



# TOWN OF PAYSON

## ANNUAL BUDGET

2018/2019

FOR THE FISCAL YEAR BEGINNING JULY 1, 2018



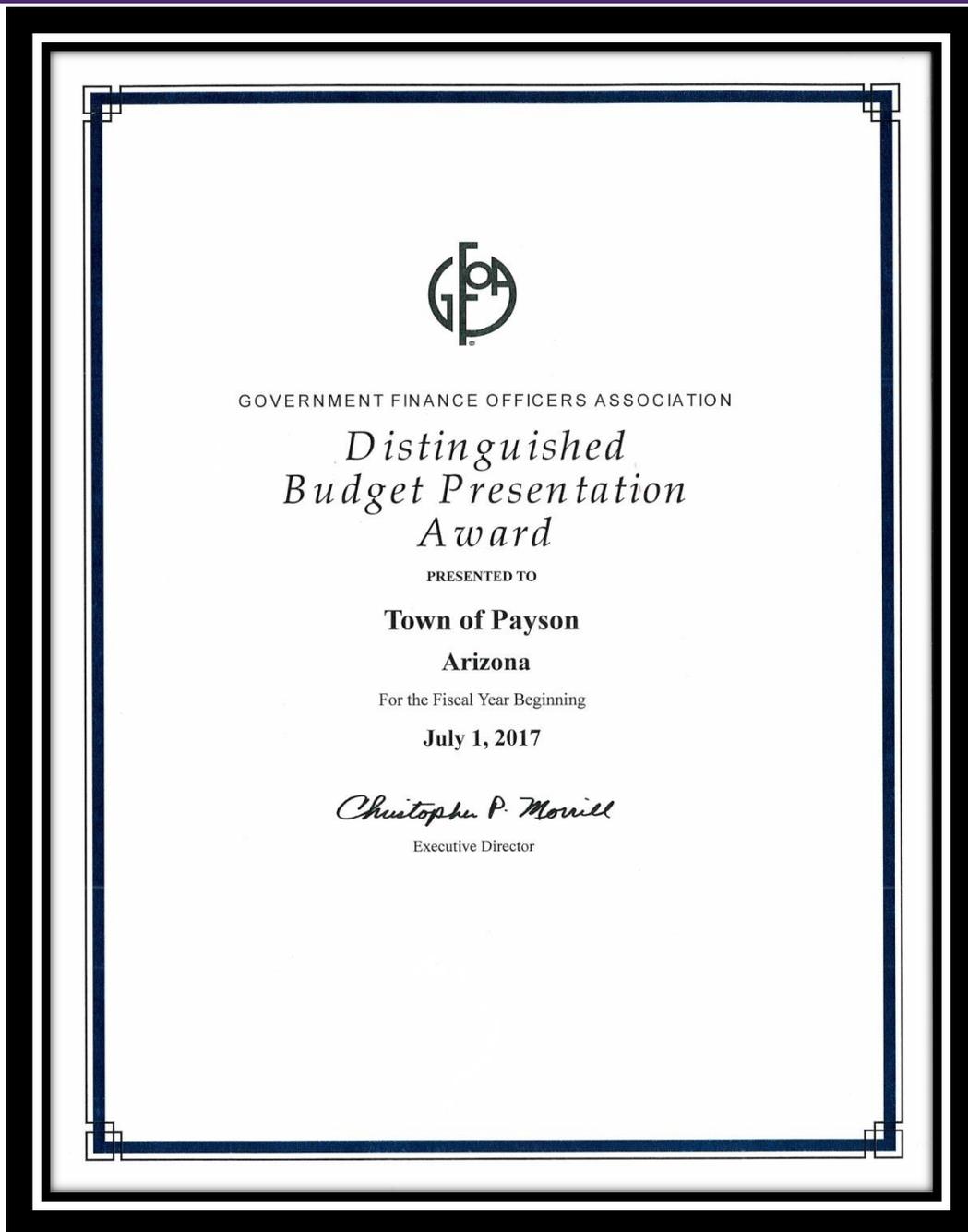


## TABLE OF CONTENTS

<b>CONTENT</b>	<b>PAGE NO.</b>
<b>Introduction</b>	
Introduction (from Mayor) .....	6
Mission & Core Values .....	7
Elected Town Officials .....	9
Town Management .....	10
Organizational Chart .....	11
Town Manager’s Budget Message .....	12
Adopted Resolution .....	19
Quick Reference Guide .....	30
How to Use This Document .....	31
 <b>Town &amp; Community Profile</b>	
About Payson .....	33
Area Map .....	37
Town Staffing .....	38
Demographic & Statistic Information .....	40
 <b>Planning &amp; Performance</b>	
General Plan .....	45
Corporate Strategic Plan (CSP) / Performance Measures .....	55
Key Results Area (KRA) Matrix .....	80
 <b>Capital Improvement Plan (CIP)</b>	
Payson’s CIP .....	83
Proposed Capital Projects .....	86
Capital Project Detail by Fund .....	87
Long-Term Capital Projects by Department .....	89
C.C.Cragin Water Project .....	94
Relationship between Operating & Capital Budgets .....	98
Projected Operating Costs Associated with CIP Projects .....	99
Long-Term Planning .....	100
 <b>Budget Processes</b>	
Understanding the Budget .....	104
Budget Process Overview .....	110
Budget Calendar .....	114

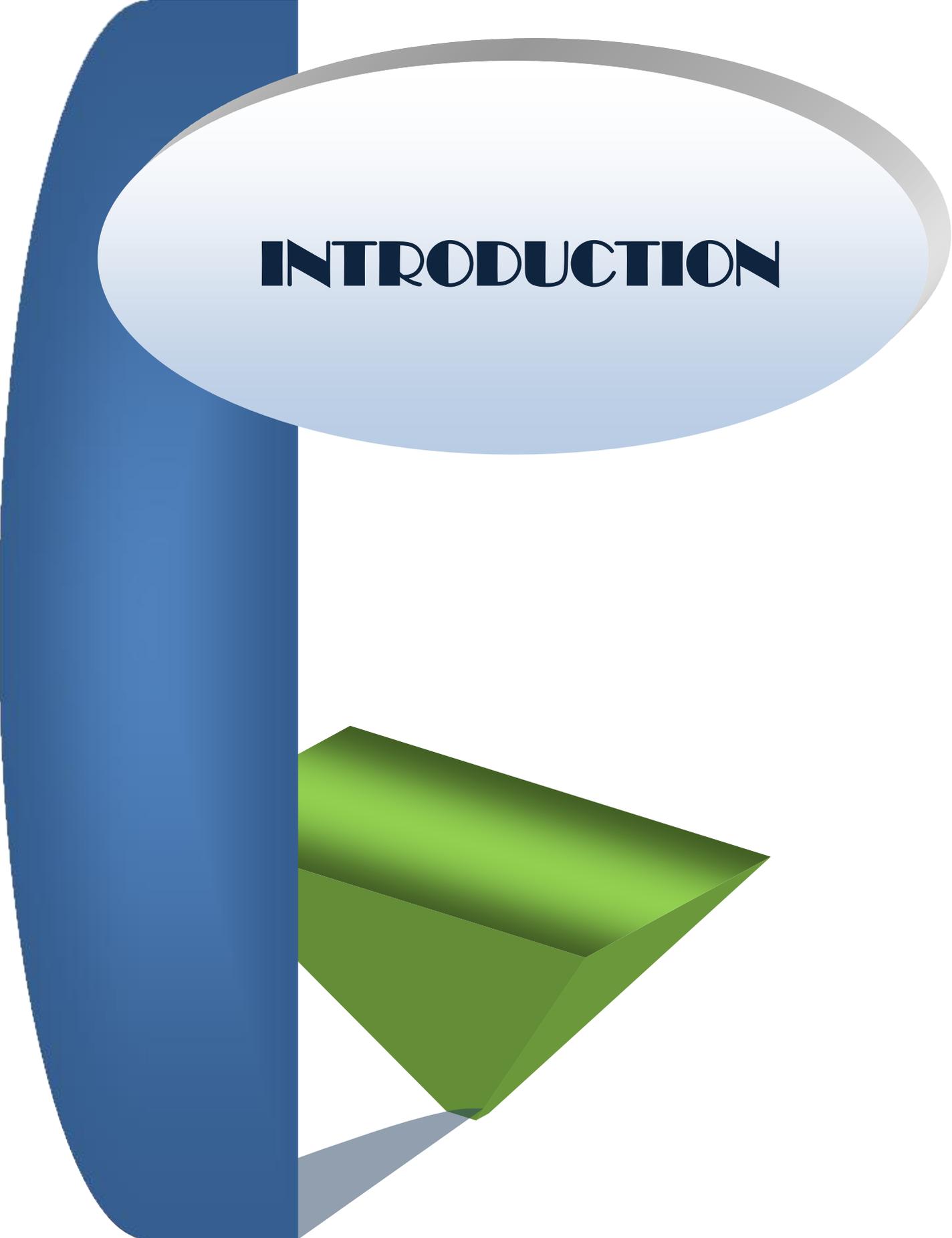


<b>CONTENT</b>	<b>PAGE NO.</b>
<b>Fund Summary</b>	
General Fund .....	117
Special Revenue Fund .....	127
Debt Service Fund .....	134
Capital Project Fund .....	139
Enterprise Fund .....	141
<b>Budget Summary</b>	
Budget Overview .....	144
Sources and Uses .....	150
Function & Fund Type Matrix .....	151
Revenue & Expenditure Summary .....	152
Financial Overview (All Funds) .....	153
Revenues .....	154
Fee Changes .....	164
Expenditures .....	167
<b>Department Budgets</b>	
Town Council .....	174
Town Manager .....	177
Human Resources .....	185
Town Clerk .....	189
Legal Department .....	196
Financial Services .....	200
Central Services .....	204
Magistrate Court .....	216
Police .....	219
Fire .....	235
Community Development Administration .....	244
Building Services .....	247
Planning & Development .....	251
Library .....	261
Parks, Recreation & Tourism .....	265
Public Works .....	292
<b>Supplemental Information</b>	
Financial Policies .....	320
Glossary .....	336
Common Acronyms .....	344



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, 2017. 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.



# **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) 472-5100  
Fax (928) 474-4610

Date: September 24, 2018

To the Residents of the Town of Payson:

It is a privilege and opportunity to serve the amazing 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. The future looks bright but there is still much to be done. These times require prudent use of our 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's 2018-19 budget is grounded on sound fiscal principles. While a tax increase is never popular, the 0.88% increase passed by the Town Council in 2017 will continue to allow the Town to meet its current obligations and needs as well as working towards 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 continue to move forward through changing economic times. We especially thank the Town Manager, Chief Fiscal 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



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

## **TOWN OF PAYSON MISSION**

**We...**

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

## ***OUR CORE VALUES***

### ***LEADERSHIP***

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

### ***EMPOWERED EMPLOYEES***

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

### ***CUSTOMER FOCUS***

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

### ***CONTINUOUS IMPROVEMENTS***

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

## ELECTED TOWN OFFICIALS

July 1, 2018

<b>Mayor</b>	Craig Swartwood
<b>Vice Mayor</b>	Fred Carpenter
<b>Councilmember</b>	Su Connell
<b>Councilmember</b>	Barbara Underwood
<b>Councilmember</b>	Rick Croy
<b>Councilmember</b>	Chris Higgins





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## TOWN MANAGEMENT

July 1, 2018

TOWN MANAGER

LaRon Garrett

DEPUTY TOWN MANAGER: PUBLIC SAFETY

Don Engler

DEPUTY TOWN MANAGER: ADMINISTRATIVE SERVICES

(vacant)

TOWN CLERK

Silvia Smith

TOWN ATTORNEY

Hector Figueroa

CHIEF FISCAL OFFICER

Deborah Barber

MAGISTRATE

Dorothy Little

FIRE CHIEF

David Staub

PUBLIC WORKS DIRECTOR

Sheila DeSchaaf

LIBRARY DIRECTOR

Emily Linkey

PARK, RECREATION & TOURISM DIRECTOR

Courtney Spawn

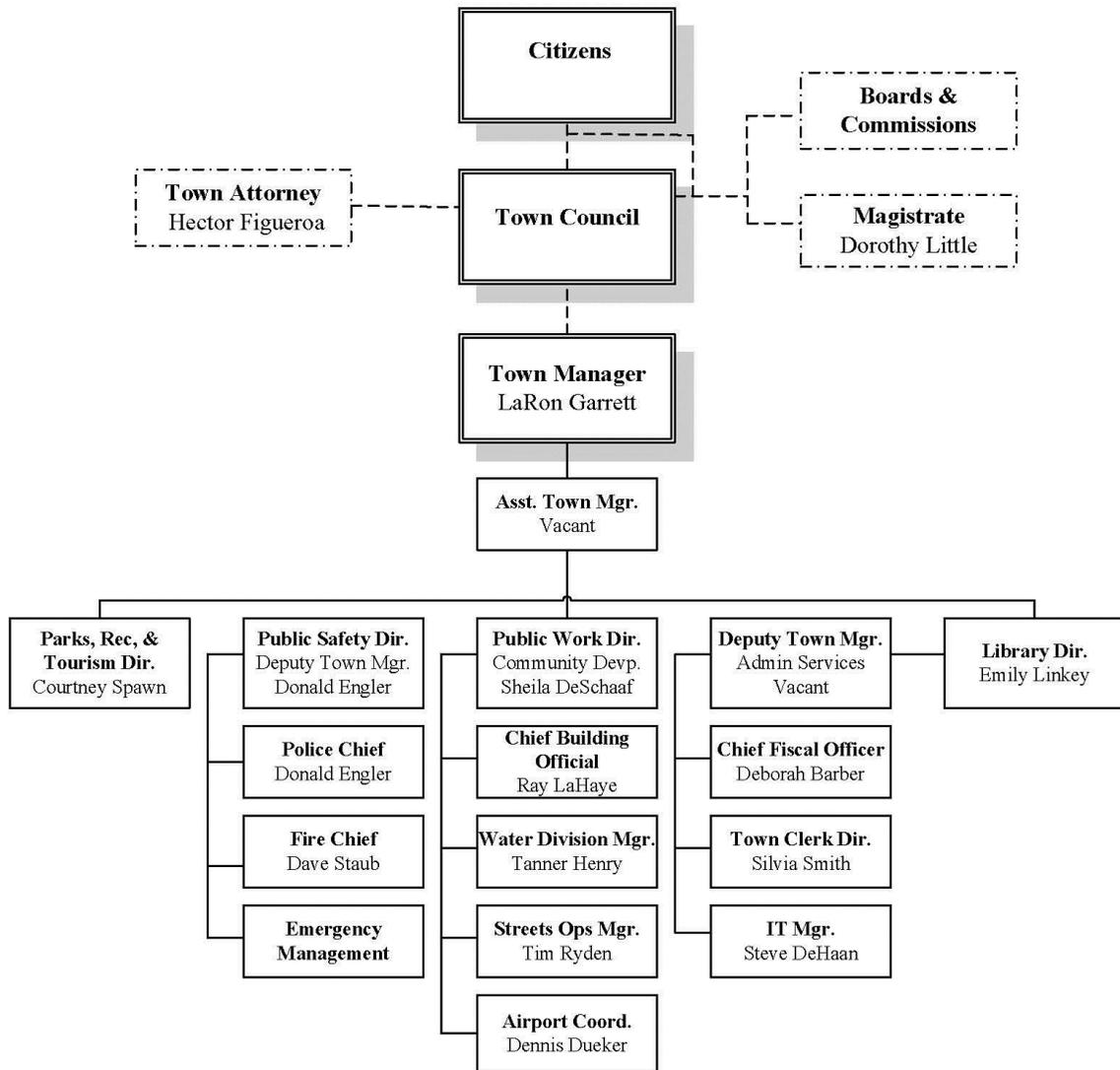
WATER MANAGER

Tanner Henry

INFORMATION TECHNOLOGY MANAGER

Steve DeHaan

## Town of Payson Management Organizational Chart





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

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

September 20, 2018

To the Honorable Mayor, Town Council and Citizens:

We respectfully submit the published Town of Payson fiscal year 2018/19 budget as approved by the Town Council on June 28, 2018. The budget outlines the Town's structure for providing the services, facilities and infrastructure that have helped make Payson the great Town it is today.

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 pain of the recession and subsequent slow economic recovery.

We believe our residents deserve a Town government that is as efficient and effective as the best the private sector has to offer, yet is mindful of the highest ideals of public service. 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, General 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 not only due 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 total debt for general purposes will not exceed 6% of the net secondary assessed value of the property within the Town. Also with consent of the citizens, total debt for the purposes of water, sewer, lights, parks, open space, and recreation facilities may not exceed 20% of the net secondary assessed value of property within the Town. The Town has approximately 96.4% of the general municipal purpose bond capacity available, as well as the full capacity available for 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 resources. 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 continue to see some improvement in construction and new business growth, recovery has been 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 2018/19 for all funds of the Town totals \$46,969,950. This total is \$13,971,621 (29.7%) lower than the budget for fiscal year 2017/18, primarily due to reaching the last phase of the C.C. Cragin Pipeline Project. Total expenditures for fiscal year 2018/19 exceed total budgeted revenues of \$41,618,800. The Town will use higher than expected carryovers from the prior fiscal year to offset the difference; as well as estimating higher fund balances at the end the fiscal year than have been projected in recent years.

- \$29,171,850 is appropriated for operating expenditures or expenses (such as personnel services, supplies, utilities, insurance, repairs, maintenance, training, and depreciation). This figure represents a 14.7% 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.

- \$12,955,900 is for capital outlay; capital projects, and other one-time grant related expenditures. This is 57.8% lower 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 \$8 million budgeted for this project represents 61% of the capital outlay for this fiscal year. Fortunately, the budget also includes some projects that will be funded by grants or inter-governmental 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 have boosted 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.
- \$4,842,200 is for inter-fund operating transfers, debt service, and other uses of funds. Compared to last year, this category has no significant change, and is only increased by \$29,400 (0.6%).

Significant personnel related changes to the budget included:

- Added 2% COLA for employees after remaining stagnant for 10 consecutive years
- 20 full-time employees received wage adjustments or promotions based on department head recommendations
- Changed a part-time position into a full-time Clerk position
- Added three new full-time positions for the Fire Department
- Updated wages for all 911 dispatcher positions
- Unfroze and funded two full-time positions for the Police Department

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 1, 2017. With the new rate of 3% in place, local sales tax revenues are projected to be approximately \$10,000,000 which is an increase of 6.5% 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 \$1,536,000 reflects an increase of 5.3% as compared to last fiscal year. Compared to last fiscal year, State shared income tax is projected to be \$1,899,800 reflecting a 1.3 % decrease. In total, State shared revenues show a slight increase of \$78,200 (1.7%) over last fiscal year.



In contrast, property taxes are a relatively minor revenue source for the Town. The primary property tax levy rate is set at \$0.3731 per \$100 of assessed value. This reflects a small decrease of \$0.0076 per \$100 in comparison to fiscal year 2017/18. Currently, the Town does not have a secondary property tax.

### **Capital Expenditures in the FY 2018/19 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 \$1,230,000 is \$63,000. 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 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 \$1,175,744 or 6.5% of the estimated revenue for the fiscal year 2018/19. The General Fund Reserve meets the financial policy



guideline. Although estimated revenues are up due to the sales tax increase, the decision to pay down public safety retirement obligations; provide a cost of living increase for employees for the first time in 10 years; complete some maintenance and equipment projects that are long overdue; and set aside money in the contingency/equipment 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 \$790,800 (4.7%). The change in revenues is primarily due to the increase in local and state-shared tax revenue.

Operating expenditures are projected to increase \$1,209,300 (7.5%) over the fiscal year 2017/18 budget. Of that increase, \$602,100 is for increases in the cost of fire protection, with \$467,900 attributable to an increased fire personnel budget for overtime expense, reserve firefighters, cost of living and merit increases, and the addition of three new positions in the fire department.

Due to higher expenses across departments (insurance, retirement, professional services, and technology updates), the need for increased personnel in the fire department, as well as a long overdue cost of living increase for all employees, we are unable to meet this policy in the current budget.

***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 as we build our contingency and equipment reserves. In this budget, \$63,000 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.***

This is the first year since the recession that funds will be allocated to build up the Equipment Replacement Fund with \$100,000 being reserved.

***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.***

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

### **III. COUNCIL INITIATIVES**

Prompted by hefty increases in the Town's required 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 allows 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 (Plans) can be found in the Planning & Performance section of this book.)

#### **IV. ECONOMIC FACTORS AFFECTING BUDGET DECISIONS**

Preparing for fiscal year 2018/19 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 2018/19 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 2018/19 fiscal year as we strive to bring new businesses to town and encourage construction related activity. The Tourism Department introduced a new marketing campaign in 2016, "Adventure Where We Live," to 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 our Plans that protect 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 is 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 will 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 2018/19 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 2018/19 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, Jane Warren, Fei Person, and Heidi Gregory) 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,

A handwritten signature in black ink, appearing to read "LaRon G. Garrett", written in a cursive style.

LaRon G. Garrett  
Town Manager



**RESOLUTION NO: 3117**

**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 2018-2019.**

**WHEREAS**, in accordance with the provisions of Title 42, Chapter 17, Arizona Revised Statutes, on June 14, 2018, 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 14, 2018, 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 28, 2018, in the Town Council Chambers at Town Hall, 303 North Beeline Highway, Payson, Arizona, for the purpose of adopting the final budget for FY 2018/2019; and

**WHEREAS**, the Mayor and Town Council find, that publication has been duly made as required by law of said estimates together with a notice that the Mayor and Town Council would meet on June 28, 2018, 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 2018-2019.

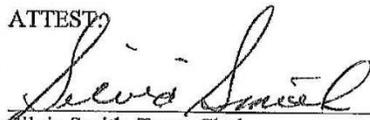
Section 2: The Town of Payson and Town Officials are authorized to take such other actions as are necessary to carry out the purposes and intent of this Resolution.

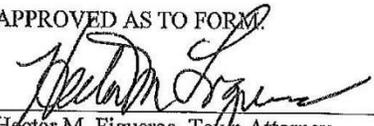


**PASSED AND ADOPTED BY THE MAYOR AND COUNCIL OF THE TOWN OF  
PAYSON, ARIZONA, this 28<sup>th</sup> day of June, 2018, by the following vote:**

AYES 5 NOES 0 ABSTENTIONS 0 ABSENT 2

  
\_\_\_\_\_  
B. Craig Swartwood, Mayor

ATTEST:  
  
\_\_\_\_\_  
Silvia Smith, Town Clerk

APPROVED AS TO FORM:  
  
\_\_\_\_\_  
Hector M. Figueroa, Town Attorney



**TOWN OF PAYSON**  
**Summary Schedule of Estimated Revenues and Expenditures/Expenses**  
**Fiscal Year 2019**

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	
2018	Adopted/Adjusted Budgeted Expenditures/Expenses*	E	17,113,600	7,132,800	578,500	3,557,771	0	31,489,600	0	59,872,271
2018	Actual Expenditures/Expenses**	E	16,174,425	6,599,400	543,400	238,100	0	25,332,800	0	48,888,125
2019	Fund Balance/Net Position at July 1***		2,814,744	871,711	525,849	197,595	0	10,129,740	0	14,539,639
2019	Primary Property Tax Levy	B	680,871							680,871
2019	Secondary Property Tax Levy	B								0
2019	Estimated Revenues Other than Property Taxes	C	17,081,300	7,245,400	476,000	610,700	0	14,260,500	0	39,673,900
2019	Other Financing Sources	D	0	0	0	0	0	0	0	0
2019	Other Financing (Uses)	D	0	0	0	0	0	0	0	0
2019	Interfund Transfers In	D	322,000	818,800	24,100	100,000	0	0	0	1,264,900
2019	Interfund Transfers (Out)	D	739,000	303,900	0	0	0	222,000	0	1,264,900
2019	Reduction for Amounts Not Available:									
	LESS: Amounts for Future Debt Retirement:									0
										0
										0
										0
2019	Total Financial Resources Available		20,159,915	8,632,011	1,025,949	908,295	0	24,168,240	0	54,884,410
2019	Budgeted Expenditures/Expenses	E	18,983,300	8,418,800	418,900	772,900	0	17,111,150	0	45,705,050

**EXPENDITURE LIMITATION COMPARISON**

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

	2018	2019
1.	\$ 59,872,271	\$ 45,705,050
2.		
3.	59,872,271	45,705,050
4.		
5.	\$ 59,872,271	\$ 45,705,050
6.	\$ 59,872,271	\$ 45,705,050

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

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

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

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



**TOWN OF PAYSON**  
**Revenues Other Than Property Taxes**  
**Fiscal Year 2019**

SOURCE OF REVENUES	ESTIMATED REVENUES 2018	ACTUAL REVENUES* 2018	ESTIMATED REVENUES 2019
<b>GENERAL FUND</b>			
<b>Local taxes</b>			
Sales Tax - Town	\$ 9,350,000	\$ 9,500,000	\$ 10,000,000
<b>Licenses and permits</b>			
Franchise Fees	380,000	381,000	385,000
Business Licenses	72,000	74,000	72,000
Liquor Licenses	1,500	1,200	1,500
ROW Permits	5,000	4,600	5,000
Building Permits	330,000	310,000	310,000
<b>Intergovernmental</b>			
State Shared Revenue	3,385,000	3,417,000	3,435,800
Property Taxes-Prior Year	5,000	5,000	5,000
Vehicle License Tax	1,071,000	1,012,000	1,098,400
Tonto Apache Tribe	20,000	12,000	12,000
Gila County	298,500	290,300	302,500
Fire Services IGA	400,000	400,000	412,000
Grants	436,600	212,700	353,400
<b>Charges for services</b>			
Prosecution Fees	45,000	36,000	33,000
Law Enforcement Charges	51,100	50,700	48,700
Fire Service Charges	12,000	23,400	12,400
Zoning Charges	25,000	25,000	25,000
Building Inspections	7,500	7,000	5,000
Engineering Review	10,000	9,000	8,000
Plan Review	150,000	166,000	170,000
<b>Fines and forfeits</b>			
Court Fines & Fees	90,000	100,000	100,000
<b>Interest on investments</b>			
Interest	7,500	20,000	22,000
<b>In-lieu property taxes</b>			
<b>Contributions</b>			
Voluntary contributions	5,800	2,400	9,900
<b>Miscellaneous</b>			
Other Revenue	3,500	3,400	112,200
Recreation Fees	122,000	131,500	123,500
Insurance Recoveries	2,500	10,000	5,000
Surplus Sales	2,500	1,000	1,000
Facilities Lease Fees	11,500	12,300	13,000
<b>Total General Fund</b>	<b>\$ 16,300,500</b>	<b>\$ 16,217,500</b>	<b>\$ 17,081,300</b>

\* 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 2019**

SOURCE OF REVENUES	ESTIMATED REVENUES 2018	ACTUAL REVENUES* 2018	ESTIMATED REVENUES 2019
<b>SPECIAL REVENUE FUNDS</b>			
<b>Highway User Revenue Fund</b>			
Highway Users Gas Tax	\$ 1,646,400	\$ 1,650,000	\$ 1,618,100
Gila County Transportation Tax	825,000	870,000	870,000
Inspection Fees	30,000		3,000
Grants			199,900
Other Revenue	6,000	200	500
	\$ 2,507,400	\$ 2,520,200	\$ 2,691,500
<b>Gifts &amp; Grants Fund</b>			
Contributions			\$ 500,000
			\$ 500,000
<b>Bed Tax Fund</b>			
Bed Tax	\$ 300,000	\$ 330,000	\$ 330,000
	\$ 300,000	\$ 330,000	\$ 330,000
<b>Police Dept. of Justice Fund</b>			
Defense 1033 Revenue	\$ 20,000	\$ 21,000	\$ 21,000
Local RICO Revenue	1,000	3,000	3,000
Grants	41,000		
Public Surplus Sales	6,000	18,000	20,000
	\$ 68,000	\$ 42,000	\$ 44,000
<b>Police Impound Fund</b>			
Impound Fee	\$ 7,000	\$ 12,000	\$ 12,000
	\$ 7,000	\$ 12,000	\$ 12,000
<b>Recreation Facility Improvement Fund</b>			
Facility Fee	\$ 15,000	\$ 15,000	\$ 15,000
	\$ 15,000	\$ 15,000	\$ 15,000
<b>Library Fund</b>			
Gila County Library District Tax	\$ 229,400	\$ 230,400	\$ 230,400
Fines	17,000	15,000	15,000
	\$ 246,400	\$ 245,400	\$ 245,400
<b>Magistrate Court - FTG Fund</b>			
Contributions	\$ 1,000	\$ 1,000	\$ 1,000
	\$ 1,000	\$ 1,000	\$ 1,000
<b>Airport Fund</b>			
Grants	\$ 1,261,200	\$ 911,000	\$ 1,123,200
Tie Down Fee	10,000	10,000	10,000
Gate Fees	9,600	8,500	8,500
Ground Leases	18,100	21,000	21,000
Hangar Leases	55,000	56,000	56,000
Fuel Sales	4,000	5,000	5,000
Other	8,500	33,000	7,500
	\$ 1,366,400	\$ 1,044,500	\$ 1,231,200
<b>Event Center Fund</b>			
TEV Arts Grant	\$ 2,000	\$ 3,000	\$ 3,000
Event Revenue	120,000	100,000	116,000
	\$ 122,000	\$ 103,000	\$ 119,000
<b>Health Insurance Fund</b>			
Employee Contribution	\$ 387,000	\$ 330,000	\$ 432,100
Employer Contribution	902,500	752,700	974,700
Retiree Contribution	113,500	110,100	120,400
Employer Retiree Contribution	550,700	576,700	529,100
	\$ 1,953,700	\$ 1,769,500	\$ 2,056,300
<b>Total Special Revenue Funds</b>	<b>\$ 6,586,900</b>	<b>\$ 6,082,600</b>	<b>\$ 7,245,400</b>



**TOWN OF PAYSON  
Revenues Other Than Property Taxes  
Fiscal Year 2019**

<b>SOURCE OF REVENUES</b>	<b>ESTIMATED REVENUES 2018</b>	<b>ACTUAL REVENUES* 2018</b>	<b>ESTIMATED REVENUES 2019</b>
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\* 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 2019**

SOURCE OF REVENUES	ESTIMATED REVENUES 2018	ACTUAL REVENUES* 2018	ESTIMATED REVENUES 2019
<b>DEBT SERVICE FUNDS</b>			
<b>Westerly Road ID Debt Service Fund</b>			
Assessment Principal	\$ 45,100	\$ 45,100	\$ 48,600
Assessment Interest	12,500	12,500	12,400
	\$ 57,600	\$ 57,600	\$ 61,000
<b>General Obligation Bond Debt Svc Fund</b>			
Sales Tax - Town	\$ 370,000	\$ 415,000	\$ 415,000
	\$ 370,000	\$ 415,000	\$ 415,000
<b>Total Debt Service Funds</b>	<b>\$ 427,600</b>	<b>\$ 472,600</b>	<b>\$ 476,000</b>
<b>CAPITAL PROJECTS FUNDS</b>			
<b>Grant Capital Projects Fund</b>			
Grants	\$ 1,064,600	\$ 163,100	\$ 334,700
	\$ 1,064,600	\$ 163,100	\$ 334,700
<b>American Gulch Improvement District</b>			
	\$	\$	\$
Contributions	150,000		275,000
	\$ 150,000	\$	\$ 275,000
<b>Timber Ridge Improvement District</b>			
Debt Proceeds	\$ 2,100,000	\$	\$
	\$ 2,100,000	\$	\$
<b>Central Arizona Project Trust Fund</b>			
Interest	\$	\$ 1,000	\$ 1,000
	\$	\$ 1,000	\$ 1,000
<b>Total Capital Projects Funds</b>	<b>\$ 3,314,600</b>	<b>\$ 164,100</b>	<b>\$ 610,700</b>

\* 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 2019**

SOURCE OF REVENUES	ESTIMATED REVENUES 2018	ACTUAL REVENUES* 2018	ESTIMATED REVENUES 2019
<b>PERMANENT FUNDS</b>			
Not Applicable	\$ _____	\$ _____	\$ _____
	\$ _____	\$ _____	\$ _____
<b>Total Permanent Funds</b>	<b>\$ _____</b>	<b>\$ _____</b>	<b>\$ _____</b>
<b>ENTERPRISE FUNDS</b>			
<b>Water Fund</b>			
Intergovernmental	\$ 35,000	\$ 800	\$ 30,000
Charges for Services	5,946,000	6,378,600	6,432,000
Impact Fees	340,000	340,000	350,000
Interest Earnings	40,000	120,000	120,000
Facilities Leases	62,000	62,000	63,000
Debt Proceeds	24,000,000	18,500,000	7,000,000
Loan Repayment	182,500	158,900	207,500
Other	58,000	91,200	58,000
	<b>\$ 30,663,500</b>	<b>\$ 25,651,500</b>	<b>\$ 14,260,500</b>
<b>Total Enterprise Funds</b>	<b>\$ 30,663,500</b>	<b>\$ 25,651,500</b>	<b>\$ 14,260,500</b>

\* 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 2019**

SOURCE OF REVENUES	ESTIMATED REVENUES 2018	ACTUAL REVENUES* 2018	ESTIMATED REVENUES 2019
<b>INTERNAL SERVICE FUNDS</b>			
Not Applicable	\$ _____	\$ _____	\$ _____
	\$ _____	\$ _____	\$ _____
<b>Total Internal Service Funds</b>	\$ _____	\$ _____	\$ _____
	\$ _____	\$ _____	\$ _____
	\$ _____	\$ _____	\$ _____
	\$ _____	\$ _____	\$ _____
	\$ _____	\$ _____	\$ _____
<b>TOTAL ALL FUNDS</b>	\$ <u>57,293,100</u>	\$ <u>48,588,300</u>	\$ <u>39,673,900</u>

\* 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  
Expenditures/Expenses by Fund  
Fiscal Year 2019**

<b>FUND/DEPARTMENT</b>	<b>ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2018</b>	<b>EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2018</b>	<b>ACTUAL EXPENDITURES/ EXPENSES* 2018</b>	<b>BUDGETED EXPENDITURES/ EXPENSES 2019</b>
<b>GENERAL FUND</b>				
Central Services	\$ 1,523,600	\$	\$ 1,422,600	\$ 1,580,900
Town Clerk	221,700		219,400	251,900
Elections	16,000		1,500	51,000
Town Manager	220,400		217,900	227,300
Human Resources	238,100		238,500	311,200
Financial Services	531,600		478,600	525,800
Information Technology	803,500		779,800	1,175,000
Tourism & Economic Vitality	129,400		128,600	81,000
Town Council	102,500		96,500	120,100
Magistrate Court	213,100		187,600	213,100
Town Attorney	448,700		439,100	471,000
Police	6,525,100		5,918,300	6,844,200
Fire	3,804,100		3,754,600	4,506,200
Parks & Recreation	1,345,900		1,406,525	1,473,500
Community Development	989,900		884,900	1,151,100
<b>Total General Fund</b>	<b>\$ 17,113,600</b>	<b>\$</b>	<b>\$ 16,174,425</b>	<b>\$ 18,983,300</b>
<b>SPECIAL REVENUE FUNDS</b>				
HURF	\$ 2,715,600	\$	\$ 2,602,400	\$ 3,213,700
Recreation Facility Impr Fund	62,000			
Gifts & Grants Fund				517,000
Bed Tax Fund	176,400		176,400	166,400
Police Dept of Justice Fund	102,300		61,500	80,000
Police Impound Fund				23,000
Library Fund	428,300		388,300	441,000
Airport Fund	1,472,300		1,127,500	1,398,500
Event Center Fund	222,200		289,600	322,900
Health Insurance Fund	1,953,700		1,953,700	2,056,300
Council Contingency Fund				200,000
<b>Total Special Revenue Funds</b>	<b>\$ 7,132,800</b>	<b>\$</b>	<b>\$ 6,599,400</b>	<b>\$ 8,418,800</b>
<b>DEBT SERVICE FUNDS</b>				
Westerly Road ID Debt Service	\$ 78,900	\$	\$ 83,900	\$ 85,100
Excise Tax Obligation DS	128,000		127,900	
GO Bonds Debt Service	331,600		331,600	333,800
Timber Ridge ID Debt Service	40,000			
<b>Total Debt Service Funds</b>	<b>\$ 578,500</b>	<b>\$</b>	<b>\$ 543,400</b>	<b>\$ 418,900</b>
<b>CAPITAL PROJECTS FUNDS</b>				
Grant Capital Projects Fund	\$ 1,105,000	\$	\$ 163,100	\$ 334,700
Public Safety Bond Project Fund	114,500		15,000	105,000
American Gulch Improve. Dist	150,000			275,000
CAP Trust Fund	128,271		60,000	58,200
Timber Ridge ID Construction	2,060,000			
<b>Total Capital Projects Funds</b>	<b>\$ 3,557,771</b>	<b>\$</b>	<b>\$ 238,100</b>	<b>\$ 772,900</b>
<b>PERMANENT FUNDS</b>				
Not Applicable	\$	\$	\$	\$
<b>Total Permanent Funds</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>ENTERPRISE FUNDS</b>				
Water Fund	\$ 31,489,600	\$	\$ 25,332,800	\$ 17,111,150
<b>Total Enterprise Funds</b>	<b>\$ 31,489,600</b>	<b>\$</b>	<b>\$ 25,332,800</b>	<b>\$ 17,111,150</b>
<b>INTERNAL SERVICE FUNDS</b>				
Not Applicable	\$	\$	\$	\$
<b>Total Internal Service Funds</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>TOTAL ALL FUNDS</b>	<b>\$ 59,872,271</b>	<b>\$</b>	<b>\$ 48,888,125</b>	<b>\$ 45,705,050</b>

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



**TOWN OF PAYSON**  
Expenditures/Expenses by Department  
Fiscal Year 2019

DEPARTMENT/FUND	ADOPTED	EXPENDITURE/	ACTUAL	BUDGETED
	BUDGETED	EXPENSE	EXPENDITURES/	EXPENDITURES/
	EXPENDITURES/	ADJUSTMENTS	EXPENSES*	EXPENSES/
	EXPENSES	APPROVED	EXPENSES*	EXPENSES
	2018	2018	2018	2019
<b>General Government:</b>				
General Fund	\$ 1,523,600	\$	\$ 1,422,600	\$ 1,580,900
Council Contingency Fund				200,000
Health Insurance Fund	1,953,700		1,953,700	2,056,300
<b>Department Total</b>	<b>\$ 3,477,300</b>	<b>\$</b>	<b>\$ 3,376,300</b>	<b>\$ 3,837,200</b>
<b>Town Clerk/General Fund</b>				
General Fund	\$ 237,700	\$	\$ 220,900	\$ 302,900
<b>Department Total</b>	<b>\$ 237,700</b>	<b>\$</b>	<b>\$ 220,900</b>	<b>\$ 302,900</b>
<b>Town Manager/General Fund</b>				
General Fund	\$ 220,400	\$	\$ 217,900	\$ 227,300
<b>Department Total</b>	<b>\$ 220,400</b>	<b>\$</b>	<b>\$ 217,900</b>	<b>\$ 227,300</b>
<b>Human Resources/General Fund</b>				
General Fund	\$ 238,100	\$	\$ 238,500	\$ 311,200
<b>Department Total</b>	<b>\$ 238,100</b>	<b>\$</b>	<b>\$ 238,500</b>	<b>\$ 311,200</b>
<b>Financial Services/General Fund</b>				
General Fund	\$ 531,600	\$	\$ 478,600	\$ 525,800
<b>Department Total</b>	<b>\$ 531,600</b>	<b>\$</b>	<b>\$ 478,600</b>	<b>\$ 525,800</b>
<b>Info Technology/General Fund</b>				
General Fund	\$ 803,500	\$	\$ 779,800	\$ 1,175,000
<b>Department Total</b>	<b>\$ 803,500</b>	<b>\$</b>	<b>\$ 779,800</b>	<b>\$ 1,175,000</b>
<b>Town Council/General Fund</b>				
General Fund	\$ 102,500	\$	\$ 96,500	\$ 120,100
<b>Department Total</b>	<b>\$ 102,500</b>	<b>\$</b>	<b>\$ 96,500</b>	<b>\$ 120,100</b>
<b>Magistrate Court/General Fund</b>				
General Fund	\$ 213,100	\$	\$ 187,600	\$ 213,100
<b>Department Total</b>	<b>\$ 213,100</b>	<b>\$</b>	<b>\$ 187,600</b>	<b>\$ 213,100</b>
<b>Town Attorney/General Fund</b>				
General Fund	\$ 448,700	\$	\$ 439,100	\$ 471,000
<b>Department Total</b>	<b>\$ 448,700</b>	<b>\$</b>	<b>\$ 439,100</b>	<b>\$ 471,000</b>
<b>Police:</b>				
General Fund	\$ 6,525,100	\$	\$ 5,918,300	\$ 6,844,200
Dept of Justice fund	102,300		61,500	80,000
Police Impound Fund				23,000
Grant Capital Project Fund	57,200		57,100	37,900
Public Safety Bond Proj Fund	114,500		15,000	105,000
GO Bonds Debt Service	331,600		331,600	333,800
<b>Department Total</b>	<b>\$ 7,130,700</b>	<b>\$</b>	<b>\$ 6,383,500</b>	<b>\$ 7,423,900</b>
<b>Fire:</b>				
General Fund	\$ 3,804,100	\$	\$ 3,754,600	\$ 4,506,200
Grant Capital Project Fund	847,800			30,800
<b>Department Total</b>	<b>\$ 4,651,900</b>	<b>\$</b>	<b>\$ 3,754,600</b>	<b>\$ 4,537,000</b>
<b>Public Works</b>				
HURF	\$ 2,715,600	\$	\$ 2,602,400	\$ 3,213,700
Airport Fund	1,472,300		1,127,500	1,398,500
Westerly Road ID Debt Serv	78,900		83,900	85,100
Excise Tax Debt Service	128,000		127,900	
American Gulch Improv Dist	150,000			275,000
Timber Ridge ID Constr	2,080,000			
Timber Ridge ID Debt Serv	40,000			
<b>Department Total</b>	<b>\$ 6,644,800</b>	<b>\$</b>	<b>\$ 3,941,700</b>	<b>\$ 4,972,300</b>
<b>Parks, Recreation &amp; Tourism:</b>				
General Fund	\$ 1,475,300	\$	\$ 1,535,125	\$ 1,554,500
Bed Tax Fund	176,400		176,400	166,400
Event Center Fund	222,200		289,600	322,900
Facility Improvement Fund	62,000			
Gifts & Grants Fund				500,000
<b>Department Total</b>	<b>\$ 1,935,900</b>	<b>\$</b>	<b>\$ 2,001,125</b>	<b>\$ 2,543,800</b>
<b>Community Development</b>				
General Fund	\$ 989,900	\$	\$ 884,900	\$ 1,151,100
Gifts & Grants Fund				17,000
Grant Capital Project Fund	200,000		106,000	266,000
<b>Department Total</b>	<b>\$ 1,189,900</b>	<b>\$</b>	<b>\$ 990,900</b>	<b>\$ 1,434,100</b>
<b>Library/Library Fund</b>				
General Fund	\$ 428,300	\$	\$ 388,300	\$ 441,000
<b>Department Total</b>	<b>\$ 428,300</b>	<b>\$</b>	<b>\$ 388,300</b>	<b>\$ 441,000</b>
<b>Water:</b>				
Water Fund	\$ 31,489,600	\$	\$ 25,332,800	\$ 17,111,150
CAP Trust Fund	128,271		60,000	58,200
<b>Department Total</b>	<b>\$ 31,617,871</b>	<b>\$</b>	<b>\$ 25,392,800</b>	<b>\$ 17,169,350</b>

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



## Quick Reference Guide

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

<b>If you have this question...</b>	<b>Refer to</b>	<b>Page</b>
<b>How much is the 2018/2019 budget?</b>	Town Manager’s Budget Message	12
	Sources & Uses	150
	Financial Overview	153
<b>What is the breakdown of dollars for the 2018/2019 budget by fund?</b>	Financial Overview	153
<b>What are the primary sources of revenue for the Town?</b>	Budget Summary: Revenue	144
	Revenue Summary by Fund	154
	Revenue Detail	155
<b>What does the Town spend its money on?</b>	Town Manager’s Budget Message	12
	Budget Summary: Expenditures	146
	Expenditure Summary	166
	Expenditure Detail – All Funds	169
<b>What is the Town’s budget process timeline?</b>	Budget Process Overview	110
	Budget Calendar	114
<b>What are the budgeted dollars for each department?</b>	Sources & Uses	150
	Expenditure Summary	166
	Department Budgets	173
<b>How is the economy of the Town?</b>	Town Manager’s Budget Message	12
<b>What are the capital improvement projects?</b>	Capital Improvement Plan	82
	Capital Project Fund	139
<b>What planning documents influence budget priorities?</b>	General Plan	45
	Corporate Strategic Plan (CSP)	55
	Capital Improvement Plan (CIP)	82



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## 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 to 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 applies 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.

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

**PLANNING & PERFORMANCE:** This section presents information regarding the Town's short-term and long-term planning documents and performance measures that quantify progress towards the defined goals. An overview of the General Plan (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](http://www.paysonaz.gov). The five-year financial forecast is also presented.

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

**FUND SUMMARY:** This section presents budget summaries in various formats: sources and uses, total financial program, revenue and expenditure summary. Provides more specific information regarding revenues and expenditures within the various funds.

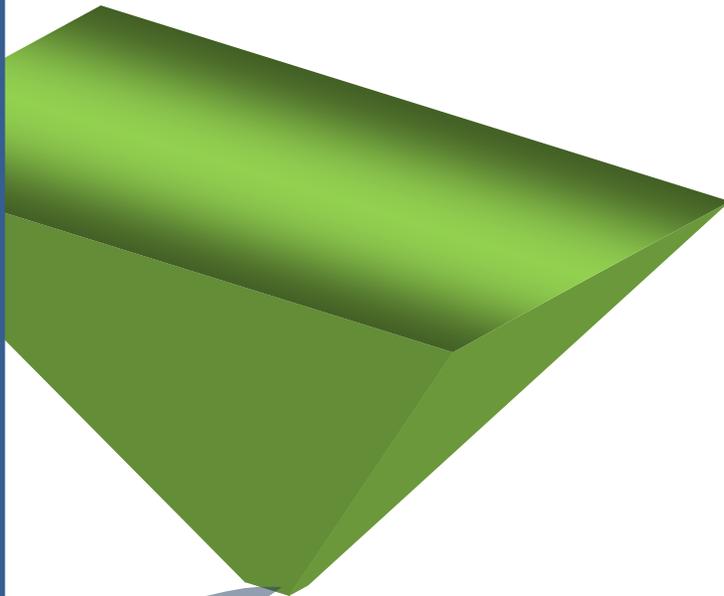
**BUDGET SUMMARY:** Presents an overview of the budget, including the revenue side and the operating expenditure side of the budget in both summary and detail formats, as well as changes to the Fee Schedule and the operating budget in summary and in detail by expenditure line item.

**DEPARTMENT BUDGETS:** Provides a detailed look at each department/division.

**SUPPLEMENTAL INFORMATION:** This section presents our financial policies, and the glossary.



# **TOWN & COMMUNITY PROFILE**





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## ABOUT PAYSON

### GENERAL INFORMATION

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

The Payson 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, Walmart, and the Town of Payson.





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## **FORM OF GOVERNMENT**

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

The municipal government is broken down into departments that are headed by directors/managers. These directors/managers are hired by and report to the Town Manager, 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 managed by the Human Resources Manager with Chief Fiscal Officer (CFO) oversight.



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 Wild-land/Urban Program which allows departments from all over the state to enter into agreements to facilitate the movement of firefighting resources to any wild land 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.

The **Parks, 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 such as equestrian activities. The Trails and Open Spaces division is responsible for the construction and maintenance of the interconnecting trail system. The Tourism division markets the Town to 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 the Recreation & Tourism Department. Parks Operations division provides quality development and upkeep of the Town's park system. The Parks, Recreation & Tourism department is headed by the Parks, Recreation & Tourism Director.

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

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



## Where is Payson, Arizona?



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

## TOWN STAFFING HISTORY

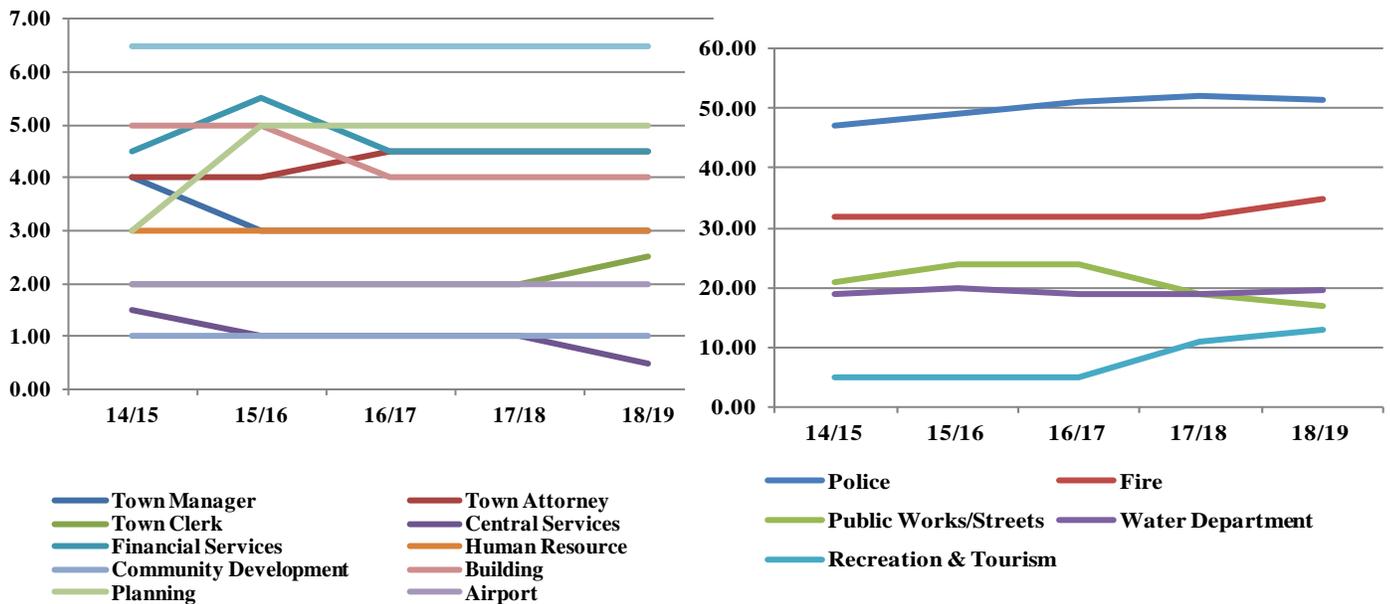
### Authorized Positions

Department/Division	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19
Town Manager	5.00	5.00	5.00	4.00	4.00	5.00	4.00	4.00	4.00	4.00
Town Attorney	4.50	4.00	4.00	4.00	4.50	4.50	4.50	4.50	5.00	5.00
Town Clerk	4.00	4.00	4.00	4.00	3.00	3.00	3.00	3.00	3.00	3.00
Central Services	0.00	0.00	0.00	0.00	2.50	1.50	1.00	1.00	1.00	1.00
Financial Services	6.00	6.00	6.00	7.00	7.00	7.00	7.00	7.00	6.00	6.00
Police	48.00	48.00	48.00	48.00	50.00	51.00	52.00	57.00	57.00	52.00
Fire	25.00	24.00	27.00	33.00	32.00	32.00	32.00	32.00	32.00	35.00
Human Resource	2.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Community Development	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.00
Building	8.00	8.00	8.00	8.00	8.00	6.00	5.00	5.00	5.00	4.00
Planning	4.00	4.00	4.00	4.00	2.00	4.00	5.00	5.00	5.00	5.00
Airport	1.00	1.00	1.50	1.50	1.50	1.50	2.00	2.00	2.00	2.00
Public Works/Streets	22.50	22.50	22.00	22.00	22.00	22.00	24.00	24.00	19.00	19.00
Water Department	19.00	22.00	21.00	21.00	20.00	20.00	20.00	19.00	19.00	20.00
Library	8.00	8.00	8.00	8.00	8.00	8.00	7.50	7.50	7.00	7.00
Recreation & Tourism	7.00	7.00	6.50	6.50	6.50	6.50	6.00	6.00	12.00	15.00
<b>Total Authorized Positions</b>	<b>166.00</b>	<b>168.50</b>	<b>170.00</b>	<b>176.00</b>	<b>176.00</b>	<b>177.00</b>	<b>178.00</b>	<b>182.00</b>	<b>182.00</b>	<b>182.00</b>



### Town Budgeted Positions

Department/Division	14/15	15/16	16/17	17/18	18/19
Town Manager	4.00	3.00	3.00	3.00	3.00
Town Attorney	4.00	4.00	4.50	4.50	4.50
Town Clerk	2.00	2.00	2.00	2.00	2.50
Central Services	1.50	1.00	1.00	1.00	0.50
Financial Services	4.50	5.50	4.50	4.50	4.50
Police	47.00	49.00	51.00	52.00	51.50
Fire	32.00	32.00	32.00	32.00	35.00
Human Resource	3.00	3.00	3.00	3.00	3.00
Community Development	1.00	1.00	1.00	1.00	1.00
Building	5.00	5.00	4.00	4.00	4.00
Planning	3.00	5.00	5.00	5.00	5.00
Airport	2.00	2.00	2.00	2.00	2.00
Public Works/Streets	21.00	24.00	24.00	19.00	17.00
Water Department	19.00	20.00	19.00	19.00	19.50
Library	6.50	6.50	6.50	6.50	6.50
Recreation & Tourism	5.00	5.00	5.00	11.00	13.00
<b>Total</b>	<b>160.50</b>	<b>168.00</b>	<b>167.50</b>	<b>169.50</b>	<b>172.50</b>





## Explanation Regarding Changes in Budgeted Staffing

### Police Department

- One position unfrozen for the full-time Sergeant position, starting half way into year.
- One position unfrozen for the full-time Officer position, starting half way into year.

### Fire Department

- Three full-time positions added for Rover, Fuels Management, and Fire Prevention, with one position starting half way into year.

### Public Works Department

- Four positions redistributed to Parks Operations and Event Center.

### Parks, Recreation and Tourism Department

- Three full-time positions added to Event Center/Parks.

### Town Clerk

- One position added, starting half way into year.

## Principal Employers in Town

Employer	Employee No. ( Current )	Employee No. ( 2009 )
Payson Unified School District	325	341
Mazatzal Casino & Hotel	285	357
Walmart	273	295
Gila County	233	175
Banner Payson / PRMC	225	320
Town of Payson	180	167
Rim Country Health	139	150
Payson Care Center/Life Care Center	134	127
Home Depot	132	95
Safeway Supermarket	123	106
Gila Community College (Payson Campus)	79	-
US Forest Service	78	90
Basha's Supermarket	65	64
Culvers	50	-
Chapman Auto	41	36
Chili's Restaurant	38	-
Big Lots	20	-
<b>Total</b>	<b>2420</b>	<b>2323</b>

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

## Demographic & Economic Statistics

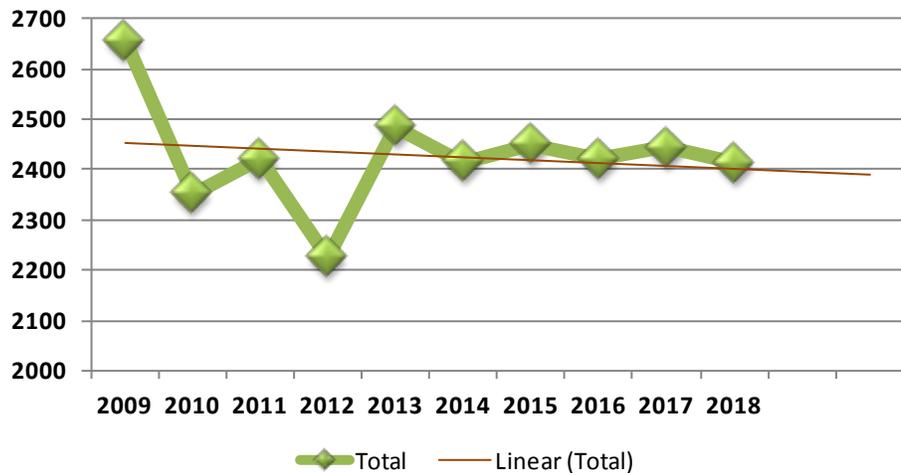
Calendar Year	Population	Median Household Income	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2009	17,281	\$40,993	n/a	49.3	2,657	7.3%
2010	17,281	\$40,993	n/a	49.3	2,352	7.9%
2011	15,301	\$36,764	n/a	54.2	2,420	7.7%
2012	15,301	\$42,342	\$25,716	53.1	2,225	9.6%
2013	15,215	\$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%
2018	15,520	\$45,593	\$26,562	57.1	2,413	8.1%

Sources: *Sperling's Best Places;*  
*US Census Bureau 2016 American Community Survey 5-Year Estimates*

## School Enrollment

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

Year	No. of Students
2009	2657
2010	2352
2011	2420
2012	2225
2013	2485
2014	2415
2015	2450
2016	2420
2017	2445
2018	2413



Sources: *Payson Unified School District*

## Education Attainment

### Population 25 years and over:

Less than 9th grade:	3.84%
9th to 12th grade, no diploma:	6.91%
High School graduate (including equivalency):	25.29%
Some college, no degree:	26.68%
Associate's Degree:	11.36%
Bachelor's Degree:	16.38%
Master's Degree:	9.54%

*Sources: U.S. Census Bureau, 2016 American Community Survey 5-Year Estimates*

## Population by Sex & Age

<b>Total Population</b>	15,520
Male	47%
Female	53%
Under 4 years	3.6%
5 to 9 years	3.5%
10 to 14 years	3.9%
15 to 19 years	4.4%
20 to 24 years	4.8%
25 to 29 years	3.2%
30 to 34 years	3.9%
35 to 39 years	2.5%
40 to 44 years	4.8%
45 to 49 years	4.7%
50 to 54 years	7.6%
55 to 59 years	7.5%
60 to 64 years	9.6%
65 to 69 years	10.3%
70 to 74 years	10.1%
75 to 79 years	6.9%
80 to 84 years	5.1%
85 years and over	3.6%

*Sources: U.S. Census Bureau, 2016 American Community Survey 5-Year Estimates*

## Comparison of General Housing Statistics

	Payson, AZ	United States
Medium Home Age	24	37
Median Home Cost	\$ 227,100.00	\$ 216,200.00
Home Owned	52.49%	56.34%
Homes Rented	22.01%	31.21%
Vacancy Rate	25.50%	12.45%
Average Rent for Homes/Apartments		
Studio Apartment	\$ 680.00	\$ 890.00
1 Bedroom Home/Apartment	\$ 750.00	\$ 990.00
2 Bedroom Home/Apartment	\$ 1,090.00	\$ 1,240.00
3 Bedroom Home/Apartment	\$ 1,430.00	\$ 1,660.00
4 Bedroom Home/Apartment	\$ 1,600.00	\$ 1,910.00

*Sources: 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%

## Housing Units by Year Structure Built

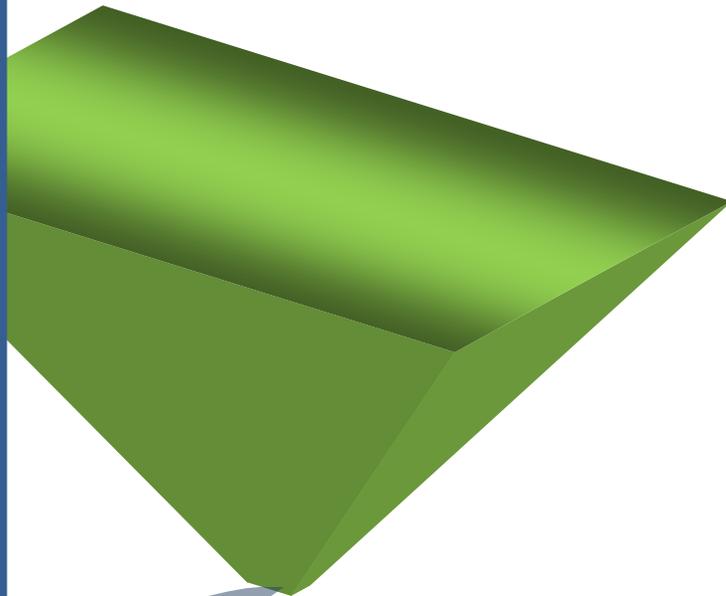
2014 and newer	0.40%
2010 to 2013	1.00%
2000 to 2009	21.80%
1990 to 1999	24.80%
1980 to 1989	28.30%
1970 to 1979	16.20%
1960 to 1969	5.40%
1950 to 1959	1.60%
1940 to 1949	0.30%

*Sources: Sperling's Best Places;  
US Census Bureau 2016 American Community  
Survey 5-Year Estimates*





# **PLANNING & PERFORMANCE**





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## 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 redevelopment areas.*

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

### **Growth Area Element**

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

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

### **Circulation/Transportation Element**

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

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

**Cost of Development Element**

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

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

The Town meets these goals by managing the pattern and rate of growth in a way that preserves existing land use patterns; encouraging 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](http://www.paysonaz.gov) on the Community Development page under the Department tab.

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

ENVIRONMENTAL PLANNING			
	<u>Goal and Strategy</u>	<u>Primary Stakeholder</u>	<u>Completion Timeframe</u>
<b>EP1</b>	Implement a modified version of the American Gulch Study	Public Works	
.1	Seek funding for Gulch Improvements & work with land owners to implement		Short
<b>EP2</b>	Improve storm water 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 storm water control methods that retain natural systems and minimize potential damage to private property		Short
<b>EP3</b>	Develop and implement an Urban Forestry & Native Species Protection Plan	Community Development	
.1	Reduce heat island effects by encouraging green roofs, tree		Medium

	canopies, and permeable surfaces.	
	.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 right-of-way through predevelopment plant inventories and conservation/replacement incentives	Short
	.5 Require "Ponderosa Pine" protection/replacement town-wide	Short
<b>EP4</b>	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
	.3 Encourage development which reduces vehicle miles traveled through multi-modal transportation connectivity	Short
<b>EP5</b>	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
<b>EP6</b>	Negotiate development agreements to encourage infill, less impervious surface, and 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
<b>EP7</b>	Identify and conserve natural wildlife corridors	Community Development
	.1 Incorporate natural wildlife habitats and corridors into developments	Short
<b>EP8</b>	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 and electronics collections		Short
.3	Organize hazardous waste collection events		Short
<b>EP9</b>	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>
<b>WR1</b>	Continue to promote Safe Yield and conservation of water resources through policies and practices	Water	
.1	Continue to develop wise use policies and programs through the Water Department		Short
.2	Produce and distribute high quality educational materials to promote best practices.		Short
<b>WR2</b>	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
<b>WR3</b>	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 portable 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
<b>WR4</b>	Maximize the use of reclaimed wastewater whenever it is safe and economical	Water	
.1	Work with the Sanitary District to utilize reclaimed effluent whenever 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
<b>WR5</b>	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
<b>OPEN SPACE, PARKS AND RECREATION</b>			
	<b><u>Goal and Strategy</u></b>	<b><u>Primary Stakeholder</u></b>	<b><u>Completion Timeframe</u></b>
<b>OS1</b>	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
<b>OS2</b>	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
<b>OS3</b>	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
<b>OS4</b>	Design and implement a way-finding system that enhances tourism	Recreation & Tourism	
	.1 Develop sign standards		Short
<b>OS5</b>	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
<b>OS6</b>	Integrate the development of multi-purpose trails in conjunction with the transportation/circulation system	Recreation & Tourism	
	.1 Develop a trail master plan to plan and finance an integrated trail network		Short
	.2 Incorporate trail elements of the transportation plan into the Park Master Plan		Short
	.3 Develop an urban trails system that parallels roadways where there are no sidewalks or bicycle lanes		Short
<b>OS7</b>	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
<b>OS8</b>	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>
<b>LU1</b>	Adopt proactive growth management policies to direct development spatially and aesthetically	Community Development	
.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 and protect open space		Medium
.4	Pursue avenues to eliminate unsightly or dilapidated structures		Long
<b>LU2</b>	Incorporate green infrastructure throughout the 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
<b>LU3</b>	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 way-finding design variations to help define commercial areas of the Town		Medium
<b>LU4</b>	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
.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
<b>LU5</b>	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
<b>LU6</b>	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
<b>GROWTH AREA</b>			
	<b><u>Goal and Strategy</u></b>	<b><u>Primary Stakeholder</u></b>	<b><u>Completion Timeframe</u></b>
<b>GA1</b>	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
<b>GA2</b>	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

<b>GA3</b>	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
.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
<b>GA4</b>	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 to develop a method of evaluating the potential environmental impacts of proposed development		Medium
<b>GA5</b>	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
.5	Capture a greater share of the retail expenditures by encouraging pass-through traffic to shop and frequent local business		Medium
.6	Encourage infill opportunities for vacant or under-utilized parcels		Medium
<b>CIRCULATION/TRANSPORTATION</b>			
	<b><u>Goal and Strategy</u></b>	<b><u>Primary Stakeholder</u></b>	<b><u>Completion Timeframe</u></b>
<b>CT1</b>	Adopt and implement an annual Capital Improvement Plan (CIP)	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
<b>CT2</b>	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
<b>CT3</b>	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
	.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		Short
<b>CT4</b>	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
<b>CT5</b>	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 right-of-ways and in commercially zoned corridors		Short
<b>CT6</b>	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
<b>CT7</b>	Increase pedestrian and bicyclist safety	Public Works	
	.1 Identify traffic calming improvements and develop a phased implementation plan		Short



	.2 Identify specific off-road options & develop a funding plan		Medium
<b>CT8</b>	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>
<b>CD1</b>	Utilize the annual Capital Improvement Plan (CIP) 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
<b>CD2</b>	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
<b>CD3</b>	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
<b>CD4</b>	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
<b>CD5</b>	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](http://www.paysonaz.gov) on the Community Development page under the Department tab.*

## 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 difficult economic conditions. The CSP is aligned with the Town’s mission and its’ General Plan by specifying priorities and strategies for achieving these priorities over a three-year period. Funding is allocated during the subsequent budget process. The CSP is reviewed annually and updated every three years. The current CSP covers the period 2018 to 2021.

### KEY RESULTS AREAS

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

The Key Results Areas (KRAs) include:

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



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

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

#### ***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**

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



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***Priority #2: Foster an environment for entrepreneurial growth***

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

**Strategies**

- 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.
- Participate in regional and state-wide collaboration to enhance entrepreneurial opportunities.
- 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.

**Strategies**

- Support development of the regional campus project.
- Promote residential and commercial infill compatible with neighborhoods.
- Promote adaptive reuse of existing structures.
- 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**

- Continue efforts to preserve and expand the Town’s sales tax revenue base.
- Market Payson events and promote and market Payson as a destination to the business and leisure traveler.
- Promote and build upon the “Arizona’s Cool Mountain Town” brand in conjunction with the “Adventure Where We Live” program.
- Eliminate barriers between government entities for government sponsored events.
- Support professional/amateur/youth sports, film, entertainment and special events which generate tourism revenue.
- Encourage the revitalization of existing retail centers and neighborhood retail businesses.
- 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**

- Collaborate regionally with various community organizations and other providers to create a job training program in Payson.
- Strengthen the relationship between the public sector workforce programs and the business community.
- Focus resources on enrichment and education programs through community centers, job training programs and the Library.
- Collaborate with Gila County on a summer time youth employment program.

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

KRA Priority #	Intended Outcome	Department Responsible	FY16/17 Actual	FY17/18 Goal	FY17/18 Actual	FY18/19 Goal
4	Implement Tourism Master Plan (% completed)	Tourism	0%	0%	0%	50%
4	Increase # of events held at Events Center	Events Center	35	37	17	20
4	Increase # of days Event Center is in use	Events Center	137	140	71	80
4	Visits to tourism website	Tourism	1,072,123	1,100,000	1,104,286	1,100,000
4	# of media mentions in the Valley promoting Payson tourism/events	Tourism	3,210	3,225	3,306	3,350
1	Roundtables & lunch/learn programs	Economic Development	10	10	10	12
1	Accomplish 5-Year Economic Development Plan	Economic Development	35%	45%	45%	65%
2	Number of businesses visited/retained/recruited	Economic Development	60	75	75	75
2	Attending monthly & quarterly board meeting for Local 1st and AAED	Economic Development	12	12	12	12
4	Main Street Merchant Guild monthly meetings	Economic Development	6	6	6	12

## **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**

- Achieve the adopted policy for the general fund budgetary fund balance of at least 5% of total expenditures within the next five years.
- Develop a multi-year financial plan for the general fund that maintains long term bond ratings.
- Develop and maintain financial policies that achieve high bond ratings.
- 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 and equipment***

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**

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

### ***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

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

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

### ***Priority #5: Maintain funds for unexpected reductions in revenue and for unanticipated expenses***

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

### Strategies

- Maintain a reserve fund in accordance with Town financial policies.
- Provide a contingency fund that can be used for unexpected expenses with the approval of the Town Council.

**Performance Measures - KRA2 - Financial Excellence**

<b>KRA Priority #</b>	<b>Intended Outcome</b>	<b>Department Responsible</b>	<b>FY16/17 Goal</b>	<b>FY16/17 Actual</b>	<b>FY17/18 Goal</b>	<b>FY17/18 Actual</b>	<b>FY18/19 Goal</b>
4	GFOA Certificate of Achievement for Excellence in Financial Reporting	Finance	Receive Award	Received Award	Receive Award	Received Award	Receive Award
4	GFOA Distinguished Budget Presentation Award	Finance	Receive Award	Received Award	Receive Award	Received Award	Receive Award
4	GFOA Certificate for the Popular Annual Financial Report	Finance	Receive Award	Received Award	Receive Award	Received Award	Receive Award

**KRA #3: INFRASTRUCTURE**

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

***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**

- Plan, design, construct, and operate new streets, pedestrian friendly sidewalks, 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.
- Continue to work with ADOT to implement traffic enhancements at the intersection of SR260/SR87 to reduce traffic congestion and improve safety.
- 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.
- 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.

- 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.
- 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.
- Use the Gila County Transportation Tax to mitigate the street/road issues that have occurred due to the past economic downturn.
- Program general fund dollars to increase the Street Department budget to improve streets.
- Pursue acquisition of an easement from the Forest Service to connect Green Valley Parkway between the Payson Event Center and Green Valley Park.

### ***Priority #2: Establish and enhance inter-town transportation***

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

#### **Strategies**

- Maintain and enhance aircraft access to Town owned and operated aviation facilities.
- Update the 2009 Airport Master Plan and continue to procure funding for the implementation of recommended capital improvements.
- Continue to partner with public and private partners in Rim Country to plan, design, develop, and provide recreational opportunities for a variety of users – pedestrian, equestrian, cycling, motorized.
- 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**

- Manage, develop, operate, and maintain infrastructure that is integrated, well maintained, reliable, aesthetically pleasing, and continuously improves the high quality service delivery standards.
- Develop a financing plan for long-term sustainable infrastructure growth and replacement that implements an equitable fee structure and incentives for conservation.
- 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.

- Continue construction of C.C. Cragin water treatment facilities.
- 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**

- Apply benchmarking and other industry comparison techniques in order to manage costs and achieve and maintain industry leading service levels.
- Communicate the value of Capital Asset Management and establish a dedicated funding source for Town infrastructure repair and capital improvements.
- 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.
- Develop long term financial plan to fund construction, repair and maintenance of the appearance and safety of existing facilities.
- Develop a long term construction plan for future recreational and cultural facilities.

**Performance Measures - KRA3 - Infrastructure**

KRA Priority #	Intended Outcome	Department Responsible	FY16/17 Goal	FY16/17 Actual	FY17/18 Goal	FY17/18 Actual	FY18/19 Goal
1	Street improvements completed in linear feet	Streets	1,000	500	1,000	3,000	1,000
1	Maintain / Increase # of neighborhood drainage sites improved	Streets	1	2	1	2	1
1	Implementation of traffic study priorities (total % completed)	Streets	20%	20%	25%	25%	30%
2	Implement Airport Master Plan (total % completed)	Airport	30%	30%	40%	33%	40%
3	Maintain water usage levels at 80-90 gallons per capita per day	Water	Achieve	Achieved	Achieve	Achieved	Achieve
3	C.C.Cragin Project Total % Completed	Water	75%	75%	90%	90%	100%

#### **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 everyday business is conducted. Executives, managers, supervisors, and frontline 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**

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

##### **Strategies**

- Assign an executive sponsor with authority, responsibility, and resources to provide strategic direction, guidance and support for innovation and efficiency objectives.
- 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.
- Utilize technology and a standard business process evaluation approach to achieve optimal efficiency and streamlined systems in providing top quality services.
- Invest in resources necessary to carry out innovation and efficiency strategies and objectives.
- Develop and implement an organization wide performance measurement program.
- Develop departmental business plans pursuant to the adopted Corporate Strategic Plan.

***Priority #3: Work continually toward elimination of barriers to innovation and efficiency***

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

**Strategies**

- 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.
- Identify unneeded requirements or obsolete expectations that unnecessarily slow down business processes and work to eliminate them.
- Streamline Town boards, committees and commissions to make the various processes more business friendly.
- Continue to support a ‘one-stop shop’ Development Services model.
- Support adaptive reuse of vacant building inventory to the greatest extent feasible through application of flexible standards within the Existing Buildings Code, zoning relief, and other regulatory processes, and by the creation of targeted development incentives.



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

**Strategies**

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

***Priority #5: Develop innovative ways to communicate 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**

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

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

KRA Priority #	Intended Outcome	Department Responsible	FY16/17 Goal	FY16/17 Actual	FY17/18 Goal	FY17/18 Actual	FY18/19 Goal
4 & 5	Visits to websites	All Gov't	210,000	347,000	350,000	345,000	350,000
		Tourism	1,000,000	1,072,123	1,100,000	1,104,286	1,200,000
		Econ Dev	8,000	110,000	110,000	110,000	112,000
4 & 5	Articles/press releases in local newspaper	Tourism	475	513	550	475	500
		Econ Dev	8	8	11	11	11
4 & 5	Public e-mail distribution list	All Gov't	2,500	2,450	2,500	2,550	2,600
		Tourism	250,000	256,345	257,000	4,829	6,000
4 & 5	TOP Talk Programs	Clerk	23	23	23	21	22
	# of employee presenters		30	59	60	68	70
	# of guests		60	60	65	33	40
4 & 5	TOP Talk Programs # of employee presenters	Police	N/A	N/A	N/A	4	5
4 & 5	TOP Talk Programs # of employee presenters	Econ Dev	3	3	4	4	4
			# of guests	4	4	4	4
4 & 5	Radio appearances	Tourism	75	75	75	75	75
		Police	N/A	N/A	N/A	11	15
		Econ Dev	6	6	6	6	6
4 & 5	Public speaking engagements	Tourism	50	62	65	65	65
		Police	N/A	N/A	N/A	41	60
		Econ Dev	5	5	6	6	6



## **KRA #5: NEIGHBORHOODS & LIVABILITY**

To preserve healthy, vibrant, diverse and safe neighborhoods that enhance the quality of life for all Payson residents through neighborhood vitality, 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**

- 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.
- Encourage and promote development of fire-wise communities through voluntary compliance.
- Develop an administrative policy resolving conflicts between the Payson Town Code and fire-wise compliance.
- 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.
- Implement Town-wide landscaping, signage, and way finding system to beautify and enhance the Highway 87 and Highway 260 corridors.
- Strengthen the capacity of neighborhood organizations, volunteers, businesses, nonprofit 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.
- Focus revitalization efforts in a manner that maximizes private and public resources to the greatest extent possible.
- Ensure that new development in or adjacent to neighborhoods is compatible and promotes adaptive reuse of vacant and underutilized buildings and structures.
- 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.
- Promote appropriate neighborhood infill development to improve neighborhoods, reduce decay and take advantage of opportunities to maintain healthy communities.
- Provide strict traffic enforcement in those neighborhoods identified to have speeding and other traffic issues.
- Collaborate with private organizations and public agencies to implement a regional public transit system based on the Northern Gila County Transit Study.

### ***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

- Increase homeownership opportunities to help stabilize neighborhoods.
- Promote and increase the availability of decent, safe, and affordable housing and expand the supply of assisted housing choices.
- Encourage the development of special needs housing and supportive services for persons with disabilities, seniors, homeless and those with special needs. Work with non-profit and other organizations to promote and participate in a regional continuum of care system that will effectively transition persons who are homeless to appropriate permanent housing.
- Provide quality, affordable rental housing opportunities through the acquisition and rehabilitation of existing properties and construction of new rental units that focus on undergoing revitalization, receiving rehabilitation (federal or grant funding), and benefiting low to moderate income households in collaboration with external partners.
- Support and ensure equal opportunity and fair housing by prohibiting unlawful discrimination in housing by addressing and reducing impediments.

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

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

- Update the Parks Master Plan.
- 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.
- Explore opportunities to develop park open spaces in population centers that are currently without such facilities.
- 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.
- Provide funding to create a network of shared use trails and pathways that are safe, convenient and connected within and between parks.
- Protect natural and open spaces in order to preserve the environment and provide recreational opportunities for Payson residents and visitors.
- Investigate the feasibility of constructing a community center that would provide space for the arts, sports, meeting rooms, etc. through a Public Private Partnership.
- Pursue acquisition of additional properties from the Forest Service.
- Implement a process where all future land exchanges must include 3% of the traded property to be dedicated to the Town.

### ***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.

**Strategies**

- 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.
- Generate public and private support and resources to strengthen, expand and stabilize funding for the arts.
- Promote sports, arts and other recreation programming known to improve learning outcomes.

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

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**

- Develop and maintain the library with sufficient technology, materials, hours and staff to meet the needs of the community.
- Design, build and maintain signature facilities that are accessible to all residents.
- Develop a plan of library development, expanding and/or renovating existing facilities and building new ones to meet residents’ needs.
- Enhance library technology to provide greater access to the internet and electronic resources for library users.

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

KRA Priority #	Intended Outcome	Department Responsible	FY16/17 Goal	FY16/17 Actual	FY17/18 Goal	FY17/18 Actual	FY18/19 Goal
1	# of unsightly properties investigated (workload indicator)	Planning	190	80	100	90	150
1	# of unsightly properties investigations closed	Planning	200	78	100	80	145
1	Completion of 87/260 beautification plan (percent completed)	Planning	6%	10%	15%	18%	25%
3	# of programs offered to the public	Recreation	125	56	70	114	120
3	# of registrations for programs	Recreation	5,200	4,961	5,000	3,715	4,000
3	# of facility reservations	Recreation	360	426	425	715	750
5	# of reference questions (workload indicator)	Library	10,000	11,412	10,000	11,113	10,000
5	total circulation	Library	125,000	130,380	130,500	141,257	135,000
5	# of children's programs	Library	201	205	200	194	200
5	total attendance at children's programs	Library	4,825	5,067	5,000	3,950	4,000
5	# of teen programs	Library	76	89	89	45	50
5	total attendance at teen programs	Library	750	995	995	649	650
5	# of adult programs	Library	125	114	115	153	125
5	total attendance at adult programs	Library	1,625	1,865	1,875	2,334	2,000

## **KRA #6: SOCIAL SERVICES**

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**

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

### ***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**

- Enhance and expand the formal and informal networks connecting the social services sector (non-profits, faith community, etc.) to individuals and families in high need neighborhoods.
- Strengthen communities by promoting a broad and diverse continuum of programs and services.





