



ANNUAL BUDGET 2013/2014

FOR THE FISCAL YEAR BEGINNING JULY 1, 2013





The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the Town of Payson, Arizona for the Annual Budget beginning July 1, 2012. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

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



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ELECTED TOWN OFFICIALS
July 1, 2013

Mayor
Vice Mayor
Councilmember
Councilmember
Councilmember
Councilmember
Councilmember

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





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 17, 2013

To the Residents of the Town of Payson:

Since incorporating in 1973, Arizona's Cool Mountain Town has had good years and difficult years but has experienced continued steady progress because of citizen input. Coupling prudent use of your tax dollars with supplemental state and federal funds and the timely use of grant funding has allowed us to comply with a myriad of federal and state mandates and complete many important programs and projects. As state and federal funding have dropped precipitously, our ability to provide community services has become much more difficult.

The 2013-14 fiscal year Budget continues to be grounded on the principle of fiscal integrity. The delayed impact of the national and statewide economic downturn that negatively impacted local budgets continues. Stimulus grants that provided some relief to earlier budgets are no longer available leaving the Town General Fund budget extremely tight again this year. Even with some economic recovery, uncertainty over unsustainable federal deficits and global turmoil will require the 2013-14 budget to 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 uses the budget as a comprehensive financial tool for maintaining fiscal accountability. We are keenly aware of the Town's current needs and priorities and will do our best to meet those needs with the money we have available.

We acknowledge the hard work of our Town staff and appreciate 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 extends above and below the line.

Kenny J. Evans,
Mayor



ADMINISTRATIVE STAFF

July 1, 2013

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

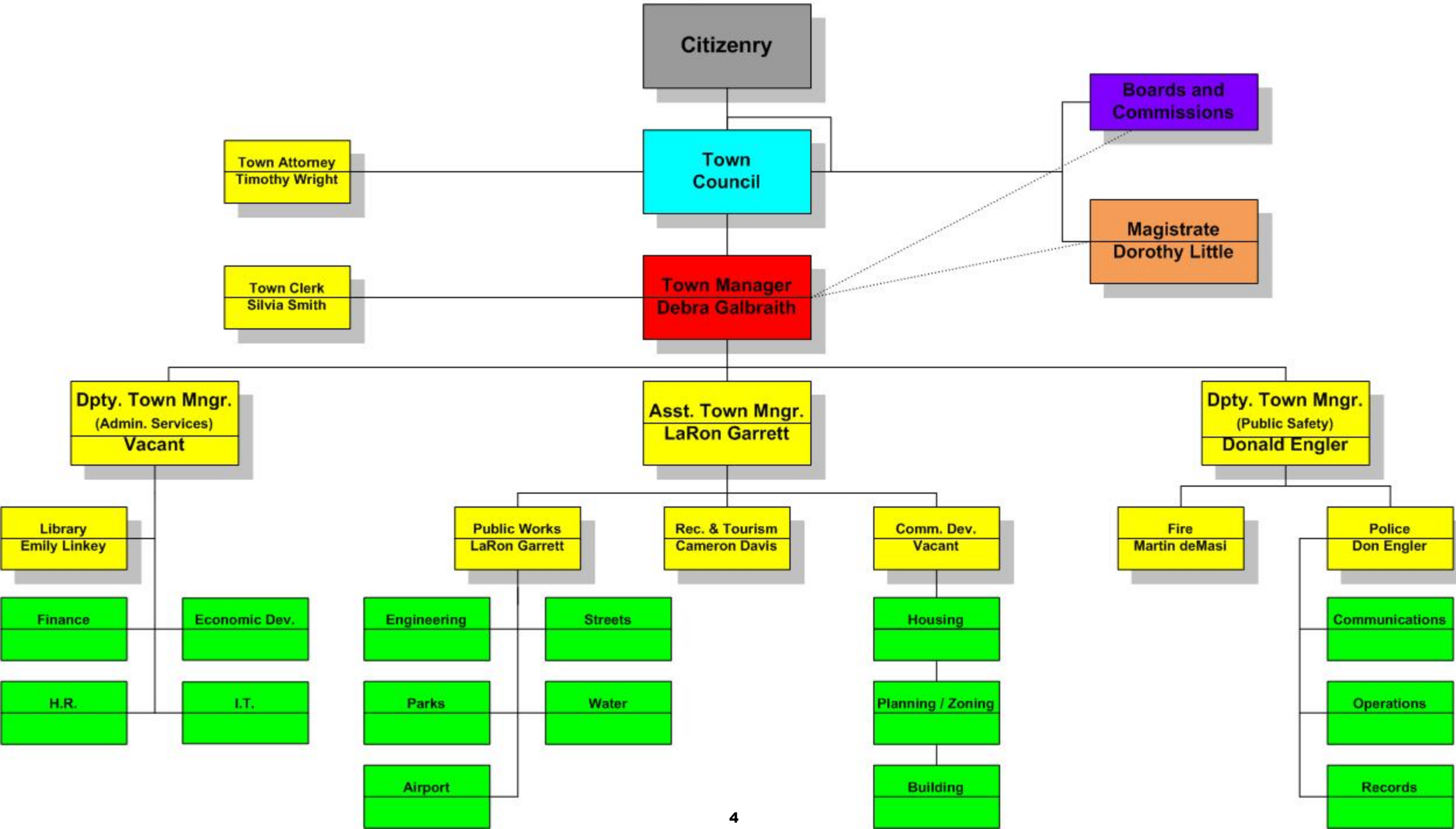
Marty DeMasi
Fire Chief

Emily Linkey
Library

Cameron Davis
Recreation & Tourism

Town of Payson

Current Organizational Chart





MISSION STATEMENT

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

We...

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

CORE VALUES

CUSTOMER FOCUS

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

CONTINUOUS IMPROVEMENT

- ◆ Commit "every day, in every way, to getting better and better".
- ◆ Plan for quality.
- ◆ Make quality a never ending effort.
- ◆ Have customers define quality.
- ◆ Let customer feedback drive quality improvements.
- ◆ Focus on process improvements to increase quality.
- ◆ Create a culture in which the right things are done 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 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, 2013

To the Honorable Mayor, Town Council and Citizens:

We respectfully submit the published Town of Payson Fiscal Year 2013/14 budget as approved by the Town Council on June 20, 2013. 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 90.5% 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.

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

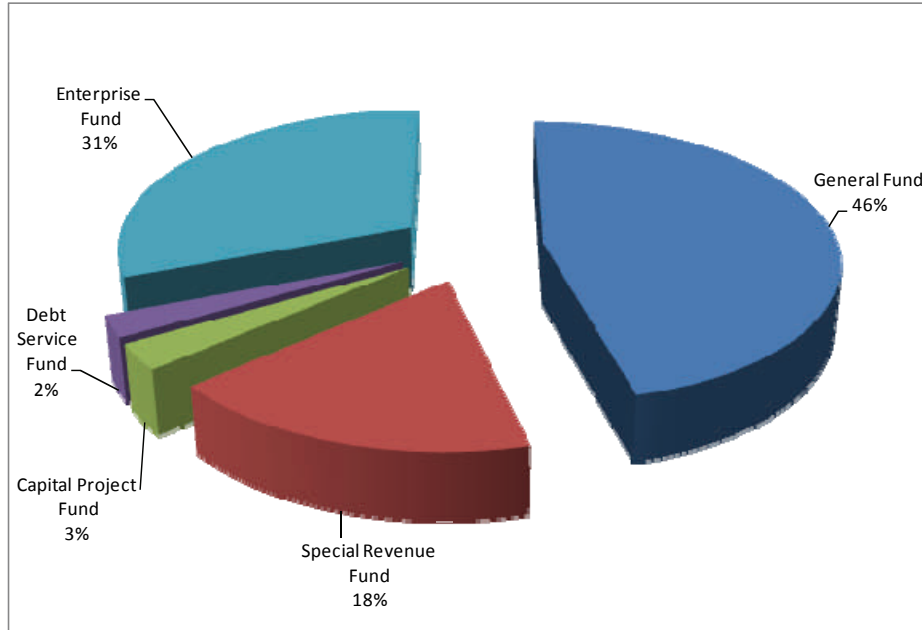
II. BUDGET HIGHLIGHTS

Financial Program

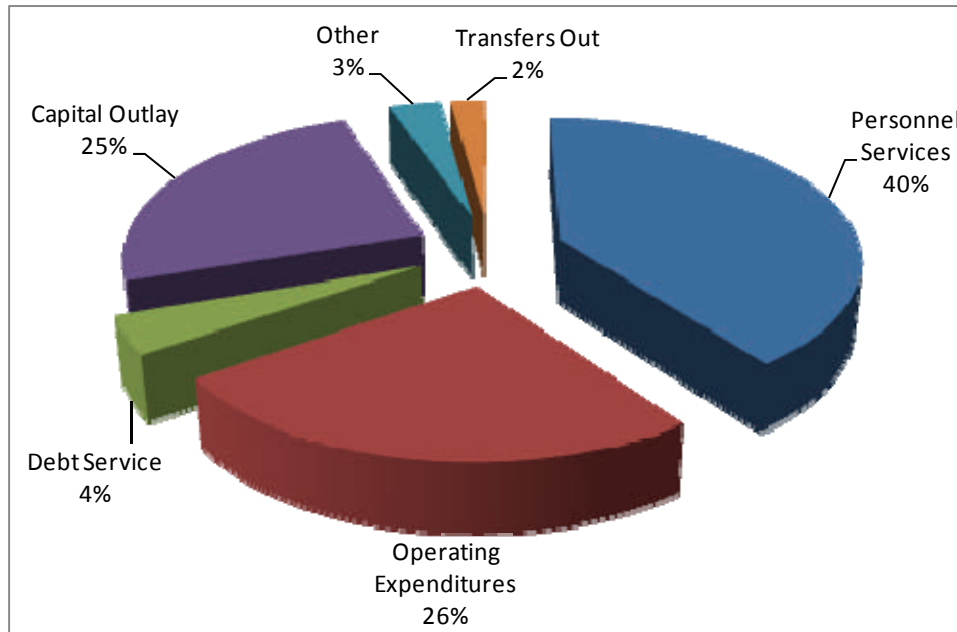
The annual budget for fiscal year 2013/14 for all funds of the Town totals \$31,844,876. This is \$5,734,678 (15.3%) lower than the budget for last fiscal year. Total expenditures of \$31,844,876 exceed the total revenues of \$28,174,410, and the Town plans to use some of its reserves for the difference and postpone necessary capital repairs and improvements.

Fund Type	Estimated Revenues	Proposed Expenditures
General Fund	\$ 12,973,110	\$ 13,152,700
Special Revenue Fund	\$ 4,984,900	\$ 5,219,000
Capital Project Fund	\$ 840,400	\$ 1,375,366
Debt Service Fund	\$ 707,500	\$ 797,610
Enterprise Fund	\$ 8,668,500	\$ 11,300,200
Total	\$ 28,174,410	\$ 31,844,876

**ESTIMATED REVENUES—ALL FUNDS
FISCAL YEAR 2013/2014
\$28,174,410**



**EXPENDITURE BY USE—ALL FUNDS
FISCAL YEAR 2013/2014
\$31,844,876**



- ◆ \$21,867,700 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 11.5% decrease over last year's budget. Over 8% of this reduction is due to the fact that the Law Enforcement Property Purchase Program is no longer reflected in the budget. The Town has seen increases in utilities, fuel, and a wide variety of other goods & services. The efforts of staff to streamline processes and hold the line on spending without jeopardizing quality of service emphasizes their dedication to support the Town through this period of economic challenges.
- ◆ \$7,924,466 is for capital outlay; capital projects, and other one-time grant related expenditures. This is 21.02% less than last year. The continuation of the C.C. Cragin Pipeline Project, which is key to Payson's water infrastructure plans, is included in this year's budget. The amount budgeted for this project is almost \$2 million less than last year's budget and represents the significant change in capital outlay for this fiscal 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. For example, sound planning dictates that at least \$250,000 should be budgeted annually for pavement preservation. Unfortunately, current economic conditions have restricted pavement preservation expenditures to \$50,000 for the past few fiscal years. These cuts will impact future budgets as additional spending will be required in order to bring pavement preservation back up to acceptable levels. The Capital Project Funds finance projects that are greater than \$10,000, which may be dependent upon State or Federal grants for a share of the cost, and/or may take several years to complete.
- ◆ \$2,052,710 is for inter-fund operating transfers, debt service, and other uses of funds. This is a decrease of 27.7% due to the retirement of debt for Green Valley Park General Obligation Bonds and Rumsey Park Improvements Certificates of Participation.
- ◆ Although a few positions that have been frozen for several years were funded for this budget, there are still 15 vacant positions that continue to go unfilled pending economic recovery and one position that was eliminated. A few positions vacated during fiscal year 2012/13 prompted some reorganization within those departments. The receipt of a grant provided funding to hire a part-time Victim's Rights position in the Town Attorney's Office. After five years without a pay increase, a 3% merit raise was included in this year's budget. COLA increases remain on hold for the sixth consecutive fiscal year. In total, salaries & wages remained relatively constant as compared to last year's budget but, the shifts in personnel should result in better utilization of our current workforce.
- ◆ One of the highest cost areas to the Town is employee / retiree health insurance. Last year, the employer / employee insurance premium split was changed from 75/25 to 60/40. This fiscal year, health insurance options were limited to high deductible plans in an effort to reduce premiums.

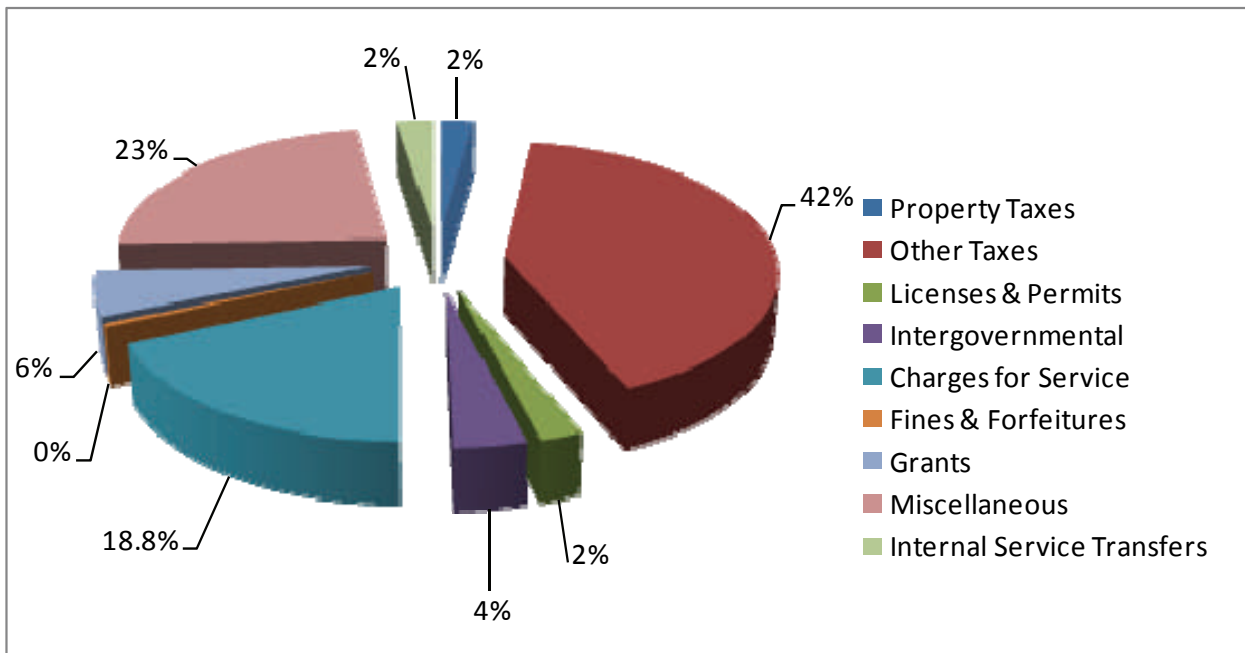
Current operating revenues, grants and other financing sources will finance the budget of the Town. Additional financing sources are inter-fund transfers and reserve funds carried forward from the previous fiscal year.

Local sales tax is the primary source of revenue for the Town. It is mainly influenced by retail sales and increases in tourism in Payson. Local sales tax revenues are projected to be approximately \$5,800,000 which is an increase of 1.75% over last fiscal year. The anticipated economic recovery continues to be extremely slow but, continued efforts to promote Payson tourism will help boost local sales tax figures.

State shared revenues from sales tax, income taxes, gas taxes, and vehicle license taxes are the next most significant. These revenues are shared based upon population. State shared revenues increased in fiscal year 2012/13 by approximately \$528,700 and we anticipate an increase in this fiscal year of \$197,500 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 \$1,322,100 reflecting an increase of 3.3% increase over last fiscal year.

In contrast, property taxes are a relatively minor revenue source for the Town. The primary property tax rate is projected to be \$0.3828 per \$100 of assessed value. The levy rate reflects a slight increase of 0.0326 over fiscal year 2012/13. Currently, the Town does not have a secondary property tax.

REVENUE BY TYPE—ALL FUNDS



Capital Expenditures in the FY 2013/14 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.

In August 2009, the Town entered into a \$10.6 million (\$4.0 million in federal grant funding and \$6.6 million in loans) agreement with the Water Infrastructure Finance Authority of Arizona (WIFA) for completion of Phase I of the C.C. Cragin pipeline and for required repairs and replacements to the existing system. As of June 30, 2012, the Town has drawn down \$3.6 million of the loan and has drawn the maximum \$4.0 million in federal ARRA grant funds. In August 2012, \$2.4 million of the loan was de-obligated and the Town made the final draw of available funds (after de-obligation) in July 2012. In 2013, the Water Division obtained another loan from WIFA in the amount of \$6,250,000 to fund the continuation of the C.C. Cragin project.

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 \$394,192 or 3.04% of the estimated revenue for the Fiscal Year 2013/14. This decline in cash balance is due to revenue shortfalls and an extremely slow economic recovery. For these reasons, 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 \$223,639 (1.7%). The drop in revenues is primarily due to the extremely slow economic recovery. Revenues for fiscal year 2013/14 fell short of forecasts. Increases are expected in tax, tourism & construction-related revenues but, the slow rate of growth that was demonstrated in the prior fiscal year was taken into consideration when calculating this fiscal year's projections. Operating expenditures are projected to increase \$141,800 (1.1%) over the FY2012/13 budget. We are seeing increases in the cost of insurance, fuel, and other goods and services but, departments continue to hold the line on spending. Although operating expenditures have not increased significantly, the operating revenues are showing a slight decline 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.

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

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

In September 2003, the voters authorized the issuance of \$3,555,000 in general obligation bonds for the purpose of 1) purchasing communications equipment including computer aided dispatch, records management system, and mobile dispatch terminals for the police and fire departments, 2) purchasing a computerized firearms training system, 3) remodeling the Main Street Fire Station, and 4) constructing Fire Station #13, a new station 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 2013/14

Since 1995, the Town of Payson has been planning for the future by preparing the Corporate Strategic Plan (CSP). In August, 2012, the Town Council adopted a new CSP. This CSP is divided into ten Key Result Areas (KRA). Each KRA is more specifically defined by Priorities and Strategies that help guide the organization. Council did not rank the KRAs as they felt all were equally important at this time. The following Key Result Areas have been established for fiscal year 2013/14:

- 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 2013/14 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 2013/14. 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 2013/14 are the slow recovery of the housing industry and financial markets. Establishment of a few new businesses in town provides hints of improvement in the economy but, anticipated recovery is still very slow. 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 workers compensation insurance and an increase in the contribution rate for the public safety retirement fund have added to our already tenuous situation. Local sales tax continues to be trending up ever so slightly. State-shared revenues are projected to increase for the second year in a row. The increase for Fiscal Year 2013/14 is estimated to be 3.86% higher 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 2013/14 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 2013/14 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



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
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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 apply to all sections of the budget document.

INTRODUCTION: This section includes the Town's principal officials, organizational chart, mission statement, core values, Town profile and budget messages.

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.

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 at www.paysonaz.gov.

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

Where is Payson, Arizona?



Payson has been called the “Heart of Arizona” because it is located almost exactly in the geographic center of the state. Our town of 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. Although this division is not currently staffed due to economic constraints, some of the responsibilities of this division are being handled by current staff. 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 (Public Safety) oversees Fire, Police, and Emergency Operations. The Deputy Town Manager (Administrative Services) oversees Human Resources, Information Services, Financial Services, Economic Development, and Library. The Deputy Town Manager (Administrative Services) position has not been funded since the restructuring due to the economic situation.



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 consists of three divisions. The Communications division provides dispatch services. The General Operations division consists of law enforcement, records, evidence, customer service and clerical functions. The Special Operations division consists of School Resource Officers, Animal Control, and Law Enforcement Grants. The department is led by the Police Chief.

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.

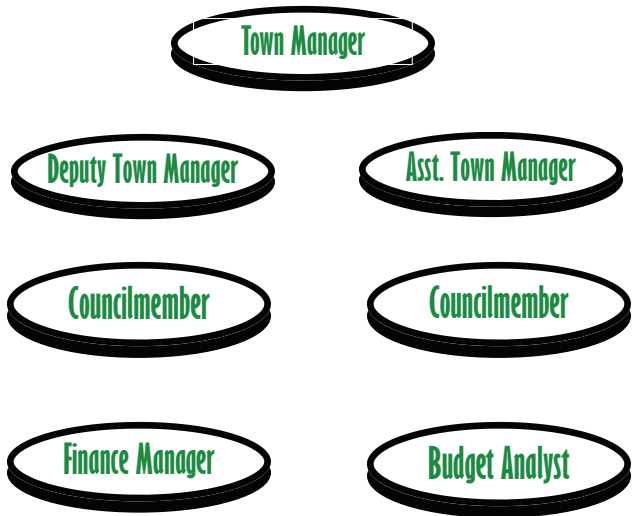




***BUDGET
PROCESS
OVERVIEW***

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 June. The Town's Budget Year runs from July 1 to June 30.

The Town retains full-time professional employees to help develop the budget, including the Town Manager, Finance Manager, Budget Analyst and Department Heads. Annually, the citizens, staff, Mayor and Town Council discuss and designate Town priorities. The Corporate Strategic Plan and Capital Improvement Plan serve as useful guides in the development of the budget. The Finance Manager compiles the budget requests from the departments. A budget team is assembled consisting of:



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

The Annual Budget serves four essential purposes:

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

To 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.

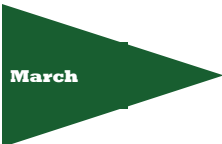
The Town Council's goals and policies set the direction for the development of the budget. The Council's main policy issues serve as guidance for the creation of the budget. These policies are the basis upon which the Department's budgets are formulated. In addition to the Council's policies and goals, 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.

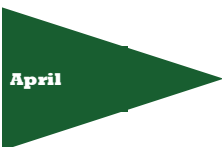
The Town Manager reviews all department requests and may recommend changes to department priorities and/or projects. The amount of allocation is determined by historical spending patterns for current programs or estimated spending for new programs. These spending estimates are then adjusted to meet current 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...



- ◆ Budget Team starts meeting to discuss year-end revenue projections and revenue forecasts for next budget year
- ◆ Departments submit budgets and personnel requests to Financial Services
- ◆ Finance Manager consolidates department submittals to produce initial budget report

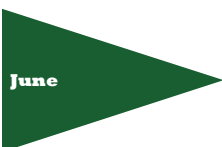


- ◆ Town Manager, Mayor, Town Council and Town staff meet to discuss and update the Capital Improvement Plan (CIP). Mayor and Council provide direction regarding current CIP priorities.
- ◆ Budget Team holds meetings with individual departments to review budget requests
- ◆ Budget Team proposes a Preliminary Budget based on all information compiled in the budget development process



- ◆ Financial Services prepares the Preliminary Budget with supporting information for presentation to Council and the public
- ◆ Council holds Work Study sessions with Department Directors (optional)
- ◆ Council accepts Preliminary Budget or requests revisions
- ◆ If required, Financial Services presents amended Preliminary Budget for Council approval

...Budget Adoption...



- ◆ 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, Council and Town staff.

Each department is responsible for reviewing the monthly financial reports and limiting expenditures to the authorized budget. Financial Services staff prepares all monthly reports and completes a preliminary review. Any issues are discussed with the appropriate 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.



2013/2014 BUDGET CALENDAR

Budget input open to departments	3/1/2013
Budget Team meeting for revenue projections	3/12/2013
Budget Team meeting for revenue projections	3/14/2013
Department budget input completed and submitted to Financial Services	3/30/2013
Capital Improvement Plan public meeting	4/2/2013
Finance Manager submits initial budget document to Budget Team	4/4/2013
Budget Team holds department budget meetings	week of 4/15/13
Preliminary Budget presented to Council	5/7/2013
Amended Preliminary Budget presented to Council (per Council request)	5/16/2013
Adopt Tentative Budget on or before third Monday in July	6/4/2013
Publish Budget Summary once a week for two consecutive weeks:	6/11/2013
	6/18/2013
Hold public hearing and adopted Final Budget	6/20/2013
Make property values provided by the Assessor available for inspection	7/3/2013
Adopt property tax levy	7/11/2013
(Levy must be adopted not less than seven days after Final Budget but, on or before the third Monday in August)	
Forward certified copy of tax levy ordinance to County by the third Monday in August	7/15/2013



***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 2010/11 and 2011/12, the adopted budget for fiscal year 2012/13 and the proposed budget for 2013/14. 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 2010/11 and 2011/12, the adopted budget for fiscal year 2012/13 and the proposed budget for 2013/14 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.



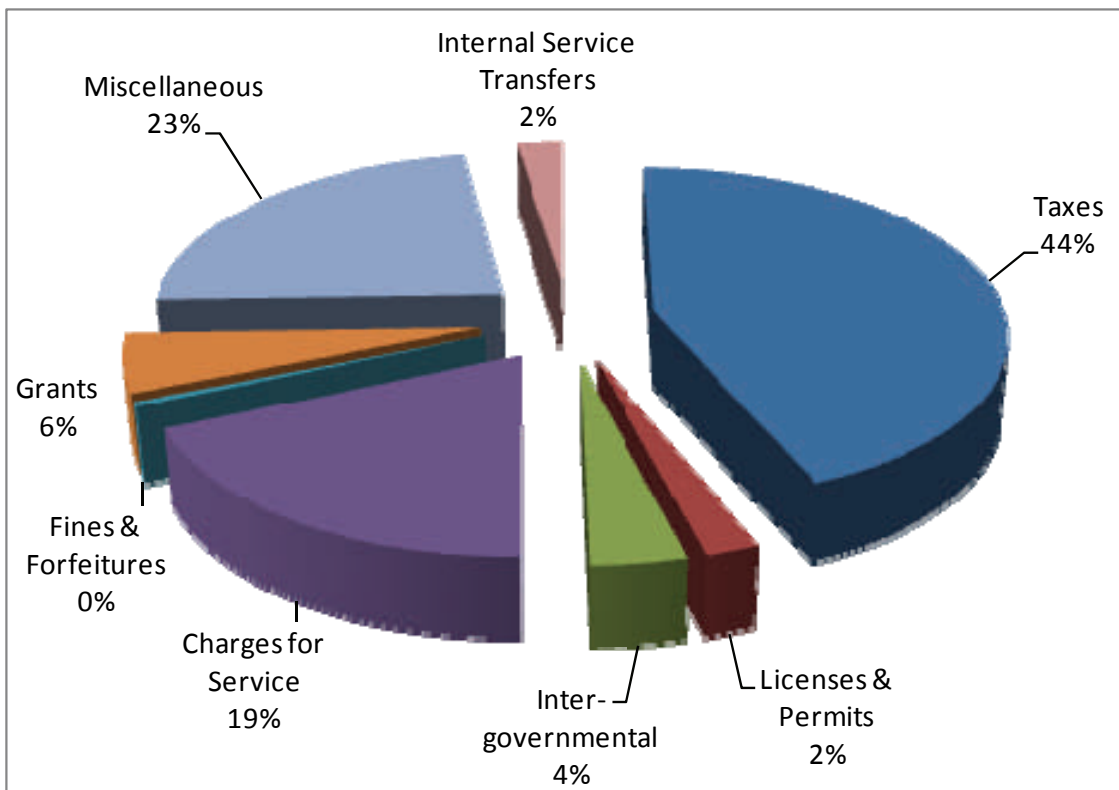


THE BUDGET

Revenue:

The Town continues a conservative approach to revenue projection. Due to current economic conditions, analysis of current trends was a vital tool in establishing projected revenue figures. Total estimated revenues and operating transfers for the 2013/14 budget total \$28,174,410 a decrease of 18.97% over the 2012/2013 adopted budget.

Category	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed
Taxes	11,639,422	11,335,863	12,027,100	12,346,000
Licenses & Permits	560,528	591,827	855,200	597,900
Intergovernmental	1,267,446	1,530,928	3,003,200	1,063,800
Charges for Service	4,578,470	4,804,896	5,569,630	5,290,000
Fines & Forfeitures	134,147	116,253	135,500	125,500
Grants	572,211	633,504	1,646,500	1,568,600
Economic Stimulus	3,075,947	3,213,132	-	-
Miscellaneous	2,163,749	3,974,731	10,593,170	6,506,200
Internal Service Transfers	553,770	955,575	937,954	676,410
Total Operating Revenues	24,545,690	27,156,709	34,768,254	28,174,410



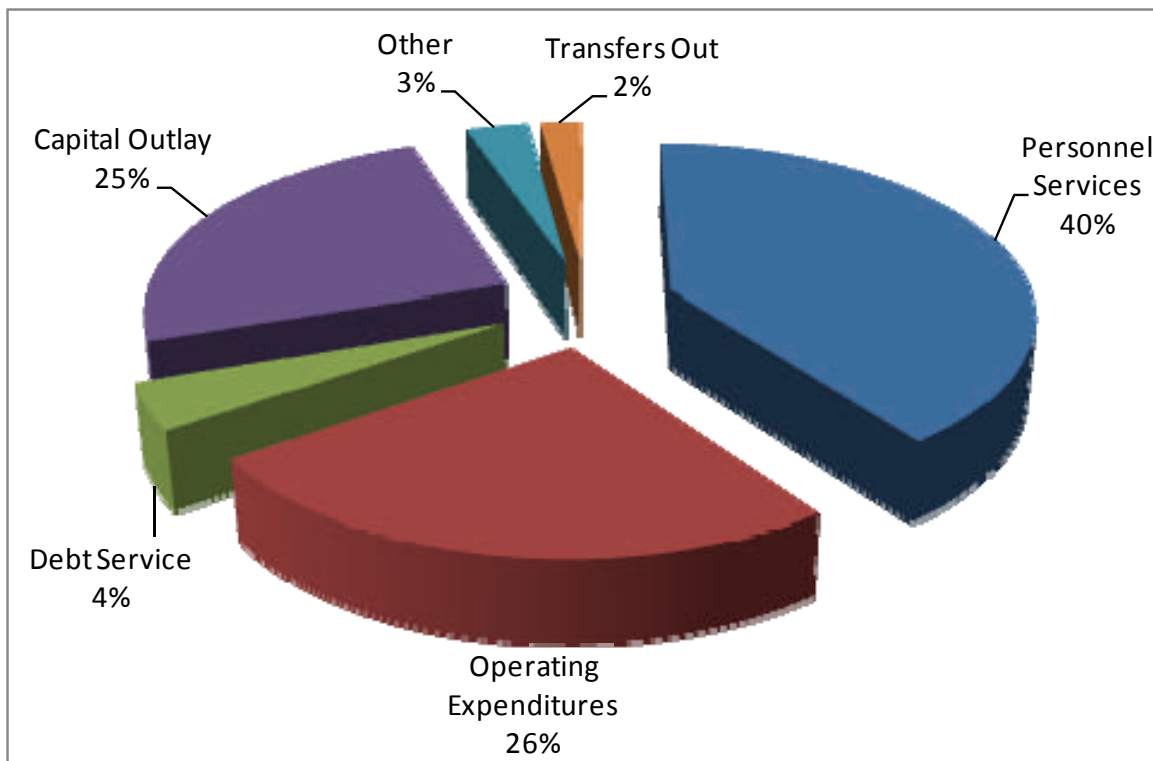


Expenditures:

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 \$8,127,900.
- ◆ The **personnel services** budget consists of the salaries and fringe benefits for all the Town’s employees. The amount budgeted for personnel services is \$12,711,800.
- ◆ The **capital outlay budget** funds the construction or improvement of Town facilities and infrastructure and the purchase of various types of machinery and equipment. Capital infrastructure improvements are budgeted within the various Town accounts. The capital improvement project budget totals \$7,924,466.
- ◆ The **debt service budget** is used to repay money borrowed by the Town, primarily for capital improvements, and amounts to \$1,376,300.
- ◆ The **transfers out budget** of \$676,410 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 \$31,844,876.





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

EXPENDITURES & OTHER USES	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed
Personnel Services/Benefits	10,846,951	12,245,921	12,623,600	12,711,800
Operating Expenditures	8,525,928	8,626,565	10,945,300	8,127,900
Debt Service	1,419,164	1,460,915	1,901,000	1,376,300
Capital Outlay	7,073,008	4,496,911	10,143,700	7,924,466
Other	3,452,423	2,671,869	1,028,000	1,028,000
Transfers Out	384,356	988,026	937,954	676,410
TOTAL	31,701,830	30,490,207	37,579,554	31,844,876



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
2013/2014 Budget**

	General Fund	Restricted Funds	Restricted Capital Funds	Debt Service Funds	Utility Enterprise Funds	Total Budgeted Funds
SOURCES OF FUNDS						
Beginning Budget Resources	\$ 573,782	\$ 563,561	\$ 778,822	\$ 590,059	\$ 5,333,689	\$ 7,839,913
Revenues	11,705,300	3,767,200	14,000	405,100	4,668,500	20,560,100
Grants/One Time Revenues	707,800	730,500	817,200	-	-	2,255,500
Debt Services Proceeds	-	-	-	-	4,000,000	4,000,000
Other	440,500	241,900	-	-	1,028,000	1,710,400
Operating Transfers In	119,510	245,300	9,200	302,400	-	676,410
TOTAL SOURCES OF FUNDS	\$ 13,546,892	\$ 5,548,461	\$ 1,619,222	\$ 1,297,559	\$ 15,030,189	\$ 37,042,323
USES OF FUNDS						
Town Council	\$ 102,300	\$ -	\$ -	\$ -	\$ -	\$ 102,300
Clerk/Elections	231,200	-	-	-	-	231,200
Town Manager/Information Svcs	685,400	-	-	-	-	685,400
Financial Svcs/General Services	1,540,900	-	-	-	-	1,540,900
Town Attorney/Magistrate Court	574,700	-	-	-	-	574,700
Tourism & Economic Vitality	110,200	2,000	-	-	-	112,200
Human Resources	224,300	-	-	-	-	224,300
Police	4,539,500	31,100	-	-	-	4,570,600
Fire	3,237,800	6,000	-	-	-	3,243,800
Community Development	616,300	-	180,000	-	-	796,300
Public Works	523,200	1,616,200	-	-	-	2,139,400
Library	-	334,400	-	-	-	334,400
Airport	-	185,800	-	-	-	185,800
Parks & Recreation	327,100	251,100	-	-	-	578,200
Self Funded Insurance	-	1,856,400	-	-	-	1,856,400
Water	-	-	10,000	-	4,664,500	4,674,500
TOTAL OPERATIONS	\$ 12,712,900	\$ 4,283,000	\$ 190,000	\$ -	\$ 4,664,500	\$ 21,850,400
TOTAL DEBT SERVICE	\$ -	\$ -	\$ -	\$ 656,100	\$ 720,200	\$ 1,376,300
AVAILABLE FOR CAPITAL	\$ 833,992	\$ 1,265,461	\$ 1,429,222	\$ 641,459	\$ 9,645,489	\$ 13,815,623
TOTAL CAPITAL PROJECTS	\$ 62,000	\$ 761,600	\$ 1,185,366	\$ -	\$ 5,915,500	\$ 7,924,466
OTHER USES						
Operating Transfers	\$ 360,500	\$ 174,400	\$ -	\$ 141,510	\$ -	\$ 676,410
Loans Payable	17,300	-	-	-	-	17,300
TOTAL OTHER USES	\$ 377,800	\$ 174,400	\$ -	\$ 141,510	\$ -	\$ 693,710
TOTAL USES OF FUNDS	\$ 13,152,700	\$ 5,219,000	\$ 1,375,366	\$ 797,610	\$ 11,300,200	\$ 31,844,876
ENDING BUDGET RESOURCES	\$ 394,192	\$ 329,461	\$ 243,856	\$ 499,949	\$ 3,729,989	\$ 5,197,447



<<<REVENUE & EXPENDITURE SUMMARY>>>

. . . ALL FUND ACTIVITY—2013/2014 . . .

Fund Activity	General Fund	Special Revenue Funds	Debt Services Funds	Capital Project Funds	Enterprise Fund	Total Funds
Beg Fund Bal	\$ 573,782	\$ 563,561	\$ 590,059	\$ 778,822	\$ 5,333,689	\$ 7,839,913
Revenue	11,705,300	3,767,200	405,100	14,000	4,668,500	20,560,100
Grants & Other Sources	1,148,300	972,400	-	817,200	5,028,000	7,965,900
Transfers, net	(240,990)	70,900	160,890	9,200	-	-
Expenditures	12,792,200	5,044,600	656,100	1,375,366	11,300,200	31,168,466
Fund Bal Change	(179,590)	(234,100)	(90,110)	(534,966)	(1,603,700)	(2,642,466)
Ending Fund Balance	\$ 394,192	\$ 329,461	\$ 499,949	\$ 243,856	\$ 3,729,989	\$ 5,197,447

. . . 2013/2014 BUDGET RECAP* . . .

Beginning Balance - All Funds	7,839,913
Plus: 2013/14 Projected Revenues	20,560,100
Plus: 2013/14 Other Sources	7,965,900
= Total Funds Available in 2013/14	<u>36,365,913</u>
Less: 2013/14 Projected Expenditures	31,168,466
=Projected Ending Fund Balance	<u>5,197,447</u>

* This considers the offsetting interfund transfers

<<<CHANGE IN FUND BALANCE>>>

- ◆ General Fund—Ending fund balance is projected to decrease 31.3% from \$573,782 to \$394,192. An extremely slow economic recovery continues to hinder efforts to accumulate a comfortable reserve. Concerns for the low ending fund balance prompted Town Council to eliminate one position from the proposed budget for FY13/14 but the final dollar amount is still way below the non-appropriated general fund reserve amount required to satisfy the established Town Fiscal Policy #1.
- ◆ Special Revenue Fund—Ending fund balance is projected to decline 41.5%
- ◆ Debt Service Fund—Ending fund balance is projected to decline 15.3%
- ◆ Capital Project Fund—Ending fund balance is projected to decline 68.7%

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.



2013/2014 FINANCIAL OVERVIEW—ALL FUNDS

	<u>2010/11</u> <u>Actual</u>	<u>2011/12</u> <u>Actual</u>	<u>2012/13</u> <u>Budget</u>	<u>2013/14</u> <u>Proposed</u>
<u>REVENUES</u>				
Taxes	11,639,422	11,335,863	12,027,100	12,346,000
Licenses & Permits	560,528	591,827	855,200	597,900
Intergovernmental	1,267,446	1,530,928	3,003,200	1,063,800
Charges for Service	4,578,470	4,804,896	5,569,630	5,290,000
Fines & Forfeitures	134,147	116,253	135,500	125,500
Grants	572,211	633,504	1,646,500	1,568,600
Economic Stimulus	3,075,947	3,213,132	-	-
Debt Proceeds	-	-	6,700,000	4,000,000
Miscellaneous	1,815,563	3,778,426	3,635,370	2,477,200
Other	348,186	196,305	257,800	29,000
Transfers In	553,770	955,575	937,954	676,410
Total Revenues	24,545,690	27,156,709	34,768,254	28,174,410
<u>Less: EXPENDITURES</u>				
Salaries & Wages	8,256,440	8,211,405	8,655,600	8,696,500
Personnel Benefits	2,590,511	4,034,516	3,968,000	4,015,300
Supplies	1,185,648	1,392,546	1,525,200	1,471,200
Services	1,155,618	661,839	987,200	851,800
Utilities	992,048	1,020,256	1,062,500	1,105,600
Travel	65,797	61,185	81,300	76,000
Advertising & Public Relations	40,056	32,572	47,000	45,000
Rentals	100,900	103,214	37,100	44,400
Insurance	2,772,184	2,859,552	3,055,200	2,315,500
Repair & Maintenance	536,550	641,191	667,300	997,100
Miscellaneous	1,677,127	1,854,210	3,482,500	1,221,300
Capital Outlay	7,073,008	4,496,911	10,143,700	7,924,466
Debt Service	1,419,164	1,460,915	1,901,000	1,376,300
Depreciation	3,452,423	2,671,869	1,028,000	1,028,000
Transfers Out	384,356	988,026	937,954	676,410
Total Expenditures	31,701,830	30,490,207	37,579,554	31,844,876
Revenue (under)/Over Expenditures	(7,156,140)	(3,333,498)	(2,811,300)	(3,670,466)

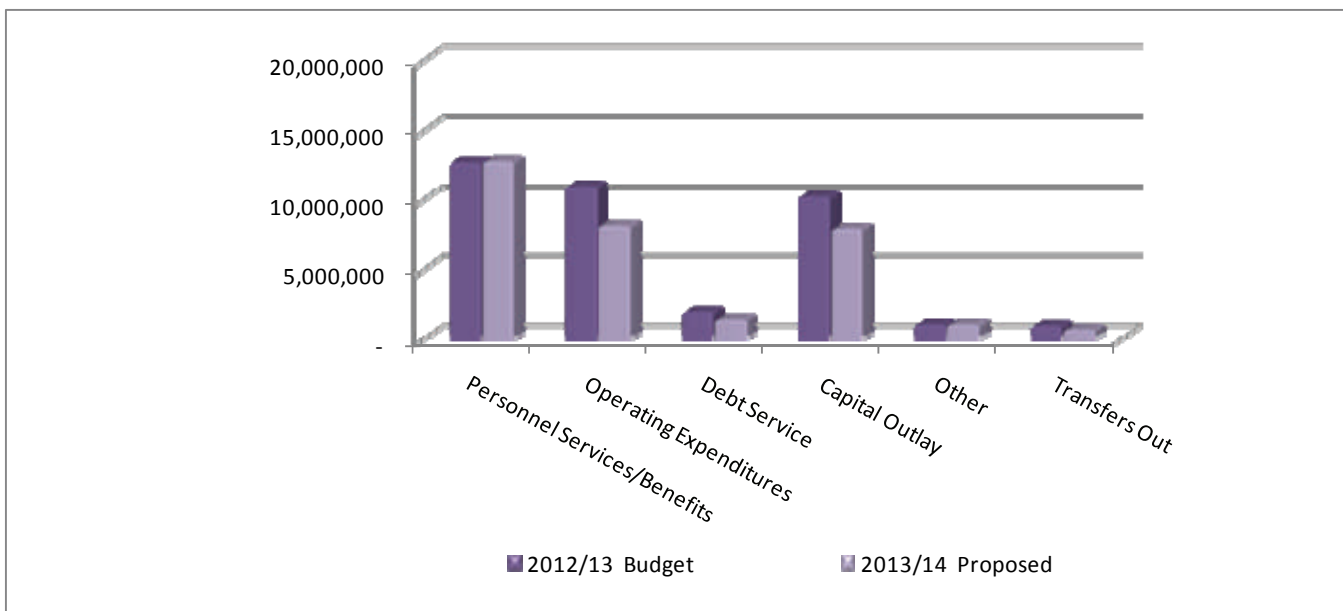


TOTAL FINANCIAL PROGRAM

The total financial program adopted for the fiscal year 2013/2014 totals \$31,844,876. This consists of the following:

	2012/13 Budget	2013/14 Proposed
Personnel Services/Benefits	12,623,600	12,711,800
Operating Expenditures	10,945,300	8,127,900
Debt Service	1,901,000	1,376,300
Capital Outlay	10,143,700	7,924,466
Other	1,028,000	1,028,000
Transfers Out	937,954	676,410
TOTAL FINANCIAL PROGRAM	37,579,554	31,844,876

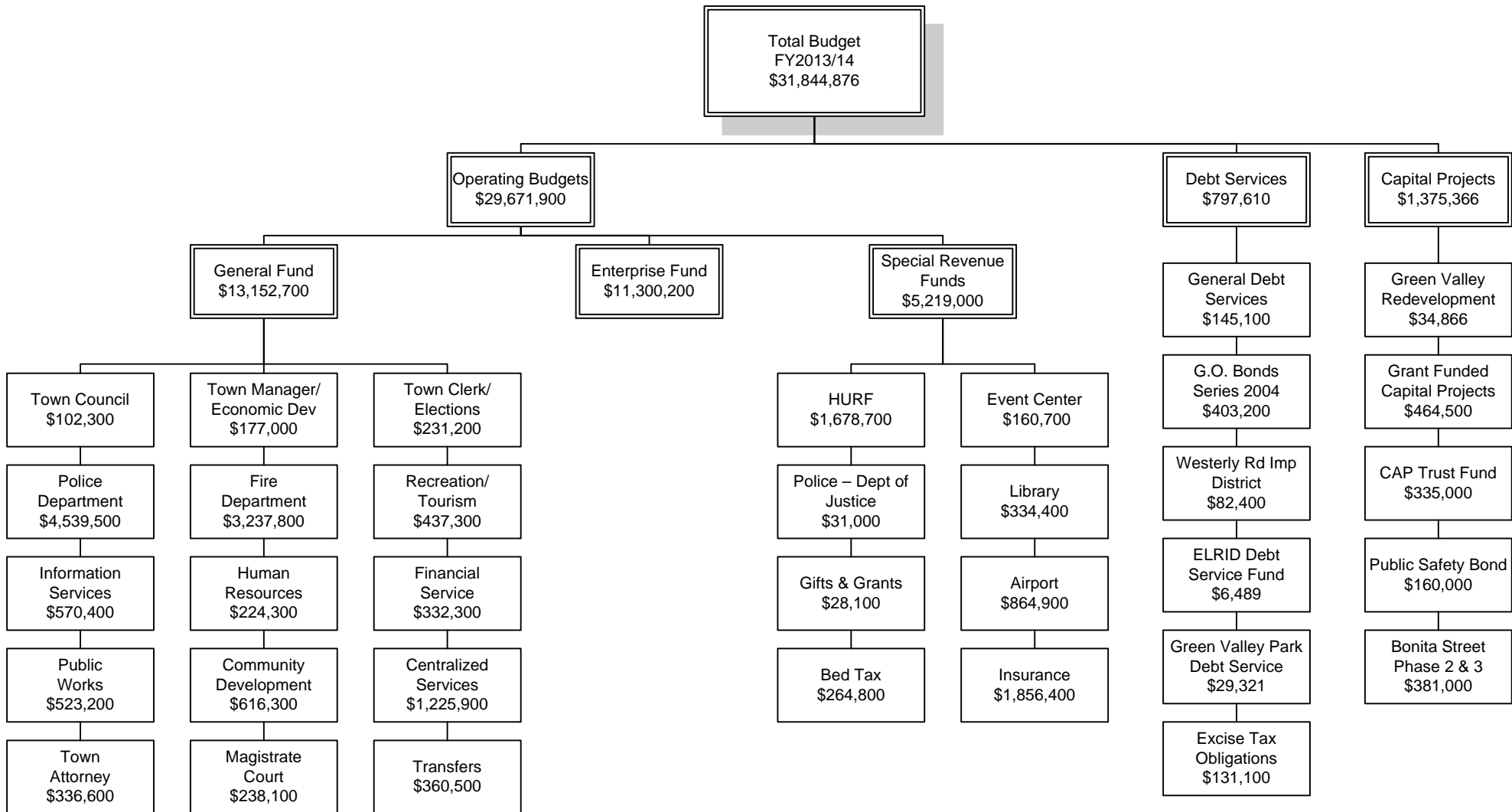
Expenditure Comparison





EXPENDITURE SUMMARY BY FUND

FUND	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
General Fund	\$ 11,266,543	\$ 12,118,291	\$ 13,075,100	\$ 13,152,700
Special Revenue:				
HURF Fund	1,704,203	1,562,665	1,655,800	1,678,700
Housing Trust Fund	-	-	25,000	-
Gifts & Grants Fund	258,046	124,935	85,800	28,100
Wildlands/Urban Program Fund	84,781	102,567	-	-
Festivals & Events Fund	64,536	60,774	13,249	-
Bed Tax Fund	101,300	339,308	284,600	264,800
Police Dept of Justice	2,214	8,474	31,000	31,000
Police Reserve Academy Fund	-	3,715	-	-
Law Enf. Property Program Fund	328,477	861,680	2,000,000	-
Library fund	395,224	422,743	373,800	334,400
Magistrate Court/JCEF Fund	-	-	3,000	-
Magistrate Court/FTG Fund	-	-	1,600	-
Airport Fund	96,309	412,826	717,400	864,900
Event Center Fund	40,513	91,728	159,100	160,700
Insurance Fund	2,424,828	2,525,610	2,631,800	1,856,400
Total Special Revenue Funds	\$ 5,500,431	\$ 6,517,025	\$ 7,982,149	\$ 5,219,000
Debt Service:				
General Debt Service Fund	\$ 114,351	\$ 155,150	\$ 252,900	\$ 145,100
ELRID Debt Service Fund	229,575	232,980	-	6,489
Westerly Rd Debt Service Fund	83,862	81,388	85,200	82,400
Rumsey Park C.O.P.'s Fund	90,040	96,440	47,500	-
Green Valley Park Debt Service	201,313	198,700	204,300	29,321
Excise Tax Revenue Obligation	129,504	128,101	130,400	131,100
General Obligation Bonds	285,237	403,779	400,900	403,200
Total Debt Service Funds	\$ 1,133,882	\$ 1,296,538	\$ 1,121,200	\$ 797,610
Capital Project:				
Capital Improvements Fund	\$ 118,882	\$ -	\$ -	\$ -
Equipment Replacement Fund	-	618,372	12,000	-
Grant Capital Project Fund	246,783	169,330	468,700	464,500
Park Development Fund	88,600	44,991	35,000	-
Public Safety Impact Fee Fund	-	110,382	-	-
Green Valley Redevelopment	-	-	-	34,866
Public Safety Construction Fund	-	-	160,000	160,000
Bonita Street Improvements	-	2,338	380,000	381,000
Fire Station #13 Construction	1,222,153	33,673	177,605	-
Montezuma Castle Land Exchange	-	-	450,000	-
CAP Trust Fund	155,266	118,607	550,000	335,000
Total Capital Project Funds	\$ 1,831,684	\$ 1,097,693	\$ 2,233,305	\$ 1,375,366
Enterprise:				
Water	\$ 9,544,740	\$ 7,741,811	\$ 13,167,800	\$ 11,300,200
TOTAL - ALL FUNDS	\$ 29,277,280	\$ 28,771,358	\$ 37,579,554	\$ 31,844,876





***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. The Town maintains the following active Special Revenue Funds: Highway Users Revenue Fund (HURF), Gifts and Grants Fund, Bed Tax Fund, Police Dept. of Justice Fund, Library Fund, Airport Fund, Event Center Fund, and Medical Insurance Fund. The Festivals & Events Fund was closed in FY12/13. Law Enforcement Property Program Fund, Magistrate Court / JCEF Fund, and Magistrate Court / FTG Fund will be moved from Special Revenue Funds to Fiduciary Funds in 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, 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 four active Debt Service Funds: General Debt Service Fund, Westerly Road Improvement District Debt Service Fund, Excise Tax Revenue Obligation Debt Service Fund, and General Obligation Bonds Series 2004 Debt Service Fund. Debt for Rumsey Park Certificates of Participation and Green Valley Park was retired in Fiscal Year 12/13. 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 has maintained two Enterprise Funds: Water Fund and C.C. Cragin Development Fund. Starting this fiscal year, the C.C. Cragin Development Fund will be eliminated and all Enterprise Fund activity will be reported under one fund. Although these funds will be combined, detailed accounting for C.C. Cragin expenditures will be maintained as a sub-category within the Enterprise 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, Grants, Licenses & Permits, Charges for Services, Miscellaneous, Intergovernmental, Transfers In, and Fines & Forfeitures. The following table depicts the major revenue sources and their respective budgets for the General Fund.

MAJOR REVENUE SOURCES	2012/13 BUDGET	2013/14 PROPOSED	INCREASE (DECREASE)	PERCENT CHANGE
Taxes	10,055,200	10,344,700	289,500	3%
Licenses & Permits	855,200	597,900	(257,300)	-30%
Intergovernmental	185,000	180,400	(4,600)	-2%
Grants	698,800	640,400	(58,400)	-8%
Charges for Service	677,300	560,500	(116,800)	-17%
Fines & Forfeitures	120,000	110,000	(10,000)	-8%
Miscellaneous	500,000	419,700	(80,300)	-16%
Transfers In	105,249	119,510	14,261	14%
TOTAL	13,196,749	12,973,110	(223,639)	-2%

Taxes represent the major revenue source in the General Fund. Tax revenues which include town sales tax, state shared sales tax, property tax, vehicle license tax, and state shared income tax comprise 79.7% of the total 2013/14 General Fund revenues.

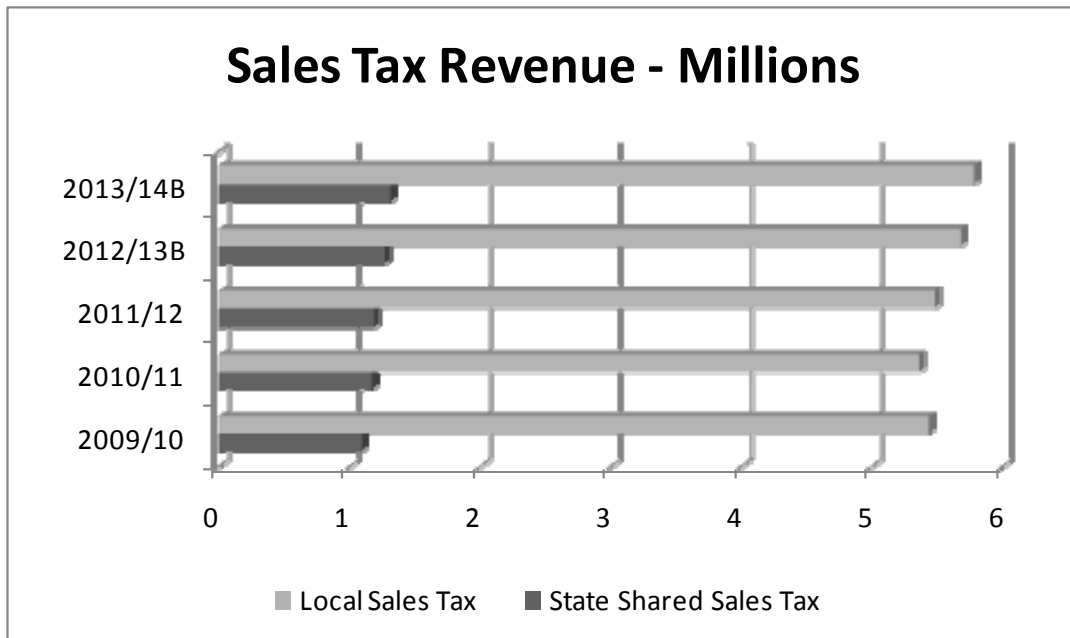


>>> TAXES <<<

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.

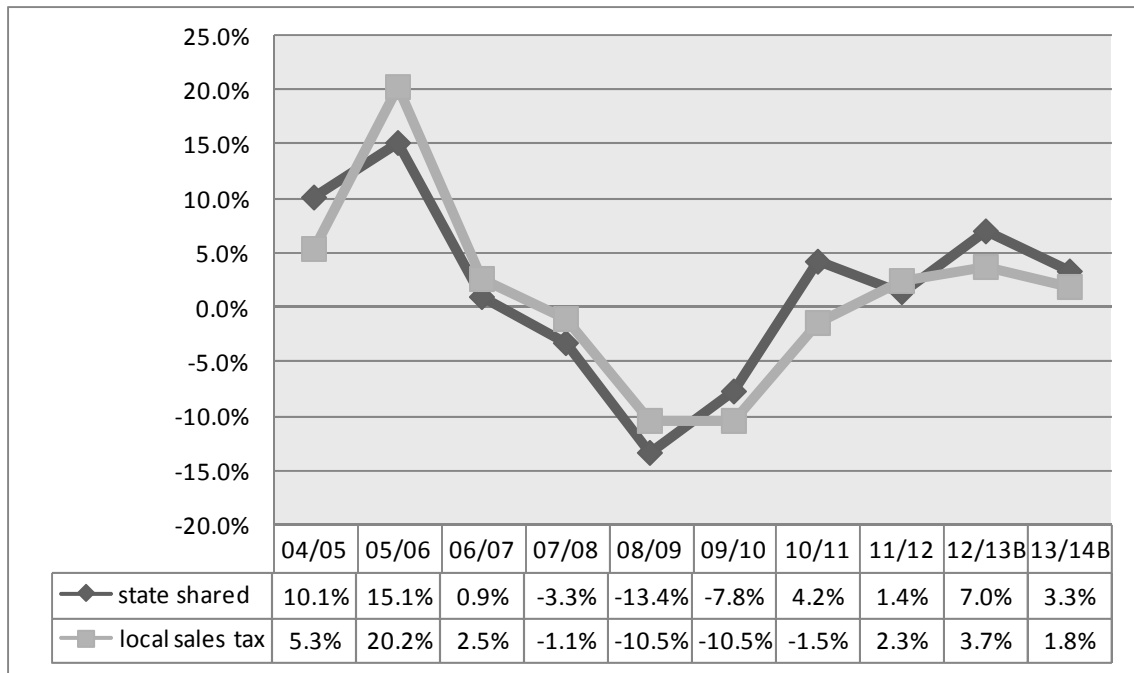
Sales Tax Revenue

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 5.6% and the Gila County tax rate of 1% equals a total sales tax rate of 8.72%, 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



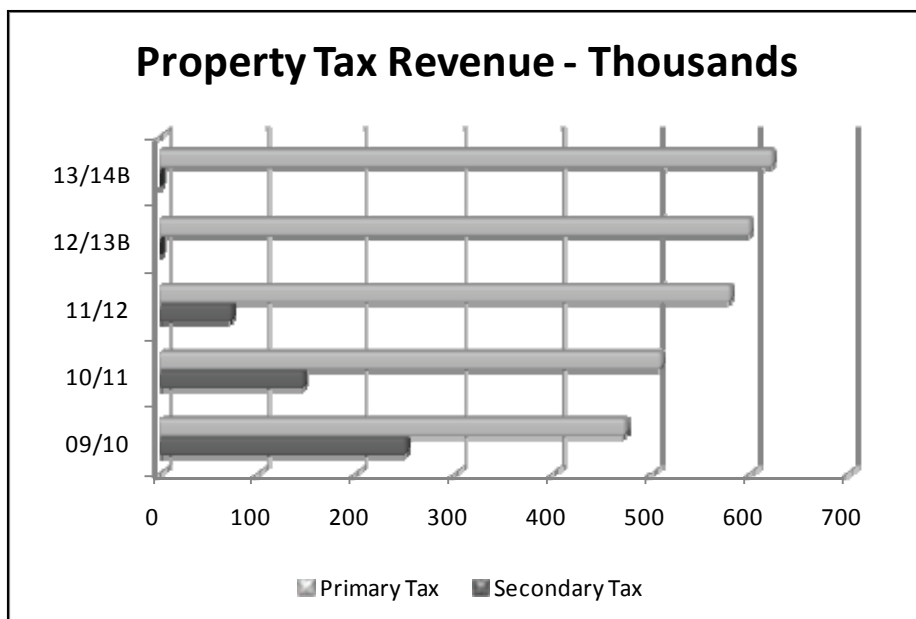
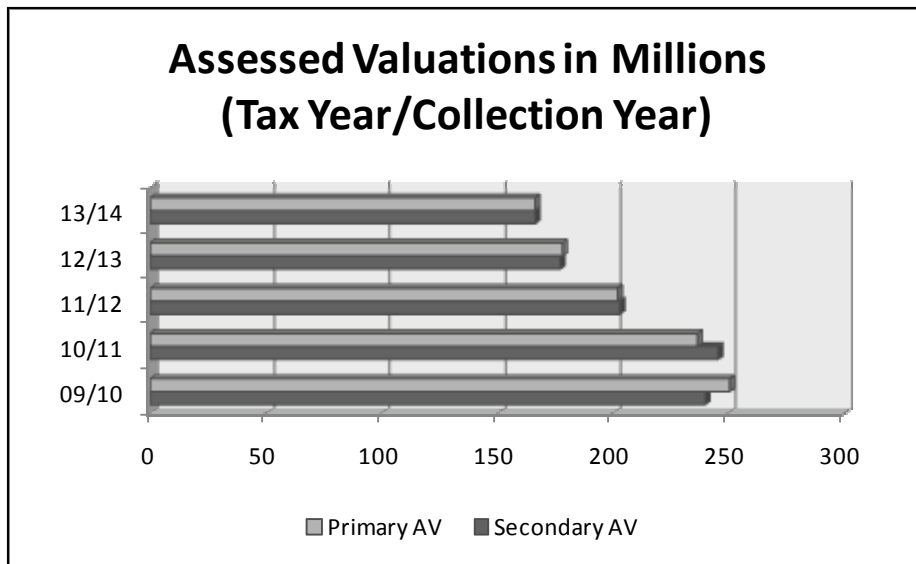
The anticipated economic rebound that was forecasted for Fiscal Year 2011/12 was not as strong as projected and this sluggish economy hindered the Tourism and Economic Development Division’s efforts to boost local sales tax revenues. Therefore, the optimistic projections for FY 12/13 had to be scaled back in FY 13/14 to match the extremely slow pace of economic growth that the local economy is experiencing.

In Fiscal Year 2011/12, the tenuous condition of the State’s budget caused struggling cities and towns to endure reductions in state-shared revenues. Since then, the State’s budget situation has shown improvement. The state-shared revenue projections for this budget year still reflects very slow growth in Arizona’s economy but, at least, the numbers are moving in the right direction.



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 fiscal year 2012/13, the Town no longer has a secondary property tax. The secondary tax levy was for the sole purpose of paying the general obligation debt of the Town. It is the policy of the Town to have the citizens approve such debt. Despite the latter not being limited by law, the total amount of debt an entity may issue is limited by law.

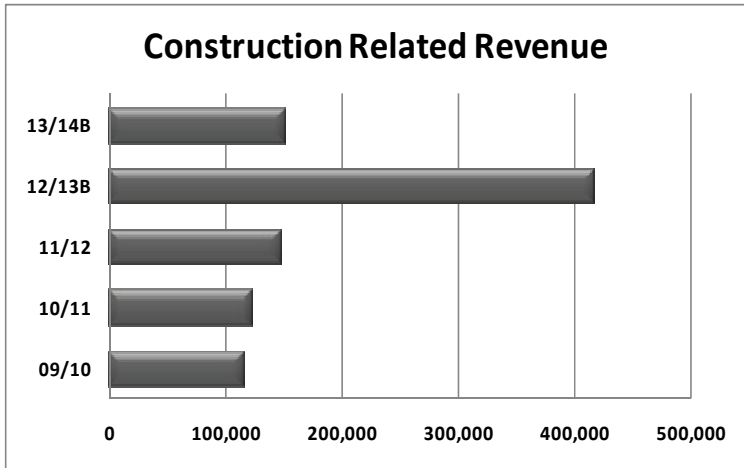




>>>LICENSES & PERMITS <<<

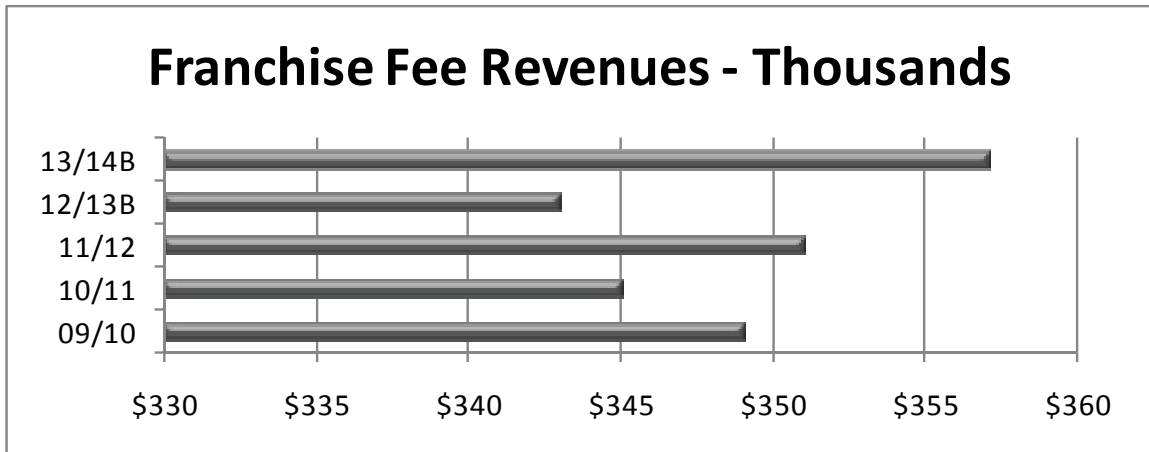
Licenses & permits include business license fees, franchise fees, building permits and other miscellaneous licenses and permits.

