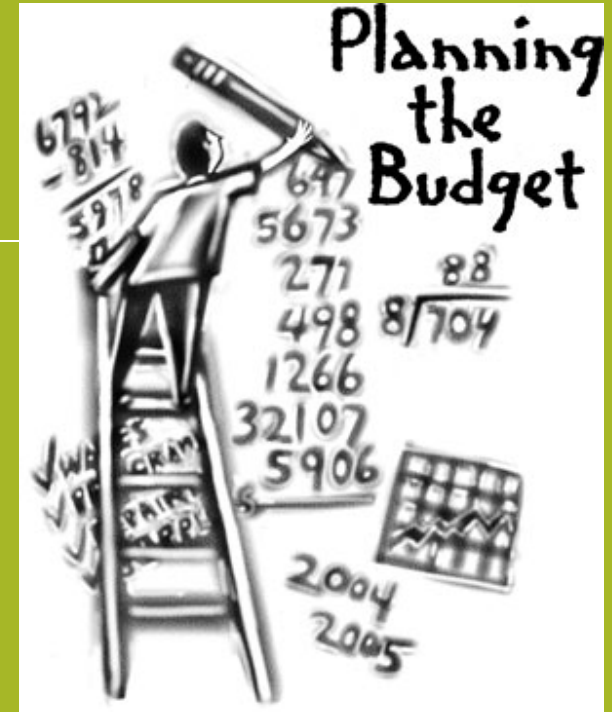
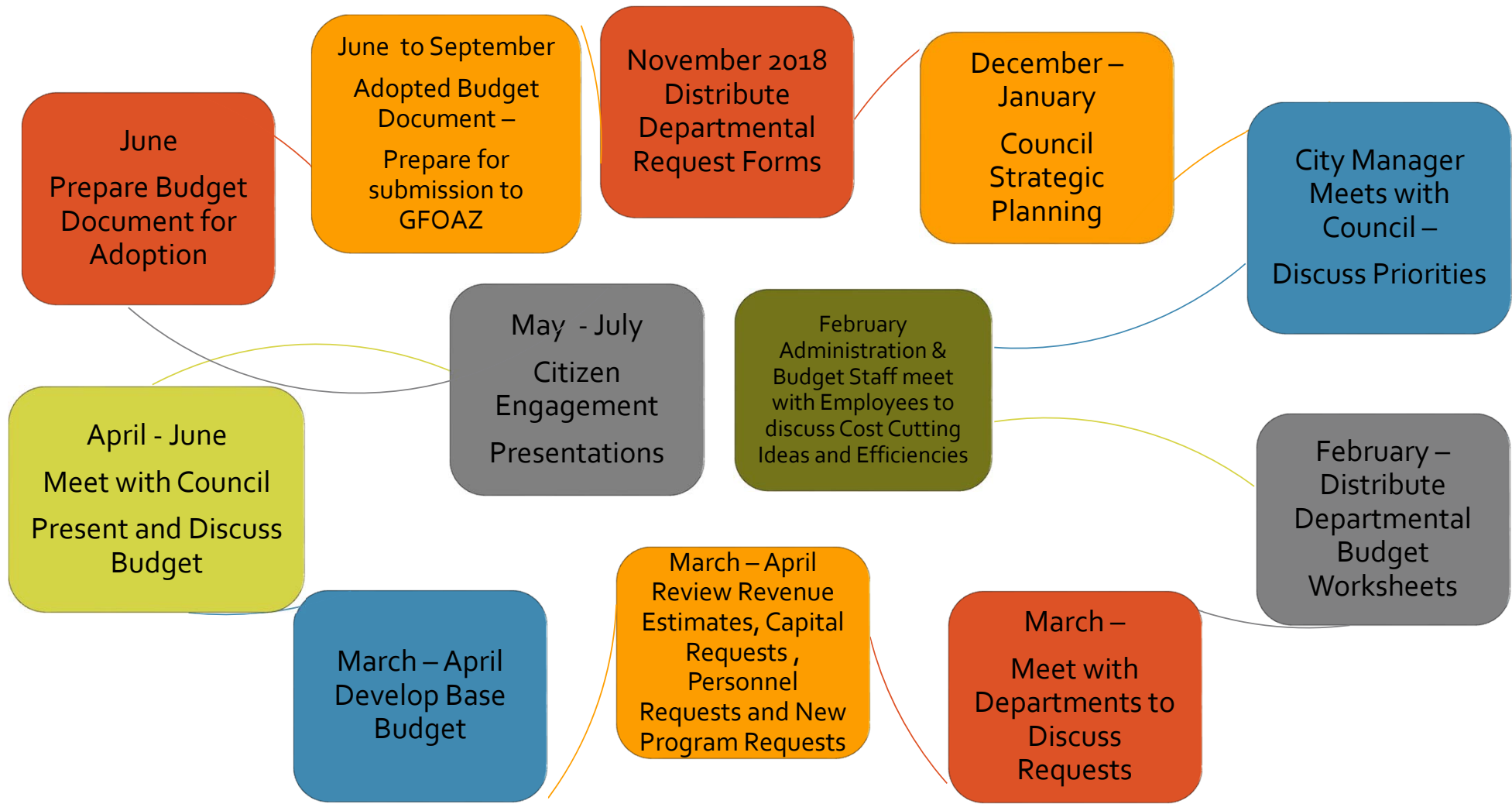


