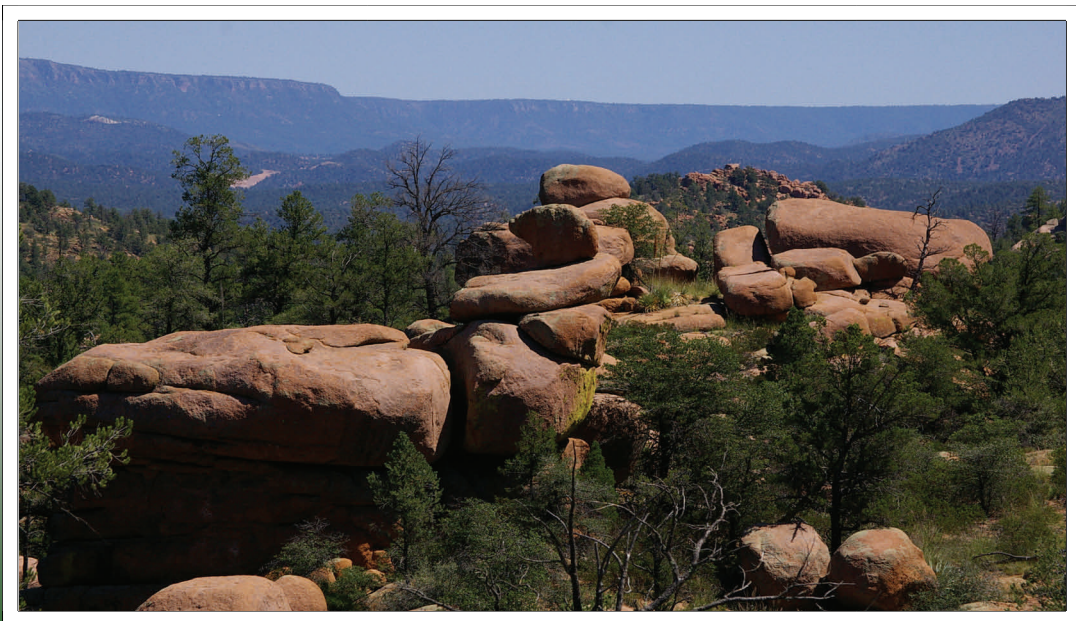




ANNUAL BUDGET

2012/2013

FOR THE FISCAL YEAR BEGINNING JULY 1, 2012



Town of Payson, Arizona

Annual Budget

Beginning July 1, 2012 and Ending June 30, 2013



Mayor
Kenny Evans

Town Manager
Debra A. Galbraith

Prepared by the Financial Services Department



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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Town of Payson
Arizona**

For the Fiscal Year Beginning

July 1, 2011

Linda C. Danson Jeffrey R. Emswiler

President

Executive Director



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ELECTED TOWN OFFICIALS
July 1, 2012

Mayor
Vice Mayor
Councilmember
Councilmember
Councilmember
Councilmember
Councilmember

Kenny Evans
Michael Hughes
Su Connell
Fred Carpenter
Rick Croy
Ed Blair
John R. Wilson





ADMINISTRATIVE STAFF

July 1, 2012

Debra A. Galbraith
Town Manager

LaRon Garrett
Assistant Town Manager

Don Engler
Deputy Town Manager: Public Safety

(vacant)
Deputy Town Manager: Administrative Services

Silvia Smith
Town Clerk

Timothy Wright
Town Attorney

Hope Cribb
Finance Manager

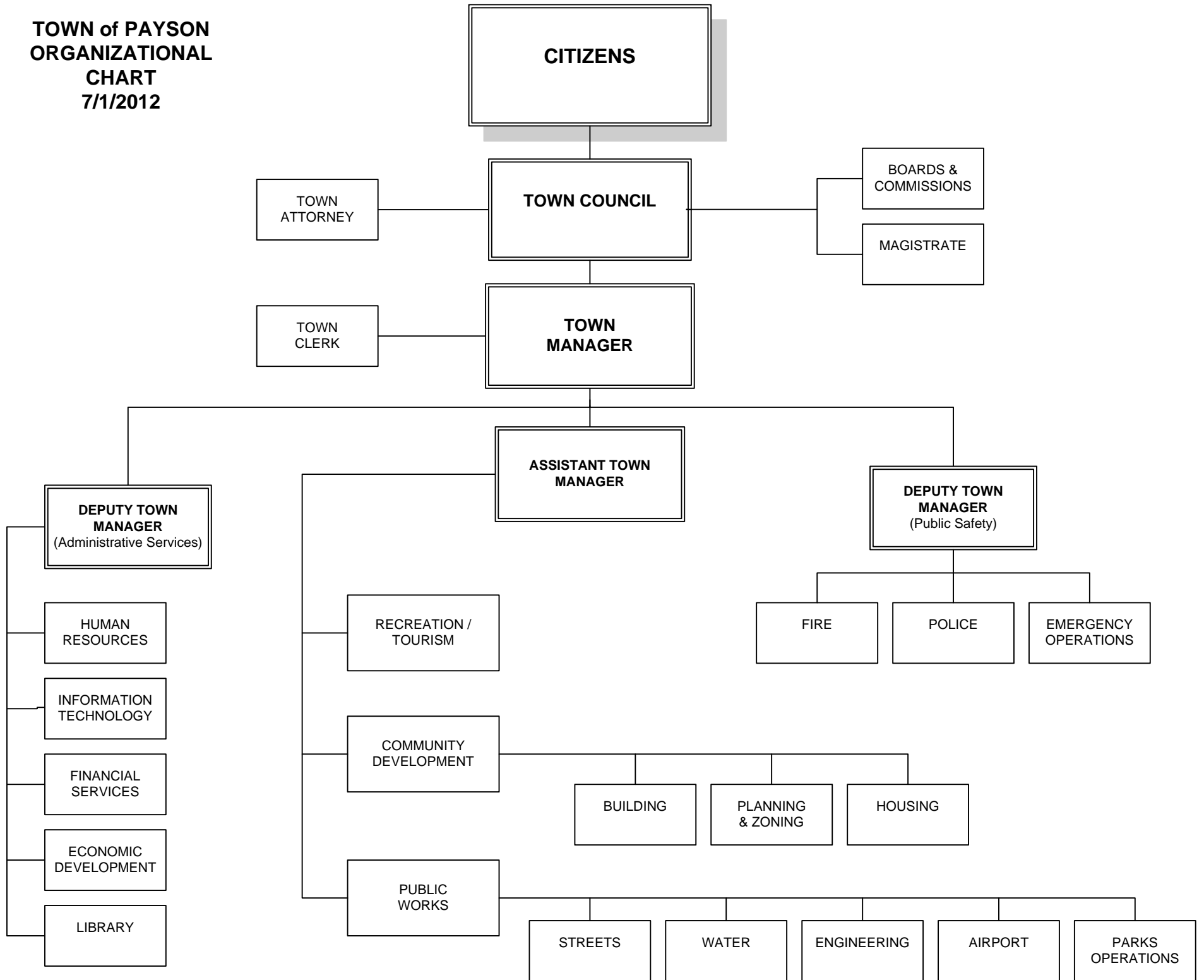
Dorothy Little
Magistrate

Marty DeMasi
Fire Chief

Terry A Morris
Library

Cameron Davis
Recreation & Tourism

**TOWN of PAYSON
ORGANIZATIONAL
CHART
7/1/2012**





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 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: September 9, 2012

To the Residents of the Town of Payson:

Arizona's Cool Mountain Town was incorporated in 1973. Over the intervening years, there have been good years and difficult years but much has been accomplished. Citizen input coupled with prudent use of your tax dollars, supplemental state and federal funds, and more recently, the timely use of grant funding have allowed us to comply with a myriad of federal and state mandates and complete many important programs and projects.

The budget for the 2012-13 fiscal year continues to be grounded on the principle of fiscal integrity. The national and statewide economic downturn negatively impacts our local budget. And, although ARRA Stimulus grants provided some relief to last year's budget, the Town General Fund this year is extremely tight. No one in our lifetime has experienced the length and magnitude of this current economic turmoil so the 2012-13 Budget will necessarily be fluid and may require adjustment as the year progresses. The budget is the product of the Town's priorities coupled with department input and projections. Prudence requires that some of our goals will again have to be deferred. The Town and our departments use the budget as a comprehensive financial tool for maintaining fiscal accountability as we work to meet current needs and town priorities.

We recognize the dedication and hard work of our Town staff and the input of your Town Council in creating this fiscally responsible budget. These continue to be very tough financial times. Thank you for your patience and support as we work through the challenging days ahead. I especially commend the work, insight and input of Debra Galbraith, Town Manager; Hope Cribb, Finance Manager; and the Town Department Heads and the entire Financial Services Department staff.

Respectfully,

A handwritten signature in black ink, appearing to read "Kenny J. Evans", is written over a horizontal line. The signature is stylized and cursive.

Kenny J. Evans,
Mayor



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

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

September 10, 2012

To the Honorable Mayor, Town Council and Citizens:

We respectfully submit the published Town of Payson Fiscal Year 2012/13 budget as approved by the Town Council on June 21, 2012. 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 is feeling the pains of the recession.

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 growth and 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 the full debt capacity for general municipal purpose bonds, as well as 89.4% of the 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, forces outside of our control continue to challenge the Town's financial and managerial wherewithal. These forces include inflation, economic recession, and the

decline in building construction. Measures have been put in place to actively pursue commercial growth and promote increased tourism as a means of counteracting these forces. Service demands in public safety, streets, parks and recreation, water and wastewater services will increase.

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. Each year, 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 three-year period. Funding is allocated during the subsequent budgeting process.

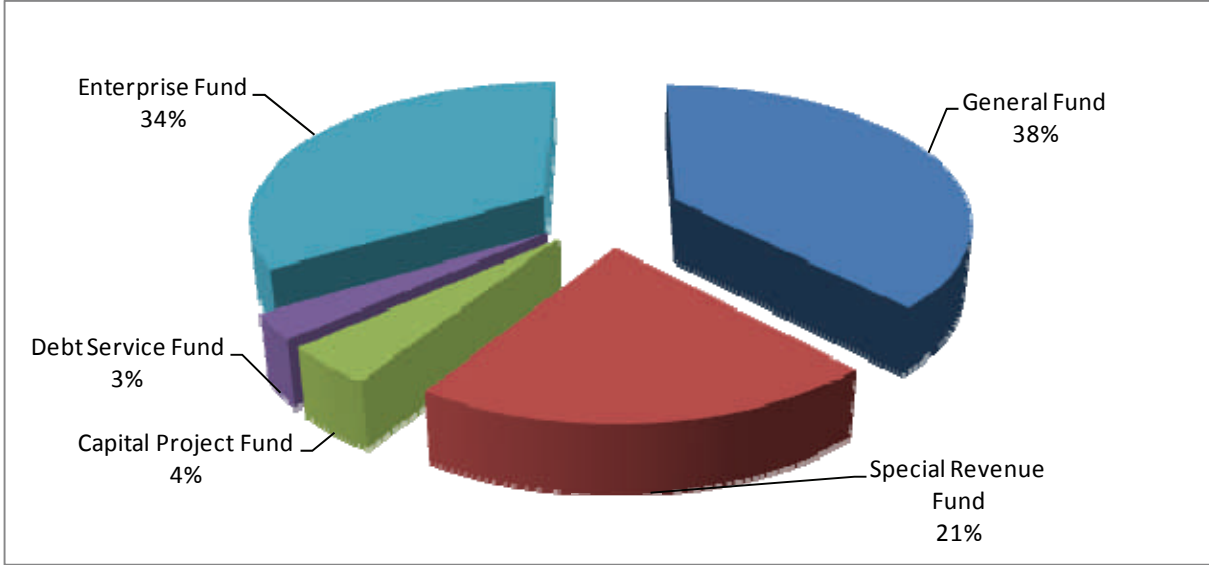
II. BUDGET HIGHLIGHTS

Financial Program

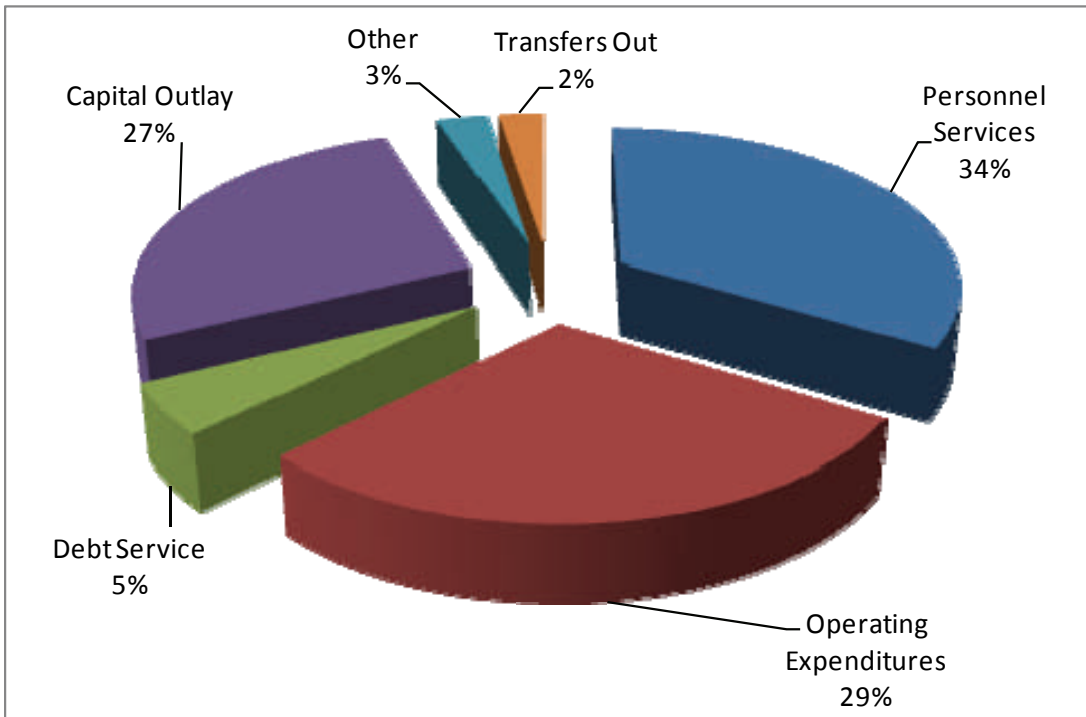
The annual budget for fiscal year 2012/13 for all funds of the Town totals \$37,579,554. This is \$9,879,319 (20.8%) lower than the budget for last fiscal year. Total expenditures of \$37,579,554 exceed the total revenues of \$34,768,254, and the Town plans to use some of its reserves for the difference and postpone necessary capital repairs and improvements.

Fund Type	Estimated Revenues	Proposed Expenditures
General Fund	\$ 13,196,749	\$ 13,075,100
Special Revenue Fund	\$ 7,330,000	\$ 7,982,149
Capital Project Fund	\$ 1,509,200	\$ 2,233,305
Debt Service Fund	\$ 1,030,605	\$ 1,121,200
Enterprise Fund	<u>\$ 11,701,700</u>	<u>\$ 13,167,800</u>
Total	\$ 34,768,254	\$ 37,579,554

**ESTIMATED REVENUES—ALL FUNDS
FISCAL YEAR 2012/2013
\$34,768,254**



**EXPENDITURE BY USE—ALL FUNDS
FISCAL YEAR 2012/2013
\$37,579,554**



- ◆ \$24,596,900 is appropriated for operating expenditures or expenses (such as personnel services, supplies, utilities, insurance, repairs, maintenance, training, grants to other agencies, and depreciation). This figure represents a mere 0.08% increase over last year's budget. The Town has seen increases in the costs of insurance, utilities, fuel, and a wide variety of other goods & services. The efforts of Town 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.
- ◆ \$10,143,700 is for capital outlay; capital projects, and other one-time grant related expenditures. This is 50.1% less than last year. The reduced availability of funding from all sources continues to cause many capital projects to be drastically reduced or put on hold pending economic recovery. Pavement preservation was budgeted at \$250,000 last year which is the recommended minimum expenditure for sound planning. Unfortunately, this project had to be cut to \$50,000 for fiscal year 2012/13 due to current economic conditions and this cut will impact future budgets as additional spending will be required in order to bring pavement preservation back up to acceptable levels. 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 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.
- ◆ \$2,838,954 is for inter-fund operating transfers, debt service, and other uses of funds. This is an increase of 3.5% due mainly to additions in debt services for new police vehicles.
- ◆ Several vacant positions continue to go unfilled and three additional positions were frozen this year pending economic recovery. Merit raises / COLA increases remain on hold for the fifth consecutive fiscal year. Receipt of a SAFER grant to hire six new firefighters has been included in the budget. Even with the addition of these six positions, salaries & wages in all funds decreased \$273,600 (3.1%) over the prior year's budget.
- ◆ One of the highest cost areas to the Town is employee / retiree health insurance. Unfortunately, in this budget year, the contribution split had to be changed from 75% employer / 25% employee to 60% employer / 40% employee.

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 previous fiscal year.

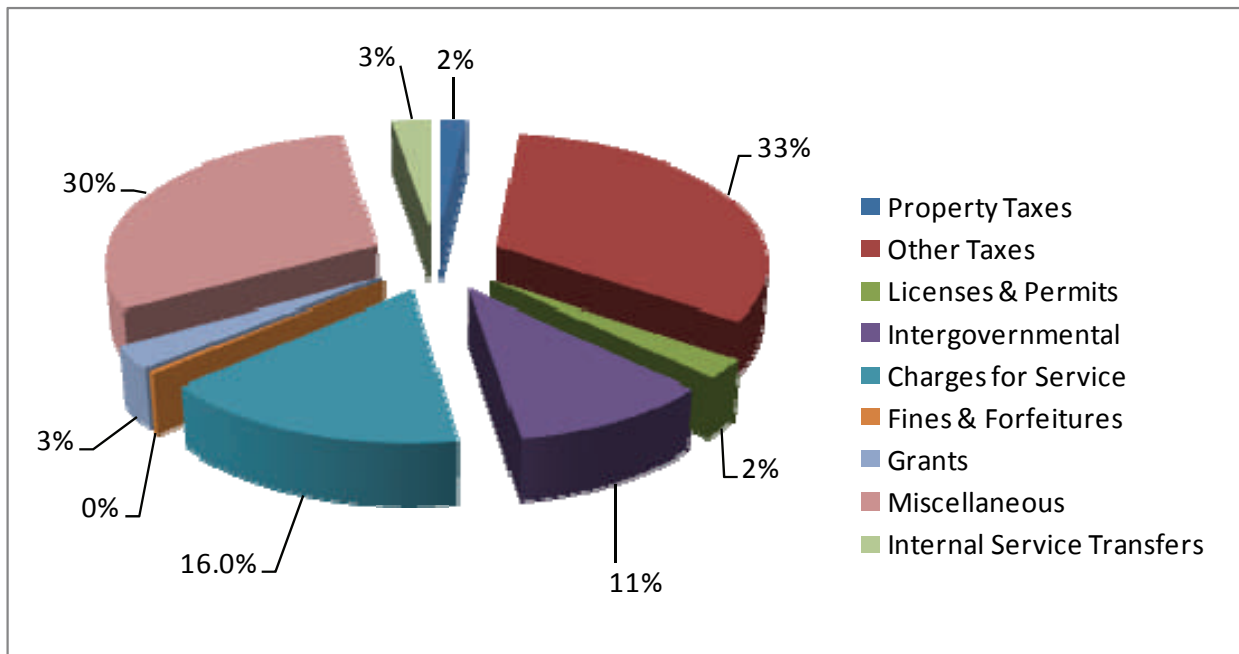
Local sales tax is the major source of revenue for the Town. It is mainly influenced by retail sales and increases in tourism in Payson. Local sales tax revenues are projected to be approximately \$5,700,000 which is a decrease of 5% from fiscal year 2011/12. The economic recovery anticipated for last year has been slower than expected but, continued efforts to promote Payson 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. These revenues are shared based upon population. State shared revenues decreased in fiscal year 2011/12 by approximately \$368,900 but, we anticipate an increase in this fiscal year of \$520,800 as the State’s budget situation is showing improvement. All State shared revenues are projected to be up over last fiscal year with the exception of the vehicle license taxes which is expected to remain relatively flat. State shared sales tax is estimated to be \$1,279,500 reflecting a welcomed 10.5% increase over last fiscal year.

Development impact fees have become another important source of revenue for the Town. These revenues are restricted for public safety, park capital improvements, street capital improvements and water development. Park development impact fees must be used for capital improvements in the Town’s park system. They can be used for new park projects on a cash basis, or to cover debt service for new park development.

In contrast, property taxes are a relatively minor revenue source for the Town. The primary property tax rate is projected to be \$0.3502 per \$100 of assessed value. The levy rate reflects a slight increase of 0.0437 over fiscal year 2011/12. The secondary property tax rate for debt service on the Green Valley Park General Obligation Bonds was \$0.0329 per \$100 of assessed valuation last year and this tax was eliminated this year due to the retirement of the debt.

REVENUE BY TYPE—ALL FUNDS



Capital Expenditures in the FY 2011/12 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 1) general obligation bond issues and 2) 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 of the Town. 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 of, and equipping 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.

On August 14, 2009 the Town received ARRA funding of \$4 million and a loan of \$6,585,000 issued by the Water Infrastructure Financing Authority (WIFA). Over the next several years, these funds will be used to construct a 14 mile, 21" water pipeline and water treatment plant to access an annual amount of 3,500 acre feet of water for Payson & the surrounding community from the C.C. Cragin reservoir in northern Arizona. In 2012, the Water Division is in the process of obtaining another loan from WIFA in the amount of \$6,250,000. The debt service for these funds will come from water services revenue.

Fiscal Policy Assumptions

Financial policy guides that were used for preparation of this budget are shown in italic type-style. 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 \$346,981 or 2.7% of the estimated revenue for the Fiscal Year 2012/13. This decrease in cash balance is due to revenue short-falls and an extremely slow economic recovery. Due to the current economic conditions, we have been unable to maintain a General Fund reserve per policy.

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 decrease by \$503,473 (3.7%). The decrease in revenues is primarily due to the extremely slow economic recovery. Projections for fiscal year 2011/12 forecasted much larger revenues than were realized. Although increases are expected in tax, tourism & construction-related revenues, projections for this fiscal year were adjusted to reflect the slower rate of growth that was demonstrated in the prior fiscal year. Operating expenditures are projected to decrease \$975,100 (7.1%) over the FY2011/12 Budget. The decrease in expenditures is due to additional cuts in departments' budgets and a change in the health insurance split as previously addressed in this section. Although we have reduced our operating expenditures, the operating revenues have also declined and we are unable to follow this policy at this time.

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.

Based on the difficult economic conditions, very few capital or street projects will be initiated this fiscal year using general fund monies. As stated above, there is no excess cash in the General Fund. We are unable 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.

The Equipment Replacement Fund will be utilized for the acquisition of a quad for the Recreation & Tourism Department.

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 to be 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 2012/13

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 2012/2013:

- 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 2012/13 and beyond has been particularly challenging due to the unfavorable economic situation over the last few years and an anticipated economic recovery that has been very slow to manifest itself. The Town's officials considered many factors during the process of developing the budget for fiscal year 2012/13. The budget is based on increases in most State shared revenues. While the economy appears to be recovering on a very minute basis, we continue to budget conservatively. The Town's budget continues to be very tight as we strive to meet our goals within our limited financial resources.

The major economic factors impacting the budget for fiscal year 2012/2013 are the slow recovery of the housing industry and financial markets. The Town continues to see closures of some businesses, loss of employment for some residents, and decreased local spending. Capital improvements have been put on hold again and future budgets will be adversely affected by these postponements. For another year, the Town was only able to pay the interest on the operational loan from the Water Department. The rising cost of health insurance and an increase in the contribution rate for the public safety retirement fund have added to our already tenuous situation. Fortunately, the Town was able to cancel some lay-offs that were originally in the proposed budget. Local sales tax seems to be trending up ever so slightly over the past couple of months in comparison to the same time last year. The Arizona State budget situation has shown improvement over last fiscal year which translates to an increase in State-shared revenues for

fiscal year 2012/2013. This increase is estimated to be approximately 11.3% more than last fiscal year.

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. Until the new C.C. Cragin water pipeline is completed, the Town has implemented policies designed to slow down the use of our current water resources.

V. CONCLUSION

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

The budget for fiscal year 2012/13 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 2012/13 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, Janice Hopely, and Tammy Enlow) 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,



Debra A Galbraith, CGFM
Town Manager



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Quick Reference Guide

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

If you have this question.....	Refer to	Page
How much is the 2012/13 budget?	Budget Message	7
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What is the breakdown of dollars for the 2012/13 budget by fund?	Budget Overview/Summary	25
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What are the primary sources of revenue for the Town?	Budget Overview/Summary	25
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What is the Town's budget process timeline?	Budget Overview/Summary	25
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What planning documents influence budget priorities?	General Plan	268
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How to Make the Best Use of This Document

The budget document serves two distinct purposes. One purpose 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. The other is to provide 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 is a description of each section of the budget document.

BEFORE THE INTRODUCTION:

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

INTRODUCTION:

This section includes the Town's principal Town officials, the Town organizational chart, the Town profile, the budget messages, and the Town's Mission Statement.

The **Town Manager's Budget Message and the Mayor's Budget Message** provide an overview of the key issues, programs and policies that drove the formation of this budget.

TOWN POLICIES:

This section presents the Town financial policies and other financial related policies.

BUDGET SUMMARIES:

This section shows the overview of all the parts of the budget: sources and uses, total financial program, revenue and expenditure summary, and capital budget overview.

REVENUE INFORMATION:

This section presents the revenue side of the budget in both summary and detail formats.

EXPENDITURE INFORMATION:

This section presents the operating budget in summary and in detail for each Town department. This information is not shown on a fund basis, but rather, on a departmental basis to facilitate understanding of the true costs of departmental operations.

DEBT SERVICE:

This section shows the funds used to repay debt and presents the payment schedules for that debt.

CAPITAL BUDGET:

This section presents the capital improvements budget, detail of the capital projects, and the budget for capital equity.



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, Corporate Strategic Plan (CSP), and Capital Improvement Plan (CIP) are included in this section. The complete plan documents can be viewed on the Town of Payson website www.paysonaz.gov.

SUPPLEMENTAL INFORMATION:

This section presents 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 19.5 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 19.5 square miles in northern Gila County. Payson is nestled below Arizona's Mogollon Rim at an elevation of 4,982 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, Payson Regional 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 consists of ten departments. Departments are headed by directors/managers who 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, Economic Development, 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. This department is also responsible for the Human Resources division which includes duties related to 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. Economic Development, a new division created in FY10/11, is responsible for assisting prospective new businesses and serving as an ombudsman for existing businesses. This department is led by the Town Manager.

A restructuring of upper management was implemented in FY11/12. These changes included the creation of an Assistant Town Manager and two Deputy Town Managers' positions. These new positions report directly to the Town Manager. The Assistant Town Manager oversees the operations of Public Works, Community Development, and Recreation/Tourism. The Deputy Town Manager - Administrative Services - oversees Human Resources, Information Services, Financial Services, Economic Development, and Library. (This position was not funded in FY11/12 and will not be funded this budget year.) The Deputy Town Manager - Public Safety - oversees Fire, Police, and Emergency Operations.



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, purchasing, 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.

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 is led by the Police Chief and 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 **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 firefighting resources to any wildland fire. The department is run by the Fire Chief.

The **COMMUNITY DEVELOPMENT DEPARTMENT** consists of three divisions. The Planning & Zoning division provides land use and development services. The Building division provides services to the building community and ensures that all structures are built in accordance with adopted building codes. The Housing division is responsible for the housing rehabilitation program.

The **RECREATION & TOURISM DEPARTMENT** provides recreational opportunities to the citizens. The Recreation division develops and funds all the recreational programs. The Aquatics division oversees the pool. The Multi-Event Center division hosts large scale special events. 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. This 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 Parks Maintenance division provides quality development and upkeep of the Town's park system. 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 19.5 square mile area. This department is led by the Assistant 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.

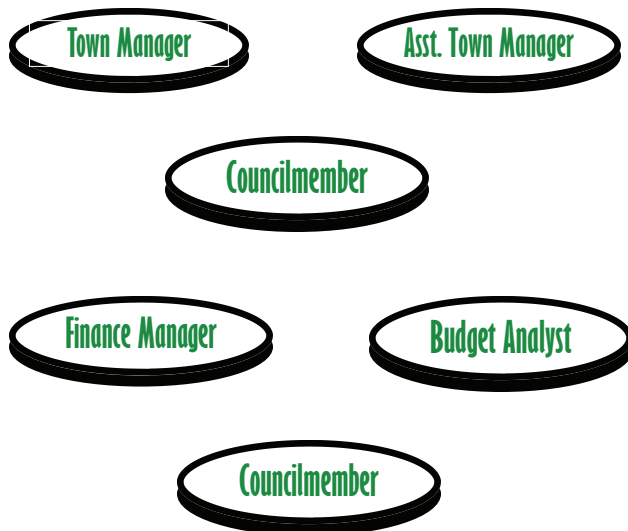




***BUDGET
PROCESS
OVERVIEW***

The Town Manager is responsible for proposing an Annual Budget to the Town Council. Traditionally, in late May or early June each year, the Preliminary Budget is presented to the Town Council and community. The final budget is adopted in July or August. 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 through the Corporate Strategic Plan. The Finance Manager compiles the budget requests from the departments. A budget team was 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 assure 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 of Payson to involve all citizens in the budget process either in the formulation, preparation, implementation, administration, or evaluation.



...Budget Roles and Responsibilities...

CITIZENS OF PAYSON are responsible for participating in the formation of the Corporate Strategic Plan and presenting it 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, and reviewing the Town Manager's Proposed Budget and approval of 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 and decision making process. This process starts by updating the Corporate Strategic Plan. The Corporate Strategic Plan is an agenda of priority areas for the Town. It helps establish a Capital Improvement Plan that is a major component in forming a consensus based budget process. A separate Capital Improvement Plan is also created / updated during the 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 the individual departmental budgets gives each major responsibility center an opportunity to evaluate their department goals, objectives and programs. This allows them to analyze their operations and determine the needs of their departments. Departments thoroughly review all programs and services. It is from this process that the Preliminary Budget is prepared.

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

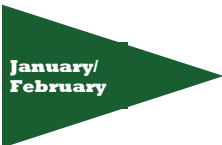
The Town Manager submits to the Town Council a Proposed Budget document for the next fiscal year. The Proposed Budget is composed of operating budgets and capital improvement programs. Council reviews the Proposed Budget with staff through a series of public work-study sessions. In early June, the Tentative Budget is adopted and a public hearing is held on the State Expenditure Limitation document. In late June, a public hearing is held on the Final Budget, which is then adopted by the Council. 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...



The Town Manager, Mayor, Town Council, and Town staff meet to discuss and update the Corporate Strategic Plan.



The Town Manager meets with the Finance Manager to provide overall budget priorities. The Finance Manager distributes the budget instructions and forms along with the directions for the preliminary budget preparation to the departments.



Departments develop and submit budgets and personnel information to the Financial Services. The departments' requests are compiled into a preliminary budget for the Town Manager's review.



The Town Manager and Finance Manager hold meetings with individual departments to review the budgets. Following the meetings, Financial Services prepares the final preliminary budget document and supporting information for presentation to the Town Council and the public.



The Preliminary Budget is presented to the public and Town Council and amended as needed.

...Budget Adoption...



The Tentative Budget is adopted in early June. The Final Budget is adopted in late June. 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 and Town Council.

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 department. In addition, the major revenue sources of the Town are reviewed monthly and compared to projected amounts.

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

...Budget Amendments...

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

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

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

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

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



2012/2013 BUDGET CALENDAR

- | | |
|---|--------------------------|
| 1. Distribute budget worksheets to departments | 03/01/2012 |
| 2. Draft budget documents due back to Financial Services | 03/30/2012 |
| 3. Submit Preliminary Budget document to Town Manager | 04/05/2012 |
| 4. Town Manager and Finance Manager meet with Departments | Week of 4/9/12 |
| 5. Council work-study sessions with staff to review budget: | 05/01/2012 ** |
| 6. Adopt Tentative Budget on or before third Monday in July | 06/07/2012 * |
| 7. Publish Budget Summary once a week for two consecutive weeks | 06/14/2012
06/19/2012 |
| 8. Seven (7) days prior to adoption of tax levy; make property values | 06/29/2012 |
| 9. Hold Public Hearing on Final Budget and Adopt Final Budget. | 06/21/2012 |
| 10. Adopt Property Tax Levy
(Levy must be adopted not less than 7 days after Final Budget, but
on or before the third Monday in August 8/15/2012) | 07/05/2012 * |
| 11. Forward certified copy of tax levy ordinance to County by the
third Monday in August | 07/09/2012 |

Comments:

* Regular scheduled Town Council Meeting

** Special Town Council Meeting



***BUDGET
SUMMARIES***



>>> 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.

>>> 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 and internal service 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 the Town of Payson. To meet these objectives, the budget document has been prepared to be used as a policy document, an operations guide, a financial plan and a communications device.

...Policy Document...

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

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

...Operations Guide...

The department budget pages show the actual expenditures for fiscal years 2009/10 and 2010/11, the adopted budget for fiscal year 2011/12 and the proposed budget for 2012/13. These departmental budgets show the line item actual expenditures and budgets by five major expenditure categories:

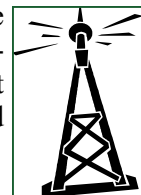
- ◆ **Salaries and Wages** – salaries and wages
- ◆ **Personnel Benefits** - fringe benefits and employee related expenditures
- ◆ **Supplies** – general supplies and minor items
- ◆ **Other Services and Charges** – repair and maintenance, contracted services, professional services, memberships, utilities, 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 2009/10 and 2010/11, the adopted budget for fiscal year 2011/12 and the proposed budget for 2012/13 in various places throughout the document.

**...Communication 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 of Payson 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.



>>> 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 for the Town are: Land Use (LU), Growth Area (GA), Circulation (C), Parks, Trails and Open Space (PT), Environmental Planning (EP), Water Resources (WR), Cost of Development (CD).

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

Additional details regarding the General Plan can be found in the Planning & Performance Section of this budget document.

The 2003 General Plan is a 120 page document that covers, in detail, the policy direction for each of the above areas, and the methods used to determine how to accomplish that direction. Copies of the complete 2003 General Plan can be obtained by contacting the Town's Community Development Department.

...Capital Improvements and Acquisition Process...

The Capital program in the Town has two distinct elements: the Capital Improvement Plan (CIP) and the operating capital/equipment acquisition process. The Five Year Capital Improvement Plan (CIP) is a separate document available on the Town website as well as in the Town of Payson Finance Department.

Capital Improvement Plan

The Five Year Capital Improvement Plan is a long-range prioritized schedule of proposed capital projects with estimated costs. The 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.

Revenue sources are identified to cover the capital costs submitted when possible. Approved capital improvement projects for the current budget year are shown in the capital budget section of the budget.

Capital improvement projects are funded in a number of ways, such as: federal, state and local grants, the issuance of bonds, accumulated cash reserves, ongoing revenue and sources as well as contributions from other funds.

Additional information about the Five Year Capital Improvement Plan (CIP) can be found in the Planning & Performance Section of this document. The complete CIP document can be obtained by contacting Payson Town Hall at 928-474-5242 or view on-line at www.paysonaz.gov.

Operating Capital/Equipment

Operating capital items, such as equipment and tools, are requested by Department Directors with their annual operating budget requests. These items, along with all other budget elements, are evaluated by the Town Manager. These budget items are shown in the capital outlay section of each detail division budget. Operating capital items are usually funded out of the general revenues of the Town.



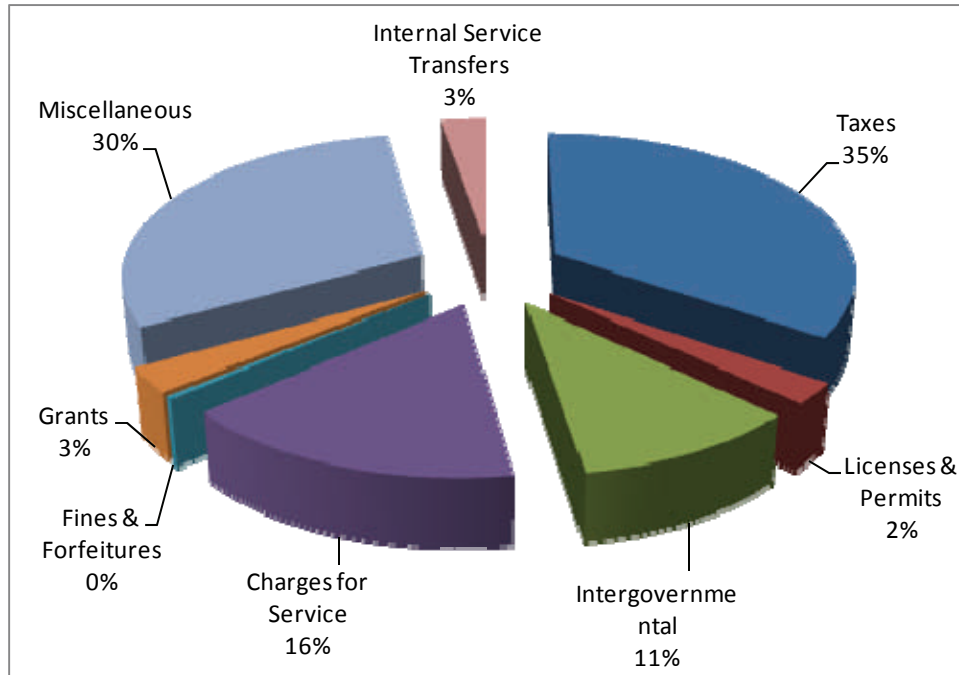


THE BUDGET

Revenue:

The Town continues a conservative approach to revenue projection. Due to current economic conditions, staff has decreased some revenue projections in an effort to get closer to actual collections based on past activity. Total estimated revenues and operating transfers for the 2012/13 budget total \$34,768,254 a decrease of 18.4% over the 2011/12 adopted budget.

Category	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed
Taxes	12,162,495	11,639,422	11,846,600	12,027,100
Licenses & Permits	558,093	560,528	1,353,800	855,200
Intergovernmental	562,581	1,267,446	1,697,901	3,653,000
Charges for Service	4,234,415	4,578,470	4,859,300	5,569,630
Fines & Forfeitures	181,139	134,147	168,500	135,500
Grants	547,589	572,211	1,326,100	996,700
Economic Stimulus	923,853	3,075,947	9,842,000	-
Miscellaneous	4,622,822	2,163,749	10,335,251	10,593,170
Internal Service Transfers	2,035,285	553,770	1,204,022	937,954
Total Operating Revenues	25,828,272	24,545,690	42,633,474	34,768,254

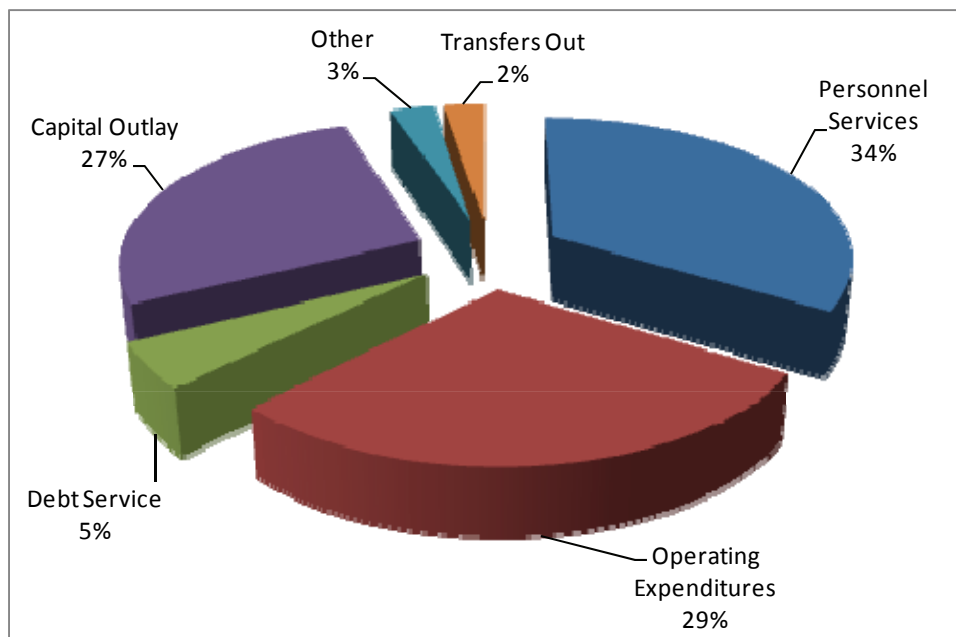


Expenditures:

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 \$10,945,300.
- ◆ The **personnel services** budget consists of the salaries and fringe benefits for all the Town’s employees. The amount budgeted for personnel services is \$12,623,600.
- ◆ 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 \$10,143,700.
- ◆ The **debt service budget** is used to repay money borrowed by the Town, primarily for capital improvements, and amounts to \$1,901,000.
- ◆ The **transfers out budget** of \$937,954 represents the amount of funds transferred from one fund to another and has a corresponding Transfer In budget causing a net effect of \$0.
- ◆ The **depreciation** expense for the enterprise fund is \$1,028,000.

The total budget, including all six components, is \$37,579,554.





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

Category	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed
Personnel Services/Benefits	12,647,664	10,846,951	13,418,100	12,623,600
Operating Expenditures	6,744,161	8,525,928	9,954,200	10,945,300
Debt Service	1,092,452	1,419,164	1,523,200	1,901,000
Capital Outlay	3,461,836	7,073,008	20,312,900	10,143,700
Other	1,090,754	3,452,423	1,031,300	1,028,000
Transfers Out	2,035,274	384,356	1,219,173	937,954
	<u>27,072,141</u>	<u>31,701,830</u>	<u>47,458,873</u>	<u>37,579,554</u>



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 Incoming Sources which include operating funds transfers, loan repayments, and other sources of funds that are not technically considered revenues but that come in during the year and can be spent for town purposes. It also includes the offsetting depreciation income entry for a net effect of \$0 on the ending fund balance.

Uses of Funds

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

Uses of funds include: Operating expenditures, Debt Service expenditures, Capital Improvement expenditures, and other uses of funds including operating transfers out to other funds, depreciation expense, and inter-fund loan repayments.

Ending Budget Resources

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



**Sources and Uses by Fund Group
2012/13 Budget**

	General Fund	Restricted Funds	Restricted Capital Funds	Debt Service Funds	Utility Enterprise Funds	Total Budgeted Funds
SOURCES OF FUNDS						
Beginning Budget Resources	\$ 225,332	\$ 1,192,273	\$ 883,765	\$ 761,853	\$ 7,400,051	\$ 10,463,274
Revenues	11,881,000	6,223,400	208,500	408,000	5,451,700	24,172,600
Grants/One Time Revenues	768,800	668,000	838,700	-	-	2,275,500
Debt Services Proceeds	-	-	450,000	-	6,250,000	6,700,000
Other	441,700	240,500	-	-	1,028,000	1,710,200
Operating Transfers In	105,249	198,100	12,000	622,605	-	937,954
TOTAL SOURCES OF FUNDS	\$ 13,422,081	\$ 8,522,273	\$ 2,392,965	\$ 1,792,458	\$ 20,129,751	\$ 46,259,528
USES OF FUNDS						
Town Council	\$ 118,300	\$ -	\$ -	\$ -	\$ -	\$ 118,300
Clerk/Elections	294,300	-	-	-	-	294,300
Town Manager/Information Svcs	672,100	-	-	-	-	672,100
Financial Svcs/General Services	1,233,900	-	-	-	-	1,233,900
Town Attorney/Magistrate Court	567,900	4,600	-	-	-	572,500
Tourism & Economic Vitality	107,900	90,000	-	-	-	197,900
Human Resources	180,300	-	-	-	-	180,300
Police	4,375,500	2,051,300	-	-	-	6,426,800
Fire	3,571,500	64,000	78,000	-	-	3,713,500
Community Development	596,100	25,000	-	-	-	621,100
Public Works	410,500	1,445,800	-	-	-	1,856,300
Library	-	373,800	-	-	-	373,800
Airport	-	237,400	-	-	-	237,400
Parks & Recreation	346,300	160,600	-	-	-	506,900
Self Funded Insurance	-	2,631,800	-	-	-	2,631,800
Water	-	-	550,000	-	4,502,700	5,052,700
TOTAL OPERATIONS	\$ 12,474,600	\$ 7,084,300	\$ 628,000	\$ -	\$ 4,502,700	\$ 24,689,600
TOTAL DEBT SERVICE	\$ -	\$ -	\$ -	\$ 1,015,400	\$ 885,600	\$ 1,901,000
AVAILABLE FOR CAPITAL	\$ 947,481	\$ 1,437,973	\$ 1,764,965	\$ 777,058	\$ 14,741,451	\$ 19,668,928
TOTAL CAPITAL PROJECTS	\$ 158,500	\$ 690,000	\$ 1,405,700	\$ -	\$ 7,779,500	\$ 10,033,700
OTHER USES						
Operating Transfers	\$ 424,700	\$ 207,849	\$ 199,605	\$ 105,800	\$ -	\$ 937,954
Loans Payable	17,300	-	-	-	-	17,300
TOTAL OTHER USES	\$ 442,000	\$ 207,849	\$ 199,605	\$ 105,800	\$ -	\$ 955,254
TOTAL USES OF FUNDS	\$ 13,075,100	\$ 7,982,149	\$ 2,233,305	\$ 1,121,200	\$ 13,167,800	\$ 37,579,554
ENDING BUDGET RESOURCES	\$ 346,981	\$ 540,124	\$ 159,660	\$ 671,258	\$ 6,961,951	\$ 8,679,974



<<<REVENUE & EXPENDITURE SUMMARY>>>

. . . ALL FUND ACTIVITY—2012/2013 . . .

Fund Activity	General Fund	Special Revenue Funds	Debt Service Funds	Capital Project Funds	Enterprise Funds	TOTAL FUNDS
Beg Fund Bal	225,332	1,192,273	761,853	883,765	7,400,051	10,463,274
Revenue	11,881,000	6,223,400	408,000	208,500	5,451,700	24,172,600
Grants & Other Sources	1,210,500	908,500	-	1,288,700	7,278,000	10,685,700
Transfers, net	(319,451)	(9,749)	516,805	(187,605)	-	-
Expenditures	12,650,400	7,774,300	1,015,400	2,033,700	13,167,800	36,641,600
Fund Bal Change	121,649	(652,149)	(90,595)	(724,105)	(438,100)	(1,783,300)
Ending Fund Balance	\$ 346,981	\$ 540,124	\$ 671,258	\$ 159,660	\$ 6,961,951	\$ 8,679,974

. . . 2012/13 BUDGET RECAP* . . .

Beginning Balance - All Funds	10,463,274
plus: 2012/13 projected revenues	24,172,600
plus: 2012/13 other sources	10,685,700
=Total funds available in 2012/13	<u>45,321,574</u>
less: 2012/13 projected expenditures	36,641,600
= Projected ending fund balance	<u>8,679,974</u>

*This considers the offsetting interfund transfers.

<<<CHANGE IN FUND BALANCE>>>

- ◆ General Fund—Ending fund balance is projected to increase 54.0% from \$225,332 to \$346,981. Although the projected fund balance represents a dramatic percentage increase, the dollar amount is still way below the non-appropriated general fund reserve amount required to satisfy the established Town Fiscal Policy #1. Revenue shortages and an extremely slow economic recovery continue to hinder efforts to accumulate a comfortable reserve.
- ◆ Special Revenue Fund—Ending fund balance is projected to decline 54.7%
- ◆ Debt Service Fund—Ending fund balance is projected to decline 11.9%
- ◆ Capital Project Fund—Ending fund balance is projected to decline 81.9%

The full impact of the current economic condition is reflected in the projected ending fund balances for the above referenced funds. Revenues are down, grants are at a minimum, and intergovernmental funding is very limited. Department budgets have been reduced again and most capital projects have been postponed. Even with these cuts, it has become necessary to draw on fund balance reserves to fill the gaps in the budget. More details regarding impacts on these specific funds can be found in the Operating Budget Overview section of this document.



2012/2013 FINANCIAL OVERVIEW—ALL FUNDS

	<u>2009/10</u> <u>Actual</u>	<u>2010/11</u> <u>Actual</u>	<u>2011/12</u> <u>Budget</u>	<u>2012/13</u> <u>Proposed</u>
<u>REVENUES</u>				
Taxes	12,162,495	11,639,422	11,846,600	12,027,100
Licenses & Permits	558,093	560,528	1,353,800	855,200
Intergovernmental	562,581	1,267,446	1,697,901	3,653,000
Charges for Service	4,234,415	4,578,470	4,859,300	5,569,630
Fines & Forfeitures	181,139	134,147	168,500	135,500
Grants	547,589	572,211	1,326,100	996,700
Economic Stimulus	923,853	3,075,947	5,057,000	-
Debt Proceeds	1,525,000	-	11,655,000	6,700,000
Miscellaneous	3,036,704	1,815,563	3,391,300	3,635,370
Other	61,118	348,186	58,800	257,800
Transfers In	2,035,285	553,770	1,219,173	937,954
Total Revenues	25,828,272	24,545,690	42,633,474	34,768,254

<u>Less: EXPENDITURES</u>				
Salaries & Wages	8,838,788	8,256,440	8,929,200	8,655,600
Personnel Benefits	3,808,876	2,590,511	4,488,900	3,968,000
Supplies	928,958	1,185,648	1,519,800	1,525,200
Services	638,704	1,155,618	1,386,700	987,200
Utilities	991,623	992,048	1,047,600	1,062,500
Travel	41,989	65,797	87,500	81,300
Advertising & Public Relations	41,929	40,056	61,300	47,000
Rentals	98,996	100,900	109,000	37,100
Insurance	499,804	2,772,184	3,064,500	3,055,200
Repair & Maintenance	424,944	536,550	772,200	667,300
Miscellaneous	3,077,214	1,677,127	1,905,600	3,482,500
Capital Outlay	3,461,836	7,073,008	20,312,900	10,143,700
Debt Service	1,092,452	1,419,164	1,523,200	1,901,000
Depreciation	1,090,754	3,452,423	1,031,300	1,028,000
Transfers Out	2,035,274	384,356	1,219,173	937,954
Total Expenditures	27,072,141	31,701,830	47,458,873	37,579,554

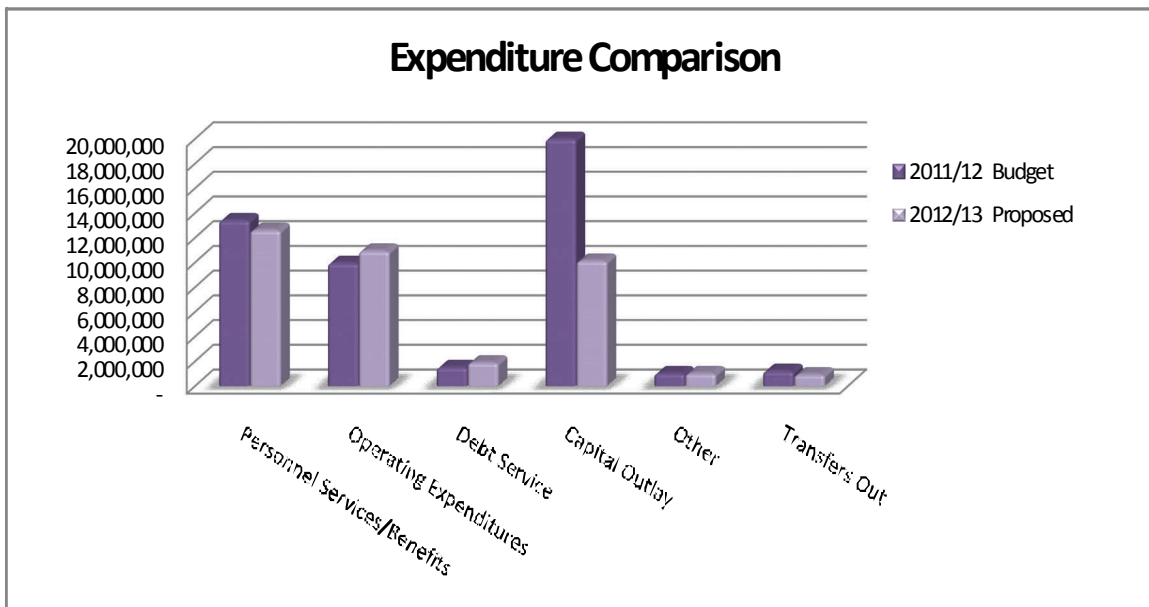
Revenue (under)/Over Expenditures	(1,243,869)	(7,156,140)	(4,825,399)	(2,811,300)
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TOTAL FINANCIAL PROGRAM

The total financial program adopted for the fiscal year 2012/2013 totals \$37,579,554. This consists of the following:

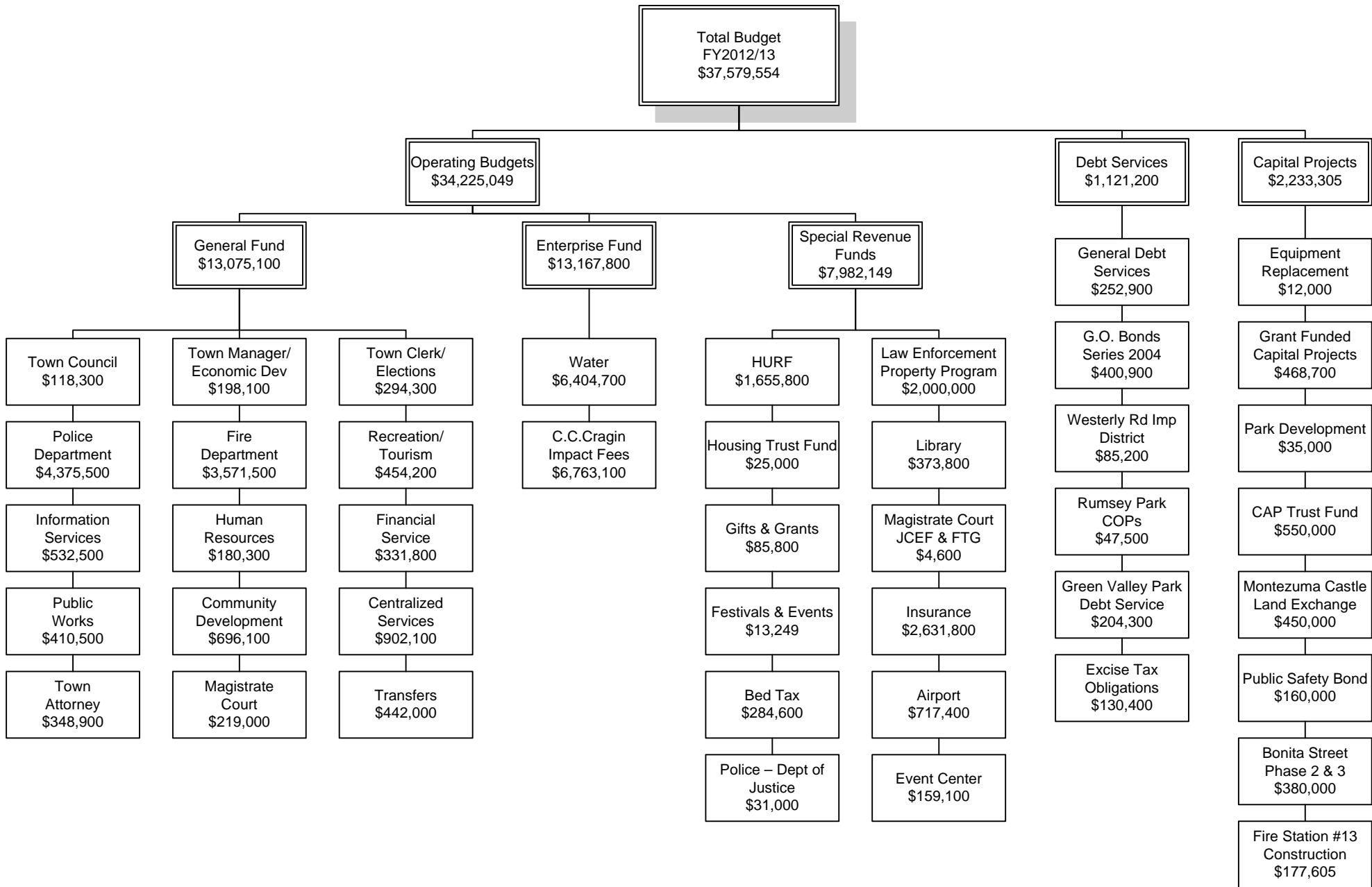
	2011/12 Budget	2012/13 Proposed
Personnel Services/Benefits	13,418,100	12,623,600
Operating Expenditures	9,954,200	10,945,300
Debt Service	1,523,200	1,901,000
Capital Outlay	20,312,900	10,143,700
Other	1,031,300	1,028,000
Transfers Out	1,219,173	937,954
TOTAL FINANCIAL PROGRAM	47,458,873	37,579,554





EXPENDITURE SUMMARY BY FUND

FUND	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
General Fund	\$ 12,656,849	\$ 11,266,543	\$ 14,277,200	\$ 13,075,100
Special Revenue:				
HURF Fund	1,829,117	1,704,203	1,813,000	1,655,800
Housing Trust Fund	-	-	25,000	25,000
Gifts & Grants Fund	69,005	258,046	383,000	85,800
Wildlands/Urban Program Fund	22,114	84,781	109,622	-
Festivals & Events Fund	50,014	64,536	77,400	13,249
Bed Tax Fund	106,641	101,300	386,000	284,600
Police Dept of Justice	139	2,214	8,000	31,000
Police Reserve Academy Fund	-	-	3,700	-
Law Enf. Property Program Fund	150,080	328,477	500,000	2,000,000
Library fund	436,138	395,224	432,700	373,800
Magistrate Court/JCEF Fund	-	-	-	3,000
Magistrate Court/FTG Fund	-	-	-	1,600
Airport Fund	213,961	96,309	770,700	717,400
Event Center Fund	59,665	40,513	113,100	159,100
Insurance Fund	1,839,487	2,400,108	2,537,400	2,631,800
Total Special Revenue Funds	\$ 4,776,361	\$ 5,475,711	\$ 7,159,622	\$ 7,982,149
Debt Service:				
General Debt Service Fund	\$ 95,804	\$ 114,351	\$ 227,300	\$ 252,900
ELRID Debt Service Fund	226,522	229,575	233,000	-
Westerly Rd Debt Service Fund	80,975	83,862	82,400	85,200
Rumsey Park C.O.P.'s Fund	93,792	90,040	96,500	47,500
Green Valley Park Debt Service	195,758	201,313	202,700	204,300
Excise Tax Revenue Obligation	130,462	129,504	129,400	130,400
General Obligation Bonds	614,253	285,237	406,900	400,900
Total Debt Service Funds	\$ 1,437,566	\$ 1,133,882	\$ 1,378,200	\$ 1,121,200
Capital Project:				
Capital Improvements Fund	\$ 5,296	\$ 118,882	\$ -	\$ -
Equipment Replacement Fund	-	-	630,000	12,000
Grant Capital Project Fund	319,119	246,783	389,000	468,700
Park Development Fund	95,100	88,600	29,000	35,000
Public Safety Impact Fee Fund	-	-	100,000	-
Public Safety Construction Fund	63,211	-	-	160,000
Bonita Street Improvements	2,563	-	10,000	380,000
Fire Station #13 Construction	450,773	1,222,153	-	177,605
Montezuma Castle Land Exchange	-	-	6,250,000	450,000
CAP Trust Fund	155,261	155,266	460,800	550,000
Total Capital Project Funds	\$ 1,091,323	\$ 1,831,684	\$ 7,868,800	\$ 2,233,305
Enterprise:				
Water	\$ 5,169,226	\$ 3,767,351	\$ 16,775,051	\$ 13,167,800
TOTAL - ALL FUNDS	\$ 25,131,325	\$ 23,475,171	\$ 47,458,873	\$ 37,579,554





***OPERATING
BUDGET
OVERVIEW***



LEGAL COMPLIANCE & FINANCIAL MANAGEMENT

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 ACCOUNTING—FUND TYPES

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.

General Fund

The General Fund is the primary operating fund of the Town. It exists to account for the resources devoted to finance the services associated with local government. It is supported by taxes, user fees, and other revenue that may be used for any lawful purpose. This fund is used to account for all financial transactions of the Town, except those required by law, agreements, or general accounting standards requiring another fund type.

Special Revenue Fund

The Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specific purposes or resources dedicated for specific purposes. The Town maintains the following active Special Revenue Funds: Highway Users Revenue Fund (HURF), Housing Trust Fund, Gifts and Grants Fund, Bed Tax Fund, Police Dept. of Justice Fund, Law Enforcement Property Program Fund, Library Fund, Magistrate Court/JCEF Fund, Magistrate Court/FTG Fund, Airport Fund, Event Center Fund, and Medical Insurance Fund. The Festivals & Events Fund is closing this fiscal year.

**Capital Project Fund**

The Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital projects. The Town uses the Capital Project funds to ensure legal compliance with and financial management for various restricted revenues. The Town maintains eleven active Capital Project Funds: General Capital Improvements Project Fund, Equipment Replacement Fund, Grant Capital Improvement Fund, Park Development Fund, Public Safety Impact Fee Fund, Green Valley Redevelopment Fund, Bonita Street Construction Fund, Public Safety Bond Project Fund, Fire Station #13 Construction Fund, Montezuma Castle Land Exchange Fund, and the Central Arizona Trust Fund. The American Gulch Improvement Fund, the Cedar Lane Improvement District Fund, and the Rancho del Tonto Improvement District Fund are inactive.

Debt Service Fund

The Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal and 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 seven active Debt Service Funds: General Debt Service Fund, Westerly Road Improvement District Debt Service Fund, Rumsey Park Certificates of Participation Debt Service, Green Valley Park Debt Service Funds, Excise Tax Revenue Obligation Debt Service Fund, and General Obligation Bonds Series 2004 Debt Service Fund. The Cedar Lane Improvement District Debt Service and Rancho del Tonto Improvement District Debt Service are inactive.

Enterprise Fund

The 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 maintains two Enterprise Funds: Water Fund and C.C. Cragin Development Fund.


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, Intergovernmental, Charges for Services, Licenses & Permits, Fines & Forfeitures, and Miscellaneous. The following table depicts the major revenue sources and their respective budgets for the General Fund.

MAJOR REVENUE SOURCES	2011/12 BUDGET	2012/13 PROPOSED	INCREASE (DECREASE)	PERCENT CHANGE
Taxes	9,952,700	10,055,200	102,500	1%
Licenses & Permits	1,353,800	855,200	(498,600)	-37%
Intergovernmental	351,000	185,000	(166,000)	-47%
Grants	522,200	698,800	176,600	34%
Charges for Service	623,300	677,300	54,000	9%
Fines & Forfeitures	153,000	120,000	(33,000)	-22%
Miscellaneous	430,900	500,000	69,100	16%
Transfers In	313,322	105,249	(208,073)	-66%
TOTAL	13,700,222	13,196,749	(503,473)	-4%

Taxes and Licenses & Permits represent the two major revenue sources in the General Fund. Together these revenues comprise 82.7% of the total 2012/13 General Fund revenues.

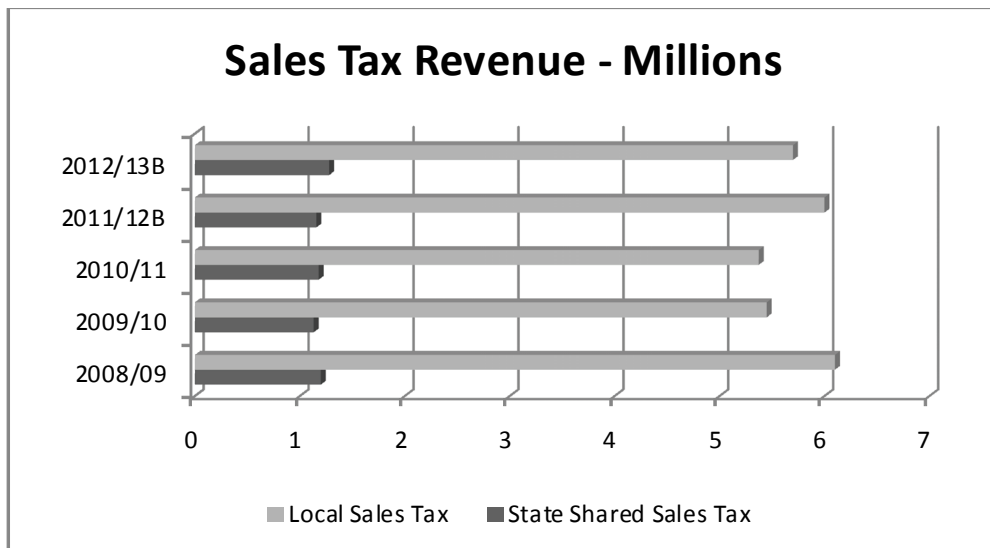


>>> TAXES <<<

Tax revenues are derived from sales tax, property 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.

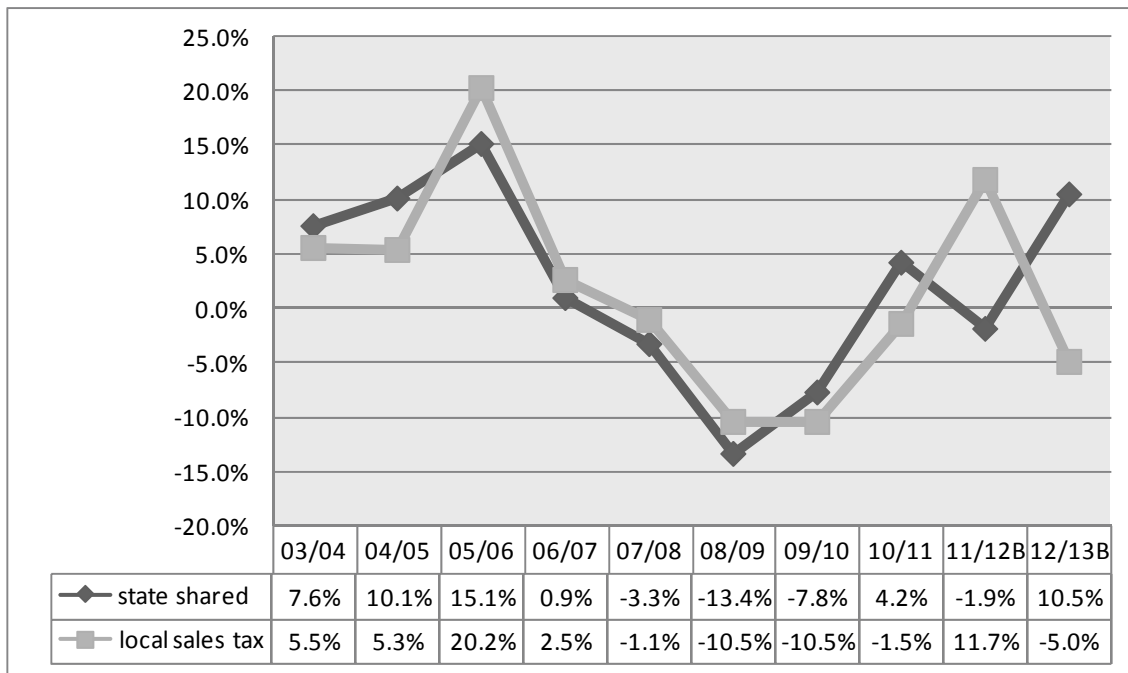
Sales Tax Revenue

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 6.6% and the Gila County tax rate of 1% equals a total sales tax rate of 9.72%, of which .12% is used to pay for the debt service on the revenue bonds issued for Public Safety Improvement Bonds of 2003. It 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



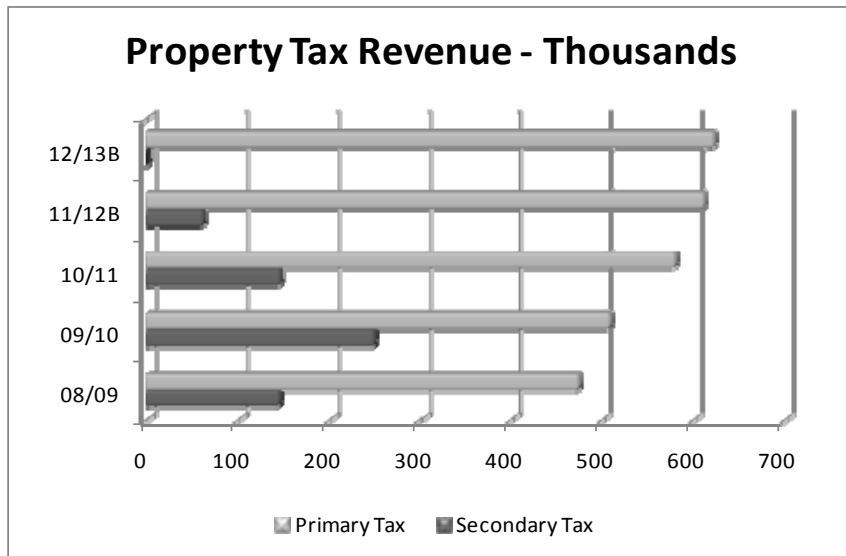
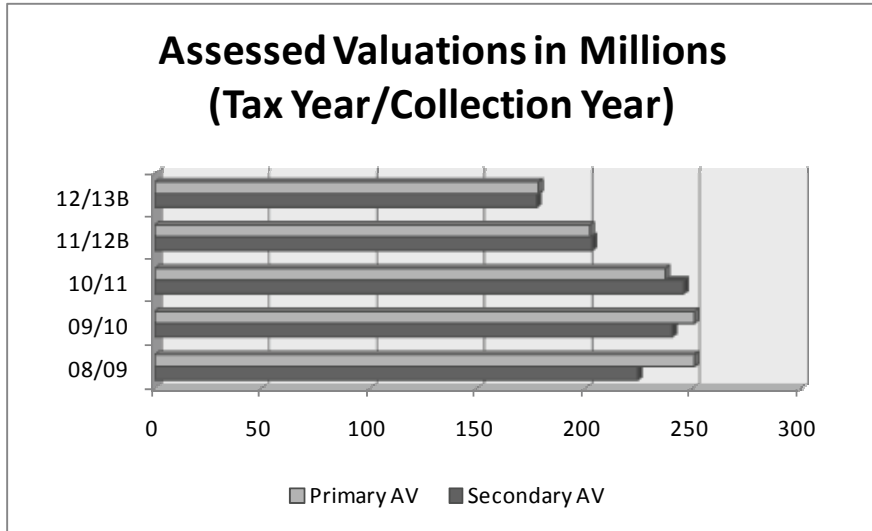
The anticipated economic rebound that was forecasted for Fiscal Year 2011/12 was not as strong as projected and this sluggish economy hindered the Tourism and Economic Development Division’s efforts to boost local sales tax revenues. Therefore, the projections for FY 12/13 had to be scaled back to match the extremely slow pace of economic growth that the local economy is experiencing.

In contrast, the State’s budget situation has shown improvement and reductions in state-shared revenues that were endured by struggling cities and towns in Fiscal Year 2011/12 have been put behind us as the state-shared revenue projections for this budget year are up.



