



Town of Payson, Arizona



2018 FINANCIAL REPORT

POPULAR ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2018

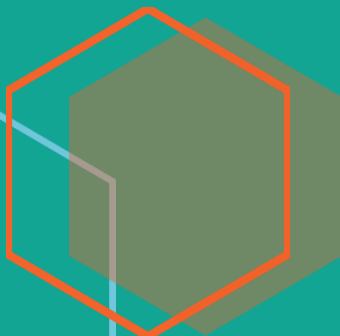


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MESSAGE FROM TOWN MANAGER

Members of the Financial Services Department are pleased to present the Town of Payson's 13th Popular Annual Financial Report (PAFR) for the fiscal year ended June 30, 2018. This report is intended to present an overview of the Town's financial position and emphasize its commitment to providing responsive services and programs in a fiscally responsible manner.

We share with you details of how the Town's revenue is generated, where the dollars are spent, and how the local economy impacts Payson's overall financial status. Above all, our goal is to provide you with an opportunity to better understand the many financial aspects that affect your local government.

The information provided here is drawn from detailed financial information found within the 2018 Comprehensive Annual Financial Report (CAFR). The financial statements were prepared in conformance with Generally Accepted Accounting Principles (GAAP) and audited by an independent accounting firm, receiving an unmodified (or clean) opinion. The numbers contained within the CAFR were obtained by employing the basis of accounting principles as prescribed by the Governmental Accounting Standards Board (GASB).



In short, the highest standards of accounting principles have been utilized to ensure full financial disclosure and accountability. Recognition of this commitment is evidenced by the Town attaining the Certificate of Achievement for Excellence in Financial Reporting for 20 consecutive years, the Award for Outstanding Achievement in Popular Annual Financial Reporting for 12 consecutive years, and the Distinguished Budget Presentation Award for 20 consecutive years. These awards are presented by the Government Finance Officers Association.

While the numbers in this Popular Report come from an audited source, they are presented in an abridged, unaudited non-GAAP format. Citizens who wish to review audited GAAP-basis financial statements can refer to the Town's 2018 CAFR, which is available from the Financial Services Department, the Payson Public Library, or online at www.paysonaz.gov.

Members of the Financial Services Department and Staff across the organization are proud to serve this fine community. We hope that the 2018 Popular Annual Financial Report serves its purpose and helps assure you that every effort is made to manage the community's resources wisely for the benefit of all.

Handwritten signature of LaRon G. Garrett in black ink.

LaRon G. Garrett, P.E.
Town Manager

ABOUT PAYSON

Payson has been called the
“Heart of Arizona”

because it is located almost exactly in the geographic center of the state.



...PAYSON FACTS...

Incorporated: 1973	Rainfall: 22 in.	Average Age: 57.1
Area: 20.46	Snowfall: 18 in.	Average Household Size: 2.3
Elevation: 4,982 ft.	Precipitation Days: 79	Median Housing Value: \$227,100
Population: 15520	Sunny Days: 286	Unemployment Rate: 8.1%

PAYSON PROFILE

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

The Payson town site was established in 1882 with a population of 40. It was first known as Union Park, although residents referred to the town as Green Valley. The first post office was opened in 1884 and the postmaster officially changed the name of the town to Payson, in honor of Senator Louis Edward Payson who was the congressional head of the Post Office and Post Roads at the time. Payson was incorporated in 1973.

In its early years, Payson's economy was based on logging, ranching and mining. This western heritage still lives on through its many festivals and events. The Payson Rodeo, now billed as the "World's Oldest Continuous Rodeo", started in 1884. The Hashknife Pony Express also makes its annual historic run through the Town, picking up letters for delivery. Other events include arts & crafts fairs, classic car shows, Mountain High Days Festival, Annual Monster Mudda, farmer's markets, and the State Championship Fiddlers Contest.

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

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 voters 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.



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.

To Accomplish this, 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**



CORPORATE STRATEGIC PLAN

Payson has been, and will continue to be, very proactive in encouraging quality community and organizational development. Each year, the Town Council, citizens and the management staff participate in a strategic planning process to update and enhance the Corporate Strategic Plan (CSP) to accommodate changes in the community’s needs. The CSP carries out the Town’s mission statement and General Plan by establishing Key Result Areas (KRAs). The Corporate Strategic Plan is divided into ten Key Results Areas (KRAs). Each KRA is specifically defined and includes priorities and strategies that help guide the Town’s operation. Funding is allocated during the subsequent budgeting process. The complete CSP document can be viewed on the Town of Payson website at <http://www.paysonaz.gov>

The following KRAs were established for fiscal year 2017/2018:





TOWN SERVICES

Town Council provides clear policy direction to the administrative staff with a focus on making the Town of Payson the premier community in which to live, work and raise a family.

