



CITY OF **PRESCOTT**
ARIZONA

ANNUAL BUDGET
FISCAL YEAR **2019**

City of Prescott, Arizona

Annual Budget

Fiscal Year 2019
July 1, 2018 – June 30, 2019



City Council

Greg Mengarelli, Mayor

Billie Orr

Alexa Scholl

Phil Goode

Jim Lamerson

Steve Sischka

Steve Blair

Administrative Staff

Michael Lamar
City Manager

Mark Woodfill
Finance Director

Lars Johnson
Budget Manager

Tyler Goodman
Assistant to City Manager

Table of Contents

Budget Award	1
City Manager's Budget Message	2
City Leadership and Community Overview	4
Mayor and City Council	5
Community Profile	12
City of Prescott Demographics	16
Organizational Structure, Goals, and Policies	20
Organizational Values	21
City Organizational Chart	22
Employees by Department and Ten-Year Trend	24
Budget Policy	25
Debt Policy	29
Investment Policy	32
Pension Funding Policy	36
Budget Preparation Process Overview	39
Budget Preparation Calendar	42
Budget Basis and Budget Amendments	43
Fund Summaries	44
Fund Structure	46
Overall City Budget Summary	49
General Fund	55
Special Revenue Funds	62
Debt Service Fund	70
Enterprise Funds	71
Internal Service Funds	85
City Debt Summary	87
Department Operational Plans	90
Department Operational Plans Overview	92
City Expenditure Budget by Department and Fund	94
City Expenditure Budget by Department and Category	95
Airport	96
Budget and Finance	100
City Clerk	109
City Council	113
City Court	117
City Manager	121
Community Development	136
Fire	143

Table of Contents

Legal	155
Library.....	160
Police	168
Public Works.....	179
Recreation Services	203
Regional Communications	217
Capital Budget	220
Capital Budget Overview	222
Capital Budget Categories and Funding Sources	224
Capital Budget Listing	225
Capital Budget and Project Descriptions.....	228
Five-Year Capital Improvement Plan Summary	268
Appendix	272
Budget Resolutions	274
Auditor General Schedules	278
Authorized Position Listing	290
Authorized Pay Grade Ranges.....	298
Glossary of Terms	299

Budget Award

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Prescott, Arizona for its annual budget for the fiscal year beginning July 1, 2017 (FY2018). 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.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

**City of Prescott
Arizona**

For the Fiscal Year Beginning

July 1, 2017

Christopher P. Morill

Executive Director

City Manager's Budget Message

Dear Citizens and Council –

In the creation of this budget I determined several priorities to lead the budget process and reflect the desires of the Council. They are the following:

1. Further implement the Council's Strategic Plan
2. Enhance innovation and efficiency in city operations
3. Continue the budgeting for outcomes model
4. Fund the market-based compensation plan the Council implemented in FY 2017

The City Council's Strategic Plan was created in August 2016. The city made great progress on the goals outlined in that plan, which were: Stabilize the General Fund, Economic Development, Quality of Life, and Service-Oriented Culture.

This budget contains elements that will further the accomplishments made on the Strategic Plan. To continue the stabilization of the General Fund, the budget allocates all \$12.0 million in projected revenues from the Proposition 443 0.75% sales tax for the payment of the PSPRS unfunded liability. This is in addition to normal costs (annual required contribution) and between FY18-FY19 we expect to send over \$45 million to PSPRS. In addition, a net of 2.25 full-time equivalent employees have been added (there remains a reduction of 72 FTEs since FY09). Two of these positions include the School Resource Officer (funded 75% by the school district) and the School Liaison Officer who will interface with all schools, both public and charter, in the community to enhance safety.

Overall department operations have been closely examined for operational efficiency. Code Enforcement was moved to the newly created Neighborhood Services Division within the City Manager's Office and a position was reclassified to add another Code Compliance Inspector. This division will focus on neighborhood revitalization and outreach and will further the Council's goals of ensuring that properties are in compliance with the code. Water Resources was placed in the Public Works Department to create greater efficiency and to continue the work performed between water resource management, delivery, treatment, and recharge. A Development Services Facilitator was hired to report to the City Manager and to coordinate and assist the public with the plan review and development process. This is already leading to greater customer satisfaction and is positively changing our reputation with those developing in the community.

This budget provides for the ability to continue our economic development efforts of attracting a variety of businesses and industries, especially from technology and cyber security. It provides for marketing Prescott to CEOs from venture capital and high tech firms and continues to support the work of our economic development consultant. An airport terminal is budgeted in this fiscal year as we seek to retain a quality commercial air service provider to reach the goal of 10,000 enplanements. Quality of life through our excellent recreational amenities, streets, and other services will continue to be provided as well and the city has continued its focus on customer service as we have implemented the City Hall Ambassador program, which utilizes volunteers in order to provide a human presence at City Hall to help citizens with questions and general information.

We are continuing in the direction of outcome-based budgeting by asking departments to identify and focus on key efficiency and effectiveness performance measures as well as the outcomes they want to achieve. This method allocates funds based on what the Council wants the departments to achieve and we are seeking to take the next steps of implementing this style of management.

The table below shows the changes between the FY18 and FY19 budgets. The total adopted budget for FY19 is \$191.3 million. The operating component is \$80.0 million which is a 0.3% increase from last fiscal year. The increase in operating budget reflects increases in the contribution rate for the Public Safety Personnel Retirement System, adjustments in personnel compensation with the market

City Manager's Budget Message

compensation plan, and cost increases necessary to continue to provide city services at equal or better levels.

The capital component of the budget is \$82.3 million, which is 12.1% higher than FY18. The capital budget is a robust plan for infrastructure improvements for utility and streets projects as well as other one time expenditures for purchase or projects.

Internal services are budgeted at \$6.9 million, which is a 30.4% decrease as a result of the FY18 retirement of the debt of the fleet maintenance facility. Internal services are separated out of operating costs to provide a better picture of the operating budget for the city. Internal charges for services are already budgeted in the departments that are receiving the services and the \$6.9 million represents expenditures out of the Fleet, Facilities, Engineering, and Risk Management funds.

The remaining components are the budgeted revenues of \$12.0 million from the PSPRS 0.75% sales tax and the grant contingency of \$3.0 million for the expenditure of possible grant awards. Grants have been separated from department operating budgets to better reflect the true cost of providing the service if the grants or other costs are not obtained or expended.

	FY18 Budget	FY19 Budget	% Budget Change
Operating	\$ 79,742,602	\$ 79,998,399	0.3%
Capital	73,446,495	82,335,713	12.1%
Internal Service	10,006,379	6,940,679	-30.6%
PSPRS Unfunded ARC	6,425,622	6,968,266	8.4%
PSPRS Additional Payment	11,200,000	-	-100.0%
PSPRS 0.75% Tax	6,000,000	12,000,000	100.0%
Grant Contingency	2,032,153	3,027,708	49.0%
Total	<u>\$ 188,853,251</u>	<u>\$ 191,270,765</u>	1.3%

As we look forward to another year we strive to be fiscally responsible while carrying out the goals and plans of the Council and to ensure that Prescott remains a great place to live, learn, work, and play.

Sincerely,

Michael Lamar
City Manager

City Leadership and Community Overview

Mayor and City Council	5
Community Profile	12
City of Prescott Demographics	16



Mayor and City Council Profiles



Greg Mengarelli, Mayor

Term: November 2017 – November 2019

The Mayor services as the chair of the City Council and presides over Council meetings. He is recognized as the head of the city government for all ceremonial purposes and is responsible for governing the city during times of crisis, such as natural disasters. To reach the Mayor's office, call 777-1270.

Mr. Greg Mengarelli grew up in small rural communities in Kansas and received a Bachelor's of Science in Park Resource Management from Kansas State University in 1989. He met his wife, Sheila, while attending Kansas State University and they were married in 1990. He worked at Angeles Crest Christian Camp as the Assistant Director until 1994.

In 1995, Greg and Sheila moved to Prescott where he serves as the Executive Director of UCYC (United Christian Youth Camp). During that time the camp has grown from a \$400,000 budget to over \$4.6M annually. UCYC accommodates over 20,000 guests each year at three camp locations with a total bed count of 1,000.

Greg and Sheila have been married for 27 years and they have nine children, four of whom are adopted. He is active in community affairs and served as the president of the Prescott Unified School District Board in 2017.

For fun, Greg likes mountain biking, hiking, hunting and leading river trips down the Colorado River.

Mayor and City Council Profiles



Billie Orr, Council Member

Term: November 2015 – November 2019

Dr. Billie Orr has been an advocate for public education and school choice for decades. She taught in Maison School District and was the principal of Kiva School in Scottsdale, Arizona.

Billie was the Vice President of Human Resources for Continental Bank in Phoenix and returned to her education career due to her disappointment in her own son's public school.

Dr. Orr was active in public education for over twenty-five years in Arizona, ultimately becoming the Associate Superintendent of Public Instruction. Under her leadership, Arizona implemented the most vigorous charter school program in the country and created state academic standards that were ranked among the best in the nation.

Billie was the Chairwoman of the Gallatin County Republican Party, as well as Vice President of the Gallatin County Republican Women in Montana. She is the immediate past President of Republican Women of Prescott. She is active in her church, an Ambassador for Free Wheelchair Mission, and a member of SunUp Rotary in Prescott.

Billie and Bob Orr have been married for 43 years and have a son, daughter-in-law, and two granddaughters in Boston, where their son is attending MIT.

Mayor and City Council Profiles



Alexa Scholl, Council Member

Term: November 2017 – November 2021

Alexa Scholl is a Prescott native having moved to Prescott when she was just 2 weeks old returning to the town where her grandfather grew up. She was a varsity athlete and graduated with distinction from Prescott High School in 2015. She attends ASU's Barrett, the Honors College where she studies Political Science and Spanish and is expected to graduate with a B.A. in December 2018. She plans to pursue a law degree after graduation.

Alexa is a Tillman Scholar at ASU which is a highly prestigious leadership program that studies the servant leadership values influenced by Pat Tillman's life. She also co-founded an ASU on-campus organization called The Political Literates which aims to fight against political apathy by delivering political information in an easy to understand and unbiased way. The organization helps people feel empowered to vote in a way that best reflects their values and beliefs.

Alexa currently serves on the board of the Granite Mountain Hotshots Memorial Partnership which is planning a memorial to the 19 fallen Granite Mountain Hotshots that will be located on the Yavapai County Courthouse Square. She is also a member of the Descendants of the Signers of the Declaration of Independence and is a direct descendant of George Read who signed the Declaration of Independence and the Constitution of the United States. While maintaining her "A" average in college, Alexa works at a local law firm as a file clerk working on special projects and file maintenance gaining relevant work experience in her desired career field.

Alexa grew up participating in many Prescott events and activities including the Kiwanis Kiddie Parade, Acker Night, Yavapai College Performing Arts, AYSO, recreational softball, Girl Scouts, holiday parades, and Guide Dogs for the Blind. Through her active participation in community events, Alexa grew a deep appreciation and love for her hometown which inspired her to run for City Council.

In her free time, Alexa enjoys spending time her family, traveling to Mexico, and watching Diamondbacks baseball with her grandparents. Alexa believes in an open dialogue with her constituents and encourages them to contact her at any time.

Mayor and City Council Profiles



Phil Goode, Council Member

Term: November 2017 – November 2021

Phil Goode was born and raised in Sacramento, California. After graduation from high school he enlisted in the U.S. Army in May 1970 and served a full combat tour with the 101st Airborne Division in Vietnam. He received the Combat Infantry Badge, Bronze Star Medal, Air Medal (for over 60 combat assaults), Vietnam Cross of Gallantry with palm, Vietnam Campaign Medal w/two bronze stars and many others.

After an honorable discharge from the Army in 1972 (and four additional years of reserve duty) he earned a Bachelor's degree in Biological Sciences from California State University, Sacramento graduating Magna Cum Laude. He had a 35 year career in the healthcare industry reaching Vice President positions with Medline Industries and Careview Communications and also held management positions with Medivac Industries, Kinetic Concepts Inc. and Applied Medical.

Phil is a 26 year member of the American Legion (past Judge Advocate Post 6, Prescott) and life member of the Veterans of Foreign Wars (Sr. Vice Commander Post 541, Prescott). He was the Co-Chairman of the Veterans Memorial Plaque Committee which in June, 2016 rededicated a bronze memorial on the county Yavapai County courthouse grounds to the fallen Yavapai County veterans that lost their lives serving the United States in all of the nation's wars beginning with WWI.

He was elected to the board of directors of the Central Yavapai Hospital District in 2016 protecting the taxpayer's assets for Yavapai Regional Medical Center and its ancillary facilities. He recently served as a Commissioner on the City of Prescott's Zoning and Planning Commission and was the Co-Chairman of the Mayor's Ad Hoc Committee on Sober Living Rehab Homes.

He serves on the board of directors of the Yavapai Republican Men's Forum and is currently the Vice Chairman of the Yavapai County Republican Committee. He is also an active member of the Citizens Tax Committee which is the taxpayer's watchdog in Yavapai County where he is the Chairman of the Public Policy Committee. He is a member of Prescott's Sunup Rotary Club. A big supporter of improving education, he's served on the Yavapai County Teacher of the Year panel and has been a member of the Prescott BASIS School Advisory Council. Very interested in water resource management, he is a member of the Public Policy and Education committee for the Citizens Water Advocacy Group.

An avid golfer, he was the champion of the 1996 Ralph's Senior PGA Pro-Am Classic Tournament. Phil also appeared on the TV game show Jeopardy and was a four time champion on the TV game show Tic-Tac-Dough in the 80s. Phil is married to his wife Toby, has four adult children.

Mayor and City Council Profiles



Jim Lamerson, Council Member

Term: November 2015 – November 2019

With a well-worn copy of the Constitution of the United States in his shirt pocket and a personal commitment to the moral tenants of the Ten Commandments, Jim Lamerson is dedicated to his responsibility as a City Council member because, in his own words, "It's the right thing to do."

Lamerson, a long-time resident and local jeweler, was driven to serve the community in a decision-making capacity. He and his wife, Anne, have lived in Prescott since 1979.

Serving on the Prescott City Council exemplifies Lamerson's intense desire for public service. He has served on various city boards and commissions, is a past Rotary Club of Prescott president and a two-term board member. He served on the Prescott General Plan Committee, is a past chairman of the Prescott Downtown Commission and is a two-term former board chairman of the Prescott Chamber of Commerce, among other civic posts.

Lamerson's focus includes providing high quality services to Prescott taxpayers. He is an advocate for public safety, maintaining the infrastructure necessary for basic services, and decreasing government involvement in private property issues and the free-market system. Lamerson supports private sector development of workforce housing by eliminating governmental barriers which prevent equal opportunity for a wide variety of housing to exist in Prescott. Expansion of the city limits and advancing intergovernmental relationships necessary to promote Prescott's interests are also very important goals for Lamerson.

"I like a lot of non-essential things. My priorities however, will always elevate those things that impact peoples' safety and life essentials first. I don't know how I could serve the community any better than that."

Mayor and City Council Profiles



Steve Sischka

Term: November 2015 – November 2019

Steve has been a resident of Prescott since 1980, having come initially to Arizona to go to school at Thunderbird Graduate School of International Management in Glendale (Master of International Management '73). His undergraduate degree was in Business at the University of Portland ('71) in Oregon.

Steve is married to Kathy (Olsen), and they have 2 children and 2 grandchildren. He has been a co-owner of Olsen's For Healthy Animals since 1980 and along with Kathy, established the Olsen's location in Prescott. Previous to 1980, he spent 7 years with Carnation Company in retail grocery products sales and management.

He views community service as an extremely important way to "give back". He has been a member of Prescott Frontier Rotary since 1980 and has served in key leadership positions with that organization, as well as: Boy Scouts of America, Rotary Youth Leadership Awards, Central Arizona Partnership, and Yavapai Regional Medical Center. Steve is a big fan of Yavapai Big Brothers/Big Sisters, Yavapai Humane Society, United Animal Friends, Frontier Rotary Summer Reading and Math Clinic and Catholic Charities.

He has also been very involved since 1989 with Prescott Center for the Arts, performing in main stage plays and musical reviews, and is an active member of Sacred Heart Catholic Church. He was also a member of Class 2 of Project CENTRL (Center for Rural Leadership). In 2011, he and his wife Kathy and were named Co-Citizens of the Year by the Yavapai County Sheriff's Office.

When he finds the time, he likes to ride his motorcycle, hike, snowboard, golf, play acoustic guitar, and be a kid again with the grand kids. Being part of the Prescott City Council is an excellent way to make a positive difference in the city he loves.

Mayor and City Council Profiles



Steve Blair, Council Member

Term: November 2017 to November 2021

Steve has been in Prescott for 57 years. He is a graduate of Prescott High School, received an A.A. degree from Yavapai College and a B.S. degree from Arizona State University.

Steve was the owner/operator of Blair Distributing LLC/Holsum Bakery for 44 years as well as owner/operator of Blind Brothers Window Coverings for 28 years.

Steve has a long record of service to the community. He served on the City of Prescott Charter Review Committee in 1977, is a member of the Parks and Recreation/Library Advisory Board, served four years on the Planning & Zoning Commission and 12 years on the City Council. In addition, he has twice been appointed to special committees by Arizona Senate Past President Ken Bennett.

Among his accomplishments on behalf of the community, Steve cites retaining the "World's Oldest Rodeo" here in Prescott and securing the Rodeo Grounds from Yavapai County; developing a sound, fiscal water policy; encouraging the development of a community skate park; helping achieve the Library restoration; and ensuring that the Fire and Police Departments have the equipment they need to serve our citizens and businesses.

Community Profile

History



Prescott was founded in 1863 and incorporated in 1883. During the late 1800s, Prescott twice served as the territorial capital, and the Governor's Mansion is now preserved at the Sharlot Hall Museum.

In 1864, the town site of Prescott was surveyed and laid out along Granite Creek where gold had been panned. The town was designated the capital of the new territory of Arizona after Arizona was separated from New Mexico. President Lincoln wanted the territorial capital in the northern part of the territory, far away from the Confederate sympathizing cities to the south.

Lincoln also decided to populate this new capital with Northerners and Mid-westerners and this decision resulted in Prescott being the most Mid-western looking city in Arizona. Victorian homes and peaked roof homes were built, a far cry from the adobe structures that were more common in the Southwest.

The early economy of the area centered on cattle ranching and mining. In July of 1900, a fire destroyed much of Prescott's commercial district. Within hours, make-shift shelters were erected on the Courthouse Plaza and business began rebuilding. Following the fire, most buildings in the downtown area were reconstructed of brick, providing today's rich architectural heritage.

Dubbed "Everybody's Hometown", Prescott is culturally diverse from its downtown Courthouse Plaza, famous Whiskey row, preservation emphasis with 809 buildings on the National Register of Historic Places, World's Oldest Rodeo, Prescott Fine Arts Association, Sharlot Hall Museum, Phippen Art Museum, Folk Arts Fair, Frontier Days, and Territorial Days to its official designation by the State of Arizona as "Arizona's Christmas City".



Community Profile

Location

Located in the mountains of north central Arizona approximately 90 miles northwest of Phoenix and 90 miles southwest of Flagstaff, the City borders the Prescott National Forest to the south and west. The average elevation is 5,400 feet. The local climate is mild, with average high temperatures ranging from fifty degrees to ninety degrees F and the average precipitation recorded at 19.8 inches, most of which is rain. Prescott and the nearby towns of Chino Valley, Prescott Valley and the newly incorporated Dewey-Humboldt form what is known locally as the Quad-City area.



City Government

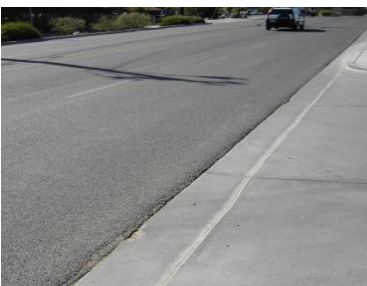
The council-manager form of government was adopted in 1958. The Mayor is elected on a nonpartisan ballot to represent the entire City for a two-year term. The six members of Council are elected at large for four year terms on a nonpartisan ballot. Three of the six positions and the Mayor's position are up for reelection at the same time. Under the provisions of the City Charter, the Council appoints a City Manager who is responsible for carrying out its established policies and administering operations.



Community Profile

City Services

The City of Prescott is a full service city. The municipal government provides police, fire, library recreation, parks, trails, golf, wastewater, water, street improvements and maintenance, solid waste, municipal airport, planning and building, and economic development services.



Taxes

Prescott and all Arizona municipalities are highly dependent on sales tax and state-shared revenues for their General Fund. Property taxes account for less than 5 percent of City's tax revenues. The total 2016 property tax rate (primary and secondary) for residents in the City is 8.3454 per \$100 assessed value. The City of Prescott's 2018 rate is only 0.2821 per \$100 assessed value, or 3.6% of the total property tax for residents. The remaining property tax is levied by Yavapai County (32%), Prescott Unified School District (25%), Yavapai College (29%), State Legislature (9%), and Mountain Institute (1%). The combined Privilege and Use Tax (sales tax) rate in the City of Prescott for most taxable activities is 9.1%. The combined rate consists of 5.6% for the State of Arizona, 0.75% for Yavapai County and 2.75% for the City of Prescott. The City's sales tax and property tax rates are the lowest in the Greater Prescott area.

Community Profile

Local Economy

Although small in population, 41,000, the City is not dependent on any one company or industry for economic vitality. The region is diverse in nature and benefits from the following industries and employers:

Education

Embry Riddle Aeronautical University
Yavapai College
Prescott College
Northern Arizona University Extension

Medical

Yavapai Regional Medical Center
Veteran's Administration Hospital

Manufacturing

Pure Wafer
Sturm Ruger and Company
Zila Nutraceuticals
Cobham Avionics
Davidson's

Retail

Prescott Gateway Mall
Wide assortment of automobile dealers
Costco
Wal-Mart
Lowe's
Fry's
Safeway

Tourism

Ernest A. Love Field – Prescott Airport
Variety of accommodations and restaurants
Multiple golf, hiking and camping areas
Numerous lakes and aquatic recreation sites
Various cultural and entertainment venues

Prescott is the center for trade in the region, and as a result has grown into a community with a robust, diverse economy, which includes government, education, health care, manufacturing and tourism. Here is a brief overview of those sectors:

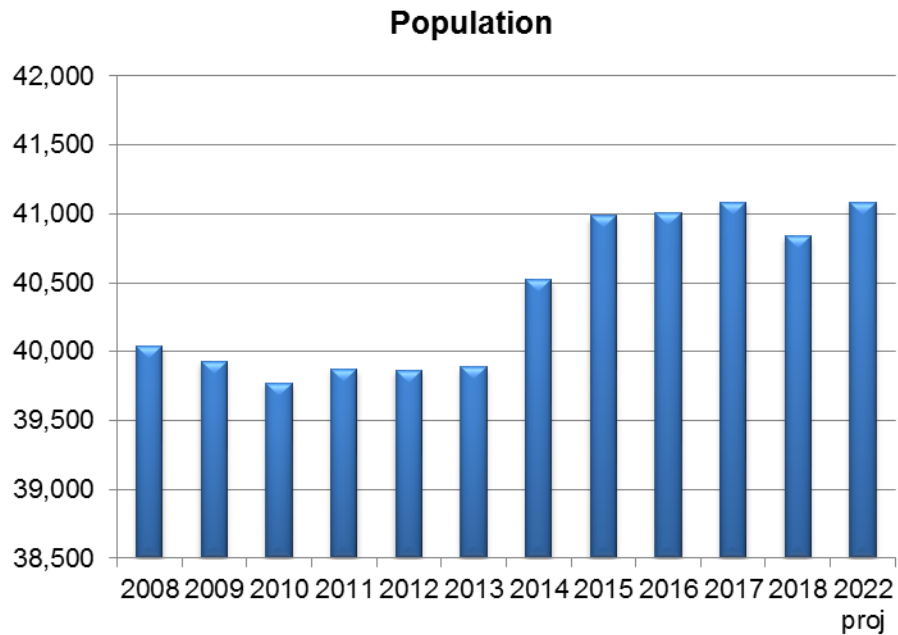
1. Government: Prescott is the Yavapai County seat, and as a result, is home to a majority of the county offices and court-related businesses. Several state and federal offices also call Prescott home as Prescott's convenient location allows them to serve the northern and central regions of Arizona.
2. Education: In addition to Embry Riddle Aeronautical University, Prescott is home to higher education institutions such as Yavapai College, Prescott College and Northern Arizona University Distance Learning Center. Prescott's K-12 offerings include public, private and charter schools.
3. Health care: The VA Medical Center and Yavapai Regional Medical Center's main campus are both located in Prescott, as well as the bulk of related health care providers, (i.e., doctors, specialists, outpatient surgery centers and labs).
4. Manufacturing: Prescott's growing base of prime companies includes international manufacturers in the fields of aerospace, bioscience, guns and after-market vehicle accessories.
5. Tourism: Historical assets and outdoor recreation make Prescott a destination for visitors. Comfortable summer temperatures combine with signature events to create a perfect getaway for those from hotter parts of the state. Prescott's main tourist markets are the Phoenix and Tucson metro areas, California, Canada and Germany.

Each of these industries creates employment as well as opportunities for new business and entrepreneurial ventures, and Prescott recognizes the valuable contributions that our business community makes. For this reason, we strive to maintain Prescott as pro-business. We do this by being highly responsive to the needs of our business community, implementing best practices and availing businesses to tools and resources to foster success.

City of Prescott Demographics

City of Prescott Population Demographics

Year	Population	Yavapai County	Population as % of County	Land Area
2007	40,371	211,137	19.1%	40.00 square miles
2008	40,041	212,137	18.9%	40.80 square miles
2009	39,932	212,585	18.8%	40.85 square miles
2010	39,771	210,899	18.9%	41.50 square miles
2011	39,873	211,247	18.9%	41.50 square miles
2012	39,865	211,583	18.8%	41.50 square miles
2013	39,888	213,294	18.7%	42.67 square miles
2014	40,520	215,357	18.8%	42.67 square miles
2015	40,989	217,778	18.8%	42.67 square miles
2016	41,238	220,730	18.7%	42.67 square miles
2017	41,006	224,018	18.3%	42.67 square miles
2018	40,844	227,505	18.0%	42.67 square miles
2022 proj	41,087	241,775	17.0%	42.67 square miles



Source: Population Estimates from Office of Employment & Population Statistics, Arizona Department of Administration

City of Prescott Demographics

			2015	
	2010	2015	Yavapai	2015
Population Statistics	Prescott	Prescott	County	Arizona
<i>Gender distribution</i>				
Percent Male	49.2%	48.3%	48.9%	49.2%
Percent Female	50.8%	51.7%	51.1%	50.8%
<i>Age distribution</i>				
24 and under	21.3%	22.2%	24.6%	33.1%
25 to 44	17.9%	16.1%	18.0%	26.3%
45 to 64	30.4%	27.5%	30.2%	26.3%
65 and over	30.8%	34.2%	27.2%	14.3%
Median Age (years)	53.4	55.6	51.3	37.6
<i>Income/employment</i>				
Household Median Income	\$44,278	\$44,846	\$44,748	\$53,482
Household Average Income	\$63,300	\$60,095	\$58,003	\$74,596
Unemployment	10.7%	6.2%	5.6%	5.9%

Source: U.S. Census Bureau, 2011-2015 American Community Survey 5-Year Estimates,
Unemployment Source: Arizona Office of Employment and Population Statistics

Households by Income, 2010

\$200,000 or more	4.00%
150,000 to 199,999	3.00%
100,000 to 149,999	5.00%
75,000 to 99,999	8.00%
50,000 to 74,999	16.00%
35,000 to 49,999	13.00%
25,000 to 34,999	17.00%
15,000 to 24,999	17.00%
10,000 to 14,999	10.00%
under 10,000	9.00%

Racial/Ethnic Composition	2010
White, Non-Hispanic	87.10%
Hispanic	8.60%
Black	0.70%
Other	3.60%

Source: 2010 US Census Data

City of Prescott Demographics

City of Prescott Financial Snapshot

	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019
Total Operating Budget (000s)	\$ 76,340	\$ 80,310	\$ 84,853	\$ 91,382	\$ 91,781	\$ 89,966
Total Regular Employees ¹	508	506	501	497.5	494	498.25
Total Employees per 1000 population	13	13	12	12	12	12
Primary Assessed Valuation ² (000s)	\$ 510,235	\$ 522,426	\$ 548,631	\$ 570,573	\$ 606,159	\$ 647,649
City of Prescott Property Tax Rate	0.3108	0.3149	0.3047	0.3025	0.2821	0.2699
City Property Tax Paid per Capita	\$ 42	\$ 41	\$ 41	\$ 42	\$ 42	\$ 43
City Sales Tax Rate	2%	2%	2%	2%	2%	2.75%
City Sales Tax Revenue per Capita ³	\$ 346	\$ 337	\$ 337	\$ 351	\$ 361	\$ 382

Notes:

¹ Regular employees does not include temporary or seasonal employees.

² Source: Yavapai County

³ Sales Tax Revenue for General Fund, which is 1% of the total 2.75%. The total rate includes 1% dedicated to streets and 0.75% dedicated to PSPRS.

City of Prescott Demographics

City Services

Neighborhood Resources

Parks	21
Park/Lakes Acres	990
Golf Courses	2
Miles of Trails	76
Open Space - Natural Parklands (acres)	1,200
Libraries	1
Total Number of Library Materials Checked out	773,965

Public Safety

Police Employees	83
Calls for Services	23,852
Fire Stations	5
Fire Employees	65
Calls for Services	8,619
Fire Inspections	1,762

Building Inspections

Number of Permits Issued	2,309
Value of Permits (in millions)	\$139

Transportation

Total of Miles of Streets (lane miles)	679
Cold Mix Repairs (tons)	461
Hot Mix Repairs (sf)	114,660

Refuse Collection

Household Accounts	18,516
Commercial Accounts	1,538
Refuse Collected (tons)	67,319
Recycle Collected (tons)	5,500

Airport

Raking for busiest airport in Arizona	5th
Passengers on Great Lakes Airline	3,454
FAA Traffic Count	254,342

City of Prescott Water

Miles of Water Mains	526
Number of Connections	23,907

City of Prescott Wastewater

Miles of Wastewater Lines	375
Number of Connections	19,390

Organizational Structure, Goals, and Policies

Organizational Values	21
City Organizational Chart	22
Employees by Department and Ten-Year Trend	24
Budget Policy	25
Debt Policy	29
Investment Policy	32
Pension Funding Policy.....	36
Budget Preparation Process Overview	39
Budget Preparation Calendar	42
Budget Basis and Budget Amendments	43



Organizational Values



VISION

To be the premier community in the Southwest.

MISSION STATEMENT

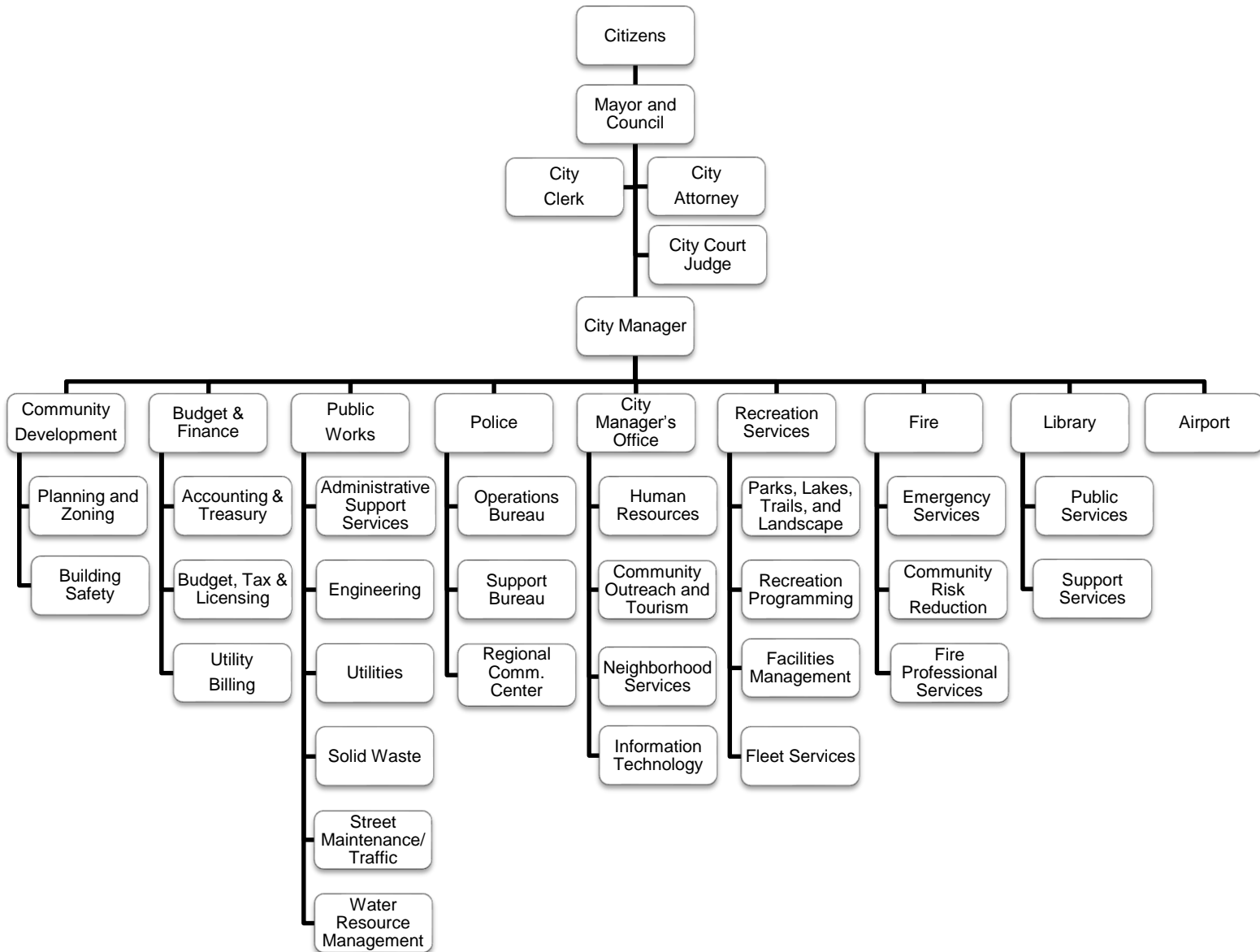
We will embrace our unique past, maximize our current opportunities, and be a catalyst for our future prosperity.

CITY OF PRESCOTT CORE BELIEFS

We believe in:

- Acting with integrity
- Having personal commitment and loyalty
- Working as a team
- Solving problems
- Taking pride in excellent results
- High level of productivity
- Being nice

City Organizational Chart



City Organizational Chart

Boards, Commissions and Committees

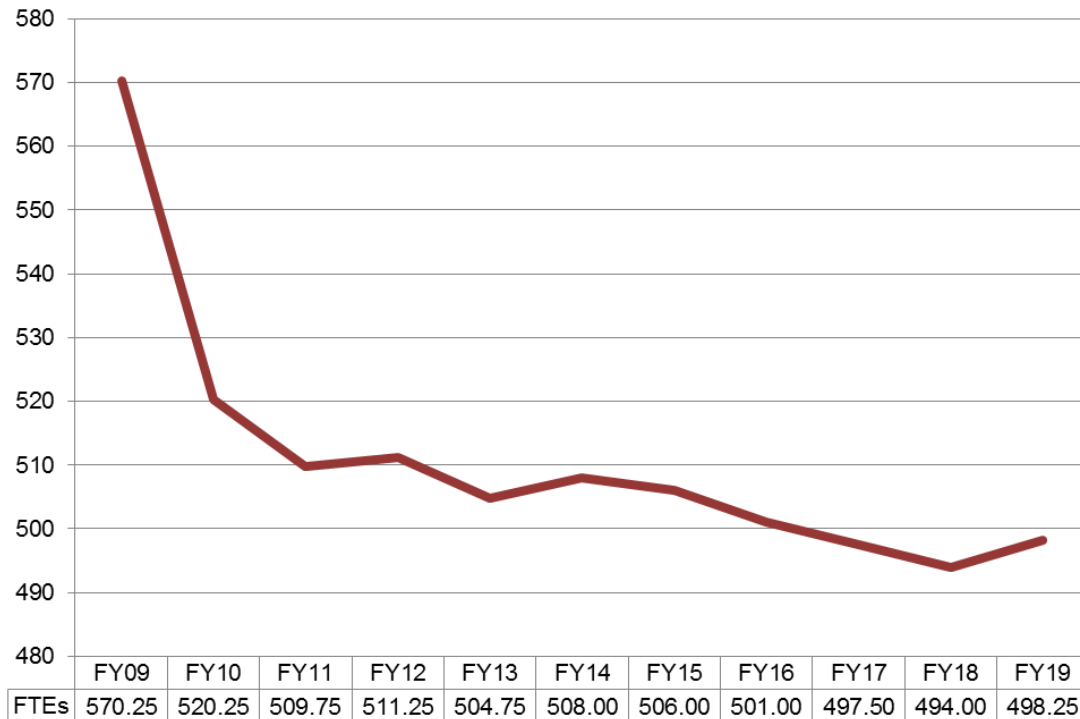
1. Board of Adjustment
2. Industrial Development Authority
3. Municipal Property Corporation
4. Planning & Zoning Commission
5. Prescott Preservation Commission
6. Acker Trust Board
7. Parks and Recreation Board
8. Library Advisory Board
9. Unified Development Code Committee
10. Art in Public Places Committee
11. Public Safety Retirement Board
12. CDBG Citizens Advisory Committee
13. Advisory & Appeals Board –
14. Fire Board of Appeals
15. Airport Advisory Committee
16. Bicycle and Pedestrian Committee
17. Tourism Advisory Committee
18. Mayor's Commission on ECHO
19. Mayor's Commission on Prevention, Addiction and Recovery
20. Mayor's Commission on Veterans' Initiatives

Employees by Department and Ten-Year Trend

Department	FTEs ¹		
	FY17	FY18	FY19
Airport	9.25	9.00	9.00
Budget & Finance	14.75	15.75	15.75
City Clerk	3.25	2.75	3.00
City Council	7.00	7.00	7.00
City Court	6.00	6.00	7.00
City Manager	29.25	27.50	27.50
Community Development	11.50	14.50	14.25
Fire	68.00	65.00	65.00
Legal	8.50	8.00	8.00
Library	21.50	21.50	21.50
Police	83.10	83.00	87.00
Public Works	158.20	157.00	156.25
Recreation Services	46.80	47.00	47.00
Regional Communications	30.40	30.00	30.00
City Total	<u>497.50</u>	<u>494.00</u>	<u>498.25</u>

¹Full time equivalents (FTEs) include only permanent employees. In addition, the City employs temporary and seasonal employees estimated at 55 FTEs.

City of Prescott Total Full Time Equivalent Positions – 10 year trend



Budget Policy

City of Prescott Budget Policy

(Resolution No. 4336-1545)

Background

The focus of the City's budget policy is the process by which a budget is formulated from departmental requests to adoption by the Mayor and Council.

A budget policy addresses authorization levels for approval of the annual budget and adjustments thereto, applicable to the revenues and expenditures of all funds.

Laws and Standards

The following laws and standards apply to budget formation and reporting:

- Generally accepted accounting principles (GAAP)
- Government Finance Officers Association's (GFOA) Criteria for Distinguished Budget Award
- Government Finance Officers Association's (GFOA) Best Practices
- Constitution of the State of Arizona
- Arizona Revised Statutes (ARS)
- Prescott City Code
- City of Prescott Charter

Budget Objectives

The Mayor and Council annually set City priorities, and the budget objectives shall be consistent with such priorities.

The budget objectives provide policy direction for drafting of the City budget, within the overall budget schedule extending from initial preparation through adoption.

The following considerations shall be applied to development of the budget:

- Funding available for operations and capital needs.
- Employee compensation, including merit-based pay and maintaining market-competitiveness, to ensure that the City retains and attracts outstanding personnel.
- Compliance with financial policies and maintenance of bond ratings.

The following items will be considered in conjunction with the budget preparation and adoption process unless it has been determined that they must be addressed more expeditiously:

- Ordinance changes for fees or rates
- Personnel and/or other resources required to implement and administer fees and rates
- Requests for long-term financing

Balanced Budget, Revenue and Expenditure Policies

The operating budget is to be balanced, with expenditures less than or equal to revenues. Fund balances should be used only for one-time expenditures, such as capital equipment and improvements. Development fees will be used for development-related one-time capital expenditures.

Budget Policy

The City will strive to maintain a diversified and stable revenue system, to ensure the fiscal health of the community. User fees for all operations will be examined on a regular basis to ensure that the fees cover direct and indirect costs of service as much as practicable.

Fund Balance

Sound financial policy requires the establishment of appropriate fund balance levels to maintain adequate cash flow, and a reserve to cover unanticipated expenditures and revenue shortfalls.

The following General Fund balances will be maintained through the budgeting process:

- Reserve of amounts for inventories, advances to other funds, or other uses for which an appropriation could not be made or foreseen.
- Designation of amounts re-appropriated from unencumbered balances for the completion of projects in subsequent periods.
- An unreserved and undesignated balance for each fund equal to 20% of the operating revenues: 10% to be used for the cash flow need due to timing differences between receipts and disbursements during the fiscal year, and 10% to only be used upon approval of the City Council to cover unanticipated expenditures or revenue shortfalls.

All other fund balances will be maintained to meet the objectives of the fund.

Internal Cost Allocation

In order to present the full cost of providing facilities, services, and other necessary support (collectively referred to as the “services”), it is necessary that all indirect costs be allocated corresponding to the services provided, and at the associated levels of such services. General fund internal support and administrative costs will be allocated to the Enterprise Funds, Internal Service Funds, and Special Revenue Funds that benefit from the services provided. The internal support and administrative departments below will be allocated based upon the following factors:

- A method that allocates costs in proportion to the support or benefit received
- A method that is clearly understandable and straightforward to explain
- A measure that is readily available and can be easily applied

The net impact (proposed budget less projected program revenues) of each of the following administrative departments will be allocated to other City operating units outside the General Fund on the basis identified:

<u>Administrative Department</u>	<u>Allocation Basis</u>
City Council	Proportion of Budget
City Clerk	Proportion of Budget
City Manager	Proportion of Budget
Legal	Proportion of Budget
Budget and Finance	Proportion of Budget

The following administrative departments will be allocated to all City operating units on the basis identified:

<u>Administrative Department</u>	<u>Allocation Basis</u>
Information Technology	Proportion of Budget
Human Resources	Proportion of Positions

Allocation Basis

- Proportion of Budget – prior year adopted budget of the operating unit as a percentage of the total budget, less grants and outsourced operations.
- Proportion of Positions – positions identified in the prior year adopted City roster for the operating unit as a percentage of total positions.