FISCAL YEAR 2020 BUDGET

April 23, 2019



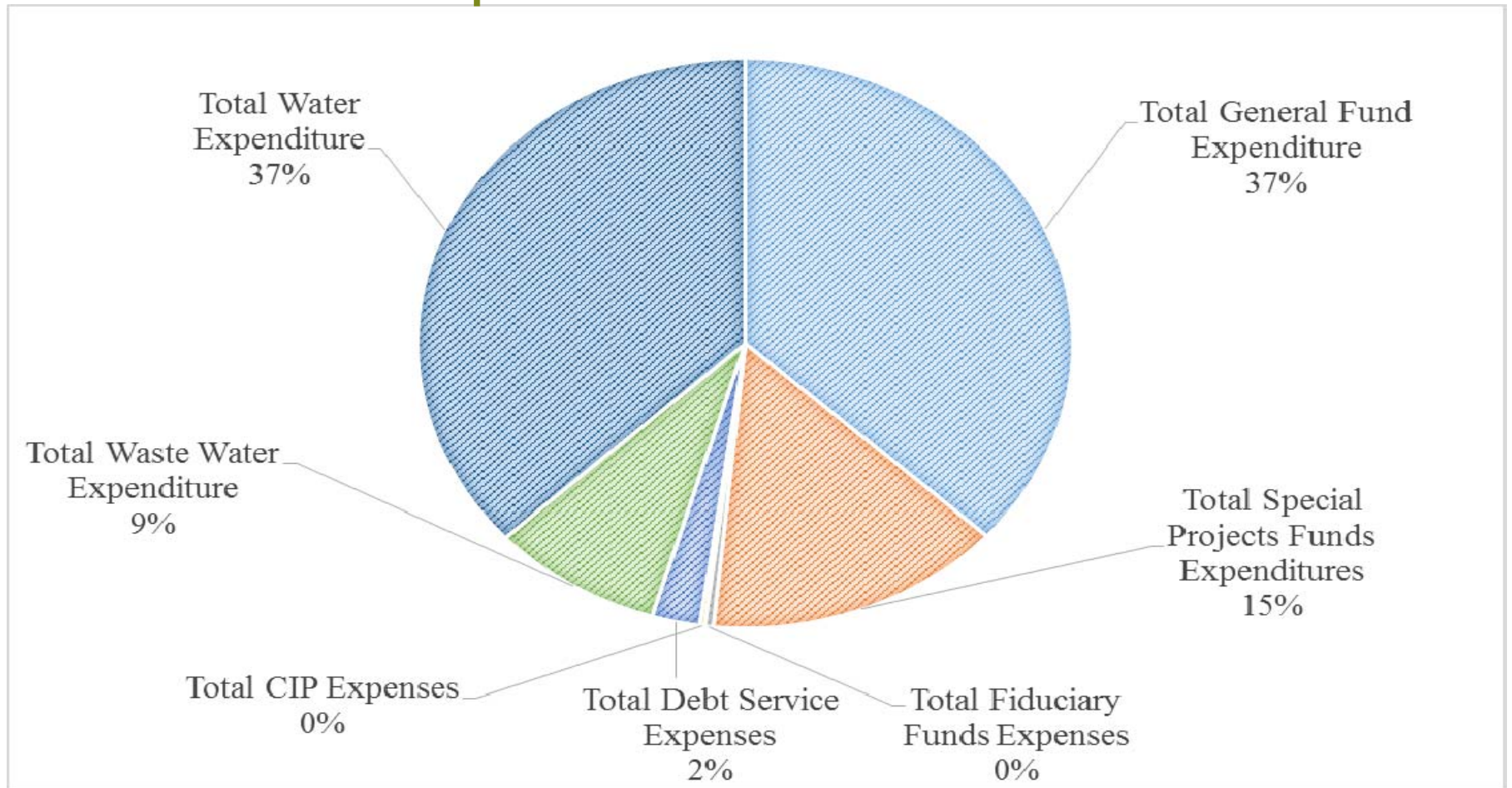


Fiscal Year 2020 Current Balanced Budget

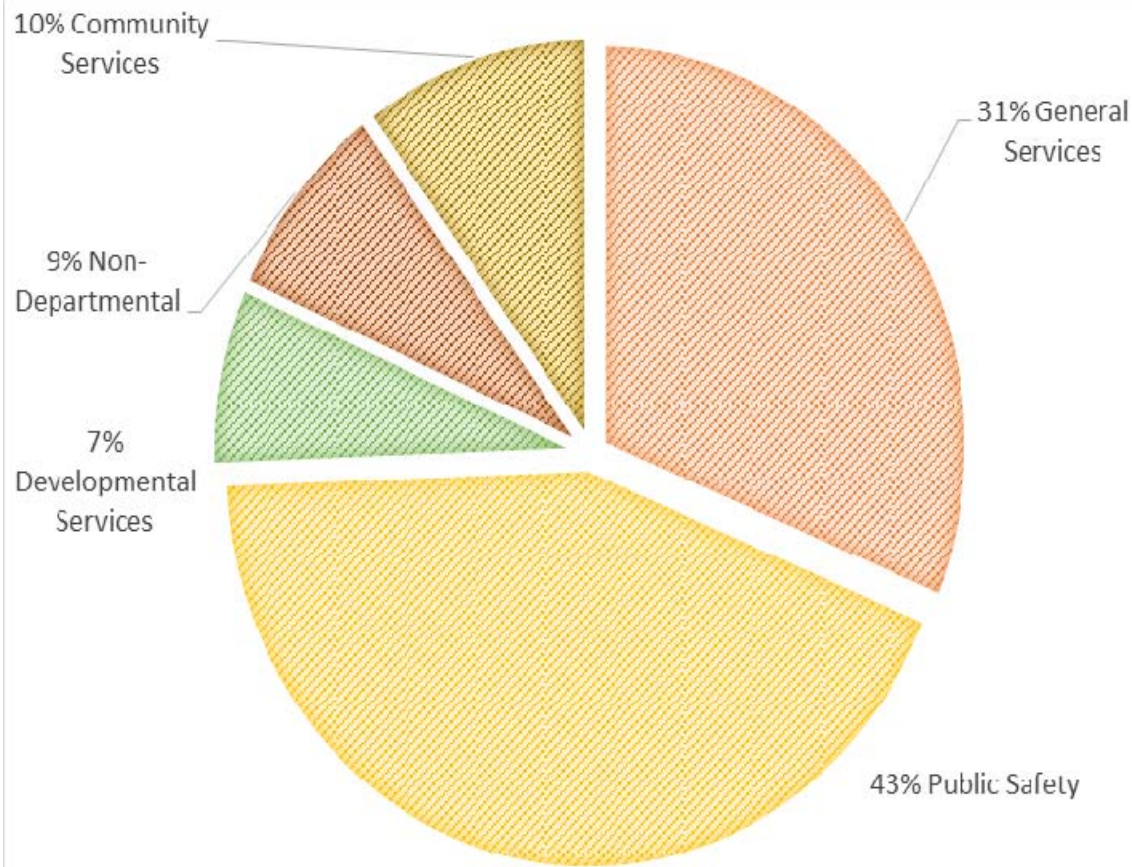
	FY 2020
	Budget Request
Total General Fund Revenue	\$ 27,750,605
Total Special Projects Funds Revenue	\$ 11,110,295
Total Fiduciary Funds Revenue	\$ 319,540
Total CIP Revenue	\$ 175,965
Total Debt Service Revenue	\$ 1,796,525
Total Wastewater Revenue	\$ 6,385,790
Total Water Revenue	\$ 27,841,060
Total All Funds Revenues	\$ 75,379,780
Total General Fund Expenditures	\$ 27,750,605
Total Special Projects Funds Expenditures	\$ 11,110,295
Total Fiduciary Funds Expenses	\$ 319,540
Total CIP Expenses	\$ 175,965
Total Debt Service Expenses	\$ 1,796,525
Total Wastewater Expenditure	\$ 6,385,790
Total Water Expenditure	\$ 27,841,060
Total All Funds Expenditures	\$ 75,379,780
Net Income(Loss)	\$ -



