

Capital Improvement Program Budget Fiscal Year 2011-12



TOWN OF



ARIZONA

Payson Mayor & Town Council



Council Member John Wilson
Council Member Ed Blair
Council Member Su Connell
Council Member Fred Carpenter
Council Member Rick Croy

Mayor Kenny Evans
Vice-Mayor Michael Hughes

Capital Improvement Program Budget FY 2011-12



Debra A Galbraith
Town Manager

Hope Cribb
Financial Services Manager

Janice Hopely
Accountant II

About the cover:

Photo: Payson Public Library

The Payson Public Library began life in 1921 when the Payson Women's Club selected it as a project. Over the years the library has been located in a schoolhouse, a parsonage and vacated building on Main Street. Construction was completed in 2002 for the 15,756 square foot building on the cover. Expansion is planned for the future. From a humble beginning in 1921, the Payson Public Library has grown to be a respected and well used source of education and entertainment for Payson and the surrounding area.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

Town of Payson

Arizona

For the Fiscal Year Beginning

July 1, 2010



President

Executive Director

How to Use This Book

We've made every effort to make this book as easy as possible to read, but we understand just how difficult it can be to find what you're looking for in such a complex document. To make your search easier, we've provided a number of tools to help you get what you need.

Organization of This Book

The Town of Payson's Capital Improvement Program Budget is one of four books that make up the Town's annual budget documentation: the Annual Budget, the Corporate Strategic Plan, the Capital Improvement Program Budget, and the Business Plan.

This Capital Improvement Program Budget is divided into four sections:

Introduction—This section contains the Town Manager's Letter, Town of Payson's Organization Chart, our Mission and Values, Payson Map, and the Budget Calendar.

Capital Improvement Program Summary—This section provides summaries of the Town's five-year Capital Improvement Program (CIP), the sources of funds and the associated debt.

Capital Improvement Projects—This section describes each capital improvement project.

Machinery & Equipment Capital Budget—This section describes the capital purchase plan for machinery & equipment.

Table of Contents

The main Table of Contents provides a summary of the four sections of the Capital Improvement Program Book.

Each subsequent section has a detailed Table of Contents directly behind the tab page that provides specific information about that section.

Table of Contents

Introduction

Town Manager's Letter.....	7
Financing Options.....	9
CIP Project Categories.....	10
CIP Policies.....	11
CIP Selection Process.....	11
CIP Incremental Impact.....	12
CIP Strategic Focus.....	12

Capital Improvement Program

Capital Improvement Program.....	13
Enterprise Purpose CIP.....	15
General Purpose CIP.....	26
Transportation Purpose CIP.....	31
Special Purpose CIP.....	36

Contact Information.....	38
--------------------------	----

Town Manager's Letter

June 2011

To the Honorable Mayor and members of the Town Council:

These are difficult financial times for many of us. The economic contraction, rising inflation and tightening credit are making it more difficult for our families and businesses to get by.

Our Town government is also challenged. Expenses are high and revenues are lower. We have tightened our belts, reduced personnel costs, drastically cut non-essential services and consciously planned to maintain expenditures at the reduced levels from last year, or lower, if possible.

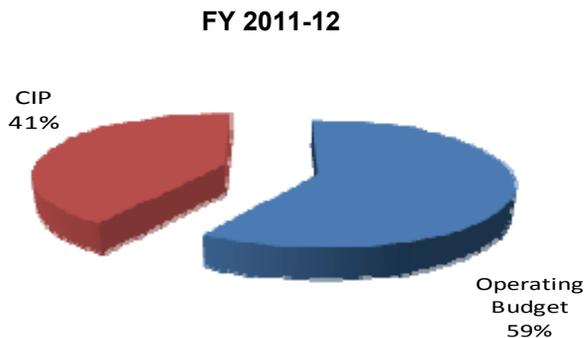
THE CAPITAL IMPROVEMENT PROGRAM (CIP)

The CIP is a five-year financial plan for the acquisition, construction, expansion, or rehabilitation of infrastructure and capital assets. Capital projects typically have one or more of the following characteristics: (1) expenditures which take place over two or more years, requiring continuing appropriations beyond a single fiscal year; (2) funding with debt because of significant costs to be shared by current and future beneficiaries; (3) a systematic acquisition over an extended period of time; (4) scheduled replacement or maintenance of specific elements of physical assets; (4) cost of \$5,000 or more; (5) live of expectancy of a year or more.

Although capital projects are scheduled throughout the five-year plan, only those projects during the first year of the plan are adopted as part of the Town's annual budget. The first year of the CIP constitutes the Capital Budget. The remaining years within the CIP serve as a guide for future planning and are subject to annual review and modification in subsequent years.

ANNUAL BUDGET PROGRAM SUMMARY

As shown in the following chart, the Town of Payson's Financial Program for fiscal year (FY) 2011-12 totals \$ 47 million. Of this amount, approximately \$ 19 million is for projects included in the Capital Budget.



CIP PROCESS

In March 2011, the CIP process began with the Corporate Strategic Plan meeting. This meeting give the Council and the public an opportunity to establish CIP projects that will further the strategic plan of the community. As the departments create their departmental budget proposals, they also include capital projects they would like to see accomplished in the up-coming fiscal year.

A special Town Council work-study meeting was held in March to examine the proposed capital program.

Through meetings with department managers and other key department representatives held over ensuing months, the total requested program was extensively reduced to meet the available resources. Recognizing severely limited Town revenues and financing options produced by the economic downturn, a balanced five-year capital program was created by the Budget Committee.

The annual budget, including the Corporate Strategic Plan and the Capital Improvement Program was adopted by the Town Council on June 16, 2011.

CAPITAL BUDGET OVERVIEW

The Capital Budget consist of the following areas: Enterprise, General Purpose and Transportation projects. The Enterprise program totals \$11.4 million and includes Water and C.C. Cragin Pipeline projects, which as shown in the table below, account for 59% of the Capital Budget in FY 2011 -12. The General Purpose program includes Police, Fire, Parks, Recreation, Community Development, Library, and General Governmental projects and totals \$1.2 million.

FY 2011-12 CIP by Program

	\$ Millions	% of Total
Enterprise	11.4	59%
General Purpose	1.2	6%
Transportation	0.4	2%
Special Purpose	6.3	33%
	19.3	

CAPITAL BUDGET HIGHLIGHTS

Following are highlights from the Capital budget for FY 2011-12:

Enterprise Program

- C.C. Cragin Pipeline project (\$7.8 million)
- Proposed construction of a retention basin at the Multi-Purpose Complex (\$1.8 million – dependent on grant)
- Various water system upgrades (\$1.6 million)
- Machinery and Equipment (\$250,000)

General Purpose Program

- Fire Station 11 remodel completion (\$185,000) dependent on grant funding
- Housing rehabilitation (\$140,000) dependent on CDBG funding
- Machinery and Equipment (\$880,500) including lease/purchase agreements of \$620,000.