Budget Policy

The internal costs will be allocated on a monthly recurring charge based on adopted departmental budgets. At the close of each fiscal year, the total amount allocated will be adjusted based on actual expenditures as of June 30 of that fiscal year.

Internal Service Funds will set internal charges based upon rates necessary for full operating cost recovery and necessary capital improvements.

Capital Budget and Five-Year Capital Improvement Plan (CIP)

The capital budget is separated into the three categories defined below:

Capital Budget Category	Definition
Capital Improvement Plan (CIP)	A project that is more than \$100,000 for a <i>new</i> infrastructure asset or to increase the capacity, efficiency, or expected life span of an <i>existing</i> infrastructure asset. This consists of infrastructure projects such as streets, utilities, and airport projects as well as major renovations to or additional City buildings or facilities.
Vehicle Replacements and Additions	Requests regarding fleet additions or replacements.
Operating Capital	All other capital requests not in the above categories, such as information technology infrastructure, major tools, and equipment purchases of any cost over \$5,000. Projects otherwise matching the CIP definition but for which the cost is between \$5,000 and \$100,000 will be categorized as operating capital.

Each department shall, when planning capital projects, estimate the impact on the City's operating budget over the subsequent five years. The operating impact includes personnel, operating expenditures, capital outlay, and debt service, as applicable.

Financing of capital expenditures from available funds, known as pay-as-you-go-funding, is the least costly and most beneficial method to cover capital expenditures. Every effort will be made in the CIP to accumulate funds to allow this method of funding to be used.

Necessary capital expenditures, which are unable to be funded from available resources, will follow financing options and methods outlined in the Debt Management Policy.

Utility projects will be primarily funded by user fees, as resources are available.

Compliance with debt and fund balance policies shall be maintained for each year of the Plan.

Budget Preparation

The Finance Department and City Manager will establish a budget schedule specifying key milestones within the budget preparation period. All departments will submit their budget requests to the Finance Department in accordance with the budget preparation schedule. Budget requests will include, but not be limited to, operational plans, budget requests for personnel, operating and capital requests, including a Five-year Capital Improvement Plan.

The Planning and Zoning Commission will review the City Manager's Proposed Five-year Capital Improvement Plan (CIP).

Budget Policy

Budget Adoption

The budget is prepared and adopted in accordance with requirements of the City Charter and Arizona Revised Statutes. The budget is legally enacted through adoption of an appropriations resolution for all governmental and proprietary fund types, which places legal restrictions on expenditures at the department level.

For all funds, the level of control is at the department level as established by the City of Prescott Charter.

Although legal limits on expenditures are established at the department level, effective administrative control over expenditures is enabled by establishment of a detailed line-item budget.

All appropriations and encumbrances unexpended at year-end lapse, and are not available in the following year. Included with the budget resolutions is approval for the re-appropriation of all encumbered balances.

All new positions and reclassifications approved in the budget will be effective July 1 of the new fiscal year, unless presented differently to the Mayor and Council.

Budget Amendments

The City Manager may transfer any unencumbered appropriation between divisions within a department. Only the Council may transfer an unencumbered appropriation balance or portion thereof from one department to another.

During a fiscal year, if a fund deficit is anticipated, recommended spending reductions will be proposed by the City Manager to the Mayor and Council in a timely manner, in order to sufficiently offset the deficit.

Debt Policy

City of Prescott Debt Policy

Background

A debt policy addresses the level of indebtedness the City of Prescott can reasonably expect to incur without jeopardizing its existing financial position and to ensure the efficient and effective operation of the City.

The debt policy shall conform to Federal and State Regulations.

A debt policy also addresses the purposes for the types of debt that will be issued.

The debt policy is to be used in conjunction with the Adopted Budget, the Capital Improvement Program and other financial policies as directed by Mayor and Council.

Planning and Performance

The planning, issuance and review of outstanding and proposed debt issuances will ensure that compliance with the debt policy is maintained.

The City may issue debt for the purpose of acquiring or constructing capital projects including buildings, machinery, equipment, furniture and fixtures.

Debt issuances will be pooled together when feasible to minimize issuance costs.

The City will prepare and adopt annually a Five-year Capital Improvement Program to identify and establish an orderly plan to meet the City's infrastructure needs with all debt-related projects and the debt service impact upon operations identified, appropriately adjusted by inflation to properly reflect costs incurred in the applicable future fiscal year.

All issuance subject to arbitrage constraints shall be monitored by the applicable personnel and have arbitrage liability calculations performed in a timely manner.

Investment of bond proceeds shall at all times be in compliance with the City's Investment Policy and meet all requirements of bond proceeds covenants.

Debt shall be within statutory and sound financial management limits.

Types of Debt

Interfund Borrowing is the borrowing by one fund from another is an acceptable means of meeting cash flow needs.

- Short-term interfund borrowing, defined as paid back in less than one year, will occur due to occasional cash shortages in a fund. All funds borrowing from the City's available cash pool on a short-term basis should be charged an interest rate equivalent to the State Treasurers Pool for the prior month.
- Long-term borrowing, defined as paid back in more than one year, must come from a specific fund and be established by Council action. This action would include the fund borrowing the cash, fund lending the cash, terms (length of repayment period and amount of payments) of loan, and interest rate to be paid.

Lease Purchase Financing – It is legal to use lease purchasing for any lawful or necessary short-term or long-term projects; however, it is the objective not to use lease purchase financing on future equipment replacements, additions or building acquisitions. It is recognized that future events such as

Debt Policy

new services of unfunded legal mandates may require the City to provide unanticipated services or programs and that this financing technique may have to be utilized to fund start-up capital costs of such new services or programs. If this is the case, the City can first look to its own cash pool to ascertain if a fund would have sufficient moneys to lend, with interest, over the desired term of the needed financing.

General Obligation Bonds may be used for any lawful project approved by the voters. Pursuant to Arizona Constitution, principal outstanding may not exceed:

- 20% of net secondary assessed value for water, wastewater, lighting, parks, open spaces and recreational purposes; or
- 6% of net secondary assessed value for all other purposes.
- This type of debt issuance is generally the lowest cost financing approach since the debt repayment is backed by property taxes. However, it is the policy of this Council that if general obligation debt is issued for a project with a revenue stream (i.e., water/wastewater project), that revenues from the appropriate enterprise fund be used to pay for the debt repayment and not property taxes. Debt repayment for non-revenue supported projects such as park improvements would have to be repaid through property taxes.

Utility Revenue Bonds – These voter-approved bonds may be used for acquiring, constructing or improving “utility undertakings” including water, wastewater, gas, electric light or power, airport buildings or facilities, and garbage disposal systems. Utility revenue bonds are not a general or full faith and credit obligation of the City and are secured by revenues of the applicable utility undertaking. Debt repayment is from revenues from the appropriate enterprise. A limitation on these bonds is that the prior year’s net revenues must exceed maximum annual debt service by a specific factor. These bonds would be appropriate to use if the City wanted to preserve general obligation capacity for future needs.

Municipal Property Corporation Bonds – These non-voter approved bonds are for all city-approved projects. In essence, the City makes annual payments equal to debt service under a lease-purchase or loan agreement with the Municipal Property Corporation. City payments may be guaranteed by pledge of excise taxes, enterprise revenues or annual appropriations. After the debt is retired, the City receives ownership of the financed project. The Municipal Property Corporation bonds are appropriate to use for (1) mandated projects that the City has no choice, but to complete, (2) projects that are a matter of public safety and welfare which can be backed by a sufficient revenue stream to allow retirement of the debt, or (3) projects which meet a stated economic development goal of the City. Examples of mandates include a required upgrade of a wastewater treatment plant or a landfill closure. Current City of Prescott limitations on this financing technique is that the prior year’s excise tax revenues must exceed maximum annual debt service by two times. Examples of public safety and welfare projects include water storage tanks, water transmission and distribution lines, sewer plant expansions and sewer collection system.

Street and Highway Revenue Bonds (HURF Bonds) are voter-approved bonds that can be used for improving, constructing or maintaining City streets and highways as well as for acquisition of necessary rights of way for street projects. Debt repayment is through use of HURF revenues. The legal limit on the amount of bonds that can be issued is governed by the amount of HURF receipts in that the maximum annual debt service may not exceed two-thirds (three times coverage) of the most recent year’s receipts as long as the bonds are rated “A” or above. If the bonds are rated below “A”, the maximum annual debt service may not exceed 50% of the most recent year’s receipts (two times coverage). Recommendation for issuance of these bonds should be carefully considered since if the maximum allowable were issued (approximately \$15 million); there would not be sufficient yearly revenues available after debt repayment to operate the streets department.

Improvement District Bonds are issued for numerous governmental purposes including financing streets, curbs, gutters, sidewalks, streetlights, wastewater systems, etc. Although the bonds are not subject to voter authorization, they may be rejected by a majority of property owners within the

Debt Policy

boundaries of the designated district. The debt repayment is through assessments levied against property located within the district and the debt is backed by a contingent liability of the City's general fund. One restriction is that the improvements to be made cannot be of general benefit to the City as a whole. These bonds are recommended to be issued to bring unpaved streets to a paved status and installing wastewater systems within neighborhoods.

Investment Policy

City of Prescott Investment Policy

(Resolution 4235-1444)

I. SCOPE OF POLICY

This policy shall govern the investment activities of all funds of the City of Prescott (City), excluding any specific funds cited hereafter, pursuant to Arizona Revised Statutes (ARS) Title 35 Chapter 2.

A. FUND INCLUDED:

All financial assets of all current funds of the City, and any new funds created in the future, unless specifically exempted, will be administered in accordance with the objectives and restrictions set forth in this policy, and accounted for in the Comprehensive Annual Financial Report.

B. POOLING OF FUNDS:

Except for cash in certain restricted and special funds, the City will consolidate cash balances from all funds to maximize investment earnings. Investment income will be allocated to the various funds based on respective participations, and in accordance with generally accepted accounting principles.

II. PRUDENCE

Investments shall be made with judgment and care, under prevailing circumstances, not for speculation, but for investment, considering preservation of the capital as well as the anticipated income to be derived. Investment officials shall apply the "prudent person" standard, in the context of managing an overall portfolio of funds, rather than a single investment. Investment officers acting in accordance with this investment policy and exercising due diligence shall be relieved of responsibility for risk or market price changes, provided deviations from expectations are timely reported to the City Manager of the City, and necessary action is taken consistent with this policy.

III. OBJECTIVES OF POLICY

The primary objectives in priority order, of investment activities, shall be the preservation and safety of principal, liquidity, yield, and to minimize risk of loss.

A. SAFETY:

The foremost and primary objective of the City's investment program is the preservation and safety of capital in the overall portfolio. The objectives will be to mitigate credit risk and interest rate risk. To control credit risk, investments should be limited to the safest types of securities, financial institutions, broker/dealers intermediaries and advisers.

To control interest rate risk, the City shall structure the investment portfolio so that securities mature to meet cash requirements for ongoing operations, and monitor ratings of portfolio positions to assure compliance with requirements imposed by this policy.

B. LIQUIDITY:

The City's investment portfolio shall remain sufficiently liquid to enable the City to meet operating requirements that might be reasonably anticipated. Liquidity will be achieved by matching investment maturities with forecasted cash flow funding requirements, by investing in securities with active secondary markets and by diversification of maturities and call dates. Furthermore, since all possible cash demands cannot be anticipated, a small portion of the portfolio may also be placed in money

Investment Policy

market mutual funds or local government investment pools which offer same day liquidity for short term funds.

C. YIELD:

The City's investment portfolio shall be designed with the objective of regularly exceeding the average rate of return on three month U.S. Treasury Bills. The investment program will seek to augment returns above this threshold consistent with risk constraints identified herein, cash flow characteristics of the portfolio and prudent investment principles. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall not be sold prior to maturity with the following exceptions:

1. A security swap that would improve the quality, yield or target duration in the portfolio.
2. Liquidity needs of the portfolio require that the security be sold.
3. If market conditions present an opportunity for the City to benefit from the sale.

D. RISK OF LOSS:

All participants in the investment process shall seek to act responsibly as custodians of the public trust. Investment officials shall avoid any transactions that might impair public confidence in the City's ability to govern effectively. The governing body recognizes that in a diversified portfolio, occasional measured losses due to market volatility are inevitable, and must be considered within the context of the overall portfolio's investment return, provided that adequate diversification has been implemented.

IV. INVESTMENT STRATEGY

The City intends to pursue an active portfolio management philosophy. Active management means that the financial markets will be monitored by investment officials and investments will be purchased and sold based on the City's parameters for liquidity and market conditions. All marketable securities purchased by the City shall have active secondary markets, unless a specific cash outflow is being matched with an investment that will be held to maturity to meet that obligation. Securities may be purchased as a new issue or in the secondary markets. Securities may be sold before they mature if market conditions present an opportunity for the city to benefit from the trade, or if changes in the market warrant the sale of securities to avoid future losses. Securities may be purchased with the intent from the beginning, to sell them prior to maturity or with the expectation that the security would likely be called prior to maturity under the analyzed market scenario. Market and credit risk shall be minimized by diversification. Diversification by market sector and security types, as well as maturity shall be used to protect the city from credit and market risk in order to meet liquidity requirements.

The portfolio shall be structured to benefit from anticipated market conditions and to achieve a reasonable return. Relative value between asset groups shall be analyzed and pursued as part of the active investment program within the restrictions set forth by this policy.

V. RESPONSIBILITY AND CONTROL

A. DELEGATION:

Management and oversight of the investment program have been delegated to the Finance Director, who has the authority to delegate authority to persons responsible for the daily cash management operation, the execution of investment transactions, overall portfolio management and investment reporting in a manner consistent with this investment policy.

B. SUBORDINATES:

All persons involved in investment activities shall be referred to as "investment officials". No person shall engage in an investment transaction except as provided under the terms of this policy as

Investment Policy

delegated by Finance Director to withdraw, transfer, deposit, or invest the City's funds. The City Council, by adopting this policy, has authorized the Finance Director to appoint these individuals.

C. CONFLICTS OF INTEREST:

Investment officials and employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution and management of the investment program, or which could impair their ability to make impartial investment decisions. Investment officials and employees shall refrain from undertaking personal investment transactions with the same individual with whom business is being conducted on behalf of the City. THIS POLICY EXPRESSLY INCORPORATES THE PROVISIONS OF ARS TITLE 38, CHAPTER 3, ARTICLE 8.

D. DISCLOSURE:

Investment officials and employees shall disclose to the Finance Director any material financial interest in financial institutions that conduct business with the City. Investment officials and employees shall further disclose any material personal investment positions that could be related to the performance of the City's investment portfolio. Investment officials and employees shall subordinate their personal investment transactions to those of this jurisdiction, particularly with regard to the timing of purchases and sales. An investment official who is related within the second degree by affinity or consanguinity to individuals seeking to sell an investment to the city shall file a statement disclosing that relationship.

E. INVESTMENT TRAINING:

Investment officials shall have a finance, accounting, or related degree and knowledge of treasury functions. Investment training is important in the management of the treasury function and should include education in investment controls, security risks, strategy risks, market risks, and compliance with state investment statutes.

VI. AUTHORIZED INVESTMENTS

Funds of the City may be invested in the eligible investments identified in ARS 35-323 (A) for the maximum maturity allowed by Section VIII (B) of this policy. The City's deposits will be collateralized in accordance with ARS 35-323.

VII. INVESTMENT REPORTS

The Finance Director shall submit semiannually an investment report including a management summary that provides an analysis of the status of the current investment portfolio with a comparison to the average three-month US Treasury Bill.

VIII. PORTFOLIO AND INVESTMENT ASSET PARAMETERS

A. INVESTMENT SELECTION PROCESS:

Investment officials for the City shall use the best method they determine to be the most advantageous for purchasing and selling investments.

B. MAXIMUM MATURITIES:

Investments shall be managed to meet anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not directly invest in securities maturing more than ten years from the date of purchase.

Investment Policy

C. TARGET DOLLAR-WEIGHTED AVERAGE MATURITY:

Under most market conditions, the composite portfolio will be managed to target a three year dollar-weighted average maturity. However, under certain market conditions, investment officials may need to shorten or lengthen the average life or duration of the portfolio to best serve the City's finances.

IX. SELECTION OF DEPOSITORY, FINANCIAL INSTITUTIONS AND BROKER/DEALERS

A. BIDDING PROCESS:

Depositories shall be selected through the City's banking services procurement process, which shall include a formal request for proposal (RFP). In selecting depositories, the credit worthiness of institutions shall be considered, and the Finance Director shall conduct a comprehensive review of the prospective depository's credit characteristics and financial history. No public deposit shall be made except in a qualified public depository as established by state depository laws. The depository bank bid will not include bids for investment rates on certificates of deposit. Certificate of deposit rates will be shopped competitively among qualified financial institutions.

B. INSURABILITY:

Banks and Savings and Loan Associations seeking to establish eligibility for the City's competitive certificate of deposit purchase program, shall submit financial statements, evidence of federal insurance and other information as required by the investment officials of the City.

X. SAFEKEEPING AND CUSTODY OF INVESTMENT ASSETS

All security transactions entered into by the City shall be conducted using the delivery vs. payment (DVP) basis. That is, funds shall not be wired or paid until verification has been made that the safekeeping bank received the correct security. The safekeeping, or custody, bank is responsible for matching instructions from the City's investment officials on an investment settlement, with what is wired from the broker/dealer, prior to releasing the City's designated funds for a given purchase. The security shall be held in the name of the City, or held on behalf of the City in a bank nominee name. A third party custodian designated by the Chief Financial Office and evidenced by safekeeping receipts will hold securities. The safekeeping bank's records shall assure the notation of the City's ownership of, or explicit claim on, the securities. The original copy of all safekeeping receipts shall be delivered to the City. A safekeeping agreement that clearly defines the responsibilities of the safekeeping bank must be in place.

Pension Funding Policy

City of Prescott Pension Funding Policy

(Council Adopted May 8, 2018 with Resolution 2018-1637)

The intent of this policy is to clearly communicate the Council pension funding objectives and its commitment to our employees and the sound financial management of the City.

The Government Finance Officers Association (GFOA) recommends the adoption of a pension funding policy that address three core elements:

- Actuarial cost method - the technique used to allocate the total present value of future benefits over an employee's working career (normal cost/service cost).
- Asset smoothing method - the technique used to recognize gains or losses in pension assets over some period of time so as to reduce the effects of market volatility and stabilize contributions.
- Amortization policy - the length of time and the structure selected for increasing or decreasing contributions to systematically eliminate any unfunded actuarial accrued liability or surplus.

In addition to the items identified by the GFOA, this policy also addresses the Council's position on:

- Pension funding goal
- Funding pension cost

Several terms are used throughout this policy:

Unfunded Pension Liability (UPL) – Is the difference between trust assets and the estimated future cost of pensions earned by employees. This UPL is from actual results (interest earnings, member mortality, disability rates, etc.) being different from the assumptions used in previous actuarial valuations.

Annual Required Contribution (ARC) – Is the annual amount required to pay into the pension funds, as determined through annual actuarial valuations. It is comprised of two primary components: normal pension cost – which is the estimated cost of pensions earned by employees in the current year; and, amortization of unfunded pension liability – which is the cost needed to cover pensions earned by employees in previous years, which is collected over a period of time (amortized). The ARC is a percentage of the current payroll.

Funded Ratio – Is a ratio of fund assets to actuarial accrued liability. The higher the ratio the better funded the pension is with 100% being fully funded.

The City's police and fire employees, who are regularly assigned hazardous duty, participate in the Public Safety Personnel Retirement System (PSPRS). All other eligible employees are covered by the Arizona State Retirement System (ASRS).

Pension Funding Policy

Public Safety Personnel Retirement System (PSPRS)

PSPRS is administered as an agent multiple-employer pension plan. This means that even though there is statewide uniform administration each agency has an individual trust fund where their assets are deposited and from which their expenses are paid. The City of Prescott has two trust funds, one for police employees and one for fire employees. This type of pension results in each trust fund having its own funded ratio and contribution rate based on their individual annual actuarial valuation.

The three core elements outlined by the GFOA guidance are addressed by the statewide PSPRS board and discussed in the annual individual actuarial valuations in section G, which can be found on the PSPRS website. <http://www.psprs.com/investments--financials/annual-reports>

Council formally accepts the assets, liabilities, and current funding ratio of the City's PSPRS trust funds from the June 30, 2017 actuarial valuation, which are detailed below:

Trust Fund	Assets	Accrued Liability	Unfunded Pension Liability (UPL)	Funding Ratio
Prescott Fire Dept. (023)	\$ 23,772,487	\$ 68,884,282	\$ 45,111,795	34.5%
Prescott Police Dept. (024)	13,521,830	54,842,643	41,320,813	24.7%
City of Prescott Total	\$ 37,294,317	\$ 123,726,925	\$ 86,432,608	30.1%

PSPRS Funding Goal

Pensions that are less than fully funded puts the cost of service provided in earlier periods (amortization of UPL) on the current taxpayers. Fully funded pension plans are the best way to achieve taxpayer and member equity with the current cost of employee pension being paid in the period they are earned and by the taxpayers receiving the services from those employees.

The Council's PSPRS funding ratio goal is 100% (fully funded) by June 30, 2028. Council established this goal for the following reasons:

- The PSPRS trust funds represent only the City of Prescott's liability
- The fluctuating cost of an UPL causes strain on the City's budget affecting our ability to provide services
- A fully funded pension is the best way to achieve taxpayer and member equity

Council has taken the following actions to achieve this goal:

- Made additional payments above the ARC – since July 1, 2017, Council has made additional payments above the ARC from General Fund reserves and sales of unneeded assets totaling \$11.6 million. Additionally, during the annual budget process the Council will evaluate the General Fund fund balance to determine if any unassigned balance can be used to pay down the UPL in advance of the 20 year amortization period.
- Maintain ARC payment from operating revenues – Council is committed to maintaining the full ARC payment (normal cost and UPL amortization) from operating funds. The estimated combined ARC for FY19 is \$7.7 million and will be able to be paid from operating funds without diminishing City services.
- Dedicated revenue – Council proposed, and the voters approved, a dedicated sales tax of 0.75% effective January 1, 2018, to pay down the unfunded PSPRS pension liability. This dedicated sales tax is to remain in effect for ten years (until December 31, 2027) or until the combined unfunded pension liability of the City's two PSPRS trust funds is \$1.5 million.

Based on these actions, the Council plans to achieve its goal of 100% funding by June 30, 2028, 10 years ahead of what was previously anticipated by PSPRS.

Pension Funding Policy

Funding PSPRS Pension Cost

It is the Council's policy that funding of the ARC from operating revenues will be a priority during the annual budget process, before any other service enhancements are considered.

Arizona State Retirement System (ASRS)

ASRS is administered as a cost-sharing multiple-employer pension plan. This means that all agencies statewide are part of the same trust which is administered by a single administrator. In this type of pension, the funded ratio and contribution rates are the same for all participating entities. The City of Prescott is approximately 0.2% of the total system.

The three core elements outlined by the GFOA guidance are address by the statewide ASRS board and discussed in the annual actuarial valuations in appendix III, which can be found on the ASRS website. <https://www.azasrs.gov/content/annual-reports>

ASRS Funding Goal

Since the ASRS trust fund is comprised of all participating agencies there is no ability for the City of Prescott to address its individual funded ratio.

Funding ASRS Pension Cost

It is the Council's policy that funding of the ARC from operating revenues will be a priority during the annual budget process, before any other service enhancements are considered.

Budget Preparation Process Overview

Each year, using a modified zero-based budgeting process, the City of Prescott's budget is developed by the Budget and Finance Department in conjunction with the individual departments, the City Manager, the Mayor and Council, citizen advisory groups, and citizen input.

Purpose of the Budget

The fundamental purpose of the City's budget is to link what we want to accomplish for the community with the resources necessary to do so. The budget process does this by setting City goals and objectives, establishing reasonable timeframes and organizational responsibility for achieving them, and allocating resources for programs and projects. To this end, the budget serves four roles:

- **Policy Document.** Sets forth goals and objectives to be accomplished and the fundamental fiscal principles upon which the budget is prepared.
- **Fiscal Plan.** Identifies and appropriates the resources necessary to accomplish objectives and deliver services and ensures that the City's fiscal health is maintained.
- **Operational Plan.** Describes the organizational units and activities of the City. The City is made up of departments and departments' subunits are called divisions. The budget describes each department and division, including a mission, description of services, goals/objectives, performance measurement.
- **Communications Tool.** Provides the public with a blueprint of how public resources are being used and how these allocations were made.

Major City Goals

Linking important objectives with necessary resources requires a process that identifies key goals at the very beginning of the budget preparation. The City begins this process with Mayor and City Council meetings and setting the goals that guide the departments in their budget preparation. City staff then prepares the proposed budget based on the Council's policy guidance.

Financial Plan Policies

Formally articulated budget and fiscal policies provide the foundation for preparing and implementing the budget while assuring the City's long-term fiscal health. Included in this budget document, these policies include budget, debt and investment policies.

Preparation and Review Process

The budget development is directed by the City Manager, Finance Director and Budget Manager along with the City's department heads. The following discusses the general approach under the City's budget process:

The Budget and Finance Department provides department/division heads, supervisors, and budget coordinators with instructions and guidance in developing and submitting their budgets. This includes instructions and information regarding the preparation of the Five-Year Capital Improvement Plan.

Base budgets (the costs associated with providing current levels of service for the following year) are submitted by the departments to the Budget and Finance Department. Additional decision packages submitted include requests for new positions, organizational structure changes, capital outlay and projects. Payroll forecasts are prepared by the Accounting Services Division. Input was provided by the departments concerning temporary/seasonal employment needs as well as overtime requirements. Lists of capital outlay and projects budgeted for the prior fiscal year but not expected to be received are provided budget for the next fiscal year.

Budget Preparation Process Overview

Meetings with each department, the City Manager, and the Budget and Finance Department for the purpose of internal review of base budgets, additional decision packages, and any issues that may affect the budget are held. During these meetings the Five-Year Capital Improvement plan and any management changes to the department's budget requests are initially discussed.

After these meetings are completed, a proposed balanced budget is prepared for submittal to the Council and public at workshops. The official budget adoption occurs after these workshops with the following milestones:

- Expenditure Limit Hearing: The City currently operates under the Home Rule Option which has been approved by the voters. As part of that process, a public hearing is mandatory. The public hearing time and location is set at Tentative Budget adoption.
- Tentative Adoption: Council adopts a tentative budget and sets the date for the public hearing on the final budget, expenditure limitation, and tax levy for next fiscal year. The tentative budget is the estimated amounts required to meet the public expense for the City of Prescott. Adopting a tentative budget is required by City Charter and State Law (adoption required on or before the 3rd Monday in July of each Fiscal year). Once the tentative budget is adopted, the expenditures may not increase upon final adoption, but may be decreased.
- Truth and Taxation: In compliance with section 42-17107, Arizona revised statutes; the City of Prescott notifies its property taxpayers of the city of Prescott's intention to raise its primary property taxes over last year's level.
- Final Budget Adoption, Adoption of the Five-Year Capital Improvement Plan, Adoption of City Job Roster, Establishment of Expenditure Limitation: The final budget is adopted along with the five-year capital improvement plan and the city job roster. The expenditure limitation is established along with the department and fund level appropriations.
- Property Tax Levy: Adoption of the property tax levy ordinance follows not less than fourteen days later than the final budget adoption, in accordance with State law.

Interim Financial and Project Status Reports

The Budget and Finance Director presents a mid-year budget report to the Mayor and Council at a public workshop either January or February. Throughout the year, real time access to financial information is provided to staff throughout the organization's financial system.

Administration

As set forth in the City Charter, the control of the budget is with the department. The City Manager may transfer any unencumbered appropriation between divisions within a department. Only the Council may transfer an unencumbered appropriation balance or portion thereof from one department to another or between funds. Any revisions that alter the total expenditures of any fund must be approved by the City Council. The legal level at which expenditures may not legally exceed appropriations is the department and fund level.

Budget Preparation Process Overview

Budget Preparation Calendar

A calendar is prepared for the annual budget development. This budget year's budget calendar for budget preparation is presented on the next page.

Budget Preparation Calendar

<u>Date</u>	<u>Description</u>
December 15, 2017	IT Project Requests for FY19
January 18, 2018	Budget “Kick-off” meeting for departments
January 29-Feb 2, 2018	City Manager strategic planning meetings, next year goals and objectives
February 16, 2018	Department & division missions, next year objectives, performance measurements, and org charts
February 23, 2018	Base budgets due – next fiscal year requests, current fiscal year estimated endings
March 2, 2018	New personnel and reclassifications of existing personnel request
March 9, 2018	Capital requests for next fiscal year and Five Year Capital Improvement Plan due
	Anticipated applications for next fiscal year grants and current fiscal year grant estimated endings due
March 16, 2018	City-wide fee schedule proposed changes due
April 19-27, 2018	City Manager meetings with departments to review budget, decision packages, and department operational plans.
May 22, 2018	Annual Council Workshop (public invited) – Part 1 (Budget Summary and Operations)
May 29, 2018	Annual Council Workshop (public invited) – Part 2 (Capital)
June 1, 2018	List of prior year key results and outcomes due
June 26, 2018	Set public hearing on expenditure limitation and tentative adoption
July 10, 2018	Official public hearing on budget and adoption of budget
July 24, 2018	Adoption of tax levy

Budget Basis of Accounting and Budget Amendments

Budget Basis of Accounting

The basis of budgeting is the method used to determine when revenues and expenditures are recognized for budgetary purposes.

Fund statements in the Comprehensive Annual Financial Report (CAFR) are presented on the basis of “generally accepted accounting principles” (GAAP). GAAP dictates that Governmental Funds use the modified accrual basis of accounting. Revenues are recognized when they become measurable and available to finance City operations. “Available” means “collectible” within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are generally recognized when the related fund liability is incurred. The accrual basis of accounting is used for Proprietary Funds. Revenues are recognized in the accounting period in which they are earned and become measureable. Expenditures are recognized when they are incurred.

The City of Prescott Budget is prepared and presented substantially consistent with generally accepted accounting principles (GAAP). The major differences between accrual basis accounting for Proprietary Funds and the budget basis of accounting are:

1. Accrued compensated absences are not recognized as expenditures for budgetary purposes, for GAAP they reported as expenses and accrued liabilities.
2. Debt service principal payments are treated as expenditures in budgetary accounting, in GAAP accounting they would be applied to outstanding liabilities.
3. Capital grants are budgeted as revenues, for GAAP as non-operating contributions.
4. Depreciation is not considered expenditure in budgetary accounting, on a GAAP basis for depreciation expense is recorded.
5. Capital outlay is treated as expenditures in budgetary accounting and an asset in GAAP.

Amending the Budget

Control of each legally adopted annual budget, according to City Charter, is at the department level. The City Manager may at any time transfer any unencumbered appropriation balance or portion thereof between general classifications of expenditure (object codes) within an office, department or agency. The City Manager generally gives authority to department heads to exceed one line item as long as other line items are reduced by a like amount. These arrangements are usually made directly between the requesting department and the Budget and Finance Department. At the request of the City Manager, the Council may transfer any unencumbered appropriation balance or portion thereof between funds.

Fund Summaries

Fund Structure.....	46
Overall City Budget Summary.....	49
General Fund	55
Special Revenue Funds	62
Debt Service Funds.....	70
Enterprise Funds	71
Internal Service Funds	85
City Debt Summary	87

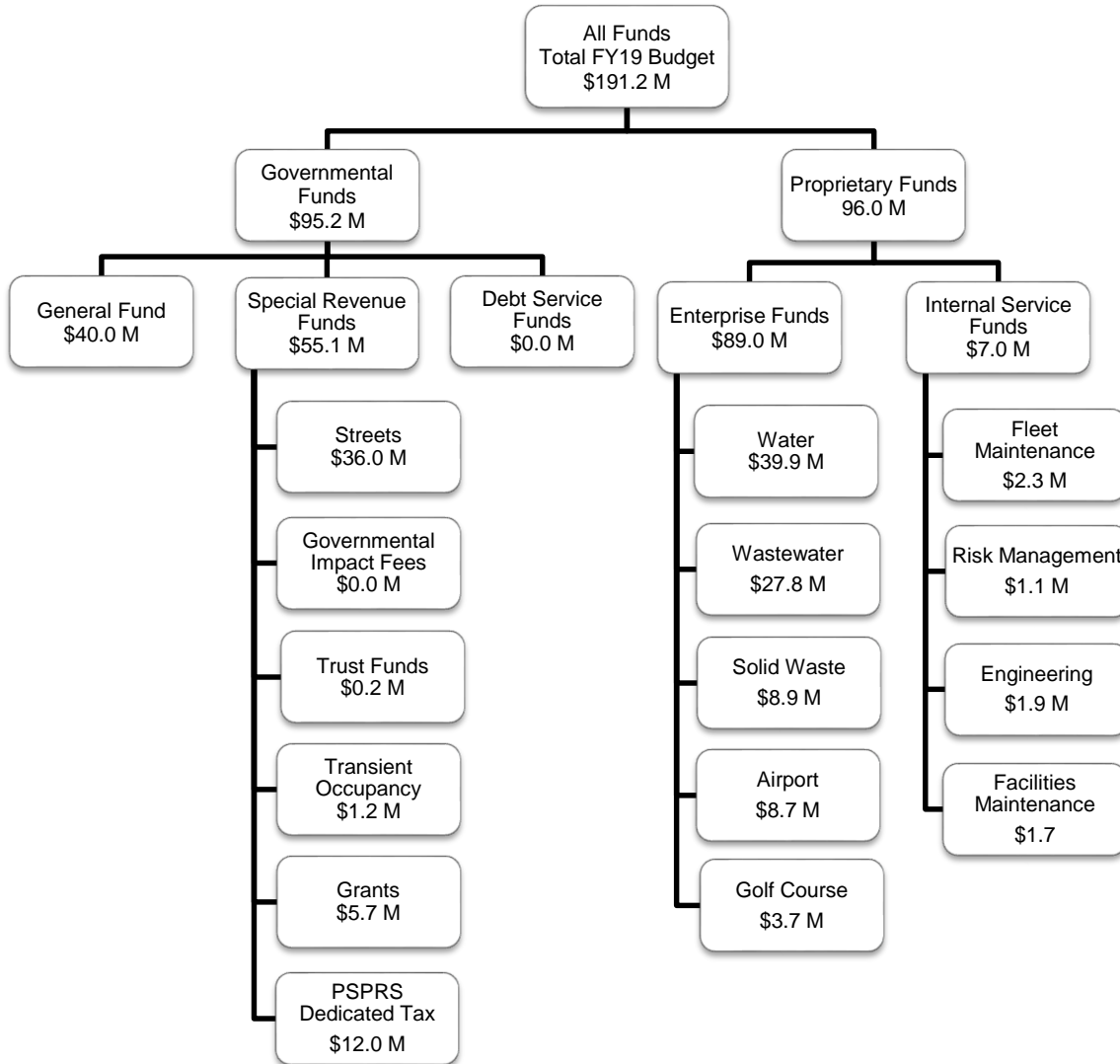


Fund Summaries

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Fund Structure

The accounts of the City are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The City of Prescott uses the following funds in its budget process:



The **General Fund** is established for the revenue and expenditures necessary to carry out basic governmental activities of the City such as police protection, recreation, planning, legal services, administrative services, etc. General Fund expenditures are made primarily for current day-to-day operating expenses and operating equipment. Capital expenditures for large-scale public improvements such as parks or streets are accounted for elsewhere in the Special Revenue Funds, Capital Project Funds, or Enterprise Funds.

Special Revenue Funds are used to account for revenues derived from specific taxes or other earmarked revenue sources. These funds are usually required by statute, charter provision or ordinance to finance particular functions or activities. The Special Revenue funds listed below are used by the City of Prescott.

Fund Structure

Streets– 1% Additional Tax and Highway User Revenues – Revenue for this fund is provided by the voter approved additional transaction privilege tax and City's share of State gasoline taxes (Highway User Revenue Funds), both restricted for maintaining and constructing streets. The accumulation and expenditure of these funds are accounted for in this area.

Impact Fee Funds (Governmental) – These funds represent accounts to expend impact fees received to offset the cost of growth related projects. These fees are no longer collected as of August 1, 2014. Some fund balance remains will be used when projects are identified.

Trust Funds - Gifts and Donations Fund and Acker Trust Fund – The Gift and Donations Fund provide an account to track any contributions for miscellaneous gifts which the City may receive as well as the expenditures made. The Acker Trust Fund accounts for the assets willed to the City by J.S. Acker. Revenue from investments and land sales are to be expended for cultural and recreational purposes only.

Transient Occupancy Tax Fund – In 1987 the voters established a two percent (2%) transient occupancy (hotel/bed) tax. It was increased to three (3%) percent in 2007. By ballot provision, these revenues can only be used for tourism promotion and development of recreational facilities.

Grants Fund – This represents grant reimbursed expenditures for various projects. Grant funds must be used for the stated purpose of the grant and must meet grantor expenditure guidelines.

PSPRS Dedicated Tax – Revenue for this fund is provided by the August 2017 voter approved 0.75% additional transaction privilege tax to pay down the unfunded Public Safety Personnel Retirement System pension liability. The tax takes effect on January 1, 2018, and ends the earlier of December 31, 2027, or at such time as the City's PSPRS unfunded liability is \$1.5 million or less as determined by actuarial value.

Debt Service Funds are established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. The City of Prescott's Debt Service Fund was established during FY1999 to pay for the principal and interest of general obligation debt for the police station construction and the Watson and Willow Lakes water rights and land purchase as well as improvement district bond payments. The general obligations are paid in full after FY2017. Remaining will be debt service on a few small wastewater special assessment districts.

Enterprise Funds are established to account for operations that (1) are financed and operated in a manner similar to private business operations where the intent of the City is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or (2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The City of Prescott has five enterprise funds as follows:

Water Fund – To account for the provision of water services to the residents of the City and some residents of the County. All activities necessary to provide for water services are accounted for in this fund.

Wastewater Fund – Previously this fund was combined with the Water Fund. However, beginning in FY1994 this fund accounts for the provision of wastewater services to the residents of the City. All activities necessary to provide for wastewater services are accounted for in this fund.

Fund Structure

Solid Waste Fund – To account for solid waste services provided to City residents along with the operations of the City's transfer station facility that opened in September, 1991. All activities necessary to provide these services are accounted for in this fund.

Airport Fund – To account for the provision of airport services to the general aviation and commercial flying public. Services include fueling, hangar and tie down rentals, etc.

Golf Course Fund – To account for the provision of year-around golf to the residents of the City, County and visitors to the area. On April 8, 2014, the city Council approved a five-year management agreement beginning May 1, 2014. Billy Casper Golf will operate golf-related activities, including the pro shop, driving range, carts, cart barn and restaurant at the 36-hole facility, while the City will continue to be responsible for golf-course maintenance and capital improvements. The public-private partnership with Billy Casper Golf is designed to bring a new approach to the management of Antelope Hills. The company will utilize its purchasing efficiencies, lower operating costs, marketing strength, and customer-service training to assure enjoyable guest experiences.

Internal Service Funds are used to account for services and commodities furnished by one department to other departments of the City on a cost-reimbursement basis.

Fleet Maintenance – To account for the cost of operating a maintenance facility for automotive and other equipment used by various departments. These costs are billed to the various using departments. The various user departments who acquire automotive and other equipment are responsible for replacement costs.

Risk Management – To account for the costs, both direct and indirect, of maintaining comprehensive property damage and general liability and workers' compensation insurance coverage. Revenue to this fund is derived from charges to City departments.

Engineering Services – To account for the direct and indirect costs of the Engineering Division of Public Works, which provides engineering services for the capital projects and other departments of the City. Revenue to this fund is derived from charges to City departments and projects based on the work performed.

Facilities Maintenance – To provide maintenance and custodial service to all city owned facilities.

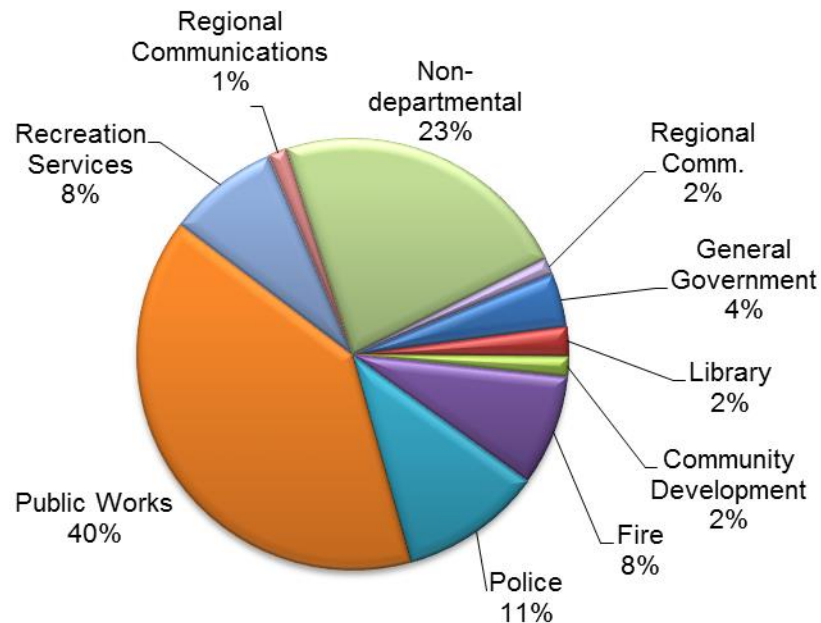
Overall City Budget Summary

The Fiscal Year 2019 (FY2019) Budget consists of four components – operating budget, capital budget, internal service, PSPRS related budgets and contingency.

	FY18 Budget	FY19 Budget	% Budget Change
Operating	\$ 79,742,602	\$ 79,998,399	0.3%
Capital	73,446,495	82,335,713	12.1%
Internal Service	10,006,379	6,940,679	-30.6%
PSPRS Unfunded ARC	6,425,622	6,968,266	8.4%
PSPRS Additional Payment	11,200,000	-	-100.0%
PSPRS 0.75% Tax	6,000,000	12,000,000	100.0%
Grant Contingency	2,032,153	3,027,708	49.0%
Total	\$ 188,853,251	\$ 191,270,765	1.3%

The operating budget is \$79,998,399 representing a 0.3% increase from FY2018. The operating budget is comprised of the costs to continue operations from year to year without any capital expenditures. It encompasses all the basic services provided to Prescott's residents: police and fire protection; recreation services; library services; water; wastewater; solid waste collection including recycling; streets maintenance; planning and zoning; building inspection; economic development; and administrative services. The increase in operating budget increase reflects adjustments in personnel compensation with the market compensation plan, and cost increases necessary to continue to provide City Services at equal or better levels. Below is a chart that depicts the operating budget by department.