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



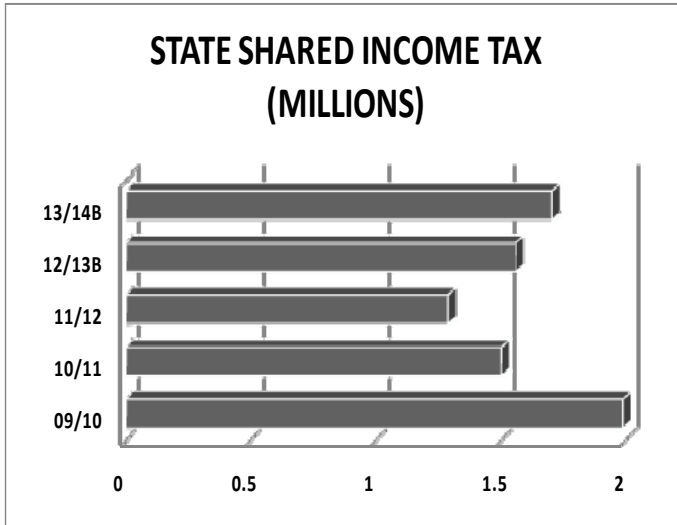
Building permit revenue for the past few years has reflected the impact of the economic downturn. New construction was expected to increase dramatically in 2012/13 when plans for the construction of a college campus were anticipated to be finalized. Unfortunately, those plans have met with numerous delays. In the mean time, construction related revenues are projected to remain relatively flat.

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



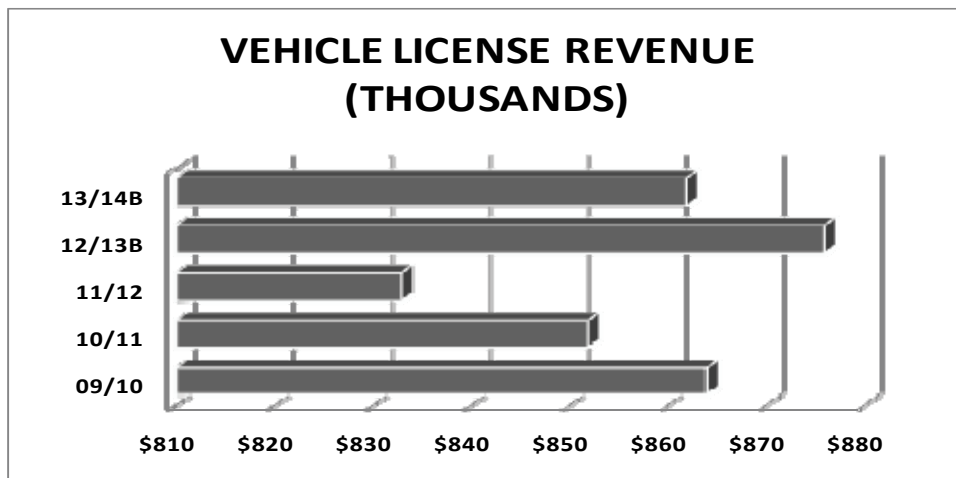
Franchise fee revenues for FY10/11 dropped based on the reduction in population and increases in individual conservation efforts. The numbers for FY11/12 came in much higher than budgeted and the actual figures for FY12/13 are expected to exceed FY11/12 totals. Projections for FY 13/14 have been adjusted to reflect the increased growth that has been demonstrated by this trend 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 will continue to increase for FY 13/14. This is the only shared revenues that can be accurately forecast since it is based on collections from two years ago. According to the State, income tax revenue is up again this year so, this revenue source should continue to show improvement for the next few years.

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. Actual revenue for FY12/13 will come in much lower than projected so, FY13/14 figures were adjusted accordingly.



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 2013/14 (including transfers out) totals \$13,152,700 which is 0.006% higher than the 2012/13 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	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
Town Council	72,003	113,444	118,300	102,300
Town Clerk/Elections	248,414	287,206	294,300	231,200
Town Manager	212,543	198,659	198,100	177,000
Town Attorney	419,417	333,338	348,900	361,600
Financial Services	217,422	341,599	331,800	332,300
Other Governmental Services	753,264	1,292,481	902,100	1,208,600
Information Services	535,263	484,192	532,500	570,400
Tourism/Economic Vitality	100,015	106,763	107,900	110,200
Magistrate Court	231,464	216,162	219,000	213,100
Police	4,091,034	4,031,966	4,375,500	4,539,500
Fire	2,457,194	2,718,099	3,571,500	3,237,800
Community Development	692,233	622,943	696,100	616,300
Public Works	469,558	437,952	410,500	523,200
Parks & Recreation	291,624	272,271	346,300	327,100
Human Resources	172,989	164,307	180,300	224,300
TOTAL	10,964,437	11,621,382	12,633,100	12,774,900

*Transfers not included



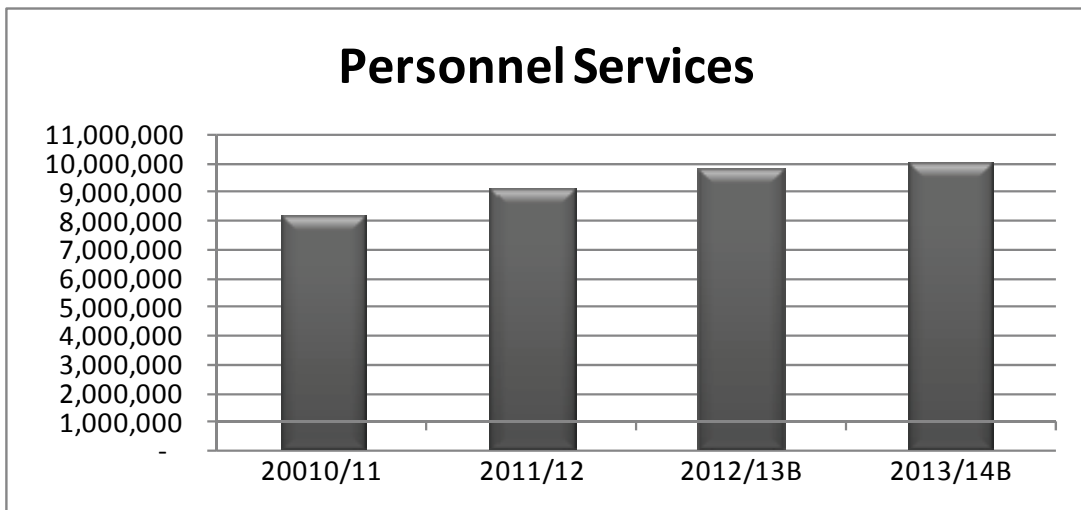
EXPENDITURE SUMMARY BY CATEGORY

MAJOR EXPENDITURE	2012/13 BUDGET	2013/14 PROPOSED	INCREASE (DECREASE)	PERCENT CHANGE
Personnel Services/Benefits	9,736,300	9,953,000	216,700	2%
Operating Expenditures	2,896,800	2,821,900	(74,900)	-3%
TOTAL	12,633,100	12,774,900	141,800	1%

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 2013/14 salaries and benefits (health insurance, accident insurance, disability insurance, life insurance, and retirement) account for \$9,953,000 or 77.9% of the total General Fund budget. Although there were quite a few changes to staffing and benefits, the net effect was an increase of 2.23% over the previous year for a number of reasons:

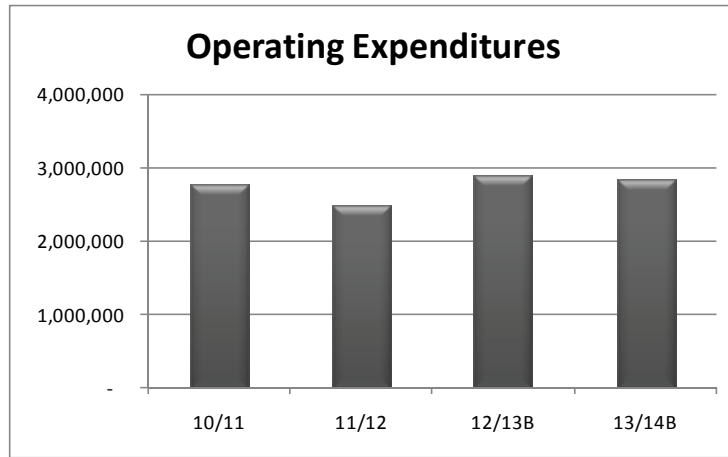
- ◆ Although a few positions that have been frozen for several years were funded for this budget, there are still 15 vacant positions that continue to go unfilled pending economic recovery and one position was eliminated.
- ◆ After five years without a pay increase, a 3% merit raise was included in this year’s budget.
- ◆ Cost of living increases remain on hold for the sixth consecutive year.
- ◆ Some positions vacated in FY12/13 prompted reorganizations of those divisions to better utilize workforce.
- ◆ Increases in workers’ compensation rates and Police retirement contributions also impacted this category.





Operating Expenditures

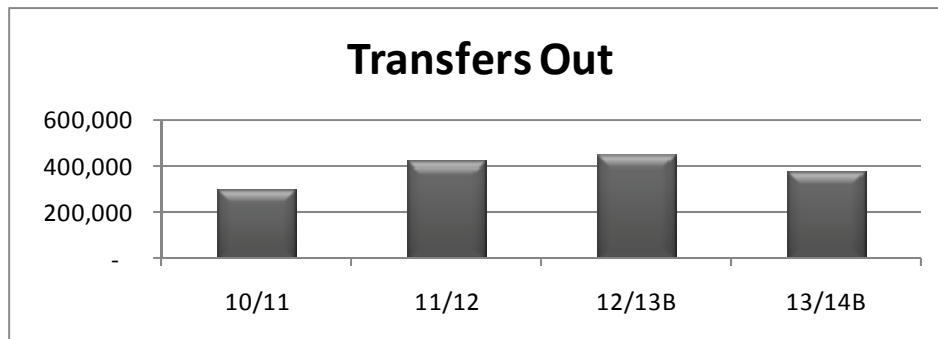
Operating expenditures represent approximately 19% of the total General Fund budget. This includes a wide array of expenditures. Operating expenditures for 2013/14 include all normal day-to-day expenditures (i.e., engineering services, custodial services, repair and maintenance, legal notices, equipment 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 2.96% of the total and consists of the following internal transfers of funds:

224-4-9399-101	To Library	\$	88,500
260-4-9399-101	To Airport	\$	66,100
430-4-9399-101	To Bonita St.	\$	9,200
801-4-9399-101	To General Debt Service Fund	\$	39,400
812-4-9399-101	To Westerly Dr. Imprv. Debt Service	\$	27,100
822-4-9399-101	Excise Bond Debt Service Fund		130,200
661-4-9399-101	To Water Dept - Loan Repayment	\$	17,300
			377,800



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
2004/05	11,808,984	8.6%	10,163,344	6.9%	1,645,640
2005/06	13,498,218	14.3%	11,481,678	13.0%	2,016,540
2006/07	13,813,297	2.3%	12,338,258	7.5%	1,475,039
2007/08	14,243,975	3.1%	14,659,696	18.8%	(415,721)
2008/09	12,973,526	-8.9%	12,832,838	-12.5%	140,688
2009/10	11,687,516	-9.9%	12,203,549	-4.9%	(516,033)
2010/11	11,298,741	-3.3%	10,964,437	-10.2%	334,304
2011/12	11,163,669	-1.2%	11,621,382	6.0%	(457,713)
2012/13*	13,091,500	17.3%	12,633,100	8.7%	458,400
2013/14*	12,793,110	-2.3%	12,774,900	1.1%	18,210

*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 and the economy is still moving at a staggeringly slow pace. Construction-related revenues continue to be low and grant funding is extremely limited. The Recreation & Tourism Department is pursuing every opportunity to expand tourism-related revenues (sales tax & bed tax) by promoting many special events throughout the year. Town Staff, Mayor, and Council members worked diligently to draw new business to Payson and provide support to current businesses. These efforts will continue in Fiscal Year 13/14 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.



A graphic consisting of a black, horizontally-oriented oval shape with a white center. The text "Special Revenue Funds" is centered within the white area in a bold, black, sans-serif font.

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), Gifts and Grants Fund, Bed Tax Fund, Police Department of Justice Fund, Library Fund, Airport Fund, Event Center Fund, and the Medical Insurance Fund. In Fiscal Year 12/13, the Town closed out the Festivals & Events Fund. For this fiscal year, the Law Enforcements Property Program Fund, Magistrate Court / JCEF Fund and Magistrate Court / FTG Fund will be moved to Fiduciary Funds.

- ◆ **Highway Users Revenue Fund (HURF)** – This fund, also known as the Street Fund, is funded primarily with State Shared monies received from the State of Arizona. The use of these funds is restricted by Statute to the operation and maintenance of the Town’s infrastructure such as roads, bridges, curbs, gutters and sidewalks.
- ◆ **Gifts & Grants Funds** – This fund 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. In Fiscal Year 12/13, Festivals and Events activity was 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. Starting this fiscal year, activity will be moved to a Fiduciary Fund.
- ◆ **Library Fund** - The Town of Payson’s Library is funded through a General Fund transfer and a special property tax assessed by Gila County specifically for libraries of the County. The tax is distributed by a population-based formula and must be used for library related expenditures. This fund tracks that revenue and all expenditures related to the library.
- ◆ **Magistrate Court/JCEF Fund** – Judicial Collection Enhancement Fund (JCEF). The State of Arizona established a \$12 penalty fee to be imposed by the local courts, in addition to other fines. Of this fee, \$9 is remitted to the State Superior Court and, \$3 is retained by the local court. The \$3 is to be used for the enhancement of the collection process for penalties and fines. Starting this fiscal year, activity will be moved to a Fiduciary Fund.
- ◆ **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. Starting this fiscal year, activity will be moved to a Fiduciary Fund.
- ◆ **Airport Fund** – This fund was established to centralize all expenditures related to the operation of the Town’s municipal airport. It is funded by user fees, grants and an operating transfer from the General fund.
- ◆ **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	2012/13 Budget	2013/14 Proposed	Increase (Decrease)	Percent Change
Taxes	1,621,900	1,651,300	29,400	2%
Intergovernmental	2,473,700	420,500	(2,053,200)	-83%
Grants	453,500	573,900	120,400	27%
Charges for Service	176,000	168,700	(7,300)	-4%
Fines & Forfeitures	15,500	15,500	-	0%
Miscellaneous	2,391,300	1,909,700	(481,600)	-20%
Transfers In	198,100	245,300	47,200	24%
Total Operating Revenues	7,330,000	4,984,900	(2,345,100)	-32%

Taxes, Intergovernmental, Grants, and Miscellaneous are the major revenues sources in the Special Revenue Funds. These revenues comprise 91.4% of the total 2013/14 Special Revenue Fund revenues.

The significant change in Intergovernmental is due to the fact that the Law Enforcement Property Program was moved to a fiduciary fund starting this fiscal year. The Law Enforcement Property Program Fund was used to purchase vehicles for various Police Departments throughout Arizona and basically functioned as a clearing account.

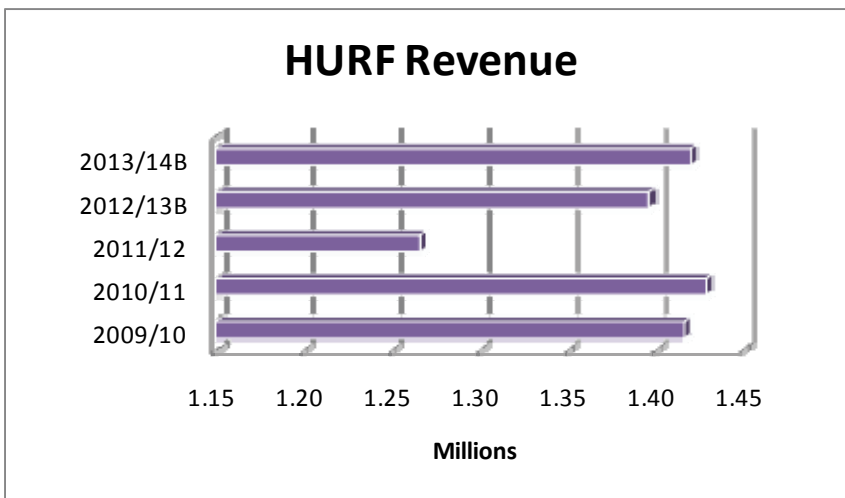


»»»» TAXES ««««

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

Highway User Gas Tax

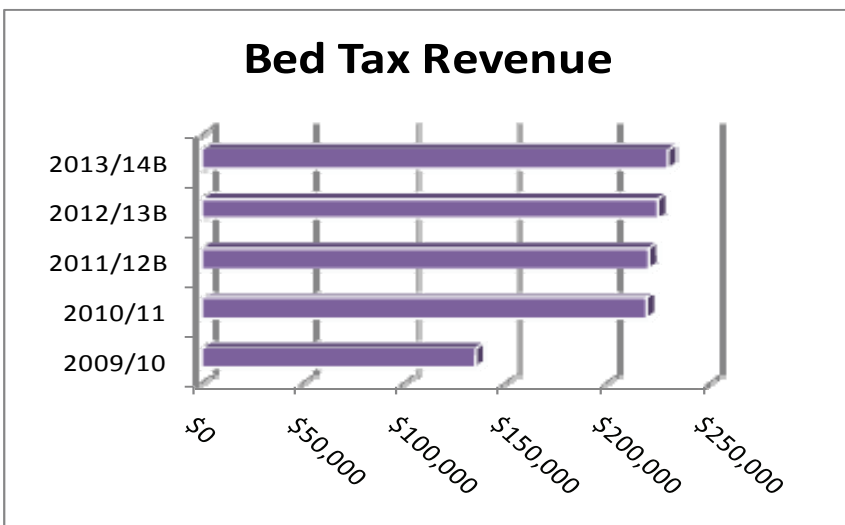
Arizona Cities and Towns receive a share of the State motor vehicle fuel tax. The distribution formula is based on two separate calculations: the first half is based on an entity's population in relation to the total State population; the second half is based on the County in which the revenues were 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 a change that the State instituted in FY 12/13 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 2013/14 totals \$5,219,000 which is a 34.6% decrease over the 2012/13 budget. This decrease is due to the fact that the Law Enforcement Property Program was moved to a fiduciary fund starting this fiscal year. This fund is used to purchase vehicles for various Police Departments throughout Arizona. The Governor has requested that Payson Police Department coordinate purchases for various police departments in the State. This basically functions as a clearing account since the Town is reimbursed by Arizona law enforcement agencies that utilized this special property program to obtain police vehicles.

The change in the Special Revenue Funds budget excluding the Law Enforcement Property Program Fund totals \$763,149 which is a 12.8% decrease over the FY 2012/13 budget. For this fiscal year, health insurance premium expenditures were reduced by limiting the health insurance plan choices to high deductible plans. The employer/employee premium cost split is 60/40 which remained the same as last year.

Major expenditure categories include:

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

EXPENDITURE SUMMARY BY DEPARTMENT—SPECIAL REVENUE FUNDS

FUND	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
HURF Fund	1,704,203	1,562,665	1,655,800	1,678,700
Housing Trust Fund	-	-	25,000	-
Gifts & Grants Fund	258,046	124,935	85,800	28,100
Wildlands/Urban Program Fund	84,781	102,567	-	-
Festivals & Events Fund	64,536	60,774	13,249	-
Bed Tax Fund	101,300	339,308	284,600	264,800
Police Dept of Justice	2,214	8,474	31,000	31,000
Police Reserve Academy Fund	-	3,715	-	-
Law Enf. Property Program Fund	328,477	861,680	2,000,000	-
Library fund	395,224	422,743	373,800	334,400
Magistrate Court/JCEF Fund	-	-	3,000	-
Magistrate Court/FTG Fund	-	-	1,600	-
Airport Fund	96,309	412,826	717,400	864,900
Event Center Fund	40,513	91,728	159,100	160,700
Medical Insurance Fund	2,400,108	2,525,610	2,631,800	1,856,400
TOTAL	\$ 5,475,711	\$ 6,517,025	\$ 7,982,149	\$ 5,219,000



EXPENDITURE SUMMARY BY CATEGORY

MAJOR EXPENDITURE	2012/2013 BUDGET	2013/14 PROPOSED	INCREASE (DECREASE)	PERCENT CHANGE
Personnel Services	1,469,100	1,364,700	(104,400)	-7%
Operating Expenditures	5,755,200	2,918,300	(2,836,900)	-49%
Capital Outlay	550,000	761,600	211,600	38%
Debt Services	-	-	-	0%
Transfers Out	207,849	174,400	(33,449)	-16%
TOTAL	7,982,149	5,219,000	(2,763,149)	-35%

Personnel Services—represents 26.1% 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 55.9% of the total Special Revenue Funds budget. This includes a wide array of expenditures. Operating expenditures for 2013/14 include all normal day-to-day expenditures of the programs funded by these restricted funds. The previously mentioned change in the recording of the Law Enforcement Property Program accounts for the significant decrease in operating expenditures.

Capital Outlay—represents 14.6% 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. An increase in funding for airport capital projects is the main reason for the change in capital outlay.

Transfer Out—represents 3.3% and consist of the following internal transfer of funds:

* Transfer from Bed Tax Fund to Event Center Fund	90,700
* Transfer from Bed Tax Fund to General Fund	83,700
	174,400



BUDGET SUMMARY BY FUND

FUND	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed
HURF Fund	1,871,566	1,313,430	1,623,700	1,606,600
Housing Trust Fund	-	-	25,000	-
Gifts & Grant Fund	243,197	149,461	85,800	28,100
Wildland/Urban Program Fund	127	-	-	-
Festivals & Events Fund	69,686	89,309	-	-
Bed Tax Fund	219,568	220,569	225,000	230,000
Police Dept of Justice Fund	10,376	30,521	30,000	33,500
Police Reserve Academy Fund	-	-	-	-
Law Enforcement Property Program	333,825	870,212	2,000,000	-
Library Fund	381,841	422,742	373,800	334,400
Magistrate Court	1,401	2,085	4,600	-
Airport Fund	95,767	540,130	568,700	735,200
Event Center Fund	39,890	91,726	161,600	160,700
Medical Insurance Fund	1,424,111	2,482,609	2,231,800	1,856,400
Total Revenues	\$ 4,691,355	\$ 6,212,794	\$ 7,330,000	\$ 4,984,900
HURF Fund	1,704,203	1,562,665	1,655,800	1,678,700
Housing Trust Fund	-	-	25,000	-
Gifts & Grants Fund	258,046	124,935	85,800	28,100
Wildlands/Urban Program Fund	84,781	102,567	-	-
Festivals & Events Fund	64,536	60,774	13,249	-
Bed Tax Fund	101,300	339,308	284,600	264,800
Police Dept of Justice	2,214	8,474	31,000	31,000
Police Reserve Academy Fund	-	3,715	-	-
Law Enf. Property Program Fund	328,477	861,680	2,000,000	-
Library fund	395,224	422,743	373,800	334,400
Magistrate Court/JCEF Fund	-	-	3,000	-
Magistrate Court/FTG Fund	-	-	1,600	-
Airport Fund	96,309	412,826	717,400	864,900
Event Center Fund	40,513	91,728	159,100	160,700
Self Funded Insurance Fund	2,400,108	2,525,610	2,631,800	1,856,400
Total Expenditures	\$ 5,475,711	\$ 6,517,025	\$ 7,982,149	\$ 5,219,000



DEBT SERVICE FUNDS

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

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%)	
2013/14 Secondary Assessed Valuation	\$ 165,538,128	2013/14 Secondary Assessed Valuation	\$ 165,538,128
6% Limitation	9,932,288	20% Limitation	33,107,626
Less 6% Direct Bonded Debt Outstanding	0	Less 20% Direct Bonded Debt Outstanding	3,155,000
Unused 6% Borrowing Capacity	\$ 9,932,288	Unused 20% Borrowing Capacity	\$ 29,952,626

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

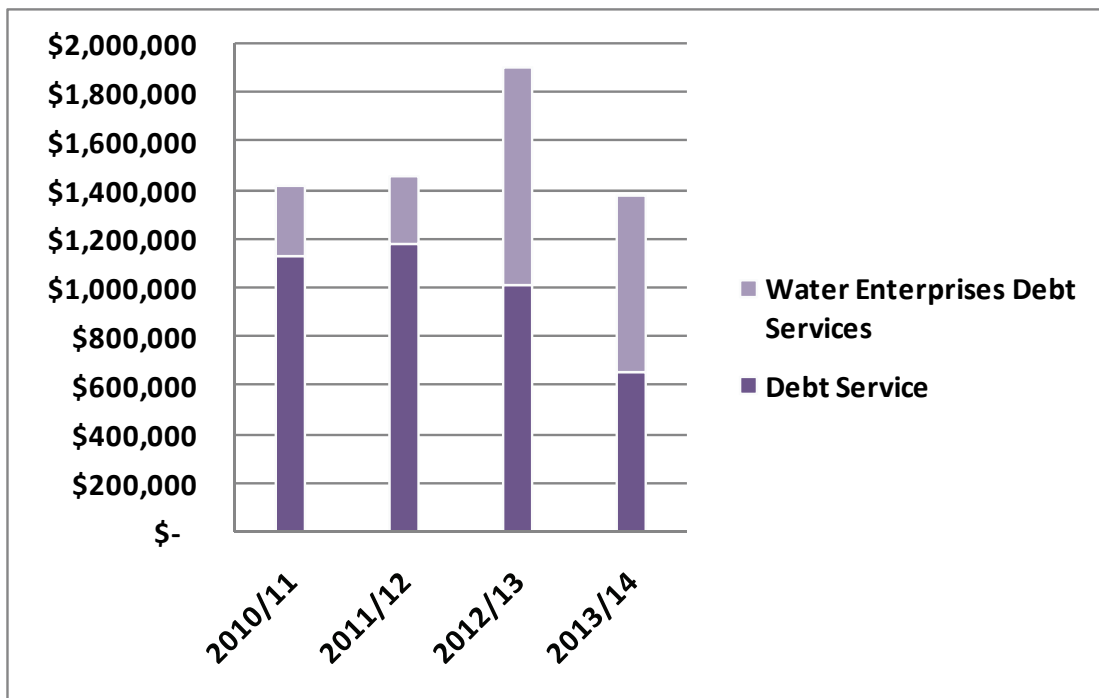
Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Debt Service	\$ 1,186,539	\$ 1,015,400	-14.4%	\$ 656,100	-35.4%
Water Enterprise Debt Service	274,377	885,600 *	222.8%	720,200 *	-18.7%
Total Debt Service	\$ 1,460,916	\$ 1,901,000	30.1%	\$ 1,376,300	-27.6%

*Includes principal payments on WIFA loan—Cragin Project

BUDGET ANALYSIS—HISTORIC

Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	
Debt Service	\$ 1,133,883	1,186,539	\$ 1,015,400	\$ 656,100	
Water Enterprises Debt Services	285,283	274,377	885,600	720,200 *	
Total Debt Service	\$ 1,419,166	1,460,916	\$ 1,901,000	\$ 1,376,300	

*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	\$ 1,995,000
Total General Obligation Bonded Debt Outstanding				<u>\$ 1,995,000</u>
Total Net General Obligation Bonded Debt Outstanding and to be Outstanding				<u>\$ 1,995,000</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	\$ 575,000
Total Excise Tax Revenue Bonded Debt Outstanding				<u>\$ 575,000</u>

IMPROVEMENT DISTRICT BOND DEBT OUTSTANDING

Issue Series	Purpose	Original Amount	Maturity Dates	Principal Outstanding
2005	Westerly Road Improvement	\$ 875,000	1-1-07/22	585,000
Total Improvement District Bonded Debt Outstanding				<u>\$ 585,000</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 WIFA 1	\$ 4,177,808	1/1/2010 - 7/1/2029	\$ 3,412,726
C. C. Cragin water pipeline project WIFA 2	\$ 6,250,000	1/1/2013 - 7/1/2032	\$ 6,012,631
Total Loan Outstanding			<u>\$ 9,425,357</u>

OTHER INDEBTEDNESS (CAPITAL LEASES)

Item	Annual Payment	Completion Date
Police Vehicles	39,300	6/25/2015
Fire Truck	105,700	11/4/2016



	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
GENERAL DEBT SERVICE FUND				
801-5-8490-00-7950 Principal	101,737	141,477	237,500	137,300
801-5-8490-00-7951 Interest	12,614	13,674	15,400	7,800
Total	114,351	155,151	252,900	145,100
EAST LOOP DEBT SERVICE FUND				
811-5-8490-00-6901 Taxes & Fees	400	-	-	-
811-5-8490-00-7950 Principal	210,000	220,000	-	-
811-5-8490-00-7951 Interest	19,175	12,980	-	-
Total	229,575	232,980	-	-
WESTERLY ROAD DEBT SERVICE FUND				
812-5-8490-00-6901 Taxes & Fees	225	225	200	200
812-5-8490-00-7950 Principal	45,000	45,000	50,000	50,000
812-5-8490-00-7951 Interest	38,637	36,163	35,000	32,200
Total	83,862	81,388	85,200	82,400
RUMSEY PARK COPs DEBT SERVICE FUND				
820-5-8490-00-6901 Taxes & Fees	1,400	1,400	1,500	-
820-5-8490-00-7950 Principal	80,000	90,000	45,000	-
820-5-8490-00-7951 Interest	8,640	5,040	1,000	-
Total	90,040	96,440	47,500	-
GREEN VALLEY PARK DEBT SERVICE FUND				
821-5-8490-00-6901 Taxes & Fees	225	450	200	-
821-5-8490-00-7950 Principal	185,000	190,000	200,000	-
821-5-8490-00-7951 Interest	16,088	8,250	4,100	-
Total	201,313	198,700	204,300	-
EXCISE TAX REVENUE OBLIGATION SERIES 2003				
822-5-8490-00-6901 Taxes & Fees	5,412	2,700	3,000	3,000
822-5-8490-00-7950 Principal	90,000	95,000	100,000	105,000
822-5-8490-00-7951 Interest	34,093	30,401	27,400	23,100
Total	129,505	128,101	130,400	131,100
G.O. BONDS SERIES 2004				
823-5-8490-00-6901 Taxes & Fees	300	615	600	600
823-5-8490-00-7950 Principal	200,000	215,000	220,000	230,000
823-5-8490-00-7951 Interest	84,937	78,164	74,500	66,900
Total	285,237	293,779	295,100	297,500
WATER ENTERPRISE DEBT SERVICE				
661-5-5451-03-7950 Principal	273,574	254,958	580,100	448,600
661-5-5451-03-7951 Interest	11,709	19,419	305,500	271,600
Total	285,283	274,377	885,600	720,200
TOTAL DEBT SERVICE FUNDS	1,419,166	1,460,916	1,901,000	1,376,300



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

Below is a table summarizing the 2013/14 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		478,366
Airport Improvements	*	679,100
Fire Improvements	*	207,300
Police Improvements	*	257,200
Administration		62,000
Water Improvements		6,240,500
TOTAL IMPROVEMENTS		\$ 7,924,466

*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 five years. Capital Improvements are provided by or for public purposes and services.

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

Payson uses a five-year planning period for its CIP. The expenditures proposed for the first year of the program are incorporated into the Annual Budget as the Capital Budget.

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			

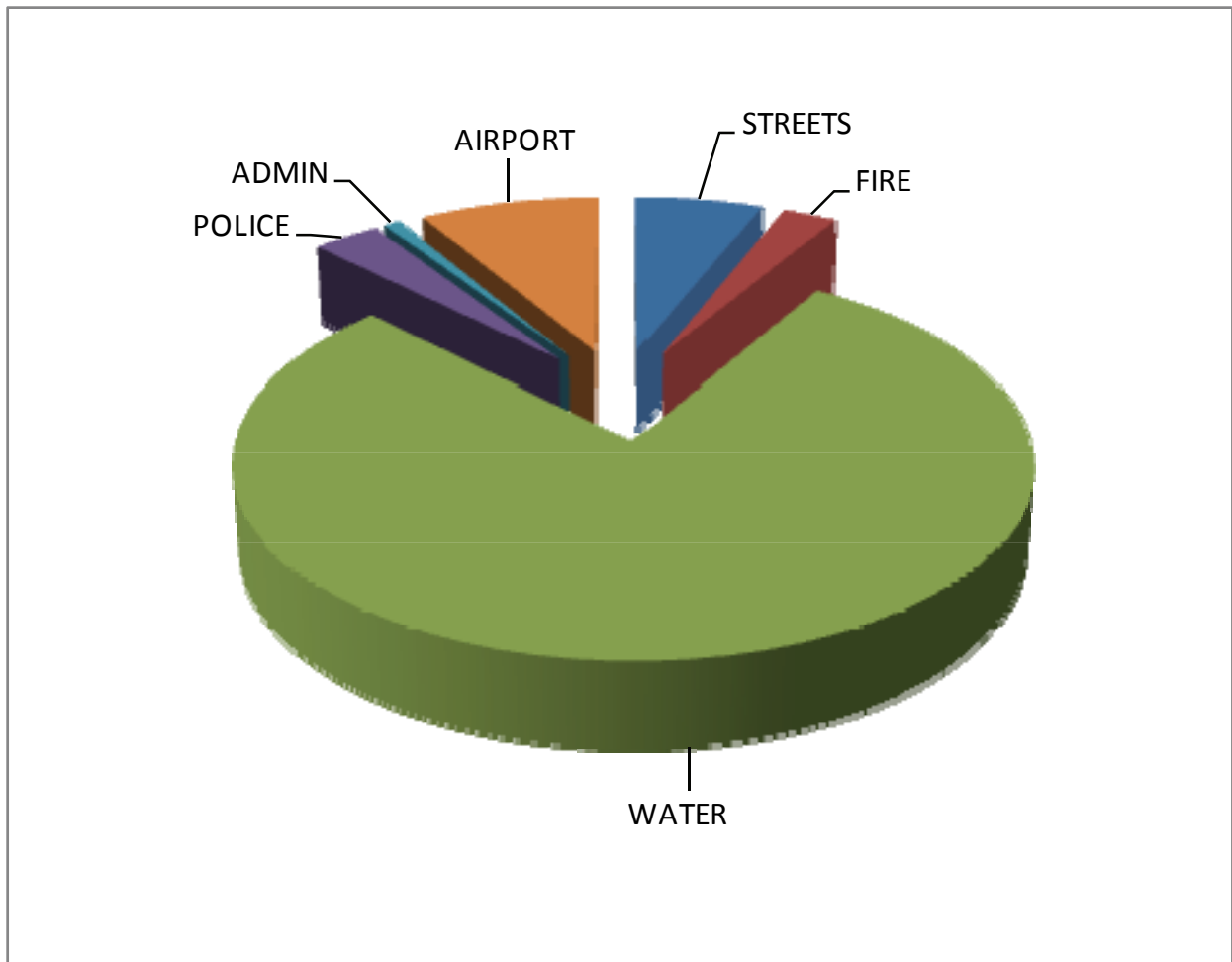


2013/2014 Proposed CAPITAL Projects

STREETS	
202 Plotter	\$ 12,500
202 Pavement Preservation	50,000
430 Bonita St	381,000
	<u>\$ 443,500</u>
FIRE	
403 Fire Grants	\$ 35,000
403 Fire Grants	152,300
403 Fire Grants	20,000
	<u>\$ 207,300</u>
WATER	
460 Environmental Project	\$ 325,000
661 Machinery & Equipment	143,000
661 Wells	150,000
661 Radon Removal Study	30,000
661 Security Gate	20,000
661 Water Line	150,000
661 Pumps for Wells	75,000
661 Computer Equipment	5,000
661 Chlorine Generator	42,500
661 GVP Shoreline Protection	250,000
662 CC Cragin Pipeline	5,050,000
	<u>\$ 6,240,500</u>
POLICE	
215 Defense 1033 - LE Vehicle	\$ 20,000
403 SHSGP Mobile Repeaters	32,200
403 Law Enforcement - GOHS Grant	45,000
425 LE - Radio Program	160,000
Includes grants and continuation of bond expenditures	<u>\$ 257,200</u>
ADMINISTRATION	
101 Computer Equipment	\$ 62,000
	<u>\$ 62,000</u>
COMMUNITY DEVELOPMENT	
417 Main Street Improvements	\$ 34,866
	<u>\$ 34,866</u>
AIRPORT	
260 Environmental Assessment	\$ 10,000
260 Pavement Preservation	56,100
260 Echo Ramp Expansion & Taxiway	210,000
260 Runway 24 Run up Apron	403,000
	<u>\$ 679,100</u>
TOTAL	\$ 7,924,466

This schedule does not reflect the CDBG Housing grants.

**PROPOSED CAPITAL PROJECTS BY DEPARTMENT
FISCAL YEAR 2013/2014**





CAPITAL PROJECT DETAIL BY ACCOUNTING

	<u>2010/11</u> <u>ACTUAL</u>	<u>2011/12</u> <u>ACTUAL</u>	<u>2012/13</u> <u>BUDGET</u>	<u>2013/14</u> <u>PROPOSED</u>
101-5-1402-00-8004 Office Furniture Equipment	-	504	-	-
101-5-1408-00-8004 Capital Equipment	-	4,940	-	-
101-5-2408-01-8004 Machinery & Equipment	56,463	51,725	58,500	62,000
202-5-3442-00-8003 Vehicles	-	54,411	20,000	-
202-5-3442-00-8004 Survey Equipment	12,541	-	-	-
202-5-3442-00-8713 Pavement Preservation	250,000	15,913	50,000	50,000
202-5-3442-00-8723 Airport Rd & SH87 Traffic	35,489	(3,835)	-	-
202-5-3442-00-8725 Town Aerial Photographs	15,251	-	-	-
202-5-3442-00-8900 Project - Cap Outlay	-	-	-	12,500
212-5-2426-03-8003 Vehicles	30,827	-	-	-
215-5-2421-02-8510 Defense 1033 - LE Vehicle	-	-	-	20,000
260-5-4445-00-8310 Environmental Assessment	-	-	10,000	10,000
260-5-4445-00-8510 New AWOS	-	-	250,000	-
260-5-4445-00-8713 Pavement Preservation	-	-	-	56,100
260-5-4445-00-8813 Echo Ramp Expansion & Taxiway	-	-	-	210,000
260-5-4445-00-8818 Airfield Signage & Marking	39,945	321,624	-	-
260-5-4445-00-8821 Runway 24 Run up Apron	-	-	220,000	403,000
401-5-1401-00-8603 Carpet Replacement	9,885	-	-	-
401-5-1407-00-8400 Financial System Implement	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 Attorney Copier	-	6,269	-	-
402-5-2421-01-8510 Police-Patrol Vehicles	-	114,196	-	-
402-5-2426-01-8510 Fire Truck	-	497,907	-	-
403-5-2412-01-8772 Law Enforce-HSG Radio Prog	84,053	59,891	24,100	-
403-5-2412-01-8773 SHSGP Mobile Repeaters	-	-	-	32,200
403-5-2421-01-8762 Law Enf-GOHS Grant	-	-	36,600	45,000
403-5-2426-01-8774 AFG Facilities	-	-	185,000	-
403-5-2426-03-8756 Asst FF Prevention	-	-	-	35,000
403-5-2426-03-8766 FEMA Asst FF Grant #15658	-	-	-	152,300
403-5-2426-03-8768 State Fire Assistance Grant	-	-	75,000	20,000
409-5-2421-01-8772 LE - Radio Program	-	110,382	-	-
417-5-6428-01-8785 Main Street Improvements	-	-	-	34,866
425-5-2421-16-8407 CAD Police/Fire Comm Eq	-	-	160,000	160,000



	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
430-5-3442-00-8737 Bonita Street	-	2,338	380,000	381,000
433-5-2426-01-8602 Fire Station #3 Construction	1,222,153	33,673	13,000	-
434-5-3442-00-8742 Montezuma Castle Land Exch	-	-	450,000	-
460-5-5451-00-8007 Reserve Well Devel	45,813	-	155,000	-
460-5-5451-00-8009 Water Line	-	-	50,000	-
460-5-5451-00-8592 Fees	-	-	200,000	-
460-5-5451-00-8594 Environmental Project	-	-	45,000	325,000
661-5-5451-08-8000 Buildings	-	133	45,000	-
661-5-5451-08-8002 Machinery & Equipment	5,228	-	-	143,000
661-5-5451-08-8006 Land Acquisition	-	73,880	12,000	-
661-5-5451-08-8007 Wells	-	20,494	75,000	150,000
661-5-5451-08-8008 Storage Tank	-	29,985	-	-
661-5-5451-08-8009 Waterlines	187,854	430,209	150,000	150,000
661-5-5451-08-8313 Radon Removal Engineer Stdy	-	-	30,000	30,000
661-5-5451-08-8524 Computer Equipment	13,907	-	25,000	5,000
661-5-5451-08-8528 Service Truck	47,190	72,903	35,000	-
661-5-5451-08-8529 SCADA Equipment-Wells/Tanks	13,349	-	20,000	-
661-5-5451-08-8533 GV Boat Launch	(157)	-	-	-
661-5-5451-08-8581 Chlorine Generator	-	-	47,500	42,500
661-5-5451-08-8587 Security Gate Installation	-	-	5,000	20,000
661-5-5451-08-8591 Green Valley Lakes-Shoreline	-	-	500,000	250,000
661-5-5451-08-8794 Pumps for Wells	8,694	-	75,000	75,000
662-5-5451-00-8010 CC Cragin Pipeline (SRP)	1,473,379	-	480,000	1,550,000
662-5-5451-00-8306 Consulting Fees	-	-	2,000,000	-
662-5-5451-00-8600 CCC Pipe	3,412,147	2,599,369	4,250,000	3,500,000
TOTAL CAPITAL PROJECTS	7,073,008	4,496,911	10,143,700	7,924,466

This schedule does not reflect CDBG Housing grants.



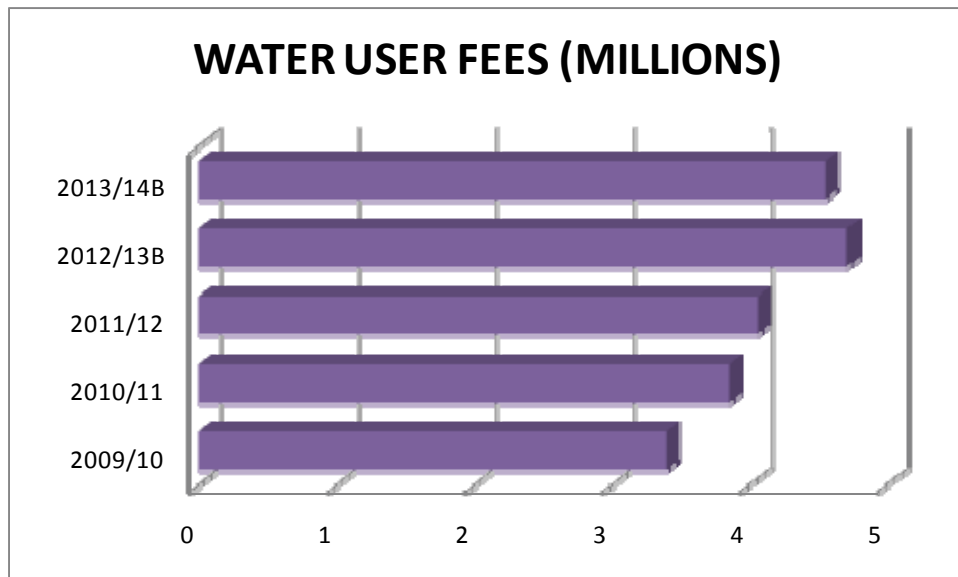
>>> ENTERPRISE FUNDS <<<

The Town has maintained 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 improvements to 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.

Starting this fiscal year, the C.C. Cragin Development Fund will be eliminated and all Enterprise Fund activity will be reported under one fund. Although these funds will be combined, detailed accounting for C.C. Cragin activity will be maintained as a sub-category within the Enterprise Fund.



Water user fee revenue is conservatively budgeted with the assumption that the water conservation policy put in place will reduce usage over time under the current rate structure. A price increase occurred in October, 2012.



***REVENUE
INFORMATION***



>>>REVENUE SUMMARY BY FUND<<<

Total revenues for 2013/14 are estimated at

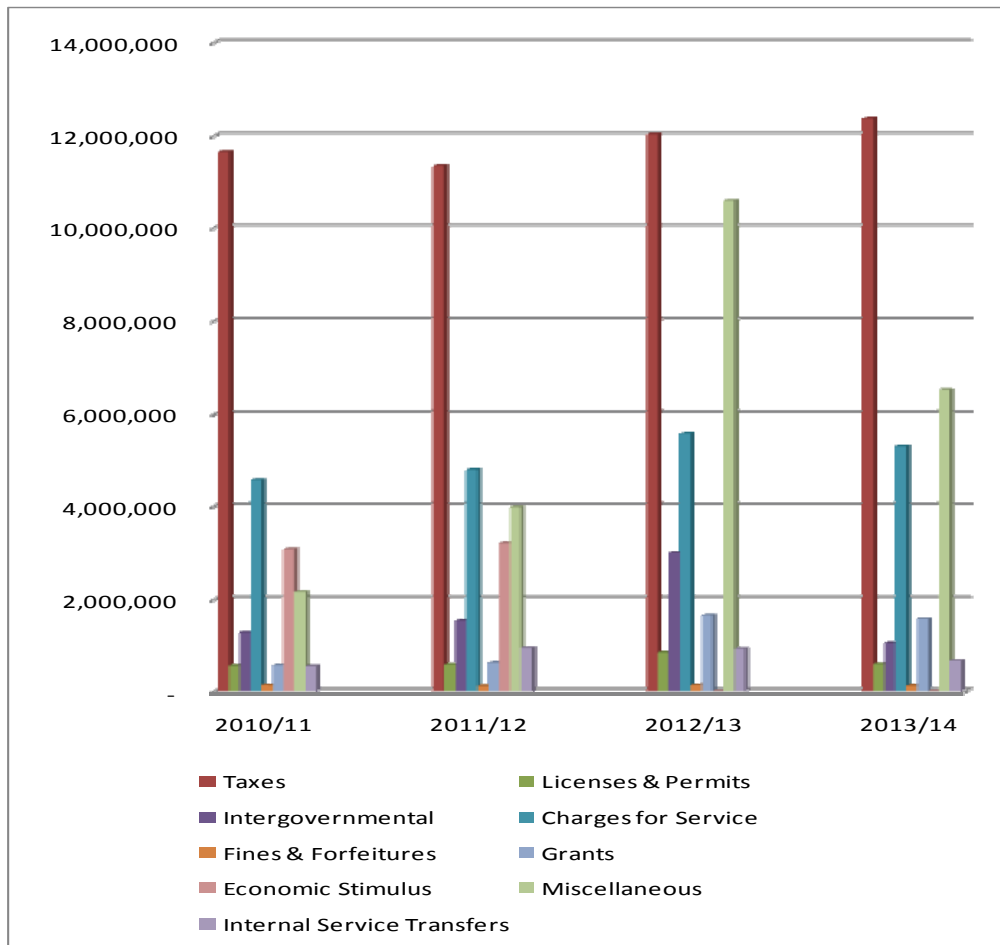
\$28,174,410

Fund	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed
General Fund	11,298,744	11,500,662	13,196,749	12,973,110
HURF Fund	1,871,566	1,313,430	1,623,700	1,606,600
Housing Trust Fund	-	-	25,000	-
Gifts & Grant Fund	243,197	149,461	85,800	28,100
Wildland/Urban Program Fund	127	-	-	-
Festivals & Events Fund	69,686	89,309	-	-
Bed Tax Fund	219,568	220,569	225,000	230,000
Police Dept of Justice Fund	10,376	30,521	30,000	33,500
Law Enforcement Property Program	333,825	870,212	2,000,000	-
Library Fund	381,841	422,742	373,800	334,400
Magistrate Court	1,401	2,085	4,600	-
Airport Fund	95,767	540,130	568,700	735,200
Event Center Fund	39,890	91,726	161,600	160,700
Medical Insurance Fund	1,424,111	2,482,609	2,231,800	1,856,400
Capital Projects Fund	95,583	-	-	-
Equipment Replacement Fund	-	616,484	12,000	-
Grant Capital Projects Fund	255,706	171,583	468,700	457,200
Park Development Fund	17,767	29,625	35,000	9,000
Public Safety Development Fund	9,000	15,000	18,500	5,000
Bonita Street Construction Fund	-	-	370,000	369,200
Fire Station #13 Construction	1,683	731	-	-
Montezuma Castle Land Exchange	-	-	450,000	-
Central Arizona Project Trust Fund	170,208	225	155,000	-
General Debt Service	111,355	155,150	252,900	145,100
East Loop Rd Improvement Fund	96,248	121,032	-	-
Westerly Rd Improvement Fund	93,854	81,669	85,200	82,200
Rumsey Park COP's Fund	88,600	96,301	47,500	-
Green Valley Park Debt Service Fund	207,832	134,051	-	-
Excise Tax Obligation Debt Service Fund	13	101,408	130,400	130,200
General Obligation Bonds Fund	322,439	329,834	514,605	350,000
Water Fund	2,997,242	4,292,408	4,724,870	4,588,500
CC Cragin Development Fund	4,088,061	3,297,752	6,976,830	4,080,000
Total Revenues All Funds	24,545,690	27,156,709	34,768,254	28,174,410
Per Capita	1,497	1,656	2,272	1,841



>>>REVENUE SUMMARY BY CATEGORY<<<

Category	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed
Taxes	11,639,422	11,335,863	12,027,100	12,346,000
Licenses & Permits	560,528	591,827	855,200	597,900
Intergovernmental	1,267,446	1,530,928	3,003,200	1,063,800
Charges for Service	4,578,470	4,804,896	5,569,630	5,290,000
Fines & Forfeitures	134,147	116,253	135,500	125,500
Grants	572,211	633,504	1,646,500	1,568,600
Economic Stimulus	3,075,947	3,213,132	-	-
Miscellaneous	2,163,749	3,974,731	10,593,170	6,506,200
Internal Service Transfers	553,770	955,575	937,954	676,410
Total Operating Revenues	24,545,690	27,156,709	34,768,254	28,174,410





REVENUE DETAIL

Account	Revenue Source	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed
NON-RESTRICTED GENERAL FUND REVENUES					
<u>Taxes</u>					
101-4-1300-110	Sales Tax - State Shared	1,179,574	1,195,625	1,279,500	1,322,100
101-4-1300-120	Income Tax - State Shared	1,501,845	1,291,416	1,562,800	1,707,100
101-4-1300-130	Vehicle License Tax - Auto Lieu	852,475	833,014	875,600	861,800
101-4-1300-310	Sales Tax - Town	5,373,898	5,497,226	5,700,000	5,800,000
101-4-1300-330	Property Tax Levy	580,551	600,927	623,800	633,700
101-4-1300-335	Property Tax Levy - PY	18,426	27,143	13,500	20,000
	Taxes	9,506,769	9,445,351	10,055,200	10,344,700
<u>Licenses & Permits</u>					
101-4-4300-371	Franchise Fees - Electricity	226,263	231,708	235,400	239,400
101-4-4300-372	Franchise Fees - Gas	63,710	61,797	52,000	58,000
101-4-4300-373	Franchise Fees - Cable TV	54,860	57,722	56,000	60,000
101-4-4300-410	Business License	69,825	70,550	72,000	72,000
101-4-4300-715	Liquor License Fees	1,825	1,625	1,200	1,500
101-4-4328-410	Building Permits	122,580	146,787	415,000	150,000
101-4-4328-420	ROW Permits	2,313	3,362	3,600	2,000
101-4-4372-410	Animal Control Licenses	19,152	18,276	20,000	15,000
	Licenses & Permits	560,528	591,827	855,200	597,900
<u>Intergovernmental</u>					
101-4-2300-239	FAA Land Reimbursement	115,211	-	-	-
101-4-2300-989	Tonto Apache Tribe-Prop 202	14,188	13,616	15,000	13,000
101-4-2300-990	Misc Intergovernmental Revenue	-	-	-	100,000
101-4-2318-110	DOJ Victims Rights Grant	-	-	-	21,500
101-4-2324-120	Law Enf OT Sch Res	127,741	61,739	70,000	67,400
101-4-2324-130	Gila County Intergovernmental	-	135,000	-	-
101-4-2324-248	GOHS Traffic	8,803	5,271	8,000	6,500
101-4-2324-250	COPS Grant	-	-	55,000	80,900
101-4-2324-252	DUI Abatement	-	629	11,000	3,000
101-4-2326-270	Fire-SAFER Grant	-	-	388,500	388,500
101-4-2326-280	Fire Hazardous Fuels Grant	-	-	206,300	30,000
101-4-2326-767	Police Misc Intgvt Rev	3,545	8,248	30,000	10,000
101-4-2327-750	Fire-Wildlands/Urban	-	91,462	100,000	100,000
	Intergovernmental	269,488	315,965	883,800	820,800
<u>Charges for Services</u>					
101-4-5316-520	Prosecution Fees	33,962	30,978	35,000	32,000
101-4-5316-521	Deferred Prosecution Fees	9,205	12,398	9,500	13,000
101-4-5324-710	Law Enf - Police Reports	3,144	3,335	3,000	3,500
101-4-5324-725	Law Enf-False Alarm	325	425	1,000	400
101-4-5324-750	Law Enf - Service Fund	346	-	-	-
101-4-5324-765	Law Enf Vehicle Storage	35,995	25,515	30,000	-



REVENUE DETAIL

Account	Revenue Source	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed
101-4-5326-710	Fire Code Plan Review	3,338	3,390	20,100	5,000
101-4-5326-750	Fire Svc Agreement Fees	351,473	321,417	325,200	327,500
101-4-5326-755	Fire Svc Fees - Const	100	50	500	100
101-4-5326-758	Fire Svc Fees-Cost Recovery	1,063	2,235	3,000	1,000
101-4-5326-760	Police Service Fee-Cost Recovery	3,814	5,105	3,000	7,500
101-4-5326-765	Police - Tribe Dispatch Svc	4,688	-	-	-
101-4-5328-710	Plan Review Fees	76,274	54,475	61,000	65,000
101-4-5328-720	Zoning & Subdivision Fees	22,410	19,908	28,000	20,000
101-4-5328-730	Building - Spec Inspections	650	1,450	1,600	3,000
101-4-5341-710	Engineering - Review Fees	3,670	5,265	36,800	2,000
101-4-5363-710	Ramada & Ballfield Fees	8,867	8,766	10,000	7,000
101-4-5364-700	Event Revenue	-	-	40,900	12,500
101-4-5367-710	Recreation Program Fees	56,203	63,763	63,700	60,000
101-4-5367-715	Outdoor Rec Programming	2,853	1,985	4,000	1,000
101-4-5369-710	Swimming Pool Fees	915	265	1,000	-
	Charges for Services	619,295	560,725	677,300	560,500
	<u>Fines & Forfeitures</u>				
101-4-3316-510	Court Fines & Fees	118,545	100,662	120,000	110,000
	Fines & Forfeitures	118,545	100,662	120,000	110,000
	<u>Miscellaneous</u>				
101-4-6367-920	Donations-Parks & Rec	-	-	1,500	700
101-4-9300-910	Interest Earnings	2,601	1,637	2,000	2,000
101-4-9300-970	Insurance Recoveries	2,547	21,392	2,000	5,000
101-4-9300-971	Risk Insurance	82,280	-	80,000	75,000
101-4-9300-980	Enterprise Overhead	74,100	74,100	303,300	303,300
101-4-9300-990	Other Revenue	10,875	4,453	10,000	10,000
101-4-9300-992	Sale of Capital Assets	-	-	50,000	-
101-4-9300-993	Facilities Lease Fees	11,050	11,220	11,200	11,200
101-4-9300-996	Public Surplus Sale	35,859	26,686	35,000	5,000
101-4-9324-910	Law Enf. Unclaimed Property	64	-	-	-
101-4-9326-757	Fire Svc Fees Other	3,011	8,173	3,000	6,500
101-4-9341-730	Map Sales	1,415	1,479	1,500	1,000
101-4-9341-734	Plan Storage Boxes/Code Books	317	-	500	-
	Miscellaneous	224,119	149,140	500,000	419,700
	<u>Transfers In</u>				
101-4-9399-xxx	Operations	-	336,992	105,249	119,510
	Transfers In	-	336,992	105,249	119,510
Non-Restricted General Fund Revenues		\$ 11,298,744	\$ 11,500,662	\$ 13,196,749	\$ 12,973,110



REVENUE DETAIL

Account	Revenue Source	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed
RESTRICTED OPERATING REVENUES					
HURF Fund (202)					
<u>Taxes</u>					
202-4-1342-110	Highway Users Gas Tax	1,428,970	1,266,058	1,396,900	1,421,300
202-4-1342-130	LTAFF-VLT	13,844	-	-	-
	Taxes	1,442,814	1,266,058	1,396,900	1,421,300
<u>Intergovernmental</u>					
202-4-2342-238	FAA Grant	390,000	-	-	-
202-4-2342-279	ADOT Grants	-	-	140,000	140,000
	Intergovernmental	390,000	-	140,000	140,000
<u>Charges for Services</u>					
202-4-5300-710	Special Inspection Fees	-	4,831	10,000	3,500
	Charges for Services	-	4,831	10,000	3,500
<u>Miscellaneous</u>					
202-4-5300-720	Development Impact Fees	22,230	37,050	50,000	12,000
202-4-9300-980	Enterprise Fund Overhead	-	-	25,800	25,800
202-4-9300-990	Other Revenue	16,522	5,433	1,000	4,000
202-4-9300-991	Equipment Rental	-	58	-	-
	Miscellaneous	38,752	42,541	76,800	41,800
	HURF Fund	1,871,566	1,313,430	1,623,700	1,606,600

Housing Trust Fund (206)

<u>Miscellaneous</u>					
206-4-6300-929	Contributions	-	-	25,000	-
	Miscellaneous	-	-	25,000	-
	Housing Trust	-	-	25,000	-

Gifts & Grants Fund (210)

<u>Intergovernmental</u>					
210-4-2324-250	GOHS Underage Drinking Grant	5,033	-	-	-
210-4-2324-251	BYRNE/JAG Emp Drug Test	-	20,288	13,000	13,000
210-4-2324-252	GOHS 2007 Traffic Enforcement	5,200	-	-	-
210-4-2324-253	BVP Bullet Proof Vest Grant	4,421	-	-	-



REVENUE DETAIL

Account	Revenue Source	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed
210-4-2324-257	AZ Post Grant 2010-039	9,700	-	-	-
210-4-2324-259	GOHS Car Seats	-	-	-	1,600
210-4-2326-274	FM Global Grant	-	-	5,000	-
210-4-2326-275	State Fire Asst 2007/08	138,952	-	-	-
210-4-2326-278	Fire- EMT AMES Grant	(475)	-	-	-
210-4-2326-279	Fire- State Grants	-	-	50,000	-
210-4-2326-280	Fire Hazardous Fuels Grant	-	74,270	-	-
210-4-2326-283	State Fire Assist 2009-10	-	867	-	-
210-4-2326-284	Fire-EZ-IO Grant	4,194	-	5,000	-
210-4-2328-200	C/D Energy Eval/Mod	63,713	39,129	-	-
210-4-2446-200	TEV Arts Grant	-	1,500	1,500	2,000
	Intergovernmental	230,738	136,054	74,500	16,600
	<u>Miscellaneous</u>				
210-4-6300-925	Contributions - Main St Electric	380	1,475	-	-
210-4-6323-920	Contributions - Volunteer Police	-	670	800	-
210-4-6324-920	Contributions - DARE Court	3,129	2,708	3,000	2,000
210-4-6324-921	Contributions - Police Projects	2,000	953	2,000	2,000
210-4-6324-923	Contributions - Guardian Angels	3,057	1,410	1,500	1,500
210-4-6326-920	Donations - Fire Projects	3,893	6,191	4,000	6,000
	Miscellaneous	12,459	13,407	11,300	11,500
	Gifts & Grants Fund	243,197	149,461	85,800	28,100

Wildland/Urban Program Fund (212)

<u>Charges for Services</u>					
212-4-2327-750	Fire - Wildland/Urban Program	127	-	-	-
	Charges for Services	127	-	-	-
	Wildland/Urban Program Fund	127	-	-	-

Festivals & Events Fund (213)

<u>Charges for Services</u>					
213-4-5367-710	Event Revenue	69,686	89,309	-	-
213-4-9300-910	Interest Earnings	-	-	-	-
	Charges for Services	69,686	89,309	-	-
	Festivals & Events Fund	69,686	89,309	-	-



REVENUE DETAIL

Account	Revenue Source	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed
<u>Bed Tax Fund (214)</u>					
	<u>Taxes</u>				
214-4-1300-370	Bed Tax	219,568	220,569	225,000	230,000
	Taxes	219,568	220,569	225,000	230,000
	Bed Tax Fund	219,568	220,569	225,000	230,000
<u>Police Department of Justice (215)</u>					
	<u>Intergovernmental</u>				
215-4-2324-121	Local RICO Revenue	1,125	-	-	3,500
215-4-2324-151	Defense 1033 Revenue	9,251	30,521	30,000	30,000
	Intergovernmental	10,376	30,521	30,000	33,500
	Police Dept of Defense	10,376	30,521	30,000	33,500
<u>Law Enforcement Property Program (217)</u>					
	<u>Intergovernmental</u>				
217-4-2324-140	Other Revenue from Governments	333,825	870,212	2,000,000	-
	Intergovernmental	333,825	870,212	2,000,000	-
	Law Enforcement Property Pgrm	333,825	870,212	2,000,000	-
<u>Library (224)</u>					
	<u>Intergovernmental</u>				
224-4-2361-389	Gila County Library District	229,230	229,230	229,200	230,400
	Intergovernmental	229,230	229,230	229,200	230,400
	<u>Miscellaneous</u>				
224-4-9300-990	Other Revenue	20,004	24,121	21,600	-
	Miscellaneous	20,004	24,121	21,600	-
	<u>Fines & Forfeitures</u>				
224-4-3300-510	Library Fines	15,602	15,591	15,500	15,500
	Fines & Forfeitures	15,602	15,591	15,500	15,500
	<u>Transfers In</u>				
224-4-9399-xxx	Operations	117,005	153,800	107,500	88,500
	Transfers In	117,005	153,800	107,500	88,500
	Library	381,841	422,742	373,800	334,400



REVENUE DETAIL

Account	Revenue Source	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed
<u>Airport (260)</u>					
<u>Intergovernmental</u>					
260-4-2300-239	Federal Grant	80,845	313,918	247,000	202,800
260-4-2300-248	ADOT Grant	4,922	11,949	206,500	371,100
260-4-2345-744	PRAA Fees	10,000	10,000	-	-
	Intergovernmental	95,767	335,867	453,500	573,900
<u>Charges for Services</u>					
260-4-5345-710	Tie Down Fees	-	5,346	12,200	13,400
260-4-5345-720	Gate Fees	-	2,363	4,500	9,600
260-4-5345-740	Ground Leases	-	5,731	18,600	14,600
260-4-5345-741	Hangar Leases	-	22,824	56,700	49,800
260-4-5345-760	Fuel Sales	-	1,436	2,000	2,000
260-4-5345-770	Emergency Support	-	13,448	-	5,000
260-4-5345-780	Campground Use Fee	-	193	100	800
	Charges for Services	-	51,341	94,100	95,200
<u>Miscellaneous</u>					
260-4-4300-770	Advertising Sign Fee	-	417	900	-
260-4-9300-990	Other Revenue	-	152,505	20,200	-
	Miscellaneous	-	152,922	21,100	-
<u>Transfers In</u>					
260-4-9399-101	from General Fund	-	-	-	66,100
	Transfers In	-	-	-	66,100
	Airport	95,767	540,130	568,700	735,200

Event Center (265)