Expenditures All Funds



General Fund



ADMINISTRATION	734,625
CITY COUNCIL	5,674,100
CITY CLERK	248,285
FINANCE DEPARTMENT	451,975
HUMAN RESOURCES	254,745
IT SERVICES	993,500
PURCHASING	114,360
NATURAL RESOURCES	188,455
General Services	8,660,045
LEGAL	412,155
MUNICIPAL COURT	541,865
POLICE DEPARTMENT	5,571,670
COMMUNICATIONS	1,768,480
FIRE DEPARTMENT	3,470,425
ORDINANCE ENFORCEMENT	223,455
Public Safety	11,988,050
COMMUNITY DEVELOPMENT	752,095
ENGINEERING SERVICES	497,835
PUBLIC WORKS	303,135
TRANSFER STATION	1,000
MAINTENANCE	443,080
CUSTODIAL SERVICE	0
Developmental Services	1,997,145
NON-DEPARTMENTAL	893,160
OPERATING TRANSFERS	1,398,640
Non-Departmental	2,291,800
PARKS AND RECREATION	910,630
RECREATION CENTER OPERATIONS	1,336,265
CITY POOL	124,550
YOUTH CENTER	138,165
ECONOMIC DEVELOPMENT	303,955
Community Services	2,813,565
Total General Fund	27,750,605

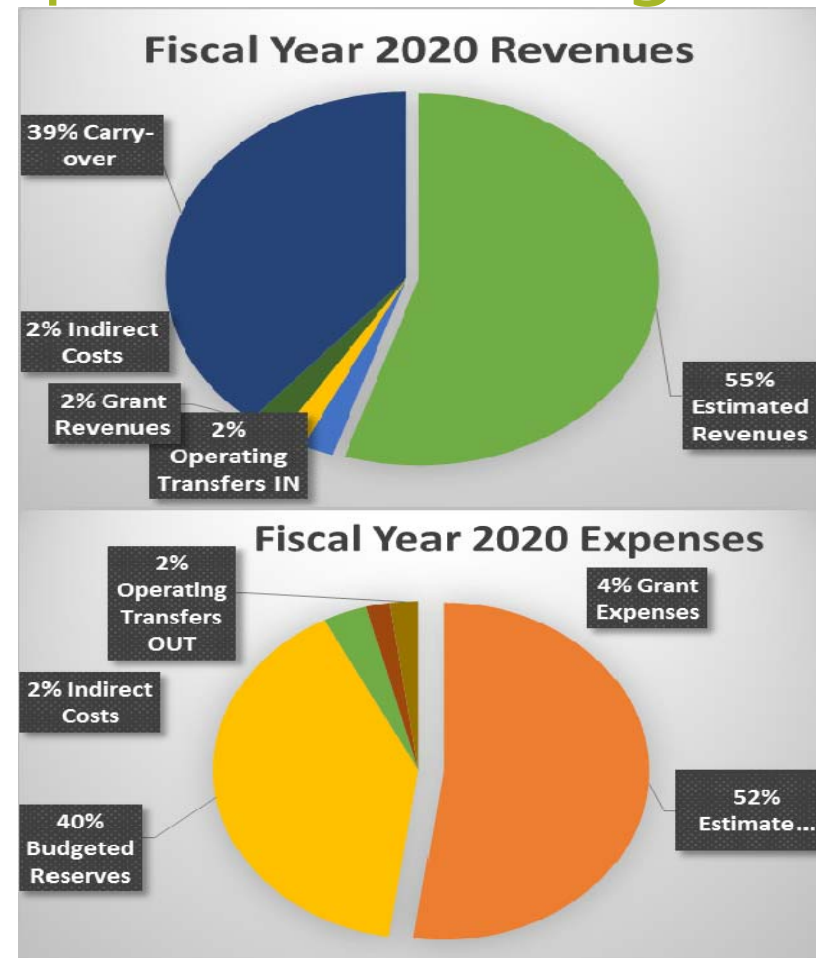
Budget Components

- FY 2020 Totals include many different elements to balance the Budget
 - Revenues – including anticipated grants
 - Carryovers
 - Expenditures – including anticipated grants and matching
 - Reserves
 - Indirect Costs
 - Operating Transfers In/Out

Estimated Revenues & Expenses vs. Budgeted

	2019	2020
<i>Estimated Revenues</i>	\$ 37,840,925	\$ 39,234,920
Operating Transfers IN	\$ 1,458,220	\$ 1,444,275
Indirect Costs	\$ 1,215,850	\$ 1,213,150
Grant Revenues	\$ 1,618,425	\$ 4,024,045
Carryovers	\$ 26,699,340	\$ 29,463,390
Total Budgeted Revenues	\$ 68,832,760	\$ 75,379,780

<i>Estimated Expenses</i>	\$ 33,875,630	\$ 46,415,500
Budgeted Reserves	\$ 25,947,790	\$ 21,108,815
Grant Expenses	\$ 2,252,285	\$ 5,198,040
Indirect Costs	\$ 1,215,850	\$ 1,213,150
Operating Transfers OUT	\$ 1,458,220	\$ 1,444,275
Total Budgeted Expenses	\$ 64,749,775	\$ 75,379,780
Carryovers	\$ 4,082,985	