Town Manager provides overall management direction to the organization. Responsibilities include, but are not limited to, implementing policy direction, overseeing Town operations and evaluating Town programs.

Town Clerk's Office, Human Resources, Information Services, Financial Services, and the **Town Attorney's Office** play vital supporting roles providing a wide range of skills & expertise necessary for the successful day-to-day operations of the Town.

Payson Library's modern facility provides information in a variety of formats. Its collection affords the opportunity to educate, inform, enrich, entertain, and inspire.

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. It 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.

Park, Recreation & Tourism Dept. provides a wide variety of cultural events and recreational programs for citizens of all ages. It host / co-host a wide variety of special events including the Old Time Fiddlers' Contest, Mogollon Monster Mud Run, Trunk-or-Treat Halloween Festival, Turkey Trot 5K Fun Run, Electric Light Parade, a variety of rodeos and a fabulous 4th of July Fireworks Event.

-
- Parks Maintenance preserves the beauty of 169 acres of park land.
 - Payson's park system consists of 169 acres of land with diverse facilities including:
 - Rumsey Park - soccer fields, ball fields, tennis courts, volleyball courts, skate park, off-leash dog park, playground, picnic facilities and much more.
 - Green Valley Park - fishing lakes, walking paths, playground, band stand, picnic facilities, launch ramp for sail boats / row boats and much more.

- The Multi-Event Center is a 36-acre facility with bleacher seating available for over 3,500 people. This facility was established for hosting large scale events including, but not limited to, equestrian activities.
- The Trails and Open Spaces Division is responsible for the construction and maintenance of the Payson Area Trails System (PATs). This interconnecting trail system establishes an interior trail network that connects to Forest Service roads within Payson's boundary. This division also conducts outdoor recreation-related classes.
- The Tourism Division is committed to enhancing the Town's economic vitality. The division promotes "Adventure Where We Live" to encourage visitors to enjoy our outdoor recreational activities, western heritage and mountain charm.
- Taylor Pool provides a safe and fun aquatic environment for swim lessons, swim teams, water aerobics and other aquatic activities for the entire family.

Police Department

enforces local, state and federal laws in addition to protecting citizens and their property. The department's 39 employees are responsible for public safety & emergency service coordination.

- The Special Operations Division includes a School Resource Officer, Animal Control, and Drug Enforcement.

Public Works Department

is responsible for providing safe and efficient infrastructure systems including the construction and maintenance of the Town's approximately 111 miles of roadway.

- The Payson Municipal Airport is a public use airport designed to accommodate piston engine aircraft, turboprop aircraft and small business jet aircraft. The airport has an automated weather observation system, self-service fueling station and continuous power medium intensity runway lights that are operated by pilot controlled aircraft radios. A fly-in campground is available for overnight guests.
- The Water Division is a public water utility that supplies high quality drinking water to approximately 8,400 accounts. The water system includes 42 active production wells, over 8 million gallons of storage capacity, over 200 miles of distribution lines, 11 booster-pumping stations, a groundwater recharge project and water treatment facility.

Building Department

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

Planning & Development Department

provides comprehensive long-range planning and current land use services in support of the community's vision.

- The Economic Development Division provides assistance to businesses getting started, expanding, or relocating to Payson.

STATEMENT OF NET POSITION

The Statement of Net Position provides a “snapshot” of where we stood financially as of June 30, 2018, the last day of the fiscal year. Net Position represents the Town’s ownership (equity) in the assets within its possession.

Government-wide Statement of Net Position

Total Town Government	June 30, 2018	June 30, 2017
	(in thousands)	
Assets		
Current & Other Assets	\$ 23,834	\$ 18,506
Capital Assets	\$ 161,683	\$ 149,028
Total Assets	\$ 185,517	\$ 167,534
Deferred Outflows of Resources	\$ 7,364	\$ 6,240
Liabilities		
Current Liabilities	\$ 5,901	\$ 7,066
Noncurrent Liabilities	\$ 79,827	\$ 55,004
Total Liabilities	\$ 85,728	\$ 62,070
Deferred Inflows of Resources	\$ 2,491	\$ 1,488
Net Position		
Net Investment in Capital Assets	\$ 129,989	\$ 128,835
Restricted	\$ 3,217	\$ 2,821
Unrestricted	\$ (28,544)	\$ (21,440)
Total Net Position	\$ 104,662	\$ 110,216

ASSETS represent the economic resources owned by the Town. Current and Other Assets include cash, investments and receivables (money due to the Town). Capital Assets consist of land, buildings, infrastructure, water system, vehicles, machinery and equipment.

LIABILITIES represent what the Town owes that will be settled over time through the transfer of money, goods or services. Current Liabilities consist of payables (money due from the Town to pay within one year). Noncurrent Liabilities represent debt that the Town will pay back but not due for settlement within one year.

