OPERATIONS DIVISION BUDGET CHANGES—3 YEARS

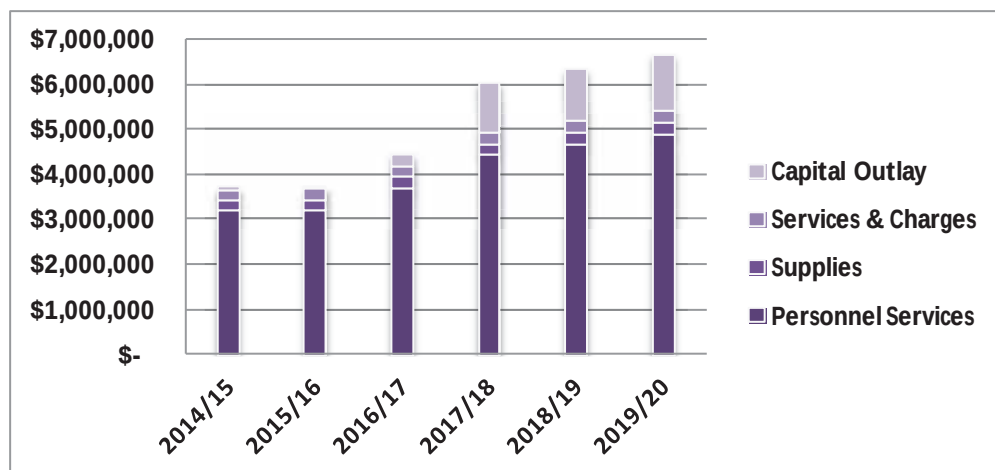
Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Salaries & Wages	1,948,451	2,065,400	6.0%	2,182,200	5.7%
Personnel Benefits	1,271,349	1,642,900	29.2%	2,271,300	38.2%
Supplies	213,784	255,500	19.5%	232,200	-9.1%
Other Services & Charges	250,344	239,000	-4.5%	251,800	5.4%
Capital	51,115	256,300	401.4%	1,096,500	327.8%
Total Operations	\$ 3,735,043	\$ 4,459,100	19.4%	\$ 6,034,000	35.3%

Significant Budget Changes:

- FY16/17 Personnel Benefits— reflects Public Safety Retirement rate increase of 6.19%
- FY17/18 Personnel Benefits—reflects Public Safety Retirement rate increase of 15.54%
- FY17/18 Personnel Benefits—an additional pension payment of \$375,000 was made to PSPRS to pay down the retirement obligation
- FY16/17 Supplies—reflected an anticipated increase in the cost of fuel and ammunition
- Changes in Capital reflect the availability of grant funding

POLICE OPERATIONS DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Personnel Services	3,190,092	3,219,800	3,708,300	4,453,500	4,676,175	4,909,984
Supplies	218,737	213,784	255,500	232,200	243,810	256,001
Services & Charges	232,983	250,344	239,000	251,800	264,390	277,610
Capital Outlay	87,260	51,115	256,300	1,096,500	1,151,325	1,208,891
Total Operations	\$ 3,729,072	\$ 3,735,043	\$ 4,459,100	\$ 6,034,000	\$ 6,335,700	\$ 6,652,485



**OPERATIONS**

		2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SALARIES & WAGES					
101-5-2421-01-50xx	Full Time Employees	1,725,800	1,667,767	1,784,100	1,864,000
101-5-2421-01-5xxx	Overtime Pay	248,326	255,988	250,300	262,200
101-5-2421-11-5200	Overtime Pay-GOHS	-	-	-	25,000
101-5-2421-01-5990	Shift Differential	29,300	24,696	31,000	31,000
	Total Salaries & Wages	2,003,426	1,948,451	2,065,400	2,182,200

PERSONNEL BENEFITS

101-5-2421-01-5501	FICA	145,237	141,392	162,400	170,100
101-5-2421-01-5504	Retirement	681,827	814,430	1,078,400	1,385,200
101-5-2421-01-5505	Unfunded Pension Payment	-	-	-	375,000
101-5-2421-01-5700	Health/Life Insurance	158,135	137,829	173,200	142,200
101-5-2421-01-5701	Disability Insurance	246	254	300	400
101-5-2421-01-5800	Workers Comp Insurance	184,507	153,902	200,600	170,400
101-5-2421-01-5901	Uniform Allowance	16,714	23,542	28,000	28,000
	Total Personnel Benefits	1,186,666	1,271,349	1,642,900	2,271,300

SUPPLIES

101-5-2421-01-6001	Office Supplies	11,550	10,684	12,000	12,000
101-5-2421-01-6002	Coffee Supplies	492	504	600	600
101-5-2421-01-6003	Cleaning Supplies	1,775	1,635	2,000	1,500
101-5-2421-01-6005	Safety/Program Supplies	2,904	3,088	3,100	3,100
101-5-2421-01-6006	Clothing Reimbursement	2,870	7,261	7,000	7,000
101-5-2421-01-6009	Volunteer Program	2,664	2,658	4,000	5,000
101-5-2421-01-6010	Books & Periodicals	-	2,013	2,000	-
101-5-2421-01-6011	Small Tools/Minor Equip	35,751	29,609	37,000	40,000
101-5-2421-02-6011	Small Tools/Minor Equip	-	-	6,000	-
101-5-2421-01-6101	Canine Supplies	3,000	1,541	3,000	3,000
101-5-2421-01-6102	Weapons/Ammunition	11,925	9,651	15,500	15,500
101-5-2421-01-6201	Building R&M Supplies	5,840	2,580	3,000	3,000
101-5-2421-01-6300	Vehicle Fuels	71,571	53,866	85,500	60,000
101-5-2421-01-6302	Vehicle R&M Parts	52,493	75,682	57,000	60,000
101-5-2421-01-6600	Public Relations	808	755	800	1,000
101-5-2421-01-6700	Dues & Memberships	3,284	1,296	3,500	3,500
101-5-2421-01-699x	Other Expenses	11,810	10,961	13,500	17,000
	Total Supplies	218,737	213,784	255,500	232,200

OTHER SERVICES & CHARGES

101-5-2421-01-7300	Electricity	22,306	24,903	25,000	27,000
101-5-2421-01-7301	Propane Gas	5,087	3,944	7,000	5,000
101-5-2421-01-7302	Water	1,309	1,327	1,500	1,500
101-5-2421-01-7304	Sewage	405	180	500	200

**OPERATIONS**

		2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
101-5-2421-01-7305	Refuse Disposal	626	489	600	600
101-5-2421-01-7306	Telephone	27,342	25,957	30,000	30,000
101-5-2421-01-7307	Postage	234	261	400	500
101-5-2421-01-7401	Building R&M	8,111	11,420	14,000	20,000
101-5-2421-01-7402	Office Equipment R&M	410	-	500	500
101-5-2421-01-7404	Equipment R&M	5,086	7,224	5,000	6,000
101-5-2421-01-7405	Vehicle R&M	5,342	8,076	9,000	10,000
101-5-2421-01-7500	Rental of Land & Buildings	11,342	7,371	10,000	10,000
101-5-2421-01-7502	Leased Equipment	4,199	8,726	9,500	9,500
101-5-2421-01-7600	Travel	12,120	14,058	11,000	15,000
101-5-2421-02-7600	Travel	-	-	3,000	-
101-5-2421-01-7601	Registrations	5,139	6,317	7,000	10,000
101-5-2421-02-7601	Registrations	-	-	1,000	-
101-5-2421-01-7900	Other Professional Services	109,850	126,974	99,000	99,000
101-5-2421-01-7902	Impound Vehicle Tow	-	-	2,500	3,000
101-5-2421-01-7910	Printing & Binding	3,432	1,347	2,500	4,000
101-5-2421-01-7912	Grant Expense	-	1,770	-	-
210-5-2421-01-7912	JAG Recovery Act	4,121	-	-	-
210-5-2421-01-7914	Donations	6,522	-	-	-
	Total Other Services & Chrg	232,983	250,344	239,000	251,800

CAPITAL OUTLAY

101-5-2421-02-8003	Vehicles	-	-	-	49,000
101-5-2421-02-8536	LE Crisis Team Equip	-	-	-	28,000
403-5-2412-01-8772	Law Enforce-HSG Radio Prog	-	15,471	36,500	20,700
403-5-2412-01-8773	Mobile Repeaters	32,020	-	-	-
403-5-2412-01-8774	SHSGP Radios/Headsets	-	-	44,500	-
403-5-2421-01-8762	Law Enf - GOHS Grant	-	-	34,300	36,500
403-5-2426-03-8758	Misc Fire Grants	-	-	-	847,800
409-5-2421-01-8772	LE Radio Program	47,595	-	-	-
425-5-2421-16-8407	CAD Police/Fire Comm	7,645	35,644	141,000	114,500
	Total Capital Outlay	87,260	51,115	256,300	1,096,500

TOTAL OPERATIONS

\$ 3,729,072	\$ 3,735,043	\$ 4,459,100	\$ 6,034,000
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POLICE – SPECIAL OPERATIONS DIVISION

The Special Operations Division includes Animal Control, School Resource Officers, Law Enforcement Grants, and Narcotics Enforcement. Animal Control 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; protecting animals for abuse, neglect, and inhumane treatment. Various grants and Inter-governmental Agreements (IGA) are utilized to fund special programs such as School Resource Officers, D.A.R.E. programs, DUI Enforcement and Traffic Enforcement.

2016/2017 ACCOMPLISHMENTS

- ✓ Police Special Operations was able to continue a strong enforcement posture in both the heroin and methamphetamine drug field with 71 drug arrests.
- ✓ Continued strong enforcement posture utilizing Governor's Office of Highway Safety funds to support traffic enforcement program. This included a very thorough DUI enforcement campaign on New Year's Eve, New Year's Day, many other holidays and heavy traffic weekends during the summer months.

2017/2018 GOALS

KRA 8: PUBLIC SAFETY



- ⇒ Bring the Special Response Team personnel back to full capacity of eight offices whether by internal acquisition or by merger with the Gila County Sheriff's Office
- ⇒ Complete the purchase of multi-band, multi-frequency portable radios for the Special Response Team utilizing Department of Homeland Security funding
- ⇒ Continue to support a strong enforcement posture with heroin and methamphetamine offenses within the community

CONTACT INFORMATION

D.A.R.E.
Jason Hazelo
jhazelo@paysonaz.gov

Animal Control
Mark Scott
(928) 474-5177

Chief Don Engler
dengler@
paysonaz.gov

Emergency 9-1-1
Administration
(928) 472-5057
NonEmergency
(928) 474-5177

ANIMAL CONTROL DIVISION BUDGET CHANGES—3 YEARS

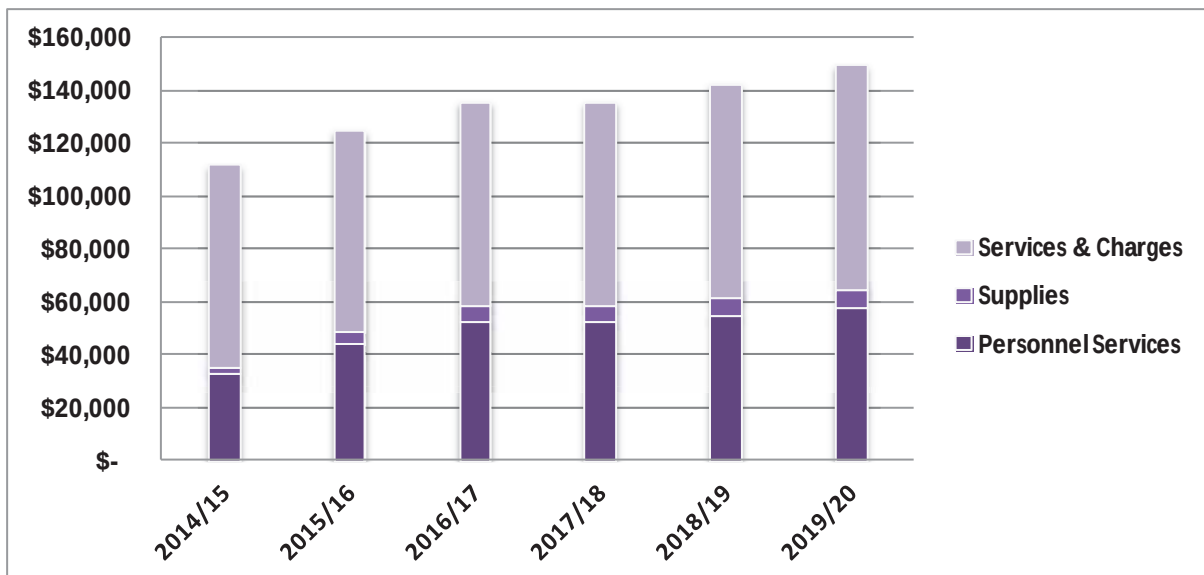
Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Salaries & Wages	32,004	36,000	12.5%	38,700	7.5%
Personnel Benefits	11,698	16,600	41.9%	13,500	-18.7%
Supplies	4,738	6,100	28.7%	6,400	4.9%
Other Services & Charges	76,416	77,000	0.8%	77,000	0.0%
Total Animal Control	\$ 124,856	\$ 135,700	8.7%	\$ 135,600	-0.1%

Significant Budget Changes:

- FY16/17 & FY17/18 Salaries & Benefits—reflects wage adjustment and change in insurance
- FY16/17 Supplies—new budget line item added for Program Supplies

ANIMAL CONTROL DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Personnel Services	32,378	43,702	52,600	52,200	54,810	57,551
Supplies	2,722	4,738	6,100	6,400	6,720	7,056
Services & Charges	76,824	76,416	77,000	77,000	80,850	84,893
Total Animal Control	\$ 111,924	\$ 124,856	\$ 135,700	\$ 135,600	\$ 142,380	\$ 149,499





ANIMAL CONTROL

		2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SALARIES & WAGES					
101-5-7421-17-5001	Full Time Employees	23,169	31,815	35,500	37,300
101-5-7421-17-5200	Overtime Pay	100	189	500	1,400
	Total Salaries & Wages	23,269	32,004	36,000	38,700
PERSONNEL BENEFITS					
101-5-7421-17-5501	FICA	1,688	2,343	2,800	3,000
101-5-7421-17-5504	Retirement	2,670	3,632	4,100	4,300
101-5-7421-17-5700	Health/Life Insurance	2,441	3,314	6,700	3,500
101-5-7421-17-5701	Disability Insurance	28	39	100	100
101-5-7421-17-5800	Workers Compensation	1,035	1,530	2,000	1,700
101-5-7421-17-5901	Uniform/Clothing Allow	1,247	840	900	900
	Total Personnel Benefits	9,109	11,698	16,600	13,500
SUPPLIES					
101-5-7421-17-6009	Program Supplies	-	527	600	600
101-5-7421-17-6011	Small Tools/Minor Equipment	943	1,783	1,200	1,500
101-5-7421-17-6300	Vehicle Fuels	1,719	2,393	4,200	4,200
101-5-7421-17-6700	Memberships/Dues/Subscript	60	35	100	100
	Total Supplies	2,722	4,738	6,100	6,400
OTHER SERVICES & CHARGES					
101-5-7421-17-7306	Telephone	417	502	500	500
101-5-7421-17-7307	Postage/Freight	62	31	100	100
101-5-7421-17-7600	Travel Expense	585	55	600	600
101-5-7421-17-7601	Registrations	560	628	600	600
101-5-7421-17-7990	Humane Society	75,200	75,200	75,200	75,200
	Total Other Svcs & Charges	76,824	76,416	77,000	77,000
TOTAL ANIMAL CONTROL		\$ 111,924	\$ 124,856	\$ 135,700	\$ 135,600

POLICE GRANT DIVISION BUDGET CHANGES—3 YEARS

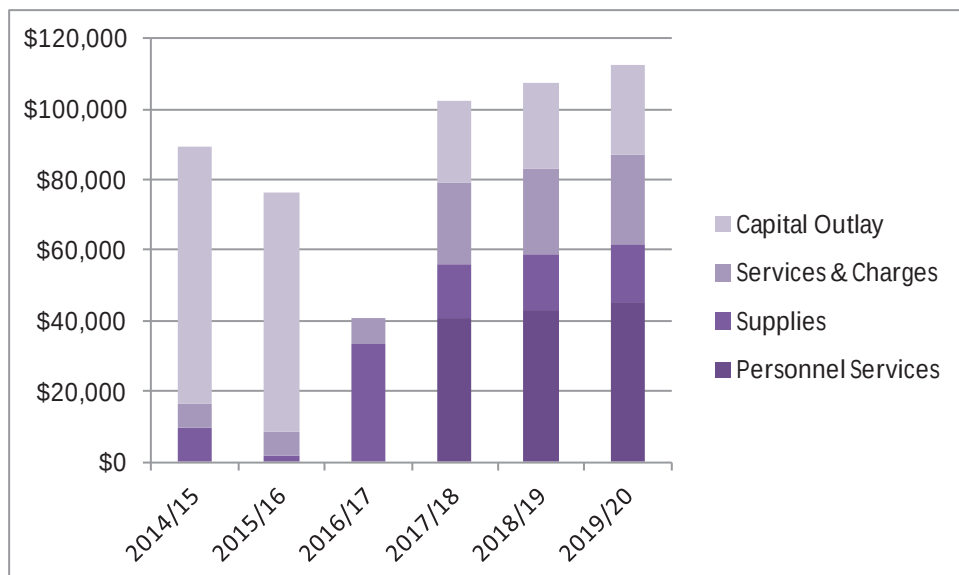
Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Salaries & Wages - Full Time	-	-	0.0%	26,700	100.0%
Personnel Benefits	-	-	0.0%	14,300	100.0%
Supplies	1,670	33,500	1906.0%	15,000	-55.2%
Services	6,581	7,000	6.4%	23,000	228.6%
Capital Outlay	68,050	-	-100.0%	23,300	100.0%
Total Police Grants	\$ 76,301	\$ 40,500	-46.9%	\$ 102,300	152.6%

Significant Budget Changes:

- FY17/18 Salaries & Benefits—adding grant funded employee to assist with various grant programs
- FY16/17 & FY17/18 Supplies & Services—expenditures fluctuate depending the availability of grant funding
- FY15/16 & FY17/18 Capital—utilized grant funding to obtain and/or equip patrol vehicles

POLICE GRANT DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Personnel Services	-	-	-	41,000	43,050	45,203
Supplies	9,764	1,670	33,500	15,000	15,750	16,538
Services & Charges	6,650	6,581	7,000	23,000	24,150	25,358
Capital Outlay	72,830	68,050	-	23,300	24,465	25,688
Total Grants	\$ 89,244	\$ 76,301	\$ 40,500	\$ 102,300	\$ 107,415	\$ 112,786




**DEPT OF JUSTICE FUND &
VARIOUS GRANTS**

	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SALARIES & WAGES				
215-5-2421-02-5001 Salaries & Wages - Full Time	-	-	-	26,700
Total Salaries & Wages	-	-	-	26,700
PERSONNEL BENEFITS				
215-5-2421-02-5501 FICA	-	-	-	2,000
215-5-2421-02-5504 Retirement	-	-	-	2,900
215-5-2421-02-5700 Insurance Benefit	-	-	-	9,200
215-5-2421-02-5701 Disability Insurance	-	-	-	100
215-5-2421-02-5800 Workers Comp Insurance	-	-	-	100
	-	-	-	14,300
SUPPLIES				
215-5-2421-02-6011 Small Tools	9,764	1,670	13,500	15,000
215-5-2421-02-6302 R&M Supplies Vehicle	-	-	20,000	-
Total Supplies	9,764	1,670	33,500	15,000
SERVICES				
215-5-2421-02-7600 Travel	2,650	2,397	2,500	15,000
215-5-2421-02-7601 Registrations	950	1,181	1,500	5,000
215-5-2421-02-7900 Other Prof Services	3,050	3,003	3,000	3,000
Total Supplies	6,650	6,581	7,000	23,000
CAPITAL OUTLAY				
215-5-2421-02-8510 Defense 1033 - LE Vehicle	72,830	68,050	-	23,300
Total Capital	72,830	68,050	-	23,300
TOTAL GRANTS	<u>\$ 89,244</u>	<u>\$ 76,301</u>	<u>\$ 40,500</u>	<u>\$ 102,300</u>

SCHOOL RESOURCE OFFICER DIVISION BUDGET CHANGES—3 YEARS

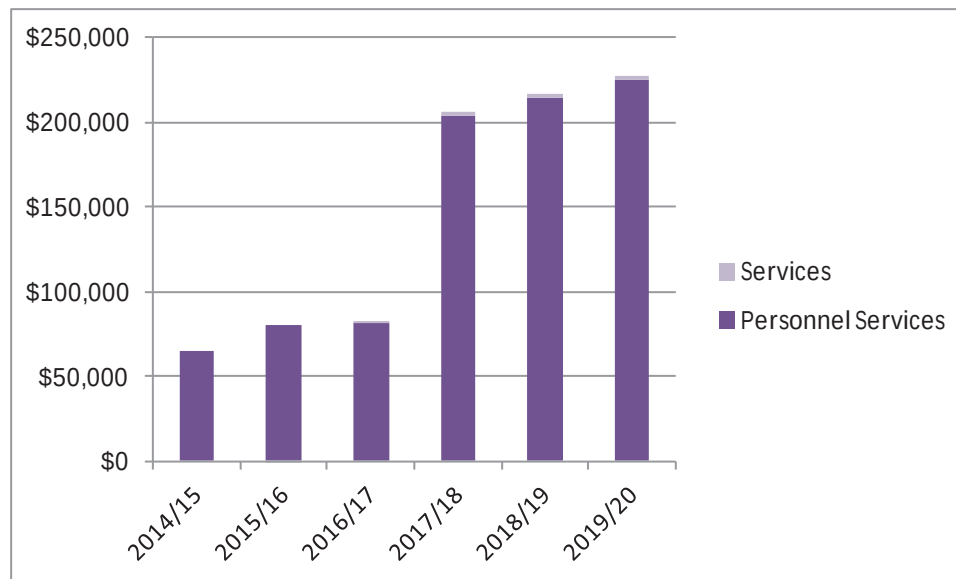
Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Salaries & Wages	43,255	42,100	-2.7%	98,200	133.3%
Personnel Benefits	36,815	39,100	6.2%	106,000	171.1%
Services	(27)	1,000	-3803.7%	2,000	100.0%
Total School Resource	\$ 80,043	\$ 82,200	2.7%	\$ 206,200	150.9%

Significant Budget Changes:

- FY16/17 Services—added budget line item for travel so new SRO could attend training classes
- FY17/18 Salaries & Benefits—anticipate adding additional SRO if grant is approved
- FY17/18 Services—increased training budget for additional SRO

SCHOOL RESOURCE OFFICER DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Personnel Services	64,421	80,070	81,200	204,200	214,410	225,131
Services	-	(27)	1,000	2,000	2,100	2,205
Total SRO	\$ 64,421	\$ 80,043	\$ 82,200	\$ 206,200	\$ 216,510	\$ 227,336





SCHOOL RESOURCE OFFICER

		2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SALARIES & WAGES					
101-5-2421-04-5001	Full Time Employees	35,536	41,090	38,100	86,800
101-5-2421-04-520x	Overtime Pay	1,879	2,165	4,000	11,400
	Total Salaries & Wages	37,415	43,255	42,100	98,200
PERSONNEL BENEFITS					
101-5-2421-04-5501	FICA	2,457	2,952	2,900	7,000
101-5-2421-04-5504	Retirement	15,102	22,510	24,200	72,800
101-5-2421-04-5700	Health/Life Insurance	5,586	6,109	7,100	15,200
101-5-2421-04-5800	Workers Comp Insurance	3,361	4,744	3,900	8,000
101-5-2421-04-5901	Clothing Allowance	500	500	1,000	2,000
101-5-2421-04-5990	Miscellaneous	-	-	-	1,000
	Total Personnel Benefits	27,006	36,815	39,100	106,000
SERVICES					
101-5-2421-04-7600	Travel	-	(27)	1,000	2,000
	Total Services	-	(27)	1,000	2,000
TOTAL SCHOOL RESOURCE OFFICER		\$ 64,421	\$ 80,043	\$ 82,200	\$ 206,200

FIRE DEPARTMENT

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.

Town of Payson—Fire Department
400 West Main Street
Payson, AZ 85541
(928) 472-5120
www.paysonfire.com

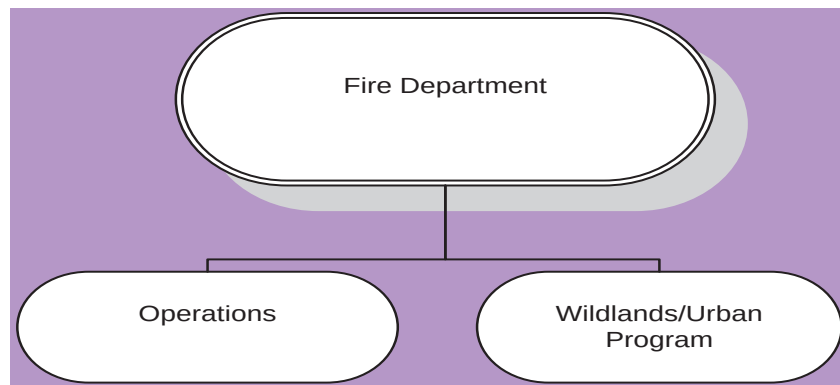
David Staub—Fire Chief
dstaub@paysonaz.gov





2017 ANNUAL BUDGET

The Fire Department is comprised of two divisions:
Fire Operations and Wildlands/Urban Program



DEPARTMENT EXPENDITURE SUMMARY

Operating Division	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed
Fire Operations	3,069,074	3,083,020	3,647,600	4,551,900
Wildland/Urban Program	3,463	69,508	73,000	100,000
Total Department	\$ 3,072,537	\$ 3,152,528	\$ 3,720,600	\$ 4,651,900

POSITION SUMMARY

	2016/17	2017/18
Fire Chief	1.0	1.0
Battalion Chief	3.0	3.0
Captain	9.0	9.0
Engineer	9.0	9.0
Firefighter	9.0	9.0
Administrative Secretary	1.0	1.0
Total Positions	32.0	32.0

FIRE DEPARTMENT



2017 ANNUAL BUDGET

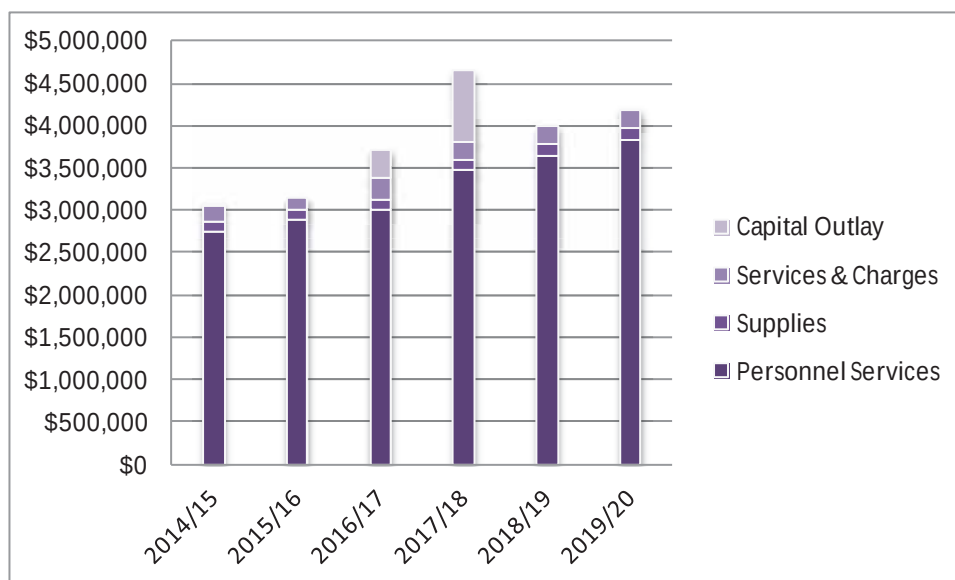
FIRE DEPARTMENT BUDGET CHANGES—3 YEARS

Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Salaries & Wages	2,100,277	2,114,100	0.7%	2,254,900	6.7%
Personnel Benefits	793,126	891,000	12.3%	1,219,200	36.8%
Supplies	104,268	124,000	18.9%	133,500	7.7%
Other Services & Charges	154,857	257,200	66.1%	196,500	-23.6%
Capital Outlay	-	334,300	100.0%	847,800	153.6%
Total Fire	\$ 3,152,528	\$ 3,720,600	18.0%	\$ 4,651,900	25.0%

Note: Explanations of significant budget changes are addressed within the individual divisions' sections that follow

FIRE DEPARTMENT BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Personnel Services	2,754,284	2,893,403	3,005,100	3,474,100	3,647,805	3,830,195
Supplies	115,925	104,268	124,000	133,500	140,175	147,184
Services & Charges	182,880	154,857	257,200	196,500	206,325	216,641
Capital Outlay	19,448	-	334,300	847,800	-	-
Total Fire	\$ 3,072,537	\$3,152,528	\$ 3,720,600	\$ 4,651,900	\$ 3,994,305	\$ 4,194,020



FIRE DEPARTMENT

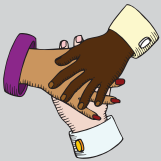
FIRE OPERATIONS DIVISION

The Fire Department 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.

