

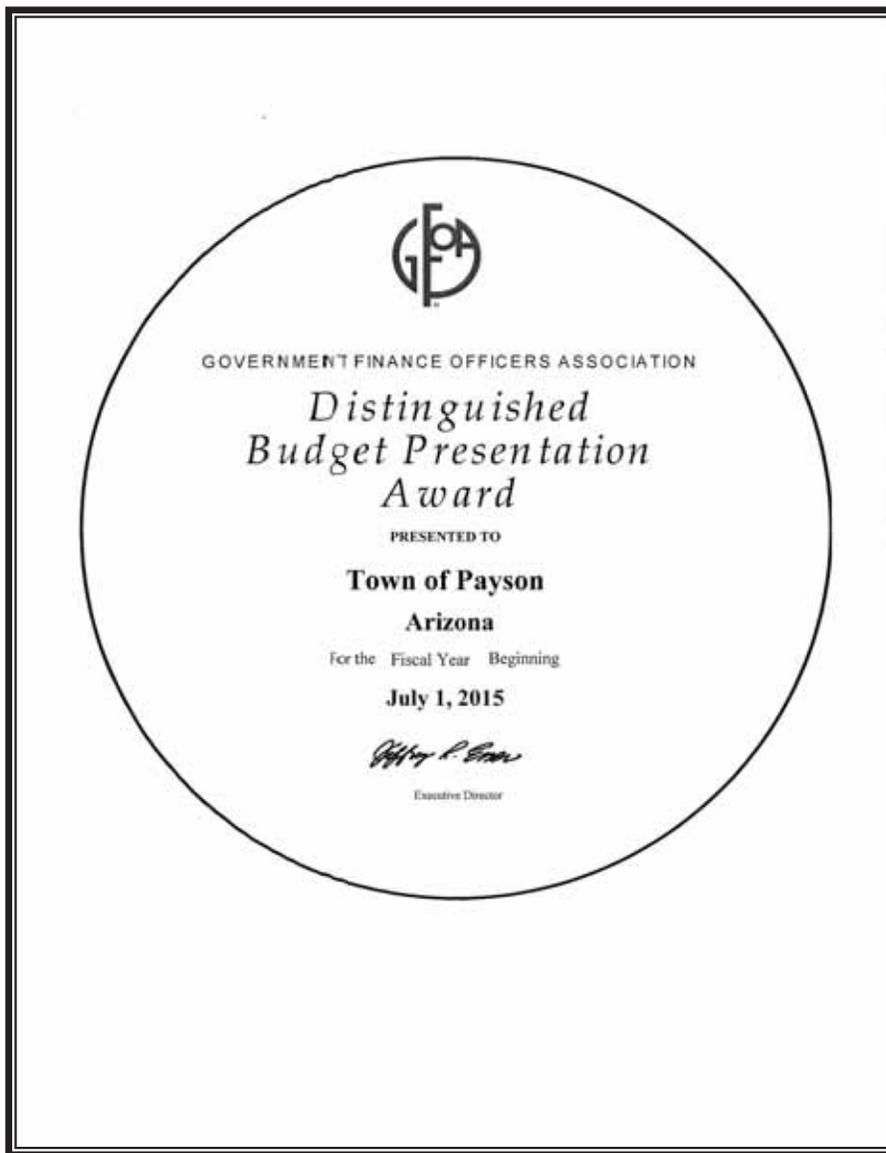
ANNUAL BUDGET

2016/2017

FOR THE FISCAL YEAR BEGINNING JULY 1, 2016



TOWN OF PAYSON | 303 N. BEELINE HIGHWAY | PAYSON, AZ | 85541
PHONE: (928) 474-5242 | www.paysonaz.gov



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, 2015. 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.



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ELECTED TOWN OFFICIALS July 1, 2016

Mayor
Vice Mayor
Councilmember
Councilmember
Councilmember
Councilmember
Councilmember

Kenny Evans
Michael Hughes
Su Connell
Fred Carpenter
Rick Croy
Chris Higgins
John R Wilson



INTRODUCTION



Town of Payson
303 N. Beeline Hwy
Payson, AZ 85541

928/474-5242 Ext. 222
928/474-4610 Fax
928/978-2521

Office of the Mayor

DATE: August 31, 2016

To the Residents of the Town of Payson:

It has been a great opportunity to serve the good people who live and work in Arizona's Cool Mountain Town. As we continue to make steady progress toward completion of several municipal projects including the C.C. Cragin Water project, the future looks bright but much remains to be done. Tough times required prudent use of your tax dollars in order for the Town to meet state and federal requirements while at the same time initiating important local projects. Although state and federal funding has continued to drop, we have continued to provide essential community services. With construction up dramatically and with our local economy improving, we will be able to increase Town services and initiate several long awaited community improvements.

Once again your Town 2016-17 Budget is grounded on sound fiscal principles. The unusually slow rate of recovery from the national and statewide economic recession continues to require conservative fiscal planning. Although economic stagflation is being mitigated in Payson by the new and expanded businesses coming to Town, we will need to continue to monitor our financial situation carefully. Stimulus grants that provided some relief in our prior budgets are no longer available. The Town General Fund budget remains tight again this year. Even with the economic recovery, uncertainty over the 2016 election, federal deficits, negative actions by the state legislature, global turmoil and the spiraling cost of employee benefits requires prudent monitoring of our 2016-17 budget and may require mid-year adjustments. The budget is based on Town priorities coupled with department and Council input and projections. Prudence 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 needs.

We acknowledge the hard work of your Town staff and appreciate your input as the Town Council worked to create this fiscally responsible budget. These continue to be stressful economic times. Thank you for your patience and support as we work through the days ahead. We especially commend the hours of hard work, the insight and input of the Town Manager, the Finance Manager; Town Councilor Su Connell and Vice-Mayor Michael Hughes and the Town Department Heads and the Financial Services staff.

Respectfully,

A handwritten signature in blue ink, appearing to read "Kenny J. Evans", written over a horizontal line.

Kenny J. Evans,
Mayor



ADMINISTRATIVE STAFF

July 1, 2016

LaRon Garrett
Town Manager

Don Engler
Deputy Town Manager: Public Safety

(vacant)
Deputy Town Manager: Administrative Services

Silvia Smith
Town Clerk

Hector Figueroa
Town Attorney

Hope Cribb
Finance Manager

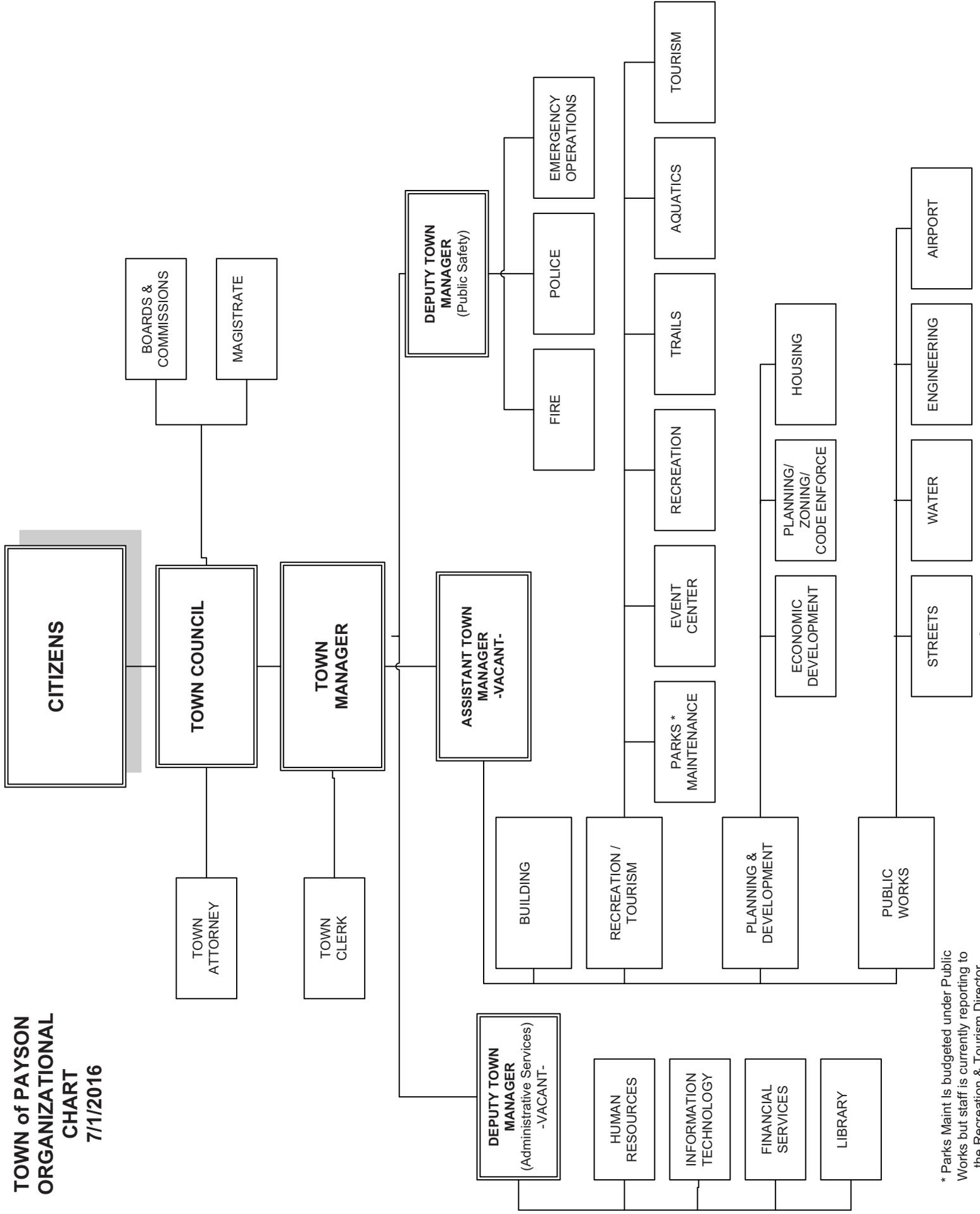
Dorothy Little
Magistrate

David Staub
Fire Chief

Emily Linkey
Library

Cameron Davis
Recreation & Tourism

**TOWN of PAYSON
ORGANIZATIONAL
CHART
7/1/2016**



* Parks Maint is budgeted under Public Works but staff is currently reporting to the Recreation & Tourism Director



MISSION STATEMENT

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

We...

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

CORE VALUES

CUSTOMER FOCUS

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

CONTINUOUS IMPROVEMENT

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



LEADERSHIP

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

EMPOWERED EMPLOYEES

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



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

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

September 12, 2016

To the Honorable Mayor, Town Council and Citizens:

We respectfully submit the published Town of Payson fiscal year 2016/17 budget as approved by the Town Council on July 7, 2016. The budget forms the Town's structure for providing the services, facilities and infrastructure that have helped make Payson a great Town.

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

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

I. INTRODUCTION

Payson is one of Arizona's jewels, where you can experience the beauty of dramatic mountain vistas, the serenity of wide open spaces, and a rich western rodeo heritage along with a variety of outdoor adventures and first-class accommodations and entertainment. However, like most Arizona cities and towns, Payson continues to feel the pains of the recession and subsequent slow economic recovery.

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

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

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

The Town's three-year Strategic Plan Goals focus on ten key areas:

- Economic Development, Tourism, and Economic Vitality
- Financial Excellence
- Infrastructure
- Innovation and Efficiency
- Neighborhoods and Livability
- Social Services
- The Payson Team
- Public Safety
- Sustainability
- Technology

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

MAJOR POLICIES, GUIDELINES AND PRIORITIES

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

Debt Management Plan

The Town of Payson enjoys favorable bond ratings due not only to solid financial planning, but also from adoption of and adherence to the debt management plan by the Town Council. The target length of maturity of the Town's long-term debt is not to exceed 20 years. In addition, as defined by state law, with the consent of the citizens the Town will not exceed 6% of the net secondary assessed value of the property within the Town for general purposes. Also with consent of the citizens, the Town may not exceed 20% of the net secondary assessed value of property within the Town for the purposes of water, sewer, light, parks, open space, and recreation facilities. The Town has 90.6% of the general municipal purpose bonds, as well as the full capacity available for other water, sewer, parks, etc.

Long Term Financial Plan

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

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

The Town of Payson is dedicated to enhancing the quality of life for its citizens, to provide a superior level of service in the most effective and efficient manner, while exercising fiscal responsibility. Payson has been, and will continue to be, very proactive in encouraging quality community and organizational development. The Town Council, citizens and the management staff participate in a strategic planning process to update and enhance the Corporate Strategic Plan (CSP) to accommodate changes in constituents' needs. The CSP operationalizes the Town's mission statement and its General Plan by specifying priorities and strategies for achieving them over a five-year period. Funding is allocated during the subsequent budgeting process.

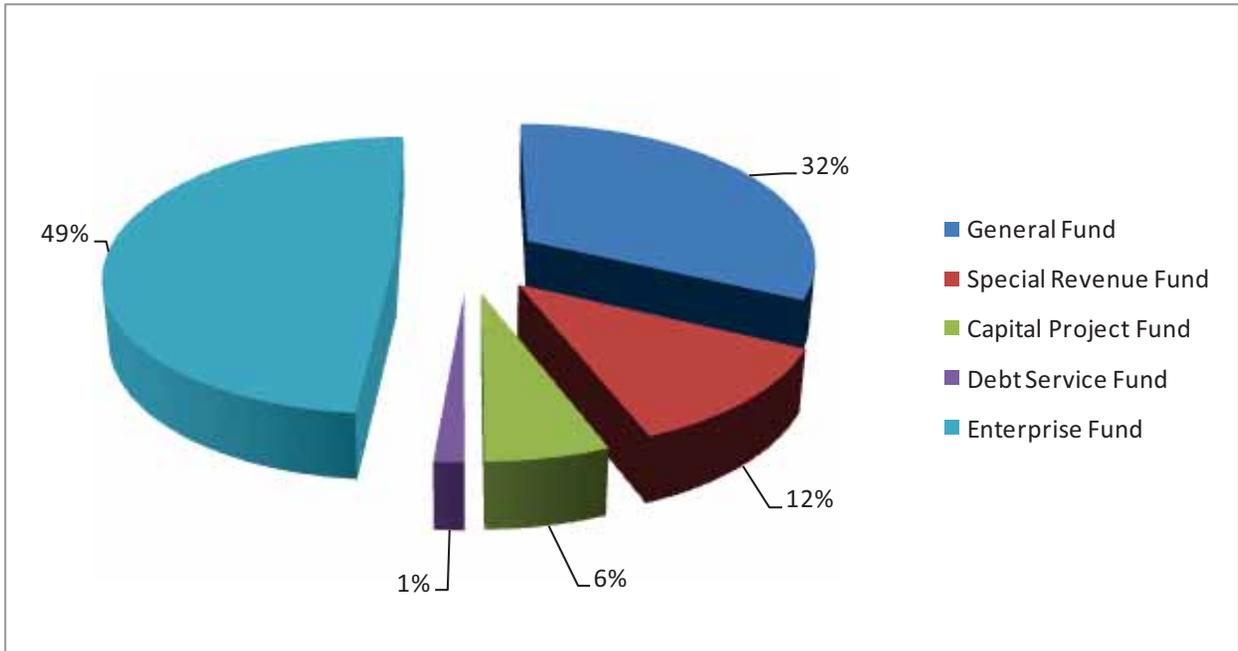
II. BUDGET HIGHLIGHTS

Financial Program

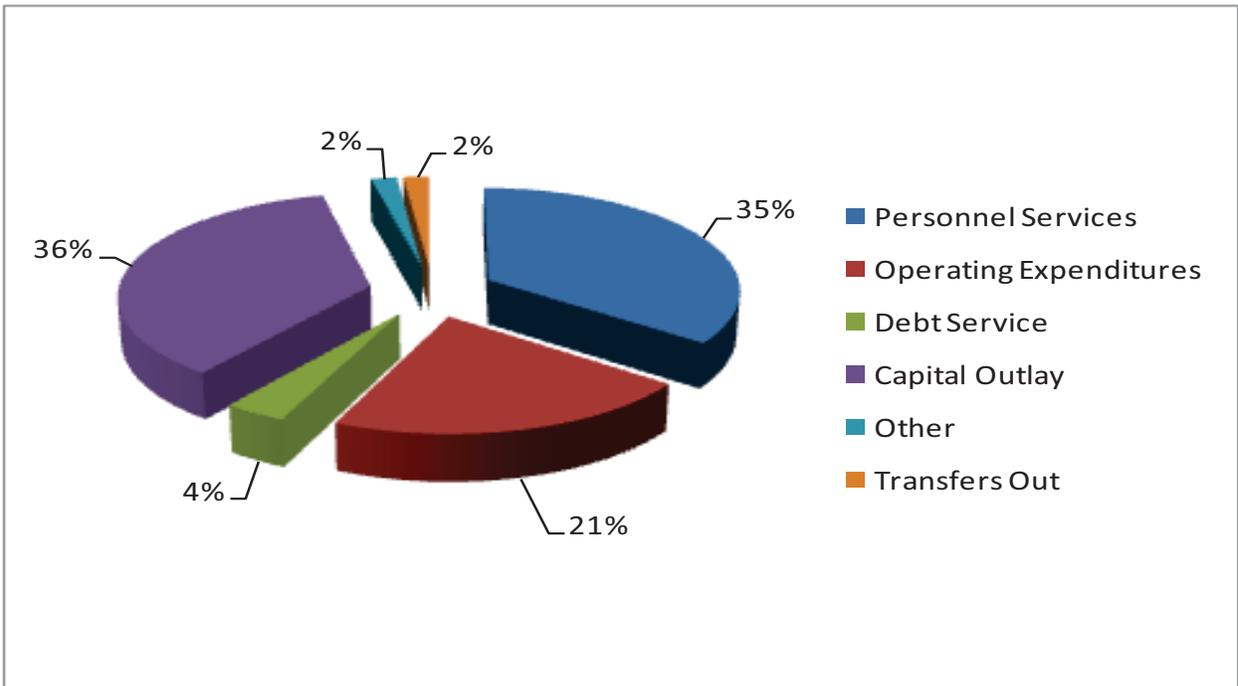
The annual budget for fiscal year 2016/17 for all funds of the Town totals \$49,668,800. This is \$8,706,146 (21.3%) higher than the budget for last fiscal year. Total expenditures of \$49,668,800 exceed the total revenues of \$46,624,900, and the Town plans to use some of its reserves for the difference and postpone some capital repairs and improvements.

Fund Type	Estimated Revenues	Proposed Expenditures
General Fund	\$ 14,918,800	\$ 15,607,200
Special Revenue Fund	\$ 5,604,700	\$ 6,173,100
Capital Project Fund	\$ 2,767,100	\$ 3,142,200
Debt Service Fund	\$ 677,200	\$ 692,500
Enterprise Fund	\$ 22,657,100	\$ 24,053,800
Total	\$ 46,624,900	\$ 49,668,800

**ESTIMATED REVENUES—ALL FUNDS
FISCAL YEAR 2016/2017
\$46,624,900**



**EXPENDITURE BY USE—ALL FUNDS
FISCAL YEAR 2016/2017
\$49,668,800**



- ◆ \$24,541,500 is appropriated for operating expenditures or expenses (such as personnel services, supplies, utilities, insurance, repairs, maintenance, training, and depreciation). This figure represents a 2.3% increase over last year's budget. The Town has seen 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.
- ◆ \$22,451,600 is for capital outlay; capital projects, and other one-time grant related expenditures. This is 52.1% higher than last year. 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 \$18.6 million budgeted for this project represents 82.8% of the capital outlay for this fiscal year. Fortunately, the budget also includes some projects that will be funded by grants or intergovernmental revenues. The tight budget continues to limit the availability of funding for other capital expenditures. The difficult economic conditions over the past several years have caused many capital projects to be drastically reduced or put on hold pending economic recovery. Although the economic situation is showing signs of improvement, these cuts will continue to impacted future budgets as additional spending will be required to build capital expenditures back up to acceptable levels. The Capital Project Funds finance projects that are greater than \$10,000, which may be dependent upon State or Federal grants for a share of the cost, and/or may take several years to complete.
- ◆ \$2,675,700 is for inter-fund operating transfers, debt service, and other uses of funds. Compared to last year, this category increased \$450,346 (20.2%) mainly due to C.C. Cragin Pipeline Project related debt.

Significant personnel related changes to the budget included:

- ◆ A 2% merit raise is included in the fiscal year 2016/17 budget
- ◆ COLA increases remain on hold for the 9th consecutive year
- ◆ Three additional Police Officer positions were frozen to fund a flat amount pay increase for sworn officers
- ◆ The CFO position was re-frozen until fiscal year 2017/18 and those duties will be performed by the current staff
- ◆ A Plans Examiner position was unfrozen in fiscal year 2015/16 to handle a potential increase in building activity related to college construction. This position was not filled in fiscal year 2015/16 and was re-frozen for fiscal year 2016/17
- ◆ Five new Dispatchers positions were added to Police Communications as part of an IGA with the County to transfer services
- ◆ Twenty four employees received wage adjustments or promotions based on department head recommendations

- ◆ One of the highest cost areas to the Town is employee / retiree health insurance. In fiscal year 2012/13, the employee / employer premium split was changed from 75/25 to 60/40 and health insurance options were limited to high deductible plans in an effort to reduce insurance costs. In fiscal year 2016/17, the split was changed to 65/35 and tiers were added to the plan selections to help reduce premiums.

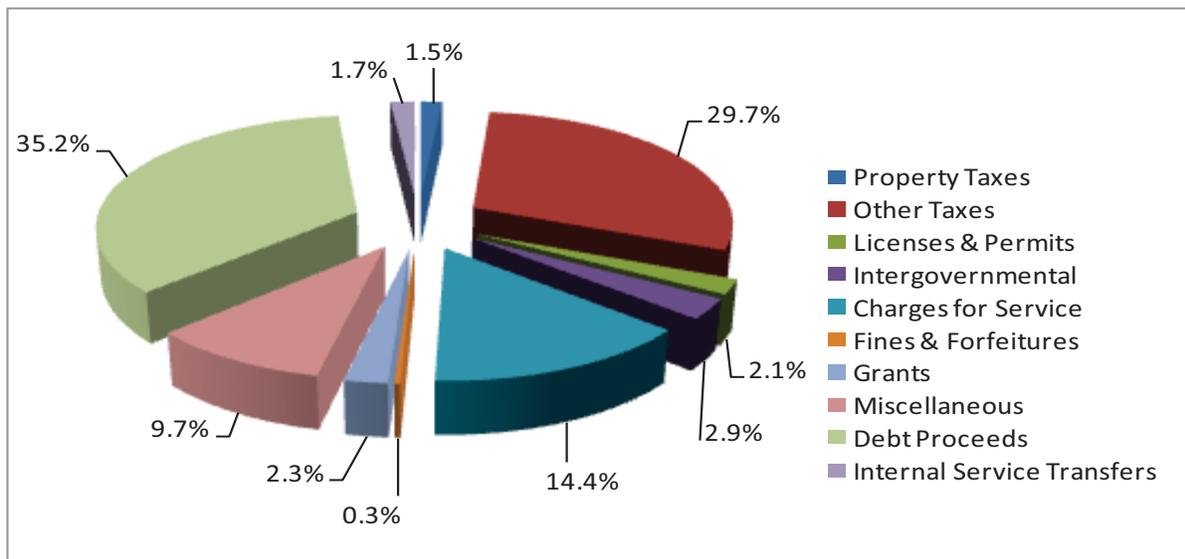
Current operating revenues, grants and other financing sources will finance the budget of the Town. Additional financing sources are inter-fund transfers and reserve funds carried forward from the previous fiscal year.

Local sales tax is the primary source of revenue for the Town. It is mainly influenced by retail sales and increases in tourism in Payson. Local sales tax revenues are projected to be approximately \$6,700,000 which is an increase of 3.1% over last fiscal year. Continued efforts to promote Payson tourism will help boost local sales tax figures.

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 \$1,445,300 reflects a decrease of 1.1% as compared to last fiscal year. All other State shared revenues are projected to be up. In total, State shared revenue should show an increase of \$215,100 (3.8%) over last year.

In contrast, property taxes are a relatively minor revenue source for the Town. The primary property tax rate is projected to be \$0.3839 per \$100 of assessed value. The levy rate reflects a slight decrease of 0.0038 per \$100 in comparison to fiscal year 2015/16. Currently, the Town does not have a secondary property tax.

REVENUE BY TYPE—ALL FUNDS



Capital Expenditures in the FY 2016/17 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 is no transfer of excess cash in the General Fund to the Capital Project Funds in this budget.

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

On September 9, 2003, qualified electors of the Town authorized the issuance of \$3,555,000 in general obligation bonds. At that time \$2,030,000 in bonds were issued for police department communications. In the fall of 2009, the Town issued \$1,525,000 of the remaining bonds for the land purchase, construction and equipping of a third fire station. The debt service is being paid by a 0.12% local sales tax increase that became effective in January 2005.

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

In August 2009, the Town entered into a \$10.6 million (\$4.0 million in federal grant funding and \$6.6 million in loans) agreement with the Water Infrastructure Finance Authority of Arizona (WIFA) for completion of Phase I of the C.C. Cragin pipeline and required repairs /replacements to the existing system. By June 30, 2012, the Town had drawn down \$3.6 million of the loan and had drawn the maximum \$4.0 million in federal ARRA grant funds. In August 2012, \$2.4 million of the loan was de-obligated and the Town made the final draw of available funds (after de-obligation) in July 2012. The Water Division obtained additional funding from WIFA in 2013 for \$6,250,000, in 2015 for \$11,000,000, and in 2016 for \$11,000,000 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 \$382,170 or 2.6% of the estimated revenue for the fiscal year 2016/17. The General Fund Reserve falls short of the financial policy guideline due to revenue shortfalls and an extremely slow economic recovery.

- 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 \$856,246 (6.1%). The increase in revenues is primarily due to an increase in sales tax and construction-related fees. Although the economic recovery is still slow, revenue projections indicate that we will still come out ahead of last year's numbers.

Operating expenditures are projected to increase \$496,100 (3.3%) over the fiscal year 2015/16 budget. Although the departments continue to try and hold the line on spending, they are seeing increases in the cost of insurance, fuel, and other goods and services.

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

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

Excess cash in the General Fund is at a minimum, as illustrated above. We are not able to follow this policy at this time.

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

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

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

In September 2003, the voters authorized the issuance of \$3,555,000 in general obligation bonds for the purpose of 1) purchasing communications equipment including computer aided dispatch, records management system, and mobile dispatch terminals for the police and fire departments, 2) purchasing a computerized firearms training system, 3) remodeling the Main Street Fire Station, and 4) constructing Fire Station #13, a new station located on the east side of town. \$2,030,000 in bonds was sold in September 2004 with the debt service being paid by a 0.12% sales tax increase in January 2005. The remaining \$1,525,000 authorized funding was issued during the 2009/2010 fiscal year. There has been no new debt issued since 2005 that would affect property or sales tax rates.

III. COUNCIL INITIATIVES – FY 2013/14

Since 1995, the Town of Payson has been planning for the future by preparing the Corporate Strategic Plan (CSP). In August, 2012, the Town Council adopted a new CSP. This CSP is divided into ten Key Result Areas (KRA). Each KRA is more specifically defined by Priorities and Strategies that help guide the organization. Council did not rank the KRAs as they felt all were equally important at this time. The following Key Result Areas have been established for fiscal year 2016/17:

- 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 long-term goals identified in the Town of Payson's General Plan serve as a guideline in the development of the Corporate Strategic Plan. (More details regarding the General Plan and the Corporate Strategic Plan can be found in the Planning & Performance section of this book.)

IV. ECONOMIC FACTORS AFFECTING BUDGET DECISIONS

Preparing for fiscal year 2016/17 and beyond has been particularly challenging. We are seeing signs of a recovery with many revenues moving slowly in an upward direction. Although it is tempting to fill this budget with all of the projects and expenditures that have been delayed for far too long, we must continue to budget conservatively. The Town's officials considered many factors during the process of developing the budget for fiscal year 2016/17. The budget continues to be very tight but, we strive to meet our goals within our limited financial resources.

The major economic factors impacting the budget for fiscal year 2016/17 are the continued recovery of the financial markets and growth in construction. Great progress has been made through our economic development efforts and this will continue in the 2016/17 fiscal year as we strive to bring new businesses to town and encourage construction related activities. 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 adversely affected by these continued postponements. Significant increases in the cost of

health insurance, workers compensation insurance and contribution rates for the public safety retirement fund continue to put a strain on the budget. Luckily, local sales tax continues its trend upwards ever so slightly.

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

V. CONCLUSION

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

The budget for fiscal year 2016/17 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 2016/17 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 (Hope Cribb, Tammy Enlow, and Jane Warren) for providing us with timely information, reports, and assistance. We would also like to thank the Town Council for their time, consideration and support in working with staff to make tough decisions and help direct us as we struggle with future budget uncertainties.

Respectfully submitted,



LaRon Garrett
Town Manager



2016 ANNUAL BUDGET

Quick Reference Guide

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

If you have this question...	Refer to	Page
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INTRODUCTION



HOW TO MAKE THE BEST USE OF THIS DOCUMENT

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

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

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

PLANNING & PERFORMANCE: This section presents information regarding the Town's short-term and long-term planning documents and performance measures that quantify progress towards the defined goals. An overview of the General Plan (GP), Corporate Strategic Plan (CSP), and Capital Improvement Plan (CIP) are included in this section. The complete plan documents can be viewed at www.paysonaz.gov. The five-year financial forecast is also presented.

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

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

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

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

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

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

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

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

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.



PAYSON PROFILE

...General Information...

Payson is located at the intersection of 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 shows, fishing tournaments, classic car shows, Mountain High Days Festival and the State Championship Fiddlers Contest.

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





...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, Human Resources, 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. Human Resources, a division of the Town Manager’s 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. 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 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 Finance Manager.



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The **Legal Department** represents and provides legal advice to the Mayor, Town Council and Department Heads. Responsibilities include reviewing contracts, drafting ordinances and resolutions, as well as providing oral and written legal opinions. This department also prosecutes all misdemeanor criminal matters committed within the Town limits and filed with the Town Magistrate Court. This department is led by the Town Attorney.

The **Law Enforcement Department** enforces local, state and federal laws in addition to protecting citizens and their property. The department is also responsible for enforcement of all animal control laws and licenses. The department consists of three divisions. The Communications division provides dispatch services. The General Operations division consists of law enforcement, records, evidence, customer service and clerical functions. The Special Operations division consists of School Resource Officers, Animal Control, and Law Enforcement Grants. The department is led by the Deputy Town Manager: Public Safety.

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

The **Community Development Department** previously consisted of three divisions: Planning & Zoning, Building and Housing. Starting 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 Zoning Administrator.

INTRODUCTION



2016 ANNUAL BUDGET

The **Recreation & Tourism Department** provides recreational opportunities to the citizens. The Recreation division develops all of the recreational programs. The Aquatics division oversees activities at Taylor pool. The Multi-Event Center division hosts large scale special events including, but not limited to, equestrian activities. The Trails and Open Spaces division is responsible for the construction and maintenance of the interconnecting trail system. The Tourism division markets the Town to outside media. Currently, staff from the Parks Maintenance division is reporting to the Recreation & Tourism Director but the budget remains under the Public Works. Parks Maintenance division provides quality development and upkeep of the Town's park system. The Recreation & Tourism department is headed by the Recreation & Tourism Director.

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

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.



***PLANNING &
PERFORMANCE***



GENERAL PLAN

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

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

Environmental Planning Element

Strengthen & expand partnerships to continue environmental innovations.

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

Water Resources Element

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

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

Open Space, Parks, and Recreation Element

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

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

Land Use Element

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

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



Growth Area Element

Enact effective growth management policies and sustainable economic development.

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

Circulation / Transportation Element

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

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

Cost of Development Element

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

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

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

The 2014 General Plan is a 132 page document that covers, in detail, the policy direction for each of the above elements, and the methods used to determine how to accomplish that direction. The General Plan can be viewed in its entirety on the Town of Payson website at www.paysonaz.gov on the Community Development page under the Department tab.

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



2016 ANNUAL BUDGET

ENVIRONMENTAL PLANNING

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

GENERAL PLAN



2016 ANNUAL BUDGET

ENVIRONMENTAL PLANNING

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

GENERAL PLAN



2016 ANNUAL BUDGET

ENVIRONMENTAL PLANNING

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

WATER RESOURCES

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

GENERAL PLAN



2016 ANNUAL BUDGET

WATER RESOURCES

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



2016 ANNUAL BUDGET

OPEN SPACE, PARKS, AND RECREATION

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



2016 ANNUAL BUDGET

OPEN SPACE, PARKS, AND RECREATION

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

LAND USE

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

GENERAL PLAN



2016 ANNUAL BUDGET

LAND USE

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

GENERAL PLAN



2016 ANNUAL BUDGET

LAND USE

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

GENERAL PLAN



2016 ANNUAL BUDGET

GROWTH AREA

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

GENERAL PLAN



2016 ANNUAL BUDGET

GROWTH AREA

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

GENERAL PLAN



2016 ANNUAL BUDGET

GROWTH AREA

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

CIRCULATION / TRANSPORTATION

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

GENERAL PLAN



2016 ANNUAL BUDGET

CIRCULATION / TRANSPORTATION

	<u>Goal and Strategy</u>	<u>Primary Stakeholder</u>	<u>Completion Timeframe</u>
✓	.2 Transform existing commercial corridors to be pedestrian friendly		Long
✓	.3 Reduce traffic speed through better design		Short
✓	.4 Develop guidelines for landscaping major arterials and collector streets		
CR4	Encourage non-motorized movement around town	Public Works	
✓	.1 Develop a town-wide network of trails and sidewalks, with the first priority to connect residential neighborhoods to commercial centers		Long
✓	.2 Mitigate excessive vehicle miles traveled during peak visitor times with new infrastructure for connectivity and mobility for non-motorized transport		Medium
✓	.3 Identify and implement traffic calming design standards for all collector roads		Short
	.4 Work with existing development to reduce the number of sidewalk curb-cuts		Short
	.5 Provide additional signalized crosswalks along busy commercial corridors		Short
CT5	Create a more unified look and feel to state-owned commercial corridors	Community Development	
	.1 Work with State and commercial stakeholders		Medium
	.2 Adopt a corridor overlay focused on building form, style, orientation, and massing		Medium
	.3 Ensure effective sign regulations adjacent to state owned rights-of-way and in commercially zoned corridors		Short
CT6	Provide transit service in town	Administration	
	.1 Negotiate agreements with large employers to support shuttle system		Medium
	.2 Partner with a higher education administration to provide Town-wide transit service		Medium
CT7	Increase pedestrian and bicyclist safety	Public Works	
	.1 Identify traffic calming improvements and develop a phased implementation plan		Short

GENERAL PLAN



2016 ANNUAL BUDGET

CIRCULATION / TRANSPORTATION

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

COST OF DEVELOPMENT

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

GENERAL PLAN



COST OF DEVELOPMENT

	<u>Goal and Strategy</u>	<u>Primary Stakeholder</u>	<u>Completion Timeframe</u>
CD3	Encourage high-quality infill development in the designated growth areas where existing infrastructure has the capacity to absorb growth	Community Development	
✓ .1	Encourage more dense development to increase market feasibility		Short
CD4	Form an economic development strategy that identifies target industries	Administration	
✓ .1	Work with Gila Community College to design training programs to provide the workforce for identified target industry employers		Long
CD5	Examine and implement fiscal tools that incentivize development while offsetting its cost to the community	Administration	
✓ .1	Ensure that new development pays its fair and proportionate share of the cost to maintain current levels of public services such as public safety, parks and recreation, streets, and water resources		Short

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

CORPORATE STRATEGIC PLAN

In August, 2012, the Town Council adopted this version of the Corporate Strategic Plan (CSP) with a focus on the changing needs of the community brought about by the difficult economic conditions. The CSP operationalizes the Town's mission statement and its General Plan by specifying priorities and strategies for achieving these priorities over a three year period. Funding is allocated during the subsequent budget process.



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

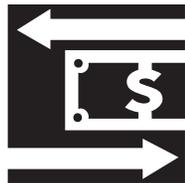
The Key Results Areas (KRA) include:



KRA #1
Economic Development,
Tourism & Economic
Vitality



KRA #6
Social Services



KRA #2
Financial Excellence



KRA #7
The Payson Team



KRA #3
Infrastructure



KRA #8
Public Safety



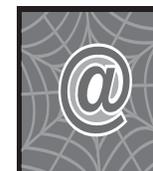
KRA #4
Innovation & Efficiency



KRA #9
Sustainability



KRA #5
Neighborhoods &
Livability



KRA #10
Technology



KRA #1: Economic Development, Tourism & Economic Vitality



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

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

To a great extent, the quality of life for Payson residents will be dependent on the number and quality of jobs created and retained that are convenient and appropriate for the residents of the Town of Payson.

Strategies

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

Priority #2: Foster an environment of entrepreneurial growth

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

Strategies

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

Priority #3: Revitalize areas of Payson

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



Strategies

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

Priority #4: Expand the Town's revenue base

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

Strategies

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

Priority #5: Develop and retain qualified talent to meet the needs of businesses and the community

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

Strategies

- A. Collaborate regionally with Central Arizona Association of Governments (CAAG) and other providers to create a job training program in Payson
- B. Strengthen the relationship between the public sector workforce programs and the business community
- C. Focus resources on enrichment and education programs through community centers, job training programs and the Library



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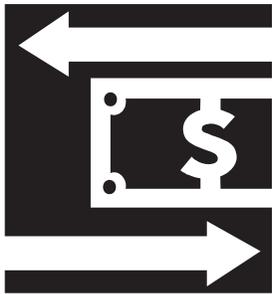
KRA 1—Economic Development, Tourism and Economic Vitality Performance Measures

KRA Priority #	Intended Outcome	Department Responsible	FY15/16 Goal	FY15/16 Actual	FY16/17 Goal
4	Implement Tourism Master Plan (% completed)	Tourism	15%	45%	50%
4	Increase # of events held at Events Center	Events Center	40	42	44
4	Increase # of days Event Center is in use	Events Center	155	148	155
4	Visits to tourism website	Tourism	743,500	932,234	1,000,000
4	# of media mentions in the Valley promoting Payson tourism/events	Tourism	3,000	3,002	3,000





KRA #2: Financial Excellence



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

Priority #1: Maintain high bond ratings

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

Strategies

- A. Achieve the adopted policy for the general fund budgetary fund balance of at least 5% of total expenditures within the next five years
- B. Develop a multi-year financial plan for the general fund that maintains long term bond ratings
- C. Develop and maintain financial policies that achieve high bond ratings
- D. Maximize current revenues by taking steps to ensure collection of established taxes, rates, fees and fines.

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

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

Strategies

- A. Amend the five-year capital improvement plan to include a planning process that prioritizes the evaluation of existing facilities and infrastructure, for use of available funds and considers repair and/or replacement
- B. Identify and evaluate alternative approaches to finance capital investments as part of the capital decision making process



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Priority #3: Provide accurate and reliable revenue and expenditure forecasting

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

Strategies

- A. Establish a fiscally responsible revenue forecast based on external and internal inputs and consistent with best practices to efficiently allocate resources
- B. Establish an expenditure forecast that aligns with the strategic priorities
- C. Develop multi-year performance measures and benchmarks to monitor the effectiveness of financial operations
- D. Develop multi-year forecasts that contemplate various economic scenarios that assist in the development of alternative planning strategies
- E. Develop structures and incentives to encourage and reward managers and employees for maintaining discipline and managing expenditures

Priority #4: Maintain a transparent financial environment, free of fraud, waste and abuse

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

Strategies

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

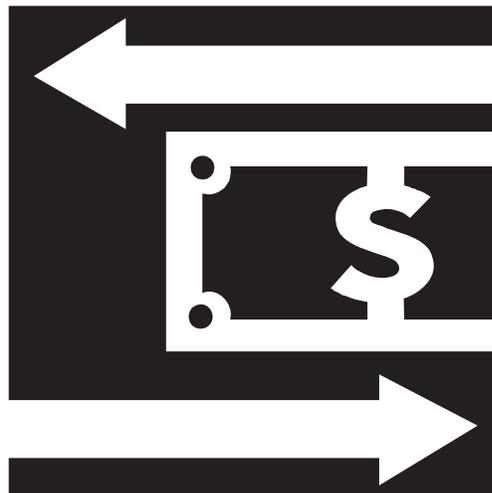


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KRA 2—Financial Excellence Performance Measures

KRA Priority #	Intended Outcome	Department Responsible	FY15/16 Goal	FY15/16 Actual	FY16/17 Goal
4	Percent of timely quarterly financial reports presented	Finance	100%	100%	100%
4	GFOA Certificate of Achievement for Excellence in Financial Reporting	Finance	Receive Award	Received Award	Receive Award
4	GFOA Distinguished Budget Presentation Award	Finance	Receive Award	Received Award	Receive Award
4	GFOA Certificate for the Popular Annual Financial Report	Finance	Receive Award	Received Award	Receive Award



KRA #3: Infrastructure



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

Priority #1: Create and maintain intra-town transportation

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

Strategies

- A. Plan, design, construct, and operate new streets, pedestrian friendly side-walks, bicycle lanes, hiking trails and drainage systems for new residential and commercial development to reduce congestion, improve air quality, reuse materials, leverage new technology, encourage infill development, create livable neighborhoods, and promote growth.
- B. Continue to work with ADOT to implement traffic enhancements at the intersection of SR260/SR87 to reduce traffic congestion and improve safety
- C. Replace all traffic signs within the Town to meet the new Federal Reflectivity Requirements
- D. Maintain existing streets and associated assets in a state of good repair so they are clean, safe, and aesthetically pleasing for all users. Invest resources and technology to extend the service life of existing infrastructure, protect the Town's investment and support a high quality of life standard.
- E. Research the applicability of a passenger regional transit system to meet the demands, if any, of the proposed university campus. Utilize sound methodologies and principles to locate facilities to meet proposed ridership demands and bus operations. Analyze proposed routes to ensure they will support and encourage ridership needs.
- F. Coordinate, permit, and document private utilities within the Town right-of-way and easement areas to minimize initial roadway disruptions, reduce future roadway cuts, maintain reasonable utility corridors for future development, and minimize visual impact for residents and businesses. Improve reliability and accuracy of as-built documentation through new technology to increase safety and reduce utility locating and relocation costs.
- G. Plan, design, develop, and maintain a green infrastructure, such as interconnected trail systems that increase shade canopy coverage and promote pedestrian mobility, parks, trees, shade and habitat restoration



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

Priority #2: Establish and enhance inter-town transportation

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

Strategies

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

Priority #3: Develop and operate public utilities

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

Strategies

- A. Manage, develop, operate, and maintain infrastructure that is integrated, well maintained, reliable, aesthetically pleasing, and continuously improves the high quality service delivery standards
- B. Develop a financing plan for a long term sustainable infrastructure growth and replacement that implements an equitable fee structure and incentives for conservation
- C. Use public/private partnerships for growth and economic development. Optimize regional partnerships to cooperatively utilize new and existing infrastructure to maximize collection efficiencies, implement new diversion and resource recovery technologies, minimize the need for future capital investment, reduce transportation demands, and provide sustainable land reuse.
- D. Continue construction of CC Cragin pipeline project: enhance in-town existing water grid pipeline system; construct new out-of-town waterline; build new water treatment plant
- E. Develop an asset management plan that identifies improvements needed to ensure reliability, regulatory compliance, operational efficiencies, and resource recovery, while creating an integrated system that improves information access by sharing town-wide and across departments

Priority #4: Construct and manage public facilities

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

Strategies

- A. Apply benchmarking and other industry comparison techniques in order to manage costs and achieve and maintain industry leading service levels
- B. Communicate the value of Capital Asset Management and establish a dedicated funding source for Town infrastructure repair and capital improvements
- C. Plan, construct, and maintain park buildings, trails systems, open spaces, picnic areas and ramadas, pools, playgrounds, ball courts and fields, restrooms and other park facilities that meet diverse recreational and cultural needs of the Town's residents and visitors
- D. Develop long term financial plan to fund construction, repair and maintenance of the appearance and safety of existing facilities
- E. Develop a long term construction plan for future recreational and cultural facilities





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KRA 3—Infrastructure Performance Measures

KRA Priority #	Intended Outcome	Department Responsible	FY15/16 Goal	FY15/16 Actual	FY16/17 Goal
1	Street improvements completed in linear feet	Streets	1000	400	1000
1	Maintain / Increase # of neighborhood drainage sites improved	Streets	2	1	1
1	Implementation of traffic study priorities (total % completed)	Streets	15%	15%	20%
2	Implement Airport Master Plan (total % completed)	Airport	25%	25%	30%
3	Maintain water usage levels at 80-90 gallons per capita per day	Water	Achieve	Achieved	Achieve
3	C.C.Cragin Project Total % Completed	Water	65%	65%	75%



KRA #4: Innovation & Efficiency

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

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

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

Strategies

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

Priority #2: Establish and support Town programs and mechanisms focused on developing and implementing tangible innovations throughout the organization

The Town’s innovation and efficiency efforts must be driven from the top to all levels, be results oriented, and demonstrate investment of available means. A proven approach involves assignment of resources dedicated to producing substantial innovative changes that enhance customer service, increase productivity, reduce costs, and engage employees.



Strategies

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

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

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

Strategies

- A. To lessen the 'business silo' effect, provide incentives for department heads, managers, and staff to collaborate, consolidate, streamline, and adapt to processes or functions that overlap or cross formal organizational structures
- B. Identify unneeded requirements or obsolete expectations that unnecessarily slow down business processes and work to eliminate them
- C. Streamline Town boards, committees and commissions to make the various processes more business friendly
- D. Research and implement a 'one-stop shop' program within the community development area

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

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



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

Strategies

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

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

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

Strategies

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



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KRA 4—Innovation and Efficiency Performance Measures

KRA Priority #	Intended Outcome	Department Responsible	FY15/16 Goal	FY15/16 Actual	FY16/17 Goal
4 & 5	Visits to websites	All Gov't	278,500	204,691	210,000
		Tourism	743,600	932,234	1,000,000
4 & 5	Articles/press releases in local newspaper	Tourism	475	483	475
4 & 5	Public e-mail distribution list	All Gov't	2,200	2,375	2,500
		Tourism	250,000	227,152	250,000
4 & 5	TOP Talk Programs		23	21	23
	# of employee presenters	Clerk	30	29	30
	# of guests		60	59	60
4 & 5	Radio appearances	Tourism	75	73	75
4 & 5	Public speaking Engagements	Tourism	43	53	50



KRA #5: Neighborhoods & Livability



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

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

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

Strategies

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



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

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

Strategies

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

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

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

Strategies

- A. Update the Parks Master Plan
- B. Support healthy communities by providing clean, safe and accessible parks and recreational facilities that meet the needs of Payson and incorporate sustainable design standards with available resources
- C. Explore opportunities to develop park open spaces in population centers that are currently without such facilities
- D. Support diverse and accessible educational and life enrichment activities that embrace art, dance, music, culture, fitness, nutrition, sports and out of school time as a foundation for recreational activities offered at parks and park facilities
- E. Create a network of shared use trails and pathways that are safe, convenient and connected within and between parks
- F. Protect natural and open spaces in order to preserve the environment and provide recreational opportunities for Payson residents and visitors

Priority #4: Promote a strong arts and culture infrastructure

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



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Strategies

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

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

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

Strategies

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





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KRA 5—Neighborhoods & Livability Performance Measures

KRA Priority #	Intended Outcome	Department Responsible	FY15/16 Goal	FY15/16 Actual	FY16/17 Goal
1	# of unsightly properties investigated (workload indicator)	Planning	200	173	190
1	# of unsightly investigations closed	Planning	210	173	200
1	Completion of 87/260 beautification plan (percent completed)	Planning	4%	5%	6%
3	# of programs offered to the public	Recreation	105	121	125
3	# of registrations for programs	Recreation	4,800	5,080	5,200
3	# of facility reservations	Recreation	300	352	360
5	# of reference questions (workload indicator)	Library	11,860	9,744	10,000
5	total circulation	Library	136,700	123,224	125,000
5	# of children's programs	Library	200	201	201
5	total attendance at children's programs	Library	4,245	4,824	4,825
5	# of teen programs	Library	40	76	76
5	total attendance at teen programs	Library	350	755	750
5	# of adult programs	Library	133	125	125
5	total attendance at adult programs	Library	2,210	1,626	1,625

KRA #6: Social Services



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

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

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

Strategies

- A. Promote linkages to job training and other employment and educational resources empowering low and moderate income households to realize a livable wage
- B. Enhance the community’s capacity to provide at-risk populations, including the disabled, elderly, and chronically homeless, with access to supportive services leading to greater self-sufficiency
- C. Create safe and affordable housing opportunities for all Payson residents by strengthening programs and services that enhance opportunities for households to gain and/or retain housing meeting their economic, social and cultural needs

Priority #2: Build healthy, caring communities

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

Strategies

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



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KRA 6—Social Services Performance Measures

KRA Priority #	Intended Outcome	Department Responsible	FY15/16 Goal	FY15/16 Actual	FY16/17 Goal
1 & 2	Complete rehabilitation projects for income-qualified homeowners	Planning	3	2	3
1 & 2	Make referrals to income-qualified housing facilities	Planning	12	26	15
1 & 2	Provide technical assistance to potential applicants for housing rehabilitation	Planning	6	9	6



KRA #7: The Payson Team



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

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

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

Strategies

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

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

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

Strategies

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



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

The Town's recent budget challenges have made evident the necessity of providing clear, timely, and accurate information to employees and the public to garner support for and achievement of organizational goals and continued quality services.

Strategies

- A. Develop and implement comprehensive internal communications to increase understanding and connection to Town of Payson goals and values among employees at all levels of organization
- B. Promote more interdepartmental communication to increase consistency of messages, ensure faster decision making, empowerment, effectiveness and accountability
- C. Create an alliance of understanding between employees and the public through a variety of media formats to accurately demonstrate and communicate the Town's efforts in running a world class operation
- D. Use new technologies, such as Facebook, Twitter and other social media, to reach employees and the public
- E. Develop opportunities to "showcase" improvements, accomplishments, and quality programs provided by employees that benefit the community

Priority #4: Create development opportunities that enhance the Town's standing as a high performing organization

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

Strategies

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



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

The Town continues to make difficult choices regarding programs and services to our customers in light of revenue stream uncertainty. The community has expressed an interest in helping in some areas.

Strategies

- A. Coordinate a Town-wide program that increases exposure to volunteer opportunities throughout the Town of Payson
- B. Use technology to reach, match, and record volunteers to Town needs
- C. Identify and engage with community and corporate partners to develop quality programs and services
- D. Explore and capitalize on opportunities to work with other governmental entities to pool resources and share information
- E. Identify new ways to engage volunteers in support of Town services

Priority #6: Create employee training and participation programs

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

Strategies

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



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KRA 7—The Payson Team Performance Measures

KRA Priority #	Intended Outcome	Department Responsible	FY15/16 Goal	FY15/16 Actual	FY16/17 Goal
2	Conduct Employee Health Fair	Human Resources	Yes	Yes	Yes
4 & 6	Structural Fire Training Completed	Fire	2,270	2,631	2,500
4 & 6	Non-structural Training Completed	Fire	2,760	2,366	2,500
4 & 6	Emergency Medical Training Completed	Fire	1,985	1,960	2,000
4 & 6	Average Training Hours per Firefighter	Fire	234.0	217.4	225.0
5	# of volunteers	Police	52	70	70
		Fire	13	12	12
5	# of volunteers hours	Police	7,600	9,500	9,500





KRA #8: Public Safety



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

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

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

Strategies

- A. Provide information and education to all Payson residents and visitors about actions that can be taken to keep themselves and their families safe
- B. Provide residents and visitors with information about how public safety agencies deliver service to the community
- C. Educate communities in traffic safety and the prevention of crime and accidents in the home and work place
- D. Create and implement a program to educate drivers on the proper roundabout driving procedures
- E. Partner with other Town departments, such as Parks and Recreation, Library, and Human Resources, and other agencies, to proactively address crime prevention

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

Ensure that public safety workers have the training, education, equipment, facilities and resources needed to provide a high level of service to the community

Strategies

- A. Provide appropriate training, continuing education, and professional development to emergency and non-emergency public safety service providers to be able to better serve their customers.
- B. Support public safety responders with programs and procedures that promote and support their safety and well-being
- C. Provide necessary resources including personnel, equipment, vehicles, and facilities for public safety service providers



Priority #3: Ensure timely and appropriate response

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

Strategies

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

Priority #4: Provide strong customer service internally and externally

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

Strategies

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

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

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



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Strategies

- A. Encourage, support, and value innovation, efficiency, and continuous improvement
- B. Be open to discuss and implement change in service provision methods and change in needs of the communities we serve
- C. Constantly seek ways to reduce the cost of public safety services while preserving or improving the quality of the service provided
- D. Utilize resources and technology carefully and effectively
- E. Pursue grant funding from all sources, as appropriate, to provide public safety services

Priority #6: Enhance Wildland / Urban Interface fire conditions affecting the Town

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

Strategies

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





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KRA 8—Public Safety Performance Measures

KRA Priority #	Intended Outcome	Department Responsible	FY15/16 Goal	FY15/16 Actual	FY16/17 Goal
2 & 3	ISO rating	Fire	Class 3	Class 3	Class 3
3	Improve Response Time	Fire	below 4:36	6:11	6:00
1	Conduct CPR Classes: # of Citizens Trained	Fire	800	927	950
1	Car Seats Inspected	Fire	120	300	300
3	Structure Fire Save ratio	Fire	above 85%	84%	above 85%
1	Taught 10 week DARE program to 5th graders	Police	complete	completed	complete
1	Host Community Policing Programs:				
	Block Watch Program	Police	Yes	Yes	Yes
	Watch Your Vehicle Program	Police	Yes	Yes	Yes
	Vehicle VIN Etching Program	Police	Yes	Yes	Yes
	Click It or Ticket Campaign	Police	Yes	Yes	Yes
	Bicycle Safety Program	Police	Yes	No	Yes
	Drive Hammered Get Nailed Campaign	Police	Yes	Yes	Yes
1,2,3	Reduce Uniform Crime Reporting (UCR) Activity	Police	below 680	700	below 700
3	Calls for service (workload indicator)	Police	below 22,850	25,000	25,000





KRA #9: Sustainability



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

Priority #1: Enable opportunities for environmental stewardship

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

Strategies

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

Priority #2: Enhance sustainable land use and mobility practices

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

Strategies

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

Priority #3: Foster collaboration and communication

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

Strategies

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





**KRA 9—Sustainability
Performance Measures**

KRA Priority #	Intended Outcome	Department Responsible	FY15/16 Goal	FY15/16 Actual	FY16/17 Goal
1 & 3	Encourage participation in toilet rebate program *	Water: Residential Commercial	3 1	2 0	2 1
1 & 3	Maintain water usage levels at 80-90 gallons per capita per day	Water	Achieve	Achieved	Achieve
1 & 3	Present In-School Water Conservation program (# of students)	Water	170	163	165
1 & 3	Hold electronic waste E-cycling event	Water Resources	1	1	1
1 & 3	Hold latex paint recycling event	Water Resources	1	0	1
1 & 3	Hold household hazardous waste event	Water Resources	1	0	1

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





KRA #10: Technology



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

Priority #1: Provide seamless customer service

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

Strategies

- A. Use technology to provide a consistent customer experience, based on standardized service processes applied to all forms of customer interaction.
- B. Enhance paysonaz.gov as a single 'front door' for residents and businesses by offering web-based government services
- C. Investigate 3-1-1 technology to provide efficient and timely customer support and case management tracking

Priority #2: Increase operational efficiency through constant innovation

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

Strategies

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

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

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



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

Strategies

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



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KRA 10—Technology Performance Measures

KRA Priority #	Intended Outcome	Department Responsible	FY15/16 Goal	FY15/16 Actual	FY16/17 Goal
3	E-Gov availability for all departments *	Info Services	3%	2%	3%
3	Visits to websites	All Gov't	278,500	204,691	210,000
		Tourism	743,600	932,234	1,000,000
3	# of pages viewed on Tourism website	Tourism	N/A	2,200,000	2,250,000
3	Public e-mail distribution list	All Gov't	2,200	2,375	2,500
		Tourism	250,000	227,152	250,000
3	# of Facebook friends	Tourism	N/A	8,881	9,000





KRA MATRIX

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

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



KRA: Priority: Strategy	Land Use	Growth Area	Circulation	Parks, Trails, & Open Spaces	Environmental Planning	Water Resources	Cost of Development
	<u>LU</u>	<u>GA</u>	<u>C</u>	<u>PT</u>	<u>EP</u>	<u>WR</u>	<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

Guidelines and Policies Used in Developing the Capital Improvement Plan

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

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

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

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



Payson's Capital Improvement Plan

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

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

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

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

The Town Council will review all of the existing and proposed projects, consider citizen requests, and evaluate management, financial, and planning staff recommendations before making the final decision about which projects should be included in the annual CIP and how those projects should be integrated into the Town's annual budgeting process.

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

Several traditionally recognized benefits could accrue to the community as the result of preparing and maintaining a sound Capital Improvement Plan. These include:



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1. The CIP shows citizens where and when projects are expected.
2. The CIP process serves as a basis for the management of projects. This includes the coordination of the efforts of various departments responsible for land acquisition, design, construction and operation of the new facility. It also includes the management of cash flow to ensure the funds are available and are used in the most effective way possible.
3. The CIP can establish a set of priorities that can be embodied in the Town's General Plan guiding decisions on land issues.
4. The CIP establishes the relationship between the desired levels of service and the ability of the Town to fund public facility improvements. In this way, citizens are able to work with elected officials to determine how much improvement of the Town's infrastructure is realistic in view of what the community is willing to pay through existing revenues, taxes, and user fees.
5. The CIP establishes a reasonable multi-year spending plan that can keep the expectations for public facility construction within the Town's ability to pay. Accordingly, agencies issuing bond ratings consider it very important for the Town to have a well-considered Capital Improvement Planning process and to adopt and follow the program closely.

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

The CIP cycle incorporates these key phases:

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

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.

CAPITAL IMPROVEMENT PLAN

Town of Payson, Arizona

5 Year Capital Improvement Plan – Summary by Department

Project #	Dept / Division	Description	Fiscal Year 2016/17	Fiscal Year 2017/18	Fiscal Year 2018/19	Fiscal Year 2019/20	Fiscal Year 2020/21	5 Year Total	Future Years	Grand Total	KRA Link*
0910-81	Airport	Land Purchase						-	2,150,000	2,150,000	3:2
0910-82	Airport	New Terminal Building						-	2,145,000	2,145,000	3:2
0910-85	Airport	Construct Service Roads						-	470,000	470,000	3:2
0910-86	Airport	Construct Vehicle Parking						-	245,000	245,000	3:2
0910-88	Airport	Construct Various Buildings						-	1,163,000	1,163,000	3:2
1011-10	Airport	New/Expanded Parking Ramps						-	2,990,000	2,990,000	3:2
1213-04	Airport	Security Fencing	95,000					95,000		95,000	3:2
1213-05	Airport	Construct New West Taxiways						-	650,000	650,000	3:2
1415-02	Airport	Construct Aircraft Wash Rack					150,000	150,000		150,000	3:2
1415-03	Airport	Install Taxiway Lighting		550,000				550,000		550,000	3:2
1415-04	Airport	Construct Snow Removal Equipment Building				400,000		400,000		400,000	3:2
1415-06	Airport	Construct ADA Accessible Route to Ramps		5,000				5,000		5,000	3:2
1415-23	Airport	Expand East Side Aircraft Parking Apron E						-	600,000	600,000	3:2
1516-10	Airport	Relocate Taxiways				350,000		350,000		350,000	3:2
1617-02	Airport	Construct By-Pass Taxiway for Funway 24		300,000				300,000		300,000	3:2
1617-03	Airport	Install PAPI & REIL			230,000			230,000		230,000	3:2
		Total Airport Capital Projects	95,000	855,000	230,000	750,000	150,000	2,080,000	10,413,000	12,493,000	
0910-35	Gen Gov't	Recycling Program Enhancements							250,000	250,000	3:3/9:1,2
		Total Gen Gov't Capital Projects	-	-	-	-	-	-	250,000	250,000	
0910-67	Library	Library Building Expansion			1,500,000			1,500,000		1,500,000	3:4/5:5
		Total Library Capital Projects	-	-	1,500,000	-	-	1,500,000	-	1,500,000	
0910-42	Parks Maint	Amphitheater Lighting				150,000		150,000		150,000	3:4/5:3
0910-43	Parks Maint	Green Valley Park Ramada Improvements				150,000		150,000		150,000	3:4/5:3
0910-44	Parks Maint	Green Valley Park Maintenance Building		10,000		250,000		260,000		260,000	3:4/5:3
0910-47	Parks Maint	Rumsey Park Restrooms		80,000	80,000			160,000		160,000	3:4/5:3
0910-48	Parks Maint	Rumsey Park Drainage		10,000		150,000		160,000		160,000	3:1,4/5:3
0910-49	Parks Maint	Rumsey Park Pedestrian Circulation Improvements		50,000				50,000	100,000	150,000	3:1,4/5:3
1011-06	Parks Maint	Rumsey Playground Equipment			150,000			150,000		150,000	3:4
1415-17	Parks Maint	GV Park Accessibility		16,000				16,000		16,000	3:4/5:3
1415-21	Parks Maint	Rumsey Park Basketball Court Replacement		40,000				40,000		40,000	3:4/5:3
1617-04	Parks Maint	Rumsey Park Maintenance Building		42,000				42,000		42,000	3:4
		Total Parks Maint Capital Projects	-	248,000	230,000	700,000	-	1,178,000	100,000	1,278,000	

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

5 Year Capital Improvement Plan – Summary by Department

Project #	Dept / Division	Description	Fiscal Year 2016/17	Fiscal Year 2017/18	Fiscal Year 2018/19	Fiscal Year 2019/20	Fiscal Year 2020/21	5 Year Total	Future Years	Grand Total	KRA Link*
0910-27	Planning & Dev	American Gulch Improvements	-	100,000	100,000	100,000	100,000	400,000	2,000,000	2,400,000	3:2/5:3
0910-76	Planning & Dev	Main Street Enhancements						-	500,000	500,000	1:3/3:1/5:1
0910-77	Planning & Dev	Highway Landscape Improvements		200,000	200,000	200,000	150,000	750,000		750,000	3:2/5:1
1617-06 +	Planning & Dev	Am Gulch Community Facility District						-		-	KRA 1,3,5
		Total Planning & Dev Projects	-	300,000	300,000	300,000	250,000	1,150,000	2,500,000	3,650,000	
+ The Town's financial responsibility will be determined if / when the Community Facilities District is approved.											
0910-01	Police	Building Remodel		65,500				65,500		65,500	3:4/8:2
0910-02	Police	Parking Lot Improvements			63,800			63,800		63,800	3:4/8:2
1314-03	Police	Building Addition		212,000				212,000		212,000	3:4/8:2
1314-04	Police	Communications Remodel		55,000				55,000		55,000	3:4/8:2
1415-07	Police	Storage Building		92,000				92,000		92,000	3:4/8:2
		Total Police Capital Projects	-	424,500	63,800	-	-	488,300	-	488,300	
0910-39	Recreation & Tourism	PATS Continuation		125,000	125,000	150,000	150,000	550,000	875,000	1,425,000	3:1,2,4
0910-40	Recreation & Tourism	Trails Master Plan		60,000	60,000			120,000		120,000	3:1,2,4
0910-41	Recreation & Tourism	Parks Master Plan		70,000	60,000			130,000		130,000	3:4/5:3
0910-46	Recreation & Tourism	Land Purchase			1,000,000			1,000,000		1,000,000	1:3/3:4/5:3
1213-01	Recreation & Tourism	Rumsey Park Multi-Purpose Sports Bldg		1,500,000				1,500,000		1,500,000	3:4
		Total Rec & Tourism Capital Projects	-	1,755,000	1,245,000	150,000	150,000	3,300,000	875,000	4,175,000	3:4
0910-04	Streets	Mud Springs Rd Phase II		1,300,000				1,300,000		1,300,000	3:1,2
0910-05	Streets	Mud Springs Rd - Cedar to Frontier						-	855,000	855,000	3:1,2
0910-06 *	Streets	Rumsey Rd - WalMart to McLane						-		-	3:1,2
0910-07 **	Streets	Bonita St						-		-	3:1,2
0910-09	Streets	Manzanita	340,000					340,000		340,000	3:1,2
0910-10	Streets	Colcord Rd - Main to Longhorn		75,000	125,000	600,000	1,200,000	2,000,000		2,000,000	3:1,2
0910-11	Streets	McLane Rd - Airport to Payson Ranchos				100,000	500,000	600,000	650,000	1,250,000	3:1,2
0910-12	Streets	McLane Rd - Main to Phoenix St			80,000	875,000		955,000		955,000	3:1,2
0910-14	Streets	Goodnow - Hwy 260 to Bonita					40,000	40,000	650,000	690,000	3:1,2
0910-15	Streets	Easy St - Evergreen to Forest					405,000	405,000	325,000	730,000	3:1,2
0910-16	Streets	Easy St - Forest to Gila						-	1,290,000	1,290,000	3:1,2
0910-17	Streets	Easy St - Gila to Bradley						-	1,270,000	1,270,000	3:1,2
0910-18	Streets	Rim Club Parkway - Rim Club to Granite Dells Rd						-	1,230,000	1,230,000	3:1,2
0910-19	Streets	Frontier St - SR87 to McLane						-	2,100,000	2,100,000	3:1,2
0910-20	Streets	Granite Dells Roundabout Landscaping			45,000			45,000		45,000	3:1,2
0910-21	Streets	Granite Dells Roundabout Lighting		45,000				45,000		45,000	3:1,2
0910-23	Streets	Airport Rd Roundabout Landscaping		45,000				45,000		45,000	3:1,2
0910-26	Streets	Pavement Preservation	500,000	500,000	525,000	550,000	550,000	2,625,000	3,500,000	6,125,000	3:1,2
0910-28	Streets	Town Aerial Photo Update		45,000				45,000	100,000	145,000	3:1,2
0910-29	Streets	Green Valley Parking Lot Expansion		300,000				300,000		300,000	3:1,2,4

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

5 Year Capital Improvement Plan – Summary by Department

Project #	Dept / Division	Description	Fiscal Year 2016/17	Fiscal Year 2017/18	Fiscal Year 2018/19	Fiscal Year 2019/20	Fiscal Year 2020/21	5 Year Total	Future Years	Grand Total	KRA Link*
0910-30	Streets	McLane Rd - Payson Ranchos to Payson Pines Subdivisions		80,000		900,000		980,000		980,000	3:1,2
0910-31	Streets	Longhorn Sidewalks			225,000			225,000		225,000	3:1,2
0910-32	Streets	Phoenix St - Hwy 87 to Sycamore			110,000	50,000	500,000	660,000	200,000	860,000	3:1,2
1011-02	Streets	Montezuma Castle Exchg. I.D.		450,000	5,200,000		60,000	5,710,000	2,000,000	7,710,000	3:1,2
1314-01	Streets	Main St Enhancements - Street Lights		35,000	35,000	35,000		105,000		105,000	3:1,2
1415-16	Streets	Town Boundary Fence			47,500	47,500	47,500	142,500	47,500	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
1516-06	Streets	East Main St & Hwy 87 Drainage		40,000				40,000		40,000	3:1,2
1516-07	Streets	Regional Storm Water Detention Basin					200,000	200,000	250,000	450,000	3:1,2
1516-08	Streets	Manzanita Roundabout Street Lighting				45,000		45,000		45,000	3:1,2
1516-09	Streets	McLane Rd-Phx St to GV Prkwy						-	1,090,000	1,090,000	3:1,2
1617-01	Streets	Westerly Rd Parking Lot Lights		30,000				30,000		30,000	3:1,2
1617-07	Streets	Timber Ridge I.D. ***	2,060,000					2,060,000		2,060,000	3:1,2
		Total Streets Capital Projects	2,900,000	2,970,000	6,392,500	3,202,500	3,502,500	18,967,500	15,682,500	34,650,000	
* This is a Private Developer funded project. No Town funds or bonding capacity will be used on this project.											
** This is a State funded project. In previous years, the Town contributed funds totaling \$50,000 towards the State project. The total project cost is \$1,575,000.											
*** The Town's share of the project will be determined if / when the Improvement District is approved.											
0910-50	Water	CC Cragin Pipeline	9,950,000					9,950,000		9,950,000	3:3
0910-51	Water	CC Cragin Water Treatment Plant	7,150,000	7,150,000				14,300,000		14,300,000	3:3
0910-57	Water	Water Mains	630,000	100,000	100,000	100,000	100,000	1,030,000	100,000	1,130,000	3:3
0910-58	Water	Wells	75,000					75,000		75,000	3:3
0910-61	Water	Radon Gas Treatment System	45,000					45,000		45,000	3:3
0910-62	Water	Water Lines	150,000	150,000	150,000	150,000	150,000	750,000	150,000	900,000	3:3
1314-02	Water	Environmental Project	225,000					225,000		225,000	3:3
1415-11	Water	Tank Mixing Systems	50,000	50,000				100,000		100,000	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				40,000		40,000	3:3
1415-14	Water	Hydropneumatic Surge Tanks	60,000					60,000		60,000	3:3
		Total Water Capital Projects	18,390,000	7,470,000	250,000	250,000	250,000	26,610,000	250,000	26,860,000	
TOTAL ALL CAPITAL PROJECTS			21,385,000	14,022,500	10,211,300	5,352,500	4,302,500	55,273,800	30,070,500	85,344,300	

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

Town of Payson, Arizona

5 YEAR CAPITAL IMPROVEMENT PLAN – MACHINERY & EQUIPMENT

Project #	Dept / Division	Description	Fiscal Year 2016/17	Fiscal Year 2017/18	Fiscal Year 2018/19	Fiscal Year 2019/20	Fiscal Year 2020/21	5 Year Total	Future Years	Grand Total	KRA Link*
1415-06M	Airport	Snow Removal Equipment					195,000	195,000		195,000	3:2
1516-12M	Airport	Pickup Truck		30,000				30,000		30,000	3:2
		Total Airport	-	30,000	-	-	195,000	225,000	-	225,000	
0910-35M	Building	Vehicle Replacement		25,000	25,000			50,000		50,000	3:1/5:1,2
1415-08M	Building	Automated Dog Licensing System		11,000				11,000		11,000	10:1,2
		Total Building	-	36,000	25,000	-	-	61,000	-	61,000	
0910-13M	Fire	Utility Truck Replacement		350,000				350,000		350,000	8:2
0910-14M	Fire	Water Tender		275,000		300,000		575,000		575,000	8:2
0910-15M	Fire	Utility Pickup Truck Replacement		40,000				40,000		40,000	8:2
0910-16M	Fire	Staff Vehicle Replacement		55,000				55,000	55,000	110,000	8:2
0910-17M	Fire	Command Vehicle Replacement		55,000				55,000	55,000	110,000	8:2
0910-19M	Fire	Ladder Truck 111 Replacement		1,200,000				1,200,000		1,200,000	8:2
0910-23M	Fire	Rehab/Support Vehicle		150,000				150,000		150,000	8:2
0910-25M	Fire	Ambulance Replacement				200,000		200,000		200,000	8:2
0910-27M	Fire	Type 1 Engine Replacement		550,000		550,000	550,000	1,650,000		1,650,000	8:2
0910-28M	Fire	Type 6 Engine Replacement				180,000	180,000	360,000		360,000	8:2
1314-05M	Fire	Radio Repeater		20,000				20,000		20,000	8:2/10:2
1415-17M	Fire	SCBA - Homeland Security Grant	334,300					334,300		334,300	8:2
		Total Fire Department	334,300	2,695,000	-	1,230,000	730,000	4,989,300	110,000	5,099,300	
0910-10M	Gen Gov't	Financial Software		75,000				75,000		75,000	10:2
1415-02M	Gen Gov't	IT- TV Equipment (includes hardware & software)	20,000					20,000		20,000	10:2
		Total General Government	20,000	75,000	-	-	-	95,000	-	95,000	
1516-13M	Parks Maint	Kawasaki Mule Utility Vehicle		13,500				13,500		13,500	3:4/5:3
		Total Parks Maintenance	-	13,500	-	-	-	13,500	-	13,500	
1516-14M	Planning&Dev	Vehicle Replacement		25,000				25,000		25,000	3:1/5:1,2
		Total Planning & Development	-	25,000	-	-	-	25,000	-	25,000	
0910-01M	Police	Vehicle Replacement	20,000	125,000	125,000	125,000	125,000	520,000	550,000	1,070,000	8:2
1415-10M	Police	HSG-Hillcrest Base Radio & Link to Elk Ridge	44,500					44,500		44,500	8:2/10:2
1415-14M	Police	CAD Communications Equipment	141,000					141,000		141,000	8:2/10:2
1516-02M	Police	SHSGP Elk Ridge Base Radio	36,500					36,500		36,500	8:2/10:2
1516-04M	Police	GOHS Accident Measurement Device	34,300					34,300		34,300	8:2
1617-02M	Police	911 Recording Device		44,900				44,900		44,900	8:2/10:2
		Total Police Department	276,300	169,900	125,000	125,000	125,000	821,200	550,000	1,371,200	
1617-03M	Rec/Tourism	Chevy Colorado Pickup		29,000				29,000		29,000	5:3
1617-04M	Rec/Tourism	Chevy Tahoe		35,000				35,000		35,000	5:3
		Total Rec/Tourism	-	64,000	-	-	-	64,000	-	64,000	
0910-05M	Streets	Heavy Equipment		100,000	100,000	100,000	100,000	400,000	300,000	700,000	3:1,2
0910-07M	Streets	Crack Seal Machine Replacement					45,000	45,000		45,000	3:1,2
0910-08M	Streets	Trucks		30,000	30,000	30,000	30,000	120,000	150,000	270,000	3:1,2
1516-07M	Streets	Skidster				40,000		40,000		40,000	3:1,2
1516-08M	Streets	Water Truck	140,000					140,000		140,000	3:1,2
1516-09M	Streets	Dump Truck - 6CY		72,500				72,500		72,500	3:1,2
1516-10M	Streets	Wheel Loader			172,000			172,000		172,000	3:1,2
1617-01M	Streets	Patch Truck Bed	85,000					85,000		85,000	3:1,2
		Total Streets Department	225,000	202,500	302,000	170,000	175,000	1,074,500	450,000	1,524,500	
0910-33M	Water	Service Truck Replacement	100,000	52,000	54,000	56,000	58,000	320,000	75,000	395,000	3:3
0910-34M	Water	Well Pump Replacements	72,000	75,000	77,000	82,000	88,000	394,000	250,000	644,000	3:3
1011-04M	Water	Fire Hydrant Program		5,000	5,000	5,000	5,000	20,000	25,000	45,000	3:3
1011-05M	Water	Computer Equipment	20,000	25,000	20,000	20,000	20,000	105,000	100,000	205,000	3:3
1415-05M	Water	Ground Penetrating Radar			25,000			25,000		25,000	3:3
1617-05M	Water	Equipment	19,000					19,000		19,000	3:3
		Total Water Division	211,000	157,000	181,000	163,000	171,000	883,000	450,000	1,333,000	
		Total Capital Machinery & Equipment	1,066,600	3,467,900	633,000	1,688,000	1,396,000	8,251,500	1,560,000	9,811,500	

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



OPERATING COSTS ASSOCIATED WITH CIP

In many cases, the Town's operating budget is directly affected by the CIP. Capital Improvements frequently bring about ongoing expenditures for routine operations, repairs, and maintenance. Capital pay-as-you-go projects, grant matching funds, and payments for bonds and lease/purchase agreement expenditures come directly from the operating fund. In contrast, new streets typically have zero maintenance in the first five years. Sometimes, new buildings with energy-efficient features actually have less impact on the operating budget than aging facilities that require frequent repairs & maintenance and use significantly more utilities.

Due to current economic conditions, capital projects are very limited again this fiscal year. There are a few grant funded projects in this year's budget. These projects will not start until the grant funding can be confirmed. The Town's contribution of grant matching funds, in most cases less than 10% of the total project costs, have been included in the budget. The C.C. Cragin Pipeline project is still in the construction phase. Preliminary estimates regarding the pipeline's impact on future operational costs have been determined but those figures will continue to be fine tuned as the project moves closer to completion.

When requests are submitted for capital projects, the requesting department estimates the costs of future operations and maintenance based on past experience and anticipated cost increases. This information is indicated on the Project Information Form and taken into consideration when projects are slated for funding. These costs are approximate in nature and can change based on a variety of factors including change in project scope, inflation, and other unforeseen circumstances. The following summary indicates the CIP projects that have estimated operating costs associated with them and is meant to provide a general understanding of the influence these capital projects can have on future operational budget.



2016 ANNUAL BUDGET

Projected Operating Costs Associated With CIP Projects

Department	CIP Project Concepts	Annual Utilities	Annual Maintenance	Annual Supplies	Annual Personnel
Airport	Security Fencing	-	-	300	300
Airport	Construct Aircraft Wash Rack	1,200	-	-	-
Airport	Install Taxiway Lighting	2,000	-	-	-
Airport	Construct Equipment Building	600	500	-	-
Airport	Install PAPI & REIL	600	-	-	-
Police	Building Remodel	500	-	-	-
Police	Storage Building	600	500	-	-
Rec&Tourism	PATS Continuation	-	250	-	-
Rec&Tourism	Multi-Purpose Sports Bldg	1,200	2,000	600	-
Parks Maint	Amphitheater Lighting	350	-	-	-
Parks Maint	GV Park Maintenance Bldg	600	500	-	-
Parks Maint	Rumsey Park Maintenance Bldg	600	500	-	-
Streets	Granite Dells Roundabout	400	500	-	-
	Landscaping				
Streets	Granite Dells Roundabout	600	-	-	-
	Lighting				
Streets	Airport Road Roundabout	400	500	-	-
	Landscaping				
Streets	American Gulch	-	500	-	-
Streets	GV Parking Lot Expansion	-	300	-	-
Streets	Main Street Enhancements	500	-	-	-
Streets	Town Boundary Fence	-	-	300	300
Streets	Manzanita Roundabout	600	-	-	-
	Street Lighting				
Streets	Parking Lot Lights-Westerly Rd	600	500	-	-
Library	Library Building Expansion	3,200	500	500	-



2016 ANNUAL BUDGET

LONG-TERM PLANNING

The Town of Payson's Five-Year Forecast is presented for long-range financial planning and budgeting purposes. The forecast shows FY2013/14 and FY2014/15 actual dollars, FY2015/16 and FY2016/17 budgeted dollars, and projections for FY2017/18 through FY2021/22. 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 below. 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 expenditures continue to outpace revenues and this factor will present challenges in the preparation of future budgets. In the past few fiscal years, reserves have been used to make up for revenue shortfalls but, this is a temporary fix not a permanent solution since one of the Town's primary goals is to build a safe reserve to guard against the turmoil caused by economic shifts. Town departments need to continue identifying potential revenue opportunities and scrutinizing operational costs for options that will provide future budget remedies.