FY19 Operating Budget by Department



Overall City Budget Summary

The second component, the capital budget, is \$82,335,713, a 12.4% increase from FY2018. Capital expenditures are non-routine, one time expenditures for purchase or projects with a value over \$5,000 and estimated useful life over one year, mainly infrastructure improvements for utility and streets projects in the Five-Year Capital Improvement Plan. Capital budgets tend to rise and fall each year depending on the timing of projects – especially as Prescott is primarily on a “pay-as-you-go” program.

The other components include internal service and contingency. The internal service budget includes Facilities, Fleet, Risk Management, and Engineering. These services are provided internally and internal charges are included in the budget of each department. The decrease in FY2019 is related to bond refunding for the fleet maintenance facility which occurred in FY2018.

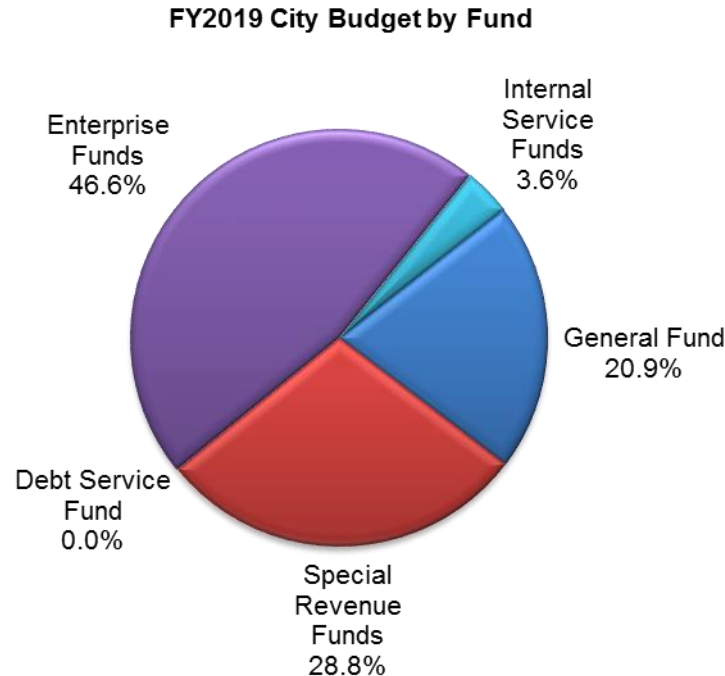
In the overall budget summary, the majority of the PSPRS related payments are itemized separately. However, the normal pension cost is budgeted in department's operational budget. The normal pension cost is the cost of benefits earned in the current year. The City's unfunded liability relates to prior earned pensions that are not sufficiently funded. The City is aggressively paying down this liability through additional payments and revenue from a dedicated sales tax.

	FY2018	FY2019
	<u>Projected</u>	<u>Budget</u>
PSPRS Annual Required Contribution		
Normal Pension Cost	\$ 1,331,707	\$ 1,291,661
Unfunded Liability	6,425,622	6,968,266
Total ARC - from Operating Budgets	7,757,329	8,259,927
Additional Payments		
General Fund - Fund Balance	11,000,000	-
Proceeds from sale of assets		
Sale of Fire Station #7	579,625	-
Sale of Hotshot Buggies	25,000	-
3/4 cent PSPRS Tax	6,000,000	12,000,000
Total Additional Payments	17,604,625	12,000,000
Total Contributions	\$ 25,361,954	\$ 20,259,927

Grant contingency consists of a budget for potential grants that departments are pursuing. The grants that are likely to be awarded or are ongoing are budgeted in each department's budget.

Overall City Budget Summary

The total budget for FY2019 is \$191,270,765, including all funds. The proportionate share of each fund type is displayed in the pie chart below:



The City of Prescott's budget is funded through multiple sources. The three main sources of revenue are charges for services, taxes, and intergovernmental revenues. Some of these sources are restricted and can only be used for certain types of expenditures while others are not restricted and can be used for general operations. Except for the General Fund, which pays for police, fire, recreation, and library services, all other City revenues are restricted by purpose. Enterprise funds such as water, sewer, golf course, and airport charges can only be used to provide services directly related to the rates and fees paid. Special Revenue funds such as the Streets Fund and Bed Tax Fund are also restricted to a specific purpose. The categories below include all funds and revenues will be discussed in more detail on the fund level.

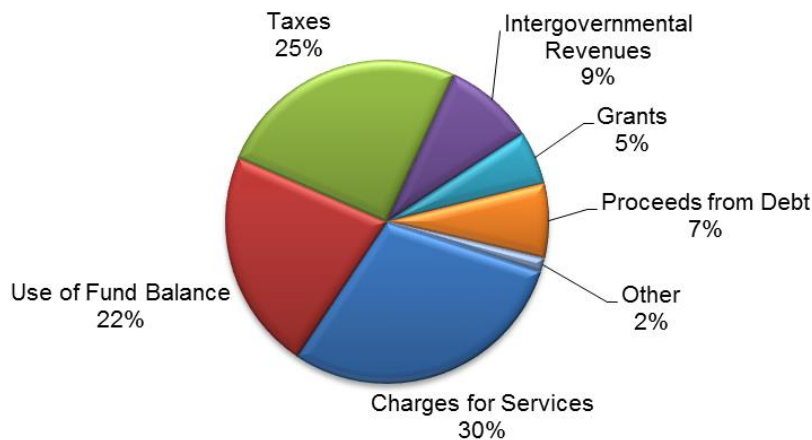
Overall City Budget Summary

City-wide Funding Sources

The next table summarizes the overall City of Prescott budget by fund with revenues, other financing sources, expenditures, and total fund balance.

Funding Source Category	FY18 Budget	FY19 Budget	FY19 % of Total
Charges for Services	\$ 55,719,618	56,210,973	29%
Taxes	40,452,475	48,461,505	25%
Intergovernmental Revenues	16,687,613	17,507,334	9%
Grants	7,236,070	10,294,228	5%
Proceeds from Debt	11,936,713	14,100,000	7%
Use of Fund Balance*	54,176,876	42,022,072	22%
Other			
Miscellaneous	1,213,636	1,148,313	1%
Licenses and Permits	966,850	1,063,590	1%
Fines and Forfeitures	463,400	462,750	0%
Total Funding Sources	\$ 188,853,251	\$ 191,270,765	

*One time expenditures such as capital and payments towards unfunded pension liability



Overall City Budget Summary

Overall City Budget Summary					
	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Budget Change
Revenues					
General Fund	\$ 36,651,334	\$ 37,076,704	\$ 37,768,249	\$ 37,916,839	2.3%
Streets	20,517,516	19,032,595	20,675,095	20,897,094	9.8%
Transient Lodging	967,217	951,000	1,002,162	1,051,000	10.5%
PSPRS Dedicated Tax Contingency	-	6,000,000	6,000,000	12,000,000	100.0%
Grants	841,425	4,293,670	2,112,663	5,038,661	17.4%
Trust Funds	100,496	55,605	102,135	94,595	70.1%
Impact Fees	35,438	43,000	33,000	33,000	-23.3%
Debt Service (GO/Spec. Asses.)	47,001	5,731	6,078	5,576	-2.7%
Water	18,266,220	18,673,695	18,673,695	18,873,674	1.1%
Wastewater	13,462,034	14,149,500	14,149,500	14,398,500	1.8%
Solid Waste	6,931,810	7,230,700	7,552,088	7,538,020	4.3%
Airport	2,784,019	4,642,240	2,523,996	6,948,033	49.7%
Golf Course	3,033,643	3,357,935	3,277,139	3,388,937	0.9%
Internal Service Funds	6,329,367	10,064,000	7,046,071	6,964,764	-30.8%
Total Revenues	109,967,520	125,576,375	120,921,871	135,148,693	7.6%
Debt Proceeds					
WIFA Loans	39,469	8,600,000	4,538,000	14,100,000	64.0%
Lease Financing	-	500,000	-	-	
Total Debt Issues	\$ 39,469	\$ 9,100,000	\$ 4,538,000	\$ 14,100,000	54.9%
Total Revenues and Debt Proceeds	\$110,006,989	\$134,676,375	\$125,459,871	\$149,248,693	10.8%
Expenditures					
General Fund	\$ 34,816,260	\$ 49,821,004	\$ 48,275,404	\$ 40,021,056	-19.7%
Streets Fund	20,826,735	33,854,974	27,287,263	35,956,445	6.2%
Transient Lodging	812,236	1,359,348	778,101	1,207,267	-11.2%
PSPRS Dedicated Tax Contingency	-	6,000,000	6,000,000	12,000,000	100.0%
Grants	991,046	4,251,370	2,122,514	5,757,259	35.4%
Trust Funds	151,664	164,096	108,166	224,074	36.6%
Impact Fees	62,724	283,000	280,887	-	-100.0%
Debt Service	193,411	5,731	5,731	5,576	-2.7%
Water	15,316,388	39,847,408	29,266,472	39,933,908	0.2%
Wastewater	13,753,097	23,767,061	17,935,679	27,766,201	16.8%
Solid Waste	7,542,788	9,069,615	8,503,191	8,928,462	-1.6%
Airport	3,405,074	5,360,151	3,008,090	8,747,896	63.2%
Golf Course	3,224,360	4,178,114	3,924,414	3,716,942	-11.0%
Internal Service Fund	7,139,613	10,891,379	10,733,114	6,975,679	-36.0%
Total Expenditures	\$108,235,396	\$188,853,251	\$158,229,026	\$191,240,765	1.3%
Ending Balance, 6/30					
Net Change in Fund Balance	\$ 1,771,594	\$ (54,176,876)	\$ (32,100,425)	\$ (47,301,808) *	
Fund Balance - Beginning	124,105,544	125,877,138	125,877,138	93,776,713	
Fund Balance - Ending	\$125,877,138	\$ 71,700,262	\$ 93,776,713	\$ 46,474,905	

Overall City Budget Summary

Fund balance includes all revenues and expenses due at year end but not yet received or paid, and represents the available resources in a government. Fund balance is separated into reserved, which can be used only for a specific purpose, and unassigned, which can be used for any public purpose identified by Council.

For the beginning of FY 2019, the City's estimated fund balance at July 1, 2018 is \$93.7 million and is summarized below:

City Estimated Fund Balance Summary

	General Fund	Bed Tax, Grants, Trust, Debt Service and Impact	Streets Fund	Utilities	Solid Waste Fund	Internal Service
Fund Balance 7/1/18	\$ 21,849,557	\$ 4,317,511	\$ 16,616,396	\$ 44,598,958	\$ 3,719,231	\$ 2,675,060
Operating Surplus (Deficit)	160,841	-	11,317,762	8,673,616	(154,592)	24,085
FY19 Budgeted Capital Uses	(2,688,744)	(322,658)	(26,677,113)	(28,951,551)	(1,235,850)	(35,000)
Golf Course Transfer	(328,005)	-	-	-	-	-
Airport Transfer	(1,774,863)	-	-	-	-	-
Internal Loan Elimination	(5,309,736)	-	-	-	-	-
Ending Balance 6/30/19	\$ 11,909,050	\$ 3,994,853	\$ 1,257,045	\$ 24,321,023	\$ 2,328,789	\$ 2,664,145
Ending Balance Detail						
Reserved						
Operations (Policy)	\$ 7,569,418	\$ -	\$ 1,257,045	\$ 2,449,538	\$ 769,261	\$ -
Long-term Obligations	2,186,807	-	-	4,186,363	1,484,930	-
Capital Projects	-	2,835,286	-	17,685,122	74,598	-
Specific Programs	-	1,159,567	-	-	-	2,664,145
Unassigned	2,152,825	-	-	-	-	-
Ending Balance 6/30/19	\$ 11,909,050	\$ 3,994,853	\$ 1,257,045	\$ 24,321,023	\$ 2,328,789	\$ 2,664,145

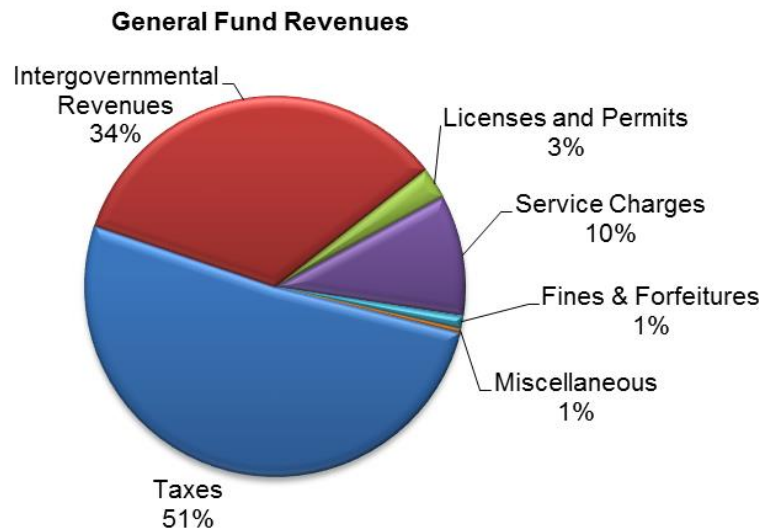
The FY2019 budget has identified the use of \$42 million from fund balance relating to a one time use for capital expenditures, or specific projects. Also, in the general fund, \$5.3 million of fund balance relates to an internal loan to the golf course which is budgeted for elimination. The remaining City wide fund balance is \$46.4 million at the end of FY2019. The fund balance levels are sufficient to maintain adequate cash flow and a reserve to cover unanticipated expenditures and revenue shortfalls.

General Fund

The General Fund is the chief operating fund of the City. The fund provides for basic governmental services including administration, legal, council, finance, police, fire, library, recreation services, and community development. This section describes revenues and expenditures and identifies trends.

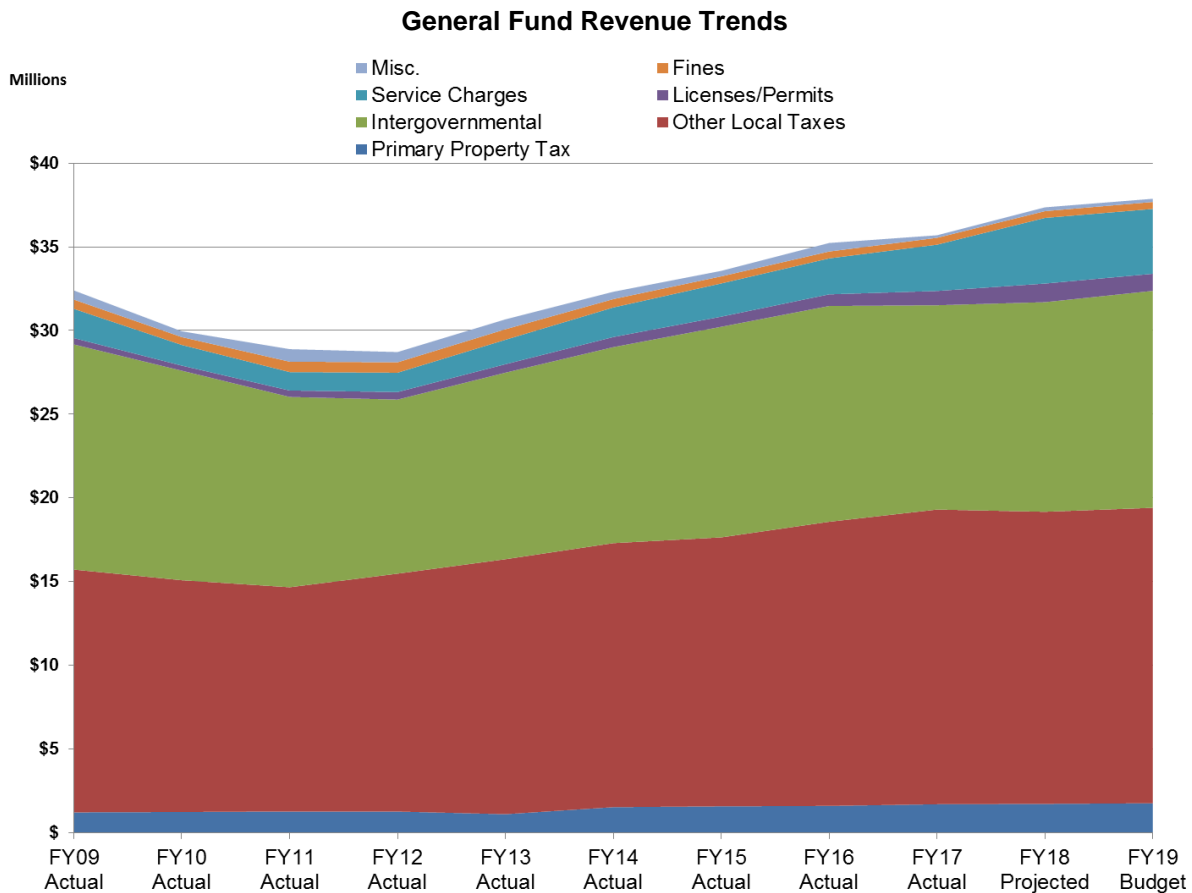
Revenue and Trends

The General Fund source of revenues is primarily (85%) City and state-assessed taxes which have no correlation to service demand. These taxes include the local 1% transaction privilege tax, primary property tax, intergovernmental (state shared) revenues, and franchise taxes. Service charges, licenses and permits, fines, and miscellaneous revenues total 15% of the General Fund revenues. The proportionate share of revenues for the general fund is depicted below.



The next chart depicts revenue trends on an aggregate basis. During the recession, tax revenues decreased as the economy slowed and taxable activity declined. In FY19, we are projecting the total revenues to exceed the previous peak level in FY07.

General Fund



Taxes

Transaction Privilege (Sales) Tax

Arizona's cities and towns have authority granted by the State to establish certain taxes or revenue purposes. The local transaction privilege tax, commonly referred to as sales tax, is one of the main sources of local taxes. City of Prescott's Charter (Article VI, Section 7) authorizes the City to levy a local sales tax and requires voter approval for a local rate in excess of 1%.

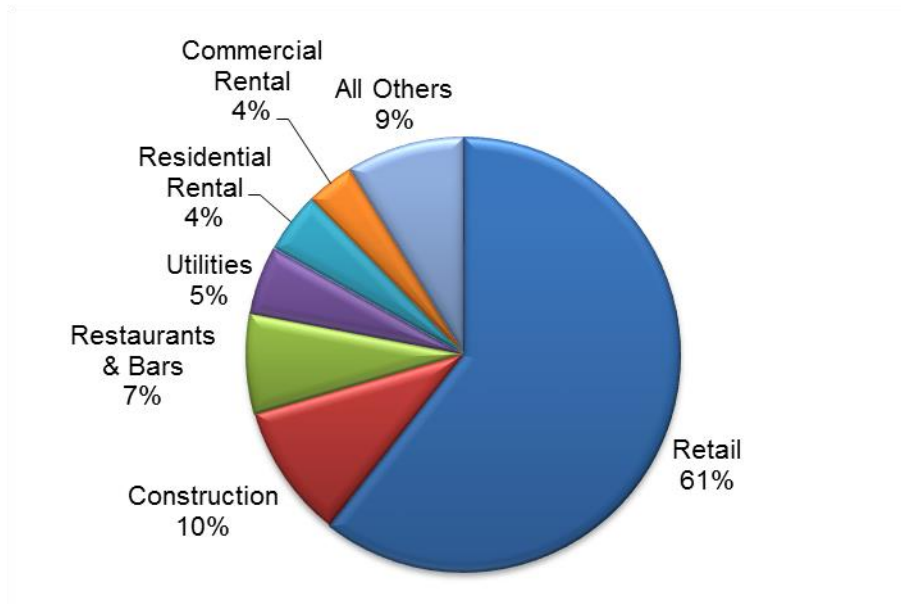
The combined sales tax rate in the City of Prescott for all taxable activities is 9.10%. The combined rate consists of 5.6% for the State of Arizona, 0.75% for Yavapai County and 2.75% for the City of Prescott. Of the City's 2.75% rate, 1% is dedicated for Streets, 1% is for the General Fund, and 0.75% is dedicated to the unfunded PSPRS liability (effective January 1, 2018).

Transaction privilege tax is far more extensive than retail sales. It includes taxation of residential and commercial rentals, utilities, communications, construction activities, and restaurant and bars to name a few. The chart below depicts the proportionate share of taxable activity reporting categories. As the economy recovers, the City has seen increased reporting of taxable sales.

For FY19, a 4.0% increase, or \$600,000, is budgeted for privilege tax revenue in the General Fund. The challenges in the revenue category are subjectivity to economic activity, increased regional competition, and state law reforms that decrease taxable activities.

General Fund

Sales Tax Reporting Categories



Property Tax

State law (A.R.S. §42-17151(A)) allows a municipality to levy a property tax. There are two types of property tax in the State of Arizona, primary and secondary. Primary property tax can be used for any general City operations. A secondary property tax may be levied to service voter-approved General Obligation bonds. The secondary property tax is revenue for the Debt Service fund and primary property tax is a General Fund source of revenue.

The primary property tax levy provides less than 5% of General Fund revenue. Minimal annual increases to this levy are allowed per state law. Of the total property tax that residents in the City of Prescott contribute, 4% is collected for the City of Prescott and the remaining tax collections go Yavapai County and public schools such as Yavapai College and Prescott Unified School District. The City of Prescott's primary property tax rate for FY19 is 0.2699 per \$100 of assessed value.

Franchise Taxes

Franchise taxes are derived from utility franchise agreements. Unisource Gas and Arizona Public Service are the voter-approved sole providers of gas and electric services in the City and the franchise fee rates are 2% of gross revenues. The Cable TV license for the City of Prescott is held by Cable One and the contract negotiated franchise fee rate is 5.0% of gross revenues.

Intergovernmental Revenues

State Shared Revenues

State shared revenues that are collected by the State of Arizona and distributed to incorporated cities and towns, including income tax (urban revenue sharing), transaction privilege tax (state shared sales tax), state gasoline tax (Highway User Revenue Fund (HURF)), and vehicle license tax (VLT). Of these revenues, all are General Fund revenue except HURF which is restricted for transportation and is in the Streets Fund. State shared revenues are subject to fluctuations in economic activity as well as changes in Prescott's population relative to the population in the County and State. Since the City of Prescott is growing slower than other communities; the City's proportional share of State Shared Revenue is decreasing.

General Fund

State Sales Tax (Transaction Privilege Tax): Citizens and visitors of Prescott, through collection by local businesses, pay the State 5.6% on taxable activity. A portion of that sales tax is returned to the City based on the relation of Prescott's population to the total population of all incorporated cities and towns in the State.

State Income Tax: The State of Arizona collects income taxes and shares that revenue with incorporated cities and towns based on population. The portion of the State income tax which will be distributed to cities and towns in represents individual and corporate income tax collections by the State two years ago.

Vehicle License Tax (Auto Lieu Tax): Twenty-five percent of the net revenues collected for the licensing of motor vehicles by the State in a particular county are distributed back to incorporated cities and towns within that county based on its population in relation to the total incorporated population of the county.

Library District

The Yavapai County Free Library District is a Special District established by the Yavapai County Board of Supervisors in 1987 and is funded by a County levied property tax. The district funds the Yavapai Library Network, consisting of 18 public, academies, school, and museum libraries and allows for the countywide resource sharing of library materials among all member libraries. An annual direct contribution to the libraries provides supplemental funding for library operations. The Prescott Public Library is estimated to receive \$567,108 in direct contribution and other direct and indirect services.

Other Revenues

Licenses and Permits: This revenue category consists mainly of building permit fees. Other revenues in this are transaction privilege tax license fees, dog license, blasting permits, and film Permits. Significant increases to building permit and plan review fees were implemented for FY17 and increased building activity is occurring for FY18 and FY19. Also, the City has adopted a business license ordinance requiring an annual license fee effective January 1, 2017.

Service Charges: These revenues include partner contributions to the Regional Communications Center (joint dispatch) center, a contract with Yavapai Prescott Indian Tribe to provide fire protection services, facility rental, and recreation fees for parking and programs. The major increase is for partner contributions for a public safety software upgrade at the Regional Communications center.

Fines and Forfeitures: This category covers fees paid to the City of Prescott for fines assessed by the Police Department, City Court, Legal Department, and Library.

Miscellaneous: The main revenue source in this area is interest earned on fund balance.

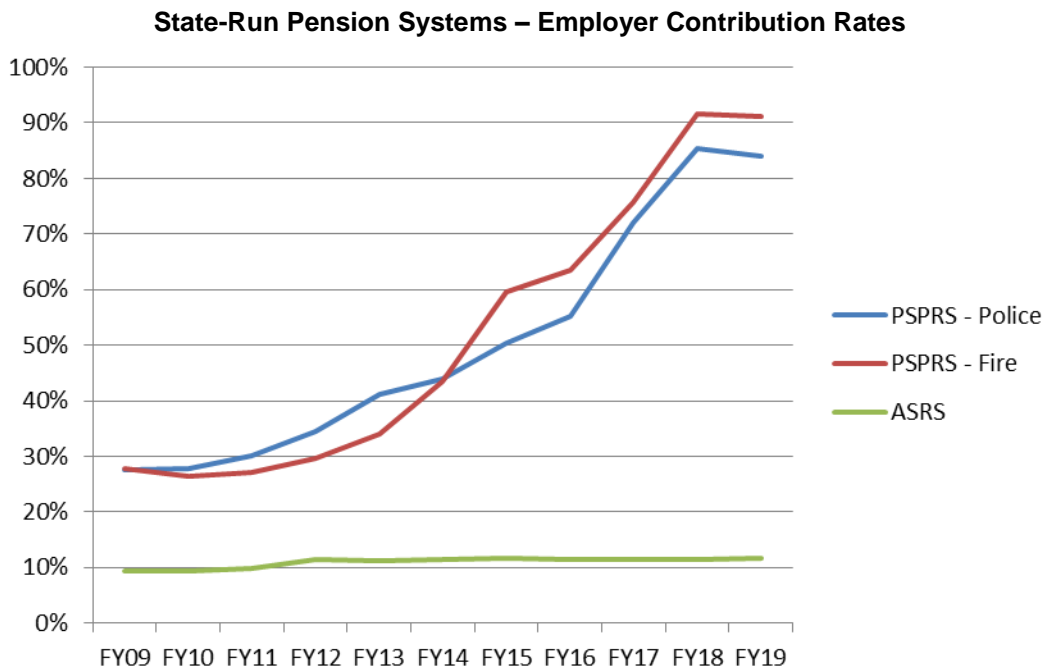
General Fund

Expenditures and Trends

In FY19, personnel costs make up 83% of the total operating budget in the General Fund, which include all employer costs related to the compensation for City employees in the General Fund. Costs for personnel in the General Fund have steadily increased. Since FY08, there has been a reduction of 75 full time equivalent employees in the General Fund, but the personnel expenditures have increased steadily.

The majority of increases in General Fund personnel expenditures in recent years is attributable to steep escalation of state-mandated and determined Public Safety Personnel Retirement System (PSPRS) costs. PSPRS is a defined benefit pension which means retirement benefits are based on a formula which includes years of service and salary. It is organized as an agent multiple-employer plan which means all 256 agencies in the State that are part of PSPRS are administered by the retirement system, but accounted for individually. Prescott is not alone in this dilemma; it affects all agencies state-wide at varied levels of severity.

The retirement system calculates actuarially determined contribution rates, which the City pays each year as a "percentage of salary". Employees also contribute to the retirement system, but their rates are capped per State law at 7.65%. City employer contribution rates for FY19 are 91.09% for Fire and 84.08% for Police. A ten-year history of contribution rates is depicted in the graph below. The Arizona State Retirement System (ASRS) is the retirement system for all other employees in the City and has maintained a stable rate for both the employee and employer.



The rising pension contribution rates relate to a decline in the funded status of the pension plans. The current PSPRS actuarial valuation shows unfunded liability as of June 30, 2017 of approximately \$86.3 million and funding ratios of 23.7% for Police and 33.2% for Fire. The total PSPRS annual required contribution in FY19 is \$8.3 million dollars. About 16% of the total contribution costs relate to normal retirement costs (benefits earned by employees this current year) and the remaining 84% pays for the amortization of unfunded liabilities. There have been many factors which lead to the decline in the funded status, including investment losses and pension reform legal battles.

General Fund

During the legislative session in 2016, a pension reform was successfully passed along with a voter initiative. Among the major changes, the law will allow for new hires to be placed into a reformed pension plan, and removes permanent benefit increase by replacing it with a cost of living increase based on the consumer price index capped at 2%. These are positive changes for the future, but are not expected to affect the current unfunded liability.

A second major increase in personnel costs for is the market compensation plan implemented starting in FY17 with the purpose of recruiting and retaining talented, high-performing employees, providing regular performance-based adjustments using an established and competitive pay plan, and encouraging career growth at the City. The maintenance cost for the plan in the General Fund is \$0.5 million in FY19.

Changes in departmental operating budgets will be discussed in the Department Operational Plans section of this document.

Balancing the budget

Each year the ongoing operating expenditures are aligned to expected revenues. The City has taken many actions to increase revenue and reduce expenditures including, establishing user fees, pursuing entrepreneurial initiatives and public-private partnerships, eliminated programs, and reducing personnel.

Overall, the FY19 General Fund revenues are budgeted to be up by \$1.5 million and operating expenditures are \$2.3 million over FY18 budget. Adjustments in expenditures and revenue enhancements enabled the City to balance the General Fund budget while accomplishing key goals and maintain service levels.

Fund Balance

The General Fund balance is decreasing significantly as a result a \$11 million lump sum payment towards the unfunded PSPRS pension liability in FY18. An authorized use of fund balance is budgeted at \$9.7 million in FY19 for one time expenditures, consisting of mainly resolving (forgiving) the golf course accumulated internal loan of \$5.3 million and capital expenditures of \$4.1 million. The budgetary reserve (unassigned fund balance plus the operating reserve) would be \$9.8 million, which equates to approximately 3 months of operating expenditures. This is greater than the Government Finance Officers Association (GFOA) best practice recommendation of maintaining at least 2 months of regular operating expenditures.

	General Fund Balances			
	FY17	FY18	FY18	FY19
	Actual	Budget	Estimate	Budget
Net Change in Fund Balance	1,202,371	(13,786,894)	(11,853,414)	(9,893,411)
Fund Balance - Beginning	32,500,600	33,702,971	33,702,971	21,849,557
Fund Balance - Ending	\$ 33,702,971	\$ 19,916,077	\$ 21,849,557	\$ 11,956,146
Ending Balance - Detail				
Reserved for:				
Operations (Policy)	\$ 7,339,267	\$ 7,267,846	\$ 7,473,450	\$ 7,575,577
Long-term obligations	2,910,934	2,394,794	2,702,947	2,186,807
Internal Loan	4,662,461	4,982,640	5,309,736	-
Capital Projects	621,088	-	-	-
Unassigned	18,169,221	5,270,797	6,363,424	2,193,762
Total Ending Fund Balance	\$ 33,702,971	\$ 19,916,077	\$ 21,849,557	\$ 11,956,146

General Fund

	General Fund				
	FY17	FY18	FY18	FY19	% Budget
	Actual	Budget	Estimate	Budget	Change
Revenues					
Taxes					
Privilege/Use Tax	\$ 15,948,794	\$ 15,400,000	\$ 15,800,000	\$ 16,000,000	3.9%
Franchise Taxes	1,665,913	1,660,000	1,660,000	1,660,000	0.0%
Primary Property Tax	1,686,824	1,709,975	1,709,975	1,748,005	2.2%
Total Local Taxes	19,301,532	18,769,975	19,169,975	19,408,005	3.4%
Intergovernmental Revenues					
State Sales Tax	3,839,818	3,982,437	3,982,437	4,260,230	7.0%
State Income Tax	5,126,041	5,258,814	5,258,814	5,174,547	-1.6%
State Vehicle License Tax	2,680,439	2,725,555	2,725,555	2,934,661	7.7%
Yavapai County Library District	566,423	562,207	562,207	567,108	0.9%
Total Intergovernmental Revenues	12,212,720	12,529,013	12,529,013	12,936,546	3.3%
Licenses and Permits	854,586	854,250	1,112,265	1,021,890	19.6%
Service Charges	3,766,302	3,540,291	3,922,012	3,875,998	9.5%
Fines & Forfeitures	411,686	418,400	406,284	417,250	-0.3%
Miscellaneous	104,508	182,300	182,700	142,400	-21.9%
Total General Fund Revenue	36,651,334	36,294,229	37,322,249	37,802,089	4.2%
Other Sources					
Transfers In	45,000	45,000	45,000	45,000	
Total Revenues and Other Sources	\$ 36,696,334	\$ 36,339,229	\$ 37,367,249	\$ 37,847,089	4.1%
Operating Expenditures by Departments					
Budget & Finance	\$ 478,985	\$ 481,344	\$ 478,920	\$ 538,672	11.9%
City Clerk	98,336	133,404	131,863	126,263	-5.4%
City Council	46,238	43,166	43,166	46,895	8.6%
City Court	536,148	637,197	596,099	614,149	-3.6%
City Manager	428,963	518,075	517,539	581,295	12.2%
Community Development	1,039,558	1,546,705	1,538,549	1,635,334	5.7%
Rodeo, Parking Garage	82,668	125,301	138,520	154,467	23.3%
Fire	7,525,222	7,681,011	7,094,754	8,353,755	8.8%
Legal	242,103	245,393	243,893	255,451	4.1%
Library	2,138,340	2,219,351	2,165,768	2,297,570	3.5%
Police	9,863,132	10,221,676	10,212,292	10,725,789	4.9%
Recreation Services	2,877,291	3,256,245	3,186,340	3,218,146	-1.2%
Regional Communications	1,343,599	1,409,348	1,468,917	1,539,005	9.2%
Governmental Operating Grant Match	47,398	389,683	35,650	468,686	20.3%
Airport Operating Transfer	118,805	375,786	231,319	-	
Golf Course Operating Transfer	-	-	-	162,505	
Public Safety Unfunded Liability ARC	4,876,603	5,954,313	5,819,834	6,968,266	17.0%
Total Operating Expenditures	31,743,389	35,237,998	33,903,423	37,686,248	6.9%
Capital and Other					
Capital Projects and Transfers	3,369,833	1,956,735	1,409,224	4,275,472	118.5%
Retirement Contributions Use of Fund Reserves	380,741	12,931,390	13,029,457	516,140	-96.0%
Golf Course Debt Transfer	-	-	-	5,309,736	
Fleet Debt Transfer	-	-	878,559	-	
Total Expenditures and Transfers	\$ 35,493,963	\$ 50,126,123	\$ 49,220,663	\$ 47,787,596	-4.7%
Ending Balance, 6/30					
Net Change in Fund Balance	\$ 1,202,371	\$ (13,786,894)	\$ (11,853,414)	\$ (9,940,507)	
Fund Balance - Beginning	32,500,600	33,702,971	33,702,971	21,849,557	
Fund Balance - Ending	\$ 33,702,971	\$ 19,916,077	\$ 21,849,557	\$ 11,909,050	

Special Revenue Funds

Streets

A special revenue fund accounts for revenues and expenditures that are legally restricted by purpose. The City's most significant special revenue fund is the Streets Fund.

The main sources of revenue for this fund are from the 1% additional sales tax rate and HURF State shared revenue. The 1% tax was restored by voters effective January 1, 2016, establishing the 1% tax for Streets only. Previously, voters approved the 1% tax for both streets and open space acquisitions. These revenues provide the funding for street construction and maintenance. On June 7th 2016, council committed \$3.8 million of the fund balance remaining at January 1, 2016, when the streets and open space tax sunset, for open space acquisitions. With a land purchase in FY18, there is now \$1,800,485 remaining.

Streets Fund					
	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change
Revenues					
Sales Tax	\$ 15,234,578	\$ 14,800,000	\$ 15,800,000	\$ 16,000,000	8.1%
Highway Users Revenue	3,470,108	3,461,595	3,461,595	3,702,094	6.9%
Partnering	954,914	250,000	653,000	650,000	160.0%
Street Light Fee	231,686	230,000	230,000	230,000	0.0%
Miscellaneous/Interest Earnings	626,230	291,000	530,500	315,000	8.2%
Total Revenues	\$ 20,517,516	\$ 19,032,595	\$ 20,675,095	\$ 20,897,094	9.8%
Expenditures					
Recreation Services	176,599	179,825	188,811	177,825	-1.1%
Public Works	6,759,538	8,049,464	7,295,221	7,198,908	-10.6%
Debt Service	2,233,974	2,214,460	2,214,460	2,202,599	-0.5%
Total Operations	9,170,111	10,443,749	9,698,492	9,579,332	-8.3%
Open Space Capital Outlay	-	3,800,000	2,002,875	1,800,485	-52.6%
Streets Capital Outlay	11,656,624	19,611,225	15,585,896	24,576,628	25.3%
Total Expenditures	\$ 20,826,735	\$ 33,854,974	\$ 27,287,263	\$ 35,956,445	6.2%
Other Sources (Uses)					
Transfers Out	\$ -	\$ -	\$ -	\$ 300,000	
Ending Fund Balance, 6/30					
Net Change in Fund Balance	\$ (309,219)	\$ (14,822,379)	\$ (6,612,168)	\$ (14,759,351)	
Fund Balance - Beginning 7/1	23,537,783	23,228,564	23,228,564	16,616,396	
Fund Balance - Ending 6/30	\$ 23,228,564	\$ 8,406,185	\$ 16,616,396	\$ 1,857,045	

Revenue and Trends

Transaction Privilege (Sales) Tax: Voters have approved various options for additional dedicated transaction privilege tax. The history of the voter approved sales tax is below. The latest ballot was August 2015, when voters repealed the ¾% tax expected to begin January 1, 2016 and replaced it with a 1% streets only tax.

Special Revenue Funds

<u>Rate</u>	<u>Streets Tax Votes</u>	<u>Begins</u>	<u>Ends</u>
1%	September 1995, streets only	1/1/1996	12/31/2005
1%	May 2000, extend 10 year, includes open space	1/1/2006	12/31/2015
3/4%	September 2009, streets only	1/1/2016	12/31/2035
1%	August 2015, repeals 2009 vote and adopts 1% streets only	1/1/2016	12/31/2035

The 8.1% increase in the FY19 budget shows increased taxable sales activity is occurring as the economy improves.

Highways Users Revenue: The revenue estimate of \$3,702,094 is provided by the State and is higher than the FY18 estimate by 6.9%. This revenue source is commonly referred to as the gasoline tax; however, there are a number of additional transportation related fees including a portion of vehicle license taxes that are placed in the highway user revenue fund. The distribution formula is adopted by the state legislature. Currently 27.5% of total State HURF collections is distributed to incorporated cities and towns on the basis of (a) one-half based on the city's population relative to statewide population of incorporated cities and towns and (b) one-half, first, on the basis of county origin of sales of motor vehicle fuel, and secondly, on the basis of the city's population relative to county-wide population of incorporated cities.

Intergovernmental/Partnering: Intergovernmental Partnering revenues included in this fund relate to contributions from Yavapai County for major street and related drainage projects.

Street Light Fee: This fee, which was implemented during FY1995, is projected to bring in \$230,000. The fee is based on \$.75 per residence or commercial unit and \$.75 per unit for multi-family structures. The purpose of this fee is to help offset electrical and maintenance costs for street lights located throughout the City of Prescott and is collected on utility bills.

Miscellaneous Revenues: Miscellaneous revenues include interest earned on fund balance and the interest rebates through the issuance of Build America Bonds for the MPC 2010 bond which was used to construct the SR89A/Side Road Interchange project in FY2010. For accounting purposes, the reduction in interest costs on the bonds is being recorded as revenue.

Expenditures

Operating expenditures include street maintenance and ongoing costs related to capital program development, handled jointly by the Recreation Services and Public Works Departments. Changes in departmental operating budgets will be discussed in the Department Operational Plans section of this document.

The capital projects budget increases with a capital plan that includes some major reconstruction projects.

Transfers Out

The transfers out in FY19 are for a grant funded street project and a transfer of a vehicle asset for shared usage at Public Works.

Fund Balance

Although the fund balance is projected to decrease, based on trends, the City does not expect all capital projects to be accomplished or the opens space balance to be spent. Also, the five year projection indicates that fewer projects will be planned in future years so the fund balance will increase again.

Special Revenue Funds

Transient Occupancy Tax

The Transient Occupancy Tax Occupancy (Bed Tax) Fund is limited by ballot language to tourism promotion and recreational development.

Transient Occupancy Tax Fund

	FY17 Actual	FY18 Budget	FY18 Projection	FY19 Budget	% Change
Revenues					
Bed Tax Revenues (3% levy)	\$ 881,415	\$ 880,000	\$ 1,000,000	\$ 1,050,000	19%
Liquor License	85,530	70,000	1,162	-	-100%
Interest Earnings	272	1,000	1,000	1,000	0%
Total Revenues	\$ 967,217	\$ 951,000	\$ 1,002,162	\$ 1,051,000	7%
Expenditures					
Tourism Office - Sales/Marketing/Admin	\$ 497,129	\$ 454,684	\$ 458,951	\$ 533,267	17%
Tourism Grant Allocations	29,880	37,100	37,100	40,000	8%
Whiskey Offroad	30,000	30,000	30,000	30,000	0%
PAAHC - Arts and Cultural Grants	11,238	13,000	13,000	35,000	169%
Courthouse Lighting	30,000	30,000	30,000	30,000	0%
Prescott Frontier Days Rodeo	20,000	20,000	20,000	20,000	0%
Prescott Downtown Partnership/SCS	44,000	44,000	44,000	45,000	2%
Prescott Creeks Match	12,500	12,500	12,500	12,500	0%
Museum Support					
Sharlot Hall Utilities	10,000	10,000	10,000	10,000	0%
Sharlot Hall Marketing Support	25,000	25,000	25,000	25,000	0%
Phippen Marketing Support	15,000	15,000	15,000	15,000	0%
Smoki Marketing Support	15,000	15,000	15,000	15,000	0%
Recreation Services Support					
Parks Tourism Venues/Amenities	30,000	30,000	30,000	30,000	0%
Open Space Management	9,856	10,000	10,000	10,000	0%
Recreation Development Capital	-	60,500	10,500	255,000	321%
Events Overtime (transfer to General Fund)	25,000	25,000	25,000	25,000	0%
Parking Garage (transfer to General Fund)	20,000	20,000	20,000	20,000	0%
Airport Events (transfer to Airport Fund)	6,000	20,000	20,000	25,000	25%
Sister Cities	1,178	3,500	900	1,500	-57%
Total Expenditures	\$ 831,781	\$ 875,284	\$ 826,951	\$ 1,177,267	35%
Appropriated Use of Fund Balance	\$ 28,955	\$ 549,064	\$ 16,150	\$ 100,000	-82%
Ending Fund Balance					
Net Change in Fund Balance	\$ 106,481	\$ (473,348)	\$ 159,061	\$ (226,267)	
Fund Balance - Beginning	403,185	509,666	509,666	668,727	
Fund Balance - Ending	509,666	36,318	668,727	442,460	

Revenue

The main source of revenue is the transient occupancy tax (bed tax) which is an additional 3% transaction privilege tax levied on the gross income of all businesses engaged in transient lodging. Transient lodging is defined as lodging for any period of not more than thirty consecutive days. The original bed tax was established by a vote of the citizens of Prescott in 1987 and was set at 2%. In

Special Revenue Funds

2007, the voters approved a tax rate increase to 3%. These revenues have been consistently growing with a 19% increase expected from FY18 budget to FY19 budget. The second revenue source is liquor license revenue was eliminated by Council in FY18 which was collected from bars and restaurants in the City.