2016/2017 ACCOMPLISHMENTS

- ✓ Replaced all SCBAs with new modern equipment utilizing an AFG grant
- ✓ Purchased an Incident Command Simulator with AFG grant monies
- ✓ Certified all Fire Personnel in Blue Card Incident Command, a nationally recognized program for incident management—funded with AFG grant
- ✓ Continued revising SOPs, focusing on operations

2017/2018 GOALS



KRA 7: THE PAYSON TEAM

⇒ Develop Fire Prevention capabilities within the Fire Department

KRA 8: PUBLIC SAFETY

⇒ Improve records management capabilities within the department

⇒ Continue revising SOPs with a focus on operations



LOCATIONS & CONTACT INFORMATION

Fire Station #11
400 W Main St

Fire Station #12
108 E Rancho Rd

Fire Station #13
103 S Rim Club Pkwy

David Staub—Fire Chief
(928) 472-5126
dstaub@paysonaz.gov
www.paysonfire.com

FIRE OPERATIONS DIVISION BUDGET CHANGES—3 YEARS

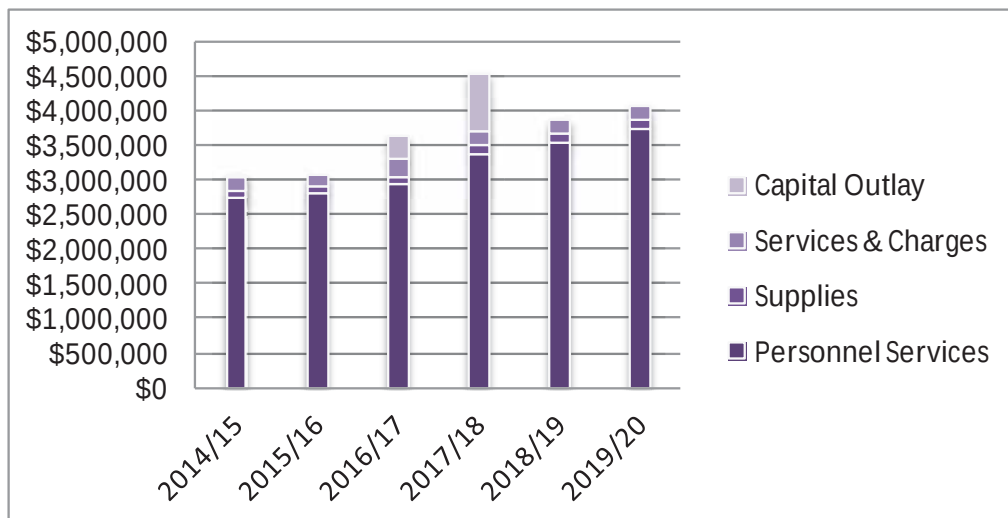
Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Salaries & Wages	2,049,368	2,077,100	1.4%	2,190,900	5.5%
Personnel Benefits	777,235	872,000	12.2%	1,200,200	37.6%
Supplies	103,334	112,000	8.4%	121,500	8.5%
Other Services & Charges	153,083	252,200	64.7%	191,500	-24.1%
Capital	-	334,300	100.0%	847,800	153.6%
Total Fire Operations	\$ 3,083,020	\$ 3,647,600	18.3%	\$ 4,551,900	24.8%

Significant Budget Changes:

- FY16/17 Personnel Benefits—reflects insurance and retirement contribution increases
- FY17/18 Personnel Benefits—reflects Public Safety Retirement rate increase of 8.96%
- FY17/18 Personnel Benefits—an additional pension payment of \$125,000 was made to PSPRS to pay down the retirement obligation
- Changes in Other Services and Capital reflect fluctuations in grant availability

FIRE OPERATIONS DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Personnel Services	2,750,821	2,826,603	2,949,100	3,391,100	3,560,655	3,738,688
Supplies	115,925	103,334	112,000	121,500	127,575	133,954
Services & Charges	182,880	153,083	252,200	191,500	201,075	211,129
Capital Outlay	19,448	-	334,300	847,800	-	-
Total Fire Operations	\$ 3,069,074	\$ 3,083,020	\$3,647,600	\$ 4,551,900	\$ 3,889,305	\$ 4,083,770



**FIRE OPERATIONS**

		2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SALARIES & WAGES					
101-5-2426-01-5001	Full Time Employees	1,586,503	1,599,726	1,634,200	1,721,100
101-5-2426-01-5005	Paid On Call	36,880	20,254	80,000	80,000
101-5-2426-01-5030	Out of Class Pay	19,103	19,723	18,000	18,000
101-5-2426-01-52xx	Overtime Pay	418,259	409,665	344,900	371,800
	Total Salaries & Wages	2,060,745	2,049,368	2,077,100	2,190,900

PERSONNEL BENEFITS

101-5-2426-01-5501	FICA	32,583	32,333	37,500	39,900
101-5-2426-01-5504	Retirement	341,661	419,090	459,800	694,500
101-5-2426-01-5505	Unfunded Pension Payment	-	-	-	125,000
101-5-2426-01-5700	Health/Life Insurance	155,171	155,427	174,300	159,500
101-5-2426-01-5701	Disability Insurance	49	48	100	200
101-5-2426-01-5800	Workers Comp Insurance	134,292	142,399	171,500	152,300
101-5-2426-01-5901	Uniform/Clothing Allowance	26,320	27,938	28,800	28,800
	Total Personnel Benefits	690,076	777,235	872,000	1,200,200

SUPPLIES

101-5-2426-01-6001	Office Supplies	1,346	2,161	2,000	2,000
101-5-2426-01-6003	Foam/ Cleaners	2,651	379	2,500	4,000
101-5-2426-01-6005	Safety/Program Supplies	9,541	8,528	6,000	6,000
101-5-2426-01-6007	Equipment/Clothing	18,635	23,778	25,000	25,000
101-5-2426-01-6009	Program Supplies	525	433	1,200	2,000
101-5-2426-01-6010	Books & Periodicals	-	408	500	500
101-5-2426-01-6011	Small Tools/Minor Equipment	4,991	835	3,000	3,500
101-5-2426-01-6012	Radio Equipment	6,107	5,058	5,000	6,500
101-5-2426-01-6013	Computer Equip / Supplies	-	3,817	4,000	6,000
101-5-2426-01-6100	Medical Supplies	15,642	16,115	15,000	20,000
101-5-2426-01-6200	R&M Supplies Equipment	1,881	943	2,000	2,000
101-5-2426-01-6201	R&M Supplies Building	14,444	9,201	7,500	8,000
101-5-2426-01-6300	Vehicle Fuels	25,495	20,000	22,500	20,000
101-5-2426-01-6302	R&M Supplies Vehicle	8,443	7,111	9,000	9,000
101-5-2426-01-6400	Shop Supplies	786	1,111	500	1,000
101-5-2426-01-6600	Public Relations	1,584	1,182	3,000	2,500
101-5-2426-01-6700	Memberships/Dues/Subscript	2,341	1,442	1,800	2,000
101-5-2426-01-6990	Other Expenses	1,513	832	1,500	1,500
	Total Supplies	115,925	103,334	112,000	121,500

OTHER SERVICES & CHARGES

101-5-2426-01-7300	Electricity	22,610	25,110	25,000	25,000
101-5-2426-01-7301	Propane Gas	7,808	8,247	10,000	10,000
101-5-2426-01-7302	Water	3,099	3,291	2,800	3,000
101-5-2426-01-7304	Sewage	1,080	1,080	1,000	1,100
101-5-2426-01-7305	Refuse Disposal	1,267	1,427	1,400	1,400
101-5-2426-01-7306	Telephone	29,575	22,640	28,000	26,000
101-5-2426-01-7401	R&M Building	6,291	5,828	6,000	7,000


FIRE OPERATIONS

		2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
101-5-2426-01-7402	R&M Office Equipment	546	670	600	800
101-5-2426-01-7404	R&M Equipment	3,816	5,468	11,200	10,000
101-5-2426-01-7405	R&M Vehicle	52,406	21,973	30,000	35,000
101-5-2426-01-7502	Lease Equipment	6,418	7,841	8,200	8,200
101-5-2426-01-7600	Travel	3,570	4,972	4,000	5,000
101-5-2426-01-7601	Registrations	21,498	20,539	17,500	22,500
101-5-2426-01-7900	Other Professional Services	19,491	21,118	30,000	35,000
101-5-2426-01-7910	Printing & Binding	2,520	2,879	1,500	1,500
101-5-2426-01-7912	Fire Grant Expense	-	-	75,000	-
210-5-2426-01-7912	Miscellaneous Grant Expenses	-	-	-	-
210-5-2426-01-7914	Donations	885	-	-	-
	Total Other Svcs & Charges	182,880	153,083	252,200	191,500

CAPITAL OUTLAY

101-5-2426-01-8409	e-PCR	19,448	-	-	-
403-5-2426-03-87xx	Various Grants	-	-	334,300	847,800
	Total Capital Outlay	19,448	-	334,300	847,800

TOTAL FIRE OPERATIONS

\$ 3,069,074	\$ 3,083,020	\$ 3,647,600	\$ 4,551,900
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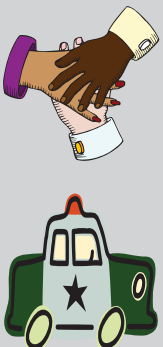
WILDLAND DIVISION

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 wherever 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. This has proven to be invaluable in developing and sustaining wildland fire response capabilities in the Payson area. As a value added feature, participation in the program provides funds for wildland fire equipment and training.

2016/2017 ACCOMPLISHMENTS

- ✓ Increased wildland fire qualifications for personnel through appropriate training and fire experience—added on Engine Boss
- ✓ Maintained all resources in a ready condition
- ✓ Responded to requests for assistance once circumstances beyond our control were resolved at the State level

2017/2018 GOALS



KRA 7: THE PAYSON TEAM

- ⇒ Increase wildland fire qualifications for personnel through appropriate training and fire experience

KRA 8: PUBLIC SAFETY

- ⇒ Maintain resources in a ready condition
- ⇒ Respond to requests for assistance
- ⇒ Acquire equipment to support line medic deployments

WILDLANDS DIVISION BUDGET CHANGES—3 YEARS

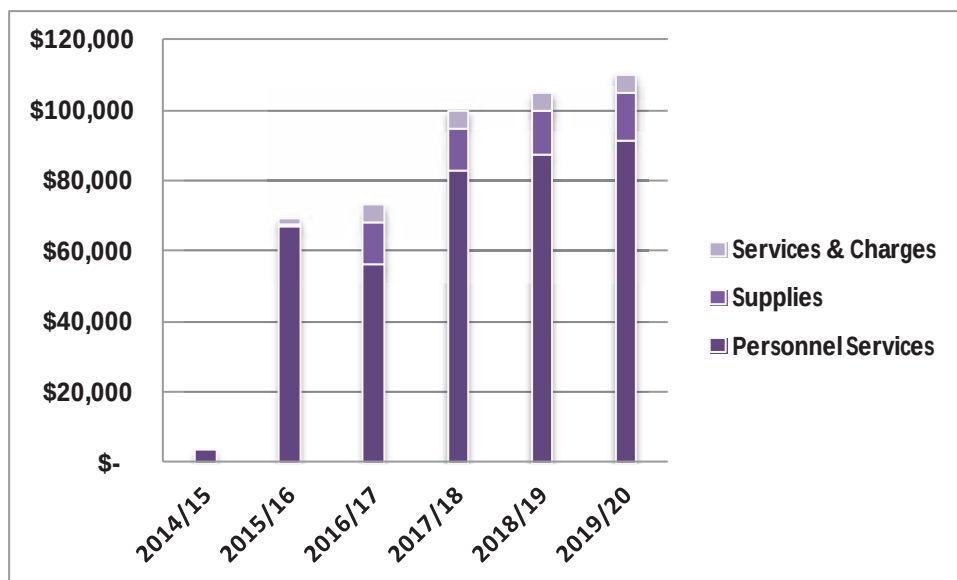
Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Salaries & Wages	50,909	37,000	-27.3%	64,000	73.0%
Personnel Benefits	15,891	19,000	19.6%	19,000	0.0%
Supplies	934	12,000	1184.8%	12,000	0.0%
Other Services & Charges	1,774	5,000	181.8%	5,000	0.0%
Total Wildlands	\$ 69,508	\$ 73,000	5.0%	\$ 100,000	37.0%

Significant Budget Changes:

- Each year, funds are budgeted for the potential cost of wildland fires. Actual expenditures depend on the severity of the fire season.

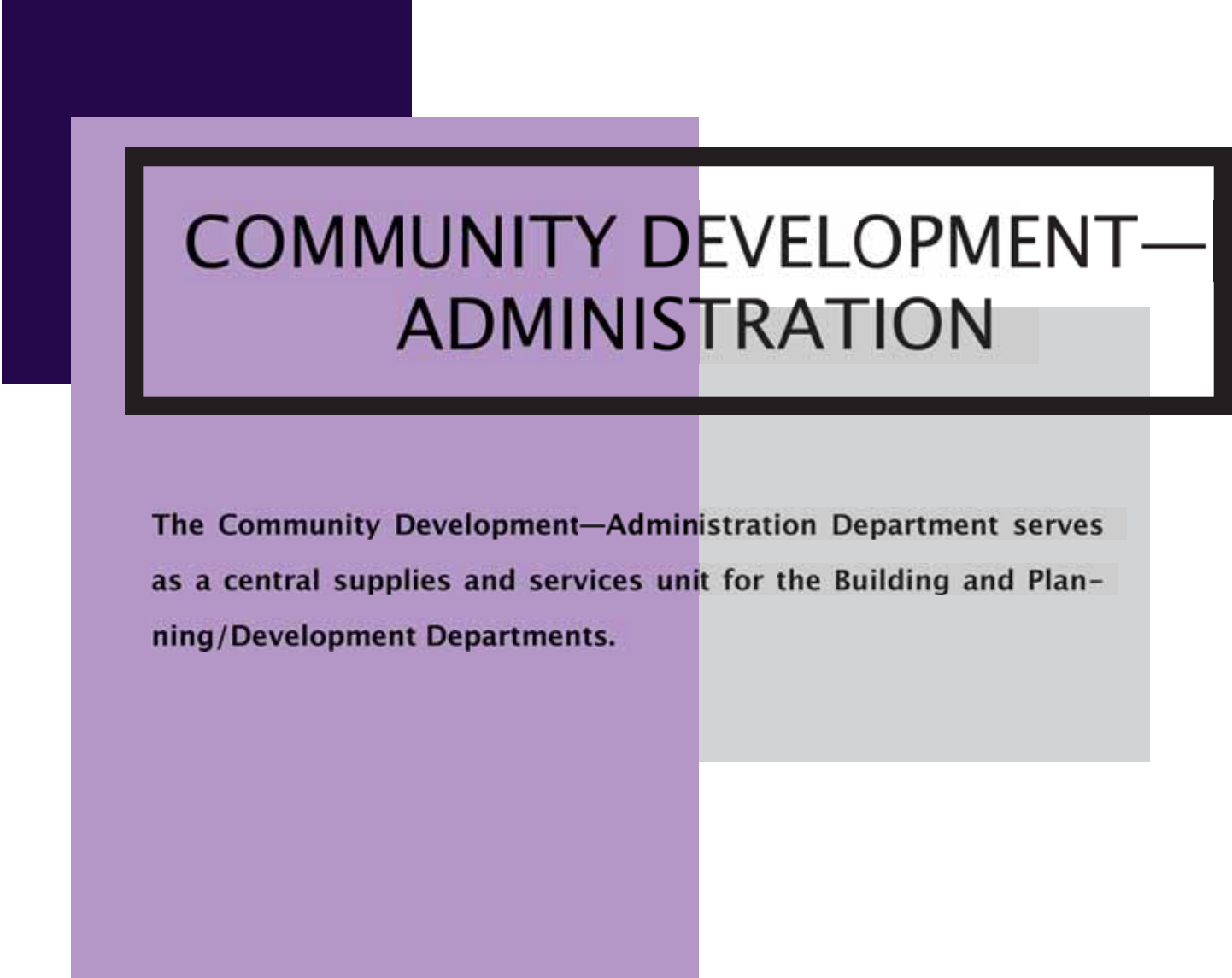
WILDLANDS DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Personnel Services	3,463	66,800	56,000	83,000	87,150	91,508
Supplies	-	934	12,000	12,000	12,600	13,230
Services & Charges	-	1,774	5,000	5,000	5,250	5,513
Total Wildlands	\$ 3,463	\$ 69,508	\$ 73,000	\$ 100,000	\$ 105,000	\$ 110,250



**WILDLANDS/URBAN PROGRAM**

	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SALARIES & WAGES				
101-5-2426-02-5001 Full Time Employees	-	13,270	31,000	31,000
101-5-2426-02-5003 Temporary Employees	-	-	3,000	3,000
101-5-2426-02-5200 Overtime	2,600	37,639	3,000	30,000
Total Salaries & Wages	2,600	50,909	37,000	64,000
PERSONNEL BENEFITS				
101-5-2426-02-5501 FICA	33	794	2,000	2,000
101-5-2426-02-5504 Retirement	535	12,299	14,000	14,000
101-5-2426-02-5700 Insurance Benefit	295	2,798	-	-
101-5-2426-02-5800 Workers Comp Insurance	-	-	3,000	3,000
Total Personnel Benefits	863	15,891	19,000	19,000
SUPPLIES				
101-5-2426-02-6009 Safety/Program Supplies	-	-	3,000	3,000
101-5-2426-02-6011 Small Tools/Minor Equipment	-	265	2,000	2,000
101-5-2426-02-6202 R&M Supplies Other	-	-	2,000	2,000
101-5-2426-02-6300 Gasoline, Fuel	-	414	2,000	2,000
101-5-2426-02-6302 R&M Supplies Vehicles	-	255	2,000	2,000
101-5-2426-02-6990 Other Expenses	-	-	1,000	1,000
Total Supplies	-	934	12,000	12,000
OTHER SERVICES & CHARGES				
101-5-2426-02-7600 Travel	-	1,774	5,000	5,000
Total Other Svcs & Charges	-	1,774	5,000	5,000
TOTAL WILDLANDS/URBAN PROGRAM	\$ 3,463	\$ 69,508	\$ 73,000	\$ 100,000



COMMUNITY DEVELOPMENT— ADMINISTRATION

The Community Development—Administration Department serves as a central supplies and services unit for the Building and Planning/Development Departments.

Payson Town Complex
Community Dev/Public Works Bldg
303 N. Beeline Highway
Payson, AZ 85541
(928) 474-5032



2017 ANNUAL BUDGET

Community Development

DESCRIPTION

The Community Development Department was composed of three divisions: Planning and Zoning, Building Services, and Housing Programs. In FY14/15, two new departments were created: Building Services Department and Planning & Development Department (made up of the planning & zoning division and the housing division). In FY15/16, the Economic Development division was moved from the Town Manager's Department to the Planning & Development Department. The Community Development Department remains as an administrative function providing central supplies/services to support the two new departments.

EXPENDITURE SUMMARY

Operating Division	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed
Administration	106,265	92,671	105,000	108,800
Total Administration	\$ 106,265	\$ 92,671	\$ 105,000	\$ 108,800

POSITION SUMMARY

	2016/17	2017/18
Executive Assistant	1.0	1.0
Total Positions	1.0	1.0

COMMUNITY DEVELOPMENT-ADMINISTRATION


CD - ADMINISTRATION

	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SALARIES & WAGES				
101-5-6428-00-5001 Full Time Employees	52,867	47,847	50,500	52,200
101-5-6428-00-5200 Overtime	-	-	-	500
Total Salaries & Wages	52,867	47,847	50,500	52,700
PERSONNEL BENEFITS				
101-5-6428-00-5501 FICA	3,509	3,120	3,900	4,000
101-5-6428-00-5504 Retirement	6,066	5,430	5,800	6,000
101-5-6428-00-5700 Health/Life Insurance	6,933	7,062	6,200	6,400
101-5-6428-00-5701 Disability Insurance	63	58	100	100
101-5-6428-00-5800 Workers Comp Insurance	29	-	300	200
Total Personnel Benefits	16,600	15,670	16,300	16,700
SUPPLIES				
101-5-6428-00-6001 Office Supplies	5,402	4,760	6,500	6,500
101-5-6428-00-6003 Cleaning Supplies	762	610	800	800
101-5-6428-00-6005 Safety Supplies	267	217	500	500
101-5-6428-00-6201 R&M Supplies-Building	-	52	-	-
101-5-6428-00-6300 Gasoline/Fuels/Lubricants	5,017	3,582	5,000	5,000
101-5-6428-00-6302 R&M Vehicle	648	2,369	1,500	1,500
Total Supplies	12,096	11,590	14,300	14,300
OTHER SERVICES & CHARGES				
101-5-6428-00-7300 Electricity	6,665	6,583	7,000	7,500
101-5-6428-00-7301 Propane Gas	719	773	1,000	1,000
101-5-6428-00-7302 Water	408	401	500	500
101-5-6428-00-7401 R&M Building	8,902	616	5,000	5,000
101-5-6428-00-7402 R&M Office Equipment	-	-	500	500
101-5-6428-00-7405 R&M Vehicle	-	-	500	500
101-5-6428-00-7502 Lease Equipment	4,808	5,351	5,300	6,000
101-5-6428-00-7900 Other Professional Services	3,200	3,840	4,100	4,100
Total Other Svcs & Charges	24,702	17,564	23,900	25,100
TOTAL CD - ADMINISTRATION	\$ 106,265	\$ 92,671	\$ 105,000	\$ 108,800

BUILDING SERVICES

The Building Services Department protects the public health and safety by ensuring that all structures are built in accordance with adopted building codes.

Town of Payson
Public Works / Community Dev. Building
303 N. Beeline Highway
Payson, AZ 85541
(928) 474-5030





2017 ANNUAL BUDGET

Building

The Building Services Department 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.

DEPARTMENT EXPENDITURE SUMMARY

Operating Division	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed
Building Services	312,828	313,988	375,900	364,200
Total Building Services	\$ 312,828	\$ 313,988	\$ 375,900	\$ 364,200

POSITION SUMMARY

	2016/17	2017/18
Chief Building Official	1.0	1.0
Building Inspector	1.0	1.0
Plans Examiner	0.0	0.0
Business License Specialist	1.0	1.0
Permit Technician	1.0	1.0
Total Positions	4.0	4.0

BUILDING SERVICES DEPARTMENT

BUILDING SERVICES

2016/2017 ACCOMPLISHMENTS

- ✓ Conducted 2776 building inspections
- ✓ Issued 85 new site built home permits
- ✓ Issued 2 new commercial building permits for Wendy's and Arby's
- ✓ Issued 8 new manufactured home permits

2017/2018 GOALS

NEIGHBORHOOD & LIVABILITY



- ⇒ Continue to provide comprehensive building plan review and inspections consistent with industry standards in the most reasonable timeframe possible, while keeping up with new industry trends and products

Contact Information

Liz Donovan
edonovan@paysonaz.gov
(928) 472-5030

Physical Location

Payson Town Complex
Public Works/Community Dev. Building
303 N Beeline Hwy.
Payson, AZ 85541

BUILDING SERVICES BUDGET CHANGES—3 YEARS

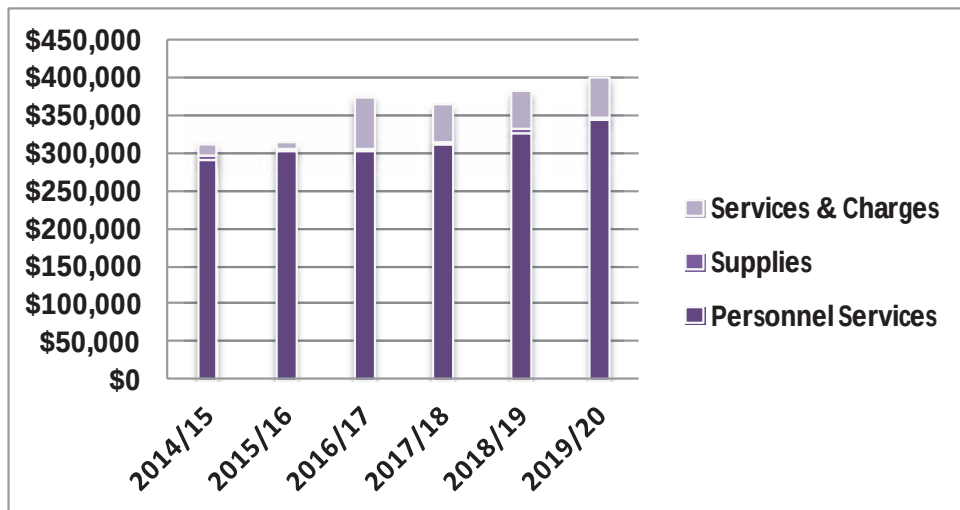
Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Salaries & Wages	230,615	226,500	-1.8%	238,600	5.3%
Personnel Benefits	73,727	76,700	4.0%	73,700	-3.9%
Supplies	2,302	4,000	73.8%	4,200	5.0%
Other Services & Charges	7,344	68,700	835.5%	47,700	-30.6%
Total Building	\$ 313,988	\$ 375,900	19.7%	\$ 364,200	-3.1%

Significant Budget Changes:

- FY16/17 Supplies—reflects increase for books / periodicals & dues / memberships
- FY16/17 & FY17/18 Other Services—Other Professional Services was increased to cover plan review contract work that might be required during potential college construction project

BUILDING SERVICES BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Personnel Services	292,441	304,342	303,200	312,300	327,915	344,311
Supplies	5,976	2,302	4,000	4,200	4,410	4,631
Services & Charges	14,411	7,344	68,700	47,700	50,085	52,589
Total Building	\$ 312,828	\$ 313,988	\$ 375,900	\$ 364,200	\$ 382,410	\$ 401,531



**BUILDING SERVICES**

	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SALARIES & WAGES				
101-5-6428-03-5001 Full Time Employees	222,323	230,615	226,500	236,600
101-5-6428-03-5200 Overtime Pay	33	-	-	2,000
Total Salaries & Wages	222,356	230,615	226,500	238,600
PERSONNEL BENEFITS				
101-5-6428-03-5501 FICA	15,248	16,016	17,400	18,300
101-5-6428-03-5504 Retirement	25,518	26,174	25,700	27,000
101-5-6428-03-5700 Health/Life Insurance	23,674	25,468	27,100	22,600
101-5-6428-03-5701 Disability Insurance	267	278	300	400
101-5-6428-03-5800 Workers Comp Insurance	5,378	5,791	6,200	5,400
Total Personnel Benefits	70,085	73,727	76,700	73,700
SUPPLIES				
101-5-6428-03-6006 Uniforms/Clothing	-	798	800	1,000
101-5-6428-03-6010 Books & Periodicals	4,580	320	1,500	1,500
101-5-6428-03-6011 Small Tools & Minor Equipment	687	886	1,000	1,000
101-5-6428-03-6700 Dues & Memberships	709	298	700	700
Total Supplies	5,976	2,302	4,000	4,200
OTHER SERVICES & CHARGES				
101-5-6428-03-7306 Telephone	1,198	1,146	1,400	1,200
101-5-6428-03-7307 Utilities Postage/Freight	42	86	200	200
101-5-6428-03-7600 Travel	4,482	2,583	3,800	3,800
101-5-6428-03-7601 Registrations	2,215	1,962	2,800	2,000
101-5-6428-03-7900 Other Professional Services	6,474	1,460	60,000	40,000
101-5-6428-03-7910 Printing & Binding	-	107	500	500
Total Other Svcs & Charges	14,411	7,344	68,700	47,700
TOTAL BUILDING SERVICES	\$ 312,828	\$ 313,988	\$ 375,900	\$ 364,200

PLANNING & DEVELOPMENT

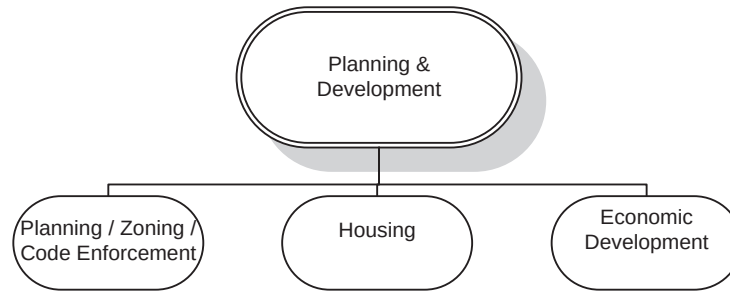
The Planning & Development Department is responsible for current and long-range planning activities in support of the community's vision.

Town of Payson
Public Works/Community Dev. Building
303 N. Beeline Highway
Payson, AZ 85541
928-474-5032





2017 ANNUAL BUDGET



Planning & Development is a new department established in FY14/15. Previously, Planning & Zoning and Housing were divisions of the Community Development Department and Economic Development was a division of the Town Manager's Department. The new Planning & Development Department is made up of three divisions: Planning / Zoning / Code Enforcement, Housing, and Economic Development.

DEPARTMENT EXPENDITURE SUMMARY

Operating Division	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed
Planning/Zoning/Code Enforcement	282,763	300,146	321,000	335,600
Economic Development	719	106,226	415,900	181,300
Housing Programs	49,720	104,835	217,500	200,000
Total Planning & Development	\$ 333,202	\$ 511,207	\$ 954,400	\$ 716,900

POSITION SUMMARY

	2016/17	2017/18
Planning & Dev Director	1.0	1.0
Code Compliance Specialist	1.0	1.0
Planning Technician	1.0	0.0
Planning Specialist I & II	1.0	2.0
Economic Dev Specialist	1.0	1.0
Total Positions	5.0	5.0

PLANNING & DEVELOPMENT DEPARTMENT



2017 ANNUAL BUDGET

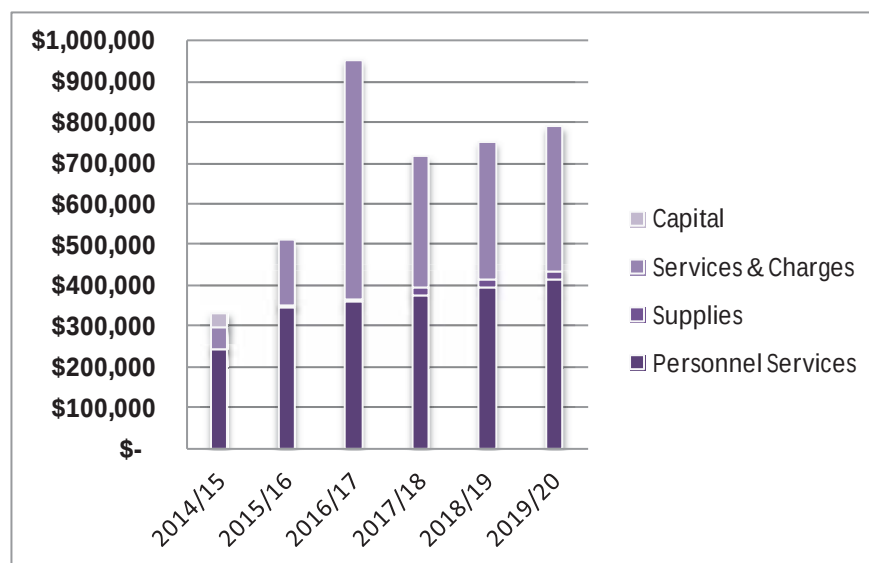
PLANNING & DEVELOPMENT DEPARTMENT BUDGET CHANGES—3 YEARS

Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Salaries & Wages	262,553	265,900	1.3%	289,600	8.9%
Personnel Benefits	86,159	94,100	9.2%	87,700	-6.8%
Supplies	3,070	6,000	95.4%	15,700	161.7%
Other Services & Charges	159,425	588,400	269.1%	323,900	-45.0%
Capital	-	-	0.0%	-	0.0%
Total Planning & Development	\$ 511,207	\$ 954,400	86.7%	\$ 716,900	-24.9%

Note: Explanations of significant budget changes are addressed within the individual divisions' sections that follow

PLANNING & DEVELOPMENT DEPARTMENT BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Personnel Services	242,737	348,712	360,000	377,300	396,165	415,973
Supplies	1,525	3,070	6,000	15,700	16,485	17,309
Services & Charges	54,880	159,425	588,400	323,900	340,095	357,100
Capital	34,060	-	-	-	-	-
Total Planning & Dev	\$ 333,202	\$ 511,207	\$ 954,400	\$ 716,900	\$ 752,745	\$ 790,382



PLANNING & DEVELOPMENT DEPARTMENT

PLANNING/ZONING/CODE ENFORCEMENT DIVISION

2016/2017 ACCOMPLISHMENTS

Planning & Zoning

- ✓ Facilitated participation by five additional businesses in the State Route 87 / 260 Beautification Program
- ✓ Processed 1 rezoning case, 1 conditional use permit; 5 minor land division applications; 3 subdivision application, 5 design review projects, 7 temporary use permits, 3 variance applications, and 7 administrative relief / permits
- ✓ Provided development services assistance to new business / development proposals
- ✓ Collaborated with groups/individuals on completing a section of American Gulch Trail which included landscaping along the trail & the orchard project

Code Enforcement

- ✓ Proactively enforced specific target areas, eliminated a large amount of blight from our community including the demolition of a long-standing eyesore and three nearby properties which have lead to new home construction
- ✓ Began proactive enforcement of nuisance properties/unsightly premises
- ✓ Partnered with Gila County Landfill and Waste Matters to conduct the 3rd annual "Dump Your Junk" event which eliminated over 66 tons of trash, 2 tons of paint, 9 tons of tires and over 16 tons of metal from the community
- ✓ Successfully obtained grant funding from the Central Arizona Board of Realtors to assist in neighborhood clean-up campaigns in the upcoming year
- ✓ Investigated over 175 code enforcement complaints and resolved almost 200 alleged violations
- ✓ Began a "Take Pride, Clean Outside" campaign to coincide with National Community Planning Month and build support for citizen-lead beautification efforts

Contact Information

Sheila DeSchaaf
Planning & Development Director
(928) 472-5037
sdeschaaf@paysonaz.gov

Contact Information

Jason Larson
Code Compliance Specialist
(928) 472-5039
jlarson@paysonaz.gov

2017/2018 GOALS

KRA 4: INNOVATION & EFFICIENCY

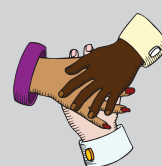
- ⇒ Increase citizen awareness and community involvement in planning processes through contact with grass roots groups, media coverage, open houses and networking

KRA 5: NEIGHBORHOODS & LIVABILITY

- ⇒ Continue updating the Unified Development Code to streamline and modernize practices to enhance neighborhood livability, maintain property values, and eliminate blight as directed in the General Plan
- ⇒ Investigate possible alternative projects / programs for CDBG funding
- ⇒ Initiate town-wide wayfinding signage
- ⇒ Ensure compliance with zoning codes to prevent slum and blight
- ⇒ Continue to organize positive outreach events that encourage residents to maintain their properties
- ⇒ Begin targeted neighborhood enforcement campaigns to eliminate nuisance properties in areas with vulnerable populations

KRA 7: THE PAYSON TEAM

- ⇒ Promote and seek funding to implement the Town of Payson General Plan
- ⇒ Continue to partner with private businesses / groups to assist with projects / plans in working towards fulfilling the vision of the General Plan
- ⇒ Aid in the creation of an arts committee for future public art installations
- ⇒ Continue to participate in the CAG Greater Gila County Transit Feasibility Study
- ⇒ Attend continuing education courses in order to stay up to date with the latest trends and best practices
- ⇒ Assist in the compilation of the Community Health Needs Assessment
- ⇒ Participate in the 2020 Census LUCA to ensure accurate census data for Payson
- ⇒ Conduct the 4th Annual "Dump Your Junk" event to sponsor community cleanup efforts while involving local charities and volunteers



Physical Location

Payson Town Complex
Public Works/Community Development Building
303 N Beeline Hwy.
Payson, AZ 85541

PLANNING/ZONING/CODE ENFORCEMENT DIVISION BUDGET CHANGES—3 YEARS

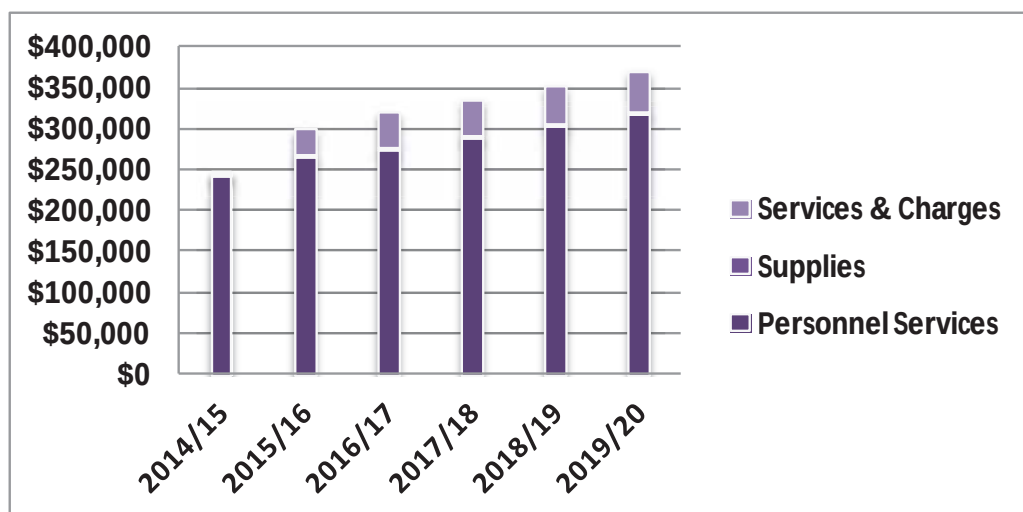
Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Salaries & Wages	195,116	197,100	1.0%	217,200	10.2%
Personnel Benefits	69,507	76,400	9.9%	70,100	-8.2%
Supplies	1,965	4,000	103.6%	3,700	-7.5%
Other Services & Charges	33,558	43,500	29.6%	44,600	2.5%
Total Planning	\$ 300,146	\$ 321,000	6.9%	\$ 335,600	4.5%