Transportation Program

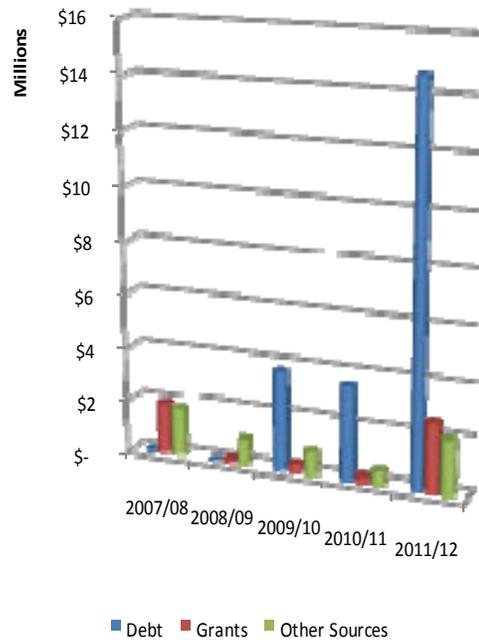
- Continued Right-of-Way acquisition along Bonita St (\$10,000)
- Pavement Preservation (\$50,000)
- Update airport markings and signage (\$315,000) dependent on grant from the FAA
- Machinery and Equipment (\$60,000)

Special Purpose Program

- Montezuma Castle Improvement District (\$6,250,000) dependent on organization by land owners

CAPITAL IMPROVEMENTS PROGRAM FINANCING

As shown in the following chart, Payson's capital program has historically been funded through a combination of bonds, and other sources. The availability of these various revenue sources and the capacity to use them are principal factors in determining the overall size of each annual Capital Budget. As the economic downturn began to be felt, grant revenue decreased, as did the Town's ability to pay for capital improvements. The increase in the Debt portion of the financing is due to the issuance of the remainder of the 2003 voter approved bonds to construct a new fire station and the receipt of financing from the Water Infrastructure Financing Authority of Arizona (WIFA) for some of the construction costs of the C.C. Cragin Pipeline.



CONCLUSION

The Town entered this economic crisis without the reserves that should be in place even during good economic times. We are still struggling to achieve some level of reserves to be able to weather storms like this. Because of decreased revenues and no reserves, we will be decreasing capital improvement expenditures in most areas, except for those projects that have debt financing or are backed by grant revenue. While this helps balance the budget, it causes larger challenges in the future as infrastructure maintenance falls farther and farther behind.

In closing the completion of the budget requires the effort of many people. To the Mayor, Town Council, Budget Committee, Department Directors and Staff, I express my sincere appreciation.

Respectfully Submitted,

Debra A Galbraith

Debra A Galbraith
Town Manager

FINANCING OPTIONS

BONDS

Bonds are typically paid back over 10 to 15 years by taxpayers or ratepayers as the improvement is used. Therefore, the use of municipal bonds partially fulfills the Council's objective of having future users pay their fair share of the cost of improvements from which they will benefit.

Bond sale proceeds must be used for the purpose specified in the bond authorization election. Remaining bond funds in one bond category may not be used to fund projects in another bond category, and different bond categories are subject to different state limitations.

Fluctuations in the annual assessed valuation will have a direct impact on Payson's ability to finance capital improvement projects through G.O. bond sales.

General Obligation Bonds

Municipalities use General Obligation (G.O.) bonds to fund many capital improvement projects. These bonds are backed by "the full faith and credit" of the town, and are usually considered to be a relatively safe investment for bondholders. In Arizona, municipalities pay the principal and interest on G.O. bonds through a property tax levy, referred to as the "secondary" property tax.

Arizona's State Constitution limits the total outstanding principal on most G.O. bonds to six percent of the town's total assessed valuation. The six percent constitutional limitation does not apply to the bonding of parks or water projects. In these categories, the total outstanding indebtedness cannot exceed 20 percent of assessed valuation at the time of a bond sale.

As of July 1, 2011, the following G.O. debt service is outstanding from previous bond elections:

<u>TYPE</u>	<u>AMOUNT</u>
Public Safety	\$2,630,00
Parks	575,000

The Town issued the remaining \$1,525,000 of the Public Safety Improvement bonds in the fall of 2009

Revenue Bonds

The principal and interest on this type of bond is paid from future revenue sources. Revenue bonds may incur slightly higher interest costs than G.O. bonds, but one major advantage of this financing mechanism is that revenue bonds do not affect the town's G.O. bonding capacity.

<u>TYPE</u>	<u>AMOUNT</u>
Public Works Facility	\$860,000

Water Revenue Bonds

In addition to water G.O. bonds, the town is permitted to sell bonds that pledge water utility revenues as payment for debt service. With the confirmation of the ARRA funding, Payson will use Water Revenue bonds to fund the C.C. Cragin Pipeline project. While the total amount funded by ARRA is \$10,585,000, \$4,000,000 is forgivable while the remaining \$6,585,000 is a bond issue sold by the Water Infrastructure Financing Authority (WIFA). The principal and interest on the \$6,585,000 bonds will be paid from future water revenue sources.

The total outstanding debt service, including Water G.O. bonds, will be:

<u>TYPE</u>	<u>AMOUNT</u>
Water	\$6,858,000

Local Improvement District Bonds

Local improvement districts (LIDs) are legally designated geographic areas in which a majority of the affected property owners agree to pay for one or more capital improvements through a supplemental assessment. This financing approach ties the repayment of debt to those property owners who most directly benefit from the improvements financed.

There are several financial and practical constraints that can limit the formation of such districts:

- While LID bonds are not subject to specific debt limits, LID debt appears on the town's financial statements as an obligation of the town, and can affect the town's bond ratings
- It may be difficult to obtain the consent of the number of property owners needed to create an LID
- Residential property owners and business property owners in the same area may have different concerns, priorities and financial assets
- An LID is usually not a viable option in lower income areas.

For Capital Plan purposes, it is assumed that any new LIDs will either be fully funded by private property owners, or that the town's financial participation will be limited to the obligation caused by the town owning property in the district.

The formation of an LID can affect the CIP positively by accelerating the completion of a capital improvement already in the CIP or negatively by delaying other scheduled projects in order to finance the town's LID obligation.

There are currently three LIDs in Payson. The Town owns property in two of them and pays an annual debt service payment of \$320,000 for these assessments. The 2011/2012 CIP shows the possibility of one new LID.

As of July 1, 2011, the following LID debt service outstanding is:

<u>TYPE</u>	<u>AMOUNT</u>
Streets	\$1,155,000

Certificates of Participation

A Certificate of Participation is executed by a trustee under a trust agreement acknowledging that the owner of the Certificate is entitled to a proportionate distribution of the moneys received by the trustee from the revenue made by or on behalf of the Town under a specified lease. In 2005 the Town pledged park development fees to repay \$500,000 in Certificates of Participation for the installation and construction of fencing, lighting and synthetic turf for use as a baseball and softball fields. The bonds are payable through 2012.

As of July 1, 2011, the following Certificate of Participation debt service outstanding is:

<u>TYPE</u>	<u>AMOUNT</u>
Parks & Recreation	\$215,000

GRANTS

The majority of grants for capital projects come from the federal or state government. There are two major types of grants. Open, competitive grant programs usually offer a great deal of latitude in developing a proposal and the grants are awarded through a competitive review process. Federal Community-Oriented Policing Services grants for police officers and Heritage Fund grants are examples of competitive grants.

Entitlement or categorical grants are allocated to qualified governmental entities based on a formula basis (e.g., by population, income levels, etc.). Entitlement funds must be used for a specific grantor-defined purpose. Community Development Block Grants (CDBG) are entitlement grants.

It is important to note that most federal and state grant programs, with the exception of some housing programs, require the applicant to contribute to the cost of the project. The required contribution, referred to as local "match", can vary from five percent to 75 percent. The matching funds come from the town's operating budget.

The table below shows projected levels of grant funding for major projects in the CIP, including major grants for airport construction and housing programs. The last column shows the town's anticipated cash matching requirement. Many federal and state grant programs specifically prohibit the applicant from using other government grants as match, and require that the match be cash rather than donated services. Therefore, matching funds usually come from the General Fund, department operating budgets or development impact fees.