FIVE-YEAR FINANCIAL FORECAST

	2013/14 Actual	2014/15 Actual	2015/16 Adopted	2016/17 Proposed	2017/18 Projected	2018/19 Projected	2019/20 Projected	2020/21 Projected	2021/22 Projected
REVENUES									
Taxes	10,354,398	10,990,320	11,370,900	11,678,400	12,028,752	12,389,615	12,761,303	13,144,142	13,538,466
Licenses & Permits	672,341	702,278	919,700	896,500	914,430	932,719	951,373	970,400	989,808
Intergovernmental	626,356	206,029	204,000	874,700	892,194	910,038	928,239	946,803	965,739
Charges for Service	608,130	667,603	762,500	927,500	1,020,250	1,122,275	1,234,503	1,357,953	1,493,748
Fines & Forfeitures	113,632	122,863	110,000	110,000	111,100	112,211	113,333	114,466	115,611
Grants	22,359	27,177	247,600	89,100	44,550	44,500	44,500	44,500	44,500
Miscellaneous	341,766	458,893	291,700	195,600	155,000	155,000	155,000	155,000	155,000
Transfers In	218,480	95,806	156,154	147,000	147,000	147,000	147,000	147,000	147,000
Total Revenues	12,957,462	13,270,969	14,062,554	14,918,800	15,313,276	15,813,357	16,335,250	16,880,265	17,449,873
Less: EXPENDITURES									
Personnel Services	9,273,686	9,799,941	11,261,500	11,556,400	11,903,092	12,260,185	12,627,990	13,006,830	13,397,035
Operating Expenses	2,533,850	2,589,635	3,432,300	3,588,700	3,660,474	3,744,665	3,793,346	3,857,832	3,934,989
Capital Outlay	75,464	95,830	50,000	20,000	100,000	100,000	100,000	100,000	100,000
Transfers Out	292,110	411,367	367,300	442,100	446,521	450,986	455,496	460,051	464,652
Total Expenditures	12,175,110	12,896,773	15,111,100	15,607,200	16,110,087	16,555,836	16,976,832	17,424,713	17,896,676
Revenue (under)/over Expenditures	782,352	374,196	(1,048,546)	(688,400)	(796,811)	(742,479)	(641,582)	(544,448)	(446,802)

LONG-TERM PLANNING



2016 ANNUAL BUDGET

In conclusion, the Five-Year Forecast has brought two main goals to the forefront: (1) establish ways to eliminate the revenue shortfall (2) maintain reserves in the General Fund that comply with the Town's financial policy.

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

Revenues

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

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

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

Other revenues are projected to increase with the rate of inflation

Expenditures

Staffing is projected to remain flat over the next five years

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

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

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

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

Capital

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



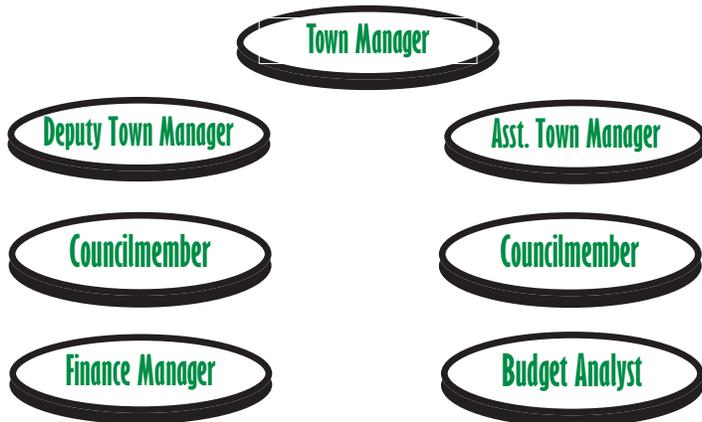
***THE
BUDGET
PROCESS***



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, Finance Manager, Budget Analyst 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 Finance Manager compiles the budget requests from the departments. A budget team is assembled consisting of:



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

The Annual Budget serves four essential purposes:

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

To ensure that the budget satisfies each essential purpose, the Town follows an established process. The 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.



2016 ANNUAL BUDGET

BUDGET ROLES & RESPONSIBILITIES

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

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

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

FINANCE MANAGER 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 utilizes a number of tools to help in the forecasting process including a Financial Trend Monitoring System (FTMS). The FTMS provides one method of evaluating financial condition and identifying trends. 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 Department's budgets are formulated. In addition to the Council's policies and goals, each department identifies and discusses their budget requests or policy issues with the Town Manager.

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

BUDGET PROCESS OVERVIEW



2016 ANNUAL BUDGET

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

The Town Manager submits to the Town Council a Proposed Budget document for the next fiscal year. The Proposed Budget is composed of operating budgets and capital improvement programs. Council reviews the Proposed Budget with staff through a series of public work-study sessions. In early June, the Tentative Budget is adopted and a public hearing is held on the State Expenditure Limitation document. In late June, a public hearing is held on the Final Budget, which is then adopted by the Council. Within seven days of the Final Budget adoption, a public hearing is held on the proposed primary and secondary tax rates and they are then adopted by ordinance. Upon adoption, they are 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
- ◆ Departments submit budgets and personnel requests to Financial Services
- ◆ Finance Manager compiles department submittals to produce initial budget report

April

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

BUDGET PROCESS OVERVIEW



2016 ANNUAL BUDGET

May

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

BUDGET ADOPTION

June

- ◆ The Tentative Budget is adopted

July

- ◆ The Final Budget is adopted
- ◆ Property tax levy is adopted not less than seven days after the Final Budget

BUDGET EXECUTION

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

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

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

BUDGET PROCESS OVERVIEW



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.



2016 ANNUAL BUDGET

BUDGET CALENDAR

Budget input open to departments	02/29/2016
Budget Team meeting for revenue projections	03/08/2016
Capital Improvement Plan public meeting *	03/22/2016
Department budget input completed and submitted to Financial Services	03/25/2016
Finance Manager submits initial budget to Budget Team	03/30/2016
Budget Team reviews department requests	03/30/2016
Budget Team reviews department requests (continued)	03/31/2016
Budget Team holds department budget meetings	Week of 04/04/2016
Budget Team finalizes figures for budget presentation to Council	04/22/2016
Adopt the Fee Schedule (if changed) *	06/02/2016
Executive Summary of Budget (presentation) to Council	06/02/2016
Adopt Tentative Budget & hold Expenditure Limitation Hearing *	06/16/2016
Make property values provided by Assessor available for inspection (Must be available 7 days prior to adoption of tax levy)	06/21/2016
Publish Budget Summary once a week for two consecutive weeks:	06/21/2016
	06/28/2016
Hold public hearing and adopt Final Budget **	07/07/2016
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)	07/07/2016
Forward certified copy of tax levy ordinance to County by the third Monday in August	07/11/2016
* Special Council Meeting	
** Regular Council Meeting	

BUDGET CALENDAR



***UNDERSTANDING
THE
BUDGET***



UNDERSTANDING THE BUDGET

Readers and users of governmental budgets and financial statements are frequently confused by what they see. This confusion stems from the method of accounting (namely “fund accounting”) which is required for all governmental entities. The purpose of this section is to provide a general explanation of fund accounting, fund types, and other special terms as they relate to local government.

FUND ACCOUNTING

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

FUND STRUCTURE

A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds Types:

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

General Fund

The General Fund is the chief operating fund of the Town. It accounts for all resources that are not required to be accounted for in other funds. Essentially, the general fund includes resources that are considered “unrestricted” and are available for expenditure by the Town. A significant part of General Fund revenues are used to maintain and operate the general government: however, a portion is also transferred to other funds principally to fund debt service requirements. Expenditures include, among other things, those for general government, public safety, public works, health & welfare, parks / recreation / cultural, building and planning / development.



2016 ANNUAL BUDGET

Special Revenue Funds

Special Revenue Funds are used to account for resources that are legally restricted. These restrictions are generally imposed by grantors, ordinance or law. The Town maintains the following active Special Revenue Funds: Highway Users Revenue Fund (HURF), Gifts & Grants Fund, Parks Facility Improvement Fee Fund, Bed Tax Fund, Police Department of Justice Fund, Library Fund, Airport Fund, Event Center Fund, and Medical Insurance Fund. The Festivals & Events Fund was closed in FY12/13. Law Enforcement Property Program Fund was moved from Special Revenue Funds to Fiduciary Funds in FY13/14.

Capital Project Funds

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

Debt Service Funds

Debt service funds are used to account for the accumulation of resources for, and the payment of, long-term debt principal, interest and lease/purchases that are not serviced by Enterprise Funds. It does not include contractual obligations accounted for in the individual funds. The Town maintains the following active debt service funds: General Debt Service Fund, Westerly Road Improvement District Debt Service Fund, Excise Tax Revenue Obligation Debt Service Fund, General Obligation Bonds Series 2004 Debt Service Fund and Timber Ridge Improvement District Debt Service Fund. Debt for Rumsey Park Certificates of Participation and Green Valley Park were retired in FY12/13. The Cedar Lane Improvement District Debt Service and Rancho del Tonto Improvement District Debt Service are inactive.

Proprietary Fund Types:

Proprietary Funds are used to account for the Town's business whose activities 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 Fund

Enterprise Funds are used to account for operations, including debt service, which are financed and operated similarly to private business. The intent is financial self-sufficiency with all costs supported predominantly by user charges. The Town currently maintains one Enterprise Fund: Water Fund. In FY13/14, the C.C. Cragin Development Fund was eliminated and all water/pipeline related activities are being reported under one fund. Although these funds were combined, detailed accounting for the C.C. Cragin expenditures is maintained as a sub-category within the Water Enterprise Fund.

BASIS OF ACCOUNTING

The basis of accounting refers to the point at which revenues and expenditures are recognized. "Cash basis" means that revenues and expenditures are recorded when cash is actually received or paid out. "Full accrual basis" recognizes revenues when earned (rather than when received) and expenditures when an obligation to pay is incurred (rather than when the payment is made). Governments typically use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when measurable and available to finance expenditures of the current fiscal year, or soon thereafter, to be used to pay current period obligations. Other than principal and interest on long-term debt, expenditures are recognized in the accounting period in which the liability was incurred.

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

Governmental funds include:

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

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

Proprietary funds include:

- ◆ Enterprise Funds

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



2016 ANNUAL BUDGET

BASIS OF BUDGETING

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

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

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

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

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

BUDGET DOCUMENT

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



2016 ANNUAL BUDGET

Policy Document

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



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

Operations Guide

The department budget pages show the actual expenditures for fiscal years 2013/14 and 2014/15, the adopted budget for fiscal year 2015/16 and the proposed budget for 2016/17. These departmental budgets show the line item actual expenditures and budgets by five major expenditure categories:



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

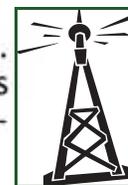
Financial Plan

The major sources of revenue are presented in numeric and graphical formats. The major revenue and expenditure sources are presented for fiscal years 2013/14 and 2014/15, the adopted budget for fiscal year 2015/16 and the proposed budget for 2016/17 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 on the Town's website at www.paysonaz.com.



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



2016 ANNUAL BUDGET

BUDGET POLICIES

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

Budget Resources

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

Fund Balance

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

Revenues

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

Debt Management

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

Long-Range Goals and Objectives

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

The Town meets these goals by managing the pattern and rate of growth in a way that preserves existing land use patterns; encouraging development of the

UNDERSTANDING THE BUDGET



2016 ANNUAL BUDGET

Main Street area as a visitor or tourist oriented activity center; developing and maintaining a balanced motorized and non-motorized transportation system that is efficient, cost effective and environmentally sensitive; maintaining the water, mountain views, and watershed systems; and reaching out and being responsive to citizen concerns.

Additional details regarding the General Plan can be found in the Planning and Performance section of this document. The complete 2014 General Plan document can be viewed on the Town's website at www.paysonaz.gov.

Capital Improvements and Acquisition Process

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

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

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



***BUDGET
SUMMARIES***



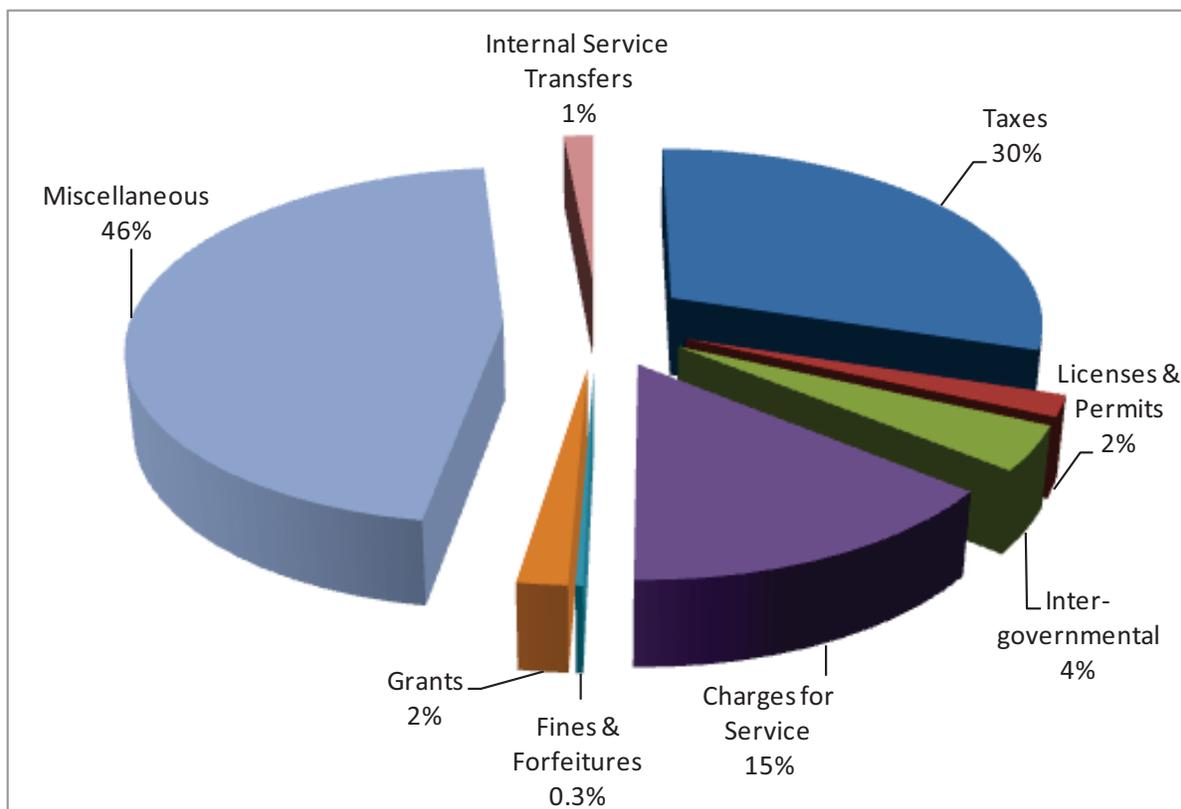
2016 ANNUAL BUDGET

THE BUDGET

Revenue:

The Town continues a conservative approach to revenue projection. Due to current economic conditions, analysis of current trends was a vital tool in establishing projected revenue figures. Estimated revenues and operating transfers for the 2016/17 budget total \$46,624,900 which reflect an increase of 19.6% over the 2015/16 adopted budget.

Category	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed
Taxes	12,340,293	13,106,702	13,469,600	13,911,200
Licenses & Permits	672,341	702,278	919,700	896,500
Intergovernmental	1,070,212	716,622	1,272,700	1,874,700
Charges for Service	5,447,799	5,640,538	6,232,700	6,801,200
Fines & Forfeitures	128,973	141,979	130,000	127,000
Grants	824,781	1,035,020	1,008,400	867,000
Miscellaneous	2,618,740	2,755,541	15,201,500	21,463,000
Transfers	704,933	676,107	744,454	684,300
Total Operating Revenues	23,808,072	24,774,787	38,979,054	46,624,900



BUDGET SUMMARY



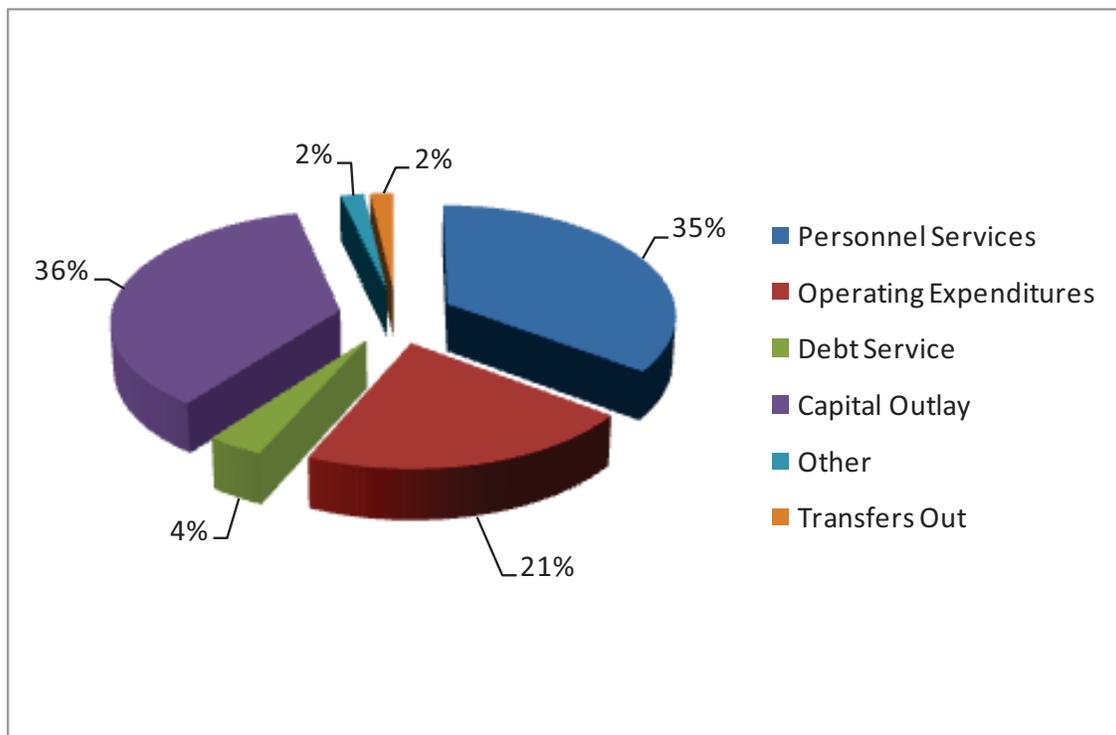
2016 ANNUAL BUDGET

Expenditures:

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

- ◆ The **operating budget** finances the day-to-day provisions of Town services and totals \$9,086,700.
- ◆ The **personnel services budget** consists of the salaries and fringe benefits for all the Town's employees. The amount budgeted for personnel services is \$14,492,800.
- ◆ 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 \$22,451,600.
- ◆ The **debt service budget** is used to repay money borrowed by the Town, primarily for capital improvements and amounts to \$1,991,400.
- ◆ The transfers out budget of \$684,300 represents the amount of funds transferred from one fund to another and has a corresponding Transfer In budget causing a net effect of \$0.
- ◆ The **depreciation** expense for the enterprise fund is \$962,000.

The total budget, including all six components, is \$49,668,800.



BUDGET SUMMARY



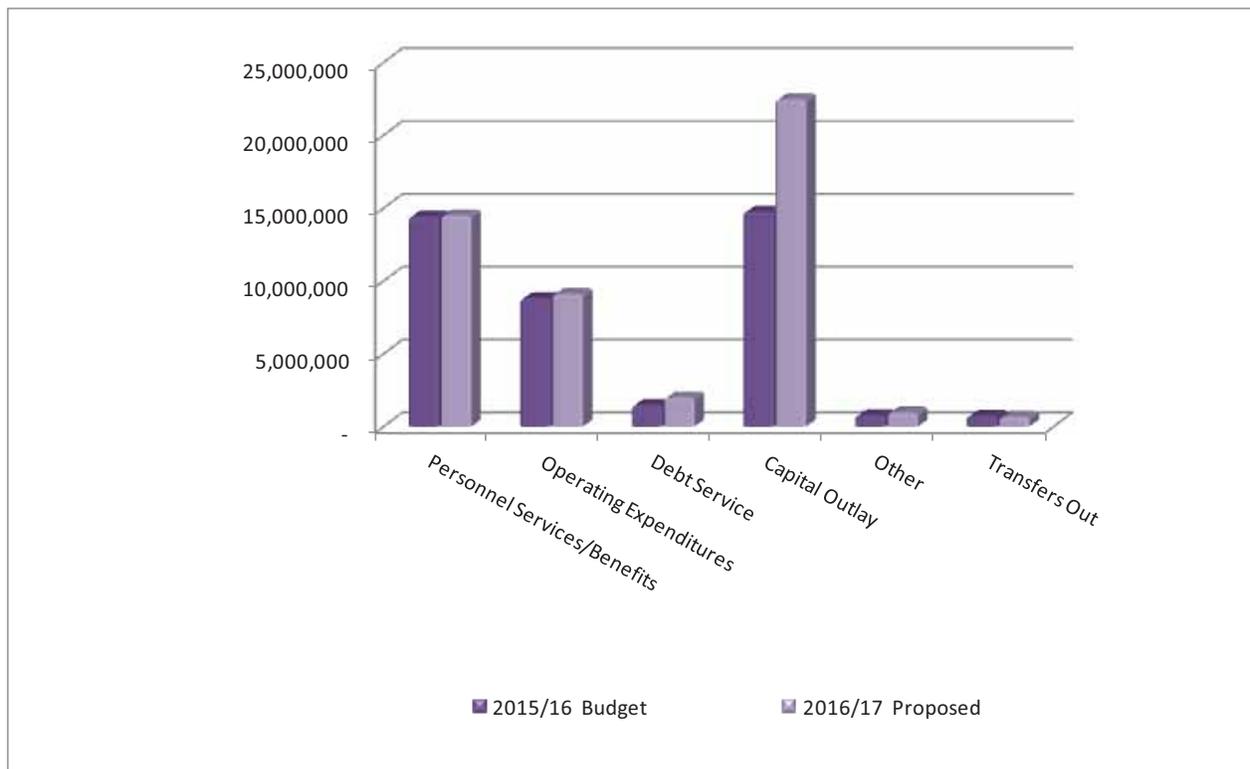
2016 ANNUAL BUDGET

TOTAL FINANCIAL PROGRAM

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

EXPENDITURES & OTHER USES	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed
Personnel Services/Benefits	12,065,708	12,604,888	14,425,500	14,492,800
Operating Expenditures	8,263,142	8,589,486	8,791,000	9,086,700
Debt Service	611,787	659,789	1,480,900	1,991,400
Capital Outlay	3,778,207	2,408,205	14,757,300	22,451,600
Other	2,422,995	2,684,253	763,500	962,000
Transfers Out	658,133	669,493	744,454	684,300
TOTAL	27,799,972	27,616,114	40,962,654	49,668,800

EXPENDITURE COMPARISON



BUDGET SUMMARY



2016 ANNUAL BUDGET

EXPENDITURE SUMMARY BY FUND

FUND	2015/16 BUDGET	2016/17 PROPOSED	\$ Inc/Dec	% Inc/Dec
Total General Fund	\$ 15,111,100	\$ 15,607,200	\$ 496,100	3.28%
Special Revenue:				
HURF Fund	2,550,900	2,998,600	\$ 447,700	17.55%
Gifts & Grants Fund	61,154	-	\$ (61,154)	-100.00%
Bed Tax Fund	318,600	307,900	\$ (10,700)	-3.36%
Police Dept of Justice	90,200	40,500	\$ (49,700)	-55.10%
Library Fund	364,600	378,700	\$ 14,100	3.87%
Airport Fund	424,300	255,900	\$ (168,400)	-39.69%
Event Center Fund	223,200	167,500	\$ (55,700)	-24.96%
Insurance Fund	2,129,200	2,024,000	\$ (105,200)	-4.94%
Total Special Revenue Funds	\$ 6,162,154	\$ 6,173,100	\$ 10,946	0.18%
Debt Service:				
General Debt Service Fund	\$ 105,800	\$ 52,900	\$ (52,900)	-50.00%
Westerly Rd Debt Service Fund	85,600	82,300	\$ (3,300)	-3.86%
Excise Tax Revenue Obligation	132,200	132,000	\$ (200)	-0.15%
General Obligation Bonds	432,300	385,300	\$ (47,000)	-10.87%
Timber Ridge Debt Service Fund	-	40,000	\$ 40,000	100.00%
Total Debt Service Funds	\$ 755,900	\$ 692,500	\$ (63,400)	-8.39%
Capital Project:				
Grant Capital Project Fund	526,800	667,100	\$ 140,300	26.63%
Public Safety Construction Fund	140,000	150,100	\$ 10,100	7.21%
Timber Ridge Improvement District	-	2,100,000	\$ 2,100,000	100.00%
CAP Trust Fund	325,000	225,000	\$ (100,000)	-30.77%
Total Capital Project Funds	\$ 991,800	\$ 3,142,200	\$ 2,150,400	216.82%
Total Enterprise Fund	\$ 17,941,700	\$ 24,053,800	\$ 6,112,100	34.07%
TOTAL - ALL FUNDS	\$ 40,962,654	\$ 49,668,800	\$ 8,706,146	21.25%

BUDGET SUMMARY



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.



2016 ANNUAL BUDGET

Sources and Uses by Fund Group						
2016/2017 Budget						
	General	Restricted	Restricted	Debt	Utility	Total
	Fund	Funds	Capital	Service	Enterprise	Budgeted
	Fund	Funds	Funds	Funds	Funds	Funds
SOURCES OF FUNDS						
Beginning Budget Resources	\$ 1,070,570	\$ 1,008,215	\$ 446,514	\$ 381,456	\$ 3,828,746	\$ 6,735,501
Revenues	13,375,600	5,027,300	-	426,500	5,989,800	24,819,200
Grants/One Time Revenues	878,800	87,500	641,200	-	-	1,607,500
Debt Services Proceeds	-	-	2,100,000	-	16,600,000	18,700,000
Other	517,400	229,200	-	-	-	746,600
Operating Transfers In	147,000	260,700	25,900	250,700	67,300	751,600
TOTAL SOURCES OF FUNDS	\$ 15,989,370	\$ 6,612,915	\$ 3,213,614	\$ 1,058,656	\$ 26,485,846	\$ 53,360,401
USES OF FUNDS						
Town Council	\$ 106,700					\$ 106,700
Clerk/Elections	253,600					253,600
Town Manager/Information Svcs	835,600					835,600
Financial Svcs/General Services	1,713,000					1,713,000
Town Attorney/Magistrate Court	623,800					623,800
Tourism	122,700	100,400				223,100
Human Resources	226,500					226,500
Police	5,557,600	20,500				5,578,100
Fire	3,386,300					3,386,300
Community Development	1,217,800		217,500			1,435,300
Public Works	648,000	1,933,600				2,581,600
Library		378,700				378,700
Airport		160,900				160,900
Recreation	453,500	167,500				621,000
Insurance		2,024,000				2,024,000
Water					4,326,000	4,326,000
TOTAL OPERATIONS	\$ 15,145,100	\$ 4,785,600	\$ 217,500	\$ -	\$ 4,326,000	\$ 24,474,200
TOTAL DEBT SERVICE	\$ -	\$ -	\$ -	\$ 639,600	\$ 1,351,800	\$ 1,991,400
AVAILABLE FOR CAPITAL	\$ 844,270	\$ 1,827,315	\$ 2,996,114	\$ 419,056	\$ 20,808,046	\$ 26,894,801
TOTAL CAPITAL PROJECTS	\$ 20,000	\$ 1,180,000	\$ 2,875,600	\$ -	\$ 18,376,000	\$ 22,451,600
OTHER USES						
Operating Transfers	\$ 374,800	\$ 207,500	\$ 49,100	\$ 52,900		\$ 684,300
Loans Payable	67,300	-	-	-	-	67,300
TOTAL OTHER USES	\$ 442,100	\$ 207,500	\$ 49,100	\$ 52,900	\$ -	\$ 751,600
TOTAL USES OF FUNDS	\$ 15,607,200	\$ 6,173,100	\$ 3,142,200	\$ 692,500	\$ 24,053,800	\$ 49,668,800
ENDING BUDGET RESOURCES	\$ 382,170	\$ 439,815	\$ 71,414	\$ 366,156	\$ 2,432,046	\$ 3,691,601

BUDGET SUMMARY



2016 ANNUAL BUDGET

CHANGES IN PROJECTED FUND BALANCE

- ◆ General Fund—Ending fund balance is projected to decrease 15.3% from \$451,395 to \$382,170. The slow economic recovery continues to hinder efforts to accumulate a comfortable reserve. This budget reflects best efforts to find a balance between the funding of general operations for essential services, long delayed capital projects and the desire to continue building a reserve. Many revenues are still down, intergovernmental funding is at a minimum, and grants are limited. Department budgets are still very lean and most capital projects have been postponed. Even with these cuts, it has become necessary to draw on fund balance to fill the gaps in the budget. The Projected Ending Fund Balance is still way below the non-appropriated general fund reserve amount required to satisfy the established Town Fiscal Policy #1. More information regarding specific items impacting fund balance can be found in the Operating Budget Overview section of this document.
- ◆ Special Revenue Fund—Ending fund balance is projected to show a significant increase of 66.7% from \$263,872 to \$439,815. Some funds in HURF and Parks & Rec Improvement Fee Fund will accumulate to be used for larger projects in the future.
- ◆ Debt Service Fund—Ending fund balance is projected to decrease 1% from \$370,008 to \$366,156.
- ◆ Capital Project Fund—Ending fund balance is projected to increase 11.3% from \$64,159 to \$71,414 as funds accumulate for future projects.
- ◆ Enterprise Fund—Ending fund balance is projected to decrease from \$6,067,616 to \$2,432,046 as reserves are used to continue the construction of the C.C. Cragin Pipeline Project.

REVENUE & EXPENDITURE SUMMARY

Fund Activity	General Fund	Special Revenue Funds	Debt Services Funds	Capital Project Funds	Enterprise Fund	Total Funds
Beg Fund Bal	\$ 1,070,570	\$ 1,008,215	\$ 381,456	\$ 446,514	\$ 3,828,746	\$ 6,735,501
Revenue	13,375,600	5,027,300	426,500	-	5,989,800	24,819,200
Grants & Other Sources	1,396,200	316,700	-	2,741,200	16,600,000	21,054,100
Transfers, net	(295,100)	53,200	197,800	(23,200)	67,300	-
Expenditures	15,165,100	5,965,600	639,600	3,093,100	24,053,800	48,917,200
Fund Bal Change	(688,400)	(568,400)	(15,300)	(375,100)	(1,396,700)	(3,043,900)
Ending Fund Balance	\$ 382,170	\$ 439,815	\$ 366,156	\$ 71,414	\$ 2,432,046	\$ 3,691,601

BUDGET SUMMARY



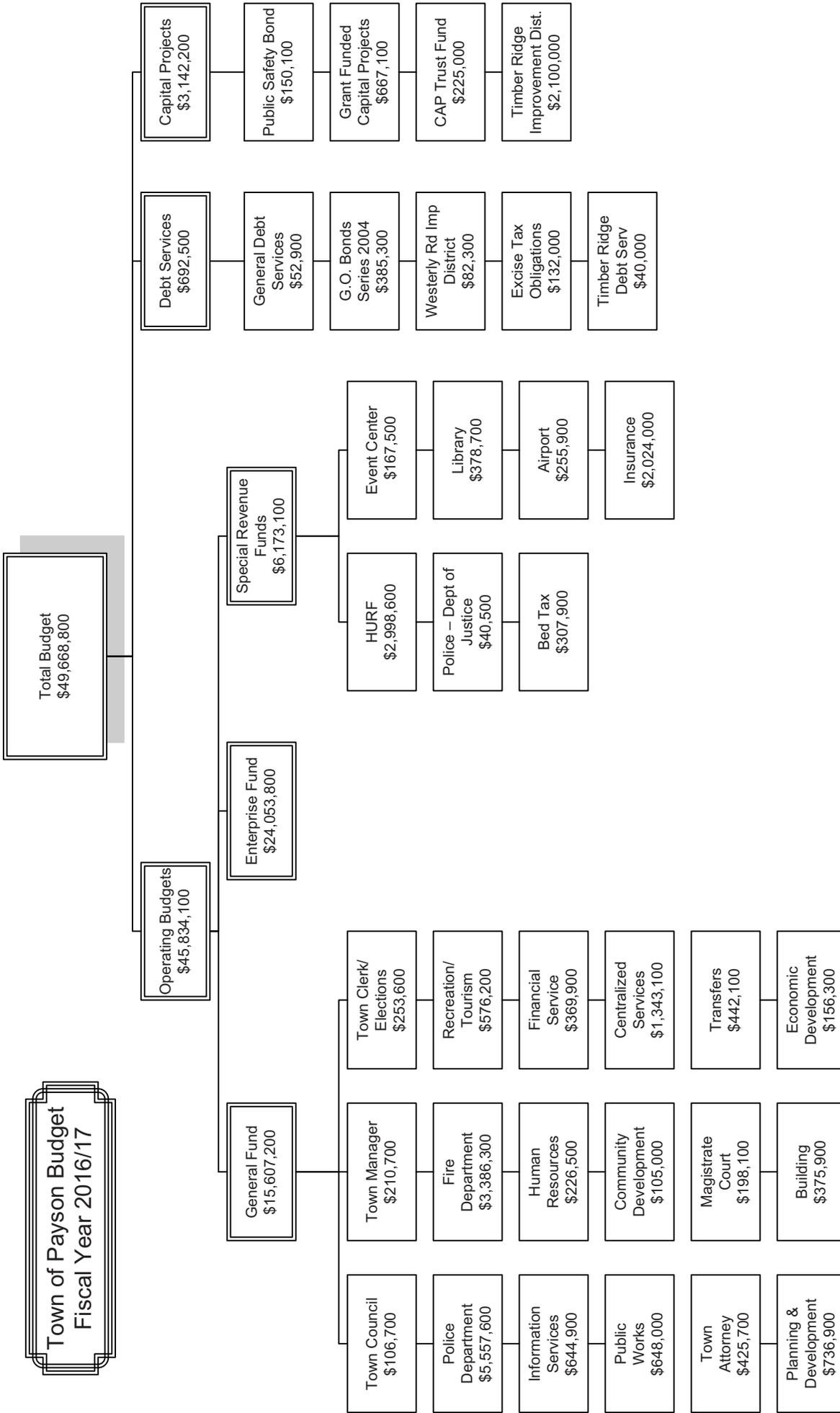
2016 ANNUAL BUDGET

2016/17 FINANCIAL OVERVIEW - ALL FUNDS

	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed
REVENUES				
Taxes	12,340,293	13,106,702	13,469,600	13,911,200
Licenses & Permits	672,341	702,278	919,700	896,500
Intergovernmental	1,070,212	716,622	1,272,700	1,874,700
Charges for Service	5,447,799	5,640,538	6,232,700	6,801,200
Fines & Forfeitures	128,973	141,979	130,000	127,000
Grants	824,781	1,035,020	1,008,400	867,000
Debt Proceeds	-	-	11,000,000	18,700,000
Miscellaneous	2,618,740	2,755,541	4,201,500	2,763,000
Transfers In	704,933	676,107	744,454	684,300
Total Revenues	23,808,072	24,774,787	38,979,054	46,624,900
Less: EXPENDITURES				
Salaries & Wages	8,342,550	8,767,779	9,639,100	9,582,400
Personnel Benefits	3,723,158	3,837,109	4,786,400	4,910,400
Supplies	1,170,215	1,102,110	1,275,400	1,278,100
Services	876,376	686,725	947,800	1,142,300
Utilities	1,071,463	969,746	1,122,900	1,131,500
Travel	71,115	90,397	135,200	151,200
Advertising & Public Relations	47,572	36,814	50,700	46,700
Rentals	43,049	63,342	230,100	256,000
Insurance	2,159,530	2,255,172	2,587,100	2,518,000
Repair & Maintenance	688,450	715,329	1,096,900	1,263,100
Miscellaneous	2,135,372	2,669,851	1,344,900	1,299,800
Capital Outlay	3,778,207	2,408,205	14,757,300	22,451,600
Debt Service	611,787	659,789	1,480,900	1,991,400
Depreciation	2,422,995	2,684,253	763,500	962,000
Transfers Out	658,133	669,493	744,454	684,300
Total Expenditures	27,799,972	27,616,114	40,962,654	49,668,800
Revenue (under)/Over Expenditures	(3,991,900)	(2,841,327)	(1,983,600)	(3,043,900)

BUDGET SUMMARY

Town of Payson Budget Fiscal Year 2016/17





***THE BUDGET
A CLOSER LOOK***



General Fund

The General Fund is the primary operating fund of the Town and is used to account for all financial activity not reflected in another fund. It exists to account for the resources devoted to finance the services traditionally associated with local government. Included in these services are police, fire, parks & recreation, economic development, engineering, general administration and any other activity for which a special revenue fund or an enterprise fund has not been created. The General Fund is the largest fund and typically the fund of most interest and significance to citizens.

>>> GENERAL FUND—REVENUE <<<

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

MAJOR REVENUE SOURCES	2015/16 BUDGET	2016/17 PROPOSED	INCREASE (DECREASE)	PERCENT CHANGE
Taxes	11,370,900	11,678,400	307,500	3%
Licenses & Permits	919,700	896,500	(23,200)	-3%
Intergovernmental	204,000	825,500	621,500	305%
Grants	247,600	138,300	(109,300)	-44%
Charges for Service	762,500	927,500	165,000	22%
Fines & Forfeitures	110,000	110,000	-	0%
Miscellaneous	291,700	195,600	(96,100)	-33%
Transfers In	156,154	147,000	(9,154)	-6%
TOTAL	14,062,554	14,918,800	856,246	6%

Taxes represent the major revenue source in the General Fund. Tax revenues which include town sales tax, state shared sales tax, property tax, vehicle license tax, and state shared income tax comprise 78% of the total 2016/17 General Fund revenues.



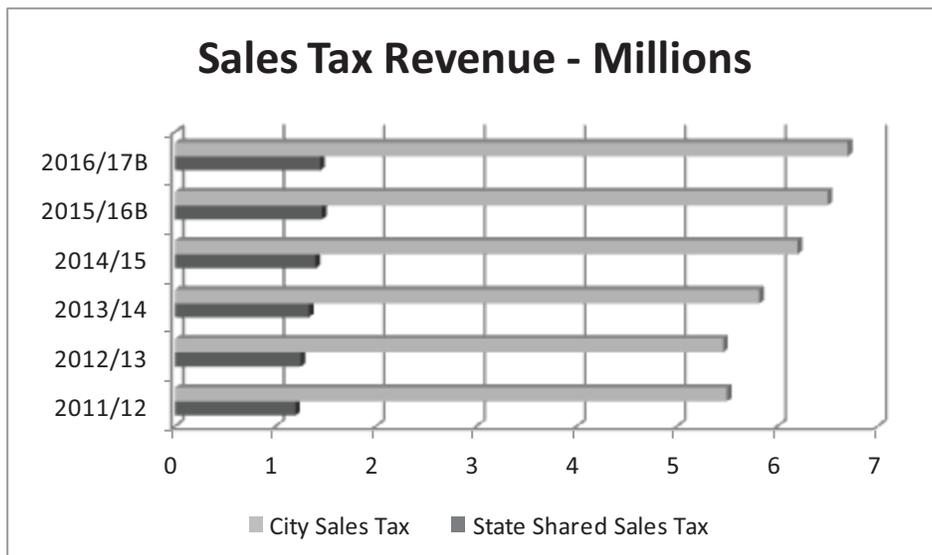
>>> TAXES <<<

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

Sales Tax Revenue

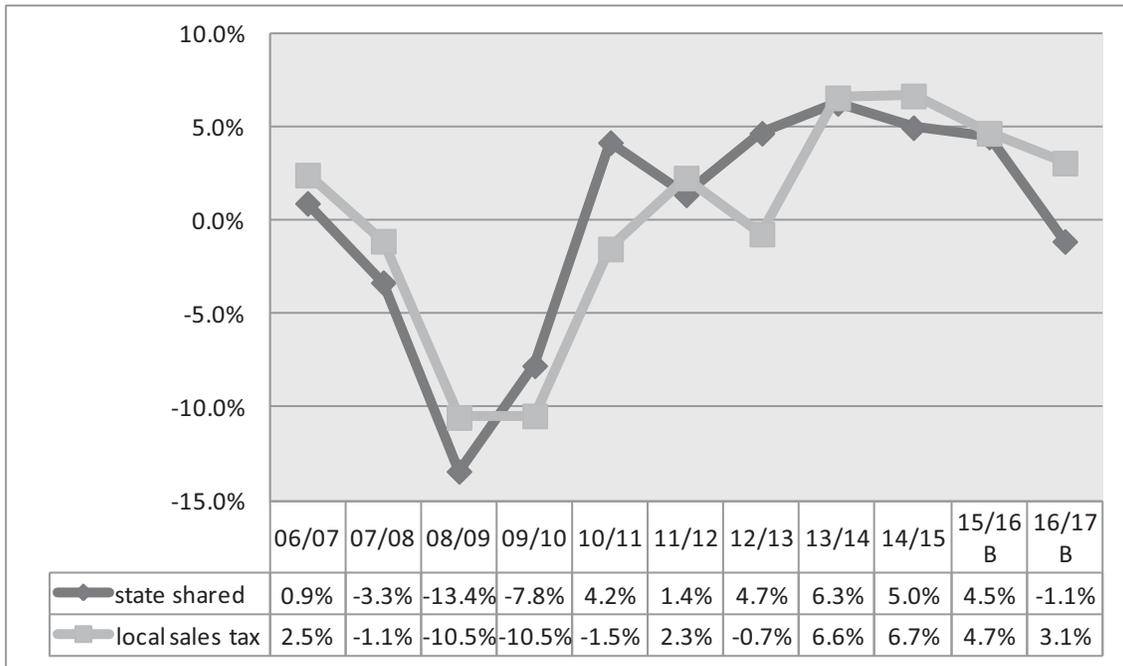
The Transaction Privilege Tax (Sales Tax) is collected on the gross receipts of business activities that occur within the Town of Payson. The Town’s tax rate of 2.12%, combined with the State tax rate of 5.6% and the Gila County tax rate of 1% equals a total sales tax rate of 8.72%. A portion of the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

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





Changes in Sales Tax Revenue



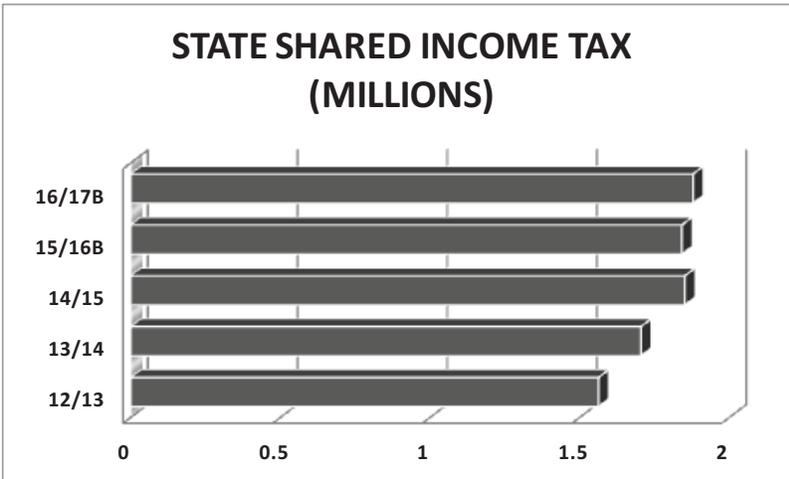
This graph does a nice job of illustrating the economic downturn and staggeringly slow recovery that we have experienced over the past several years. Town sales tax revenue has been trending upward and we continue to be optimistic that we will see stronger gains in the near future.

State shared revenues were showing signs of an improving economy but the recent projections leave us scratching our heads as the estimates came in lower than last fiscal year's numbers.

The Town of Payson continues to focus on tourism and economic development as methods of increasing tax revenue. Increased promotion of special events that draws visitors to Town has had a positive effect on the budget. Our Economic Development Specialist has been working diligently with potential new businesses to ensure that they will find a business friendly environment eager to welcome them to our community. Their creation of new job opportunities and boost to the revenue stream will be the realization of years of hard work to promote the desired growth in the Town.

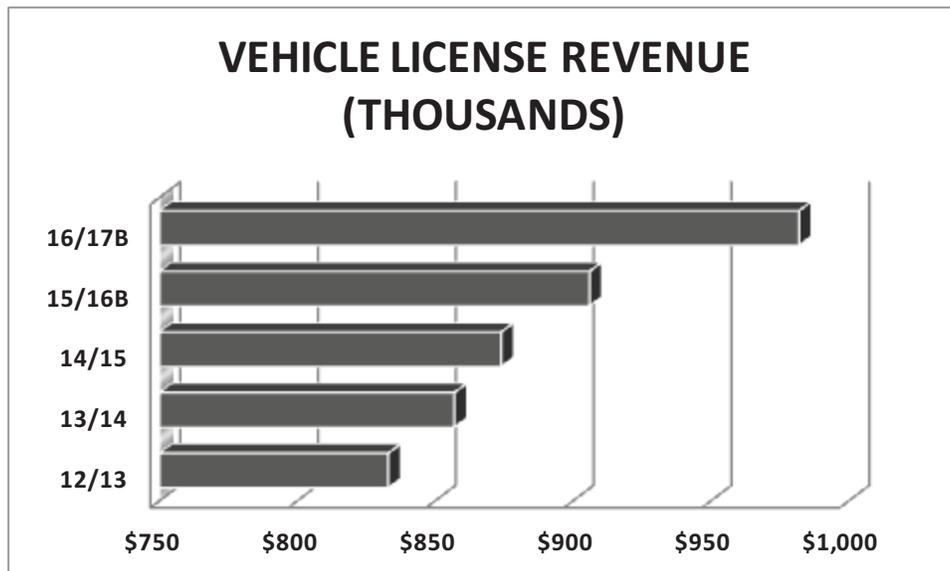


State Shared Income Tax Arizona Cities and Town share a portion of the total amount collected from the State’s income tax. The Town’s share of State income tax is based on the relationship between its population compared to the total population of all cities and town within the state.



According to the State, income tax revenue showed very little change over the past few fiscal years. This is the only shared revenue that can be accurately forecasted since it is based on collections from two year ago.

Vehicle License Tax (VLT) Arizona Cities and Towns receive a 25% share of the net revenues collected for the licensing of vehicles in their County. Each entity’s share within their County is based on the entity’s population in relation to the County as a whole. The County Treasurer distributes these revenues.



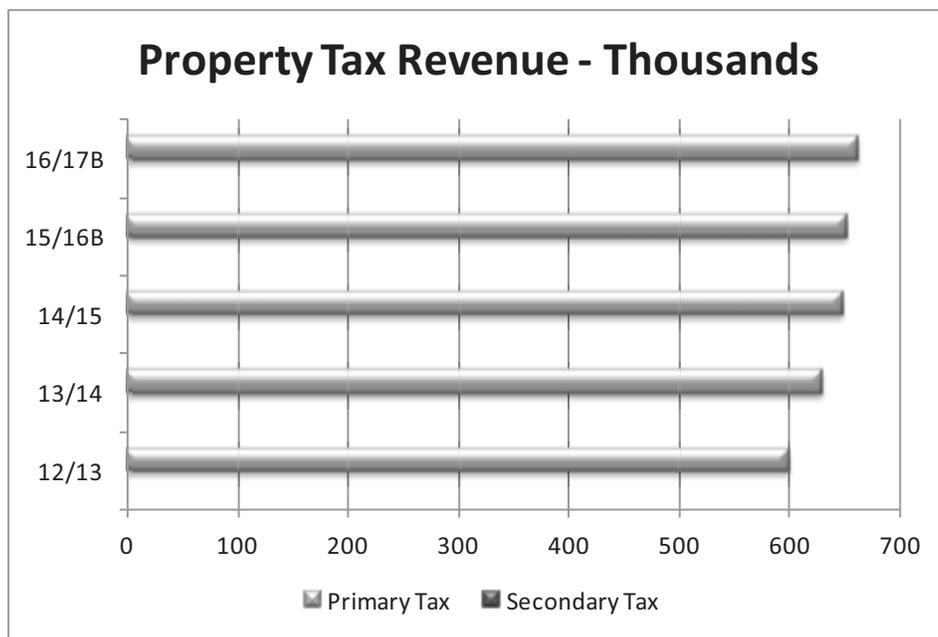


Property Tax—General

The Town property tax consists of a primary tax levy which is limited by law and used for maintenance and operation. The primary property tax is projected to be \$0.3839 per \$100 of assessed value.

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

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

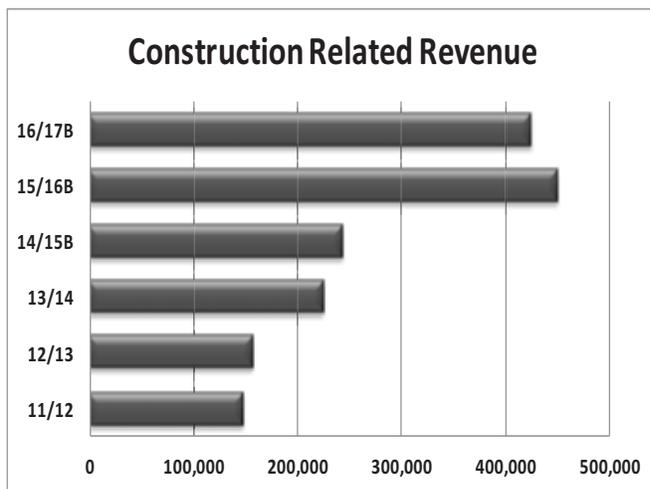




>>>LICENSES & PERMITS <<<

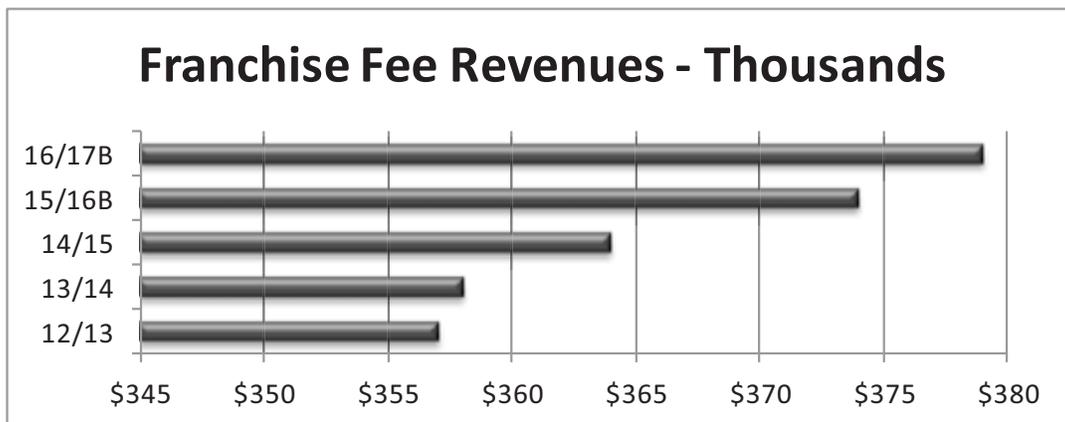
Licenses & permits include business license fees, franchise fees, building permits and other miscellaneous licenses and permits.

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



Building permit revenue for the past few years has reflected the impact of the economic downturn. New construction is expected to increase dramatically as a couple of developers have start residential construction projects. In addition, the focus on Economic Development has paid off as we have seen the completion of a Dunkin Donuts/Five Guys Burgers complex and a new building for Culvers that should be completed soon.

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



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



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

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

Miscellaneous Include overhead allocations, investment interest, contributions and revenues that do not fit in another category.

>>> GENERAL FUND—EXPENDITURES >>>

The General Fund budget for 2016/17 (including transfers out) totals \$15,587,200 which is 3.49% higher than the 2015/16 budget. Major expenditure categories include:

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



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

EXPENDITURE SUMMARY BY DEPARTMENT—GENERAL FUND ONLY*

DEPARTMENT	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
Town Council	83,278	89,842	103,100	106,700
Town Clerk/Elections	194,431	247,067	258,600	253,600
Town Manager	180,149	180,239	188,900	210,700
Town Attorney	329,747	352,201	378,300	425,700
Financial Services	304,405	320,398	408,500	369,900
Other Governmental Services	678,932	1,184,461	1,373,300	1,343,100
Information Services	559,382	597,593	576,700	624,900
Tourism	107,071	118,493	124,600	122,700
Magistrate Court	188,001	174,792	216,900	198,100
Police	4,250,754	4,302,110	5,151,200	5,557,600
Fire	2,883,544	3,071,654	3,602,700	3,386,300
Community Development	603,182	672,682	950,400	1,217,800
Public Works	515,936	528,560	671,900	648,000
Parks & Recreation	301,551	326,802	452,300	453,500
Human Resources	205,449	230,806	236,400	226,500
TOTAL	11,385,812	12,397,700	14,693,800	15,145,100

*Transfers not included



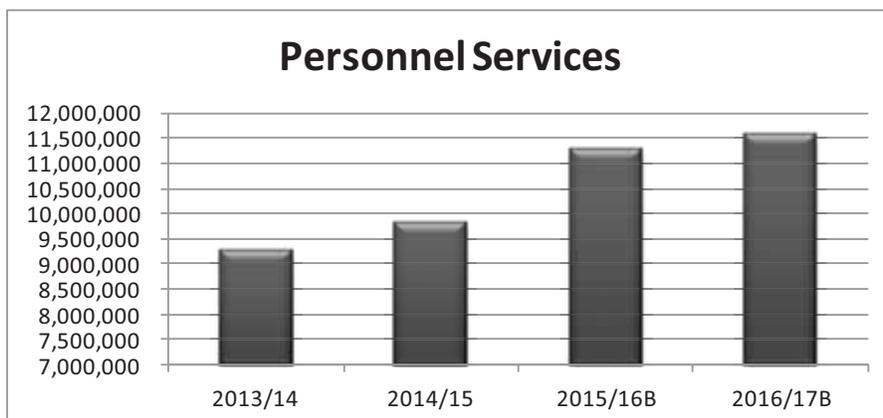
EXPENDITURE SUMMARY BY CATEGORY—GENERAL FUND*

MAJOR EXPENDITURE	2015/16 BUDGET	2016/17 PROPOSED	INCREASE (DECREASE)	PERCENT CHANGE
Personnel Services/Benefits	11,261,500	11,556,400	294,900	2.6%
Operating Expenditures	3,432,300	3,588,700	156,400	4.6%
TOTAL	14,693,800	15,145,100	451,300	3.1%

*Transfers not included

Personnel Services Personnel Services represent a significant portion of the total General Fund budget. In fiscal year 2016/17, salaries and benefits (health insurance, accident insurance, disability insurance, life insurance, and retirement) account for \$11,556,400 or 74.14% of the total General Fund budget. Although there were quite a few changes to staffing and benefits, the net effect was an increase of 2.6% over the previous year. Changes to Personnel Services for FY16/17 include:

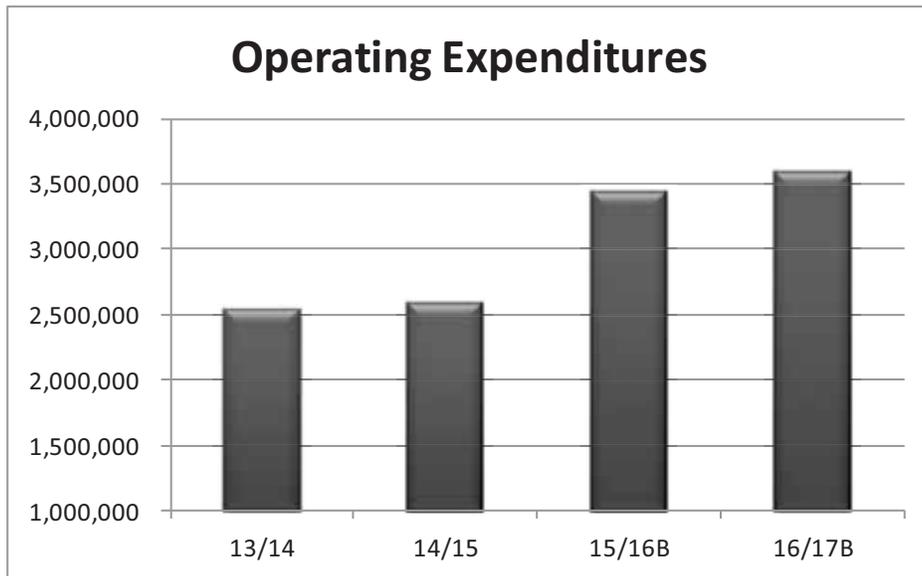
- ◆ Three additional Police Officer position frozen to fund a flat amount pay increase for sworn officers
- ◆ 24 positions received wage adjustments / promotions or reclassifications
- ◆ 5 new Dispatcher positions were added to Police Communications as part of the IGA with the County to transfer dispatch services
- ◆ A 2% merit raise was included in this year's budget
- ◆ Cost of living increases remain on hold for the 9th consecutive year
- ◆ Plan Examiner position that was unfrozen in FY15/16 to handle potential increase in building activity was never filled and was refrozen for FY16/17
- ◆ The CFO position was refrozen until FY17/18 and those duties will be performed by the current staff
- ◆ Legal Secretary position, previously frozen as part-time, was budgeted as full-time in FY16/17





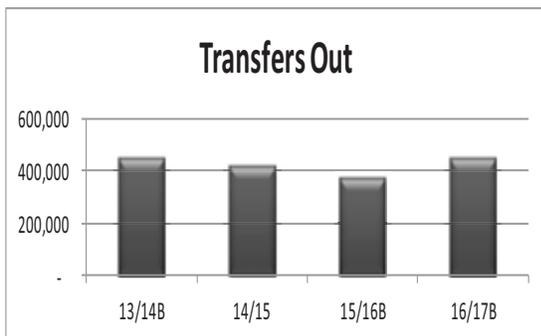
Operating Expenditures

Operating expenditures represent approximately 23% of the total General Fund budget. This includes a wide array of expenditures. This category includes all normal day-to-day expenditures (i.e., engineering services, custodial services, repair and maintenance, legal notices, equipment rental and repair, telephone and utility services, legal and accounting services, motor vehicle repair and maintenance, minor equipment, liability insurance, and miscellaneous supplies).



Transfers Out

Transfers Out represent approximately 2.8% of the total General Fund budget and consist of the following internal transfers:



To Library	\$	132,500
To Airport	\$	67,700
To Grant Capital Project	\$	16,800
To Westerly Dr. Imprv. Debt Service	\$	25,800
To Excise Bond Debt Service Fund	\$	132,000
To Water Dept - Loan Repayment	\$	67,300
		442,100

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
2007/08	14,243,975	2.3%	14,659,696	7.5%	(415,721)
2008/09	12,973,526	-8.9%	12,832,838	-12.5%	140,688
2009/10	11,687,516	-9.9%	12,203,549	-4.9%	(516,033)
2010/11	11,298,741	-3.3%	10,964,437	-10.2%	334,304
2011/12	11,500,661	1.8%	11,695,090	6.7%	(194,429)
2012/13	11,993,742	4.3%	11,424,504	-2.3%	569,238
2013/14	12,957,462	8.0%	12,712,900	11.3%	244,562
2014/15	13,270,968	2.4%	12,896,773	1.4%	374,195
2015/16*	14,062,554	6.0%	14,693,800	13.9%	(631,246)
2016/17*	14,918,800	6.1%	15,607,200	6.2%	(688,400)

*Estimated

Economic recovery continues to move at a slow pace. Although the Town has received some grant funding, this source of revenue continue to be limited. The Tourism Department has been pursuing every opportunity to expand tourism-related revenues (sales tax & bed tax) by promoting many special events throughout the year. Construction-related revenue started to pick up in Fiscal Year 2015/16 and is projected to continue to increase through Fiscal Year 2016/17 as the construction of buildings for Dunkin Donuts / Five Guys Burgers and Culvers is completed. The Economic Development division continues to work diligently to draw new business to Payson and provide support to current businesses. All of these efforts will continue in Fiscal Year 2016/17 as the Town evaluates every options for increasing the revenue stream.

All departments have felt the effects of another tight budget year. The Town's limited financial resources have meant additional cuts in every department. Great efforts have been made in scrutinizing expenditures, streamlining processes to maximize efficiency, and working as a team to make every dollar count by cutting waste whenever and where ever possible.



Special Revenue Funds

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

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

- ◆ **Highway Users Revenue Fund (HURF)** – This fund, also known as the Street Fund, is funded primarily with State Shared monies received from the State of Arizona. The use of these funds is restricted by Statute to the operation and maintenance of the Town's infrastructure such as roads, bridges, curbs, gutters and sidewalks.
- ◆ **Gifts & Grants Funds** – This fund is used to track money donated to the Town as gifts and grants.
- ◆ **Bed Tax Fund** – This fund collects the Town's Transient Tax. The expenditures of this fund are restricted to promotion, development and enhancement of the tourism industry within Payson. In FY10/11, the Town increased the tax from 3% to 5% of each hotel/motel transaction.
- ◆ **Parks Facilities Improvement Fund**—This fund was established in FY14/15 when the Town Council approved the assessment of a \$5 fee that is added to most Parks charges and will be used for improvements to Park facilities.
- ◆ **Police Department of Justice Fund**—This fund accounts for the restricted revenues received from Federal grants, seizures, and Department of Defense. This is money that is distributed to various Police Departments and is restricted for the law enforcement effort.



- ◆ **Law Enforcement Property Program Fund** – This fund was used to purchase vehicles for various Police Departments throughout Arizona. The Governor has requested that Payson Police Department coordinate the program for the various police departments in the State. This is basically a clearing account. In fiscal year 2013/14, this activity was moved to a Fiduciary 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/JCEF Fund** – Judicial Collection Enhancement Fund (JCEF). The State of Arizona established a \$12 penalty fee to be imposed by the local courts, in addition to other fines. Of this fee, \$9 is remitted to the State Superior Court and, \$3 is retained by the local court. The \$3 is to be used for the enhancement of the collection process for penalties and fines.
- ◆ **Magistrate Court/FTG Fund** – Fill The Gap (FTG). The State of Arizona established a 7% increase in surcharges on September 1, 1999. A portion of the increase is distributed to Municipal Courts on a quarterly basis. The program is titled "Municipal Court Fill The Gap" or FTG. The monies collected by this program may be used for the same purposes that JCEF monies may be used.
- ◆ **Airport Fund** – This fund was established to centralize all expenditures related to the operation of the Town's municipal airport. It is funded by user fees, grants and an operating transfer from the General Fund.
- ◆ **Event Center Fund** – This fund was established to track expenditures related to the operation of the Town's 36-acre Multi-Event Center Arena used for large-scale events, rodeos and other outdoor activities. It is funded through user fees, grants and an operating transfer from the General Fund.
- ◆ **Medical Insurance Fund** – This fund is a clearing account to receive employee and employer insurance fees and then pay the insurance premium.



»»»» **SPECIAL REVENUE FUND—REVENUE** ««««

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

Category	2015/16 Budget	2016/17 Proposed	Increase (Decrease)	Percent Change
Taxes	1,738,700	1,862,800	124,100	7%
Intergovernmental	1,027,700	1,049,200	21,500	2%
Grants	260,000	87,500	(172,500)	-66%
Charges for Service	339,700	232,200	(107,500)	-32%
Fines & Forfeitures	20,000	17,000	(3,000)	-15%
Miscellaneous	2,204,000	2,095,300	(108,700)	-5%
Transfers In	321,200	260,700	(60,500)	-19%
Total Operating Revenues	5,911,300	5,604,700	(306,600)	-5%

Taxes, Intergovernmental, and Miscellaneous (mostly health insurance related items) are the major revenues sources in the Special Revenue Funds. These revenues comprise 89.3% of the total 2016 / 2017 Special Revenue Fund revenues.

Airport **Grant** funding dropped from \$243,000 for Fiscal Year 15/16 to \$85,500 for this Fiscal Year which represents the majority of the decrease in the Grant category.

In Fiscal Year 15/16, the **Charges for Service** figure was much higher than normal due to large projected revenue for Street Department special inspection fees related to the college construction.

Reduction in **Fines & Forfeitures** reflects a downward trend in Library fines.

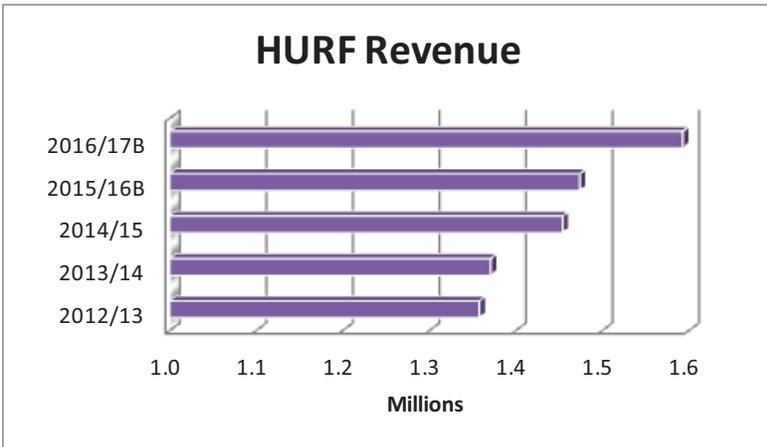
Although **Transfers In** to the Airport and Library increased, the transfer to the Event Center showed a significant decrease as quite a few large maintenance items were addressed and resolved in Fiscal Year 15/16.



»»»» TAXES ««««

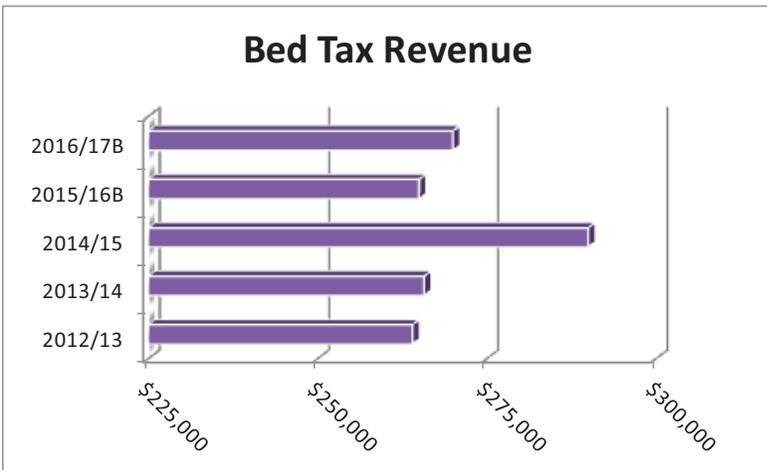
Tax revenues are derived from Highway User Gas Tax and bed tax.

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



The Arizona Department of Transportation provides the HURF estimate. This revenue is projected to be approximately 8% higher than last year’s projection. As the economy continues to improve, this revenue is projected to continue to rise.

Bed Tax Originally established in 1985, the operator of a hotel/motel in the Town of Payson charges a transient rental tax on the transaction of a person who exercised occupancy or was entitled to occupancy by reason of concession, permit, right of access, license or other agreement for a period of less than thirty consecutive days. The current rate is 5% on each transaction.



Continued efforts to promote local events have helped boost this revenue source despite the slow economy. Fiscal Year 14/15 reported numbers well above projections and the figures for Fiscal Year 15/16 appear to be trending in the same direction.



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

The Special Revenue Funds budget for 2015/16 totals \$6,173,100 and is just slightly higher than the 2015/16 budget.

Major expenditure categories include:

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

The following tables depict the major departments / functions in the Special Revenue Funds and the amounts budgeted in those categories.

EXPENDITURE SUMMARY BY DEPARTMENT—SPECIAL REVENUE FUNDS

FUND	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
HURF Fund	1,630,208	1,621,141	2,550,900	2,998,600
Gifts & Grants Fund	106,100	11,528	61,154	-
Bed Tax Fund	177,872	269,963	318,600	307,900
Police Dept of Justice	51,019	89,244	90,200	40,500
Library fund	327,122	332,904	364,600	378,700
Airport Fund	312,247	989,429	424,300	255,900
Event Center Fund	117,659	174,322	223,200	167,500
Medical Insurance Fund	1,700,074	1,801,964	2,129,200	2,024,000
TOTAL	\$ 4,422,301	\$ 5,290,495	\$ 6,162,154	\$ 6,173,100



EXPENDITURE SUMMARY BY CATEGORY

MAJOR EXPENDITURE	2015/16 BUDGET	2016/17 PROPOSED	INCREASE (DECREASE)	PERCENT CHANGE
Personnel Services	1,606,600	1,636,200	29,600	1.8%
Operating Expenditures	3,083,700	3,149,400	65,700	2.1%
Capital Outlay	1,185,500	1,180,000	(5,500)	-0.5%
Transfers Out	286,354	207,500	(78,854)	-27.5%
TOTAL	6,162,154	6,173,100	10,946	0.2%

Personnel Services—represents 26.5% of the total Special Revenue Funds budget. This category consists of salaries and benefits (health insurance, accident insurance, disability insurance, life insurance, retirement) related to the operations funded by these restricted funds.

Operating Expenditures—represent 51.0% of the total Special Revenue Funds budget. This category includes a wide array of expenditures. Operating expenditures for 2016/17 include all normal day-to-day expenditures of the programs funded by these restricted funds.

Capital Outlay—represents 19.1% of the Special Revenue Funds total budget. Capital outlay includes all major capital improvements in these restricted funds.

Transfer Out—represents 3.4% of the total Special Revenue Funds budget. There was a significant change in the transfer amount due to the completion of a few major maintenance projects funded at the Event Center in Fiscal Year 15/16. This year's Transfers Out consist of the following internal transfers of funds:

Transfer from Bed Tax Fund to Event Center Fund	60,500
Transfer from Bed Tax Fund to General Fund	147,000
	207,500



BUDGET SUMMARY BY FUND

FUND	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed
HURF Fund	1,565,112	1,878,808	2,431,500	2,435,600
Parks & Rec Improvement Fee Fund	4,455	15,295	15,000	15,000
Gifts & Grant Fund	9,607	6,679	-	12,000
Bed Tax Fund	265,726	289,988	265,000	270,000
Police Dept of Justice Fund	87,459	62,854	58,500	45,000
Library Fund	327,122	332,903	364,600	378,700
Magistrate Court	-	1,149	-	1,000
Airport Fund	176,241	965,263	424,300	255,900
Event Center Fund	115,159	174,322	223,200	167,500
Insurance Fund	1,703,923	1,801,857	2,129,200	2,024,000
Total Revenues	\$ 4,254,804	\$ 5,529,118	\$ 5,911,300	\$ 5,604,700
HURF Fund	1,630,208	1,621,141	2,550,900	2,998,600
Gifts & Grants Fund	106,100	11,528	61,154	-
Bed Tax Fund	177,872	269,963	318,600	307,900
Police Dept of Justice	51,019	89,244	90,200	40,500
Library fund	327,122	332,904	364,600	378,700
Airport Fund	312,247	989,429	424,300	255,900
Event Center Fund	117,659	174,322	223,200	167,500
Insurance Fund	1,700,074	1,801,964	2,129,200	2,024,000
Total Expenditures	\$ 4,422,301	\$ 5,290,495	\$ 6,162,154	\$ 6,173,100



DEBT SERVICE FUNDS

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

2003 Excise Tax Revenue Obligation Series 2003A

The Town has pledged future excise taxes (sales taxes, franchise fees, state shared revenue, etc.) to repay \$860,000 in general obligation bonds issues in 2003. Proceeds of the bonds provided financing for a new public works building. The bonds are payable through 2017. The total principal remaining to be paid on the bonds is \$245,000.

General Obligation Debt Service as of July 1, 2016			
	Excise Tax		
Year	Bonds	Interest	Total
2016	120,000	8,482	128,482
2017	125,000	2,891	127,891
Totals	245,000	11,373	256,373



General Obligation Bonds Project 2003, Series 2004, Westerly Rd Improvement
 The Town issued \$875,000 in governmental special assessment bonds to provide financing for improvements in the Westerly Drive Improvement District (District). The bonds are payable solely from special assessments levied against all privately owned lots, pieces and parcels of land lying within the boundaries of the District. The Town owns land within the District and also pays an assessment. The bonds are payable through 2021. The total principal outstanding is \$420,000.

General Obligation Bonds Project 2003, Series 2009, Public Safety—Fire
 The Town has pledged special sales taxes to repay \$1,525,000 in governmental general obligation bonds issued in 2009. Proceeds of the bonds provided financing for construction and equipping a new fire station. The bonds are payable solely from special sales taxes and are payable through 2019. Total principal outstanding is \$950,000.

Revenue Backed Debt Service as of July 1, 2016		
	(Principal Only)	
	Westerly Rd	
	Improvement	Fire
Year	District	Bonds
2016	60,000	305,000
2017	65,000	320,000
2018	70,000	325,000
2019	70,000	
2020	75,000	
2021	80,000	
	420,000	950,000
General Town of Payson Debt \$ 1,370,000		



WATER ENTERPRISE REVENUE BACKED DEBT

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

Water Infrastructure Financing Authority (WIFA) 2011 Loan 1B

In August 2009, the Town entered into a \$10.6 million (\$4.0 million in federal grant funding and \$6.6 million in loans) agreement with the Water Infrastructure Financing Authority of Arizona to start the C.C. Cragin Pipeline Project. By June 30, 2012, the Town had drawn down \$3.6 million of the loan and drew the maximum \$4.0 million in federal ARRA grant funds. In August 2012, \$2.4 million of the loan was de-obligated and the Town made the final draw of available funds in July 2012. The original loan amount after de-obligation was \$4,177,808. The total principal outstanding is \$2,923,273.

WIFA 2012 Loan 2

In 2013, the Water Division obtained another loan from WIFA for the continuation of the C.C. Cragin Pipeline Project. The original loan amount was \$6,250,000. The total principal outstanding is \$5,517,769.

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, 2016, the Town has drawn \$5,938,312 on the loan and has \$5,061,688 remaining. No principal payments have been made on the loan and the total principal outstanding is \$5,938,312.

WIFA 2016 Loan 4

In 2016, the Water Division obtained another loan from WIFA. The amount of the loan was \$11,000,000 with \$1,000,000 forgivable. No funds have been drawn on this loan and no payments are due until funds are drawn.



WATER ENTERPRISE DEBT

Revenue Backed Debt Service as of July 1, 2016 (Principal Only)				
Water Enterprise Debt				
Year	WIFA Loan 1b	WIFA Loan 2	WIFA Loan 3	Total
2016	172,424	257,871	250,101	680,396
2017	177,408	265,091	255,603	698,102
2018	182,537	272,514	261,226	716,277
2019	187,815	280,144	266,973	734,932
2020	193,244	287,988	272,847	754,079
2021	198,831	296,052	278,849	773,732
2022	204,579	304,342	284,984	793,905
2023	210,494	312,863	291,254	814,611
2024	216,579	321,623	297,661	835,863
2025	222,840	330,629	304,210	857,679
2026	229,282	339,886	310,902	880,070
2027	235,911	349,403	317,742	903,056
2028	242,731	359,187	324,732	926,650
2029	248,598	369,244	331,877	949,719
2030	-	379,583	339,178	718,761
2031	-	390,211	346,640	736,851
2032	-	401,138	354,266	755,404
2033	-	-	362,060	362,060
2034	-	-	370,025	370,025
2035	-	-	378,166	378,166
2036	-	-	386,485	386,485
2037	-	-	394,988	394,988
2038	-	-	403,678	403,678
2039	-	-	412,559	412,559
2040	-	-	421,635	421,635
2041	-	-	430,911	430,911
2042	-	-	440,391	440,391
2043	-	-	450,079	450,079
2044	-	-	459,981	459,981
	2,923,273	5,517,769	10,000,000	18,441,042
Total Enterprise Debt				\$ 18,441,042



CONTRACT/LEASE DEBT

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

2015 Equipment Lease/Purchase

This lease/purchase began in 2015 for ball field lights for the Parks & Rec Department. The lease term is August 2015 thru September 2025. The original amount of the lease/purchase was \$402,000 plus interest. As of July 1, 2016, there is \$384,892 principal outstanding.

This lease/purchase began in 2015 for field turf for the Parks & Rec Department. The lease term is March 2016 thru March 2022. The original amount of the lease/purchase was \$332,015 plus interest. As of July 1, 2016, there is \$280,811 principal outstanding.

This lease/purchase began in 2015 for a sweeper and backhoe loader for the Streets Division. The lease term is August 2015 to August 2020. The original amount of the lease/purchase was \$345,406 plus interest. As of July 1, 2016, there is \$312,578 principal outstanding.

2014 Equipment Lease/Purchase

This lease/purchase began in 2014 for a mower for Parks Maintenance. The lease term is August 2014 to March 2018. The original amount of the lease/purchase was \$52,801 plus interest. As of July 1, 2016, there is \$27,363 principal outstanding.

2011 Fire Truck Lease/Purchase

This lease/purchase began in 2012 for an additional fire truck. The lease term is May 2012 to November 2016. The original amount of the lease/purchase was \$497,700 plus interest. As of July 1, 2016, there is \$52,291 principal outstanding.

Total Contract / Lease Debt Service as of July 1, 2016 (Principal Only)							
Year	Ballfield Lights	Field Turf	Sweeper/ BackhoeLoader	Mower Lease/Purchase	Fire Truck 2 Lease/Purchase	Total Contract/Lease Debt	
2016	30,510	43,818	66,768	13,408	52,291	206,794	
2017	32,055	44,970	68,278	13,954		159,257	
2018	33,678	46,153	69,823	1		149,655	
2019	35,383	47,367	71,403			154,153	
2020	37,175	48,613	36,305			122,093	
2021	39,057	49,891				88,949	
2022	41,035					41,035	
2023	43,113					43,113	
2024	45,296					45,296	
2025	47,590					47,590	
General Town of Payson Debt	384,892	280,811	312,578	27,363	52,291	1,057,936	



INTER-FUND DEBT

In Fiscal Year 2010/2011, the Town took a loan from the Water Enterprise fund of \$1,000,000. The repayment terms are principal payments of \$100,000 and interest of \$17,262 per year. Due to the economic downturn and slow recovery, the Town has not been able to make the principal payments yet. 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, 2016, there is \$1,000,000 in principal outstanding but \$50,000 has been included in the FY16/17 budget to make a principal loan payment.