Reserves – Budgeted FY 2020

Operating Transfers

- **Total Operating Transfers between Funds - \$ 1,444,275**
 - **Library – Expenditures \$ 1,098,105**
 - Yavapai County Funds \$ 158,600
 - Miscellaneous Revenues \$ 56,040
 - General Fund Transfer \$883,465
 - **Cemetery – Expenditures \$ 122,730**
 - Miscellaneous Revenues \$ 500
 - General Fund Transfer \$ 122,230
 - **Grant Fund Expenditures \$ 3,047,310**
 - Grant Revenues \$ 2,608,730
 - General Fund Transfer \$392,945
 - Airport Transfer \$19,670
 - CIP Transfer \$25,965

Grants Budgeted FY 2020

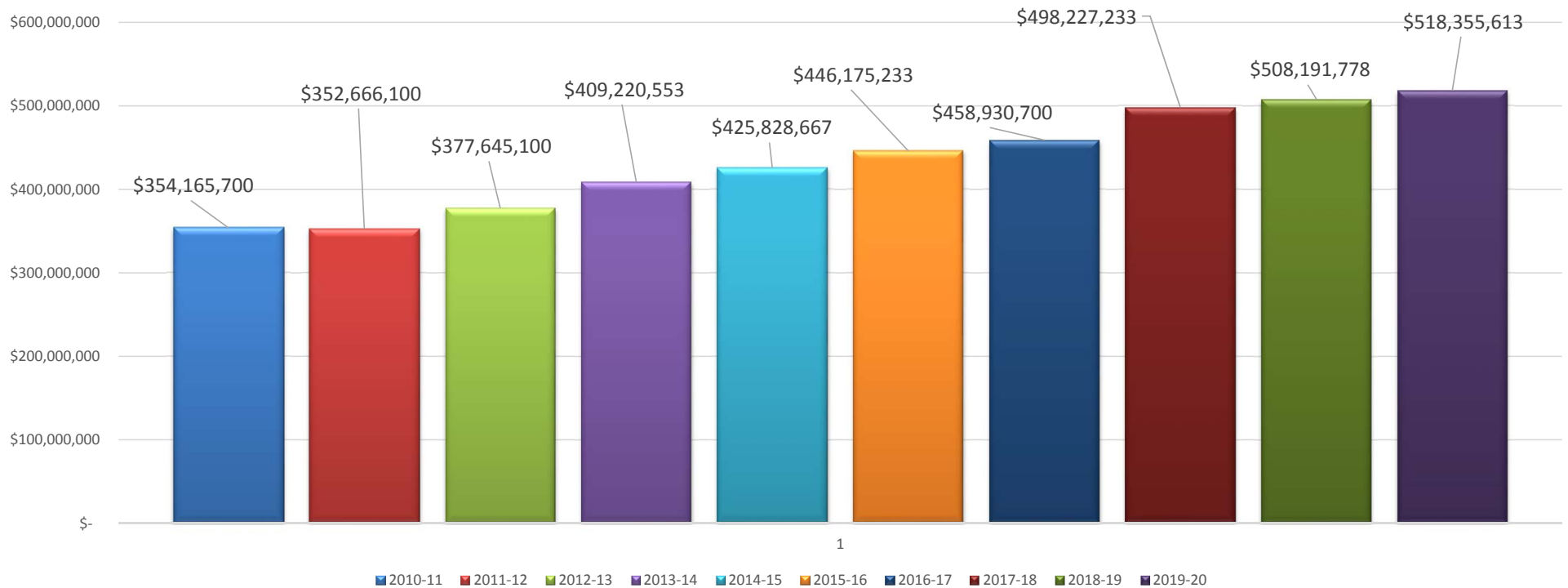
- All anticipated grants are budgeted
- FY 2020 Grant Revenues \$ 4,024,045
- FY 2020 Grant Expenses \$ 5,198,040
- Grants typically require matching funds
 - FY 2020 matching - \$1,173,995
- Largest Grants Budgeted
 - Transit
 - Airport
 - FEMA