Expenditures

Community Outreach & Tourism actively promotes Prescott as a destination for tourists. Recreation Services increases in FY19 with some capital projects related to recreation development. Bed Tax allocations are support and grants to local community events and organizations which promote tourism and recreation. These allocations are recommended by the Tourism Advisory Committee to the City Council for approval. A budgeted contingency of fund balance is budgeted to allow Council flexibility and is under the title of "Appropriated Use of Fund Balance".

Special Revenue Funds

Grants

The Grant Funds schedule below represents a group of funds which expends grants received by the City for various projects. This accounts for all grants City wide, except for Airport grants which are accounted for in the Airport Enterprise Fund. Grant funds must be used for the stated purpose of the grant and must meet expenditure guidelines. Departments identify grant opportunities and a budget is established in these funds to have appropriation available to pursue the grants. These grants are both operating and capital grants.

Fund balance is strictly related to timing between receipts and disbursements.

Grant Funds				
	FY17	FY18	FY18	FY19
	Actual	Budget	Estimated	Budget
Revenues and Transfers In				
Grant Revenues	\$ 890,430	\$4,293,670	\$2,112,063	\$5,038,061
Interest	145	-	600	600
Transfers In	27,672	389,683	48,607	718,686
Total Revenues and Transfers	\$ 918,247	\$4,683,353	\$2,161,270	\$5,757,347
Expenditures				
City Court	\$ 18,018	\$ 26,000	\$ 16,000	\$ 26,000
Community Development	146,652	505,444	505,444	579,882
Recreation Services	-	-	-	81,000
Library	-	30,000	28,394	10,136
Police Department	380,397	492,838	399,646	811,542
Fire Department	383,303	1,164,935	1,099,765	470,991
Public Works	-	-	-	750,000
Non Departmental (Contingency)	95,740	2,032,153	73,265	3,027,708
Total Expenditures Budget	\$ 1,024,110	\$4,251,370	\$2,122,514	\$5,757,259
Ending Fund Balance				
Net Change in Fund Balance	\$ (105,863)	\$ 431,983	\$ 38,756	\$ 88
Fund Balance - Beginning	170,000	64,137	64,137	102,893
Fund Balance - Ending	\$ 64,137	\$ 496,120	\$ 102,893	\$ 102,981

Special Revenue Funds

Impact Fees

The next special revenue funds are the Governmental Impact Fees. These are typically paid when building permits are issued to fund infrastructure needed to serve new development. Effective August 1, 2014, due to new legislation, the Parks, Fire, Library, Police, and Streets impact fees were eliminated. The Public Building impact fees were eliminated in FY2012. The only remaining impact fees collected by the City of Prescott are the Water and Wastewater Impact Fees which are accounted for in the Enterprise Funds. The summaries of the balances below will mainly grow as a result of interest earnings and expended with eligible capital projects are identified by the City.

Governmental Impact Fees

FY19 Impact Fee Budget	Parks	Fire	Library	Police	Public Buildings
Revenues					
Interest	\$ 2,000	\$ 2,000	\$ 1,000	\$ 2,000	\$ 1,000
Rent - Fire Station 75	-	25,000	-	-	-
Total Revenues	\$ 2,000	\$ 27,000	\$ 1,000	\$ 2,000	\$ 1,000
Expenditures					
Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -
Ending Fund Balance					
Net Change in Fund Balance	\$ 2,000	\$ 27,000	\$ 1,000	\$ 2,000	\$ 1,000
Fund Balance Beginning, 7/1	579,567	781,253	454,539	859,681	127,246
Fund Balance Ending, 6/30	\$ 581,567	\$ 808,253	\$ 455,539	\$ 861,681	\$ 128,246

Note: These impact fees are no longer being collected. The Streets impact fee was fully spent in FY17.

Special Revenue Funds

Trust Funds

The two Trust funds the Acker Trust and Gifts and Donations Funds. The Acker Trust Fund is a special revenue fund to account for the assets willed to the City of Prescott by J.S. Acker to be expended for “purposes of improving and perpetually maintaining parks and for the purpose of promoting music, all for the use and benefit of the public.” The Acker Trust board typically awards music scholarships to music organizations by expending interest earned on the balance. The Gifts and Donations fund is for tracking funds donated to the City to be used as specified by the donor. Some ongoing programs funded with donations include Show-With-A-Cop, Police Explorers, Friends of the Public Library, and Volunteers Park Rangers. Often donations are received for one-time purchases or projects for example for improvements to parks and trails.

Trust Funds

FY19 Trust Funds Budget	<u>Acker Trust</u>	<u>Gifts & Donations</u>
Revenues		
Gifts/Donations	\$ -	\$ 87,595
Interest	5,000	-
Total Revenues	\$ 5,000	\$ 87,595
Expenditures		
Scholarships	\$ 15,000	\$ -
Recreation Services Capital	30,000	-
Gift/Donation Expenditures	-	209,074
Total Expenditures	\$ 45,000	\$ 209,074
Ending Fund Balance		
Net Change in Fund Balance	\$ (40,000)	\$ (121,479)
Fund Balance Beginning, 7/1	556,421	183,861
Fund Balance Ending, 6/30	\$ 516,421	\$ 62,382

Special Revenue Funds

PSPRS Dedicated Tax

Revenue for this fund is provided by the August 2017 voter approved 0.75% additional transaction privilege tax to pay down the unfunded Public Safety Personnel Retirement System pension liability. The tax takes effect on January 1, 2018, and ends the earlier of December 31, 2027, or at such time as the City's PSPRS unfunded liability is \$1.5 million or less as determined by actuarial value.

	FY17 Actual	FY18 Budget	FY18 Estimated	FY19 Budget
Revenues				
Sales Tax Revenues (0.75%)	\$ -	\$ 6,000,000	\$ 6,000,000	\$12,000,000
Total Revenues and Transfers	\$ -	\$ 6,000,000	\$ 6,000,000	\$12,000,000
Expenditures				
Non Departmental - PSPRS contributions	\$ -	\$ 6,000,000	\$ 6,000,000	\$12,000,000
Total Expenditures Budget	\$ -	\$ 6,000,000	\$ 6,000,000	\$12,000,000
Ending Fund Balance				
Net Change in Fund Balance	\$ -	\$ -	\$ -	\$ -
Fund Balance - Beginning	-	-	-	-
Fund Balance - Ending	\$ -	\$ -	\$ -	\$ -

The current PSPRS actuarial valuation shows unfunded liability as of June 30, 2017 of approximately \$86.3 million and funding ratios of 23.7% for Police and 33.2% for Fire. The total PSPRS annual required contribution in FY19 is \$8.3 million dollars and this will be funded out of the general fund. About 16% of the total contribution costs relate to normal retirement costs (benefits earned by employees this current year) and the remaining 84% pays for the amortization of unfunded liabilities over a 20 year period. The PSPRS Dedicated Tax Fund is intended to be additional contributions above the annual required contribution which will pay down the unfunded liability much sooner (estimated at under 10 years) and with much less cost to the community.

Debt Service Fund

The Debt Service Fund was created during FY1999 primarily as the result of the voter-approved general obligation issue for the purchase of Watson and Willow Lakes in September, 1998. Added to the debt service payments for the aforementioned project are the debt service for the Police Station building approved by the voters in 1989 and special assessment payments for improvement districts previously issued and to be issued in the future.

As part of the issuance of the bonds for the purchase of Watson and Willow Lakes, the remainder of the debt for the Police Station was also refunded without extending the life of the debt service (final payment was made in FY2009). The bonds for the lakes was paid in full during FY17 and the only remaining debt service will be for a small sanitary improvement district.

Debt Service Fund					
	FY17	FY18	FY18	FY19	% Budget
	Actual	Budget	Estimate	Budget	Change
Revenues					
Secondary Property Taxes	\$ 41,980	\$ -	\$ 336	\$ -	0%
Special Assessments Billings	4,899	5,045	5,045	5,045	0%
Interest	122	686	697	531	-23%
Total Revenues	\$ 47,001	5,731	6,078	5,576	-3%
Expenditures					
GO Bonds	\$ 187,624	\$ -	\$ -	\$ -	0%
Special Assessment Bonds	5,786	5,731	5,731	5,576	-3%
Total Expenditures	\$ 193,410	5,731	5,731	5,576	-3%
Ending Fund Balance					
Net Change in Fund Balance	(146,409)	-	347	-	
Fund Balance Beginning, 7/1	149,383	2,974	2,974	3,321	
Fund Balance Ending, 6/30	\$ 2,974	\$ 2,974	\$ 3,321	\$ 3,321	

Revenue

Secondary property taxes are levied to service General Obligation bonds. Special assessment billings relates to the collection of payments for a small sanitary improvement district.

Fund Balance

The remaining fund balance is for timing of the payments on the special assessment bonds.

Enterprise Funds

Water

The purpose of the Water Fund is to insure a safe and reliable supply of water to the City's customer base through the protection of existing supplies, the acquisition of new supplies, and the continued maintenance and upgrade of the existing water delivery infrastructure. All activities necessary to provide this service are accounted for in this fund. The capital program will replace deficient infrastructure as standalone projects or in conjunction with street projects. The operations annual work program is focused on providing continuous service without disruption by performing preventative maintenance on existing infrastructure.

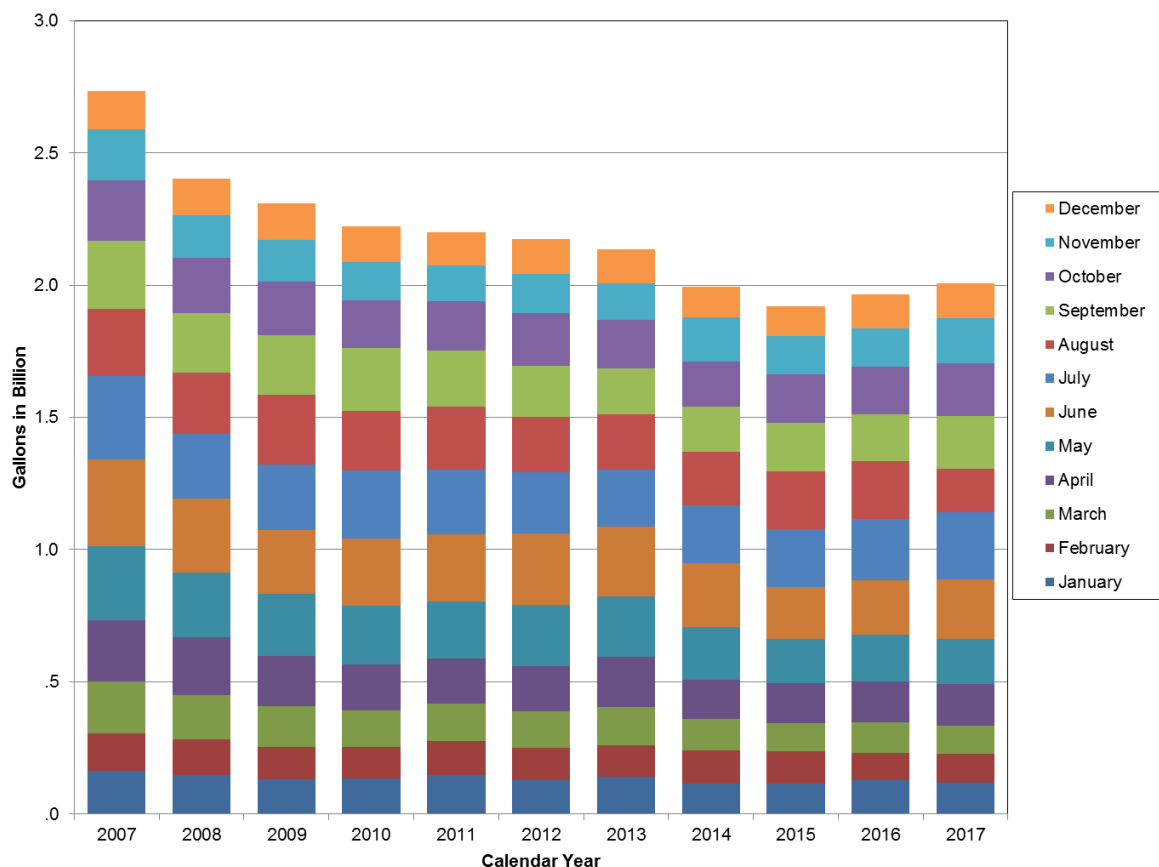
	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Budget Change
Revenues					
Water Sales	\$ 13,680,236	\$ 14,000,000	\$ 14,000,000	\$ 14,250,000	1.8%
Alt Water Source Fees	1,765,074	1,785,000	1,785,000	1,800,000	0.8%
Water Connection Fees	261,633	255,000	255,000	265,000	3.9%
Aquifer Protection Fee	253,371	255,000	255,000	255,000	0.0%
Water Resource Development Fee	568,727	650,000	650,000	700,000	7.7%
Water System Impact Fee	917,979	1,076,990	1,076,990	1,143,000	6.1%
Miscellaneous/Interest Earnings	446,093	256,500	256,500	257,500	0.4%
Total Revenues	17,893,113	18,278,490	18,278,490	18,670,500	2.1%
Other Sources					
Bond Proceeds - WIFA Draws	-	-	-	3,000,000	
Water Resource Partnering	373,107	395,205	395,205	203,174	-48.6%
Total Revenues and Other Sources	\$ 18,266,220	\$ 18,673,695	\$ 18,673,695	\$ 21,873,674	17.1%
Expenditures					
Budget & Finance	\$ 191,639	\$ 219,761	\$ 214,724	\$ 226,603	3.1%
Public Works	7,806,082	8,935,649	8,063,469	9,578,859	7.2%
Debt Service	2,303,334	2,492,930	2,406,540	2,541,171	1.9%
Subtotal Operations	10,301,055	11,648,340	10,684,733	12,346,633	6.0%
Water System Capital Projects	3,392,245	16,972,402	12,950,341	18,667,700	10.0%
Aquifer Protection Capital Projects	125,750	746,700	150,000	349,400	-53.2%
Alt Water Sources Capital Projects	488,665	2,280,169	2,141,670	613,225	-73.1%
Water System Impact Capital Projects	1,008,673	8,199,800	3,339,728	7,956,950	-3.0%
Total Expenditures	\$ 15,316,388	\$ 39,847,411	\$ 29,266,472	\$ 39,933,908	0.2%
Transfers Out	\$ -	\$ -	\$ -	\$ 50,000	
Ending Balance, 6/30					
Net Change in Fund Balance	\$ 2,949,832	\$ (21,173,716)	\$ (10,592,777)	\$ (18,110,234)	
Fund Balance - Beginning	40,384,654	43,334,486	43,334,486	32,741,709	
Fund Balance - Ending	\$ 43,334,486	\$ 22,160,770	\$ 32,741,709	\$ 14,631,475	

Revenue and Trends

Current water rates and impact fees can be found at www.prescott-az.gov.

Water Sales: During FY2014 and FY2015 the City contracted with Raftelis Financial Consultants on a utility rate update. The rate changes continue to encourage conservation through an inverted pyramid rate structure. Water sales are projected at \$14,250,000 in FY2019 compared to an estimated \$14,000,000 for FY2018 representing a 1.8% increase. This revenue is very weather sensitive; although trends are indicating consumption is decreasing. The population estimate for 2017 presented in the demographics section of this document shows the population in Prescott is back to 2007 levels, but the total consumption is down significantly. However, water sales are increasing as rates are set to cover the costs of operating the water utility as well as for funding necessary capital improvements.

Enterprise Funds



Alternative Water Sources: This is a surcharge fee based on water consumption to cover the research and implementation costs of alternative water sources.

Water Connection Fees: These fees are for costs involved with the City installing new water meters, as well as new service connection and disconnection fees. The fees vary with meter size and include the parts, labor and equipment to install the water meter, water box or yoke, and water tap.

Aquifer Protection Fees: This is a new fee implemented with the latest rate study effective January 1, 2015 as a monthly fixed charge based on meter size to provide a dedicated funding source for design, construction and operation of facilities and implementation of other measures and practices necessary to achieve and maintain water quality mandated by state and federal law applicable to surface, reuse and recharge assets.

Water Resource Development Fee (formerly Alternative Water Impact Fee): Water Resource Development Fees are assessed on new construction building permits and are designed to fund infrastructure for capacity needed to serve new development. The City of Prescott adjusted the Water Resource Development Fee through a development fee update prepared by Raftelis Financial Consultants. This fee recovers costs associated with acquiring the Big Chino Water Ranch in accordance with Arizona Revised Statutes 9-463.05. Effective August 1, 2014, this fee is based on the customer's meter size ranging from \$1,481 for a 5/8" x 3/4" meter to \$78,990 for an 8" meter.

Water System Impact Fee: Water Resource Development Fees are assessed on new construction building permits based on location of development (service area) and meter size and are designed to fund infrastructure for capacity needed to serve new development. Water system impact fees were

Enterprise Funds

adjusted during FY2014 in conjunction with Raftelis Financial Consultants. This fee is assessed during the building permit process and is based on location of development (service area) and meter size. The FY2014 fee study set forth a fee schedule that ranges from \$827 for a 5/8" x 3/4" meter in service area A to \$218,116 for an 8" meter in service area E. This adjustment was predicated upon growth related projects, derived from the City's hydraulic utility models, needed in future years in conjunction with Arizona Revised Statutes 9-463.05.

Miscellaneous/Interest earnings: Miscellaneous income encompasses NSF charges, sales tax accounting allowance and other minor fees that may be collected by this fund throughout the year. Interest earnings are monies earned on the available cash in the Water Fund.

Bond Proceeds – WIFA draws: These are bonds for capital projects through the Water Infrastructure Finance Authority (WIFA) of Arizona. WIFA is an independent agency of the State of Arizona and is authorized to finance the construction, rehabilitation and/or improvement of drinking water, wastewater, wastewater reclamation, and other water quality facilities/projects. Generally, WIFA offers borrowers below market interest rates on loans.

Water Resource Partnering: This category is for reimbursements made to the City of Prescott by the Town of Prescott Valley and Salt River Project pursuant to the Comprehensive Agreement #1 related to the Big Chino Aquifer.

Expenditures

Operating expenditures are for the Utilities and Water Resource Divisions of Public Works and the Utility Billing Division of Budget and Finance.

Capital Projects are significant to maintain and improve aging infrastructure in the City of Prescott.

Fund Balance

The Water Fund has a healthy fund balance which has allowed the City to mainly fund capital through a "pay-as-you-go" program. This means the City typically finances capital with cash on hand rather than borrow.

Enterprise Funds

Wastewater

The purpose of the Wastewater Fund is to account for the provision of wastewater services to the residents of the City of Prescott and some residents of the County. The Utilities Division is responsible for the operation and maintenance of the City wastewater system. The system requires cleaning of approximately 370 miles of main line, 8,800 manholes and 63 lift stations. System maintenance includes main line repairs, manhole rehabilitation, and pump replacement/repairs.

Wastewater collected by the City wastewater system flows to the wastewater treatment plants, where it undergoes a multi-faceted biological process to separate out the solids and treat the water for reuse and recharge. The Wastewater Fund operates and maintains two wastewater treatment plants: Sundog and Airport. All plants are operated in accordance with Environmental Protection Agency and Arizona Department of Environmental Quality standards. The treated water, called effluent, is sold for use in watering golf courses and construction to reduce potable water demand or recharged to the ground water through the City's recharge facilities. The solids are used in land application and/or hauled off to a landfill for disposal.

All activities necessary to provide wastewater services are accounted for in the fund.

Wastewater Fund

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Budget Change
Revenues					
Wastewater Service Fees	\$ 11,812,077	\$ 12,315,000	\$ 12,315,000	\$ 12,630,000	2.6%
Wastewater Impact Fees	877,802	1,088,500	1,088,500	987,500	-9.3%
Effluent Sales	593,000	585,000	585,000	605,000	3.4%
Miscellaneous/Interest Earned	179,155	161,000	161,000	276,000	71.4%
Total Revenues	13,462,034	14,149,500	14,149,500	14,498,500	2.5%
Other Financing Sources					
Bond Proceeds - WIFA	39,469	8,600,000	4,538,000	11,100,000	29.1%
Total Revenues and Other Sources	\$ 13,501,503	\$ 22,749,500	\$ 18,687,500	\$ 25,598,500	12.5%
Expenditures					
Public Works Operating	\$ 6,364,484	\$ 7,250,834	\$ 6,906,023	\$ 7,307,984	0.8%
Debt Service	4,223,921	3,846,682	4,054,805	4,840,767	25.8%
Subtotal Operations	10,588,405	11,097,516	10,960,828	12,148,751	9.5%
Wastewater System Capital Projects	2,090,936	8,194,545	4,355,851	10,067,450	22.9%
Wastewater Impact Capital Projects	1,073,756	4,475,000	2,619,000	5,550,000	24.0%
Total Expenditures	\$ 13,753,097	\$ 23,767,061	\$ 17,935,679	\$ 27,766,201	16.8%
Ending Balance, 6/30					
Net Change in Fund Balance	\$ (251,594)	\$ (1,017,561)	\$ 751,821	\$ (2,167,701)	
Fund Balance - Beginning	11,357,022	11,105,428	11,105,428	11,857,249	
Fund Balance - Ending	\$ 11,105,428	\$ 10,087,867	\$ 11,857,249	\$ 9,689,548	

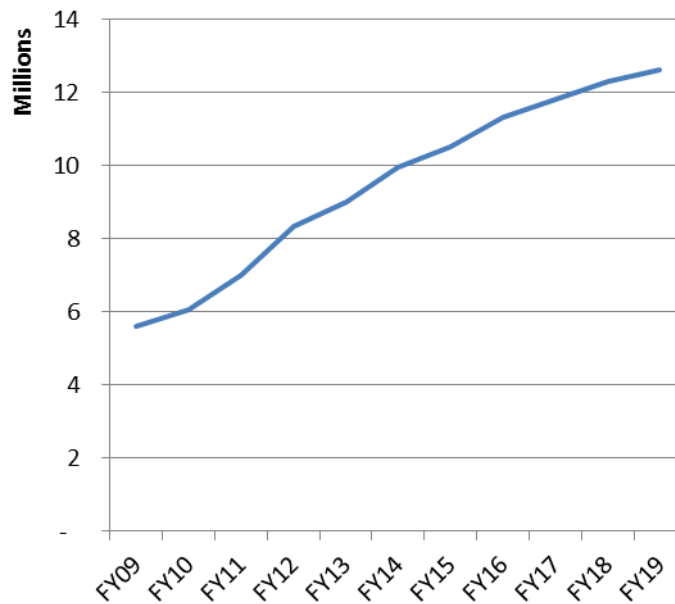
Revenues

Current wastewater rates and impact fees can be found at www.prescott-az.gov.

Wastewater Service Fees: Wastewater fees were evaluated during the FY15 utility rate update prepared by Raftelis Financial Consultants. Wastewater revenues have increased steadily over the last ten years as rates are set to fund increased operating and capital improvement costs to service the City's complex wastewater system.

Enterprise Funds

Wastewater Revenue Trend



Wastewater Impact Fees: Wastewater system impact fees are assessed on new construction building permits based on location of development (service area) and meter size. The FY2014 fee study modified the service unit (fixtures to meter size) which yielded fees ranging from \$193 for a 5/8" x 3/4" meter in service area A to \$189,980 for an 8" meter in service area G. This adjustment was predicated upon growth related projects, derived from the City's hydraulic utility models, needed in future years in conjunction with Arizona Revised Statutes 9-463.05.

Effluent Sales: The City of Prescott charges for the sale of effluent. This revenue category reflects the sale of effluent to externally to the Hassayampa and Prescott Lakes golf courses, as well as internally to the City owned Antelope Hills Golf Course. It is also used by vendors in the construction industry such as Hanson Concrete. The fees for the effluent are based on existing contract agreements with these users.

Miscellaneous/Interest Earned: Miscellaneous revenues include interest earned, private lift station charges, septage disposal fees, plan reviews and inspection fees, and wastewater connections. Septage disposal fees are collected at the wastewater treatment plant from septic pumpers and private recreational vehicles. Plan Review Fees are collected to cover costs for Public Works staff to review infrastructure plans to ensure compliance with codes. Inspection Fees are to cover the costs for inspection of new development infrastructure to ensure the work is in compliance with the approved plans, specifications, and codes. Finally, wastewater connections are the charges to customers when tapping to the existing wastewater mains.

Bonds Proceeds - WIFA: These are bonds for capital projects through the Water Infrastructure Finance Authority of Arizona. WIFA is an independent agency of the State of Arizona and is authorized to finance the construction, rehabilitation and/or improvement of drinking water, wastewater, wastewater reclamation, and other water quality facilities/projects. Generally, WIFA offers borrowers below market interest rates on loans. Draws are made on approved bonds as the capital projects progress.

Enterprise Funds

Expenditures

Operating expenditures are for the Utilities Division of Public Works. Changes in departmental operating budgets will be discussed in the Department Operational Plans section of this document.

Fund Balance

The Fund balance is expected to decrease from FY18 Budget to FY19 Budget as a result of timing of capital expenditures. The Wastewater Fund has less funds available than the Water fund for capital projects, thus debt financing is used more frequently.

Enterprise Funds

Solid Waste

The Solid Waste Division manages municipal solid waste City-wide. The Division provides solid waste and recycling collection services to all City residents and contracted commercial customers; operates a 250 ton-per-day transfer station; and monitors a closed landfill. The Division educates residents regarding acceptable recycling materials in order to increase participation in the City's recycling program and divert recyclable materials from the waste stream.

The purpose of the Solid Waste Fund, an enterprise fund, is to account for the financial activities of solid waste and recycling collection, disposal and other related services provided to the citizens of Prescott. Costs are fully recovered through fees charged to customers.

The City is responsible for providing solid waste collection services to its residents according to Arizona State law and City Ordinance. Collection is provided weekly for residential customers, and collection for commercial customers ranges from once per week to six times per week depending on the individual commercial customer's needs.

During FY1992, the landfill was officially closed to residential and commercial customers with the exception of continuing to accept construction debris from City accounts and private contractors. The partial closure was necessary because the landfill had almost reached capacity. The collected solid waste and recyclables are now taken to the City's Transfer Station and then hauled by a contracted firm to a private disposal site.

Voluntary curbside recycling began in 1992, following a very successful pilot program. Recyclables are collected on a weekly basis with the City providing the containers to the customers. In June 1996, the City added plastics to items collected for recycling purposes. During FY1999, the City mailed a survey along with the utility bills asking the public their opinions on expanding the residential recycling program. As a result of the favorable responses, Council approved expanding and automating the program to enable collection and transportation of commingled recyclable materials. The new program commenced in spring of FY2000.

During FY1992, the Sundog Transfer Station was constructed in partnership with Yavapai County. The partnership was subsequently dissolved in 2009. All vehicles, including the City's solid waste trucks, are weighed at the station and are charged accordingly. This fund accounts for the payments of tipping fees and hauling costs to private companies for the transporting and disposal of solid waste and recyclables and accounts for tipping fees paid by individuals, contractors and private collection companies opting to use the Transfer Station.

Enterprise Funds

Solid Waste

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Budget Change
Revenues					
Refuse Collection Fees	\$ 5,251,951	\$ 5,485,300	\$ 5,460,000	\$ 5,535,000	0.9%
Transfer Station Fees	1,324,989	1,481,800	1,850,000	1,850,000	24.8%
Landfill Closure Surcharge	126,531	120,000	120,000	120,000	0.0%
Recycling Revenue	117,157	102,000	81,000	-	-100.0%
Micellaneous/Interest Income	111,182	41,600	41,088	33,020	-20.6%
Total Revenues	\$ 6,931,810	\$ 7,230,700	\$ 7,552,088	\$ 7,538,020	4.3%
Expenditures					
Public Works Operating	\$ 6,039,386	\$ 7,020,156	\$ 6,882,420	\$ 7,692,612	9.6%
Debt Service	116,116	964,659	964,659	-	-100.0%
Subtotal Operating	6,155,502	7,984,815	7,847,079	7,692,612	-3.7%
Capital	1,387,286	1,084,800	656,112	1,235,850	13.9%
Total Expenditures	\$ 7,542,788	\$ 9,069,615	\$ 8,503,191	\$ 8,928,462	-1.6%
Ending Fund Balance, 6/30					
Net Change in Fund Balance	\$ (610,978)	\$ (1,838,915)	\$ (951,103)	\$ (1,390,442)	
Fund Balance - Beginning 7/1	5,281,312	4,670,334	4,670,334	3,719,231	
Fund Balance - Ending 6/30	\$ 4,670,334	\$ 2,831,419	\$ 3,719,231	\$ 2,328,789	

Revenues

Refuse Collection Fees: Until 2010, the City collected all solid waste within its city limits. In 2010, as a result of a change in the Arizona State Statute, commercial companies now have the ability to service commercial solid waste customers located within the City of Prescott city limits. In addition in 2015, the State Statutes were again amended to allow for competition for multifamily residential properties. Residential rates are currently to \$15.50 per month structured as follows: \$15.00 to pay for the collection and disposal of solid waste and \$.50 for a landfill closure fee.

Transfer Station Fees: Effective February 1, 2017, the tipping fee increased from \$59.00 per ton to \$63 per ton with a \$10.00 minimum. Tipping fees are also charged internally. When City departments use the landfill to dispose of inert debris, these departments are billed for their usage. With the closure of the MSW (municipal solid waste) landfill in FY1999, the City opened a transfer station for debris disposal.

Landfill Closure Surcharge: The landfill closure surcharge became effective September 1, 1993, and is designed to help defray the long term costs of maintaining the City's closed landfill. The landfill closure plan was approved by the State, and the State granted the City a small landfill exemption which avoids full closure requirements. The landfill was officially closed on February 21, 2002.

Recycling Revenue: Revenues received from the sale of recyclables obtained from residents and commercial customers. This revenue stream is based on, and sensitive to, the market value of recyclable materials. The current market value of recyclables has decreased to the point where the City will likely have to begin to pay for disposal rather than sell recyclables.

Miscellaneous Revenue/Interest Income: This includes charge account permits, interest earnings and county contribution for use of land south of the Transfer Station for their tire yard. With regard to charge account permits, the City of Prescott handles approximately 350 charge accounts for users of the Transfer Station. Each account is charged a \$12 plate fee.

Enterprise Funds

Expenditures

The expenditures account for the Solid Waste Division of the Public Works Department. The changes in expenditures will be discussed in the “Department Operational Plans” section in this document.

Fund Balance

Fund balance is decreasing with ongoing capital expenditures. Ongoing rate adjustments will help maintain sufficient funds to operate the waste collection and transfer station for City residents.

Enterprise Funds

Golf Course

The purpose of the Golf Course Fund is to account for the financial activities of Antelope North and South Golf Courses. It is the mission of the Golf Course to provide a positive golf experience and an enjoyable atmosphere for our customers while assuring revenues are more than sufficient to cover operating expenses, capital investments and debt payments.

Antelope Hills North Golf Course is a championship 18-hole course located on Highway 89 at the intersection of Highway 89 and Willow Creek Road. The PGA-sanctioned course, which surrounds the City of Prescott's municipal airport, is open to the public year-round. Antelope Hills South Golf Course was completed during FY1992. This 18 hole, par 72 course was opened for play July 1, 1992. The scenic landscaped course has views of Mingus Mountain, Granite Dells, Granite Mountain and a 100 mile view of the San Francisco Peaks, the highest point in Arizona. The South course is state of the art and includes a computerized irrigation system, multi-tees, bent grass greens and three lakes. Seventy-seven homes sites were developed surrounding the course and all sites have been sold.

The clubhouse on Perkins Drive was built in 1993 and contains a restaurant, bar and full-line golf shop. The restaurant, Manzanita Grille, is currently operated by the City and is open daily to serve the public. Golfers are able to start on either course from the clubhouse.

Wastewater effluent from the City's wastewater treatment plant is used to irrigate the golf course turf on both courses. A well-organized golf maintenance and development program is carried out including daily upkeep of golf course greens, fairways, tees and rough.

In April 2014, Council approved a five-year agreement with Billy Casper Golf to manage Antelope Hills Golf Courses beginning May 1, 2014.

Billy Casper Golf will operate golf-related activities, including the pro shop, driving range, carts, cart barn and restaurant at the 36-hole facility, while the City will continue to be responsible for golf-course maintenance and capital improvements.

The partnership with Billy Casper Golf is designed to bring a new approach to the management of Antelope Hills. The company will utilize its purchasing efficiencies, lower operating costs, marketing strength, and customer-service training to assure enjoyable guest experiences and improved fiscal outlook.



Enterprise Funds

	Golf Course				
	FY17	FY18	FY18	FY19	% Budget
	Actual	Budget	Estimate	Budget	Change
Revenues					
Greens Fees	\$ 1,412,110	\$ 1,453,503	\$ 1,519,059	\$ 1,444,353	-0.6%
Cart Rentals	528,043	520,565	580,845	561,785	7.9%
Pro Shop	103,121	116,801	108,017	99,008	-15.2%
Food and Beverage	984,821	967,066	959,089	983,791	1.7%
Lease Purchase	-	500,000	-	-	
Misc/Contingency	5,548	300,000	110,129	300,000	0.0%
Total Revenues	\$ 3,033,643	\$ 3,857,935	\$ 3,277,139	\$ 3,388,937	-12.2%
Expenditures					
Billy Casper Golf Operations	\$ 1,807,948	\$ 1,889,141	\$ 1,870,228	\$ 1,808,932	-4.2%
Recreation Services Operations	1,374,929	1,384,473	1,441,511	1,442,510	4.2%
Contingency	-	300,000	-	300,000	0.0%
Operating Expenditures	3,182,877	3,573,614	3,311,739	3,551,442	-0.6%
Capital Expenditures	41,483	104,500	104,500	165,500	58.4%
Cart Replacement	-	500,000	508,175	-	-100.0%
Total Expenditures	\$ 3,224,360	\$ 4,178,114	\$ 3,924,414	\$ 3,716,942	-11.0%
Net Income (Loss)	\$ (190,717)	\$ (320,179)	\$ (647,275)	\$ (328,005)	

Revenues

Greens Fees: These are projected to be stable compared to FY18. This revenue is extremely sensitive to weather and a construction project on Highway 89 is expected to impact these revenues.

Cart Rentals: This revenue is derived from golf cart rentals.

Pro Shop Sales: These are merchandise sales from the shop located at the golf course.

Restaurant (Food and Beverage): The Manzanita Grill is a full service restaurant and bar to serve golfers and non-golfers. The restaurant also provides banquet catering for the Centennial Center for group events. This revenue source is estimated to increase by 1.7% in FY19 over FY18.

Contingency: A contingency revenue and matching expense is budgeted to provide flexibility if revenues exceed projections.

Expenditures

The Parks, Lakes, Trails, and Landscape Division of Recreation Services maintains the course. All other aspects of the golf course operations and staff are managed by Billy Casper Golf. Capital expenditures are to purchase some golf course equipment in need of replacement.

Fund Balance

The Golf Course Fund has operated in a deficit position. The General Fund provides an internal loan with interest to offset the negative balance. The contract for operations is intended to improve the financial outlook of this fund. During FY19, this internal loan may be resolved or forgiven by City Council. In conjunction a policy change could occur to begin allowing the General Fund to cover any operational deficits and capital expenditures through an annual transfer of funds.

Enterprise Funds

Airport

The Airport is classified by the Federal Aviation Administration as a non-primary commercial service airport (between 2,500 and 10,000 passenger enplanements annually) and is used by a wide range of activities to include scheduled airline service, recreational aviation, corporate aviation, aircraft maintenance, flight training, aerial firefighting operations, military aviation, medical flights, and aviation education activities.

The Airport Enterprise Fund accounts for the financial activities for the operation, maintenance and development of Ernest A. Love Field/Prescott Municipal Airport. The airport opened in 1926 and re-named in 1928 to honor Prescott native Ernest A. Love who died while serving as a fighter pilot in the U.S. Army Air Service during World War I.

Over time, the airport has evolved into a facility comprised of approximately 760 acres of land with three runways, an airport terminal, FAA air traffic control tower, fixed base operation. Services provided include aviation fuel, aircraft services, and aircraft storage (hangar and tie-downs) to accommodate approximately 350 airplanes and helicopters in addition to transient aircraft.

Embry-Riddle Aeronautical University (ERAU), the world's only accredited 100% aviation-oriented university, has conducted flight training operations at Love Field since 1977. The university opened their western campus in Prescott in 1978 and currently hosts over 1,500 students annually.

In addition to ERAU, several other companies conduct fixed wing and helicopter flight training operations. Guidance Aviation conducts helicopter training through partnership with Yavapai College; North-Aire Aviation conducts fixed wing training through partnership with Yavapai College; and Universal Helicopters conducts helicopter training through partnership with ERAU.

Legend Aviation currently operates as the sole fixed-base operation (FBO) providing aviation fuel services and customer support services to include assisting customers with arranging for ground transportation, lodging and catering. The City of Prescott operated the FBO until privatizing the operation in 2008.

The United States Forest Service (USFS) established an aerial firefighting base at Prescott in 1962. In May 1992, the USFS dedicated a new facility, the Prescott Fire Center and Henry Y.H. Kim Aviation Facility, to support firefighting operations. With its aviation, communications and coordination capabilities, the Center can dispatch aircraft/helicopters, supplies, equipment, and crews to assist with emergency incidents throughout Southwest.

Enterprise Funds

Airport

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Budget Change
Operating Revenues					
Tie Down and Hangar Rentals	\$ 681,323	\$ 661,370	\$ 677,620	\$ 680,620	2.9%
Ground Rentals	505,363	506,116	525,259	528,963	4.5%
Facilities Rentals	177,900	172,624	174,496	174,275	1.0%
Fuel Flowage Fee	94,384	86,500	83,000	83,000	-4.0%
Landing Fees	25,451	18,500	19,100	20,600	11.4%
Miscellaneous/Interest Earnings	103,863	69,430	78,330	69,766	0.5%
Total Revenues	\$ 1,588,284	\$ 1,514,540	\$ 1,557,805	\$ 1,557,224	2.8%
Operating Expenditures					
Fire Department - ARFF	\$ 485,549	\$ 588,393	\$ 530,948	\$ 227,141	-61.4%
Airport Operations	1,221,540	1,321,933	1,278,176	1,346,721	1.9%
Total Operating Expenditures	\$ 1,707,089	\$ 1,910,326	\$ 1,809,124	\$ 1,573,862	-17.6%
Operating Profit (Loss)	\$ (118,805)	\$ (395,786)	\$ (251,319)	\$ (16,638)	-95.8%
Capital Outlay/Projects					
FAA/ADOT Grant Revenue	\$ 1,195,735	\$ 3,127,700	\$ 966,192	\$ 5,390,809	72.4%
Capital Outlay/Projects	1,697,985	3,449,825	1,198,966	7,174,034	108.0%
City Share of Projects	\$ (502,250)	\$ (322,125)	\$ (232,774)	\$ (1,783,225)	453.6%
Total General Fund Transfer In	\$ (621,055)	\$ (717,911)	\$ (484,093)	\$ (1,799,863)	150.7%

Revenue

Tie Down and Hangar Rentals: Monthly rental of city-operated aircraft hangars, shades, open tie-downs and storage units. Rental fees are evaluated on an annual basis.

Ground Rentals: Rental of vacant property as well as existing ground leases based on fair market appraisals.

Facilities Rentals: Represent facility lease and license agreement charges for commercial tenants operating in the terminal building and other leased facilities.

Fuel Flowage Fee: A fuel flowage fee is a specified charge per gallon of fuel pumped and paid to the airport by the entity pumping the fuel (retail sale or bulk self-service non-retail).

Landing Fees: These are fees assessed to all air carriers, cargo carriers, and chartered flights/large commercial aircraft above 12,500 pounds gross landing weight using the airport per landing.

Miscellaneous/Interest Earnings: Miscellaneous revenues consist of other revenue items that do not occur on a regular basis or are minor in total revenues received. This includes transient aircraft overnight parking fees, facility transfer fees, aviation self-fuel permits, vehicles storage permits, vending concessions, fingerprinting, and advertising concessions.

Enterprise Funds

Expenditures

Operations at the airport are managed by the Airport Department. The Fire Department staffs and manages the Aircraft Rescue and Firefighting (ARFF) service, which is charged to the Airport Fund. Starting with FY19, only 12 hour per day coverage will be charged to the Airport Fund, with the remaining 12 hours covered by the General Fund. Also, the PSPRS unfunded liability portion of personnel costs will be funded from the General Fund. Combined, this results in a 61% decrease in ARFF expenditures.

The changes in expenditures will be discussed in the “Department Operational Plans” section in this document.

The capital budget consists of three types of funding structures:

1. For federally-eligible projects, the Federal Aviation Administration (FAA) provides grant funding for 95% of eligible project costs, with the Arizona Department of Transportation Aeronautics Division contributing 2.5% of eligible project costs through the State Aviation Fund. The City contributes the remaining 2.5%.
2. For state-eligible projects, the Arizona Department of Transportation (ADOT) Aeronautics Division provides State Aviation Funds for 90% of eligible project costs with the City contributing the remaining 10%.
3. For local-only projects, the City provides 100% of all project costs.

The total City share for capital is a combination of the city grant match and the local only projects. The capital program at the Airport is largely funded through grants.

General Fund Transfer In

Per Council policy, to the extent airport revenues do not cover operations or capital expenditures, non-airport revenues are used to fund these requirements. This General Fund support does not constitute an internal loan.

Internal Service Funds

The City of Prescott's internal service funds are used to account for services provided to other City funds on a cost-reimbursement basis and are accounted for separately. These include the Engineering, Facilities Maintenance, Fleet Maintenance, and Risk Management Funds.