DEFERRED INFLOWS / OUTFLOWS OF RESOURCES are broken out because they relate to future periods (revenue not earned or expenditures not chargeable in the current fiscal period in which they are collected or made). For example, a grant payment to the Town in the current fiscal year would be deferred if the Town has not yet met all of the requirements necessary to be eligible for the grant.

NET POSITION may serve, over time, as a useful indicator of a government’s financial health and consists of three components. The largest portion of the Town’s net position reflects its Net Investment in Capital Assets less any outstanding related debt used to acquire those assets. The Town uses these capital assets to provide services to citizens; consequently,



these assets are not available for future spending. An additional portion of net position represents resources that are subject to external restrictions on how they should be used. These legal restrictions are imposed by outside entities such as federal or state governments. Unrestricted net position is reported as a deficit due to the Town’s pension and other post-

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employment benefit obligations. At the end of the current fiscal year, the Town of Payson was able to report positive balances in two of the three categories of net position for the government as a whole and total assets exceeded total liabilities by more than \$104.6 million.



@ DJ CRAIG



Photos taken by Craig Miller

CAPITAL ASSETS

The Town of Payson invests in capital assets to provide services that will enhance the quality of life for our citizens. The Town’s total investment in capital assets (net of depreciation) was \$161,645,396 as of June 30, 2018 (if Net Other Postemployment Benefits Assets and Other Assets are included, the total was \$161,683,051 for noncurrent assets, as shown on FY2018 CAFR pg. 29).

➤ **CAPITAL ASSET CATEGORIES**

BUILDINGS include police and fire stations, library, recreation/sports facilities.

IMPROVEMENTS include upgrades such as parking lots, fences, sports courts and ball fields.

EQUIPMENT includes fire engines, service vehicles, tractors, plotters, etc.

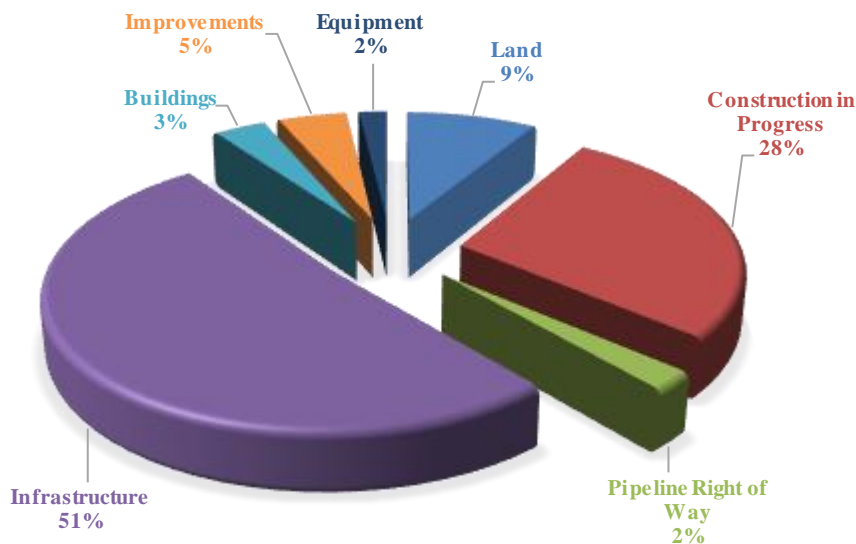
LAND includes real estate purchased to provide services to residents like parks & facilities.

CONSTRUCTION IN PROGRESS reflects the cost of all projects for construction of buildings, other improvements and equipment that are in progress but not yet completed.

RIGHTS of WAY privilege to pass over the land of another.

INFRASTRUCTURE includes streets, sidewalks, water lines, water mains and wells.

CAPITAL ASSETS AS OF JUNE 30, 2018



Significant Additions to Capital Assets during Fiscal Year 2017/2018 included: Over \$13 million in Construction in Progress for the continuation of construction of the C.C. Cragin Pipeline Project (Business-Type Activities).

C.C. Cragin Pipeline Project—Payson’s Water Source for the Future

Although many capital projects have been postponed pending economic recovery, the C.C. Cragin Project, which is key to Payson’s water infrastructure plan, continues to be a very high priority.