<u>Charges for Services</u>					
265-4-5365-710	Event Revenue & Interest	28,940	34,036	71,000	70,000
	Charges for Services	28,940	34,036	71,000	70,000



REVENUE DETAIL

Account	Revenue Source	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed
	Transfers In				
265-4-9399-214	From Bed Tax	10,950	57,690	90,600	90,700
	Transfers In	10,950	57,690	90,600	90,700
	Event Center	39,890	91,726	161,600	160,700

Medical Insurance Fund (290)

	Miscellaneous				
290-4-9300-972	Employee Ins Contributions	404,884	432,154	456,800	487,900
290-4-9300-973	Employer Ins Contributions	507,691	1,182,271	1,208,000	731,800
290-4-9300-974	Retiree Contributions	110,216	119,762	158,000	141,600
290-4-9300-975	Employer Retiree Contributions	148,500	748,081	409,000	495,100
290-4-9300-986	Insurance Rebate	37,711	234	-	-
290-4-9300-990	Other Revenue	215,109	107	-	-
	Miscellaneous	1,424,111	2,482,609	2,231,800	1,856,400
	Medical Insurance Fund	1,424,111	2,482,609	2,231,800	1,856,400

Restricted Operating Revenues	\$ 4,691,355	\$ 6,212,794	\$ 7,330,000	\$ 4,984,900
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RESTRICTED CAPITAL REVENUES

Capital Projects Fund (401)

	Miscellaneous				
401-4-9300-990	Other Revenue	75,000	-	-	-
	Miscellaneous	75,000	-	-	-
	Transfers In				
401-4-9399-xxx	Operations	20,583	-	-	-
	Transfers In	20,583	-	-	-
	Capital Projects Fund	95,583	-	-	-

Equipment Replacement Fund (402)

	Miscellaneous				
402-4-9300-855	Lease Purchase Proceeds	-	611,845	-	-
	Miscellaneous	-	611,845	-	-
	Transfers In				
402-4-9399-xxx	Operations	-	4,639	12,000	-
	Transfers In	-	4,639	12,000	-
	Equipment Replacement Fund	-	616,484	12,000	-



REVENUE DETAIL

Account	Revenue Source	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed
Grant Capital Projects Fund (403)					
<u>Intergovernmental</u>					
403-4-2300-284	GOHS Radar Units	-	-	36,600	45,000
403-4-2300-290	SHSGP Mobile Repeater	-	-	-	32,200
403-4-2324-200	Law Enf-HSG Radio Program	84,053	59,891	24,100	-
403-4-2326-275	State Fire Assistance Grant #6006	-	-	75,000	20,000
403-4-2327-205	Asst FF Prevention	-	-	-	35,000
403-4-2327-209	FEMA Asst FF Grant #15658	-	-	185,000	145,000
403-4-2331-257	CDBG 2010 Housing Rehab	9,110	111,692	60,000	100,000
403-4-2331-258	CDBG 2010 Senior Center	162,543	-	88,000	80,000
<u>Intergovernmental</u>		255,706	171,583	468,700	457,200
Grant Capital Projects Fund		255,706	171,583	468,700	457,200

Park Development Fund (408)

<u>Miscellaneous</u>					
408-4-5300-720	Development Impact Fees	17,625	29,625	35,000	9,000
408-4-9300-910	Interest Earnings	142	-	-	-
<u>Miscellaneous</u>		17,767	29,625	35,000	9,000
Park Development Fund		17,767	29,625	35,000	9,000

Public Safety Development Fund (409)

<u>Miscellaneous</u>					
409-4-5300-720	Development Fees	9,000	15,000	18,500	5,000
<u>Miscellaneous</u>		9,000	15,000	18,500	5,000
Public Safety Development Fund		9,000	15,000	18,500	5,000

Bonita Street Construction (430)

<u>Intergovernmental</u>					
430-4-2342-281	HELP Loan	-	-	370,000	360,000
<u>Intergovernmental</u>		-	-	370,000	360,000
<u>Transfers In</u>					
430-4-9399-xxx	Operations	-	-	-	9,200
<u>Transfers In</u>		-	-	-	9,200
Bonita Street Construction		-	-	370,000	369,200



REVENUE DETAIL

Account	Revenue Source	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed
Fire Station #13 Construction (433)					
	<u>Miscellaneous</u>				
433-4-9300-910	Interest Earnings	1,683	731	-	-
	Miscellaneous	1,683	731	-	-
	Fire Station #13 Construction	1,683	731	-	-
Montezuma Castle Land Exchange (434)					
	<u>Miscellaneous</u>				
434-4-9300-855	Debt Proceeds	-	-	450,000	-
	Miscellaneous	-	-	450,000	-
	Montezuma Castle Land Exchange	-	-	450,000	-
Central Arizona Project Trust Fund (460)					
	<u>Miscellaneous</u>				
460-4-9300-910	Interest Earnings	794	225	-	-
460-4-9300-990	Other Revenue	-	-	155,000	-
	Miscellaneous	794	225	155,000	-
	<u>Transfers In</u>				
460-4-9399-661	Operations	169,414	-	-	-
	Transfers In	169,414	-	-	-
	Central Az Project Trust Fund	170,208	225	155,000	-
Restricted Capital Revenues		\$ 549,947	\$ 833,648	\$ 1,509,200	\$ 840,400

DEBT SERVICE REVENUES

General Debt Service Fund (801)

	<u>Transfers In</u>				
801-4-9399-xxx	Operations	111,355	155,150	252,900	145,100
	Transfers In	111,355	155,150	252,900	145,100
	General Debt Service Fund	111,355	155,150	252,900	145,100



REVENUE DETAIL

Account	Revenue Source	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed
ELRID Debt Service Fund (811)					
<u>Miscellaneous</u>					
811-4-9300-801	Assessment - Principal	88,385	87,241	-	-
811-4-9300-802	Assessment - Interest	7,863	9,590	-	-
	Miscellaneous	96,248	96,831	-	-
<u>Transfers In</u>					
811-4-9399-xxx	Operations	-	24,201	-	-
	Transfers In	-	24,201	-	-
ELRID Debt Service Fund		96,248	121,032	-	-
Westerly Rd Improvement District (812)					
<u>Miscellaneous</u>					
812-4-9300-801	Assessment - Principal	31,201	31,201	34,700	34,100
812-4-9300-802	Assessment - Interest	26,790	25,074	23,300	21,000
	Miscellaneous	57,991	56,275	58,000	55,100
<u>Transfers In</u>					
812-4-9399-xxx	Operations	35,863	25,394	27,200	27,100
	Transfers In	35,863	25,394	27,200	27,100
Westerly Rd Imp District		93,854	81,669	85,200	82,200
Rumsey Park COPs (820)					
<u>Transfers In</u>					
820-4-9399-xxx	Operations	88,600	96,301	47,500	-
	Transfers In	88,600	96,301	47,500	-
Rumsey Park COPs		88,600	96,301	47,500	-
Green Valley Park (821)					
<u>Taxes</u>					
821-4-1300-339	Secondary Property Tax	147,832	74,051	-	-
	Taxes	147,832	74,051	-	-
<u>Miscellaneous</u>					
821-4-6300-921	Contributions-Sanitary District	60,000	60,000	-	-
	Miscellaneous	60,000	60,000	-	-
Green Valley Park		207,832	134,051	-	-



REVENUE DETAIL

Account	Revenue Source	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed
Excise Tax Obligation 2003 (822)					
<u>Miscellaneous</u>					
822-4-9300-910	Interest Earnings	13	-	-	-
	Miscellaneous	13	-	-	-
<u>Transfers In</u>					
822-4-9399-101	From General Fund	-	101,408	130,400	130,200
	Transfers In	-	101,408	130,400	130,200
Excise Tax Obligation 2003		13	101,408	130,400	130,200
General Obligation Bonds (823)					
<u>Taxes</u>					
823-4-1300-310	Sales Tax - Town	322,439	329,834	350,000	350,000
	Taxes	322,439	329,834	350,000	350,000
<u>Transfers In</u>					
823-4-9399-433	From Fire Sta Const	-	-	164,605	-
	Transfers In	-	-	164,605	-
General Obligation Bonds		322,439	329,834	514,605	350,000
Debt Service Revenues		\$ 920,341	\$ 1,019,445	\$ 1,030,605	\$ 707,500

UTILITY ENTERPRISE FUNDS

Water (661+662+663)

<u>Intergovernmental</u>					
661-4-2300-200	ES Tonto Apache Reclaim Pond	(964,877)	-	-	-
661-4-2351-201	WIFA Grant 41A004-10	24,527	-	-	-
662-4-2300-200	ES-CC Cragin	4,040,824	3,213,132	-	-
662-4-2300-990	Misc Intergovernmental Rev	-	75,000	-	-
	Intergovernmental	3,100,474	3,288,132	-	-



REVENUE DETAIL

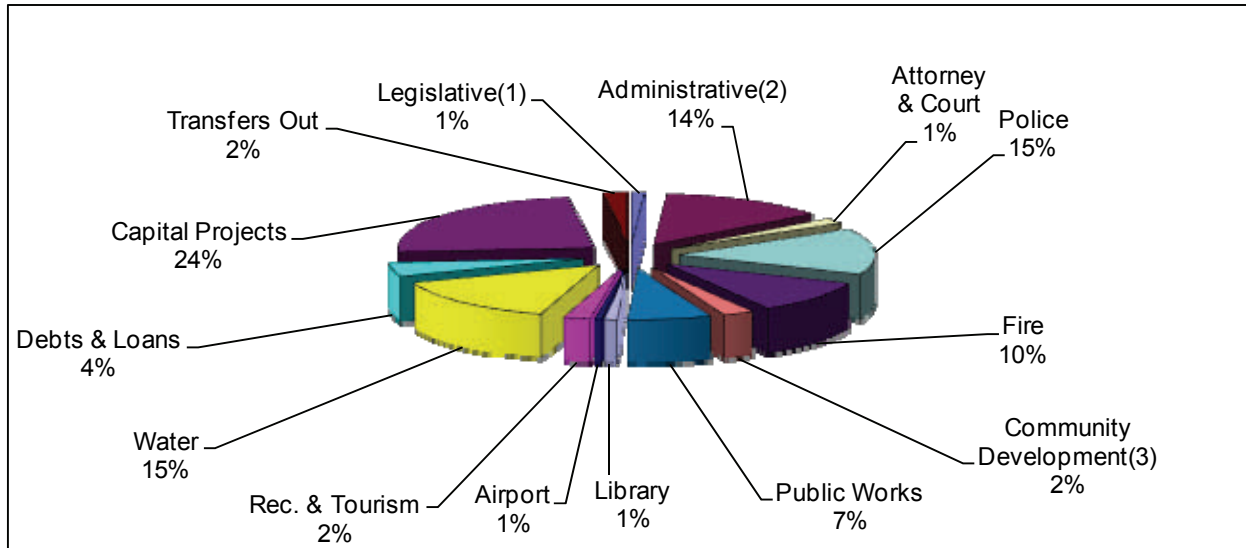
Account	Revenue Source	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed
<u>Charges For Service</u>					
661-4-5351-701	Residential Water	3,073,716	3,237,349	3,270,000	3,610,000
661-4-5351-702	Commercial Water	702,847	704,507	675,500	837,000
661-4-5351-703	Fire Protection Service	17,272	19,226	15,000	17,800
661-4-5351-710	New Service Installation Fees	10,900	14,000	20,000	11,000
661-4-5351-715	Illegal Turn On	2,200	400	1,000	1,000
661-4-5351-716	Reconnect & Turn On Fees	6,250	4,135	6,000	4,000
661-4-5351-725	Facilities Recapture Fee	-	-	2,000	-
662-4-5300-722	Blue Ridge Water Development	47,237	84,620	726,830	80,000
Charges For Service		3,860,422	4,064,237	4,716,330	4,560,800
<u>Miscellaneous</u>					
661-4-5300-720	Development Impact Fees	30,693	56,448	644,170	10,000
661-4-9300-910	Interest Earnings	6,501	1,475	500	4,000
662-4-9300-855	Debt Service Proceeds	-	-	6,250,000	4,000,000
661-4-9300-970	Insurance Recoveries	-	835	-	-
661-4-9300-980	Enterprise Fund Overhead	-	-	15,400	15,400
661-4-9300-990	Other Revenue	21,551	9,686	10,000	15,000
661-4-9300-992	Sale of Fixed Assets	-	81,834	-	-
661-4-9300-993	Facility Lease Fees	44,284	48,963	45,000	45,000
661-4-9300-996	Public Surplus Sales	4,078	6,099	3,000	1,000
661-4-9399-101	Loan Repay from GF	17,300	17,300	17,300	17,300
661-4-9399-xxx	Transfer In - impact Fee Fnd	-	15,151	-	-
Miscellaneous		124,407	237,791	6,985,370	4,107,700
Water		7,085,303	7,590,160	11,701,700	8,668,500
TOTALS		\$ 24,545,690	\$ 27,156,709	\$ 34,768,254	\$ 28,174,410



***EXPENDITURE
INFORMATION***



EXPENDITURES (ALL FUNDS)
2013/14 Budget



	General Fund	Restricted Funds	Restricted Capital Funds	Debt Service Funds	Utility Funds	All Funds	% Total
Legislative ⁽¹⁾	\$ 333,500	\$ -	\$ -	\$ -	\$ -	\$ 333,500	1.0%
Administrative ⁽²⁾	2,512,600	1,856,400	-	-	-	4,369,000	13.7%
Town Attorney & Court	574,700	-	-	-	-	574,700	1.8%
Police	4,539,500	31,100	77,200	-	-	4,647,800	14.6%
Fire	3,237,800	6,000	55,000	-	-	3,298,800	10.4%
Community Development ⁽³⁾	616,300	-	180,000	-	-	796,300	2.5%
Public Works	523,200	1,616,200	34,866	-	-	2,174,266	6.8%
Library	-	334,400	-	-	-	334,400	1.1%
Airport	-	185,800	-	-	-	185,800	0.6%
Rec. & Tourism	437,300	253,100	-	-	-	690,400	2.2%
Water	-	-	10,000	-	4,664,500.00	4,674,500	14.7%
Debts & Loans	17,300	-	-	656,100	720,200	1,393,600	4.4%
Capital Projects	-	761,600	1,018,300	-	5,915,500.00	7,695,400	24.2%
Transfers Out	360,500	174,400	0	141,510	-	676,410	2.1%
Total Expenditures	\$ 13,152,700	\$ 5,219,000	\$ 1,375,366	\$ 797,610	\$ 11,300,200	\$ 31,844,876	100.0%
% of Total	41.30%	16.39%	4.32%	2.50%	35.49%	100.00%	

⁽¹⁾ Legislative includes: Town Council and Town Clerk Departments

⁽²⁾ Administrative includes: Town Manager, Financial Services, Information Services, Human Resources, Other Governmental Services, Property Management, Centralized Services, and Self Insurance

⁽³⁾ Community Development includes: Planning & Zoning, Building, Housing



EXPENSE DETAIL—ALL FUNDS

Category	Description	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed
Salaries & Wages					
xxx-x-xxxx-xx 5001	Full Time Employees	7,293,637	7,312,167	7,707,700	7,685,000
xxx-x-xxxx-xx 5002	Part Time Employees	85,068	136,389	136,700	154,300
xxx-x-xxxx-xx 5003	Temporary Employees	22,710	34,488	56,700	51,800
xxx-x-xxxx-xx 5005	Paid On Call Employees	80,042	104,035	107,000	72,000
xxx-x-xxxx-xx 5006	Standby Pay	7,849	7,584	-	5,000
xxx-x-xxxx-xx 50xx	Misc Compensation	55,920	20,609	20,900	19,400
xxx-x-xxxx-xx 52xx	Overtime Compensation	661,638	553,950	579,600	662,000
xxx-x-xxxx-xx 5400	Stipends	4,308	671	4,000	4,000
xxx-x-xxxx-xx 5990	Shift Differential Pay	45,268	42,216	43,000	43,000
		8,256,440	8,212,109	8,655,600	8,696,500
Personnel Benefits					
xxx-x-xxxx-xx 5501	FICA	497,931	488,256	506,800	517,700
xxx-x-xxxx-xx 5504	Penisons & Retirement	1,053,450	1,158,729	1,507,100	1,700,900
xxx-x-xxxx-xx 5507	Firefighters Pension	3,284	-	-	-
xxx-x-xxxx-xx 5600	Deferred Compensation	9,137	8,760	8,800	8,900
xxx-x-xxxx-xx 5700	Health/Life Insurance	636,411	1,972,514	1,467,400	1,236,800
xxx-x-xxxx-xx 5800	Workers Comp Insurance	302,090	338,730	393,450	466,500
xxx-x-xxxx-xx 5701	Disability Insurance	13,669	11,000	11,750	12,800
xxx-x-xxxx-xx 5801	Unemployment Comp	25,461	7,838	15,000	12,000
xxx-x-xxxx-xx 5901	Uniform Allowance	49,078	48,689	57,700	59,700
		2,590,511	4,034,516	3,968,000	4,015,300
Supplies					
xxx-x-xxxx-xx 6001	Office Supplies	40,008	41,801	45,200	77,900
xxx-x-xxxx-xx 6002	Coffee Supplies	835	920	1,000	500
xxx-x-xxxx-xx 6003	Cleaning Supplies	13,032	14,350	17,500	15,900
xxx-x-xxxx-xx 6008	Chemicals	42,903	67,226	48,000	72,000
xxx-x-xxxx-xx 6100	Medical/Lab Supplies	15,620	17,781	16,500	15,700
xxx-x-xxxx-xx 6101	Canine Supplies	2,922	2,905	3,000	3,000
xxx-x-xxxx-xx 6102	Weapons/Training Supplies	13,538	14,663	15,000	15,000
xxx-x-xxxx-xx 6005	Safety Program Supplies	8,189	12,308	13,700	12,000
xxx-x-xxxx-xx 6006	Clothing/Uniforms	13,724	14,353	12,500	12,300
xxx-x-xxxx-xx 6007	PPE Equipment/Clothing	14,078	23,021	15,000	15,000
xxx-x-xxxx-xx 6010	Books, Maps & Periodicals	6,940	12,268	12,500	15,200
xxx-x-xxxx-xx 6011	Small Items of Equipment	47,546	57,804	82,700	71,700
xxx-x-xxxx-xx 6012	Communications Eq Supplies	19,221	13,347	14,000	8,000
xxx-x-xxxx-xx 6013	Computer Supplies	39,169	17,210	18,000	30,500
xxx-x-xxxx-xx 6016	Park Furnishing	-	-	-	11,000
xxx-x-xxxx-xx 6099	Other Supplies	-	-	200	-



EXPENSE DETAIL—ALL FUNDS

Category	Description	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed
xxx-x-xxxx-xx 6300	Motor Fuel	224,399	258,670	251,900	248,100
xxx-x-xxxx-xx 6301	Tires & Wheels	39,569	61,117	45,100	53,200
xxx-x-xxxx-xx 6302	Vehicle Supplies	63,827	119,472	106,000	105,400
xxx-x-xxxx-xx 6401	Drainage Supplies	8,045	24,782	50,000	50,000
xxx-x-xxxx-xx 6402	Street/Sidewalk Supplies	125,447	115,395	70,000	135,000
xxx-x-xxxx-xx 6201	Bldg Materials & Supplies	201,192	262,225	284,700	34,000
xxx-x-xxxx-xx 6400	Hdwr, Electric & Plumbing Sup	14,190	20,715	16,500	17,300
xxx-x-xxxx-xx 6900	Other Supplies	468	106	1,000	1,000
xxx-x-xxxx-xx 6014	Landscape Materials	9,410	8,177	6,000	10,500
xxx-x-xxxx-xx 6202	Misc R&M Supplies	126,136	125,123	152,200	209,000
xxx-x-xxxx-xx 6015	Signs	4,890	5,189	147,000	147,000
xxx-x-xxxx-xx 6602	Promotional Supplies	90,350	81,618	80,000	85,000
		1,185,648	1,392,546	1,525,200	1,471,200
<u>Services</u>					
xxx-x-xxxx-xx 6603	Election Services	-	165	200	200
xxx-x-xxxx-xx 7004	Compliance/Lab Analysis	58,046	35,427	58,000	65,000
xxx-x-xxxx-xx 7002	Accounting/Auditing Services	49,010	36,396	40,600	58,100
xxx-x-xxxx-xx 7100	Legal Services	30,853	26,652	145,000	40,000
xxx-x-xxxx-xx 7101	Indigent Defense	43,200	42,000	40,000	50,000
xxx-x-xxxx-xx 7102	Court Services	151,508	134,375	135,000	120,000
xxx-x-xxxx-xx 7103	Prosecution Services	600	423	1,500	1,500
xxx-x-xxxx-xx 7900	Other Professional Services	756,831	343,944	508,200	452,400
xxx-x-xxxx-xx 7104	Settlements	-	10,000	20,000	20,000
xxx-x-xxxx-xx 7005	Computer Software	53,918	20,768	26,700	32,600
xxx-x-xxxx-xx 7003	Computer Services	11,652	11,689	12,000	12,000
		1,155,618	661,839	987,200	851,800
<u>Utilities</u>					
xxx-x-xxxx-xx 7300	Electricity	607,807	623,305	659,000	674,500
xxx-x-xxxx-xx 7301	Propane Gas	37,168	40,676	40,200	48,700
xxx-x-xxxx-xx 7302	Water Service	33,635	42,417	40,400	45,000
xxx-x-xxxx-xx 7304	Sewer Service	13,679	10,202	15,200	12,800
xxx-x-xxxx-xx 7305	Garbage Service	18,618	19,970	24,200	25,700
xxx-x-xxxx-xx 7306	Telephone	242,652	241,838	243,900	259,500
xxx-x-xxxx-xx 7307	Postage	38,489	41,848	39,600	39,400
		992,048	1,020,256	1,062,500	1,105,600
<u>Travel</u>					
xxx-x-xxxx-xx 7600	Travel	26,898	30,927	46,200	41,500
xxx-x-xxxx-xx 7601	Registrations	38,899	30,258	35,100	34,500
		65,797	61,185	81,300	76,000
<u>Advertising & Publishing</u>					
xxx-x-xxxx-xx 6600	Public Relations	22,042	19,635	34,300	28,000
xxx-x-xxxx-xx 7907	Advertising	18,014	12,937	12,700	17,000
		40,056	32,572	47,000	45,000



EXPENSE DETAIL—ALL FUNDS

Category	Description	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed
Rentals					
xxx-x-xxxx-xx 7500	Land & Buildings	78,981	81,418	7,000	10,000
xxx-x-xxxx-xx 7501	Work Eq & Machine Rental	83	28	1,000	500
xxx-x-xxxx-xx 7502	Office Equipment Rental	21,836	21,768	29,100	33,900
		100,900	103,214	37,100	44,400
Insurance					
xxx-x-xxxx-xx 7903	Insurance	413,933	325,654	418,400	456,100
xxx-x-xxxx-xx 7904	Insurance Deductibles	1,546	8,312	5,000	3,000
xxx-x-xxxx-xx 7908	Insurance Premium	2,356,705	2,525,586	2,631,800	1,856,400
		2,772,184	2,859,552	3,055,200	2,315,500
Repair & Maintenance					
xxx-x-xxxx-xx 6200	Hydrant R&M	11,685	22,092	21,000	19,500
xxx-x-xxxx-xx 65xx	Water R&M	141,258	276,195	261,000	284,500
xxx-x-xxxx-xx 7400	Grounds R&M	75	-	100	100
xxx-x-xxxx-xx 7401	Bldg/Fixture R&M	33,295	49,693	44,300	42,700
xxx-x-xxxx-xx 7402	Office Equipment R&M	17,270	17,043	24,900	14,200
xxx-x-xxxx-xx 7403	Computer Equipment R&M	187,233	210,052	218,400	238,600
xxx-x-xxxx-xx 7404	Communication Eq R&M	22,713	28,348	54,100	336,500
xxx-x-xxxx-xx 7405	Work Equipment R&M	123,021	37,686	41,500	43,400
xxx-x-xxxx-xx 7406	Street Light R&M	-	82	2,000	2,600
xxx-x-xxxx-xx 7407	R & M Wells				15,000
		536,550	641,191	667,300	997,100
Miscellaneous					
xxx-x-xxxx-xx 6700	Dues & Memberships	39,540	43,092	46,900	50,200
xxx-x-xxxx-xx 6901	Taxes & Assessments	5,326	375	1,200	-
xxx-x-xxxx-xx 6903	Bank Fees	24,984	27,552	28,000	26,000
xxx-x-xxxx-xx 6905	Bad Debt	211	2,405	1,000	-
xxx-x-xxxx-xx 6009	Program Costs	138,850	135,225	185,400	185,800
xxx-x-xxxx-xx 7901	Vegetation Disposal	84	-	-	-
xxx-x-xxxx-xx 6904	Contingency	-	14	1,000	-
xxx-x-xxxx-xx 6990	Other Expense	26,514	52,995	102,100	38,200
xxx-x-xxxx-xx 6991	Other Expense-Law Enforce	15,751	7,969	8,000	8,000
xxx-x-xxxx-xx 6992	Other Expense-DARE	3,124	3,007	3,000	3,000
xxx-x-xxxx-xx 7001	Program Overhead	1,965	6,036	25,000	25,000
xxx-x-xxxx-xx 7700	Recycling Program	-	-	26,000	-
xxx-x-xxxx-xx 7902	Reimbursable Impound Costs	2,448	1,867	3,000	-
xxx-x-xxxx-xx 7905	Employee Insurance Expenses	40,574	-	-	-
xxx-x-xxxx-xx 7906	Law Enf. Property Purchase	328,477	861,680	2,000,000	-
xxx-x-xxxx-xx 7010	Plan Storage Boxes/Bldg Code	-	-	3,000	-
xxx-x-xxxx-xx 7910	Printing & Binding	23,896	27,451	29,400	26,200
xxx-x-xxxx-xx 7920	Hydrant Program	138	57	500	500
xxx-x-xxxx-xx 72xx	Councilmember Expenses	7,916	4,953	21,900	21,900



EXPENSE DETAIL—ALL FUNDS

Category	Description	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed
xxx-x-xxxx-xx 78xx	Erosion Program	29,590	-	-	-
xxx-x-xxxx-xx 791x	Grant Expenses	511,239	308,137	774,600	627,600
xxx-x-xxxx-xx 7952	Purchase Agreement	93,750	93,750	-	-
xxx-x-xxxx-xx 7990	Contribution to Other Agencies	365,450	243,816	205,200	191,600
xxx-x-xxxx-xx 9661	Repay Water Loan	17,300	17,300	17,300	17,300
		1,677,127	1,837,681	3,482,500	1,221,300
<u>Capital Outlay</u>					
xxx-x-xxxx-xx 8xxx	Airport Projects	39,945	321,624	480,000	679,100
xxx-x-xxxx-xx 8xxx	Building Improvements	9,885	-	-	-
xxx-x-xxxx-xx 8xxx	Fire Station #3	1,222,153	33,673	13,000	-
xxx-x-xxxx-xx 8xxx	Street Improvements	285,489	14,416	430,000	465,866
xxx-x-xxxx-xx 8xxx	Computer Software/Hardware	131	-	-	62,000
xxx-x-xxxx-xx 8xxx	Office Furniture	-	504	-	-
xxx-x-xxxx-xx 8xxx	Machinery & Equipment	69,004	173,316	230,500	160,000
xxx-x-xxxx-xx 8xxx	Vehicular Equipment	139,693	666,514	20,000	32,500
xxx-x-xxxx-xx 8xxx	Improvement Districts	-	-	450,000	-
xxx-x-xxxx-xx 8xxx	Miscellaneous	15,251	-	-	-
xxx-x-xxxx-xx 8xxx	Grant Funded Projects	84,053	59,891	320,700	284,500
xxx-x-xxxx-xx 8xxx	Economic Stimulus	3,412,147	-	4,250,000	-
xxx-x-xxxx-xx 8xxx	Water Projects	1,795,257	3,226,973	3,949,500	6,240,500
		7,073,008	4,496,911	10,143,700	7,924,466
<u>Debt Service</u>					
xxx-x-xxxx-xx 6901	Debt Service Fees	7,962	5,390	5,500	3,800
xxx-x-xxxx-xx 7950	Principal	1,185,311	1,251,435	1,432,600	970,900
xxx-x-xxxx-xx 7951	Interest	225,891	204,090	462,900	401,600
		1,419,164	1,460,915	1,901,000	1,376,300
<u>Depreciation</u>					
xxx-x-xxxx-xx 8005	Depreciation - Infrastructure	1,418,484	664,327	-	-
xxx-x-xxxx-xx 8100	Depreciation - Buildings	280,939	277,225	20,000	20,000
xxx-x-xxxx-xx 8101	Depreciation - Non Buildings	1,282,283	1,270,155	933,700	933,700
xxx-x-xxxx-xx 8104	Depreciation - Furniture/Eq	5,206	4,599	5,200	5,200
xxx-x-xxxx-xx 8103	Depreciation - Vehicles	54,320	24,447	54,300	54,300
xxx-x-xxxx-xx 8102	Depreciation - Machinery/Eq	405,251	425,176	8,800	8,800
xxx-x-xxxx-xx 82xx	Amortization	5,940	5,940	6,000	6,000
		3,452,423	2,671,869	1,028,000	1,028,000



EXPENSE DETAIL—ALL FUNDS

Category	Description	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed
Transfers Out					
xxx-x-xxxx-xx	9101 To General Fund	-	336,992	105,249	119,510
xxx-x-xxxx-xx	9224 To Library	117,005	153,800	107,500	88,500
xxx-x-xxxx-xx	9260 To Airport				66,100
xxx-x-xxxx-xx	9265 To Event Center	10,950	57,690	90,600	90,700
xxx-x-xxxx-xx	9401 To Capital Projects	20,583	-	-	-
xxx-x-xxxx-xx	9402 To Equipment Repl Fund	-	4,639	-	-
xxx-x-xxxx-xx	9430 To Const Bonita St				9,200
xxx-x-xxxx-xx	9661 To Water Dept	-	15,151	-	-
xxx-x-xxxx-xx	98xx To Debt Service	235,818	402,454	622,605	302,400
xxx-x-xxxx-xx	9999 To Various	-	-	12,000	-
		384,356	970,726	937,954	676,410
TOTAL		31,701,830	30,457,082	37,579,554	31,844,876

EXPENSE SUMMARY BY CATEGORY—ALL FUNDS

Category	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed
Personnel Services/Benefits	10,846,951	12,246,625	12,623,600	12,711,800
Operating Expenditures	8,525,928	8,610,036	10,945,300	8,127,900
Debt Service	1,419,164	1,460,915	1,901,000	1,376,300
Capital Outlay	7,073,008	4,496,911	10,143,700	7,924,466
Other	3,452,423	2,671,869	1,028,000	1,028,000
Transfers Out	384,356	970,726	937,954	676,410
	31,701,830	30,457,082	37,579,554	31,844,876



DEPARTMENT DETAIL

Please Note:

Following the 2013/14 Goals established by each Division is a KRA (Key Result Area) code, highlighted in green, that ties that goal to the specific KRA within the Corporate Strategic Plan. This code is provided to illustrate the Division's efforts to set goals that advance the progress of the specific Division as well as satisfying the priorities of the Town as a whole.

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	108				
Town Manager	115				
Human Resources	122				
Economic Development	116				
Information Services	119				
Town Clerk	128				
Elections	131				
Property Management	154				
Centralized Supplies	157				
Other Government Services	160				
Medical Insurance	163				
Financial Services	148				
Courts	167				
Attorney - Administration	137				
Attorney - Civil	140				
Attorney - Prosecution	143				
Police - Communications	173				
Police - Operations	176	210/177	401/76 403/76		
Police - DOJ Fund & Various Grants		215/183			
Police - Animal Control	181				
Police - School Resource	182				
Fire - Operations	189	210/190	403/76		
Fire - Wildlands/Urban Program	193				
Public Works - Engineering	238				
Public Works - Parks Operations	242				
Public Works - Streets		202/246	430/77 434/77		
Public Works - Airport		260/251			
Rec & Tourism - Tourism Division	219	210/219 214/219	402/76		
Rec & Tourism - Trails & Open Spaces	225				
Rec & Tourism - Recreation Division	222				
Rec & Tourism - Event Center		265/229			
Rec & Tourism - Aquatics	232				
Community Dev - Planning & Zoning	200				
Community Dev - Building	203				
Community Dev - Affordable Housing			403/76		
Library		224/212			
Water - Administration				661/258	
Water - Accounting & Collections				661/259	
Water - Transmittion & Distribution				661/260	
Water - Operations & Maintenance				661/261	
Water - Resources				661/263	
Water - Production O&M				661/264	
Water - Green Valley Park Maintenance				661/265	

Water - WQARF							661/266	
Water - CC Cragin							662/77	
Water Capital Trust Fund					460/267			
General Debt Service								801/69
Westerly Rd Improvement District								812/69
Excise Tax Revenue Obl Series 2003								822/69
G.O. Bonds (Proj 2003) Series 2004								823/69

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**

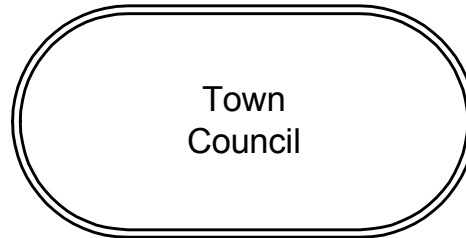




>>>TOWN COUNCIL<<<

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	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed
Town Council	72,003	113,444	118,300	102,300
Total Expenditures	72,003	113,444	118,300	102,300

. POSITION SUMMARY

	2012/13	2013/14
Town Council Members	7.0	7.0
Total Filled Positions	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.

2012/13 ACCOMPLISHMENTS

- ✓ **Establish clear policy direction and priorities for Town operations**
- ✓ **Provide 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**
- ✓ **Continue to evaluate Town services**

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



**2013/
2014
GOALS**

- ⇒ Established clear policy direction and priorities for Town operations **ALL KRAs**
- ⇒ Provide a safe, pleasant community for all citizens through aggressive public safety efforts and programs **KRA8**
- ⇒ Serve the Town through a variety of Town services designed to promote quality of life **KRA 5 & KRA6**
- ⇒ Respond to the needs of the community by promoting communications and accessibility **KRA4:5**
- ⇒ Value the tax dollar and maintain a fiscal policy that keeps taxes low **KRA2**
- ⇒ Incorporate safeguards to assure fairness and equitable treatment of all citizens **KRA8:4**

BUDGET CHANGES—3 YEARS

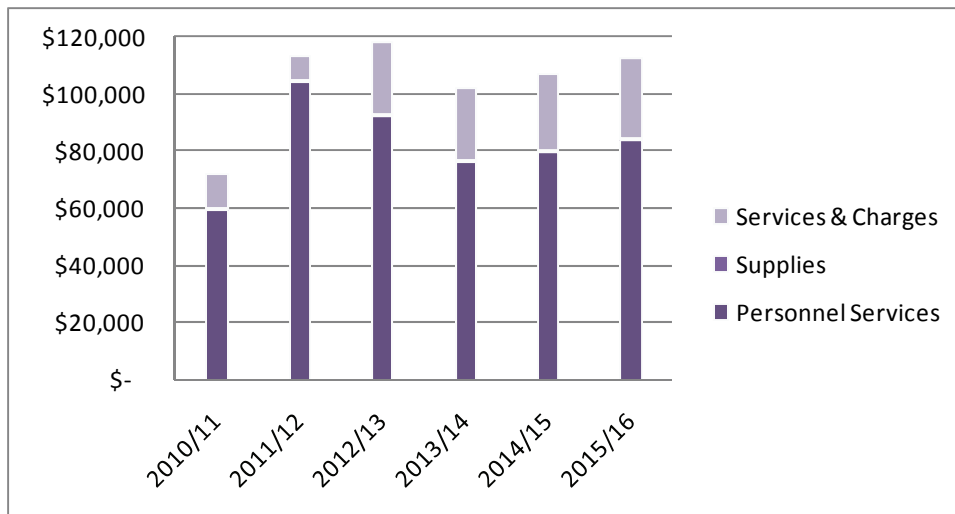
Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Salaries & Wages	45,128	46,800	3.7%	46,800	0.0%
Personnel Benefits	59,446	45,600	-23.3%	29,600	-35.1%
Supplies	407	500	22.9%	500	0.0%
Other Services & Charges	8,463	25,400	200.1%	25,400	0.0%
Total Town Council	113,444	118,300	4.3%	102,300	-13.5%

Significant budget changes:

- Reduction in Personnel Benefits is due to changes in the medical insurance plan

BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Personnel Services	\$ 59,913	104,574	\$ 92,400	\$ 76,400	\$ 80,220	\$ 84,231
Supplies	609	407	500	500	525	551
Services & Charges	11,481	8,463	25,400	25,400	26,670	28,004
Total Town Council	\$ 72,003	\$ 113,444	\$ 118,300	\$ 102,300	\$ 107,415	\$ 112,786





TOWN COUNCIL

		2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
SALARIES & WAGES					
101-5-1411-00-5001	Full Time Employees	47,079	45,128	46,800	46,800
	Total Salaries & Wages	47,079	45,128	46,800	46,800
PERSONNEL BENEFITS					
101-5-1411-00-5501	FICA	2,202	2,153	2,200	3,600
101-5-1411-00-5700	Health Insurance	10,500	57,149	43,200	25,800
101-5-1411-00-5800	Worker's Comp Insurance	132	144	200	200
	Total Personnel Benefits	12,834	59,446	45,600	29,600
SUPPLIES					
101-5-1411-00-6001	Office Supplies	338	407	500	500
101-5-1411-00-66xx	Public Relations	271	-	-	-
	Total Supplies	609	407	500	500
OTHER SERVICES & CHARGES					
101-5-1411-00-7306	Telephone Charges	3,565	3,510	3,500	3,500
101-5-1411-00-72xx	Council Member Expenses	7,916	4,953	21,900	21,900
	Total Other Services & Charge	11,481	8,463	25,400	25,400
TOTAL TOWN COUNCIL		72,003	113,444	118,300	102,300

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**

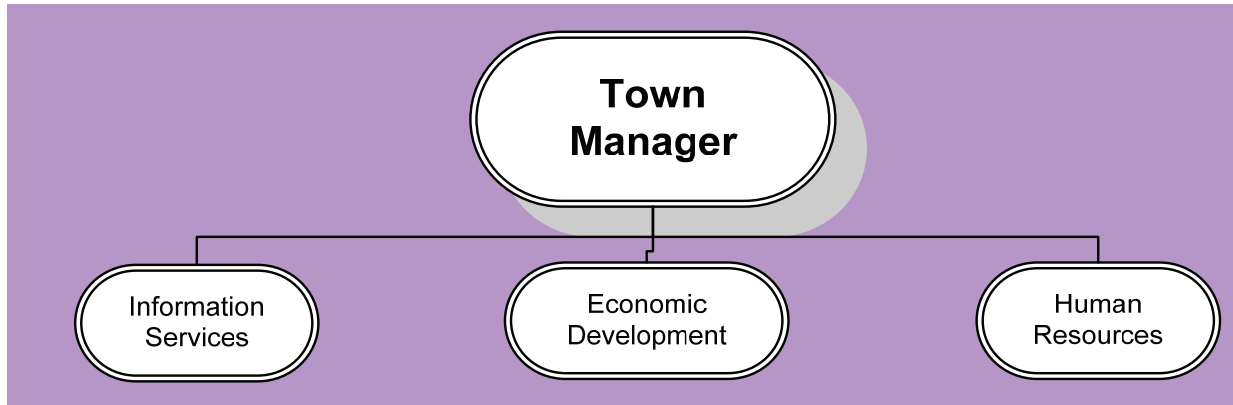




>>>TOWN MANAGER<<<

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	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed
Town Manager	172,466	177,710	175,200	177,000
Human Resources	172,990	164,307	180,300	224,300
Information Services	535,263	484,191	532,500	570,400
Economic Development	40,077	20,949	22,900	-
Total Expenditures	920,796	847,157	910,900	971,700

. POSITION SUMMARY

	2012/2013	2013/2014
Town Manager	1.0	1.0
Human Resources Manager	1.0	1.0
Human Resources Technician	-	1.0
Payroll Specialist	1.0	1.0
Information Services Manager	1.0	1.0
Information Services Technician	1.0	1.0
Total Filled Positions	5.0	6.0

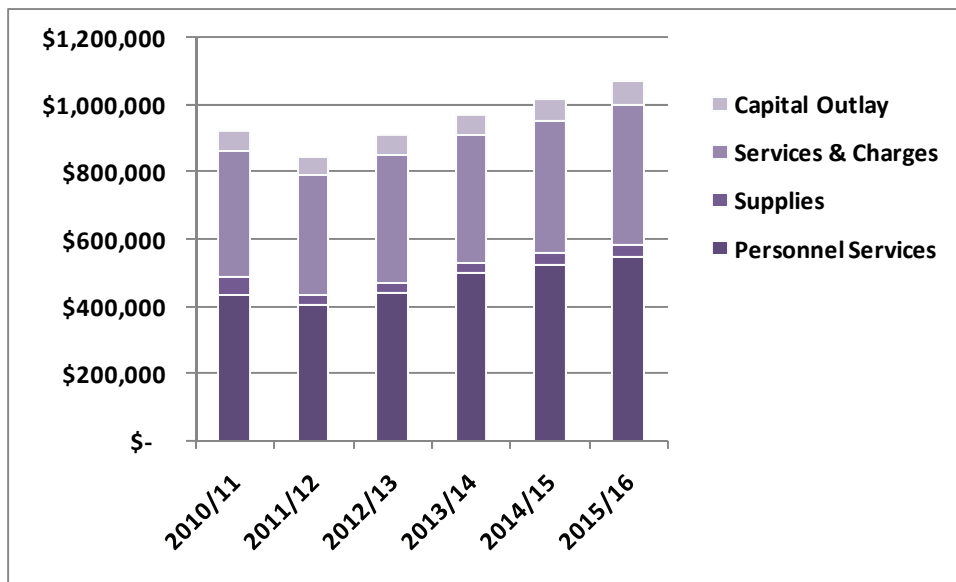


DEPARTMENT BUDGET CHANGES—3 YEARS

Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Salaries & Wages	307,421	342,300	11.3%	387,000	13.1%
Personnel Benefits	97,651	102,900	5.4%	112,300	9.1%
Supplies	30,664	28,700	-6.4%	33,400	16.4%
Other Services & Charges	354,756	378,500	6.7%	377,000	-0.4%
Capital Outlay	56,665	58,500	3.2%	62,000	6.0%
Total Town Manager	847,157	910,900	7.5%	971,700	6.7%

DEPARTMENT BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Personnel Services	\$ 437,556	405,072	\$ 445,200	\$ 499,300	\$ 524,265	\$ 550,478
Supplies	51,865	30,664	28,700	33,400	\$ 35,070	\$ 36,824
Services & Charges	374,910	354,756	378,500	377,000	\$ 395,850	\$ 415,643
Capital Outlay	56,463	56,665	58,500	62,000	\$ 65,100	\$ 68,355
Total Town Manager	\$ 920,794	847,157	\$ 910,900	\$ 971,700	\$ 1,020,285	\$ 1,071,299





**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

2012/13 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
- ✓ Served as Chair of the Central Arizona Association of Governments Management Committee
- ✓ Monitored Town budget performance weekly
- ✓ Created historic financial performance analysis
- ✓ Worked closely with the Rim Country Education Alliance (RCEA) on the campus project



**2013/
2014
GOALS**

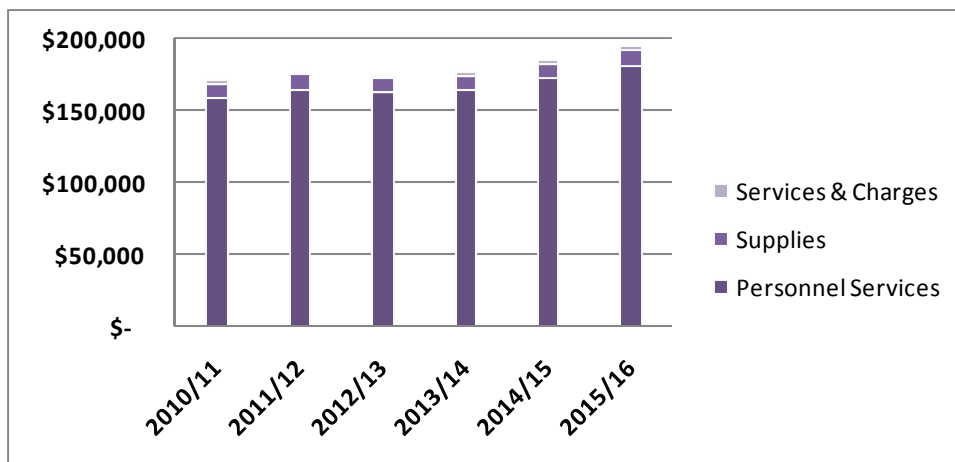
- ⇒ Continue to evaluate operational effectiveness and efficiency **KRA4**
- ⇒ Perform an in-depth analysis of all budgetary expenditures & modify as possible **KRA2:3**
- ⇒ Improve the budget process to include more analysis, better forecasting tools, more departmental participation, more transparency and ease of procedures **KRA2:3 & KRA2:4**
- ⇒ Continue to enhance transparency by redesigning the Town website and increasing its use as a source of public information **KRA2:4, KRA4:5 & KRA10:3**
- ⇒ Begin performance measurement program **KRA7:1 & KRA7:4**
- ⇒ Begin implementing the objectives set forth in the Corporate Strategic Plan
- ⇒ Continue to administer the financial aspects of the C.C. Cragin pipeline project **KRA3:3**
- ⇒ Continue to seek partnerships with, and provide assistance to, neighboring jurisdictions **KRA7:5**
- ⇒ Redesign the Leadership Academy **KRA7:4**
- ⇒ Design and implement an economic development program for northern Gila County area **KRA1**

DIVISION BUDGET CHANGES—3 YEARS

Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Salaries & Wages	127,423	127,000	-0.3%	128,700	1.3%
Personnel Benefits	37,137	37,100	-0.1%	36,600	-1.3%
Supplies	10,949	8,800	-19.6%	9,500	8.0%
Other Services & Charges	2,201	2,300	4.5%	2,200	-4.3%
Town Manager	177,710	175,200	-1.4%	177,000	1.0%

DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Personnel Services	\$ 159,855	164,560	164,100	165,300	\$ 173,565	\$ 182,243
Supplies	9,980	10,949	8,800	9,500	9,975	10,474
Services & Charges	2,633	2,201	2,300	2,200	2,310	2,426
Town Manager	\$ 172,468	\$ 177,710	\$ 175,200	\$ 177,000	\$ 185,850	\$ 195,143





TOWN MANAGER

		2010/11	2011/12	2012/13	2013/14
		ACTUAL	ACTUAL	BUDGET	PROPOSED
SALARIES & WAGES					
101-5-1405-00-5001	Full Time Employees	127,158	127,423	127,000	128,700
	Total Salaries & Wages	127,158	127,423	127,000	128,700
PERSONNEL BENEFITS					
101-5-1405-00-5501	FICA	8,450	8,620	9,300	9,700
101-5-1405-00-5504	Retirement	12,613	13,610	13,600	14,300
101-5-1405-00-5600	Deferred Compensation	9,137	8,760	8,800	8,900
101-5-1405-00-5700	Health/Life Insurance	1,774	5,428	4,700	2,900
101-5-1405-00-5701	Disability Insurance	372	322	300	300
101-5-1405-00-5800	Workers Compensation	351	397	400	500
	Total Personnel Benefits	32,697	37,137	37,100	36,600
SUPPLIES					
101-5-1405-00-6001	Office Supplies	1,461	3,433	2,000	1,500
101-5-1405-00-6600	Public Relations	4,452	3,256	6,000	6,000
101-5-1405-00-6700	Dues & Memberships	1,666	4,260	500	2,000
101-5-1405-00-6990	Other Expense	2,400	-	300	-
	Total Supplies	9,979	10,949	8,800	9,500
OTHER SERVICES & CHARGES					
101-5-1405-00-7306	Telephone Charges	626	686	800	700
101-5-1405-00-7600	Travel	815	1,305	1,000	1,000
101-5-1405-00-7601	Registrations	766	209	500	500
101-5-1405-00-7900	Other Professional Services	425	-	-	-
	Total Other Svcs & Charges	2,632	2,201	2,300	2,200
TOTAL TOWN MANAGER		172,466	177,710	175,200	177,000

**ECONOMIC DEVELOPMENT**

	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
SUPPLIES				
101-5-1405-01-6001 Office Supplies	41	32	100	-
101-5-1405-01-6700 Dues & Memberships	1,008	831	1,000	-
Total Supplies	1,049	863	1,100	-
OTHER SERVICES & CHARGES				
101-5-1405-01-7306 Telephone Charges	821	801	800	-
101-5-1405-01-7307 Postage	27	103	-	-
101-5-1405-01-7600 Travel	3,622	4,354	5,000	-
101-5-1405-01-7601 Registrations	958	829	1,000	-
101-5-1405-01-7900 Other Professional Services	33,600	13,999	15,000	-
Total Other Svcs & Charges	39,028	20,086	21,800	-
TOTAL ECONOMIC DEVELOPMENT	40,077	20,949	22,900	-

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.

2012/13 ACCOMPLISHMENTS

- ✓ **Designed and implemented Phase I offsite data storage**
- ✓ **Upgraded Backup Exec to 2010**
- ✓ **Configured New World for Hellsgate Fire—Mobile Access**
- ✓ **Began Water application upgrade**
- ✓ **Replaced eight desktops—started migration from XP to Win 7**
- ✓ **Continued web site improvement / development**
- ✓ **Continued upgrade of Symantec Endpoint application**
- ✓ **Designed and configured MS SharePoint test server**
- ✓ **Redesigned Town data and backup infrastructure**
- ✓ **Moved Legal to Town network**
- ✓ **Built second backup server for offsite data storage**

CONTACT INFORMATION

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

PHYSICAL LOCATION

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



2013/
2014
GOALS

- ⇒ Implement offsite disaster recovery solution **KRA10:2**
- ⇒ Replace secondary SAN hard drives, redesign storage structure **KRA10:2**
- ⇒ Develop intranet website / improve government website **KRA 4:5 & KRA10:3**
- ⇒ Install internet monitoring solution **KRA10:2**
- ⇒ Begin GIS planning for possible 2013/14 implementation **KRA10:2**
- ⇒ Further enhance VMWare capabilities to begin implementation in 2013/14 **KRA10:2**
- ⇒ Begin development of a test environment **KRA10:2**
- ⇒ Plan for implementation of document management solution using Microsoft Sharepoint **KRA10:2**
- ⇒ Upgrade Finance application **KRA2:3, KRA2:4 & KRA10:2**

DIVISION BUDGET CHANGES—3 YEARS

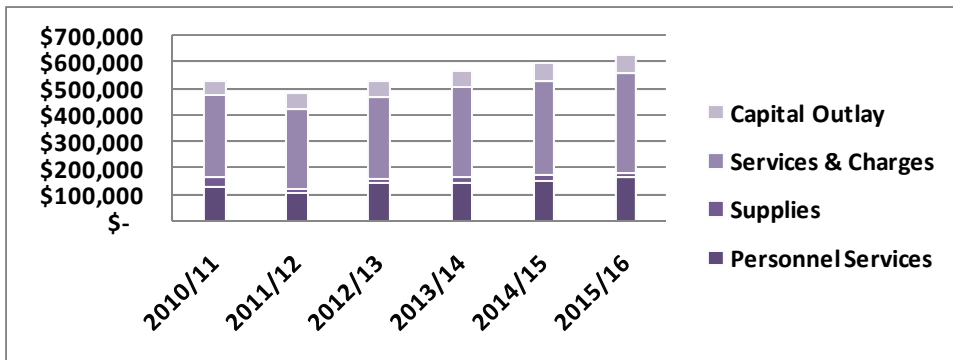
Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Salaries & Wages	84,740	120,500	42.2%	122,300	1.5%
Personnel Benefits	22,668	31,100	37.2%	29,800	-4.2%
Supplies	15,815	15,300	-3.3%	20,000	30.7%
Other Services & Charges	304,303	307,100	0.9%	336,300	9.5%
Capital	56,665	58,500	3.2%	62,000	6.0%
Total Information Services	484,191	532,500	10.0%	570,400	7.1%

Significant budget changes:

- Software and equipment upgrades that were postponed last year have been included in this year’s budget for Supplies

DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Personnel Services	\$ 132,667	107,408	151,600	\$ 152,100	\$ 159,705	\$ 167,690
Supplies	37,772	15,815	15,300	20,000	\$ 21,000	\$ 22,050
Services & Charges	308,360	304,304	307,100	336,300	\$ 353,115	\$ 370,771
Capital Outlay	56,463	56,665	58,500	62,000	\$ 65,100	\$ 68,355
Total Information Serv	\$ 535,262	484,192	\$ 532,500	\$ 570,400	\$ 598,920	\$ 628,866



**INFORMATION SERVICES**

	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
SALARIES & WAGES				
101-5-1408-00-5001 Full Time Employees	110,940	84,740	120,500	122,300
Total Salaries & Wages	110,940	84,740	120,500	122,300
PERSONNEL BENEFITS				
101-5-1408-00-5501 FICA	8,302	6,352	8,800	9,400
101-5-1408-00-5504 Retirement	10,278	9,237	13,100	13,800
101-5-1408-00-5700 Health/Life Insurance	2,541	6,597	8,500	5,800
101-5-1408-00-5701 Disability Insurance	307	219	300	300
101-5-1408-00-5800 Workers Compensation	299	262	400	500
Total Personnel Benefits	21,727	22,668	31,100	29,800
SUPPLIES				
101-5-1408-00-6001 Office Supplies	14	-	200	-
101-5-1408-00-6011 Small Tools & Minor Equipment	-	-	-	-
101-5-x408-0x-6013 Computer Equipment/Supplies	37,710	15,815	15,000	20,000
101-5-1408-00-6300 Vehicle Fuel	-	-	100	-
101-5-1408-00-6700 Dues & Memberships	49	-	-	-
Total Supplies	37,773	15,815	15,300	20,000
OTHER SERVICES & CHARGES				
101-5-1408-00-7005 Software Licensing	53,918	20,768	26,700	32,600
101-5-x408-0x-7306 Telephone Charges	78,297	77,319	73,000	90,000
101-5-1408-00-7307 Postage	-	-	-	100
101-5-1408-00-7401 Building R&M	-	6,981	-	-
101-5-x408-0x-7403 Computer Equipment R&M	172,588	192,735	201,400	208,600
101-5-1408-00-7600 Travel	175	-	500	-
101-5-1408-00-7601 Registrations	174	-	500	-
101-5-1408-00-7900 Other Professional Services	3,208	6,500	5,000	5,000
Total Other Svcs & Charges	308,360	304,303	307,100	336,300
CAPITAL OUTLAY				
101-5-1408-00-8004 Machinery & Equipment	-	4,940	-	-
101-5-2408-01-8004 Machinery & Equipment	56,463	51,725	58,500	62,000
Total Capital Outlay	56,463	56,665	58,500	62,000
TOTAL INFORMATION SERVICES	535,263	484,191	532,500	570,400



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 payroll functions, administration of employee and retiree benefits, personnel policies and procedures, recruitment, employee training and development, risk management and administration of safety programs and compliance.

2012/13 ACCOMPLISHMENTS

- ✓ **Coordinate MOM unit with annual wellness fair**
- ✓ **Coordinate health screenings and annual flu/pneumonia vaccines with APEHP**

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



**2013/
2014
GOALS**

- ⇒ Coordinate MOM unit with annual wellness fair **KRA7:2**
- ⇒ Coordinate health screenings and annual flu/pneumonia vaccines with APEHP **KRA7:2**
- ⇒ Fill vacant Payroll position within HR and fully train successful candidate **KRA7:4**
- ⇒ Attend Fall HIPAA training with Segal Company & APEHP regarding Healthcare Reform compliancy **KRA7:4**
- ⇒ Attend Fall seminar with Segal Company & ASRS regarding annual updates **KRA7:4**
- ⇒ Attend 2013 ASRS Employer Conference with ASRS regarding new Legislation updates **KRA7:4**
- ⇒ Attend ADOSH Water & Wastewater Safety Seminar with Water Department **KRA7:4**
- ⇒ Fully train HR Analyst in cross training of HR & Risk Management to provide adequate backup for both Payroll & HR departmental functions **KRA7:4**
- ⇒ Complete departmental meetings with Department Heads to review, revise and begin implementation of newly created job descriptions and career paths **KRA7:6**

DIVISION BUDGET CHANGES—3 YEARS

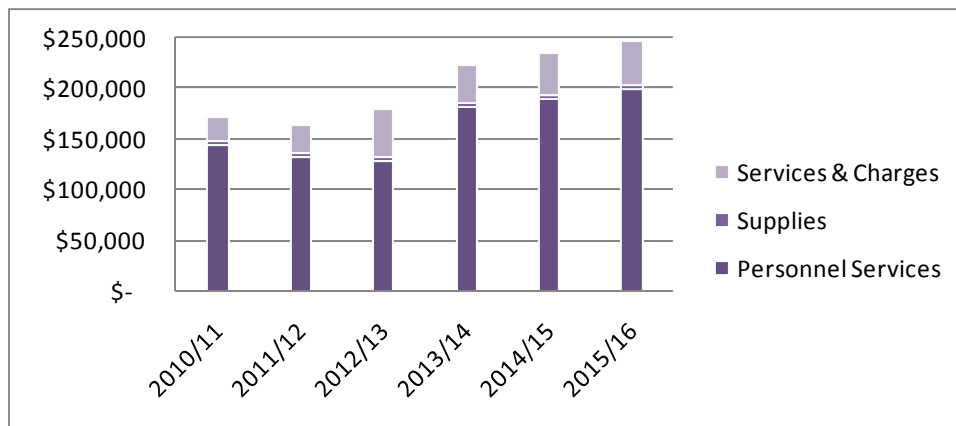
Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Salaries & Wages	95,258	94,800	-0.5%	136,000	43.5%
Personnel Benefits	37,846	34,700	-8.3%	45,900	32.3%
Supplies	3,037	3,500	15.2%	3,900	11.4%
Other Services & Charges	28,166	47,300	67.9%	38,500	-18.6%
Total Human Resources	164,307	180,300	9.7%	224,300	36.5%

Significant budget changes:

- Salaries & Personnel Benefits increased due to the addition of HR Technician position

DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Personnel Services	\$ 145,034	133,104	\$ 129,500	\$ 181,900	\$ 190,995	\$ 200,545
Supplies	3,065	3,037	3,500	3,900	4,095	4,300
Services & Charges	24,890	28,166	47,300	38,500	40,425	42,446
Total Human Resource	\$ 172,989	\$ 164,307	\$ 180,300	\$ 224,300	\$ 235,515	\$ 247,291



**HUMAN RESOURCES**

	2010/11	2011/12	2012/13	2013/14
	ACTUAL	ACTUAL	BUDGET	PROPOSED
SALARIES & WAGES				
101-5-1406-00-5001 Full Time Employees	113,023	95,258	94,800	136,000
Total Salaries & Wages	113,023	95,258	94,800	136,000
PERSONNEL BENEFITS				
101-5-1406-00-5501 FICA	8,070	6,891	6,400	10,400
101-5-1406-00-5504 Retirement	8,874	10,171	10,300	15,400
101-5-1406-00-5700 Health/Life Insurance	14,492	20,243	17,500	19,200
101-5-1406-00-5701 Disability Insurance	262	240	200	300
101-5-1406-00-5800 Workers Compensation	314	300	300	600
Total Personnel Benefits	32,012	37,846	34,700	45,900
SUPPLIES				
101-5-1406-00-6001 Office Supplies	1,022	1,019	1,000	1,200
101-5-1406-00-6005 Operating Supplies	1,973	1,867	2,000	2,200
101-5-1406-00-6300 Gasoline/Fuels/Lubricant	-	151	300	-
101-5-1406-00-6700 Dues & Memberships	70	-	200	500
Total Supplies	3,065	3,037	3,500	3,900
OTHER SERVICES & CHARGES				
101-5-1406-00-7100 Legal Services	-	3,318	20,000	10,000
101-5-1406-00-7306 Telephone Charges	1,190	974	1,000	1,000
101-5-1406-00-7307 Postage	43	6	-	-
101-5-1406-00-7402 Office Equipment R&M	-	-	300	-
101-5-1406-00-7600 Travel Expenses	-	56	-	500
101-5-1406-00-7900 Other Professional Services	18,683	21,173	25,000	25,000
101-5-1406-00-7907 Advertising	4,377	2,640	1,000	2,000
101-5-1406-00-7910 Printing & Binding	597	-	-	-
Total Other Svcs & Charges	24,890	28,166	47,300	38,500
TOTAL HUMAN RESOURCES	172,990	164,307	180,300	224,300

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.