Internal Service Funds					
	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Budget Change
Revenues					
Engineering	\$ 1,634,107	\$ 2,071,499	\$ 1,914,738	\$ 1,912,889	-7.7%
Facilities Maintenance	1,536,006	1,667,051	1,668,024	1,691,269	1.5%
Fleet Maintenance	2,202,155	5,355,477	3,383,323	2,330,606	-56.5%
Risk Management	957,099	970,000	980,000	1,030,000	6.2%
Total Revenues	\$ 6,329,367	\$ 10,064,027	\$ 7,946,085	\$ 6,964,764	-30.8%
Operating Expenditures					
Engineering	\$ 1,846,760	\$ 2,046,499	\$ 1,887,238	\$ 1,876,645	-8.3%
Facilities Maintenance	1,540,821	1,479,303	1,477,652	1,645,217	11.2%
Fleet Maintenance	2,534,324	5,390,477	5,398,779	2,328,817	-56.8%
Risk Management	925,635	1,090,100	1,090,100	1,090,000	0.0%
Total Operating	\$ 6,847,540	\$ 10,006,379	\$ 9,853,769	\$ 6,940,679	-30.6%
Capital Expenditures					
Engineering	\$ 80,864	\$ 25,000	\$ 27,500	\$ 35,000	40.0%
Facilities Maintenance	157,794	30,000	30,700	-	-100.0%
Fleet Maintenance	53,416	830,000	821,145	-	-100.0%
Total Capital	\$ 292,074	\$ 885,000	\$ 879,345	\$ 35,000	-96.0%
Total Expenditures	\$ 7,139,614	\$ 10,891,379	\$ 10,733,114	\$ 6,975,679	-36.0%
Ending Fund Balance 6/30					
Engineering	\$ 917,038	\$ 917,038	\$ 917,038	\$ 918,282	
Facilities Maintenance	254,247	411,995	413,919	459,971	
Fleet Maintenance	2,836,601	1,971,601	-	1,789	
Risk Management	1,454,203	1,334,103	1,344,103	1,284,103	

Revenue

Revenues represent charges to other City operating units on a cost reimbursement basis. Engineering services are mainly charged on an hour per worked basis to capital projects. Facilities charges each City facility it maintains a cost per square foot. Fleet charges an hourly shop rate for labor and recovers the costs of the parts by charging for all vehicle maintenance and repairs. Risk Management recovers the cost of the City's liability policy on a proportion of budget basis.

Expenditures

Engineering operates as a division of Public Works, Fleet and Facilities are in the Recreation Services Department, and Risk Management is managed by the Legal Department. Capital expenditures for fleet maintenance relate to vehicle purchases for General Fund departments and shop equipment when needed.

Internal Service Funds

Fund Balance

The fund balance for internal service funds is accumulated for capital items. Fleet Maintenance fund balance is depleted in FY18. Starting with FY19, vehicles will be funded out of each department's operational fund. The Risk Management fund balance decrease is intentional to utilize the funds that were accumulated during the times when the City was self-insured. Effective June 2013, the City of Prescott is insured by the Arizona Municipal Risk Retention Pool.

City Debt Summary

The following summaries are intended to provide general information on City-wide debt obligations. The debt service payments for all other debt besides the General Obligation bonds are accounted for in their respective funds.

General obligation bonds are perhaps the most common method used to raise revenues for large scale municipal projects. The bonds are referred to as general obligation or full faith and credit bonds because they are guaranteed by the full taxing power of the city or town. These bonds are retired from secondary property tax funds. The amount of indebtedness that a city or town can incur through the issuance of general obligation bonds is limited in the state constitution. The constitution states that for general municipal purposes a municipality cannot incur a debt exceeding 6 percent of the assessed valuation of taxable property in the city or town. Additional bonds amounting to 20 percent of the assessed valuation of taxable property can be issued for supplying such specific city and town projects as water, artificial light, sewers, and for the acquisition and development of land for open space preserves, parks, playgrounds and recreational facilities.

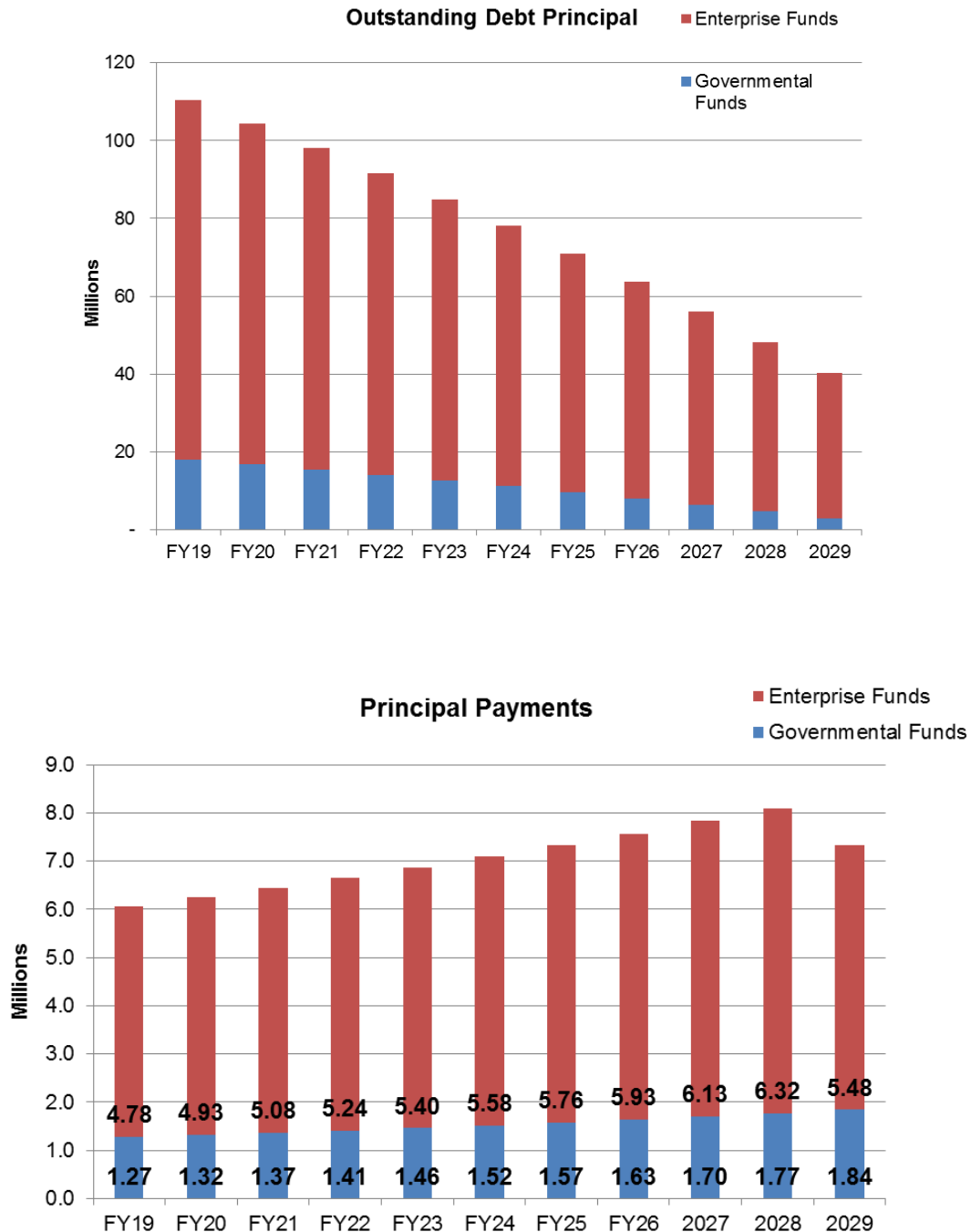
The issuance of general obligation bonds must be submitted to the voters for approval. The City currently has no outstanding general obligation bonds and the total bonding capacity is depicted below:

	<u>General Obligation Bonds</u>	
	All Others 6%	Water & Sewer 20%
<u>Legal Debt Limitation</u>		
Assessed Valuation - \$633,596,749	\$ 38,015,805	\$ 126,719,350
<u>Outstanding Debt</u>		
No outstanding GO Bond Debt	-	-
Total outstanding debt	-	-
Total margin available	<u>\$ 38,015,805</u>	<u>\$ 126,719,350</u>
Total debt applicable to the limit as a percentage	0.0%	0.0%

City Debt Summary

City-wide, the debts are mostly obligations of Enterprise funds, which are repaid by charges for services. The governmental debt is for municipal property corporation bonds issued for the State Route 89A/Granite Dells Parkway Interchange and is repaid by the 1% sales tax dedicated to streets.

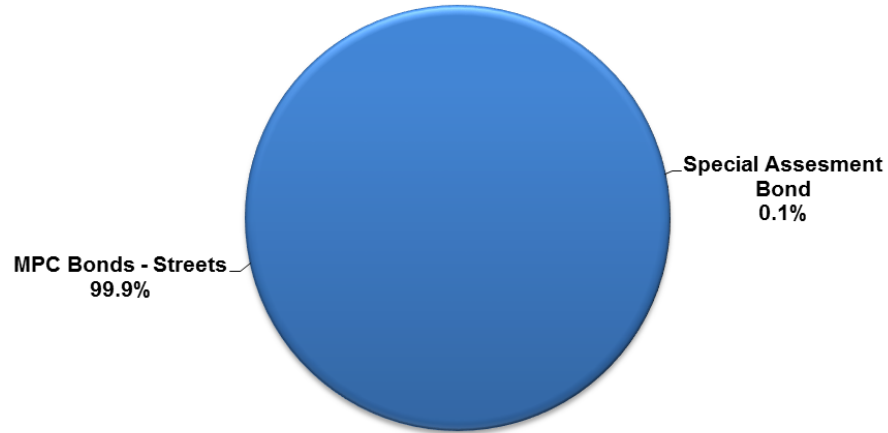
Outstanding debt principal city-wide can be observed in the charts on the following:



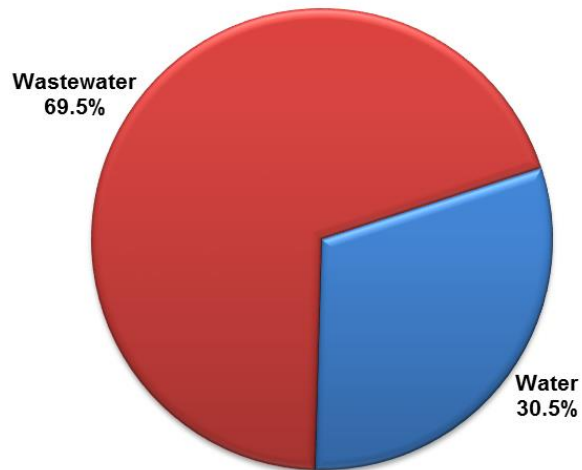
City Debt Summary

Below are two charts that show the share of the proprietary and governmental funds debt into funds:

Governmental Fund Debt



Proprietary Fund Debt



Department Operational Plans

Departmental Operational Plans Overview	92
City Expenditure Budget by Department and Fund	94
City Expenditure Budget by Department and Category	95
Airport	96
Budget and Finance	100
City Clerk	109
City Council	113
City Court.....	117
City Manager	121
Community Development	136
Fire	143
Legal.....	155
Library.....	160
Police.....	168
Public Works.....	179
Recreation Services	203
Regional Communications	217



Department Operational Plans

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Department Operational Plans Overview

In formulating the budget each year, the City's departments translate high-level strategic direction of the City Council into action plans. Council's strategic goals are summarized below:

Goal #1 Stabilizing the General Fund, continually supporting the market compensation plan, and providing adequate and stable funding and flexibility to maintain a balanced budget as required by the Charter.

Objectives:

1. Stabilize General Fund
2. Retire unfunded liability of based on FY17/18 actuarial, administrative, and financial assumptions as soon as possible.
3. Legislative relief regarding PSPRS

Goal #2 Economic Development – providing an environment to enable prosperity and job/career creation

Drivers: tourism, medical, government, education, growth, supply chain industries, high-tech, and cyber security.

Objectives:

1. Taking better advantage of community assets
2. Explore regionalization of the airport
3. Build a destination passenger terminal and other amenities such as a restaurant and conference meeting space; lengthen the runways
4. Secure reliable commercial essential air service

Goal #3 Quality of Life – A clean and safe city that provides superior essential services and enhances opportunities that allow for retention and attraction of people who want to live, learn, work, and play in Prescott.

Objectives:

1. Natural Resource Preservation and Conservation – Engage in cooperative efforts with political entities, subdivisions, and private property owners to work to assure the preservation and conservation of our natural resources
2. Highly-Rated City Services: Perceived as and are (measurably) delivering efficient and effective services including transportation with improved flow, well-maintained streets, public safety, code enforcement, water and wastewater services
3. Cultural and Recreational Experiences – To facilitate intergovernmental agreements and public-private partnerships to provide opportunities for cultural and recreational experiences.

Department Operational Plans Overview

Goal #4 Service-Oriented Culture – Promote an accountable organizational culture of excellent/superior/solutions-driven service

Objectives:

1. Measurably promote excellent service delivery based on trustworthy, timely, problem- solving, engaging, valuable, accessible, actionable, fair, consistent, and common-sense service as permitted by existing resources and by effective use of those resources.
2. Promote continuous process improvement which fosters better processes and procedures to improve customer service and provide quality services at the lowest possible cost to taxpayers.

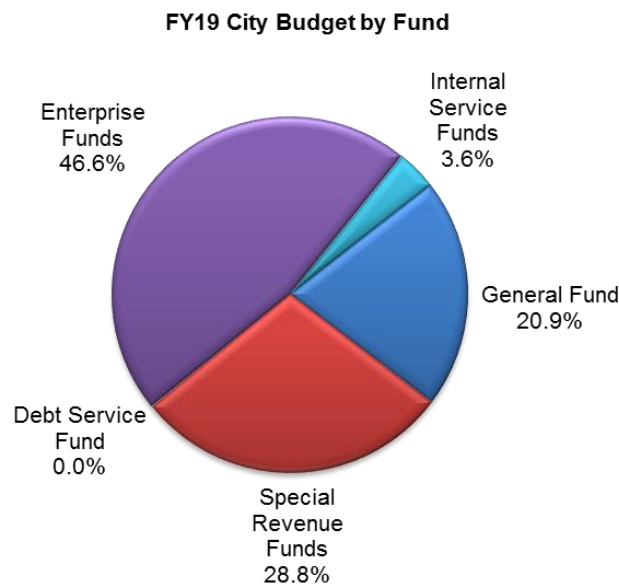
A summary of each department and the divisions are presented in this section of this budget document. Each department and division section includes a mission and a description of the services it provides. On the division level, the main objectives are presented. Each division includes performance measures to evaluate progress toward and achievement of the desired outcomes. Divisions also provide key results and outcomes for the prior fiscal year. The financial and staffing resources allocated to each department are summarized in schedules. The budgeted expenditures for the fiscal year will be compared to the two prior fiscal years.

City Expenditure Budget by Department and Fund

Department	General Fund Tax Base	General Fund Program Revenues	Special Revenue Funds	Debt Service Funds	Enterprise Funds	Internal Service Funds	Total
Airport	\$ -	\$ -	\$ -	\$ -	\$ 8,520,755	\$ -	\$ 8,520,755
Budget & Finance	346,472	192,200	197,928	-	1,180,512	43,053	1,960,165
City Clerk	58,401	-	121,391	-	307,089	26,406	513,287
City Council	46,895	-	38,360	-	97,043	8,344	190,642
City Court	520,649	93,500	26,000	-	-	-	640,149
City Manager	1,558,582	-	1,487,195	-	1,490,163	167,916	4,703,856
Community Development	231,334	1,449,000	584,410	-	-	-	2,264,744
Fire	8,852,491	479,123	488,359	-	227,141	-	10,047,114
Legal	268,451	-	219,588	-	555,502	1,137,766	2,181,307
Library	1,673,362	624,208	110,432	-	-	-	2,408,002
Police	10,904,139	395,650	868,532	-	-	-	12,168,321
Public Works	-	-	34,707,879	-	76,422,324	1,911,645	113,041,848
Recreation Services	3,211,553	676,060	2,424,102	-	1,608,010	3,974,034	11,893,759
Regional Communications	1,665,405	1,653,755	-	-	-	-	3,319,160
Non-departmental ¹	7,484,406	-	15,027,708	5,576	2,108,932	-	24,626,622
Internal Cost Allocations ²	(2,432,441)	-	(1,129,087)	-	(3,357,893)	(289,545)	(7,208,966)
City Total	\$ 34,389,699	\$ 5,563,496	\$ 55,172,797	\$ 5,576	\$ 89,159,578	\$ 6,979,619	\$ 191,270,765

¹Non-departmental budgets including the use of General Fund retirement reserve, Debt Service Fund, Golf course operations managed by Billy Casper Golf, grant contingency, PSPRS dedicated tax payments, and General Fund PSPRS unfunded liability payments.

²Expenditures for General Fund administrative support departments are shown in total, as well as included as internal costs in the department where the costs are allocated. To reconcile total expenditures to the FY17 adopted budget this duplication is eliminated in the line titled "Internal Cost Allocations."



City Expenditure Budget by Department and Category

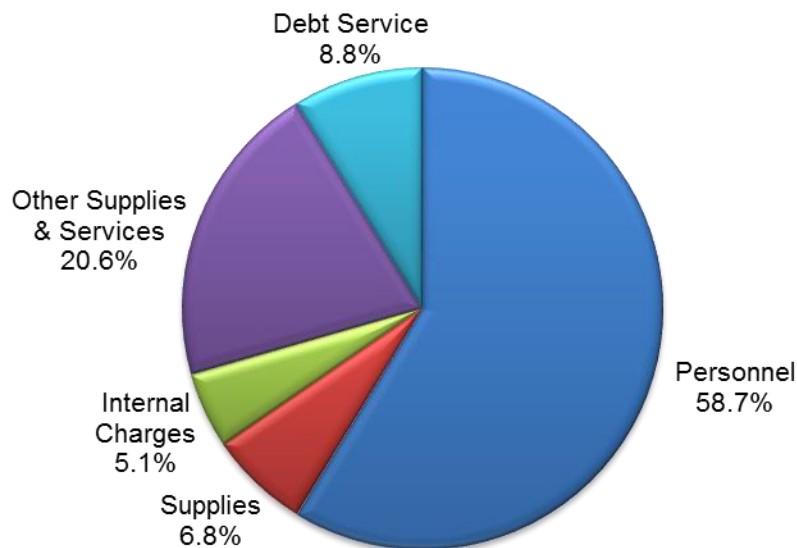
Department	FTEs	Personnel	Supplies	Internal Charges	Other Supplies & Services	Debt Service	Capital	Total
Airport	9.00	\$ 706,565	\$ 122,350	\$ 233,931	\$ 283,875	\$ -	\$ 7,174,034	\$ 8,520,755
Budget & Finance	15.75	1,251,917	11,500	77,106	619,642	-	-	1,960,165
City Clerk	3.00	306,038	7,075	31,624	168,550	-	-	513,287
City Council	7.00	49,535	9,600	34,607	96,900	-	-	190,642
City Court	7.00	448,522	9,000	12,477	170,150	-	-	640,149
City Manager	27.50	2,591,475	392,600	139,652	1,580,129	-	-	4,703,856
Community Development	14.25	1,324,305	39,350	103,829	174,628	-	622,632	2,264,744
Fire	65.00	6,971,414	494,329	1,121,382	482,130	-	977,859	10,047,114
Legal	8.00	873,556	9,600	36,586	1,248,565	-	13,000	2,181,307
Library	21.50	1,623,828	294,724	212,412	277,038	-	-	2,408,002
Police	87.00	8,280,069	786,292	2,007,716	520,244	-	574,000	12,168,321
Public Works	156.25	12,692,136	2,531,150	7,542,929	10,888,893	9,584,537	69,802,203	113,041,848
Recreation Services	47.00	4,060,000	1,825,247	914,807	2,246,720	-	2,846,985	11,893,759
Regional Communications	30.00	2,407,351	18,950	268,959	298,900	-	325,000	3,319,160
Non-departmental ¹	-	20,349,666	821,300	40,617	3,409,463	5,576	-	24,626,622
Internal Cost Allocations ²	-	-	-	(7,208,966)	-	-	-	(7,208,966)
City Total	<u>498.25³</u>	<u>\$ 63,936,377</u>	<u>\$ 7,373,067</u>	<u>\$ 5,569,668</u>	<u>\$ 22,465,827</u>	<u>\$ 9,590,113</u>	<u>\$ 82,335,713</u>	<u>\$ 191,270,765</u>

¹Non-departmental budgets including the use of General Fund retirement reserve, Debt Service Fund, Golf course operations managed by Billy Casper Golf, grant contingency, PSPRS dedicated tax payments, and General Fund PSPRS unfunded liability payments.

²Expenditures for General Fund administrative support departments are shown in total, as well as included as internal costs in the department where the costs are allocated. To reconcile total expenditures to the FY18 adopted budget this duplication is eliminated in the line titled "Internal Cost Allocations."

³Full time equivalents (FTEs) include only permanent employees. In addition, the City employs temporary employees estimated at 51 FTEs.

FY19 City Operating Budget by Type



Airport

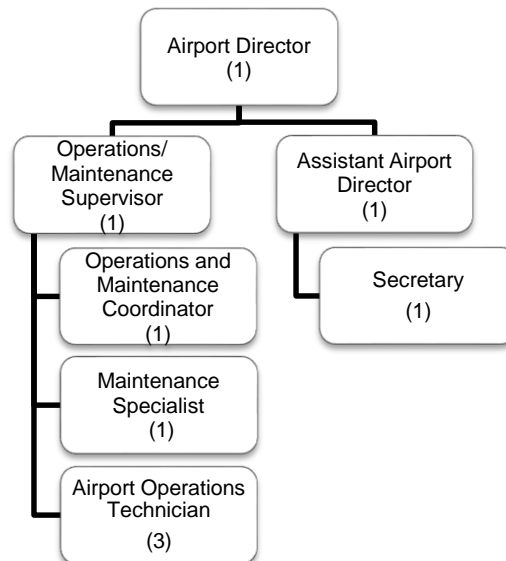
Department Mission

To operate the airport facilities in a safe, efficient, and customer friendly manner by ensuring the effective and efficient use of City resources; thus contributing to the economic growth of the community, while complying with all applicable regulations as determined by the Federal Aviation Administration and Transportation Security Administration.

Services

The Airport Department is responsible for the safety, security and general operations at the Prescott Municipal Airport. The Airport Department also manages all airport properties and facilities, provides tenant services and undertakes grant administration, contract negotiation and management, and airfield management and maintenance functions.

Organization and Personnel



Department Summary - Authorized Staffing

	FY17	FY18	FY19
Authorized Staffing Level	<u>9.25</u>	<u>9.00</u>	<u>9.00</u>
Director of Economic Initiatives ¹	0.25	-	-
Airport Director	0.00	-	1.00
Assistant Airport Director	0.00	-	1.00
Airport Manager	1.00	1.00	-
Assistant Airport Manager	-	1.00	-
Operations & Maint. Supervisor	1.00	1.00	1.00
Operations & Maint. Coordinator	-	0.00	1.00
Maintenance Specialist	2.00	2.00	1.00
Airport Operations Technician	3.00	3.00	3.00
Management Analyst	1.00	-	-
Secretary	1.00	1.00	1.00

¹ 75% of Director of Economic Initiatives was charged to Economic Development.

Airport

FY19 Objectives

- Increase the number of passenger enplanements by investing in marketing and conducting active outreach with airline prospects and seeking regional partnerships.
- Develop airport facilities in accordance with airport planning documents and seeing maximum external (Federal and state) funding to support necessary capital improvements.
- Ensure safe and efficient airfield operations (including ensuring proper maintenance of facilities) in compliance with FAA standards and grant assurances.
- Achieve self-sustaining income levels and promote economic growth by maintaining facility capacity, collecting airport fees, and charging fair market values for land and facilities.
- Complete a True Market Survey and conduct outreach to a minimum of 2 carrier prospects for the upcoming EAS bid.

Measure Type	Performance Measure	FY17 Actual	FY18 Target	FY18 Estimate	FY19 Target
Outcome	Achieve a min of \$2Mil a year from capital funding from state and federal sources	\$1.2Mil	\$2Mil	\$1Mil	\$2Mil
Outcome	Improve annual passenger enplanements by 10% year over year, with the ultimate goal of 10,000 passenger enplanements	5,850/69%	6,438/10%	6,051/5%	9,000/10%
Outcome	10% of taxiway linear feet will be maintained or improved per fiscal year in support of grant assurances	N/A*	10%	10%	10%
Outcome	Percentage of facilities rented	95%	97%	99%	97%
	Passenger satisfaction of airport and commercial airline service rated as above average or excellent	N/A*	N/A*	N/A*	70%

*New Measure

Analysis of Performance: Great Lakes Airlines ceased service on March 26, 2018, so the FY18 enplanements will be lower than projected.

FY18 Key Results and Outcomes

- 233,443 flight operations (aircraft take-off or landing) in CY 2017.
- 35th busiest airport per operations in the US (General Aviation & Commercial Service) CY17
- 5th busiest airport in Arizona (PHX, Deer Valley & Mesa) CY17
- 5,850 passenger enplanements on Great Lakes Airline, A 2,396 passenger increase (69%) increase in CY17 over the prior year
- Complete Airport Master Plan
- Complete design project for the Runway Rehabilitation and Hot Spot #2 Runway Incursion Mitigation Project
- Solicited and received over \$6 Million in Federal and state grants for Capital Improvement Projects that include:

Airport

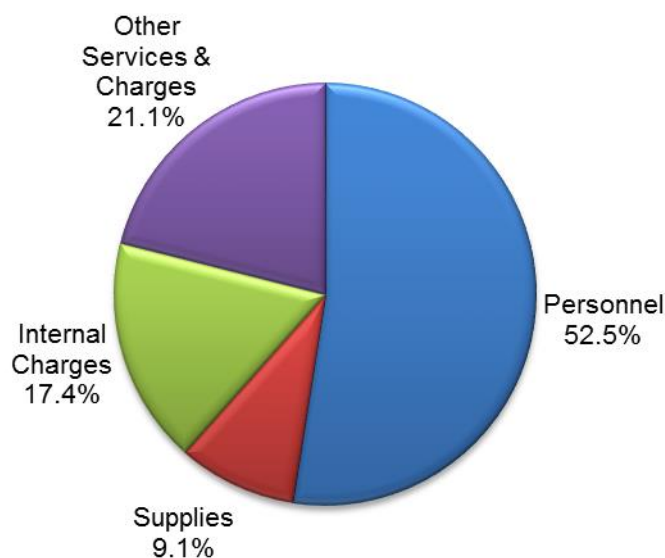
- *Airport Master Plan.* City leaders also conducted successful meetings with key members of the FAA and ADOT to increase airport development beyond FY18, including the potential terminal building development.
- *Design Portion of the Runway Rehabilitation Project and Hot Spot #2 Runway Incursion Mitigation Project.* Construction to be completed in FY 19.
- Partnered with Embry Riddle Aeronautical University to host the public OctoberWest Event. It was reported that 3,500 to 4,000 were in attendance.

Expenditure Budget

Department Summary - Expenditure by Type

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 675,724	\$ 694,841	\$ 688,623	\$ 706,565	2%
Supplies	141,463	127,450	124,584	122,350	-4%
Internal Charges	181,481	243,967	236,420	233,931	-4%
Other Services & Charges	229,879	255,675	228,549	283,875	11%
Subtotal Operations	1,228,547	1,321,933	1,278,176	1,346,721	2%
Capital	1,690,979	3,449,825	1,198,966	7,174,034	108%
Total	\$ 2,919,526	\$ 4,771,758	\$ 2,477,142	\$ 8,520,755	79%

Airport
FY19 Operating Expenditure Budget by Type



Budget Notes and Significant Changes: No significant changes. The Other Services and Charges category includes a \$20,000 budget for airline marketing and \$35,000 for air service development.

Airport

Budget Funding Sources: The airport operates within an Enterprise Fund to account for the provision of airport services to the general aviation and commercial flying public. By policy, a General Fund transfer is used to cover capital expenditures and capital grant matches as well as any operational shortfall that user fees do not cover. For more detail on the airport fund revenues and transfers refer to the Fund Summary section of the document.

Airport Capital Outlay/Projects Detail

Description	FY19 Budget	Federal Grant	State Grant	City Share
<u>Funded by City Only</u>				
Hangar/Shade Relocation in Preparation for Terminal	\$ 900,000	\$ -	\$ -	\$ 900,000
Replacement Airline Terminal	450,000	-	-	450,000
Terminal Upgrades	150,000	-	-	150,000
Airport Pavement Preservation Program - City	120,000	-	-	120,000
Economic Impact Study	25,000	-	-	25,000
Subtotal, City Only	1,645,000	-	-	1,645,000
<u>Grant Funded Projects</u>				
RWY Rehabilitation, Lighting and Signage, TWY C2 RIM I	5,529,034	5,252,583	138,226	138,225
Subtotal, Grant Projects	5,529,034	5,252,583	138,226	138,225
Total, All Projects	\$ 7,174,034	\$ 5,252,583	\$ 138,226	\$ 1,783,225

Capital Budget Notes: The airport capital projects have significant grant funding through the Federal Aviation Administration (FAA) and the Arizona Department of Transportation (ADOT). Refer to the Capital Budget Section of this document for descriptions of each project as well as the Five-Year Capital Plan.

Budget and Finance

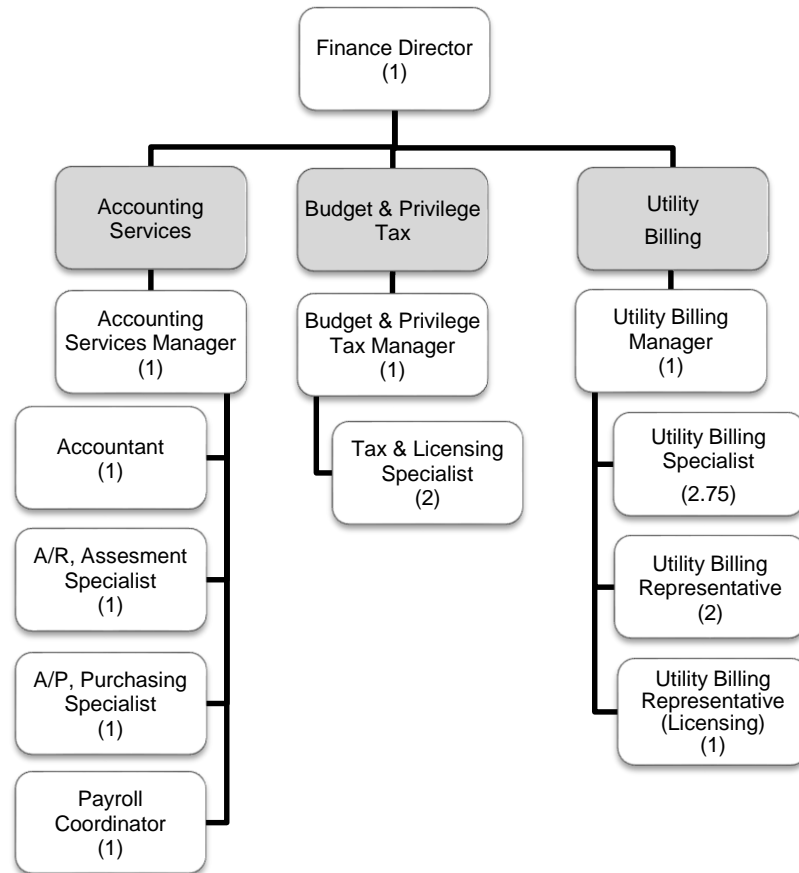
Department Mission

To ensure the effective and efficient use of City resources, conducting budgetary and financial affairs in an innovative and transparent manner in conformance with all applicable laws, and providing timely, accurate financial information to internal and external customers.

Services

The Budget and Finance Department is responsible for all major financial management functions of the City. In addition to facilitating overall financial management and reporting for the City Manager, City Council, and the general public, the department has the responsibility for budget preparation and management, accounting, transaction privilege tax, utility billing, payroll, grant accounting, procurement code compliance, cash handling controls, investments, and debt issuances.

Organization and Personnel



Department Summary - Staffing by Division

	FY17	FY18	FY19
Accounting Services	5.00	6.00	6.00
Budget & Privilege Tax	5.00	4.00	4.00
Utility Billing	<u>4.75</u>	<u>5.75</u>	<u>5.75</u>
Total Authorized Positions	14.75	15.75	15.75

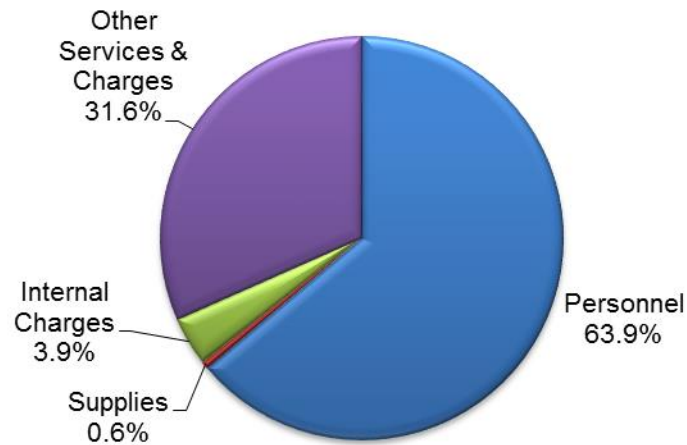
Budget and Finance

Expenditure Budget

Department Summary - Expenditure by Type

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 1,121,680	\$ 1,202,955	\$ 1,189,112	\$ 1,251,917	4%
Supplies	9,723	9,300	13,250	11,500	24%
Internal Charges	75,556	78,637	78,629	77,106	-2%
Other Services & Charges	543,624	590,830	516,044	619,642	5%
Total Operations	1,750,583	1,881,722	1,797,035	1,960,165	4%

**Budget and Finance
FY19 Operating Expenditure Budget by Type**



Department Summary - Operations Expenditure by Division

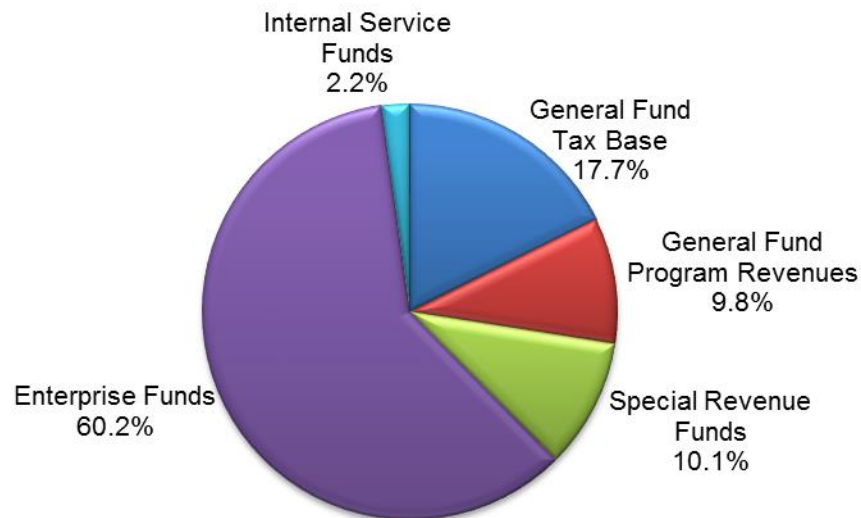
	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Accounting Services	\$ 615,623	\$ 703,883	\$ 711,901	\$ 778,445	11%
Budget & Privilege Tax	558,611	518,648	440,960	501,913	-3%
Utility Billing	576,349	659,191	644,174	679,807	3%
Total	\$ 1,750,583	\$ 1,881,722	\$ 1,797,035	\$ 1,960,165	4%

Budget and Finance

Department Summary - Funding Sources

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
General Fund Source of Funds					
Tax Base	\$ 326,352	\$ 315,194	\$ 283,720	\$ 346,472	10%
Licenses & Permits	130,667	150,650	180,200	180,200	20%
Charges for Services	21,762	15,500	15,000	12,000	-23%
General Fund Budget	478,781	481,344	478,920	538,672	12%
Special Revenue Funds	229,888	263,701	239,777	197,928	-25%
Enterprise Funds	991,513	1,091,192	1,036,979	1,180,512	8%
Internal Service Funds	50,401	45,485	41,359	43,053	-5%
Total	\$ 1,750,583	\$ 1,881,722	\$ 1,797,035	\$ 1,960,165	4%

**Budget & Finance Funding Sources
FY19 Budget**



Department Funding Sources: The Budget and Finance Department is funded through multiple funds. Per budget policy and to present the full cost of providing services, general fund internal support is allocated to Enterprise Funds, Internal Service Funds and Special Revenue Funds that benefit from the services being provided. For the Accounting Services and Budget and Privilege Tax Divisions, the General Fund net impact (proposed budget less projected program revenues) is allocated to other City operating units outside the General Fund on the proportion of budget basis. For Utility Billing, one third of operating costs are allocated to the Wastewater Fund, one third to the Solid Waste fund, and one third remains in the Water Fund. Licenses and Permits revenues increased in FY19 with business fees.

Budget and Finance

Accounting Services

Division Mission

Maintain the City's overall financial stability through sound financial planning and management. We are committed to the highest standards of accountability, accuracy, timeliness, and professionalism and innovation in providing financial services that not only meet but exceed the expectations of those we serve.

Services

The Accounting Services Division provides support services in the areas of Internal Control, Fixed Assets, Accounts Payable, General Revenues, Purchasing, Payroll, Treasury Management, Debt Financing, Grant Management, and Financial Reporting per Federal and State Standards.

FY2019 Objectives

- Apply innovative financial solutions to deliver efficient, effective, and economic accounting support.
- Provide sound financial management
- Maintain strong financial policies and management practices to safeguard the City's financial position and minimize borrowing cost.
- Manage the City's investments in accordance with the investment policy while obtaining high yields
- Prepare financial documents in accordance with the best-recognized principles and standards to achieve distinction in reporting.

Measure Type	Performance Measure	FY17 Actual	FY18 Target	FY18 Estimate	FY19 Target
Outcome	Purchases paid by credit card with a corresponding decreasing use of check or wire payments.				
	• Volume	14,722	16,200	13,930	15,000
	• % of Volume Total	50.5%	56.8%	51.2%	52.6%
	• % of Dollar Total	3.9%	5.0%	3.7%	4.5%
Outcome	Investment earnings rate over investment policy benchmark (BM)				
	Citywide earnings rate	1.30%	1.50%	1.00%	1.00%
	3 mo. US Treasury rate (BM)	0.25%	NA	0.50%	NA

Budget and Finance

FY2018 Major Achievements

- Maintained unqualified audit opinion
- Received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) of the United States and Canada for the City's Comprehensive Annual Financial Report for the thirty-seventh year in a row.
- Maintained solid obligation / excise tax bond rating:
 - Standard & Poor's: AA/AA
 - Moody's: Aa2/Aa3
 - Fitch: AA/AA

Expenditure Budget

Accounting Services

Expenditure Summary

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 487,450	\$ 544,920	\$ 559,543	\$ 591,373	9%
Supplies	2,970	2,600	3,200	2,700	4%
Internal Charges	20,989	20,113	20,113	22,242	11%
Other Services & Charges	104,214	136,250	129,045	162,130	19%
Total, Operations	\$ 615,623	\$ 703,883	\$ 711,901	\$ 778,445	11%

Authorized Staffing Summary

	FY17	FY18	FY19
Authorized Staffing Level	<u>5.00</u>	<u>6.00</u>	<u>6.00</u>
Finance Director	1.00	1.00	1.00
Accounting Services Manager	1.00	1.00	1.00
Accountant	1.00	1.00	1.00
AP/Purchasing Specialist	1.00	1.00	1.00
AR/Assessment Specialist	1.00	1.00	1.00
Payroll Coordinator	-	-	1.00
Payroll Analyst	-	1.00	-

Budget Notes and Significant Changes: The division is budgeting for a temporary part time position to help with special projects. Other Services and Charges includes \$20,000 for time and attendance software implementation services.

Budget and Finance

Budget & Privilege Tax

Division Mission

To promote voluntary tax and license compliance through systematic programs designed to educate the community in a fair, equitable, and cost-effective manner. To facilitate the budget preparation process, ensure compliance with applicable laws, and produce a high quality budget document.

Services

The Budget and Privilege Tax Division provides taxpayer assistance and education on City Tax Code and reporting to the Arizona Department of Revenue (ADOR), analyzes ADOR provided data for taxability trends and compliance, and performs compliance audits. Also, the division is responsible for City business license compliance and issuance. Finally, the Division facilitates the annual budget preparation process by assisting departments with budget requests, compiling budget workshop materials, analyzing budget changes, assisting with revenue forecasts, and assembling the annual budget document.

FY2019 Objectives

- Produce a comprehensive, user-friendly budget document that meets the criteria prescribed by the Government Finance Officers Association (GFOA).
- Continue budget improvements, especially in performance based budgeting and capital planning.
- Increase the number of businesses complying with the new City of Prescott business license requirement through educating business owners on the new requirement through mailings, media outreach, and canvassing.

Measure Type	Performance Measure	FY17 Actual	FY18 Target	FY18 Estimate	FY19 Target
Output	Number of Business Licenses:				
	In City limits licenses	1,862	5,000	3,200	5,000
	<u>Out of City limit licenses</u>	<u>971</u>	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>
	Total licenses	2,833	6,500	4,700	6,500

Analysis of Performance: The business license is a new requirement in Prescott since January 1, 2017. The process of educating getting businesses to comply is taking longer than expected.

FY2018 Major Achievements

- Received the Government Finance Officers Association (GFOA) of the United States and Canada Distinguished Budget Presentation Award for the 16th year in a row.

Budget and Finance

Expenditure Budget

Budget and Privilege Tax

Expenditure Summary

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 328,828	\$ 296,286	\$ 274,403	\$ 283,881	-4%
Supplies	2,331	2,200	3,950	4,500	105%
Internal Charges	29,143	34,882	34,882	28,805	-17%
Other Services & Charges	<u>198,309</u>	<u>185,280</u>	<u>127,725</u>	<u>184,727</u>	0%
Total, Operations	\$ 558,611	\$ 518,648	\$ 440,960	\$ 501,913	-3%

Authorized Staffing Summary

	FY17	FY18	FY19
Authorized Staffing Level	<u>5.00</u>	<u>4.00</u>	<u>4.00</u>
Budget & Tax Manager	1.00	1.00	1.00
Privilege Tax Auditor	1.00	1.00	-
Tax & Licensing Specialist	-	-	2.00
Tax & Licensing Representative	2.00	1.00	-
Utility Billing/Licensing Representat	-	-	1.00
Accounting Clerk - Licensing	1.00	1.00	-

Budget Notes and Significant Changes: FY19 supplies increase with some office equipment needs. Included in the Other Services and Charges is a \$102,500 payment to ADOR as required by the State of Arizona and \$40,000 for performance based budgeting software and consulting. The Utility Billing/Licensing Representative is under the supervision of the Utility Billing Manager starting in FY19, but will be charged here.

Budget and Finance

Utility Billing

Division Mission

Provide excellent service to the City's utility customers through accurate assessment of user charges, timely billing, and convenient payment options while protecting the City's financial interest through assertive collection processes and appropriate controls over cash.

Services

The Utility Billing Division administers the billing and collection process for the City's 24,000+ water, wastewater and solid waste accounts. In addition to billing, the Division processes service requests, changes to services, payments and pursues the collection of delinquent accounts. The Division is also responsible for managing the City's cash handling and cashiering functions which processing all cash receipts received by the City. Additional duties include the City-wide switchboard, receptionist support in City Hall, and the centralized mail processing.