Phelps Dodge constructed the C.C. Cragin (formerly Blue Ridge) Reservoir in 1965 for use in their mining operations. The construction included the dam, one pumping station, 11 miles of pipeline, two million gallon priming reservoir, a hydroelectric generating station, and associated electrical power lines. Then in 2005, ownership of the reservoir was transferred to the U.S. Bureau of Reclamation, and Salt River Project (SRP) became the contract operator of the facilities. The reservoir is located in a very robust watershed, and has a renewable surface-water storage capacity of 15,000 acre-feet. In 2008, the Town entered into a partnership with SRP for the Town's use of up to 3,000 acre-feet of water from the reservoir annually; which expands and diversifies the Town of Payson's water resources portfolio. Since then, the Town has constructed a 13-mile raw water penstock to connect the existing SRP facilities to a new water treatment plant near the Mesa Del Caballo subdivision in Gila County. The new water treatment plant is currently under construction and expects to start operating on April 1, 2019. The treatment plant will be capable of treating 4.5 million gallons of potable drinking water per day. Treated water will be delivered to the Town by a newly constructed 1-mile out-of-town treated water pipeline. From that point, a newly constructed 5-mile in-town distribution system manifold will serve customers and distribute treated water to six newly constructed Aquifer Storage and Recovery (ASR) wells. Securing the necessary funding through the Bureau of Reclamation Rural Water Fund and the Water Infrastructure Financing Authority was a key component to the project.

*For more info, contact
Payson Water Dept. at
(928) 474-5242,
Option #4 or visit www.paysonaz.gov*



How Capital Investments Are Funded

The Town’s Debt Policy provides a set of criteria to help determine when it’s best to fund capital projects and which method of funding to use. The Town enjoys favorable bond ratings which allow for very competitive interest rates when issuing debt.



DEBT TYPE DEFINITIONS

General Obligation Bonds – long-term debt that is backed by the full faith and credit of the Town. These bonds require voter approval and are typically repaid by a property tax levy.

Special Assessment Bonds – long-term debt with repayment assessed to homeowners

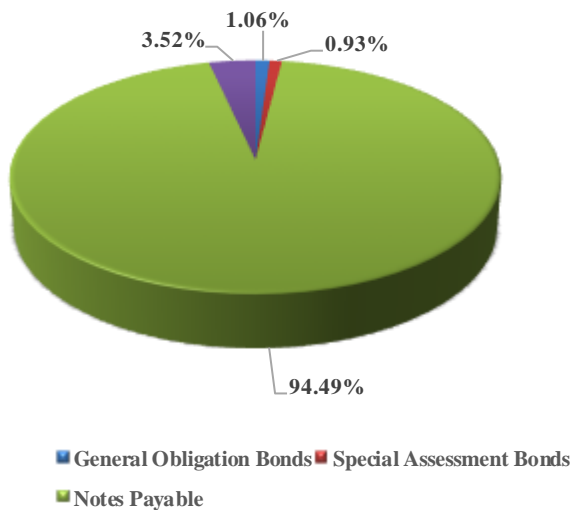
Revenue Bonds – long-term debt with repayment to come from a pledged Town revenue stream

Notes Payable – long-term debt that does not include bonds, but a contract for repayment

Capital Leases - short term debt used for equipment

TWO YEAR DEBT SUMMARY (All Funds)

Debt Type	2018	2017
General Obligation Bonds	\$ 335,583	\$ 663,083
Special Assessment Bonds	\$ 295,000	\$ 360,000
Revenue Bonds	\$ -	\$ 125,000
Notes Payable	\$ 29,911,638	\$ 17,888,658
Capital Leases	\$ 1,114,630	\$ 851,050
Total Debt	\$ 31,656,851	\$ 19,887,791



- The Town typically issues General Obligation (G.O.) Bonds to fund the capital projects of general government (non-enterprise) departments. Current G.O. Bonds funded various public safety improvements and construction of Fire Station #13. Instead of a property tax levy, a special 0.12% sales tax has been dedicated for the payment of this debt. The bond is expected to be paid off in July 2019.
- Special assessments imposed on certain parcels of land within the assessment district are used to pay the Westerly Drive Improvement District bonds.
- Revenue bonds issued in 2003 provided financing for a new Public Works building. These bonds were repaid from the excise tax revenues (sales taxes, franchise fees, state shared revenue, etc.) of the Town. It was 100% paid off in October 2017.
- The Town has entered into lease agreements for the acquisition of public safety vehicles, various equipment, vector truck, field lighting and turf. General fund revenue will be used to pay the capital lease obligations.
- The Town has obtained Water Infrastructure Finance Authority of Arizona (WIFA) loans for improvements to the water system and construction of the C.C. Cragin Pipeline Project.