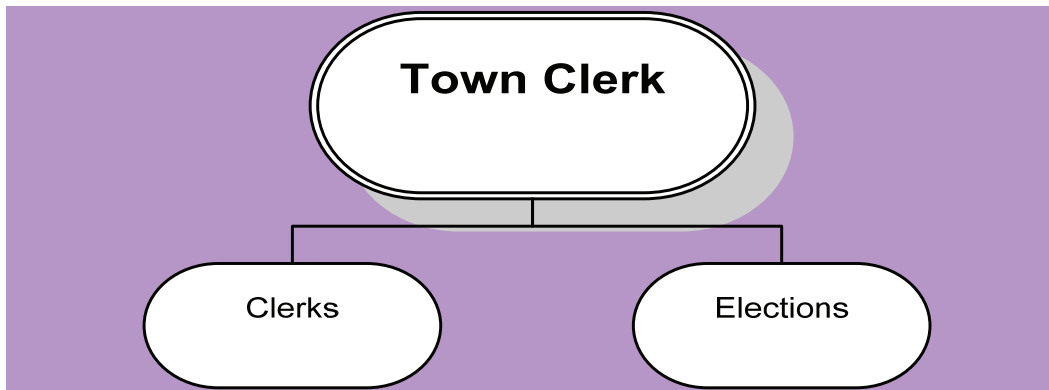
**Payson Town Hall
303 N. Beeline Highway
Payson, AZ 85541
928-474-5242**

**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	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed
Town Clerk	248,224	260,149	256,100	192,900
Elections	190	27,057	38,200	38,300
Total Department	248,414	287,206	294,300	231,200

. POSITION SUMMARY

	2012/13	2013/14
Town Clerk	1.0	1.0
Deputy Town Clerk	2.0	1.0
Total Filled Positions	3.0	2.0

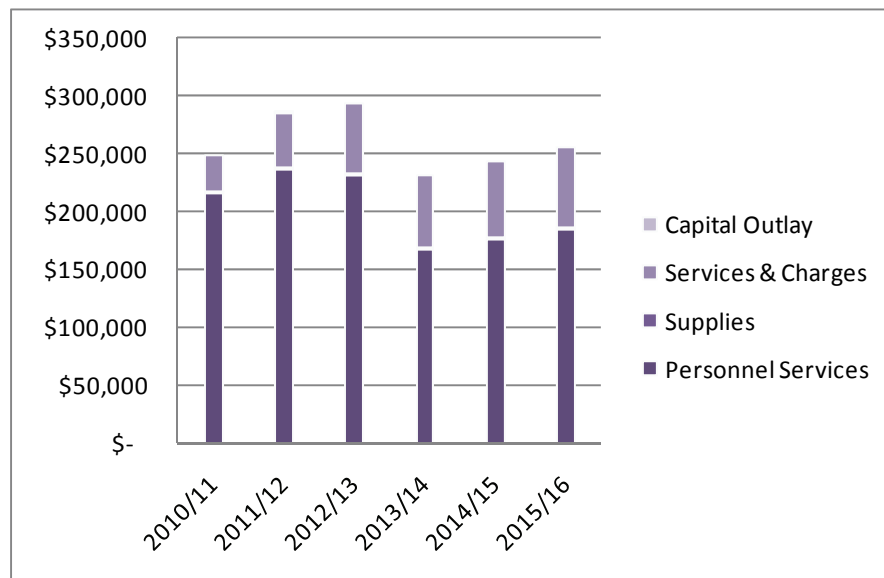


DEPARTMENT BUDGET CHANGES—3 YEARS

Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Salaries & Wages	177,212	176,200	-0.6%	135,000	-23.4%
Personnel Benefits	59,600	55,400	-7.0%	32,700	-41.0%
Supplies	1,526	1,700	11.4%	1,400	-17.6%
Other Services & Charges	48,365	61,000	26.1%	62,100	1.8%
Capital	504	-	-100.0%	-	0.0%
Total Town Clerk Dept.	287,207	294,300	2.5%	231,200	-21.4%

DEPARTMENT BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Personnel Services	\$ 217,061	\$ 236,812	\$ 231,600	\$ 167,700	\$ 176,085	\$ 184,889
Supplies	1,405	1,526	1,700	1,400	\$ 1,470	\$ 1,544
Services & Charges	29,948	48,365	61,000	62,100	\$ 65,205	\$ 68,465
Capital Outlay	-	504	-	-	-	-
Total Clerk Dept	\$ 248,414	287,207	\$ 294,300	\$ 231,200	\$ 242,760	\$ 254,898



**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.

2012/13 ACCOMPLISHMENTS

- ✓ **Produced 22 TOP Talk Programs with 78 guests**
- ✓ **Town Clerk and 2 Deputy Town Clerks attended AMCA Annual Business Meeting in July 2012**
- ✓ **Hired 1 full-time and 1 part-time receptionist / general clerk**



**2013/
2014
GOALS**

- ⇒ Continue to work with Town Attorney in the administrative cleanup of the Town Code **KRA4:3**
- ⇒ Continue to cross train staff **KRA7:4**
- ⇒ Produce 23 TOP Talk Programs increasing guests to 94 **KRA4:5**
- ⇒ Town Clerk to attend Secretary of State Election Official Certification **KRA7:4**
- ⇒ Deputy Town Clerk to attend Secretary of State Election Official Re-certification **KRA7:4**

DIVISION BUDGET CHANGES—3 YEARS

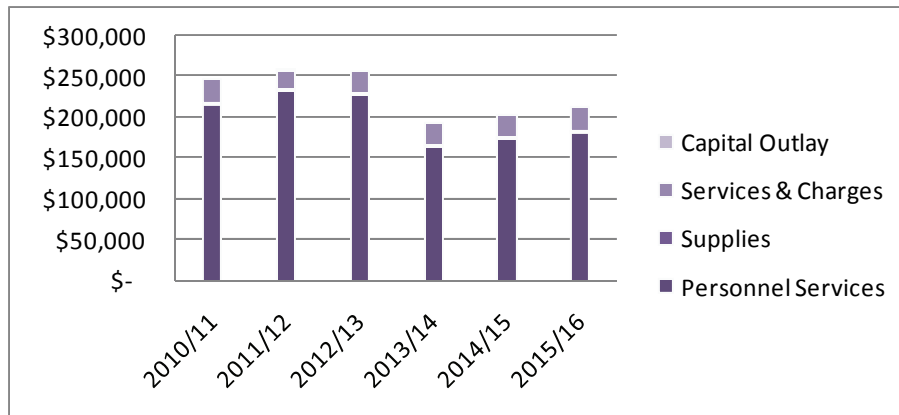
Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Salaries & Wages	175,127	174,200	-0.5%	132,900	-23.7%
Personnel Benefits	59,600	55,400	-7.0%	32,700	-41.0%
Supplies	1,361	1,500	10.2%	1,200	-20.0%
Other Services & Charges	23,558	25,000	6.1%	26,100	4.4%
Capital	504	-	-100.0%	-	0.0%
Total Town Clerk Division	260,150	256,100	-1.6%	192,900	-24.7%

Significant budget changes:

- In FY13/14, staffing in this division was reduced by one Deputy Town Clerk causing the change in Salaries & Wages and Personnel Benefits

DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

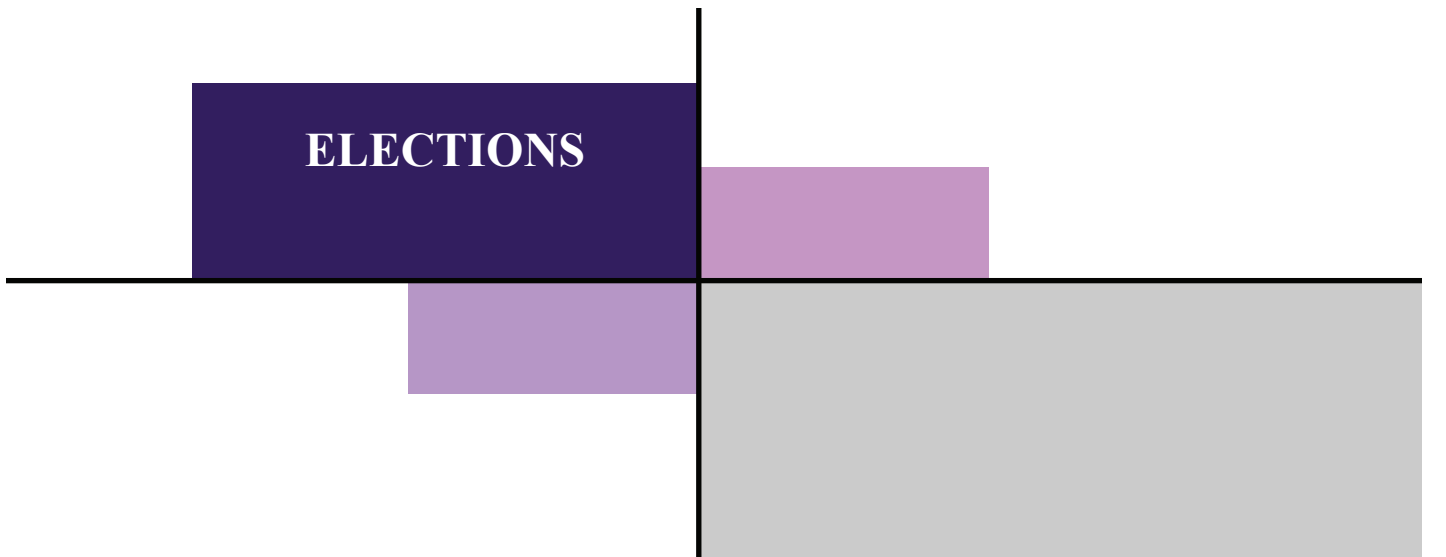
Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Personnel Services	\$ 217,061	234,726	\$ 229,600	\$ 165,600	\$ 173,880	\$ 182,574
Supplies	1,405	1,361	1,500	1,200	1,260	1,323
Services & Charges	29,758	23,558	25,000	26,100	27,405	28,775
Capital Outlay	-	504	-	-	-	-
Total Clerks	\$ 248,224	\$ 260,149	\$ 256,100	\$ 192,900	\$ 202,545	\$ 212,672





TOWN CLERK

		2010/11	2011/12	2012/13	2013/14
		ACTUAL	ACTUAL	BUDGET	PROPOSED
SALARIES & WAGES					
101-5-1402-00-5001	Full Time Employees	174,659	175,127	174,200	132,900
101-5-1402-00-5002	Part Time Employees	-	-	-	-
	Total Salaries & Wages	<u>174,659</u>	<u>175,127</u>	<u>174,200</u>	<u>132,900</u>
PERSONNEL BENEFITS					
101-5-1402-00-5501	FICA	12,637	12,849	12,100	10,200
101-5-1402-00-5504	Retirement	17,249	18,705	19,000	15,000
101-5-1402-00-5700	Health/Life Insurance	11,523	27,052	23,300	6,600
101-5-1402-00-5701	Disability Insurance	508	442	400	400
101-5-1402-00-5800	Workers Comp Insurance	485	552	600	500
	Total Personnel Benefits	<u>42,402</u>	<u>59,600</u>	<u>55,400</u>	<u>32,700</u>
SUPPLIES					
101-5-1402-00-6001	Office Supplies	892	944	800	800
101-5-1402-00-6700	Dues & Memberships	513	416	700	400
	Total Supplies	<u>1,405</u>	<u>1,361</u>	<u>1,500</u>	<u>1,200</u>
OTHER SERVICES & CHARGES					
101-5-1402-00-7003	Computer Services	11,652	11,689	12,000	12,000
101-5-1402-00-7306	Telephone	706	654	800	700
101-5-1402-00-7402	Office Equipment R&M	65	-	100	-
101-5-1402-00-7600	Travel	602	876	1,100	2,300
101-5-1402-00-7601	Registrations	718	519	1,000	1,100
101-5-1402-00-7900	Other Professional Services	5,045	3,422	5,000	5,000
101-5-1402-00-7907	Advertising	10,970	6,398	5,000	5,000
	Total Other Svcs & Charges	<u>29,758</u>	<u>23,558</u>	<u>25,000</u>	<u>26,100</u>
CAPITAL OUTLAY					
101-5-1402-00-8004	Office Furniture & Fixtures	-	504	-	-
	Total Capital Outlay	<u>-</u>	<u>504</u>	<u>-</u>	<u>-</u>
TOTAL TOWN CLERK		<u><u>248,224</u></u>	<u><u>260,149</u></u>	<u><u>256,100</u></u>	<u><u>192,900</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.

2012/13 ACCOMPLISHMENTS

✓ **Town Clerk and 2 Deputy Clerks attended 2012 Election Workshop in July 2012**

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

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



**2013/
2014
GOALS**

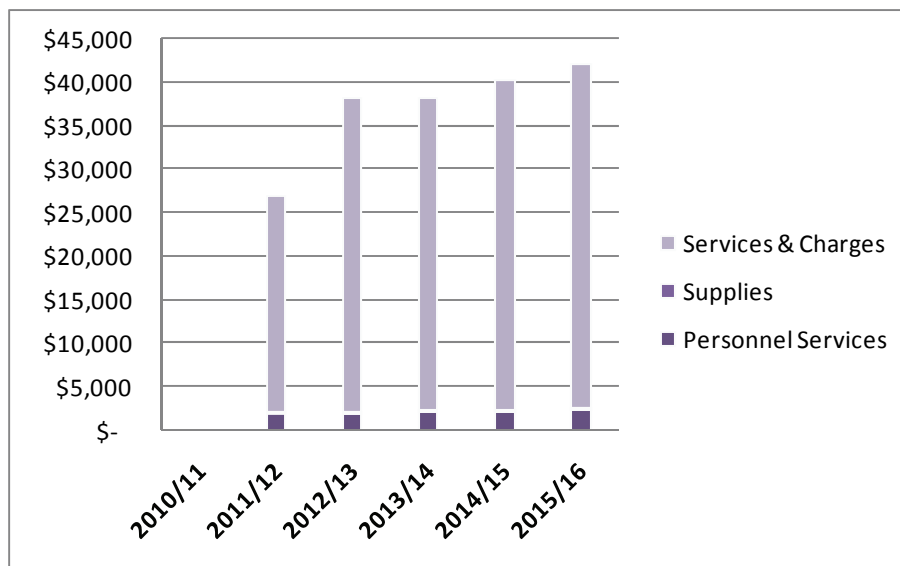
- ⇒ Work with the Arizona Municipal Clerks Association and AZ League of Arizona Cities in coordinating the change to consolidated election per new statute for election 2014
- ⇒ Attend the July 2013 Election Workshop **KRA7:4**

DIVISION BUDGET CHANGES—3 YEARS

Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Salaries & Wages	2,085	2,000	-4.1%	2,100	5.0%
Personnel Benefits	-	-	0.0%	-	0.0%
Supplies	165	200	21.2%	200	0.0%
Other Services & Charges	24,807	36,000	45.1%	36,000	0.0%
Total Elections	27,057	38,200	41.2%	38,300	0.3%

DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Personnel Services	\$ -	\$ 2,085	\$ 2,000	\$ 2,100	\$ 2,205	\$ 2,315
Supplies	-	165	200	200	210	221
Services & Charges	190	24,807	36,000	36,000	37,800	39,690
Total Election	\$ 190	\$ 27,057	\$ 38,200	\$ 38,300	\$ 40,215	\$ 42,226





ELECTIONS

	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
SALARIES & WAGES				
101-5-1403-00-5003 Temporary Employees	-	2,085	2,000	2,100
Total Salaries & Wages	-	2,085	2,000	2,100
SUPPLIES				
101-5-1403-00-6603 Elections	-	165	200	200
Total Supplies	-	165	200	200
OTHER SERVICES & CHARGES				
101-5-1403-00-7900 Other Professional Services	190	24,249	35,000	35,000
101-5-1403-00-7907 Advertising	-	558	1,000	1,000
Total Other Svcs & Charges	190	24,807	36,000	36,000
TOTAL ELECTIONS	190	27,057	38,200	38,300

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**

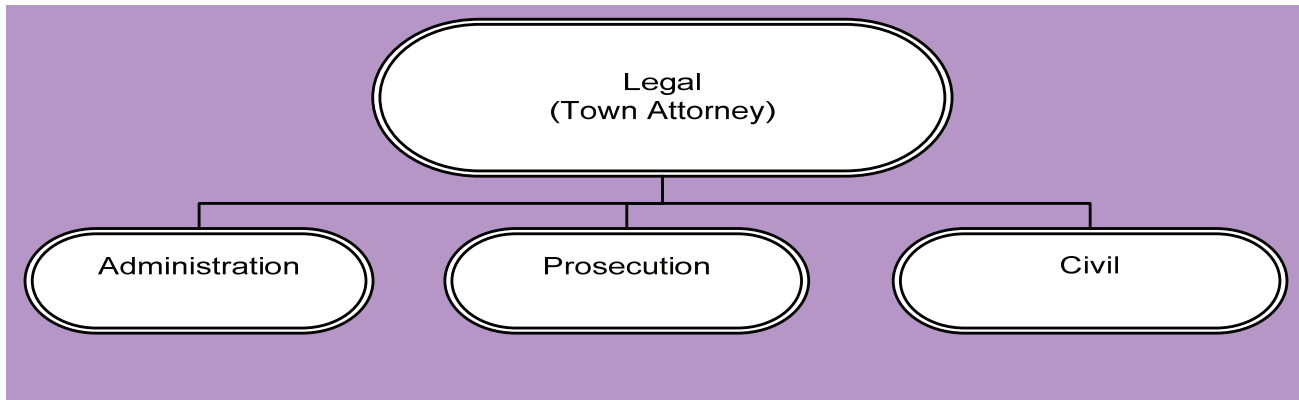
**Tim Wright—Town Attorney
twright@paysonaz.gov**





>>>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	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed
Town Attorney - Administration	67,300	40,282	42,500	81,400
Town Attorney - Civil	222,624	150,362	159,100	159,400
Town Attorney - Prosecution	129,494	142,694	147,300	120,800
Total Expenditures	419,418	333,338	348,900	361,600

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

. POSITION SUMMARY

	2012/13	2013/14	
Town Attorney	1.0	1.0	
Prosecutor	1.0	1.0	*
Paralegal	1.0	-	
Receptionist	-	1.0	
Office Manager	0.5	0.5	**
Victim Rights Assistant	-	0.5	***
Total Filled Positions	3.5	4.0	

- * In FY12/13 the Prosecutor position was funded for 32 hours per week
- ** Office Manager position filled with part-time employee pending economic recovery
- *** Victim Rights Assistant is a grant funded part-time position

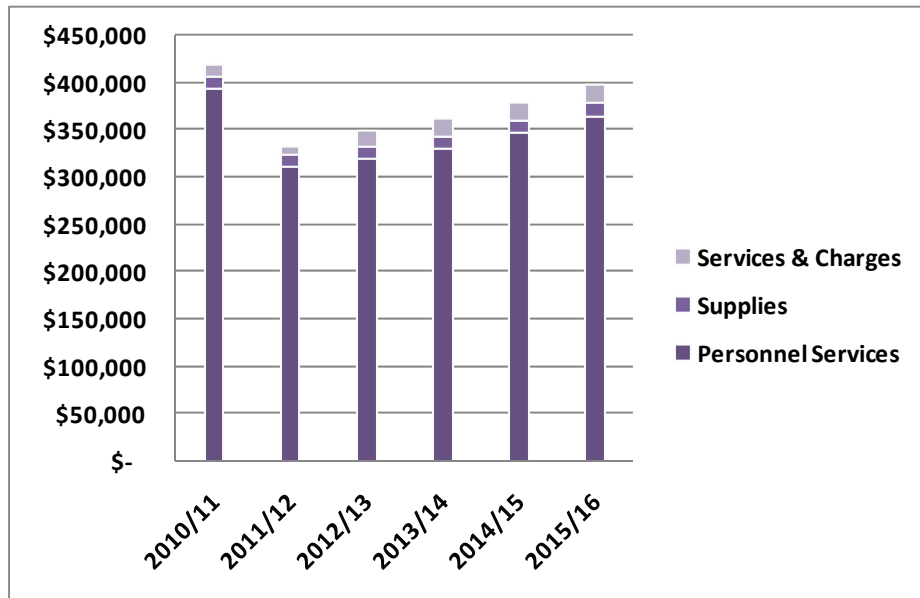


DEPARTMENT BUDGET CHANGES—3 YEARS

Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Salaries & Wages	244,489	250,200	2.3%	260,900	4.3%
Personnel Benefits	67,994	69,000	1.5%	70,300	1.9%
Supplies	12,356	13,300	7.6%	12,700	-4.5%
Other Services & Charges	8,499	16,400	93.0%	17,700	7.9%
Total Town Attorney	333,338	348,900	4.7%	361,600	3.6%

DEPARTMENT BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Personnel Services	\$ 394,180	\$ 312,483	\$ 319,200	\$ 331,200	\$ 347,760	\$ 365,148
Supplies	11,929	12,356	13,300	12,700	13,335	14,002
Services & Charges	13,309	8,499	16,400	17,700	18,585	19,514
Total Town Attorney	\$ 419,418	333,338	\$ 348,900	\$ 361,600	\$ 379,680	\$ 398,664





**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

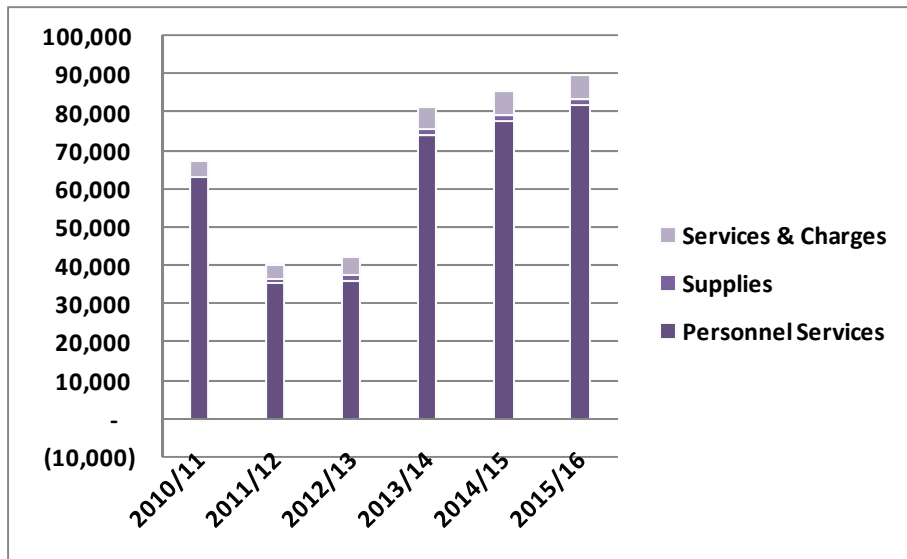
The Administrative division accounts for administrative expenses shared by the Civil and Prosecution Divisions.

Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Salaries & Wages	28,612	29,100	1.7%	55,500	90.7%
Personnel Benefits	7,066	7,200	1.9%	18,800	161.1%
Supplies	681	1,500	120.3%	1,500	0.0%
Other Services & Charges	3,923	4,700	19.8%	5,600	19.1%
Total Admin	40,282	42,500	5.5%	81,400	91.5%



DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Personnel Services	63,284	35,678	36,300	74,300	\$ 78,015	\$ 81,916
Supplies	(81)	681	1,500	1,500	1,575	1,654
Services & Charges	4,097	3,923	4,700	5,600	5,880	6,174
Total Admin	\$ 67,300	40,282	\$ 42,500	\$ 81,400	\$ 85,470	\$ 89,744



**ADMINISTRATION**

	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
SALARIES & WAGES				
101-5-1418-00-5001 Full Time Employees	51,455	22,916	22,800	49,200
101-5-1418-00-5002 Part Time Employees	1,596	5,696	6,300	6,300
Total Salaries & Wages	53,051	28,612	29,100	55,500
PERSONNEL BENEFITS				
101-5-1418-00-5501 FICA	3,515	2,117	2,100	4,400
101-5-1418-00-5504 Retirement	4,437	2,452	3,000	6,100
101-5-1418-00-5700 Health/Life Insurance	1,964	2,386	2,000	7,900
101-5-1418-00-5701 Disability Insurance	220	58	50	200
101-5-1418-00-5800 Workers Compensation	97	54	50	200
Total Personnel Benefits	10,233	7,066	7,200	18,800
SUPPLIES				
101-5-1418-00-6001 Office Supplies	(148)	211	300	300
101-5-1418-00-6010 Books & Periodicals	-	184	-	-
101-5-1418-00-6013 Computer Equipment/Supplies	-	28	-	-
101-5-1418-00-6201 Building Repair Materials	3	89	1,000	1,000
101-5-1418-00-6990 Other Supplies	64	169	200	200
Total Supplies	(81)	681	1,500	1,500
OTHER SERVICES & CHARGES				
101-5-1418-00-7300 Electricity Charges	1,966	1,698	2,000	2,000
101-5-1418-00-7301 Propane Gas Charges	924	1,118	1,000	1,200
101-5-1418-00-7401 Building Repair & Maintenance	298	409	1,200	1,200
101-5-1418-00-7402 Office Equipment R&M	687	313	500	1,200
101-5-1418-00-7600 Travel	-	10	-	-
101-5-1418-00-7601 Registrations	-	375	-	-
101-5-1418-00-7900 Other Professional Services	222	-	-	-
Total Other Services & Charges	4,097	3,923	4,700	5,600
TOTAL TOWN ATTORNEY	67,300	40,282	42,500	81,400

**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.

2012/13 ACCOMPLISHMENTS

- ✓ **Worked with Southwest Risk Services defending the Town in numerous litigation and pre-litigation matters**
- ✓ **Prepared 11 Ordinances and 37 Resolutions**
- ✓ **Assisted Department Heads and Human Resources with numerous employee discipline matters**
- ✓ **Presented Open Meeting Law Training to various Boards and Commissions**
- ✓ **Assisted with the contract negotiations regarding Solar Power at Town Hall and Fire Station 11**
- ✓ **Assisted with the contract drafting for the Bulk Surface Water Contract**
- ✓ **Drafted and/or reviewed numerous contracts for Town Departments and/or Council approval**
- ✓ **Advised the Community Development Department on the General Plan Update process**

**2013/
2014
GOALS**

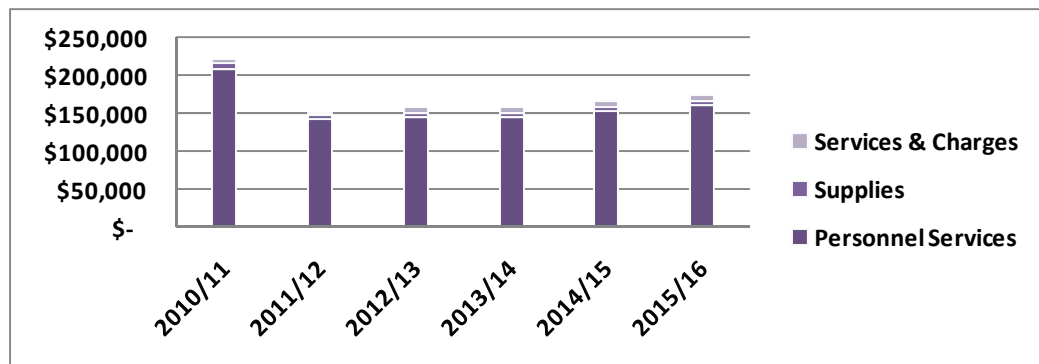
- ⇒ Continue to work with the Mayor, Council, staff, and RCEA to facilitate the location of a four year college campus in Payson **KRA1:3**
- ⇒ Continue working on obtaining ‘wet’ water from the C.C. Cragin Reservoir **KRA3:3**
- ⇒ Negotiate and draft various agreements and contracts as directed by the Town Council
- ⇒ Continue working to implement 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
- ⇒ Begin systematic review of the Town Code as directed by Council

BUDGET CHANGES—3 YEARS

Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Salaries & Wages	114,475	116,100	1.4%	118,300	1.9%
Personnel Benefits	28,969	29,900	3.2%	28,100	-6.0%
Supplies	5,043	5,200	3.1%	5,100	-1.9%
Other Services & Charges	1,875	7,900	321.3%	7,900	0.0%
Total Civil	150,362	159,100	5.8%	159,400	0.2%

BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Personnel Services	\$ 210,181	143,444	146,000	146,400	\$ 153,720	\$ 161,406
Supplies	5,720	5,043	5,200	5,100	5,355	5,623
Services & Charges	6,723	1,875	7,900	7,900	8,295	8,710
Total Civil	\$ 222,624	150,362	\$ 159,100	\$ 159,400	\$ 167,370	\$ 175,739





<u>CIVIL</u>	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
SALARIES & WAGES				
101-5-1418-01-5001 Full Time Employees	179,120	94,540	94,200	96,300
101-5-1418-01-5002 Part Time Employees	4,468	19,935	21,900	22,000
Total Salaries & Wages	183,588	114,475	116,100	118,300
PERSONNEL BENEFITS				
101-5-1418-01-5501 FICA	11,058	8,458	8,500	9,000
101-5-1418-01-5504 Retirement	11,538	10,110	12,200	12,900
101-5-1418-01-5700 Health/Life Insurance	3,330	9,928	8,600	5,600
101-5-1418-01-5701 Disability Insurance	298	239	300	200
101-5-1418-01-5800 Workers Compensation	369	234	300	400
Total Personnel Benefits	26,593	28,969	29,900	28,100
SUPPLIES				
101-5-1418-01-6001 Office Supplies	1,096	176	500	400
101-5-1418-01-6010 Legal Research Materials	3,564	3,807	3,500	3,600
101-5-1418-01-6700 Dues & Memberships	1,060	1,060	1,200	1,100
Total Supplies	5,720	5,043	5,200	5,100
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	300
101-5-1418-01-7307 Postage	239	91	100	100
101-5-1418-01-7600 Travel	1,330	1,105	1,500	1,500
101-5-1418-01-7601 Registrations	844	380	800	800
101-5-1418-01-7900 Other Professional Services	-	-	200	200
Total Other Services & Charges	6,723	1,875	7,900	7,900
TOTAL TOWN ATTORNEY	222,624	150,362	159,100	159,400

**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.

2012/13 ACCOMPLISHMENTS

- ✓ **Opened 533 new criminal case files, including 350 victim cases, 50 driving under the influence cases, and 156 domestic violence cases**
- ✓ **Represented the State at over 1200 PreTrial Conferences, Review Hearings, Sentencing Hearings, and/or Bench Trials**
- ✓ **Assisted with the creation of the Community Service Work Program for minor offenders (in coordination with the Court, Police, and Grounds Maintenance)**

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

2013/
2014
GOALS

- ⇒ Continue to create efficiencies as it is anticipated that the case numbers will increase with the addition of 5 Police Officers on the street **KRA4**
- ⇒ Continue to improve communications, interaction, and responsiveness to victims **KRA4:5 & KRA8:4**
- ⇒ Utilize new network connections with the Police Department to simplify Departmental Report receipts and facilitate easier / faster communications **KRA4**

BUDGET CHANGES—3 YEARS

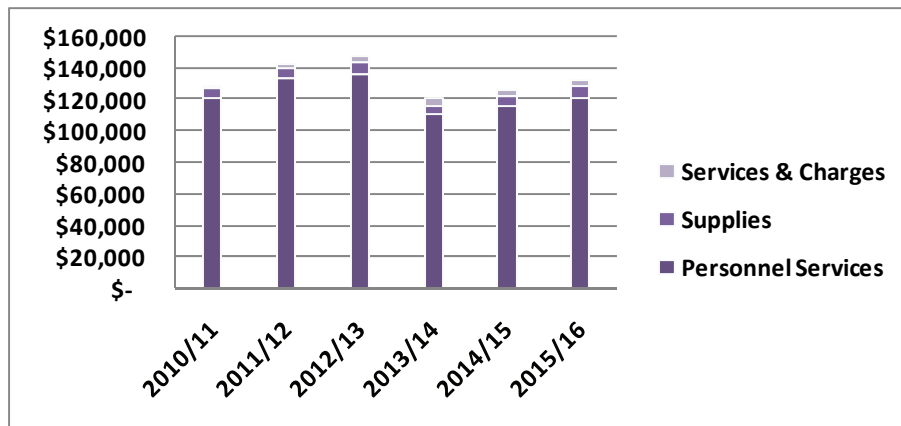
Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Salaries & Wages	101,402	105,000	3.5%	87,100	-17.0%
Personnel Benefits	31,959	31,900	-0.2%	23,400	-26.6%
Supplies	6,632	6,600	-0.5%	6,100	-7.6%
Other Services & Charges	2,701	3,800	40.7%	4,200	10.5%
Total Prosecution	142,694	147,300	3.2%	120,800	-18.0%

Significant budget changes:

- Decreases in Salaries and Personnel Benefits reflects the elimination of the Paralegal position as well as changes to the medical insurance plan
- A part-time grant funded Victims' Rights position was included in this year's budget

BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Personnel Services	\$ 120,715	133,361	136,900	110,500	\$ 116,025	\$ 121,826
Supplies	6,290	6,632	6,600	6,100	6,405	6,725
Services & Charges	2,489	2,701	3,800	4,200	4,410	4,631
Total Prosecution	\$ 129,494	142,694	\$ 147,300	\$ 120,800	\$ 126,840	\$ 133,182



**PROSECUTION**

	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
SALARIES & WAGES				
101-5-1418-02-5001 Full Time Employees	96,928	98,554	101,800	66,100
101-5-1418-02-5002 Part Time Employees	638	2,848	3,200	21,000
Total Salaries & Wages	<u>97,566</u>	<u>101,402</u>	<u>105,000</u>	<u>87,100</u>
PERSONNEL BENEFITS				
101-5-1418-02-5501 FICA	7,105	7,548	7,400	6,800
101-5-1418-02-5504 Retirement	8,558	10,453	11,400	9,700
101-5-1418-02-5700 Health/Life Insurance	7,037	13,397	12,600	6,300
101-5-1418-02-5701 Disability Insurance	223	247	200	300
101-5-1418-02-5800 Worker's Comp Insurance	226	314	300	300
Total Personnel Benefits	<u>23,149</u>	<u>31,959</u>	<u>31,900</u>	<u>23,400</u>
SUPPLIES				
101-5-1418-02-6001 Office Supplies	2,521	3,008	2,500	2,000
101-5-1418-02-6010 Legal Research Materials	3,309	3,164	3,500	3,600
101-5-1418-02-6700 Dues & Memberships	460	460	600	500
Total Supplies	<u>6,290</u>	<u>6,632</u>	<u>6,600</u>	<u>6,100</u>
OTHER SERVICES & CHARGES				
101-5-1418-02-7103 Prosecution Services	600	423	1,500	1,500
101-5-1418-02-7306 Telephone Charges	588	641	800	600
101-5-1418-02-7600 Travel	942	1,041	1,000	1,600
101-5-1418-02-7601 Registrations	359	597	500	500
Total Other Services & Charges	<u>2,489</u>	<u>2,701</u>	<u>3,800</u>	<u>4,200</u>
TOTAL TOWN ATTORNEY	<u><u>129,494</u></u>	<u><u>142,694</u></u>	<u><u>147,300</u></u>	<u><u>120,800</u></u>

FINANCIAL SERVICES

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

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

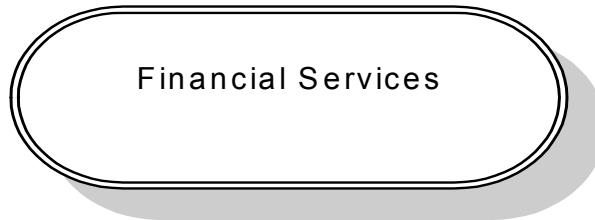
**Hope Cribb—Finance Manager
hcribb@paysonaz.gov**





>>>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	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed
Financial Services	217,423	341,599	331,800	332,300
Total Financial Serv Dept	217,423	341,599	331,800	332,300

. POSITION SUMMARY

	2012/13	2013/14
Finance Manager	1.0	1.0
Accountant II	1.0	1.0
Budget Analyst I	1.0	1.0
Senior Finance Clerk	1.0	1.0
Grants Coordinator	0.5	0.5
Total Filled Positions	4.5	4.5

*

* 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.

2012/13 ACCOMPLISHMENTS

- ✓ **Completed the 2011/2012 Audit**
- ✓ **Continued to receive professional awards and recognition:**
 - * **GFOA Certificate of Achievement for Excellence in Financial Reporting (fifteenth consecutive year)**
 - * **GFOA Distinguished Budget Presentation Award (fifteenth consecutive year)**
 - * **GFOA Certificate for the Popular Annual Financial Report (seventh year)**

CONTACT INFORMATION

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

PHYSICAL LOCATION

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



**2013/
2014
GOALS**

- ⇒ Ensure excellent fiscal management to maintain public trust **KRA2:4**
- ⇒ Continue to enhance utilization of financial system and develop applications to facilitate transparency **KRA2:4**
- ⇒ Monitor impact of economic conditions on current financial position of Town **KRA2:3**
- ⇒ Continue to strengthen internal controls by updating policies and providing training to employees **KRA7:4**
- ⇒ Continue to receive professional awards and recognition **KRA2:4**

BUDGET CHANGES—3 YEARS

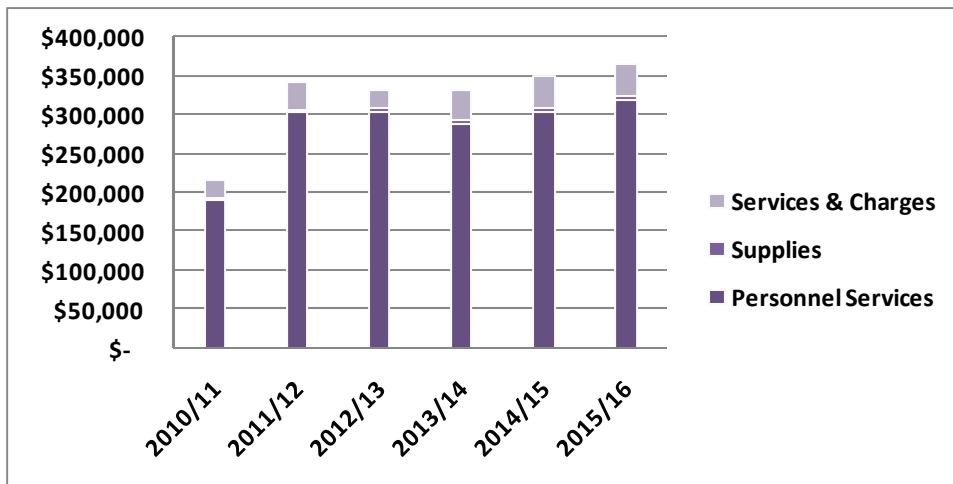
Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Salaries & Wages	232,533	236,800	1.8%	231,100	-2.4%
Personnel Benefits	70,679	67,400	-4.6%	57,600	-14.5%
Supplies	4,078	5,000	22.6%	4,500	-10.0%
Other Services & Charges	34,309	22,600	-34.1%	39,100	73.0%
Total Finance Services	341,599	331,800	-2.9%	332,300	0.2%

Significant budget changes:

- Reduction in Personnel Benefits is due to changes in the medical insurance plan
- Other Services for FY2013/14 includes expenditures for an actuarial study

BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Personnel Services	\$ 190,666	303,212	\$ 304,200	\$ 288,700	\$ 303,135	\$ 318,292
Supplies	2,887	4,078	5,000	4,500	\$ 4,725	\$ 4,961
Services & Charges	23,870	34,309	22,600	39,100	\$ 41,055	\$ 43,108
Total Financial Serv	\$ 217,423	341,599	\$ 331,800	\$ 332,300	\$ 348,915	\$ 366,361



**FINANCIAL SERVICES**

	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
SALARIES & WAGES				
101-5-1407-00-5001 Full Time Employees	151,124	188,799	193,200	196,100
101-5-1407-00-5002 Part Time Employees	345	43,734	43,600	35,000
Total Salaries & Wages	151,469	232,533	236,800	231,100
PERSONNEL BENEFITS				
101-5-1407-00-5501 FICA	11,044	17,306	16,900	17,700
101-5-1407-00-5504 Retirement	14,280	24,759	25,800	26,000
101-5-1407-00-5700 Health/Life Insurance	13,030	27,321	23,300	12,400
101-5-1407-00-5701 Disability Insurance	448	585	600	600
101-5-1407-00-5800 Workers Comp Insurance	395	709	800	900
Total Personnel Benefits	39,197	70,679	67,400	57,600
SUPPLIES				
101-5-1407-00-6001 Office Supplies	2,304	2,673	3,000	3,000
101-5-1407-00-6010 Books & Periodicals	68	-	500	-
101-5-1407-00-6700 Dues & Memberships	-	190	500	500
101-5-1407-00-6990 Other Expenses	515	1,215	1,000	1,000
Total Supplies	2,887	4,078	5,000	4,500
OTHER SERVICES & CHARGES				
101-5-1407-00-7002 Accounting/Auditing Services	19,604	14,559	15,100	35,300
101-5-1407-00-7306 Telephone	206	550	1,300	800
101-5-1407-00-7402 Office Equipment R&M	-	-	400	400
101-5-1407-00-7600 Travel	-	293	700	1,000
101-5-1407-00-7601 Registrations	85	-	600	600
101-5-1407-00-7900 Other Professional Services	3,945	18,908	4,000	1,000
101-5-1407-00-7910 Printing & Binding	30	-	500	-
Total Other Svcs & Charges	23,870	34,309	22,600	39,100
TOTAL FINANCE	217,423	341,599	331,800	332,300

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**

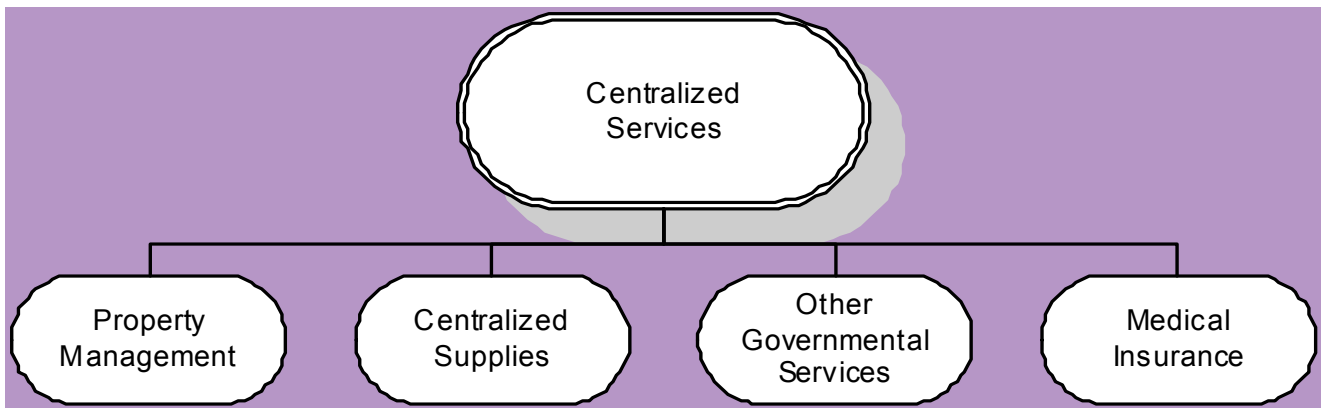




>>>CENTRAL SERVICES<<<

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	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed
Property Management	114,364	114,909	128,200	128,100
Centralized Supplies	57,905	54,729	59,300	106,600
Other Governmental Services	428,842	374,775	429,400	476,400
Medical Insurance	2,561,042	3,260,050	2,917,000	2,353,900
Total Department	3,162,153	3,804,463	3,533,900	3,065,000

. POSITION SUMMARY

	2011/12	2012/13
Receptionist	-	1.5
Total Filled Positions	0.0	1.5

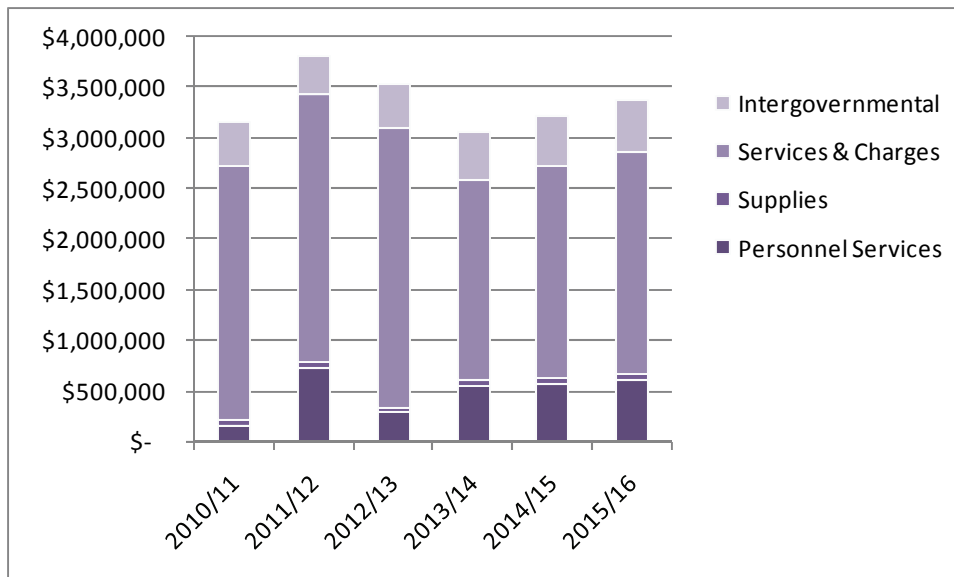


DEPARTMENT BUDGET CHANGES—3 YEARS

Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Salaries & Wages	-	-	0.0%	39,000	100.0%
Personnel Benefits	734,440	285,200	-61.2%	511,600	79.4%
Supplies	49,042	55,000	12.1%	49,600	-9.8%
Other Services & Charges	2,646,207	2,764,300	4.5%	1,988,400	-28.1%
Intergovernmental Services	374,775	429,400	14.6%	476,400	10.9%
Total Central Services	3,804,464	3,533,900	-7.1%	3,065,000	-13.3%

DEPARTMENT BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Personnel Services	\$ 160,934	\$ 734,440	\$ 285,200	\$ 550,600	\$ 578,130	\$ 607,037
Supplies	53,706	49,042	55,000	49,600	52,080	54,684
Services & Charges	2,518,671	2,646,207	2,764,300	1,988,400	2,087,820	2,192,211
Intergovernmental	428,842	374,775	429,400	476,400	500,220	525,231
Total Central Services	\$ 3,162,153	\$ 3,804,464	\$ 3,533,900	\$ 3,065,000	\$ 3,218,250	\$ 3,379,163





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.

2012/13 ACCOMPLISHMENTS

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



2013/
2014
GOALS

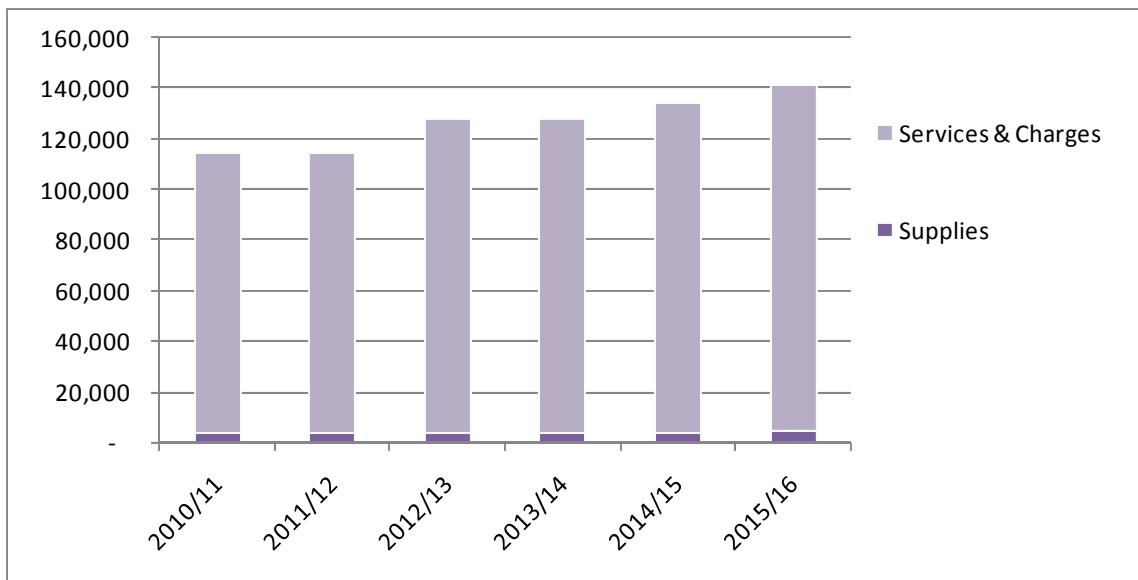
- ⇒ Operate facility in an efficient, cost effective manner **KRA3:4**
- ⇒ Maintain facility in a manner that ensures safety and minimizes risks to property and person **KRA3:4**

DIVISION BUDGET CHANGES—3 YEARS

Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Supplies	4,114	3,600	-12.5%	4,000	11.1%
Other Services & Charges	110,795	124,600	12.5%	124,100	-0.4%
Total Property Management	114,909	128,200	11.6%	128,100	-0.1%

DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

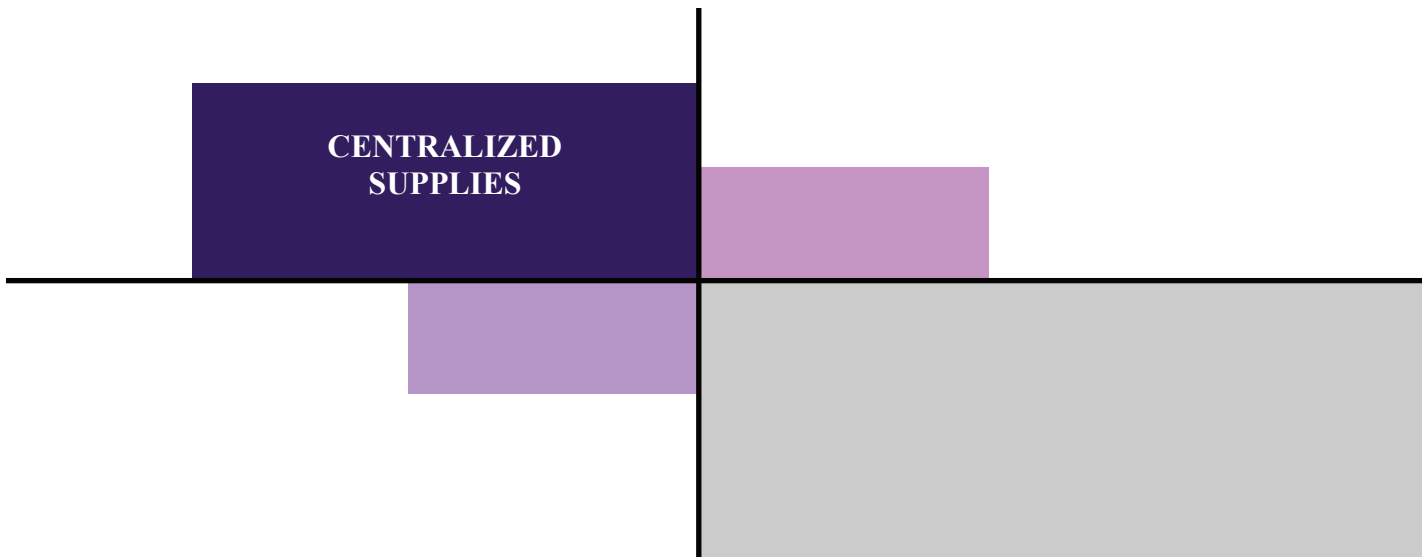
Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Supplies	3,744	4,114	3,600	4,000	4,200	4,410
Services & Charges	110,620	110,795	124,600	124,100	130,305	136,820
Total Property Mgmt	\$ 114,364	114,909	\$ 128,200	\$ 128,100	\$ 134,505	\$ 141,230





PROPERTY MANAGEMENT - TOWN HALL

	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
SUPPLIES				
101-5-1401-00-6001 Office Supplies	3,744	4,114	3,600	4,000
Total Supplies	3,744	4,114	3,600	4,000
OTHER SERVICES & CHARGES				
101-5-1401-00-7900 Other Professional Services	3,108	3,794	5,000	3,500
101-5-1401-00-7300 Electricity	22,771	21,893	23,000	23,000
101-5-1401-00-7301 Propane Gas	4,014	2,452	2,000	3,000
101-5-1401-00-7302 Water	566	693	600	1,000
101-5-1401-00-7304 Sewer	882	468	600	500
101-5-1401-00-7305 Refuse Disposal	780	700	800	600
101-5-1401-00-7306 Telephone	53,880	45,478	45,600	50,000
101-5-1401-00-7401 Building R&M	3,592	4,968	10,000	10,000
101-5-1401-00-7402 Office Equipment R&M	1,088	-	5,000	500
101-5-1401-00-7404 Equipment R&M	5,107	16,675	17,000	17,000
101-5-1401-00-7502 Leased Equipment	14,832	13,675	15,000	15,000
Total Other Svcs & Charges	110,620	110,795	124,600	124,100
TOTAL PROPERTY MGMT - TOWN HALL	114,364	114,909	128,200	128,100



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.

2012/13 ACCOMPLISHMENTS

- ✓ **Maintained office equipment in a manner that reduced downtime of critical functions**
- ✓ **Added two clerical staff members (one full time and one part time) available to assist various departments as needed**



2013/
2014
GOALS

- ⇒ **Maintain office equipment to avoid downtime of critical functions KRA10:2**
- ⇒ **Renegotiate banking fees to reduce costs and improve services provided KRA2:4**
- ⇒ **Continue investigation of options for telephone services to consolidate services and reduce costs KRA10:2**

DIVISION BUDGET CHANGES—3 YEARS

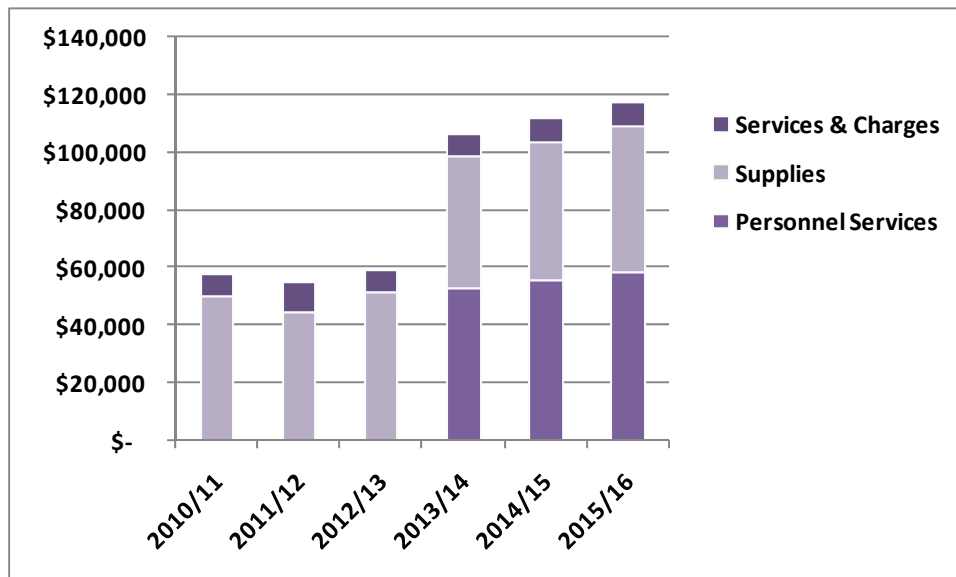
Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Personnel	-	-	0.0%	53,100	100.0%
Supplies	44,928	51,400	14.4%	45,600	-11.3%
Other Services & Charges	9,802	7,900	-19.4%	7,900	0.0%
Total Centralized Supplies	54,730	59,300	8.4%	106,600	79.8%

Significant budget change:

- In FY13/14, two Receptionist positions (one full time & one part time) were added to this division causing the increase in Personnel Services

DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

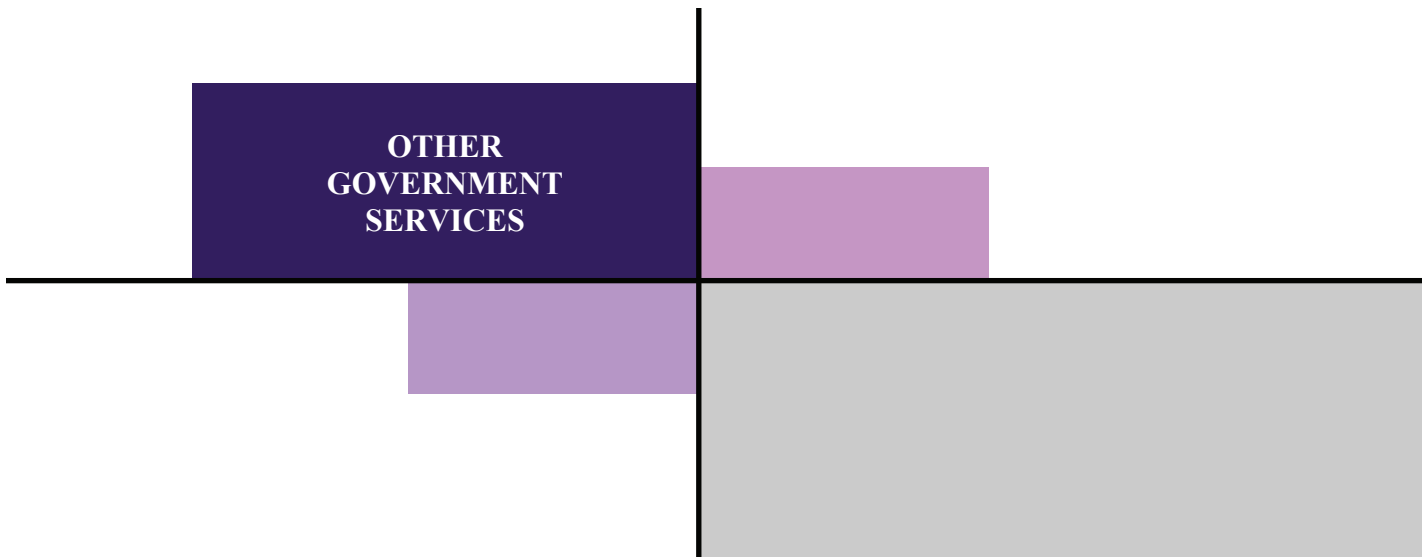
Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Personnel Services	\$ -	\$ -	\$ -	\$ 53,100	\$ 55,755	\$ 58,543
Supplies	49,962	44,928	51,400	45,600	47,880	50,274
Services & Charges	7,943	9,802	7,900	7,900	8,295	8,710
Total Centralized Supply	\$ 57,905	\$ 54,730	\$ 59,300	\$ 106,600	\$ 111,930	\$ 117,527





CENTRALIZED SERVICES

	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
SALARIES & WAGES				
101-5-1401-00-5001 Full Time Employees	-	-	-	26,000
101-5-1401-00-5002 Part Time Employees	-	-	-	13,000
Total Salaries & Wages	-	-	-	39,000
PERSONNEL BENEFITS				
101-5-1401-00-5501 FICA	-	-	-	3,000
101-5-1401-00-5504 Retirement	-	-	-	4,400
101-5-1401-00-5700 Health/Life Insurance	-	-	-	6,600
101-5-1401-00-5701 Disability Insurance	-	-	-	100
Total Personnel Benefits	-	-	-	14,100
SUPPLIES				
101-5-1401-00-6002 Coffee Supplies	835	920	1,000	500
101-5-1401-00-6003 Cleaning Supplies	1,186	1,484	1,200	1,200
101-5-1401-00-6005 Safety Supplies	-	-	-	200
101-5-1401-00-6011 Small Tools/Minor Equip	53	-	500	100
101-5-1401-00-6201 R & M Supplies Building	190	150	500	500
101-5-1401-00-6302 Repair/Maintenance Supplies	-	99	200	200
101-5-1401-00-6600 Public Relations	-	92	100	-
101-5-1401-00-6700 Dues & Memberships	19,002	21,002	24,400	21,900
101-5-1401-00-6901 Taxes & Fees	237	121	500	-
101-5-1401-00-6903 Banking Fees	24,984	21,108	23,000	21,000
101-5-1401-00-6990 Other Expenses	3,475	(48)	-	-
Total Supplies	49,962	44,928	51,400	45,600
OTHER SERVICES & CHARGES				
101-5-1401-00-7307 Postage	7,943	9,802	7,900	7,900
Total Other Svcs & Charges	7,943	9,802	7,900	7,900
TOTAL CENTRALIZED SUPPLIES	57,905	54,729	59,300	106,600



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.

2012/13 ACCOMPLISHMENTS

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



2013/
2014
GOALS

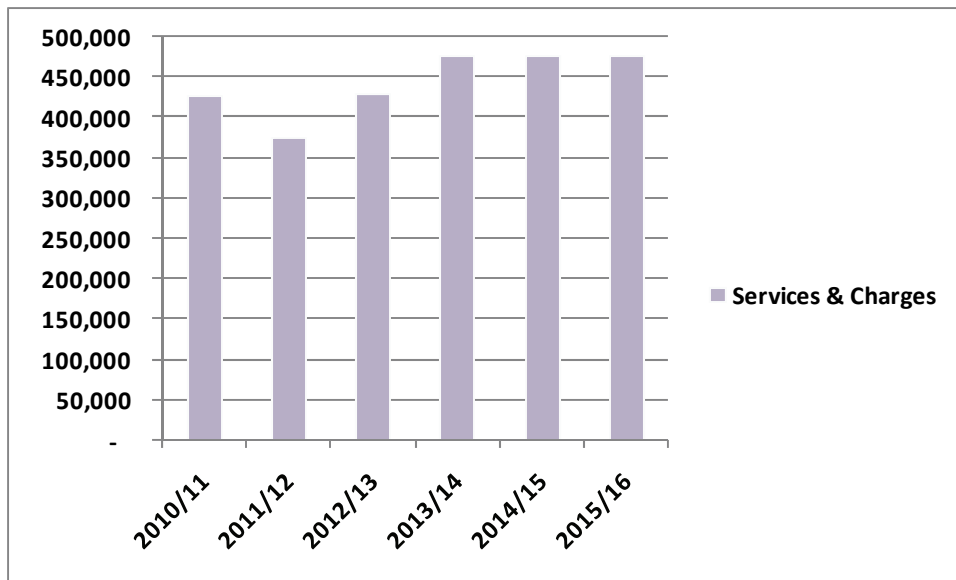
⇒ Continue to support funding to two not-for-profit agencies **KRA7:5**

DIVISION BUDGET CHANGES—3 YEARS

Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Intergovernmental Services	374,775	429,400	14.6%	476,400	10.9%
Total Other Govt'l Services	374,775	429,400	14.6%	476,400	10.9%

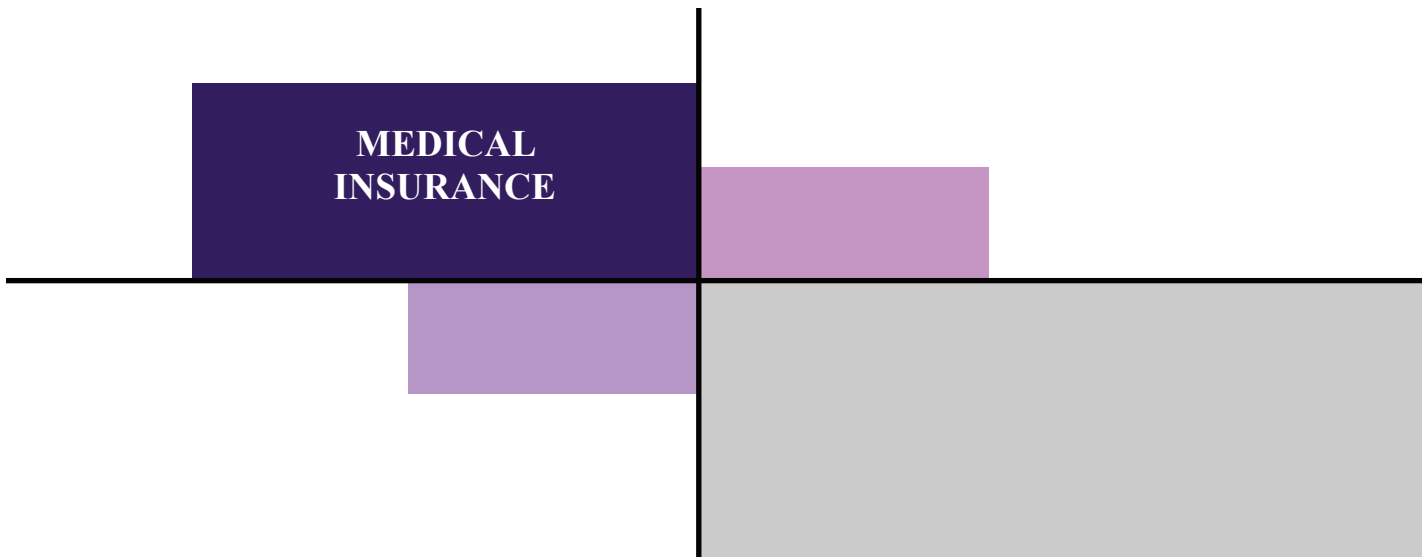
DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Services & Charges	428,842	374,775	429,400	476,400	476,400	476,400
Total Other Govt Serv	\$ 428,842	\$ 374,775	\$ 429,400	\$ 476,400	\$ 476,400	\$ 476,400



**OTHER GOVERNMENTAL SERVICES**

	<u>2010/11 ACTUAL</u>	<u>2011/12 ACTUAL</u>	<u>2012/13 BUDGET</u>	<u>2013/14 PROPOSED</u>
SERVICES & CHARGES(Intergovernmental)				
101-5-1401-00-7903 Property /Liability Insurance	310,646	240,063	288,000	337,000
101-5-1401-00-7904 Insurance Deductibles	1,546	8,312	5,000	3,000
101-5-1401-00-7104 Settlements	-	10,000	20,000	20,000
101-5-7401-03-7990 Contribution to Literacy	-	-	-	-
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	-	-	-	-
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	-	-	-	-
101-5-7401-03-7990 Contribution to Payson Helping Payson	250	-	-	-
101-5-7401-03-7990 Contribution to Big Brothers/Big Sisters	-	-	-	-
101-5-7401-03-7990 Contribution to St Vincent Food Bank	-	-	-	-
Total Services & Charges	<u>428,842</u>	<u>374,775</u>	<u>429,400</u>	<u>476,400</u>
 TOTAL OTHER GOVT'L SERVICES	 <u><u>428,842</u></u>	 <u><u>374,775</u></u>	 <u><u>429,400</u></u>	 <u><u>476,400</u></u>



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. The 2013/14 fiscal year also shows an overall decrease due to a reduction in the medical plan options offered to employees and retirees. This change reduced the employer premium contribution by limiting the medical insurance plans available to high deductible plans.