**Performance Measures - KRA 6 - Social Services**

KRA Priority #	Intended Outcome	Department Responsible	FY16/17 Goal	FY16/17 Actual	FY17/18 Goal	FY17/18 Actual	FY18/19 Goal
1 & 2	Complete rehabilitation projects for income-qualified homeowners	Planning	3	2	3	2	4
1 & 2	Make referrals to income-qualified housing facilities	Planning	15	16	15	15	15
1 & 2	Provide technical assistance to potential applicants for housing rehabilitation	Planning	6	8	6	15	5

**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 conducted by a consultant was over eight years ago. Annual merit increases occurred until the economic downturn began in 2009. Those merit increases returned in 2014. The 2018/19 Budget includes a cost of living increase for employees for the first time in 11 years. The Town is also working to restore previous benefit levels for employees.

**Strategies**

- Continue and implement, when resources become available, the annual market study of current industry and professional pay levels and compensation practices by benchmarking other organizations.
- Analyze and evaluate merit pay and pay tier performance options.
- Develop updated compensation policies and guiding principles.
- Explore alternate pay and benefit options for part-time or for a nontraditional workforce.
- Actively seek out a diverse and talented pool of candidates who possess the values and skills consistent with organizational goals.
- Investigate options to improve employee benefits and implement the improved benefits as funding becomes available.
- Annually review the Town’s Pay Plan and update on an as-needed basis.
- Review job descriptions bi-annually for accuracy and completeness and update as needed.

***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**

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

***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**

- Develop and implement comprehensive internal communications to increase understanding and connection to Town of Payson goals and values among employees at all levels of the organization.
- Promote more interdepartmental communication to increase consistency of messages, ensure faster decision making, empowerment, effectiveness and accountability.
- 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.
- Use new technologies, such as Facebook, Twitter and other social media, to reach employees and the public.
- 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**

- Analyze and develop a reward and recognition program that supports the organization's goal to attract and retain top talent.

- Coordinate efforts on the department level to cultivate skilled employees and leaders within the organization.
- Establish methods of capturing organizational knowledge and expertise through workforce planning efforts.
- 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**

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

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





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

<b>KRA Priority #</b>	<b>Intended Outcome</b>	<b>Department Responsible</b>	<b>FY16/17 Goal</b>	<b>FY16/17 Actual</b>	<b>FY17/18 Goal</b>	<b>FY17/18 Actual</b>	<b>FY18/19 Goal</b>
2	Conduct Employee Health Fair	Human Resources	Yes	No	Yes	Yes	Yes
4 & 6	Facility Training Completed (hours)	Fire	2,500	8,669	648	1,138	576
4 & 6	Officer Training Completed (hours)	Fire	N/A	N/A	N/A	3,826	1,000
4 & 6	Company Training Completed (hours)	Fire	2,500	1,752	2,000	7,147	7,920
4 & 6	Driver/Operator Training Completed (hours)	Fire	N/A	N/A	N/A	4,227	1,000
4 & 6	Emergency Medical Training Completed (hours)	Fire	2,000	1,321	1,500	1,618	1,500
4 & 6	Average Training Hours per Firefighter	Fire	225.0	345.4	225.0	498.8	228.0
5	# of volunteers	Police	70	54	70	52	60
5	# of volunteers hours	Fire	12	10	12	10	12
		Police	9,500	7,738	9,500	8,897	9,000

**KRA #8: THE PUBLIC SAFETY**

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

***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**

- Provide information and education to all Payson residents and visitors about actions that can be taken to keep themselves and their families safe.
- Provide residents and visitors with information about how public safety agencies deliver service to the community.
- Educate communities in traffic safety and the prevention of crime and accidents in the home and workplace.
- Create and implement a program to educate drivers on the proper round-about driving procedures.
- 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 other resources needed to provide a high level of service to the community

**Strategies**

- 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.
- Support public safety responders with programs and procedures that promote and support their safety and well-being.
- Provide necessary resources including personnel, equipment, vehicles, and facilities for public safety service providers.

***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**

- Deploy resources to respond to emergencies within acceptable time frames.
- Support emergency response with appropriate investigation and prosecution activities.
- Provide sufficient resources to manage incidents of regional significance.
- 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.
- 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**

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

- 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.

**Strategies**

- Encourage, support, and value innovation, efficiency, and continuous improvement.
- Be open to discuss and implement change in service provision methods and change in needs of the communities we serve.
- Constantly seek ways to reduce the cost of public safety services while preserving or improving the quality of the service provided.
- Utilize resources and technology carefully and effectively.
- Pursue grant funding from all sources, as appropriate, to provide public safety services.
- Work towards resolving the Town's unfunded liability with the Public Safety Personnel Retirement System.

***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**

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



**Performance Measures - KRA 8 - Public Safety**

KRA Priority #	Intended Outcome	Department Responsible	FY16/17 Goal	FY16/17 Actual	FY17/18 Goal	FY17/18 Actual	FY18/19 Goal
2 & 3	ISO rating	Fire	Class 3	Class 3	Class 3	Class 3	Class 3
3	Improve Response Time	Fire	Below 6:00	5:29	Below 6:00	4:14	Below 6:00
1	Conduct CPR Classes: # of Citizens Trained	Fire	950	851	900	665	500
3	Structure Fire Save ratio	Fire	Above 85%	34%	Above 85%	90%	Above 85%
1	Taught 10 week DARE program to 5th graders	Police	Complete	Complete	Complete	Completed	7 Classes
1	Host Community Policing Programs:						
	Block Watch Program	Police	Yes	Yes	Yes	4	6
	Watch Your Vehicle Program	Police	Yes	No	Yes	0	2
	Vehicle VIN Etching Program	Police	Yes	No	Yes	0	2
	Click It or Ticket Campaign	Police	Yes	Yes	Yes	6	6
	Bicycle Safety Program	Police	Yes	No	Yes	0	2
	Drive Hammered Get Nailed Campaign	Police	Yes	Yes	Yes	9	11
1,2,3	Reduce Crime Rate Ratio*	Police	Below 700	Yes	Below 700	11	Below 9
3	Calls for service (workload indicator)	Police	Below 25,000	21,224	Below 25,000	26,103	Below 27,000

\* Adjusted measurement from raw number to ratio

**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**

- Attain and exceed federal air quality standards for the region.
- Create sound water management policies and ensure choices are available to engage residents in conservation efforts including water, natural habitat and open space.
- Seek, evaluate and integrate emerging technologies and products including



green building elements, environmental purchasing, energy management, alternative fuels, and alternative surfacing materials.

- Research attaining federal funds to pursue sustainability initiatives.
- Develop internal organizational sustainability practices program.
- 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, brown field redevelopment, creating connectivity within road networks and ensuring connectivity between pedestrian, bike, transit and road facilities.

**Strategies**

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

***Priority #3: Foster collaboration and communication***

Empowering employees at all levels through collaborative work groups will galvanize them to realize the Town’s sustainability goals. They, in turn, become an example of 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**

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



**Performance Measures - KRA9 - Sustainability**

KRA Priority #	Intended Outcome	Department Responsible	FY16/17 Goal	FY16/17 Actual	FY17/18 Goal	FY17/18 Actual	FY18/19 Goal
1 & 3	Encourage participation in toilet rebate program *	Water:					
		Residential	2	3	2	1	1
		Commercial	1	0	1	0	1
1 & 3	Maintain water usage levels at 80-90 gallons per capita per day	Water	Achieve	Achieved	Achieve	Achieved	Achieve
1 & 3	Present In-School Water Conservation program (# of students)	Water	165	200	200	200	185
1 & 3	Hold electronic waste E-cycling event	Water Resources	1	0	0	1	1
1 & 3	Hold latex paint recycling event	Water Resources	1	0	0	1	1
1 & 3	Hold household hazardous waste event	Water Resources	1	0	1	1	1
1 & 3	Establish / maintain Antifreeze recycling	Water	Available	Available	Available	Available	Available

**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**

- Use technology to provide a consistent customer experience, based on standardized service processes applied to all forms of customer interaction.
- 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**

- Support and drive innovations that leverage technology and business solutions town-wide.
- Focus on organization-wide applications, using right sourcing and managed services where appropriate.
- 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.
- Research, implement and enhance methods of electronic input and payment of citizen transactions.
- Develop a 3~5 year plan for upgrading the Town’s software and hardware to as much state-of-art as possible.

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

**Strategies**

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

**Performance Measures - KRA 10 - Technology**

KRA	Intended Outcome	Department	FY16/17	FY16/17	FY17/18	FY17/18	FY18/19
Priority #		Responsible	Goal	Actual	Goal	Actual	Goal
3	E-Gov availability for all departments	Info Services	3%	10%	15%	12%	20%
3	Visits to websites	All Gov't	210,000	347,000	350,000	345,000	350,000
		Tourism	1,000,000	1,072,123	1,100,000	1,104,286	1,200,000
3	# of pages viewed on Tourism website	Tourism	2,250,000	3,450,000	3,500,000	3,475,000	3,500,000
3	Public e-mail distribution list	All Gov't	2,500	2,450	2,500	2,550	2,600
		Tourism*	250,000	256,345	257,000	4,829	6,000
3	# of Facebook friends	Tourism	9,000	11,700	12,000	14,672	16,000

\* Measurement adjusted from total emails to list of email recipients

## KRA MATRIX

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

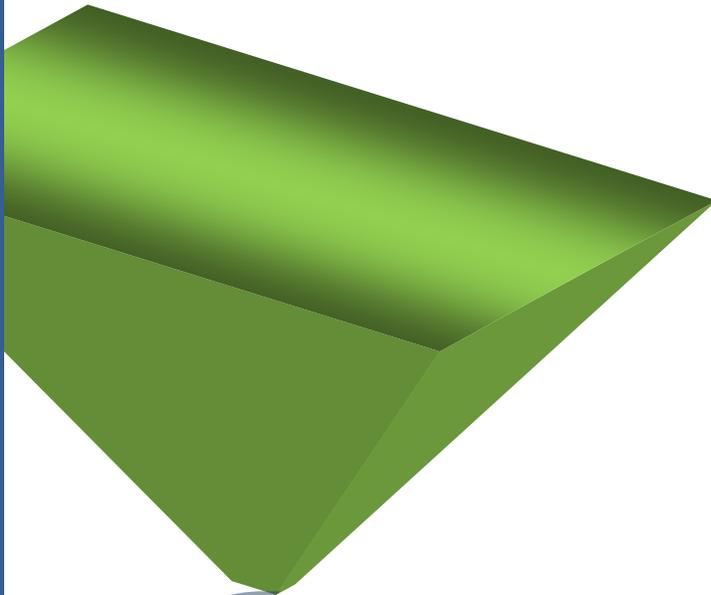
KRA: Priority: Strategy	Land Use <u>LU</u>	Growth Area <u>GA</u>	Circulation <u>C</u>	Parks, Trails, & Open Spaces <u>PT</u>	Environmental Planning <u>EP</u>	Water Resources <u>WR</u>	Cost of Development <u>CD</u>
1:4:A							X
1:4:E							X
1:4:G		X					
2:1:All							X
2:2:All			X				X
2:3:All				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

### KRA Matrix (Cont'd)

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



# **CAPITAL IMPROVEMENT PLAN**





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## **PAYSON'S CAPITAL IMPROVEMENT PLAN (CIP)**

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. 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 CIP, the management team must decide which projects need to be implemented in each of the first five years. Determining how and when to schedule projects is a complicated process. 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:

- The CIP shows citizens where and when projects are expected.
- The CIP process serves as a basis for the management of projects. This includes the coordination of 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.
- The CIP can establish a set of priorities that can be embodied in the Town's General Plan guiding decisions on land issues.

- 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.
- 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 tax dollars, user fees, and state/federal grants, to possible debt financing.

The CIP cycle incorporates these key phases:

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

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

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

- Support Town Council goals and objectives
- Satisfactorily address all State and Town legal financial limitations
- Maintain the Town’s favorable 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 the Town Council develops its annual and long-term goals/objectives. The forecast assesses external factors such as the economic environment, population growth and other variables that may affect the Town's ability to finance needed services and capital projects.

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

The CIP is an important public communication medium. It gives residents and businesses a clear and concrete view of the Town's long-term direction for capital improvements and a better understanding of the Town's ongoing needs for stable revenue sources to fund large or multi-year capital projects. Citizens are encouraged to provide input by serving on Town advisory boards and attending Council meetings.





## 2018/2019 Proposed Capital Projects

DEPT	FUND	PROJECT	PROPOSED BUDGET
<b>PUBLIC WORKS - STREETS</b>			
	202	Vehicle	45,000
	202	Equipment	252,000
	202	Pavement Preservation	575,000
	202	Granite Dells Roundabout	212,000
	429	American Gulch Improvements	275,000
	202	Rumsey Road	50,000
	202	Bonita Street Reconstruction	100,000
			\$ 1,509,000
<b>FIRE</b>			
	101	Fire Vehicles	70,000
	403	Fire Truck Grant	30,800
			\$ 100,800
<b>WATER</b>			
	460	Environmental Project	58,200
	661	Building	18,000
	661	Machinery & Equipment	100,000
	661	Wells	75,000
	661	Radon Removal Engineering	45,000
	661	Water Line	250,000
	661	Fire Hydrant Program	5,000
	661	Pumps for Wells	75,000
	661	Computer Equipment	30,000
	661	Chlorine Generator	35,000
	661	Service Truck	85,000
	661	Surge Tank	45,000
	661	Pressure Blowoff Valves	20,000
	661	Tank Mixing System	50,000
	661	CC Cragin Pipeline	8,000,000
			\$ 8,891,200
<b>POLICE</b>			
	101	Command Van C-Soft Console	36,000
	101	Recording Device	52,000
	101	Radio Equipment	12,500
	101	Taser Equipment	42,400
	101	Vehicles	165,000
	215	Defense 1033 - LE Vehicle	42,000
	403	HSG Radio Program	20,700
	403	GOHS Law Enf Grant	17,200
	425	CAD Communications Equipment	105,000
			\$ 492,800
<b>ADMINISTRATION</b>			
	101	Computer Equipment	302,500
			\$ 302,500
<b>PARKS, REC. &amp; TOURISM</b>			
	101	GV Park Improvements	50,000
	101	Master Plan	-
			\$ 50,000
<b>COMMUNITY DEVELOPMENT</b>			
	101	Vehicle	50,000
	101	Highway Improvements	65,000
	403	CDBG Housing 2017-19	266,000
			\$ 381,000
<b>AIRPORT</b>			
	260	Vehicle	45,000
	260	Install PAPI & REIL	230,000
	260	Ramp Repair A&D / Fence	953,600
			\$ 1,228,600
<b>TOTAL</b>			\$ 12,955,900



## Capital Project Detail by Fund

Expenditure Code	Expenditure Description	2015/16 ACTUAL	2016/17 ACTUAL	2017/18 ADOPTED	2018/19 PROPOSED
101--5-1408-0-8004	Capital Equipment	48,309	31,161	50,000	92,500
101--5-2408-1-8004	Machinery & Equipment	0	0	30,000	210,000
101--5-2421-0-8407	Communication Equip	0	0	0	88,000
101--5-2421-1-8407	Radio Equipment	0	0	0	12,500
101--5-2421-1-8510	Patrol Vehicles	0	0	0	165,000
101--5-2421-1-8530	Taser Equipment	0	0	0	42,400
101--5-2421-2-8003	Vehicles	0	0	49,000	0
101--5-2421-2-8536	LE Crisis Team Equipment	0	0	28,000	0
101--5-2426-1-8510	Fire Vehicles	0	0	0	70,000
101--5-3442-1-8779	Rumsey Park Improvements	734,015	0	0	0
101--5-3442-1-8780	GV Park Improvements	0	0	71,000	50,000
101--5-4460-0-8003	Vehicle	0	0	32,000	0
101--5-4460-0-8781	Master Plan	0	0	125,000	0
101--5-6428-0-8003	Vehicle	0	0	0	50,000
101--5-6428-1-8315	Highway Improvements	0	0	0	65,000
202--5-3442-0-8003	Vehicles	0	0	0	45,000
202--5-3442-0-8004	Equipment	345,406	223,710	317,000	160,000
202--5-3442-0-8512	HURF-Skidsteer Equip	0	0	0	92,000
202--5-3442-0-8710	Granite Dells Roundabout	0	0	0	212,000
202--5-3442-0-8713	Pavement Preservation Prog	252,727	366,401	500,000	575,000
202--5-3442-0-8717	Rumsey Rd	0	0	0	50,000
202--5-3442-0-8737	Green Valley Park Lot Ph 1	32,491	0	0	0
202--5-3442-0-8742	Bonita Street Reconstruction	0	151,423	60,000	100,000
202--5-3442-0-8743	Manzanita Drive Const	110,341	326,175	0	0
215--5-2421-2-8510	Defense 1033-LE Vehicle	68,050	24,148	23,300	42,000
260--5-4445-0-8003	Vehicles	0	0	0	45,000
260--5-4445-0-8509	Equipment	0	0	5,800	0
260--5-4445-0-8713	Pavement Preservation Prog	0	3,729	0	0
260--5-4445-0-8813	Echo Ramp Expansion&Taxi	0	0	0	0
260--5-4445-0-8814	Ramp repair A&D/Fence	0	2,730	1,313,800	953,600
260--5-4445-0-8821	Runway Grading	0	0	0	0
260--5-4445-0-8823	Infield Drainage	96,901	1,631	0	0
260--5-4445-0-8824	Install PAPI & REIL	0	0	0	230,000
265--5-4465-0-8004	Equipment	55,174	0	0	0
403--5-2412-1-8772	Law Enforce-HSG Radio Prog	15,471	8,919	20,700	20,700
403--5-2412-1-8774	SHSGP Radios/Headsets	0	506	0	0
403--5-2421-1-8762	Law Enf-GOHS Grant	0	0	36,500	17,200
403--5-2426-3-8758	Miscellaneous Fire Grants	0	0	847,800	30,800
403--5-2426-3-8771	AFG SCBA Grant	0	339,085	0	0
403--5-6428-22-8780	CDBG Housing 2017-19	0	0	0	266000

Expenditure Code	Expenditure Description	2015/16 ACTUAL	2016/17 ACTUAL	2017/18 ADOPTED	2018/19 PROPOSED
425--5-2421-16-8407	CAD Police/Fire Comm Equip	35,644	14,165	114,500	105,000
429--5-3442-0-8738	American Gulch Improvement	0	0	150,000	275,000
434--5-3442-0-8742	Timber Ridge ID	0	0	2,060,000	0
460--5-5451-0-8594	Environmental Project	113,461	52,930	128,271	58,200
661--5-5451-20-8010	CC Cragin Pipeline (SRP)	783,805	99,856	500,000	500,000
661--5-5451-20-8600	CCC Pipeline Const	7,502,677	8,083,509	23,500,000	7,500,000
661--5-5451-8-8000	Buildings	0	0	0	18,000
661--5-5451-8-8002	Machinery & Equipment	31,203	0	100,000	100,000
661--5-5451-8-8007	Wells	0	0	75,000	75,000
661--5-5451-8-8009	Water Lines	49,297	505,542	250,000	250,000
661--5-5451-8-8313	Radon Removal Engineering	0	0	45,000	45,000
661--5-5451-8-8523	Fire Hydrant Program	0	0	0	5,000
661--5-5451-8-8524	Equipment	7,110	20,710	30,000	30,000
661--5-5451-8-8528	Replace Service Trucks	28,906	55,402	52,000	85,000
661--5-5451-8-8529	SCADA Equipment-Wells/Ta	0	0	0	0
661--5-5451-8-8530	Surge Tanks	6,810	15,573	45,000	45,000
661--5-5451-8-8581	Chlorine Generator	0	0	35,000	35,000
661--5-5451-8-8582	Pressure Blowoff Valves	0	0	20,000	20,000
661--5-5451-8-8587	Security Gate Installation	7,559	0	0	0
661--5-5451-8-8589	Fish Fence Project	0	0	0	0
661--5-5451-8-8793	Tank Mixing System	0	52,942	50,000	50,000
661--5-5451-8-8794	Pumps for Wells	34,608	50,242	75,000	75,000
<b>Total</b>		<b>\$ 10,359,965</b>	<b>\$ 10,430,489</b>	<b>\$ 30,739,671</b>	<b>\$ 12,955,900</b>

\* Top 10 biggest spending capital projects are highlighted in green for 2018/19.





**5 YEAR CAPITAL IMPROVEMENT PLAN - SUMMARY BY DEPARTMENT**

Project #	Dept / Division	Description	2018/19	2019/20	2020/21	2021/22	2022/23	5 Year Total	Future Years	Grand Total	KRA Link
0910-82	Airport	New Terminal Bldg						-	2,145,000	2,145,000	3:2
0910-85	Airport	Construct Srvc Rds						-	470,000	470,000	3:2
0910-86	Airport	Construct Vehicle Parking						-	245,000	245,000	3:2
0910-88	Airport	Construct Various Bldgs						-	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 Equip Bldg			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 E. Side Aircraft Prkng Apron						-	600,000	600,000	3:2
1617-02	Airport	Const. Bypass Taxiway for Rwy 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	1,000,000					1,000,000		1,000,000	3:2
1819-03	Airport	Master Plan Update		100,000	100,000			200,000		200,000	3:2
		<b>Total Airport Capital Proj.</b>	<b>1,230,000</b>	<b>655,000</b>	<b>800,000</b>	<b>150,000</b>	<b>-</b>	<b>2,835,000</b>	<b>8,263,000</b>	<b>11,098,000</b>	
0910-35	Gen Gov't	Recycling Program Enhncmt						-	250,000	250,000	3:3/ 9:1,2
		<b>Total Gen Gov't Capital Projects</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>250,000</b>	<b>250,000</b>	
Project #	Dept / Division	Description	2018/19	2019/20	2020/21	2021/22	2022/23	5 Year Total	Future Years	Grand Total	KRA Link
0910-42	Parks Maint	Amphitheater Lighting		150,000				150,000		150,000	3:4/ 5:3
0910-43	Parks Maint	Green Valley Park Ramada Imprvt			150,000			150,000		150,000	3:4/ 5:3
0910-44	Parks Maint	Green Valley Park Maint Bldg	50,000					50,000		50,000	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 Pedestn Circln Imprvt		50,000				50,000	100,000	150,000	3:1, 4/ 5:3
1415-21	Parks Maint	Rumsey Park Bsktbl Court Repl		40,000				40,000		40,000	3:4/ 5:3
1617-04	Parks Maint	Rumsey Park Maint. Bldg		50,000				50,000		50,000	3:4
1718-07	Parks Maint	Turf Repl N Rumsey Multi Purpose 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
		<b>Total Parks Maint Capital Projects</b>	<b>50,000</b>	<b>1,265,000</b>	<b>380,000</b>	<b>-</b>	<b>-</b>	<b>1,695,000</b>	<b>100,000</b>	<b>1,795,000</b>	

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





Project #	Dept / Division	Description	2018/19	2019/20	2020/21	2021/22	2022/23	5 Year Total	Future Years	Grand Total	KRA Link
0910-26	Streets	Pavement Preservation	575,000	550,000	550,000	550,000	550,000	2,775,000	3,500,000	6,275,000	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 Pkng Lot Expansion		300,000				300,000		300,000	3:1,2
0910-30	Streets	McLane Rd - Ranchos to 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						-	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 Det. Basin			200,000	250,000		450,000		450,000	3:1,2
1516-08	Streets	Manzanita Road St 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
1819-04	Streets	E. Granite Dells Rd Improvement	212,000	442,500				654,500		654,500	3:1,2
1819-05	Streets	Drainage Improvement - E. Main St & Hwy 87		40,000				40,000		40,000	3:1,2
		<b>Total Streets Capital Proj.</b>	<b>937,000</b>	<b>3,882,500</b>	<b>3,945,000</b>	<b>3,525,000</b>	<b>1,950,000</b>	<b>14,239,500</b>	<b>11,750,000</b>	<b>25,989,500</b>	
0910-50	Water	CC Cragin Pipeline	500,000					500,000		500,000	3:3
0910-51	Water	CC Cragin Water Treatment Plant	7,500,000					7,500,000		7,500,000	3:3
0910-57	Water	Water Mains	100,000	100,000	100,000	100,000	100,000	500,000	100,000	600,000	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	150,000	250,000	250,000	250,000	250,000	1,150,000	350,000	1,500,000	3:3
1314-02	Water	Environmental Project	58,200					58,200		58,200	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
1819-01	Water	ADA Compliant Front Lobby Door	18,000					18,000		18,000	3:3
		<b>Total Water Capital Proj.</b>	<b>8,596,200</b>	<b>425,000</b>	<b>425,000</b>	<b>425,000</b>	<b>425,000</b>	<b>10,296,200</b>	<b>525,000</b>	<b>10,821,200</b>	
<b>TOTAL ALL CAPITAL PROJECTS</b>			<b>10,890,700</b>	<b>9,000,800</b>	<b>6,935,000</b>	<b>11,375,000</b>	<b>2,675,000</b>	<b>40,876,500</b>	<b>32,788,000</b>	<b>73,664,500</b>	



### MACHINERY & EQUIPMENT by DEPARTMENT

Project #	Department / Division	Description	Fiscal Year 2018/19	Fiscal Year 2019/20	Fiscal Year 2020/21	Fiscal Year 2021/22	Fiscal Year 2022/23	5 Year Total	Future Years	Grand Total
1415-06M	Airport	Snow Removal Equipment			195,000			195,000		195,000
1516-12M	Airport	Pickup Truck	45,000					45,000		45,000
		<b>Total Airport</b>	<b>45,000</b>	<b>-</b>	<b>195,000</b>	<b>-</b>	<b>-</b>	<b>240,000</b>	<b>-</b>	<b>240,000</b>
0910-35M	Building	Vehicle Replacement	25,000	25,000				50,000		50,000
		<b>Total Building</b>	<b>25,000</b>	<b>25,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>50,000</b>	<b>-</b>	<b>50,000</b>
0910-13M	Fire	Utility Truck Replacement		350,000				350,000		350,000
0910-14M	Fire	Water Tender		350,000				350,000		350,000
0910-16M	Fire	Staff Vehicle Replacement			55,000			55,000		55,000
0910-17M	Fire	Chief Officer Response Vehicle	70,000	70,000				140,000		140,000
0910-19M	Fire	Ladder Truck III Replacement		1,200,000				1,200,000		1,200,000
0910-23M	Fire	Rehab/Support Vehicle					200,000	200,000		200,000
0910-25M	Fire	Ambulance Replacement				280,000		280,000		280,000
0910-27M	Fire	Type 1 Engine Replacement		630,000	640,000	650,000		1,920,000		1,920,000
0910-28M	Fire	Type 6 Engine Replacement					300,000	300,000		300,000
1819-06M	Fire	Heart Monitors		32,500			160,000	192,500		192,500
1819-07M	Fire	Extrication Tools	30,800					30,800		30,800
		<b>Total Fire Department</b>	<b>100,800</b>	<b>2,632,500</b>	<b>695,000</b>	<b>930,000</b>	<b>660,000</b>	<b>5,018,300</b>	<b>-</b>	<b>5,018,300</b>
0910-10M	Gen Gov't	Financial Software	30,000	45,000				75,000		75,000
1819-01M	Gen Gov't	Virtual Server & OS Software Upgrade	27,500					27,500		27,500
1819-02M	Gen Gov't	Mobile MDC Upgrade / Replacement	210,000					210,000		210,000
1819-03M	Gen Gov't	iPlan Tables for Plan Review	15,000	15,000				30,000		30,000
1819-04M	Gen Gov't	Town Wide Software Upgrades	30,000					30,000		30,000
1819-05M	Gen Gov't	Server OS Upgrades	20,000					20,000		20,000
		<b>Total General Government</b>	<b>332,500</b>	<b>60,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>392,500</b>	<b>-</b>	<b>392,500</b>
1516-13M	Parks Maint	Kawasaki Mule Utility Vehicle		13,500				13,500		13,500
		<b>Total Parks Maintenance</b>	<b>-</b>	<b>13,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,500</b>	<b>-</b>	<b>13,500</b>
1516-14M	Planning & Dev	Vehicle Replacement	25,000					25,000		25,000
		<b>Total Planning &amp; Development</b>	<b>25,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25,000</b>	<b>-</b>	<b>25,000</b>
0910-01M	Police	Vehicle Replacement	165,000	165,000	165,000	165,000	165,000	825,000	550,000	1,375,000
1617-02M	Police	911 Recording Device	52,000					52,000		52,000
1718-01M	Police	Body Worn Camera Proposal		30,000	30,000	30,000		90,000		90,000
1819-08M	Police	Airport Road Radio Voter Site		23,800				23,800		23,800
1819-09M	Police	Command Van C-Soft Console	36,000					36,000		36,000
		<b>Total Police Department</b>	<b>253,000</b>	<b>218,800</b>	<b>195,000</b>	<b>195,000</b>	<b>165,000</b>	<b>1,026,800</b>	<b>550,000</b>	<b>1,576,800</b>
1617-03M	Rec/Tourism	Chevy Colorado Pickup		29,000				29,000		29,000
		<b>Total Rec/Tourism</b>	<b>-</b>	<b>29,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>29,000</b>	<b>-</b>	<b>29,000</b>
0910-05M	Streets	Heavy Equipment	160,000	285,000	285,000	285,000	285,000	1,300,000	300,000	1,600,000
0910-08M	Streets	Vehicles	45,000	45,000	45,000	45,000	45,000	225,000	105,000	330,000
1516-07M	Streets	Skidster	92,000					92,000		92,000
		<b>Total Streets Department</b>	<b>297,000</b>	<b>330,000</b>	<b>330,000</b>	<b>330,000</b>	<b>330,000</b>	<b>1,617,000</b>	<b>405,000</b>	<b>2,022,000</b>



Project #	Department / Division	Description	Fiscal Year 2018/19	Fiscal Year 2019/20	Fiscal Year 2020/21	Fiscal Year 2021/22	Fiscal Year 2022/23	5 Year Total	Future Years	Grand Total
0910-33M	Water	Service Truck Replacement	85,000	54,000	56,000	58,000	60,000	313,000	75,000	388,000
0910-34M	Water	Well Pump Replacements	75,000	77,000	82,000	88,000	90,000	412,000	250,000	662,000
1011-04M	Water	Fire Hydrant Program	5,000	5,000	5,000	5,000	5,000	25,000	25,000	50,000
1011-05M	Water	Computer Equipment	30,000	20,000	20,000	20,000		90,000	100,000	190,000
1415-05M	Water	Ground Penetrating Radar			25,000			25,000		25,000
1617-05M	Water	Equipment / Vactor	100,000	100,000	100,000	100,000		400,000		400,000
		<b>Total Water Division</b>	<b>295,000</b>	<b>256,000</b>	<b>288,000</b>	<b>271,000</b>	<b>155,000</b>	<b>1,265,000</b>	<b>450,000</b>	<b>1,715,000</b>

		<b>Total Capital Machinery &amp; Equipment</b>	<b>1,373,300</b>	<b>3,564,800</b>	<b>1,703,000</b>	<b>1,726,000</b>	<b>1,310,000</b>	<b>9,677,100</b>	<b>1,405,000</b>	<b>11,082,100</b>
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Funding Sources	Project Number	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
Grant	0910-17;0910-19;1819-07;1819-08	30,800	1,093,800	30,000	-	-	1,154,600	-	1,154,600
HURF	0910-05;0910-08;1516-07	297,000	330,000	330,000	330,000	330,000	1,617,000	405,000	2,022,000
Water Fund	0910-33;0910-34;1011-04;1011-05;1415-05;1617-05	295,000	256,000	288,000	271,000	155,000	1,265,000	450,000	1,715,000
General Fund	0910-01;0910-10;0910-13;0910-14;0910-16;0910-17;0910-19;0910-23;0910-25;0910-27;0910-28;0910-35;1415-06;1516-12;1516-13;1516-14;1617-02;1617-03;1718-01;1819-01;1819-02;1819-03;1819-04;1819-05;1819-06;1819-09	750,500	1,885,000	1,055,000	1,125,000	825,000	5,640,500	550,000	6,190,500
	<b>Total Capital Machinery &amp; Equipment</b>	<b>1,373,300</b>	<b>3,564,800</b>	<b>1,703,000</b>	<b>1,726,000</b>	<b>1,310,000</b>	<b>9,677,100</b>	<b>1,405,000</b>	<b>11,082,100</b>

## **C.C. CRAGIN WATER PROJECT - The Water Source for Payson's Future**



### **PROJECT DESCRIPTION**

The Town of Payson 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 final stages with the construction of 14.5 mile pipeline along East Houston Mesa Road from Washington Park to Payson. A water treatment facility is being constructed approximately one mile north of 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 the new 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 & 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.

### **HOW IS THE PROJECT PROGRESSING?**

- Phase 2 Penstock (the 2nd 9 miles of raw water penstock) is complete.
- 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.
- Three communication towers were constructed, and the final tower is under construction.
- 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 December 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 (WIFA) of Arizona.

**WHEN WILL THE WATER BE DELIVERED?**

Completion of the project is planned for 2018, with a operating date of early 2019. 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](http://www.paysonwater.com).*





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## SRP 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)

### 2006 - Current

- \* 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
- \* 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
- \* U.S. Forest Service issued the final decision for the Cragin Watershed Protection Project (CWPP)

## *PAYSON C.C. CRAGIN PROJECT TIMELINE*

### 2011 - Current

- \* 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 Verdy 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
- \* Completed five ASR Wells, and the Raw Water pipeline

### What's Next?

- \* Construction of 2 ASR Wells
- \* Complete construction of the Water Treatment Plant
- \* Commissioning of the Hydro Electric Plant



## 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 operations, repairs, 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, and safety/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. The estimates are based on past experience and anticipated increases in the costs of materials, labor, and other project components. This information is indicated on the Project Description Form and taken into consideration when projects are slated for funding.

Due to current economic conditions, again, capital projects are limited this fiscal year. Airport has a few grant funded projects in this year's budget. These projects will not start until the grant funding is confirmed. The Town's contribution of grant matching funds (usually less than 10%) of the total project costs, are 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. However, as the C.C. Cragin Project is in the final construction phase, it has a significant impact to the operating budget, projecting \$431,600 in this budget.



**Projected Operating Costs Associated with CIP Projects**

Department/ Division	CIP Projects	Type of Long-term Costs	FY18/19	FY19/20	FY20/21	FY21/22	FY22/23	5-YEAR TOTALS
Airport	Install PAPI & REIL	Utilities, Maint. & Supplies	700	1,000	1,100	1,200	1,300	<b>\$5,300</b>
Airport	Reconstruct Ramps A&D and install fencing	Routine Maint. & Supplies		200	200	300	300	<b>\$1,000</b>
Parks	Green Vally Park Maint. Bldg	Minimal Utilites, Routine Maintenance	500	700	700	900	900	<b>\$3,700</b>
Planning&Dev	Wayfinding Signage	Minimal Maint. & Supplies		600	600	600	600	<b>\$2,400</b>
Planning&Dev	Highway Beautification	Utilities, Maint. & Supplies	500	800	800	800	900	<b>\$3,800</b>
Police	Elk Ridge Radio Tower	Minimal Utilites, Routine Maintenance		400	400	450	450	<b>\$1,700</b>
Streets	Rumsey Rd - Walmart to McLane Design & Construct	Routine Maintenance After Project Completed				1,000	1,000	<b>\$2,000</b>
Streets	Granite Dells Rd Improvement	No Impact to Operating Budget						
Streets	Complete Bonita Street	Routine Maintenance		500	500	500	500	<b>\$2,000</b>
Water	New Treatment Plant*	Utilities, Maint., Supplies, Personnel	431,600	444,548	457,884	471,621	485,770	<b>\$2,291,423</b>
Water	Water Lines & Wells	No Impact to Operating Budget						
Water	Radon Gas Treatment System	Minimal Utilites & Maintenance	700	1,400	1,450	1,375	1,400	<b>\$6,325</b>
Water	Tank Mixing Systems	Minimal Utilites & Maintenance	700	1,400	1,450	1,375	1,400	<b>\$6,325</b>
Water	Chlorine Generator Conversions	Minimal Utilites & Maintenance	600	1,200	1,225	1,250	1,275	<b>\$5,550</b>
Water	Pressure Blowoff Valves	No Impact to Operating Budget						
Water	Hydropneumatic Surge Tanks	No Impact to Operating Budget						
Water	ADA Compliant Entrance	Minimal Maintenance		200	200	200	200	<b>\$800</b>
<b>TOTALS</b>			<b>\$435,300</b>	<b>\$452,948</b>	<b>\$466,509</b>	<b>\$481,571</b>	<b>\$495,995</b>	<b>\$2,332,323</b>

Note: FY18/19 operating costs will be less since some projects haven't started or will be completed toward end of year

\* Majority of operating costs are due to the new treatment plant. Increases to water rates were steadily implemented (last increase in Oct 2018) to fund new treatment plant.



## 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, FY2015/16 and FY2016/17 actual dollars, FY2017/18 and FY2018/19 budgeted dollars, and projections for FY2019/20 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 continue to help move the Town in a positive direction. The increase in the local sales tax rate that took effect on August 1, 2017 has helped generate the revenues that are needed to cover day-to-day expenditures, plus satisfy some of the other financial goals set forth by the Council. 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 should start seeing budgets with revenues that outpace expenditures, as well as an opportunity to build up 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 and maximize returns on every dollar spent.

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





**FIVE-YEAR FINANCIAL FORECAST (GENERAL FUND)**

	2014/15 Actual	2015 /16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Projected	2020/21 Projected	2021/22 Projected	2022/23 Projected
<b>REVENUES</b>									
Taxes	10,990,320	11,397,844	11,761,015	14,481,000	15,219,200	15,827,968	16,461,087	17,119,530	17,804,311
Licenses & Permits	702,278	750,637	769,827	788,500	773,500	796,705	820,606	845,224	870,581
Intergovernmental	206,029	245,671	529,948	663,500	520,000	535,600	551,668	568,218	585,265
Charges for Service	667,603	725,668	849,982	822,600	837,600	862,728	888,610	915,268	942,726
Fines & Forfeitures	122,863	110,837	98,405	90,000	100,000	103,000	106,090	109,273	112,551
Grants	27,177	17,191	82,996	91,600	147,900	152,337	156,907	161,614	166,463
Miscellaneous	458,893	947,208	219,502	33,300	163,100	167,993	173,033	174,763	180,006
Transfers In	95,806	150,304	147,000	360,000	322,000	331,660	341,610	351,858	362,414
<b>Total Revenues</b>	<b>\$ 13,270,969</b>	<b>\$ 14,345,360</b>	<b>\$ 14,458,675</b>	<b>\$ 17,330,500</b>	<b>\$ 18,083,300</b>	<b>\$ 18,777,991</b>	<b>\$ 19,499,610</b>	<b>\$ 20,245,749</b>	<b>\$ 21,024,317</b>
<b>Less: EXPENDITURES</b>									
Personnel Services	9,799,941	10,444,246	10,706,508	13,263,800	13,961,800	14,241,036	14,525,857	14,816,374	15,112,701
Operating Expenses	2,589,635	2,787,136	2,882,216	3,357,300	3,968,600	4,020,192	4,140,798	4,265,022	4,392,972
Capital Outlay	95,830	782,324	31,161	310,000	845,400	300,000	300,000	300,000	300,000
Transfers Out	411,367	302,973	374,263	710,000	946,500	605,965	612,025	618,145	624,326
<b>Total Expenditures</b>	<b>\$ 12,896,773</b>	<b>\$ 14,316,679</b>	<b>\$ 13,994,148</b>	<b>\$ 17,641,100</b>	<b>\$ 19,722,300</b>	<b>\$ 19,167,193</b>	<b>\$ 19,578,679</b>	<b>\$ 19,999,540</b>	<b>\$ 20,430,000</b>
<b>Revenue (under)/over Expenditures</b>	<b>\$374,196</b>	<b>28,681</b>	<b>464,527</b>	<b>(310,600)</b>	<b>(1,639,000)</b>	<b>(389,202)</b>	<b>(79,069)</b>	<b>246,208</b>	<b>594,317</b>

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**

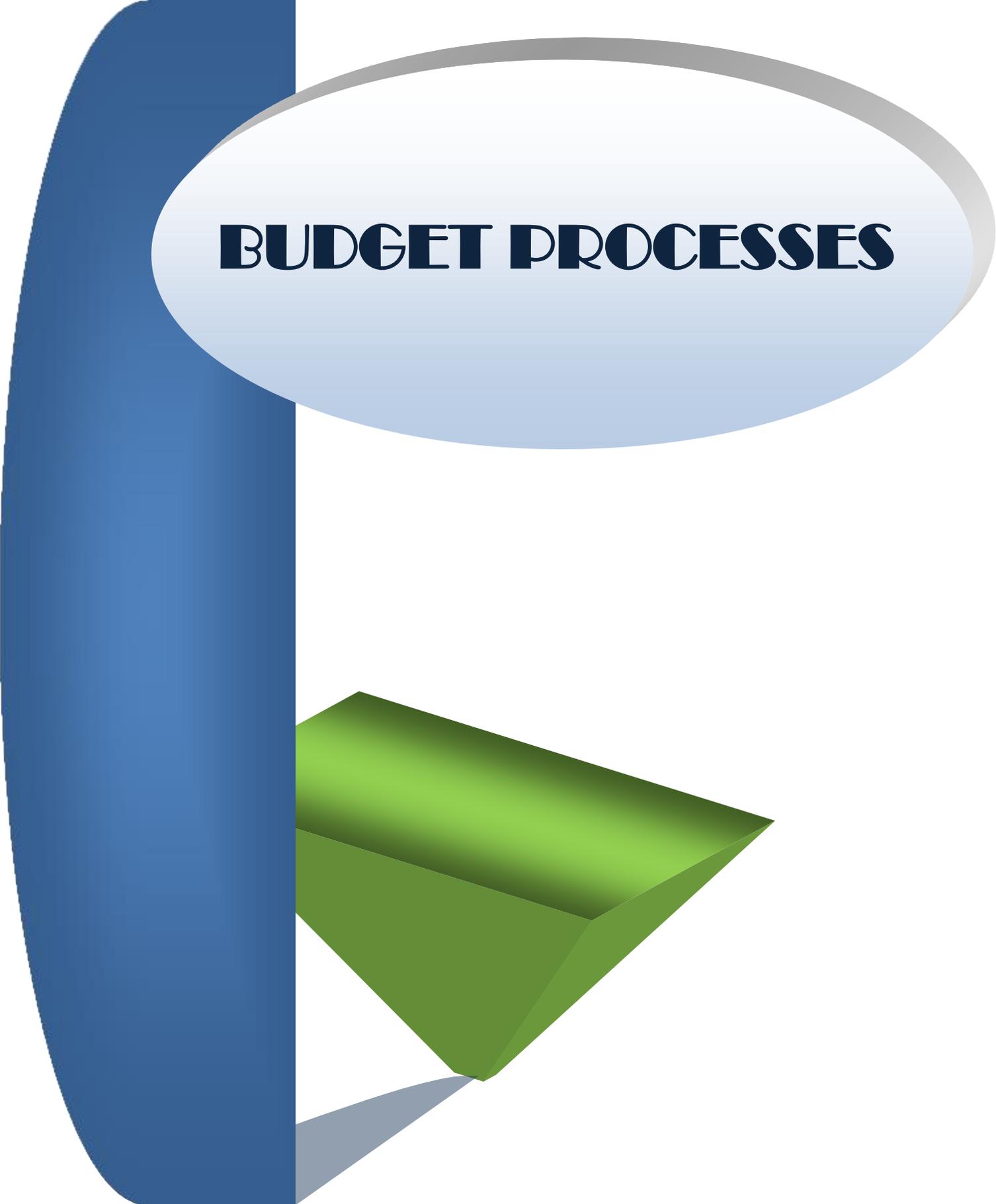
- Authorized staffing is projected to remain relatively flat over the next five years
- Wages and related expenses are projected to increase by 3% each year
- Medical/dental/vision insurance is projected to grow by 3% annually

- 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 created a greater burden on future budgets. For the 2018/19 budget, Council was able to approve \$845,400 for capital items, since the ability to continue to postponing these purchases is not a viable option in future budgets.





# **BUDGET PROCESSES**



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## 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.

### **GOVERNMENT FUNDS**

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

**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 (Town Council, Town Manager, Town Clerk/Elections, Information Services, Human Resources, Financial Services Town Attorney, Centralized Services, Magistrate Court, Police, Fire, Recreation/Tourism, Planning & Development, Community Development, Building Services).

**Special Revenue Funds** are used to account for resources that are legally restricted. These restrictions are generally imposed by grantors, ordinances, or laws. The Town maintains the following active Special Revenue Funds: Highway Users Revenue Fund (HURF), Gifts & Grants Fund, Bed Tax Fund, Department of Justice Fund, Library Fund, Airport Fund, Event



Center Fund, Police Impound Fee Fund, Contingency Fund, and Medical Insurance Fund. The Gifts and Grants Fund include the possible donations toward the Rumsey Park project. Law Enforcement Property Program Fund was moved from Special Revenue Funds to Fiduciary Funds in FY13/14.

**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: Public Safety Bond Fund, Grant Funded Capital Project Fund, Central Arizona Project Trust Fund, and American Gulch Improvement District Fund. The Timber Ridge Improvement District Fund was opened in FY17/18, but the project was abandoned before it started. 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.

**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 Obligation Bonds Series 2004 Debt Service Fund and Westerly Road 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.

### **PROPRIETARY FUNDS**

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

**Enterprise Funds** are 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, Water Operations, Water Capital, and Water Debt Service expenditures are maintained as sub-categories within the Water Enterprise Fund.

### **BASIS OF ACCOUNTING**

The basis of accounting refers to the point at which revenues and expenditures are recognized. "Cash basis" means that revenues and expenditures are recorded when cash is 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

The Town uses the modified accrual basis of accounting and accounts for governmental funds on a current financial resources focus.

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.

### **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, a 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 Principles (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.

### **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 2015/16 and 2016/17, the adopted budget for fiscal year 2017/18 and the proposed budget for 2018/19. 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 – 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 2015/16 and 2016/17, the adopted budget for fiscal year 2017/18 and the proposed budget for 2018/19 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.gov](http://www.paysonaz.gov).



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

## **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 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](http://www.paysonaz.gov).

### **CAPITAL IMPROVEMENTS AND ACQUISITION PROCESS**

The Capital program for the Town has two distinct elements: the Capital Improvement Plan (CIP) and the operating capital / equipment acquisition process. The Five Year Capital Improvement Plan is a long-range prioritized schedule of proposed capital projects 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](http://www.paysonaz.gov).

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





## BUDGET PROCESS OVERVIEW

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

- ✚ Town Manager
- ✚ Deputy Town Manager
- ✚ CFO
- ✚ Finance Manager
- ✚ Budget Analyst
- ✚ Planning & Development

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
- ✓ **OPERATION GUIDE** — documents service level commitments made by the Town departments
- ✓ **COMMUNICATION DEVICE** — describes the Town's financial condition, service objectives for the budget year, and the funding sources available to meet the objectives

To ensure that the budget satisfies each essential purpose, the Town follows an established budget process. This process involves the Town Manager, Department Heads, Mayor, Town Council, and the public in deliberation periods and decision points. 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.



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## **BUDGET ROLES & RESPONSIBILITIES**

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

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

**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.

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
- 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

### **May**

- Adoption of Fee Schedule
- 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 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.





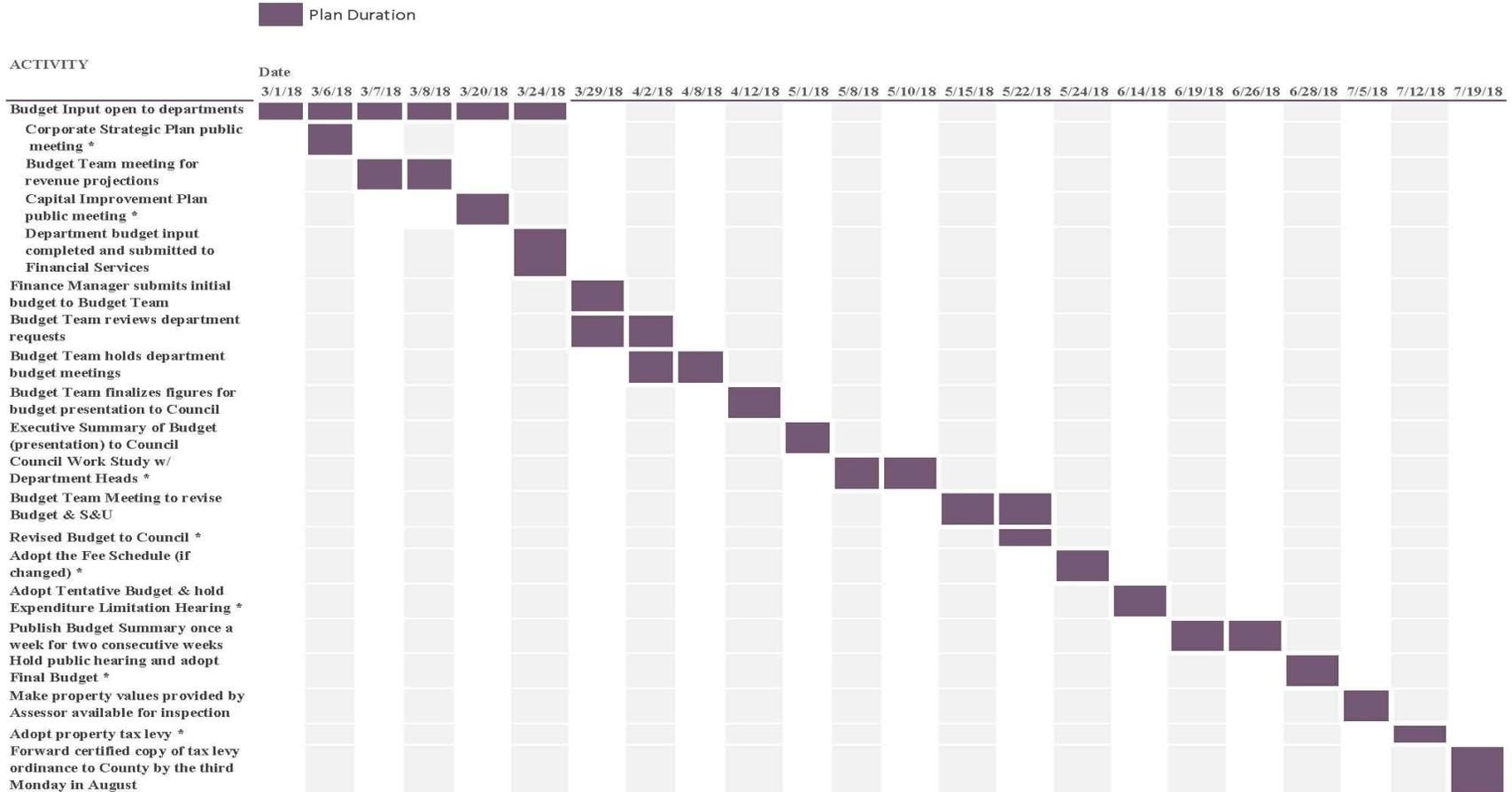
## BUDGET CALENDAR

Budget input open to departments	03/01/2018
Corporate Strategic Plan public meeting *	03/06/2018
Budget Team meeting for revenue projections	03/07/2018
Budget Team meeting for revenue projections (continued)	03/08/2018
Capital Improvement Plan public meeting *	03/20/2018
Department budget input completed and submitted to Financial Services	03/24/2018
Finance Manager submits initial budget to Budget Team	03/29/2018
Budget Team reviews department requests	03/29/2018
Budget Team holds department budget meetings	Week of 04/02/2018
Budget Team finalizes figures for budget presentation to Council	04/12/2018
Executive Summary of Budget (presentation) to Council	05/01/2018
Council Work Study w/ Department Heads *	05/08/2018
Council Work Study w/ Department Heads (continued) *	05/10/2018
Budget Team Meeting to revise Budget & S&U	05/15/2018
Revised Budget to Council *	05/22/2018
Adopt the Fee Schedule (if changed) *	05/24/2018
Adopt Tentative Budget & hold Expenditure Limitation Hearing *	06/14/2018
Publish Budget Summary once a week for two consecutive weeks	06/19/2018 06/26/2018
Hold public hearing and adopt Final Budget *	06/28/2018
Make property values provided by Assessor available for inspection (Must be available 7 days prior to adoption of tax levy)	07/05/2018
Adopt property tax levy * (Levy must be adopted not less than seven days after Final Budget but on or before the third Monday in August)	07/12/2018
Forward certified copy of tax levy ordinance to County by the third Monday in August	07/19/2018

*\* Special Council Meeting*

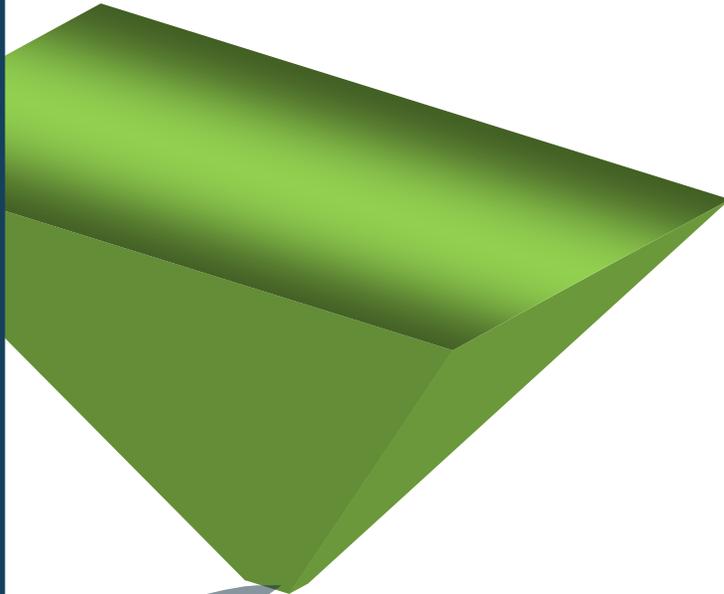


## Budget Calendar





# FUND SUMMARY





## 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 – GENERAL FUND*

MAJOR REVENUE SOURCES	2017/18 ADOPTED	2018/19 PROPOSED	INCREASE (DECREASE)	PERCENT CHANGE
Taxes	14,481,000	15,219,200	738,200	5%
Licenses & Permits	788,500	773,500	(15,000)	-2%
Intergovernmental	663,500	458,500	(205,000)	-31%
Grants	91,600	209,400	117,800	129%
Charges for Service	822,600	837,600	15,000	2%
Fines & Forfeitures	90,000	100,000	10,000	11%
Miscellaneous	33,300	163,100	129,800	390%
Transfers In	360,000	322,000	(38,000)	-11%
<b>TOTAL</b>	<b>\$ 17,330,500</b>	<b>\$ 18,083,300</b>	<b>\$ 752,800</b>	<b>4%</b>

### TAXES

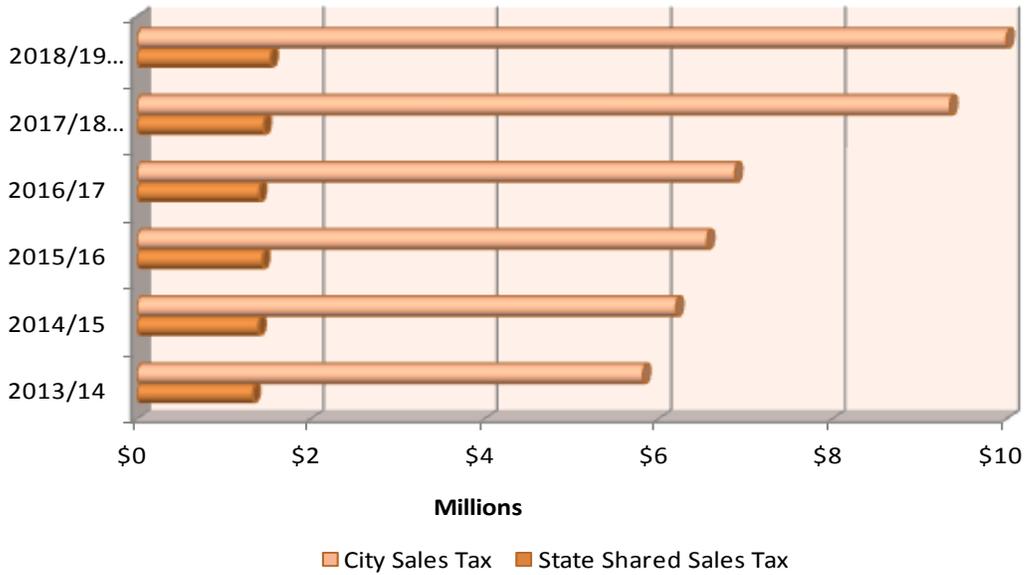
Taxes represent the largest revenue source in the General Fund. Tax revenues include Town sales tax, state shared sales tax, property tax, vehicle license tax, and state shared income tax. These taxes combined comprise 84% of the total 2018/19 General Fund revenues.

#### *Local & State Sales Tax Revenue*

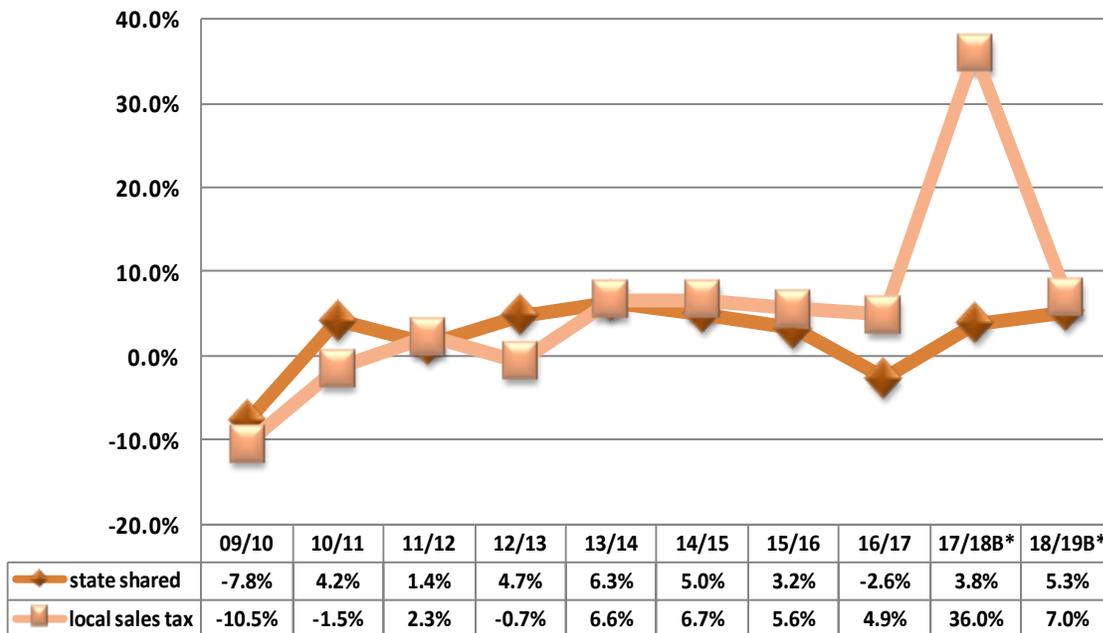
The Transaction Privilege Tax (sales tax) is collected on the gross receipts of business activities that occur within the Town of Payson. As of July 1, 2018, the Town’s tax rate of 3%, combined with the State tax rate of 5.6%, and the Gila County tax rate of 1% equals a total sales tax rate of 9.6%.

The Town adopted the Model City Tax Code, and has an Intergovernmental Agreement (IGA) with the Arizona Department of Revenue to administer and collect the sales tax for the Town. The collected funds are deposited directly into the Town’s depository on a timely basis and the Town is notified of the amounts. 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.

### Sales Tax Revenue



### Change in Sales Tax



\* 17/18B and 18/19B represent budgeted data on charts and graphs



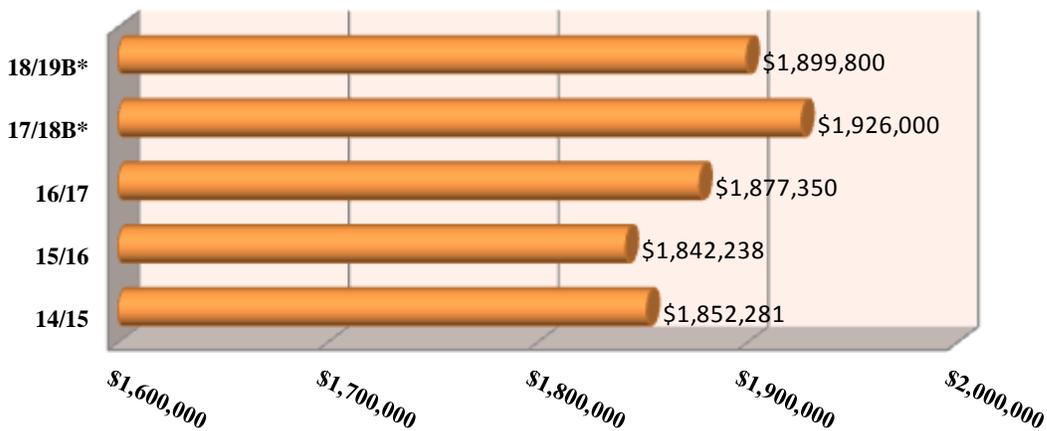
The graph on the previous page does a nice job of illustrating the slow recovery of the economic downturn that we have experienced over the past several years. Although tax revenues had been showing increases, this upward movement had not outpaced the increases in the cost of personnel, goods, and services. Last fiscal year the Town Council voted to increase the local sales tax rate by 0.88% in order to cover the public safety retirement liability, build a contingency fund, and start investing in capital improvements that were long overdue.

The Town of Payson continues to focus on tourism and economic development as methods of increasing tax revenue. Increased promotion of special events that draw visitors to Payson 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. The creation of new job opportunities and a boost to the revenue stream will be the realization of years of hard work in order to promote the desired growth in Payson.

### State Shared Income Tax

Arizona cities and towns share a portion of the total amount collected from the State'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 towns within Arizona.

#### State Shared Income Tax



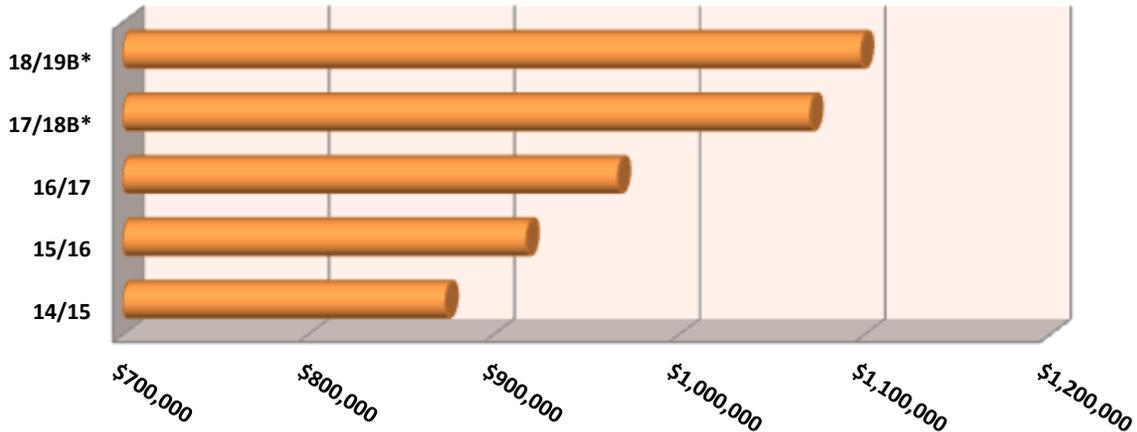
\* 17/18B and 18/19B represent budgeted data on charts and graphs

According to the State, income tax revenue has been trending upward. However, a new tax law is projected to reduce the income tax revenues for the Town.

**Vehicle License Tax (VLT)**

Arizona cities and towns receive a share of the net revenues collected from 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.

**Vehicle License Tax Revenue**



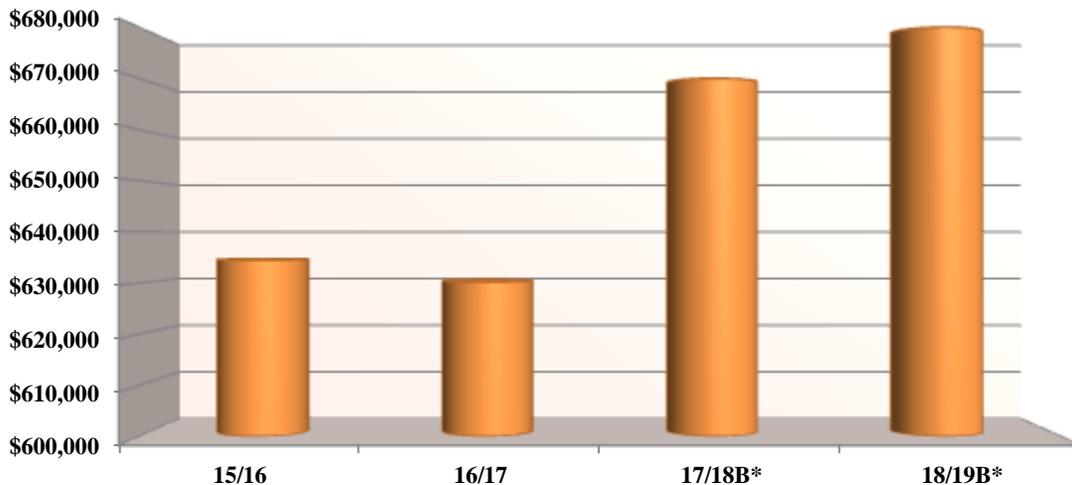
\* 17/18B and 18/19B represent budgeted data on charts and graphs

**Property Tax—General**

The Town property tax consists of a primary tax levy which is limited by law, and used for maintenance and operations. The tax levy is set at \$0.3731 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 Town policy to have the citizens approve any such debt.

**Primary Property Tax**





**TOWN OF PAYSON  
Tax Levy and Tax Rate Information  
Fiscal Year 2019**

	2018	2019
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ <u>761,757</u>	\$ <u>789,856</u>
2. Amount received from primary property taxation in the current year in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18)	\$ _____	
3. Property tax levy amounts		
A. Primary property taxes	\$ <u>669,758</u>	\$ <u>680,871</u>
B. Secondary property taxes		
C. Total property tax levy amounts	\$ <u>669,758</u>	\$ <u>680,871</u>
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ <u>645,000</u>	
(2) Prior years' levies	<u>5,000</u>	
(3) Total primary property taxes	\$ <u>650,000</u>	
B. Secondary property taxes		
(1) Current year's levy	\$ _____	
(2) Prior years' levies	\$ _____	
(3) Total secondary property taxes	\$ _____	
C. Total property taxes collected	\$ <u>650,000</u>	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	<u>0.3807</u>	<u>0.3731</u>
(2) Secondary property tax rate	_____	_____
(3) Total city/town tax rate	<u>0.3807</u>	<u>0.3731</u>
B. Special assessment district tax rates		
Secondary property tax rates - As of the date the proposed budget was prepared, the city/town was operating <u>    No    </u> special assessment districts for which secondary property taxes are levied. For information pertaining to these special assessment districts and their tax rates, please contact the city/town.		

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

**SCHEDULE B**

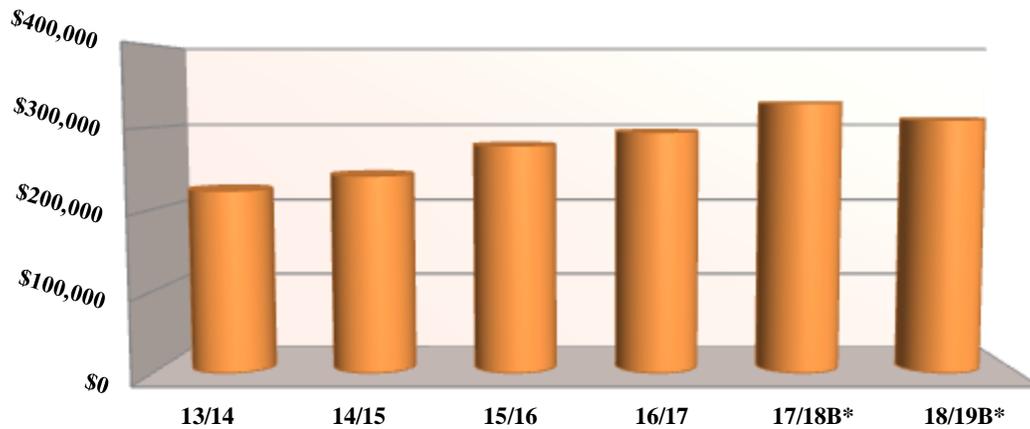
## LICENSES & PERMITS

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.

#### Construction Related Revenue



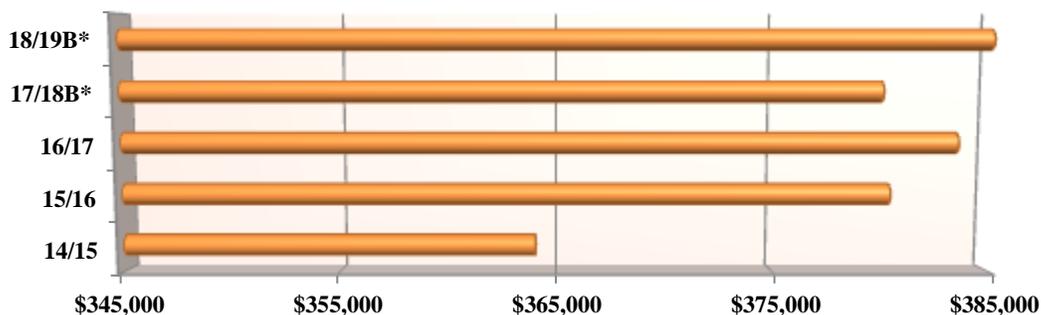
\* 17/18B and 18/19B represent budgeted data on charts and graphs

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, including a new building for Arby's. This fiscal year is not projected to be as busy but the completion of the Dutch Brothers 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 Sudden Link.

#### Franchise Fee Revenues



\* 17/18B and 18/19B represent budgeted data on charts and graphs



Projections reflect a slight increase in franchise fee revenues due to utility rate increases, as well as new commercial/residential construction.

**INTERGOVERNMENTAL**

These revenues come from Wildland reimbursements, grants, and dispatch service agreements.

**FINES & FORFEITS**

This category includes fines & fees from the court and library.

**MISCELLANEOUS**

Miscellaneous includes investment interest, contributions, and other revenues that do not fit in any other category.

**GENERAL FUND—EXPENDITURES**

The General Fund budget for 2018/19 (including transfers) totals \$19,722,300, which is 11.8% higher than the 2017/18 budget. The major expenditure categories include Personnel Services and Operating Expenses. Details are included in the Budget Summary section.

The following table depicts the major departments/functions in the General Fund and the combined amounts budgeted in those categories, including transfers and the public safety liability.

**EXPENDITURE SUMMARY BY DEPARTMENT - GENERAL FUND**

DEPARTMENT	2015/16 ACTUAL	2016/17 ACTUAL	2017/18 ADOPTED	2018/19 PROPOSED
Town Council	83,524	90,311	102,500	120,100
Town Clerk/Elections	211,598	215,105	237,700	302,900
Town Manager	317,299	194,976	220,400	227,300
Town Attorney	367,128	402,691	448,700	471,000
Financial Services	357,791	335,896	531,600	525,800
Other Governmental Services	1,303,823	1,691,737	2,361,100	2,919,900
Information Services	567,464	417,451	723,500	1,175,000
Tourism	126,283	123,175	129,400	81,000
Magistrate Court	206,881	175,712	213,100	213,100
Police	4,517,671	5,012,747	6,448,100	6,394,200
Fire	3,152,524	3,265,173	3,804,100	4,356,200
Community Development	813,032	821,402	989,900	1,151,100
Public Works	630,515	646,181	-	-
Parks & Recreation	370,062	388,309	1,192,900	1,473,500
Human Resources	205,786	213,282	238,100	311,200
<b>TOTAL</b>	<b>\$ 13,231,381</b>	<b>\$ 13,994,148</b>	<b>\$ 17,641,100</b>	<b>\$ 19,722,300</b>



## EXPENDITURE SUMMARY BY CATEGORY - GENERAL FUND

MAJOR EXPENDITURE	2017/18 ADOPTED	2018/19 PROPOSED	INCREASE (DECREASE)	PERCENT CHANGE
Personnel Services/Benefits	12,763,800	13,361,800	598,000	4.7%
Operating Expenditures	3,357,300	3,968,600	611,300	18.2%
Transfers Out	527,500	739,000	211,500	40.1%
Other Uses *	992,500	1,652,900	660,400	66.5%
<b>TOTAL</b>	<b>\$ 17,641,100</b>	<b>\$ 19,722,300</b>	<b>\$ 2,081,200</b>	<b>11.8%</b>

\*Other Uses: include Internal Water Loan, Capital Projects, and additional PSPRS payment.

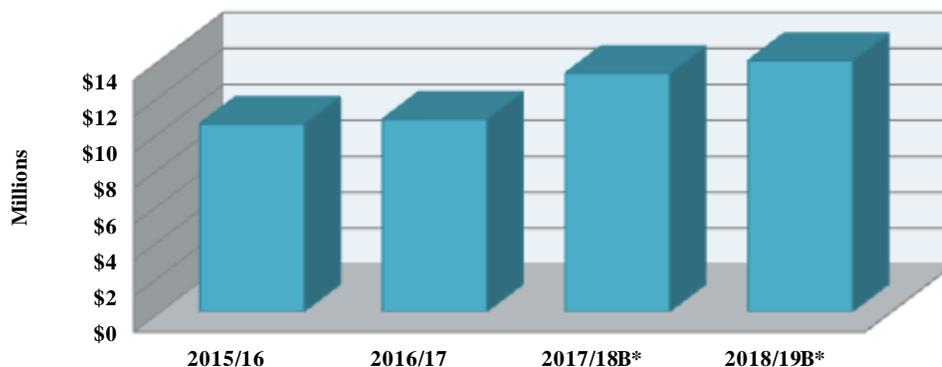
### PERSONNEL SERVICES

Personnel Services represent a significant portion of the total General Fund budget. In fiscal year 2018/19, salaries and benefits (health insurance, accident insurance, disability insurance, life insurance, and retirement) account for \$13,361,800 or 67.8% of the total General Fund budget. Major changes to Personnel for FY 2018/19 include:

- 20 full-time positions received wage adjustments or promotions based on department head recommendations
- Added 2% COLA for employees after remaining stagnant for 10 consecutive years
- Changed a part-time position into a full-time Clerk position
- Added three new full-time positions for the Fire Department
- Updated wages for 911 dispatcher positions
- Unfroze and funded two full-time positions for the Police Department

There were quite a few changes to staffing and benefits. The net effect was an increase of 4.7% over the previous year. Estimated savings from last year were realized due to unfilled positions and retirements, which offset some of the personnel increases mentioned above. Gains and losses remain the same, except for in both the Fire and Police Departments. Fire Department increased by \$467,900 due to the new positions, over-time adjustments, and reserve personnel benefits. The Police Department increased approximately \$79,600 due to newly funded positions and over-time adjustments.

### Personnel Services

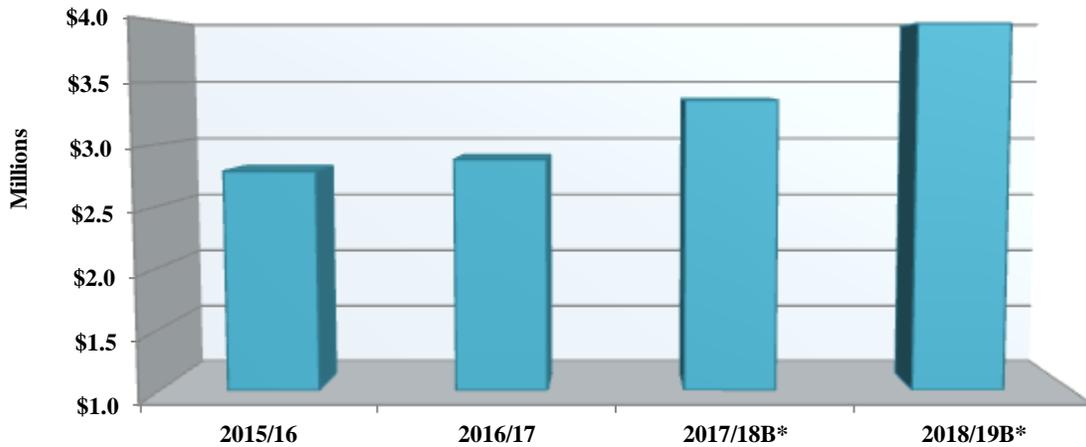


\* 17/18B and 18/19B represent budgeted data on charts and graphs

### OPERATING EXPENDITURES

Operating expenditures represent approximately 20.1% of the total General Fund budget, which include a wide array of expenditures. This category includes all normal day-to-day expenditures (i.e., engineering services, custodial services, repairs, maintenance, legal notices, equipment rentals, telephone and utility services, legal and accounting services, motor vehicle repair and maintenance, minor equipment, liability insurance, and miscellaneous supplies).

Operating Expenditures

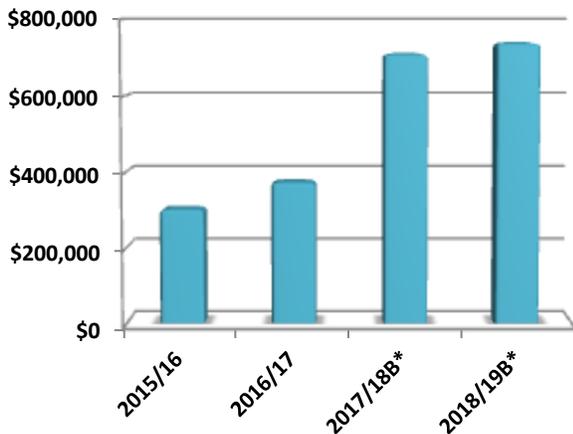


\* 17/18B and 18/19B represent budgeted data on charts and graphs

### TRANSFERS-OUT

Transfers-out represents approximately 3.75% of the total General Fund budget, and consists of the following internal transfers:

Transfers Out



To Library	\$ 195,600
To Airport	\$ 167,300
To Contingency Fund	\$ 150,000
To HURF	\$ 100,000
To Gifts & Grants	\$ 2,000
To Equipment Fund	\$ 100,000
To Westerly Dr. Imprv. Debt Service	\$ 24,100
<b>Total</b>	<b>\$ 739,000</b>

\* 17/18B and 18/19B represent budgeted data on charts and graphs

**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
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%	13,231,381	2.6%	1,113,979
2016/17	14,458,678	0.8%	13,994,148	5.8%	464,530
2017/18*	17,330,500	19.9%	17,641,100	26.1%	(310,600)
2018/19*	18,083,300	4.3%	19,722,300	11.8%	(1,639,000)

\*Budgeted

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 another year. Prompted by another hefty increase in the cost of public safety retirement obligations in 2017, 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 contingency 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 continues 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.





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## SPECIAL REVENUE FUND

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

**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.

**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 FY 2010/11, the Town increased the tax from 3% to 5% of each hotel/motel transaction.

**Contingency Fund** – This fund was established in FY 2017/18 to build a ‘rainy day’ savings fund in order to be prepared for future economic fluctuations.

**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.

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

**Highway Users Revenue Fund (HURF)** – This fund, also known as the Street Fund, is funded primarily with State Shared monies received from the State of Arizona. The use of these funds is restricted by Statute to the operation and maintenance of the Town’s infrastructure (roads, bridges, curbs, gutters, sidewalks, etc. On November 4, 2014, voters authorized the continuation of the Gila County 1/2 Cent Transportation Excise Tax funds. These monies are also used for highway/street purposes, therefore they are recorded within this fund.