FY2019 Objectives

- Produce monthly utility bills with an accurate assessment of user charges and standard billing cycle.
- Prepare and monitor a read schedule for the meter readers to keep the average bill cycle between 28-32 days.
- Provide excellent customer service through cost-effective convenient payment options such as auto pay and online bill pay.
- Effectively managing the errors during the billing process through reviewing significant usage fluctuations.
- Continue customer service policy of responding to all phone calls within 24 hours.

Measure Type	Performance Measure	FY17 Actual	FY18 Target	FY18 Estimate	FY19 Target
Outcome	Customer Satisfaction for walk-in utility customers	N/A	100%	99%	100%
Outcome	Percentage of customers enrolled in auto pay	26.4%	26%	27%	29%
Outcome	Percentage using online bill pay	8.2%	10%	11%	13%
Outcome	Percentage of customers enrolled in email option	13.25%	9%	20%	25%

FY2018 Major Achievements

- Increased enrollment in auto pay by 12%. Currently 7,471 customers are utilizing the service which is 30% of our customer base.
- Customers enrolled and using our online bill pay increased by 16%.
- Customer enrollment in email program increased by 26%.

Budget and Finance

Utility Billing

Expenditure Summary

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 305,402	\$ 361,749	\$ 355,166	\$ 376,663	4%
Supplies	4,422	4,500	6,100	4,300	-4%
Internal Charges	25,424	23,642	23,634	26,059	10%
Other Services & Charges	<u>241,101</u>	<u>269,300</u>	<u>259,274</u>	<u>272,785</u>	1%
Total, Operations	\$ 576,349	\$ 659,191	\$ 644,174	\$ 679,807	3%

Authorized Staffing Summary

	FY17	FY18	FY19
Authorized Staffing Level	<u>4.75</u>	<u>5.75</u>	<u>5.75</u>
Utility Billing Manager	1.00	1.00	1.00
Utility Billing Specialist	1.75	1.75	2.75
Utility Billing Representative	2.00	3.00	2.00

Budget Notes and Significant Changes: No significant changes.

City Clerk

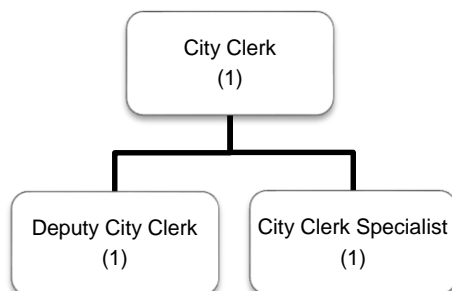
Department Mission

The City Clerk's Office strives to provide accurate information and services in a timely and professional manner to Council, staff and the public. The City Clerk's Office provides fair and impartial awareness of democratic governmental processes, maintains the integrity of the city's records, and continues to maintain the preservation of the city's history.

Services

The City Clerk's office continues to focus its efforts on providing the highest quality service that meets its customers' needs while looking for ways to be creative and innovative in delivering those services and providing government transparency by following the Open Meeting Law.

Organization and Personnel



Department Summary - Staffing

	FY17	FY18	FY19
Authorized Staffing Level	<u>3.25</u>	<u>2.75</u>	<u>3.00</u>
City Clerk	1.00	1.00	1.00
Deputy City Clerk	1.00	1.00	1.00
Administrative Specialist	0.75	0.75	1.00
Secretary	0.50	-	-

FY2019 Objectives

- Provide administrative support to the Council by supplying accurate, accessible, and timely legislative information.
- Complete City Council Meeting minutes from previous council meeting to be approved at the next scheduled City Council Meeting.
- Officially document the legislative action taken by the Council; administratively manage the filling of boards, committee, and commission seats.
- Coordinate and administer records management throughout the organization by ensuring public records are stored, maintained, destroyed and preserved effectively and efficiently, while allowing government transparency.

City Clerk

- Organize and manage the Virginia St Records Center.
- Manage fair elections by providing the tools for citizens who are interested in running for candidacy, as well as encouraging citizens to vote.
- Implement boards, commissions and committee's software module to manage the application process.
- Organize the City Clerk internal shared drive files and folders to reduce duplication, comply with retention and increase productivity.
- Educate and train staff on Accela agenda management program and On Base Records Management software program.
- Educate staff on the boards, commissions and committee's agenda and minutes' process to follow Open Meeting Law.
- Increase voter participation through education and awareness.

Measure Type	Performance Measure	FY17 Actual	FY18 Target	FY18 Estimate	FY19 Target
Outcome	Percent of records destroyed, by cubic feet per records retention schedules	80	350	300	350
Outcome	Percent of satisfaction questionnaires at Good or Above for Special Event Liquor License Process	*N/A	*N/A	*N/A	100%
Outcome	Percent of satisfaction questionnaires at Good or Above for Liquor License Application Process	*N/A	*N/A	*N/A	100%
Output	Number of Council meeting views monthly through online agenda management (IQM2)	*N/A	*N/A	*N/A	300
Outcome	Percent of agendas and minutes (Council and BCC) posted per the Open Meeting Law	100%	100%	100%	100%
Outcome	Percent of Satisfaction questionnaires at Good or Above for the Boards, Commissions, and Committees application process	*N/A	*N/A	*N/A	100%

*New Measure

Analysis of Performance:

FY2018 Major Achievements

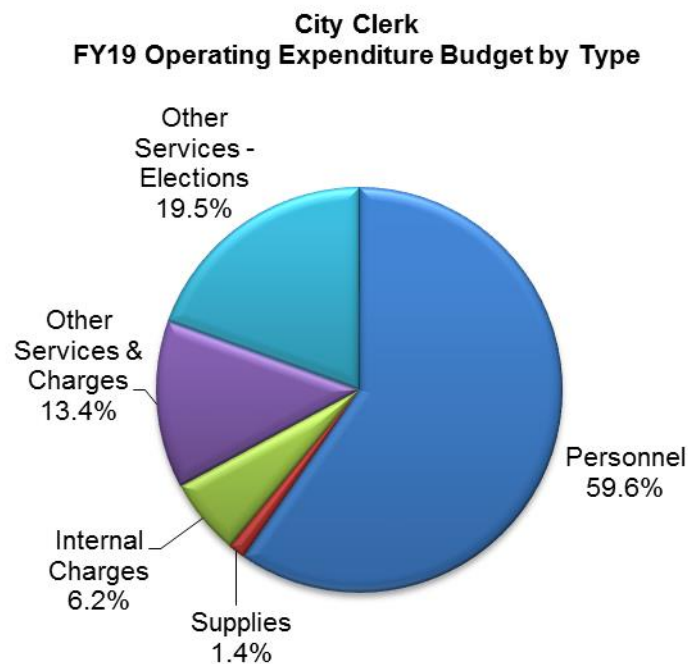
- Effectively managed the City's elections for elective offices and measures.
- Destroyed 650 boxes of records that met retention guidelines.
- Implemented Zasio software program to identify the contents of records boxes located at the Records Center.
- Organized the boards, commissions and committee's recruitment process by communicating better with applicants as well as providing organized information to the Council Subcommittee for Appointments.

City Clerk

Expenditure Budget

Department Summary - Expenditure by Type

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 275,016	\$ 235,058	\$ 277,451	\$ 306,038	30%
Supplies	4,960	6,825	11,575	7,075	4%
Internal Charges	32,559	31,853	31,853	31,624	-1%
Other Services & Charges	62,453	67,950	56,300	68,550	1%
Other Services - Elections	7,192	222,000	180,000	100,000	-55%
Total Operations	382,180	563,686	557,179	513,287	-9%



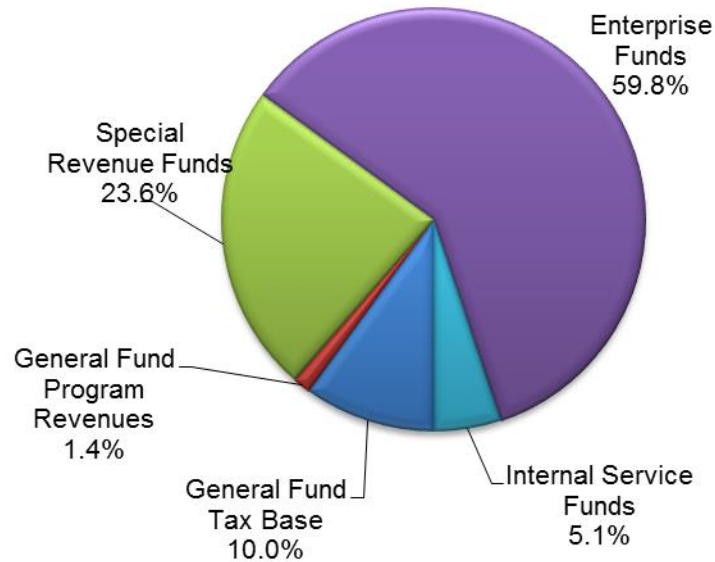
Budget Notes and Significant Changes: The personnel budget has increased in FY19 as a result reclassifications and making a $\frac{3}{4}$ time position full time. Other Services - Elections fluctuate depending on whether the City anticipates or schedules a municipal election through the Yavapai County Elections Department.

City Clerk

Department Summary - Funding Sources

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
General Fund Source of Funds					
Tax Base	\$ 98,337	\$ 133,404	\$ 124,863	\$ 51,401	-61%
Charges for Services	-	-	7,000	7,000	
General Fund Budget	98,337	133,404	131,863	58,401	-56%
Special Revenue Funds	93,859	153,087	151,320	121,391	-21%
Enterprise Funds	169,422	250,789	247,895	307,089	22%
Internal Service Funds	20,562	26,406	26,101	26,406	0%
Total	\$ 382,180	\$ 563,686	\$ 557,179	\$ 513,287	-9%

**City Clerk Operations Funding Sources
FY19 Budget**



Department Funding Sources: The City Clerk Department is funded through multiple funds. Per budget policy and to present the full cost of providing services, general fund internal support is allocated to Enterprise Funds, Internal Service Funds and Special Revenue Funds that benefit from the services being provided. The General Fund net impact (proposed budget less projected program revenues) is allocated to other City operating units outside the General Fund on the proportion of budget basis. Charges for services in the Clerk's office is mainly liquor license application fees.

City Council

Department Mission

To serve as the legislative and policy-making body of the municipal government and have responsibility for enacting City ordinances, appropriating funds to conduct City business, and providing policy direction to the administrative staff.

Services

City Council activities include responding to citizens' questions, concerns, and comments; preparing for Council and committee meetings; and attending civic dedications and fundraisers. City Council members also are called to chair or serve on various citizen committees; represent the City on boards or committees of County, State or intergovernmental associations; and speak to community service organizations, neighborhood associations, and the Chamber of Commerce. The City Council consists of elected officials, a mayor and six council members.

FY2019 Objectives

In order for the Council to further carry out the Strategic Plan, it has and will focus on the following items (as well as others) according to the Strategic Plan goals:

Goal #1 Stabilizing the General Fund, continually supporting the market compensation plan, and providing adequate and stable funding and flexibility to maintain a balanced budget as required by the Charter.

Objectives:

1. Stabilize General Fund
2. Retire unfunded liability of based on FY17/18 actuarial, administrative, and financial assumptions as soon as possible.
3. Legislative relief regarding PSPRS

Goal #2 Economic Development – providing an environment to enable prosperity and job/career creation.

Objectives:

1. Taking better advantage of community assets
2. Explore regionalization of the airport
3. Build a destination passenger terminal and other amenities such as a restaurant and conference meeting space; lengthen the runways
4. Secure reliable commercial essential air service

Goal #3 Quality of Life – A clean and safe city that provides superior essential services and enhances opportunities that allow for retention and attraction of people who want to live, learn, work, and play in Prescott.

Objectives:

1. Natural Resource Preservation and Conservation – Engage in cooperative efforts with political entities, subdivisions, and private property owners to work to assure the preservation and conservation of our natural resources
2. Highly-Rated City Services: Perceived as and are (measurably) delivering efficient and effective services including transportation with improved flow, well-maintained streets, public safety, code enforcement, water and wastewater services

City Council

3. Cultural and Recreational Experiences – To facilitate intergovernmental agreements and public-private partnerships to provide opportunities for cultural and recreational experiences.

Goal #4 Service-Oriented Culture – Promote an accountable organizational culture of excellent/superior/solutions-driven service

Objectives:

1. Measurably promote excellent service delivery based on trustworthy, timely, problem- solving, engaging, valuable, accessible, actionable, fair, consistent, and common-sense service as permitted by existing resources and by effective use of those resources.
2. Promote continuous process improvement which fosters better processes and procedures to improve customer service and provide quality services at the lowest possible cost to taxpayers.

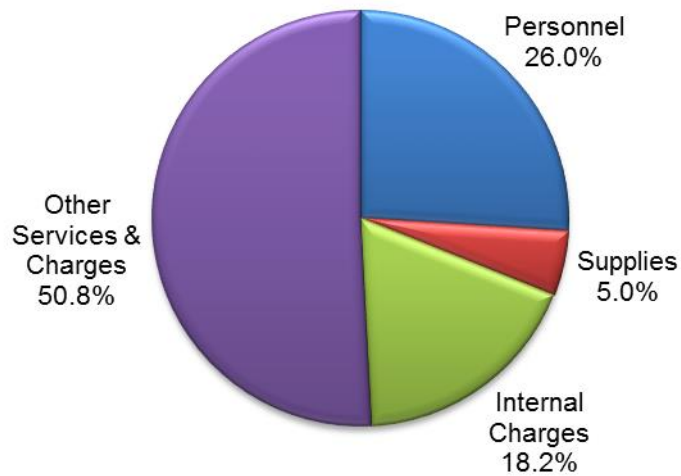
City Council

Expenditure Budget

Department Summary - Expenditure by Type

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 49,912	\$ 49,788	\$ 49,656	\$ 49,535	-1%
Supplies	4,552	2,800	7,702	9,600	243%
Internal Charges	34,949	34,304	34,304	34,607	1%
Other Services & Charges	90,252	96,063	90,728	96,900	1%
Total	\$ 179,665	\$ 182,955	\$ 182,390	\$ 190,642	4%

**City Council FY19
Expenditure Budget by Type**



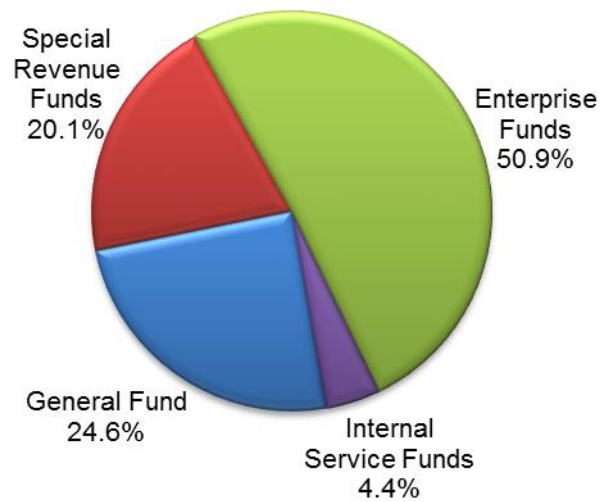
Budget Notes and Significant Changes: Supplies will increase in FY19 with a new citizen academy program.

City Council

Department Summary - Funding Sources

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
General Fund	\$ 46,238	\$ 43,731	\$ 43,166	\$ 46,895	7%
Special Revenue Funds	44,120	49,533	49,534	38,360	-23%
Enterprise Funds	79,640	81,148	81,146	97,043	20%
Internal Service Funds	9,667	8,543	8,544	8,344	-2%
Total	\$ 179,665	\$ 182,955	\$ 182,390	\$ 190,642	4%

**City Council Funding Sources
FY19 Budget**



Department Funding Sources: The City Council Department is funded through multiple funds. Per budget policy and to present the full cost of providing services, general fund internal support is allocated to Enterprise Funds, Internal Service Funds and Special Revenue Funds that benefit from the services being provided. The General Fund net impact (proposed budget less projected program revenues) is allocated to other City operating units outside the General Fund on the proportion of budget basis.

City Court

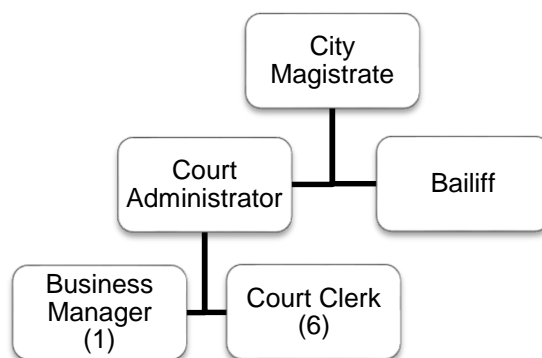
Department Mission

To provide prompt and effective judicial services, adjudicating violations of the Arizona Revised Statutes and Prescott City Code, Civil and Criminal Violations occurring within the City limits.

Services

The Court assumes an active leadership role in the community with a primary purpose of promoting public confidence and trust in the judicial system. This is done while being creative, innovative and accountable. The Court promotes and encourages the quality of life, civility, and the solving of problems in the community.

Organization and Personnel



Department Summary - Staffing

	FY17	FY18	FY19
Authorized Staffing Level	<u>6.00</u>	<u>6.00</u>	<u>7.00</u>
Business Manager	1.00	1.00	1.00
Court Clerk	5.00	5.00	6.00

FY2019 Objectives

- Utilize aggressive, court-driven case management to decrease litigant time and costs.
- Conduct trial management conferences on each jury trial to minimize last-minute delays
- Emphasize enforcement of court orders and collection efforts.
- Serve victims through court-ordered restitution.
- Expand restorative justice concept by aggressive assignment of community restitution in lieu of jail.

City Court

Measure Type	Performance Measure	FY17 Actual	FY18 Target	FY18 Estimate	FY19 Target
Outcome	Case Closure Rates (Cases both filed and paid in full during FY)	70%	70%	71%	72%
Output	Defendant's assigned community restitution	940	940	1025	1055
	Restitution hours completed	10,024	10,024	13,000	13,500
	Minimum wage value	\$85,743	\$85,743	\$110,000	\$135,000
	Incarceration savings at \$70 per day	\$185,950	\$185,950	\$188,000	\$195,800

FY2018 Major Achievements

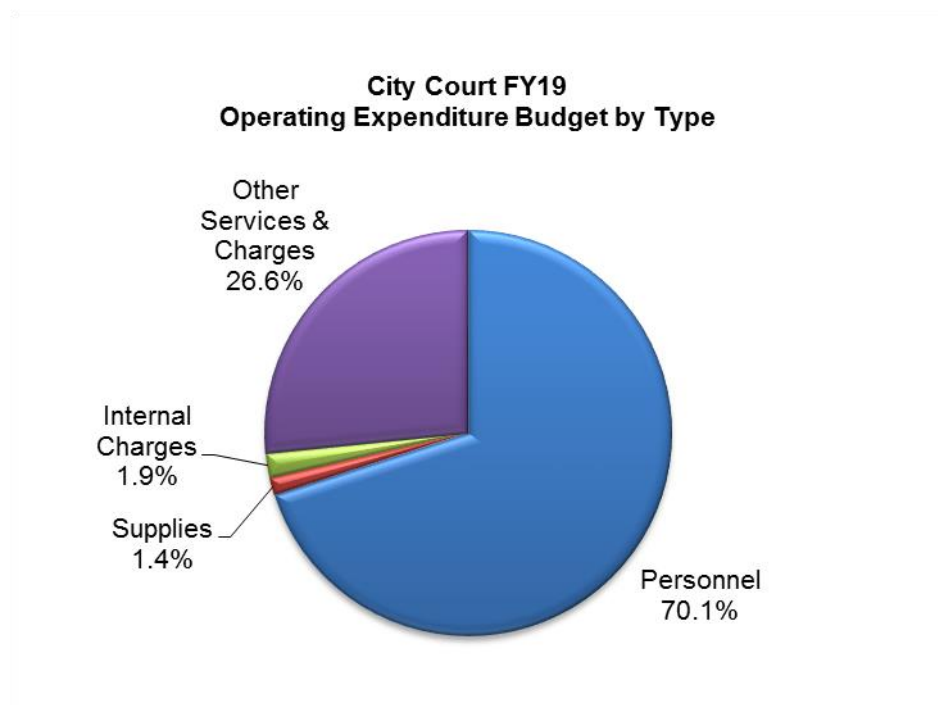
- Over the past year the City Court has successfully integrated and trained a new Consolidated Court Judge to the Bench. During that time, we also had several new clerks successfully trained and underwent construction with the help of County Facilities dept. of the back office for new cubicles, paint and carpeting.
- Working with other outside agencies including City Legal Dept. to help with paperless programs.
- Continued to foster good relations with the successful renewal of the IGA for the City and County LJ Courts.
- Working on aggressive court-driven case management resulting in decreased time and costs including working with the City Legal Dept. to clear up backlog of older cases on warrant status.
- Continued success of the use of volunteers for Civil Traffic Hearing Officers for overflow cases and to the benefit of area officers and the public in terms of professionalism and time efficiency.
- The Court has implemented a new on-line payment system that works directly with the new CMS AJACS, with the ability to auto populate directly into the case, which is a great convenience to the clerks and public.
- Continued annual renewal of the very successful grant funded Judicial Enforcement Officer program. Continued use of the Arizona Tax Intercept Program and the FARE and Valley Collection agencies to collect fines, victim restitution and fees for enforcement of court orders and collection efforts.
- Continued handling of juvenile criminal traffic cases allowing juveniles and their parents to take care of cases at one court rather than having to go to both City Court and Juvenile Probation Department.
- Continue to expand restorative justice concept by aggressive assignment of community restitution in lieu of jail.

City Court

Expenditure Budget

Department Summary - Expenditure by Type

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 353,168	\$ 432,339	\$ 430,841	\$ 448,522	4%
Supplies	5,583	9,000	8,000	9,000	0%
Internal Charges	12,271	11,458	11,458	12,477	9%
Other Services & Charges	183,145	210,400	161,800	170,150	-19%
Total	\$ 554,167	\$ 663,197	\$ 612,099	\$ 640,149	-3%

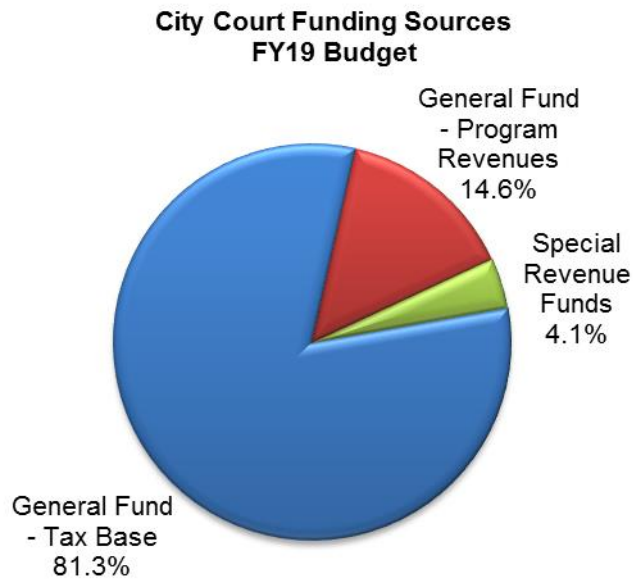


Budget Notes and Significant Changes: The City Court operates as a consolidated court with Yavapai County with operating costs shared through an Intergovernmental Agreement (IGA). The Court Administrator and Bailiff are Yavapai County employees with a portion of the personnel costs paid for by the City of Prescott. In addition, the IGA specifies a payment to Yavapai County for the shared Courthouse facility decreased by the accounting services provided by the City of Prescott. The other services and charges decrease as a result of discontinuing software service on an old system that has run simultaneously with new software for a few years. The Court operates in an uncertain environment with multiple government agencies and variables related to case expenses, causing a need for budget capacity.

City Court

Department Summary - Funding Sources

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
General Fund Sources of Funds					
Tax Base	\$ 428,224	\$ 541,197	\$ 502,699	\$ 520,649	-4%
Charges for Services	90,961	80,000	80,000	80,000	0%
Fines and Forfeitures	16,964	16,000	13,400	13,500	-16%
General Fund Budget	536,149	637,197	596,099	614,149	-4%
Special Revenue Funds	18,018	26,000	16,000	26,000	0%
Total	\$ 554,167	\$ 663,197	\$ 612,099	\$ 640,149	-3%



Department Funding Sources: The City Court Department is mainly funded through the General Fund, with 4.1 % of the budget funded through the Grant Special Revenue Fund. Court grants are support from the state court system help to offset operating costs.

City Manager

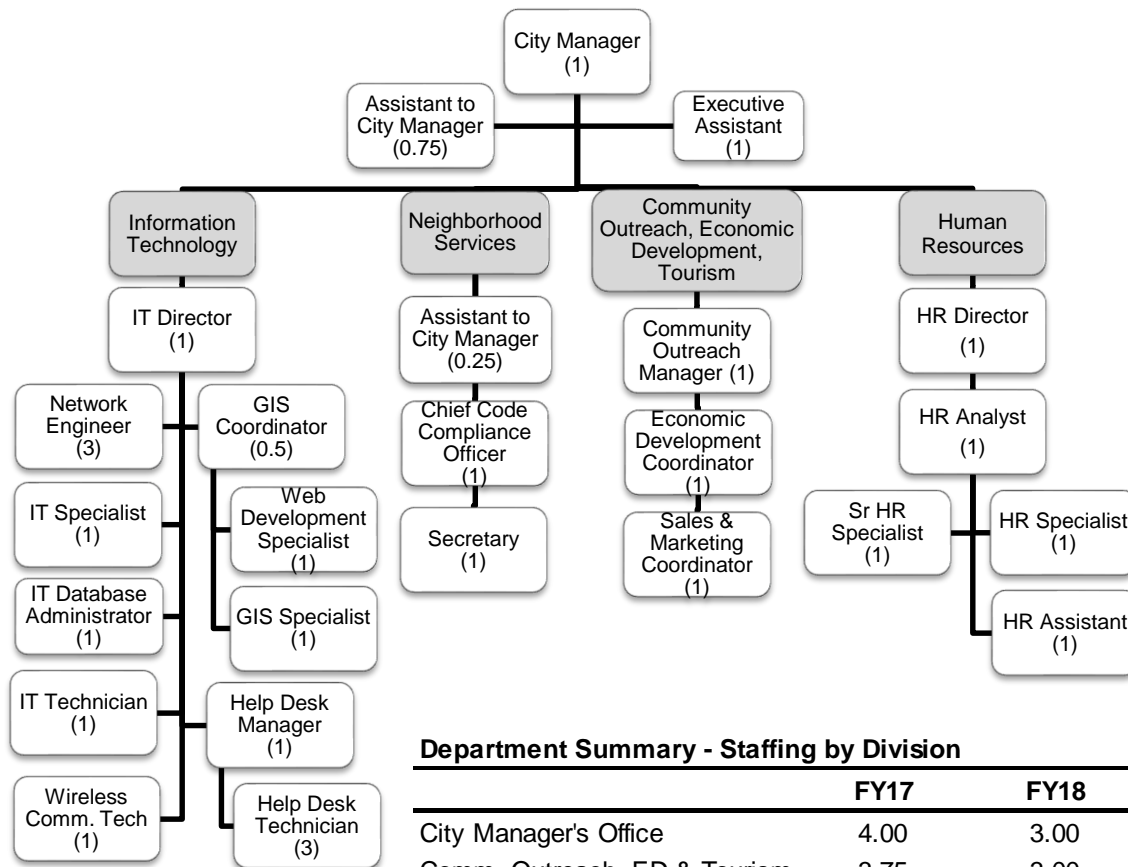
Department Mission

To provide professional administration of the policies and strategic plan goals and objectives established by City Council; facilitate and promote a culture that encourages the development of City employees; support outreach to citizens to share important information and ensure robust tourism promotion; manage the City's assured water supply in order to meet the City's General Plan and state requirements.

Services

Assists the Mayor and Council by executing the enacted policies and by monitoring legislation pertinent to local issues, directs the administration of all departments, meets with and provides information to citizens; assists with promoting employee development and excellent customer service.

Organization and Personnel



Department Summary - Staffing by Division

	FY17	FY18	FY19
City Manager's Office	4.00	3.00	2.75
Comm. Outreach, ED & Tourism	3.75	3.00	3.00
Human Resources	6.00	5.00	5.00
Neighborhood Services	1.00	2.00	2.25
Information Technology	<u>14.50</u>	<u>14.50</u>	<u>14.50</u>
Total Authorized Positions	29.25	27.50	27.50

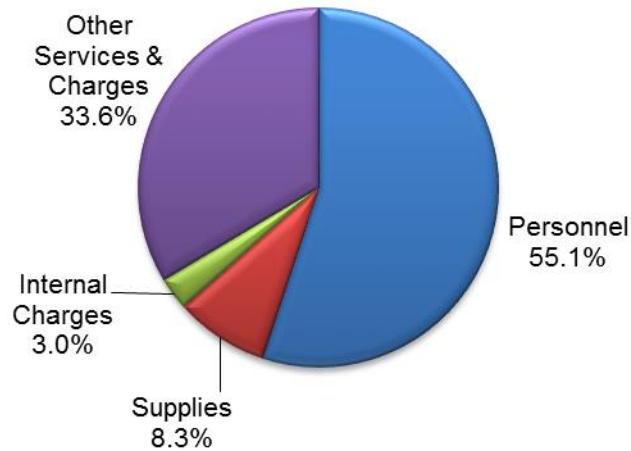
City Manager

Expenditure Budget

Department Summary - Expenditure by Type

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 2,616,106	\$ 2,483,303	\$ 2,495,444	\$ 2,591,475	4%
Supplies	327,279	356,200	350,333	392,600	10%
Internal Charges	161,526	144,546	146,411	139,652	-3%
Other Services & Charges	1,258,124	1,911,209	1,371,287	1,580,129	-17%
Total	\$ 4,363,035	\$ 4,895,258	\$ 4,363,475	\$ 4,703,856	-4%

City Manager Department FY19 Operating Expenditure Budget by Type



Department Summary - Operations Expenditure by Division

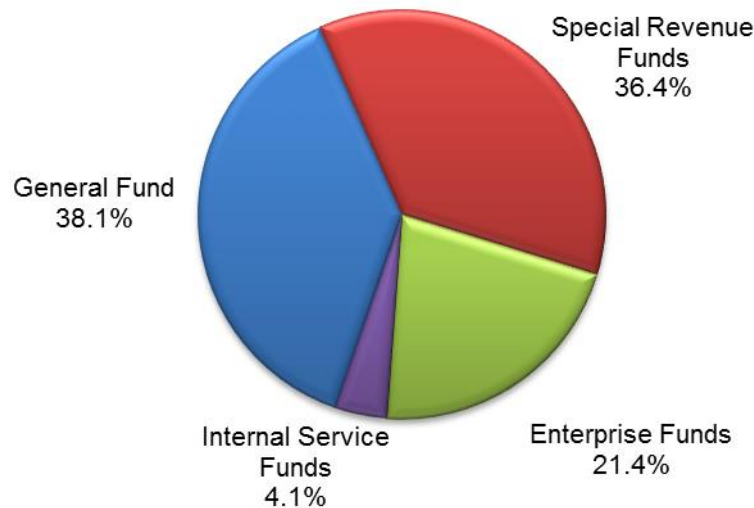
	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
City Manager's Office	\$ 504,503	\$ 405,349	\$ 399,552	\$ 420,274	4%
Comm. Outreach, ED & Tourism	1,152,459	1,708,331	1,176,429	1,349,561	-21%
Human Resources	671,059	613,114	613,114	663,403	8%
Neighborhood Services	99,167	144,689	150,605	175,083	21%
Information Technology	1,935,847	2,023,775	2,023,775	2,095,535	4%
Total	\$ 4,363,035	\$ 4,895,258	\$ 4,363,475	\$ 4,703,856	-4%

City Manager

Department Summary - Funding Sources

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
General Fund	\$ 1,490,706	\$ 1,428,947	\$ 1,428,411	\$ 1,558,582	9%
Special Revenue Funds	1,429,921	2,003,994	1,472,747	1,487,195	-26%
Enterprise Funds	1,256,610	1,291,954	1,291,954	1,490,163	15%
Internal Service Funds	185,798	170,363	170,363	167,916	-1%
Total	\$ 4,363,035	\$ 4,895,258	\$ 4,363,475	\$ 4,703,856	-4%

**City Manager Operating Funding Sources
FY19 Budget**



Department Funding Sources: The City Manager Department is funded through multiple funds. The Neighborhood Services Division is funded fully by the General Fund. Community Outreach & Tourism is funded from both general fund and the bed tax fund. Per budget policy and in order to present the full cost of providing a service, the Department's other divisions' costs are allocated internally. The City Manager's Office and Information Technology is allocated to Enterprise Funds, Special Revenue and Internal Service Funds on a proportion of budget basis. Human Resources is allocated based on a cost per employee in each division throughout the City.

City Manager

City Manager's Office

Division Mission

To provide professional administration of the policies and objectives established by the City Council; develop alternative solutions to community problems for Council consideration; and plan programs that meet the future needs of the City.

Services

The City Manager's Office assists the Mayor and Council by monitoring legislation pertinent to local issues, assisting departments in delivery of quality municipal services to internal and external customers, meeting with citizen groups, and providing information to citizens, among many other tasks.

FY2019 Objectives

- Continuously improve customer service by enhancing department responsiveness and effectiveness in dealing with citizens and customers
- Be responsive to the City Council and citizens
- Ensure that every department participates meaningfully in performance-based budgeting and process improvement
- Make certain that the Council's strategic plan is implemented and spending decisions are made accordingly
- Meet with each department twice annually to gauge performance measurement implementation
- Will ensure that the unique assets that make Prescott distinct are maximized for the benefit of the citizenry

Measure Type	Performance Measure	FY17 Actual	FY18 Target	FY18 Estimate	FY19 Target
Outcome	Fulfill 90% of Council requests for information within 3 business days	*N/A	90%	85%	90%
Output	Respond to 90% of citizen inquiries within 1 business day	*N/A	90%	91%	90%

*New measure

FY2018 Major Achievements

- Continued improving city-wide customer service with key personnel and process changes (i.e. Community Development Facilitator, pending streamlined permitting plan and developer "checklists", etc.) so that departments run more efficiently and effectively
- Furthered the goals of the Council Strategic Plan by aligning the budget with Council goals and moving further towards budgeting for outcomes
- Enhanced the City's Capital Improvement Plan to be more cost effective
- Created the City Hall Ambassador Program

City Manager

- Specifically supported the Council's Strategic Plan goal of stabilizing the General Fund by gathering and sharing information for passage of Proposition 443
- Created the Neighborhood Services Division to enhance neighborhoods and further the Council's focus on code compliance
- Managed multiple economic development undertakings (including but not limited to RESA, Eviation, "hi tech" and cybersecurity conferences, etc.)
- Established the Citizen's Academy
- Oversaw the process for the Deep Well Ranch Development

Expenditure Budget

City Manager's Office

Expenditure Summary

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 434,738	\$ 352,176	\$ 357,613	\$ 366,249	4%
Supplies	4,034	2,000	1,158	1,700	-15%
Internal Charges	26,153	25,923	25,923	23,875	-8%
Other Services & Charges	<u>39,578</u>	<u>25,250</u>	<u>14,858</u>	<u>28,450</u>	13%
Total, Operations	504,503	405,349	399,552	420,274	4%

Authorized Staffing Summary

	FY17	FY18	FY19
Authorized Staffing Level	<u>4.00</u>	<u>3.00</u>	<u>2.75</u>
City Manager	1.00	1.00	1.00
Deputy City Manager	1.00	-	-
Assistant to City Manager ¹	-	-	0.75
Special Projects Coordinator	-	1.00	-
Executive Assistant	-	1.00	1.00
Management Analyst	1.00	-	-
Community Outreach Manager	1.00	-	-

¹ 25% of Assistant to City Manager charged to Neighborhood Services.

Budget Notes and Significant Changes: No significant changes.

City Manager

Community Outreach, Economic Development & Tourism

Division Mission

To enhance the image of the City of Prescott, and ensure that stakeholders are well informed. To lead in building a stronger and more diversified local economy by focusing on outreach marketing, assisting Prescott businesses, and attracting new employers that provide quality jobs. To develop, promote and maintain Prescott as a year round visitor destination benefitting the community economically while contributing to quality of life.

Services

Community Outreach & Tourism provides services in three areas: communications, economic development and tourism.

Communications provides general communications, public service announcements, calendar of events and activities, and specific service information. The office also coordinates the City's communications efforts with the news media and public groups.

Economic Development attracts and assists a variety of employers to retain/add jobs and tax dollars to economy. By actively marketing Prescott, the goal is to maintain a diverse and healthy economy.

The Tourism Office develops and implements a strategically coordinated marketing and sales plan designed to attract visitors and group events to Prescott. Visitors contribute to Prescott's economy through sales and bed tax during their stay. Bed tax dollars also help fund the activities of many nonprofit organizations that host events throughout the year.

FY2019 Objectives

Community Outreach

- Share messages across multiple media to effectively reach citizens through several channels
- Produce Prescott Today TV Show and KQNA Radio Show
- Share City Information to news media via press release/media alerts
- Share City Information via radio PSAs on six radio stations
- Create platforms for interactive online City services

Economic Development

- Market Prescott to new retailers including destination retailers
- Participate in events/conferences geared to retailers
- Retain and assist existing businesses and prime/base industry employers
- Promote real estate opportunities to new and expanding companies
- Increase Prescott's visibility to CEOs and decisions makers, especially in venture capital and high tech firms

Tourism

- Provide the community with additional resources through increased Transient Occupancy Tax (Bed Tax) and tourism related sales tax collections by increasing total rooms booked

City Manager

- Increase length of stay to improve tax collections and revenues in other areas such as restaurants, bars, retail and attractions
- Attract multi-day events/tournaments, especially during shoulder season
- Increase number of group events
- Capitalize on outdoor, natural and recreation assets for increased visitation

Measure Type	Performance Measure	FY17 Actual	FY18 Target	FY18 Estimate	FY19 Target
Output	Number of media used to communicate with the public.	6	6	6	7
Output	Number of shows produced	N/A*	23	23	23
Output	Number of releases	N/A*	N/A*	88	90
Output	Number of PSAs	N/A*	N/A*	25	30
Output	Number of companies/retailers/brokers/developers receiving Prescott marketing information	25	30	30	35
Output	Number of lead generated through participating in events and conferences	3	5	5	5
Output	Number of Business Retention/Expansion visits to retailers	5	10	20	20
Output	Number of CEO summits and conferences hosted	1	3	3	3
Output	Number of companies receiving siting information	N/A*	12	12	15
Output	Number of business retention/expansion visits to employers	N/A*	10	12	15
Output	Number of new multi-day events.	N/A*	3	3	4
Output	# of website unique views	N/A*	85,000	85,000	87,500
Output	# of social media impressions	N/A*	1,250	1,300	1,400
Output	Fiscal Year Bed Tax revenue	881,415	880,000	1,000,000	1,050,000
Output	Number of group lead generation.	N/A*	N/A*	N/A*	2

*New measure

FY2018 Major Achievements

- Attraction of full-length feature film "Wish Man"
- Attraction of national commercials including Eddie Bauer, REI
- Presentation at ICSC P3 Event, Prescott Area Leadership, Dorn Homes,
- Launch of Tourism Team Up quarterly meetings to engage and inform tourism stakeholders

City Manager

- Launch of Quarterly Economic Development Practitioner meetings to engage with regional economic development professionals
- Design and development of economic development magazine marketing piece with ROX Media
- Design and development of new economic development web site
- Partnership with PACG for ASU Economic Outlook Presentation
- Appointment to Yavapai Workforce Development Board
- Update and approval of Economic Development Policy
- Design and launch of new economic development website with integrated data tools
- Partnership with Yavapai College Lunch & Learn series
- Hosted City booth at Wings Out West event
- Partnership with Yavapai College for RESA training
- Hosted AZ Tech Council conference and Cyber Security forum.
- Fam Tours Highlights-Million Dollar Views, Brand USA Germany
- Shop Local Partnership with Chamber, PDP and other organizations
- Downtown business visits with Prescott Chamber and Prescott Downtown Partnership
- Set up Prescott booth at League of Cities & Towns conference (first one in XX years)
- Phoenix Broker Blitz
- Attend Governor's Conference on Tourism

Expenditure Budget

Community Outreach, Economic Development & Tourism

Expenditure Summary

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 339,403	\$ 260,186	\$ 262,063	\$ 262,438	1%
Supplies	2,310	1,800	800	1,100	-39%
Internal Charges	36,137	20,581	20,446	15,553	-24%
Other Services & Charges	496,101	621,600	624,470	691,470	11%
Total, Operations	873,951	904,167	907,779	970,561	7%
Other, Bed Tax Allocations	249,553	255,100	252,500	279,000	9%
Other, Bed Tax Contingency	28,955	549,064	16,150	100,000	-82%
Total	\$ 1,152,459	\$ 1,708,331	\$ 1,176,429	\$ 1,349,561	-21%

City Manager

Authorized Staffing Summary

	FY17	FY18	FY19
Authorized Staffing Level	<u>3.75</u>	<u>3.00</u>	<u>3.00</u>
Director of Economic Initiatives	0.75	-	-
Community Outreach Manager	-	1.00	1.00
Sales & Marketing Coordinator	-	1.00	1.00
Economic Develop. Coordinator	1.00	1.00	1.00
Tourism Manager	1.00	-	-
Tourism Sales Manager	1.00	-	-

Budget Notes and Significant Changes: FY19 Other Services & Charges increase with \$25K more for tourism marketing, \$50K for economic development support, \$10K more for economic development marketing, and \$18K more for conferences and events. Bed Tax Allocations are the community grants and support provided from the transient lodging additional sales tax. The Bed tax contingency was budgeting all available fund balance and this year revised process will not budget the contingency unless there are identified possible projects.

City Manager

Human Resources

Division Mission

Provides services which are responsive to the individual employee and the City's mission, vision, and core values; foster a culture which encourages the development of the City's most valuable asset, its employees

Services

The Human Resources Division assists with City-wide hiring processes, performance reviews, training, new hire orientation, classification and compensation review, implementation and administration, public safety local boards, employee relations, employee handbook and policy updates, educational assistance, benefits administration including life and health insurance, retirement, Family Medical Leave, deferred compensation and disability.

FY2019 Objectives

- To maintain sustainable employment levels to ensure consistent and quality delivery of services to the employees of the City of Prescott and for the citizens of Prescott.
- Develop and present training Citywide to enhance the skills and development of City employees.
- Provide training to supervisors to develop skills and improve accountability for employees.