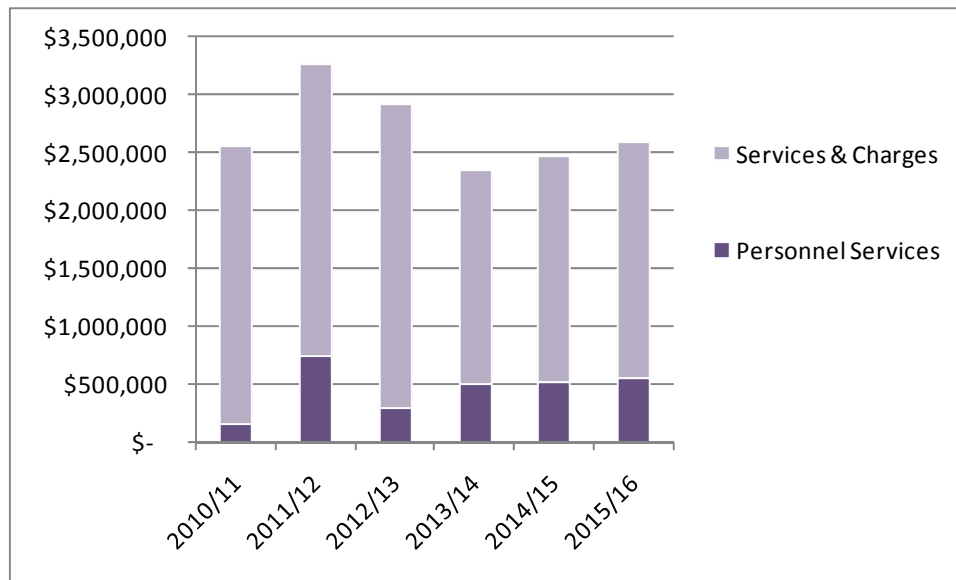
DIVISION BUDGET CHANGES—3 YEARS

Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Personnel Benefits	734,440	285,200	-61.2%	497,500	74.4%
Other Services & Charges	2,525,610	2,631,800	4.2%	1,856,400	-29.5%
Total Medical Insurance	3,260,050	2,917,000	-10.5%	2,353,900	-19.3%



DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Personnel Services	\$ 160,934	734,440	\$ 285,200	\$ 497,500	\$ 522,375	\$ 548,494
Services & Charges	2,400,108	2,525,610	2,631,800	1,856,400	1,949,220	2,046,681
Total Medical Insurance	\$ 2,561,042	\$ 3,260,050	\$ 2,917,000	\$ 2,353,900	\$ 2,471,595	\$ 2,595,175



**MEDICAL INSURANCE BENEFIT**

	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
PERSONNEL BENEFITS				
101-5-1401-00-5700 Health/Life Insurance	148,500	723,892	266,700	482,000
101-5-1401-00-5800 Workers Comp Insurance	2,273	2,710	3,500	3,500
290-5-1401-01-5800 Workers Comp Insurance	-	-	-	-
101-5-1401-00-5801 Unemployment Compensation	742	7,838	15,000	12,000
290-5-1401-01-5801 Unemployment Compensation	9,419	-	-	-
Total Personnel Benefits	<u>160,934</u>	<u>734,440</u>	<u>285,200</u>	<u>497,500</u>
OTHER SERVICES & CHARGES				
290-5-1401-01-7905 Insurance Claims	40,574	-	-	-
290-5-1401-01-7908 Insurance Premium	2,356,705	2,525,586	2,631,800	1,856,400
290-5-1401-01-7911 Program Admin	2,829	24	-	-
Total Other Svcs & Charges	<u>2,400,108</u>	<u>2,525,610</u>	<u>2,631,800</u>	<u>1,856,400</u>
TOTAL MEDICAL INSURANCE BENEFIT	<u><u>2,561,042</u></u>	<u><u>3,260,050</u></u>	<u><u>2,917,000</u></u>	<u><u>2,353,900</u></u>

MAGISTRATE COURT

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

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

Court statistics are available at www.azcourt.gov





>>>MAGISTRATE COURT<<<

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	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed
Magistrate Court	231,463	216,162	219,000	213,100
Total Expenditures	231,463	216,162	219,000	213,100

. POSITION SUMMARY

	2012/13	2013/14
None	0	0
Total Filled Positions	0	0

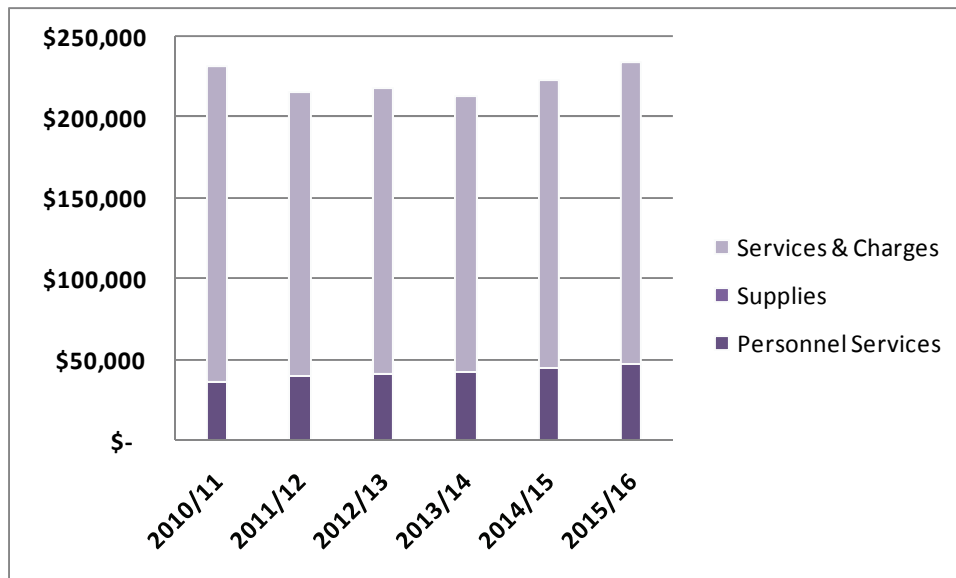


DEPARTMENT BUDGET CHANGES—3 YEARS

Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Salaries & Wages	36,917	38,000	2.9%	40,000	5.3%
Personnel Benefits	2,870	3,000	4.5%	3,100	3.3%
Supplies	-	-	0.0%	-	0.0%
Other Services & Charges	176,375	178,000	0.9%	170,000	-4.5%
Total Magistrate Court	216,162	219,000	1.3%	213,100	-2.7%

DEPARTMENT BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Personnel Services	\$ 36,755	39,787	\$ 41,000	\$ 43,100	\$ 45,255	\$ 47,518
Supplies	-	-	-	-	-	-
Services & Charges	194,708	176,375	178,000	170,000	178,500	187,425
Total Magistrate Court	\$ 231,463	\$ 216,162	\$ 219,000	\$ 213,100	\$ 223,755	\$ 234,943



**MAGISTRATE COURT**

	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
SALARIES & WAGES				
101-5-1416-00-5001 Full Time Employees	34,142	36,917	38,000	40,000
Total Salaries & Wages	<u>34,142</u>	<u>36,917</u>	<u>38,000</u>	<u>40,000</u>
PERSONNEL BENEFITS				
101-5-1416-00-5501 FICA	2,613	2,870	3,000	3,100
Total Personnel Benefits	<u>2,613</u>	<u>2,870</u>	<u>3,000</u>	<u>3,100</u>
SUPPLIES				
231-5-1416-00-6990 Other Supplies - JCEF	-	-	-	-
233-5-1416-00-6990 Other Supplies - FTG	-	-	-	-
Total Supplies	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER SERVICES & CHARGES				
101-5-1416-00-7002 Accounting & Auditing	-	-	3,000	-
101-5-1416-00-7101 Indigent Defense	43,200	42,000	40,000	50,000
101-5-1416-00-7102 Prof Service-Court Contract	151,508	134,375	135,000	120,000
101-5-1416-00-7600 Travel	-	-	-	-
Total Other Services & Charges	<u>194,708</u>	<u>176,375</u>	<u>178,000</u>	<u>170,000</u>
TOTAL MAGISTRATE COURT	<u><u>231,463</u></u>	<u><u>216,162</u></u>	<u><u>219,000</u></u>	<u><u>213,100</u></u>

POLICE DEPARTMENT

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

**Town of Payson Police Department
303 N. Beeline Highway
Payson, AZ 85541
928-474-5242 X220
www.paysonpolice.com**

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

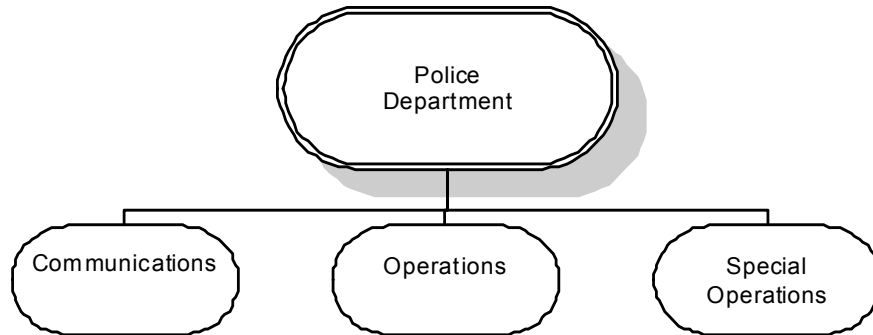




>>>POLICE DEPARTMENT<<<

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	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed
Communications	581,059	524,950	642,600	612,600
Operations	3,353,580	3,284,916	3,555,500	3,718,400
Special Operations	307,640	243,967	265,300	336,800
Total Expenditures	4,242,279	4,053,833	4,463,400	4,667,800

... . . . POSITION SUMMARY

	2012/13	2013/14
Police Chief	1.0	1.0
Lieutenant	1.0	1.0
Sergeant	5.0	5.0
Detective/Investigator I & II	3.0	3.0
Police Officer I & II	15.0	15.0
Special Enforcement Officer	2.0	2.0
Executive Assistant	1.0	1.0
Property & Equipment Manager	1.0	1.0
Records Clerk	2.0	2.0
Records Administrator	1.0	1.0
Communications Supervisor	1.0	1.0
Senior Dispatcher	1.0	1.0
Dispatchers	8.0	8.0
Animal Control	1.0	1.0
Total Filled Positions	43.0	43.0

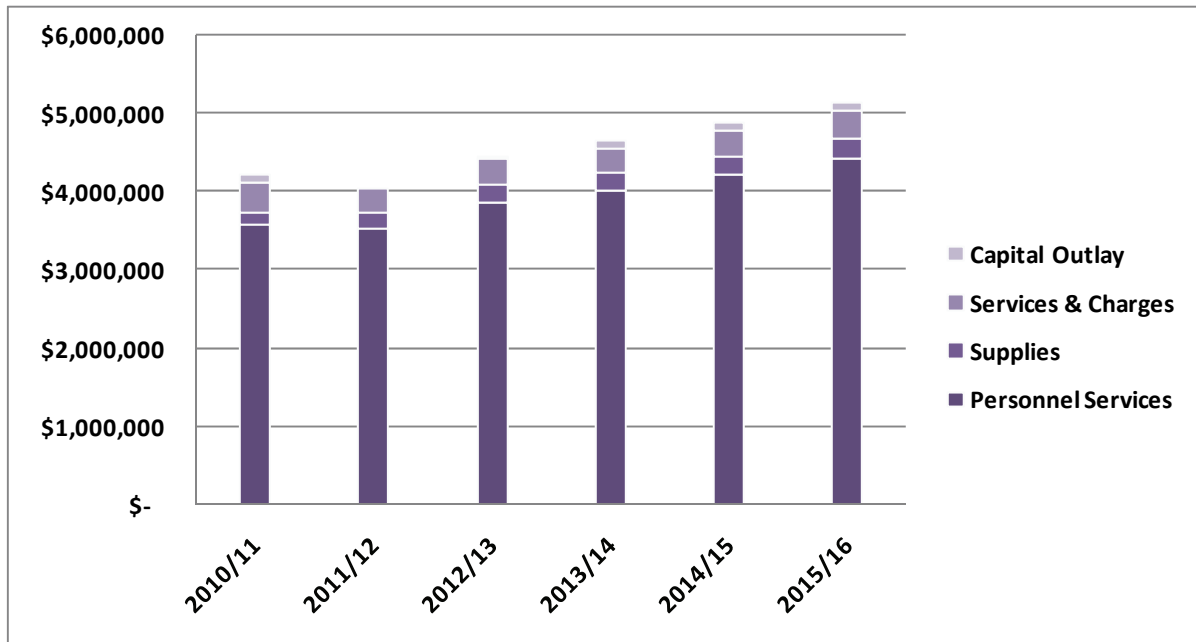


DEPARTMENT BUDGET CHANGES—3 YEARS

Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Salaries & Wages	2,364,969	2,566,200	8.5%	2,594,500	1.1%
Personnel Benefits	1,171,683	1,308,000	11.6%	1,438,200	10.0%
Supplies	216,965	224,600	3.5%	224,900	0.1%
Other Services & Charges	300,216	328,000	9.3%	313,000	-4.6%
Capital Outlay	-	36,600	100.0%	97,200	0.0%
Total Police Dept	4,053,833	4,463,400	10.1%	4,667,800	4.6%

DEPARTMENT BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Personnel Services	\$ 3,598,318	\$ 3,536,652	\$ 3,874,200	\$ 4,032,700	\$ 4,234,335	\$ 4,446,052
Supplies	159,857	216,965	224,600	224,900	236,145	247,952
Services & Charges	375,238	300,216	328,000	313,000	328,650	345,083
Capital Outlay	108,866	-	36,600	97,200	102,060	107,163
Total Police	\$ 4,242,279	\$ 4,053,833	\$ 4,463,400	\$ 4,667,800	\$ 4,901,190	\$ 5,146,250





**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.

2012/13 ACCOMPLISHMENTS

- ✓ **Work continues on the 9-1-1 Phase II upgrade and we are entering the final stages of completion**
- ✓ **Some upgrades completed to our mobile command center which now functions as a stand alone dispatch center. Additional upgrades will be completed to this equipment to speed up computer communications and surveillance capabilities during fiscal year 2013/14**

Contact Information

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

Www.paysonpolice.com

Physical Location

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

Donald Engler—Police Chief



**2013/
2014
GOALS**

- ⇒ The first priority for budget year 2013/14 will be to reacquire appropriate staffing levels. The dispatch center operated at staffing levels between 50 to 60% through most of 2012/13 **KRA7:1**
- ⇒ Continue work on developing our mobile command van as an alternative dispatch center which could be utilized to maintain communications for special events or a catastrophic situation **KRA8:2**
- ⇒ Complete upgrade of our 9-1-1 capabilities to Phase II which will allow us to obtain locations and call back numbers for wireless 9-1-1 calls **KRA8:2**

DIVISION BUDGET CHANGES—3 YEARS

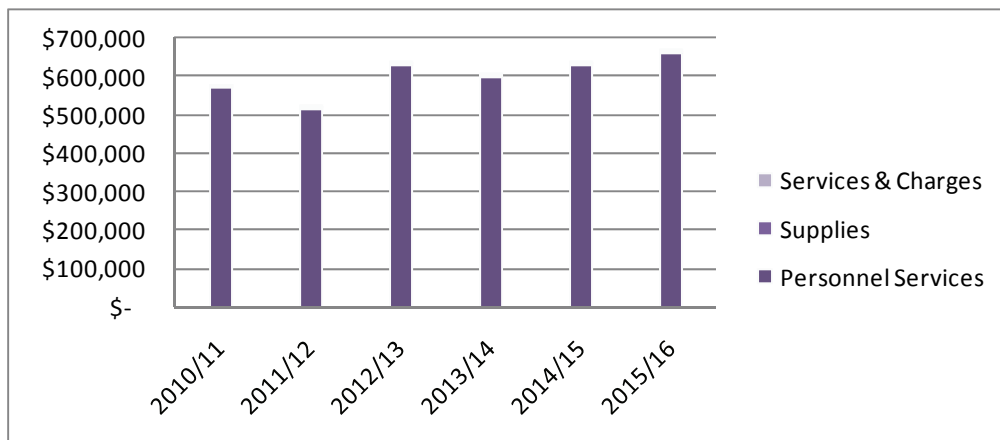
Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Salaries & Wages	392,632	466,400	18.8%	472,500	1.3%
Personnel Benefits	126,764	170,200	34.3%	133,700	-21.4%
Supplies	1,153	1,400	21.4%	1,400	0.0%
Other Services & Charges	4,401	4,600	4.5%	5,000	8.7%
Total Communications	524,950	642,600	22.4%	612,600	-4.7%

Significant budget changes:

- Personnel Benefits decreased due to changes in medical insurance premiums

DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Personnel Services	\$ 576,895	\$ 519,396	\$ 636,600	\$ 606,200	\$ 636,510	\$ 668,336
Supplies	1,570	1,153	1,400	1,400	1,470	1,544
Services & Charges	2,594	4,401	4,600	5,000	5,250	5,513
Total Communications	\$ 581,059	\$ 524,950	\$ 642,600	\$ 612,600	\$ 643,230	\$ 675,392





COMMUNICATIONS

	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
SALARIES & WAGES				
101-5-2421-00-5001 Full Time Employees	383,075	344,051	407,900	416,800
101-5-2421-00-520X Overtime Pay	69,957	36,499	46,500	43,700
101-5-2421-00-5990 Shift Differential	12,943	12,082	12,000	12,000
Total Salaries & Wages	<u>465,975</u>	<u>392,632</u>	<u>466,400</u>	<u>472,500</u>
PERSONNEL BENEFITS				
101-5-2421-00-5501 FICA	33,625	29,014	31,400	33,700
101-5-2421-00-5504 Retirement	45,649	40,890	50,800	49,800
101-5-2421-00-5700 Health/Life Insurance	28,885	54,800	85,200	47,100
101-5-2421-00-5701 Disability Insurance	1,294	965	1,200	1,200
101-5-2421-00-5800 Workers Comp Insurance	1,467	1,095	1,600	1,900
Total Personnel Benefits	<u>110,920</u>	<u>126,764</u>	<u>170,200</u>	<u>133,700</u>
SUPPLIES				
101-5-2421-00-6011 Small Tools/Minor Equipment	1,060	1,153	1,000	1,000
101-5-2421-00-6600 Public Relations	510	-	400	400
Total Supplies	<u>1,570</u>	<u>1,153</u>	<u>1,400</u>	<u>1,400</u>
OTHER SERVICES & CHARGES				
101-5-2421-00-7402 Office Equipment R&M	1,257	2,779	3,000	2,000
101-5-2421-00-7600 Travel	6	-	100	600
101-5-2421-00-7601 Registrations	25	25	100	600
101-5-2421-00-7900 Other Professional Services	1,306	1,597	1,400	1,800
Total Other Svcs & Charges	<u>2,594</u>	<u>4,401</u>	<u>4,600</u>	<u>5,000</u>
TOTAL COMMUNICATIONS	<u><u>581,059</u></u>	<u><u>524,949</u></u>	<u><u>642,600</u></u>	<u><u>612,600</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.

2012/13 ACCOMPLISHMENTS

- ✓ **Once again, the Payson Police Department was able to maintain operations within the constraints of the budget.**
- ✓ **We were able to begin the process of filling many of our current openings in the certified patrol division of the department by placing five qualified applicants in the police academy. This brings the department to a 96% staffing level within the certified ranks.**
- ✓ **Even though the certified officers continued to work at a reduced staffing level during the entirety of 2012/13, the Index Crime Rate figure only rose .03%. The current Index Crime Rate for the Town of Payson for 2012 is 43.1, which is based on the UCR reported crimes of 674.**



2013/
2014
GOALS

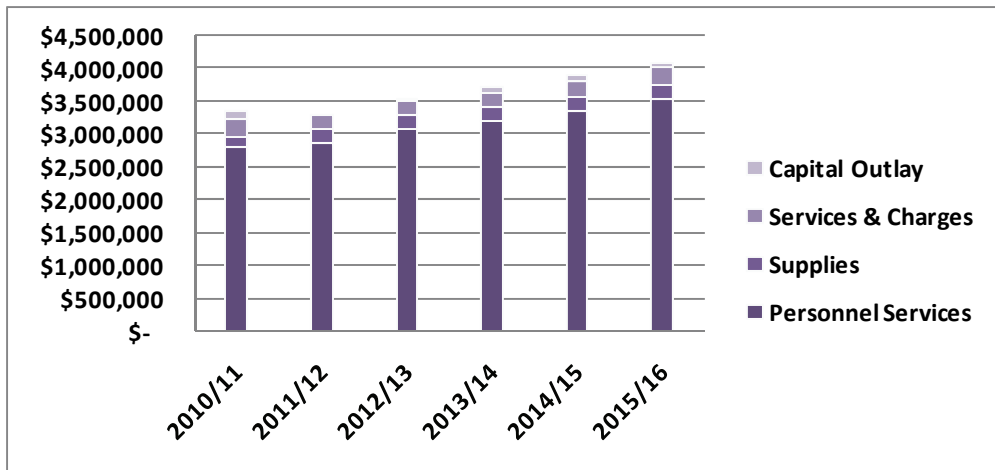
- ⇒ The Payson Police Department fell short of their most pressing goal for 2012/13, to re-implement the STEPS pay plan. However, the Town as a whole re-implemented the Merit raise program, allowing officers within the department, as well as other civilian employees, to be considered for a Merit increase. Therefore this would become the most pressing goal for 2013/14. **KRA7:1**
- ⇒ The process of attempting to reduce jail costs by utilizing as many cite and release options as possible continue to be in place and is working favorably towards the Town’s budget. This goal will remain in effect and we will set a new goal to address even more misdemeanor criminal activity in this manner. **KRA8:3 & KRA8:5**
- ⇒ Training for officers, as noted, continues to be a priority and a very significant concern for the administration of the department to ensure that all required Arizona POST training and certification qualifications are retained, and also developing officers through the use of specialty training when appropriate. **KRA7:4 & KRA8:2**

DIVISION BUDGET CHANGES—3 YEARS

Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Salaries & Wages	1,883,041	2,010,600	6.8%	1,980,800	-1.5%
Personnel Benefits	992,435	1,087,000	9.5%	1,220,600	12.3%
Supplies	202,938	187,200	-7.8%	207,500	10.8%
Other Services & Charges	206,502	234,100	13.4%	232,300	-0.8%
Capital	-	36,600	100.0%	77,200	0.0%
Total Operations	3,284,916	3,555,500	8.2%	3,718,400	4.6%

DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Personnel Services	\$ 2,809,693	\$ 2,875,476	\$ 3,097,600	\$ 3,201,400	\$ 3,361,470	\$ 3,529,544
Supplies	151,663	202,938	187,200	207,500	217,875	228,769
Services & Charges	283,358	206,502	234,100	232,300	243,915	256,111
Capital Outlay	108,866	-	36,600	77,200	81,060	85,113
Total Operations	\$ 3,353,580	\$ 3,284,916	\$ 3,555,500	\$ 3,718,400	\$ 3,904,320	\$ 4,099,536



**OPERATIONS**

	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
SALARIES & WAGES				
101-5-2421-01-50xx Full Time Employees	1,670,158	1,622,988	1,721,600	1,702,000
101-5-2421-01-52xx Overtime Pay	252,438	229,920	258,000	247,800
101-5-2421-01-5990 Shift Differential	32,325	30,134	31,000	31,000
Total Salaries & Wages	1,954,921	1,883,041	2,010,600	1,980,800

PERSONNEL BENEFITS

101-5-2421-01-5501 FICA	144,967	142,283	146,800	136,600
101-5-2421-01-5504 Retirement	448,037	455,019	555,300	725,400
101-5-2421-01-5700 Health/Life Insurance	119,127	242,815	214,000	152,000
101-5-2421-01-5701 Disability Insurance	1,016	512	900	1,300
101-5-2421-01-5800 Workers Comp Insurance	116,125	127,307	143,000	177,300
101-5-2421-01-5901 Uniform Allowance	25,500	24,500	27,000	28,000
Total Personnel Benefits	854,772	992,435	1,087,000	1,220,600

SUPPLIES

101-5-2421-01-6001 Office Supplies	5,474	5,911	7,000	10,000
101-5-2421-01-6003 Cleaning Supplies	1,475	1,178	1,500	1,500
101-5-2421-01-6004 Film Supplies	-	32	-	-
101-5-2421-01-6005 Safety/Program Supplies	-	65	100	100
101-5-2421-01-6006 Clothing Reimbursement	3,973	1,905	2,000	2,000
101-5-2421-01-6009 Volunteer Program	4,179	5,171	3,000	3,000
101-5-2421-01-6011 Small Tools/Minor Equipmen	14,976	24,111	20,000	35,000
101-5-2421-01-6013 Computer Equip / Supplies	1,276	-	-	-
101-5-2421-01-6101 Canine Supplies	2,922	2,905	3,000	3,000
101-5-2421-01-6102 Weapons/Ammunition	13,538	14,663	15,000	15,000
101-5-2421-01-6201 Building R&M Supplies	1,109	252	1,000	1,000
101-5-2421-01-6300 Vehicle Fuels	81,261	87,379	85,000	80,000
101-5-2421-01-6301 Tires/Tubes/Batteries	-	11,761	-	8,000
101-5-2421-01-6302 Vehicle R&M Parts	-	34,639	35,000	35,000
101-5-2421-01-6600 Public Relations	338	205	500	800
101-5-2421-01-6700 Dues & Memberships	2,139	1,770	2,100	2,100
101-5-2421-01-6901 Taxes & Fees	128	-	-	-
101-5-2421-01-6904 Contingency Account	-	14	1,000	-
101-5-2421-01-699x Other Expenses	18,875	10,976	11,000	11,000
Total Supplies	151,663	202,938	187,200	207,500

OTHER SERVICES & CHARGES

101-5-2421-01-7300 Electricity	20,867	18,738	20,000	22,000
101-5-2421-01-7301 Propane Gas	5,655	7,051	5,000	7,000
101-5-2421-01-7302 Water	779	692	700	900
101-5-2421-01-7304 Sewage	480	480	600	500



OPERATIONS

	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
101-5-2421-01-7305 Refuse Disposal	780	700	800	600
101-5-2421-01-7306 Telephone	30,768	32,052	31,000	30,000
101-5-2421-01-7307 Postage	48	247	600	300
101-5-2421-01-7401 Building R&M	9,526	4,983	10,000	10,000
101-5-2421-01-7402 Office Equipment R&M	9,321	8,132	7,000	1,500
101-5-2421-01-7403 R&M Computer Equip	354	-	-	-
101-5-2421-01-7404 Equipment R&M	7,381	5,001	6,500	6,500
101-5-2421-01-7405 Vehicle R&M	44,206	6,719	5,000	5,000
101-5-2421-01-7500 Rental of Land & Buildings	6,720	7,169	6,700	10,000
101-5-2421-01-7502 Leased Equipment	1,408	2,179	2,000	3,000
101-5-2421-01-7600 Travel	9,218	7,647	7,400	7,400
101-5-2421-01-7601 Registrations	5,503	2,462	2,500	2,500
101-5-2421-01-7900 Other Professional Services	84,185	84,158	102,000	102,000
101-5-2421-01-7902 Impound Vehicle Tow	2,448	1,867	3,000	-
101-5-2421-01-7910 Printing & Binding	3,550	2,831	3,000	3,000
210-5-2421-01-7912 JAG Recovery Act	29,551	10,005	13,000	14,600
210-5-2421-01-7914 Donations	10,610	3,388	7,300	5,500
Total Other Services & Charg	<u>283,358</u>	<u>206,502</u>	<u>234,100</u>	<u>232,300</u>
 CAPITAL OUTLAY				
401-5-2421-01-8510 Vehicles	108,866	-	-	-
403-5-2412-01-8773 Mobile Repeaters	-	-	-	32,200
403-5-2421-01-8762 LE-GOHS Grant	-	-	36,600	45,000
Total Capital Outlay	<u>108,866</u>	<u>-</u>	<u>36,600</u>	<u>77,200</u>
 TOTAL OPERATIONS	 <u><u>3,353,580</u></u>	 <u><u>3,284,917</u></u>	 <u><u>3,555,500</u></u>	 <u><u>3,718,400</u></u>



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

2012/13 ACCOMPLISHMENTS

- ✓ **One of the most noteworthy accomplishments is the fact that the narcotics division has broadened its definition and its search for drug offenders within the community. This is due in large to the increase in narcotics use, specifically heroin, within our community. Officers of the Payson Police Department are currently involved in multiple drug investigations each week that culminate in arrests for the use of narcotic drugs, specifically heroin. This is a drug that in the past had seen minimal usage in our community but, with the growing problem of prescription drug abuse and misuse, the heroin problem has once again resurfaced. This is going to be a continuing drain on the department and an area that is going to require additional funding.**
- ✓ **The 2012/13 goal of continuing the School Resource Officer program was accomplished and the program will continue this year.**
- ✓ **The goal to secure a grant from the Governor’s Office of Highway Safety to support the purchase of a vehicle for traffic enforcement was successful.**

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



**2013/
2014
GOALS**

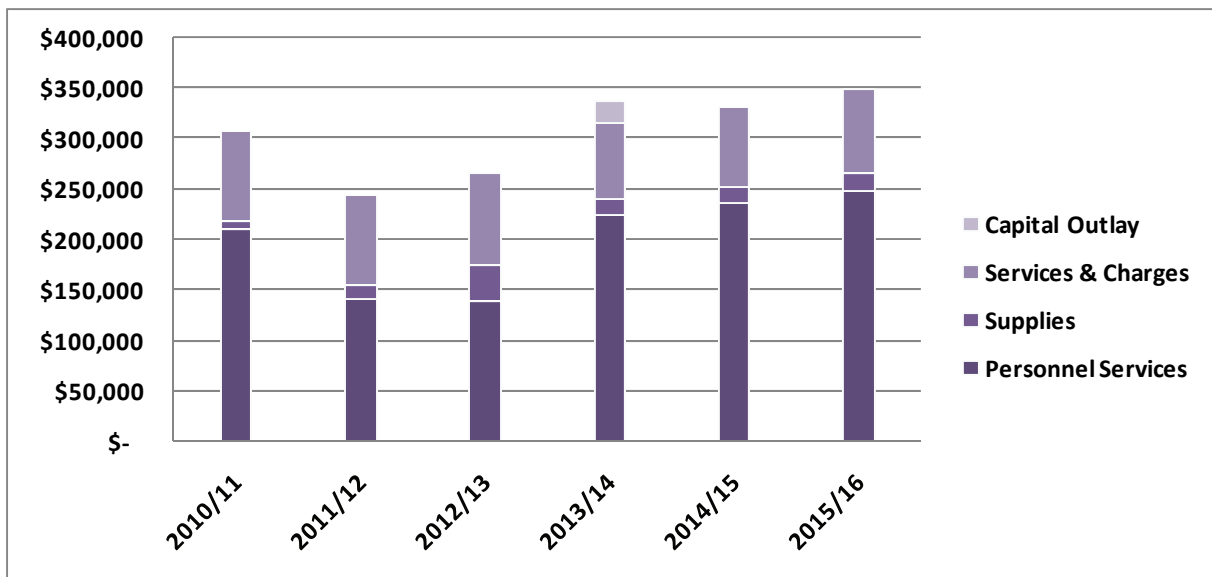
- ⇒ Make the transition from specifically investigating methamphetamine drug activity to broader investigations including narcotic (heroin) drug use and successfully prosecute all drug offenders **KRA2 & KRA8:3**
- ⇒ Prepare for the next grant cycle and submit an application for School Resource Officer funding increasing the program back to two School Resource Officer positions **KRA8:1, KRA8:2 & KRA8:5**
- ⇒ Partner with the Governor’s Office of Highway Safety to have a full-time officer in place to deal with traffic enforcement in the community **KRA8:1, KRA8:2 & KRA8:5**

DIVISION BUDGET CHANGES—3 YEARS

Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Salaries & Wages	141,780	140,000	-1.3%	225,100	60.8%
Personnel Benefits	12,874	36,000	179.6%	16,000	-55.6%
Supplies	89,313	89,300	0.0%	75,700	-15.2%
Other Services & Charges	-	-	0.0%	20,000	100.0%
Total Special Operations	243,967	265,300	8.7%	336,800	27.0%

DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Personnel Services	\$ 211,730	\$ 141,780	\$ 140,000	\$ 225,100	\$ 236,355	\$ 248,173
Supplies	6,624	12,874	36,000	16,000	16,800	17,640
Services & Charges	89,286	89,313	89,300	75,700	79,485	83,459
Capital Outlay	-	-	-	20,000	-	-
Total	\$ 307,640	\$ 243,967	\$ 265,300	\$ 336,800	\$ 332,640	\$ 349,272





ANIMAL CONTROL

Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Salaries & Wages	38,403	38,700	0.8%	39,800	2.8%
Personnel Benefits	18,897	17,400	-7.9%	12,900	-25.9%
Supplies	4,400	4,500	2.3%	4,500	0.0%
Other Services & Charges	89,313	89,300	0.0%	75,700	-15.2%
Total Animal Control	151,013	149,900	-0.7%	132,900	-11.3%

SCHOOL RESOURCE

Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Salaries & Wages	50,893	50,500	-0.8%	101,400	100.8%
Personnel Benefits	33,587	33,400	-0.6%	71,000	112.6%
Supplies	-	500	100.0%	500	0.0%
Total School Resource	84,480	84,400	-0.1%	172,900	104.9%

POLICE GRANTS

Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Salaries & Wages	0	0	0.0%	0	0.0%
Personnel Benefits	0	0	0.0%	0	0.0%
Supplies	8,474	31,000	265.8%	11,000	-64.5%
Capital Outlay	-	-	0.0%	20,000	100.0%
Total Police Grants	8,474	31,000	265.8%	31,000	0.0%



ANIMAL CONTROL

		2010/11	2011/12	2012/13	2013/14
		ACTUAL	ACTUAL	BUDGET	PROPOSED
SALARIES & WAGES					
101-5-7421-17-5001	Full Time Employees	38,273	38,376	38,200	39,300
101-5-7421-17-5200	Overtime Pay	-	28	500	500
	Total Salaries & Wages	<u>38,273</u>	<u>38,403</u>	<u>38,700</u>	<u>39,800</u>
PERSONNEL BENEFITS					
101-5-7421-17-5501	FICA	2,707	2,798	2,500	3,000
101-5-7421-17-5504	Retirement	3,780	4,102	4,100	4,500
101-5-7421-17-5700	Health/Life Insurance	2,727	10,006	8,700	2,900
101-5-7421-17-5701	Disability Insurance	111	97	100	100
101-5-7421-17-5800	Workers Compensation	924	1,054	1,100	1,500
101-5-7421-17-5901	Uniform/Clothing Allow	840	840	900	900
	Total Personnel Benefits	<u>11,089</u>	<u>18,897</u>	<u>17,400</u>	<u>12,900</u>
SUPPLIES					
101-5-7421-17-6001	Office Supplies	628	-	-	-
101-5-7421-17-6011	Small Tools/Minor Equipment	668	1,026	1,000	1,000
101-5-7421-17-6300	Vehicle Fuels	3,113	3,374	3,500	3,500
	Total Supplies	<u>4,409</u>	<u>4,400</u>	<u>4,500</u>	<u>4,500</u>
OTHER SERVICES & CHARGES					
101-5-7421-17-7306	Telephone	421	482	400	400
101-5-7421-17-7307	Postage/Freight	65	22	100	100
101-5-7421-17-7600	Travel Expense	-	9	-	-
101-5-7421-17-7990	Humane Society	88,800	88,800	88,800	75,200
	Total Other Svcs & Charges	<u>89,286</u>	<u>89,313</u>	<u>89,300</u>	<u>75,700</u>
TOTAL ANIMAL CONTROL		<u><u>143,057</u></u>	<u><u>151,013</u></u>	<u><u>149,900</u></u>	<u><u>132,900</u></u>

**SCHOOL RESOURCE OFFICER**

	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
SALARIES & WAGES				
101-5-2421-04-5001 Full Time Employees	119,643	45,035	44,000	90,400
101-5-2421-04-520x Overtime Pay	<u>5,690</u>	<u>5,858</u>	<u>6,500</u>	<u>11,000</u>
Total Salaries & Wages	<u>125,333</u>	<u>50,893</u>	<u>50,500</u>	<u>101,400</u>
PERSONNEL BENEFITS				
101-5-2421-04-5501 FICA	9,254	3,773	3,400	6,800
101-5-2421-04-5504 Retirement	12,079	14,544	16,000	41,600
101-5-2421-04-5700 Health/Life Insurance	11,233	11,542	10,000	13,200
101-5-2421-04-5800 Workers Comp Insurance	2,469	2,728	3,000	7,400
101-5-2421-04-5901 Clothing Allowance	<u>2,000</u>	<u>1,000</u>	<u>1,000</u>	<u>2,000</u>
Total Personnel Benefits	<u>37,035</u>	<u>33,587</u>	<u>33,400</u>	<u>71,000</u>
SUPPLIES				
101-5-2421-04-6990 Other Expenses	<u>-</u>	<u>-</u>	<u>500</u>	<u>500</u>
Total Supplies	<u>-</u>	<u>-</u>	<u>500</u>	<u>500</u>
TOTAL SCHOOL RESOURCE OFFICER	<u><u>162,368</u></u>	<u><u>84,480</u></u>	<u><u>84,400</u></u>	<u><u>172,900</u></u>

**DEPT OF JUSTICE FUND &
VARIOUS GRANTS**

	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
SUPPLIES				
215-5-2421-xx-6011 Small Tools	2,066	5,297	27,000	7,000
215-5-2421-02-7600 Travel	77	2,480	3,000	3,000
215-5-2421-02-7900 Other Prof Services	72	697	1,000	1,000
Total Supplies	<u>2,215</u>	<u>8,474</u>	<u>31,000</u>	<u>11,000</u>
CAPITAL OUTLAY				
215-5-2421-02-8510 Defense 1033 - LE Vehicle	-	-	-	20,000
	-	-	-	20,000
TOTAL GRANTS	<u><u>2,215</u></u>	<u><u>8,474</u></u>	<u><u>31,000</u></u>	<u><u>31,000</u></u>

FIRE DEPARTMENT

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

Town of Payson—Fire Department
400 West Main Street
Payson, AZ 85541
(928) 474-5242 X300
www.paysonfire.com

Marty DeMasi—Fire Chief
mdemasi@paysonaz.gov

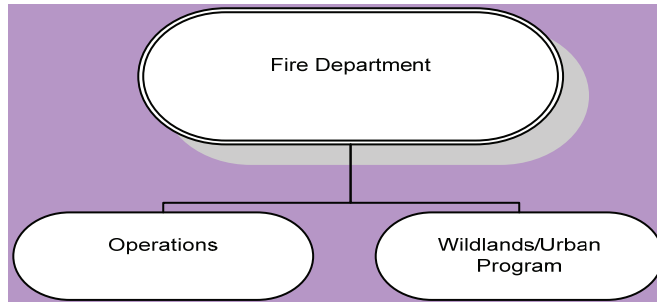




>>>FIRE DEPARTMENT<<<

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, 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	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed
Fire Operations	2,608,483	2,770,595	3,806,500	3,351,100
Wildland/Urban Program	84,779	18,383	100,000	100,000
Total Department	2,693,262	2,788,978	3,906,500	3,451,100

. . . POSITION SUMMARY . . .

	2012/13	2013/14
Fire Chief	1.0	1.0
Fire Marshall	1.0	0.0
Battalion Chief	3.0	3.0
Captain	9.0	9.0
Engineer	9.0	9.0
Firefighter	9.0	9.0
Administrative Secretary	1.0	1.0
Total Filled Positions	33.0	32.0

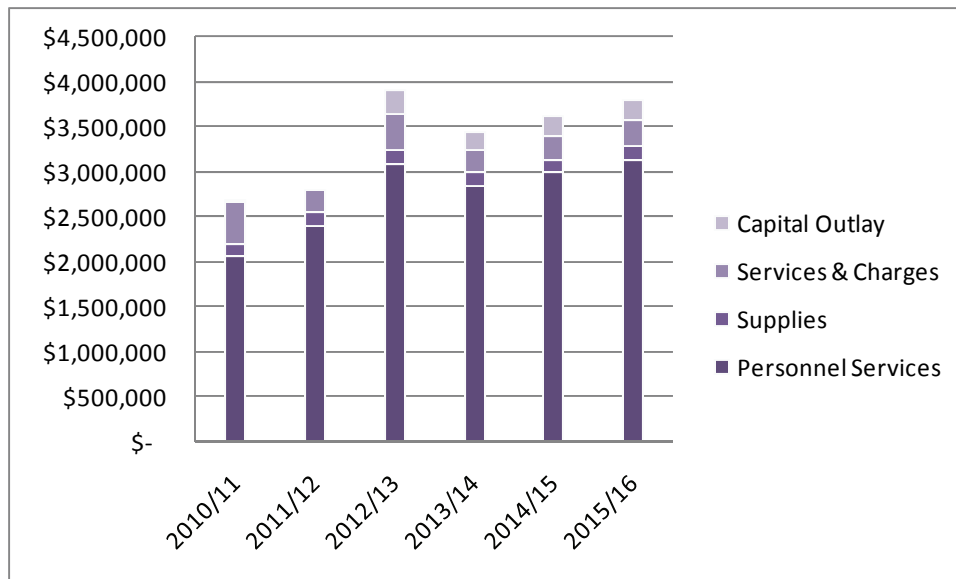


DEPARTMENT BUDGET CHANGES—3 YEARS

Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Salaries & Wages	1,799,642	2,171,100	20.6%	2,077,300	-4.3%
Personnel Benefits	609,521	917,300	50.5%	773,700	-15.7%
Supplies	146,227	144,600	-1.1%	136,700	-5.5%
Other Services & Charges	233,588	413,500	77.0%	256,100	-38.1%
Capital Outlay	-	260,000	100.0%	207,300	-20.3%
Total Fire	2,788,978	3,906,500	40.1%	3,451,100	-11.7%

DEPARTMENT BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Personnel Services	\$ 2,067,015	\$ 2,409,163	\$ 3,088,400	\$ 2,851,000	\$ 2,993,550	\$ 3,143,228
Supplies	121,556	146,227	144,600	136,700	143,535	150,712
Services & Charges	473,864	233,588	413,500	256,100	268,905	282,350
Capital Outlay	30,827	-	260,000	207,300	217,665	228,548
Total Fire	\$ 2,693,262	\$ 2,788,978	\$ 3,906,500	\$ 3,451,100	\$ 3,623,655	\$ 3,804,838





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.

2012/13 ACCOMPLISHMENTS

- ✓ **Maintained on-duty staffing of nine persons the majority of the time. However, all three fire stations were in service 100% of the time.**
- ✓ **Dropped the response time (minimally)**
- ✓ **Increased the number of fire wise assessments completed**
- ✓ **In the process of completing grant for smoke & carbon monoxide alarm distribution**

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



**2013/
2014
GOALS**

- ⇒ Adopt the 2012 International Fire Code **KRA8:1**
- ⇒ Continue to develop cross functional capacity by maintaining and developing various certification programs and completing many fire inspections with current staff **KRA7:4**
- ⇒ Execute SAFER grant to improve on-duty staffing levels **KRA8:2**
- ⇒ Complete fire prevention grant to improve smoke and carbon monoxide alarm distribution **KRA8:1**

DIVISION BUDGET CHANGES—3 YEARS

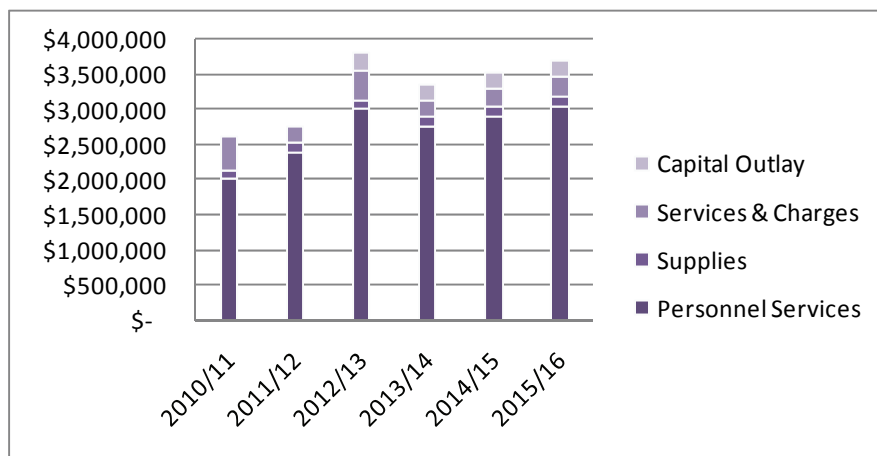
Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Salaries & Wages	1,789,545	2,107,100	17.7%	2,013,300	-4.5%
Personnel Benefits	607,193	898,300	47.9%	754,700	-16.0%
Supplies	140,419	132,600	-5.6%	124,700	-6.0%
Other Services & Charges	233,438	408,500	75.0%	251,100	-38.5%
Capital	-	260,000	100.0%	207,300	-20.3%
Total Fire Operations	2,770,595	3,806,500	37.4%	3,351,100	-12.0%

Significant budget changes:

- Personnel Benefits decreased due to changes in medical insurance premiums
- Other Services & Charges reflects the decrease in fire grant expenses as the smoke/carbon monoxide grant nears completion
- Capital reflects reduction in capital project grants

DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Personnel Services	\$ 2,020,957	2,396,738	\$ 3,005,400	\$ 2,768,000	\$ 2,906,400	\$ 3,051,720
Supplies	114,882	140,419	132,600	124,700	130,935	137,482
Services & Charges	472,644	233,438	408,500	251,100	263,655	276,838
Capital Outlay	-	-	260,000	207,300	217,665	228,548
Total Fire Operations	\$ 2,608,483	\$ 2,770,595	\$ 3,806,500	\$ 3,351,100	\$ 3,518,655	\$ 3,694,588



**FIRE OPERATIONS**

		2010/11	2011/12	2012/13	2013/14
		ACTUAL	ACTUAL	BUDGET	PROPOSED
SALARIES & WAGES					
101-5-2426-01-5001	Full Time Employees	1,264,361	1,410,425	1,758,000	1,598,500
101-5-2426-01-5002	Part Time Employees	-	-	-	19,800
101-5-2426-01-5005	Paid On Call	68,982	104,035	100,000	65,000
101-5-2426-01-5030	Out of Class Pay	7,429	12,410	11,000	11,000
101-5-2426-01-52xx	Overtime Pay	301,533	262,675	238,100	319,000
	Total Salaries & Wages	1,642,305	1,789,545	2,107,100	2,013,300
PERSONNEL BENEFITS					
101-5-2426-01-5501	FICA	22,368	24,973	49,500	31,300
101-5-2426-01-5504	Retirement	193,173	247,791	457,100	431,700
101-5-2426-01-5507	Firefighters Pension	3,284	-	-	-
101-5-2426-01-5700	Health/Life Insurance	74,150	231,087	253,500	149,500
101-5-2426-01-5701	Disability Insurance	468	93	100	-
101-5-2426-01-5800	Workers Comp Insurance	64,471	80,901	109,300	113,400
101-5-2426-01-5901	Uniform/Clothing Allowance	20,738	22,349	28,800	28,800
	Total Personnel Benefits	378,652	607,193	898,300	754,700
SUPPLIES					
101-5-2426-01-6001	Office Supplies	2,755	2,542	2,100	2,000
101-5-2426-01-6003	Foam/ Cleaners	2,417	4,683	6,000	5,000
101-5-2426-01-6005	Safety/Program Supplies	4,466	6,034	5,300	5,000
101-5-2426-01-6007	Equipment/Clothing	14,078	23,021	15,000	15,000
101-5-2426-01-6009	Program Supplies	-	-	3,000	1,200
101-5-2426-01-6011	Small Tools/Minor Equipment	1,549	3,315	5,200	3,000
101-5-2426-01-6012	Radio Equipment	19,221	13,347	14,000	8,000
101-5-2426-01-6013	Computer Equipment & Supplie	-	-	-	-
101-5-2426-01-6100	Medical Supplies	14,829	16,636	15,000	15,000
101-5-2426-01-6200	Equipment R&M	2,532	2,852	2,500	2,500
101-5-2426-01-6201	Building Repair Materials	10,399	11,882	8,000	10,000
101-5-2426-01-6202	Other R&M Materials	227	28	-	-
101-5-2426-01-6300	Vehicle Fuels	24,105	34,321	30,000	32,000
101-5-2426-01-6301	Tires & Wheels	9,722	9,022	10,000	12,000
101-5-2426-01-6302	Vehicle R&M	4,416	8,680	8,000	6,500
101-5-2426-01-6400	Hardware, Electric,Plumbing Su	1,004	1,162	1,000	1,000
101-5-2426-01-6600	Public Relations	1,191	1,965	3,000	2,500
101-5-2426-01-6700	Dues & Memberships	1,971	929	2,000	3,000
101-5-2426-01-6990	Other Expenses	-	-	2,500	1,000
	Total Supplies	114,882	140,419	132,600	124,700
OTHER SERVICES & CHARGES					
101-5-2426-01-7300	Electricity	19,500	28,337	25,000	30,000
101-5-2426-01-7301	Propane Gas	4,801	11,256	10,000	11,000
101-5-2426-01-7302	Water	1,093	1,607	1,400	1,500
101-5-2426-01-7304	Sewage	645	920	1,100	1,100
101-5-2426-01-7305	Refuse Disposal	1,385	1,590	2,000	1,300



FIRE OPERATIONS

	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
101-5-2426-01-7306 Telephone	27,175	33,749	34,000	33,000
101-5-2426-01-7307 Postage	313	125	500	-
101-5-2426-01-7401 Building R&M	-	-	5,000	5,000
101-5-2426-01-7402 Office Equipment R&M	1,222	3,220	2,000	1,000
101-5-2426-01-7404 Radio Equipment R&M	1,232	(737)	8,200	7,500
101-5-2426-01-7405 Vehicle R&M	69,312	24,333	25,000	30,000
101-5-2426-01-7502 Lease Equipment	-	-	-	6,200
101-5-2426-01-7600 Travel	134	286	500	-
101-5-2426-01-7601 Registrations	19,593	11,191	10,000	14,000
101-5-2426-01-7900 Other Professional Services	19,524	18,868	20,000	25,000
101-5-2426-01-7901 Vegetation Disposal Prgm	84	-	-	-
101-5-2426-01-7910 Printing & Binding	2,631	2,759	3,000	3,000
101-5-2426-01-7912 Fire Grant Expense	-	-	196,300	75,000
101-5-2426-01-7920 Hydrant Program	138	57	500	500
101-5-2426-01-7990 Hellsgate Services	160,000	25,000	-	-
210-5-2426-01-7912 Miscellaneous Grant Expenses	140,857	68,516	60,000	-
210-5-2426-01-7914 Donations	3,005	2,363	4,000	6,000
Total Other Svcs & Charges	472,644	233,438	408,500	251,100

CAPITAL OUTLAY

403-5-2426-01-8774 AFG Facilities	-	-	185,000	-
403-5-2426-03-87xx Other Capital Outlay	-	-	75,000	207,300
Total Capital Outlay	-	-	260,000	207,300

TOTAL FIRE OPERATIONS

2,608,483	2,770,594	3,806,500	3,351,100
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**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.

2012/13 ACCOMPLISHMENTS

- ✓ **Maintained resources in a ready condition**
- ✓ **Provided one wildland firefighter refresher training session**
- ✓ **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**



**2013/
2014
GOALS**

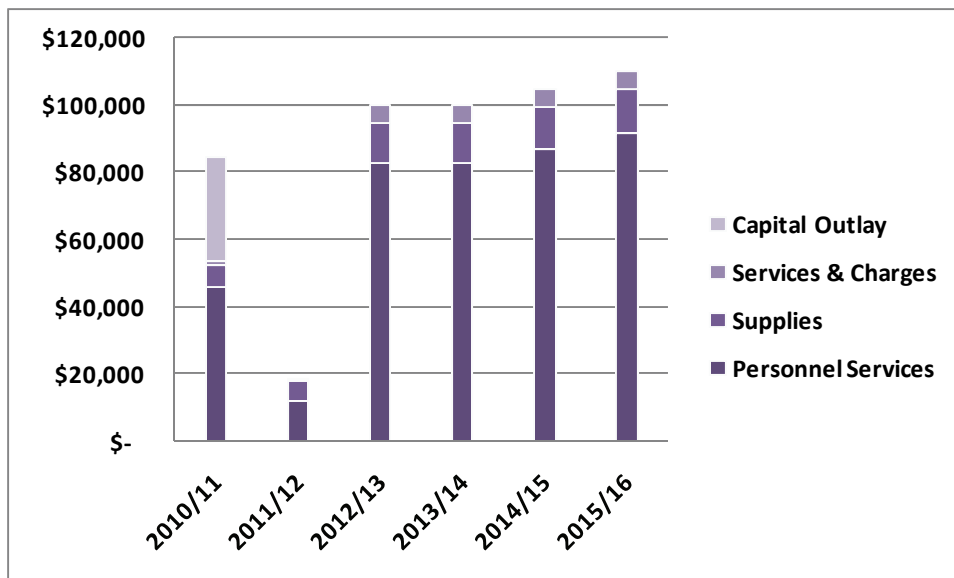
- ⇒ Maintain resources in a ready condition **KRA8:2 & KRA8:5**
- ⇒ Respond to requests for assistance **KRA8:3**
- ⇒ Increase wildland fire qualifications for personnel through appropriate training and fire experience **KRA8:6 & KRA7:4**
- ⇒ Continue to build budget capacity to maintain and improve equipment **KRA8:2 & KRA8:5**

DIVISION BUDGET CHANGES—3 YEARS

Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Salaries & Wages	10,097	64,000	533.9%	64,000	0.0%
Personnel Benefits	2,328	19,000	716.2%	19,000	0.0%
Supplies	5,808	12,000	106.6%	12,000	0.0%
Other Services & Charges	150	5,000	3233.3%	5,000	0.0%
Total Wildlands	18,383	100,000	444.0%	100,000	0.0%

DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Personnel Services	\$ 46,058	\$ 12,425	\$ 83,000	\$ 83,000	\$ 87,150	\$ 91,508
Supplies	6,674	5,808	12,000	12,000	12,600	13,230
Services & Charges	1,220	150	5,000	5,000	5,250	5,513
Capital Outlay	30,827	-	-	-	-	-
Total Wildlands	\$ 84,779	\$ 18,383	\$ 100,000	\$ 100,000	\$ 105,000	\$ 110,250





WILDLANDS/URBAN PROGRAM

	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
SALARIES & WAGES				
101-5-2426-02-5001 Full Time Employees	-	1,628	20,000	20,000
212-5-2426-03-5001 Full Time Employees	9,162	-	-	-
101-5-2426-02-5003 Temporary Employees	-	-	3,000	3,000
101-5-2426-02-5005 Paid On Call	-	-	7,000	7,000
212-5-2426-03-5005 Paid On Call	11,060	-	-	-
101-5-2426-02-5200 Overtime	-	7,798	30,000	30,000
212-5-2426-03-5200 Overtime	16,052	-	-	-
101-5-2426-02-5400 Stipend	-	671	4,000	4,000
212-5-2426-03-5400 Stipend	4,308	-	-	-
Total Salaries & Wages	40,582	10,097	64,000	64,000
PERSONNEL BENEFITS				
101-5-2426-02-5501 FICA	-	91.00	2,000	2,000
212-5-2426-03-5501 FICA	545	-	-	-
101-5-2426-02-5504 Retirement	-	1,225	14,000	14,000
212-5-2426-03-5504 Retirement	5,284	-	-	-
101-5-2426-02-5700 Insurance Benefit	-	1,012	-	-
212-5-2426-03-5700 Health/Life Insurance	(980)	-	-	-
101-5-2426-02-5800 Workers Comp Insurance	-	-	3,000	3,000
212-5-2426-03-5800 Workers Comp Insurance	627	-	-	-
Total Personnel Benefits	5,476	2,328	19,000	19,000
SUPPLIES				
101-5-2426-02-6009 Safety/Program Supplies	-	1,114	3,000	3,000
212-5-2426-03-6009 Safety/Program Supplies	305	-	-	-
101-5-2426-02-6011 Small Tools/Minor Equipment	-	1,093	2,000	2,000
212-5-2426-03-6011 Small Tools/Minor Equipment	639	-	-	-
101-5-2426-02-6202 Other R&M Materials	-	1,167	2,000	2,000
212-5-2426-03-6202 Other R&M Materials	5,035	-	-	-
101-5-2426-02-6300 Gasoline, Fuel	-	-	2,000	2,000
101-5-2426-02-6302 Vehicle R&M Parts	-	1,341	2,000	2,000
212-5-2426-03-6302 Vehicle R&M Parts	695	-	-	-
101-5-2426-02-6990 Other Expenses	-	1,093	1,000	1,000
212-5-2426-03-6990 Other Expenses	-	-	-	-
Total Supplies	6,674	5,808	12,000	12,000
OTHER SERVICES & CHARGES				
101-5-2426-02-7600 Travel	-	150	5,000	5,000
212-5-2426-03-7600 Travel	1,220	-	-	-
Total Other Svcs & Charges	1,220	150	5,000	5,000
CAPITAL OUTLAY				
212-5-2426-03-8003 Vehicles	30,827	-	-	-
Total Capital Outlay	30,827	-	-	-
TOTAL WILDLANDS/URBAN PROGRAM	84,779	18,383	100,000	100,000



Town of Payson Fire Department

COMMUNITY DEVELOPMENT

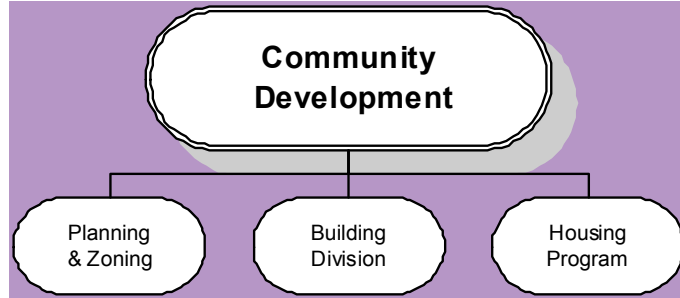
The Community Development Department assists with the building of a safe, attractive community with a vibrant economic component.

**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	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed
Planning & Zoning	418,955	237,845	278,300	241,800
Building	347,157	425,402	417,800	374,500
Housing Programs	162,731	109,439	173,000	180,000
Total Department	928,843	772,686	869,100	796,300

. POSITION SUMMARY

	2012/13	2013/14
Chief Building Official	1.0	1.0
Zoning Administrator	1.0	1.0
Building Inspector	2.0	2.0
Executive Assistant	1.0	1.0
Financial Service Technician	1.0	1.0
Permit Technician	1.0	1.0
Planning Technician	1.0	1.0
Total Filled Positions	8.0	8.0

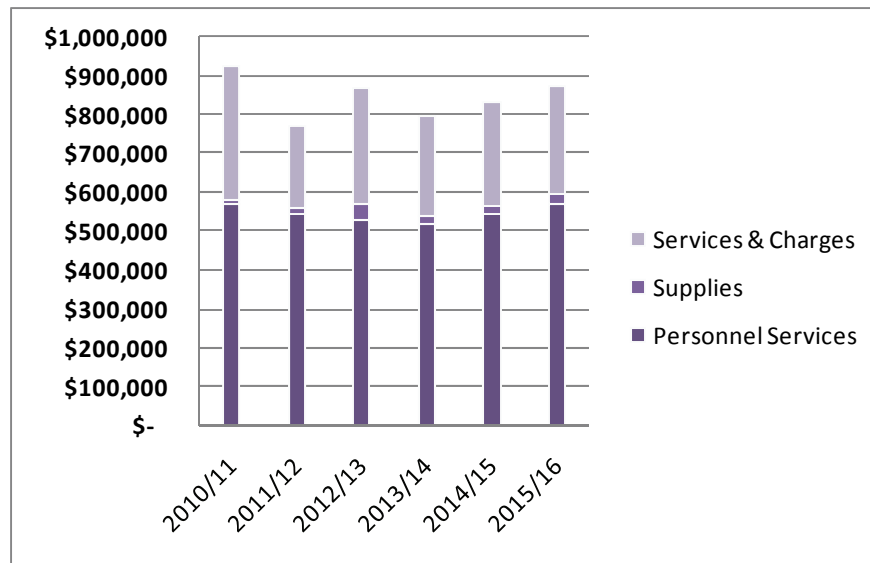


DEPARTMENT BUDGET CHANGES—3 YEARS

Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Salaries & Wages	387,970	385,500	-0.6%	392,700	1.9%
Personnel Benefits	155,713	144,200	-7.4%	127,200	-11.8%
Supplies	17,262	43,000	149.1%	19,900	-53.7%
Other Services & Charges	211,741	296,400	40.0%	256,500	-13.5%
Total Community Development	772,686	869,100	12.5%	796,300	-8.4%

DEPARTMENT BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Personnel Services	\$ 573,857	\$ 543,683	\$ 529,700	\$ 519,900	\$ 545,895	\$ 573,190
Supplies	10,518	17,262	43,000	19,900	20,895	21,940
Services & Charges	344,468	211,741	296,400	256,500	269,325	282,791
Total Community Dev	\$ 928,843	\$ 772,686	\$ 869,100	\$ 796,300	\$ 836,115	\$ 877,921





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.

2012/13 ACCOMPLISHMENTS

- ✓ **Began the General Plan Update process for voter ratification in 2014**
- ✓ **Began Impact Fee study and assessment for adoption by August 2014**
- ✓ **Revised the Multi-family development standards to provide for choice and opportunity in housing as well as an aesthetically pleasing built environment**
- ✓ **Revised RV parking provisions and integrated illustrations for ease of use**
- ✓ **Updated the Town’s sign code**

Contact Information

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

Physical Location

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



**2013/
2014
GOALS**

- ⇒ Increase citizen awareness and community involvement in planning processes through contact with grassroots groups, media coverage, open houses and networking **KRA4:4, KRA4:5 & KRA5:1**
- ⇒ Continue to integrate graphics and illustrations into the Unified Development Code **KRA 4:5**
- ⇒ Continue to implement the State Route 87 / 260 Signage & Landscape Concept and suggested improvements **KRA5:1**
- ⇒ Encourage private development to participate in the Town-wide beautification plan **KRA5:1**
- ⇒ Ensure compliance with Zoning codes to prevent or eliminate blight and foster pride in the community's neighborhoods **KRA5:1**

DIVISION BUDGET CHANGES—3 YEARS

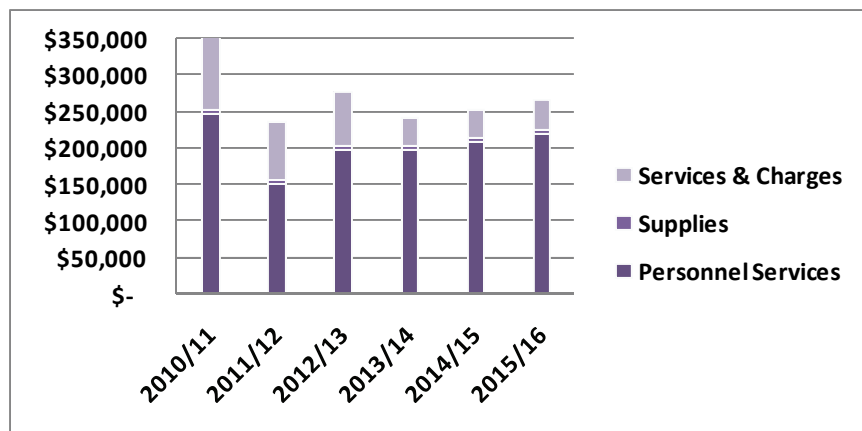
Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Salaries & Wages	108,822	144,500	32.8%	147,200	1.9%
Personnel Benefits	43,315	55,400	27.9%	52,400	-5.4%
Supplies	5,298	5,800	9.5%	5,100	-12.1%
Other Services & Charges	80,410	72,600	-9.7%	37,100	-48.9%
Total Planning & Zoning	237,845	278,300	17.0%	241,800	-13.1%

Significant budget changes:

- Other Services for FY2012/13 included expenditures for a General Plan & Development Fee Study

DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Personnel Services	\$ 248,509	152,137	\$ 199,900	\$ 199,600	\$ 209,580	\$ 220,059
Supplies	4,550	5,298	5,800	5,100	5,355	5,623
Services & Charges	165,896	80,410	72,600	37,100	38,955	40,903
Total Building	\$ 418,955	\$ 237,845	\$ 278,300	\$ 241,800	\$ 253,890	\$ 266,585





CD - PLANNING & ZONING

	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
SALARIES & WAGES				
101-5-6428-01-5001 Full Time Employees	201,260	108,822	144,500	147,200
Total Salaries & Wages	201,260	108,822	144,500	147,200
PERSONNEL BENEFITS				
101-5-6428-01-5501 FICA	14,877	7,858	9,800	11,300
101-5-6428-01-5504 Retirement	17,544	11,651	15,700	16,600
101-5-6428-01-5700 Health/Life Insurance	7,804	20,234	26,200	19,800
101-5-6428-01-5701 Disability Insurance	594	275	300	400
101-5-6428-01-5800 Workers Comp Insurance	6,430	3,297	3,400	4,300
Total Personnel Benefits	47,249	43,315	55,400	52,400
SUPPLIES				
101-5-6428-01-6001 Office Supplies	1,456	1,566	1,500	1,500
101-5-6428-01-6003 Cleaning Supplies	561	971	800	800
101-5-6428-01-6011 Small Tools & Minor Equipment	1,748	1,795	2,000	1,800
101-5-6428-01-6700 Dues & Memberships	785	966	1,500	1,000
Total Supplies	4,550	5,298	5,800	5,100
OTHER SERVICES & CHARGES				
101-5-6428-01-7300 Electricity	6,313	7,076	8,000	7,000
101-5-6428-01-7301 Propane Gas	2,202	1,243	2,000	1,500
101-5-6428-01-7302 Water	287	308	400	400
101-5-6428-01-7306 Telephone	(20)	(386)	-	1,000
101-5-6428-01-7307 Postage	76	26	200	200
101-5-6428-01-7401 Building R&M	2,155	1,855	5,000	3,000
101-5-6428-01-7402 Office Equipment R&M	1,050	-	1,000	800
101-5-6428-01-7600 Travel	1,202	222	1,000	500
101-5-6428-01-7601 Registrations	370	1,816	2,000	500
101-5-6428-01-7900 Other Professional Services	75,964	26,230	50,000	19,200
101-5-6428-01-7907 Advertising	1,645	1,213	2,000	2,000
101-5-6428-01-7910 Printing & Binding	774	505	1,000	1,000
210-5-6428-03-7912 Environmental Grant	73,713	40,303	-	-
210-5-6428-06-6990 Donation-Electric Light Parade	165	-	-	-
Total Other Svcs & Charges	165,896	80,410	72,600	37,100
TOTAL PLANNING & ZONING	418,955	237,845	278,300	241,800



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.