Property Tax—General

The Town property tax levy consists of a primary tax levy. The primary tax levy is limited by law and used for maintenance and operation. As of this fiscal year, the Town no longer has a secondary property tax. The secondary tax levy is 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. Despite the latter not being limited by law, the total amount of debt an entity may issue is limited by law.

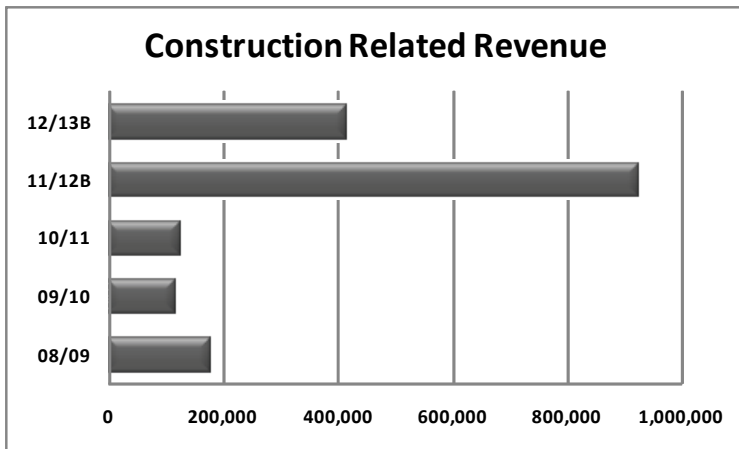




>>>LICENSES & PERMITS <<<

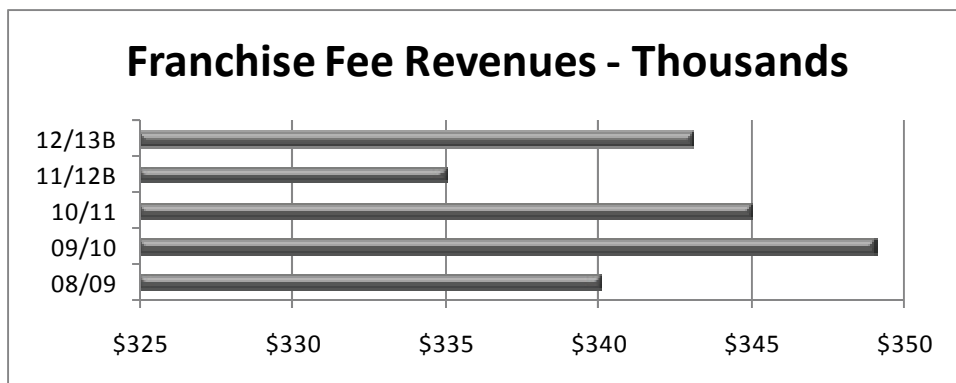
Licenses & permits include business license fees, franchise fees, building permits and other miscellaneous licenses and permits.

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



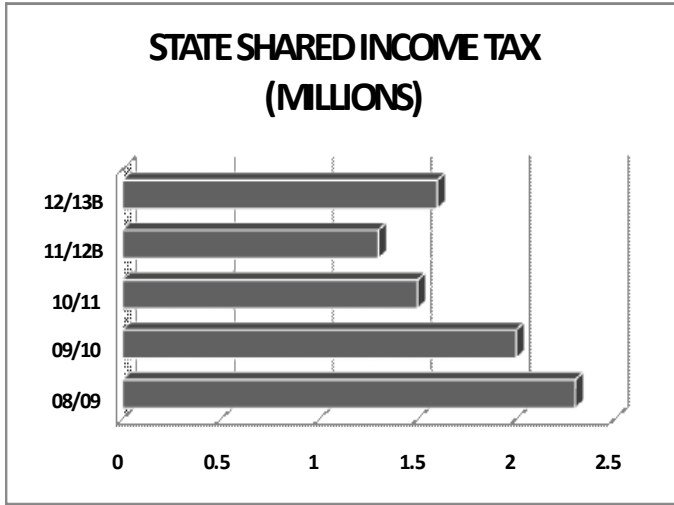
Building permit revenue for the past few years has reflected the impact of the economic downturn. New construction was expected to increase dramatically in 2011/12 since several multi-family housing projects were scheduled to begin but many of those projects were delayed and revenues fell short of projections. Commercial construction projects are starting to pick-up and these construction plans are reflected in the FY12/13 projections.

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



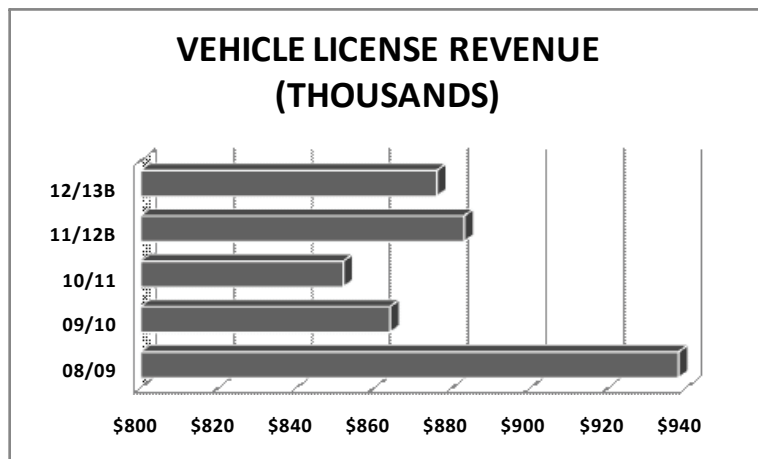
Electric franchise fee revenues for FY 2011/2012 were projected to drop based on the reduction in population and increases in individual conservation efforts. Actual electric franchise fee revenues turned out to be higher than anticipated and FY 2012/13 revenue projections have been adjusted to reflect this information.

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 the State income tax is based on the relationship of its population to the total population of all cities and town within the state.



State shared income tax is estimated to be 21% higher than last year. This is the only one of the shared revenues that can be accurately forecast since it is based on collections from two years ago.

Vehicle License Revenue 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.



State Shared Sales Tax revenue is discussed on a previous page with the Sales Tax Revenue topic in an effort to present the total sales tax revenue picture in one place.

Intergovernmental Intergovernmental revenues come from wildland reimbursements, hazardous fuels grant, SAFER grant, other grants and state entitlements.

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

Miscellaneous Miscellaneous contains other general fund revenue sources including overhead allocations, investment interest, contributions and revenues that do not fit in another category.

>>> GENERAL FUND—EXPENDITURES >>>

The General Fund budget for 2012/13 (including transfers out) totals \$13,075,100 which is 8.4% less than the 2011/12 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	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
Town Council	116,607	72,003	133,600	118,300
Town Clerk/Elections	301,487	248,414	348,200	294,300
Town Manager	177,708	212,543	224,300	198,100
Town Attorney	513,962	419,417	345,600	348,900
Financial Services	409,408	217,422	354,500	331,800
Other Governmental Services	1,066,131	753,264	1,482,700	902,100
Information Services	504,941	535,263	671,500	532,500
Tourism/Economic Vitality	104,709	100,015	110,800	107,900
Magistrate Court	257,634	231,464	239,400	219,000
Police	4,241,794	4,091,034	4,763,000	4,375,500
Fire	2,558,951	2,457,194	3,256,200	3,571,500
Community Development	784,302	692,233	657,000	696,100
Public Works	628,575	469,558	500,300	410,500
Parks & Recreation	372,847	291,624	313,800	346,300
Human Resources	113,253	172,989	207,300	180,300
TOTAL	12,152,309	10,964,437	13,608,200	12,633,100

*Transfers not included



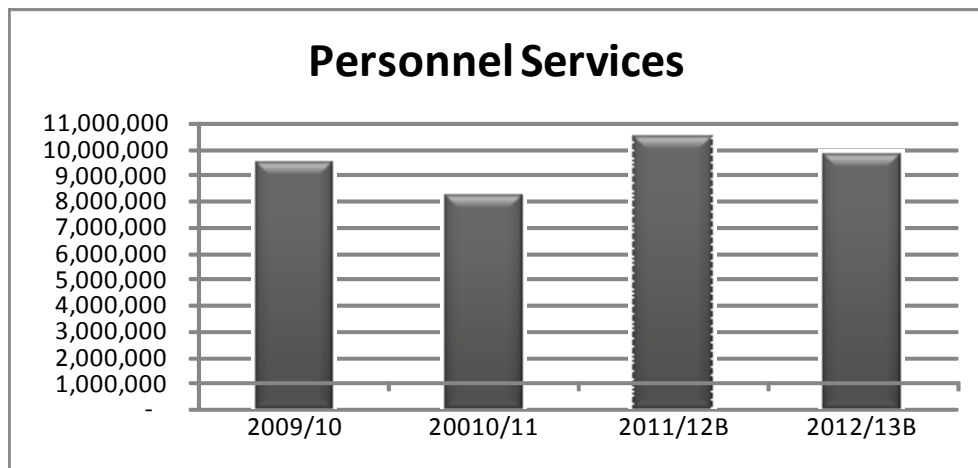
EXPENDITURE SUMMARY BY CATEGORY

MAJOR EXPENDITURE	2011/12 BUDGET	2012/13 PROPOSED	INCREASE (DECREASE)	PERCENT CHANGE
Personnel Services/Benefits	10,462,500	9,736,300	(726,200)	-7%
Operating Expenditures	3,145,700	2,896,800	(248,900)	-8%
TOTAL	13,608,200	12,633,100	(975,100)	-7%

The General Fund consists of all Town operations with the exception of the Enterprise Fund operations, Special Revenue funds, Capital Project funds and Debt Service funds.

Personnel Services Personnel Services represent a significant portion of the total General Fund budget. In fiscal year 2012/13 salaries and benefits (health insurance, accident insurance, disability insurance, life insurance, and retirement) account for \$9,736,300 or 74.5% of the total General Fund budget. Personnel Services shows a decrease of 7% over the previous year for a number of reasons:

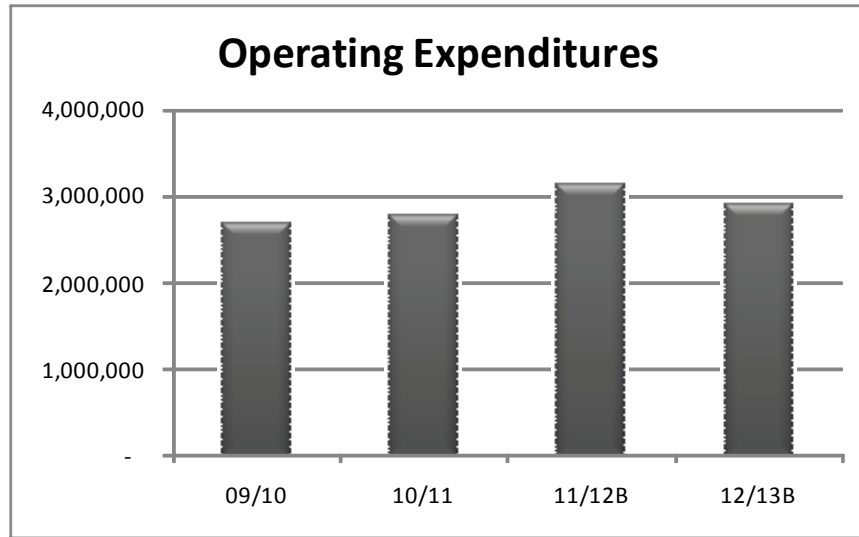
- ◆ Besides several positions held vacant from last year, three additional positions were frozen in this budget year.
- ◆ Merit raises and cost of living increases remain on hold.
- ◆ A change in insurance benefits which shifted the premium split from 75% Town / 25% Employee to 60% Town / 40% Employee had to be instituted.
- ◆ Although six new firefighter positions were added this fiscal year, a SAFER grant will cover the cost of these new employees.





Operating Expenditures

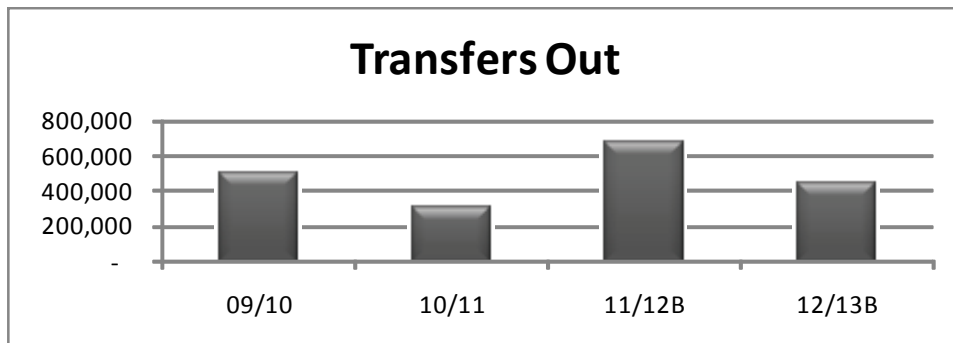
Operating expenditures represent approximately 22% of the total General Fund budget. This includes a wide array of expenditures. Operating expenditures for 2012/13 include all normal day-to-day expenditures (i.e., engineering services, custodial services, repair and maintenance, legal notices, equipment 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 represents approximately 3.4% of the total and consists of the following internal transfers of funds:

To Library	\$	107,500
To General Debt Service Fund	\$	147,100
To Westerly Dr. Imprv. Debt Service	\$	27,200
To Rumsey Park COP	\$	12,500
Excise Bond Debt Service Fund		130,400
To Water Dept - Loan Repayment	\$	17,300
		442,000



Summary of General Fund Revenues & Expenditures (Operating Only)

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

YEAR	REVENUES	PERCENT CHANGE	EXPENDITURES	PERCENT CHANGE	DIFFERENCE
2003/04	10,871,395	2.6%	9,505,538	2.9%	1,365,857
2004/05	11,808,984	8.6%	10,163,343	6.9%	1,645,641
2005/06	13,485,778	14.2%	11,490,532	13.1%	1,995,246
2006/07	13,813,295	2.4%	12,244,938	6.6%	1,568,357
2007/08	14,243,975	3.1%	14,298,787	16.8%	(54,812)
2008/09	13,066,076	-8.3%	12,832,833	-10.3%	233,243
2009/10	11,687,519	-10.6%	12,166,035	-5.2%	(478,516)
2010/11	11,298,744	-3.3%	11,758,500	-3.3%	(459,756)
2011/12*	13,386,900	18.5%	13,608,200	15.7%	(221,300)
2012/13*	13,091,500	-2.2%	12,633,100	-7.2%	458,400

*Estimated

Revenues continued to show the effects of the national economic downturn. The economic recovery that was anticipated for Fiscal Year 11/12 was minute at best. Construction-related revenues continue to be low and grant funding is extremely limited. The Recreation & Tourism Department continued to pursue opportunities to expand tourism-related revenues (sales tax & bed tax) by promoting many special events throughout the year. Economic Development division worked diligently to draw new business to Payson and provided support to current businesses. These efforts will continue in Fiscal Year 12/13 as the Town evaluates all 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), Housing Trust Fund, Gifts and Grants Fund, Bed Tax Fund, Police Department of Justice Fund, Law Enforcements Property Program Fund, Library Fund, Magistrate Court/JCEF Fund, Magistrate Court/FTG Fund, Airport Fund, Event Center Fund, and the Medical Insurance Fund. This fiscal year, the Town is closing out the Festivals & Events 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.
- ◆ **Housing Trust Fund** – This fund collects donations from private developers to be used for affordable housing expenditures as designated by the Town Housing Commission.
- ◆ **Gifts & Grants Funds** – This fund receives and expends revenues received as gifts and/or grants to the Town. The revenues received will have a specific expenditure related to it.
- ◆ **Festivals and Events Fund** – This fund is used to track the revenues and expenditures associated with special events such as: Fiddlers Festival, Mountain High Days, FLW Outdoors Bass Tournament, and many others. Starting this fiscal year, Festivals and Events activity will be moved to the Event Center Fund and the General Fund.
- ◆ **Bed Tax Fund** – This fund collects the Town’s Transient Tax of 5% of each hotel/motel transaction. The expenditures of this fund are restricted to promotion, development and enhancement of the tourism industry within the Town of Payson. In FY10/11, the Town increased the tax from 3% to 5%.



- ◆ **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 is used to purchase vehicles for various Police Departments throughout Arizona. The Governor has requested that Payson Police Department work with the various police departments in the State. This is basically a clearing account.
- ◆ **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 accounts for the costs and revenues related to the operation of the Town’s 36-acre multi-purpose recreation area. The Multi-Event Center Arena is located on this property and is used for rodeo events and other outdoor activities.
- ◆ **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	2011/12 Budget	2012/13 Proposed	Increase (Decrease)	Percent Change
Taxes	1,482,000	1,621,900	139,900	9%
Intergovernmental	1,188,200	2,473,700	1,285,500	108%
Grants	573,601	453,500	(120,101)	-21%
Charges for Service	302,000	176,000	(126,000)	-42%
Fines & Forfeitures	15,500	15,500	-	0%
Miscellaneous	2,629,900	2,391,300	(238,600)	-9%
Transfers In	506,000	198,100	(307,900)	-61%
Total Operating Revenues	6,697,201	7,330,000	632,799	9%

Taxes, Intergovernmental, Grants, and Miscellaneous are the major revenues sources in the Special Revenue Funds. These revenues comprise 94.7% of the total 2012/13 Special Revenue Fund revenues.

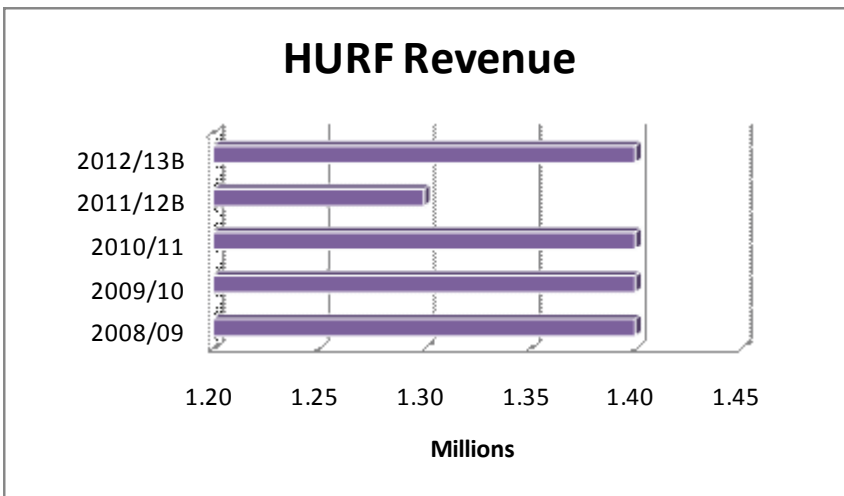
There was a significant change in Intergovernmental due to increased activity in the Law Enforcement Property Program Fund which was budgeted at \$500,000 last fiscal year and \$2,000,000 for 2012/12. The Law Enforcement Property Program Fund is used to purchase vehicles for various Police Departments throughout Arizona. This fund is basically a clearing account.



»»»» TAXES ««««

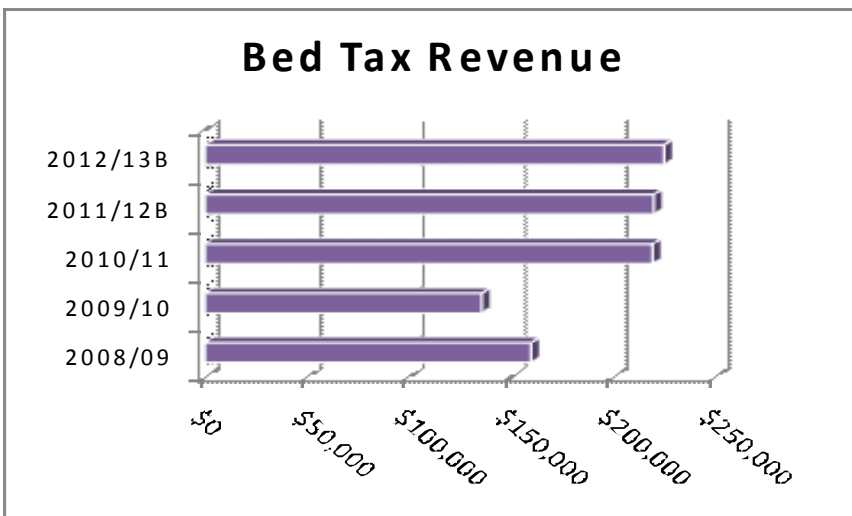
Tax revenues are derived from Highway User Gas Tax and bed tax.

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 increase in Highway User Revenue Fund is due to the change in the State budget that no longer shifts HURF funds to the Motor Vehicle Division. In addition, there was a change in the method used for calculating the amount distributed to cities and towns.

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.



The bed tax rate was increased by 2% in FY 10/11. Continued efforts to promote local events have helped keep this revenue source relatively stable despite the economic condition.



»»»» SPECIAL REVENUE FUND—EXPENDITURES ««««

The Special Revenue Funds budget for 2012/13 totals \$7,982,149 which is an 11.5% increase over the 2011/12 budget. This increase is due to a significant change in activity in the Law Enforcement Property Program Fund. This fund is used to purchase vehicles for various Police Departments throughout Arizona. The Governor has requested that Payson Police Department work with the various police departments in the State. This is basically a clearing account. The \$2,000,000 budgeted in this fund will be reimbursed by Arizona law enforcement agencies that are utilizing this special property program to obtain police vehicles.

The Special Revenue Funds budget excluding the Law Enforcement Property Program Fund totals \$5,982,149 which is a 16% decrease over the FY 2011/12 budget. Major expenditure categories include:

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

EXPENDITURE SUMMARY BY DEPARTMENT—SPECIAL REVENUE FUNDS

FUND	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
HURF Fund	1,829,117	1,704,203	1,813,000	1,655,800
Housing Trust Fund	-	-	25,000	25,000
Gifts & Grants Fund	69,005	258,046	383,000	85,800
Wildlands/Urban Program Fund	22,114	84,781	109,622	-
Festivals & Events Fund	50,014	64,536	77,400	13,249
Bed Tax Fund	106,641	101,300	386,000	284,600
Police Dept of Justice	139	2,214	8,000	31,000
Police Reserve Academy Fund	-	-	3,700	-
Law Enf. Property Program Fund	150,080	328,477	500,000	2,000,000
Library fund	436,138	395,224	432,700	373,800
Magistrate Court/JCEF Fund	-	-	-	3,000
Magistrate Court/FTG Fund	-	-	-	1,600
Airport Fund	213,961	96,309	770,700	717,400
Event Center Fund	59,665	40,513	113,100	159,100
Rainy Day fund	-	-	-	-
Medical Insurance Fund	1,839,487	2,400,108	2,537,400	2,631,800
TOTAL	\$ 4,776,361	\$ 5,475,711	\$ 7,159,622	\$ 7,982,149



EXPENDITURE SUMMARY BY CATEGORY

MAJOR EXPENDITURE	2011/12 BUDGET	2012/13 PROPOSED	INCREASE (DECREASE)	PERCENT CHANGE
Personnel Services	1,484,000	1,469,100	(14,900)	-1%
Operating Expenditures	4,662,300	5,755,200	1,092,900	23%
Capital Outlay	600,000	550,000	(50,000)	-8%
Debt Services	-	-	-	0%
Transfers Out	413,322	207,849	(205,473)	-50%
TOTAL	7,159,622	7,982,149	822,527	11%

Personnel Services—represents 18.4% 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 approximately 72% of the total Special Revenue Funds budget. This includes a wide array of expenditures. Operating expenditures for 2012/13 include all normal day-to-day expenditures of the programs funded by these restricted funds.

Capital Outlay—represents 7% of the total Special Revenue Funds total budget. Capital outlay includes all major capital improvements in these restricted funds. Due to the current nationwide economic status, many capital projects have been put on hold. Grant funds are at a minimum and additional economic stimulus money is not available.

Transfer Out—represents 2.6% and consist of the following internal transfer of funds:

* Transfer from Festivals & Events to General Fund	13,249
* Transfer from Bed Tax Fund to Event Center Fund	90,600
* Transfer from Bed Tax Fund to General Fund	92,000
* Transfer from Bed Tax to Equipment Fund	12,000
	207,849



BUDGET SUMMARY BY FUND

FUND	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed
HURF Fund	1,533,130	1,871,566	1,619,000	1,623,700
Housing Trust Fund	-	-	25,000	25,000
Gifts & Grant Fund	74,383	243,197	383,000	85,800
Wildland/Urban Program Fund	38,034	127	-	-
Festivals & Events Fund	55,013	69,686	77,000	-
Bed Tax Fund	135,801	219,568	220,000	225,000
Police Dept of Justice Fund	4,390	10,376	10,500	30,000
Police Reserve Academy Fund	3	-	-	-
Law Enforcement Property Program	152,361	333,825	500,000	2,000,000
Library Fund	443,859	381,841	432,700	373,800
Magistrate Court	71,761	1,401	4,100	4,600
Airport Fund	178,662	95,767	763,601	568,700
Event Center Fund	59,254	39,890	125,000	161,600
Medical Insurance Fund	2,335,360	1,424,111	2,537,300	2,231,800
Total Revenues	\$ 5,082,011	\$ 4,691,355	\$ 6,697,201	\$ 7,330,000
HURF Fund	1,829,117	1,704,203	1,813,000	1,655,800
Housing Trust Fund	-	-	25,000	25,000
Gifts & Grants Fund	69,005	258,046	383,000	85,800
Wildlands/Urban Program Fund	22,114	84,781	109,622	-
Festivals & Events Fund	50,014	64,536	77,400	13,249
Bed Tax Fund	106,641	101,300	386,000	284,600
Police Dept of Justice	139	2,214	8,000	31,000
Police Reserve Academy Fund	-	-	3,700	-
Law Enf. Property Program Fund	150,080	328,477	500,000	2,000,000
Library fund	436,138	395,224	432,700	373,800
Magistrate Court/JCEF Fund	-	-	-	3,000
Magistrate Court/FTG Fund	-	-	-	1,600
Airport Fund	213,961	96,309	770,700	717,400
Event Center Fund	59,665	40,513	113,100	159,100
Self Funded Insurance Fund	1,839,487	2,424,828	2,537,400	2,631,800
Total Expenditures	\$ 4,776,361	\$ 5,500,431	\$ 7,159,622	\$ 7,982,149



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.

The Town currently has four bond issues, one Certificate of Participation (COP) issue and capital lease obligations outstanding.

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. Also with consent of the citizens, the Town may become indebted up to 20% of the net secondary assessed value of the property within the Town of the purposes of water, sewer, light, parks, open space and recreation facilities.

DIRECT BONDED DEBT, LEGAL LIMITATION and UNUSED BORROWING CAPACITY

General Municipal Purpose Bonds (6%)		Water, Light, Sewer, Open Space, Public Safety, Law Enforcement, Fire/Emergency Services, Streets/Transportation Facilities and Parks Bonds (20%)	
2012/13 Secondary Assessed Valuation	\$ 178,102,500	2012/13 Secondary Assessed Valuation	\$ 178,102,500
6% Limitation	10,686,150	20% Limitation	35,620,500
Less 6% Direct Bonded Debt Outstanding	0	Less 20% Direct Bonded Debt Outstanding	3,770,000
Unused 6% Borrowing Capacity	\$ 10,686,150	Unused 20% Borrowing Capacity	\$ 31,850,500

Revenues:

Debt Service revenues are derived from secondary sales taxes, assessments and interdepartmental transfers.



Expenditures:

Expenditures in this fund are confined to principal and interest payments on voter approved bonded indebtedness.

BUDGET CHANGES—3 YEARS

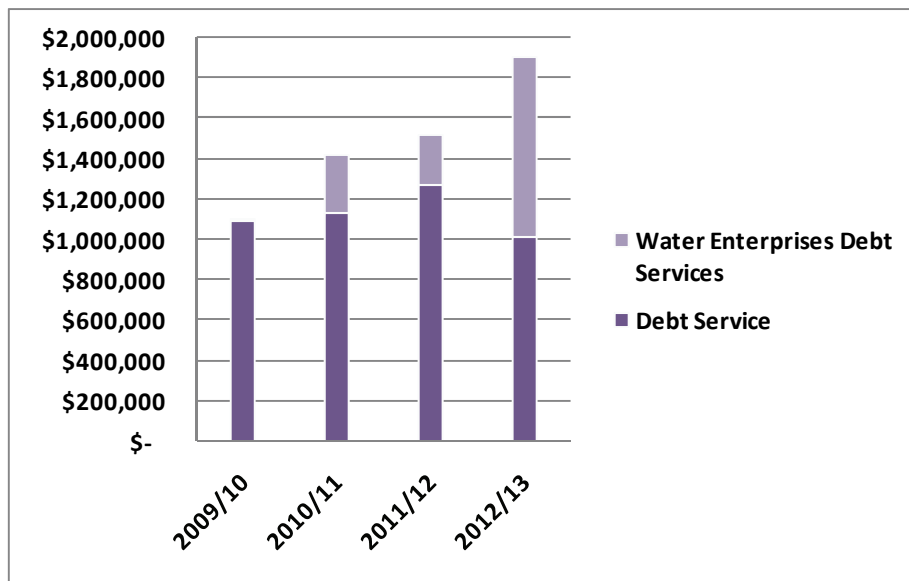
Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Debt Service	\$ 1,133,883	\$ 1,268,200	11.8%	\$ 1,015,400	-19.9%
Water Enterprise Debt Service	285,283	255,000 *	-10.6%	885,600 *	247.3%
Total Debt Service	\$ 1,419,166	\$ 1,523,200	7.3%	\$ 1,901,000	24.8%

*Includes principal payments on WIFA loan—Cragin Project

BUDGET ANALYSIS—HISTORIC

Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed
Debt Service	\$ 1,098,530	1,133,883	\$ 1,268,200	\$ 1,015,400
Water Enterprises Debt Services	3,524	285,283	255,000	885,600 *
Total Debt Service	\$ 1,102,054	1,419,166	\$ 1,523,200	\$ 1,901,000

*Includes principal payments on WIFA loan—Cragin Project



OUTSTANDING DEBT SUMMARY

GENERAL OBLIGATION BONDED DEBT OUTSTANDING AND TO BE OUTSTANDING

Issue Series	Purpose	Original Amount	Maturity Dates	Principal Outstanding
2004	Fire and police communications	\$ 3,555,000	7-1-05/14	\$ 2,215,000
2006	Green Valley Park refunding	\$ 1,085,000	7-1-07/12	200,000
Total General Obligation Bonded Debt Outstanding				<u>\$ 2,415,000</u>
Total Net General Obligation Bonded Debt Outstanding and to be Outstanding				<u>\$ 2,415,000</u>

EXCISE TAX REVENUE BOND DEBT OUTSTANDING

Issue Series	Purpose	Original Amount	Maturity Dates	Principal Outstanding
2003A	Public Works Building	\$ 860,000	10-1-10/17	\$ 675,000
Total Excise Tax Revenue Bonded Debt Outstanding				<u>\$ 675,000</u>

IMPROVEMENT DISTRICT BOND DEBT OUTSTANDING

Issue Series	Purpose	Original Amount	Maturity Dates	Principal Outstanding
1996	East Loop Road Improvement	\$ 2,142,000	1-1-99/12	\$ -
2005	Westerly Road Improvement	875,000	1-1-07/22	635,000
Total Improvement District Bonded Debt Outstanding				<u>\$ 635,000</u>

CERTIFICATES OF PARTICIPATION OUTSTANDING

Issue Series	Purpose	Original Amount	Maturity Dates	Principal Outstanding
2005	Rumsey Park Improvement	\$ 545,000	5-1-06/11-1-12	\$ 45,000
Total Certificates of participation Outstanding				<u>\$ 45,000</u>

The tables below show the outstanding C. C. Cragin enterprise fund loan and the outstanding lease/purchase obligations of the Town.

C. C. Cragin Project - ARRA Loan (WIFA)

Purpose	Original Amount	Maturity Dates	Principal Outstanding
C. C. Cragin water pipeline project	\$ 6,585,000	1/1/2010 - 7/1/2029	\$ 6,082,200
Total Loan Outstanding			<u>\$ 6,082,200</u>

OTHER INDEBTEDNESS (CAPITAL LEASES)

Item	Annual Payment	Completion Date
Fire Truck	102,300	02/08/2013
Fire Truck	39,300	06/25/2015
Police Vehicles	52,900	11/04/2016



	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
GENERAL DEBT SERVICE FUND				
801-5-8490-00-7950 Principal	74,204	101,737	207,900	237,500
801-5-8490-00-7951 Interest	21,600	12,614	19,400	15,400
Total	95,804	114,351	227,300	252,900
EAST LOOP DEBT SERVICE FUND				
811-5-8490-00-6901 Taxes & Fees	400	400	-	-
811-5-8490-00-7950 Principal	195,000	210,000	220,000	-
811-5-8490-00-7951 Interest	31,122	19,175	13,000	-
Total	226,522	229,575	233,000	-
WESTERLY ROAD DEBT SERVICE FUND				
812-5-8490-00-6901 Taxes & Fees	-	225	-	200
812-5-8490-00-7950 Principal	40,000	45,000	45,000	50,000
812-5-8490-00-7951 Interest	40,975	38,637	37,400	35,000
Total	80,975	83,862	82,400	85,200
RUMSEY PARK COPs DEBT SERVICE FUND				
820-5-8490-00-6901 Taxes & Fees	1,812	1,400	1,500	1,500
820-5-8490-00-7950 Principal	80,000	80,000	90,000	45,000
820-5-8490-00-7951 Interest	11,980	8,640	5,000	1,000
Total	93,792	90,040	96,500	47,500
GREEN VALLEY PARK DEBT SERVICE FUND				
821-5-8490-00-6901 Taxes & Fees	225	225	500	200
821-5-8490-00-7950 Principal	175,000	185,000	190,000	200,000
821-5-8490-00-7951 Interest	20,533	16,088	12,200	4,100
Total	195,758	201,313	202,700	204,300
EXCISE TAX REVENUE OBLIGATION SERIES 2003				
822-5-8490-00-6901 Taxes & Fees	2,705	5,412	3,000	3,000
822-5-8490-00-7950 Principal	80,000	90,000	95,000	100,000
822-5-8490-00-7951 Interest	47,757	34,093	31,400	27,400
Total	130,462	129,505	129,400	130,400
G.O. BONDS SERIES 2004				
823-5-8490-00-6901 Taxes & Fees	374	300	300	600
823-5-8490-00-7950 Principal	200,000	200,000	215,000	220,000
823-5-8490-00-7951 Interest	36,843	84,937	81,600	74,500
823-5-8490-00-7952 Bond Issuance Cost	38,000	-	-	-
Total	275,217	285,237	296,900	295,100
WATER ENTERPRISE DEBT SERVICE				
661-5-5451-03-7950 Principal	(18,750)	273,574	255,000	580,100
661-5-5451-03-7951 Interest	22,274	11,709	-	305,500
Total	3,524	285,283	255,000	885,600
TOTAL DEBT SERVICE FUNDS	1,102,054	1,419,166	1,523,200	1,901,000



>>> 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 and 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 last fiscal year 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.

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.

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 cost 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 of streets, parks, buildings or other facilities that are not classified as “on-going” expenditures. Capital improvements do not include the ongoing costs to maintain or operate a facility or assets. Capital improvement expenditures are basically one-time in nature, with replacement not required for 25-75 years, depending on the type of improvements.

Below is a table summarizing the 2012/13 Capital Improvement Budget. Estimated project costs include engineering design and construction costs. Not included in these figures are estimated costs of in-house labor involved with coordinating, managing, and/or inspecting the construction of the improvements. These costs will be expensed in the operating budget.

CAPITAL IMPROVEMENT EXPENDITURE SUMMARY		
<u>Type of Improvement</u>		<u>Proposed Expenditure</u>
Street Improvements		900,000
Airport Improvements	*	480,000
Fire Improvements	*	273,000
Police Improvements	*	220,700
Administration		58,500
Water Improvements		8,199,500
Tourism		12,000
TOTAL IMPROVEMENTS		\$ 10,143,700

(*) Includes grants



RELATIONSHIP BETWEEN OPERATING AND CAPITAL BUDGETS

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

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

Unfortunately, for another year, the Town has had to extend and expand on the drastic reductions in funding for the capital budget. Since there are very few projects included in this year's budget, there is no substantial impact to the operating budget because most of the work is either equipment only or the labor is subcontracted. There are a few projects that are budgeted based on the receipt of grant funds. Those projects that are grant funded will not be started without confirmation of that funding.

. . . 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 two 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.

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:

1. The CIP shows citizens and Town officials 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 key phases: planning, defining/formulating, program decision-making, and implementation as illustrated in the chart below:

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			

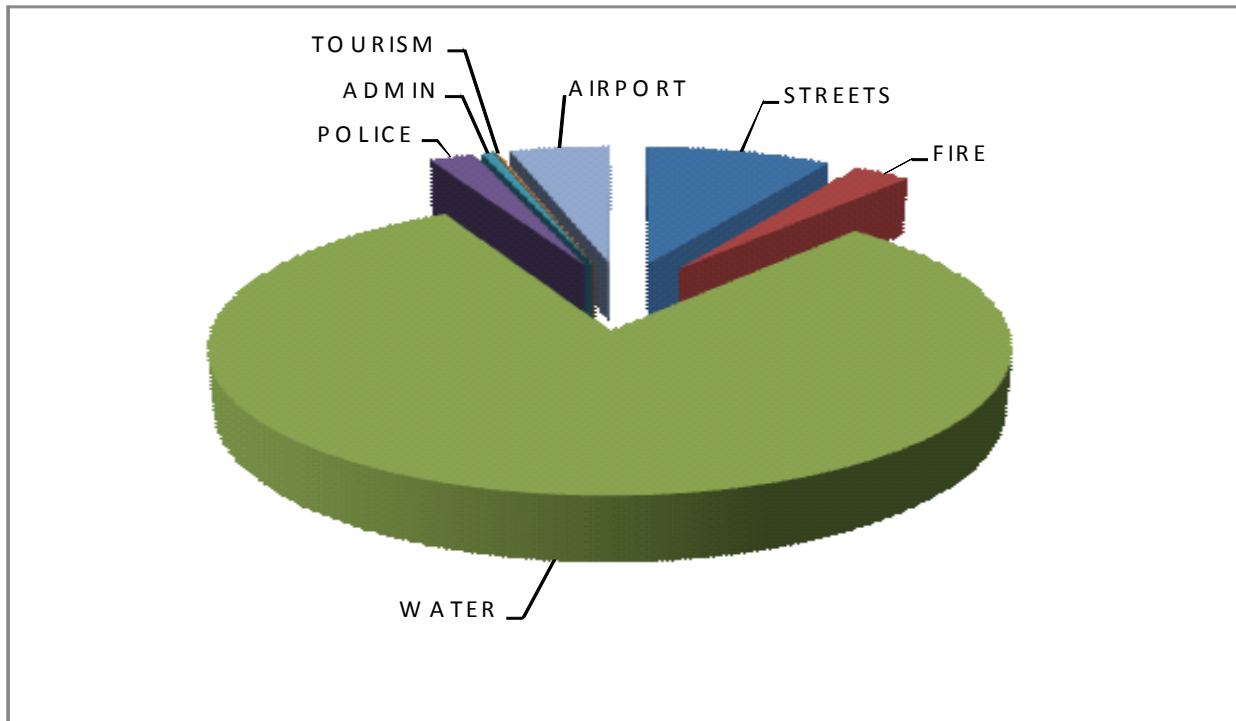


2012/2013 Proposed CAPITAL Projects

STREETS	
202 Vehicles	\$ 20,000
202 Pavement Preservation	50,000
430 Bonita St Phase 3 & 4	380,000
434 Montezuma Castle Land Exchange ID	450,000
	<u>\$ 900,000</u>
FIRE	
402 State Fire Assistance Grant	\$ 75,000
403 Fire Cariac Monitors/Defibs	185,000
433 Fire Station #13 Lightning Project	13,000
	<u>\$ 273,000</u>
WATER	
460 Reserve Well Development	\$ 155,000
460 Environmental Project	45,000
460 Water Line	50,000
460 Project Fees	200,000
661 Buildings	45,000
661 Land Acquisition	12,000
661 Wells	75,000
661 Radon Removal Study	30,000
661 Security Gate	5,000
661 Water Line	150,000
661 Pumps for Wells	75,000
661 Computer Equipment	25,000
661 Service Truck	35,000
661 SCADA Equipment - Wells / Tanks	20,000
661 Chlorine Generator	47,500
661 GVP Shoreline Protection	500,000
662 CC Cragin Pipeline	6,730,000
	<u>\$ 8,199,500</u>
	*Reflects full ARRA fundig
POLICE	
403 Homeland Security Radio Program	\$ 24,100
403 Radar Equipment	36,600
425 LE - Radio Program	160,000
	<u>\$ 220,700</u>
	Includes grants and continuation of bond expenditures
ADMINISTRATION	
101 Computer Equipment	\$ 58,500
	<u>\$ 58,500</u>
AIRPORT	
260 Environmental Assessment	\$ 10,000
260 Grade Runway Safety Area	220,000
260 Install New AWOS	250,000
	<u>\$ 480,000</u>
TOURISM	
402 Tourism Quads	\$ 12,000
	<u>\$ 12,000</u>
	<u>TOTAL \$ 10,143,700</u>

This schedule does not reflect the CDBG Housing grants.

PROPOSED CAPITAL PROJECTS BY DEPARTMENT FISCAL YEAR 2012/2013





CAPITAL PROJECT DETAIL BY ACCOUNTING

CAPITAL PROJECTS

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
101-5-1402-00-8004 Office Furniture Equipment	-	-	700	-
101-5-1408-00-8004 Capital Equipment	-	-	86,500	-
101-5-2408-01-8004 Machinery & Equipment	12,824	56,463	50,000	58,500
202-5-3442-00-8003 Vehicles	-	-	60,000	20,000
202-5-3442-00-8004 Survey Equipment	-	12,541	-	-
202-5-3442-00-8713 Pavement Preservation	13,767	250,000	50,000	50,000
202-5-3442-00-8715 Wade Lane Sidewalk	30,889	-	-	-
202-5-3442-00-8723 Airport Rd & SH87 Traffic	390,000	35,489	-	-
202-5-3442-00-8725 Town Aerial Photographs	-	15,251	-	-
202-5-3442-00-8736 Mud Springs Phase 2 to SH260	4,988	-	-	-
212-5-2426-03-8003 Vehicles	-	30,827	-	-
260-5-4445-00-8310 Environmental Assessment	131,199	-	-	10,000
260-5-4445-00-8818 Airfield Signage & Marking	-	39,945	490,000	250,000
260-5-4445-00-8821 Runway 24 Run up Apron	-	-	-	220,000
401-5-1401-00-8603 Carpet Replacement	-	9,885	-	-
401-5-1407-00-8400 Financial System Implement	5,296	131	-	-
401-5-2421-01-8510 Law Enforcement Vehicles	-	108,866	-	-
402-5-1410-00-8521 Tourism Quads	-	-	-	12,000
402-5-1418-00-8004 Attomey Copier	-	-	10,000	-
402-5-2421-01-8510 Police-Patrol Vehicles	-	-	120,000	-
402-5-2426-01-8510 Fire Truck	-	-	500,000	-
403-5-2412-01-8772 Law Enforce-HSG Radio Prog	-	84,053	44,000	24,100
403-5-2421-01-8762 Law Enf-GOHS Grant	-	-	20,000	36,600
403-5-2426-01-8774 AFG Facilities	-	-	185,000	185,000
403-5-2426-03-8768 State Fire Assistance Grant	-	-	-	75,000
403-5-2426-03-8773 FEMA Mobil Training	177,675	-	-	-
425-5-2421-16-8407 CAD Police/Fire Comm Eq	63,211	-	-	160,000
430-5-3442-00-8737 Bonita Street Ph 3 & 4	2,563	-	10,000	380,000
433-5-2426-01-8602 Fire Station #3 Construction	450,773	1,222,153	-	13,000
434-5-3442-00-8742 Montezuma Castle Land Exch	-	-	6,250,000	450,000
460-5-5451-00-8007 Reserve Well Devel	93,750	45,813	-	155,000
460-5-5451-00-8009 Water Line	-	-	50,000	50,000
460-5-5451-00-8592 Fees	-	-	200,000	200,000
460-5-5451-00-8594 Environmental Project	-	-	18,600	45,000
661-5-5451-03-8006 Land Purchase	7,554	-	55,800	-
661-5-5451-08-8000 Buildings	-	-	110,000	45,000
661-5-5451-08-8002 Machinery & Equipment	-	5,228	-	-
661-5-5451-08-8006 Land Acquisition	-	-	87,000	12,000
661-5-5451-08-8007 Wells	-	-	500,000	75,000
661-5-5451-08-8009 Waterlines	15,817	187,854	900,000	150,000
661-5-5451-08-8010 McKamey Waterline	120,617	-	-	-
661-5-5451-08-8313 Radon Removal Engineer Stdy	-	-	30,000	30,000



CAPITAL PROJECTS

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
661-5-5451-08-8524 Computer Equipment	-	13,907	40,000	25,000
661-5-5451-08-8528 Service Truck	31,030	47,190	85,000	35,000
661-5-5451-08-8529 SCADA Equipment-Wells/Tanks	93,248	13,349	50,000	20,000
661-5-5451-08-8533 GV Boat Launch	5,204	(157)	-	-
661-5-5451-08-8581 Chlorine Generator	-	-	-	47,500
661-5-5451-08-8587 Security Gate Installation	-	-	20,000	5,000
661-5-5451-08-8591 Green Valley Lakes-Shoreline	-	-	500,000	500,000
661-5-5451-08-8600 Econ Stim-TAT Reclaim Pond	-	-	1,800,000	-
661-5-5451-08-8794 Pumps for Wells	28,771	8,694	75,000	75,000
662-5-5451-00-8009 Blue Ridge Waterline	-	-	2,615,300	-
662-5-5451-00-8010 CC Cragin Pipeline	1,074,586	1,473,379	100,000	480,000
662-5-5451-00-8306 Consulting Fees	-	-	600,000	2,000,000
662-5-5451-00-8600 Econ Stim-CCC Pipe Repair	708,074	3,412,147	4,500,000	4,250,000
TOTAL CAPITAL PROJECTS	3,461,836	7,073,008	20,212,900	10,143,700

This schedule does not reflect CDBG Housing grants.

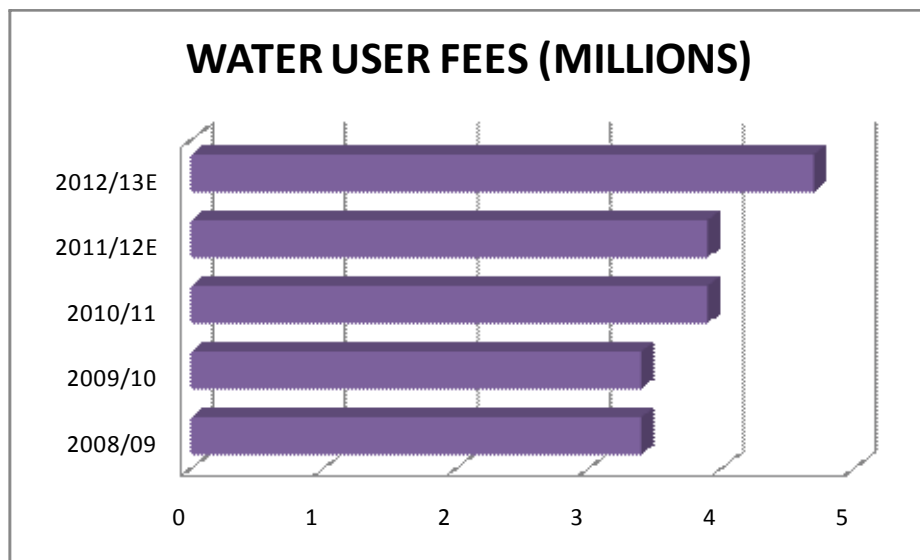


>>> ENTERPRISE FUNDS <<<

The Town has two Enterprise Funds: Water Fund and C.C.Cragin Development Fund. The revenues for these funds come from user fees and impact fees. They 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 19.5 square mile area.

The C.C. Cragin Development Fund accounts for the activities related 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.



Water usage revenue is conservatively budgeted assuming that the conservation policy will reduce revenue over time under the current rate structure. A price increase occurred in Fiscal Year 2010/2011.



***REVENUE
INFORMATION***



>>>REVENUE SUMMARY BY FUND<<<

Total revenues for 2012/13 are estimated at

\$34,768,254

Fund	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed
General Fund	12,692,519	11,298,744	13,700,222	13,196,749
HURF Fund	1,533,130	1,871,566	1,619,000	1,623,700
Housing Trust Fund	-	-	25,000	25,000
Gifts & Grant Fund	74,383	243,197	383,000	85,800
Wildland/Urban Program Fund	38,034	127	-	-
Festivals & Events Fund	55,013	69,686	77,000	-
Bed Tax Fund	135,801	219,568	220,000	225,000
Police Dept of Justice Fund	4,390	10,376	10,500	30,000
Police Reserve Academy Fund	3	-	-	-
Law Enforcement Property Program	152,361	333,825	500,000	2,000,000
Library Fund	443,859	381,841	432,700	373,800
Magistrate Court	71,761	1,401	4,100	4,600
Airport Fund	178,662	95,767	763,601	568,700
Event Center Fund	59,254	39,890	125,000	161,600
Medical Insurance Fund	2,335,360	1,424,111	2,537,300	2,231,800
Capital Projects Fund	23	95,583	-	-
Equipment Replacement Fund	-	-	628,200	12,000
Grant Capital Projects Fund	317,037	255,706	389,000	468,700
Park Development Fund	24,043	17,767	21,500	35,000
Public Safety Development Fund	11,576	9,000	10,000	18,500
Green Valley Redevelopment Fund	28	-	-	-
Public Safety Bonds	186	-	-	-
Bonita Street Construction Fund	11	-	-	370,000
Fire Station #13 Construction	1,881,847	1,683	-	-
Montezuma Castle Land Exchange	-	-	6,250,000	450,000
Central Arizona Project Trust Fund	453	170,208	100	155,000
General Debt Service	98,800	111,355	224,300	252,900
East Loop Rd Improvement Fund	96,535	96,248	130,700	-
Westerly Rd Improvement Fund	74,525	93,854	82,400	85,200
Rumsey Park COP's Fund	95,104	88,600	96,500	47,500
Green Valley Park Debt Service Fund	310,870	207,832	121,900	-
Excise Tax Obligation Debt Service Fund	212,873	13	-	130,400
General Obligation Bonds Fund	327,845	322,439	350,000	514,605
Water Fund	3,621,740	2,997,242	5,847,451	4,724,870
CC Cragin Development Fund	980,246	4,088,061	8,084,000	6,976,830
Total Revenues All Funds	25,828,272	24,545,690	42,633,474	34,768,254



>>>REVENUE SUMMARY BY CATEGORY<<<

Category	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed
Taxes	12,162,495	11,639,422	11,846,600	12,027,100
Licenses & Permits	558,093	560,528	1,353,800	855,200
Intergovernmental	562,581	1,267,446	1,697,901	3,653,000
Charges for Service	4,234,415	4,578,470	4,859,300	5,569,630
Fines & Forfeitures	181,139	134,147	168,500	135,500
Grants	547,589	572,211	1,326,100	996,700
Economic Stimulus	923,853	3,075,947	9,842,000	-
Miscellaneous	4,622,822	2,163,749	10,335,251	10,593,170
Internal Service Transfers	2,035,285	553,770	1,204,022	937,954
Total Operating Revenues	25,828,272	24,545,690	42,633,474	34,768,254



REVENUE DETAIL

Account	Revenue Source	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed
NON-RESTRICTED GENERAL FUND REVENUES					
<u>Taxes</u>					
101-4-1300-110	Sales Tax - State Shared	1,132,337	1,179,574	1,157,600	1,279,500
101-4-1300-120	Income Tax - State Shared	1,992,175	1,501,845	1,291,500	1,562,800
101-4-1300-130	Vehicle License Tax - Auto Lieu	863,732	852,475	882,900	875,600
101-4-1300-310	Sales Tax - Town	5,456,786	5,373,898	6,000,000	5,700,000
101-4-1300-330	Property Tax Levy	509,821	580,551	612,700	623,800
101-4-1300-335	Property Tax Levy - PY	12,855	18,426	8,000	13,500
	Taxes	9,967,706	9,506,769	9,952,700	10,055,200
<u>Licenses & Permits</u>					
101-4-4300-371	Franchise Fees - Electricity	224,468	226,263	228,100	235,400
101-4-4300-372	Franchise Fees - Gas	67,525	63,710	52,000	52,000
101-4-4300-373	Franchise Fees - Cable TV	57,068	54,860	55,000	56,000
101-4-4300-410	Business License	72,150	69,825	70,000	72,000
101-4-4300-715	Liquor License Fees	1,225	1,825	1,200	1,200
101-4-4328-410	Building Permits	114,350	122,580	925,000	415,000
101-4-4328-420	ROW Permits	2,798	2,313	2,500	3,600
101-4-4372-410	Animal Control Licenses	18,509	19,152	20,000	20,000
	Licenses & Permits	558,093	560,528	1,353,800	855,200
<u>Intergovernmental</u>					
101-4-2300-239	FAA Land Reimbursement	-	115,211	6,000	-
101-4-2300-989	Tonto Apache Tribe-Prop 202	29,705	14,188	30,000	15,000
101-4-2324-120	Law Enf OT Sch Res	144,670	127,741	140,000	70,000
101-4-2324-130	Gila County Intergovernmental	-	-	100,000	-
101-4-2324-248	GOHS Traffic	-	8,803	-	8,000
101-4-2324-250	COPS Grant	-	-	143,000	55,000
101-4-2324-xxx	Police Misc Grants	2,232	-	26,000	11,000
101-4-2326-270	Fire-SAFER Grant	-	-	353,200	388,500
101-4-2326-280	Fire - Hazardous Fuels Grant	-	-	-	206,300
101-4-2326-767	Police - Misc Intgvt Rev	-	3,545	-	30,000
101-4-2327-750	Fire-Wildlands/Urban	-	-	75,000	100,000
	Intergovernmental	176,607	269,488	873,200	883,800
<u>Charges for Services</u>					
101-4-5316-520	Prosecution Fees	31,309	33,962	30,000	35,000
101-4-5316-521	Deferred Prosecution Fees	9,075	9,205	7,500	9,500
101-4-5324-710	Law Enf- Police Reports	2,976	3,144	2,500	3,000
101-4-5324-725	Law Enf-False Alarm	325	325	1,000	1,000
101-4-5324-750	Law Enf-Service Fund	-	346	-	-
101-4-5324-765	Law Enf Vehicle Storage	42,110	35,995	40,000	30,000



Account	Revenue Source	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed
101-4-5326-710	Fire Code Plan Review	8,165	3,338	4,000	20,100
101-4-5326-750	Fire Svc Agreement Fees	331,738	351,473	316,800	325,200
101-4-5326-755	Fire Svc Fees - Const	505	100	1,000	500
101-4-5326-758	Fire Svc Fees-Cost Recovery	2,650	1,063	3,000	3,000
101-4-5326-760	Police Service Fee-Cost Recovery	6,129	3,814	3,000	3,000
101-4-5326-765	Police - Tribe Dispatch Svc	37,500	4,688	-	-
101-4-5326-768	Emergency Services Fee	-	-	40,000	-
101-4-5328-710	Plan Review Fees	50,631	76,274	55,000	61,000
101-4-5328-720	Zoning & Subdivision Fees	23,143	22,410	22,000	28,000
101-4-5328-730	Building - Spec Inspections	1,450	650	1,500	1,600
101-4-5341-710	Engineering - Review Fees	4,690	3,670	20,000	36,800
101-4-5363-710	Ramada & Ballfield Fees	9,255	8,867	10,000	10,000
101-4-5364-700	Event Revenue	2,198	-	-	40,900
101-4-5367-710	Recreation Program Fees	60,457	56,203	60,000	63,700
101-4-5367-715	Outdoor Rec Programming	5,451	2,853	5,000	4,000
101-4-5369-710	Swimming Pool Fees	8,704	915	1,000	1,000
101-4-5369-910	Aquatics Concessions	1,387	-	-	-
	Charges for Services	639,848	619,295	623,300	677,300
	Fines & Forfeitures				
101-4-3316-510	Court Fines & Fees	165,584	118,545	153,000	120,000
	Fines & Forfeitures	165,584	118,545	153,000	120,000
	Miscellaneous				
101-4-6367-920	Donations-Parks & Rec	340	-	-	1,500
101-4-9300-910	Interest Earnings	(47,912)	2,601	10,000	2,000
101-4-9300-970	Insurance Recoveries	2,222	2,547	2,000	2,000
101-4-9300-971	Risk Insurance	95,182	82,280	80,000	80,000
101-4-9300-980	Enterprise Overhead	66,900	74,100	74,100	303,300
101-4-9300-990	Other Revenue	8,623	10,875	13,800	10,000
101-4-9300-992	Sale of Capital Assets	-	-	100,000	50,000
101-4-9300-993	Facilities Lease Fees	9,350	11,050	110,000	11,200
101-4-9300-996	Public Surplus Sale	38,811	35,859	35,000	35,000
101-4-9324-910	Law Enf. Unclaimed Property	-	64	-	-
101-4-9326-757	Fire Svc Fees Other	4,509	3,011	3,000	3,000
101-4-9341-730	Map Sales	1,500	1,415	2,000	1,500
101-4-9341-734	Plan Storage Boxes/Code Books	156	317	1,000	500
	Miscellaneous	179,681	224,119	430,900	500,000
	Transfers In				
101-4-9399-xxx	Operations	1,005,000	-	313,322	105,249
	Transfers In	1,005,000	-	313,322	105,249
Non-Restricted General Fund Revenues		\$ 12,692,519	\$ 11,298,744	\$ 13,700,222	\$ 13,196,749



Account	Revenue Source	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed
<u>RESTRICTED OPERATING REVENUES</u>					
<u>HURF Fund (202)</u>					
<u>Taxes</u>					
202-4-1342-110	Highway Users Gas Tax	1,416,512	1,428,970	1,262,000	1,396,900
202-4-1342-120	Local Transportation Asst Fund	40,966	-	-	-
202-4-1342-130	LTAf-VLT	23,544	13,844	-	-
	Taxes	1,481,022	1,442,814	1,262,000	1,396,900
<u>Intergovernmental</u>					
202-4-2342-238	FAA Grant	-	390,000	-	-
202-4-2342-279	ADOT Grants	-	-	75,000	140,000
	Intergovernmental	-	390,000	75,000	140,000
<u>Charges for Services</u>					
202-4-5300-710	Special Inspection Fees	4,482	-	10,000	10,000
	Charges for Services	4,482	-	10,000	10,000
<u>Miscellaneous</u>					
202-4-5300-720	Development Impact Fees	29,640	22,230	29,000	50,000
202-4-9300-910	Interest Earnings	(2,507)	-	-	-
202-4-6300-929	Construction Contributions	4,224	-	-	-
202-4-9300-980	Enterprise Fund Overhead	-	-	-	25,800
202-4-9300-990	Other Revenue	16,269	16,522	5,000	1,000
	Miscellaneous	47,626	38,752	34,000	76,800
<u>Transfers In</u>					
202-4-9399-xxx	Operations	-	-	238,000	-
	Transfers In	-	-	238,000	-
HURF Fund		1,533,130	1,871,566	1,619,000	1,623,700
<u>Housing Trust Fund (206)</u>					
<u>Miscellaneous</u>					
206-4-6300-929	Contributions	-	-	25,000	25,000
	Miscellaneous	-	-	25,000	25,000
Housing Trust		-	-	25,000	25,000
<u>Gifts & Grants Fund (210)</u>					
<u>Intergovernmental</u>					
210-4-2324-250	GOHS Underage Drinking Grant	-	5,033	-	-
210-4-2324-251	BYRNE/JAG Emp Drug Test	-	-	10,000	13,000
210-4-2324-252	GOHS 2007 Traffic Enforcement	-	5,200	2,000	-
210-4-2324-253	BVP Bullet Proof Vest Grant	-	4,421	-	-



2012 Annual Budget

REVENUE SUMMARY

Account	Revenue Source	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed
210-4-2324-255	JAG Recovery Act	15,367	-	-	-
210-4-2324-257	AZ Post Grant 2010-039	-	9,700	-	-
210-4-2326-271	GOHS Fire Grant	-	-	3,000	-
210-4-2326-272	Vol Fire Asst Grant	-	-	20,000	-
210-4-2326-274	FM Global Grant	-	-	-	5,000
210-4-2326-275	State Fire Asst 2007/08	28,894	138,952	-	-
210-4-2326-276	FEMA-Asst FF Grant Prev 2008	-	-	30,000	-
210-4-2326-278	Fire- EMT AMES Grant	5,298	(475)	-	-
210-4-2326-279	Fire- State Grants	-	-	10,000	50,000
210-4-2326-280	Fire Hazardous Fuels Grant	-	-	250,000	-
210-4-2326-284	Fire-EZ-IO Grant	-	4,194	6,000	5,000
210-4-2328-200	C/D Energy Eval/Mod	9,960	63,713	41,000	-
210-4-2446-200	TEV Arts Grant	-	-	1,500	1,500
	Intergovernmental	59,519	230,738	373,500	74,500
	Miscellaneous				
210-4-6300-925	Contributions - Main St Electric	1,290	380	1,000	-
210-4-6323-920	Contributions - Volunteer Police	930	-	500	800
210-4-6324-920	Contributions - DARE Court	4,943	3,129	3,000	3,000
210-4-6324-921	Contributions - Police Projects	4,740	2,000	2,000	2,000
210-4-6324-922	Contributions - DARE Other	-	-	1,000	-
210-4-6324-923	Contributions - Guardian Angels	1,910	3,057	500	1,500
210-4-6326-920	Donations - Fire Projects	935	3,893	1,500	4,000
210-4-9300-910	Interest Earnings	116	-	-	-
	Miscellaneous	14,864	12,459	9,500	11,300
	Gifts & Grants Fund	74,383	243,197	383,000	85,800
	Wildfire/Urban Program Fund (212)				
	Charges for Services				
214-4-2327-750	Fire-Wildfire/Urban Program	37,889	127	-	-
212-4-9300-910	Interest Earnings	145	-	-	-
	Charges for Services	38,034	127	-	-
	Wildfire/Urban Program Fund	38,034	127	-	-
	Festivals & Events Fund (213)				
	Charges for Services				
213-4-5367-710	Event Revenue	55,007	69,686	77,000	-
213-4-9300-910	Interest Earnings	6	-	-	-
	Charges for Services	55,013	69,686	77,000	-
	Festivals & Events Fund	55,013	69,686	77,000	-



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REVENUE SUMMARY

Account	Revenue Source	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed
<u>Bed Tax Fund (214)</u>					
<u>Taxes</u>					
214-4-1300-370	Bed Tax	135,730	219,568	220,000	225,000
	Taxes	135,730	219,568	220,000	225,000
<u>Miscellaneous</u>					
214-4-9300-910	Interest Earnings	71	-	-	-
	Miscellaneous	71	-	-	-
Bed Tax Fund		135,801	219,568	220,000	225,000
<u>Police Department of Justice (215)</u>					
<u>Intergovernmental</u>					
215-4-2324-121	Local RICO Revenue	-	1,125	2,500	-
215-4-2324-151	Defense 1033 Revenue	4,381	9,251	8,000	30,000
	Charges for Services	4,381	10,376	10,500	30,000
<u>Miscellaneous</u>					
215-4-9300-910	Interest Earnings	9	-	-	-
	Miscellaneous	9	-	-	-
Police Dept of Defense		4,390	10,376	10,500	30,000
<u>Police Reserve Academy (216)</u>					
<u>Charges for Services</u>					
216-4-9300-910	Interest Earnings	3	-	-	-
	Charges for Services	3	-	-	-
Police Reserve Academy		3	-	-	-
<u>Law Enforcement Property Program (217)</u>					
<u>Intergovernmental</u>					
217-4-2324-140	Other Revenue from Governments	152,361	333,825	500,000	2,000,000
	Intergovernmental	152,361	333,825	500,000	2,000,000
Law Enforcement Property Pgrm		152,361	333,825	500,000	2,000,000
<u>Library (224)</u>					
<u>Intergovernmental</u>					
224-4-2361-389	Gila County Library District	229,230	229,230	229,200	229,200
	Intergovernmental	229,230	229,230	229,200	229,200



Account	Revenue Source	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed
<u>Miscellaneous</u>					
224-4-9300-910	Interest Earnings	16	-	-	-
224-4-9300-990	Other Revenue	16,670	20,004	20,000	21,600
	Miscellaneous	16,686	20,004	20,000	21,600
<u>Fines & Forfeitures</u>					
224-4-3300-510	Library Fines	15,555	15,602	15,500	15,500
	Fines & Forfeitures	15,555	15,602	15,500	15,500
<u>Transfers In</u>					
224-4-9399-xxx	Operations	182,388	117,005	168,000	107,500
	Transfers In	182,388	117,005	168,000	107,500
Library		443,859	381,841	432,700	373,800

Magistrate Court (231, 233)

<u>Miscellaneous</u>					
231-4-6300-921	Donations/Contributions	2,101	-	3,000	3,000
231-4-9300-910	Interest Earnings	78	-	100	-
233-4-6300-921	Donations/Contributions	2,036	1,401	1,000	1,600
233-4-9300-910	Interest Earnings	16	-	-	-
	Miscellaneous	4,231	1,401	4,100	4,600
<u>Transfers In</u>					
23x-4-9399-101	Operations	67,530	-	-	-
	Transfers In	67,530	-	-	-
Magistrate Court		71,761	1,401	4,100	4,600

Airport (260)

<u>Intergovernmental</u>					
260-4-2300-200	AARA Funding	-	-	-	-
260-4-2300-239	Federal Grant	131,154	80,845	549,100	247,000
260-4-2300-248	ADOT Grant	39,879	4,922	14,500	206,500
260-4-2345-74x	PRAA Fees	2	10,000	10,001	-
	Intergovernmental	171,035	95,767	573,601	453,500
<u>Charges for Services</u>					
260-4-4300-770	Advertising Sign Fees	-	-	-	900
260-4-5345-710	Tie-Down Fees	-	-	-	12,200
260-4-5345-720	Gate Fees	-	-	-	4,500
260-4-5345-740	Ground Leases	-	-	-	18,600
260-4-5345-741	Hangar Leases	7,562	-	190,000	56,700



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REVENUE SUMMARY

Account	Revenue Source	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed
260-4-5345-760	Fuel Sales	-	-	-	2,000
260-4-5345-780	Campground Use Fee	-	-	-	100
	Charges for Services	7,562	-	190,000	95,000
	Miscellaneous				
260-4-9300-910	Interest Earnings	65	-	-	-
260-4-9300-990	Other Revenue	-	-	-	20,200
	Miscellaneous	65	-	-	20,200
Airport		178,662	95,767	763,601	568,700
Event Center (265)					
	Charges for Services				
265-4-5365-710	Event Revenue & Interest	21,484	28,940	25,000	71,000
265-4-9300-910	Interest Earnings	3	-	-	-
	Charges for Services	21,487	28,940	25,000	71,000
	Transfers In				
265-4-9399-101	From General Fund	-	-	-	-
265-4-9399-214	From Bed Tax	37,767	10,950	100,000	90,600
	Transfers In	37,767	10,950	100,000	90,600
Event Center		59,254	39,890	125,000	161,600
Medical Insurance Fund (290)					
	Miscellaneous				
290-4-9300-910	Interest Earnings	1,311	-	-	-
290-4-9300-970	Payroll Contributions	78,485	-	-	-
290-4-9300-972	Employee Ins Contributions	357,243	404,884	419,600	456,800
290-4-9300-973	Employer Ins Contributions	1,385,120	507,691	1,267,900	1,208,000
290-4-9300-974	Retiree Contributions	106,927	110,216	170,100	158,000
290-4-9300-975	Employer Retiree Contributions	369,765	148,500	679,700	409,000
290-4-9300-986	Insurance Rebate	36,107	37,711	-	-
290-4-9300-990	Other Revenue	402	215,109	-	-
	Miscellaneous	2,335,360	1,424,111	2,537,300	2,231,800
Medical Insurance Fund		2,335,360	1,424,111	2,537,300	2,231,800
Restricted Operating Revenues		\$ 5,082,011	\$ 4,691,355	\$ 6,697,201	\$ 7,330,000



Account	Revenue Source	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed
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RESTRICTED CAPITAL REVENUES

Capital Projects Fund (401)

<u>Miscellaneous</u>					
401-4-9300-910	Interest Earnings	23	-	-	-
401-4-9300-990	Other Revenue	-	75,000	-	-
	Miscellaneous	23	75,000	-	-
<u>Transfers In</u>					
401-4-9399-xxx	Operations	-	20,583	-	-
	Transfers In	-	20,583	-	-
Capital Projects Fund		23	95,583	-	-

Equipment Replacement Fund (402)

<u>Miscellaneous</u>					
402-4-9300-855	Lease Purchase Proceeds	-	-	620,000	-
	Miscellaneous	-	-	620,000	-
<u>Transfers In</u>					
402-4-9399-xxx	Operations	-	-	8,200	12,000
	Transfers In	-	-	8,200	12,000
Equipment Replacement Fund		-	-	628,200	12,000

Grant Capital Projects Fund (403)

<u>Intergovernmental</u>					
403-4-2300-284	GOHS Radar Units	-	-	20,000	36,600
403-4-2324-200	Law Enf-HSG Radio Program	-	84,053	44,000	24,100
403-4-2326-275	State Fire Asst Grant #6006	-	-	-	75,000
403-4-2327-206	FEMA Asst FF 2010 Grant	168,692	-	-	-
403-4-2327-209	FEMA Asst FF Grant #15658	-	-	185,000	185,000
403-4-2331-255	CDBG Housing Rehab #123-08	148,124	-	-	-
403-4-2331-256	CDBG Senior Ctr 124-08	221	-	-	-
403-4-2331-257	CDBG 2010 Housing Rehab	-	9,110	140,000	60,000
403-4-2331-258	CDBG 2010 Senior Center	-	162,543	-	88,000
	Intergovernmental	317,037	255,706	389,000	468,700
Grant Capital Projects Fund		317,037	255,706	389,000	468,700



Account	Revenue Source	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed
Park Development Fund (408)					
	<u>Miscellaneous</u>				
408-4-5300-720	Development Impact Fees	23,975	17,625	21,500	35,000
408-4-9300-910	Interest Earnings	68	142	-	-
	Miscellaneous	24,043	17,767	21,500	35,000
Park Development Fund		24,043	17,767	21,500	35,000
Public Safety Development Fund (409)					
	<u>Miscellaneous</u>				
409-4-9300-910	Interest Earnings	76	-	-	-
409-4-5300-720	Development Fees	11,500	9,000	10,000	18,500
	Miscellaneous	11,576	9,000	10,000	18,500
Public Safety Development Fund		11,576	9,000	10,000	18,500
Green Valley Redevelopment Fund (417)					
	<u>Miscellaneous</u>				
417-4-9300-910	Interest Earnings	28	-	-	-
	Miscellaneous	28	-	-	-
Green Valley Redevelopment Fund		28	-	-	-
Public Safety Bond Project (425)					
	<u>Miscellaneous</u>				
425-4-9300-910	Interest Earnings	186	-	-	-
	Miscellaneous	186	-	-	-
Public Safety Bond Project		186	-	-	-
Bonita Street Construction (430)					
	<u>Intergovernmental</u>				
430-4-2342-281	HELP Loan	-	-	-	370,000
	Intergovernmental	-	-	-	370,000
	<u>Transfers In</u>				
430-4-9300-910	Interest Earnings	11	-	-	-
	Transfers In	11	-	-	-
Bonita Street Construction		11	-	-	370,000