**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/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 towards the collection process of penalties and fines.

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

**Parks Facilities Improvement Fund** – This fund was established in FY 2014/15 when the Town Council approved the assessment of a \$5 fee, which is added to most Parks charges and is 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 money is distributed to various Police Departments and is restricted for the law enforcement efforts.

**Police Impound Fee Fund** – During FY 2016/17, Arizona Revised Statutes 28-3513 established the guidelines allowing the Police Department to charge an administrative fee for impounded vehicles.

**SPECIAL REVENUE FUND—REVENUE**

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

Category	2017/18 Adopted	2018/19 Proposed	Increase (Decrease)	Percent Change
Taxes	1,946,400	1,948,100	1,700	0.09%
Intergovernmental	1,116,400	1,124,400	8,000	0.72%
Grants	1,263,200	1,326,100	62,900	4.98%
Charges for Service	276,200	254,000	(22,200)	-8.04%
Fines & Forfeitures	17,000	15,000	(2,000)	-11.76%
Miscellaneous	1,967,700	2,577,800	610,100	31.01%
Transfers In	479,600	818,800	339,200	70.73%
<b>TOTAL</b>	<b>\$ 7,066,500</b>	<b>\$ 8,064,200</b>	<b>\$ 997,700</b>	<b>14.12%</b>

Taxes, Intergovernmental, and Miscellaneous (mostly health insurance related items) are consistently the major revenue sources in the Special Revenue Funds. These revenues comprise approximately 70.1% of the total FY 2018/19 Special Revenue Fund revenues.



**Miscellaneous** funding increased from \$1,967,700 for fiscal year 2017/18 to \$2,577,800 for this fiscal year, which represents one of the majority revenue increases for Special Revenue Fund. This is due to the potential \$500,000 donation from the Friends of Parks and Recreation.

**Transfers-In** increased significantly. This was due to \$150,000 transfer into the Contingency Fund to accumulate the “rainy day” savings. This also includes an Airport transfer for the grant matching funds required to satisfy the Town’s obligation toward two projects.

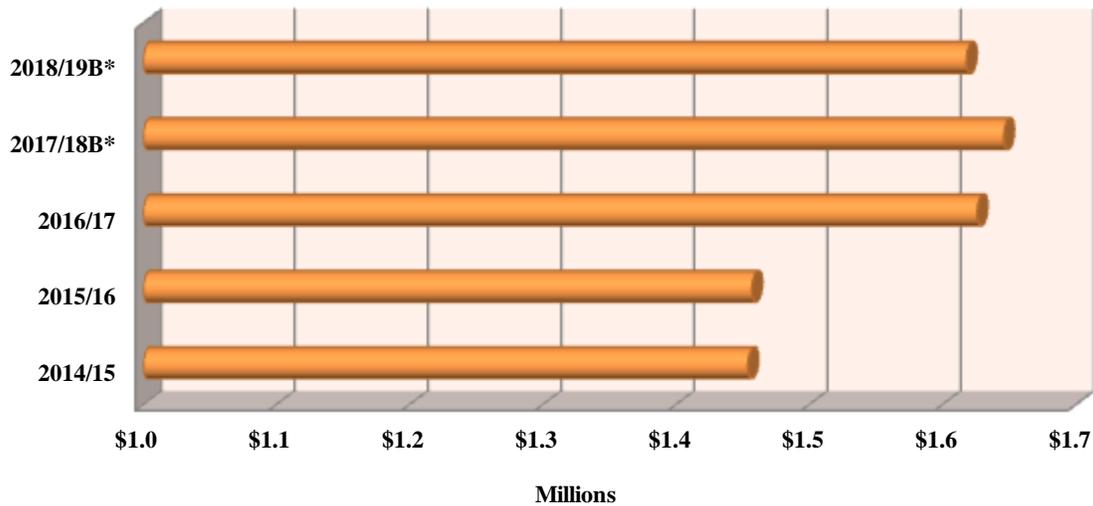
**TAXES**

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.

**HURF Revenue**



\* 17/18B and 18/19B represent budgeted data on charts and graphs

The Arizona Department of Transportation provides the HURF estimate. This revenue is projected to be approximately 1.7% lower than last year’s projection.

**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 Arizona Department of Revenue to the County, and individual cities and towns within Gila County.

### Gila County 1/2 Cent Transportation Tax



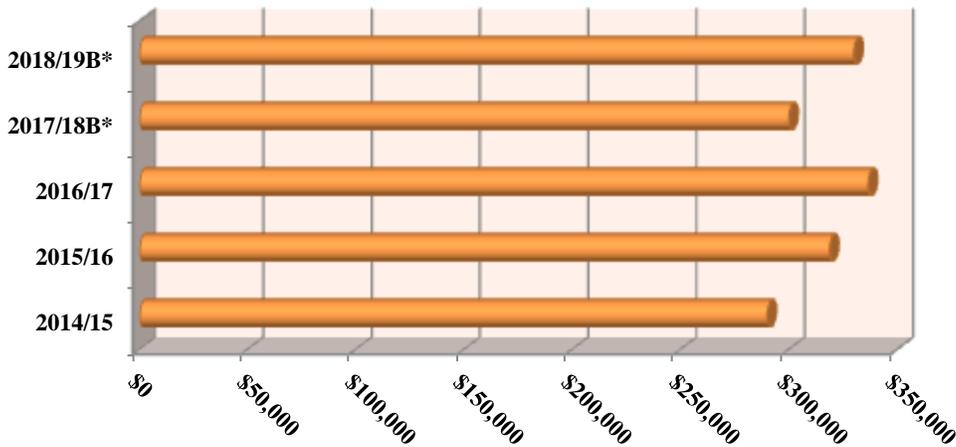
\* 17/18B and 18/19B represent budgeted data on charts and graphs

This revenue source has been a welcomed boost to the Town’s funding towards street projects. The increase compared to last year is 5.5%. 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.

### Bed Tax Revenue



\* 17/18B and 18/19B represent budgeted data on charts and graphs

Continued efforts to promote local events have helped boost this revenue source despite the slow economic recovery.



**SPECIAL REVENUE FUND—EXPENDITURES**

The Special Revenue Fund budget for FY2018/19 totals \$8,722,700 and is 18.2% higher than the FY 2017/18 budget. The main reasons for the increase are for: highway construction, improvements, and other related expenses; potential Rumsey park plan; accumulation of the contingency fund; and personnel costs.

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

FUND	2015/16 ACTUAL	2016/17 ACTUAL	2017/18 ADOPTED	2018/19 PROPOSED
<b>HURF Fund</b>	2,373,444	2,707,593	2,715,600	3,213,700
<b>P&amp;R Facility Improvement Fees</b>	-	-	62,000	-
<b>Gifts &amp; Grants Fund</b>	55,304	-	-	517,000
<b>Wildlands/Urban Program Fund</b>	-	-	-	-
<b>Bed Tax Fund</b>	248,050	281,648	423,600	470,300
<b>Police Dept of Justice</b>	76,302	35,810	102,300	80,000
<b>Police Reserve Academy</b>	-	-	-	23,000
<b>Library Fund</b>	345,651	361,300	428,300	441,000
<b>Magistrate Court / FTG Fund</b>	-	15,408	-	-
<b>Airport Fund</b>	230,496	136,170	1,472,300	1,398,500
<b>Event Center Fund</b>	171,141	152,059	222,200	322,900
<b>Contingency Fund</b>	-	-	-	200,000
<b>Medical Insurance Fund</b>	1,880,294	1,715,052	1,953,700	2,056,300
<b>TOTAL</b>	<b>\$ 5,380,682</b>	<b>\$ 5,405,040</b>	<b>\$ 7,380,000</b>	<b>\$ 8,722,700</b>

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

MAJOR EXPENDITURE	2017/18 ADOPTED	2018/19 PROPOSED	INCREASE (DECREASE)	PERCENT CHANGE
<b>Personnel Services</b>	1,750,500	1,853,200	102,700	5.9%
<b>Operating Expenditures</b>	3,122,400	3,561,000	438,600	14.0%
<b>Capital Outlay</b>	2,259,900	3,004,600	744,700	33.0%
<b>Debt Services</b>	-	-	-	0.0%
<b>Transfers Out</b>	247,200	303,900	56,700	22.9%
<b>TOTAL</b>	<b>\$ 7,380,000</b>	<b>\$ 8,722,700</b>	<b>\$ 1,342,700</b>	<b>18.2%</b>

**PERSONNEL SERVICES**

Personnel Services represents 21.2% 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**

Operating Expenditures represent 40.8% of the total Special Revenue Funds budget. This category includes a wide array of expenditures including normal day-to-day expenditures of the programs funded by these restricted funds.

### CAPITAL OUTLAY

Capital outlay represents 34.4% of the Special Revenue Funds total budget. Capital outlay includes all major capital improvements in these restricted funds. This category increased due to two grant funded projects at the Airport.

### TRANSFERS-OUT

Transfers-out represents 3.5% of the total Special Revenue Funds budget. This year's Transfer consists of the following internal transfers of funds:

<b>Transfer from Bed Tax Fund to Event Center Fund</b>	203,900
<b>Transfer from Bed Tax Fund to General Fund</b>	100,000
	\$ 303,900





**BUDGET SUMMARY BY FUND – SPECIAL REVENUE FUND**

<b>FUND</b>	<b>2015/16 Actual</b>	<b>2016/17 Actual</b>	<b>2017/18 Adopted</b>	<b>2018/19 Proposed</b>
<b>HURF Fund</b>	2,678,536	2,540,969	2,549,000	2,791,500
<b>Parks &amp; Rec Improvement Fee Fund</b>	15,055	15,698	15,000	15,000
<b>Gifts &amp; Grant Fund</b>	12,000	2,000	-	502,000
<b>Bed Tax Fund</b>	318,814	341,636	300,000	330,000
<b>Police Dept of Justice Fund</b>	64,570	65,680	68,000	44,000
<b>Police Impound Fee Fund</b>	-	8,000	7,000	12,000
<b>Library Fund</b>	345,651	361,299	428,300	441,000
<b>Magistrate Court / FTG Fund</b>	1,222	1,209	1,000	1,000
<b>Airport Fund</b>	230,496	136,170	1,472,300	1,398,500
<b>Event Center Fund</b>	171,142	152,057	222,200	322,900
<b>Contingency Fund</b>	-	-	50,000	150,000
<b>Medical Insurance Fund</b>	1,877,406	1,716,187	1,953,700	2,056,300
<b>Total Revenues</b>	<b>\$ 5,714,892</b>	<b>\$ 5,340,905</b>	<b>\$ 7,066,500</b>	<b>\$ 8,064,200</b>
<b>HURF Fund</b>	2,373,444	2,707,593	2,715,600	3,213,700
<b>Parks &amp; Rec Improvement Fee Fund</b>	-	-	62,000	-
<b>Gifts &amp; Grant Fund</b>	55,304	-	-	517,000
<b>Bed Tax Fund</b>	248,050	281,648	423,600	470,300
<b>Police Dept of Justice Fund</b>	76,302	35,810	102,300	80,000
<b>Police Impound Fee Fund</b>	-	-	-	23,000
<b>Library Fund</b>	345,651	361,300	428,300	441,000
<b>Magistrate Court / FTG Fund</b>	-	15,408	.	.
<b>Airport Fund</b>	230,496	136,170	1,472,300	1,398,500
<b>Event Center Fund</b>	171,141	152,059	222,200	322,900
<b>Contingency Fund</b>	-	-	-	200,000
<b>Medical Insurance Fund</b>	1,880,294	1,715,052	1,953,700	2,056,300
<b>Total Expenditures</b>	<b>5,380,682</b>	<b>5,405,040</b>	<b>7,380,000</b>	<b>8,722,700</b>

## DEBT SERVICE FUND

Debt Service funds are used to account for all interest, principal and fees incurred due to general obligation and assessment debt of the Town, except those accounted for in the Water 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.

***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. The bonds are payable solely from special assessments levied against all privately owned lots, and pieces & parcels of land 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 \$295,000.

***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 \$645,000.

**Revenue Backed Debt Services as of July 1, 2018  
(Principal Only)**

Year	Westerly Rd Improvement District	Fire Bonds
2018	\$70,000	\$320,000
2019	\$70,000	\$325,000
2020	\$75,000	-
2021	\$80,000	-
<b>Total</b>	<b><u>\$295,000</u></b>	<b><u>\$645,000</u></b>
<b>General Town Debt</b>		<b><u>\$940,000</u></b>





## **WATER ENTERPRISE REVENUE BACKED DEBT**

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

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

In August 2009, the Town entered into a \$10.6 million (\$4.0 million in federal grant funding and \$6.6 million in loans) agreement with the Water Infrastructure Financing Authority (WIFA) of Arizona to start the C.C. Cragin Pipeline Project. By June 30, 2012, the Town had drawn down \$3.6 million of the loan and drew the maximum \$4.0 million in federal ARRA grant funds. In August 2012, \$2.4 million of the loan was de-obligated and the Town made the final draw of available funds in July 2012. The original loan amount after de-obligation was \$4,177,807. As of July 1, 2018, the total principal outstanding is \$2,573,441.

### ***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. As of July 1, 2016, draws were made for the total amount of this loan. As of July 1, 2018, the total principal outstanding is \$4,994,806.

### ***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, 2018, draws have been made for the total amount of this loan, and the total principal outstanding is \$9,494,242.

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

In 2016, the Water Division obtained an additional \$11,000,000 loan from WIFA. \$1,000,000 of this loan is forgivable. As of July 1, 2018, draws have been made for the total amount of this loan, and the total principal outstanding is \$9,752,920.

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

In 2017, the Water Division obtained the final WIFA loan for \$11,000,000 with \$1,000,000 of this loan being forgivable. As of July 1 2018, the Town has made five draws totaling \$4,326,134 of which \$1,000,000 was forgiven, and the total principal outstanding is \$9,770,037.



**Revenue Backed Debt Services as of July 1, 2018  
(Principal Only)  
Water Enterprise Debt**

Year	WIFA Loan 1B	WIFA Loan 2	WIFA Loan 3	WIFA Loan 4	WIFA Loan 5	Total
2018	\$182,537	\$272,514	\$261,225	\$252,711	\$235,573	\$1,204,560
2019	\$187,815	\$280,144	\$266,972	\$258,473	\$241,321	\$1,234,725
2020	\$193,244	\$287,988	\$272,845	\$264,366	\$247,210	\$1,265,653
2021	\$198,831	\$296,052	\$278,848	\$270,394	\$253,242	\$1,297,367
2022	\$204,579	\$304,342	\$284,982	\$276,559	\$259,421	\$1,329,883
2023	\$210,494	\$312,863	\$291,252	\$282,864	\$265,751	\$1,363,224
2024	\$216,579	\$321,623	\$297,659	\$289,314	\$272,235	\$1,397,410
2025	\$222,840	\$330,629	\$304,208	\$295,910	\$278,877	\$1,432,464
2026	\$229,282	\$339,886	\$310,900	\$302,657	\$285,682	\$1,468,407
2027	\$235,911	\$349,403	\$317,740	\$309,557	\$292,653	\$1,505,264
2028	\$242,731	\$359,187	\$324,731	\$316,615	\$299,793	\$1,543,057
2029	<u>\$248,598</u>	\$369,244	\$331,875	\$323,834	\$307,108	\$1,580,659
2030	-	\$379,583	\$339,176	\$331,218	\$314,602	\$1,364,579
2031	-	\$390,211	\$346,638	\$338,769	\$322,278	\$1,397,896
2032	-	<u>\$401,137</u>	\$354,264	\$346,493	\$330,142	\$1,432,036
2033	-	-	\$362,058	\$354,393	\$338,197	\$1,054,648
2034	-	-	\$370,023	\$362,474	\$346,449	\$1,078,946
2035	-	-	\$378,163	\$370,738	\$354,902	\$1,103,803
2036	-	-	\$386,483	\$379,191	\$363,562	\$1,129,236
2037	-	-	\$394,986	\$387,836	\$372,433	\$1,155,255
2038	-	-	\$403,675	\$396,679	\$381,520	\$1,181,874
2039	-	-	\$412,556	\$405,723	\$390,829	\$1,209,108
2040	-	-	\$421,632	\$414,974	\$400,366	\$1,236,972
2041	-	-	\$430,908	\$424,435	\$410,135	\$1,265,478
2042	-	-	\$440,388	\$434,112	\$420,142	\$1,294,642
2043	-	-	\$450,077	\$444,010	\$430,393	\$1,324,480
2044	-	-	<u>\$459,978</u>	\$454,133	\$440,895	\$1,355,006
2045	-	-	-	<u>\$464,488</u>	\$451,653	\$916,141
2046	-	-	-	-	<u>\$462,673</u>	<u>\$462,673</u>
<b>Total</b>	<b>\$2,573,441</b>	<b>\$4,994,806</b>	<b>\$9,494,242</b>	<b>\$9,752,920</b>	<b>\$9,770,037</b>	<b>\$36,585,446</b>



**CONTRACT/LEASE DEBT**

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

***2017 Equipment Lease/Purchase***

This lease/purchase began in 2017 for a vector truck for the Water Department. The lease term is January 2017 thru July 2022. The original amount of the lease/purchase was \$442,246 plus interest. As of July 1, 2018, there is \$400,196 principal outstanding.

***2015 Equipment Lease/Purchase***

This lease/purchase began in 2015 for ball field lights for the Parks & Recreation Department. The lease term is August 2015 thru September 2025. The original amount of the lease/purchase was \$402,000 plus interest. As of July 1, 2018, there is \$322,328 principal outstanding.

This lease/purchase began in 2015 for field turf for the Parks & Recreation Department. The lease term is March 2016 thru March 2022. The original amount of the lease/purchase was \$332,015 plus interest. As of July 1, 2018, there is \$192,024 principal outstanding.

This lease/purchase began in 2015 for a sweeper and backhoe loader for the Streets Division. The lease term is August 2015 through August 2020. The original amount of the lease/purchase was \$345,406 plus interest. As of July 1, 2018, there is \$177,532 principal outstanding.

**Total Contract/Lease Debt Service as of July 1, 2018  
(Principal Only)**

Year	Ballfield Lights	Field Turf	Sweeper/Backhoe Loader	Vector Truck	Total
2018	\$33,678	\$46,153	\$34,716	\$42,520	\$157,067
2019	\$35,383	\$47,367	\$70,609	\$86,467	\$239,826
2020	\$37,175	\$48,613	<u>\$72,207</u>	\$88,406	\$246,401
2021	\$39,057	<u>\$49,891</u>	-	\$90,388	\$179,336
2022	\$41,035	-	-	<u>\$92,415</u>	\$133,450
2023	\$43,113	-	-	-	\$43,113
2024	\$45,296	-	-	-	\$45,296
2025	<u>\$47,590</u>	-	-	-	<u>\$47,590</u>
<b>Total</b>	\$322,327	\$192,024	\$177,532	\$400,196	\$1,092,079

**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 plus interest. 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, 2018, there is \$800,000 in principal outstanding. However, the Council has made repayment of the Water loan one of their priorities. Future budgets will now include principal payments to pay off the loan.

**LEGAL DEBT MARGIN**

With the consent of the citizens, the Town may not exceed 20% of the net assessed value for the purposes of water, sewer, lights, parks, open space, recreation facilities, public safety, public safety facilities, streets and transportation facilities. Additionally, the Town is allowed to be indebted up to 6% of the net secondary assessed value of the property within the Town for general purposes.

Net Secondary Assessed Valuation **\$ 182,499,055**

**Water, Sewer, Lights, Parks, Open Space and Recreational Facility Bonds**

Debt limit - 20% of secondary net assessed valuation 36,499,811

Net debt applicable to limit -

20% legal debt margin \$ 36,499,811

**All other general obligation bonds**

Debt limit - 6% of secondary net assessed valuation 10,949,943

Net debt applicable to limit 645,000

6% legal debt margin \$ 10,304,943

Total Legal Debt Margin **\$ 46,804,754**





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## CAPITAL PROJECT FUND

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

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

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

**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 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 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 Fund** – 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 for the possibility of an improvement district being formed. At this time this is no longer in the plan.

**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 for construction, repairs or improvements to the Town's long-term capital infrastructure and equipment assets. Capital improvements include the construction of new or significant repairs to streets, parks, buildings and other facilities that are not classified as "on-going" expenditures. Capital improvements do not include the on-going costs to maintain and 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 between 5-75 years depending on the improvement.

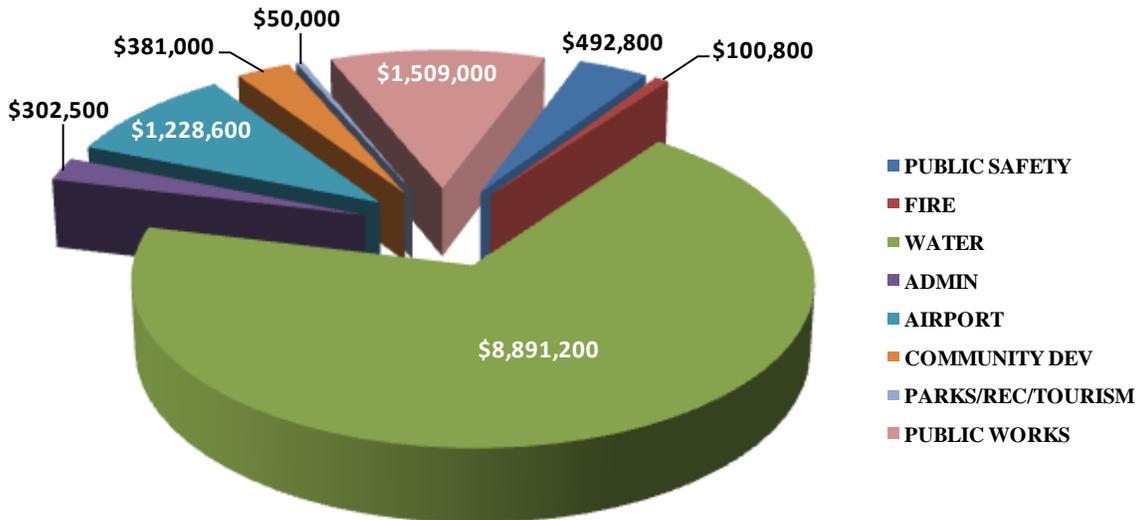
**CAPITAL IMPROVEMENT PLAN**

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

Capital does not cover routine maintenance; however, it does include renovations, major repairs, or reconstruction of damaged/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 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 Town’s CIP can be found in the Capital Improvement Program section of this book.

**PROPOSED CAPITAL PROJECTS BY DEPARTMENT  
FISCAL YEAR 2018/2019**



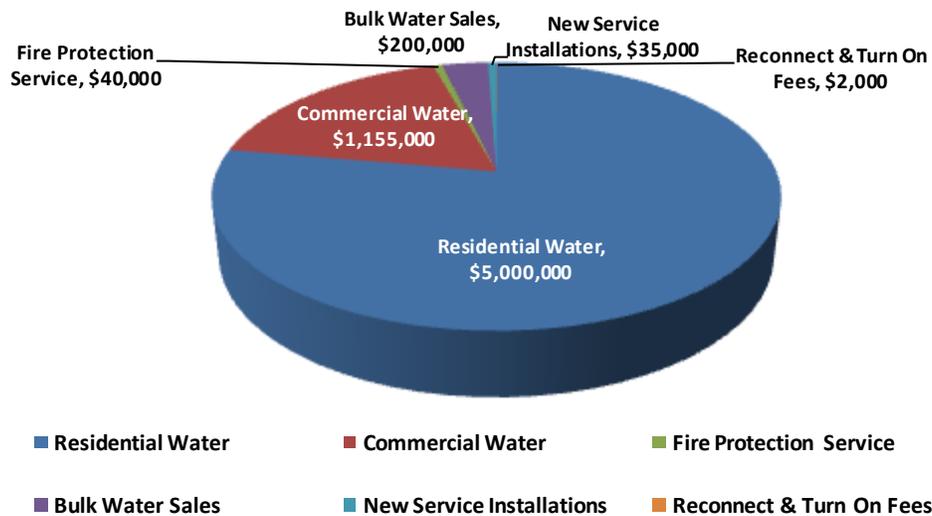
## ENTERPRISE FUND

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 improvements 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. The 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 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.

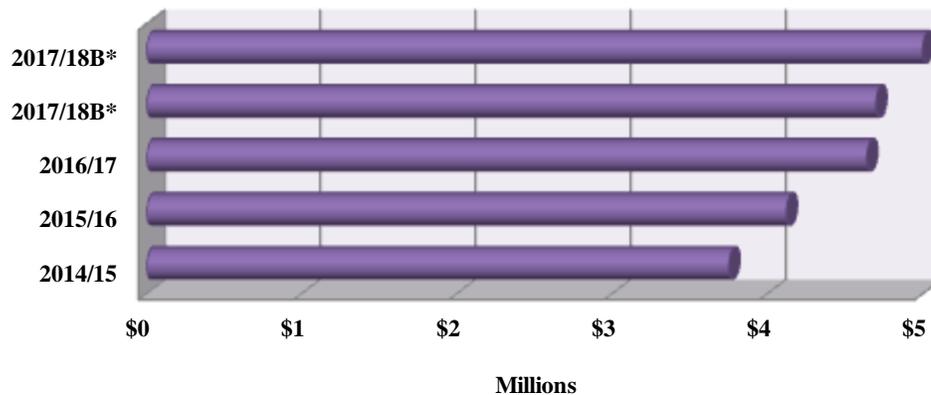
### Water Department Projected Revenue Charges for Service for 2018/19



Residential Water User Fees represent 78% 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.

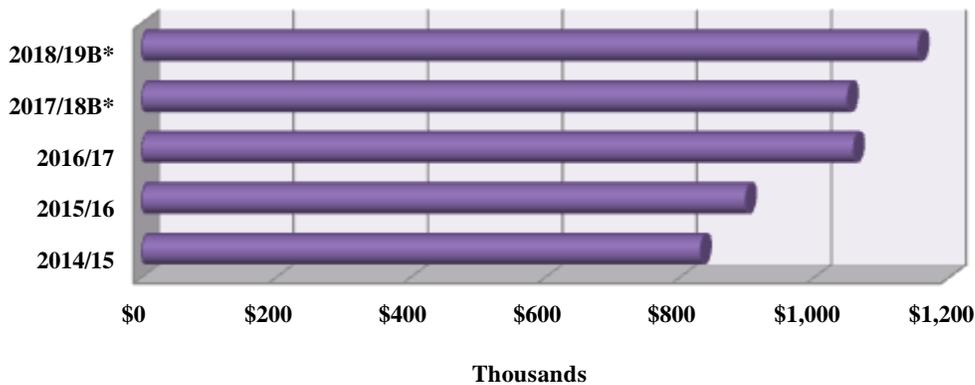
Commercial Water User Fees represent 17.9% of the Water Division’s total charges for service. The Town has seen a growth in new business, and this increase was taken into consideration when projecting revenues. The October 2018 rate increase also impacts this revenue category.

### Residential Water User Fees



\* 17/18B and 18/19B represent budgeted data on charts and graphs

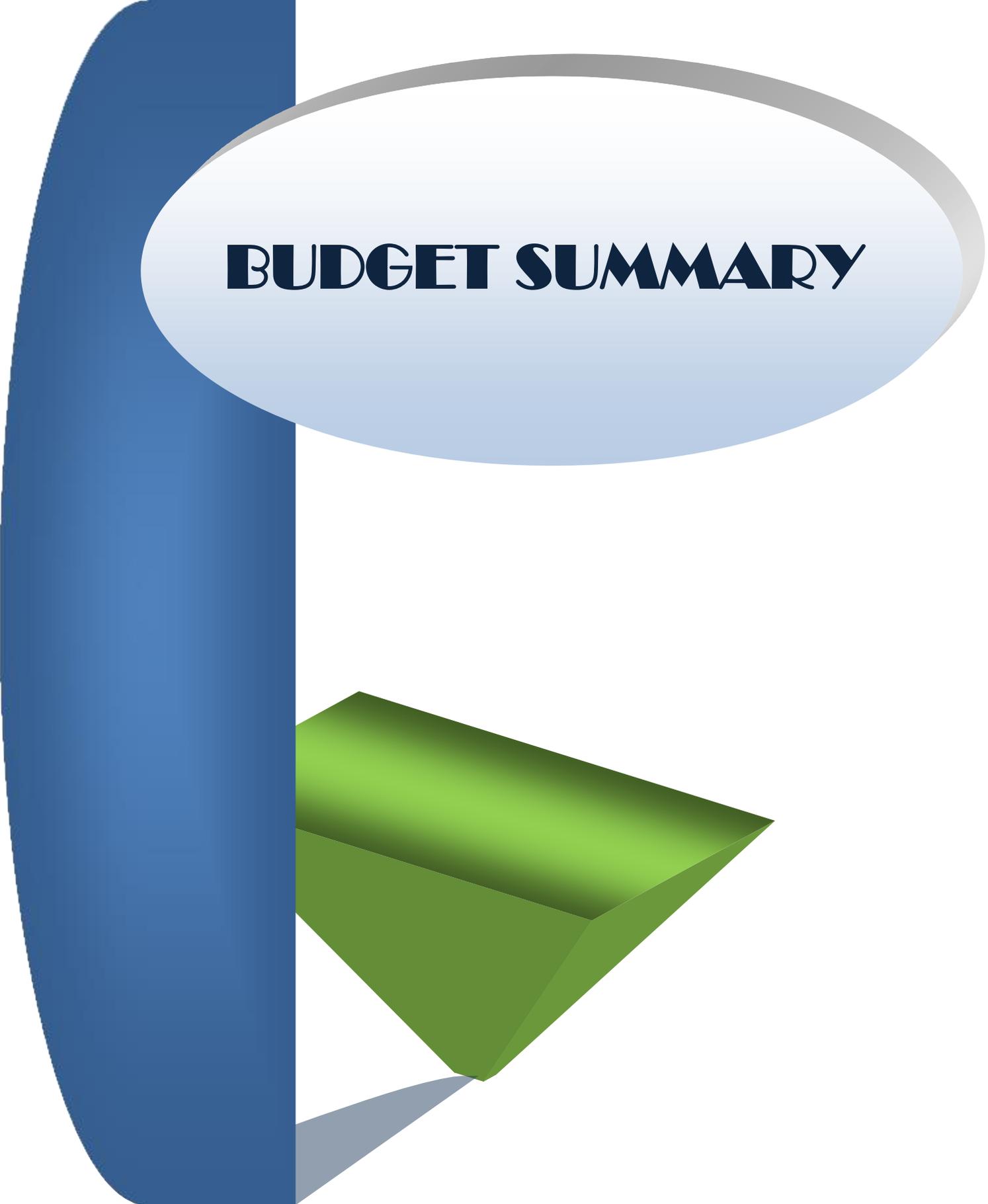
### Commercial Water User Fees



\* 17/18B and 18/19B represent budgeted data on charts and graphs

The remaining 4.3% of the Water Division’s charges for service are made up of fire protection service fees, bulk water sales, new service installation fees, and reconnect & turn-on fees.

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



# **BUDGET SUMMARY**

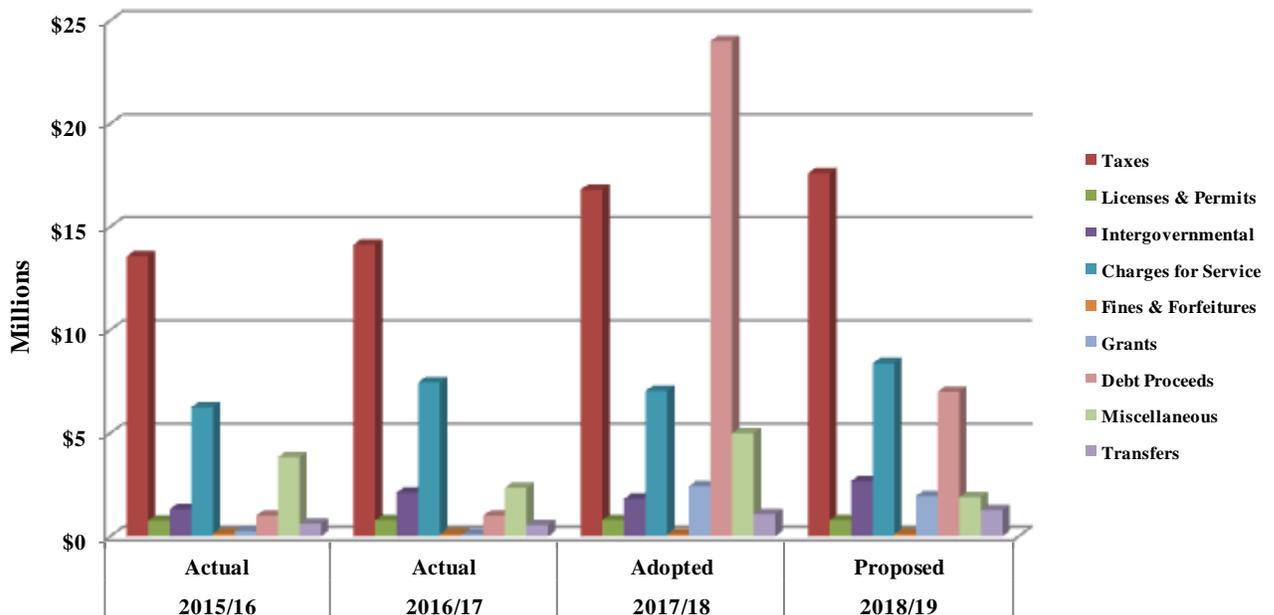


## BUDGET OVERVIEW

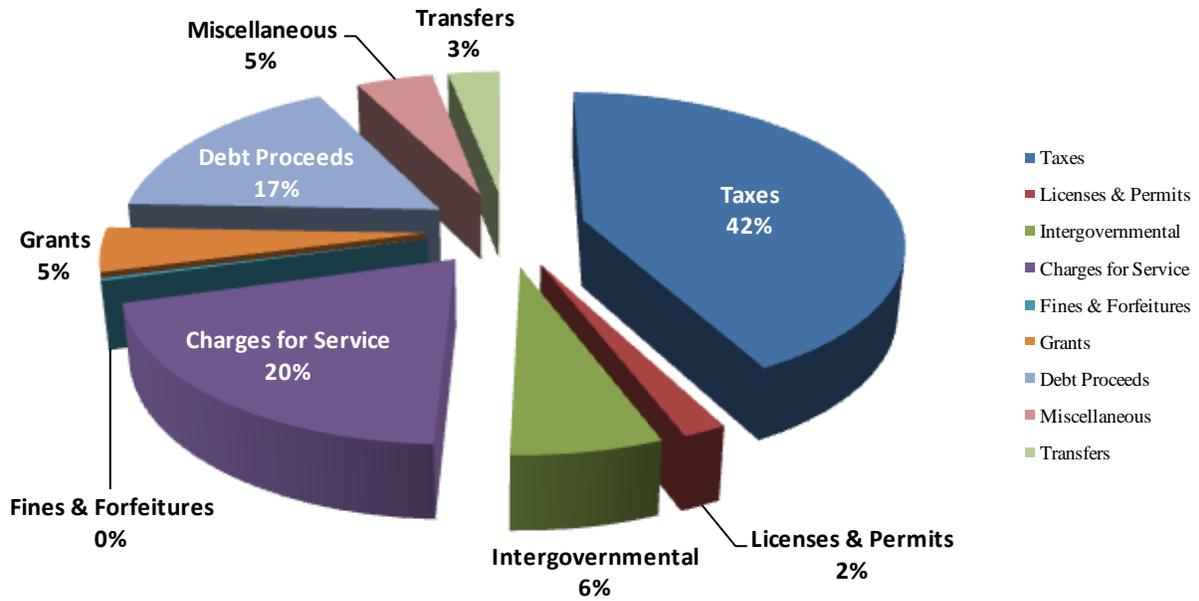
### REVENUE

The Town continues a conservative approach to revenue projection. Due to current economic conditions, analysis of current trends was a vital tool in establishing projected revenue figures. Estimated revenues and operating transfers for the 2018/19 budget total \$41,618,800 which reflects a decrease of 29.5% over the 2017/18 adopted budget. This change is primarily due to a decrease in the Town's debt proceeds (money borrowed for water projects).

Category	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed
Taxes	13,567,221	14,136,115	16,797,400	17,582,300
Licenses & Permits	750,637	769,827	788,500	773,500
Intergovernmental	1,305,797	2,120,072	1,814,900	2,668,900
Charges for Service	6,254,147	7,465,844	7,044,800	8,387,000
Fines & Forfeitures	127,648	113,681	107,000	115,000
Grants	236,718	92,489	2,419,400	1,944,200
Debt Proceeds	1,000,000	1,000,000	24,000,000	7,000,000
Miscellaneous	3,831,122	2,351,688	4,991,100	1,883,000
Transfers	602,573	547,305	1,069,300	1,264,900
<b>Total Operating Revenues</b>	<b>\$ 27,675,863</b>	<b>\$ 28,597,021</b>	<b>\$ 59,032,400</b>	<b>\$ 41,618,800</b>



2018/19 Proposed

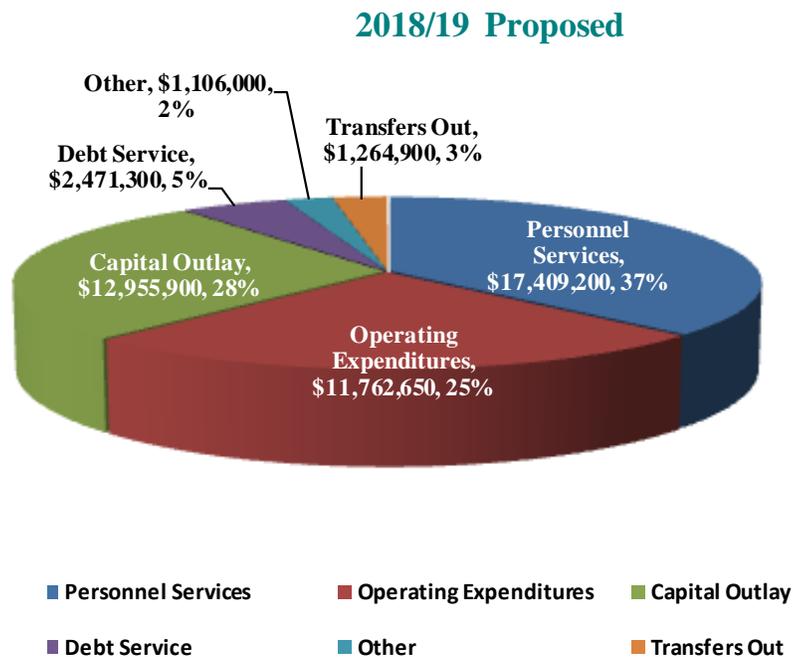


**EXPENDITURES**

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

- The operating budget finances the day-to-day provisions of Town services and totals \$11,762,650.
- The personnel services budget consists of the salaries and fringe benefits for all the Town’s employees. The amount budgeted for personnel services is \$17,409,200.
- The capital outlay budget funds the construction or improvement of Town facilities and infrastructure and the purchase of various types of machinery and equipment. Capital infrastructure improvements are budgeted within the various Town accounts. The capital improvement project budget totals \$12,955,900.
- The debt service budget is used to repay money borrowed by the Town, primarily for capital improvements and amounts to \$2,471,300.
- The transfers-out budget of \$1,264,900 represents the amount of funds transferred from one fund to another and has a corresponding Transfer-In budget which causes a net effect of \$0.
- The depreciation expense for the enterprise fund is \$1,106,000.

The total budget, including all six components, is \$46,969,950.



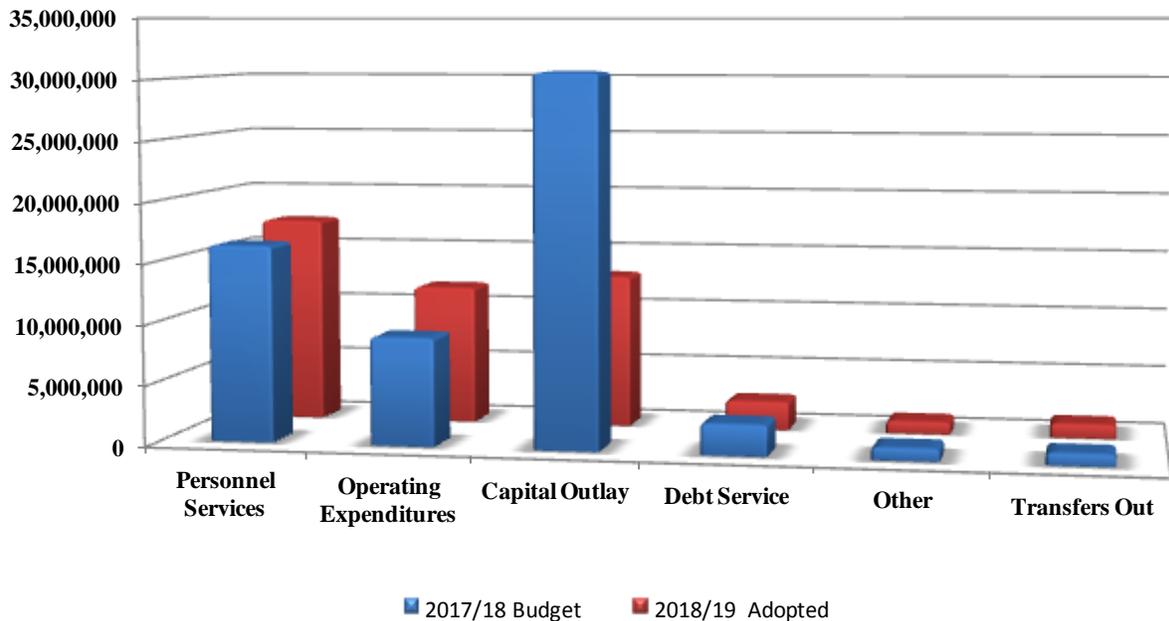


**TOTAL FINANCIAL PROGRAM**

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

	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed
<b>Personnel Services</b>	13,281,220	13,538,458	16,383,400	17,409,200
<b>Operating Expenditures</b>	7,290,062	7,189,589	9,040,700	11,762,650
<b>Capital Outlay</b>	10,359,966	10,430,487	30,704,671	12,955,900
<b>Debt Service</b>	648,288	976,235	2,637,500	2,471,300
<b>Other</b>	2,370,019	1,088,652	1,106,000	1,106,000
<b>Transfers Out</b>	602,572	614,605	1,069,300	1,264,900
	<b>\$ 34,552,127</b>	<b>\$ 33,838,026</b>	<b>\$ 60,941,571</b>	<b>\$ 46,969,950</b>

**Expenditure Comparison**





## EXPENDITURE SUMMARY BY FUND

FUND	2017/18 ADOPTED	2018/19 PROPOSED	\$ Inc/Dec	% Inc/Dec
<b>Total General Fund</b>	\$ 17,641,100	\$ 19,722,300	\$ 2,081,200	11.80%
<b>Special Revenue:</b>				
HURF Fund	2,715,600	3,213,700	\$ 498,100	18.34%
Parks Facility Imp Fee	62,000	-	\$ (62,000)	-100.00%
Gfits & Grants Fund	-	517,000	\$ 517,000	100.00%
Bed Tax Fund	423,600	470,300	\$ 46,700	11.02%
Police Dept of Justice	102,300	80,000	\$ (22,300)	-21.80%
Police Impound Fund	-	23,000	\$ 23,000	100.00%
Library Fund	428,300	441,000	\$ 12,700	2.97%
Airport Fund	1,472,300	1,398,500	\$ (73,800)	-5.01%
Event Center Fund	222,200	322,900	\$ 100,700	45.32%
Contingency Fund	-	200,000	\$ 200,000	100.00%
Insurance Fund	1,953,700	2,056,300	\$ 102,600	5.25%
<b>Total Special Revenue Fund</b>	\$ 7,380,000	\$ 8,722,700	\$ 1,342,700	18.19%
<b>Enterprise:</b>				
Water Enterprise Fund	\$ 31,744,200	\$ 17,333,150	\$ (14,411,050)	-45.40%
<b>Total Water Enterprise Fund</b>	\$ 31,744,200	\$ 17,333,150	\$ (14,411,050)	-45.40%
<b>Debt Service:</b>				
Westerly Rd Debt Service Fund	78,900	85,100	\$ 6,200	7.86%
Excise Tax Revenue Obligation	128,000	-	\$ (128,000)	-100.00%
General Obligation Bonds	331,600	333,800	\$ 2,200	0.66%
Timber Ridge Debt Service Fund	40,000	-	\$ (40,000)	-100.00%
<b>Total Debt Service Fund</b>	\$ 578,500	\$ 418,900	\$ (159,600)	-27.59%
<b>Capital Project:</b>				
Grant Capital Project Fund	1,105,000	334,700	\$ (770,300)	-69.71%
Public Safety Construction Fund	114,500	105,000	\$ (9,500)	-8.30%
American Gulch Improvement Dist	150,000	275,000	\$ 125,000	83.33%
Timber Ridge Improvement District	2,100,000	-	\$ (2,100,000)	-100.00%
CAP Trust Fund	128,271	58,200	\$ (70,071)	-54.63%
<b>Total Capital Project Fund</b>	\$ 3,597,771	\$ 772,900	\$ (2,824,871)	-78.52%
<b>TOTAL - ALL FUNDS</b>	\$ 60,941,571	\$ 46,969,950	\$ (13,971,621)	-22.93%

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

On the next page is the Summary of Sources and Uses Statement by Fund Group. On this single page, the entire Town Budget is summarized and presented. The Sources and Uses Statement shows anticipated funds on hand when the year begins, 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.





**SOURCES AND USES BY FUND GROUP  
2018/2019 BUDGET**

	<b>General Fund</b>	<b>Restricted Funds</b>	<b>Restricted Capital Funds</b>	<b>Debt Service Funds</b>	<b>Utility Enterprise Funds</b>	<b>Total Budgeted Funds</b>
<b>SOURCES OF FUNDS</b>						
Beginning Budget Resources	\$ 2,814,744	\$ 871,711	\$ 197,595	\$ 525,849	\$ 7,079,691	\$ 11,489,590
Revenues	16,630,300	5,188,900	1,000	476,000	7,230,500	29,526,700
Grants/One Time Revenues	253,400	1,326,100	334,700		30,000	1,944,200
Debt Services Proceeds					7,000,000	7,000,000
Other	877,600	730,400	275,000			1,883,000
Operating Transfers In	322,000	818,800	100,000	24,100		1,264,900
<b>TOTAL SOURCES OF FUNDS</b>	\$ 20,898,044	\$ 8,935,911	\$ 908,295	\$ 1,025,949	\$ 21,340,191	\$ 53,108,390
<b>USES OF FUNDS</b>						
Town Council	\$ 120,100	\$ 200,000				\$ 320,100
Clerk/Elections	302,900					302,900
Town Manager/Information Svcs	1,099,800					1,099,800
Financial Svcs/General Services	1,899,200	17,000				1,916,200
Town Attorney/Magistrate Court	684,100					684,100
Tourism	81,000	166,400				247,400
Human Resources	311,200					311,200
Police	6,086,300	61,000				6,147,300
Fire	4,286,200					4,286,200
Community Development	1,036,100					1,036,100
Public Works		1,979,700				1,979,700
Library		441,000				441,000
Airport		169,900				169,900
Recreation	1,423,500	822,900				2,246,400
Insurance		2,056,300				2,056,300
Water					6,225,750	6,225,750
<b>TOTAL OPERATIONS</b>	\$ 17,330,400	\$ 5,914,200	\$ -	\$ -	\$ 6,225,750	\$ 29,470,350
<b>TOTAL DEBT SERVICE</b>				\$ 418,900	\$ 2,052,400	\$ 2,471,300
<b>AVAILABLE FOR CAPITAL</b>	\$ 3,567,644	\$ 3,021,711	\$ 908,295	\$ 607,049	\$ 13,062,041	\$ 21,166,740
<b>TOTAL CAPITAL PROJECTS</b>	\$ 845,400	\$ 2,504,600	\$ 772,900	\$ -	\$ 8,833,000	\$ 12,955,900
<b>OTHER USES</b>						
Operating Transfers	\$ 739,000	\$ 303,900			\$ 222,000	\$ 1,264,900
PRPRS Buy Down	600,000					600,000
Loans Payable	207,500					207,500
<b>TOTAL OTHER USES</b>	\$ 1,546,500	\$ 303,900	\$ -	\$ -	\$ 222,000	\$ 2,072,400
<b>TOTAL USES OF FUNDS</b>	\$ 19,722,300	\$ 8,722,700	\$ 772,900	\$ 418,900	\$ 17,333,150	\$ 46,969,950
<b>ENDING BUDGET RESOURCE</b>	\$ 1,175,744	\$ 213,211	\$ 135,395	\$ 607,049	\$ 4,007,041	\$ 6,138,440



## Function and Fund Type Matrix

Functional Unit	General Fund	Special Revenue Funds	Capital Project Funds	Enterprise Funds
	Page No.	Fund/Page No.	Fund/Page No.	Fund/Page No.
Town Council	176	280/176		
Town Manager	181			
Information Services	184			
Human Resources	188			
Town Clerk	193			
Elections	195			
Legal	199			
Property Management	208			
Central Supplies	211			
Other Government Services	213			
Medical Insurance	215	290/215		
Financial Services	203			
Magistrate Courts	218	233/218		
Police - Communications	223			
Police - Operations	226, 234	216/226	403/227 425/227	
Police - Special Operations	230	215/232		
Fire - Operations	239		403/239	
Fire - Wildlands/Urban Program	243			
Public Works - Streets		202/296		
Public Works - Airport		260/300		
Parks, Rec & Tourism - Tourism	270	214/270		
Parks, Rec & Tourism - Trails	280			
Parks, Rec & Tourism - Recreation	273, 275, 277	206/273		
Parks, Rec & Tourism - Event Center		265/284		
Parks, Rec & Tourism - Aquatics	287			
Parks, Rec & Tourism - Parks Ops	290			
Community Development Admin	246			
Planning & Zoning	255	210/255	417/255	
Building Services	250			
Economic Development	258			
Housing			403/260	
Library		224/264		
Water - Administration				661/306
Water - Accounting & Collections				661/308
Water - Transmission & Distribution				661/309
Water - Operations & Maintenance				661/310
Water - Resources				661/312
Water - Production O&M				661/313
Water - Green Valley Park Maint.				661/314
Water - WQARF				661/315
Water - Treatment Plant				661/316
Water - C.C. Cragin				661/317
Water Capital Trust Fund			460/318	



## REVENUE & EXPENDITURE SUMMARY

Fund Activity	General Fund	Special Revenue Funds	Capital Project Funds	Debt Services Funds	Enterprise Fund	Total Funds
<b>Beg Fund Balance</b>	\$ 2,814,744	\$ 871,711	\$ 197,595	\$ 525,849	\$ 7,079,691	\$ 11,489,590
<b>Revenue</b>	16,630,300	5,188,900	1,000	476,000	7,230,500	29,526,700
<b>Grants &amp; Other Sources</b>	1,131,000	2,056,500	609,700	-	30,000	3,827,200
<b>Debt Services Proceeds</b>	-	-	-	-	7,000,000	7,000,000
<b>Transfers, net</b>	(417,000)	514,900	100,000	24,100	(222,000)	-
<b>Expenditures</b>	(18,983,300)	(8,418,800)	(772,900)	(418,900)	(17,111,150)	(45,705,050)
<b>Fund Change</b>	(1,639,000)	(658,500)	(62,200)	81,200	(3,072,650)	(5,351,150)
<b>Ending Fund Balance</b>	<b>\$1,175,744</b>	<b>\$213,211</b>	<b>\$135,395</b>	<b>\$607,049</b>	<b>\$4,007,041</b>	<b>\$6,138,440</b>

### CHANGES IN PROJECTED FUND BALANCE

**General Fund**—Ending fund balance is projected to be \$1,175,744 which is a significant increase of 60.5% over last year’s projection of \$732,544. The actual fund balance for FY17/18 of \$2,814,744 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 a 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 many capital projects have been postponed again this year. Projected Ending Fund Balance is above the non-appropriated general fund reserve amount required to satisfy Town Fiscal Policy #1. More information regarding items impacting fund balance can be found in the Operating Budget Overview section of this document.

**Special Revenue Fund**—Projected ending fund balance of \$213,211 shows a decrease of 46.7% from last year’s projection of \$399,957. The actual fund balance for FY17/18 of \$871,711 that carried forward as beginning fund balance for this year came in higher than projected. 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 38.6% from \$438,045 to \$607,049 as reserves are built up to cover future debt service obligations.

**Capital Project Fund**—Ending fund balance is projected to increase from \$54 to \$135,395 as accumulated funds are spent to complete current projects.



**Enterprise Fund**—Prior year ending fund balance of \$7,079,691 exceeded the prior year projection of \$2,746,446. Ending fund balance for 2018/19 is projected to be \$4,007,041. Part of the excess carry forward will be applied to finishing the C.C. Cragin Pipeline Project and water treatment plant.

## 2018/19 FINANCIAL OVERVIEW (ALL FUNDS)

Category	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed
<b>REVENUES</b>				
Taxes	13,567,221	14,136,115	16,797,400	17,582,300
Licenses & Permits	750,637	769,827	788,500	773,500
Intergovernmental	1,305,797	2,120,072	1,814,900	2,668,900
Charges for Service	6,254,147	7,465,844	7,044,800	8,387,000
Fines & Forfeitures	127,648	113,681	107,000	115,000
Grants	236,718	92,489	2,419,400	1,944,200
Debt Proceeds	1,000,000	1,000,000	24,000,000	7,000,000
Miscellaneous	3,831,122	2,351,688	4,991,100	1,883,000
Transfers	602,573	547,305	1,069,300	1,264,900
<b>Total Revenues</b>	<b>\$ 27,675,863</b>	<b>\$ 28,597,021</b>	<b>\$ 59,032,400</b>	<b>\$ 41,618,800</b>
<b>LESS: EXPENDITURES</b>				
Salaries & Wages	9,117,890	9,200,690	10,329,000	10,950,400
Personnel Benefits	4,163,330	4,337,768	6,054,400	6,458,800
Supplies	1,045,810	1,023,492	1,303,300	2,270,550
Services	706,775	628,979	1,097,600	1,338,800
Utilities	1,069,763	1,062,568	1,183,100	1,517,800
Travel	95,909	92,310	176,900	202,500
Advertising & Publishing	35,559	35,300	50,900	70,200
Rentals	177,318	246,254	256,700	244,500
Insurance	2,354,942	2,216,465	2,490,800	2,631,500
Repair & Maintenance	925,031	820,636	1,318,600	1,607,000
Miscellaneous	878,955	1,063,585	1,162,800	1,879,800
Capital Outlay	10,359,966	10,430,487	30,704,671	12,955,900
Debt Service	648,288	976,235	2,637,500	2,471,300
Depreciation	2,370,019	1,088,652	1,106,000	1,106,000
Transfers Out	602,572	614,605	1,069,300	1,264,900
<b>Total Expenditures</b>	<b>\$ 34,552,127</b>	<b>\$ 33,838,026</b>	<b>\$ 60,941,571</b>	<b>\$ 46,969,950</b>
<b>Revenue (Under)/Over Expenditures</b>	<b>\$ (6,876,264)</b>	<b>\$ (5,241,005)</b>	<b>\$ (1,909,171)</b>	<b>\$ (5,351,150)</b>



## REVENUE SUMMARY BY FUND

Total revenue (all funds) for 2018/19 are estimated at **\$41,618,800**

Fund	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed
General Fund	14,345,360	14,458,678	17,330,500	18,083,300
HURF Fund	2,678,536	2,540,969	2,549,000	2,791,500
Parks & Rec Improvement Fee Fund	15,055	15,698	15,000	15,000
Gifts & Grant Fund	12,000	2,000	-	502,000
Bed Tax Fund	318,814	341,636	300,000	330,000
Police Dept of Justice Fund	64,570	65,680	68,000	44,000
Police Impound Fee Fund	-	8,000	7,000	12,000
Library Fund	345,651	361,299	428,300	441,000
Magistrate Court	1,222	1,209	1,000	1,000
Airport Fund	230,496	136,170	1,472,300	1,398,500
Event Center Fund	171,142	152,057	222,200	322,900
Contingency Fund	-	-	50,000	150,000
Medical Insurance Fund	1,877,406	1,716,187	1,953,700	2,056,300
Equipment Replacement Fund	-	-	-	100,000
Grant Capital Projects Fund	89,016	496,547	1,105,000	334,700
American Gulch Improvement District Fund	-	-	150,000	275,000
Timber Ridge I.D.	-	-	2,100,000	-
Central Arizona Project Trust Fund	5	70	-	1,000
Water Funds	6,807,670	7,626,533	30,663,500	14,260,500
General Debt Service	105,749	52,875	-	-
Westerly Rd Improvement Fund	85,500	82,200	78,900	85,100
Excise Tax Obligation Debt Service Fund	134,242	126,610	128,000	-
General Obligation Bonds Fund	393,429	412,603	370,000	415,000
Timber Ridge ID Debt Service	-	-	40,000	-
<b>Grand Total</b>	<b>\$ 27,675,863</b>	<b>\$ 28,597,021</b>	<b>\$ 59,032,400</b>	<b>\$ 41,618,800</b>



## REVENUE DETAIL - ALL FUNDS

Account	Revenue Source	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed
<b>NON-RESTRICTED GENERAL FUND REVENUES</b>					
<b><u>Taxes</u></b>					
101-4-1300-110	Sales Tax - State Shared	1,443,371	1,405,549	1,459,000	1,536,000
101-4-1300-120	Income Tax - State Shared	1,842,238	1,877,350	1,926,000	1,899,800
101-4-1300-130	Vehicle License Tax - Auto Lieu	917,957	967,213	1,071,000	1,098,400
101-4-1300-310	Sales Tax - Town	6,557,158	6,876,714	9,350,000	10,000,000
101-4-1300-330	Property Tax Levy	634,475	630,218	670,000	680,000
101-4-1300-335	Property Tax Levy - PY	2,645	3,970	5,000	5,000
	<b>Taxes Total</b>	11,397,845	11,761,015	14,481,000	15,219,200
<b><u>Licenses &amp; Permits</u></b>					
101-4-4300-371	Franchise Fees - Electricity	247,948	249,658	253,000	255,000
101-4-4300-372	Franchise Fees - Gas	58,260	52,649	55,000	50,000
101-4-4300-373	Franchise Fees - Cable TV	74,205	81,188	72,000	80,000
101-4-4300-410	Business License	71,482	71,970	72,000	72,000
101-4-4300-715	Liquor License Fees	550	1,150	1,500	1,500
101-4-4328-410	Building Permits	278,696	295,055	330,000	310,000
101-4-4328-420	ROW Permits	5,697	4,183	5,000	5,000
101-4-4372-410	Animal Control Licenses	13,799	13,974	-	-
	<b>Licenses &amp; Permits Total</b>	750,637	769,827	788,500	773,500
<b><u>Intergovernmental</u></b>					
101-4-2300-989	Tonto Apache Tribe-Prop 202	24,342	20,000	20,000	12,000
101-4-2300-990	Misc Intergovernmental Revenue	26,341	18,817	55,000	24,000
101-4-2318-110	DOJ Victims Rights Grant	17,191	19,965	21,600	14,900
101-4-2324-120	Law Enf - School Resource	61,452	61,452	122,000	61,500
101-4-2324-130	Gila County Intergovernmental	-	287,500	298,500	302,500
101-4-2324-140	LE Property Prog Adm Fee	19,637	20,427	25,000	20,000
101-4-2324-248	GOHS Traffic	-	-	25,000	-
101-4-2324-253	2016 Step & Radar	5,377	8,000	10,000	-
101-4-2324-254	GOHS 2016 PBTs	1,770	-	-	-
101-4-2324-255	3016-17 Bullet Proof Vest	-	3,647	5,000	3,000
101-4-2326-270	Fire-SAFER Grant	-	-	-	-
101-4-2326-280	Fire Hazardous Fuels Grant	-	36,884	-	22,500
101-4-2326-767	Police Misc Intgvt Revenue	3,936	-	3,000	-
101-4-2327-750	Fire-Wildlands/Urban	102,816	113,755	100,000	100,000
101-4-2328-110	REDE Grant	-	22,500	50,000	45,000
101-4-2328-111	AZCEI Grant	-	-	20,000	62,500
	<b>Intergovernmental Total</b>	262,862	612,946	755,100	667,900



Account	Revenue Source	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed
<b><u>Charges for Services</u></b>					
101-4-5316-520	Prosecution Fees	31,928	26,498	30,000	22,000
101-4-5316-521	Deferred Prosecution Fees	12,090	13,050	15,000	11,000
101-4-5323-926	Clean & Lien	9,766	2,500	2,500	-
101-4-5324-710	Law Enf - Police Reports	2,642	1,924	2,600	2,500
101-4-5324-765	Law Enf - Vehicle Storage	-	-	-	-
101-4-5326-710	Fire Code Plan Review	7,002	6,718	6,000	6,000
101-4-5326-750	Fire Svc Agreement Fees	321,456	401,816	400,000	412,000
101-4-5326-757	Fire Svc Fees - Training	9,630	-	5,000	-
101-4-5326-758	Fire Svc Fees-Cost Recovery	6,400	7,572	1,000	6,400
101-4-5326-760	Police Service Fee-Cost Recovery	3,772	3,287	5,000	5,000
101-4-5326-765	Police - Tribe Dispatch Services	-	41,200	41,000	41,200
101-4-5328-710	Plan Review Fees	140,350	161,224	150,000	170,000
101-4-5328-720	Zoning & Subdivision Fees	49,418	30,589	25,000	25,000
101-4-5328-730	Building - Spec Inspections	7,970	8,295	7,500	5,000
101-4-5341-710	Engineering - Review Fees	7,408	7,916	10,000	8,000
101-4-5363-710	Ramada & Ballfield Fees	9,676	14,068	12,000	12,000
101-4-5364-700	Event Revenue	20,307	15,738	22,000	22,000
101-4-5367-710	Recreation Program Fees	63,733	82,393	70,000	65,000
101-4-5367-715	Outdoor Rec Programming	160	389	500	-
101-4-5369-710	Swimming Pool Fees	19,373	22,122	15,000	22,000
101-4-5369-910	Concessions	2,587	2,684	2,500	2,500
	<b>Charges for Services Total</b>	<b>725,668</b>	<b>849,982</b>	<b>822,600</b>	<b>837,600</b>
<b><u>Fines &amp; Forfeitures</u></b>					
101-4-3316-510	Court Fines & Fees	110,837	98,405	90,000	100,000
	<b>Fines &amp; Forfeitures Total</b>	<b>110,837</b>	<b>98,405</b>	<b>90,000</b>	<b>100,000</b>
<b><u>Miscellaneous</u></b>					
101-4-6323-920	Contributions - Volunteer Police	50	150	200	-
101-4-6324-920	Donations - Police	228	-	-	-
101-4-6324-922	Guardian Angel Donations	-	-	-	700
101-4-6325-923	Guardian Angel Donations	625	633	600	1,000
101-4-6326-920	Donations - Fire	-	-	-	700
101-4-6367-920	Donations - Parks & Rec	250	-	5,000	-
101-4-6326-921	Donations - Firewise	-	-	-	7,500
101-4-9300-855	Debt Proceeds Capital Leases	734,015	-	-	-
101-4-9300-910	Interest Earnings	4,674	9,917	7,500	22,000
101-4-9300-970	Insurance Recoveries	2,829	500	2,500	5,000
101-4-9300-971	SW Risk Insurance Refund	-	-	-	109,200
101-4-9300-980	Overhead	154,400	184,900	-	-
101-4-9300-990	Other Revenue	(2,335)	1,093	1,000	1,000
101-4-9300-992	Sale of Capital Assets	9,444	-	-	-
101-4-9300-993	Facilities Lease Fees	12,062	13,371	11,500	13,000
101-4-9300-996	Public Surplus Sale	27,053	5,855	2,500	1,000
101-4-9326-757	Fire Svc Fees Other	1,181	787	1,000	500
101-4-9341-730	Map Sales	2,422	2,045	1,500	1,500
101-4-9341-734	Plan Storage Boxes / Code Books	310	251	-	-
	<b>Miscellaneous Total</b>	<b>947,208</b>	<b>219,502</b>	<b>33,300</b>	<b>163,100</b>



Account	Revenue Source	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed
<b><u>Transfers In</u></b>					
101-4-9399-XXX	Operations	150,304	147,000	360,000	322,000
<b>Transfers In Total</b>		150,304	147,000	360,000	322,000
<b>Non-Restricted General Fund Revenues Total</b>		<b>\$ 14,345,359</b>	<b>\$ 14,458,675</b>	<b>\$ 17,330,500</b>	<b>\$ 18,083,300</b>

**RESTRICTED OPERATING REVENUES**

**HURF Fund (202)**

<b><u>Taxes</u></b>					
202-4-1342-110	Highway Users Gas Tax	1,457,134	1,625,862	1,646,400	1,618,100
202-4-1342-140	Gila County Transportation Tax	806,453	856,002	825,000	870,000
<b>Taxes Total</b>		2,263,587	2,481,864	2,471,400	2,488,100
<b><u>Intergovernmental</u></b>					
202-4-2342-279	ADOT Grants	18,992	4,748	-	199,900
<b>Intergovernmental Total</b>		18,992	4,748	-	199,900
<b><u>Charges for Services</u></b>					
202-4-5300-710	Special Inspection Fees	-	3,608	30,000	3,000
<b>Charges for Services Total</b>		-	3,608	30,000	3,000
<b><u>Miscellaneous</u></b>					
202-4-9300-855	Proceeds from Capital Leases	345,406	-	-	-
202-4-9300-980	Enterprise Fund Overhead	25,800	34,600	-	-
202-4-9300-990	Other Revenue	601	1,049	1,000	500
202-4-9300-996	Public Surplus Sales	24,150	15,100	5,000	-
<b>Miscellaneous Total</b>		395,957	50,749	6,000	500
<b><u>Transfers In</u></b>					
202-4-9399-XXX	Operations	-	-	41,600	100,000
<b>Transfers In Total</b>		-	-	41,600	100,000
<b>HURF Fund Total</b>		2,678,536	2,540,970	2,549,000	2,791,500

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

<b><u>Charges for Service</u></b>					
206-4-5367-710	Facility Improvement Fee	15,055	15,698	15,000	15,000
<b>Charges for Service Total</b>		15,055	15,698	15,000	15,000
<b>Parks Improvement Fee Fund</b>		15,055	15,698	15,000	15,000

**Gifts & Grants Fund (210)**

<b><u>Miscellaneous</u></b>					
210-4-6300-920	Contributions - Gen Gov't	12,000	2,000	-	-
210-4-6363-920	Contributions - Parks System	-	-	-	500,000
<b>Miscellaneous Total</b>		12,000	2,000	-	500,000
<b><u>Transfers In</u></b>					
210-4-9399-101	Operations	-	-	-	2,000
<b>Transfers In Total</b>		-	-	-	2,000
<b>Gifts &amp; Grants Fund Total</b>		12,000	2,000	-	502,000



Account	Revenue Source	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed
<b>Bed Tax Fund (214)</b>					
<b><u>Taxes</u></b>					
214-4-1300-370	Bed Tax	318,814	336,636	300,000	330,000
	<b>Taxes Total</b>	<b>318,814</b>	<b>336,636</b>	<b>300,000</b>	<b>330,000</b>
<b><u>Contributions</u></b>					
	Contributions	-	5,000	-	-
	<b>Contributions Total</b>	<b>-</b>	<b>5,000</b>	<b>-</b>	<b>-</b>
	<b>Bed Tax Fund Total</b>	<b>318,814</b>	<b>341,636</b>	<b>300,000</b>	<b>330,000</b>

<b><u>Police Department of Justice (215)</u></b>					
<b><u>Intergovernmental</u></b>					
215-4-2324-121	Local RICO Revenue	2,619	5,664	1,000	3,000
215-4-2324-151	Defense 1033 Revenue	20,500	20,500	20,000	21,000
215-4-2324-250	GOHS Grant	-	-	41,000	-
	<b>Intergovernmental Total</b>	<b>23,119</b>	<b>26,164</b>	<b>62,000</b>	<b>24,000</b>
<b><u>Miscellaneous</u></b>					
215-4-9300-990	Other Revenue	-	-	-	-
215-4-9300-996	Public Surplus Sales	41,451	39,516	6,000	20,000
	<b>Miscellaneous Total</b>	<b>41,451</b>	<b>39,516</b>	<b>6,000</b>	<b>20,000</b>
	<b>Police Dept of Defense Total</b>	<b>64,570</b>	<b>65,680</b>	<b>68,000</b>	<b>44,000</b>

<b><u>Police Impound Fee (216)</u></b>					
<b><u>Charges for Service</u></b>					
216-4-5326-761	Impound Fee	-	8,000	7,000	12,000
	Charges for Service	-	8,000	7,000	12,000
	<b>Police Impound Fee Total</b>	<b>-</b>	<b>8,000</b>	<b>7,000</b>	<b>12,000</b>

<b><u>Library (224)</u></b>					
<b><u>Intergovernmental</u></b>					
224-4-2361-389	Gila County Library District	230,400	230,400	229,400	230,400
	<b>Intergovernmental Total</b>	<b>230,400</b>	<b>230,400</b>	<b>229,400</b>	<b>230,400</b>
<b><u>Miscellaneous</u></b>					
224-4-9300-990	Other Revenue	5,923	-	-	-
	<b>Miscellaneous Total</b>	<b>5,923</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b><u>Fines &amp; Forfeitures</u></b>					
224-4-3300-510	Library Fines	16,811	15,276	17,000	15,000
	<b>Fines &amp; Forfeitures Total</b>	<b>16,811</b>	<b>15,276</b>	<b>17,000</b>	<b>15,000</b>
<b><u>Transfers In</u></b>					
224-4-9399-xxx	Operations	92,517	115,623	181,900	195,600
	<b>Transfers In Total</b>	<b>92,517</b>	<b>115,623</b>	<b>181,900</b>	<b>195,600</b>
	<b>Library Total</b>	<b>345,651</b>	<b>361,299</b>	<b>428,300</b>	<b>441,000</b>



Account	Revenue Source	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed
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**Magistrate Court (231, 233)**

<u>Miscellaneous</u>					
233-4-6300-921	Donations/Contributions	1,222	1,209	1,000	1,000
<b>Miscellaneous Total</b>		<b>1,222</b>	<b>1,209</b>	<b>1,000</b>	<b>1,000</b>
<b>Magistrate Court Total</b>		<b>1,222</b>	<b>1,209</b>	<b>1,000</b>	<b>1,000</b>

**Airport (260)**

<u>Intergovernmental</u>					
260-4-2300-239	Federal Grant	-	-	1,208,600	1,075,000
260-4-2300-248	ADOT Grant	87,019	1,745	52,600	48,200
<b>Intergovernmental Total</b>		<b>87,019</b>	<b>1,745</b>	<b>1,261,200</b>	<b>1,123,200</b>

<u>Charges for Services</u>					
260-4-5345-710	Tie Down Fees	10,130	9,520	10,000	10,000
260-4-5345-720	Gate Fees	9,150	8,355	9,600	8,500
260-4-5345-740	Ground Leases	18,054	19,854	18,100	21,000
260-4-5345-741	Hangar Leases	56,736	56,736	55,000	56,000
260-4-5345-760	Fuel Sales	4,644	7,496	4,000	5,000
260-4-5345-770	Emergency Support	11,265	12,962	7,000	7,000
260-4-5345-780	Campground Use Fee	381	957	500	500
<b>Charges for Services Total</b>		<b>110,360</b>	<b>115,880</b>	<b>104,200</b>	<b>108,000</b>

<u>Miscellaneous</u>					
260-4-9300-990	Other Revenue	940	980	1,000	-
<b>Miscellaneous Total</b>		<b>940</b>	<b>980</b>	<b>1,000</b>	<b>-</b>

<u>Transfers In</u>					
260-4-9399-101	from General Fund	25,240	17,565	53,300	167,300
260-4-9399-994	Grant/Capital Match	6,937	-	52,600	-
<b>Transfers In Total</b>		<b>32,177</b>	<b>17,565</b>	<b>105,900</b>	<b>167,300</b>
<b>Airport Total</b>		<b>230,496</b>	<b>136,170</b>	<b>1,472,300</b>	<b>1,398,500</b>

**Event Center (265)**

<u>Intergovernmental</u>					
265-4-2446-200	TEV Arts Grant	2,000	3,000	2,000	3,000
<b>Intergovernmental Total</b>		<b>2,000</b>	<b>3,000</b>	<b>2,000</b>	<b>3,000</b>

<u>Charges for Services</u>					
265-4-5365-710	Event Revenue & Interest	108,296	107,693	120,000	116,000
265-4-5365-710	Retail Sales-Taxable	-	897	-	-
<b>Charges for Services Total</b>		<b>108,296</b>	<b>108,590</b>	<b>120,000</b>	<b>116,000</b>



Account	Revenue Source	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed
<b><u>Transfers In</u></b>					
265-4-9399-214	From Bed Tax	60,846	40,467	100,200	203,900
<b>Transfers In Total</b>		60,846	40,467	100,200	203,900
<b>Event Center Total</b>		171,141	152,057	222,200	322,900

**Contingency Fund (280)**

<b><u>Transfers In</u></b>					
280-4-9399-101	From General Fund	-	-	50,000	150,000
<b>Transfers In Total</b>		-	-	50,000	150,000
<b>Contingency Fund Total</b>		-	-	50,000	150,000

**Medical Insurance Fund (290)**

<b><u>Miscellaneous</u></b>					
290-4-9300-972	Employee Ins Contributions	451,337	399,832	387,000	432,100
290-4-9300-973	Employer Ins Contributions	698,982	696,162	902,500	974,700
290-4-9300-974	Retiree Contributions	166,279	134,306	113,500	120,400
290-4-9300-975	Employer Retiree Contributions	560,808	485,976	550,700	529,100
290-4-9300-986	Insurance Rebate	-	(308)	-	-
290-4-9300-990	Other Revenue	-	219	-	-
<b>Miscellaneous Total</b>		1,877,407	1,716,187	1,953,700	2,056,300
<b>Medical Insurance Fund Total</b>		1,877,407	1,716,188	1,953,700	2,056,300

<b>Restricted Operating Revenues</b>	<b>\$ 5,714,892</b>	<b>\$ 5,340,907</b>	<b>\$ 7,066,500</b>	<b>\$ 8,064,200</b>
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**RESTRICTED CAPITAL REVENUES**

**Equipment Replacement Fund (402)**

<b><u>Transfers In</u></b>					
402-4-9399-101	From General Fund	-	-	-	100,000
<b>Transfers In Total</b>		-	-	-	100,000
<b>Equipment Replacement Fund</b>		-	-	-	100,000

**Grant Capital Projects Fund (403)**

<b><u>Intergovernmental</u></b>					
403-4-2300-283	Hillcrest Base Radio	-	8,919	-	-
403-4-2300-284	GOHS Radar Units	-	-	36,500	17,200
403-4-2324-200	Law Enf-HSG Radio Program	15,471	-	20,700	20,700
403-4-2326-273	AFG SCBA Equip	-	318,295	-	-
403-4-2327-204	Fire 2019 GOHS Extrication	-	-	-	30,800
403-4-2327-210	AFG Facilities	-	-	807,400	-
403-4-2331-259	CDBG Housing 2014-16	73,545	147,894	-	-
403-4-2331-260	CDBG Housing 2017-19	-	-	200,000	266,000
<b>Intergovernmental Total</b>		89,016	475,108	1,064,600	334,700



Account	Revenue Source	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed
<b><u>Transfer In</u></b>					
403-4-9399-101	From General Fund	-	21,439	40,400	-
<b>Transfer In Total</b>		-	21,439	40,400	-
<b>Grant Capital Projects Fund</b>		89,016	496,547	1,105,000	334,700

**Park Development Fund (408)**

**American Gulch Improvement District (429)**

<b><u>Miscellaneous</u></b>					
429-4-6300-929	Donations / Contributions	-	-	150,000	275,000
<b>Miscellaneous Total</b>		-	-	150,000	275,000
<b>American Gulch Imp District</b>		-	-	150,000	275,000

**Timber Ridge I.D. Fund (434)**

<b><u>Miscellaneous</u></b>					
434-4-9300-855	Debt Proceeds	-	-	2,100,000	-
<b>Miscellaneous Total</b>		-	-	2,100,000	-
<b>Timber Ridge I.D. Fund Total</b>		-	-	2,100,000	-

**Central Arizona Project Trust Fund (460)**

<b><u>Miscellaneous</u></b>					
460-4-9300-910	Interest Earnings	5	70	-	1,000
<b>Miscellaneous Total</b>		5	70	-	1,000
<b>Central Az Project Trust Fund</b>		5	70	-	1,000

<b>Restricted Capital Revenues</b>	<b>\$</b>	<b>89,021</b>	<b>\$</b>	<b>496,617</b>	<b>\$</b>	<b>3,355,000</b>	<b>\$</b>	<b>710,700</b>
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**DEBT SERVICE REVENUES**

**General Debt Service Fund (801)**

<b><u>Transfers In</u></b>					
801-4-9399-xxx	Operations	105,749	52,874	-	-
<b>Transfers In Total</b>		105,749	52,874	-	-
<b>General Debt Service Fund</b>		105,749	52,874	-	-



Account	Revenue Source	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed
<b>Westerly Rd Improvement District (812)</b>					
<u>Miscellaneous</u>					
812-4-9300-801	Assessment - Principal	41,601	41,601	45,100	48,600
812-4-9300-802	Assessment - Interest	17,161	14,873	12,500	12,400
	<b>Miscellaneous Total</b>	<b>58,762</b>	<b>56,474</b>	<b>57,600</b>	<b>61,000</b>
<u>Transfers In</u>					
812-4-9399-xxx	Operations	26,738	25,726	21,300	24,100
	<b>Transfers In Total</b>	<b>26,738</b>	<b>25,726</b>	<b>21,300</b>	<b>24,100</b>
	<b>Westerly Rd Imp District Total</b>	<b>85,500</b>	<b>82,200</b>	<b>78,900</b>	<b>85,100</b>

**Excise Tax Obligation 2003 (822)**

<u>Transfers In</u>					
822-4-9399-101	From General Fund	134,242	126,610	128,000	-
	<b>Transfers In Total</b>	<b>134,242</b>	<b>126,610</b>	<b>128,000</b>	<b>-</b>
	<b>Excise Tax Obligation 2003</b>	<b>134,242</b>	<b>126,610</b>	<b>128,000</b>	<b>-</b>

**General Obligation Bonds (823)**

<u>Taxes</u>					
823-4-1300-310	Sales Tax - Town	393,429	412,603	370,000	415,000
	<b>Taxes Total</b>	<b>393,429</b>	<b>412,603</b>	<b>370,000</b>	<b>415,000</b>
	<b>General Obligation Bonds Tot</b>	<b>393,429</b>	<b>412,603</b>	<b>370,000</b>	<b>415,000</b>

**Timber Ridge ID Debt Service**

<u>Transfers In</u>					
824-4-9399-434	From ID Fund	-	-	40,000	-
	<b>Transfers In Total</b>	<b>-</b>	<b>-</b>	<b>40,000</b>	<b>-</b>
		<b>-</b>	<b>-</b>	<b>40,000</b>	<b>-</b>

<b>Debt Service Revenues Total</b>	<b>\$ 718,920</b>	<b>\$ 674,287</b>	<b>\$ 616,900</b>	<b>\$ 500,100</b>
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**UTILITY ENTERPRISE FUNDS**