2012/13 ACCOMPLISHMENTS

- ✓ **Completed the code update process with the Building Advisory Board by holding a number of public meetings on the subject**
- ✓ **Conducted 2906 building inspections**
- ✓ **Conducted 551 code enforcement inspections**
- ✓ **Issued 34 new single family home permits**
- ✓ **Issued 2 new manufactured home permits**
- ✓ **Issued permits for 2 new commercial projects**

Contact Information

Ray LaHaye—Chief Building Official
rlahaye@paysonaz.gov
(928) 474-5242 X276

Physical Location

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

**2013/
2014
GOALS**

- ⇒ Continue code update process to bring building codes up-to-date by end of year **KRA 5:1 & KRA 5:2**
- ⇒ Continue to provide comprehensive Plan Review and Inspections consistent with industry standards **KRA5:1 & KRA5:2**
- ⇒ Continue to improve the code enforcement process to better serve the public **KRA5:1 & KRA5:2**

DIVISION BUDGET CHANGES—3 YEARS

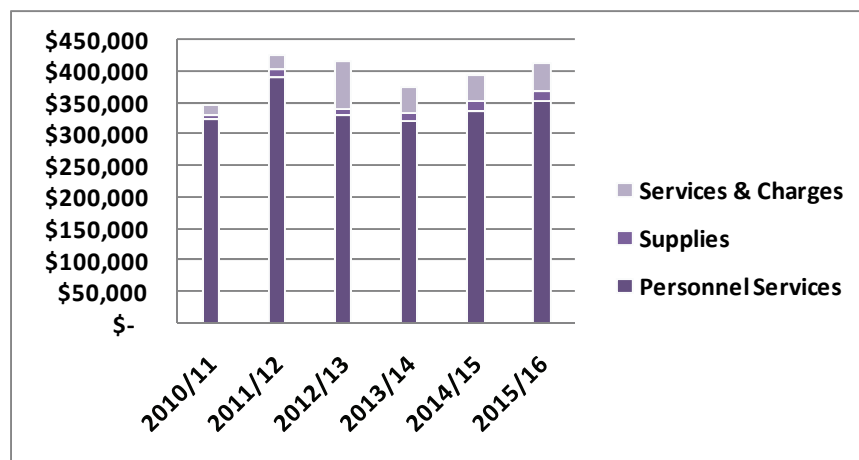
Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Salaries & Wages	279,148	241,000	-13.7%	245,500	1.9%
Personnel Benefits	112,398	88,800	-21.0%	74,800	-15.8%
Supplies	11,964	12,200	2.0%	14,800	21.3%
Other Services & Charges	21,892	75,800	246.2%	39,400	-48.0%
Total Building	425,402	417,800	-1.8%	374,500	-10.4%

Significant budget changes:

- Decrease in Personnel Benefits is due to changes in medical insurance plan
- Acquisition of updated building code books will cause Supplies to increase in FY2013/14
- Other Services for FY2012/13 included expenditures for a General Plan & Impact Fee Study

DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

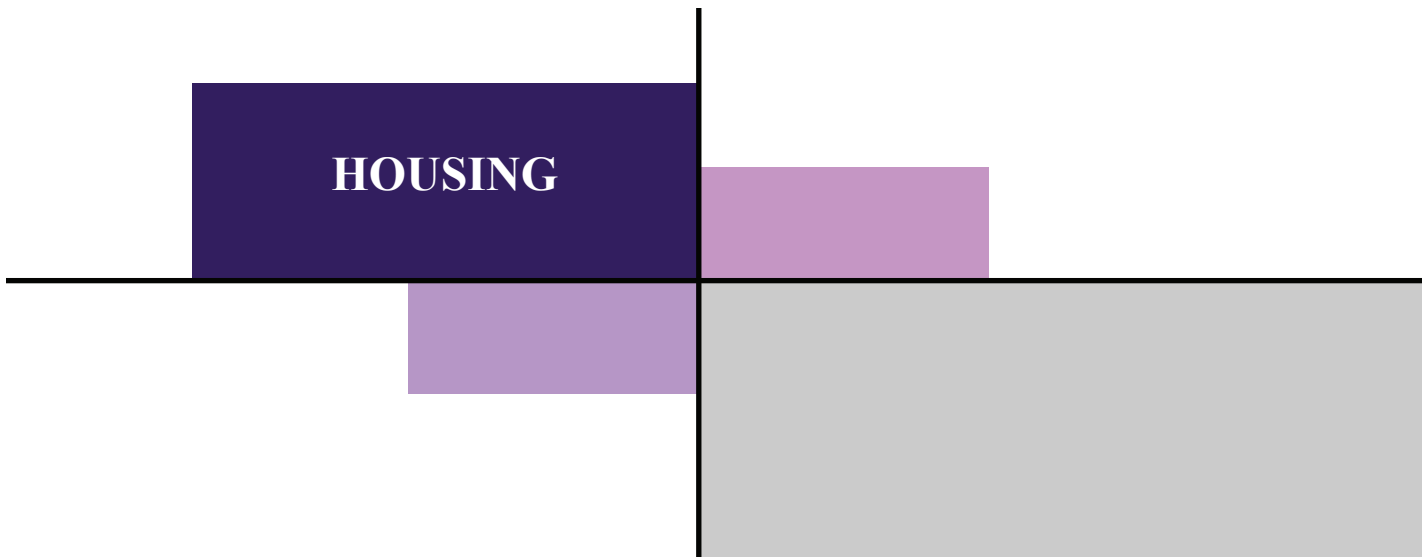
Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Personnel Services	\$ 325,348	391,546	\$ 329,800	\$ 320,300	\$ 336,315	\$ 353,131
Supplies	5,968	11,964	12,200	14,800	15,540	16,317
Services & Charges	15,841	21,892	75,800	39,400	41,370	43,439
Total Building	\$ 347,157	\$ 425,402	\$ 417,800	\$ 374,500	\$ 393,225	\$ 412,886





CD - BUILDING

	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
SALARIES & WAGES				
101-5-6428-03-5001 Full Time Employees	261,266	279,148	241,000	245,500
101-5-6428-03-5200 Overtime Pay	258	-	-	-
Total Salaries & Wages	<u>261,524</u>	<u>279,148</u>	<u>241,000</u>	<u>245,500</u>
PERSONNEL BENEFITS				
101-5-6428-03-5501 FICA	18,277	19,915	16,300	18,800
101-5-6428-03-5504 Retirement	25,043	29,816	26,300	27,700
101-5-6428-03-5700 Health/Life Insurance	18,191	57,942	41,400	22,600
101-5-6428-03-5701 Disability Insurance	666	705	600	600
101-5-6428-03-5800 Workers Comp Insurance	1,647	4,020	4,200	5,100
Total Personnel Benefits	<u>63,824</u>	<u>112,398</u>	<u>88,800</u>	<u>74,800</u>
SUPPLIES				
101-5-6428-03-6010 Books & Periodicals	-	5,113	5,000	8,000
101-5-6428-03-6011 Small Tools & Minor Equipment	1,509	1,118	2,000	1,500
101-5-6428-03-6300 Vehicle Fuel	2,825	3,280	3,000	3,000
101-5-6428-03-6301 Tires	1,031	1,428	1,000	-
101-5-6428-03-6302 Vehicle R&M Parts	243	224	700	1,500
101-5-6428-03-6700 Dues & Memberships	360	800	500	800
Total Supplies	<u>5,968</u>	<u>11,964</u>	<u>12,200</u>	<u>14,800</u>
OTHER SERVICES & CHARGES				
101-5-6428-03-7010 Plan Stor Bx/Bldg Code	-	-	3,000	-
101-5-6428-03-7306 Telephone	3,077	3,367	3,500	2,000
101-5-6428-03-7405 Vehicle R&M	-	-	500	500
101-5-6428-03-7502 Leased Equipment	2,396	2,326	3,600	3,000
101-5-6428-03-7600 Travel	985	2,238	2,000	1,500
101-5-6428-03-7601 Registrations	865	1,275	1,500	1,500
101-5-6428-03-7900 Other Professional Services	7,760	10,717	60,000	29,200
101-5-6428-03-7910 Printing & Binding	758	1,970	1,700	1,700
Total Other Svcs & Charges	<u>15,841</u>	<u>21,892</u>	<u>75,800</u>	<u>39,400</u>
TOTAL BUILDING	<u><u>347,157</u></u>	<u><u>425,402</u></u>	<u><u>417,800</u></u>	<u><u>374,500</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.

2012/13 ACCOMPLISHMENTS

- ✓ **Promoted Affirmative Furthering Fair Housing (AFFH)**
- ✓ **Implemented and administered new and existing housing rehabilitation and replacement contracts in compliance with State and Federal requirements**
- ✓ **Collaborated with State of Arizona Housing Department to implement Federal and State initiatives in Payson**

Contact Information

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

Physical Location

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



**2013/
2014
GOALS**

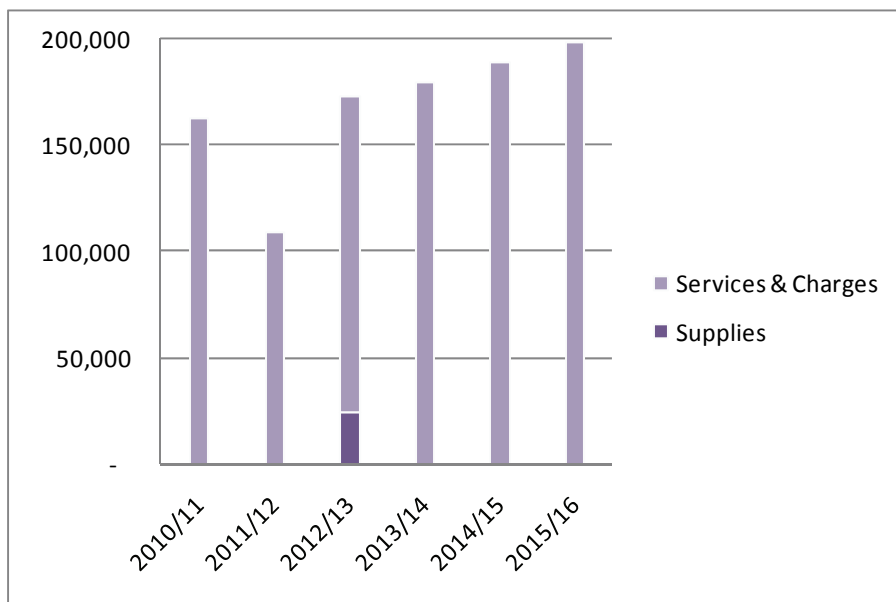
- ⇒ Promote Affirmatively Furthering Fair Housing (AFFH) **KRA5:2, KRA6:1 & KRA6:2**
- ⇒ Implement and administer new and existing housing rehabilitation and replacement contracts in compliance with State and Federal requirements **KRA5:2, KRA6:1 & KRA6:2**
- ⇒ Complete a minimum of two rehabilitation projects for income-qualified homeowners **KRA5:2, KRA6:1 & KRA6:2**
- ⇒ Collaborate with State of Arizona Housing Department to implement Federal and State initiatives in Payson **KRA5:2, KRA6:1 & KRA6:2**
- ⇒ Explore feasibility options of assisting multi-family rental rehabilitation projects **KRA5:2, KRA6:1 & KRA6:2**

DIVISION BUDGET CHANGES—3 YEARS

Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Supplies	-	25,000	100.0%	-	-100.0%
Other Services & Charges	109,439	148,000	35.2%	180,000	21.6%
Total Housing	109,439	173,000	58.1%	180,000	4.0%

DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Supplies	-	-	25,000	-	-	-
Services & Charges	162,731	109,439	148,000	180,000	189,000	198,450
Total Housing	\$ 162,731	\$ 109,439	\$ 173,000	\$ 180,000	\$ 189,000	\$ 198,450





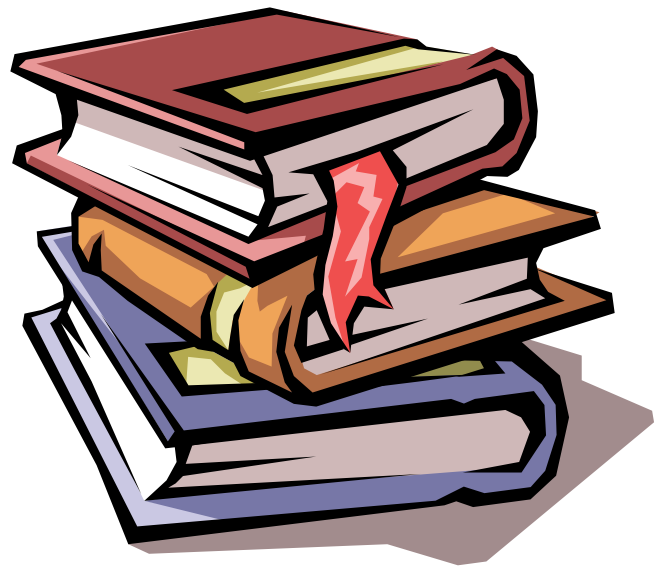
CD - AFFORDABLE HOUSING

	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
SUPPLIES				
206-5-6428-02-6990 Other Supplies	-	-	25,000	-
Total Supplies	-	-	25,000	-
OTHER SERVICES & CHARGES				
403-5-6428-21-7913 Housing Exp 2010	188	109,439	60,000	100,000
403-5-6428-22-7912 Senior Center 2010	162,543	-	88,000	80,000
Total Other Svcs & Charges	162,731	109,439	148,000	180,000
TOTAL HOUSING	162,731	109,439	173,000	180,000

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.

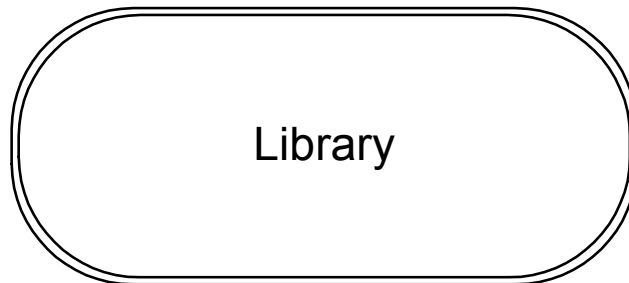
**Town of Payson
Library
328 N McLane
Payson, AZ 85541
928-474-9260**





>>>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	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed
Library	395,224	422,743	373,800	334,400
				-
Total Department	395,224	422,743	373,800	334,400

. POSITION SUMMARY

	2012/13	2013/14
Library Director	1.0	1.0
Assistant Library Manager	1.0	1.0
Library Clerks	5.0	4.5
Total Filled Positions	7.0	6.5

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.

2012/13 ACCOMPLISHMENTS

- ✓ **The Library welcomed 4 new staff members in the 2012/13 fiscal year. There are now 3 ALA accredited library professionals available to serve the Payson community. We also have computer experts on hand to assist patrons with the use of library technology, e-readers, laptops and tablets.**
- ✓ **The Library expanded hours to include Wednesdays evenings until 8pm.**
- ✓ **In cooperation with the Arizona State Library, Archives, and Public Records Agency and the Gila County Library District, the Payson Public Library now provides access to E-books, E-audiobooks, E-magazines, & E-newspapers.**
- ✓ **In May 2013, the Library was awarded a grant for health related collection development and programming. This project was supported with funds granted by the Arizona State Library, Archives, and Public Records Agency under the Library Services and Technology Act, which is federally administered by the Institute of Museum and Library Services.**
- ✓ **The Library introduced many new program series, including basic computing skills workshops, computer tutor time, library teen council, and the You Wouldn't Want To Be history programs for tweens. We continue to run multiple children's programs each week.**

CONTACT INFORMATION

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

PHYSICAL LOCATION

Payson Public Library
 328 N McLane
 Payson, AZ 85541



2013/
2014
GOALS

- ⇒ The Library will use awarded LSTA funds to update and expand our circulating, digital and reference collections on health related topics. We will also run a series of programs that promote the health of Payson area seniors. This program series will include lectures provided in partnership with the Payson Regional Medical Center and local agencies. **KRA5:5 & KRA6:2**
- ⇒ The Library will work to form community partnerships with local schools, agencies, clubs and associations to provide excellent programming to library patrons of every age group. **KRA5:5 & KRA6:2**
- ⇒ The Library will work to promote library services, including new e-resources, to the community. This will include outreach to colleges, schools and at community events. Staff will provide library tours and digital resource training to interested individuals and organizations. **KRA5:5, KRA6:2 & KRA10:3**
- ⇒ The Library’s trained early literacy experts will seek out opportunities to help educate and inform the parents and caregivers of local children. Recognizing that the first 5 years of a child’s life are vitally important to their future success, staff is eager to provide Every Child Ready to Read and Brain Box training. **KRA5:5**
- ⇒ The Library will continue to work with Gila County Library District administration and our in-network libraries towards the common goal of providing a positive and cohesive patron service experience throughout the Gila County Library District. **KRA5:5**

DIVISION BUDGET CHANGES—3 YEARS

Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Salaries & Wages	268,337	236,000	-12.1%	212,300	-10.0%
Personnel Benefits	84,097	81,800	-2.7%	58,000	-29.1%
Supplies	8,027	8,900	10.9%	11,000	23.6%
Other Services & Charges	62,282	47,100	-24.4%	53,100	12.7%
Total Library	422,743	373,800	-11.6%	334,400	-10.5%

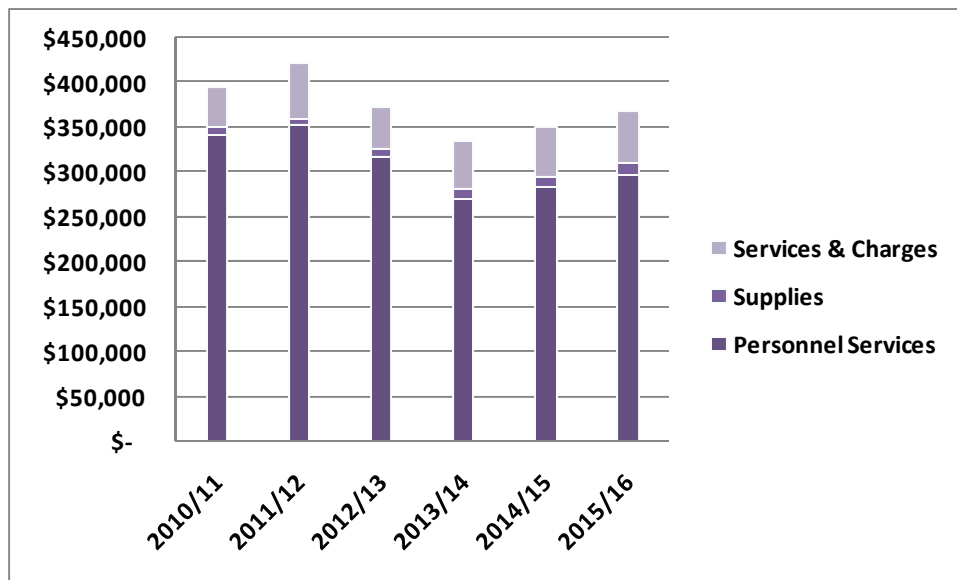
Significant budget changes:

- Decrease in Personnel Benefits is due to changes in the health insurance plan
- For FY2013/14, additional funds were budgeted for the acquisition of new computers and office equipment



DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Personnel Services	\$ 342,539	352,434	\$ 317,800	\$ 270,300	\$ 283,815	\$ 298,006
Supplies	8,046	8,027	8,900	11,000	11,550	12,128
Services & Charges	44,639	62,282	47,100	53,100	55,755	58,543
Total Library	\$ 395,224	\$ 422,743	\$ 373,800	\$ 334,400	\$ 351,120	\$ 368,676





LIBRARY

	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
SALARIES & WAGES				
224-5-4461-00-5001 Full Time Employees	236,299	223,418	190,300	197,600
224-5-4461-00-5002 Part Time Employees	43,148	44,919	45,700	14,700
Total Salaries & Wages	<u>279,447</u>	<u>268,337</u>	<u>236,000</u>	<u>212,300</u>
PERSONNEL BENEFITS				
224-5-4461-00-5501 FICA	20,518	19,971	16,200	16,200
224-5-4461-00-5504 Retirement	25,908	26,055	25,100	24,000
224-5-4461-00-5700 Health/Life Insurance	12,180	33,343	36,600	12,400
224-5-4461-00-5701 Disability Insurance	759	614	600	600
224-5-4461-00-5800 Workers Comp Insurance	3,727	4,114	3,300	4,800
Total Personnel Benefits	<u>63,092</u>	<u>84,097</u>	<u>81,800</u>	<u>58,000</u>
SUPPLIES				
224-5-4461-00-6001 Office Supplies	3,041	3,055	3,000	3,000
224-5-4461-00-6003 Cleaning/Sanitary Supplies	1,193	1,117	1,100	1,100
224-5-4461-00-6013 Computer Equip/ Supplies	-	-	-	2,000
224-5-4461-00-6201 Building R&M	632	295	1,800	1,800
224-5-4461-00-6700 Dues & Memberships	3,180	3,560	3,000	3,100
Total Supplies	<u>8,046</u>	<u>8,027</u>	<u>8,900</u>	<u>11,000</u>
OTHER SERVICES & CHARGES				
224-5-4461-00-7300 Electricity	25,763	28,658	27,000	32,000
224-5-4461-00-7302 Water	541	1,119	1,300	1,000
224-5-4461-00-7304 Sewage	1,037	370	1,200	400
224-5-4461-00-7305 Refuse Disposal	520	468	600	300
224-5-4461-00-7306 Telephone	4,044	4,262	4,000	6,000
224-5-4461-00-7307 Postage	1,587	2,181	2,000	1,500
224-5-4461-00-7401 Building R&M	10,356	24,945	10,000	10,000
224-5-4461-00-7402 R&M Office Equip	-	-	-	1,200
224-5-4461-00-7900 Other Professional Services	791	-	500	-
224-5-4461-00-7910 Printing & Binding	-	280	500	700
Total Other Svcs & Charges	<u>44,639</u>	<u>62,282</u>	<u>47,100</u>	<u>53,100</u>
TOTAL LIBRARY	<u><u>395,224</u></u>	<u><u>422,743</u></u>	<u><u>373,800</u></u>	<u><u>334,400</u></u>

RECREATION & TOURISM

The mission of the Payson Parks, Recreation & Tourism Department is to provide for the health, inspiration and recreational opportunities for the people of Payson through the creation and maintenance of high quality programs, facilities and community special events. 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**

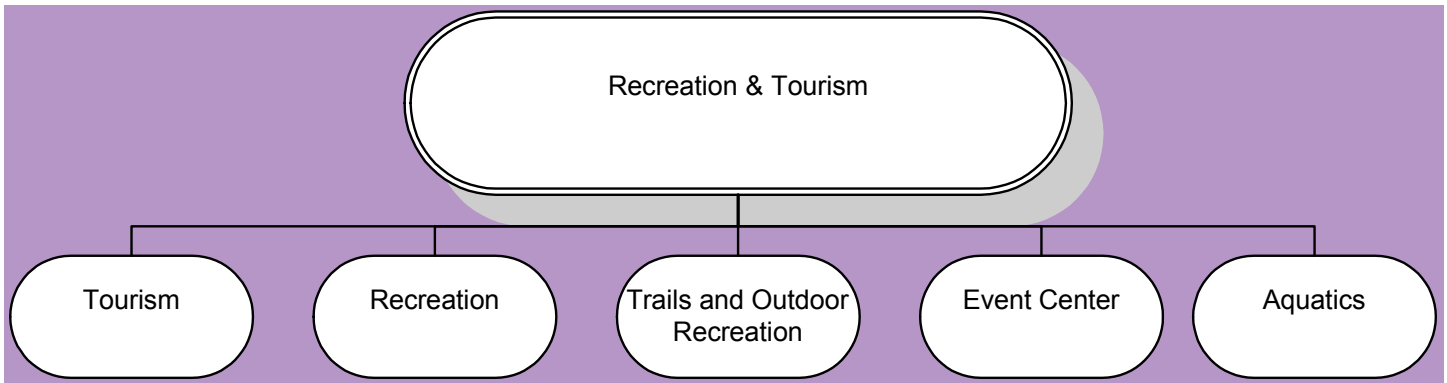
**Cameron Davis
Director of Recreation & Tourism
cdavis@paysonaz.gov**





>>>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	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed
Tourism	190,461	106,764	199,400	202,600
Trails	59,868	4,341	11,600	10,000
Recreation	190,716	237,242	289,400	271,700
Event Center	40,514	91,729	159,100	160,700
Aquatics	41,089	30,688	45,300	45,400
Total Department	522,648	470,764	704,800	690,400

. POSITION SUMMARY

	2012/13	2013/14
Recreation & Tourism Director	1.0	1.0
Recreation Supervisor	1.0	0.0
Recreation Coordinator	1.0	2.0
Secretary	1.0	1.0
Event Center Coordinator	1.0	1.0
Total Filled Positions	5.0	5.0

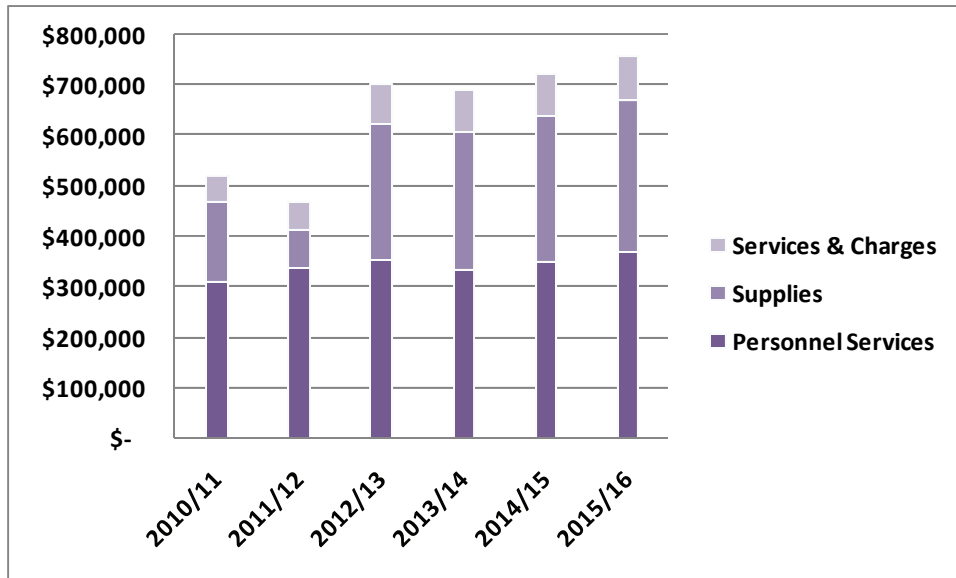


DEPARTMENT BUDGET CHANGES—3 YEARS

Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Salaries & Wages	256,581	275,100	7.2%	266,000	-3.3%
Personnel Benefits	83,473	79,100	-5.2%	70,200	-11.3%
Supplies	75,796	271,000	257.5%	274,100	1.1%
Other Services & Charges	54,914	79,600	45.0%	80,100	0.6%
Total Rec & Tourism	470,764	704,800	49.7%	690,400	-2.0%

DEPARTMENT BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Personnel Services	\$ 310,064	\$ 340,054	\$ 354,200	\$ 336,200	\$ 353,010	\$ 370,661
Supplies	161,402	75,796	271,000	274,100	287,805	302,195
Services & Charges	51,182	54,914	79,600	80,100	84,105	88,310
Total Rec & Tourism	\$ 522,648	\$ 470,764	\$ 704,800	\$ 690,400	\$ 724,920	\$ 761,166





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

2012/13 ACCOMPLISHMENTS

- ✓ The Town of Payson won first place in the 2012 Fiesta Bowl Parade and this exposure brought the Town a projected \$1,000,000 in free advertising
- ✓ Town's Tourism Website set traffic records this year with over 750,000 visitors and over three million pages visited
- ✓ ASU football returned to Camp Tontozona this year and will be back next year
- ✓ Held the first ever mud run at the Mountain High Games and attracted over 270 runners making it the largest race in Payson's history
- ✓ Attracted over 520 contestants to the Mountain High Games
- ✓ Partnered with Friends of Gila Community College to bring the Harlem Ambassadors Basketball team to Town
- ✓ Grew Payson's brand name in the Valley by utilizing press releases, media connections, TV, radio, and other avenues to accumulate over 2,450 advertisements and mentions throughout the year
- ✓ Tourism website www.paysonrimcountry.com continues to be at the top of all search engines
- ✓ Continue to brand "Arizona's Cool Mountain Town" in the Valley
- ✓ Co-sponsored several major events such as the Car Show and World's Oldest Continuous Rodeo
- ✓ Grew the Town's e-mail marketing list by 40%. The e-mail campaigns continue to perform well. When we send out an e-mail blast, over 48% of the people on the list open the e-mail in contrast to industry norms of about 7%.
- ✓ Continued utilization of active social media which has become a vital part of our marketing mix because it is traceable, trackable, and creates immediate awareness. Our Facebook page, created in 2011, now has just under 1,500 members.
- ✓ Attracted record number of participants in our Trunk or Treat Festival
- ✓ Continued to expand special events that are bringing a variety of new visitors to Town
- ✓ Continued to increase viability of the Old Time Fiddlers contest. We have attracted major recording artist Suzy Bogguss to appear at this year's contest.
- ✓ Provided a variety of different races that have encouraged community involvement, health, and well-being
- ✓ Electric Light Parade attracted more visitors than ever before with estimated crowds of over 3,000 and the largest number of floats and participants



2013/
2014
GOALS

- ⇒ Build the Mountain High Games into a premier event state-wide **KRA1:3 & KRA1:4**
- ⇒ Make the Mountain High Games Mud Run an annual event **KRA1:3 & KRA1:4**
- ⇒ Attract a large scale mountain bike competition to Payson **KRA1:4**
- ⇒ Continue to develop and build our social media presence **KRA1:4**
- ⇒ Continue to feature the 4th of July as the Town’s premier event **KRA1:4**
- ⇒ Continue to build relationships with the Payson Pro Rodeo Committee and promote the World’s Oldest Continuous Rodeo **KRA1:3 & KRA1:4**
- ⇒ Work with all Recreation and Tourism Divisions to promote and drive participation to our programs **KRA1:4 & KRA5:3**
- ⇒ Continue to grow relationships with local and regional businesses that support our events **KRA7:5**
- ⇒ Work with State organizations to create more focus on Payson, its events and attractions **KRA1:4**

DIVISION BUDGET CHANGES—3 YEARS

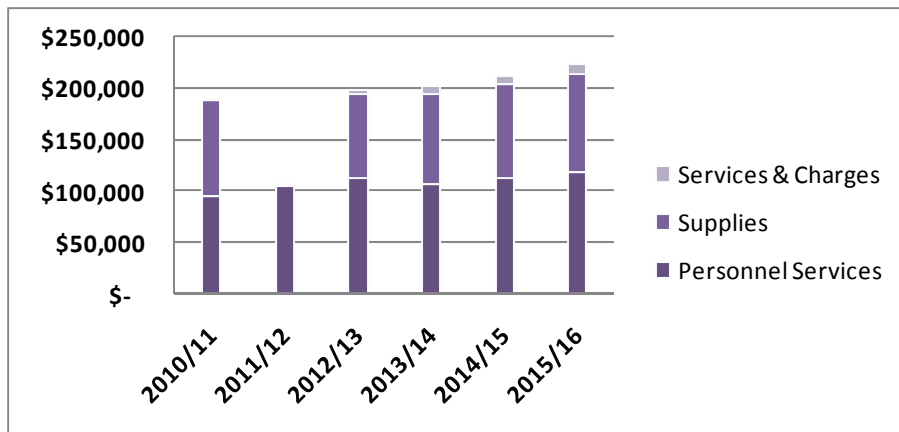
Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Salaries & Wages	78,832	88,400	12.1%	85,000	-3.8%
Personnel Benefits	26,385	24,600	-6.8%	22,600	-8.1%
Supplies	-	82,100	100.0%	86,500	5.4%
Other Services & Charges	1,547	4,300	178.0%	6,500	51.2%
Total Tourism	106,764	199,400	86.8%	200,600	0.6%

Significant budget change:

- Addition of funds for advertising to increase promotion of events caused change in Other Services

DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Personnel Services	\$ 95,620	\$ 105,217	\$ 113,000	\$ 107,600	\$ 112,980	\$ 118,629
Supplies	94,150	-	82,100	86,500	\$ 90,825	\$ 95,366
Services & Charges	691	1,547	4,300	8,500	\$ 8,925	\$ 9,371
Total Tourism	\$ 190,461	106,764	\$ 199,400	\$ 202,600	\$ 212,730	\$ 223,367





TOURISM

	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
SALARIES & WAGES				
101-5-1410-00-5001 Full Time Employees	78,622	78,832	78,400	80,000
214-5-1410-00-5003 Temporary Employees	-	-	10,000	5,000
Total Salaries & Wages	<u>78,622</u>	<u>78,832</u>	<u>88,400</u>	<u>85,000</u>
PERSONNEL BENEFITS				
101-5-1410-00-5501 FICA	5,773	5,850	5,500	6,100
214-5-1410-00-5501 FICA	-	-	-	400
101-5-1410-00-5504 Retirement	7,765	8,420	8,500	9,000
101-5-1410-00-5700 Health/Life Insurance	3,013	11,666	10,100	6,600
101-5-1410-00-5701 Disability Insurance	229	199	200	200
101-5-1410-00-5800 Workers Comp Insurance	218	250	300	300
Total Personnel Benefits	<u>16,998</u>	<u>26,385</u>	<u>24,600</u>	<u>22,600</u>
SUPPLIES				
101-5-1410-00-6011 Small Tools & Minor Equipment	3,703	-	2,000	1,500
214-5-1410-00-6602 Promotional Events	90,350	-	80,000	85,000
101-5-1410-00-6700 Dues & Memberships	-	-	100	-
210-5-1410-00-6990 Other Supplies-Main St Program	97	-	-	-
Total Supplies	<u>94,150</u>	<u>-</u>	<u>82,100</u>	<u>86,500</u>
OTHER SERVICES & CHARGES				
101-5-1410-00-7306 Telephone	691	975	800	800
101-5-1410-00-7307 Postage	-	29	500	200
101-5-1410-00-7900 Other Professional Services	-	508	1,500	1,500
101-5-1410-00-7907 Advertising	-	-	-	4,000
101-5-1410-00-7910 Printing - Binding	-	35	-	-
210-5-1410-00-7912 Grant Expense	-	-	1,500	2,000
Total Other Svcs & Charges	<u>691</u>	<u>1,547</u>	<u>4,300</u>	<u>8,500</u>
TOTAL TOURISM	<u><u>190,461</u></u>	<u><u>106,763</u></u>	<u><u>199,400</u></u>	<u><u>202,600</u></u>



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.

2012/13 ACCOMPLISHMENTS

- ✓ **Administered over 40 Programs for adult and youth sports**
- ✓ **Added a youth volleyball program**
- ✓ **Attracted several new sports destination tournaments—soccer & baseball**
- ✓ **Increased the number of programs offered to youth and adults**
- ✓ **Provided more programs for children who have not started school (ages 3-5)**
- ✓ **Provided additional training for seasonal employees**
- ✓ **Improved training for volunteer coaches**
- ✓ **Streamlined the use of sports equipments to cut down on lost and stolen goods**
- ✓ **Attracted more camps to Town and increased camps with PUSD**
- ✓ **Hosted an ASA Fast Pitch Tournament with youth ages 10 and up**
- ✓ **Continued with the Summer Recreation Camp as a cost recovery program**

CONTACT INFORMATION

PHYSICAL LOCATIONS

Mary Wolf-
Recreation Coordinator
(928) 474-5242 X260
mwolf@paysonaz.gov

David Roehrig-
Recreation Coordinator
(928) 474-5242 X272
droehrig@paysonaz.gov

Rumsey Park
504 N McLane Rd.
Payson, AZ 85541

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



**2013/
2014
GOALS**

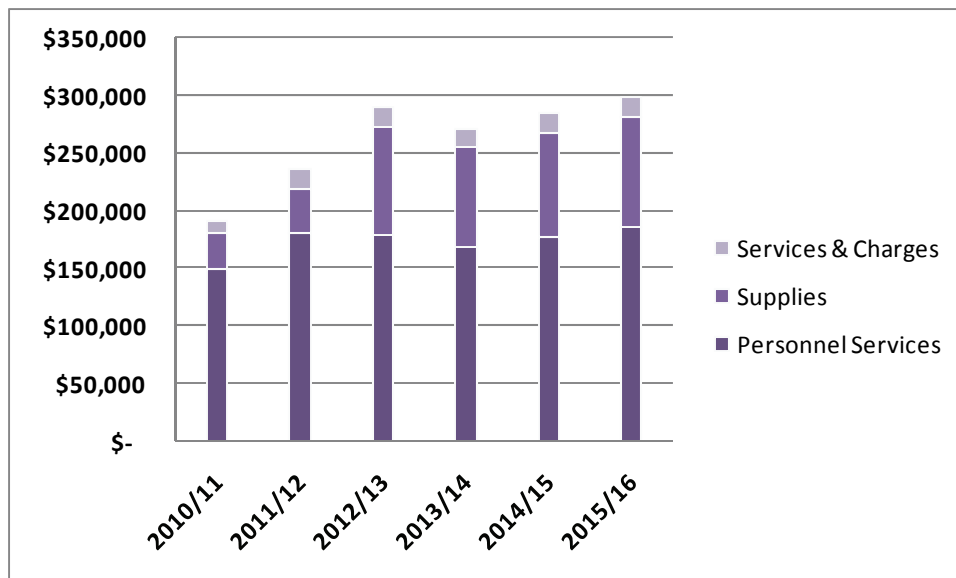
- ⇒ Attract four large sports tournaments that will bring revenues of \$20K **KRA1:4**
- ⇒ Expand the youth volleyball program to include high school age players **KRA5:3**
- ⇒ Offer more training and tools for youth sports volunteer coaches **KRA7:4 & KRA7:5**
- ⇒ Provide more camps for our youth sports at the beginning of the league **KRA5:3**
- ⇒ Increase the number of children participating in our youth programs **KRA5:3**
- ⇒ Educate the community on meeting registration deadlines for leagues **KRA4:5**

DIVISION BUDGET CHANGES—3 YEARS

Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Salaries & Wages	140,462	141,300	0.6%	135,100	-4.4%
Personnel Benefits	40,296	38,000	-5.7%	33,500	-11.8%
Supplies	38,215	93,000	143.4%	86,200	-7.3%
Other Services & Charges	18,269	17,100	-6.4%	16,900	-1.2%
Total Recreation Operations	237,242	289,400	22.0%	271,700	-6.1%

BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Personnel Services	\$ 149,992	\$ 180,758	\$ 179,300	\$ 168,600	\$ 177,030	\$ 185,882
Supplies	31,235	38,215	93,000	86,200	90,510	95,036
Services & Charges	9,489	18,269	17,100	16,900	17,745	18,632
Total Recreation	\$ 190,716	\$ 237,242	\$ 289,400	\$ 271,700	\$ 285,285	\$ 299,549





RECREATION

	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
4460/4466/4467				
SALARIES & WAGES				
101-5-446x-00-5001 Full Time Employees	101,115	108,058	107,600	101,400
101-5-446x-00-5003 Temporary	21,861	32,403	33,700	33,700
Total Salaries & Wages	122,976	140,462	141,300	135,100
PERSONNEL BENEFITS				
101-5-446x-00-5501 FICA	9,011	10,506	10,800	9,900
101-5-446x-00-5504 Retirement	9,760	11,542	11,700	11,500
101-5-446x-00-5700 Health/Life Insurance	5,614	16,283	14,000	9,600
101-5-446x-00-5701 Disability Insurance	282	273	300	300
101-5-446x-00-5800 Workers Comp Insurance	2,349	1,692	1,200	2,200
Total Personnel Benefits	27,016	40,296	38,000	33,500
SUPPLIES				
101-5-446x-00-6001 Office Supplies	2,721	1,523	2,000	1,800
101-5-446x-00-6003 Cleaning Supplies	160	178	400	300
101-5-446x-00-6005 Safety/Program Supplies	146	38	300	200
101-5-446x-00-6006 Clothing/Uniform Reimburse	381	254	700	500
101-5-446x-00-6009 Program Supplies	26,604	34,004	81,600	77,300
101-5-446x-00-6011 Small Tools/Minor Equipment	292	36	400	200
101-5-446x-00-6201 Building Repair Materials	40	193	400	200
101-5-446x-00-6300 Vehicle Fuels	740	1,197	6,000	4,000
101-5-446x-00-6301 Tires/Tubes/Batteries	-	-	600	-
101-5-446x-00-6302 Vehicle R&M	106	747	500	1,100
101-5-446x-00-6700 Dues & Memberships	45	45	100	600
Total Supplies	31,235	38,215	93,000	86,200
OTHER SERVICES & CHARGES				
101-5-446x-00-7306 Telephone	86	5,476	6,200	6,700
101-5-446x-00-7307 Postage	10	57	200	-
101-5-446x-00-7402 Office Equipment R&M	-	656	-	-
101-5-446x-00-7404 R & M Equipment	-	-	100	-
101-5-446x-00-7502 Lease-Equipment	2,500	1,720	1,500	1,700
101-5-446x-00-7600 Travel	-	143	300	-
101-5-446x-00-7601 Registrations	250	-	300	-
101-5-446x-00-7907 Advertising	500	500	500	500
101-5-446x-00-7910 Printing & Binding	6,143	9,717	8,000	8,000
Total Other Svcs & Charges	9,489	18,269	17,100	16,900
TOTAL RECREATION	190,716	237,242	289,400	271,700



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.

2012/13 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**
- ✓ **Promote PATS in the Chamber’s Visitors Guide which goes out to all local and state-wide Chambers of Commerce, Visitors Bureaus, State Visitors Centers, etc**

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

**2013/
2014
GOALS**

- ⇒ Continue to work with USFS and PATS volunteers to maintain USFS/PATS routes **KRA3:2 & KRA7:5**
- ⇒ Find creative, new activities and programs that will allow the public to utilize the PATS trails more frequently **KRA5:3**
- ⇒ Continue to offer most popular outdoor recreation programming per cost recovery guidelines and public request **KRA5:3**
- ⇒ Partner with other government agencies & contractors, when possible, to maximize service and minimize costs of programs **KRA3:2 & KRA7:5**
- ⇒ Increase awareness and participation of PATS use and outdoor recreational activities to Arizona residents & organizations in the Metro Phoenix area **KRA4:5**
- ⇒ Look for grant opportunities for trail construction and maintenance that do not require matching funds, only in-kind contributions (volunteer and staff labor and salaries, etc.) **KRA 3:2 & KRA7:5**
- ⇒ Work with the Arizona OHV Program to set guidelines for trail use as it relates to OHV and UTV's **KRA3:2**

DIVISION BUDGET CHANGES—3 YEARS

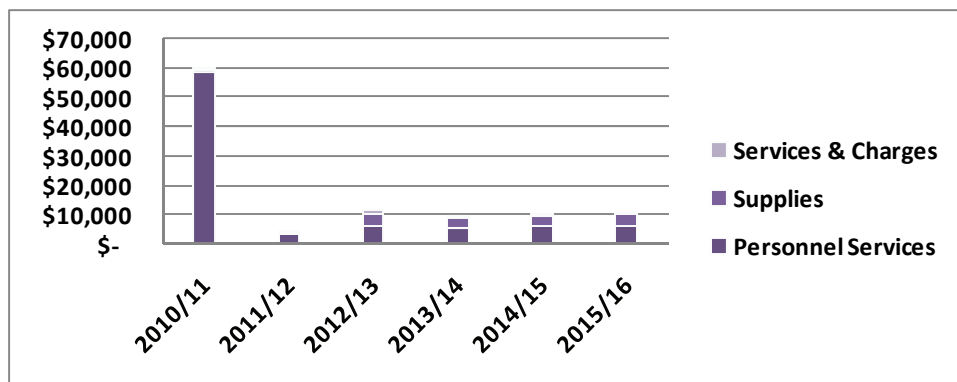
Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Salaries & Wages	2,941	5,400	83.6%	5,400	0.0%
Personnel Benefits	1,009	1,000	-0.9%	500	-50.0%
Supplies	81	4,400	5332.1%	3,900	-11.4%
Other Services & Charges	310	800	158.1%	200	-75.0%
Total Trails & Open Space	4,341	11,600	167.2%	10,000	-13.8%

Significant budget changes:

- Decreases due to the fact that trail maintenance and construction is primarily being done by temporary workers and volunteers

DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

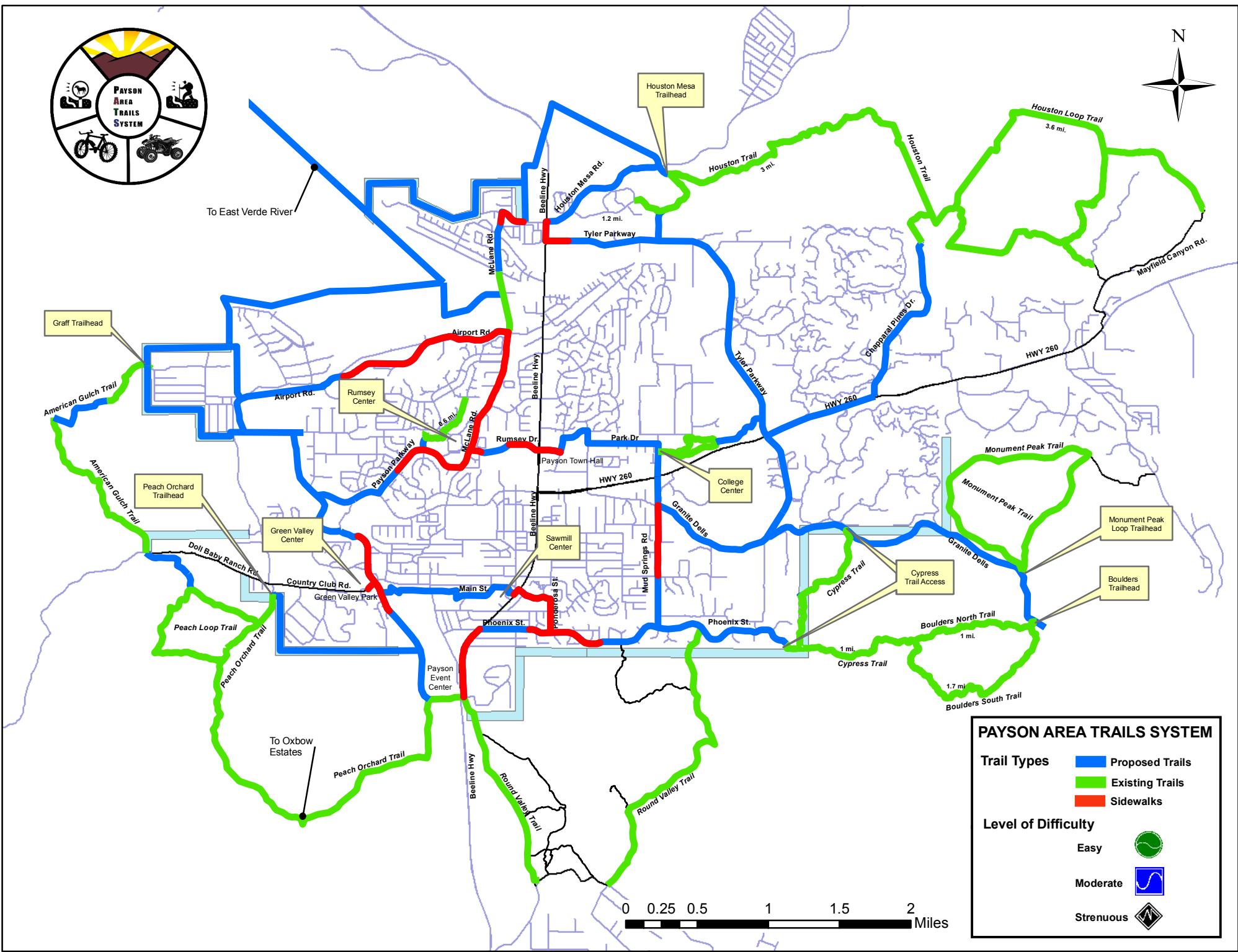
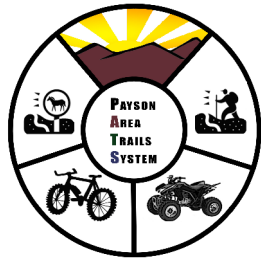
Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Personnel Services	\$ 58,907	\$ 3,950	\$ 6,400	\$ 5,900	\$ 6,195	\$ 6,505
Supplies	926	81	4,400	3,900	4,095	4,300
Services & Charges	35	310	800	200	210	221
Total Trails	\$ 59,868	\$ 4,341	\$ 11,600	\$ 10,000	\$ 10,500	\$ 11,025





TRAILS & OPEN SPACE

	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
SALARIES & WAGES				
101-5-4464-00-5001 Full Time Employees	31,440	768	-	-
101-5-4464-00-5002 Part Time Employees	17,371	1,677	-	-
101-5-4464-00-5003 Temporary	348	-	3,000	3,000
101-5-4464-00-5009 Contract/Instructor Pay	1,055	496	2,400	2,400
Total Salaries & Wages	50,214	2,941	5,400	5,400
PERSONNEL BENEFITS				
101-5-4464-00-5501 FICA	3,541	236	500	300
101-5-4464-00-5504 Retirement	4,379	333	-	-
101-5-4464-00-5700 Health/Life Insurance	216	426	-	-
101-5-4464-00-5701 Disability Insurance	102	8	100	-
101-5-4464-00-5800 Workers Comp Insurance	455	7	400	200
Total Personnel Benefits	8,693	1,009	1,000	500
SUPPLIES				
101-5-4464-00-6005 Safety/Program Supplies	6	-	-	-
101-5-4464-00-6009 Program Supplies	865	81	4,300	3,800
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	926	81	4,400	3,900
OTHER SERVICES & CHARGES				
101-5-4464-00-7306 Telephone	-	158	600	-
101-5-4464-00-7307 Utilities Postage/Freight	-	152	-	-
101-5-4464-00-7601 Registrations	35	-	-	-
101-5-4464-00-7910 Printing & Binding	-	-	200	200
Total Other Svcs & Charges	35	310	800	200
 TOTAL TRAILS & OPEN SPACE	 59,868	 4,341	 11,600	 10,000



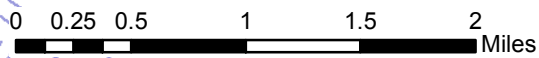
PAYSON AREA TRAILS SYSTEM

Trail Types

- Proposed Trails (Blue line)
- Existing Trails (Green line)
- Sidewalks (Red line)

Level of Difficulty

- Easy (Green circle icon)
- Moderate (Blue square icon)
- Strenuous (Black diamond icon)





EVENT CENTER

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.

2012/13 ACCOMPLISHMENTS

- ✓ Hosted the AZ State High School Rodeo Finals for the 5th consecutive year
- ✓ Purchased 400 stall panels to provide accommodations for returning events as well as to draw larger events
- ✓ Hosted the Southwest Indian Rodeo Association Finals for the 3rd year
- ✓ Secured USTRC Championship Team Roping
- ✓ Secured several pre-bookings for events to be held in Fiscal Year 2013/14

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



**2013/
2014
GOALS**

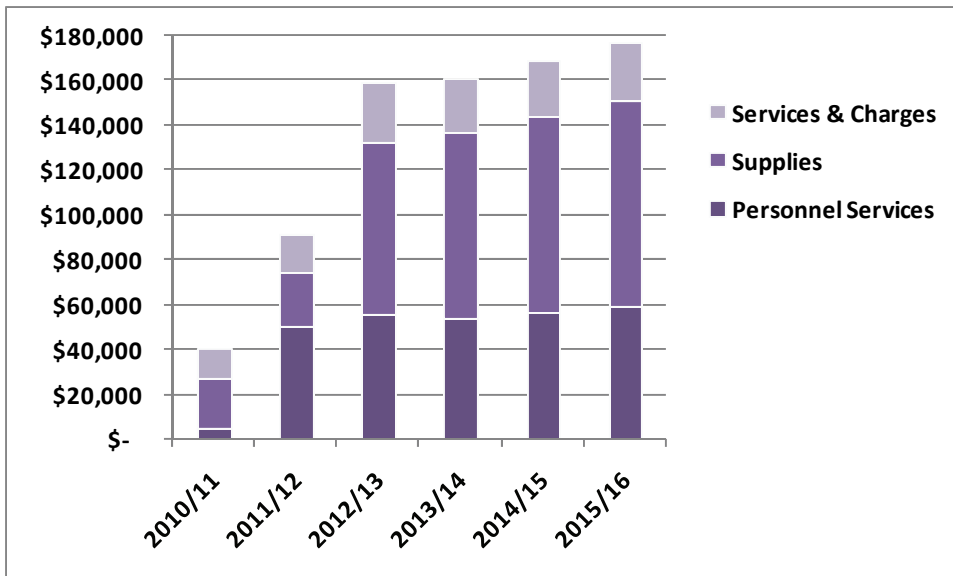
- ⇒ Host the Arizona State High School Rodeo Finals for the 6th consecutive year **KRA1:3 & KRA1:4**
- ⇒ Host the Southwest Indian Rodeo Association Finals for the 4th consecutive year **KRA1:3 & KRA1:4**
- ⇒ Host the Arizona State High School and Arizona Junior High Rodeo Season Opener **KRA1:3 & KRA1:4**
- ⇒ Host USTRC Championships for 2nd year **KRA1:3 & KRA1:4**
- ⇒ Host NBHA Finals **KRA1:3 & KRA1:4**

DIVISION BUDGET CHANGES—3 YEARS

Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Salaries & Wages	34,346	40,000	16.5%	40,500	1.3%
Personnel Benefits	15,783	15,500	-1.8%	13,600	-12.3%
Supplies	24,414	77,000	215.4%	83,000	7.8%
Other Services & Charges	17,186	26,600	54.8%	23,600	-11.3%
Total Event Center	91,729	159,100	73.4%	160,700	1.0%

DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Personnel Services	\$ 5,545	\$ 50,129	\$ 55,500	\$ 54,100	\$ 56,805	\$ 59,645
Supplies	22,061	24,414	77,000	83,000	87,150	91,508
Services & Charges	12,908	17,186	26,600	23,600	24,780	26,019
Total Event Center	\$ 40,514	\$ 91,729	\$ 159,100	\$ 160,700	\$ 168,735	\$ 177,172





EVENT CENTER

	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
SALARIES & WAGES				
265-5-4465-00-5001 Full Time Employees	4,030	34,346	35,000	35,500
265-5-4465-00-5002 Part Time Employees	560	-	-	-
265-5-4465-00-5003 Temporary	-	-	5,000	5,000
Total Salaries & Wages	4,590	34,346	40,000	40,500
PERSONNEL BENEFITS				
265-5-4465-00-5501 FICA	355	2,337	2,800	2,700
265-5-4465-00-5504 Retirement	549	3,618	3,800	4,000
265-5-4465-00-5700 Insurance Benefit	-	9,634	8,700	6,600
265-5-4465-00-5701 Disability Insurance	36	85	100	100
265-5-4465-00-5800 Workers Comp Insurance	15	109	100	200
Total Personnel Benefits	955	15,783	15,500	13,600
SUPPLIES				
265-5-4465-00-6009 Program Service Costs	20,181	22,291	68,500	74,500
265-5-4465-00-6202 R & M Supplies Other	1,412	2,049	7,500	7,500
265-5-4465-00-6900 Other Supplies	468	74	1,000	1,000
Total Supplies	22,061	24,414	77,000	83,000
OTHER SERVICES & CHARGES				
265-5-4465-00-7300 Electricity	8,790	9,414	12,000	12,000
265-5-4465-00-7302 Water	1,736	2,711	2,000	2,000
265-5-4465-00-7305 Refuse Disposal	1,682	2,685	5,000	4,000
265-5-4465-00-7306 Telephone	-	509	600	600
265-5-4465-00-7502 Lease-Equipment	700	1,868	7,000	5,000
Total Other Svcs & Charges	12,908	17,186	26,600	23,600
 TOTAL EVENT CENTER	 40,514	 91,729	 159,100	 160,700

<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>
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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.

2012/13 ACCOMPLISHMENTS

- ✓ **Negotiated one year extension of contract with EVO Swim School to manage Taylor Pool**
- ✓ **Provide the community with Olympic level instruction for its swim team**
- ✓ **Provide swim lesson instruction to the community**

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



**2013/
2014
GOALS**

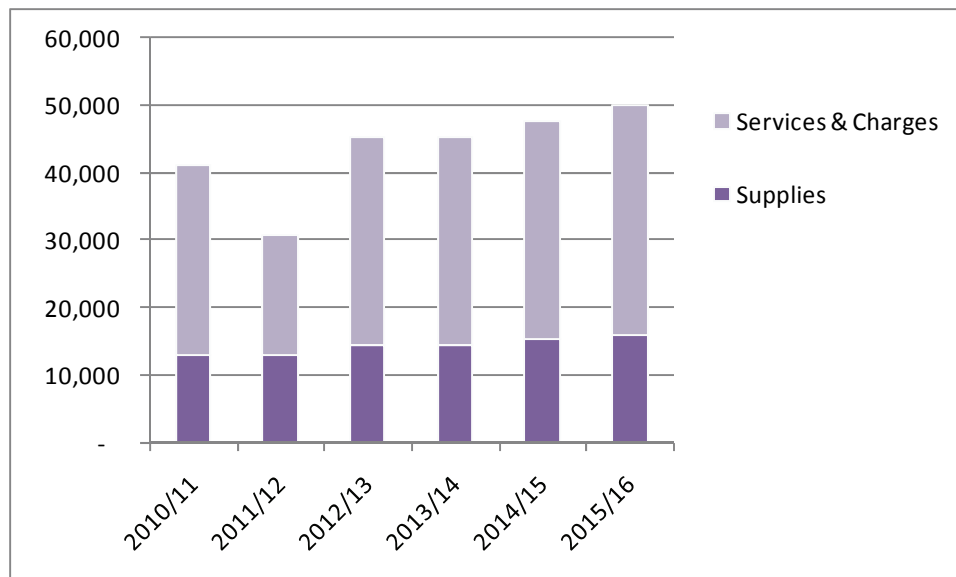
- ⇒ Evaluate and renew a multi-year contract with EVO Swim School to manage Taylor Pool **KRA5:3**
- ⇒ Provide quality swimming lessons, swim team and a safe, open swim environment **KRA5:3**
- ⇒ Evaluate existing equipment and start plan for replacement **KRA5:3**

DIVISION BUDGET CHANGES—3 YEARS

Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Supplies	13,086	14,500	10.8%	14,500	0.0%
Other Services & Charges	17,602	30,800	75.0%	30,900	0.3%
Total Aquatics	30,688	45,300	47.6%	45,400	0.2%

BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Supplies	13,030	13,086	14,500	14,500	15,225	15,986
Services & Charges	28,059	17,602	30,800	30,900	32,445	34,067
Total Aquatics	\$ 41,089	\$ 30,688	\$ 45,300	\$ 45,400	\$ 47,670	\$ 50,054



**AQUATICS**

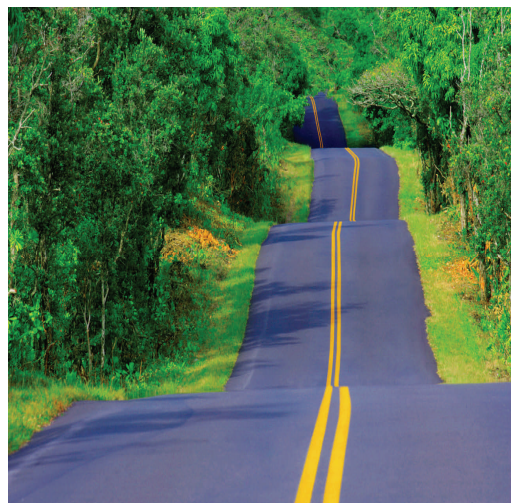
	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
SUPPLIES				
101-5-4469-00-6008 Chemicals	10,588	9,617	11,000	11,000
101-5-4469-00-6009 Program Supplies	1,979	1,989	2,000	2,000
101-5-4469-00-6201 Building Repair Materials	331	674	1,000	1,000
101-5-4469-00-6202 Other R&M Materials	132	806	500	500
Total Supplies	<u>13,030</u>	<u>13,086</u>	<u>14,500</u>	<u>14,500</u>
OTHER SERVICES & CHARGES				
101-5-4469-00-7300 Electricity	7,332	2,831	7,500	9,000
101-5-4469-00-7301 Propane Gas	10,431	5,069	9,500	7,500
101-5-4469-00-7302 Water	3,049	2,702	2,300	2,800
101-5-4469-00-7304 Sewage	2,100	2,100	2,100	2,100
101-5-4469-00-7306 Telephone	549	549	500	600
101-5-4469-00-7601 Registrations	98	-	-	-
101-5-4469-00-7900 Other Prof Svcs	-	-	4,500	4,500
101-5-4469-00-7903 General Insurance	4,500	4,350	4,400	4,400
Total Other Svcs & Charges	<u>28,059</u>	<u>17,602</u>	<u>30,800</u>	<u>30,900</u>
TOTAL AQUATICS	<u><u>41,089</u></u>	<u><u>30,688</u></u>	<u><u>45,300</u></u>	<u><u>45,400</u></u>

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**

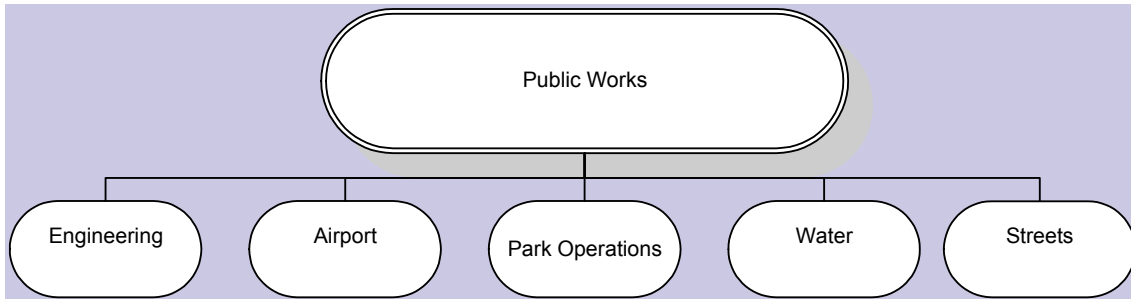
**LaRon Garrett—Assistant Town Manager
lgarrett@paysonaz.gov**





>>>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 is not included in Department summary information but is reported separately.)