Account	Revenue Source	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed
Fire Station #13 Construction (433)					
<u>Miscellaneous</u>					
433-4-9300-855	Bond Proceeds	1,525,000	-	-	-
433-4-9300-910	Interest Earnings	699	1,683	-	-
433-4-9301-855	Premium on Bond Proceeds	45,510	-	-	-
	Miscellaneous	1,571,209	1,683	-	-
<u>Transfers In</u>					
433-4-9399-823	GO Bond DS	310,638	-	-	-
	Transfers In	310,638	-	-	-
Fire Station #13 Construction		1,881,847	1,683	-	-
Montezuma Castle Land Exchange (434)					
<u>Miscellaneous</u>					
434-4-9300-855	Debt Proceeds	-	-	6,250,000	450,000
	Miscellaneous	-	-	6,250,000	450,000
Montezuma Castle Land Exchange		-	-	6,250,000	450,000
Central Arizona Project Trust Fund (460)					
<u>Miscellaneous</u>					
460-4-9300-910	Interest Earnings	453	794	100	-
460-4-9300-990	Other Revenue	-	-	-	155,000
	Miscellaneous	453	794	100	155,000
<u>Transfers In</u>					
460-4-9399-661	Transfers In - Water	-	169,414	-	-
	Transfers In	-	169,414	-	-
Central Az Project Trust Fund		453	170,208	100	155,000
Restricted Capital Revenues		\$ 2,235,204	\$ 549,947	\$ 7,298,800	\$ 1,509,200
DEBT SERVICE REVENUES					
General Debt Service Fund (801)					
<u>Transfers In</u>					
801-4-9399-xxx	Operations	98,800	111,355	224,300	252,900
	Transfers In	98,800	111,355	224,300	252,900
General Debt Service Fund		98,800	111,355	224,300	252,900



Account	Revenue Source	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed
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ELRID Debt Service Fund (811)

Miscellaneous					
811-4-9300-801	Assessment - Principal	83,350	88,385	86,400	-
811-4-9300-802	Assessment - Interest	12,976	7,863	13,000	-
811-4-9300-910	Interest Earnings	209	-	-	-
	Miscellaneous	96,535	96,248	99,400	-
Transfers In					
811-4-9399-xxx	Operations	-	-	31,300	-
	Transfers In	-	-	31,300	-
ELRID Debt Service Fund		96,535	96,248	130,700	-

Westerly Rd Improvement District (812)

Miscellaneous					
812-4-9300-801	Assessment - Principal	27,734	31,201	31,200	34,700
812-4-9300-802	Assessment - Interest	21,483	26,790	26,800	23,300
812-4-9300-910	Interest Earnings	8	-	-	-
	Miscellaneous	49,225	57,991	58,000	58,000
Transfers In					
812-4-9399-xxx	Operations	25,300	35,863	24,400	27,200
	Transfers In	25,300	35,863	24,400	27,200
Westerly Rd Imp District		74,525	93,854	82,400	85,200

Rumsey Park COPs (820)

Miscellaneous					
820-4-9300-910	Interest Earnings	4	-	-	-
	Miscellaneous	4	-	-	-
Transfers In					
820-4-9399-xxx	Operations	95,100	88,600	96,500	47,500
	Transfers In	95,100	88,600	96,500	47,500
Rumsey Park COPs		95,104	88,600	96,500	47,500

Green Valley Park (821)

Taxes					
821-4-1300-339	Secondary Property Tax	250,630	147,832	61,900	-
	Taxes	250,630	147,832	61,900	-



2012 Annual Budget

REVENUE SUMMARY

Account	Revenue Source	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed
Miscellaneous					
821-4-9300-910	Interest Earnings	240	-	-	-
821-4-6300-921	Contributions-Sanitary District	60,000	60,000	60,000	-
	Miscellaneous	60,240	60,000	60,000	-
Green Valley Park					
		310,870	207,832	121,900	-
Excise Tax Obligation 2003 (822)					
Miscellaneous					
822-4-9300-910	Interest Earnings	122	13	-	-
	Miscellaneous	122	13	-	-
Transfers In					
822-4-9399-101	From General Fund	129,300	-	-	130,400
822-4-9399-260	From Airport Fund	82,000	-	-	-
822-4-9399-999	Operations	1,451	-	-	-
	Transfers In	212,751	-	-	130,400
Excise Tax Obligation 2003					
		212,873	13	-	130,400
General Obligation Bonds (823)					
Taxes					
823-4-1300-310	Sales Tax - Town	327,407	322,439	350,000	350,000
	Taxes	327,407	322,439	350,000	350,000
Miscellaneous					
823-4-9300-910	Interest Earnings	438	-	-	-
	Miscellaneous	438	-	-	-
Transfers In					
823-4-9399-433	Transfers In - Fire Station Constr	-	-	-	164,605
	Transfers In	-	-	-	164,605
General Obligation Bonds					
		327,845	322,439	350,000	514,605
Debt Service Revenues		\$ 1,216,552	\$ 920,341	\$ 1,005,800	\$ 1,030,605

UTILITY ENTERPRISE FUNDS

Water (661+662+663)

Intergovernmental					
661-4-2300-200	ES Tonto Apache Reclaim Pond	-	(964,877)	1,800,000	-
662-4-2300-200	ES-CC Cragin	923,853	4,040,824	8,042,000	-
661-4-2351-201	WIFA	-	24,527	-	-
	Intergovernmental	923,853	3,100,474	9,842,000	-



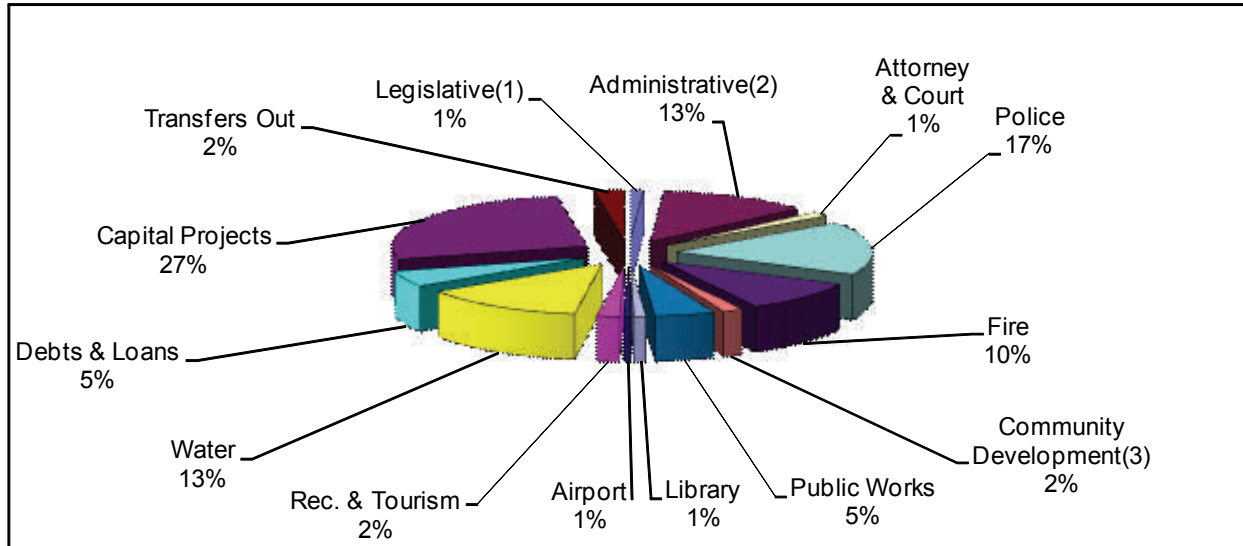
Account	Revenue Source	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed
<u>Charges For Service</u>					
661-4-5351-701	Residential Water	2,774,676	3,073,716	3,088,000	3,270,000
661-4-5351-702	Commercial Water	600,217	702,847	750,000	675,500
661-4-5351-703	Fire Protection Service	15,327	17,272	15,000	15,000
661-4-5351-710	New Service Installation Fees	12,900	10,900	30,000	20,000
661-4-5351-715	Illegal Turn On	600	2,200	1,000	1,000
661-4-5351-716	Reconnect & Turn On Fees	8,840	6,250	6,000	6,000
661-4-5351-725	Facilities Recapture Fee	1,336	-	2,000	2,000
662-4-5300-722	Blue Ridge Water Development	54,090	47,237	42,000	726,830
Charges For Service		3,467,986	3,860,422	3,934,000	4,716,330
<u>Miscellaneous</u>					
661-4-5300-720	Development Impact Fees	148,090	30,693	50,000	644,170
662-4-9300-855	Debt Service Proceeds	-	-	-	6,250,000
661-4-9300-910	Interest Earnings	(2,343)	6,501	3,000	500
662-4-9300-910	Interest Earnings	2,303	-	-	-
661-4-9300-980	Enterprise Fund Overhead	-	-	-	15,400
661-4-9300-990	Other Revenue	19,154	21,551	20,000	10,000
661-4-9300-993	Facility Lease Fees	42,943	44,284	45,000	45,000
661-4-9300-996	Public Surplus Sales	-	4,078	5,000	3,000
661-4-9399-101	Loan Repay from GF	-	17,300	17,300	17,300
661-4-9399-xxx	Transfer In - Impact Fee Fnd	-	-	15,151	-
Miscellaneous		210,147	124,407	155,451	6,985,370
Utility Enterprise Funds		4,601,986	7,085,303	13,931,451	11,701,700
TOTAL		\$ 25,828,272	\$ 24,545,690	\$ 42,633,474	\$ 34,768,254



***EXPENDITURE
INFORMATION***



EXPENDITURES (ALL FUNDS)
2012/13 Budget



	General Fund	Restricted Funds	Restricted Capital Funds	Debt Service Funds	Utility Funds	All Funds	% Total
Legislative ⁽¹⁾	\$ 412,600	\$ -	\$ -	\$ -	\$ -	\$ 412,600	1.1%
Administrative ⁽²⁾	2,086,300	2,631,800	-	-	-	4,718,100	12.6%
Town Attorney & Court	567,900	4,600	-	-	-	572,500	1.5%
Police	4,375,500	2,051,300	-	-	-	6,426,800	17.1%
Fire	3,571,500	64,000	78,000	-	-	3,713,500	9.9%
Community Development ⁽³⁾	596,100	25,000	-	-	-	621,100	1.7%
Public Works	410,500	1,445,800	-	-	-	1,856,300	4.9%
Library	-	373,800	-	-	-	373,800	1.0%
Airport	-	237,400	-	-	-	237,400	0.6%
Rec. & Tourism	454,200	250,600	-	-	-	704,800	1.9%
Water	-	-	550,000	-	4,510,200.00	5,060,200	13.5%
Depts & Loans	17,300	-	-	1,015,400	878,100	1,910,800	5.1%
Capital Projects	158,500	690,000	1,405,700	-	7,779,500.00	10,033,700	26.7%
Transfers Out	424,700	207,849	199,605	105,800	-	937,954	2.5%
Total Expenditures	\$ 13,075,100	\$ 7,982,149	\$ 2,233,305	\$ 1,121,200	\$ 13,167,800	\$ 37,579,554	100.0%
% of Total	34.8%	21.2%	5.9%	3.0%	35.0%	100.0%	

(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	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed
xxx-x-xxxx-xx 6402	Street/Sidewalk Supplies	62,361	125,447	180,000	70,000
xxx-x-xxxx-xx 6201	Bldg Materials & Supplies	189,313	201,192	254,200	284,700
xxx-x-xxxx-xx 6400	Hdwr, Electric & Plumbing Sup	6,818	14,190	14,000	16,500
xxx-x-xxxx-xx 6900	Other Supplies	258	468	1,000	1,000
xxx-x-xxxx-xx 6014	Landscape Materials	10,122	9,410	6,500	6,000
xxx-x-xxxx-xx 6202	Misc R&M Supplies	35,847	126,136	107,000	152,200
xxx-x-xxxx-xx 6015	Signs	5,458	4,890	89,000	147,000
xxx-x-xxxx-xx 6602	Promotional Supplies	69,138	90,350	86,000	80,000
		928,958	1,185,648	1,519,800	1,525,200
<u>Services</u>					
xxx-x-xxxx-xx 6603	Election Services	95	-	200	200
xxx-x-xxxx-xx 7004	Compliance/Lab Analysis	75,940	58,046	58,000	58,000
xxx-x-xxxx-xx 7002	Accounting/Auditing Services	31,300	49,010	38,800	40,600
xxx-x-xxxx-xx 7100	Legal Services	60,166	30,853	155,000	145,000
xxx-x-xxxx-xx 7101	Indigent Defense	58,200	43,200	40,000	40,000
xxx-x-xxxx-xx 7102	Court Services	162,477	151,508	160,500	135,000
xxx-x-xxxx-xx 7103	Prosecution Services	1,834	600	1,800	1,500
xxx-x-xxxx-xx 7900	Other Professional Services	142,695	756,831	844,800	508,200
xxx-x-xxxx-xx 7104	Settlements	-	-	30,000	20,000
xxx-x-xxxx-xx 7005	Computer Software	93,700	53,918	44,400	26,700
xxx-x-xxxx-xx 7003	Computer Services	12,297	11,652	13,200	12,000
		638,704	1,155,618	1,386,700	987,200
<u>Utilities</u>					
xxx-x-xxxx-xx 7300	Electricity	625,915	607,807	643,200	659,000
xxx-x-xxxx-xx 7301	Propane Gas	32,125	37,168	38,900	40,200
xxx-x-xxxx-xx 7302	Water Service	29,251	33,635	32,300	40,400
xxx-x-xxxx-xx 7304	Sewer Service	14,527	13,679	15,500	15,200
xxx-x-xxxx-xx 7305	Garbage Service	17,261	18,618	26,100	24,200
xxx-x-xxxx-xx 7306	Telephone	236,487	242,652	252,400	243,900
xxx-x-xxxx-xx 7307	Postage	36,057	38,489	39,200	39,600
		991,623	992,048	1,047,600	1,062,500
<u>Travel</u>					
xxx-x-xxxx-xx 7600	Travel	19,441	26,898	51,200	46,200
xxx-x-xxxx-xx 7601	Registrations	22,548	38,899	36,300	35,100
		41,989	65,797	87,500	81,300
<u>Advertising & Publishing</u>					
xxx-x-xxxx-xx 6600	Public Relations	26,929	22,042	39,200	34,300
xxx-x-xxxx-xx 7907	Advertising	15,000	18,014	22,100	12,700
		41,929	40,056	61,300	47,000



EXPENSE DETAIL—ALL FUNDS

Category	Description	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed
xxx-x-xxxx-xx 6402	Street/Sidewalk Supplies	62,361	125,447	180,000	70,000
xxx-x-xxxx-xx 6201	Bldg Materials & Supplies	189,313	201,192	254,200	284,700
xxx-x-xxxx-xx 6400	Hdwr, Electric & Plumbing Sup	6,818	14,190	14,000	16,500
xxx-x-xxxx-xx 6900	Other Supplies	258	468	1,000	1,000
xxx-x-xxxx-xx 6014	Landscape Materials	10,122	9,410	6,500	6,000
xxx-x-xxxx-xx 6202	Misc R&M Supplies	35,847	126,136	107,000	152,200
xxx-x-xxxx-xx 6015	Signs	5,458	4,890	89,000	147,000
xxx-x-xxxx-xx 6602	Promotional Supplies	69,138	90,350	86,000	80,000
		928,958	1,185,648	1,519,800	1,525,200
<u>Services</u>					
xxx-x-xxxx-xx 6603	Election Services	95	-	200	200
xxx-x-xxxx-xx 7004	Compliance/Lab Analysis	75,940	58,046	58,000	58,000
xxx-x-xxxx-xx 7002	Accounting/Auditing Services	31,300	49,010	38,800	40,600
xxx-x-xxxx-xx 7100	Legal Services	60,166	30,853	155,000	145,000
xxx-x-xxxx-xx 7101	Indigent Defense	58,200	43,200	40,000	40,000
xxx-x-xxxx-xx 7102	Court Services	162,477	151,508	160,500	135,000
xxx-x-xxxx-xx 7103	Prosecution Services	1,834	600	1,800	1,500
xxx-x-xxxx-xx 7900	Other Professional Services	142,695	756,831	844,800	508,200
xxx-x-xxxx-xx 7104	Settlements	-	-	30,000	20,000
xxx-x-xxxx-xx 7005	Computer Software	93,700	53,918	44,400	26,700
xxx-x-xxxx-xx 7003	Computer Services	12,297	11,652	13,200	12,000
		638,704	1,155,618	1,386,700	987,200
<u>Utilities</u>					
xxx-x-xxxx-xx 7300	Electricity	625,915	607,807	643,200	659,000
xxx-x-xxxx-xx 7301	Propane Gas	32,125	37,168	38,900	40,200
xxx-x-xxxx-xx 7302	Water Service	29,251	33,635	32,300	40,400
xxx-x-xxxx-xx 7304	Sewer Service	14,527	13,679	15,500	15,200
xxx-x-xxxx-xx 7305	Garbage Service	17,261	18,618	26,100	24,200
xxx-x-xxxx-xx 7306	Telephone	236,487	242,652	252,400	243,900
xxx-x-xxxx-xx 7307	Postage	36,057	38,489	39,200	39,600
		991,623	992,048	1,047,600	1,062,500
<u>Travel</u>					
xxx-x-xxxx-xx 7600	Travel	19,441	26,898	51,200	46,200
xxx-x-xxxx-xx 7601	Registrations*	22,548	38,899	36,300	35,100
		41,989	65,797	87,500	81,300
<u>Advertising & Publishing</u>					
xxx-x-xxxx-xx 6600	Public Relations	26,929	22,042	39,200	34,300
xxx-x-xxxx-xx 7907	Advertising	15,000	18,014	22,100	12,700
		41,929	40,056	61,300	47,000



EXPENSE DETAIL—ALL FUNDS

Category	Description	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed
<u>Rentals</u>					
xxx-x-xxxx-xx	7500 Land & Buildings	79,624	78,981	82,400	7,000
xxx-x-xxxx-xx	7501 Work Eq & Machine Rental	788	83	2,000	1,000
xxx-x-xxxx-xx	7502 Office Equipment Rental	18,584	21,836	24,600	29,100
		98,996	100,900	109,000	37,100
<u>Insurance</u>					
xxx-x-xxxx-xx	7903 Insurance	491,787	413,933	517,100	418,400
xxx-x-xxxx-xx	7904 Insurance Deductibles	8,017	1,546	10,000	5,000
xxx-x-xxxx-xx	7908 Insurance Premium	-	2,356,705	2,537,400	2,631,800
		499,804	2,772,184	3,064,500	3,055,200
<u>Repair & Maintenance</u>					
xxx-x-xxxx-xx	6200 Hydrant R&M	17,590	11,685	36,000	21,000
xxx-x-xxxx-xx	65xx Water R&M	116,496	141,258	303,000	261,000
xxx-x-xxxx-xx	7400 Grounds R&M	73	75	500	100
xxx-x-xxxx-xx	7401 Bldg/Fixture R&M	39,014	33,295	74,800	44,300
xxx-x-xxxx-xx	7402 Office Equipment R&M	23,437	17,270	27,600	24,900
xxx-x-xxxx-xx	7403 Computer Equipment R&M	139,633	187,233	216,600	218,400
xxx-x-xxxx-xx	7404 Communication Eq R&M	15,440	22,713	59,800	54,100
xxx-x-xxxx-xx	7405 Work Equipment R&M	72,337	123,021	48,900	41,500
xxx-x-xxxx-xx	7406 Street Light R&M	924	-	5,000	2,000
		424,944	536,550	772,200	667,300
<u>Miscellaneous</u>					
xxx-x-xxxx-xx	6700 Dues & Memberships	48,522	39,540	45,500	46,900
xxx-x-xxxx-xx	6901 Taxes & Assessments	1,013	5,326	3,300	1,200
xxx-x-xxxx-xx	6903 Bank Fees	9,817	24,984	20,000	28,000
xxx-x-xxxx-xx	6905 Bad Debt	1,155	211	3,000	1,000
xxx-x-xxxx-xx	6009 Program Costs	110,816	138,850	183,200	185,400
xxx-x-xxxx-xx	7901 Vegetation Disposal	461	84	-	-
xxx-x-xxxx-xx	6904 Contingency	1,000	-	1,000	1,000
xxx-x-xxxx-xx	6990 Other Expense	133,154	26,514	62,500	102,100
xxx-x-xxxx-xx	6991 Other Expense-Law Enforce	4,534	15,751	16,000	8,000
xxx-x-xxxx-xx	6992 Other Expense-DARE	3,278	3,124	3,000	3,000
xxx-x-xxxx-xx	7001 Program Overhead	24,350	1,965	25,000	25,000
xxx-x-xxxx-xx	7700 Recycling Program	-	-	30,000	26,000
xxx-x-xxxx-xx	7902 Reimbursable Impound Costs	2,061	2,448	3,000	3,000
xxx-x-xxxx-xx	7905 Employee Insurance Expenses	1,459,065	40,574	-	-
xxx-x-xxxx-xx	7906 Law Enf. Property Purchase	150,080	328,477	500,000	2,000,000
xxx-x-xxxx-xx	7010 Plan Storage Boxes/Bldg Code	-	-	-	3,000
xxx-x-xxxx-xx	7910 Printing & Binding	25,153	23,896	33,300	29,400



EXPENSE DETAIL—ALL FUNDS

Category	Description	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed
xxx-x-xxxx-xx 7920	Hydrant Program	115	138	500	500
xxx-x-xxxx-xx 72xx	Councilmember Expenses	7,656	7,916	21,900	21,900
xxx-x-xxxx-xx 78xx	Erosion Program	7,200	29,590	-	-
xxx-x-xxxx-xx 791x	Grant Expenses	677,634	511,239	594,600	774,600
xxx-x-xxxx-xx 7952	Purchase Agreement	38,000	93,750	90,000	-
xxx-x-xxxx-xx 7990	Contribution to Other Agencies	372,150	365,450	252,500	205,200
xxx-x-xxxx-xx 9661	Repay Water Loan	-	17,300	17,300	17,300
		3,077,214	1,677,127	1,905,600	3,482,500
<u>Capital Outlay</u>					
xxx-x-xxxx-xx 8xxx	Airport Projects	131,199	39,945	490,000	480,000
xxx-x-xxxx-xx 8xxx	Building Improvements	-	9,885	-	-
xxx-x-xxxx-xx 8xxx	Fire Station #3	450,773	1,222,153	-	13,000
xxx-x-xxxx-xx 8xxx	Street Improvements	442,207	285,489	60,000	430,000
xxx-x-xxxx-xx 8xxx	Computer Software/Hardware	5,296	131	86,500	-
xxx-x-xxxx-xx 8xxx	Office Furniture	-	-	700	-
xxx-x-xxxx-xx 8xxx	Machinery & Equipment	76,035	69,004	160,000	230,500
xxx-x-xxxx-xx 8xxx	Vehicular Equipment	-	139,693	680,000	20,000
xxx-x-xxxx-xx 8xxx	Improvement Districts	-	-	6,250,000	450,000
xxx-x-xxxx-xx 8xxx	Miscellaneous	-	15,251	-	-
xxx-x-xxxx-xx 8xxx	Grant Funded Projects	177,675	84,053	249,000	320,700
xxx-x-xxxx-xx 8xxx	Economic Stimulus	708,074	3,412,147	6,300,000	4,250,000
xxx-x-xxxx-xx 8xxx	Water Projects	1,470,577	1,795,257	6,036,700	3,949,500
		3,461,836	7,073,008	20,312,900	10,143,700
<u>Debt Service</u>					
xxx-x-xxxx-xx 6901	Debt Service Fees	5,516	7,962	5,300	5,500
xxx-x-xxxx-xx 7950	Principal	825,454	1,185,311	1,317,900	1,432,600
xxx-x-xxxx-xx 7951	Interest	261,482	225,891	200,000	462,900
		1,092,452	1,419,164	1,523,200	1,901,000
<u>Depreciation</u>					
xxx-x-xxxx-xx 8005	Depreciation - Infrastructure	-	1,418,484	-	-
xxx-x-xxxx-xx 8100	Depreciation - Buildings	19,944	280,939	19,900	20,000
xxx-x-xxxx-xx 8101	Depreciation - Non Buildings	932,390	1,282,283	932,400	933,700
xxx-x-xxxx-xx 8104	Depreciation - Furniture/Eq	3,822	5,206	5,500	5,200
xxx-x-xxxx-xx 8103	Depreciation - Vehicles	55,588	54,320	41,400	54,300
xxx-x-xxxx-xx 8102	Depreciation - Machinery/Eq	19,447	405,251	26,100	8,800
xxx-x-xxxx-xx 82xx	Amortization	59,563	5,940	6,000	6,000
		1,090,754	3,452,423	1,031,300	1,028,000



EXPENSE DETAIL—ALL FUNDS

Category	Description	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed
Transfers Out					
xxx-x-xxxx-xx	9101 To General Fund	1,005,000	-	313,322	105,249
xxx-x-xxxx-xx	9202 To HURF	-	-	238,000	-
xxx-x-xxxx-xx	9224 To Library	182,388	117,005	168,000	107,500
xxx-x-xxxx-xx	923x To Courts	67,530	-	-	-
xxx-x-xxxx-xx	9265 To Event Center	37,767	10,950	100,000	90,600
xxx-x-xxxx-xx	9401 To Capital Projects	-	20,583	-	-
xxx-x-xxxx-xx	9402 To Equipment Repl Fund	-	-	8,200	-
xxx-x-xxxx-xx	9433 To Fire Station	310,638	-	-	-
xxx-x-xxxx-xx	9661 To Water Dept	-	-	15,151	-
xxx-x-xxxx-xx	98xx To Debt Service	431,951	235,818	376,500	622,605
xxx-x-xxxx-xx	9999 To Various	-	-	-	12,000
		2,035,274	384,356	1,219,173	937,954
TOTAL		27,072,141	31,701,830	47,458,873	37,579,554

EXPENSE SUMMARY BY CATEGORY—ALL FUNDS

Category	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed
Personnel Services/Benefits	12,647,664	10,846,951	13,418,100	12,623,600
Operating Expenditures	6,744,161	8,525,928	9,954,200	10,945,300
Debt Service	1,092,452	1,419,164	1,523,200	1,901,000
Capital Outlay	3,461,836	7,073,008	20,312,900	10,143,700
Other	1,090,754	3,452,423	1,031,300	1,028,000
Transfers Out	2,035,274	384,356	1,219,173	937,954
	27,072,141	31,701,830	47,458,873	37,579,554



***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	110				
Town Manager	117				
Human Resources	126				
Economic Development	120				
Information Services	123				
Town Clerk	132				
Elections	135				
Property Management	158				
Centralized Supplies	161				
Other Government Services	164				
Medical Insurance	167	290*/167			
Financial Services	152				
Courts	171	231/171 233/171			
Attorney - Administration	141				
Attorney - Civil	144				
Attorney - Prosecution	147				
Police - Communications	177				
Police - Operations	181	210/181	403/77 425/77		
Police - DOJ Fund & Various Grants		215/187 217/187			
Police - Animal Control	185				
Police - School Resource	186				
Fire - Operations	194	210/194	403/77 433/77		
Fire - Wildlands/Urban Program	197	212*/197			
Public Works - Engineering	240				
Public Works - Parks Operations	243				
Public Works - Streets		202/247	430/77 434/77		
Public Works - Airport		260/250			
Rec & Tourism - Tourism Division	223	210/223 214/223	402/77		
Rec & Tourism - Trails & Open Spaces	229				
Rec & Tourism - Recreation Division	226				
Rec & Tourism - Event Center		265/232			
Rec & Tourism - Aquatics	235				
Community Dev - Planning & Zoning	204				
Community Dev - Building	207				
Community Dev - Affordable Housing		206/210	403/210		
Library		224/216			
Water - Administration				661/256	
Water - Accounting & Collections				661/257	
Water - Transmittion & Distribution				661/258	

Water - Operations & Maintenance							661/259	
Water - Resources							661/261	
Water - Production O&M							661/262	
Water - Green Valley Park Maintenance							661/263	
Water - WQARF							661/264	
Water - CC Cragin							662/77	
Water Capital Trust Fund					460/77			
General Debt Service								801/70
East Loop Rd Improvement Dist (ELRID)								811/70
Westerly Rd Improvement District								812/70
Rumsey Park COPs								820/70
Green Valley Park Debt Service								821/70
Excise Tax Revenue Obl Series 2003								822/70
G.O. Bonds (Proj 2003) Series 2004								823/70

* Funds have been phased out for FY2012/13

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**

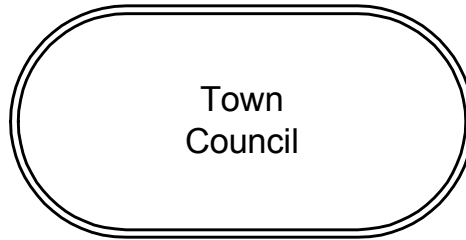




>>>TOWN COUNCIL<<<

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.

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



. EXPENDITURE SUMMARY

Operating Division	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed
Town Council	116,607	72,003	133,600	118,300
	-	-		
Total Expenditures	116,607	72,003	133,600	118,300

. POSITION SUMMARY

Authorized Personnel	2009/10	2010/11	2011/12	2012/13
Town Council Members	7.0	7.0	7.0	7.0
Total Full-Time Positions	7.0	7.0	7.0	7.0



DEPARTMENT DESCRIPTION

The Town Council is authorized to:

- Adopt local laws which are called ordinances
- Adopt resolutions which are formal statements of the Council’s policy direction
- Approve agreements for services, supplies, or programs
- Approve and adopt an annual budget which appropriates funds for Town programs
- Approve payments of Town monies

The Council is committed to ensuring active public participation in their decision making process through appointments of citizens to the Town’s various on-going boards and commissions and through special assignment of citizens to issue oriented task forces.

2011/12 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 to ensure quality of service**

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

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



**2012/
2013
GOALS**

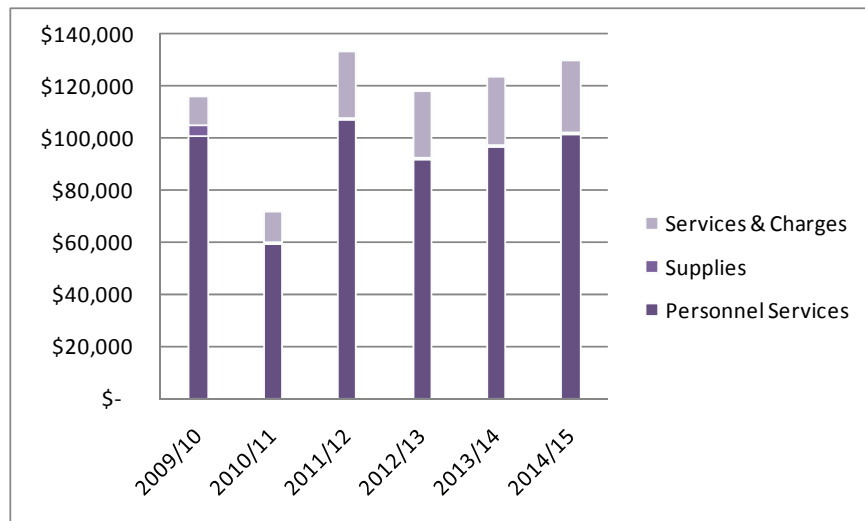
- ⇒ Establish clear policy direction and priorities for Town operations
- ⇒ Provide a safe, pleasant community for all citizens through aggressive public safety efforts and programs
- ⇒ Serve the Town through a variety of Town services designed to promote quality of life
- ⇒ Respond to the needs of the community by promoting communications and accessibility
- ⇒ Value the tax dollar and maintain a fiscal policy that keeps taxes low
- ⇒ Incorporate safeguards to assure fairness and equitable treatment of all citizens
- ⇒ Continue to evaluate Town services to ensure quality of service
- ⇒ Endeavor to hire the best people and help Town employees develop their abilities for the betterment of the community

BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	47,079	46,800	-0.6%	46,800	0.0%
Personnel Benefits	12,834	60,900	374.5%	45,600	-25.1%
Supplies	609	500	-17.9%	500	0.0%
Other Services & Charges	11,481	25,400	121.2%	25,400	0.0%
Capital Outlay	-	-	0.0%	-	0.0%
Total Town Council & Conting	72,003	133,600	85.5%	118,300	-11.5%

BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ 100,887	59,913	\$ 107,700	\$ 92,400	\$ 97,020	\$ 101,871
Supplies	4,288	609	500	500	525	551
Services & Charges	11,432	11,481	25,400	25,400	26,670	28,004
Capital Outlay	-	-	-	-	-	-
Total Town Council	\$ 116,607	\$ 72,003	\$ 133,600	\$ 118,300	\$ 124,215	\$ 130,426



**TOWN COUNCIL**

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
SALARIES & WAGES				
101-5-1411-00-5001 Full Time Employees	47,492	47,079	46,800	46,800
Total Salaries & Wages	<u>47,492</u>	<u>47,079</u>	<u>46,800</u>	<u>46,800</u>
PERSONNEL BENEFITS				
101-5-1411-00-5501 FICA	2,455	2,202	2,900	2,200
101-5-1411-00-5700 Health Insurance	50,802	10,500	57,800	43,200
101-5-1411-00-5800 Worker's Comp Insurance	138	132	200	200
Total Personnel Benefits	<u>53,395</u>	<u>12,834</u>	<u>60,900</u>	<u>45,600</u>
SUPPLIES				
101-5-1411-00-6001 Office Supplies	896	338	500	500
101-5-1411-00-66xx Public Relations	3,392	271	-	-
Total Supplies	<u>4,288</u>	<u>609</u>	<u>500</u>	<u>500</u>
OTHER SERVICES & CHARGES				
101-5-1411-00-7306 Telephone Charges	3,776	3,565	3,500	3,500
101-5-1411-00-72xx Council Member Expenses	6,620	6,824	18,600	18,600
101-5-1411-00-7212 Mayor Expenses	1,036	1,092	3,300	3,300
Total Other Services & Charge	<u>11,432</u>	<u>11,481</u>	<u>25,400</u>	<u>25,400</u>
TOTAL TOWN COUNCIL	<u><u>116,607</u></u>	<u><u>72,003</u></u>	<u><u>133,600</u></u>	<u><u>118,300</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**

**Debra Galbraith—Town Manager
dgalbraith@paysonaz.gov**

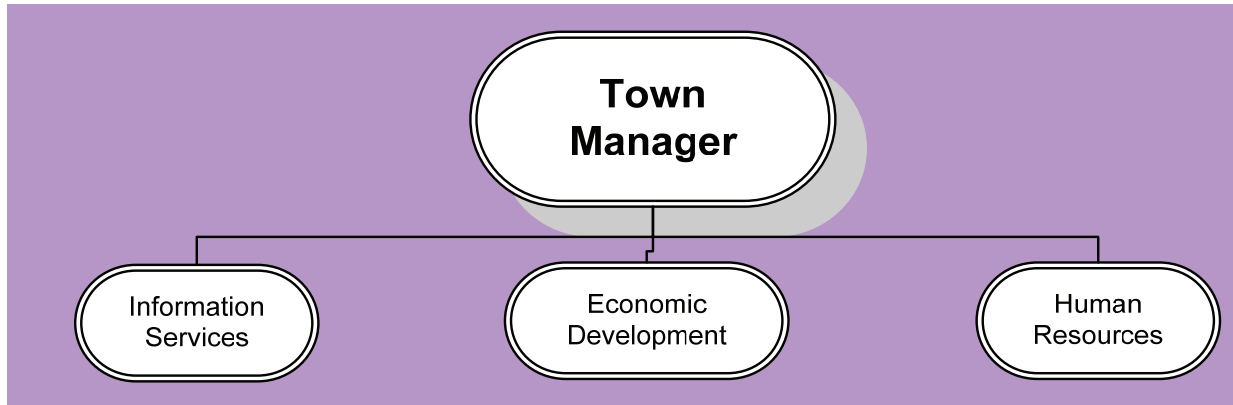




>>>TOWN MANAGER<<<

The Town Manager Department provides overall management direction to the Town organization. The department is responsible for implementing policy direction, overseeing and managing Town operations, coordinating operations and evaluating Town programs.

The Town Manager Department consists of the Manager, Human Resources, Economic Development, and Information Services.



. EXPENDITURE SUMMARY

Operating Division	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed
Town Manager	168,014	172,466	174,600	175,200
Human Resources	113,253	172,990	207,300	180,300
Information Services	504,941	535,263	671,500	532,500
Economic Development	9,694	40,077	49,700	22,900
Total Expenditures	795,902	920,796	1,103,100	910,900

. POSITION SUMMARY

Authorized Personnel	2009/10	2010/11	2011/12	2012/13
Town Manager	1.0	1.0	1.0	1.0
Executive Assistant	1.0	1.0	1.0	1.0 *
Human Resources Manager	-	1.0	1.0	1.0
Human Resources Technician	1.0	1.0	1.0	1.0 *
Payroll Specialist	1.0	1.0	1.0	1.0
Information Serv. Manager	1.0	1.0	1.0	1.0
Information Serv. Technician	1.0	1.0	1.0	1.0
Total Full-Time Positions	6.0	7.0	7.0	7.0

* Positions frozen pending economic recovery

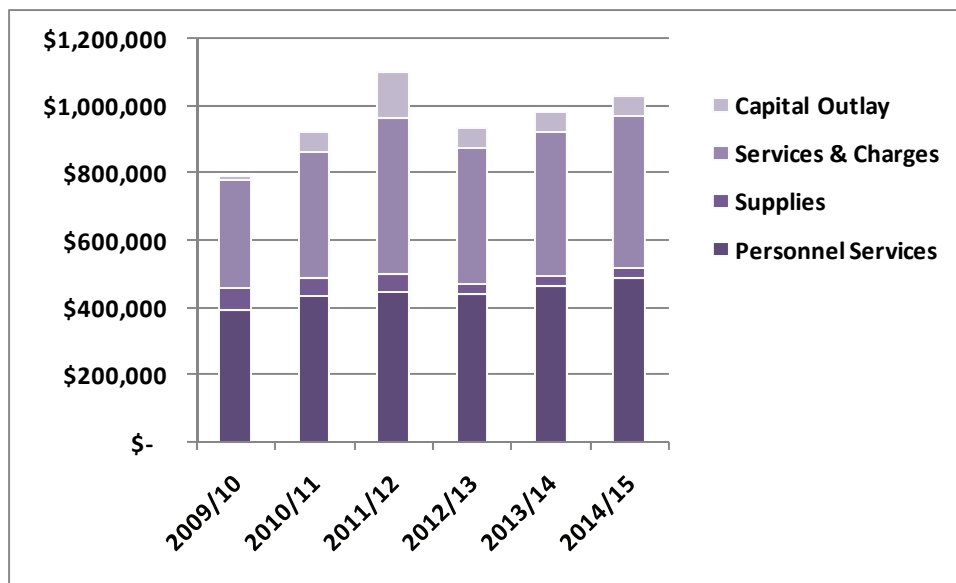


DEPARTMENT BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	351,121	336,200	-4.2%	342,300	1.8%
Personnel Benefits	86,436	111,400	28.9%	102,900	-7.6%
Supplies	51,866	52,600	1.4%	28,400	-46.0%
Other Services & Charges	374,910	466,400	24.4%	405,100	-13.1%
Capital Outlay	56,463	136,500	141.8%	58,500	-57.1%
Total Town Manager	920,796	1,103,100	19.8%	937,200	-15.0%

DEPARTMENT BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ 392,848	437,557	\$ 447,600	\$ 445,200	\$ 467,460	\$ 490,833
Supplies	64,305	51,866	52,600	28,400	\$ 29,820	\$ 31,311
Services & Charges	321,207	374,910	466,400	405,100	\$ 425,355	\$ 446,623
Capital Outlay	12,824	56,463	136,500	58,500	\$ 61,425	\$ 64,496
Total Town Manager	\$ 791,184	920,796	\$ 1,103,100	\$ 937,200	\$ 984,060	\$ 1,033,263





**TOWN
MANAGER**

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

DIVISION DESCRIPTION

The Town Manger recommends an annual budget, executes Town contracts and prepares analyses and reports as necessary to help optimize Town operations and clarify policy direction.

The Town Council appoints a Town Manager who serves at the pleasure of the Council under contract. The Town Manger 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 department
- 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

CONTACT INFORMATION

Debra Galbraith
Town Manager
(928) 474-5242 X262
dgalbraith@paysonaz.gov

PHYSICAL LOCATION

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

2011/12 ACCOMPLISHMENTS

- ✓ Updated operational plans and policies
- ✓ Evaluated operational effectiveness and efficiency
- ✓ Enhanced the Town's working relationship with neighboring governmental jurisdictions by providing service assistance and program creation
- ✓ Prepared an annual report of the Town's activities and accomplishments
- ✓ Created greater transparency through the Town website
- ✓ Continued written Administrative policies to give clarity to staff and citizens regarding Town processes
- ✓ Assisted Economic Development with new businesses
- ✓ Achieved staff buy-in and smooth implementation of the restructure of upper management to include an Assistant Town Manager and two Deputy Town Managers
- ✓ Implemented citizen prescription discount card program
- ✓ Created and implemented five-year financial forecasting tool
- ✓ Negotiated and implemented smooth return of management of the Airport to the Town
- ✓ Created employee career path program including new job descriptions
- ✓ Served as Chair of the Central Arizona Association of Governments Management Committee
- ✓ Assumed financial administration lead for the C.C. Cragin pipeline project
- ✓ Re-engineered Financial Services to create a department once again respected for performing their duties
- ✓ Completely redesigned the Corporate Strategic Plan to make it a living document that sets a clear path of priorities, objectives and performance measures for current and future goals



**2012/
2013
GOALS**

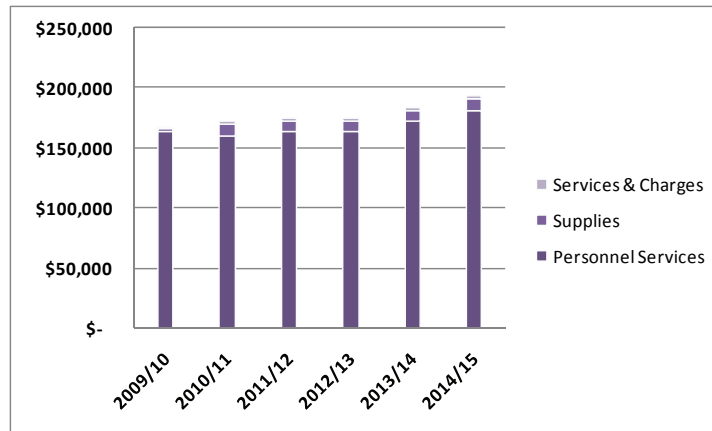
- ⇒ Continue to evaluate operational effectiveness and efficiency
- ⇒ Perform an in-depth analysis of all budgetary expenditures and modify as possible
- ⇒ Improve the budget process to include more analysis, better forecasting tools, more departmental participation, more transparency and ease of procedures
- ⇒ Continue to enhance transparency by redesigning the Town website and increasing its use as a source of public information
- ⇒ Begin performance measurement program
- ⇒ Begin implementing the objectives set forth in the Corporate Strategic Plan
- ⇒ Continue to administer the financial aspects of the C.C. Cragin Pipeline project
- ⇒ Continue to seek partnerships with, and providing assistance to neighboring jurisdictions
- ⇒ Redesign the Leadership Academy with the new and improved Academy being held in the fall of 2013

DIVISION BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	127,158	127,000	-0.1%	127,000	0.0%
Personnel Benefits	32,697	37,000	13.2%	37,100	0.3%
Supplies	9,979	8,700	-12.8%	8,800	1.1%
Other Services & Charges	2,632	1,900	-27.8%	2,300	21.1%
Capital Outlay	-	-	0.0%	-	0.0%
Town Manager	172,466	174,600	1.2%	175,200	0.3%

DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ 163,464	159,855	164,000	164,100	\$ 172,305	\$ 180,920
Supplies	2,714	9,979	8,700	8,800	9,240	9,702
Services & Charges	1,836	2,632	1,900	2,300	2,415	2,536
Capital Outlay	-	-	-	-	-	-
Town Manager	\$ 168,014	\$ 172,466	\$ 174,600	\$ 175,200	\$ 183,960	\$ 193,158



**TOWN MANAGER**

	2009/10	2010/11	2011/12	2012/13
	ACTUAL	ACTUAL	BUDGET	PROPOSED
SALARIES & WAGES				
101-5-1405-00-5001 Full Time Employees	129,387	127,158	127,000	127,000
Total Salaries & Wages	129,387	127,158	127,000	127,000
PERSONNEL BENEFITS				
101-5-1405-00-5501 FICA	8,145	8,450	9,400	9,300
101-5-1405-00-5504 Pensions	10,848	12,613	12,300	13,600
101-5-1405-00-5600 Deferred Compensation	8,767	9,137	8,800	8,800
101-5-1405-00-5700 Health/Life Insurance	5,467	1,774	5,800	4,700
101-5-1405-00-5701 Disability Insurance	482	372	300	300
101-5-1405-00-5800 Workers Compensation	368	351	400	400
Total Personnel Benefits	34,077	32,697	37,000	37,100
SUPPLIES				
101-5-1405-00-6001 Office Supplies	1,379	1,461	1,500	2,000
101-5-1405-00-6600 Public Relations	-	4,452	6,000	6,000
101-5-1405-00-6700 Dues & Memberships	1,310	1,666	1,200	500
101-5-1405-00-6990 Other Supplies	25	2,400	-	300
Total Supplies	2,714	9,979	8,700	8,800
OTHER SERVICES & CHARGES				
101-5-1405-00-7306 Telephone Charges	878	626	800	800
101-5-1405-00-7600 Travel	784	815	600	1,000
101-5-1405-00-7601 Registrations	25	766	500	500
101-5-1405-00-7900 Other Professional Services	149	425	-	-
Total Other Svcs & Charges	1,836	2,632	1,900	2,300
TOTAL TOWN MANAGER	168,014	172,466	174,600	175,200



ECONOMIC DEVELOPMENT

The mission of the Economic Development division is to expand and diversify the commercial tax base through targeted strategies which support the Town's quest to be the premier community in which to live, work, raise a family, and lean.

DIVISION DESCRIPTION

Economic Development is responsible for meeting with and assisting prospective new businesses and serving as an ombudsman for existing businesses.

2011/12 ACCOMPLISHMENTS

- ✓ **Obtained \$300,000 grant from the Arizona Commerce Authority for a local manufacturer to expand**
- ✓ **Brought two new businesses to Town**
- ✓ **Worked with more than twenty prospective businesses**
- ✓ **Helped create over 200 new jobs**
- ✓ **Worked with existing businesses to resolve various Town related challenges**

CONTACT INFORMATION

Mike Vogel
(928) 474-5242 X396
econdev@paysonaz.gov

PHYSICAL LOCATION

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



**2012/
2013
GOALS**

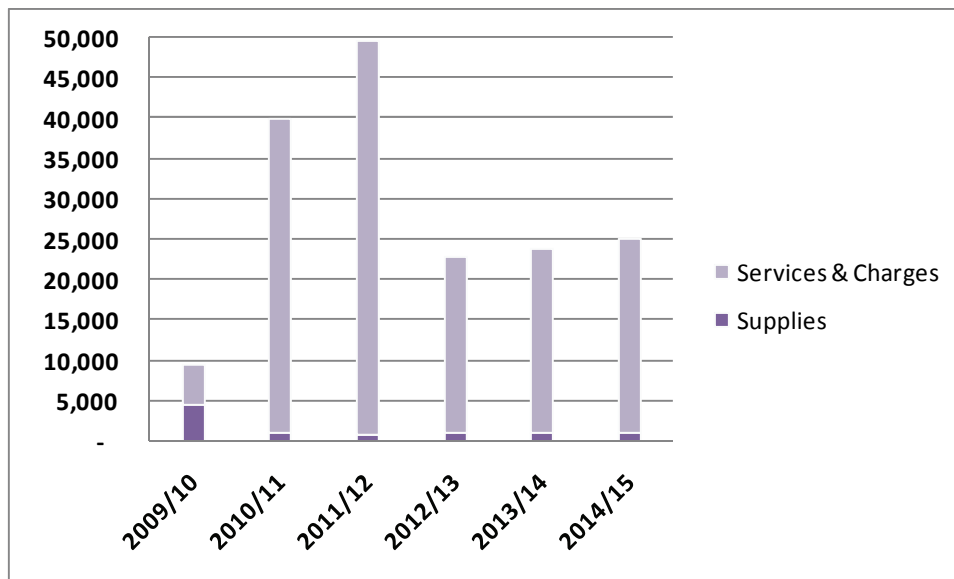
- ⇒ Continue to seek grant and other funding for local business expansion
- ⇒ Continue to work with and acquire prospective new businesses for Payson
- ⇒ Continue to work with existing businesses to resolve challenges that may occur
- ⇒ Continue to help match employers with new employees
- ⇒ Research the creation of a workforce training program
- ⇒ Research the possibility of a new business incubator program

BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	-	-	0.0%	-	0.0%
Personnel Benefits	-	-	0.0%	-	0.0%
Supplies	1,049	900	-14.2%	1,100	22.2%
Other Services & Charges	39,028	48,800	25.0%	21,800	-55.3%
Capital Outlay	-	-	0.0%	-	0.0%
Economic Development	40,077	49,700	24.0%	22,900	-53.9%

BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ -	-	-	-	\$ -	\$ -
Supplies	4,718	1,049	900	1,100	1,155	1,213
Services & Charges	4,976	39,028	48,800	21,800	22,890	24,035
Capital Outlay	-	-	-	-	-	-
Economic Dev	\$ 9,694	\$ 40,077	\$ 49,700	\$ 22,900	\$ 24,045	\$ 25,247



**ECONOMIC DEVELOPMENT**

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
SUPPLIES				
101-5-1405-01-6001 Office Supplies	517	41	-	100
101-5-1405-01-6009 Program Supplies	2,605	-	-	-
101-5-1405-01-6700 Dues & Memberships	1,596	1,008	900	1,000
Total Supplies	<u>4,718</u>	<u>1,049</u>	<u>900</u>	<u>1,100</u>
OTHER SERVICES & CHARGES				
101-5-1405-01-7306 Telephone Charges	237	821	800	800
101-5-1405-01-7307 Postage	-	27	-	-
101-5-1405-01-7600 Travel	1,043	3,622	8,100	5,000
101-5-1405-01-7601 Registrations	-	958	1,900	1,000
101-5-1405-01-7900 Other Professional Services	3,696	33,600	38,000	15,000
Total Other Svcs & Charges	<u>4,976</u>	<u>39,028</u>	<u>48,800</u>	<u>21,800</u>
TOTAL ECONOMIC DEVELOPMENT	<u><u>9,694</u></u>	<u><u>40,077</u></u>	<u><u>49,700</u></u>	<u><u>22,900</u></u>



INFORMATION SERVICES

The mission of the Information Services Division is to provide the Town’s employees with the highest quality of service using the resources and technologies available to maximize productivity; and provide communication for the overall purpose of providing the best possible service to the Town’s citizens.

DIVISION DESCRIPTION

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

2011/12 ACCOMPLISHMENTS

- ✓ Upgrade Laserfiche application and moved to new server
- ✓ Installed redundant AC unit for server room
- ✓ Installed hardware/wire/network equipment at Station 13
- ✓ Installed new UPS in server room
- ✓ Replaced 10 desktops
- ✓ Upgraded Backup Exec application
- ✓ Began upgrade of Symantec AV application
- ✓ Installed four new computers at the Water Yard
- ✓ Finished Office 2007 Upgrade
- ✓ Upgrade Internet connection from 1.5MB to 10.5MB
- ✓ Finalized Mobile laptop upgrade (50 devices)

CONTACT INFORMATION

Steve DeHaan
(928) 474-5242 X227
sdehann@paysonaz.gov

PHYSICAL LOCATION

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



**2012/
2013
GOALS**

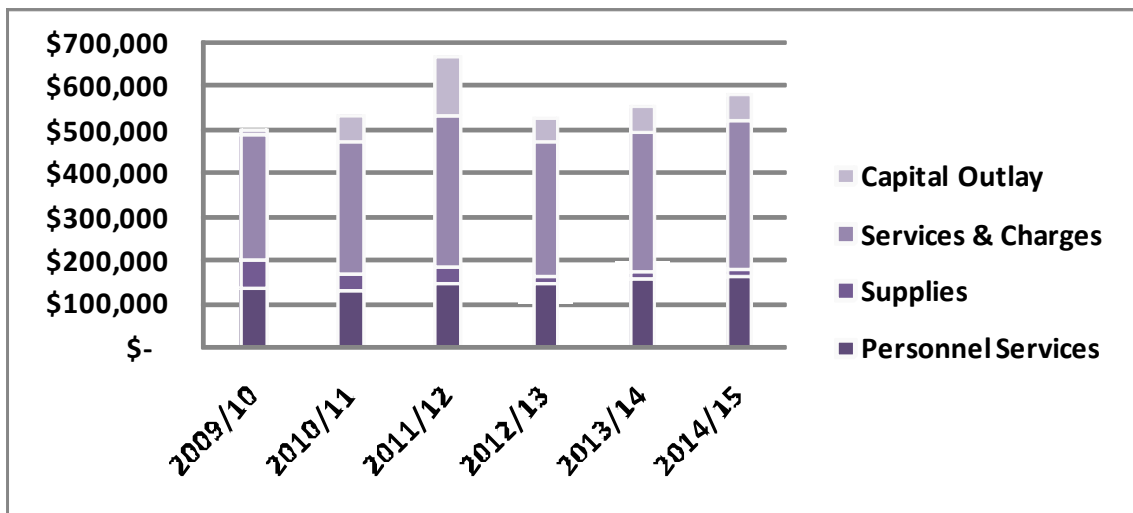
- ⇒ Implement offsite disaster recovery solution
- ⇒ Replace secondary SAN hard drives, redesign storage structure
- ⇒ Develop Intranet Website/Improve Govt. Website
- ⇒ Install Internet monitoring solution
- ⇒ Begin GIS planning for possible 2013/14 implementation
- ⇒ Further enhance VMWare capabilities to begin implementation in 2013/14
- ⇒ Begin Development of a test environment
- ⇒ Plan for implementation of document management solution using Microsoft Sharepoint 2013/14
- ⇒ Upgrade Finance Application
- ⇒ Finish AV upgrade

DIVISION BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	110,940	114,400	3.1%	120,500	5.3%
Personnel Benefits	21,727	33,900	56.0%	31,100	-8.3%
Supplies	37,773	39,000	3.2%	15,300	-60.8%
Other Services & Charges	308,360	347,700	12.8%	307,100	-11.7%
Capital	56,463	136,500	141.8%	58,500	-57.1%
Total Information Services	535,263	671,500	25.5%	532,500	-20.7%

DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ 141,531	132,667	148,300	\$ 151,600	\$ 159,180	\$ 167,139
Supplies	60,847	37,773	39,000	15,300	\$ 16,065	\$ 16,868
Services & Charges	289,739	308,360	347,700	307,100	\$ 322,455	\$ 338,578
Capital Outlay	12,824	56,463	136,500	58,500	\$ 61,425	\$ 64,496
Total Information Serv	\$ 504,941	535,263	\$ 671,500	\$ 532,500	\$ 559,125	\$ 587,081





INFORMATION SERVICES

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
SALARIES & WAGES				
101-5-1408-00-5001 Full Time Employees	112,560	110,940	114,400	120,500
Total Salaries & Wages	<u>112,560</u>	<u>110,940</u>	<u>114,400</u>	<u>120,500</u>
PERSONNEL BENEFITS				
101-5-1408-00-5501 FICA	8,198	8,302	8,400	8,800
101-5-1408-00-5504 Pensions	9,451	10,278	11,300	13,100
101-5-1408-00-5700 Health/Life Insurance	10,575	2,541	13,500	8,500
101-5-1408-00-5701 Disability Insurance	420	307	300	300
101-5-1408-00-5800 Workers Compensation	327	299	400	400
Total Personnel Benefits	<u>28,971</u>	<u>21,727</u>	<u>33,900</u>	<u>31,100</u>
SUPPLIES				
101-5-1408-00-6001 Office Supplies	6	14	200	200
101-5-1408-00-6011 Small Tools & Minor Equipment	-	-	1,800	-
101-5-x408-0x-6013 Computer Equipment Supplies	60,792	37,710	37,000	15,000
101-5-1408-00-6300 Vehicle Fuel	-	-	-	100
101-5-1408-00-6700 Dues & Memberships	49	49	-	-
Total Supplies	<u>60,847</u>	<u>37,773</u>	<u>39,000</u>	<u>15,300</u>
OTHER SERVICES & CHARGES				
101-5-1408-00-7005 Software Licensing	93,700	53,918	44,400	26,700
101-5-x408-0x-7306 Telephone Charges	67,796	78,297	87,000	73,000
101-5-1408-00-7307 Postage	100	-	-	-
101-5-1408-00-7401 Building R&M	-	-	6,000	-
101-5-1408-00-7402 Office Equipment R&M	-	-	3,000	-
101-5-x408-0x-7403 Computer Equipment R&M	126,880	172,588	199,200	201,400
101-5-1408-00-7600 Travel	-	175	500	500
101-5-1408-00-7601 Registrations	249	174	500	500
101-5-1408-00-7900 Other Professional Services	1,014	3,208	7,000	5,000
101-5-1408-00-7910 Printing & Binding	-	-	100	-
Total Other Svcs & Charges	<u>289,739</u>	<u>308,360</u>	<u>347,700</u>	<u>307,100</u>
CAPITAL OUTLAY				
101-5-1408-00-8004 Machinery & Equipment	-	-	86,500	-
101-5-2408-01-8004 Machinery & Equipment	12,824	56,463	50,000	58,500
Total Capital Outlay	<u>12,824</u>	<u>56,463</u>	<u>136,500</u>	<u>58,500</u>
TOTAL INFORMATION SERVICES	<u><u>504,941</u></u>	<u><u>535,263</u></u>	<u><u>671,500</u></u>	<u><u>532,500</u></u>



HUMAN RESOURCES

It is the mission of the Human Resources Division to provide quality administration in Human Resources and Risk Management to the Town of Payson, the Town Council, and Town employees.

DIVISION DESCRIPTION

This mission will be accomplished by:

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

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

2011/12 ACCOMPLISHMENTS

- ✓ **Coordinate MOM unit with annual wellness fair**
- ✓ **Coordinate health screenings with APEHP**
- ✓ **Coordinate annual safety training with SWRS**

CONTACT INFORMATION

Tomi Huddlestun—Human Resources Manager
(928) 474-5242 X233
thuddlestun@paysonaz.gov

PHYSICAL LOCATION

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



**2012/
2013
GOALS**

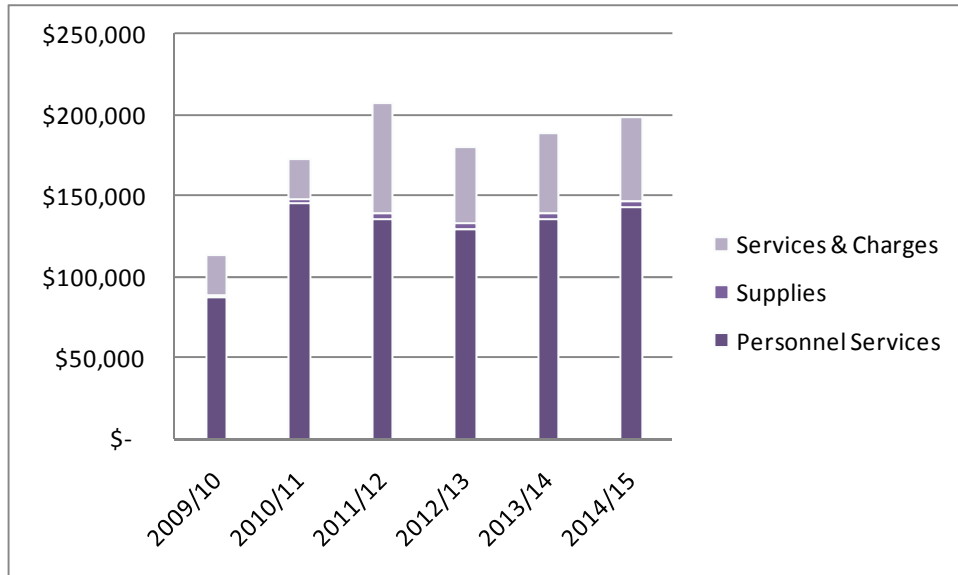
- ⇒ Coordinate online employee annual safety training through SWRS utilizing the Summit Training Program
- ⇒ Revise current job descriptions and career paths

DIVISION BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	113,023	94,800	-16.1%	94,800	0.0%
Personnel Benefits	32,012	40,500	26.5%	34,700	-14.3%
Supplies	3,065	4,000	30.5%	3,500	-12.5%
Other Services & Charges	24,890	68,000	173.2%	47,300	-30.4%
Capital Outlay	-	-	0.0%	-	0.0%
Total Human Resources	172,990	207,300	19.8%	180,300	4.2%

DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ 87,853	145,035	\$ 135,300	\$ 129,500	\$ 135,975	\$ 142,774
Supplies	744	3,065	4,000	3,500	3,675	3,859
Services & Charges	24,656	24,890	68,000	47,300	49,665	52,148
Capital Outlay	-	-	-	-	-	-
Total Human Resource	\$ 113,253	\$ 172,990	\$ 207,300	\$ 180,300	\$ 189,315	\$ 198,781





HUMAN RESOURCES

		2009/10	2010/11	2011/12	2012/13
		ACTUAL	ACTUAL	BUDGET	PROPOSED
SALARIES & WAGES					
101-5-1406-00-5001	Full Time Employees	62,255	113,023	94,800	94,800
	Total Salaries & Wages	62,255	113,023	94,800	94,800
PERSONNEL BENEFITS					
101-5-1406-00-5501	FICA	4,321	8,070	6,700	6,400
101-5-1406-00-5504	Pensions	5,112	8,874	9,400	10,300
101-5-1406-00-5700	Health/Life Insurance	15,765	14,492	23,900	17,500
101-5-1406-00-5701	Disability Insurance	227	262	200	200
101-5-1406-00-5800	Workers Compensation	173	314	300	300
	Total Personnel Benefits	25,598	32,012	40,500	34,700
SUPPLIES					
101-5-1406-00-6001	Office Supplies	584	1,022	1,000	1,000
101-5-1406-00-6005	Operating Supplies	-	1,973	2,500	2,000
101-5-1406-00-6300	Vehicle Fuel	-	-	200	300
101-5-1406-00-6700	Dues & Memberships	160	70	300	200
	Total Supplies	744	3,065	4,000	3,500
OTHER SERVICES & CHARGES					
101-5-1406-00-7100	Legal Services	-	-	30,000	20,000
101-5-1406-00-7306	Telephone Charges	785	1,190	1,400	1,000
101-5-1406-00-7307	Postage	156	43	300	-
101-5-1406-00-7402	Office Equipment R&M	141	0	300	300
101-5-1406-00-7900	Other Professional Services	22,112	18,683	31,000	25,000
101-5-1406-00-7907	Advertising	1,462	4,377	5,000	1,000
101-5-1406-00-7910	Printing & Binding	-	597	-	-
	Total Other Svcs & Charges	24,656	24,890	68,000	47,300
TOTAL HUMAN RESOURCES		113,253	172,990	207,300	180,300

TOWN CLERK'S DEPARTMENT

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**

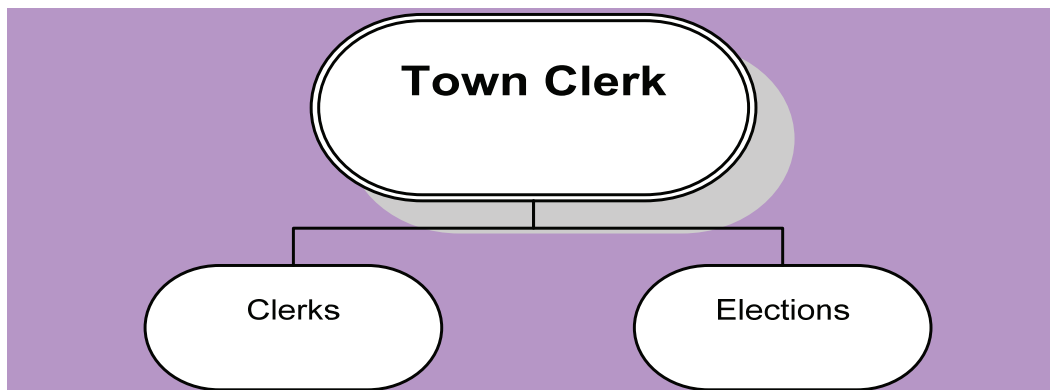
**Silvia Smith
ssmith@paysonaz.gov**





>>>TOWN CLERK’S DEPARTMENT<<<

The Town Clerk’s Department is comprised of the Town Clerk Division and Election Division:



. EXPENDITURE SUMMARY

Operating Division	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed
Town Clerk	263,858	248,224	267,000	256,100
Elections	37,629	190	81,200	38,200
Total Department	301,487	248,414	348,200	294,300

. POSITION SUMMARY

Authorized Personnel	2009/10	2010/11	2011/12	2012/13
Town Clerk	1.0	1.0	1.0	1.0
Chief Deputy Town Clerk	1.0	1.0	1.0	1.0
Deputy Town Clerk	3.0	3.0	2.0	2.0
Total Positions	5.0	5.0	4.0	4.0

*Chief Deputy Town Clerk position frozen pending economic recovery

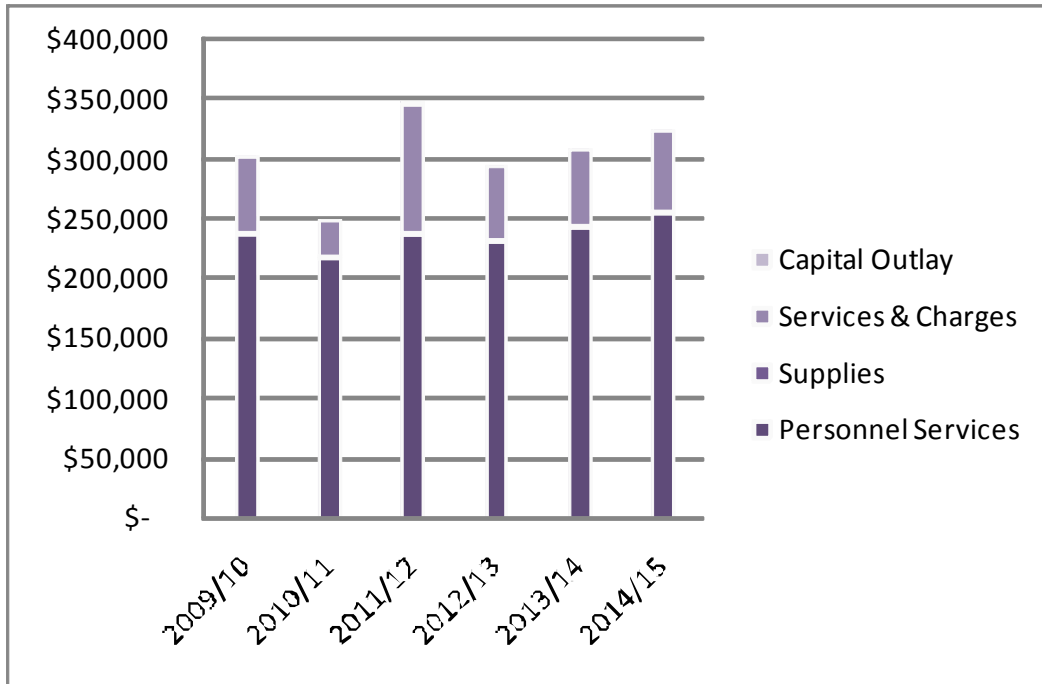


DEPARTMENT BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	174,659	178,200	2.0%	176,200	-1.1%
Personnel Benefits	42,402	59,200	39.6%	55,400	-6.4%
Supplies	1,405	1,600	13.9%	1,700	6.3%
Other Services & Charges	29,948	108,500	262.3%	61,000	-43.8%
Capital	-	700	100.0%	-	-100.0%
Total Town Clerk Dept.	248,414	348,200	40.2%	294,300	-15.5%

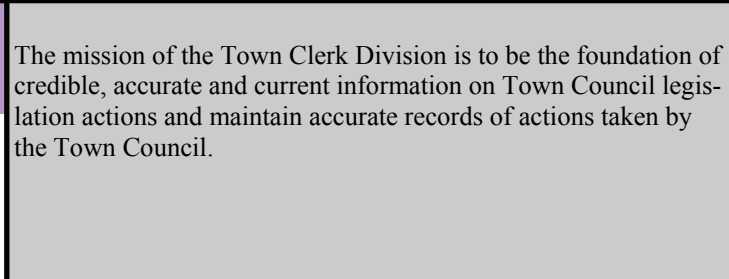
DEPARTMENT BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ 238,095	\$ 217,061	\$ 237,400	\$ 231,600	\$ 243,180	\$ 255,339
Supplies	1,473	1,405	1,600	1,700	\$ 1,785	\$ 1,874
Services & Charges	61,919	29,948	108,500	61,000	\$ 64,050	\$ 67,253
Capital Outlay	-	-	700	-	\$ -	\$ -
Total Clerk Dept	\$ 301,487	248,414	\$ 348,200	\$ 294,300	\$ 309,015	\$ 324,466





**TOWN
CLERK**



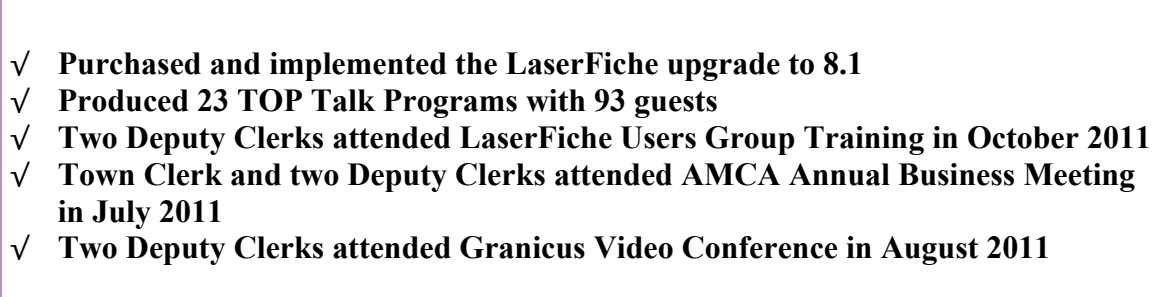
The mission of the Town Clerk Division is to be the foundation of credible, accurate and current information on Town Council legislation actions and maintain accurate records of actions taken by the Town Council.