**Water (661)**

<u>Intergovernmental</u>					
661-4-2300-990	Misc Intgov Rev	22,654	2,447	35,000	30,000
	<b>Intergovernmental Total</b>	<b>22,654</b>	<b>2,447</b>	<b>35,000</b>	<b>30,000</b>



Account	Revenue Source	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed
<b><u>Charges For Service</u></b>					
661-4-5351-701	Residential Water	4,123,082	4,641,208	4,700,000	5,000,000
661-4-5351-702	Commercial Water	898,584	1,059,040	1,050,000	1,155,000
661-4-5351-703	Fire Protection Service	32,165	36,705	35,000	40,000
661-4-5351-704	Bulk Water Sales	187,966	232,198	125,000	200,000
661-4-5351-710	New Service Installation Fees	49,850	51,670	35,000	35,000
661-4-5351-715	Illegal Turn On	616	-	-	-
661-4-5351-716	Reconnect & Turn On Fees	2,505	1,985	1,000	2,000
<b>Charges For Service Total</b>		<b>5,294,767</b>	<b>6,022,807</b>	<b>5,946,000</b>	<b>6,432,000</b>
<b><u>Miscellaneous</u></b>					
661-4-5300-722	CC Cragin Devel Imp Fees	329,538	340,182	340,000	350,000
661-4-9300-855	Facilities Recapture Fee	-	1,097	-	-
661-4-9300-855	Debt Proceeds	1,000,000	1,000,000	24,000,000	7,000,000
661-4-9300-910	Interest Earnings	22,742	56,443	40,000	120,000
661-4-9300-980	Enterprise Fund Overhead	23,800	-	-	-
661-4-9300-990	Other Revenue	1,847	2,759	3,000	2,000
661-4-9300-992	Sale of Fixed Asset	(1,340)	-	-	-
661-4-9300-993	Facility Lease Fees	62,079	60,367	62,000	63,000
661-4-9300-994	Miscellaneous Revenue	34,282	73,132	55,000	55,000
661-4-9300-996	Public Surplus Sales	-	-	-	1,000
661-4-9399-101	Loan Repay from GF	17,300	67,300	182,500	207,500
<b>Miscellaneous Total</b>		<b>1,490,248</b>	<b>1,601,280</b>	<b>24,682,500</b>	<b>7,798,500</b>
<b>Utility Enterprise Funds Total</b>		<b>\$ 6,807,668</b>	<b>\$ 7,626,534</b>	<b>\$ 30,663,500</b>	<b>\$ 14,260,500</b>
<b>TOTALS - ALL FUNDS</b>		<b>\$ 27,675,860</b>	<b>\$ 28,597,020</b>	<b>\$ 59,032,400</b>	<b>\$ 41,618,800</b>



## FEE CHANGES

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

The Finance Department accumulates these proposed changes and presents a tentative Fee Schedule to the Town Council and the public. Opportunities for public comment and input are provided. 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	FY2017/18 AMT	FY2018/19 AMT
PD	Deleted	Dog Licenses	Various Amounts	
PD	Deleted	Impoundment Fees	Various Amounts	
PD	Changed	Cost Recovery for Service	\$45/hr	\$58/hr
Comm Dev	Changed	Arizona Room/Screened In	\$40/sq.ft.*	\$60/sq.ft.
Comm Dev	Changed	Wood Canopy over M/H	\$30/sq.ft.*	\$50/sq.ft.
Comm Dev	Changed	Metal Awning	\$10/sq.ft.*	\$15/sq.ft.
Comm Dev	Changed	Metal Pre-Manufactured Carports	\$15/sq.ft.*	\$20/sq.ft.
Comm Dev	Changed	Metal Barns	\$25/sq.ft.*	\$30/sq.ft.
Comm Dev	Changed	Wood Covered Porch/Carports	\$20/sq.ft.*	\$25/sq.ft.
Comm Dev	Changed	Wood Open Deck/Balcony	\$15/sq.ft.*	\$20/sq.ft.
Comm Dev		Permit Fee		
Comm Dev	Changed	Demolition Permit	\$40	\$50
Comm Dev	Added	Plan Review-Residential Stock Plan		After 1 <sup>st</sup> Review - \$90
Comm Dev	Changed	Modular Buildings & Manufactured Homes	Maximum Fee allowed by AZ Dept of Housing	Additional Inspections \$70/hr
Comm Dev	Added	Park Models		\$300
Engineering	Added	Water Plan Review		\$25 (1 <sup>st</sup> and 2 <sup>nd</sup> reviews included)
Engineering	Added	Town of Payson Utility Pole Attachment		\$50/year



<b>Parks &amp; Rec</b>	Added	Registration Late Fee		\$5~\$10 assessed after registration date
<b>Parks &amp; Rec</b>	Added	Pickleball Courts		\$20/hr/court
<b>Parks &amp; Rec</b>	Changed	Rumsey – Tournament	\$80/day/field	\$100/day/field
<b>Parks &amp; Rec</b>	Added	Fences (tournament use only)		\$120/field/tournament
<b>Parks &amp; Rec</b>	Changed	Special Event Vendor Fee	\$50~\$500	\$60~\$500
<b>Parks &amp; Rec</b>	Changed	Fiddlers Contest	\$5~\$15/person/seat	\$5~\$50/person/seat
<b>Parks &amp; Rec</b>	Changed	Special Event App Fee	\$20	\$25
<b>Parks &amp; Rec</b>	Added	Season Family Pass (pool)		\$250
<b>Library</b>	Added	Replacement of Library Card		\$1
<b>Library</b>	Added	Meeting Room Rental: Business or For-Profit		\$100/4 hours, \$25 for each additional hour
<b>Library</b>	Added	Kitchen Use		\$15
<b>Library</b>	Added	Penalty for Leaving the Kitchen Dirty		\$15
<b>Library</b>	Added	Penalty for Not Replacing Furniture to Original Setup		\$25

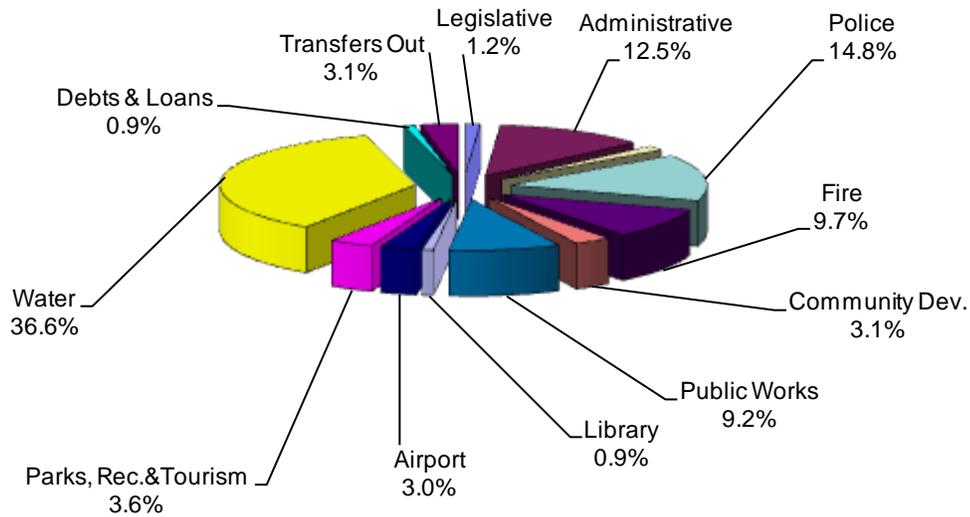
\* Fee is the cost per sq.ft. based on the valuation for single family detached miscellaneous structures

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

	Dec-2014	Oct-2015	Oct-2016	Oct-2017	Oct-2018
<b>Consumption:</b>					
<b>0 to 2,000 Gallons (Minimum)</b>	\$28.31	\$30.43	\$35	\$40.25	\$43.26
<b><u>Rates per 1,000 Gallons Over Minimum</u></b>					
<b>2,001 to 5,000 Gallons</b>	\$3.82	\$4.11	\$4.72	\$5.43	\$5.84
<b>5,001 to 10,000 Gallons</b>	\$5.04	\$5.42	\$6.23	\$7.17	\$7.70
<b>10,001 to 20,000 Gallons</b>	\$5.76	\$6.20	\$7.13	\$8.20	\$8.81
<b>20,001+ Gallons</b>	\$7.20	\$7.74	\$8.90	\$10.24	\$11.01

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## EXPENDITURE SUMMARY BY FUND (ALL FUNDS) 2018/19 BUDGET



Function	General Fund	Restricted Funds	Restricted Capital Funds	Debt Service Funds	Utility Funds	All Funds	% Total
Legislative	372,000	200,000	-	-	-	572,000	1.2%
Administrative	3,802,800	2,056,300	-	-	-	5,859,100	12.5%
Attorney & Court	684,100	-	-	-	-	684,100	1.5%
Police	6,705,100	103,000	142,900	-	-	6,951,000	14.8%
Fire	4,506,200	-	30,800	-	-	4,537,000	9.7%
Community Dev.	1,151,100	17,000	266,000	-	-	1,434,100	3.1%
Public Works	835,700	3,213,700	275,000	-	-	4,324,400	9.2%
Library	-	441,000	-	-	-	441,000	0.9%
Airport	-	1,398,500	-	-	-	1,398,500	3.0%
Parks, Rec. & Tourism	718,800	989,300	-	-	-	1,708,100	3.6%
Water	-	-	58,200	-	17,111,150	17,169,350	36.6%
Debts & Loans	-	-	-	418,900	0	418,900	0.9%
Transfers Out	946,500	303,900	-	-	222,000	1,472,400	3.1%
<b>Total Expenditures</b>	<b>\$ 19,722,300</b>	<b>\$ 8,722,700</b>	<b>\$ 772,900</b>	<b>\$ 418,900</b>	<b>\$ 17,333,150</b>	<b>\$ 46,969,950</b>	<b>100.0%</b>
<b>% of Total</b>	<b>41.99%</b>	<b>18.57%</b>	<b>1.65%</b>	<b>0.89%</b>	<b>36.90%</b>	<b>100.00%</b>	

Legislative includes: Town Council and Town Clerk Departments

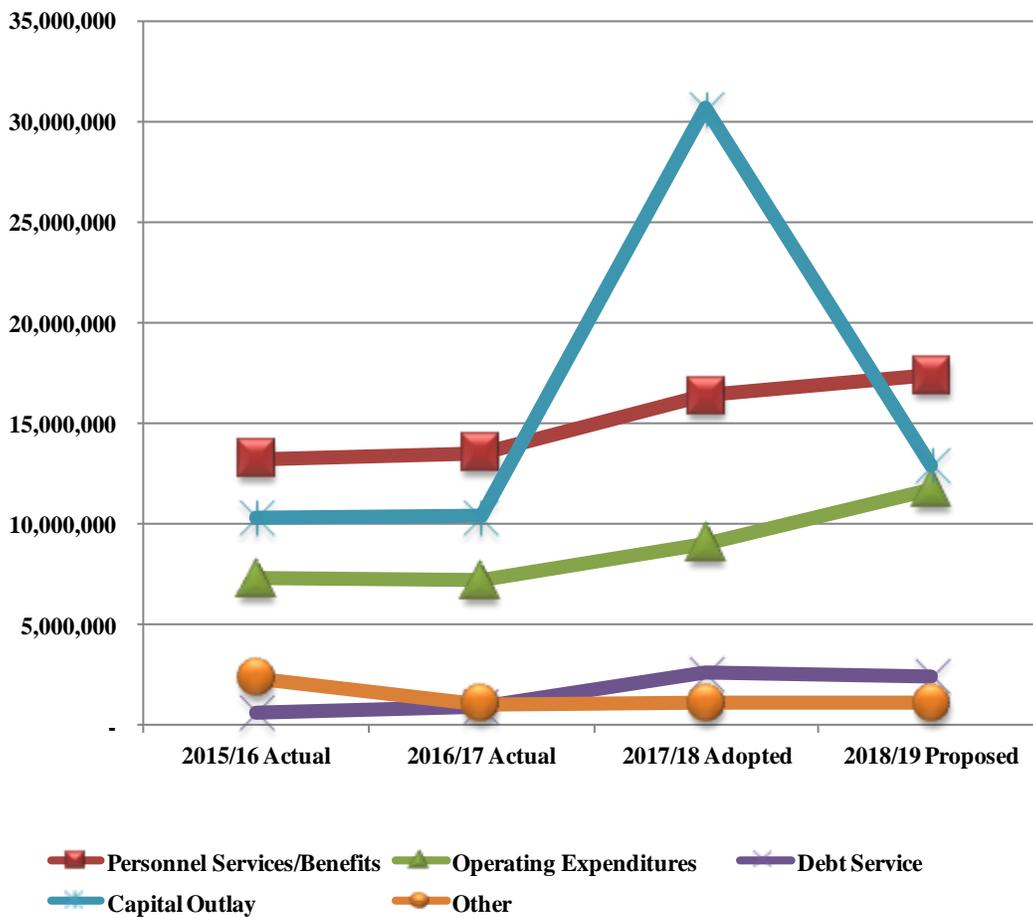
Administrative includes: General Admin, Elections, Town Manager, HR, Financial Service, IT, Other Govt. Services

Community Development includes: Planning, Economic Development, Housing & Building

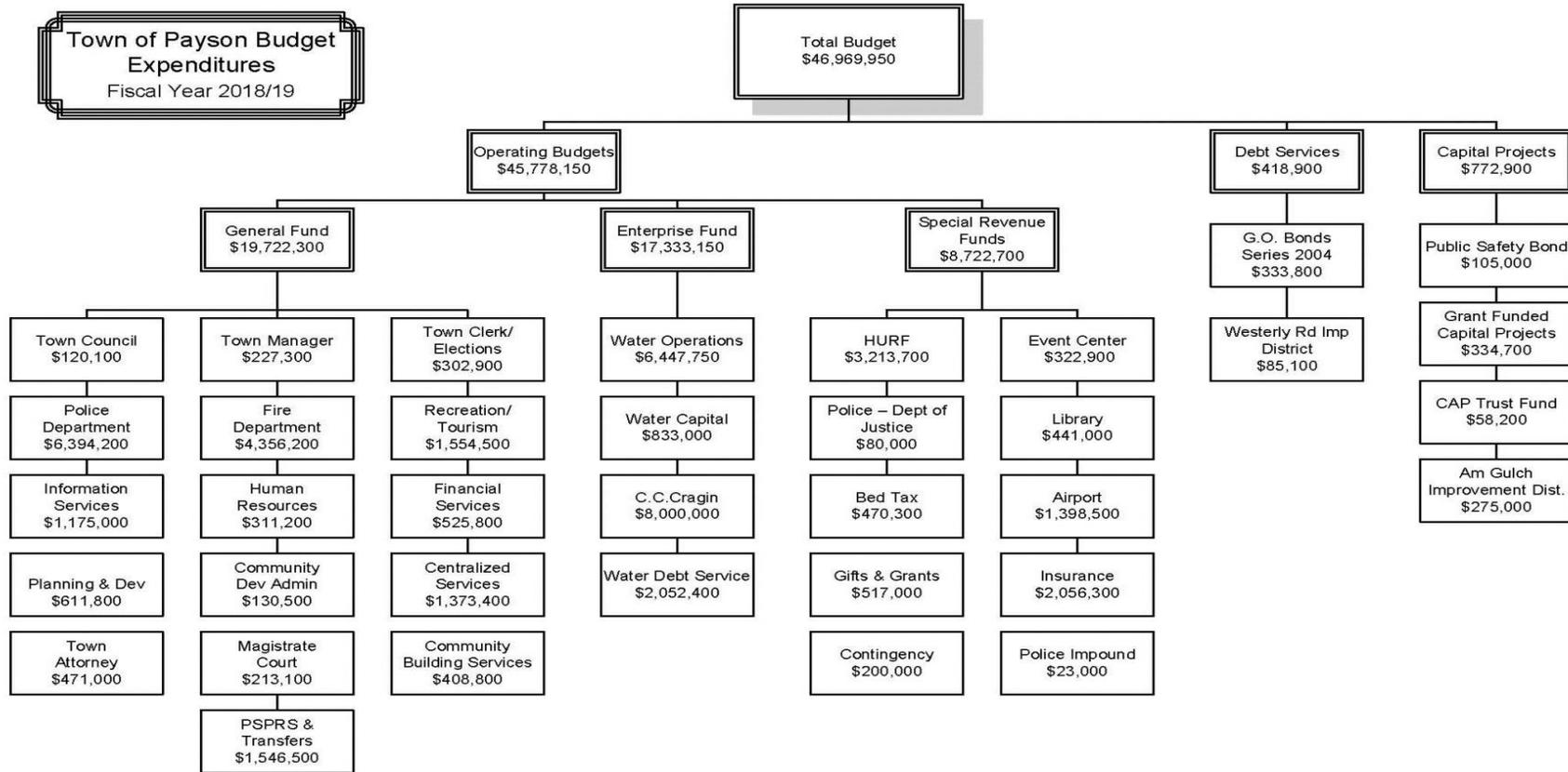


## EXPENDITURE SUMMARY BY CATEGORY (ALL FUNDS)

Category	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed
<b>Personnel Services/Benefits</b>	13,281,220	13,538,458	16,383,400	17,409,200
<b>Operating Expenditures</b>	7,290,062	7,189,589	9,040,700	11,762,650
<b>Debt Service</b>	648,288	976,235	2,637,500	2,471,300
<b>Capital Outlay</b>	10,359,966	10,430,487	30,704,671	12,955,900
<b>Other</b>	2,370,019	1,088,652	1,106,000	1,106,000
<b>Transfers Out</b>	602,572	614,605	1,069,300	1,264,900
	\$ 34,552,127	\$ 33,838,026	\$ 60,941,571	\$ 46,969,950



**Town of Payson Budget Expenditures**  
Fiscal Year 2018/19





## EXPENDITURES DETAIL (ALL FUNDS)

Category	Description	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed
<b>Salaries &amp; Wages</b>					
xxx-x-xxxx-xx- 5001	Full Time Employees	7,887,687	8,017,410	8,949,800	9,465,800
xxx-x-xxxx-xx- 5002	Part Time Employees	216,026	183,976	220,500	239,200
xxx-x-xxxx-xx- 5003	Temporary Employees	76,289	76,264	142,400	143,200
xxx-x-xxxx-xx- 5005	Paid On Call Employees	20,254	47,756	80,000	80,000
xxx-x-xxxx-xx- 5006	Standby Pay	8,535	8,640	7,500	11,900
xxx-x-xxxx-xx- 50xx	Misc Compensation	27,938	28,081	36,400	38,400
xxx-x-xxxx-xx- 52xx	Overtime Compensation	844,502	794,474	845,400	925,900
xxx-x-xxxx-xx- 5990	Shift Differential Pay	36,659	44,089	47,000	46,000
<b>Total Salaries &amp; Wages</b>		<b>9,117,890</b>	<b>9,200,690</b>	<b>10,329,000</b>	<b>10,950,400</b>
<b>Personnel Benefits</b>					
xxx-x-xxxx-xx- 5501	FICA	533,037	544,483	664,000	695,900
xxx-x-xxxx-xx- 5504	Pensions & Retirement	1,796,279	2,142,608	2,805,100	2,902,600
xxx-x-xxxx-xx- 5505	Retirement Offset Pension	(2,435)	-	500,000	600,000
xxx-x-xxxx-xx- 5600	Deferred Compensation	2,499	-	-	-
xxx-x-xxxx-xx- 5700	Health/Life Insurance	1,238,897	1,161,262	1,444,000	1,498,400
xxx-x-xxxx-xx- 5800	Workers Comp Insurance	533,510	430,055	568,700	631,600
xxx-x-xxxx-xx- 5701	Disability Insurance	5,844	7,142	9,900	33,300
xxx-x-xxxx-xx- 5801	Unemployment Comp	2,880	28	3,000	1,500
xxx-x-xxxx-xx- 5901	Uniform Allowance	52,819	52,190	59,700	95,500
<b>Total Personnel Benefits</b>		<b>4,163,330</b>	<b>4,337,768</b>	<b>6,054,400</b>	<b>6,458,800</b>
<b>Supplies</b>					
xxx-x-xxxx-xx- 6001	Office Supplies	50,951	55,692	62,200	63,600
xxx-x-xxxx-xx- 6002	Coffee Supplies	892	771	1,200	1,200
xxx-x-xxxx-xx- 6003	Cleaning Supplies	10,746	12,440	16,400	16,400
xxx-x-xxxx-xx- 6008	Chemicals	32,874	47,105	137,000	865,000
xxx-x-xxxx-xx- 6100	Medical/Lab Supplies	25,145	25,835	28,900	41,100
xxx-x-xxxx-xx- 6101	Canine Supplies	1,541	2,028	3,000	3,000
xxx-x-xxxx-xx- 6102	Weapons/Training Supplies	9,651	13,984	15,500	15,500
xxx-x-xxxx-xx- 6005	Safety Program Supplies	18,411	12,160	18,300	19,900
xxx-x-xxxx-xx- 6006	Clothing/Uniforms	20,951	22,000	25,000	27,150
xxx-x-xxxx-xx- 6007	PPE Equipment/Clothing	23,778	27,207	25,000	35,000
xxx-x-xxxx-xx- 6010	Books, Maps & Periodicals	7,187	2,488	8,100	19,600
xxx-x-xxxx-xx- 6011	Small Tools/Minor Equipment	69,000	90,961	113,100	161,900
xxx-x-xxxx-xx- 6012	Communications Eq Supplies	5,058	3,463	6,500	6,500
xxx-x-xxxx-xx- 6013	Computer Supplies	31,216	46,418	59,000	114,000
xxx-x-xxxx-xx- 6016	Park Furnishing	740	-	1,000	1,000
xxx-x-xxxx-xx- 6300	Motor Fuel	163,798	169,583	199,200	215,900
xxx-x-xxxx-xx- 6302	Vehicle Supplies	192,360	180,538	174,000	190,600
xxx-x-xxxx-xx- 6401	Drainage Supplies	29,739	10,534	20,000	20,000
xxx-x-xxxx-xx- 6402	Street/Sidewalk Supplies	69,675	72,348	70,000	100,000
xxx-x-xxxx-xx- 6201	Bldg Materials & Supplies	39,553	42,197	67,500	78,500
xxx-x-xxxx-xx- 6400	Hdwr, Electric & Plumbing Sup	22,818	18,807	20,400	20,400
xxx-x-xxxx-xx- 6900	Other Supplies	2,926	695	-	-
xxx-x-xxxx-xx- 6014	Landscape Materials	13,359	11,823	10,500	10,500
xxx-x-xxxx-xx- 6202	Misc R&M Supplies	76,860	57,535	81,500	100,000
xxx-x-xxxx-xx- 6640	HM - EMS Supplies	-	-	-	800
xxx-x-xxxx-xx- 6015	Signs	36,782	5,163	5,000	5,000
xxx-x-xxxx-xx- 6602	Promotional Supplies	89,799	91,717	135,000	138,000
<b>Total Supplies</b>		<b>1,045,810</b>	<b>1,023,492</b>	<b>1,303,300</b>	<b>2,270,550</b>



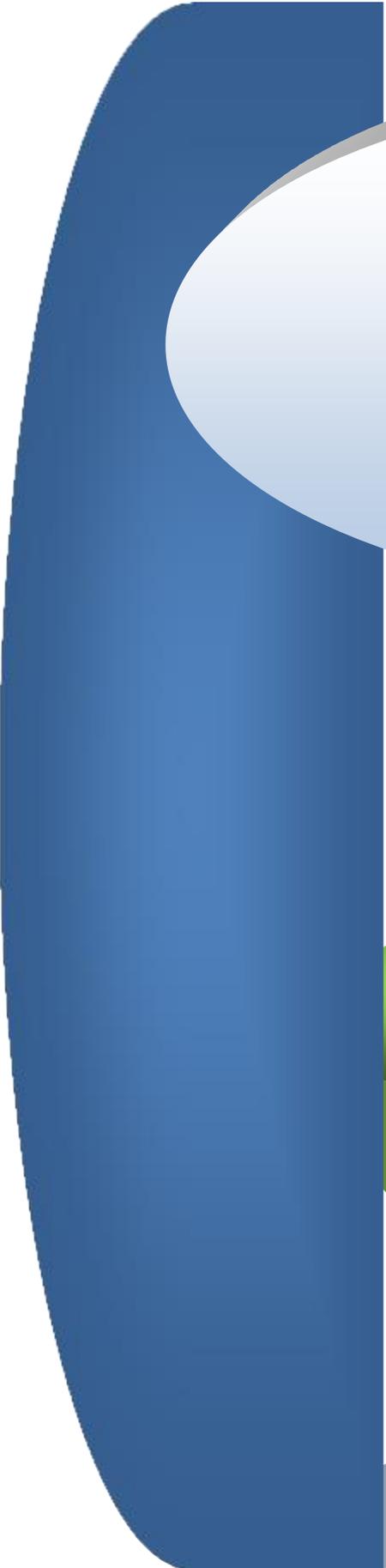
Category	Description	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed
<b>Services</b>					
xxx-x-xxxx-xx- 7004	Compliance/Lab Analysis	31,900	22,635	125,000	95,000
xxx-x-xxxx-xx- 7002	Accounting/Auditing Services	63,775	46,238	60,700	51,700
xxx-x-xxxx-xx- 7100	Legal Services	12,120	18,788	63,000	63,000
xxx-x-xxxx-xx- 7101	Indigent Defense	33,800	35,600	45,000	45,000
xxx-x-xxxx-xx- 7102	Court Services	133,271	107,580	125,000	125,000
xxx-x-xxxx-xx- 7103	Prosecution Services	-	-	1,000	1,000
xxx-x-xxxx-xx- 7900	Other Professional Services	380,967	359,935	563,000	857,700
xxx-x-xxxx-xx- 7104	Settlements	10,000	-	20,000	20,000
xxx-x-xxxx-xx- 7005	Computer Software	26,884	23,374	80,200	103,400
xxx-x-xxxx-xx- 7003	Computer Services	14,058	14,829	14,700	16,000
xxx-x-xxxx-xx- 7602	Safety Training Services	-	-	-	10,000
<b>Total Services</b>		<b>706,775</b>	<b>628,979</b>	<b>1,097,600</b>	<b>1,387,800</b>
<b>Utilities</b>					
xxx-x-xxxx-xx- 7300	Electricity	657,052	634,308	692,500	800,500
xxx-x-xxxx-xx- 7301	Propane Gas	29,462	24,864	38,400	36,400
xxx-x-xxxx-xx- 7302	Water Service	54,898	67,097	64,000	80,600
xxx-x-xxxx-xx- 7304	Sewer Service	12,903	13,111	14,100	137,900
xxx-x-xxxx-xx- 7305	Garbage Service	27,170	27,764	34,200	125,300
xxx-x-xxxx-xx- 7306	Telephone	244,341	250,134	294,300	291,500
xxx-x-xxxx-xx- 7307	Postage	43,937	45,290	45,600	45,600
<b>Total Utilities</b>		<b>1,069,763</b>	<b>1,062,568</b>	<b>1,183,100</b>	<b>1,517,800</b>
<b>Travel</b>					
xxx-x-xxxx-xx- 7600	Travel	41,818	47,142	92,200	104,700
xxx-x-xxxx-xx- 7601	Registrations	54,091	45,168	84,700	97,800
<b>Total Travel</b>		<b>95,909</b>	<b>92,310</b>	<b>176,900</b>	<b>202,500</b>
<b>Advertising &amp; Publishing</b>					
xxx-x-xxxx-xx- 6600	Public Relations	13,157	20,127	24,900	40,900
xxx-x-xxxx-xx- 7907	Advertising	22,402	15,173	26,000	29,300
<b>Total Advertising &amp; Publishing</b>		<b>35,559</b>	<b>35,300</b>	<b>50,900</b>	<b>70,200</b>
<b>Rentals</b>					
xxx-x-xxxx-xx- 7500	Land & Buildings	7,371	9,411	11,800	12,800
xxx-x-xxxx-xx- 7501	Work Eq & Machine Rental	476	-	500	500
xxx-x-xxxx-xx- 7502	Office Equipment Rental	169,471	236,843	244,400	231,200
<b>Total Rentals</b>		<b>177,318</b>	<b>246,254</b>	<b>256,700</b>	<b>244,500</b>
<b>Insurance</b>					
xxx-x-xxxx-xx- 7903	Insurance	461,934	503,887	532,100	567,700
xxx-x-xxxx-xx- 7904	Insurance Deductibles	12,714	(2,474)	5,000	7,500
xxx-x-xxxx-xx- 7908	Insurance Premium	1,880,294	1,715,052	1,953,700	2,056,300
<b>Total Insurance</b>		<b>2,354,942</b>	<b>2,216,465</b>	<b>2,490,800</b>	<b>2,631,500</b>
<b>Repair &amp; Maintenance</b>					
xxx-x-xxxx-xx- 6200	Hydrant R&M	14,138	14,970	33,000	36,000
xxx-x-xxxx-xx- 65xx	Water R&M	214,954	196,751	351,500	481,000
xxx-x-xxxx-xx- 7400	Grounds R&M	13,651	9,130	32,000	22,000
xxx-x-xxxx-xx- 7401	Bldg/Fixture R&M	57,707	89,098	163,800	183,900
xxx-x-xxxx-xx- 7402	Office Equipment R&M	3,551	1,681	11,300	13,300
xxx-x-xxxx-xx- 7403	Computer Equipment R&M	240,081	241,270	264,500	304,800
xxx-x-xxxx-xx- 7404	Communication Eq R&M	289,356	137,950	292,700	304,200
xxx-x-xxxx-xx- 7405	Work Equipment R&M	35,428	57,290	61,800	73,800
xxx-x-xxxx-xx- 7406	Street Light R&M	12,623	33,354	48,000	58,000
xxx-x-xxxx-xx- 7407	R & M Wells	2,354	486	20,000	40,000
xxx-x-xxxx-xx- 7408	Street/Sidewalk Repair Serv	41,188	38,656	40,000	90,000
<b>Total Repair &amp; Maintenance</b>		<b>925,031</b>	<b>820,636</b>	<b>1,318,600</b>	<b>1,607,000</b>



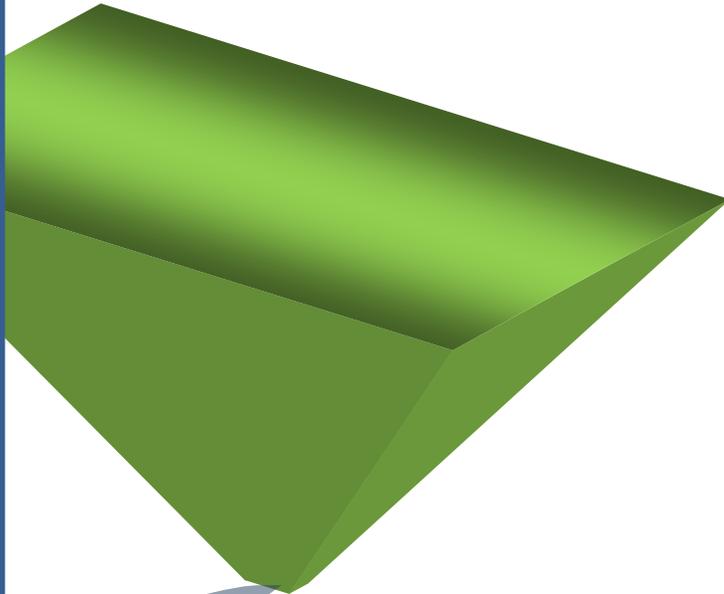
Category	Description	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed
<b>Miscellaneous</b>					
xxx-x-xxxx-xx- 6620	Vehicle Fuel	-	-	-	2,000
xxx-x-xxxx-xx- 6630	HM - Small Tools	-	-	-	700
xxx-x-xxxx-xx- 6700	Dues & Memberships	44,449	69,358	82,800	81,900
xxx-x-xxxx-xx- 6901	Taxes & Assessments	4,478	652	500	500
xxx-x-xxxx-xx- 6903	Bank Fees	32,061	24,814	31,000	25,000
xxx-x-xxxx-xx- 6904	Contingency Expenses	-	-	-	200,000
xxx-x-xxxx-xx- 6905	Bad Debt	570	35	1,100	1,100
xxx-x-xxxx-xx- 6009	Program Costs	162,589	188,678	226,200	272,800
xxx-x-xxxx-xx- 6990	Other Expense	20,254	41,792	43,700	60,000
xxx-x-xxxx-xx- 6991	Other Expense-Law Enforce	7,291	9,782	13,000	13,000
xxx-x-xxxx-xx- 6992	Other Expense-DARE	3,670	3,710	4,000	4,000
xxx-x-xxxx-xx- 7001	Program Overhead	2,055	2,418	15,000	15,000
xxx-x-xxxx-xx- 7901	Lien & Clean	5,811	11,854	12,500	22,500
xxx-x-xxxx-xx- 7902	Reimbursable Impound Costs	-	2,191	3,000	2,000
xxx-x-xxxx-xx- 7910	Printing & Binding	14,114	18,392	19,500	19,300
xxx-x-xxxx-xx- 72xx	Councilmember Expenses	5,384	10,016	14,900	14,200
xxx-x-xxxx-xx- 7912	Grant Expenses	25,261	89,475	70,000	157,200
xxx-x-xxxx-xx- 7913	Housing Expense	104,835	147,883	-	-
xxx-x-xxxx-xx- 7914	Contributions / Donations	-	159	200,000	-
xxx-x-xxxx-xx- 7915	Overhead	204,000	219,500	-	-
xxx-x-xxxx-xx- 7990	Contribution to Other Agencies	224,833	222,876	243,100	232,100
xxx-x-xxxx-xx- 8781	Parks Master Plan	-	-	-	500,000
xxx-x-xxxx-xx- 9661	Repay Water Loan	17,300	-	182,500	207,500
<b>Total Miscellaneous</b>		<b>878,955</b>	<b>1,063,585</b>	<b>1,162,800</b>	<b>1,830,800</b>
<b>Capital Outlay</b>					
xxx-x-xxxx-xx- 8xxx	Airport Projects	96,901	8,089	1,313,800	1,228,600
xxx-x-xxxx-xx- 8xxx	Street Improvements	395,559	843,999	560,000	1,234,000
xxx-x-xxxx-xx- 8xxx	Computer Software/Hardware	83,953	31,161	80,000	302,500
xxx-x-xxxx-xx- 8xxx	Timber Ridge ID	-	-	2,060,000	-
xxx-x-xxxx-xx- 8xxx	Machinery & Equipment	438,893	247,300	595,300	106,900
xxx-x-xxxx-xx- 8xxx	Vehicular Equipment	96,956	24,148	156,300	363,000
xxx-x-xxxx-xx- 8xxx	Parks Development	734,015	-	161,000	50,000
xxx-x-xxxx-xx- 8xxx	Grant Funded Projects	15,471	339,085	905,000	497,900
xxx-x-xxxx-xx- 8xxx	Highway Improvements	-	-	-	65,000
xxx-x-xxxx-xx- 8xxx	American Gulch Imp Dist	-	-	150,000	275,000
xxx-x-xxxx-xx- 8xxx	Water Projects	8,498,218	8,936,705	24,723,271	8,833,000
<b>Total Capital Outlay</b>		<b>10,359,966</b>	<b>10,430,487</b>	<b>30,704,671</b>	<b>12,955,900</b>
<b>Debt Service</b>					
xxx-x-xxxx-xx- 6901	Debt Service Fees	-	2,088	1,600	1,600
xxx-x-xxxx-xx- 7950	Principal	562,473	527,291	2,549,000	1,594,600
xxx-x-xxxx-xx- 7951	Interest	85,815	446,856	86,900	875,100
<b>Total Debt Service</b>		<b>648,288</b>	<b>976,235</b>	<b>2,637,500</b>	<b>2,471,300</b>

Category	Description	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed
<b>Depreciation</b>					
xxx-x-xxxx-xx- 8005	Depreciation - Infrastructure	689,587	-	-	-
xxx-x-xxxx-xx- 8100	Depreciation - Buildings	315,431	22,717	25,000	25,000
xxx-x-xxxx-xx- 8101	Depreciation - Non Buildings	1,176,962	1,040,919	985,000	985,000
xxx-x-xxxx-xx- 8104	Depreciation - Furniture/Eq	3,645	3,091	5,000	5,000
xxx-x-xxxx-xx- 8103	Depreciation - Vehicles	55,682	(9,188)	60,000	60,000
xxx-x-xxxx-xx- 8102	Depreciation - Machinery/Eq	122,772	25,173	25,000	25,000
xxx-x-xxxx-xx- 82xx	Amortization	5,940	5,940	6,000	6,000
<b>Total Depreciation</b>		<b>2,370,019</b>	<b>1,088,652</b>	<b>1,106,000</b>	<b>1,106,000</b>
<b>Transfers Out</b>					
xxx-x-xxxx-xx- 9101	To General Fund	150,304	147,000	360,000	322,000
xxx-x-xxxx-xx- 9202	To HURF	-	-	41,600	100,000
xxx-x-xxxx-xx- 9210	To Gifts & Grants Fund	-	-	-	2,000
xxx-x-xxxx-xx- 9224	To Library	92,517	115,623	181,900	195,600
xxx-x-xxxx-xx- 9260	To Airport	32,176	17,565	105,900	167,300
xxx-x-xxxx-xx- 9265	To Event Center	60,846	40,467	100,200	203,900
xxx-x-xxxx-xx- 9280	To Contingency Fund	-	-	50,000	150,000
xxx-x-xxxx-xx- 9402	To Equipment Fund	-	-	-	100,000
xxx-x-xxxx-xx- 9403	To Grant Capital Project	-	21,439	40,400	-
xxx-x-xxxx-xx- 9427	To DS Westerly Rd Imprv	-	-	-	24,100
xxx-x-xxxx-xx- 9661	To Water Department	-	67,300	-	-
xxx-x-xxxx-xx- 98xx	To Debt Service	266,729	205,211	189,300	-
<b>Total Transfers Out</b>		<b>602,572</b>	<b>614,605</b>	<b>1,069,300</b>	<b>1,264,900</b>
<b>GRAND TOTAL</b>		<b>\$ 34,552,127</b>	<b>\$ 33,838,026</b>	<b>\$ 60,941,571</b>	<b>\$ 46,969,950</b>





# **DEPARTMENT BUDGETS**





## TOWN COUNCIL DEPARTMENT

### Mission Statement

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

### Description

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

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

### 2017/18 Accomplishments

- Established clear direction on policies and priorities for Town operations
- Provided a safe community for citizens through aggressive public safety programs
- Approved a financially sound budget that fits within limitations of policies and statutes
- Incorporated safeguards to assure fairness and equitable treatment of all citizens

### 2018/19 Objectives

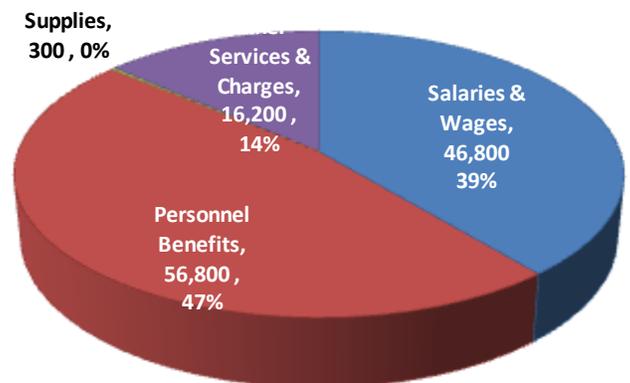
#### KRA 7: THE PAYSON TEAM

- Value the tax dollars and maintain fiscally responsible financial policies
- Provide a safe community for citizens through aggressive public safety programs
- Respond to the needs of the community by promoting communication and accessibility
- Serve Town through a variety of services designed to promote quality of life

### Position Summary

	2017/18	2018/19
Town Council Members	7.0	7.0
Total Positions	7.0	7.0

### 2018/19 Proposed Expenditures





### Town Council Budget Changes

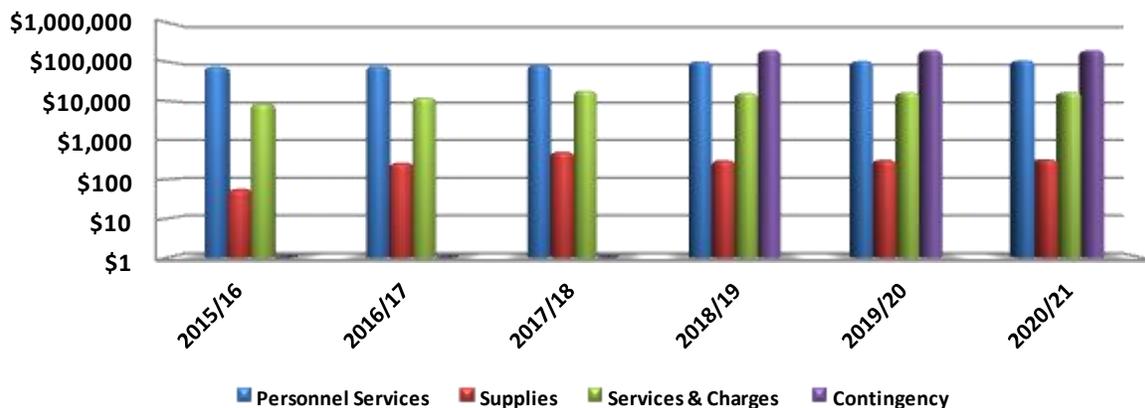
Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Salaries & Wages	48,700	46,800	-3.9%	46,800	0.0%
Personnel Benefits	28,948	36,800	27.1%	56,800	54.3%
Supplies	259	500	93.1%	300	-40.0%
Other Services & Charges	12,403	18,400	48.4%	16,200	-12.0%
Contingency	-	-	0.0%	200,000	100.0%
<b>Total Town Council</b>	<b>\$90,309</b>	<b>\$ 102,500</b>	<b>13.5%</b>	<b>\$ 320,100</b>	<b>212.3%</b>

**Significant Budget Changes:**

- FY16/17 Benefits—reflect the changes in Council members’ benefits
- FY17/18 Services—Council members elected to apply a portion of their annual budget to help fund new carpeting for the Legal Department
- FY18/19 Benefits—estimated maximum insurance benefits for newly elected Council members
- FY18/19 Supplies & Services—budget decreased in these areas due to past spending trends
- FY18/19 Contingency—budget increased to build rainy-day reserve.

### Town Council Budget Analysis Historic & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Personnel Services	74,861	77,648	83,600	103,600	106,708	109,909
Supplies	55	259	500	300	309	318
Services & Charges	8,609	12,403	18,400	16,200	16,686	17,187
Contingency	-	-	-	200,000	200,000	200,000
<b>Total Town Council</b>	<b>\$ 83,524</b>	<b>\$ 90,309</b>	<b>\$ 102,500</b>	<b>\$ 320,100</b>	<b>\$ 323,703</b>	<b>\$ 327,414</b>





ANNUAL BUDGET

TOWN COUNCIL

**TOWN COUNCIL**

	<b>2015/16 ACTUAL</b>	<b>2016/17 ACTUAL</b>	<b>2017/18 ADOPTED</b>	<b>2018/19 PROPOSED</b>
<b>SALARIES &amp; WAGES</b>				
101-5-1411-00-5001 Full Time Employees	46,800	48,700	46,800	46,800
Total Salaries & Wages	46,800	48,700	46,800	46,800
<b>PERSONNEL BENEFITS</b>				
101-5-1411-00-5501 FICA	2,223	2,608	3,600	3,600
101-5-1411-00-5700 Health Insurance	25,598	26,137	33,000	53,000
101-5-1411-00-5800 Worker's Comp Insurance	240	203	200	200
Total Personnel Benefits	28,061	28,948	36,800	56,800
<b>SUPPLIES</b>				
101-5-1411-00-6001 Office Supplies	55	259	500	300
101-5-1411-00-6600 Public Relations	-	-	-	-
Total Supplies	55	259	500	300
<b>OTHER SERVICES &amp; CHARGES</b>				
101-5-1411-00-7306 Telephone Charges	3,225	2,388	3,500	2,000
101-5-1411-00-72xx Council Member Expenses	5,384	10,016	14,900	14,200
Total Other Svcs & Charges	8,609	12,404	18,400	16,200
<b>CONTINGENCY</b>				
280-5-1411-01-6904	-	-	-	200,000
Total Contingency	-	-	-	200,000
<b>GRAND TOTAL</b>	<b>\$ 83,525</b>	<b>\$ 90,311</b>	<b>\$ 102,500</b>	<b>\$ 320,100</b>



# TOWN MANAGER DEPARTMENT

### Mission Statement

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

### Description

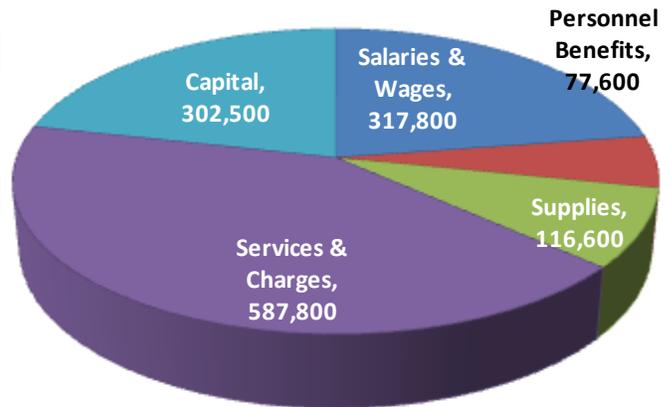
The Town Manager’s Department is made up of two divisions: Town Manager and Information Services.

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 Resource was included in this department, but it is now its own department.

### Position Summary

	2017/18	2018/19
Town Manager	1.0	1.0
Information Technology Mgr.	1.0	1.0
Information Technology Tech.	1.0	1.0
<b>Total Budgeted Positions</b>	<b>3.0</b>	<b>3.0</b>

### 2018/19 Proposed Expenditures



### Town Manager Expenditure Summary by Division

Operating Division	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed
Town Manager	317,299	194,977	220,400	227,300
Information Services	615,773	621,167	803,500	1,175,000
<b>Total Town Manager</b>	<b>\$933,072</b>	<b>\$816,144</b>	<b>\$1,023,900</b>	<b>\$1,402,300</b>



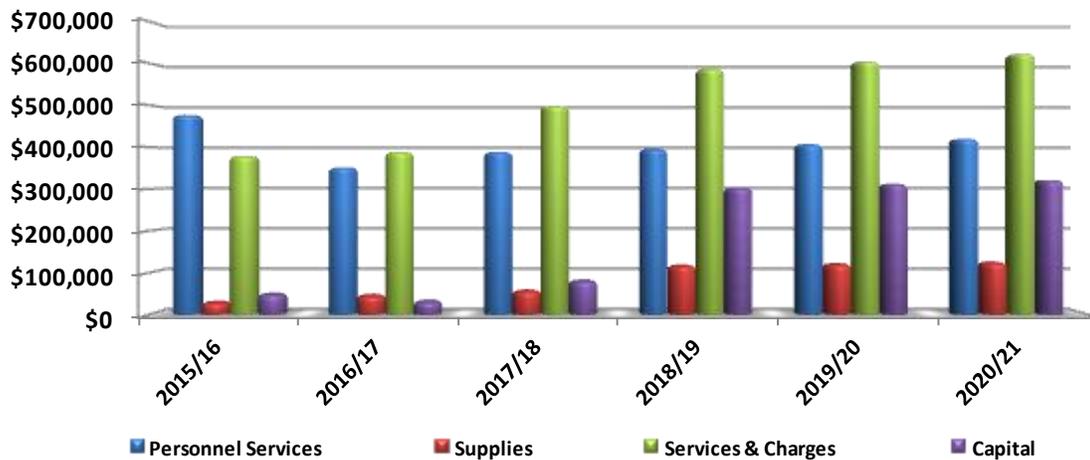
### Town Manager Budget Changes

Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Salaries & Wages	285,352	302,100	5.9%	317,800	5.2%
Personnel Benefits	65,941	86,500	31.2%	77,600	-10.3%
Supplies	45,182	56,200	24.4%	116,600	107.5%
Other Services & Charges	388,508	499,100	28.5%	587,800	17.8%
Capital	31,161	80,000	156.7%	302,500	278.1%
<b>Total Town Manager</b>	<b>\$ 816,144</b>	<b>\$ 1,023,900</b>	<b>25.5%</b>	<b>\$ 1,402,300</b>	<b>37.0%</b>

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

### Town Manager Budget Analysis Historic & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Personnel Services	477,018	351,293	388,600	395,400	407,262	419,480
Supplies	28,805	45,182	56,200	116,600	120,098	123,701
Services & Charges	378,941	388,508	499,100	587,800	605,434	623,597
Capital	48,309	31,161	80,000	302,500	311,575	320,922
<b>Total Town Manager</b>	<b>\$ 933,073</b>	<b>\$ 816,144</b>	<b>\$ 1,023,900</b>	<b>\$ 1,402,300</b>	<b>\$ 1,444,369</b>	<b>\$ 1,487,700</b>





## TOWN MANAGER – Town Manager Division

### Description

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

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

### 2017/18 Accomplishments

- Updated Administrative Policies as needed
- Continued to add information to the Town of Payson Facebook page to provide information to the public
- Completed the Rumsey Park Master Plan
- Continued building the Town's working relationship with neighboring governmental jurisdictions
- Continued to administer the financial aspects of the C.C. Cragin project
- Initiated an energy efficiency study to find methods to reduce energy costs

### 2018/19 Objectives

#### KRA 7: THE PAYSON TEAM

- Continue to update Administrative Policies as needed
- Update the Personnel Manual
- Budgeted an additional payment of \$500,000 above the annual required contribution to reduce the Town's PSPRS liability
- Continue to administer the financial aspects of the C.C. Cragin project
- Continue to enhance transparency and communication using the Town website and Facebook
- Continue to manage the Town with proactive and efficient methods



### Town Manager Division Budget Changes

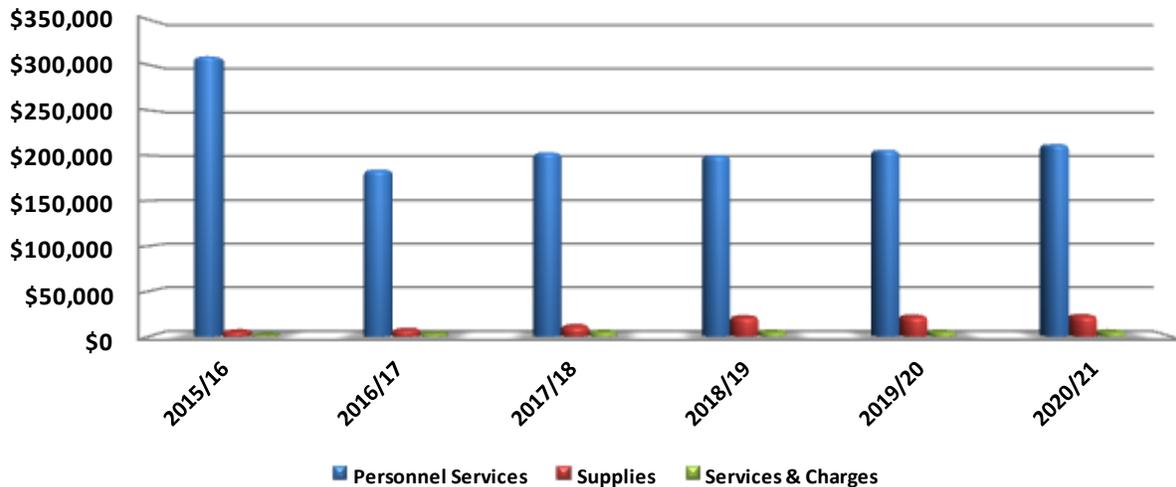
Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Salaries & Wages	150,192	153,100	1.9%	161,300	5.4%
Personnel Benefits	33,836	50,200	48.4%	39,000	-22.3%
Supplies	7,398	11,700	58.2%	21,600	84.6%
Other Services & Charges	3,551	5,400	52.1%	5,400	0.0%
<b>Town Manager</b>	<b>\$ 194,977</b>	<b>\$ 220,400</b>	<b>13.0%</b>	<b>\$ 227,300</b>	<b>3.1%</b>

**Significant Budget Changes:**

- FY16/17 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 Benefits—legal decision required additional contribution to retirement
- FY17/18 Supplies—reflects reduced office supplies and fuel
- FY17/18 Services—reduction in travel
- FY18/19 Benefits—decrease due to payoff for past position retirement contribution
- FY18/19 Supplies—increase for town employee appreciation event

### Town Manager Division Budget Analysis Historic & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Personnel Services	309,788	184,028	203,300	200,300	206,309	212,498
Supplies	5,803	7,398	11,700	21,600	22,248	22,915
Services & Charges	1,709	3,551	5,400	5,400	5,562	5,729
<b>Town Manager</b>	<b>\$ 317,299</b>	<b>\$ 194,977</b>	<b>\$ 220,400</b>	<b>\$ 227,300</b>	<b>\$ 234,119</b>	<b>\$ 241,143</b>





**TOWN MANAGER DIVISION**

		<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
		<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>PROPOSED</b>
<b>SALARIES &amp; WAGES</b>					
101-5-1405-00-5001	Full Time Employees	274,773	150,192	153,100	161,300
	Total Salaries & Wages	274,773	150,192	153,100	161,300
<b>PERSONNEL BENEFITS</b>					
101-5-1405-00-5501	FICA	13,583	9,625	11,700	12,000
101-5-1405-00-5504	Retirement	12,036	17,032	30,400	18,400
101-5-1405-00-5600	Deferred Compensation	2,499	-	-	-
101-5-1405-00-5700	Health/Life Insurance	4,434	6,347	7,100	7,500
101-5-1405-00-5701	Disability Insurance	128	210	300	300
101-5-1405-00-5800	Workers Compensation	2,334	621	700	800
	Total Personnel Benefits	35,014	33,835	50,200	39,000
<b>SUPPLIES</b>					
101-5-1405-00-6001	Office Supplies	105	72	400	500
101-5-1405-00-6005	Safety Supplies	-	-	100	100
101-5-1405-00-6006	Uniforms / Clothing	-	-	300	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	-	756	1,200	1,000
101-5-1405-00-6302	R&M Supplies Vehicle	-	103	500	500
101-5-1405-00-6600	Public Relations	4,366	5,432	6,000	16,000
101-5-1405-00-6700	Dues & Memberships	1,331	1,035	2,500	2,500
101-5-1405-00-6990	Other Expense	-	-	-	-
	Total Supplies	5,802	7,398	11,700	21,600
<b>OTHER SERVICES &amp; CHARGES</b>					
101-5-1405-00-7306	Telephone Charges	43	807	800	800
101-5-1405-00-7600	Travel	796	1,524	2,000	2,000
101-5-1405-00-7601	Registrations	870	1,220	2,600	2,600
	Total Other Svcs & Charges	1,709	3,551	5,400	5,400
<b>GRAND TOTAL</b>		<b>\$ 317,298</b>	<b>\$ 194,976</b>	<b>\$ 220,400</b>	<b>\$ 227,300</b>



## TOWN MANAGER – Information Services Division

### Description

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.

### 2017/18 Accomplishments

- Began implementation of offsite Disaster Recovery
- Built new Exchange 2010 Server and prepped for mailbox migration
- Virtualized SharePoint Server, Laserfiche, and Water Server
- Upgraded MOE circuits
- Began Mobile Switch replacement
- Rebuilt Edge Server – 2010 Exchange
- Configured Exchange 2010 Server for Enterprise Vault Archival
- Installed & Configured a new SAN appliance and 2 HyperV host Servers
- Installed & Configured test Virtual File Server
- Finished Setting up Departments on SharePoint
- Moved Legal department from Access to SQL Server – New Application LegalEdge
- Printer Assessment with AOT – Moved to Print Management Services saving money
- Upgraded E-TrakIT for Community Development Application

### 2018/19 Objectives

- Finalize server migration to offsite Disaster Recovery
- Migrate user mailboxes to Exchange 2010 server
- Install & Configure Exchange 2016 server and migrate mailboxes from 2010 Server
- Upgrade\Migrate Laserfiche to new server
- Finalize Legal Application Installation and Mobile Switch replacement
- Configure Exchange 2016 for Enterprise Vault Archival
- Replace all 50 Mobile MDC laptops
- Implement Video Surveillance for Town Buildings
- Install & Configure 2 new HyperV servers
- Upgrade Server OS, Network Infrastructure OS and Applications
- Install Gigabit Core Switch – Reconfigure Network
- Research Video Conferencing Capabilities
- Test new Virtualized File Server
- Replace and/or Upgrade workstations
- Improve/Enhance TV4 – Offsite Recording Capabilities

### KRA 10: INFORMATION TECHNOLOGY

- Support and drive innovations that leverage technology and business solutions town-wide
- Focus on organization-wide applications, using right sourcing and managed services where appropriate



### Information Services Division Budget Changes

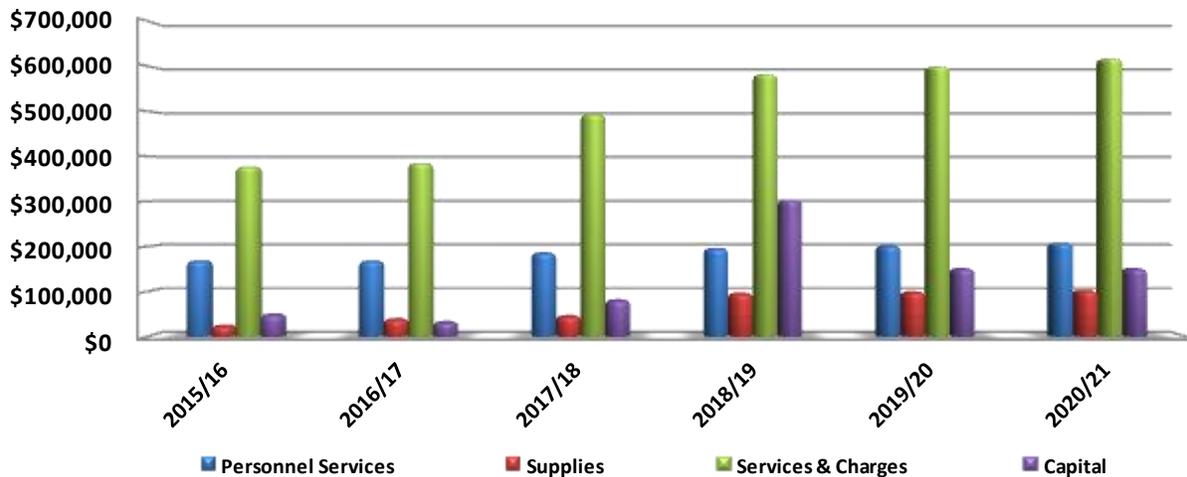
Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Salaries & Wages	135,160	149,000	10.2%	156,500	5.0%
Personnel Benefits	32,105	36,300	13.1%	38,600	6.3%
Supplies	37,784	44,500	17.8%	95,000	113.5%
Other Services & Charges	384,957	493,700	28.2%	582,400	18.0%
Capital	31,161	80,000	156.7%	302,500	278.1%
<b>Total Information Services</b>	<b>\$ 621,167</b>	<b>\$ 803,500</b>	<b>29.4%</b>	<b>\$ 1,175,000</b>	<b>46.2%</b>

**Significant Budget Changes:**

- FY16/17 Supplies—additional funds budgeted for computer equipment/supplies
- FY16/17 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
- FY18/19 Supplies—additional funds budgets for computer equipment/supplies
- FY18/19 Capital—approved funds for various software/server upgrades town-wide

### Information Services Division Budget Analysis Historic & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Personnel Services	167,230	167,265	185,300	195,100	200,953	206,982
Supplies	23,002	37,784	44,500	95,000	97,850	100,786
Services & Charges	377,232	384,957	493,700	582,400	599,872	617,868
Capital	48,309	31,161	80,000	302,500	150,000	150,000
<b>Total Information Svcs</b>	<b>\$ 615,773</b>	<b>\$ 621,167</b>	<b>\$ 803,500</b>	<b>\$ 1,175,000</b>	<b>\$ 1,048,675</b>	<b>\$ 1,075,635</b>





ANNUAL BUDGET

TOWN MANAGER

**INFORMATION SERVICES DIVISION**

		<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
		<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>PROPOSED</b>
<b>SALARIES &amp; WAGES</b>					
101-5-1408-00-5001	Full Time Employees	134,715	135,160	146,000	154,500
101-5-1408-00-5200	Overtime Pay	-	-	3,000	2,000
	<b>Total Salaries &amp; Wages</b>	<b>134,715</b>	<b>135,160</b>	<b>149,000</b>	<b>156,500</b>
<b>PERSONNEL BENEFITS</b>					
101-5-1408-00-5501	FICA	9,815	9,714	11,400	12,000
101-5-1408-00-5504	Retirement	15,226	15,327	16,900	18,000
101-5-1408-00-5700	Health/Life Insurance	6,627	6,315	7,100	7,500
101-5-1408-00-5701	Disability Insurance	162	189	200	300
101-5-1408-00-5800	Workers Compensation	685	560	700	800
101-5-1408-00-5990	Miscellaneous	-	-	-	-
	<b>Total Personnel Benefits</b>	<b>32,515</b>	<b>32,105</b>	<b>36,300</b>	<b>38,600</b>
<b>SUPPLIES</b>					
101-5-1408-00-6011	Office Supplies	-	229	-	-
101-5-x408-0x-6013	Computer Equipment/Supplies	23,002	37,556	44,500	95,000
	<b>Total Supplies</b>	<b>23,002</b>	<b>37,785</b>	<b>44,500</b>	<b>95,000</b>
<b>OTHER SERVICES &amp; CHARGES</b>					
101-5-1408-00-7005	Software Licensing	26,884	23,374	80,200	103,400
101-5-x408-0x-7306	Telephone Charges	126,733	140,560	167,000	164,500
101-5-x408-0x-7403	Computer Equipment R&M	219,697	217,269	239,500	276,500
101-5-1408-00-7900	Other Professional Services	3,917	3,754	7,000	38,000
	<b>Total Other Svcs &amp; Charges</b>	<b>377,231</b>	<b>384,957</b>	<b>493,700</b>	<b>582,400</b>
<b>CAPITAL</b>					
101-5-1408-00-8004	Machinery & Equipment	48,309	31,161	50,000	92,500
101-5-2408-01-8004	Machinery & Equipment	-	-	30,000	210,000
	<b>Total Capital</b>	<b>48,309</b>	<b>31,161</b>	<b>80,000</b>	<b>302,500</b>
<b>GRAND TOTAL</b>		<b>\$ 615,772</b>	<b>\$ 621,168</b>	<b>\$ 803,500</b>	<b>\$ 1,175,000</b>



## HUMAN RESOURCES DEPARTMENT

### **Mission Statement**

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

- Facilitating the productivity and effectiveness of the Town of Payson
- Development of employees in ways that are satisfying to the individual and beneficial to the Town
- Anticipating, providing and administrating 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

### **Description**

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.

### **2017/18 Accomplishments**

- Initiated a Wellness Committee/program for the year
- Increased utilization of HR side of Incode
- Conducted physical inventory of insured assets (property, vehicles, equipment)
- Attended HIPAA compliance training (SafePersonnel)
- Conducted 100% new hire safety training
- Three employees attended ASRS Annual training
- Coordinated mobile mammogram unit, health screenings, & annual vaccines with Kairos annual wellness fair (added bone density & skin cancer screenings plus community partners)
- Retiree billing was added to InCode automatic invoicing
- Revamped New Hire and Separation Processes
- Converted Dental and Vision benefits to a new provider
- Converted the Benefit Enrollment process to electronic processes
- Revamped the Benefits Reconciliation spreadsheet

### **2018/19 Objectives**

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

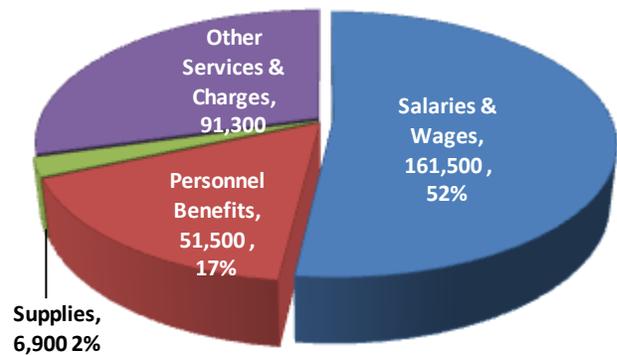
- Implement new Performance Evaluation program
- Improve the recruitment process to increase the number of qualified applicants
- Reduce turnover by identifying common factors and training supervisors
- Assist with the completion of the compensation study for FY 2020 (Part 1)
- Review/revise job descriptions (Part 2)

- Manage the process to hire a Chief of Police replacement
- Conduct four safety meetings per year
- Complete the Town of Payson Haz Comm document
- Implement interpreting proficiency testing (Part 1)
- Create job descriptions for jobs eligible for stipends (Part 2)
- Roll out the time entry module in Incode
- Generate HR Process Docs
- Enroll in DES online for Unemployment

### Position Summary 2018/19

	2017/18	2018/19
Human Resources Manager	1.0	1.0
Human Resources Analyst	1.0	1.0
Payroll Specialist	1.0	1.0
<b>Total Budgeted Positions</b>	<b>3.0</b>	<b>3.0</b>

### Proposed Expenditures



### Human Resources Budget Changes

Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Salaries & Wages	145,133	155,200	6.9%	161,500	4.1%
Personnel Benefits	43,069	48,400	12.4%	51,500	6.4%
Supplies	4,763	5,500	15.5%	6,900	25.5%
Other Services & Charges	20,318	29,000	42.7%	91,300	214.8%
<b>Total Human Resources</b>	<b>\$ 213,283</b>	<b>\$ 238,100</b>	<b>11.6%</b>	<b>\$ 311,200</b>	<b>45.9%</b>

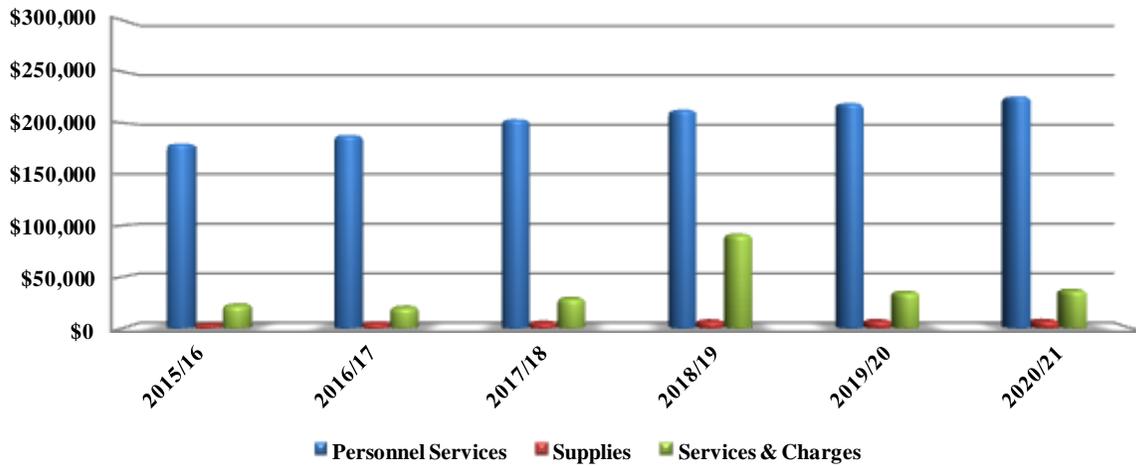
#### Significant Budget Changes:

- FY18/19 Supplies—additional funds budgeted employee identification card machine supplies
- FY18/19 Services—increased budget for recruiting of Police Chief position, and market study



### Human Resources Budget Analysis Historic & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Personnel Services	179,797	188,202	203,600	213,000	219,390	225,972
Supplies	3,480	4,763	5,500	6,900	7,107	7,320
Services & Charges	22,509	20,318	29,000	91,300	35,000	37,000
<b>Total Human Resource</b>	<b>\$ 205,786</b>	<b>\$ 213,283</b>	<b>\$ 238,100</b>	<b>\$ 311,200</b>	<b>\$ 261,497</b>	<b>\$ 270,292</b>





**HUMAN RESOURCES**

		<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
		<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>PROPOSED</b>
<b>SALARIES &amp; WAGES</b>					
101-5-1406-00-5001	Full Time Employees	140,579	145,133	152,200	159,500
101-5-1406-00-5200	Overtime Pay	-	-	3,000	2,000
	<b>Total Salaries &amp; Wages</b>	<b>140,579</b>	<b>145,133</b>	<b>155,200</b>	<b>161,500</b>
<b>PERSONNEL BENEFITS</b>					
101-5-1406-00-5501	FICA	9,653	9,940	11,900	12,400
101-5-1406-00-5504	Retirement	14,198	16,458	17,600	18,800
101-5-1406-00-5700	Health/Life Insurance	14,576	15,869	18,000	19,100
101-5-1406-00-5701	Disability Insurance	151	203	200	300
101-5-1406-00-5800	Workers Compensation	640	599	700	900
	<b>Total Personnel Benefits</b>	<b>39,218</b>	<b>43,069</b>	<b>48,400</b>	<b>51,500</b>
<b>SUPPLIES</b>					
101-5-1406-00-6001	Office Supplies	1,496	1,993	2,000	2,300
101-5-1406-00-6005	Program Supplies	1,879	2,203	2,200	3,500
101-5-1406-00-6300	Gasoline/Fuels/Lubricant	105	93	200	300
101-5-1406-00-6700	Memberships/Dues/Subscri.	-	474	1,100	800
101-5-1406-00-6990	Other Expense	-	-	-	-
	<b>Total Supplies</b>	<b>3,480</b>	<b>4,763</b>	<b>5,500</b>	<b>6,900</b>
<b>OTHER SERVICES &amp; CHARGES</b>					
101-5-1406-00-7306	Telephone Charges	399	300	500	400
101-5-1406-00-7307	Utilities Postage/Freight	-	-	-	200
101-5-1406-00-7402	R&M Office Equipment	-	-	-	800
101-5-1406-00-7600	Travel Expenses	622	575	800	5,000
101-5-1406-00-7601	Registration	1,373	2,784	3,200	2,900
101-5-1406-00-7900	Other Professional Services	16,016	14,728	20,000	77,000
101-5-1406-00-7907	Advertising	4,099	1,930	4,500	5,000
	<b>Total Other Svcs &amp; Charges</b>	<b>22,509</b>	<b>20,317</b>	<b>29,000</b>	<b>91,300</b>
<b>GRAND TOTAL</b>		<b>\$ 205,786</b>	<b>\$ 213,282</b>	<b>\$ 238,100</b>	<b>\$ 311,200</b>



## TOWN CLERK DEPARTMENT

### Description

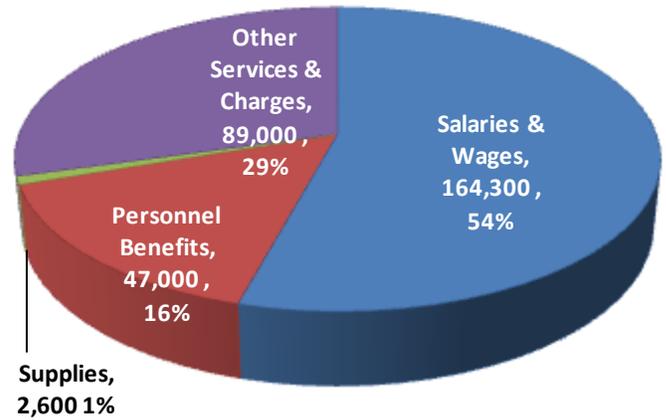
The Town Clerk’s Department is responsible for maintaining the Town’s official public records, monitoring public information requests, elections, preparing public information, and providing direct staff support to the Mayor and Town Council.

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

**Position Summary 2018/19**

	2017/18	2018/19
Town Clerk	1.0	1.0
Chief Deputy Town Clerk	1.0	1.5
<b>Total Budgeted Positions</b>	<b>2.0</b>	<b>2.5</b>

**Proposed Expenditures**



**Town Clerk Budget Changes**

Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Salaries & Wages	141,274	146,300	3.6%	164,300	12.3%
Personnel Benefits	35,356	38,000	7.5%	47,000	23.7%
Supplies	1,424	2,600	82.6%	2,600	0.0%
Other Services & Charges	37,050	50,800	37.1%	89,000	75.2%
<b>Total Town Clerk Dept.</b>	<b>\$ 215,104</b>	<b>\$ 237,700</b>	<b>10.5%</b>	<b>\$ 302,900</b>	<b>27.4%</b>

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



### Town Clerk Budget Analysis Historic & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Personnel Services	181,334	176,630	184,300	211,300	217,639	224,168
Supplies	1,833	1,424	2,600	2,600	2,678	2,758
Services & Charges	28,431	39,580	50,800	89,000	55,900	92,895
<b>Total Clerk Dept</b>	<b>\$ 211,598</b>	<b>\$ 217,634</b>	<b>\$ 237,700</b>	<b>\$ 302,900</b>	<b>\$ 276,217</b>	<b>\$ 319,822</b>





## TOWN CLERK – Town Clerk Division

### Description

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.

### 2017/18 Accomplishments

- Produced 21 Town of Payson (TOP) Talk Programs with 33 guests plus 68 employees presented information
- Worked with the Town Attorney in the administration cleanup of the Town Code
- Town Clerk and Chief Deputy attended AMCA Annual Business Meeting and Conference July 2017
- Implemented succession planning/promoted part-time Clerk III to full-time Sr. Clerk to cross-train in records, Council Meeting attendance and typing minutes

### 2018/19 Objectives

KRA 4: INNOVATION & EFFICIENCY

- Produce 22 TOP Talk Programs, increasing to 40 guest and 70 employees

KRA 7: THE PAYSON TEAM

- Continue to cross-train staff
- Implement succession plan in preparation of Town Clerk retirement

### Town Clerk Division Budget Change

Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Salaries & Wages	141,274	146,300	3.6%	164,300	12.3%
Personnel Benefits	35,356	38,000	7.5%	47,000	23.7%
Supplies	1,424	2,600	82.6%	2,600	0.0%
Other Services & Charges	23,580	34,800	47.6%	38,000	9.2%
<b>Total Town Clerk Division</b>	<b>\$ 201,634</b>	<b>\$ 221,700</b>	<b>10.0%</b>	<b>\$ 251,900</b>	<b>13.6%</b>

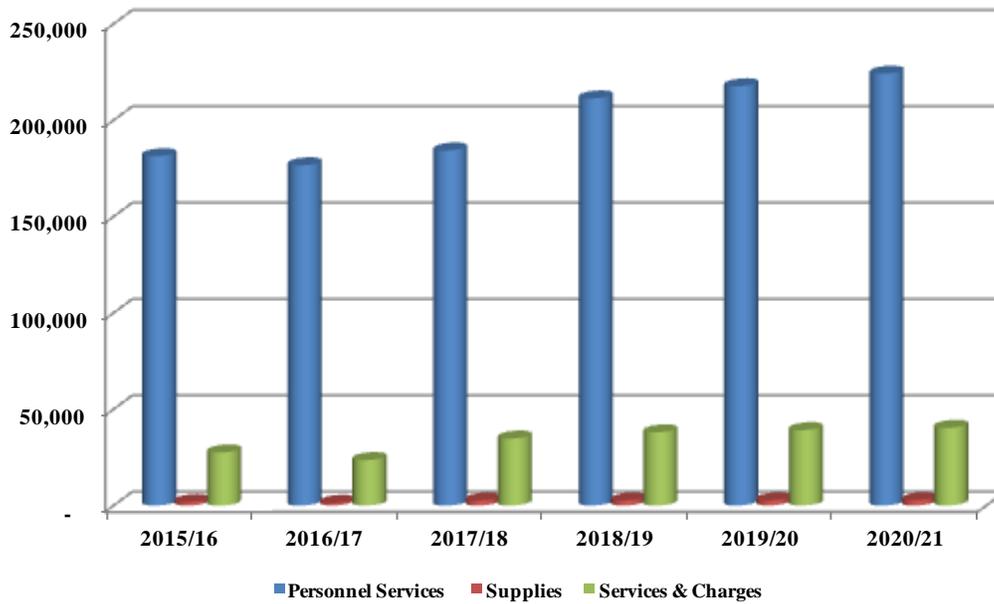
**Significant Budget Changes:**

- 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
- FY18/19 Salaries & Benefits—moving position from Central Services to full-time Clerk



### Town Clerk Division Budget Analysis Historic & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Personnel Services	181,334	176,630	184,300	211,300	217,639	224,168
Supplies	1,833	1,424	2,600	2,600	2,678	2,758
Services & Charges	27,533	23,580	34,800	38,000	39,140	40,314
<b>Total Town Clerk</b>	<b>\$ 210,700</b>	<b>\$ 201,634</b>	<b>\$ 221,700</b>	<b>\$ 251,900</b>	<b>\$ 259,457</b>	<b>\$ 267,241</b>





ANNUAL BUDGET

TOWN CLERK

**TOWN CLERK DIVISION**

	<b>2015/16 ACTUAL</b>	<b>2016/17 ACTUAL</b>	<b>2017/18 ADOPTED</b>	<b>2018/19 PROPOSED</b>
<b>SALARIES &amp; WAGES</b>				
101-5-1402-00-5001 Full Time Employees	145,558	141,274	145,300	163,300
101-5-1402-00-5200 Overtime Pay	-	-	1,000	1,000
Total Salaries & Wages	145,558	141,274	146,300	164,300
<b>PERSONNEL BENEFITS</b>				
101-5-1402-00-5501 FICA	10,672	10,374	11,200	12,400
101-5-1402-00-5504 Retirement	16,520	16,020	16,600	18,900
101-5-1402-00-5700 Health/Life Insurance	7,665	8,178	9,200	14,700
101-5-1402-00-5701 Disability Insurance	176	198	300	200
101-5-1402-00-5800 Workers Comp Insurance	743	586	700	800
101-5-1402-00-5990 Miscellaneous	-	-	-	-
Total Personnel Benefits	35,776	35,356	38,000	47,000
<b>SUPPLIES</b>				
101-5-1402-00-6001 Office Supplies	1,403	1,009	1,400	1,400
101-5-1402-00-6006 Uniforms / Clothing	-	187	200	200
101-5-1402-00-6011 Small Tool/Minor Equipment	-	-	300	300
101-5-1402-00-6700 Dues & Memberships	430	228	700	700
Total Supplies	1,833	1,424	2,600	2,600
<b>OTHER SERVICES &amp; CHARGES</b>				
101-5-1402-00-7003 Computer Services	14,058	14,829	14,700	16,000
101-5-1402-00-7306 Telephone	747	573	700	700
101-5-1402-00-7600 Travel	1,372	1,014	4,600	5,300
101-5-1402-00-7601 Registrations	380	1,085	1,800	3,000
101-5-1402-00-7900 Other Professional Services	5,737	1,640	8,000	8,000
101-5-1402-00-7907 Advertising	5,239	4,439	5,000	5,000
Total Other Svcs & Charges	27,533	23,580	34,800	38,000
<b>GRAND TOTAL</b>	<b>\$ 210,700</b>	<b>\$ 201,634</b>	<b>\$ 221,700</b>	<b>\$ 251,900</b>



## TOWN CLERK – Election Division

### Description

The Town Council elections are held every two years. The elections are now consolidated with Gila County—coordinated and conducted by the Town Clerk’s Office and Gila County.