CAPITAL PLAN GRANT FUNDS PROJECTIONS

Year	Total Grant Amount	Estimated Required Town Match	Total
2011-12	\$489,000	\$24,500	\$513,500
2012-13	3,785,000	189,300	3,974,300
2013-14	1,411,000	70,600	1,481,600
2014-15	3,421,300	171,100	3,592,400
2015-16	4,440,000	222,000	4,662,000

LEASE/PURCHASE AGREEMENTS

In past years the Town has entered lease/purchase agreements for large or multiple-piece equipment purchases.

As of July 1, 2011 remaining lease/purchase debt is:

<u>TYPE</u>	<u>AMOUNT</u>
Fire	\$192,900

CIP PROJECT CATEGORIES

Capital projects are divided into one of two primary categories:

Machinery and Equipment Replacement: The Equipment Services Fund provides for the purchase, replacement, and maintenance of the Town's fleet and other large equipment (e.g., generators, tillers). This is an internal service fund in which departments are charged for the usage or depreciation of the equipment. This recurring source of money makes the fund self-sufficient. Existing assets are replaced on a life cycle replacement schedule. New equipment can be added through a new initiative if it can be shown to support the Strategic Plan.

Capital Improvement Projects: The purchase, replacement, maintenance, and repair (if additional asset life is obtained) of all other infrastructure and fixed assets is accomplished through the Capital Improvement Program.

CIP POLICIES

The following policy guidelines are used to define a capital expenditure and steer the management of the process:

- A capital expenditure is defined as a major construction, expansion, purchase, or major repair/replacement of buildings, utility systems, streets, or other physical structure or property which has an estimated total cost of \$5,000 or more and generally has an expected life of at least five years.
- Capital items under \$5,000 are generally included in the various operating budgets.
- Capital improvements are programmed and scheduled based on the Town's projected financial ability to purchase and maintain the capital project. All projects are prioritized and ranked based on criteria including the strength of the linkage between the capital expenditure and the Town's strategic priorities.
- Capital projects will be funded through a combination of allocated revenues, state/federal grants, and authorized debt.

CIP SELECTION PROCESS

The Capital Improvement Program provides detailed information for all CIP projects with capital outlays greater than \$5,000 that the Town plans to construct or purchase during Fiscal Years 2011 through 2015. Each department submitting a capital acquisition request completes a Project Description Form. The request includes the following information:

- project title,
- project description,
- department/division,
- linkage to strategic priority,
- additional operating cost,
- alternatives, and justification.

The CIP is updated annually to make adjustments for changing capital needs, changes in availability and cost of funds, and to add a year of programming to replace the year just completed. The CIP process begins in early January with a review of the process to determine if there are any changes that will make the process more user friendly, efficient, and effective. Next, departments conduct a fixed assets inventory including an inventory of vehicles, computers, and printers. The main objective is to move the Town's strategic planning and budgeting process closer to the ideal as set forth in the Business Plan. One of the key improvements to the process has been to link the Capital Improvement Program to the Strategic Plan. In the spring, capital requirements flowing from the adopted Strategic Plan and Business Plan are identified. Each project in Fiscal Year 2011/12 is linked to the Strategic Plan as it relates to the Town Council's fourteen priorities.

All fleet requests are accompanied by a Fleet Replacement Form identifying the vehicle type, quantity, total cost, vehicle identification numbers, model type, and specialty items. Also, the form requests current details on replacement vehicles for Fiscal Year 2011/12 which includes current mileage and condition of each vehicle.

Prior to being included in the Five-year Capital Improvement Program, each potential project is analyzed to determine its financial impact on operations, operating expenditures, and revenues. The total cost of each recommended project is identified as part of the capital budgeting process and associated operating expenses are included in the operating budget. In the CIP, the Project Description Form for each project identifies the operating and maintenance costs for each new project and new equipment.

The CIP Review Committee (CRC) is made up of the Town Manager, the department requesting the capital, a representative from Financial Services and others as requested. Departments discuss their capital items with further justification and research that was requested during the meetings. If the need proves to be valid and the capital is part of the Town's overall strategic plan, the project is recommended for approval. The CRC reviews the entire list of proposed capital projects along with the funding sources and restraints. A final list of projects is recommended to the Town Council by the CRC for approval in the Capital Improvement Plan. Council approved projects and machinery and equipment items are then placed in the first year of the five year plan.

In summary, the adopted Five-Year CIP provides the necessary components of a sound Capital Improvement Program. Collectively, the CIP and the Five-Year Forecast serve as a road map to intelligently plan for the Town's future and create a responsible financial plan to ensure quality public services today and in the future.

Capital Budget Incremental Impact on FY 2011-12 Operating Budget

Although the Town of Payson prepares a Capital Budget separate from the Operating Budget, the two budgets are linked. These links include operating and maintenance costs associated with new projects, debt service payments, new capital outlay appropriations, and pay-as-you-go financing from operating revenues. The impacts on the Operating Budget are not part of the costs listed in the Capital Budget. The estimated cost of the impacts are part of the Operating Budget.

The tables below show an estimate of the impacts the Capital Budget projects will have on operating funds:

Operating Budget	CIP Impact	Capital Budget
\$28	\$14.4	\$19.3

Debt		
Enterprise	\$	7.5
General Purpose		0.6
Transportation		6.3
	\$	14.4 M

As part of the Capital Improvements Program, departments are asked to identify those capital projects that have an impact on the operating budget, and quantify the impact in terms of operation and maintenance.

Due to the severe adverse impact the economy has had on the Town's operating Budget, the Town continued to engage in extensive Operating Budget balancing efforts throughout FY2011-12. This process not only coincided with the Capital Budget development process, but had a direct influence on the extent to which additional operating budget impacts from capital projects could be considered. This translated into whether or not a particular capital project could/would be approved based on whether or not it entailed additional operating budget impacts.

Because the amount of capital projects has been reduced so much in FY2011-12, the only impact the remaining projects have is debt service.

Enterprise debt:

- C.C. Cragin Pipeline—this is considered new debt because the Water funds will begin in FY2011-12 to pay on the principal for this WIFA loan.

General Purpose debt:

- This will be debt incurred to lease/purchase three police cars and a fire apparatus.

Transportation debt:

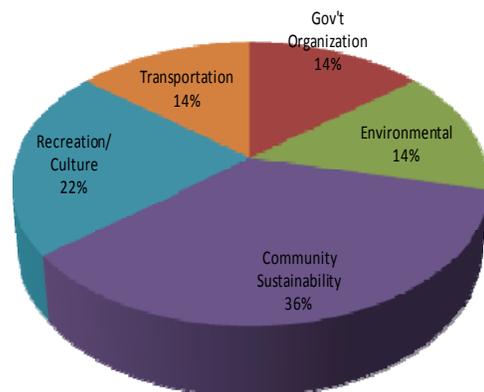
- This debt will occur only if the applicable parties decide to participate in an improvement district during FY2011-12.

Capital Budget Strategic Focus

The Town establishes strategic issues, goals and objectives each year in the Corporate Strategic Plan (CSP). A public meeting is held at the beginning of the budget process to update and add new strategic goals for each year. The CSP provides a long range focus for resource allocation and a roadmap for expected accomplishments in the ensuing year.

The strategic priorities for FY2011-12 are:

- External Communications
- Water Resource Management
- Environmental Protection
- Community Development
- Transportation and Drainage
- Recreation
- Fire Protection and Emergency Services
- Police and 911 Services
- Organizational Development
- Airport
- Library
- Economic Development
- Tourism and Economic Vitality
- Parks & Open Space



The limited Capital Budget for FY2011-12 addresses the following strategic priorities: Water Resource Management, Airport, Police and 911 Services, Fire and Emergency Services and Transportation and Drainage.

Each of the following Project Description Forms show which strategic priority the project pertains to.