DIVISION DESCRIPTION

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



2011/12 ACCOMPLISHMENTS

- 
- ✓ **Purchased and implemented the LaserFiche upgrade to 8.1**
 - ✓ **Produced 23 TOP Talk Programs with 93 guests**
 - ✓ **Two Deputy Clerks attended LaserFiche Users Group Training in October 2011**
 - ✓ **Town Clerk and two Deputy Clerks attended AMCA Annual Business Meeting in July 2011**
 - ✓ **Two Deputy Clerks attended Granicus Video Conference in August 2011**



**2012/
2013
GOALS**

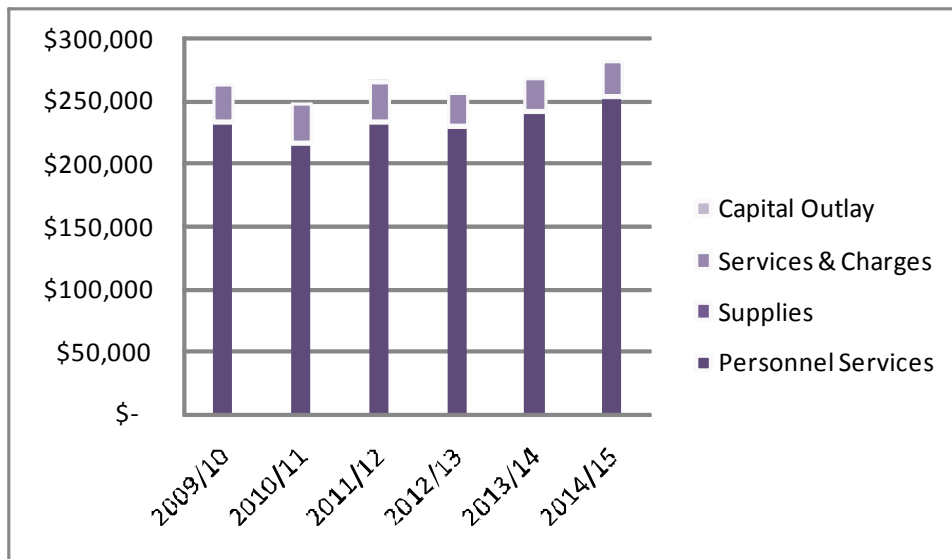
- ⇒ Continue to work with the Town Attorney in the administrative clean-up of the Town Code
- ⇒ Continue to cross-train staff
- ⇒ Produce 22 TOP Talk Programs increasing guests to 94

DIVISION BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	174,659	174,200	-0.3%	174,200	0.0%
Personnel Benefits	42,402	59,200	39.6%	55,400	-6.4%
Supplies	1,405	1,400	-0.4%	1,500	7.1%
Other Services & Charges	29,758	31,500	5.9%	25,000	-20.6%
Capital	-	700	100.0%	-	-100.0%
Total Town Clerk	248,224	267,000	7.6%	256,100	-4.1%

DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

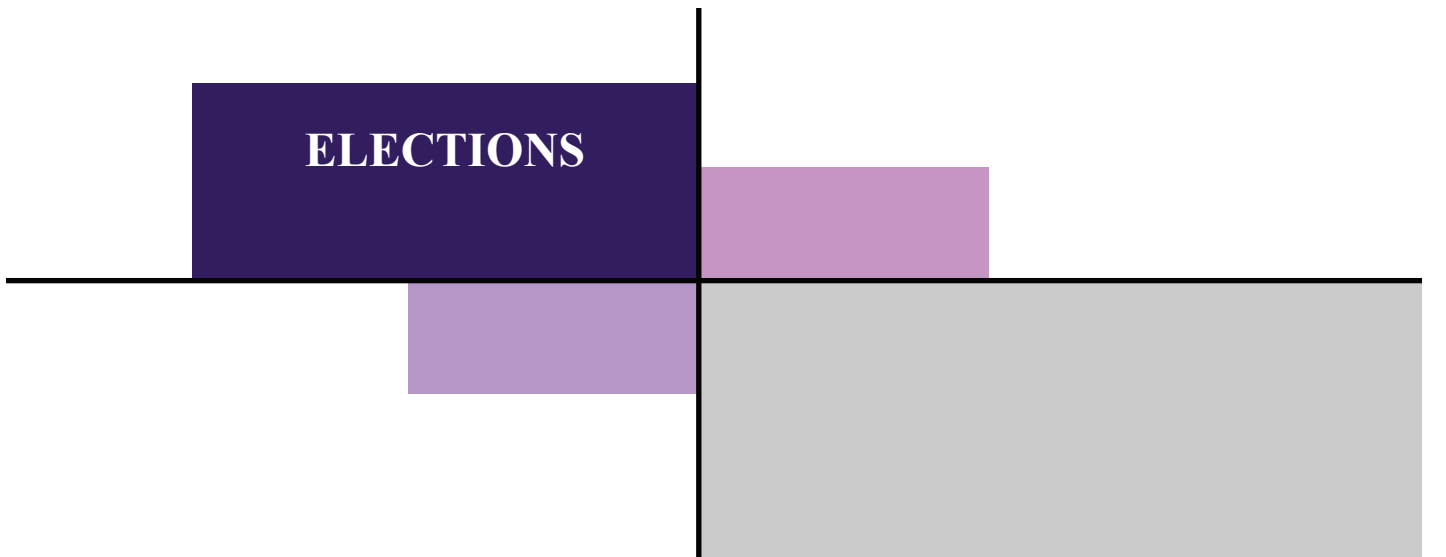
Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ 233,497	217,061	\$ 233,400	\$ 229,600	\$ 241,080	\$ 253,134
Supplies	1,370	1,405	1,400	1,500	1,575	1,654
Services & Charges	28,991	29,758	31,500	25,000	26,250	27,563
Capital Outlay	-	-	700	-	-	-
Total Clerks	\$ 263,858	\$ 248,224	\$ 267,000	\$ 256,100	\$ 268,905	\$ 282,350





TOWN CLERK

		2009/10	2010/11	2011/12	2012/13
		ACTUAL	ACTUAL	BUDGET	PROPOSED
SALARIES & WAGES					
101-5-1402-00-5001	Full Time Employees	171,974	174,659	174,200	174,200
101-5-1402-00-5002	Part Time Employees	1,841	-	-	-
	Total Salaries & Wages	<u>173,815</u>	<u>174,659</u>	<u>174,200</u>	<u>174,200</u>
PERSONNEL BENEFITS					
101-5-1402-00-5501	FICA	12,349	12,637	12,800	12,100
101-5-1402-00-5504	Pensions	14,508	17,249	17,200	19,000
101-5-1402-00-5700	Health/Life Insurance	31,673	11,523	28,000	23,300
101-5-1402-00-5701	Disability Insurance	645	508	600	400
101-5-1402-00-5800	Workers Comp Insurance	507	485	600	600
	Total Personnel Benefits	<u>59,682</u>	<u>42,402</u>	<u>59,200</u>	<u>55,400</u>
SUPPLIES					
101-5-1402-00-6001	Office Supplies	567	892	700	800
101-5-1402-00-6700	Dues & Memberships	803	513	700	700
	Total Supplies	<u>1,370</u>	<u>1,405</u>	<u>1,400</u>	<u>1,500</u>
OTHER SERVICES & CHARGES					
101-5-1402-00-7003	Computer Services	12,297	11,652	13,200	12,000
101-5-1402-00-7306	Telephone	1,228	706	800	800
101-5-1402-00-7402	Office Equipment R&M	-	65	100	100
101-5-1402-00-7600	Travel	826	602	600	1,100
101-5-1402-00-7601	Registrations	500	718	900	1,000
101-5-1402-00-7900	Other Professional Services	3,465	5,045	5,000	5,000
101-5-1402-00-7907	Advertising	10,675	10,970	10,900	5,000
	Total Other Svcs & Charges	<u>28,991</u>	<u>29,758</u>	<u>31,500</u>	<u>25,000</u>
CAPITAL OUTLAY					
101-5-1402-00-8004	Office Furniture & Fixtures	-	-	700	-
	Total Capital Outlay	<u>-</u>	<u>-</u>	<u>700</u>	<u>-</u>
TOTAL TOWN CLERK		<u><u>263,858</u></u>	<u><u>248,224</u></u>	<u><u>267,000</u></u>	<u><u>256,100</u></u>



DIVISION DESCRIPTION

The Town Council elections are held every two years. The elections are coordinated and conducted by the Town Clerk’s office.

2011/12 ACCOMPLISHMENTS

- ✓ **Town Clerk and two Deputy Clerks attended 2011 Election Workshop in July 2011**
- ✓ **Conducted Primary Election in March 2012 within budget**

Contact Information
 Silvia Smith—Town Clerk
 (928) 474-5242 X240
 ssmith@paysonaz.gov

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



**2012/
2013
GOALS**

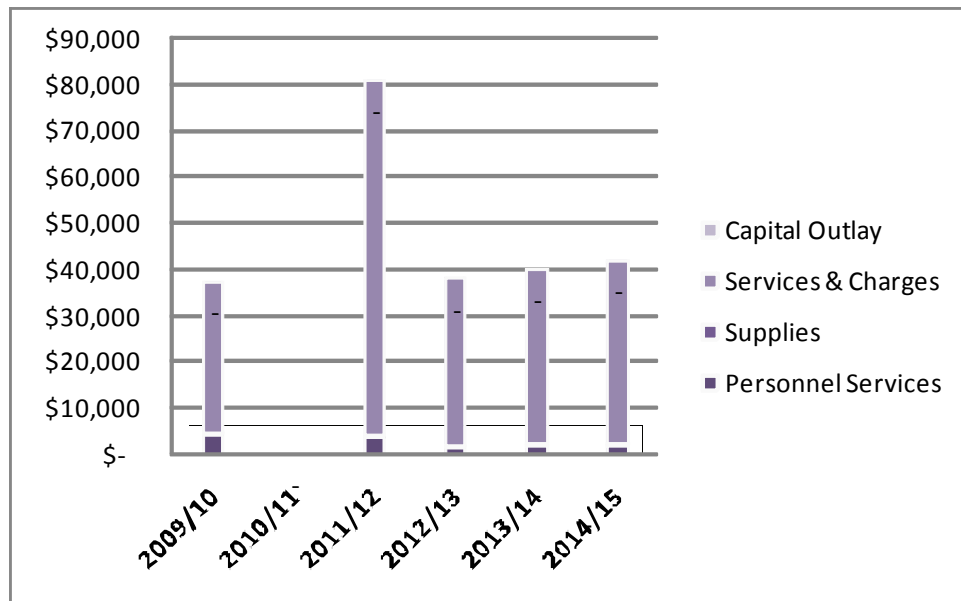
⇒ **Work with the Arizona Municipal Clerks Association and League of Arizona Cities in coordinating the change to consolidated election per new statute for election 2014**

DIVISION BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	-	4,000	100.0%	2,000	-50.0%
Personnel Benefits	-	-	0.0%	-	0.0%
Supplies	-	200	100.0%	200	0.0%
Other Services & Charges	190	77,000	40426.3%	36,000	-53.2%
Capital	-	-	0.0%	-	0.0%
Total Elections	190	81,200	42636.8%	38,200	-53.0%

DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ 4,598	\$ -	\$ 4,000	\$ 2,000	\$ 2,100	\$ 2,205
Supplies	103	-	200	200	210	221
Services & Charges	32,928	190	77,000	36,000	37,800	39,690
Capital Outlay	-	-	-	-	-	-
Total Election	\$ 37,629	\$ 190	\$ 81,200	\$ 38,200	\$ 40,110	\$ 42,116





ELECTIONS

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
SALARIES & WAGES				
101-5-1403-00-5003 Temporary Employees	4,122	-	4,000	2,000
101-5-1403-00-5200 Overtime Pay	368	-	-	-
Total Salaries & Wages	4,490	-	4,000	2,000
PERSONNEL BENEFITS				
101-5-1403-00-5501 FICA	27	-	-	-
101-5-1403-00-5504 Pensions	33	-	-	-
101-5-1403-00-5700 Health/Life Insurance	47	-	-	-
101-5-1403-00-5701 Disability Insurance	1	-	-	-
Total Personnel Benefits	108	-	-	-
SUPPLIES				
101-5-1403-00-6001 Office Supplies	8	-	-	-
101-5-1403-00-6603 Elections	95	-	200	200
Total Supplies	103	-	200	200
OTHER SERVICES & CHARGES				
101-5-1403-00-7900 Other Professional Services	31,804	190	75,000	35,000
101-5-1403-00-7907 Advertising	1,124	-	2,000	1,000
Total Other Svcs & Charges	32,928	190	77,000	36,000
TOTAL ELECTIONS	37,629	190	81,200	38,200

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
928-474-5242 X286**

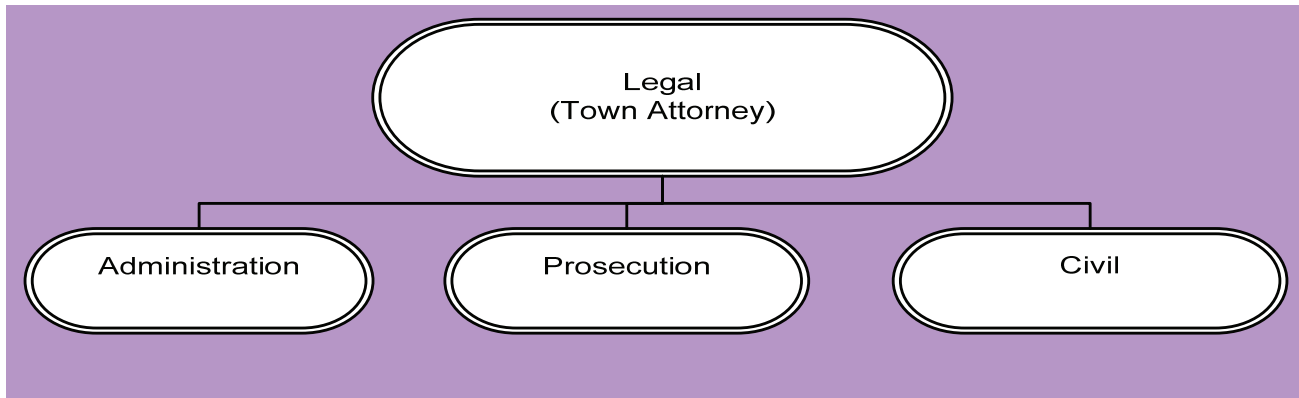
**Tim Wright—Town Attorney
twright@paysonaz.gov**





>>>LEGAL DEPARTMENT—TOWN ATTORNEY’S OFFICE<<<

The Town of Payson Attorney’s Office serves the Town and its residents in two ways—Civil (Internal) and Prosecution (External). The Town Attorney’s Office is one of the most dynamic public law offices in Gila County. 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.



. EXPENDITURE SUMMARY

Operating Division	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed
Town Attorney - Administration	513,621	67,300	42,500	42,500
Town Attorney - Civil	341	222,624	159,300	159,100
Town Attorney - Prosecution	-	129,494	143,800	147,300
Total Expenditures	513,962	419,418	345,600	348,900

Starting in FY11/12, the Town Attorney’s Department was split into three divisions.

. POSITION SUMMARY

Authorized Personnel	2009/10	2010/11	2011/12	2012/13
Town Attorney	1.0	1.0	1.0	1.0
Deputy Town Attorney	1.0	1.0	-	-
Prosecutor	-	-	1.0	1.0
Paralegal	1.0	1.0	1.0	1.0
Office Manager	1.0	1.0	1.0	1.0
Total Full-Time Positions	4.0	4.0	4.0	4.0

*The Office Manager position is currently filled with a part-time employee

**The Prosecutor position is 36 hours per week pending economic recovery.

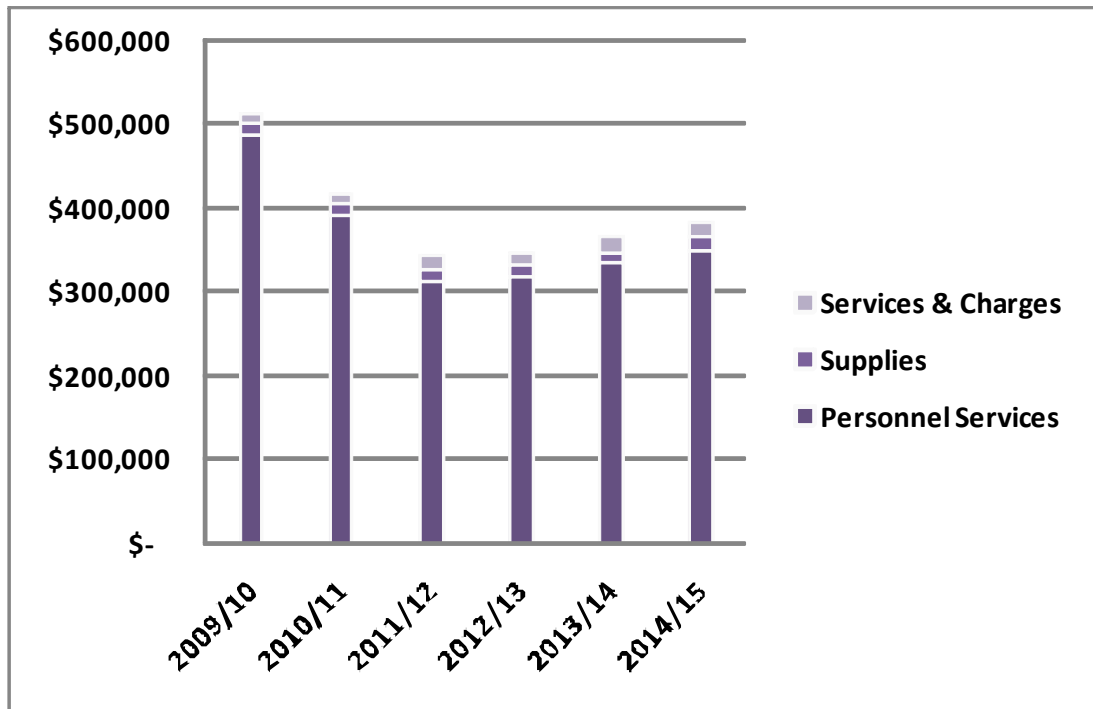


DEPARTMENT BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	334,205	249,000	-25.5%	250,200	0.5%
Personnel Benefits	59,975	63,600	6.0%	69,000	8.5%
Supplies	11,929	14,700	23.2%	13,300	-9.5%
Other Services & Charges	13,309	18,300	37.5%	16,400	-10.4%
Capital Outlay	-	-	0.0%	-	0.0%
Total Town Attorney	419,418	345,600	-17.6%	348,900	1.0%

DEPARTMENT BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ 487,595	394,180	312,600	319,200	\$ 335,160	\$ 351,918
Supplies	14,883	11,929	14,700	13,300	13,965	14,663
Services & Charges	11,484	13,309	18,300	16,400	17,220	18,081
Capital Outlay	-	-	-	-	-	-
Total Town Attorney	\$ 513,962	419,418	\$ 345,600	\$ 348,900	\$ 366,345	\$ 384,662





**ADMINISTRATION
DIVISION**

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.

DIVISION DESCRIPTION

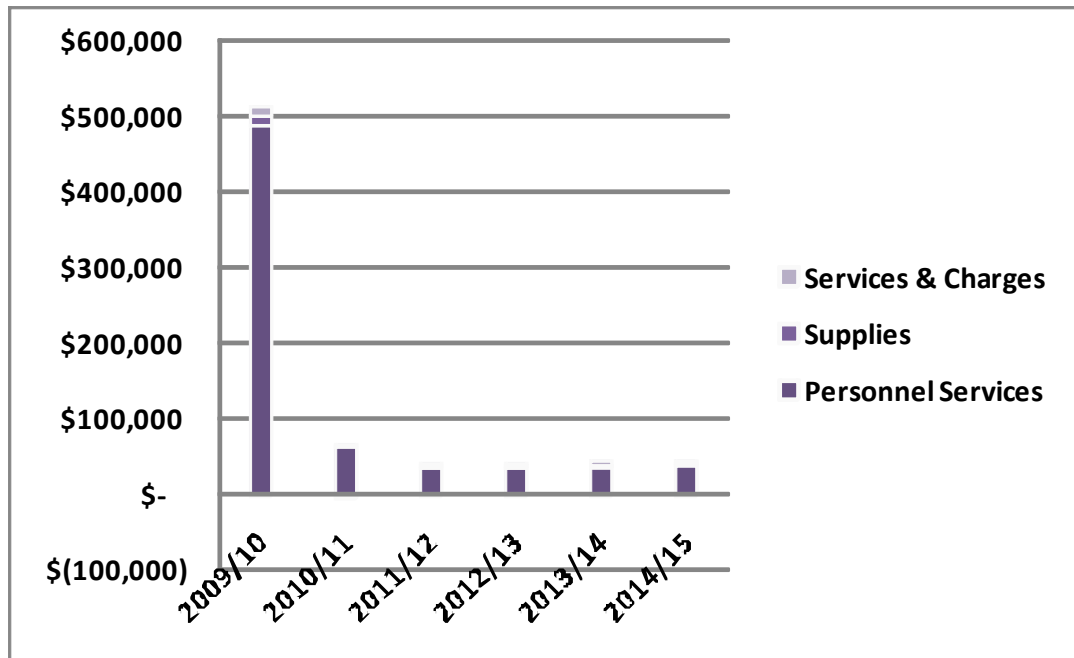
The Administrative division accounts for administrative expenses shared by the Civil and Prosecution Divisions.

BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	53,051	29,100	-45.1%	29,100	0.0%
Personnel Benefits	10,233	7,200	-29.6%	7,200	0.0%
Supplies	(81)	1,500	-1951.9%	1,500	0.0%
Other Services & Charges	4,097	4,700	14.7%	4,700	0.0%
Capital Outlay	-	-	0.0%	-	0.0%
Total Town Attorney	67,300	42,500	-36.8%	42,500	0.0%



Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ 487,595	63,284	36,300	36,300	\$ 38,115	\$ 40,021
Supplies	14,542	(81)	1,500	1,500	1,575	1,654
Services & Charges	11,484	4,097	4,700	4,700	4,935	5,182
Capital Outlay	-	-	-	-	-	-
Total Town Attorney	\$ 513,621	67,300	\$ 42,500	\$ 42,500	\$ 44,625	\$ 46,856



**ADMINISTRATION**

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
SALARIES & WAGES				
101-5-1418-00-5001 Full Time Employees	364,754	51,455	22,800	22,800
101-5-1418-00-5002 Part Time Employees	21,607	1,596	6,300	6,300
Total Salaries & Wages	386,361	53,051	29,100	29,100
PERSONNEL BENEFITS				
101-5-1418-00-5501 FICA	26,278	3,515	2,200	2,100
101-5-1418-00-5504 Pensions	28,004	4,437	2,300	3,000
101-5-1418-00-5700 Health/Life Insurance	44,903	1,964	2,500	2,000
101-5-1418-00-5701 Disability Insurance	1,245	220	100	50
101-5-1418-00-5800 Workers Compensation	804	97	100	50
Total Personnel Benefits	101,234	10,233	7,200	7,200
SUPPLIES				
101-5-1418-00-6001 Office Supplies	3,546	(148)	300	300
101-5-1418-00-6010 Books & Periodicals	7,342	-	-	-
101-5-1418-00-6011 Small Tools & Minor Equipment	313	-	-	-
101-5-1418-00-6201 Building Repair Materials	1,113	3	1,000	1,000
101-5-1418-00-6700 Dues & Memberships	2,030	-	-	-
101-5-1418-00-6990 Other Supplies	198	64	200	200
Total Supplies	14,542	(81)	1,500	1,500
OTHER SERVICES & CHARGES				
101-5-1418-00-7100 Legal Fees	822	-	-	-
101-5-1418-00-7103 Prosecution Services	1,834	-	-	-
101-5-1418-00-7300 Electricity Charges	2,043	1,966	2,000	2,000
101-5-1418-00-7301 Propane Gas Charges	1,130	924	1,000	1,000
101-5-1418-00-7306 Telephone Charges	1,267	-	-	-
101-5-1418-00-7307 Postage	101	-	-	-
101-5-1418-00-7401 Building Repair & Maintenance	1,484	298	1,000	1,200
101-5-1418-00-7402 Office Equipment R&M	359	687	500	500
101-5-1418-00-7600 Travel	1,259	-	-	-
101-5-1418-00-7601 Registrations	1,140	-	-	-
101-5-1418-00-7900 Other Professional Services	45	222	200	-
Total Other Services & Charges	11,484	4,097	4,700	4,700
TOTAL TOWN ATTORNEY	513,621	67,300	42,500	42,500

**CIVIL
DIVISION**

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.

DIVISION DESCRIPTION

The Civil Division advises the Mayor, Council, Town Manager, Town Boards, Committees, Commissions, and Town Departments as they work on the creation and implementation of policies, programs, and ordinances to benefit the residents of Payson. The Civil Division also works to protect and minimize the Town’s liability both proactively and when claims and/or lawsuits are filed.

2011/12 ACCOMPLISHMENTS

- ✓ **Drafted all documents necessary for the creation of Rim Country Educational Alliance Separate Legal Entity**
- ✓ **Prepared 15 Ordinances and 55 Resolutions**
- ✓ **Worked with Southwest Risk Services defending the Town in numerous litigation and pre-litigation matters**
- ✓ **Assisted Department Heads and Human Resources with numerous employee discipline matters**
- ✓ **Presented Open Meeting Law Training to various Boards and Commissions**
- ✓ **Prepared all documents necessary to receive managerial responsibility of the Payson Airport back from the Payson Regional Airport Authority**
- ✓ **Draft Ordinance prohibiting the sale of ‘designer drugs’ in Payson**
- ✓ **Drafted and/or reviewed numerous contracts for Town Departments and/or Council approval**
- ✓ **Prepared all Council related materials and provided assistance to the Clerk’s Office for the 2012 Council election**
- ✓ **Worked with Community Development on revamping the Town’s Impact Fees as required by new State law**



**2012/
2013
GOALS**

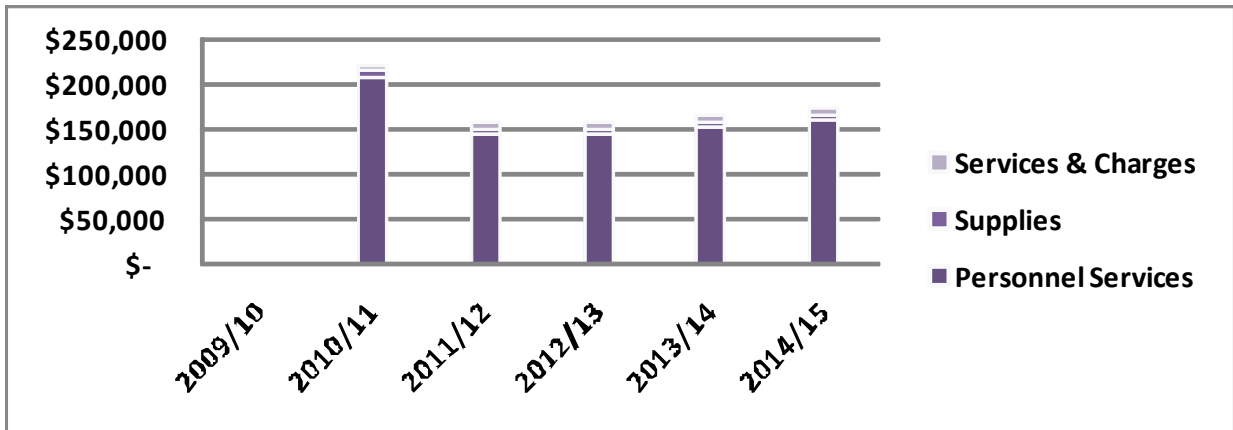
- ⇒ Assist the Town’s Economic Development personnel to facilitate economic development
- ⇒ Continue to work with the Mayor, Council, staff, and RCEA to facilitate the location of a four year college campus in Payson
- ⇒ Continue working on obtaining ‘wet’ water from the CC Cragin Reservoir
- ⇒ Negotiate and draft various agreements and contracts as directed by the Town Council
- ⇒ Assist with the implementation of various new State Law regulations including but not limited to HB2826, Consolidated Elections
- ⇒ Facilitate the implementation of the Town’s programs and policies as set forth by the Town Council
- ⇒ To the greatest extent possible, prevent the Town from incurring liability by being proactive

BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	183,588	116,100	-36.8%	116,100	0.0%
Personnel Benefits	26,593	28,700	7.9%	29,900	4.2%
Supplies	5,720	6,000	4.9%	5,200	-13.3%
Other Services & Charges	6,723	8,500	26.4%	7,900	-7.1%
Capital Outlay	-	-	0.0%	-	0.0%
Total Town Attorney	222,624	159,300	-28.4%	159,100	-0.1%

BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ -	210,181	144,800	146,000	\$ 153,300	\$ 160,965
Supplies	341	5,720	6,000	5,200	5,460	5,733
Services & Charges	-	6,723	8,500	7,900	8,295	8,710
Capital Outlay	-	-	-	-	-	-
Total Town Attorney	\$ 341	222,624	\$ 159,300	\$ 159,100	\$ 167,055	\$ 175,408





CIVIL	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
SALARIES & WAGES				
101-5-1418-01-5001 Full Time Employees	-	179,120	94,200	94,200
101-5-1418-01-5002 Part Time Employees	-	4,468	21,900	21,900
Total Salaries & Wages	-	183,588	116,100	116,100
PERSONNEL BENEFITS				
101-5-1418-01-5501 FICA	-	11,058	8,700	8,500
101-5-1418-01-5504 Pensions	-	11,538	9,300	12,200
101-5-1418-01-5700 Health/Life Insurance	-	3,330	10,100	8,600
101-5-1418-01-5701 Disability Insurance	-	298	300	300
101-5-1418-01-5800 Workers Compensation	-	369	300	300
Total Personnel Benefits	-	26,593	28,700	29,900
SUPPLIES				
101-5-1418-01-6001 Office Supplies	-	1,096	900	500
101-5-1418-01-6010 Legal Research Materials	341	3,564	3,900	3,500
101-5-1418-01-6700 Dues & Memberships	-	1,060	1,200	1,200
Total Supplies	341	5,720	6,000	5,200
OTHER SERVICES & CHARGES				
101-5-1418-01-7100 Legal Fees	-	3,760	5,000	5,000
101-5-1418-01-7306 Telephone Charges	-	550	300	300
101-5-1418-01-7307 Postage	-	239	300	100
101-5-1418-01-7600 Travel	-	1,330	1,700	1,500
101-5-1418-01-7601 Registrations	-	844	1,000	800
101-5-1418-01-7900 Other Professional Services	-	-	200	200
Total Other Services & Charges	-	6,723	8,500	7,900
TOTAL TOWN ATTORNEY	341	222,624	159,300	159,100



PROSECUTION DIVISION

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.

DIVISION DESCRIPTION

The Prosecution Division prosecutes all misdemeanor crimes committed within the Town limits and filed in the Town Magistrate Court. Additionally, the Town Attorney’s Office assures that statutory rights of the victims of such crimes are protected.

2011/12 ACCOMPLISHMENTS

- ✓ Reviewed 136 Long Form Submittals from the Payson Police Department
- ✓ Opened 585 new criminal case files, including 432 victim cases, 68 driving under the influence cases, and 175 domestic violence cases
- ✓ Represented the State at over 1150 PreTrial Conferences, Review Hearings, Sentencing Hearings, and/or Bench Trials

CONTACT INFORMATION

Kyle Mann—Town Prosecutor
(928) 474-5242 X287
kmann@paysonaz.gov

PHYSICAL LOCATION

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



**2012/
2013
GOALS**

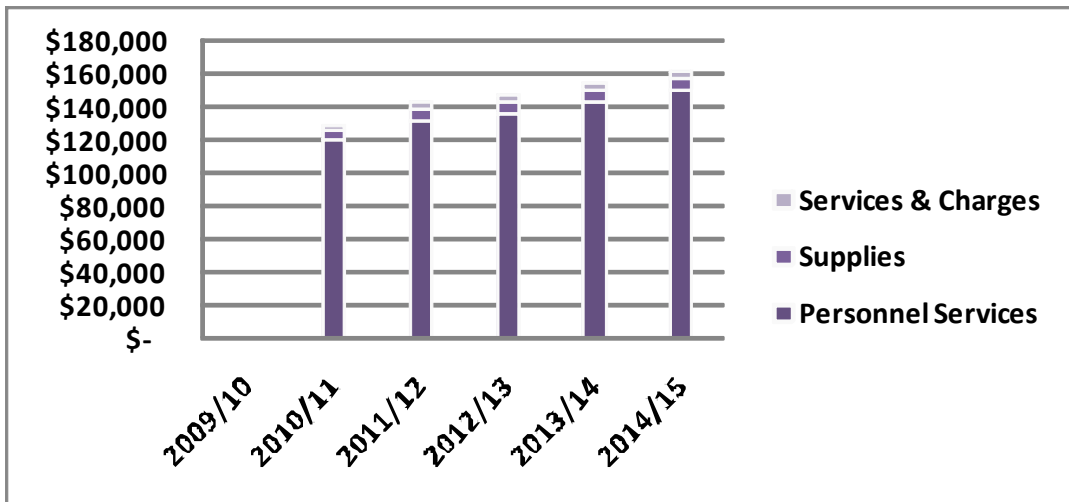
- ⇒ Continue to create efficiencies as it is anticipated that the case numbers will increase when additional Police Department personnel are hired
- ⇒ Explore options for community service programs for minor offenders
- ⇒ Continue to improve communications, interaction, and responsiveness to victims
- ⇒ Work with the Magistrate Court to implement statutory changes, including, but not limited to new fees and surcharges

BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	97,566	103,800	6.4%	105,000	1.2%
Personnel Benefits	23,149	27,700	19.7%	31,900	15.2%
Supplies	6,290	7,200	14.5%	6,600	-8.3%
Other Services & Charges	2,489	5,100	104.9%	3,800	-25.5%
Capital Outlay	-	-	0.0%	-	0.0%
Total Town Attorney	129,494	143,800	11.0%	147,300	2.4%

BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ -	120,715	131,500	136,900	\$ 143,745	\$ 150,932
Supplies	-	6,290	7,200	6,600	6,930	7,277
Services & Charges	-	2,489	5,100	3,800	3,990	4,190
Capital Outlay	-	-	-	-	-	-
Total Town Attorney	\$ -	129,494	\$ 143,800	\$ 147,300	\$ 154,665	\$ 162,398





PROSECUTION

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
SALARIES & WAGES				
101-5-1418-02-5001 Full Time Employees	-	96,928	100,700	101,800
101-5-1418-02-5002 Part Time Employees	-	638	3,100	3,200
Total Salaries & Wages	-	97,566	103,800	105,000
PERSONNEL BENEFITS				
101-5-1418-02-5501 FICA	-	7,105	7,700	7,400
101-5-1418-02-5504 Pensions	-	8,558	9,900	11,400
101-5-1418-02-5700 Health/Life Insurance	-	7,037	9,500	12,600
101-5-1418-02-5701 Disability Insurance	-	223	300	200
101-5-1418-02-5800 Worker's Comp Insurance	-	226	300	300
Total Personnel Benefits	-	23,149	27,700	31,900
SUPPLIES				
101-5-1418-02-6001 Office Supplies	-	2,521	2,700	2,500
101-5-1418-02-6010 Legal Research Materials	-	3,309	3,900	3,500
101-5-1418-02-6700 Dues & Memberships	-	460	600	600
Total Supplies	-	6,290	7,200	6,600
OTHER SERVICES & CHARGES				
101-5-1418-02-7103 Prosecution Services	-	600	1,800	1,500
101-5-1418-02-7306 Telephone Charges	-	588	800	800
101-5-1418-02-7600 Travel	-	942	1,500	1,000
101-5-1418-02-7601 Registrations	-	359	1,000	500
Total Other Services & Charges	-	2,489	5,100	3,800
TOTAL TOWN ATTORNEY	-	129,494	143,800	147,300

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.

**Town of Payson
303 N. Beeline Highway
Payson, AZ 85541
928-474-5242 X327**

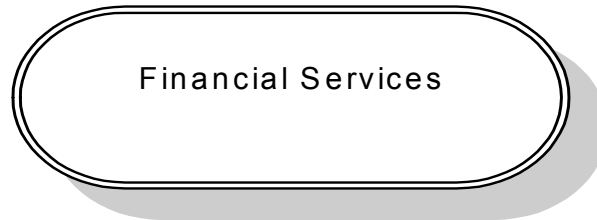
**Hope Cribb—Finance Manager
hcribb@paysonaz.gov**





>>>FINANCIAL SERVICES<<<

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



. EXPENDITURE SUMMARY

Operating Division	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed
Financial Services	409,408	217,423	354,500	331,800
Total Financial Serv Dept	409,408	217,423	354,500	331,800

. POSITION SUMMARY

Authorized Personnel	2009/10	2010/11	2011/12	2012/13
Chief Fiscal Officer	1.0	1.0	1.0	0.0
Deputy CFO	1.0	1.0	1.0	1.0
Finance Manager	0.0	0.0	0.0	1.0
Accountant II	1.0	1.0	1.0	1.0
Budget Analyst I	1.0	0.0	0.0	1.0
Accounting Clerk	1.0	1.0	1.0	1.0
Grants Coordinator	1.0	1.0	1.0	1.0
Financial Analyst	0.0	1.0	1.0	0.0
Total Full-Time Positions	6.0	6.0	6.0	6.0

* Position frozen pending economic recovery

** Position filled with part time employee pending economic recovery



DIVISION DESCRIPTION

Financial Services’ purpose is to provide responsive and accurate technical staff support to the Town Manager and all operating departments and to plan, manage and maintain the financial affairs of the Town. Financial Services is responsible for planning and maintaining the Town’s financial health through oversight of cash management, purchasing, accounts payable, capital assets, accounts receivable, grant monitoring, banking relations, monthly reporting, and debt service functions. The department is also responsible for the Town’s annual audit and budget process.

2011/12 ACCOMPLISHMENTS

- ✓ **Completed the 2010/2011 Audit**
- ✓ **Continued to receive professional awards and recognition:**
 - ***GFOA Certificate of Achievement for Excellence in Financial Reporting (fourteenth consecutive year)**
 - ***GFOA Distinguished Budget Presentation Award (fourteenth consecutive year)**
 - ***GFOA Certificate for the Popular Annual Financial Report (sixth year)**

CONTACT INFORMATION

Hope Cribb
Finance Manager
(928) 474-5242 X327
hcribb@paysonaz.gov

PHYSICAL LOCATION

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



**2012/
2013
GOALS**

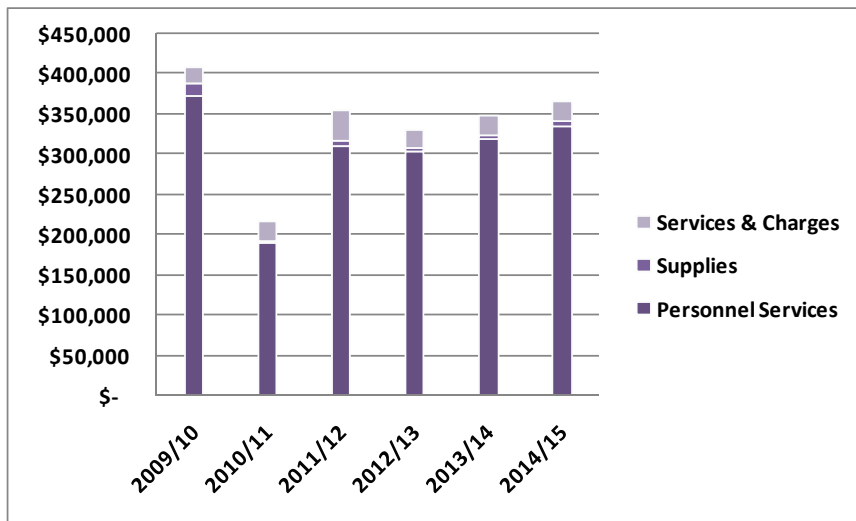
- ⇒ Ensure excellent fiscal management to maintain public trust
- ⇒ Continue to enhance utilization of financial system and develop applications to facilitate transparency
- ⇒ Monitor impact of economic conditions on current financial position of Town
- ⇒ Continue to strengthen internal controls by updating policies and providing training to employees
- ⇒ Continue to receive professional awards and recognition

BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	151,469	235,600	55.5%	236,800	0.5%
Personnel Benefits	39,197	75,700	93.1%	67,400	-11.0%
Supplies	2,887	5,000	73.2%	5,000	0.0%
Other Services & Charges	23,870	38,200	60.0%	22,600	-40.8%
Capital Outlay	-	-	0.0%	-	0.0%
Total Finance Services	217,423	354,500	63.0%	331,800	-6.4%

BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ 373,620	190,666	\$ 311,300	\$ 304,200	\$ 319,410	\$ 335,381
Supplies	14,712	2,887	5,000	5,000	\$ 5,250	\$ 5,513
Services & Charges	21,076	23,870	38,200	22,600	\$ 23,730	\$ 24,917
Capital Outlay	-	-	-	-	\$ -	\$ -
Total Financial Serv	\$ 409,408	217,423	\$ 354,500	\$ 331,800	\$ 348,390	\$ 365,810





FINANCIAL SERVICES

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
SALARIES & WAGES				
101-5-1407-00-5001 Full Time Employees	291,565	151,124	191,900	193,200
101-5-1407-00-5002 Part Time Employees	-	345	43,700	43,600
Total Salaries & Wages	<u>291,565</u>	<u>151,469</u>	<u>235,600</u>	<u>236,800</u>
PERSONNEL BENEFITS				
101-5-1407-00-5501 FICA	21,249	11,044	17,100	16,900
101-5-1407-00-5504 Pensions	22,009	14,280	23,500	25,800
101-5-1407-00-5700 Health/Life Insurance	37,005	13,030	33,800	23,300
101-5-1407-00-5701 Disability Insurance	978	448	600	600
101-5-1407-00-5800 Workers Comp Insurance	814	395	700	800
Total Personnel Benefits	<u>82,055</u>	<u>39,197</u>	<u>75,700</u>	<u>67,400</u>
SUPPLIES				
101-5-1407-00-6001 Office Supplies	4,573	2,304	3,000	3,000
101-5-1407-00-6010 Books & Periodicals	72	68	500	500
101-5-1407-00-6700 Dues & Memberships	395	-	500	500
101-5-1407-00-6990 Other Expenses	9,672	515	1,000	1,000
Total Supplies	<u>14,712</u>	<u>2,887</u>	<u>5,000</u>	<u>5,000</u>
OTHER SERVICES & CHARGES				
101-5-1407-00-7002 Accounting/Auditing Services	11,894	19,604	14,700	15,100
101-5-1407-00-7306 Telephone	844	206	1,500	1,300
101-5-1407-00-7402 Office Equipment R&M	-	-	400	400
101-5-1407-00-7600 Travel	635	-	1,500	700
101-5-1407-00-7601 Registrations	435	85	600	600
101-5-1407-00-7900 Other Professional Services	7,080	3,945	18,500	4,000
101-5-1407-00-7910 Printing & Binding	188	30	1,000	500
Total Other Svcs & Charges	<u>21,076</u>	<u>23,870</u>	<u>38,200</u>	<u>22,600</u>
TOTAL FINANCE	<u><u>409,408</u></u>	<u><u>217,423</u></u>	<u><u>354,500</u></u>	<u><u>331,800</u></u>

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**

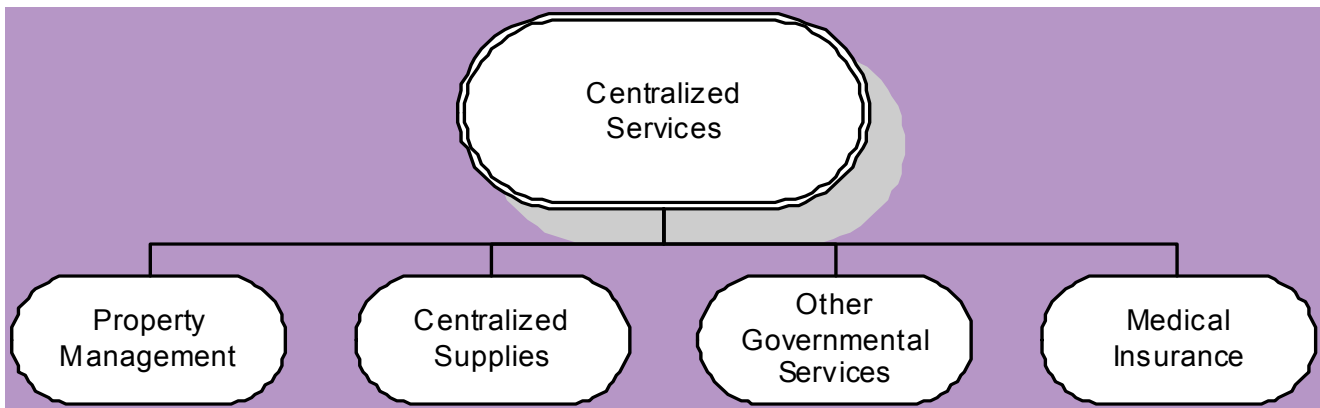




>>>CENTRAL SERVICES<<<

Central Services includes costs to maintain and operate the Town Hall building; costs to operate and maintain centralized office equipment such as computers and telephone equipment; general Town memberships in regional and professional agencies; community promotional expenses; and health insurance management.

Central Services is operationally organized into four divisions:



. EXPENDITURE SUMMARY

Operating Division	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed
Property Management	119,568	114,364	144,300	128,200
Centralized Supplies	49,094	57,905	51,600	59,300
Other Governmental Services	501,787	428,842	541,400	429,400
Medical Insurance	2,252,974	2,561,042	3,295,800	2,917,000
Total Department	2,923,423	3,162,153	4,033,100	3,533,900

. POSITION SUMMARY

Authorized Personnel	2009/10	2010/11	2011/12	2012/13
None				
Total Full-Time Positions	0.0	0.0	0.0	0.0

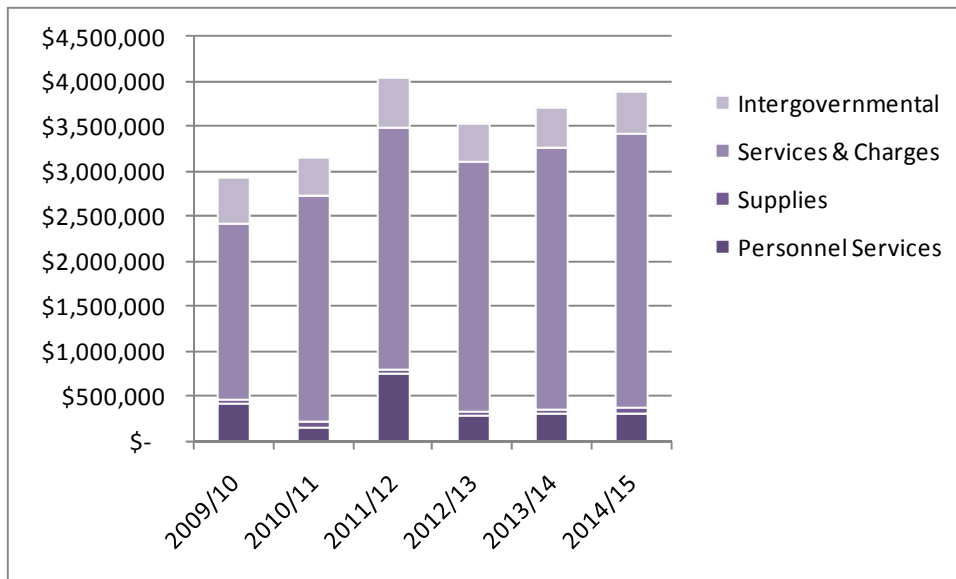


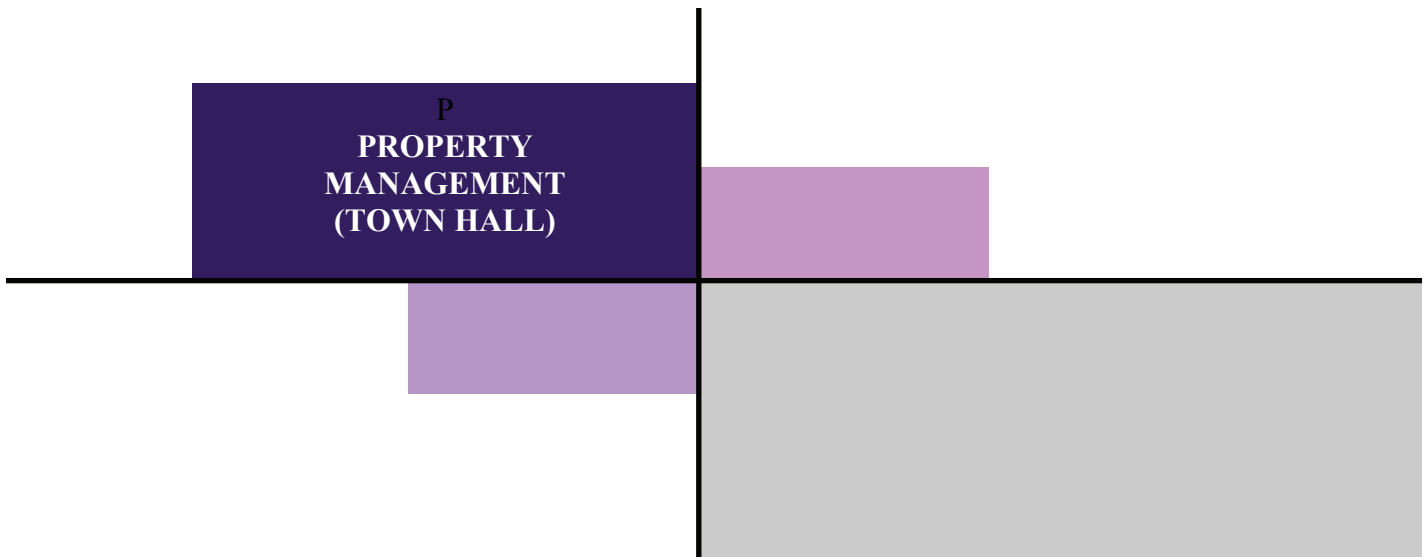
DEPARTMENT BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	-	-	0.0%	-	0.0%
Personnel Benefits	160,934	758,400	371.2%	285,200	-62.4%
Supplies	53,706	47,800	-11.0%	55,000	15.1%
Other Services & Charges	2,518,671	2,685,500	6.6%	2,764,300	2.9%
Intergovernmental Services	428,842	541,400	26.2%	429,400	-20.7%
Capital Outlay	-	-	0.0%	-	0.0%
Total Central Services	3,162,153	4,033,100	27.5%	3,533,900	-12.4%

DEPARTMENT BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ 422,906	160,934	\$ 758,400	\$ 285,200	\$ 299,460	\$ 314,433
Supplies	40,366	53,706	47,800	55,000	57,750	60,638
Services & Charges	1,958,364	2,518,671	2,685,500	2,764,300	2,902,515	3,047,641
Intergovernmental	501,787	428,842	541,400	429,400	450,870	473,414
Total Central Services	\$ 2,923,423	\$ 3,162,153	\$ 4,033,100	\$ 3,533,900	\$ 3,710,595	\$ 3,896,125





DIVISION DESCRIPTION

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

2011/12 ACCOMPLISHMENTS

- ✓ **Managed facility in an efficient, cost effective manner**
- ✓ **Maintained facility in a manner that insures safety and minimizes risks to property and persons**
- ✓ **Various energy efficiency upgrades**



**2012/
2013
GOALS**

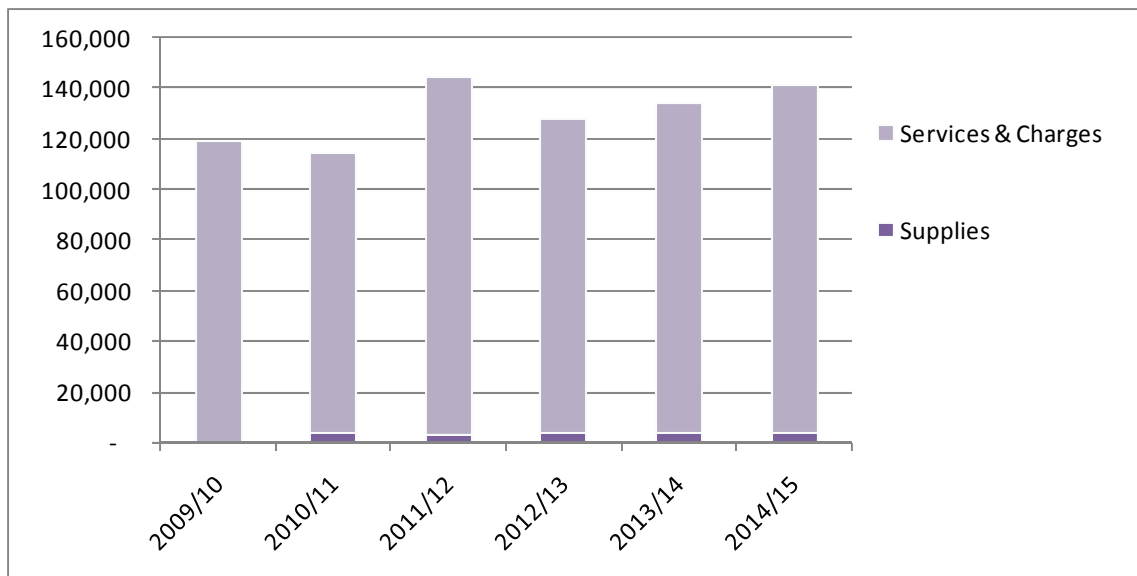
- ⇒ Operate facility in an efficient, cost effective manner
- ⇒ Maintain facility in a manner that ensures safety and minimizes risks to property and person

DIVISION BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Supplies	3,744	3,200	-14.5%	3,600	12.5%
Other Services & Charges	110,620	141,100	27.6%	124,600	-11.7%
Capital Outlay	-	-	0.0%	-	0.0%
Total Property Management	114,364	144,300	26.2%	128,200	-11.2%

DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

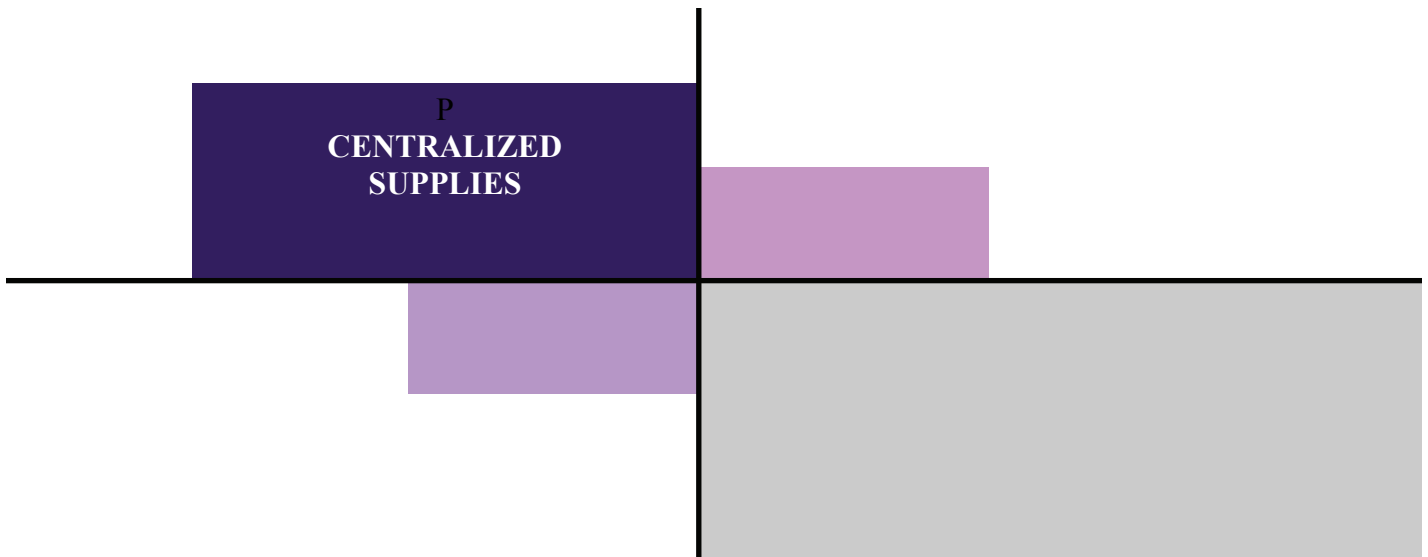
Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	101	3,744	3,200	3,600	3,780	3,969
Services & Charges	119,467	110,620	141,100	124,600	130,830	137,372
Capital Outlay	-	-	-	-	-	-
Total Property Mgmt	\$ 119,568	114,364	\$ 144,300	\$ 128,200	\$ 134,610	\$ 141,341





PROPERTY MANAGEMENT - TOWN HALL

		2009/10	2010/11	2011/12	2012/13
		ACTUAL	ACTUAL	BUDGET	PROPOSED
SUPPLIES					
101-5-1401-00-6001	Office Supplies	101	3,744	3,200	3,600
	Total Supplies	101	3,744	3,200	3,600
OTHER SERVICES & CHARGES					
101-5-1401-00-7900	Other Professional Services	3,368	3,108	3,500	5,000
101-5-1401-00-7300	Electricity	21,996	22,771	21,000	23,000
101-5-1401-00-7301	Propane Gas	2,895	4,014	4,000	2,000
101-5-1401-00-7302	Water	360	566	500	600
101-5-1401-00-7304	Sewage	1,020	882	1,000	600
101-5-1401-00-7305	Refuse Disposal	527	780	800	800
101-5-1401-00-7306	Telephone	62,761	53,880	55,000	45,600
101-5-1401-00-7401	Building R&M	2,593	3,592	10,000	10,000
101-5-1401-00-7402	Office Equipment R&M	5,822	1,088	6,000	5,000
101-5-1401-00-7404	Equipment R&M	5,483	5,107	25,300	17,000
101-5-1401-00-7502	Leased Equipment	12,642	14,832	14,000	15,000
	Total Other Svcs & Charges	119,467	110,620	141,100	124,600
TOTAL PROPERTY MANAGEMENT - TOWN HALL		119,568	114,364	144,300	128,200



DIVISION DESCRIPTION

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

2011/12 ACCOMPLISHMENTS

- ✓ **Maintained office equipment in a manner that reduced downtime of critical functions**
- ✓ **Renegotiated waste management contract to reduce cost of services provided and expanded recycling opportunities**



**2012/
2013
GOALS**

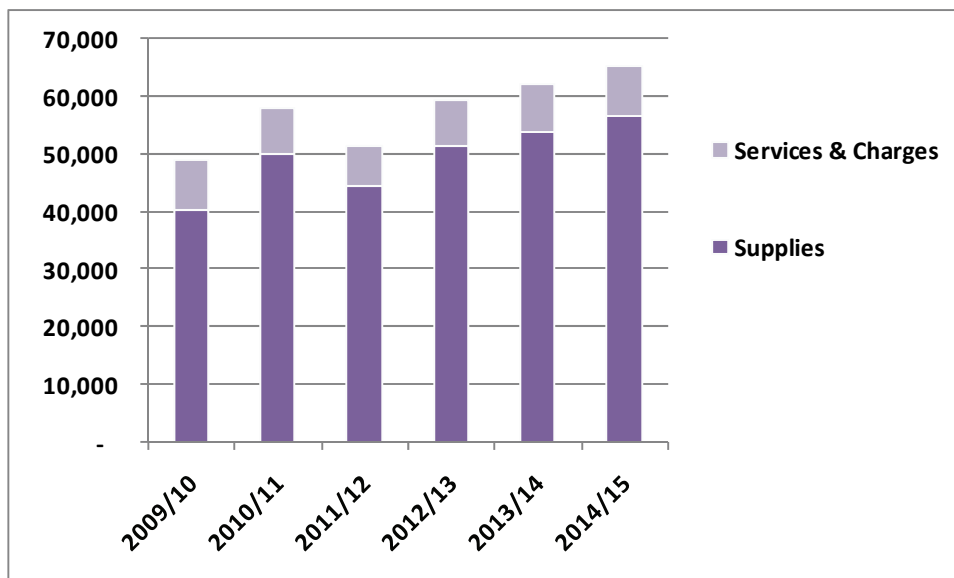
- ⇒ **Maintain office equipment to avoid downtime of critical functions**
- ⇒ **Renegotiate banking fees to reduce costs and improve services provided**
- ⇒ **Investigate options for telephone services to consolidate services and reduce costs**

DIVISION BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Supplies	49,962	44,600	-10.7%	51,400	15.2%
Other Services & Charges	7,943	7,000	-11.9%	7,900	12.9%
Capital	-	-	0.0%	-	0.0%
Total Centralized Supplies	57,905	51,600	-10.9%	59,300	14.9%

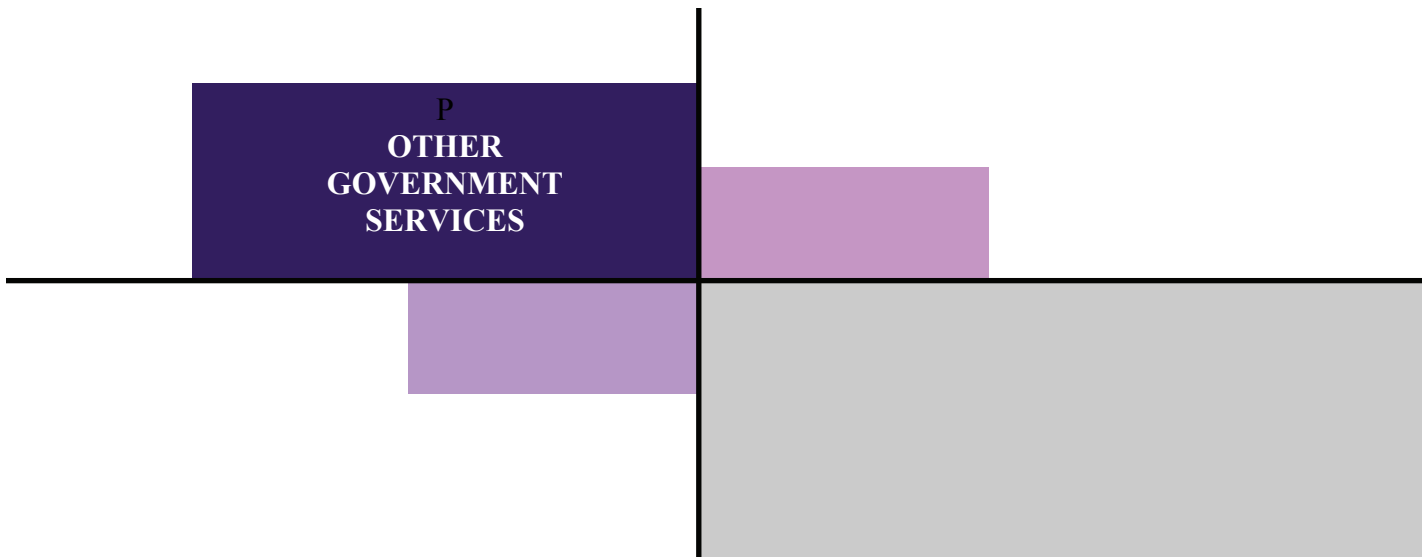
DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	40,265	49,962	44,600	51,400	53,970	56,669
Services & Charges	8,829	7,943	7,000	7,900	8,295	8,710
Capital Outlay	-	-	-	-	-	-
Total Centralized Supply	\$ 49,094	\$ 57,905	\$ 51,600	\$ 59,300	\$ 62,265	\$ 65,378



**CENTRALIZED SUPPLIES**

	2009/10	2010/11	2011/12	2012/13
	ACTUAL	ACTUAL	BUDGET	PROPOSED
SUPPLIES				
101-5-1401-00-6002 Coffee Supplies	699	835	1,000	1,000
101-5-1401-00-6003 Cleaning Supplies	1,131	1,186	1,100	1,200
101-5-1401-00-6005 Safety/Program Supplies	-	-	500	-
101-5-1401-00-6011 Small Tools/Minor Equip	531	53	500	500
101-5-1401-00-6201 R & M Supplies Building	297	190	500	500
101-5-1401-00-6302 Repair/Maintenance Supplies	-	-	-	200
101-5-1401-00-6600 Public Relations	1,464	-	-	100
101-5-1401-00-6700 Dues & Memberships	24,968	19,002	20,500	24,400
101-5-1401-00-6901 Taxes & Fees	450	237	500	500
101-5-1401-00-6903 Banking Fees	9,817	24,984	20,000	23,000
101-5-1401-00-6990 Other Expenses	908	3,475	-	-
Total Supplies	<u>40,265</u>	<u>49,962</u>	<u>44,600</u>	<u>51,400</u>
OTHER SERVICES & CHARGES				
101-5-1401-00-7910 Printing & Binding	3,503	-	-	-
101-5-1401-00-7307 Postage	5,326	7,943	7,000	7,900
Total Other Svcs & Charges	<u>8,829</u>	<u>7,943</u>	<u>7,000</u>	<u>7,900</u>
TOTAL CENTRALIZED SUPPLIES	<u><u>49,094</u></u>	<u><u>57,905</u></u>	<u><u>51,600</u></u>	<u><u>59,300</u></u>



DIVISION DESCRIPTION

The Other Government Services Division contains costs that are not particular to any one department or activity. The Division includes costs which are not technically expenditures but are uses of budgetary funds such as contributions to non-profit organizations and liability insurance costs.

2011/12 ACCOMPLISHMENTS

✓ **Provided support for three not-for-profit agencies**



2012/
2013
GOALS

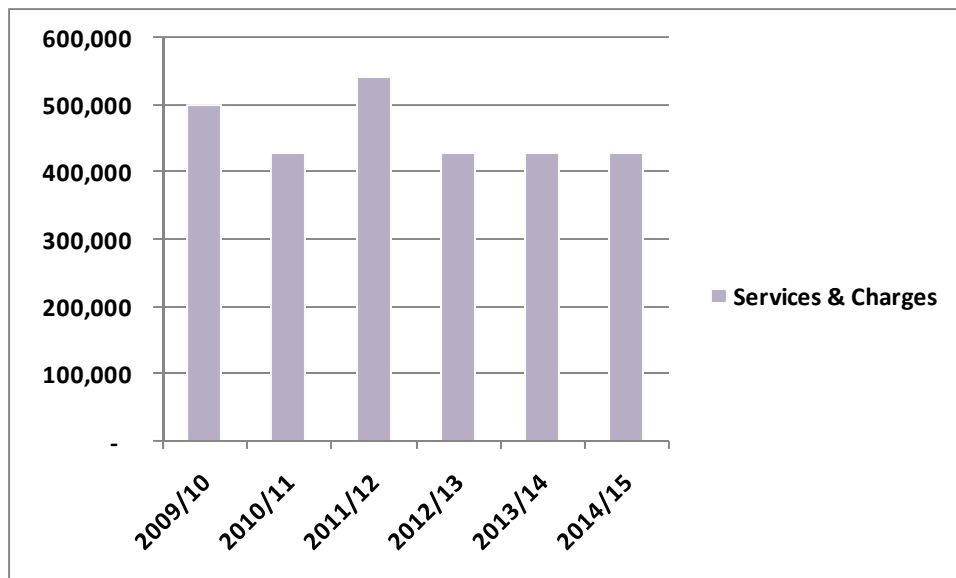
⇒ Continue to support funding to three not-for-profit agencies

DIVISION BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Intergovernmental Services	428,842	541,400	26.2%	429,400	-20.7%
Total Other Govt'l Services	428,842	541,400	26.2%	429,400	-20.7%

DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

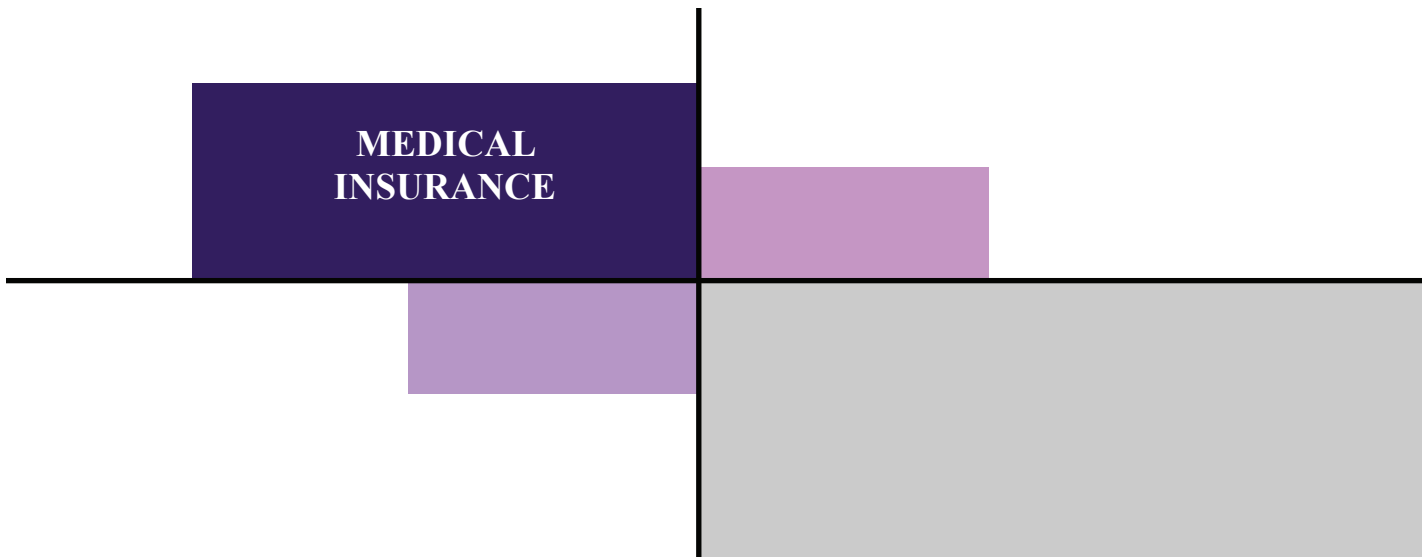
Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	-	-	-	-	-	-
Services & Charges	501,787	428,842	541,400	429,400	429,400	429,400
Capital Outlay	-	-	-	-	-	-
Total Other Govt Serv	\$ 501,787	\$ 428,842	\$ 541,400	\$ 429,400	\$ 429,400	\$ 429,400





OTHER GOVERNMENTAL SERVICES

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
SERVICES & CHARGES(Intergovernmental)				
101-5-1401-00-7903 Property /Liability Insurance	370,420	310,646	385,000	288,000
101-5-1401-00-7904 Insurance Deductibles	8,017	1,546	10,000	5,000
101-5-1401-00-7104 Settlements	-	-	30,000	20,000
101-5-7401-03-7990 Contribution to Literacy	1,400	-	-	-
101-5-7401-03-7990 Contribution to Senior Center	80,400	80,400	80,400	80,400
101-5-7401-03-7990 Contribution to Time Out Shelter	1,400	-	-	-
101-5-7401-03-7990 Contribution to Chamber of Commerce	36,000	36,000	36,000	36,000
101-5-7401-03-7990 Contribution to No. Gila Co. Historical Soc	1,600	-	-	-
101-5-7401-03-7990 Contribution to Payson Helping Payson	750	250	-	-
101-5-7401-03-7990 Contribution to Big Brothers/Big Sisters	800	-	-	-
101-5-7401-03-7990 Contribution to St Vincent Food Bank	1,000	-	-	-
Total Services & Charges	501,787	428,842	541,400	429,400
 TOTAL OTHER GOVT'L SERVICES	 501,787	 428,842	 541,400	 429,400



DIVISION DESCRIPTION

Until July 1, 2010 the Town of Payson partially self-funded major medical and similar employee insured benefits. A special revenue fund was established to account for these funds. During the fiscal year 2010/11 budget process, it was determined that the cost of continuing to partially self fund employee/retiree insurance was not cost effective for the Town of Payson. The Town joined the Arizona Public Employer Health Pool. The pool administers the health and life insurance plans for the Town’s employees and retirees.