### 2017/18 Accomplishments

- Town Clerk and Chief Deputy attended 2017 Election Workshop

### 2018/19 Objectives

#### KRA 7: THE PAYSON TEAM

- Town Clerk and Chief Deputy attend 2018 Election Workshop
- Conduct 2018 Primary and General Elections within budget
- Coordinate with Gila County Recorder’s office and Elections Department to ensure smooth completion of collection and processing of ballots

### Election Division Budget Change

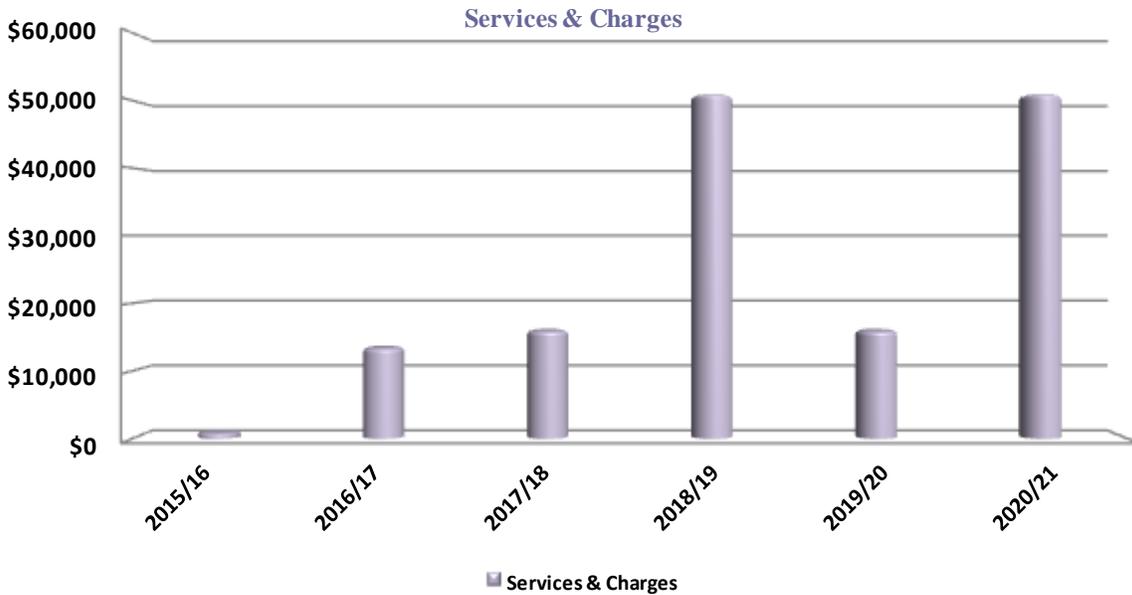
Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Other Services & Charges	13,470	16,000	18.8%	51,000	218.8%
<b>Total Election Division</b>	<b>\$ 13,470</b>	<b>\$ 16,000</b>	<b>18.8%</b>	<b>\$ 51,000</b>	<b>218.8%</b>

#### 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 was not required during 2017
- FY18/19 Services—Budget increased for two elections required during 2018

### Election Division Budget Analysis Historic & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Services & Charges	898	13,470	16,000	51,000	16,000	51,000
<b>Total Election</b>	<b>\$ 898</b>	<b>\$ 13,470</b>	<b>\$ 16,000</b>	<b>\$ 51,000</b>	<b>\$ 16,000</b>	<b>\$ 51,000</b>



ANNUAL BUDGET

TOWN CLERK

**ELECTIONS**

	<b>2015/16 ACTUAL</b>	<b>2016/17 ACTUAL</b>	<b>2017/18 ADOPTED</b>	<b>2018/19 PROPOSED</b>
<b>OTHER SERVICES &amp; CHARGES</b>				
101-5-1403-00-7900 Other Professional Services	26	13,337	15,000	50,000
101-5-1403-00-7907 Advertising	873	134	1,000	1,000
Total Other Svcs & Charges	899	13,471	16,000	51,000
<b>GRAND TOTAL</b>	<b>\$ 899</b>	<b>\$ 13,471</b>	<b>\$ 16,000</b>	<b>\$ 51,000</b>



## LEGAL DEPARTMENT

### **Mission Statement**

The Legal Department strives to provide the highest quality, efficient legal services to the Town of Payson through its Elected Officials, Town Boards, Commissions, Committees, and Town Staff for the benefit of the Citizens of Payson.

### **Description**

The Legal Department (Town Attorney's Office) serves the Town and its residents in two ways—Civil (Internal) and Prosecution (External). By representing the Town of Payson and counseling the Town on the vast array of legal issues it faces, the staff performs public service in the best traditions of the legal profession.

### **2017/18 Accomplishments**

- Assisted Department Heads and HR with employee discipline matters
- Initiated new criminal case files, including DUI, domestic violence, and victim cases
- Represented the State at various pre-trial Conferences, Review Hearings, Sentencing Hearings, and Bench Trials
- Prepared record number of ordinances and resolutions
- Drafted and reviewed numerous contracts for Town Departments and Council approval

### **2018/19 Objectives**

#### **KRA 4: INNOVATION & EFFICIENCY**

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

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

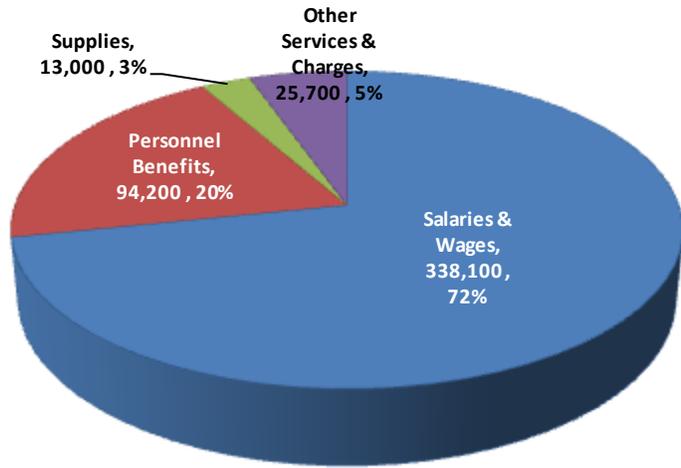
- Provide oversight of IGA's for Houston Mesa Fire District Management
- Negotiate/draft various agreements and contracts as directed by Council
- Prevent the Town from incurring civil liability by being proactive
- Continue to improve communication, interaction, and responsiveness to victims, especially through the Victim Advocate
- Continue to work on staff training and development

### Position Summary

	2017/18	2018/19
Town Attorney	1.0	1.0
Prosecutor	1.0	1.0
Office Clerk *	1.5	1.5
Office Manager	1.0	1.0
<b>Total Positions</b>	<b>4.5</b>	<b>4.5</b>

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

### 2018/19 Proposed Expenditures



### Legal Department Budget Change

Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Salaries & Wages	303,019	323,300	6.7%	338,100	4.6%
Personnel Benefits	78,366	89,800	14.6%	94,200	4.9%
Supplies	7,815	9,500	21.6%	13,000	36.8%
Other Services & Charges	13,489	26,100	93.5%	25,700	-1.5%
<b>Total Legal</b>	<b>\$ 402,689</b>	<b>\$ 448,700</b>	<b>11.4%</b>	<b>\$ 471,000</b>	<b>5.0%</b>

#### Significant Budget Changes:

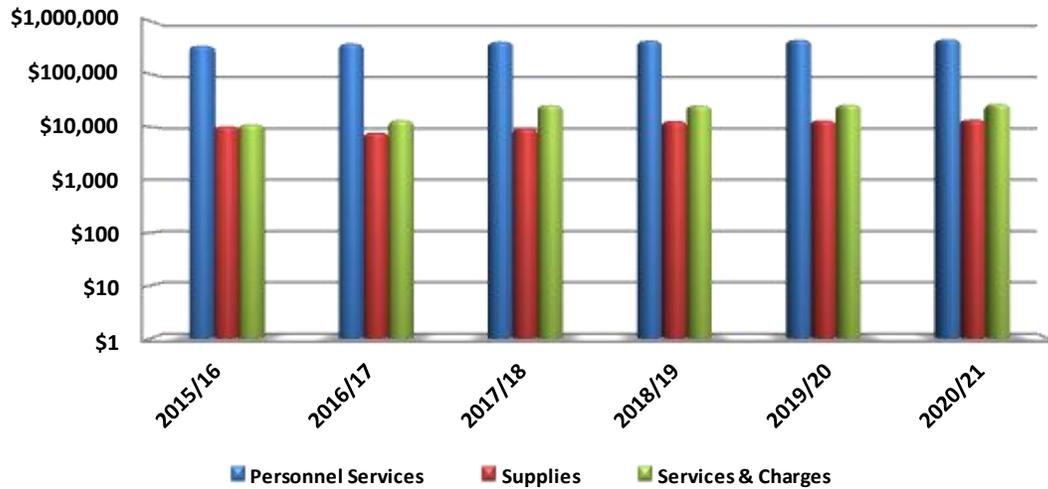
- FY17/18 Salaries & Benefits—reflects wage adjustments and changes in insurance plan selections
- FY17/18 Supplies—reflects increase in budget for office and other supplies
- FY17/18 Services—increased budget for building repairs
- FY18/19 Supplies—increased supplies for a Victim Advocate grant position





### Legal Department Budget Analysis Historic & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Personnel Services	345,610	381,385	413,100	432,300	445,269	458,627
Supplies	10,332	7,815	9,500	13,000	13,390	13,792
Services & Charges	11,186	13,489	26,100	25,700	26,471	27,265
<b>Total Legal</b>	<b>\$ 367,128</b>	<b>\$ 402,689</b>	<b>\$ 448,700</b>	<b>\$ 471,000</b>	<b>\$ 485,130</b>	<b>\$ 499,684</b>





ANNUAL BUDGET

LEGAL

<b>LEGAL</b>		<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
		<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>PROPOSED</b>
<b>SALARIES &amp; WAGES</b>					
101-5-1418-00-5001	Full Time Employees	246,897	288,748	306,300	322,900
101-5-1418-00-5002	Part Time Employees	30,411	14,271	16,500	14,700
101-5-1418-00-5200	Overtime Pay	-	-	500	500
	<b>Total Salaries &amp; Wages</b>	<b>277,308</b>	<b>303,019</b>	<b>323,300</b>	<b>338,100</b>
<b>PERSONNEL BENEFITS</b>					
101-5-1418-00-5501	FICA	20,326	20,810	24,700	25,800
101-5-1418-00-5504	Retirement	30,948	34,095	36,300	37,600
101-5-1418-00-5700	Health/Life Insurance	15,432	21,896	26,900	28,700
101-5-1418-00-5701	Disability Insurance	306	404	500	1,600
101-5-1418-00-5800	Workers Compensation	1,290	1,161	1,400	500
	<b>Total Personnel Benefits</b>	<b>68,302</b>	<b>78,366</b>	<b>89,800</b>	<b>94,200</b>
<b>SUPPLIES</b>					
101-5-1418-00-6001	Office Supplies	3,691	5,109	3,000	4,500
101-5-1418-00-6006	Uniforms/Clothing	-	-	-	400
101-5-1418-00-6010	Books & Periodicals	4,258	431	4,000	4,000
101-5-1418-00-6011	Small Tools/Minor Equipment	-	889	-	2,000
101-5-1418-00-6201	Building Repair Materials	18	46	500	500
101-5-1418-00-6700	Memberships/Dues/Subscr.	1,240	1,070	1,400	1,600
101-5-1418-00-6990	Other Supplies	1,125	271	600	-
	<b>Total Supplies</b>	<b>10,332</b>	<b>7,816</b>	<b>9,500</b>	<b>13,000</b>
<b>OTHER SERVICES &amp; CHARGES</b>					
101-5-1418-00-7100	Legal Services	1,320	-	3,000	3,000
101-5-1418-00-7103	Prosecution Services	-	-	1,000	1,000
101-5-1418-00-7300	Electricity Charges	1,693	1,989	2,000	2,000
101-5-1418-00-7301	Propane Gas Charges	1,063	994	1,200	1,200
101-5-1418-00-7306	Telephone	1,023	1,054	1,000	1,000
101-5-1418-00-7307	Postage / Freight	19	702	100	100
101-5-1418-00-7401	Building Repair & Maintenance	386	1,089	10,000	6,200
101-5-1418-00-7402	Office Equipment R&M	-	950	800	800
101-5-1418-00-7502	Lease Equipment	806	-	-	2,400
101-5-1418-00-7600	Travel	1,983	3,928	3,000	3,500
101-5-1418-00-7601	Registrations	1,453	1,069	2,000	2,500
101-5-1418-00-7900	Other Professional Services	1,440	1,715	2,000	2,000
	<b>Total Other Srvs &amp; Charges</b>	<b>11,186</b>	<b>13,490</b>	<b>26,100</b>	<b>25,700</b>
<b>GRAND TOTAL</b>		<b>\$ 367,128</b>	<b>\$ 402,691</b>	<b>\$ 448,700</b>	<b>\$ 471,000</b>



## FINANCIAL SERVICES DEPARTMENT

### Mission Statement

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.

### Description

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.

### 2017/18 Accomplishments

- Successfully completed the 2016/2017 Audit
- Continued to receive recognition and professional awards:
  - GFOA Certificate of Achievement for Excellence in Financial Reporting (20<sup>th</sup> consecutive year)
  - GFOA Distinguished Budget Presentation Award (20<sup>th</sup> consecutive year)
  - GFOA Certificate for Popular Annual Financial Report (12<sup>th</sup> consecutive year)
- Strengthened internal controls by updating policies and providing training to staff and management
- Updated capital assets documentation following town-wide physical inventory
- Provided training for finance members through online webinars, saving cost of travel

### 2018/19 Objectives

#### 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 Council objectives to reduce debt and build cash reserves
- Revamp Purchase Card Program with policy changes and card holder training

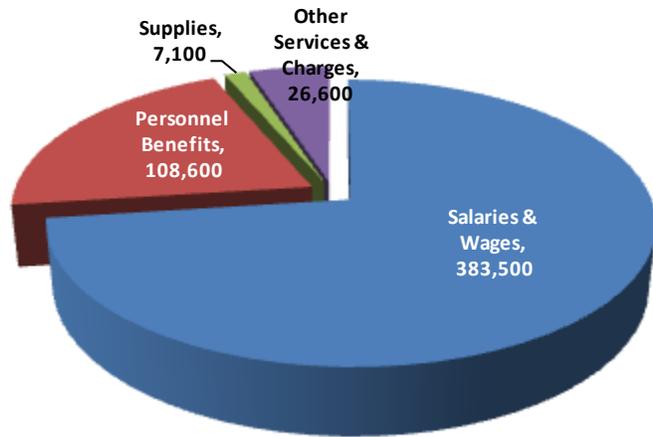
#### KRA 7: THE PAYSON TEAM

- Increase training opportunities for finance team members

### Position Summary

	2017/18	2018/19
CFO	1.0	1.0
Deputy CFO/Finance Mgr	1.0	1.0
Budget Analyst	1.0	1.0
Accountant I	1.0	1.0
Grants Coordinator	0.5	0.5
<b>Total Budgeted Positions</b>	<b>4.5</b>	<b>4.5</b>

### 2018/19 Proposed Expenditures



### Financial Department Budget Change

Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Salaries & Wages	248,493	368,700	48.4%	383,500	4.0%
Personnel Benefits	62,648	106,900	70.6%	108,600	1.6%
Supplies	3,488	7,100	103.6%	7,100	0.0%
Other Services & Charges	21,269	48,900	129.9%	26,600	-45.6%
<b>Total Finance Services</b>	<b>\$ 335,898</b>	<b>\$ 531,600</b>	<b>58.3%</b>	<b>\$ 525,800</b>	<b>-1.1%</b>

#### Significant Budget Changes:

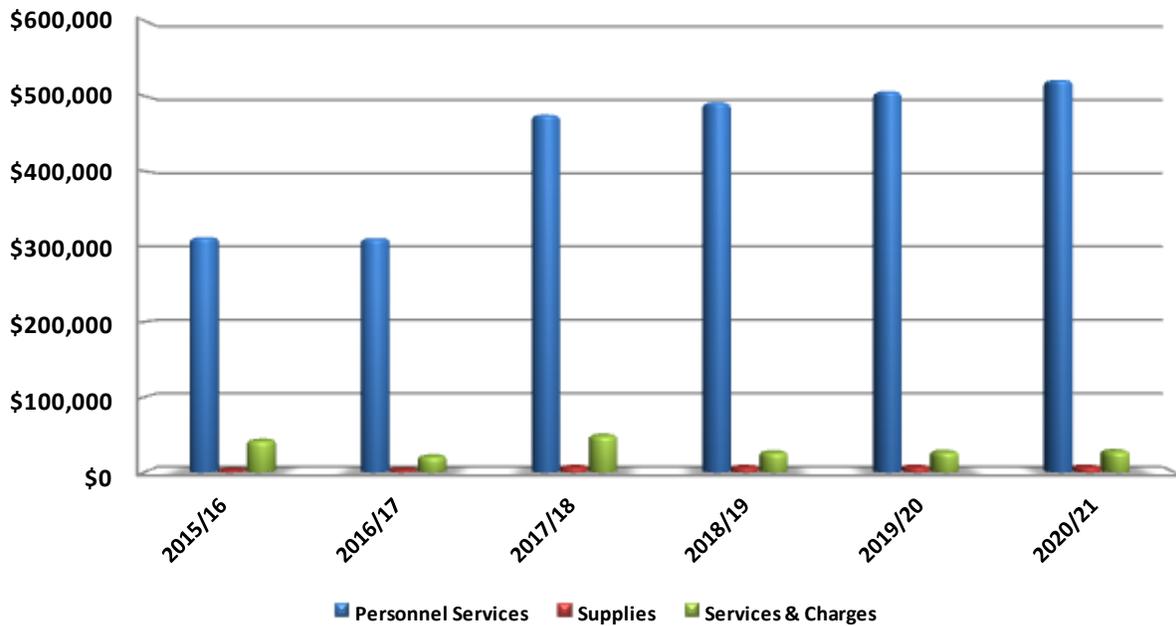
- FY16/17 & FY17/18 Salaries/Wages & Personnel Benefits—higher due to anticipated hiring of a CFO in 4th quarter of fiscal year
- FY16/17 Supplies—increased for additional office supplies
- FY16/17 Services—reduced since an actuarial study was not needed this fiscal year
- FY17/18 Supplies—included funds for the purchase of adjustable desks
- FY17/18 Services—increased due to the need for an actuarial study
- FY18/19 Services—decreased from a one-time expense of an actuarial study in FY17/18





### Financial Department Budget Analysis Historic & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Personnel Services	312,456	311,141	475,600	492,100	506,863	522,069
Supplies	3,165	3,488	7,100	7,100	7,313	7,532
Services & Charges	42,171	21,269	48,900	26,600	27,398	28,220
<b>Total Financial Svcs</b>	<b>\$ 357,792</b>	<b>\$ 335,898</b>	<b>\$ 531,600</b>	<b>\$ 525,800</b>	<b>\$ 541,574</b>	<b>\$ 557,821</b>





ANNUAL BUDGET

FINANCIAL SERVICES

**FINANCIAL SERVICES**

	<b>2015/16 ACTUAL</b>	<b>2016/17 ACTUAL</b>	<b>2017/18 ADOPTED</b>	<b>2018/19 PROPOSED</b>
<b>SALARIES &amp; WAGES</b>				
101-5-1407-00-5001 Full Time Employees	208,410	206,971	315,700	326,500
101-5-1407-00-5002 Part Time Employees	40,609	41,522	53,000	54,000
101-5-1407-00-5200 Overtime Pay	-	-	-	3,000
Total Salaries & Wages	249,019	248,493	368,700	383,500
<b>PERSONNEL BENEFITS</b>				
101-5-1407-00-5501 FICA	17,429	17,592	28,200	29,600
101-5-1407-00-5504 Retirement	28,263	28,161	41,800	43,400
101-5-1407-00-5700 Health/Life Insurance	16,174	15,529	34,600	33,400
101-5-1407-00-5701 Disability Insurance	301	346	600	600
101-5-1407-00-5800 Workers Comp Insurance	1,270	1,018	1,700	1,600
Total Personnel Benefits	63,437	62,646	106,900	108,600
<b>SUPPLIES</b>				
101-5-1407-00-6001 Office Supplies	1,558	1,970	3,000	2,500
101-5-1407-00-6006 Uniforms/Clothing	-	-	-	500
101-5-1407-00-6010 Books & Periodicals	126	-	300	300
101-5-1407-00-6011 Small Tools/Minor Equipment	-	-	2,100	2,100
101-5-1407-00-6700 Membership/Dues/Subscri.	490	528	700	700
101-5-1407-00-6990 Other Expenses	990	990	1,000	1,000
Total Supplies	3,164	3,488	7,100	7,100
<b>OTHER SERVICES &amp; CHARGES</b>				
101-5-1407-00-7002 Accounting/Auditing Services	35,990	16,390	36,400	16,700
101-5-1407-00-7306 Telephone	804	774	1,100	1,000
101-5-1407-00-7402 Office Equipment R&M	-	-	400	400
101-5-1407-00-7600 Travel	2,389	371	5,000	5,000
101-5-1407-00-7601 Registrations	2,988	2,634	6,000	3,000
101-5-1407-00-7900 Other Professional Services	-	729	-	500
101-5-1407-00-7907 Advertising	-	371	-	-
Total Other Svcs & Charges	42,171	21,269	48,900	26,600
<b>GRAND TOTAL</b>	<b>\$ 357,791</b>	<b>\$ 335,896</b>	<b>\$ 531,600</b>	<b>\$ 525,800</b>



# CENTRAL SERVICES DEPARTMENT

### Description

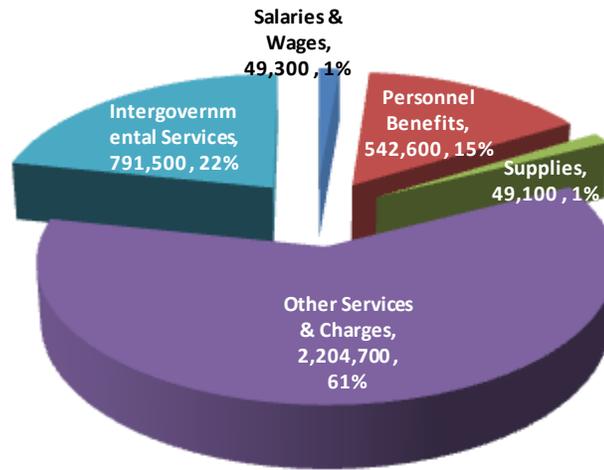
Central Services include the costs for facilities, equipment, or services that are used on a Town-wide basis which cannot be easily or accurately apportioned out to operating departments or activities.

Central Services is operationally organized into four divisions: Property Management, Centralized Supplies, Other Governmental Services, and Medical Insurance.

### Position Summary 2018/19

	2017/18	2018/19
Office Clerk III	1.0	0.5
<b>Total Positions</b>	<b>1.0</b>	<b>0.5</b>

### Proposed Expenditures 2018/19



### Central Services Department Budget Change

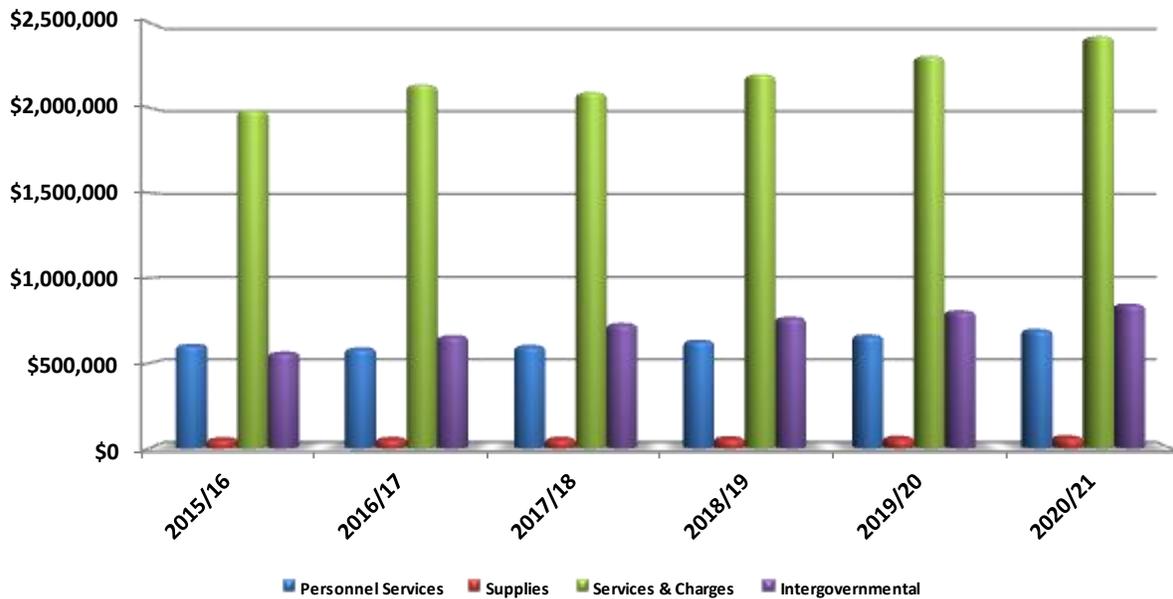
Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Salaries & Wages	31,100	35,700	14.8%	49,300	38.1%
Personnel Benefits	494,830	564,000	14.0%	542,600	-3.8%
Supplies	48,788	54,300	11.3%	49,100	-9.6%
Other Services & Charges	1,906,446	2,093,900	9.8%	2,204,700	5.3%
Intergovernmental Services	488,886	729,400	49.2%	791,500	8.5%
<b>Total Central Services</b>	<b>\$ 2,970,050</b>	<b>\$ 3,477,300</b>	<b>17.1%</b>	<b>\$ 3,637,200</b>	<b>4.6%</b>

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



### Central Services Department Budget Analysis Historic & Forecast

Classification	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
	Actual	Actual	Adopted	Proposed	Estimate	Estimate
Personnel Services	605,254	585,000	599,700	629,685	661,169	694,228
Supplies	50,880	53,100	54,300	57,015	59,866	62,859
Services & Charges	1,985,417	2,139,000	2,093,900	2,198,595	2,308,525	2,423,951
Intergovernmental	559,866	657,300	729,400	765,870	804,164	844,372
<b>Total Central Services</b>	<b>\$ 3,201,417</b>	<b>\$ 3,434,400</b>	<b>\$ 3,477,300</b>	<b>\$ 3,651,165</b>	<b>\$ 3,833,723</b>	<b>\$ 4,025,409</b>



## CENTRAL SERVICES – Property Management Div.

### Description

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.

### 2017/18 Accomplishments

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

### 2018/19 Objectives

#### KRA 3: INFRASTRUCTURE

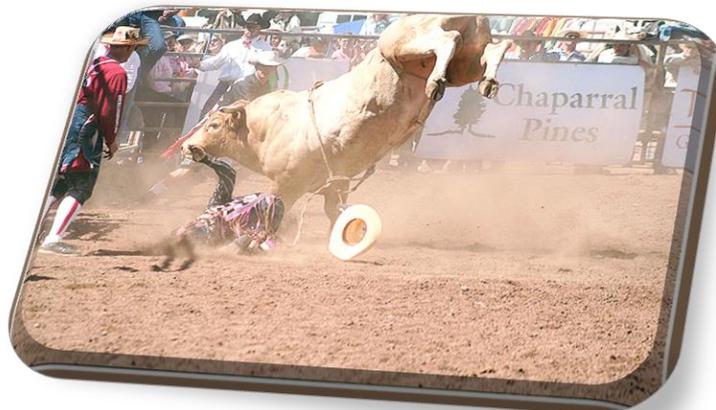
- Operate facility in an efficient, cost effective manner
- Maintain facility in a manner that ensures safety and minimizes risk to property and persons

### Property Management Division Budget Change

Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Other Services & Charges	77,414	128,200	65.6%	124,400	-3.0%
<b>Total Property Management</b>	<b>\$ 77,414</b>	<b>\$ 128,200</b>	<b>65.6%</b>	<b>\$ 124,400</b>	<b>-3.0%</b>

#### Significant Budget Changes:

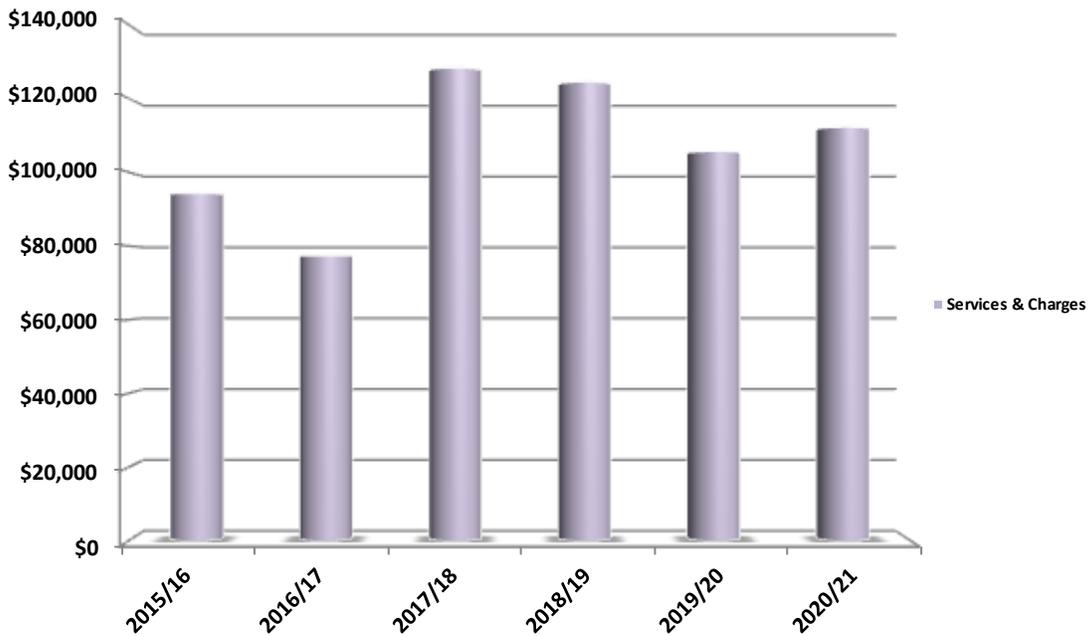
- FY16/17 Services—includes increases in various utilities and equipment repair/maintenance
- FY17/18 Services—R&M Building increased for anticipated repairs





### Property Management Division Budget Analysis Historic & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Services & Charges	94,305	77,414	128,200	124,400	105,620	112,151
<b>Total Property Mgmt</b>	<b>\$ 94,305</b>	<b>\$ 77,414</b>	<b>\$ 128,200</b>	<b>\$ 124,400</b>	<b>\$ 105,620</b>	<b>\$ 112,151</b>





ANNUAL BUDGET

CENTRALIZED SERVICES

**PROPERTY MANAGEMENT**

		<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
		<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>PROPOSED</b>
<b>OTHER SERVICES &amp; CHARGES</b>					
101-5-1401-00-7900	Other Professional Services	11,349	8,481	10,000	10,000
101-5-1401-00-7300	Electricity	19,682	19,708	25,000	25,000
101-5-1401-00-7301	Propane Gas	2,554	1,379	3,000	3,000
101-5-1401-00-7302	Water	740	693	900	1,000
101-5-1401-00-7304	Sewer	468	468	500	500
101-5-1401-00-7305	Refuse Disposal	468	528	600	700
101-5-1401-00-7306	Telephone	32,696	29,222	29,000	30,000
101-5-1401-00-7401	Building R&M	13,595	1,344	37,000	34,000
101-5-1401-00-7402	Office Equipment R&M	-	-	500	500
101-5-1401-00-7404	Equipment R&M	1,685	4,184	6,700	6,700
101-5-1401-00-7502	Leased Equipment	11,068	11,407	15,000	13,000
	<b>Total Other Svcs &amp; Charges</b>	<b>94,305</b>	<b>77,414</b>	<b>128,200</b>	<b>124,400</b>
<b>GRAND TOTAL</b>		<b>\$ 94,305</b>	<b>\$ 77,414</b>	<b>\$ 128,200</b>	<b>\$ 124,400</b>

## CENTRAL SERVICES – Central Supplies Division

### Description

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, etc. Also included are banking fees and public relations charges.

### 2017/18 Accomplishments

- Maintained office equipment in a manner that reduced downtime of critical functions

### 2018/19 Objectives

#### KRA 4: INNOVATION & EFFICIENCY

- Maintain office equipment in a manner that reduced downtime of critical functions

### Central Supplies Division Budget Change

Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Salaries & Wages	31,100	35,700	14.8%	28,100	-21.3%
Personnel Benefits	5,944	6,800	14.4%	7,000	2.9%
Supplies	48,788	54,300	11.3%	49,100	-9.6%
Other Services & Charges	12,215	12,000	-1.8%	12,000	0.0%
<b>Total Centralized Supplies</b>	<b>\$ 98,047</b>	<b>\$ 108,800</b>	<b>11.0%</b>	<b>\$ 96,200</b>	<b>-11.6%</b>

#### Significant Budget Changes:

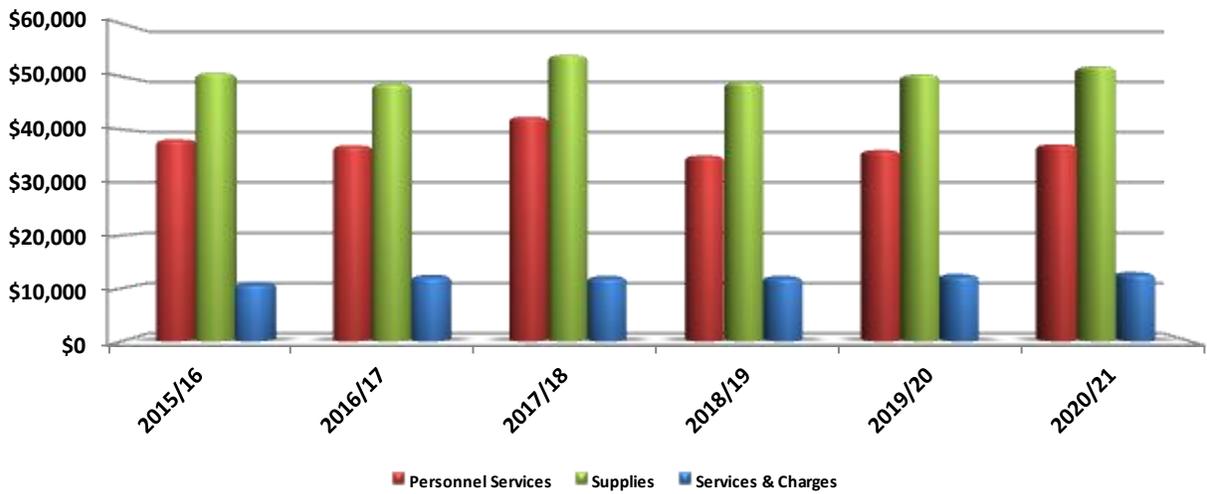
- FY16/17 Salaries & Benefits— reflects fluctuation in number of scheduled work hours
- FY17/18 Services—increase in budget for postage
- FY18/19 Salaries & Wages—moving one position to Clerk Dept starting in January 2019





### Central Supplies Division Budget Analysis Historic & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Personnel Services	38,165	37,044	42,500	35,100	36,153	37,238
Supplies	50,880	48,788	54,300	49,100	50,573	52,090
Services & Charges	10,818	12,215	12,000	12,000	12,360	12,731
<b>Total Central Supplies</b>	<b>\$ 99,863</b>	<b>\$ 98,047</b>	<b>\$ 108,800</b>	<b>\$ 96,200</b>	<b>\$ 99,086</b>	<b>\$ 102,059</b>





ANNUAL BUDGET

CENTRALIZED SERVICES

**CENTRAL SUPPLIES**

	<b>2015/16 ACTUAL</b>	<b>2016/17 ACTUAL</b>	<b>2017/18 ADOPTED</b>	<b>2017/18 PROPOSED</b>
<b>SALARIES &amp; WAGES</b>				
101-5-1401-00-5001 Full Time Employees	-	-	-	-
101-5-1401-00-5002 Part Time Employees	32,060	31,100	35,700	28,100
Total Salaries & Wages	32,060	31,100	35,700	28,100
<b>PERSONNEL BENEFITS</b>				
101-5-1401-00-5501 FICA	2,453	2,379	2,700	3,700
101-5-1401-00-5504 Retirement	3,614	3,522	4,000	3,200
101-5-1401-00-5700 Health/Life Insurance	-	-	-	-
101-5-1401-00-5701 Disability Insurance	38	43	100	100
Total Personnel Benefits	6,105	5,944	6,800	7,000
<b>SUPPLIES</b>				
101-5-1401-00-6001 Office Supplies	3,747	4,690	5,000	5,000
101-5-1401-00-6002 Coffee Supplies	388	452	600	600
101-5-1401-00-6003 Cleaning Supplies	1,382	1,347	1,200	1,200
101-5-1401-00-6005 Safety Supplies	321	311	500	500
101-5-1401-00-6011 Small Tools/Minor Equip	18	-	2,100	1,400
101-5-1401-00-6201 R & M Supplies Building	416	1,374	500	500
101-5-1401-00-6300 Gasoline/Fuels/Lubricant	31	-	100	100
101-5-1401-00-6302 R&M Supplies-Vehicle	32	1,475	700	2,200
101-5-1401-00-6700 Dues & Memberships	20,450	20,568	22,100	22,100
101-5-1401-00-6901 Taxes & Fees	383	859	500	500
101-5-1401-00-6903 Banking Fees	23,712	17,610	21,000	15,000
101-5-1401-00-6990 Other Expenses	-	102	-	-
Total Supplies	50,880	48,788	54,300	49,100
<b>OTHER SERVICES &amp; CHARGES</b>				
101-5-1401-00-7307 Postage	10,818	12,215	12,000	12,000
Total Other Svcs & Charges	10,818	12,215	12,000	12,000
<b>GRAND TOTAL</b>	<b>\$ 99,863</b>	<b>\$ 98,047</b>	<b>\$ 108,800</b>	<b>\$ 96,200</b>



## CENTRAL SERVICES – Other Govt. Services Division

### Description

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 Change

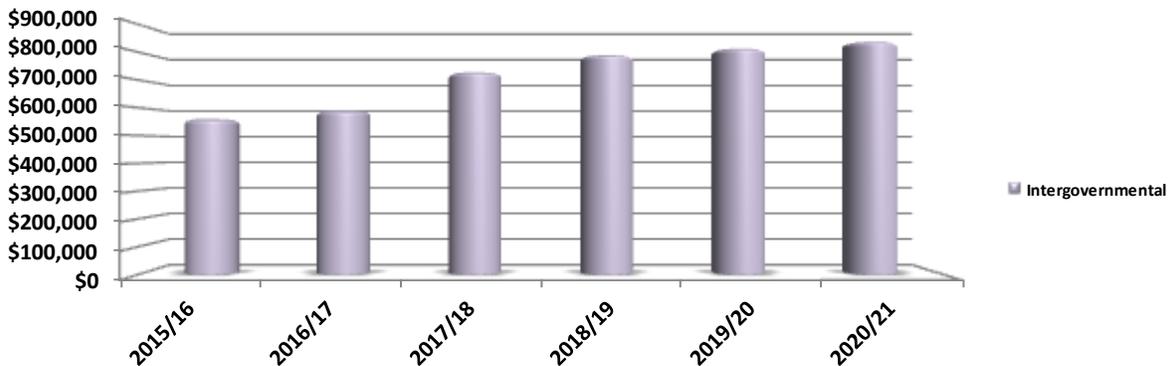
Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Intergovernmental	590,651	729,400	23.5%	791,500	8.5%
<b>Total Other Govt Services</b>	<b>\$ 590,651</b>	<b>\$ 729,400</b>	<b>23.5%</b>	<b>\$ 791,500</b>	<b>8.5%</b>

#### 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 & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Intergovernmental	559,866	590,651	729,400	791,500	815,245	839,702
<b>Total Other Govt Serv</b>	<b>\$ 559,866</b>	<b>\$ 590,651</b>	<b>\$ 729,400</b>	<b>\$ 791,500</b>	<b>\$ 815,245</b>	<b>\$ 839,702</b>





ANNUAL BUDGET

CENTRALIZED SERVICES

**OTHER GOVERNMENTAL SERVICES**

	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>PROPOSED</b>
<b>SERVICES &amp; CHARGES(Intergovernmental)</b>				
101-5-1401-00-7903 Property /Liability Insurance	346,419	378,149	400,000	435,600
101-5-1401-00-7904 Insurance Deductibles	12,714	(2,474)	5,000	7,500
101-5-1401-00-7104 Settlements	10,000	-	20,000	20,000
101-5-1401-00-7915 Overhead	23,800	-	-	-
101-5-1401-00-7990 Contributions to Other Agencies	33,233	31,276	34,000	33,000
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	7,500
101-5-7401-03-7990 Contribution to Chamber of Commerce	36,000	-	-	-
101-5-7401-03-7990 Contribution to Other Agencies	-	36,000	-	-
101-5-9997-00-9661 Loan Repay - Water	17,300	67,300	182,500	207,500
Total Services & Charges	559,866	590,651	729,400	791,500
 <b>GRAND TOTAL</b>	<b>\$ 559,866</b>	<b>\$ 590,651</b>	<b>\$ 729,400</b>	<b>\$ 791,500</b>



## CENTRAL SERVICES – Medical Insurance Division

### Description

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

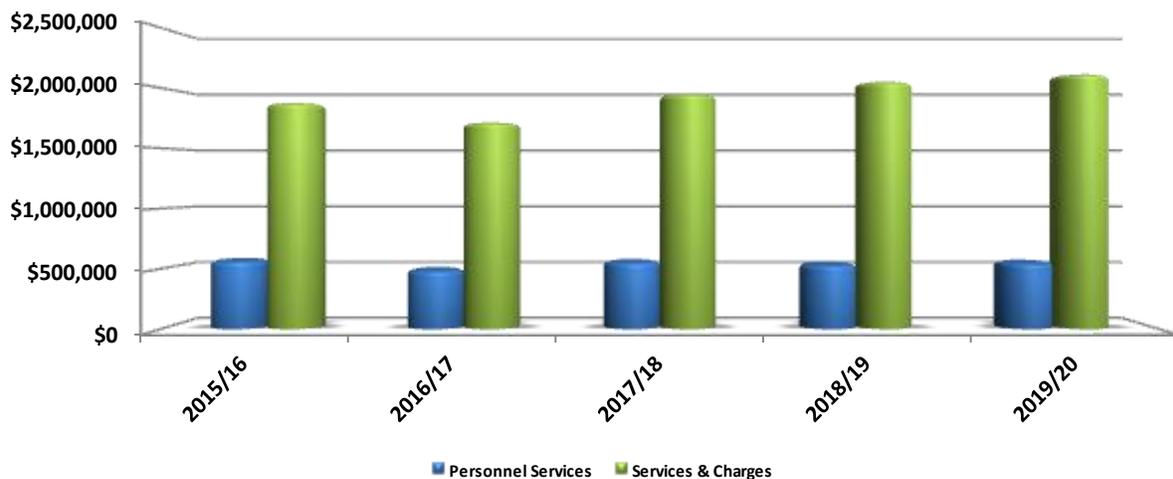
### Medical Insurance Division Budget Change

Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Personnel Benefits	488,886	557,200	14.0%	535,600	-3.9%
Other Services & Charges	1,715,052	1,953,700	13.9%	2,056,300	5.3%
<b>Total Medical Insurance</b>	<b>\$ 2,203,938</b>	<b>\$ 2,510,900</b>	<b>13.9%</b>	<b>\$ 2,591,900</b>	<b>3.2%</b>

No Significant Budget Change over 10%

### Medical Insurance Division Budget Analysis Historic & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Personnel Services	567,089	488,886	557,200	535,600	551,668	568,218
Services & Charges	1,880,294	1,715,052	1,953,700	2,056,300	2,117,989	2,181,529
<b>Total Medical Insurance</b>	<b>\$ 2,447,383</b>	<b>\$ 2,203,938</b>	<b>\$ 2,510,900</b>	<b>\$ 2,591,900</b>	<b>\$ 2,669,657</b>	<b>\$ 2,749,747</b>





ANNUAL BUDGET

CENTRALIZED SERVICES

**MEDICAL INSURANCE BENEFIT**

		<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
		<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>PROPOSED</b>
<b>PERSONNEL BENEFITS</b>					
101-5-1401-00-5700	Health/Life Insurance	560,808	485,976	550,700	529,100
101-5-1401-00-5800	Workers Comp Insurance	3,401	2,882	3,500	5,000
101-5-1401-00-5801	Unemployment Compensation	2,880	28	3,000	1,500
	Total Personnel Benefits	<u>567,089</u>	<u>488,886</u>	<u>557,200</u>	<u>535,600</u>
<b>OTHER SERVICES &amp; CHARGES</b>					
290-5-1401-01-7908	Insurance Premium	<u>1,880,294</u>	<u>1,715,052</u>	<u>1,953,700</u>	<u>2,056,300</u>
	Total Other Svcs & Charges	<u>1,880,294</u>	<u>1,715,052</u>	<u>1,953,700</u>	<u>2,056,300</u>
<b>GRAND TOTAL</b>		<u>\$ 2,447,383</u>	<u>\$ 2,203,938</u>	<u>\$ 2,510,900</u>	<u>\$ 2,591,900</u>

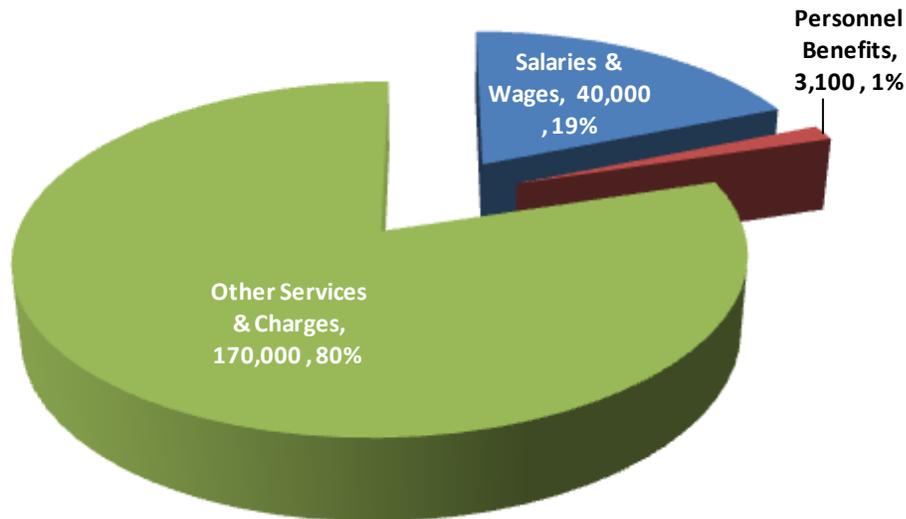
# MAGISTRATE COURT DEPARTMENT

## Description

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 Magistrate Court is of limited jurisdiction and responsible for the adjudication of misdemeanors, petty offenses, and civil violations including traffic and Town ordinances which occur in the jurisdiction of the Town of Payson. The Court provides these services through an inter-local agreement with Gila County to act as the Town’s Magistrate Court.

**2018/19 Proposed Expenditures**



**Magistrate Court Budget Change**

Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Salaries & Wages	30,220	40,000	32.4%	40,000	0.0%
Personnel Benefits	2,312	3,100	34.1%	3,100	0.0%
Other Services & Charges	143,180	170,000	18.7%	170,000	0.0%
<b>Total Magistrate Court</b>	<b>\$ 175,711</b>	<b>\$ 213,100</b>	<b>21.3%</b>	<b>\$ 213,100</b>	<b>0.0%</b>

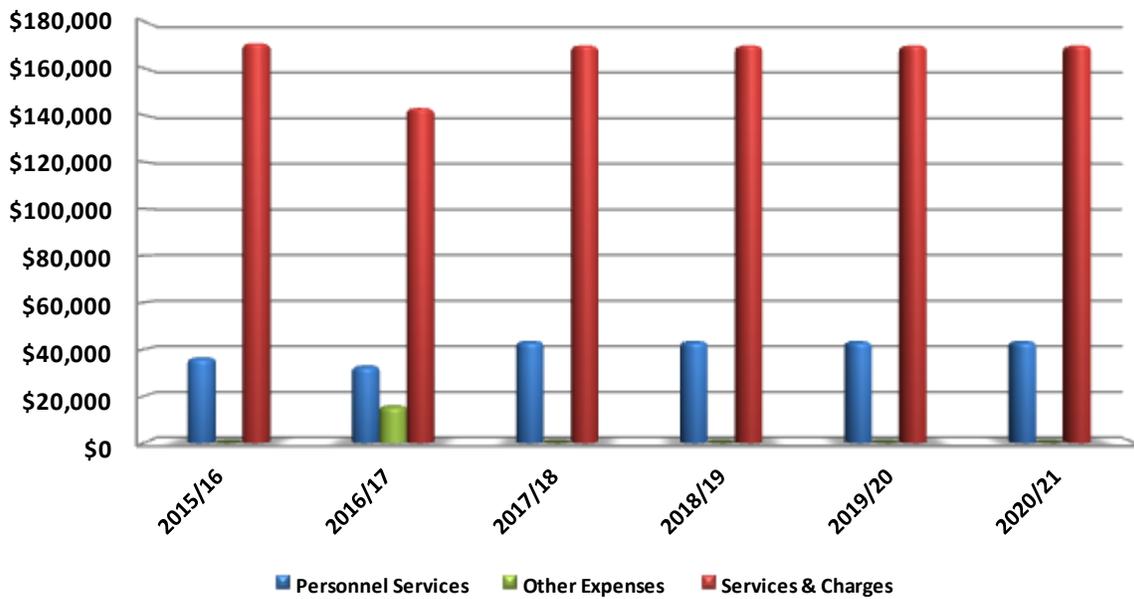
**Significant Budget Changes:**

- 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 & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Personnel Services	36,010	32,532	43,100	43,100	43,100	43,100
Other Expenses	-	15,408	-	-	-	-
Services & Charges	170,871	143,180	170,000	170,000	170,000	170,000
<b>Total Magistrate Court</b>	<b>\$ 206,881</b>	<b>\$ 191,119</b>	<b>\$ 213,100</b>	<b>\$ 213,100</b>	<b>\$ 213,100</b>	<b>\$ 213,100</b>





ANNUAL BUDGET

MAGISTRATE COURT

**MAGISTRATE COURT**

	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>PROPOSED</b>
<b>SALARIES &amp; WAGES</b>				
101-5-1416-00-5001 Full Time Employees	33,451	30,220	40,000	40,000
Total Salaries & Wages	33,451	30,220	40,000	40,000
<b>PERSONNEL BENEFITS</b>				
101-5-1416-00-5501 FICA	2,559	2,312	3,100	3,100
Total Personnel Benefits	2,559	2,312	3,100	3,100
<b>OTHER SERVICES &amp; CHARGES</b>				
233-5-1416-00-6990 Other Expense	-	15,408	-	-
101-5-1416-00-7002 Accounting & Auditing	3,800	-	-	-
101-5-1416-00-7101 Indigent Defense	33,800	35,600	45,000	45,000
101-5-1416-00-7102 Prof Service-Court Contract	133,271	107,580	125,000	125,000
Total Other Svcs & Charges	170,871	158,588	170,000	170,000
<b>GRAND TOTAL</b>	<b>\$ 206,881</b>	<b>\$ 191,120</b>	<b>\$ 213,100</b>	<b>\$ 213,100</b>



# POLICE DEPARTMENT

## Mission

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.

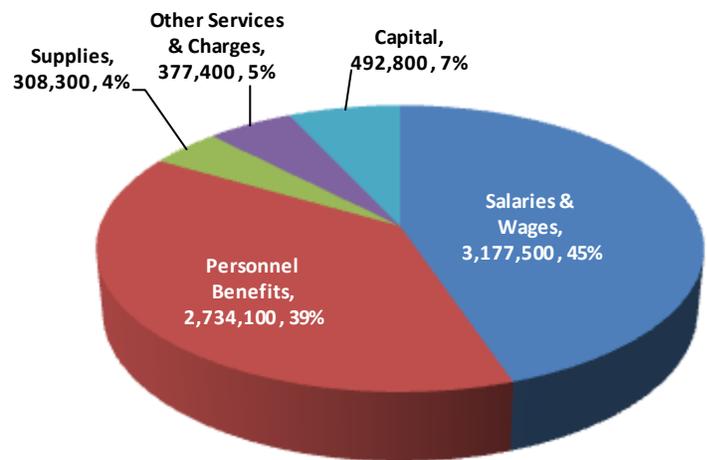
## Description

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

**Position Summary**

	2017/18	2018/19
Deputy Town Manager /		
Public Safety	1.0	1.0
Police Commander	1.0	0.0
Lieutenant	1.0	1.0
Sergeant	4.0	5.0
Detective/Investigator I & II	4.0	4.0
Police Officer I & II	15.0	16.0
Special Enforcement Officer	1.0	1.0
Executive Assistant	1.0	0.5
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
Communications Supervisor	1.0	1.0
Dispatch Shift Leader	2.0	2.0
Dispatchers	14.0	14.0
Animal Control	1.0	1.0
<b>Total Positions</b>	<b>51.0</b>	<b>51.5</b>

**2018/19 Proposed Expenditures**



**Police Department Budget Change**

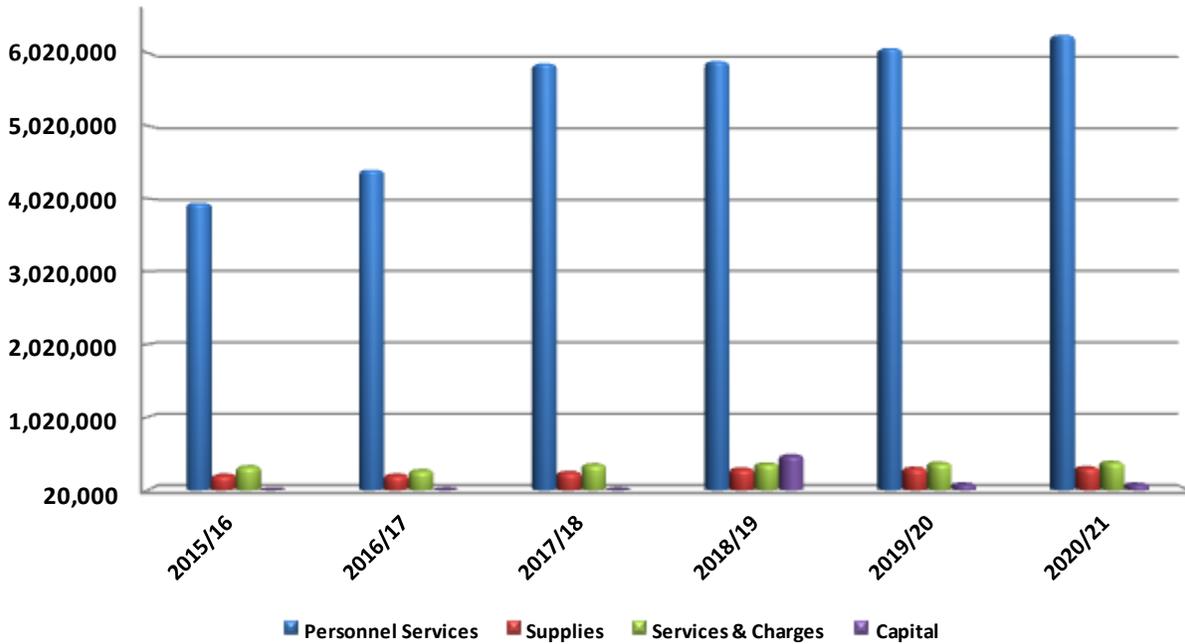
Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Salaries & Wages	2,731,890	3,126,600	14.4%	3,177,500	1.6%
Personnel Benefits	1,685,149	2,748,400	63.1%	2,734,100	-0.5%
Supplies	223,571	261,500	17.0%	308,300	17.9%
Other Services & Charges	284,529	365,600	28.5%	377,400	3.2%
Capital	24,148	23,300	-3.5%	492,800	205.0%
<b>Total Police Dept</b>	<b>\$ 4,949,287</b>	<b>\$ 6,525,400</b>	<b>31.8%</b>	<b>\$ 7,090,100</b>	<b>8.7%</b>

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



### Police Department Budget Analysis Historic & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Personnel Services	3,959,539	4,417,096	5,877,000	5,911,600	6,088,948	6,271,616
Supplies	223,571	223,571	261,500	308,300	317,549	327,075
Services & Charges	338,697	284,529	365,600	377,400	388,722	400,384
Capital	-	24,148	23,300	492,800	100,000	100,000
<b>Total Police</b>	<b>\$ 4,521,807</b>	<b>\$ 4,949,344</b>	<b>\$ 6,527,400</b>	<b>\$ 7,090,100</b>	<b>\$ 6,895,219</b>	<b>\$ 7,099,076</b>





## POLICE DEPARTMENT – Communications Division

### Description

The Town of Payson provides Communications for both Police and Fire dispatch and E-911 services for Payson and the surrounding area. The E-911 Emergency System is designed to assist the citizens of Payson with easy accessibility to the Police, Fire, and Emergency Medical Services.

### 2017/18 Accomplishments

- Recruitment process continued with current staffing being at nine of seventeen
- Changes to the structure of the department were made appointing a Lieutenant with primary responsibility for supervision of the 911 dispatch center
- Career development provided for several individuals who are senior employees of the department

### 2018/19 Objectives

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

- Continue recruitment efforts to fully staff the 911 dispatch center
- Provide a pay increase of approximately 11% in an attempt to hire more qualified applicants and retain the current employees
- Improve the budget process to include more analysis, better forecasting tools, more departmental participations, more transparency and ease of procedures
- Monitor overtime to have sufficient overtime monies to cover the entire budget period
- Attend continuing education courses to stay up to date with the latest trends and best practices

### Communications Division Budget Change

Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Salaries & Wages	680,702	836,800	22.9%	848,700	1.4%
Personnel Benefits	195,141	312,300	60.0%	300,400	-3.8%
Supplies	8,870	7,900	-10.9%	10,400	31.6%
Other Services & Charges	3,558	11,800	231.6%	15,300	29.7%
Capital	-	-	0.0%	88,000	100.0%
<b>Total Communications</b>	<b>\$ 888,271</b>	<b>\$ 1,168,800</b>	<b>31.6%</b>	<b>\$ 1,262,800</b>	<b>8.0%</b>

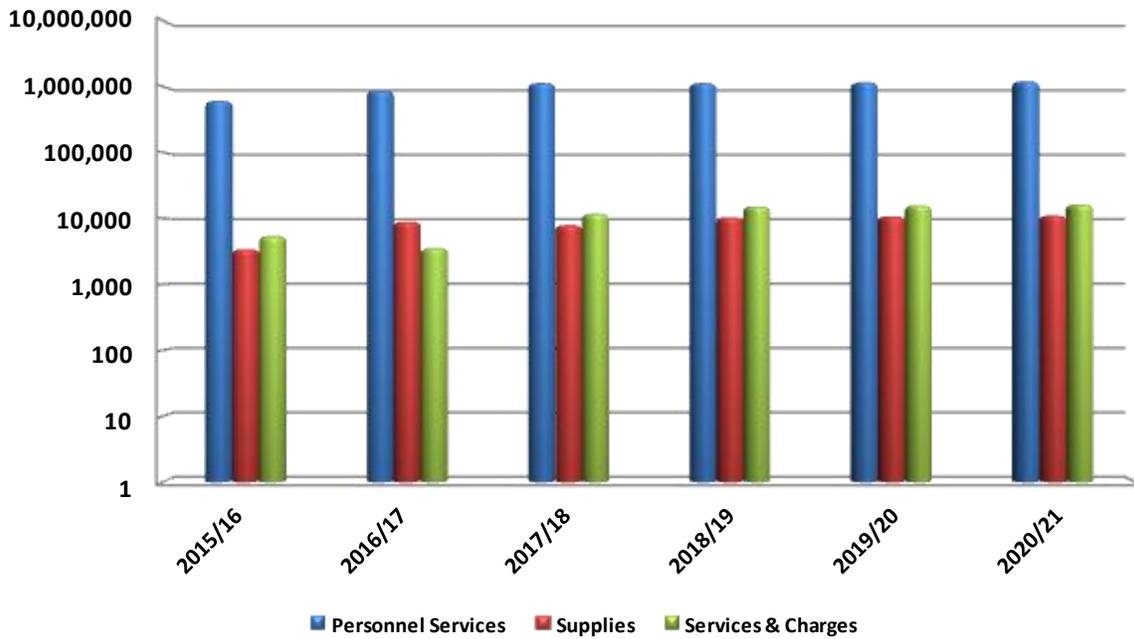
#### Significant Budget Changes:

- 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 Services—increased budget for travel & registration for new staff
- FY16/17 & FY17/18 Supplies—additional funds for office supplies and small tools to support increased staffing
- FY18/19 Supplies—increase approved for headsets and aggressive hire of new dispatchers
- FY18/19 Services—increased budget for travel & registration for new staff
- FY18/19 Capital—approved increase for 911 equipment



### Communications Division Budget Analysis Historic & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Personnel Services	615,965	875,843	1,149,100	1,149,100	1,183,573	1,219,080
Supplies	3,379	8,870	7,900	10,400	10,712	11,033
Services & Charges	5,383	3,558	11,800	15,300	15,759	16,232
Capital	-	-	-	88,000	-	-
<b>Total Communications</b>	<b>\$ 624,727</b>	<b>\$ 888,271</b>	<b>\$ 1,168,800</b>	<b>\$ 1,262,800</b>	<b>\$ 1,210,044</b>	<b>\$ 1,246,345</b>





ANNUAL BUDGET

POLICE DEPARTMENT

**COMMUNICATIONS**

	2015/16 ACTUAL	2016/17 ACTUAL	2017/18 ADOPTED	2018/19 PROPOSED
<b>SALARIES &amp; WAGES</b>				
101-5-2421-00-5001 Salaries & Wages - Full Time	354,569	551,561	766,800	737,000
101-5-2421-00-5002 Salaries & Wages - Part Time	-	-	-	-
101-5-2421-00-520X Overtime Pay	128,118	129,141	70,000	111,700
101-5-2421-00-5990 Shift Differential	11,963	18,925	15,000	15,000
Total Salaries & Wages	494,650	699,627	851,800	863,700

**PERSONNEL BENEFITS**

101-5-2421-00-5501 FICA	36,488	50,129	67,000	66,000
101-5-2421-00-5504 Retirement	59,194	75,462	99,300	100,500
101-5-2421-00-5700 Health/Life Insurance	22,800	46,987	125,500	113,000
101-5-2421-00-5701 Disability Insurance	582	929	1,400	1,400
101-5-2421-00-5800 Workers Comp Insurance	2,253	2,709	4,100	4,500
Total Personnel Benefits	121,317	176,216	297,300	285,400

**SUPPLIES**

101-5-2124-00-6001 Office Supplies	751	2,614	3,000	3,000
101-5-2421-00-6011 Small Tools/Minor Equipment	2,074	3,004	4,000	5,500
101-5-2421-00-6013 Computer Equipment/Supplies	-	2,741	-	-
101-5-2421-00-6600 Public Relations	412	419	400	400
101-5-2421-00-6700 Memberships/Dues/Subsc.	142	92	500	1,500
Total Supplies	3,379	8,870	7,900	10,400

**OTHER SERVICES & CHARGES**

101-5-2421-00-7402 Office Equipment R&M	2,033	49	2,800	2,800
101-5-2421-00-7502 Lease Equipment	506	343	500	2,000
101-5-2421-00-7600 Travel	5	77	2,500	2,500
101-5-2421-00-7601 Registrations	439	-	3,000	3,000
101-5-2421-00-7900 Other Professional Services	2,400	3,089	3,000	5,000
Total Other Svcs & Charges	5,383	3,558	11,800	15,300

**Capital**

101-5-1408-00-8004 Capital Equipment	-	-	-	88,000
Total Capital	-	-	-	88,000

**GRAND TOTAL**

\$ 624,729	\$ 888,271	\$ 1,168,800	\$ 1,262,800
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## POLICE DEPARTMENT – Operations Division

### Description

The Police Operations Division provides protection of life and property from criminal related activities in the community. Other responsibilities include the safe and expeditious movement of traffic, crime prevention, and narcotics-gang interdiction and intelligence.

### 2017/18 Accomplishments

- Department was able to secure and fund the purchasing of multi-band, multi-frequency portable radios with Homeland Security funding
- Investigations Division continued to pursue offenders who violated drug laws including those selling and abusing methamphetamine and heroin by completing 214 arrests associated with these investigations
- Department K-9 was transferred to a new handler and both K-9 (Wiley) and new handler attended the K-9 academy successfully graduating mid-year

### 2018/19 Objectives

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

- Fund a Police Sergeants position to supervise the Investigations Division
- Continue to pursue Homeland Security grant funding to build out the northern sector of the departments radio system
- Provide additional training to new K-9 unit

### Operations Division Budget Change

Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Salaries & Wages	2,000,078	2,182,200	9.1%	2,268,600	4.0%
Personnel Benefits	1,414,058	2,271,300	60.6%	2,345,100	3.2%
Supplies	229,534	232,200	1.2%	275,700	18.7%
Other Services & Charges	198,125	251,800	27.1%	258,100	2.5%
Capital	23,590	248,700	954.3%	362,800	45.9%
<b>Total Operations</b>	<b>\$ 3,865,385</b>	<b>\$ 5,186,200</b>	<b>210.4%</b>	<b>\$ 5,510,300</b>	<b>14.9%</b>

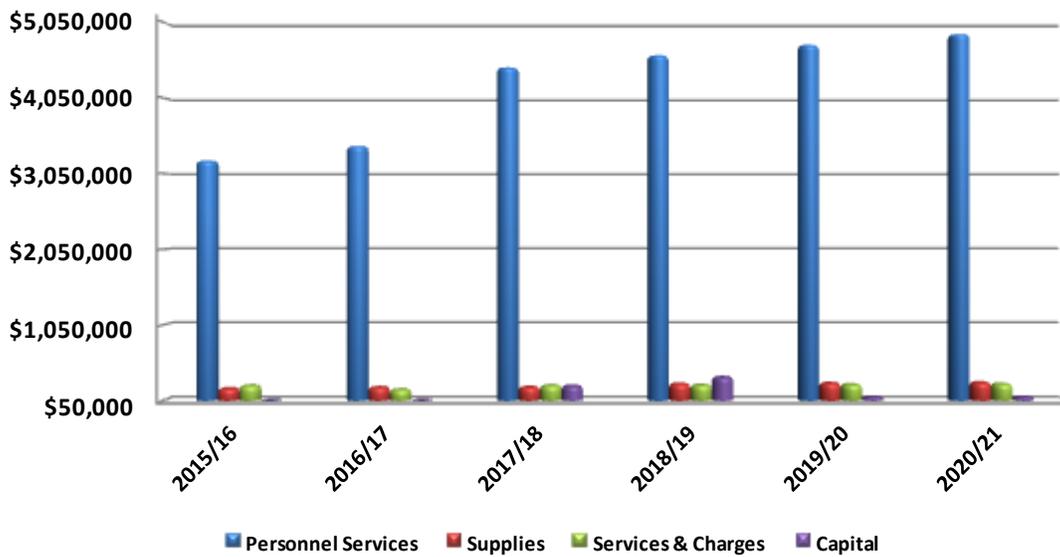
#### Significant Budget Changes:

- FY16/17 Benefits— reflects Public Safety Retirement rate increase of 6.19%
- FY16/17 Supplies—reflected an anticipated increase in the cost of fuel and ammunition
- FY17/18 Benefits—reflects Public Safety Retirement rate increase of 15.54%
- FY17/18 Benefits—an additional pension payment of \$375,000 was made to PSPRS to pay down the retirement obligation
- FY18/19 Benefits—additional pension payment of \$450,000 to PSPRS to pay down the retirement obligation
- FY18/19 Capital—additional funds for three vehicles & equipment



### Operations Division Budget Analysis Historic & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Personnel Services	3,219,800	3,414,136	4,453,500	4,613,700	4,752,111	4,894,674
Supplies	213,784	229,534	232,200	275,700	283,971	292,490
Services & Charges	250,344	198,125	251,800	258,100	265,843	273,818
Capital	51,115	23,590	248,700	362,800	100,000	100,000
<b>Total Operations</b>	<b>\$ 3,735,043</b>	<b>\$3,865,385</b>	<b>\$ 5,186,200</b>	<b>\$ 5,510,300</b>	<b>\$ 5,401,925</b>	<b>\$ 5,560,983</b>





ANNUAL BUDGET

POLICE DEPARTMENT

**OPERATIONS**

		2015/16	2016/17	2017/18	2018/19
		ACTUAL	ACTUAL	ADOPTED	PROPOSED
<b>SALARIES &amp; WAGES</b>					
101-5-2421-01-50xx	Full Time Employees	1,667,767	1,732,090	1,864,000	1,948,300
101-5-2421-01-5xxx	Overtime Pay	255,988	242,824	262,200	289,300
101-5-2421-11-5200	Overtime Pay-GOHS	-	-	25,000	-
101-5-2421-01-5990	Shift Differential	24,696	25,164	31,000	31,000
	<b>Total Salaries &amp; Wages</b>	<b>1,948,451</b>	<b>2,000,078</b>	<b>2,182,200</b>	<b>2,268,600</b>

**PERSONNEL BENEFITS**

101-5-2421-01-5501	FICA	141,392	146,742	170,100	174,600
101-5-2421-01-5504	Retirement	814,430	978,086	1,385,200	1,326,900
101-5-2421-01-5505	Unfunded Pension Payment	-	-	375,000	450,000
101-5-2421-01-5700	Health/Life Insurance	137,829	136,253	142,200	143,300
101-5-2421-01-5701	Disability Insurance	254	364	400	400
101-5-2421-01-5800	Workers Comp Insurance	153,902	130,113	170,400	192,900
101-5-2421-01-5901	Uniform Allowance	23,542	22,500	28,000	57,000
	<b>Total Personnel Benefits</b>	<b>1,271,349</b>	<b>1,414,058</b>	<b>2,271,300</b>	<b>2,345,100</b>

**SUPPLIES**

101-5-2421-01-6001	Office Supplies	10,684	11,678	12,000	12,000
101-5-2421-01-6002	Coffee Supplies	504	319	600	600
101-5-2421-01-6003	Cleaning Supplies	1,635	982	1,500	2,000
101-5-2421-01-6005	Safety/Program Supplies	3,088	2,859	3,100	3,100
101-5-2421-01-6006	Clothing Reimbursement	7,261	6,433	7,000	7,000
101-5-2421-01-6009	Volunteer Program	2,658	4,008	5,000	5,000
101-5-2421-01-6010	Books & Periodicals	2,013	-	-	-
101-5-2421-01-6011	Small Tools/Minor Equip	29,609	41,730	40,000	40,000
101-5-2421-01-6101	Canine Supplies	1,541	2,028	3,000	3,000
101-5-2421-01-6102	Weapons/Ammunition	9,651	13,984	15,500	15,500
101-5-2421-01-6201	Building R&M Supplies	2,580	2,728	3,000	3,000
101-5-2421-01-6300	Vehicle Fuels	53,866	55,095	60,000	60,000
101-5-2421-01-6302	Vehicle R&M Parts	75,682	70,954	60,000	60,000
101-5-2421-01-6600	Public Relations	755	764	1,000	1,000
101-5-2421-01-6700	Dues & Memberships	1,296	2,480	3,500	3,500
101-5-2421-01-699x	Other Expenses	10,961	13,492	17,000	17,000
101-5-2421-02-6011	Small Tools/Minor Equip	-	-	-	20,000
216-5-2421-02-6011	Small Tools/Minor Equip	-	-	-	23,000
	<b>Total Supplies</b>	<b>213,784</b>	<b>229,534</b>	<b>232,200</b>	<b>275,700</b>

**OTHER SERVICES & CHARGES**

101-5-2421-01-7300	Electricity	24,903	21,699	27,000	27,000
101-5-2421-01-7301	Propane Gas	3,944	3,684	5,000	5,000
101-5-2421-01-7302	Water	1,327	1,490	1,500	1,500
101-5-2421-01-7304	Sewage	180	180	200	500



ANNUAL BUDGET

POLICE DEPARTMENT

**OPERATIONS**

		<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
		<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>PROPOSED</b>
101-5-2421-01-7305	Refuse Disposal	489	648	600	600
101-5-2421-01-7306	Telephone	25,957	24,747	30,000	30,000
101-5-2421-01-7307	Postage	261	337	500	500
101-5-2421-01-7401	Building R&M	11,420	15,146	20,000	20,000
101-5-2421-01-7402	Office Equipment R&M	-	273	500	500
101-5-2421-01-7404	Equipment R&M	7,224	4,057	6,000	6,000
101-5-2421-01-7405	Vehicle R&M	8,076	5,669	10,000	10,000
101-5-2421-01-7500	Rental of Land & Buildings	7,371	7,611	10,000	11,000
101-5-2421-01-7502	Leased Equipment	8,726	9,030	9,500	9,500
101-5-2421-01-7600	Travel	14,058	10,876	15,000	16,000
101-5-2421-02-7600	Travel	-	(183)	-	-
101-5-2421-01-7601	Registrations	6,317	5,512	10,000	10,000
101-5-2421-02-7601	Registrations	-	-	-	-
101-5-2421-01-7900	Other Professional Services	126,974	81,865	99,000	104,000
101-5-2421-01-7902	Impound Vehicle Tow	-	2,191	3,000	2,000
101-5-2421-01-7910	Printing & Binding	1,347	3,293	4,000	4,000
101-5-2421-01-7912	Grant Expense	1,770	-	-	-
210-5-2421-01-7912	JAG Recovery Act	-	-	-	-
210-5-2421-01-7914	Donations	-	-	-	-
	<b>Total Other Svcs &amp; Charges</b>	<b>250,344</b>	<b>198,125</b>	<b>251,800</b>	<b>258,100</b>

**CAPITAL**

101-5-2421-01-8407	Radio Equipment	-	-	-	12,500
101-5-2421-01-8510	Patrol Vehicle	-	-	-	165,000
101-5-2421-01-8530	Taser Equipment	-	-	-	42,400
101-5-2421-02-8536	LE Crisis Team Equip	-	-	28,000	-
101-5-2421-02-8003	Vehicles	-	-	49,000	-
403-5-2412-01-8772	Law Enforce-HSG Radio Prog.	15,471	8,919	20,700	20,700
403-5-2412-01-8773	Mobile Repeaters	-	-	-	-
403-5-2412-01-8774	SHSGP Radios/Headsets	-	506	-	-
403-5-2421-01-8762	Law Enf - GOHS Grant	-	-	36,500	17,200
425-5-2421-16-8407	CAD Police/Fire Comm	35,644	14,165	114,500	105,000
	<b>Total Capital</b>	<b>51,115</b>	<b>23,590</b>	<b>248,700</b>	<b>362,800</b>

**GRAND TOTAL**

<b>\$ 3,735,043</b>	<b>\$ 3,865,385</b>	<b>\$ 5,186,200</b>	<b>\$ 5,510,300</b>
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## POLICE DEPARTMENT – Special Operations Division

### Description

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 Intergovernmental Agreements (IGA) are utilized to fund special programs such as School Resource Officers, D.A.R.E. programs, DUI Enforcement and Traffic Enforcement.