LEGAL DEBT MARGIN

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

Net Secondary Assessed Valuation	\$ 167,943,002
Water, Sewer, Light, Parks, Open Space and Recreational Facility Bonds	
Debt limit - 20% of secondary net assessed valuation	33,588,600
Net debt applicable to limit	-
20% legal debt margin	\$ 33,588,600
All other general obligation bonds	
Debt limit - 6% of secondary net assessed valuation	10,076,580
Net debt applicable to limit	950,000
6% legal debt margin	\$ 9,126,580
Total Legal Debt Margin	\$ 42,715,181



	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
GENERAL DEBT SERVICE FUND				
801-5-8490-00-7950 Principal	136,425	139,476	102,900	52,300
801-5-8490-00-7951 Interest	8,662	5,610	2,900	600
Total	<u>145,087</u>	<u>145,086</u>	<u>105,800</u>	<u>52,900</u>
WESTERLY ROAD DEBT SERVICE FUND				
812-5-8490-00-6901 Taxes & Fees	-	750	800	800
812-5-8490-00-7950 Principal	50,000	55,000	60,000	60,000
812-5-8490-00-7951 Interest	30,800	27,913	24,800	21,500
Total	<u>80,800</u>	<u>83,663</u>	<u>85,600</u>	<u>82,300</u>
EXCISE TAX REVENUE OBLIGATION SERIES 2003				
822-5-8490-00-6901 Taxes & Fees	2,970	1,634	3,500	3,500
822-5-8490-00-7950 Principal	105,000	110,000	115,000	120,000
822-5-8490-00-7951 Interest	22,003	17,381	13,700	8,500
Total	<u>129,973</u>	<u>129,015</u>	<u>132,200</u>	<u>132,000</u>
G.O. BONDS SERIES 2004				
823-5-8490-00-6901 Taxes & Fees	300	750	800	800
823-5-8490-00-7950 Principal	230,000	240,000	280,000	295,000
823-5-8490-00-7951 Interest	62,854	54,094	45,700	36,600
Total	<u>293,154</u>	<u>294,844</u>	<u>326,500</u>	<u>332,400</u>
WATER ENTERPRISE DEBT SERVICE				
661-5-5451-03-7950 Principal	422,225	406,849	418,500	680,400
661-5-5451-03-7951 Interest	246,437	229,527	412,300	671,400
Total	<u>668,662</u>	<u>636,376</u>	<u>830,800</u>	<u>1,351,800</u>
TOTAL DEBT SERVICE FUNDS	<u><u>1,317,676</u></u>	<u><u>1,288,984</u></u>	<u><u>1,480,900</u></u>	<u><u>1,951,400</u></u>



CAPITAL PROJECT FUNDS

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

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

Capital Projects Fund – This fund consolidates the major projects funded by operating transfers from the General Fund and general bond financing. It includes all major projects except for the Water Fund, grant related projects, HURF Fund and other special projects funds.

Equipment Replacement Fund – This fund was reinstated in Fiscal Year 12/13 to centralize the accounting for major equipment purchases.

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

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

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

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

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



Public Safety Bond Project Fund—This fund was established to account for bond proceeds and related expenditures pertaining to public safety system upgrades and a computerized fire-arms training system for the Police Department.

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

Construction – Fire Station #13 – This fund was established to account for bond proceeds, acquiring land on which to build the new fire station, and construction and equipment for the new Fire Station #13.

Montezuma Castle Land Exchange Fund – This fund was established due to the possibility of an improvement district being formed to begin development of the site.

. . . CAPITAL IMPROVEMENTS . . .

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

. . . CAPITAL IMPROVEMENT PLAN . . .

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

While a CIP does not cover routine maintenance, it does include renovation, major repair or reconstruction of damaged or deteriorating facilities or infrastructure systems. While Capital Facilities do not usually include furniture and equipment, a Capital Project may include the furniture and equipment clearly associated with a newly constructed or renovated facility.

Payson uses a five-year planning period for its CIP. The expenditures proposed for the first year of the program are incorporated into the Annual Budget as the Capital Budget. Additional information about the CIP can be found in the Planning & Performance section of this book.



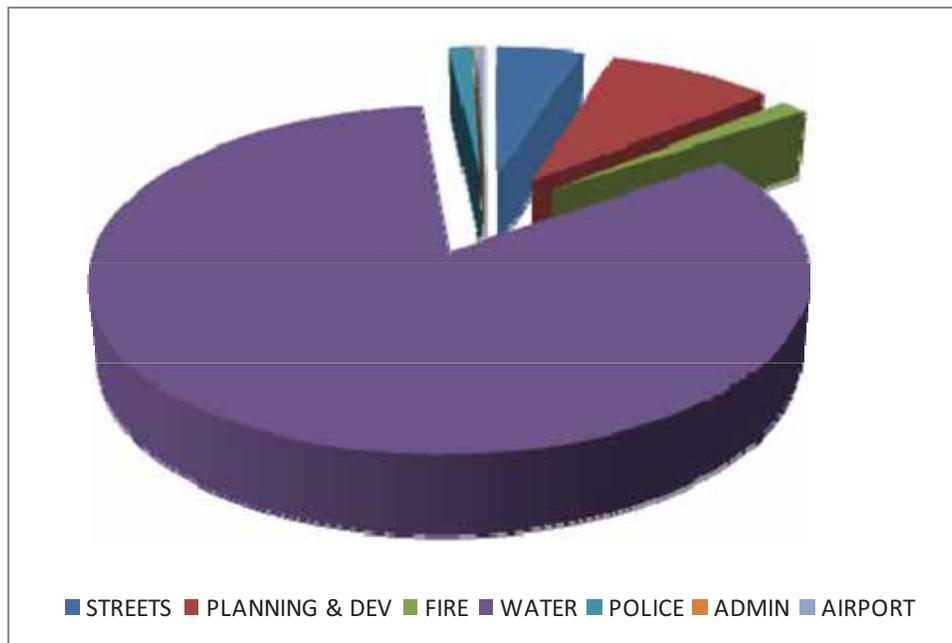
2016/2017 Proposed CAPITAL Projects

	<u>PROJECT</u>	<u>ESTIMATED COST</u>
PUBLIC WORKS - STREETS		
	202 Equipment	\$ 225,000
	202 Pavement Preservation	500,000
	202 Manzanita Drive Construction	340,000
		<u>\$ 1,065,000</u>
FIRE		
	403 AFG SCBA Grant	334,300
		<u>\$ 334,300</u>
WATER		
	460 Environmental Project	\$ 225,000
	661 Wells	75,000
	661 Radon Removal Study	45,000
	661 SCADA Equipment - Wells / Tanks	20,000
	661 Water Line	780,000
	661 Pumps for Wells	72,000
	661 Computer Equipment	19,000
	661 Chlorine Generator	35,000
	661 Service Truck	100,000
	661 Surge Tank	60,000
	661 Pressure Blowoff Valves	20,000
	661 Tank Mixing System	50,000
	661 CC Cragin Pipeline	17,100,000
		<u>\$ 18,601,000</u>
POLICE		
	101 Satellite Equipment	
	215 Defense 1033 - LE Vehicle	20,000
	403 HSG Radio Program	36,500
	403 SHSGP Radios/Headsets	44,500
	403 GOHS Law Enf Grant	34,300
	425 CAD Communications Equipment	141,000
		<u>\$ 276,300</u>



2016/2017 Proposed CAPITAL Projects

<u>PROJECT</u>		<u>ESTIMATED COST</u>
ADMINISTRATION		
101	TV 4 Equipment	20,000
		\$ 20,000
PLANNING & DEVELOPMENT		
434	Timber Ridge Improvement District	\$ 2,060,000
		\$ 2,060,000
AIRPORT		
260	Boundary Fence	\$ 95,000
		\$ 95,000
TOTAL		\$ 22,451,600





CAPITAL PROJECT DETAIL BY ACCOUNTING

		2013/14	2014/15	2015/16	2016/17
		ACTUAL	ACTUAL	BUDGET	PROPOSED
101-5-1408-00-8004	Capital Equipment	-	25,091	50,000	20,000
101-5-2408-01-8004	Machinery & Equipment	58,824	51,290	-	-
101-5-2421-02-8534	Satellite Equipment	16,640	-	-	-
101-5-2426-01-8409	e-PCR	-	19,448	-	-
202-5-3442-00-8004	Equipment	-	56,574	-	225,000
202-5-3442-00-8713	Pavement Preservation	43,945	33,122	300,000	500,000
202-5-3442-00-8737	Green Valley Parking Lot Ph 1	-	-	37,500	-
202-5-3442-00-8742	Bonita Street Reconstruction	-	25,657	-	-
202-5-3442-00-8743	Manzanita Drive Constr	-	-	450,000	340,000
202-5-3442-00-8900	Project - Cap Outlay	11,704	-	-	-
214-5-1410-00-8521	Machinery & Equipment	-	12,891	-	-
215-5-2421-02-8510	Defense 1033 - LE Vehicle	30,717	72,830	70,000	20,000
260-5-4445-00-8509	Equipment	-	7,350	-	-
260-5-4445-00-8510	New AWOS	4,067	-	-	-
260-5-4445-00-8713	Pavement Preservation	56,106	-	-	-
260-5-4445-00-8813	Echo Ramp Expansion & Taxiway	53,276	396,453	-	-
260-5-4445-00-8820	Boundary Fence	-	-	105,000	95,000
260-5-4445-00-8821	Runway 24 Run up Apron	14,109	409,533	-	-
260-5-4445-00-8823	Infield Drainage	-	5,870	165,000	-
265-5-4465-00-8000	Buildings	-	28,875	-	-
265-5-4465-00-8004	Equipment	-	-	58,000	-
403-5-2412-01-8772	Law Enforce-HSG Radio Prog	-	-	73,000	36,500
403-5-2412-01-8773	SHSGP Mobile Repeaters	-	32,020	-	-
403-5-2412-01-8774	SHSGP Radios/Headsets	-	-	-	44,500
403-5-2421-01-8762	Law Enf-GOHS Grant	40,201	-	34,300	34,300
403-5-2426-03-8766	FEMA Asst FF Grant #15658	145,012	-	-	-
403-5-2426-03-8768	State Fire Assistance Grant	12,565	-	-	-
403-5-2426-03-8771	AFG SCBA Grant	-	-	205,500	334,300



CAPITAL PROJECT DETAIL BY ACCOUNTING

		2013/14	2014/15	2015/16	2016/17
		ACTUAL	ACTUAL	BUDGET	PROPOSED
408-5-4463-00-8782	Pickle Ball Court	-	47,125	-	-
409-5-2421-01-8772	LE - Radio Program	3,962	47,595	-	-
417-5-6428-01-8785	Main Street Improvements	-	34,060	-	-
425-5-2421-16-8407	CAD Police/Fire Comm Eq	19,908	7,645	140,000	141,000
430-5-3442-00-8737	Bonita Street	48,685	-	-	-
434-5-3442-00-8742	Timber Ridge ID	-	-	-	2,060,000
460-5-5451-00-8594	Environmental Project	-	-	325,000	225,000
661-5-5451-08-8002	Machinery & Equipment	142,362	8,000	25,000	-
661-5-5451-08-8006	Land Acquisition	12,186	-	-	-
661-5-5451-08-8007	Wells	-	-	150,000	75,000
661-5-5451-08-8009	Waterlines	15,229	107,426	350,000	780,000
661-5-5451-08-8313	Radon Removal Engineer Stdy	-	-	30,000	45,000
661-5-5451-08-8524	Computer Equipment	-	5,435	7,000	19,000
661-5-5451-08-8528	Service Truck	-	35,614	25,000	100,000
661-5-5451-08-8529	SCADA Equip-Wells/Tanks	-	16,199	30,000	20,000
661-5-5451-08-8530	Surge Tank	-	-	60,000	60,000
661-5-5451-08-8533	GV Irrigation Pump Control	-	-	30,000	-
661-5-5451-08-8581	Chlorine Generator	-	-	30,000	35,000
661-5-5451-08-8582	Pressure Blowoff Valves	-	-	20,000	20,000
661-5-5451-08-8587	Security Gate Installation	-	-	7,000	-
661-5-5451-08-8589	Fish Fence Project	-	11,168	40,000	-
661-5-5451-08-8793	Tank Mixing System	-	-	40,000	50,000
661-5-5451-08-8794	Pumps for Wells	74,970	-	50,000	72,000
661-5-5451-20-8010	CC Cragin Pipeline (SRP)	205,133	289,172	850,000	500,000
661-5-5451-20-8600	CCC Pipeline Constr	2,768,607	621,761	11,000,000	16,600,000
TOTAL CAPITAL PROJECTS		3,778,208	2,408,205	14,757,300	22,451,600

This schedule does not reflect CDBG Housing grants.

C.C. CRAGIN WATER PROJECT

The Water Source for Payson's Future



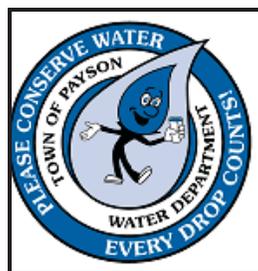
PROJECT DESCRIPTION

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

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

PURPOSE and NEED

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



C.C. CRAGIN WATER PROJECT

The Water Source for Payson's Future

How is the Project Progressing?

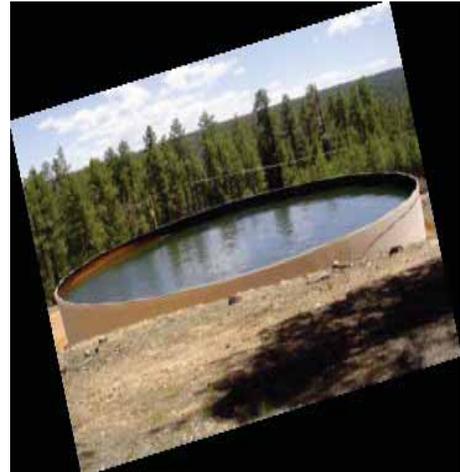
- » Phase 1 Penstock (the 1st six miles of raw water penstock) is complete
- » Phase 2 Penstock (the 2nd 9 miles of raw water penstock) is under construction and scheduled for completion in March 2017
- » Line A is complete in Town—this completes the required in-town pipeline construction
- » ASR well program is in process—the first of six ASR wells is complete and two more are currently in construction
- » SCADA upgrades are at 70% completion
- » Two communication towers are currently out to bid for construction and scheduled for completion by January 2017
- » The treatment plant construction contractor has been hired under a Construction Management At Risk (CMAR) process. We are awaiting a Guaranteed Maximum Price (GMP) before executing an Approval to Construct. This should be finished by the end of September and the treatment plant is scheduled for construction completion in May 2018.
- » The hydroelectric generator manufacturing contract has been awarded and is currently under fabrication.

Securing the necessary funding through the Bureau of Reclamation Rural Water Fund and the Water Infrastructure Financing Authority of Arizona is an on-going component of the project.

When Will the Water be Delivered?

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

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



C.C. CRAGIN PROJECT HISTORY & TIMELINE

1962-1965

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

2005

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

2006-Current

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

PAYSON C.C. CRAGIN PROJECT TIMELINE

2011-2015

- * Ductile iron pipe purchased
- * Obtained a Special Use Permit from the National Forest Service to construct the water project on Tonto National Forest
- * Tailrace connection completed & water moved through system into the East 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

What's Next?

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

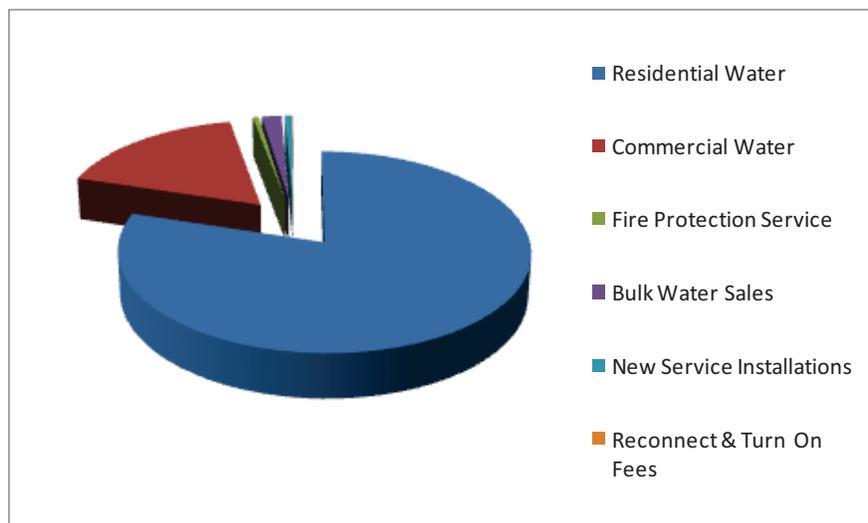
ENTERPRISE FUNDS

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

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

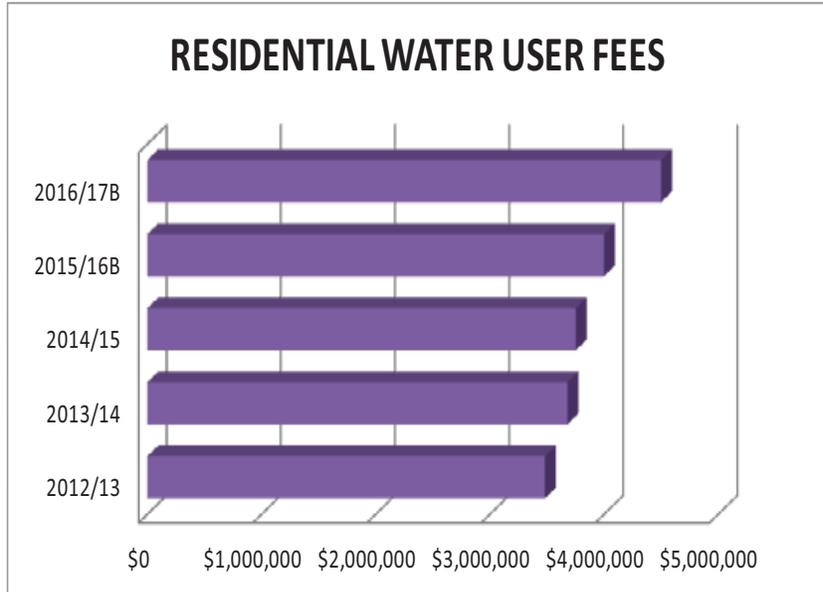
Debt services proceeds are also reflected within the enterprise fund. This funding from Water Infrastructure Financing Authority (WIFA) loans is a key element in the continuation of the C.C. Cragin Pipeline project. Details regarding these loans can be found in the Capital Projects Section of this document.

WATER DEPT REVENUE—CHARGES FOR SERVICE FOR FY2016/17

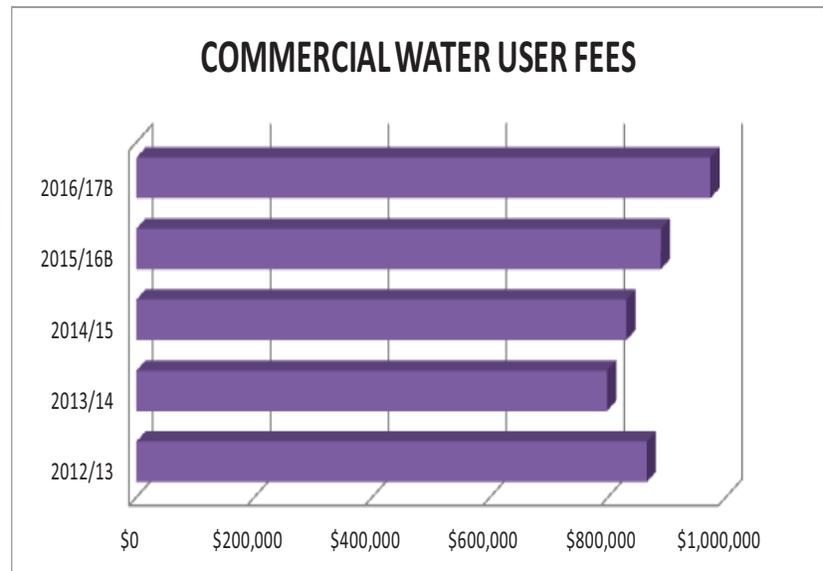




Residential Water User Fees represents 79.8% of the Water Division's total charges for service. Water usage revenue is conservatively budgeted assuming a slight growth in population. A rate increase occurred in October 2015 and another rate increase will occur in October 2016.



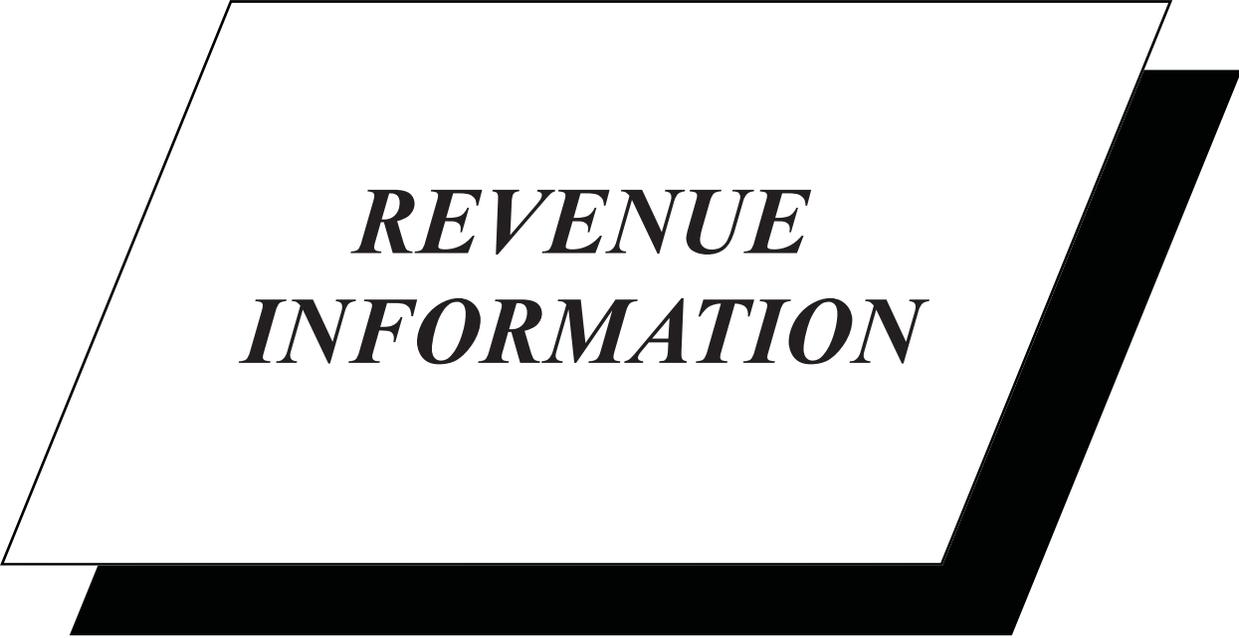
Commercial Water User Fees represent 17.3% of the Water Division's total charges for service. The Town has seen a growth in new business and this increase was taken into consideration when projecting future revenues. The rate increase in October 2017 will also impact this revenue category.



The remaining 2.9% of the Water Division's charges for service are made up of fire protection service fees, bulk water sales, new service installation fees, illegal turn on, reconnect & turn on fees, and facilities recapture fees.



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



***REVENUE
INFORMATION***



>>>REVENUE SUMMARY BY FUND<<<

Total revenues for 2016/17 are estimated at

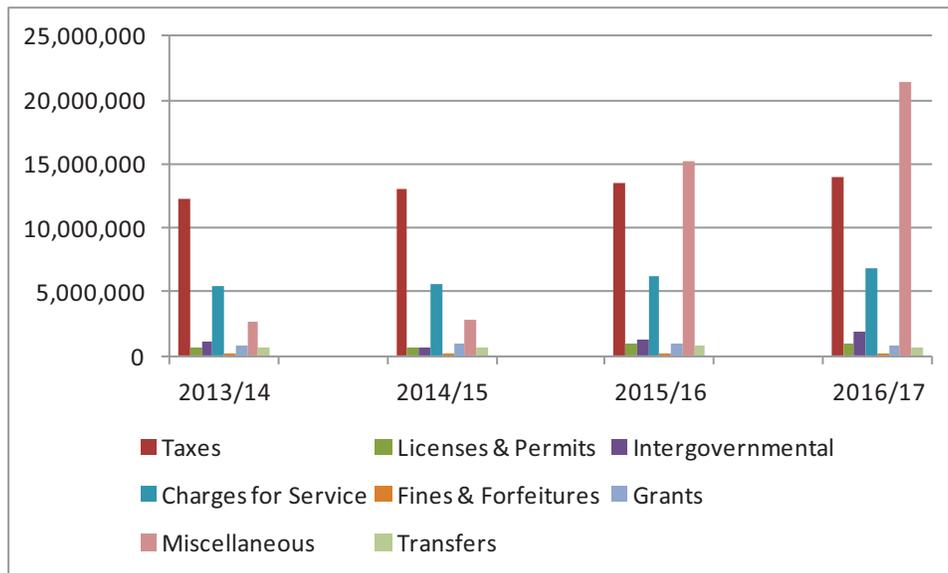
\$46,624,900

Fund	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed
General Fund	12,957,462	13,270,969	14,062,554	14,918,800
HURF Fund	1,565,112	1,878,808	2,431,500	2,435,600
Parks & Rec Improvement Fee Fund	4,455	15,295	15,000	15,000
Gifts & Grant Fund	9,607	6,679	-	12,000
Bed Tax Fund	265,726	289,988	265,000	270,000
Police Dept of Justice Fund	87,459	62,854	58,500	45,000
Library Fund	327,122	332,903	364,600	378,700
Magistrate Court	-	1,149	-	1,000
Airport Fund	176,241	965,263	424,300	255,900
Event Center Fund	115,159	174,322	223,200	167,500
Medical Insurance Fund	1,703,923	1,801,857	2,129,200	2,024,000
Grant Capital Projects Fund	298,322	113,030	526,800	667,100
Park Development Fund	46,800	323	-	-
Public Safety Development Fund	24,000	6,289	-	-
Bonita Street Construction Fund	36,798	-	-	-
Timber Ridge I.D.	-	-	-	2,100,000
Central Arizona Project Trust Fund	2	-	2,300	-
General Debt Service	145,087	145,087	105,800	52,900
Westerly Rd Improvement Fund	80,223	83,663	85,600	82,300
Excise Tax Obligation Debt Service Fund	130,064	124,963	132,200	132,000
General Obligation Bonds Fund	349,248	372,509	360,000	370,000
Timber Ridge ID Debt Service	-	-	-	40,000
Water Funds	5,485,262	5,128,836	17,792,500	22,657,100
Total Revenues All Funds	23,808,072	24,774,787	38,979,054	46,624,900



>>>REVENUE SUMMARY BY CATEGORY<<<

Category	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed
Taxes	12,340,293	13,106,702	13,469,600	13,911,200
Licenses & Permits	672,341	702,278	919,700	896,500
Intergovernmental	1,070,212	716,622	1,272,700	1,874,700
Charges for Service	5,447,799	5,640,538	6,232,700	6,801,200
Fines & Forfeitures	128,973	141,979	130,000	127,000
Grants	824,781	1,035,020	1,008,400	867,000
Miscellaneous	2,618,740	2,755,541	15,201,500	21,463,000
Transfers	704,933	676,107	744,454	684,300
Total Operating Revenues	23,808,072	24,774,787	38,979,054	46,624,900





REVENUE DETAIL

Account	Revenue Source	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed
NON-RESTRICTED GENERAL FUND REVENUES					
	Taxes				
101-4-1300-110	Sales Tax - State Shared	1,331,841	1,398,339	1,461,700	1,445,300
101-4-1300-120	Income Tax - State Shared	1,705,491	1,852,281	1,842,200	1,878,500
101-4-1300-130	Vehicle License Tax - Auto Lieu	857,218	874,316	906,000	982,100
101-4-1300-310	Sales Tax - Town	5,820,803	6,208,485	6,500,000	6,700,000
101-4-1300-330	Property Tax Levy	628,885	647,063	651,000	662,500
101-4-1300-335	Property Tax Levy - PY	10,160	9,836	10,000	10,000
	Taxes	10,354,398	10,990,320	11,370,900	11,678,400
	Licenses & Permits				
101-4-4300-371	Franchise Fees - Electricity	242,102	245,855	251,200	251,500
101-4-4300-372	Franchise Fees - Gas	51,225	49,931	55,000	55,000
101-4-4300-373	Franchise Fees - Cable TV	64,623	68,278	67,500	72,500
101-4-4300-410	Business License	70,365	70,745	71,500	71,000
101-4-4300-715	Liquor License Fees	1,200	1,900	1,500	1,500
101-4-4328-410	Building Permits	223,988	242,237	450,000	425,000
101-4-4328-420	ROW Permits	3,579	9,458	5,000	5,000
101-4-4372-410	Animal Control Licenses	15,259	13,874	18,000	15,000
	Licenses & Permits	672,341	702,278	919,700	896,500
	Intergovernmental				
101-4-2300-989	Tonto Apache Tribe-Prop 202	12,058	23,423	12,000	12,000
101-4-2300-990	Misc Intergovernmental Revenue	103,211	961	21,000	1,000
101-4-2318-110	DOJ Victims Rights Grant	12,493	15,818	21,600	21,600
101-4-2324-120	Law Enf - School Resource	61,978	61,452	61,000	61,000
101-4-2324-130	Gila County Intergovernmental	43,400	-	-	658,500
101-4-2324-140	LE Property Prog Adm Fee	11,460	17,947	10,000	10,000
101-4-2324-248	GOHS Traffic	4,209	11,359	1,500	-
101-4-2324-250	COPS Grant	-	-	-	49,200
101-4-2324-253	2016 Step & Radar	-	-	12,200	-
101-4-2324-254	GOHS 2016 PBTs	-	-	2,300	-
101-4-2326-270	Fire-SAFER Grant	367,266	91,820	-	-
101-4-2326-280	Fire Hazardous Fuels Grant	5,657	-	200,000	67,500
101-4-2326-767	Police Misc Intgvt Revenue	7,024	3,712	10,000	10,000
101-4-2327-750	Fire-Wildlands/Urban	19,959	6,714	100,000	73,000
	Intergovernmental	648,715	233,206	451,600	963,800



REVENUE DETAIL

Account	Revenue Source	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed
	<u>Charges for Services</u>				
101-4-5316-520	Prosecution Fees	36,088	35,649	35,000	35,000
101-4-5316-521	Deferred Prosecution Fees	14,542	13,369	16,000	14,000
101-4-5323-926	Clean & Lien	-	1,134	-	-
101-4-5324-710	Law Enf - Police Reports	4,838	3,946	2,500	4,000
101-4-5324-765	Law Enf - Vehicle Storage	-	210	500	2,500
101-4-5326-710	Fire Code Plan Review	1,940	4,403	5,000	5,000
101-4-5326-750	Fire Svc Agreement Fees	297,967	287,498	300,000	380,000
101-4-5326-755	Fire Svc Fees - Const	-	-	500	-
101-4-5326-757	Fire Svc Fees - Training	-	4,350	4,000	15,000
101-4-5326-758	Fire Svc Fees-Cost Recovery	225	883	1,000	1,000
101-4-5326-760	Police Service Fee-Cost Recovery	5,082	14,743	5,000	7,500
101-4-5326-765	Police - Tribe Dispatch Services	-	-	-	51,000
101-4-5328-710	Plan Review Fees	128,233	136,263	225,000	225,000
101-4-5328-720	Zoning & Subdivision Fees	27,272	37,974	30,000	30,000
101-4-5328-730	Building - Spec Inspections	7,405	7,630	7,500	10,000
101-4-5341-710	Engineering - Review Fees	5,871	7,787	10,000	20,000
101-4-5363-710	Ramada & Ballfield Fees	9,028	10,194	9,000	12,000
101-4-5364-700	Event Revenue	17,724	22,796	20,000	25,000
101-4-5367-710	Recreation Program Fees	51,205	62,886	60,000	63,000
101-4-5367-715	Outdoor Rec Programming	110	480	500	500
101-4-5369-710	Swimming Pool Fees	600	13,758	30,000	25,000
101-4-5369-910	Concessions	-	1,650	1,000	2,000
	Charges for Services	608,130	667,603	762,500	927,500
	<u>Fines & Forfeitures</u>				
101-4-3316-510	Court Fines & Fees	113,632	122,863	110,000	110,000
	Fines & Forfeitures	113,632	122,863	110,000	110,000
	<u>Miscellaneous</u>				
101-4-6323-920	Contributions - Volunteer Police	-	-	-	100
101-4-6324-920	Donations - Police	-	-	1,500	500
101-4-6325-923	Guardian Angel Donations	-	-	-	300
101-4-6326-920	Donations - Fire	-	-	1,000	500
101-4-6328-920	Donations - Community Dev	-	-	45,000	-
101-4-9300-910	Interest Earnings	648	1,485	1,000	5,000



REVENUE DETAIL

Account	Revenue Source	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed
101-4-9300-970	Insurance Recoveries	6,305	17,214	10,000	5,000
101-4-9300-971	Risk Insurance	-	128,371	-	-
101-4-9300-980	Overhead	303,300	250,000	154,400	154,400
101-4-9300-990	Other Revenue	8,061	6,724	10,000	5,000
101-4-9300-992	Sale of Capital Assets	4,000	-	-	-
101-4-9300-993	Facilities Lease Fees	10,285	11,220	11,300	11,300
101-4-9300-996	Public Surplus Sale	4,968	24,133	50,000	10,000
101-4-9324-910	Law Enforcement - Unclaimed Prop	1	-	-	-
101-4-9326-757	Fire Svc Fees Other	2,237	17,531	6,000	2,000
101-4-9341-730	Map Sales	1,789	1,755	1,500	1,500
101-4-9341-734	Plan Storage Boxes / Code Books	172	460	-	-
	Miscellaneous	341,766	458,893	291,700	195,600
	Transfers In				
101-4-9399-xxx	Operations	218,480	95,806	156,154	147,000
	Transfers In	218,480	95,806	156,154	147,000
Non-Restricted General Fund Revenues		\$ 12,957,462	\$ 13,270,969	\$ 14,062,554	\$ 14,918,800
RESTRICTED OPERATING REVENUES					
HURF Fund (202)					
	Taxes				
202-4-1342-110	Highway Users Gas Tax	1,370,921	1,453,885	1,473,700	1,592,800
	Taxes	1,370,921	1,453,885	1,473,700	1,592,800
	Intergovernmental				
202-4-1342-140	Integov'l from Gila County	-	313,538	780,000	800,000
202-4-2342-279	ADOT Grants	57,950	66,129	14,000	-
	Intergovernmental	57,950	379,667	794,000	800,000
	Charges for Services				
202-4-5300-710	Special Inspection Fees	50,646	6,832	130,000	10,000
	Charges for Services	50,646	6,832	130,000	10,000



REVENUE DETAIL

Account	Revenue Source	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed
	Miscellaneous				
202-4-5300-720	Development Impact Fees	59,280	-	-	-
202-4-9300-980	Enterprise Fund Overhead	25,800	32,600	25,800	25,800
202-4-9300-990	Other Revenue	515	5,824	2,000	2,000
202-4-9300-996	Public Surplus Sales	-	-	6,000	5,000
	Miscellaneous	85,595	38,424	33,800	32,800
	HURF Fund	1,565,112	1,878,808	2,431,500	2,435,600
Parks & Rec Improvement Fee Fund (206)					
	Charges for Service				
206-4-5367-710	Facility Improvement Fee	4,455	15,295	15,000	15,000
	Charges for Service	4,455	15,295	15,000	15,000
	Parks Improvement Fee Fund	4,455	15,295	15,000	15,000
Gifts & Grants Fund (210)					
	Intergovernmental				
210-4-2324-251	BYRNE/JAG Emp Drug Test	4,339	-	-	-
210-4-2324-259	GOHS Car Seats	1,546	-	-	-
210-4-2446-200	TEV Arts Grant	2,000	2,000	-	-
	Intergovernmental	7,885	2,000	-	-
	Miscellaneous				
210-4-6300-920	Contributions - Gen Gov't	-	1,000	-	12,000
210-4-6323-920	Contributions - Volunteer Police	142	60	-	-
210-4-6324-920	Contributions - DARE Court	300	359	-	-
210-4-6324-923	Contributions - Guardian Angels	670	1,735	-	-
210-4-6326-920	Donations - Fire Projects	610	1,525	-	-
	Miscellaneous	1,722	4,679	-	12,000
	Gifts & Grants Fund	9,607	6,679	-	12,000
Bed Tax Fund (214)					
	Taxes				
214-4-1300-370	Bed Tax	265,726	289,988	265,000	270,000
	Taxes	265,726	289,988	265,000	270,000
	Bed Tax Fund	265,726	289,988	265,000	270,000



REVENUE DETAIL

Account	Revenue Source	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed
Police Department of Justice (215)					
	<u>Intergovernmental</u>				
215-4-2324-151	Defense 1033 Revenue	22,000	19,250	18,500	20,000
	Intergovernmental	22,000	19,250	18,500	20,000
	<u>Miscellaneous</u>				
215-4-9300-990	Other Revenue	922	31	-	-
215-4-9300-996	Public Surplus Sales	64,537	43,573	40,000	25,000
	Miscellaneous	65,459	43,604	40,000	25,000
	Police Dept of Defense	87,459	62,854	58,500	45,000
Library (224)					
	<u>Intergovernmental</u>				
224-4-2361-389	Gila County Library District	230,400	218,880	229,200	229,200
	Intergovernmental	230,400	218,880	229,200	229,200
	<u>Miscellaneous</u>				
224-4-9300-990	Other Revenue	5,573	-	-	-
	Miscellaneous	5,573	-	-	-
	<u>Fines & Forfeitures</u>				
224-4-3300-510	Library Fines	15,341	19,116	20,000	17,000
	Fines & Forfeitures	15,341	19,116	20,000	17,000
	<u>Transfers In</u>				
224-4-9399-xxx	Operations	75,808	94,907	115,400	132,500
	Transfers In	75,808	94,907	115,400	132,500
	Library	327,122	332,903	364,600	378,700
Magistrate Court (231, 233)					
	<u>Miscellaneous</u>				
233-4-6300-921	Donations/Contributions	-	1,149	-	1,000
	Miscellaneous	-	1,149	-	1,000
	Magistrate Court	-	1,149	-	1,000



REVENUE DETAIL

Account	Revenue Source	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed
<u>Airport (260)</u>					
<u>Intergovernmental</u>					
260-4-2300-239	Federal Grant	52,557	360,810	-	-
260-4-2300-248	ADOT Grant	22,648	385,413	243,000	85,500
	Intergovernmental	75,205	746,223	243,000	85,500
<u>Charges for Services</u>					
260-4-5345-710	Tie Down Fees	10,830	9,780	12,500	10,000
260-4-5345-720	Gate Fees	8,520	9,420	9,600	9,600
260-4-5345-740	Ground Leases	16,268	18,054	18,100	18,100
260-4-5345-741	Hangar Leases	55,005	56,510	55,000	55,000
260-4-5345-760	Fuel Sales	2,782	3,421	4,000	4,000
260-4-5345-770	Emergency Support	6,551	4,892	5,000	5,000
260-4-5345-780	Campground Use Fee	456	390	500	500
	Charges for Services	100,412	102,467	104,700	102,200
<u>Miscellaneous</u>					
260-4-4300-770	Advertising Sign Fee	-	-	500	-
260-4-9300-980	Overhead	-	7,700	-	-
260-4-9300-990	Other Revenue	624	510	500	500
	Miscellaneous	624	8,210	1,000	500
<u>Transfers In</u>					
260-4-9399-101	from General Fund	-	57,592	48,600	58,200
260-4-9399-994	Grant/Capital Match	-	50,771	27,000	9,500
	Transfers In	-	108,363	75,600	67,700
	Airport	176,241	965,263	424,300	255,900
<u>Event Center (265)</u>					
<u>Intergovernmental</u>					
265-4-2446-200	TEV Arts Grant	-	-	3,000	2,000
	Intergovernmental	-	-	3,000	2,000
<u>Charges for Services</u>					
265-4-5365-710	Event Revenue & Interest	87,463	100,128	90,000	105,000
	Charges for Services	87,463	100,128	90,000	105,000



REVENUE DETAIL

Account	Revenue Source	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed
	<u>Transfers In</u>				
265-4-9399-214	From Bed Tax	27,696	74,194	130,200	60,500
	<u>Transfers In</u>	27,696	74,194	130,200	60,500
	Event Center	115,159	174,322	223,200	167,500
<u>Medical Insurance Fund (290)</u>					
	<u>Miscellaneous</u>				
290-4-9300-972	Employee Ins Contributions	479,173	478,462	554,400	472,100
290-4-9300-973	Employer Ins Contributions	624,087	684,826	833,500	876,800
290-4-9300-974	Retiree Contributions	135,436	147,030	172,900	141,300
290-4-9300-975	Employer Retiree Contributions	465,227	491,539	568,400	533,800
290-4-9300-986	Insurance Rebate	-	-	-	-
	Miscellaneous	1,703,923	1,801,857	2,129,200	2,024,000
	Medical Insurance Fund	1,703,923	1,801,857	2,129,200	2,024,000
Restricted Operating Revenues		\$ 4,254,804	\$ 5,529,118	\$ 5,911,300	\$ 5,604,700
<u>Grant Capital Projects Fund (403)</u>					
	<u>Intergovernmental</u>				
403-4-2300-283	Hillcrest Base Radio	-	-	-	27,400
403-4-2300-284	GOHS Radar Units	39,123	-	34,300	34,300
403-4-2300-290	SHSGP Mobile Repeater	-	32,020	-	-
403-4-2324-200	Law Enf-HSG Radio Program	-	-	73,000	44,500
403-4-2326-273	AFG SCBA Equip	-	-	-	317,500
403-4-2326-275	State Fire Assistance Grant #6006	10,896	-	-	-
403-4-2327-209	FEMA Asst FF Grant #15658	137,755	-	-	-
403-4-2327-211	HSG SCBA Flow Tester 07/08	-	-	205,500	-
403-4-2331-257	CDBG 2010 Housing Rehab	52,535	44,880	-	-
403-4-2331-258	CDBG 2010 Senior Center	58,013	-	-	-
403-4-2331-259	CDBG Housing 2014-16	-	36,130	214,000	139,000
403-4-2331-260	CDBG Housing 2017-19	-	-	-	78,500
	Intergovernmental	298,322	113,030	526,800	641,200



REVENUE DETAIL

Account	Revenue Source	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed
	<u>Transfer In</u>				
403-4-9399-101	From General Fund	-	-	-	16,800
403-4-9399-425	From Public Safety Bond Fund	-	-	-	9,100
	<u>Transfer In</u>	-	-	-	25,900
	Grant Capital Projects Fund	298,322	113,030	526,800	667,100
Park Development Fund (408)					
	<u>Miscellaneous</u>				
408-4-5300-720	Development Impact Fees	46,800	-	-	-
	Miscellaneous	46,800	-	-	-
	<u>Transfers In</u>				
408-4-9399-101	From General Fund	-	323	-	-
	Transfers In	-	323	-	-
	Park Development Fund	46,800	323	-	-
Public Safety Development Fund (409)					
	<u>Miscellaneous</u>				
409-4-5300-720	Development Fees	24,000	-	-	-
	Miscellaneous	24,000	-	-	-
	<u>Transfer In</u>				
409-4-9399-425	From Public Safety	-	6,289	-	-
	Transfer In	-	6,289	-	-
	Public Safety Development Fund	24,000	6,289	-	-
Bonita Street Construction (430)					
	<u>Transfers In</u>				
430-4-9399-xxx	Operations	36,798	-	-	-
	Transfers In	36,798	-	-	-
	Bonita Street Construction	36,798	-	-	-



REVENUE DETAIL

Account	Revenue Source	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed
Timber Ridge LD. Fund (434)					
	<u>Miscellaneous</u>				
434-4-9300-855	Debt Proceeds	-	-	-	2,100,000
	Miscellaneous	-	-	-	2,100,000
	Timber Ridge LD. Fund	-	-	-	2,100,000
Central Arizona Project Trust Fund (460)					
	<u>Miscellaneous</u>				
460-4-9300-910	Interest Earnings	2	-	-	-
	Miscellaneous	2	-	-	-
	<u>Transfers In</u>				
460-4-9399-661	Operations	-	-	2,300	-
	Transfers In	-	-	2,300	-
	Central Az Project Trust Fund	2	-	2,300	-
Restricted Capital Revenues		\$ 405,922	\$ 119,642	\$ 529,100	\$ 2,767,100
DEBT SERVICE REVENUES					
General Debt Service Fund (801)					
	<u>Transfers In</u>				
801-4-9399-xxx	Operations	145,087	145,087	105,800	52,900
	Transfers In	145,087	145,087	105,800	52,900
	General Debt Service Fund	145,087	145,087	105,800	52,900
Westerly Rd Improvement District (812)					
	<u>Miscellaneous</u>				
812-4-9300-801	Assessment - Principal	34,668	38,135	41,600	41,600
812-4-9300-802	Assessment - Interest	21,355	19,353	17,200	14,900
	Miscellaneous	56,023	57,488	58,800	56,500



REVENUE DETAIL

Account	Revenue Source	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed
	Transfers In				
812-4-9399-xxx	Operations	24,200	26,175	26,800	25,800
	Transfers In	24,200	26,175	26,800	25,800
	Westerly Rd Imp District	80,223	83,663	85,600	82,300
	Excise Tax Obligation 2003 (822)				
	Transfers In				
822-4-9399-101	From General Fund	130,064	124,963	132,200	132,000
	Transfers In	130,064	124,963	132,200	132,000
	Excise Tax Obligation 2003	130,064	124,963	132,200	132,000
	General Obligation Bonds (823)				
	Taxes				
823-4-1300-310	Sales Tax - Town	349,248	372,509	360,000	370,000
	Taxes	349,248	372,509	360,000	370,000
	General Obligation Bonds	349,248	372,509	360,000	370,000
	Timber Ridge ID Debt Service				
	Transfers In				
824-4-9399-434	From ID Fund	-	-	-	40,000
	Transfers In	-	-	-	40,000
		-	-	-	40,000
	Debt Service Revenues	\$ 704,622	\$ 726,222	\$ 683,600	\$ 677,200
	UTILITY ENTERPRISE FUNDS				
	Water (661)				
	Intergovernmental				
661-4-2300-990	Misc Intgov Rev	554,516	39,386	15,000	-
	Intergovernmental	554,516	39,386	15,000	-



REVENUE DETAIL

Account	Revenue Source	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed
	<u>Charges For Service</u>				
661-4-5351-701	Residential Water	3,679,692	3,753,124	4,000,000	4,500,000
661-4-5351-702	Commercial Water	798,457	831,528	890,000	974,000
661-4-5351-703	Fire Protection Service	25,922	29,349	29,000	29,000
661-4-5351-704	Bulk Water Sales	62,110	97,207	150,000	100,000
661-4-5351-710	New Service Installation Fees	26,250	33,800	50,000	35,000
661-4-5351-715	Illegal Turn On	200	-	500	500
661-4-5351-716	Reconnect & Turn On Fees	3,395	3,205	4,000	3,000
661-4-5351-725	Facilities Recapture Fee	667	-	7,000	-
	Charges For Service	4,596,693	4,748,213	5,130,500	5,641,500
	<u>Miscellaneous</u>				
661-4-5300-720	Development Impact Fees	68,780	-	7,000	-
661-4-5300-722	CC Cragin Devel Imp Fees	117,113	187,419	1,500,000	225,000
661-4-9300-855	Debt Proceeds	-	-	11,000,000	16,600,000
661-4-9300-910	Interest Earnings	8,073	3,131	3,000	4,000
661-4-9300-970	Insurance Recoveries	1,479	-	-	-
661-4-9300-980	Enterprise Fund Overhead	15,400	-	47,600	47,600
661-4-9300-990	Other Revenue	31,531	1,409	1,000	1,200
661-4-9300-993	Facility Lease Fees	47,842	72,369	50,100	50,500
661-4-9300-994	Miscellaneous Revenue	22,585	59,109	20,000	20,000
661-4-9300-996	Public Surplus Sales	3,950	500	1,000	-
661-4-9399-101	Loan Repay from GF	17,300	17,300	17,300	67,300
	Miscellaneous	334,053	341,237	12,647,000	17,015,600
Water		5,485,262	5,128,836	17,792,500	22,657,100
TOTALS		\$ 23,808,072	\$ 24,774,787	\$ 38,979,054	\$ 46,624,900



2016 ANNUAL BUDGET

Fee Changes

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

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

The following chart highlights the changes that were made to the Fee Schedule:

DEPT	CHANGE	DESCRIPTION	FY2015/16 AMOUNT	FY2016/17 AMOUNT
Police	Add	Vehicle Impound Admin Fee	-	150.00
Building	Change	Description of Fee Calculation	-	-
Building	Add	Details for Demolition Permit	-	-
Building	Delete	Plan Storage Box Fee	50.00	-
Building	Add	Expedited Plan Review	-	Add 50% to typical plan review
Planning	Change	Administrative Relief/Review	50.00	100.00
Planning	Change	Appeals	200.00	400.00
Planning	Change	Details for Design Review	-	-
Planning	Delete	Details for Final Subdivision Plat	-	-
Planning	Change	Re-inspection	50.00	70.00
Planning	Change	Non-business hours	50.00	70.00
Planning	Change	Preliminary Subdivision Plat	250.00	500.00
Planning	Delete	Land Use Amendment - Minor	2,500.00	-
Planning	Delete	Land Use Amendment - Major	4,000.00	-
Planning	Add	Temporary Directional	-	5.00
Planning	Change	Temporary Use Permit	\$50 plus fee schedule	see attached schedule
Planning	Change	Details regarding Application Fee	-	-
Engineering	Change	Overtime Labor Rate	39.72	45.23
Engineering	Change	Backhoe rate / hourly	35.00	50.00
Engineering	Change	Backhoe rate / daily	240.00	300.00
Engineering	Change	Backhoe rate / weekly	918.00	1,050.00
Water	Change	Security Deposit 5/8"x3/4"meter,owner	50.00	75.00
Water	Add	Details regarding Security Deposit	-	-
Water	Add	Details regarding late fees	-	-
Water	Add	Return Check/Non Sufficient Funds Fee	-	25.00
Water	Add	Labor Rate - Regular Time - Supervisor	-	50.00
Water	Add	Labor Rate - Overtime - Supervisor	-	75.00
Water	Add	Labor Rate - Regular Time - Operator	-	30.15
Water	Add	Labor Rate - Overtime - Operator	-	45.23

FEE SCHEDULE CHANGES



2016 ANNUAL BUDGET

DEPT	CHANGE	DESCRIPTION	FY2015/16 AMOUNT	FY2016/17 AMOUNT
Water	Add	Backhoe Rental Fee	-	see attached schedule
Water	Add	Dewatering Pump Rental Fee	-	see attached schedule
Water	Add	Dump Truck Rental Fee	-	see attached schedule
Water	Add	Equipment Trailer Rental fee	-	see attached schedule
Water	Add	Skid Steer Rental Fee	-	see attached schedule
Water	Add	Vacuum Excavator (Sm Trailer) Rental Fee	-	see attached schedule
Water	Add	Vacuum Excavator (Lg Trailer) Rental Fee	-	see attached schedule
Water	Add	Water Truck Rental Fee	-	see attached schedule
Water	Add	Details regarding Labor / Rental Fees	-	-
Water	Add	Barricade Rental - Type I	-	\$1 per day
Water	Add	Barricade Rental - Type II	-	\$2 per day
Water	Add	After Hours Delivery/Pick Up Charge	-	50.00
Fire	Delete	Business License	\$50 / hr	-
Fire	Change	Commercial Fire Plan Review	125.00	150.00
Fire	Delete	WUI Area Residential Plan Review	300.00	-
Event Cntr	Change	Barrel Series	\$10-\$40 per night per event	\$5-\$35 per night per event
				\$5 per dicipline
				\$10-\$35 per person for various age group jackpots
Event Cntr	Change	Cowboy Tri	\$10-\$45 per person	\$5-\$40 per person per dicipline
Event Cntr	Change	Time Only Practice Runs	\$5-\$6 per run	\$3-\$5 per run
				One time only \$3 or 2 for \$5
Event Cntr	Change	Turn and Burn	\$5-\$35 per night per event	\$5-\$35 per night per event
				\$5 per dicipline
				\$10-\$35 per person for various age group jackpots
Event Cntr	Change	Equestrian Classes	\$10-\$70 per class	\$5-\$65 per class, based on instructor fees and # of classes taken
Event Cntr	Change	Details regarding Facilities Imp Fund	-	-
Event Cntr	Change	Details regarding Arena Preparation	-	-
Event Cntr	Change	Day Camp Fee	\$10-\$20 per night per rig plus \$5 per event	\$10-\$25 per rig per night plus \$5 per event
Event Cntr	Change	Details regarding Stall Fee	-	-
Event Cntr	Add	Stall Fee Unauthorized Use	-	\$25-50 per stall / offense / event
Event Cntr	Change	Details regarding Vendor Fee	-	-
Parks	Change	Biddy Basketball / Startsmart	20.00	25.00
Parks	Add	Camp - Vibe Dance Camp	-	Contract for Service
Parks	Add	Camp - Kid Fit Camp	-	Contract for Service
Parks	Change	Photography	20.00	25.00
Parks	Add	Skills Contests	-	Free to \$40 per child per program based on sponsoring organization
Parks	Change	Soccer Camp, British	\$91-\$190	Contract for Service
Parks	Change	Sports Tournaments	\$180-\$455 per team	\$50-475 per team, based on tournament sanctions and registration criteria
Parks	Add	Sports Tournament Vendors	-	\$55 per event per vendor
Parks	Change	Event Sponsorship Fees	\$100-\$5,000	\$105-\$5,005
Parks	Change	5K Runs	\$30-\$90	\$5-\$85 per person, based on age group and event specifics
Parks	Change	Fiddlers Contest	\$4-\$8	\$4-\$8 per person / per seat or entry fee
Parks	Change	Fall/Spring Break Camp	\$35	\$20-\$75 per person per specific camp criteria
				Contract for Service

FEE SCHEDULE CHANGES



2016 ANNUAL BUDGET

DEPT	CHANGE	DESCRIPTION	FY2015/16 AMOUNT	FY2016/17 AMOUNT
Parks	Change	Summer Rec Program	\$70	\$20-\$75 per person per specific camp criteria
				Contract for Service
Parks	Change	Summer Concert Vendor	\$55	\$55 per vendor or \$205 per vendor for entire series
Parks	Change	Halloween Festival Vendor	\$30	\$55 per vendor or
Aquatics	Change	Family Swim Season Pass	\$210	\$220 (Immediate Family Members Only)
Aquatics	Change	Private Rental	\$65/hr, min 2 hrs-up to 25 people	\$60/hr, min 1 hr - Up to 50 people
			\$130/hr - 26 to 50 people	\$125/hr - 51 to 100 people
			\$205/hr - 51 to 100 people	\$250/hr - 101 to 200 people
			\$255/hr - 101 to 200 people	\$300/hr - 201 to 300 people
			\$305/hr - 201-400 people	
Aquatics	Change	Water Aerobics	\$2 per person/\$60 season pass	\$2 per person/\$70 season pass
Library	Add	Scanning	-	\$.10 per page

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

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

FEE SCHEDULE CHANGES



2016 ANNUAL BUDGET

TEMPORARY USE PERMIT FEE SCHEDULE

I. Permit Fee Schedule

<u>Average Retail Price of Items to be Sold:</u>	<u>Fee</u>
\$0 - 100	\$50.00
\$101 - 500	\$100.00
\$501 - 750	\$250.00
\$751 - 1,500	\$500.00
\$1,501 - 2,500	\$750.00
\$2,500 - 5,000	\$1,000.00
\$5,001 - 7,500	\$1,500.00
\$7,501 - 10,000	\$2,000.00
\$10,001 - 25,000	\$2,500.00
\$25,001 - 50,000	\$5,000.00
\$50,001 - 75,000	\$7,500.00
\$75,001 - 100,000	\$10,000.00
\$100,001 - 250,000	\$25,000.00
\$250,001 - 500,000	\$50,000.00
\$500,001 - 750,000	\$75,000.00
\$750,001 - 1,000,000	\$100,000.00
\$1,000,001 - Up	10% of Average Sales Price per Item

- Note: (1) Fifty Dollars (\$50) of the permit fee is non-refundable.
 (2) Any business that can provide evidence of sales tax paid to the Town of Payson within the preceding 24 months, may deduct that amount from the permit fee.
 (3) Any Sales tax paid to the Town and not applied to the current Temporary Use Permit fee may be deducted from future Temporary Use Permit fees.

WATER DIVISION FEES AND CHARGES

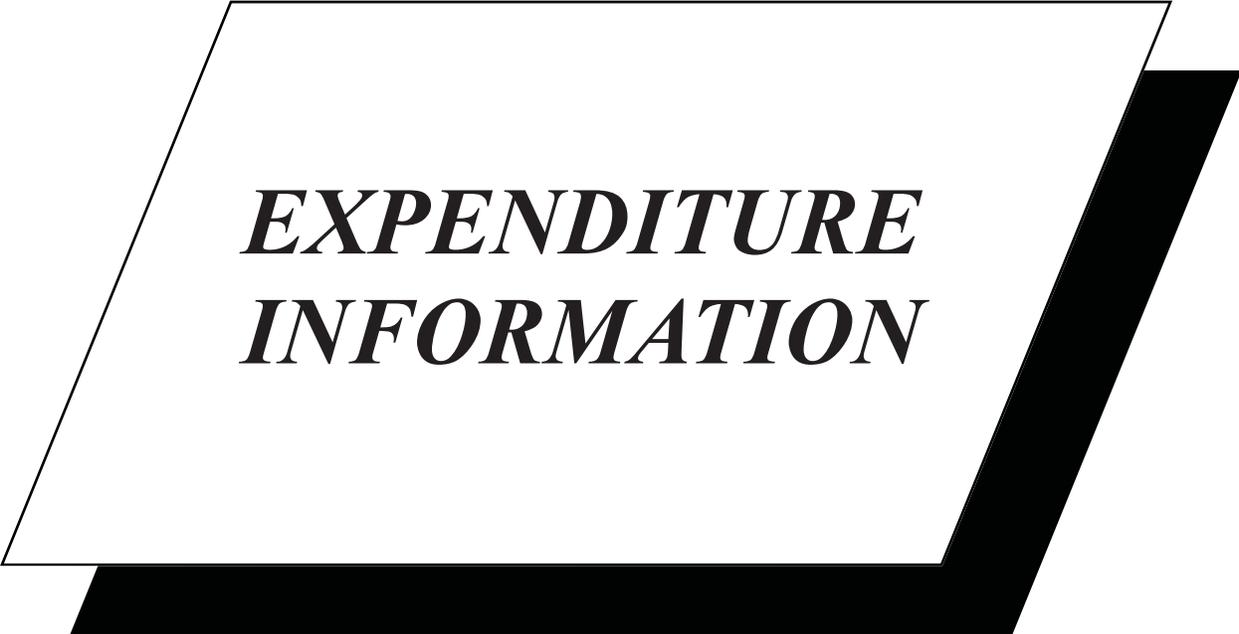
<u>Equipment</u>	<u>Equipment Rates</u>			<u># of Emp.</u>
	Hourly	Daily	Weekly	
Backhoe	\$50.00	\$300.00	\$1,050.00	1
Dewatering Pump	\$15.00	\$105.00	\$405.00	1
Dump Truck	\$40.00	\$285.00	\$1,085.00	1
Equipment Trailer	\$20.00	\$160.00	\$800.00	1
Skid Steer	\$45.00	\$315.00	\$1,350.00	1
Vacuum Excavator (Small Trailer)	\$80.00	\$560.00	\$2,080.00	2
Vacuum Excavator (Large Truck)	\$150.00	\$1,050.00	\$3,900.00	2
Water Truck	\$70.00	\$495.00	\$1,817.00	1

All Town owned equipment must be operated by an on-duty Town employee. The equipment that requires multiple employees is indicated in the above table.

Barricade Rental

- Type I \$1.00 per day (or portion thereof)
- Type II \$2.00 per day (or portion thereof)
- Delivery/Pick Up Charge if Outside Our Normal Working Hours \$50.00

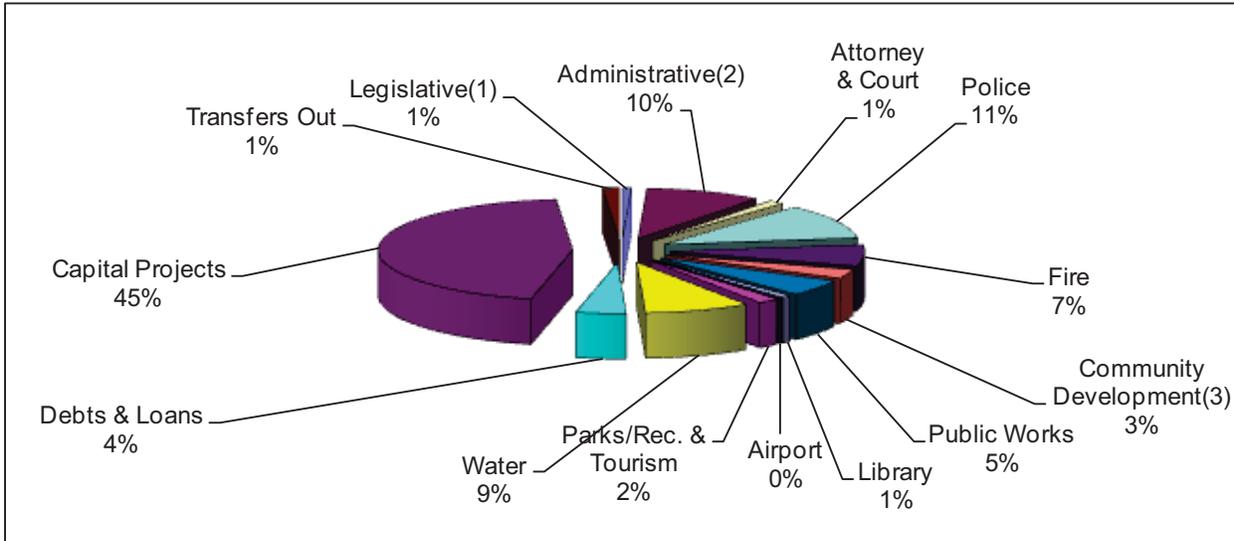
FEE SCHEDULE CHANGES



***EXPENDITURE
INFORMATION***



EXPENDITURES (ALL FUNDS)
2016/17 Budget



	General Fund	Restricted Funds	Restricted Capital Funds	Debt Service Funds	Utility Funds	All Funds
Legislative ⁽¹⁾	\$ 360,300					\$ 360,300
Administrative ⁽²⁾	2,775,100	2,024,000				4,799,100
Town Attorney & Court	623,800					623,800
Police	5,557,600	20,500				5,578,100
Fire	3,386,300					3,386,300
Community Development ⁽³⁾	1,217,800		217,500			1,435,300
Public Works	648,000	1,933,600				2,581,600
Library		378,700				378,700
Airport		160,900				160,900
Parks/Rec. & Tourism	576,200	267,900				844,100
Water					4,326,000	4,326,000
Debts & Loans	67,300			639,600	1,351,800	2,058,700
Capital Projects	20,000	1,180,000	2,875,600		18,376,000.00	22,451,600
Transfers Out	374,800	207,500	49,100	52,900	-	684,300
Total Expenditures	\$15,607,200	\$ 6,173,100	\$ 3,142,200	\$ 692,500	\$24,053,800	\$ 49,668,800
% of Total	31.42%	12.43%	6.33%	1.39%	48.43%	100.00%

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



EXPENSE DETAIL—ALL FUNDS

Category		Description	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed
Salaries & Wages						
xxx-x-xxxx-xx-	5001	Full Time Employees	7,325,662	7,658,565	8,415,500	8,330,500
xxx-x-xxxx-xx-	5002	Part Time Employees	138,569	192,694	222,200	241,800
xxx-x-xxxx-xx-	5003	Temporary Employees	35,021	59,662	132,400	138,800
xxx-x-xxxx-xx-	5005	Paid On Call Employees	47,285	36,880	65,000	80,000
xxx-x-xxxx-xx-	5006	Standby Pay	8,601	8,588	11,000	9,000
xxx-x-xxxx-xx-	50xx	Misc Compensation	14,128	30,810	27,400	38,400
xxx-x-xxxx-xx-	52xx	Overtime Compensation	615,718	738,764	722,600	697,900
xxx-x-xxxx-xx-	5990	Shift Differential Pay	157,566	41,816	43,000	46,000
			8,342,550	8,767,779	9,639,100	9,582,400
Personnel Benefits						
xxx-x-xxxx-xx-	5501	FICA	481,243	513,994	610,300	615,800
xxx-x-xxxx-xx-	5504	Penisons & Retirement	1,540,882	1,550,618	2,075,700	2,154,100
xxx-x-xxxx-xx-	5505	Retirement Offset Pension	-	(2,660)	-	-
xxx-x-xxxx-xx-	5600	Deferred Compensation	8,868	9,133	9,300	-
xxx-x-xxxx-xx-	5700	Health/Life Insurance	1,117,351	1,177,287	1,424,100	1,410,600
xxx-x-xxxx-xx-	5800	Workers Comp Insurance	484,877	533,554	591,300	657,700
xxx-x-xxxx-xx-	5701	Disability Insurance	10,241	5,602	7,000	7,500
xxx-x-xxxx-xx-	5801	Unemployment Comp	13,920	4,800	10,000	6,000
xxx-x-xxxx-xx-	5901	Uniform Allowance	65,776	44,781	58,700	58,700
			3,723,158	3,837,109	4,786,400	4,910,400
Supplies						
xxx-x-xxxx-xx-	6001	Office Supplies	55,082	54,987	60,000	61,800
xxx-x-xxxx-xx-	6002	Coffee Supplies	558	1,081	1,100	1,200
xxx-x-xxxx-xx-	6003	Cleaning Supplies	15,357	14,111	17,800	15,500
xxx-x-xxxx-xx-	6008	Chemicals	44,101	41,039	84,100	71,800
xxx-x-xxxx-xx-	6100	Medical/Lab Supplies	16,996	17,027	26,700	21,900
xxx-x-xxxx-xx-	6101	Canine Supplies	2,871	3,000	3,000	3,000
xxx-x-xxxx-xx-	6102	Weapons/Training Supplies	14,951	11,925	15,500	15,500
xxx-x-xxxx-xx-	6005	Safety Program Supplies	12,077	18,126	21,700	16,800
xxx-x-xxxx-xx-	6006	Clothing/Uniforms	11,770	14,856	19,200	24,100
xxx-x-xxxx-xx-	6007	PPE Equipment/Clothing	14,967	18,635	25,000	25,000
xxx-x-xxxx-xx-	6010	Books, Maps & Periodicals	5,453	9,208	13,200	10,100
xxx-x-xxxx-xx-	6011	Small Tools/Minor Equipment	73,617	80,281	98,600	102,700
xxx-x-xxxx-xx-	6012	Communications Eq Supplies	10,169	6,107	6,500	5,000
xxx-x-xxxx-xx-	6013	Computer Supplies	24,603	33,464	39,500	53,000
xxx-x-xxxx-xx-	6016	Park Furnishing	11,061	770	1,000	1,000
xxx-x-xxxx-xx-	6300	Motor Fuel	257,694	213,653	255,500	240,500
xxx-x-xxxx-xx-	6302	Vehicle Supplies	202,096	158,901	160,100	158,100



EXPENSE DETAIL—ALL FUNDS

Category	Description	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed
xxx-x-xxxx-xx-	6401 Drainage Supplies	20,218	1,829	40,000	65,000
xxx-x-xxxx-xx-	6402 Street/Sidewalk Supplies	113,472	116,567	75,000	80,000
xxx-x-xxxx-xx-	6201 Bldg Materials & Supplies	41,154	52,114	80,200	88,200
xxx-x-xxxx-xx-	6400 Hdwr, Electric & Plumbing Su	16,719	17,471	19,300	20,000
xxx-x-xxxx-xx-	6900 Other Supplies	886	515	1,000	1,000
xxx-x-xxxx-xx-	6014 Landscape Materials	11,555	10,777	10,500	10,500
xxx-x-xxxx-xx-	6202 Misc R&M Supplies	52,528	55,914	102,300	84,400
xxx-x-xxxx-xx-	6015 Signs	73,784	64,610	8,600	7,000
xxx-x-xxxx-xx-	6602 Promotional Supplies	66,476	85,142	90,000	95,000
		1,170,215	1,102,110	1,275,400	1,278,100
<u>Services</u>					
xxx-x-xxxx-xx-	6603 Election Services	34	-	-	-
xxx-x-xxxx-xx-	7004 Compliance/Lab Analysis	49,931	29,205	100,000	45,000
xxx-x-xxxx-xx-	7002 Accounting/Auditing Services	62,630	39,000	64,000	40,700
xxx-x-xxxx-xx-	7100 Legal Services	206,720	31,512	50,000	44,500
xxx-x-xxxx-xx-	7101 Indigent Defense	42,700	37,200	50,000	45,000
xxx-x-xxxx-xx-	7102 Court Services	105,506	102,753	120,000	110,000
xxx-x-xxxx-xx-	7103 Prosecution Services	-	1,500	1,500	1,000
xxx-x-xxxx-xx-	7900 Other Professional Services	369,674	401,165	486,100	788,400
xxx-x-xxxx-xx-	7104 Settlements	-	-	20,000	20,000
xxx-x-xxxx-xx-	7005 Computer Software	27,112	29,866	21,500	31,000
xxx-x-xxxx-xx-	7003 Computer Services	12,069	14,404	14,700	14,700
xxx-x-xxxx-xx-	7602 Safety Training Services	-	120	20,000	2,000
		876,376	686,725	947,800	1,142,300
<u>Utilities</u>					
xxx-x-xxxx-xx-	7300 Electricity	680,724	597,529	661,700	657,700
xxx-x-xxxx-xx-	7301 Propane Gas	39,070	34,605	45,600	43,400
xxx-x-xxxx-xx-	7302 Water Service	46,706	46,343	52,500	54,700
xxx-x-xxxx-xx-	7304 Sewer Service	12,408	13,215	14,300	14,400
xxx-x-xxxx-xx-	7305 Garbage Service	25,811	26,974	30,000	31,700
xxx-x-xxxx-xx-	7306 Telephone	227,153	212,325	277,400	285,800
xxx-x-xxxx-xx-	7307 Postage	39,591	38,755	41,400	43,800
		1,071,463	969,746	1,122,900	1,131,500
<u>Travel</u>					
xxx-x-xxxx-xx-	7600 Travel	35,175	40,511	70,800	73,300
xxx-x-xxxx-xx-	7601 Registrations	35,940	49,886	64,400	77,900
		71,115	90,397	135,200	151,200



EXPENSE DETAIL—ALL FUNDS

Category	Description	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed
<u>Advertising & Publishing</u>					
xxx-x-xxxx-xx-	6600 Public Relations	27,504	16,420	30,500	21,200
xxx-x-xxxx-xx-	7907 Advertising	20,068	20,394	20,200	25,500
		47,572	36,814	50,700	46,700
<u>Rentals</u>					
xxx-x-xxxx-xx-	7500 Land & Buildings	11,871	11,341	11,800	11,800
xxx-x-xxxx-xx-	7501 Work Eq & Machine Rental	-	202	500	500
xxx-x-xxxx-xx-	7502 Office Equipment Rental	31,178	51,799	217,800	243,700
		43,049	63,342	230,100	256,000
<u>Insurance</u>					
xxx-x-xxxx-xx-	7903 Insurance	447,627	446,604	452,900	487,000
xxx-x-xxxx-xx-	7904 Insurance Deductibles	11,829	6,604	5,000	7,000
xxx-x-xxxx-xx-	7908 Insurance Premium	1,700,074	1,801,964	2,129,200	2,024,000
		2,159,530	2,255,172	2,587,100	2,518,000
<u>Repair & Maintenance</u>					
xxx-x-xxxx-xx-	6200 Hydrant R&M	11,804	10,069	23,000	33,000
xxx-x-xxxx-xx-	65xx Water R&M	109,151	195,921	272,000	316,500
xxx-x-xxxx-xx-	7400 Grounds R&M	-	-	10,000	10,000
xxx-x-xxxx-xx-	7401 Bldg/Fixture R&M	69,836	83,977	103,200	96,700
xxx-x-xxxx-xx-	7402 Office Equipment R&M	8,086	7,227	11,200	11,100
xxx-x-xxxx-xx-	7403 Computer Equipment R&M	245,236	235,637	234,300	254,100
xxx-x-xxxx-xx-	7404 Communication Eq R&M	178,141	106,702	282,000	293,000
xxx-x-xxxx-xx-	7405 Work Equipment R&M	63,996	61,880	62,900	55,300
xxx-x-xxxx-xx-	7406 Street Light R&M	2,200	6,625	33,300	108,400
xxx-x-xxxx-xx-	7407 R & M Wells	-	-	15,000	20,000
xxx-x-xxxx-xx-	7408 Street/Sidewalk Repair Serv	-	7,291	50,000	65,000
		688,450	715,329	1,096,900	1,263,100
<u>Miscellaneous</u>					
xxx-x-xxxx-xx-	6700 Dues & Memberships	57,896	58,040	67,700	80,800
xxx-x-xxxx-xx-	6901 Taxes & Assessments	309	10,258	400	500
xxx-x-xxxx-xx-	6903 Bank Fees	31,337	39,356	34,400	32,000
xxx-x-xxxx-xx-	6905 Bad Debt	1,138	1,204	5,200	2,200
xxx-x-xxxx-xx-	6009 Program Costs	134,426	155,402	206,800	209,900
xxx-x-xxxx-xx-	6990 Other Expense	25,661	27,781	42,800	42,900
xxx-x-xxxx-xx-	6991 Other Expense-Law Enforce	8,231	8,440	10,000	10,000
xxx-x-xxxx-xx-	6992 Other Expense-DARE	3,192	3,370	3,500	3,500
xxx-x-xxxx-xx-	7001 Program Overhead	2,587	2,068	5,000	5,000



EXPENSE DETAIL—ALL FUNDS

Category	Description	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed
xxx-x-xxxx-xx-	7901 Lien & Clean	-	-	10,000	10,000
xxx-x-xxxx-xx-	7902 Reimbursable Impound Costs	(70)	-	-	2,500
xxx-x-xxxx-xx-	7906 Law Enf. Property Purchase	1,168,780	1,777,257	-	-
xxx-x-xxxx-xx-	7910 Printing & Binding	15,158	16,536	18,500	17,500
xxx-x-xxxx-xx-	7920 Hydrant Program	287	-	-	-
xxx-x-xxxx-xx-	72xx Councilmember Expenses	6,784	9,691	21,900	21,900
xxx-x-xxxx-xx-	7912 Grant Expenses	70,719	4,121	234,700	122,900
xxx-x-xxxx-xx-	7913 Housing Expense	52,454	49,720	214,000	139,000
xxx-x-xxxx-xx-	7914 Contributions / Donations	3,083	7,407	-	78,500
xxx-x-xxxx-xx-	7915 Overhead	344,500	290,300	227,800	227,800
xxx-x-xxxx-xx-	7990 Contribution to Other Agencies	191,600	191,600	224,900	225,600
xxx-x-xxxx-xx-	9661 Repay Water Loan	17,300	17,300	17,300	67,300
		2,135,372	2,669,851	1,344,900	1,299,800
Capital Outlay					
xxx-x-xxxx-xx-	8xxx Event Center Building	-	28,875	-	-
xxx-x-xxxx-xx-	8xxx Airport Projects	127,558	811,856	270,000	95,000
xxx-x-xxxx-xx-	8xxx Street Improvements	104,334	58,779	787,500	840,000
xxx-x-xxxx-xx-	8xxx Computer Software/Hardware	58,824	23,844	50,000	-
xxx-x-xxxx-xx-	8xxx Timber Ridge ID	-	-	-	2,060,000
xxx-x-xxxx-xx-	8xxx Machinery & Equipment	36,548	186,079	198,000	245,000
xxx-x-xxxx-xx-	8xxx Vehicular Equipment	30,717	108,444	70,000	20,000
xxx-x-xxxx-xx-	8xxx Parks Development	-	47,125	-	-
xxx-x-xxxx-xx-	8xxx Grant Funded Projects	201,740	79,615	312,800	590,600
xxx-x-xxxx-xx-	8xxx Main Street Improvements	-	34,060	-	-
xxx-x-xxxx-xx-	8xxx Water Projects	3,218,487	1,029,527	13,069,000	18,601,000
		3,778,207	2,408,205	14,757,300	22,451,600
Debt Service					
xxx-x-xxxx-xx-	6901 Debt Service Fees	3,270	10,258	5,100	5,100
xxx-x-xxxx-xx-	7950 Principal	521,425	544,512	976,300	1,207,700
xxx-x-xxxx-xx-	7951 Interest	87,092	105,019	499,500	778,600
		611,787	659,789	1,480,900	1,991,400
Depreciation					
xxx-x-xxxx-xx-	8005 Depreciation - Infrastructure	665,992	654,938	-	-
xxx-x-xxxx-xx-	8100 Depreciation - Buildings	322,921	318,723	20,000	25,000
xxx-x-xxxx-xx-	8101 Depreciation - Non Buildings	883,254	1,236,084	679,200	900,000
xxx-x-xxxx-xx-	8104 Depreciation - Furniture/Eq	(12,478)	3,643	5,200	5,000
xxx-x-xxxx-xx-	8103 Depreciation - Vehicles	54,916	243	44,300	1,000
xxx-x-xxxx-xx-	8102 Depreciation - Machinery/Eq	502,450	464,682	8,800	25,000
xxx-x-xxxx-xx-	82xx Amortization	5,940	5,940	6,000	6,000
		2,422,995	2,684,253	763,500	962,000



EXPENSE DETAIL—ALL FUNDS

Category	Description	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed
Transfers Out					
xxx-x-xxxx-xx- 9101	To General Fund	218,481	95,806	95,000	147,000
xxx-x-xxxx-xx- 9210	To Gifts & Grants Fund	-	-	61,154	-
xxx-x-xxxx-xx- 9224	To Library	75,808	94,907	115,400	132,500
xxx-x-xxxx-xx- 9260	To Airport	-	108,362	75,600	67,700
xxx-x-xxxx-xx- 9265	To Event Center	27,696	74,194	130,200	60,500
xxx-x-xxxx-xx- 9403	To Grant Capital Project	-	-	-	25,900
xxx-x-xxxx-xx- 9430	To Const Bonita St	36,798	-	-	-
xxx-x-xxxx-xx- 9460	To CAP Trust Fund	-	-	2,300	-
xxx-x-xxxx-xx- 9661	To Water Department	-	-	-	-
xxx-x-xxxx-xx- 98xx	To Debt Service	299,350	296,224	264,800	250,700
xxx-x-xxxx-xx- 9999	To Various	-	-	-	-
		658,133	669,493	744,454	684,300
	TOTAL	27,799,972	27,616,114	40,962,654	49,668,800

EXPENSE SUMMARY BY CATEGORY—ALL FUNDS

Category	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed
Personnel Services/Benefits	12,065,708	12,604,888	14,425,500	14,492,800
Operating Expenditures	8,263,142	8,589,486	8,791,000	9,086,700
Debt Service	611,787	659,789	1,480,900	1,991,400
Capital Outlay	3,778,207	2,408,205	14,757,300	22,451,600
Other	2,422,995	2,684,253	763,500	962,000
Transfers Out	658,133	669,493	744,454	684,300
	27,799,972	27,616,114	40,962,654	49,668,800



***DEPARTMENT
DETAIL***

Function and Fund Type Matrix

Functional Unit	General Fund 101	Special Revenue Funds	Capital Project Funds	Enterprise Funds	Debt Service Funds
	Page #	Fund/Page#	Fund/Page#	Fund/Page#	Fund/Page#
Town Council	182				
Town Manager	189				
Human Resources	197				
Information Services	193				
Town Clerk	203				
Elections	206				
Property Management	222				
Centralized Supplies	225				
Other Government Services	227				
Medical Insurance	229	290/229			
Financial Services	216				
Courts	232				
Attorney	211				
Police - Communications	238				
Police - Operations	241		403/242 409/242 425/242		
Police - Special Operations	245&249	215/247			
Fire - Operations	255		403/256		
Fire - Wildlands/Urban Program	259				
Public Works - Parks Operations	319				
Public Works - Streets		202/323			
Public Works - Airport		260/327			
Rec & Tourism - Tourism Division	294	214/294			
Rec & Tourism - Trails & Open Spaces	305				
Rec & Tourism - Recreation Division	298-302				
Rec & Tourism - Event Center		265/310			
Rec & Tourism - Aquatics	313				
Community Dev Administration	262				
Planning & Zoning	274		417/274		
Building Services	267				
Economic Development	277				
Affordable Housing			403/280		
Library		224/286			

Function and Fund Type Matrix

Functional Unit	General Fund 101	Special Revenue Funds	Capital Project Funds	Enterprise Funds	Debt Service Funds
	Page #	Fund/Page#	Fund/Page#	Fund/Page#	Fund/Page#
Water - Administration				661/336	
Water - Accounting & Collections				661/338	
Water - Transmittion & Distribution				661/339	
Water - Operations & Maintenance				661/340	
Water - Resources				661/342	
Water - Production O&M				661/343	
Water - Green Valley Park Maintenance				661/344	
Water - WQARF				661/345	
Water - CC Cragin				661/346	
Water Capital Trust Fund			460/347		

TOWN COUNCIL

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

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





2016 ANNUAL BUDGET

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



DEPARTMENT EXPENDITURE SUMMARY

Operating Division	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed
Town Council	83,278	89,842	103,100	106,700
Total Expenditures	83,278	89,842	103,100	106,700

POSITION SUMMARY

	2015/16	2016/17
Town Council Members	7.0	7.0
Total Positions	7.0	7.0

TOWN COUNCIL

TOWN COUNCIL

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

2015/16 ACCOMPLISHMENTS

- ✓ Established clear policy direction and priorities for Town operations
- ✓ Provided a safe, pleasant community for all citizens through aggressive public safety efforts and programs
- ✓ Served the Town through a variety of Town services designed to promote quality of life
- ✓ Responded to the needs of the community by promoting communications and accessibility
- ✓ Valued the tax dollar and maintained a fiscal policy that keeps taxes low
- ✓ Incorporated safeguards to assure fairness and equitable treatment of all citizens
- ✓ Continued to evaluate Town services

2016/17 GOALS



KRA 2: FINANCIAL EXCELLENCE

⇒ Value the tax dollar and maintain a fiscal policy that keeps taxes low

KRA 4: INNOVATION & EFFICIENCY

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

KRA 8: PUBLIC SAFETY

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

ALL KRAs

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

⇒ Establish clear policy direction and priorities for Town operations

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



CONTACT INFORMATION

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

PHYSICAL LOCATION

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

TOWN COUNCIL BUDGET CHANGES—3 YEARS

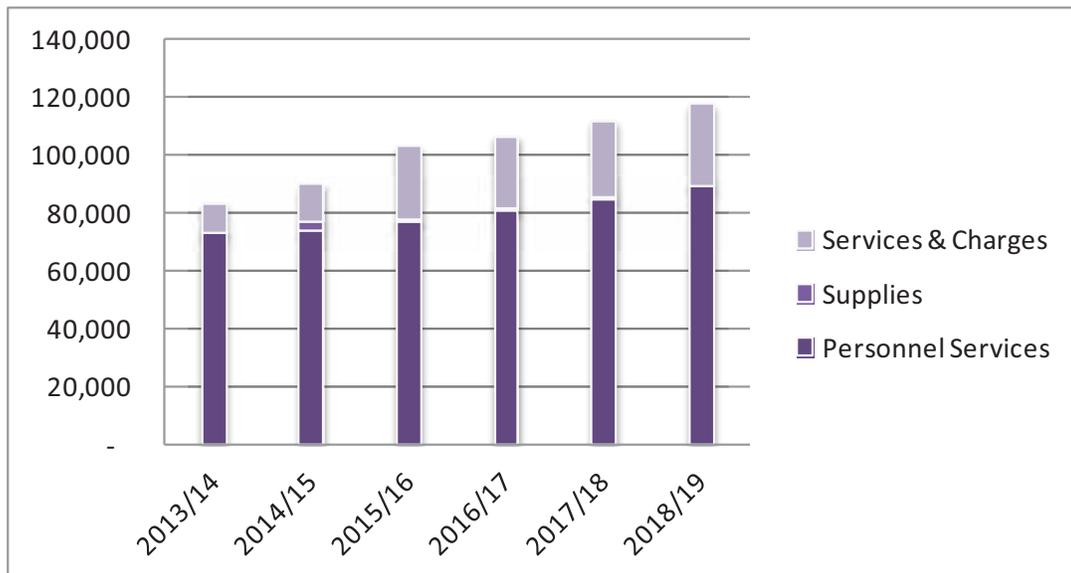
Description	2014/15	2015/16	%	2016/17	%
	Actual	Budget	Change	Proposed	Change
Salaries & Wages	47,300	46,800	-1.1%	46,800	0.0%
Personnel Benefits	26,686	30,400	13.9%	34,000	11.8%
Supplies	3,181	500	-84.3%	500	0.0%
Other Services & Charges	12,675	25,400	100.4%	25,400	0.0%
Total Town Council	89,842	103,100	14.8%	106,700	3.5%

Significant Budget Changes:

- Changes in Personnel Benefits reflect the changes in Council members’ insurance plan selections
- FY14/15 Supplies—one-time computer related expenses
- FY15/16 Services—Council is always conservative in their spending and rarely spends everything that is allocated in the budget

TOWN COUNCIL BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2017/18 Estimate	2018/19 Estimate
Personnel Services	73,182	73,986	\$ 77,200	\$ 80,800	\$ 84,840	\$ 89,082
Supplies	102	3,181	500	500	525	551
Services & Charges	9,994	12,675	25,400	25,400	26,670	28,004
Total Town Council	\$ 83,278	\$ 89,842	\$ 103,100	\$ 106,700	\$ 112,035	\$ 117,637



**TOWN COUNCIL**

	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
SALARIES & WAGES				
101-5-1411-00-5001 Full Time Employees	46,800	47,300	46,800	46,800
Total Salaries & Wages	<u>46,800</u>	<u>47,300</u>	<u>46,800</u>	<u>46,800</u>
PERSONNEL BENEFITS				
101-5-1411-00-5501 FICA	2,377	2,353	3,600	3,600
101-5-1411-00-5700 Health Insurance	23,794	24,101	26,600	30,100
101-5-1411-00-5800 Worker's Comp Insurance	211	232	200	300
Total Personnel Benefits	<u>26,382</u>	<u>26,686</u>	<u>30,400</u>	<u>34,000</u>
SUPPLIES				
101-5-1411-00-6001 Office Supplies	39	2,884	500	500
101-5-1411-00-6600 Public Relations	63	297	-	-
Total Supplies	<u>102</u>	<u>3,181</u>	<u>500</u>	<u>500</u>
OTHER SERVICES & CHARGES				
101-5-1411-00-7306 Telephone Charges	3,210	2,984	3,500	3,500
101-5-1411-00-72xx Council Member Expenses	6,784	9,690	21,900	21,900
Total Other Services & Charge	<u>9,994</u>	<u>12,674</u>	<u>25,400</u>	<u>25,400</u>
TOTAL TOWN COUNCIL	<u><u>83,278</u></u>	<u><u>89,841</u></u>	<u><u>103,100</u></u>	<u><u>106,700</u></u>

TOWN MANAGER

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

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

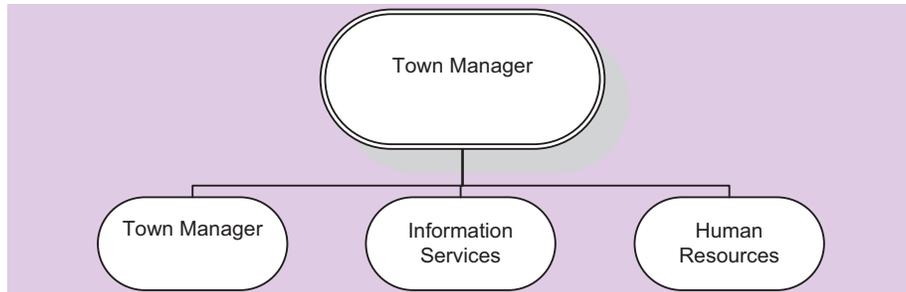
LaRon Garrett—Town Manager
lgarrett@paysonaz.gov





2016 ANNUAL BUDGET

The Town Manager's Department is made up of three divisions: Town Manager, Information Services, and Human Resources. 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.