FY2011-12 Capital Improvements Program Summary

Program	2011-12	Additional Projected Needs				Total
	Funded Program	2012-13	2013-14	2014-15	2015-16	5-Year Program
Enterprise						
Water	11,425,300	4,055,000	6,150,000	5,387,000	10,470,000	37,487,300
Total Enterprise	11,425,300	4,055,000	6,150,000	5,387,000	10,470,000	37,487,300
General Purpose						
Police	284,000	402,000	438,800	321,800	125,000	1,571,600
Parks	-	315,000	476,000	1,055,000	475,000	2,321,000
General Government	96,500	228,000	70,000	70,000	130,000	594,500
Fire	685,000	1,115,000	550,000	55,000	350,000	2,755,000
Community Development	140,000	935,000	815,000	840,000	815,000	3,545,000
Recreation	-	265,000	250,000	2,170,000	150,000	2,835,000
Library	-	-	1,500,000	-	-	1,500,000
Total General Purpose	1,205,500	3,260,000	4,099,800	4,511,800	2,045,000	15,122,100
Transportation						
Streets	120,000	3,639,000	1,575,000	3,450,000	5,212,000	13,996,000
Airport	315,000	2,500,000	1,190,000	665,000	4,313,000	8,983,000
Total Transportation	435,000	6,139,000	2,765,000	4,115,000	9,525,000	22,979,000
Special Purpose	6,250,000	-	-	-	-	6,250,000
TOTAL PROGRAM	19,315,800	13,454,000	13,014,800	14,013,800	22,040,000	81,838,400

FY2011-12 Capital Improvements Program Source of Funds

Program	2011-12	Additional Projected Needs				Total
	Funded Program	2012-13	2013-14	2014-15	2015-16	5-Year Program
Enterprise						
ARRA Funding	2,995,500	-	-	-	-	2,995,500
WIFA Loan	6,585,000	-	-	-	-	6,585,000
Development Fees	144,400	145,000	145,000	145,000	145,000	724,400
Debt Proceeds	-	2,000,000	4,000,000	4,000,000	9,000,000	19,000,000
Operating Revenue	1,700,400	1,910,000	2,005,000	1,242,000	1,325,000	8,182,400
Total Enterprise	11,425,300	4,055,000	6,150,000	5,387,000	10,470,000	37,487,300
General Purpose						
Lease/Purchase Proceeds	620,000	1,260,000	525,000	240,000	325,000	2,970,000
Debt Proceeds	-	-	1,500,000	2,000,000	-	3,500,000
CDBG Grants	140,000	200,000	140,000	140,000	140,000	760,000
Various Grants	349,000	1,285,000	1,271,000	1,281,300	800,000	4,986,300
Operating Revenue	96,500	515,000	613,800	800,500	780,000	2,805,800
Total General Purpose	1,205,500	3,260,000	4,049,800	4,461,800	2,045,000	15,022,100
Transportation						
FAA Grant	315,000	2,500,000	1,190,000	665,000	4,313,000	8,983,000
Various Grants	-	2,300,000	-	2,000,000	3,500,000	7,800,000
Development Fees	29,000	50,000	50,000	50,000	-	179,000
Operating Revenue	91,000	1,289,000	1,575,000	1,450,000	1,712,000	6,117,000
Total Transportation	435,000	6,139,000	2,815,000	4,165,000	9,525,000	23,079,000
Special Purpose						
Debt Proceeds	6,250,000	-	-	-	-	6,250,000
Total Special Purpose	6,250,000	-	-	-	-	6,250,000
TOTAL PROGRAM	19,315,800	13,454,000	13,014,800	14,013,800	22,040,000	81,838,400

Enterprise Capital Improvements

Capital Improvement Projects

	Department	Description	Fiscal Year 2011/12	Fiscal Year 2012/13	Fiscal Year 2013/14	Fiscal Year 2014/15	Fiscal Year 2015/16	5 Year Total
0910-50	Water	CC Cragin Pipeline	7,490,300	3,000,000	4,000,000	5,200,000	10,200,000	29,890,300
0910-51	Water	Houston Mesa Waterline & Treatment Plant	325,000	1,500,000	1,500,000	1,500,000	1,500,000	6,325,000
0910-52	Water	Security Gates	20,000	5,000	-	-	5,000	30,000
0910-53	Water	Green Valley Park Shoreline Protection	500,000	-	500,000	-	-	1,000,000
0910-57	Water	Water Mains	-	100,000	1,450,000	100,000	100,000	1,750,000
0910-58	Water	Wells	-	500,000	-	-	-	500,000
0910-61	Water	Radon Removal Study	30,000	-	-	-	-	30,000
0910-62	Water	Water Line Replacement	900,000	-	-	-	-	900,000
0910-64	Water	Reserve Well Development	-	-	85,000	-	-	85,000
0910-65	Water	Warehouse Addition	110,000	-	-	-	-	110,000
0910-66	Water	TAT Reclamation Project	1,800,000	-	-	-	-	1,800,000
		Total Water Capital Projects	11,175,300	5,105,000	7,535,000	6,800,000	11,805,000	42,420,300

Capital Machinery & Equipment

0910-30M	Water	Backhoe	-	150,000	-	-	-	150,000
0910-31M	Water	Wheel Loader Replacement	-	150,000	-	-	-	150,000
0910-32M	Water	SCADA Equipment	50,000	75,000	75,000	-	75,000	275,000
0910-33M	Water	Service Truck Replacement	85,000	30,000	-	32,000	35,000	182,000
0910-34M	Water	Well Pump Replacements	75,000	30,000	40,000	40,000	40,000	225,000
1011-05M	Water	Computer Equipment	40,000	15,000	-	15,000	15,000	85,000
		Total Water Division	250,000	450,000	115,000	87,000	165,000	1,067,000

Capital Funding

Funding Sources	Project Number	Fiscal Year 2011/12	Fiscal Year 2012/13	Fiscal Year 2013/14	Fiscal Year 2014/15	Fiscal Year 2015/16	5 Year Total
WIFA	50,60,64,66	9,700,300	3,000,000	4,000,000	5,150,000	-	21,850,300
Grants - State	53	500,000	-	500,000	-	-	1,000,000
Bonds	50,51	-	1,500,000	1,500,000	1,500,000	11,655,000	16,155,000
Development Fees	All	140,000	200,000	200,000	150,000	150,000	840,000
Water Fund	52,57,58,61,62,65, M&E 30-31 and 1011-05	1,085,000	855,000	1,450,000	87,000	165,000	3,642,000
		11,425,300	5,555,000	7,650,000	6,887,000	11,970,000	43,487,300

Project Description Form

Department: Water

Project Title: CC Cragin Pipeline Project

Project No.: 0910-50

Strategic Priority: KRA 2 – Objective 1

New

Replacement

Carryover X

Project Description:

Construct water pipeline

Project Alternatives:

Do nothing

Relationship to Other Projects:

None

Continued Costs After Project Completion (additional personnel, utilities etc):

None

Project Justification:

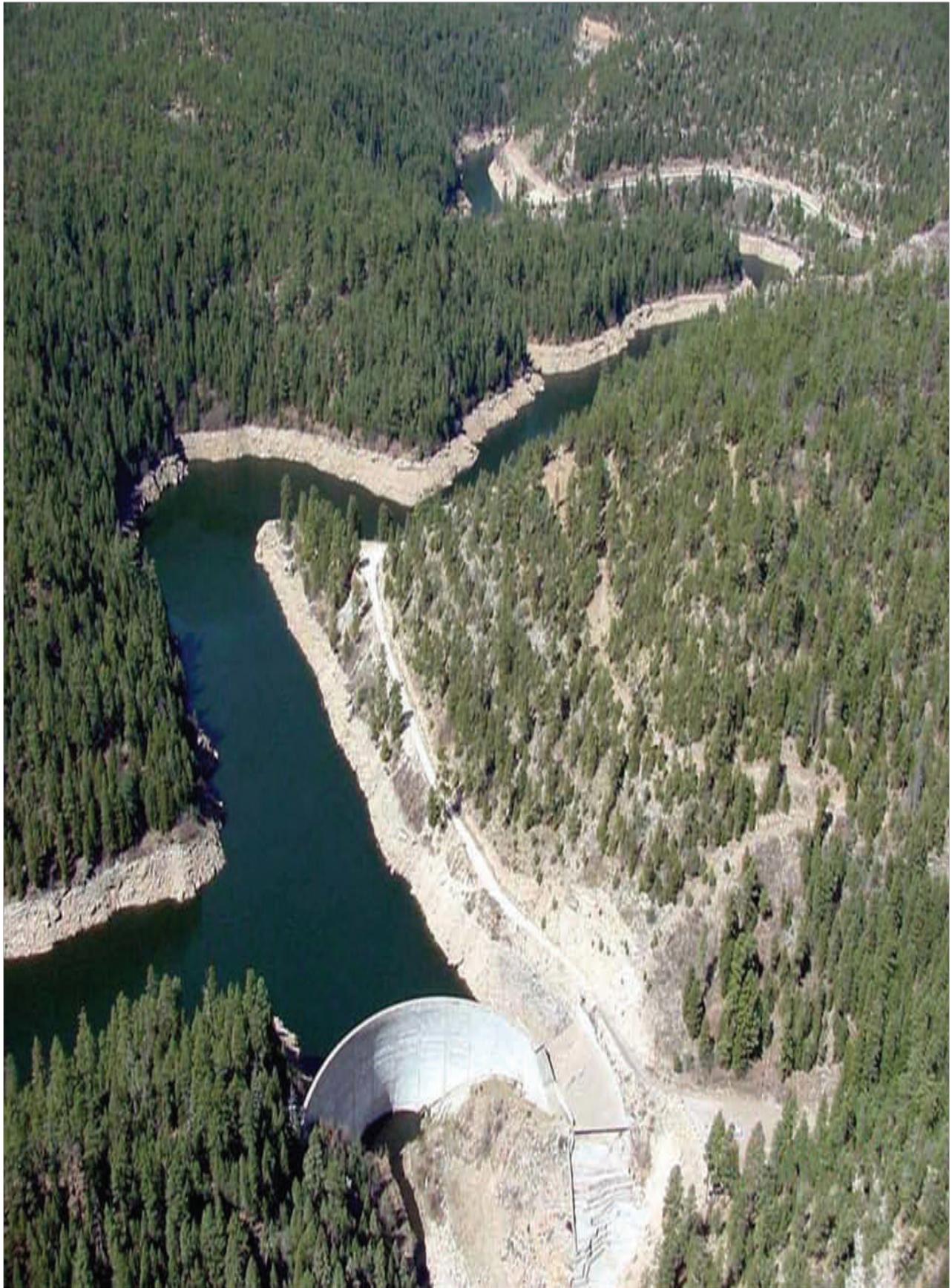
This project will add 14.5 miles of water transmission pipeline from Washington Park to the Town of Payson

Funding Source(s):

ARRA/WIFA Funding
Bonds

\$ 9,580,500
20,309,800

Fiscal Year	Activity	Budget
2011/2012	CC Cragin Pipeline Project	\$ 7,490,300
2012/2013		3,000,000
2013/2014		4,000,000
2014/2015		5,200,000
2015/2016		10,200,000
Future		
	Project Total	\$29,890,300



Project Description Form

Department: Water

Project Title: CC Cragin Pipeline Water Treatment Plant

Project No.: 0910-51

Strategic Priority: KRA 2 – Objective 1

New

Replacement

Carryover X

Project Description:

Construct pipeline water treatment plant

Project Alternatives:

Do nothing

Relationship to Other Projects:

Needed for completion of CC Cragin Pipeline project 0910-50

Continued Costs After Project Completion (additional personnel, utilities etc):

None

Project Justification:

A water treatment plant is needed to send treated water into Payson

Funding Source(s):

WIFA Funding

\$1,800,000

Bonds

\$4,525,000

Fiscal Year	Activity	Budget
2011/2012	CC Cragin Pipeline Water Treatment Plant	\$ 325,000
2012/2013		1,500,000
2013/2014		1,500,000
2014/2015		1,500,000
2015/2016		1,500,000
Future		
	Project Total	\$6,325,000

Project Description Form

Department: Water

Project Title: Security Gates

Project No.: 0910-52

Strategic Priority:

New

Replacement

Carryover X

Project Description:

Install security gates at select Water Division remote sites.

Project Alternatives:

Do nothing

Relationship to Other Projects:

None

Continued Costs After Project Completion (additional personnel, utilities etc):

None

Project Justification:

Funding Source(s):

Enterprise Funds

\$30,000

Fiscal Year	Activity	Budget
2011/2012	Security Gates	\$ 20,000
2012/2013		5,000
2013/2014		
2014/2015		
2015/2016		5,000
Future		
	Project Total	\$ 30,000

Project Description Form

Department: Water

Project Title: Green Valley Lake Shoreline Protection

Project No.: 0910-53

Strategic Priority:

New

Replacement

Carryover X

Project Description:

Construct shoreline wave erosion protection at the Green Valley Park large lake

Project Alternatives:

Do nothing

Relationship to Other Projects:

None

Continued Costs After Project Completion (additional personnel, utilities etc):

None

Project Justification:

Funding Source(s):

Bureau of Reclamation (BOR) Grant

\$500,000

Fiscal Year	Activity	Budget
2011/2012	Shoreline Protection	\$ 500,000
2012/2013		
2013/2014		500,000
2014/2015		
2015/2016		
Future		
	Project Total	\$ 1,000,000



Project Description Form

Department: Water

Project Title: Radon Removal Engineering

Project No.: 0910-61

Strategic Priority:

New

Replacement

Carryover X

Project Description:

Design prototype radon gas removal for well head treatment per EPA requirements

Project Alternatives:

Do nothing

Relationship to Other Projects:

None

Continued Costs After Project Completion (additional personnel, utilities etc):

None

Project Justification:

Funding Source(s):

Enterprise Fund

\$30,000

Fiscal Year	Activity	Budget
2011/2012	Radon Removal Engineering	\$ 30,000
2012/2013		
2013/2014		
2014/2015		
2015/2016		
Future		
	Project Total	\$ 30,000

Project Description Form

Department: Water

Project Title: Water Line Replacement

Project No.: 0910-62

Strategic Priority:

New

Replacement X

Carryover X

Project Description:

Replace obsolete water lines

Project Alternatives:

Do nothing

Relationship to Other Projects:

None

Continued Costs After Project Completion (additional personnel, utilities etc):

None

Project Justification:

Funding Source(s):

Enterprise Fund

\$900,000

Fiscal Year	Activity	Budget
2011/2012	Water Line Replacement	\$ 900,000
2012/2013		
2013/2014		
2014/2015		
2015/2016		
Future		
	Project Total	\$ 900,000

Project Description Form

Department: Water

Project Title: Warehouse Addition

Project No.: 0910-65

Strategic Priority:

New

Replacement

Carryover X

Project Description:

Add shed to storage building at 204 W. Aero Drive for dry storage of lake maintenance equipment

Project Alternatives:

Do nothing

Relationship to Other Projects:

None

Continued Costs After Project Completion (additional personnel, utilities etc):

None

Project Justification:

Funding Source(s):

Enterprise Fund

\$110,000

Fiscal Year	Activity	Budget
2011/2012		\$ 110,000
2012/2013	Warehouse Addition	
2013/2014		
2014/2015		
2015/2016		
Future		
	Project Total	\$ 110,000

Project Description Form

Department: Water

Project Title: Tonto Apache Water Reclamation Project

Project No.: 0910-66

Strategic Priority:

New

Replacement

Carryover X

Project Description:

Construct a water reservoir to handle treated effluent from the Tonto Apache Tribe

Project Alternatives:

Do nothing

Relationship to Other Projects:

None

Continued Costs After Project Completion (additional personnel, utilities etc):

None

Project Justification:

Funding Source(s):

ARRA/WIFA

\$1,800,000

Fiscal Year	Activity	Budget
2011/2012	Tonto Apache Water Reclamation Project	\$ 1,800,000
2012/2013		
2013/2014		
2014/2015		
2015/2016		
Future		
	Project Total	\$ 1,800,000

General Purpose Capital Improvements

Capital Improvement Projects

	Department	Description	Fiscal Year 2011/12	Fiscal Year 2012/13	Fiscal Year 2013/14	Fiscal Year 2014/15	Fiscal Year 2015/16	5 Year Total
0910-1	Police	Building Remodel	-	-	-	65,500	-	65,500
0910-2	Police	Parking Lot Improvements	-	-	63,800	-	-	63,800
0910-3	Police	Security Upgrade	-	32,000	-	-	-	32,000
		Total Police Capital Projects	-	32,000	63,800	65,500	-	161,300
0910-42	Parks	Amphitheater Lighting	-	-	-	150,000	-	150,000
0910-43	Parks	Green Valley Park Ramada Improvements	-	-	-	-	75,000	75,000
0910-44	Parks	Green Valley Park Maintenance Building	-	-	-	-	400,000	400,000
0910-46	Parks	Land Purchase	-	-	-	-	-	-
0910-47	Parks	Rumsey Park Restrooms	-	-	-	145,000	-	145,000
0910-48	Parks	Rumsey Park Drainage	-	-	50,000	100,000	-	150,000
0910-49	Parks	Rumsey Park Pedestrian Circulation Improvements	-	-	50,000	350,000	-	400,000
1011-104	Parks	Kiwanis Field Lights	-	-	250,000	250,000	-	500,000
1011-105	Parks	Rumsey South Soccer Turf	-	315,000	-	-	-	315,000
1011-106	Parks	Rumsey Playground Equipment	-	-	126,000	-	-	126,000
		Total Parks Capital Projects	-	315,000	476,000	995,000	475,000	2,261,000
0910-33	Gen Gov't	Town Hall Carpet	-	23,000	-	-	-	23,000
0910-34	Gen Gov't	Chamber Enhancement	-	100,000	-	-	-	100,000
0910-35	Gen Gov't	Recycling Program	-	50,000	50,000	50,000	50,000	200,000
1112-112	Gen Gov't	Attorney Carpet	-	5,000	-	-	-	5,000
		Total Gen Gov't Capital Projects	-	178,000	50,000	50,000	50,000	328,000
0910-36	Fire	Station 11 Buildout	185,000	-	-	-	-	185,000
		Total Fire Capital Projects	185,000	-	-	-	-	185,000
0910-39	Recreation	PATS Continuation	-	125,000	125,000	125,000	150,000	525,000
0910-41	Recreation	Parks Master Plan	-	70,000	60,000	-	-	130,000
0910-45	Recreation	Multi-Purpose Complex Improvements	-	-	20,000	2,000,000	-	2,020,000
0910-68	Recreation	Boardman Improvements	-	10,000	-	-	-	10,000
0910-69	Recreation	Entrance/Exit Improvements	-	60,000	45,000	45,000	-	150,000
		Total Rec Capital Projects	-	265,000	250,000	2,170,000	150,000	2,835,000
0910-67	Library	Library Building Expansion	-	-	1,500,000	-	-	1,500,000
		Total Library Capital Projects	-	-	1,500,000	-	-	1,500,000
0910-71	Comm Dev	Carpet Replacement	-	10,000	-	-	-	10,000
0910-72	Comm Dev	General Plan Update	-	50,000	25,000	25,000	25,000	125,000
0910-73	Comm Dev	Housing Rehabilitation	140,000	140,000	140,000	140,000	140,000	700,000
0910-75	Comm Dev	Senior Center Rehabilitation	-	60,000	-	-	-	60,000
0910-76	Comm Dev	Main St. Entrance	-	500,000	500,000	500,000	500,000	2,000,000
0910-77	Comm Dev	Highway Landscape Improvements	-	150,000	150,000	150,000	150,000	600,000
		Total Comm Dev Capital Projects	140,000	910,000	815,000	815,000	815,000	3,495,000
		TOTAL CAPITAL IMPROVEMENTS PROJECTS	325,000	1,700,000	3,154,800	4,095,500	1,490,000	10,765,300

Capital Machinery & Equipment

	Department	Description	Fiscal Year 2011/12	Fiscal Year 2012/13	Fiscal Year 2013/14	Fiscal Year 2014/15	Fiscal Year 2015/16	5 Year Total
0910-01M	Police	Vehicle Replacement	120,000	120,000	125,000	125,000	125,000	615,000
0910-02M	Police	Radio Upgrade	144,000	250,000	250,000	131,300	-	775,300
1011-01M	Police	Radar Equipment	20,000	-	-	-	-	20,000
		Total Police Department	284,000	370,000	375,000	256,300	125,000	1,410,300
0910-29-M	Parks	Large Mower	-	-	-	60,000	-	60,000
		Total Parks Department	-	-	-	60,000	-	60,000
0910-09M	Gen Gov't	Vehicle	-	30,000	-	-	-	30,000
0910-10M	Gen Gov't	Finance Software	30,000	-	-	-	30,000	60,000
0910-11M	Gen Gov't	Computer Equipment	26,500	20,000	20,000	20,000	20,000	106,500
0910-12M	Gen Gov't	Telephone System Upgrade	-	-	-	-	-	-
1112-03M	Gen Gov't	Attorney Copier	10,000	-	-	-	-	10,000
1112-04M	Gen Gov't	Attorney Software	30,000	-	-	-	30,000	60,000
		Total General Government	96,500	50,000	20,000	20,000	80,000	266,500
0910-13M	Fire	Utility Truck Replacement	-	-	300,000	-	-	300,000
0910-14M	Fire	Water Tender	-	-	-	-	-	-
0910-15M	Fire	Utility Pickup Truck Replacement	-	60,000	-	-	-	60,000
0910-16M	Fire	Staff Vehicle Replacement	-	-	-	55,000	-	55,000
0910-17M	Fire	Command Vehicle Replacement	-	55,000	-	-	-	55,000
0910-19M	Fire	Ladder Truck 111 Replacement	-	1,000,000	-	-	-	1,000,000
0910-23M	Fire	Rehab/Support Vehicle	-	-	100,000	-	-	100,000
0910-25M	Fire	Ambulance Replacement	-	-	-	-	200,000	200,000
0910-26M	Fire	SCBA Replacement	-	-	150,000	-	150,000	300,000
0910-27M	Fire	Type 1 Engine Replacement	500,000	-	-	-	-	500,000
0910-28M	Fire	Type 6 Engine Replacement	-	-	-	-	-	-
		Total Fire Department	500,000	1,115,000	550,000	55,000	350,000	2,570,000
0910-35M	Comm Dev	Vehicle Replacement	-	25,000	-	25,000	-	50,000
		Total Comm Dev Department	-	25,000	-	25,000	-	50,000
TOTAL CAPITAL MACHINERY & EQUIPMENT			880,500	1,560,000	945,000	416,300	555,000	4,356,800