### 2017/18 Accomplishments

- Two additional police vehicles were purchased during this budget cycle
- Department reached a full capacity status for the first time in over 11 years
- Radio system build out for the Phoenix Street repeater site was completed

### 2018/19 Objectives

#### KRA 8: PUBLIC SAFETY

- Retain full capacity status for the police department certified officer positions
- Adequately support the special events sponsored by the Town of Payson with additional resources and Incident Command structure
- Purchase and outfit three additional police vehicles to revitalize the department’s aging fleet

### Animal Control Budget Change

Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Salaries & Wages	35,998	38,700	7.5%	40,300	4.1%
Personnel Benefits	12,154	13,500	11.1%	14,600	8.1%
Supplies	4,382	6,400	46.1%	7,200	12.5%
Other Services & Charges	77,241	77,000	-0.3%	77,000	0.0%
<b>Total Animal Control</b>	<b>\$ 129,775</b>	<b>\$ 135,600</b>	<b>4.5%</b>	<b>\$ 139,100</b>	<b>2.6%</b>

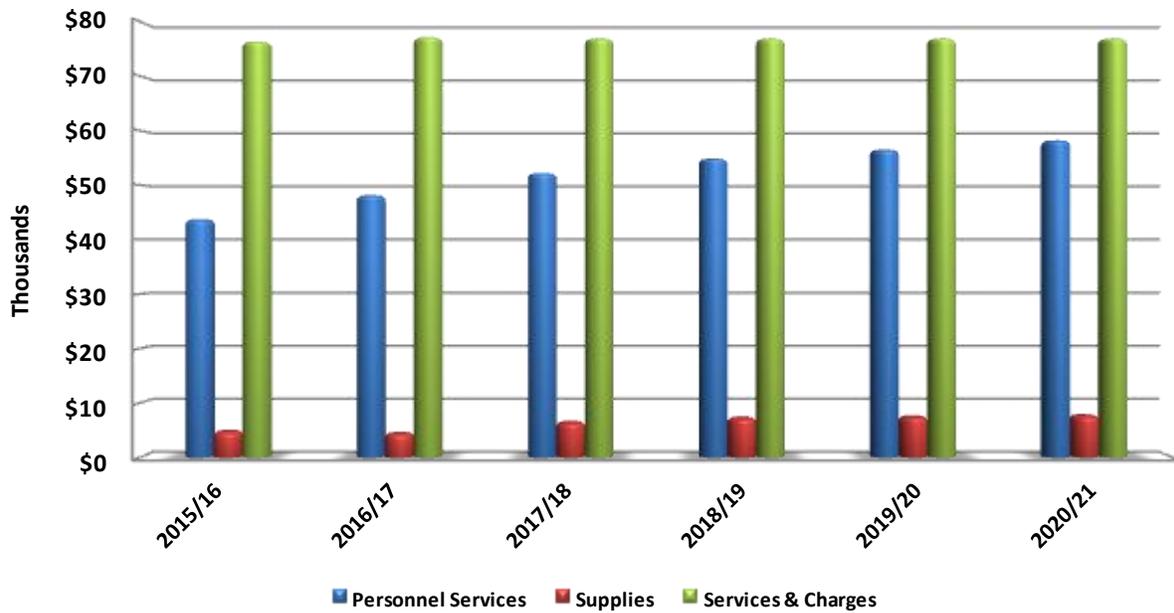
#### Significant Budget Changes:

- FY16/17 & FY17/18 Salaries & Benefits—reflects wage adjustment and change in insurance
- FY16/17 Supplies—new budget line item added for Program Supplies
- FY18/19 Supplies—added for increase in Program Supplies



### Animal Control Budget Analysis Historic & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Personnel Services	43,701	48,152	52,200	54,900	56,547	58,243
Supplies	4,738	4,382	6,400	7,200	7,416	7,638
Services & Charges	76,415	77,241	77,000	77,000	77,000	77,000
<b>Total Animal Control</b>	<b>\$ 124,854</b>	<b>\$ 129,775</b>	<b>\$ 135,600</b>	<b>\$ 139,100</b>	<b>\$ 140,963</b>	<b>\$ 142,882</b>





ANNUAL BUDGET

POLICE DEPARTMENT

**ANIMAL CONTROL**

	2015/16 ACTUAL	2016/17 ACTUAL	2017/18 ADOPTED	2018/19 PROPOSED
<b>SALARIES &amp; WAGES</b>				
101-5-7421-17-5001 Full Time Employees	31,815	35,567	37,300	39,300
101-5-7421-17-5200 Overtime Pay	189	431	1,400	1,000
Total Salaries & Wages	32,004	35,998	38,700	40,300

**PERSONNEL BENEFITS**

101-5-7421-17-5501 FICA	2,343	2,637	3,000	3,100
101-5-7421-17-5504 Retirement	3,632	4,082	4,300	4,700
101-5-7421-17-5700 Health/Life Insurance	3,314	3,157	3,500	3,700
101-5-7421-17-5701 Disability Insurance	39	50	100	100
101-5-7421-17-5800 Workers Compensation	1,530	1,387	1,700	2,000
101-5-7421-17-5901 Uniform/Clothing Allow.	840	840	900	1,000
Total Personnel Benefits	11,698	12,153	13,500	14,600

**SUPPLIES**

101-5-7421-17-6009 Program Supplies	527	260	600	600
101-5-7421-17-6011 Small Tools/Minor Equipment	1,783	1,202	1,500	1,500
101-5-7421-17-6300 Vehicle Fuels	2,393	2,886	4,200	4,000
101-5-7421-17-6302 R&M Supplies Vehicle	-	-	-	1,000
101-5-7421-17-6700 Memberships/Dues/Subscri.	35	35	100	100
Total Supplies	4,738	4,383	6,400	7,200

**OTHER SERVICES & CHARGES**

101-5-7421-17-7306 Telephone	502	501	500	500
101-5-7421-17-7307 Postage/Freight	31	-	100	100
101-5-7421-17-7600 Travel Expense	55	634	600	600
101-5-7421-17-7601 Registrations	628	585	600	600
101-5-7421-17-7900 Other Professional Services	-	322	-	-
101-5-7421-17-7990 Humane Society	75,200	75,200	75,200	75,200
Total Other Svcs & Charges	76,416	77,242	77,000	77,000

**GRAND TOTAL**

\$ 124,856	\$ 129,776	\$ 135,600	\$ 139,100
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### Police Grant Budget Change

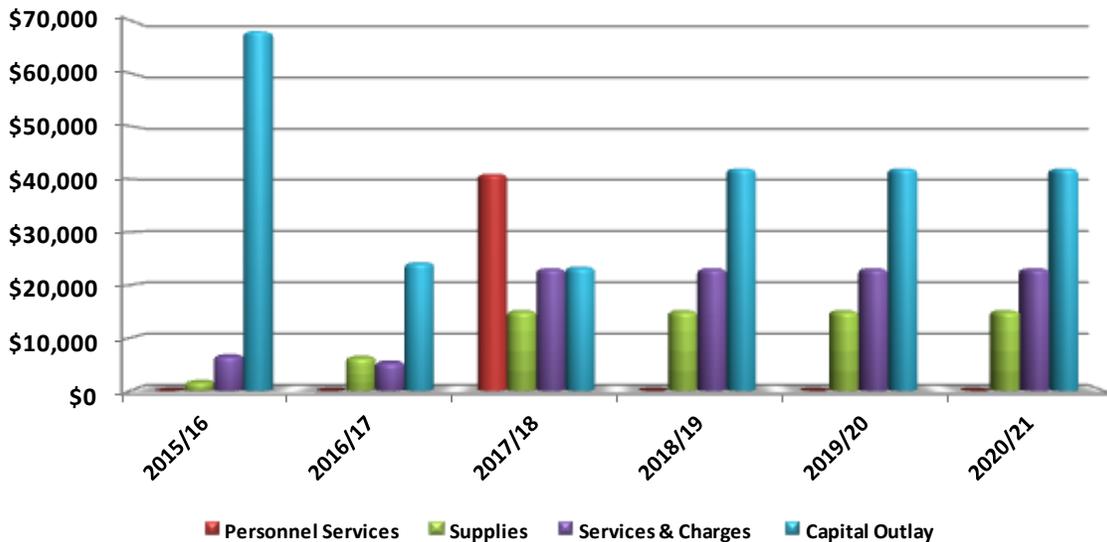
Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Salaries & Wages - Full Time	-	26,700	100.0%	-	-100.0%
Personnel Benefits	-	14,300	100.0%	-	-100.0%
Supplies	6,296	15,000	138.2%	15,000	0.0%
Other Services & Charges	5,366	23,000	328.6%	23,000	0.0%
Capital	24,148	23,300	-3.5%	42,000	100.0%
<b>Total Police Grants</b>	<b>\$ 35,810</b>	<b>\$ 102,300</b>	<b>132.7%</b>	<b>\$ 80,000</b>	<b>-20.0%</b>

**Significant Budget Changes:**

- FY15/16 & FY17/18 Capital—utilized grant funding to obtain and/or equip patrol vehicles
- FY16/17 & FY17/18 Supplies & Services—expenditures fluctuate depending on the availability of grant funding
- FY17/18 Salaries & Benefits—adding grant funded employee to assist with various grant programs
- FY18/19 Salaries & Benefits—grant position not approved by State
- FY18/19 Capital—approved for one vehicle

### Police Grant Budget Analysis Historic & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Personnel Services	-	-	41,000	-	-	-
Supplies	1,670	6,296	15,000	15,000	15,000	15,000
Services & Charges	6,582	5,366	23,000	23,000	23,000	23,000
Capital Outlay	68,050	24,148	23,300	42,000	42,000	42,000
<b>Total Grants</b>	<b>\$ 76,302</b>	<b>\$ 35,810</b>	<b>\$ 102,300</b>	<b>\$ 80,000</b>	<b>\$ 80,000</b>	<b>\$ 80,000</b>





ANNUAL BUDGET

POLICE DEPARTMENT

**DEPT OF JUSTICE FUND &  
VARIOUS GRANTS**

	<b>2015/16 ACTUAL</b>	<b>2016/17 ACTUAL</b>	<b>2017/18 ADOPTED</b>	<b>2018/19 PROPOSED</b>
<b>SALARIES &amp; WAGES</b>				
215-5-2421-02-5001 Salaries & Wages - Full Time	-	-	26,700	-
Total Salaries & Wages	-	-	26,700	-
<b>PERSONNEL BENEFITS</b>				
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	-
<b>SUPPLIES</b>				
215-5-2421-02-6011 Small Tools	1,670	6,086	15,000	15,000
215-5-2421-02-6300 Gasoline, Fuels, Lubricant	-	210	-	-
215-5-2421-02-6302 R&M Supplies Vehicle	-	-	-	-
Total Supplies	1,670	6,296	15,000	15,000
<b>OTHER SERVICES &amp; CHARGES</b>				
215-5-2421-02-7600 Travel	2,397	1,452	15,000	15,000
215-5-2421-02-7601 Registrations	1,181	700	5,000	5,000
215-5-2421-02-7900 Other Prof Services	3,003	3,214	3,000	3,000
Total Other Svcs & Charges	6,581	5,366	23,000	23,000
<b>CAPITAL</b>				
215-5-2421-02-8510 Defense 1033 - LE Vehicle	68,050	24,148	23,300	42,000
Total Capital	68,050	24,148	23,300	42,000
<b>GRAND TOTAL</b>	<b>\$ 76,301</b>	<b>\$ 35,810</b>	<b>\$ 102,300</b>	<b>\$ 80,000</b>



### School Resource Officer (SRO) Budget Change

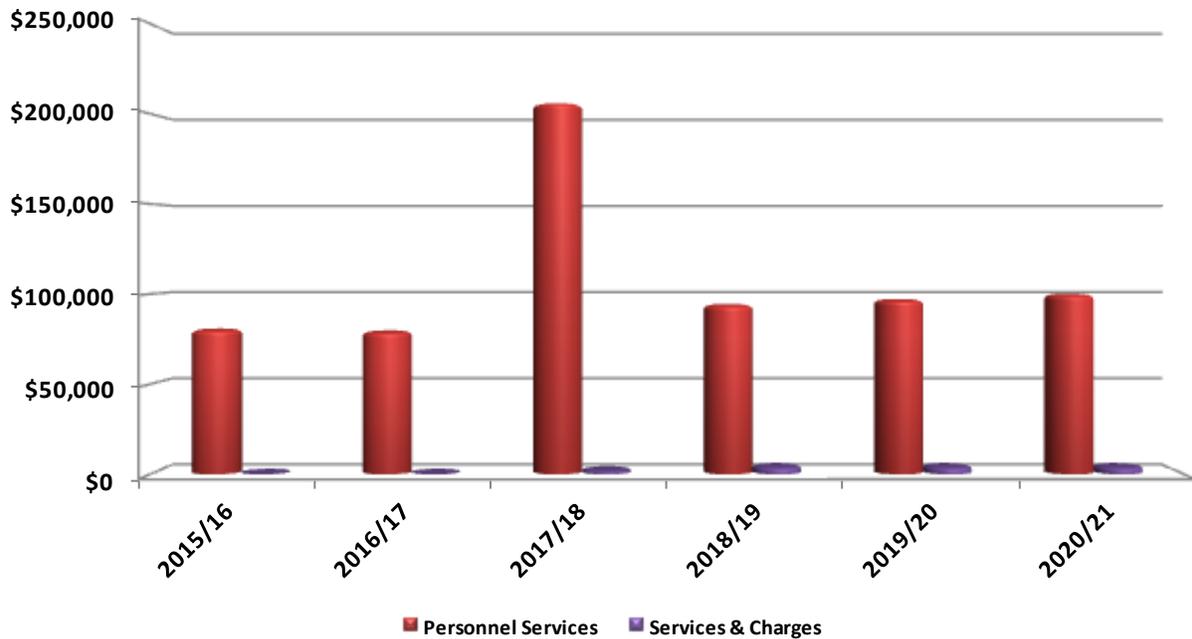
Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Salaries & Wages	40,276	98,200	143.8%	50,900	-48.2%
Personnel Benefits	38,631	106,000	174.4%	43,000	-59.4%
Other Services & Charges	57	2,000	3408.8%	4,000	100.0%
<b>Total SRO</b>	<b>\$ 78,964</b>	<b>\$ 206,200</b>	<b>161.1%</b>	<b>\$ 97,900</b>	<b>-52.5%</b>

**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
- FY18/19 Salaries & Benefits—The State funded one SRO position
- FY18/19 Services—increased budget for additional SRO training

### School Resource Officer Budget Analysis Historic & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Personnel Services	80,043	78,964	206,200	93,900	96,717	99,619
Services & Charges	(27)	57	2,000	4,000	4,000	4,000
<b>Total SRO</b>	<b>\$ 80,016</b>	<b>\$ 79,021</b>	<b>\$ 208,200</b>	<b>\$ 97,900</b>	<b>\$ 100,717</b>	<b>\$ 103,619</b>





ANNUAL BUDGET

POLICE DEPARTMENT

**SCHOOL RESOURCE OFFICER**

		<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
		<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>PROPOSED</b>
<b>SALARIES &amp; WAGES</b>					
101-5-2421-04-5001	Full Time Employees	41,090	40,276	86,800	43,400
101-5-2421-04-520x	Overtime Pay	2,165	-	11,400	7,500
	<b>Total Salaries &amp; Wages</b>	<b>43,255</b>	<b>40,276</b>	<b>98,200</b>	<b>50,900</b>
<b>PERSONNEL BENEFITS</b>					
101-5-2421-04-5501	FICA	2,952	2,714	7,000	3,000
101-5-2421-04-5504	Retirement	22,510	25,641	72,800	30,000
101-5-2421-04-5700	Health/Life Insurance	6,109	6,484	15,200	6,000
101-5-2421-04-5800	Workers Comp Insurance	4,744	3,292	8,000	4,000
101-5-2421-04-5901	Clothing Allowance	500	500	2,000	-
101-5-2421-04-5990	Miscellaneous	-	-	1,000	-
	<b>Total Personnel Benefits</b>	<b>36,815</b>	<b>38,631</b>	<b>106,000</b>	<b>43,000</b>
<b>OTHER SERVICES &amp; CHARGES</b>					
101-5-2421-04-7600	Travel	(27)	57	2,000	4,000
	<b>Total Services &amp; Charges</b>	<b>(27)</b>	<b>57</b>	<b>2,000</b>	<b>4,000</b>
<b>GRAND TOTAL</b>		<b>\$ 80,043</b>	<b>\$ 78,964</b>	<b>\$ 206,200</b>	<b>\$ 97,900</b>



# FIRE DEPARTMENT

## Mission Statement

The mission of the Payson Fire Department is to minimize the loss of life resulting from fire, medical emergencies and other disasters through prevention, education, fire suppression, emergency medical services and emergency preparedness. This will be accomplished in the most cost effective manner with maximum utilization of available resources, never sacrificing the safety of our members.

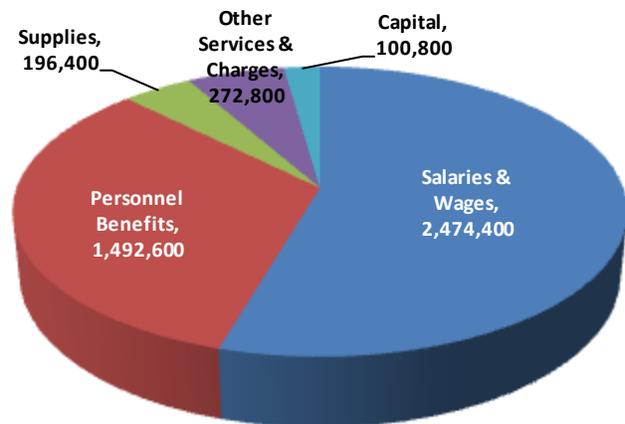
## Description

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

### Position Summary

	2017/18	2018/19
Fire Chief	1.0	1.0
Battalion Chief	3.0	3.0
Captain	9.0	9.0
Fire Prevention	0.0	1.0
Fuels Manager	0.0	1.0
Engineer	9.0	9.0
Firefighter	9.0	10.0
Administrative Secretary	1.0	1.0
<b>Total Positions</b>	<b>32.0</b>	<b>35.0</b>

### 2018/19 Proposed Expenditures



### Fire Department Budget Change

Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Salaries & Wages	2,108,133	2,254,900	7.0%	2,474,400	9.7%
Personnel Benefits	791,053	1,219,200	54.1%	1,492,600	22.4%
Supplies	111,988	133,500	19.2%	196,400	47.1%
Other Services & Charges	253,998	196,500	-22.6%	272,800	38.8%
Capital	-	-	0.0%	100,800	100.0%
<b>Total Fire</b>	<b>\$ 3,265,172</b>	<b>\$ 3,804,100</b>	<b>16.5%</b>	<b>\$ 4,537,000</b>	<b>19.3%</b>

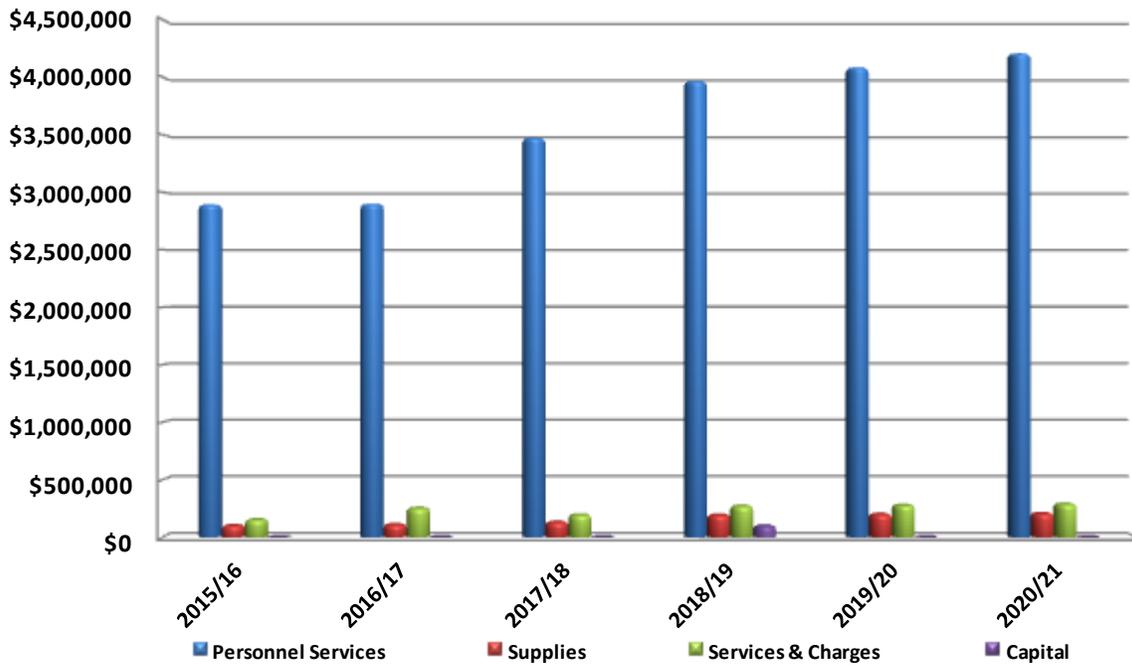
Note: Significant budget changes are addressed within the individual divisions' sections that follow.



## Fire Department Budget Analysis

### Historic & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Personnel Services	2,893,403	2,899,186	3,474,100	3,967,000	4,086,010	4,208,590
Supplies	104,265	111,988	133,500	196,400	202,292	208,361
Services & Charges	154,856	253,998	196,500	272,800	280,984	289,414
Capital	-	-	-	100,800	-	-
<b>Total Fire</b>	<b>\$ 3,152,524</b>	<b>\$ 3,265,172</b>	<b>\$ 3,804,100</b>	<b>\$ 4,537,000</b>	<b>\$ 4,569,286</b>	<b>\$ 4,706,365</b>





## FIRE DEPARTMENT – Fire Operations Division

### Description

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.

### 2017/18 Accomplishments

- Revisions were completed on three SOP’s (Special Operating Procedures), most importantly is the new Hazard Zone Management SOP that guides our actions in hazard zones and how we manage these areas. This SOP is congruent with the Blue Card training program we received from an AFG grant
- Increased capacity in fire prevention by placing a Fire captain into a full-time temporary position in Fire Prevention

### 2018/19 Objectives

#### KRA 8: THE PUBLIC SAFETY

- Develop an IGA for Council consideration to create a consolidated Fire Authority with the Town of Payson, Hellsgate, and Houston Mesa Fire Districts
- Create and hire a Fuels Manager to begin a full-time effort to reduce the wildfire risk within the community

### Fire Operations Division Budget Change

Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Salaries & Wages	2,040,900	2,190,900	7.3%	2,410,400	10.0%
Personnel Benefits	769,282	1,200,200	56.0%	1,473,600	22.8%
Supplies	110,751	121,500	9.7%	184,400	51.8%
Other Services & Charges	247,372	191,500	-22.6%	267,800	39.8%
Capital	339,085	847,800	0.0%	70,000	100.0%
<b>Total Fire Operations</b>	<b>\$ 3,507,390</b>	<b>\$ 4,551,900</b>	<b>29.8%</b>	<b>\$ 4,406,200</b>	<b>-3.2%</b>

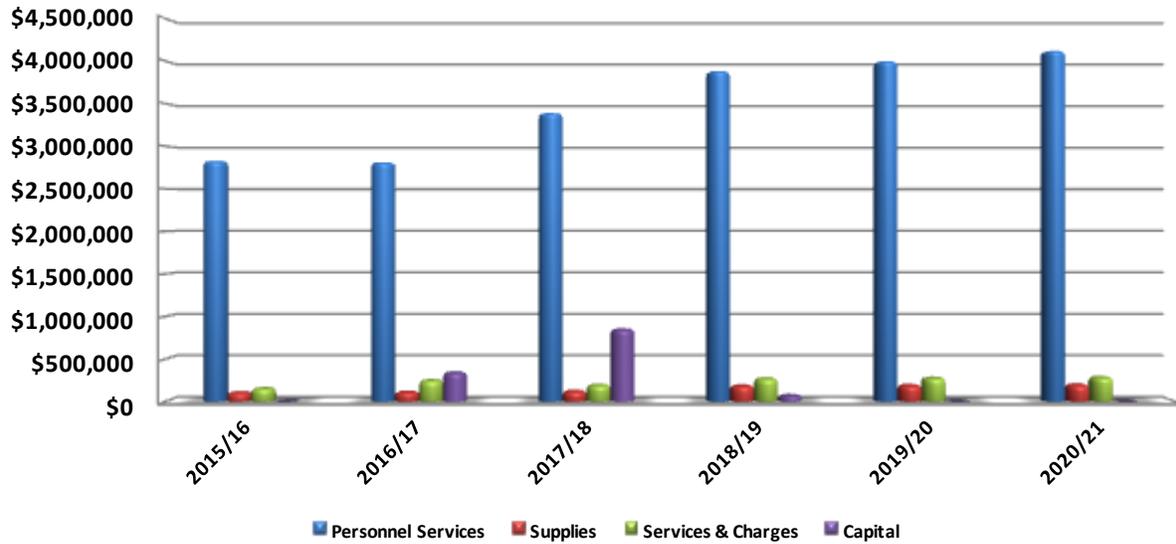
#### Significant Budget Changes:

- FY16/17 Benefits—reflects insurance and retirement contribution increases
- FY17/18 Benefits—reflects Public Safety Retirement rate increase of 8.96%
- FY17/18 Benefits—an additional pension payment of \$125,000 was made to PSPRS to pay down the retirement obligation
- FY18/19 Salaries—added three new positions for Rover, Fuels Manager and Firewise Manager
- FY18/19 Benefits— added three new positions and an additional pension payment of \$150,000 to PSPRS to pay down the retirement obligation
- FY18/19 Supplies—added funds for hose replacements, protection equipment, and update NFPA books
- FY 18/19 Capital—funds approved for one Chief fire response vehicle



## Fire Operations Budget Analysis Historic & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Personnel Services	2,826,603	2,810,182	3,391,100	3,884,000	4,000,520	4,120,536
Supplies	103,334	110,751	121,500	184,400	189,932	195,630
Services & Charges	153,083	247,372	191,500	267,800	275,834	284,109
Capital	-	339,085	847,800	70,000	-	-
<b>Total Fire Operations</b>	<b>\$3,083,020</b>	<b>\$3,507,390</b>	<b>\$4,551,900</b>	<b>\$4,406,200</b>	<b>\$4,466,286</b>	<b>\$4,600,275</b>





ANNUAL BUDGET

FIRE DEPARTMENT

**FIRE OPERATIONS**

		<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
		<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>PROPOSED</b>
<b>SALARIES &amp; WAGES</b>					
101-5-2426-01-5001	Full Time Employees	1,599,726	1,626,407	1,721,100	1,917,000
101-5-2426-01-5005	Paid On Call	20,254	47,756	80,000	80,000
101-5-2426-01-5030	Out of Class Pay	19,723	18,639	18,000	20,000
101-5-2426-01-52xx	Overtime Pay	409,665	348,098	371,800	393,400
	<b>Total Salaries &amp; Wages</b>	<b>2,049,368</b>	<b>2,040,900</b>	<b>2,190,900</b>	<b>2,410,400</b>
<b>PERSONNEL BENEFITS</b>					
101-5-2426-01-5501	FICA	32,333	35,183	39,900	44,700
101-5-2426-01-5504	Retirement	419,090	451,219	694,500	860,000
101-5-2426-01-5505	Unfunded Pension Payment	-	-	125,000	150,000
101-5-2426-01-5700	Health/Life Insurance	155,427	137,009	159,500	198,300
101-5-2426-01-5701	Disability Insurance	48	112	200	100
101-5-2426-01-5800	Workers Comp Insurance	142,399	117,409	152,300	183,000
101-5-2426-01-5901	Uniform/Clothing Allowance	27,938	28,350	28,800	37,500
	<b>Total Personnel Benefits</b>	<b>777,235</b>	<b>769,282</b>	<b>1,200,200</b>	<b>1,473,600</b>
<b>SUPPLIES</b>					
101-5-2426-01-6001	Office Supplies	2,161	2,086	2,000	2,000
101-5-2426-01-6003	Foam/ Cleaners	379	2,819	4,000	3,500
101-5-2426-01-6005	Safety/Program Supplies	8,528	2,781	6,000	6,000
101-5-2426-01-6007	Equipment/Clothing	23,778	27,207	25,000	35,000
101-5-2426-01-6009	Program Supplies	433	2,406	2,000	3,800
101-5-2426-01-6010	Books & Periodicals	408	554	500	500
101-5-2426-01-6011	Small Tools/Minor Equipment	835	589	3,500	3,500
101-5-2426-01-6012	Radio Equipment	5,058	3,463	6,500	6,500
101-5-2426-01-6013	Computer Equip / Supplies	3,817	1,842	6,000	9,500
101-5-2426-01-6100	Medical Supplies	16,115	19,892	20,000	31,100
101-5-2426-01-6200	R&M Supplies Equipment	943	3,026	2,000	5,000
101-5-2426-01-6201	R&M Supplies Building	9,201	8,181	8,000	8,000
101-5-2426-01-6300	Vehicle Fuels	20,000	22,341	20,000	29,000
101-5-2426-01-6302	R&M Supplies Vehicle	7,111	7,922	9,000	15,000
101-5-2426-01-6400	Shop Supplies	1,111	489	1,000	1,000
101-5-2426-01-6510	HM - Station Supplies	-	-	-	500
101-5-2426-01-6515	HM - Bldg & Facilities Main	-	-	-	1,800
101-5-2426-01-6525	HM - Equipment Repair	-	-	-	1,000
101-5-2426-01-6550	HM - Vehicle Repair	-	-	-	5,200
101-5-2426-01-6600	Public Relations	1,182	2,294	2,500	7,500
101-5-2426-01-6620	HM - Vehicle Fuel	-	-	-	2,000
101-5-2426-01-6630	HM - Small Tools / Minor Equip	-	-	-	700
101-5-2426-01-6640	HM - EMS Supplies	-	-	-	800
101-5-2426-01-6700	Memberships/Dues/Subscri.	1,442	2,144	2,000	4,000
101-5-2426-01-6990	Other Expenses	832	715	1,500	1,500
	<b>Total Supplies</b>	<b>103,334</b>	<b>110,751</b>	<b>121,500</b>	<b>184,400</b>



**OTHER SERVICES & CHARGES**

101-5-2426-01-7300	Electricity	25,110	23,825	25,000	26,000
101-5-2426-01-7301	Propane Gas	8,247	7,453	10,000	9,000
101-5-2426-01-7302	Water	3,291	3,901	3,000	4,000
101-5-2426-01-7304	Sewage	1,080	1,254	1,100	1,100
101-5-2426-01-7305	Refuse Disposal	1,427	1,152	1,400	1,400
101-5-2426-01-7306	Telephone	22,640	21,607	26,000	25,000
101-5-2426-01-7307	Postage/Freight	-	-	-	200
101-5-2426-01-7401	R&M Building	5,828	30,477	7,000	41,000
101-5-2426-01-7402	R&M Office Equipment	670	98	800	2,000
101-5-2426-01-7403	R&M Computer Equipment	-	-	-	3,300
101-5-2426-01-7404	R&M Equipment	5,468	10,254	10,000	10,000
101-5-2426-01-7405	R&M Vehicle	21,973	47,869	35,000	35,000
101-5-2426-01-7502	Lease Equipment	7,841	8,097	8,200	8,800
101-5-2426-01-7600	Travel	4,972	5,738	5,000	7,500
101-5-2426-01-7601	Registrations	20,539	15,120	22,500	35,000
101-5-2426-01-7900	Other Professional Services	21,118	27,610	35,000	35,000
101-5-2426-01-7910	Printing & Binding	2,879	2,307	1,500	1,000
101-5-2426-01-7912	Fire Grant Expense	-	40,610	-	22,500
	<b>Total Other Svcs &amp; Charges</b>	<b>153,083</b>	<b>247,372</b>	<b>191,500</b>	<b>267,800</b>

**CAPITAL**

101-5-2426-01-8510	Fire Vehicles	-	-	-	70,000
403-5-2426-03-87xx	Various Grants	-	339,085	847,800	30,800
	<b>Total Capital</b>	<b>-</b>	<b>339,085</b>	<b>847,800</b>	<b>100,800</b>

**GRAND TOTAL**

<b>\$ 3,083,020</b>	<b>\$ 3,507,390</b>	<b>\$ 4,551,900</b>	<b>\$ 4,437,000</b>
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## FIRE DEPARTMENT – Wildland Division

### Description

Payson Fire Department participates with the Arizona State Division of Forestry in a cooperative wildland fire response program. This program allows departments from all over the State to enter into agreements to facilitate the movement of firefighting resources to 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.

### 2017/18 Accomplishments

- Fire line EMS packs were acquired to allow for a safer response to Fireline Medic requests
- All wildfire apparatus were maintained in a ready-state throughout the year with minimal down time

### 2018/19 Objectives

**KRA 8: THE PUBLIC SAFETY**

- Provide training to improve our wildfire capabilities
- Deploy to wildfire incidents to maintain and improve qualifications

### Wildland Division Budget Change

Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Salaries & Wages	67,233	64,000	-4.8%	64,000	0.0%
Personnel Benefits	21,771	19,000	-12.7%	19,000	0.0%
Supplies	1,236	12,000	870.9%	12,000	0.0%
Other Services & Charges	6,628	5,000	-24.6%	5,000	0.0%
<b>Total Wildlands</b>	<b>\$ 96,868</b>	<b>\$ 100,000</b>	<b>3.2%</b>	<b>\$ 100,000</b>	<b>0.0%</b>

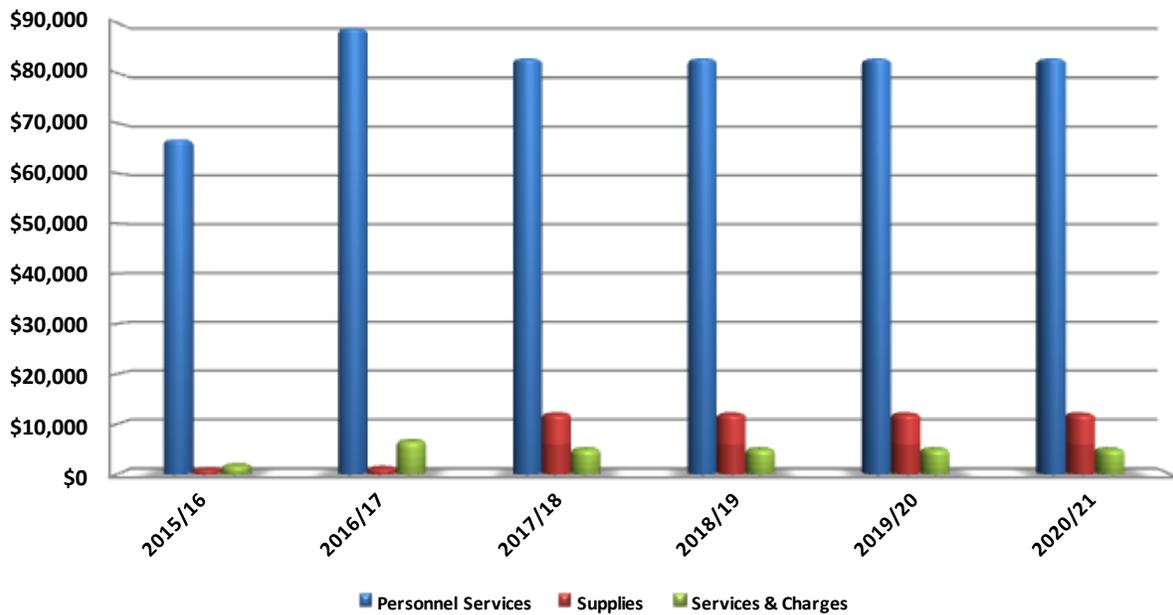
#### Significant Budget Changes:

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



### Wildland Division Budget Analysis Historic & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Personnel Services	66,800	89,004	83,000	83,000	83,000	83,000
Supplies	934	1,236	12,000	12,000	12,000	12,000
Services & Charges	1,774	6,628	5,000	5,000	5,000	5,000
<b>Total Wildlands</b>	<b>\$ 69,508</b>	<b>\$ 96,868</b>	<b>\$ 100,000</b>	<b>\$ 100,000</b>	<b>\$ 100,000</b>	<b>\$ 100,000</b>





ANNUAL BUDGET

FIRE DEPARTMENT

**WILDLANDS/URBAN PROGRAM**

	<b>2015/16 ACTUAL</b>	<b>2016/17 ACTUAL</b>	<b>2017/18 ADOPTED</b>	<b>2018/19 PROPOSED</b>
<b>SALARIES &amp; WAGES</b>				
101-5-2426-02-5001 Full Time Employees	13,270	22,281	31,000	31,000
101-5-2426-02-5003 Temporary Employees	-	-	3,000	3,000
101-5-2426-02-5200 Overtime	37,639	44,952	30,000	30,000
Total Salaries & Wages	50,909	67,233	64,000	64,000
<b>PERSONNEL BENEFITS</b>				
101-5-2426-02-5501 FICA	794	936	2,000	2,000
101-5-2426-02-5504 Retirement	12,299	17,365	14,000	14,000
101-5-2426-02-5700 Insurance Benefit	2,798	3,465	-	-
101-5-2426-02-5701 Disability Insurance	-	5	-	-
101-5-2426-02-5800 Workers Comp Insurance	-	-	3,000	3,000
Total Personnel Benefits	15,891	21,771	19,000	19,000
<b>SUPPLIES</b>				
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	1,032	2,000	2,000
101-5-2426-02-6302 R&M Supplies Vehicles	255	204	2,000	2,000
101-5-2426-02-6990 Other Expenses	-	-	1,000	1,000
Total Supplies	934	1,236	12,000	12,000
<b>OTHER SERVICES &amp; CHARGES</b>				
101-5-2426-02-7600 Travel	1,774	6,628	5,000	5,000
Total Other Svcs & Charges	1,774	6,628	5,000	5,000
<b>GRAND TOTAL</b>	<b>\$ 69,508</b>	<b>\$ 96,868</b>	<b>\$ 100,000</b>	<b>\$ 100,000</b>



# COMMUNITY DEVELOPMENT DEPARTMENT

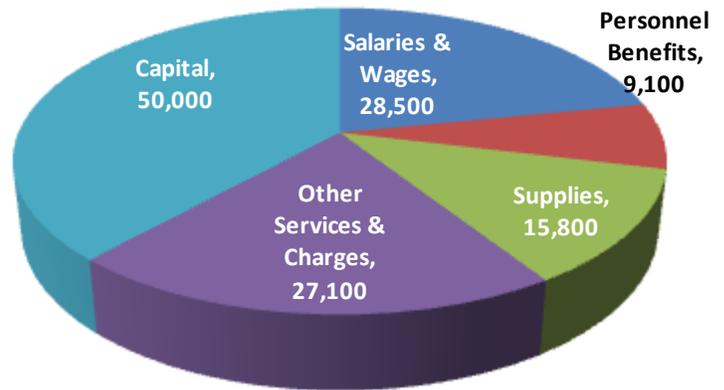
## Description

The Community Development Department was composed of three divisions: Building Services, Planning and Zoning, 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 departments.

### Position Summary

	2017/18	2018/19
Executive Assistant	1.0	1.0
<b>Total Positions</b>	<b>1.0</b>	<b>1.0</b>

### 2018/19 Proposed Expenditures



### Community Development Department – Administration Budget Change

Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Salaries & Wages	38,558	52,700	36.7%	28,500	-45.9%
Personnel Benefits	12,725	16,700	31.2%	9,100	-45.5%
Supplies	11,071	14,300	29.2%	15,800	10.5%
Other Services & Charges	17,305	25,100	45.0%	27,100	8.0%
Capital	-	-	0.0%	50,000	100.0%
<b>Total Administration</b>	<b>\$ 79,659</b>	<b>\$ 108,800</b>	<b>36.6%</b>	<b>\$ 130,500</b>	<b>19.9%</b>

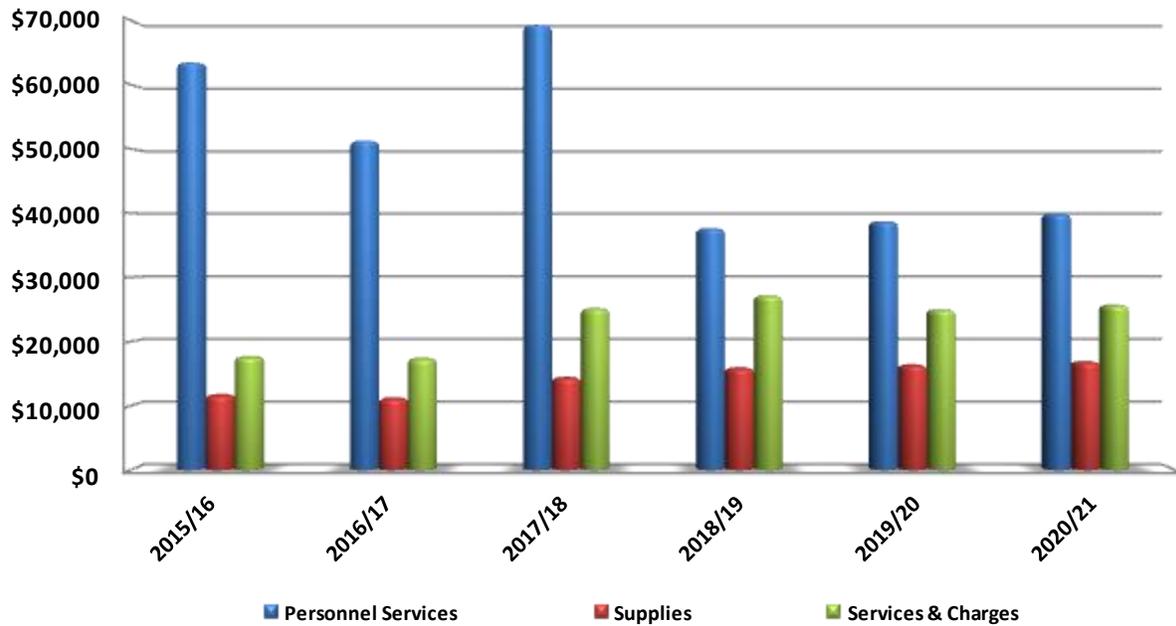
#### Significant Budget Changes:

- FY15/16 Services—\$5,000 budgeted for building repairs but funds weren’t expended
- FY16/17 Supplies—decreases for fuel and office supplies
- FY18/19 Salaries & Benefits—decrease due to position adjustment between Community Development & Streets
- FY18/19 Capital—funding approved to purchase two vehicles in this account for Building & Community Development



**Community Development Department – Administration Budget Analysis  
Historic & Forecast**

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Personnel Services	63,517	51,283	69,400	37,600	38,728	39,890
Supplies	11,591	11,071	14,300	15,800	16,274	16,762
Services & Charges	17,564	17,305	25,100	27,100	24,913	25,660
Capital	-	-	-	50,000	-	-
<b>Total Administration</b>	<b>\$ 92,672</b>	<b>\$ 79,659</b>	<b>\$ 108,800</b>	<b>\$ 130,500</b>	<b>\$ 79,915</b>	<b>\$ 82,312</b>





ANNUAL BUDGET

COMMUNITY DEVELOPMENT

**CD - ADMINISTRATION**

	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>PROPOSED</b>
<b>SALARIES &amp; WAGES</b>				
101-5-6428-00-5001 Full Time Employees	47,847	38,558	52,200	28,000
101-5-6428-00-5200 Overtime	-	-	500	500
Total Salaries & Wages	47,847	38,558	52,700	28,500
<b>PERSONNEL BENEFITS</b>				
101-5-6428-00-5501 FICA	3,120	2,522	4,000	2,200
101-5-6428-00-5504 Retirement	5,430	4,372	6,000	3,300
101-5-6428-00-5700 Health/Life Insurance	7,062	5,777	6,400	3,400
101-5-6428-00-5701 Disability Insurance	58	54	100	100
101-5-6428-00-5800 Workers Comp Insurance	-	-	200	100
Total Personnel Benefits	15,670	12,725	16,700	9,100
<b>SUPPLIES</b>				
101-5-6428-00-6001 Office Supplies	4,760	5,205	6,500	6,500
101-5-6428-00-6003 Cleaning Supplies	610	747	800	800
101-5-6428-00-6005 Safety Supplies	217	416	500	500
101-5-6428-00-6011 Small Tools/Minor Equipment	-	870	-	-
101-5-6428-00-6201 R&M Supplies-Building	52	23	-	1,500
101-5-6428-00-6300 Gasoline/Fuels/Lubricants	3,582	3,053	5,000	5,000
101-5-6428-00-6302 R&M Vehicle	2,369	757	1,500	1,500
Total Supplies	11,590	11,071	14,300	15,800
<b>OTHER SERVICES &amp; CHARGES</b>				
101-5-6428-00-7300 Electricity	6,583	6,200	7,500	7,500
101-5-6428-00-7301 Propane Gas	773	547	1,000	1,000
101-5-6428-00-7302 Water	401	481	500	700
101-5-6428-00-7401 R&M Building	616	513	5,000	3,800
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	5,351	5,589	6,000	6,000
101-5-6428-00-7900 Other Professional Services	3,840	3,974	4,100	7,100
Total Other Svcs & Charges	17,564	17,304	25,100	27,100
<b>CAPITAL</b>				
101-5-6428-00-8003 Vehicle	-	-	-	50,000
Total Capital	-	-	-	50,000
<b>GRAND TOTAL</b>	<b>\$ 92,671</b>	<b>\$ 79,658</b>	<b>\$ 108,800</b>	<b>\$ 130,500</b>



## BUILDING SERVICES DEPARTMENT

### **Mission**

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

### **Description**

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.

### **2017/18 Accomplishments**

- Partnered with several other sponsors and hosted two neighborhood clean up events
- Resolved 94 code enforcement complaints
- Proactively enforced specific target areas, eliminated a large amount of blight from our communities, including the demolition of two un-inhabitable houses
- Inspected, approved and issued 136 tree removal permits
- Proactively initiated and resolved over 40 Unified Development Code violations
- Reviewed and approved approximately 125 residential construction plans

### **2018/19 Objectives**

#### **KRA 5: NEIGHBORHOODS & LIVABILITY**

- Continue updating the Unified Development Code to streamline & modernize practices to enhance neighborhood livability, maintain property values, and eliminate blight
- Continue to organize positive outreach events that encourage residents to maintain their properties

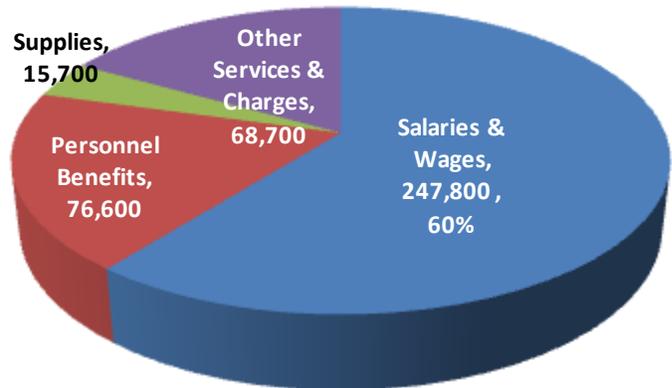
#### **KRA 7: THE PAYSON TEAM**

- Partner with Payson Fire to further community wide fire-wise efforts
- Conduct a 4<sup>th</sup> annual Dump Your Junk event to sponsor community cleanup efforts, involving local charities and volunteers
- Continue to provide roll-offs for targeted neighborhoods and enforcement campaigns to eliminate nuisance properties in areas with vulnerable populations
- Ensure compliance with zoning codes to prevent slum and blight

### Position Summary

	2017/18	2018/19
Chief Building Official	1.0	1.0
Building Inspector	1.0	1.0
Business License Specialist	1.0	1.0
Permit Technician	1.0	1.0
<b>Total Positions</b>	<b>4.0</b>	<b>4.0</b>

### 2018/19 Proposed Expenditures



### Building Services Department Budget Change

Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Salaries & Wages	230,615	227,484	-1.4%	247,800	8.9%
Personnel Benefits	73,728	68,340	-7.3%	76,600	12.1%
Supplies	2,301	1,714	-25.5%	15,700	816.0%
Other Services & Charges	7,345	12,217	66.3%	68,700	462.3%
<b>Total Building</b>	<b>\$ 313,989</b>	<b>\$ 309,756</b>	<b>-1.3%</b>	<b>\$ 408,800</b>	<b>32.0%</b>

#### Significant Budget Changes:

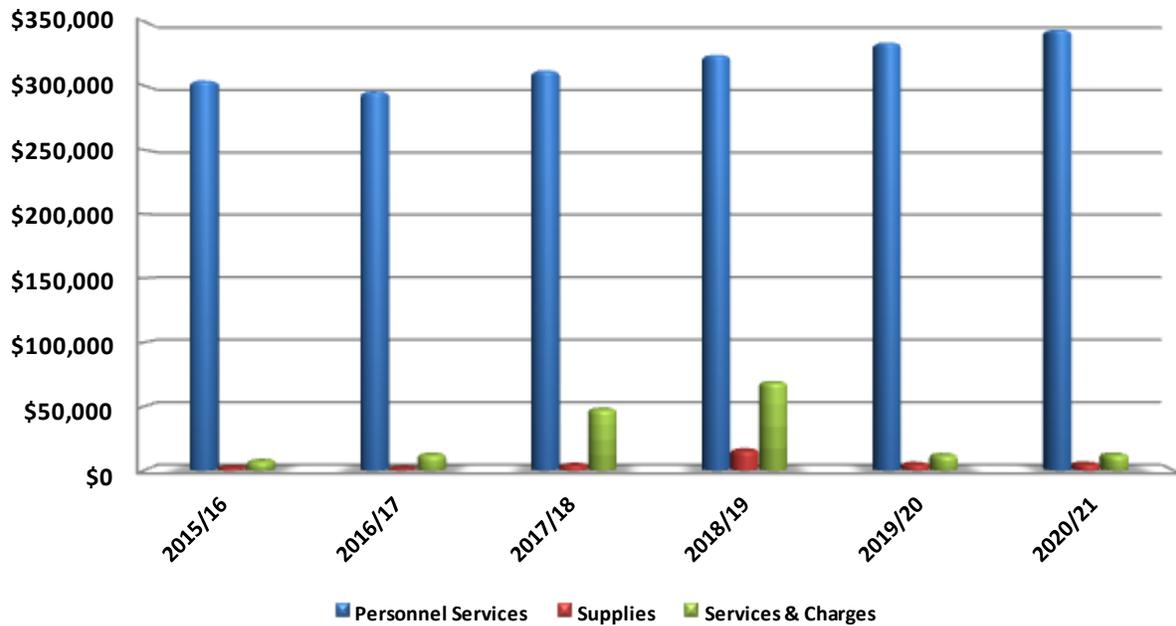
- FY16/17 Supplies—reflects increase for books / periodicals & dues / memberships
- FY16/17 & FY17/18 Services—Other Professional Services was increased to cover plan review contract work that might be required during potential college construction project
- FY18/19 Salaries & Benefits—changes due to leave buybacks and workers comp increase
- FY18/19 Supplies—increased for 2018 building code books
- FY18/19 Services—added funds for building code training and plan reviews





### Building Services Department Budget Analysis Historic & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Personnel Services	304,342	295,824	312,300	324,400	334,132	344,156
Supplies	2,302	1,714	4,200	15,700	5,000	5,150
Services & Charges	7,344	12,217	47,700	68,700	12,000	12,360
<b>Total Building</b>	<b>\$ 313,988</b>	<b>\$ 309,756</b>	<b>\$ 364,200</b>	<b>\$ 408,800</b>	<b>\$ 351,132</b>	<b>\$ 361,666</b>





ANNUAL BUDGET

BUILDING SERVICES

**BUILDING SERVICES**

	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>PROPOSED</b>
<b>SALARIES &amp; WAGES</b>				
101-5-6428-03-5001 Full Time Employees	230,615	227,484	236,600	245,800
101-5-6428-03-5200 Overtime Pay	-	-	2,000	2,000
Total Salaries & Wages	230,615	227,484	238,600	247,800
<b>PERSONNEL BENEFITS</b>				
101-5-6428-03-5501 FICA	16,016	16,220	18,300	18,700
101-5-6428-03-5504 Retirement	26,174	25,797	27,000	28,500
101-5-6428-03-5700 Health/Life Insurance	25,468	21,451	22,600	22,800
101-5-6428-03-5701 Disability Insurance	278	318	400	400
101-5-6428-03-5800 Workers Comp Insurance	5,791	4,554	5,400	6,200
Total Personnel Benefits	73,727	68,340	73,700	76,600
<b>SUPPLIES</b>				
101-5-6428-03-6006 Uniforms/Clothing	798	416	1,000	1,000
101-5-6428-03-6010 Books & Periodicals	320	594	1,500	13,000
101-5-6428-03-6011 Small Tools & Minor Equipment	886	-	1,000	1,000
101-5-6428-03-6700 Dues & Memberships	298	705	700	700
Total Supplies	2,302	1,715	4,200	15,700
<b>OTHER SERVICES &amp; CHARGES</b>				
101-5-6428-03-7306 Telephone	1,146	1,429	1,200	1,000
101-5-6428-03-7307 Utilities Postage/Freight	86	-	200	200
101-5-6428-03-7600 Travel	2,583	3,828	3,800	5,000
101-5-6428-03-7601 Registrations	1,962	1,300	2,000	2,000
101-5-6428-03-7900 Other Professional Services	1,460	5,355	40,000	60,000
101-5-6428-03-7910 Printing & Binding	107	304	500	500
Total Other Svcs & Charges	7,344	12,216	47,700	68,700
<b>GRAND TOTAL</b>	<b>\$ 313,988</b>	<b>\$ 309,755</b>	<b>\$ 364,200</b>	<b>\$ 408,800</b>



## PLANNING & DEVELOPMENT DEPARTMENT

### Mission

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

### Description

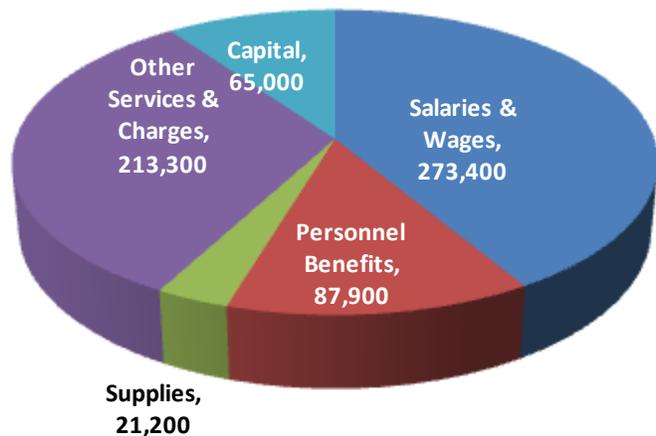
Planning & Development is a new department established in FY14/15. Previously, Planning & Zoning and Housing were divisions of the Community Development Department, and Economic Development was a division of the Town Manager's Department.

The new Planning & Development Department is made up of three sections: Planning / Zoning / Code Enforcement, Housing, and Economic Development.

### Position Summary

	2017/18	2018/19
Public Works 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
<b>Total Positions</b>	<b>5.0</b>	<b>5.0</b>

### 2018/19 Proposed Expenditures



### Planning & Development Department Budget Change

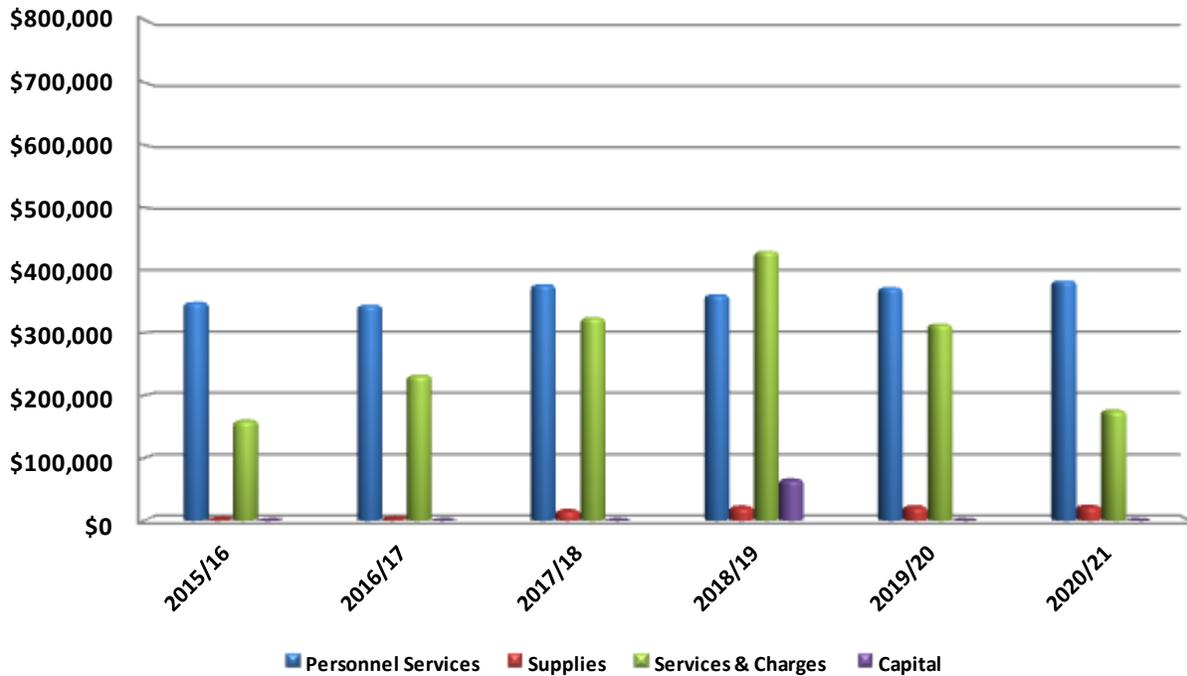
Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Salaries & Wages	265,900	289,600	8.9%	273,400	-5.6%
Personnel Benefits	94,100	87,700	-6.8%	87,900	0.2%
Supplies	6,000	15,700	161.7%	21,200	35.0%
Other Services & Charges	588,400	323,900	-45.0%	213,300	-34.1%
Capital	-	-	0.0%	65,000	0.0%
<b>Total Planning &amp; Development</b>	<b>\$ 954,400</b>	<b>\$ 716,900</b>	<b>-24.9%</b>	<b>\$ 660,800</b>	<b>-7.8%</b>

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



### Planning & Development Department Budget Analysis Historic & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Personnel Services	348,712	344,485	377,300	361,300	372,139	383,303
Supplies	3,070	3,927	15,700	21,200	21,836	22,491
Services & Charges	159,425	231,618	323,900	430,300	313,559	175,833
Capital	-	-	-	65,000	-	-
<b>Total Planning &amp; Dev</b>	<b>\$ 511,207</b>	<b>\$ 580,030</b>	<b>\$ 716,900</b>	<b>\$ 877,800</b>	<b>\$ 707,534</b>	<b>\$ 581,627</b>





## PLANNING & ZONING DIVISION

### 2017/18 Accomplishments

- Processed 7 conditional use permits; 4 minor land division applications; 3 subdivision applications; 20 design review projects; 6 temporary use permits; 1 variance application; and 8 administrative relief/permits.
- Provided Development Services assistance to new business/development proposals each week
- Collaborated with groups/individuals on completing additional improvements to the American Gulch
- Received approval to change the Community Development Block Grant (CDBG) program to removal of barriers for ADA compliance
- Participated in the CAG Greater Gila County Transit Feasibility Study through its completion (pilot program will begin in Fall 2018)
- Updated Unified Development Code with four code amendments

### 2018/19 Objectives

#### KRA 5: NEIGHBORHOODS & LIVABILITY

- Continue updating the Unified Development Code to promote best practices and implement the General Plan
- Receive Dark Sky Community designation from the International Dark Sky Association
- Continue to participate in the 2020 Census LUCA to ensure accurate census data for Payson

#### KRA 7: THE PAYSON TEAM

- Attend continuing education courses in order to stay up to date with the latest trends and best practices
- Search and apply for additional grant opportunities
- Aid in the creation of an arts committee for future public art installations
- Initiate town-wide way-finding signage
- Continue American Gulch improvements
- Continue to partner with private businesses/groups to assist with projects/plans in working towards fulfilling the vision of the General Plan

### Planning/Zoning/Code Enforcement Division Budget Change

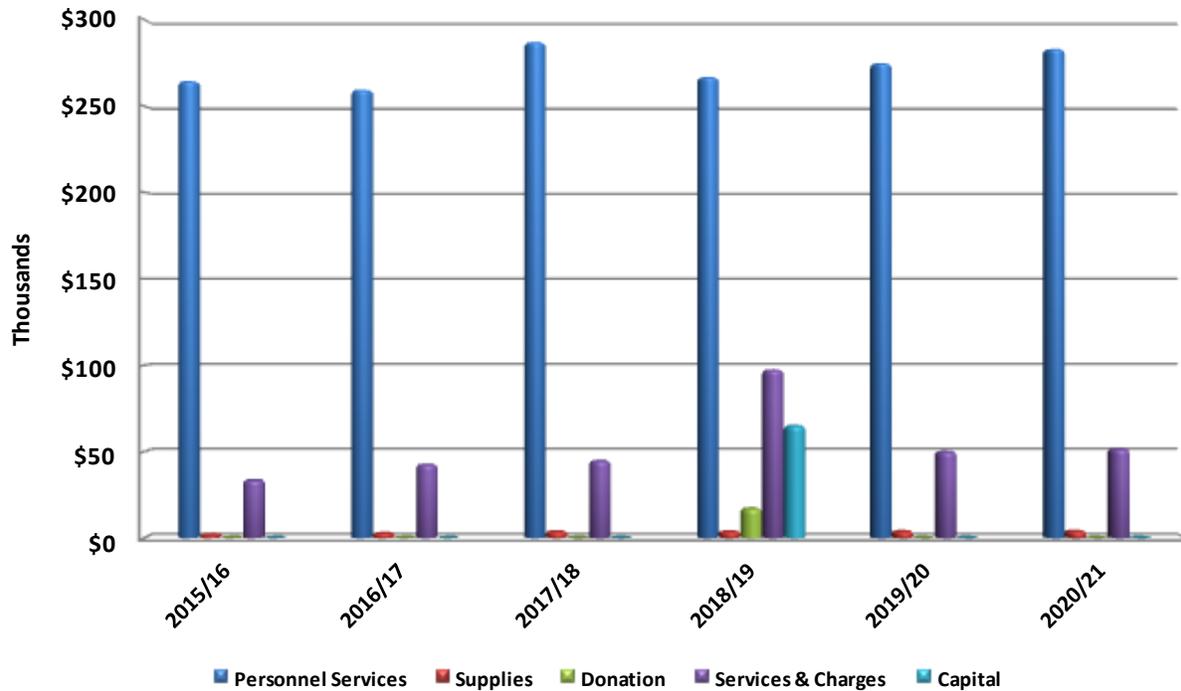
Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Salaries & Wages	198,562	217,200	9.4%	198,100	-8.8%
Personnel Benefits	61,095	70,100	14.7%	68,900	-1.7%
Supplies	2,684	3,700	37.9%	3,700	0.0%
Donation	-	-	0.0%	17,000	100.0%
Other Services & Charges	42,469	44,600	5.0%	97,300	118.2%
Capital	-	-	0.0%	65,000	100.0%
<b>Total Plan &amp; Zoning</b>	<b>\$ 304,810</b>	<b>\$ 335,600</b>	<b>10.1%</b>	<b>\$ 450,000</b>	<b>34.1%</b>

**Significant Budget Changes:**

- FY16/17 Supplies—increases in uniforms/clothing and memberships/dues/subscriptions
- FY16/17 Services—reflects increase in grant expense and building R&M
- FY18/19 Donations—approved toward the Senior Center transportation project
- FY18/19 Services—additional funds for Lien & Clean program, and projected Community grant project
- FY18/19 Capital—approved for Way-find Signage and Highway Beautification

**Planning/Zoning/Code Enforcement Budget Analysis  
Historic & Forecast**

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Personnel Services	264,623	259,657	287,300	267,000	275,010	283,260
Supplies	1,965	2,684	3,700	3,700	3,811	3,925
Donation	-	-	-	17,000	-	-
Services & Charges	33,558	42,469	44,600	97,300	50,000	51,500
Capital	-	-	-	65,000	-	-
<b>Total Plan &amp; Zoning \$</b>	<b>300,146</b>	<b>\$ 304,810</b>	<b>\$ 335,600</b>	<b>\$ 450,000</b>	<b>\$ 328,821</b>	<b>\$ 338,686</b>





ANNUAL BUDGET

PLANNING & DEVELOPMENT

**PLANNING & ZONING**

		<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
		<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>PROPOSED</b>
<b>SALARIES &amp; WAGES</b>					
101-5-6428-01-5001	Full Time Employees	195,116	198,562	214,200	195,100
101-5-6428-01-5200	Overtime Pay	-	-	3,000	3,000
	<b>Total Salaries &amp; Wages</b>	<b>195,116</b>	<b>198,562</b>	<b>217,200</b>	<b>198,100</b>
<b>PERSONNEL BENEFITS</b>					
101-5-6428-01-5501	FICA	13,391	13,794	16,600	15,100
101-5-6428-01-5504	Retirement	22,145	22,517	24,600	23,100
101-5-6428-01-5700	Health/Life Insurance	23,619	20,039	23,000	24,000
101-5-6428-01-5701	Disability Insurance	236	278	400	300
101-5-6428-01-5800	Workers Comp Insurance	10,116	4,467	5,500	6,400
	<b>Total Personnel Benefits</b>	<b>69,507</b>	<b>61,095</b>	<b>70,100</b>	<b>68,900</b>
<b>SUPPLIES</b>					
101-5-6428-01-6006	Uniforms/Clothing	750	1,082	1,200	1,000
101-5-6428-01-6010	Books & Periodicals	-	205	200	200
101-5-6428-01-6011	Small Tools & Minor Equipment	303	275	400	400
101-5-6428-01-6300	Gasoline/Fuels/Lubricant	156	-	-	-
101-5-6428-01-6700	Memberships/Dues/Subscri.	756	1,123	1,900	2,100
	<b>Total Supplies</b>	<b>1,965</b>	<b>2,685</b>	<b>3,700</b>	<b>3,700</b>
<b>OTHER SERVICES &amp; CHARGES</b>					
101-5-6428-01-7306	Telephone	1,588	1,317	1,600	1,600
101-5-6428-01-7307	Postage	-	-	200	200
101-5-6428-01-7600	Travel	1,709	1,616	4,000	2,000
101-5-6428-01-7601	Registrations	2,765	2,954	2,800	2,800
101-5-6428-01-7901	Lien & Clean	5,811	11,854	12,500	22,500
101-5-6428-01-7907	Advertising	1,863	837	3,000	3,000
101-5-6428-01-7910	Printing & Binding	452	272	500	500
101-5-6428-01-7912	Grant Expense	19,370	23,619	20,000	64,700
	<b>Total Other Svcs &amp; Charges</b>	<b>33,558</b>	<b>42,469</b>	<b>44,600</b>	<b>97,300</b>
<b>CAPITAL</b>					
101-5-6428-01-8315	Highway Improvements	-	-	-	65,000
417-5-6428-01-8785	Main Street Improvements	-	-	-	-
	<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>65,000</b>
<b>DONATION</b>					
210-5-6428-06-6990	Senior Ctr for Transport	-	-	-	17,000
	<b>Total Donation</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17,000</b>
<b>GRAND TOTAL</b>		<b>\$ 300,146</b>	<b>\$ 304,811</b>	<b>\$ 335,600</b>	<b>\$ 450,000</b>



## ECONOMIC DEVELOPMENT DIVISION

### 2017/18 Accomplishments

- Helped find new members for the Industrial Development Authority of the Town of Payson
- Continued to promote and nurture the Economic Development Advisory Consortium (EDAC) to monitor progress on the implementation of the Greater Payson Area Economic Development Strategy
- Successfully completed the Urban Land Institute Technical Assistance Panel with guidance from top professionals in multiple facets of development to foster the growth of Payson’s Town Center
- Partnered with Gila Community College, and Payson Unified School District (PUSD) to create a Workforce development program for training in HVAC, Welding and Construction
- Made great progress on establishing reliable, redundant internet through collaboration with the Broadband Consortium

### 2018/19 Objectives

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

- Continue to create and retain high-quality jobs focusing on key business sectors
- Continue to implement Greater Payson Area Economic Development Strategic Plan
- Foster an environment for entrepreneurial growth, and facilitate retention and expansion of small businesses
- Actively promote Payson through AZ Association for Economic Development (AAED) by serving on board of directors
- Continue recruitment and attraction efforts to expand the Town’s revenue base
- Establish retention and expansion programming to support local businesses
- Continue to act as Town liaison for local business organizations and an ombudsman for development projects

### Economic Development Division Budget Change

Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Salaries & Wages	68,596	72,400	5.5%	75,300	4.0%
Personnel Benefits	16,232	17,600	8.4%	19,000	8.0%
Supplies	1,243	12,000	865.4%	17,500	45.8%
Other Services & Charges	41,107	79,300	92.9%	67,000	-15.5%
<b>Total Economic Development</b>	<b>\$ 127,178</b>	<b>\$ 181,300</b>	<b>42.6%</b>	<b>\$ 178,800</b>	<b>-1.4%</b>

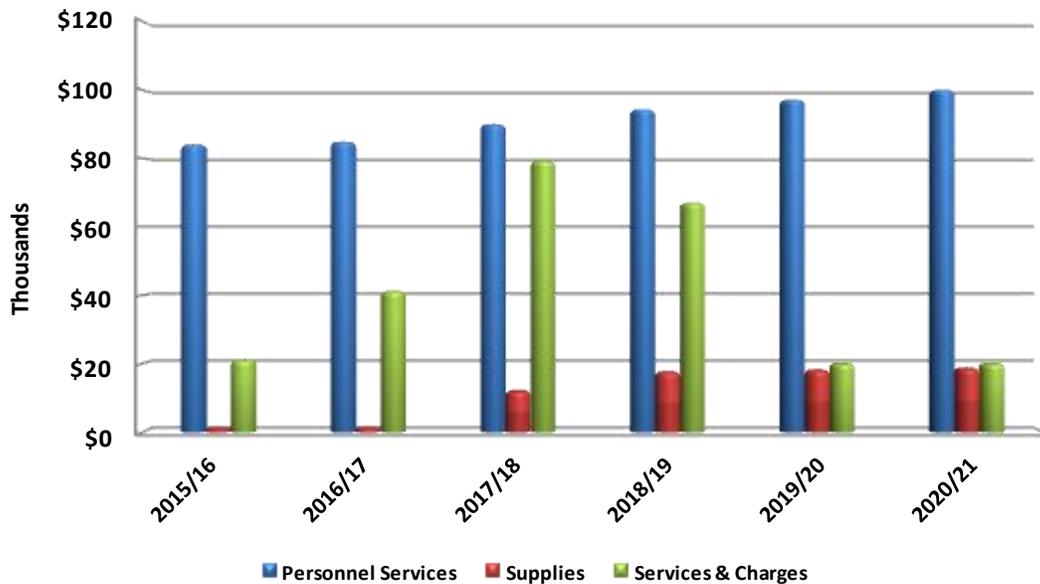
**Significant Budget Changes:**

- FY16/17 Supplies—reflects increase in memberships/dues/subscriptions
- FY16/17 & FY17/18 Services—reflects fluctuation in grant funding
- FY17/18 Supplies—line item added for promotional event expense
- FY18/19 Supplies & Services—changes include increase in promotional supplies & decrease from an anticipated one-time project from FY17/18



### Economic Development Division Budget Analysis Historic & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Personnel Services	84,090	84,828	90,000	94,300	97,129	100,043
Supplies	1,105	1,243	12,000	17,500	18,025	18,566
Services & Charges	21,031	41,107	79,300	67,000	20,000	20,000
<b>Total Economic Dev</b>	<b>\$ 106,226</b>	<b>\$ 127,178</b>	<b>\$ 181,300</b>	<b>\$ 178,800</b>	<b>\$ 135,154</b>	<b>\$ 138,609</b>





**ECONOMIC DEVELOPMENT**

		<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
		<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>PROPOSED</b>
<b>SALARIES &amp; WAGES</b>					
101-5-6428-02-5001	Salaries & Wages Full Time	67,437	68,596	72,400	75,300
	Total Salaries & Wages	67,437	68,596	72,400	75,300
<b>PERSONNEL BENEFITS</b>					
101-5-6428-02-5501	FICA	5,156	5,245	5,500	5,800
101-5-6428-02-5504	Retirement	7,654	7,779	8,200	8,800
101-5-6428-02-5700	Insurance Benefit	58	60	100	100
101-5-6428-02-5701	Disability Insurance	81	96	100	100
101-5-6428-02-5800	Workers Compensation Ins	3,703	3,052	3,700	4,200
		16,652	16,232	17,600	19,000
<b>SUPPLIES</b>					
101-5-6428-02-6006	Uniforms/Clothing	39	187	200	200
101-5-6428-02-6011	Small Tools / Minor Equip	383	-	500	500
101-5-6428-02-6602	Promotional Events	-	-	10,000	13,000
101-5-6428-02-6700	Membership/Dues/Subscri.	683	1,056	1,300	3,800
	Total Supplies	1,105	1,243	12,000	17,500
<b>OTHER SERVICES &amp; CHARGES</b>					
101-5-6428-02-7306	Telephone Charges	225	300	300	300
101-5-6428-02-7600	Travel	2,798	2,949	4,700	3,200
101-5-6428-02-7601	Registrations	3,287	1,852	2,000	2,000
101-5-6428-02-7900	Other Professional Services	12,566	8,986	19,300	6,000
101-5-6428-02-7907	Advertising	2,121	1,663	2,000	4,500
101-5-6428-02-7910	Printing & Binding	35	111	1,000	1,000
101-5-6428-02-7912	Grant Expense	-	25,246	50,000	50,000
	Total Other Svcs & Charges	21,032	41,107	79,300	67,000
<b>GRAND TOTAL</b>		<b>\$ 106,226</b>	<b>\$ 127,178</b>	<b>\$ 181,300</b>	<b>\$ 178,800</b>



# HOUSING DIVISION

## 2017/18 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 guidelines
- Completed one rehabilitation project for income-qualified homeowner
- Assisted with low-income housing inquiries and researched available programs and aid
- Attended Arizona Housing Forum
- Collaborated with State of Arizona Housing Department to implement Federal and State initiatives in Payson
- Explored feasibility options of community needs outside rehabilitation projects
- Attend inter-agency meetings to promote Town programs and to gain knowledge of available assistance and opportunities for community members

## 2018/19 Objectives

### 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
- Assist with low-income housing inquiries and research available programs and aid and direct citizens to the proper areas for assistance
- Attended Arizona Housing Forum to further education on CDBG projects and program administration
- Continue to partner with State of Arizona Housing Department to implement Federal and State initiatives in Payson
- Continue to attend inter-agency meetings to work with local agencies to learn about what they can offer and how the Town can assist

### Housing Division Budget Change

Description	2016/17 Actual	2017/18 Adopted	%	2018/19 Proposed	%
			Change		Change
Other Services & Charges	148,042	200,000	35.1%	49,000	-75.5%
Capital	-	-	0.0%	217,000	100.0%
<b>Total Housing</b>	<b>\$ 148,042</b>	<b>\$ 200,000</b>	<b>35.1%</b>	<b>\$ 266,000</b>	<b>33.0%</b>

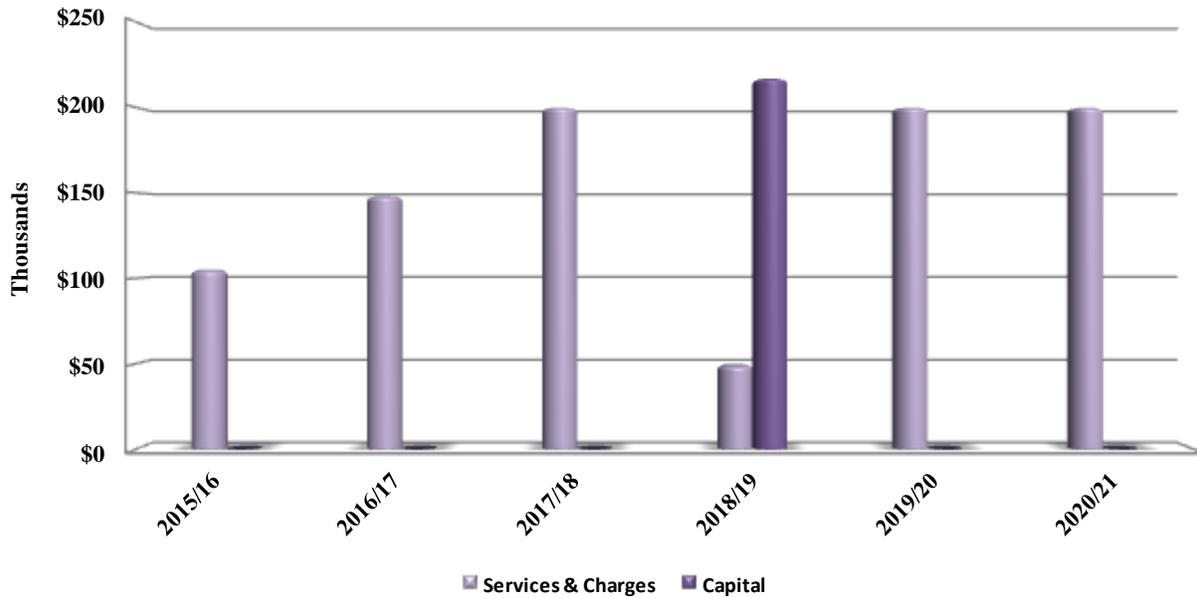
#### Significant Budget Changes:

- FY17/18 Services—additional grant funds for projects
- FY18/19 Services—increase in grant funds for various projects



### Housing Division Budget Analysis Historic & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Services & Charges	104,835	148,042	200,000	49,000	200,000	200,000
Capital	-	-	-	217,000	-	-
<b>Total Housing</b>	<b>\$ 104,835</b>	<b>\$ 148,042</b>	<b>\$ 200,000</b>	<b>\$ 266,000</b>	<b>\$ 200,000</b>	<b>\$ 200,000</b>



ANNUAL BUDGET

PLANNING & DEVELOPMENT

**AFFORDABLE HOUSING**

		2015/16 ACTUAL	2016/17 ACTUAL	2017/18 ADOPTED	2018/19 PROPOSED
<b>OTHER SERVICES &amp; CHARGES</b>					
403-5-6428-21-7913	Housing Exp 2010	-	-	-	-
403-5-6428-22-7913	CDBG Housing 2014-16	104,835	147,883	-	-
403-5-6428-22-7914	CDBG Housing 2017-19	-	159	200,000	49,000
	<b>Total Other Svcs &amp; Charges</b>	<b>104,835</b>	<b>148,042</b>	<b>200,000</b>	<b>49,000</b>
<b>CAPITAL</b>					
403-5-6428-22-8780	Building	-	-	-	217,000
	<b>Total Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>217,000</b>
<b>GRAND TOTAL</b>		<b>\$ 104,835</b>	<b>\$ 148,042</b>	<b>\$ 200,000</b>	<b>\$ 266,000</b>



## LIBRARY DEPARTMENT

### Mission

The Payson Library's mission is to provide excellent customer service and information in a variety of formats. Its collection affords the opportunity to educate, inform, enrich, entertain, and inspire. Libraries are an investment in a more literate, productive, and globally competitive nation.

### 2017/18 Accomplishments

- May 2017 Payson Library was notified that it would be awarded a new LSTA grant in the amount of \$15,000 to create a teen/tween technology space within the library. In the 2017/2018 fiscal year that teen technology space became a reality. The space opened in May 2018 with a celebration attended by the Mayor of Payson, Secretary of State, and about 30 tweens/teens. With six fast gaming computers, an Xbox One & Nintendo Switch, the room has been very popular this summer, bringing in tweens and teens in numbers we have never seen.
- The library coordinated nearly 400 programs, outreaches, and events. This year there were Story Times, STEM focused youth programs, Lego building days, adult coloring and craft hours, evening movies, Ukulele club, basic computer use workshops, early literacy trainings for parents, eBook training, lectures on topics of interest, and various outreach presentations. In the month of June alone, we ran 49 programs from the library for patrons of all ages. 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.
- As the largest and most heavily used library in Gila County, the Payson Public Library works closely with the Gila County Library District to ensure that a professional standard of service is available county wide. We participate in countywide library meetings, confer with district staff, share books through our library loan process, and help with selection of eBook titles that are available county wide. The Payson Public library continues to answer more reference questions, circulate more materials, and host more programs than any other library within the county.
- The Gila County Library District migrated from one ILS vendor to another. This transition was challenging in several ways, but all data has successfully transferred over and the new system is online and working. We will continue to train patrons in use of the patron library interface and work through the bugs.
- The library replaced another HVAC condensing unit. A large, long broken window, on the south end of the building, was finally replaced as well.

### 2018/19 Objectives

#### 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. The grant funds that have been awarded will be used as described in the applications to promote library service to the community.

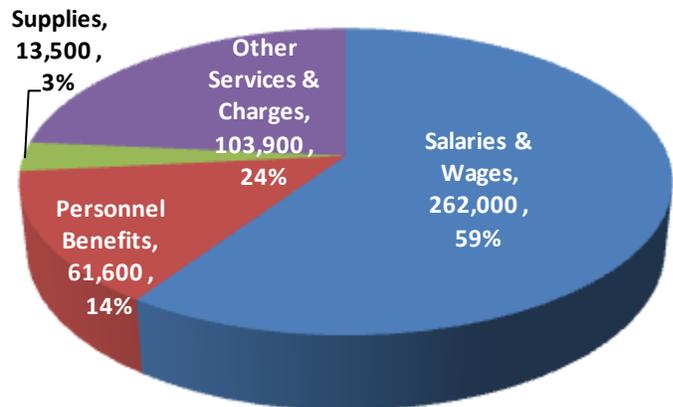
#### KRA 5: NEIGHBORHOODS & LIVABILITY / KRA 7: THE PAYSON TEAM

- Important building projects like replacement of carpet, maintenance of aging HVAC systems, required inspections and other needs will be addressed as they arrive in a timely manner. The Payson Library is a beautiful building that our community is proud of and we'd like to make it as well kept and functional as possible.
- Library staff will provide quality programs to patrons of varying ages. This will include programs provided in partnership with local schools and organizations. The Library will continue to work with Gila County Library District administration and our in-network libraries towards the common goal of providing a positive and cohesive patron service.
- The Payson Library will continue to develop new technology strategies to meet the ever-increasing demands of the public for fast always available connectivity. We will also focus on improving computer literacy amongst our patronage, so that they can benefit from the connectivity that we provide.