Although the chart below reports a budget decrease for fiscal year 2012/13, this is due to the use of beginning fund balance of \$440,000.

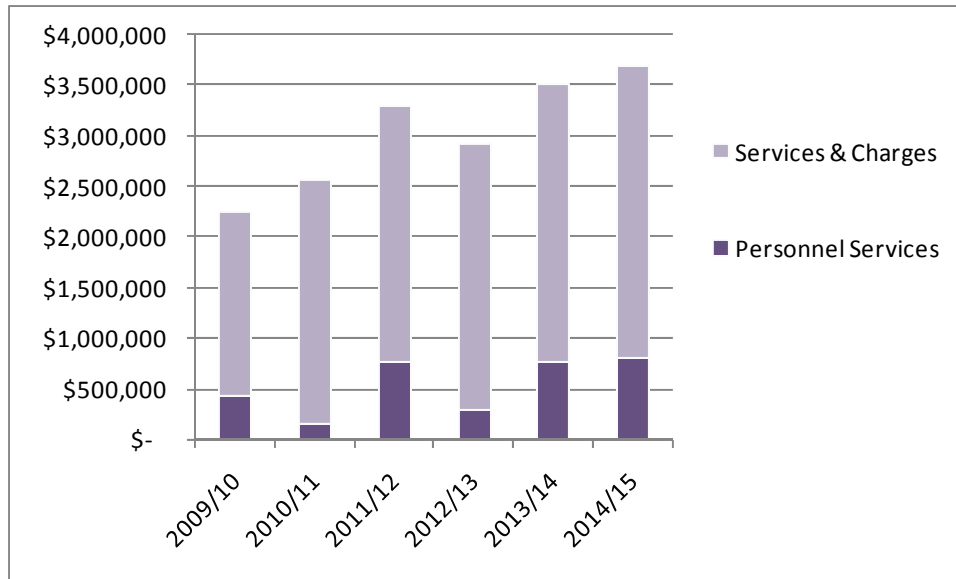
DIVISION BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Personnel Benefits	160,934	758,400	371.2%	285,200	-62.4%
Other Services & Charges	2,400,108	2,537,400	5.7%	2,631,800	3.7%
Total Medical Insurance	2,561,042	3,295,800	28.7%	2,917,000	-11.5%



DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ 422,906	160,934	\$ 758,400	\$ 285,200	\$ 761,460	\$ 799,533
Supplies				-	-	-
Services & Charges	1,830,068	2,400,108	2,537,400	2,631,800	2,763,390	2,901,560
Capital Outlay				-	-	-
Total Medical Insurance	\$ 2,252,974	\$ 2,561,042	\$ 3,295,800	\$ 2,917,000	\$ 3,524,850	\$ 3,701,093



**MEDICAL INSURANCE BENEFIT**

	2009/10	2010/11	2011/12	2012/13
	ACTUAL	ACTUAL	BUDGET	PROPOSED
PERSONNEL BENEFITS				
101-5-1401-00-5700 Health/Life Insurance	379,825	148,500	715,400	266,700
101-5-1401-00-5800 Workers Comp Insurance	15,857	2,273	5,000	3,500
290-5-1401-01-5800 Workers Comp Insurance	1,454	-	3,000	-
101-5-1401-00-5801 Unemployment Compensation	-	742	25,000	15,000
290-5-1401-01-5801 Unemployment Compensation	25,770	9,419	10,000	-
Total Personnel Benefits	422,906	160,934	758,400	285,200
OTHER SERVICES & CHARGES				
290-5-1401-01-7905 Insurance Claims	1,459,065	40,574	-	-
290-5-1401-01-7908 Insurance Premium	-	2,356,705	2,537,400	2,631,800
290-5-1401-01-7911 Program Admin	371,003	2,829	-	-
Total Other Svcs & Charges	1,830,068	2,400,108	2,537,400	2,631,800
TOTAL MEDICAL INSURANCE BENEFIT	2,252,974	2,561,042	3,295,800	2,917,000

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<<<

The Magistrate Court is of limited jurisdiction and responsible for the adjudication of misdemeanors, petty offenses, and civil violations including traffic and Town ordinances which occur in the jurisdiction of the Town of Payson. The Court provides these services through an inter-local agreement with Gila County to act as the Town’s Magistrate Court. Under this agreement, the Town funds the Judge and Judge Pro-Tem. In addition, the Town funds certain costs related to the Magistrate Court. Accounting for the service of providing State-required defense of indigent defendants is also provided in this Department.



. EXPENDITURE SUMMARY

Operating Division	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed
Magistrate Court	257,634	231,463	239,400	223,600
Total Expenditures	257,634	231,463	239,400	223,600

. POSITION SUMMARY

Authorized Personnel	2009/10	2010/11	2011/12	2012/13
None	0	0	0	0
Total Full-Time Positions	0	0	0	0

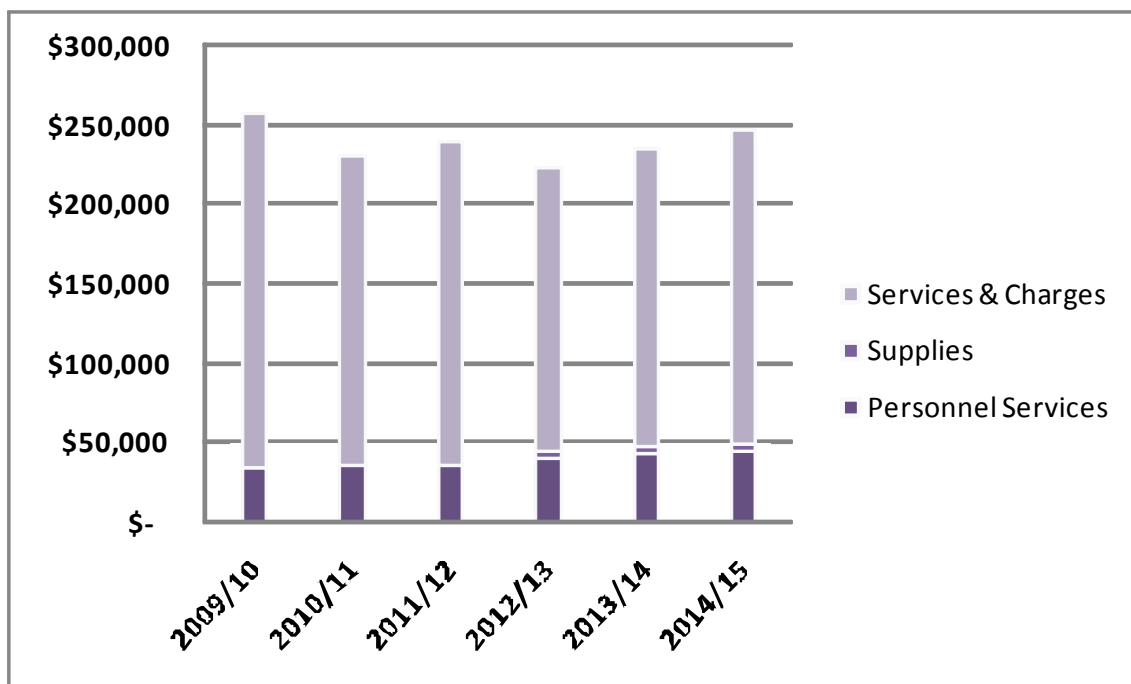


DEPARTMENT BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	34,142	34,000	-0.4%	38,000	11.8%
Personnel Benefits	2,613	2,500	-4.3%	3,000	20.0%
Supplies	-	-	0.0%	4,600	100.0%
Other Services & Charges	194,708	202,900	4.2%	178,000	-12.3%
Capital Outlay	-	-	0.0%	-	0.0%
Total Magistrate Court	231,463	239,400	3.4%	223,600	-6.6%

DEPARTMENT BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ 34,987	36,755	\$ 36,500	\$ 41,000	\$ 43,050	\$ 45,203
Supplies	-	-	-	4,600	4,830	5,072
Services & Charges	222,647	194,708	202,900	178,000	186,900	196,245
Capital Outlay	-	-	-	-	-	-
Total Magistrate Court	\$ 257,634	\$ 231,463	\$ 239,400	\$ 223,600	\$ 234,780	\$ 246,519



**MAGISTRATE COURT**

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
SALARIES & WAGES				
101-5-1416-00-5001 Full Time Employees	32,535	34,142	34,000	38,000
Total Salaries & Wages	<u>32,535</u>	<u>34,142</u>	<u>34,000</u>	<u>38,000</u>
PERSONNEL BENEFITS				
101-5-1416-00-5501 FICA	2,452	2,613	2,500	3,000
Total Personnel Benefits	<u>2,452</u>	<u>2,613</u>	<u>2,500</u>	<u>3,000</u>
SUPPLIES				
231-5-1416-00-6990 Other Supplies - JCEF	-	-	-	3,000
233-5-1416-00-6990 Other Supplies - FTG	-	-	-	1,600
Total Supplies	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,600</u>
OTHER SERVICES & CHARGES				
101-5-1416-00-7002 Accounting & Auditing	1,878	-	2,400	3,000
101-5-1416-00-7101 Indigent Defense	58,200	43,200	40,000	40,000
101-5-1416-00-7102 Prof Service-Court Contract	162,477	151,508	160,500	135,000
101-5-1416-00-7600 Travel	92	-	-	-
Total Other Services & Charges	<u>222,647</u>	<u>194,708</u>	<u>202,900</u>	<u>178,000</u>
TOTAL MAGISTRATE COURT	<u><u>257,634</u></u>	<u><u>231,463</u></u>	<u><u>239,400</u></u>	<u><u>223,600</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
928-474-5242 X220
www.paysonpolice.com**

**Donald B. Engler—Police Chief
dengler@paysonaz.gov**

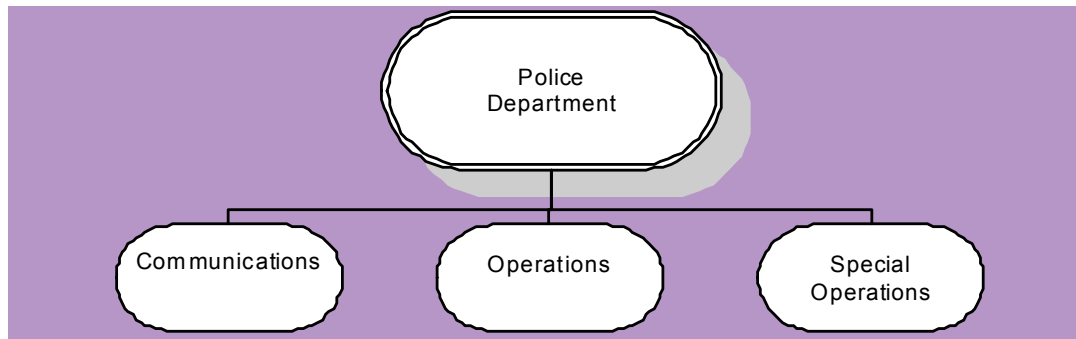




>>>POLICE DEPARTMENT<<<

The Police Department provides services for the protection of persons and property. These activities include:

- General law and traffic enforcement
- Criminal investigations
- Animal control
- Emergency service coordination and support



. . . EXPENDITURE SUMMARY . . .

Operating Division	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed
Communications	585,147	581,059	656,000	642,600
Operations	3,334,959	3,313,419	3,804,500	3,518,900
Special Operations	476,313	636,117	870,300	2,265,300
Total Expenditures	4,396,419	4,530,595	5,330,800	6,426,800

. POSITION SUMMARY

Authorized Personnel	2009/10	2010/11	2011/12	2012/13
Police Chief	1.0	1.0	1.0	1.0
Commander	0.0	0.0	0.0	0.0
Lieutenant	1.0	1.0	1.0	1.0
Sergeant	7.0	7.0	7.0	7.0
Detective/Investigator I & II	3.0	3.0	3.0	3.0
Police Officer	16.0	16.0	16.0	16.0
Police Officer II	2.0	2.0	1.0	1.0
Special Enforcement Officer	2.0	2.0	2.0	2.0
Support Services Manager	0.0	0.0	0.0	0.0
Executive Assistant	2.0	2.0	2.0	2.0
Property & Equipment Manager	1.0	1.0	1.0	1.0
Records Clerk	2.0	2.0	2.0	2.0
Records Administrator	1.0	1.0	1.0	1.0
Communications Supervisor	1.0	1.0	1.0	1.0
Senior Dispatcher	2.0	2.0	2.0	1.0
Dispatchers	7.0	7.0	7.0	8.0
Animal Control	0.0	0.0	1.0	1.0
Total Full-Time Positions	48.0	48.0	48.0	48.0

*One Executive Assistant, one Sergeant, and two Police Officer position frozen economic recovery.

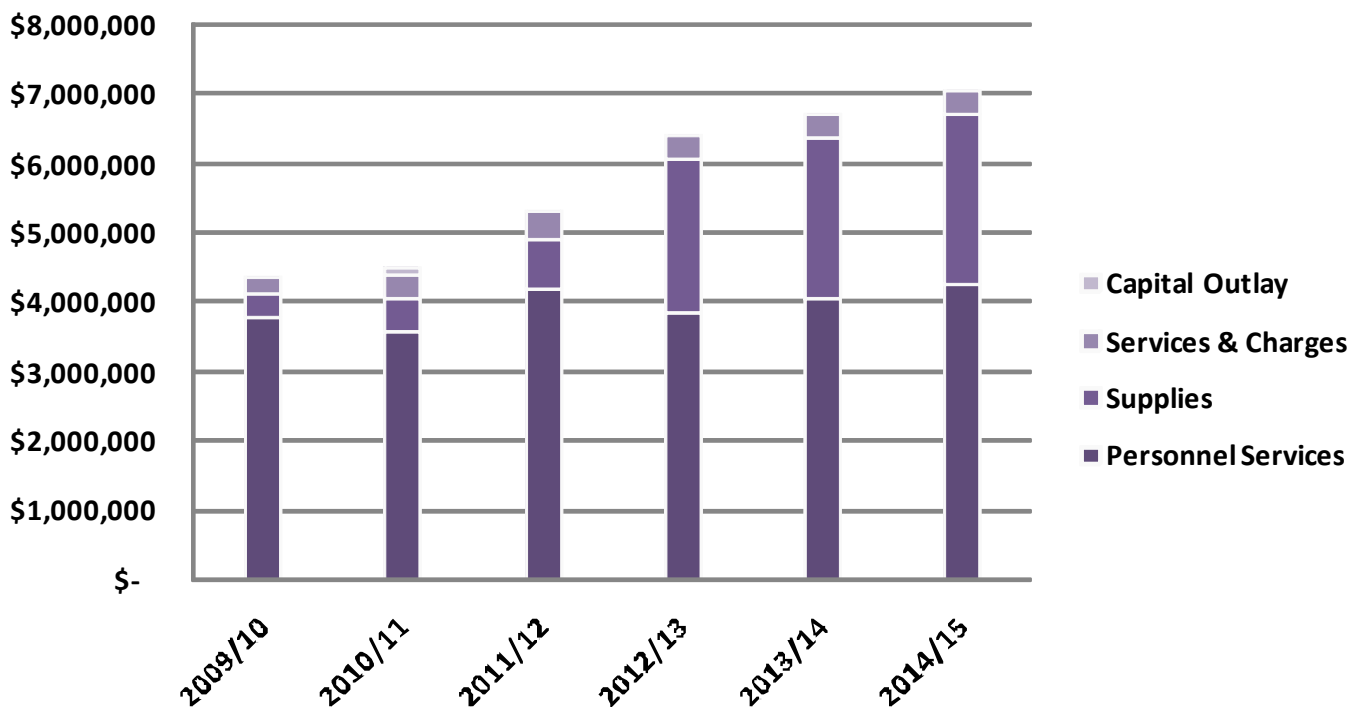


DEPARTMENT BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	2,584,502	2,773,900	7.3%	2,566,200	-7.5%
Personnel Benefits	1,013,816	1,453,600	43.4%	1,308,000	-10.0%
Supplies	488,334	709,100	45.2%	2,224,600	213.7%
Other Services & Charges	335,077	394,200	17.6%	328,000	-16.8%
Capital Outlay	108,866	-	100.0%	-	0.0%
Total Police Dept	4,530,595	5,330,800	17.7%	6,426,800	20.6%

DEPARTMENT BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ 3,795,018	\$ 3,598,318	\$ 4,227,500	\$ 3,874,200	\$ 4,067,910	\$ 4,271,306
Supplies	351,038	488,334	709,100	2,224,600	2,335,830	2,452,622
Services & Charges	250,363	335,077	394,200	328,000	344,400	361,620
Capital Outlay	-	108,866	-	-	-	-
Total Police	\$ 4,396,419	\$ 4,530,595	\$ 5,330,800	\$ 6,426,800	\$ 6,748,140	\$ 7,085,547





**COMMUNICATIONS
DIVISION**

The Police Communications Division mission is to provide Emergency Communications Services for the Public Safety Agencies and the Community we serve.

DIVISION DESCRIPTION

The Town of Payson provides Communications for both Police and Fire Dispatch, and E-911 services for Payson telephone prefix numbers 474, 468, and 472. The E-911 Emergency System is designed to assist the citizens of Payson with easy accessibility to the Police, Fire, and Emergency Medical Services.

2011/12 ACCOMPLISHMENTS

The Payson Police Department was able to upgrade our dispatch center during budget year 2011/2012. The funding for the upgrade included funding from Homeland Security grant sources and also from Town of Payson public safety impact fees from prior years. The work consisted of console upgrades which replaced outdated consoles that were no longer supported with repair service and parts, to current state-of-the-art dispatching consoles. We also increased our capacity for dispatching from two seats to three seats. We also received grant funding to purchase the needed headsets.

Contact Information

Emergency—9-1-1
Police Administration (928) 474-5242 X220
Non-Emergency (928) 474-5177

[Www.paysonpolice.com](http://www.paysonpolice.com)

Physical Location

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

Donald Engler—Police Chief



**2012/
2013
GOALS**

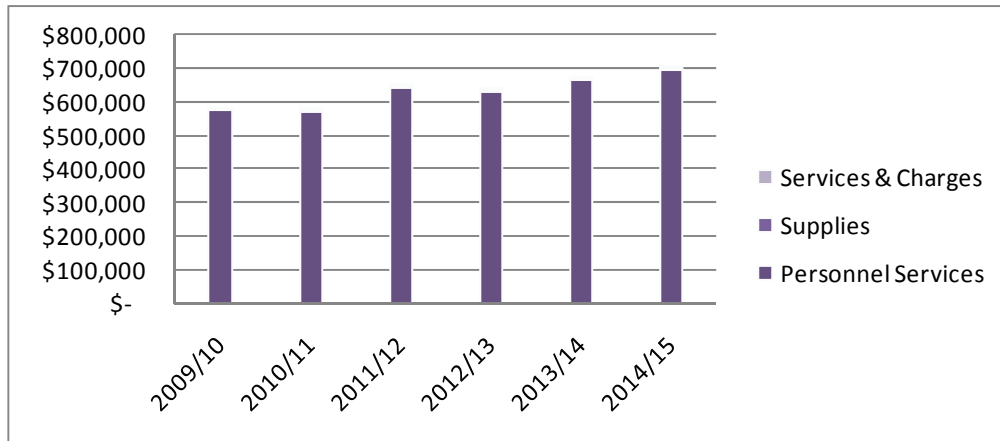
The first priority for budget year 2012/2013 will be to reacquire levels. The dispatch center operated at staffing levels between 50% to 60% through most of 2011/2012. We also would like to continue our work on developing our mobile command van as an alternative dispatch center, which could be utilized to maintain communications in a catastrophic situation. Once adequate staffing levels are regained, we will then begin a process to resurrect our continuing training program for current dispatch personnel.

DIVISION BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	465,975	476,600	2.3%	466,400	-2.1%
Personnel Benefits	110,920	171,000	54.2%	170,200	-0.5%
Supplies	1,570	1,200	-23.6%	1,400	16.7%
Other Services & Charges	2,594	7,200	177.6%	4,600	-36.1%
Total Communications	581,059	656,000	12.9%	642,600	-2.0%

DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ 581,019	\$ 576,895	\$ 647,600	\$ 636,600	\$ 668,430	\$ 701,852
Supplies	333	1,570	1,200	1,400	1,470	1,544
Services & Charges	3,795	2,594	7,200	4,600	4,830	5,072
Capital Outlay	-	-	-	-	-	-
Total Communications	\$ 585,147	\$ 581,059	\$ 656,000	\$ 642,600	\$ 674,730	\$ 708,467



**COMMUNICATIONS**

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
SALARIES & WAGES				
101-5-2421-00-5001 Full Time Employees	401,642	383,075	417,600	407,900
101-5-2421-00-520X Overtime Pay	30,662	69,957	47,000	46,500
101-5-2421-00-5990 Shift Differential	12,675	12,943	12,000	12,000
Total Salaries & Wages	<u>444,979</u>	<u>465,975</u>	<u>476,600</u>	<u>466,400</u>
PERSONNEL BENEFITS				
101-5-2421-00-5501 FICA	30,352	33,625	37,200	31,400
101-5-2421-00-5504 Pensions	36,844	45,649	47,000	50,800
101-5-2421-00-5700 Health/Life Insurance	65,452	28,885	84,100	85,200
101-5-2421-00-5701 Disability Insurance	1,598	1,294	1,200	1,200
101-5-2421-00-5800 Workers Comp Insurance	1,794	1,467	1,500	1,600
Total Personnel Benefits	<u>136,040</u>	<u>110,920</u>	<u>171,000</u>	<u>170,200</u>
SUPPLIES				
101-5-2421-00-6001 Office Supplie	68	-	-	-
101-5-2421-00-6011 Small Tools/Minor Equipment	106	1,060	800	1,000
101-5-2421-00-6600 Public Relations	159	510	400	400
Total Supplies	<u>333</u>	<u>1,570</u>	<u>1,200</u>	<u>1,400</u>
OTHER SERVICES & CHARGES				
101-5-2421-00-7402 Office Equipment R&M	3,215	1,257	3,000	3,000
101-5-2421-00-7600 Travel	-	6	2,000	100
101-5-2421-00-7601 Registrations	20	25	800	100
101-5-2421-00-7900 Other Professional Services	560	1,306	1,400	1,400
Total Other Svcs & Charges	<u>3,795</u>	<u>2,594</u>	<u>7,200</u>	<u>4,600</u>
TOTAL COMMUNICATIONS	<u><u>585,147</u></u>	<u><u>581,059</u></u>	<u><u>656,000</u></u>	<u><u>642,600</u></u>



**OPERATIONS
DIVISION**

It is the mission of the Payson Police Department to provide the highest quality of Police Service 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.

DIVISION DESCRIPTION

The Police Department provides for the protection of life and property from criminal related activities in the community. Other responsibilities include the safe and expeditious movement of traffic, crime prevention, narcotics-gang interdiction and intelligence, school-liaison, DARE, and other Community Service Programs. The Department maintains close relations with Gila County, State, and Federal law enforcement agencies.

2011/12 ACCOMPLISHMENTS

The Payson Police Department was able to maintain operations within the budgetary constrains which were implemented by ending the budget year in the personnel category at approximately 85%. This may not be the most desired outcome, as the operations division worked with staffing levels reduced as high as 20% at times throughout the year. Even with the increased burden of extra duty, the Payson Police Department was able to reduce the index crime rate from 43.5 to 42.8.



**2012/
2013
GOALS**

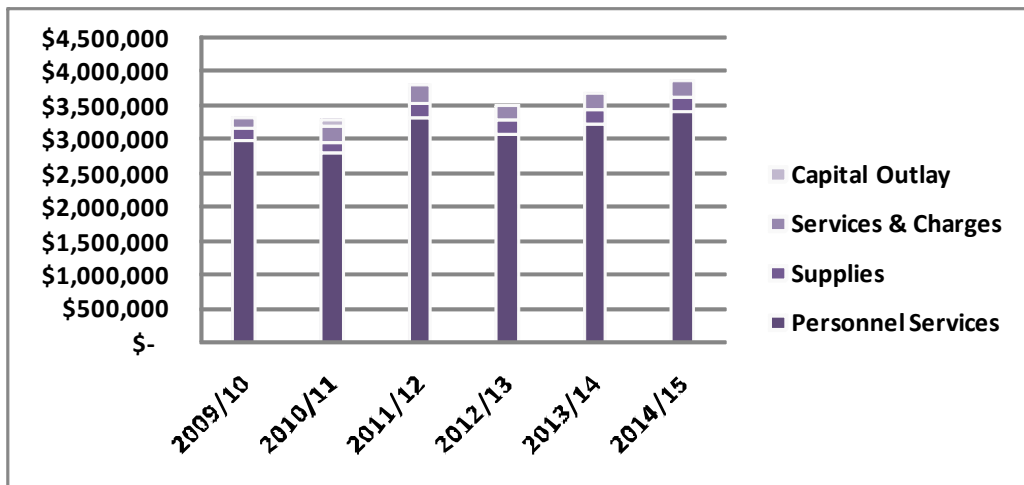
- ⇒ The most pressing goal for 2012/13 is to re-implement the previous steps pay plan for Certified Police Officers as we are currently down five positions and, with pending retirements, could soon be down as many as seven positions. To exacerbate this situation, many other agencies within the State of Arizona are beginning to hire lateral officers. These agencies begin their hiring process by often offering incentives to currently Certified Officers.
- ⇒ We will also continue the goal of maintaining low jail costs by utilizing the cite and release option of State law in an effort to control costs for housing of pre-adjudicated offenders.
- ⇒ Training for officers continues to be a priority and funding from many sources makes it possible to provide quality training opportunities for our law enforcement personnel. Funds from AZPOST, coupled with funding from the Town of Payson, will enable us to maintain required needs and hopefully, by utilizing the finding wisely, we can provide additional specialty training, especially in the Investigations Division.

DIVISION BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	1,954,921	2,141,800	9.6%	2,010,600	-6.1%
Personnel Benefits	854,772	1,191,300	39.4%	1,087,000	-8.8%
Supplies	151,663	194,900	28.5%	187,200	-4.0%
Other Services & Charges	243,197	276,500	13.7%	234,100	-15.3%
Capital	108,866	-	100.0%	-	0.0%
Total Operations	3,313,419	3,804,500	14.8%	3,518,900	-7.5%

DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ 2,980,220	\$ 2,809,693	\$ 3,333,100	\$ 3,097,600	\$ 3,252,480	\$ 3,415,104
Supplies	197,397	151,663	194,900	187,200	196,560	206,388
Services & Charges	157,342	243,197	276,500	234,100	245,805	258,095
Capital Outlay	-	108,866	-	-	-	-
Total Operations	\$ 3,334,959	\$ 3,313,419	\$ 3,804,500	\$ 3,518,900	\$ 3,694,845	\$ 3,879,587





OPERATIONS

		2009/10	2010/11	2011/12	2012/13
		ACTUAL	ACTUAL	BUDGET	PROPOSED
SALARIES & WAGES					
101-5-2421-01-50xx	Full Time Employees	1,714,455	1,670,158	1,839,800	1,721,600
101-5-2421-01-52xx	Overtime Pay	223,946	252,438	267,000	258,000
101-5-2421-01-5990	Shift Differential	40,132	32,325	35,000	31,000
	Total Salaries & Wages	1,978,533	1,954,921	2,141,800	2,010,600

PERSONNEL BENEFITS

101-5-2421-01-5501	FICA	143,122	144,967	155,700	146,800
101-5-2421-01-5504	Pensions	445,351	448,037	553,500	555,300
101-5-2421-01-5700	Health/Life Insurance	303,737	119,127	313,200	214,000
101-5-2421-01-5701	Disability Insurance	957	1,016	2,400	900
101-5-2421-01-5800	Workers Comp Insurance	81,628	116,125	136,500	143,000
101-5-2421-01-5901	Uniform Allowance	26,892	25,500	30,000	27,000
	Total Personnel Benefits	1,001,687	854,772	1,191,300	1,087,000

SUPPLIES

101-5-2421-01-6001	Office Supplies	6,183	5,474	7,000	7,000
101-5-2421-01-6003	Cleaning Supplies	987	1,475	1,500	1,500
101-5-2421-01-6005	Safety/Program Supplies	24	-	100	100
101-5-2421-01-6006	Clothing Reimbursement	746	3,973	2,000	2,000
101-5-2421-01-6009	Volunteer Program	2,001	4,179	5,000	3,000
101-5-2421-01-6011	Small Tools/Minor Equipmen	11,985	14,976	22,700	20,000
101-5-2421-01-6013	Computer Equip / Supplies	-	1,276	-	-
101-5-2421-01-6101	Canine Supplies	2,574	2,922	3,000	3,000
101-5-2421-01-6102	Weapons/Ammunition	11,654	13,538	15,000	15,000
101-5-2421-01-6201	Building R&M Supplies	713	1,109	1,000	1,000
101-5-2421-01-6300	Vehicle Fuels	65,406	81,261	80,000	85,000
101-5-2421-01-6302	Vehicle R&M Parts	-	-	35,000	35,000
101-5-2421-01-6600	Public Relations	11	338	500	500
101-5-2421-01-6700	Dues & Memberships	897	2,139	2,100	2,100
101-5-2421-01-6900	Other Supplies	114	-	-	-
101-5-2421-01-6901	Taxes & Fees	-	128	-	-
101-5-2421-01-6904	Contingency Account	1,000	-	1,000	1,000
101-5-2421-01-699x	Other Expenses	93,102	18,875	19,000	11,000
	Total Supplies	197,397	151,663	194,900	187,200

OTHER SERVICES & CHARGES

101-5-2421-01-7300	Electricity	21,474	20,867	20,000	20,000
101-5-2421-01-7301	Propane Gas	4,076	5,655	5,000	5,000
101-5-2421-01-7302	Water	556	779	700	700
101-5-2421-01-7304	Sewage	480	480	600	600



OPERATIONS

	2009/10	2010/11	2011/12	2012/13
	ACTUAL	ACTUAL	BUDGET	PROPOSED
101-5-2421-01-7305 Refuse Disposal	564	780	800	800
101-5-2421-01-7306 Telephone	26,041	30,768	25,000	31,000
101-5-2421-01-7307 Postage	228	48	600	600
101-5-2421-01-7401 Building R&M	14,925	9,526	16,300	10,000
101-5-2421-01-7402 Office Equipment R&M	8,032	9,321	7,000	7,000
101-5-2421-01-7403 R&M Computer Equip	-	354	-	-
101-5-2421-01-7404 Equipment R&M	2,984	7,381	6,500	6,500
101-5-2421-01-7405 Vehicle R&M	36,503	44,206	5,000	5,000
101-5-2421-01-7500 Rental of Land & Buildings	8,780	6,720	6,700	6,700
101-5-2421-01-7502 Leased Equipment	1,559	1,408	2,000	2,000
101-5-2421-01-7600 Travel	7,383	9,218	8,000	7,400
101-5-2421-01-7601 Registrations	1,939	5,503	4,500	2,500
101-5-2421-01-7900 Other Professional Services	13,049	84,185	102,000	102,000
101-5-2421-01-7902 Impound Vehicle Tow	2,061	2,448	3,000	3,000
101-5-2421-01-7910 Printing & Binding	2,303	3,550	3,000	3,000
210-5-2421-01-7912 JAG Recovery Act	-	-	16,800	13,000
210-5-2421-01-7912 Underage Drinking Program	-	-	8,800	-
210-5-2421-01-7912 Traffic Enforcement Program	-	-	13,700	-
210-5-2421-01-7912 Bullet Proof Vest Program	-	-	11,500	-
210-5-2421-01-7914 Donations	4,405	-	9,000	7,300
Total Other Services & Charg	157,342	243,197	276,500	234,100
 CAPITAL OUTLAY				
401-5-2421-01-8510 Vehicles	-	108,866	-	-
Total Capital Outlay	-	108,866	-	-
 TOTAL OPERATIONS	 3,334,959	 3,313,419	 3,804,500	 3,518,900



SPECIAL OPERATIONS

It is the mission of the Payson Police Department to provide the highest quality of Police Service 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.

DIVISION DESCRIPTION

The Special Operations Division includes Animal Control, School Resource Officers, Law Enforcement Grants, and Methamphetamine Enforcement.

Animal Control is responsible for the enforcement of all animal control laws, for protecting citizens from zootoxic diseases (such as rabies); for providing security to citizens from annoyance, intimidation, and injury from animals; for protecting animals from abuse, neglect, and inhumane treatment.

Various grants and Intergovernmental Agreements (IGA) are utilized by the Police Department for funding different programs such as School Resource Officers, D.A.R.E. programs, DUI enforcement, and Traffic Enforcement.

2011/12 ACCOMPLISHMENTS

The Special Enforcement division has maintained a presence of enforcement on drug offenders who are involved in the use of methamphetamine. This presence is needed to keep the problem suppressed. As a department, we also continue our efforts in the D.A.R.E. arena, being one of the few departments within the State of Arizona to continue these efforts. The program remains positive among children and adults.

CONTACT INFORMATION

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

Animal Control
Don Tanner
dtanner@paysonaz.gov

Police Chief
Don Engler
dangler@paysonaz.gov

Emergency 9-1-1
Admin (928) 474-5242 X220
NonEmergency (928) 474-5177

www.paysonpolice.com



**2012/
2013
GOALS**

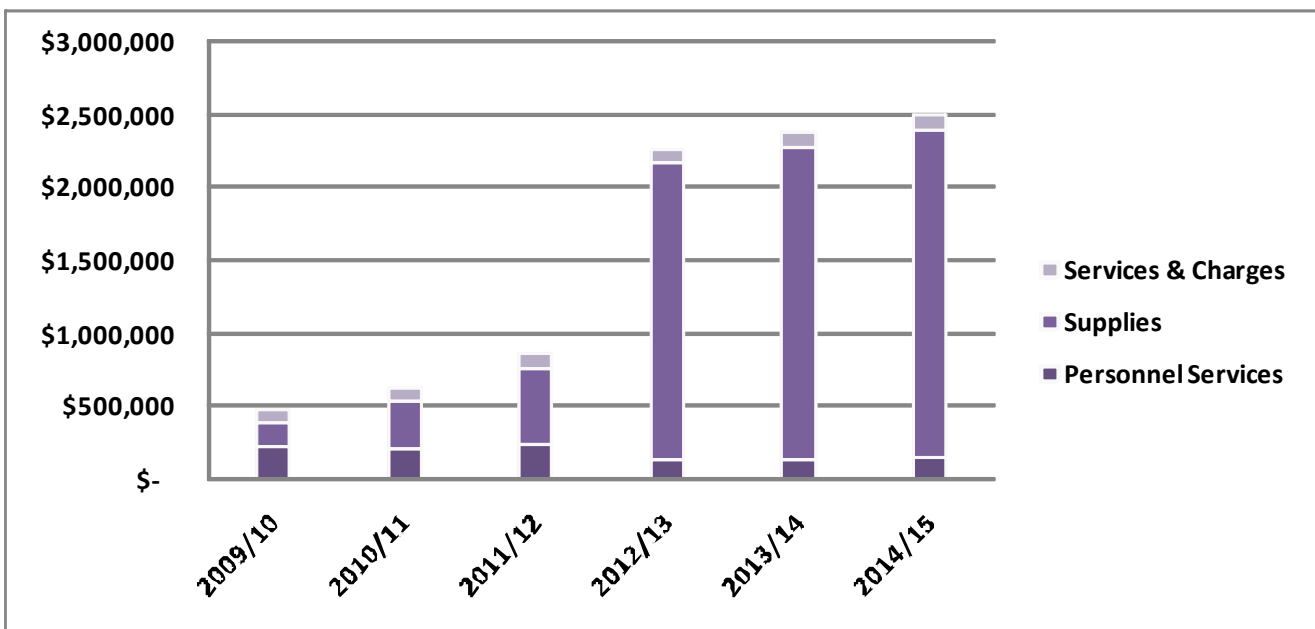
- ⇒ The notable goal of 2012/2013 will be to prepare a follow-up grant to the Department of Education to continue funding for the School Resource Officer program. The Funds supporting this effort continue to be more competitive on a yearly basis.
- ⇒ We also plan to continue pursuing a Governor’s Office of Highway Safety grant to support the purchase of a vehicle for traffic enforcement duties by the Payson Police Department.

DIVISION BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	163,606	155,500	-5.0%	89,200	-42.6%
Personnel Benefits	48,124	91,300	89.7%	50,800	-44.4%
Supplies	335,101	513,000	53.1%	2,036,000	296.9%
Other Services & Charges	89,286	110,500	23.8%	89,300	-19.2%
Total Special Operations	636,117	870,300	36.8%	2,265,300	160.3%

DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ 233,779	\$ 211,730	\$ 246,800	\$ 140,000	\$ 147,000	\$ 154,350
Supplies	153,308	335,101	513,000	2,036,000	2,137,800	2,244,690
Services & Charges	89,226	89,286	110,500	89,300	93,765	98,453
Capital Outlay	-	-	-	-	-	-
Total	\$ 476,313	\$ 636,117	\$ 870,300	\$ 2,265,300	\$ 2,378,565	\$ 2,497,493





ANIMAL CONTROL

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	38,273	38,700	1.1%	38,700	0.0%
Personnel Benefits	11,089	20,400	84.0%	17,400	-14.7%
Supplies	4,409	4,500	2.1%	4,500	0.0%
Other Services & Charges	89,286	110,500	23.8%	89,300	-19.2%
Total Animal Control	143,057	174,100	21.7%	149,900	-13.9%

SCHOOL RESOURCE

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	125,333	116,800	-6.8%	50,500	-56.8%
Personnel Benefits	37,035	70,900	91.4%	33,400	-52.9%
Supplies	-	500	100.0%	500	0.0%
Total School Resource	162,368	188,200	15.9%	84,400	-55.2%

POLICE GRANTS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	0	0	0.0%	0	0.0%
Personnel Benefits	0	0	0.0%	0	0.0%
Supplies	330,692	508,000	53.6%	2,031,000	299.8%
Total Police Grants	330,692	508,000	53.6%	2,031,000	299.8%

**ANIMAL CONTROL**

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
SALARIES & WAGES				
101-5-7421-17-5001 Full Time Employees	36,530	38,273	38,200	38,200
101-5-7421-17-5200 Overtime Pay	-	-	500	500
Total Salaries & Wages	<u>36,530</u>	<u>38,273</u>	<u>38,700</u>	<u>38,700</u>
PERSONNEL BENEFITS				
101-5-7421-17-5501 FICA	2,548	2,707	2,600	2,500
101-5-7421-17-5504 Pensions	3,084	3,780	3,800	4,100
101-5-7421-17-5700 Health/Life Insurance	13,202	2,727	11,900	8,700
101-5-7421-17-5701 Disability Insurance	137	111	100	100
101-5-7421-17-5800 Workers Compensation	790	924	1,100	1,100
101-5-7421-17-5901 Uniform/Clothing Allow	840	840	900	900
Total Personnel Benefits	<u>20,601</u>	<u>11,089</u>	<u>20,400</u>	<u>17,400</u>
SUPPLIES				
101-5-7421-17-6001 Office Supplies	-	628	-	-
101-5-7421-17-6011 Small Tools/Minor Equipment	361	668	1,000	1,000
101-5-7421-17-6300 Vehicle Fuels	2,128	3,113	3,500	3,500
Total Supplies	<u>2,489</u>	<u>4,409</u>	<u>4,500</u>	<u>4,500</u>
OTHER SERVICES & CHARGES				
101-5-7421-17-7306 Telephone	399	421	400	400
101-5-7421-17-7307 Postage/Freight	27	65	100	100
101-5-7421-17-7990 Humane Society	88,800	88,800	110,000	88,800
Total Other Svcs & Charges	<u>89,226</u>	<u>89,286</u>	<u>110,500</u>	<u>89,300</u>
TOTAL ANIMAL CONTROL	<u><u>148,846</u></u>	<u><u>143,057</u></u>	<u><u>174,100</u></u>	<u><u>149,900</u></u>

**SCHOOL RESOURCE OFFICER**

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
SALARIES & WAGES				
101-5-2421-04-5001 Full Time Employees	114,405	119,643	110,800	44,000
101-5-2421-04-520x Overtime Pay	3,893	5,690	6,000	6,500
Total Salaries & Wages	<u>118,298</u>	<u>125,333</u>	<u>116,800</u>	<u>50,500</u>
PERSONNEL BENEFITS				
101-5-2421-04-5501 FICA	8,843	9,254	8,200	3,400
101-5-2421-04-5504 Pensions	12,750	12,079	31,700	16,000
101-5-2421-04-5700 Health/Life Insurance	26,185	11,233	22,500	10,000
101-5-2421-04-5800 Workers Comp Insurance	-	2,469	6,500	3,000
101-5-2421-04-5901 Clothing Allowance	1,992	2,000	2,000	1,000
Total Personnel Benefits	<u>49,770</u>	<u>37,035</u>	<u>70,900</u>	<u>33,400</u>
SUPPLIES				
101-5-2421-04-6990 Other Expenses	-	-	500	500
Total Supplies	<u>-</u>	<u>-</u>	<u>500</u>	<u>500</u>
TOTAL SCHOOL RESOURCE OFFICER	<u><u>168,068</u></u>	<u><u>162,368</u></u>	<u><u>188,200</u></u>	<u><u>84,400</u></u>



**DEPT OF JUSTICE FUND &
VARIOUS GRANTS**

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
SALARIES & WAGES				
101-5-2421-11-5001 GOHS-Full Time Employees	245	-	-	-
101-5-2421-xx-5200 GOHS-Overtime Pay	3,054	-	-	-
Total Salaries & Wages	3,299	-	-	-
PERSONNEL BENEFITS				
101-5-2421-11-5501 GOHS-FICA	246	-	-	-
101-5-2421-11-5504 GOHS-Pensions	770	-	-	-
101-5-2421-11-5700 GOHS-Health/Life Insurance	3,537	-	-	-
101-5-2421-11-5701 Disability Insurance	1	-	-	-
Total Personnel Benefits	4,554	-	-	-
SUPPLIES				
101-5-2421-16-6009 Program Supplies	600	-	-	-
215-5-2421-xx-6011 Small Tools	139	2,066	5,000	27,000
215-5-2421-02-7600 Travel	-	77	3,000	3,000
215-5-2421-02-7900 Other Prof Services	-	72	-	1,000
217-5-2421-01-7906 Property Purch Program	150,080	328,477	500,000	2,000,000
Total Supplies	150,819	330,692	508,000	2,031,000
 TOTAL GRANTS	 158,672	 330,692	 508,000	 2,031,000

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) 474-5242 X300
www.paysonfire.com

Marty DeMasi—Fire Chief
mdemasi@paysonaz.gov

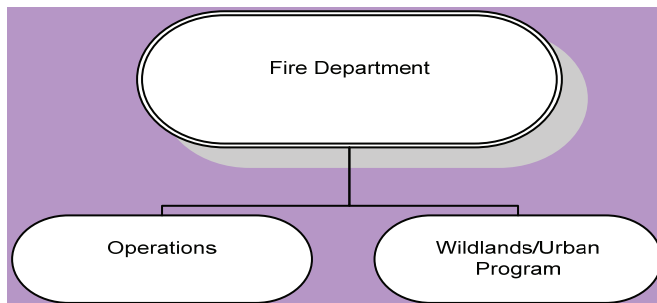




>>>FIRE DEPARTMENT<<<

The Fire Department protects lives and property by providing fire suppression, rescue, and Emergency Medical Services to the Community. The Department is a combination department staffed by a Fire Chief, Fire Marshal, Administrative Assistant, 30 career firefighters, 12 reserve firefighters, and 11 volunteers. Six of these career firefighters are new additions to the staff funded by a SAFER grant.

This Department also provides a wide range of non-emergency services to the public. These include: Public education courses such as fire and life safety, CPR, injury prevention, child car seat safety inspection, non-profit charitable event standbys, fire-wise landscape inspections and property owner assistance, and fire code administration.



The Fire Department serves the Town out of three fire stations:

- Fire Station #11, located on West Main Street
- Fire Station #12, located on East Rancho Road
- Fire Station #13, located on South Rim Club Parkway

Career and reserve personnel staff all fire stations 24 hours per day, 365 days per year.

. . . EXPENDITURE SUMMARY . . .

Operating Division	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed
Fire Operations	2,772,864	2,601,054	3,678,300	3,795,500
Wildland/Urban Program	22,112	84,779	83,400	100,000
Total Department	2,794,976	2,685,833	3,761,700	3,895,500

. . . POSITION SUMMARY . . .

Authorized Personnel	2009/10	2010/11	2011/12	2012/13
Fire Chief	1.0	1.0	1.0	1.0
Fire Marshall	1.0	1.0	1.0	1.0
Battalion Chief	3.0	3.0	3.0	3.0
Captain	6.0	6.0	9.0	9.0
Engineer	6.0	6.0	9.0	9.0
Firefighter	7.0	7.0	3.0	9.0
Administrative Secretary	1.0	1.0	1.0	1.0
Total Full-Time Positions	25.0	25.0	27.0	33.0

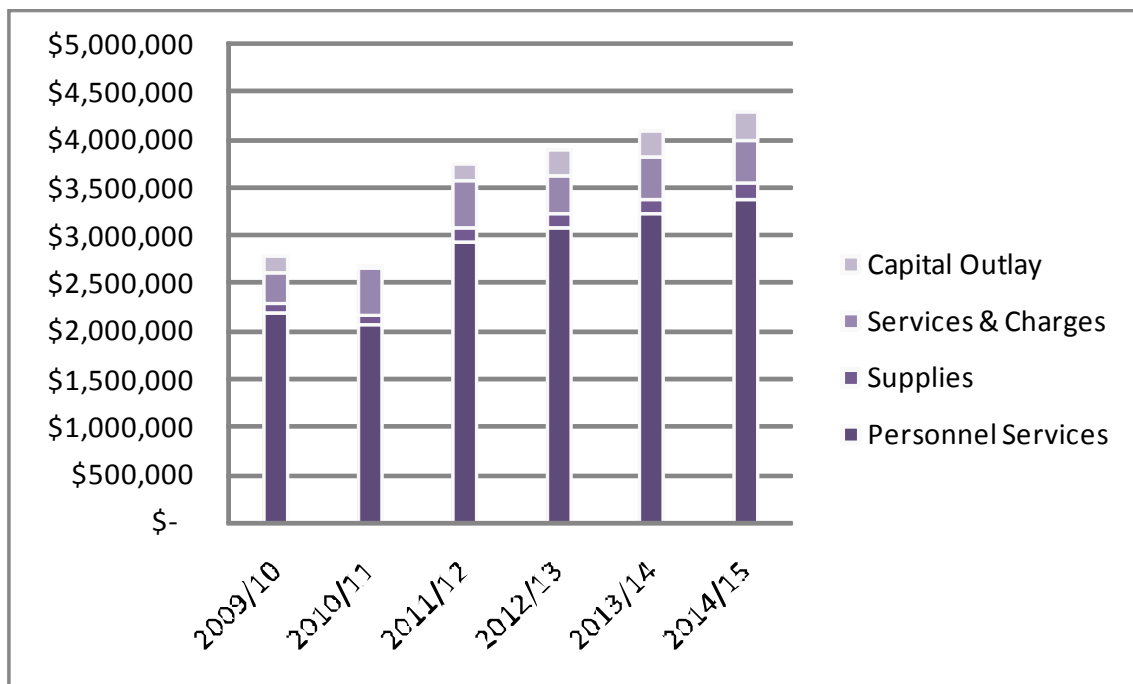


DEPARTMENT BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	1,675,458	2,212,100	32.0%	2,160,100	-2.4%
Personnel Benefits	384,128	736,600	91.8%	917,300	24.5%
Supplies	121,556	135,900	11.8%	144,600	6.4%
Other Services & Charges	473,864	492,100	3.8%	413,500	-16.0%
Capital Outlay	30,827	185,000	500.1%	260,000	40.5%
Total Fire	2,685,833	3,761,700	40.1%	3,895,500	3.6%

DEPARTMENT BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ 2,184,310	\$ 2,059,586	\$ 2,948,700	\$ 3,077,400	\$ 3,231,270	\$ 3,392,834
Supplies	116,508	121,556	135,900	144,600	151,830	159,422
Services & Charges	316,483	473,864	492,100	413,500	434,175	455,884
Capital Outlay	177,675	30,827	185,000	260,000	273,000	286,650
Total Fire	\$ 2,794,976	\$ 2,685,833	\$ 3,761,700	\$ 3,895,500	\$ 4,090,275	\$ 4,294,789





FIRE OPERATIONS

The mission of the Fire Department is to minimize the loss of lives and property from fire, medical emergencies and other disasters through prevention, preparedness and response. The Department provides advanced life support EMS, structural and wildland fire response, technical rescues including vehicle extractions, fire code enforcement and first responder operations level response to hazardous materials incidents.

DIVISION DESCRIPTION

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

2011/12 ACCOMPLISHMENTS

- ✓ **Maintain 598 hydrants, exceeding the goal by nearly 20%**
- ✓ **Brought Fire Station 13 on line**
- ✓ **Maintained on-duty staffing of 9 persons approximately 50% of the time. However, all three fire stations were in service 100% of the time**
- ✓ **Initiated information sessions with the Building Advisory Board for their recommendations to the Town Council concerning the adoption of the International and WUI Fire Codes**

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

Martin DeMasi, Fire Chief
Admin (928) 474-5242 X300
mdemasi@paysonaz.gov

www.paysonfire.com



**2012/
2013
GOALS**

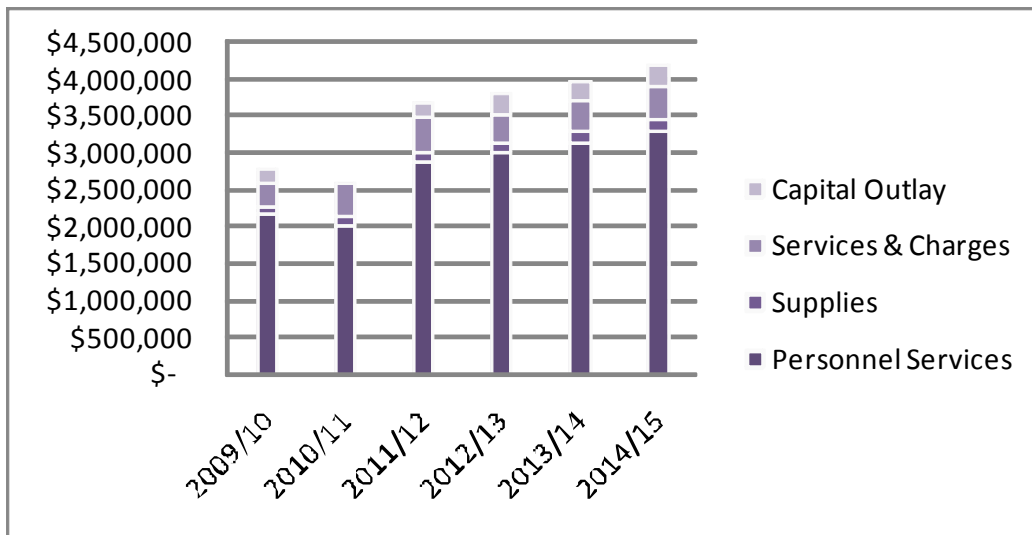
- ⇒ Adopt the 2012 International Fire code and the Wildland Urban Interface Fire Code
- ⇒ Continue to develop cross functional capacity by maintaining and developing various certification programs
- ⇒ Execute SAFER grant to improve on-duty staffing levels
- ⇒ Execute fire prevention grant to improve smoke and carbon monoxide alarm distribution

DIVISION BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	1,634,876	2,154,600	31.8%	2,096,100	-2.7%
Personnel Benefits	378,652	722,200	90.7%	898,300	24.4%
Supplies	114,882	128,400	11.8%	132,600	3.3%
Other Services & Charges	472,644	488,100	3.3%	408,500	-16.3%
Capital	-	185,000	100.0%	260,000	40.5%
Total Fire Operations	2,601,054	3,678,300	41.4%	3,795,500	3.2%

DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ 2,169,019	2,013,528	\$ 2,876,800	\$ 2,994,400	\$ 3,144,120	\$ 3,301,326
Supplies	109,801	114,882	128,400	132,600	139,230	146,192
Services & Charges	316,369	472,644	488,100	408,500	428,925	450,371
Capital Outlay	177,675	-	185,000	260,000	273,000	286,650
Total Fire Operations	\$ 2,772,864	\$ 2,601,054	\$ 3,678,300	\$ 3,795,500	\$ 3,985,275	\$ 4,184,539



**FIRE OPERATIONS**

		2009/10	2010/11	2011/12	2012/13
		ACTUAL	ACTUAL	BUDGET	PROPOSED
SALARIES & WAGES					
101-5-2426-01-5001	Full Time Employees	1,319,971	1,264,361	1,836,900	1,758,000
101-5-2426-01-5005	Paid On Call	55,641	68,982	100,000	100,000
101-5-2426-01-52xx	Overtime Pay	248,967	301,533	217,700	238,100
	Total Salaries & Wages	1,624,579	1,634,876	2,154,600	2,096,100
PERSONNEL BENEFITS					
101-5-2426-01-5501	FICA	22,606	22,368	26,900	49,500
101-5-2426-01-5504	Pensions	187,509	193,173	327,800	457,100
101-5-2426-01-5507	Firefighters Pension	-	3,284	-	-
101-5-2426-01-5700	Health/Life Insurance	262,544	74,150	256,700	253,500
101-5-2426-01-5701	Disability Insurance	206	468	200	100
101-5-2426-01-5800	Workers Comp Insurance	49,568	64,471	87,200	109,300
101-5-2426-01-5901	Uniform/Clothing Allowance	22,007	20,738	23,400	28,800
	Total Personnel Benefits	544,440	378,652	722,200	898,300
SUPPLIES					
101-5-2426-01-6001	Office Supplies	1,699	2,755	1,900	2,100
101-5-2426-01-6003	Foam/ Cleaners	4,349	2,417	5,000	6,000
101-5-2426-01-6005	Safety/Program Supplies	8,136	4,466	5,000	5,300
101-5-2426-01-6007	Equipment/Clothing	12,842	14,078	18,000	15,000
101-5-2426-01-6009	Program Supplies	-	-	-	3,000
101-5-2426-01-6011	Small Tools/Minor Equipment	1,376	1,549	3,000	5,200
101-5-2426-01-6012	Radio Equipment	14,216	19,221	14,000	14,000
101-5-2426-01-6013	Computer Equipment & Supplie	328	-	-	-
101-5-2426-01-6100	Medical Supplies	16,613	14,829	15,000	15,000
101-5-2426-01-6200	Equipment R&M	2,544	2,532	2,500	2,500
101-5-2426-01-6201	Building Repair Materials	7,514	10,399	8,000	8,000
101-5-2426-01-6202	Other R&M Materials	216	227	-	-
101-5-2426-01-6300	Vehicle Fuels	23,266	24,105	35,000	30,000
101-5-2426-01-6301	Tires & Wheels	5,242	9,722	10,000	10,000
101-5-2426-01-6302	Vehicle R&M	6,445	4,416	6,000	8,000
101-5-2426-01-6400	Hardware, Electric,Plumbing Su	870	1,004	1,000	1,000
101-5-2426-01-6600	Public Relations	2,321	1,191	2,000	3,000
101-5-2426-01-6700	Dues & Memberships	1,802	1,971	2,000	2,000
101-5-2426-01-6990	Other Expenses	22	-	-	2,500
	Total Supplies	109,801	114,882	128,400	132,600
OTHER SERVICES & CHARGES					
101-5-2426-01-7300	Electricity	20,420	19,500	25,000	25,000
101-5-2426-01-7301	Propane Gas	5,166	4,801	7,500	10,000
101-5-2426-01-7302	Water	758	1,093	1,400	1,400
101-5-2426-01-7304	Sewage	735	645	1,100	1,100
101-5-2426-01-7305	Refuse Disposal	872	1,385	2,000	2,000
101-5-2426-01-7306	Telephone	26,972	27,175	37,500	34,000
101-5-2426-01-7307	Postage	17	313	500	500

**FIRE OPERATIONS**

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
101-5-2426-01-7401 Building R&M	11	-	-	5,000
101-5-2426-01-7402 Office Equipment R&M	1,898	1,222	2,000	2,000
101-5-2426-01-7404 Radio Equipment R&M	1,324	1,232	1,000	8,200
101-5-2426-01-7405 Vehicle R&M	27,224	69,312	30,000	25,000
101-5-2426-01-7600 Travel	283	134	1,000	500
101-5-2426-01-7601 Registrations	12,605	19,593	10,000	10,000
101-5-2426-01-7900 Other Professional Services	18,428	19,524	20,000	20,000
101-5-2426-01-7901 Vegetation Disposal Prgm	461	84	-	-
101-5-2426-01-7910 Printing & Binding	2,842	2,631	2,000	3,000
101-5-2426-01-7912 Fire Grant Expense	-	-	-	196,300
101-5-2426-01-7920 Hydrant Program	115	138	500	500
101-5-2426-01-7990 Hellsgate Services	160,000	160,000	26,100	-
210-5-2426-01-7912 Miscellaneous Grant Expenses	35,276	140,857	320,500	60,000
210-5-2426-01-7914 Donations	962	3,005	-	4,000
Total Other Svcs & Charges	<u>316,369</u>	<u>472,644</u>	<u>488,100</u>	<u>408,500</u>
CAPITAL OUTLAY				
403-5-2426-01-8774 AFG Facilities	-	-	185,000	185,000
403-5-2426-03-87xx Other Capital Outlay	<u>177,675</u>	<u>-</u>	<u>-</u>	<u>75,000</u>
Total Capital Outlay	<u>177,675</u>	<u>-</u>	<u>185,000</u>	<u>260,000</u>
TOTAL FIRE OPERATIONS	<u><u>2,772,864</u></u>	<u><u>2,601,054</u></u>	<u><u>3,678,300</u></u>	<u><u>3,795,500</u></u>



**WILDLAND/
URBAN PROGRAM**

The mission of the Wildland fire division is to build our ability to prevent, prepare for and respond to wildland fires in a safe, efficient and resourceful way.

DIVISION DESCRIPTION

The 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 this program provides funds for wildland fire equipment and training.

This agreement works both ways: It is not just the Payson Fire Department responding to help other communities; we can receive help when we need it.

2011/12 ACCOMPLISHMENTS

- ✓ **Maintained resources in a ready condition including outfitting an additional Type 2 support water tender (WT131)**
- ✓ **Responded to the Cross, Sunflower and Gladiator fires as part of the State cooperators agreement**
- ✓ **Provided three wildland firefighter refresher training sessions including a regional wildland academy**
- ✓ **Participated in an initiative of the AZ Fire Chiefs Association and AZ Division of Forestry to establish a fire department liaison position to assist fire departments impacted by wildland fires**
- ✓ **Continued to build budget capacity to maintain and improve equipment**



**2012/
2013
GOALS**

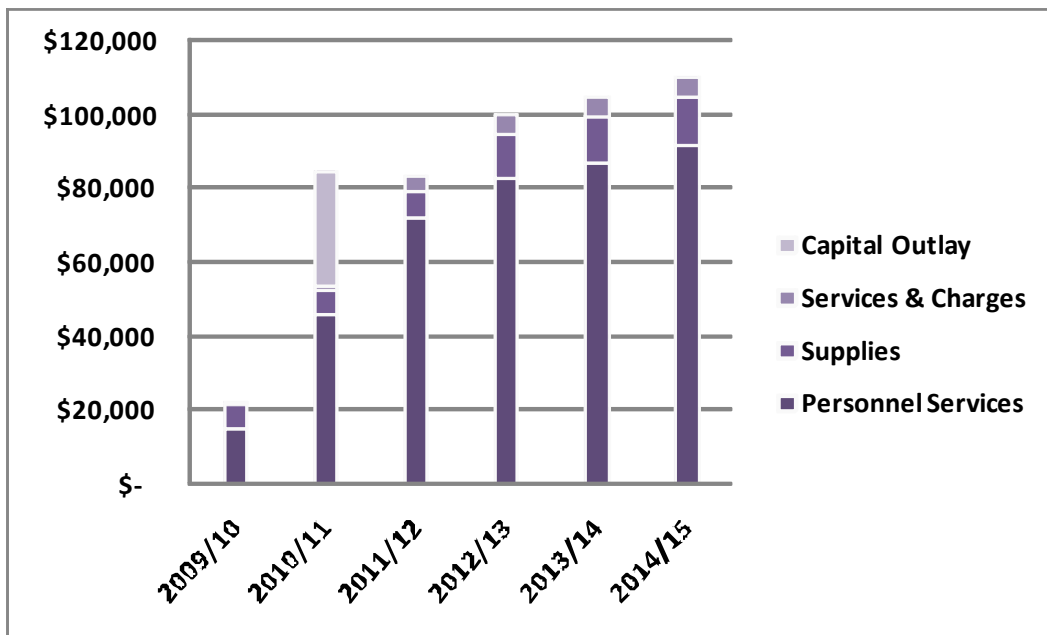
- ⇒ Maintain resources in a ready condition
- ⇒ Respond to requests for assistance
- ⇒ Increase wildland fire qualifications for personnel through appropriate training and fire experience
- ⇒ Continue to build budget capacity to maintain and improve equipment

DIVISION BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	40,582	57,500	41.7%	64,000	11.3%
Personnel Benefits	5,476	14,400	163.0%	19,000	31.9%
Supplies	6,674	7,500	12.4%	12,000	60.0%
Other Services & Charges	1,220	4,000	227.9%	5,000	25.0%
Capital	30,827	-	100.0%	-	0.0%
Total Wildlands	84,779	83,400	-1.6%	100,000	19.9%

DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ 15,291	\$ 46,058	\$ 71,900	\$ 83,000	\$ 87,150	\$ 91,508
Supplies	6,707	6,674	7,500	12,000	12,600	13,230
Services & Charges	114	1,220	4,000	5,000	5,250	5,513
Capital Outlay	-	30,827	-	-	-	-
Total Wildlands	\$ 22,112	\$ 84,779	\$ 83,400	\$ 100,000	\$ 105,000	\$ 110,250





WILDLANDS/URBAN PROGRAM

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
SALARIES & WAGES				
101-5-2426-02-5001 Full Time Employees	-	-	15,000	20,000
212-5-2426-03-5001 Full Time Employees	493	9,162	-	-
101-5-2426-02-5003 Temporary Employees	-	-	2,000	3,000
101-5-2426-02-5005 Paid On Call	-	-	7,500	7,000
212-5-2426-03-5005 Paid On Call	361	11,060	-	-
101-5-2426-02-5200 Overtime	-	-	30,000	30,000
212-5-2426-03-5200 Overtime	8,831	16,052	-	-
101-5-2426-02-5400 Stipend	-	-	3,000	4,000
212-5-2426-03-5400 Stipend	2,378	4,308	-	-
Total Salaries & Wages	12,063	40,582	57,500	64,000
PERSONNEL BENEFITS				
101-5-2426-02-5501 FICA	-	-	1,000.00	2,000
212-5-2426-03-5501 FICA	116	545	-	-
101-5-2426-02-5504 Pensions	-	-	11,400	14,000
212-5-2426-03-5504 Pensions	1,559	5,284	-	-
212-5-2426-03-5700 Health/Life Insurance	1,534	(980)	-	-
101-5-2426-02-5800 Workers Comp Insurance	-	-	2,000	3,000
212-5-2426-03-5800 Workers Comp Insurance	19	627	-	-
Total Personnel Benefits	3,228	5,476	14,400	19,000
SUPPLIES				
101-5-2426-02-6009 Safety/Program Supplies	-	-	2,000	3,000
212-5-2426-03-6009 Safety/Program Supplies	-	305	-	-
101-5-2426-02-6011 Small Tools/Minor Equipment	-	-	1,500	2,000
212-5-2426-03-6011 Small Tools/Minor Equipment	1,820	639	-	-
101-5-2426-02-6202 Other R&M Materials	-	-	1,500	2,000
212-5-2426-03-6202 Other R&M Materials	4,403	5,035	-	-
101-5-2426-02-6300 Gasoline, Fuel	-	-	-	2,000
101-5-2426-02-6302 Vehicle R&M Parts	-	-	1,500	2,000
212-5-2426-03-6302 Vehicle R&M Parts	155	695	-	-
101-5-2426-02-6990 Other Expenses	-	-	1,000	1,000
212-5-2426-03-6990 Other Expenses	329	-	-	-
Total Supplies	6,707	6,674	7,500	12,000
OTHER SERVICES & CHARGES				
101-5-2426-02-7600 Travel	-	-	4,000	5,000
212-5-2426-03-7600 Travel	114	1,220	-	-
Total Other Svcs & Charges	114	1,220	4,000	5,000
CAPITAL OUTLAY				
212-5-2426-03-8003 Vehicles	-	30,827	-	-
Total Capital Outlay	-	30,827	-	-
TOTAL WILDLANDS/URBAN PROGRAM	22,112	84,779	83,400	100,000



Town of Payson Fire Department at New Fire Station #13

COMMUNITY DEVELOPMENT

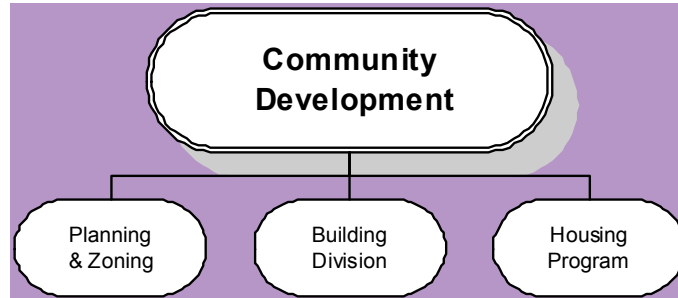
The Community Development Department assists with the building of a safe, attractive community with a vibrant economic component.

**Town of Payson
Community Development Building
303 N. Beeline Highway
Payson, AZ 85541
928-474-5242**



>>>COMMUNITY DEVELOPMENT<<<

The Community Development Department is composed of three divisions: Planning and Zoning, Building, and Housing Programs.



. EXPENDITURE SUMMARY

Operating Division	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed
Planning & Zoning	431,680	418,955	316,500	278,300
Building	362,582	347,157	381,500	417,800
Housing Programs	141,445	162,731	165,000	173,000
Green Valley Redevelopment	-	-	-	-
Total Department	935,707	928,843	863,000	869,100

. POSITION SUMMARY

Authorized Personnel	2009/10	2010/11	2011/12	2012/13
CD Director	1.0	1.0	1.0	1.0
Chief Building Official	1.0	1.0	1.0	1.0
Zoning Administrator	1.0	1.0	1.0	1.0
Housing Programs Manager	1.0	1.0	1.0	1.0
Plans Review Specialist I, II	1.0	1.0	1.0	1.0
Planning Specialist I, II	1.0	1.0	1.0	1.0
Building Inspector I, II, III	3.0	3.0	3.0	3.0
Executive Assistant	1.0	1.0	1.0	1.0
Project Manager (Main St.)	1.0	1.0	1.0	1.0
Customer Service Technician	1.0	1.0	1.0	1.0
Permit Technician	1.0	1.0	1.0	1.0
Planning Technician	1.0	1.0	1.0	1.0
Total Full-Time Positions	14.0	14.0	14.0	14.0

The Community Director position and three Building Inspector positions frozen pending economic recovery. Housing Program Manager position filled with part-time position pending economic recovery.

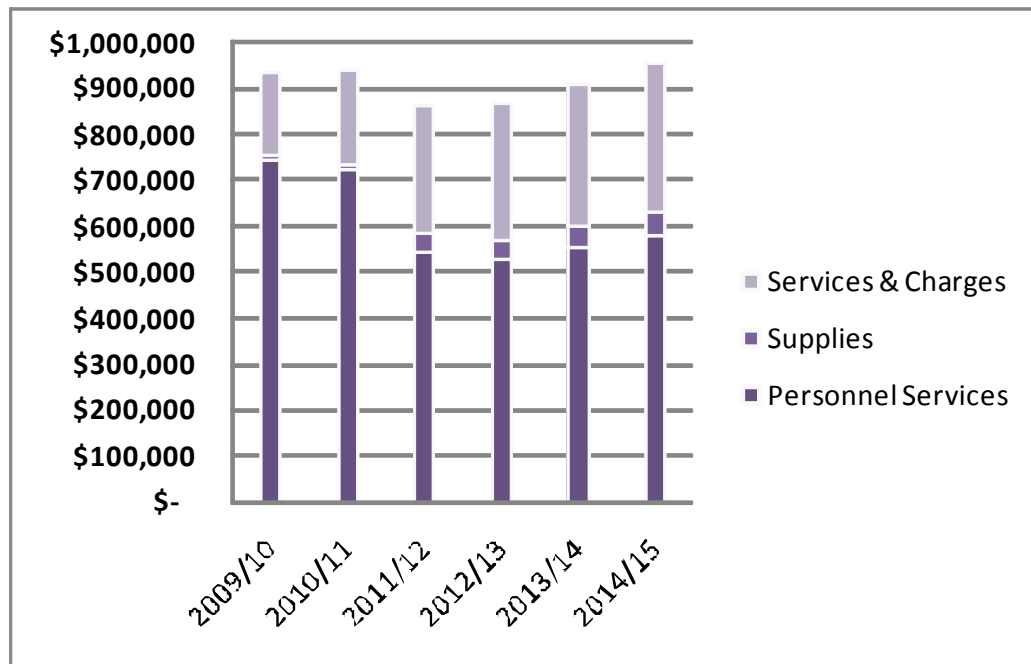


DEPARTMENT BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	567,541	381,500	-32.8%	385,500	1.0%
Personnel Benefits	157,967	162,600	2.9%	144,200	-11.3%
Supplies	10,746	44,400	313.2%	43,000	-3.2%
Other Services & Charges	205,314	274,500	33.7%	296,400	8.0%
Capital Outlay	-	-	0.0%	-	0.0%
Total Community Development	941,568	863,000	-8.3%	869,100	0.7%

DEPARTMENT BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ 747,339	725,508	\$ 544,100	\$ 529,700	\$ 556,185	\$ 583,994
Supplies	10,307	10,746	44,400	43,000	45,150	47,408
Services & Charges	178,061	205,314	274,500	296,400	311,220	326,781
Capital Outlay	-	-	-	-	-	-
Total Community Dev	\$ 935,707	\$ 941,568	\$ 863,000	\$ 869,100	\$ 912,555	\$ 958,183





PLANNING & ZONING

The Planning & Zoning 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.

DIVISION DESCRIPTION

The Division reviews all land use applications to determine their impact on the environment and appropriate mitigation measures based on the Payson Town Code and the Unified Development Code (UDC). The Division serves as the Town’s lead agency for the development of the General Plan and zoning code, and assures code compliance.