Capital Funding

Funding Sources	Project Number	Fiscal Year 2011/12	Fiscal Year 2012/13	Fiscal Year 2013/14	Fiscal Year 2014/15	Fiscal Year 2015/16	5 Year Total
General Fund	1,2,3,33,34,35,41,43,47,68,71,72,76,77,112,26M,29M,1101-01M,09-12M,1112-03-04M	116,500	390,000	368,800	365,500	380,000	1,620,800
Grants- CIP Fund	42,45,69	-	70,000	65,000	1,195,000	-	1,330,000
Development Fees	44,48,49	-	-	100,000	450,000	400,000	950,000
Grants - Parks	39,140,105,106	-	440,000	501,000	375,000	150,000	1,466,000
Grants - Public Safety	36,02M	329,000	250,000	250,000	131,300	-	960,300
Bonds	45,67	-	-	1,500,000	1,000,000	-	2,500,000
Grant - ADOT	76	-	650,000	650,000	650,000	650,000	2,600,000
Grant - CDBG	73,75	140,000	200,000	140,000	140,000	140,000	760,000
Lease/Purchase	01M,13M,15M,16M,17M,19M,23M,25M,27M,35M	620,000	1,260,000	525,000	205,000	325,000	2,935,000
		1,205,500	3,260,000	4,099,800	4,511,800	2,045,000	15,122,100

Project Description Form

Department: Fire Department

Project Title: Fire Station 11 Build-out

Project No.: 0910-36

Strategic Priority:

New

Replacement

Carryover X

Project Description:

Complete interior construction of fire station 11

Project Alternatives:

Do nothing.

Relationship to Other Projects:

None

Continued Costs After Project Completion (additional personnel, utilities etc):

None

Project Justification:

The rehabilitation/construction of Fire Station 11 funded by the 2003 bond election resulted in a usable building shell that lacks a completed build-out. This project will complete the remaining living and workspace construction.

Funding Source(s):

Public Safety Grant

\$185,000

Fiscal Year	Activity	Budget
2011/2012	Fire Station 11 Build-out	\$185,000
2012/2013		
2013/2014		
2014/2015		
2015/2016		
Future		
	Project Total	\$185,000



Project Description Form

Department: Community Development

Project Title: Housing Rehabilitation

Project No.: 0910-73

Strategic Priority:

New

Replacement

Carryover X

Project Description:

Provide basic repairs, improvements and energy efficiency projects to income qualified homeowners

Project Alternatives:

Do nothing

Relationship to Other Projects:

None

Continued Costs After Project Completion (additional personnel, utilities etc):

None

Project Justification:

Funding Source(s):

Community Development Block Grants (CDBG)

\$700,000

Fiscal Year	Activity	Budget
2011/2012	Housing Rehabilitation	\$ 140,000
2012/2013		140,000
2013/2014		140,000
2014/2015		140,000
2015/2016		140,000
Future		
	Project Total	\$ 700,000

Transportation Capital Improvements

Capital Improvement Projects

	Department	Description	Fiscal Year 2011/12	Fiscal Year 2012/13	Fiscal Year 2013/14	Fiscal Year 2014/15	Fiscal Year 2015/16	5 Year Total
0910-4	Streets	Mud Springs Rd Phase II	-	1,300,000	-	-	-	1,300,000
0910-5	Streets	Mud Springs Rd -Cedar to Frontier	-	-	-	-	-	-
0910-6	Streets	Rumsey Rd - McLance to SR 87	-	60,000	250,000	250,000	-	560,000
0910-7	Streets	Bonita St Phase II & III	10,000	370,000	-	740,000	397,000	1,517,000
0910-9	Streets	Manzanita Dr - Timber to Shopping Center	-	1,000,000	-	-	-	1,000,000
0910-10	Streets	Colcord Rd - Main to Longhorn	-	75,000	125,000	550,000	1,000,000	1,750,000
0910-11	Streets	McLane Rd - Airport to Payson Ranchos	-	-	-	100,000	500,000	600,000
0910-12	Streets	McLane Rd - Main to Phoenix St	-	-	-	80,000	875,000	955,000
0910-14	Streets	Goodnow - 260 to Bonita	-	-	-	40,000	40,000	80,000
0910-15	Streets	Easy St - Evergreen to Forest	-	-	-	405,000	325,000	730,000
0910-16	Streets	Easy St - Forest to Gila	-	-	-	-	-	-
0910-17	Streets	Easy St - Gila to Bradley	-	-	-	-	-	-
0910-18	Streets	Rim Club Parkway - Rim Club to Granite Dells	-	-	-	40,000	40,000	80,000
0910-19	Streets	Frontier St - SR87 to McLane	-	-	-	-	150,000	150,000
0910-20	Streets	Granite Dells Roundabout Landscaping	-	-	45,000	-	-	45,000
0910-21	Streets	Granite Dells Roundabout Lighting	-	34,000	-	-	-	34,000
0910-23	Streets	Airport Rd Roundabout Landscaping	-	45,000	-	-	-	45,000
0910-26	Streets	Pavement Preservation	50,000	500,000	600,000	650,000	700,000	2,500,000
0910-27	Streets	American Gulch	-	50,000	100,000	100,000	100,000	350,000
0910-28	Streets	Town Aerial Photo Update	-	-	-	-	-	-
0910-29	Streets	Green Valley Parking Lot Improvements	-	-	25,000	375,000	375,000	775,000
0910-30	Streets	Payson Ranchos to Payson Pines	-	-	-	-	80,000	80,000
0910-31	Streets	Longhorn Sidewalks	-	-	190,000	-	-	190,000
0910-32	Streets	East Phoenix St Improvements	-	-	110,000	20,000	500,000	630,000
		Total Streets Capital Projects	60,000	3,434,000	1,445,000	3,350,000	5,082,000	13,371,000
0910-79	Airport	Expand Apron E/Construct Helicopter Hardstands/Extend Vehicle Access	-	-	-	-	-	-
0910-80	Airport	Relocate Taxiways/Construct Taxi-lanes	-	-	150,000	-	2,500,000	2,650,000
0910-81	Airport	Land Purchase	-	2,150,000	-	-	-	2,150,000
0910-82	Airport	New Terminal Building	-	-	-	145,000	-	145,000
0910-83	Airport	Relocate Campground	-	-	-	520,000	-	520,000
0910-84	Airport	Update Markings & Signage	315,000	-	-	-	-	315,000
0910-85	Airport	Construct Service Roads	-	-	470,000	-	-	470,000
0910-86	Airport	Construct Vehicle Parking	-	-	-	-	-	-
0910-87	Airport	Construct Hold Aprons	-	-	-	-	-	-
0910-88	Airport	Improve Safety Areas	-	-	-	-	-	-
1011-109	Airport	Pavement Rehab Ramps	-	-	-	-	-	-
1011-110	Airport	New/Expanded Parking Ramps	-	-	450,000	-	-	450,000
1112-113	Airport	Grade Runway Safety Area	-	350,000	-	-	-	350,000
1112-114	Airport	Security Fencing	-	-	120,000	-	-	120,000
1112-115	Airport	Relocate/Reconstruct Hanagr One	-	-	-	-	1,163,000	1,163,000
1112-116	Airport	Construct New West taxiways	-	-	-	-	650,000	650,000
		Total Airport Capital Projects	315,000	2,500,000	1,190,000	665,000	4,313,000	8,983,000
TOTAL CAPITAL IMPROVEMENTS PROJECTS			375,000	5,934,000	2,635,000	4,015,000	9,395,000	22,354,000