### Position Summary

	2017/18	2018/19
Library Director	1.0	1.0
Assistant Librarian	1.0	1.0
Library Clerk	4.0	4.0
Library Page	0.5	0.5
<b>Total Positions</b>	<b>6.5</b>	<b>6.5</b>

### 2018/19 Proposed Expenditures



### Library Department Budget Change

Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Salaries & Wages	224,324	241,100	7.5%	262,000	8.7%
Personnel Benefits	51,751	58,500	13.0%	61,600	5.3%
Supplies	12,473	13,500	8.2%	13,500	0.0%
Other Services & Charges	72,751	115,200	58.3%	103,900	-9.8%
<b>Total Library</b>	<b>\$ 361,299</b>	<b>\$ 428,300</b>	<b>18.5%</b>	<b>\$ 441,000</b>	<b>3.0%</b>

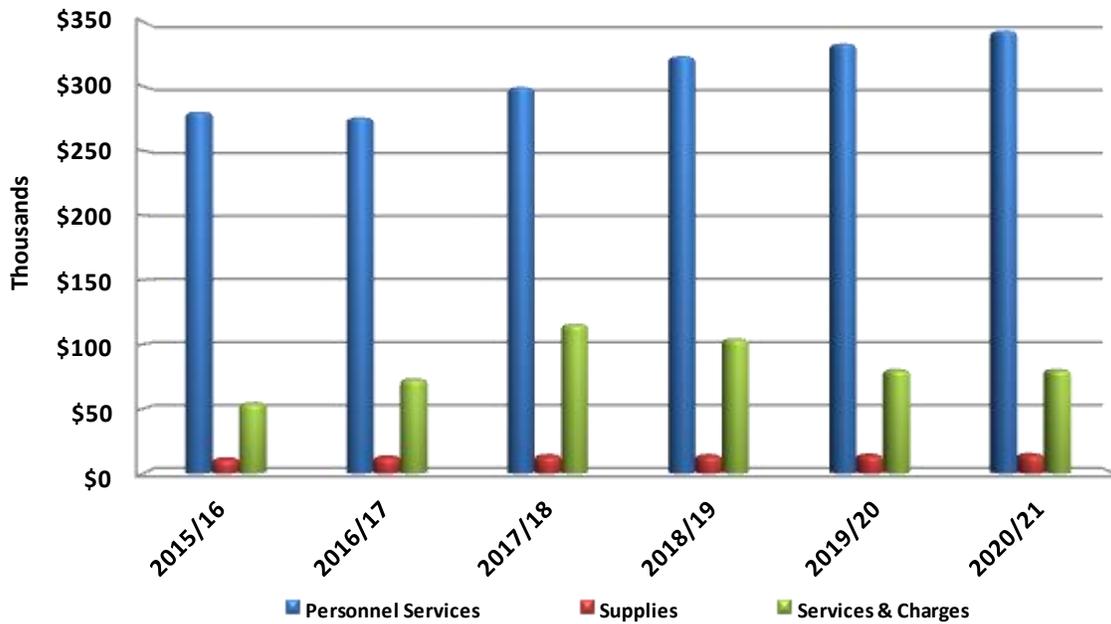
#### Significant Budget Changes:

- 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
- FY18/19 Services—carpet replacement



### Library Department Budget Analysis Historic & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Personnel Services	280,522	276,075	299,600	323,600	333,308	343,307
Supplies	11,047	12,473	13,500	13,500	13,905	14,322
Services & Charges	54,081	72,751	115,200	103,900	80,000	80,000
<b>Total Library</b>	<b>\$ 345,651</b>	<b>\$ 361,299</b>	<b>\$ 428,300</b>	<b>\$ 441,000</b>	<b>\$ 427,213</b>	<b>\$ 437,629</b>





ANNUAL BUDGET

LIBRARY

**LIBRARY**

		2015/16	2016/17	2017/18	2018/19
		ACTUAL	ACTUAL	ADOPTED	PROPOSED
<b>SALARIES &amp; WAGES</b>					
224-5-4461-00-5001	Full Time Employees	141,913	154,824	168,700	177,300
224-5-4461-00-5002	Part Time Employees	87,054	69,500	72,400	84,700
	<b>Total Salaries &amp; Wages</b>	<b>228,967</b>	<b>224,324</b>	<b>241,100</b>	<b>262,000</b>
<b>PERSONNEL BENEFITS</b>					
224-5-4461-00-5501	FICA	17,154	16,713	18,500	20,000
224-5-4461-00-5504	Retirement	22,989	22,406	24,800	26,300
224-5-4461-00-5700	Health/Life Insurance	7,081	9,460	10,700	11,300
224-5-4461-00-5701	Disability Insurance	244	277	400	400
224-5-4461-00-5800	Workers Comp Insurance	4,087	2,895	4,100	3,600
	<b>Total Personnel Benefits</b>	<b>51,555</b>	<b>51,751</b>	<b>58,500</b>	<b>61,600</b>
<b>SUPPLIES</b>					
224-5-4461-00-6001	Office Supplies	3,425	4,260	4,500	4,500
224-5-4461-00-6003	Cleaning/Sanitary Supplies	1,841	1,858	2,000	2,000
224-5-4461-00-6013	Computer Equip/ Supplies	1,979	1,699	2,000	2,000
224-5-4461-00-6201	Building R&M	696	1,403	1,500	1,500
224-5-4461-00-6700	Dues & Memberships	3,106	3,254	3,500	3,500
	<b>Total Supplies</b>	<b>11,047</b>	<b>12,474</b>	<b>13,500</b>	<b>13,500</b>
<b>OTHER SERVICES &amp; CHARGES</b>					
224-5-4461-00-7300	Electricity	34,148	32,182	32,000	32,000
224-5-4461-00-7302	Water	1,818	2,030	2,000	2,500
224-5-4461-00-7304	Sewage	590	590	600	500
224-5-4461-00-7305	Refuse Disposal	324	324	500	500
224-5-4461-00-7306	Telephone	2,391	1,693	2,500	2,000
224-5-4461-00-7307	Postage	1,539	1,257	2,000	1,500
224-5-4461-00-7401	R&M Building	11,859	32,636	63,900	53,000
224-5-4461-00-7502	Lease-Equipment	1,396	1,341	1,400	1,400
224-5-4461-00-7600	Travel Expenses	-	-	-	200
224-5-4461-00-7900	Other Professional Services	-	102	9,600	9,600
224-5-4461-00-7910	Printing & Binding	15	596	700	700
	<b>Total Other Svcs &amp; Charges</b>	<b>54,080</b>	<b>72,751</b>	<b>115,200</b>	<b>103,900</b>
<b>GRAND TOTAL</b>		<b>\$ 345,649</b>	<b>\$ 361,300</b>	<b>\$ 428,300</b>	<b>\$ 441,000</b>



# PARKS, RECREATION, TOURISM DEPARTMENT

## Mission

The mission of the Payson Parks, Recreation & Tourism (PRT) Department is to provide for the health, inspiration and recreational opportunities for the people of Payson through the creation and maintenance of high quality programs, facilities and community special events. In addition, the department will develop outdoor recreational programs that invite tourists and promote existing attractions & special events to increase the overall economic and social vitality of our community.

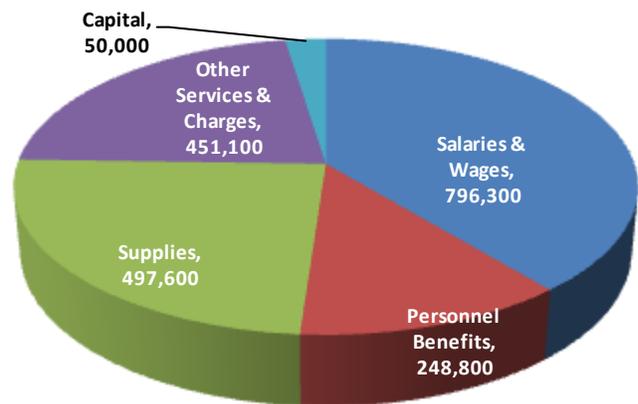
## Description

Parks, Recreation & 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).

### Position Summary

	2017/18	2018/19
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	5.0	7.0
Event Center Coordinator	1.0	1.0
<b>Total Positions</b>	<b>11.0</b>	<b>13.0</b>

### 2018/19 Proposed Expenditures



### Parks, Recreation, Tourism (PRT) Department Budget Change

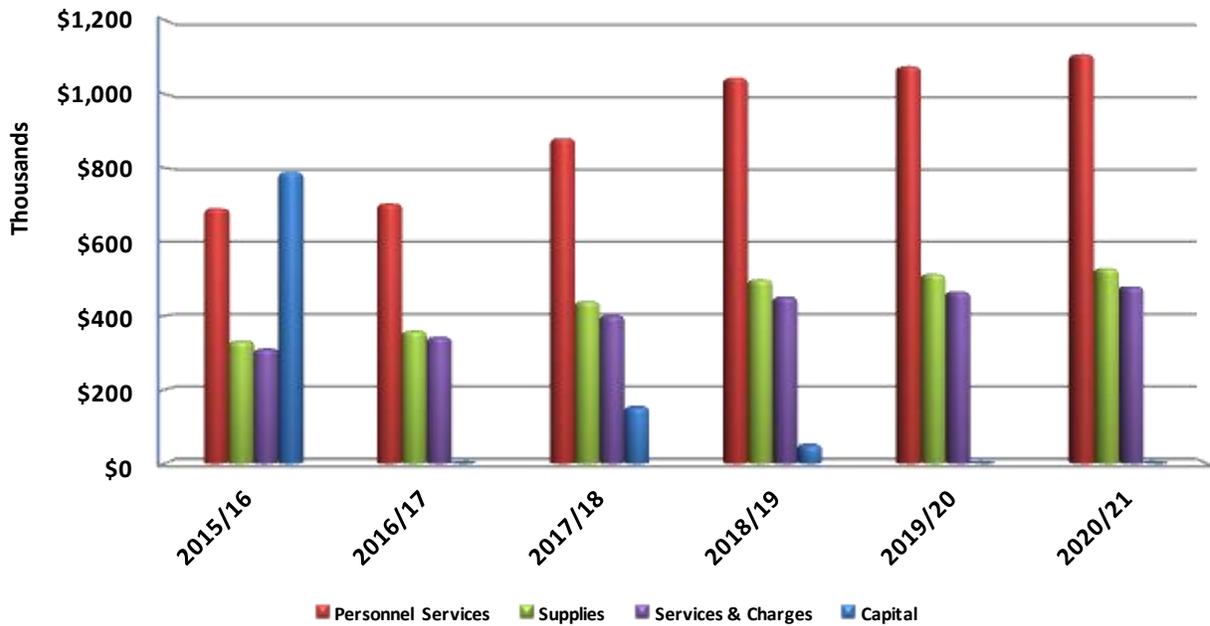
Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Salaries & Wages	558,694	677,400	21.2%	796,300	17.6%
Personnel Benefits	145,372	204,000	40.3%	248,800	22.0%
Supplies	358,285	439,000	22.5%	497,600	13.3%
Other Services & Charges	341,556	400,500	17.3%	451,100	12.6%
Capital	-	153,000	0.0%	50,000	100.0%
<b>Total PRT</b>	<b>\$ 1,403,907</b>	<b>\$ 1,873,900</b>	<b>33.5%</b>	<b>\$ 2,043,800</b>	<b>9.1%</b>

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



## Parks, Recreation, Tourism Department Budget Analysis Historic & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Personnel Services	690,801	704,066	881,400	1,045,100	1,076,453	1,108,747
Supplies	331,000	358,285	439,000	497,600	512,528	527,904
Services & Charges	309,558	341,556	400,500	451,100	464,633	478,572
Capital	789,189	-	153,000	50,000	-	-
<b>Total PRT</b>	<b>\$ 2,120,548</b>	<b>\$ 1,403,907</b>	<b>\$ 1,873,900</b>	<b>\$ 2,043,800</b>	<b>\$ 2,053,614</b>	<b>\$ 2,115,222</b>





## PARKS, REC., TOURISM DEPT – Tourism Division

### 2017/18 Accomplishments

- Launched 52 Weeks of Adventure via Adventure Payson Facebook page highlighting adventures in our community weekly, while teaming with local business to donate giveaway prizes to highlight adventures/events.
- Deadline reached for the Passport to Adventure app game. All participants were placed in a final drawing to select an overall winner of the game (more points/adventures you completed, the more entries you received to win). Allowed advertising to local adventures with a printed book highlighting over 70 Rim Country attractions.
- Conducted the 6th Annual Mogollon Monster Mudda. The race drew a record high number of individual participants in the Mudda, and overall with the Police vs. Fire race and the Kidz Mudda.
- Introduced the Mogollon Monster Mudda more frequently in campaigns and advertisements to develop recognition and other avenues for marketing.
- Hosted 3 softball tournaments for a variety of organizations - 6th Annual NSA End of Summer Madness Softball Tournament (20 teams - 2 day tournament, teams from AZ, NM, NV), USA AZ B State Softball Championships (38 teams - 3 day tournament, teams from AZ & NM), Senior Softball Classic (9 teams participating from the state of AZ - 3 day tournament)
- Granted the bid to host the 12A Western National Softball Tournament in 2019 - 4 day projected National tournament to draw teams from the western region.
- Continued participation in Wild West Bass Trail Championship and hosted the final weigh in at Green Valley Park - which brings national exposure through TV broadcasts and promotions.
- Continued to develop marketing and promotion outside of Payson
- Continued to enhance special events, and draw events to fully utilize the Payson Multi-Event Center.

### 2018/19 Objectives

#### KRA 2: FINANCIAL EXCELLENCE

- Track Tourism Budget to quantify promotional events budget and cost per event and other marketing campaigns

#### KRA 3: INFRASTRUCTURE

- Organize facilities for better use of space and operation

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

#### KRA 4: INNOVATION & EFFICIENCY

#### KRA 5: NEIGHBORHOODS & LIVABILITY / KRA 6: SOCIAL SERVICES

- Further develop Adventure Where We Live to encompass the community
- Get community involvement in Town events through local business and organizations participation
- Find marketing avenues and build relationships
- Continue current events and further elevate for new and continued participations.
- Focus on opportunities to promote Payson as a healthy community and present opportunities for all to participate. Key in on specific trends and community needs to



gauge direction of programs & events

- Promotional emphasis on recreational programs, Taylor Pool, specialty programs, tournaments, and other offerings outside of special events to inform community and potential visitors
- Focus on holiday specific opportunities for additional programs and family centered events - low cost participation for all community members
- Collaborate with staff to brainstorm ideas on events and potential avenues for events/programs
- Focus and promote Payson Area Trails programs

**KRA 7: THE PAYSON TEAM**

- Include staff in events to become more recognizable as a department
- Collaborate with staff to brainstorm ideas for new events and programs
- Work with other departments to better utilize promotional budgets
- Work with other departments and Town entities to produce safe and functional events

**KRA 9: SUSTAINABILITY**

- Create an outline for processes which can be sustained and continue to evolve with different trends/events/programs

**KRA 10: TECHNOLOGY**

- Embrace social mediums and create a more interactive presence

**Tourism Division Budget Change**

Description	2016/17	2017/18	%	2018/19	%
	Actual	Adopted	Change	Proposed	Change
Salaries & Wages	91,395	96,000	5.0%	55,000	-42.7%
Personnel Benefits	25,484	27,400	7.5%	20,100	-26.6%
Supplies	93,014	126,500	36.0%	126,500	0.0%
Other Services & Charges	7,463	55,900	649.0%	45,800	-18.1%
<b>Total Tourism</b>	<b>\$ 217,356</b>	<b>\$ 305,800</b>	<b>40.7%</b>	<b>\$ 247,400</b>	<b>-19.1%</b>

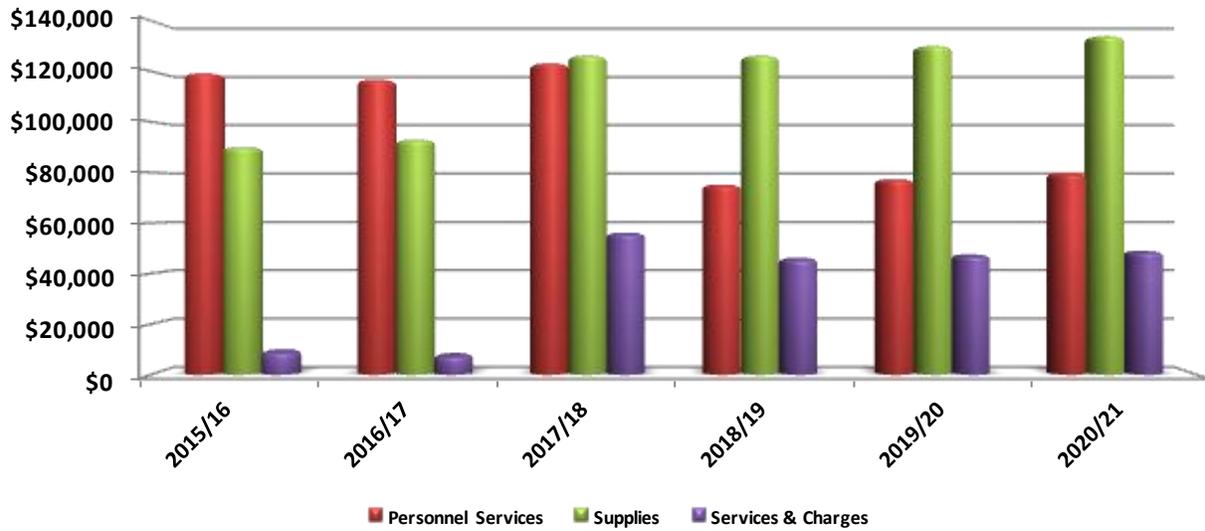
**Significant Budget Changes:**

- FY16/17 Services—increased use of social media as a method of advertising caused a reduction in overall advertising budget
- FY17/18 Supplies—includes increased funding for promotional events
- FY17/18 Services—reflects contribution to the Chamber of Commerce
- FY18/19 Salaries—decrease due to change in Directors
- FY18/19 Benefits—decrease due to change in Directors, reducing pay of position
- FY18/19 Services—decrease due to moving one position to Recreation



### Tourism Division Budget Analysis Historic & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Personnel Services	119,401	116,879	123,400	75,100	77,353	79,674
Supplies	90,083	93,014	126,500	126,500	130,295	134,204
Services & Charges	9,004	7,463	55,900	45,800	47,174	48,589
<b>Total Tourism</b>	<b>\$ 218,488</b>	<b>\$ 217,356</b>	<b>\$ 305,800</b>	<b>\$ 247,400</b>	<b>\$ 254,822</b>	<b>\$ 262,467</b>





ANNUAL BUDGET

PARKS, REC & TOURISM

**TOURISM**

		2015/16	2016/17	2017/18	2018/19
		ACTUAL	ACTUAL	ADOPTED	PROPOSED
<b>SALARIES &amp; WAGES</b>					
101-5-1410-00-5001	Full Time Employees	91,246	89,081	91,000	50,000
214-5-1410-00-5003	Temporary Employees	2,654	2,314	5,000	5,000
	<b>Total Salaries &amp; Wages</b>	<b>93,900</b>	<b>91,395</b>	<b>96,000</b>	<b>55,000</b>
<b>PERSONNEL BENEFITS</b>					
101-5-1410-00-5501	FICA	6,597	6,468	7,000	3,800
214-5-1410-00-5501	FICA	203	177	400	400
101-5-1410-00-5504	Retirement	10,356	10,102	10,300	5,800
101-5-1410-00-5700	Health/Life Insurance	7,607	8,118	9,100	9,700
101-5-1410-00-5701	Disability Insurance	110	125	200	100
214-5-1410-00-5701	Disability Insurance	-	-	-	-
101-5-1410-00-5800	Workers Comp Insurance	628	494	400	300
	<b>Total Personnel Benefits</b>	<b>25,501</b>	<b>25,484</b>	<b>27,400</b>	<b>20,100</b>
<b>SUPPLIES</b>					
101-5-1410-00-6011	Small Tools & Minor Equipment	284	1,298	1,500	1,500
101-5-1410-00-6602	Promotional Supplies	451	27	-	-
214-5-1410-00-6602	Promotional Events	89,348	91,690	125,000	125,000
	<b>Total Supplies</b>	<b>90,083</b>	<b>93,015</b>	<b>126,500</b>	<b>126,500</b>
<b>OTHER SERVICES &amp; CHARGES</b>					
101-5-1410-00-7306	Telephone	788	723	800	800
101-5-1410-00-7307	Postage/Freight	6	25	100	100
101-5-1410-00-7600	Travel Expenses	-	224	2,000	2,000
101-5-1410-00-7601	Registrations	-	400	500	400
101-5-1410-00-7900	Other Professional Services	2,323	2,000	1,500	1,500
101-5-1410-00-7907	Advertising	5,886	4,090	5,000	5,000
101-5-1410-00-7910	Printing & Binding	-	-	-	-
214-5-1410-00-7990	Contributions to Other Agencies	-	-	46,000	36,000
	<b>Total Other Svcs &amp; Charges</b>	<b>9,003</b>	<b>7,462</b>	<b>55,900</b>	<b>45,800</b>
<b>GRAND TOTAL</b>		<b>\$ 218,487</b>	<b>\$ 217,356</b>	<b>\$ 305,800</b>	<b>\$ 247,400</b>



## PARKS, REC., TOURISM DEPT – Recreation Divisions

### 2017/18 Accomplishments

- Continued relationship with USSSA to bring weekend baseball tournaments to Payson
- Continued to increase or maintain participation rates in all programs
- Continued to effectively track staff and program budgets to ensure cost efficiency
- Cultivated and maintained a group of temporary/part-time staff extending from Recreation Leaders, Sport Officials, and Field Prep crews
- Maintained and grew relationships with middle and high school coaches to offer partnered sport camps
- Offered USA/ASA and NSA softball tournaments (continued to be site of B State Championship)
- Maintained relations with senior softball group to continue in offering the Senior Softball Classic
- Increased participation in summer basketball camp to 70 campers
- Secured Payson as the host of the 2019 12A Western National Tournament

### 2018/19 Objectives

#### KRA 2: FINANCIAL EXCELLENCE

- Track programs on financial efficiency

#### KRA 4: INNOVATION & EFFICIENCY / KRA 5: NEIGHBORHOODS & LIVABILITY

#### KRA 6: SOCIAL SERVICES

- Further develop league rules
- Better tracking of inventory and storage space
- Continue to improve the coaches meeting/training process for obtaining volunteer coaches
- Build on already existing participants and programs to continue growth
- Develop relationship with schools to incorporate PE program activities to do with upcoming sport and location at the Park
- Grow skills competitions
- Focus on theme "National" days
- Provide open gym, field nights and games
- Improve and find other marketing avenues
- Evaluate summer programs and seasonal offering timeframes
- Introduce kickball nights or tournaments
- Partner with local business for tournaments and fun park days/nights

#### KRA 7: THE PAYSON TEAM

- Build and train officiating staff
- Develop interactive relations with participants with the department



### Recreation Admin Division Budget Change

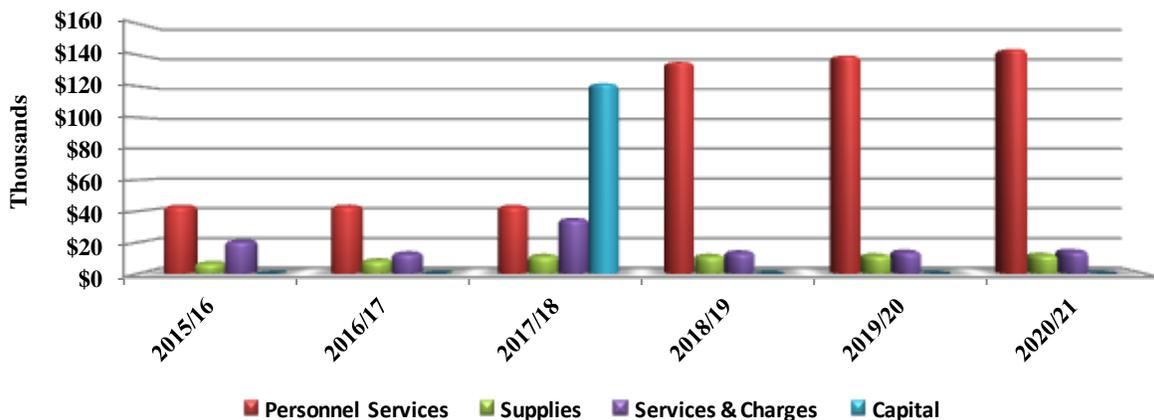
Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Salaries & Wages	35,052	36,300	3.6%	110,700	205.0%
Personnel Benefits	8,470	7,100	-16.2%	25,100	253.5%
Supplies	8,567	11,500	34.2%	11,500	0.0%
Other Services & Charges	13,142	34,800	164.8%	13,800	-60.3%
Capital	-	122,000	100.0%	-	-100.0%
<b>Total Rec Admin</b>	<b>\$ 65,231</b>	<b>\$ 211,700</b>	<b>224.5%</b>	<b>\$ 161,100</b>	<b>-23.9%</b>

**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
- FY18/19 Salaries & Benefits—added one position from Tourism
- FY18/19 Service—reduced from a one-time facilities maintenance fee project
- FY18/19 Capital—decrease due to no capital projects approved this period

### Recreation Admin Division Budget Analysis Historic & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Personnel Services	43,478	43,522	43,400	135,800	139,874	144,070
Supplies	6,829	8,567	11,500	11,500	11,845	12,200
Services & Charges	20,855	13,142	34,800	13,800	14,214	14,640
Capital	-	-	122,000	-	-	-
<b>Total Rec Admin</b>	<b>\$ 71,162</b>	<b>\$ 65,231</b>	<b>\$ 211,700</b>	<b>\$ 161,100</b>	<b>\$ 165,933</b>	<b>\$ 170,911</b>





ANNUAL BUDGET

PARKS, RECREATION & TOURISM

**RECREATION ADMINISTRATION**

		2015/16	2016/17	2017/18	2018/19
		ACTUAL	ACTUAL	ADOPTED	PROPOSED
<b>SALARIES &amp; WAGES</b>					
101-5-4460-00-5001	Full Time Employees	33,795	35,052	34,800	109,200
101-5-4460-00-5200	Overtime Pay	-	-	1,500	1,500
	Total Salaries & Wages	33,795	35,052	36,300	110,700
<b>PERSONNEL BENEFITS</b>					
101-5-4460-00-5501	FICA	2,322	2,518	2,800	8,500
101-5-4460-00-5504	Retirement	3,836	3,975	4,000	12,900
101-5-4460-00-5700	Health/Life Insurance	3,314	1,783	-	2,900
101-5-4460-00-5701	Disability Insurance	41	49	100	200
101-5-4460-00-5800	Workers Comp Insurance	172	145	200	600
	Total Personnel Benefits	9,685	8,470	7,100	25,100
<b>SUPPLIES</b>					
101-5-4460-00-6001	Office Supplies	3,827	4,658	4,500	4,500
101-5-4460-00-6003	Cleaning Supplies	155	132	200	200
101-5-4460-00-6006	Clothing/Uniform Reimburse	68	228	300	300
101-5-4460-00-6009	Program Supplies	-	-	-	-
101-5-4460-00-6011	Small Tools/Minor Equipment	365	1,035	2,000	2,000
101-5-4460-00-6201	R&M Supplies - Bldg	687	13	500	500
101-5-4460-00-6300	Gasoline/Fuels/Lubricants	916	1,749	2,500	2,500
101-5-4460-00-6302	R&M Supplies - Vehicle	630	631	800	800
101-5-446x-00-6700	Memberships/Dues/Subscri.	78	120	600	600
101-5-446x-00-6905	Bad Debt Expense	104	-	100	100
	Total Supplies	6,830	8,566	11,500	11,500
<b>OTHER SERVICES &amp; CHARGES</b>					
101-5-446x-00-7306	Telephone	1,444	889	900	900
101-5-446x-00-7307	Postage	-	47	100	100
206-5-4460-00-7400	R&M Grounds	-	-	22,000	-
101-5-446x-00-7401	R&M Building	8,969	264	400	400
101-5-446x-00-7502	Lease-Equipment	5,512	5,314	5,000	5,000
101-5-4460-00-7600	Travel Expense	456	375	400	400
101-5-4460-00-7601	Registration	-	-	-	1,000
101-5-4460-00-7900	Other Professional Services	-	81	-	-
101-5-4460-00-7910	Printing & Binding	4,474	6,172	6,000	6,000
	Total Other Svcs & Charges	20,855	13,142	34,800	13,800
<b>CAPITAL</b>					
101-5-4460-00-8003	Vehicle	-	-	32,000	-
101-5-4460-00-8781	Master Plan	-	-	50,000	-
210-5-4460-00-8781	Master Plan	-	-	-	-
206-5-4460-00-8783	Basketball Court Replacement	-	-	40,000	-
	Total Capital	-	-	122,000	-
<b>GRAND TOTAL</b>		\$ 71,165	\$ 65,230	\$ 211,700	\$ 161,100



### Recreation A Division Budget Change

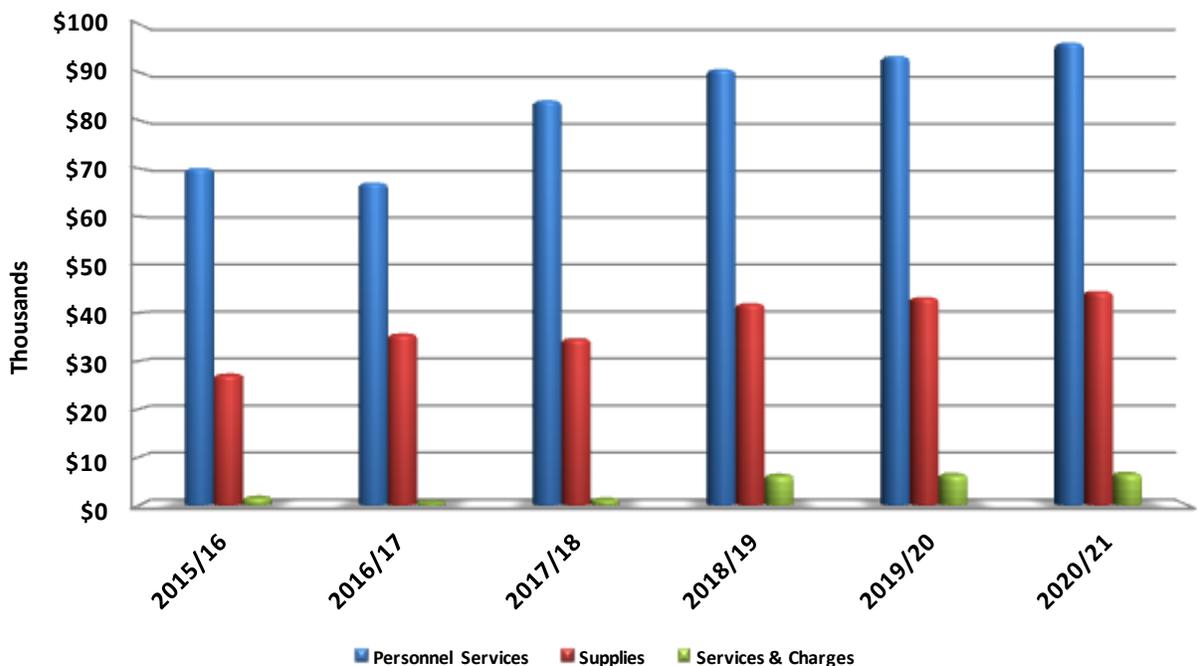
Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Salaries & Wages	52,516	65,100	24.0%	70,000	7.5%
Personnel Benefits	14,564	19,100	31.1%	20,700	8.4%
Supplies	35,580	34,600	-2.8%	41,900	21.1%
Other Services & Charges	642	1,200	86.9%	6,200	416.7%
<b>Total Rec Div A</b>	<b>\$ 103,303</b>	<b>\$ 120,000</b>	<b>16.2%</b>	<b>\$ 138,800</b>	<b>15.7%</b>

**Significant Budget Changes:**

- FY16/17 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—temporary staffing budget was increased and some overtime was added
- FY18/19 Supplies & Services—increase program supplies and service for various events, including Food Truck Festival

### Recreation A Division Budget Analysis Historic & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Personnel Services	70,119	67,080	84,200	90,700	93,421	96,224
Supplies	27,178	35,580	34,600	41,900	43,157	44,452
Services & Charges	1,584	642	1,200	6,200	6,386	6,578
<b>Total Rec Div A</b>	<b>\$ 98,880</b>	<b>\$ 103,303</b>	<b>\$ 120,000</b>	<b>\$ 138,800</b>	<b>\$ 142,964</b>	<b>\$ 147,253</b>





ANNUAL BUDGET

PARKS, RECREATION & TOURISM

**RECREATION-DIVISION A**

		<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
		<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>PROPOSED</b>
<b>SALARIES &amp; WAGES</b>					
101-5-4466-00-5001	Full Time Employees	43,308	43,508	45,600	47,900
101-5-4466-00-5003	Temporary Employees	9,985	9,008	13,000	14,100
101-5-4466-00-5200	Overtime Pay	-	-	6,500	8,000
	<b>Total Salaries &amp; Wages</b>	<b>53,293</b>	<b>52,516</b>	<b>65,100</b>	<b>70,000</b>
<b>PERSONNEL BENEFITS</b>					
101-5-4466-00-5501	FICA	3,564	3,391	5,000	5,400
101-5-4466-00-5504	Retirement	4,915	4,744	5,900	6,500
101-5-4466-00-5700	Health/Life Insurance	7,402	5,703	7,100	7,500
101-5-4466-00-5701	Disability Insurance	52	59	100	100
101-5-4466-00-5800	Workers Comp Insurance	892	669	1,000	1,200
	<b>Total Personnel Benefits</b>	<b>16,825</b>	<b>14,566</b>	<b>19,100</b>	<b>20,700</b>
<b>SUPPLIES</b>					
101-5-4466-00-6006	Clothing/Uniform	96	100	300	300
101-5-4466-00-6009	Program Supplies	27,082	35,480	34,300	41,600
	<b>Total Supplies</b>	<b>27,178</b>	<b>35,580</b>	<b>34,600</b>	<b>41,900</b>
<b>OTHER SERVICES &amp; CHARGES</b>					
101-5-4466-00-7305	Refuse Disposal	-	-	-	5,000
101-5-4466-00-7306	Telephone	691	642	700	700
101-5-446x-00-7907	Advertising	893	-	500	500
	<b>Total Other Svcs &amp; Charges</b>	<b>1,584</b>	<b>642</b>	<b>1,200</b>	<b>6,200</b>
<b>GRAND TOTAL</b>		<b>\$ 98,880</b>	<b>\$ 103,304</b>	<b>\$ 120,000</b>	<b>\$ 138,800</b>



### Recreation B Division Budget Change

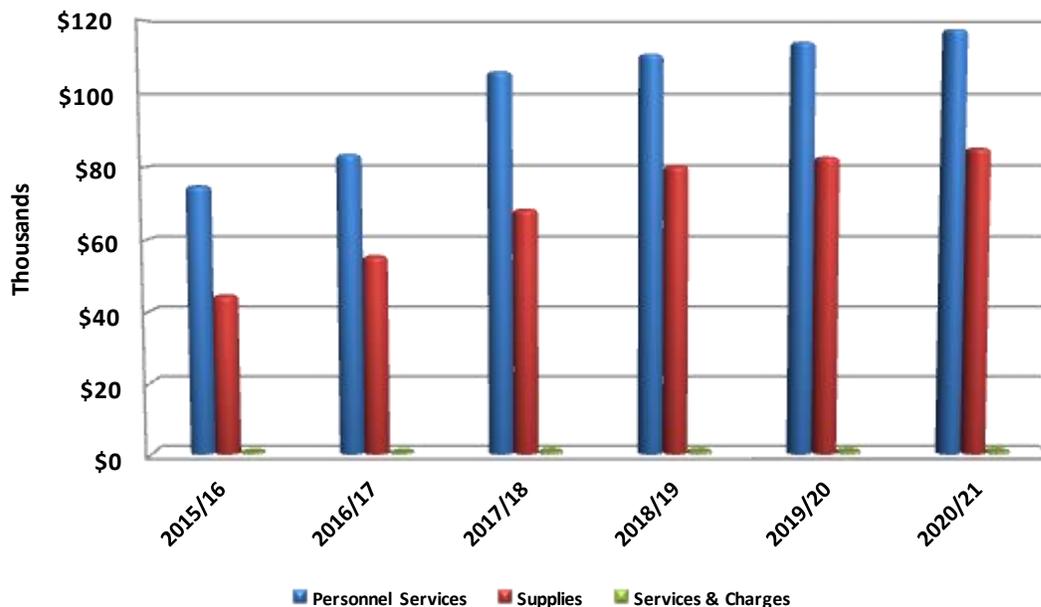
Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Salaries & Wages	69,328	88,200	27.2%	86,100	-2.4%
Personnel Benefits	14,140	18,000	27.3%	24,800	37.8%
Supplies	55,366	68,300	23.4%	80,300	17.6%
Other Services & Charges	539	800	48.4%	800	0.0%
<b>Total Rec Div B</b>	<b>\$ 139,373</b>	<b>\$ 175,300</b>	<b>25.8%</b>	<b>\$ 192,000</b>	<b>9.5%</b>

**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
- FY18/19 Benefits—projected increase in medical insurance & workers comp
- FY18/19 Supplies—increased funds for addition of new programs including a national tournament

### Recreation B Division Budget Analysis Historic & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Personnel Services	74,800	83,468	106,200	110,900	114,227	117,654
Supplies	44,380	55,366	68,300	80,300	82,709	85,190
Services & Charges	578	539	800	800	824	849
<b>Total Rec Div B</b>	<b>\$ 119,758</b>	<b>\$ 139,373</b>	<b>\$ 175,300</b>	<b>\$ 192,000</b>	<b>\$ 197,760</b>	<b>\$ 203,693</b>





ANNUAL BUDGET

PARKS, RECREATION & TOURISM

**RECREATION-DIVISION B**

		<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
		<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>PROPOSED</b>
<b>SALARIES &amp; WAGES</b>					
101-5-4467-00-5001	Full Time Employees	36,381	42,847	44,600	37,300
101-5-4467-00-5003	Temporary Employees	24,788	26,481	35,600	38,800
101-5-4467-00-5200	Overtime Pay	-	-	8,000	10,000
	<b>Total Salaries &amp; Wages</b>	<b>61,169</b>	<b>69,328</b>	<b>88,200</b>	<b>86,100</b>
<b>PERSONNEL BENEFITS</b>					
101-5-4467-00-5501	FICA	4,527	5,197	6,700	6,600
101-5-4467-00-5504	Retirement	4,194	4,896	6,000	5,500
101-5-4467-00-5700	Health/Life Insurance	3,008	2,475	2,800	9,700
101-5-4467-00-5701	Disability Insurance	44	60	100	100
101-5-4467-00-5800	Workers Comp Insurance	1,859	1,511	2,400	2,900
	<b>Total Personnel Benefits</b>	<b>13,632</b>	<b>14,139</b>	<b>18,000</b>	<b>24,800</b>
<b>SUPPLIES</b>					
101-5-4467-00-6003	Cleaning Supplies	-	79	100	100
101-5-4467-00-6005	Safety/Program Supplies	-	174	200	200
101-5-4467-00-6006	Clothing/Uniform	72	35	300	300
101-5-4467-00-6009	Program Supplies	44,309	55,078	67,700	79,700
	<b>Total Supplies</b>	<b>44,381</b>	<b>55,366</b>	<b>68,300</b>	<b>80,300</b>
<b>OTHER SERVICES &amp; CHARGES</b>					
101-5-4467-00-7306	Telephone	578	539	800	800
	<b>Total Other Svcs &amp; Charges</b>	<b>578</b>	<b>539</b>	<b>800</b>	<b>800</b>
<b>GRAND TOTAL</b>		<b>\$ 119,760</b>	<b>\$ 139,372</b>	<b>\$ 175,300</b>	<b>\$ 192,000</b>



## PARKS, REC., TOURISM DEPT – Trails Division

### 2017/18 Accomplishments

- Continued working relationships with outside organizations to provide volunteers for work days on the existing trails
- Worked with the Tonto National Forest Service and other stake holders to identify the trails plan for Payson and the immediate surrounding areas
- 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, Visitor Bureaus, State Visitors Centers, etc.
- Worked 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

### 2018/19 Objectives

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

- Increase awareness and participation of Payson Area Trails System (PATS) uses 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 Forest Service and PATS volunteers to maintain trails
- Partner with other government agencies and 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 Change

Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Salaries & Wages	1,940	5,400	178.4%	5,400	0.0%
Personnel Benefits	315	400	27.0%	400	0.0%
Supplies	-	2,900	100%	2,900	0.0%
Other Services & Charges	208	200	-3.8%	20,300	100.5%
<b>Total Trails &amp; Open Space</b>	<b>\$ 2,461</b>	<b>\$ 8,900</b>	<b>261.6%</b>	<b>\$ 29,000</b>	<b>225.8%</b>

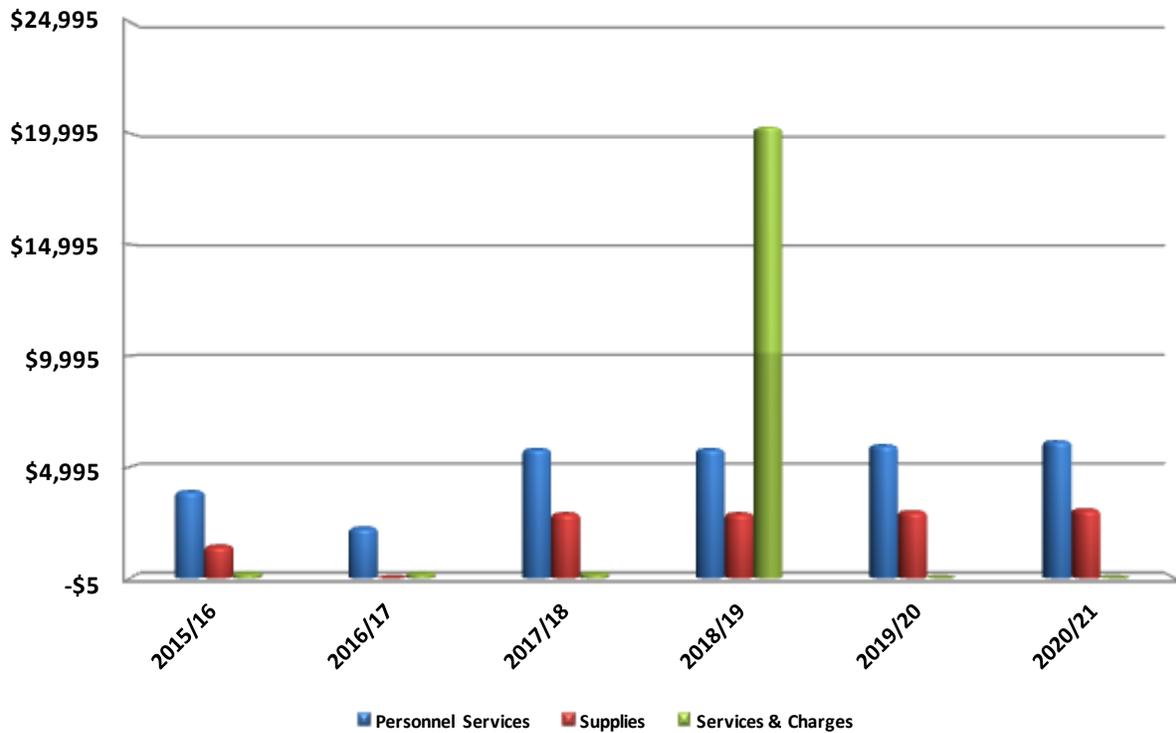
**Significant Budget Changes:**

- FY16/17—Salaries & Benefits, and Supplies—increase to support plan to revitalize trails maintenance program
- FY18/19 Services—increased budget for grant expense



### Trails Division Budget Analysis Historic & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Personnel Services	3,896	2,255	5,800	5,800	5,974	6,153
Supplies	1,437	-	2,900	2,900	2,987	3,077
Services & Charges	207	208	200	20,300	-	-
<b>Total Trails</b>	<b>\$ 5,540</b>	<b>\$ 2,461</b>	<b>\$ 8,900</b>	<b>\$ 29,000</b>	<b>\$ 8,961</b>	<b>\$ 9,230</b>





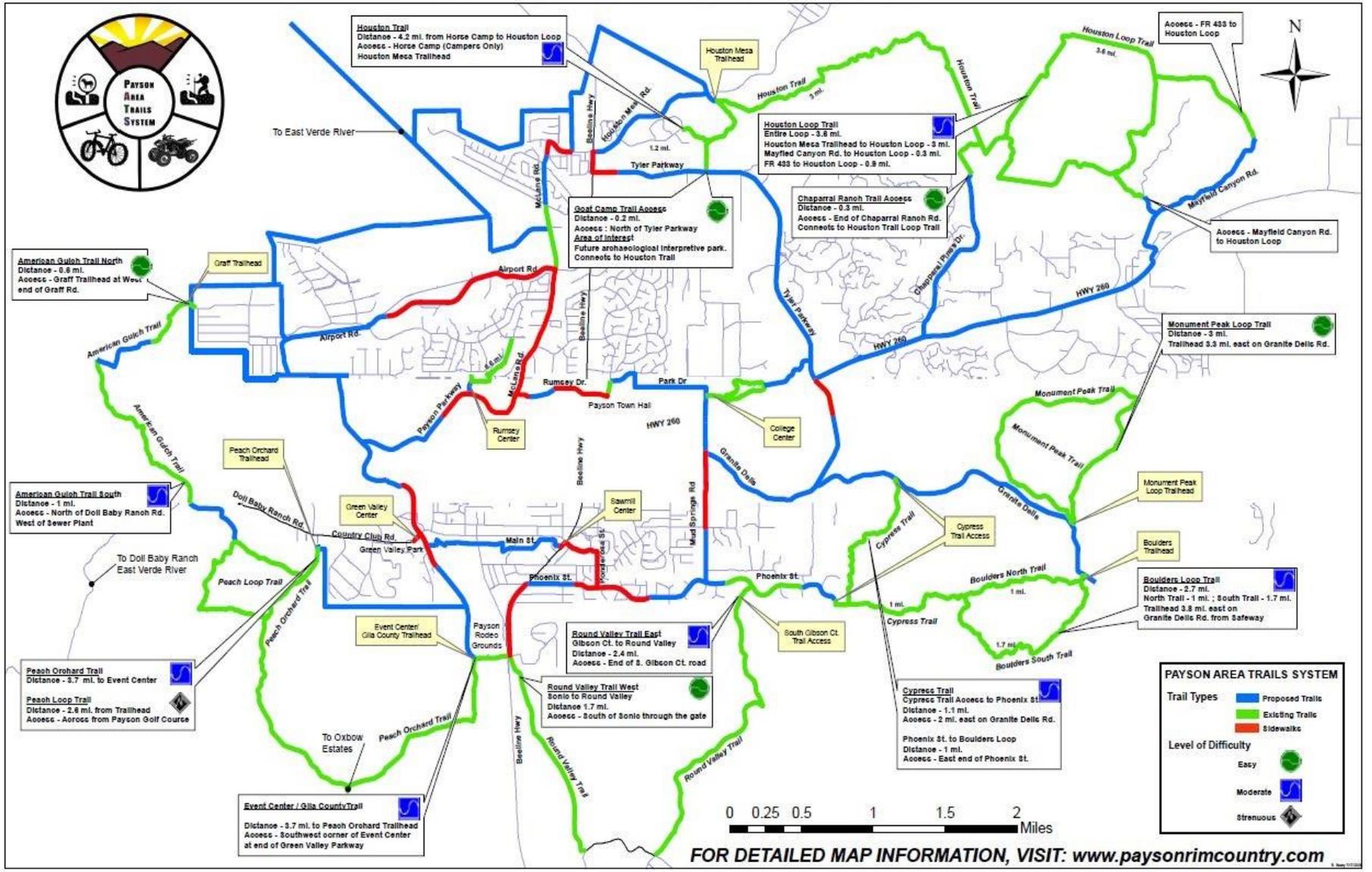
ANNUAL BUDGET

PARKS, RECREATION & TOURISM

**TRAILS & OPEN SPACE**

		<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
		<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>PROPOSED</b>
<b>SALARIES &amp; WAGES</b>					
101-5-4464-00-5003	Temporary	2,015	1,940	3,000	3,000
101-5-4464-00-5009	Contract/Instructor Pay	1,512	-	2,400	2,400
	<b>Total Salaries &amp; Wages</b>	<b>3,527</b>	<b>1,940</b>	<b>5,400</b>	<b>5,400</b>
<b>PERSONNEL BENEFITS</b>					
101-5-4464-00-5501	FICA	154	148	200	200
101-5-4464-00-5504	Retirement	70	58	-	-
101-5-4464-00-5800	Workers Comp Insurance	145	109	200	200
	<b>Total Personnel Benefits</b>	<b>369</b>	<b>315</b>	<b>400</b>	<b>400</b>
<b>SUPPLIES</b>					
101-5-4464-00-6003	Cleaning Supplies	-	-	-	-
101-5-4464-00-6006	Clothing/Uniform	50	-	-	-
101-5-4464-00-6009	Program Supplies	1,388	(2)	2,400	2,400
101-5-4464-00-6011	Small Tools/Minor Equipment	-	-	500	500
	<b>Total Supplies</b>	<b>1,438</b>	<b>(2)</b>	<b>2,900</b>	<b>2,900</b>
<b>OTHER SERVICES &amp; CHARGES</b>					
101-5-4464-00-7910	Printing & Binding	207	208	200	300
101-5-4464-00-7912	Trails Grant Expense	-	-	-	20,000
	<b>Total Other Svcs &amp; Charges</b>	<b>207</b>	<b>208</b>	<b>200</b>	<b>20,300</b>
<b>GRAND TOTAL</b>		<b>\$ 5,541</b>	<b>\$ 2,461</b>	<b>\$ 8,900</b>	<b>\$ 29,000</b>

# PAYSON AREA TRAILS SYSTEM (PATS)





## PARKS, REC., TOURISM DEPT – Event Center Division

### 2017/18 Accomplishments

- Booked Event Center with paying customers for May—October
- Hosted the AZ State High School Rodeo Finals for the 11th consecutive year
- Hosted the AZ Junior High and High School Season Opener for the 6th consecutive year
- Secured several pre-bookings for events to be held in fiscal year 2018/19
- Booked Double C Productions Team Roping
- Returned all reoccurring events from fiscal year 2016/17

### 2018/19 Objectives

#### KRA 2: FINANCIAL EXCELLENCE

- Book every available weekend with revenue generating programs from May 1st thru October 15<sup>th</sup>

#### KRA 3: INFRASTRUCTURE

- 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 and install permanent lights by stalls & warm-up arena
- Upgrade the water delivery system to deliver more water pressure for events
- Upgrades to announcer's booth, including a security/screen door and acquiring securable internal storage

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

#### KRA 4: INNOVATION & EFFICIENCY

#### KRA 6: SOCIAL SERVICES / THE PAYSON TEAM

- Continue to host the Arizona High School Finals for the 12<sup>th</sup> consecutive year
- Bring back the Southwest Indian Rodeo Association tour rodeo and possibly bring the finals
- Host the Arizona State High School and Arizona Junior High Rodeo Season Opener for the 7th consecutive year
- Bring back AZOP for 2019
- Bring QCJRA rodeo back and the SWIRA rodeo back in 2019
- Bring Double C Productions back in 2019
- Bring back RC car event for two bookings in 2019
- 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 college and/or amateur rodeo in 2019
- Work with Payson Pro Rodeo Committee to bring a Grand Canyon Pro Rodeo event to Payson
- Continue to work towards a great relationship with the Payson Pro Rodeo Committee to improve the May and August rodeos



### Event Center Division Budget Change

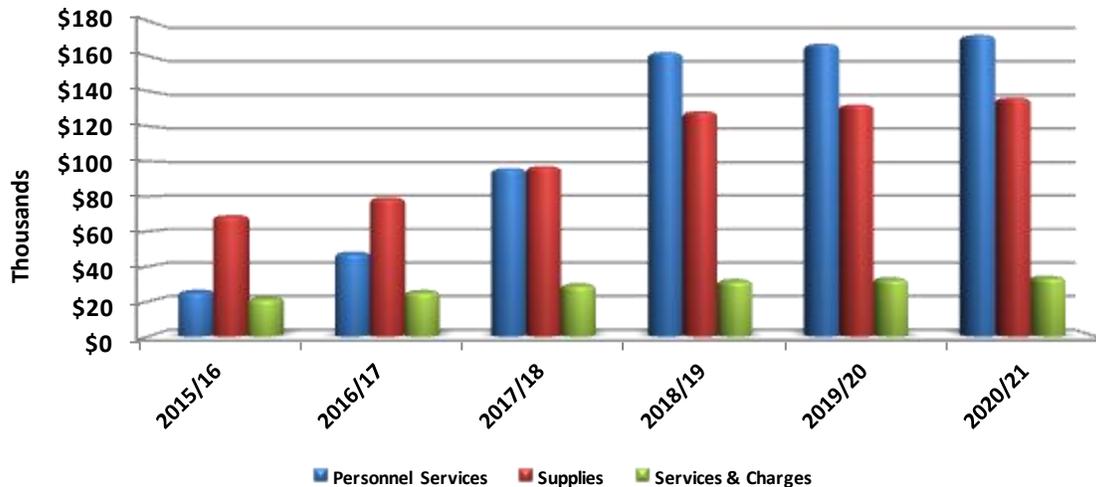
Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Salaries & Wages	40,195	72,300	79.9%	120,700	66.9%
Personnel Benefits	7,446	23,600	216.9%	41,800	77.1%
Supplies	78,966	97,000	22.8%	128,600	32.6%
Other Services & Charges	25,451	29,300	15.1%	31,800	8.5%
Capital	-	-	0.0%	-	0.0%
<b>Total Event Center</b>	<b>\$ 152,057</b>	<b>\$ 222,200</b>	<b>46.1%</b>	<b>\$ 322,900</b>	<b>45.3%</b>

**Significant Budget Changes:**

- FY16/17 Salaries & Benefits—Fluctuations caused by staffing changes
- FY17/18 Salaries & Benefits—increased staffing at facility
- FY16/17 & FY17/18 Supplies—increased for program supplies due to increased participation in events
- FY16/17 & FY17/18 Services—increased for utilities and building maintenance due to increased participation in events
- FY18/19 Salaries & Benefits—increase due to adding two positions to be shared between Parks and the Event Center
- FY18/19 Supplies—increased due to program service costs

### Event Center Division Budget Analysis Historic & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Personnel Services	25,546	47,641	95,900	162,500	167,375	172,396
Supplies	68,812	78,966	97,000	128,600	132,458	136,432
Services & Charges	21,609	25,451	29,300	31,800	32,754	33,737
Capital	55,174	-	-	-	-	-
<b>Total Event Center</b>	<b>\$ 171,141</b>	<b>\$ 152,057</b>	<b>\$ 222,200</b>	<b>\$ 322,900</b>	<b>\$ 332,587</b>	<b>\$ 342,565</b>





ANNUAL BUDGET

PARKS, RECREATION & TOURISM

**EVENT CENTER**

		<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
		<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>PROPOSED</b>
<b>SALARIES &amp; WAGES</b>					
265-5-4465-00-5001	Full Time Employees	16,462	35,924	55,300	97,600
265-5-4465-00-5003	Temporary	4,854	4,271	12,000	13,100
265-5-4465-00-5200	Overtime Pay	-	-	5,000	10,000
	<b>Total Salaries &amp; Wages</b>	<b>21,316</b>	<b>40,195</b>	<b>72,300</b>	<b>120,700</b>
<b>PERSONNEL BENEFITS</b>					
265-5-4465-00-5501	FICA	1,627	3,073	5,500	9,200
265-5-4465-00-5504	Retirement	1,835	3,901	6,900	12,500
265-5-4465-00-5700	Insurance Benefit	76	60	6,900	14,800
265-5-4465-00-5701	Disability Insurance	20	48	100	200
265-5-4465-00-5800	Workers Comp Insurance	672	364	4,200	5,100
	<b>Total Personnel Benefits</b>	<b>4,230</b>	<b>7,446</b>	<b>23,600</b>	<b>41,800</b>
<b>SUPPLIES</b>					
265-5-4465-00-6009	Program Service Costs	64,132	69,390	88,000	113,500
265-5-4465-00-6011	Small Tools/Minor Equip	-	-	-	500
265-5-4465-00-6201	R&M Supplies Buidling	1,474	6,155	8,500	9,000
265-5-4465-00-6202	R&M Supplies Other	192	2,476	-	-
265-5-4465-00-6302	R&M Supplies Vehicle	88	250	500	5,600
265-5-4465-00-6900	Other Supplies	2,926	695	-	-
265-5-4465-00-6990	Other Expense	-	-	-	-
	<b>Total Supplies</b>	<b>68,812</b>	<b>78,966</b>	<b>97,000</b>	<b>128,600</b>
<b>OTHER SERVICES &amp; CHARGES</b>					
265-5-4465-00-7300	Electricity	7,664	7,161	10,000	10,000
265-5-4465-00-7302	Water	7,562	8,831	7,500	10,000
265-5-4465-00-7304	Sewer	180	180	200	200
265-5-4465-00-7305	Refuse Disposal	3,914	4,176	5,500	5,500
265-5-4465-00-7306	Telephone	489	565	800	800
265-5-4465-00-7401	R&M Building	-	675	1,000	1,000
265-5-4465-00-7502	Lease-Equipment	1,800	2,000	3,500	3,500
265-5-4465-00-7600	Travel Expenses	-	764	800	800
265-5-4465-00-7900	Other Professional Services	-	1,100	-	-
	<b>Total Other Svcs &amp; Charges</b>	<b>21,609</b>	<b>25,452</b>	<b>29,300</b>	<b>31,800</b>
<b>CAPITAL</b>					
265-5-4465-00-8000	Building	-	-	-	-
265-5-4465-00-8004	Equipment	55,174	-	-	-
	<b>Total Capital</b>	<b>55,174</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>GRAND TOTAL</b>		<b>\$ 171,141</b>	<b>\$ 152,059</b>	<b>\$ 222,200</b>	<b>\$ 322,900</b>



## PARKS, REC., TOURISM DEPT – Aquatics Division

### 2017/18 Accomplishments

- Organized swim lessons based on past year participation numbers to gauge number of swim lesson levels to offer and in what sessions
- Hired and retained a higher number of lifeguards, and had a higher level of pass rate for the Lifeguard Certification Course
- Throughout the swim season, provided various programs, including the Payson Pikes Swim Team

### 2018/19 Objectives

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

- Focus on advertising and marketing the pool as an option for visitors
- Continue to evaluate and improve financial records for pool attendance, concession and admissions

#### KRA 2: FINANCIAL EXCELLENCE

- Monitor immediate, fixable needs that can improve the quality of the Taylor Pool

#### KRA 3: INFRASTRUCTURE

- Create specialty programs for the community to participate - family pool days, contests, movie nights, etc.

#### KRA 4: INNOVATION & EFFICIENCY

- Focus on informing the community on Taylor Pool in regards to hours of operations and programs

#### KRA 5: NEIGHBORHOODS & LIVABILITY

- Efforts to continue the operation of the pool and focus on the healthy lifestyle for the community to participate in pool programs for all demographics - swim lessons to water aerobics

#### KRA 6: SOCIAL SERVICES

- Building a more cohesive pool staff throughout the year

#### KRA 7: THE PAYSON TEAM

- Continue to offer and expand the Lifeguard Training Course to Taylor Pool guards and the community to provide our community the quality of staff to ensure safety

#### KRA 8: PUBLIC SAFETY

- Reincorporate the WSI Training for staff



### Aquatic Division Budget Change

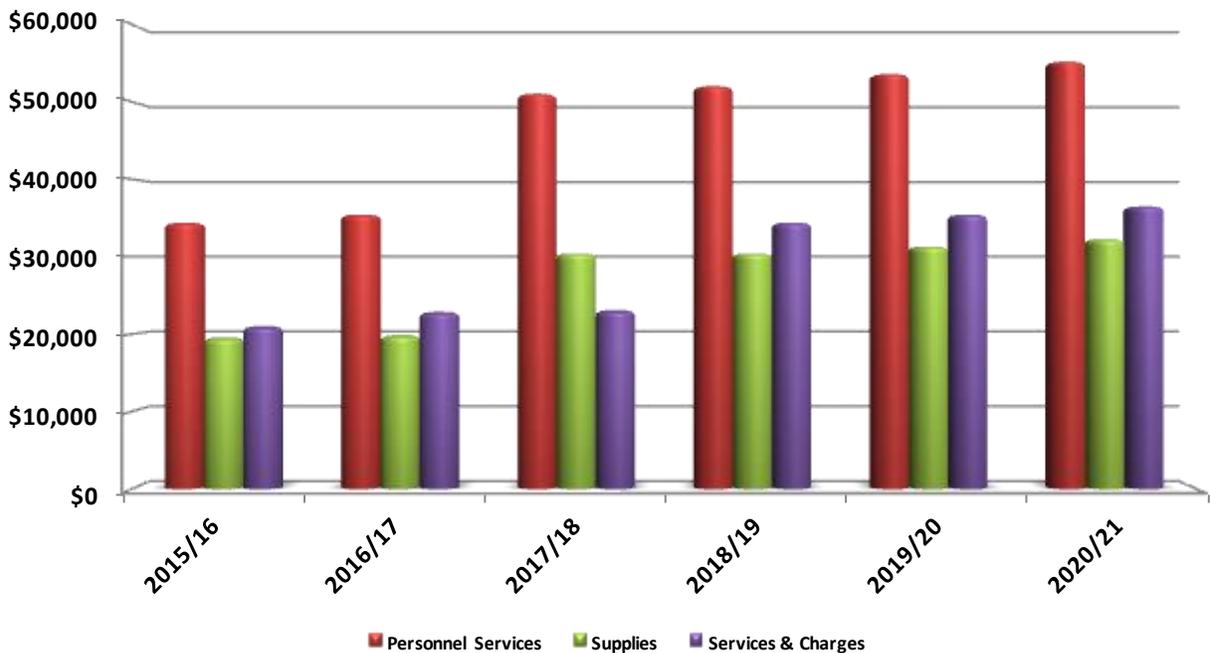
Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Salaries & Wages	31,110	45,000	44.6%	45,000	0.0%
Personnel Benefits	4,332	6,100	40.8%	7,100	16.4%
Supplies	19,730	30,400	54.1%	30,400	0.0%
Other Services & Charges	22,770	23,000	1.0%	34,400	49.6%
<b>Total Aquatics</b>	<b>\$ 77,942</b>	<b>\$ 104,500</b>	<b>34.1%</b>	<b>\$ 116,900</b>	<b>11.9%</b>

**Significant Budget Changes:**

- FY18/19 Benefits—change due to cost projected increase for FICA and Workers Comp
- FY18/19 Services—increase price change in utilities, specifically electric & water

### Aquatic Division Budget Analysis Historic & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Personnel Services	34,380	35,442	51,100	52,100	53,663	55,273
Supplies	19,429	19,730	30,400	30,400	31,312	32,251
Services & Charges	20,913	22,770	23,000	34,400	35,432	36,495
<b>Total Aquatics</b>	<b>\$ 74,721</b>	<b>\$ 77,942</b>	<b>\$ 104,500</b>	<b>\$ 116,900</b>	<b>\$ 120,407</b>	<b>\$ 124,019</b>





ANNUAL BUDGET

PARKS, RECREATION & TOURISM

**AQUATICS**

		<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
		<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>PROPOSED</b>
<b>SALARIES &amp; WAGES</b>					
101-5-4469-00-5003	Salaries & Wages - Temporary	29,995	31,110	45,000	45,000
	Total Salaries & Wages	29,995	31,110	45,000	45,000
<b>PERSONNEL BENEFITS</b>					
101-5-4469-00-5501	FICA	2,295	2,380	3,400	3,800
101-5-4469-00-5800	Workers Compensation	2,090	1,952	2,700	3,300
		4,385	4,332	6,100	7,100
<b>SUPPLIES</b>					
101-5-4469-00-6001	Office Supplies	57	34	100	100
101-5-4469-00-6003	Cleaning Supplies	51	55	400	400
101-5-4469-00-6005	Program Supplies	623	131	200	200
101-5-4469-00-6006	Uniforms/Clothing	928	1,088	1,500	1,500
101-5-4469-00-6008	Chemicals	9,868	12,620	13,000	13,000
101-5-4469-00-6009	Program Supplies	2,061	2,058	3,200	3,200
101-5-4469-00-6201	R&M Supplies Building	2,139	3,050	11,000	11,000
101-5-4469-00-6202	R&M Supplies Other	3,702	693	1,000	1,000
	Total Supplies	19,429	19,729	30,400	30,400
<b>OTHER SERVICES &amp; CHARGES</b>					
101-5-4469-00-7300	Electricity	10,551	14,229	10,000	20,000
101-5-4469-00-7301	Propane Gas	3,141	3,224	6,000	6,000
101-5-4469-00-7302	Water	2,613	2,800	2,800	4,200
101-5-4469-00-7304	Sewage	2,100	2,100	2,100	2,100
101-5-4469-00-7306	Telephone	404	418	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	135	-	-	-
	Total Other Svcs & Charges	20,913	22,771	23,000	34,400
<b>GRAND TOTAL</b>		<b>\$ 74,722</b>	<b>\$ 77,942</b>	<b>\$ 104,500</b>	<b>\$ 116,900</b>



## PARKS, REC., TOURISM DEPT – Parks Op. Division

### 2017/18 Accomplishments

- Completely refurbished the Green Valley Park playground including new accessibility improvements
- Continued improvements and development to Main Street apple orchard
- Constructed the check-in facility at Payson Event Center.
- Completed renovation and improvement of the Green Valley Park “Natural Area” drainage area including a 40x12 masonry silt/sand trap
- Collaborated with the VoAz group to develop nearly 1 mile of new beginner/moderate Biking/Hiking trail on the Rumsey Water Tower hill
- Continued refinements to GVP Irrigation system
- Replaced trash can receptacles within Green Valley Park
- Continued significant/major rebuilding and training of new Parks maintenance staff
- Accommodated hundreds of special events for both internal and external customers, user organizations, families, and sports teams

### 2018/19 Objectives

#### KRA 5: NEIGHBORHOODS & LIVABILITY

- Continue to identify aging/wear issues throughout Payson Parks properties/developed facilities, and support master planning for solutions to keep park system safe and enjoyable
- Continue rebuilding of the Parks maintenance personnel structure
- Resurface the Rumsey Tennis courts, and reconfigure one of the four for pickle ball
- Re-lamp the Rumsey Park, Rumsey 1, softball/baseball field
- Support master plan for a new/replacement aquatics facility at Rumsey Park
- Continue Concrete sidewalk replacements throughout GVP
- Continue to provide safe and enjoyable sports, recreation and open space experiences for the residents of Payson and our guests
- Move forward with boat ramp area, renovations
- Develop signage and mapping plan for Rumsey Park

#### KRA 8: PUBLIC SAFETY

- Seek funding and resources to continue “Firewise” efforts in Rumsey Park, particularly along private property borders and the Water Tower hill



### Parks Operations Division Budget Change

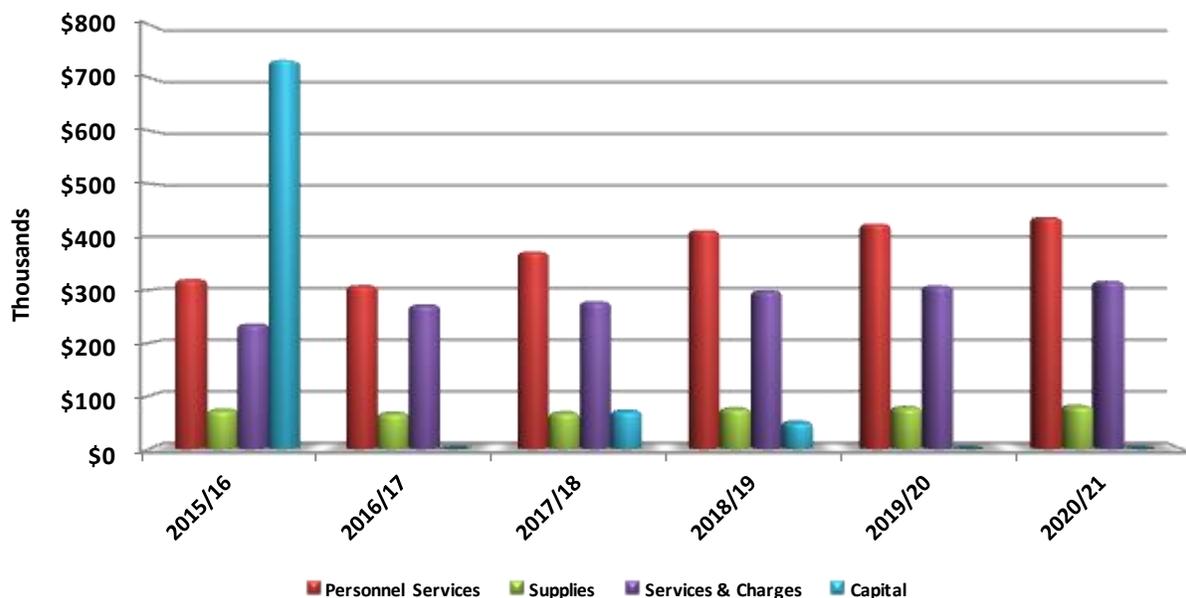
Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Salaries & Wages	237,158	269,100	13.5%	303,400	12.7%
Personnel Benefits	70,621	102,300	44.9%	108,800	6.4%
Supplies	67,064	67,800	1.1%	75,500	11.4%
Other Services & Charges	271,341	277,300	2.2%	298,000	7.5%
Capital	-	71,000	100.0%	50,000	-29.6%
<b>Total Parks Operations</b>	<b>\$ 646,183</b>	<b>\$ 787,500</b>	<b>21.9%</b>	<b>\$ 835,700</b>	<b>6.1%</b>

**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 addition of overtime pay to budget
- FY17/18 Capital—funding allotted for refurbishment of Green Valley Park playground equipment
- FY18/19 Capital—funding approved for Green Valley Maintenance Building

### Parks Operations Division Budget Analysis Historic & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Personnel Services	319,181	307,779	371,400	412,200	424,566	437,303
Supplies	72,852	67,064	67,800	75,500	77,765	80,098
Services & Charges	234,808	271,341	277,300	298,000	306,940	316,148
Capital	734,015	-	71,000	50,000	-	-
<b>Total Parks Operations</b>	<b>\$ 1,360,855</b>	<b>\$ 646,183</b>	<b>\$ 787,500</b>	<b>\$ 835,700</b>	<b>\$ 809,271</b>	<b>\$ 833,549</b>





ANNUAL BUDGET

PARKS, RECREATION & TOURISM

**PARKS OPERATIONS**

		<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
		<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>PROPOSED</b>
<b>SALARIES &amp; WAGES</b>					
101-5-3442-01-5001	Full Time Employees	217,267	209,575	226,200	252,100
101-5-3442-01-5002	Part Time Employees	25,892	27,583	42,900	42,900
101-5-3442-01-5006	Standby Pay	-	-	-	2,400
101-5-3442-01-5200	Overtime Pay	-	-	12,100	6,000
	<b>Total Salaries &amp; Wages</b>	<b>243,159</b>	<b>237,158</b>	<b>281,200</b>	<b>303,400</b>
<b>PERSONNEL BENEFITS</b>					
101-5-3442-01-5501	FICA	17,582	17,081	21,500	24,700
101-5-3442-01-5504	Retirement	24,567	22,633	27,000	29,800
101-5-3442-01-5700	Health/Life Insurance	17,644	18,388	24,200	33,700
101-5-3442-01-5701	Disability Insurance	262	279	400	400
101-5-3442-01-5800	Workers Comp Insurance	15,967	12,240	17,100	20,200
	<b>Total Personnel Benefits</b>	<b>76,022</b>	<b>70,621</b>	<b>90,200</b>	<b>108,800</b>
<b>SUPPLIES</b>					
101-5-3442-01-6001	Office Supplies	162	232	300	300
101-5-3442-01-6003	Cleaning Supplies	3,883	4,115	4,000	4,000
101-5-3442-01-6005	Safety/Program Supplies	603	287	1,500	1,500
101-5-3442-01-6006	Clothing/Uniform	1,367	1,218	1,600	2,300
101-5-3442-01-6008	Chemicals	1,508	367	1,500	1,500
101-5-3442-01-6011	Small Tools/Minor Equipment	2,263	4,204	2,000	2,000
101-5-3442-01-6014	Grounds Mtce Materials	13,359	11,823	10,500	10,500
101-5-3442-01-6016	Park Furnishings	740	-	1,000	1,000
101-5-3442-01-6201	Building Repair Materials	8,245	7,087	10,000	14,000
101-5-3442-01-6202	Other R&M Materials	20,998	14,785	12,000	15,000
101-5-3442-01-6300	Vehicle Fuels	8,808	8,801	12,000	12,000
101-5-3442-01-6302	Vehicle R&M	7,242	10,842	8,000	8,000
101-5-3442-01-6400	Shop Supplies	3,197	3,028	3,000	3,000
101-5-3442-01-6700	Dues & Memberships	478	273	400	400
	<b>Total Supplies</b>	<b>72,853</b>	<b>67,062</b>	<b>67,800</b>	<b>75,500</b>



**OTHER SERVICES & CHARGES**

101-5-3442-01-7300	Utilities Electricity	76,176	81,508	80,000	90,000
101-5-3442-01-7301	Utilities Propane Gas	1,634	1,066	1,500	1,500
101-5-3442-01-7302	Utilities Water	29,915	35,954	35,000	45,000
101-5-3442-01-7304	Utilities Sewage	5,650	5,685	6,000	4,500
101-5-3442-01-7305	Utilities Refuse Disposal	14,226	14,416	16,000	16,000
101-5-3442-01-7306	Utilities Telephone	2,303	2,247	2,000	2,900
101-5-3442-01-7307	Utilities Postage/Freight	-	-	-	-
101-5-3442-01-7400	R&M Grounds	13,651	9,130	10,000	22,000
101-5-3442-01-7401	R&M Building	2,181	3,199	3,000	8,000
101-5-3442-01-7405	R&M Vehicles	58	358	1,000	1,000
101-5-3442-01-7501	Rental of Equip & Vehicles	476	-	500	500
101-5-3442-01-7502	Leased Equipment	86,065	115,697	116,900	101,200
101-5-3442-01-7600	Travel	161	240	500	500
101-5-3442-01-7601	Registrations	1,087	990	1,400	1,400
101-5-3442-01-7900	Other Professional Services	1,225	850	3,500	3,500
	<b>Total Other Svcs &amp; Charges</b>	<b>234,808</b>	<b>271,340</b>	<b>277,300</b>	<b>298,000</b>

**CAPITAL**

101-5-3442-01-8779	Rumsey Park Improvements	734,015	-	-	-
101-5-3442-01-8780	GV Park Improvements	-	-	71,000	50,000
	<b>Total Capital</b>	<b>734,015</b>	<b>-</b>	<b>71,000</b>	<b>50,000</b>

**GRAND TOTAL**

<b>\$ 1,360,857</b>	<b>\$ 646,181</b>	<b>\$ 787,500</b>	<b>\$ 835,700</b>
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# PUBLIC WORKS DEPARTMENT

## Mission Statement

The Public Works Department’s purpose is to provide safe and efficient infrastructure systems and to provide upgrades and additions to the Town’s infrastructure system.

## Description

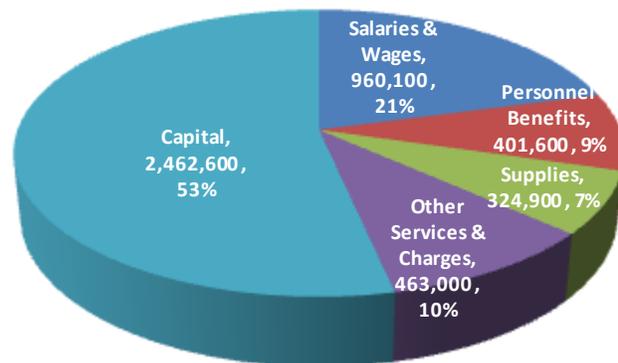
Public Works is comprised of three divisions: Airport, Streets, and Water.

In FY16/17, the Parks Operations Division was budgeted under Public Works; however their staff was reporting to the Rec & Tourism Director. In FY17/18, the Parks Operation was officially moved to Rec & Tourism. The Water Division is not included in the Public Works Department totals. Since the Water Division functions are restricted to the Enterprise Fund it is addressed separately at the end of this section.

### Position Summary

	2017/18	2018/19
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	9.0
Airport Coordinator	1.0	1.0
<b>Total Positions</b>	<b>21.0</b>	<b>19.0</b>

### 2018/19 Proposed Expenditures



### Public Works Department Budget Change

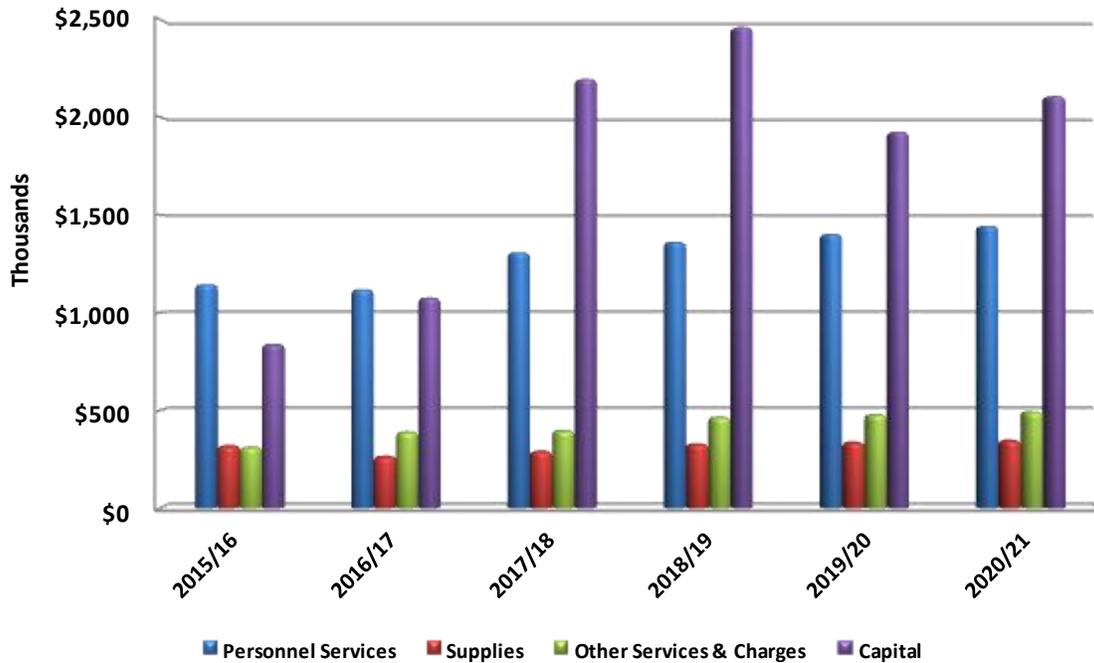
Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Salaries & Wages	813,309	920,600	13.2%	960,100	4.3%
Personnel Benefits	304,680	388,000	27.3%	401,600	3.5%
Supplies	261,924	287,700	9.8%	324,900	12.9%
Other Services & Charges	388,051	395,000	1.8%	463,000	17.2%
Capital	1,075,798	2,196,600	104.2%	2,462,600	12.1%
<b>Total Public Works</b>	<b>\$ 2,843,762</b>	<b>\$ 4,187,900</b>	<b>47.3%</b>	<b>\$ 4,612,200</b>	<b>10.1%</b>

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



### Public Works Department Budget Analysis Historic & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Personnel Services	1,143,944	1,117,989	1,308,600	1,361,700	1,402,551	1,444,628
Supplies	316,683	261,924	287,700	324,900	334,647	344,686
Other Services & Charges	309,121	388,051	395,000	463,000	476,890	491,197
Capital	837,866	1,075,798	2,196,600	2,462,600	1,926,020	2,109,151
<b>Total Public Works</b>	<b>\$2,607,614</b>	<b>\$2,843,762</b>	<b>\$4,187,900</b>	<b>\$4,612,200</b>	<b>\$4,140,108</b>	<b>\$4,389,662</b>





## PUBLIC WORKS DEPARTMENT – Street Division

### 2017/18 Accomplishments

- Completed Pavement Preservation on approximately 200,000 square yards of asphalt roadway
- Worked cooperatively with ADOT to begin the reconstruction of Bonita Street from Bentley Road to Highway 87
- Actively participated in Central Arizona Government's Transportation Advisory Committee. Worked cooperatively in the Gila County Transit Feasibility Study
- Provided plan review, construction observation, and public relations services for public and private development projects

### 2018/19 Objectives

#### KRA 3: INFRASTRUCTURE

- Begin design and construction of Rumsey Drive from Highway 87 to McLane Road
- Increase the area of roadways treated annually as part of our annual Pavement Preservation program
- Repair minor street, sidewalk, and drainage issues throughout the town
- Design & construct drainage improvements in the area of Highway 87/Main Street
- Complete design for reconstruction of Colcord Road from Longhorn Road to Main Street
- Complete design for reconstruction of Granite Dells Road from Highway 260 to Mud Springs Road
- Continue to seek out funding opportunities for larger infrastructure projects
- Purchase a new dump truck, pickup, and a tracked skidsteer to replace fleet vehicles 25 years old or older as part of our ongoing Equipment/Vehicle Replacement Program. The skidsteer will be utilized in a way to make streets maintenance more efficient and less taxing on the labor force.