2011/12 ACCOMPLISHMENTS

- ✓ Updated subdivision code
- ✓ Updated Industrial District Development standards as well as the home occupation standards to help facilitate small business development
- ✓ Created Design Review Guidelines for multiple family development and government utilities / properties to help maintain and enhance the mountain forest aesthetic of the Town of Payson

Contact Information

Sheila DeSchaaf, Zoning Administrator
(928) 474-5242 X354
sdeschaaf@paysonaz.gov

Physical Location

Community Development Building
303 N Beeline Hwy.
Payson, AZ 85541

**2012/
2013
GOALS**

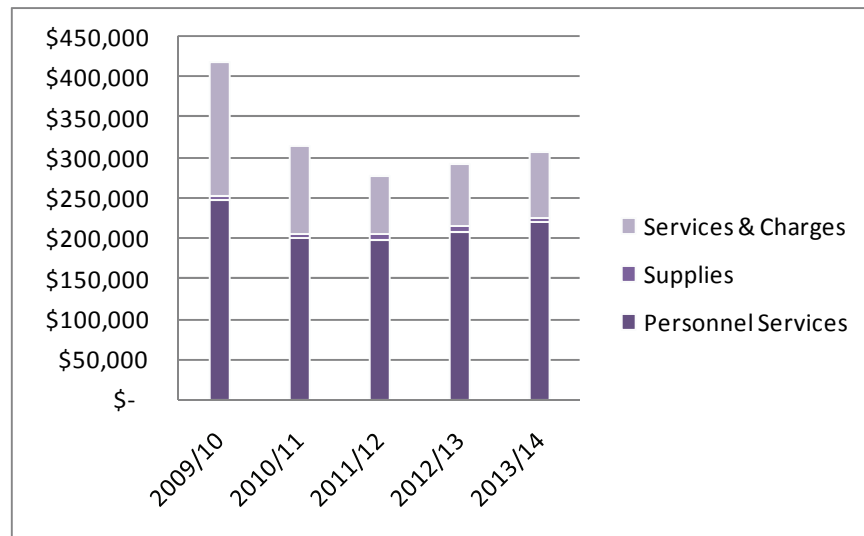
- ⇒ Increase citizen awareness and community involvement in P&Z processes through contact with grassroots groups, media coverage, open houses, and networking
- ⇒ Continue to integrate graphics and illustrations into the UDC
- ⇒ Continue to implement the Routes 87 / 260 Signage & Landscape Concept and suggested improvements
- ⇒ Update General Plan and Impact fees
- ⇒ Update sign code
- ⇒ Revise multiple family development standards to provide more opportunities for affordable and workforce housing and encourage compact development
- ⇒ Encourage private development to participate in the Town-wide beautification plan

DIVISION BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	201,260	140,500	-30.2%	144,500	2.8%
Personnel Benefits	47,249	60,200	27.4%	55,400	-8.0%
Supplies	4,550	5,700	25.3%	5,800	1.8%
Other Services & Charges	165,896	110,100	-33.6%	72,600	-34.1%
Capital Outlay	-	-	0.0%	-	0.0%
Total Plan & Zoning	418,955	316,500	-24.5%	278,300	-12.1%

DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ 400,160	\$ 248,509	\$ 200,700	\$ 199,900	\$ 209,895	\$ 220,390
Supplies	4,778	4,550	5,700	5,800	6,090	6,395
Services & Charges	26,742	165,896	110,100	72,600	76,230	80,042
Capital Outlay	-	-	-	-	-	-
Total P&Z	\$ 431,680	\$ 418,955	\$ 316,500	\$ 278,300	\$ 292,215	\$ 306,826





CD - PLANNING & ZONING

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
SALARIES & WAGES				
101-5-6428-01-5001 Full Time Employees	306,017	201,260	140,500	144,500
Total Salaries & Wages	306,017	201,260	140,500	144,500
PERSONNEL BENEFITS				
101-5-6428-01-5501 FICA	22,296	14,877	9,900	9,800
101-5-6428-01-5504 Pensions	22,571	17,544	13,900	15,700
101-5-6428-01-5700 Health/Life Insurance	40,614	7,804	32,900	26,200
101-5-6428-01-5701 Disability Insurance	1,003	594	400	300
101-5-6428-01-5800 Workers Comp Insurance	7,659	6,430	3,100	3,400
Total Personnel Benefits	94,143	47,249	60,200	55,400
SUPPLIES				
101-5-6428-01-6001 Office Supplies	1,169	1,456	1,500	1,500
101-5-6428-01-6003 Cleaning Supplies	806	561	700	800
101-5-6428-01-6009 Program Supplies	(313)	-	-	-
101-5-6428-01-6011 Small Tools & Minor Equipment	1,507	1,748	2,000	2,000
101-5-6428-01-6700 Dues & Memberships	1,609	785	1,500	1,500
Total Supplies	4,778	4,550	5,700	5,800
OTHER SERVICES & CHARGES				
101-5-6428-01-7300 Electricity	7,377	6,313	8,000	8,000
101-5-6428-01-7301 Propane Gas	1,691	2,202	2,000	2,000
101-5-6428-01-7302 Water	257	287	400	400
101-5-6428-01-7306 Telephone	(43)	(20)	-	-
101-5-6428-01-7307 Postage	93	76	200	200
101-5-6428-01-7401 Building R&M	3,488	2,155	5,000	5,000
101-5-6428-01-7402 Office Equipment R&M	1,414	1,050	1,000	1,000
101-5-6428-01-7600 Travel	265	1,202	1,000	1,000
101-5-6428-01-7601 Registrations	530	370	1,000	2,000
101-5-6428-01-7900 Other Professional Services	-	75,964	47,500	50,000
101-5-6428-01-7907 Advertising	1,236	1,645	2,000	2,000
101-5-6428-01-7910 Printing & Binding	474	774	1,000	1,000
210-5-6428-03-7912 Environmental Grant	9,960	73,713	41,000	-
210-5-6428-06-6990 Donation-Electric Light Parade	-	165	-	-
Total Other Svcs & Charges	26,742	165,896	110,100	72,600
TOTAL PLANNING & ZONING	431,680	418,955	316,500	278,300



BUILDING

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

DIVISION DESCRIPTION

The Division provides information to the public on building code requirements, reviews and approves building plans, and performs a complete range of building services. These services include plan check review and inspection for all required codes: building, plumbing, mechanical and electrical. Responsibilities also include code enforcement activities associated with the Unified Development Code, business license activities, and dog license issuance. The Division also investigates complaints regarding illegal or unsafe structures and, when necessary, initiates code enforcement orders against violators.

2011/12 ACCOMPLISHMENTS

- ✓ **Initiated the code update process and held a number of public information classes on that subject**
- ✓ **Conducted 2719 building inspections**
- ✓ **Conducted 606 code enforcement inspections**
- ✓ **Issued 16 new single family home permits**
- ✓ **Issued 9 new manufactured home permits**
- ✓ **Issued permits for 20 new multi-family units**
- ✓ **Issued permits for 4 new commercial projects**
- ✓ **Completed Energy Efficiency Community Block Grant for energy upgrades to Town facilities**

Contact Information
(928) 474-5242 X263

Don Monteath—dmonteath@paysonaz.gov
Sean Tanner—stanner@paysonaz.gov

Physical Location

Town of Payson
Community Development Building
303 N Beeline Hwy.
Payson, AZ 85541



**2012/
2013
GOALS**

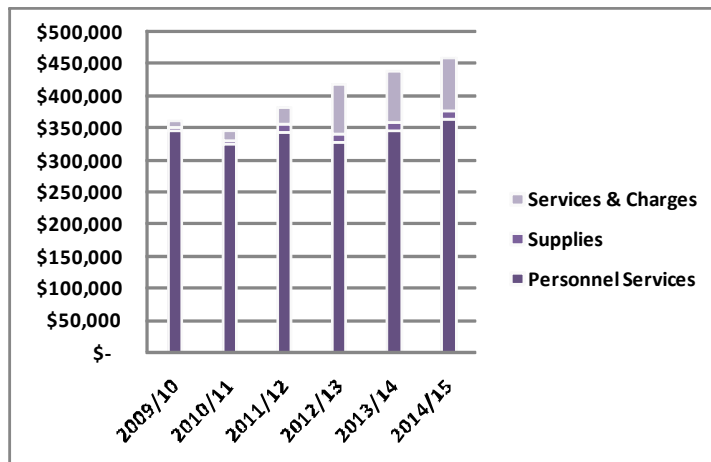
- ⇒ Continue code update process to bring building codes up-to-date by end of year
- ⇒ Continue to provide comprehensive Plan Review and Inspections consistent with industry standards
- ⇒ Continue to improve the code enforcement process to better serve the public

DIVISION BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	261,524	241,000	-7.8%	241,000	0.0%
Personnel Benefits	63,824	102,400	60.4%	88,800	-13.3%
Supplies	5,968	13,700	129.6%	12,200	-10.9%
Other Services & Charges	15,841	24,400	54.0%	75,800	210.7%
Capital Outlay	-	-	0.0%	-	0.0%
Total Building	347,157	381,500	9.9%	417,800	9.5%

DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

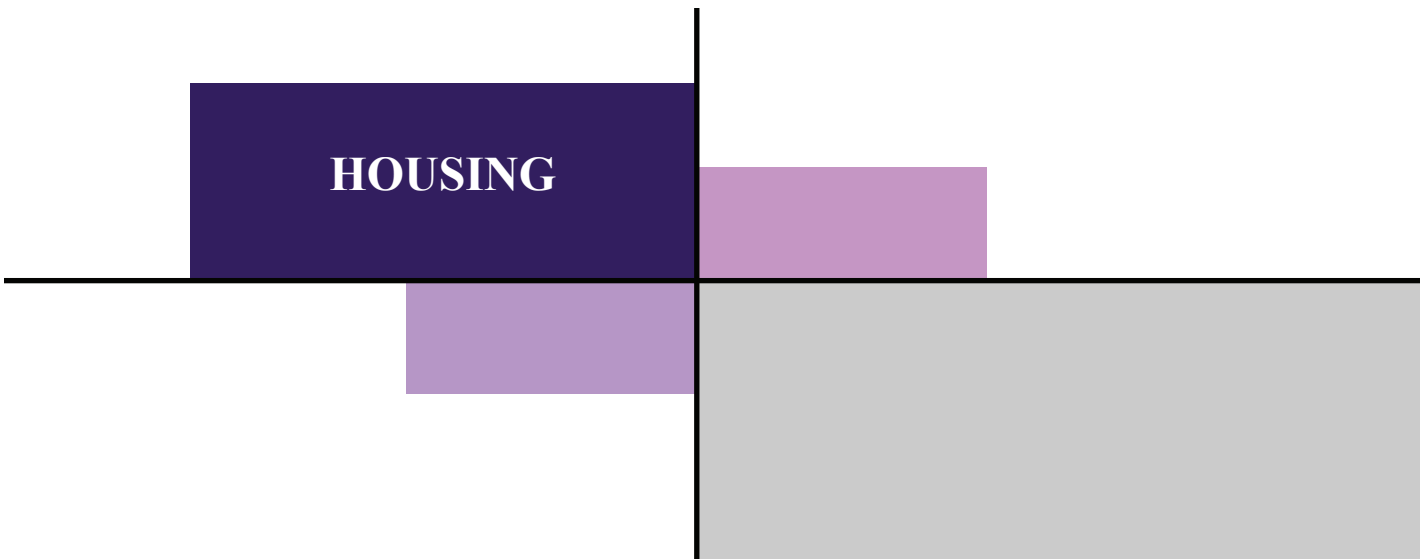
Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ 347,179	325,348	\$ 343,400	\$ 329,800	\$ 346,290	\$ 363,605
Supplies	5,529	5,968	13,700	12,200	12,810	13,451
Services & Charges	9,874	15,841	24,400	75,800	79,590	83,570
Capital Outlay	-	-	-	-	-	-
Total Building	\$ 362,582	\$ 347,157	\$ 381,500	\$ 417,800	\$ 438,690	\$ 460,625





CD - BUILDING

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
SALARIES & WAGES				
101-5-6428-03-5001 Full Time Employees	243,836	261,266	241,000	241,000
101-5-6428-03-5200 Overtime Pay	65	258	-	-
Total Salaries & Wages	<u>243,901</u>	<u>261,524</u>	<u>241,000</u>	<u>241,000</u>
PERSONNEL BENEFITS				
101-5-6428-03-5501 FICA	16,685	18,277	17,000	16,300
101-5-6428-03-5504 Pensions	20,441	25,043	23,800	26,300
101-5-6428-03-5700 Health/Life Insurance	65,243	18,191	56,900	41,400
101-5-6428-03-5701 Disability Insurance	909	666	600	600
101-5-6428-03-5800 Workers Comp Insurance	-	1,647	4,100	4,200
Total Personnel Benefits	<u>103,278</u>	<u>63,824</u>	<u>102,400</u>	<u>88,800</u>
SUPPLIES				
101-5-6428-03-6010 Books & Periodicals	-	-	4,000	5,000
101-5-6428-03-6011 Small Tools & Minor Equipment	1,179	1,509	2,000	2,000
101-5-6428-03-6300 Vehicle Fuel	2,821	2,825	4,000	3,000
101-5-6428-03-6301 Tires	-	1,031	2,000	1,000
101-5-6428-03-6302 Vehicle R&M Parts	1,107	243	1,200	700
101-5-6428-03-6700 Dues & Memberships	422	360	500	500
Total Supplies	<u>5,529</u>	<u>5,968</u>	<u>13,700</u>	<u>12,200</u>
OTHER SERVICES & CHARGES				
101-5-6428-03-7010 Plan Stor Bx/Bldg Code	-	-	-	3,000
101-5-6428-03-7306 Telephone	4,182	3,077	3,000	3,500
101-5-6428-03-7405 Vehicle R&M	106	-	1,000	500
101-5-6428-03-7502 Leased Equipment	2,184	2,396	3,600	3,600
101-5-6428-03-7600 Travel	1,993	985	3,000	2,000
101-5-6428-03-7601 Registrations	720	865	1,300	1,500
101-5-6428-03-7900 Other Professional Services	-	7,760	10,000	60,000
101-5-6428-03-7910 Printing & Binding	689	758	2,500	1,700
Total Other Svcs & Charges	<u>9,874</u>	<u>15,841</u>	<u>24,400</u>	<u>75,800</u>
TOTAL BUILDING	<u><u>362,582</u></u>	<u><u>347,157</u></u>	<u><u>381,500</u></u>	<u><u>417,800</u></u>



DIVISION DESCRIPTION

The Housing Programs 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. The Division seeks state resources for housing and rehabilitation programs, first-time homebuyers, and other clients.

2011/12 ACCOMPLISHMENTS

- ✓ **Promoted Affirmatively Furthering Fair Housing (AFFH)**
- ✓ **Implemented and administered new and existing housing rehabilitation and replacement contracts in compliance with State and Federal requirements**
- ✓ **Completed three rehabilitation projects for income-qualified homeowners**
- ✓ **Collaborated with State of Arizona Housing Department to implement Federal and State initiatives in Payson**
- ✓ **Updated Housing Rehab guidelines and added Emergency Repair program**

Contact Information

Doni Wilbanks
(928) 474-5242 X356
dwilbanks@paysonaz.gov

Physical Location

Town of Payson
Community Development Building
303 N Beeline Hwy.
Payson, AZ 85541



2012/
2013
GOALS

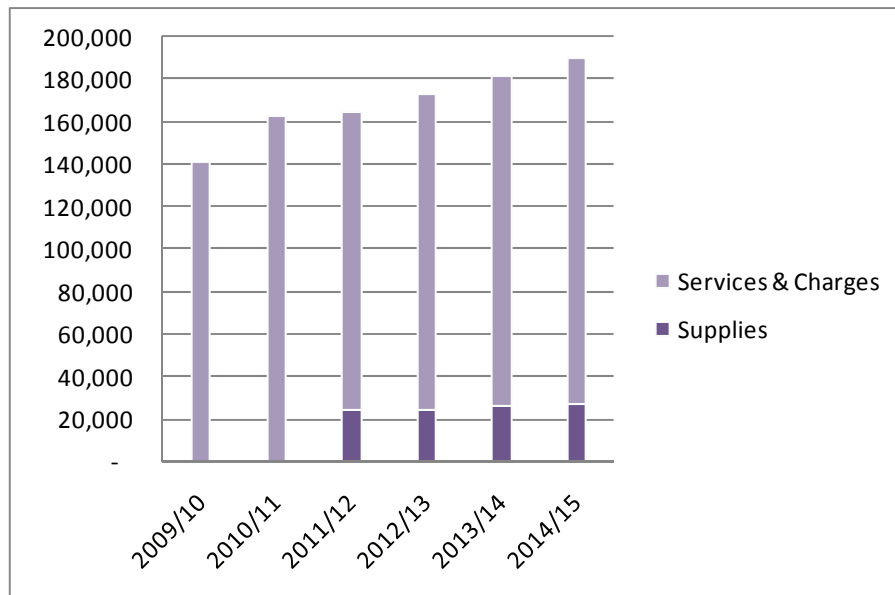
- ⇒ Promote Affirmatively Furthering Fair Housing (AFFH)
- ⇒ Implement and administer new and existing housing rehabilitation and replacement contracts in compliance with State and Federal requirements
- ⇒ Complete a minimum of two rehabilitation projects for income-qualified homeowners
- ⇒ Collaborate with State of Arizona Housing Department to implement Federal and State initiatives in Payson
- ⇒ Explore feasibility options of assisting multi-family rental rehabilitation projects

DIVISION BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	-	-	0.0%	-	0.0%
Personnel Benefits	-	-	0.0%	-	0.0%
Supplies	-	25,000	100.0%	25,000	0.0%
Other Services & Charges	162,731	140,000	-14.0%	148,000	5.7%
Capital Outlay	-	-	0.0%	-	0.0%
Total Housing	162,731	165,000	1.4%	173,000	4.8%

DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	-	-	25,000	25,000	26,250	27,563
Services & Charges	141,445	162,731	140,000	148,000	155,400	163,170
Capital Outlay	-	-	-	-	-	-
Total Housing	\$ 141,445	\$ 162,731	\$ 165,000	\$ 173,000	\$ 181,650	\$ 190,733



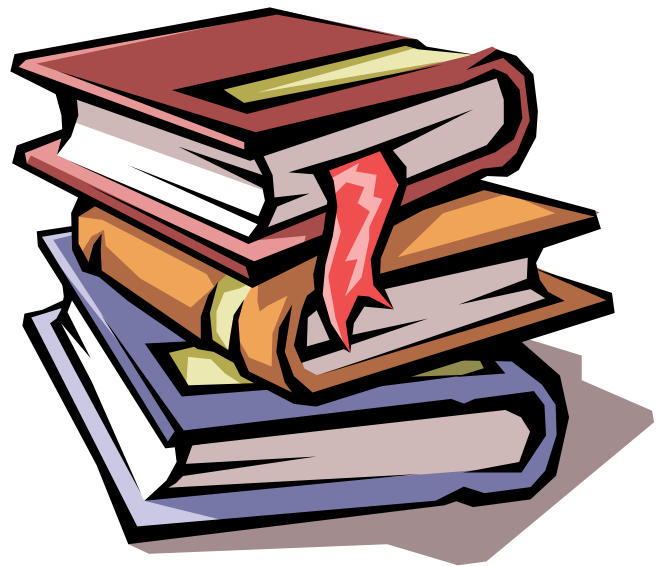
**CD - AFFORDABLE HOUSING**

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
SUPPLIES				
206-5-6428-02-6990 Other Supplies	-	-	25,000	25,000
Total Supplies	<u>0</u>	<u>-</u>	<u>25,000</u>	<u>25,000</u>
OTHER SERVICES & CHARGES				
403-5-6428-18-7912 CDBG Grant Expense #123-08	132,254	-	-	-
403-5-6428-21-7913 Housing Exp 2010	9,110	188	140,000	60,000
403-5-6428-22-7912 Senior Center 2010	<u>81</u>	<u>162,543</u>	<u>-</u>	<u>88,000</u>
Total Other Svcs & Charges	<u>141,445</u>	<u>162,731</u>	<u>140,000</u>	<u>148,000</u>
TOTAL HOUSING	<u><u>141,445</u></u>	<u><u>162,731</u></u>	<u><u>165,000</u></u>	<u><u>173,000</u></u>

LIBRARY

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

**Town of Payson
Library
328 N McLane
Payson, AZ 85541
928-474-9260**





>>>LIBRARY<<<

The goals of the Library are to expand wireless capabilities, maintain Library services which are extremely important during economic hard times as our services are free and continue to enhance children’s programs continue fundraising events with the Library Friends of Payson and actively pursue grant opportunities which would enhance programming.



. EXPENDITURE SUMMARY

Operating Division	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed
Library	436,138	395,224	432,700	373,800
				-
Total Department	436,138	395,224	432,700	373,800

. POSITION SUMMARY

Authorized Personnel	2009/10	2010/11	2011/12	2012/13
Library Director	1.0	1.0	1.0	1.0
Assistant Library Manager	1.0	1.0	1.0	1.0
Library Clerks	4.0	4.0	6.0	6.0
Total Full-Time Positions	6.0	6.0	8.0	8.0

*One library clerk (18 hours per week) paid by Library Friends of Payson

DIVISION DESCRIPTION

The citizens of Payson have access to a very modern and efficiently operated library. Funding is provided through the Town of Payson and the Gila County Library District. The library offers a variety of programs for its young and senior patrons. It serves not only the citizens of Payson but also the surrounding communities.

2011/12 ACCOMPLISHMENTS

- ✓ **The Payson Library Community Room housed a Smithsonian Travelling Exhibit “Key Ingredients: in association with the Arizona Humanities Council and supported by the Library Friends of Payson. More than 1,500 individuals visited the free, multi-faceted exhibit, while on display at Payson Public Library.**
- ✓ **The Payson Public Library implemented the availability of JOBS computer funded by the State of Arizona through Gila County Library District. This computer is available to the public as a one-stop computer station for regional job-availability searches, resume building tools and on-line job application completion.**
- ✓ **The Payson Public Library implemented a use of a printing software, LPT One, that is attached to the public access computers. This software has eliminated the waste of printer paper and printer toner that has gone to waste in the past when public computer users had not picked up and paid for printing jobs sent to the library printer. There are several libraries in the Gila County Library District that are now using this software.**

CONTACT INFORMATION

Town of Payson
Payson Public Library
(928) 474-9260

PHYSICAL LOCATION

Payson Public Library
328 N McLane
Payson, AZ 85541

2012/
2013
GOALS

- ⇒ The Payson Public Library is aiming to streamline the library materials weeding system using the circulation data that is available through the countrywide circulation software system, Polaris. This will promote well-rounded library collection control and efficient use of library staff time spent on this vital task.
- ⇒ The Payson Public Library will continue to actively seek out grants and programming that are structured to enhance library services to the public, taking into consideration current public needs.
- ⇒ The Payson Public Library will work alongside the Gila County Library District to update the Strategic Plan for the District to ensure that State Library laws are updated in the public use internet policy and to support Library District-wide agreements that create an environment of cohesive customer service for all Gila County Library District library card holders and non-card-holding visitors.

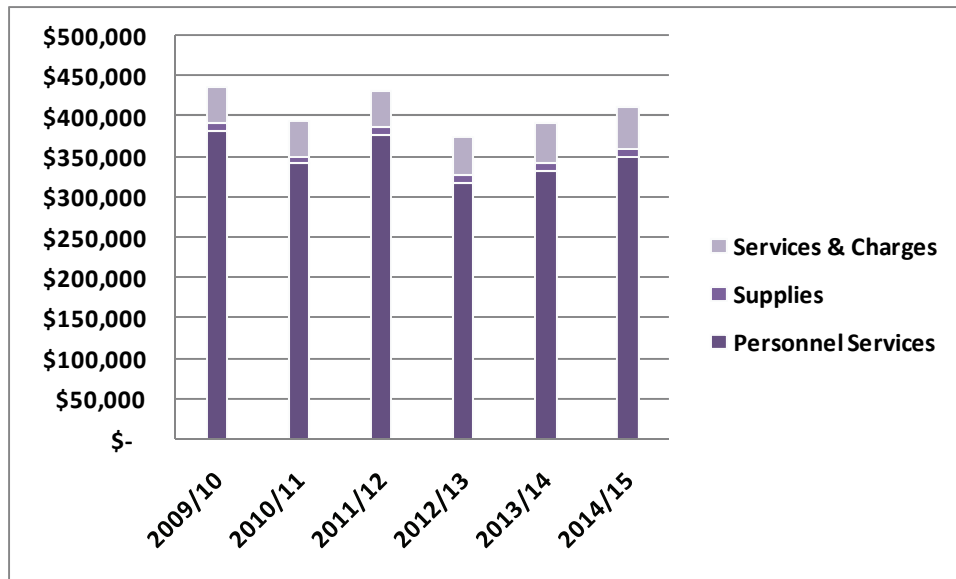
DIVISION BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	279,447	290,000	3.8%	236,000	-18.6%
Personnel Benefits	63,092	87,600	38.8%	81,800	-6.6%
Supplies	8,046	9,400	16.8%	8,900	-5.3%
Other Services & Charges	44,639	45,700	2.4%	47,100	3.1%
Total Library	395,224	432,700	9.5%	373,800	-13.6%



DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ 382,448	342,539	\$ 377,600	\$ 317,800	\$ 333,690	\$ 350,375
Supplies	9,078	8,046	9,400	8,900	9,345	9,812
Services & Charges	44,612	44,639	45,700	47,100	49,455	51,928
Capital Outlay				-	-	-
Total Library	\$ 436,138	\$ 395,224	\$ 432,700	\$ 373,800	\$ 392,490	\$ 412,115





LIBRARY

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
SALARIES & WAGES				
224-5-4461-00-5001 Full Time Employees	246,936	236,299	244,200	190,300
224-5-4461-00-5002 Part Time Employees	41,177	43,148	45,800	45,700
Total Salaries & Wages	288,113	279,447	290,000	236,000
PERSONNEL BENEFITS				
224-5-4461-00-5501 FICA	18,473	20,518	21,200	16,200
224-5-4461-00-5504 Pensions	22,467	25,908	24,100	25,100
224-5-4461-00-5700 Health/Life Insurance	49,759	12,180	38,200	36,600
224-5-4461-00-5701 Disability Insurance	1,073	759	800	600
224-5-4461-00-5800 Workers Comp Insurance	2,563	3,727	3,300	3,300
Total Personnel Benefits	94,335	63,092	87,600	81,800
SUPPLIES				
224-5-4461-00-6001 Office Supplies	2,999	3,041	3,500	3,000
224-5-4461-00-6003 Cleaning/Sanitary Supplies	1,017	1,193	1,100	1,100
224-5-4461-00-6201 Building R&M	1,767	632	1,800	1,800
224-5-4461-00-6700 Dues & Memberships	3,295	3,180	3,000	3,000
Total Supplies	9,078	8,046	9,400	8,900
OTHER SERVICES & CHARGES				
224-5-4461-00-7300 Electricity	30,437	25,763	27,000	27,000
224-5-4461-00-7302 Water	1,284	541	600	1,300
224-5-4461-00-7304 Sewage	1,260	1,037	1,200	1,200
224-5-4461-00-7305 Refuse Disposal	388	520	500	600
224-5-4461-00-7306 Telephone	3,801	4,044	3,900	4,000
224-5-4461-00-7307 Postage	2,190	1,587	2,000	2,000
224-5-4461-00-7401 Building R&M	4,255	10,356	9,000	10,000
224-5-4461-00-7900 Other Professional Services	791	791	1,000	500
224-5-4461-00-7910 Printing & Binding	206	-	500	500
Total Other Svcs & Charges	44,612	44,639	45,700	47,100
TOTAL LIBRARY	436,138	395,224	432,700	373,800

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. Combined with development of 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
928-474-5242 X249**

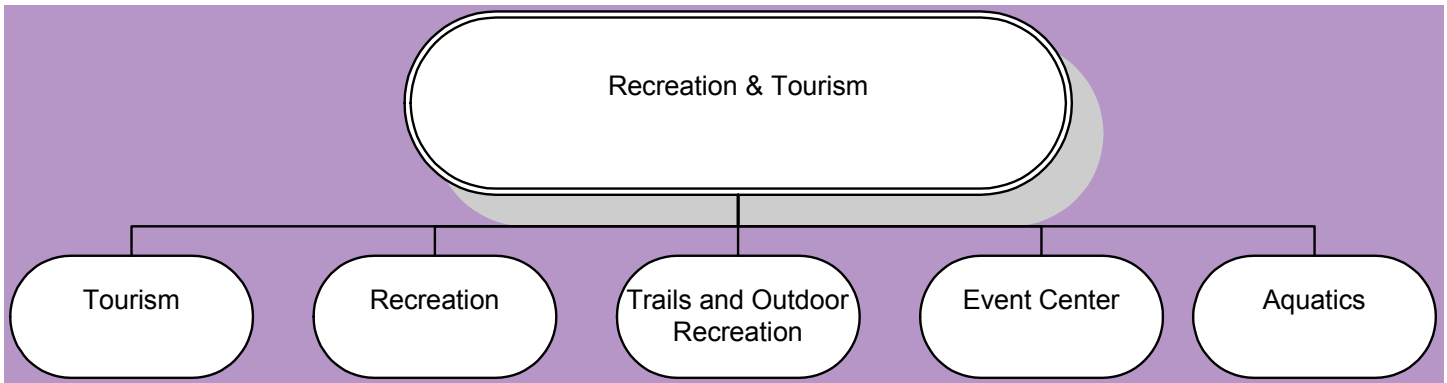
**Cameron Davis
Director of Recreation & Tourism
cdavis@paysonaz.gov**





>>>RECREATION & TOURISM<<<

The Town of Payson Recreation & Tourism Department provides recreational and cultural activities for the community. It is also responsible for promoting the Town to outside media sources. The facilities that fall under this department are Taylor Pool, Rumsey Park, Green Valley Park, the Multipurpose Event Center, and Payson Area Trails System (PATS).



. EXPENDITURE SUMMARY

Operating Division	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed
Tourism	173,730	190,461	199,300	199,400
Trails	64,658	59,868	25,200	11,600
Recreation	243,253	190,716	245,800	289,400
Event Center	59,665	40,514	113,100	159,100
Aquatics	64,935	41,089	42,800	45,300
Total Department	606,241	522,648	626,200	704,800

. POSITION SUMMARY

Authorized Personnel	2009/10	2010/11	2011/12	2012/13
P & R Director	1.0	0.0	0.0	0.0
Tourim Director	1.0	1.0	1.0	1.0
Recreation Supervisor	0.0	1.0	1.0	1.0
Recreation Coordinator	2.0	2.0	2.0	2.0
Secretary	1.0	1.0	1.0	1.0
Trails Coordinator	1.0	1.0	0.5	0.5
Trails Technician	1.0	0.0	0.0	0.0
Event Center Coordinator	0.5	0.5	1.0	1.0
Total Full-Time Positions	7.5	6.5	6.5	6.5

Trails Coordinator position frozen pending economic recovery

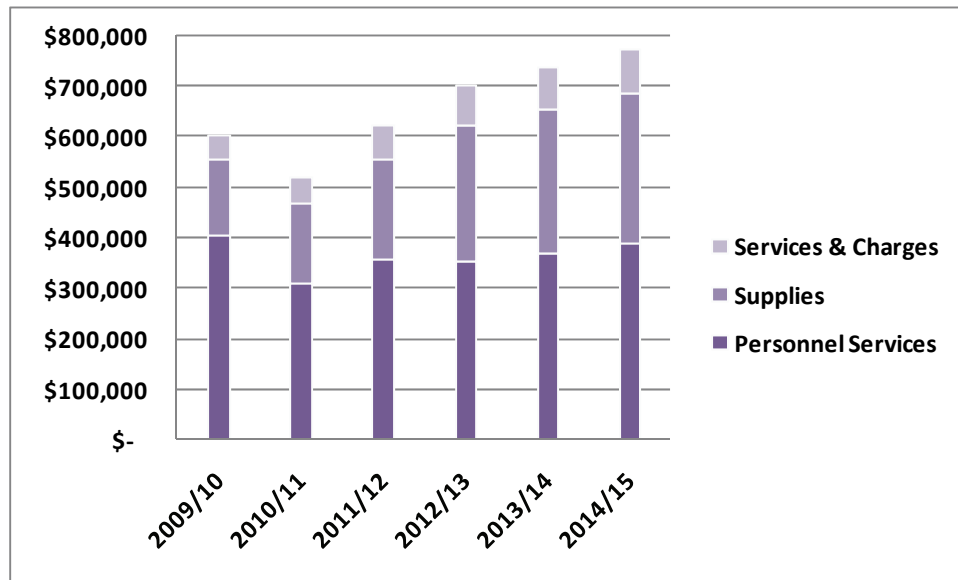


DEPARTMENT BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	256,402	273,900	6.8%	275,100	0.4%
Personnel Benefits	53,662	84,300	57.1%	79,100	-6.2%
Supplies	161,402	198,000	22.7%	271,000	36.9%
Other Services & Charges	51,182	70,000	36.8%	79,600	13.7%
Total Rec & Tourism	522,648	626,200	19.8%	704,800	12.6%

DEPARTMENT BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ 405,236	\$ 310,064	\$ 358,200	\$ 354,200	\$ 371,910	\$ 390,506
Supplies	153,006	161,402	198,000	271,000	284,550	298,778
Services & Charges	47,999	51,182	70,000	79,600	83,580	87,759
Capital Outlay	-	-	-	-	-	-
Total Rec & Tourism	\$ 606,241	\$ 522,648	\$ 626,200	\$ 704,800	\$ 740,040	\$ 777,042





DIVISION DESCRIPTION

It is the responsibility of this division to market and showcase the Town to outside media resources that will ultimately create more awareness concerning events and activities that are happening in Payson. This division also promotes positive interaction between the Town and neighborhood residents. The goal is to create a sense of community involvement and consensus within the Town as it relates to tourism, economic vitality, and participation.

The division actively works with other departments to market and promote Payson as an economically viable community with two primary goals:

- Strengthening the Town’s quality of life programs
- Attract special events and activities that bolster economic vitality and drive sales and bed tax revenue

CONTACT INFORMATION

Cameron Davis
Recreation & Tourism Director
(928) 474-5242 X249
cdavis@paysonaz.gov

PHYSICAL LOCATION

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

2011/12 ACCOMPLISHMENTS

- ✓ Grew Payson's brand name in the Valley by utilizing press releases, media connections, TV, radio, etc. Exceeded 2,000 overall advertisements and mentions were made in 2011/12 through the efforts of this Division
- ✓ Negotiated contract with FLW to bring an event to Payson in 2013
- ✓ Tourism website www.paysonrimcountry.com is at the top of all search engines and continues to be the source for tourism related information. It now has over 450 pages of information.
- ✓ Over 650,000 people have visited the Town of Payson Tourism Website since it launched in 2008
- ✓ Over 2,100,000 pages have been viewed during this time
- ✓ Developed several key videos promoting the community. One, in particular, was with Insight Television on a program called Discover America—Hosted by Terry Bradshaw. This video went viral and has had over 1,000,000 viewers. It was broadcast in over 19 of the top US markets and the impact has been far reaching.
- ✓ Increased bed tax dollars by 3%
- ✓ Continued to brand "Arizona's Cool Mountain Town" in the Valley
- ✓ Created a brand new Demolition Derby as part of the Mountain High Games
- ✓ Had over 425 contestants at the Payson Arizona Mountain High Games in 2012
- ✓ Helped co-sponsor several major events
- ✓ Grew the Town's e-mail marketing list by 30%. The e-mail campaigns continue to perform very well. When we send out an e-mail blast over 30% of the people on the list open the e-mail. Industry norms are about 7%, so we are performing way above industry norms.
- ✓ The Tourism Department has also been very active with social media. We created a Facebook page in 2011 and now have just under 1,000 members. This media has shown huge responses and, because it is viral, the Town benefits by these 1,000 members forwarding the message to their friends and family members.

**2012/
2013
GOALS**

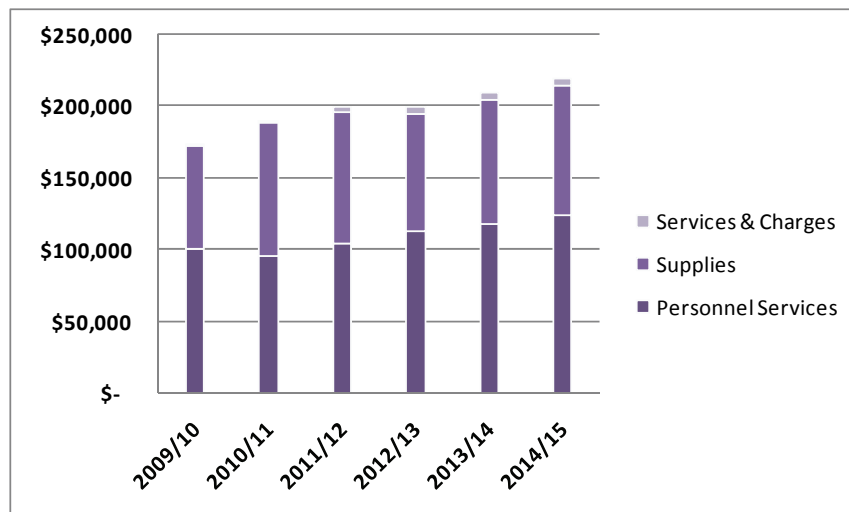
- ⇒ Continue to build the Mountain High Games into a premier event state wide
- ⇒ Add a mud run to the Mountain High Games
- ⇒ Attract a large scale mountain bike competition to Payson
- ⇒ Continue to develop and build our social media presence
- ⇒ Continue to feature the 4th of July as the Town's premier event
- ⇒ Continue to build relationships with the Payson Pro Rodeo Committee and promote the World's Oldest Continuous Rodeo
- ⇒ Work with all Recreation and Tourism Divisions to promote and drive participation to our programs
- ⇒ Work on bringing ASU football back to Camp Tontozona
- ⇒ Attract two sizable events this next year to our community

DIVISION BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	78,622	78,400	-0.3%	88,400	12.8%
Personnel Benefits	16,998	26,000	53.0%	24,600	-5.4%
Supplies	94,150	92,100	-2.2%	82,100	-10.9%
Other Services & Charges	691	2,800	305.2%	4,300	53.6%
Capital Outlay	-	-	0.0%	-	0.0%
Total Tourism	190,461	199,300	4.6%	199,400	0.1%

DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ 101,132	\$ 95,620	\$ 104,400	\$ 113,000	\$ 118,650	\$ 124,583
Supplies	71,059	94,150	92,100	82,100	\$ 86,205	\$ 90,515
Services & Charges	1,539	691	2,800	4,300	\$ 4,515	\$ 4,741
Capital Outlay	-	-	-	-	\$ -	\$ -
Total Tourism	\$ 173,730	190,461	\$ 199,300	\$ 199,400	\$ 209,370	\$ 219,839





TOURISM

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
SALARIES & WAGES				
101-5-1410-00-5001 Full Time Employees	75,530	78,622	78,400	78,400
214-5-1410-00-5003 Temporary Employees	-	-	-	10,000
Total Salaries & Wages	75,530	78,622	78,400	88,400
PERSONNEL BENEFITS				
101-5-1410-00-5501 FICA	5,402	5,773	5,700	5,500
101-5-1410-00-5504 Pensions	6,335	7,765	7,700	8,500
101-5-1410-00-5700 Health/Life Insurance	13,346	3,013	12,100	10,100
101-5-1410-00-5701 Disability Insurance	282	229	200	200
101-5-1410-00-5800 Workers Comp Insurance	237	218	300	300
Total Personnel Benefits	25,602	16,998	26,000	24,600
SUPPLIES				
101-5-1410-00-6011 Small Tools & Minor Equipment	1,935	3,703	3,500	2,000
101-5-1410-00-6202 Other R&M Materials	(180)	-	-	-
214-5-1410-00-6600 Public Relations	18	-	-	-
101-5-1410-00-6602 Promotional Events	283	-	-	-
214-5-1410-00-6602 Promotional Events	68,856	90,350	86,000	80,000
101-5-1410-00-6700 Dues & Memberships	-	-	100	100
210-5-1410-00-6990 Other Supplies-Main St Program	147	97	2,500	-
Total Supplies	71,059	94,150	92,100	82,100
OTHER SERVICES & CHARGES				
101-5-1410-00-7306 Telephone	985	691	800	800
101-5-1410-00-7307 Postage	74	-	500	500
101-5-1410-00-7600 Travel	175	-	-	-
101-5-1410-00-7900 Other Professional Services	39	-	1,500	1,500
101-5-1410-00-7907 Advertising	266	-	-	-
210-5-1410-00-7912 Grant Expense	-	-	-	1,500
Total Other Svcs & Charges	1,539	691	2,800	4,300
TOTAL TOURISM	173,730	190,461	199,300	199,400



RECREATION

It is the mission of the Recreation Division to provide programs that create the background for healthy living and sports-based programs for all ages that build, activate, and unite the community. Creating quality of life programs to enhance the communities overall social and economic benefits is central to the mission of this Division.

DIVISION DESCRIPTION

The Recreation Division is responsible for planning and providing small to large scale sporting events including: soccer, flag football, softball, basketball, and much more. In addition to these programs, this division works to attract large scale sporting events to Town to help stimulate the economic vitality of the community.

2011/12 ACCOMPLISHMENTS

- ✓ **Attracted the ASA State B Girls Tournament to Payson. We had 52 teams and over 4,000 people attend the tournament. Hotels were sold out throughout Payson, Pine, Strawberry, and Christopher Creek as far away as Camp Verde and Fountain Hills.**
- ✓ **Maintained the number of programs offered to youth and adults within the Town's cost recovery guidelines and public requests**
- ✓ **Provided more programs for children who have not started school (ages 3-5)**
- ✓ **Improved training for seasonal employees**
- ✓ **Attracted more camps to Town**
- ✓ **Improved existing programs and introduced many new programs**
- ✓ **Secured an ASA softball Invitational Tournament to Payson for next year**

CONTACT INFORMATION

Mary Wolf—Youth
Adult Sports Coordinator
(928) 474-5242 X260
mwolf@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

**2012/
2013
GOALS**

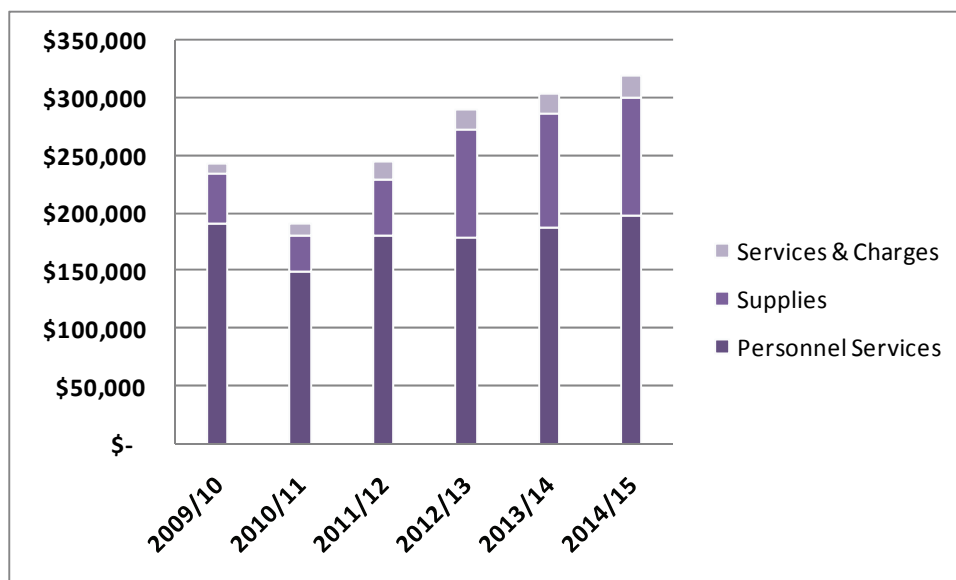
- ⇒ Attract more sports destination tournaments. Focus on the following sports disciplines: football, soccer and softball
- ⇒ Continue to develop and train professional support staff
- ⇒ Introduce new programs geared at the Active Adult population
- ⇒ Build an annual ASA Invitational Tournament
- ⇒ Provide the opportunity for Sports Camps including basketball, football, soccer, and softball

DIVISION BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	122,976	141,200	14.8%	141,300	0.1%
Personnel Benefits	27,016	39,000	44.4%	38,000	-2.6%
Supplies	31,235	49,800	59.4%	93,000	86.7%
Other Services & Charges	9,489	15,800	66.5%	17,100	8.2%
Total Recreation Operations	190,716	245,800	28.9%	289,400	17.7%

BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ 191,701	\$ 149,992	\$ 180,200	\$ 179,300	\$ 188,265	\$ 197,678
Supplies	43,384	31,235	49,800	93,000	97,650	102,533
Services & Charges	8,168	9,489	15,800	17,100	17,955	18,853
Capital Outlay	-	-	-	-	-	-
Total Recreation	\$ 243,253	\$ 190,716	\$ 245,800	\$ 289,400	\$ 303,870	\$ 319,064





RECREATION

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
SALARIES & WAGES				
101-5-446x-00-5001 Full Time Employees	120,972	101,115	107,500	107,600
101-5-446x-00-5003 Temporary	19,669	21,861	33,700	33,700
Total Salaries & Wages	140,641	122,976	141,200	141,300
PERSONNEL BENEFITS				
101-5-446x-00-5501 FICA	10,736	9,011	10,200	10,800
101-5-446x-00-5504 Pensions	9,369	9,760	10,700	11,700
101-5-446x-00-5700 Health/Life Insurance	26,207	5,614	17,300	14,000
101-5-446x-00-5701 Disability Insurance	416	282	300	300
101-5-446x-00-5800 Workers Comp Insurance	4,332	2,349	500	1,200
Total Personnel Benefits	51,060	27,016	39,000	38,000
SUPPLIES				
101-5-446x-00-6001 Office Supplies	2,144	2,721	2,000	2,000
101-5-446x-00-6003 Cleaning Supplies	409	160	300	400
101-5-446x-00-6005 Safety/Program Supplies	206	146	300	300
101-5-446x-00-6006 Clothing/Uniform Reimburse	359	381	600	700
101-5-446x-00-6009 Program Supplies	39,314	26,604	43,800	81,600
101-5-446x-00-6011 Small Tools/Minor Equipment	557	292	400	400
101-5-446x-00-6201 Building Repair Materials	-	40	400	400
101-5-446x-00-6202 Other R&M Materials	-	-	-	-
101-5-446x-00-6300 Vehicle Fuels	-	740	1,400	6,000
101-5-446x-00-6301 Tires/Tubes/Batteries	-	-	-	600
101-5-446x-00-6302 Vehicle R&M	290	106	500	500
101-5-446x-00-6700 Dues & Memberships	45	45	100	100
101-5-446x-00-6990 Other Expenses	60	-	-	-
Total Supplies	43,384	31,235	49,800	93,000
OTHER SERVICES & CHARGES				
101-5-446x-00-7306 Telephone	(56)	86	1,900	6,200
101-5-446x-00-7307 Postage	109	10	200	200
101-5-446x-00-7402 Office Equipment R&M	-	-	100	-
101-5-446x-00-7404 R & M Equipment	-	-	-	100
101-5-446x-00-7502 Lease-Equipment	2,200	2,500	2,500	1,500
101-5-446x-00-7600 Travel	594	-	300	300
101-5-446x-00-7601 Registrations	625	250	300	300
101-5-446x-00-7900 Other Professional Services	70	-	-	-
101-5-446x-00-7907 Advertising	-	500	500	500
101-5-446x-00-7910 Printing & Binding	4,626	6,143	10,000	8,000
Total Other Svcs & Charges	8,168	9,489	15,800	17,100
TOTAL RECREATION	243,253	190,716	245,800	289,400



TRAILS & OPEN SPACES

The Trails and Outdoor Recreation Division consists of Payson Area Trails System (PATS) and outdoor recreation programs.

DIVISION DESCRIPTION

The Payson Area Trails System (PATS) is an in-progress inter-connecting trails system utilizing detached pathways, existing sidewalks and bike lanes in Payson to form an interior trail network. These interior trails will connect to specific Forest Service roads and trails on Payson’s periphery to provide a more rustic trail-user experience. Outdoor recreation programs enhance the quality of life of Rim Country residents, as well as visitors, by offering programs that familiarize participants with our various outdoor resources.

2011/12 ACCOMPLISHMENTS

- ✓ **Worked with the Tonto National Forest to start 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**
- ✓ **Continue to provide monthly PATS hikes to the public through volunteers**
- ✓ **Promoted PATS in the Chamber’s Visitors Guide. This goes out to all local and State wide Chambers of Commerce, Visitors Bureaus, State Visitor Centers, etc.**

CONTACT INFORMATION

Cameron Davis
Recreation & Tourism Director

(928) 474-5242 X249

cdavis@paysonaz.gov

PHYSICAL LOCATION

American Gulch Trail
Boulders Loop Trail & Cypress Trail
Event Center / Gila County Trail / Peach Loop Trail
Goat Camp Ruins Trail
Houston Trail & Houston Loop Trail
Monument Peak Loop Trail
Round Valley Trail



2012/
2013
GOALS

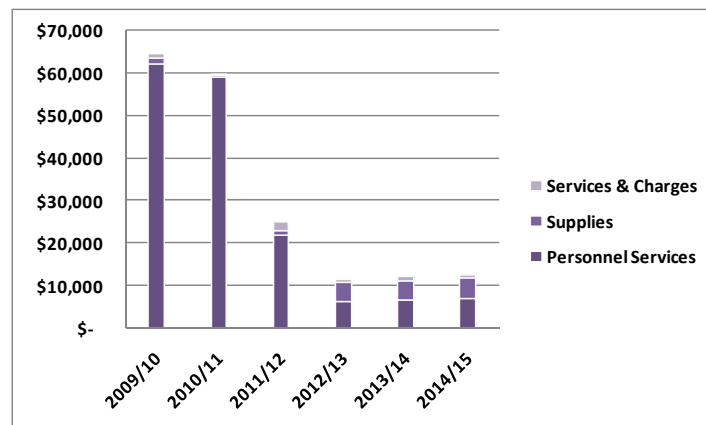
- ⇒ Continue to work with USFS and PATS volunteers to maintain USFS/PATS routes
- ⇒ Find creative, new activities and programs that will allow the public to utilize the PATS trails more
- ⇒ Continue to offer most popular outdoor recreation programming per cost recovery guidelines and public request
- ⇒ Partner with other government agencies & contractors, when possible, to maximize service and minimize costs of offering programs
- ⇒ Increase awareness and participation of PATS use and Outdoor Recreational Activities to Arizona Residents & Organizations in the Metro Phoenix area
- ⇒ 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.)
- ⇒ Work with the Arizona OHV Program to set guidelines for trail use as it relates to OHV and UTV's

DIVISION BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	50,214	19,400	-61.4%	5,400	-72.2%
Personnel Benefits	8,693	2,700	-68.9%	1,000	-63.0%
Supplies	926	1,100	18.8%	4,400	300.0%
Other Services & Charges	35	2,000	5614.3%	800	-60.0%
Total Trails & Open Space	59,868	25,200	-57.9%	11,600	-54.0%

DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ 62,310	\$ 58,907	\$ 22,100	\$ 6,400	\$ 6,720	\$ 7,056
Supplies	1,215.00	926.00	1,100.00	4,400.00	4,620.00	4,851.00
Services & Charges	1,133.00	35.00	2,000.00	800.00	840.00	882.00
Capital Outlay	-	-	-	-	-	-
Total Trails	\$ 64,658	\$ 59,868	\$ 25,200	\$ 11,600	\$ 12,180	\$ 12,789





TRAILS & OPEN SPACE

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
SALARIES & WAGES				
101-5-4464-00-5001 Full Time Employees	50,768	31,440	-	-
101-5-4464-00-5002 Part Time Employees	-	17,371	14,000	-
101-5-4464-00-5003 Temporary	-	348	-	3,000
101-5-4464-00-5009 Contract/Instructor Pay	1,010	1,055	5,400	2,400
Total Salaries & Wages	51,778	50,214	19,400	5,400
PERSONNEL BENEFITS				
101-5-4464-00-5501 FICA	3,821	3,541	1,100	500
101-5-4464-00-5504 Pensions	4,293	4,379	1,400	-
101-5-4464-00-5700 Health/Life Insurance	285	216	-	-
101-5-4464-00-5701 Disability Insurance	191	102	100	100
101-5-4464-00-5800 Workers Comp Insurance	1,942	455	100	400
Total Personnel Benefits	10,532	8,693	2,700	1,000
SUPPLIES				
101-5-4464-00-6005 Safety/Program Supplies	7	6	-	-
101-5-4464-00-6009 Program Supplies	1,208	865	1,000	4,300
101-5-4464-00-6011 Small Tools/Minor Equipment	-	-	100	100
101-5-4464-00-6300 Vehicle Fuels	-	6	-	-
210-5-4463-00-6990 Other Expenses	-	49	-	-
Total Supplies	1,215	926	1,100	4,400
OTHER SERVICES & CHARGES				
101-5-4464-00-7306 Telephone	-	-	600	600
101-5-4464-00-7600 Travel	-	-	200	-
101-5-4464-00-7601 Registrations	175	35	200	-
101-5-4464-00-7910 Printing & Binding	958	-	1,000	200
Total Other Svcs & Charges	1,133	35	2,000	800
 TOTAL TRAILS & OPEN SPACE	 64,658	 59,868	 25,200	 11,600



EVENT CENTER

The Payson Event Center provides the community with a cultural and social place for special events and activities. It is meant to provide a place for social gathering as well as provide a facility where large events can be held. The Event Center supports the mission of the Recreation & Tourism Department in providing clean facilities that bring large groups to Town for, not only cultural and social benefits, but also for economic purposes as well.

DIVISION DESCRIPTION

A fund was established to account for expenditures related to the Town’s 36-acre Multi-Event Recreation Center, located on the south edge of Town. The Event Center was established for hosting large-scale special events. Bleacher seating is available for over 3,500 people. The annual rodeo was moved to this site in the Fall of 2000. The Event Center also provides local residents the opportunity for, and enjoyment of, drop-in equestrian usage, complete with two training arenas and a trailhead leading to the Tonto National Forest. As this facility continues to grow in popularity and usage, the Town of Payson looks forward to the seemingly endless possibilities of scheduled events that a facility of this size may generate.

User fees related to the various activities held during the year help fund the operation of the complex. Due to the impact this Complex has on the Town’s tourism related tax base, the Town Council has approved transferring part of the Town’s Bed Tax revenue to this fund.

2011/12 ACCOMPLISHMENTS

- ✓ Hosted the AZ Junior Rodeo Finals & Kick Off Rodeo
- ✓ Hosted the State High School Rodeo Finals & Kick Off Rodeo
- ✓ Hosted the All Indian Rodeo Finals for the 2nd year
- ✓ Several organizations have already booked for 2012/2013

CONTACT INFORMATION

Kaprice Bachtell—Event Center Coordinator
(928) 474-5242 X359
kbachtell@paysonaz.gov

PHYSICAL LOCATION

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



**2012/
2013
GOALS**

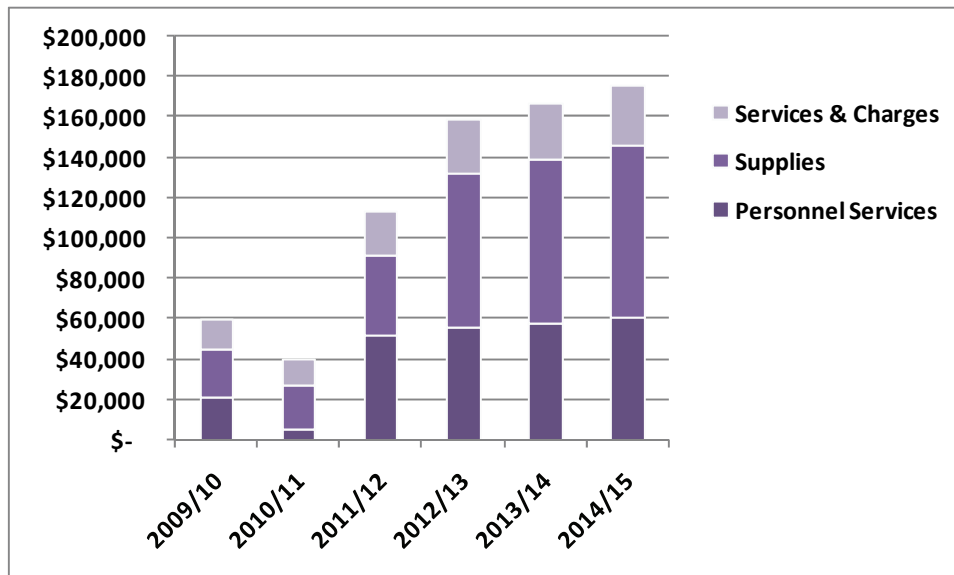
- ⇒ **Host the AZ Junior Rodeo Finals & Kick off Rodeo**
- ⇒ **Host the State High School Rodeo Finals & Kick off Rodeo**
- ⇒ **Host the All Indian Rodeo Finals for the 3rd year in a row**
- ⇒ **Host the Arizona State Junior Bull Riding Championships**
- ⇒ **Host a large scale Mud Run during the Mountain High Games**
- ⇒ **Book every available weekend with paying customers from May 1st thru October 15th**

DIVISION BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	4,590	34,900	660.3%	40,000	14.6%
Personnel Benefits	955	16,600	1638.2%	15,500	-6.6%
Supplies	22,061	40,500	83.6%	77,000	90.1%
Other Services & Charges	12,908	21,100	63.5%	26,600	26.1%
Total Event Center	40,514	113,100	179.2%	159,100	40.7%

DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ 20,870	\$ 5,545	\$ 51,500	\$ 55,500	\$ 58,275	\$ 61,189
Supplies	24,299	22,061	40,500	77,000	80,850	84,893
Services & Charges	14,496	12,908	21,100	26,600	27,930	29,327
Capital Outlay	-	-	-	-	-	-
Total Event Center	\$ 59,665	\$ 40,514	\$ 113,100	\$ 159,100	\$ 167,055	\$ 175,408






EVENT CENTER

	2009/10	2010/11	2011/12	2012/13
	ACTUAL	ACTUAL	BUDGET	PROPOSED
SALARIES & WAGES				
265-5-4465-00-5001 Full Time Employees	(36)	4,030	34,900	35,000
265-5-4465-00-5002 Part Time Employees	17,787	560	-	-
265-5-4465-00-5003 Temporary	-	-	-	5,000
Total Salaries & Wages	<u>17,751</u>	<u>4,590</u>	<u>34,900</u>	<u>40,000</u>
PERSONNEL BENEFITS				
265-5-4465-00-5501 FICA	1,334	355	2,400	2,800
265-5-4465-00-5504 Retirement	1,494	549	3,500	3,800
265-5-4465-00-5700 Insurance Benefit	-	-	10,400	8,700
265-5-4465-00-5701 Disability Insurance	67	36	100	100
265-5-4465-00-5800 Workers Comp Insurance	224	15	200	100
Total Personnel Benefits	<u>3,119</u>	<u>955</u>	<u>16,600</u>	<u>15,500</u>
SUPPLIES				
265-5-4465-00-6005 Safety/Program Supplies	134	-	-	-
265-5-4465-00-6009 Program Service Costs	22,646	20,181	32,000	68,500
265-5-4465-00-6202 R & M Supplies Other	1,445	1,412	7,500	7,500
265-5-4465-00-6900 Other Supplies	74	468	1,000	1,000
Total Supplies	<u>24,299</u>	<u>22,061</u>	<u>40,500</u>	<u>77,000</u>
OTHER SERVICES & CHARGES				
265-5-4465-00-7300 Electricity	8,807	8,790	10,000	12,000
265-5-4465-00-7302 Water	1,911	1,736	2,000	2,000
265-5-4465-00-7305 Refuse Disposal	3,624	1,682	6,000	5,000
265-5-4465-00-7306 Telephone	154	-	600	600
265-5-4465-00-7502 Lease-Equipment	-	700	2,500	7,000
Total Other Svcs & Charges	<u>14,496</u>	<u>12,908</u>	<u>21,100</u>	<u>26,600</u>
TOTAL EVENT CENTER	<u><u>59,665</u></u>	<u><u>40,514</u></u>	<u><u>113,100</u></u>	<u><u>159,100</u></u>

<h2 style="margin: 0;">AQUATICS</h2>	
	<p>The mission of the Aquatics Division is to provide a safe and fun aquatic environment for Payson residents and visitors. This facility offers swim lessons, swim teams, water aerobics as well as other aquatic activities for the whole family. Customer service and public safety are key values to the aquatic program.</p>

DIVISION DESCRIPTION

The Town’s seasonal swimming pool program provides participants of all ages diversified aquatic programs. The maintenance of Taylor Pool is designed to adhere to strict water quality standards, Certified management and lifeguards, in addition to licensed pool maintenance staff, operate Taylor Pool.



- ✓ **Renewed a new one year extension with EVO Swim School to manage Taylor Pool**
- ✓ **Provided the community with a good swim lesson program**

CONTACT INFORMATION

Cameron Davis—Recreation & Tourism Director
 (928) 474-5242 X249
 cdavis@paysonaz.gov

Taylor Pool (928) 474-2774

PHYSICAL LOCATION

Taylor Pool
 504 N. McLane Rd.
 Payson, AZ 85541



**2012/
2013
GOALS**

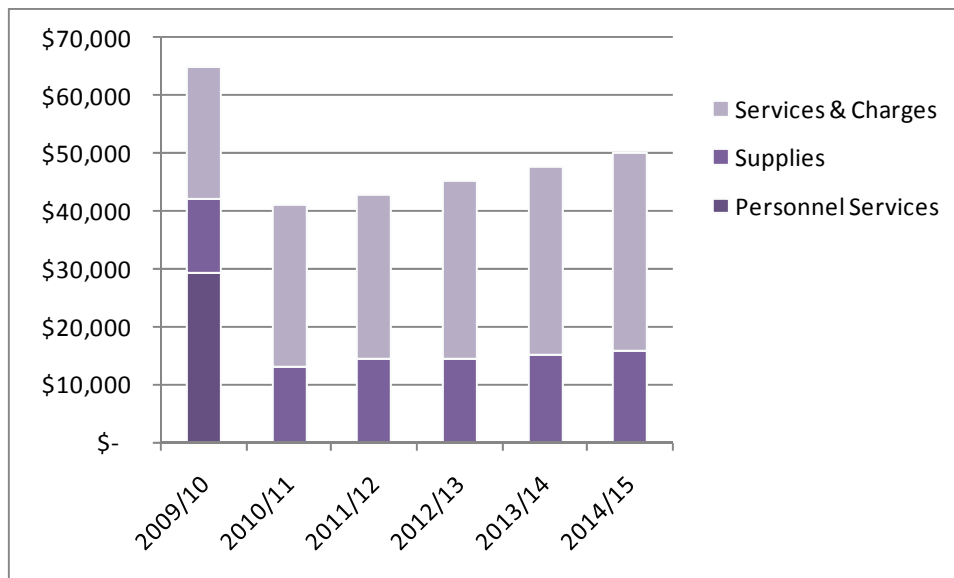
- ⇒ Evaluate and renew a multi-year contract with EVO Swim School to manage Taylor Pool
- ⇒ Provide quality swimming lessons, swim team and a safe, open swim environment
- ⇒ Evaluate existing equipment and start plan for replacement

DIVISION BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	-	-	0.0%	-	0.0%
Personnel Benefits	-	-	0.0%	-	0.0%
Supplies	13,030	14,500	11.3%	14,500	0.0%
Other Services & Charges	28,059	28,300	0.9%	30,800	8.8%
Total Aquatics	41,089	42,800	4.2%	45,300	5.8%

BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ 29,223	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	13,049	13,030	14,500	14,500	15,225	15,986
Services & Charges	22,663	28,059	28,300	30,800	32,340	33,957
Capital Outlay	-	-	-	-	-	-
Total Aquatics	\$ 64,935	\$ 41,089	\$ 42,800	\$ 45,300	\$ 47,565	\$ 49,943





AQUATICS

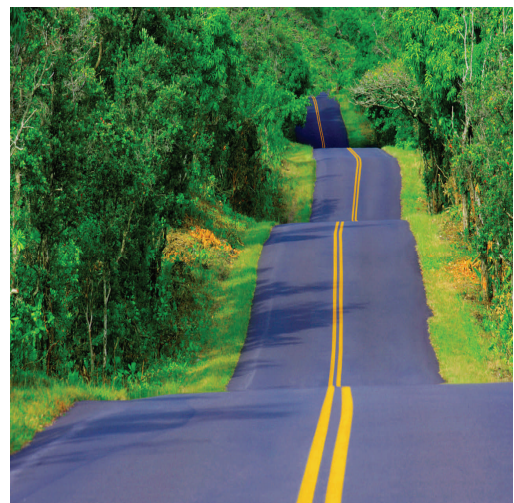
	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
SALARIES & WAGES				
101-5-4469-00-5003 Temporary Employees	26,124	-	-	-
Total Salaries & Wages	26,124	-	-	-
PERSONNEL BENEFITS				
101-5-4469-00-5501 FICA	1,606	-	-	-
101-5-4469-00-5800 Workers Comp Insurance	1,493	-	-	-
Total Personnel Benefits	3,099	-	-	-
SUPPLIES				
101-5-4469-00-6008 Chemicals	8,632	10,588	11,000	11,000
101-5-4469-00-6009 Program Supplies	2,741	1,979	2,000	2,000
101-5-4469-00-6201 Building Repair Materials	623	331	1,000	1,000
101-5-4469-00-6202 Other R&M Materials	1,053	132	500	500
Total Supplies	13,049	13,030	14,500	14,500
OTHER SERVICES & CHARGES				
101-5-4469-00-7300 Electricity	5,958	7,332	9,200	7,500
101-5-4469-00-7301 Propane Gas	7,728	10,431	9,500	9,500
101-5-4469-00-7302 Water	2,026	3,049	2,300	2,300
101-5-4469-00-7304 Sewage	2,100	2,100	2,100	2,100
101-5-4469-00-7306 Telephone	501	549	500	500
101-5-4469-00-7601 Registrations	-	98	300	-
101-5-4469-00-7900 Other Prof Svcs	-	-	-	4,500
101-5-4469-00-7903 General Insurance	4,350	4,500	4,400	4,400
Total Other Svcs & Charges	22,663	28,059	28,300	30,800
 TOTAL AQUATICS	 64,935	 41,089	 42,800	 45,300

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
Community Development Building
303 N. Beeline Highway
Payson, AZ 85541
928-474-5242 X283**

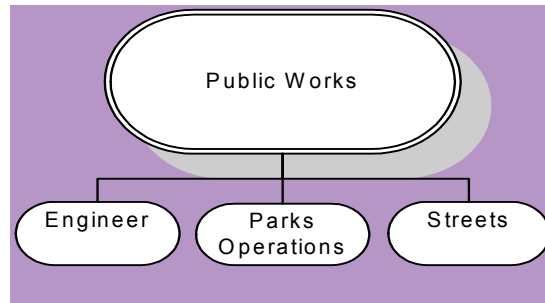
**LaRon Garrett—Assistant Town Manager
lgarrett@paysonaz.gov**





>>>PUBLIC WORKS<<<

The Public Works Department is comprised of the Airport, Engineering, Parks Operations, Streets (HURF), and Water Divisions These divisions provide engineering, utilities, transportation, drainage and recreation facilities for the citizens. This department also provides services to support various Town departments such as: review of plats, development plans, and Public Works maintenance contracts. (Water Division and Airport Divisions are not included in Department summary information but are reported separately.)



. EXPENDITURE SUMMARY

Operating Division	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed
Town Engineer	77,836	79,166	83,900	-
Highway Users Fund (HURF)	1,829,117	1,704,203	1,813,000	1,655,800
Parks Operations	550,739	390,390	416,400	410,500
Total Department	2,457,692	2,173,759	2,313,300	2,066,300

. POSITION SUMMARY

Authorized Personnel	2009/10	2010/11	2011/12	2012/13
Secretary	1.0	1.0	1.0	1.0
Streets Superintendent	1.0	1.0	1.0	1.0
Town Engineer	1.0	1.0	1.0	1.0
Permit Technician	1.0	1.0	1.0	1.0
Senior Mechanic	1.0	1.0	1.0	1.0
Crew Leader	2.0	2.0	2.0	2.0
Street Maintenance Worker	7.0	7.0	7.0	7.0
Park Supervisor	1.0	1.0	1.0	1.0
Crew Leader	1.0	1.0	1.0	1.0
Parks Maintenance Worker	3.0	3.0	3.0	3.0
Street Maintenance Worker	3.0	3.0	3.0	3.0
Total Full-Time Positions	22.0	22.0	22.0	22.0

*One Parks Maintenance Worker position frozen pending economic recovery.
 **Two Street Maintenance Worker positions frozen pending economic recovery.

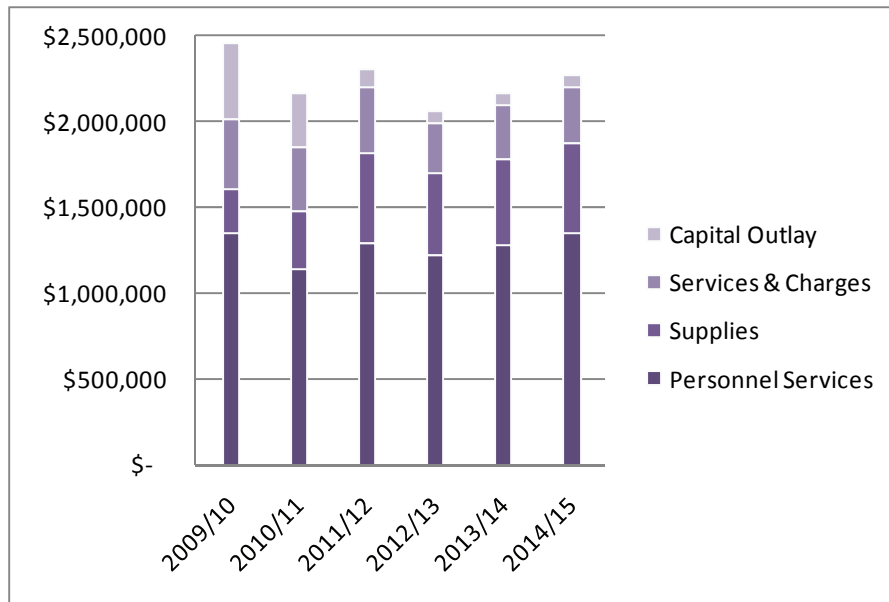


DEPARTMENT BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	862,662	875,700	1.5%	856,700	-2.2%
Personnel Benefits	282,124	416,200	47.5%	368,800	-11.4%
Supplies	343,231	525,900	53.2%	476,500	-9.4%
Other Services & Charges	372,461	385,500	3.5%	294,300	-23.7%
Capital Outlay	313,281	110,000	0.0%	70,000	-36.4%
Total Public Works	2,173,759	2,313,300	6.4%	2,066,300	-10.7%

DEPARTMENT BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ 1,351,721	1,144,786	\$ 1,291,900	\$ 1,225,500	\$ 1,286,775	\$ 1,351,114
Supplies	256,093	343,231	525,900	476,500	500,325	525,341
Services & Charges	410,234	372,461	385,500	294,300	309,015	324,466
Capital Outlay	439,644	313,281	110,000	70,000	73,500	77,175
Total Public Works	\$ 2,457,692	\$ 2,173,759	\$ 2,313,300	\$ 2,066,300	\$ 2,169,615	\$ 2,278,096





TOWN ENGINEER

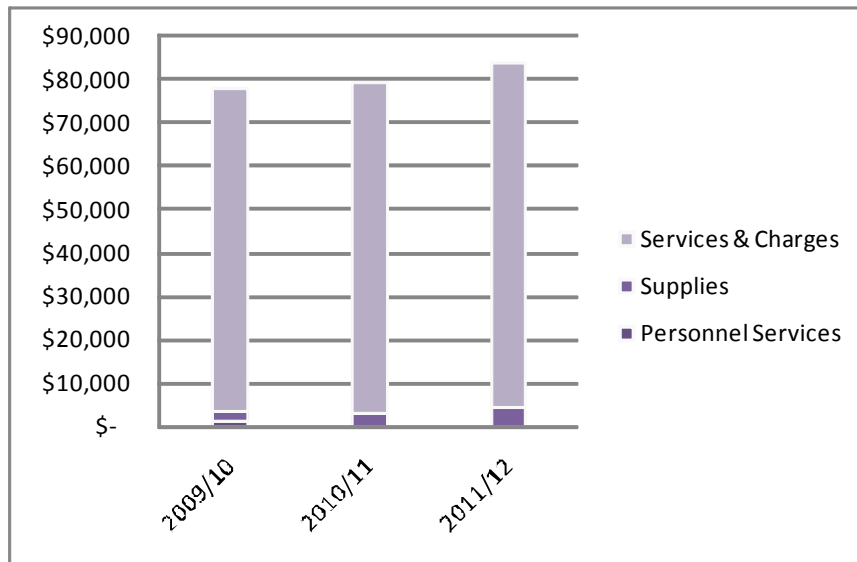
The Town Engineer Division has been absorbed into other division. Although this division does not have a budget for Fiscal Year 2012/13, budget information from prior years is presented for historical reference.