Significant Budget Changes:

- FY16/17 Supplies—increases in uniforms/clothing and memberships/dues/subscriptions
- FY16/17 Other Services—reflects increase in grant expense and building R&M

PLANNING/ZONING/CODE ENFORCEMENT DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Personnel Services	242,018	264,623	273,500	287,300	301,665	316,748
Supplies	1,525	1,965	4,000	3,700	3,885	4,079
Services & Charges	5,160	33,558	43,500	44,600	46,830	49,172
Total Planning	\$ 282,763	\$ 300,146	\$ 321,000	\$ 335,600	\$ 352,380	\$ 369,999



**PLANNING**

	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SALARIES & WAGES				
101-5-6428-01-5001 Full Time Employees	178,117	195,116	197,100	214,200
101-5-6428-01-5200 Overtime Pay	-	-	-	3,000
Total Salaries & Wages	178,117	195,116	197,100	217,200
PERSONNEL BENEFITS				
101-5-6428-01-5501 FICA	12,237	13,391	15,100	16,600
101-5-6428-01-5504 Retirement	20,440	22,145	22,400	24,600
101-5-6428-01-5700 Health/Life Insurance	21,453	23,619	26,600	23,000
101-5-6428-01-5701 Disability Insurance	214	236	300	400
101-5-6428-01-5800 Workers Comp Insurance	9,557	10,116	12,000	5,500
Total Personnel Benefits	63,901	69,507	76,400	70,100
SUPPLIES				
101-5-6428-01-6006 Uniforms/Clothing	254	750	1,200	1,200
101-5-6428-01-6010 Books & Periodicals	-	-	200	200
101-5-6428-01-6011 Small Tools & Minor Equipment	315	303	400	400
101-5-6428-01-6300 Gasoline/Fuels/Lubricant	-	156	-	-
101-5-6428-01-6700 Memberships/Dues/Subscript	956	756	2,200	1,900
Total Supplies	1,525	1,965	4,000	3,700
OTHER SERVICES & CHARGES				
101-5-6428-01-7306 Telephone	1,228	1,588	1,600	1,600
101-5-6428-01-7307 Postage	-	-	200	200
101-5-6428-01-7600 Travel	475	1,709	2,500	4,000
101-5-6428-01-7601 Registrations	580	2,765	2,800	2,800
101-5-6428-01-7901 Lien & Clean	-	5,811	10,000	12,500
101-5-6428-01-7907 Advertising	2,077	1,863	3,000	3,000
101-5-6428-01-7910 Printing & Binding	800	452	500	500
101-5-6428-01-7912 Grant Expense	-	19,370	22,900	20,000
Total Other Svcs & Charges	5,160	33,558	43,500	44,600
CAPITAL				
417-5-6428-01-8785 Main Street Improvements	34,060	-	-	-
	34,060	-	-	-
TOTAL PLANNING	\$ 282,763	\$ 300,146	\$ 321,000	\$ 335,600

ECONOMIC DEVELOPMENT DIVISION

2016/2017 ACCOMPLISHMENTS

- ✓ Established the Economic Development Advisor Consortium comprised of community leaders in key industries
- ✓ Collaborated with Gila Community College, Rim Country Chamber of Commerce, and PUSD on a workforce development initiative to establish workforce development programming in Payson
- ✓ Contracted to have representation for Payson at the Las Vegas Shot Show EXPO 2017, which resulted in a number of potential business leads
- ✓ Obtain \$25,000 REDE grant for a hotel feasibility study and marketing funds
- ✓ Partnered Precision Intricast with AZ Commerce Authority to create an outlet in Mexico City for marketing their medical books
- ✓ Received \$8,500 grant from Gila County for American Gulch project

2017/2018 GOALS

KRA 1: ECONOMIC DEVELOPMENT, TOURISM & ECONOMIC VITALITY

- ⇒ Implement the Greater Payson Area Economic Development Strategic Plan
- ⇒ Continue to update and improve www.PaysonMeansBusiness.com website
- ⇒ Partner with Urban Land Institute (ULI) Technical Assistance Panel to assist with Old Town Payson initiatives
- ⇒ Assist in establishment of regional workforce development training programs
- ⇒ Continue recruitment and retention efforts to expand Payson's employment and sales tax revenue base
- ⇒ Secure reliable, redundant broadband service within Payson
- ⇒ Foster the growth of area business coalitions, such as the Main Street Merchant's Guild and Rim Country Manufactures, to promote collaboration among business owners
- ⇒ Grow the Economic Development Advisory Consortium to better promote economic development within greater Payson
- ⇒ Establish an "Entertainment District" that includes Main Street and the Event Center
- ⇒ Actively promote Payson through AZ Association for Economic Development (AAED) Board membership
- ⇒ Promote Local First Arizona, serve as the Gila County representative



CONTACT INFORMATION

Bobby Davis
Economic Development Specialist
(928) 472-5046
econdev@paysonaz.gov

PHYSICAL LOCATION

Payson Town Complex
Public Works/Community Dev Bldg
303 N Beeline Hwy.
Payson, AZ 85541

ECONOMIC DEVELOPMENT DIVISION BUDGET CHANGES—3 YEARS

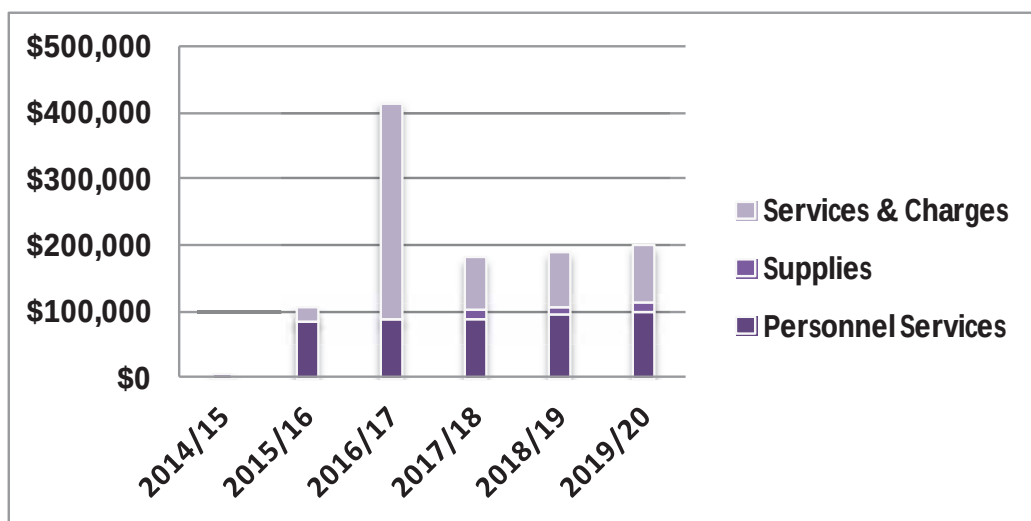
Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Salaries & Wages	67,437	68,800	2.0%	72,400	5.2%
Personnel Benefits	16,652	17,700	6.3%	17,600	-0.6%
Supplies	1,105	2,000	81.0%	12,000	500.0%
Other Services & Charges	21,032	327,400	1456.7%	79,300	-75.8%
Total Economic Development	\$ 106,226	\$ 415,900	291.5%	\$ 181,300	-56.4%

Significant Budget Changes:

- FY16/17 Supplies—reflects increase in memberships/dues/subscriptions
- FY17/18 Supplies—line item added for promotional event expense
- FY16/17 & FY17/18 Services—reflects fluctuation in grant funding

ECONOMIC DEVELOPMENT DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Personnel Services	719	84,089	86,500	90,000	94,500	99,225
Supplies	-	1,105	2,000	12,000	12,600	13,230
Services & Charges	-	21,032	327,400	79,300	83,265	87,428
Total Economic Dev	\$ 719	\$ 106,226	\$ 415,900	\$ 181,300	\$ 190,365	\$ 199,883



**ECONOMIC DEVELOPMENT**

		2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SALARIES & WAGES					
101-5-6428-02-5001	Salaries & Wages Full Time	603	67,437	68,800	72,400
	Total Salaries & Wages	603	67,437	68,800	72,400
PERSONNEL BENEFITS					
101-5-6428-02-5501	FICA	46	5,156	5,300	5,500
101-5-6428-02-5504	Retirement	68	7,654	7,800	8,200
101-5-6428-02-5700	Insurance Benefit	1	58	300	100
101-5-6428-02-5701	Disability Insurance	1	81	100	100
101-5-6428-02-5800	Workers Compensation Ins	-	3,703	4,200	3,700
		116	16,652	17,700	17,600
SUPPLIES					
101-5-6428-02-6006	Uniforms/Clothing	-	39	200	200
101-5-6428-02-6011	Small Tools / Minor Equip	-	383	500	500
101-5-6428-02-6602	Promotional Events	-	-	-	10,000
101-5-6428-02-6700	Membership/Dues/Subscript	-	683	1,300	1,300
	Total Supplies	-	1,105	2,000	12,000
OTHER SERVICES & CHARGES					
101-5-6428-02-7306	Telephone Charges	-	225	300	300
101-5-6428-02-7600	Travel	-	2,798	3,500	4,700
101-5-6428-02-7601	Registrations	-	3,287	2,000	2,000
101-5-6428-02-7900	Other Professional Services	-	12,566	293,600	19,300
101-5-6428-02-7907	Advertising	-	2,121	2,000	2,000
101-5-6428-02-7910	Printing & Binding	-	35	1,000	1,000
101-5-6428-02-7912	Grant Expense	-	-	25,000	50,000
	Total Other Svcs & Charges	-	21,032	327,400	79,300
TOTAL ECONOMIC DEVELOPMENT		\$ 719	\$ 106,226	\$ 415,900	\$ 181,300

HOUSING DIVISION

2016/2017 ACCOMPLISHMENTS

- ✓ Promoted Affirmatively Furthering Fair Housing (AFFH) and received training certification
- ✓ Implemented and administered new and existing housing rehabilitation and replacement contracts in compliance with State and Federal requirements
- ✓ Collaborated with State of Arizona Housing Department to implement Federal and State initiatives in Payson
- ✓ Completed two rehabilitation projects for income-qualified homeowners
- ✓ Explored feasibility options of housing / community needs outside rehabilitation projects
- ✓ Assisted with low-income housing inquiries and researched available programs and aid
- ✓ Attended Arizona Housing Forum

2017/2018 GOALS

KRA 5: NEIGHBORHOOD & LIVABILITY / KRA 6: SOCIAL SERVICES

- ⇒ Promote Affirmatively Furthering Fair Housing (AFFH)
- ⇒ Implement and administer new and existing housing rehabilitation and replacement contracts in compliance with State and Federal guidelines
- ⇒ Complete a minimum of two rehabilitation projects for income-qualified homeowners
- ⇒ Explore feasibility options of community needs outside rehabilitation projects including public participation process for CDBG program/projects
- ⇒ Assist with low-income housing inquiries and research available programs and aid
- ⇒ Attend AZ Housing Forum for further education on CDBG housing projects and program administration
- ⇒ Continue to partner with State of Arizona Housing Department to implement Federal and State initiatives in Payson



Contact Information

Doni Wilbanks
Planning Specialist
(928) 472-5038
dwilbanks@paysonaz.gov

Physical Location

Payson Town Complex
Public Works/Community Dev Building
303 N Beeline Hwy.
Payson, AZ 85541

HOUSING DIVISION BUDGET CHANGES—3 YEARS

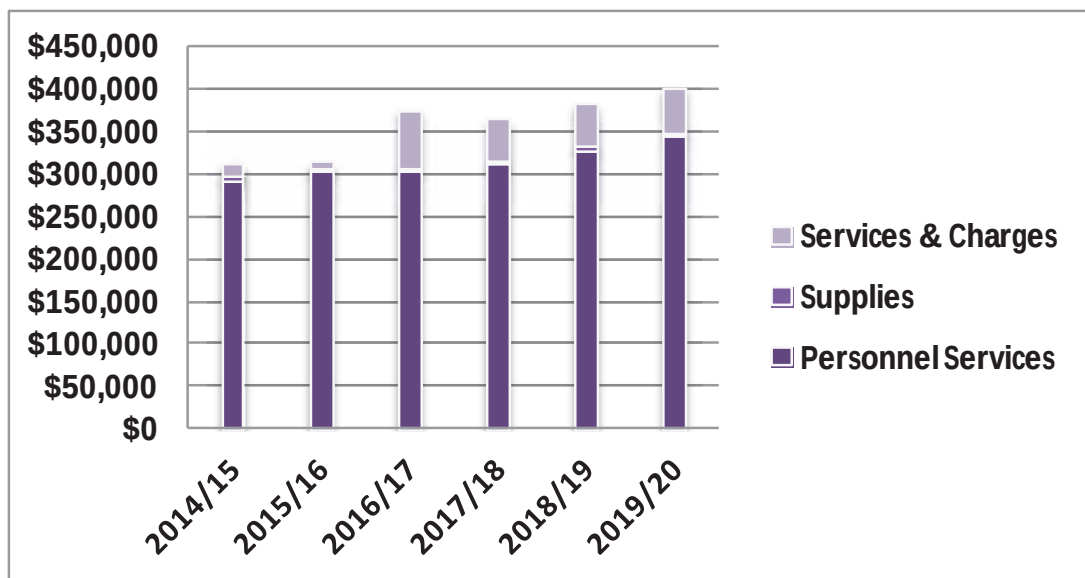
Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Other Services & Charges	104,835	217,500	107.5%	200,000	-8.0%
Total Housing	\$ 104,835	\$ 217,500	107.5%	\$ 200,000	-8.0%

Significant Budget Changes:

- Changes were due to the availability of CDBG funding

HOUSING DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Services & Charges	49,720	104,835	217,500	200,000	210,000	220,500
Total Housing	\$ 49,720	\$ 104,835	\$ 217,500	\$ 200,000	\$ 210,000	\$ 220,500





ANNUAL BUDGET

PLANNING & DEVELOPMENT

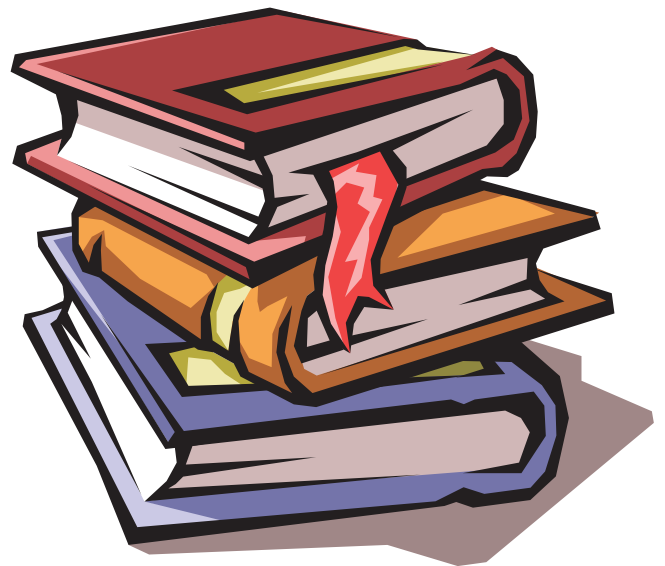
AFFORDABLE HOUSING

	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
OTHER SERVICES & CHARGES				
403-5-6428-21-7913 Housing Exp 2010	44,880	-	-	-
403-5-6428-22-7913 CDBG Housing 2014-16	4,840	104,835	139,000	-
403-5-6428-22-7914 CDBG Housing 2017-19	-	-	78,500	200,000
Total Other Svcs & Charges	<u>49,720</u>	<u>104,835</u>	<u>217,500</u>	<u>200,000</u>
TOTAL HOUSING	<u><u>\$ 49,720</u></u>	<u><u>\$ 104,835</u></u>	<u><u>\$ 217,500</u></u>	<u><u>\$ 200,000</u></u>

LIBRARY

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.

Town of Payson Library
328 N McLane
Payson, AZ 85541
928-472-5163





2017 ANNUAL BUDGET

Library

DEPARTMENT EXPENDITURE SUMMARY

Operating Division	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed
Library	332,903	345,649	378,700	428,300
Total Department	\$ 332,903	\$ 345,649	\$ 378,700	\$ 428,300

POSITION SUMMARY

	2016/17	2017/18
Library Director	1.0	1.0
Assistant Librarian	1.0	1.0
Library Clerk	4.0	4.0
Library Page	0.5	0.5
Total Positions	6.5	6.5

LIBRARY

LIBRARY DIVISION

2016/2017 ACCOMPLISHMENTS

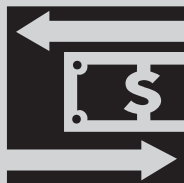
- ✓ Used \$5,000 in LSTA grant funds to supplement our overdrive audio eBook collection. These funds were administered by the AZ State Library & Archives but federally funded through the Institute of Museum and Library Services. The grant was managed by Payson's Library Director but benefited all Gila County Library District users.
- ✓ In May 2017, Payson Library was notified that it would be awarded a new LSTA grant for \$15,000 to create a teen/tween technology space within the library.
- ✓ Coordinated more than 400 programs, outreaches, and events. While we continue to offer a wide array of children's programs from Babytime to Computer Coding, staff worked very hard to introduce new programs for adults and seniors as well. This year, there were adult coloring and craft hours, evening movies, basic computer use workshops, early literacy trainings for parents, eBook training, lectures on topics of interest, and various outreach presentations. The Library continues to thank the Rim Country community for their support of library programs including donations to the Library Friends of Payson which funds our programs and outreach budget.
- ✓ Performed a necessary fire sprinkler trip test which identified issues that have been repaired. Replaced an HVAC unit. The Library Friends of Payson generously agreed to replace the missing and damaged rockwork on the outside of the building and also had the weeds removed this Spring.
- ✓ As the largest and most heavily used library in Gila County, the Payson Library works closely with the Gila County Library District to ensure that a professional standard of service is available county wide. We participated in countywide library meetings, conferred with district staff, shared books through our library loan process, and helped with selection of eBook titles that are available county wide. The Payson Library continued to answer more reference questions, circulate more materials, and host more programs than any other library within the county.
- ✓ The Payson Library continues to be a leader in the ReadOn Northern Gila County effort. ReadOn works to bring awareness of the importance of literacy, kindergarten readiness, and reaching grade level reading goals through partnership with local schools, churches, government agencies, and non-profit groups. As a ReadOn Lead, the library partnered with other agencies to get reading materials, literacy guides, and more into the hands of children in need or in crisis within our community by distributing ReadOn CARE bags to first responders, DCS, and charitable organizations. Also coordinated outreach events to promote the ReadOn initiative.

CONTACT INFORMATION

Emily Linkey
Library Director
(928) 472-5160
elinkey@gcldaz.org

PHYSICAL LOCATION

Payson Public Library
328 N McLane
Payson, AZ 85541



KRA 3: FINANCIAL EXCELLENCE

- ⇒ Library staff will continue to assess the needs of the library and its patrons and seek out grant or other funding opportunities to help fund related projects
- ⇒ Utilize grant funds that have been awarded to promote library service to the community as described in the grant application

KRA 5: NEIGHBORHOODS & LIVABILITY

- ⇒ Important building maintenance projects like repair of broken windows, replacement of carpet, maintenance of aging HVAC systems and other needs will be addressed in a timely manner. The Payson Library is a beautiful building that our community is proud of and we'd like to keep it well maintained and functional.

KRA 5: NEIGHBORHOODS & LIVABILITY/KRA 7: THE PAYSON TEAM

- ⇒ The Library will continue to work with Gila County Library District administration and our in-network libraries towards the common goal of providing a positive and cohesive patron service experience throughout the Gila County Library District
- ⇒ Library staff will provide quality programs to patrons of varying ages including programs provided in partnership with local schools and organizations



LIBRARY BUDGET CHANGES—3 YEARS

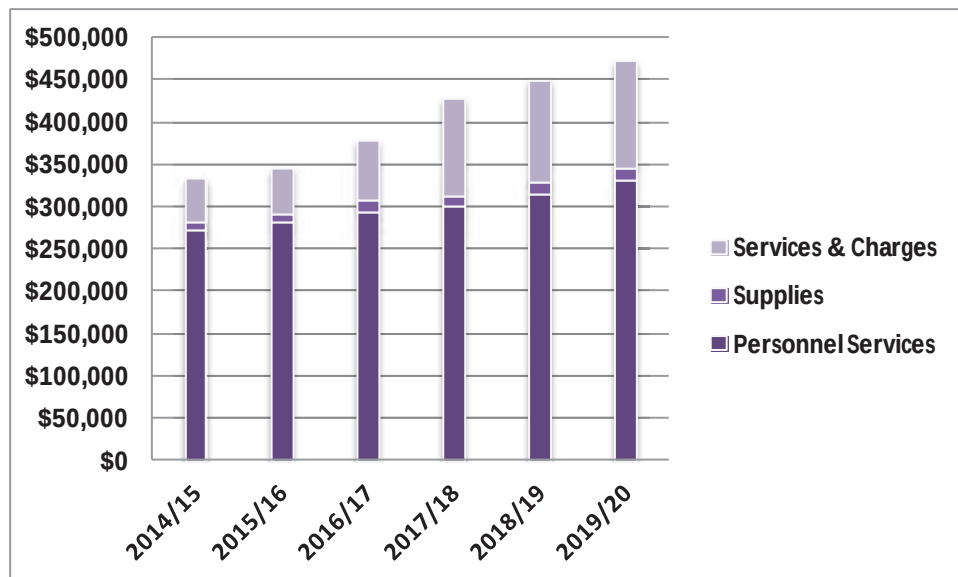
Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Salaries & Wages	228,967	239,700	4.7%	241,100	0.6%
Personnel Benefits	51,555	54,100	4.9%	58,500	8.1%
Supplies	11,047	12,700	15.0%	13,500	6.3%
Other Services & Charges	54,080	72,200	33.5%	115,200	59.6%
Total Library	\$ 345,649	\$ 378,700	9.6%	\$ 428,300	13.1%

Significant Budget Changes:

- FY16/17 Supplies—expanded programs required increased budget for office supplies, cleaning supplies, and various other supplies
- FY16/17 Services—increase in R&M Building to cover a few large building repairs
- FY17/18 Services—added contract for janitorial services

LIBRARY BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Proposed	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Personnel Services	271,452	280,522	293,800	299,600	314,580	330,309
Supplies	10,353	11,047	12,700	13,500	14,175	14,884
Services & Charges	51,098	54,080	72,200	115,200	120,960	127,008
Total Library	\$ 332,903	\$ 345,649	\$ 378,700	\$ 428,300	\$ 449,715	\$ 472,201





ANNUAL BUDGET

LIBRARY

LIBRARY

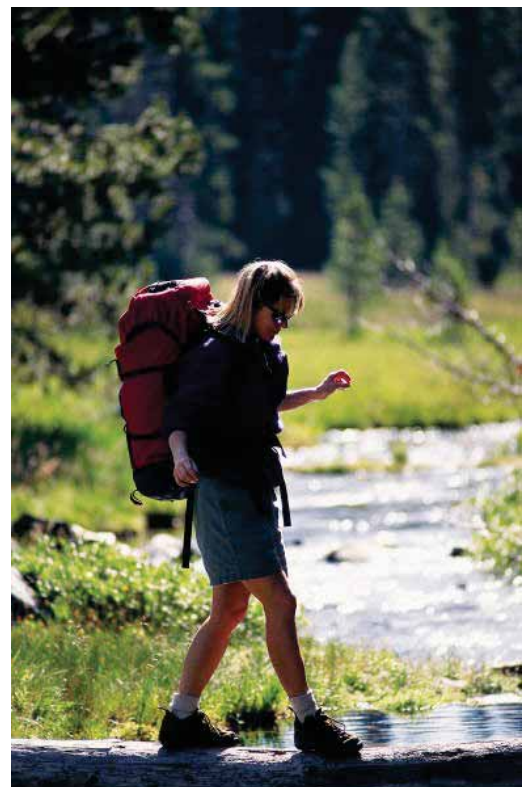
	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SALARIES & WAGES				
224-5-4461-00-5001 Full Time Employees	166,065	141,913	138,400	168,700
224-5-4461-00-5002 Part Time Employees	50,459	87,054	101,300	72,400
Total Salaries & Wages	216,524	228,967	239,700	241,100
PERSONNEL BENEFITS				
224-5-4461-00-5501 FICA	16,053	17,154	18,300	18,500
224-5-4461-00-5504 Retirement	24,683	22,989	24,000	24,800
224-5-4461-00-5700 Health/Life Insurance	10,044	7,081	7,100	10,700
224-5-4461-00-5701 Disability Insurance	258	244	300	400
224-5-4461-00-5800 Workers Comp Insurance	3,890	4,087	4,400	4,100
Total Personnel Benefits	54,928	51,555	54,100	58,500
SUPPLIES				
224-5-4461-00-6001 Office Supplies	3,521	3,425	4,000	4,500
224-5-4461-00-6003 Cleaning/Sanitary Supplies	1,493	1,841	2,000	2,000
224-5-4461-00-6013 Computer Equip/ Supplies	1,011	1,979	2,000	2,000
224-5-4461-00-6201 Building R&M	1,187	696	1,200	1,500
224-5-4461-00-6700 Dues & Memberships	3,141	3,106	3,500	3,500
Total Supplies	10,353	11,047	12,700	13,500
OTHER SERVICES & CHARGES				
224-5-4461-00-7300 Electricity	30,578	34,148	32,000	32,000
224-5-4461-00-7302 Water	1,828	1,818	2,000	2,000
224-5-4461-00-7304 Sewage	590	590	600	600
224-5-4461-00-7305 Refuse Disposal	351	324	500	500
224-5-4461-00-7306 Telephone	2,627	2,391	3,000	2,500
224-5-4461-00-7307 Postage	1,851	1,539	2,000	2,000
224-5-4461-00-7401 R&M Building	11,370	11,859	30,000	63,900
224-5-4461-00-7402 R&M Office Equip	75	-	-	-
224-5-4461-00-7502 Lease-Equipment	1,367	1,396	1,400	1,400
224-5-4461-00-7900 Other Professional Services	-	-	-	9,600
224-5-4461-00-7910 Printing & Binding	461	15	700	700
Total Other Svcs & Charges	51,098	54,080	72,200	115,200
TOTAL LIBRARY	\$ 332,903	\$ 345,649	\$ 378,700	\$ 428,300

PARKS, RECREATION & TOURISM

The mission of the Payson Parks, Recreation & Tourism 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 & special events to increase the overall economic and social vitality of our community.

Town of Payson
Parks, Rec & Tourism Department
1000 W. Country Club Dr.
Payson, AZ 85541
(928) 472-5111

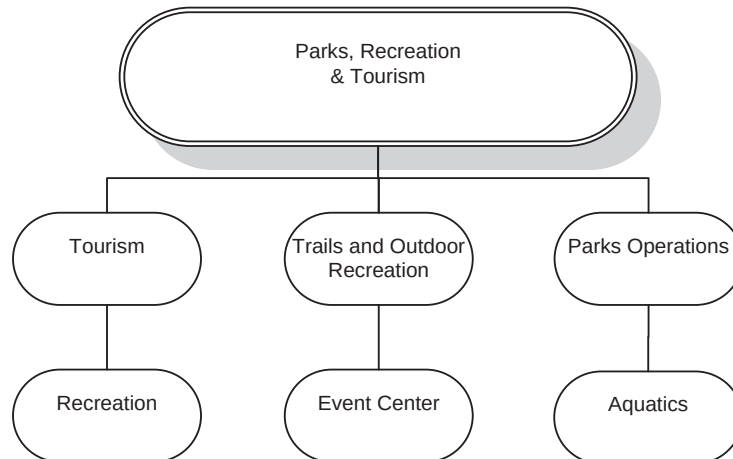
Cameron Davis
Parks, Rec & Tourism Director
cdavis@paysonaz.gov





2017 ANNUAL BUDGET

Parks, Rec & Tourism is comprised of 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 (PATs).



DEPARTMENT EXPENDITURE SUMMARY

Operating Division	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed
Tourism	206,371	218,487	223,100	305,800
Parks Maintenance	528,560	1,360,857	648,000	787,500
Trails	2,057	5,541	8,950	8,900
Recreation	267,886	289,805	329,550	507,000
Event Center	174,322	171,141	167,500	222,200
Aquatics	56,859	74,722	115,000	104,500
Total Department	\$ 1,236,055	\$ 2,120,553	\$ 1,492,100	\$ 1,935,900

POSITION SUMMARY

	2016/17	2017/18
Parks Rec & Tourism Director	1.0	1.0
Recreation Supervisor	2.0	2.0
Executive Assistant	1.0	1.0
Parks Supervisor	1.0	1.0
General Maintenance Worker	4.0	5.0
Event Center Coordinator	1.0	1.0
Total Positions	10.0	11.0

Note: One General Maintenance Worker to be shared by Parks Operations & Event Center

PARKS, RECREATION & TOURISM



2017 ANNUAL BUDGET

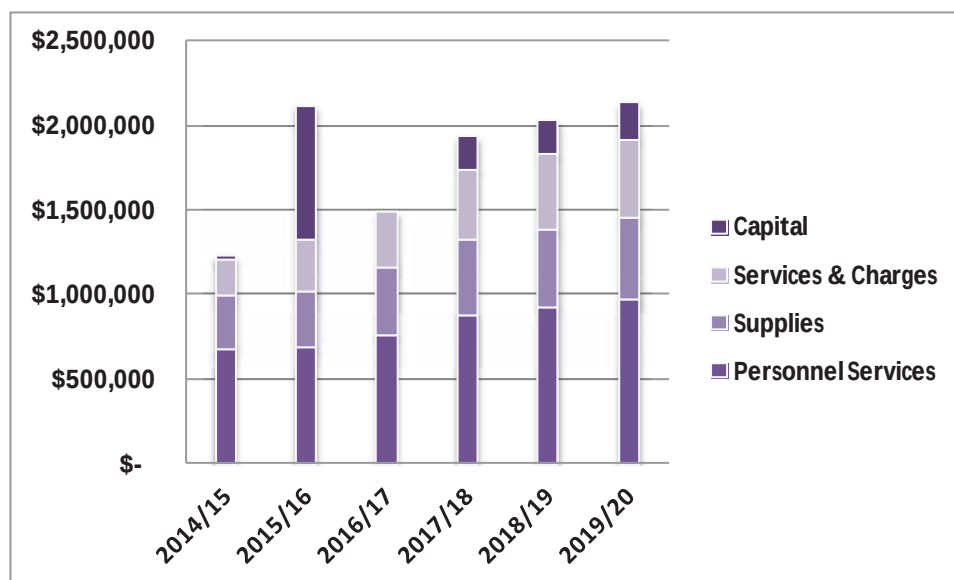
PARKS, REC & TOURISM DEPARTMENT BUDGET CHANGES—3 YEARS

Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Salaries & Wages	540,154	595,400	10.2%	689,500	15.8%
Personnel Benefits	150,649	166,700	10.7%	191,900	15.1%
Supplies	331,004	392,700	18.6%	439,000	11.8%
Other Services & Charges	309,557	337,300	9.0%	422,500	25.3%
Capital	789,189	-	0.0%	193,000	100.0%
Total Rec & Tourism	\$ 2,120,553	\$ 1,492,100	-29.6%	\$ 1,935,900	29.7%

Note: Explanations of significant budget changes are addressed within the individual divisions' sections that follow

PARKS, REC & TOURISM DEPARTMENT BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Personnel Services	676,572	690,803	762,100	881,400	925,470	971,744
Supplies	315,243	331,004	392,700	439,000	460,950	483,998
Services & Charges	215,365	309,557	337,300	422,500	443,625	465,806
Capital	28,875	789,189	-	193,000	202,650	212,783
Total Rec & Tourism	\$ 1,236,055	\$2,120,553	\$ 1,492,100	\$ 1,935,900	\$ 2,032,695	\$ 2,134,330



PARKS, RECREATION & TOURISM

TOURISM DIVISION

2016/2017 ACCOMPLISHMENTS

- ✓ Launched a new marketing campaign called “Adventure Where We Live” that focuses on the outdoor adventures available in our backyard like: hiking, mountain biking, camping, fishing, kayaking, hunting, etc.
- ✓ Built two new videos that went viral on Facebook and social media outlets. These two videos, “Where Your Adventure is Found” and “Arizona’s Home-town”, showcase all the adventures where we live.
- ✓ Started a new program called “Passport to Adventure”. A mobile app and printed book highlight 70 Rim Country Adventures and allow users to go on a scavenger hunt for points & prizes. Over 300 people are playing the game.
- ✓ Held the 5th Annual Monster Mudda which attracted 1,243 participants—an increase of 263 participants over last year. According to the post-race survey, 83% of participants were from out of town and 96% said that they would come back to run the race again next year.
- ✓ The Mogollon Monster Mudda was named the “Most Outstanding Event in the State of Arizona” by the Arizona Talent in Events Concepts Committee.
- ✓ The Mogollon Monster Mudda was named the “Best Mud Run” in Arizona by Mudrunguide.com and is being considered an Obstacle Course Racing World Qualifier in 2018.
- ✓ Hosted the 5th Annual ASA End of Summer Madness Softball Tournament that brought 30 teams to Town for 3 days. Total attendance is estimated to be around 2,000 people generating close to \$500K in gross income to the Town as a whole.
- ✓ Worked with USA Softball to attract the State “B” Girls Softball Tournament to Rumsey Park in July 2017. We expect close to 40 teams for the 3 day event.
- ✓ Participated in or was directly responsible for over 100 special events including the Wild West Bass Tournament that took place at Roosevelt Lake with the final day weight-in at Green Valley Park. This event brought national attention via TV broadcasts promoting the tournament.
- ✓ Added new events: Boulder Mountain Trail Run & Payson Food Truck Festival.
- ✓ The Town’s tourism website, www.paysonrimcountry.com, continued to be at the top of all search engines.
- ✓ Established a beginner level mountain bike course in Rumsey Park.