Capital Machinery & Equipment

	Department	Description	Fiscal Year 2011/12	Fiscal Year 2012/13	Fiscal Year 2013/14	Fiscal Year 2014/15	Fiscal Year 2015/16	5 Year Total
0910-05M	Streets	Heavy Equipment	-	100,000	100,000	100,000	100,000	400,000
0910-06M	Streets	Dump Truck Replacement	-	75,000	-	-	-	75,000
0910-07M	Streets	Crack Seal Machine Replacement	-	-	-	-	-	-
0910-08M	Streets	Trucks	-	30,000	30,000	-	30,000	90,000
1011-03M	Streets	Survey Equipment	-	-	-	-	-	-
1112-02M	Streets	Vehicle Lift	60,000	-	-	-	-	60,000
		Total Streets Department	60,000	205,000	130,000	100,000	130,000	625,000
TOTAL CAPITAL MACHINERY & EQUIPMENT			60,000	205,000	130,000	100,000	130,000	625,000

Capital Funding

Funding Sources	Project Number	Fiscal Year 2011/12	Fiscal Year 2012/13	Fiscal Year 2013/14	Fiscal Year 2014/15	Fiscal Year 2015/16	5 Year Total
HURF Fund	4,5,6,7,9,10,11,12,14,15,16,17,18,19,20,21,23,26,28,29,30,31,32,111,05M-08M,1112-12M	91,000	3,539,000	1,475,000	3,350,000	5,112,000	13,567,000
Development Fees	26	29,000	100,000	100,000	100,000	100,000	429,000
Grant - ADOTA	78-116	7,900	62,500	29,800	16,600	107,800	224,600
Grants - FAA	78-116	299,200	2,375,000	1,130,400	631,800	4,097,400	8,533,800
Airport Fund	78-116	7,900	62,500	29,800	16,600	107,800	224,600
		435,000	6,139,000	2,765,000	4,115,000	9,525,000	22,979,000

Project Description Form

Department: Public Works

Project Title: Bonita Street Phase 2 and 3

Project No.: 0910-7

Strategic Priority: KRA 5 – Objective 1,

New

Replacement

Carryover X

Project Description:

Construct Bonita Street between Bently Street and Highway 87.

- One traffic lane each direction
- Bike lane in each direction
- Curb and gutter on each side
- Sidewalk/pathway on one side
- Purchase right-of-way

Project Alternatives:

Do nothing.

Relationship to Other Projects:

None

Continued Costs After Project Completion (additional personnel, utilities etc):

Project Justification:

This is a continuation of the Bonita Street segment of the St. Phillips Street reconstruction.

Funding Source(s):

Transportation Grants	\$1,000,000
Highway User Revenue Fund (HURF)	\$ 517,000

Fiscal Year	Activity	Budget
2011/2012	Bonita Street Phase 2 and 3	\$ 10,000
2012/2013		370,000
2013/2014		0
2014/2015		740,000
2015/2016		397,000
Future		
	Project Total	\$1,517,000

Project Description Form

Department: Public Works

Project Title: Pavement Preservation

Project No.: 0910-26

Strategic Priority: KRA 5 – Objective 1

New

Replacement

Carryover X

Project Description:

Place a preservative seal on 15 miles of streets annually, funding available

Project Alternatives:

Do nothing.

Relationship to Other Projects:

None

Continued Costs After Project Completion (additional personnel, utilities etc):

None

Project Justification:

The currently has a plan in place to place a preservative seal such as slurry seal or chip seal on all roads every seven years. This requires that approximately 15 miles of roadway must receive treatment each year.

Funding Source(s):

Highway User Revenue Fund (HURF)	\$2,000,000
Street Impact Fees	500,000

Fiscal Year	Activity	Budget
2011/2012	Pavement Preservation	\$ 50,000
2012/2013		500,000
2013/2014		600,000
2014/2015		650,000
2015/2016		700,000
Future		
	Project Total	\$2,500,000

Project Description Form

Department: Airport

Project Title: Update Markings and Signage

Project No.: 0910-84

Strategic Priority: KRA 10 – Objective 2

New

Replacement

Carryover X

Project Description:

Upgrade markings and signage

Project Alternatives:

Do nothing

Relationship to Other Projects:

Eventual runway relocation

Continued Costs After Project Completion (additional personnel, utilities etc):

None

Project Justification:

Needed for eventual runway relocation

Funding Source(s):

2.5% = Arizona Department of Transportation-Aviation Grant

2.5% = Local share (airport fund and/or Payson Regional Airport Authority)

95% = Federal Aviation Administration (FAA) Grant

Grants	\$307,100
Local Share	7,900

Fiscal Year	Activity	Budget
2011/2012	Upgrade Markings and Signage	\$315,000
2012/2013		
2013/2014		
2014/2015		
2015/2016		
Future		
	Project Total	\$315,000

Special Purpose Capital Improvement Projects

Capital Improvement Projects

	Department	Description	Fiscal Year 2011/12	Fiscal Year 2012/13	Fiscal Year 2013/14	Fiscal Year 2014/15	Fiscal Year 2015/16	5 Year Total
1011-102	Streets	Montezuma Castle Land Exchange	6,250,000	-	-	-	-	6,250,000
TOTAL CAPITAL IMPROVEMENTS PROJECTS			6,250,000	-	-	-	-	6,250,000

Capital Funding

Funding Sources	Project Number	Fiscal Year 201/12	Fiscal Year 2012/13	Fiscal Year 2013/14	Fiscal Year 2014/15	Fiscal Year 2015/16	5 Year Total
Improvement District	Montezuma Castle Land Exchange	6,250,000	-	-	-	-	6,250,000
		6,250,000	-	-	-	-	6,250,000

Project Description Form

Department: Public Works

Project Title: Montezuma Castle Exchange I.D.

Project No.: 1011-02

Strategic Priority:

New

Replacement

Carryover

Project Description:

Design and construct all arterial and collector roadways within the Montezuma Castle Land Exchange area using an Improvement District

Project Alternatives:

Do nothing.

Relationship to Other Projects:

These roadways need to be constructed prior to any development in the land exchange area. This will complete some major traffic circulation routes for the Town

Continued Costs After Project Completion (additional personnel, utilities etc):

These roadways will be included in the roadway maintenance system

Project Justification:

This construction will improve access to some already developed areas plus provide access for additional property that was traded in the land exchange

Funding Source(s):

Improvement District Bonds repaid by the property owners

\$6,250,000

Fiscal Year	Activity	Budget
2011/2012	Design/Construction	\$6,250,000
2012/2013		
2013/2014		
2014/2015		
2015/2016		
Future		
	Project Total	\$6,250,000

FY 2011-12 Budget Committee

Even though the budget is heard by the Mayor and Town Council in March, May and June, its preparation begins several month prior, with projections of the Town's financing sources, reserves, revenues, and expenditures. It continues through numerous phases and culminates with adoption in June. We recognize and appreciate that budgeting is an ongoing process of planning, monitoring, problem solving, and customer service throughout the year. Each year, every effort is made to improve both the budget process and the usefulness of the budget documents.

The FY2011-12 budget committee consisted of:

Michael Hughes
Vice Mayor

Su Connell
Council Member

Hope Cribb
Finance Manager

LaRon Garrett
Public Works Director

Debra Galbraith
Town Manager

**Town of Payson budget documents are also located on the World Wide Web at:
www.paysonaz.gov**

If you have questions, call us at: 928-474-5242

Our mailing address is:
Town of Payson
303 North Beeline Highway
Payson, AZ 85541