#### KRA 7: THE PAYSON TEAM

- Provide a safe and fun work environment that provides opportunity for employees while accomplishing the objectives set forth by Town Council
- Streets Department will be implementing the Road Scholar Program from AZ-LTAP. This program will be used to further educate streets employees on how to maintain streets in an efficient and appropriate manner. It will provide greater opportunities for career development.



### Streets Division Budget Change

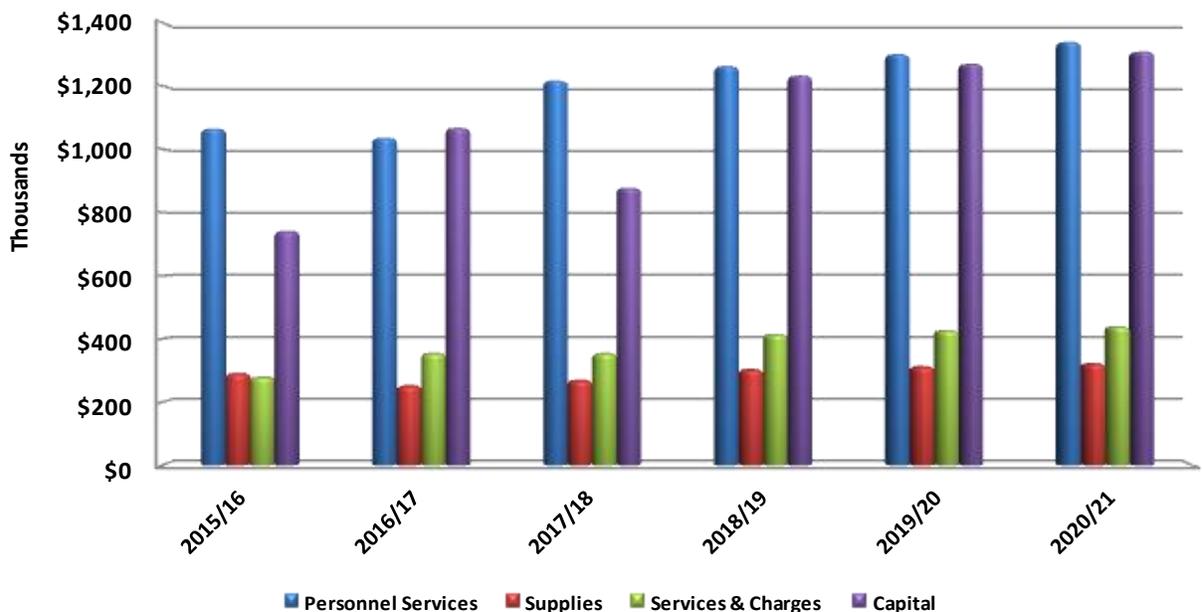
Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Salaries & Wages	748,340	849,200	13.5%	891,500	5.0%
Personnel Benefits	288,121	368,800	28.0%	372,200	0.9%
Supplies	250,046	267,400	6.9%	302,300	13.1%
Other Services & Charges	353,377	353,200	-0.1%	413,700	17.1%
Capital	1,067,709	877,000	-17.9%	1,234,000	40.7%
<b>Total Streets</b>	<b>\$ 2,707,593</b>	<b>\$ 2,715,600</b>	<b>0.3%</b>	<b>\$ 3,213,700</b>	<b>18.3%</b>

**Significant Budget Changes:**

- 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—increased as additional funding was allocated for streets projects
- FY 17/18—adjusted budget based on analysis of historic spending trends
- FY18/19 Supplies & Services—additional funding for increase in street & sidewalk repairs
- FY18/19 Capital—funding was approved for various streets projects, including preservation

### Streets Division Budget Analysis Historic & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Personnel Services	1,065,132	1,036,461	1,218,000	1,263,700	1,301,611	1,340,659
Supplies	289,437	250,046	267,400	302,300	311,369	320,710
Services & Charges	277,910	353,377	353,200	413,700	426,111	438,894
Capital	740,965	1,067,709	877,000	1,234,000	1,271,020	1,309,151
<b>Total Streets</b>	<b>\$ 2,373,444</b>	<b>\$ 2,707,593</b>	<b>\$ 2,715,600</b>	<b>\$ 3,213,700</b>	<b>\$ 3,310,111</b>	<b>\$ 3,409,414</b>





ANNUAL BUDGET

PUBLIC WORKS

**STREETS**

		<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
		<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>PROPOSED</b>
<b>SALARIES &amp; WAGES</b>					
202-5-3442-00-5001	Full Time Employees	754,607	736,325	830,200	872,500
202-5-3442-00-5006	Standby Pay	-	-	-	500
202-5-3442-00-5200	Overtime Pay	-	12,015	19,000	18,500
	<b>Total Salaries &amp; Wages</b>	<b>754,607</b>	<b>748,340</b>	<b>849,200</b>	<b>891,500</b>
<b>PERSONNEL BENEFITS</b>					
202-5-3442-00-5501	FICA	54,277	53,419	65,100	67,700
202-5-3442-00-5504	Retirement	85,344	83,570	96,400	103,100
202-5-3442-00-5700	Health/Life Insurance	65,363	66,815	98,800	81,100
202-5-3442-00-5701	Disability Insurance	907	1,032	1,400	1,400
202-5-3442-00-5800	Workers Comp Insurance	104,634	83,285	107,100	118,900
	<b>Total Personnel Benefits</b>	<b>310,525</b>	<b>288,121</b>	<b>368,800</b>	<b>372,200</b>
<b>SUPPLIES</b>					
202-5-3442-00-6001	Office Supplies	1,034	1,835	3,500	3,500
202-5-3442-00-6003	Cleaning/Sanitation Supplies	153	105	500	500
202-5-3442-00-6005	Safety Supplies	782	1,040	1,200	1,500
202-5-3442-00-6006	Clothing Reimbursement	3,782	4,765	4,500	5,000
202-5-3442-00-6008	Chemicals	10,344	17,127	15,000	15,000
202-5-3442-00-6011	Small Tools/Minor Equipment	11,042	12,515	12,000	12,000
202-5-3442-00-6015	Signs	35,404	4,731	4,000	4,000
202-5-3442-00-6100	Medical/Lab Supplies	390	264	400	500
202-5-3442-00-6201	R&M Building	807	1,543	1,500	1,500
202-5-3442-00-6202	R&M Materials Other	2,261	3,559	3,000	3,000
202-5-3442-00-6300	Gasoline/Fuels/Lubricant	40,249	44,141	52,000	56,000
202-5-3442-00-6302	R&M Supplies Vehicle	75,081	67,078	70,000	70,000
202-5-3442-00-6400	Shop Supplies	8,413	7,726	8,000	8,000
202-5-3442-00-6401	Drainage Supplies	29,739	10,534	20,000	20,000
202-5-3442-00-6402	Street & Sidewalk Supplies	69,675	72,348	70,000	100,000
202-5-3442-00-6700	Memberships/Dues/Subscri.	275	300	1,300	1,300
202-5-3442-00-6990	Other Expense	6	434	500	500
	<b>Total Supplies</b>	<b>289,437</b>	<b>250,045</b>	<b>267,400</b>	<b>302,300</b>
<b>OTHER SERVICES &amp; CHARGES</b>					
202-5-3442-00-7002	Accounting & Auditing	6,396	6,556	6,500	6,700
202-5-3442-00-7300	Electricity	106,074	96,219	100,000	108,000
202-5-3442-00-7301	Propane	1,345	1,023	1,800	1,800
202-5-3442-00-7302	Water	2,803	4,415	4,000	4,500



ANNUAL BUDGET

PUBLIC WORKS

**STREETS**

		<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
		<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>PROPOSED</b>
202-5-3442-00-7304	Sewer	907	907	900	1,000
202-5-3442-00-7305	Refuse Disposal	1,903	1,171	2,400	2,400
202-5-3442-00-7306	Telephone	6,628	7,291	9,100	9,100
202-5-3442-00-7307	Postage	26	7	100	100
202-5-3442-00-7401	Building R&M	1,032	597	1,000	1,000
202-5-3442-00-7404	Radio Equipment R&M	4,030	21,905	7,000	7,000
202-5-3442-00-7405	R&M Vehicles	3,052	854	5,000	5,000
202-5-3442-00-7406	R&M Street Light	-	24,504	25,000	25,000
202-5-3442-00-7408	Street/Sidewalk Repair Svcs	41,188	38,656	40,000	90,000
202-5-3442-00-7502	LeaseEquipment	36,714	73,427	73,400	73,400
202-5-3442-00-7600	Travel Expenses	206	1,384	1,400	2,900
202-5-3442-00-7601	Registrations	981	878	1,500	1,500
202-5-3442-00-7900	Other Professional Services	4,596	8,175	6,000	6,000
202-5-3442-00-7903	General Insurance	59,579	65,026	68,000	68,000
202-5-3442-00-7907	Advertising	367	-	-	-
202-5-3442-00-7910	Printing & Binding	83	383	100	300
	<b>Total Other Svcs &amp; Charges</b>	<b>277,910</b>	<b>353,378</b>	<b>353,200</b>	<b>413,700</b>

**CAPITAL**

202-5-3442-00-8003	Vehicle	-	-	-	45,000
202-5-3442-00-8004	Equipment	345,406	223,710	317,000	160,000
202-5-3442-00-8512	HURF - Skidsteer Equip	-	-	-	92,000
202-5-3442-00-8710	Granite Dells Roundabout	-	-	-	212,000
202-5-3442-00-8713	Pavement Preservation Prog.	252,727	366,401	500,000	575,000
202-5-3442-00-8717	Rumsey Road	-	-	-	50,000
202-5-3442-00-8737	GV Park Lot Phase I	32,491	-	-	-
202-5-3442-00-8742	Bonita Street Reconstruction	-	151,423	60,000	100,000
202-5-3442-00-8743	Manzanita Dr Construction	110,341	326,175	-	-
	<b>Total Capital</b>	<b>740,965</b>	<b>1,067,709</b>	<b>877,000</b>	<b>1,234,000</b>

**GRAND TOTAL**

<b>\$ 2,373,444</b>	<b>\$ 2,707,593</b>	<b>\$ 2,715,600</b>	<b>\$ 3,213,700</b>
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## PUBLIC WORKS DEPARTMENT – Airport Division

### 2017/18 Accomplishments

- Completed reconstruction of the east half of Alpha Ramp
- Coordinated with the US Forest Service to utilize the airport for wildland fire suppression support
- Implemented tracking improvements in the Commercial and Residential Through the Fence Access Agreement process

### 2018/19 Objectives

#### KRA 3: INFRASTRUCTURE

- Complete reconstruction of Delta Ramp and the west half of Alpha Ramp
- Explore proposals for additional hangar facilities and coordinate the completion of crew quarters
- Install lightning protection to mitigate equipment failure
- Acquire plane skate to facilitate quicker runway reopening after minor incidents
- Replace service vehicle to ensure ongoing service, maintenance, and operational efficiency

#### KRA 7: THE PAYSON TEAM

- Rekindle the Annual Aero Fair and build awareness of the positive benefits and economic impact of the Airport on the community

### Airport Division Budget Change

Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Salaries & Wages	64,969	71,400	9.9%	68,600	-3.9%
Personnel Benefits	16,559	19,200	15.9%	29,400	53.1%
Supplies	11,878	20,300	70.9%	22,600	11.3%
Other Services & Charges	34,674	41,800	20.6%	49,300	17.9%
Capital	8,089	1,319,600	16213.5%	1,228,600	-6.9%
<b>Total Airport</b>	<b>\$ 136,169</b>	<b>\$ 1,472,300</b>	<b>981.2%</b>	<b>\$ 1,398,500</b>	<b>-5.0%</b>

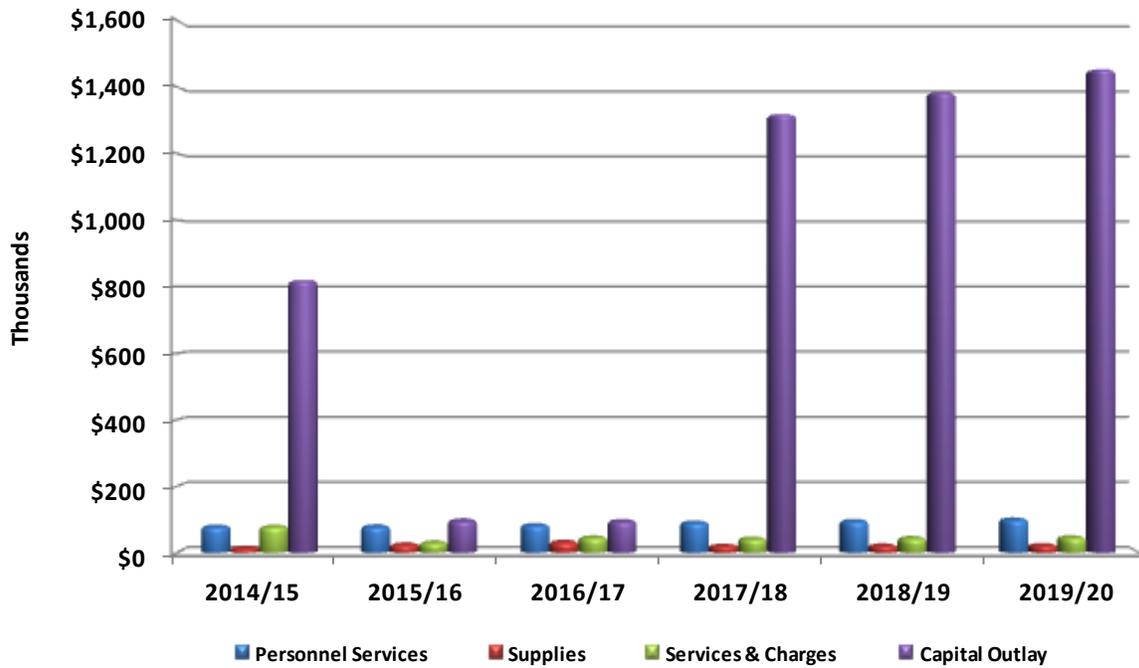
#### Significant budget changes:

- FY16/17 Supplies—included extra funds in the budget for anticipated repair & maintenance projects
- FY16/17 Services—increased due to anticipated equipment repairs
- FY17/18 Salaries—implementation of market study wage adjustments
- FY18/19 Capital—changes due to fluctuations in availability of grant funding



### Airport Division Budget Analysis Historic & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Personnel Services	78,812	81,528	90,600	98,000	100,940	103,968
Supplies	24,333	11,878	20,300	22,600	23,278	23,976
Services & Charges	30,450	34,674	41,800	49,300	50,779	52,302
Capital	96,901	8,089	1,319,600	1,228,600	655,000	800,000
<b>Total Airport</b>	<b>\$ 230,496</b>	<b>\$ 136,169</b>	<b>\$1,472,300</b>	<b>\$1,398,500</b>	<b>\$ 829,997</b>	<b>\$ 980,247</b>





ANNUAL BUDGET

PUBLIC WORKS

**AIRPORT**

		<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
		<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>PROPOSED</b>
<b>SALARIES &amp; WAGES</b>					
260-5-4445-00-5001	Full Time Employees	62,275	64,969	69,400	66,600
260-5-4445-00-5200	Overtime	-	-	2,000	2,000
	<b>Total Salaries &amp; Wages</b>	<b>62,275</b>	<b>64,969</b>	<b>71,400</b>	<b>68,600</b>

**PERSONNEL BENEFITS**

260-5-4445-00-5501	FICA	4,764	4,970	5,500	5,300
260-5-4445-00-5504	Retirement	7,068	7,368	8,100	8,000
260-5-4445-00-5700	Insurance Benefit	-	-	-	9,700
260-5-4445-00-5701	Disability Insurance	75	91	100	100
260-5-4445-00-5800	Workers Compensation Ins	4,630	4,130	5,500	6,300
	<b>Total Personnel Benefits</b>	<b>16,537</b>	<b>16,559</b>	<b>19,200</b>	<b>29,400</b>

**SUPPLIES**

260-5-4445-00-6001	Office Supplies	497	324	500	500
260-5-4445-00-6003	Cleaning Supplies	47	142	200	200
260-5-4445-00-6006	Uniforms/Clothing	286	169	400	400
260-5-4445-00-6008	Chemicals	-	930	500	500
260-5-4445-00-6010	Books & Periodicals	63	17	100	100
260-5-4445-00-6011	Small Tools/Minor Equip	4,615	1,228	1,200	3,500
260-5-4445-00-6015	Signs	1,378	432	1,000	1,000
260-5-4445-00-6202	R&M Supplies Other	12,715	3,134	10,000	10,000
260-5-4445-00-6300	Gasoline/Fuels/Lubricant	2,096	1,701	2,500	2,500
260-5-4445-00-6302	R&M Supplies Vehicle	2,255	2,857	3,000	3,000
260-5-4445-00-6400	Shop Supplies	304	179	400	400
260-5-4445-00-6700	Memberships/Dues/Subscri.	75	765	500	500
	<b>Total Supplies</b>	<b>24,331</b>	<b>11,878</b>	<b>20,300</b>	<b>22,600</b>

**OTHER SERVICES & CHARGES**

260-5-4445-00-7300	Utilities Electricity	10,928	12,331	13,000	13,000
260-5-4445-00-7301	Utilities Propane Gas	643	944	900	900
260-5-4445-00-7302	Utilities Water	2,167	3,673	3,300	3,700
260-5-4445-00-7304	Utilities Sewer	420	420	500	500
260-5-4445-00-7305	Refuse Disposal	384	384	700	700
260-5-4445-00-7306	Utilities Telephone	1,603	1,535	1,600	1,600
260-5-4445-00-7307	Utilities Postage/Freight	1	-	100	100
260-5-4445-00-7401	R&M Building	458	672	3,000	3,000
260-5-4445-00-7404	R&M Equipment	6,637	6,697	8,000	10,000
260-5-4445-00-7405	R&M Vehicle	160	-	300	300
260-5-4445-00-7600	Travel Expense	953	348	1,000	2,000
260-5-4445-00-7601	Registrations	660	420	800	1,600
260-5-4445-00-7900	Other Professional Svcs	1,511	3,064	4,000	7,000
260-5-4445-00-7903	General Insurance	3,690	3,690	4,100	4,100



ANNUAL BUDGET

PUBLIC WORKS

		<b>2015/16 ACTUAL</b>	<b>2016/17 ACTUAL</b>	<b>2017/18 ADOPTED</b>	<b>2018/19 PROPOSED</b>
260-5-4445-00-7907	Advertising	234	496	500	800
	Total Other Svcs & Charges	30,449	34,674	41,800	49,300
<b>CAPITAL</b>					
260-5-4445-00-8003	Vehicle	-	-	-	45,000
260-5-4445-00-8509	Equipment	-	-	5,800	-
260-5-4445-00-8713	Pavement Preservation Prog.	-	3,729	-	-
260-5-4445-00-8814	Ramp Repair A&D/ Fence	-	2,730	1,313,800	953,600
260-5-4445-00-8823	Infield Drainage	96,901	1,631	-	-
260-5-4445-00-8824	Install PAPI & REIL	-	-	-	230,000
	Total Capital	96,901	8,090	1,319,600	1,228,600
<b>GRAND TOTAL</b>		<b>\$ 230,493</b>	<b>\$ 136,170</b>	<b>\$ 1,472,300</b>	<b>\$ 1,398,500</b>



## PUBLIC WORKS DEPARTMENT – Water Division

### Description

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 respective function:

- Administration accounts for costs associated with the following: planning, budgeting, liaison to legislature, outside legal counsel, State regulatory agencies, professional organizations, oversight of day-to-day operations, consultant contracts, capital program development, and personnel management.
- Accounting & Collection is responsible for the accounting and customer service functions of the Water Division.
- Transmission & Distribution tracks costs incurred during the transmission and distribution of potable water throughout the public water system
- Operations & Maintenance is responsible for the operation, maintenance, and expansion of the public water system
- Resources is responsible for the 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 tracks expenses incurred in the production of potable water from below land surface to the elevated storage tanks.
- Green Valley Park Maintenance is responsible for the water quality in the three lakes at Green Valley Park and the aeration equipment that is installed in all the lakes.
- WQARF Site Operations & Maintenance accounts for the expenses related to the remediation of groundwater sources contaminated by industrial chemicals.
- Treatment Plant accounts for the operational costs when the plant is scheduled to go 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 C.C. Cragin Reservoir project.

### 2017/18 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 construction
- Constructed partial shoreline protection for Green Valley Park using pre-cast concrete shoring
- Continued to complete 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 the C.C. Cragin Penstock Phase 2
- Completed construction of 4 of 6 C.C. Cragin ASR Wells
- Completed installation of 1 Water Storage Tank Mixers to mitigate DBP formation and thermo-stratification
- Completed paperless work order software and hardware for customer service orders
- Completed conversion of the Town of Payson Water Distribution System Hydraulic Model into ARCGIS format

## 2018/19 Objectives

### KRA 2: FINANCIAL EXCELLENCE

- Complete implementation of WIFA C.C. Cragin loan

### 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
- Complete C.C. Cragin Project water treatment plant construction
- Complete construction of the C.C. Cragin ASR wells
- Continue installation of backup electric generators at selected well sites and pump stations
- Perform water storage tank maintenance and repairs

### KRA 4: INNOVATION & EFFICIENCY

- Begin a fire hydrant flushing program that quantifies water use and records the date of flushing for each hydrant

### KRA 5: NEIGHBORHOODS & LIVABILITY

- Continue to develop partnerships for C.C. Cragin pipeline use
- Continue to construct partial shoreline protection for Green Valley Park using pre-cast concrete shoring

### KRA 7: THE PAYSON TEAM

- Continue to attend professional development training events to maintain or increase Arizona Department of Environmental Quality Water Operator Certifications

### KRA 9: SUSTAINABILITY

- Begin operation of the C.C. Cragin Penstock and Treatment Plant
- Maintain gallons per capita per day (gpcpd) water use at less than 89 gpcpd
- Continue water resource education at the middle school

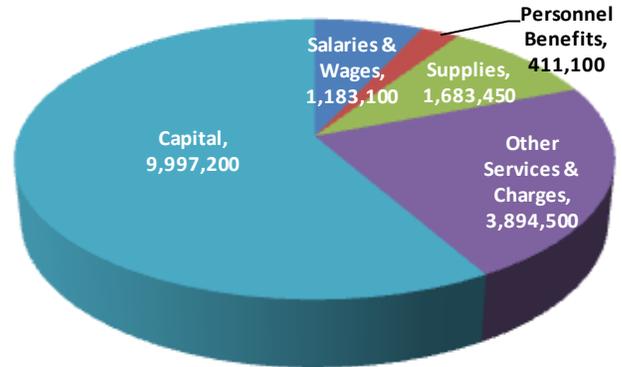
### KRA 10: TECHNOLOGY

- Complete construction of C.C. Cragin SCADA
- Begin utilizing Operator 10 software to maintain water quality data
- Begin utilizing Antero software for asset management

### Position Summary

Authorized Personnel	2017/18	2018/19
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	1.5
<b>Total Positions</b>	<b>19.0</b>	<b>19.5</b>

### 2018/19 Proposed Expenditures



### Water Division Budget Change

Description	2016/17 Actual	2017/18 Adopted	% Change	2018/19 Proposed	% Change
Salaries & Wages	953,760	1,025,300	7.5%	1,183,100	15.4%
Personnel Benefits	433,995	343,800	-20.8%	411,100	19.6%
Supplies	456,235	809,900	77.5%	1,683,450	107.9%
Other Services & Charges	1,411,997	3,427,600	142.7%	3,894,500	13.6%
Capital	10,025,357	26,011,271	159.5%	9,997,200	-61.6%
<b>Total Water</b>	<b>\$ 13,281,344</b>	<b>\$ 31,617,871</b>	<b>138.1%</b>	<b>\$ 17,169,350</b>	<b>-45.7%</b>

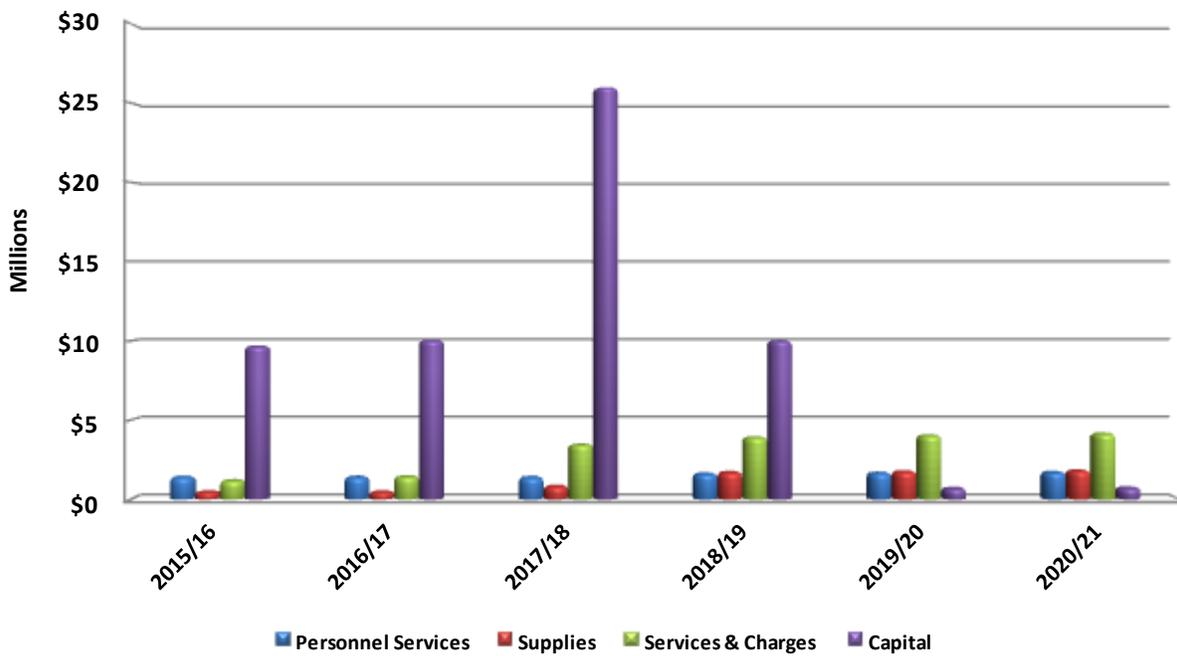
#### Significant Budget Changes:

- 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
- FY18/19 Salaries & Benefits—increase due to 2% COLA and wage adjustments for 8 employees
- FY18/19 Supplies—increase for new operations of the treatment plan
- FY18/19 Capital—utilizing remaining WIFA loan funding available to finish the C.C. Cragin project



### Water Division Budget Analysis Historic & Forecast

Classification	2015/16 Actual	2016/17 Actual	2017/18 Adopted	2018/19 Proposed	2019/20 Estimate	2020/21 Estimate
Personnel Services	1,384,105	1,387,755	1,369,100	1,594,200	1,642,026	1,691,287
Supplies	457,094	456,235	809,900	1,683,450	1,733,954	1,785,972
Services & Charges	1,168,530	1,411,997	3,427,600	3,894,500	4,011,335	4,131,675
Capital	9,661,203	10,025,357	26,011,271	9,997,200	681,000	713,000
<b>Total Water</b>	<b>\$ 12,670,932</b>	<b>\$ 13,281,344</b>	<b>\$ 31,617,871</b>	<b>\$ 17,169,350</b>	<b>\$ 8,068,315</b>	<b>\$ 8,321,934</b>





ANNUAL BUDGET

PUBLIC WORKS

**ADMINISTRATION**

	2015/16 ACTUAL	2016/17 ACTUAL	2017/18 ADOPTED	2018/19 PROPOSED
<b>SALARIES &amp; WAGES</b>				
661-5-5451-00-5001 Full Time Employees	129,725	90,891	86,100	123,200
Total Salaries & Wages	129,725	90,891	86,100	123,200

**PERSONNEL BENEFITS**

661-5-5451-00-5501 FICA	10,923	6,354	6,600	9,400
661-5-5451-00-5504 Retirement	18,595	138,347	9,800	14,300
661-5-5451-00-5505 Retirement Offset Pension	(2,435)	-	-	-
661-5-5451-00-5700 Health/Life Insurance	3,859	60	100	3,000
661-5-5451-00-5701 Disability Insurance	197	116	100	200
661-5-5451-00-5800 Workers Compensation	9,239	4,970	5,900	6,800
Total Personnel Benefits	40,378	149,847	22,500	33,700

**SUPPLIES**

661-5-5451-00-6001 Office Supplies	1,231	415	1,000	1,000
661-5-5451-00-6005 Safety Supplies	137	224	300	300
661-5-5451-00-6006 Uniforms / Clothing	120	200	200	250
661-5-5451-00-6009 Fireworks	20,000	20,000	20,000	20,000
661-5-5451-00-6010 Books & Periodicals	-	687	1,000	1,000
661-5-5451-00-6011 Small Tools/Minor Equip	783	861	800	1,000
661-5-5451-00-6013 Computer Equipment Supplies	1,593	1,093	1,500	1,500
661-5-5451-00-6201 R&M Supplies - Bldg	1,622	3,121	2,500	2,500
661-5-5451-00-6300 Gasoline/Fuels/Fubricant	2,288	2,626	2,500	2,500
661-5-5451-00-6302 R&M Supplies Vehicle	394	2,794	3,000	3,000
661-5-5451-00-6700 Memberships/Dues/Subscri.	8,574	29,586	29,000	18,000
661-5-5451-00-6990 Other Supplies	3,055	3,145	4,000	4,000
Total Supplies	39,797	64,752	65,800	55,050

**OTHER SERVICES & CHARGES**

661-5-5451-00-7100 Legal Fees/Forfeiture Costs	10,800	13,631	20,000	20,000
661-5-5451-00-7401 R&M Building	-	1,305	10,000	10,000
661-5-5451-00-7402 R&M Office Equipment	849	311	2,500	2,500
661-5-5451-00-7404 R&M Equipment	1,103	2,191	2,500	2,500
661-5-5451-00-7405 R&M Vehicles	20	8	2,000	2,000
661-5-5451-00-7500 Rental of Land & Bldg	-	1,800	1,800	1,800
661-5-5451-00-7600 Travel	705	80	2,000	2,000
661-5-5451-00-7601 Registrations	880	50	2,000	2,000
661-5-5451-00-7602 Safety Training Services	-	-	-	10,000
661-5-5451-00-7900 Other Professional Services	96,955	109,725	128,500	230,000
661-5-5451-00-7903 General Insurance	52,246	57,022	60,000	60,000
661-5-5451-00-7907 Advertising	-	485	2,500	2,500
661-5-5451-00-7910 Printing & Binding	20	-	-	-
661-5-5451-00-7915 Overhead	180,200	219,500	-	-
Total Other Svcs & Charges	343,778	406,108	233,800	345,300



ANNUAL BUDGET

PUBLIC WORKS

	2015/16 ACTUAL	2016/17 ACTUAL	2017/18 ADOPTED	2018/19 PROPOSED
<b>CAPITAL</b>				
661-5-5451-08-8000 Building	-	-	-	18,000
661-5-5451-08-8002 Machinery & Equipment	31,203	-	100,000	100,000
661-5-5451-08-8007 Wells	-	-	75,000	75,000
661-5-5451-08-8009 Water Lines	49,297	505,542	250,000	250,000
661-5-5451-08-8313 Radon Removal Engineering	-	-	45,000	45,000
661-5-5451-08-8523 Fire Hydrant Program	-	-	-	5,000
661-5-5451-08-8524 Computer Equipment	7,110	20,710	30,000	30,000
661-5-5451-08-8528 Replace Service Trucks	28,906	55,402	52,000	85,000
661-5-5451-08-8529 SCADA Equip-Wells/Tanks	-	-	-	-
661-5-5451-08-8530 Surge Tanks	6,810	15,573	45,000	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	-	-	-	-
661-5-5451-08-8793 Tank Mixing System	-	52,942	50,000	50,000
661-5-5451-08-8794 Pumps for Wells	34,608	50,242	75,000	75,000
Total Capital	165,493	700,411	777,000	833,000
<b>GRAND TOTAL</b>	<b>\$ 719,171</b>	<b>\$ 1,412,009</b>	<b>\$ 1,185,200</b>	<b>\$ 1,390,250</b>



ANNUAL BUDGET

PUBLIC WORKS

**ACCOUNTING & COLLECTION**

		<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
		<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>PROPOSED</b>
<b>SALARIES &amp; WAGES</b>					
661-5-5451-01-5001	Full Time Employees	260,107	212,323	192,500	205,800
661-5-5451-01-5006	Standby Pay	1,787	1,369	-	1,500
661-5-5451-01-5200	Overtime	3,403	3,517	3,000	3,000
	<b>Total Salaries &amp; Wages</b>	<b>265,297</b>	<b>217,209</b>	<b>195,500</b>	<b>210,300</b>
<b>PERSONNEL BENEFITS</b>					
661-5-5451-01-5501	FICA	18,691	15,348	15,000	16,100
661-5-5451-01-5504	Retirement	26,403	24,584	22,200	24,500
661-5-5451-01-5700	Health/Life Insurance	25,019	16,962	18,900	21,000
661-5-5451-01-5701	Disability Insurance	281	303	300	300
661-5-5451-01-5800	Workers Compensation	8,221	4,680	3,300	4,000
	<b>Total Personnel Benefits</b>	<b>78,615</b>	<b>61,877</b>	<b>59,700</b>	<b>65,900</b>
<b>SUPPLIES</b>					
661-5-5451-01-6001	Office Supplies	4,094	3,610	4,500	4,500
661-5-5451-01-6006	Clothing/Uniform Reimb	500	705	700	700
661-5-5451-01-6011	Small Tools/Minor Equip	3,070	2,082	4,000	4,000
661-5-5451-01-6013	Computer Equipment Supplies	307	1,307	3,000	4,000
661-5-5451-01-6300	Gasoline/Fuels/Lubricant	3,966	4,481	5,000	5,000
661-5-5451-01-6302	R&M Supplies Vehicle	601	547	3,000	3,000
661-5-5451-01-6600	Public Relations	155	861	5,000	6,000
661-5-5451-01-6901	Taxes	(2,780)	(2,743)	-	-
661-5-5451-01-6903	Banking / Merchant Fees	8,349	7,204	10,000	10,000
661-5-5451-01-6905	Bad Debt Expense	466	35	1,000	1,000
661-5-5451-01-6990	Other Supplies	47	66	100	-
	<b>Total Supplies</b>	<b>18,775</b>	<b>18,155</b>	<b>36,300</b>	<b>38,200</b>
<b>OTHER SERVICES &amp; CHARGES</b>					
661-5-5451-01-7002	Accounting & Auditing	17,589	23,292	17,800	28,300
661-5-5451-01-7307	Postage / Freight	31,141	30,700	30,000	30,000
661-5-5451-01-7402	R&M Office Equipment	-	-	2,500	2,500
661-5-5451-01-7403	R&M Computer Equipment	20,383	24,001	25,000	25,000
661-5-5451-01-7404	R&M Other Equipment	68	-	1,500	1,000
661-5-5451-01-7405	R&M Vehicles	-	-	1,000	1,000
661-5-5451-01-7502	Lease Equipment	3,687	4,598	5,000	5,000
661-5-5451-01-7600	Travel	129	1,169	3,500	3,500
661-5-5451-01-7601	Registrations	1,037	1,092	3,000	3,000
661-5-5451-01-7910	Printing & Binding	4,082	4,539	4,500	4,500
	<b>Total Other Svcs &amp; Charges</b>	<b>78,116</b>	<b>89,391</b>	<b>93,800</b>	<b>103,800</b>
<b>GRAND TOTAL</b>		<b>\$ 440,803</b>	<b>\$ 386,632</b>	<b>\$ 385,300</b>	<b>\$ 418,200</b>



ANNUAL BUDGET

PUBLIC WORKS

**TRANSMISSION/DISTRIBUTION**

		<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
		<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>PROPOSED</b>
<b>SALARIES &amp; WAGES</b>					
661-5-5451-02-5001	Full Time Employees	131,684	110,638	153,700	143,000
661-5-5451-02-5200	Overtime	635	577	1,500	2,000
	Total Salaries & Wages	<u>132,319</u>	<u>111,215</u>	<u>155,200</u>	<u>145,000</u>
<b>PERSONNEL BENEFITS</b>					
661-5-5451-02-5501	FICA	9,436	7,938	11,900	11,100
661-5-5451-02-5504	Retirement	15,018	12,612	17,600	16,900
661-5-5451-02-5700	Health/Life Insurance	13,240	11,870	16,600	16,000
661-5-5451-02-5701	Disability Insurance	160	156	200	200
	Total Personnel Benefits	<u>37,854</u>	<u>32,576</u>	<u>46,300</u>	<u>44,200</u>
<b>SUPPLIES</b>					
661-5-5451-02-6008	Chemicals	11,153	16,061	25,000	25,000
661-5-5451-02-6200	R&M Supplies Hydrants	2,851	7,429	15,000	15,000
661-5-5451-02-6201	R&M Supplies - Water Tank	2,832	4,695	10,000	15,000
661-5-5451-02-6202	R&M Supplies Other - SCADA	30,790	27,271	30,000	45,000
661-5-5451-02-6501	R&M Supplies - Pumps	1,033	22	15,000	15,000
661-5-5451-02-6502	R&M Supplies - Mains	30,345	22,225	45,000	45,000
661-5-5451-02-6503	R&M Supplies - Meters	51,093	43,995	45,000	45,000
661-5-5451-02-6504	R&M Supplies - Cust Install	-	1,355	1,500	1,500
661-5-5451-02-6506	R&M Supplies - Chlorinator	14,910	1,424	15,000	15,000
661-5-5451-02-6507	R&M Supplies - Existing Svcs	29,229	28,895	35,000	35,000
661-5-5451-02-6508	R&M Supplies - New Service	36,888	37,909	40,000	40,000
	Total Supplies	<u>211,124</u>	<u>191,281</u>	<u>276,500</u>	<u>296,500</u>
<b>OTHER SERVICES &amp; CHARGES</b>					
661-5-5451-02-7300	Electricity	47,447	50,170	52,000	52,000
661-5-5451-02-7404	R&M Water Tanks	225,802	83,480	200,000	200,000
661-5-5451-02-7407	R&M Mains	2,354	486	5,000	15,000
661-5-5451-02-7900	Other Professional Services	62,952	55,057	65,000	65,000
	Total Other Svcs & Charges	<u>338,555</u>	<u>189,193</u>	<u>322,000</u>	<u>332,000</u>
<b>GRAND TOTAL</b>		<u>\$ 719,852</u>	<u>\$ 524,265</u>	<u>\$ 800,000</u>	<u>\$ 817,700</u>



**OPERATIONS & MAINTENANCE**

		2015/16 ACTUAL	2016/17 ACTUAL	2017/18 ADOPTED	2018/19 PROPOSED
<b>SALARIES &amp; WAGES</b>					
661-5-5451-03-5001	Full Time Employees	156,462	156,354	192,900	201,400
661-5-5451-03-5003	Temporary Employees	1,999	1,140	25,800	14,800
661-5-5451-03-5006	Standby Pay	6,747	7,271	7,500	7,500
661-5-5451-03-5200	Overtime	10,857	12,496	15,000	15,000
	<b>Total Salaries &amp; Wages</b>	<b>176,065</b>	<b>177,261</b>	<b>241,200</b>	<b>238,700</b>

**PERSONNEL BENEFITS**

661-5-5451-03-5501	FICA	12,439	12,530	18,500	18,200
661-5-5451-03-5504	Retirement	19,756	19,972	24,400	24,100
661-5-5451-03-5700	Insurance Benefit	18,753	20,766	20,600	20,600
661-5-5451-03-5701	Disability Insurance	210	247	300	300
661-5-5451-03-5800	Workers Compensation	33,052	28,042	38,600	44,700
	<b>Total Personnel Benefits</b>	<b>84,210</b>	<b>81,557</b>	<b>102,400</b>	<b>107,900</b>

**SUPPLIES**

661-5-5451-03-6001	Office Supplies	1,546	803	1,500	1,500
661-5-5451-03-6003	Cleaning Supplies	610	59	1,500	1,500
661-5-5451-03-6005	Safety Supplies	2,161	1,684	2,000	2,000
661-5-5451-03-6006	Uniform/ Clothing	4,345	4,612	4,600	4,600
661-5-5451-03-6008	Chemicals	-	-	-	-
661-5-5451-03-6011	Small Tools/Minor Equip	7,236	12,612	15,000	15,000
661-5-5451-03-6100	Medical/Lab Supplies	103	-	500	500
661-5-5451-03-6200	R&M Supplies Equip	10,345	4,515	16,000	16,000
661-5-5451-03-6201	R&M Supplies Building	8,784	2,778	10,000	10,000
661-5-5451-03-6202	R&M Supplies Other	2,255	422	5,000	5,000
661-5-5451-03-6300	Gasoline/Fuels/Lubricant	21,878	19,006	27,000	27,000
661-5-5451-03-6302	R&M Supplies Vehicle	19,981	13,082	10,000	12,000
661-5-5451-03-6400	Shop Supplies	9,793	7,385	8,000	8,000
661-5-5451-03-6700	Memberships/Dues/Subscri.	-	165	3,000	3,000
661-5-5451-03-6901	Taxes	425	-	-	-
	<b>Total Supplies</b>	<b>89,462</b>	<b>67,123</b>	<b>104,100</b>	<b>106,100</b>

**OTHER SERVICES & CHARGES**

661-5-5451-03-7300	Electricity	27,426	26,182	32,000	32,000
661-5-5451-03-7301	Propane Gas	5,987	4,400	6,000	6,000
661-5-5451-03-7302	Water	2,258	2,829	3,500	3,500
661-5-5451-03-7304	Sewer	1,327	1,327	2,000	2,000
661-5-5451-03-7305	Refuse Disposal	2,449	2,850	2,500	2,500
661-5-5451-03-7306	Telephone	7,656	7,125	9,500	10,000
661-5-5451-03-7401	R&M Building	1,329	1,181	2,500	2,500
661-5-5451-03-7404	R&M Equipment	491	5,182	10,000	10,000



**OPERATIONS & MAINTENANCE**

	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>PROPOSED</b>
661-5-5451-03-7405 R&M Vehicles	2,074	2,517	5,000	5,000
661-5-5451-03-7600 Travel	350	701	600	800
661-5-5451-03-7601 Registrations	1,254	3,049	3,000	3,000
661-5-5451-03-7900 Other Professional Services	1,399	959	1,500	1,500
661-5-5451-03-7950 Debt Serv-Principal	4,614	0	2,059,000	1,204,600
661-5-5451-03-7951 Debt Serv-Interest	42	382,662	-	847,800
661-5-5451-03-8100 Depreciation-Buildings	22,717	22,717	25,000	25,000
661-5-5451-03-8101 Depr-Infrastructure	984,901	1,040,919	985,000	985,000
661-5-5451-03-8102 Depr-Machinery & Equip	22,880	25,173	25,000	25,000
661-5-5451-03-8103 Depr-Vehicles	55,682	(9,188)	60,000	60,000
661-5-5451-03-8104 Depr-Office Furn & Equip	3,645	3,091	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	1,154,421	1,529,616	3,243,100	3,237,200
<b>GRAND TOTAL</b>	<b>\$ 1,504,158</b>	<b>\$ 1,855,557</b>	<b>\$ 3,690,800</b>	<b>\$ 3,689,900</b>



ANNUAL BUDGET

PUBLIC WORKS

**RESOURCES**

		<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
		<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>PROPOSED</b>
<b>SALARIES &amp; WAGES</b>					
661-5-5451-04-5001	Full Time Employees	161,066	164,263	173,700	180,700
661-5-5451-04-5200	Overtime	2,545	378	2,000	2,000
	<b>Total Salaries &amp; Wages</b>	<b>163,611</b>	<b>164,641</b>	<b>175,700</b>	<b>182,700</b>
<b>PERSONNEL BENEFITS</b>					
661-5-5451-04-5501	FICA	11,683	11,566	13,400	14,000
661-5-5451-04-5504	Retirement	18,569	18,671	19,900	21,300
661-5-5451-04-5700	Insurance Benefits	13,934	14,076	16,000	16,100
661-5-5451-04-5701	Disability Insurance	197	231	300	300
661-5-5451-04-5800	Workers Compensation Ins	12,181	9,956	12,000	13,700
	<b>Total Personnel Benefits</b>	<b>56,564</b>	<b>54,500</b>	<b>61,600</b>	<b>65,400</b>
<b>SUPPLIES</b>					
661-5-5451-04-6001	Office Supplies	2,742	2,836	3,000	3,000
661-5-5451-04-6005	Safety Supplies	11	50	500	500
661-5-5451-04-6006	Uniforms / Clothing	490	575	700	700
661-5-5451-04-6011	Small Tools/Minor Equip	1,468	252	1,500	1,500
661-5-5451-04-6013	Computer Equipment Supplies	518	180	2,000	2,000
661-5-5451-04-6100	Lab Supplies	8,538	5,679	8,000	9,000
661-5-5451-04-6202	R&M Supplies - Backflow	283	292	1,500	1,500
661-5-5451-04-6300	Gasoline/Fuels/Lubricant	2,424	1,612	3,000	3,500
661-5-5451-04-6302	R&M Supplies Vehicle	639	1,042	2,000	2,000
661-5-5451-04-6600	Public Relations	6,287	10,357	10,000	10,000
661-5-5451-04-6700	Memberships/Dues/Subscri.	3,017	3,357	6,000	10,000
	<b>Total Supplies</b>	<b>26,417</b>	<b>26,232</b>	<b>38,200</b>	<b>43,700</b>
<b>OTHER SERVICES &amp; CHARGES</b>					
661-5-5451-04-7004	Lab Analysis	26,596	16,303	105,000	75,000
661-5-5451-04-7306	Utilities Telephone	-	-	-	-
661-5-5451-04-7307	Postage / Freight	8	-	100	200
661-5-5451-04-7404	R&M Equipment	-	-	1,000	1,000
661-5-5451-04-7405	R&M Vehicles	-	15	2,000	2,000
661-5-5451-04-7600	Travel	580	757	6,000	6,000
661-5-5451-04-7601	Registrations	2,076	1,474	7,500	7,500
661-5-5451-04-7900	Other Professional Services	23	23	58,000	108,000
661-5-5451-04-7907	Advertising	828	728	2,000	2,000
661-5-5451-04-7910	Printing & Binding	414	207	500	500
	<b>Total Other Svcs &amp; Charges</b>	<b>30,525</b>	<b>19,507</b>	<b>182,100</b>	<b>202,200</b>
<b>GRAND TOTAL</b>		<b>\$ 277,117</b>	<b>\$ 264,880</b>	<b>\$ 457,600</b>	<b>\$ 494,000</b>



**PRODUCTION O&M**

	<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
	<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>PROPOSED</b>
<b>SALARIES &amp; WAGES</b>				
661-5-5451-05-5001 Full Time Employees	147,603	152,287	143,400	177,000
661-5-5451-05-5200 Overtime	-	45	1,000	1,000
Total Salaries & Wages	147,603	152,332	144,400	178,000
<b>PERSONNEL BENEFITS</b>				
661-5-5451-05-5501 FICA	10,449	10,885	11,000	13,600
661-5-5451-05-5504 Retirement	16,752	17,274	16,400	20,700
661-5-5451-05-5700 Insurance Benefit	14,239	12,865	15,500	19,800
661-5-5451-05-5701 Disability Insurance	178	213	200	300
Total Personnel Benefits	41,618	41,237	43,100	54,400
<b>SUPPLIES</b>				
661-5-5451-05-6202 R&M Supplies Other	1,913	493	5,000	5,000
661-5-5451-05-6500 R&M Supplies Wells	39,778	39,479	40,000	60,000
661-5-5451-05-6501 R&M Supplies - Pumps	-	1,429	25,000	25,000
661-5-5451-05-6502 R&M Supplies - Elec Equip	10,406	13,853	15,000	15,000
661-5-5451-05-6505 R&M Supplies - Pump Booster	961	1,004	15,000	15,000
Total Supplies	53,058	56,258	100,000	120,000
<b>OTHER SERVICES &amp; CHARGES</b>				
661-5-5451-05-7300 Electricity	242,247	224,533	250,000	250,000
661-5-5451-05-7301 Propane Gas	133	150	2,000	1,000
661-5-5451-05-7306 Telephone	350	341	-	-
661-5-5451-05-7404 R&M Pumps	36,848	-	25,000	25,000
661-5-5451-05-7406 R&M Other	10,000	6,650	10,000	10,000
661-5-5451-05-7900 Other Prof Svcs	-	-	10,000	10,000
Total Other Svcs & Charges	289,578	231,674	297,000	296,000
<b>GRAND TOTAL</b>	<b>\$ 531,857</b>	<b>\$ 481,501</b>	<b>\$ 584,500</b>	<b>\$ 648,400</b>



**GREEN VALLEY PARK MAINT.**

		<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
		<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>PROPOSED</b>
<b>SALARIES &amp; WAGES</b>					
661-5-5451-06-5001	Full Time Employees	17,563	32,655	22,400	29,600
	Total Salaries & Wages	17,563	32,655	22,400	29,600
<b>PERSONNEL BENEFITS</b>					
661-5-5451-06-5501	FICA	1,247	2,310	1,700	2,300
661-5-5451-06-5504	Retirement	1,993	3,703	2,500	3,500
661-5-5451-06-5700	Insurance Benefit	1,874	4,347	2,400	3,300
661-5-5451-06-5701	Disability Insurance	21	46	100	100
	Total Personnel Benefits	5,135	10,406	6,700	9,200
<b>SUPPLIES</b>					
661-5-5451-06-6202	R&M Supplies Other	1,750	1,427	2,000	2,500
661-5-5451-06-6990	Other Expense	14,199	20,661	35,000	35,000
	Total Supplies	15,949	22,088	37,000	37,500
<b>OTHER SERVICES &amp; CHARGES</b>					
661-5-5451-06-7305	Refuse Disposal	1,586	2,115	4,000	4,000
661-5-5451-06-7406	R&M Other	2,623	2,200	3,000	3,000
	Total Other Svcs & Charges	4,209	4,315	7,000	7,000
<b>GRAND TOTAL</b>		<b>\$ 42,856</b>	<b>\$ 69,464</b>	<b>\$ 73,100</b>	<b>\$ 83,300</b>



ANNUAL BUDGET

PUBLIC WORKS

**WQARF SITE O&M**

		<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
		<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>PROPOSED</b>
<b>SALARIES &amp; WAGES</b>					
661-5-5451-07-5001	Full Time Employees	5,788	7,556	4,800	7,900
	Total Salaries & Wages	5,788	7,556	4,800	7,900
<b>PERSONNEL BENEFITS</b>					
661-5-5451-07-5501	FICA	406	541	400	600
661-5-5451-07-5504	Retirement	657	857	500	900
661-5-5451-07-5700	Insurance Benefit	688	585	500	900
661-5-5451-07-5701	Disability Insurance	7	11	100	100
	Total Personnel Benefits	1,758	1,994	1,500	2,500
<b>SUPPLIES</b>					
661-5-5451-07-6008	Chemicals	-	-	32,000	35,000
661-5-5451-07-6202	R&M Supplies Other	-	2,983	-	-
661-5-5451-07-6500	R&M Supplies Wells	31	5,161	5,000	5,000
661-5-5451-07-6501	R&M Supplies Pumps	-	-	10,000	10,000
661-5-5451-07-6502	R&M Supplies Elec Equip	280	-	5,000	5,000
	Total Supplies	311	8,144	52,000	55,000
<b>OTHER SERVICES &amp; CHARGES</b>					
661-5-5451-07-7001	Program Oversight	2,055	2,418	5,000	5,000
661-5-5451-07-7004	Compliance Sampling	5,304	6,332	10,000	10,000
661-5-5451-07-7300	Electricity	16,145	16,094	20,000	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	23,504	24,844	75,000	75,000
<b>GRAND TOTAL</b>		<b>\$ 31,361</b>	<b>\$ 42,538</b>	<b>\$ 133,300</b>	<b>\$ 140,400</b>



ANNUAL BUDGET

PUBLIC WORKS

**TREATMENT PLANT**

		<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
		<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>PROPOSED</b>
<b>PERSONNEL</b>					
661-5-5451-10-5001	Salaries & Wages - FT	-	-	-	67,700
	Total Salaries & Wages	-	-	-	67,700
<b>PERSONNEL BENEFITS</b>					
661-5-5451-10-5501	FICA	-	-	-	5,200
661-5-5451-10-5504	Retirement	-	-	-	7,900
661-5-5451-10-5700	Health/Life Insurance	-	-	-	9,700
661-5-5451-10-5701	Disability Insurance	-	-	-	100
661-5-5451-10-5800	Workers Comp Insurance	-	-	-	5,000
	Total Personnel Benefits	-	-	-	27,900
<b>SUPPLIES</b>					
661-5-5451-10-6001	Office Supplies	-	-	-	200
661-5-5451-10-6006	Uniform/Clothing	-	-	-	200
661-5-5451-10-6008	Chemicals	-	-	50,000	775,000
661-5-5451-10-6202	R&M Supplies Other	-	-	10,000	10,000
661-5-5451-10-6300	Gasoline/Fuels/Lubricants	-	-	-	3,500
661-5-5451-10-6302	R&M Supplies - Vehicle	-	-	-	1,000
661-5-5451-10-6500	R&M Supplies Hydro	-	-	20,000	20,000
661-5-5451-10-6501	R&M Supplies Pumps	-	-	10,000	10,000
661-5-5451-10-6502	R&M Supplies Equip	-	-	10,000	111,000
661-5-5451-10-6700	Memberships/Dues/Subscri.	-	-	-	500
	Total Supplies	-	-	100,000	931,400
<b>OTHER SERVICES &amp; CHARGES</b>					
661-5-5451-10-7001	Program Oversight	-	-	10,000	10,000
661-5-5451-10-7004	Compliance / Lab Analysis	-	-	10,000	10,000
661-5-5451-10-7300	Electricity	-	-	5,000	84,000
661-5-5451-10-7304	Sewer	-	-	-	125,000
661-5-5451-10-7305	Refuse Disposal	-	-	-	86,000
661-5-5451-10-7306	Telephone / Cable	-	-	1,000	1,000
661-5-5451-10-7404	R&M Pumps	-	-	-	10,000
661-5-5451-10-7406	R&M Equipment	-	-	-	10,000
661-5-5451-10-7407	R&M Hydro	-	-	-	10,000
661-5-5451-10-7600	Travel Expense	-	-	-	1,000
661-5-5451-10-7601	Registration	-	-	-	500
661-5-5451-10-7900	Other Professional Svcs	-	-	10,000	10,000
	Total Other Svcs & Charges	-	-	36,000	357,500
<b>GRAND TOTAL</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ 136,000.00</b>	<b>\$ 1,384,500.00</b>



ANNUAL BUDGET

PUBLIC WORKS

**CC CRAGIN PROJECT**

	<b>2015/16 ACTUAL</b>	<b>2016/17 ACTUAL</b>	<b>2017/18 ADOPTED</b>	<b>2018/19 PROPOSED</b>
<b>OTHER SERVICES &amp; CHARGES</b>				
661-5-5451-20-7100 Legal Services	-	5,157	40,000	40,000
661-5-5451-20-7300 Electricity	275	278	2,000	2,000
661-5-5451-20-7306 Telephone	564	547	800	1,500
661-5-5451-20-7600 Travel	770	16	1,000	1,000
Total Other Svcs & Charges	1,609	5,998	43,800	44,500
<b>CAPITAL</b>				
661-5-5451-20-8010 CC Cragin Pipeline (SRP)	783,805	99,856	500,000	500,000
661-5-5451-20-8600 CCC Pipeline Constr	7,502,677	8,083,509	23,500,000	7,500,000
Total Capital	8,286,482	8,183,365	24,000,000	8,000,000
<b>GRAND TOTAL</b>	<b>\$ 8,288,091</b>	<b>\$ 8,189,363</b>	<b>\$ 24,043,800</b>	<b>\$ 8,044,500</b>

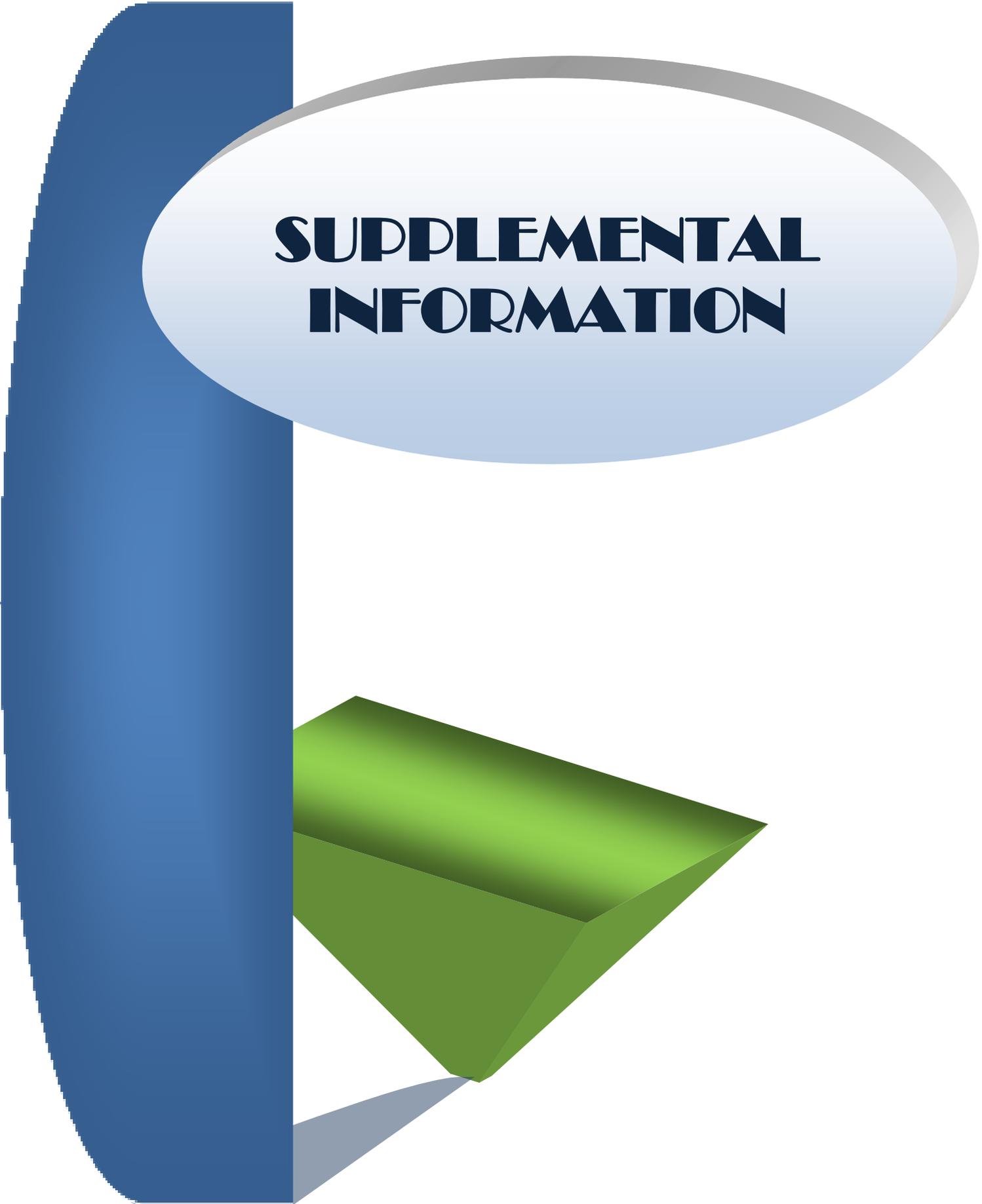


ANNUAL BUDGET

PUBLIC WORKS

**CAP TRUST FUND**

		<b>2015/16</b>	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>
		<b>ACTUAL</b>	<b>ACTUAL</b>	<b>ADOPTED</b>	<b>PROPOSED</b>
<b>SUPPLIES</b>					
460-5-5451-00-6901	Taxes & Fees	2,200	2,200	-	-
	Total Supplies	2,200	2,200	-	-
<b>CAPITAL</b>					
460-5-5451-00-8594	Environmental Project	113,461	52,930	128,271	58,200
	Total Capital	113,461	52,930	128,271	58,200
<b>GRAND TOTAL</b>		<b>\$ 115,661</b>	<b>\$ 55,130</b>	<b>\$ 128,271</b>	<b>\$ 58,200</b>



**SUPPLEMENTAL  
INFORMATION**



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## **FINANCIAL POLICIES**

The Town of Payson’s financial policies set forth the basic framework for the fiscal management of the Town. These policies were developed within the parameters established by applicable provisions of the Town of Payson Ordinances. The policies are to be reviewed on an annual basis and modified to accommodate changing circumstances or conditions.

### **ANNUAL BUDGET POLICY**

The adoption of the budget is one of the Town Council’s most important activities. State of Arizona Statutes include some specific requirements regarding the adoption of the annual budget. The following policies are consistent with these statutes.

The fiscal year of the Town shall begin on the first day of July each year and shall end on the thirtieth day of June of each year.

**BUDGET CALENDAR:** The budget calendar will follow the specific dates set forth by State of Arizona Statutes for completion of each task necessary to prepare and adopt the annual budget.

**DECENTRALIZED BUDGET PROCESS:** The budget process is intended to weigh all competing requests for resources, within expected fiscal constraints. Requests for new, ongoing programs made outside the budget process are not allowed.

**BUDGET RESOURCES ALLOCATION:** The Town utilizes a “zero-based” resource allocation approach. Each department will have an opportunity to request personnel, goods, capital items and services needed to carry on its responsibility in an exemplary manner.

Special one-time revenue sources will be used to purchase non-recurring items like capital goods. One-time revenues will not be used to support items that will have a long-term operational impact on future Town expenditures.

For those special revenue funds supported by intergovernmental revenues and special purpose taxes, expenditures are limited strictly to the mandates of the funding source. These resources are not to be used to subsidize other funds, except as required or permitted by program regulations.

Addition of personnel will only be requested to meet program initiatives and policy directives after service needs have been thoroughly examined and it is substantiated that additional staffing will result in increased revenues or enhanced operating efficiencies. To the extent possible, personnel cost reductions will be achieved through attrition.

Capital expenditures will be determined using the 5-year Capital Improvement plan process, 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, and goal or objective.

**BUDGETED FUNDS:** Annual budgets are adopted for all funds except certain trust and agency funds, if applicable. Controls for trust and agency funds are achieved through stipulations in the trust agreements or by State or Federal agency requirements.

**BALANCED BUDGET:** The budget must be balanced for all budgeted funds. Total estimated expenditures for each of the governmental fund types must equal total anticipated revenues plus that portion of 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.

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 fiscal year's budget.

**THE LEGAL LEVEL OF BUDGETARY CONTROL:** The budget shall be adopted at the fund level.

The State of Arizona Expenditure Limitation statute requires that the budget cannot be increased after final adoption. Expenditures may not exceed the budgeted total of the fund without the Town Council's approval. If approved, an additional Town Council approval is needed for payment from the Contingency fund to cover the overage.

The budgeted amount for salaries and benefits for each department may not be increased without the approval of the Town Council.

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

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

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

### **FINANCIAL REPORTING POLICY**

The Town is required to have an annual audit for its financial statements. The following provides policy guidance regarding accounting, general audit and financial reporting.

**ACCOUNTING AND REPORTING STANDARDS:** The Financial Services Department will establish and maintain a high standard of accounting practices. Accounting standards will conform to current generally accepted accounting practices (GAAP) as promulgated by the 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 Officers 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.

MONTHLY REPORTS: The Town will maintain a budgetary control system to ensure adherence to the budget and will prepare timely monthly financial reports comparing actual revenues and expenditures with budgeted amounts. These reports will be distributed to the Town Manager, department heads and will be included in one Council agenda packet per month.

ANNUAL BUSINESS PLAN: A Town-wide annual business plan will be completed each year after the Corporate Strategic Plan has been updated by the Town Council. The annual business plan will provide a statement as to what is anticipated to be accomplished toward the strategic goals based on the allocation of estimated resources in the budget for the new fiscal year.

The business plan helps determine the departmental budgets, sets the direction for staff focus in the upcoming fiscal year and creates performance measures that can be used to evaluate the effectiveness of the business plan.

ANNUAL BUDGET DOCUMENT: Following the adoption of the annual budget, staff will create and publish the annual budget document.

Each year, the budget document will be submitted to the Government Finance Officers Association (GFOA) national award program.

HISTORICAL TREND ANALYSIS: Town staff will update the Historical Trend Analysis after the financial statements and the audit 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.

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 Contingency Fund to address temporary downturns in Town revenue. Inter-fund loans may be utilized to cover temporary gaps in cash flow.

Deficit financing and borrowing to support on-going operations is not the policy of the Town as a response to long-term (greater than one year) revenue shortfalls. Expenses will be reduced to conform to the revised long-term revenue forecast or revenue increases will be considered.

**USER CHARGES:** The Town will establish fees and user charges at a level related to the total cost of providing that service, although fees may be set at a rate that does not recover the total cost of the program.

When establishing user charges, the following issues must be considered:

- Cost of services
- Pricing to encourage or limit demand
- Identifiable benefits

- Discourage waste

When imposing new fees and/or charges, the proposed fee/charge should be examined using the following criteria:

- Sufficiency—Fees/charges should recover the full cost of issuance, administration, and enforcement, recognizing that adjustments may be necessary for the benefit of the public.
- Efficiency—Fees/charges should be designed for easy, inexpensive administration by the Town and easy, inexpensive compliance by the individual/business paying the fee/charge. (A minimum of the revenue raised through collection of a fee / charge should be consumed in the process of raising it.)
- Simplicity—Fees/charges will be developed for easy understanding by the payee and Town official, leaving as small a margin as possible for subjective interpretations.

Town staff will review all fees and charges annually in order to keep pace with the cost of providing that service.

UTILITY RATES: Utility user charges for the water utility will reflect the cost of service and will be established so that operating revenues are at least equal to operating expenditures. A portion of the user rates will cover the replacement of the utility facilities.

The utility will periodically conduct a comprehensive rate study. In each of the intervening years, the staff will review and update the current study.

The overhead fee is a payment from all Enterprise funds to the General Fund for the cost of overhead charges attributed to that Enterprise fund.

The amount of each year's overhead fee will be based on the estimated General Fund expenditures that represent the direct and indirect services provided to the Enterprise fund, less those that are billed directly to those funds.

The utility will maintain a reserve to meet unforeseen emergencies. This reserve shall be separate from the carryover balance. The carryover balance should be sufficient to maintain adequate cash flow and to reduce the demand for short-term borrowing.

REVENUE COLLECTION: The Town will follow an aggressive, but humane policy of collecting revenues. Unpaid billings will be sent to a collection agency or collected through the Town's 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 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 receiving 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 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):

- Certificates of deposit in eligible depositories
- 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.
- 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.
- Repurchase agreements with a maximum maturity of one hundred eighty (180) days.
- The pooled investment funds established by the State Treasurer pursuant to section A.R.S. 35-326.

- Obligations issued or guaranteed by the United States or any of the senior debt of its agencies, sponsored agencies, corporations, sponsored corporations or instrumentalities.
- Bonds or other evidences of indebtedness of this State or any of its Counties, incorporated Cities or Town or school districts.
- 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.
- 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:
  - 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.
  - 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.
- Commercial paper of prime quality that is rated “P1” by Moody’s investor’s service or rated “A1” or better by Standard and Poor’s rating service or their successors. All commercial paper must be issued by corporations organized and doing business in the United States.
- Bonds, debentures and notes that are issued by corporations organized and doing business in the United States and that are rated “A” or better by Moody’s investor service or Standard and Poor’s rating service or their successors.

**ELIGIBLE DEPOSITORY REQUIREMENTS:** Certificates of deposit shall be purchased from the eligible depository bidding the highest permissible rate of interest. No monies over one hundred thousand dollars (\$100,000) may be awarded at any interest rate less than one hundred three percent (103%) of the equivalent bond yield of the offer side of United States Treasury bills having a similar term. If the eligible depository offering to pay the highest rate of interest has bid only for a portion of the monies to be awarded, the remainder of the monies shall be awarded to eligible depositories bidding the next highest rates of interest.

An eligible depository is not eligible to receive total aggregate deposits from this state and all its subdivisions in an amount exceeding twice its capital structure as outlined in the last call of 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:
  - United States government or agency obligations
  - State, county, school district and other district municipal bonds
  - 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
  - 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:
    - 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.
    - 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 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:

- An investment of public operating fund monies shall not be invested for a duration longer than three years.

- The board of deposit may order the treasurer to sell any of the securities, and any order shall specifically describe the securities and fix the date upon which they are to be sold. Securities so ordered to be sold shall be sold for cash by the treasurer on the date fixed in the order, at the then current market price. The treasurer and the members of the board are not accountable for any loss occasioned by 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:

- The monies are initially invested through an eligible depository in this state selected by the investing entity.
- The selected eligible depository arranges for the deposit of the monies in certificates of deposit in one or more federally insured banks or saving and loan associations wherever located for the account of the investing entity.
- The full amount of principal and any accrued interest of each certificate of deposit are insured by the federal deposit insurance corporation.
- The selected eligible depository acts as custodian for the investing entity with respect to the certificates of deposit issued for its account.
- At the same time that the investing entity's monies are deposited and the certificates of deposit are issued, the selected eligible depository receives 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 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)

### **DEBT POLICY**

The Debt Management Policy establishes the framework for overall planning and execution for Town debt management. It sets forth guidelines against which current debt issuance planning can be measured and proposals for future debt issues can be evaluated.

When authorized by the Council, the Town will issue long-term debt for high cost, long-lived capital projects/assets. The Town will issue short-term debt only when it is impossible to fund a project/asset initially through long-term debt. Debt issuance will conform to the debt limitations as set by State statute.

**ISSUING DEBT:** The issuance of short-term debt is limited to projects / assets that cannot be funded initially through long-term debt.

The issuance of long-term debt is limited to capital projects / assets that the Town cannot finance from current revenues or resources.

For purposes of this policy, current resources are defined as that portion of fund balance 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 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.

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 refunding or the market is unstable.

Debt service costs (GO, MPC, Revenue Bond and Contractual Debt) shall not exceed 25% of the Town's operating revenue. Improvement District (ID) debt is not included in this calculation because it is paid by the property owners of the district.

General obligation debt that is supported by property tax revenues and grows in proportion to the Town's assessed valuation or community acceptable property tax rates will be utilized as authorized by voters. Other types of voter-approved debt may also be utilized when they are supported by dedicated revenue sources (e.g., fees and user charges).

The following 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 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 ratio of utility revenue-to-debt service of 1:6 to ensure debt coverage in times of utility revenue fluctuations attributable to weather or other causes and to ensure a balanced, pay-as-you-go Capital Improvement Plan.

The Town may issue inter-fund loans.

Reserve accounts shall be maintained as required by bond covenants or as advisable by the Town Council. The Town shall structure such debt service reserves so that they do not violate IRS arbitrage regulations.

**PROFESSIONAL SERVICES:** All professional service providers (underwriters, financial advisors, bond insurers, etc.) selected in connection with the Town's debt issues will be selected 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 CAFR.

### **CAPITAL IMPROVEMENT POLICY**

This policy establishes the framework for overall planning and execution for Town capital improvements. It sets forth guidelines against which current planning and performance can be measured and proposals for future projects can be evaluated.

A capital improvement program (CIP) is a long-range plan of purchasing, constructing and maintaining the Town's capital assets. A capital budget is the portion of the operating budget that funds capital costs.

**DEVELOPING A CAPITAL IMPROVEMENT PROGRAM (CIP):** A capital improvement program (CIP) will be developed for a period of five years. As resources are available, the most current year of the CIP will be incorporated into the current year's operating budget. The CIP will be reviewed and updated annually.



**DEFINING CAPITAL ASSETS FOR A CIP:** For the CIP, all land and land improvements, building projects and equipment which result 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 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.



## 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.

**AGENCY POOL PARTICIPANT** A subdivision or an entity of a subdivision that has monies maintained by the treasurer and that has the authority to draw negotiable instruments on the treasurer or make other disbursements from monies that the treasurer holds for the subdivision or entity. (A.R.S. 35-321)

**APPROPRIATED BUDGET** The expenditure authority created by the appropriation resolution/ordinance, which is signed into law, and the related estimated revenues. The appropriated budget 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.

**BOARD OF DEPOSIT** Common Council (A.R.S. 35-321).

**BOND** A certificate obligating the payment of a specified sum of money which includes the principal or face value, plus interest, to be computed at a specified rate on a specified date or dates in the future or the maturity date(s).

**BONDED DEBT** That portion of 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.



**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).

**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.

**COLLECTING ENTITY** Entity from which the treasurer receives general funding including the county for collections performed by a county treasurer, the city for collection performed by a city treasurer or the district for collection performed by a district treasurer. (A.R.S. 35-321)

**COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)** An annual federal grant that can be used to revitalize neighborhoods and expand affordable housing.

**COMPREHENSIVE PLAN** A plan required by the state for the future growth and development of the Town.

**CONSUMER PRICE INDEX (CPI)** A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in the cost of living (economic inflation).

**CONTRACTUAL SERVICES** The costs related to services performed for the Town by individuals, businesses, or utilities.

**COST** The amount of money or other consideration exchanged for goods or services. Costs may be incurred even before money is paid; that is, as soon as liability is incurred. Ultimately, however, money or other consideration must be given in exchange.

**COST OF LIVING ADJUSTMENT (COLA)** An increase in salaries to offset the adverse effect of inflation on compensation.

**CURRENT ASSETS** Assets that are available or can be made readily available to finance current operations or to pay current liabilities. Assets that will be used up or converted into cash within one year. Some examples are cash and 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.

**ELASTIC REVENUE** Revenue type that is highly responsive to changes in the economic base and inflation. Example: sales tax.

**ELIGIBLE DEPOSITORY** Any: (a) Commercial or savings bank or savings and loan association having either a branch in this state or its principal place of business in this state and insured by the federal deposit insurance corporation or its successor or any other insuring instrumentality of the United States according to the applicable federal law. (b) Credit union that is insured by the national credit union administration or its successor. (A.R.S. 35-321)

**ENCUMBRANCES** Commitments related to unperformed contracts for 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.

**GENEARL 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.

**INELASTIC REVENUE** Revenue types that are not affected by changes in economic base and inflation. Example: Permit fees.

**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.

**INVESTING ENTITY** The State, a political subdivision, the governing body of a municipality or the governing body of a school district. (A.R.S. 35-323.01)



**INVOLUNTARY POOL PARTICIPANT** Subdivision that only receives the principal ratio of the monies collected, for which the principal monies are mandated to be distributed on a specific date and for which the interest earned on the monies between the time of collection and other statutory requirements reverts to the general fund of the collecting entity. (A.R.S. 35-321)

**KEY RESULT AREAS (KRA)** Major priority areas within the Corporate Strategic Plan.

**LEVY** To impose a tax, special assessment or service charge for the support of government activities. The total amount of taxes, special assessments or service charges imposed by a government. The term most commonly refers to the real and personal property tax levy.

**LEVY RATE** The rate at which taxes, special assessments or service charges are imposed. For example, the real and personal property tax levy is the rate at which property is taxed per \$100 assessed valuation.

**LIABILITY** Debt or other legal 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.

**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)

**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.

**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)

**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, inter-fund transfers and in some cases, a beginning fund balance.

**REVENUE** Income received by the Town to support programs or services to the community. It includes such items as taxes, fees, user charges, grants, fines, forfeitures, interest income and miscellaneous revenue.

**RISK MANAGEMENT** An organized attempt to protect a government's assets against accidental loss in the most economical method.

**SALARIES AND WAGES** 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.

**STATE MONIES** All monies in the treasury of this state or coming lawfully into the possession or custody of the state treasurer. (A.R.S. 35-321)



**STRUCTURALLY BALANCED BUDGET** A balanced budget that supports financial sustainability for multiple years into the future. A government needs to make sure that it is aware of the distinction between satisfying the statutory definition and achieving a true structurally balanced budget.

**SUBDIVISION** Any county, non-charter city or town. Cities governed by charter have the option of operating under this article. (A.R.S. 35-321)

**SUBDIVISION MONIES** All monies in the treasury of a subdivision or coming lawfully into the possession or custody of the treasurer. (A.R.S. 35-321)

**SUPPLIES** A cost category for minor items (individually priced at less than \$5,000) required by departments to conduct their operations.

**SURPLUS** The amount by which revenues exceed expenditures.

**TAX BASE** The wealth of the community available to be taxed by various forms of Town taxes. It is commonly thought of as the assessed value of the community.

**TAX LEVY** The total amount to be raised by general property taxes for the purposes specified in the Tax Levy Ordinance.

**TAXES** Compulsory charges levied by a government for 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.

**TREASURER** Includes the treasurer or officer exercising the functions of treasurer of any subdivision but excludes the state treasurer. (A.R.S. 35-321)

**TRUST AND AGENCY FUNDS** A type of fiduciary fund which accounts for funds held by the Town as a trustee.

**TRUST FUNDS** Those monies entrusted to a public body or official for preservation and investment, as prescribed by the instrument establishing such funds. (A.R.S. 35-321)

**UNRESERVED FUND BALANCE** Undesignated monies available for appropriations.

**USER CHARGES** The payment of a fee for direct receipt of 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).



**REFERENCES:**  
Arizona Revised Statutes:  
9-492 Cities and Towns  
15-1025 Education  
35-313; 35-323; 35-326; 35-328 Public Finance

## Common Acronyms

<b>AFFH</b>	Affirmatively Furthering Fair Housing
<b>ARRA</b>	American Recovery and Reinvestment Act of 2009
<b>BARS</b>	Budgeting, Accounting and Reporting System
<b>CAFR</b>	Comprehensive Annual Financial Report
<b>CDBG</b>	Community Development Block Grant
<b>CIP</b>	Capital Improvement Plan
<b>COLA</b>	Cost of Living Adjustment
<b>CPI</b>	Consumer Price Index
<b>CSP</b>	Corporate Strategic Plan
<b>FAA</b>	Federal Aviation Administration
<b>FT</b>	Full-time
<b>FTE</b>	Full-time Equivalent
<b>FY</b>	Fiscal Year
<b>GAAP</b>	Generally Accepted Accounting Principles
<b>GASB</b>	Governmental Accounting Standards Board
<b>GFOA</b>	Government Finance Officers Association
<b>GO Bonds</b>	General Obligation Bonds
<b>HURF</b>	Highway Users Revenue Fund
<b>KRA</b>	Key Result Areas
<b>LID</b>	Local Improvement District
<b>OPEB</b>	Other Post Employment Benefits
<b>OSHA</b>	Occupational Safety and Health Act
<b>PO</b>	Purchase Order
<b>PT</b>	Part-time
<b>RFP</b>	Request for Proposal
<b>SCADA</b>	Supervisory Control and Data Acquisition
<b>WIFA</b>	Water Infrastructure Financing Authority