CONTACT INFORMATION

Cameron Davis
Recreation & Tourism Director
(928) 472-5110
cdavis@paysonaz.gov

PHYSICAL LOCATION

Payson Parks, Rec, & Tourism
1000 W. Country Club
Payson, AZ 85541

TOURISM DIVISION

2016/2017 ACCOMPLISHMENTS

- ✓ Rebranded the Town's tourism website to match the new marketing slogan, "Adventure Where We Live". This year, the website set traffic records with over 1.9 million visitors and over 6.5 million pages visited.
- ✓ In FY16/17, there were over 29,000 unique visits to the 4th of July page on our tourism website and over 12,000 people attended the event.
- ✓ ASU football returned to Camp Tontozona this year and will be back next year.
- ✓ The ASU Football Pep Rally returned for its second year at Green Valley Park. Over 1,000 ASU alumni and fans participated in this family friendly event.
- ✓ Grew Payson's brand name in the Valley by utilizing press releases, media connections, TV, radio, and other avenues to accumulate over 2,850 advertisements and mentions throughout the year
- ✓ The Summer Concert Series continues to grow with new bands and a variety of genres. Crowds are consistently in the 500–1,200 range. The locals love these concerts but they are also gaining popularity with the out-of-town visitors too.
- ✓ Co-sponsored several major events such as the World's Oldest Continuous Rodeo, Kids Fishing Festival, Wild Life Festival, Northern Gila County Fair and Arizona Off Road Productions.
- ✓ Grew the Town's e-mail marketing list by 29% – when we send out an e-mail blast, over 63% of the recipients open the e-mail in contrast to industry norms of about 7%.
- ✓ Continued utilization of active social media which has become a vital part of our marketing mix because it is traceable, trackable and creates immediate awareness. Our Facebook page, created in 2011, now has almost 11,500 members.
- ✓ Attracted record numbers of people to our Trunk or Treat Festival. This year's theme was "Star Wars". We had 10 Star Wars characters who dressed up and signed autographs for the kids.
- ✓ Continued to increase viability of the Old Time Fiddlers contest. Since its inception, revenues have grown every year.
- ✓ Electric Light Parade attracted more visitors than ever with approximately 3,500 spectators in the crowd and 45 floats in the parade.
- ✓ Continued to improve the Payson Turkey Trot as a major fall event and introduced the first "Adventure Where We Live" sweatshirt at this event.

2017/2018 GOALS

KRA 1: ECONOMIC DEV, TOURISM & ECONOMIC VITALITY

- ⇒ Build on the "Adventure Where We Live" marketing campaign. Include local & regional players to help broaden the scope of this campaign
- ⇒ Make the Mogollon Monster Mudda an Obstacle Course Racing World Qualifier Event in 2018
- ⇒ Continue to add events to the Mountain High Games
- ⇒ Attract a large scale mountain bike competition to Payson
- ⇒ Continue to feature the Fourth of July as the Town's premier event
- ⇒ Invite 20 food truck vendors to participate in the new Payson Food Truck Festival to be held in conjunction with the ASU Pep Rally event
- ⇒ Bring the Wild West Bass Tournament back for a 2nd year and possibly hold their Western National Finals
- ⇒ Improve our ability to tell the Town of Payson story about the "Adventure Where We Live"
- ⇒ Attract more softball and sports tournaments to Payson
- ⇒ Create more focus on Payson Area Trails Systems (PATs) and drive more interest to hiking in Payson
- ⇒ Find funding source to purchase and build an electric sign at the south entrance of Town to market and promote all special events

KRA 5: NEIGHBORHOODS & LIVABILITY

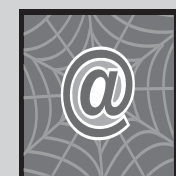
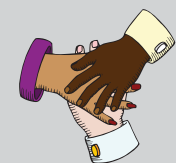
- ⇒ Bring new entertainment to the Summer Concert Series
- ⇒ Work with all Recreation and Tourism Divisions to promote and drive participation to our programs
- ⇒ Establish a Pump Track in Rumsey Park

KRA 7: THE PAYSON TEAM

- ⇒ Continue to build relationships with the Payson Pro Rodeo Committee and promote the World's Oldest Continuous Rodeo
- ⇒ Continue to grow relationships with local and regional businesses that support our events
- ⇒ Work with State organizations to create more focus on Payson, its events and attractions
- ⇒ Work with local mountain biking organization to create a set of linking trails to attract mountain bikers to Payson
- ⇒ Work with the Forest Service to pull together Rim Country trails groups to better serve the community and build a plan for the future as it relates to multi-user trails

KRA 10: TECHNOLOGY

- ⇒ Continue to develop and build our social media presence



TOURISM DIVISION BUDGET CHANGES—3 YEARS

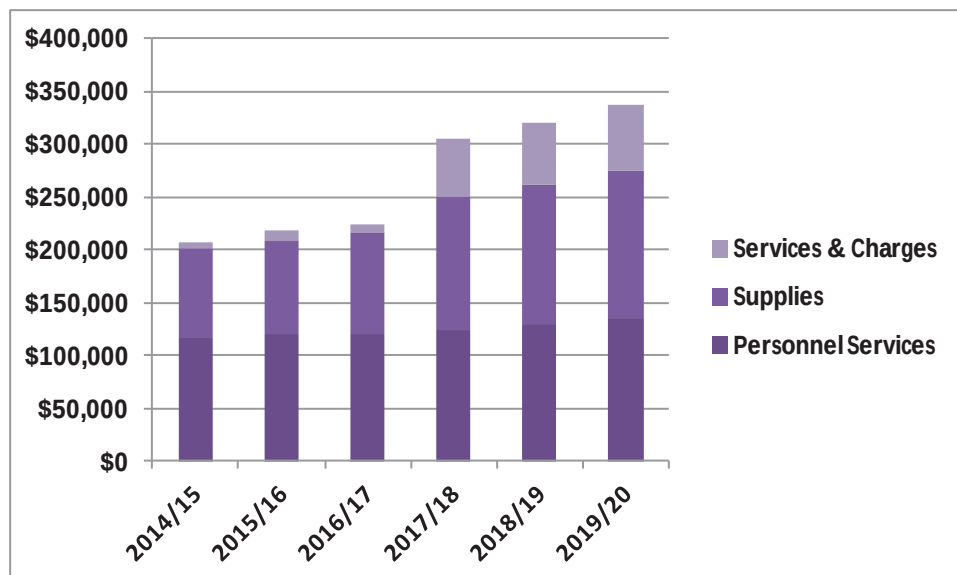
Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Salaries & Wages	93,900	93,700	-0.2%	96,000	2.5%
Personnel Benefits	25,501	26,600	4.3%	27,400	3.0%
Supplies	90,083	96,500	7.1%	126,500	31.1%
Other Services & Charges	9,003	6,300	-30.0%	55,900	787.3%
Total Tourism	\$ 218,487	\$ 223,100	2.1%	\$ 305,800	37.1%

Significant Budget Changes:

- FY16/17 Services—increase use of social media as a method of advertising caused a reduction in overall advertising budget
- FY17/18 Supplies—includes increase funding for promotional events
- FY17/18 Services—reflects contribution to the Chamber of Commerce

TOURISM DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Personnel Services	115,453	119,401	120,300	123,400	129,570	136,049
Supplies	85,877	90,083	96,500	126,500	132,825	139,466
Services & Charges	5,041	9,003	6,300	55,900	58,695	61,630
Total Tourism	\$ 206,371	\$ 218,487	\$ 223,100	\$ 305,800	\$ 321,090	\$ 337,145



**TOURISM**

		2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SALARIES & WAGES					
101-5-1410-00-5001	Full Time Employees	88,353	91,246	88,700	91,000
214-5-1410-00-5003	Temporary Employees	2,539	2,654	5,000	5,000
	Total Salaries & Wages	90,892	93,900	93,700	96,000
PERSONNEL BENEFITS					
101-5-1410-00-5501	FICA	6,400	6,597	6,700	7,000
214-5-1410-00-5501	FICA	194	203	400	400
101-5-1410-00-5504	Retirement	10,140	10,356	10,100	10,300
101-5-1410-00-5700	Health/Life Insurance	7,121	7,607	8,800	9,100
101-5-1410-00-5701	Disability Insurance	106	110	100	200
214-5-1410-00-5701	Disability Insurance	3	-	-	-
101-5-1410-00-5800	Workers Comp Insurance	597	628	500	400
	Total Personnel Benefits	24,561	25,501	26,600	27,400
SUPPLIES					
101-5-1410-00-6011	Small Tools & Minor Equipment	735	284	1,500	1,500
101-5-1410-00-6602	Promotional Supplies	-	451	-	-
214-5-1410-00-6602	Promotional Events	85,142	89,348	95,000	125,000
	Total Supplies	85,877	90,083	96,500	126,500
OTHER SERVICES & CHARGES					
101-5-1410-00-7306	Telephone	921	788	800	800
101-5-1410-00-7307	Postage/Freight	-	6	-	100
101-5-1410-00-7600	Travel Expenses	-	-	-	2,000
101-5-1410-00-7601	Registrations	-	-	-	500
101-5-1410-00-7900	Other Professional Services	375	2,323	1,500	1,500
101-5-1410-00-7907	Advertising	3,620	5,886	4,000	5,000
101-5-1410-00-7910	Printing & Binding	125	-	-	-
214-5-1410-00-7990	Contributions to Other Agencies	-	-	-	46,000
	Total Other Svcs & Charges	5,041	9,003	6,300	55,900
TOTAL TOURISM		\$ 206,371	\$ 218,487	\$ 223,100	\$ 305,800

RECREATION DIVISION

2016/2017 ACCOMPLISHMENTS

- ✓ Cultivated and maintained a group of highly qualified, temporary / part-time staff to serve as recreation leaders, sport officials and field prep crew
- ✓ Offered USA/ASA and NSA softball tournaments and continued to be the site of the B State Championships
- ✓ Increased participation in summer basketball camp to 70 campers
- ✓ Increased participation numbers in youth sports; flag football, fall soccer, biddy basketball, 3rd-8th grade basketball leagues, spring soccer age division, youth volleyball league, t-ball, coach pitch, and MLV pitch, hit & run competition
- ✓ Increased participation numbers in adult sports; co-ed volleyball, women's volleyball, and women's summer softball programs
- ✓ Developed relationship with Mesa Youth Football to bring their spring football camp to Payson. This camp is also open to Payson youth participation as well.
- ✓ Tested a Town League Night at a PHS basketball game where all participants in our 5th-6th grade basketball league were able to attend a varsity basketball game for free and participate in a bump-out challenge at half time
- ✓ Generated interest in 5th & 6th grade spring soccer league
- ✓ Maintained relations with senior softball group to continue offering Senior Softball Classic
- ✓ Continued to offer youth summer programs every week of summer vacation—at least eight weeks
- ✓ Maintained and expanded our relationships with PHS & RCMS coaches to offer sports camps
- ✓ Focused on improved cost recovery per program through improved tracking
- ✓ Assisted with the implementation of RecPro Software from Sportsman
- ✓ Developed relationship with USSSA to bring weekend baseball tournaments to Payson
- ✓ Cultivated partnership with Bryan Burke to bring back Jr Longhorn Wrestling

CONTACT INFORMATION

Kaprice Bachtell
Rec Supervisor
(928) 472-5114
kbachtell@paysonaz.gov

Courtney Spawn
Rec Supervisor
(928) 472-5113
cspawn@paysonaz.gov

PHYSICAL LOCATIONS

Rumsey Park
504 N McLane Rd.
Payson, AZ 85541

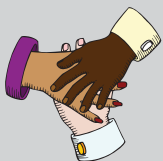
Parks/Rec/Tourism Office
Green Valley Park
1000 W. Country Club Dr.
Payson, AZ 85541

2017/2018 GOALS



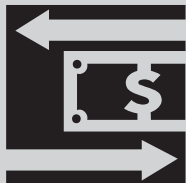
KRA 5: NEIGHBORHOODS & LIVABILITY

- ⇒ Take steps to implement additional adult leagues and / or tournaments—explore option of drop-in leagues
- ⇒ Find alternate and additional avenues to advertise programs
- ⇒ Create and expand on existing skill competitions for youth and merge into offerings for adults
- ⇒ Continue to develop and find alternate options to offer summer, spring and fall camps



KRA 7: THE PAYSON TEAM

- ⇒ Continue to grow and further develop part-time / seasonal staff
- ⇒ Continue relationships with outside entities
- ⇒ Further develop personal growth in Parks & Recreation field—continuing education



KRA 2: FINANCIAL EXCELLENCE

- ⇒ Continue to track cost analysis and recovery per program and improve outcome



RECREATION ADMIN DIVISION BUDGET CHANGES—3 YEARS

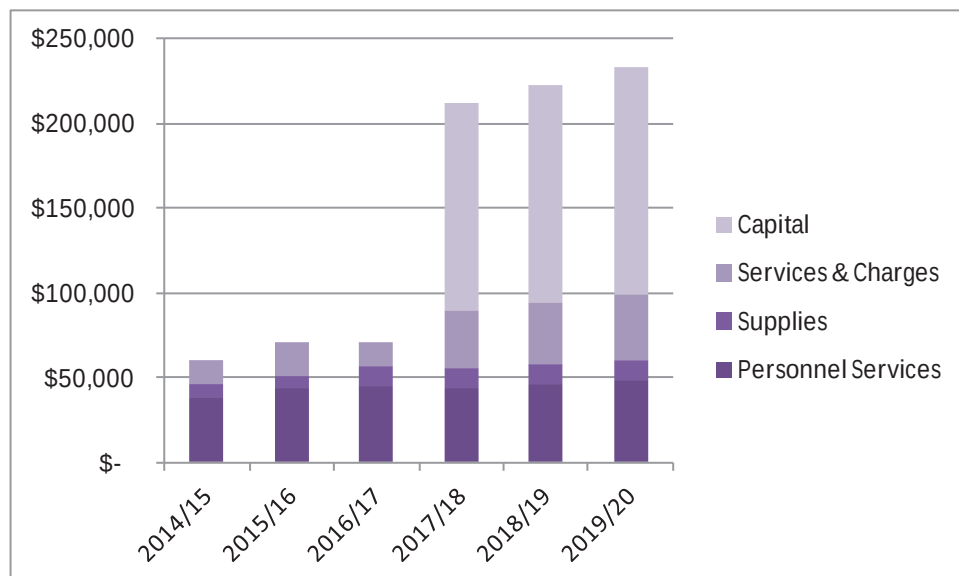
Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Salaries & Wages	33,795	34,700	2.7%	36,300	4.6%
Personnel Benefits	9,685	10,300	6.4%	7,100	-31.1%
Supplies	6,830	11,800	72.8%	11,500	-2.5%
Other Services & Charges	20,855	14,000	-32.9%	34,800	148.6%
Capital	-	-	0.0%	122,000	100.0%
Total Administration	\$ 71,165	\$ 70,800	-0.5%	\$ 211,700	199.0%

Significant Budget Changes:

- FY15/16 Services—budget for R&M Building was increased for a few anticipated repairs
- FY16/17 Supplies—reflects increases in fuel & office supplies
- FY17/18 Personnel Benefits—decreased due to change in benefits
- FY17/18 Services—line item added for facilities maintenance fee funded project
- FY17/18 Capital—reflects various capital purchases

RECREATION ADMIN DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Personnel Services	37,269	43,480	45,000	43,400	45,570	47,849
Supplies	8,329	6,830	11,800	11,500	12,075	12,679
Services & Charges	15,088	20,855	14,000	34,800	36,540	38,367
Capital	-	-	-	122,000	128,100	134,505
Total Administration	\$ 60,686	\$ 71,165	\$ 70,800	\$ 211,700	\$ 222,285	\$ 233,399



**ADMINISTRATION**

	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SALARIES & WAGES				
101-5-4460-00-5001 Full Time Employees	30,234	33,795	34,700	34,800
101-5-4460-00-5200 Overtime Pay	-	-	-	1,500
Total Salaries & Wages	30,234	33,795	34,700	36,300
PERSONNEL BENEFITS				
101-5-4460-00-5501 FICA	2,239	2,322	2,700	2,800
101-5-4460-00-5504 Retirement	3,468	3,836	3,900	4,000
101-5-4460-00-5700 Health/Life Insurance	1,145	3,314	3,400	-
101-5-4460-00-5701 Disability Insurance	36	41	100	100
101-5-4460-00-5800 Workers Comp Insurance	147	172	200	200
Total Personnel Benefits	7,035	9,685	10,300	7,100
SUPPLIES				
101-5-4460-00-6001 Office Supplies	4,232	3,827	4,500	4,500
101-5-4460-00-6003 Cleaning Supplies	180	155	200	200
101-5-4460-00-6006 Clothing/Uniform Reimburse	287	68	300	300
101-5-4460-00-6009 Program Supplies	153	-	-	-
101-5-4460-00-6011 Small Tools/Minor Equipment	557	365	2,000	2,000
101-5-4460-00-6201 R&M Supplies - Bldg	18	687	500	500
101-5-4460-00-6300 Gasoline/Fuels/Lubricants	1,607	916	2,500	2,500
101-5-4460-00-6302 R&M Supplies - Vehicle	439	630	1,000	800
101-5-446x-00-6700 Memberships/Dues/Subscriptior	45	78	600	600
101-5-446x-00-6905 Bad Debt Expense	811	104	200	100
Total Supplies	8,329	6,830	11,800	11,500
OTHER SERVICES & CHARGES				
101-5-446x-00-7306 Telephone	5,337	1,444	3,000	900
101-5-446x-00-7307 Postage	9	-	100	100
206-5-4460-00-7400 R&M Grounds	-	-	-	22,000
101-5-446x-00-7401 R&M Building	264	8,969	500	400
101-5-446x-00-7502 Lease-Equipment	4,195	5,512	5,000	5,000
101-5-4460-00-7600 Travel Expense	-	456	400	400
101-5-4460-00-7900 Other Professional Services	270	-	-	-
101-5-4460-00-7910 Printing & Binding	5,013	4,474	5,000	6,000
Total Other Svcs & Charges	15,088	20,855	14,000	34,800
CAPITAL				
101-5-4460-00-8003 Vehicle	-	-	-	32,000
101-5-4460-00-8781 Master Plan	-	-	-	50,000
206-5-4460-00-8783 Basketball Court Replacement	-	-	-	40,000
	-	-	-	122,000
TOTAL ADMINISTRATION	\$ 60,686	\$ 71,165	\$ 70,800	\$ 211,700

RECREATION A DIVISION BUDGET CHANGES—3 YEARS

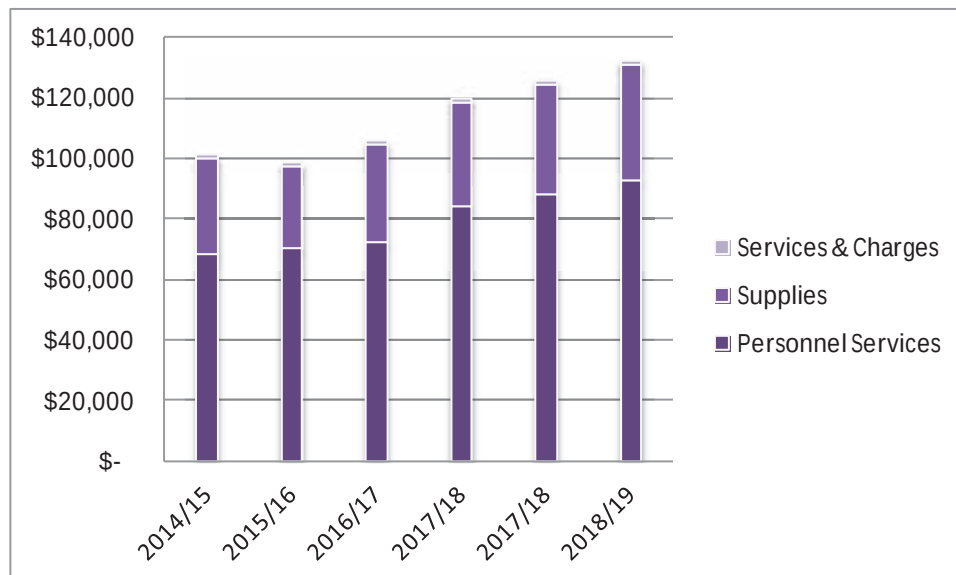
Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Salaries & Wages	53,293	53,500	0.4%	65,100	21.7%
Personnel Benefits	16,825	18,700	11.1%	19,100	2.1%
Supplies	27,178	32,600	19.9%	34,600	6.1%
Other Services & Charges	1,584	1,100	-30.6%	1,200	9.1%
Total Rec Div A	\$ 98,880	\$ 105,900	7.1%	\$ 120,000	13.3%

Significant Budget Changes:

- FY16/17 Personnel Benefits—reflects increase in benefits
- FY16/17 Supplies—increase in Program Supplies for expanded events
- FY16/17 Services—decrease in Advertising budget due to increased use of social media
- FY17/18 Salaries & Wages—temporary staffing budget was increased and some overtime was added

RECREATION A DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2017/18 Estimate	2018/19 Estimate
Personnel Services	68,501	70,118	72,200	84,200	88,410	92,831
Supplies	31,644	27,178	32,600	34,600	36,330	38,147
Services & Charges	1,023	1,584	1,100	1,200	1,260	1,323
Total Rec Div A	\$ 101,168	\$ 98,880	\$ 105,900	\$ 120,000	\$ 126,000	\$ 132,300



**RECREATION-DIVISION A**

	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SALARIES & WAGES				
101-5-4466-00-5001 Full Time Employees	41,118	43,308	43,300	45,600
101-5-4466-00-5003 Temporary Employees	10,919	9,985	10,200	13,000
101-5-4466-00-5200 Overtime Pay	401	-	-	6,500
Total Salaries & Wages	52,438	53,293	53,500	65,100
PERSONNEL BENEFITS				
101-5-4466-00-5501 FICA	3,464	3,564	4,100	5,000
101-5-4466-00-5504 Retirement	4,688	4,915	4,900	5,900
101-5-4466-00-5700 Health/Life Insurance	7,121	7,402	8,600	7,100
101-5-4466-00-5701 Disability Insurance	49	52	100	100
101-5-4466-00-5800 Workers Comp Insurance	741	892	1,000	1,000
Total Personnel Benefits	16,063	16,825	18,700	19,100
SUPPLIES				
101-5-4466-00-6006 Clothing/Uniform	100	96	100	300
101-5-4466-00-6009 Program Supplies	31,544	27,082	32,500	34,300
Total Supplies	31,644	27,178	32,600	34,600
OTHER SERVICES & CHARGES				
101-5-4466-00-7306 Telephone	673	691	600	700
101-5-446x-00-7907 Advertising	350	893	500	500
Total Other Svcs & Charges	1,023	1,584	1,100	1,200
TOTAL RECREATION - DIVISION A	\$ 101,168	\$ 98,880	\$ 105,900	\$ 120,000

RECREATION B DIVISION BUDGET CHANGES—3 YEARS

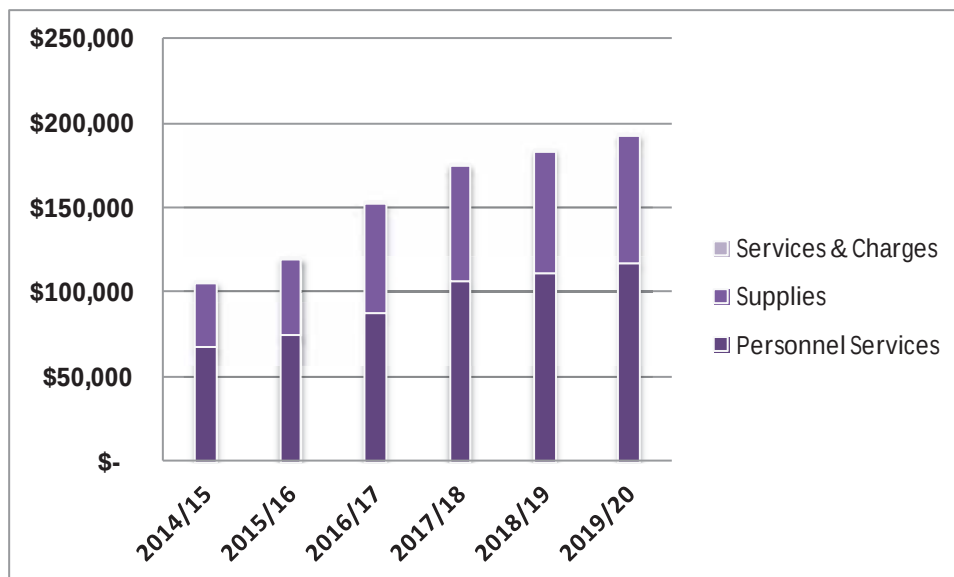
Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Salaries & Wages	61,169	71,700	17.2%	88,200	23.0%
Personnel Benefits	13,632	15,600	14.4%	18,000	15.4%
Supplies	44,381	64,950	46.3%	68,300	5.2%
Other Services & Charges	578	600	3.8%	800	33.3%
Total Rec Div B	\$ 119,760	\$ 152,850	27.6%	\$ 175,300	14.7%

Significant Budget Changes:

- FY16/17 & FY17/18 Salaries & Benefits—increased funding for temporary staffing and related benefits
- FY17/18 Salaries & Benefits—overtime and related benefits added to budget
- FY16/17 Supplies—program supplies budget was increased due to the addition of new programs and anticipated increases in program participation
- FY17/18 Services—increased cost of telephone services

RECREATION B DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Personnel Services	67,298	74,801	87,300	106,200	111,510	117,086
Supplies	38,151	44,381	64,950	68,300	71,715	75,301
Services & Charges	583	578	600	800	840	882
Total Rec Div B	\$ 106,032	\$ 119,760	\$ 152,850	\$ 175,300	\$ 184,065	\$ 193,268



**RECREATION-DIVISION B**

	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SALARIES & WAGES				
101-5-4467-00-5001 Full Time Employees	35,226	36,381	42,100	44,600
101-5-4467-00-5003 Temporary Employees	19,546	24,788	29,600	35,600
101-5-4467-00-5200 Overtime Pay	-	-	-	8,000
Total Salaries & Wages	54,772	61,169	71,700	88,200
PERSONNEL BENEFITS				
101-5-4467-00-5501 FICA	4,045	4,527	5,500	6,700
101-5-4467-00-5504 Retirement	4,207	4,194	4,800	6,000
101-5-4467-00-5700 Health/Life Insurance	2,859	3,008	3,100	2,800
101-5-4467-00-5701 Disability Insurance	43	44	100	100
101-5-4467-00-5800 Workers Comp Insurance	1,372	1,859	2,100	2,400
Total Personnel Benefits	12,526	13,632	15,600	18,000
SUPPLIES				
101-5-4467-00-6003 Cleaning Supplies	98	-	100	100
101-5-4467-00-6005 Safety/Program Supplies	190	-	200	200
101-5-4467-00-6006 Clothing/Uniform	-	72	100	300
101-5-4467-00-6009 Program Supplies	37,863	44,309	64,550	67,700
Total Supplies	38,151	44,381	64,950	68,300
OTHER SERVICES & CHARGES				
101-5-4467-00-7306 Telephone	583	578	600	800
Total Other Svcs & Charges	583	578	600	800
TOTAL RECREATION - DIVISION B	\$ 106,032	\$ 119,760	\$ 152,850	\$ 175,300

TRAILS DIVISION

2016/2017 ACCOMPLISHMENTS

- ✓ Worked with the Tonto National Forest Service to further the construction of the Goat Camp trailhead
- ✓ Created a working relationship with the Tonto National Forest to provide volunteers for work days on the existing trails
- ✓ Working with the Tonto National Forest Service and other stakeholders to identify the trails plan for Payson and the immediate surrounding area
- ✓ Utilized volunteers to continue to provide monthly PATS hikes to the public
- ✓ Promoted PATS in the Chamber's Visitors Guide which goes out to all local and state-wide Chambers of Commerce, Visitors Bureaus, State Visitors Centers, etc
- ✓ Working with local organizations to better understand the desires of the public as it related to the trails system and how to add new single track trails to the infrastructure
- ✓ Offered a PATS Summer Camp for kids to increase community awareness of our Payson Area Trails System (PATS). This program was designed to get kids out on the trails to increase their health and introduce them to fun activities in our back yard

CONTACT INFORMATION

Cameron Davis
Recreation & Tourism Director
(928) 472-5110
cdavis@paysonaz.gov

PHYSICAL LOCATION

Various trails throughout Payson and the surrounding area

TRAILS DIVISION

2017/2018 GOALS



KRA 1: ECONOMIC DEV, TOURISM & ECONOMIC VITALITY

- ⇒ Increase awareness and participation of Payson Area Trails System (PATS) use and outdoor recreational activities to Arizona residents & organizations in the Metro Phoenix area



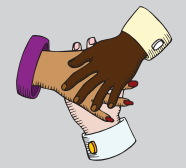
KRA 3: INFRASTRUCTURE

- ⇒ Look for grant opportunities for trail construction and maintenance that do not require matching funds, only in-kind contributions (volunteer and staff labor and salaries, etc.)