Measure Type	Performance Measure	FY17 Actual	FY18 Target	FY18 Estimate	FY19 Target
Workload	Number of recruitments	70	83	83	85
Outcome	All FTEs turnover rate	15.7%	12%	12%	10%
Output	Percentage of new employees completing probationary period	80%	85%	85%	85%
Output	Achieve a customer service rating of at least 4 out of 5 on the annual employee survey	*N/A	4	4	4
Output	Number of trainings (customer service, supervisory, other trainings)	15	15	15	15

FY2018 Major Achievements

- Coordinated and facilitated City-Wide Trainings: Career Tips 101, DiSC, Health and Wellness.
- Facilitated Supervisory Trainings: Coaching and Corrective Action, Performance Reviews.
- Assisted in development of recruitment videos for the Prescott Police Department with the Prescott Media Center.
- Developed, coordinated, and tracked a City wide Workplace Harassment Training.
- Increased University visibility for recruitment purposes including online exposure and job fairs at NAU, Yavapai College and Prescott High School.
- Alignment of Paid Time Off maximum accrual limits with Family Medical Leave.

City Manager

- Reinstatement of Vision Coverage.
- Continued management of PSPRS Prescott Local Board.
- Transition to electronic Personnel Actions and data entry into Munis.
- Implemented Military appreciation bonus
- 1095-C form processing and IRS filing
- Continued tracking of hours for Affordable Care Act reporting.
- Continued tracking of ASRS enrollment for variable hour employees.
- On-going work with departmental supervisors to resolve employee relation issues.

Expenditure Budget

Human Resources

Expenditure Summary

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 494,048	\$ 459,110	\$ 461,139	\$ 494,302	8%
Supplies	4,242	6,500	5,000	10,200	57%
Internal Charges	30,146	21,884	21,884	20,517	-6%
Other Services & Charges	142,623	125,620	125,091	138,384	10%
Total	\$ 671,059	\$ 613,114	\$ 613,114	\$ 663,403	8%

Authorized Staffing Summary

	FY17	FY18	FY19
Authorized Staffing Level	<u>6.00</u>	<u>5.00</u>	<u>5.00</u>
Human Resources Director	1.00	1.00	1.00
Human Resources Analyst	1.00	1.00	1.00
Senior Human Resource Specialist	-	1.00	1.00
Human Resources Specialist	1.00	1.00	1.00
Human Resources Assistant	1.00	1.00	1.00
HR/Payroll & Systems Analyst	1.00	-	-
Payroll Specialist	1.00	-	-

Budget Notes and Significant Changes: The budget increase in personnel is to increase the temporary Human Resources Assistant to full-time. The division is budgeting an increase in supplies to purchase an ID Card printer and document shredder. Other Services & Charges increases with additional training for City staff.

City Manager

Neighborhood Services

Division Mission

To uphold and enforce codes and standards established by the City Council of the City of Prescott, as well as protect the public health, safety and welfare while ensuring every citizen the right to a safe, clean neighborhood.

Services

Code Compliance is dedicated to protecting the public health, safety and welfare, while ensuring every citizen the right to a clean, enjoyable neighborhood by enforcing the City of Prescott's codes and ordinances. Code Compliance works to resolve citizen generated code complaints through a process of notification and education. Our goal is to obtain voluntary compliance. Where voluntary compliance cannot be achieved, the department has procedures to address public nuisances through civil enforcement procedures, criminal prosecution, and civil penalties of up to \$2,500 per day.

FY2019 Objectives

- Communicate the purpose of code compliance to the citizens of Prescott through systematic inspections, while seeking voluntary compliance with city codes, primarily pertaining to property maintenance.
- Address violations through a process of education, inspections, information, and enforcement.
- Hosting regular neighborhood cleanups – provide tools, work with volunteers, and organize an effort to clean up and enhance neighborhoods
- Focus on reaching compliance by proactively identifying compliance problems – look for issues while out in the field on other calls

Measure Type	Performance Measure	FY17 Actual	FY18 Target	FY18 Estimate	FY19 Target
Workload	Code cases opened	500	500	499	550
Workload	Code cases closed	470	480	409	520

FY2018 Major Achievements

- About 500 properties brought into compliance (closed cases)
- 5 citations
- All 28 active sober living homes have been inspected and are in full compliance
- All 91 known vacation rental registrations have been or are scheduled to be inspected
- Began voucher program in November 2017, which is a program between Neighborhood Services and Public Works/Sanitation to help citizens who are unable to afford dumping fees. The departments also collaborated to pick-up and track illegally dumped items, which 15 people used.
- Effectively used technology to enhance productivity without adding personnel (Host Compliance)

City Manager

- Furthered Council goals by facilitating the reclassification of a second Code Compliance Inspector
- Began preparation and coordination of 3 neighborhood revitalization cleanups to occur in FY19

Expenditure Budget

Neighborhood Services

Expenditure Summary

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 94,653	\$ 118,802	\$ 131,043	\$ 147,880	24%
Supplies	1,825	6,550	5,850	6,250	-5%
Internal Charges	328	8,962	7,962	10,328	15%
Other Services & Charges	2,361	10,375	5,750	10,625	2%
Total, Operations	\$ 99,167	\$ 144,689	\$ 150,605	\$ 175,083	21%

Authorized Staffing Summary

	FY17	FY18	FY19
Authorized Staffing Level	<u>1.00</u>	<u>2.00</u>	<u>2.25</u>
Assistant to City Manager	-	-	0.25
Code Compliance Inspector	-	-	2.00
Chief Code Compliance Officer	1.00	1.00	-
Secretary	-	1.00	-

Budget Notes and Significant Changes: The division was formerly known as Code Compliance under Community Development, changed to Neighborhood Services division to further enhance the concept of helping neighborhoods and ensuring properties are in compliance with the code.

City Manager

Information Technology

Division Mission

To provide and deliver quality and innovative information solutions and services in a timely manner through the appropriate use of technology within a long-range plan that enables departments within the City of Prescott to meet their goals in the most cost-effective and efficient manner possible.

Services

The IT department is responsible for the delivery of electronic technology services with the City of Prescott. In essence IT is a technology utility whose customers are City of Prescott departments, other government agencies, and the constituencies that those groups in turn serve.

The core function of IT is to provide the infrastructure necessary to build and develop technology services comprised of software, hardware, and data to meet the business needs of the City of Prescott and associated agencies.

FY2019 Objectives

- Highly available, scalable, and reliable infrastructure
- Access network capacity through historical trending
- Complete assigned tasks/projects on-time and at or below budget.

Measure Type	Performance Measure	FY17 Actual	FY18 Target	FY18 Estimate	FY19 Target
Outcome	Network availability (uptime)	99.9%	99.9%	99.9%	99.9%
Outcome	Customer satisfaction with IT services	*N/A	*N/A	*N/A	90%
Workload	Number of work orders and tasks completed	2,937	2,000	1,100	2,000
Outcome	Percentage of completed budgeted projects	85%	100%	75%	100%

*New measure

FY2018 Major Achievements

- Implementation of TriTech public safety computer aided dispatch and mobile software for Prescott Regional Communications Center
- Implementation of Accela Land Management for building permits and inspections
- Implementation of new City of Prescott public web site

City Manager

Expenditure Budget

Information Technology

Expenditure Summary

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 1,253,264	\$ 1,293,029	\$ 1,283,586	\$ 1,320,606	2%
Supplies	314,868	339,350	337,525	373,350	10%
Internal Charges	68,762	67,196	70,196	69,379	3%
Other Services & Charges	298,953	324,200	332,468	332,200	2%
Total	\$ 1,935,847	\$ 2,023,775	\$ 2,023,775	\$ 2,095,535	4%

Authorized Staffing Summary

	FY17	FY18	FY19
Authorized Staffing Level	<u>14.50</u>	<u>14.50</u>	<u>14.50</u>
Director of IT	1.00	1.00	1.00
GIS Coord\Historic Pres. ¹	0.50	0.50	0.50
Network Engineer	3.00	3.00	3.00
Help Desk Manager	1.00	1.00	1.00
Wireless Communication Tech.	1.00	1.00	1.00
Web Development Specialist	1.00	1.00	1.00
IT Database Administrator	-	-	1.00
IT Specialist	2.00	2.00	1.00
IT Technician	1.00	1.00	1.00
GIS Specialist	1.00	1.00	1.00
Help Desk Technician	3.00	3.00	3.00

¹ 50% of GIS/Historic Preservation Coordinator charged to Planning and Zoning.

Budget Notes and Significant Changes: FY19 Supplies increases with an increase in materials to maintain equipment. Other Services and Charges reflect the addition of CableOne fiber from the Transfer Station to another Sundog facility.

Community Development

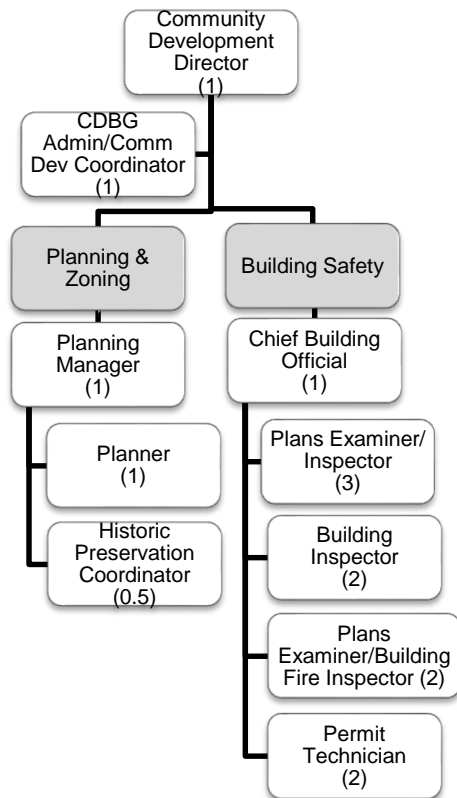
Department Mission

To provide residents, builders and developers with quality customer service, useful information, and efficient processing of projects and permits to facilitate quality development in the City. The department monitors and reviews land use and building codes to eliminate unnecessary or overly burdensome regulations while protecting the health, safety, and welfare of the community.

Service

Community Development Services provides project and permit review, application processing and field inspection services to the development community. The Planning and Zoning Division processes requests for subdivision plats, zoning amendments, General Plan amendments and various land use permits. The Building Safety Division processes applications for building permits, provides plan reviews, and conducts inspections of construction work in progress to assure Building Code compliance.

Organization and Personnel



Department Summary - Staffing by Division

	FY17	FY18	FY19
Planning & Zoning	4.00	4.00	4.00
Building Safety	<u>7.50</u>	<u>10.50</u>	<u>10.50</u>
Total Authorized Positions	11.50	14.50	14.50

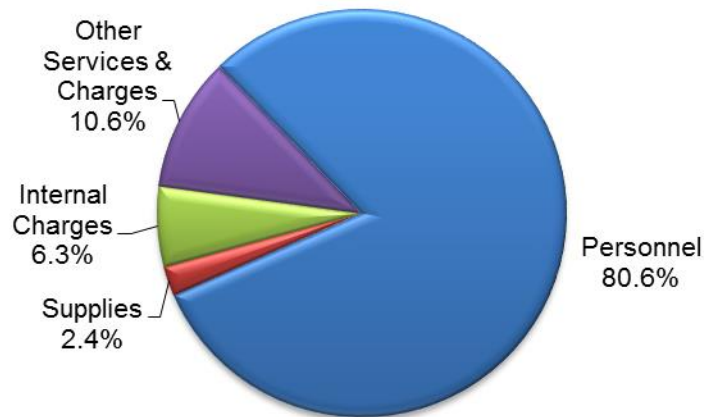
Community Development

Expenditure Budget

Department Summary - Expenditure by Type

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 918,976	\$ 1,255,525	\$ 1,253,569	\$ 1,324,305	5%
Supplies	14,297	50,950	34,250	39,350	-23%
Internal Charges	85,029	95,230	98,230	103,829	9%
Other Services & Charges	21,256	154,500	161,520	174,628	13%
Subtotal Operations	1,039,558	1,556,205	1,547,569	1,642,112	6%
Capital	199,296	631,404	632,834	622,632	-1%
Total	\$ 1,238,854	\$ 2,187,609	\$ 2,180,403	\$ 2,264,744	4%

Community Development FY19 Operating Expenditure Budget by Type



Department Summary - Operations Expenditure by Division and Capital

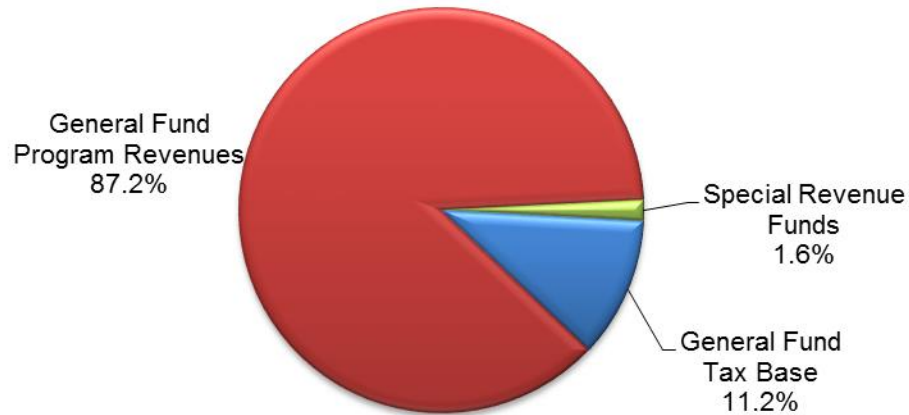
	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Planning & Zoning	\$ 418,650	\$ 512,976	\$ 528,602	\$ 587,130	14%
Building Safety	620,908	1,043,229	1,018,967	1,054,982	1%
Subtotal Operations	1,039,558	1,556,205	1,547,569	1,642,112	6%
Capital	199,296	631,404	632,834	622,632	-1%
Total	\$ 1,238,854	\$ 2,187,609	\$ 2,180,403	\$ 2,264,744	4%

Community Development

Department Summary - Funding Sources

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
General Fund Source of Funds					
Tax Base	\$ (278,786)	\$ 437,965	\$ 64,439	\$ 231,334	-47%
Licenses & Permits	690,558	675,000	900,000	810,000	20%
Charges for Services	680,430	561,200	703,000	639,000	14%
General Fund Budget	1,092,202	1,674,165	1,667,439	1,680,334	0%
Special Revenue Funds	146,652	513,444	512,964	584,410	14%
Total	\$ 1,238,854	\$ 2,187,609	\$ 2,180,403	\$ 2,264,744	4%

**Community Development Operating Funding Sources
FY19 Budget**



Department Funding Sources: The Community Development's operations are funded through multiple funds. The Building Safety and Planning and Zoning divisions are funded through the General Fund and are significantly offset by program revenues such as building permit fees, inspection fees, and planning and zoning fees. The Special Revenue Fund reflects the funding for the Community Development Block Grant Program (CDGB), which is managed by this department.

Community Development

Planning and Zoning

Division Mission

To provide assistance to the development community through the review and processing of applications for various land use actions. To assist customers with understanding the requirements of codes, with gathering and submitting necessary application information to assure that review and approval can be completed as expeditiously as possible. To act as liaison between customers and the various reviewing departments to assure effective two-way communication.

Services

Planning and Zoning processes requests for subdivision plats, zoning amendments, General Plan amendments, annexations and various land use permits. The Division provides staff support for the Board of Adjustment, the Planning and Zoning Commission, the Preservation Commission and the Unified Development Code Committee. The Division manages the Pre-application Conference process to provide early and relevant information to builders and developers with the goal to reduce the review time for plans and improve the probability of successful project completion within reasonable timeframes.

FY2019 Objectives

- To assist customers with understanding the requirements of codes to assure that the review and approval of applications can be completed as expeditiously as possible.
- Promote the PAC process as a no cost means to get early answers to development questions leading to successful projects.
- To provide assistance to the development community through the review and processing of applications for land use projects as quickly as practicable.
- Increase the electronic dissemination of planning information

Measure Type	Performance Measure	FY17 Actual	FY18 Target	FY18 Estimate	FY19 Target
Outcome	Percentage of projects meeting review turnaround times				
	First review – 3 weeks	78%	80%	85%	90%
	Second review – 2 weeks				
	Third review – 1 week				

Community Development

Expenditure Budget

Planning & Zoning

Expenditure Summary

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 354,135	\$ 405,580	\$ 422,286	\$ 475,010	17%
Supplies	6,035	7,850	7,750	11,850	51%
Internal Charges	45,122	50,796	50,796	47,142	-7%
Other Services & Charges	13,358	48,750	47,770	53,128	9%
Subtotal Operations	418,650	512,976	528,602	587,130	14%
Capital	146,652	503,944	503,944	622,632	24%
Total	\$ 565,302	\$ 1,016,920	\$ 1,032,546	\$ 1,209,762	19%

Authorized Staffing Summary

	FY17	FY18	FY19
Authorized Staffing Level	<u>4.00</u>	<u>4.00</u>	<u>4.00</u>
Community Devel. Director	0.50	0.50	0.50
Planning Manager	1.00	1.00	1.00
Planner	1.00	1.00	1.00
GIS/Historic Pres. Coord. ¹	0.50	0.50	0.50
CDBG Admin/Com Dev Coord.	-	-	1.00
Administrative Specialist	1.00	1.00	-

¹ 50% of GIS/Historic Preservation Coordinator charged to Information Technology

Budget Notes and Significant Changes: The Personnel budget increase comes from an increase in temporary salaries, and a reclassification. Other Services and Charges increase in FY19 with new software user license fees. The Capital budget is for the management of the Community Development Block Grant Program (CDGB) and a budget for community development safety improvements. The City of Prescott is an entitlement community receiving annual federal grant allocations from Housing and Urban Development (HUD) to be expended on projects benefiting low to moderate income residents. The grants are allocated through the Annual Action Plan adopted by the City Council.

Community Development

Building Safety

Division Mission

To provide quality customer service through timely plan review and inspection services to facilitate successful completion of development projects and ensure requirements are met to safeguard the public health, safety and welfare.

Services

The Building Safety Division applies local, national, and international construction codes to ensure minimum requirements are met that safeguard the public health, safety, and welfare, including from fire and other hazards occurring in the built environment and safety of emergency responders during emergency operations. The Division's primary areas of focus are structural strength, means of egress, stability, sanitation, adequate light and ventilation, and energy conservation.

FY2019 Objectives

- Provide efficient and complete plan review services thru contractor education at local contractors meetings and meeting stated plan review time frames.
- Provide quality, efficient, friendly, and code compliant field inspections. Have minimum re-inspections and help facilitate increased permits.

Measure Type	Performance Measure	FY17 Actual	FY18 Target	FY18 Estimate	FY19 Target
Workload	Plan reviews performed	1500	1500	1700	1600
Outcome	Reviews completed within stated 3-week time frame	90%	90%	95%	95%
Workload	New single family permits issued	240	300	240	350
Workload	Total number of field inspections	19,500	19,737	22,000	22,300
Outcome	Percentage of re-inspections	15%	15%	15%	13%

Community Development

Expenditure Budget

Building Safety

Expenditure Summary

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 564,841	\$ 849,945	\$ 831,283	\$ 849,295	0%
Supplies	8,262	43,100	26,500	27,500	-36%
Internal Charges	39,907	44,434	47,434	56,687	28%
Other Services & Charges	<u>7,898</u>	<u>105,750</u>	<u>113,750</u>	<u>121,500</u>	15%
Subtotal Operations	620,908	1,043,229	1,018,967	1,054,982	1%
Capital	<u>52,644</u>	<u>127,460</u>	<u>128,890</u>	-	-100%
Total	\$ 673,552	\$ 1,170,689	\$ 1,147,857	\$ 1,054,982	-10%

Authorized Staffing Summary

	FY17	FY18	FY19
Authorized Staffing Level	<u>7.50</u>	<u>10.50</u>	<u>10.50</u>
Community Development Director	0.50	0.50	0.50
Chief Building Official	1.00	1.00	1.00
Plans Examiner/Building Inspector	3.00	3.00	3.00
Building Inspector	2.00	3.00	2.00
Plans Examiner/Building Fire Insp.	-	1.00	2.00
Permit Technician	1.00	2.00	2.00

Budget Notes and Significant Changes: Other Services & Charges increase is for digitizing records for permanent records retention of aging documents and increased software licensing fees, mobile data for tablets, and training costs for inspectors.

Fire

Department Mission

The Prescott Fire Department is dedicated to “Excellence in Service” by providing the most efficient and effective services to our community by responding fast, solving the problem, being nice and going home safe. Prescott Fire Department is committed to preserving the quality of life, protecting lives, property, and the environment with compassion, vigilance, and dedication to excellence.

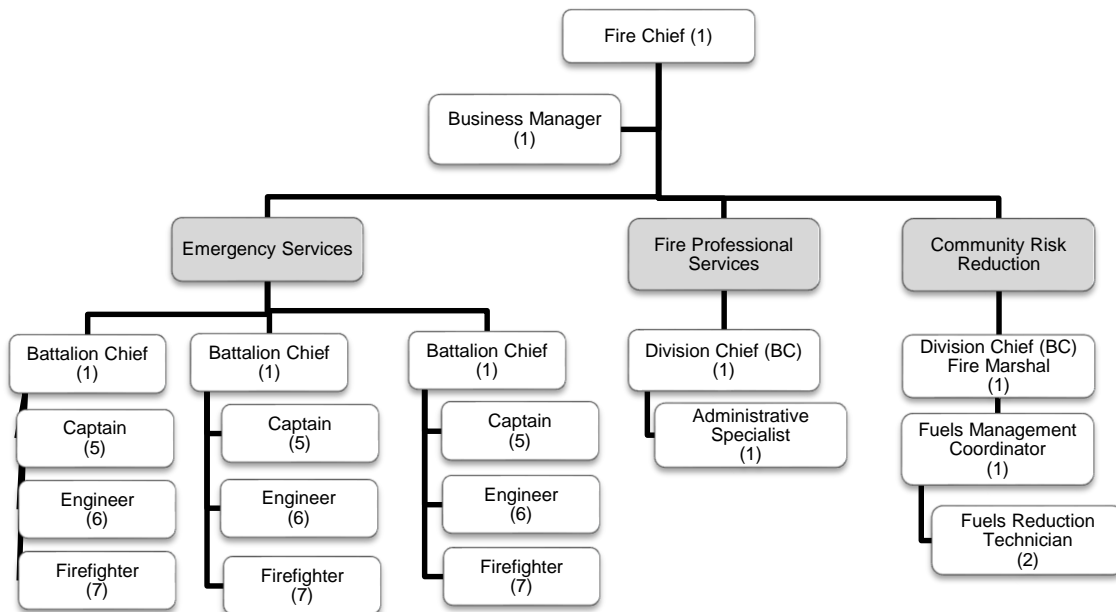
Services

The Department is dedicated to providing the highest level of service in the prevention and mitigation of emergency incidents in a growing community and treating our citizens and employees in a fair and considerate manner while remaining financially responsible.

The Department is considered an “all-risk” municipal fire department and as such responds to calls for service that include but are not limited to: emergency medical services, fires, hazardous material response, technical rescue, and wildland urban interface fires.

The Prescott Fire Department values a creative and proactive work place, and is involved in numerous joint partnerships to include automatic aid with the Central Yavapai Fire District, Chino Valley Fire District, Central Arizona Fire and Medical Authority, United States Forest Service, and Yavapai-Prescott Indian Tribe.

Organization and Personnel



Department Summary - Staffing by Division

	FY17	FY18	FY19
Fire Department Administration	2.00	2.00	2.00
Emergency Services	57.00	57.00	57.00
Fire Professional Services	2.00	2.00	2.00
Community Risk Reduction	<u>7.00</u>	<u>4.00</u>	<u>4.00</u>
Total Authorized Positions	68.00	65.00	65.00

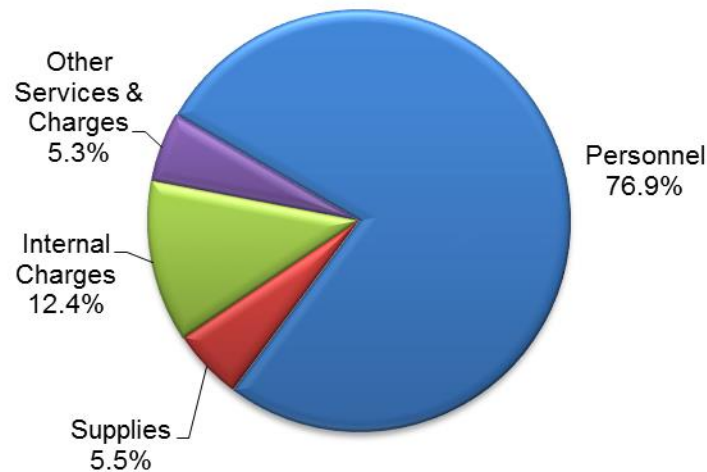
Fire

Expenditure Budget

Department Summary - Expenditure by Type

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 6,498,760	\$ 7,532,691	\$ 6,749,648	\$ 6,971,414	-7%
Supplies	335,249	415,409	356,695	494,329	19%
Internal Charges	1,030,550	1,016,642	1,035,074	1,121,382	10%
Other Services & Charges	363,433	561,421	533,009	482,130	-14%
Subtotal Operations	8,227,992	9,526,163	8,674,426	9,069,255	-5%
Capital	39,929	231,025	206,418	977,859	323%
Total	\$ 8,267,921	\$ 9,757,188	\$ 8,880,844	\$ 10,047,114	3%

**Fire Department FY19
Operating Expenditure Budget by Type**



Department Summary - Operations Expenditure by Division and Capital

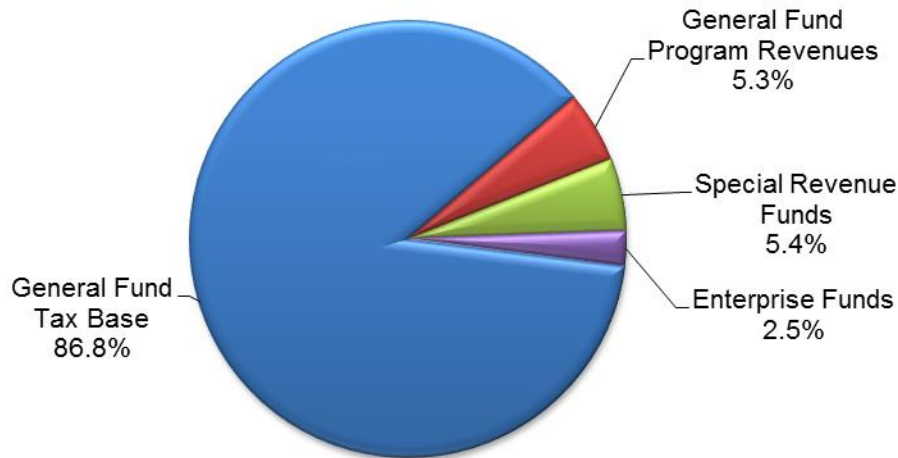
	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Fire Admin	\$ 369,969	\$ 439,846	\$ 460,334	\$ 476,804	8%
Emergency Services	6,815,280	7,892,105	7,248,580	7,474,254	-5%
Fire Professional Services	270,078	259,398	270,586	286,857	11%
Community Risk Reduction	772,665	934,814	694,926	831,340	-11%
Subtotal Operations	8,227,992	9,526,163	8,674,426	9,069,255	-5%
Capital	39,929	231,025	206,418	977,859	323%
Total	\$ 8,267,921	\$ 9,757,188	\$ 8,880,844	\$ 10,047,114	3%

Fire

Department Summary - Funding Sources

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
General Fund Source of Funds					
Tax Base	\$ 7,059,235	\$ 7,448,913	\$ 6,652,444	\$ 8,852,491	19%
Licenses and Permits	825	500	375	500	0%
Charges for Services	487,355	462,623	508,123	478,623	3%
General Fund Budget	7,547,415	7,912,036	7,160,942	9,331,614	18%
Special Revenue Funds	362,594	1,256,759	1,188,954	488,359	-61%
Enterprise Funds	357,912	588,393	530,948	227,141	-61%
Total	\$ 8,267,921	\$ 9,757,188	\$ 8,880,844	\$ 10,047,114	3%

**Fire Department Operations Funding Sources
FY19 Budget**



Department Funding Sources: In most years, the Fire Department is largely funded by the General Fund. The Enterprise Fund relates to the Aircraft Rescue and Firefighting (ARFF) staffing which is sourced to the Airport fund. Grants are reflected in the Special Revenue Funds. For FY17 and FY18, the Fire Department has received the Staffing for Adequate Fire and Emergency Response grant (SAFER), which funds up to 9 firefighter positions. The grant will fund the positions until October 2018. This grant is offered through the US Department of Homeland Security and is intended to provide funding directly to fire departments to help them increase or maintain the number of trained “front line” firefighters available in their communities. In addition to SAFER, the Fire Department is budgeting for many other operating type grants such as for fuel mitigation projects.

Fire

Fire Department Administration

Division Mission

To administer and ensure the essential functions of the Fire Department are accomplished, and to support the organization in carrying out its mission.

Services

The Administrative Division serves as the primary point for oversight of the three primary operating divisions and provides for the needed budget development and cost-monitoring needs to ensure efficiencies are recognized. Services provided by way of Fire Administration include: records management, purchasing and expenditure review, personnel action needs, public point of contact for complaints or compliance concerns, aid in the direction of city wide emergency management needs, Arizona Wildfire and Incident Management Academy support services, and support for disaster preparedness efforts.

FY2019 Objectives

- Provide leadership, guidance, and administrative oversight directed towards providing all-risks services that are fiscally responsible, effective, and efficient.
- Provide state of the art training via a one-week intensive wildfire training academy for our employees and regional partners.
- To provide a platform for community engagement for which input is received in regards to process improvement for departmental efforts.
- Increase the number of connections we have with community organizations and initiatives and help strengthen the fabric of our community any way we can.

Measure Type	Performance Measure	FY17 Actual	FY18 Target	FY18 Estimate	FY19 Target
Outcome	Community survey results regarding service level and citizen satisfaction (5 is highest score)	N/A	N/A	N/A	4/5
Efficiency	Expenditures per capita Emergency Services	N/A	\$235	\$265	\$240
Output	Number of organizations interacted with and the number of community initiatives of which were a part of. (Examples: Prescott Area Shelter Services, Meals on Wheels, etc.)	10	10	17	17

Fire

FY2018 Major Achievements

- Served as liaison to the recently formed Granite Mountain Interagency Hotshot Crew Learning and Tribute Center board of directors to secure a semi-permanent display of artifacts and memorabilia.
- Initiated and successfully completed the second annual Citizens Fire Academy. Over the course of five weeks we provided requisite awareness to 14 community members to the inner workings of the Prescott Fire Department in order for the participants to serve as our ambassadors.
- Remained actively engaged with the AZ Fire Services Institute, AZ Fire Chief's Association, Yavapai County Emergency Management Advisory Council, and Western Yavapai Fire Chief's Association.
- Provided for the recognition of personnel through the twice annual ceremonies that coincide with Fire Prevention and EMS Week. We recognized 6 promotions, and 13 special Chief's awards.

Expenditure Budget

Fire Department Administration Expenditure Summary

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 240,972	\$ 243,847	\$ 272,269	\$ 270,519	11%
Supplies	14,685	21,469	15,390	31,630	47%
Internal Charges	44,804	18,478	18,478	17,368	-6%
Other Services & Charges	69,508	156,052	154,197	157,287	1%
Total	\$ 369,969	\$ 439,846	\$ 460,334	\$ 476,804	8%

Authorized Staffing Summary

	FY17	FY18	FY19
Authorized Staffing Level	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>
Fire Chief	1.00	1.00	1.00
Business Manager	1.00	1.00	1.00

Budget Notes and Significant Changes: In FY19 the personnel budget for temporary clerical support increased. Budgeting for the expenditure of donated funds is included in the Supplies category.

Fire

Emergency Services

Division Mission

To provide superior customer services in fire suppression, emergency medical services, hazardous materials, technical rescue, and disaster response, with a well-trained, professional workforce that is responsive to citizen needs and has a high level of productivity.

Services

The Emergency Services Division exists to provide for the point of service delivery for emergent and non-emergent calls, which are routinely answered and assigned by the public safety answering point as part of the Prescott Regional Communications Center. These services include: emergency medical services, fire suppression (structural and wildfire), aircraft rescue firefighting, hazardous materials, technical rescue, and emergency management; and are tailored towards reducing impacts on life, property and the environment by instituting effective and proven best practices by way of a highly qualified and credentialed response force.

FY2019 Objectives

- To provide a service level that meets or exceeds that which is outlined in our standards of cover (SOC) document
- Maintain the response times established via our benchmarks for fire and EMS emergency services 90% of time.
- To provide for measurement of our success rates in regards to the save ratio for cardiac arrest responses.
- To deploy the closest, most appropriate unit to emergent events and deliver the most effective mitigation efforts in line with national best practices

Measure Type	Performance Measure	FY17 Actual	FY18 Target	FY18 Estimate	FY19 Target
Outcome	Response times under 8 minutes national standard	N/A	10:00	9:48	9:00
Outcome	Percentage of cardiac patients with pulsatile rhythms upon delivery to hospital	9.4%	6.5%	8.3%	10%
Outcome	Percentage of time in which the first due unit comes from within the same service area for which an emergent event occurs.				
	Station 71	80.50%	80.50%	76.69%	80.00%
	Station 72	76.68%	76.68%	70.89%	80.00%
	Station 73	89.15%	89.15%	82.61%	80.00%
	Station 74	74.97%	74.97%	72.74%	80.00%
	Station 75	82.43%	82.43%	76.49%	80.00%

Fire

FY2018 Major Achievements

- Responded to 7,694 emergency calls (averaging 21.1 responses per day).
- Conducted 4 engine company inspections.
- Participated in a number of “off-district” responses to include participation of single resources as part of the Type II Regional Incident Management Team and assignments as part of the Goodwin Fire that had indirect impacts to our community.
- Heavily engaged in many community events which include, but were not limited to: July 4th Parade, Rodeo Week, Veteran’s Day Parade, Holiday Parades, Sheriff’s Posse Emergency Awareness Activities, and Prescott High School Graduation night.
- Completed 13,239 hours of training in support of our all-risk response model.

Expenditure Budget

Emergency Services

Expenditure Summary

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 5,430,394	\$ 6,376,181	\$ 5,789,021	\$ 5,752,323	-10%
Supplies	291,679	344,699	305,685	417,837	21%
Internal Charges	907,876	934,477	954,959	1,049,580	12%
Other Services & Charges	185,331	236,748	198,915	254,514	8%
Subtotal Operations	6,815,280	7,892,105	7,248,580	7,474,254	-5%
Capital	39,929	231,025	206,418	887,859	284%
Total	\$ 6,855,209	\$ 8,123,130	\$ 7,454,998	\$ 8,362,113	3%

Capital Detail

Vehicle Replacement - Fire Department	\$ 625,000
Fire Training Center Improvements	125,000
Fire Records Management System (RMS)	72,559
Fire Mobile Data Computer Replacement	65,300
	<u>\$ 887,859</u>

Authorized Staffing Summary

	FY17	FY18	FY19
Authorized Staffing Level	<u>57.00</u>	<u>57.00</u>	<u>57.00</u>
Division/Battalion Chief	3.00	3.00	3.00
Fire Captain	15.00	15.00	15.00
Fire Engineer	18.00	18.00	18.00
Firefighter	21.00	21.00	21.00

Fire

Budget Notes and Significant Changes: The personnel budget decrease in FY19 reflects retirements and turnover in some positions and 3 positions were double budgeted in grants and general fund in FY18. Supplies increase in FY19 with new active shooter response program, replacement of aging equipment and wildland urban interface equipment, and rising turnout gear prices. Other Services and Charges increases in FY19 include training and replacement of paramedics due to retirement and succession planning, and equipment maintenance.

Fire

Fire Professional Services

Division Mission

To provide for the progressive educational needs of a well-trained, professional, and motivated work force that acts with integrity, solves customers' problems, and works safely and effectively as a team.

Services

The Fire Professional Services Division exists to provide needed structure for fulfilling the training and other needs that is directed towards compliance with laws, statutes, national consensus standards and departmental policy. These services include but are not limited to: maintenance of documentation related to employee, crew, and other training, conducts hands-on and classroom training or coordinates the same, plans and budgets funds to ensure needed credentials for personnel are maintained, conducts internal investigations and after action reviews, forecasts upcoming needs, seeks out and applies for a vast array of grant opportunities and upon awards manages the same and works closely with the operations division to ensure a prepared and honed operation may be delivered to the community.

FY2019 Objectives

- To provide a comprehensive, all-risk training program that improves service and provides for maximum safety of Prescott Fire personnel and the personnel of the cooperating agencies.
- To provide the requisite skills necessary to fulfill our efforts towards succession planning and retention.

Measure Type	Performance Measure	FY17 Actual	FY18 Target	FY18 Estimate	FY19 Target
Output	Training hours	15,968	16,000	16,500	17,000
Output	Multi-company drills	63	63	62	63
Output	Day/night live fire training evolutions	21	21	21	21
Output	Hours of minimum company standards	432	480	480	480

FY2018 Major Achievements

- Completed entry level hiring resulting in the successful hiring of 2 new positions in addition to promotional testing for Fire Engineer, Captain, and Battalion Chief. Goal of having three persons available for each vacant position was met.
- Renewed and refreshed efforts towards assuring after-action reviews of critical "all-risk responses" were conducted to aid in further learning with the end goal of outlining and fixing any weaknesses revealed.
- Successfully coordinated and graduated three members through the 200 hour hazardous material technician course.
- Conducted 3 formal and technical "internal affairs" investigations and made suggestions towards process improvements where appropriate to minimize risk and exposure while building a healthy and transparent learning and business environment.

Fire

Expenditure Budget

Fire Professional Services Expenditure Summary

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 227,724	\$ 204,299	\$ 219,296	\$ 222,274	9%
Supplies	7,471	15,410	10,785	14,865	-4%
Internal Charges	12,487	8,945	12,045	9,321	4%
Other Services & Charges	22,396	30,744	28,460	40,397	31%
Total	\$ 270,078	\$ 259,398	\$ 270,586	\$ 286,857	11%

Authorized Staffing Summary

	FY17	FY18	FY19
Authorized Staffing Level	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>
Division/Battalion Chief	1.00	1.00	1.00
Administrative Specialist	1.00	1.00	1.00

Budget Notes and Significant Changes: Other services and charges include acting positions and promotional courses and exams.

Fire

Community Risk Reduction

Division Mission

To provide enhanced life safety and property conservation through public education, fire investigative services, vegetation management, to maintain a livable and dynamic community.

Services

The Community Risk Reduction Division exists to promote, foster, and develop proactive ways to prevent the loss of life and property through risk assessment, public education, and fuels reduction.

FY2019 Objectives

- To provide a fire prevention or other life-safety message with each and every media contact in order to reduce negative outcomes by repetition of the same mistakes from one emergent event to the similar emergent events.
- To provide an un-biased and equitable assessment for any injury, accident, or citizen complaint that occurs and provide a recommendation towards preventing future events of a similar nature thus reducing the number of occurrences by five-percent annually.
- Examine trends revealed as part of the normal inspection process and communicate those to others in like type businesses by direct mailing or other outreach.
- Reduce the threat from wildland fires via educational outreach, risk assessments, hazardous fuels treatments, and when necessary fire suppression.

Measure Type	Performance Measure	FY17 Actual	FY18 Target	FY18 Estimate	FY19 Target
Output	Published media releases Safety message embedded	N/A*	N/A*	20	20
Output	Property assessments	197	160	162	200
Output	Residences treated	342	300	684	550
Output	City property treated in acres for fuel reduction	1.18	75	29	45
Output	Total acres treated for fuel reduction	251	265	260	450

*New Measure

FY2018 Major Achievements

- Finished the transition of fire inspection and plan reviews to the Department of Development Services/Building Safety Division.
- Continued emphasis on commercial kitchen operations with a zero fire loss noted due to the intensified oversight.
- Provided advanced training and education to local bar owners in advance of holidays in order to minimize or eliminate complaints of over-crowding with a 100% compliance rate by such properties.

Fire

Expenditure Budget

Community Risk Reduction Expenditure Summary

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 599,670	\$ 708,364	\$ 469,062	\$ 726,298	3%
Supplies	21,414	33,831	24,835	29,997	-11%
Internal Charges	65,383	54,742	49,592	45,113	-18%
Other Services & Charges	86,198	137,877	151,437	29,932	-78%
Subtotal Operations	772,665	934,814	694,926	831,340	-11%
Capital	-	-	-	90,000	
Total	\$ 772,665	\$ 934,814	\$ 694,926	\$ 921,340	-1%

Authorized Staffing Summary

	FY17	FY18	FY19
Authorized Staffing Level	<u>7.00</u>	<u>4.00</u>	<u>4.00</u>
Division/Battalion Chief	1.00	1.00	1.00
Plans Examiner	1.00	-	-
Fire Inspector	1.00	-	-
Fuels Management Coordinator	1.00	1.00	1.00
Fuels Reduction Technician	2.00	2.00	2.00
Secretary	1.00	-	-

Budget Notes and Significant Changes: Other Services & Charges in FY18 included a remodel of the Butler Building from Fire Impact Fee funds. The capital expenditure in FY19 is the replacement of a battalion chief vehicle.

Legal

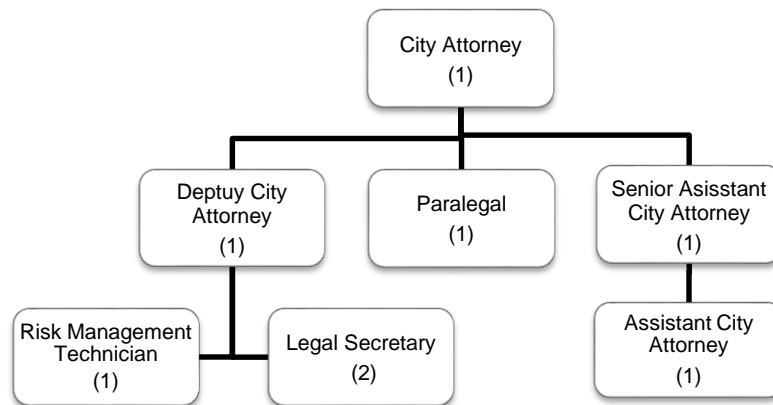
Department Mission

Continue to provide high-caliber, solution-orientated legal advice to the City, its officials and City departments by adhering to professional standards, garnering strong understanding of City operations and incorporating all relevant information to provide timely, common-sense and usable guidance.

Services

Provide highly competent legal services to the City, its officials and City departments. Aggressively defend the City, its officials and employees against claims and in litigation to preserve city resources. Perform diligent risk mitigation and risk management to reduce the financial exposure of the City and to protect the safety of city employees and the public. Prosecute violations of criminal law in an ethical manner to assure that justice is done and quality of life for Prescott residents and visitors is enhanced.