. EXPENDITURE SUMMARY

Operating Division	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed
Town Engineer	79,166	6,075	-	4,400
Highway Users Fund (HURF)	1,686,032	1,537,201	1,635,800	1,678,700
Parks Operations	390,390	431,878	410,500	518,800
Airport	96,309	382,115	717,400	864,900
Total Department	2,251,897	2,357,269	2,763,700	3,066,800

. POSITION SUMMARY

	2012/13	2013/14
Streets Superintendent	1.0	1.0
Town Engineer	1.0	1.0
Secretary	1.0	1.0
Mechanic	1.0	1.0
Senior Mechanic	1.0	1.0
Crew Leader	2.0	2.0
Streets/Airport Maint. Worker	7.0	10.0
Airport Coordinator	1.0	1.0
Park Supervisor	1.0	1.0
Crew Leader	1.0	1.0
Parks Maintenance Worker	3.0	3.0
Total Filled Positions	20.0	23.0

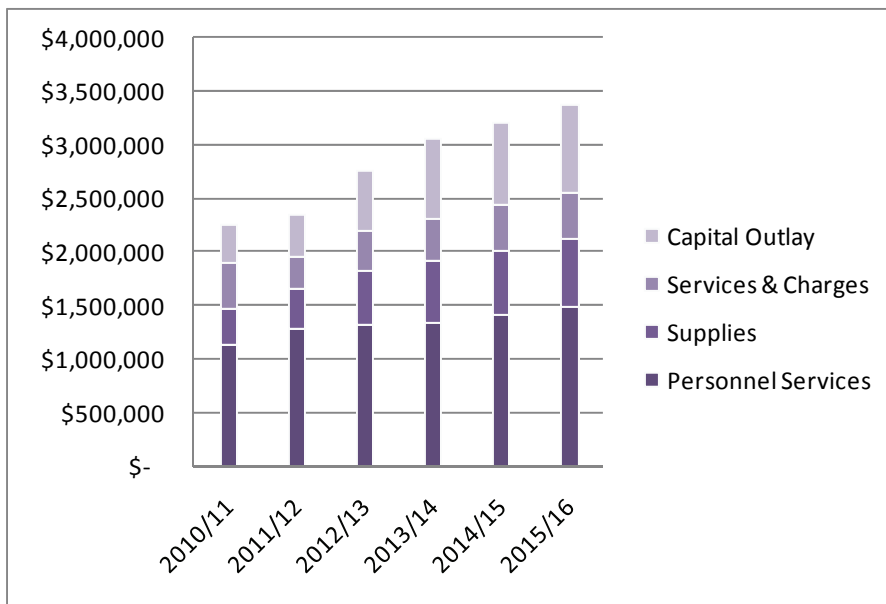


DEPARTMENT BUDGET CHANGES—3 YEARS

Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Salaries & Wages	893,532	920,700	3.0%	984,500	6.9%
Personnel Benefits	400,780	398,100	-0.7%	366,100	-8.0%
Supplies	368,596	514,200	39.5%	579,000	12.6%
Other Services & Charges	306,248	380,700	24.3%	395,600	3.9%
Capital Outlay	388,113	550,000	41.7%	741,600	34.8%
Total Public Works	2,357,269	2,763,700	17.2%	3,066,800	11.0%

DEPARTMENT BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Personnel Services	\$ 1,144,786	\$ 1,294,312	\$ 1,318,800	\$ 1,350,600	\$ 1,418,130	\$ 1,489,037
Supplies	325,060	368,596	514,200	579,000	607,950	638,348
Services & Charges	428,825	306,248	380,700	395,600	415,380	436,149
Capital Outlay	353,226	388,113	550,000	741,600	778,680	817,614
Total Public Works	\$ 2,251,897	\$ 2,357,269	\$ 2,763,700	\$ 3,066,800	\$ 3,220,140	\$ 3,381,147





ENGINEERING

The Engineering Division manages the Town’s streets, rights-of-way, and fleet. It provides engineering services for the design, construction and maintenance of these capital assets. It also reviews and inspects private developments.

DIVISION DESCRIPTION

The Division recommends policies and standards to design, construct and maintain streets, stormwater facilities, parks and other town facilities. It establishes and monitors work plans for operating maintenance division; reviews private development plans for conformance to Town standards and to determine impacts on infrastructure systems, inspects the developments and establishes development requirements for approvals. It responds to citizen requests regarding public right-of-way maintenance. It also oversees the Town’s Streets Capital Improvement program by identifying, defining and estimating costs of capital improvements to correct deficiencies; designing or overseeing the design of capital improvements; scheduling; monitoring and inspecting construction of the improvements..

2012/13 ACCOMPLISHMENTS

- ✓ **Provided continuous updates to the Town Base Map on CADD**
- ✓ **Provided technical assistance on the C.C. Cragin Water Project**
- ✓ **Provided plan review and construction observation for private developments and public projects**

Contact Information

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

Physical Location

Community Development Bldg-Town Hall Complex
303 N. Beeline Highway
Payson, AZ 85541

**2013/
2014
GOALS**

- ⇒ **Oversee the Pavement Maintenance Program KRA3:1**
- ⇒ **Provide plan review and construction observation for private developments and public projects KRA3:4**
- ⇒ **Continue to provide assistance on the C.C. Cragin Water Project KRA3:3**

DIVISION BUDGET CHANGES—3 YEARS

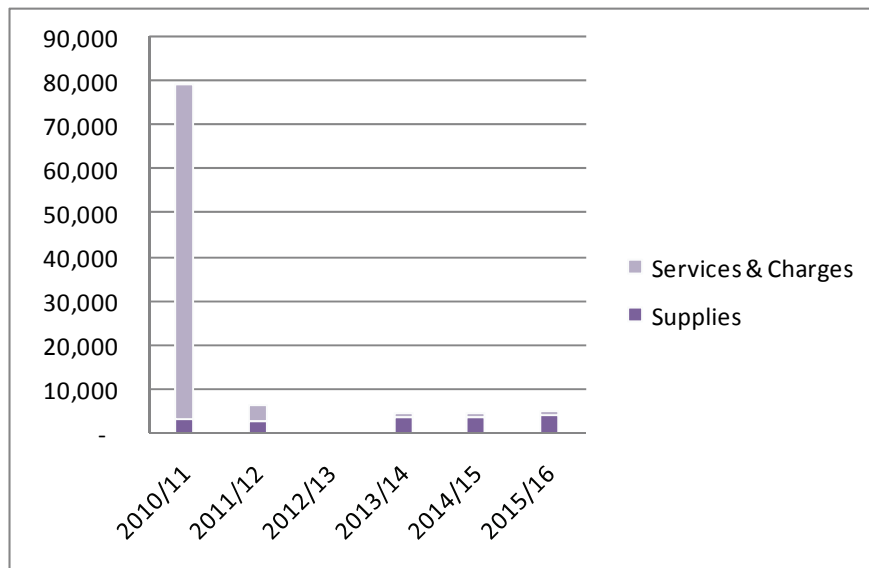
Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Supplies	2,673	-	-100.0%	3,500	100.0%
Other Services & Charges	3,402	-	-100.0%	900	100.0%
Total Engineer	6,075	-	-100.0%	4,400	100.0%

Significant Budget Changes:

- In FY12/13, the operations of the Town Engineering Division were absorbed by other divisions. It was determined that these functions were best handled by the Engineering Division so, in FY13/14, funds were budgeted in this division.

DIVISION BUDGET ANALYSIS-HISTORIC AND FORECAST

Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Supplies	3,167	2,673	-	3,500	3,675	3,859
Services & Charges	75,999	3,402	-	900	945	992
Total Town Engineer	\$ 79,166	\$ 6,075	\$ -	\$ 4,400	\$ 4,620	\$ 4,851





TOWN ENGINEER

	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
SALARIES & WAGES				
101-5-3441-00-5001 Full Time Employees	-	-	-	-
Total Salaries & Wages	-	-	-	-
PERSONNEL BENEFITS				
101-5-3441-00-5504 Pensions	-	-	-	-
101-5-3441-00-5700 Health/Life Insurance	-	-	-	-
101-5-3441-00-5701 Disability Insurance	-	-	-	-
101-5-3441-00-5800 Workers Comp Insurance	-	-	-	-
Total Personnel Benefits	-	-	-	-
SUPPLIES				
101-5-3441-00-6001 Office Supplies	1,897	1,055	-	1,600
101-5-3441-00-6005 Program Supplies	-	-	-	100
101-5-3441-00-6011 Small Tools/Minor Equip	-	82	-	200
101-5-3441-00-6300 Vehicle Fuel	1,060	1,106	-	1,600
101-5-3441-00-6302 Vehicle R&M Parts	90	-	-	-
101-5-3441-00-6700 Dues & Memberships	120	430	-	-
Total Supplies	3,167	2,673	-	3,500
OTHER SERVICES & CHARGES				
101-5-3441-00-7306 Telephone	840	605	-	800
101-5-3441-00-7307 Postage	-	-	-	-
101-5-3441-00-7402 Office Equipment R&M	-	-	-	-
101-5-3441-00-7403 Computer Equipment R&M	1,080	1,080	-	-
101-5-3441-00-7405 R&M Vehicles	9	-	-	100
101-5-3442-00-7500 Rental of Land & Building	72,261	-	-	-
101-5-3441-00-7600 Travel	488	1,048	-	-
101-5-3441-00-7601 Registrations	1,184	647	-	-
101-5-3441-00-7907 Advertising	33	22	-	-
101-5-3441-00-7910 Printing & Binding	104	-	-	-
Total Other Svcs & Charges	75,999	3,402	-	900
TOTAL TOWN ENGINEER	79,166	6,075	-	4,400

**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.

2012/13 ACCOMPLISHMENTS

- ✓ **Constructed prototype shoreline stabilization/viewing area at Green Valley lake**
- ✓ **Successfully completed Rumsey 1 ball field rebuild and new irrigation system installation**
- ✓ **Accommodated extensive special event load on parks and other Town facilities including various tournaments (baseball, softball and soccer) and league play as well as Northern Gila County fair, demolition derby & music festivals**
- ✓ **Provided a safe, enjoyable environment for all parks users with extremely limited resources by maximizing all available talents and resources**

Contact Information
 Nelson Beck, Parks Supervisor
 (928) 474-5242 X306
 nbeck@paysonaz.gov

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

2013/
2014
GOALS

- ⇒ Complete a second phase of Green Valley shoreline stabilization and aquatic vegetation management in cooperation with the Payson Water Department **KRA5:3**
- ⇒ Find alternative funding mechanisms and dedicated revenue streams to support on-going park improvements and rebuilding efforts **KRA5:3**
- ⇒ Enhance the quality of our parks system through master planning and intelligent implementation **KRA3:4**
- ⇒ Complete new shade structure installation in the Rumsey Bark dog park funded by Petsmart Corporate donation **KRA7:5**
- ⇒ Utilize and coordinate volunteer efforts and donated services to provide improvements on the Taylor pool facility **KRA7:5**
- ⇒ Perform surfacing enhancements to Rumsey playground facility **KRA5:3**
- ⇒ Perform boat ramp area improvements to offset irrigation damages caused by tree root invasion on the existing system **KRA5:3**
- ⇒ Continue to provide safe, pleasant environment for all who recreate in our public park facilities **KRA5:3**

DIVISION BUDGET CHANGES—3 YEARS

Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Salaries & Wages	171,057	168,700	-1.4%	242,400	43.7%
Personnel Benefits	66,615	64,300	-3.5%	73,300	14.0%
Supplies	62,099	62,000	-0.2%	76,800	23.9%
Other Services & Charges	132,107	115,500	-12.6%	126,300	9.4%
Total Park Operations	431,878	410,500	-5.0%	518,800	26.4%

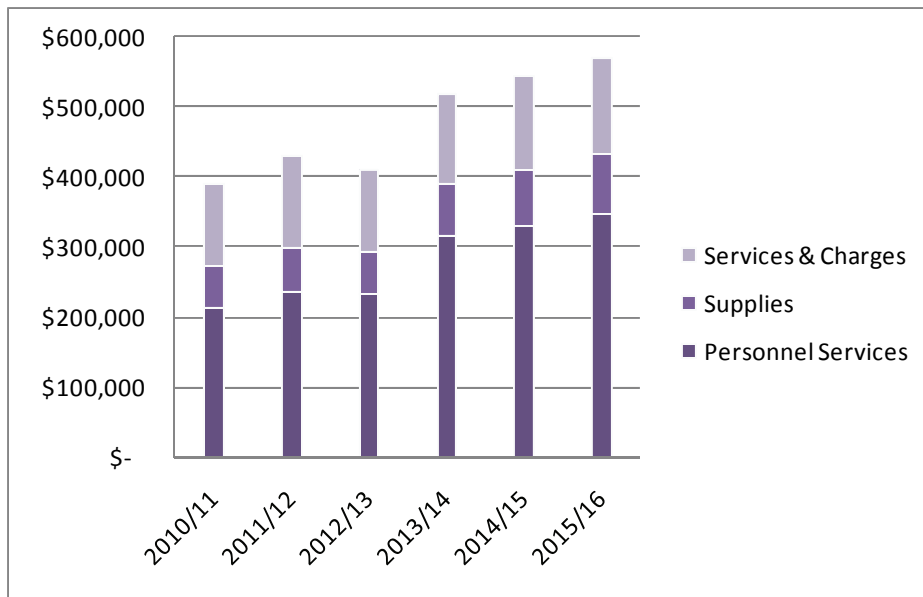
Significant budget changes:

- Increase in Salaries is due to the funding of two Parks Maintenance Worker positions that had previously been frozen pending economic recovery
- Although Personnel Benefits increased due to the staffing additions, the impact on that line item was reduced by a decrease in insurance expenses due to changes in the medical insurance plan
- Increase in Supplies represents expenditures for the construction of a shade structure donated by Petsmart that will be installed in the dog park at Rumsey Park



DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Personnel Services	\$ 214,591	\$ 237,672	\$ 233,000	\$ 315,700	\$ 331,485	\$ 348,059
Supplies	60,918	62,099	62,000	76,800	80,640	84,672
Services & Charges	114,881	132,107	115,500	126,300	132,615	139,246
Total Parks	\$ 390,390	\$ 431,878	\$ 410,500	\$ 518,800	\$ 544,740	\$ 571,977



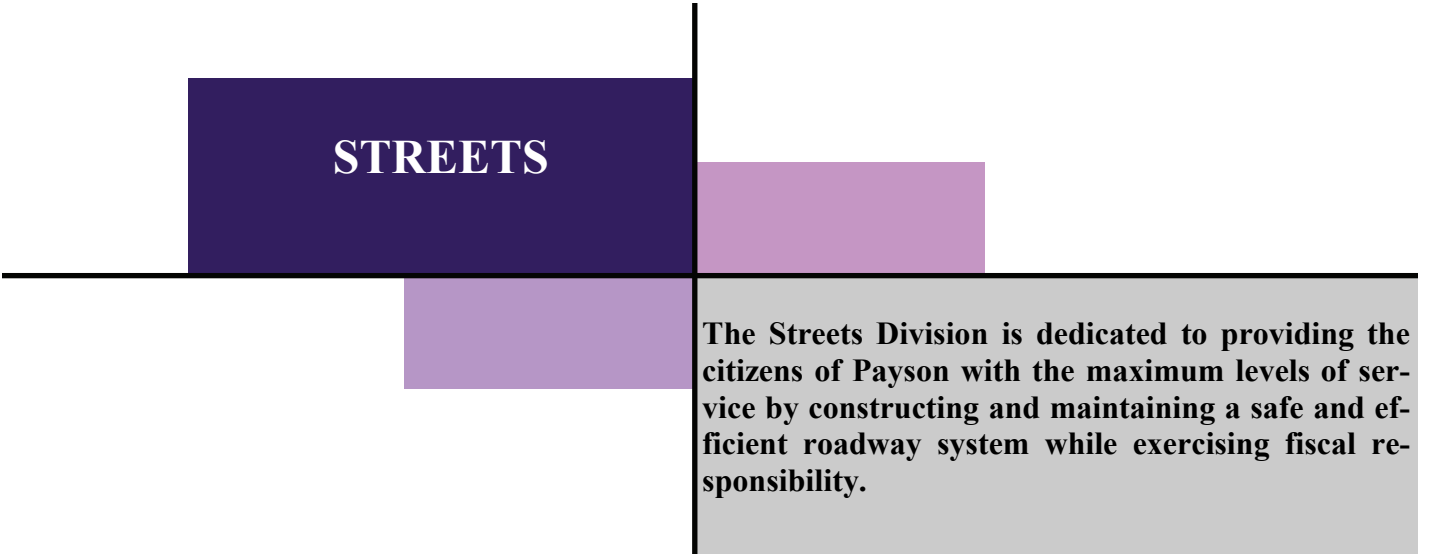


PARK OPERATIONS

	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
SALARIES & WAGES				
101-5-3442-01-5001 Full Time Employees	148,791	153,476	152,700	219,900
101-5-3442-01-5002 Part Time Employees	16,941	17,581	16,000	22,500
101-5-3442-01-5003 Temporary	501	-	-	-
Total Salaries & Wages	<u>166,233</u>	<u>171,057</u>	<u>168,700</u>	<u>242,400</u>
PERSONNEL BENEFITS				
101-5-3442-01-5501 FICA	11,811	12,462	11,500	16,900
101-5-3442-01-5504 Retirement	15,099	16,393	16,700	24,900
101-5-3442-01-5700 Health/Life Insurance	14,850	30,251	28,900	19,800
101-5-3442-01-5701 Disability Insurance	449	387	400	500
101-5-3442-01-5800 Workers Comp Insurance	6,149	7,121	6,800	11,200
Total Personnel Benefits	<u>48,358</u>	<u>66,615</u>	<u>64,300</u>	<u>73,300</u>
SUPPLIES				
101-5-3442-01-6001 Office Supplies	118	262	400	200
101-5-3442-01-6003 Cleaning Supplies	3,676	3,928	4,000	4,000
101-5-3442-01-6005 Safety/Program Supplies	503	402	500	500
101-5-3442-01-6006 Clothing/Uniform Reimburse	1,130	1,002	700	700
101-5-3442-01-6008 Chemicals	1,064	988	1,500	1,500
101-5-3442-01-6011 Small Tools/Minor Equipment	1,079	1,116	1,500	1,500
101-5-3442-01-6014 Grounds Mtce Materials	9,410	8,177	6,000	10,500
101-5-3442-01-6016 Park Furnishings	-	-	-	11,000
101-5-3442-01-6201 Building Repair Materials	10,429	9,150	11,000	10,000
101-5-3442-01-6202 Other R&M Materials	10,305	11,519	10,000	10,000
101-5-3442-01-6300 Vehicle Fuels	10,792	16,443	16,000	16,000
101-5-3442-01-6301 Tires & Wheels	1,853	1,923	2,500	2,500
101-5-3442-01-6302 Vehicle R&M	8,148	4,177	5,000	5,000
101-5-3442-01-6400 Shop Supplies	2,151	2,816	2,500	3,000
101-5-3442-01-6700 Dues & Memberships	260	165	400	400
101-5-3442-01-6900 Other Supplies	-	33	-	-
Total Supplies	<u>60,918</u>	<u>62,099</u>	<u>62,000</u>	<u>76,800</u>
OTHER SERVICES & CHARGES				
101-5-3442-01-7300 Electricity	59,906	78,996	65,000	66,000
101-5-3442-01-7301 Propane Gas	1,239	2,389	1,500	3,000
101-5-3442-01-7302 Water	22,581	27,525	25,000	30,000
101-5-3442-01-7304 Sewage	6,828	3,948	7,000	6,000
101-5-3442-01-7305 Refuse Disposal	9,986	11,415	11,000	15,500
101-5-3442-01-7306 Telephone	8,504	2,929	3,800	2,200
101-5-3442-01-7307 Postage	53	-	-	-
101-5-3442-01-7400 Maintenance-Grounds	75	-	100	100
101-5-3442-01-7401 Building R&M	97	500	100	500
101-5-3442-01-7405 Vehicle R&M	280	304	500	500
101-5-3442-01-7501 Rental of Equip & Vehicles	83	28	500	500
101-5-3442-01-7600 Travel	100	69	500	500
101-5-3442-01-7601 Registrations	467	694	500	500

**PARK OPERATIONS**

	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
101-5-3442-01-7900 Other Professional Services	4,682	3,309	-	1,000
Total Other Svcs & Charges	114,881	132,107	115,500	126,300
TOTAL PARK OPERATIONS	390,390	431,878	410,500	518,800



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.

2012/13 ACCOMPLISHMENTS

- ✓ **Completed major roadway repairs on Earhart Parkway, Meadow Street, Main Street, and the Bonita Street & Tonto Street Intersection**
- ✓ **Cleaned approximately 3,000 feet of the Payson Parkway drainage channel**
- ✓ **Reconstructed the Cedar Crest / Ash drainage way**
- ✓ **Upgraded shoulders along 10 miles of roadway with asphalt millings**

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



2013/
2014
GOALS

- ⇒ Provide plan review and construction observations for privately constructed developments **KRA3:1**
- ⇒ Provide maintenance activities such as pothole repair, street sweeping, striping, cutting roadside weeds, snow removal, drainage facilities, and other tasks **KRA3:1**
- ⇒ Provide Pavement Preservation to as much paved roadway as the budget allows **KRA3:1**

BUDGET CHANGES—3 YEARS

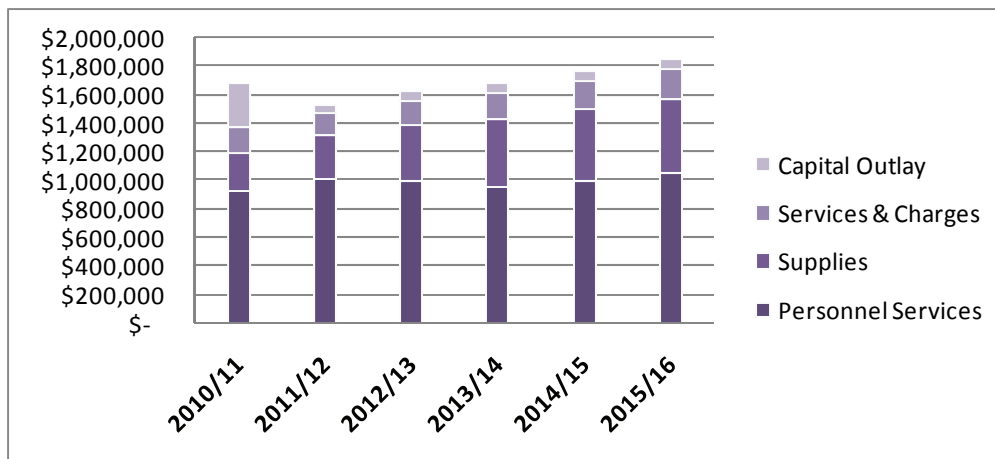
Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Salaries & Wages	697,160	688,000	-1.3%	676,700	-1.6%
Personnel Benefits	322,804	304,500	-5.7%	275,800	-9.4%
Supplies	299,331	394,500	31.8%	480,600	21.8%
Other Services & Charges	151,417	178,800	18.1%	183,100	2.4%
Capital Outlay	66,489	70,000	5.3%	62,500	-10.7%
Total HURF	1,537,201	1,635,800	6.4%	1,678,700	2.6%

Significant budget changes:

- Supplies were increased to cover additional maintenance requirements since capital outlay is very limited again this year

BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Personnel Services	\$ 930,195	1,019,964	\$ 992,500	\$ 952,500	\$ 1,000,125	\$ 1,050,131
Supplies	260,975	299,331	394,500	480,600	504,630	529,862
Services & Charges	181,581	151,417	178,800	183,100	192,255	201,868
Capital Outlay	313,281	66,489	70,000	62,500	65,625	68,906
Total HURF	\$ 1,686,032	\$ 1,537,201	\$ 1,635,800	\$ 1,678,700	\$ 1,762,635	\$ 1,850,767





HURE

	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
SALARIES & WAGES				
202-5-3442-00-50xx Full Time Employees	696,429	697,160	688,000	676,700
Total Salaries & Wages	696,429	697,160	688,000	676,700
PERSONNEL BENEFITS				
202-5-3442-00-5501 FICA	50,040	51,712	46,800	51,800
202-5-3442-00-5504 Retirement	59,658	74,785	75,000	76,500
202-5-3442-00-5700 Health/Life Insurance	66,356	132,906	117,400	69,400
202-5-3442-00-5701 Disability Insurance	2,025	1,767	1,700	1,700
202-5-3442-00-5800 Workers Comp Insurance	55,687	61,634	63,600	76,400
Total Personnel Benefits	233,766	322,804	304,500	275,800
SUPPLIES				
202-5-3442-00-6001 Office Supplies	642	775	2,600	2,600
202-5-3442-00-6003 Cleaning/Sanitation Supplies	865	95	500	500
202-5-3442-00-6005 Safety Supplies	-	192	500	200
202-5-3442-00-6006 Clothing Reimbursement	3,017	3,068	3,000	3,000
202-5-3442-00-6008 Chemicals	3,864	7,678	7,000	5,000
202-5-3442-00-6011 Small Tools/Minor Equipment	9,465	9,327	5,000	5,000
202-5-3442-00-6015 Signs	4,890	5,189	147,000	147,000
202-5-3442-00-6100 Medical/Lab Supplies	262	701	500	200
202-5-3442-00-6201 Building R&M	2,198	245	1,000	1,500
202-5-3442-00-6202 Other R&M Materials	3,980	2,355	6,500	4,000
202-5-3442-00-6300 Vehicle Fuel	58,621	62,910	55,000	60,000
202-5-3442-00-6302 Vehicle R&M Parts	36,132	56,911	40,000	60,000
202-5-3442-00-6400 Hardware, Electric, Plumbing	3,033	9,404	5,000	5,000
202-5-3442-00-6401 ROW/Drainage	8,045	24,782	50,000	50,000
202-5-3442-00-6402 Street & Sidewalk R&M	125,447	115,395	70,000	135,000
202-5-3442-00-6700 Dues & Memberships	100	195	400	1,100
202-5-3442-00-6990 Other Expense	414	109	500	500
Total Supplies	260,975	299,331	394,500	480,600
OTHER SERVICES & CHARGES				
202-5-3442-00-7002 Accounting & Auditing	7,842	5,822	6,000	6,000
202-5-3442-00-7300 Electricity	89,725	87,162	90,000	95,000
202-5-3442-00-7301 Propane	-	-	-	3,000
202-5-3442-00-7302 Water	1,421	2,158	1,600	1,800



HURF

	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
202-5-3442-00-7304 Sewer	478	478	500	600
202-5-3442-00-7305 Refuse Disposal	1,248	1,165	1,500	1,500
202-5-3442-00-7306 Telephone	9,517	8,305	8,000	8,300
202-5-3442-00-7401 Building R&M	1,789	288	1,000	1,000
202-5-3442-00-7404 Radio Equipment R&M	-	-	1,000	-
202-5-3442-00-7405 Vehicles R&M	12	16	500	-
202-5-3442-00-7406 Street Light Repair	-	82	2,000	-
202-5-3442-00-7501 Rental of Equipment	-	-	500	-
202-5-3442-00-7600 Travel	477	181	500	1,400
202-5-3442-00-7601 Registrations	583	690	500	1,500
202-5-3442-00-7900 Other Professional Services	2,013	3,641	3,000	3,000
202-5-3442-00-7903 General Insurance	52,632	41,318	62,000	60,000
202-5-3442-00-7907 Advertising	-	-	200	-
202-5-3442-00-7910 Printing & Binding	-	111	-	-
202-5-3442-00-7911 LTAF II Alloc	13,844	-	-	-
Total Other Svcs & Charges	<u>181,581</u>	<u>151,417</u>	<u>178,800</u>	<u>183,100</u>

CAPITAL OUTLAY

202-5-3442-00-8003 Vehicles	-	54,411	20,000	-
202-5-3442-00-8xxx Other Capital Outlay	<u>313,281</u>	<u>12,078</u>	<u>50,000</u>	<u>62,500</u>
Total Capital Outlay	<u>313,281</u>	<u>66,489</u>	<u>70,000</u>	<u>62,500</u>

TOTAL HURF

	<u><u>1,686,032</u></u>	<u><u>1,537,201</u></u>	<u><u>1,635,800</u></u>	<u><u>1,678,700</u></u>
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Intersection of Malibu & Highway 87



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 (50 on airport property and 35 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 dusk-to-dawn low intensity runway lights that can be increased to medium intensity by pilot controlled aircraft radio. The airport also has a fly-in campground with restroom and shower facilities.

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.

2012/13 ACCOMPLISHMENTS

- ✓ **Installed new Automated Weather Observation System (AWOS-IIPT)**
- ✓ **Coordinated with the US Forest Service to utilize the airport for wildland fire suppression support**

Contact Information

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

Physical Location

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



2013/
2014
GOALS

- ⇒ Complete runway safety area grading to meet RSAT requirements **KRA3:2**
- ⇒ Overlay runway pavement and seal coat taxiway with ADOT APM process **KRA3:2**
- ⇒ Design and construct the Echo ramp extension and tie it in with Taxiway Alpha **KRA3:2**
- ⇒ Install aircraft run up areas **KRA3:2**
- ⇒ Install Precision Approach Path Indicator (PAPI) lighting on Runway 6 **KRA3:2**
- ⇒ Construct an aircraft wash rack **KRA3:2**

DIVISION BUDGET CHANGES—3 YEARS

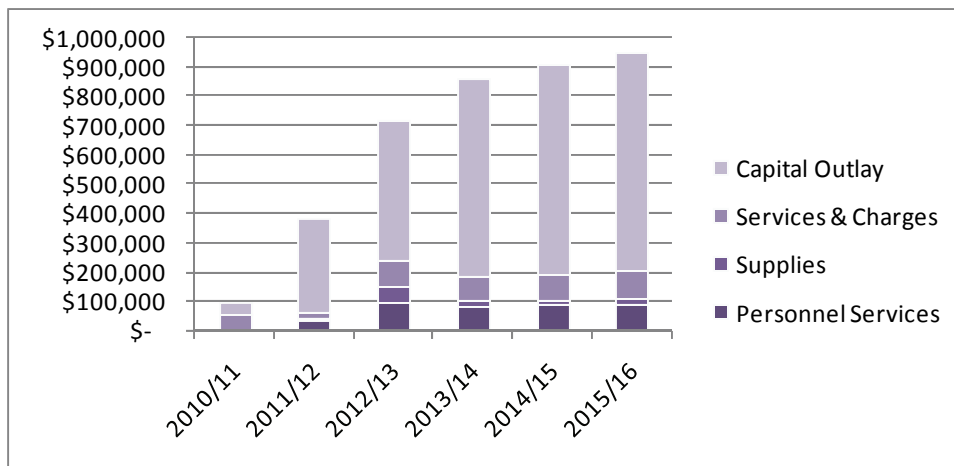
Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Salaries & Wages	25,315	64,000	152.8%	65,400	2.2%
Personnel Benefits	11,361	29,300	157.9%	17,000	-42.0%
Supplies	4,493	57,700	1184.2%	18,100	-68.6%
Other Services & Charges	19,323	86,400	347.1%	85,300	-1.3%
Capital Outlay	321,624	480,000	49.2%	679,100	41.5%
Total Airport	382,116	717,400	87.7%	864,900	20.6%

Significant budget changes:

- Decrease in FY13/14 Personnel Benefits is due to changes in medical insurance plan
- Decrease in FY13/14 Supplies is due to anticipated repairs that were not required
- Capital Outlay increases are due to availability of additional Intergovernmental funding
- FY12/13 changes were due to the fact that PRAA relinquished operations back to the Town

DIVISION BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Personnel Services	\$ -	\$ 36,676	\$ 93,300	\$ 82,400	\$ 86,520	\$ 90,846
Supplies	-	4,493	57,700	18,100	19,005	19,955
Services & Charges	56,364	19,323	86,400	85,300	89,565	94,043
Capital Outlay	39,945	321,624	480,000	679,100	713,055	748,708
Total Airport	\$ 96,309	382,116	\$ 717,400	\$ 864,900	\$ 908,145	\$ 953,552





AIRPORT

	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
SALARIES & WAGES				
260-5-4445-00-5001 Full Time Employees	-	25,315	64,000	65,400
Total Salaries & Wages	-	25,315	64,000	65,400
PERSONNEL BENEFITS				
260-5-4445-00-5501 FICA	-	1,792	4,200	5,000
260-5-4445-00-5504 Retirement	-	2,664	7,000	7,400
260-5-4445-00-5700 Insurance Benefit	-	5,725	14,400	-
260-5-4445-00-5701 Disability Insurance	-	62	200	200
260-5-4445-00-5800 Workers Compensation Ins	-	1,119	3,500	4,400
	-	11,361	29,300	17,000
SUPPLIES				
260-5-4445-00-6001 Office Supplies	-	181	2,300	500
260-5-4445-00-6006 Uniforms/Clothing	-	-	-	300
260-5-4445-00-6008 Chemicals	-	-	500	500
260-5-4445-00-6011 Small Tools/Minor Equipment	-	1,023	300	500
260-5-4445-00-6202 R&M Supplies Other	-	2,492	52,200	10,000
260-5-4445-00-6300 Gasoline/Fuels/Lubricant	-	123	2,300	3,500
260-5-4445-00-6302 R&M Supplies Vehicle	-	375	-	1,200
260-5-4445-00-6400 Shop Supplies	-	-	-	300
260-5-4445-00-6700 Memberships/Dues/Subscriptic	-	300	100	1,300
Total Supplies	-	4,493	57,700	18,100
OTHER SERVICES & CHARGES				
260-5-4445-00-7300 Utilities Electricity	-	5,598	14,000	13,000
260-5-4445-00-7301 Utilities Propane Gas	-	265	700	800
260-5-4445-00-7302 Utilities Water	-	586	2,100	2,100
260-5-4445-00-7304 Utilities Sewer	-	210	500	400
260-5-4445-00-7305 Refuse Disposal	-	136	500	400
260-5-4445-00-7306 Utilities Telephone	-	905	2,300	2,300
260-5-4445-00-7404 R&M Equipment	-	4,234	8,300	8,000
260-5-4445-00-7405 R&M Vehicle	-	-	500	300
260-5-4445-00-7600 Travel Expense	-	509	800	1,000
260-5-4445-00-7601 Registrations	-	-	500	800
260-5-4445-00-7900 Other Professional Svcs	56,364	2,453	500	500
260-5-4445-00-7903 General Insurance	-	3,690	4,000	4,000
260-5-4445-00-7907 Advertising	-	736	1,000	1,000
260-5-4445-00-7915 Overhead	-	-	50,700	50,700
Total Other Svcs & Charges	56,364	19,322	86,400	85,300



2013 ANNUAL BUDGET

AIRPORT

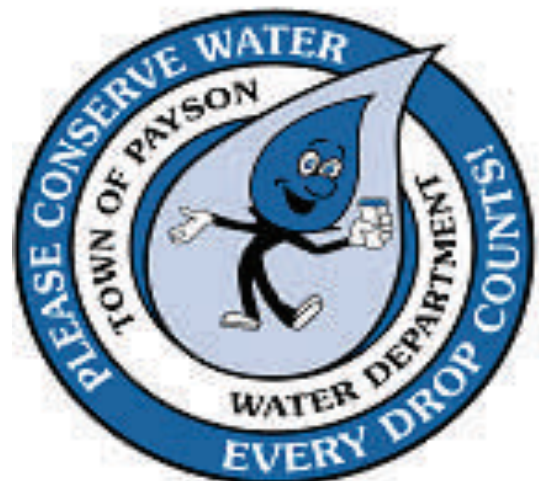
CAPITAL OUTLAY

260-5-4445-00-8310 Environmental Assessment	-	-	10,000	10,000
260-5-4445-00-8510 New AWOS	-	-	250,000	-
260-5-4445-00-8713 Pavement Preservation	-	-	-	56,100
260-5-4445-00-8813 Echo Ramp Expansion &	-	-	-	210,000
260-5-4445-00-8818 Airfield Signage & Markings	39,945	321,624	-	-
260-5-4445-00-8821 Runway Grading	-	-	220,000	403,000
Total Capital Outlay	<u>39,945</u>	<u>321,624</u>	<u>480,000</u>	<u>679,100</u>
TOTAL AIRPORT	<u><u>96,309</u></u>	<u><u>382,115</u></u>	<u><u>717,400</u></u>	<u><u>864,900</u></u>

WATER DIVISION

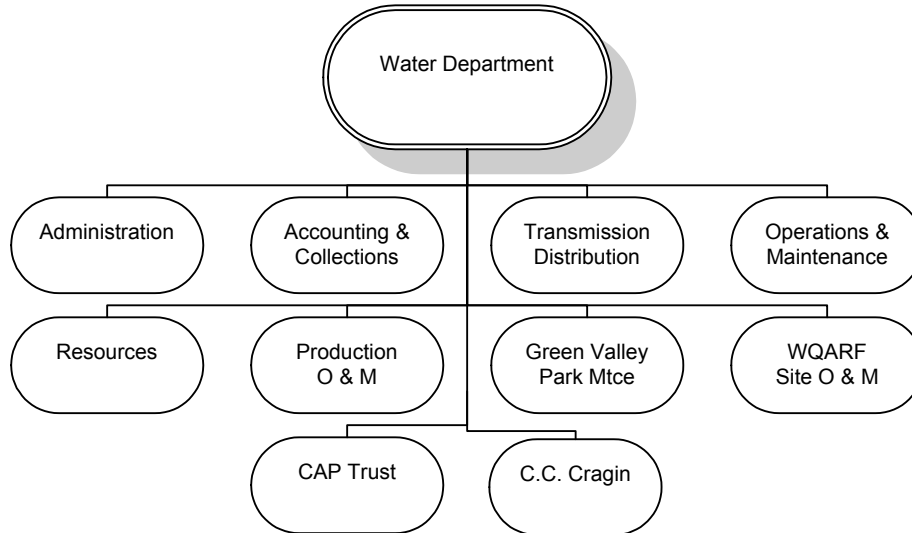
The Payson Water Division will provide a superior level of customer service in a fiscally sound and environmentally sensitive manner.

**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 ten operating areas. Each area is responsible for accumulating costs associated with its function:

- *Administration* accounts for costs associated with the following: planning, budgeting, liaison to legislature, outside legal counsel, State regulatory agencies, professional organizations, oversight of day-to-day operations, consultant contracts, capital program development, and personnel management.
- *Accounting & Collection* is responsible for the accounting and customer service functions of the Water Division.
- *Transmission & Distribution* tracks costs incurred during the transmission and distribution of potable water throughout the public water system
- *Operations & Maintenance* is responsible for the operation, maintenance, and expansion of the public water system
- *Resources* is responsible for the Division’s compliance with State and Federal drinking water standards. It administers the backflow prevention program and is the liaison with and participates in development of cleanup strategies for Aero Drive WQARF site.
- *Production Operations & Maintenance* is used to track expenses incurred in the production of potable water from below land surface to the elevated storage tanks.
- *Green Valley Park Maintenance* is responsible for the water quality in the three lakes at Green Valley park and the aeration equipment that is installed in all the lakes.
- *WQARF Site Operations & Maintenance* accounts for the expenses related to the remediation of groundwater sources contaminated by industrial chemicals.



- *CAP Trust* fund accounts for monies associated with the investigating, planning, designing, constructing, acquiring, and/or developing an alternative water supply to replace the Central Arizona Project water per guidelines in the 1994 agreement.
- *C.C. Cragin* accounts for costs to construct the new fourteen mile pipeline from the C.C. Cragin Reservoir to the Town.

. EXPENDITURE SUMMARY

Operating Division	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed
Administration	468,361	567,894	734,500	727,800
Accounting & Collection	389,103	447,258	410,900	440,700
Transmission/Distribution	606,841	718,831	732,500	837,600
Operations & Maintenance	2,004,403	1,632,252	2,308,000	2,118,000
Water Resources	422,581	438,846	474,600	345,000
Production O & M	487,250	576,602	602,600	626,500
Green Valley Park Maintenance	18,478	44,058	67,400	52,900
WQARF Site O & M	52,643	102,560	134,700	199,000
CAP Trust Fund	155,266	118,607	750,000	335,000
Total Expenditures	4,604,926	4,646,908	6,215,200	5,682,500

. POSITION SUMMARY

Authorized Personnel	2012/13	2013/14
Public Works Director	1.0	1.0
Water Superintendent	1.0	1.0
Water System Operations Supvr	1.0	1.0
Water Production Supervisor	1.0	1.0
Customer Service Supervisor	1.0	1.0
Water System Operator	7.0	7.0
Utility Services Rep I, II	2.0	2.0
System Crew Leader	2.0	2.0
Water Quality Specialist	1.0	1.0
Water Resource Specialist	1.0	1.0
Water Resource Tech	1.0	1.0
Hydrogeologist	1.0	0.0
Total Filled Positions	20.0	19.0

2012/13 ACCOMPLISHMENTS

- ✓ **Received compliance designation from ADEQ for water system operation and water quality**
- ✓ **Maintained gallons per capita per day (gpcpd) water use at less than 89 gpcpd**
- ✓ **Continued to develop partnerships for C.C. Cragin pipeline use**
- ✓ **Continued water resource education at the middle school level**
- ✓ **Implemented WIFA C.C. Cragin loan**
- ✓ **Completed C.C. Cragin Project design for 100% finish water pipelines**
- ✓ **Completed 100% C.C. Cragin Project Tailrace Design and Construction**
- ✓ **Completed C.C. Cragin project design for 50% raw water pipeline and treatment plant design**
- ✓ **Continued process to purchase C.C. Cragin water treatment plant site**
- ✓ **Began installation of backup generators at selected well sites and pump stations**

CONTACT INFORMATION

Tanner Henry, P.E.
Water Division Manager
(928) 474-5242 X284
thenry@paysonaz.gov

Janelle Figueroa
Customer Service Supervisor
(928) 474-5242 X285
jfigueroa@paysonaz.gov

PHYSICAL LOCATION

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



**2013/
2014
GOALS**

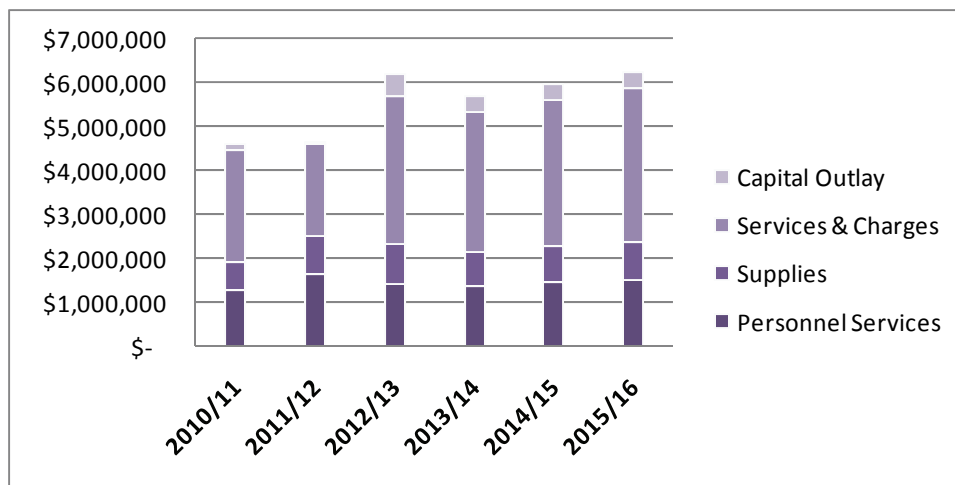
- ⇒ Continue to receive compliance designation from ADEQ for water system operation and water quality KRA3:3
- ⇒ Maintain gallons per capita per day (gpcpd) water use at less than 89 gpcpd KRA3:3 & KRA9:1
- ⇒ Continue purchase of C.C. Cragin water treatment plant site KRA3:3
- ⇒ Continue to develop partnerships for C.C. Cragin pipeline use KRA3:3
- ⇒ Continue water resource education at the middle school level KRA3:3 & KRA9:3
- ⇒ Continue Implementation of WIFA C.C. Cragin loan KRA3:3
- ⇒ Complete C.C. Cragin Project design for 100% raw water pipeline, water treatment plant design KRA3:3
- ⇒ Complete C.C. Cragin Line “H” finished water pipeline construction KRA3:3
- ⇒ Complete C.C. Cragin bulk surface water line construction KRA3:3
- ⇒ Complete C.C. Cragin SCADA engineer design KRA3:3
- ⇒ Continue installation of backup electric generators at selected well sites and pump stations KRA3:3
- ⇒ Perform water storage tank maintenance and repairs KRA3:3
- ⇒ Implement prototypical lake shoreline protection for Green Valley Park KRA3:3 & KRA5:3

BUDGET CHANGES—3 YEARS

Description	2011/12 Actual	2012/13 Budget	% Change	2013/14 Proposed	% Change
Salaries & Wages	1,197,381	1,021,700	-14.7%	1,029,400	0.8%
Personnel Benefits	436,571	411,000	-5.9%	364,700	-11.3%
Supplies	887,303	887,200	0.0%	770,900	-13.1%
Other Services & Charges	2,086,972	3,365,300	61.3%	3,187,500	-5.3%
Capital Outlay	38,684	530,000	1270.1%	330,000	-37.7%
Total Water	4,646,911	6,215,200	33.7%	5,682,500	-8.6%

BUDGET ANALYSIS—HISTORIC AND FORECAST

Classification	2010/11 Actual	2011/12 Actual	2012/13 Budget	2013/14 Proposed	2014/15 Estimate	2015/16 Estimate
Personnel Services	\$ 1,305,434	\$ 1,633,952	\$ 1,432,700	\$ 1,394,100	\$ 1,463,805	\$ 1,536,995
Supplies	623,217	887,303	887,200	770,900	809,445	849,917
Services & Charges	2,556,016	2,086,972	3,365,300	3,187,500	3,346,875	3,514,219
Capital Outlay	120,259	38,684	530,000	330,000	346,500	363,825
Total Water	\$ 4,604,926	\$ 4,646,911	\$ 6,215,200	\$ 5,682,500	\$ 5,966,625	\$ 6,264,956





ADMINISTRATION

	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
SALARIES & WAGES				
661-5-5451-00-5001 Full Time Employees	114,596	260,258	120,000	191,600
Total Salaries & Wages	114,596	260,258	120,000	191,600
PERSONNEL BENEFITS				
661-5-5451-00-5501 FICA	7,783	8,982	8,700	14,700
661-5-5451-00-5504 Retirement	1,096	12,861	13,100	21,600
661-5-5451-00-5700 Health/Life Insurance	7,766	34,623	34,300	23,400
661-5-5451-00-5701 Disability Insurance	321	304	300	500
661-5-5451-00-5800 Workers Compensation	20,095	2,749	3,000	7,500
Total Personnel Benefits	37,061	59,519	59,400	67,700
SUPPLIES				
661-5-5451-00-6001 Office Supplies	1,009	925	1,000	1,000
661-5-5451-00-6009 Fireworks	20,200	9,800	20,000	21,000
661-5-5451-00-6011 Small Tools/Minor Equip	157	802	1,200	800
661-5-5451-00-6013 Computer Equipment Supplies	183	1,368	2,500	6,000
661-5-5451-00-6300 Vehicle Fuel	2,144	1,757	5,200	3,000
661-5-5451-00-6301 Tires & Wheels	786	1,054	1,000	1,000
661-5-5451-00-6302 Vehicle R & M Parts	2,938	1,118	1,500	1,500
661-5-5451-00-6700 Dues & Memberships	4,468	4,662	4,600	6,900
661-5-5451-00-6990 Other Supplies	6,439	20,799	15,000	1,000
Total Supplies	38,324	42,285	52,000	42,200
OTHER SERVICES & CHARGES				
661-5-5451-00-7100 Legal Fees/Forfeiture Costs	15,711	605	20,000	5,000
661-5-5451-00-7306 Utilities-Telephone	-	-	900	900
661-5-5451-00-7402 Office Equipment R&M	-	-	2,600	3,100
661-5-5451-00-7405 Vehicles R&M	2,617	3,609	2,000	2,000
661-5-5451-00-7500 Rental of Land & Bldg	-	544	300	-
661-5-5451-00-7600 Travel	1,245	857	3,700	2,200
661-5-5451-00-7601 Registrations	1,235	2,136	2,800	2,100
661-5-5451-00-7890 ADEQ Green Valley Study	29,590	-	-	-
661-5-5451-00-7900 Other Professional Services	101,021	94,772	119,600	90,000
661-5-5451-00-7903 General Insurance	46,154	36,233	60,000	50,700
661-5-5451-00-7907 Advertising	-	110	500	-
661-5-5451-00-7910 Printing & Binding	-	67	500	100
661-5-5451-00-7915 Overhead	66,900	66,900	265,200	265,200
Total Other Svcs & Charges	264,473	205,832	478,100	421,300
CAPITAL OUTLAY				
661-5-5451-08-8524 Computer Equipment	13,907	-	25,000	5,000
Total Capital Outlay	13,907	-	25,000	5,000
TOTAL WATER-ADMINISTRATION	468,361	567,894	734,500	727,800



ACCOUNTING & COLLECTION

	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
SALARIES & WAGES				
661-5-5451-01-5001 Full Time Employees	236,147	248,174	224,500	228,000
661-5-5451-01-5006 Standby Pay	1,372	1,830	-	-
661-5-5451-01-5200 Overtime	1,875	1,315	-	-
Total Salaries & Wages	239,394	251,319	224,500	228,000
PERSONNEL BENEFITS				
661-5-5451-01-5501 FICA	17,045	18,040	15,100	17,400
661-5-5451-01-5504 Retirement	23,855	26,903	24,500	25,800
661-5-5451-01-5700 Health/Life Insurance	21,815	56,734	41,300	25,500
661-5-5451-01-5701 Disability Insurance	711	636	500	600
661-5-5451-01-5800 Workers Compensation	1,868	4,598	3,100	3,800
Total Personnel Benefits	65,294	106,911	84,500	73,100
SUPPLIES				
661-5-5451-01-6001 Office Supplies	2,876	3,235	3,500	35,000
661-5-5451-01-6006 Clothing/Uniform Reimb	195	800	500	500
661-5-5451-01-6011 Small Tools/Minor Equip	1,287	1,357	1,500	1,500
661-5-5451-01-6013 Computer Equipment Supplies	-	-	500	500
661-5-5451-01-6300 Vehicle Fuel	7,179	8,349	12,000	8,000
661-5-5451-01-6301 Tires & Wheels	2,116	1,090	1,500	1,500
661-5-5451-01-6302 Vehicle R & M Parts	3,179	478	2,000	1,500
661-5-5451-01-6600 Public Relations	-	-	300	300
661-5-5451-01-6901 Taxes	(2,107)	(2,552)	100	-
661-5-5451-01-6903 Banking / Merchant Fees	-	6,445	5,000	5,000
661-5-5451-01-6905 Bad Debt Expense	61	2,405	1,000	-
661-5-5451-01-6990 Other Supplies	11	145	500	-
Total Supplies	14,797	21,751	28,400	53,800
OTHER SERVICES & CHARGES				
661-5-5451-01-7002 Accounting & Auditing	21,564	16,015	16,500	16,800
661-5-5451-01-7307 Postage	24,719	25,613	25,000	26,000
661-5-5451-01-7402 Office Equipment R&M	2,579	1,943	3,000	2,500
661-5-5451-01-7403 Computer Equipment R&M	13,211	16,237	17,000	30,000
661-5-5451-01-7404 Other Equipment R&M	90	906	1,000	500
661-5-5451-01-7405 Vehicles R&M	969	186	2,000	1,000
661-5-5451-01-7600 Travel	1,150	1,338	2,500	3,000
661-5-5451-01-7601 Registrations	2,040	1,700	2,500	2,500
661-5-5451-01-7910 Printing & Binding	3,296	3,338	4,000	3,500
Total Other Svcs & Charges	69,618	67,277	73,500	85,800
TOTAL WATER - ACCTING & COLLECTION	389,103	447,258	410,900	440,700



TRANSMISSION/DISTRIBUTION

	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
SALARIES & WAGES				
661-5-5451-02-5001 Full Time Employees	101,322	108,347	128,600	113,500
661-5-5451-02-5200 Overtime	1,080	664	-	-
Total Salaries & Wages	<u>102,402</u>	<u>109,011</u>	<u>128,600</u>	<u>113,500</u>
PERSONNEL BENEFITS				
661-5-5451-02-5501 FICA	7,365	8,002	8,700	8,700
661-5-5451-02-5504 Retirement	10,109	11,132	14,000	12,800
661-5-5451-02-5700 Health/Life Insurance	6,941	20,096	23,500	15,300
661-5-5451-02-5701 Disability Insurance	269	257	300	300
661-5-5451-02-5800 Workers Compensation	-	-	6,200	6,500
Total Personnel Benefits	<u>24,684</u>	<u>39,488</u>	<u>52,700</u>	<u>43,600</u>
SUPPLIES				
661-5-5451-02-6008 Chemicals	27,386	21,070	25,000	25,000
661-5-5451-02-6099 Tonto Apache Tribe Retrofit	-	-	200	-
661-5-5451-02-6200 Hydrants R&M	9,153	18,135	15,000	15,000
661-5-5451-02-6201 Storage Facility R&M	169,086	229,588	252,000	2,000
661-5-5451-02-6202 Other R&M Materials	77,802	70,086	15,000	120,000
661-5-5451-02-6501 Pumps R&M	10,625	16,784	12,000	7,500
661-5-5451-02-6502 Mains R&M	35,483	36,737	40,000	45,000
661-5-5451-02-6503 Meters R&M	7,896	8,765	20,000	20,000
661-5-5451-02-6504 Customer Install R&M	959	14,638	20,000	15,000
661-5-5451-02-6507 Existing Service R&M	28,323	55,301	35,000	35,000
661-5-5451-02-6508 New Service R&M	31,048	16,251	20,000	40,000
Total Supplies	<u>397,761</u>	<u>487,355</u>	<u>454,200</u>	<u>324,500</u>
OTHER SERVICES & CHARGES				
661-5-5451-02-7300 Electricity	34,804	44,294	42,000	42,000
661-5-5451-02-7404 R&M Water Tanks	-	-	-	250,000
661-5-5451-02-7900 Other Professional Services	-	-	20,000	64,000
Total Other Svcs & Charges	<u>34,804</u>	<u>44,294</u>	<u>62,000</u>	<u>356,000</u>
CAPITAL OUTLAY				
661-5-5451-08-8528 Vehicles	47,190	38,684	35,000	0
Total Capital Outlay	<u>47,190</u>	<u>38,684</u>	<u>35,000</u>	<u>0</u>
TOTAL WATER-TRANSMISSION/DISTRIB	<u><u>606,841</u></u>	<u><u>718,831</u></u>	<u><u>732,500</u></u>	<u><u>837,600</u></u>



OPERATIONS & MAINTENANCE

	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
SALARIES & WAGES				
661-5-5451-03-5001 Full Time Employees	145,645	131,305	142,100	149,900
661-5-5451-03-5006 Standby Pay	6,361	5,754	-	5,000
661-5-5451-03-5200 Overtime	12,235	6,809	-	10,000
Total Salaries & Wages	164,241	143,868	142,100	164,900

PERSONNEL BENEFITS

661-5-5451-03-5501 FICA	12,165	10,801	9,600	11,500
661-5-5451-03-5504 Retirement	16,758	17,128	15,500	17,000
661-5-5451-03-5700 Health/Life Insurance	3,905	28,325	25,900	20,200
661-5-5451-03-5701 Disability Insurance	560	418	300	400
661-5-5451-03-5800 Workers Compensation	7,771	18,778	6,900	8,500
Total Personnel Benefits	41,159	75,451	58,200	57,600

SUPPLIES

661-5-5451-03-6001 Office Supplies	329	876	1,300	1,000
661-5-5451-03-6003 Cleaning/Sanitary Supplies	1,499	716	2,000	1,500
661-5-5451-03-6005 Safety Supplies	-	3,264	3,000	3,000
661-5-5451-03-6006 Clothing/Uniform Reimb	4,389	6,667	4,600	4,600
661-5-5451-03-6008 Chemicals	-	21	3,000	1,000
661-5-5451-03-6011 Small Tools/Minor Equip	7,025	3,654	7,500	7,500
661-5-5451-03-6100 Medical/Lab Supplies	529	444	1,000	500
661-5-5451-03-6200 Supplies Equip R&M	-	1,105	3,500	2,000
661-5-5451-03-6201 Building R&M Materials	6,775	9,706	7,000	5,000
661-5-5451-03-6202 Other R&M Materials	6,036	5,156	5,000	5,000
661-5-5451-03-6300 Vehicle Fuel	28,758	33,410	27,000	27,000
661-5-5451-03-6301 Tires & Wheels	5,308	7,692	7,000	7,000
661-5-5451-03-6302 Vehicle R & M Parts	7,232	9,634	10,000	10,000
661-5-5451-03-6400 Shop Supplies	8,003	7,332	8,000	8,000
661-5-5451-03-6901 Taxes	2,747	677	600	-
661-5-5451-03-6990 Other Supplies	376	82	1,000	-
Total Supplies	79,006	90,437	91,500	83,100

OTHER SERVICES & CHARGES

661-5-5451-03-7300 Electricity	31,249	29,480	35,000	25,000
661-5-5451-03-7301 Propane Gas	6,638	8,513	7,000	9,000
661-5-5451-03-7302 Water	1,582	2,315	3,000	1,500
661-5-5451-03-7304 Sewage	1,229	1,229	1,600	1,200
661-5-5451-03-7305 Refuse Disposal	2,237	1,112	2,000	1,500
661-5-5451-03-7306 Telephone	12,172	11,407	13,000	11,000
661-5-5451-03-7401 Building R&M Supplies	5,483	4,763	2,000	2,000
661-5-5451-03-7404 Radio Equipment R&M	8,754	1,975	10,000	10,000



OPERATIONS & MAINTENANCE

	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
661-5-5451-03-7405 Vehicles R&M	4,637	1,212	3,000	3,000
661-5-5451-03-7700 Recycling Program	-	-	26,000	-
661-5-5451-03-7900 Other Professional Services	332,856	0	-	-
661-5-5451-03-7950 Debt Serv-Prinicpal	273,574	254,958	580,100	448,600
661-5-5451-03-7951 Debt Serv-Interest	11,709	19,419	305,500	271,600
661-5-5451-03-8100 Depreciation-Buildings	19,944	19,944	20,000	20,000
661-5-5451-03-8101 Depr-Other than Buildings	933,718	922,434	933,700	933,700
661-5-5451-03-8102 Depreciation-Machinery & Eq	8,749	8,749	8,800	8,800
661-5-5451-03-8103 Depreciation-Vehicles	54,320	24,447	54,300	54,300
661-5-5451-03-8104 Depr-Office Furn & Equip	5,206	4,599	5,200	5,200
661-5-5451-03-8200 Amort-Goodwill	2,678	2,678	2,700	2,700
661-5-5451-03-8201 Amort-License Permit	3,262	3,262	3,300	3,300
Total Other Svcs & Charges	1,719,997	1,322,496	2,016,200	1,812,400
 TOTAL WATER-OPERATIONS & MTCE	 2,004,403	 1,632,252	 2,308,000	 2,118,000



RESOURCES

	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
SALARIES & WAGES				
661-5-5451-04-5001 Full Time Employees	264,651	260,027	242,300	154,200
661-5-5451-04-5200 Overtime	235	1,729	-	-
Total Salaries & Wages	264,886	261,756	242,300	154,200
PERSONNEL BENEFITS				
661-5-5451-04-5501 FICA	19,624	19,261	17,000	11,800
661-5-5451-04-5504 Retirement	24,734	24,922	26,500	17,400
661-5-5451-04-5700 Health/Life Insurance	12,132	35,001	32,900	16,100
661-5-5451-04-5701 Disability Insurance	731	588	600	400
661-5-5451-04-5800 Workers Compensation Ins	4,655	10,481	11,700	8,800
Total Personnel Benefits	61,876	90,252	88,700	54,500
SUPPLIES				
661-5-5451-04-6001 Office Supplies	3,775	3,879	4,000	4,000
661-5-5451-04-6005 Safety Supplies	1,094	447	2,000	500
661-5-5451-04-6006 Clothing/Uniform Reimb	639	657	1,000	700
661-5-5451-04-6011 Small Tools/Minor Equip	272	1,499	2,500	500
661-5-5451-04-6013 Computer Equipment Supplies	-	-	-	2,000
661-5-5451-04-6300 Vehicle Fuel	3,794	4,857	4,500	4,500
661-5-5451-04-6301 Tires & Wheels	581	1,683	1,500	500
661-5-5451-04-6302 Vehicle R & M Parts	647	1,050	1,100	600
661-5-5451-04-6600 Public Relations	15,280	14,117	24,000	18,000
661-5-5451-04-6700 Dues & Memberships	2,284	1,051	3,000	3,000
Total Supplies	28,366	29,240	43,600	34,300
OTHER SERVICES & CHARGES				
661-5-5451-04-7004 Lab Analysis	49,310	31,982	40,000	55,000
661-5-5451-04-7307 Postage	3,366	3,396	2,500	3,000
661-5-5451-04-7404 Radio Equipment R&M	148	295	2,000	2,000
661-5-5451-04-7405 Vehicles R&M	979	1,307	2,500	1,000
661-5-5451-04-7600 Travel	3,020	4,388	7,500	5,000
661-5-5451-04-7601 Training & Registrations	2,749	4,713	7,000	4,500
661-5-5451-04-7900 Other Professional Services	1,867	4,919	30,000	25,000
661-5-5451-04-7907 Advertising	0	759	1,500	1,500
661-5-5451-04-7910 Printing & Binding	6,014	5,838	7,000	5,000
Total Other Svcs & Charges	67,453	57,598	100,000	102,000
TOTAL WATER-RESOURCES	422,581	438,846	474,600	345,000



PRODUCTION O&M

	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
SALARIES & WAGES				
661-5-5451-05-5001 Full Time Employees	150,283	159,412	152,900	167,700
661-5-5451-05-5200 Overtime	285	656	-	-
Total Salaries & Wages	<u>150,568</u>	<u>160,068</u>	<u>152,900</u>	<u>167,700</u>
PERSONNEL BENEFITS				
661-5-5451-05-5501 FICA	10,833	11,606	10,300	12,800
661-5-5451-05-5504 Retirement	14,730	16,276	16,700	19,000
661-5-5451-05-5700 Health/Life Insurance	5,855	32,578	27,900	22,500
661-5-5451-05-5701 Disability Insurance	389	377	400	500
661-5-5451-05-5800 Workers Compensation	-	-	7,400	9,600
Total Personnel Benefits	<u>31,807</u>	<u>60,838</u>	<u>62,700</u>	<u>64,400</u>
SUPPLIES				
661-5-5451-05-6202 Other R&M Materials	16,763	21,927	32,500	25,000
661-5-5451-05-6500 Wells R&M	3,484	12,791	20,000	20,000
661-5-5451-05-6501 Pumps R&M	7,143	70,299	20,000	20,000
661-5-5451-05-6502 Elec Equip R&M	11,457	13,405	35,000	25,000
661-5-5451-05-6505 Pump Booster R&M	955	2,304	5,000	10,000
Total Supplies	<u>39,802</u>	<u>120,726</u>	<u>112,500</u>	<u>100,000</u>
OTHER SERVICES & CHARGES				
661-5-5451-05-7300 Electricity	248,121	231,069	250,000	260,000
661-5-5451-05-7301 Propane Gas	1,264	1,320	1,500	1,700
661-5-5451-05-7306 Telephone	2,339	2,583	3,000	2,700
661-5-5451-05-7404 R&M Pumps	-	-	-	20,000
661-5-5451-05-7900 Other Prof Serv	-	-	-	10,000
Total Other Svcs & Charges	<u>251,724</u>	<u>234,971</u>	<u>254,500</u>	<u>294,400</u>
CAPITAL OUTLAY				
661-5-5451-08-8529 SCADA Equipment	13,349	0	20,000	-
Total Capital Outlay	<u>13,349</u>	<u>0</u>	<u>20,000</u>	<u>0</u>
TOTAL WATER-PRODUCTION O&M	<u><u>487,250</u></u>	<u><u>576,602</u></u>	<u><u>602,600</u></u>	<u><u>626,500</u></u>



GREEN VALLEY PARK MAINT.