REVENUES FOR FY2017/2018

Governmental Funds are used to account for the basic functions of the Town, such as police, fire, parks, community development and general administration

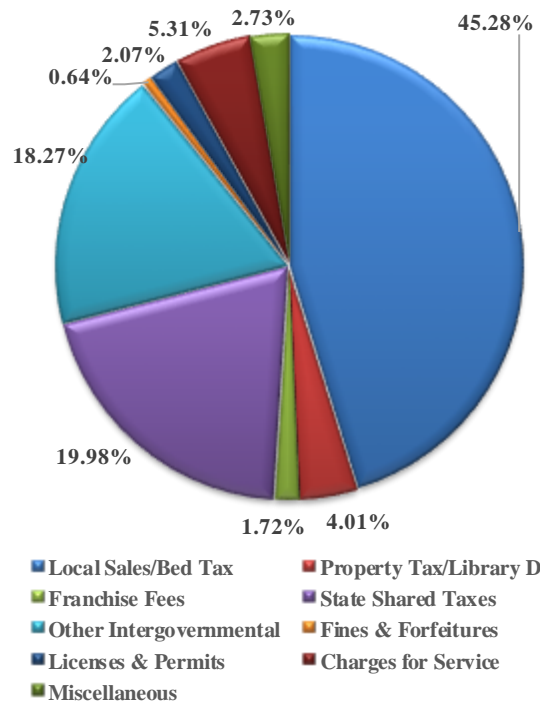


The revenues used to fund governmental activities come from:

- ✦ **Local Sales / Bed Tax**—A local sales tax of 3% is charged on most goods purchased in Town and a 5% tax was added to transient lodging
- ✦ **Property Tax**—A primary property tax is charged based on assessed property valuation
- ✦ **Franchise Tax**—Fees paid by public utilities, telecommunication companies and cable television businesses
- ✦ **State Shared Taxes**—State revenue-sharing programs include sales tax, income tax and vehicle license fees
- ✦ **Other Intergovernmental Revenues**—Monies received from other governments or entities
- ✦ **Fines & Forfeitures**—Revenues received from library and court fines
- ✦ **Licenses & Permits**—Fees for building permits, business licenses, liquor licenses, etc.
- ✦ **Charges for Service**—Revenues received for services provided
- ✦ **Miscellaneous**—Contributions, investment earnings, special assessments and other revenues that don't fit under the any of the above classifications

**Sources of Governmental Revenue
(Governmental Funds)**

<u>Revenue</u>	<u>2018</u>	<u>% of Total</u>
Local Sales/Bed Tax	\$ 10,072,739	45.3%
Property Tax/Library Dist	\$ 891,162	4.0%
Franchise Fees	\$ 382,228	1.7%
State Shared Taxes	\$ 4,444,359	20.0%
Other Intergovernmental	\$ 4,062,930	18.3%
Fines & Forfeitures	\$ 142,392	0.6%
Licenses & Permits	\$ 459,508	2.1%
Charges for Service	\$ 1,181,346	5.3%
Miscellaneous	\$ 607,154	2.7%
Total Revenues	\$ 22,243,818	100.0%



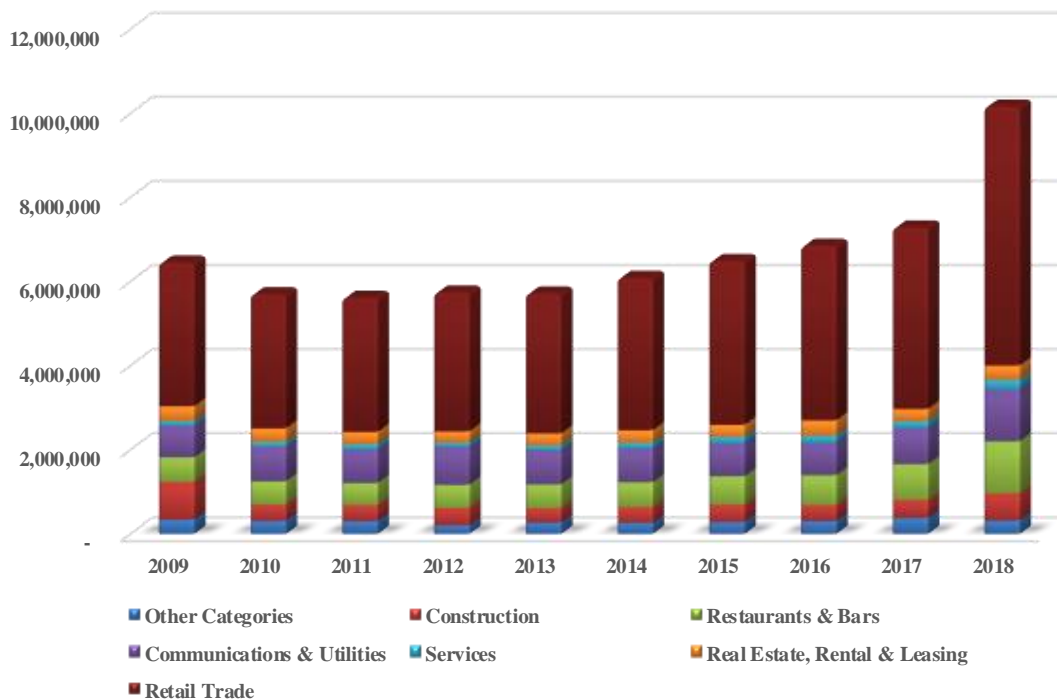
Total revenues increased almost 19% due to increases in local sales/ tax and state shared taxes.