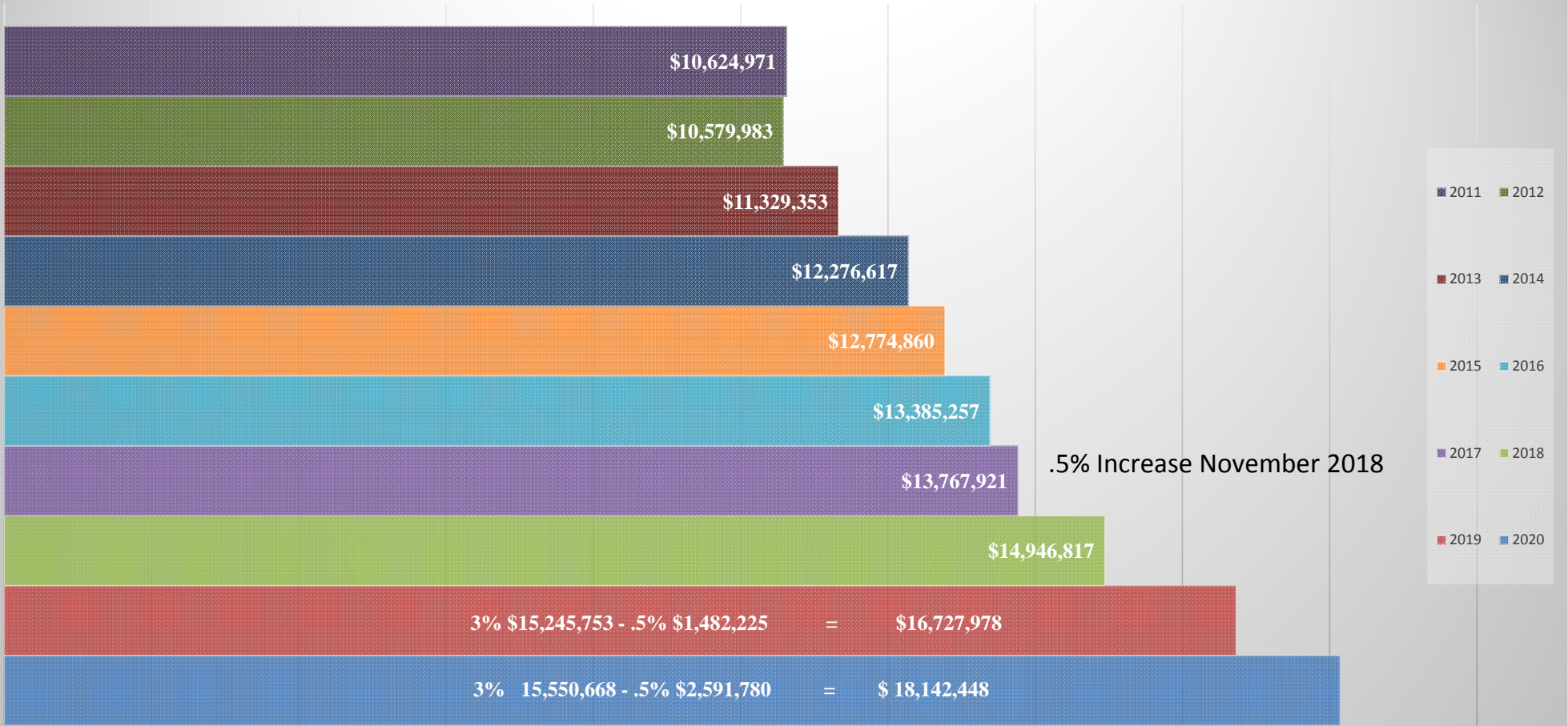
Sales Tax Revenues

- Estimating a 2% Increase in taxable sales for FY 2019 over FY 2018
- Estimating a 2% Increase for FY 2020

Taxable Sales



10 Year Sales Tax Figures



Additional .5% Sales Tax

- **FY 2019 - \$ 1,482,225**
 - HURF - \$ 164,530
 - Transit - \$383,895
 - General Fund Reserves - \$ 237,155
 - Pension Liability - \$ 148,225
 - General Fund Expenditures - \$ 548,425
- **FY 2020 - \$ 2,591,780**
 - HURF – \$647,945
 - Transit - \$ 378,970
 - General Fund Reserves - \$ 388,765
 - Pension Liability - \$ 259,180
 - Infrastructure/Capital Reserves - \$259,180
 - General Fund Expenditures - \$ 657,740

Other Major Revenues



- **State Sales Tax**
 - FY 2019 \$1,187,205
 - FY 2020 \$1,263,475 increase of 6%
- **Urban Revenue Sharing**
 - FY 2019 \$1,455,975
 - FY 2020 \$1,591,335 increase of 9%
- **Motor Vehicle in Lieu Tax**
 - FY 2019 \$859,40
 - FY 2020 \$885,865 increase of 3%
- **Fuel Taxes – HURF**
 - FY 2019 \$1,025,500
 - FY 2020 \$1,037,110 - up 1%

Water Revenues

- **No Rate Increase anticipated for FY 2020**
- **Water User Fees**
 - FY 2019 – \$7,808,310
 - FY 2020 - \$ 7,824,225
- **Water Capacity Fees**
 - FY 2019 - \$ 16,000
 - FY 2020 - \$19,000

Wastewater Revenues

- **Anticipate a Rate Increase in FY 2020** – NOI approved on 04/16/2019
 - Not budgeted in case the increase doesn't fully pass
- **Wastewater User Fees**
 - FY 2019 - \$2,697,935
 - FY 2020 - \$2,702,645
- **Wastewater Capacity Fees**
 - FY 2019 - \$145,000
 - FY 2020 - \$174,000