DIVISION BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	-	-	0.0%	-	0.0%
Personnel Benefits	-	-	0.0%	-	0.0%
Supplies	3,167	4,600	45.2%	-	-100.0%
Other Services & Charges	75,999	79,300	4.3%	-	-100.0%
Total Engineer	79,166	83,900	6.0%	-	-100.0%

DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ 1,480	-	\$ -	\$ -	\$ -	\$ -
Supplies	2,208	3,167	4,600	-	-	-
Services & Charges	74,148	75,999	79,300	-	-	-
Capital Outlay	-	-	-	-	-	-
Total Town Engineer	\$ 77,836	\$ 79,166	\$ 83,900	\$ -	\$ -	\$ -





TOWN ENGINEER

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
SALARIES & WAGES				
101-5-3441-00-5001 Full Time Employees	1,186	-	-	-
Total Salaries & Wages	1,186	-	-	-
PERSONNEL BENEFITS				
101-5-3441-00-5504 Pensions	(233)	-	-	-
101-5-3441-00-5700 Health/Life Insurance	473	-	-	-
101-5-3441-00-5701 Disability Insurance	(10)	-	-	-
101-5-3441-00-5800 Workers Comp Insurance	64	-	-	-
Total Personnel Benefits	294	-	-	-
SUPPLIES				
101-5-3441-00-6001 Office Supplies	1,017	1,897	2,000	-
101-5-3441-00-6011 Small Tools/Minor Equip	-	-	500	-
101-5-3441-00-6300 Vehicle Fuel	813	1,060	1,000	-
101-5-3441-00-6302 Vehicle R&M Parts	-	90	500	-
101-5-3441-00-6700 Dues & Memberships	378	120	600	-
Total Supplies	2,208	3,167	4,600	-
OTHER SERVICES & CHARGES				
101-5-3441-00-7306 Telephone	497	840	800	-
101-5-3441-00-7307 Postage	30	-	-	-
101-5-3441-00-7402 Office Equipment R&M	-	-	200	-
101-5-3441-00-7403 Computer Equipment R&M	1,080	1,080	2,400	-
101-5-3441-00-7405 R&M Vehicles	-	9	-	-
101-5-3442-00-7500 Rental of Land & Building	70,844	72,261	73,700	-
101-5-3441-00-7600 Travel	203	488	1,200	-
101-5-3441-00-7601 Registrations	1,494	1,184	800	-
101-5-3441-00-7907 Advertising	-	33	200	-
101-5-3441-00-7910 Printing & Binding	-	104	-	-
Total Other Svcs & Charges	74,148	75,999	79,300	-
TOTAL TOWN ENGINEER	77,836	79,166	83,900	-



PARKS OPERATIONS

The mission of the Parks Operations Division is:

- Delivering clean, safe and modern park facilities
- Responding to very diverse park usage demands
- Progressively addressing park development needs created by growth

DIVISION DESCRIPTION

The Parks Operations Division became part of the Public Works Department in July, 2009. This division is responsible for providing quality development and upkeep of the Town’s park system consisting of over 150 acres of parkland. Some of the basic functions of this division include: turf and arbor care, building and grounds maintenance, development, repair and beautification, as well as swimming pool operations and general facility maintenance.

2011/12 ACCOMPLISHMENTS

- ✓ **Provided parks maintenance on a minimal budget**
- ✓ **Enhanced drainage facilities in Green Valley Park**

Contact Information

Nelson Beck, Parks Supervisor
(928) 474-5242 X306

Physical Location

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



**2012/
2013
GOALS**

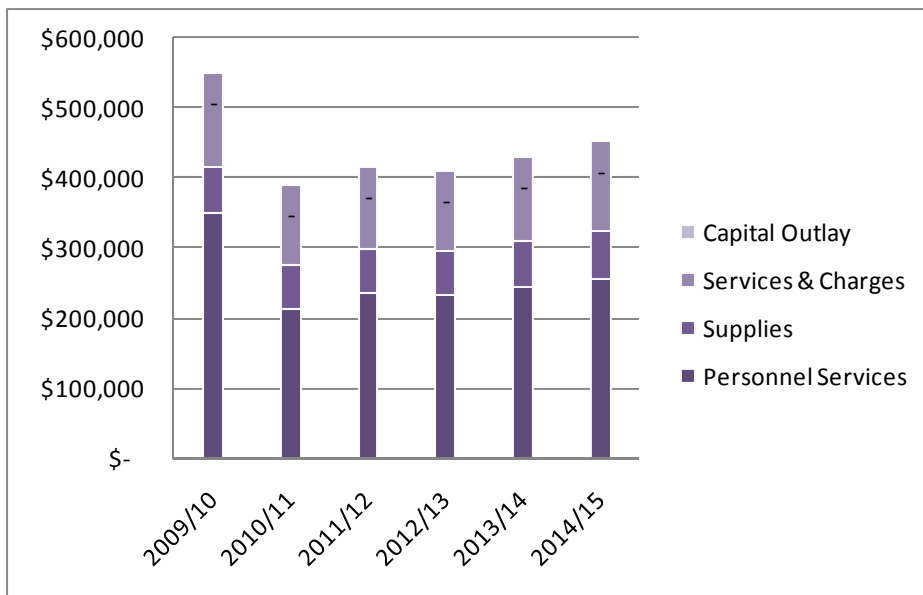
- ⇒ Continue to pursue grant and other non-general fund support for future parks improvements / development
- ⇒ Continue to work with Water and Sanitary district to design and fund needed shoreline improvements at Green Valley lakes
- ⇒ Create and implement Rumsey Park drainage, circulation and lighting plan
- ⇒ Continue efforts to provide reasonable levels of service to the community on an extremely reduced budget

DIVISION BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	166,233	168,200	1.2%	168,700	0.3%
Personnel Benefits	48,358	68,800	42.3%	64,300	-6.5%
Supplies	60,918	61,200	0.5%	62,000	1.3%
Other Services & Charges	114,881	118,200	2.9%	115,500	-2.3%
Total Park Operations	390,390	416,400	6.7%	410,500	-1.4%

DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ 349,243	\$ 214,591	\$ 237,000	\$ 233,000	\$ 244,650	\$ 256,883
Supplies	67,905	60,918	61,200	62,000	65,100	68,355
Services & Charges	133,591	114,881	118,200	115,500	121,275	127,339
Capital Outlay	-	-	-	-	-	-
Total Parks	\$ 550,739	\$ 390,390	\$ 416,400	\$ 410,500	\$ 431,025	\$ 452,576





PARK OPERATIONS

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
SALARIES & WAGES				
101-5-3442-01-5001 Full Time Employees	231,283	148,791	152,700	152,700
101-5-3442-01-5002 Part Time Employees	22,488	16,941	15,500	16,000
101-5-3442-01-5003 Temporary	1,425	501	-	-
Total Salaries & Wages	<u>255,196</u>	<u>166,233</u>	<u>168,200</u>	<u>168,700</u>
PERSONNEL BENEFITS				
101-5-3442-01-5501 FICA	18,049	11,811	10,800	11,500
101-5-3442-01-5504 Pensions	18,290	15,099	15,100	16,700
101-5-3442-01-5700 Health/Life Insurance	52,477	14,850	36,000	28,900
101-5-3442-01-5701 Disability Insurance	814	449	400	400
101-5-3442-01-5800 Workers Comp Insurance	4,417	6,149	6,500	6,800
Total Personnel Benefits	<u>94,047</u>	<u>48,358</u>	<u>68,800</u>	<u>64,300</u>
SUPPLIES				
101-5-3442-01-6001 Office Supplies	289	118	400	400
101-5-3442-01-6003 Cleaning Supplies	4,840	3,676	3,500	4,000
101-5-3442-01-6005 Safety/Program Supplies	624	503	900	500
101-5-3442-01-6006 Clothing/Uniform Reimburse	795	1,130	1,100	700
101-5-3442-01-6008 Chemicals	755	1,064	1,500	1,500
101-5-3442-01-6011 Small Tools/Minor Equipment	1,531	1,079	1,000	1,500
101-5-3442-01-6014 Grounds Mtce Materials	10,122	9,410	6,500	6,000
101-5-3442-01-6201 Building Repair Materials	13,835	10,429	10,900	11,000
101-5-3442-01-6202 Other R&M Materials	13,037	10,305	9,000	10,000
101-5-3442-01-6300 Vehicle Fuels	11,856	10,792	15,000	16,000
101-5-3442-01-6301 Tires & Wheels	965	1,853	2,500	2,500
101-5-3442-01-6302 Vehicle R&M	5,622	8,148	6,000	5,000
101-5-3442-01-6400 Shop Supplies	3,210	2,151	2,500	2,500
101-5-3442-01-6700 Dues & Memberships	354	260	400	400
101-5-3442-01-6900 Other Supplies	70	-	-	-
Total Supplies	<u>67,905</u>	<u>60,918</u>	<u>61,200</u>	<u>62,000</u>
OTHER SERVICES & CHARGES				
101-5-3442-01-7300 Electricity	73,621	59,906	65,000	65,000
101-5-3442-01-7301 Propane Gas	2,402	1,239	1,200	1,500
101-5-3442-01-7302 Water	19,879	22,581	22,000	25,000
101-5-3442-01-7304 Sewage	7,225	6,828	7,500	7,000
101-5-3442-01-7305 Refuse Disposal	9,007	9,986	11,000	11,000
101-5-3442-01-7306 Telephone	9,950	8,504	2,000	3,800
101-5-3442-01-7307 Postage	5	53	-	-
101-5-3442-01-7400 Maintenance-Grounds	73	75	500	100
101-5-3442-01-7401 Building R&M	-	97	500	100
101-5-3442-01-7405 Vehicle R&M	3,172	280	500	500
101-5-3442-01-7501 Rental of Equip & Vehicles	788	83	1,500	500
101-5-3442-01-7600 Travel	71	100	500	500
101-5-3442-01-7601 Registrations	196	467	1,000	500
101-5-3442-01-7900 Other Professional Services	7,202	4,682	5,000	-
Total Other Svcs & Charges	<u>133,591</u>	<u>114,881</u>	<u>118,200</u>	<u>115,500</u>
TOTAL PARK OPERATIONS	<u><u>550,739</u></u>	<u><u>390,390</u></u>	<u><u>416,400</u></u>	<u><u>410,500</u></u>



STREETS	
	<p>The Streets Division is dedicated to providing the citizens of Payson with the maximum levels of service by constructing and maintaining a safe and efficient roadway system while exercising fiscal responsibility.</p>

DIVISION DESCRIPTION

The Streets Division is responsible for the construction and maintenance of the Town’s approximately 106 miles of roadway. This includes roadside drainage maintenance, sidewalk and curb maintenance in designated areas, street lighting, snow removal, street sweeping, pothole repair and street striping. Highway Users Tax revenues pass down from the State of Arizona fund the Street Division. The Town’s General Fund provides additional funding to supplement the major capital projects related to the streets.

2011/12 ACCOMPLISHMENTS

- ✓ **Completed the Payson Rancho Phase 2 Drainage Project**
- ✓ **Completed field observation of the Airline / Luke Water & Sewer Project**

Contact Information

Town of Payson
Public Works Building
303 N. Beeline Hwy
Payson, AZ 85541

LaRon Garrett—Assistant Town Manager
(928) 474-5242 X283
lgarrett@paysonaz.gov

Payson Town Yard
1002 W. Airport Rd.
Payson, AZ 85541



2012/
2013
GOALS

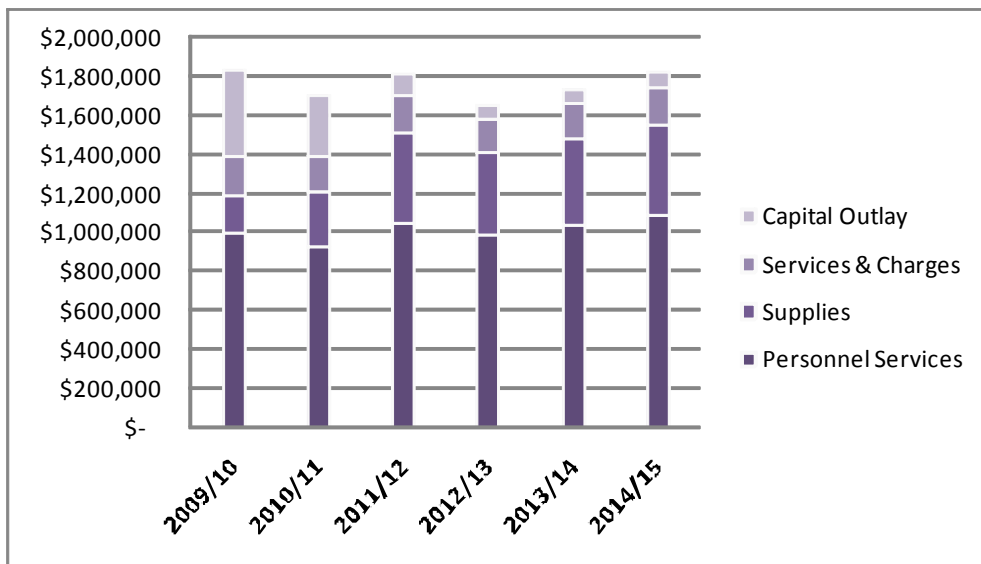
- ⇒ Provide plan review and construction observations for privately constructed developments
- ⇒ Provide maintenance activities such as pothole repair, street sweeping, striping, cutting roadside weeds, snow removal, drainage facilities, and other tasks
- ⇒ Provide Pavement Preservation to as much paved roadway as the budget allows

BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	696,429	707,500	1.6%	688,000	-2.8%
Personnel Benefits	233,766	347,400	48.6%	304,500	-12.3%
Supplies	279,146	460,100	64.8%	414,500	-9.9%
Other Services & Charges	181,581	188,000	3.5%	178,800	-4.9%
Capital Outlay	313,281	110,000	100.0%	70,000	-36.4%
Total HURF	1,704,203	1,813,000	6.4%	1,655,800	-8.7%

BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ 1,000,998	930,195	\$ 1,054,900	\$ 992,500	\$ 1,042,125	\$ 1,094,231
Supplies	185,980	279,146	460,100	414,500	435,225	456,986
Services & Charges	202,495	181,581	188,000	178,800	187,740	197,127
Capital Outlay	439,644	313,281	110,000	70,000	73,500	77,175
Total HURF	\$ 1,829,117	\$ 1,704,203	\$ 1,813,000	\$ 1,655,800	\$ 1,738,590	\$ 1,825,520





HURF

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
SALARIES & WAGES				
202-5-3442-00-50xx Full Time Employees	680,435	696,429	707,500	688,000
202-5-3442-00-52xx Overtime	-	-	-	-
Total Salaries & Wages	680,435	696,429	707,500	688,000

PERSONNEL BENEFITS

202-5-3442-00-5501 FICA	49,867	50,040	50,400	46,800
202-5-3442-00-5504 Pensions	59,860	59,658	69,800	75,000
202-5-3442-00-5700 Health/Life Insurance	160,287	66,356	148,800	117,400
202-5-3442-00-5701 Disability Insurance	2,691	2,025	1,900	1,700
202-5-3442-00-5800 Workers Comp Insurance	47,858	55,687	76,500	63,600
Total Personnel Benefits	320,563	233,766	347,400	304,500

SUPPLIES

202-5-3442-00-6001 Office Supplies	331	642	800	2,600
202-5-3442-00-6003 Cleaning/Sanitation Supplies	-	865	1,000	500
202-5-3442-00-6005 Safety Supplies	-	-	500	500
202-5-3442-00-6006 Clothing Reimbursement	1,051	3,017	3,000	3,000
202-5-3442-00-6008 Chemicals	4,380	3,864	15,000	7,000
202-5-3442-00-6011 Small Tools/Minor Equipment	6,811	9,465	8,000	5,000
202-5-3442-00-6015 Signs	5,458	4,890	89,000	147,000
202-5-3442-00-6100 Medical/Lab Supplies	143	262	500	500
202-5-3442-00-6201 Building R&M	562	2,198	1,500	1,000
202-5-3442-00-6202 Other R&M Materials	4,125	3,980	3,500	6,500
202-5-3442-00-6300 Vehicle Fuel	40,947	58,621	48,000	55,000
202-5-3442-00-6301 Tires & Wheels	13,858	18,171	15,000	20,000
202-5-3442-00-6302 Vehicle R&M Parts	33,805	36,132	40,000	40,000
202-5-3442-00-6400 Hardware, Electric, Plumbing	1,712	3,033	3,000	5,000
202-5-3442-00-6401 ROW/Drainage	9,416	8,045	50,000	50,000
202-5-3442-00-6402 Street & Sidewalk R&M	62,361	125,447	180,000	70,000
202-5-3442-00-6700 Dues & Memberships	296	100	300	400
202-5-3442-00-6901 Taxes & Fees	10	-	-	-
202-5-3442-00-6990 Other Expense	714	414	1,000	500
Total Supplies	185,980	279,146	460,100	414,500

OTHER SERVICES & CHARGES

202-5-3442-00-7002 Accounting & Auditing	4,382	7,842	5,700	6,000
202-5-3442-00-7300 Electricity	94,245	89,725	90,000	90,000
202-5-3442-00-7301 Propane	-	-	200	-
202-5-3442-00-7302 Water	793	1,421	900	1,600



HURF

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
202-5-3442-00-7304 Sewer	478	478	700	500
202-5-3442-00-7305 Refuse Disposal	1,056	1,248	1,500	1,500
202-5-3442-00-7306 Telephone	6,519	9,517	6,300	8,000
202-5-3442-00-7401 Building R&M	513	1,789	2,000	1,000
202-5-3442-00-7402 Office Equipment R&M	-	-	500	-
202-5-3442-00-7404 Radio Equipment R&M	-	-	2,500	1,000
202-5-3442-00-7405 Vehicles R&M	100	12	500	500
202-5-3442-00-7406 Street Light Repair	924	-	5,000	2,000
202-5-3442-00-7501 Rental of Equipment	-	-	500	500
202-5-3442-00-7600 Travel	-	477	1,000	500
202-5-3442-00-7601 Registrations	130	583	500	500
202-5-3442-00-7900 Other Professional Services	1,478	2,013	5,000	3,000
202-5-3442-00-7903 General Insurance	62,345	52,632	65,000	62,000
202-5-3442-00-7907 Advertising	-	-	-	200
202-5-3442-00-7910 Printing & Binding	103	-	200	-
202-5-3442-00-7911 LTAF II Alloc	29,429	13,844	-	-
Total Other Svcs & Charges	202,495	181,581	188,000	178,800
 CAPITAL OUTLAY				
202-5-3442-00-8003 Vehicles	-	-	60,000	20,000
202-5-3442-00-8xxx Other Capital Outlay	439,644	313,281	50,000	50,000
Total Capital Outlay	439,644	313,281	110,000	70,000
 TOTAL HURF	 1,829,117	 1,704,203	 1,813,000	 1,655,800



AIRPORT

The mission of this division is to develop the Payson Airport into a showpiece gateway, presenting a great first impression of Payson and the Rim Country to tourists and business visitors. The airport is a major economic driver for the Rim Country.

DIVISION DESCRIPTION

Payson Municipal Airport is one of 46 general aviation airports in Arizona. There is no other public use airport within 40 nautical miles of Payson. Approximately 85 aircraft (55 on airport property and 30 off site) are presently based at the airport. More than 100 aircraft are forecast to be based at the airport by the year 2020. The airport is designed to accommodate piston engine aircraft, turboprop aircraft, and small business jet aircraft. The asphalt-paved runway is 5,500 feet long and 75 feet wide. The airport has an automated weather observation system and continuous power medium intensity runway lights that are operated by pilot controlled aircraft radios.

Payson Airport strives to be responsive to the ever-changing needs of the air transportation industry. Emphasis is placed on providing airfield improvements, aircraft services, and storage facilities that can better support airport users. This will improve the economic benefit of the airport.

In September 2007, the operations for the Airport were taken over by the Payson Regional Airport Authority (PRAA) through a lease agreement. As of February 2012, PRAA relinquished operations back to the Town.

2011/12 ACCOMPLISHMENTS

- ✓ **Constructed a paved blast-pad area at each end of the runway**
- ✓ **Installed new lighted signage for the runway and taxiway**

Contact Information

Ray Law—Airport Coordinator
(928) 472-4748
www.PaysonAirport.com

Physical Location

Payson Airport
806 W. Airport Rd.
Payson, AZ 85541



**2012/
2013
GOALS**

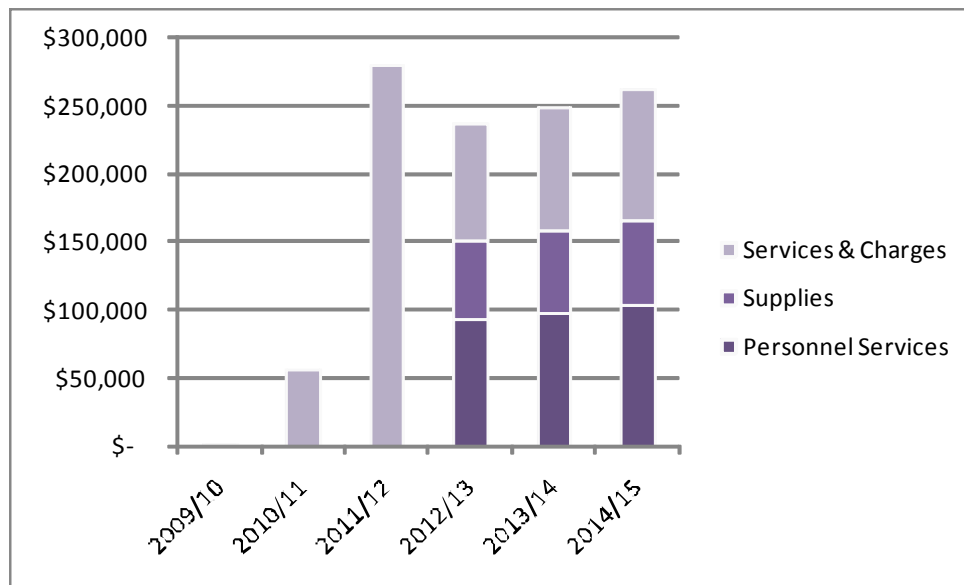
- ⇒ Complete the Environmental Study for the airport expansion property
- ⇒ Upgrade the existing AWOS to a IIPT system
- ⇒ Grade the runway safety area to be compliant with the RSAT requirements
- ⇒ Coordinate with the Airport Consultants on construction projects funded by the FAA and ADOT

DIVISION BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	-	-	0.0%	64,000	0.0%
Personnel Benefits	-	-	0.0%	29,300	0.0%
Supplies	-	-	0.0%	57,700	0.0%
Other Services & Charges	56,364	280,700	398.0%	86,400	-69.2%
Total Airport	56,364	280,700	398.0%	237,400	-15.4%

DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ -	\$ -	\$ -	\$ 93,300	\$ 97,965	\$ 102,863
Supplies	-	-	-	57,700	60,585	63,614
Services & Charges	762	56,364	280,700	86,400	90,720	95,256
Capital Outlay	-	-	-	-	-	-
Total Airport	\$ 762	56,364	\$ 280,700	\$ 237,400	\$ 249,270	\$ 261,734





ANNUAL BUDGET

AIRPORT

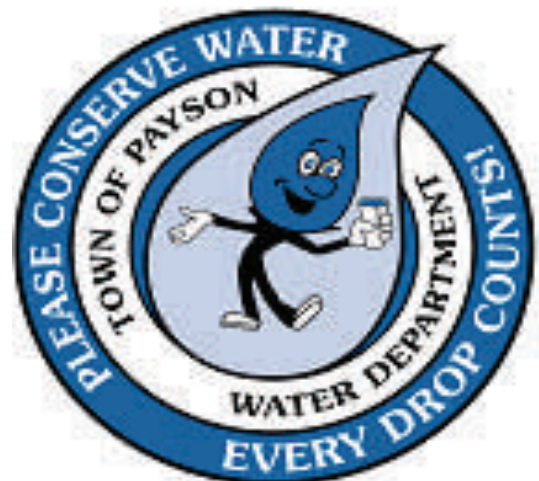
AIRPORT

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
SALARIES & WAGES				
260-5-4445-00-5001 Full Time Employees	-	-	-	64,000
Total Salaries & Wages	-	-	-	64,000
PERSONNEL BENEFITS				
260-5-4445-00-5501 FICA	-	-	-	4,200
260-5-4445-00-5504 Retirement	-	-	-	7,000
260-5-4445-00-5700 Insurance Benefit	-	-	-	14,400
260-5-4445-00-5701 Disability Insurance	-	-	-	200
260-5-4445-00-5800 Workers Compensation Ins	-	-	-	3,500
	-	-	-	29,300
SUPPLIES				
260-5-4445-00-6001 Office Supplies	-	-	-	2,300
260-5-4445-00-6008 Chemicals	-	-	-	500
260-5-4445-00-6011 Small Tools/Minor Equipment	-	-	-	300
260-5-4445-00-6202 R&M Supplies Other	-	-	-	52,200
260-5-4445-00-6300 Gasoline/Fuels/Lubricant	-	-	-	2,300
260-5-4445-00-6700 Memberships/Dues/Subscriptic	-	-	-	100
Total Supplies	-	-	-	57,700
OTHER SERVICES & CHARGES				
260-5-4445-00-7300 Utilities Electricity	762	-	-	14,000
260-5-4445-00-7301 Utilities Propane Gas	-	-	-	700
260-5-4445-00-7302 Utilities Water	-	-	-	2,100
260-5-4445-00-7304 Utilities Sewer	-	-	-	500
260-5-4445-00-7305 Refuse Disposal	-	-	-	500
260-5-4445-00-7306 Utilities Telephone	-	-	-	2,300
260-5-4445-00-7404 R&M Equipment	-	-	-	8,300
260-5-4445-00-7405 R&M Vehicle	-	-	-	500
260-5-4445-00-7600 Travel Expense	-	-	-	800
260-5-4445-00-7601 Registrations	-	-	-	500
260-5-4445-00-7900 Other Professional Svcs	-	56,364	278,000	500
260-5-4445-00-7903 General Insurance	-	-	2,700	4,000
260-5-4445-00-7907 Advertising	-	-	-	1,000
260-5-4445-00-7915 Overhead	-	-	-	50,700
Total Other Svcs & Charges	762	56,364	280,700	86,400
TOTAL AIRPORT	762	56,364	280,700	237,400

WATER DIVISION

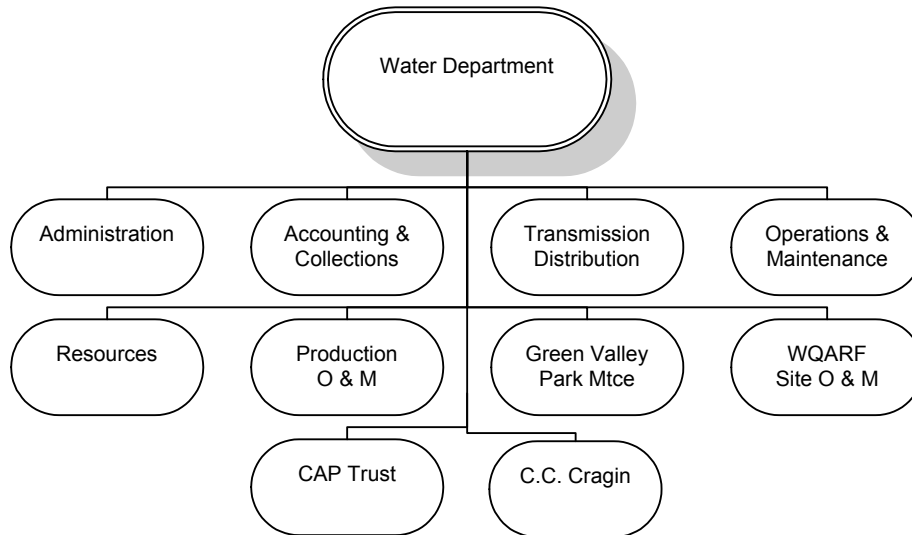
The Payson Water Division will provide a superior level of customer service in a fiscally sound and environmentally sensitive manner.

**Town of Payson
Water Building
303 N. Beeline Highway
Payson, AZ 85541
928-474-5242 X4**



>>>WATER DIVISION<<<

The Water Division is a self-sufficient Enterprise Fund for which a fee is charged to users for goods or services. The Water Division is responsible for the operation of the Town’s drinking water treatment and distribution system. The goal is to supply a high quality, reliable water supply to the citizens within its service boundary and to secure additional water supply for the Town’s build out population. This division reports to Public Works.



The Division is divided into nine 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	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed
Administration	672,329	468,361	540,700	734,500
Accounting & Collection	433,017	389,103	411,000	410,900
Transmission/Distribution	547,117	606,841	910,200	732,500
Operations & Maintenance	1,401,573	2,004,403	1,695,300	2,308,000
Water Resources	433,506	422,581	486,500	474,600
Production O & M	547,497	487,250	613,500	602,600
Green Valley Park Maintenance	23,839	18,478	37,200	67,400
WQARF Site O & M	84,085	52,643	165,200	134,700
CAP Trust Fund	61,511	15,703	302,200	300,000
Total Expenditures	4,204,474	4,465,363	5,161,800	5,765,200

. **POSITION SUMMARY**

Authorized Personnel	2009/10	2010/11	2011/12	2012/13
Public Works Director	0.0	1.0	1.0	1.0
Water Superintendent	1.0	1.0	1.0	1.0
Water Field Supervisor	1.0	0.0	0.0	0.0
Water System Operations Supvr	0.0	1.0	1.0	1.0
Water Production Supervisor	0.0	1.0	1.0	1.0
Customer Service Supervisor	1.0	1.0	1.0	1.0
Water System Operator III, IV	1.0	1.0	1.0	1.0
Utility Services Rep I, II	3.0	3.0	2.0	2.0
System Crew Leader	2.0	2.0	2.0	2.0
System Operator I-IV	6.0	6.0	6.0	6.0
Water Quality Specialist	1.0	1.0	1.0	1.0
Water Resource Specialist	1.0	1.0	1.0	1.0
Water Resource Tech	1.0	1.0	1.0	1.0
Hydrogeologist	1.0	1.0	1.0	1.0
Total Full-Time Positions	19.0	21.0	20.0	20.0



2011/12 ACCOMPLISHMENTS

- ✓ **Received compliance designation from ADEQ for water system operation and water quality**
- ✓ **Completed work with USFS for environmental study for C.C. Cragin pipeline project**
- ✓ **Maintained gallons per capita per day (gpcpd) water use at less than 89 gpcpd**
- ✓ **Finished NEPA studies for C.C. Cragin pipeline route and obtained special use permit for construction of Cragin Project**
- ✓ **Continued to develop partnerships for C.C. Cragin pipeline use**
- ✓ **Continued water resource education at the middle school level**
- ✓ **Implemented WIFA C.C. Cragin loan \$6,585,000**
- ✓ **Constructed ASR recharge wells**
- ✓ **Began C.C. Cragin hydrogenerator design**

CONTACT INFORMATION

PHYSICAL LOCATION

Buzz Walker
Water Superintendent
(928) 474-5242 X4

Janelle Figueroa
Customer Service Supervisor
(928) 474-5242 X4

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



**2012/
2013
GOALS**

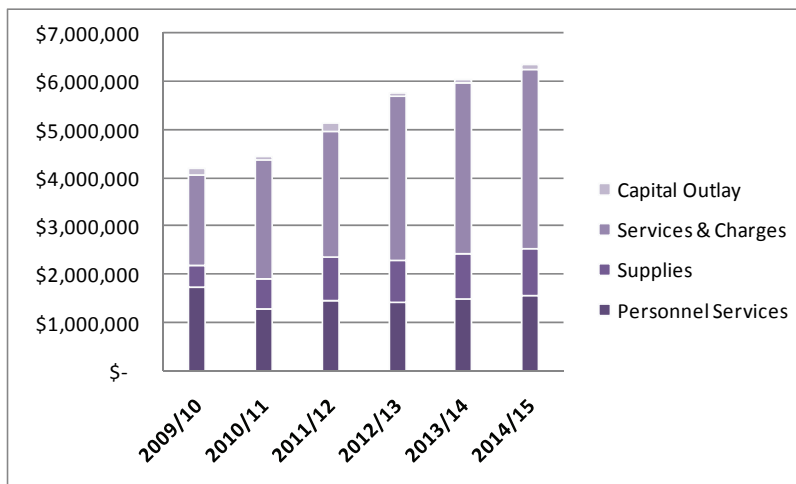
- ⇒ Continue to receive compliance designation from ADEQ for water system operation and water quality
- ⇒ Maintain gallons per capital per day (gpcpd) water use at less than 89 gpcpd
- ⇒ Begin purchase of C.C. Cragin water treatment plant site
- ⇒ Continue to develop partnerships for C.C. Cragin pipeline use
- ⇒ Continue water resource education at the middle school level
- ⇒ Implement WIFA C.C. Cragin loan
- ⇒ Complete C.C. Cragin Project design for 100% raw water pipeline, finish water pipeline, water treatment plant design
- ⇒ Complete 100% tailrace connection design
- ⇒ Complete tailrace connection construction
- ⇒ Complete C.C. Cragin SCADA engineer design
- ⇒ Continue purchase of C.C. Cragin water treatment plant site
- ⇒ Begin installation of backup electric generators at selected well sites and pump stations

BUDGET CHANGES—3 YEARS

Description	2010/11 Actual	2011/12 Budget	% Change	2012/13 Proposed	% Change
Salaries & Wages	1,042,510	1,042,300	0.0%	1,021,700	-2.0%
Personnel Benefits	262,924	429,300	63.3%	411,000	-4.3%
Supplies	623,217	916,400	47.0%	887,200	-3.2%
Other Services & Charges	2,462,266	2,598,800	5.5%	3,365,300	29.5%
Capital Outlay	74,446	175,000	135.1%	80,000	-54.3%
Total Water	4,465,363	5,161,800	15.6%	5,765,200	11.7%

BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2009/10 Actual	2010/11 Actual	2011/12 Budget	2012/13 Proposed	2013/14 Estimate	2014/15 Estimate
Personnel Services	\$ 1,748,456	\$ 1,305,434	\$ 1,471,600	\$ 1,432,700	\$ 1,504,335	\$ 1,579,552
Supplies	461,427	623,217	916,400	887,200	931,560	978,138
Services & Charges	1,870,313	2,462,266	2,598,800	3,365,300	3,533,565	3,710,243
Capital Outlay	124,278	74,446	175,000	80,000	84,000	88,200
Total Water	\$ 4,204,474	\$ 4,465,363	\$ 5,161,800	\$ 5,765,200	\$ 6,053,460	\$ 6,356,133





ADMINISTRATION

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
SALARIES & WAGES				
661-5-5451-00-5001 Full Time Employees	384,449	114,596	120,000	120,000
460-5-5451-00-5990 Full Time Employees	-	-	-	-
Total Salaries & Wages	384,449	114,596	120,000	120,000
PERSONNEL BENEFITS				
661-5-5451-00-5501 FICA	19,953	7,783	8,900	8,700
661-5-5451-00-5504 Pensions	29,388	1,096	11,800	13,100
661-5-5451-00-5700 Health/Life Insurance	25,921	7,766	36,500	34,300
661-5-5451-00-5701 Disability Insurance	883	321	300	300
661-5-5451-00-5800 Workers Compensation	31,059	20,095	5,500	3,000
Total Personnel Benefits	107,204	37,061	63,000	59,400
SUPPLIES				
661-5-5451-00-6001 Office Supplies	639	1,009	1,000	1,000
661-5-5451-00-6009 Fireworks	(10,000)	20,200	20,000	20,000
661-5-5451-00-6011 Small Tools/Minor Equip	1,170	157	1,200	1,200
661-5-5451-00-6013 Computer Equipment Supplies	-	183	2,500	2,500
661-5-5451-00-6300 Vehicle Fuel	1,550	2,144	4,000	5,200
661-5-5451-00-6301 Tires & Wheels	-	786	800	1,000
661-5-5451-00-6302 Vehicle R & M Parts	141	2,938	800	1,500
661-5-5451-00-6700 Dues & Memberships	7,021	4,468	6,000	4,600
661-5-5451-00-6990 Other Supplies	27,099	6,439	15,000	15,000
Total Supplies	27,620	38,324	51,300	52,000
OTHER SERVICES & CHARGES				
661-5-5451-00-7100 Legal Fees/Forfeiture Costs	-	15,711	20,000	20,000
661-5-5451-00-7306 Utilities-Telephone	-	-	-	900
661-5-5451-00-7402 Office Equipment R&M	-	-	500	2,600
661-5-5451-00-7405 Vehicles R&M	958	2,617	2,000	2,000
661-5-5451-00-7500 Rental of Land & Bldg	-	-	2,000	300
661-5-5451-00-7600 Travel	1,959	1,245	2,500	3,700
661-5-5451-00-7601 Registrations	200	1,235	1,000	2,800
661-5-5451-00-7890 ADEQ Green Valley Study	7,200	29,590	-	-
661-5-5451-00-7900 Other Professional Services	20,931	101,021	110,000	119,600
661-5-5451-00-7903 General Insurance	54,672	46,154	60,000	60,000
661-5-5451-00-7907 Advertising	236	-	500	500
661-5-5451-00-7910 Printing & Binding	-	-	1,000	500
661-5-5451-00-7915 Overhead	66,900	66,900	66,900	265,200
Total Other Svcs & Charges	153,056	264,473	266,400	478,100
CAPITAL OUTLAY				
661-5-5451-08-8524 Computer Equipment	-	13,907	40,000	25,000
Total Capital Outlay	-	13,907	40,000	25,000
TOTAL WATER-ADMINISTRATION	672,329	468,361	540,700	734,500



ACCOUNTING & COLLECTION

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
SALARIES & WAGES				
661-5-5451-01-5001 Full Time Employees	251,301	236,147	224,500	224,500
661-5-5451-01-5006 Standby Pay	822	1,372	1,300	-
661-5-5451-01-5200 Overtime	732	1,875	2,000	-
Total Salaries & Wages	252,855	239,394	227,800	224,500
PERSONNEL BENEFITS				
661-5-5451-01-5501 FICA	18,458	17,045	16,000	15,100
661-5-5451-01-5504 Pensions	22,449	23,855	22,200	24,500
661-5-5451-01-5700 Health/Life Insurance	70,029	21,815	48,000	41,300
661-5-5451-01-5701 Disability Insurance	1,008	711	600	500
661-5-5451-01-5800 Workers Compensation	-	1,868	3,000	3,100
Total Personnel Benefits	111,944	65,294	89,800	84,500
SUPPLIES				
661-5-5451-01-6001 Office Supplies	2,327	2,876	3,500	3,500
661-5-5451-01-6006 Clothing/Uniform Reimb	340	195	500	500
661-5-5451-01-6011 Small Tools/Minor Equip	1,129	1,287	1,500	1,500
661-5-5451-01-6013 Computer Equipment Supplies	-	-	500	500
661-5-5451-01-6300 Vehicle Fuel	5,109	7,179	8,000	12,000
661-5-5451-01-6301 Tires & Wheels	1,237	2,116	1,500	1,500
661-5-5451-01-6302 Vehicle R & M Parts	1,679	3,179	2,000	2,000
661-5-5451-01-6600 Public Relations	265	-	300	300
661-5-5451-01-6901 Taxes	(1,680)	(2,107)	100	100
661-5-5451-01-6903 Banking / Merchant Fees	-	-	-	5,000
661-5-5451-01-6905 Bad Debt Expense	(71)	61	3,000	1,000
661-5-5451-01-6990 Other Supplies	1,278	11	300	500
Total Supplies	11,613	14,797	21,200	28,400
OTHER SERVICES & CHARGES				
661-5-5451-01-7002 Accounting & Auditing	13,146	21,564	16,000	16,500
661-5-5451-01-7307 Postage	24,400	24,719	25,000	25,000
661-5-5451-01-7402 Office Equipment R&M	2,554	2,579	3,000	3,000
661-5-5451-01-7403 Computer Equipment R&M	11,673	13,211	15,000	17,000
661-5-5451-01-7404 Other Equipment R&M	365	90	500	1,000
661-5-5451-01-7405 Vehicles R&M	1,577	969	4,000	2,000
661-5-5451-01-7600 Travel	-	1,150	2,500	2,500
661-5-5451-01-7601 Registrations	75	2,040	2,200	2,500
661-5-5451-01-7910 Printing & Binding	2,815	3,296	4,000	4,000
Total Other Svcs & Charges	56,605	69,618	72,200	73,500
TOTAL WATER-ACCOUNTING & COLLECTION	433,017	389,103	411,000	410,900



TRANSMISSION/DISTRIBUTION

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
SALARIES & WAGES				
661-5-5451-02-5001 Full Time Employees	138,168	101,322	150,400	128,600
661-5-5451-02-5200 Overtime	895	1,080	1,500	-
Total Salaries & Wages	<u>139,063</u>	<u>102,402</u>	<u>151,900</u>	<u>128,600</u>
PERSONNEL BENEFITS				
661-5-5451-02-5501 FICA	10,290	7,365	10,300	8,700
661-5-5451-02-5504 Pensions	12,207	10,109	15,000	14,000
661-5-5451-02-5700 Health/Life Insurance	33,400	6,941	34,500	23,500
661-5-5451-02-5701 Disability Insurance	550	269	400	300
661-5-5451-02-5800 Workers Compensation	-	-	7,800	6,200
Total Personnel Benefits	<u>56,447</u>	<u>24,684</u>	<u>68,000</u>	<u>52,700</u>
SUPPLIES				
661-5-5451-02-6008 Chemicals	22,405	27,386	22,000	25,000
661-5-5451-02-6099 Tonto Apache Tribe Retrofit	-	-	200	200
661-5-5451-02-6200 Hydrants R&M	15,046	9,153	30,000	15,000
661-5-5451-02-6201 Storage Facility R&M	153,889	169,086	221,100	252,000
661-5-5451-02-6202 Other R&M Materials	177	77,802	40,000	15,000
661-5-5451-02-6501 Pumps R&M	7,190	10,625	12,000	12,000
661-5-5451-02-6502 Mains R&M	34,755	35,483	35,000	40,000
661-5-5451-02-6503 Meters R&M	9,915	7,896	40,000	20,000
661-5-5451-02-6504 Customer Install R&M	17,653	959	20,000	20,000
661-5-5451-02-6507 Existing Service R&M	18,046	28,323	65,000	35,000
661-5-5451-02-6508 New Service R&M	5,216	31,048	20,000	20,000
Total Supplies	<u>284,292</u>	<u>397,761</u>	<u>505,300</u>	<u>454,200</u>
OTHER SERVICES & CHARGES				
661-5-5451-02-7300 Electricity	36,285	34,804	40,000	42,000
661-5-5451-02-7900 Other Professional Services	-	-	60,000	20,000
Total Other Svcs & Charges	<u>36,285</u>	<u>34,804</u>	<u>100,000</u>	<u>62,000</u>
CAPITAL OUTLAY				
661-5-5451-08-8528 Vehicles	31,030	47,190	85,000	35,000
Total Capital Outlay	<u>31,030</u>	<u>47,190</u>	<u>85,000</u>	<u>35,000</u>
TOTAL WATER-TRANSMISSION/DISTRIB	<u><u>547,117</u></u>	<u><u>606,841</u></u>	<u><u>910,200</u></u>	<u><u>732,500</u></u>



OPERATIONS & MAINTENANCE

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
SALARIES & WAGES				
661-5-5451-03-5001 Full Time Employees	118,950	145,645	122,500	142,100
661-5-5451-03-5006 Standby Pay	5,284	6,361	5,000	-
661-5-5451-03-5200 Overtime	2,278	12,235	5,000	-
Total Salaries & Wages	126,512	164,241	132,500	142,100
PERSONNEL BENEFITS				
661-5-5451-03-5501 FICA	9,117	12,165	9,200	9,600
661-5-5451-03-5004 Pensions	10,636	16,758	13,100	15,500
661-5-5451-03-5700 Health/Life Insurance	27,084	3,905	28,000	25,900
661-5-5451-03-5701 Disability Insurance	474	560	400	300
661-5-5451-03-5800 Workers Compensation	-	7,771	5,700	6,900
Total Personnel Benefits	47,311	41,159	56,400	58,200
SUPPLIES				
661-5-5451-03-6001 Office Supplies	1,200	329	1,300	1,300
661-5-5451-03-6003 Cleaning/Sanitary Supplies	1,088	1,499	2,000	2,000
661-5-5451-03-6005 Safety Supplies	6,377	-	6,000	3,000
661-5-5451-03-6006 Clothing/Uniform Reimb	4,478	4,389	4,500	4,600
661-5-5451-03-6008 Chemicals	2,589	-	3,000	3,000
661-5-5451-03-6011 Small Tools/Minor Equip	5,106	7,025	7,500	7,500
661-5-5451-03-6100 Medical/Lab Supplies	829	529	1,000	1,000
661-5-5451-03-6200 Supplies Equip R&M	-	-	3,500	3,500
661-5-5451-03-6201 Building R&M Materials	9,001	6,775	7,000	7,000
661-5-5451-03-6202 Other R&M Materials	3,904	6,036	5,000	5,000
661-5-5451-03-6300 Vehicle Fuel	20,692	28,758	25,000	27,000
661-5-5451-03-6301 Tires & Wheels	3,859	5,308	6,000	7,000
661-5-5451-03-6302 Vehicle R & M Parts	9,009	7,232	5,000	10,000
661-5-5451-03-6400 Shop Supplies	1,025	8,003	7,500	8,000
661-5-5451-03-6901 Taxes	65	2,747	500	600
661-5-5451-03-6990 Other Supplies	214	376	1,000	1,000
Total Supplies	69,436	79,006	85,800	91,500
OTHER SERVICES & CHARGES				
661-5-5451-03-7300 Electricity	24,114	31,249	30,000	35,000
661-5-5451-03-7301 Propane Gas	6,967	6,638	7,000	7,000
661-5-5451-03-7302 Water	1,427	1,582	1,500	3,000
661-5-5451-03-7304 Sewage	1,229	1,229	1,300	1,600
661-5-5451-03-7305 Refuse Disposal	1,223	2,237	2,500	2,000
661-5-5451-03-7306 Telephone	11,959	12,172	12,000	13,000
661-5-5451-03-7401 Building R&M Supplies	11,745	5,483	25,000	2,000
661-5-5451-03-7404 Radio Equipment R&M	3,914	8,754	22,000	10,000



OPERATIONS & MAINTENANCE

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
661-5-5451-03-7405 Vehicles R&M	1,458	4,637	3,000	3,000
661-5-5451-03-7700 Recycling Program	-	-	30,000	26,000
661-5-5451-03-7900 Other Professional Services	-	332,856	-	-
661-5-5451-03-7950 Debt Serv-Prinicpal	(18,750)	273,574	255,000	580,100
661-5-5451-03-7951 Debt Serv-Interest	22,274	11,709	-	305,500
661-5-5451-03-8100 Depreciation-Buildings	19,944	19,944	19,900	20,000
661-5-5451-03-8101 Depr-Other than Buildings	932,390	933,718	932,400	933,700
661-5-5451-03-8102 Depreciation-Machinery & Eq	19,447	8,749	26,100	8,800
661-5-5451-03-8103 Depreciation-Vehicles	55,588	54,320	41,400	54,300
661-5-5451-03-8104 Depr-Office Furn & Equip	3,822	5,206	5,500	5,200
661-5-5451-03-8200 Amort-Goodwill	27,463	2,678	2,700	2,700
661-5-5451-03-8201 Amort-License Permit	32,100	3,262	3,300	3,300
Total Other Svcs & Charges	1,158,314	1,719,997	1,420,600	2,016,200
 TOTAL WATER-OPERATIONS & MTCE	 1,401,573	 2,004,403	 1,695,300	 2,308,000



RESOURCES

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
SALARIES & WAGES				
661-5-5451-04-5001 Full Time Employees	240,870	264,651	251,000	242,300
460-5-5451-00-5990 Full Time Employees	-	-	-	-
661-5-5451-04-5200 Overtime	-	235	-	-
Total Salaries & Wages	240,870	264,886	251,000	242,300
PERSONNEL BENEFITS				
661-5-5451-04-5501 FICA	18,541	19,624	18,400	17,000
661-5-5451-04-5504 Pensions	21,926	24,734	24,800	26,500
661-5-5451-04-5700 Health/Life Insurance	37,393	12,132	32,200	32,900
661-5-5451-04-5701 Disability Insurance	984	731	600	600
661-5-5451-04-5800 Workers Compensation Ins	-	4,655	12,000	11,700
Total Personnel Benefits	78,844	61,876	88,000	88,700
SUPPLIES				
661-5-5451-04-6001 Office Supplies	2,482	3,775	4,000	4,000
661-5-5451-04-6005 Safety Supplies	1,175	1,094	2,000	2,000
661-5-5451-04-6006 Clothing/Uniform Reimb	59	639	2,000	1,000
661-5-5451-04-6011 Small Tools/Minor Equip	383	272	2,500	2,500
661-5-5451-04-6013 Computer Equipment Supplies	-	-	4,000	-
661-5-5451-04-6300 Vehicle Fuel	2,891	3,794	4,500	4,500
661-5-5451-04-6301 Tires & Wheels	165	581	1,500	1,500
661-5-5451-04-6302 Vehicle R & M Parts	167	647	1,100	1,100
661-5-5451-04-6600 Public Relations	19,299	15,280	30,000	24,000
661-5-5451-04-6700 Dues & Memberships	1,095	2,284	3,000	3,000
Total Supplies	27,716	28,366	54,600	43,600
OTHER SERVICES & CHARGES				
661-5-5451-04-7004 Lab Analysis	63,156	49,310	40,000	40,000
661-5-5451-04-7307 Postage	3,200	3,366	2,500	2,500
661-5-5451-04-7404 Radio Equipment R&M	1,370	148	2,000	2,000
661-5-5451-04-7405 Vehicles R&M	1,240	979	2,900	2,500
661-5-5451-04-7600 Travel	1,760	3,020	6,500	7,500
661-5-5451-04-7601 Training & Registrations	1,490	2,749	6,000	7,000
661-5-5451-04-7900 Other Professional Services	7,415	1,867	25,000	30,000
661-5-5451-04-7907 Advertising	0	0	1,000	1,500
661-5-5451-04-7910 Printing & Binding	6,445	6,014	7,000	7,000
Total Other Svcs & Charges	86,076	67,453	92,900	100,000
TOTAL WATER-RESOURCES	433,506	422,581	486,500	474,600



PRODUCTION O&M

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
SALARIES & WAGES				
661-5-5451-05-5001 Full Time Employees	134,352	150,283	143,700	152,900
661-5-5451-05-5200 Overtime	256	285	500	-
Total Salaries & Wages	134,608	150,568	144,200	152,900
PERSONNEL BENEFITS				
661-5-5451-05-5501 FICA	10,143	10,833	10,200	10,300
661-5-5451-05-5504 Pensions	10,677	14,730	13,100	16,700
661-5-5451-05-5700 Health/Life Insurance	27,476	5,855	28,400	27,900
661-5-5451-05-5701 Disability Insurance	482	389	400	400
661-5-5451-05-5800 Workers Compensation	-	-	5,500	7,400
Total Personnel Benefits	48,778	31,807	57,600	62,700
SUPPLIES				
661-5-5451-05-6202 Other R&M Materials	4,758	16,763	20,000	32,500
661-5-5451-05-6500 Wells R&M	2,185	3,484	20,000	20,000
661-5-5451-05-6501 Pumps R&M	5,305	7,143	20,000	20,000
661-5-5451-05-6502 Elec Equip R&M	7,642	11,457	32,000	35,000
661-5-5451-05-6505 Pump Booster R&M	602	955	5,000	5,000
Total Supplies	20,492	39,802	97,000	112,500
OTHER SERVICES & CHARGES				
661-5-5451-05-7300 Electricity	247,061	248,121	260,000	250,000
661-5-5451-05-7301 Propane Gas	69	1,264	1,500	1,500
661-5-5451-05-7306 Telephone	3,241	2,339	3,200	3,000
Total Other Svcs & Charges	250,371	251,724	264,700	254,500
CAPITAL OUTLAY				
661-5-5451-08-8529 SCADA Equipment	93,248	13,349	50,000	20,000
Total Capital Outlay	93,248	13,349	50,000	20,000
TOTAL WATER-PRODUCTION O&M	547,497	487,250	613,500	602,600



GREEN VALLEY PARK MAINT.

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
SALARIES & WAGES				
661-5-5451-06-5001 Full Time Employees	11,979	2,838	12,300	8,000
Total Salaries & Wages	<u>11,979</u>	<u>2,838</u>	<u>12,300</u>	<u>8,000</u>
PERSONNEL BENEFITS				
661-5-5451-06-5501 FICA	864	191	900	500
661-5-5451-06-5504 Pensions	1,012	289	1,200	900
661-5-5451-06-5700 Health/Life Insurance	2,114	71	2,200	1,500
661-5-5451-06-5701 Disability Insurance	45	9	100	100
661-5-5451-06-5800 Workers Compensation	-	-	500	400
Total Personnel Benefits	<u>4,035</u>	<u>560</u>	<u>4,900</u>	<u>3,400</u>
SUPPLIES				
661-5-5451-06-6202 Other R&M Materials	628	2,571	5,000	6,000
661-5-5451-06-6990 Other Expense	7,197	12,509	15,000	50,000
Total Supplies	<u>7,825</u>	<u>15,080</u>	<u>20,000</u>	<u>56,000</u>
TOTAL WATER-GV PARK MAINTENANCE	<u><u>23,839</u></u>	<u><u>18,478</u></u>	<u><u>37,200</u></u>	<u><u>67,400</u></u>



WQARF SITE O&M

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
SALARIES & WAGES				
661-5-5451-07-5001 Full Time Employees	2,533	3,585	2,600	3,300
Total Salaries & Wages	2,533	3,585	2,600	3,300
PERSONNEL BENEFITS				
661-5-5451-07-5501 FICA	204	257	200	200
661-5-5451-07-5004 Pensions	246	349	300	400
661-5-5451-07-5700 Health/Life Insurance	563	(132)	600	600
661-5-5451-07-5701 Disability Insurance	11	9	-	100
661-5-5451-07-5800 Workers Compensation	-	-	500	100
Total Personnel Benefits	1,024	483	1,600	1,400
SUPPLIES				
661-5-5451-07-6008 Chemicals	-	-	30,000	-
661-5-5451-07-6202 Other R&M Materials	2,281	1,874	15,000	15,000
661-5-5451-07-6500 Wells R&M	-	-	20,000	20,000
661-5-5451-07-6501 Pumps R&M	-	-	2,000	2,000
661-5-5451-07-6502 Elec Equip R&M	7,985	3,886	12,000	12,000
Total Supplies	10,266	5,760	79,000	49,000
OTHER SERVICES & CHARGES				
661-5-5451-07-7001 Admin/Program Oversight	24,350	1,965	25,000	25,000
661-5-5451-07-7004 Compliance Sampling	12,784	8,736	18,000	18,000
661-5-5451-07-7300 Electricity	31,315	30,137	36,000	36,000
661-5-5451-07-7305 Refuse Disposal	0	-	1,000	0
661-5-5451-07-7306 Telephone	1,813	1,977	2,000	2,000
Total Other Svcs & Charges	70,262	42,815	82,000	81,000
TOTAL WATER-WQARF SITE O&M	84,085	52,643	165,200	134,700

**CAP TRUST FUND**

	2009/10 ACTUAL	2010/11 ACTUAL	2011/12 BUDGET	2012/13 PROPOSED
SUPPLIES				
460-5-5451-00-6901 Taxes & Fees	2,167	4,321	2,200	-
Total Supplies	2,167	4,321	2,200	-
OTHER SERVICES & CHARGES				
460-5-5451-00-7100 Legal Fees	59,344	11,382	100,000	100,000
460-5-5451-00-8592 Consulting	-	-	200,000	200,000
Total Other Svcs & Charges	59,344	11,382	300,000	300,000
TOTAL WATER-CAP TRUST FUND	61,511	15,703	302,200	300,000



***PLANNING &
PERFORMANCE***

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

>>>GENERAL PLAN<<<

The Town uses the General Plan to set long range goals and objectives. This Plan is continually evaluated, reviewed, and amended with Council approval, to meet changing conditions as needed.

The elements of the General Plan include: Land Use (LU), Growth Area (GA), Circulation (C), Parks, Trails and Open Space (PT), Environmental Planning (EP), Water Resources (WR), Cost of Development (CD).

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 2003 General Plan is a 120 page document that covers, in detail, the policy direction for each of the above areas, and the methods used to determine how to accomplish that direction. Copies of the complete 2003 General Plan can be obtained by contacting the Town's Community Development Department.

Long Range General Plan Goals are as follows:



LU LAND USE

- LU1-** Develop a growth management program that strives to ensure that adequate services and facilities are available to support the demands of growth
- LU2-** Strive to develop land use patterns in a manner that conserves and preserves natural resources to achieve a high level of sustainability for our future generation
- LU3-** Encourage and promote the development of a wide range of housing types for all income groups
- LU4-** Plan for adequate land use design that encourages employment opportunities for jobs that pay a living wage

GA**GROWTH AREA**

- GA1-** Maintain a high quality of life for its current and future residents while maintaining an economically vital community
- GA2-** Provide for the orderly physical and economic development of the identified growth areas
- GA3-** Strengthen the basic attractiveness, efficiency and effectiveness of the economy of Payson and the region by strategic development/redevelopment of the growth areas
- GA4-** Develop the Payson Airport and surrounding employment areas as an important economic center in Northern Gila County

C**CIRCULATION**

- C1-** Maintain and enhance existing levels of traffic safety on the transportation system serving the Payson area
- C2-** Maintain and, where possible, enhance existing levels of mobility on roadways and other transportation modes serving the Payson area.
- C3-** Obtain adequate rights of way on all Town streets
- C4-** Secure adequate funding levels to meet the Payson area's transportation priorities, including capital costs, operating and maintenance costs, and replacement costs
- C5-** Coordinate land use planning, transportation planning and decision making to ensure that transportation and land use plans and policies are mutually supportive
- C6-** Develop a transportation system and infrastructure in a manner that directs and supports economic development of the Payson area

PT**PARKS, TRAILS, AND OPEN SPACE**

- PT1-** Continue development of Rumsey Park
- PT2-** Develop McKamey Park



- PT3-** Develop neighborhood parks in all four quadrants of the Town’s planning area
- PT4-** Develop a community park on the east side of Town
- PT5-** Continue to develop the multi-event center
- PT6-** Continue development of the Green Valley Park
- PT7-** Continue development of the interpretive archaeological park at Goat Camp Ruins
- PT8-** Develop a Rumsey Park Multi-purpose Center
- PT9-** Continue developing recreation programs to meet the needs of the community
- PT10-** Update the parks and recreation master plan on a regular basis
- PT11-** Identify potential areas to be dedicated for parks, trails and open space
- PT12-** Develop uniform signage for parks, trails and open space
- PT13-** Identify and plan for the development of a multi-purpose trail system in conjunction with circulation and recreation needs
- PT14-** Preserve trail access to regional points of interest such as the Mogollon Rim, Verde River, Hell’s Gate Wilderness Area, Pine, Tonto Village, Gisela, Star Valley and Rye
- PT15-** Provide extended recreation opportunities for trail users through linkages to other trail systems
- PT16-** Provide a linkage to the regional trail system
- PT17-** Ensure that the Town of Payson is informed of and included in any U.S. Forest Service Land Exchange processes which will directly impact the Town (within the Town boundary or within a three mile radius around the Town boundaries)
- PT18-** Develop an enforceable local policy for the preservation of existing trail systems as established in this plan within the Town boundary and the surrounding area
- PT19-** Establish a framework for an urban loop trail system
- PT20-** Identify potential trailheads and key destinations around Town periphery
- PT21-** Identify potential trailheads and park sites in all future land exchanges
- PT22-** Develop comprehensive, innovative, and aggressive funding programs for the implementation of this element and other master plans

ENVIRONMENTAL PLANNING

- EP1-** Strive to develop land use patterns in a manner that conserves and preserves natural resources to achieve a high level of sustainability for our future
- EP2-** Promote community-wide awareness of the sensitivity of the environment within the planning area
- EP3-** Work to provide connected open space, parks, and trails to facilitate the movement of wildlife safely through the area

WR

WATER RESOURCES

- WR1-** Ensure an adequate water supply is available to residents of Payson
- WR2-** Manage future growth to ensure that residents have an adequate water supply available
- WR3-** Continue to develop a water conservation program to ensure an adequate water supply is available for Payson residents
- WR4-** Take appropriate steps to ensure that Payson residents have good quality water

CD

COST OF DEVELOPMENT

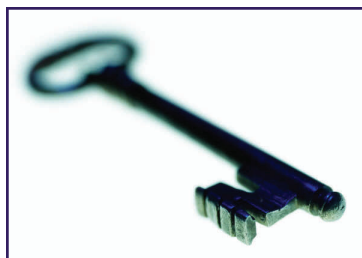
- CD1-** Ensure long-term financial stability
- CD2-** Ensure systematic funding and installation of appropriate infrastructure



>>>Corporate Strategic Plan<<<

This Corporate Strategic Plan is the latest adopted strategic plan for the Town of Payson. Each year, the Town Council, citizens and management staff participate in a strategic planning process to update and enhance the Corporate Strategic Plan (CSP) to accommodate changes in the constituents' needs. 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...



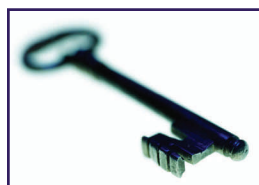
In August, 2012, the Town Council adopted a new Corporate Strategic Plan that is significantly different from the previous plan. This CSP is divided into ten Key Results Areas (KRA). Each KRA is more specifically defined by Priorities and Strategies that help guide the organization. Council did not rank the KRA's as they felt all were equally important at this time. The new CSP is outlined on the following pages.

...Performance Measures...

With the implementation of the new Corporate Strategic Plan, updated performance measures are currently being developed to quantify efforts towards achievement of this plan. Since some Town priorities carried forward to the new CSP, some of the benchmarks established for the previous plan are still applicable. For this reason, the previous performance measures that applied equally to the new CSP are included in this report. Charts at the end of each Key Results Area define:

- ◆ links between the intended outcomes and the specific KRA Priorities
- ◆ department responsible for intended outcomes
- ◆ goals set for FY 11/12 and FY 12/13
- ◆ achievements made in FY 11/12 towards the goals

<<< Key Result Areas >>>


**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 and vitality, and tourism efforts create.

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

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

Strategies

- 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 for entrepreneurial growth

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

Strategies

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

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.



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

Priority #	Intended Outcome	Department Responsible	FY11/12 Goal	FY11/12 Actual	FY12/13 Goal
1	# of new businesses contacted	Economic Development	50	115	125
2	Economic Dev partnerships at area/regional/state level	Economic Development	10	5	10
4	Implement Tourism Master Plan (% completed)	Tourism	10%	0%	10%
4	Increase # of events held at Events Center	Events Center	38	42	46
4	Increase # of days Event Center is in use	Events Center	140	134	140



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

**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 are 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 Town's strategic priorities
- C. Develop multi-year performance measures and benchmarks to monitor the effectiveness of financial operations
- D. Develop multi-year forecasts that contemplate various economic scenarios that assist in the development of alternative planning strategies
- E. Develop structures and incentives to encourage and reward managers and employees for maintaining 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



Performance Measures—KRA 2—Financial Excellence

Priority #	Intended Outcome	Department Responsible	FY11/12 Goal	FY11/12 Actual	FY12/13 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	Award Received	Receive Award
4	GFOA Distinguished Budget Presentation Award	Finance	Receive Award	Award Received	Receive Award
4	GFOA Certificate for the Popular Annual Financial Report	Finance	Receive Award	Award Received	Receive Award



KRA 3: Infrastructure

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

Priority 1: Create and maintain intra-town transportation

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

Strategies

- A. Plan, design, construct, and operate new streets, pedestrian friendly sidewalks, bicycle lanes, hiking trails and drainage systems for new residential and commercial development to reduce congestion, improve air quality, reuse materials, leverage new technology, encourage infill development, create livable neighborhoods, and promote growth.
- 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 and shade and habitat restoration

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





Performance Measures—KRA 3—Infrastructure

Priority #	Intended Outcome	Department Responsible	FY11/12 Goal	FY11/12 Actual	FY12/13 Goal
1	Street improvements completed in linear feet	Streets	100	0.2	100
1	Maintain / Increase # of neighborhood drainage sites improved	Streets	4	3	4
1	Implementation of traffic study priorities (percentage completed)	Streets	10%	1%	11%
2	Implement Airport Master Plan (percentage completed)	Airport	5%	2%	7%
2	# of B-II compliance issues resolved	Airport	1	1	1
3	Develop water infrastructure plan (percent completed)	Water	100%	100%	n/a
3	Maintain water usage levels at 80-90 gallons per capita per day	Water	80-90	79	79-90
3	% C.C.Cragin Project Completed	Water	20%	19%	40%



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 frontline staff must embrace an attitude that questions existing business processes and practices throughout the organization, with the goal of fostering innovation through the creation and implementation of new ideas.

Strategies

- 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 to innovation and efficiency

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

Strategies

- A. To lessen the 'business silo' effect, provide incentives for department heads, managers, and staff to collaborate, consolidate, streamline, and adapt to processes or functions that overlap or cross formal organizational structures
- B. Identify unneeded requirements or obsolete expectations that unnecessarily slow down business processes and work to eliminate them

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

Involvement by Payson residents in the accomplishment of the Town's innovation and efficiency goals will boost the meaningfulness and connectedness of the achievements to the community. It is important for the Town to enhance public awareness about the innovation and efficiency achievements and make strong efforts to request relevant input.

Strategies

- 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



Performance Measures—KRA 4—Innovation and Efficiency

Priority #	Intended Outcome	Department Responsible	FY11/12 Goal	FY11/12 Actual	FY12/13 Goal
4 & 5	Visits to websites	All Gov't Tourism	250,000 140,000	164,692 244,627	250,000 270,000
4 & 5	Articles and press releases in local newspaper	All Gov't Tourism	115 120	95 138	115 150
4 & 5	Public e-mail distribution list	All Gov't Tourism	1,200 10,000	5,325 54,311	5,850 60,000
4 & 5	Public information meetings / TOP Talk Programs	Meetings TOP Talk	50 22	49 39	50 42
4 & 5	Public speaking engagements / Radio appearances	Public Speaking Radio	95 60	120 70	132 77



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

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



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

Priority 3: Ensure Payson residents have quality parks and open 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

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 residents

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

Strategies

- 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



Performance Measures—KRA 5—Neighborhoods & Livability

Priority #	Intended Outcome	Department Responsible	FY11/12 Goal	FY11/12 Actual	FY12/13 Goal
1	# of unsightly properties investigated (workload indicator)	Community Development	200	218	220
1	# of unsightly properties investigations closed	Community Development	200	205	220
1	Completion of Beautification Plan (percent completed)	Community Development	10%	2%	15%
1	Maintain/ Increase # of acres cleared of noxious weeds	Fire	35	2	35
3	# of programs offered to the public	Recreation	70	74	75
3	# of registrations for programs	Recreation	3,700	3,531	3,700
3	Users of trails and bike paths	Recreation	9,000	10,437	11,500



KRA 6: Social Services

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



Performance Measures—KRA 6—Social Services

Priority #	Intended Outcome	Department Responsible	FY11/12 Goal	FY11/12 Actual	FY12/13 Goal
1 & 2	Complete rehabilitation projects for income-qualified homeowners	Community Development	2	3	3
1 & 2	Make referrals to income-qualified housing facilities	Community Development	20	23	25
1 & 2	Provide technical assistance to potential applicants for housing rehabilitation	Community Development	5	9	10



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

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

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

Strategies

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

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

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

Strategies

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

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

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

Strategies

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

Priority 6: Create employee training and participation programs

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

Strategies

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

Performance Measures—KRA 7—The Payson Team

Priority #	Intended Outcome	Department Responsible	FY11/12 Goal	FY11/12 Actual	FY12/13 Goal
4 & 6	Create employee training program (percentage completed)	Administration	25%	10%	35%
6	Create employee teams	Administration	5	12	12



Haz Mat Decontamination Training



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. Partner with other Town departments, such as Parks and Recreation, Library, and Human Resources, and other agencies, to proactively address crime

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

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

Strategies

- 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

Strategies

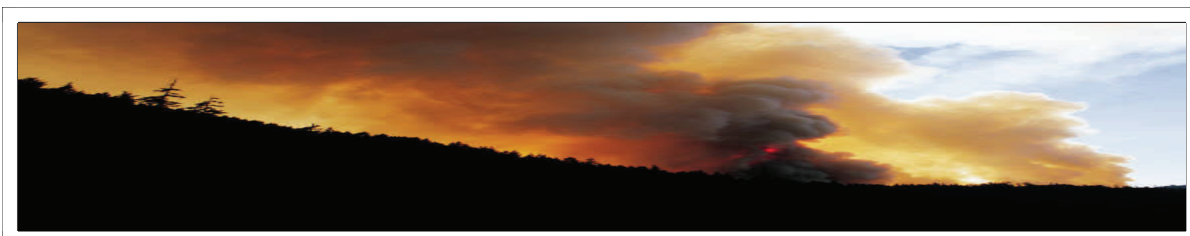
- A. Encourage, support, and value innovation, efficiency, and continuous improvement
- B. Be open to discuss and implement change in service provision methods and change in needs of the communities we serve
- C. Constantly seek ways to reduce the cost of public safety services while preserving or improving 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





Performance Measures—KRA 8—Public Safety

Priority #	Intended Outcome	Department Responsible	FY11/12 Goal	FY11/12 Actual	FY12/13 Goal
2 & 3	Improve ISO rating	Fire	Class 3	Class 4	Class 3
6	Conduct Fire Wise education programs	Wildland	4	5	6
6	Maintain/Increase # of neighborhoods with Fire Wise status	Wildland	1	-	1
6	Maintain / Increase # of Fire Wise Assessments	Wildland	100	115	125
6	Maintain / Increase # of acres treated utilizing grant funds	Fire	50	65	70
All	% of Master Plan completed	Police	75%	50%	100%



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



Performance Measures—KRA 9—Sustainability

Priority #	Intended Outcome	Department Responsible	FY11/12 Goal	FY11/12 Actual	FY12/13 Goal
1	Increase participation in toilet rebate program	Water: Residential Commercial	12 30	10 26	12 30
1	Maintain water usage levels at 80-90 gallons per capita per day	Water	80-90	79	79-90
1	Present In-School Water Conservation program (# of students)	Water	300	188	300
2	Maintain / Increase # of users of trails and bike paths	Trail & Outdoor Recreation	9,000	10,437	11,500



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

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

When business data is stored in easily accessible, organization wide repositories, the Town can create opportunities to use data to make better decisions. Internet based information delivery and collection efforts empower the community to interact with and receive Town services 24 hours a day, giving them the opportunity to conduct their business online.