DEPARTMENT EXPENDITURE SUMMARY

Operating Division	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed
Town Manager	180,149	180,239	188,900	210,700
Human Resources	205,449	230,728	236,400	226,500
Information Services	559,382	597,594	626,700	644,900
Total Expenditures	944,980	1,008,561	1,052,000	1,082,100

POSITION SUMMARY

	2015/16	2016/17
Town Manager	1.0	1.0
Human Resources Manager	1.0	1.0
Human Resources Analyst	1.0	1.0
Payroll Specialist	1.0	1.0
Information Technology Manager	1.0	1.0
Information Technology Technician	1.0	1.0
Total Town Manager	6.0	6.0

TOWN MANAGER'S DEPARTMENT



2016 ANNUAL BUDGET

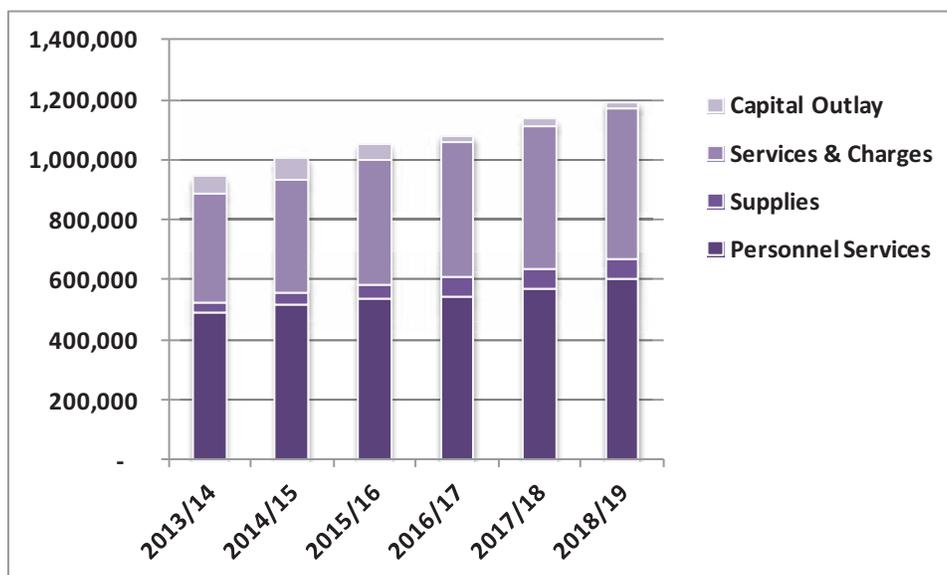
TOWN MANAGER DEPARTMENT BUDGET CHANGES—3 YEARS

Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Salaries & Wages	407,434	420,200	3.1%	421,200	0.2%
Personnel Benefits	113,268	120,600	6.5%	125,300	3.9%
Supplies	38,068	45,000	18.2%	61,200	36.0%
Other Services & Charges	373,410	416,200	11.5%	454,400	9.2%
Capital Outlay	76,381	50,000	-34.5%	20,000	-60.0%
Total Town Manager	1,008,561	1,052,000	4.3%	1,082,100	2.9%

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

TOWN MANAGER DEPARTMENT BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2017/18 Estimate	2018/19 Estimate
Personnel Services	489,612	520,702	\$ 540,800	\$ 546,500	\$ 573,825	\$ 602,516
Supplies	33,788	38,068	45,000	61,200	\$ 64,260	\$ 67,473
Services & Charges	362,756	373,410	416,200	454,400	\$ 477,120	\$ 500,976
Capital Outlay	58,824	76,381	50,000	20,000	\$ 21,000	\$ 22,050
Total Town Manager	\$ 944,980	1,008,561	\$ 1,052,000	\$1,082,100	\$ 1,136,205	\$ 1,193,015



TOWN MANAGER'S DEPARTMENT

TOWN MANAGER DIVISION

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

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

2015/16 ACCOMPLISHMENTS

- ✓ Updated operational plans and policies
- ✓ Reviewed operational effectiveness and efficiency
- ✓ Continued building the Town's working relationship with neighboring governmental jurisdictions by providing service
- ✓ Created greater transparency through the Town website
- ✓ Monitored Town budget performance weekly
- ✓ Maintained historic financial performance analysis
- ✓ Worked with the Rim Country Education Alliance (RCEA) on the campus project
- ✓ Continued to administer the financial aspects of the C.C. Cragin pipeline project

CONTACT INFORMATION

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

PHYSICAL LOCATION

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

2016/17 GOALS



KRA 2: FINANCIAL EXCELLENCE

- ✓ Perform an in-depth analysis of all budgetary expenditures & modify as possible
- ✓ Improve the budget process to include more analysis, better forecasting tools, more departmental participation, more transparency and ease of procedures
- ✓ Continue to administer the financial aspects of the C.C. Cragin pipeline project



KRA 4: INNOVATION & EFFICIENCY

- ✓ Continue to evaluate operational effectiveness and efficiency



KRA 7: THE PAYSON TEAM

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



KRA 10: TECHNOLOGY

- ✓ Continue to enhance transparency by redesigning the Town website and increasing its use as a source of public information
- ✓ Upgrade the Council Chamber sound and recording system to provide better access to Council meetings on electronic media

ALL KRAs

- ✓ Begin implementing objectives set forth in the Corporate Strategic Plan

TOWN MANAGER DIVISION BUDGET CHANGES—3 YEARS

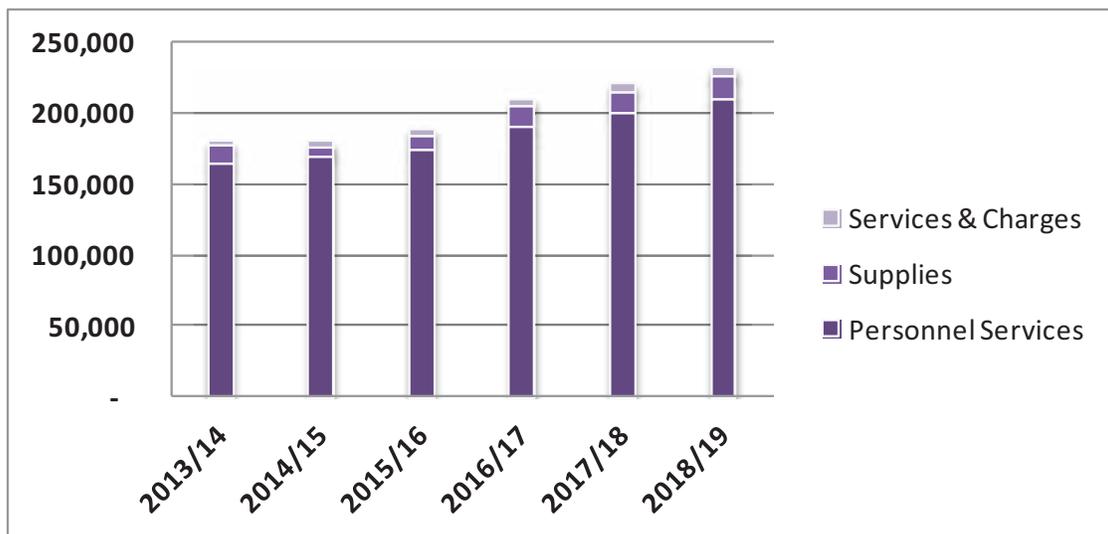
Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Salaries & Wages	132,744	136,100	2.5%	146,300	7.5%
Personnel Benefits	37,585	39,100	4.0%	44,700	14.3%
Supplies	5,127	9,500	85.3%	13,700	44.2%
Other Services & Charges	4,783	4,200	-12.2%	6,000	42.9%
Town Manager	180,239	188,900	4.8%	210,700	11.5%

Significant Budget Changes:

- FY15/16 Supplies—reflects increased funds for public relations
- FY16/17 Supplies—increased funding for various supplies
- FY16/17 Services—increased for travel / registrations

TOWN MANAGER DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2017/18 Estimate	2018/19 Estimate
Personnel Services	165,208	170,329	175,200	191,000	\$ 200,550	\$ 210,578
Supplies	12,868	5,127	9,500	13,700	14,385	15,104
Services & Charges	2,073	4,783	4,200	6,000	6,300	6,615
Town Manager	\$ 180,149	\$ 180,239	\$ 188,900	\$ 210,700	\$ 221,235	\$ 232,297





TOWN MANAGER

		2013/14	2014/15	2015/16	2016/17
		ACTUAL	ACTUAL	BUDGET	PROPOSED
SALARIES & WAGES					
101-5-1405-00-5001	Full Time Employees	128,933	132,744	136,100	146,300
	Total Salaries & Wages	128,933	132,744	136,100	146,300
PERSONNEL BENEFITS					
101-5-1405-00-5501	FICA	9,051	9,292	10,100	11,200
101-5-1405-00-5504	Retirement	14,576	15,234	15,100	16,600
101-5-1405-00-5600	Deferred Compensation	8,868	9,133	9,300	-
101-5-1405-00-5700	Health/Life Insurance	2,903	3,126	3,700	7,100
101-5-1405-00-5701	Disability Insurance	305	159	200	200
101-5-1405-00-5800	Workers Compensation	572	642	700	6,100
101-5-1405-00-5990	Miscellaneous	-	-	-	3,500
	Total Personnel Benefits	36,275	37,586	39,100	44,700
SUPPLIES					
101-5-1405-00-6001	Office Supplies	1,794	895	1,000	2,800
101-5-1405-00-6005	Safety Supplies	-	-	-	100
101-5-1405-00-6010	Books & Periodicals	79	-	500	500
101-5-1405-00-6011	Small Tools/Minor Equipment	-	-	-	200
101-5-1405-00-6300	Gasoline,Fuels,Lubricant	-	-	-	1,500
101-5-1405-00-6302	R&M Supplies Vehicle	-	-	-	100
101-5-1405-00-6600	Public Relations	8,205	2,553	6,000	6,000
101-5-1405-00-6700	Dues & Memberships	2,790	1,653	2,000	2,500
101-5-1405-00-6990	Other Expense	-	26	-	-
	Total Supplies	12,868	5,127	9,500	13,700
OTHER SERVICES & CHARGES					
101-5-1405-00-7306	Telephone Charges	813	702	200	900
101-5-1405-00-7600	Travel	635	1,862	2,000	2,500
101-5-1405-00-7601	Registrations	625	2,219	2,000	2,600
	Total Other Svcs & Charges	2,073	4,783	4,200	6,000
TOTAL TOWN MANAGER		180,149	180,240	188,900	210,700

INFORMATION SERVICES DIVISION

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

2015/2016 ACCOMPLISHMENTS

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

CONTACT INFORMATION

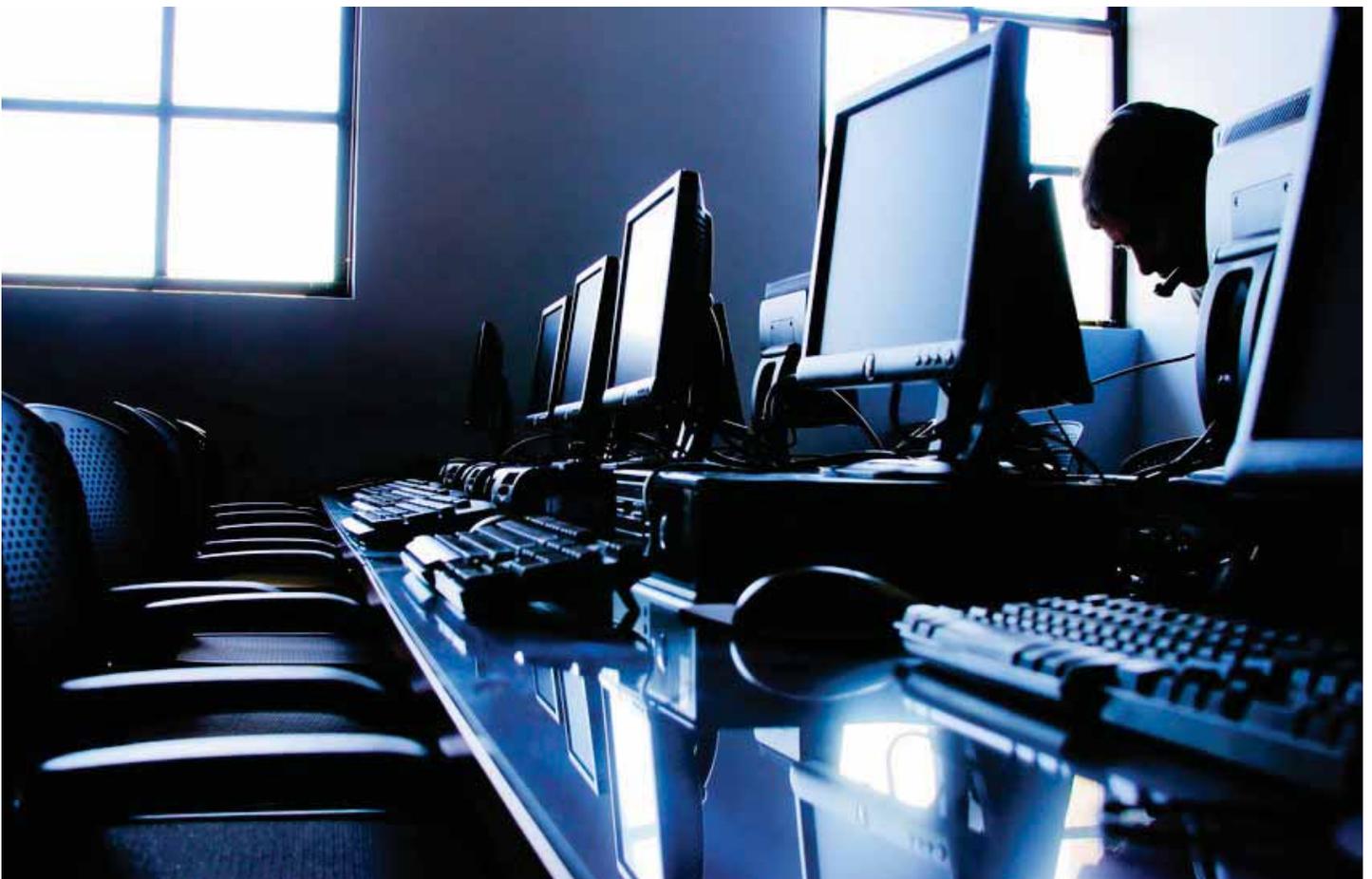
Steve DeHaan
(928) 472-5015
sdehaan@paysonaz.gov

PHYSICAL LOCATION

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

KRA 10: TECHNOLOGY

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



INFORMATION SERVICES DIVISION BUDGET CHANGES—3 YEARS

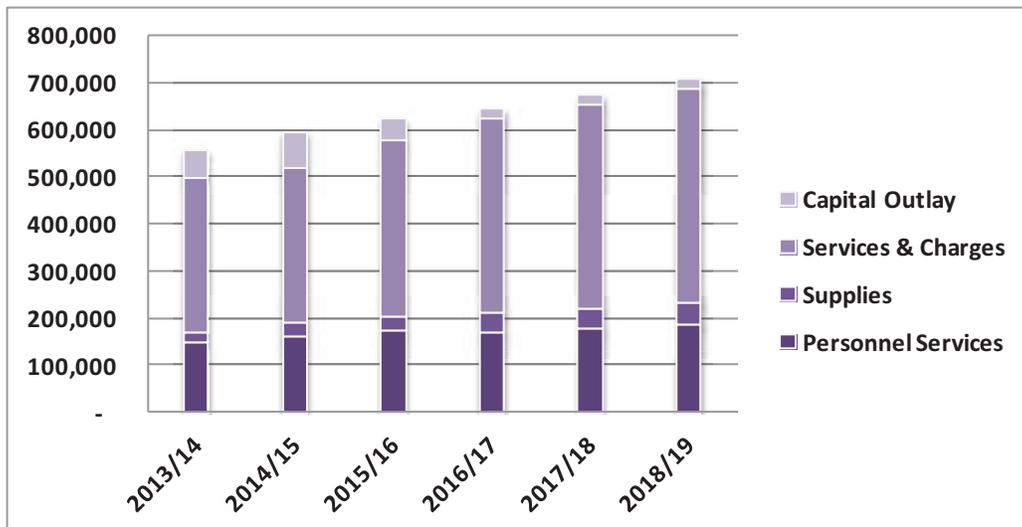
Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Salaries & Wages	130,459	138,000	5.8%	133,500	-3.3%
Personnel Benefits	31,062	34,100	9.8%	35,100	2.9%
Supplies	29,997	32,000	6.7%	42,500	32.8%
Other Services & Charges	329,695	372,600	13.0%	413,800	11.1%
Capital	76,381	50,000	-34.5%	20,000	-60.0%
Total Information Services	597,594	626,700	4.9%	644,900	2.9%

Significant Budget Changes:

- FY15/16 & 16/17 Services—reflects increasing cost of data lines
- FY16/17 Supplies—additional funds budgeted for computer equipment/supplies
- FY15/16 & 16/17 Capital—the only capital budgeted was Council Chamber upgrades / TV Equipment which spanned both fiscal years

INFORMATION SERVICES DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2017/18 Estimate	2018/19 Estimate
Personnel Services	150,925	161,521	\$ 172,100	\$ 168,600	\$ 177,030	\$ 185,882
Supplies	18,054	29,997	32,000	42,500	\$ 44,625	\$ 46,856
Services & Charges	331,579	329,695	372,600	413,800	\$ 434,490	\$ 456,215
Capital Outlay	58,824	76,381	50,000	20,000	\$ 21,000	\$ 22,050
Total Information Serv	\$ 559,382	597,594	\$ 626,700	\$ 644,900	\$ 677,145	\$ 711,002





INFORMATION SERVICES

	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
SALARIES & WAGES				
101-5-1408-00-5001 Full Time Employees	121,950	130,459	138,000	133,500
Total Salaries & Wages	<u>121,950</u>	<u>130,459</u>	<u>138,000</u>	<u>133,500</u>
PERSONNEL BENEFITS				
101-5-1408-00-5501 FICA	8,772	9,351	10,500	10,200
101-5-1408-00-5504 Retirement	13,574	14,680	15,600	15,100
101-5-1408-00-5700 Health/Life Insurance	5,806	6,253	7,100	7,100
101-5-1408-00-5701 Disability Insurance	284	153	200	200
101-5-1408-00-5800 Workers Compensation	539	625	700	800
101-5-1408-00-5990 Miscellaneous	-	-	-	1,700
Total Personnel Benefits	<u>28,975</u>	<u>31,062</u>	<u>34,100</u>	<u>35,100</u>
SUPPLIES				
101-5-x408-0x-6013 Computer Equipment/Supplies	18,054	29,997	32,000	42,500
Total Supplies	<u>18,054</u>	<u>29,997</u>	<u>32,000</u>	<u>42,500</u>
OTHER SERVICES & CHARGES				
101-5-1408-00-7005 Software Licensing	27,112	29,866	21,500	31,000
101-5-x408-0x-7306 Telephone Charges	91,740	79,482	131,800	146,700
101-5-x408-0x-7403 Computer Equipment R&M	209,211	216,547	214,300	229,100
101-5-1408-00-7900 Other Professional Services	3,516	3,800	5,000	7,000
Total Other Svcs & Charges	<u>331,579</u>	<u>329,695</u>	<u>372,600</u>	<u>413,800</u>
CAPITAL OUTLAY				
101-5-1408-00-8004 Machinery & Equipment	-	25,091	50,000	20,000
101-5-2408-01-8004 Machinery & Equipment	58,824	51,290	-	-
Total Capital Outlay	<u>58,824</u>	<u>76,381</u>	<u>50,000</u>	<u>20,000</u>
TOTAL INFORMATION SERVICES	<u><u>559,382</u></u>	<u><u>597,594</u></u>	<u><u>626,700</u></u>	<u><u>644,900</u></u>

1408	304,760	343,240	417,700	427,900
2408	254,621	254,353	209,000	217,000
	559,381	597,593	626,700	644,900

HUMAN RESOURCES DIVISION

The Human Resources Division 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.

2015/2016 ACCOMPLISHMENTS

- ✓ Coordinated MOM unit with annual wellness fair
- ✓ Coordinated health screenings & annual vaccines with APEHP
- ✓ Attended Fall HIPAA training with Segal Company & APEHP regarding Health-care Reform compliance (Steve, Kelli, LaRon, Kat)
- ✓ Attended Fall seminar with Segal Company & ASRS regarding annual updates (Kat & Kelli)
- ✓ Attended Spring HIPAA training with Segal Company (Melanie & Margaret)
- ✓ Attended Spring training with Segal Company & APEHP regarding Healthcare Reform compliance (Kat, Kelli, Tammy, Melanie)
- ✓ Attended 2015 ASRS Employer Conference regarding new legislation updates (Kat & Kelli)
- ✓ Completed & implemented employee safety training module through Southwest Risk Services / Safe Personnel
- ✓ Reorganized current Safety Committee to replace vacated member positions and implement regulated meetings
- ✓ Implemented additional employee training
- ✓ Rolled out the time entry module in Incode (following Tyler Connect)
- ✓ Began utilization of Sharepoint to print timesheets, paystubs and/or W2s
- ✓ Reduced the number of 457 plans (in progress)
- ✓ Reduced health care costs
- ✓ Attended annual IPMA-HR Conference (Melanie)
- ✓ Attended Tyler Connect conference (Kat)
- ✓ Completed thorough review of AMRRP policy
- ✓ Assisted with the Gila County / Payson dispatcher merger

CONTACT INFORMATION

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

PHYSICAL LOCATION

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

2016/2017 GOALS

KRA 7: THE PAYSON TEAM

- ⇒ Coordinate MOM unit, health screenings & annual vaccines with APEHP annual wellness fair
- ⇒ Initiate a Wellness Committee / Program with a goal of two events per year
- ⇒ Complete & implement employee safety training module through Southwest Risk Services / Safe Personnel
- ⇒ Implement additional employee training (forklift & airport)
- ⇒ Revitalize the Safety Committee and implement regular meetings
- ⇒ Roll out the time entry module in Incode (Water Dept as tester)
- ⇒ Reduce number of 457 plans (in progress)
- ⇒ Reduce health care costs (revisit retirees move to ASRS, review other providers)
- ⇒ Conduct physical inventory of insured assets (property, vehicles, equipment)
- ⇒ Implement new Performance Evaluation Program
- ⇒ Attend Fall HIPAA compliance training with Segal Company
- ⇒ Attend Spring HIPAA compliance training with Segal Company
- ⇒ Attend Fall seminar with Segal Company, APEHP & ASRS for annual compliance updates
- ⇒ Attend Spring seminar with APEHP & Segal Company for annual Healthcare Reform compliance updates
- ⇒ Attend 2016 ASRS Employer Conference for new legislation updates
- ⇒ Attend 2016 PSPRS Employer Conference for new legislation updates
- ⇒ Attend annual IPMA–HR Conference
- ⇒ Attend annual AZ SHRM State Conference
- ⇒ Attend Fred Pryor training
- ⇒ Attend FLSA compliance training as it relates to Fire Department
- ⇒ Complete Certified Payroll Professional training and certification



HUMAN RESOURCES DIVISION BUDGET CHANGES—3 YEARS

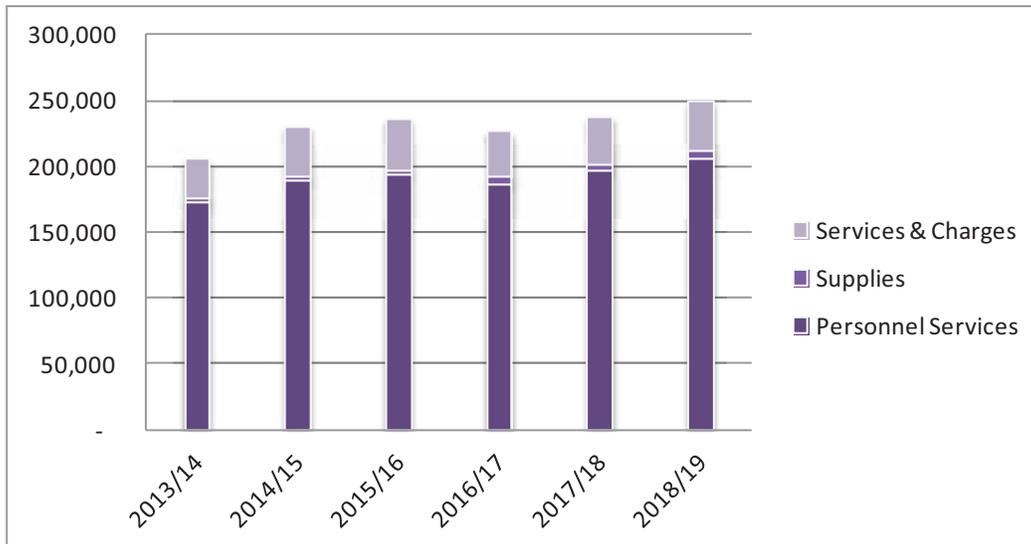
Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Salaries & Wages	144,231	146,100	1.3%	141,400	-3.2%
Personnel Benefits	44,621	47,400	6.2%	45,500	-4.0%
Supplies	2,944	3,500	18.9%	5,000	42.9%
Other Services & Charges	38,932	39,400	1.2%	34,600	-12.2%
Total Human Resources	230,728	236,400	2.5%	226,500	-1.8%

Significant Budget Changes:

- FY15/16 Supplies—reflects increase in the cost of service awards
- FY16/17 Supplies—new HR Manager requested budget for memberships / dues / subscriptions
- FY16/17 Other Services—new HR Manager requested increase in registration budget & \$5,000 previously budgeted for legal services was not included in proposed budget due to a legal services IGA

HUMAN RESOURCES DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2017/18 Estimate	2018/19 Estimate
Personnel Services	173,479	188,852	\$ 193,500	\$ 186,900	\$ 196,245	\$ 206,057
Supplies	2,866	2,944	3,500	5,000	5,250	5,513
Services & Charges	29,104	38,932	39,400	34,600	36,330	38,147
Total Human Resource	\$ 205,449	\$ 230,728	\$ 236,400	\$ 226,500	\$ 237,825	\$ 249,716





HUMAN RESOURCES

	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
SALARIES & WAGES				
101-5-1406-00-5001 Full Time Employees	132,634	144,231	146,100	141,400
Total Salaries & Wages	132,634	144,231	146,100	141,400
PERSONNEL BENEFITS				
101-5-1406-00-5501 FICA	9,213	9,962	11,100	10,900
101-5-1406-00-5504 Retirement	14,994	16,552	16,500	16,100
101-5-1406-00-5700 Health/Life Insurance	15,731	17,230	18,900	17,500
101-5-1406-00-5701 Disability Insurance	314	173	200	200
101-5-1406-00-5800 Workers Compensation	593	704	700	800
Total Personnel Benefits	40,845	44,621	47,400	45,500
SUPPLIES				
101-5-1406-00-6001 Office Supplies	1,262	1,499	1,500	2,000
101-5-1406-00-6005 Operating Supplies	1,604	1,394	2,000	2,200
101-5-1406-00-6300 Gasoline/Fuels/Lubricant	-	51	-	-
101-5-1406-00-6700 Memberships/Dues/Subsc	-	-	-	800
Total Supplies	2,866	2,944	3,500	5,000
OTHER SERVICES & CHARGES				
101-5-1406-00-7100 Legal Services	-	-	5,000	-
101-5-1406-00-7306 Telephone Charges	713	705	800	500
101-5-1406-00-7600 Travel Expenses	406	719	800	900
101-5-1406-00-7601 Registration	-	298	300	3,200
101-5-1406-00-7900 Other Professional Services	24,428	30,444	27,500	25,000
101-5-1406-00-7907 Advertising	3,557	6,766	5,000	5,000
Total Other Svcs & Charges	29,104	38,932	39,400	34,600
TOTAL HUMAN RESOURCES	205,449	230,728	236,400	226,500

TOWN CLERK

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

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

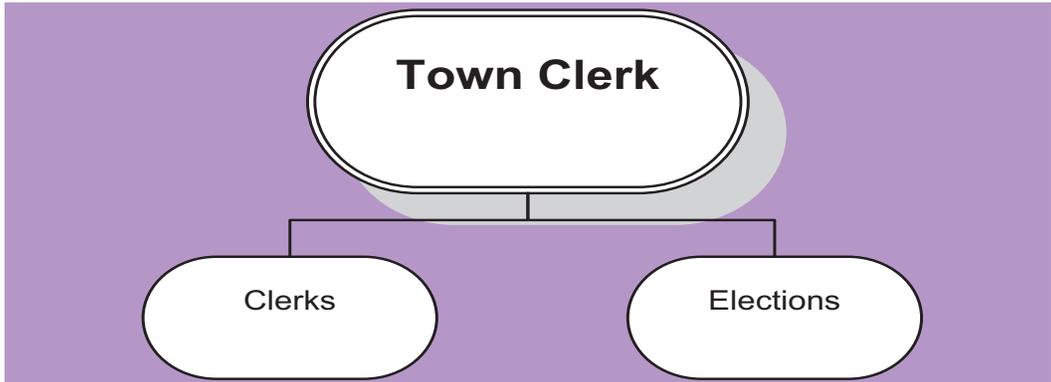
Silvia Smith
ssmith@paysonaz.gov





2016 ANNUAL BUDGET

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



DEPARTMENT EXPENDITURE SUMMARY

Operating Division	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed
Town Clerk	193,387	209,957	218,600	212,600
Elections	1,043	37,109	40,000	41,000
Total Department	194,430	247,066	258,600	253,600

POSITION SUMMARY

	2015/16	2016/17
Town Clerk	1.0	1.0
Deputy Town Clerk	1.0	1.0
Total Filled Positions	2.0	2.0

TOWN CLERK'S DEPARTMENT



2016 ANNUAL BUDGET

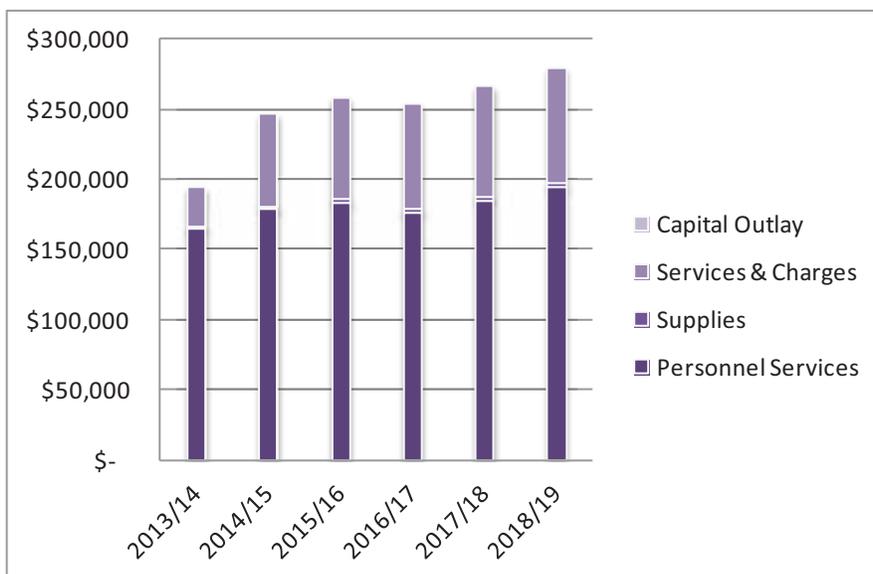
CLERK'S DEPARTMENT BUDGET CHANGES—3 YEARS

Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Salaries & Wages	143,755	147,100	2.3%	138,100	-6.1%
Personnel Benefits	35,102	36,900	5.1%	38,400	4.1%
Supplies	1,699	1,700	0.1%	2,300	35.3%
Other Services & Charges	66,510	72,900	9.6%	74,800	2.6%
Total Town Clerk Dept.	247,066	258,600	4.7%	253,600	-1.9%

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

CLERK'S DEPARTMENT BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2017/18 Estimate	2018/19 Estimate
Personnel Services	\$ 164,564	\$ 178,857	\$ 184,000	\$ 176,500	\$ 185,325	\$ 194,591
Supplies	1,252	1,699	1,700	2,300	\$ 2,415	\$ 2,536
Services & Charges	28,615	66,510	72,900	74,800	\$ 78,540	\$ 82,467
Capital Outlay	-	-	-	-	\$ -	\$ -
Total Clerk Dept	194,431	247,066	\$ 258,600	\$ 253,600	\$ 266,280	\$ 279,594



TOWN CLERK'S DEPARTMENT

TOWN CLERK DIVISION

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

2015/2016 ACCOMPLISHMENTS

- ✓ Produced 21 TOP Talk programs 29 guests and information presented by 59 employees
- ✓ Hired a second part-time receptionist / general clerk which allowed the Town to save the cost of benefits and still maintain full coverage of the reception area
- ✓ Worked with the Town Attorney in the administrative clean-up of the Town Code
- ✓ Chief Deputy Town Clerk attended AMCA Annual Business Meeting and Conference in July 2015

2016/2017 GOALS



KRA 4: INNOVATION & EFFICIENCY

- ⇒ Produce 23 TOP Talk programs increasing guests to 60 plus 30 employees presenting information

KRA 7: THE PAYSON TEAM

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



CONTACT INFORMATION

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

PHYSICAL LOCATION

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

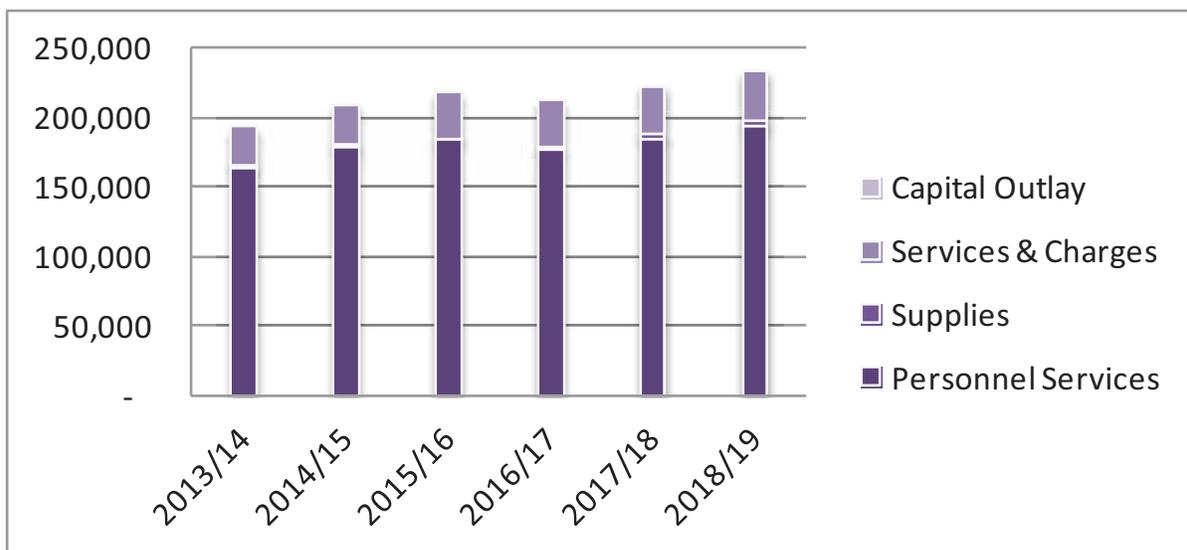
CLERK DIVISION BUDGET CHANGES—3 YEARS

Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Salaries & Wages	143,755	147,100	2.3%	138,100	-6.1%
Personnel Benefits	35,102	36,900	5.1%	38,400	4.1%
Supplies	1,699	1,700	0.1%	2,300	35.3%
Other Services & Charges	29,401	32,900	11.9%	33,800	2.7%
Total Town Clerk Division	209,957	218,600	4.1%	212,600	-2.7%

- Salaries & Wages for FY14/15 & 15/16 included a PTO buy back program that caused wages to be higher than normal
- Supplies in FY16/17 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

CLERK DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2017/18 Estimate	2018/19 Estimate
Personnel Services	164,564	178,857	\$ 184,000	\$ 176,500	\$ 185,325	\$ 194,591
Supplies	1,218	1,699	1,700	2,300	2,415	2,536
Services & Charges	27,605	29,401	32,900	33,800	35,490	37,265
Capital Outlay	-	-	-	-	-	-
Total Clerks	\$ 193,387	\$ 209,957	\$ 218,600	\$ 212,600	\$ 223,230	\$ 234,392





TOWN CLERK

	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
SALARIES & WAGES				
101-5-1402-00-5001 Full Time Employees	132,285	143,755	147,100	138,100
Total Salaries & Wages	<u>132,285</u>	<u>143,755</u>	<u>147,100</u>	<u>138,100</u>
PERSONNEL BENEFITS				
101-5-1402-00-5501 FICA	9,695	10,550	11,200	10,600
101-5-1402-00-5504 Retirement	14,955	16,498	16,700	15,700
101-5-1402-00-5700 Health/Life Insurance	6,717	7,179	8,100	9,000
101-5-1402-00-5701 Disability Insurance	313	173	200	200
101-5-1402-00-5800 Workers Comp Insurance	599	703	700	800
101-5-1402-00-5990 Miscellaneous	-	-	-	2,100
Total Personnel Benefits	<u>32,279</u>	<u>35,103</u>	<u>36,900</u>	<u>38,400</u>
SUPPLIES				
101-5-1402-00-6001 Office Supplies	778	1,118	1,000	1,400
101-5-1402-00-6006 Uniforms / Clothing	-	-	-	200
101-5-1402-00-6700 Dues & Memberships	440	581	700	700
Total Supplies	<u>1,218</u>	<u>1,699</u>	<u>1,700</u>	<u>2,300</u>
OTHER SERVICES & CHARGES				
101-5-1402-00-7003 Computer Services	12,069	14,404	14,700	14,700
101-5-1402-00-7306 Telephone	698	582	700	700
101-5-1402-00-7600 Travel	1,582	221	2,500	3,200
101-5-1402-00-7601 Registrations	300	265	2,000	2,200
101-5-1402-00-7900 Other Professional Services	4,846	8,158	8,000	8,000
101-5-1402-00-7907 Advertising	8,111	5,771	5,000	5,000
Total Other Svcs & Charges	<u>27,606</u>	<u>29,401</u>	<u>32,900</u>	<u>33,800</u>
TOTAL TOWN CLERK	<u><u>193,388</u></u>	<u><u>209,958</u></u>	<u><u>218,600</u></u>	<u><u>212,600</u></u>

ELECTION DIVISION

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

2015/2016 ACCOMPLISHMENTS

- ✓ Chief Deputy Town Clerk attended 2015 Election Workshop in July 2015

2015/2016 GOALS

KRA 7: THE PAYSON TEAM

- ⇒ Town Clerk and Chief Deputy Town Clerk to attend the July 2016 Election Workshop
- ⇒ Conduct the Primary Election in August 2016 & General Election in November 2016 within budget—Hoping to complete the election process during the Primary Election saving budget monies by not needing to conduct a General Election in November 2016
- ⇒ Coordinate with Gila County Recorder’s Office and Gila County Elections Department in Globe to ensure smooth collecting and processing of the ballots



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

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

ELECTION DIVISION BUDGET CHANGES—3 YEARS

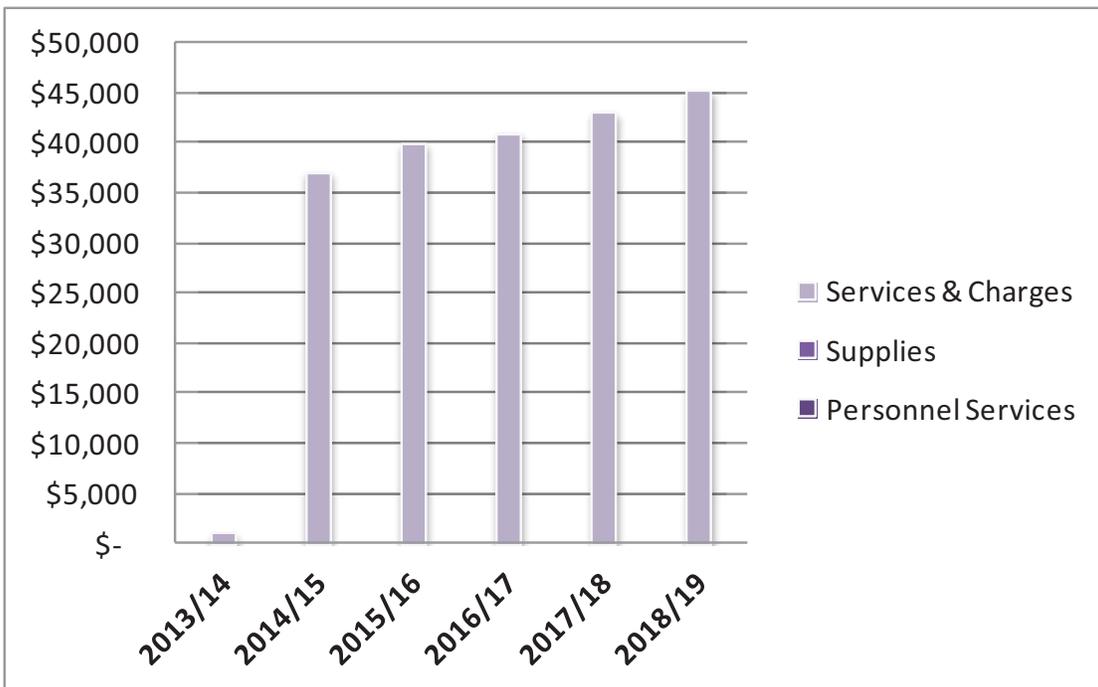
Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Salaries & Wages	-	-	0.0%	-	0.0%
Personnel Benefits	-	-	0.0%	-	0.0%
Supplies	-	-	0.0%	-	0.0%
Other Services & Charges	37,109	40,000	7.8%	41,000	2.5%
Total Elections	37,109	40,000	100.0%	41,000	2.5%

Significant Budget Changes:

- Changes in the budget are due to the implementation of consolidated elections

ELECTION DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2017/18 Estimate	2018/19 Estimate
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	34	-	-	-	-	-
Services & Charges	1,009	37,109	40,000	41,000	43,050	45,203
Total Election	\$ 1,043	\$ 37,109	\$ 40,000	\$ 41,000	\$ 43,050	\$ 45,203



**ELECTIONS**

	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
SALARIES & WAGES				
101-5-1403-00-5003 Temporary Employees	-	-	-	-
Total Salaries & Wages	-	-	-	-
SUPPLIES				
101-5-1403-00-6603 Elections	34	-	-	-
Total Supplies	34	-	-	-
OTHER SERVICES & CHARGES				
101-5-1403-00-7900 Other Professional Services	420	37,065	40,000	40,000
101-5-1403-00-7907 Advertising	589	44	-	1,000
Total Other Svcs & Charges	1,009	37,109	40,000	41,000
TOTAL ELECTIONS	1,043	37,109	40,000	41,000

LEGAL DEPARTMENT— TOWN ATTORNEY'S OFFICE

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

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

Hector Figueroa—Town Attorney
hfigueroa@paysonaz.gov





2016 ANNUAL BUDGET

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

Legal (Town Attorney)

DEPARTMENT EXPENDITURE SUMMARY

Operating Division	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed
Town Attorney	329,747	352,201	378,300	425,700
Total Expenditures	329,747	352,201	378,300	425,700

POSITION SUMMARY

	2015/16	2016/17
Town Attorney	1.0	1.0
Prosecutor	1.0	1.0
Office Clerk **	1.5	1.5
Office Manager *	0.5	1.0
Total Positions	4.0	4.5

* Office Manager position filled with P/T employee in FY15/16 and F/T employee in FY16/17

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

LEGAL DEPARTMENT

TOWN ATTORNEY

2015/2016 ACCOMPLISHMENTS

- ✓ Prepared record number of Ordinances and Resolutions
- ✓ Assisted Southwest Risk Services defending the Town in litigation and pre-litigation matters
- ✓ Assisted Department Heads and HR with employee discipline matters
- ✓ Drafted and/or reviewed numerous contracts for Town Departments and/or Council approval
- ✓ Provided legal advice to P&Z Commission and Mayor & Council
- ✓ Negotiated IGA with Houston–Mesa FD and Town of Star Valley & RCEA SLE
- ✓ Initiated new criminal case files, including victim cases, driving under the influence cases, and domestic violence cases
- ✓ Represented the State at various pre-trial Conferences, Review Hearings, Sentencing Hearings, and/or Bench Trials
- ✓ Trained a part-time victim advocate who was provided at no cost to the Town through an Arizona Attorney General's Office grant
- ✓ Replaced our Office Manager when previous Office Manager retired

2016/2017 GOALS

KRA 4—INNOVATION & EFFICIENCY

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

KRA 7—THE PAYSON TEAM

- ⇒ Continue to improve communications, interaction, and responsiveness to victims, especially through the Victim Advocate
- ⇒ Assist Southwest Risk appointed legal counsel to prepare for and defend the Town in various legal actions filed against the Town
- ⇒ Continue to prevent the Town from incurring civil liability by being proactive
- ⇒ Provide on call legal services to the RCEA–SLE and Town of Star Valley
- ⇒ Continue to work on staff training and development
- ⇒ Provide oversight of dispatch IGAs with Gila County & Tonto Apache Tribe
- ⇒ Negotiate / draft various agreements and contracts as directed by Council



CONTACT INFORMATION

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

PHYSICAL LOCATION

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

TOWN ATTORNEY BUDGET CHANGES—3 YEARS

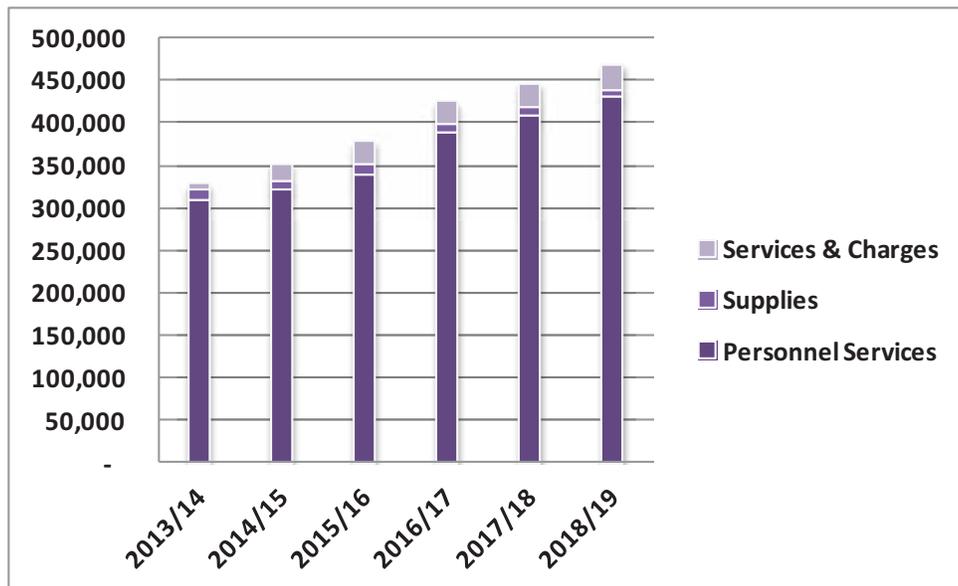
Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Salaries & Wages	263,257	272,200	3.4%	306,000	12.4%
Personnel Benefits	59,370	68,200	14.9%	84,400	23.8%
Supplies	10,205	10,400	1.9%	8,600	-17.3%
Other Services & Charges	19,369	27,500	42.0%	26,700	-2.9%
Total Town Attorney	352,201	378,300	7.4%	425,700	12.5%

Significant Budget Changes:

- FY15/16 & 16/17 Salaries & Benefits—reflects wage adjustments and changes in insurance plan selections
- FY15/16 Other Services—increased for anticipated building repair / maintenance projects
- FY16/17 Supplies—decrease in budget for books / periodicals

TOWN ATTORNEY BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2017/18 Estimate	2018/19 Estimate
Personnel Services	309,785	322,627	340,400	390,400	\$ 409,920	\$ 430,416
Supplies	11,320	10,205	10,400	8,600	9,030	9,482
Services & Charges	8,642	19,369	27,500	26,700	28,035	29,437
Total	\$ 329,747	352,201	\$ 378,300	\$ 425,700	\$ 446,985	\$ 469,334





ATTORNEY		2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
SALARIES & WAGES					
101-5-1418-00-5001	Full Time Employees	215,906	220,242	225,400	290,400
101-5-1418-00-5002	Part Time Employees	29,143	43,015	46,800	15,600
	Total Salaries & Wages	245,049	263,257	272,200	306,000
PERSONNEL BENEFITS					
101-5-1418-00-5501	FICA	17,501	19,429	20,800	23,400
101-5-1418-00-5504	Retirement	26,460	26,169	30,000	34,400
101-5-1418-00-5700	Health/Life Insurance	19,265	12,471	15,800	24,600
101-5-1418-00-5701	Disability Insurance	511	232	300	400
101-5-1418-00-5800	Workers Compensation	999	1,069	1,300	1,600
	Total Personnel Benefits	64,736	59,370	68,200	84,400
SUPPLIES					
101-5-1418-00-6001	Office Supplies	4,925	4,614	2,600	2,600
101-5-1418-00-6010	Books & Periodicals	3,520	3,712	5,700	4,000
101-5-1418-00-6013	Computer Equipment/Supplies	783	-	-	-
101-5-1418-00-6201	Building Repair Materials	366	409	500	500
101-5-1418-00-6700	Memberships/Dues/Subscript	1,425	1,280	1,400	1,300
101-5-1418-00-6990	Other Supplies	301	189	200	200
	Total Supplies	11,320	10,204	10,400	8,600
OTHER SERVICES & CHARGES					
101-5-1418-00-7100	Legal Services	-	9,170	5,000	3,000
101-5-1418-00-7103	Prosecution Services	-	1,500	1,500	1,000
101-5-1418-00-7300	Electricity Charges	1,601	1,458	2,200	2,200
101-5-1418-00-7301	Propane Gas Charges	968	1,121	1,200	1,200
101-5-1418-00-7306	Telephone	581	586	600	1,000
101-5-1418-00-7307	Postage / Freight	6	41	100	100
101-5-1418-00-7401	Building Repair & Maintenance	437	840	10,000	10,000
101-5-1418-00-7402	Office Equipment R&M	466	715	800	800
101-5-1418-00-7600	Travel	2,681	1,928	3,500	4,000
101-5-1418-00-7601	Registrations	1,643	738	1,400	2,000
101-5-1418-00-7900	Other Professional Services	259	1,272	1,200	1,400
	Total Other Services & Charges	8,642	19,369	27,500	26,700
TOTAL TOWN ATTORNEY		329,747	352,200	378,300	425,700

FINANCIAL SERVICES

We endeavor to provide the best possible assistance to the people and employees of the Town of Payson by ensuring proper and timely accounting for both the financial and accounting activities of the Town.

Payson Town Complex
303 N. Beeline Highway
Payson, AZ 85541
928-472-5008

Hope Cribb—Finance Manager
hcribb@paysonaz.gov





2016 ANNUAL BUDGET

Financial Services Department maintains the financial integrity of the Town through effective fiscal oversight. This is accomplished by providing effective accounting policies, procedures, systems, and controls. Finance provides accurate and useful financial information to management, outside agencies and citizens and produces financial audits of the Town departments, agencies, and funds.



DEPARTMENT EXPENDITURE SUMMARY

Operating Division	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed
Financial Services	304,405	320,398	408,500	369,900
Total Financial Serv Dept	304,405	320,398	408,500	369,900

POSITION SUMMARY

	2015/16	2016/17
CFO *	1.0	1.0
Finance Manager	1.0	1.0
Accountant II	1.0	1.0
Budget Analyst I	1.0	1.0
Senior Finance Clerk **	1.0	1.0
Grants Coordinator ***	0.5	0.5
Total Filled Positions	5.5	5.5

* Position frozen pending economic recovery

** Position vacant—budgeted to fill January 2017

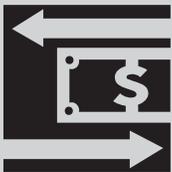
*** Position filled with P/T employee pending economic recovery

FINANCE DIVISION

2015/2016 ACCOMPLISHMENTS

- ✓ Completed the 2014/2015 Audit
- ✓ Continued to receive professional awards and recognition:
 - * GFOA Certificate of Achievement for Excellence in Financial Reporting (18th consecutive year)
 - * GFOA Distinguished Budget Presentation Award (18th consecutive year)
 - * GFOA Certificate for the Popular Annual Financial Report (10th year)

2016/2017 GOALS



KRA 2: FINANCIAL EXCELLENCE

- ⇒ Ensure excellent fiscal management to maintain public trust
- ⇒ Continue to enhance utilization of financial system and develop applications to facilitate transparency
- ⇒ Monitor impact of economic conditions on current financial position of Town
- ⇒ Continue to receive professional awards and recognition



KRA 7: THE PAYSON TEAM

- ⇒ Continue to strengthen internal controls by updating policies and providing training to employees

CONTACT INFORMATION

Hope Cribb
Finance Manager
(928) 472-5005
hcribb@paysonaz.gov

PHYSICAL LOCATION

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

FINANCE BUDGET CHANGES—3 YEARS

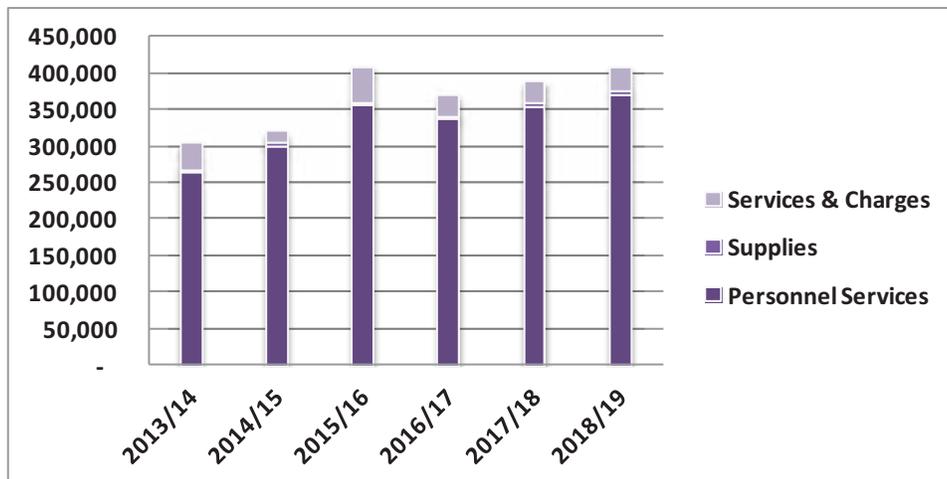
Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Salaries & Wages	241,235	284,500	17.9%	263,500	-7.4%
Personnel Benefits	59,439	70,800	19.1%	72,700	2.7%
Supplies	2,904	4,500	55.0%	5,100	13.3%
Other Services & Charges	16,821	48,700	189.5%	28,600	-41.3%
Total Finance Services	320,399	408,500	27.5%	369,900	-9.4%

Significant Budget Changes:

- FY15/16 Salaries/Wages & Personnel Benefits—higher due to a PTO buy back program and anticipated hiring of a CFO
- FY15/16 Supplies—increased for additional office supplies
- FY15/16 Services—Accounting Services increased due to the need for an actuarial study and additional Incode financial software training
- FY16/17 Supplies—reflects increase in budget for memberships/dues/subscriptions
- FY16/17 Services—reduced since an actuarial study was not needed this fiscal year and the budget for the financial software training that wasn't completed in FY15/16 was moved forward to this fiscal year

FINANCE BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2017/18 Estimate	2018/19 Estimate
Personnel Services	265,282	300,673	\$ 355,300	\$ 336,200	\$ 353,010	\$ 370,661
Supplies	2,713	2,904	4,500	5,100	\$ 5,355	\$ 5,623
Services & Charges	36,410	16,821	48,700	28,600	\$ 30,030	\$ 31,532
Total Financial Serv	304,405	320,398	\$ 408,500	\$ 369,900	\$ 388,395	\$ 407,815





FINANCIAL SERVICES

	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
SALARIES & WAGES				
101-5-1407-00-5001 Full Time Employees	172,899	197,703	242,500	212,200
101-5-1407-00-5002 Part Time Employees	39,684	43,532	42,000	51,300
Total Salaries & Wages	212,583	241,235	284,500	263,500
PERSONNEL BENEFITS				
101-5-1407-00-5501 FICA	14,774	16,853	21,000	20,200
101-5-1407-00-5504 Retirement	24,033	27,685	31,200	29,900
101-5-1407-00-5700 Health/Life Insurance	12,437	13,432	16,900	20,100
101-5-1407-00-5701 Disability Insurance	502	289	300	400
101-5-1407-00-5800 Workers Comp Insurance	953	1,180	1,400	1,500
101-5-1407-00-5990 Miscellaneous	-	-	-	600
Total Personnel Benefits	52,699	59,439	70,800	72,700
SUPPLIES				
101-5-1407-00-6001 Office Supplies	1,568	1,628	3,000	3,000
101-5-1407-00-6010 Books & Periodicals	48	-	200	300
101-5-1407-00-6011 Small Tools/Minor Equipment	-	36	100	100
101-5-1407-00-6700 Membership/Dues/Subscript	60	250	200	700
101-5-1407-00-6990 Other Expenses	1,037	990	1,000	1,000
Total Supplies	2,713	2,904	4,500	5,100
OTHER SERVICES & CHARGES				
101-5-1407-00-7002 Accounting/Auditing Services	35,252	15,600	36,000	16,400
101-5-1407-00-7306 Telephone	742	717	800	800
101-5-1407-00-7402 Office Equipment R&M	-	-	400	400
101-5-1407-00-7600 Travel	316	354	500	5,000
101-5-1407-00-7601 Registrations	100	-	500	6,000
101-5-1407-00-7900 Other Professional Services	-	150	10,500	-
Total Other Svcs & Charges	36,410	16,821	48,700	28,600
TOTAL FINANCE	304,405	320,399	408,500	369,900

CENTRAL SERVICES

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

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

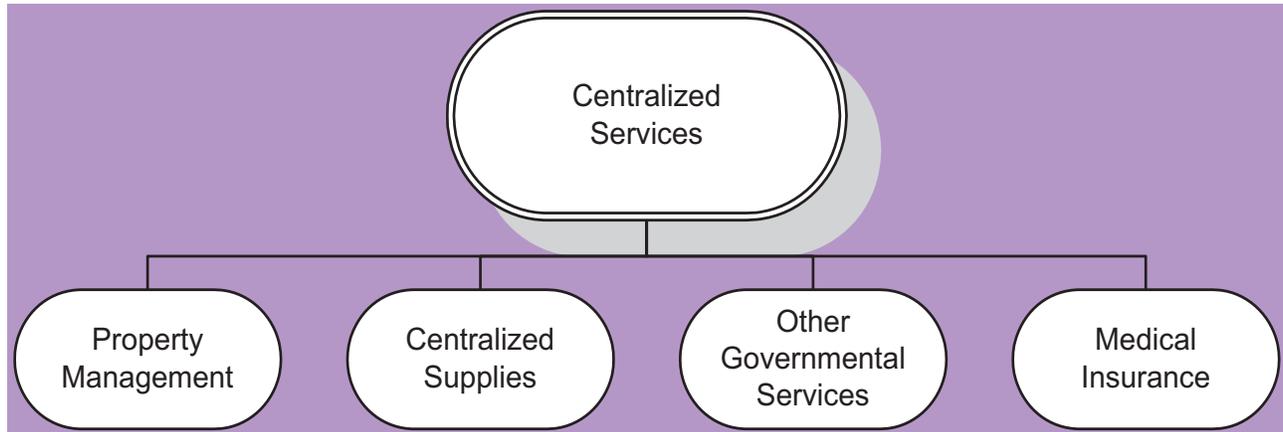
Hope Cribb—Finance Manager
hcribb@paysonaz.gov





2016 ANNUAL BUDGET

Central Services is operationally organized into four divisions:



DEPARTMENT EXPENDITURE SUMMARY

Operating Division	2012/13 Actual	2013/14 Actual	2014/15 Proposed	2015/16 Proposed
Property Management	124,463	109,576	120,600	124,400
Centralized Supplies	54,386	107,406	110,300	108,500
Other Governmental Services	442,078	461,950	484,000	575,100
Medical Insurance	2,628,469	2,183,094	2,402,300	2,711,800
Total Department	3,249,396	2,862,026	3,117,200	3,519,800

POSITION SUMMARY

	2014/15	2015/16
Office Clerk III	1.5	1.0
Total Positions	1.5	1.0

CENTRAL SERVICES DEPARTMENT



2016 ANNUAL BUDGET

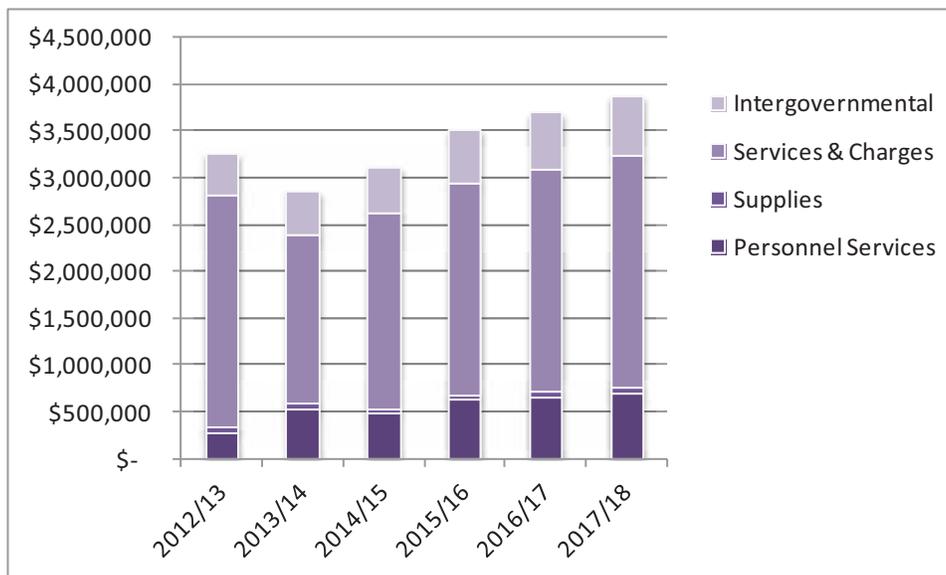
CENTRAL SERVICES DEPARTMENT BUDGET CHANGES—3 YEARS

Description	2013/14 Actual	2014/15 Budget	% Change	2015/16 Proposed	% Change
Salaries & Wages	31,461	40,100	100.0%	34,800	-13.2%
Personnel Benefits	489,025	436,600	-10.7%	589,300	35.0%
Supplies	62,087	54,300	-12.5%	59,000	8.7%
Other Services & Charges	1,817,503	2,102,200	15.7%	2,261,600	7.6%
Intergovernmental Services	461,950	484,000	4.8%	575,100	18.8%
Total Central Services	2,862,026	3,117,200	8.9%	3,519,800	12.9%

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

CENTRAL SERVICES DEPARTMENT BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2012/13 Actual	2013/14 Actual	2014/15 Budget	2015/16 Proposed	2016/17 Estimate	2017/18 Estimate
Personnel Services	\$ 279,304	\$ 520,486	\$ 476,700	\$ 624,100	\$ 655,305	\$ 688,070
Supplies	48,842	62,087	54,300	59,000	61,950	65,048
Services & Charges	2,479,172	1,817,503	2,102,200	2,261,600	2,374,680	2,493,414
Intergovernmental	442,078	461,950	484,000	575,100	603,855	634,048
Total Central Services	\$ 3,249,396	\$ 2,862,026	\$3,117,200	\$ 3,519,800	\$ 3,695,790	\$ 3,880,580



CENTRAL SERVICES DEPARTMENT

PROPERTY MANAGEMENT DIVISION

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

2015/2016 ACCOMPLISHMENTS

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

2016/2017 GOALS



KRA 3: INFRASTRUCTURE

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

PROPERTY MANAGEMENT DIVISION BUDGET CHANGES—3 YEARS

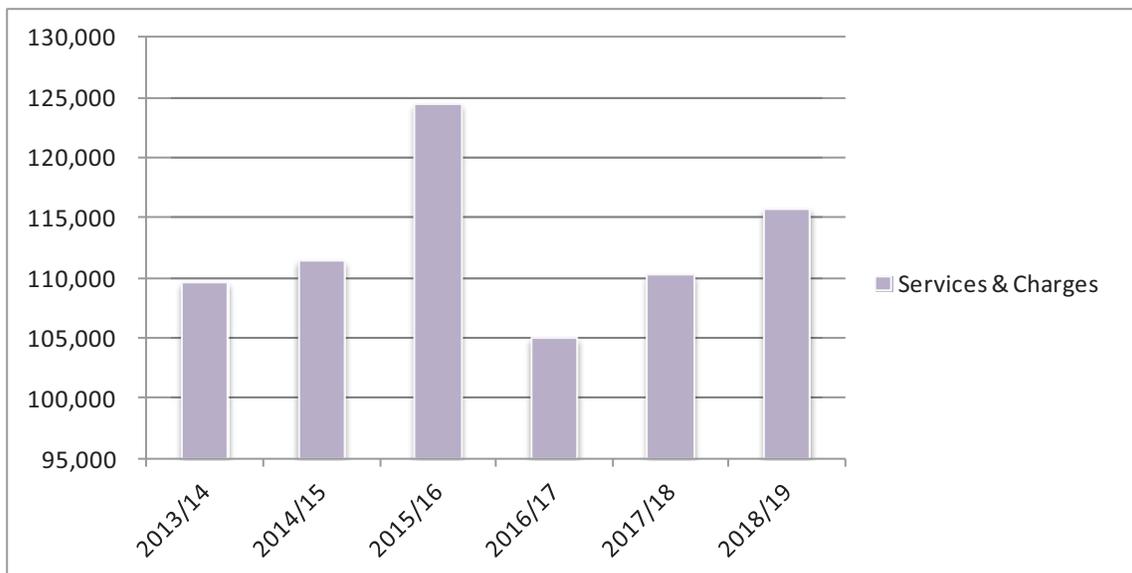
Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Other Services & Charges	111,422	124,400	11.6%	105,000	-15.6%
Total Property Management	111,422	124,400	11.6%	105,000	-15.6%

Significant Budget Changes:

- FY15/16 Services—reflects additional funds in R&M Building for some necessary repairs
- FY16/17 Services—R&M Building reduced as repairs were completed in previous fiscal year

PROPERTY MANAGEMENT DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2017/18 Estimate	2018/19 Estimate
Services & Charges	109,616	111,422	124,400	105,000	110,250	115,763
Total Property Mgmt	109,616	111,422	\$ 124,400	\$ 105,000	\$ 110,250	\$ 115,763





PROPERTY MANAGEMENT - TOWN HALL

	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
OTHER SERVICES & CHARGES				
101-5-1401-00-7900 Other Professional Services	130	8,089	9,000	9,000
101-5-1401-00-7300 Electricity	24,430	21,150	23,000	23,000
101-5-1401-00-7301 Propane Gas	2,177	3,311	3,000	3,000
101-5-1401-00-7302 Water	559	602	800	900
101-5-1401-00-7304 Sewer	468	468	500	500
101-5-1401-00-7305 Refuse Disposal	480	517	600	600
101-5-1401-00-7306 Telephone	36,798	35,069	40,000	36,000
101-5-1401-00-7401 Building R&M	12,440	14,584	20,000	10,000
101-5-1401-00-7402 Office Equipment R&M	-	-	500	500
101-5-1401-00-7404 Equipment R&M	18,982	15,546	11,000	6,500
101-5-1401-00-7502 Leased Equipment	13,152	12,086	16,000	15,000
Total Other Svcs & Charges	109,616	111,422	124,400	105,000
 TOTAL PROPERTY MGMT - TOWN HALL	 109,616	 111,422	 124,400	 105,000

CENTRAL SUPPLIES DIVISION

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

2015/2016 ACCOMPLISHMENTS

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

2016/2017 GOALS



KRA 4: INNOVATION & EFFICIENCY

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

CENTRAL SUPPLIES DIVISION BUDGET CHANGES—3 YEARS

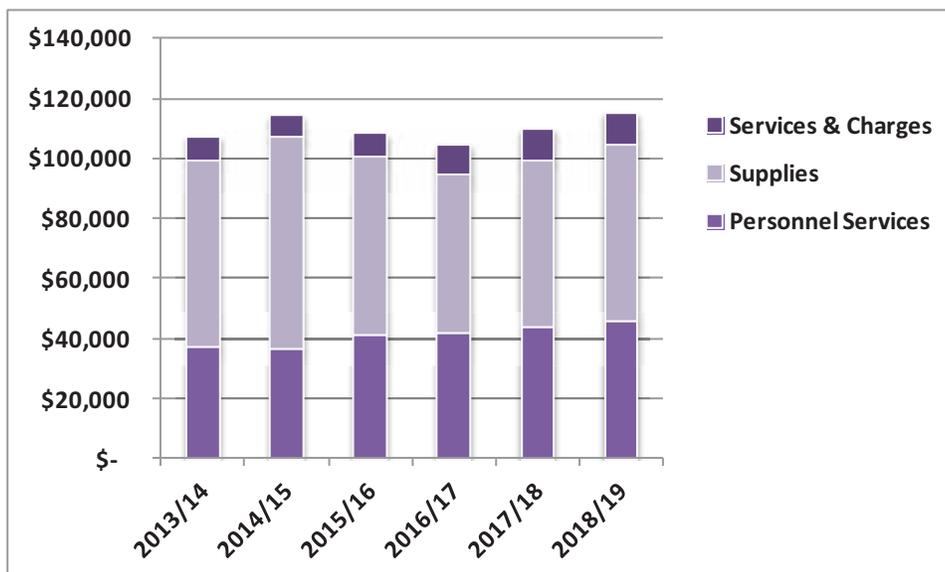
Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Salaries & Wages	30,899	34,800	12.6%	34,900	0.3%
Personnel Benefits	5,947	6,700	12.7%	6,800	1.5%
Supplies	70,369	59,000	-16.2%	53,100	-10.0%
Other Services & Charges	7,278	8,000	9.9%	10,000	25.0%
Total Centralized Supplies	114,493	108,500	-5.2%	104,800	-3.4%

Significant Budget Changes:

- Salaries & Wages and Personnel Benefits— fluctuation due to changes in staff
- FY14/15 Supplies—reduction in the budget for office supplies, banking fees, and various R&M supplies
- FY16/17 Supplies—reflects decrease in memberships/dues/subscriptions
- FY16/17 Services—anticipated increase in postage

CENTRAL SUPPLIES DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2017/18 Estimate	2018/19 Estimate
Personnel Services	\$ 37,466	\$ 36,846	\$ 41,500	\$ 41,700	\$ 43,785	\$ 45,974
Supplies	62,087	70,369	59,000	53,100	55,755	58,543
Services & Charges	7,853	7,278	8,000	10,000	10,500	11,025
Total Centralized Supply	\$ 107,406	\$ 114,493	\$ 108,500	\$ 104,800	\$ 110,040	\$ 115,542