* Note: The FY2017/18 revenues reflected in the pie chart do not include bond proceeds or the Town's Enterprise Fund.

Transaction Privilege Taxes by Category

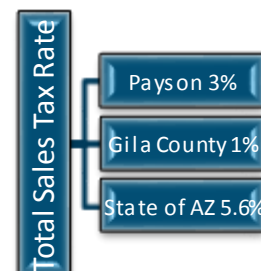
The Transaction Privilege Tax, commonly called Sales Tax, is the primary source of governmental fund revenue. It is collected on the gross receipts of business activities that occur within the Town of Payson. The Town adopted the Model City Tax Code and has an Intergovernmental Agreement (IGA) with the State Department of Revenue to administer and collect the tax for the Town. The collected funds are deposited directly into the Town’s depository on a timely basis and the Town is notified as to the amount.

The chart below shows a ten-year history of the Town of Payson’s sales tax activity by category. This clearly illustrates the impact of the nationwide economic downturn and struggle for recovery.



The “Other Categories” classification includes Transportation & Warehousing, Manufacturing, Finance & Insurance, Wholesale Trade, Arts and Entertainment, and other.

Sales Tax Rate
Effective 6/30/2018



EXPENDITURES FOR FY2017/2018

➤ **EXPENDITURE TYPE DEFINITIONS**



General Government—Functions serving Town operations as a whole including the offices of: Town Council, Town Manager, Town Attorney, Town Clerk, Finance and Central Services.

Public Safety—Police Department & Fire Departments including the Wildland Program.

Public Works/Streets—Includes Airport and Streets Division (the budget for Parks Maintenance was moved to Culture & Recreation in 2017).

Culture & Recreation—Includes Parks Maintenance, Recreation, Tourism, and the Library.

Community Development—Includes Planning/Zoning/Code Enforcement, Economic Development, Housing, and Building Services.

Health & Welfare—Encompasses contributions to entities providing services for the Town.

Debt Service Payments—Principal, interest and other related costs associated with the Town’s issuance of debt to support various capital improvement activities.

Capital Outlay—Expenditures for projects/equipment on the Capital Improvement Program.

Governmental Funds

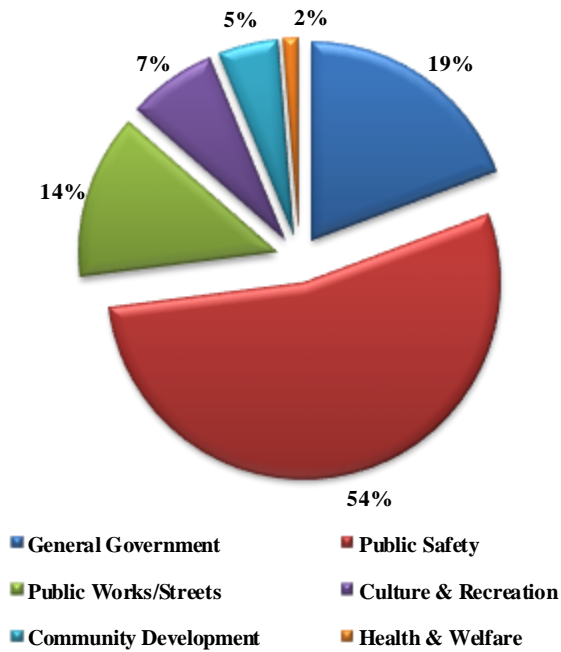
Two-Year Town Expenditures by Type

The two-year comparison on the right shows the change in total expenditures for governmental funds. The most significant change was in the Capital Outlay category as increased funding was allotted for the investment in various machinery & equipment. The funding for Parks Maintenance was moved from Public Works to Culture & Recreation. Public Safety retirement contribution rates increased again this year. Overall, FY2017/2018 Total Governmental Fund expenditures showed an increase of \$2,238,203 or 12% as compared to FY2016/17.

2018 Governmental Fund Expenditures

<u>Expenditures</u>	<u>2018</u>	<u>2017</u>
General Government	\$ 3,359,622	\$ 3,100,966
Public Safety	\$ 9,320,464	\$ 8,313,730
Public Works/Streets	\$ 2,355,801	\$ 1,639,884
Culture & Recreation	\$ 1,259,903	\$ 1,777,591
Community Development	\$ 858,785	\$ 821,403
Health & Welfare	\$ 218,312	\$ 246,175
Subtotal	\$ 17,372,887	\$ 15,899,749
Debt Service Payments	\$ 789,724	\$ 845,909
Capital Outlay	\$ 2,367,754	\$ 1,546,504
Total Expenditures	\$ 20,530,365	\$ 18,292,162

2018 Governmental Fund Expenditures



The pie chart on the left reflects the breakdown of Fiscal Year 2017/2018 expenditures within the Town's operating budget. These categories reflect personnel services/benefits and operating expenditures but exclude capital outlay and debt services.