Staffing Changes

- Community Services General Manager – Eliminated this Position
- Transferred Comm. Svcs. GM to vacant Economic Development Director Position
 - Recreation Center Supervisor named - Interim Parks and Recreation Director
 - Parks & Recreation Director - Range 30 position added in Fiscal Year 2020
 - Not back filling Recreation Center Supervisor
- Eliminating Part – Time Graphics Design position at Recreation Center in FY 2020
 - Adding full-time Marketing/Graphics Design position ½ year - *Strategic Plan*
 - Range 20
 - Partially funded by .5% bed tax increase
 - Budgeted Airport/Special Projects Director removed from Public Works added to City Administration budget

Staffing Changes

- Eliminating – Full- time Aquatics Coordinator position- Range 16
 - Salary & Benefits approx. \$ 54,290
 - Replace with 29 hour part-time position costs \$20,295 with benefits
- Adding Accounting Specialist to Finance Department- ½ year.
- Not funding – 2 Communications Specialists positions
 - Reducing budgeted dollars
 - Available positions currently 21 – Staff total currently 17
 - Changes funded positions to 19
 - Will fund positions if qualified candidates pass all required testing
 - If filled the over-time budget can be decreased to cover costs

Arizona State Retirement System

- **Arizona State Retirement**
 - Rates going from 11.8% to 12.11%
 - FY 2020 Budget - \$1,099,315



Arizona State Retirement System

Public Safety Retirement System

- Public Safety Retirement - FY 2020 Budget \$1,721,870
 - Contributing an additional \$259,180 from .5% sales tax
 - July 2019 – Need to Adopt a Pension Funding Policy per A.R.S. Statute
 - Police
 - Tier 1 & 2 - 47.88% to 48.60%
 - Tier 3 – Hired after July 2017 – Defined Benefit – 45.54% to 45.92%, Defined Contribution – 46.11% to 46.49%
 - Fire –
 - Tier 1 & 2 - 27.44 % to 25.93 %
 - Tier 3 - Hired after July 2017 - Defined Benefit– 22.70% to 21.12%, Defined Contribution 23.27% to 21.69%



Compensation

- **2% COLA for non-contract employees budgeted**
 - \$ 223,478 with Benefits \$313,775
 - Contract Emp. COLA not budgeted - Costs \$ 10,520 - with benefits \$12,445
 - Council determines Contract Employee increases
- **Minimum Wage is going to \$12 in January 2020**
 - Part-Time staff budgets were not increased

Health Insurance Changes

- 6% Increase Health, Decrease on Dental Costs, and Vision Insurance remains static
- City Covers
 - 100% Employee
 - 80% of Children
 - 70% of Spouse
 - 60% of Family
- FY 2020 costs est. \$ 2,930,305
 - Employee \$ 396,920
 - Employer \$ 2,533,385
- FY 2019 costs est. \$ 2,737,523
 - Employee \$ 336,731
 - Employer \$ 2,400,792

	Monthly Premium	Employee	Employer
CORE PLAN & COPAY PLAN W/OUT DENTAL			
Employee	771.00	-	771.00
Employee & Spouse	1,544.00	231.90	1,312.10
Employee & Children	1,281.00	102.00	1,179.00
Employee & Family	1,950.00	471.60	1,478.40
HDHP \$1500			
Employee	556.00	-	771.00
Employee & Spouse	1,130.00	169.20	960.80
Employee & Children	937.00	74.20	862.80
Employee & Family	1,431.00	346.00	1,085.00
HDHP \$2500			
Employee	509.00	-	771.00
Employee & Spouse	864.60	152.40	1,017.00
Employee & Children	776.20	66.80	843.00
Employee & Family	975.80	311.20	1,287.00
HDHP \$5000			
Employee	433.00	-	724.67
Employee & Spouse	735.40	129.60	865.00
Employee & Children	661.00	57.00	718.00
Employee & Family	829.60	264.40	1,094.00
Dental			
Employee	39.00	-	39.00
Employee & Spouse	79.00	12.00	67.00
Employee & Children	65.00	5.20	59.80
Employee & Family	101.00	24.80	76.20
VISION INSURANCE			
Employee	-	7.58	-
Employee & Spouse	-	15.16	-
Employee & Children	-	16.22	-
Employee & Family	-	25.92	-

Capital Requests vs. Budgeted

Under \$35,000 Projects/Equipment	2020	2020
DEPARTMENT	Estimated Cost	BUDGETED
Engineering	\$ 22,200	\$ -
Fire & Medical	140,000	9,000
IT Services	68,490	18,090
Maintenance	125,500	-
Parks & Recreation	111,100	37,700
Police	13,825	8,000
Public Works	35,000	15,000
Recreation Center	56,400	50,800
Streets - Maintenance	184,500	39,500
	\$ 757,015	\$ 178,090