CENTRAL SUPPLIES

	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
SALARIES & WAGES				
101-5-1401-00-5001 Full Time Employees	17,597	-	-	-
101-5-1401-00-5002 Part Time Employees	13,864	30,899	34,800	34,900
Total Salaries & Wages	31,461	30,899	34,800	34,900
PERSONNEL BENEFITS				
101-5-1401-00-5501 FICA	2,397	2,364	2,700	2,700
101-5-1401-00-5504 Retirement	3,533	3,546	3,900	4,000
101-5-1401-00-5700 Health/Life Insurance	-	-	-	-
101-5-1401-00-5701 Disability Insurance	75	37	100	100
Total Personnel Benefits	6,005	5,947	6,700	6,800
SUPPLIES				
101-5-1401-00-6001 Office Supplies	6,419	3,515	5,000	5,000
101-5-1401-00-6002 Coffee Supplies	558	590	600	600
101-5-1401-00-6003 Cleaning Supplies	1,584	1,286	1,200	1,200
101-5-1401-00-6005 Safety Supplies	189	221	200	300
101-5-1401-00-6011 Small Tools/Minor Equip	-	53	100	100
101-5-1401-00-6201 R & M Supplies Building	2,616	2,154	500	500
101-5-1401-00-6300 Gasoline/Fuels/Lubricant	-	-	100	100
101-5-1401-00-6302 R&M Supplies-Vehicle	1,584	300	500	500
101-5-1401-00-6700 Dues & Memberships	24,606	24,255	24,600	21,500
101-5-1401-00-6901 Taxes & Fees	381	7,343	200	300
101-5-1401-00-6903 Banking Fees	24,151	30,627	26,000	23,000
101-5-1401-00-6990 Other Expenses	(1)	25	-	-
Total Supplies	62,087	70,369	59,000	53,100
OTHER SERVICES & CHARGES				
101-5-1401-00-7307 Postage	7,853	7,278	8,000	10,000
Total Other Svcs & Charges	7,853	7,278	8,000	10,000
 TOTAL CENTRALIZED SUPPLIES	 107,406	 114,493	 108,500	 104,800

OTHER GOVERNMENTAL SERVICES DIVISION

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

OTHER GOVERNMENTAL SERVICES DIVISION BUDGET CHANGES—3 YEARS

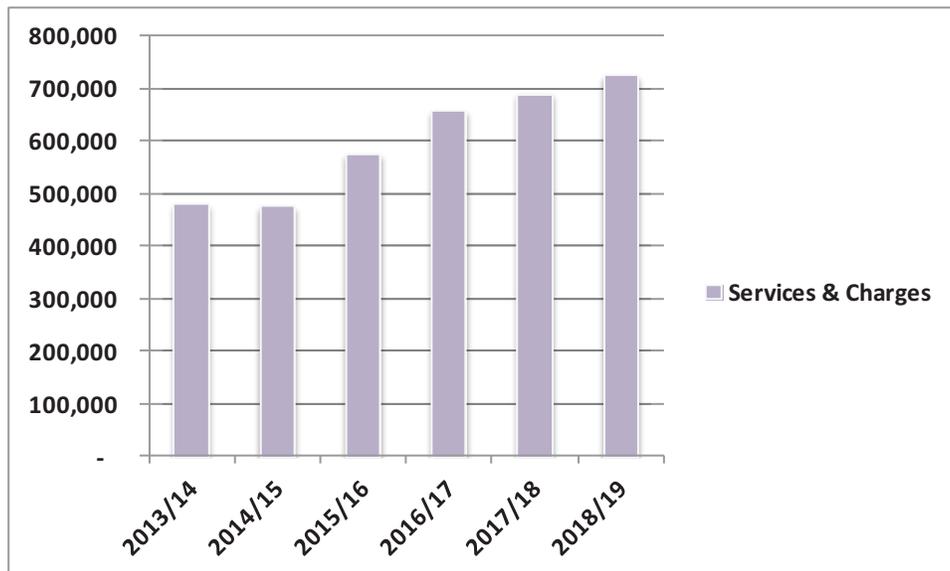
Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Intergovernmental Services	475,453	575,100	21.0%	657,300	14.3%
Total Other Gov't'l Services	475,453	575,100	21.0%	657,300	14.3%

Significant Budget Changes:

- \$20,000 is always included in the budget for Settlements but it is rarely actually used
- Starting in FY15/16, the AZ Department of Revenue is charging a fee for sales tax collections

OTHER GOVERNMENTAL SERVICES DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2017/18 Estimate	2018/19 Estimate
Services & Charges	479,250	475,453	575,100	657,300	657,300	657,300
Total Other Govt Serv	\$ 479,250	\$ 475,453	\$ 575,100	\$ 657,300	\$ 657,300	\$ 657,300



**OTHER GOVERNMENTAL SERVICES**

	<u>2013/14 ACTUAL</u>	<u>2014/15 ACTUAL</u>	<u>2015/16 BUDGET</u>	<u>2016/17 PROPOSED</u>
SERVICES & CHARGES(Intergovernmental)				
101-5-1401-00-7903 Property /Liability Insurance	333,721	335,149	335,500	365,000
101-5-1401-00-7904 Insurance Deductibles	11,829	6,604	5,000	7,000
101-5-1401-00-7104 Settlements	-	-	20,000	20,000
101-5-1401-00-7915 Overhead	-	-	47,600	47,600
101-5-1401-00-7990 Contributions to Other Agencies	-	-	33,300	34,000
101-5-7401-03-7990 Contribution to Senior Center	80,400	80,400	80,400	80,400
101-5-7401-03-7990 Contribution to Chamber of Commerce	36,000	36,000	36,000	36,000
101-5-9997-00-9661 Loan Repay - Water	17,300	17,300	17,300	67,300
Total Services & Charges	479,250	475,453	575,100	657,300
 TOTAL OTHER GOVT'L SERVICES	 <u>479,250</u>	 <u>475,453</u>	 <u>575,100</u>	 <u>657,300</u>

MEDICAL INSURANCE DIVISION

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

MEDICAL INSURANCE DIVISION BUDGET CHANGES—3 YEARS

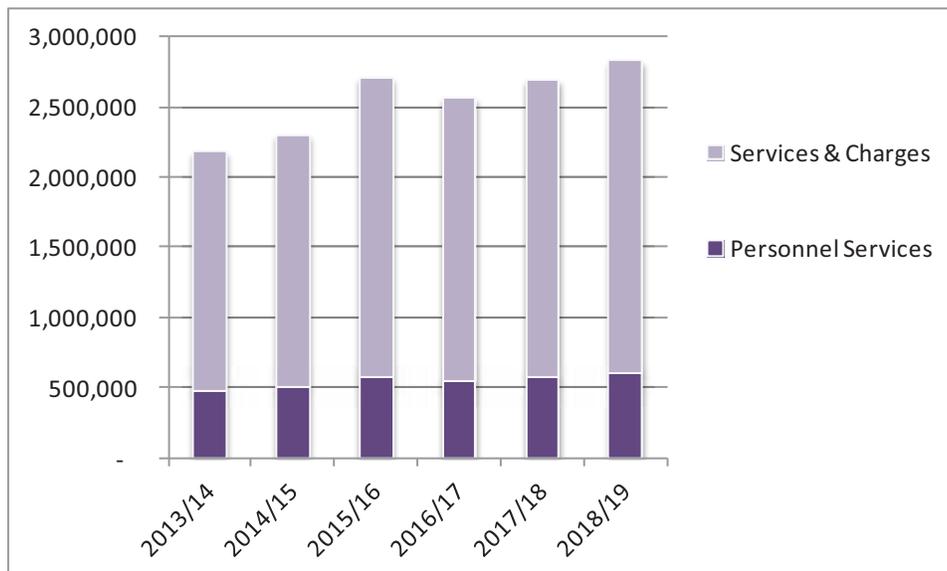
Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Personnel Benefits	500,152	582,600	16.5%	543,300	-6.7%
Other Services & Charges	1,801,964	2,129,200	18.2%	2,024,000	-4.9%
Total Medical Insurance	2,302,116	2,711,800	17.8%	2,567,300	-5.3%

Significant Budget Changes:

- FY15/16—reflects increases in health insurance costs and workers compensation rates
- FY16/17—a change in the health insurance offerings caused a decrease in premiums

MEDICAL INSURANCE DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2017/18 Estimate	2018/19 Estimate
Personnel Services	483,020	500,152	\$ 582,600	\$ 543,300	\$ 570,465	\$ 598,988
Services & Charges	1,700,074	1,801,964	2,129,200	2,024,000	2,125,200	2,231,460
Total Medical Insurance	\$ 2,183,094	\$ 2,302,116	\$2,711,800	\$2,567,300	\$ 2,695,665	\$ 2,830,448



**MEDICAL INSURANCE BENEFIT**

	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
PERSONNEL BENEFITS				
101-5-1401-00-5700 Health/Life Insurance	465,383	491,539	568,400	533,800
101-5-1401-00-5800 Workers Comp Insurance	3,717	3,813	4,200	3,500
101-5-1401-00-5801 Unemployment Compensation	13,920	4,800	10,000	6,000
Total Personnel Benefits	<u>483,020</u>	<u>500,152</u>	<u>582,600</u>	<u>543,300</u>
OTHER SERVICES & CHARGES				
290-5-1401-01-7908 Insurance Premium	<u>1,700,074</u>	<u>1,801,964</u>	<u>2,129,200</u>	<u>2,024,000</u>
Total Other Svcs & Charges	<u>1,700,074</u>	<u>1,801,964</u>	<u>2,129,200</u>	<u>2,024,000</u>
TOTAL MEDICAL INSURANCE BENEFIT	<u><u>2,183,094</u></u>	<u><u>2,302,116</u></u>	<u><u>2,711,800</u></u>	<u><u>2,567,300</u></u>

MAGISTRATE COURT

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

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

Court statistics are available at www.azcourt.gov



MAGISTRATE COURT BUDGET CHANGES—3 YEARS

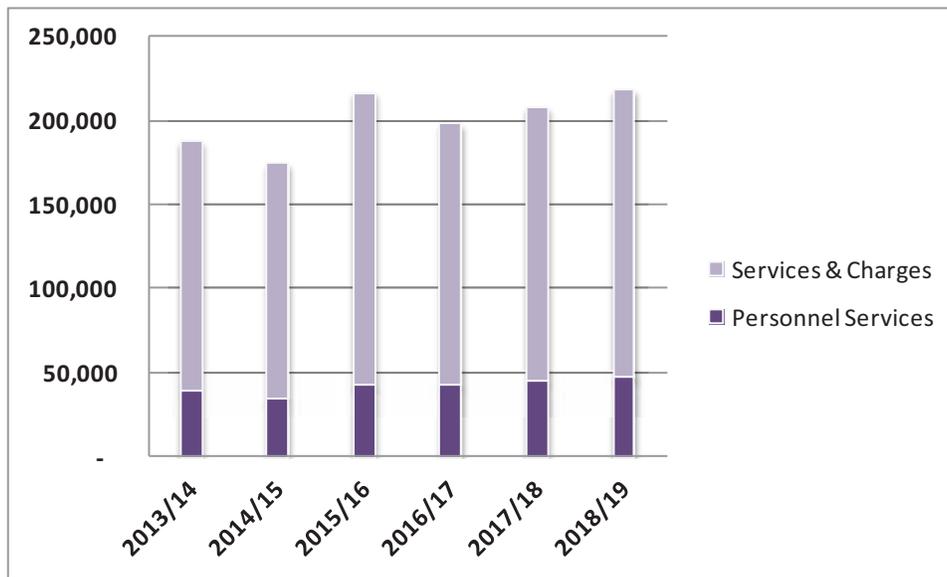
Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Salaries & Wages	32,363	40,000	23.6%	40,000	0.0%
Personnel Benefits	2,475	3,100	25.3%	3,100	0.0%
Other Services & Charges	139,953	173,800	24.2%	155,000	-10.8%
Total Magistrate Court	174,791	216,900	24.1%	198,100	-8.7%

Significant Budget Changes:

- FY15/16 Salaries/Wages & Personnel Benefits—amount budgeted is usually higher than the actual expenditures
- FY15/16 & 16/17 Services—Court Contract costs vary from year to year

MAGISTRATE COURT BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2017/18 Estimate	2018/19 Estimate
Personnel Services	39,765	34,838	\$ 43,100	\$ 43,100	\$ 45,255	\$ 47,518
Services & Charges	148,236	139,953	173,800	155,000	162,750	170,888
Total Magistrate Court	\$ 188,001	\$ 174,791	\$ 216,900	\$ 198,100	\$ 208,005	\$ 218,405



**MAGISTRATE COURT**

	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
SALARIES & WAGES				
101-5-1416-00-5001 Full Time Employees	36,939	32,363	40,000	40,000
Total Salaries & Wages	<u>36,939</u>	<u>32,363</u>	<u>40,000</u>	<u>40,000</u>
PERSONNEL BENEFITS				
101-5-1416-00-5501 FICA	2,826	2,476	3,100	3,100
Total Personnel Benefits	<u>2,826</u>	<u>2,476</u>	<u>3,100</u>	<u>3,100</u>
OTHER SERVICES & CHARGES				
101-5-1416-00-7002 Accounting & Auditing	-	-	3,800	-
101-5-1416-00-7101 Indigent Defense	42,700	37,200	50,000	45,000
101-5-1416-00-7102 Prof Service-Court Contract	105,536	102,753	120,000	110,000
Total Other Services & Charges	<u>148,236</u>	<u>139,953</u>	<u>173,800</u>	<u>155,000</u>
TOTAL MAGISTRATE COURT	<u><u>188,001</u></u>	<u><u>174,792</u></u>	<u><u>216,900</u></u>	<u><u>198,100</u></u>

POLICE DEPARTMENT

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

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

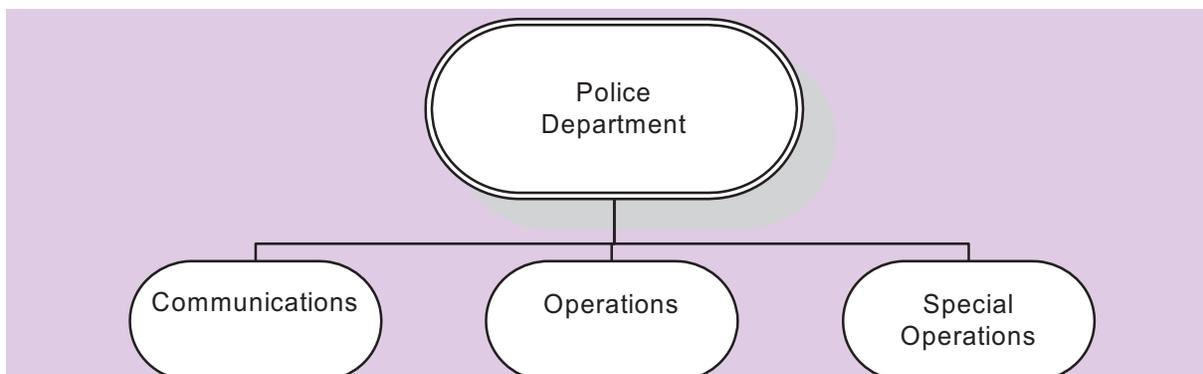
Donald B. Engler—Police Chief





2016 ANNUAL BUDGET

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



DEPARTMENT EXPENDITURE SUMMARY

Operating Division	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed
Communications	463,937	482,892	702,800	1,136,900
Operations	3,685,951	3,729,072	4,491,000	4,459,100
Special Operations	223,179	265,588	294,900	258,400
Total Expenditures	4,373,067	4,477,552	5,488,700	5,854,400

POSITION SUMMARY

	2015/16	2016/17
Deputy Town Manager / Public Safety	1.0	1.0
Lieutenant	1.0	1.0
Sergeant *	5.0	5.0
Detective/Investigator I & II	4.0	4.0
Police Officer I & II **	21.0	21.0
Special Enforcement Officer	1.0	1.0
Executive Assistant	1.0	1.0
Property & Equipment Manager	1.0	1.0
Property Technician	1.0	1.0
Records Clerk	2.0	2.0
Records Administrator	1.0	1.0
Communications Supervisor	1.0	1.0
Dispatch Shift Leader	1.0	2.0
Dispatchers ***	10.0	14.0
Animal Control	1.0	1.0
Total Positions	52.0	57.0

* One Sergeant position remains frozen pending economic recovery

** In FY16/17, the number of frozen Police Officer positions was increased from 2 to 5 and the savings was used to give sworn Officers a flat rate pay increase

*** In FY16/17, Five new dispatchers will be hired due to an IGA with the County to transfer dispatching services.



2016 ANNUAL BUDGET

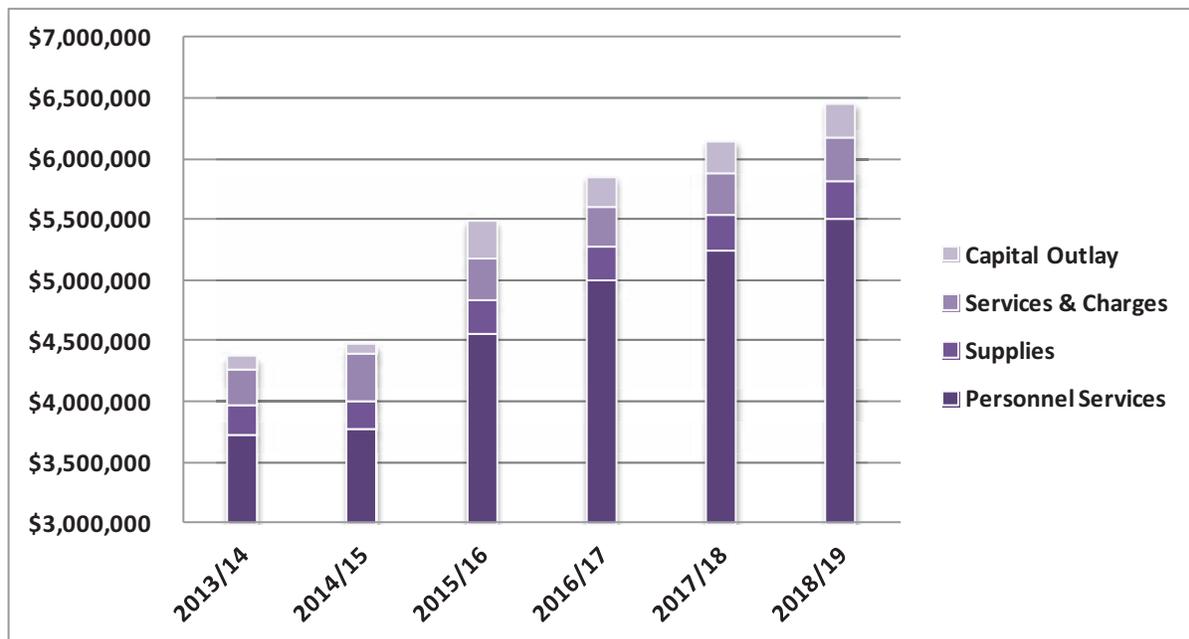
POLICE DEPARTMENT BUDGET CHANGES—3 YEARS

Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Salaries & Wages	2,440,742	2,780,200	13.9%	2,991,000	7.6%
Personnel Benefits	1,334,708	1,780,800	33.4%	2,009,800	12.9%
Supplies	299,438	271,400	-9.4%	268,500	-1.1%
Other Services & Charges	315,404	339,000	7.5%	328,800	-3.0%
Capital Outlay	87,260	317,300	263.6%	256,300	-19.2%
Total Police Dept	4,477,552	5,488,700	22.6%	5,854,400	6.7%

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

POLICE DEPARTMENT BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2017/18 Estimate	2018/19 Estimate
Personnel Services	\$ 3,716,344	\$ 3,768,800	\$ 4,561,000	\$ 4,993,800	\$ 5,243,490	\$ 5,505,665
Supplies	257,411	233,258	271,400	275,500	289,275	303,739
Services & Charges	287,884	388,234	339,000	328,800	345,240	362,502
Capital Outlay	111,428	87,260	317,300	256,300	269,115	282,571
Total Police	\$ 4,373,067	\$4,477,552	\$ 5,488,700	\$ 5,854,400	\$ 6,147,120	\$ 6,454,476



POLICE COMMUNICATIONS DIVISION

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

2015/2016 ACCOMPLISHMENTS

- ✓ Continued recruitment efforts and hired six dispatchers during the fiscal year (These were replacement hires.)
- ✓ Began dispatching duties for Pine / Strawberry Fire Department in April of 2016

2016/2017 GOALS

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

- ⇒ Successfully complete the merger with Gila County Sheriff's Office to establish the Northern Region Dispatch Center
- ⇒ Even after the merger and the hiring of five Gila County Sheriff's Office dispatchers, additional staffing is needed. Recruiting efforts must continue and five additional dispatchers need to be acquired
- ⇒ Complete the build out of the remaining dispatch stations in the dispatch center



Contact Information

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

Physical Location

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

POLICE COMMUNICATIONS DIVISION BUDGET CHANGES—3 YEARS

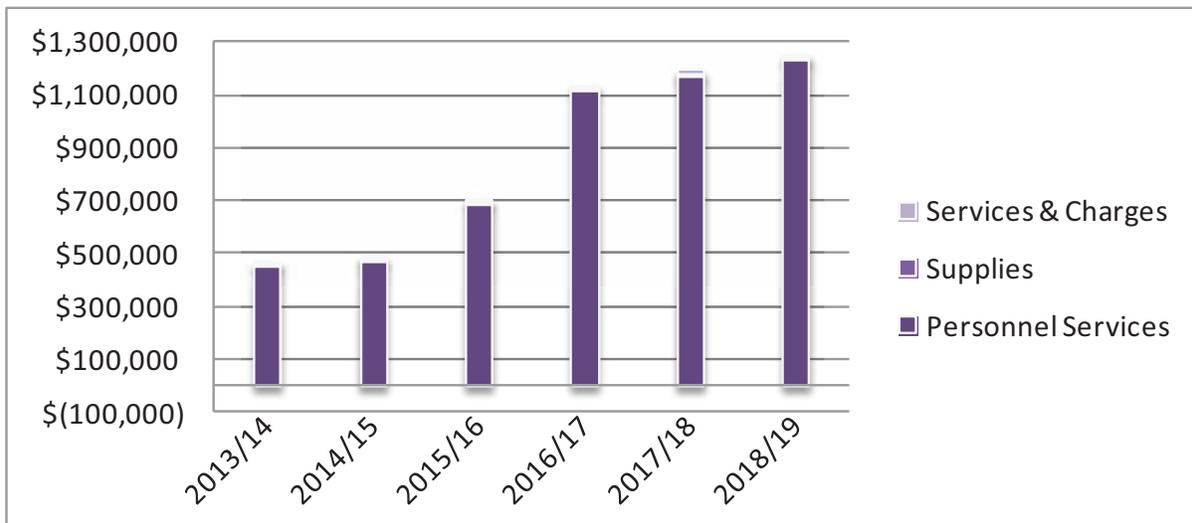
Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Salaries & Wages	366,868	528,700	44.1%	814,000	54.0%
Personnel Benefits	105,278	160,000	52.0%	304,200	90.1%
Supplies	5,149	4,700	-8.7%	6,900	46.8%
Other Services & Charges	5,597	9,400	67.9%	11,800	25.5%
Total Communications	482,892	702,800	45.5%	1,136,900	61.8%

Significant Budget Changes:

- Salaries / Benefits are budgeted in FY14/15 and FY15/16 based on full staffing but this division was having difficulty filling vacant positions in FY14/15
- FY15/16 Other Services & Charges includes additional funding in other professional services for new hire testing and increase in travel / registration for training new employees
- All categories in FY16/17 reflect the costs of increased staffing as the Town of Payson assumed the responsibility of dispatching for the Sheriff's Office through an IGA

POLICE COMMUNICATIONS DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2017/18 Estimate	2018/19 Estimate
Personnel Services	\$ 454,260	\$ 472,146	\$ 688,700	\$ 1,118,200	\$ 1,174,110	\$ 1,232,816
Supplies	2,855	5,149	4,700	6,900	7,245	7,607
Services & Charges	6,822	5,597	9,400	11,800	12,390	13,010
Total Communications	\$ 463,937	\$ 482,892	\$ 702,800	\$ 1,136,900	\$ 1,193,745	\$ 1,253,432



**COMMUNICATIONS**

	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
SALARIES & WAGES				
101-5-2421-00-5001 Salaries & Wages - Full Time	297,804	316,286	463,700	717,800
101-5-2421-00-5002 Salaries & Wages - Part Time	-	-	-	15,000
101-5-2421-00-520X Overtime Pay	51,911	50,582	53,000	81,200
101-5-2421-00-5990 Shift Differential	12,636	12,516	12,000	15,000
Total Salaries & Wages	<u>362,351</u>	<u>379,384</u>	<u>528,700</u>	<u>829,000</u>
PERSONNEL BENEFITS				
101-5-2421-00-5501 FICA	26,413	27,784	40,500	64,300
101-5-2421-00-5504 Retirement	40,773	43,294	60,100	95,500
101-5-2421-00-5700 Health/Life Insurance	22,324	19,467	56,100	123,800
101-5-2421-00-5701 Disability Insurance	853	452	600	800
101-5-2421-00-5800 Workers Comp Insurance	1,546	1,766	2,700	4,800
Total Personnel Benefits	<u>91,909</u>	<u>92,763</u>	<u>160,000</u>	<u>289,200</u>
SUPPLIES				
101-5-2124-00-6001 Office Supplies	1,144	2,247	2,000	3,000
101-5-2421-00-6011 Small Tools/Minor Equipment	1,317	2,073	2,000	3,000
101-5-2421-00-6600 Public Relations	394	478	400	400
101-5-2421-00-6700 Memberships/Dues/Subscript	-	351	300	500
Total Supplies	<u>2,855</u>	<u>5,149</u>	<u>4,700</u>	<u>6,900</u>
OTHER SERVICES & CHARGES				
101-5-2421-00-7402 Office Equipment R&M	1,851	1,079	2,000	2,800
101-5-2421-00-7502 Lease Equipment	-	296	500	500
101-5-2421-00-7600 Travel	949	1,001	2,000	2,500
101-5-2421-00-7601 Registrations	2,130	1,571	2,300	3,000
101-5-2421-00-7900 Other Professional Services	1,892	1,650	2,600	3,000
Total Other Svcs & Charges	<u>6,822</u>	<u>5,597</u>	<u>9,400</u>	<u>11,800</u>
TOTAL COMMUNICATIONS	<u><u>463,937</u></u>	<u><u>482,893</u></u>	<u><u>702,800</u></u>	<u><u>1,136,900</u></u>

POLICE OPERATIONS DIVISION

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

2015/2016 ACCOMPLISHMENTS

- ✓ Purchased two additional police vehicles with monies acquired from sources other than the General Fund
- ✓ Completed Drivers Training Proficiency Training which is a requirement of AZPOST
- ✓ Upgraded radio communications with the addition of a console selected base radio at the Hillcrest radio site which is microwave driven
- ✓ Hired a Property Evidence Custodian and completed the job training

2016/2017 GOALS

KRA 3: FINANCIAL EXCELLENCE / KRA 8: PUBLIC SAFETY

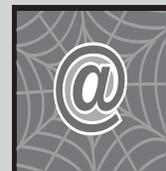
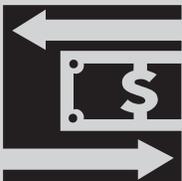
⇒ Outfit two police vehicles purchased in FY15/16 using funding acquired from sources other than the General Fund

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

⇒ Reach a staffing capacity at the new authorized level of 27 full time certified police officers

KRA 10: TECHNOLOGY / KRA 8: PUBLIC SAFETY

⇒ Add the next link of the communications build out with the addition of a microwave driven base radio station at the East Phoenix Street radio site



POLICE OPERATIONS DIVISION BUDGET CHANGES—3 YEARS

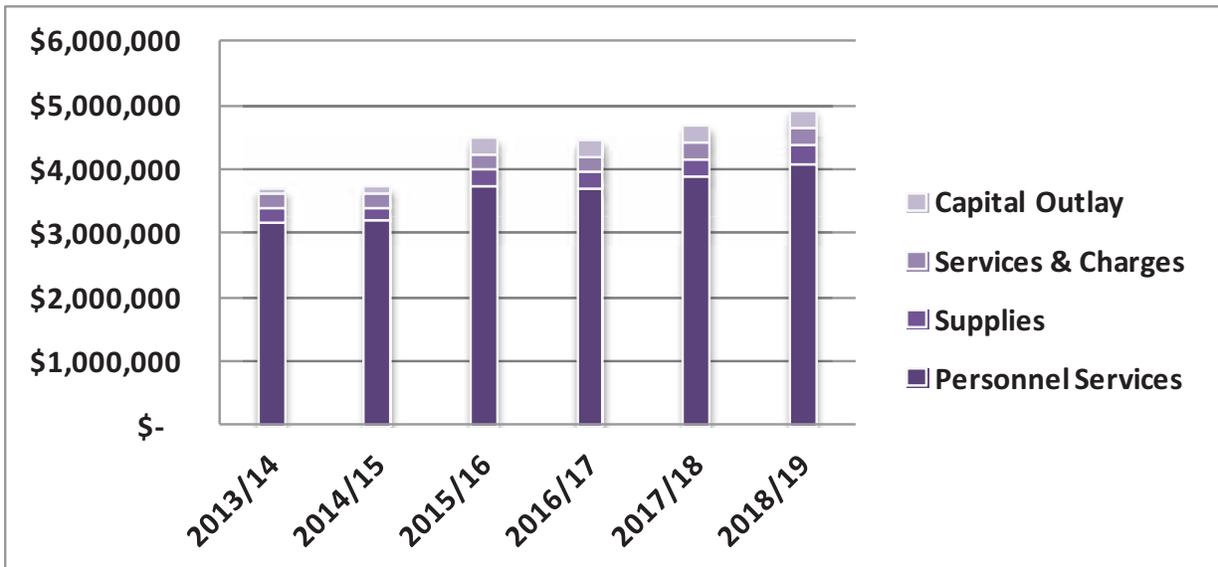
Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Salaries & Wages	2,003,426	2,177,200	8.7%	2,065,400	-5.1%
Personnel Benefits	1,186,666	1,572,900	32.5%	1,642,900	4.5%
Supplies	218,737	251,200	14.8%	255,500	1.7%
Other Services & Charges	232,983	242,400	4.0%	239,000	-1.4%
Capital	87,260	247,300	183.4%	256,300	3.6%
Total Operations	3,729,072	4,491,000	20.4%	4,459,100	-0.7%

Significant Budget Changes:

- FY15/16 Personnel Benefits— continue to go up due to increasing retirement rates and health insurance
- FY15/16 Supplies—reflected an anticipated increase in the cost of fuel and ammunition
- Changes in Capital reflect the availability of grant funding

POLICE OPERATIONS DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2017/18 Estimate	2018/19 Estimate
Personnel Services	\$ 3,166,591	\$ 3,190,092	\$ 3,750,100	\$ 3,708,300	\$ 3,893,715	\$ 4,088,401
Supplies	243,897	218,737	251,200	255,500	268,275	281,689
Services & Charges	194,752	232,983	242,400	239,000	250,950	263,498
Capital Outlay	80,711	87,260	247,300	256,300	269,115	282,571
Total Operations	\$ 3,685,951	\$3,729,072	\$ 4,491,000	\$ 4,459,100	\$ 4,682,055	\$ 4,916,158



**OPERATIONS**

	2013/14	2014/15	2015/16	2016/17
	ACTUAL	ACTUAL	BUDGET	PROPOSED
SALARIES & WAGES				
101-5-2421-01-50xx Full Time Employees	1,677,846	1,725,800	1,880,200	1,784,100
101-5-2421-01-5xxx Overtime Pay	238,674	248,326	266,000	250,300
101-5-2421-01-5990 Shift Differential	33,728	29,300	31,000	31,000
Total Salaries & Wages	1,950,248	2,003,426	2,177,200	2,065,400
PERSONNEL BENEFITS				
101-5-2421-01-5501 FICA	143,571	145,237	165,700	162,400
101-5-2421-01-5504 Retirement	703,520	681,827	996,800	1,078,400
101-5-2421-01-5700 Health/Life Insurance	145,105	158,135	194,200	173,200
101-5-2421-01-5701 Disability Insurance	491	246	300	300
101-5-2421-01-5800 Workers Comp Insurance	186,370	184,507	187,900	200,600
101-5-2421-01-5901 Uniform Allowance	37,286	16,714	28,000	28,000
Total Personnel Benefits	1,216,343	1,186,666	1,572,900	1,642,900
SUPPLIES				
101-5-2421-01-6001 Office Supplies	11,644	11,550	13,000	12,000
101-5-2421-01-6002 Coffee Supplies	-	492	500	600
101-5-2421-01-6003 Cleaning Supplies	2,321	1,775	1,800	2,000
101-5-2421-01-6005 Safety/Program Supplies	144	2,904	3,100	3,100
101-5-2421-01-6006 Clothing Reimbursement	2,286	2,870	4,000	7,000
101-5-2421-01-6009 Volunteer Program	3,336	2,664	4,000	4,000
101-5-2421-01-6010 Books & Periodicals	-	-	2,000	2,000
101-5-2421-01-6011 Small Tools/Minor Equipmen	36,768	35,751	35,000	37,000
101-5-2421-02-6011 Small Tools/Minor Equipmen	-	-	15,000	6,000
101-5-2421-01-6101 Canine Supplies	2,871	3,000	3,000	3,000
101-5-2421-01-6102 Weapons/Ammunition	14,951	11,925	15,500	15,500
101-5-2421-01-6201 Building R&M Supplies	1,234	5,840	1,500	3,000
101-5-2421-01-6300 Vehicle Fuels	91,671	71,571	85,000	85,500
101-5-2421-01-6302 Vehicle R&M Parts	57,743	52,493	50,000	57,000
101-5-2421-02-6302 Vehicle R&M Parts	2,608	-	-	-
101-5-2421-01-6600 Public Relations	441	808	800	800
101-5-2421-01-6700 Dues & Memberships	3,456	3,284	3,500	3,500
101-5-2421-01-699x Other Expenses	12,423	11,810	13,500	13,500
Total Supplies	243,897	218,737	251,200	255,500
OTHER SERVICES & CHARGES				
101-5-2421-01-7300 Electricity	24,689	22,306	25,000	25,000
101-5-2421-01-7301 Propane Gas	6,172	5,087	7,000	7,000
101-5-2421-01-7302 Water	1,179	1,309	1,000	1,500
101-5-2421-01-7304 Sewage	480	405	500	500



OPERATIONS

	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
101-5-2421-01-7305 Refuse Disposal	495	626	600	600
101-5-2421-01-7306 Telephone	27,489	27,342	30,000	30,000
101-5-2421-01-7307 Postage	120	234	300	400
101-5-2421-01-7401 Building R&M	13,627	8,111	12,000	14,000
101-5-2421-01-7402 Office Equipment R&M	159	410	500	500
101-5-2421-01-7404 Equipment R&M	5,522	5,086	5,000	5,000
101-5-2421-01-7405 Vehicle R&M	8,438	5,342	7,000	9,000
101-5-2421-01-7500 Rental of Land & Buildings	11,871	11,342	10,000	10,000
101-5-2421-01-7502 Leased Equipment	3,847	4,199	9,500	9,500
101-5-2421-01-7600 Travel	8,529	12,120	11,000	11,000
101-5-2421-02-7600 Travel	-	-	6,000	3,000
101-5-2421-01-7601 Registrations	3,440	5,139	7,000	7,000
101-5-2421-02-7601 Registrations	450	-	2,000	1,000
101-5-2421-01-7900 Other Professional Services	68,880	109,850	99,000	99,000
101-5-2421-01-7902 Impound Vehicle Tow	(70)	-	-	2,500
101-5-2421-01-7910 Printing & Binding	2,216	3,432	2,500	2,500
101-5-2421-01-7912 Grant Expense	-	-	6,500	-
210-5-2421-01-7912 JAG Recovery Act	6,099	4,121	-	-
210-5-2421-01-7914 Donations	1,120	6,522	-	-
Total Other Services & Charg	194,752	232,983	242,400	239,000

CAPITAL OUTLAY

101-5-2421-02-8534 Satellite Equipment	16,640	-	-	-
403-5-2412-01-8772 Law Enforce-HSG Radio Proq	-	-	73,000	36,500
403-5-2412-01-8773 Mobile Repeaters	-	32,020	-	-
403-5-2412-01-8774 SHSGP Radios/Headsets	-	-	-	44,500
403-5-2421-01-8762 Law Enf - GOHS Grant	40,201	-	34,300	34,300
409-5-2421-01-8772 LE Radio Program	3,962	47,595	-	-
425-5-2421-16-8407 CAD Police/Fire Comm	19,908	7,645	140,000	141,000
Total Capital Outlay	80,711	87,260	247,300	256,300

TOTAL OPERATIONS

	3,685,951	3,729,072	4,491,000	4,459,100
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POLICE—SPECIAL OPERATIONS DIVISION

The Special Operations Division includes Animal Control, School Resource Officers, Law Enforcement Grants, and Narcotics Enforcement. Animal Control is responsible for the enforcement of all animal control laws, protecting citizens from zootoxic diseases (such as rabies); providing security to citizens for annoyance, intimidation, and injury from animals; protecting animals for abuse, neglect, and inhumane treatment. Various grants and Intergovernmental Agreements (IGA) are utilized to fund special programs such as School Resource Officers, D.A.R.E. programs, DUI Enforcement and Traffic Enforcement.

2015/2016 ACCOMPLISHMENTS

- ✓ The Special Response Team met its goal of additional extensive training and conducted an average of sixteen hours of training per month during FY15/16

2016/2017 GOALS

KRA 8: PUBLIC SAFETY



- ⇒ Continue the strong enforcement presence in drug related offenses
- ⇒ Through grant funding from the Governor's Office of Highway Safety (GOHS), continue to support traffic enforcement programs

CONTACT INFORMATION

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

Animal Control
Mark Scott
(928) 474-5177

Chief Don Engler
dengler@
paysonaz.gov

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

ANIMAL CONTROL DIVISION BUDGET CHANGES—3 YEARS

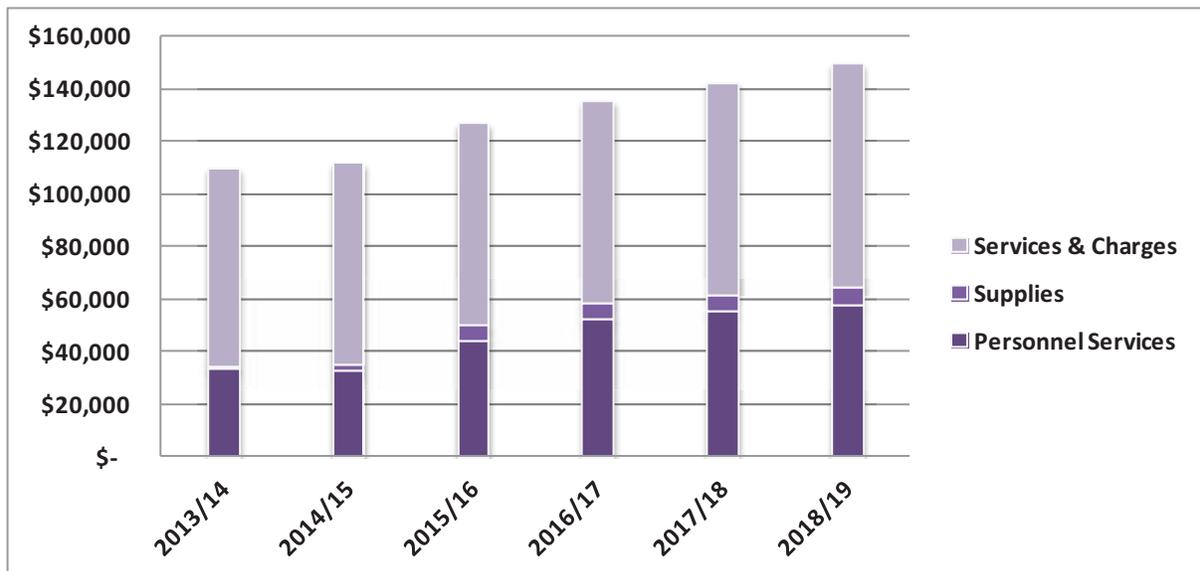
Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Salaries & Wages	23,269	32,200	38.4%	36,000	11.8%
Personnel Benefits	9,109	12,200	33.9%	16,600	36.1%
Supplies	2,722	5,500	102.1%	6,100	10.9%
Other Services & Charges	76,824	77,000	0.2%	77,000	0.0%
Total Animal Control	111,924	126,900	13.4%	135,700	6.9%

Significant Budget Changes:

- FY14/15 Salaries & Benefits—new Animal Control Officer started on 9/15/2014
- FY15/16 Supplies—adjusted for the increasing cost of vehicle fuel
- FY16/17 Salaries & Benefits—reflects wage adjustment and change in insurance selection
- FY16/17 Supplies—new budget line item added for Program Supplies

ANIMAL CONTROL DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2017/18 Estimate	2018/19 Estimate
Personnel Services	\$ 33,607	\$ 32,378	\$ 44,400	\$ 52,600	\$ 55,230	\$ 57,992
Supplies	718	2,722	5,500	6,100	\$ 6,405	\$ 6,725
Services & Charges	75,575	76,824	77,000	77,000	\$ 80,850	\$ 84,893
Total Animal Control	\$ 109,900	\$ 111,924	\$ 126,900	\$ 135,700	\$ 142,485	\$ 149,609





ANIMAL CONTROL

		2013/14	2014/15	2015/16	2016/17
		ACTUAL	ACTUAL	BUDGET	PROPOSED
SALARIES & WAGES					
101-5-7421-17-5001	Full Time Employees	25,410	23,169	31,700	35,500
101-5-7421-17-5200	Overtime Pay	-	100	500	500
	Total Salaries & Wages	<u>25,410</u>	<u>23,269</u>	<u>32,200</u>	<u>36,000</u>
PERSONNEL BENEFITS					
101-5-7421-17-5501	FICA	1,882	1,688	2,500	2,800
101-5-7421-17-5504	Retirement	2,871	2,670	3,700	4,100
101-5-7421-17-5700	Health/Life Insurance	1,848	2,441	3,400	6,700
101-5-7421-17-5701	Disability Insurance	61	28	100	100
101-5-7421-17-5800	Workers Compensation	1,115	1,035	1,600	2,000
101-5-7421-17-5901	Uniform/Clothing Allow	420	1,247	900	900
	Total Personnel Benefits	<u>8,197</u>	<u>9,109</u>	<u>12,200</u>	<u>16,600</u>
SUPPLIES					
101-5-7421-17-6009	Program Supplies	-	-	-	600
101-5-7421-17-6011	Small Tools/Minor Equipment	310	943	1,200	1,200
101-5-7421-17-6300	Vehicle Fuels	408	1,719	4,200	4,200
101-5-7421-17-6700	Memberships/Dues/Subscript	-	60	100	100
	Total Supplies	<u>718</u>	<u>2,722</u>	<u>5,500</u>	<u>6,100</u>
OTHER SERVICES & CHARGES					
101-5-7421-17-7306	Telephone	375	417	500	500
101-5-7421-17-7307	Postage/Freight	-	62	100	100
101-5-7421-17-7600	Travel Expense	-	585	600	600
101-5-7421-17-7601	Registrations	-	560	600	600
101-5-7421-17-7990	Humane Society	75,200	75,200	75,200	75,200
	Total Other Svcs & Charges	<u>75,575</u>	<u>76,824</u>	<u>77,000</u>	<u>77,000</u>
TOTAL ANIMAL CONTROL		<u><u>109,900</u></u>	<u><u>111,924</u></u>	<u><u>126,900</u></u>	<u><u>135,700</u></u>

POLICE GRANT DIVISION BUDGET CHANGES—3 YEARS

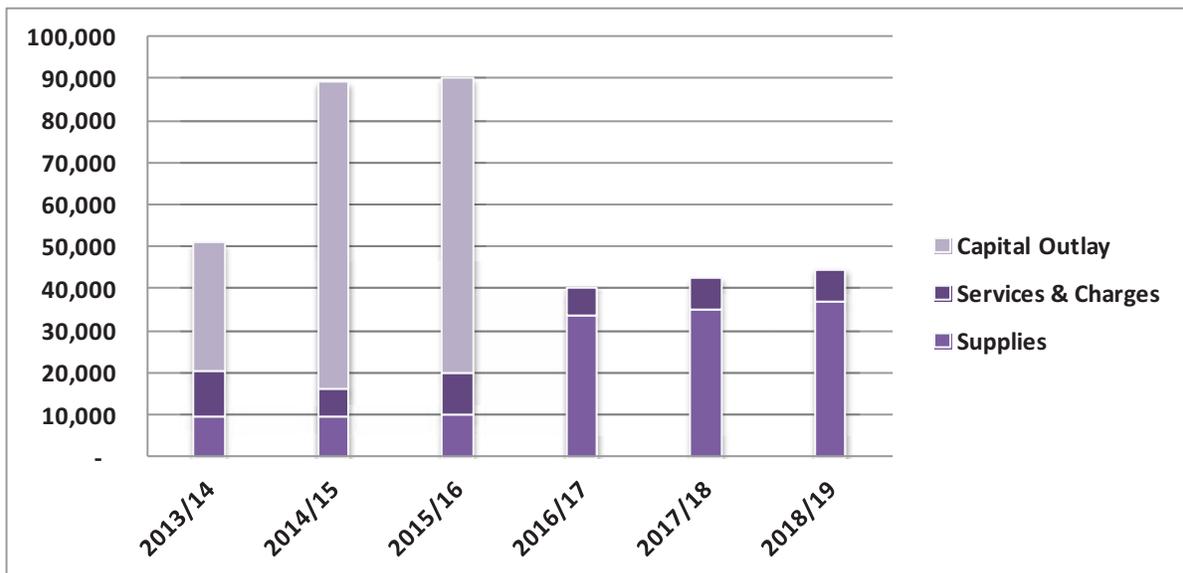
Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Supplies	9,764	10,000	2.4%	33,500	235.0%
Services	6,650	10,200	53.4%	7,000	-31.4%
Capital Outlay	72,830	70,000	-3.9%	-	-100.0%
Total Police Grants	89,244	90,200	1.1%	40,500	-55.1%

Significant Budget Changes:

- FY15/16 Services—additional funds budgeted for travel and registrations
- FY16/17 Supplies—allocated funds for R&M Vehicle Supplies
- FY16/17 Services—most training was completed last fiscal year so, budget for travel and registrations was reduced

POLICE GRANT DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2017/18 Estimate	2018/19 Estimate
Supplies	9,568	9,764	10,000	33,500	\$ 35,175	\$ 36,934
Services & Charges	10,735	6,650	10,200	7,000	\$ 7,350	\$ 7,718
Capital Outlay	30,717	72,830	70,000	-	\$ -	\$ -
Total Grants	\$ 51,020	\$ 89,244	\$ 90,200	\$ 40,500	\$ 42,525	\$ 44,651



**DEPT OF JUSTICE FUND &
VARIOUS GRANTS**

	2013/2014 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
SUPPLIES				
215-5-2421-02-6001 Office Supplies	22	-	-	-
215-5-2421-02-6011 Small Tools	7,805	9,764	10,000	13,500
215-5-2421-02-6302 R&M Supplies Vehicle	1,741	-	-	20,000
Total Supplies	<u>9,568</u>	<u>9,764</u>	<u>10,000</u>	<u>33,500</u>
SERVICES				
215-5-2421-02-7307 Utilities Postage/Freight	584	-	-	-
215-5-2421-02-7405 R&M Vehicle	333	-	-	-
215-5-2421-02-7600 Travel	5,224	2,650	4,500	2,500
215-5-2421-02-7601 Registrations	-	950	3,000	1,500
215-5-2421-02-7900 Other Prof Services	4,594	3,050	2,700	3,000
Total Services	<u>10,735</u>	<u>6,650</u>	<u>10,200</u>	<u>7,000</u>
CAPITAL OUTLAY				
215-5-2421-02-8510 Defense 1033 - LE Vehicle	30,717	72,830	70,000	-
Total Capital	<u>30,717</u>	<u>72,830</u>	<u>70,000</u>	<u>-</u>
TOTAL GRANTS	<u><u>51,020</u></u>	<u><u>89,244</u></u>	<u><u>90,200</u></u>	<u><u>40,500</u></u>

SCHOOL RESOURCE OFFICER DIVISION BUDGET CHANGES—3 YEARS

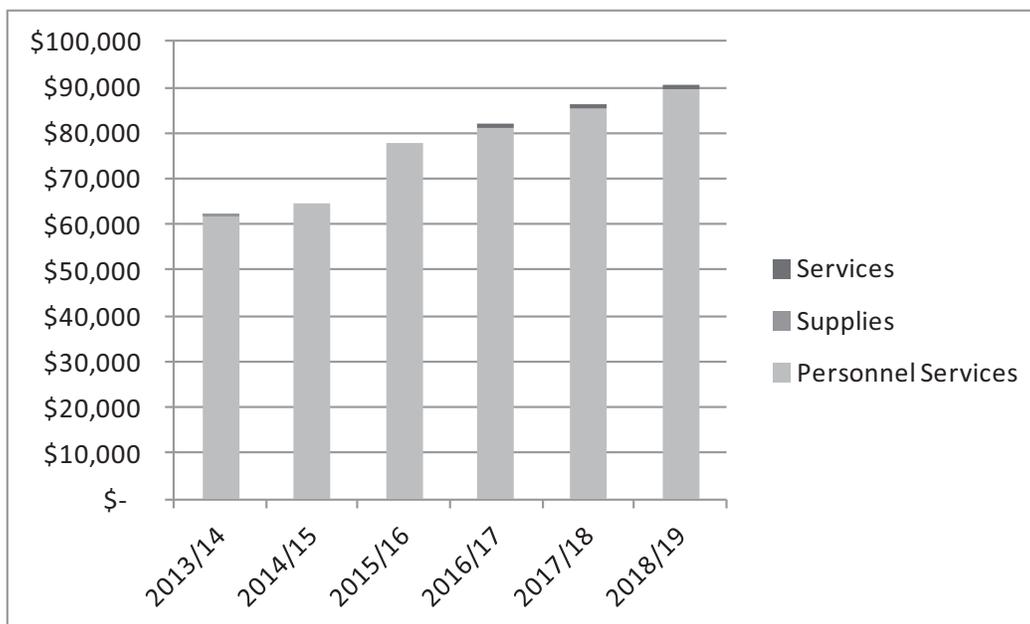
Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Salaries & Wages	37,415	42,100	12.5%	42,100	0.0%
Personnel Benefits	27,005	35,700	32.2%	39,100	9.5%
Supplies	-	-	0.0%	-	0.0%
Services	-	-	0.0%	1,000	100.0%
Total School Resource	64,420	77,800	20.8%	82,200	5.7%

Significant Budget Changes:

- FY15/16 Salaries & Wages—increase reflects wage adjustment
- FY15/16 & FY16/17 Personnel Benefits—reflects increases in the cost of retirement contributions, workers compensation insurance, and health insurance
- FY16/17 Services—added budget line item for travel so new SRO could attend training classes

SCHOOL RESOURCE OFFICER DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2017/18 Estimate	2018/19 Estimate
Personnel Services	\$ 61,886	\$ 64,420	\$ 77,800	\$ 81,200	\$ 85,260	\$ 89,523
Supplies	373	-	-	-	\$ -	\$ -
Services	-	-	-	1,000	\$ 1,050	\$ 1,103
Total SRO	\$ 62,259	\$ 64,420	\$ 77,800	\$ 82,200	\$ 86,310	\$ 90,626





SCHOOL RESOURCE OFFICER

		2013/14	2014/15	2015/16	2016/17
		ACTUAL	ACTUAL	BUDGET	PROPOSED
SALARIES & WAGES					
101-5-2421-04-5001	Full Time Employees	35,206	35,536	38,100	38,100
101-5-2421-04-520x	Overtime Pay	722	1,879	4,000	4,000
	Total Salaries & Wages	<u>35,928</u>	<u>37,415</u>	<u>42,100</u>	<u>42,100</u>
PERSONNEL BENEFITS					
101-5-2421-04-5501	FICA	2,491	2,457	2,900	2,900
101-5-2421-04-5504	Retirement	14,700	15,102	21,900	24,200
101-5-2421-04-5700	Health/Life Insurance	5,129	5,586	6,300	7,100
101-5-2421-04-5800	Workers Comp Insurance	3,138	3,361	3,600	3,900
101-5-2421-04-5901	Clothing Allowance	500	500	1,000	1,000
	Total Personnel Benefits	<u>25,958</u>	<u>27,006</u>	<u>35,700</u>	<u>39,100</u>
SUPPLIES					
101-5-2421-04-6990	Other Expenses	373	-	-	-
	Total Supplies	<u>373</u>	<u>-</u>	<u>-</u>	<u>-</u>
SERVICES					
101-5-2421-04-7600	Travel	-	-	-	1,000
	Total Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,000</u>
TOTAL SCHOOL RESOURCE OFFICER		<u><u>62,259</u></u>	<u><u>64,421</u></u>	<u><u>77,800</u></u>	<u><u>82,200</u></u>

FIRE DEPARTMENT

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

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

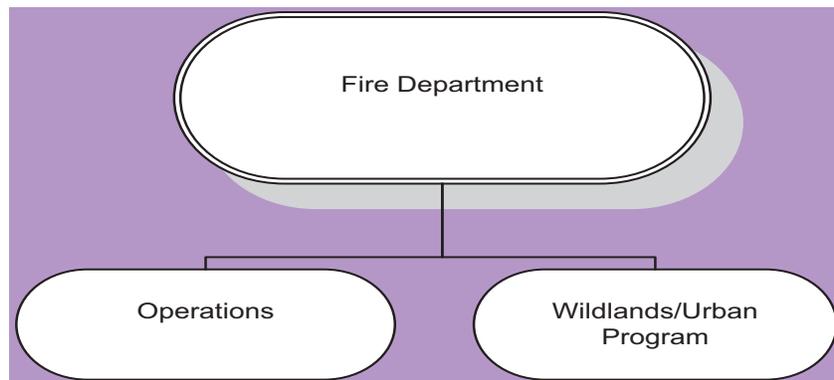
David Staub—Fire Chief
dstaub@paysonaz.gov





2016 ANNUAL BUDGET

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



DEPARTMENT EXPENDITURE SUMMARY

Operating Division	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed
Fire Operations	3,028,166	3,069,072	3,708,200	3,647,600
Wildland/Urban Program	14,967	3,463	100,000	73,000
Total Department	3,043,133	3,072,535	3,808,200	3,720,600

POSITION SUMMARY

	2015/16	2016/17
Fire Chief	1.0	1.0
Battalion Chief	3.0	3.0
Captain	9.0	9.0
Engineer	9.0	9.0
Firefighter	9.0	9.0
Administrative Secretary	1.0	1.0
Total Positions	32.0	32.0

FIRE DEPARTMENT



2016 ANNUAL BUDGET

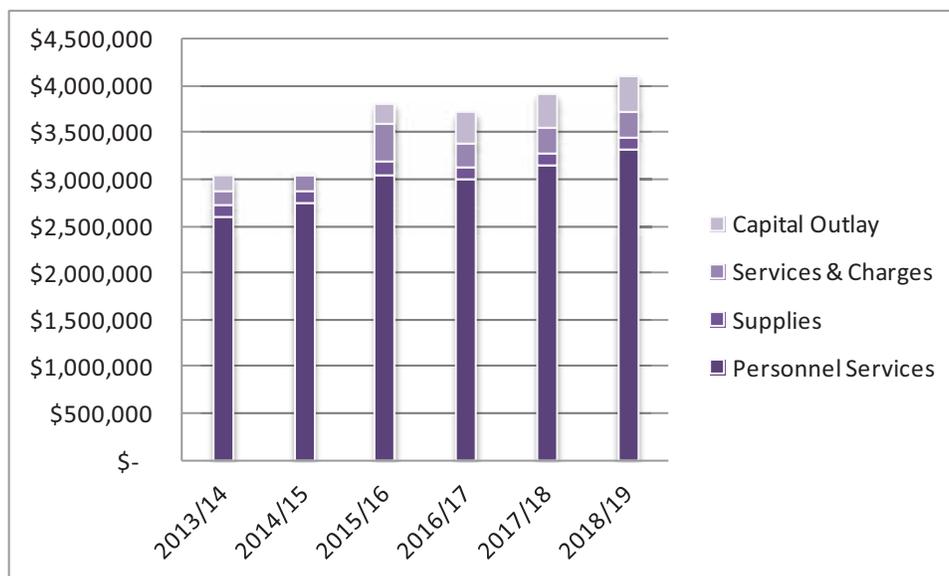
FIRE DEPARTMENT BUDGET CHANGES—3 YEARS

Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Salaries & Wages	2,063,345	2,159,500	4.7%	2,112,500	-2.2%
Personnel Benefits	690,939	897,200	29.9%	892,600	-0.5%
Supplies	115,925	141,900	22.4%	124,000	-12.6%
Other Services & Charges	182,880	404,100	121.0%	257,200	-36.4%
Capital Outlay	19,448	205,500	956.7%	334,300	62.7%
Total Fire	3,072,537	3,808,200	23.9%	3,720,600	-2.3%

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

FIRE DEPARTMENT BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2017/18 Estimate	2018/19 Estimate
Personnel Services	\$ 2,597,989	\$ 2,754,284	\$ 3,056,700	\$ 3,005,100	\$ 3,155,355	\$ 3,313,123
Supplies	130,193	115,923	141,900	124,000	130,200	136,710
Services & Charges	157,374	182,880	404,100	257,200	270,060	283,563
Capital Outlay	157,577	19,448	205,500	334,300	351,015	368,566
Total Fire	\$ 3,043,133	\$3,072,535	\$ 3,808,200	\$ 3,720,600	\$ 3,906,630	\$ 4,101,962



FIRE DEPARTMENT

FIRE OPERATIONS DIVISION

The Fire Department protects lives and property by providing fire suppression, rescue, and Emergency Medical Services to the community. This division also provides a wide range of non-emergency services including public education courses, CPR, injury prevention, child car seat safety inspection, non-profit charitable event standbys, fire code administration, fire-wise landscape inspections and property owner assistance.

2015/2016 ACCOMPLISHMENTS

- ✓ Progress has been made towards establishing SOPs to ensure consistent operations
- ✓ In order to develop a Fire Prevention Program using existing staff, the department trained one Captain as a Fire Inspector 2 and Plan Reviewer. In addition, the department now has three Certified Fire Inspector 2 qualified and ten Fire Inspector 1 certified individuals.
- ✓ Fully integrated Electronic Patient Care Reporting

2016/2017 GOALS



KRA 7: THE PAYSON TEAM

- ⇒ Certify all Fire Personnel in Blue Card Incident Command, a nationally recognized program for incident management which will be funded by an AFG grant



KRA 8: PUBLIC SAFETY

- ⇒ Replace all SCBAs with new modern equipment utilizing an AFG grant
- ⇒ Purchase an Incident Command Simulator with AFG grant monies
- ⇒ Continue revising SOPS with a focus on operations

LOCATIONS & CONTACT INFORMATION

Fire Station #11
400 W Main St

Fire Station #12
108 E Rancho Rd

Fire Station #13
103 S Rim Club Pkwy

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

FIRE OPERATIONS DIVISION BUDGET CHANGES—3 YEARS

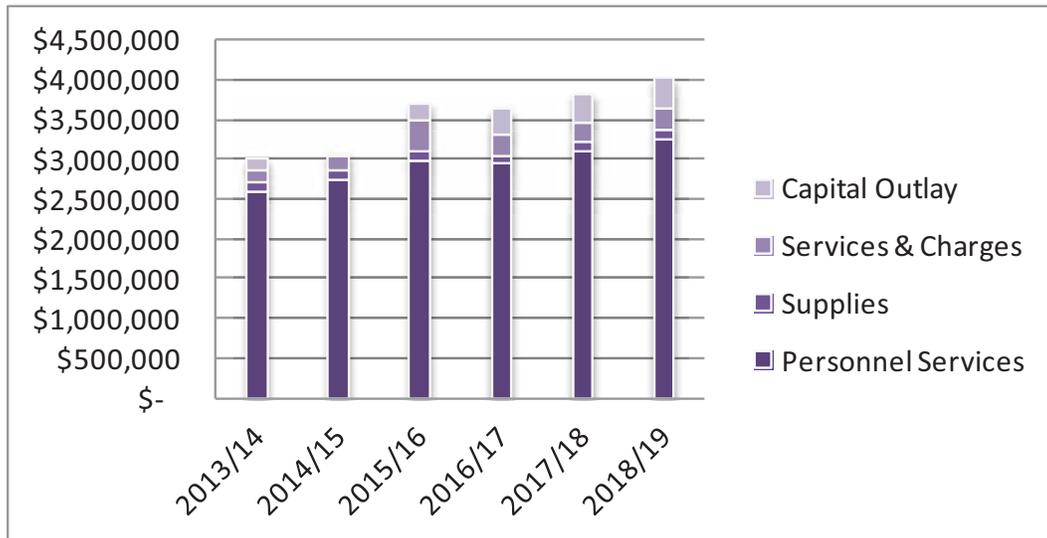
Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Salaries & Wages	2,060,745	2,095,500	1.7%	2,075,500	-1.0%
Personnel Benefits	690,076	878,200	27.3%	873,600	-0.5%
Supplies	115,925	129,900	12.1%	112,000	-13.8%
Other Services & Charges	182,880	399,100	118.2%	252,200	-36.8%
Capital	19,448	205,500	956.7%	334,300	62.7%
Total Fire Operations	3,069,074	3,708,200	20.8%	3,647,600	-1.6%

Significant Budget Changes:

- FY15/16—Personnel Benefits are higher due to increased retirement, health insurance, and workers compensation rates
- FY15/16 & FY16/17—changes in Other Services and Capital reflect fluctuations in grant availability
- FY16/17 Supplies—reflects savings from reduced fuel costs

FIRE OPERATIONS DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2017/18 Estimate	2018/19 Estimate
Personnel Services	\$ 2,587,022	\$ 2,750,821	\$ 2,973,700	\$ 2,949,100	3,096,555	\$ 3,251,383
Supplies	126,305	115,923	129,900	112,000	117,600	123,480
Services & Charges	157,262	182,880	399,100	252,200	264,810	278,051
Capital Outlay	157,577	19,448	205,500	334,300	351,015	368,566
Total Fire Operations	\$ 3,028,166	\$ 3,069,072	\$3,708,200	\$ 3,647,600	\$ 3,829,980	\$ 4,021,479





FIRE OPERATIONS

		2013/14	2014/15	2015/16	2016/17
		ACTUAL	ACTUAL	BUDGET	PROPOSED
SALARIES & WAGES					
101-5-2426-01-5001	Full Time Employees	1,551,543	1,586,503	1,658,800	1,632,600
101-5-2426-01-5005	Paid On Call	47,285	36,880	65,000	80,000
101-5-2426-01-5030	Out of Class Pay	8,261	19,103	11,000	18,000
101-5-2426-01-52xx	Overtime Pay	306,397	418,259	360,700	344,900
	Total Salaries & Wages	<u>1,913,486</u>	<u>2,060,745</u>	<u>2,095,500</u>	<u>2,075,500</u>
PERSONNEL BENEFITS					
101-5-2426-01-5501	FICA	28,063	32,583	36,900	37,500
101-5-2426-01-5504	Retirement	356,926	341,661	473,400	459,800
101-5-2426-01-5700	Health/Life Insurance	143,628	155,171	181,500	174,300
101-5-2426-01-5701	Disability Insurance	88	49	100	100
101-5-2426-01-5800	Workers Comp Insurance	117,261	134,292	157,500	171,500
101-5-2426-01-5901	Uniform/Clothing Allowance	27,570	26,320	28,800	28,800
101-5-2426-01-5990	Miscellaneous	-	-	-	1,600
	Total Personnel Benefits	<u>673,536</u>	<u>690,076</u>	<u>878,200</u>	<u>873,600</u>
SUPPLIES					
101-5-2426-01-6001	Office Supplies	2,081	1,346	2,000	2,000
101-5-2426-01-6003	Foam/ Cleaners	3,536	2,651	5,000	2,500
101-5-2426-01-6005	Safety/Program Supplies	5,970	9,541	7,500	6,000
101-5-2426-01-6007	Equipment/Clothing	14,967	18,635	25,000	25,000
101-5-2426-01-6009	Program Supplies	730	525	1,200	1,200
101-5-2426-01-6010	Books & Periodicals	-	-	500	500
101-5-2426-01-6011	Small Tools/Minor Equipment	3,777	4,991	3,500	3,000
101-5-2426-01-6012	Radio Equipment	10,169	6,107	6,500	5,000
101-5-2426-01-6013	Computer Equip / Supplies	-	-	-	4,000
101-5-2426-01-6100	Medical Supplies	15,834	15,642	15,000	15,000
101-5-2426-01-6200	R&M Supplies Equipment	2,106	1,881	2,000	2,000
101-5-2426-01-6201	R&M Supplies Building	10,374	14,444	8,000	7,500
101-5-2426-01-6300	Vehicle Fuels	33,181	25,495	32,000	22,500
101-5-2426-01-6302	R&M Supplies Vehicle	18,769	8,443	12,000	9,000
101-5-2426-01-6400	Shop Supplies	1,003	786	1,000	500
101-5-2426-01-6600	Public Relations	1,677	1,584	5,000	3,000
101-5-2426-01-6700	Memberships/Dues/Subscript	1,796	2,341	2,200	1,800
101-5-2426-01-6990	Other Expenses	335	1,513	1,500	1,500
	Total Supplies	<u>126,305</u>	<u>115,925</u>	<u>129,900</u>	<u>112,000</u>
OTHER SERVICES & CHARGES					
101-5-2426-01-7300	Electricity	24,801	22,610	30,000	25,000
101-5-2426-01-7301	Propane Gas	7,816	7,808	10,000	10,000
101-5-2426-01-7302	Water	2,309	3,099	2,700	2,800
101-5-2426-01-7304	Sewage	1,080	1,080	1,100	1,000
101-5-2426-01-7305	Refuse Disposal	1,140	1,267	1,300	1,400
101-5-2426-01-7306	Telephone	29,122	29,575	35,000	28,000
101-5-2426-01-7401	R&M Building	4,944	6,291	10,000	6,000

**FIRE OPERATIONS**

	2013/14	2014/15	2015/16	2016/17
	ACTUAL	ACTUAL	BUDGET	PROPOSED
101-5-2426-01-7402 R&M Office Equipment	716	546	1,000	600
101-5-2426-01-7404 R&M Equipment	2,147	3,816	8,500	11,200
101-5-2426-01-7405 R&M Vehicle	36,334	52,406	40,000	30,000
101-5-2426-01-7502 Lease Equipment	5,675	6,418	6,500	8,200
101-5-2426-01-7600 Travel	130	3,570	5,000	4,000
101-5-2426-01-7601 Registrations	13,901	21,498	15,000	17,500
101-5-2426-01-7900 Other Professional Services	17,591	19,491	30,000	30,000
101-5-2426-01-7910 Printing & Binding	2,704	2,520	3,000	1,500
101-5-2426-01-7912 Fire Grant Expense	4,554	-	200,000	75,000
101-5-2426-01-7920 Hydrant Program	287	-	-	-
210-5-2426-01-7912 Miscellaneous Grant Expenses	48	-	-	-
210-5-2426-01-7914 Donations	1,963	885	-	-
Total Other Svcs & Charges	<u>157,262</u>	<u>182,880</u>	<u>399,100</u>	<u>252,200</u>
CAPITAL OUTLAY				
101-5-2426-01-8409 e-PCR	-	19,448	-	-
403-5-2426-03-87xx Various Grants	<u>157,577</u>	<u>-</u>	<u>205,500</u>	<u>334,300</u>
Total Capital Outlay	<u>157,577</u>	<u>19,448</u>	<u>205,500</u>	<u>334,300</u>
TOTAL FIRE OPERATIONS	<u>3,028,166</u>	<u>3,069,074</u>	<u>3,708,200</u>	<u>3,647,600</u>

WILDLAND DIVISION

Payson Fire Department participates with the Arizona State Division of Forestry in a cooperative wildland fire response program. This program allows departments from all over the State to enter into agreements to facilitate the movement of firefighting resources to wherever they may be needed for wildland fires. The Payson Fire Department provides personnel and equipment as part of the agreement. Fire department personnel have responded to fires throughout the West. Participation is voluntary and the department charges the State for related expenses. This program not only allows us to help our neighbors, but also gives our firefighters the opportunity to gain valuable experience and training in the art of wildland firefighting. This has proven to be invaluable in developing and sustaining wildland fire response capabilities in the Payson area. As a value added feature, participation in the program provides funds for wildland fire equipment and training.

2015/2016 ACCOMPLISHMENTS

- ✓ Increased wildland fire qualifications for personnel: one Engine Boss was authorized as a Strike Team trainee, one Engine Boss Trainee was certified as an Engine Boss, and one Firefighter was certified as an Engine Boss Trainee
- ✓ Maintained all resources in a ready condition
- ✓ Responded to six requests for service

2016/2017 GOALS



KRA 7: THE PAYSON TEAM

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

KRA 8: PUBLIC SAFETY

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



WILDLANDS DIVISION BUDGET CHANGES—3 YEARS

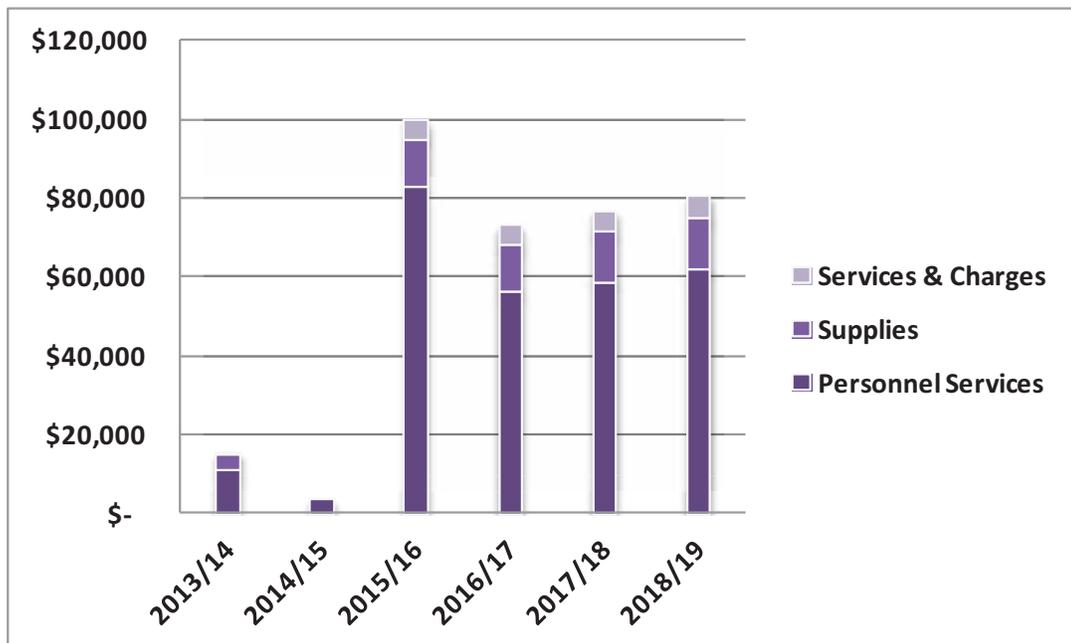
Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Salaries & Wages	2,600	64,000	2361.5%	37,000	-42.2%
Personnel Benefits	863	19,000	2101.6%	19,000	0.0%
Supplies	-	12,000	100.0%	12,000	0.0%
Other Services & Charges	-	5,000	100.0%	5,000	0.0%
Total Wildlands	3,463	100,000	2787.7%	73,000	-27.0%

Significant Budget Changes:

- In FY14/15 & FY15/16, \$100,000 was budgeted for Wildlands/Urban Program to assist in fighting forest fires. Actual expenditures depend on the severity of the fire season.
- In FY16/17, \$73,000 was budgeted for the Wildlands/Urban Program

WILDLANDS DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2017/18 Estimate	2018/19 Estimate
Personnel Services	\$ 10,967	\$ 3,463	\$ 83,000	\$ 56,000	\$ 58,800	\$ 61,740
Supplies	3,888	-	12,000	12,000	12,600	13,230
Services & Charges	112	-	5,000	5,000	5,250	5,513
Total Wildlands	\$ 14,967	\$ 3,463	\$ 100,000	\$ 73,000	\$ 76,650	\$ 80,483



**WILDLANDS/URBAN PROGRAM**

	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
SALARIES & WAGES				
101-5-2426-02-5001 Full Time Employees	987	-	31,000	31,000
101-5-2426-02-5003 Temporary Employees	-	-	3,000	3,000
101-5-2426-02-5200 Overtime	7,253	2,600	30,000	3,000
Total Salaries & Wages	8,240	2,600	64,000	37,000
PERSONNEL BENEFITS				
101-5-2426-02-5501 FICA	109	33	2,000	2,000
101-5-2426-02-5504 Retirement	1,837	535	14,000	14,000
101-5-2426-02-5700 Insurance Benefit	781	295	-	-
101-5-2426-02-5800 Workers Comp Insurance	-	-	3,000	3,000
Total Personnel Benefits	2,727	863	19,000	19,000
SUPPLIES				
101-5-2426-02-6009 Safety/Program Supplies	1,555	-	3,000	3,000
101-5-2426-02-6011 Small Tools/Minor Equipment	953	-	2,000	2,000
101-5-2426-02-6202 R&M Supplies Other	-	-	2,000	2,000
101-5-2426-02-6300 Gasoline, Fuel	-	-	2,000	2,000
101-5-2426-02-6302 R&M Supplies Vehicles	1,380	-	2,000	2,000
101-5-2426-02-6990 Other Expenses	-	-	1,000	1,000
Total Supplies	3,888	-	12,000	12,000
OTHER SERVICES & CHARGES				
101-5-2426-02-7600 Travel	112	-	5,000	5,000
Total Other Svcs & Charges	112	-	5,000	5,000
TOTAL WILDLANDS/URBAN PROGRAM	14,967	3,463	100,000	73,000

COMMUNITY DEVELOPMENT— ADMINISTRATION

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

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



2016 ANNUAL BUDGET

Community Development

DESCRIPTION

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

EXPENDITURE SUMMARY

Operating Division	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed
Administration	15	106,266	107,000	105,000
Total Department	15	106,266	107,000	105,000

POSITION SUMMARY

	2015/16	2016/17
Comm Dev Director *	-	-
Executive Assistant	1.0	1.0
Total Positions	1.0	1.0

* Position frozen pending economic recovery

COMMUNITY DEVELOPMENT-ADMINISTRATION



CD - ADMINISTRATION

	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
SALARIES & WAGES				
101-5-6428-00-5001 Full Time Employees	-	52,867	51,100	50,500
Total Salaries & Wages	-	52,867	51,100	50,500
PERSONNEL BENEFITS				
101-5-6428-00-5501 FICA	-	3,509	3,900	3,900
101-5-6428-00-5504 Retirement	-	6,066	5,800	5,800
101-5-6428-00-5700 Health/Life Insurance	-	6,933	7,700	6,200
101-5-6428-00-5701 Disability Insurance	-	63	100	100
101-5-6428-00-5800 Workers Comp Insurance	-	29	200	300
Total Personnel Benefits	-	16,600	17,700	16,300
SUPPLIES				
101-5-6428-00-6001 Office Supplies	-	5,402	6,500	6,500
101-5-6428-00-6003 Cleaning Supplies	-	762	800	800
101-5-6428-00-6005 Safety Supplies	-	267	500	500
101-5-6428-00-6300 Gasoline/Fuels/Lubricants	-	5,017	5,000	5,000
101-5-6428-00-6302 R&M Vehicle	15	648	1,500	1,500
Total Supplies	15	12,096	14,300	14,300
OTHER SERVICES & CHARGES				
101-5-6428-00-7300 Electricity	-	6,665	7,000	7,000
101-5-6428-00-7301 Propane Gas	-	719	1,000	1,000
101-5-6428-00-7302 Water	-	408	500	500
101-5-6428-00-7401 R&M Building	-	8,902	5,000	5,000
101-5-6428-00-7402 R&M Office Equipment	-	-	500	500
101-5-6428-00-7405 R&M Vehicle	-	-	500	500
101-5-6428-00-7502 Lease Equipment	-	4,808	5,300	5,300
101-5-6428-00-7900 Other Professional Services	-	3,200	4,100	4,100
Total Other Svcs & Charges	-	24,702	23,900	23,900
TOTAL CD - ADMINISTRATION	15	106,265	107,000	105,000

BUILDING SERVICES

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

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





2016 ANNUAL BUDGET

Building

The Building Services Department provides information to the public on building code requirements, reviews and approves building plans, and performs a complete range of building services. These services include plan check review and inspection for all required codes: building, plumbing, mechanical and electrical.

DEPARTMENT EXPENDITURE SUMMARY

Operating Division	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed
Building	355,790	312,828	370,300	375,900
Total Department	355,790	312,828	370,300	375,900

POSITION SUMMARY

	2015/16	2016/17
Chief Building Official	1.0	1.0
Building Inspector *	2.0	2.0
Plans Examiner **	1.0	0.0
Financial Service Technician	1.0	1.0
Permit Technician	1.0	1.0
Total Positions	6.0	5.0

*One Building Inspector position is frozen pending economic recovery

**In FY15/16, One new Plans Examiner position was budgeted for January 2016 but never filled. In FY16/17, that position was not budgeted.