KRA 5: NEIGHBORHOODS & LIVABILITY

- ⇒ Find creative, new activities and programs that will allow the public to utilize the PATS trails more frequently



KRA 7: THE PAYSON TEAM

- ⇒ Continue to work with USFS and PATS volunteers to maintain routes
- ⇒ Partner with other government agencies & contractors, when possible, to maximize service and minimize costs of programs
- ⇒ Work with the Arizona OHV program to set guidelines for trail use as it relates to OHV and UTVs



TRAILS DIVISION BUDGET CHANGES—3 YEARS

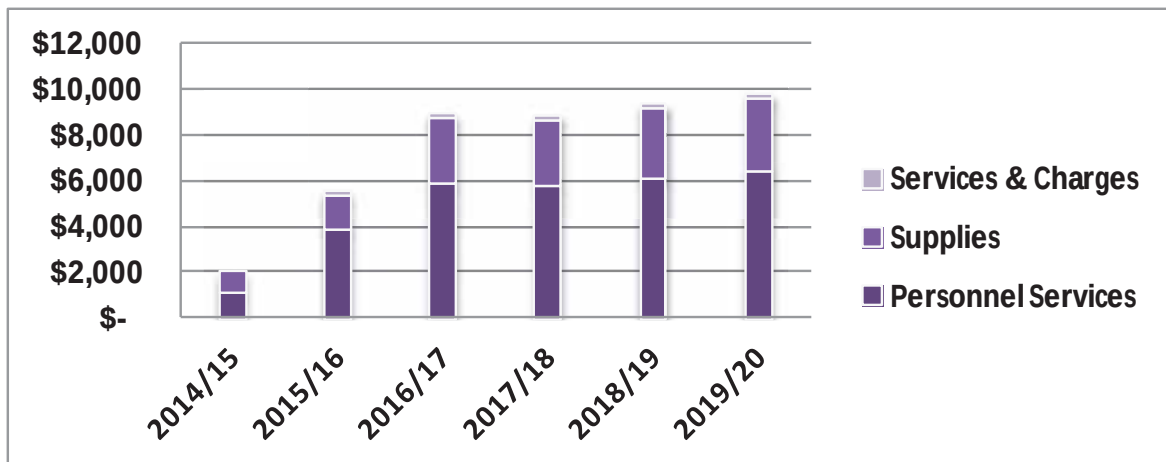
Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Salaries & Wages	3,527	5,400	53.1%	5,400	0.0%
Personnel Benefits	369	500	35.5%	400	-20.0%
Supplies	1,438	2,850	98.2%	2,900	1.8%
Other Services & Charges	207	200	-3.4%	200	0.0%
Total Trails & Open Space	\$ 5,541	\$ 8,950	61.5%	\$ 8,900	-0.6%

Significant Budget Changes:

- For FY16/17— increased budget for wages, benefits, and supplies to support plan to revitalize trails maintenance program

TRAILS DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Personnel Services	1,106	3,896	5,900	5,800	6,090	6,395
Supplies	951	1,438	2,850	2,900	3,045	3,197
Services & Charges	-	207	200	200	210	221
Total Trails	\$ 2,057	\$ 5,541	\$ 8,950	\$ 8,900	\$ 9,345	\$ 9,812



**TRAILS & OPEN SPACE**

	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SALARIES & WAGES				
101-5-4464-00-5003 Temporary	1,018	2,015	3,000	3,000
101-5-4464-00-5009 Contract/Instructor Pay	-	1,512	2,400	2,400
Total Salaries & Wages	1,018	3,527	5,400	5,400
PERSONNEL BENEFITS				
101-5-4464-00-5501 FICA	57	154	300	200
101-5-4464-00-5504 Retirement	-	70	-	-
101-5-4464-00-5800 Workers Comp Insurance	31	145	200	200
Total Personnel Benefits	88	369	500	400
SUPPLIES				
101-5-4464-00-6003 Cleaning Supplies	21	-	-	-
101-5-4464-00-6006 Clothing/Uniform	-	50	-	-
101-5-4464-00-6009 Program Supplies	930	1,388	2,350	2,400
101-5-4464-00-6011 Small Tools/Minor Equipment	-	-	500	500
Total Supplies	951	1,438	2,850	2,900
OTHER SERVICES & CHARGES				
101-5-4464-00-7910 Printing & Binding	-	207	200	200
Total Other Svcs & Charges	-	207	200	200
TOTAL TRAILS & OPEN SPACE	\$ 2,057	\$ 5,541	\$ 8,950	\$ 8,900

EVENT CENTER DIVISION

2016/2017 ACCOMPLISHMENTS

- ✓ Booked Event Center with paying customers for May—October
- ✓ Hosted the AZ State High School Rodeo Finals for the 10th consecutive year
- ✓ Hosted the Arizona Junior High and High School Season Opener for the 5th consecutive year
- ✓ Secured several pre-bookings for events to be held in Fiscal Year 2017/2018
- ✓ Booked SWIRA Tour Rodeo in May 2017 and finals in July 2017
- ✓ Booked new AZOP event with 2 event dates: April & October 2017
- ✓ Booked a new RC Cars 2-day event for April 29 & 30, 2017
- ✓ Upgraded sound system for main arena
- ✓ Hosted K-9 Demo 25th Anniversary event
- ✓ Constructed new small building for better management of day camping, stalls and check-in for events



CONTACT INFORMATION

Kaprice Bachtell
Recreation Supervisor
(928) 472-5114
Kbachtell@paysonaz.gov

PHYSICAL LOCATION

Payson Event Center
1400 S. Beeline Hwy.
Payson, AZ 85541

2017/2018 GOALS

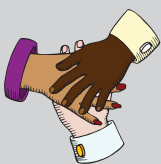
KRA 1: ECONOMIC DEVELOPMENT, TOURISM & ECONOMIC VITALITY

- ⇒ Host the AZ State High School Rodeo Finals for the 11th consecutive year
- ⇒ Bring back the Southwest Indian Rodeo Association Finals and possibly one of their tour rodeos
- ⇒ Host the AZ State High School and AZ Junior High Rodeo Season Opener for the 6th consecutive year
- ⇒ Bring back AZOP for two bookings in 2018
- ⇒ Book QCJHRA Finals for May 2018 & Season Opener for October 2018
- ⇒ Bring back RC Car event
- ⇒ Continue to bring back reoccurring events such as Hashknife, NBHA, WPRA and PRCA that have made Payson Event Center their home for several years
- ⇒ Book every available weekend with paying customers from May 1st thru October 15th
- ⇒ Obtain new footing for main arena to attract a variety of equestrian disciplines
- ⇒ Construct a large storage area
- ⇒ Enclose property on southwest portion of the Payson Event Center for safety, organization, improved traffic flow and increased parking of stock contractors and event organizers, and also to rid congestion during events
- ⇒ Cover stalls
- ⇒ Install permanent lights by stalls and warm-up arena
- ⇒ Upgrade the water delivery system to deliver more water pressure for events
- ⇒ Upgrade the announcer's booth including a security / screen door and securable internal storage
- ⇒ Hire full time maintenance person
- ⇒ Hire permanent Payson Event Center Coordinator



KRA 7: THE PAYSON TEAM

- ⇒ Continue to work towards a great relationship with the Payson Pro Rodeo Committee to improve the May and August rodeos
- ⇒ Host additional Town sponsored community equine involvement programs / series



EVENT CENTER DIVISION BUDGET CHANGES—3 YEARS

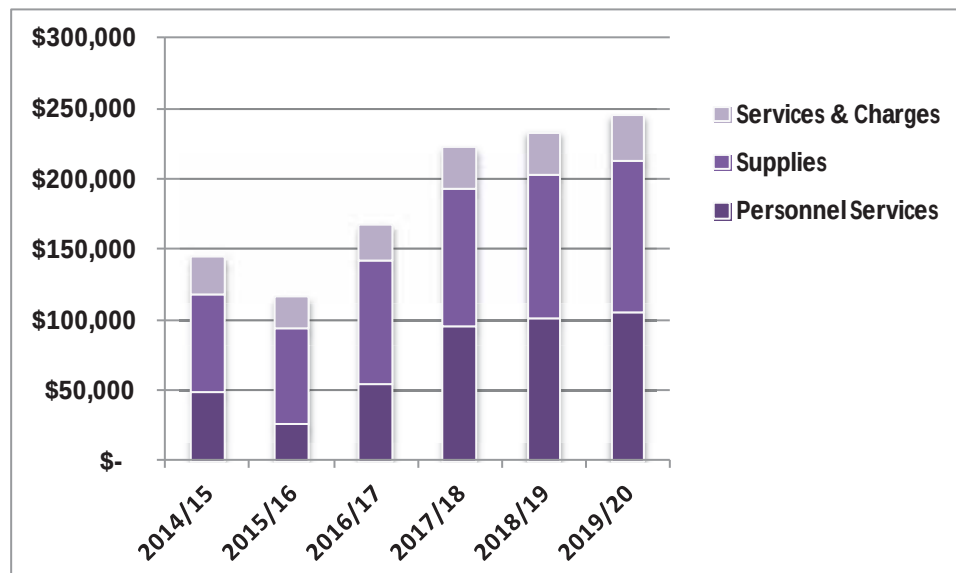
Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Salaries & Wages	21,316	45,400	113.0%	72,300	59.3%
Personnel Benefits	4,230	8,800	108.0%	23,600	168.2%
Supplies	68,812	88,500	28.6%	97,000	9.6%
Other Services & Charges	21,609	24,800	14.8%	29,300	18.1%
Capital	55,174	-	-100.0%	-	0.0%
Total Event Center	\$ 171,141	\$ 167,500	-2.1%	\$ 222,200	32.7%

Significant Budget Changes:

- FY15/16 & FY16/17—Fluctuations in Salaries & Benefits were caused by staffing changes
- FY17/18 Salaries & Benefits—increased staffing at facility
- FY16/17 & FY17/18 Supplies—increased budget for program supplies due to increased participation in events
- FY16/17 & FY17/18 Services—increased budget for utilities and building maintenance due to increased participation in events

EVENT CENTER DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Personnel Services	48,836	25,546	54,200	95,900	100,695	105,730
Supplies	68,732	68,812	88,500	97,000	101,850	106,943
Services & Charges	27,879	21,609	24,800	29,300	30,765	32,303
Capital	28,875	55,174	-	-	-	-
Total Event Center	\$ 174,322	\$ 171,141	\$ 167,500	\$ 222,200	\$ 233,310	\$ 244,976



**EVENT CENTER**

	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SALARIES & WAGES				
265-5-4465-00-5001 Full Time Employees	36,392	16,462	35,400	55,300
265-5-4465-00-5003 Temporary	3,602	4,854	10,000	12,000
265-5-4465-00-5200 Overtime Pay	-	-	-	5,000
Total Salaries & Wages	39,994	21,316	45,400	72,300
PERSONNEL BENEFITS				
265-5-4465-00-5501 FICA	2,974	1,627	3,500	5,500
265-5-4465-00-5504 Retirement	3,773	1,835	4,000	6,900
265-5-4465-00-5700 Insurance Benefit	1,679	76	200	6,900
265-5-4465-00-5701 Disability Insurance	39	20	100	100
265-5-4465-00-5800 Workers Comp Insurance	377	672	1,000	4,200
Total Personnel Benefits	8,842	4,230	8,800	23,600
SUPPLIES				
265-5-4465-00-6009 Program Service Costs	58,120	64,132	78,500	88,000
265-5-4465-00-6011 Small Tools/Minor Equip	300	-	-	-
265-5-4465-00-6201 R&M Supplies Buidling	8,216	1,474	5,000	8,500
265-5-4465-00-6202 R&M Supplies Other	1,529	192	3,500	-
265-5-4465-00-6302 R&M Supplies Vehicle	-	88	500	500
265-5-4465-00-6900 Other Supplies	515	2,926	1,000	-
265-5-4465-00-6990 Other Expense	52	-	-	-
Total Supplies	68,732	68,812	88,500	97,000
OTHER SERVICES & CHARGES				
265-5-4465-00-7300 Electricity	9,428	7,664	10,000	10,000
265-5-4465-00-7302 Water	2,587	7,562	5,000	7,500
265-5-4465-00-7304 Sewer	353	180	200	200
265-5-4465-00-7305 Refuse Disposal	4,349	3,914	5,500	5,500
265-5-4465-00-7306 Telephone	541	489	600	800
265-5-4465-00-7401 R&M Building	7,385	-	-	1,000
265-5-4465-00-7502 Lease-Equipment	2,736	1,800	3,500	3,500
265-5-4465-00-7600 Travel Expenses	-	-	-	800
265-5-4465-00-7900 Other Professional Services	500	-	-	-
Total Other Svcs & Charges	27,879	21,609	24,800	29,300
CAPITAL				
265-5-4465-00-8000 Building	28,875	-	-	-
265-5-4465-00-8004 Equipment	-	55,174	-	-
	28,875	55,174	-	-
TOTAL EVENT CENTER	\$ 174,322	\$ 171,141	\$ 167,500	\$ 222,200

AQUATICS DIVISION

2016/2017 ACCOMPLISHMENTS

- ✓ Grew management staff to four senior managers
- ✓ Maintained capabilities for Pool Manager to instruct and train all lifeguard staff for certification and re-certification
- ✓ Hired quality staff with hiring qualification contingent on passing of Red Cross Lifeguard Certification course
- ✓ Offered a variety of programs to the community; water aerobics, swimming lessons, lap swim, swim team and open swim
- ✓ Provided the opportunity for the public to rent the pool for private parties
- ✓ Continued improvements in pool tracking and documentation process
- ✓ Upper management responsibilities increased with high completion rate
- ✓ Strong senior leadership and lifeguard crew
- ✓ Developed contacts and early scheduling for recreational swim team

2017/2018 GOALS



KRA 5: NEIGHBORHOODS & LIVABILITY

- ⇒ Evaluate pool programs and adjust programming for the betterment of the community
- ⇒ Provide quality swimming lessons, swim team and a safe, open swim environment
- ⇒ Evaluate existing equipment and start planning for replacement or maintenance options to better improve aquatics for the community and patrons

CONTACT INFORMATION

Cameron Davis
Recreation & Tourism Director
(928) 472/5110
cdavis@paysonaz.gov

PHYSICAL LOCATION

Taylor Pool
504 N. McLane Rd.
Payson, AZ 85541
(928) 474-2774

AQUATICS DIVISION BUDGET CHANGES—3 YEARS

Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Salaries & Wages	29,995	53,000	76.7%	45,000	-15.1%
Personnel Benefits	4,385	8,600	96.1%	6,100	-29.1%
Supplies	19,429	30,400	56.5%	30,400	0.0%
Other Services & Charges	20,913	23,000	10.0%	23,000	0.0%
Total Aquatics	\$ 74,722	\$ 115,000	53.9%	\$ 104,500	-9.1%

Significant Budget Changes:

- In FY15/16, pool operations changed from contracted to Town in-house operated. Conservative estimates were budgeted until actual numbers could be established for all expenditure categories.

AQUATICS DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Personnel Services	16,434	34,380	61,600	51,100	53,655	56,338
Supplies	17,332	19,429	30,400	30,400	31,920	33,516
Services & Charges	23,093	20,913	23,000	23,000	24,150	25,358
Total Aquatics	\$ 56,859	\$ 74,722	\$ 115,000	\$ 104,500	\$ 109,725	\$ 115,211



**AQUATICS**

	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SALARIES & WAGES				
101-5-4469-00-5003 Salaries & Wages - Temporary	14,564	29,995	53,000	45,000
Total Salaries & Wages	14,564	29,995	53,000	45,000
PERSONNEL BENEFITS				
101-5-4469-00-5501 FICA	1,114	2,295	4,100	3,400
101-5-4469-00-5800 Workers Compensation	756	2,090	4,500	2,700
	1,870	4,385	8,600	6,100
SUPPLIES				
101-5-4469-00-6001 Office Supplies	-	57	100	100
101-5-4469-00-6003 Cleaning Supplies	-	51	400	400
101-5-4469-00-6005 Program Supplies	-	623	200	200
101-5-4469-00-6006 Uniforms/Clothing	632	928	1,500	1,500
101-5-4469-00-6008 Chemicals	11,723	9,868	13,000	13,000
101-5-4469-00-6009 Program Supplies	3,603	2,061	3,200	3,200
101-5-4469-00-6201 R&M Supplies Building	565	2,139	11,000	11,000
101-5-4469-00-6202 R&M Supplies Other	809	3,702	1,000	1,000
Total Supplies	17,332	19,429	30,400	30,400
OTHER SERVICES & CHARGES				
101-5-4469-00-7300 Electricity	9,317	10,551	10,000	10,000
101-5-4469-00-7301 Propane Gas	5,342	3,141	6,000	6,000
101-5-4469-00-7302 Water	2,373	2,613	2,800	2,800
101-5-4469-00-7304 Sewage	1,575	2,100	2,100	2,100
101-5-4469-00-7306 Telephone	451	404	600	600
101-5-4469-00-7401 R&M Building	-	35	-	-
101-5-4469-00-7601 Registration	-	1,934	1,500	1,500
101-5-4469-00-7900 Other Professional Services	4,035	135	-	-
Total Other Svcs & Charges	23,093	20,913	23,000	23,000
TOTAL AQUATICS	\$ 56,859	\$ 74,722	\$ 115,000	\$ 104,500

PARKS OPERATIONS DIVISION

2016/2017 ACCOMPLISHMENTS

- ✓ Completed replacement of worn fencing on the Rumsey I ball field
- ✓ Complete final stage of replacement fencing at Rumsey II ball field
- ✓ Construct new H.C. parking pad at the Rumsey Park playground
- ✓ Installed irrigation and planted a 60-tree apple orchard "future park" in conjunction with other Public Works divisions
- ✓ Continued significant/major rebuilding and training of new Parks Operations staff
- ✓ Accommodated hundreds of special events for both internal and external user organizations, families and sports teams

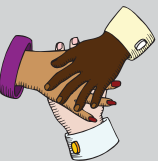
2017/2018 GOALS

KRA 5: NEIGHBORHOODS & LIVABILITY

- ⇒ Complete Rumsey Park playground accessibility improvements (sidewalks)
- ⇒ Refurbish the Green Valley Park playground
- ⇒ Resurface the Rumsey tennis courts and reconfigure one of the four courts for pickleball
- ⇒ Relamp the Rumsey Park South multi-purpose field
- ⇒ Renovate Rumsey Park basketball facility with Parks Improvement funds
- ⇒ Master plan a new / replacement aquatics facility at Rumsey Park
- ⇒ Continue to identify age and wear issues throughout the Payson Parks properties / developed facilities and begin master planning for solutions to keep our park system safe and enjoyable
- ⇒ Continue to provide safe and enjoyable sports, recreation and open space experiences for the residents of Payson

KRA 7: THE PAYSON TEAM

- ⇒ Continue rebuilding of the Parks Operations personnel structure



Contact Information

Nelson Beck, Parks Supervisor
(928) 472-5115
nbeck@paysonaz.gov

Physical Location

Parks & Recreation Office
Green Valley Park
1000 W. Country Club Drive
Payson, AZ 85541

PARKS OPERATIONS DIVISION BUDGET CHANGES—3 YEARS

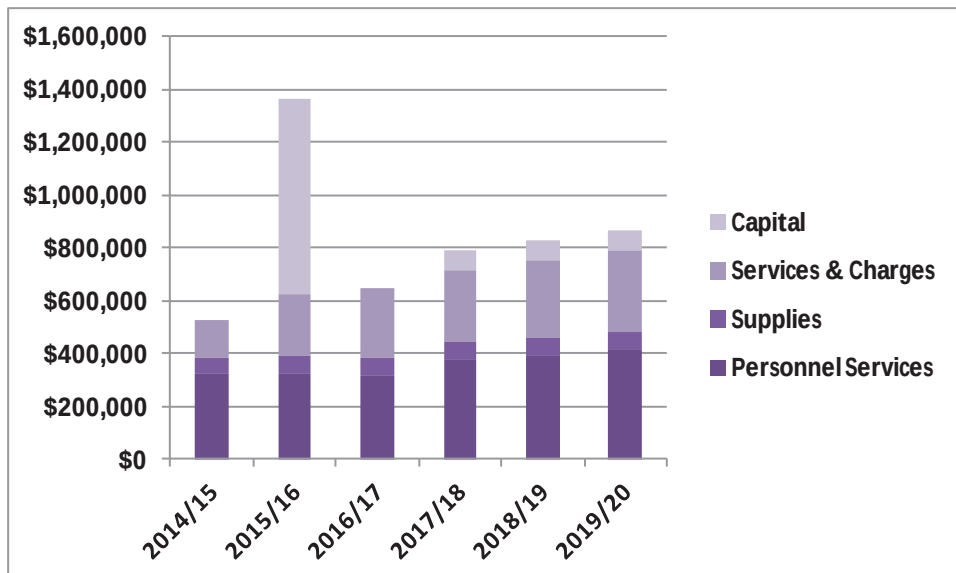
Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Salaries & Wages	243,159	238,000	-2.1%	281,200	18.2%
Personnel Benefits	76,022	77,600	2.1%	90,200	16.2%
Supplies	72,853	65,100	-10.6%	67,800	4.1%
Other Services & Charges	234,808	267,300	13.8%	277,300	3.7%
Capital	734,015	-	-100.0%	71,000	100.0%
Total Parks Operations	\$ 1,360,857	\$ 648,000	-52.4%	\$ 787,500	21.5%

Significant budget changes:

- FY15/16 Supplies— increased budget for materials needed to complete various Parks repairs
- FY16/17 Services—increased for the acquisition of leased equipment
- FY17/18 Salaries & Benefits—reflects increased part time staffing and the addition of overtime pay to the budget
- Capital funding allotted for various park improvements

PARKS OPERATIONS DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Personnel Services	321,675	319,181	315,600	371,400	389,970	409,469
Supplies	64,227	72,853	65,100	67,800	71,190	74,750
Services & Charges	142,658	234,808	267,300	277,300	291,165	305,723
Capital	-	734,015	-	71,000	74,550	78,278
Total Parks Operations	\$ 528,560	\$ 1,360,857	\$ 648,000	\$ 787,500	\$ 826,875	\$ 868,219



**PARKS OPERATIONS**

	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SALARIES & WAGES				
101-5-3442-01-5001 Full Time Employees	218,171	217,267	214,300	226,200
101-5-3442-01-5002 Part Time Employees	24,789	25,892	23,700	42,900
101-5-3442-01-5200 Overtime Pay	-	-	-	12,100
Total Salaries & Wages	242,960	243,159	238,000	281,200

PERSONNEL BENEFITS

101-5-3442-01-5501 FICA	17,137	17,582	18,100	21,500
101-5-3442-01-5504 Retirement	24,698	24,567	24,100	27,000
101-5-3442-01-5700 Health/Life Insurance	21,419	17,644	17,800	24,200
101-5-3442-01-5701 Disability Insurance	258	262	300	400
101-5-3442-01-5800 Workers Comp Insurance	15,203	15,967	17,300	17,100
Total Personnel Benefits	78,715	76,022	77,600	90,200

SUPPLIES

101-5-3442-01-6001 Office Supplies	191	162	200	300
101-5-3442-01-6003 Cleaning Supplies	4,141	3,883	4,000	4,000
101-5-3442-01-6005 Safety/Program Supplies	534	603	500	1,500
101-5-3442-01-6006 Clothing/Uniform	1,335	1,367	1,600	1,600
101-5-3442-01-6008 Chemicals	1,403	1,508	1,500	1,500
101-5-3442-01-6011 Small Tools/Minor Equipment	1,432	2,263	2,000	2,000
101-5-3442-01-6014 Grounds Mtce Materials	10,777	13,359	10,500	10,500
101-5-3442-01-6016 Park Furnishings	770	740	1,000	1,000
101-5-3442-01-6201 Building Repair Materials	10,653	8,245	10,000	10,000
101-5-3442-01-6202 Other R&M Materials	10,878	20,998	10,900	12,000
101-5-3442-01-6300 Vehicle Fuels	12,615	8,808	12,000	12,000
101-5-3442-01-6302 Vehicle R&M	6,651	7,242	7,500	8,000
101-5-3442-01-6400 Shop Supplies	2,377	3,197	3,000	3,000
101-5-3442-01-6700 Dues & Memberships	470	478	400	400
Total Supplies	64,227	72,853	65,100	67,800

OTHER SERVICES & CHARGES

101-5-3442-01-7300 Utilities Electricity	70,736	76,176	75,000	80,000
101-5-3442-01-7301 Utilities Propane Gas	1,769	1,634	1,500	1,500
101-5-3442-01-7302 Utilities Water	26,402	29,915	32,500	35,000
101-5-3442-01-7304 Utilities Sewage	5,785	5,650	6,000	6,000
101-5-3442-01-7305 Utilities Refuse Disposal	15,656	14,226	16,000	16,000
101-5-3442-01-7306 Utilities Telephone	2,149	2,303	2,000	2,000
101-5-3442-01-7307 Utilities Postage/Freight	14	-	-	-
101-5-3442-01-7400 R&M Grounds	-	13,651	10,000	10,000
101-5-3442-01-7401 R&M Building	1,378	2,181	3,000	3,000
101-5-3442-01-7405 R&M Vehicles	360	58	500	1,000
101-5-3442-01-7501 Rental of Equip & Vehicles	202	476	500	500
101-5-3442-01-7502 Leased Equipment	15,693	86,065	116,900	116,900
101-5-3442-01-7600 Travel	186	161	500	500
101-5-3442-01-7601 Registrations	1,367	1,087	1,400	1,400
101-5-3442-01-7900 Other Professional Services	961	1,225	1,500	3,500

**PARKS OPERATIONS**

	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
Total Other Svcs & Charges	142,658	234,808	267,300	277,300
CAPITAL				
101-5-3442-01-8779 Rumsey Park Improvements	-	734,015	-	-
101-5-3442-01-8780 GV Park Improvements	-	-	-	71,000
	-	734,015	-	71,000
TOTAL PARKS OPERATIONS	\$ 528,560	\$ 1,360,857	\$ 648,000	\$ 787,500

PUBLIC WORKS

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.

Town of Payson
Public Works/Community Dev Building
303 N. Beeline Highway
Payson, AZ 85541
928-474-5042

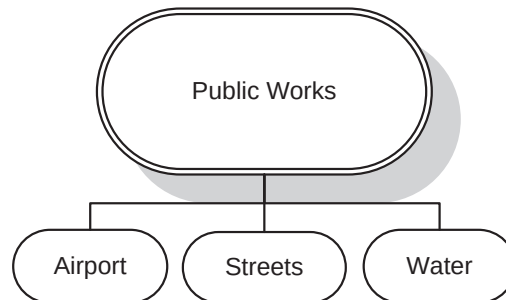
Tim Ryden—Acting Public Works Director
tryden@paysonaz.gov





2017 ANNUAL BUDGET

Public Works is comprised of: Airport, Streets (HURF) and Water. In FY16/17, the Engineering Division was absorbed by the Streets Division. In FY16/17, Parks Operations Division was budgeted under Public Works, staff was reporting to the Rec & Tourism Director. In FY17/18, Parks Operation was officially moved to Rec & Tourism. Water is a large division that is not included in the Public Works Department totals. Instead, it is addressed separately at the end of this section.



DEPARTMENT EXPENDITURE SUMMARY

Operating Division	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed
Town Engineer	3,536	3,674	-	-
Highway Users Fund (HURF)	1,621,137	2,373,444	2,998,600	2,715,600
Airport	989,428	230,493	255,900	1,472,300
Total Department	\$ 2,614,101	\$ 2,607,611	\$ 3,254,500	\$ 4,187,900

POSITION SUMMARY

	2016/17	2017/18
Town Engineer	1.0	1.0
Engineering Technician	1.0	1.0
Administrative Secretary	1.0	1.0
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/Airport Maint. Worker	11.0	11.0
Airport Coordinator	1.0	1.0
Total Positions	21.0	21.0

PUBLIC WORKS



016 ANNUAL BUDGET

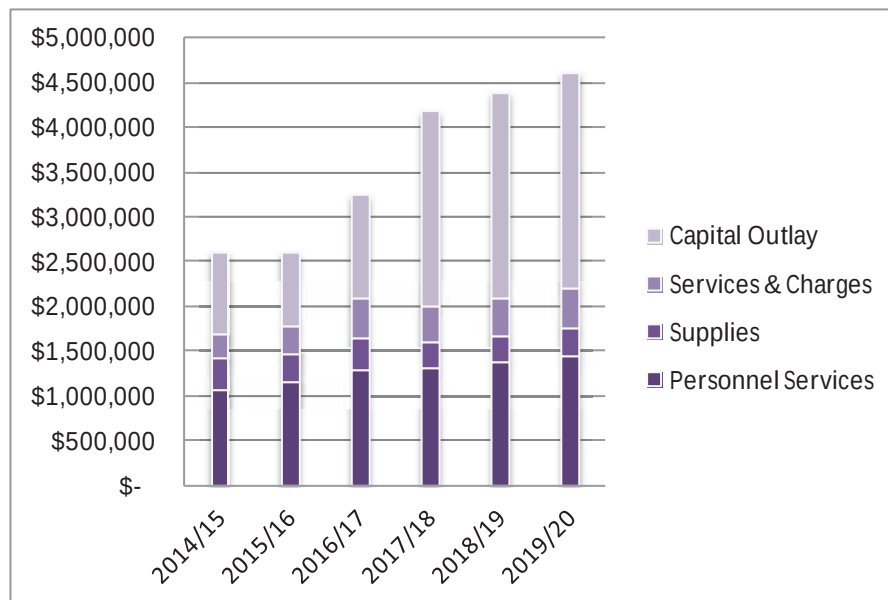
PUBLIC WORKS DEPARTMENT BUDGET CHANGES—3 YEARS

Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Salaries & Wages	816,882	893,700	9.4%	920,600	3.0%
Personnel Benefits	327,062	389,100	19.0%	388,000	-0.3%
Supplies	316,681	355,500	12.3%	287,700	-19.1%
Other Services & Charges	309,120	456,200	47.6%	395,000	-13.4%
Capital Outlay	837,866	1,160,000	38.4%	2,196,600	89.4%
Total Public Works	\$ 2,607,611	\$ 3,254,500	24.8%	\$ 4,187,900	28.7%

Note: Explanations of significant budget changes are addressed within the individual divisions' sections that follow

PUBLIC WORKS DEPARTMENT BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Personnel Services	1,059,638	1,143,944	1,282,800	1,308,600	1,374,030	1,442,732
Supplies	354,463	316,681	355,500	287,700	302,085	317,189
Services & Charges	265,441	309,120	456,200	395,000	414,750	435,488
Capital Outlay	934,559	837,866	1,160,000	2,196,600	2,306,430	2,421,752
Total Public Works	\$ 2,614,101	\$ 2,607,611	\$ 3,254,500	\$ 4,187,900	\$ 4,397,295	\$ 4,617,160



PUBLIC WORKS

ENGINEERING DIVISION

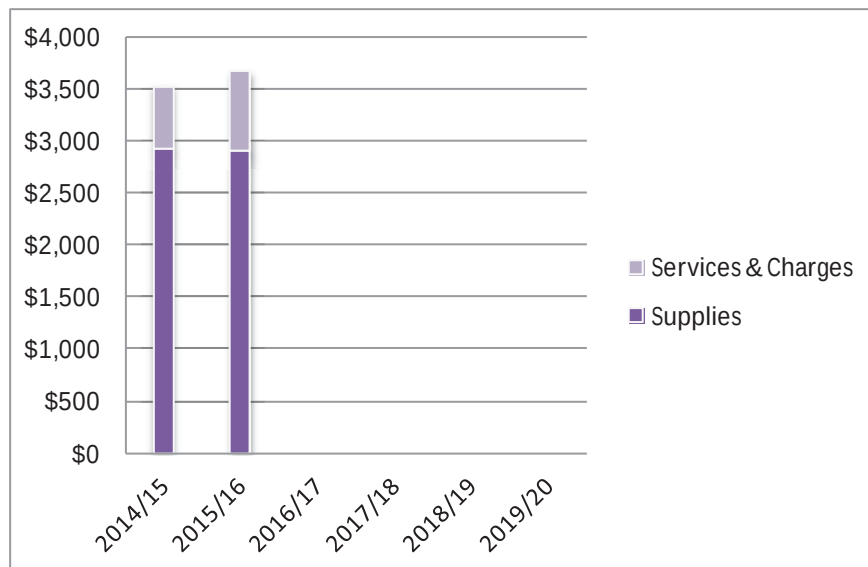
In FY16/17, this division was absorbed by the Streets Division since all of the activity within the Engineering Division was streets related.