ENTERPRISE FUND

Enterprise Funds are business-type funds considered to be self-supporting in that the services rendered are generally financed through user charges or fees.

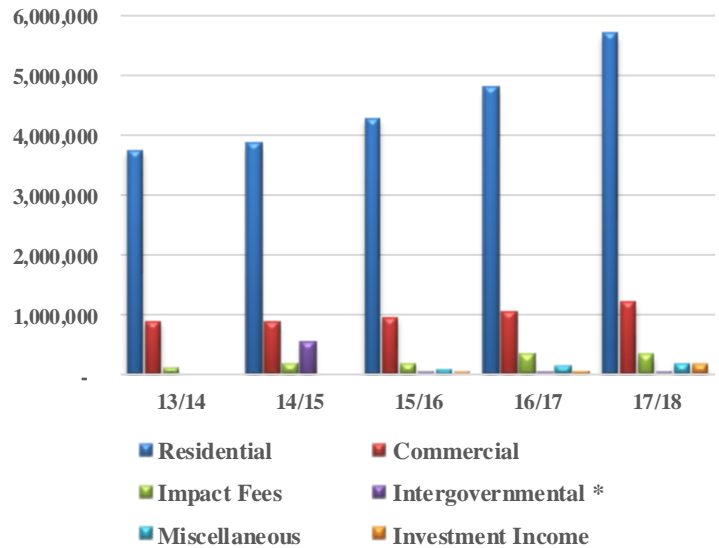


The Town has one Enterprise Fund—the Water Fund. This fund is used to record revenues and expenses related to the maintenance and improvement of the current water system infrastructure. The Town’s Water Division provides a safe & adequate domestic water supply to Payson residents.

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

Water Fund Revenues

The chart on the right compares the major Water Fund revenues for the last five fiscal years. Since there wasn’t a significant change in Payson’s population during this time period, the changes in revenues were largely due to annual rate increases for water usage implemented to help cover the debt service for the C.C. Cragin Pipeline Project. During the 2017/2018 fiscal year, high quality, reliable water service was provided to 8,186 water customers.

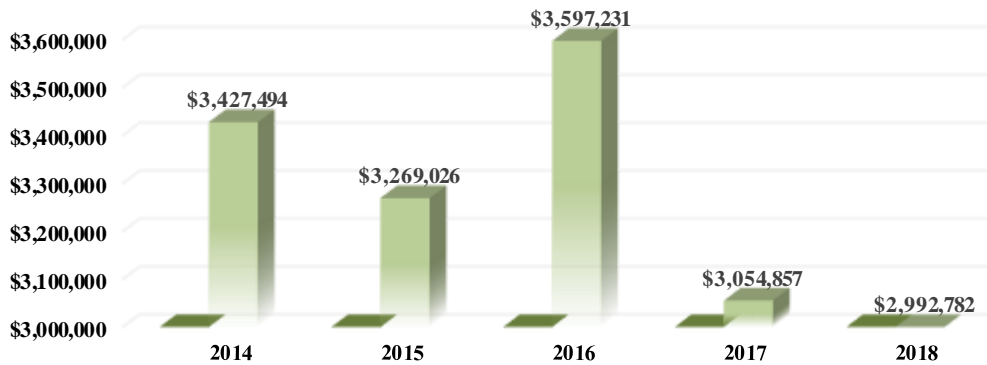


** In fiscal year 2013/14, the Town received an operating grant from a local non-profit as part of the construction of the C.C. Cragin Pipeline Project.*

Enterprise Fund for FY2017/2018

The Water Fund expenditures decreased by 2% in Fiscal Year 2017/2018. Over the past few years, the funding requirements of various maintenance projects has caused fluctuations in Water Fund Operating Expenses. Retirements and other changes in staffing also contributed to the decreases reflected in Fiscal Year 2017/2018.