Strategies

- 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



Performance Measures—KRA 10—Technology

Priority #	Intended Outcome	Department Responsible	FY11/12 Goal	FY11/12 Actual	FY12/13 Goal
3	E-Gov availability for all departments *	Info Services	1%	2%	5%
3	Visits to websites	All Gov't Tourism	250,000 140,000	164,692 244,627	250,000 270,000
3	Public e-mail distribution list	All Gov't Tourism	1,200 10,000	5,325 54,311	5,850 60,000

* Research ability and cost to increase Town-wide usage



KRA MATRIX

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

KRA: Priority: Strategy	Land Use <u>LU</u>	Growth Area <u>GA</u>	Circulation <u>C</u>	Parks, Trails, & Open Spaces <u>PT</u>	Environmental Planning <u>EP</u>	Water Resources <u>WR</u>	Cost of Development <u>CD</u>
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1:4:A							CD1
1:4:E							CD1
1:4:G		GA4					
2:1:All							CD1
2:2:All			C4				CD2
2:3:All							CD1
2:4:All							CD1
3:1:A			C2				
3:1:B			C1				
3:1:C			C1				
3:1:D			C2				
3:1:E			C6				
3:1:F			C3				
3:1:G			C5				
3:2:A		GA4					
3:2:B		GA4					
3:2:C				PT18,19			
3:2:D		GA4	C4				
3:3:A						WR4	
3:3:B						WR3	CD2
3:3:D						WR1,2,3	CD2
3:3:E						WR2	
3:4:B							CD2
3:4:C				All PT			
3:4:D				PT22			
3:4:E				PT22			



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>
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5:1:A		GA1					
5:1:B					EP2		
5:1:C					EP2		
5:1:D		GA1,3					
5:1:E		GA1,3					
5:1:F		GA3					
5:1:G		GA2,3					
5:1:H		GA1					
5:1:I		GA1					
5:2:A		GA1					
5:2:B	LU3						
5:2:C	LU3	GA1					
5:2:D	LU3	GA1					
5:2:D	LU3	GA1					
5:3:A				PT10			
5:3:B				All PT			
5:3:C				PT2,3,4,12			
5:3:D				All PT			
5:3:E				PT12-16,18-21	EP3		
5:3:F	LU2			PT18			
5:4:C				PT9			
6:1:C	LU3						
8:6:All	LU2				EP2		
9:1:All	LU2				EP2		
9:1:B			C2,5				
9:1:C							CD2



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 projects 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.

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.



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 services

Capital projects should:

- ◆ Prevent the deterioration of the Town's existing infrastructure, and respond to and 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.

CAPITAL IMPROVEMENT SUMMARIES

5 Year Capital Improvement Plan – Summary of All Sources

Funding Sources	Project Number	Fiscal Year 2012/13	Fiscal Year 2013/14	Fiscal Year 2014/15	Fiscal Year 2015/16	Fiscal Year 2016/17	5 Year Total	Future Years	Grand Total
General Fund Transfer to Capital	71,72,76,77,302	100,000	305,000	185,000	185,000	185,000	960,000	159,800	1,119,800
Grant Capital Improvement Fund	1,2,3,33,34,35,44,10,1,311	600	805,500	640,000	315,800	200,000	1,961,900	2,100,000	4,061,900
Grant - CDBG	73,75	148,000	200,000	140,000	140,000	140,000	768,000	212,000	980,000
Grant - FAA	79,80,81,82,83,85,8,6,87,88,109,110,304,305,306,307	234,000	4,391,100	3,789,360	588,600	1,359,000	10,362,060	585,000	10,947,060
Grant - ADOT	76,203,308,309	338,000	582,000	465,000	465,000	465,000	2,315,000	130,200	2,445,200
Grants - ADOTA	79,80,81,82,83,85,8,6,87,88,109,110,304,305,306,307	13,000	243,950	210,520	32,700	75,500	575,670	32,500	608,170
Grant - State	53	880,000	500,000	500,000			1,880,000		1,880,000
Grant - Homeland Security	101	23,500	-	-	-	-	23,500	-	23,500
HURF Fund	4,5,6,7,9,10,11,12,14,15,16,17,18,19,20,21,23,26,28,29,30,31,32	50,000	3,094,000	2,462,000	2,475,000	4,465,000	12,546,000	11,855,000	24,401,000
Airport Fund	79,80,81,82,83,85,8,6,87,88,109,110,304,305,306,307	35,000	256,950	210,520	32,700	75,500	610,670	32,500	643,170
Contributions	74	-	25,000	25,000	25,000	25,000	100,000	150,000	250,000
Bonds	45,67,50,51,301	493,000	4,350,000	1,450,000	3,950,000	7,670,000	17,913,000	11,800,000	29,713,000
Development Fees	1,40,41,42,43,47,48,49,64,104,105,106,	155,000	530,000	1,225,000	500,000	70,000	2,480,000	1,600,000	4,080,000
Water Fund	52,57,58,59,61,62,65	305,000	590,000	107,000	100,000	100,000	1,202,000	100,000	1,302,000
CAP Fund	56	307,000	100,000	100,000	100,000	100,000	707,000	929,700	1,636,700
Improvement District Fund	27,102	450,000	5,850,000	100,000	100,000	100,000	6,600,000	2,000,000	8,600,000
WIFA 2	50	6,250,000					6,250,000		6,250,000
Grant	66		1,800,000				1,800,000		1,800,000
TOTAL - ALL SOURCES		9,782,100	23,623,500	11,609,400	9,009,800	15,030,000	69,054,800	31,686,700	100,741,500

5 Year Capital Improvement Plan – Summary by Department

Project #	Dept	Description	Fiscal Year 2012/13	Fiscal Year 2013/14	Fiscal Year 2014/15	Fiscal Year 2015/16	Fiscal Year 2016/17	5 Year Total	Future Years	Grand Total
0910-1	Police	Building Remodel	-	65,500	-	-	-	65,500	-	65,500
0910-2	Police	Parking Lot Imps	-	-	-	63,800	-	63,800	-	63,800
0910-3	Police	Security Upgrade	-	-	-	32,000	-	32,000	-	32,000
1011-01	Police	Comm Upgrade	24,100	-	-	-	-	24,100	-	24,100
Total Police Capital Projects			24,100	65,500	-	95,800	-	185,400	-	185,400
0910-4	Streets	Mud Springs Rd Phase II	-	1,300,000	-	-	-	1,300,000	-	1,300,000
0910-5	Streets	Mud Springs Rd - Cedar to Frontier	-	-	-	-	-	-	835,000	835,000
0910-6	Streets	Rumsey Rd - McLance to SR 87	-	60,000	250,000	250,000	-	560,000	-	560,000
0910-7	Streets	Bonita St	380,000	-	1,137,000	-	-	1,517,000	-	1,517,000
0910-9	Streets	Manzanita Dr - Timber to Shopping Center	-	1,000,000	-	-	-	1,000,000	-	1,000,000
0910-10	Streets	Colcord Rd - Main to Longhorn	-	75,000	125,000	550,000	1,000,000	1,750,000	-	1,750,000
0910-11	Streets	McLane Rd - Airport to Payson Ranchos	-	-	-	100,000	500,000	600,000	650,000	1,250,000
0910-12	Streets	McLane Rd - Main to Phoenix St	-	-	-	80,000	875,000	955,000	-	955,000
0910-14	Streets	Goodnow - 260 to Bonita	-	-	-	40,000	40,000	80,000	610,000	690,000
0910-15	Streets	Easy St - Evergreen to Forest	-	-	-	405,000	325,000	730,000	-	730,000
0910-16	Streets	Easy St - Forest to Gila	-	-	-	-	-	-	1,290,000	1,290,000
0910-17	Streets	Easy St - Gila to Bradley	-	-	-	-	-	-	1,270,000	1,270,000
0910-18	Streets	Rim Club Parkway - Rim Club to Granite Dells	-	-	-	40,000	40,000	80,000	900,000	980,000
0910-19	Streets	Frontier St - SR87 to McLane	-	-	-	-	150,000	150,000	1,950,000	2,100,000
0910-20	Streets	Granite Dells Roundabout Landscaping	-	-	45,000	-	-	45,000	-	45,000
0910-21	Streets	Granite Dells Roundabout Lighting	-	34,000	-	-	-	34,000	-	34,000
0910-23	Streets	Airport Rd Roundabout Landscaping	-	45,000	-	-	-	45,000	-	45,000
0910-26	Streets	Pavement Preservation	50,000	580,000	580,000	580,000	580,000	2,370,000	3,500,000	5,870,000
0910-27	Streets	American Gulch	-	50,000	100,000	100,000	100,000	350,000	2,000,000	2,350,000
0910-28	Streets	Aerial Photo Update	-	-	-	35,000	-	35,000	50,000	85,000
0910-29	Streets	GV Parking Lot Imps	-	-	25,000	375,000	375,000	775,000	-	775,000
0910-30	Streets	Payson Ranchos to Payson Pines	-	-	-	-	80,000	80,000	800,000	880,000
0910-31	Streets	Longhorn Sidewalks	-	-	190,000	-	-	190,000	-	190,000
0910-32	Streets	East Phoenix St Imps	-	-	110,000	20,000	500,000	630,000	-	630,000
1011-02	Streets	Montezuma Castle Land Exchange	450,000	5,800,000	-	-	-	6,250,000	-	6,250,000
1213-08	Streets	Sign Repl Phase 1	75,000	-	-	-	-	75,000	-	75,000
1213-09	Streets	Sign Repl Phase 2	65,000	-	-	-	-	65,000	-	65,000
Total Streets Capital Projects			1,020,000	8,944,000	2,562,000	2,575,000	4,565,000	19,666,000	13,855,000	33,521,000

Project #	Dept	Description	Fiscal Year 2012/13	Fiscal Year 2013/14	Fiscal Year 2014/15	Fiscal Year 2015/16	Fiscal Year 2016/17	5 Year Total	Future Years	Grand Total
0910-33	Gen Gov't	Town Hall Carpet	-	35,000	-	-	-	35,000	-	35,000
0910-34	Gen Gov't	Chamber Enhancemnt	-	100,000	-	-	-	100,000	100,000	200,000
0910-35	Gen Gov't	Recycle Prog	-	50,000	50,000	50,000	50,000	200,000	250,000	450,000
Total Gen Gov't Capital Projects			-	185,000	50,000	50,000	50,000	335,000	350,000	685,000
	Fire	Station #13 Lightning Protection	13,000	-	-	-	-	13,000	-	13,000
	Fire	Station #11 Buildout	-	360,000	-	-	-	360,000	-	360,000
Total Fire Capital Projects			13,000	360,000	-	-	-	373,000	-	373,000
0910-42	Parks	Amphitheatr Lighting	-	-	150,000	-	-	150,000	-	150,000
0910-43	Parks	GV Park Ramada Imps	-	-	75,000	-	-	75,000	-	75,000
0910-44	Parks	GV Park Maint Bldg	-	-	400,000	-	-	400,000	-	400,000
0910-47	Parks	Rumsey Park Restrooms	-	-	145,000	-	-	145,000	-	145,000
0910-48	Parks	Rumsey Park Drainage	-	150,000	-	-	-	150,000	-	150,000
0910-49	Parks	Rumsey Park Pedestrian Circulation Imps	-	-	50,000	350,000	-	400,000	100,000	500,000
1011-04	Parks	Kiwanis Field Lights	-	250,000	250,000	-	-	500,000	-	500,000
1011-05	Parks	Rumsey South Soccer Turf	-	-	350,000	-	-	350,000	-	350,000
1011-06	Parks	Rumsey Playground Equipment	-	-	-	150,000	-	150,000	-	150,000
Total Parks Capital Projects			-	400,000	1,420,000	500,000	-	2,320,000	100,000	2,420,000
0910-50	Water	CC Cragin Pipeline	6,730,000	4,200,000	1,250,000	250,000	6,170,000	18,600,000	-	18,600,000
0910-51	Water	Houston Mesa Waterline & Treat Plant	-	150,000	200,000	200,000	1,500,000	2,050,000	9,800,000	11,850,000
0910-52	Water	Security Gates	5,000	20,000	7,000	-	-	32,000	-	32,000
0910-53	Water	GV Park Shoreline Protection	500,000	500,000	500,000	-	-	1,500,000	-	1,500,000
0910-56	Water	Groundwater Remediation	307,000	100,000	100,000	100,000	100,000	707,000	929,700	1,636,700
0910-57	Water	Water Mains	-	225,000	100,000	100,000	100,000	525,000	100,000	625,000
0910-58	Water	Wells	75,000	200,000	-	-	-	275,000	-	275,000
0910-61	Water	Radon Removal Study	30,000	-	-	-	-	30,000	-	30,000
0910-62	Water	Water Line Replacement	150,000	145,000	-	-	-	295,000	-	295,000
0910-64	Water	Reserve Well Development	155,000	-	85,000	-	70,000	310,000	-	310,000
0910-65	Water	Warehouse Addition	45,000	-	-	-	-	45,000	-	45,000
0910-66	Water	TAT Reclamation Project	-	1,800,000	-	-	-	1,800,000	-	1,800,000
Total Water Capital Projects			7,997,000	7,340,000	2,242,000	650,000	7,940,000	26,169,000	10,829,700	36,998,700

Project #	Dept	Description	Fiscal Year 2012/13	Fiscal Year 2013/14	Fiscal Year 2014/15	Fiscal Year 2015/16	Fiscal Year 2016/17	5 Year Total	Future Years	Grand Total
0910-67	Library	Library Bldg Expansion	-	-	-	1,500,000	-	1,500,000	-	1,500,000
Total Library Capital Projects			-	-	-	1,500,000	-	1,500,000	-	1,500,000
0910-68	Recreation & Tourism	Boardman Imps	-	10,000	-	-	-	10,000	-	10,000
0910-69	Recreation & Tourism	Entry/Exit Imps	-	60,000	45,000	45,000	-	150,000	-	150,000
0910-39	Recreation & Tourism	PATS Continuation	-	125,000	125,000	125,000	150,000	525,000	750,000	1,275,000
0910-40	Recreation & Tourism	Trails Master Plan	-	60,000	60,000	-	-	120,000	-	120,000
0910-41	Recreation & Tourism	Parks & Rec Master Plan	-	70,000	60,000	-	-	130,000	-	130,000
0910-45	Recreation & Tourism	Event Center Master Plan & Imps	-	-	20,000	2,000,000	-	2,020,000	2,000,000	4,020,000
0910-46	Recreation & Tourism	Land Purchase	-	-	-	-	-	-	1,000,000	1,000,000
1213-01	Recreation & Tourism	New Rec Bldg	-	-	-	-	-	-	1,500,000	1,500,000
Total Rec & Tourism Capital Proj			-	325,000	310,000	2,170,000	150,000	2,955,000	5,250,000	8,205,000
0910-71	Comm Dev	Carpet Repl	-	20,000	-	-	-	20,000	-	20,000
0910-72	Comm Dev	General Plan Update	50,000	50,000	-	-	-	100,000	-	100,000
0910-73	Comm Dev	Housing Rehab	60,000	140,000	140,000	140,000	140,000	620,000	212,000	832,000
0910-74	Comm Dev	Affordable Housing	-	25,000	25,000	25,000	25,000	100,000	150,000	250,000
0910-75	Comm Dev	Sr Center Rehab	88,000	60,000	-	-	-	148,000	-	148,000
0910-76	Comm Dev	Main St Enhance	-	500,000	500,000	500,000	500,000	2,000,000	140,000	2,140,000
0910-77	Comm Dev	Hiway Landscape Imps	-	150,000	150,000	150,000	150,000	600,000	150,000	750,000
1213-02	Comm Dev	Impact Fee Study	50,000	50,000	-	-	-	100,000	-	100,000
Total Comm Dev Capital Projects			248,000	995,000	815,000	815,000	815,000	3,688,000	652,000	4,340,000
0910-79	Airport	Helicopter Hardstands+	-	650,000	-	-	-	650,000	-	650,000
0910-80	Airport	Relocate Taxiways	-	75,000	950,000	315,000	1,310,000	2,650,000	-	2,650,000
0910-81	Airport	Land Purchase	-	2,150,000	-	-	-	2,150,000	-	2,150,000
0910-82	Airport	New Terminal Bldg	-	145,000	2,000,000	-	-	2,145,000	-	2,145,000
0910-83	Airport	Relocate Campground	-	520,000	-	-	-	520,000	-	520,000
0910-85	Airport	Construct Serv Rds	-	36,000	310,000	124,000	-	470,000	-	470,000
0910-86	Airport	Construct Vehicle Parking	-	20,000	225,000	-	-	245,000	-	245,000
0910-87	Airport	Construct Hold Aprons	-	-	-	-	200,000	200,000	-	200,000
0910-88	Airport	Construct Various Bldg	-	1,163,000	-	-	-	1,163,000	-	1,163,000
1011-09	Airport	Pavement Rehab Ramps	-	-	490,400	-	-	490,400	-	490,400
1011-10	Airport	Expanded Parking Ramps	-	-	235,000	215,000	-	450,000	-	450,000
1213-03	Airport	Grade Runway Safety Area	220,000	130,000	-	-	-	350,000	-	350,000
1213-04	Airport	Security Fencing	-	120,000	-	-	-	120,000	-	120,000
1213-05	Airport	Construct New West Taxiways	-	-	-	-	-	-	650,000	650,000
1213-06	Airport	Install new AWOS	250,000	-	-	-	-	250,000	-	250,000
1213-07	Airport	Environment Assessments	10,000	-	-	-	-	10,000	-	10,000
Total Airport Capital Projects			480,000	5,009,000	4,210,400	654,000	1,510,000	11,863,400	650,000	12,513,400
TOTAL - ALL CAPITAL PROJECTS			9,782,100	23,623,500	11,609,400	9,009,800	15,030,000	69,054,800	31,686,700	100,741,500

Town of Payson, Arizona

5 YEAR CAPITAL IMPROVEMENT PLAN – MACHINERY & EQUIPMENT

Project #	Department	Description	Fiscal Year 2012/13	Fiscal Year 2013/14	Fiscal Year 2014/15	Fiscal Year 2015/16	Fiscal Year 2016/17	5 Year Total	Future Years	Grand Total
0910-01M	Police	Vehicle Replacement	-	120,000	120,000	120,000	120,000	480,000	550,000	1,030,000
0910-02M	Police	Radio Upgrade	160,000	-	-	-	-	160,000	-	160,000
1011-01M	Police	Radar Equipment	36,600	-	-	-	-	36,600	-	36,600
		Total Police Department	196,600	120,000	120,000	120,000	120,000	676,600	550,000	1,226,600
0910-05M	Streets	Heavy Equipment	-	100,000	100,000	100,000	100,000	400,000	300,000	700,000
0910-06M	Streets	Dump Truck Replacement	20,000	55,000	-	-	-	75,000	-	75,000
0910-07M	Streets	Crack Seal Machine Replacement	-	-	-	-	-	-	-	-
0910-08M	Streets	Trucks	-	30,000	30,000	30,000	30,000	120,000	90,000	210,000
1011-03M	Streets	Survey Equipment	-	-	-	-	-	-	120,000	120,000
		Total Streets Department	20,000	185,000	130,000	130,000	130,000	595,000	510,000	1,105,000
0910-09M	Gen Gov't	Vehicle	-	30,000	-	-	-	30,000	-	30,000
0910-10M	Gen Gov't	Financial Software	-	45,000	-	-	-	45,000	-	45,000
0910-11M	Gen Gov't	Computer Equipment	58,500	-	-	-	-	58,500	-	58,500
0910-12M	Gen Gov't	Telephone System Upgrade	-	-	-	-	-	-	100,000	100,000
		Total General Government	58,500	75,000	-	-	-	133,500	100,000	233,500
0910-13M	Fire	Utility Truck Replacement	-	-	-	300,000	-	300,000	-	300,000
0910-14M	Fire	Water Tender	-	-	-	-	-	-	300,000	300,000
0910-15M	Fire	Utility Pickup Truck Replacement	-	60,000	-	-	-	60,000	-	60,000
0910-16M	Fire	Staff Vehicle Replacement	-	-	-	-	55,000	55,000	55,000	110,000
0910-17M	Fire	Command Vehicle Replacement	-	55,000	-	-	-	55,000	-	55,000
0910-18M	Fire	Truck Chassis Replacement	-	30,000	-	-	-	30,000	-	30,000
0910-19M	Fire	Ladder Truck 111 Replacement	-	-	-	1,000,000	-	1,000,000	-	1,000,000
0910-21M	Fire	Mobile Computer Replacement	-	70,000	-	-	-	70,000	-	70,000
0910-22M	Fire	Hydrant Program	-	2,500	2,500	2,500	2,500	10,000	12,500	22,500
0910-23M	Fire	Rehab/Support Vehicle	-	-	-	100,000	-	100,000	-	100,000
0910-24M	Fire	Cardiac Monitors/Defibrillators	185,000	-	-	-	-	185,000	-	185,000
0910-25M	Fire	Ambulance Replacement	-	-	-	-	-	-	200,000	200,000
0910-26M	Fire	SCBA Replacement	-	-	150,000	-	-	150,000	-	150,000
0910-27M	Fire	Type 1 Engine Replacement	-	500,000	-	-	-	500,000	1,200,000	1,700,000
0910-28M	Fire	Type 6 Engine Replacement	-	-	-	-	-	-	180,000	180,000
	Fire	Smoke Alarm Program - St Fire Assist.	75,000	-	-	-	-	75,000	-	75,000
		Total Fire Department	260,000	717,500	152,500	1,402,500	57,500	2,590,000	1,947,500	4,537,500
0910-29-M	Parks	Large Mower	-	-	60,000	-	-	60,000	-	60,000
		Total Parks Department	-	-	60,000	-	-	60,000	-	60,000
0910-32M	Water	SCADA Equipment	20,000	75,000	75,000	75,000	75,000	320,000	255,000	575,000
0910-33M	Water	Service Truck Replacement	35,000	-	30,000	-	-	65,000	-	65,000
0910-34M	Water	Well Pump Replacements	75,000	30,000	30,000	30,000	40,000	205,000	125,000	330,000
1011-04M	Water	Fire Hydrant Program	-	5,000	5,000	5,000	5,000	20,000	5,000	25,000
1011-05M	Water	Computer Equipment	25,000	28,000	-	-	-	53,000	-	53,000
1213-01M	Water	Chlorine Generator	47,500	-	-	-	-	47,500	-	47,500
1213-02M	Water	GV Park Irrigation Pumps	30,000	-	-	-	-	30,000	-	30,000
		Total Water Division	232,500	138,000	140,000	110,000	120,000	740,500	385,000	1,125,500
0910-35M	Comm Dev	Vehicle Replacement	-	25,000	-	-	-	25,000	-	25,000
		Total Comm Dev Department	-	25,000	-	-	-	25,000	-	25,000
1213-03M	Tourism	Tourism Quads	12,000	-	-	-	-	12,000	-	12,000
		Total Tourism	12,000	-	-	-	-	12,000	-	12,000
		Total Capital Machinery & Equipment	779,600	1,260,500	602,500	1,762,500	427,500	4,832,600	3,492,500	8,325,100

Funding Sources	Project Number	Fiscal Year 2012/13	Fiscal Year 2013/14	Fiscal Year 2014/15	Fiscal Year 2015/16	Fiscal Year 2016/17	5 Year Total	Future Years	Grand Total
Equipment Replacement Fund	1-35	779,600	1,260,500	602,500	1,762,500	427,500	4,832,600	3,492,500	8,325,100
		779,600	1,260,500	602,500	1,762,500	427,500	4,832,600	3,492,500	8,325,100



***SUPPLEMENTAL
INFORMATION***

RESOLUTION NO. 2675

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, ADOPTING ESTIMATES OF REVENUES AND EXPENDITURES/EXPENSES, AND ADOPTING THE SAME AS THE FINAL BUDGET OF THE TOWN OF PAYSON FOR THE FISCAL YEAR 2012-2013.

(2012-2013 FINAL BUDGET)

WHEREAS, in accordance with the provisions of Title 42, Chapter 17, Arizona Revised Statutes, the Mayor and Common Council did, on June 5, 2012, make an estimate of the different amounts required to meet public expenses for the ensuing year; and

WHEREAS, the Mayor and Common Council have 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 of Payson, Arizona; and

WHEREAS, in accordance with said Chapter of said Title, and following due public notice, the Mayor and Common Council met on June 5, 2012, 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 Common Council find, that publication has been duly made as required by law of said estimates together with a notice that the Mayor and Common Council would meet on June 21, 2012, 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 as specified therein do not, in aggregate, exceed that amount as computed pursuant to A.R.S. § 42-17051(A),

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

Section 1. That the estimates of revenue and expenditures/expenses shown on Schedules A through F attached hereto, as now increased, reduced or changed, are hereby adopted as the budget for the Town of Payson, for the fiscal year 2012-2013.

Section 2. That the Town of Payson be and hereby is authorized to take such other and further actions as are necessary or appropriate to carrying out the purposes of this Resolution.

PASSED AND ADOPTED BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, this 21st day of June, 2012, by the following vote:

cc: Finance ✓

Prepared by Town of Payson Legal Department

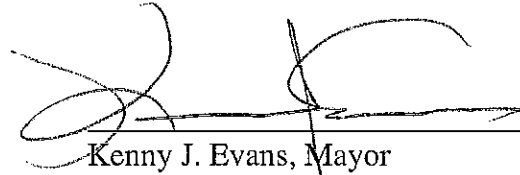
TAW:drs June 8, 2012 (2:29pm)

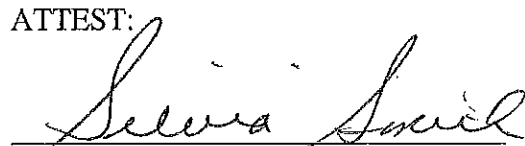
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Page 1

JUN 21 2012 SPZ, B

AYES 7 NOES 0 ABSTENTIONS 0 ABSENT 0


Kenny J. Evans, Mayor

ATTEST:

Silvia Smith, Town Clerk

APPROVED AS TO FORM:

Timothy M. Wright Town Attorney

TOWN OF PAYSON
Summary Schedule of Estimated Revenues and Expenditures/Expenses
Fiscal Year 2013

FUND	ADOPTED BUDGETED EXPENDITURES/EXPENSES* 2012	ACTUAL EXPENDITURES/EXPENSES** 2012	FUND BALANCE/ NET ASSETS*** July 1, 2012**	PROPERTY TAX REVENUES 2013	ESTIMATED REVENUES OTHER THAN PROPERTY TAXES 2013	OTHER FINANCING 2013		INTERFUND TRANSFERS 2013	TOTAL FINANCIAL RESOURCES AVAILABLE 2013	BUDGETED EXPENDITURES/EXPENSES 2013
						SOURCES	<USES>			
1. General Fund	\$ 13,625,500	\$ 11,660,500	\$	Primary: 623,792 Secondary:	\$ 13,091,500	\$	\$	\$ 105,249 IN \$ 198,100	\$ 13,395,841	\$ 12,650,400
2. Special Revenue Funds	6,746,300	6,156,600			7,131,900			207,849 622,605	7,122,151	7,774,300
3. Debt Service Funds Available* 4. Less: Amounts for Future Debt Retirement	1,268,200	1,196,300			408,000			105,800	924,805	1,015,400
5. Total Debt Service Funds	1,268,200	1,196,300			408,000			622,605 105,800	924,805	1,015,400
6. Capital Projects Funds	7,839,800	1,055,900			1,497,200			12,000 199,605	1,309,595	2,033,700
7. Permanent Funds										
8. Enterprise Funds Available 9. Less: Amounts for Future Debt Retirement	16,759,900	8,420,800			11,701,700				11,701,700	13,167,800
10. Total Enterprise Funds	16,759,900	8,420,800			11,701,700				11,701,700	13,167,800
11. Internal Service Funds										
12. TOTAL ALL FUNDS	\$ 46,239,700	\$ 28,490,100	\$	\$ 623,792	\$ 33,830,300	\$	\$	\$ 937,954 \$ 937,954	\$ 34,454,092	\$ 36,641,600

EXPENDITURE LIMITATION COMPARISON

	2012	2013
1. Budgeted expenditures/expenses	\$ 46,239,700	\$ 36,641,600
2. Add/subtract: estimated net reconciling items		
3. Budgeted expenditures/expenses adjusted for reconciling items	46,239,700	36,641,600
4. Less: estimated exclusions		
5. Amount subject to the expenditure limitation	\$ 46,239,700	\$ 36,641,600
6. EEC or voter-approved alternative expenditure limitation		

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

* Includes Expenditure/Expense Adjustments Approved in current year from Schedule E.
 ** Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.
 *** Amounts in this column represent Fund Balance/Net Asset amounts except for amounts not in spendable form (e.g., prepaids and inventories) or legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

TOWN OF PAYSON
Summary of Tax Levy and Tax Rate Information
Fiscal Year 2013

	2012	2013
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ 618,441	\$ 642,416
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	\$ 612,672	\$ 623,792
B. Secondary property taxes	61,921	
C. Total property tax levy amounts	\$ 674,593	\$ 623,792
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ 601,600	
(2) Prior years' levies	30,000	
(3) Total primary property taxes	\$ 631,600	
B. Secondary property taxes		
(1) Current year's levy	\$ 61,900	
(2) Prior years' levies	10,000	
(3) Total secondary property taxes	\$ 71,900	
C. Total property taxes collected	\$ 703,500	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	0.3065	0.3502
(2) Secondary property tax rate	0.0313	
(3) Total city/town tax rate	0.3378	0.3502

B. Special assessment district tax rates
 Secondary property tax rates - As of the date the proposed budget was prepared, the city/town was operating no 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
Summary by Fund Type of Revenues Other Than Property Taxes
Fiscal Year 2013

<u>SOURCE OF REVENUES</u>	<u>ESTIMATED REVENUES 2012</u>	<u>ACTUAL REVENUES* 2012</u>	<u>ESTIMATED REVENUES 2013</u>
GENERAL FUND			
Local taxes			
Sales Tax - Town	\$ 6,000,000	\$ 5,528,800	\$ 5,700,000
Licenses and permits			
Franchise Fees	335,100	340,000	343,400
Business Licenses	70,000	70,000	72,000
Liquor Licenses	1,200	1,200	1,200
ROW Permits	2,500	3,500	3,600
Animal Control Licenses	20,000	18,000	20,000
Building Permits	925,000	150,000	415,000
Intergovernmental			
State Shared Revenue	2,449,100	2,493,000	2,842,300
Property Taxes	620,700	631,600	637,300
Vehicle License Tax	882,900	840,000	875,600
Tonto Apache Tribe	30,000	13,600	15,000
Fire Services IGA	316,800	320,000	325,200
FAA Reimbursement	6,000		
Gila County	100,000	135,000	
Grants	737,200	165,800	868,800
Charges for services			
Prosecution Fees	37,500	41,500	44,500
Law Enforcement Charges	46,500	30,300	37,000
Fire Service Charges	8,000	6,600	23,600
Emergency Services Fee	40,000		
Zoning Charges	22,000	17,000	28,000
Building Inspections	1,500	1,500	1,600
Engineering Review	20,000	5,000	36,800
Plan Review	55,000	50,000	61,000
Fines and forfeits			
Court Fines & Fees	153,000	105,000	120,000
Interest on investments			
Interest	10,000	2,500	2,000
In-lieu property taxes			
Contributions			
Voluntary contributions			1,500
Miscellaneous			
Other Revenue	19,800	6,700	15,000
Recreation Fees	76,000	72,000	119,600
Enterprise Overhead	74,100	74,100	303,300
Insurance Recoveries	82,000	23,000	82,000
Surplus Sales	35,000	30,000	35,000
Sale of Fixed Assets	100,000		50,000
Facilities Lease Fees	110,000	11,200	11,200
Total General Fund	\$ 13,386,900	\$ 11,186,900	\$ 13,091,500

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

TOWN OF PAYSON
Summary by Fund Type of Revenues Other Than Property Taxes
Fiscal Year 2013

SOURCE OF REVENUES	ESTIMATED REVENUES 2012	ACTUAL REVENUES* 2012	ESTIMATED REVENUES 2013
SPECIAL REVENUE FUNDS			
Highway User Revenue Fund			
Highway Users Gas Tax	\$ 1,262,000	\$ 1,243,500	\$ 1,396,900
Grants	75,000		140,000
LTAFF-VLT			
Inspection Fees	10,000	5,000	10,000
Impact Fees	29,000	40,000	50,000
Other Revenue	5,000	6,000	1,000
Contributions			
Enterprise Fund Overhead			25,800
Total Highway User Revenue Fund	\$ 1,381,000	\$ 1,294,500	\$ 1,623,700
Housing Trust Fund			
Contributions	\$ 25,000		\$ 25,000
Total Housing Trust Fund	\$ 25,000	\$	\$ 25,000
Gifts & Grants Fund			
Grants	\$ 373,500	\$ 161,000	\$ 74,500
Contributions	9,500	13,700	11,300
Total Gifts & Grants Fund	\$ 383,000	\$ 174,700	\$ 85,800
Festivals & Events Fund			
Event Revenue	\$ 77,000	\$ 77,000	
Total Festivals & Events Fund	\$ 77,000	\$ 77,000	\$
Bed Tax Fund			
Bed Tax	\$ 220,000	\$ 225,000	\$ 225,000
Total Bed Tax Fund	\$ 220,000	\$ 225,000	\$ 225,000
Police Dept. of Justice Fund			
Defense 1033 Revenue	\$ 8,000	\$ 30,000	\$ 30,000
Local RICO Revenue	2,500		
Total Police Dept. of Justice Fund	\$ 10,500	\$ 30,000	\$ 30,000
LE Property Program			
Intergovernmental	\$ 500,000	\$ 850,000	\$ 2,000,000
Total LE Property Program Fund	\$ 500,000	\$ 850,000	\$ 2,000,000
Library Fund			
Gila County Library District Tax	\$ 229,200	\$ 229,200	\$ 229,200
Fines	15,500	15,500	15,500
Contributions	20,000	20,000	21,600
Total Library Fund	\$ 264,700	\$ 264,700	\$ 266,300

TOWN OF PAYSON
Summary by Fund Type of Revenues Other Than Property Taxes
Fiscal Year 2013

SOURCE OF REVENUES	ESTIMATED REVENUES 2012	ACTUAL REVENUES* 2012	ESTIMATED REVENUES 2013
Magistrate Court - JCEF Fund			
Contributions	\$ 3,000	\$	\$ 3,000
Interest	100		
Total Magistrate Court - JCEF Fund	\$ 3,100	\$	\$ 3,000
Magistrate Court - FTG Fund			
Contributions	\$ 1,000	\$ 1,600	\$ 1,600
Total Magistrate Court - FTG Fund	\$ 1,000	\$ 1,600	\$ 1,600
Airport Fund			
Grants	\$ 563,600	\$ 323,300	\$ 453,500
PRAA Lease	1		
Advertising Sign Fee		500	900
Tie Down Fee		5,400	12,200
Gate Fees		2,400	4,500
Ground Leases		5,800	18,600
Hanger Leases	200,000	32,800	56,700
Fuel Sales		1,000	2,000
Other		151,600	20,300
Total Airport Fund	\$ 763,601	\$ 522,800	\$ 568,700
Event Center Fund			
Event Revenue	\$ 25,000	\$ 29,000	\$ 71,000
Total Event Center Fund	\$ 25,000	\$ 29,000	\$ 71,000
Health Insurance Fund			
Employee Contribution	\$ 419,600	\$ 435,000	\$ 456,800
Employer Contribution	1,267,900	1,150,000	1,208,000
Retiree Contribution	170,100	150,000	158,000
Employer Retiree Contribution	679,700	762,000	409,000
Other		300	
	\$ 2,537,300	\$ 2,497,300	\$ 2,231,800
Total Special Revenue Funds	\$ 6,191,201	\$ 5,966,600	\$ 7,131,900

* 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
Summary by Fund Type of Revenues Other Than Property Taxes
Fiscal Year 2013

SOURCE OF REVENUES	ESTIMATED REVENUES 2012	ACTUAL REVENUES* 2012	ESTIMATED REVENUES 2013
DEBT SERVICE FUNDS			
Westerly Rd ID Debt Service Fund			
Assessment - Principal	\$ 31,200	\$ 31,200	\$ 34,700
Assessment - Interest	26,800	26,000	23,300
Total Westerly Rd ID Debt Service Fund	\$ 58,000	\$ 57,200	\$ 58,000
Green Valley Park Debt Service Fund			
Property Tax - Secondary	\$ 61,900	\$ 61,900	\$
Contributions	60,000	60,000	\$
Total Green Valley Park Debt Service Fund	\$ 121,900	\$ 121,900	\$
General Obligation Bond Debt Service Fund			
Sales Tax - Town	\$ 350,000	\$ 350,000	\$ 350,000
Total General Obligation Bond DS Fund	\$ 350,000	\$ 350,000	\$ 350,000
ELRID Debt Service Fund			
Assessment - Principal	\$ 86,400	\$ 87,200	\$
Assessment - Interest	13,000	3,100	\$
Total ELRID Debt Service Fund	\$ 99,400	\$ 90,300	\$
Total Debt Service Funds	\$ 629,300	\$ 619,400	\$ 408,000
CAPITAL PROJECTS FUNDS			
Equipment Replacement Fund			
Lease Purchase	\$ 620,000	\$ 617,900	\$
Total Equipment Replacement Fund	\$ 620,000	\$ 617,900	\$
Grant Capital Projects Fund			
Grants	\$ 389,000	\$ 171,700	\$ 468,700
Total Grant Capital Projects Fund	\$ 389,000	\$ 171,700	\$ 468,700
Park Development Fund			
Impact Fees	\$ 21,500	\$ 33,000	\$ 35,000
Total Park Development Fund	\$ 21,500	\$ 33,000	\$ 35,000
Public Safety Development Fund			
Impact Fees	\$ 10,000	\$ 17,000	\$ 18,500
Total Public Safety Development Fund	\$ 10,000	\$ 17,000	\$ 18,500
Bonita Street Construction Fund			
Grant Revenue	\$	\$	\$ 370,000
Total Bonita Street Construction Fund	\$	\$	\$ 370,000
Fire Station #3 Construction Fund			
Interest	\$	\$ 700	\$
Total Fire Station #3 Constuction Fund	\$	\$ 700	\$
Montezuma Castle Land Exchange ID Fund			
Debt Proceeds	\$ 6,250,000	\$	\$ 450,000
Total Montezuma Castle Land Ex. ID Fund	\$ 6,250,000	\$	\$ 450,000
CAP Trust Fund			
Interest	\$ 100	\$ 155,000	\$ 155,000
Total CAP Trust Fund	\$ 100	\$ 155,000	\$ 155,000
Total Capital Projects Funds	\$ 7,290,600	\$ 995,300	\$ 1,497,200

* 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.

TOWN OF PAYSON
Summary by Fund Type of Revenues Other Than Property Taxes
Fiscal Year 2013

<u>SOURCE OF REVENUES</u>	<u>ESTIMATED REVENUES 2012</u>	<u>ACTUAL REVENUES* 2012</u>	<u>ESTIMATED REVENUES 2013</u>
PERMANENT FUNDS			
Not Applicable	\$ _____	\$ _____	\$ _____
	\$ _____	\$ _____	\$ _____
Total Permanent Funds	\$ _____	\$ _____	\$ _____
ENTERPRISE FUNDS			
Water Fund			
Charges for Services	\$ 3,890,000	\$ 3,908,200	\$ 3,987,500
Facilities Recapture Fees	2,000	300	2,000
Interest	3,000	500	500
Facilities Leases	45,000	45,000	45,000
Grants	1,800,000		
Impact Fees	50,000	65,000	644,170
Other	42,300	34,100	45,700
Sale of Fixed Asset		81,800	
Total Water Fund	\$ 5,832,300	\$ 4,134,900	\$ 4,724,870
CC Cragin Development Fund			
Grants	\$ 8,042,000	\$ 3,075,000	\$ _____
Impact Fees	42,000	80,000	726,830
Interest			
Debt Proceeds			6,250,000
Total CC Cragin Development Fund	\$ 8,084,000	\$ 3,155,000	\$ 6,976,830
Total Enterprise Funds	\$ 13,916,300	\$ 7,289,900	\$ 11,701,700
INTERNAL SERVICE FUNDS			
Not Applicable	\$ _____	\$ _____	\$ _____
	\$ _____	\$ _____	\$ _____
Total Internal Service Funds	\$ _____	\$ _____	\$ _____
TOTAL ALL FUNDS	\$ 41,414,301	\$ 26,058,100	\$ 33,830,300

* 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.

* 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
Summary by Fund Type of Other Financing Sources/<Uses> and Interfund Transfers
Fiscal Year 2013

FUND	OTHER FINANCING 2013		INTERFUND TRANSFERS 2013	
	SOURCES	<USES>	IN	<OUT>
GENERAL FUND				
Bed Tax Fund	\$	\$	\$ 92,000	\$
Festivals & Events			13,249	
Wildlands/Urban Program Fund				
HURF				
Library				107,500
Equipment Replacement Fund				
General Debt Service Fund				147,100
ELRID Debt Service Fund				
Westerly Rd. Debt Service Fund				27,200
Rumsey Park COPs DS Fund				12,500
Excise Bonds DS Fund				130,400
Total General Fund	\$	\$	\$ 105,249	\$ 424,700
SPECIAL REVENUE FUNDS				
Festivals & Events	\$	\$	\$	\$ 13,249
Library			107,500	
Event Center Fund			90,600	
Bed Tax Fund				194,600
Total Special Revenue Funds	\$	\$	\$ 198,100	\$ 207,849
DEBT SERVICE FUNDS				
General Debt Service Fund	\$	\$	\$ 252,900	\$
Westerly Rd. Debt Service Fund			27,200	
Rumsey Park COPs DS Fund			47,500	
GO Bonds Debt Service Fund			164,605	105,800
Excise Tax Rev Ob DS Fund			130,400	
Total Debt Service Funds	\$	\$	\$ 622,605	\$ 105,800
CAPITAL PROJECTS FUNDS				
Equipment Replacement Fund	\$	\$	\$ 12,000	\$
Park Development Fund				35,000
Fire Station #3 Fund				164,605
Total Capital Projects Funds	\$	\$	\$ 12,000	\$ 199,605
PERMANENT FUNDS				
Not Applicable	\$	\$	\$	\$
Total Permanent Funds	\$	\$	\$	\$
ENTERPRISE FUNDS				
Water Fund	\$	\$	\$	\$
Water Impact Fees Fund				
Total Enterprise Funds	\$	\$	\$	\$
INTERNAL SERVICE FUNDS				
Not Applicable	\$	\$	\$	\$
Total Internal Service Funds	\$	\$	\$	\$
TOTAL ALL FUNDS	\$	\$	\$ 937,954	\$ 937,954

TOWN OF PAYSON
Summary by Department of Expenditures/Expenses Within Each Fund Type
Fiscal Year 2013

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2012	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2012	ACTUAL EXPENDITURES/ EXPENSES* 2012	BUDGETED EXPENDITURES/ EXPENSES 2013
GENERAL FUND				
Central Services	\$ 1,500,000	\$	\$ 1,317,800	\$ 919,400
Town Clerk	267,000		260,200	256,100
Elections	81,200		26,900	38,200
Town Manager	224,300		198,400	198,100
Human Resources	207,300		167,800	180,300
Financial Services	354,500		338,500	331,800
Information Technology	671,500		489,300	532,500
Tourism & Economic Vitality	110,800		106,900	107,900
Town Council	133,600		124,200	118,300
Magistrate Court	239,400		215,300	219,000
Town Attorney	345,600		332,600	348,900
Police	4,763,000		4,033,700	4,375,500
Fire	3,256,200		2,653,100	3,571,500
Public Works	500,300		498,200	410,500
Parks & Recreation	313,800		282,700	346,300
Community Development	657,000		614,900	696,100
Total General Fund	\$ 13,625,500	\$	\$ 11,660,500	\$ 12,650,400
SPECIAL REVENUE FUNDS				
HURF	\$ 1,813,000	\$	\$ 1,529,800	\$ 1,655,800
Housing Trust Fund	25,000			25,000
Gifts & Grants Fund	383,000		164,900	85,800
Wildlands/Urban Program Fund				
Festivals & Events Fund	77,400		73,900	
Bed Tax Fund	86,000		86,000	90,000
Police Dept. of Justice Fund	8,000		6,500	31,000
LE Property Program Fund	500,000		850,000	2,000,000
Library Fund	432,700		418,500	373,800
Magistrate Court Fund				4,600
Airport Fund	770,700		370,700	717,400
Event Center Fund	113,100		106,300	159,100
Health Insurance Fund	2,537,400		2,550,000	2,631,800
Total Special Revenue Funds	\$ 6,746,300	\$	\$ 6,156,600	\$ 7,774,300
DEBT SERVICE FUNDS				
General Debt Service Fund	\$ 227,300	\$	\$ 155,200	\$ 252,900
ELRID Debt Service Fund	233,000		233,000	
Westerly Rd. ID Debt Service	82,400		82,600	85,200
Rumsey Park COPs	96,500		96,500	47,500
Green Valley Park Debt Service	202,700		202,400	204,300
Excise Tax Obligation DS	129,400		129,400	130,400
GO Bonds Debt Service	296,900		297,200	295,100
Total Debt Service Funds	\$ 1,268,200	\$	\$ 1,196,300	\$ 1,015,400
CAPITAL PROJECTS FUNDS				
Capital Improvement Fund	\$	\$	\$	\$
Equipment Replacement Fund	630,000		624,200	12,000
Grant Capital Projects Fund	389,000		171,700	468,700
Public Safety Develop. Fund	100,000		100,000	
Public Safety Bond Proj. Fund				160,000
Bonita Street Construction	10,000		2,500	380,000
Fire Station #3 Construction			33,700	13,000
Montezuma Castle ID Fund	6,250,000			450,000
CAP Trust Fund	460,800		123,800	550,000
Total Capital Projects Funds	\$ 7,839,800	\$	\$ 1,055,900	\$ 2,033,700
PERMANENT FUNDS				
Not Applicable	\$	\$	\$	\$
Total Permanent Funds	\$	\$	\$	\$
ENTERPRISE FUNDS				
Water Fund	\$ 8,937,400	\$	\$ 5,379,100	\$ 6,404,700
CC Cragin Development	7,822,500		3,041,700	6,763,100
Water Impact Fees Fund				
Total Enterprise Funds	\$ 16,759,900	\$	\$ 8,420,800	\$ 13,167,800
INTERNAL SERVICE FUNDS				
Not Applicable	\$	\$	\$	\$
Total Internal Service Funds	\$	\$	\$	\$
TOTAL ALL FUNDS	\$ 46,239,700	\$	\$ 28,490,100	\$ 36,641,600

* 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
Summary by Department of Expenditures/Expenses
Fiscal Year 2013

<u>DEPARTMENT/FUND</u>	<u>ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2012</u>	<u>EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2012</u>	<u>ACTUAL EXPENDITURES/ EXPENSES * 2012</u>	<u>BUDGETED EXPENDITURES/ EXPENSES 2013</u>
General Government				
General Fund	\$ 1,500,000		1,317,800	\$ 919,400
General Debt Service Fund	227,300		155,200	252,900
Health Insurance Fund	2,537,400		2,550,000	2,631,800
Department Total	\$ 4,264,700		4,023,000	\$ 3,804,100
Town Clerk				
General Fund	\$ 348,200		287,100	\$ 294,300
Department Total	\$ 348,200		287,100	\$ 294,300
Town Manager				
General Fund	\$ 224,300		198,400	\$ 198,100
Department Total	\$ 224,300		198,400	\$ 198,100
Human Resources				
General Fund	\$ 207,300		167,800	\$ 180,300
Department Total	\$ 207,300		167,800	\$ 180,300
Financial Services				
General Fund	\$ 354,500		338,500	\$ 331,800
Capital Improvement Fund				
Department Total	\$ 354,500		338,500	\$ 331,800
Information Technology				
General Fund	\$ 671,500		489,300	\$ 532,500
Department Total	\$ 671,500		489,300	\$ 532,500
Town Council				
General Fund	\$ 133,600		124,200	\$ 118,300
Department Total	\$ 133,600		124,200	\$ 118,300
Magistrate Court				
General Fund	\$ 239,400		215,300	\$ 219,000
Magistrate Court - JCEF Fund				3,000
Magistrate Court - FTG Fund				1,600
Department Total	\$ 239,400		215,300	\$ 223,600
Town Attorney				
General Fund	\$ 345,600		332,600	\$ 348,900
Equipment Replacement Fund	10,000		6,300	
Department Total	\$ 355,600		338,900	\$ 348,900
Police				
General Fund	\$ 4,763,000		4,033,700	\$ 4,375,500
Gifts & Grants Fund	19,000		26,200	20,300
Dept of Justice Fund	8,000		6,500	31,000
LE Property Program Fund	500,000		850,000	2,000,000
Capital Improvement Fund				
Equipment Replacement Fund	120,000		120,000	
Grant Capital Project Fund	64,000		60,000	60,700
Public Safety Develop. Fund	100,000		100,000	
Public Safety Bond Fund				160,000
GO Bonds Debt Service	296,900		297,200	295,100
Department Total	\$ 5,870,900		5,493,600	\$ 6,942,600
Fire				
General Fund	\$ 3,256,200		2,653,100	\$ 3,571,500

Gifts & Grants Fund	320,500		102,000	64,000
Wildland/Urban Program				
Capital Improvement Fund				
Equipment Replacement Fund	500,000		497,900	
Grant Capital Project Fund	185,000			260,000
Fire Station #3 Construction			33,700	13,000
Department Total	\$ 4,261,700		3,286,700	\$ 3,908,500
Public Works				
General Fund	\$ 500,300		498,200	\$ 410,500
HURF	1,813,000		1,529,800	1,655,800
Gifts & Grants Fund				
Equipment Replacement Fund				
Bonita Street Construction	10,000		2,500	380,000
Airport Fund	770,700		370,700	717,400
ELRID Debt Service Fund	233,000		233,000	
Westerly Rd ID Debt Service	82,400		82,600	85,200
Excise Tax Debt Service	129,400		129,400	130,400
Grant Capital Project Fund				
Montezuma Castle ID Fund	6,250,000			450,000
Department Total	\$ 9,788,800		2,846,200	\$ 3,829,300
Parks, Recreation & Tourism				
General Fund	\$ 424,600		406,900	\$ 454,200
Gifts & Grants Fund	2,500		500	1,500
Festivals & Events Fund	77,400		73,900	
Bed Tax Fund	86,000		86,000	90,000
Event Center Fund	113,100		106,300	159,100
Equipment Replace Fund				12,000
Rumsey Park COPs DS	96,500		96,500	47,500
Department Total	\$ 800,100		770,100	\$ 764,300
Community Development				
General Fund	\$ 657,000		614,900	\$ 696,100
Housing Trust Fund	25,000			25,000
Gifts & Grants Funds	41,000		36,200	
Grant Capital Project Fund	140,000		111,700	148,000
Capital Improvement Fund				
Department Total	\$ 863,000		762,800	\$ 869,100
Library				
Library Fund	\$ 432,700		418,500	\$ 373,800
Department Total	\$ 432,700		418,500	\$ 373,800
Water				
Water Fund	\$ 8,937,400		5,379,100	\$ 6,404,700
CC Cragin Development	7,822,500		3,041,700	6,763,100
Water Impact Fees Fund				
CAP Trust Fund	460,800		123,800	550,000
Green Valley Park Debt Svc	202,700		202,400	204,300
Department Total	\$ 17,423,400		8,747,000	\$ 13,922,100

* 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 – FINANCIAL POLICIES

Introduction

The Town of Payson, Arizona 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

1. The adoption of the budget is one of the Town Council's most important activities. State of Arizona Statutes includes some specific requirements regarding the adoption of the annual budget. The following policies are consistent with these statutes.
2. 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.
3. 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.
4. DECENTRALIZED BUDGET PROCESS. The budget process is intended to weigh all competing requests for Town resources, within expected fiscal constraints. Requests for new, ongoing programs made outside the budget process are not allowed.

The Town will utilize a decentralized budget process. All departments will be given an opportunity to participate in this budget process.

5. 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 (FIN 106), if funds are available. The expense amount attributable to equipment depreciation will be transferred into the Equipment Reserve fund and "Pay-as-you-go" funding will be used for equipment purchases under \$100,000, if funds are available, before considering lease/purchase debt service financing.

A contingency fund equal to five percent (5%) of the combined General & Streets Fund expenditure budget will be maintained annually in a Contingency budget. This fund will be available for unanticipated, unbudgeted expenditures and will require the Town Council's approval to expend. The purpose of this account is to provide some flexibility for unforeseen events without the necessity to spend from the Town's reserves.

As a component of the budget process and when fiscal resources permit, the Town Council may allocate funds to Outside Agency Providers for business, social, recreational or economic development, or promotional services. Outside Agency Providers must provide a service consistent with an existing recognized Town need, policy, goal, or objective.

6. 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.
7. 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.

8. **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 below.

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 carry-over balance equal to 90 days prior year operating expenses.

The Town will establish an equipment reserve fund and when fiscal resources permit, will appropriate funds to it annually to provide for the timely replacement of equipment.

All expenditures drawn from reserve accounts shall require prior Town Council approval unless previously specifically authorized by the Town Council for expenditure in the annual budget.

9. **THE BUDGETARY BASIS OF ACCOUNTING.** Budgets for governmental fund types will be adopted on a basis of accounting consistent with generally accepted accounting principles (GAAP). Revenues are recognized when they become measurable and available, and expenditures are encumbered against the budget when they become measurable, or a liability has been incurred, and the liability will be liquidated with current resources. All outstanding expenditures are charged to the budget in the year initially incurred.

10. **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.

11. **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.

12. **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 standards for financial reporting and budgeting, the Governmental Accounting Standards Board as well as any other professional standards as required.

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.

1. 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.

2. 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.

3. 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 Finance Officer's Association national award program.

4. 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 national award program.

5. BUDGETARY REPORTING. The budgetary reporting system will conform to the Government Finance Officer's Association standards for financial reporting and budgeting, the Governmental Accounting Standards Board (GASB) and other professional standards

6. 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.

7. 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.

8. 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 national award program.

9. 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.

FISCAL 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.

1. **REVENUES.** The Town will attempt to maintain a diversified and stable revenue stream to shelter it from short-run fluctuations in any single revenue source. The revenue mix should combine elastic and inelastic revenue sources to minimize the effect of economic downturns.

The Town will strive to keep the revenue system simple, which will result in a decrease of compliance costs for the taxpayer or service recipient and a corresponding decrease in avoidance to pay.

The revenue system of the Town will strive to maintain equity in its structure to avoid a disproportionate burden levied on a particular taxpayer group. The Town will seek to minimize or eliminate all forms of subsidization between entities, funds, services, and customers. However, it is recognized that public policy decisions may lead to subsidies in certain circumstances.

The Town will strive to structure its tax base to retain and promote business and industry.

2. **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. Revenue projections will be revised. Expenses will be reduced to conform to the revised long-term revenue forecast or revenue increases will be considered.

3. **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:

- 1) Cost of service
- 2) Pricing to encourage or limit demand
- 3) Identifiable benefits
- 4) 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 officials, 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.

4. **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. (See Financial Policy 1-101 Section 1.1.7 (d) Fund Reserves).

5. 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 no 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.

6. 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:

- 1) Revenue sources
- 2) Legal authorization
- 3) Method of collection
- 4) Rate or charge history

5) Total revenue history

7. GRANT/DEVELOPER FUNDING. The Town will seek state/federal grants and developer contributions for funding projects. Grants and contributions will not be budgeted unless the funding source has been identified and an application is contemplated to be submitted.

All potential grants shall be carefully examined for matching requirements. Some grants may not be accepted if the local matching funds cannot be justified or obtained. Grants may also be rejected if programs must be continued with local resources after grant funds are exhausted, unless the Town has the ability to continue to fund the program with available revenues.

8. 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 expenditure impact of capital 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 as least every 3 years.

9. 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.

10. 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.

11. FINANCIAL PROJECTIONS. Financial projects for both revenue and expenditures are established in accordance with the policies set forth in Financial Policy 101.

The Town reviews the prior and current years' revenue/expenditures by line item to prepare the next year annual budget projections.

Revenue projections for major revenues (those which represent at least 10% of the General Fund) will present conservative, optimistic and best estimate projections. The projections shall be based on the best information available at the time.

Revenue projections will assess the full spectrum of resources that can be allocated for public services. Each year the Council shall review potential sources of revenue as part of the annual budget process.

INVESTMENT POLICY

1. 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.

2. 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.

3. INVESTMENT REQUIREMENTS. The Town invests all idle funds in the Local Government Investment Pool (LGIP) established by the 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 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 towns or school districts.
- 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 a 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 years of the date of investment, or, if such obligations were issued less than five 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 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 per cent 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 years of the date of investment, or, if the obligations were issued less than five 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 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.

4. 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 may be awarded at any interest rate less than one hundred three per cent of the equivalent bond yield of the offer side of United States treasury bills having a similar term. If the eligible depository offering to pay the highest rate of interest has bid only for a portion of the monies to be awarded, the remainder of the monies shall be awarded to eligible depositories bidding the next highest rates of interest.

An eligible depository is not eligible to receive total aggregate deposits from this state and all its subdivisions in an amount exceeding twice its capital structure as outlined in the last call of condition of the superintendent of financial institutions.

If two or more eligible depositories submit bids of an identical rate of interest for all or any portion of the monies to be deposited, the award of the deposit of the monies shall be made to the eligible depository among those submitting identical bids having, at the time of the bid opening, the lowest ratio of total public deposits in relation to its capital structure.

Each bid submitted, and not withdrawn prior to the time specified, constitutes an irrevocable offer to pay interest as specified in the bid on the deposit, or portion bid for, and the award of a deposit in accordance with this section obligates the depository to accept the deposit and pay interest as specified in the bid pursuant to which the deposit is awarded.

The treasurer shall maintain a record of all bids received and shall make available to the board of deposit at its next regularly scheduled meeting a correct list showing the bidders, the bids received and the amount awarded. These records shall be available to the public and shall be kept in the possession of the treasurer for not less than two 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 per

cent of the deposit. The collateral shall be any of the following:

- 1). 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.
- 2). 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 per cent 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.
 - (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 then authorized insurance of accounts, insured by federal deposit insurance, without depositing a surety bond or

securities in lieu of the surety bond.

An eligible depository shall report monthly to the treasurer the total deposits of that treasurer and the par value and the market value of any pledged collateral securing those deposits.

When a security or instrument pledged as collateral matures or is called for redemption, the cash received for the security or instrument shall be held in place of the security until the depository has obtained a written release or provided substitute securities or instruments.

The surety bond, securities, instruments or safekeeping receipt of an eligible depository shall be deposited with the treasurer making the deposit, and he shall be the custodian of the bond, securities, instruments or safekeeping receipt. The treasurer may then deposit with the depository public monies then in his possession in accordance with this article, but not in an amount in excess of the surety bond, securities, instruments or safekeeping receipt deposited, except for federal deposit insurance.

The following restrictions on investments are applicable:

- 1) An investment of public operating fund monies shall not be invested for a duration of 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 sales 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.

5. **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 13 or section 35-323, subsection A, paragraph 2, the investing entity in each case shall invest those monies in accordance with all of the following conditions:

- 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 savings 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 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.

6. **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 for 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 collections performed by a city treasurer or the district for collections 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 taxes.

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 – Revenues 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 Finances

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.

1. 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 statutes.

2. ISSUING DEBT.

- a) The issuance of short-term debt is limited to projects/assets that cannot be funded initially through long-term debt.
- b) The issuance of long-term debt is limited to capital projects and assets that the Town cannot finance from current revenues or resources.
- c) 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).
- d) Every effort will be made to limit the payback period of the bonds to the estimated useful life of the capital projects or assets.
- e) 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
- f) 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.

g) Capital leases may be used to finance equipment purchases, rather than an outright purchase if funding is not available and the lease rate is less than the rate attained from investment return. In no case shall the Town lease/purchase equipment whose useful life is not greater than the term of the lease.

3. THE AMOUNT OF DEBT ISSUANCE.

- a) 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.
- b) 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.
- c) 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
- d) 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.

4. DEBT MATURITIES.

- a) The Town will keep the average maturity of general obligation bonds at twenty years or less.

- b) 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.

5. OTHER POLICIES.

- a) Annual budget appropriations shall include debt service payments and reserve requirements for all long-term debt outstanding, as set forth in the bond covenants.
- b) Debt issues will be sold on a competitive basis, except when conditions make a negotiated sale preferable, and awarded to the bidder who produces the lowest interest cost. Revenue bonds can be issued through a negotiated sale when the issue is unusually large, the project is speculative or complex, the issue is a refunding or the market is unstable.
- c) 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.
- d) 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).
- e) The following considerations will be made to the question of pledging of project (facility) revenues towards debt service requirements:
- The project requires moneys not available from other sources.
 - Matching fund moneys are available, which may be lost if not applied for in a timely manner.
 - Catastrophic conditions
 - The project to be financed will generate net positive revenues (i.e., the additional tax revenues generated by the project will be greater than the debt service requirements). The net revenues should not simply be positive over the life of the

bonds, but must be positive each year within a reasonably short period (e.g., by the third year of debt service payments).

- f) 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.

- g) Utility rates will be set, as a minimum, to ensure the ratio of revenue-to debt service meets bond indenture requirements of 1:2. The Town goal will be to maintain a minimum ratio of utility revenue-to-debt service of 1:6 to ensure debt coverage in times of utility revenue fluctuations attributable to weather or other causes and to ensure a balanced, pay-as-you-go Capital Improvement Plan.
- h) The Town may issue inter-fund loans.
- i) 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.

6. PROFESSIONAL SERVICES.

- a) 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.
- b) The Town shall maintain an open line of communication with the rating agencies (Moody's and 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 31 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.

INFRASTRUCTRE AND CAPITAL NEEDS

1. 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.
2. 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.
3. 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.
4. PRIORITIZING PROJECTS. Capital projects and/or capital asset purchases will receive a higher priority if they meet some or most 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

5. 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.

6. REPORTING. With the exception of "on-going projects", each project shall be described such that development phases are delineated as separate stages of the project. Examples include land acquisition, design and construction. "On-going projects" represent annual capital programs such as street overlay, sidewalk expansion or traffic signal rebuild.

An estimate of the operating budget impact of each proposed project shall be identified and incorporated into the Town Corporate Strategic Financial Plan.

The adopted CIP shall constitute the Town's long-range plan for capital expenditures and shall be consistent with the Payson Corporate Strategic Plan.



STAFFING HISTORY

Department	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13
Town Manager	2.00	2.00	2.00	2.00	2.00	2.00	4.00	4.00	4.00	4.00
Town Attorney	5.00	5.00	5.00	5.00	5.00	4.50	4.50	4.00	4.00	4.00
Town Clerk	5.00	5.00	5.00	5.00	7.00	6.00	4.00	4.00	4.00	4.00
Admin Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Financial Services	6.00	6.00	8.00	8.00	6.00	6.00	6.00	6.00	6.00	6.00
Police	39.00	40.00	42.00	45.00	48.00	48.00	48.00	48.00	48.00	48.00
Fire	24.00	24.00	25.00	25.00	25.00	25.00	25.00	24.00	27.00	33.00
Human Resources	3.50	3.50	3.50	3.50	3.50	1.00	2.00	3.00	3.00	3.00
Community Dev	12.50	12.00	12.00	12.00	14.00	14.00	14.00	14.00	14.00	14.00
Airport	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Public Works	16.50	16.50	16.50	16.50	17.00	17.00	22.50	22.50	22.00	22.00
Water Department	17.00	17.00	17.00	17.00	17.00	19.00	19.00	19.00	20.00	20.00
Library	6.00	6.00	6.00	7.00	8.00	8.00	8.00	8.00	8.00	8.00
Recreation & Tourism	9.50	9.50	9.50	11.50	11.50	11.50	7.00	7.00	6.50	6.50
Total City FTEs	147.00	147.50	152.50	158.50	165.00	163.00	165.00	164.50	167.50	173.50
Population	15,200	15,375	15,430	15,620	15,700	16,965	17,281	17,281	15,301	15,301



PRINCIPAL EMPLOYERS

	<u>2012</u>
<u>Employer</u>	<u>Employees</u>
Payson Unified Schools	350
Payson Regional Medical Center	340
Mazatzal Casino	330
Walmart	311
Town of Payson	173
Rim Country Health	153
Gila County	146
Payson Care Center	140
Safeway	105
Home Depot	100
USFS	70
Bashas #54	64
Chapman	33
Total	<u>2315</u>

Source: Human Resource and Personnel Departments of the above-mentioned businesses



DEMOGRAPHIC AND ECONOMIC STATISTICS

Calendar Year	Population	Median Family Income	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2003	14,819	38,713	n/a	48.9	2,800	3.8%
2004	15,200	38,713	n/a	48.9	2,599	3.4%
2005	15,375	39,500	n/a	48.9	2,613	3.2%
2006	15,430	39,973	n/a	48.9	2,806	3.2%
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	35,213	n/a	53.1	2,420	11.0%
2012	15,301	42,342	25,716	53.1	2,225	9.6%

Sources: Payson Unified School District, 2010 U.S. Census, and Sperling's Best Places to Live



OPERATING INDICATORS

Function/Program	Fiscal Years Ending June 30									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Building Permits										
Permits Issued	207	202	374(a)	283	201	103	115	37	34	49
Value of Buildings in \$	37,637,997	29,178,927	55,123,657	68,105,715	45,006,009	41,597,955	20,388,596	9,358,003	19,087,366	12,652,967
Police										
Number of Sworn Officers	26	26	27	29	30	31	31	31	30	30
Total Calls	18,850	19,500	20,085	18,944	24,398	20,726	24,233	26,233	28,259	20,956
Calls per Sworn Officer	725	750	744	653	813	669	782	846	942	699
Officers per 1000 of Population	1.755	1.711	1.756	1.880	1.875	1.938	1.824	1.824	1.961	1.961
Total of Index Crimes	691	608	587	577	527	440	635	617	675	655
Index Crimes per Capita	0.047	0.040	0.038	0.037	0.031	0.026	0.037	0.036	0.044	0.0428
Number of Drug Arrests	367	582	486	410	275	156	78	126	95	137
Drug Arrests per Capita	0.025	0.038	0.032	0.027	0.016	0.009	0.005	0.007	0.006	0.009
Fire										
Average Response Time	4.18	4.47	5.09	5.40	5.06	4.09	4.20	4.06	4.47	4:42
Total Calls	2,101	2,003	2,106	2,197	2,236	2,280	2,788	2,387	2,588	2,625
Calls per Capita	0.142	0.132	0.137	0.142	0.134	0.136	0.161	0.138	0.169	0.172
Fire Personnel per 1000 of Pop.	1.552	1.513	1.561	1.490	1.434	1.374	1.562	1.562	1.765	2.157
Fire Safety Inspections	580	401	486	453	396	418	576	535	567	398
Event Center										
Number of Events				28.0	22.0	21.0	25.0	30.0	35.0	42.0
Number of Days Used				77.0	104.0	101.0	120.0	127.0	127.0	134.0
Other public works										
Street slurry sealed (miles)				15.0	13.6	14.2	0	0	6.0	0



OPERATING INDICATORS

Function/Program	Fiscal Years Ending June 30									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Parks and recreation										
Use of Facilities-# of Activities				30	39	90	115	118	122	122
Program Registrations				2,040	1,951	3,241	3,756	3,464	3,668	3,235
Ramada Reservations				372	232	276	250	264	302	265
Swim Lessons				201	207	395	325	n/a	n/a	n/a
Pool Passes				2,498	2,420	2,450	2,500	n/a	n/a	n/a
Water										
Number of Water Taps	6,948	7,122	7,399	7,609	7,728	7,777	7,827	7,854	7,800	7,838
Average daily consumption (thousands of gallons)	1,523.9	1,462.3	1,533.7	1,561.7	1,502.3	1,534.3	1,468.8	1,490.6	1,493.4	1,458.2
Peak daily consumption (thousands of gallons)	2,349.6	2,117.9	2,094.1	2,169.4	2,055.1	2,384.2	2,467.5	2,044.3	2,050.4	2,057.0
Elections										
Number of Registered Voters	9,272	7,117	7,117	8,828	8,828	8,913	8,913	9,304	9,304	9,921
Number Voting in Last Election	3,482	4,149	4,149	5,479	5,479	5,123	5,123	5,123	5,123	3,146
% of Participation of Voters	37.55%	58.30%	58.30%	62.06%	62.06%	57.48%	57.48%	55.06%	55.06%	31.71%

Source: Town of Payson

Notes: (a) Starting in 2005 Multi-Family Residential is reflected in the total number of permits and building valuation.

Town of Payson, Arizona
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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.

ADOPTED As used in fund, summaries, department and program summaries within the budget, represents the budgets as approved by Council.

ADOPTION 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.

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.

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 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.

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.

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 EXPENDITURES/OUTLAYS Expenditures that result in the acquisition of or addition to fixed assets that are priced more than \$5,000.

CAPITAL IMPROVEMENT PLAN (CIP) A plan which prioritizes and schedules proposed capital construction projects and major equipment acquisition.

CAPITAL OUTLAY Expenditures resulting in the acquisition or addition to the government's general capital assets. These assets usually have a useful life of more than one year.

CAPITAL PROJECTS Projects which purchase or construct capital assets. Typically a capital project encompasses a purchase of land and/or the construction of a building or facility.

CAPITAL PROJECT CONSTRUCTION FUNDS A type of fund that accounts for major general government construction projects financed by long-term 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.

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COMPREHENSIVE PLAN A plan required by the state for the future growth and development of the Town.

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.

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

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.

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 Federal Aviation Administration.

FISCAL YEAR 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.

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 Generally accepted accounting principals as determined through common practice or as promulgated by accounting standard setting bodies.

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.

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GFOA 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 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.

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 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.

NON-EXEMPT Personnel eligible to receive overtime pay when overtime work has been authorized or requested by the supervisor.

OBJECT (OF EXPENDITURE) The budget accounting term for the previously used "line item budget" level. The lowest level of detail used in the budget to designate the item or service to be purchased or obtained as the result of an expenditure, e.g., postage, printing, etc.

OBJECTIVE In a budgetary context, an objective is some event, activity or opinion poll result, which can be evaluated to measure progress towards defined goals.

OPERATING BUDGET A budget which includes all expenditures and revenues expected to be made during a year for ongoing operations of a government entity. The operating 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).

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 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.

Town of Payson, Arizona
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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 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-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.

SUPPLIES A cost category for minor items (individually priced at less than \$5,000) required by departments to conduct their operations.

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 Water infrastructure Financing Authority

WORKLOAD INDICATORS Specific quantitative measures of work performed within an activity or program (e.g., total miles of streets cleaned).