BUILDING SERVICES DEPARTMENT

BUILDING SERVICES

2015/2016 ACCOMPLISHMENTS

- ✓ Conducted 2374 building inspections
- ✓ Issued 62 new site built home permits
- ✓ Issued 4 new commercial building permits for medical office; airplane hangar; shell building for Dunkin Donuts / Five Guys Burgers; and Culver's
- ✓ Issued 8 new manufactured home permits
- ✓ Issued 1 new 3-unit multi-family permit

2016/2017 GOALS

NEIGHBORHOOD & LIVABILITY



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

Contact Information

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

Physical Location

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

BUILDING SERVICES BUDGET CHANGES—3 YEARS

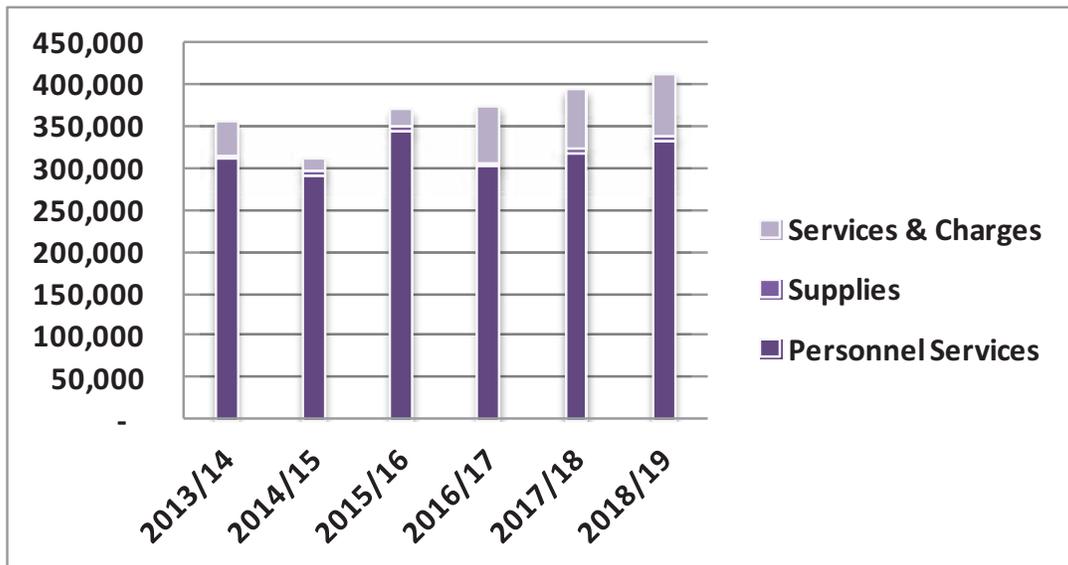
Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Salaries & Wages	222,323	261,000	17.4%	224,100	-14.1%
Personnel Benefits	70,118	85,100	21.4%	79,100	-7.1%
Supplies	5,976	5,600	-6.3%	4,000	-28.6%
Other Services & Charges	14,411	18,600	29.1%	68,700	269.4%
Total Building	312,828	370,300	18.4%	375,900	1.5%

Significant Budget Changes:

- FY15/16 Budget included 6 months of wages & benefits for a new Plans Examiner who would have been hired if the workload had increased due to college construction
- FY15/16 Other Services—increased for building repair / maintenance projects
- FY16/17 Wages & Benefits—decreased because potential Plans Examiner position was removed
- FY16/17 Supplies—budget for books/periodicals decreased as code updates are coming to an end
- FY16/17 Other Services—Other Professional Services was increased to cover plan review contact work that might be required during college construction

BUILDING SERVICES BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2017/18 Estimate	2018/19 Estimate
Personnel Services	311,261	292,441	\$ 346,100	\$ 303,200	\$ 318,360	\$ 334,278
Supplies	4,290	5,976	5,600	4,000	4,200	4,410
Services & Charges	40,239	14,411	18,600	68,700	72,135	75,742
Total Building	\$ 355,790	\$ 312,828	\$ 370,300	\$ 375,900	\$ 394,695	\$ 414,430





BUILDING SERVICES

	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
SALARIES & WAGES				
101-5-6428-03-5001 Full Time Employees	237,203	222,323	261,000	224,100
101-5-6428-03-5200 Overtime Pay	194	33	-	-
Total Salaries & Wages	<u>237,397</u>	<u>222,356</u>	<u>261,000</u>	<u>224,100</u>
PERSONNEL BENEFITS				
101-5-6428-03-5501 FICA	16,501	15,248	19,900	17,200
101-5-6428-03-5504 Retirement	26,330	25,518	29,500	25,400
101-5-6428-03-5700 Health/Life Insurance	24,960	23,674	29,800	27,100
101-5-6428-03-5701 Disability Insurance	552	267	300	300
101-5-6428-03-5800 Workers Comp Insurance	5,521	5,378	5,600	6,100
101-5-6428-03-5990 Miscellaneous	-	-	-	3,000
Total Personnel Benefits	<u>73,864</u>	<u>70,085</u>	<u>85,100</u>	<u>79,100</u>
SUPPLIES				
101-5-6428-03-6006 Uniforms/Clothing	-	-	800	800
101-5-6428-03-6010 Books & Periodicals	387	4,580	3,000	1,500
101-5-6428-03-6011 Small Tools & Minor Equipment	133	687	1,000	1,000
101-5-6428-03-6300 Vehicle Fuel	3,178	-	-	-
101-5-6428-03-6302 Vehicle R&M Parts	367	-	-	-
101-5-6428-03-6700 Dues & Memberships	225	709	800	700
Total Supplies	<u>4,290</u>	<u>5,976</u>	<u>5,600</u>	<u>4,000</u>
OTHER SERVICES & CHARGES				
101-5-6428-03-7306 Telephone	1,459	1,198	1,400	1,400
101-5-6428-03-7307 Utilities Postage/Freight	-	42	100	200
101-5-6428-03-7502 Leased Equipment	4,353	-	-	-
101-5-6428-03-7600 Travel	2,939	4,482	3,800	3,800
101-5-6428-03-7601 Registrations	1,180	2,215	2,800	2,800
101-5-6428-03-7900 Other Professional Services	29,771	6,474	10,000	60,000
101-5-6428-03-7910 Printing & Binding	537	-	500	500
Total Other Svcs & Charges	<u>40,239</u>	<u>14,411</u>	<u>18,600</u>	<u>68,700</u>
TOTAL BUILDING SERVICES	<u><u>355,790</u></u>	<u><u>312,828</u></u>	<u><u>370,300</u></u>	<u><u>375,900</u></u>



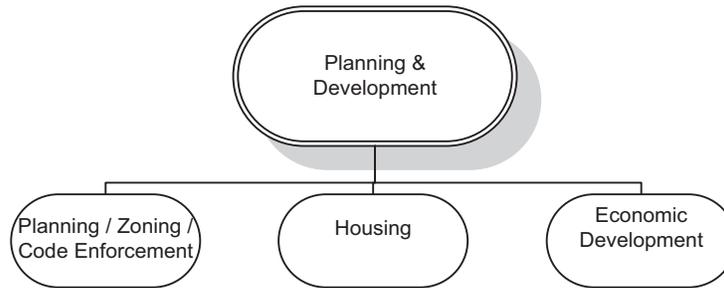
PLANNING & DEVELOPMENT

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

Town of Payson
Community Development
Building
303 N. Beeline Highway
Payson, AZ 85541
928-474-5032



2016 ANNUAL BUDGET



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

DEPARTMENT EXPENDITURE SUMMARY

Operating Division	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed
Planning/Zoning/Code Enforcement	237,392	286,930	316,800	321,000
Economic Development	10,000	719	156,300	390,900
Housing Programs	110,472	49,720	214,000	217,500
Total Department	357,864	337,369	687,100	929,400

POSITION SUMMARY

	2015/16	2016/17
Planning & Dev Director	1.0	1.0
Code Compliance Specialist	1.0	1.0
Planning Specialist I	1.0	1.0
Planning Technician	1.0	1.0
Economic Dev Specialist	1.0	1.0
Total Positions	5.0	5.0

PLANNING & DEVELOPMENT DEPARTMENT



2016 ANNUAL BUDGET

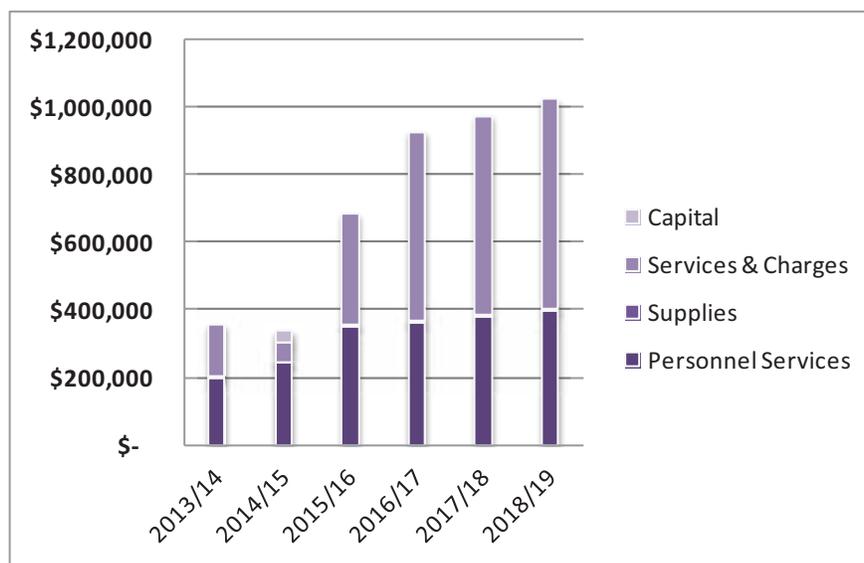
PLANNING & DEVELOPMENT DEPARTMENT BUDGET CHANGES—3 YEARS

Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Salaries & Wages	178,720	261,600	46.4%	265,900	1.6%
Personnel Benefits	64,017	89,500	39.8%	94,100	5.1%
Supplies	1,525	3,900	155.7%	6,000	53.8%
Other Services & Charges	59,047	332,100	462.4%	563,400	69.6%
Capital	34,060	-	-100.0%	-	0.0%
Total Planning & Development	337,369	687,100	103.7%	929,400	35.3%

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

PLANNING & DEVELOPMENT DEPARTMENT BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2017/18 Estimate	2018/19 Estimate
Personnel Services	\$ 200,082	\$ 242,737	\$ 351,100	\$ 360,000	\$ 378,000	\$ 396,900
Supplies	6,655	1,525	3,900	6,000	6,300	6,615
Services & Charges	151,127	59,047	332,100	563,400	591,570	621,149
Capital	-	34,060	-	-	-	-
Total Community Dev	\$ 357,864	\$ 337,369	\$ 687,100	\$ 929,400	\$ 975,870	\$ 1,024,664



PLANNING/ZONING/CODE ENFORCEMENT DIVISION

2015/2016 ACCOMPLISHMENTS

PLANNING & ZONING

- ✓ Secured AZGFD Heritage Fund grant monies for the construction of additional improvements / amenities along a section of the American Gulch
- ✓ Facilitated participation by four additional businesses in the State Route 87 / 260 Beautification Program
- ✓ Processed 1 rezoning case, 4 conditional use permits, 2 minor land division applications, 10 subdivision applications, 7 design review projects, 5 temporary use permits and 5 UDC amendments
- ✓ Provided Development Services assistance to new business / development proposals each week

CODE ENFORCEMENT

- ✓ Began implementing proactive code enforcement
- ✓ Conducted the second "Dump Your Junk" event which hauled off over 80 tons of household garbage from within Town limits
- ✓ Improved the enforcement process by implementing a more user-friendly complaint form, updating the civil citation form data and creating simpler access to code compliance staff via the Town's website
- ✓ Began educating / enforcing sign codes on a more routine basis to aid in the Beautification Program along State Route 87/260 and to demonstrate consistency in enforcement actions
- ✓ Assisted with three amendments to the Unified Development Code to make a positive and effective change to better serve our citizens
- ✓ Reduced blight by abating 6 properties through the lien and clean process, one site has already had a brand new home constructed on it
- ✓ Investigated 174 code enforcement complaints & resolved 175 reported violations

Contact Information

Sheila DeSchaaf
Zoning Administrator
(928) 472-5037
sdeschaaf@paysonaz.gov

Contact Information

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

2016/2017 GOALS

KRA 4: INNOVATION & EFFICIENCY

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

KRA 5: NEIGHBORHOODS & LIVABILITY

- ⇒ Continue updating the Unified Development Code to streamline and modernize practices and to promote the implementation of the Payson General Plan
- ⇒ Ensure compliance with zoning codes to prevent or eliminate blight and foster pride in the community by responding to citizen complaints, organizing neighborhood clean up events, and proactive enforcement
- ⇒ Begin construction of a new section of trail amenities along the American Gulch

KRA 7: THE PAYSON TEAM

- ⇒ Promote and seek funding to implement the Town of Payson General Plan
- ⇒ Continue to partner with private businesses to implement the State Route 87/260 Beautification Program



Physical Location
Planning & Development Department
Public Works/Community Development Building
303 N Beeline Hwy.
Payson, AZ 85541

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

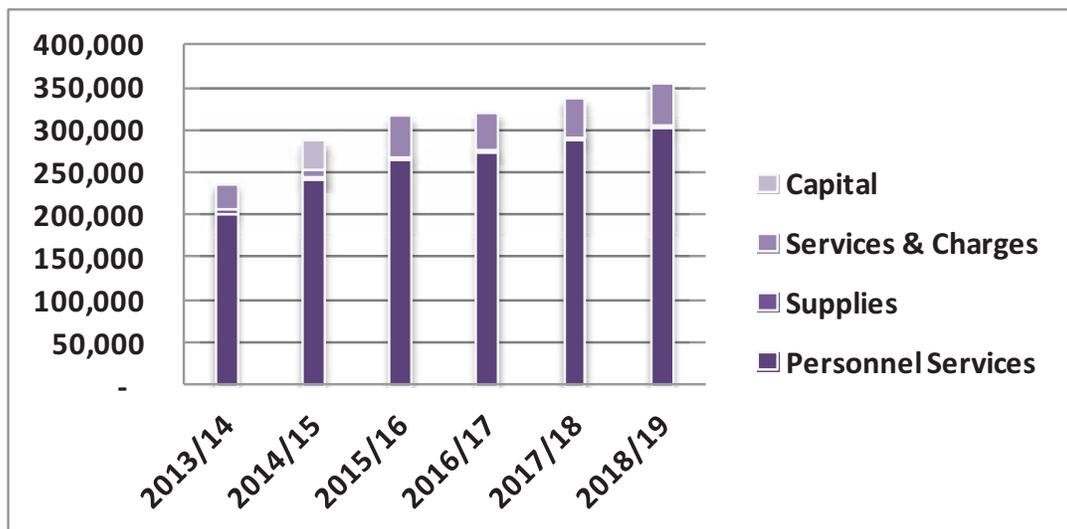
Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Salaries & Wages	178,117	193,700	8.7%	197,100	1.8%
Personnel Benefits	63,901	72,300	13.1%	76,400	5.7%
Supplies	1,525	2,100	37.7%	4,000	90.5%
Other Services & Charges	9,327	48,700	422.1%	43,500	-10.7%
Capital	34,060	-	-100.0%	-	0.0%
Total Planning	286,930	316,800	10.4%	321,000	1.3%

Significant Budget Changes:

- FY15/16 Salaries/Benefits—wage adjustments and increases in health insurance
- FY15/16 & FY16/17 Supplies—increases in uniforms/clothing and memberships/dues/subscriptions
- FY15/16 Other Services—budget line item added for new Lien & Clean program, environmental grant, and additional travel / registrations

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

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2017/18 Estimate	2018/19 Estimate
Personnel Services	200,082	242,018	\$ 266,000	\$ 273,500	\$ 287,175	\$ 301,534
Supplies	6,655	1,525	2,100	4,000	4,200	4,410
Services & Charges	30,655	9,327	48,700	43,500	45,675	47,959
Capital	-	34,060	-	-	-	-
Total Planning	\$ 237,392	\$ 286,930	\$ 316,800	\$ 321,000	\$ 337,050	\$ 353,903





PLANNING

	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
SALARIES & WAGES				
101-5-6428-01-5001 Full Time Employees	149,355	178,117	193,700	197,100
Total Salaries & Wages	149,355	178,117	193,700	197,100
PERSONNEL BENEFITS				
101-5-6428-01-5501 FICA	9,927	12,237	14,700	15,100
101-5-6428-01-5504 Retirement	16,887	20,440	21,900	22,400
101-5-6428-01-5700 Health/Life Insurance	18,604	21,453	24,900	26,600
101-5-6428-01-5701 Disability Insurance	352	214	200	300
101-5-6428-01-5800 Workers Comp Insurance	4,957	9,557	10,600	12,000
Total Personnel Benefits	50,727	63,901	72,300	76,400
SUPPLIES				
101-5-6428-01-6001 Office Supplies	3,847	-	-	-
101-5-6428-01-6003 Cleaning Supplies	1,031	-	-	-
101-5-6428-01-6005 Safety Supplies	273	-	-	-
101-5-6428-01-6006 Uniforms/Clothing	-	254	800	1,200
101-5-6428-01-6010 Books & Periodicals	-	-	-	200
101-5-6428-01-6011 Small Tools & Minor Equipment	662	315	400	400
101-5-6428-01-6300 Gasoline/Fuels/Lubricant	228	-	-	-
101-5-6428-01-6700 Memberships/Dues/Subscript	614	956	900	2,200
Total Supplies	6,655	1,525	2,100	4,000
OTHER SERVICES & CHARGES				
101-5-6428-01-7300 Electricity	6,857	-	-	-
101-5-6428-01-7301 Propane Gas	829	-	-	-
101-5-6428-01-7302 Water	349	-	-	-
101-5-6428-01-7306 Telephone	957	1,228	1,600	1,600
101-5-6428-01-7307 Postage	-	-	200	200
101-5-6428-01-7401 Building R&M	2,024	-	-	-
101-5-6428-01-7600 Travel	696	475	3,200	2,500
101-5-6428-01-7601 Registrations	265	580	2,800	2,800
101-5-6428-01-7900 Other Professional Services	16,665	4,167	-	-
101-5-6428-01-7901 Lien & Clean	-	-	10,000	10,000
101-5-6428-01-7907 Advertising	1,473	2,077	2,200	3,000
101-5-6428-01-7910 Printing & Binding	540	800	500	500
101-5-6428-01-7912 Grant Expense	-	-	28,200	22,900
Total Other Svcs & Charges	30,655	9,327	48,700	43,500
CAPITAL				
417-5-6428-01-8785 Main Street Improvements	-	34,060	-	-
	-	34,060	-	-
TOTAL PLANNING	237,392	286,930	316,800	321,000

ECONOMIC DEVELOPMENT DIVISION

2015/2016 ACCOMPLISHMENTS

- ✓ Completed Payson's Economic Development Strategy and began implementation of the initiatives in the plan in partnership with local educational and workforce agencies, Gila County, local businesses and business organizations
- ✓ Worked cooperatively with Gila County IDA, Chamber of Commerce, Northern AZ SCORE, Small Business Development Authority, and Gila Community College to provide training for over 200 local businesses
- ✓ Actively participated in AZ Association Economic Development (AAED) to collaborate with economic development professionals in Arizona
- ✓ Participated in GAG's Comprehensive Economic Development Strategy committee
- ✓ Obtained grant funding from AZ Commerce Authority to conduct a hotel / conference center feasibility study and develop associated marketing materials
- ✓ Completed the new website devoted to economic development within the Greater Payson Area: www.Paysonmeansbusiness.com
- ✓ Assisted one local business, with help from ACA, in exporting products outside of the U.S.

2016/2017 GOALS

KRA 1: ECONOMIC DEVELOPMENT, TOURISM & ECONOMIC VITALITY

- ⇒ Continue to meet the goals and timelines in the 5-year economic development plan; i.e. Job Creation, Town Center, Talent Development & Life Long Learning, Entrepreneurship & Innovation, Livable Community, and Marketing & Promotion
- ⇒ Continue collaborative workforce-training program with Gila County IDA, the Chamber of Commerce, and SBDA
- ⇒ Continue to improve the economic development website by improving the overall appearance and keeping it exciting and user-friendly
- ⇒ Continue to pinpoint industries that have the highest probability of expanding or locating in Payson, by promoting job creation and revenue generation of small business and local entrepreneurs
- ⇒ Continue to seek grants from all government agencies & AZ Commerce Authority
- ⇒ Work with local businesses to export products overseas to generate additional revenues



CONTACT INFORMATION

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

PHYSICAL LOCATION

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

ECONOMIC DEVELOPMENT DIVISION BUDGET CHANGES—3 YEARS

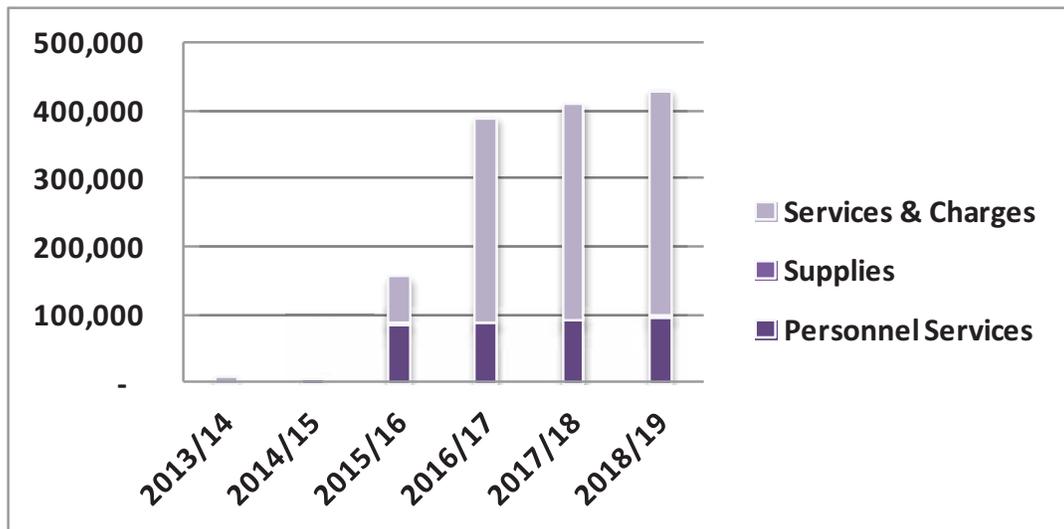
Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Salaries & Wages	603	67,900	11160.4%	68,800	1.3%
Personnel Benefits	116	17,200	14727.6%	17,700	2.9%
Supplies	-	1,800	100.0%	2,000	11.1%
Other Services & Charges	-	69,400	100.0%	302,400	335.7%
Total Economic Development	719	156,300	21638.5%	390,900	150.1%

Significant Budget Changes:

- FY15/16—Economic Development Specialist position was established in Planning & Development Department
- FY16/17 Supplies—added budget line item for uniforms/clothing
- FY16/17 Services—reflects increase for grant project

ECONOMIC DEVELOPMENT DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2017/18 Estimate	2018/19 Estimate
Personnel Services	-	719	\$ 85,100	\$ 86,500	\$ 90,825	\$ 95,366
Supplies	-	-	1,800	2,000	2,100	2,205
Services & Charges	10,000	-	69,400	302,400	317,520	333,396
Total Economic Dev	\$ 10,000	\$ 719	\$ 156,300	\$ 390,900	\$ 410,445	\$ 430,967





ECONOMIC DEVELOPMENT

		2013/14	2014/15	2015/16	2016/17
		ACTUAL	ACTUAL	BUDGET	PROPOSED
SALARIES & WAGES					
101-5-6428-02-5001	Salaries & Wages Full Time	-	603	67,900	68,800
	Total Salaries & Wages	-	603	67,900	68,800
PERSONNEL BENEFITS					
101-5-6428-02-5501	FICA	-	46	5,200	5,300
101-5-6428-02-5504	Retirement	-	68	7,700	7,800
101-5-6428-02-5700	Insurance Benefit	-	1	400	300
101-5-6428-02-5701	Disability Insurance	-	1	100	100
101-5-6428-02-5800	Workers Compensation Ins	-	-	3,800	4,200
		-	116	17,200	17,700
SUPPLIES					
101-5-6428-02-6006	Uniforms/Clothing	-	-	-	200
101-5-6428-02-6011	Small Tools / Minor Equip	-	-	500	500
101-5-6428-02-6700	Membership/Dues/Subscript	-	-	1,300	1,300
	Total Supplies	-	-	1,800	2,000
OTHER SERVICES & CHARGES					
101-5-6428-02-7306	Telephone Charges	-	-	400	300
101-5-6428-02-7600	Travel	-	-	4,000	3,500
101-5-6428-02-7601	Registrations	-	-	3,000	2,000
101-5-6428-02-7900	Other Professional Services	10,000	-	60,000	293,600
101-5-6428-02-7907	Advertising	-	-	1,000	2,000
101-5-6428-02-7910	Printing & Binding	-	-	1,000	1,000
	Total Other Svcs & Charges	10,000	-	69,400	302,400
TOTAL ECONOMIC DEVELOPMENT		10,000	719	156,300	390,900

HOUSING DIVISION

2015/2016 ACCOMPLISHMENTS

- ✓ Promoted Affirmative Furthering Fair Housing (AFFH)
- ✓ Implemented and administered new and existing housing rehabilitation and replacement contracts in compliance with State and Federal requirements
- ✓ Collaborated with State of Arizona Housing Department to implement Federal and State initiatives in Payson
- ✓ Completed two rehabilitation projects for income-qualified homeowners
- ✓ Explored feasibility options of housing / community needs outside rehabilitation projects

2016/2017 GOALS

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

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



Contact Information

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

Physical Location

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

HOUSING DIVISION BUDGET CHANGES—3 YEARS

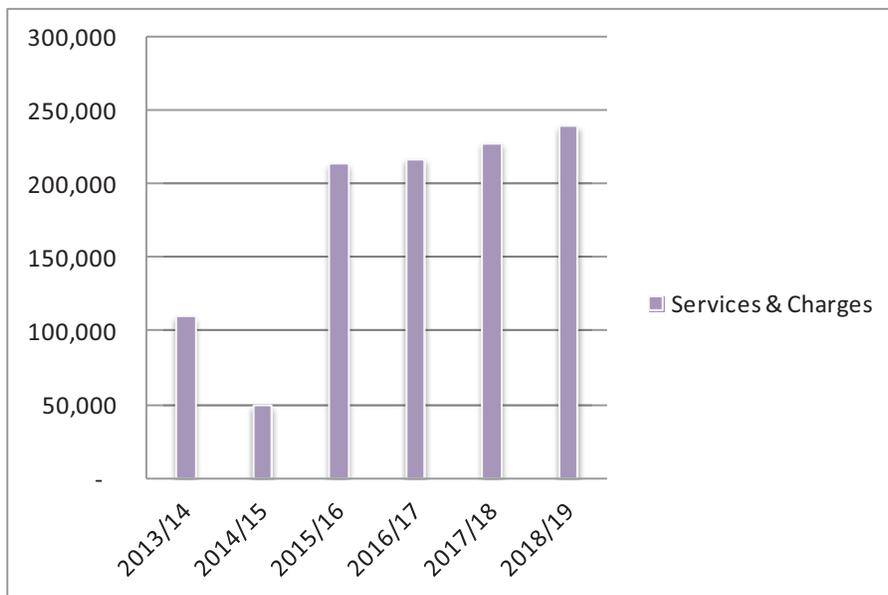
Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Other Services & Charges	49,720	214,000	330.4%	217,500	1.6%
Total Housing	49,720	214,000	330.4%	217,500	1.6%

Significant Budget Changes:

- Changes were due to the availability of CDBG funding

**HOUSING DIVISION BUDGET ANALYSIS
HISTORIC AND FORECAST**

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2017/18 Estimate	2018/19 Estimate
Services & Charges	110,472	49,720	214,000	217,500	228,375	239,794
Total Housing	\$ 110,472	\$ 49,720	\$ 214,000	\$ 217,500	\$ 228,375	\$ 239,794



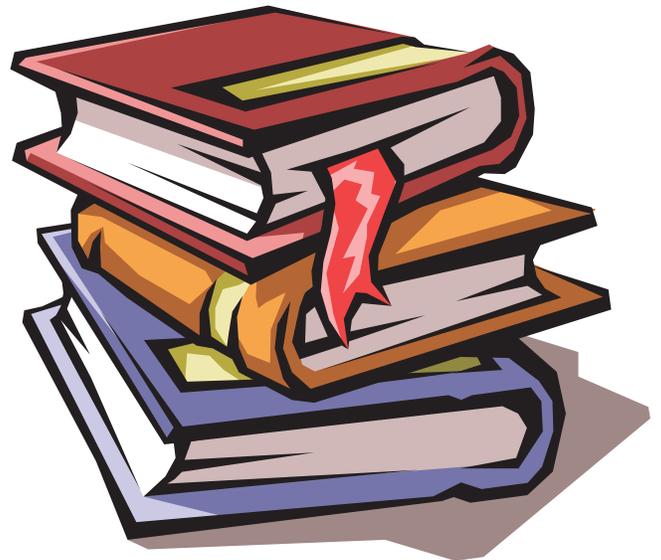
**AFFORDABLE HOUSING**

	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
OTHER SERVICES & CHARGES				
403-5-6428-21-7913 Housing Exp 2010	52,454	44,880	-	-
403-5-6428-22-7912 Senior Center 2010	58,018	-	-	-
403-5-6428-22-7913 CDBG Housing 2014-16	-	4,840	214,000	139,000
403-5-6428-22-7914 CDBG Housing 2017-19	-	-	-	78,500
Total Other Svcs & Charges	<u>110,472</u>	<u>49,720</u>	<u>214,000</u>	<u>217,500</u>
TOTAL HOUSING	<u><u>110,472</u></u>	<u><u>49,720</u></u>	<u><u>214,000</u></u>	<u><u>217,500</u></u>

LIBRARY

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

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





2016 ANNUAL BUDGET



DEPARTMENT EXPENDITURE SUMMARY

Operating Division	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed
Library	327,121	332,904	364,600	378,700
				-
Total Department	327,121	332,904	364,600	378,700

POSITION SUMMARY

	2015/16	2016/17
Library Director	1.0	1.0
Assistant Library Manager	1.0	1.0
Library Clerk	4.0	4.0
Library Page	0.5	0.5
Total Positions	6.5	6.5

LIBRARY

LIBRARY DIVISION

2015/2016 ACCOMPLISHMENTS

- ✓ Implemented the new Overdrive platform in January 2016 which has been very popular. As countywide demand for eBook titles rose sharply, so did the demand for Audio eBooks. The Library Director applied for, and was awarded, a \$5,000 grant to purchase additional audio eBook titles for the Overdrive platform which will become available to patrons in August 2016.
- ✓ Coordinated more than 400 programs, outreaches, and events. While we continue to offer a wide array of children's programs from Babytime to Computer Coding, staff worked very hard to introduce new programs for adults and seniors as well. This year, there were health centered cooking classes, basic computer workshops, early literacy training for parents, eBook training, lectures on topics of interest, and various outreach presentations. The Library continues to thank the Rim Country community for their support of library programs, including donations to the Library Friends of Payson, which funds our programs and outreach budget.
- ✓ Replaced damaged/vandalized bathroom partitions and mirrors in our men's restroom, replaced the hot water heater, and repaired several HVAC units. We continue to be current on all inspections of fire alarms, extinguishers, and the sprinkler system.
- ✓ As the largest and most heavily used library in Gila County, the Payson Library works closely with the Gila County Library District to ensure that a professional standard of service is available county wide. We participate in county wide 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 Library continues to answer more reference questions, circulate more materials, and host more programs than any other library within the county.
- ✓ The Payson Library continues to be a leader in the ReadOn Northern Gila County effort. ReadOn works to bring awareness of the importance of literacy, kindergarten readiness, and reaching grade level reading goals through partnership with local schools, churches, government agencies, and non-profit groups. As a ReadOn Lead the library partnered with other agencies to put reading materials, literacy guides, and more into the hands of children in need or in crisis within our community by distributing ReadOn CARE bags to first responders, DCS, and charitable organizations. The Library also worked to coordinate outreach events to promote the ReadOn Initiative.

CONTACT INFORMATION

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

PHYSICAL LOCATION

Payson Public Library
328 N McLane
Payson, AZ 85541

2016/2017 GOALS



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

KRA 5: NEIGHBORHOODS & LIVABILITY

- ⇒ Important building maintenance projects like repair of the rock wall outside of the Library, the fire sprinkler trip test, and other needs as they arise will be addressed in a timely manner



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

- ⇒ The Library will continue to work with Gila County Library District administration and our in-network libraries towards the common goal of providing a positive and cohesive patron service experience throughout the Gila County Library District.
- ⇒ The library will continue to be a leader in the ReadOn Northern Gila County effort, coordinating with local libraries, schools, government agencies and other community partners.
- ⇒ Library staff will provide quality programs to patrons of varying ages including programs provided in partnership with local schools and organizations



LIBRARY BUDGET CHANGES—3 YEARS

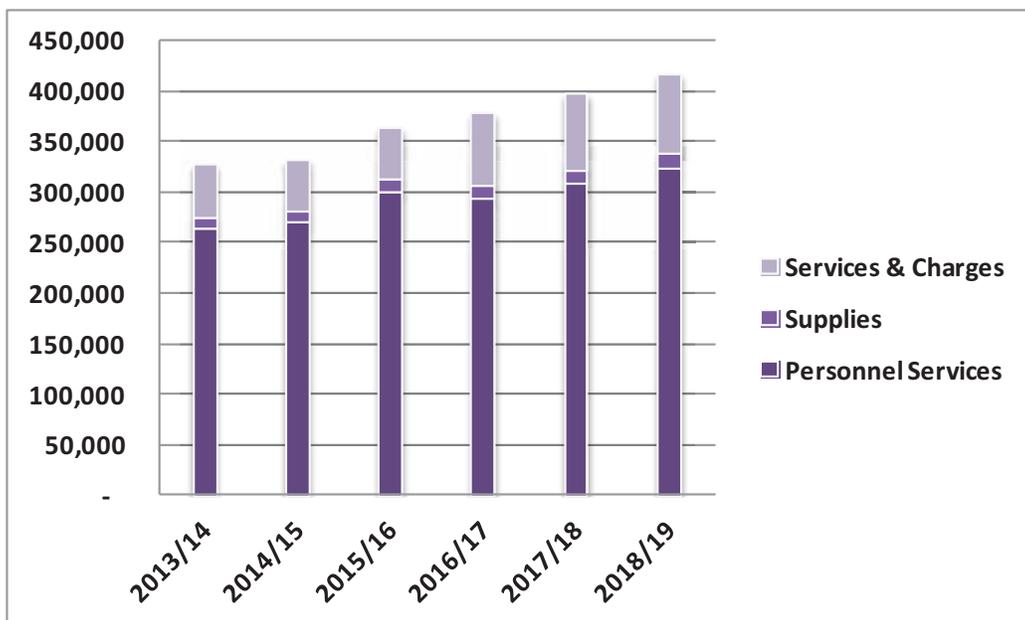
Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Salaries & Wages	216,524	240,500	11.1%	239,700	-0.3%
Personnel Benefits	54,928	59,300	8.0%	54,100	-8.8%
Supplies	10,353	12,700	22.7%	12,700	0.0%
Other Services & Charges	51,099	52,100	2.0%	72,200	38.6%
Total Library	332,904	364,600	9.5%	378,700	3.9%

Significant Budget Changes:

- FY15/16 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

LIBRARY BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2013/14 Actual	2014/15 Actual	2015/16 Proposed	2016/17 Proposed	2017/18 Estimate	2018/19 Estimate
Personnel Services	263,171	271,452	\$ 299,800	\$ 293,800	\$ 308,490	\$ 323,915
Supplies	10,775	10,353	12,700	12,700	13,335	14,002
Services & Charges	53,175	51,099	52,100	72,200	75,810	79,601
Total Library	\$ 327,121	\$ 332,904	\$ 364,600	\$ 378,700	\$ 397,635	\$ 417,517





LIBRARY

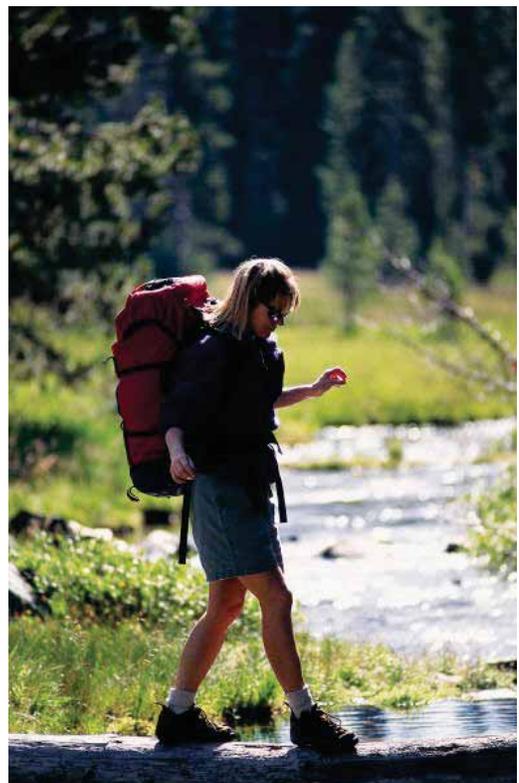
	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
SALARIES & WAGES				
224-5-4461-00-5001 Full Time Employees	176,328	166,065	164,400	138,400
224-5-4461-00-5002 Part Time Employees	31,703	50,459	76,100	101,300
Total Salaries & Wages	<u>208,031</u>	<u>216,524</u>	<u>240,500</u>	<u>239,700</u>
PERSONNEL BENEFITS				
224-5-4461-00-5501 FICA	15,293	16,053	18,300	18,300
224-5-4461-00-5504 Retirement	23,459	24,683	26,300	24,000
224-5-4461-00-5700 Health/Life Insurance	12,234	10,044	10,300	7,100
224-5-4461-00-5701 Disability Insurance	491	258	300	300
224-5-4461-00-5800 Workers Comp Insurance	3,663	3,890	4,100	4,400
Total Personnel Benefits	<u>55,140</u>	<u>54,928</u>	<u>59,300</u>	<u>54,100</u>
SUPPLIES				
224-5-4461-00-6001 Office Supplies	3,106	3,521	4,000	4,000
224-5-4461-00-6003 Cleaning/Sanitary Supplies	1,264	1,493	2,000	2,000
224-5-4461-00-6013 Computer Equip/ Supplies	1,954	1,011	2,000	2,000
224-5-4461-00-6201 Building R&M	1,347	1,187	1,200	1,200
224-5-4461-00-6700 Dues & Memberships	3,104	3,141	3,500	3,500
Total Supplies	<u>10,775</u>	<u>10,353</u>	<u>12,700</u>	<u>12,700</u>
OTHER SERVICES & CHARGES				
224-5-4461-00-7300 Electricity	30,353	30,578	32,000	32,000
224-5-4461-00-7302 Water	1,468	1,828	2,000	2,000
224-5-4461-00-7304 Sewage	590	590	600	600
224-5-4461-00-7305 Refuse Disposal	324	351	500	500
224-5-4461-00-7306 Telephone	2,489	2,627	3,000	3,000
224-5-4461-00-7307 Postage	1,499	1,851	2,000	2,000
224-5-4461-00-7401 Building R&M	14,505	11,370	10,000	30,000
224-5-4461-00-7402 R&M Office Equip	-	75	-	-
224-5-4461-00-7502 Lease-Equipment	1,160	1,367	1,300	1,400
224-5-4461-00-7910 Printing & Binding	787	461	700	700
Total Other Svcs & Charges	<u>53,175</u>	<u>51,098</u>	<u>52,100</u>	<u>72,200</u>
TOTAL LIBRARY	<u><u>327,121</u></u>	<u><u>332,903</u></u>	<u><u>364,600</u></u>	<u><u>378,700</u></u>

RECREATION & TOURISM

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

**Town of Payson
Recreation & Tourism Department
1000 W. Country Club Dr.
Payson, AZ 85541
928-472-5111**

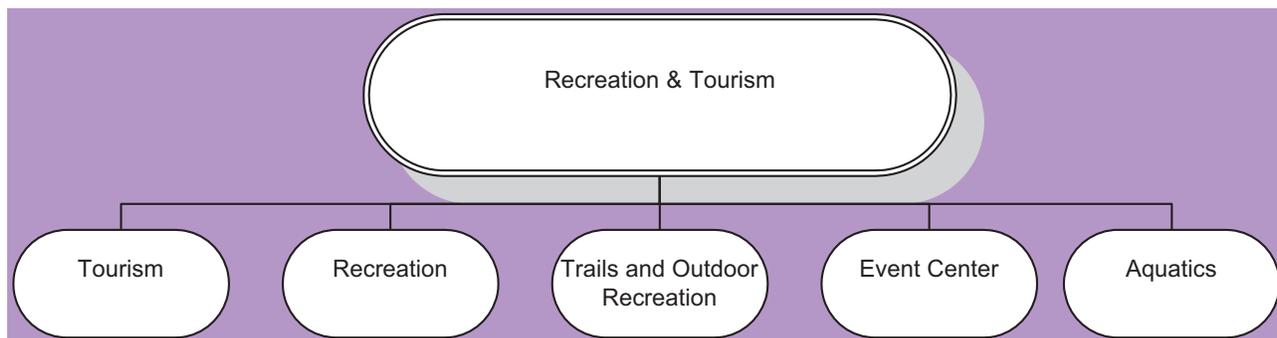
**Cameron Davis
Recreation & Tourism Director
cdavis@paysonaz.gov**





2016 ANNUAL BUDGET

Recreation & Tourism is comprised of Tourism, Recreation, Trails & Outdoor Recreation, Event Center, and Aquatics. The facilities that fall under this department are Taylor Pool, Rumsey Park, Green Valley Park, the Multi-Event Center, and Payson Area Trails (PATs).



DEPARTMENT EXPENDITURE SUMMARY

Operating Division	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed
Tourism	175,547	219,259	218,000	223,100
Trails	2,799	2,057	13,600	8,950
Recreation	252,894	267,886	315,100	329,550
Event Center	117,659	174,323	223,200	167,500
Aquatics	45,858	56,859	123,600	115,000
Total Department	594,757	720,384	893,500	844,100

POSITION SUMMARY

	2015/16	2016/17
Recreation & Tourism Director	1.0	1.0
Recreation Supervisor	1.0	2.0
Recreation Coordinator	1.0	0.0
Secretary	1.0	1.0
Event Center Coordinator	1.0	1.0
Total Positions	5.0	5.0

RECREATION & TOURISM



2016 ANNUAL BUDGET

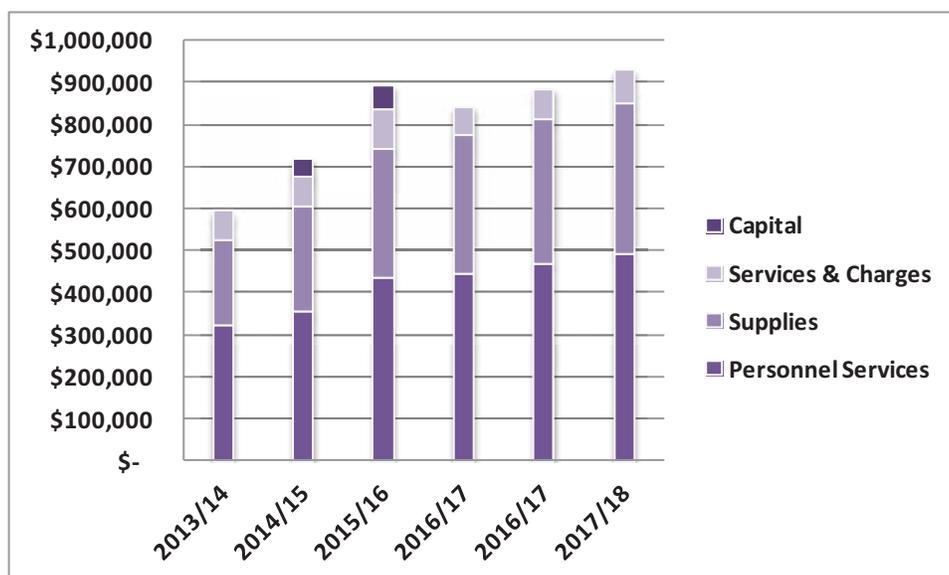
RECREATION & TOURISM DEPARTMENT BUDGET CHANGES—3 YEARS

Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Salaries & Wages	283,912	345,800	21.8%	357,500	3.4%
Personnel Benefits	70,982	87,900	23.8%	89,000	1.3%
Supplies	251,017	309,400	23.3%	327,600	5.9%
Other Services & Charges	72,707	92,400	27.1%	70,000	-24.2%
Capital	41,766	58,000	38.9%	-	-100.0%
Total Rec & Tourism	720,384	893,500	24.0%	844,100	-5.5%

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

RECREATION & TOURISM DEPARTMENT BUDGET ANALYSIS HISTORIC AND FORECAST

2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2016/17 Estimate	2017/18 Estimate
\$ 322,317	\$ 354,894	\$ 433,700	\$ 446,500	\$ 468,825	\$ 492,266
201,106	251,017	309,400	327,600	343,980	361,179
71,334	72,707	92,400	70,000	73,500	77,175
-	41,766	58,000	-	-	-
\$ 594,757	\$ 720,384	\$ 893,500	\$ 844,100	\$ 886,305	\$ 930,620



RECREATION & TOURISM

TOURISM DIVISION

2015/2016 ACCOMPLISHMENTS

- ✓ Worked with Cox Media to develop and produce a 30 minute infomercial promoting the Town and all of its summer activities—this promo was aired on Cox Channel 7 three times right after the Arizona Diamondbacks games
- ✓ Named the “Best Small Town” by Media World USA in its “Official Best of” series and we received a 2 minute video promoting Payson that was publicized on 3 different TV networks nationwide
- ✓ Received the Grand Prize for Best Float in the Fiesta Bowl Parade which generated an estimated \$500K in free promotions and advertising for the Town
- ✓ Held the 4th Annual Mogollon Monster Mudda—participants included 711 adults, 187 kids, 35 trail riders and 82% of participants were from out of town
- ✓ Hosted the 4th Annual ASA End of Summer Madness Softball Tournament that brought 30 teams to Town for 3 days. Total attendance is estimated to be around 2,000 people generating close to \$500K in gross income to the Town as a whole
- ✓ Participated in or was directly responsible for hosting over 100 special events or activities
- ✓ Launched new website located at www.paysonrimcountry.com—built on a new platform so that all content is “relevant” and can be viewed on mobile devices
- ✓ Tourism website set traffic records with over 1.7 million visitors and over 5.9 million pages visited and continued to be at the top of all search engines
- ✓ In 2015, there were over 24,000 unique visits to the Fourth of July page on the Tourism website
- ✓ ASU football returned to Camp Tontozona and will be back next year
- ✓ Added a new event called the ASU Football Pep Rally held at Green Valley Park—ASU alumni and fans were invited to participate in this family friendly event
- ✓ Grew Payson’s brand name in the Valley by utilizing press releases, media connections, TV, radio, and other avenues to accumulate over 2,800 advertisements and mentions throughout the year

CONTACT INFORMATION

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

PHYSICAL LOCATION

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

TOURISM DIVISION

2015/2016 ACCOMPLISHMENTS

- ✓ Concert Series continues to grow with new bands and a variety of genres. Crowds are consistent in the 500–1,200 range
- ✓ Continued to brand “Arizona’s Cool Mountain Town” in the Valley
- ✓ Co-sponsored several major events such as the car show, World’s Oldest Continuous Rodeo, and the Northern Gila County Fair
- ✓ Grew the Town’s e-mail marketing list by 25%. The e-mail campaigns continue to perform well—when we send out an e-mail blast, over 52% of the people on the list open the e-mail in contrast to industry norms of about 7%
- ✓ Continued utilization of active social media which has become a vital part of our marketing mix because it is traceable, trackable and creates immediate awareness. Our Facebook page, created in 2011, now has just under 7,000 members
- ✓ Attracted record number of people to our Trunk or Treat Festival—this year’s theme was “Super Hero’s” and we had 13 super hero’s that dressed up and signed autographs for the kids
- ✓ Continued to expand special events that are bringing a variety of new visitors to Town
- ✓ Continued to increase viability of the Old Time Fiddlers contest—generated the most revenue from this event in 2015 since its inception
- ✓ Provided a variety of different races that have encouraged community involvement, health and well-being
- ✓ Held first ever night run—Glow in the Bowl Family Fun Run had 50 runners participate
- ✓ Electric Light Parade attracted more visitors than ever before with estimated crowds of over 3,500 and the largest number of floats (45) and participants ever for this event
- ✓ Worked with Arizona Softball Association to attract the State “B” Girls Softball Tournament to Rumsey Park in July 2016—50 teams are expected to participate in this 3 day tournament
- ✓ Worked with Arizona Diamondback’s Foundation, who completely funded refurbishing K-East and K-West Softball Complex. We received new infield material, shade screens, score boards, bleachers, foul pole lines and temporary pitching mounds with an estimated value of close to \$500,000.

CONTACT INFORMATION

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

PHYSICAL LOCATION

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

2016/2017 GOALS

KRA 1: ECONOMIC DEV, TOURISM & ECONOMIC VITALITY

- ⇒ Build the Mountain High Games into a premier event state-wide
- ⇒ Continue to add events to the Mountain High Games
- ⇒ Expand on Sprint Triathlon by making it a two day event and adding a kids' Sprint Triathlon
- ⇒ Attract a large scale mountain bike competition to Payson
- ⇒ Continue to feature the Fourth of July as the Town's premier event
- ⇒ Attract more softball and sports tournaments to Payson
- ⇒ Work with local mountain bike organizations to create a set of linking trails to attract mountain bikers to Payson
- ⇒ Create more focus on PATS & drive more interest to hiking in Payson
- ⇒ Find funding source to purchase and build an electric sign at the south entrance of Town to market and promote all of our special events



KRA 5: NEIGHBORHOODS & LIVABILITY

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



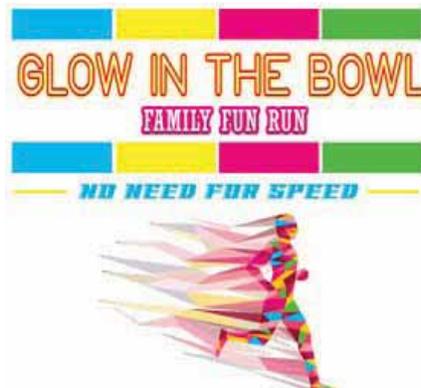
KRA 7: THE PAYSON TEAM

- ⇒ Continue to build relationships with the Payson Pro Rodeo Committee and promote the World's Oldest Continuous Rodeo
- ⇒ Continue to grow relationships with local and regional businesses that support our events
- ⇒ Work with State organizations to create more focus on Payson, its events and attractions



KRA 10: TECHNOLOGY

- ⇒ Continue to develop and build our social media presence



TOURISM DIVISION BUDGET CHANGES—3 YEARS

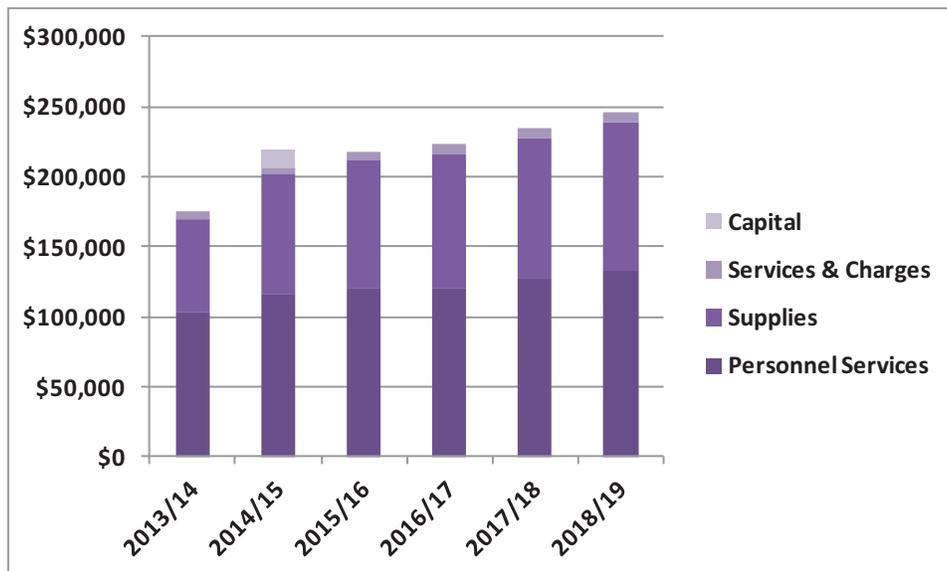
Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Salaries & Wages	90,892	94,200	3.6%	94,000	-0.2%
Personnel Benefits	24,558	26,000	5.9%	26,300	1.2%
Supplies	85,877	91,500	6.5%	96,500	5.5%
Other Services & Charges	5,041	6,300	25.0%	6,300	0.0%
Capital	12,891	-	-100.0%	-	0.0%
Total Tourism	219,259	218,000	-0.6%	223,100	2.3%

Significant Budget Changes:

- FY14/15 Services—increases for advertising related services
- FY15/16 Capital—purchased a quad for use at special events

TOURISM DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2017/18 Estimate	2018/19 Estimate
Personnel Services	\$ 102,222	\$ 115,450	\$ 120,200	\$ 120,300	\$ 126,315	\$ 132,631
Supplies	66,569	85,877	91,500	96,500	\$ 101,325	\$ 106,391
Services & Charges	6,756	5,041	6,300	6,300	\$ 6,615	\$ 6,946
Capital	-	12,891	-	-	\$ -	\$ -
Total Tourism	\$ 175,547	\$ 219,259	\$ 218,000	\$ 223,100	\$ 234,255	\$ 245,968





TOURISM

	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
SALARIES & WAGES				
101-5-1410-00-5001 Full Time Employees	80,190	88,353	91,200	89,000
214-5-1410-00-5003 Temporary Employees	-	2,539	3,000	5,000
Total Salaries & Wages	80,190	90,892	94,200	94,000
PERSONNEL BENEFITS				
101-5-1410-00-5501 FICA	5,800	6,400	7,000	6,600
214-5-1410-00-5501 FICA	-	194	400	400
101-5-1410-00-5504 Retirement	9,065	10,140	10,300	9,900
101-5-1410-00-5700 Health/Life Insurance	6,616	7,121	7,800	8,800
101-5-1410-00-5701 Disability Insurance	190	106	100	100
101-5-1410-00-5800 Workers Comp Insurance	361	597	400	500
Total Personnel Benefits	22,032	24,558	26,000	26,300
SUPPLIES				
101-5-1410-00-6011 Small Tools & Minor Equipment	93	735	1,500	1,500
214-5-1410-00-6602 Promotional Events	66,476	85,142	90,000	95,000
Total Supplies	66,569	85,877	91,500	96,500
OTHER SERVICES & CHARGES				
101-5-1410-00-7306 Telephone	676	921	800	800
101-5-1410-00-7900 Other Professional Services	-	375	1,500	1,500
101-5-1410-00-7907 Advertising	4,080	3,620	4,000	4,000
101-5-1410-00-7910 Printing & Binding	-	125	-	-
210-5-1410-00-7912 Grant Expense	2,000	-	-	-
Total Other Svcs & Charges	6,756	5,041	6,300	6,300
CAPITAL				
214-5-1410-00-8521 Machinery & Equip	-	12,891	-	-
	-	12,891	-	-
TOTAL TOURISM	175,547	219,259	218,000	223,100

RECREATION DIVISION

2015/2016 ACCOMPLISHMENTS

- ✓ Acquired additional Amateur Softball Association / USA Softball tournament - AZ ASA "B" State Championship (Western National Qualifier Tournament—10U—18U)
- ✓ Increased qualified staff—AIA Certified Officials for Adult Men's Basketball League
- ✓ Develop a full staff of youth soccer officials, softball umpires, and program supervisors
- ✓ Continued to grow interest in the Adult Softball Leagues—2016 summer league had 21 teams (17 men's and 4 women's leagues)
- ✓ Maintained positive participation numbers for 45 youth / adult programs
- ✓ Significantly increased enrollment in Biddy Basketball, Jr. Basketball, Adult Softball Program, Spring Soccer (PreK—4th grade), and Youth Basketball
- ✓ Increased focus on cost analysis per program
- ✓ Attracted Mesa Youth Football & Cheer Organization to host an annual summer camp in Payson and open it to Payson youth
- ✓ Provided eight week Youth Summer Day Camps & Sports Camp Programs with involvement from HS sports teams, local businesses & seasonal / temporary staff members—13 total summer camp weekly programs for various age groups
- ✓ Conducted largest basketball camp to date—64 participants
- ✓ Increased Senior Softball Classic tournament participation from 7 to 11 teams
- ✓ Completed certifications for Certified Youth Sports Administrator from National Alliance of Youth Sports, Certified Aquatic Facility Operator from National Recreation and Parks Association and FEMA Emergency Manager Institute: Introduction to Incident Command System ICS-100
- ✓ Developed good communication and positive working relations with PUSD staff, Payson Roundup Sports Editor, and local youth photography company
- ✓ Expanded utilization of Sportsman software to increase productivity & time mgmt
- ✓ Implemented end of season team parties for awards & recognition
- ✓ Developed interest from Baseball Legends Southwest Organization & USSSA to host multiple weekend tournaments from June—August
- ✓ Continue to implement post season tournaments for youth leagues

CONTACT INFORMATION

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Courtney Spawn
Rec Supervisor
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cspawn@
paysonaz.gov

PHYSICAL LOCATIONS

Rumsey Park
504 N McLane Rd.
Payson, AZ 85541

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

2016/2017 GOALS



KRA 1: ECONOMIC DEV, TOURISM & ECONOMIC VITALITY

- ⇒ Continue to attract outside entities for tournaments and other sports field usages



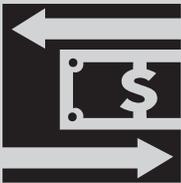
KRA 5: NEIGHBORHOODS & LIVABILITY

- ⇒ Continue to grow and maintain participation numbers for youth and adult sports
- ⇒ Expand youth summer camp options and participation numbers



KRA 7: THE PAYSON TEAM

- ⇒ Continue to grow officiating and umpire numbers
- ⇒ Incorporate pre-league skills training for participants and coaches
- ⇒ Continue partnered camp with Payson Unified School District coaches, sports teams, and local businesses
- ⇒ Expand volunteer knowledge of specific sports, increase parent involvement, and improve overall communications in youth sports programs



KRA 2: FINANCIAL EXCELLENCE

- ⇒ Increase cost-recovery of programs overall



RECREATION ADMIN DIVISION BUDGET CHANGES—3 YEARS

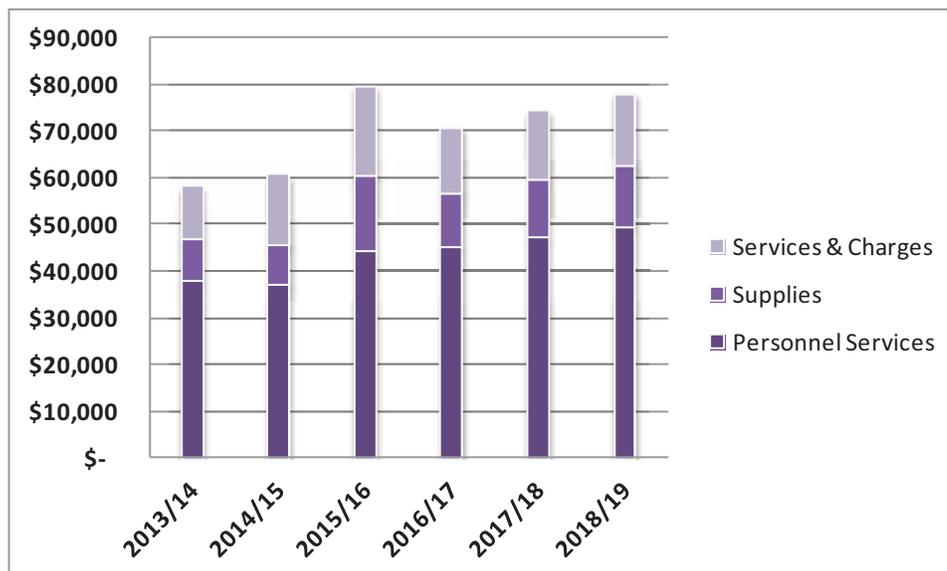
Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Salaries & Wages	30,234	34,000	12.5%	34,700	2.1%
Personnel Benefits	7,035	10,200	45.0%	10,300	1.0%
Supplies	8,329	16,100	93.3%	11,800	-26.7%
Other Services & Charges	15,089	19,400	28.6%	14,000	-27.8%
Total Administration	60,687	79,700	31.3%	70,800	-11.2%

Significant Budget Changes:

- FY15/16 Personnel Benefits—reflects changes in staffing
- FY15/16 Supplies—additional funds were included in R&M Building for anticipated repairs
- FY15/16 Other Services—increases included a new copier lease and additional funds for printing & binding
- FY16/17 Supplies & Services—decreased since building repairs were completed in prior fiscal year

RECREATION ADMIN DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2017/18 Estimate	2018/19 Estimate
Personnel Services	\$ 38,027	\$ 37,269	\$ 44,200	\$ 45,000	\$ 47,250	\$ 49,613
Supplies	8,666	8,329	16,100	11,800	12,390	13,010
Services & Charges	11,603	15,089	19,400	14,000	14,700	15,435
Total Administration	\$ 58,296	\$ 60,687	\$ 79,700	\$ 70,800	\$ 74,340	\$ 78,057





ADMINISTRATION

	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
SALARIES & WAGES				
101-5-4460-00-5001 Full Time Employees	32,119	30,234	34,000	34,700
Total Salaries & Wages	<u>32,119</u>	<u>30,234</u>	<u>34,000</u>	<u>34,700</u>
PERSONNEL BENEFITS				
101-5-4460-00-5501 FICA	2,457	2,239	2,600	2,700
101-5-4460-00-5504 Retirement	3,253	3,468	3,900	3,900
101-5-4460-00-5700 Health/Life Insurance	-	1,145	3,400	3,400
101-5-4460-00-5701 Disability Insurance	68	36	100	100
101-5-4460-00-5800 Workers Comp Insurance	130	147	200	200
Total Personnel Benefits	<u>5,908</u>	<u>7,035</u>	<u>10,200</u>	<u>10,300</u>
SUPPLIES				
101-5-4460-00-6001 Office Supplies	4,600	4,232	4,500	4,500
101-5-4460-00-6003 Cleaning Supplies	234	180	200	200
101-5-4460-00-6006 Clothing/Uniform Reimburse	104	287	300	300
101-5-4460-00-6009 Program Supplies	-	153	-	-
101-5-4460-00-6011 Small Tools/Minor Equipment	392	557	800	2,000
101-5-4460-00-6201 R&M Supplies - Bldg	124	18	6,000	500
101-5-4460-00-6300 Gasoline/Fuels/Lubricants	1,156	1,607	2,500	2,500
101-5-4460-00-6302 R&M Supplies - Vehicle	1,285	439	1,000	1,000
101-5-446x-00-6700 Memberships/Dues/Subscriptior	771	45	600	600
101-5-446x-00-6905 Bad Debt Expense	-	811	200	200
Total Supplies	<u>8,666</u>	<u>8,329</u>	<u>16,100</u>	<u>11,800</u>
OTHER SERVICES & CHARGES				
101-5-446x-00-7306 Telephone	4,998	5,337	5,400	3,000
101-5-446x-00-7307 Postage	-	9	-	100
101-5-446x-00-7401 R&M Building	198	264	4,000	500
101-5-446x-00-7502 Lease-Equipment	2,991	4,195	5,000	5,000
101-5-4460-00-7600 Travel Expense	-	-	-	400
101-5-4460-00-7900 Other Professional Services	-	270	-	-
101-5-4460-00-7910 Printing & Binding	3,416	5,013	5,000	5,000
Total Other Svcs & Charges	<u>11,603</u>	<u>15,088</u>	<u>19,400</u>	<u>14,000</u>
TOTAL ADMINISTRATION	<u><u>58,296</u></u>	<u><u>60,686</u></u>	<u><u>79,700</u></u>	<u><u>70,800</u></u>

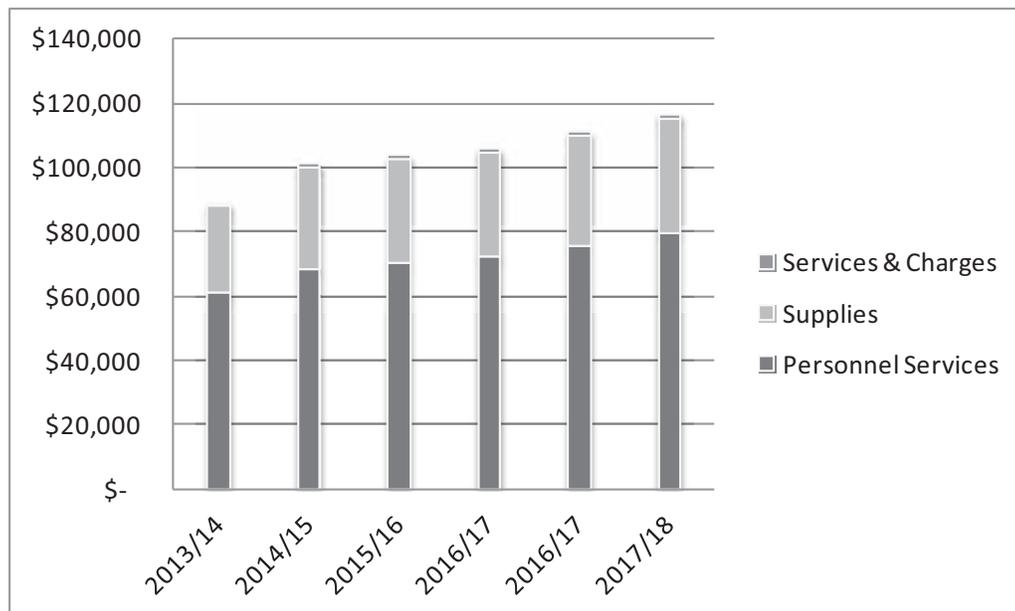
RECREATION A DIVISION BUDGET CHANGES—3 YEARS

Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Salaries & Wages	52,438	52,700	0.5%	53,300	1.1%
Personnel Benefits	16,063	17,600	9.6%	18,900	7.4%
Supplies	31,644	32,600	3.0%	32,600	0.0%
Other Services & Charges	1,023	1,100	7.5%	1,100	0.0%
Total Rec Div A	101,168	104,000	2.8%	105,900	1.8%

Significant Budget Changes:

RECREATION A DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2016/17 Estimate	2017/18 Estimate
Personnel Services	\$ 60,892	\$ 68,501	\$ 70,300	\$ 72,200	\$ 75,810	\$ 79,601
Supplies	27,268	31,644	32,600	32,600	34,230	35,942
Services & Charges	726	1,023	1,100	1,100	1,155	1,213
Total Rec Div A	\$ 88,886	\$ 101,168	\$ 104,000	\$ 105,900	\$ 111,195	\$ 116,755



**RECREATION-DIVISION A**

	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
SALARIES & WAGES				
101-5-4466-00-5001 Full Time Employees	39,069	41,118	42,500	43,300
101-5-4466-00-5003 Temporary Employees	7,801	10,919	10,200	10,200
101-5-4466-00-5200 Overtime Pay	-	401	-	-
Total Salaries & Wages	<u>46,870</u>	<u>52,438</u>	<u>52,700</u>	<u>53,500</u>
PERSONNEL BENEFITS				
101-5-4466-00-5501 FICA	3,214	3,464	4,000	4,100
101-5-4466-00-5504 Retirement	4,046	4,688	4,800	4,900
101-5-4466-00-5700 Health/Life Insurance	6,166	7,121	7,700	8,600
101-5-4466-00-5701 Disability Insurance	85	49	100	100
101-5-4466-00-5800 Workers Comp Insurance	511	741	1,000	1,000
Total Personnel Benefits	<u>14,022</u>	<u>16,063</u>	<u>17,600</u>	<u>18,700</u>
SUPPLIES				
101-5-4466-00-6003 Cleaning Supplies	50	-	-	-
101-5-4466-00-6006 Clothing/Uniform	-	100	100	100
101-5-4466-00-6009 Program Supplies	<u>27,218</u>	<u>31,544</u>	<u>32,500</u>	<u>32,500</u>
Total Supplies	<u>27,268</u>	<u>31,644</u>	<u>32,600</u>	<u>32,600</u>
OTHER SERVICES & CHARGES				
101-5-4466-00-7306 Telephone	527	673	600	600
101-5-446x-00-7907 Advertising	<u>199</u>	<u>350</u>	<u>500</u>	<u>500</u>
Total Other Svcs & Charges	<u>726</u>	<u>1,023</u>	<u>1,100</u>	<u>1,100</u>
TOTAL RECREATION	<u><u>88,886</u></u>	<u><u>101,168</u></u>	<u><u>104,000</u></u>	<u><u>105,900</u></u>

RECREATION B DIVISION BUDGET CHANGES—3 YEARS

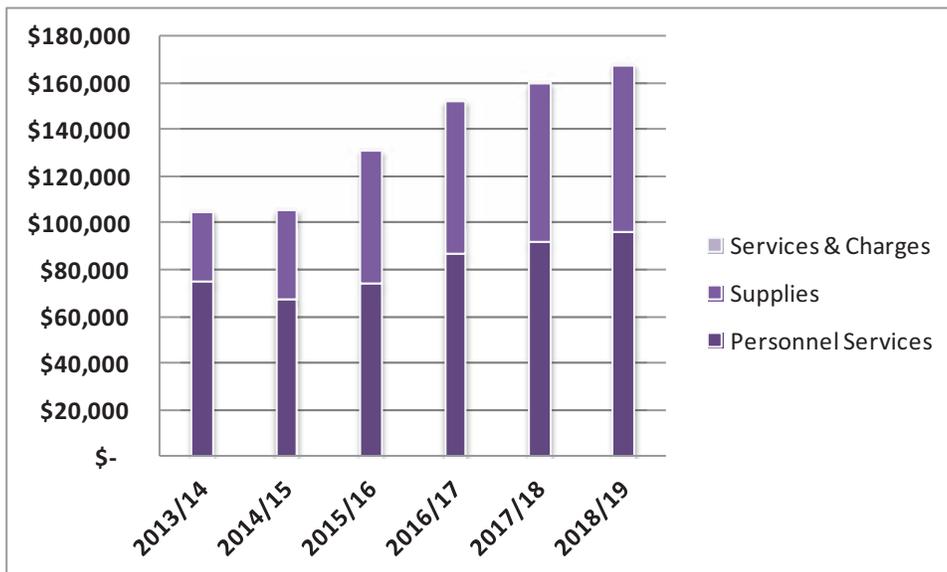
Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Salaries & Wages	54,772	60,700	10.8%	71,700	18.1%
Personnel Benefits	12,525	13,800	10.2%	15,600	13.0%
Supplies	38,151	56,300	47.6%	64,950	15.4%
Other Services & Charges	583	600	2.9%	600	0.0%
Total Rec Div B	106,031	131,400	23.9%	152,850	16.3%

Significant Budget Changes:

- FY15/16 & FY16/17 Salaries & Benefits—changes due to increases in budget for temporary staffing
- FY15/16 & FY16/17 Supplies—program supplies budget was increased due to the addition of new programs and anticipated increases in program participation

RECREATION B DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2017/18 Estimate	2018/19 Estimate
Personnel Services	\$ 75,357	\$ 67,297	\$ 74,500	\$ 87,300	\$ 91,665	\$ 96,248
Supplies	29,768	38,151	56,300	64,950	68,198	71,607
Services & Charges	587	583	600	600	630	662
Total Rec Div B	\$ 105,712	\$ 106,031	\$ 131,400	\$ 152,850	\$ 160,493	\$ 168,517



**RECREATION-DIVISION B**

	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
SALARIES & WAGES				
101-5-4467-00-5001 Full Time Employees	41,919	35,226	35,700	42,100
101-5-4467-00-5003 Temporary Employees	22,510	19,546	25,000	29,600
Total Salaries & Wages	64,429	54,772	60,700	71,700
PERSONNEL BENEFITS				
101-5-4467-00-5501 FICA	4,900	4,045	4,600	5,500
101-5-4467-00-5504 Retirement	3,910	4,207	4,100	4,800
101-5-4467-00-5700 Health/Life Insurance	567	2,859	3,100	3,100
101-5-4467-00-5701 Disability Insurance	80	43	100	100
101-5-4467-00-5800 Workers Comp Insurance	1,471	1,372	1,900	2,100
Total Personnel Benefits	10,928	12,526	13,800	15,600
SUPPLIES				
101-5-4467-00-6003 Cleaning Supplies	19	98	100	100
101-5-4467-00-6005 Safety/Program Supplies	128	190	200	200
101-5-4467-00-6006 Clothing/Uniform	18	-	100	100
101-5-4467-00-6009 Program Supplies	29,603	37,863	55,900	64,550
Total Supplies	29,768	38,151	56,300	64,950
OTHER SERVICES & CHARGES				
101-5-4467-00-7306 Telephone	587	583	600	600
Total Other Svcs & Charges	587	583	600	600
TOTAL RECREATION	105,712	106,032	131,400	152,850

TRAILS DIVISION

2015/2016 ACCOMPLISHMENTS

- ✓ Worked with the Tonto National Forest to further the construction of the Goat Camp trailhead
- ✓ Created a working relationship with the Tonto National Forest to provide volunteers for work days on the existing trails
- ✓ Utilized volunteers to continue to provide monthly PATS hikes to the public
- ✓ Promoted PATS in the Chamber's Visitors Guide which goes out to all local and state-wide Chambers of Commerce, Visitors Bureaus, State Visitors Centers, etc
- ✓ 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

2016 / 2017 GOALS



KRA 1: ECONOMIC DEV, TOURISM & ECONOMIC VITALITY

- ⇒ Increase awareness and participation of PATS use and outdoor recreational activities to Arizona residents & organizations in the Metro Phoenix area



KRA 3: INFRASTRUCTURE

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



KRA 5: NEIGHBORHOODS & LIVABILITY

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



KRA 7: THE PAYSON TEAM

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

CONTACT INFORMATION

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

PHYSICAL LOCATION

Various trails throughout Payson and the surrounding area

TRAILS DIVISION BUDGET CHANGES—3 YEARS

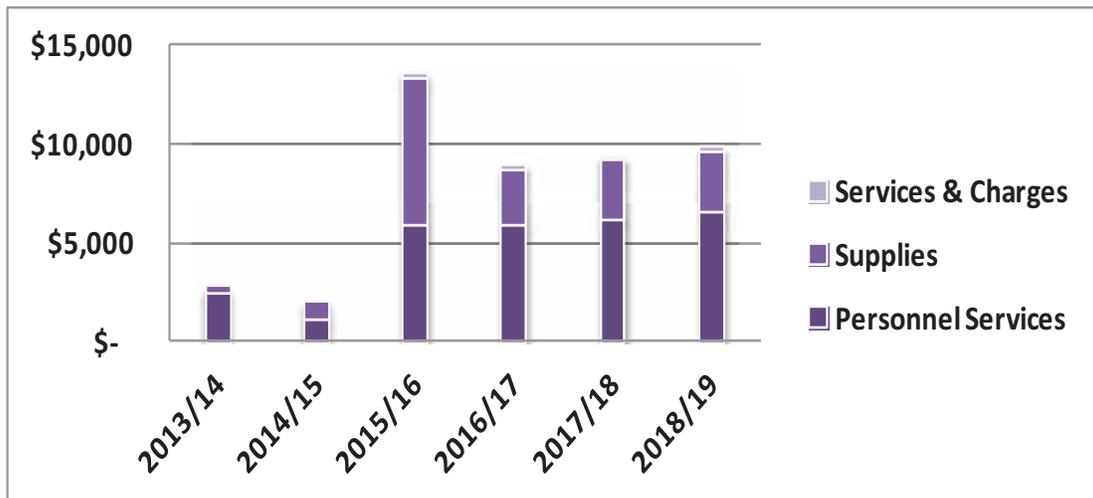
Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Salaries & Wages	1,018	5,400	430.5%	5,400	0.0%
Personnel Benefits	88	500	468.2%	500	0.0%
Supplies	951	7,500	688.6%	2,850	-62.0%
Other Services & Charges	-	200	100.0%	200	0.0%
Total Trails & Open Space	2,057	13,600	561.2%	8,950	-34.2%

Significant Budget Changes:

- For FY14/15— staff wasn't available to coordinate volunteer programs for trail construction and maintenance
- FY15/16 Supplies—additional materials were needed to revitalize trails maintenance program

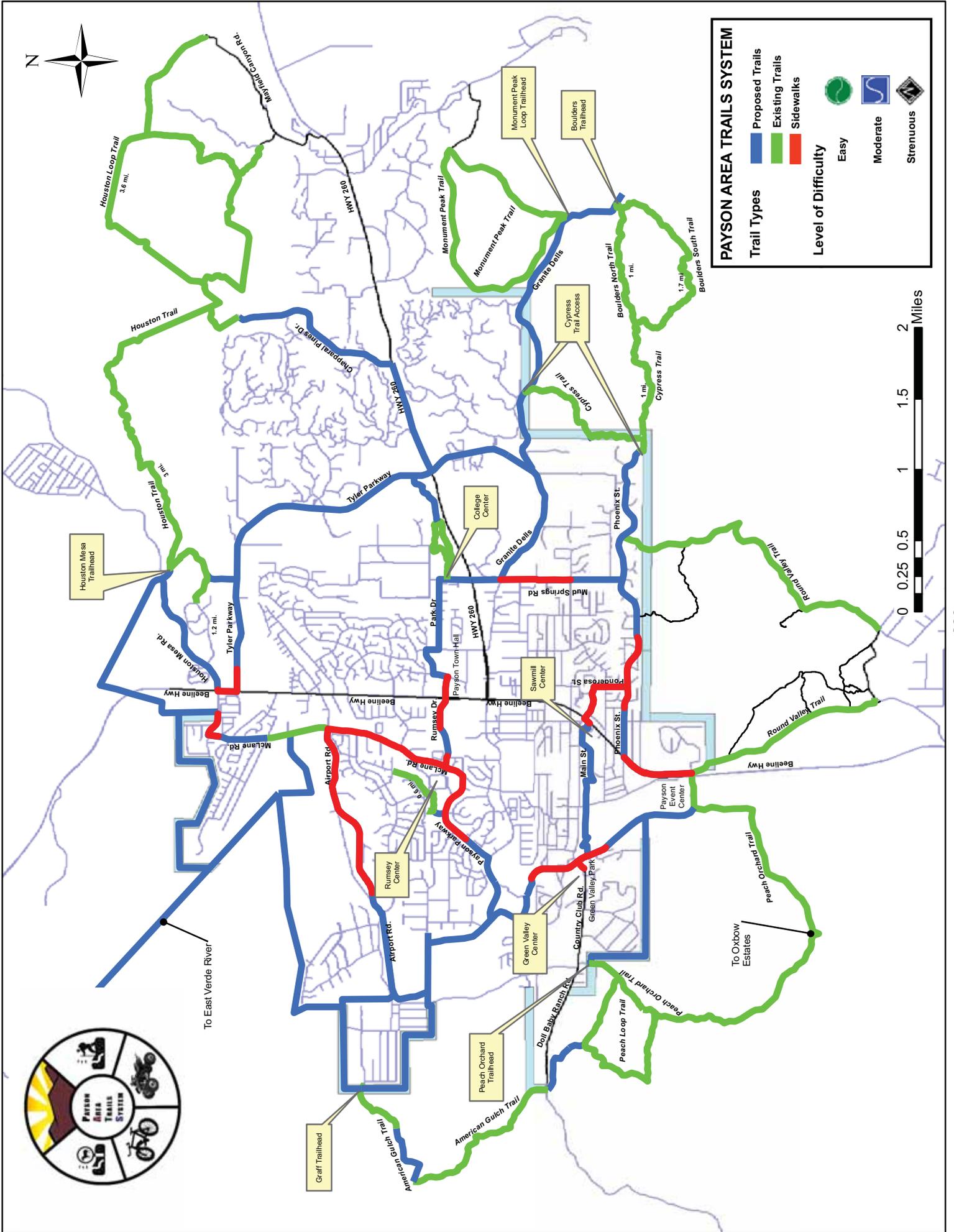
TRAILS DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2017/18 Estimate	2018/19 Estimate
Personnel Services	\$ 2,474	\$ 1,106	\$ 5,900	\$ 5,900	\$ 6,195	\$ 6,505
Supplies	325	951	7,500	2,850	2,993	3,142
Services & Charges	-	-	200	200	210	221
Total Trails	\$ 2,799	\$ 2,057	\$ 13,600	\$ 8,950	\$ 9,398	\$ 9,867