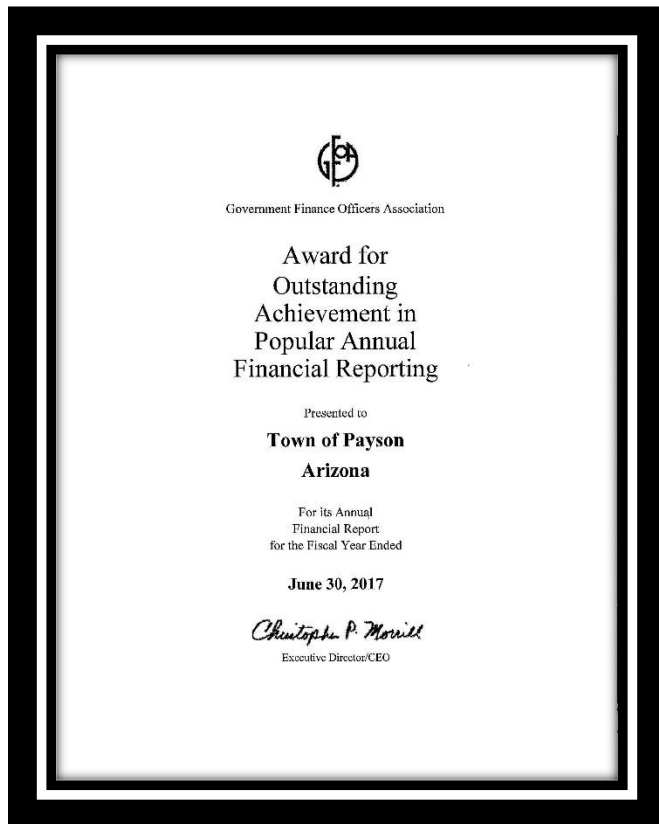
**WATER FUND OPERATING EXPENSES
(EXCLUDING DEPRECIATION)**



Need more information about the Town of Payson?

This Popular Annual Financial Report (PAFR) is intended to summarize the financial information appearing in the FY2017/2018 Comprehensive Annual Financial Report (CAFR). Visit the Town of Payson Financial Services Department, Payson Library, or www.paysonaz.gov to obtain copies of these additional planning / financial documents which can provide more detailed information.

- ✦ **Comprehensive Annual Financial Report (CAFR)** - This report is published, after completion of the external audit, to provide detailed information concerning the financial condition and activities of the Town government for a specific fiscal year.
- ✦ **Annual Budget Document** - The Budget, adopted annually by the Town Council, is designed to be a policy document, financial plan, operations guide, and communications medium for a specific fiscal year.
- ✦ **Capital Improvement Plan (CIP)** - This document outlines the Town's five-year capital improvement plan, sources of funds and associated debt. The document includes descriptions of the capital projects and the capital purchase plan for machinery & equipment.
- ✦ **Corporate Strategic Plan (CSP)** - This plan, covering a period of three fiscal years and reviewed by the Town Council annually as part of the budget process, highlights the Town's overall direction and priorities. Key Result Areas (KRA) are defined with a focus on strategic goals based on an understanding of the needs and desires of Payson residents.



The Government Finance Officers Association of the United States and Canada has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the Town of Payson, Arizona for its Popular Annual Financial Report for the fiscal year ending June 30, 2017. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports. In order to receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability, and reader appeal. We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to GFOA to determine its eligibility for another award.

TOWN OF PAYSON, ARIZONA
FY2017/18 TOWN COUNCIL

Mayor	Craig Swartwood
Vice Mayor	Fred Carpenter
Council Member	Su Connell
Council Member	Barbara Underwood
Council Member	Rick Croy
Council Member	Chris Higgins
Council Member	Janell Sterner

ADMINISTRATIVE STAFF

TOWN MANAGER
LaRon Garrett

DEPUTY TOWN MANAGER: PUBLIC SAFETY
Don Engler

**DEPUTY TOWN MANAGER:
ADMINISTRATIVE SERVICES**
(vacant)

TOWN CLERK
Silvia Smith

TOWN ATTORNEY
Hector Figueroa

CHIEF FISCAL OFFICER
Deborah Barber

MAGISTRATE
Dorothy Little

FIRE CHIEF
David Staub

PUBLIC WORKS DIRECTOR
Sheila DeSchaaf

LIBRARY DIRECTOR
Emily Linkey

PARK, RECREATION & TOURISM DIRECTOR
Courtney Spawn

WATER MANAGER
Tanner Henry

INFORMATION TECHNOLOGY MANAGER
Steve DeHaan

CONTACT INFORMATION

CONTACT & LOCATION INFO

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

Payson Town Hall
303 N. Beeline Highway
Payson, AZ 85541
Phone: (929) 474-5242
Fax: (928) 474-4610
TDD: (928) 472-6449

Recreation & Tourism Department
1000 W. Country Club Drive
Payson, AZ 85541
(928) 474-5242 Option #7

Payson Public Library
328 N. McLane
Payson, AZ 85541
(928) 474-9260

Payson Police Department
303 N. Beeline Highway
Payson, AZ 85541
Emergency—Dial 9-1-1
Police Admin: (928) 472-5057
Non-Emergency: (928) 474-5177

Fire Department
400 E. Main Street
Payson, AZ 85541
(928) 474-5242 Option #9

Fire Department—Station #12
108 E. Rancho Road

Fire Department—Station #13
103 S. Rim Club Parkway