	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
SALARIES & WAGES				
661-5-5451-06-5001 Full Time Employees	2,838	6,774	8,000	5,200
Total Salaries & Wages	2,838	6,774	8,000	5,200
PERSONNEL BENEFITS				
661-5-5451-06-5501 FICA	191	519	500	400
661-5-5451-06-5504 Retirement	289	721	900	600
661-5-5451-06-5700 Health/Life Insurance	71	1,253	1,500	700
661-5-5451-06-5701 Disability Insurance	9	17	100	100
661-5-5451-06-5800 Workers Compensation	-	-	400	300
Total Personnel Benefits	560	2,510	3,400	2,100
SUPPLIES				
661-5-5451-06-6202 Other R&M Materials	2,571	5,704	6,000	10,000
661-5-5451-06-6990 Other Expense	12,509	29,070	50,000	33,000
Total Supplies	15,080	34,774	56,000	43,000
SERVICES				
661-5-5451-06-7406 R&M Other	-	-	-	2,600
	-	-	-	2,600
TOTAL WATER-GV PARK MAINTENANCE	18,478	44,058	67,400	52,900



WQARF SITE O&M

	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
SALARIES & WAGES				
661-5-5451-07-5001 Full Time Employees	3,585	4,327	3,300	4,300
Total Salaries & Wages	3,585	4,327	3,300	4,300
PERSONNEL BENEFITS				
661-5-5451-07-5501 FICA	257	311	200	300
661-5-5451-07-5504 Retirement	349	442	400	500
661-5-5451-07-5700 Health/Life Insurance	(132)	839	600	500
661-5-5451-07-5701 Disability Insurance	9	10	100	100
661-5-5451-07-5800 Workers Compensation	-	-	100	300
Total Personnel Benefits	483	1,602	1,400	1,700
SUPPLIES				
661-5-5451-07-6008 Chemicals	-	27,852	-	28,000
661-5-5451-07-6202 Other R&M Materials	1,874	1,835	15,000	15,000
661-5-5451-07-6500 Wells R&M	-	12,908	20,000	5,000
661-5-5451-07-6501 Pumps R&M	-	11,121	2,000	10,000
661-5-5451-07-6502 Elec Equip R&M	3,886	4,891	12,000	32,000
Total Supplies	5,760	58,607	49,000	90,000
OTHER SERVICES & CHARGES				
661-5-5451-07-7001 Admin/Program Oversight	1,965	6,036	25,000	25,000
661-5-5451-07-7004 Compliance Sampling	8,736	3,445	18,000	10,000
661-5-5451-07-7300 Electricity	30,137	26,557	36,000	36,000
661-5-5451-07-7305 Refuse Disposal	-	-	0	0
661-5-5451-07-7306 Telephone	1,977	1,987	2,000	2,000
661-5-5451-07-7404 R&M Pumps	-	-	-	15,000
661-5-5451-07-7407 R&M Wells	-	-	-	15,000
Total Other Svcs & Charges	42,815	38,025	81,000	103,000
TOTAL WATER-WQARF SITE O&M	52,643	102,560	134,700	199,000



CAP TRUST FUND

	2010/11 ACTUAL	2011/12 ACTUAL	2012/13 BUDGET	2013/14 PROPOSED
SUPPLIES				
460-5-5451-00-6901 Taxes & Fees	4,321	2,128	-	-
Total Supplies	4,321	2,128	-	-
OTHER SERVICES & CHARGES				
460-5-5451-00-7100 Legal Fees	11,382	22,729	100,000	10,000
460-5-5451-00-7952 Purchase Agreement	93,750	93,750	0	0
460-5-5451-00-8592 Consulting	-	-	200,000	0
Total Other Svcs & Charges	105,132	116,479	300,000	10,000
CAPITAL OUTLAY				
460-5-5451-00-8007 Wells	45,813	-	155,000	-
460-5-5451-00-8009 Water Lines	-	-	50,000	-
460-5-5451-00-8592 Consulting Fees	-	-	200,000	-
460-5-5451-00-8594 Environmental Project	-	-	45,000	325,000
Total Capital Outlay	45,813	-	450,000	325,000
TOTAL WATER-CAP TRUST FUND	155,266	118,607	750,000	335,000



***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

EP

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<<<

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

...Key Results Areas...



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

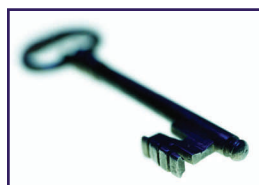
...Performance Measures...

With the implementation of the August 2012 Corporate Strategic Plan, updated performance measures are currently been developed to quantify efforts towards achievement of this plan. Unfortunately, staff shortages due to the current economic condition have limited progress towards the establishment of performance measures. Previous years' benchmarks that are still applicable continue to be tracked and have been included in this document. For Fiscal Year 2012/13, a focus was placed on performance measures for the Library. In future fiscal years as staff time permits, emphasis will be placed on additional departments until a complete set of measures can be defined for all departments.

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 12/13 and FY 13/14
- ◆ achievements made in FY 12/13 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	FY12/13 Goal	FY12/13 Actual	FY13/14 Goal
4	Implement Tourism Master Plan (% completed)	Tourism	10%	0%	10%
4	Increase # of events held at Events Center	Events Center	46	49	52
4	Increase # of days Event Center is in use	Events Center	140	185	200
4	Visits to tourism website	Tourism	270,000	572,336	575,000
4	# of media mentions in the Valley promoting Payson tourism/events	Tourism	2,250	2,450	2,575



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KRA 2: Financial Excellence

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

Priority 1: Maintain high bond ratings

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

Strategies

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

Priority 2: Develop capital and funding plans for critical infrastructure

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

Strategies

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

**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.

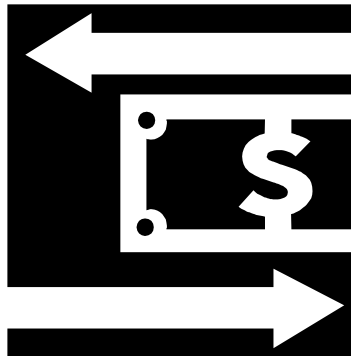
Strategies

- 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	FY12/13 Goal	FY12/13 Actual	FY13/14 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	FY12/13 Goal	FY12/13 Actual	FY13/14 Goal
1	Street improvements completed in linear feet	Streets	100	900	100
1	Maintain / Increase # of neighborhood drainage sites improved	Streets	4	2	4
1	Implementation of traffic study priorities (percentage completed)	Streets	11%	5%	11%
2	Implement Airport Master Plan (percentage completed)	Airport	7%	5%	10%
3	Maintain water usage levels at 80-90 gallons per capita per day	Water	79-90	79	79-90
3	% C.C.Cragin Project Completed	Water	40%	43%	60%





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	FY12/13 Goal	FY12/13 Actual	FY13/14 Goal
4 & 5	Visits to websites	All Gov't Tourism	250,000 270,000	220,736 572,336	250,000 575,000
4 & 5	Articles/press releases in local newspaper	Tourism	150	325	360
4 & 5	Public e-mail distribution list	All Gov't Tourism	1,850 60,000	1,921 73,231	2,115 80,550
4 & 5	TOP Talk Programs	Clerk	42	22	25
4 & 5	TOP Talk Guests	All Gov't	50	78	85
4 & 5	Radio appearances	Tourism	77	53	58
4 & 5	Public information meetings	All Gov't	50	84	92
4 & 5	Public speaking Engagements	Tourism	50	57	62





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	FY12/13 Goal	FY12/13 Actual	FY13/14 Goal
1	# of unsightly properties investigated (workload indicator)	Community Development	220	133	220
1	# of unsightly properties investigations closed	Community Development	220	104	220
1	Completion of beautification plan (percent completed)	Community Development	15%	0%	15%
3	# of programs offered to the public	Recreation	75	93	102
3	# of registrations for programs	Recreation	3,700	3,366	3,700
3	Users of trails and bike paths	Recreation (estimate)	11,500	9,234	10,155
3	# of ramada reservations	Recreation	225	247	272
5	# of reference questions (workload indicator)	Library	not available	11,073	11,073
5	total circulation	Library	159,366	134,617	141,350
5	# of children's programs	Library	201	314	330
5	total attendance at children's programs	Library	2,836	3,601	3,781
5	# of teen programs	Library	22	50	52
5	total attendance at teen programs	Library	290	367	385
5	# of adult programs	Library	36	64	67
5	total attendance at adult programs	Library	858	5,720	6,006
5	# of sign-ons to internet computers*	Library	12,813	12,128	13,734

* this does not include wi-fi



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.

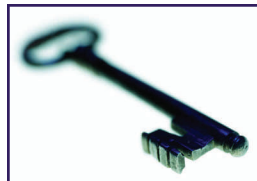
Strategies

- 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	FY12/13 Goal	FY12/13 Actual	FY13/14 Goal
1 & 2	Complete rehabilitation projects for income-qualified homeowners	Community Development	3	1	3
1 & 2	Make referrals to income-qualified housing facilities	Community Development	25	24	25
1 & 2	Provide technical assistance to potential applicants for housing rehabilitation	Community Development	10	6	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	FY12/13 Goal	FY12/13 Actual	FY13/14 Goal
2	Conduct Employee Health Fair	Human Resources	1	1	1
4 & 6	Structural Fire Training Completed	Fire	2,125	2,192	2,410
4 & 6	Non-structural Training Completed	Fire	2,500	2,424	2,665
4 & 6	Emergency Medical Training Completed	Fire	2,100	2,290	2,520
4 & 6	Average Training Hours per Firefighter	Fire	170.0	172.6	175.0
5	# of volunteers	Police	42	42	42
		Fire	0	11	12
5	# of volunteers hours	Police	9,000	9,100	9,000



HazMat 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

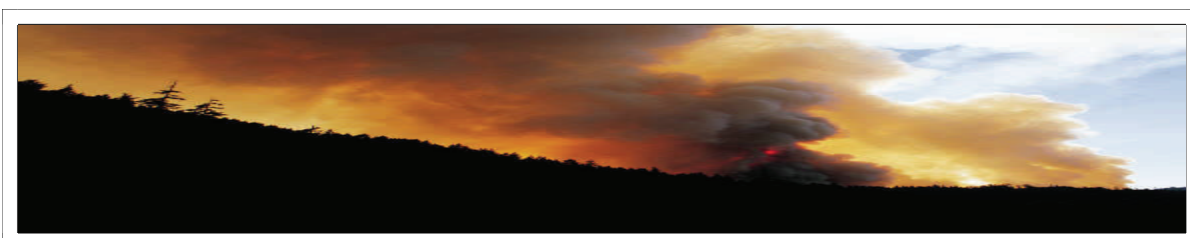
- A. Encourage, support, and value innovation, efficiency, and continuous improvement
- B. Be open to discuss and implement change in service provision methods and change in needs of the communities we serve
- C. Constantly seek ways to reduce the cost of public safety services while preserving or improving 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	FY12/13 Goal	FY12/13 Actual	FY13/14 Goal
2 & 3	Improve ISO rating	Fire	Class 3	Class 4	Class 3
6	Conduct Fire Wise education programs	Wildland	6	5	6
6	Maintain/Increase # of neighborhoods with Fire Wise status	Wildland	1	0	1
6	Maintain / Increase # of Fire Wise Assessments	Wildland	125	226	226
6	Maintain / Increase # of acres treated utilizing grant funds	Fire	70	154	154
3	Improve Response Time	Fire	below 4:42	4:36	below 4:36
1	Conduct CPR Classes: # of Citizens Trained		900	991	1040
1	Car Seats Inspected	Fire	120	177	186
3	Structure Fire Save ratio	Fire	100%	75%	100%
1	Taught 10 week DARE program to 5th graders	Police	complete	completed	complete
1	Host Community Policing Programs:				
	Block Watch Program	Police	1	1	1
	Watch Your Vehicle Program	Police	1	1	1
	Vehicle VIN Etching Program	Police	1	1	1
	Click It or Ticket Campaign	Police	1	1	1
	Bicycle Safety Program	Police	1	1	1
	Drive Hammered Get Nailed Campaign	Police	1	1	1
1,2,3	Reduce Uniform Crime Reporting (UCR) Activity	Police	below 655	674	below 674
3	Calls for service (workload indicator)	Police	below 20,956	20,030	below 20,030

For more detailed information regarding public safety, see the Police Department Annual Report and the Fire Department Annual Report on the Town of Payson website at www.paysonaz.gov



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.

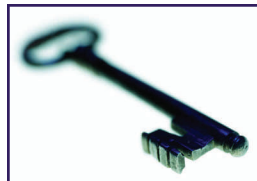
Strategies

- 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	FY12/13 Goal	FY12/13 Actual	FY13/14 Goal
1 & 3	Maintain/Increase participation in toilet rebate program	Water: Residential Commercial	12 30	18 5	18 30
1 & 3	Maintain water usage levels at 80-90 gallons per capita per day	Water	79-90	79	79-90
1 & 3	Present In-School Water Conservation program (# of students)	Water	300	188	200
2	Maintain/Increase # of users of trails and bike paths	Trails & Outdoor Recreation	11,500	9,234	10,155
1 & 3	Hold electronic waste E-cycling event	Water Resources	1	1	1
1 & 3	Hold latex paint recycling event	Water Resources	1	1	1
1 & 3	Hold household hazardous waste event	Water Resources	0	1	1





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.

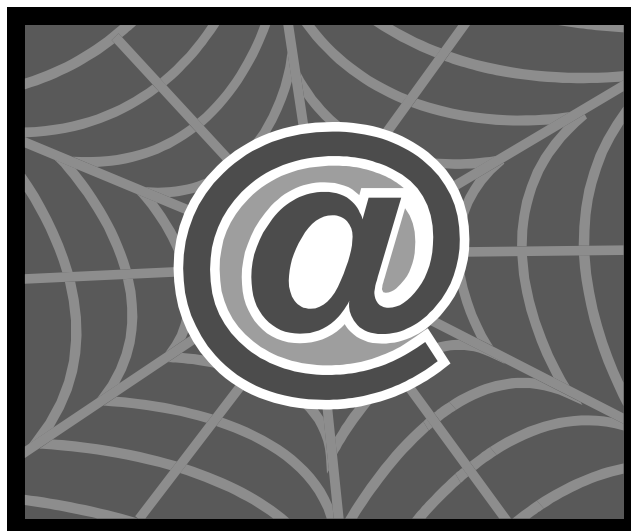
Strategies

- 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	FY12/13 Goal	FY12/13 Actual	FY13/14 Goal
3	E-Gov availability for all departments *	Info Services	5%	2%	5%
3	Visits to websites	All Gov't Tourism	250,000 270,000	220,736 572,336	250,000 575,000
3	Public e-mail distribution list	All Gov't Tourism	1,850 60,000	1,921 73,231	2,000 80,550

* Researching ability and cost to increase Town-wide usage





KRA MATRIX

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

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

>>>Capital Improvement Plan<<<

Guidelines and Policies Used in Developing the Capital Improvement Plan

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

- ◆ Support Town Council goals and objectives
- ◆ Satisfactorily address all state and town legal financial limitations
- ◆ Maintain the Town's favorable investment ratings and financial integrity
- ◆ Ensure that all geographic areas of the Town have comparable quality and types of 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.



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.

5 Year Capital Improvement Plan – Summary by Department

Project #	Dept	Description	Fiscal Year 2013/14	Fiscal Year 2014/15	Fiscal Year 2015/16	Fiscal Year 2016/17	Fiscal Year 2017/18	5 Year Total	Future Years	Grand Total	KRA Link
0910-1	Police	Building Remodel	-	-	-	-	65,500	65,500	-	65,500	3:4/8:2
0910-2	Police	Parking Lot Imps	-	-	63,800	-	-	63,800	-	63,800	3:4/8:2
0910-3	Police	Security Upgrade	-	32,000	-	-	-	32,000	-	32,000	3:4/8:2
1314-3	Police	Building Addition	-	-	212,000	-	-	212,000	-	212,000	3:4/8:2
1314-4	Police	Communications Buildout	-	-	-	-	172,000	172,000	-	172,000	3:4/8:2
Total Police Capital Projects			-	32,000	275,800	-	237,500	545,300	-	545,300	
0910-4	Streets	Mud Springs Rd Phase II	-	1,300,000	-	-	-	1,300,000	-	1,300,000	3:1,2
0910-5	Streets	Mud Springs Rd -Cedar to Frontier	-	-	-	-	-	-	835,000	835,000	3:1,2
0910-6	Streets	Rumsey Rd - McLance to SR 87	-	60,000	250,000	250,000	-	560,000	-	560,000	3:1,2
0910-7	Streets	Bonita St	381,000	-	740,000	396,000	-	1,517,000	-	1,517,000	3:1,2
0910-9	Streets	Manzanita Dr - Timber to Shopping Center	-	1,000,000	-	-	-	1,000,000	-	1,000,000	3:1,2
0910-10	Streets	Colcord Rd - Main to Longhorn	-	75,000	125,000	550,000	1,000,000	1,750,000	-	1,750,000	3:1,2
0910-11	Streets	McLane Rd - Airport to Payson Ranchos	-	-	-	-	100,000	100,000	1,150,000	1,250,000	3:1,2
0910-12	Streets	McLane Rd - Main to Phoenix St	-	-	-	80,000	875,000	955,000	-	955,000	3:1,2
0910-14	Streets	Goodnow - 260 to Bonita	-	-	-	40,000	40,000	80,000	610,000	690,000	3:1,2
0910-15	Streets	Easy St - Evergreen to Forest	-	-	-	405,000	325,000	730,000	-	730,000	3:1,2
0910-16	Streets	Easy St - Forest to Gila	-	-	-	-	-	-	1,290,000	1,290,000	3:1,2
0910-17	Streets	Easy St - Gila to Bradley	-	-	-	-	-	-	1,270,000	1,270,000	3:1,2
0910-18	Streets	Rim Club Parkway - Rim Club to Granite Dells	-	-	-	40,000	40,000	80,000	900,000	980,000	3:1,2
0910-19	Streets	Frontier St - SR87 to McLane	-	-	-	-	150,000	150,000	1,950,000	2,100,000	3:1,2
0910-20	Streets	Granite Dells Roundabout Landscaping	-	-	45,000	-	-	45,000	-	45,000	3:1,2
0910-21	Streets	Granite Dells Roundabout Lighting	-	34,000	-	-	-	34,000	-	34,000	3:1,2
0910-23	Streets	Airport Rd Roundabout Landscaping	-	45,000	-	-	-	45,000	-	45,000	3:1,2
0910-26	Streets	Pavement Preservation	50,000	500,000	500,000	525,000	550,000	2,125,000	6,150,000	8,275,000	3:1,2
0910-27	Streets	American Gulch	-	-	50,000	100,000	100,000	250,000	2,000,000	2,250,000	3:1,2
0910-28	Streets	Aerial Photo Update	-	-	35,000	-	-	35,000	70,000	105,000	3:1,2
0910-29	Streets	GV Parking Lot Imps	-	25,000	375,000	375,000	-	775,000	-	775,000	3:1,2,4
0910-30	Streets	Payson Ranchos to Payson Pines	-	-	-	-	-	-	880,000	880,000	3:1,2
0910-31	Streets	Longhorn Sidewalks	-	-	225,000	-	-	225,000	-	225,000	3:1,2
0910-32	Streets	East Phoenix St Imps	-	-	110,000	20,000	700,000	830,000	-	830,000	3:1,2
1011-02	Streets	Montezuma Land Exchange	-	-	-	-	-	-	8,310,000	8,310,000	3:1,2
1314-1	Streets	Main St Enhance	34,866	-	-	-	-	34,866	-	34,866	1:3/3:1/5:1
Total Streets Capital Projects			465,866	3,039,000	2,455,000	2,781,000	3,880,000	12,620,866	25,415,000	38,035,866	
0910-33	Gen Gov't	Town Hall/Attorney Carpet	-	40,000	-	-	-	40,000	-	40,000	3:4
0910-34	Gen Gov't	Chamber Enhancemnt	-	-	100,000	-	-	100,000	100,000	200,000	3:4
0910-35	Gen Gov't	Recycle Prog	-	50,000	50,000	50,000	50,000	200,000	250,000	450,000	3:3/9:1,2
Total Gen Gov't Capital Projects			-	90,000	150,000	50,000	50,000	340,000	350,000	690,000	
1213-11	Fire	Station #11 Buildout	-	360,000	-	-	-	360,000	-	360,000	3:4 & 8:2
Total Fire Capital Projects			-	360,000	-	-	-	360,000	-	360,000	

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

Project #	Dept	Description	Fiscal Year 2013/14	Fiscal Year 2014/15	Fiscal Year 2015/16	Fiscal Year 2016/17	Fiscal Year 2017/18	5 Year Total	Future Years	Grand Total	KRA Link
0910-42	Parks	Amphitheater Lighting	-	-	150,000	-	-	150,000	-	150,000	3:4,5:3
0910-43	Parks	GV Park Ramada Imps	-	-	75,000	-	-	75,000	-	75,000	3:4,5:3
0910-44	Parks	GV Park Maint Bldg	-	-	-	400,000	-	400,000	-	400,000	3:4,5:3
0910-47	Parks	Rumsey Park Restrooms	-	145,000	-	-	-	145,000	-	145,000	3:4,5:3
0910-48	Parks	Rumsey Park Drainage	-	-	150,000	-	-	150,000	-	150,000	3:1&4,5:3
0910-49	Parks	Rumsey Park Pedestrian Circulation Imps	-	-	50,000	350,000	-	400,000	100,000	500,000	3:1,2 & 4,5:3
1011-04	Parks	Kiwanis Field Lights	-	250,000	250,000	-	-	500,000	-	500,000	3:4,5:3
1011-05	Parks	Rumsey South Soccer Turf	-	350,000	-	-	-	350,000	-	350,000	3:4,5:3
1011-06	Parks	Rumsey Playground Equipment	-	-	-	150,000	-	150,000	-	150,000	3:4
Total Parks Capital Projects			-	745,000	675,000	900,000	-	2,320,000	100,000	2,420,000	
0910-50	Water	CC Cragin Pipeline	4,250,000	7,700,000	550,000	-	-	12,500,000	-	12,500,000	3-3
0910-51	Water	Houston Mesa Waterline & Treat Plant	800,000	9,700,000	2,700,000	-	-	13,200,000	-	13,200,000	3-3
0910-52	Water	Security Gates	20,000	7,000	-	-	-	27,000	-	27,000	3-3
0910-53	Water	GV Park Shoreline Protection	250,000	250,000	-	-	-	500,000	-	500,000	3-3
0910-56	Water	Groundwater Remediation	-	100,000	100,000	100,000	100,000	400,000	929,700	1,329,700	3-3
0910-57	Water	Water Mains	-	225,000	100,000	100,000	100,000	525,000	100,000	625,000	3-3
0910-58	Water	Wells	150,000	50,000	-	-	-	200,000	-	200,000	3-3
0910-61	Water	Radon Removal Study	30,000	-	-	-	-	30,000	-	30,000	3-3
0910-62	Water	Water Line Replacement	150,000	150,000	150,000	200,000	195,000	845,000	-	845,000	3-3
0910-64	Water	Reserve Well Development	-	85,000	-	70,000	-	155,000	-	155,000	3-3
0910-66	Water	TAT Reclamation Project	-	-	-	-	-	-	1,800,000	1,800,000	3-3
1314-2	Water	Environmental Project	325,000	-	-	-	-	325,000	-	325,000	3-3
Total Water Capital Projects			5,975,000	18,267,000	3,600,000	470,000	395,000	28,707,000	2,829,700	31,536,700	
0910-67	Library	Library Bldg Expansion	-	-	1,500,000	-	-	1,500,000	-	1,500,000	3:4/5:5
Total Library Capital Projects			-	-	1,500,000	-	-	1,500,000	-	1,500,000	
0910-39	Recreation & Tourism	PATS Continuation	-	125,000	125,000	125,000	150,000	525,000	750,000	1,275,000	3:1,2,4
0910-40	Recreation & Tourism	Trails Master Plan	-	60,000	60,000	-	-	120,000	-	120,000	3:1,2,4
0910-41	Recreation & Tourism	Parks & Rec Master Plan	-	70,000	60,000	-	-	130,000	-	130,000	3:4/5:3
0910-45	Recreation & Tourism	Event Center Master Plan & Imps	-	-	20,000	2,000,000	-	2,020,000	2,000,000	4,020,000	1:3/3:4/5:3
0910-46	Recreation & Tourism	Land Purchase	-	-	-	-	-	-	1,000,000	1,000,000	3:4
0910-69	Recreation & Tourism	Entry/Exit Imps	-	60,000	45,000	45,000	-	150,000	-	150,000	1:3,3:4,5:1
1213-01	Recreation & Tourism	New Rec Bldg	-	-	-	-	-	-	1,500,000	1,500,000	3:4
Total Rec & Tourism Capital Proj			-	315,000	310,000	2,170,000	150,000	2,945,000	5,250,000	8,195,000	
0910-71	Comm Dev	Carpet Repl	-	-	20,000	-	-	20,000	-	20,000	3:4
0910-76	Comm Dev	Main St Enhance	-	-	-	-	-	-	500,000	500,000	1:3,3:1,5:1
0910-77	Comm Dev	Hiway Landscape Imps	-	150,000	150,000	150,000	150,000	600,000	150,000	750,000	3:2,5:1
Total Comm Dev Capital Projects			-	150,000	170,000	150,000	150,000	620,000	650,000	1,270,000	

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

Project #	Dept	Description	Fiscal Year 2013/14	Fiscal Year 2014/15	Fiscal Year 2015/16	Fiscal Year 2016/17	Fiscal Year 2017/18	5 Year Total	Future Years	Grand Total	KRA Link
0910-79	Airport	Helicopter Hardstands+	-	-	-	-	-	-	650,000	650,000	3:2
0910-80	Airport	Relocate Taxiways	-	220,000	-	-	-	220,000	2,500,000	2,720,000	3:2
0910-81	Airport	Land Purchase	-	-	-	-	-	-	2,150,000	2,150,000	3:2
0910-82	Airport	New Terminal Bldg	-	145,000	2,000,000	-	-	2,145,000	-	2,145,000	3:2
0910-83	Airport	Relocate Campground	-	-	-	-	-	-	520,000	520,000	3:2
0910-85	Airport	Construct Serv Rds	-	-	-	36,000	310,000	346,000	124,000	470,000	3:2
0910-86	Airport	Construct Vehicle Parking	-	-	-	-	20,000	20,000	225,000	245,000	3:2
0910-87	Airport	Construct Hold Aprons	403,000	-	-	-	-	403,000	-	403,000	3:2
0910-88	Airport	Construct Various Blds	-	-	-	150,000	500,000	650,000	513,000	1,163,000	3:2
1011-09	Airport	Pavement Rehab Ramps	56,100	565,000	-	-	-	621,100	-	621,100	3:2
1011-10	Airport	Expanded Parking Ramps	210,000	1,100,000	80,000	1,600,000	-	2,990,000	-	2,990,000	3:2
1213-03	Airport	Grade Runway Safety Area	-	220,000	-	-	-	220,000	-	220,000	3:2
1213-04	Airport	Security Fencing	-	120,000	-	-	-	120,000	-	120,000	3:2
1213-05	Airport	Construct New West Taxiways	-	-	-	-	-	-	650,000	650,000	3:2
1213-07	Airport	Environment Assessments	10,000	-	-	-	-	10,000	-	10,000	3:2
Total Airport Capital Projects			679,100	2,370,000	2,080,000	1,786,000	830,000	7,745,100	7,332,000	15,077,100	
TOTAL - ALL CAPITAL PROJECTS			7,119,966	25,368,000	11,215,800	8,307,000	5,692,500	57,703,266	41,926,700	99,629,966	

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

5 Year Capital Improvement Plan – Summary of All Sources

Funding Sources	Project Number	Fiscal Year 2013/14	Fiscal Year 2014/15	Fiscal Year 2015/16	Fiscal Year 2016/17	Fiscal Year 2017/18	5 Year Total	Future Years	Grand Total
WIFA	0910-50	4,000,000	-	-	-	-	4,000,000	-	4,000,000
Grants - State	0910-53	250,000	250,000	-	-	-	500,000	-	500,000
Bonds	0910-45,50,51,67	1,050,000	17,400,000	4,750,000	2,000,000	-	25,200,000	2,000,000	27,200,000
Water Fund	0910-52,57,58,61,62	350,000	425,000	250,000	300,000	295,000	1,620,000	100,000	1,720,000
Grant	0910-66	-	7,000	-	-	-	7,000	1,800,000	1,807,000
CAP Fund	0910-56	325,000	100,000	100,000	100,000	100,000	725,000	929,700	1,654,700
Development Impact Fees	0910-40,41,42,43,47,48, 49,64; 1011-4,5,6; 1213-01		960,000	795,000	570,000		2,325,000	1,600,000	3,925,000
Grant - ADOTA	0910-79,80,81,82,83,85, 86,87,88; 1011-10; 1112-04,05	560,700	1,426,500	104,000	89,300	41,500	2,222,000	366,600	2,588,600
Grants - FAA	0910-79,80,81,82,83,85, 86,87,88; 1011-10; 1112-04,05	31,150	79,250	1,872,000	1,607,400	747,000	4,336,800	6,598,800	10,935,600
Grant - ADOT	1011-09; 1213-03	50,490	706,500				756,990		756,990
Airport Fund	0910-79,80,81,82,83,85, 86,87,88; 1011-09,10; 1112-04,05	36,760	157,750	104,000	89,300	41,500	429,310	366,600	795,910
GV Redevelopment Fund	1314-01	34,866					34,866		34,866
General Fund Transfer to Capital	0910-1,2,3,33,34,35,39,44,45,46,69,71,76,77; 1213-11; 1314-3,4	-	817,000	785,800	770,000	587,500	2,960,300	2,750,000	5,710,300
STP Funds	0910-7	381,000	-	740,000	311,000	-	1,432,000	-	1,432,000
HURF Fund	0910-4,5,6,7,9,10,11,12,14,15,16,17,18,19,20,21,23,26,28, 29,30,31,32	50,000	3,039,000	1,665,000	2,370,000	3,780,000	10,904,000	15,105,000	26,009,000
Improvement District	0910-27; 1011-02	-	-	50,000	100,000	100,000	250,000	10,310,000	10,560,000
		7,119,966	25,368,000	11,215,800	8,307,000	5,692,500	57,703,266	41,926,700	99,629,966

Town of Payson, Arizona

5 YEAR CAPITAL IMPROVEMENT PLAN – MACHINERY & EQUIPMENT

Project #	Department	Description	Fiscal Year 2013/14	Fiscal Year 2014/15	Fiscal Year 2015/16	Fiscal Year 2016/17	Fiscal Year 2017/18	5 Year Total	Future Years	Grand Total	KRA Link
0910-01M	Police	Vehicle Replacement	20,000	120,000	125,000	125,000	125,000	515,000	550,000	1,065,000	8:2
0910-02M	Police	Communications Equipment	160,000	-	-	-	-	160,000	-	160,000	8:2/10:2
1314-01M	Police	SHSGP Mobile Repeaters	32,200	-	-	-	-	32,200	-	32,200	8:2/10:2
1011-01M	Police	GOHS Vehicle & Radar	45,000	-	-	-	-	45,000	-	45,000	8:2
		Total Police Department	257,200	120,000	125,000	125,000	125,000	752,200	550,000	1,302,200	
0910-05M	Streets	Heavy Equipment	-	100,000	100,000	100,000	100,000	400,000	300,000	700,000	3:1,2
0910-06M	Streets	New Street Sweeper	-	175,000	-	-	-	175,000	-	175,000	3:1,2
0910-07M	Streets	Crack Seal Machine Replacement	-	65,000	-	-	-	65,000	45,000	110,000	3:1,2
0910-08M	Streets	Trucks	-	-	30,000	30,000	30,000	90,000	150,000	240,000	3:1,2
1314-02M	Streets	Large Format Plotter/Copier/Scanner	12,500	-	-	-	-	12,500	-	12,500	3:1,2
		Total Streets Department	12,500	340,000	130,000	130,000	130,000	742,500	495,000	1,237,500	
1314-02M	Airport	Tractor	-	-	-	-	35,000	35,000	-	35,000	3:2
		Total Airport	-	-	-	-	35,000	35,000	-	35,000	
0910-10M	Gen Gov't	Financial Software	-	45,000	-	-	-	45,000	-	45,000	10:2
0910-12M	Gen Gov't	Telephone System Upgrade	-	-	-	-	-	-	100,000	100,000	10:2
1314-03M	Gen Gov't	Computer Equipment	62,000	-	-	-	-	62,000	-	62,000	10:2
		Total General Government	62,000	45,000	-	-	-	107,000	100,000	207,000	
0910-13M	Fire	Utility Truck Replacement	-	-	300,000	-	-	300,000	-	300,000	8:2
0910-14M	Fire	Water Tender	-	-	-	-	-	-	300,000	300,000	8:2
0910-15M	Fire	Utility Pickup Truck Replacement	-	-	55,000	-	-	55,000	-	55,000	8:2
0910-16M	Fire	Staff Vehicle Replacement	-	-	-	55,000	-	55,000	55,000	110,000	8:2
0910-17M	Fire	Command Vehicle Replacement	-	55,000	-	-	-	55,000	-	55,000	8:2
0910-19M	Fire	Ladder Truck 111 Replacement	-	-	1,200,000	-	-	1,200,000	-	1,200,000	8:2
0910-23M	Fire	Rehab/Support Vehicle	-	-	-	-	100,000	100,000	-	100,000	8:2
0910-25M	Fire	Ambulance Replacement	-	-	-	-	-	-	200,000	200,000	8:2
0910-27M	Fire	Type 1 Engine Replacement	-	500,000	-	-	-	500,000	-	500,000	8:2
0910-28M	Fire	Type 6 Engine Replacement	-	-	-	-	-	-	180,000	180,000	8:2
1314-04M	Fire	Hose Replacement	-	-	-	40,000	-	40,000	-	40,000	8:2
1314-05M	Fire	Cardiac Monitor/Defibrillator Grant	152,300	-	-	-	-	152,300	-	152,300	8:2
1314-06M	Fire	ePCR Equipment	-	17,000	-	-	-	17,000	-	17,000	8:2/10:2
1314-07M	Fire	Radio Repeater	-	20,000	-	-	-	20,000	-	20,000	8:2/10:2
1314-08M	Fire	Fire Prevention Grant - Equipment	35,000	-	-	-	-	35,000	-	35,000	8:2
1314-09M	Fire	Alarm Grant	20,000	-	-	-	-	20,000	-	20,000	8:2
		Total Fire Department	207,300	592,000	1,555,000	95,000	100,000	2,549,300	735,000	3,284,300	
0910-29-M	Parks	Large Mower	-	60,000	-	-	-	60,000	-	60,000	3:4/5:3
		Total Parks Department	-	60,000	-	-	-	60,000	-	60,000	
0910-33M	Water	Service Truck Replacement	-	30,000	35,000	-	40,000	105,000	-	105,000	3:3
0910-34M	Water	Well Pump Replacements	75,000	40,000	50,000	50,000	-	215,000	125,000	340,000	3:3
1011-04M	Water	Fire Hydrant Program	-	5,000	5,000	5,000	5,000	20,000	5,000	25,000	3:3
1011-05M	Water	Computer Equipment	5,000	20,000	20,000	20,000	20,000	85,000	-	85,000	3:3
1314-10M	Water	Back Hoe	125,000	-	-	-	-	125,000	-	125,000	3:3
1314-11M	Water	Meter Reader Vehicle	18,000	-	-	-	-	18,000	-	18,000	3:3
1314-12M	Water	Chlorine Generator	42,500	-	-	-	-	42,500	-	42,500	3:3
		Total Water Division	265,500	95,000	110,000	75,000	65,000	610,500	130,000	740,500	
1314-10M	Event Center	Tractor	-	35,000	-	-	-	35,000	-	35,000	1:3/3:4/5:3
		Total Event Center	-	35,000	-	-	-	35,000	-	35,000	
0910-35M	Comm Dev	Vehicle Replacement	-	-	25,000	-	-	25,000	-	25,000	3:1/5:1,2
		Total Comm Dev Department	-	-	25,000	-	-	25,000	-	25,000	
		Total Capital Machinery & Equipment	804,500	1,252,000	1,945,000	425,000	420,000	4,846,500	2,010,000	6,856,500	

Funding Sources	Project Number	Fiscal Year 2013/14	Fiscal Year 2014/15	Fiscal Year 2015/16	Fiscal Year 2016/17	Fiscal Year 2017/18	5 Year Total	Future Years	Grand Total
Grant	0910-02,1011-01,1314-01,1314-05,1314-08,1314-09	444,500	-	-	-	-	444,500	-	444,500
Equipment Replacement Fund	All Others	360,000	1,252,000	1,945,000	425,000	420,000	4,402,000	2,010,000	6,412,000
		804,500	1,252,000	1,945,000	425,000	420,000	4,846,500	2,010,000	6,856,500

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



***SUPPLEMENTAL
INFORMATION***

RESOLUTION NO. 2728

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 2013-2014.

(2013-2014 FINAL BUDGET)

WHEREAS, in accordance with the provisions of Title 42, Chapter 17, Arizona Revised Statutes, the Mayor and Common Council did, on June 6, 2013, 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 6, 2013, 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 20, 2013, 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 2013-2014.

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.

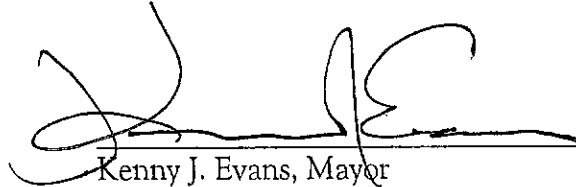
PASSED AND ADOPTED BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, this 20th day of June, 2013, by the following vote:

CC Franco

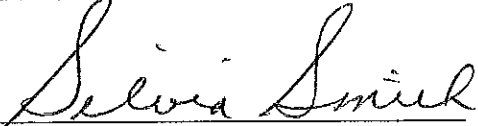
Page 1

JUN 20 2013 *SP.2*

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 2014

FUND	ADOPTED BUDGETED EXPENDITURES/EXPENSES* 2013	ACTUAL EXPENDITURES/EXPENSES** 2013	FUND BALANCE/NET POSITION*** July 1, 2013***	PROPERTY TAX REVENUES 2014	ESTIMATED REVENUES OTHER THAN PROPERTY TAXES 2014	OTHER FINANCING 2014		INTERFUND TRANSFERS 2014		TOTAL FINANCIAL RESOURCES AVAILABLE 2014	BUDGETED EXPENDITURES/EXPENSES 2014
						SOURCES	<USES>	IN	<OUT>		
1. General Fund	\$ 12,650,400	\$ 11,377,700	\$ 573,782	Primary: \$ 633,680 Secondary:	\$ 12,219,920	\$	\$	\$ 119,510	\$ (360,500)	\$ 13,907,392	\$ 12,792,200
2. Special Revenue Funds	7,774,300	6,884,500	666,438		4,740,600			245,300	(174,400)	5,826,738	5,069,600
3. Debt Service Funds Available	1,015,400	1,013,700	590,059		405,100			302,400	(141,510)	1,439,069	656,100
4. Less: Amounts for Future Debt Retirement											
5. Total Debt Service Funds	1,015,400	1,013,700	590,059		405,100			302,400	(141,510)	1,439,069	656,100
6. Capital Projects Funds	2,033,700	308,400	778,822		831,200			9,200		1,619,222	1,375,366
7. Permanent Funds											
8. Enterprise Funds Available	13,167,800	8,244,900	5,333,689		8,668,500					14,002,189	11,300,200
9. Less: Amounts for Future Debt Retirement											
10. Total Enterprise Funds	13,167,800	8,244,900	5,333,689		8,668,500					14,002,189	11,300,200
11. Internal Service Funds											
12. TOTAL ALL FUNDS	\$ 36,641,600	\$ 27,829,200	\$ 7,942,790	\$ 633,680	\$ 26,865,320	\$	\$	\$ 676,410	\$ (676,410)	\$ 36,794,610	\$ 31,193,466

EXPENDITURE LIMITATION COMPARISON

1. Budgeted expenditures/expenses
2. Add/subtract: estimated net reconciling items
3. Budgeted expenditures/expenses adjusted for reconciling items
4. Less: estimated exclusions
5. Amount subject to the expenditure limitation
6. EEC or voter-approved alternative expenditure limitation

	2013	2014
	\$ 36,641,600	\$ 31,193,466
	36,641,600	31,193,466
	\$ 36,641,600	\$ 31,193,466
	\$ 36,641,600	\$ 31,193,466

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 Position amounts except for amounts not in spendable form (e.g., prepaids and inventories) or legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

TOWN OF PAYSON
Tax Levy and Tax Rate Information
Fiscal Year 2014

	2013	2014
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ 642,416	\$ 665,794
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	\$ 623,792	\$ 633,680
B. Secondary property taxes		
C. Total property tax levy amounts	\$ 623,792	\$ 633,680
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ 605,000	
(2) Prior years' levies	20,000	
(3) Total primary property taxes	\$ 625,000	
B. Secondary property taxes		
(1) Current year's levy	\$	
(2) Prior years' levies		
(3) Total secondary property taxes	\$	
C. Total property taxes collected	\$ 625,000	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	0.3502	0.3828
(2) Secondary property tax rate		
(3) Total city/town tax rate	0.3502	0.3828
B. Special assessment district tax rates		
Secondary property tax rates - As of the date the proposed budget was prepared, the city/town was operating <u>no</u> special assessment districts for which secondary property taxes are levied. For information pertaining to these special assessment districts and their tax rates, please contact the city/town.		

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

TOWN OF PAYSON
Revenues Other Than Property Taxes
Fiscal Year 2014

SOURCE OF REVENUES	ESTIMATED REVENUES 2013	ACTUAL REVENUES* 2013	ESTIMATED REVENUES 2014
GENERAL FUND			
Local taxes			
Sales Tax - Town	\$ 5,700,000	\$ 5,600,000	\$ 5,800,000
Licenses and permits			
Franchise Fees	343,400	348,000	357,400
Business Licenses	72,000	71,000	72,000
Liquor Licenses	1,200	2,000	1,500
ROW Permits	3,600	1,700	2,000
Animal Control Licenses	20,000	16,000	15,000
Building Permits	415,000	140,000	150,000
Intergovernmental			
State Shared Revenue	2,842,300	2,812,800	3,029,200
Property Taxes	637,300	625,000	20,020
Vehicle License Tax	875,600	790,000	861,800
Tonto Apache Tribe	15,000	13,100	13,000
Fire Services IGA	325,200	325,200	327,500
Rim Country Educ. Alliance			100,000
Grants	868,800	446,100	707,800
Charges for services			
Prosecution Fees	44,500	47,000	45,000
Law Enforcement Charges	37,000	15,900	11,400
Fire Service Charges	23,600	5,000	6,100
Zoning Charges	28,000	18,000	20,000
Building Inspections	1,600	3,000	3,000
Engineering Review	36,800	2,000	2,000
Plan Review	61,000	64,000	65,000
Fines and forfeits			
Court Fines & Fees	120,000	100,000	110,000
Interest on investments			
Interest	2,000	1,000	2,000
In-lieu property taxes			
Contributions			
Voluntary contributions	1,500	11,700	700
Miscellaneous			
Other Revenue	15,000	19,000	17,500
Recreation Fees	119,600	77,600	80,500
Enterprise Overhead	303,300	303,300	303,300
Insurance Recoveries	82,000	93,500	80,000
Surplus Sales	35,000	15,000	5,000
Sale of Fixed Assets	50,000	3,000	
Facilities Lease Fees	11,200	11,200	11,200
Total General Fund	\$ 13,091,500	\$ 11,981,100	\$ 12,219,920

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

TOWN OF PAYSON
Revenues Other Than Property Taxes
Fiscal Year 2014

SOURCE OF REVENUES	ESTIMATED REVENUES 2013	ACTUAL REVENUES* 2013	ESTIMATED REVENUES 2014
SPECIAL REVENUE FUNDS			
Highway User Revenue Fund			
Highway Users Gas Tax	\$ 1,396,900	\$ 1,360,100	\$ 1,421,300
Grants	140,000		140,000
Inspection Fees	10,000		3,500
Impact Fees	50,000	25,000	12,000
Other Revenue	1,000	2,000	4,000
Enterprise Fund Overhead	25,800	25,800	25,800
Total Highway User Revenue Fund	\$ 1,623,700	\$ 1,412,900	\$ 1,606,600
Housing Trust Fund			
Contributions	\$ 25,000	\$	\$
Total Housing Trust Fund	\$ 25,000	\$	\$
Gifts & Grants Fund			
Grants	\$ 74,500	\$ 14,500	\$ 16,600
Contributions	11,300	24,000	11,500
Total Gifts & Grants Fund	\$ 85,800	\$ 38,500	\$ 28,100
Bed Tax Fund			
Bed Tax	\$ 225,000	\$ 240,000	\$ 230,000
Donations		4,100	
Total Bed Tax Fund	\$ 225,000	\$ 244,100	\$ 230,000
Police Dept. of Justice Fund			
Defense 1033 Revenue	\$ 30,000	\$ 20,000	\$ 30,000
Local RICO Revenue			3,500
Total Police Dept. of Justice Fund	\$ 30,000	\$ 20,000	\$ 33,500
LE Property Program			
Intergovernmental	\$ 2,000,000	\$ 2,000,000	\$
Total LE Property Program Fund	\$ 2,000,000	\$ 2,000,000	\$
Library Fund			
Gila County Library District Tax	\$ 229,200	\$ 229,200	\$ 230,400
Fines	15,500	15,500	15,500
Contributions	21,600	5,000	
Total Library Fund	\$ 266,300	\$ 249,700	\$ 245,900
Magistrate Court - JCEF Fund			
Contributions	\$ 3,000	\$	\$
Total Magistrate Court - JCEF Fund	\$ 3,000	\$	\$
Magistrate Court - FTG Fund			
Contributions	\$ 1,600	\$ 1,600	\$ 1,000
Total Magistrate Court - FTG Fund	\$ 1,600	\$ 1,600	\$ 1,000
Airport Fund			
Grants	\$ 453,500	\$ 216,200	\$ 573,900
Advertising Sign Fee	900	200	
Tie Down Fee	12,200	13,400	13,400
Gate Fees	4,500	9,600	9,600
Ground Leases	18,600	14,600	14,600
Hanger Leases	56,700	53,000	49,800
Fuel Sales	2,000	2,000	2,000
Other	20,300	18,700	5,800
Total Airport Fund	\$ 568,700	\$ 327,700	\$ 669,100

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

TOWN OF PAYSON
Revenues Other Than Property Taxes
Fiscal Year 2014

SOURCE OF REVENUES	ESTIMATED REVENUES 2013	ACTUAL REVENUES* 2013	ESTIMATED REVENUES 2014
Event Center Fund			
Event Revenue	\$ 71,000	\$ 70,000	\$ 70,000
Total Event Center Fund	\$ 71,000	\$ 70,000	\$ 70,000
Health Insurance Fund			
Employee Contribution	\$ 456,800	\$ 605,900	\$ 487,900
Employer Contribution	1,208,000	879,700	731,800
Retiree Contribution	158,000	181,700	141,600
Employer Retiree Contribution	409,000	266,700	495,100
Other			
Total Health Insurance Fund	\$ 2,231,800	\$ 1,934,000	\$ 1,856,400
Total Special Revenue Funds	\$ 7,131,900	\$ 6,298,500	\$ 4,740,600
DEBT SERVICE FUNDS			
Westerly Rd ID Debt Service Fund			
Assessment - Principal	\$ 34,700	\$ 34,700	\$ 34,100
Assessment - Interest	23,300	23,300	21,000
Total Westerly Rd ID Debt Service Fund	\$ 58,000	\$ 58,000	\$ 55,100
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
Total Debt Service Funds	\$ 408,000	\$ 408,000	\$ 405,100
CAPITAL PROJECTS FUNDS			
Grant Capital Projects Fund			
Grants	\$ 468,700	\$ 115,000	\$ 457,200
Total Grant Capital Projects Fund	\$ 468,700	\$ 115,000	\$ 457,200
Park Development Fund			
Impact Fees	\$ 35,000	\$ 18,000	\$ 9,000
Total Park Development Fund	\$ 35,000	\$ 18,000	\$ 9,000
Public Safety Development Fund			
Impact Fees	\$ 18,500	\$ 10,000	\$ 5,000
Total Public Safety Development Fund	\$ 18,500	\$ 10,000	\$ 5,000
Bonita Street Construction Fund			
Grant Revenue	\$ 370,000		\$ 360,000
Total Bonita Street Construction Fund	\$ 370,000		\$ 360,000
Montezuma Castle Land Exchange ID Fund			
Debt Proceeds	\$ 450,000		\$
Total Montezuma Castle Land Ex. ID Fund	\$ 450,000		\$
CAP Trust Fund			
Other Revenue	\$ 155,000		\$
Total CAP Trust Fund	\$ 155,000		\$
Total Capital Projects Funds	\$ 1,497,200	\$ 143,000	\$ 831,200

* 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
Revenues Other Than Property Taxes
Fiscal Year 2014

SOURCE OF REVENUES	ESTIMATED REVENUES 2013	ACTUAL REVENUES* 2013	ESTIMATED REVENUES 2014
PERMANENT FUNDS			
Not Applicable	\$	\$	\$
	\$	\$	\$
Total Permanent Funds	\$	\$	\$
ENTERPRISE FUNDS			
Water Fund			
Charges for Services	\$ 3,987,500	\$ 4,308,200	\$ 4,480,800
Facilities Recapture Fees	2,000		
Interest	500	2,000	4,000
Facilities Leases	45,000	45,000	45,000
Impact Fees	644,170	15,000	90,000
Debt Proceeds			4,000,000
Other	45,700	63,700	48,700
Total Water Fund	\$ 4,724,870	\$ 4,433,900	\$ 8,668,500
CC Cragin Development Fund			
Grants	\$	\$	\$
Impact Fees	726,830	72,000	
Debt Proceeds	6,250,000	2,637,400	
Total CC Cragin Development Fund	\$ 6,976,830	\$ 2,709,400	\$
Total Enterprise Funds	\$ 11,701,700	\$ 7,143,300	\$ 8,668,500
INTERNAL SERVICE FUNDS			
Not Applicable	\$	\$	\$
	\$	\$	\$
Total Internal Service Funds	\$	\$	\$
TOTAL ALL FUNDS	\$ 33,830,300	\$ 25,973,900	\$ 26,865,320

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

TOWN OF PAYSON
Other Financing Sources/<Uses> and Interfund Transfers
Fiscal Year 2014

FUND	OTHER FINANCING 2014		INTERFUND TRANSFERS 2014	
	SOURCES	<USES>	IN	<OUT>
GENERAL FUND				
Bed Tax Fund	\$	\$	83,700	\$
Festivals & Events				
Wildlands/Urban Program Fund				
HURF				
Library				(88,500)
Airport Fund				(66,100)
Equipment Replacement Fund				
Bonita Street Construction				(9,200)
General Debt Service Fund				(39,400)
ELRID Debt Service Fund			6,489	
Westerly Rd. Debt Service Fund				(27,100)
Rumsey Park COPs DS Fund				
Excise Bonds DS Fund				(130,200)
Green Valley Park Debt Service Fund			29,321	
Total General Fund	\$	\$	119,510	\$ (360,500)
SPECIAL REVENUE FUNDS				
Festivals & Events	\$	\$		\$
Library			88,500	
Event Center Fund			90,700	
Bed Tax Fund				(174,400)
Airport Fund			66,100	
Total Special Revenue Funds	\$	\$	245,300	\$ (174,400)
DEBT SERVICE FUNDS				
General Debt Service Fund	\$	\$	145,100	\$
East Loop Debt Service Fund				(6,489)
Westerly Rd. Debt Service Fund			27,100	
Green Valley Park DS Fund				(29,321)
Rumsey Park COPs DS Fund				
GO Bonds Debt Service Fund				(105,700)
Excise Tax Rev Ob DS Fund			130,200	
Total Debt Service Funds	\$	\$	302,400	\$ (141,510)
CAPITAL PROJECTS FUNDS				
Equipment Replacement Fund	\$	\$		\$
Park Development Fund				
Fire Station #3 Fund				
Bonita Street Construction			9,200	
Total Capital Projects Funds	\$	\$	9,200	\$
PERMANENT FUNDS				
Total Permanent Funds	\$	\$		\$
ENTERPRISE FUNDS				
Water Fund	\$	\$		\$
Water Impact Fees Fund				
Total Enterprise Funds	\$	\$		\$
INTERNAL SERVICE FUNDS				
Total Internal Service Funds	\$	\$		\$
TOTAL ALL FUNDS	\$	\$	676,410	\$ (676,410)

TOWN OF PAYSON
Expenditures/Expenses by Fund
Fiscal Year 2014

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2013	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2013	ACTUAL EXPENDITURES/ EXPENSES* 2013	BUDGETED EXPENDITURES/ EXPENSES 2014
GENERAL FUND				
Central Services	\$ 919,400	\$	\$ 920,600	\$ 1,225,900
Town Clerk	256,100		250,500	192,900
Elections	38,200			38,300
Town Manager	198,100		191,900	177,000
Human Resources	180,300		156,800	224,300
Financial Services	331,800		319,600	332,300
Information Technology	532,500		537,900	570,400
Tourism & Economic Vitality	107,900		103,700	110,200
Town Council	118,300		98,200	102,300
Magistrate Court	219,000		197,400	213,100
Town Attorney	348,900		338,400	361,600
Police	4,375,500		3,856,800	4,539,500
Fire	3,571,500		2,985,300	3,237,800
Public Works	410,500		385,500	523,200
Parks & Recreation	346,300		330,600	327,100
Community Development	696,100		704,500	616,300
Total General Fund	\$ 12,650,400	\$	\$ 11,377,700	\$ 12,792,200
SPECIAL REVENUE FUNDS				
HURF	\$ 1,655,800	\$	\$ 1,455,700	\$ 1,678,700
Housing Trust Fund	25,000			
Gifts & Grants Fund	85,800		32,500	28,100
Bed Tax Fund	90,000		97,100	90,400
Police Dept. of Justice Fund	31,000		22,500	31,000
LE Property Program Fund	2,000,000		2,000,000	
Library Fund	373,800		321,700	334,400
Magistrate Court Fund	4,600			25,000
Airport Fund	717,400		433,100	864,900
Event Center Fund	159,100		156,900	160,700
Health Insurance Fund	2,631,800		2,365,000	1,856,400
Total Special Revenue Funds	\$ 7,774,300	\$	\$ 6,884,500	\$ 5,069,600
DEBT SERVICE FUNDS				
General Debt Service Fund	\$ 252,900	\$	\$ 252,900	\$ 145,100
Westerly Rd. ID Debt Service	85,200		85,200	82,400
Rumsey Park COPs	47,500		46,000	
Green Valley Park Debt Service	204,300		204,100	
Excise Tax Obligation DS	130,400		130,400	131,100
GO Bonds Debt Service	295,100		295,100	297,500
Total Debt Service Funds	\$ 1,015,400	\$	\$ 1,013,700	\$ 656,100
CAPITAL PROJECTS FUNDS				
Capital Improvement Fund	\$	\$	\$	\$
Equipment Replacement Fund	12,000		12,600	
Grant Capital Projects Fund	468,700		115,000	464,500
Public Safety Bond Proj. Fund	160,000		32,000	160,000
Green Valley Park Redevel.				34,866
Bonita Street Construction	380,000			381,000
Fire Station #3 Construction	13,000		43,800	
Montezuma Castle ID Fund	450,000			
CAP Trust Fund	550,000		105,000	335,000
Total Capital Projects Funds	\$ 2,033,700	\$	\$ 308,400	\$ 1,375,366
PERMANENT FUNDS				
Not Applicable	\$	\$	\$	\$
Total Permanent Funds	\$	\$	\$	\$
ENTERPRISE FUNDS				
Water Fund	\$ 6,404,700	\$	\$ 5,217,300	\$ 11,300,200
CC Cragin Development	6,763,100		3,027,600	
Total Enterprise Funds	\$ 13,167,800	\$	\$ 8,244,900	\$ 11,300,200
INTERNAL SERVICE FUNDS				
Not Applicable	\$	\$	\$	\$
Total Internal Service Funds	\$	\$	\$	\$
TOTAL ALL FUNDS	\$ 36,641,600	\$	\$ 27,829,200	\$ 31,193,466

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

TOWN OF PAYSON
Expenditures/Expenses by Department
Fiscal Year 2014

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2013	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2013	ACTUAL EXPENDITURES/ EXPENSES* 2013	BUDGETED EXPENDITURES/ EXPENSES 2014
General Government				
General Fund	\$ 919,400		920,600	\$ 1,225,900
General Debt Service Fund	252,900		252,900	145,100
Health Insurance Fund	2,631,800		2,365,000	1,856,400
Department Total	\$ 3,804,100		3,538,500	\$ 3,227,400
Town Clerk				
General Fund	\$ 294,300		250,500	\$ 231,200
Department Total	\$ 294,300		250,500	\$ 231,200
Town Manager				
General Fund	\$ 198,100		191,900	\$ 177,000
Department Total	\$ 198,100		191,900	\$ 177,000
Human Resources				
General Fund	\$ 180,300		156,800	\$ 224,300
Department Total	\$ 180,300		156,800	\$ 224,300
Financial Services				
General Fund	\$ 331,800		319,600	\$ 332,300
Capital Improvement Fund				
Department Total	\$ 331,800		319,600	\$ 332,300
Information Technology				
General Fund	\$ 532,500		537,900	\$ 570,400
Department Total	\$ 532,500		537,900	\$ 570,400
Town Council				
General Fund	\$ 118,300		98,200	\$ 102,300
Department Total	\$ 118,300		98,200	\$ 102,300
Magistrate Court				
General Fund	\$ 219,000		197,400	\$ 213,100
Magistrate Court - JCEF Fund	3,000			
Magistrate Court - FTG Fund	1,600			25,000
Department Total	\$ 223,600		197,400	\$ 238,100
Town Attorney				
General Fund	\$ 348,900		144,800	\$ 361,600
Equipment Replacement Fund				
Department Total	\$ 348,900		144,800	\$ 361,600
Police				
General Fund	\$ 4,375,500		3,856,800	\$ 4,539,500
Gifts & Grants Fund	20,300		25,000	20,100
Dept of Justice Fund	31,000		22,500	31,000
LE Property Program Fund	2,000,000		2,000,000	
Capital Improvement Fund				
Equipment Replacement Fund				
Grant Capital Project Fund	60,700		25,000	77,200

TOWN OF PAYSON
Full-Time Employees and Personnel Compensation
Fiscal Year 2014

FUND	Full-Time Equivalent (FTE) 2014	Employee Salaries and Hourly Costs 2014	Retirement Costs 2014	Healthcare Costs 2014	Other Benefit Costs 2014	Total Estimated Personnel Compensation 2014
GENERAL FUND	111	\$ 6,364,600	\$ 1,473,200	\$ 516,300	\$ 691,200	\$ 9,045,300
SPECIAL REVENUE FUNDS						
HURF	16	\$ 676,700	\$ 76,500	\$ 69,400	\$ 129,900	\$ 952,500
Library	6	197,600	22,300	12,400	16,400	248,700
Event Center	1	35,500	4,000	6,600	3,000	49,100
Airport	2	65,400	7,400	88,400	9,600	82,400
Total Special Revenue Funds	25	\$ 975,200	\$ 110,200	\$ 156,800	\$ 158,900	\$ 1,332,700
DEBT SERVICE FUNDS						
Not Applicable		\$	\$	\$	\$	\$
Total Debt Service Funds		\$	\$	\$	\$	\$
CAPITAL PROJECTS FUNDS						
Not Applicable		\$	\$	\$	\$	\$
Total Capital Projects Funds		\$	\$	\$	\$	\$
PERMANENT FUNDS						
Not Applicable		\$	\$	\$	\$	\$
Total Permanent Funds		\$	\$	\$	\$	\$
ENTERPRISE FUNDS						
Water	19	\$ 1,029,400	\$ 114,700	\$ 107,500	\$ 125,800	\$ 1,377,400
Total Enterprise Funds	19	\$ 1,029,400	\$ 114,700	\$ 107,500	\$ 125,800	\$ 1,377,400
TOTAL ALL FUNDS	155	\$ 8,369,200	\$ 1,698,100	\$ 712,200	\$ 975,900	\$ 11,755,400

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

Authorized Positions

Department/Division	04/05	05/06	06/07	07/08	08/09	09/10	10/11	11/12	12/13	13/14
Town Manager	2.00	2.00	2.00	2.00	2.00	5.00	5.00	5.00	4.00	4.00
Town Attorney	5.00	5.00	5.00	5.00	4.50	4.50	4.00	4.00	4.00	4.50
Town Clerk	5.00	5.00	5.00	7.00	6.00	4.00	4.00	4.00	4.00	3.00
Central Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.50
Financial Services	6.00	8.00	8.00	6.00	6.00	6.00	6.00	6.00	7.00	7.00
Police	40.00	42.00	45.00	48.00	48.00	48.00	48.00	48.00	48.00	50.00
Fire	24.00	25.00	25.00	25.00	25.00	25.00	24.00	27.00	33.00	32.00
Human Resources	3.50	3.50	3.50	3.50	1.00	2.00	3.00	3.00	3.00	3.00
Community Dev	12.00	12.00	12.00	14.00	14.00	14.00	14.00	14.00	14.00	12.00
Airport	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.50	1.50	1.50
Public Works	16.50	16.50	16.50	17.00	17.00	22.50	22.50	22.00	22.00	22.00
Water Department	17.00	17.00	17.00	17.00	19.00	19.00	22.00	21.00	21.00	20.00
Library	6.00	6.00	7.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
Recreation & Tourism	9.50	9.50	11.50	11.50	11.50	7.00	7.00	6.50	6.50	6.50
Total City FTEs	147.50	152.50	158.50	165.00	163.00	166.00	168.50	170.00	176.00	175.00
Population	15,375	15,430	15,620	15,700	16,965	17,281	17,281	15,301	15,301	15,215

Positions Frozen Pending Economic Recovery

<u>Department</u>	<u>Division</u>	<u>Title</u>	<u>FY12/13</u>	<u>FY13/14</u>
Town Manager	Human Resources	Human Resources Technician	1.00	-
Town Manager	Town Manager	Executive Assistant	1.00	1.00
Town Clerk	Town Clerk	Chief Deputy Clerk	1.00	1.00
Financial Services	Financial Services	CFO	1.00	1.00
Financial Services	Financial Services	Deputy CFO	1.00	1.00
Police	Operations	Sergeant	1.00	1.00
Police	Operations	Officer	2.00	2.00
Police	Operations	Secretary	1.00	1.00
Community Development	Building	Plans Examiner II	1.00	1.00
Community Development	Building	Building Inspector II	1.00	1.00
Community Development		Community Development Director	1.00	1.00
Public Works	Streets	Street Maintenance Worker	2.00	1.00
Public Works	Parks Maintenance	General Maintenance Worker	2.00	-
Library	Library	Library Clerk	1.00	1.00
Recreation & Tourism	Trails	Recreation Coordinator	1.00	1.00
			18.00	14.00

In addition, the following full-time positions are currently filled with part-time staff pending economic recovery:

Town Attorney	Town Attorney	Legal Secretary	0.50	0.50
Financial Services	Financial Services	Grant Coordinator	0.50	0.50
			1.00	1.00



Budgeted Positions

<u>Department</u>	<u>FY</u> <u>12/13</u>	<u>FY</u> <u>13/14</u>
Town Manager	3.00	3.00
Town Attorney	3.50	4.00
Town Clerk	3.00	2.00
Central Services	-	1.50
Financial Services	4.50	4.50
Police	46.00	46.00
Fire	33.00	32.00
Human Resources	2.00	3.00
Community Dev	8.00	8.00
Airport	2.00	2.00
Public Works	19.00	21.00
Water Department	20.00	19.00
Library	7.00	6.50
Recreation & Tourism	5.00	5.00
	<u>156.00</u>	<u>157.50</u>

Explanation Regarding Changes in Budgeted Staffing

Town Attorney

One part-time Victim Rights position was added (grant funded)

One Paralegal position was replaced with one Receptionist position

Prosecutor position, previously funded for 36 hours per week, was funded for 40 hours per week in this fiscal year

Town Clerk / Central Services

One Deputy Town Clerk position was replaced with one full-time and one part-time Receptionist positions in Central Services

Fire

Fire Marshal position was not funded in this fiscal year (per Council decision)

Human Resources

Filled Human Resources Technician position previously frozen pending economic recovery

Public Works

Filled two General Maintenance Worker positions previously frozen pending economic recovery

Library

One part-time Library Clerk position, previously funded by the Friends of Payson Library, was not funded this fiscal year

Water



PRINCIPAL EMPLOYERS

	2013
Employer	Employees
Mazatzal Casino	319
Walmart	315
Payson Regional Medical Center	312
Payson Unified Schools	307
Gila County	175
Town of Payson	157
Rim Country Health	156
Payson Care Center	152
Home Depot	121
Safeway	114
USFS	75
Bashas #54	63
Chapman	33
Total	2299

Sources: 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
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%
2013	15,215	43,741	24,914	53.1	2,485	9.6%

Sources: US Department of Commerce, US Census, Payson Unified School District, Sperling's Best Places

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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.

FIDUCIARY FUND A category of funds used to report assets held in a trustee or agency capacity for others and which therefore cannot be used to support the government's own programs.

FISCAL YEAR 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.

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GENERAL OBLIGATION BONDS Bonds backed by the full faith and credit of the issuing government. In issuing its general obligation bonds, the Town pledges to levy whatever property tax is needed to repay the bonds for any particular year. Bonds cannot be issued without voter approval and are usually issued with maturities of between 15 and 30 years.

GFOA 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.

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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.

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).