**TRAILS & OPEN SPACE**

	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
SALARIES & WAGES				
101-5-4464-00-5003 Temporary	2,153	1,018	3,000	3,000
101-5-4464-00-5009 Contract/Instructor Pay	-	-	2,400	2,400
Total Salaries & Wages	<u>2,153</u>	<u>1,018</u>	<u>5,400</u>	<u>5,400</u>
PERSONNEL BENEFITS				
101-5-4464-00-5501 FICA	165	57	300	300
101-5-4464-00-5800 Workers Comp Insurance	156	31	200	200
Total Personnel Benefits	<u>321</u>	<u>88</u>	<u>500</u>	<u>500</u>
SUPPLIES				
101-5-4464-00-6003 Cleaning Supplies	-	21	-	-
101-5-4464-00-6009 Program Supplies	325	930	7,000	2,350
101-5-4464-00-6011 Small Tools/Minor Equipment	-	-	500	500
Total Supplies	<u>325</u>	<u>951</u>	<u>7,500</u>	<u>2,850</u>
OTHER SERVICES & CHARGES				
101-5-4464-00-7910 Printing & Binding	-	-	200	200
Total Other Svcs & Charges	<u>-</u>	<u>-</u>	<u>200</u>	<u>200</u>
TOTAL TRAILS & OPEN SPACE	<u><u>2,799</u></u>	<u><u>2,057</u></u>	<u><u>13,600</u></u>	<u><u>8,950</u></u>



PAYSON AREA TRAILS SYSTEM

Trail Types

- Proposed Trails (Blue line)
- Existing Trails (Green line)
- Sidewalks (Red line)

Level of Difficulty

- Easy (Green circle icon)
- Moderate (Blue square icon)
- Strenuous (Black diamond icon)



EVENT CENTER DIVISION

2015/2016 ACCOMPLISHMENTS

- ✓ Booked Event Center with paying customers for May—October
- ✓ Hosted the AZ State High School Rodeo Finals for the 9th consecutive year
- ✓ Hosted the Arizona Junior High and High School Season Opener for the 4th consecutive year
- ✓ Booked QCJRA Season Opener in October 2016 and Finals in May 2017
- ✓ Secured several pre-bookings for events to be held in Fiscal Year 2016/2017
- ✓ Hired new Event Center Coordinator



CONTACT INFORMATION

Marty Fabritz
Recreation Coordinator
(928) 472-5112
mfabritz@paysonaz.gov

PHYSICAL LOCATION

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

2016/2017 GOALS

KRA 1: ECONOMIC DEVELOPMENT, TOURISM & ECONOMIC VITALITY

- ⇒ Host the AZ State High School Rodeo Finals for the 10th consecutive year
- ⇒ Bring back the Southwest Indian Rodeo Association Finals and possibly one of their tour rodeos
- ⇒ Host the AZ State High School and AZ Junior High Rodeo Season Opener
- ⇒ Host the AJHSRA Finals in May 2017
- ⇒ Host NBHA Finals
- ⇒ Book every available weekend with paying customers from May 1st thru October 15th
- ⇒ Host QCJRA Season Opener in October 2016 and Finals in May 2017
- ⇒ Obtain new footing for main arena to attract a variety of equestrian disciplines
- ⇒ Construct a large storage area behind the rodeo office
- ⇒ Enclose property on southwest portion of the Payson Event Center for safety, organization, improved traffic flow and increased parking of stock contractors and event organizers, and also to rid congestion during events
- ⇒ Cover stalls
- ⇒ Install permanent lights by stalls and warm-up arena
- ⇒ Upgrade the water delivery system to deliver more water pressure for events
- ⇒ Upgrade the sound system for the main arena
- ⇒ Upgrade the announcer's booth including a security / screen door and securable internal storage

KRA 7: THE PAYSON TEAM

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



EVENT CENTER DIVISION BUDGET CHANGES—3 YEARS

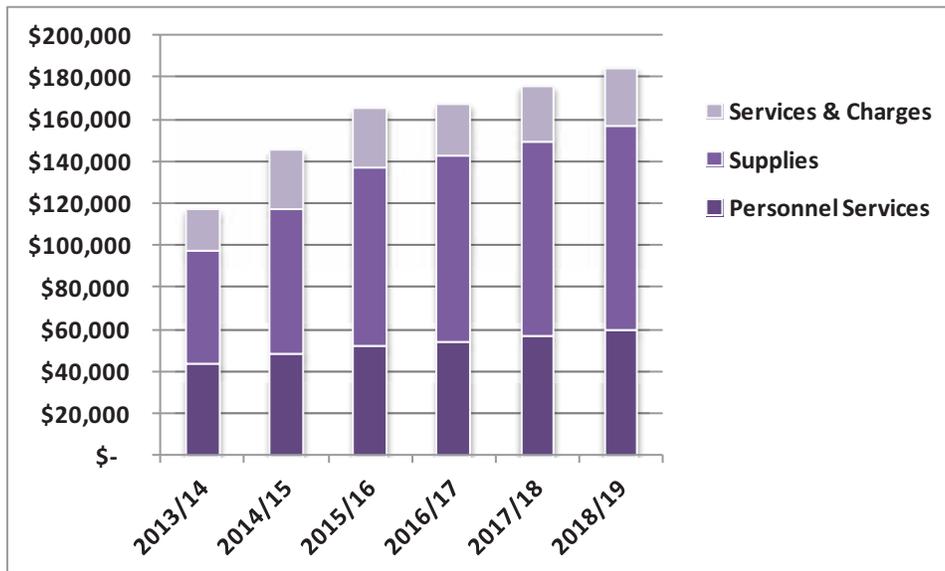
Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Salaries & Wages	39,994	40,800	2.0%	45,400	11.3%
Personnel Benefits	8,843	11,100	25.5%	8,800	-20.7%
Supplies	68,732	85,000	23.7%	88,500	4.1%
Other Services & Charges	27,879	28,300	1.5%	24,800	-12.4%
Capital	28,875	58,000	100.9%	-	-100.0%
Total Event Center	174,323	223,200	28.0%	167,500	-25.0%

Significant Budget Changes:

- Fluctuations in Personnel Benefits were caused by staffing changes
- FY14/15 Supplies & Other Services—increased budget for program supplies due to increased participation in events
- FY14/15 Capital— new office building at the Event Center
- FY15/16 Capital—new tractor

EVENT CENTER DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2017/18 Estimate	2018/19 Estimate
Personnel Services	\$ 43,345	\$ 48,837	\$ 51,900	\$ 54,200	\$ 56,910	\$ 59,756
Supplies	54,269	68,732	85,000	88,500	92,925	97,571
Services & Charges	20,045	27,879	28,300	24,800	26,040	27,342
Capital	-	28,875	58,000	-	-	-
Total Event Center	\$ 117,659	\$ 174,323	\$ 223,200	\$ 167,500	\$ 175,875	\$ 184,669





EVENT CENTER

	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
SALARIES & WAGES				
265-5-4465-00-5001 Full Time Employees	30,218	36,392	35,800	35,400
265-5-4465-00-5003 Temporary	2,557	3,602	5,000	10,000
Total Salaries & Wages	32,775	39,994	40,800	45,400
PERSONNEL BENEFITS				
265-5-4465-00-5501 FICA	2,188	2,974	3,100	3,500
265-5-4465-00-5504 Retirement	3,416	3,773	4,100	4,000
265-5-4465-00-5700 Insurance Benefit	4,615	1,679	3,400	200
265-5-4465-00-5701 Disability Insurance	71	39	100	100
265-5-4465-00-5800 Workers Comp Insurance	280	377	400	1,000
Total Personnel Benefits	10,570	8,842	11,100	8,800
SUPPLIES				
265-5-4465-00-6009 Program Service Costs	49,823	58,120	75,000	78,500
265-5-4465-00-6011 Small Tools/Minor Equip	-	300	-	-
265-5-4465-00-6201 R&M Supplies Buidling	-	8,216	5,000	5,000
265-5-4465-00-6202 R&M Supplies Other	3,560	1,529	3,500	3,500
265-5-4465-00-6302 R&M Supplies Vehicle	-	-	500	500
265-5-4465-00-6900 Other Supplies	886	515	1,000	1,000
265-5-4465-00-6990 Other Expense	-	52	-	-
Total Supplies	54,269	68,732	85,000	88,500
OTHER SERVICES & CHARGES				
265-5-4465-00-7300 Electricity	10,983	9,428	12,000	10,000
265-5-4465-00-7302 Water	2,452	2,587	4,000	5,000
265-5-4465-00-7304 Sewer	180	353	200	200
265-5-4465-00-7305 Refuse Disposal	4,304	4,349	6,500	5,500
265-5-4465-00-7306 Telephone	531	541	600	600
265-5-4465-00-7401 R&M Building	1,595	7,385	-	-
265-5-4465-00-7502 Lease-Equipment	-	2,736	5,000	3,500
265-5-4465-00-7900 Other Professional Services	-	500	-	-
Total Other Svcs & Charges	20,045	27,879	28,300	24,800
CAPITAL				
265-5-4465-00-8000 Building	-	28,875	-	-
265-5-4465-00-8004 Equipment	-	-	58,000	-
	-	28,875	58,000	-
TOTAL EVENT CENTER	117,659	174,322	223,200	167,500

AQUATICS DIVISION

2015/2016 ACCOMPLISHMENTS

- ✓ Set new operation standards at the pool
- ✓ All 19 life guards obtained Red Cross Certification
- ✓ 6 life guards obtained Red Cross WSI certification to teach swim lessons which improved the quality of swim lesson instruction
- ✓ Provided quality aquatics programs for the Payson community: water aerobics, swim lessons, lap swim, swim team and open swim
- ✓ Received positive feedback for the community about the operational changes implemented

2016/2017 GOALS

KRA 5: NEIGHBORHOODS & LIVABILITY

- ⇒ Evaluate pool programs and adjust programming for the betterment of the community
- ⇒ Provide quality swimming lessons, swim team and a safe, open swim environment
- ⇒ Evaluate existing equipment and start plan for replacement



CONTACT INFORMATION

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

PHYSICAL LOCATION

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

AQUATICS DIVISION BUDGET CHANGES—3 YEARS

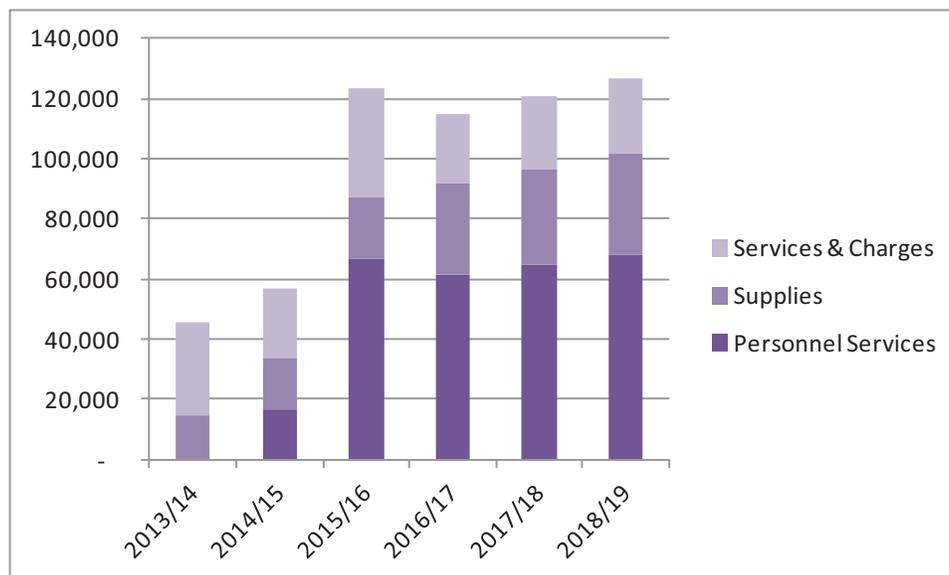
Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Salaries & Wages	14,564	58,000	298.2%	53,000	-8.6%
Personnel Benefits	1,870	8,700	365.2%	8,600	-1.1%
Supplies	17,333	20,400	17.7%	30,400	49.0%
Other Services & Charges	23,092	36,500	58.1%	23,000	-37.0%
Total Aquatics	56,859	123,600	117.4%	115,000	-7.0%

Significant Budget Changes:

- FY15/16 Salaries / Benefits—pool operations changed from contracted to Town employees
- FY15/16 Supplies & Services— reflects increased cost of various supplies
- FY15/16 Services—increased to cover the cost of a few building maintenance projects
- FY16/17 Supplies—increased to cover the cost of materials for some building maintenance projects to be completed by in-house staff

AQUATICS DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2017/18 Estimate	2018/19 Estimate
Personnel Services	-	16,434	66,700	61,600	64,680	67,914
Supplies	14,241	17,333	20,400	30,400	31,920	33,516
Services & Charges	31,617	23,092	36,500	23,000	24,150	25,358
Total Aquatics	\$ 45,858	\$ 56,859	\$ 123,600	\$ 115,000	\$ 120,750	\$ 126,788





AQUATICS

	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
SALARIES & WAGES				
101-5-4469-00-5003 Salaries & Wages - Temporary	-	14,564	58,000	53,000
Total Salaries & Wages	-	14,564	58,000	53,000
PERSONNEL BENEFITS				
101-5-4469-00-5501 FICA	-	1,114	4,500	4,100
101-5-4469-00-5800 Workers Compensation	-	756	4,200	4,500
	-	1,870	8,700	8,600
SUPPLIES				
101-5-4469-00-6001 Office Supplies	-	-	100	100
101-5-4469-00-6003 Cleaning Supplies	-	-	400	400
101-5-4469-00-6005 Program Supplies	-	-	200	200
101-5-4469-00-6006 Uniforms/Clothing	-	632	1,500	1,500
101-5-4469-00-6008 Chemicals	10,498	11,723	13,000	13,000
101-5-4469-00-6009 Program Supplies	1,770	3,603	3,200	3,200
101-5-4469-00-6201 R&M Supplies Building	172	565	1,000	11,000
101-5-4469-00-6202 R&M Supplies Other	1,801	809	1,000	1,000
Total Supplies	14,241	17,332	20,400	30,400
OTHER SERVICES & CHARGES				
101-5-4469-00-7300 Electricity	7,633	9,317	12,000	10,000
101-5-4469-00-7301 Propane Gas	5,925	5,342	7,500	6,000
101-5-4469-00-7302 Water	2,126	2,373	2,800	2,800
101-5-4469-00-7304 Sewage	2,100	1,575	2,100	2,100
101-5-4469-00-7306 Telephone	519	451	600	600
101-5-4469-00-7401 R&M Building	-	-	10,000	-
101-5-4469-00-7601 Registration	-	-	1,500	1,500
101-5-4469-00-7900 Other Professional Services	9,049	4,035	-	-
101-5-4469-00-7903 General Insurance	4,265	-	-	-
Total Other Svcs & Charges	31,617	23,093	36,500	23,000
TOTAL AQUATICS	45,858	56,859	123,600	115,000

PUBLIC WORKS

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

**Town of Payson
Public Works/Community Dev Building
303 N. Beeline Highway
Payson, AZ 85541
928-474-5042**

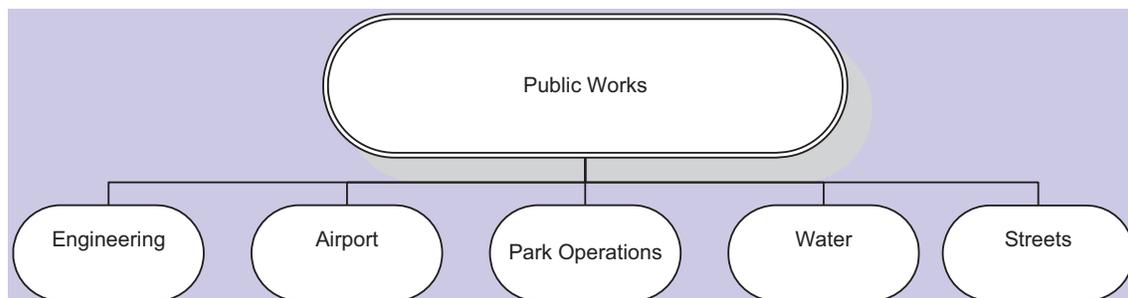
**LaRon Garrett—Town Manager
lgarrett@paysonaz.gov**





2016 ANNUAL BUDGET

Public Works is comprised of: Airport, Parks Operations, Streets (HURF) and Water. In FY16/17, the Engineering Division was absorbed by the Streets Division. Although the Parks Operations Division is budgeted under Public Works, staff is currently reporting to the Rec & Tourism Director. Water is a large division that is not included in the Public Works Department totals. Instead, it is addressed separately at the end of this section.



DEPARTMENT EXPENDITURE SUMMARY

Operating Division	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed
Town Engineer	3,618	3,536	4,800	-
Highway Users Fund (HURF)	1,593,412	1,621,137	2,550,900	2,998,600
Parks Operations	512,618	528,560	667,100	648,000
Airport	312,244	989,428	424,300	255,900
Total Department	2,421,892	3,142,661	3,647,100	3,902,500

POSITION SUMMARY

	2015/16	2016/17
Town Engineer	1.0	1.0
Engineering Technician	1.0	1.0
Secretary	1.0	1.0
Mechanic	2.0	2.0
Senior Mechanic	1.0	1.0
Crew Leader	2.0	2.0
Streets Operations Manager	1.0	1.0
Streets/Airport Maint. Worker	11.0	11.0
Airport Coordinator	1.0	1.0
Park Supervisor	1.0	1.0
Crew Leader	1.0	1.0
Parks Maintenance Worker	3.0	3.0
Total Positions	26.0	26.0

PUBLIC WORKS



2016 ANNUAL BUDGET

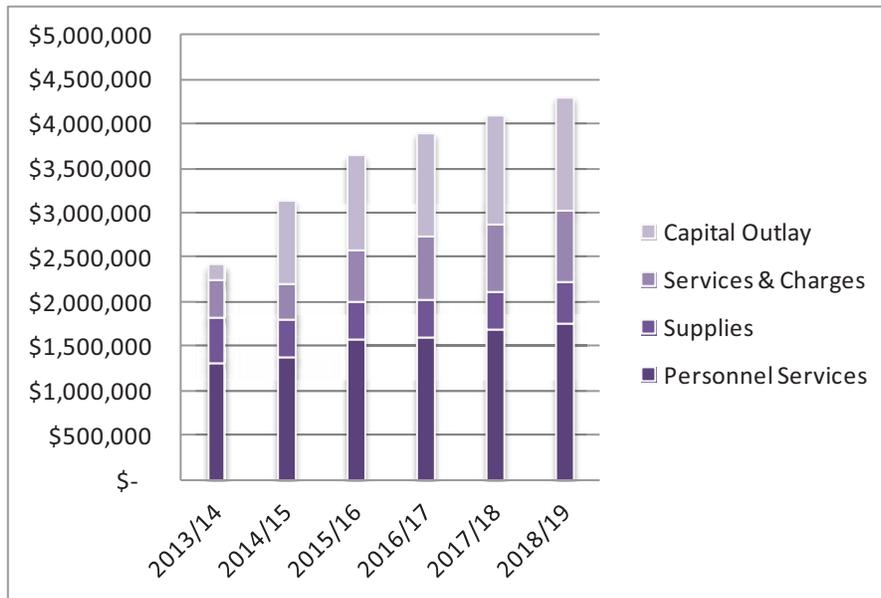
PUBLIC WORKS DEPARTMENT BUDGET CHANGES—3 YEARS

Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Salaries & Wages	1,003,053	1,128,100	12.5%	1,129,800	0.2%
Personnel Benefits	378,260	457,900	21.1%	468,600	2.3%
Supplies	418,691	404,500	-3.4%	420,600	4.0%
Other Services & Charges	408,101	599,100	46.8%	723,500	20.8%
Capital Outlay	934,559	1,057,500	13.2%	1,160,000	9.7%
Total Public Works	3,142,664	3,647,100	16.1%	3,902,500	7.0%

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

PUBLIC WORKS DEPARTMENT BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2017/18 Estimate	2018/19 Estimate
Personnel Services	\$ 1,319,934	\$ 1,381,313	\$ 1,586,000	\$ 1,598,400	\$ 1,678,320	\$ 1,762,236
Supplies	501,668	418,689	404,500	420,600	441,630	463,712
Services & Charges	417,083	408,099	599,100	723,500	759,675	797,659
Capital Outlay	183,207	934,559	1,057,500	1,160,000	1,218,000	1,278,900
Total Public Works	\$ 2,421,892	\$ 3,142,660	\$ 3,647,100	\$ 3,902,500	\$ 4,097,625	\$ 4,302,506



PUBLIC WORKS

PARKS MAINTENANCE DIVISION

Parks Maintenance is budgeted under Public Works but staff is currently reporting to the Recreation & Tourism Director.

2015/2016 ACCOMPLISHMENTS

- ✓ Installed lighting system on Rumsey West "K-E & K-W" softball fields
- ✓ Replaced the artificial turf on the south soccer field
- ✓ Replaced the small fishing pier in Green Valley Park
- ✓ Replaced most heavily worn fence sections on Rumsey 2 ball field
- ✓ Completed partial playground accessibility improvements (poured rubber) at Rumsey Park playground
- ✓ Replaced all flooring in the Parks/Rec/Tourism office building
- ✓ Assisted in "Diamondbacks Renovation" of the K-E & K-W softball fields
- ✓ Automated the irrigation system at Green Valley Park with funding from Payson Water Department and the Northern Gila County Sanitary District
- ✓ Completed lighting and safety fencing on the Rumsey Park pickle ball courts
- ✓ Hosted hundreds of special events (internal & private) for all parks users

2016/2017 GOALS



KRA 5: NEIGHBORHOODS & LIVABILITY

- ⇒ Complete Rumsey Park playground accessibility improvements (sidewalks and parking provisions)
- ⇒ Renovate Rumsey Park basketball facility with Parks Improvement Funds
- ⇒ Continue to work towards Parks renovation and improvement planning
- ⇒ Identify aging and wear issues throughout the Payson Parks properties and developed facilities and begin planning for solutions to keep our park system safe and enjoyable
- ⇒ Continue to provide safe and enjoyable sports, recreation and open space experiences for the residents of Payson

KRA 7: THE PAYSON TEAM

- ⇒ Continue rebuilding of the Parks Maintenance personnel structure

Contact Information

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

Physical Location

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

PARKS MAINTENANCE DIVISION BUDGET CHANGES—3 YEARS

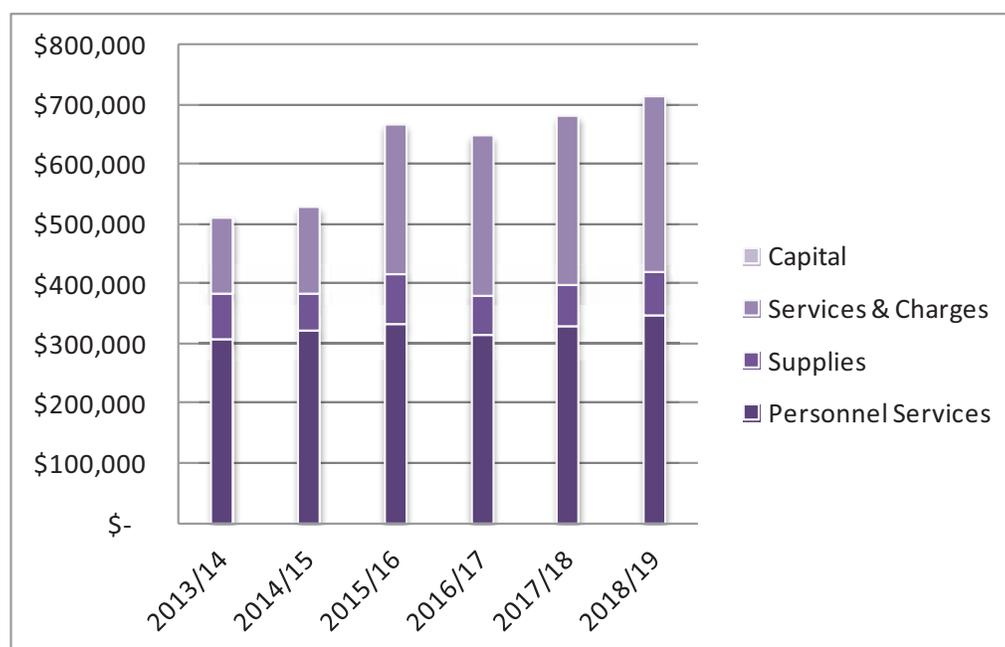
Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Salaries & Wages	242,960	250,100	2.9%	236,100	-5.6%
Personnel Benefits	78,716	84,400	7.2%	79,500	-5.8%
Supplies	64,226	82,000	27.7%	65,100	-20.6%
Other Services & Charges	142,658	250,600	75.7%	267,300	6.7%
Capital	-	-	0.0%	-	0.0%
Total Park Operations	528,560	667,100	26.2%	648,000	-2.9%

Significant budget changes:

- FY15/16 Supplies— increased for materials needed to complete Parks repairs
- FY15/16—Other Services & Charges increased for the lease of a mower that started in 2015

PARKS MAINTENANCE DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2017/18 Estimate	2018/19 Estimate
Personnel Services	\$ 306,369	\$ 321,676	\$ 334,500	\$ 315,600	\$ 331,380	\$ 347,949
Supplies	78,335	64,226	82,000	65,100	68,355	71,773
Services & Charges	127,914	142,658	250,600	267,300	280,665	294,698
Capital	-	-	-	-	-	-
Total Parks	\$ 512,618	\$ 528,560	\$ 667,100	\$ 648,000	\$ 680,400	\$ 714,420





PARK OPERATIONS

	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
SALARIES & WAGES				
101-5-3442-01-5001 Full Time Employees	208,687	218,171	227,600	212,400
101-5-3442-01-5002 Part Time Employees	24,174	24,789	22,500	23,700
Total Salaries & Wages	232,861	242,960	250,100	236,100
PERSONNEL BENEFITS				
101-5-3442-01-5501 FICA	16,440	17,137	19,100	18,100
101-5-3442-01-5504 Retirement	23,358	24,698	25,700	24,100
101-5-3442-01-5700 Health/Life Insurance	19,857	21,419	23,400	17,800
101-5-3442-01-5701 Disability Insurance	487	258	300	300
101-5-3442-01-5800 Workers Comp Insurance	13,366	15,203	15,900	17,300
101-5-3442-01-5990 Miscellaneous	-	-	-	1,900
Total Personnel Benefits	73,508	78,715	84,400	79,500
SUPPLIES				
101-5-3442-01-6001 Office Supplies	179	191	200	200
101-5-3442-01-6003 Cleaning Supplies	4,092	4,141	4,000	4,000
101-5-3442-01-6005 Safety/Program Supplies	527	534	500	500
101-5-3442-01-6006 Clothing/Uniform Reimburse	942	1,335	1,400	1,600
101-5-3442-01-6008 Chemicals	1,415	1,403	1,500	1,500
101-5-3442-01-6011 Small Tools/Minor Equipment	2,401	1,432	2,000	2,000
101-5-3442-01-6014 Grounds Mtce Materials	11,555	10,777	10,500	10,500
101-5-3442-01-6016 Park Furnishings	11,061	770	1,000	1,000
101-5-3442-01-6201 Building Repair Materials	10,138	10,653	10,000	10,000
101-5-3442-01-6202 Other R&M Materials	11,466	10,878	24,000	10,900
101-5-3442-01-6300 Vehicle Fuels	13,737	12,615	16,000	12,000
101-5-3442-01-6302 Vehicle R&M	7,744	6,651	7,500	7,500
101-5-3442-01-6400 Shop Supplies	2,349	2,377	3,000	3,000
101-5-3442-01-6700 Dues & Memberships	429	470	400	400
101-5-3442-01-6990 Other Expense	300	-	-	-
Total Supplies	78,335	64,227	82,000	65,100
OTHER SERVICES & CHARGES				
101-5-3442-01-7300 Utilities Electricity	69,132	70,736	75,000	75,000
101-5-3442-01-7301 Utilities Propane Gas	3,593	1,769	2,000	1,500
101-5-3442-01-7302 Utilities Water	30,597	26,402	32,500	32,500
101-5-3442-01-7304 Utilities Sewage	4,982	5,785	6,000	6,000
101-5-3442-01-7305 Utilities Refuse Disposal	15,113	15,656	16,000	16,000
101-5-3442-01-7306 Utilities Telephone	2,079	2,149	2,000	2,000
101-5-3442-01-7307 Utilities Postage/Freight	-	14	-	-
101-5-3442-01-7400 R&M Grounds	-	-	10,000	10,000
101-5-3442-01-7401 R&M Building	447	1,378	3,500	3,000
101-5-3442-01-7405 R&M Vehicles	-	360	500	500
101-5-3442-01-7501 Rental of Equip & Vehicles	-	202	500	500
101-5-3442-01-7502 Leased Equipment	-	15,693	99,700	116,900
101-5-3442-01-7600 Travel	38	186	500	500
101-5-3442-01-7601 Registrations	595	1,367	1,400	1,400



PARK OPERATIONS

	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
101-5-3442-01-7900 Other Professional Services	<u>1,338</u>	<u>961</u>	<u>1,000</u>	<u>1,500</u>
Total Other Svcs & Charges	<u>127,914</u>	<u>142,658</u>	<u>250,600</u>	<u>267,300</u>
TOTAL PARK OPERATIONS	<u>512,618</u>	<u>528,560</u>	<u>667,100</u>	<u>648,000</u>

STREETS DIVISION

2015/2016 ACCOMPLISHMENTS

- ✓ Completed replacement of all roadway warning signs
- ✓ Began reconstruction of Manzanita Drive between Big Lots and Evergreen Street
- ✓ Constructed the Green Valley Park parking lot
- ✓ Continued working with ADOT on the Bonita Street Phase 2 reconstruction project
- ✓ Completed slurry seal on approximately 119,000 square yards of asphalt roadway

2016/2017 GOALS

KRA 3: INFRASTRUCTURE



- ⇒ Place slurry seal on approximately 225,000 square yards of asphalt roadway
- ⇒ Provide plan review and construction observations for privately constructed developments
- ⇒ Provide maintenance activities such as street repairs, street sweeping, roadway striping, roadside weed removal, drainage facility upkeep , and other tasks

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

Contact Information
LaRon Garrett
Town Manager
(928) 472-5000
lgarrett@paysonaz.gov

Payson Town Yard
1002 W. Airport Rd.
Payson, AZ 85541

STREETS DIVISION BUDGET CHANGES—3 YEARS

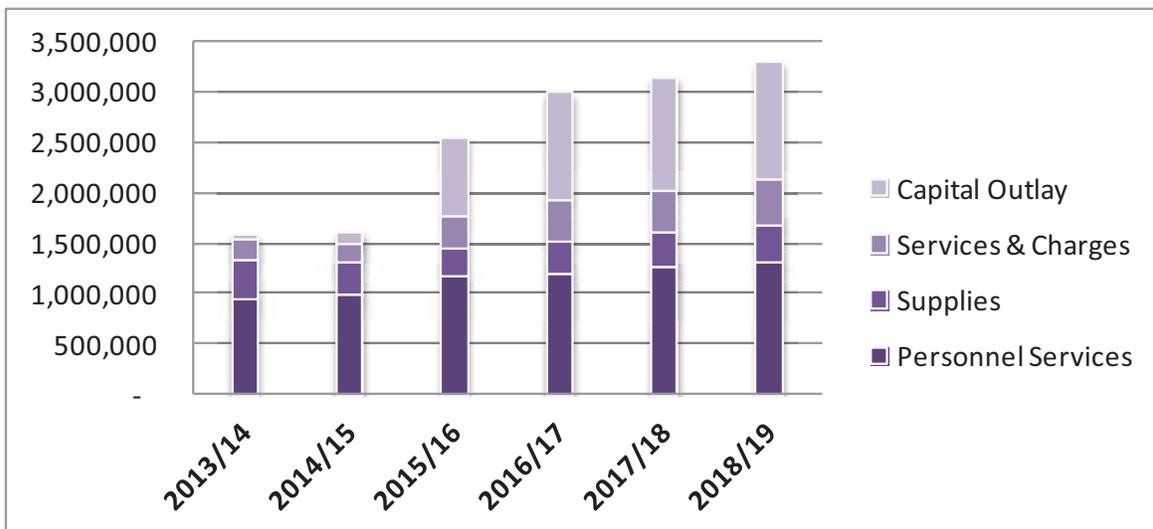
Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Salaries & Wages	698,358	814,800	16.7%	829,100	1.8%
Personnel Benefits	283,024	356,100	25.8%	370,900	4.2%
Supplies	337,735	284,200	-15.9%	323,100	13.7%
Other Services & Charges	186,670	308,300	65.2%	410,500	33.1%
Capital Outlay	115,353	787,500	582.7%	1,065,000	35.2%
Total Streets	1,621,140	2,550,900	57.4%	2,998,600	17.6%

Significant Budget Changes:

- FY15/16 Salaries & Benefits—reflects increased staffing and a PTO Buyback Program
- FY15/16 Supplies—decreased after a sign replacement project was completed in FY14/15
- FY15/16 Services—increase in leased equipment for a sweeper and backhoe/loader
- FY16/17 Supplies—increased to cover the rising cost of various supplies
- FY16/17 Services—increased for various streetlight, sidewalk, and street repair projects
- FY15/16 & FY16/17 Capital Outlay—increased both years as additional funding was allocated for streets projects

STREETS DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2017/18 Estimate	2018/19 Estimate
Personnel Services	935,391	981,383	\$ 1,170,900	\$ 1,200,000	\$ 1,260,000	\$ 1,323,000
Supplies	407,409	337,733	284,200	323,100	339,255	356,218
Services & Charges	194,963	186,668	308,300	410,500	431,025	452,576
Capital Outlay	55,649	115,353	787,500	1,065,000	1,118,250	1,174,163
Total Streets	\$ 1,593,412	\$ 1,621,137	\$2,550,900	\$ 2,998,600	\$ 3,148,530	\$ 3,305,957





STREETS

	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
SALARIES & WAGES				
202-5-3442-00-5001 Full Time Employees	672,073	697,831	814,800	813,100
202-5-3442-00-5200 Overtime Pay	-	527	-	16,000
Total Salaries & Wages	672,073	698,358	814,800	829,100
PERSONNEL BENEFITS				
202-5-3442-00-5501 FICA	47,646	50,096	62,300	63,100
202-5-3442-00-5504 Retirement	72,912	79,674	92,400	93,600
202-5-3442-00-5700 Health/Life Insurance	59,946	58,574	89,000	83,500
202-5-3442-00-5701 Disability Insurance	1,526	833	1,000	1,100
202-5-3442-00-5800 Workers Comp Insurance	81,288	93,848	111,400	129,600
Total Personnel Benefits	263,318	283,025	356,100	370,900
SUPPLIES				
202-5-3442-00-6001 Office Supplies	1,671	1,107	1,300	1,500
202-5-3442-00-6003 Cleaning/Sanitation Supplies	-	161	500	500
202-5-3442-00-6005 Safety Supplies	878	888	900	900
202-5-3442-00-6006 Clothing Reimbursement	2,962	3,234	4,000	4,500
202-5-3442-00-6008 Chemicals	8,599	4,464	10,000	15,000
202-5-3442-00-6011 Small Tools/Minor Equipment	10,317	10,115	10,000	12,000
202-5-3442-00-6015 Signs	73,573	61,940	6,000	6,000
202-5-3442-00-6100 Medical/Lab Supplies	63	-	200	400
202-5-3442-00-6201 Building R&M	658	563	1,500	1,500
202-5-3442-00-6202 Other R&M Materials	2,925	3,379	4,000	4,000
202-5-3442-00-6300 Vehicle Fuel	67,781	57,868	62,000	62,000
202-5-3442-00-6302 Vehicle R&M Parts	88,881	67,949	60,000	60,000
202-5-3442-00-6400 Hardware, Electric, Plumbing	11,056	7,239	7,000	8,000
202-5-3442-00-6401 ROW/Drainage	20,218	1,829	40,000	65,000
202-5-3442-00-6402 Street & Sidewalk R&M	113,472	116,567	75,000	80,000
202-5-3442-00-6700 Dues & Memberships	734	430	1,300	1,300
202-5-3442-00-6990 Other Expense	3,621	-	500	500
Total Supplies	407,409	337,733	284,200	323,100
OTHER SERVICES & CHARGES				
202-5-3442-00-7002 Accounting & Auditing	6,100	6,240	6,200	6,500
202-5-3442-00-7300 Electricity	94,851	93,390	95,000	96,000
202-5-3442-00-7301 Propane	1,527	1,152	2,000	1,800
202-5-3442-00-7302 Water	2,000	1,506	2,000	2,000



STREETS

	2013/14	2014/15	2015/16	2016/17
	ACTUAL	ACTUAL	BUDGET	PROPOSED
202-5-3442-00-7304 Sewer	907	907	700	700
202-5-3442-00-7305 Refuse Disposal	1,531	1,928	2,000	2,400
202-5-3442-00-7306 Telephone	6,802	5,921	2,700	9,100
202-5-3442-00-7307 Postage	-	8	-	100
202-5-3442-00-7401 Building R&M	1,753	604	1,200	1,000
202-5-3442-00-7404 Radio Equipment R&M	2,240	4,789	3,000	3,000
202-5-3442-00-7405 Vehicles R&M	17,780	263	5,000	5,000
202-5-3442-00-7406 Street Light Repair	-	-	500	75,500
202-5-3442-00-7408 Street/Sidewalk Repair Serv	-	7,291	50,000	65,000
202-5-3442-00-7502 LeaseEquipment	-	-	69,000	73,400
202-5-3442-00-7600 Travel	361	391	1,400	1,400
202-5-3442-00-7601 Registrations	857	1,877	1,500	1,500
202-5-3442-00-7900 Other Professional Services	2,005	2,694	3,000	3,000
202-5-3442-00-7903 General Insurance	56,249	57,416	63,000	63,000
202-5-3442-00-7910 Printing & Binding	-	291	100	100
Total Other Svcs & Charges	<u>194,963</u>	<u>186,668</u>	<u>308,300</u>	<u>410,500</u>
CAPITAL OUTLAY				
202-5-3442-00-8xxx Other Capital Outlay	<u>55,649</u>	<u>115,353</u>	<u>787,500</u>	<u>1,065,000</u>
Total Capital Outlay	<u>55,649</u>	<u>115,353</u>	<u>787,500</u>	<u>1,065,000</u>
TOTAL STREETS	<u><u>1,593,412</u></u>	<u><u>1,621,137</u></u>	<u><u>2,550,900</u></u>	<u><u>2,998,600</u></u>

AIRPORT DIVISION

2015/2016 ACCOMPLISHMENTS

- ✓ Replaced noise abatement and density altitude signage
- ✓ Relocated the USFS Fire Operations to allow for more transient parking space on Echo Ramp
- ✓ Initiated construction on drainage repairs between the runway and taxiway

2016/2017 GOALS

KRA 3: INFRASTRUCTURE

- ⇒ Expand the airport fencing on the west end to include all airport property in the Sky Park subdivision
- ⇒ Apply for a grant to construct additional runway / taxiway connectors
- ⇒ Crack seal all of the asphalt pavement areas to extend the life of the pavement



Contact Information
Ray Law—Airport Coordinator
(928) 472-4748
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www.PaysonAirport.com

Physical Location
Payson Airport
806 W. Airport Rd.
Payson, AZ 85541

AIRPORT DIVISION BUDGET CHANGES—3 YEARS

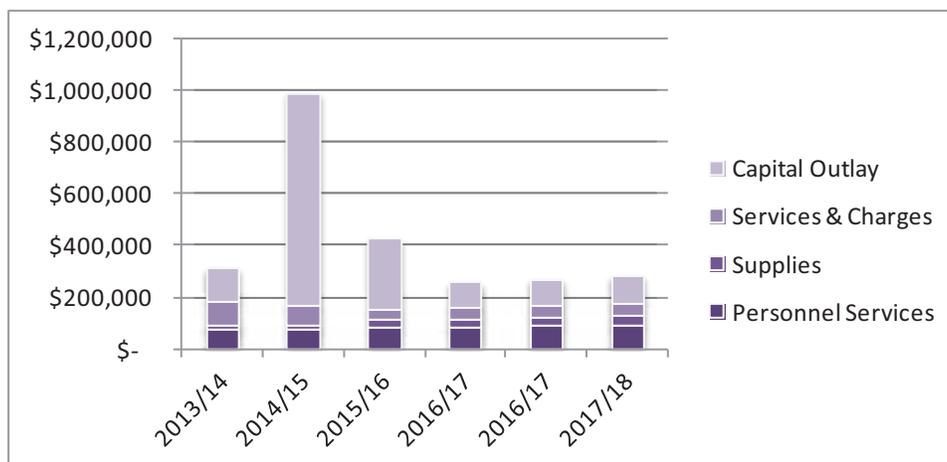
Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Salaries & Wages	61,735	63,200	2.4%	64,600	2.2%
Personnel Benefits	16,520	17,400	5.3%	18,200	4.6%
Supplies	13,805	34,300	148.5%	32,400	-5.5%
Other Services & Charges	78,163	39,400	-49.6%	45,700	16.0%
Capital Outlay	819,206	270,000	-67.0%	95,000	-64.8%
Total Airport	989,429	424,300	-57.1%	255,900	-39.7%

Significant budget changes:

- Changes in Capital Outlay are due to fluctuation in availability of Intergovernmental funding
- FY15/16 Supplies— increased for anticipated repair & maintenance projects
- FY15/16 Other Services—decreased as the budget for Overhead was reduced
- FY16/17 Other Services—increased due to anticipated equipment repairs

AIRPORT DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2016/17 Estimate	2017/18 Estimate
Personnel Services	\$ 78,174	\$ 78,254	\$ 80,600	\$ 82,800	\$ 86,940	\$ 91,287
Supplies	12,961	13,805	34,300	32,400	34,020	35,721
Services & Charges	93,551	78,163	39,400	45,700	47,985	50,384
Capital Outlay	127,558	819,206	270,000	95,000	99,750	104,738
Total Airport	312,244	989,428	\$ 424,300	\$ 255,900	\$ 268,695	\$ 282,130





ANNUAL BUDGET

AIRPORT

AIRPORT	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
SALARIES & WAGES				
260-5-4445-00-5001 Full Time Employees	61,835	61,735	63,200	64,600
Total Salaries & Wages	61,835	61,735	63,200	64,600
PERSONNEL BENEFITS				
260-5-4445-00-5501 FICA	4,731	4,723	4,900	5,000
260-5-4445-00-5504 Retirement	6,990	7,085	7,200	7,300
260-5-4445-00-5700 Insurance Benefit	-	-	200	200
260-5-4445-00-5701 Disability Insurance	146	74	100	100
260-5-4445-00-5800 Workers Compensation Ins	4,472	4,638	5,000	5,600
	16,339	16,520	17,400	18,200
SUPPLIES				
260-5-4445-00-6001 Office Supplies	1,772	420	500	700
260-5-4445-00-6003 Cleaning Supplies	-	62	300	300
260-5-4445-00-6006 Uniforms/Clothing	103	228	400	400
260-5-4445-00-6008 Chemicals	-	23	100	300
260-5-4445-00-6010 Books & Periodicals	92	40	100	100
260-5-4445-00-6011 Small Tools/Minor Equip	465	369	2,500	3,900
260-5-4445-00-6015 Signs	211	2,670	2,600	1,000
260-5-4445-00-6202 R&M Supplies Other	3,726	5,217	21,800	19,500
260-5-4445-00-6300 Gasoline/Fuels/Lubricant	3,893	2,760	3,200	3,200
260-5-4445-00-6302 R&M Supplies Vehicle	1,510	926	1,500	1,500
260-5-4445-00-6400 Shop Supplies	224	274	300	500
260-5-4445-00-6700 Memberships/Dues/Subscriptic	965	815	1,000	1,000
Total Supplies	12,961	13,804	34,300	32,400
OTHER SERVICES & CHARGES				
260-5-4445-00-7300 Utilities Electricity	12,655	13,259	11,500	10,500
260-5-4445-00-7301 Utilities Propane Gas	881	783	900	900
260-5-4445-00-7302 Utilities Water	2,030	2,231	2,200	2,200
260-5-4445-00-7304 Utilities Sewer	420	820	1,000	800
260-5-4445-00-7305 Refuse Disposal	749	436	700	700
260-5-4445-00-7306 Utilities Telephone	1,908	1,672	2,300	2,300
260-5-4445-00-7307 Utilities Postage/Freight	120	21	100	100
260-5-4445-00-7401 R&M Building	5,350	1,306	5,000	4,700
260-5-4445-00-7404 R&M Equipment	4,502	5,273	5,000	12,800
260-5-4445-00-7405 R&M Vehicle	6	-	300	300
260-5-4445-00-7600 Travel Expense	364	433	1,000	1,000
260-5-4445-00-7601 Registrations	350	125	800	800
260-5-4445-00-7900 Other Professional Svcs	8,436	1,068	4,000	4,000
260-5-4445-00-7903 General Insurance	4,066	3,690	4,100	4,100
260-5-4445-00-7907 Advertising	1,014	146	500	500
260-5-4445-00-7915 Overhead	50,700	46,900	-	-
Total Other Svcs & Charges	93,551	78,163	39,400	45,700



ANNUAL BUDGET

AIRPORT

CAPITAL OUTLAY

260-5-4445-00-8509	Equipment	-	7,350	-	-
260-5-4445-00-8510	New AWOS	4,067	-	-	-
260-5-4445-00-8713	Pavement Preservation	56,106	-	-	-
260-5-4445-00-8813	Echo Ramp Expansion &	53,276	396,453	-	-
260-5-4445-00-8820	Boundary Fence	-	-	105,000	95,000
260-5-4445-00-8821	Runway Grading	14,109	409,533	-	-
260-5-4445-00-8823	Infield Drainage	-	5,870	165,000	-
	Total Capital Outlay	<u>127,558</u>	<u>819,206</u>	<u>270,000</u>	<u>95,000</u>
TOTAL AIRPORT		<u><u>312,244</u></u>	<u><u>989,428</u></u>	<u><u>424,300</u></u>	<u><u>255,900</u></u>

ENGINEERING DIVISION

(In FY16/17, this division was absorbed by the Streets Division since all of the activity within the Engineering Division was streets related.)

ENGINEERING DIVISION BUDGET CHANGES—3 YEARS

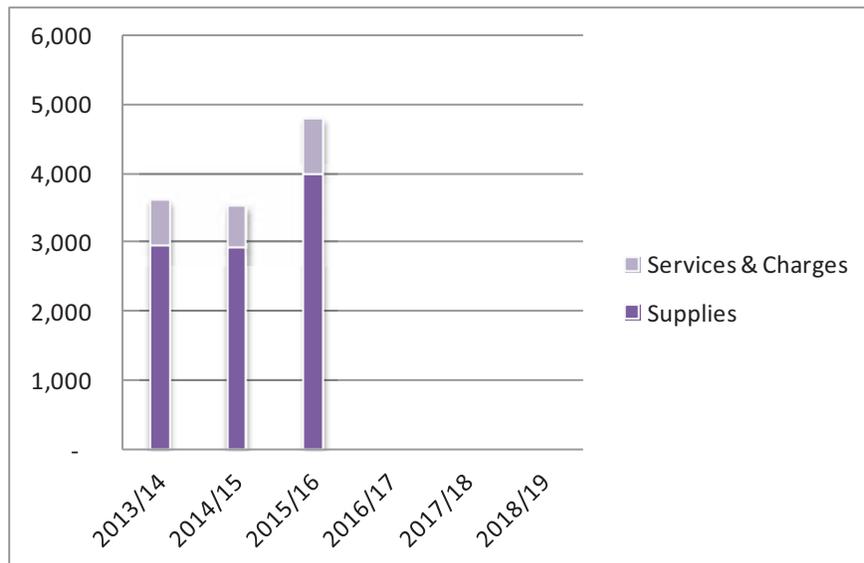
Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Supplies	2,925	4,000	36.8%	-	-100.0%
Other Services & Charges	610	800	31.1%	-	-100.0%
Total Engineer	3,535	4,800	35.8%	-	-100.0%

Significant Budget Changes:

- FY15/16 Supplies—increased for additional vehicle related expenses
- FY15/16 Other Services—adjusted for anticipated increases in the cost of phone service and vehicle repairs
- FY16/17—Entire budget move to the Streets Division

ENGINEERING DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2017/18 Estimate	2018/19 Estimate
Supplies	2,963	2,925	4,000	-	-	-
Services & Charges	655	610	800	-	-	-
Total Town Engineer	\$ 3,618	\$ 3,535	\$ 4,800	\$ -	\$ -	\$ -



**TOWN ENGINEER**

	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
SUPPLIES				
101-5-3441-00-6001 Office Supplies	1,556	1,594	1,800	-
101-5-3441-00-6005 Program Supplies	-	-	100	-
101-5-3441-00-6011 Small Tools/Minor Equip	-	-	200	-
101-5-3441-00-6300 Vehicle Fuel	1,407	930	1,500	-
101-5-3441-00-6302 Vehicle R&M Parts	-	8	100	-
101-5-3441-00-6700 Dues & Memberships	-	394	300	-
Total Supplies	<u>2,963</u>	<u>2,926</u>	<u>4,000</u>	<u>-</u>
OTHER SERVICES & CHARGES				
101-5-3441-00-7306 Telephone	631	594	700	-
101-5-3441-00-7405 R&M Vehicles	24	16	100	-
Total Other Svcs & Charges	<u>655</u>	<u>610</u>	<u>800</u>	<u>-</u>
TOTAL TOWN ENGINEER	<u><u>3,618</u></u>	<u><u>3,536</u></u>	<u><u>4,800</u></u>	<u><u>-</u></u>

WATER DIVISION

2015/16 ACCOMPLISHMENTS

- ✓ Received compliance designation from ADEQ for water system operation and water quality
- ✓ Maintained gallons per capita per day (gpcpd) water use at less than 89 gpcpd
- ✓ Continued purchase of C.C. Cragin water treatment plant site
- ✓ Continued to develop partnerships for C.C. Cragin pipeline use
- ✓ Continued water resource education at the middle school level
- ✓ Continued implementation of WIFA C.C. Cragin loan
- ✓ Continued C.C. Cragin Project water treatment plant design
- ✓ Constructed partial shoreline protection for Green Valley Park using pre-cast concrete shoring
- ✓ Conducted sediment removal from Lake 1 of Green Valley Park
- ✓ 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 Green Valley Park fish barrier
- ✓ Constructed Karen Way waterline extension
- ✓ Began construction of the C.C. Cragin penstock
- ✓ Completed construction of the C.C. Cragin Line "A" and "C"
- ✓ Completed construction of the 1st of 6 C.C. Cragin ASR Wells

CONTACT INFORMATION

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Water Division Manager
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Manar Bogatko
Customer Serv Supervisor
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mbogatko@paysonaz.gov

PHYSICAL LOCATION

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

2016/2017 GOALS



KRA 3: INFRASTRUCTURE

- ⇒ Continue to receive compliance designation from ADEQ for water system operation and water quality
- ⇒ Continue purchase of C.C. Cragin water treatment plant site
- ⇒ Continue to develop partnerships for C.C. Cragin pipeline use
- ⇒ Continue implementation of WIFA C.C. Cragin loan
- ⇒ Complete C.C. Cragin Project water treatment plant design
- ⇒ Begin construction of the C.C. Cragin Water Treatment Plant
- ⇒ Begin construction of C.C. Cragin SCADA
- ⇒ Continue 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
- ⇒ Construct East Sherwood waterline extension
- ⇒ Continue construction of the C.C. Cragin penstock



KRA 5: NEIGHBORHOODS & LIVABILITY

- ⇒ Continue to construct partial shoreline protection for Green Valley Park using pre-cast concrete shoring

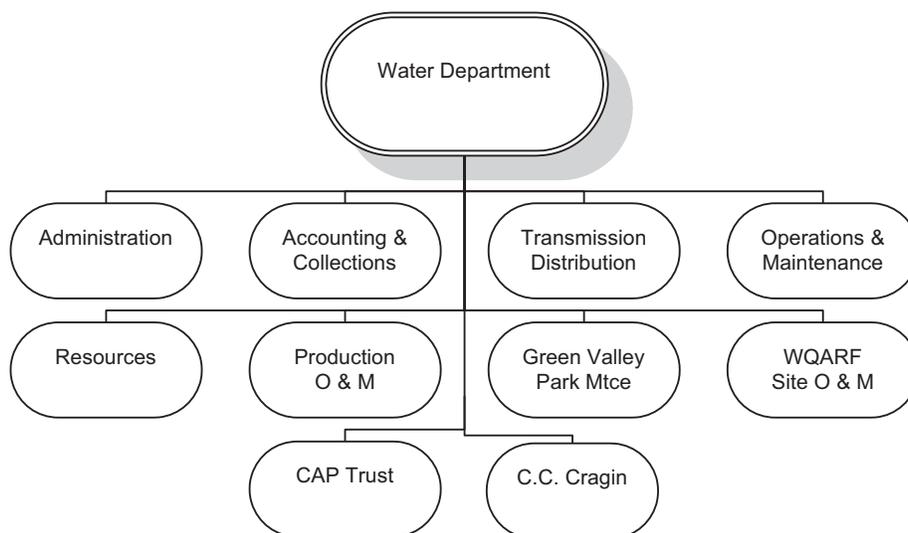


KRA 9: SUSTAINABILITY

- ⇒ Maintain gallons per capita per day water use at less than 89 gpcpd
- ⇒ Continue water resource education at the middle school



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 ten operating areas. Each area is responsible for accumulating costs associated with its function:

- *Administration* accounts for costs associated with the following: planning, budgeting, liaison to legislature, outside legal counsel, State regulatory agencies, professional organizations, oversight of day-to-day operations, consultant contracts, capital program development, and personnel management.
- *Accounting & Collection* is responsible for the accounting and customer service functions of the Water Division.
- *Transmission & Distribution* tracks costs incurred during the transmission and distribution of potable water throughout the public water system
- *Operations & Maintenance* is responsible for the operation, maintenance, and expansion of the public water system
- *Resources* is responsible for the Division's compliance with State and Federal drinking water standards. It administers the backflow prevention program and is the liaison with and participates in development of cleanup strategies for Aero Drive WQARF site.
- *Production Operations & Maintenance* is used to track expenses incurred in the production of potable water from below land surface to the elevated storage tanks.
- *Green Valley Park Maintenance* is responsible for the water quality in the three lakes at Green Valley park and the aeration equipment that is installed in all the lakes.
- *WQARF Site Operations & Maintenance* accounts for the expenses related to the remediation of groundwater sources contaminated by industrial chemicals.

- *CAP Trust* fund accounts for monies associated with the investigating, planning, designing, constructing, acquiring, and/or developing an alternative water supply to replace the Central Arizona Project water per guidelines in the 1994 agreement.
- *C.C. Cragin* accounts for costs to construct the new fourteen mile pipeline from the C.C. Cragin Reservoir to the Town.

EXPENDITURE SUMMARY

Operating Division	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed
Administration	1,055,411	880,689	1,610,100	1,819,200
Accounting & Collection	460,201	439,697	448,300	370,200
Transmission/Distribution	564,373	567,102	788,200	812,200
Operations & Maintenance	1,035,306	1,459,391	2,048,500	2,809,600
Water Resources	321,059	265,466	392,500	347,800
Production O & M	416,178	367,980	531,700	536,300
Green Valley Park Maintenance	37,370	58,250	77,300	68,100
WQARF Site O & M	57,549	33,483	147,000	144,600
CC Cragin Project	3,210,678	936,694	11,895,800	17,145,800
CAP Trust Fund	2,332	2,200	325,000	225,000
Total Expenditures	7,160,457	5,010,952	18,264,400	24,278,800

POSITION SUMMARY

Authorized Personnel	2015/16	2016/17
Public Works Director	1.0	0.0
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
Water Resource Tech	0.0	0.0
Electrician	1.0	1.0
Water Infrastructure Specialist	1.0	1.0
Water System Operator Basic	1.0	1.0
Total Positions	20.0	19.0

WATER DIVISION BUDGET CHANGES—3 YEARS

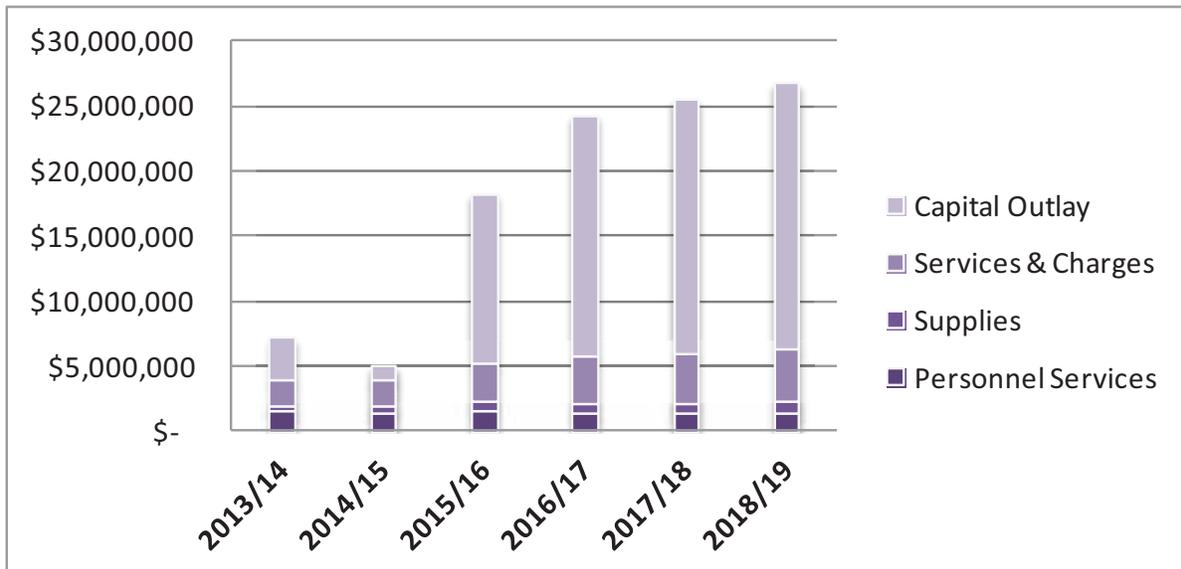
Description	2014/15 Actual	2015/16 Budget	% Change	2016/17 Proposed	% Change
Salaries & Wages	1,064,047	1,165,700	9.6%	964,900	-17.2%
Personnel Benefits	358,241	391,700	9.3%	335,300	-14.4%
Supplies	445,975	686,900	54.0%	708,600	3.2%
Other Services & Charges	2,047,914	2,951,100	44.1%	3,669,000	24.3%
Capital Outlay	1,094,775	13,069,000	1093.8%	18,601,000	42.3%
Total Water	5,010,952	18,264,400	264.5%	24,278,800	32.9%

Significant Budget Changes:

- FY15/16 Supplies—increase needed to fund various repair & maintenance projects including hydrant repairs, pump repairs, and storage facilities maintenance
- FY15/16 & 16/17 Services—increased for various maintenance projects that will require contracted services
- FY16/17 Salaries & Benefits—decreases caused by changes in staffing structure
- FY15/16 & 16/17—obtained WIFA loans and increased budget to continue C.C.Cragin project construction

WATER DIVISION BUDGET ANALYSIS HISTORIC AND FORECAST

Classification	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Proposed	2017/18 Estimate	2018/19 Estimate
Personnel Services	\$ 1,471,938	\$ 1,422,288	\$ 1,557,400	\$ 1,300,200	\$ 1,365,210	\$ 1,433,471
Supplies	355,737	445,975	686,900	708,600	744,030	781,232
Services & Charges	2,114,295	2,047,914	2,951,100	3,669,000	3,852,450	4,045,073
Capital Outlay	3,218,487	1,094,775	13,069,000	18,601,000	19,531,050	20,507,603
Total Water	\$ 7,160,457	\$ 5,010,952	\$ 18,264,400	\$ 24,278,800	\$ 25,492,740	\$ 26,767,377





ADMINISTRATION

	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
SALARIES & WAGES				
661-5-5451-00-5001 Full Time Employees	195,752	176,999	227,000	83,500
Total Salaries & Wages	195,752	176,999	227,000	83,500
PERSONNEL BENEFITS				
661-5-5451-00-5501 FICA	14,203	14,845	18,000	6,400
661-5-5451-00-5504 Retirement	21,855	24,015	26,000	9,500
661-5-5451-00-5505 Retirement Offset Pension	-	(2,660)	-	-
661-5-5451-00-5700 Health/Life Insurance	6,674	7,179	8,500	400
661-5-5451-00-5701 Disability Insurance	457	251	300	100
661-5-5451-00-5800 Workers Compensation	8,572	9,951	11,000	6,800
661-5-5451-00-5900 Vehicle Allowance	-	-	-	2,000
661-5-5451-00-5990 Misc - OPEB	111,202	-	-	-
Total Personnel Benefits	162,963	53,581	63,800	25,200
SUPPLIES				
661-5-5451-00-6001 Office Supplies	1,055	985	1,000	1,000
661-5-5451-00-6005 Safety Supplies	-	-	-	300
661-5-5451-00-6006 Uniforms / Clothing	-	100	-	200
661-5-5451-00-6009 Fireworks	20,000	20,000	25,000	20,000
661-5-5451-00-6010 Books & Periodicals	1,328	875	1,200	1,000
661-5-5451-00-6011 Small Tools/Minor Equip	337	685	800	800
661-5-5451-00-6013 Computer Equipment Supplies	-	703	2,500	1,500
661-5-5451-00-6201 R&M Supplies - Bldg	-	3,035	5,000	2,500
661-5-5451-00-6300 Vehicle Fuel	3,016	2,339	2,500	2,500
661-5-5451-00-6302 Vehicle R & M Parts	817	3,009	2,500	3,000
661-5-5451-00-6700 Dues & Memberships	10,026	12,248	14,000	29,100
661-5-5451-00-6990 Other Supplies	5,363	6,508	3,500	3,600
Total Supplies	41,942	50,487	58,000	65,500
OTHER SERVICES & CHARGES				
661-5-5451-00-7100 Legal Fees/Forfeiture Costs	-	-	-	1,500
661-5-5451-00-7306 Utilities-Telephone	150	-	-	-
661-5-5451-00-7401 R&M Building	-	21,990	10,000	10,000
661-5-5451-00-7402 Office Equipment R&M	2,890	2,357	3,000	2,500
661-5-5451-00-7405 Vehicles R&M	44	18	2,000	2,000
661-5-5451-00-7500 Rental of Land & Bldg	-	-	1,800	1,800
661-5-5451-00-7600 Travel	584	714	2,000	2,000
661-5-5451-00-7601 Registrations	419	1,070	2,000	2,000
661-5-5451-00-7602 Safety Training Services	-	-	20,000	2,000
661-5-5451-00-7900 Other Professional Services	91,255	95,882	96,000	107,600
661-5-5451-00-7903 General Insurance	49,326	50,349	50,300	54,900
661-5-5451-00-7907 Advertising	131	-	-	2,500
661-5-5451-00-7910 Printing & Binding	8	-	-	-
661-5-5451-00-7915 Overhead	265,200	243,400	180,200	180,200
Total Other Svcs & Charges	410,007	415,780	367,300	369,000
CAPITAL				
661-5-5451-08-8002 Machinery & Equipment	142,362	8,000	25,000	-

661-5-5451-08-8006 Land Acquisition	12,186	-	-	-
661-5-5451-08-8007 Wells	-	-	150,000	75,000
661-5-5451-08-8009 Water Lines	15,229	107,426	350,000	780,000
661-5-5451-08-8313 Radon Removal Engineering	-	-	30,000	45,000
661-5-5451-08-8524 Computer Equipment	-	5,435	7,000	19,000
661-5-5451-08-8528 Replace Service Trucks	-	35,614	25,000	100,000
661-5-5451-08-8529 SCADA Equip-Wells/Tanks	-	16,199	30,000	20,000
661-5-5451-08-8530 Surge Tanks	-	-	60,000	60,000
661-5-5451-08-8533 GV Irrigation Pump Control	-	-	30,000	-
661-5-5451-08-8581 Chlorine Generator	-	-	30,000	35,000
661-5-5451-08-8582 Pressure Blow Off Valves	-	-	20,000	20,000
661-5-5451-08-8587 Security Gate Installation	-	-	7,000	-
661-5-5451-08-8589 Fish Fence Project	-	11,168	40,000	-
661-5-5451-08-8793 Tank Mixing System	-	-	40,000	50,000
661-5-5451-08-8794 Pumps for Wells	74,970	-	50,000	72,000
Total Capital	<u>244,747</u>	<u>183,842</u>	<u>894,000</u>	<u>1,276,000</u>
 TOTAL WATER-ADMINISTRATION	 <u><u>1,055,411</u></u>	 <u><u>880,689</u></u>	 <u><u>1,610,100</u></u>	 <u><u>1,819,200</u></u>



ACCOUNTING & COLLECTION

	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
SALARIES & WAGES				
661-5-5451-01-5001 Full Time Employees	251,905	253,885	238,000	181,500
661-5-5451-01-5006 Standby Pay	1,303	1,155	2,500	2,000
661-5-5451-01-5200 Overtime	2,575	2,857	3,000	2,500
Total Salaries & Wages	255,783	257,897	243,500	186,000
PERSONNEL BENEFITS				
661-5-5451-01-5501 FICA	17,788	17,757	19,000	14,200
661-5-5451-01-5504 Retirement	28,779	29,002	28,000	21,100
661-5-5451-01-5700 Health/Life Insurance	30,427	31,958	34,200	20,700
661-5-5451-01-5701 Disability Insurance	600	303	300	300
661-5-5451-01-5800 Workers Compensation	6,895	7,944	8,000	3,800
Total Personnel Benefits	84,489	86,964	89,500	60,100
SUPPLIES				
661-5-5451-01-6001 Office Supplies	1,853	2,693	3,500	3,500
661-5-5451-01-6006 Clothing/Uniform Reimb	295	703	500	700
661-5-5451-01-6011 Small Tools/Minor Equip	152	778	1,500	3,000
661-5-5451-01-6013 Computer Equipment Supplies	2,318	-	1,000	1,000
661-5-5451-01-6300 Vehicle Fuel	8,565	5,114	9,000	7,000
661-5-5451-01-6302 Vehicle R & M Parts	2,976	2,084	3,000	3,000
661-5-5451-01-6600 Public Relations	-	73	300	1,000
661-5-5451-01-6901 Taxes	(2,463)	(2,599)	-	-
661-5-5451-01-6903 Banking / Merchant Fees	7,186	8,729	8,400	9,000
661-5-5451-01-6905 Bad Debt Expense	1,138	320	5,000	2,000
661-5-5451-01-6990 Other Supplies	76	-	100	100
Total Supplies	22,096	17,895	32,300	30,300
OTHER SERVICES & CHARGES				
661-5-5451-01-7002 Accounting & Auditing	21,278	17,160	18,000	17,800
661-5-5451-01-7307 Postage	29,137	29,112	30,000	30,000
661-5-5451-01-7402 Office Equipment R&M	2,004	2,045	2,500	2,500
661-5-5451-01-7403 Computer Equipment R&M	36,026	19,090	20,000	25,000
661-5-5451-01-7404 Other Equipment R&M	838	2,239	1,500	1,500
661-5-5451-01-7405 Vehicles R&M	174	-	1,000	1,000
661-5-5451-01-7502 Lease Equipment	-	-	-	5,000
661-5-5451-01-7600 Travel	2,488	1,521	3,000	3,500
661-5-5451-01-7601 Registrations	1,416	2,101	3,000	3,000
661-5-5451-01-7910 Printing & Binding	4,472	3,673	4,000	4,500
Total Other Svcs & Charges	97,833	76,941	83,000	93,800
TOTAL WATER - ACCTING & COLLECTION	460,201	439,697	448,300	370,200



TRANSMISSION/DISTRIBUTION

	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
SALARIES & WAGES				
661-5-5451-02-5001 Full Time Employees	135,510	137,431	154,000	158,400
661-5-5451-02-5200 Overtime	622	1,330	1,500	1,000
Total Salaries & Wages	<u>136,132</u>	<u>138,761</u>	<u>155,500</u>	<u>159,400</u>
PERSONNEL BENEFITS				
661-5-5451-02-5501 FICA	9,719	10,006	12,000	12,200
661-5-5451-02-5504 Retirement	15,383	15,925	18,000	18,100
661-5-5451-02-5700 Health/Life Insurance	13,287	13,116	15,000	15,800
661-5-5451-02-5701 Disability Insurance	322	167	200	200
Total Personnel Benefits	<u>38,711</u>	<u>39,214</u>	<u>45,200</u>	<u>46,300</u>
SUPPLIES				
661-5-5451-02-6008 Chemicals	22,294	23,414	27,500	10,000
661-5-5451-02-6200 Hydrants R&M	2,931	3,166	15,000	15,000
661-5-5451-02-6201 Storage Facility R&M	6,261	2,550	35,000	35,000
661-5-5451-02-6202 Other R&M Materials	15,706	16,036	28,000	30,000
661-5-5451-02-6501 Pumps R&M	3,739	1,754	9,000	15,000
661-5-5451-02-6502 Mains R&M	17,920	43,421	47,000	45,000
661-5-5451-02-6503 Meters R&M	20,018	30,559	35,000	45,000
661-5-5451-02-6504 Customer Install R&M	-	4,493	1,000	1,500
661-5-5451-02-6506 R&M Supplies Chlorinator	5,673	16,105	10,000	20,000
661-5-5451-02-6507 Existing Service R&M	27,707	39,675	35,000	35,000
661-5-5451-02-6508 New Service R&M	19,113	43,774	40,000	40,000
Total Supplies	<u>141,362</u>	<u>224,947</u>	<u>282,500</u>	<u>291,500</u>
OTHER SERVICES & CHARGES				
661-5-5451-02-7300 Electricity	51,220	45,330	45,000	50,000
661-5-5451-02-7404 R&M Water Tanks	142,003	61,231	200,000	200,000
661-5-5451-02-7407 R&M Mains	-	-	-	5,000
661-5-5451-02-7900 Other Professional Services	54,945	57,619	60,000	60,000
Total Other Svcs & Charges	<u>248,168</u>	<u>164,180</u>	<u>305,000</u>	<u>315,000</u>
TOTAL WATER-TRANSMISSION/DISTRIB	<u><u>564,373</u></u>	<u><u>567,102</u></u>	<u><u>788,200</u></u>	<u><u>812,200</u></u>



OPERATIONS & MAINTENANCE

	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
SALARIES & WAGES				
661-5-5451-03-5001 Full Time Employees	130,184	178,414	156,000	179,100
661-5-5451-03-5003 Temporary Employees	-	7,474	25,200	25,000
661-5-5451-03-5006 Standby Pay	7,298	7,434	8,500	7,000
661-5-5451-03-5200 Overtime	10,470	11,264	14,500	10,000
Total Salaries & Wages	147,952	204,586	204,200	221,100
PERSONNEL BENEFITS				
661-5-5451-03-5501 FICA	10,592	14,545	16,000	16,900
661-5-5451-03-5504 Retirement	16,726	22,620	23,000	22,700
661-5-5451-03-5700 Health/Life Insurance	13,704	17,612	14,500	17,900
661-5-5451-03-5701 Disability Insurance	350	237	200	300
661-5-5451-03-5800 Workers Compensation	25,637	31,261	29,000	43,100
Total Personnel Benefits	67,009	86,275	82,700	100,900
SUPPLIES				
661-5-5451-03-6001 Office Supplies	369	700	1,000	1,500
661-5-5451-03-6003 Cleaning/Sanitary Supplies	1,180	1,480	1,500	1,500
661-5-5451-03-6005 Safety Supplies	2,365	2,041	6,000	2,000
661-5-5451-03-6006 Clothing/Uniform Reimb	4,685	4,577	4,600	4,600
661-5-5451-03-6008 Chemicals	1,139	12	-	-
661-5-5451-03-6011 Small Tools/Minor Equip	6,869	10,108	7,500	7,500
661-5-5451-03-6100 Medical/Lab Supplies	285	382	500	500
661-5-5451-03-6200 Supplies Equip R&M	6,767	5,023	6,000	16,000
661-5-5451-03-6201 Building R&M Materials	7,247	2,480	5,000	10,000
661-5-5451-03-6202 Other R&M Materials	2,654	3,250	5,000	5,000
661-5-5451-03-6300 Vehicle Fuel	26,246	23,638	27,000	27,000
661-5-5451-03-6302 Vehicle R & M Parts	13,974	15,587	17,000	10,000
661-5-5451-03-6400 Shop Supplies	2,088	6,795	8,000	8,000
661-5-5451-03-6700 Memberships/Dues/Subscript	-	-	100	1,300
661-5-5451-03-6901 Taxes	60	180	200	200
Total Supplies	75,928	76,253	89,400	95,100
OTHER SERVICES & CHARGES				
661-5-5451-03-7300 Electricity	31,886	22,029	30,000	30,000
661-5-5451-03-7301 Propane Gas	7,408	6,956	9,000	9,000
661-5-5451-03-7302 Water	1,637	3,999	2,000	2,500
661-5-5451-03-7304 Sewage	1,200	1,232	1,600	2,000
661-5-5451-03-7305 Refuse Disposal	1,675	1,844	1,800	2,000
661-5-5451-03-7306 Telephone	9,140	8,753	9,500	9,500
661-5-5451-03-7401 Building R&M Supplies	2,146	952	2,500	2,500
661-5-5451-03-7404 Radio Equipment R&M	775	7,941	10,000	10,000



OPERATIONS & MAINTENANCE

	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
661-5-5451-03-7405 Vehicles R&M	571	3,381	5,000	5,000
661-5-5451-03-7600 Travel	392	234	500	500
661-5-5451-03-7601 Registrations	4,273	3,012	5,000	3,000
661-5-5451-03-7900 Other Professional Services	824	899	1,000	2,700
661-5-5451-03-7950 Debt Serv-Principal	0	36	418,400	680,400
661-5-5451-03-7951 Debt Serv-Interest	(37,227)	21	412,400	671,400
661-5-5451-03-8100 Depreciation-Buildings	25,179	23,109	20,000	25,000
661-5-5451-03-8101 Depr-Other than Buildings	621,291	975,858	679,200	900,000
661-5-5451-03-8102 Depreciation-Machinery & Eq	24,869	22,195	8,800	25,000
661-5-5451-03-8103 Depreciation-Vehicles	54,916	243	44,300	1,000
661-5-5451-03-8104 Depr-Office Furn & Equip	(12,478)	3,643	5,200	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	744,417	1,092,277	1,672,200	2,392,500
 TOTAL WATER-OPERATIONS & MTCE	 1,035,306	 1,459,391	 2,048,500	 2,809,600



RESOURCES

	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
SALARIES & WAGES				
661-5-5451-04-5001 Full Time Employees	160,857	157,392	164,800	164,000
661-5-5451-04-5200 Overtime	2,447	591	2,400	2,000
Total Salaries & Wages	163,304	157,983	167,200	166,000
PERSONNEL BENEFITS				
661-5-5451-04-5501 FICA	11,452	10,994	12,800	12,800
661-5-5451-04-5504 Retirement	17,285	17,368	19,000	18,800
661-5-5451-04-5700 Health/Life Insurance	16,058	16,783	18,900	13,700
661-5-5451-04-5701 Disability Insurance	364	182	200	200
661-5-5451-04-5800 Workers Compensation Ins	9,984	10,724	12,200	13,600
Total Personnel Benefits	55,143	56,051	63,100	59,100
SUPPLIES				
661-5-5451-04-6001 Office Supplies	3,351	2,635	4,000	4,000
661-5-5451-04-6005 Safety Supplies	-	145	500	500
661-5-5451-04-6006 Clothing/Uniform Reimb	375	536	700	700
661-5-5451-04-6011 Small Tools/Minor Equip	483	517	500	1,500
661-5-5451-04-6013 Computer Equipment Supplies	1,494	1,753	2,000	2,000
661-5-5451-04-6100 Lab Supplies	815	1,003	11,000	6,000
661-5-5451-04-6202 R&M Supplies - Backflow	-	-	-	1,500
661-5-5451-04-6300 Vehicle Fuel	3,228	2,930	3,500	3,500
661-5-5451-04-6302 Vehicle R & M Parts	702	363	1,000	1,500
661-5-5451-04-6600 Public Relations	16,724	10,627	18,000	10,000
661-5-5451-04-6700 Dues & Memberships	5,823	4,325	8,500	6,000
Total Supplies	32,995	24,834	49,700	37,200
OTHER SERVICES & CHARGES				
661-5-5451-04-7004 Lab Analysis	43,806	21,570	90,000	35,000
661-5-5451-04-7306 Utilities Telephone	0	0	0	500
661-5-5451-04-7307 Postage	271	84	500	500
661-5-5451-04-7404 Radio Equipment R&M	265	781	3,000	3,000
661-5-5451-04-7405 Vehicles R&M	292	93	1,500	2,000
661-5-5451-04-7600 Travel	5,094	1,137	5,000	6,000
661-5-5451-04-7601 Training & Registrations	3,497	1,802	4,500	10,500
661-5-5451-04-7900 Other Professional Services	15,000	0	5,000	25,000
661-5-5451-04-7907 Advertising	914	960	2,000	2,000
661-5-5451-04-7910 Printing & Binding	478	171	1,000	1,000
Total Other Svcs & Charges	69,617	26,598	112,500	85,500
TOTAL WATER-RESOURCES	321,059	265,466	392,500	347,800



PRODUCTION O&M

	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
SALARIES & WAGES				
661-5-5451-05-5001 Full Time Employees	107,310	103,530	136,000	122,400
661-5-5451-05-5200 Overtime	322	14	1,000	500
Total Salaries & Wages	107,632	103,544	137,000	122,900
PERSONNEL BENEFITS				
661-5-5451-05-5501 FICA	7,629	7,404	10,500	9,500
661-5-5451-05-5504 Retirement	12,169	11,883	15,500	14,000
661-5-5451-05-5700 Health/Life Insurance	10,907	9,520	13,000	12,200
661-5-5451-05-5701 Disability Insurance	254	124	200	200
Total Personnel Benefits	30,959	28,931	39,200	35,900
SUPPLIES				
661-5-5451-05-6202 Other R&M Materials	3,156	5,220	3,000	5,000
661-5-5451-05-6500 Wells R&M	246	902	20,000	30,000
661-5-5451-05-6501 Pumps R&M	-	5,433	20,000	25,000
661-5-5451-05-6502 Elec Equip R&M	7,309	8,804	25,000	25,000
661-5-5451-05-6505 Pump Booster R&M	759	-	10,000	15,000
Total Supplies	11,470	20,359	78,000	100,000
OTHER SERVICES & CHARGES				
661-5-5451-05-7300 Electricity	262,399	209,676	230,000	230,000
661-5-5451-05-7301 Propane Gas	1,592	558	2,000	2,000
661-5-5451-05-7306 Telephone	722	487	500	500
661-5-5451-05-7404 R&M Pumps	867	-	20,000	25,000
661-5-5451-05-7406 R&M Other	-	4,425	20,000	20,000
661-5-5451-05-7900 Other Prof Serv	537	-	5,000	-
Total Other Svcs & Charges	266,117	215,146	277,500	277,500
TOTAL WATER-PRODUCTION O&M	416,178	367,980	531,700	536,300



GREEN VALLEY PARK MAINT.