ENGINEERING DIVISION BUDGET CHANGES—3 YEARS

Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Supplies	2,913	-	-100.0%	-	0.0%
Other Services & Charges	761	-	-100.0%	-	0.0%
Total Engineer	\$ 3,674	\$ -	-100.0%	\$ -	0.0%

ENGINEERING DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Supplies	2,926	2,913	-	-	-	-
Services & Charges	610	761	-	-	-	-
Total Town Engineer	\$ 3,536	\$ 3,674	\$ -	\$ -	\$ -	\$ -





ANNUAL BUDGET

PUBLIC WORKS

TOWN ENGINEER

	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SUPPLIES				
101-5-3441-00-6001 Office Supplies	1,594	1,925	-	-
101-5-3441-00-6005 Program Supplies	-	61	-	-
101-5-3441-00-6011 Small Tools/Minor Equip	-	46	-	-
101-5-3441-00-6300 Vehicle Fuel	930	626	-	-
101-5-3441-00-6302 Vehicle R&M Parts	8	-	-	-
101-5-3441-00-6700 Dues & Memberships	394	255	-	-
Total Supplies	2,926	2,913	-	-
OTHER SERVICES & CHARGES				
101-5-3441-00-7306 Telephone	594	723	-	-
101-5-3441-00-7405 R&M Vehicles	16	16	-	-
101-5-3441-00-7600 Travel Expenses	-	22	-	-
Total Other Svcs & Charges	610	761	-	-
TOTAL TOWN ENGINEER	\$ 3,536	\$ 3,674	\$ -	\$ -

STREETS DIVISION

2016/2017 ACCOMPLISHMENTS

- ✓ Finished the Federal funded Street Name sign project requiring 1,150 man hours
- ✓ Completed slurry seal project of approx. 190,000 sq. yds. at approx. \$380,000
- ✓ Contracted Manzanita street project for approx. \$480,000
- ✓ Completed shoulder / drainage work for the slurry seal project (approx. 9 surface street miles) requiring 1,800 man hours
- ✓ Conducted drainage maintenance for \$5,000 in materials and 1,600 in man hours
- ✓ Repaired sidewalk / curbs totaling \$28,000 in materials and 3,500 in man hours
- ✓ Completed asphalt patches / street repairs for \$44,000 in materials and 3,000 in man hours
- ✓ Contracted \$32,000 in asphalt repairs
- ✓ Completed crack seal on streets with 24,500 lbs. material and 2,000 man hours
- ✓ Completed 640 hours labor on apple orchard—clean up, grading, and assistance with fence / irrigation system

2017/2018 GOALS

KRA 3: INFRASTRUCTURE

- ⇒ Utilize \$500,000 pavement preservation budget to complete numerous slurry seal and striping projects
- ⇒ Complete multiple drainage repairs
- ⇒ Complete street and sidewalk repairs including Alpine Heights Drive and possibly Karen Way
- ⇒ Committed to helping the Event Center have successful events
- ⇒ Complete Bonita Street project with intergovernmental funds plus a 5.7% match from the Streets Department
- ⇒ Complete purchase of Front End Loader and Dump Truck with snow plow
- ⇒ Provide maintenance activities such as street repairs, street sweeping, roadway striping, roadside weed removal, drainage facility upkeep, and other tasks



Contact Information

Payson Town Complex
Public Works Building
303 N. Beeline Hwy
Payson, AZ 85541

Tim Ryden
Acting Public Works Director
(928) 472-5000
tryden@paysonaz.gov

Payson Town Yard
1002 W. Airport Rd.
Payson, AZ 85541

STREETS DIVISION BUDGET CHANGES—3 YEARS

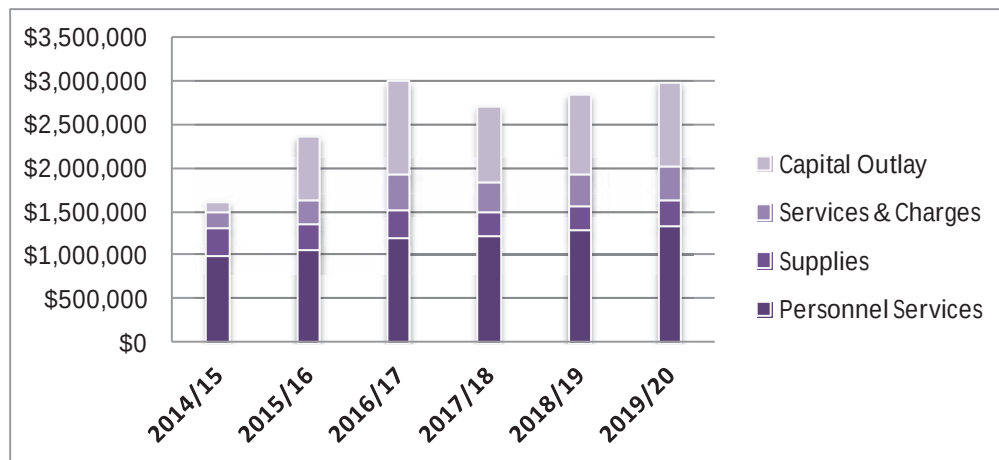
Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Salaries & Wages	754,607	829,100	9.9%	849,200	2.4%
Personnel Benefits	310,525	370,900	19.4%	368,800	-0.6%
Supplies	289,437	323,100	11.6%	267,400	-17.2%
Other Services & Charges	277,910	410,500	47.7%	353,200	-14.0%
Capital Outlay	740,965	1,065,000	43.7%	877,000	-17.7%
Total Streets	\$ 2,373,444	\$ 2,998,600	26.3%	\$ 2,715,600	-9.4%

Significant Budget Changes:

- FY15/16 Salaries & Benefits—two positions included in the budget were not filled until the end of the fiscal year
- FY16/17 Salaries & Benefits—added a line item for overtime pay
- FY16/17 Services—increase in leased equipment for a sweeper and backhoe/loader
- FY16/17 Capital Outlay—increased as additional funding was allocated for streets projects
- FY 17/18—adjusted budget based on analysis of historic spending trends

STREETS DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Personnel Services	981,383	1,065,132	1,200,000	1,218,000	1,278,900	1,342,845
Supplies	337,733	289,437	323,100	267,400	280,770	294,809
Services & Charges	186,668	277,910	410,500	353,200	370,860	389,403
Capital Outlay	115,353	740,965	1,065,000	877,000	920,850	966,893
Total Streets	\$ 1,621,137	\$ 2,373,444	\$ 2,998,600	\$ 2,715,600	\$ 2,851,380	\$ 2,993,949



**STREETS**

	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SALARIES & WAGES				
202-5-3442-00-5001 Full Time Employees	697,831	754,607	813,100	830,200
202-5-3442-00-5200 Overtime Pay	527	-	16,000	19,000
Total Salaries & Wages	698,358	754,607	829,100	849,200
PERSONNEL BENEFITS				
202-5-3442-00-5501 FICA	50,096	54,277	63,100	65,100
202-5-3442-00-5504 Retirement	79,674	85,344	93,600	96,400
202-5-3442-00-5700 Health/Life Insurance	58,574	65,363	83,500	98,800
202-5-3442-00-5701 Disability Insurance	833	907	1,100	1,400
202-5-3442-00-5800 Workers Comp Insurance	93,848	104,634	129,600	107,100
Total Personnel Benefits	283,025	310,525	370,900	368,800
SUPPLIES				
202-5-3442-00-6001 Office Supplies	1,107	1,034	1,500	3,500
202-5-3442-00-6003 Cleaning/Sanitation Supplies	161	153	500	500
202-5-3442-00-6005 Safety Supplies	888	782	900	1,200
202-5-3442-00-6006 Clothing Reimbursement	3,234	3,782	4,500	4,500
202-5-3442-00-6008 Chemicals	4,464	10,344	15,000	15,000
202-5-3442-00-6011 Small Tools/Minor Equipment	10,115	11,042	12,000	12,000
202-5-3442-00-6015 Signs	61,940	35,404	6,000	4,000
202-5-3442-00-6100 Medical/Lab Supplies	-	390	400	400
202-5-3442-00-6201 R&M Building	563	807	1,500	1,500
202-5-3442-00-6202 R&M Materials Other	3,379	2,261	4,000	3,000
202-5-3442-00-6300 Gasoline/Fuels/Lubricant	57,868	40,249	62,000	52,000
202-5-3442-00-6302 R&M Supplies Vehicle	67,949	75,081	60,000	70,000
202-5-3442-00-6400 Shop Supplies	7,239	8,413	8,000	8,000
202-5-3442-00-6401 Drainage Supplies	1,829	29,739	65,000	20,000
202-5-3442-00-6402 Street & Sidewalk Supplies	116,567	69,675	80,000	70,000
202-5-3442-00-6700 Memberships/Dues/Subscription	430	275	1,300	1,300
202-5-3442-00-6990 Other Expense	-	6	500	500
Total Supplies	337,733	289,437	323,100	267,400
OTHER SERVICES & CHARGES				
202-5-3442-00-7002 Accounting & Auditing	6,240	6,396	6,500	6,500
202-5-3442-00-7300 Electricity	93,390	106,074	96,000	100,000
202-5-3442-00-7301 Propane	1,152	1,345	1,800	1,800
202-5-3442-00-7302 Water	1,506	2,803	2,000	4,000



ANNUAL BUDGET

PUBLIC WORKS

STREETS

	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
202-5-3442-00-7304 Sewer	907	907	700	900
202-5-3442-00-7305 Refuse Disposal	1,928	1,903	2,400	2,400
202-5-3442-00-7306 Telephone	5,921	6,628	9,100	9,100
202-5-3442-00-7307 Postage	8	26	100	100
202-5-3442-00-7401 Building R&M	604	1,032	1,000	1,000
202-5-3442-00-7404 Radio Equipment R&M	4,789	4,030	3,000	7,000
202-5-3442-00-7405 R&M Vehicles	263	3,052	5,000	5,000
202-5-3442-00-7406 R&M Street Light	-	-	75,500	25,000
202-5-3442-00-7408 Street/Sidewalk Repair Serv	7,291	41,188	65,000	40,000
202-5-3442-00-7502 LeaseEquipment	-	36,714	73,400	73,400
202-5-3442-00-7600 Travel Expenses	391	206	1,400	1,400
202-5-3442-00-7601 Registrations	1,877	981	1,500	1,500
202-5-3442-00-7900 Other Professional Services	2,694	4,596	3,000	6,000
202-5-3442-00-7903 General Insurance	57,416	59,579	63,000	68,000
202-5-3442-00-7907 Advertising	-	367	-	-
202-5-3442-00-7910 Printing & Binding	291	83	100	100
Total Other Svcs & Charges	186,668	277,910	410,500	353,200
CAPITAL OUTLAY				
202-5-3442-00-8004 Equipment	56,574	345,406	225,000	317,000
202-5-3442-00-8713 Pavement Preservation Prog	33,122	252,727	500,000	500,000
202-5-3442-00-8737 GV Park Lot Phase I	-	32,491	-	-
202-5-3442-00-8742 Bonita Street Reconstruction	25,657	-	-	60,000
202-5-3442-00-8743 Manzanita Dr Constr	-	110,341	340,000	-
Total Capital Outlay	115,353	740,965	1,065,000	877,000
TOTAL STREETS	\$ 1,621,137	\$ 2,373,444	\$ 2,998,600	\$ 2,715,600

AIRPORT DIVISION

2016/2017 ACCOMPLISHMENTS

- ✓ Slurry sealed the Delta Ramp in front of the restaurant to extend the life of the pavement and enhance appearance of ramp
- ✓ Crack sealed all other asphalt pavement areas to extend the life of the pavement
- ✓ Applied for a grant to expand the airport fencing on the west end to include all recently acquired airport property in the Sky Park industrial subdivision
- ✓ Applied for a grant to relocate the Bravo Gate (aircraft access to airport) further to the west to meet FAA approach standards
- ✓ Applied for a grant to reconstruct the Alpha Ramp (leased aircraft parking) and the Delta Ramp (in front of restaurant)
- ✓ Obtained approval to add "Richard Henry Field" name to airport

2017/2018 GOALS

KRA 3: INFRASTRUCTURE



- ⇒ Complete reconstruction of Alpha and Delta Ramps
- ⇒ Complete expansion of airport fencing on the west end to include all airport property
- ⇒ Complete the relocation of the Bravo Gate to meet FAA approach standards
- ⇒ Install signs identifying all ramps
- ⇒ Purchase flail mower for Kubota tractor
- ⇒ Obtain an improved aircraft recovery dolly to move disabled aircraft off runway quickly

Contact Information
Ray Law—Airport Coordinator
(928) 472-4748
ray@paysonairport.com
www.PaysonAirport.com

Physical Location
Payson Airport
806 W. Airport Rd.
Payson, AZ 85541

AIRPORT DIVISION BUDGET CHANGES—3 YEARS

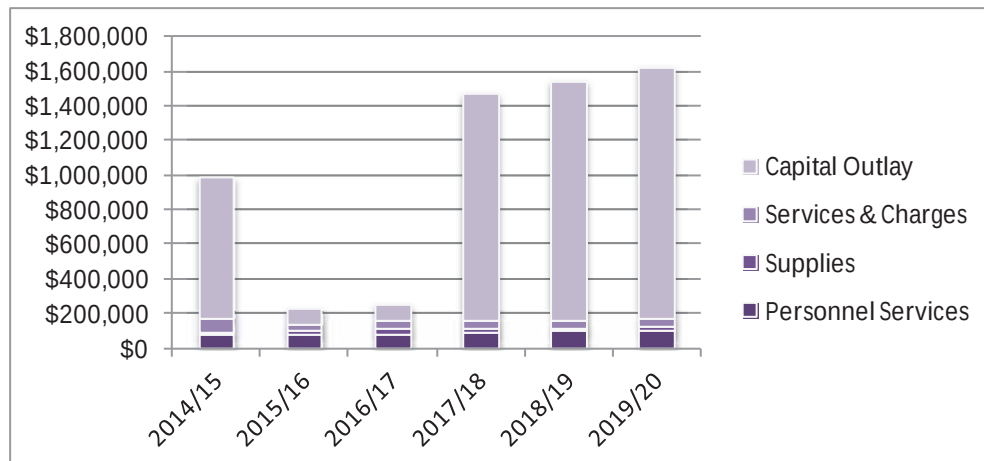
Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Salaries & Wages	62,275	64,600	3.7%	71,400	10.5%
Personnel Benefits	16,537	18,200	10.1%	19,200	5.5%
Supplies	24,331	32,400	33.2%	20,300	-37.3%
Other Services & Charges	30,449	45,700	50.1%	41,800	-8.5%
Capital Outlay	96,901	95,000	-2.0%	1,319,600	1289.1%
Total Airport	\$ 230,493	\$ 255,900	11.0%	\$ 1,472,300	475.3%

Significant budget changes:

- FY16/17 Supplies—including extra funds in the budget for anticipated repair & maintenance projects and FY17/18 budget was restored to normal level
- FY16/17 Other Services—increased due to anticipated equipment repairs
- FY17/18 Salaries & Wages—implementation of market study wage adjustments
- Changes in Capital Outlay are due to fluctuations in availability of grant funding

AIRPORT DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Personnel Services	78,255	78,812	82,800	90,600	95,130	99,887
Supplies	13,804	24,331	32,400	20,300	21,315	22,381
Services & Charges	78,163	30,449	45,700	41,800	43,890	46,085
Capital Outlay	819,206	96,901	95,000	1,319,600	1,385,580	1,454,859
Total Airport	\$ 989,428	\$ 230,493	\$ 255,900	\$ 1,472,300	\$ 1,545,915	\$ 1,623,211





ANNUAL BUDGET

AIRPORT

AIRPORT

	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
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SALARIES & WAGES

260-5-4445-00-5001 Full Time Employees	61,735	62,275	64,600	69,400
260-5-4445-00-5200 Overtime	-	-	-	2,000
Total Salaries & Wages	61,735	62,275	64,600	71,400

PERSONNEL BENEFITS

260-5-4445-00-5501 FICA	4,723	4,764	5,000	5,500
260-5-4445-00-5504 Retirement	7,085	7,068	7,300	8,100
260-5-4445-00-5700 Insurance Benefit	-	-	200	-
260-5-4445-00-5701 Disability Insurance	74	75	100	100
260-5-4445-00-5800 Workers Compensation Ins	4,638	4,630	5,600	5,500
Total Personnel Benefits	16,520	16,537	18,200	19,200

SUPPLIES

260-5-4445-00-6001 Office Supplies	420	497	700	500
260-5-4445-00-6003 Cleaning Supplies	62	47	300	200
260-5-4445-00-6006 Uniforms/Clothing	228	286	400	400
260-5-4445-00-6008 Chemicals	23	-	300	500
260-5-4445-00-6010 Books & Periodicals	40	63	100	100
260-5-4445-00-6011 Small Tools/Minor Equip	369	4,615	3,900	1,200
260-5-4445-00-6015 Signs	2,670	1,378	1,000	1,000
260-5-4445-00-6202 R&M Supplies Other	5,217	12,715	19,500	10,000
260-5-4445-00-6300 Gasoline/Fuels/Lubricant	2,760	2,096	3,200	2,500
260-5-4445-00-6302 R&M Supplies Vehicle	926	2,255	1,500	3,000
260-5-4445-00-6400 Shop Supplies	274	304	500	400
260-5-4445-00-6700 Memberships/Dues/Subscriptic	815	75	1,000	500
Total Supplies	13,804	24,331	32,400	20,300

OTHER SERVICES & CHARGES

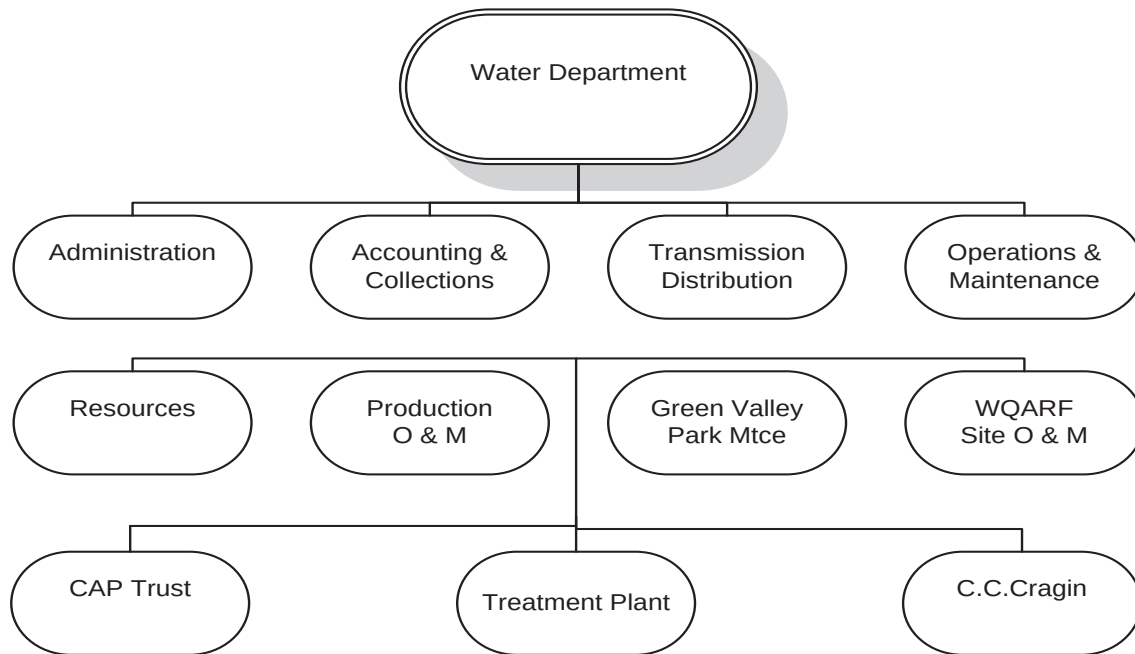
260-5-4445-00-7300 Utilities Electricity	13,259	10,928	10,500	13,000
260-5-4445-00-7301 Utilities Propane Gas	783	643	900	900
260-5-4445-00-7302 Utilities Water	2,231	2,167	2,200	3,300
260-5-4445-00-7304 Utilities Sewer	820	420	800	500
260-5-4445-00-7305 Refuse Disposal	436	384	700	700
260-5-4445-00-7306 Utilities Telephone	1,672	1,603	2,300	1,600
260-5-4445-00-7307 Utilities Postage/Freight	21	1	100	100
260-5-4445-00-7401 R&M Building	1,306	458	4,700	3,000
260-5-4445-00-7404 R&M Equipment	5,273	6,637	12,800	8,000
260-5-4445-00-7405 R&M Vehicle	-	160	300	300
260-5-4445-00-7600 Travel Expense	433	953	1,000	1,000
260-5-4445-00-7601 Registrations	125	660	800	800
260-5-4445-00-7900 Other Professional Svcs	1,068	1,511	4,000	4,000
260-5-4445-00-7903 General Insurance	3,690	3,690	4,100	4,100


ANNUAL BUDGET
AIRPORT

	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
260-5-4445-00-7907 Advertising	146	234	500	500
260-5-4445-00-7915 Overhead	46,900	-	-	-
Total Other Svcs & Charges	78,163	30,449	45,700	41,800
CAPITAL OUTLAY				
260-5-4445-00-8509 Equipment	7,350	-	-	5,800
260-5-4445-00-8813 Echo Ramp Expansion &	396,453	-	-	-
260-5-4445-00-8814 Ramp Repair A&D / Fence	-	-	-	1,313,800
260-5-4445-00-8820 Boundary Fence	-	-	95,000	-
260-5-4445-00-8821 Runway Grading	409,533	-	-	-
260-5-4445-00-8823 Infield Drainage	5,870	96,901	-	-
Total Capital Outlay	819,206	96,901	95,000	1,319,600
TOTAL AIRPORT	\$ 989,428	\$ 230,493	\$ 255,900	\$ 1,472,300

WATER DIVISION

The Water Division is a self-sufficient Enterprise Fund for which a fee is charged to users for goods or services. The Water Division is responsible for the operation of the Town's drinking water treatment and distribution system. The goal is to supply a 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 Division is divided into eleven operating areas. Each area is responsible for accumulating costs associated with its 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 Division's compliance with State and Federal drinking water standards. It administers the backflow prevention program and is the liaison with and participates in development of cleanup strategies for Aero Drive WQARF site.
- *Production Operations & Maintenance* is used to track 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* will account for the operation costs when the plant goes online in 2018.
- *CAP Trust* fund accounts for monies associated with the investigating, planning, designing, constructing, acquiring, and/or developing an alternative water supply to replace the Central Arizona Project water per guidelines in the 1994 agreement.
- *C.C. Cragin* accounts for costs to construct the new fourteen mile pipeline from the C.C. Cragin Reservoir to the Town.

EXPENDITURE SUMMARY

Operating Division	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed
Administration	880,809	719,171	1,817,200	1,185,200
Accounting & Collection	439,697	440,803	370,200	385,300
Transmission/Distribution	567,102	719,852	812,200	800,000
Operations & Maintenance	1,459,391	1,504,158	2,809,600	3,690,800
Water Resources	265,466	277,117	347,800	457,600
Production O & M	367,980	531,857	536,300	584,500
Green Valley Park Maintenance	58,250	42,856	68,100	73,100
WQARF Site O & M	33,483	31,361	144,600	133,300
Treatment Plant	-	-	-	136,000
CC Cragin Project	936,694	8,288,091	17,145,800	24,043,800
CAP Trust Fund	2,200	115,661	225,000	128,271
Total Expenditures	\$ 5,011,072	\$ 12,670,927	\$ 24,276,800	\$ 31,617,871

POSITION SUMMARY

Authorized Personnel	2016/17	2017/18
Water Division Manager	1.0	1.0
Water System Operations Supvr	1.0	1.0
Water Production Supervisor	1.0	1.0
Customer Service Manager	1.0	1.0
Water System Operator	3.0	3.0
Utility Services Rep I, II	3.0	3.0
System Crew Leader	4.0	4.0
Water Quality Specialist	1.0	1.0
Water Resource Specialist	1.0	1.0
Electrician	1.0	1.0
Water Infrastructure Specialist	1.0	1.0
Water System Operator Basic	1.0	1.0
Total Positions	19.0	19.0

WATER DIVISION

2016/2017 ACCOMPLISHMENTS

- ✓ Received compliance designation from ADEQ for water system operation and water quality
- ✓ Maintained gallons per capita per day (gpcpd) water use at less than 89 gpcpd
- ✓ Continued 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 implementation of WIFA C.C. Cragin loan
- ✓ Continued C.C. Cragin Project water treatment plant design and began construction
- ✓ Constructed partial shoreline protection for Green Valley Park using pre-cast concrete shoring
- ✓ Completed construction of the Green Valley Park water feature
- ✓ Continued work on the C.C. Cragin SCADA engineer design
- ✓ Continued installation of backup electric generators at selected well sites and pump stations
- ✓ Performed water storage tank maintenance and repairs
- ✓ Completed construction of Green Valley Park Lake 1 sediment barrier
- ✓ Constructed the Bonita Street waterline
- ✓ Continued construction of the C.C. Cragin penstock
- ✓ Completed construction of the East Sherwood waterline extension
- ✓ Completed construction of three of six C.C. Cragin ASR Wells
- ✓ Completed construction of the Payson Apple Orchard fencing
- ✓ Completed planting trees for the American Gulch Loop Trail
- ✓ Completed installation of two water storage tank mixers to mitigate DBP formation and thermostratification
- ✓ Completed installation of three pressure surge absorption tanks at well sites

CONTACT INFORMATION

Tanner Henry, P.E.
Water Division Manager
(928) 472-5106
thentry@paysonaz.gov

Manar Bogatko
Customer Serv Supervisor
(928) 472-5104
mbogatko@paysonaz.gov

PHYSICAL LOCATION

Payson Town Complex
Water Building
303 N Beeline Hwy.
Payson, AZ 85541

2017/2018 GOALS



KRA 3: INFRASTRUCTURE

- ⇒ Continue to receive compliance designation from ADEQ for water system operation and water quality
- ⇒ Continue purchase of C.C. Cragin water treatment plant site
- ⇒ Continue to develop partnerships for C.C. Cragin pipeline use
- ⇒ Continue implementation of WIFA C.C. Cragin loan
- ⇒ Complete C.C. Cragin Project water treatment plant construction
- ⇒ Complete construction of C.C. Cragin SCADA
- ⇒ Complete construction of the C.C. Cragin ASR wells
- ⇒ Complete construction of the C.C. Cragin penstock
- ⇒ Begin operation of the C.C. Cragin penstock and treatment plant
- ⇒ Continue installation of backup electric generators at selected well sites and pump stations
- ⇒ Perform water storage tank maintenance and repairs



KRA 5: NEIGHBORHOODS & LIVABILITY

- ⇒ Continue to construct partial shoreline protection for Green Valley Park using pre-cast concrete shoring



KRA 9: SUSTAINABILITY

- ⇒ Maintain gallons per capita per day water use at less than 89 gpcpd
- ⇒ Continue water resource education at the middle school



WATER DIVISION BUDGET CHANGES—3 YEARS

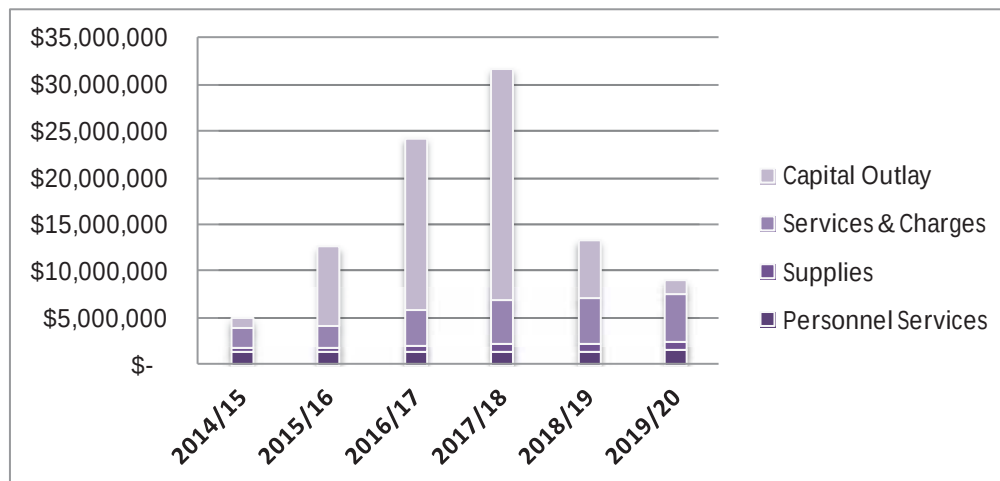
Description	2015/16 Actual	2016/17 Budget	% Change	2017/18 Proposed	% Change
Salaries & Wages	1,037,971	964,900	-7.0%	1,025,300	6.3%
Personnel Benefits	346,132	333,300	-3.7%	343,800	3.2%
Supplies	457,093	708,600	55.0%	809,900	14.3%
Other Services & Charges	2,264,295	3,669,000	62.0%	4,533,600	23.6%
Capital Outlay	8,565,436	18,601,000	117.2%	24,905,271	33.9%
Total Water	\$ 12,670,927	\$ 24,276,800	91.6%	\$ 31,617,871	30.2%

Significant Budget Changes:

- FY16/17 & FY17/18 Supplies—budget includes placeholder to fund potential repair & maintenance projects including hydrant, pump, and water tank repairs
- FY16/17 & FY17/18 Services—budget includes placeholder for potential maintenance projects that will require contracted services
- FY16/17 & FY17/18 Capital—utilizing WIFA loan funding available to continue the C.C. Cragin construction project

WATER DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Proposed	2018/19 Estimate	2019/20 Estimate
Personnel Services	1,422,288	1,384,103	1,298,200	1,369,100	1,437,555	1,509,433
Supplies	445,975	457,093	708,600	809,900	850,395	892,915
Services & Charges	2,048,034	2,377,756	3,894,000	4,661,871	4,894,965	5,139,713
Capital Outlay	1,094,775	8,451,975	18,376,000	24,777,000	6,194,250	1,548,563
Total Water	\$ 5,011,072	\$ 12,670,927	\$ 24,276,800	\$ 31,617,871	\$ 13,377,165	\$ 9,090,623



**ADMINISTRATION**

	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SALARIES & WAGES				
661-5-5451-00-5001 Full Time Employees	176,999	129,725	83,500	86,100
Total Salaries & Wages	176,999	129,725	83,500	86,100

PERSONNEL BENEFITS

661-5-5451-00-5501 FICA	14,845	10,923	6,400	6,600
661-5-5451-00-5504 Retirement	24,015	18,595	9,500	9,800
661-5-5451-00-5505 Retirement Offset Pension	(2,660)	(2,435)	-	-
661-5-5451-00-5700 Health/Life Insurance	7,179	3,859	400	100
661-5-5451-00-5701 Disability Insurance	251	197	100	100
661-5-5451-00-5800 Workers Compensation	9,951	9,239	6,800	5,900
Total Personnel Benefits	53,581	40,378	23,200	22,500

SUPPLIES

661-5-5451-00-6001 Office Supplies	985	1,231	1,000	1,000
661-5-5451-00-6005 Safety Supplies	-	137	300	300
661-5-5451-00-6006 Uniforms / Clothing	100	120	200	200
661-5-5451-00-6009 Fireworks	20,000	20,000	20,000	20,000
661-5-5451-00-6010 Books & Periodicals	875	-	1,000	1,000
661-5-5451-00-6011 Small Tools/Minor Equip	685	783	800	800
661-5-5451-00-6013 Computer Equipment Supplies	703	1,593	1,500	1,500
661-5-5451-00-6201 R&M Supplies - Bldg	3,035	1,622	2,500	2,500
661-5-5451-00-6300 Gasoline/Fuels/Fubricant	2,339	2,288	2,500	2,500
661-5-5451-00-6302 R&M Supplies Vehicle	3,009	394	3,000	3,000
661-5-5451-00-6700 Memberships/Dues/Subscriptior	12,248	8,574	29,100	29,000
661-5-5451-00-6990 Other Supplies	6,508	3,055	3,600	4,000
Total Supplies	50,487	39,797	65,500	65,800

OTHER SERVICES & CHARGES

661-5-5451-00-7100 Legal Fees/Forfeiture Costs	-	10,800	1,500	20,000
661-5-5451-00-7401 R&M Building	21,990	-	10,000	10,000
661-5-5451-00-7402 R&M Office Equipment	2,357	849	2,500	2,500
661-5-5451-00-7404 R&M Equipment	-	1,103	-	2,500
661-5-5451-00-7405 R&M Vehicles	18	20	2,000	2,000
661-5-5451-00-7500 Rental of Land & Bldg	-	-	1,800	1,800
661-5-5451-00-7600 Travel	714	705	2,000	2,000
661-5-5451-00-7601 Registrations	1,070	880	2,000	2,000
661-5-5451-00-7602 Safety Training Services	120	-	2,000	-
661-5-5451-00-7900 Other Professional Services	95,882	96,955	107,600	128,500
661-5-5451-00-7903 General Insurance	50,349	52,246	54,900	60,000
661-5-5451-00-7907 Advertising	-	-	2,500	2,500
661-5-5451-00-7910 Printing & Binding	-	20	-	-
661-5-5451-00-7915 Overhead	243,400	180,200	180,200	-
Total Other Svcs & Charges	415,900	343,778	369,000	233,800

CAPITAL

661-5-5451-08-8002 Machinery & Equipment	8,000	31,203	-	100,000
661-5-5451-08-8007 Wells	-	-	75,000	75,000
661-5-5451-08-8009 Water Lines	107,426	49,297	780,000	250,000



	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
661-5-5451-08-8313 Radon Removal Engineering	-	-	45,000	45,000
661-5-5451-08-8524 Computer Equipment	5,435	7,110	19,000	30,000
661-5-5451-08-8528 Replace Service Trucks	35,614	28,906	100,000	52,000
661-5-5451-08-8529 SCADA Equip-Wells/Tanks	16,199	-	20,000	-
661-5-5451-08-8530 Surge Tanks	-	6,810	60,000	45,000
661-5-5451-08-8581 Chlorine Generator	-	-	35,000	35,000
661-5-5451-08-8582 Pressure Blow Off Valves	-	-	20,000	20,000
661-5-5451-08-8587 Security Gate Installation	-	7,559	-	-
661-5-5451-08-8589 Fish Fence Project	11,168	-	-	-
661-5-5451-08-8793 Tank Mixing System	-	-	50,000	50,000
661-5-5451-08-8794 Pumps for Wells	-	34,608	72,000	75,000
Total Capital	183,842	165,493	1,276,000	777,000
TOTAL WATER-ADMINISTRATION	<u>\$ 880,809</u>	<u>\$ 719,171</u>	<u>\$ 1,817,200</u>	<u>\$ 1,185,200</u>