Over \$35,000 Projects/Equipment	2020	2020
DEPARTMENT	Estimated Cost	BUDGETED
Administration	\$ 90,000	\$ -
Airport	440,000	440,000
Engineering	2,238,317	2,218,317
Fire & Medical Services	4,490,000	-
IT Services	158,800	64,500
Library	89,000	50,000
Parks & Recreation	638,000	523,000
Police	42,625	-
Public Works	135,000	-
Recreation Center	-	-
Streets - Maintenance	2,981,000	2,735,000
Wastewater - Construction	3,640,000	2,500,000
Water - Construction	3,532,458	3,192,470
	\$ 18,475,200	\$ 11,723,287

Outside Agencies Funding

	FY 2018	FY 2019
Senior Center	\$ 55,000.00	\$ 55,000.00
Old Town Center for Arts	\$ 20,000.00	\$ 20,000.00
Old Town Association	\$ 10,000.00	\$ 10,000.00
Birding Festival	\$ 1,000.00	\$ 1,000.00
Welcome Home Vets	\$ 2,000.00	\$ 2,000.00
Building Community Grants	\$ 15,000.00	\$ 15,000.00
Verde Valley Humane Society	\$ 43,880.00	\$ 43,880.00
Verde River Days - General Fund - P&R	\$ 1,000.00	\$ 1,000.00
Youth Commission - Council	\$ 4,328.94	\$ 4,000.00
Yavapai Family Advocacy Center	\$ 2,816.00	\$ 4,506.00
Arizona Crisis Team - Police	\$ 2,422.00	\$ 2,422.00
Arizona Crisis Team - Fire	\$ 2,422.00	\$ 2,422.00
Yavapai County Emergency Management	\$ 4,843.95	\$ 4,843.95
Friends of the Verde River Greenway	\$ 2,279.11	\$ 2,279.11
Community Counts	\$ 2,000.00	\$ 2,000.00
Missoula's Children's Theater - Parks Budget	\$ 3,500.00	\$ 3,500.00
Chamber Bed Tax	\$ 225,207.50	\$ 229,712.50
CEDC Bed Tax	\$ 39,742.50	\$ 40,537.50
Chamber NOT Bed Tax	\$ 6,050.00	\$ 12,833.34
Veterans BBQ	\$ 200.00	\$ 200.00
<i>NRCD Education Center - Water Cons. Fund</i>	<i>\$ 17,760.00</i>	<i>\$ 17,760.00</i>
<i>Verde River Days - Water Fund</i>	<i>\$ 1,000.00</i>	<i>\$ 1,000.00</i>
<i>Project Wet - Water Conservation Fund</i>	<i>\$ 1,000.00</i>	<i>\$ 1,000.00</i>
	\$ 463,452.00	\$ 476,896.40

Outside Agency Funding FY 2020

	FY 2020
Outside Agency Funding	\$ 100,000.00
Building Community Grants	\$ -
Verde Valley Humane Society	\$ 46,515.00
Verde River Days - General Fund - P&R	\$ 1,000.00
Youth Commission - Council	\$ 4,000.00
Yavapai Family Advocacy Center	\$ 2,800.00
Arizona Crisis Team - Police	\$ 2,422.00
Arizona Crisis Team - Fire	\$ 2,422.00
Yavapai County Emergency Management	\$ 4,845.00
Friends of the Verde River Greenway	\$ 8,000.00
Community Counts	\$ 2,000.00
Missoula's Children's Theater - Parks Budget	\$ 3,500.00
Chamber Bed Tax	\$ 230,000.00
CEDC Bed Tax	
Chamber NOT Bed Tax	
Veterans BBQ	\$ 200.00
<i>NRCD Education Center - Water Cons. Fund</i>	<i>\$ 17,760.00</i>
<i>Verde River Days - Water Fund</i>	<i>\$ 1,000.00</i>
<i>Project Wet - Water Conservation Fund</i>	<i>\$ 1,000.00</i>
	\$ 427,464.00

Noted Department Budget Changes FY 2020

- Not adding any vehicles to the Enterprise Lease Program
- Clerks Office – Decreased Election funding by \$10,000
- Custodial Department Expense moved to Non-Departmental
- Increased programming in Parks and Recreation Budget with anticipated 75% cost recovery
- Temporary Employee budgets kept the same as FY 2019 even though minimum wage increases in January
- Moved Annual clean up budget from Council to Public Works
- .5% Sales tax allowed a decrease of Transfers Out of the General Fund
- Increased Reserves by \$ 907,125

QUESTIONS