	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
SALARIES & WAGES				
661-5-5451-06-5001 Full Time Employees	13,093	21,658	23,500	20,200
Total Salaries & Wages	<u>13,093</u>	<u>21,658</u>	<u>23,500</u>	<u>20,200</u>
PERSONNEL BENEFITS				
661-5-5451-06-5501 FICA	941	1,613	2,000	1,600
661-5-5451-06-5504 Retirement	1,480	2,486	2,700	2,300
661-5-5451-06-5700 Health/Life Insurance	1,184	2,288	1,200	2,000
661-5-5451-06-5701 Disability Insurance	31	26	100	100
Total Personnel Benefits	<u>3,636</u>	<u>6,413</u>	<u>6,000</u>	<u>6,000</u>
SUPPLIES				
661-5-5451-06-6202 Other R&M Materials	5,186	9,578	10,000	2,000
661-5-5451-06-6990 Other Expense	13,255	18,401	35,000	35,000
Total Supplies	<u>18,441</u>	<u>27,979</u>	<u>45,000</u>	<u>37,000</u>
SERVICES				
661-5-5451-06-7305 Refuse Disposal	-	-	-	2,000
661-5-5451-06-7406 R&M Other	2,200	2,200	2,800	2,900
	<u>2,200</u>	<u>2,200</u>	<u>2,800</u>	<u>4,900</u>
TOTAL WATER-GV PARK MAINTENANCE	<u><u>37,370</u></u>	<u><u>58,250</u></u>	<u><u>77,300</u></u>	<u><u>68,100</u></u>



WQARF SITE O&M

	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
SALARIES & WAGES				
661-5-5451-07-5001 Full Time Employees	7,319	2,619	7,800	5,800
Total Salaries & Wages	<u>7,319</u>	<u>2,619</u>	<u>7,800</u>	<u>5,800</u>
PERSONNEL BENEFITS				
661-5-5451-07-5501 FICA	521	182	600	500
661-5-5451-07-5504 Retirement	827	300	900	700
661-5-5451-07-5700 Health/Life Insurance	696	327	700	600
661-5-5451-07-5701 Disability Insurance	17	3	-	-
Total Personnel Benefits	<u>2,061</u>	<u>812</u>	<u>2,200</u>	<u>1,800</u>
SUPPLIES				
661-5-5451-07-6008 Chemicals	155	-	32,000	32,000
661-5-5451-07-6202 Other R&M Materials	2,349	18	-	-
661-5-5451-07-6500 Wells R&M	2,420	-	5,000	5,000
661-5-5451-07-6501 Pumps R&M	1,892	1,003	10,000	10,000
661-5-5451-07-6502 Elec Equip R&M	2,355	-	5,000	5,000
Total Supplies	<u>9,171</u>	<u>1,021</u>	<u>52,000</u>	<u>52,000</u>
OTHER SERVICES & CHARGES				
661-5-5451-07-7001 Admin/Program Oversight	2,587	2,068	5,000	5,000
661-5-5451-07-7004 Compliance Sampling	6,125	7,635	10,000	10,000
661-5-5451-07-7300 Electricity	26,973	19,328	30,000	30,000
661-5-5451-07-7306 Telephone	23	-	-	-
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
661-5-5451-07-7900 Other Professional Serv	3,290	-	-	-
Total Other Svcs & Charges	<u>38,998</u>	<u>29,031</u>	<u>85,000</u>	<u>85,000</u>
TOTAL WATER-WQARF SITE O&M	<u><u>57,549</u></u>	<u><u>33,483</u></u>	<u><u>147,000</u></u>	<u><u>144,600</u></u>



CC CRAGIN PROJECT

	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
OTHER SERVICES & CHARGES				
661-5-5451-20-7100 Legal Services	206,720	22,342	40,000	40,000
661-5-5451-20-7300 Electricity	262	270	2,000	2,000
661-5-5451-20-7306 Telephone	712	646	800	800
661-5-5451-20-7600 Travel	644	2,503	3,000	3,000
661-5-5451-20-7915 Overhead	28,600	-	-	-
Total Other Svcs & Charges	236,938	25,761	45,800	45,800
CAPITAL				
661-5-5451-20-8010 CC Cragin Pipeline (SRP)	205,133	289,172	850,000	500,000
661-5-5451-20-8600 CCC Pipeline Constr	2,768,607	621,761	11,000,000	16,600,000
Total Capital	2,973,740	910,933	11,850,000	17,100,000
TOTAL WATER - CC CRAGIN PROJECT	3,210,678	936,694	11,895,800	17,145,800

**CAP TRUST FUND**

	2013/14 ACTUAL	2014/15 ACTUAL	2015/16 BUDGET	2016/17 PROPOSED
SUPPLIES				
460-5-5451-00-6901 Taxes & Fees	<u>2,332</u>	<u>2,200</u>	<u>-</u>	<u>-</u>
Total Supplies	<u>2,332</u>	<u>2,200</u>	<u>-</u>	<u>-</u>
CAPITAL OUTLAY				
460-5-5451-00-8594 Environmental Project	<u>-</u>	<u>-</u>	<u>325,000</u>	<u>225,000</u>
Total Capital Outlay	<u>-</u>	<u>-</u>	<u>325,000</u>	<u>225,000</u>
TOTAL WATER-CAP TRUST FUND	<u>2,332</u>	<u>2,200</u>	<u>325,000</u>	<u>225,000</u>



***SUPPLEMENTAL
INFORMATION***

RESOLUTION NO. 2940

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 2016-2017.

WHEREAS, in accordance with the provisions of Title 42, Chapter 17, Arizona Revised Statutes, on June 16, 2016, 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 16, 2016, 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 July 7, 2016, 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 2016-2017.

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 COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, this 7TH day of July, 2016, by the following vote:

AYES 7 NOES 0 ABSTENTIONS 0 ABSENT 0


Kenny J. Evans, Mayor

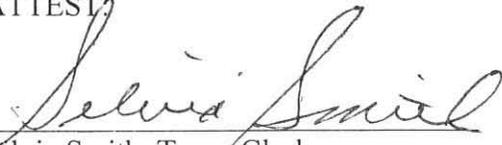
*Prepared by Town of Payson Legal Department
HMF:dkk 6/22/2016 9:03 AM
O:\Civil\Resolutions\2900s\2940 FINAL BUDGET FY16 17.doc*

cc: Finance

JUL 07 2016

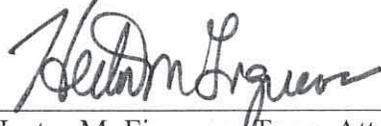
SPA I.B

ATTEST,



Silvia Smith, Town Clerk

APPROVED AS TO FORM:



Hector M. Figueroa, Town Attorney

TOWN OF PAYSON
Tax Levy and Tax Rate Information
Fiscal Year 2017

	2016	2017
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ 711,910	\$ 738,815
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	\$ 651,000	\$ 662,500
B. Secondary property taxes		
C. Total property tax levy amounts	\$ 651,000	\$ 662,500
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ 640,000	
(2) Prior years' levies	7,000	
(3) Total primary property taxes	\$ 647,000	
B. Secondary property taxes		
(1) Current year's levy	\$	
(2) Prior years' levies		
(3) Total secondary property taxes	\$	
C. Total property taxes collected	\$ 647,000	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	0.3877	0.3839
(2) Secondary property tax rate		
(3) Total city/town tax rate	0.3877	0.3839
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> NONE </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.

TOWN OF PAYSON
Revenues Other Than Property Taxes
Fiscal Year 2017

SOURCE OF REVENUES	ESTIMATED REVENUES 2016	ACTUAL REVENUES* 2016	ESTIMATED REVENUES 2017
GENERAL FUND			
Local taxes			
Sales Tax - Town	\$ 6,500,000	\$ 6,527,000	\$ 6,700,000
Licenses and permits			
Franchise Fees	373,700	378,700	379,000
Business Licenses	71,500	70,000	71,000
Liquor Licenses	1,500	1,500	1,500
ROW Permits	5,000	5,000	5,000
Animal Control Licenses	18,000	15,000	15,000
Building Permits	450,000	250,000	425,000
Intergovernmental			
State Shared Revenue	3,303,900	3,292,700	3,323,800
Property Taxes-Prior Year	10,000	7,000	10,000
Vehicle License Tax	906,000	910,000	982,100
Tonto Apache Tribe	12,000	24,300	12,000
Gila County			658,500
Fire Services IGA	300,000	315,000	380,000
Grants	439,600	245,000	293,300
Charges for services			
Prosecution Fees	51,000	47,000	49,000
Law Enforcement Charges	8,000	7,500	65,000
Fire Service Charges	10,500	16,000	21,000
Zoning Charges	30,000	45,000	30,000
Building Inspections	7,500	7,500	10,000
Engineering Review	10,000	7,500	20,000
Plan Review	225,000	125,000	225,000
Fines and forfeits			
Court Fines & Fees	110,000	110,000	110,000
Interest on investments			
Interest	1,000	5,000	5,000
In-lieu property taxes			
Contributions			
Voluntary contributions	47,500	800	1,400
Miscellaneous			
Other Revenue	17,500	10,300	8,500
Recreation Fees	120,500	113,500	127,500
Enterprise Overhead	154,400	154,400	154,400
Insurance Recoveries	10,000	4,000	5,000
Surplus Sales	50,000	21,000	10,000
Sale of Fixed Assets		9,400	
Facilities Lease Fees	11,300	11,300	11,300
Total General Fund	\$ 13,255,400	\$ 12,736,400	\$ 14,109,300

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

TOWN OF PAYSON
Revenues Other Than Property Taxes
Fiscal Year 2017

SOURCE OF REVENUES	ESTIMATED REVENUES 2016	ACTUAL REVENUES* 2016	ESTIMATED REVENUES 2017
SPECIAL REVENUE FUNDS			
Highway User Revenue Fund			
Highway Users Gas Tax	\$ 1,473,700	\$ 1,474,000	\$ 1,592,800
Gila Co. Transportation Tax	780,000	790,000	800,000
Inspection Fees	130,000		10,000
Grants	14,000	49,000	
Other Revenue	8,000	27,000	7,000
Enterprise Fund Overhead	25,800	25,800	25,800
Total Highway User Revenue Fund	\$ 2,431,500	\$ 2,365,800	\$ 2,435,600
Gifts & Grants Fund			
Contributions		12,000	12,000
Total Gifts & Grants Fund		\$ 12,000	\$ 12,000
Bed Tax Fund			
Bed Tax	265,000	270,000	270,000
Total Bed Tax Fund	\$ 265,000	\$ 270,000	\$ 270,000
Police Dept. of Justice Fund			
Defense 1033 Revenue	18,500	20,000	20,000
Local RICO Revenue		1,000	
Other Revenue			
Public Surplus Sales	40,000	45,000	25,000
Total Police Dept. of Justice Fund	\$ 58,500	\$ 66,000	\$ 45,000
Recreation Facility Improvement Fund			
Facility Fee	15,000	15,000	15,000
Total Recreation Facil. Imprv. Fund	\$ 15,000	\$ 15,000	\$ 15,000
Library Fund			
Gila County Library District Tax	229,200	229,200	229,200
Fines	20,000	17,000	17,000
Other Revenue		5,800	
Total Library Fund	\$ 249,200	\$ 252,000	\$ 246,200
Magistrate Court - FTG Fund			
Contributions		1,000	1,000
Total Magistrate Court - FTG Fund		\$ 1,000	\$ 1,000
Airport Fund			
Grants	243,000	148,500	85,500
Advertising Sign Fee	500		
Tie Down Fee	12,500	10,000	10,000
Gate Fees	9,600	9,600	9,600
Ground Leases	18,100	18,100	18,100
Hanger Leases	55,000	55,000	55,000
Fuel Sales	4,000	4,000	4,000
Other	6,000	6,500	6,000
Total Airport Fund	\$ 348,700	\$ 251,700	\$ 188,200
Event Center Fund			
TEV Grant	3,000	2,000	2,000
Event Revenue	90,000	100,000	105,000
Total Event Center Fund	\$ 93,000	\$ 102,000	\$ 107,000
Health Insurance Fund			
Employee Contribution	554,400	456,000	472,100
Employer Contribution	833,500	710,800	876,800
Retiree Contribution	172,900	161,200	141,300
Employer Retiree Contribution	568,400	572,000	533,800
Total Health Insurance Fund	\$ 2,129,200	\$ 1,900,000	\$ 2,024,000
Total Special Revenue Funds	\$ 5,590,100	\$ 5,235,500	\$ 5,344,000

TOWN OF PAYSON
Revenues Other Than Property Taxes
Fiscal Year 2017

SOURCE OF REVENUES	ESTIMATED REVENUES 2016	ACTUAL REVENUES* 2016	ESTIMATED REVENUES 2017
DEBT SERVICE FUNDS			
Westerly Rd ID Debt Service Fund			
Assessment - Principal	\$ 41,600	\$ 41,600	\$ 41,600
Assessment - Interest	17,200	17,200	14,900
Total Westerly Rd ID Debt Service Fund	\$ 58,800	\$ 58,800	\$ 56,500
General Obligation Bond Debt Service Fund			
Sales Tax - Town	\$ 360,000	\$ 360,000	\$ 370,000
Total General Obligation Bond DS Fund	\$ 360,000	\$ 360,000	\$ 370,000
Timber Ridge ID Debt Service Fund			
Assessment - Principal	\$	\$	\$
Assessment - Interest			
Total Timber Ridge ID DS Fund	\$	\$	\$
Total Debt Service Funds	\$ 418,800	\$ 418,800	\$ 426,500
CAPITAL PROJECTS FUNDS			
Grant Capital Projects Fund			
Grants	\$ 526,800	\$ 152,300	\$ 641,200
Total Grant Capital Projects Fund	\$ 526,800	\$ 152,300	\$ 641,200
CAP Trust Fund			
Other Revenue	\$	\$	\$
Total CAP Trust Fund	\$	\$	\$
Timber Ridge ID Construction			
Debt Proceeds	\$	\$	\$ 2,100,000
Total Timber Ridge ID Construction	\$	\$	\$ 2,100,000
Total Capital Projects Funds	\$ 526,800	\$ 152,300	\$ 2,741,200
* 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.			
PERMANENT FUNDS			
Not Applicable	\$	\$	\$
Total Permanent Funds	\$	\$	\$
ENTERPRISE FUNDS			
Water Fund			
Charges for Services	\$ 5,130,500	\$ 5,087,600	\$ 5,641,500
Miscellaneous Intergov. Revenue	15,000	22,600	
Interest	3,000	3,000	4,000
Facilities Leases	50,100	50,100	50,500
Impact Fees	1,507,000	200,000	225,000
Overhead	47,600	47,600	47,600
Debt Proceeds	11,000,000	7,000,000	16,600,000
Other	39,300	43,500	88,500
Total Water Fund	\$ 17,792,500	\$ 12,454,400	\$ 22,657,100
Total Enterprise Funds	\$ 17,792,500	\$ 12,454,400	\$ 22,657,100

* 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
Other Financing Sources/<Uses> and Interfund Transfers
Fiscal Year 2017

FUND	OTHER FINANCING 2017		INTERFUND TRANSFERS 2017	
	SOURCES	<USES>	IN	<OUT>
GENERAL FUND				
Bed Tax Fund	\$	\$	\$ 147,000	\$
Airport Fund				67,700
Westerly Rd. Debt Serv Fund				25,800
Excise Bonds DS Fund				132,000
Library Fund				132,500
Grant Capital Projects Fund				16,800
Total General Fund	\$	\$	\$ 147,000	\$ 374,800
SPECIAL REVENUE FUNDS				
Library Fund	\$	\$	\$ 132,500	\$
Airport Fund			67,700	
Event Center Fund			60,500	
Bed Tax Fund				207,500
Total Special Revenue Funds	\$	\$	\$ 260,700	\$ 207,500
DEBT SERVICE FUNDS				
General Debt Service Fund	\$	\$	\$ 52,900	\$
Westerly Rd. Debt Serv Fund			25,800	
Timber Ridge ID DS Fund			40,000	
Excise Tax Rev Ob DS Fund			132,000	
GO Bonds DS Fund				52,900
Total Debt Service Funds	\$	\$	\$ 250,700	\$ 52,900
CAPITAL PROJECTS FUNDS				
Grant Capital Projects Fund	\$	\$	\$ 25,900	\$
Public Safety Bond Project Fund				9,100
Timber Ridge ID Project Fund				40,000
Total Capital Projects Funds	\$	\$	\$ 25,900	\$ 49,100
PERMANENT FUNDS				
Not Applicable	\$	\$	\$	\$
Total Permanent Funds	\$	\$	\$	\$
ENTERPRISE FUNDS				
None	\$	\$	\$	\$
Total Enterprise Funds	\$	\$	\$	\$
INTERNAL SERVICE FUNDS				
Not Applicable	\$	\$	\$	\$
Total Internal Service Funds	\$	\$	\$	\$
TOTAL ALL FUNDS	\$	\$	\$ 684,300	\$ 684,300

TOWN OF PAYSON
Expenditures/Expenses by Fund
Fiscal Year 2017

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2016	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2016	ACTUAL EXPENDITURES/ EXPENSES* 2016	BUDGETED EXPENDITURES/ EXPENSES 2017
GENERAL FUND				
Central Services	\$ 1,390,600	\$	\$ 1,362,900	\$ 1,410,400
Town Clerk	218,600		215,500	212,600
Elections	40,000		1,000	41,000
Town Manager	188,900	146,900	324,400	210,700
Human Resources	236,400		220,400	226,500
Financial Services	408,500		378,200	369,900
Information Technology	626,700		621,100	644,900
Tourism & Economic Vitality	124,600		124,900	122,700
Town Council	103,100		88,700	106,700
Magistrate Court	216,900		204,700	198,100
Town Attorney	378,300		372,700	425,700
Police	5,151,200	(146,900)	4,629,500	5,557,600
Fire	3,602,700		3,314,600	3,386,300
Parks Mtce(moved to P&R)	671,900		641,600	
Parks & Recreation	452,300		421,800	1,101,500
Community Development	950,400		836,900	1,217,800
Total General Fund	\$ 14,761,100	\$	\$ 13,758,900	\$ 15,232,400
SPECIAL REVENUE FUNDS				
HURF	\$ 2,550,900	\$	\$ 2,057,500	\$ 2,998,600
Gifts & Grants Fund				
Bed Tax Fund	93,400		93,400	100,400
Police Dept. of Justice Fund	90,200		82,500	40,500
Library Fund	364,600		346,800	378,700
Magistrate Court Fund				
Airport Fund	424,300		310,700	255,900
Event Center Fund	223,200		200,300	167,500
Health Insurance Fund	2,129,200		1,900,000	2,024,000
Total Special Revenue Funds	\$ 5,875,800	\$	\$ 4,991,200	\$ 5,965,600
DEBT SERVICE FUNDS				
General Debt Service Fund	\$ 105,800	\$	\$ 105,800	\$ 52,900
Westerly Rd. ID Debt Service	85,600		85,600	82,300
Excise Tax Obligation DS	132,200		132,200	132,000
GO Bonds Debt Service	326,500		326,500	332,400
Timber Ridge ID Debt Service				40,000
Total Debt Service Funds	\$ 650,100	\$	\$ 650,100	\$ 639,600
CAPITAL PROJECTS FUNDS				
Public Safety Impact Fee Fund				
Park Development Fund				
Grant Capital Projects Fund	526,800		183,500	667,100
Public Safety Bond Proj. Fund	140,000			141,000
Green Valley Park Redevel.				
CAP Trust Fund	325,000		110,000	225,000
Timber Ridge ID Construction				2,060,000
Total Capital Projects Funds	\$ 991,800	\$	\$ 293,500	\$ 3,093,100
PERMANENT FUNDS				
Not Applicable				
Total Permanent Funds				
ENTERPRISE FUNDS				
Water Fund	\$ 17,939,400	\$	\$ 12,925,000	\$ 24,053,800
Total Enterprise Funds	\$ 17,939,400	\$	\$ 12,925,000	\$ 24,053,800
INTERNAL SERVICE FUNDS				
Not Applicable				
Total Internal Service Funds				
TOTAL ALL FUNDS	\$ 40,218,200	\$	\$ 32,618,700	\$ 48,984,500

* 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 2017

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2016	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2016	ACTUAL EXPENDITURES/ EXPENSES* 2016	BUDGETED EXPENDITURES/ EXPENSES 2017
General Government				
General Fund	\$ 1,390,600	\$	\$ 1,362,900	\$ 1,410,400
General Debt Service Fund	105,800	-	105,800	52,900
Health Insurance Fund	2,129,200	-	1,900,000	2,024,000
Department Total	\$ 3,625,600	\$	\$ 3,368,700	\$ 3,487,300
Town Clerk				
General Fund	\$ 258,600	\$	\$ 216,500	253,600
Department Total	\$ 258,600	\$	\$ 216,500	\$ 253,600
Town Manager				
General Fund	\$ 188,900	\$ 146,900	324,400	210,700
Department Total	\$ 188,900	\$ 146,900	\$ 324,400	\$ 210,700
Human Resources				
General Fund	\$ 236,400	\$	\$ 220,400	\$ 226,500
Department Total	\$ 236,400	\$	\$ 220,400	\$ 226,500
Financial Services				
General Fund	\$ 408,500	\$	\$ 378,200	\$ 369,900
Department Total	\$ 408,500	\$	\$ 378,200	\$ 369,900
Information Technology				
General Fund	\$ 626,700	\$	\$ 621,100	\$ 644,900
Department Total	\$ 626,700	\$	\$ 621,100	\$ 644,900
Town Council				
General Fund	\$ 103,100	\$	\$ 88,700	\$ 106,700
Department Total	\$ 103,100	\$	\$ 88,700	\$ 106,700
Magistrate Court				
General Fund	\$ 216,900	\$	\$ 204,700	\$ 198,100
Department Total	\$ 216,900	\$	\$ 204,700	\$ 198,100
Town Attorney				
General Fund	\$ 378,300	\$	\$ 372,700	\$ 425,700
Department Total	\$ 378,300	\$	\$ 372,700	\$ 425,700
Police				
General Fund	\$ 5,151,200	\$ (146,900)	\$ 4,629,500	\$ 5,557,600
Gifts & Grants Fund	-	-	-	-
Dept of Justice Fund	90,200	-	82,500	40,500
Grant Capital Project Fund	107,300	-	15,500	115,300
Public Safety Develop. Fund	-	-	-	-
Public Safety Bond Fund	140,000	-	-	141,000
GO Bonds Debt Service	326,500	-	326,500	332,400
Department Total	\$ 5,815,200	\$ (146,900)	\$ 5,054,000	\$ 6,186,800
Fire				
General Fund	\$ 3,602,700	\$	\$ 3,314,600	\$ 3,386,300
Gifts & Grants Fund	-	-	-	-
Grant Capital Project Fund	205,500	-	-	334,300
Department Total	\$ 3,808,200	\$	\$ 3,314,600	\$ 3,720,600
Public Works				
General Fund	\$ 671,900	\$	\$ 641,600	\$
HURF	2,550,900	-	2,057,500	2,998,600
Gifts & Grants Fund	-	-	-	-
Green Valley Park Redevel.	-	-	-	-
Airport Fund	424,300	-	310,700	255,900
Westerly Rd ID Debt Service	85,600	-	85,600	82,300
Excise Tax Debt Service	132,200	-	132,200	132,000
Timber Ridge ID Const	-	-	-	2,060,000
Timber Ridge ID Debt Serv	-	-	-	40,000
Department Total	\$ 3,864,900	\$	\$ 3,227,600	\$ 5,568,800
Parks, Recreation & Tourism				
General Fund	\$ 576,900	\$	\$ 546,700	\$ 1,224,200
Gifts & Grants Fund	-	-	-	-
Bed Tax Fund	93,400	-	93,400	100,400
Event Center Fund	223,200	-	200,300	167,500
Park Development Fund	-	-	-	-
Department Total	\$ 893,500	\$	\$ 840,400	\$ 1,492,100
Community Development				
General Fund	\$ 950,400	\$	\$ 836,900	\$ 1,217,800
Grant Capital Project Fund	214,000	-	168,000	217,500
Department Total	\$ 1,164,400	\$	\$ 1,004,900	\$ 1,435,300
Library				
Library Fund	\$ 364,600	\$	\$ 346,800	\$ 378,700
Department Total	\$ 364,600	\$	\$ 346,800	\$ 378,700
Water				
Water Fund	\$ 17,939,400	\$	\$ 12,925,000	\$ 24,053,800
CAP Trust Fund	325,000	-	110,000	225,000
Department Total	\$ 18,264,400	\$	\$ 13,035,000	\$ 24,278,800

* 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
Full-Time Employees and Personnel Compensation
Fiscal Year 2017

FUND	Full-Time Equivalent (FTE) 2017	Employee Salaries and Hourly Costs 2017	Retirement Costs 2017	Healthcare Costs 2017	Other Benefit Costs 2017	Total Estimated Personnel Compensation 2017
GENERAL FUND	119	\$ 7,433,800	\$ 1,916,800	\$ 1,236,300	\$ 969,500	\$ 11,556,400
SPECIAL REVENUE FUNDS						
HURF	19	\$ 829,100	\$ 93,600	\$ 83,500	\$ 193,800	\$ 1,200,000
Bed Tax		5,000			400	5,400
Library	6	239,700	24,000	7,100	23,000	293,800
Airport	2	64,600	7,300	200	10,700	82,800
Event Center	1	45,400	4,000	200	4,600	54,200
Total Special Revenue Funds	28	\$ 1,183,800	\$ 128,900	\$ 91,000	\$ 232,500	\$ 1,636,200
DEBT SERVICE FUNDS						
None		\$	\$	\$	\$	\$
TOTAL Debt Service Funds		\$	\$	\$	\$	\$
CAPITAL PROJECTS FUNDS						
None		\$	\$	\$	\$	\$
Total Capital Projects Funds		\$	\$	\$	\$	\$
PERMANENT FUNDS						
Not Applicable		\$	\$	\$	\$	\$
Total Permanent Funds		\$	\$	\$	\$	\$
ENTERPRISE FUNDS						
Water	19	\$ 964,900	\$ 107,200	\$ 83,300	\$ 144,800	\$ 1,300,200
Total Enterprise Funds	19	\$ 964,900	\$ 107,200	\$ 83,300	\$ 144,800	\$ 1,300,200
INTERNAL SERVICE FUND						
Not Applicable		\$	\$	\$	\$	\$
Total Internal Service Fund		\$	\$	\$	\$	\$
TOTAL ALL FUNDS	166	\$ 9,582,500	\$ 2,152,900	\$ 1,410,600	\$ 1,346,800	\$ 14,492,800

SCHEDULE G



FINANCIAL POLICIES

The Town of Payson's financial policies set forth the basic framework for the fiscal management of the Town. These policies were developed within the parameters established by applicable provisions of the Town of Payson Ordinances. The policies are to be reviewed on an annual basis and modified to accommodate changing circumstances or conditions.

ANNUAL BUDGET

The adoption of the budget is one of the Town Council's most important activities. State of Arizona Statutes include some specific requirements regarding the adoption of the annual budget. The following policies are consistent with these statutes.

The fiscal year of the Town shall begin on the first day of July each year and shall end on the thirtieth day of June of each year.

BUDGET CALENDAR: The budget calendar will follow the specific dates set forth by State of Arizona Statutes for completion of each task necessary to prepare and adopt the annual budget.

DECENTRALIZED BUDGET PROCESS: The budget process is intended to weigh all competing requests for resources, within expected fiscal constraints. Requests for new, ongoing programs made outside the budget process are not allowed.

ALLOCATING BUDGET RESOURCES: The Town will utilize a "zero-based" resource allocation approach. Each department will have an opportunity to request personnel, goods, capital items and services needed to carry on its responsibility in an exemplary manner.

Special one-time revenue sources will be used to purchase non-recurring items like capital goods. One-time revenues will not be used to support items that will have a long-term operational impact on future Town expenditures.

For those special revenue funds supported by intergovernmental revenues and special purpose taxes, expenditures are limited strictly to the mandates of the funding source. These resources are not to be used to subsidize other funds, except as required or permitted by program regulations.

Addition of personnel will only be requested to meet program initiatives and policy directives after service needs have been thoroughly examined and it is substantiated that additional staffing will result in increased revenues or enhanced operating efficiencies. To the extent possible, personnel cost reductions will be achieved through attrition.

Capital expenditures will be determined using the 5-year Capital Improvement plan process, if funds are available. The expense amount attributed to equip-



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ment depreciation will be transferred into the Equipment Reserve fund and "Pay-as-you-go" funding will be used for equipment purchases under \$100,000, if funds are available, before considering lease/purchase debt service financing.

A contingency fund equal to five percent (5%) of the combined General & Streets Fund expenditure budget will be maintained annually in a Contingency budget. This fund will be available for unanticipated, unbudgeted expenditures and will require the Town Council's approval to expend. The purpose of this account is to provide some flexibility for unforeseen events without the necessity to spend from the Town's reserves.

As a component of the budget process and when fiscal resources permit, the Town Council may allocate funds to Outside Agency Providers for business, social, recreational or economic development, or promotional services. Outside Agency Providers must provide a service consistent with an existing recognized Town need, policy, goal or objective.

BUDGETED FUNDS: Annual budgets are adopted for all funds except certain trust and agency funds, if applicable. Controls for trust and agency funds are achieved through stipulations in the trust agreements or by State or Federal agency requirements.

BALANCED BUDGET: The budget must be balanced for all budgeted funds. Total estimated expenditures for each of the governmental fund types must equal total anticipated revenues plus that portion of beginning of the year unreserved fund balance, in excess of the required fund balance reserve. Estimated expenses for proprietary fund types must equal total anticipated revenues and unreserved retained earnings.

FUND RESERVES: The Town will maintain a fund reserve for the general fund to pay expenditures caused by unforeseen emergencies, for shortfalls caused by revenue declines and to eliminate any short-term borrowing for cash flow purposes. This reserve shall be maintained at an amount that represents 5% of total General Fund operating budgeted revenues. Annual contribution will be budgeted from General Fund resources as available to maintain the target reserve level. This is in addition to the carryover balance discussed next.

The Town's general fund will maintain a year-to-year "carryover balance" in an amount necessary to maintain adequate cash flow and to reduce the demand for short-term borrowing. The carryover balance will equal 90 days operating expenditures from the prior year. All other funds must never incur a negative fund balance. Reserve funds in the Water utility operating fund should equal 5% of prior year total operating expenses and have a carryover balance equal to 90 days prior year operating expenses.

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.

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All expenditures drawn from reserve accounts shall require prior Town Council approval unless previously specifically authorized by the Town Council for expenditure in the annual budget.

THE BUDGETARY BASIS OF ACCOUNTING: Budgets for governmental fund types will be adopted on a basis of accounting consistent with generally accepted accounting principles (GAAP). Revenues are recognized when they become measurable and available, and expenditures are encumbered against the budget when they become measureable, or a liability has been incurred, and the liability will be liquidated with current resources. All outstanding expenditures are charged to the budget in the year initially incurred.

APPROPRIATIONS AT YEAR-END: All budgeted expenditures not authorized by a purchase order lapse at year-end. Expenditures placed with an authorized purchase order before year-end must be invoiced by June 30 and must be paid within 30 calendar days of the close of the fiscal year. Expenditures not paid within this time frame are then charged against the new year's budget.

THE LEGAL LEVEL OF BUDGETARY CONTROL: The budget shall be adopted at the fund level.

The State of Arizona Expenditure Limitation statute requires that the budget cannot be increased after final adoption. Expenditures may not exceed the budgeted total of the fund without the Town Council's approval. If approved, an additional Town Council approval is needed for payment from the Contingency fund to cover the overage.

The budgeted amount for salaries and benefits for each department may not be increased without the approval of the Town Council.

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

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

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

BUDGETARY REPORTING SYSTEM: 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.

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) as well as any other professional standards as required.

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FINANCIAL REPORTING POLICY

The Town is required to have an annual audit for its financial statements. The following provides policy guidance regarding accounting, general audit and financial reporting.

ACCOUNTING AND REPORTING STANDARDS: The Financial Services Department will establish and maintain a high standard of accounting practices. Accounting standards will conform to current generally accepted accounting practices (GAAP) as promulgated by the Governments Accounting Standards Board (GASB) and will follow industry best practices as applicable.

ANNUAL AUDIT: An annual audit will be conducted and budgeted for in the general fund and any other fund requiring intensive auditing work as part of the creation of the Town financial statements.

All general purpose, combining and individual fund and account group statements and schedules shall be subject to a full scope audit.

All Town departments are subject to audit for compliance with the laws and statutes of the State of Arizona and the policies of the Town of Payson.

All state, federal and local grant funding is subject to a financial and compliance audit.

Every five (5) years, the Town will issue a request for audit services to all qualified audit firms located within the State of Arizona.

The award of auditing services will be made solely on the response to the request for proposal.

After an auditing firm has been chosen, an auditing services contract will be approved by the Town Council.

FINANCIAL STATEMENTS: The Comprehensive Annual Financial Report (CAFR) will be prepared by Town staff and will be used by the auditors during the audit process.

Each year, the CAFR will be submitted to the Government Financial Officer's Association (GFOA) national award program.

POPULAR REPORT: Town staff will create and publish an annual Popular Report (PAFR). The PAFR is a condensed, easy to read financial statement.

Each year, the PAFR will be submitted to the Government Finance Officer's Association (GFOA) national award program.

BUDGETARY REPORTING: The budgetary reporting system will conform to the Government Finance Officer's Association (GFOA) standards for financial reporting and budgeting, the Governmental Accounting Standards Board (GASB) and other professional standards.

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MONTHLY REPORTS: The Town will maintain a budgetary control system to ensure adherence to the budget and will prepare timely monthly financial reports comparing actual revenues and expenditures with budgeted amounts. These reports will be distributed to the Town Manager, department heads and will be included in one Council agenda packet per month.

ANNUAL BUSINESS PLAN: A Town-wide annual business plan will be completed each year after the Corporate Strategic Plan has been updated by the Town Council. The annual business plan will provide a statement as to what is anticipated to be accomplished toward the strategic goals based on the allocation of estimated resources in the budget for the new fiscal year.

The business plan helps determine the departmental budgets, sets the direction for staff focus in the upcoming fiscal year and creates performance measures that can be used to evaluate the effectiveness of the business plan.

ANNUAL BUDGET DOCUMENT: Following the adoption of the annual budget, staff will create and publish the annual budget document.

Each year, the budget document will be submitted to the Government Finance Officer's Association (GFOA) national award program.

HISTORICAL TREND ANALYSIS: Town staff will update the Historical Trend Analysis after the financial statements and the audit is completed. This analysis is based on the International City / County Management Association (ICMA) Financial Trend Monitoring System (FTMS).

The Historical Trend Analysis document will be distributed to the Town Council and available to the public upon completion.

FINANCIAL STABILITY POLICY

The Town levies a sales tax, assesses business license fees, receives State shared revenues and franchise fees and collects assessments on real property within certain improvement districts. In addition, the Town assesses user charges for the water utility, building and code services, public works services and recreation programs and services. The Town has many expenditures as well.

The following policies provide guidance regarding the assessing and collecting of these revenues, using those revenues to pay expenditures and maintaining a healthy balance between them.

REVENUES: The Town will attempt to maintain a diversified and stable revenue stream to shelter it from short-run fluctuations in any single revenue source. The revenue mix should combine elastic and inelastic revenue sources to minimize the effect of economic downturns.

The Town will strive to keep the revenue system simple, which will result in a decrease of compliance costs for the taxpayer or service recipient and a corresponding decrease in avoidance to pay.

FINANCIAL POLICIES



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The revenue system of the Town will strive to maintain equity in its structure to avoid a disproportionate burden levied on a particular taxpayer group. The Town will seek to minimize or eliminate all forms of subsidization between entities, funds, services, and customers. However, it is recognized that public policy decisions may lead to subsidies in certain circumstances.

The Town will strive to structure its tax base to retain and promote business and industry.

REVENUE DECLINES: For short-term (anticipated less than one year) economic downturns and temporary gaps in cash flow, expenditure reductions or restrictions may be imposed. Council may approve a contribution from reserves, inter-fund loans and/or transfers from the Rainy Day fund to address temporary downturns in Town revenue. Inter-fund loans may be utilized to cover temporary gaps in cash flow.

Deficit financing and borrowing to support on-going operations is not the policy of the Town as a response to long-term (greater than one year) revenue shortfalls. Expenses will be reduced to conform to the revised long-term revenue forecast or revenue increases will be considered.

USER CHARGES: The Town will establish fees and user charges at a level related to the total cost of providing that service, although fees may be set at a rate that does not recover the total cost of the program.

When establishing user charges, the following issues must be considered:

- Cost of services
- Pricing to encourage or limit demand
- Identifiable benefits
- Discourage waste

When imposing new fees and / or charges, the proposed fee / charge should be examined using the following criteria:

1. Sufficiency—Fees / charges should recover the full cost of issuance, administration, and enforcement, recognizing that adjustments may be necessary for the benefit of the public.
2. Efficiency—Fees / charges should be designed for easy, inexpensive administration by the Town and easy, inexpensive compliance by the individual / business paying the fee / charge. (A minimum of the revenue raised through collection of a fee / charge should be consumed in the process of raising it.)
3. Simplicity—Fees / charges will be developed for easy understanding by the payee and Town official, leaving as small a margin as possible for subjective interpretations.

Town staff will review all fees and charges annually in order to keep pace with the cost of providing that service.



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UTILITY RATES: Utility user charges for the water utility will reflect the cost of service and will be established so that operating revenues are at least equal to operating expenditures. A portion of the user rates will cover the replacement of the utility facilities.

The utility will periodically conduct a comprehensive rate study. In each of the intervening years, the staff will review and update the current study.

The overhead fee is a payment from all Enterprise funds to the General Fund for the cost of overhead charges attributed to that Enterprise fund.

The amount of each year's overhead fee will be based on the estimated General Fund expenditures that represent the direct and indirect services provided to the Enterprise fund, less those that are billed directly to those funds.

The utility will maintain a reserve to meet unforeseen emergencies. This reserve shall be separate from the carryover balance. The carryover balance should be sufficient to maintain adequate cash flow and to reduce the demand for short-term borrowing.

REVENUE COLLECTION: The Town will follow an aggressive, but humane policy of collecting revenues. Unpaid billings will be sent to a collection agency or collected through the Town's own efforts after proper notice is given. Liens or credit report filings may also be used as a means of collections. All adjusted uncollectible accounts will be pursued to the limit of collector ability to maintain a goal of not more than .5% of 1% of the total revenue being adjusted for bad debt annually.

An understanding of the revenue sources increases the reliability of the revenue system. The Town will review its revenue sources and enact consistent collection policies so that assurances can be provided that the revenue base will materialize according to budget.

REVENUE HANDBOOK: A revenue handbook may be maintained annually. This handbook will be utilized to adjust for fees and user charges. The handbook will include at least the following information:

- Revenue sources
- Legal authorization
- Method of collection
- Rate or charge history
- Total revenue history

GRANT / DEVELOPER FUNDING: The Town will seek State / Federal grants and developer contributions for funding projects. Grants and contributions will not be budgeted unless the funding source has been identified and an application is contemplated to be submitted.

All potential grants shall be carefully examined for matching requirements. Some grants may not be accepted if the local matching funds cannot be justified

FINANCIAL POLICIES



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or obtained. Grants may also be rejected if programs must be continued with local resources after grant funds are exhausted, unless the Town has the ability to continue to fund the program with available revenues.

EXPENDITURES: The Town will only propose operating expenditures that can be supported from on-going operating revenues. Before the Town undertakes any agreements that would create fixed on-going expenses, the cost implications of such agreements will be fully determined for current and future years with the aid of strategic planning models.

Capital expenditures may be funded from one-time revenues, but the operating budget expenditures will be reviewed for compliance with this policy provision.

Department heads are responsible for managing their budgets within the total appropriation for their department.

The Town may assess funds for services provided internally by other funds. The estimated direct and indirect costs of service will be budgeted and charged to the fund performing the service. Inter-fund service fees charged to recover these costs will be recognized as revenue to the providing fund. A review of the method for determining the amount of the inter-fund assessment will be reviewed at least every three (3) years.

ADDITIONS TO PERSONNEL: Emphasis is placed on improving individual and work group productivity rather than adding to the work force. The Town will invest in technology and other efficiency tools to maximize productivity. The Town will hire additional staff only after the need of 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



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the General Fund) will present conservative, optimistic and best estimate projections. The projections shall be based on the best information available at the time.

Revenue projections will assess the full spectrum of resources that can be allocated for public services. Each year the Council shall review potential sources of revenue as part of the annual budget process.

INVESTMENT POLICY

BANKING SERVICES: Every five (5) years, the Town will issue a request for banking services to all qualified banks located within the Town's geographic boundaries.

The award of banking services will be made solely on the response to the request for proposal.

After a depository has been chosen, a banking services contract will be approved by the Town Council.

INVESTMENTS: The Town's investment policy is to minimize credit and market risk while maintaining a competitive yield on its portfolio. Cash temporarily idle is invested in the Local Government Investment Pool (LGIP) established pursuant to Section 35-326 Arizona Revised Statutes and operated by the Arizona State Treasurer.

INVESTMENT REQUIREMENTS: The Town invests all idle funds in the Local Government Investment Pool (LGIP) established by the State pursuant to A.R.S. 35-326.

Other eligible investments are: (A.R.S. 35-323)

1. Certificates of deposit in eligible depositories
2. Certificates of deposit in one or more federally insured banks or savings and loan associations in accordance with the procedures prescribed in section A.R.S. 35-323.01.
3. Interest bearing savings accounts in banks and savings and loan institutions doing business in this State whose accounts are insured by Federal deposit insurance for their industry, but only if deposits in excess of the insured amount are secured by the eligible depository to the same extent and in the same manner as required under this article.
4. Repurchase agreements with a maximum maturity of one hundred eighty (180) days.
5. The pooled investment funds established by the State Treasurer pursuant to section A.R.S. 35-326.
6. Obligations issued or guaranteed by the United States or any of the senior debt of its agencies, sponsored agencies, corporations, sponsored corporations or instrumentalities.
7. Bonds or other evidences of indebtedness of this State or any of its Counties, incorporated Cities or Town or school districts.

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8. Bonds, notes or evidences of indebtedness of any county, municipal district, municipal utility or special taxing district within this state that are payable from revenues, earnings or special tax specifically pledged for the payment of the principal and interest on the obligations and for the payment of which a lawful sinking fund or reserve fund has been established and is being maintained, but only if no default in payment on principal or interest on the obligations to be purchased has occurred within five (5) years of the date of investment, or, if such obligations were issued less than five (5) years before the date of investment, no default in payment of principal or interest has occurred on the obligations to be purchased nor any other obligations of the issuer within five (5) years of the investment.
9. Bonds, notes or evidences of indebtedness issued by any county improvement district or municipal improvement district in this state to finance local improvements authorized by law, if the principal and interest of the obligations are payable from assessments on real property within the improvement district. An investment shall not be made if:
 - a. The face value of all such obligations, and similar obligations outstanding, exceeds fifty percent of the market value of the real property, and if improvements on which the bonds or the assessments for the payment of principal and interest on the bonds are liens inferior only to the liens for general ad valorem taxes.
 - b. A default in payment of principal or interest on the obligations to be purchased has occurred within five (5) years of the date of investment, or, if the obligations were issued less than five (5) years before the date of investment, a default in the payment of principal or interest has occurred on the obligations to be purchased or on any other obligation of the issuer within five (5) years of the investment.
10. Commercial paper of prime quality that is rated "P1" by Moody's investor's service or rated "A1" or better by Standard and Poor's rating service or their successors. All commercial paper must be issued by corporations organized and doing business in the United States.
11. Bonds, debentures and notes that are issued by corporations organized and doing business in the United States and that are rated "A" or better by Moody's investor service or Standard and Poor's rating service or their successors.

ELIGIBLE DEPOSITORY REQUIREMENTS: Certificates of deposit shall be purchased from the eligible depository bidding the highest permissible rate of interest. No monies over one hundred thousand dollars (\$100,000) may be awarded at any interest rate less than one hundred three percent (103%) of the equivalent bond yield of the offer side of United States Treasury bills having a similar term. If the eligible depository offering to pay the highest rate of interest has bid only for a portion of the monies to be awarded, the remainder of the monies shall be awarded to eligible depositories bidding the next highest rates of interest.

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An eligible depository is not eligible to receive total aggregate deposits from this state and all its subdivisions in an amount exceeding twice its capital structure as outlined in the last call of condition of the superintendent of financial institutions.

If two or more eligible depositories submit bids of an identical rate of interest for all or any portion of the monies to be deposited, the award of the deposit of the monies shall be made to the eligible depository among those submitting identical bids having, at the time of the bid opening, the lowest ratio of total public deposits in relation to its capital structure.

Each bid submitted, and not withdrawn prior to the time specified, constitutes an irrevocable offer to pay interest as specified in the bid on the deposit, or portion bid for, and the award of a deposit in accordance with this section obligates the depository to accept the deposit and pay interest as specified in the bid pursuant to which the deposit is awarded.

The treasurer shall maintain a record of all bids received and shall make available to the board of deposit at its next regularly scheduled meeting a correct list showing the bidders, the bids received and the amount awarded. These records shall be available to the public and shall be kept in the possession of the treasurer for not less than two (2) years from the date of the report.

Any eligible depository, before receiving a deposit in excess of the insured amount under this article, shall deliver collateral for the purposes of this subsection equal to at least one hundred one percent of the deposit. The collateral shall be any of the following:

*A bond executed by a surety company that is approved by the Treasury Department of the United States and authorized to do business in this state. The bond shall be approved as to form by the legal advisor of the treasurer.

*Securities or instruments of the following character:

- a. United States government or agency obligations
- b. State, county, school district and other district municipal bonds
- c. Registered warrants of this state, a county or other political subdivisions of this state, when offered as security for monies of the state, county or political subdivision by which they are issued
- d. First mortgages and trust deeds on improved, unencumbered real estate located in this state. No single first mortgages or trust deeds may represent more than ten percent of the total collateral. The treasurer may require that the first mortgages or trust deeds comprising the total collateral security be twice the amount the eligible depository receives on deposit. First mortgages or trust deeds qualify as collateral subject to the following limitations:
 - i. The promissory note or other evidences of indebtedness secured by such first mortgage or trust deed shall have been in existence for at least three years and shall not have been in default during this period.



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- ii. An eligible depository shall at its own expense execute, deposit with the treasurer and record with the appropriate county recorder a complete sale and assignment with recourse in a form approved by the attorney general, together with an unconditional assumption of obligation to promptly pay to the entitled parties public monies in its custody upon lawful demand and tender of resale and assignment.

Eligible depositories may deposit the security described in this subdivision with the state treasurer, and county, city or town treasurers may accept the security described in this subdivision at their option.

The safekeeping receipt of a federal reserve bank or any bank located in a reserve city, or any bank authorized to do business in this state, whose combined capital, surplus and outstanding capital notes and debentures on the date of the safekeeping receipt are ten million dollars or more, evidencing the deposit therein of any securities or instruments described in this section. A safekeeping receipt shall not qualify as security, if issued by a bank to secure its own public deposits, unless issued directly through its trust department. The safekeeping receipt shall show upon its face that it is issued for the account of the treasurer and shall be delivered to the treasurer. The safekeeping receipt may provide for the substitution of securities or instruments which qualify under this section with the affirmative act of the treasurer.

The securities, instruments or safekeeping receipt for the securities, instruments or warrants shall be accepted at market value if not above par, and, if at any time their market value becomes less than the deposit liability to that treasurer, additional securities or instruments required to guarantee deposits shall be deposited immediately with the treasurer who made the deposit and deposited by the eligible depository in which the deposit was made.

The condition of the surety bond, or the deposit of securities, instruments or a safekeeping receipt, must be such that the eligible depository will promptly pay to the parties entitled public monies in its custody, upon lawful demand, and will, when required by law, pay the monies to the treasurer making the deposit.

Notwithstanding the requirements of this section, any institution qualifying as an eligible depository may accept deposits of public monies to the total that authorized insurance of accounts, insured by federal deposit insurance, without depositing a surety bond or securities in lieu of the surety bond.

An eligible depository shall report monthly to the treasurer the total deposits of that treasurer and the par value and the market value of any pledged collateral securing those deposits.

When a security or instrument pledged as collateral matures or is called for redemption, the cash received for the security or instrument shall be held in place



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of the security until the depository has obtained a written release or provided substitute securities or instruments.

The surety bond, securities, instruments or safekeeping receipt of an eligible depository shall be deposited with the treasurer making the deposit, and he shall be the custodian of the bond, securities, instruments or safekeeping receipt. The treasurer may then deposit with the depository public monies then in his possession in accordance with this article, but not in an amount in excess of the surety bond, securities, instruments or safekeeping receipt deposited, except for federal deposit insurance.

The following restrictions on investments are applicable:

1. An investment of public operating fund monies shall not be invested for a duration longer than three years.
2. The board of deposit may order the treasurer to sell any of the securities, and any order shall specifically describe the securities and fix the date upon which they are to be sold. Securities so ordered to be sold shall be sold for cash by the treasurer on the date fixed in the order, at the then current market price. The treasurer and the members of the board are not accountable for any loss occasioned by sale of securities at prices lower than their cost. Any loss or expense shall be charged against earnings received from investment of public funds.

If the total amount of subdivision monies available for deposit at any time is less than one hundred thousand dollars, the subdivision board of deposit shall award the deposit of the funds to an eligible depository in accordance with an ordinance or resolution of the governing body of the subdivision.

CERTIFICATE OF DEPOSIT CONDITIONS: If an investing entity invests in certificates of deposit pursuant to section 9-492, subsection C, Section 15-1025, subsection B, paragraph 7, section 35-313, subsection A, paragraph 2, the investing entity in each case shall invest those monies in accordance with all of the following condition:

1. The monies are initially invested through an eligible depository in this state selected by the investing entity.
2. The selected eligible depository arranges for the deposit of the monies in certificates of deposit in one or more federally insured banks or saving and loan associations wherever located for the account of the investing entity.
3. The full amount of principal and any accrued interest of each certificate of deposit are insured by the federal deposit insurance corporation.
4. The selected eligible depository acts as custodian for the investing entity with respect to the certificates of deposit issued for its account.
5. At the same time that the investing entity's monies are deposited and the certificates of deposit are issued, the selected eligible depository receives an amount of deposits from customers of other federally insured financial institutions equal to or greater than the amount of the monies initially invested by



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the investing entity through the selected eligible depository.

Monies invested in accordance with all of the conditions prescribed in this section are not subject to any security or collateral requirements.

INVESTMENT IN SINKING FUNDS: The governing body of a municipality may invest its sinking funds in United States, state, or county bonds or in bonds, debentures or other obligations issued by the federal land banks, the federal intermediate credit banks or the banks of cooperatives. (A.R.S. 9-492)

The governing body of a municipality may invest its surplus or idle funds in United States treasury bills, notes or bonds which have a maturity date of not more than one year from the date of investment and in accounts of any savings and loan association insured by an agency of the government of the United States, up to the amount of such insurance. (A.R.S. 9-492)

The governing body of a municipality may invest its surplus or idle funds in accordance with the procedures prescribed in section 35-323.01. (A.R.S. 9-492)

All sinking funds of this state, or a county, city, town or school district, or hospital, irrigation or drainage district organized as provided by law may be invested and reinvested by the governing body or officer in charge of the sinking funds. The investment shall be made for the best interests of the state or political subdivision described in this subsection. (A.R.S. 35-328)

In the absence of specific direction in the bond indenture, the funds may be invested or reinvested in any of the investment securities allowed for trust funds. (A.R.S. 35-328)

DEFINITIONS

Agency pool participant—a subdivision or an entity of a subdivision that has monies maintained by the treasurer and that has the authority to draw negotiable instruments on the treasurer or make other disbursements from monies that the treasurer holds for the subdivision or entity. (A.R.S. 35-321)

Board of Deposit—Common Council (A.R.S. 35-321)

Capital Structure—amount of the capital of the eligible depository shown by the latest call statement of condition as defined by rule of the superintendent of financial institutions for the purpose of administration of this article. (A.R.S. 35-321)

Collecting Entity—entity from which the treasurer receives general funding including the county for collections performed by a county treasurer, the city for collection performed by a city treasurer or the district for collection performed by a district treasurer. (A.R.S. 35-321)

Elastic Revenue—Revenue types that are highly responsive to changes in the economic base and inflation. Example: sales tax

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Eligible Depository—any: (a) Commercial or savings bank or savings and loan association having either a branch in this state or its principal place of business in this state and insured by the federal deposit insurance corporation or its successor or any other insuring instrumentality of the United States according to the applicable federal law. (b) Credit union that is insured by the national credit union administration or its successor. (A.R.S. 35-321)

Inelastic Revenue—Revenue types that are not affected by changes in economic base and inflation. Example: Permit fees.

Investing Entity—the state, a political subdivision, the governing body of a municipality or the governing body of a school district. (A.R.S. 35-323.01)

Involuntary Pool Participant—subdivision that only receives the principal ratio of the monies collected, for which the principal monies are mandated to be distributed on a specific date and for which the interest earned on the monies between the time of collection and other statutory requirements reverts to the general fund of the collecting entity. (A.R.S. 35-321)

Permissible Rate of Interest—rate of interest which an eligible financial institution is permitted to pay by state or federal law or valid state rules or federal regulations. (A.R.S. 35-321)

Public Deposit—public monies deposited in an eligible depository pursuant to this article. (A.R.S. 35-321)

Public Monies—includes subdivision monies. (A.R.S. 35-321)

State Monies—all monies in the treasury of this state or coming lawfully into the possession or custody of the state treasurer. (A.R.S. 35-321)

Subdivision—any county, non-charter city or town. Cities governed by charter have the option of operating under this article. (A.R.S. 35-321)

Subdivision monies—all monies in the treasury of a subdivision or coming lawfully into the possession or custody of the treasurer. (A.R.S. 35-321)

Treasurer—includes the treasurer or officer exercising the functions of treasurer of any subdivision but excludes the state treasurer. (A.R.S. 35-321)

Trust Funds—those monies entrusted to a public body or official for preservation and investment, as prescribed by the instrument establishing such funds. (A.R.S. 35-321)

REFERENCES:

Arizona Revised Statutes:

9-492 Cities and Towns

15-1025 Education

35-313; 35-323; 35-326; 35-328 Public Finance



DEBT POLICY

The Debt Management Policy establishes the framework for overall planning and execution for Town debt management. It sets forth guidelines against which current debt issuance planning can be measured and proposals for future debt issues can be evaluated.

INTRODUCTION: When authorized by the Council, the Town will issue long-term debt for high cost, long-lived capital projects / assets. The Town will issue short-term debt only when it is impossible to fund a project / asset initially through long-term debt. Debt issuance will conform to the debt limitations as set by State statute.

ISSUING DEBT: The issuance of short-term debt is limited to projects / assets that cannot be funded initially through long-term debt.

The issuance of long-term debt is limited to capital projects / assets that the Town cannot finance from current revenues or resources.

For purposes of this policy, current resources are defined as that portion of fund balance in excess of the required reserves (see Policy FIN 101 Section 1.1.7 Fund Reserves).

Every effort will be made to limit the payback period of the bonds to the estimated useful life of the capital projects or assets.

The Town will use long-term debt financing when the following conditions exist:

- Non-continuous capital improvements are desired
- Future citizens will receive a benefit from the improvement

When the Town utilizes long-term debt financing, it will ensure that the debt is financed soundly by:

- Conservatively projecting the revenue sources that will be utilized to repay the debt
- Financing the improvement over a period of not greater than the useful life of the improvement
- Determining the cost benefit of the improvement, including the interest cost, is positive

THE AMOUNT OF DEBT ISSUANCE: The Town will use debt ratios based on debt per assessed value, debt per capita, and debt per capita as a percentage of per capita income as guides. These ratios will assist in guiding amounts that the Town will permit in debt issuance.

The Town will conform to the debt limitations as set forth by the State statutes. Compliance with state law and this policy will be documented each year in the Town's Comprehensive Annual Financial Report.



2016 ANNUAL BUDGET

Individual percentages, as defined by state law, shall not exceed in any specific debt category:

- General Debt 6% of secondary net assessed valuation
- Utility Debt 20% of secondary net assessed valuation
- Open Space & Park Facilities 20% of secondary net assessed valuation

No debt shall be issued for which the Town is not confident that a sufficient, specifically identified revenue source is available for repayment. The Chief Fiscal Officer shall prepare an analytical review for this purpose prior to the issuance of any debt.

DEBT MATURITIES: The Town will keep the average maturity of general obligation bonds at twenty years or less.

All efforts will be made to limit the long-term debt maturity schedule to the estimated useful life of the capital asset constructed or purchased.

OTHER POLICIES: Annual budget appropriations shall include debt service payments and reserve requirements for all long-term debt outstanding, as set forth in the bond covenants.

Debt issues will be sold on a competitive basis, except when conditions make a negotiated sale preferable, and awarded to the bidder who produces the lowest interest cost. Revenue bonds can be issued through a negotiated sale when the issue is unusually large, the project is speculative or complex, the issue is a re-funding or the market is unstable.

Debt service costs (GO, MPC, Revenue Bond and Contractual Debt) shall not exceed 25% of the Town's operating revenue. Improvement District (ID) debt is not included in this calculation because it is paid by the property owners of the district.

General obligation debt that is supported by property tax revenues and grows in proportion to the Town's assessed valuation or community acceptable property tax rates will be utilized as authorized by voters. Other types of voter-approved debt may also be utilized when they are supported by dedicated revenue sources (e.g., fees and user charges).

The following considerations will be made to the question of pledging of project (facility) revenues towards debt service requirements:

- The project requires monies not available from other sources
- Matching fund monies are available, which may be lost if not applied for in a timely manner
- Catastrophic conditions
- The project to be financed will generate net positive revenues (i.e., the additional tax revenues generated by the project will be greater than the debt service requirements). The net revenues should not simply be positive over the life of the bonds, but must be positive each year within a reasonably short

FINANCIAL POLICIES



2016 ANNUAL BUDGET

period (e.g., by the third year of debt service payments).

Improvement District (ID) bonds shall be issued only when there is a general Town benefit. ID bonds will be utilized only when it is expected that they will be issued for their full term. It is intended that Improvement District bonds will be used primarily for neighborhoods desiring improvements to their property such as roads, streetlights, public utilities and storm drainage.

Improvement District debt will be permitted only when the full cash value of the property-to-debt ratio (prior to improvements being installed) is a minimum of 3:1 prior to issuance of debt and 5:1 or higher after construction of improvements. In addition, the Town's cumulative improvement district debt will not exceed 5% of the Town's secondary assessed valuation.

Utility rates will be set, at a minimum, to ensure the ratio of revenue-to-debt service meets bond indenture requirements of 1:2. The Town goal will be to maintain a minimum ration of utility revenue-to-debt service of 1:6 to ensure debt coverage in times of utility revenue fluctuations attributable to weather or other causes and to ensure a balanced, pay-as-you-go Capital Improvement Plan.

The Town may issue inter-fund loans.

Reserve accounts shall be maintained as required by bond covenants or as advisable by the Town Council. The Town shall structure such debt service reserves so that they do not violate IRS arbitrage regulations.

PROFESSIONAL SERVICES: All professional service providers (underwriters, financial advisors, bond insurer's, etc.) selected in connection with the Town's debt issues will be selected in accordance with the Town's procurement policies. In most cases, this will require a request for proposal process.

The Town shall maintain an open line of communication with the rating agencies (Moody's, Standard & Poor's, etc.) informing them of major financial events in the Town as they occur. The Comprehensive Annual Financial Report (CAFR) shall be distributed to the rating agencies no later than January 31st of the following year of the 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.

INTRODUCTION: A capital improvement program (CIP) is a long-range plan of purchasing, constructing and maintaining the Town's capital assets. A capital budget is the portion of the operating budget that funds capital costs.

FINANCIAL POLICIES



2016 ANNUAL BUDGET

DEVELOPING A CAPITAL IMPROVEMENT PROGRAM (CIP): A capital improvement program (CIP) will be developed for a period of five years. As resources are available, the most current year of the CIP will be incorporated into the current year's operating budget. The CIP will be reviewed and updated annually.

DEFINING CAPITAL ASSETS FOR A CIP: For the CIP, all land and land improvements, building projects and equipment which results in a capitalized asset costing more than \$5,000 and having a useful life (depreciable life) of five 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



2016 ANNUAL BUDGET

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.



STAFFING HISTORY

Authorized Positions

05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17
2.00	2.00	2.00	2.00	5.00	5.00	5.00	4.00	4.00	5.00	4.00	4.00
5.00	5.00	5.00	4.50	4.50	4.00	4.00	4.00	4.50	4.50	4.50	4.50
5.00	5.00	7.00	6.00	4.00	4.00	4.00	4.00	3.00	3.00	3.00	3.00
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.50	1.50	1.00	1.00
8.00	8.00	6.00	6.00	6.00	6.00	6.00	7.00	7.00	7.00	7.00	7.00
42.00	45.00	48.00	48.00	48.00	48.00	48.00	48.00	50.00	51.00	52.00	57.00
25.00	25.00	25.00	25.00	25.00	24.00	27.00	33.00	32.00	32.00	32.00	32.00
3.50	3.50	3.50	1.00	2.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
6.00	6.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	6.00	5.00	5.00
4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	2.00	4.00	5.00	5.00
1.00	1.00	1.00	1.00	1.00	1.00	1.50	1.50	1.50	1.50	2.00	2.00
16.50	16.50	17.00	17.00	22.50	22.50	22.00	22.00	22.00	22.00	24.00	24.00
17.00	17.00	17.00	19.00	19.00	22.00	21.00	21.00	20.00	20.00	20.00	19.00
6.00	7.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	7.50	7.50
9.50	11.50	11.50	11.50	7.00	7.00	6.50	6.50	6.50	6.50	6.00	6.00
152.50	158.50	165.00	163.00	166.00	168.50	170.00	176.00	175.00	177.00	178.00	182.00
				14.00	16.00	15.00	19.00	15.00	14.00	10.00	14.50
152.50	158.50	165.00	163.00	152.00	152.50	155.00	157.00	160.00	163.00	168.00	167.50

Positions Frozen Pending Economic Recovery

Department	Division	Title	FY12/13	FY13/14	FY14/15	FY15/16	FY16/17
Town Manager	Human Resources	Human Resources Technician	1.00	-	-	-	-
Town Manager	Town Manager	Executive Assistant	1.00	1.00	1.00	1.00	1.00
Town Clerk	Town Clerk	Chief Deputy Clerk	1.00	1.00	1.00	1.00	1.00
Financial Services	Financial Services	CFO	1.00	1.00	1.00	-	1.00
Financial Services	Financial Services	Deputy CFO	1.00	1.00	1.00	1.00	1.00
Police	Operations	Sergeant	1.00	1.00	1.00	1.00	1.00
Police	Operations	Officer	2.00	2.00	2.00	2.00	5.00
Police	Operations	Secretary / Property Tech	1.00	1.00	-	-	-
Building	Building	Plans Examiner II	1.00	1.00	1.00	-	1.00
Building	Building	Building Inspector II	1.00	1.00	1.00	-	-
Community Development	Admin	Community Development Director	1.00	1.00	1.00	1.00	1.00
Public Works	Streets	Street Maintenance Worker	2.00	1.00	1.00	-	-
Public Works	Parks Maintenance	General Maintenance Worker	2.00	-	-	-	-
Library	Library	Library Clerk	1.00	1.00	1.00	1.00	1.00
Recreation & Tourism	Trails	Recreation Coordinator	1.00	1.00	1.00	1.00	1.00
			18.00	14.00	13.00	9.00	14.00
In addition, the following full-time positions are currently filled with part-time staff pending economic recovery:							
Town Attorney	Town Attorney	Legal Secretary	0.50	0.50	0.50	0.50	-
Financial Services	Financial Services	Grant Coordinator	0.50	0.50	0.50	0.50	0.50
			1.00	1.00	1.00	1.00	0.50



Budgeted Positions

	FY	FY	FY	FY	FY
<u>Department</u>	<u>12/13</u>	<u>13/14</u>	<u>14/15</u>	<u>15/16</u>	<u>16/17</u>
Town Manager	3.00	3.00	4.00	3.00	3.00
Town Attorney	3.50	4.00	4.00	4.00	4.50
Town Clerk	3.00	2.00	2.00	2.00	2.00
Central Services	-	1.50	1.50	1.00	1.00
Financial Services	4.50	4.50	4.50	5.50	4.50
Police	46.00	46.00	47.00	49.00	51.00
Fire	33.00	32.00	32.00	32.00	32.00
Human Resources	2.00	3.00	3.00	3.00	3.00
Community Dev	1.00	1.00	1.00	1.00	1.00
Building	5.00	5.00	5.00	5.00	4.00
Planning	2.00	2.00	3.00	5.00	5.00
Airport	2.00	2.00	2.00	2.00	2.00
Public Works	19.00	21.00	21.00	24.00	24.00
Water Department	20.00	19.00	19.00	20.00	19.00
Library	7.00	6.50	6.50	6.50	6.50
Recreation & Tourism	5.00	5.00	5.00	5.00	5.00
	156.00	157.50	160.50	168.00	167.50

Explanation Regarding Changes in Budgeted Staffing

- ◆ Town Attorney—Office Manager position, previously frozen as a part-time position, was funded as a full-time position this fiscal year
- ◆ Finance—CFO position re-frozen
- ◆ Police Communications—five new Dispatch positions added due to IGA with the County for regional dispatching services
- ◆ Police—three additional Police Officer positions were frozen to fund a flat amount pay increase for sworn officers
- ◆ Building—one Plans Examiner position re-frozen



PRINCIPAL EMPLOYERS

Employer	2016	2007
	Employees	Employees
Wal-mart	300	320
Payson Unified School District	299	344
Mazatzal Casino	291	360
Chaparral Pines / Rim Club	222	177
Banner Payson / PRMC	220	340
Town of Payson	182	160
Gila County	170	250
Payson Care Center / Life Care Center	154	150
Rim Country Health / Manzanita Manor	149	125
Safeway Supermarket	127	110
Home Dept	125	115
US Forest Service	85	102
Bashas' Supermarket	74	84
Chili's Restaurant	38	-
Chapman Auto	33	45
Big Lots	20	-
Total	<u>2,489</u>	<u>2,682</u>

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

DEMOGRAPHIC AND ECONOMIC STATISTICS

Calendar Year	Population	Median Household Income	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2007	16,742	39,973	n/a	49.1	2,812	4.1%
2008	16,965	39,973	n/a	50.5	2,712	4.6%
2009	17,281	40,993	n/a	49.3	2,657	7.3%
2010	17,281	40,993	n/a	49.3	2,352	7.9%
2011	15,301	36,764	n/a	54.2	2,420	7.7%
2012	15,301	42,342	25,716	53.1	2,225	9.6%
2013	15,215	43,741	24,914	53.1	2,415	9.6%
2014	15,245	43,535	24,690	52.9	2,485	7.5%
2015	15,245	44,661	23,668	52.7	2,450	4.5%
2016	15,345	42,987	23,784	55.5	2,420	3.9%

Sources: Payson Unified School District, U.S. Census Bureau, and Sperling's Best Places

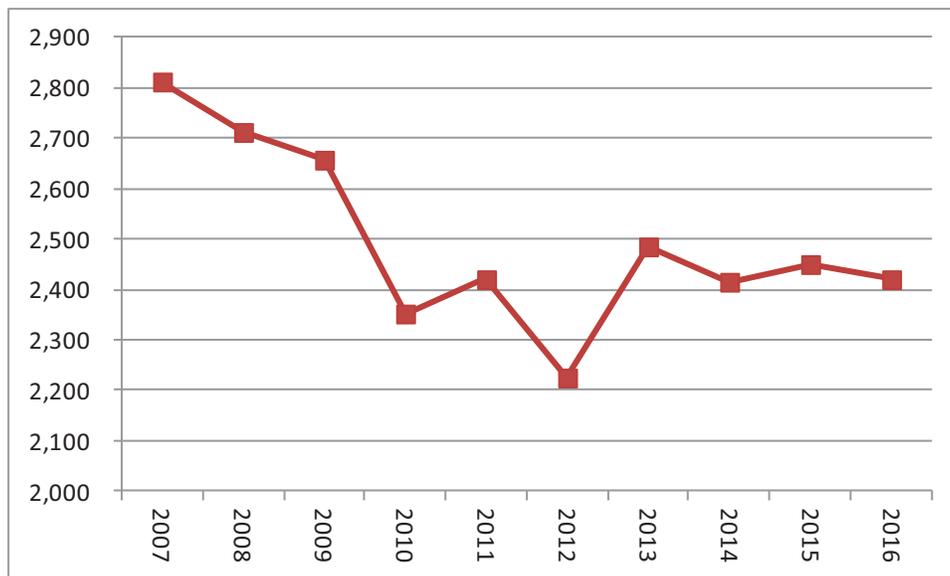


SCHOOL ENROLLMENT

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

School Year	Enrollment
2006	2,806
2007	2,812
2008	2,712
2009	2,657
2010	2,352
2011	2,420
2012	2,225
2013	2,485
2014	2,415
2015	2,450
2016	2,420

Source: Payson Unified School District





EDUCATIONAL ATTAINMENT

Population 25 years and over:	12,108		
Less than 9th grade	3.3%		
9th to 12th grade, no diploma	7.8%		
High school graduate (includes equivalency)	29.5%		
Some college, no degree	26.8%		
Associate's degree	11.1%		
Bachelor's degree	12.5%		
Graduate or professional degree	9.0%		

Source: U.S. Census Bureau, 2010-2014 American Community Survey 5-Year Estimate

POPULATION BY SEX AND AGE

Total Population	15,234	
Male	7,161	
Female	8,073	
Under 5 years	570	
5 to 9 years	617	
10 to 14 years	646	
15 to 19 years	725	
20 to 24 years	568	
25 to 34 years	1,199	
35 to 44 years	1,123	
45 to 54 years	2,044	
55 to 59 years	1,142	
60 to 64 years	1,427	
65 to 74 years	2,918	
75 to 84 years	1,658	
85 years and over	597	

Source: U.S. Census Bureau, 2010-2014 American Community Survey 5-Year Estimate



COMPARISON OF GENERAL HOUSING STATISTICS

	Payson, Arizona	United States
Median Home Age:	24	37
Median Home Cost:	\$ 181,100	\$ 170,100
Homes Owned	54.30%	57.34%
Homes Rented	19.91%	30.19%
Average Rent for Homes / Apartments:		
Studio Apartment	\$ 515	\$ 661
1 Bedroom Home / Apartment	\$ 537	\$ 765
2 Bedroom Home / Apartment	\$ 723	\$ 957
3 Bedroom Home / Apartment	\$ 1,044	\$ 1,289
4 Bedroom Home / Apartment	\$ 1,225	\$ 1,490
Source: Sperling's Best Places		

VALUE OF OWNER-OCCUPIED HOUSING

Less than \$20,000	9.84%
\$20,000 to \$39,999	1.58%
\$40,000 to \$59,999	1.58%
\$60,000 to \$79,999	0.73%
\$80,000 to \$99,999	4.99%
\$100,000 to \$149,999	10.88%
\$150,000 to \$199,999	20.16%
\$200,000 to \$299,999	34.53%
\$300,000 to \$399,999	7.18%
\$400,000 to \$499,999	3.70%
\$500,000 to \$749,999	3.91%
\$750,000 to \$999,999	0.60%
\$1,000,000 or more	0.31%
	99.99%
Source: Sperling's Best Places	

HOUSING UNITS BY YEAR STRUCTURE BUILT

2010 and newer	0.40%
2000 to 2009	19.50%
1990 to 1999	27.50%
1980 to 1989	28.40%
1970 to 1979	18.20%
1960 to 1969	3.50%
1950 to 1959	1.50%
1940 to 1949	0.20%
1939 or Earlier	0.80%
	100.00%
Source: U.S. Census Bureau, 2010-2014 American Community Survey 5-Year Estimates	

Town of Payson, Arizona
Glossary of Terms
 Budget

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 In regards to the budget, a formal action taken by Council that sets the spending limits for the fiscal year.

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.

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.

ARBITRAGE The investment of bond proceeds in higher yielding securities, resulting in interest revenue in excess of interest costs.

ARRA American Recovery and Reinvestment Act of 2009

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.

BARS An acronym for Budgeting, Accounting and Reporting System. Refers to the accounting rules established by the State Auditor's office.

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' budgets.

BENEFITS The Town provided employee benefits such as retirement, worker's compensation, life insurance, medical insurance and dental insurance.

BOND A certificate obligating the payment of a specified sum of money which includes the principal or face value, plus interest, to be computed at a specified rate on a specified date or dates in the future or the maturity date(s).

BONDED DEBT That portion of indebtedness represented by outstanding bonds.

BOND RATING A grade indicating a governmental unit's investment qualities. Generally speaking, the higher the bond rating, the more favorable the interest rate and the lower the cost of financing of capital projects funded by bonds. A high rating is indicative of the government's strong financial position.

BOND REFERENDUM An election in which registered voters vote on whether the Town will be allowed to issue debt in the form of interest-bearing bonds.

BUDGET A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed revenue, or means of financing the expenditures.

BUDGET CALENDAR The schedule of key dates or events, which the Town follows in the preparation, adoption and administration of the budget.

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.

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.

CAFR An acronym for Comprehensive Annual Financial Report. .

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.

Town of Payson, Arizona
Glossary of Terms
 Budget

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 general obligations or other financing.

CASH BASIS ACCOUNTING The method of accounting where revenues are recorded when received and expenditures are recorded when paid.

CDBG An acronym for Community Development Block Grant, which is an annual federal grant that can be used to revitalize neighborhoods and expand affordable housing.

CERTIFICATES OF OBLIGATIONS (COP's) Similar to general obligation bonds except the certificates require no voter approval.

CHART OF ACCOUNTS A chart that assigns a unique number to each type of transaction and to each budgetary unit in the organization.

CIP An Acronym for Capital Improvement Plan

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, business, 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.

COUNCILMANIC BONDS Intermediate to long-term debt instruments issued by Town Council authorization. By state law, the maximum amount of councilmanic bonds that may be sold is equal to 1.5 percent of the Town's assessed valuation.

CSP An acronym for Corporate Strategic Plan

CURRENT ASSETS Those assets, which are available or can be made readily available to finance current operations or to pay current liabilities. Those assets that will be used up or converted into cash within one year. Some examples are cash, temporary investments, and taxes receivable, which will be collected within one year.

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 to encourage governments to prepare effective budget documents.

ENCUMBRANCES Commitments related to unperformed contracts for goods or services. Used in budgeting, encumbrances are not GAAP expenditures or liabilities, but represent the estimated amount of expenditures 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.

FAA An acronym for Federal Aviation Administration.

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 several years.

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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.

GAAP An acronym for Generally Accepted Accounting Principals as determined through common practice or as promulgated by accounting standard setting bodies.

GASB An Acronym for Governmental Accounting Standards Board

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.

GENERAL OBLIGATION BONDS Bonds backed by the full faith and credit of the issuing government. In issuing its general obligation bonds, the Town pledges to levy whatever property tax is needed to repay the bonds for any particular year. Bonds cannot be issued without voter approval and are usually issued with maturities of between 15 and 30 years.

GFOA An acronym for Government Finance Officers Association. A professional association of state/provincial and local finance officers dedicated to the sound management of government financial resources.

GOAL The end toward which an endeavor is directed. A Town department may have several goals in the accomplishing of its mission

GOVERNMENTAL FUNDS Those funds through which most governmental functions typically are financed. The acquisition, use and financial resources and the related current liabilities are accounted for through governmental funds (General, Special Revenue, Capital Projects, and Debt Service funds).

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 governments.

HURF An acronym for Highway Users Revenue Fund

IMPACT FEE Fees charged to developers or individuals to cover, in whole or in part, the anticipated cost of improvements that will be necessary as a result of the development.

INFRASTRUCTURE The underlying permanent foundation or basic framework e.g. streets, water, sewer, public buildings, and parks

INTERFUND TRANSFERS Amounts transferred from one Town fund to another.

INTERGOVERNMENTAL Referring to activities or transactions (contracts, grants, etc.) occurring between government jurisdictions (e.g., cities and counties) such as "intergovernmental revenue".

INTRAGOVERNMENTAL Referring to activities or transactions occurring within a single government jurisdiction.

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.

KRA An acronym for Key Result Areas- 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.

LID An acronym for Local Improvement District.

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.

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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.

OPEB An acronym for Other Post Employment Benefits

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 budgets carry on the traditional services of a governmental entity. Such a budget generally excludes amounts budgeted for major capital projects.

OPERATING TRANSFER 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 (city or county).

OSHA An acronym for Occupational Safety and Health Act

PERFORMANCE INDICATORS Measurable means of evaluating the effectiveness of a department or cost center in accomplishing its defined objectives.

PERSONNEL SERVICES Costs related to compensating employees, including wages, insurance, payroll taxes, retirement contributions, and allowances for clothing and automobiles.

PRIMARY PROPERTY TAX A limited tax levy used to support general government operations.

PROPERTY TAX A levy upon the assessed valuation of property within the Town of Payson. Arizona has two types of property tax: primary property tax and secondary property tax.

PROPRIETARY FUND A fund used to account for operations that are financed and operating in a manner similar to business enterprises. Such a fund is established as a self-supporting operation with revenues provided principally from fees, charges or contracts for services.

PURCHASE ORDER (PO) A document that authorizes the delivery of specified merchandise or the rendering of certain services and the making of a charge for them.

RESERVE An account used to indicate that a portion of fund resources is restricted for a specific purpose, or is not available for appropriation and subsequent spending.

RESOLUTION A special or temporary order of a legislative body requiring less legal formality than an ordinance or statute.

RESOURCES The dollars available for appropriation, including estimated revenues, interfund transfers and in some cases, a beginning fund balance.

REVENUE Income received by the Town to support programs or services to the community. It includes such items as taxes, fees, user charges, grants, fines, forfeits, interest income and miscellaneous revenue.

RFP An acronym for Request for Proposal.

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.

SCADA An acronym for Supervisory Control and Data Acquisition

SECONDARY PROPERTY TAX Voter approved tax levy which can only be used to retire general bonded debt obligations.

SPECIAL ASSESSMENT A compulsory levy made against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

SPECIAL REVENUE FUND A fund used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

STRUCTURALLY BALANCED BUDGET A balanced budget that supports financial sustainability for multiple years into the future. A government needs to make sure that it is aware of the distinction between satisfying the statutory definition and achieving a true structurally balanced budget.

SUPPLIES A cost category for minor items (individually priced at less than \$5,000) required by departments to conduct their operations.

SURPLUS The amount by which revenues exceed expenditures

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.

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.

TENTATIVE BUDGET A tool that gives policymakers an idea of the Town’s relative fiscal position for the coming budget period based on projected revenues and expenditures.

TRUST AND AGENCY FUNDS A type of fiduciary fund which accounts for funds held by the Town as a trustee.

UNRESERVED FUND BALANCE Undesignated monies available for appropriations.

USER CHARGES The payment of a fee for direct receipt of a public service by the party who benefits from the service.

WIFA An acronym for Water Infrastructure Financing Authority

WORKLOAD INDICATORS Specific quantitative measures of work performed within an activity or program (e.g., total miles of streets cleaned).