**ACCOUNTING & COLLECTION**

	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SALARIES & WAGES				
661-5-5451-01-5001 Full Time Employees	253,885	260,107	181,500	192,500
661-5-5451-01-5006 Standby Pay	1,155	1,787	2,000	-
661-5-5451-01-5200 Overtime	2,857	3,403	2,500	3,000
Total Salaries & Wages	257,897	265,297	186,000	195,500
PERSONNEL BENEFITS				
661-5-5451-01-5501 FICA	17,757	18,691	14,200	15,000
661-5-5451-01-5504 Retirement	29,002	26,403	21,100	22,200
661-5-5451-01-5700 Health/Life Insurance	31,958	25,019	20,700	18,900
661-5-5451-01-5701 Disability Insurance	303	281	300	300
661-5-5451-01-5800 Workers Compensation	7,944	8,221	3,800	3,300
Total Personnel Benefits	86,964	78,615	60,100	59,700
SUPPLIES				
661-5-5451-01-6001 Office Supplies	2,693	4,094	3,500	4,500
661-5-5451-01-6006 Clothing/Uniform Reimb	703	500	700	700
661-5-5451-01-6011 Small Tools/Minor Equip	778	3,070	3,000	4,000
661-5-5451-01-6013 Computer Equipment Supplies	-	307	1,000	3,000
661-5-5451-01-6300 Gasoline/Fuels/Lubricant	5,114	3,966	7,000	5,000
661-5-5451-01-6302 R&M Supplies Vehicle	2,084	601	3,000	3,000
661-5-5451-01-6600 Public Relations	73	155	1,000	5,000
661-5-5451-01-6901 Taxes	(2,599)	(2,780)	-	-
661-5-5451-01-6903 Banking / Merchant Fees	8,729	8,349	9,000	10,000
661-5-5451-01-6905 Bad Debt Expense	320	466	2,000	1,000
661-5-5451-01-6990 Other Supplies	-	47	100	100
Total Supplies	17,895	18,775	30,300	36,300
OTHER SERVICES & CHARGES				
661-5-5451-01-7002 Accounting & Auditing	17,160	17,589	17,800	17,800
661-5-5451-01-7307 Postage / Freight	29,112	31,141	30,000	30,000
661-5-5451-01-7402 R&M Office Equipment	2,045	-	2,500	2,500
661-5-5451-01-7403 R&M Computer Equipment	19,090	20,383	25,000	25,000
661-5-5451-01-7404 R&M Other Equipment	2,239	68	1,500	1,500
661-5-5451-01-7405 R&M Vehicles	-	-	1,000	1,000
661-5-5451-01-7502 Lease Equipment	-	3,687	5,000	5,000
661-5-5451-01-7600 Travel	1,521	129	3,500	3,500
661-5-5451-01-7601 Registrations	2,101	1,037	3,000	3,000
661-5-5451-01-7910 Printing & Binding	3,673	4,082	4,500	4,500
Total Other Svcs & Charges	76,941	78,116	93,800	93,800
TOTAL WATER - ACCTING & COLLECTION	\$ 439,697	\$ 440,803	\$ 370,200	\$ 385,300

**TRANSMISSION/DISTRIBUTION**

	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SALARIES & WAGES				
661-5-5451-02-5001 Full Time Employees	137,431	131,684	158,400	153,700
661-5-5451-02-5200 Overtime	1,330	635	1,000	1,500
Total Salaries & Wages	138,761	132,319	159,400	155,200
PERSONNEL BENEFITS				
661-5-5451-02-5501 FICA	10,006	9,436	12,200	11,900
661-5-5451-02-5504 Retirement	15,925	15,018	18,100	17,600
661-5-5451-02-5700 Health/Life Insurance	13,116	13,240	15,800	16,600
661-5-5451-02-5701 Disability Insurance	167	160	200	200
Total Personnel Benefits	39,214	37,854	46,300	46,300
SUPPLIES				
661-5-5451-02-6008 Chemicals	23,414	11,153	10,000	25,000
661-5-5451-02-6200 R&M Supplies Hydrants	3,166	2,851	15,000	15,000
661-5-5451-02-6201 R&M Supplies - Water Tank	2,550	2,832	35,000	10,000
661-5-5451-02-6202 R&M Supplies Other - SCADA	16,036	30,790	30,000	30,000
661-5-5451-02-6501 R&M Supplies - Pumps	1,754	1,033	15,000	15,000
661-5-5451-02-6502 R&M Supplies - Mains	43,421	30,345	45,000	45,000
661-5-5451-02-6503 R&M Supplies Meters	30,559	51,093	45,000	45,000
661-5-5451-02-6504 R&M Supplies - Cust Install	4,493	-	1,500	1,500
661-5-5451-02-6506 R&M Supplies - Chlorinator	16,105	14,910	20,000	15,000
661-5-5451-02-6507 R&M Supplies - Existing Serv	39,675	29,229	35,000	35,000
661-5-5451-02-6508 R&M Supplies - New Service	43,774	36,888	40,000	40,000
Total Supplies	224,947	211,124	291,500	276,500
OTHER SERVICES & CHARGES				
661-5-5451-02-7300 Electricity	45,330	47,447	50,000	52,000
661-5-5451-02-7404 R&M Water Tanks	61,231	225,802	200,000	200,000
661-5-5451-02-7407 R&M Mains	-	2,354	5,000	5,000
661-5-5451-02-7900 Other Professional Services	57,619	62,952	60,000	65,000
Total Other Svcs & Charges	164,180	338,555	315,000	322,000
TOTAL WATER-TRANSMISSION/DISTRIB	\$ 567,102	\$ 719,852	\$ 812,200	\$ 800,000

**OPERATIONS & MAINTENANCE**

	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SALARIES & WAGES				
661-5-5451-03-5001 Full Time Employees	178,414	156,462	179,100	192,900
661-5-5451-03-5003 Temporary Employees	7,474	1,999	25,000	25,800
661-5-5451-03-5006 Standby Pay	7,434	6,747	7,000	7,500
661-5-5451-03-5200 Overtime	11,264	10,857	10,000	15,000
Total Salaries & Wages	204,586	176,065	221,100	241,200

PERSONNEL BENEFITS

661-5-5451-03-5501 FICA	14,545	12,439	16,900	18,500
661-5-5451-03-5504 Retirement	22,620	19,756	22,700	24,400
661-5-5451-03-5700 Insurance Benefit	17,612	18,753	17,900	20,600
661-5-5451-03-5701 Disability Insurance	237	210	300	300
661-5-5451-03-5800 Workers Compensation	31,261	33,052	43,100	38,600
Total Personnel Benefits	86,275	84,210	100,900	102,400

SUPPLIES

661-5-5451-03-6001 Office Supplies	700	1,546	1,500	1,500
661-5-5451-03-6003 Cleaning Supplies	1,480	610	1,500	1,500
661-5-5451-03-6005 Safety Supplies	2,041	2,161	2,000	2,000
661-5-5451-03-6006 Uniform / Clothing	4,577	4,345	4,600	4,600
661-5-5451-03-6008 Chemicals	12	-	-	-
661-5-5451-03-6011 Small Tools/Minor Equip	10,108	7,236	7,500	15,000
661-5-5451-03-6100 Medical/Lab Supplies	382	103	500	500
661-5-5451-03-6200 R&M Supplies Equip	5,023	10,345	16,000	16,000
661-5-5451-03-6201 R&M Supplies Building	2,480	8,784	10,000	10,000
661-5-5451-03-6202 R&M Supplies Other	3,250	2,255	5,000	5,000
661-5-5451-03-6300 Gasoline/Fuels/Lubricant	23,638	21,878	27,000	27,000
661-5-5451-03-6302 R&M Supplies Vehicle	15,587	19,981	10,000	10,000
661-5-5451-03-6400 Shop Supplies	6,795	9,793	8,000	8,000
661-5-5451-03-6700 Memberships/Dues/Subscript	-	-	1,300	3,000
661-5-5451-03-6901 Taxes	180	425	200	-
Total Supplies	76,253	89,462	95,100	104,100

OTHER SERVICES & CHARGES

661-5-5451-03-7300 Electricity	22,029	27,426	30,000	32,000
661-5-5451-03-7301 Propane Gas	6,956	5,987	9,000	6,000
661-5-5451-03-7302 Water	3,999	2,258	2,500	3,500
661-5-5451-03-7304 Sewer	1,232	1,327	2,000	2,000
661-5-5451-03-7305 Refuse Disposal	1,844	2,449	2,000	2,500
661-5-5451-03-7306 Telephone	8,753	7,656	9,500	9,500
661-5-5451-03-7401 R&M Building	952	1,329	2,500	2,500
661-5-5451-03-7404 R&M Equipment	7,941	491	10,000	10,000



ANNUAL BUDGET

WATER DEPARTMENT

OPERATIONS & MAINTENANCE

	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
661-5-5451-03-7405 R&M Vehicles	3,381	2,074	5,000	5,000
661-5-5451-03-7600 Travel	234	350	500	600
661-5-5451-03-7601 Registrations	3,012	1,254	3,000	3,000
661-5-5451-03-7900 Other Professional Services	899	1,399	2,700	1,500
661-5-5451-03-7950 Debt Serv-Principal	36	4,614	680,400	2,059,000
661-5-5451-03-7951 Debt Serv-Interest	21	42	671,400	-
661-5-5451-03-8100 Depreciation-Buildings	23,109	22,717	25,000	25,000
661-5-5451-03-8101 Depr-Infrastructure	975,858	984,901	900,000	985,000
661-5-5451-03-8102 Depreciation-Machinery & Eq	22,195	22,880	25,000	25,000
661-5-5451-03-8103 Depreciation-Vehicles	243	55,682	1,000	60,000
661-5-5451-03-8104 Depr-Office Furn & Equip	3,643	3,645	5,000	5,000
661-5-5451-03-8200 Amort-Goodwill	2,678	2,678	2,700	2,700
661-5-5451-03-8201 Amort-License Permit	3,262	3,262	3,300	3,300
Total Other Svcs & Charges	1,092,277	1,154,421	2,392,500	3,243,100
TOTAL WATER-OPERATIONS & MTCE	\$ 1,459,391	\$ 1,504,158	\$ 2,809,600	\$ 3,690,800

**RESOURCES**

	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SALARIES & WAGES				
661-5-5451-04-5001 Full Time Employees	157,392	161,066	164,000	173,700
661-5-5451-04-5200 Overtime	591	2,545	2,000	2,000
Total Salaries & Wages	157,983	163,611	166,000	175,700
PERSONNEL BENEFITS				
661-5-5451-04-5501 FICA	10,994	11,683	12,800	13,400
661-5-5451-04-5504 Retirement	17,368	18,569	18,800	19,900
661-5-5451-04-5700 Insurance Benefits	16,783	13,934	13,700	16,000
661-5-5451-04-5701 Disability Insurance	182	197	200	300
661-5-5451-04-5800 Workers Compensation Ins	10,724	12,181	13,600	12,000
Total Personnel Benefits	56,051	56,564	59,100	61,600
SUPPLIES				
661-5-5451-04-6001 Office Supplies	2,635	2,742	4,000	3,000
661-5-5451-04-6005 Safety Supplies	145	11	500	500
661-5-5451-04-6006 Uniforms / Clothing	536	490	700	700
661-5-5451-04-6011 Small Tools/Minor Equip	517	1,468	1,500	1,500
661-5-5451-04-6013 Computer Equipment Supplies	1,753	518	2,000	2,000
661-5-5451-04-6100 Lab Supplies	1,003	8,538	6,000	8,000
661-5-5451-04-6202 R&M Supplies - Backflow	-	283	1,500	1,500
661-5-5451-04-6300 Gasoline/Fuels/Lubricant	2,930	2,424	3,500	3,000
661-5-5451-04-6302 R&M Supplies Vehicle	363	639	1,500	2,000
661-5-5451-04-6600 Public Relations	10,627	6,287	10,000	10,000
661-5-5451-04-6700 Memberships/Dues/Subscriptio	4,325	3,017	6,000	6,000
Total Supplies	24,834	26,417	37,200	38,200
OTHER SERVICES & CHARGES				
661-5-5451-04-7004 Lab Analysis	21,570	26,596	35,000	105,000
661-5-5451-04-7306 Utilities Telephone	-	-	500	-
661-5-5451-04-7307 Postage / Freight	84	8	500	100
661-5-5451-04-7404 R&M Equipment	781	-	3,000	1,000
661-5-5451-04-7405 R&M Vehicles	93	-	2,000	2,000
661-5-5451-04-7600 Travel	1,137	580	6,000	6,000
661-5-5451-04-7601 Registrations	1,802	2,076	10,500	7,500
661-5-5451-04-7900 Other Professional Services	-	23	25,000	58,000
661-5-5451-04-7907 Advertising	960	828	2,000	2,000
661-5-5451-04-7910 Printing & Binding	171	414	1,000	500
Total Other Svcs & Charges	26,598	30,525	85,500	182,100
TOTAL WATER-RESOURCES	\$ 265,466	\$ 277,117	\$ 347,800	\$ 457,600



PRODUCTION O&M

	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SALARIES & WAGES				
661-5-5451-05-5001 Full Time Employees	103,530	147,603	122,400	143,400
661-5-5451-05-5200 Overtime	14	-	500	1,000
Total Salaries & Wages	103,544	147,603	122,900	144,400
PERSONNEL BENEFITS				
661-5-5451-05-5501 FICA	7,404	10,449	9,500	11,000
661-5-5451-05-5504 Retirement	11,883	16,752	14,000	16,400
661-5-5451-05-5700 Insurance Benefit	9,520	14,239	12,200	15,500
661-5-5451-05-5701 Disability Insurance	124	178	200	200
Total Personnel Benefits	28,931	41,618	35,900	43,100
SUPPLIES				
661-5-5451-05-6202 R&M Supplies Other	5,220	1,913	5,000	5,000
661-5-5451-05-6500 R&M Supplies Wells	902	39,778	30,000	40,000
661-5-5451-05-6501 R&M Supplies - Pumps	5,433	-	25,000	25,000
661-5-5451-05-6502 R&M Supplies - Elec Equip	8,804	10,406	25,000	15,000
661-5-5451-05-6505 R&M Supplies - Pump Boosters	-	961	15,000	15,000
Total Supplies	20,359	53,058	100,000	100,000
OTHER SERVICES & CHARGES				
661-5-5451-05-7300 Electricity	209,676	242,247	230,000	250,000
661-5-5451-05-7301 Propane Gas	558	133	2,000	2,000
661-5-5451-05-7306 Telephone	487	350	500	-
661-5-5451-05-7404 R&M Pumps	-	36,848	25,000	25,000
661-5-5451-05-7406 R&M Other	4,425	10,000	20,000	10,000
661-5-5451-05-7900 Other Prof Serv	-	-	-	10,000
Total Other Svcs & Charges	215,146	289,578	277,500	297,000
TOTAL WATER-PRODUCTION O&M	\$ 367,980	\$ 531,857	\$ 536,300	\$ 584,500



GREEN VALLEY PARK MAINT.

	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SALARIES & WAGES				
661-5-5451-06-5001 Full Time Employees	21,658	17,563	20,200	22,400
Total Salaries & Wages	21,658	17,563	20,200	22,400
PERSONNEL BENEFITS				
661-5-5451-06-5501 FICA	1,613	1,247	1,600	1,700
661-5-5451-06-5504 Retirement	2,486	1,993	2,300	2,500
661-5-5451-06-5700 Insurance Benefit	2,288	1,874	2,000	2,400
661-5-5451-06-5701 Disability Insurance	26	21	100	100
Total Personnel Benefits	6,413	5,135	6,000	6,700
SUPPLIES				
661-5-5451-06-6202 R&M Supplies Other	9,578	1,750	2,000	2,000
661-5-5451-06-6990 Other Expense	18,401	14,199	35,000	35,000
Total Supplies	27,979	15,949	37,000	37,000
SERVICES				
661-5-5451-06-7305 Refuse Disposal	-	1,586	2,000	4,000
661-5-5451-06-7406 R&M Other	2,200	2,623	2,900	3,000
	2,200	4,209	4,900	7,000
TOTAL WATER-GV PARK MAINTENANCE	\$ 58,250	\$ 42,856	\$ 68,100	\$ 73,100

**WQARF SITE O&M**

	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SALARIES & WAGES				
661-5-5451-07-5001 Full Time Employees	2,619	5,788	5,800	4,800
Total Salaries & Wages	2,619	5,788	5,800	4,800
PERSONNEL BENEFITS				
661-5-5451-07-5501 FICA	182	406	500	400
661-5-5451-07-5504 Retirement	300	657	700	500
661-5-5451-07-5700 Insurance Benefit	327	688	600	500
661-5-5451-07-5701 Disability Insurance	3	7	-	100
Total Personnel Benefits	812	1,758	1,800	1,500
SUPPLIES				
661-5-5451-07-6008 Chemicals	-	-	32,000	32,000
661-5-5451-07-6202 R&M Supplies Other	18	-	-	-
661-5-5451-07-6500 R&M Supplies Wells	-	31	5,000	5,000
661-5-5451-07-6501 R&M Supplies Pumps	1,003	-	10,000	10,000
661-5-5451-07-6502 R&M Supplies Elec Equip	-	280	5,000	5,000
Total Supplies	1,021	311	52,000	52,000
OTHER SERVICES & CHARGES				
661-5-5451-07-7001 Program Oversight	2,068	2,055	5,000	5,000
661-5-5451-07-7004 Compliance Sampling	7,635	5,304	10,000	10,000
661-5-5451-07-7300 Electricity	19,328	16,145	30,000	20,000
661-5-5451-07-7404 R&M Pumps	-	-	15,000	15,000
661-5-5451-07-7406 R&M Equipment	-	-	10,000	10,000
661-5-5451-07-7407 R&M Wells	-	-	15,000	15,000
Total Other Svcs & Charges	29,031	23,504	85,000	75,000
TOTAL WATER-WQARF SITE O&M	\$ 33,483	\$ 31,361	\$ 144,600	\$ 133,300



ANNUAL BUDGET

WATER DIVISION

TREATMENT PLANT

	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SUPPLIES				
661-5-5451-10-6008 Chemicals	-	-	-	50,000
661-5-5451-10-6202 R&M Supplies Other	-	-	-	10,000
661-5-5451-10-6500 R&M Supplies Hydro	-	-	-	20,000
661-5-5451-10-6501 R&M Supplies Pumps	-	-	-	10,000
661-5-5451-10-6502 R&M Supplies Equip	-	-	-	10,000
Total Supplies	-	-	-	100,000
SERVICES				
661-5-5451-10-7001 Program Oversight	-	-	-	10,000
661-5-5451-10-7004 Compliance / Lab Analysis	-	-	-	10,000
661-5-5451-10-7300 Electricity	-	-	-	5,000
661-5-5451-10-7306 Telephone / Cable	-	-	-	1,000
661-5-5451-10-7900 Other Professional Serv	-	-	-	10,000
Total Other Svcs & Charges	-	-	-	36,000
TOTAL TREATMENT PLANT	\$ -	\$ -	\$ -	\$ 136,000



ANNUAL BUDGET

WATER DEPARTMENT

CC CRAGIN PROJECT

	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
OTHER SERVICES & CHARGES				
661-5-5451-20-7100 Legal Services	22,342	-	40,000	40,000
661-5-5451-20-7300 Electricity	270	275	2,000	2,000
661-5-5451-20-7306 Telephone	646	564	800	800
661-5-5451-20-7600 Travel	2,503	770	3,000	1,000
Total Other Svcs & Charges	25,761	1,609	45,800	43,800
CAPITAL				
661-5-5451-20-8010 CC Cragin Pipeline (SRP)	289,172	783,805	500,000	500,000
661-5-5451-20-8600 CCC Pipeline Constr	621,761	7,502,677	16,600,000	23,500,000
Total Capital	910,933	8,286,482	17,100,000	24,000,000
TOTAL WATER - CC CRAGIN PROJECT	\$ 936,694	\$ 8,288,091	\$ 17,145,800	\$ 24,043,800



ANNUAL BUDGET

WATER DIVISION

CAP TRUST FUND

	2014/15 ACTUAL	2015/16 ACTUAL	2016/17 BUDGET	2017/18 PROPOSED
SUPPLIES				
460-5-5451-00-6901 Taxes & Fees	2,200	2,200	-	-
Total Supplies	2,200	2,200	-	-
CAPITAL OUTLAY				
460-5-5451-00-8594 Environmental Project	-	113,461	225,000	128,271
Total Capital Outlay	-	113,461	225,000	128,271
TOTAL WATER-CAP TRUST FUND	\$ 2,200	\$ 115,661	\$ 225,000	\$ 128,271

***SUPPLEMENTAL
INFORMATION***

RESOLUTION NO: 3038

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 2017-2018.

WHEREAS, in accordance with the provisions of Title 42, Chapter 17, Arizona Revised Statutes, on June 1, 2017, 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 June 1, 2017, 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 of the estimates together with a notice that the Mayor and Council would meet on June 22, 2017, in the Town Council Chambers at Town Hall, 303 North Beeline Highway, Payson, Arizona, for the purpose of adopting the final budget for FY 2017/2018; and

WHEREAS, the Mayor and Council find, that publication has been duly made as required by law of said estimates together with a notice that the Mayor and Council would meet on July 6, 2011, 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),

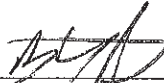
NOW, THEREFORE, THE MAYOR AND COUNCIL OF THE TOWN OF PAYSON, ARIZONA, DO RESOLVE AS FOLLOWS:

Section 1: The estimates of revenue and expenditures/expenses shown on Attached Schedules A through G are adopted as the budget for the Town of Payson for Fiscal Year 2017-2018.

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.

**PASSED AND ADOPTED BY THE MAYOR AND COUNCIL OF THE TOWN OF
PAYSON, ARIZONA**, this 22nd day of June, 2017, by the following vote:

AYES 7 NOES 0 ABSTENTIONS 0 ABSENT 0



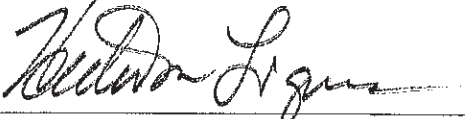
B. Craig Swartwood, Mayor

ATTEST:



Silvia Smith, Town Clerk

APPROVED AS TO FORM:



Hector M. Figueroa, Town Attorney

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	
2017	Adopted/Adjusted Budgeted Expenditures/Expenses*	E	15,232,400	5,965,600	639,600	3,093,100	0	24,053,800	0	48,984,500
2017	Actual Expenditures/Expenses**	E	14,388,599	5,594,075	599,500	637,600	0	12,649,700	0	33,869,474
2018	Fund Balance/Net Position at July 1***		1,043,144	713,457	399,645	242,825	0	3,827,146	0	6,226,217
2018	Primary Property Tax Levy	B	669,800							669,800
2018	Secondary Property Tax Levy	B								0
2018	Estimated Revenues Other than Property Taxes	C	16,300,500	6,586,900	427,600	3,314,600	0	30,663,500	0	57,293,100
2018	Other Financing Sources	D	0	0	0	0	0	0	0	0
2018	Other Financing (Uses)	D	0	0	0	0	0	0	0	0
2018	Interfund Transfers In	D	360,000	479,600	189,300	40,400	0	0	0	1,069,300
2018	Interfund Transfers (Out)	D	527,500	247,200	0	40,000	0	254,600	0	1,069,300
2018	Reduction for Amounts Not Available:									
LESS:	Amounts for Future Debt Retirement:									0
										0
										0
2018	Total Financial Resources Available		17,845,944	7,532,757	1,016,545	3,557,825	0	34,236,045	0	64,189,117
2018	Budgeted Expenditures/Expenses	F	17,113,600	7,132,800	578,500	3,557,771	0	31,489,600	0	59,872,271

1. Budgeted expenditures/expenses
2. Add/subtract: estimated net reconciling items
3. Budgeted expenditures/expenses adjusted for reconciling items
4. Less: estimated exclusions
5. Amount subject to the expenditure limitation
6. EEC expenditure limitation

	2017	2018
	\$ 48,984,500	\$ 59,872,271
	48,984,500	59,872,271
	\$ 48,984,500	\$ 59,872,271
	\$ 48,984,500	\$ 60,019,271

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

* 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).

TOWN OF PAYSON
Revenues Other Than Property Taxes
Fiscal Year 2018

SOURCE OF REVENUES	ESTIMATED REVENUES 2017	ACTUAL REVENUES* 2017	ESTIMATED REVENUES 2018
GENERAL FUND			
Local taxes			
Sales Tax - Town	\$ 6,700,000	\$ 6,700,000	\$ 9,350,000
Licenses and permits			
Franchise Fees	379,000	377,200	380,000
Business Licenses	71,000	71,000	72,000
Liquor Licenses	1,500	1,500	1,500
ROW Permits	5,000	5,000	5,000
Animal Control Licenses	15,000	15,000	
Building Permits	425,000	270,000	330,000
Intergovernmental			
State Shared Revenue	3,323,800	3,268,500	3,385,000
Property Taxes-Prior Year	10,000	10,000	5,000
Vehicle License Tax	982,100	925,000	1,071,000
Tonto Apache Tribe	12,000	20,000	20,000
Gila County	658,500	287,500	298,500
Fire Services IGA	380,000	365,000	400,000
Grants	293,300	304,700	436,600
Charges for services			
Prosecution Fees	49,000	44,000	45,000
Law Enforcement Charges	65,000	51,200	51,100
Fire Service Charges	21,000	13,200	12,000
Zoning Charges	30,000	30,000	25,000
Building Inspections	10,000	10,000	7,500
Engineering Review	20,000	7,000	10,000
Plan Review	225,000	136,000	150,000
Fines and forfeits			
Court Fines & Fees	110,000	95,000	90,000
Interest on investments			
Interest	5,000	7,500	7,500
In-lieu property taxes			
Contributions			
Voluntary contributions	1,400	800	5,800
Miscellaneous			
Other Revenue	8,500	4,800	3,500
Recreation Fees	127,500	121,500	122,000
Enterprise Overhead	154,400	213,000	
Insurance Recoveries	5,000	500	2,500
Surplus Sales	10,000	5,000	2,500
Sale of Fixed Assets			
Facilities Lease Fees	11,300	11,300	11,500
Total General Fund	\$ 14,109,300	\$ 13,371,200	\$ 16,300,500

* 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.

TOWN OF PAYSON
Revenues Other Than Property Taxes
Fiscal Year 2018

SOURCE OF REVENUES	ESTIMATED REVENUES 2017	ACTUAL REVENUES* 2017	ESTIMATED REVENUES 2018
SPECIAL REVENUE FUNDS			
Highway User Revenue Fund			
Highway Users Gas Tax	\$ 1,592,800	\$ 1,600,000	\$ 1,646,400
Gila Co. Transportation Tax	800,000	825,000	825,000
Inspection Fees	10,000		30,000
Grants		4,800	
Other Revenue	7,000	19,000	6,000
Enterprise Fund Overhead	25,800	34,600	
Total Highway User Revenue Fund	\$ 2,435,600	\$ 2,483,400	\$ 2,507,400
Gifts & Grants Fund			
Contributions	\$ 12,000	\$ 2,000	
Total Gifts & Grants Fund	\$ 12,000	\$ 2,000	
Bed Tax Fund			
Bed Tax	\$ 270,000	\$ 305,000	\$ 300,000
Total Bed Tax Fund	\$ 270,000	\$ 305,000	\$ 300,000
Police Dept. of Justice Fund			
Defense 1033 Revenue	\$ 20,000	\$ 20,500	\$ 20,000
Local RICO Revenue		4,100	1,000
Grants			41,000
Public Surplus Sales	25,000	24,000	6,000
Total Police Dept. of Justice Fund	\$ 45,000	\$ 48,600	\$ 68,000
Police Impound Fund			
Impound Fee	\$	\$ 7,000	\$ 7,000
Total Police Impound Fund	\$	\$ 7,000	\$ 7,000
Recreation Facility Improvement Fund			
Facility Fee	\$ 15,000	\$ 15,000	\$ 15,000
Total Recreation Facil. Imprv. Fund	\$ 15,000	\$ 15,000	\$ 15,000
Library Fund			
Gila County Library District Tax	\$ 229,200	\$ 229,400	\$ 229,400
Fines	17,000	17,000	17,000
Other Revenue			
Total Library Fund	\$ 246,200	\$ 246,400	\$ 246,400
Magistrate Court - FTG Fund			
Contributions	\$ 1,000	\$ 1,000	\$ 1,000
Total Magistrate Court - FTG Fund	\$ 1,000	\$ 1,000	\$ 1,000
Airport Fund			
Grants	\$ 85,500		\$ 1,261,200
Advertising Sign Fee			
Tie Down Fee	10,000	10,000	10,000
Gate Fees	9,600	9,600	9,600
Ground Leases	18,100	18,100	18,100
Hanger Leases	55,000	55,000	55,000
Fuel Sales	4,000	4,000	4,000
Other	6,000	6,000	8,500
Total Airport Fund	\$ 188,200	\$ 102,700	\$ 1,366,400
Event Center Fund			
TEV Grant	\$ 2,000	\$ 2,000	\$ 2,000
Event Revenue	105,000	105,000	120,000
Total Event Center Fund	\$ 107,000	\$ 107,000	\$ 122,000
Health Insurance Fund			
Employee Contribution	\$ 472,100	\$ 456,000	\$ 387,000
Employer Contribution	876,800	710,800	902,500
Retiree Contribution	141,300	161,200	113,500
Employer Retiree Contribution	533,800	522,000	550,700
Total Health Insurance Fund	\$ 2,024,000	\$ 1,850,000	\$ 1,953,700
Total Special Revenue Funds	\$ 5,344,000	\$ 5,161,100	\$ 6,586,900

TOWN OF PAYSON
Revenues Other Than Property Taxes
Fiscal Year 2018

SOURCE OF REVENUES	ESTIMATED REVENUES 2017	ACTUAL REVENUES* 2017	ESTIMATED REVENUES 2018
DEBT SERVICE FUNDS			
Westerly Rd ID Debt Service Fund			
Assessment - Principal	\$ 41,600	\$ 41,600	\$ 45,100
Assessment - Interest	14,900	14,900	12,500
Total Westerly Rd ID Debt Service Fund	\$ 56,500	\$ 56,500	\$ 57,600
General Obligation Bond Debt Service Fund			
Sales Tax - Town	\$ 370,000	\$ 370,000	\$ 370,000
Total General Obligation Bond DS Fund	\$ 370,000	\$ 370,000	\$ 370,000
Timber Ridge ID Debt Service Fund			
Assessment - Principal	\$	\$	\$
Assessment - Interest			
Total Timber Ridge ID DS Fund	\$	\$	\$
Total Debt Service Funds	\$ 426,500	\$ 426,500	\$ 427,600
CAPITAL PROJECTS FUNDS			
Grant Capital Projects Fund			
Grants	\$ 641,200	\$ 521,600	\$ 1,064,600
Total Grant Capital Projects Fund	\$ 641,200	\$ 521,600	\$ 1,064,600
CAP Trust Fund			
Other Revenue	\$	\$	\$
Total CAP Trust Fund	\$	\$	\$
American Gulch Impr Distr			
Intergovernmental	\$	\$	\$
Contributions			150,000
Total American Gulch Impr Distr	\$	\$	\$ 150,000
Timber Ridge ID Construction			
Debt Proceeds	\$ 2,100,000	\$	\$ 2,100,000
Total Timber Ridge ID Construction	\$ 2,100,000	\$	\$ 2,100,000
Total Capital Projects Funds	\$ 2,741,200	\$ 521,600	\$ 3,314,600
* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was			
PERMANENT FUNDS			
Not Applicable	\$	\$	\$
Total Permanent Funds	\$	\$	\$
ENTERPRISE FUNDS			
Water Fund			
Charges for Services	\$ 5,641,500	\$ 5,699,200	\$ 5,946,000
Miscellaneous Intergov. Revenue		2,400	35,000
Interest	4,000	35,000	40,000
Facilities Leases	50,500	62,000	62,000
Impact Fees	225,000	250,000	340,000
Overhead	47,600		
Debt Proceeds	16,600,000	6,000,000	24,000,000
Other	88,500	131,800	240,500
Total Water Fund	\$ 22,657,100	\$ 12,180,400	\$ 30,663,500
Total Enterprise Funds	\$ 22,657,100	\$ 12,180,400	\$ 30,663,500

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was

TOWN OF PAYSON
Revenues Other Than Property Taxes
Fiscal Year 2018

<u>SOURCE OF REVENUES</u>	<u>ESTIMATED REVENUES 2017</u>	<u>ACTUAL REVENUES* 2017</u>	<u>ESTIMATED REVENUES 2018</u>
INTERNAL SERVICE FUNDS			
Not Applicable	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____
_____	_____	_____	_____
_____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____
_____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____
_____	_____	_____	_____
_____	\$ _____	\$ _____	\$ _____
Total Internal Service Funds	\$ _____	\$ _____	\$ _____
TOTAL ALL FUNDS	\$ <u>45,278,100</u>	\$ <u>31,667,800</u>	\$ <u>57,293,100</u>

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was

TOWN OF PAYSON
Expenditures/Expenses by Fund
Fiscal Year 2018

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2017	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2017	ACTUAL EXPENDITURES/ EXPENSES* 2017	BUDGETED EXPENDITURES/ EXPENSES 2018
GENERAL FUND				
Central Services	\$ 1,410,400	\$	\$ 1,296,300	\$ 1,523,600
Town Clerk	212,600		208,400	221,700
Elections	41,000		13,600	16,000
Town Manager	210,700		198,300	220,400
Human Resources	226,500		222,300	238,100
Financial Services	369,900		386,700	531,600
Information Technology	644,900		625,300	803,500
Tourism & Economic Vitality	122,700		123,349	129,400
Town Council	106,700		104,900	102,500
Magistrate Court	198,100		198,100	213,100
Town Attorney	425,700		422,900	448,700
Police	5,557,600		5,373,800	6,525,100
Fire	3,386,300		3,288,200	3,804,100
Parks & Recreation	1,101,500		1,078,450	1,345,900
Community Development	1,217,800		848,000	989,900
Total General Fund	\$ 15,232,400	\$	\$ 14,388,599	\$ 17,113,600
SPECIAL REVENUE FUNDS				
HURF	\$ 2,998,600	\$	\$ 2,898,800	\$ 2,715,600
Recreation Facility Imprve Fund				62,000
Bed Tax Fund	100,400		110,400	176,400
Police Dept. of Justice Fund	40,500		42,000	102,300
Library Fund	378,700		378,600	428,300
Magistrate Court Fund			12,700	
Airport Fund	255,900		133,400	1,472,300
Event Center Fund	167,500		168,175	222,200
Health Insurance Fund	2,024,000		1,850,000	1,953,700
Council Contingency Fund				
Total Special Revenue Funds	\$ 5,965,600	\$	\$ 5,594,075	\$ 7,132,800
DEBT SERVICE FUNDS				
General Debt Service Fund	\$ 52,900	\$	\$ 52,900	\$
Westerly Rd. ID Debt Service	82,300		82,300	78,900
Excise Tax Obligation DS	132,000		132,000	128,000
GO Bonds Debt Service	332,400		332,300	331,600
Timber Ridge ID Debt Service	40,000			40,000
Total Debt Service Funds	\$ 639,600	\$	\$ 599,500	\$ 578,500
CAPITAL PROJECTS FUNDS				
Public Safety Impact Fee Fund	\$	\$	\$	\$
Park Development Fund				
Grant Capital Projects Fund	667,100		537,600	1,105,000
Public Safety Bond Proj. Fund	141,000		40,000	114,500
American Gulch Impr Distr				150,000
CAP Trust Fund	225,000		60,000	128,271
Timber Ridge ID Construction	2,060,000			2,060,000
Total Capital Projects Funds	\$ 3,093,100	\$	\$ 637,600	\$ 3,557,771
PERMANENT FUNDS				
Not Applicable	\$	\$	\$	\$
Total Permanent Funds	\$	\$	\$	\$
ENTERPRISE FUNDS				
Water Fund	\$ 24,053,800	\$	\$ 12,649,700	\$ 31,489,600
Total Enterprise Funds	\$ 24,053,800	\$	\$ 12,649,700	\$ 31,489,600
INTERNAL SERVICE FUNDS				
Not Applicable	\$	\$	\$	\$
Total Internal Service Funds	\$	\$	\$	\$
TOTAL ALL FUNDS	\$ 48,984,500	\$	\$ 33,869,474	\$ 59,872,271

* 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.

TOWN OF PAYSON
Expenditures/Expenses by Department
Fiscal Year 2018

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2017	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2017	ACTUAL EXPENDITURES/ EXPENSES* 2017	BUDGETED EXPENDITURES/ EXPENSES 2018
General Government				
General Fund	\$ 1,410,400	\$	\$ 1,296,300	\$ 1,523,600
General Debt Service Fund	52,900		52,900	
Health Insurance Fund	2,024,000		1,850,000	1,953,700
Department Total	\$ 3,487,300	\$	\$ 3,199,200	\$ 3,477,300
Town Clerk/General Fund	\$ 253,600	\$	\$ 222,000	\$ 237,700
Department Total	\$ 253,600	\$	\$ 222,000	\$ 237,700
Town Manager/General Fund	\$ 210,700	\$	\$ 198,300	\$ 220,400
Department Total	\$ 210,700	\$	\$ 198,300	\$ 220,400
Human Resources/Gen Fund	\$ 226,500	\$	\$ 222,300	\$ 238,100
Department Total	\$ 226,500	\$	\$ 222,300	\$ 238,100
Financial Svcs/General Fund	\$ 369,900	\$	\$ 386,700	\$ 531,600
Department Total	\$ 369,900	\$	\$ 386,700	\$ 531,600
Info Technology/General Fund	\$ 644,900	\$	\$ 625,300	\$ 803,500
Department Total	\$ 644,900	\$	\$ 625,300	\$ 803,500
Town Council/General Fund	\$ 106,700	\$	\$ 104,900	\$ 102,500
Department Total	\$ 106,700	\$	\$ 104,900	\$ 102,500
Magistrate Court/General Fund	\$ 198,100	\$	\$ 198,100	\$ 213,100
Department Total	\$ 198,100	\$	\$ 198,100	\$ 213,100
Town Attorney/General Fund	\$ 425,700	\$	\$ 422,900	\$ 448,700
Department Total	\$ 425,700	\$	\$ 422,900	\$ 448,700
Police:				
General Fund	\$ 5,557,600	\$	\$ 5,373,800	\$ 6,525,100
Dept of Justice Fund	40,500		42,000	102,300
Grant Capital Project Fund	115,300		53,400	57,200
Public Safety Bond Fund	141,000		40,000	114,500
GO Bonds Debt Service	332,400		332,300	331,600
Department Total	\$ 6,186,800	\$	\$ 5,841,500	\$ 7,130,700
Fire:				
General Fund	\$ 3,386,300	\$	\$ 3,288,200	\$ 3,804,100
Grant Capital Project Fund	334,300		334,300	847,800
Department Total	\$ 3,720,600	\$	\$ 3,622,500	\$ 4,651,900
Public Works:				
General Fund	\$	\$	\$	\$
HURF	2,998,600		2,898,800	2,715,600
Airport Fund	255,900		133,400	1,472,300
Westerly Rd ID Debt Service	82,300		82,300	78,900
Excise Tax Debt Service	132,000		132,000	128,000
American Gulch Imprv Dist				150,000
Timber Ridge ID Const	2,060,000			2,060,000
Timber Ridge ID Debt Serv	40,000			40,000
Department Total	\$ 5,568,800	\$	\$ 3,246,500	\$ 6,644,800
Parks, Recreation & Tourism:				
General Fund	\$ 1,224,200	\$	\$ 1,201,799	\$ 1,475,300
Bed Tax Fund	100,400		110,400	176,400
Event Center Fund	167,500		168,175	222,200
Facility Improvement Fund				62,000
Department Total	\$ 1,492,100	\$	\$ 1,480,374	\$ 1,935,900
Community Development:				
General Fund	\$ 1,217,800	\$	\$ 848,000	\$ 989,900
Grant Capital Project Fund	217,500		149,900	200,000
Department Total	\$ 1,435,300	\$	\$ 997,900	\$ 1,189,900
Library/Library Fund	\$ 378,700	\$	\$ 378,600	\$ 428,300
Department Total	\$ 378,700	\$	\$ 378,600	\$ 428,300
Water:				
Water Fund	\$ 24,053,800	\$	\$ 12,649,700	\$ 31,489,600
CAP Trust Fund	225,000		60,000	128,271
Department Total	\$ 24,278,800	\$	\$ 12,709,700	\$ 31,617,871

* 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.



2017 ANNUAL BUDGET

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

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 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.

ALLOCATING BUDGET RESOURCES: The Town will utilize 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.

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.

FINANCIAL POLICIES



2017 ANNUAL BUDGET

Capital expenditures will be determined using the 5-year Capital Improvement plan process, if funds are available. 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 service financing.

A contingency fund equal to five percent (5%) of the combined General & Streets Fund expenditure budget 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, 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 beginning of the year unreserved fund balance, in excess of 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. 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 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.

FINANCIAL POLICIES



2017 ANNUAL BUDGET

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 measureable, 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 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 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 Town Council.

FINANCIAL POLICIES



2017 ANNUAL BUDGET

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 Governments 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 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 is subject to a financial and compliance audit.

Every five (5) years, the Town will issue a request 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, an auditing services contract will be approved by the Town Council.

FINANCIAL STATEMENTS: The Comprehensive Annual Financial Report (CAFR) will be prepared by Town staff and will be used by the auditors during the audit process.

Each year, the CAFR will be submitted to the Government Financial Officer's Association (GFOA) national award program.

POPULAR REPORT: Town staff will create and publish an annual Popular Report (PAFR). The PAFR is a condensed, easy to read financial statement.

Each year, the PAFR will be submitted to the Government Finance Officer's Association (GFOA) national award program.

BUDGETARY REPORTING: The budgetary reporting system will conform to the Government Finance Officer's Association (GFOA) standards for financial reporting and budgeting, the Governmental Accounting Standards Board (GASB) and other professional standards.

FINANCIAL POLICIES



2017 ANNUAL BUDGET

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 Officer's Association (GFOA) national award program.

HISTORICAL TREND ANALYSIS: Town staff will update the Historical Trend Analysis after the financial statements and the audit is 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. In addition, the Town 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 provide guidance regarding 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 of compliance costs for the taxpayer or service recipient and a corresponding decrease in avoidance to pay.

FINANCIAL POLICIES



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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. Council may approve a contribution from reserves, inter-fund loans and/or transfers from the Rainy Day 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:

1. 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.
2. 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 collection of a fee / charge should be consumed in the process of raising it.)
3. 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 fees and charges annually in order to keep pace with the cost of providing that service.

FINANCIAL POLICIES



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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 own 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 collector 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

FINANCIAL POLICIES



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or obtained. Grants may also be rejected if programs must be continued with local resources after grant funds are exhausted, unless the Town has the ability to continue to fund the program with available revenues.

EXPENDITURES: The Town will only propose operating expenditures that can be supported from 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 performing the service. Inter-fund service fees charged to recover these costs will be recognized as revenue to the providing fund. A review of 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 work group productivity rather than adding to the work force. 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 in accordance with the policies set forth in Financial Policy 101.

The Town reviews the prior and current years' revenue / expenditures by line item to prepare the next year annual budget projections.

Revenue projections for major revenues (those which represent at least 10% of

FINANCIAL POLICIES



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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 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 pursuant to Section 35-326 Arizona Revised Statutes 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 pursuant to A.R.S. 35-326.

Other eligible investments are: (A.R.S. 35-323)

1. Certificates of deposit in eligible depositories
2. Certificates of deposit in one or more federally insured banks or savings and loan associations in accordance with the procedures prescribed in section A.R.S. 35-323.01.
3. 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 in excess of the insured amount are secured by the eligible depository to the same extent and in the same manner as required under this article.
4. Repurchase agreements with a maximum maturity of one hundred eighty (180) days.
5. The pooled investment funds established by the State Treasurer pursuant to section A.R.S. 35-326.
6. Obligations issued or guaranteed by the United States or any of the senior debt of its agencies, sponsored agencies, corporations, sponsored corporations or instrumentalities.
7. Bonds or other evidences of indebtedness of this State or any of its Counties, incorporated Cities or Town or school districts.

FINANCIAL POLICIES



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8. Bonds, notes or evidences of indebtedness of any county, municipal district, municipal utility or special taxing district within this 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 on 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.
9. Bonds, notes or evidences of indebtedness issued by any county improvement district or municipal improvement district in this 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:
 - a. 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.
 - b. A 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.
10. 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.
11. 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.

FINANCIAL POLICIES



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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 condition of the superintendent of 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 in relation to its capital structure.

Each bid submitted, and not withdrawn prior to 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 in accordance with this section obligates the depository to accept the deposit and pay interest as specified in the bid pursuant to 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 in excess of the insured amount under this article, shall deliver collateral for the purposes of this subsection equal to at least one hundred one 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:

- a. United States government or agency obligations
- b. State, county, school district and other district municipal bonds
- c. Registered warrants of this state, a county or other political subdivisions of this state, when offered as security for monies of the state, county or political subdivision by which they are issued
- d. First mortgages and trust deeds on improved, unencumbered real estate located in this state. No single first mortgages or trust deeds may represent more than ten percent of the total collateral. The treasurer may require that the first mortgages or trust deeds comprising the total collateral security be twice the amount the eligible depository receives on deposit. First mortgages or trust deeds qualify as collateral subject to the following limitations:
 - i. The promissory note or other evidences of indebtedness secured by such first mortgage or trust deed shall have been in existence for at least three years and shall not have been in default during this period.

FINANCIAL POLICIES



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- ii. An eligible depository shall at its own expense execute, deposit with the treasurer and record with the appropriate county recorder a complete sale and assignment with recourse in a form approved by the attorney general, together with an unconditional assumption of obligation to promptly pay to the entitled parties public monies in its custody upon lawful demand and tender of resale and assignment.

Eligible depositories may deposit the security described in this subdivision with the state treasurer, and county, city or town treasurers may accept the security described in this subdivision at their option.

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 own 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 that authorized insurance of accounts, insured by federal deposit insurance, without depositing a surety bond or securities in lieu 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

FINANCIAL POLICIES



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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 he shall be the custodian of the bond, securities, instruments or safekeeping receipt. The treasurer may then deposit with the depository public monies then in his possession in accordance with this article, but not in an amount in excess of the surety bond, securities, instruments or safekeeping receipt deposited, except for federal deposit insurance.

The following restrictions on investments are applicable:

1. An investment of public operating fund monies shall not be invested for a duration longer than three years.
2. 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 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 one hundred thousand dollars, the subdivision board of deposit shall award the deposit of the funds to an eligible depository in accordance with an ordinance or resolution of the governing body of the subdivision.

CERTIFICATE OF DEPOSIT CONDITIONS: If an investing entity invests in certificates of deposit pursuant 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 in accordance with all of the following condition:

1. The monies are initially invested through an eligible depository in this state selected by the investing entity.
2. 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.
3. The full amount of principal and any accrued interest of each certificate of deposit are insured by the federal deposit insurance corporation.
4. The selected eligible depository acts as custodian for the investing entity with respect to the certificates of deposit issued for its account.
5. At the same time that the investing entity's monies are deposited and the certificates of deposit are issued, the selected eligible depository receives an amount of deposits from customers of other federally insured financial institutions equal to or greater than the amount of the monies initially invested by

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the investing entity through the selected eligible depository.

Monies invested in accordance with all of the conditions prescribed in this section are not subject to any security or collateral requirements.

INVESTMENT IN SINKING FUNDS: The governing body of a municipality may invest its sinking funds in 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 in accordance with 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)

DEFINITIONS

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)

Board of Deposit—Common Council (A.R.S. 35-321)

Capital Structure—amount of the capital of the eligible depository shown by the latest call statement of condition as defined by rule of the superintendent of financial institutions for the purpose of administration of this article. (A.R.S. 35-321)

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)

Elastic Revenue—Revenue types that are highly responsive to changes in the economic base and inflation. Example: sales tax

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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) Credit union that is insured by the national credit union administration or its successor. (A.R.S. 35-321)

Inelastic Revenue—Revenue types that are not affected by changes in economic base and inflation. Example: Permit fees.

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)

Permissible Rate of Interest—rate of interest 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)

Public Deposit—public monies deposited in an eligible depository pursuant to this article. (A.R.S. 35-321)

Public Monies—includes subdivision monies. (A.R.S. 35-321)

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)

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)

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 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)

REFERENCES:

Arizona Revised Statutes:

9-492 Cities and Towns

15-1025 Education

35-313; 35-323; 35-326; 35-328 Public Finance

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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.

INTRODUCTION: 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 in excess of 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 of 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 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.

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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 prior to the issuance of any debt.

DEBT MATURITIES: The Town will keep the average maturity of general obligation 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 set forth in the bond covenants.

Debt issues will be sold on a competitive basis, except when conditions make a negotiated sale preferable, and awarded to the bidder who produces the lowest interest cost. 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 re-funding 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 considerations will be made to the question of 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 in a timely manner
- 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

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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 (prior to improvements being installed) is a minimum of 3:1 prior to issuance of debt and 5:1 or higher after construction of improvements. In addition, 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 ration 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 insurer's, etc.) selected in connection with the Town's debt issues will be selected in accordance with 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 Comprehensive Annual Financial Report (CAFR) shall be distributed to the rating agencies no later than January 31st of the following year of the CARF.

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.

INTRODUCTION: 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.

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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, all land and land improvements, building projects and equipment which results in a capitalized asset costing more than \$5,000 and having 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 have a useful life of longer than two years
- 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 funded through revenue bond issues whenever feasible, to maximize 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: With the exception of "on-going projects", each project shall be described such that development phases are delineated as separate stages of the

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project. Examples include land acquisition, design and construction. "On-going 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.

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STAFFING HISTORY

Authorized Positions

Department/Division	08/09	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18
Town Manager	2.00	5.00	5.00	5.00	4.00	4.00	5.00	4.00	4.00	4.00
Town Attorney	4.50	4.50	4.00	4.00	4.00	4.50	4.50	4.50	4.50	4.50
Town Clerk	6.00	4.00	4.00	4.00	4.00	3.00	3.00	3.00	3.00	3.00
Central Services	0.00	0.00	0.00	0.00	0.00	1.50	1.50	1.00	1.00	1.00
Financial Services	6.00	6.00	6.00	6.00	7.00	7.00	7.00	7.00	7.00	6.00
Police	48.00	48.00	48.00	48.00	48.00	50.00	51.00	52.00	57.00	58.00
Fire	25.00	25.00	24.00	27.00	33.00	32.00	32.00	32.00	32.00	32.00
Human Resources	1.00	2.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Community Dev	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Building	8.00	8.00	8.00	8.00	8.00	8.00	6.00	5.00	5.00	5.00
Planning	4.00	4.00	4.00	4.00	4.00	2.00	4.00	5.00	5.00	5.00
Airport	1.00	1.00	1.00	1.50	1.50	1.50	1.50	2.00	2.00	2.00
Public Works	17.00	22.50	22.50	22.00	22.00	22.00	22.00	24.00	24.00	19.00
Water Department	19.00	19.00	22.00	21.00	21.00	20.00	20.00	20.00	19.00	19.00
Library	8.00	8.00	8.00	8.00	8.00	8.00	8.00	7.50	7.50	7.50
Recreation & Tourism	11.50	7.00	7.00	6.50	6.50	6.50	6.50	6.00	6.00	12.00
Authorized Positions	163.00	166.00	168.50	170.00	176.00	175.00	177.00	178.00	182.00	183.00
Frozen Positions		14.00	16.00	15.00	19.00	15.00	14.00	10.00	14.50	12.50
Total Authorized to Fill	163.00	152.00	152.50	155.00	157.00	160.00	163.00	168.00	167.50	170.50

Positions Frozen Pending Economic Recovery

Department	Division	Title	FY13/14	FY14/15	FY15/16	FY16/17	FY 17/18
Town Manager	Town Manager	Executive Assistant	1.00	1.00	1.00	1.00	1.00
Town Clerk	Town Clerk	Chief Deputy Clerk	1.00	1.00	1.00	1.00	1.00
Financial Services	Financial Services	CFO	1.00	1.00	-	1.00	-
Financial Services	Financial Services	Deputy CFO	1.00	1.00	1.00	1.00	-
Police	Operations	Sergeant	1.00	1.00	1.00	1.00	1.00
Police	Operations	Officer	2.00	2.00	2.00	5.00	5.00
Police	Operations	Secretary / Property Tech	1.00	-	-	-	-
Building	Building	Plans Review Specialist	1.00	1.00	-	1.00	1.00
Building	Building	Building Inspector	1.00	1.00	-	-	-
Community Development	Admin	Community Development Director	1.00	1.00	1.00	1.00	1.00
Public Works	Streets	Street Maintenance Worker	1.00	1.00	-	-	-
Library	Library	Library Clerk	1.00	1.00	1.00	1.00	1.00
Recreation & Tourism	Trails	Recreation Coordinator	1.00	1.00	1.00	1.00	1.00
			14.00	13.00	9.00	14.00	12.00
In addition, the following full-time positions are currently filled with part-time staff pending economic recovery:							
Town Attorney	Town Attorney	Legal Secretary	0.50	0.50	0.50	-	-
Financial Services	Financial Services	Grant Coordinator	0.50	0.50	0.50	0.50	0.50
			1.00	1.00	1.00	0.50	0.50



Budgeted Positions

	FY	FY	FY	FY	FY
<u>Department</u>	<u>13/14</u>	<u>14/15</u>	<u>15/16</u>	<u>16/17</u>	<u>17/18</u>
Town Manager	3.00	4.00	3.00	3.00	3.00
Town Attorney	4.00	4.00	4.00	4.50	4.50
Town Clerk	2.00	2.00	2.00	2.00	2.00
Central Services	1.50	1.50	1.00	1.00	1.00
Financial Services	4.50	4.50	5.50	4.50	5.50
Police	46.00	47.00	49.00	51.00	52.00
Fire	32.00	32.00	32.00	32.00	32.00
Human Resources	3.00	3.00	3.00	3.00	3.00
Community Dev	1.00	1.00	1.00	1.00	1.00
Building	5.00	5.00	5.00	4.00	4.00
Planning	2.00	3.00	5.00	5.00	5.00
Airport	2.00	2.00	2.00	2.00	2.00
Public Works	21.00	21.00	24.00	24.00	19.00
Water Department	19.00	19.00	20.00	19.00	19.00
Library	6.50	6.50	6.50	6.50	6.50
Recreation & Tourism	5.00	5.00	5.00	5.00	11.00
	157.50	160.50	168.00	167.50	170.50

Explanation Regarding Changes in Budgeted Staffing

- ◆ Finance—Chief Fiscal Officer position was filled the last quarter of FY16/17
- ◆ Police—One grant funded, full-time Office Clerk position was added for the Special Operations Division
- ◆ Public Works—Parks Operations Division (a total of 5 employees) was moved to the Parks, Rec & Tourism Department
- ◆ Parks, Rec & Tourism—Parks Operations Division was added to the Department and one new General Maintenance Worker position was added to this budget to be shared by the Parks Operations Division & the Event Center



PRINCIPAL EMPLOYERS

Employer	Employees	Employees
Payson Unified School District	325	344
Mazatzal Casino	287	397
Banner Payson / PRMC	225	340
Gila County	225	225
Walmart	220	310
Town of Payson	183	162
Payson Care Center / Life Care Center	152	122
US Forest Service	149	115
Rim Country Health	148	130
Safeway Supermarket	138	115
Home Dept	130	107
Bashas' Supermarket	74	79
Culvers	50	-
Chapman Auto	37	40
Chili's Restaurant	33	-
Big Lots	20	-
Five Guys Burgers	13	-
Little Caesars Pizza	13	-
Total	2,422	2,486

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

DEMOGRAPHIC AND ECONOMIC STATISTICS

Calendar Year	Population	Median Household Income	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2008	16,965	39,973	n/a	50.5	2,712	4.6%
2009	17,281	40,993	n/a	49.3	2,657	7.3%
2010	17,281	40,993	n/a	49.3	2,352	7.9%
2011	15,301	36,764	n/a	54.2	2,420	7.7%
2012	15,301	42,342	25,716	53.1	2,225	9.6%
2013	15,215	43,741	24,914	53.1	2,415	9.6%
2014	15,245	43,535	24,690	52.9	2,485	7.5%
2015	15,551	44,661	23,668	52.7	2,450	4.5%
2016	15,345	42,987	23,784	55.5	2,420	3.9%
2017	15,476	42,856	23,461	56.9	2,445	8.2%

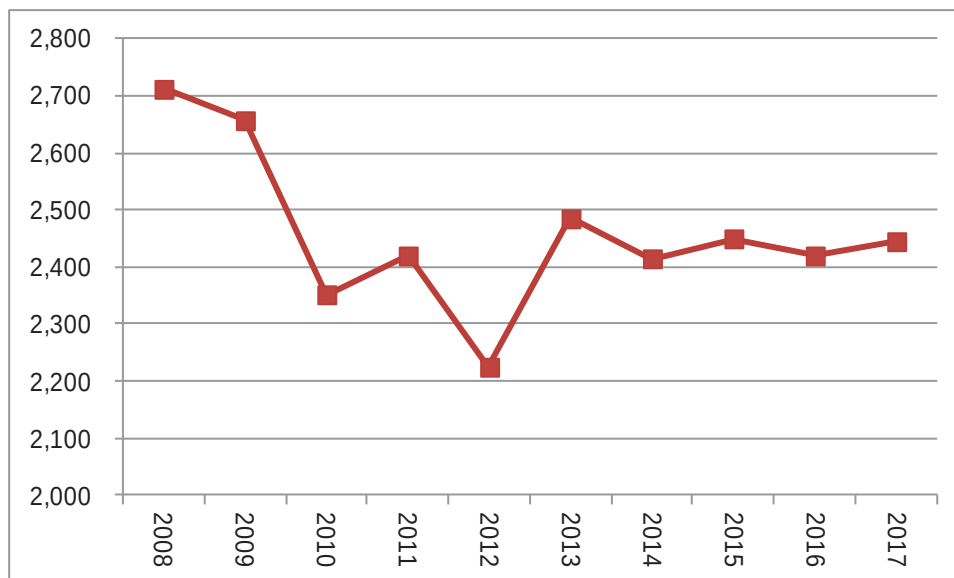
Sources: Payson Unified School District, Sperling's Best Places, and US Census Bureau 2011-2015 American Community Survey 5-Year Estimates

**SCHOOL ENROLLMENT**

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

<u>Year</u>	<u># of Students</u>
2008	2,712
2009	2,657
2010	2,352
2011	2,420
2012	2,225
2013	2,485
2014	2,415
2015	2,450
2016	2,420
2017	2,445

Source: Payson Unified School District





EDUCATIONAL ATTAINMENT

Population 25 years and over:	12,324		
Less than 9th grade	3.9%		
9th to 12th grade, no diploma	7.8%		
High school graduate (includes equivalency)	28.1%		
Some college, no degree	26.7%		
Associate's Degree	11.0%		
Bachelor's Degree	13.4%		
Master's Degree	9.1%		
Source: U.S. Census Bureau, 2011-2015 American Community Survey 5-Year Estimate			

POPULATION BY SEX AND AGE

Total Population	15,476		
Male	46.90%		
Female	53.10%		
Under 4 years	3.60%		
5 to 9 years	4.20%		
10 to 14 years	4.10%		
15 to 19 years	3.80%		
20 to 24 years	3.50%		
25 to 34 years	8.00%		
35 to 44 years	7.00%		
45 to 54 years	12.00%		
55 to 59 years	8.20%		
60 to 64 years	9.50%		
65 to 74 years	20.50%		
75 to 84 years	11.60%		
85 years and over	4.00%		
Source: U.S. Census Bureau, 2011-2015 American Community Survey 5-Year Estimate			



COMPARISON OF GENERAL HOUSING STATISTICS

	Payson, Arizona	United States
Median Home Age:	24	37
Median Home Cost:	\$ 212,100	\$ 185,800
Homes Owned	52.49%	56.34%
Homes Rented	22.01%	31.21%
Homes Vacant	25.50%	12.45%
Average Rent for Homes / Apartments:		
Studio Apartment	\$ 636	\$ 712
1 Bedroom Home / Apartment	\$ 640	\$ 825
2 Bedroom Home / Apartment	\$ 823	\$ 1,027
3 Bedroom Home / Apartment	\$ 1,124	\$ 1,379
4 Bedroom Home / Apartment	\$ 1,128	\$ 1,601
Source: Sperling's Best Places		

VALUE OF OWNER-OCCUPIED HOUSING

Less than \$20,000	10.70%
\$20,000 to \$39,999	1.31%
\$40,000 to \$59,999	1.46%
\$60,000 to \$79,999	1.89%
\$80,000 to \$99,999	6.26%
\$100,000 to \$149,999	13.48%
\$150,000 to \$199,999	17.75%
\$200,000 to \$299,999	29.26%
\$300,000 to \$399,999	11.55%
\$400,000 to \$499,999	1.95%
\$500,000 to \$749,999	4.03%
\$750,000 to \$999,999	0.32%
\$1,000,000 or more	0.04%
Source: Sperling's Best Places	

HOUSING UNITS BY YEAR STRUCTURE BUILT

2014 and newer	0.60%
2010 to 2013	0.50%
2000 to 2009	18.20%
1990 to 1999	27.30%
1980 to 1989	29.30%
1970 to 1979	17.20%
1960 to 1969	4.30%
1950 to 1959	1.70%
1940 to 1949	0.40%
Source: US Census Bureau 2011-2015 American Community Survey 5-Year Estimate	

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 Refers to the accounting of revenues and expenditures on the basis of when they are incurred or committed, rather than when they are made or received.

ADOPTION For budget purposes, a formal action taken by Council that sets the spending limits for the fiscal year.

APPROPRIATED BUDGET The expenditure authority created by the appropriation resolution/ordinance, which is signed into law, and the related estimated revenues. The appropriated budget would include 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 of time in which it may be expended.

ARBITRAGE The investment of bond proceeds in higher yielding securities, resulting in interest revenue in excess of interest costs.

ASSESSED VALUATION A determination of the value of real or personal property as a basis for levying taxes.

ASSET Resources owned or held by a government, which have 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 Refers to 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 An account used to record estimated and actual resources available for expenditure in one fiscal year because of revenues collected in excess of the budget and/or under-expenditure of the prior years' budget.

BENEFITS The Town provided employee benefits such as retirement, worker's compensation, life insurance, medical insurance and dental insurance.

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 indebtedness represented by outstanding bonds.

BOND RATING A grade indicating a governmental unit's investment qualities. 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. A high rating is indicative of the government's strong financial position.

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 general dialogue of the budget, presented by the budget making authority. It provides Council & 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 in accordance with an approved budget for the purpose of keeping expenditures within the limitations of authorized appropriations and available revenues.

CAPITAL ASSET Tangible assets having a life over one year obtained or controlled as a result of financial transactions, events or circumstances. Capital assets include buildings, equipment, improvements other than buildings and land.

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 financing.

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 to each budgetary unit in the organization.

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 temporary investments.

CURRENT LIABILITIES Debt or other legal obligation arising out of transactions in the past, which must be liquidated, renewed, or refunded within one year.

DEBT SERVICE The process of accumulating resources for and making payment of long-term debt principal and interest.

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 which 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 Consumption of the service life of capital assets, due to normal wear, deterioration, environmental elements, passage of time and obsolescence. The portion of the cost of a capital asset charged as an expense during a specified period based on service life of the asset and ultimately expending the entire cost of the asset.

DESIGNATED FUND BALANCE Monies over the years that remain unspent after all budgeted expenditures have been made, but which are reserved for specific purposes and are unavailable for appropriation.

DEVELOPMENT-RELATED FEES Those fees and charges generated by 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 A voluntary awards program administered by the Government Finance Officers Association (GFOA) to encourage governments to prepare effective budget documents.

ENCUMBRANCES Commitments related to unperformed contracts for good 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 process are completed.

ENTERPRISE FUNDS A type of proprietary fund that contains activities which 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 own 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.

FIXED ASSETS Assets of significant value which 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 for the purpose of accomplishing a goal.

FUND An accounting entity having a set of self-balancing accounts and records for all financial transactions for specific activities or government functions in attaining certain objectives governed by special regulations, restrictions or limitations.

FUND BALANCE Generally thought of as fund equity. In the budget, part of 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 governmental 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.

GENEAREL 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 FUND Those funds through which most governmental functions typically are financed.

GRANTS A contribution of assets (usually cash) 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 government.

IMPACT FEE 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.

INFRASTRUCTURE The underlying permanent foundation or basic framework e.g., streets, water, sewer, public buildings, and parks

INTERFUND TRANSFERS Amounts transferred from one Town fund to another.

INTERGOVERNMENTAL Referring to activities or transactions (contracts, grants, etc.) occurring between government jurisdictions (e.g., towns and counties) such as "intergovernmental revenues".

INTERNAL SERVICE FUNDS A type of proprietary fund which accounts for the goods and services which are provided as internal services of the Town; such as equipment rental.

INTRAGOVERNMENTAL Referring to activities or transactions occurring within a single government jurisdiction.

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 obligation arising out of transactions in the past that must be liquidated, renewed or refunded at some 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 regulation of new business activities.

LINE- ITEM BUDGET A budget prepared along departmental lines that focuses on what is to be bought.

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 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 used in the budget to designate the item or service to be purchased or obtained as the result of an 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 towards defined goals.

OPERATING BUDGET A budget which includes all expenditures and revenues expected to be made during a year for ongoing operations of a government entity. The operating budget carries on the traditional services of a governmental 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.

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 operating in a manner 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.

PURCHASE ORDER (PO) A document that authorizes the delivery of specified merchandise or the rendering of certain services and the making 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, interfund 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 Amounts paid for services rendered by employees in accordance with 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 a specific capital improvement or service 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.

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.

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 the purpose of financing services performed for the common benefit of the people. This term does not include specific charges made against particular persons or property for 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.

TRUST AND AGENCY FUNDS A type of fiduciary fund which accounts for funds held by the Town as a trustee.

UNRESERVED FUND BALANCE Undesignated monies available for appropriations.

USER CHARGES The payment of a fee for direct receipt of a 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).

Common Acronyms

AFFH	Affirmatively Furthering Fair Housing
ARRA	American Recovery and Reinvestment Act of 2009
BARS	Budgeting, Accounting and Reporting System
CAFR	Comprehensive Annual Financial Report
CDBG	Community Development Block Grant
CIP	Capital Improvement Plan
COLA	Cost of Living Adjustment
CPI	Consumer Price Index
CSP	Corporate Strategic Plan
FAA	Federal Aviation Administration
FT	Full- time
FTE	Full- time Equivalent
FY	Fiscal Year
GAAP	Generally Accepted Accounting Principles
GASB	Governmental Accounting Standards Board
GFOA	Government Finance Officers Association
GO Bonds	General Obligation Bonds
HURF	Highway Users Revenue Fund
KRA	Key Result Areas
LID	Local Improvement District
OPEB	Other Post Employment Benefits
OSHA	Occupational Safety and Health Act
PO	Purchase Order
PT	Part- time
RFP	Request for Proposal
SCADA	Supervisory Control and Data Acquisition
WIFA	Water Infrastructure Financing Authority