Organization and Personnel



Department Summary - Staffing

	FY17	FY18	FY19
Authorized Staffing Level	<u>8.50</u>	<u>8.00</u>	<u>8.00</u>
City Attorney	1.00	1.00	1.00
Deputy City Attorney	1.00	1.00	1.00
Senior Assistant City Attorney	-	1.00	1.00
Assistant City Attorney	2.00	1.00	1.00
Paralegal	-	1.00	1.00
Legal Services Administrator	1.00	-	-
Legal Secretary	2.50	2.00	2.00
Risk Management Technician	1.00	1.00	1.00

Legal

FY2019 Objectives

- Provide outstanding legal services, business advice and procedural guidance to the Mayor, City Council, City departments and boards and commissions necessary for effective and efficient City operations. (Council Goals 1 through 4)
- Protect the interests of the City and its residents by comprehensively analyzing claims and lawsuits and aggressively defending City assets through ardent advocacy and a comprehensive insurance program. (Council Goal 1)
- Serve the police department, victims and the City Court of Prescott by assuring the consistent and ethical application of criminal justice and continue to aggressively prosecute city code and state law misdemeanor violations. (Council Goals 3 and 4)
- Provide outstanding risk mitigation services for the City of Prescott and its employees through training, inspections and use of prevention tools. (Council Goals 1, 3 and 4)

Measure Type	Performance Measure	FY17 Actual	FY18 Target	FY18 Estimate	FY19 Target
Outcome	Internal customer satisfaction on survey, achieve an average rating of 4 out of 5 on:				
	Overall rating on services	N/A*	4	4	4
	Timeliness		4	4	4
	Useful Legal Advice		4	4	4
	Communication		4	4	4
	Quality of Legal Services		4	4	4
	Accessibility and Approachability		4	4	4
Outcome	Percentage of claims and lawsuits resolved within our recommended reserve amount	N/A*	N/A*	N/A*	75%
Outcome	Complete public records requests within an Average of 10 days	N/A*	N/A*	N/A*	80%
	Not to exceed overdue request (Total overdue not more than 5% of the requests)	N/A*	N/A*	N/A*	4%
Outcome	Percent reduction of work place accidents	N/A*	N/A*	N/A*	10%
Outcome	Percent reduction of claims and lawsuits	N/A*	N/A*	N/A*	10%
Output	Number of trainings opportunities and prevention tools	N/A*	N/A*	N/A*	40

*New measure

Analysis of performance: The Legal Department survey was sent out to internal staff only and showed an average of 100% satisfaction. The Risk Management was sent out in the same manner and reaped more responses with an average of 87% satisfaction. The surveys do not tell who took the survey and therefore is objective.

Legal

FY2018 Major Achievements

- Provided legal advice, drafted Sober Living Home legislation, staffed the Mayor's Ad Hoc Sober Living Committee. City Council goal of providing enhanced quality of life. (Goal #3)
- Instrumental in crafting language and providing legal advice regarding the successful Prop 443 ballot measure (PSPRS tax). City Council's goal of stabilizing the general fund. (Goal #1)
- Worked collaboratively with the City Clerk's Office during last year's busy election period, providing prompt legal advice on a myriad of complex election issues. City Council's goal of stabilizing the general fund (Goal #1) and providing a service-oriented culture (Goal #4)
- Researched, implemented and managed, and continue to administer, the on-line public records system "NextRequest". This new software streamlines the response and organization of voluminous public records requests. City Council's goal of providing a service oriented culture. (Goal #4)
- Instituted new case management system to enable all City Attorney's Office staff to readily access case information electronically. City Council goal of providing a service-oriented culture. (Goal #4)
- Use community service workers to remediate code violations on private property. City Council goal of providing a clean and safe city.(Goal #3)
- Prosecuted 2,817 charges on various cases and assigned 503 community service hours that enhances Parks and Rec Services. City Council goal of providing a service-oriented culture (Goal #4)
- Instituted a new counseling program with Life Skills counseling services. City Council goal of a Service-Oriented Culture where fair and consistence in prosecutor services are provided. (Goal #4)

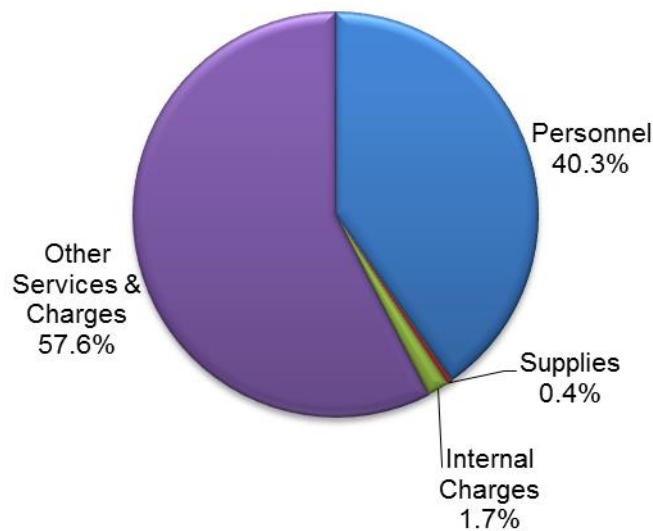
Legal

Expenditure Budget

Department Summary - Expenditure by Type

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 796,093	\$ 826,582	\$ 844,323	\$ 873,556	6%
Supplies	10,708	9,600	9,600	9,600	0%
Internal Charges	39,197	37,567	37,567	36,586	-3%
Other Services & Charges	<u>1,017,646</u>	<u>1,248,400</u>	<u>1,229,159</u>	<u>1,248,565</u>	0%
Subtotal	1,863,644	2,122,149	2,120,649	2,168,307	2%
Capital	-	-	-	13,000	
Total	\$ 1,863,644	\$ 2,122,149	\$ 2,120,649	\$ 2,181,307	3%

**Legal Department FY19
Operating Expenditure Budget by Type**



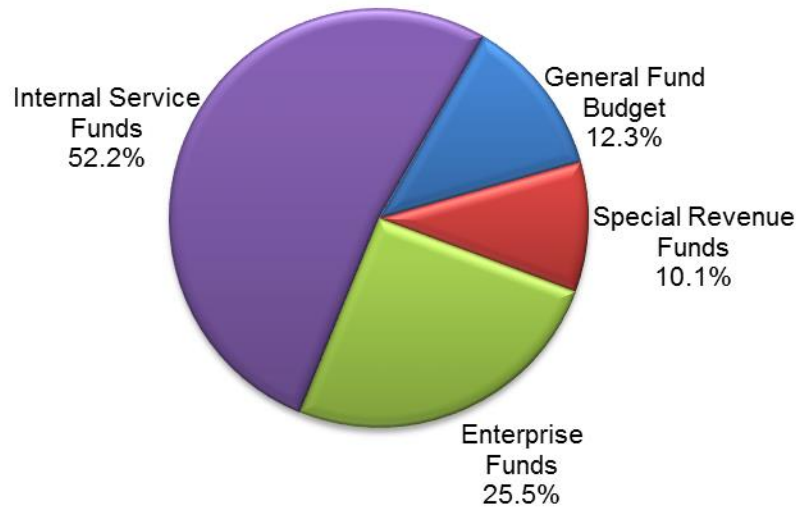
Budget Notes and Significant Changes: FY19 capital is for a replacement copy machine.

Legal

Department Summary - Funding Sources

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
General Fund Source of Funds					
Tax Base	\$ 272,530	\$ 243,893	\$ 243,893	\$ 268,451	10%
Charges for Services	5,177	1,500	-	-	-100%
General Fund Budget	277,707	245,393	243,893	268,451	9%
Special Revenue Funds	230,017	279,878	279,878	219,588	-22%
Enterprise Funds	415,460	458,503	458,503	555,502	21%
Internal Service Funds	1,007,120	1,138,375	1,138,375	1,137,766	0%
Total	\$ 1,930,304	\$ 2,122,149	\$ 2,120,649	\$ 2,181,307	3%

**Legal Department Operations Funding Sources
FY19 Budget**



Department Funding Sources: The Legal Department is funded through multiple funds. Per budget policy and to present the full cost of providing services, General Fund internal support is allocated to Enterprise Funds, Internal Service Funds and Special Revenue Funds that benefit from the services being provided. The allocation for Legal Department costs is proportion of budget. In addition, the City's risk management liability insurance policy is funded through an Internal Service Fund. The Risk Management Internal Service Fund recovers policy expenditures through charges assigned to each City division and the charges are accounted for as revenues.

Library

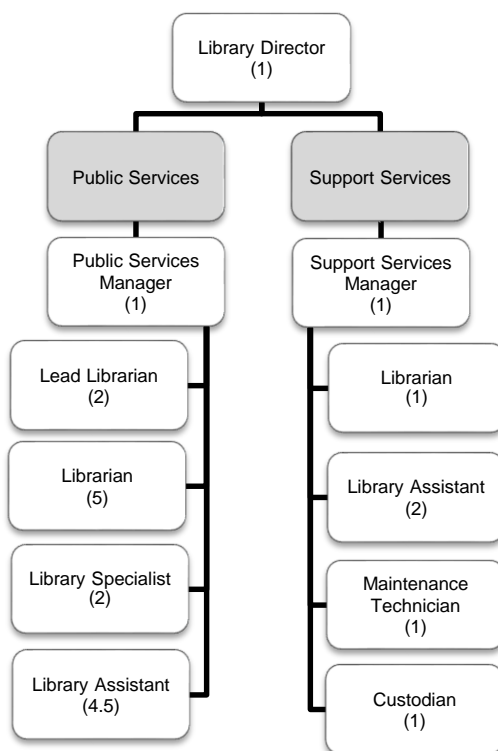
Department Mission

To connect community members with innovative, value-added services to increase the quality of life and strengthen the fabric of our community.

Services

The Library focuses on community driven needs by providing information in a variety of formats including print and non-print materials, providing access to and assistance with public computers and electronic information as well as providing answers to reference and reader's advisory questions by phone, email and in person. The Library promotes lifelong learning through library programs and outreach programs in the community. Also, the Library efficiently maintains the physical facilities of the library to provide an attractive gathering place and meeting facilities for the community and a safe environment for both public and staff.

The Library is fiscally responsible in ordering and preparing library materials for public use by utilizing volunteer workers in non-professional roles in order to more efficiently provide service to the community and leveraging membership in the Yavapai Library Network to provide more materials and services to our community than would be possible to provide as a single public library.



Department Summary - Staffing by Division

	FY17	FY18	FY19
Public Services	16.00	15.50	15.50
Support Services	<u>6.00</u>	<u>6.00</u>	<u>6.00</u>
Total Authorized Positions	22.00	21.50	21.50

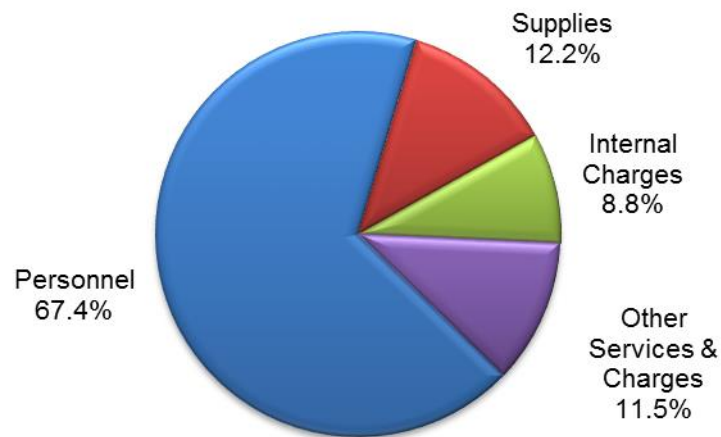
Library

Expenditure Budget

Department Summary - Expenditure by Type

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 1,485,972	\$ 1,530,167	\$ 1,540,961	\$ 1,623,828	6%
Supplies	261,023	258,180	243,440	294,724	14%
Internal Charges	205,003	208,790	208,290	212,412	2%
Other Services & Charges	283,468	292,708	210,607	277,038	-5%
Total, Operations	\$ 2,235,466	\$ 2,289,845	\$ 2,203,298	\$ 2,408,002	5%

**Library FY19
Operating Expenditure Budget by Type**



Department Summary - Expenditure by Division

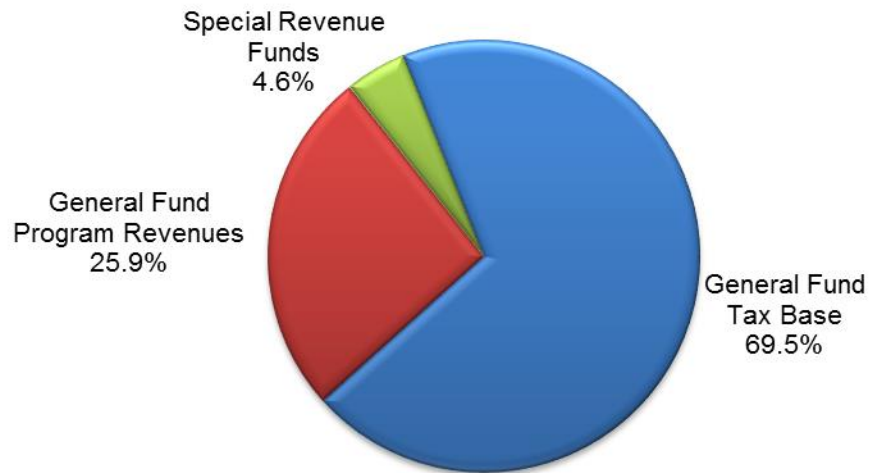
	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Public Services	\$ 1,206,648	\$ 1,234,798	\$ 1,242,355	\$ 1,315,836	7%
Support Services	1,028,818	1,055,047	960,943	1,092,166	4%
Total, Operations	\$ 2,235,466	\$ 2,289,845	\$ 2,203,298	\$ 2,408,002	5%

Library

Department Summary - Funding Sources

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
General Fund Funding Sources					
Tax Base	\$ 1,532,997	\$ 1,600,744	\$ 1,546,777	\$ 1,673,362	5%
Intergovernmental Revenues	566,423	562,207	562,207	567,108	1%
Charges for Services	19,801	19,300	18,600	19,000	-2%
Fines and Forfeitures	35,672	37,100	38,184	38,100	3%
General Fund Budget	2,154,893	2,219,351	2,165,768	2,297,570	4%
Special Revenue Funds	80,573	70,494	37,530	110,432	57%
Total	\$ 2,235,466	\$ 2,289,845	\$ 2,203,298	\$ 2,408,002	5%

**Library Operations Funding Sources
FY19 Budget**



Department Funding Sources: The Library receives significant funding from the Yavapai County Library District shown as intergovernmental revenues. Special Revenue funds account for grants and donations to support the library.

Library

Public Services

Division Mission

To provide opportunities for work, learning and play through resources, expertise and programs delivered with exemplary customer service.

Services

The Public Services Division provides materials in a variety of formats: print and electronic versions of books, magazines and reference sources, audio and visual media, and additional innovative materials such as early learning tablets for children. The Division provides expertise to assist library users with early literacy skills, knowledge of literature for youth and adults, knowledge of electronic and print resources and skills in assisting with and teaching technology and job-seeking skills. The Division staff provides a broad range of library programs and outreach to address the educational, cultural and recreational needs of community members.

FY2019 Objectives

- To provide cost-effective, convenient, accessible resources to people in the community.
- Provide tools and training to access and use digital information
- Utilize Yavapai Library Network to access over 1.3 million items from over 40 libraries
- Select print and non-print materials to meet community needs
- To provide access to lifelong learning, recreational and cultural opportunities.
- Provide early childhood literacy skills training imbedded in programs and materials to increase awareness among parents and caregivers of best practices for preparing children for school
- Effectively communicate with community members about library programs and service
- Provide programs and outreach that offer adults and teens the opportunity to learn something helpful to their lives
- Provide a summer reading program that encourages children and teens to read throughout the summer months to maintain or improve their reading skills

Measure Type	Performance Measure	FY17 Actual	FY18 Target	FY18 Estimate	FY19 Target
Workload	Number of registered borrowers	27,935	26,800	28,205	28,300
Workload	Gate Counts	414,137	405,000	434,000	430,000
Workload	Visits per capita	10.10	9.55	10.26	10.16
Efficiency	Library expenditures per visitor	\$5.16	\$5.80	\$5.42	
Efficiency	Library expenditures per capita	\$51.85	\$54.42	\$54.42	
Output	Digital access and use training: percentage of responders agreeing strongly with survey statements	N/A*	75%	96%	90%
Output	Items borrowed from network libraries	66,602	65,800	68,000	67,500
Output	As percentage of items checked out	10.17%	10.0%	9.97%	10.0%
Output	Items loaned to network libraries	62,753	60,700	64,000	64,500

Library

Output	Wireless use w/in library	50,890	50,000	58,000	65,000
Output	Computer use w/in library	71,863	50,000	80,000	82,000
Output	Website pageviews	467,331	465,000	439,000	440,000
Output	Circulation of physical material	669,165	670,000	686,000	703,000
Output	Circulation of electronic materials	62,665	60,000	69,000	72,000
Output	Total circulation	731,830	730,000	755,000	775,000
Output	Circulation per capita	17.75	17.82	18.29	18.41
Output	Number of outreach events to communicate about library programs and services	96	95	88	95
Output	Attendance at outreach events	3,232	3,200	3,200	3,200
Outcome	Customer satisfaction with materials available: percent of responders that agree/strongly agree with statement	N/A*	75%	90.6%	90%
Outcome	Parents and caregivers are more aware of early childhood literacy skills	N/A*	75%	82%	80%
Outcome	Overall customer satisfaction: percent of responders agree/strongly agree with survey statements. *	N/A*	75%	93%	90%
Outcome	Impact of programs and outreach by percent of responders agree/strongly agree with survey statements	N/A*	75%	93%	90%
Outcome	Summer reading programs customer satisfaction: percent of responders agree/strongly agree with surveys to measure increase in time children and teen spend reading.	N/A*	75%	98%	95%

*New measure

FY2018 Major Achievements

- Reinstated Sunday hours
- Provided library services to over 435,000 library users
- Initiated the You Too! grant-funded and volunteer staffed program to provide increased access to information, including City Council meetings, community members who have vision or hearing loss
- Collaborated with Prescott Unified School District administrators, teachers and librarians to promote and encourage children to take part in summer reading program
- Was a pilot site in Yavapai County for provision of Digital Public Library of America eBooks.
- Initiated campaign to reach Prescott Unified School Districts schools to encourage students to sign up for library cards and promote library resources
- Spearheaded county-wide eMaterials committee to work towards equitable purchase and cost-effective sharing of eBooks

Library

- Partnered with Department of Economic Security to provide job seeking classes
- Partnered with State Attorney General's Satellite Office to provide public service every other week.

Expenditure Budget

Public Services

Expenditure Summary

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 1,100,116	\$ 1,122,548	\$ 1,130,105	\$ 1,201,302	7%
Internal Charges	<u>106,532</u>	<u>112,250</u>	<u>112,250</u>	<u>114,534</u>	2%
Total	\$ 1,206,648	\$ 1,234,798	\$ 1,242,355	\$ 1,315,836	7%

Authorized Staffing Summary

	FY17	FY18	FY19
Authorized Staffing Level	<u>15.50</u>	<u>15.50</u>	<u>15.50</u>
Library Director	1.00	1.00	1.00
Library Manager, Public Services	1.00	1.00	1.00
Lead Librarian	2.00	2.00	2.00
Librarian	5.00	4.00	5.00
Librarian - Trainee	-	1.00	-
Library Specialist	2.00	2.00	2.00
Library Assistant	4.50	4.50	4.50

Budget Notes and Significant Changes: The FY19 personnel increase is for opening on Sundays, effective beginning with October 2017.

Library

Support Services

Division Mission

To provide a safe, attractive, fiscally responsible, efficient and sustainable organization for Prescott residents, visitors and library staff

Services

The Support Services Division maintains the facility and oversees processes that allow the public to utilize a safe and convenient location for gathering, exchanging ideas and meeting with one another. In addition, the Division ensures the efficient delivery of materials and services to Prescott residents by being fiscally prudent in the selection and preparation of items for the public. The Division is responsible for selecting, training and supervising volunteers in non-professional activities in order to operate as efficiently as possible. The Division provides the residents of Prescott with information and items from across the world by participating in an interlibrary loan system.

FY2019 Objectives

- Provide comfortable and accessible meeting room space that meets community needs
- Provide cost-effective services to support library operations
- Supplement library personnel and services with appropriate use of volunteers
- Partner with Friends of the Prescott Public Library to deliver value-added services

Measure Type	Performance Measure	FY17 Actual	FY18 Target	FY18 Estimate	FY19 Target
Outcome	Customer satisfaction with meeting rooms: percent of responders agree/strongly agree with survey statements	N/A*	75%	66%	75%
Output	Revenue from meeting room rentals	\$4,472	\$5,500	\$5,900	\$5,700
Efficiency	Volunteer hours represented as an estimated number of full-time equivalents	6.8	7.0	6.9	7.0
Efficiency	Estimated personnel savings from volunteer hours	\$152,497	\$157,239	\$160,219	\$169,032
Input	Donations received from Friends of the Prescott Public Library for supplemental programming and library improvements	\$76,533	\$ \$85,000	\$102,720	\$105,000

* New measure

FY2018 Major Achievements

- Cut annual electric costs by approximately \$12,000 using donations provided to the library to replace florescent lights with LED
- Ordered, processed and made ready for checkout over 16,000 items including many community donations

Library

- Used volunteers for various essential recurring tasks. 163 volunteers donated 14,560 hours (7 FTE) for an estimated cost savings of \$ \$223,119
- Utilized eRate rebates for a cost savings of \$11,221 in telecommunications costs
- Worked with donors to enhance Founders Suite technology

Expenditure Budget

Support Services

Expenditure Summary

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 385,856	\$ 407,619	\$ 410,856	\$ 422,526	4%
Supplies	261,023	258,180	243,440	294,724	14%
Internal Charges	98,471	96,540	96,040	97,878	1%
Other Services & Charges	<u>283,468</u>	<u>292,708</u>	<u>210,607</u>	<u>277,038</u>	-5%
Total, Operations	1,028,818	1,055,047	960,943	1,092,166	4%

Authorized Staffing Summary

	FY17	FY18	FY19
Authorized Staffing Level	<u>6.00</u>	<u>6.00</u>	<u>6.00</u>
Library Manager, Support Services	1.00	1.00	1.00
Librarian	1.00	1.00	1.00
Library Assistant	2.00	2.00	2.00
Maintenance Technician	1.00	1.00	1.00
Custodian	1.00	1.00	1.00

Budget Notes and Significant Changes: FY19 Supplies include budgeting for the use of donated funds to for digital signage and other library supplies.

Police

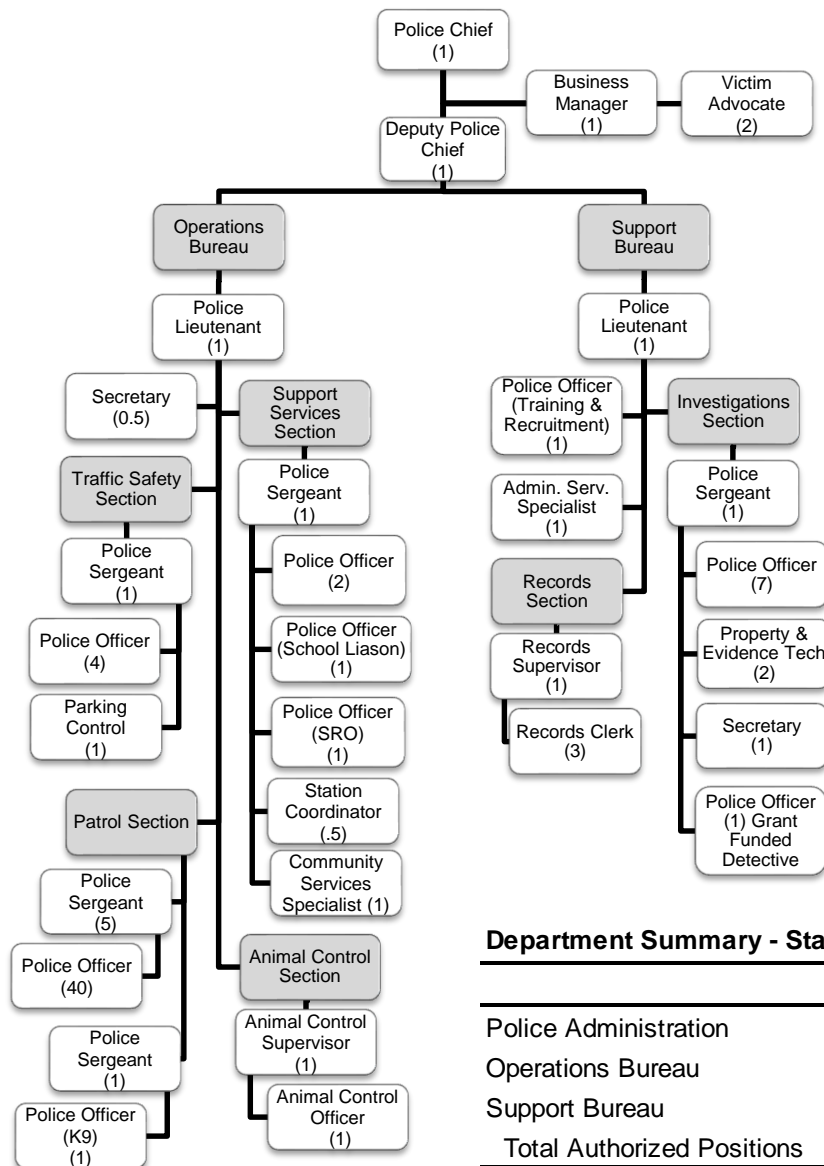
Department Mission

To provide the highest level of service in a collaborative effort with our community to protect life, property, and the rights of citizens.

Services

The Prescott Police Department is dedicated to providing our community with the best professional services available within our resources. The Department is committed to establishing close working relationships with our citizens and visitors to resolve problems and issues. This Department is committed to an aggressive response to criminal activity throughout the City of Prescott in a manner consistent with safeguarding the rights of all citizens.

Organization and Personnel



Department Summary - Staffing by Division

	FY17	FY18	FY19
Police Administration	3.60	4.00	5.00
Operations Bureau	59.00	62.00	63.00
Support Bureau	<u>20.50</u>	<u>17.00</u>	<u>19.00</u>
Total Authorized Positions	83.10	83.00	87.00

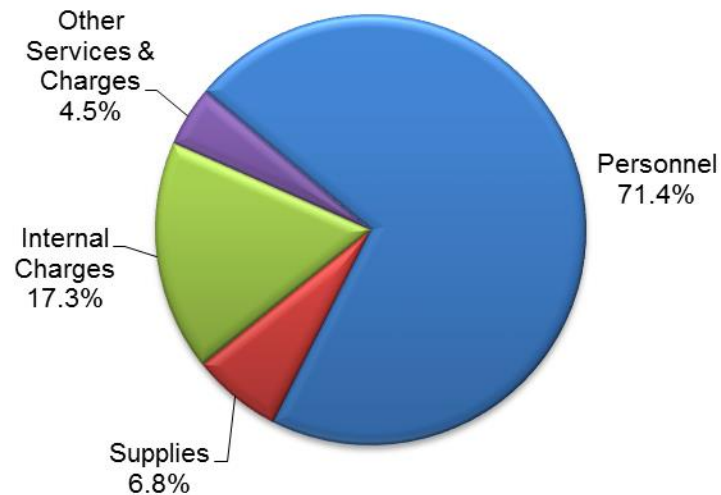
Police

Expenditure Budget

Department Summary - Expenditure by Type

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 7,440,541	\$ 7,760,665	\$ 7,684,736	\$ 8,280,069	7%
Supplies	418,771	660,480	598,629	786,292	19%
Internal Charges	1,933,760	1,883,521	1,932,328	2,007,716	7%
Other Services & Charges	372,788	466,298	442,028	520,244	12%
Subtotal Operations	10,165,860	10,770,964	10,657,721	11,594,321	8%
Capital	21,459	166,200	169,615	574,000	245%
Total	\$10,187,319	\$10,937,164	\$10,827,336	\$12,168,321	11%

**Police Department FY19
Operating Expenditure Budget by Type**



Department Summary - Operations Expenditure by Division and Capital

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Police Administration	\$ 843,867	\$ 1,072,974	\$ 1,018,009	\$ 1,196,623	12%
Operations Bureau	7,361,621	7,706,484	7,601,323	7,974,156	3%
Support Bureau	1,960,372	1,991,506	2,038,389	2,423,542	22%
Subtotal Operations	10,165,860	10,770,964	10,657,721	11,594,321	8%
Capital	21,459	166,200	169,615	574,000	245%
Total	\$10,187,319	\$10,937,164	\$10,827,336	\$12,168,321	11%

Police

Department Summary - Funding Sources

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
General Fund Source of Funds					
Tax Base	\$ 9,383,364	\$ 9,995,576	\$ 9,997,207	\$ 10,904,139	9%
Licenses and Permits	31,208	27,000	30,000	30,000	11%
Fines and Forfeitures	358,243	365,300	354,700	365,650	0%
General Fund Budget	9,772,815	10,387,876	10,381,907	11,299,789	9%
Special Revenue Funds	414,504	549,288	445,429	868,532	58%
Total	\$ 10,187,319	\$ 10,937,164	\$ 10,827,336	\$ 12,168,321	11%

**Police Department Operating Funding Sources
FY19 Budget**



Department Funding Sources: The Police Department is primarily funded through the General Fund. Special Revenue Funds account for donations and grants.

Police

Police Administration

Division Mission

To manage and support the bureaus within the Prescott Police Department to ensure all sections are working toward the accomplishment of their goals and the Department's mission.

Services

The Police Administration Division is responsible for all management functions of the Bureaus within the department.

FY2019 Objectives

- Ensure customers receive an efficient police response to address crime and respond to calls for service.
- Maintain a fully staffed, professional and well trained police force to respond to all calls for service, enhance the community's perception of safety and provide a visual deterrent to crime and disorder.

Measure Type	Performance Measure	FY17 Actual	FY18 Target	FY18 Estimate	FY19 Target
Workload	Reduce Uniform Crime Reporting (UCR) Part 1 Crimes	1,148	1,000	1,200	1,100
Workload	Reduce Uniform Crime Reporting (UCR) Part II Property Crimes*	3,138*	N/A*	3,050	3,000
Workload	Reduce Uniform Crime Reporting (UCR) Part 1 Violent Crimes*	179*	N/A	150	150
Output	Increase officer initiated contacts including traffic stops, business checks and other community related policing efforts*	N/A*	N/A*	15,042	17,000
Efficiency	Sworn police per 1,000 population*	1.6	1.6	1.6	1.67

*New measure

FY2018 Major Achievements

- Implemented Lexipol on-line policy manual to ensure compliance with state and federal laws as well as best practices within the law enforcement profession.
- Lt. Jon Brambila successfully completed the FBI National Academy, graduating with Session # 270.
- Implemented IAPro and Blueteam software programs to assist with management of investigations and training of personnel.
- Conducted two Citizen Academies to enhance community understanding of the role and function of the Police Department and hosted multiple outreach events such as Coffee with a Cop.
- Expanded efforts to engage the community through the addition of Twitter, Facebook and Instagram accounts.

Police

Expenditure Budget

Police Administration Expenditure Summary

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 516,943	\$ 522,882	\$ 525,422	\$ 611,317	17%
Supplies	65,150	247,508	190,195	258,770	5%
Internal Charges	97,679	124,481	136,584	135,152	9%
Other Services & Charges	164,095	178,103	165,808	191,384	7%
Subtotal Operations	843,867	1,072,974	1,018,009	1,196,623	12%
Capital	12,608	-	-	-	
Total	\$ 856,475	\$ 1,072,974	\$ 1,018,009	\$ 1,196,623	12%

Authorized Staffing Summary

	FY17	FY18	FY19
Authorized Staffing Level	<u>3.60</u>	<u>4.00</u>	<u>5.00</u>
Police Chief	1.00	1.00	1.00
Deputy Police Chief ¹	0.60	1.00	1.00
Business Manager	1.00	1.00	1.00
Victim Advocate	1.00	1.00	2.00

¹ 40% of Deputy Chief was charged to Regional Communications

Budget Notes and Significant Changes: Personnel changes in FY19 include adding a second victim advocate grant funded position. FY19 budget in supplies increase is for grant funded victim advocate program and bullet proof vest grants. An internal charge increase represents increased fleet maintenance. Other services and charges increases include public safety government pledges like Prevent Child Abuse America, and medical services as the State of Arizona now requires that the City pay for up to 12 visits for any sworn peace officer who needs counseling.

Police

Operations Bureau

Division Mission

To protect life, fight crime, provide services to victims, provide safe and efficient travel on the roadways within the city, provide education through proactive community policing activities and protect the health and welfare of domestic animals within the city.

Services

The Police Department Operation Bureau consists of 4 Sections:

The Patrol Section consists of uniformed Patrol Officers and Sergeants staff five, 24/7 Patrol Teams with assistance from a dedicated K9 Team. These Patrol Teams provide city wide coverage responding to calls for service from our citizens and visitors.

Traffic Safety Section performs proactive enforcement of traffic laws, investigates death/serious injury crashes and coordinates and participates in numerous Special Events within the city that showcase our community.

The Support Services Section provides numerous training sessions throughout the community on subjects such as Alzheimer's, Work Place Safety, Green Zone Anti Bullying and Red Ribbon Anti-Drug training to our elementary schools.

The Animal Control Section team provides services consisting of dog licensing, animal impounds, bite investigations and educational classes to various groups.

FY2019 Objectives

- Proactive enforcement of traffic laws by the use of speed enforcement, saturation patrols
- Reduce collisions through education, enforcement and community outreach
- Reduce crime through effective patrol, education and public engagement campaigns

Measure Type	Performance Measure	FY17 Actual	FY18 Target	FY18 Estimate	FY19 Target
Output	Traffic contacts by the Traffic Safety Section	8,909	7,800	2,300	2,500
Output	Traffic crash investigations, non-injury, injury and fatality.	1,853	950	1500	1500
Output	Top priority calls: average time, dispatch to arrival on scene in seconds	N/A*	N/A*	5 min 6 sec	5 minutes
Output	DUI arrests per 1,000 population	N/A*	N/A*	4.4	5.0
Output	Number of bicycle and foot patrols in the downtown area and public spaces.	N/A*	N/A*	100	300

*New measure

Analysis of performance:

A reduction in staffing levels due to unforeseen circumstances within the traffic safety section resulted in significant decreases in the number of contacts, citations and warnings issued.

Police

FY2018 Major Achievements

Patrol

- Developed and implemented Naloxone program, with the goal of saving the lives of those impacted by opioid overdoses.
- Staffed a sworn police officer on an off-duty basis at Prescott High School during a majority of school days through cooperation with PUSD.
- Supported ongoing high visibility details on foot and on bike in the downtown area during peak times and large scale events.

Traffic Safety

- Investigated over 500 traffic crashes, and issued over 2500 traffic related citations and warnings.
- Conducted multiple speed and aggressive driving details, and coordinated multiple driving under the influence enforcement campaigns throughout the year.
- Supported patrol and PRCC by coordinating the transition from one CAD vendor to another through training of officers on the new system and working with the implementation team to ensure functionality and end user satisfaction.

Support Services

- Each member of the support services team attended Crisis Intervention Training (CIT) and they continue to assist with program implementation county wide, through regional cooperation and trainings.
- Conducted active shooter trainings at multiple locations throughout the community and coordinated with multiple churches to enhance security.

Animal Control

- Developed a new training program for new police recruits to prepare them for animal related calls for service.
- Responded to 800+ animal related calls for service
- Processed 3865 license renewals and 1120 past due renewals.

Expenditure Budget

Operations Bureau

Expenditure Summary

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 5,443,709	\$ 5,700,540	\$ 5,578,266	\$ 5,787,495	2%
Supplies	229,526	319,100	318,904	382,212	20%
Internal Charges	1,573,677	1,541,129	1,580,833	1,661,884	8%
Other Services & Charges	114,709	145,715	123,320	142,565	-2%
Subtotal Operations	7,361,621	7,706,484	7,601,323	7,974,156	3%
Capital	-	166,200	169,615	514,000	209%
Total	\$ 7,361,621	\$ 7,872,684	\$ 7,770,938	\$ 8,488,156	8%

Police

Capital Detail

Police Radio Replacements	\$ 384,000
Vehicle Replacements - Police Department	190,000
	<u>\$ 574,000</u>

Authorized Staffing Summary

	FY17	FY18	FY19
Authorized Staffing Level	<u>59.00</u>	<u>62.00</u>	<u>63.00</u>
Police Lieutenant	1.00	1.00	1.00
Police Sergeant	8.00	8.00	8.00
Police Officer	46.00	48.00	49.00
Parking Control Monitor	1.00	1.00	1.00
Animal Control Supervisor	1.00	1.00	1.00
Animal Control Officer	1.00	1.00	1.00
Station Coordinator	0.50	0.50	0.50
Secretary	0.50	0.50	0.50
Community Services Specialist	-	1.00	1.00

Budget Notes and Significant Changes: Changes to personnel in FY19 include moving 1 Police Officer to Support Bureau to the Training and Recruitment function, adding two new police officer positions (School Resource Officer and School Liaison Officer), and an increase to the overtime salary budget to be more in line with actual spending. FY19 supplies increases includes tables and bicycles for community policing, mobile speed monitoring signs, and ballistic rifle plates. Internal Charges increases with the cost recovery of FY19 Regional Communications budget. Vehicle replacements will be budgeted in departmental budgets starting with FY19 now that the vehicle replacement fund is depleted in Fleet Maintenance.

Police

Support Bureau

Division Mission

To support and serve the community, victims of crime, the Operations Bureau, and other criminal justice partners by investigating specifically assigned crimes, by maintaining property and evidence in a manner consistent with industry and best standards practice, by maintaining records, by maintaining training and recruitment, and by enforcing City Code.

Services

The Investigations Section is responsible for the investigation of specific crimes including crimes against persons, financial crimes and other felony offenses. Detectives complete follow-up and bring cases to completion through a variety of specialized methods and utilizing tools and training of the trade. At least one detective is available to all members of this agency for call out or consultation 24/7. The Section is also responsible for the maintenance of sexual offender notification reporting, pawned items sale reporting requirements mandated by City Code, and the maintenance and cataloging of property and evidence that is collected by officers of the Prescott Police Department.

The Records Section provides support services to the officers and staff of the Police Department and the City of Prescott. This Section also provides walk in and telephone services to the citizens of Prescott needing report copies, local background checks and general police information. Records Section will be responsible for fulfilling any routine request for public records from all external customers within 24 hours.

Also, the Support Bureau provides for scheduling, coordination and posting of all Department required and supplemental training, works to recruit and hire both sworn and civilian employees by conducting all background investigations, and provides public awareness of programs that focuses on crime prevention.

FY2019 Objectives

- Improve service to victims of crime by ensuring timely follow-up and quality communication
- Assign specific cases to investigators within one business day of secondary approval to allow detectives who specialize in those areas and who have the tools and resources to bring cases to a successful conclusion
- Develop and implement satisfaction survey of crime victims of cases assigned to investigations.

Measure Type	Performance Measure	FY17 Actual	FY18 Target	FY18 Estimate	FY19 Target
Outcome	Send survey to 100% of victims served through the office of Victim Advocate with a 90% customer satisfaction rate.	N/A*	N/A*	N/A*	90%

*New measure

Police

FY2018 Major Achievements

Investigations

- Continued managed the Sex Offender Accountability Program in which all registered sex offenders within the City of Prescott are accounted for on a routine basis and held accountable for compliance as per the law.
- Applied for and obtained a federal grant through the U.S. Department of Justice, Office on Violence Against Women, for a fully funded investigator dedicated to the investigation of sex crimes.

Records

- By continuing the idea of modernizing dissemination of police reports to prosecuting agencies, department of economic security, public defender's office or the simple public records request via the PPD web; the records division has established a new process of scanning and e-mailing reports via e-mail when applicable depending on case status. Whether it be via a city of Prescott secure e-mail or an IT created generic e-mail address for the prosecutor's office, records personnel is now able to securely send records related paperwork. This new process has saved records staff a significant amount of time in the processing and disseminating of paperwork as well as money on the reproduction of hard copy reports.
- With the continual effort in the build of the upcoming records management system, Tri Tech, the records division has been working within the system to help minimize the chances of data entry error once go live. Records staff has been creating mock reports in the system looking for validation error codes that will and or could put a hinder on the entry of a report by an officer therefore causing a lag in their duties. The records supervisor has been working meticulously within the system and reporting any and all errors to the Tri Tech program managers in addition to the city of Prescott IT staff in regards to code inaccuracy.

Property and Evidence

- Audited all open cases and evaluated them for disposition and closure. As a result nearly 1500 cases were completed and property disposed of.
- Developed a method for the advertising of found property with the cooperation of IT, to comply with state law and expedite the lawful disposal of property.

Swat

- SWAT was activated twice during this fiscal year, one for the service of a high risk search warrant and the second for a barricaded subject. SWAT also assisted YCSO SWAT with the service of search warrants in neighboring jurisdictions.
- SWAT provided over watch and security for two large events in the downtown area; the Christmas Parade and the Courthouse lighting.

Police

Expenditure Budget

Support Bureau

Expenditure Summary

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 1,479,889	\$ 1,537,243	\$ 1,581,048	\$ 1,881,257	22%
Supplies	124,095	93,872	89,530	145,310	55%
Internal Charges	262,404	217,911	214,911	210,680	-3%
Other Services & Charges	93,984	142,480	152,900	186,295	31%
Subtotal Operations	1,960,372	1,991,506	2,038,389	2,423,542	22%
Capital	8,851	-	-	60,000	
Total	\$ 1,969,223	\$ 1,991,506	\$ 2,038,389	\$ 2,483,542	25%

Capital Detail

Vehicle Replacements - Police Department	\$ 60,000
	\$ 60,000

Authorized Staffing Summary

	FY17	FY18	FY19
Authorized Staffing Level	20.50	17.00	19.00
Police Lieutenant	1.00	1.00	1.00
Police Sergeant	1.00	1.00	1.00
Police Officer	9.00	7.00	9.00
Secretary	1.00	1.00	1.00
Property/Evidence Tech-CSI	1.00	1.00	1.00
Property/Evidence Tech	-	1.00	1.00
Public Safety Specialist	0.50	-	-
Admin Services Specialist	1.00	1.00	1.00
Police Records Supervisor	1.00	1.00	1.00
Police Records Clerk	4.00	3.00	3.00
Police Services Coordinator	1.00	-	-

Budget Notes and Significant Changes: Changes to personnel in FY19 include moving one police officer from Operations Bureau and adding one police officer grant funded detective position. An increase in Supplies is for tablets equipped with computer aided dispatch software, equipment for the workout room, and conex boxes for evidence storage. Other Services & Charges increases with additional budget for training a grant funded detective and training facility improvements.

Public Works

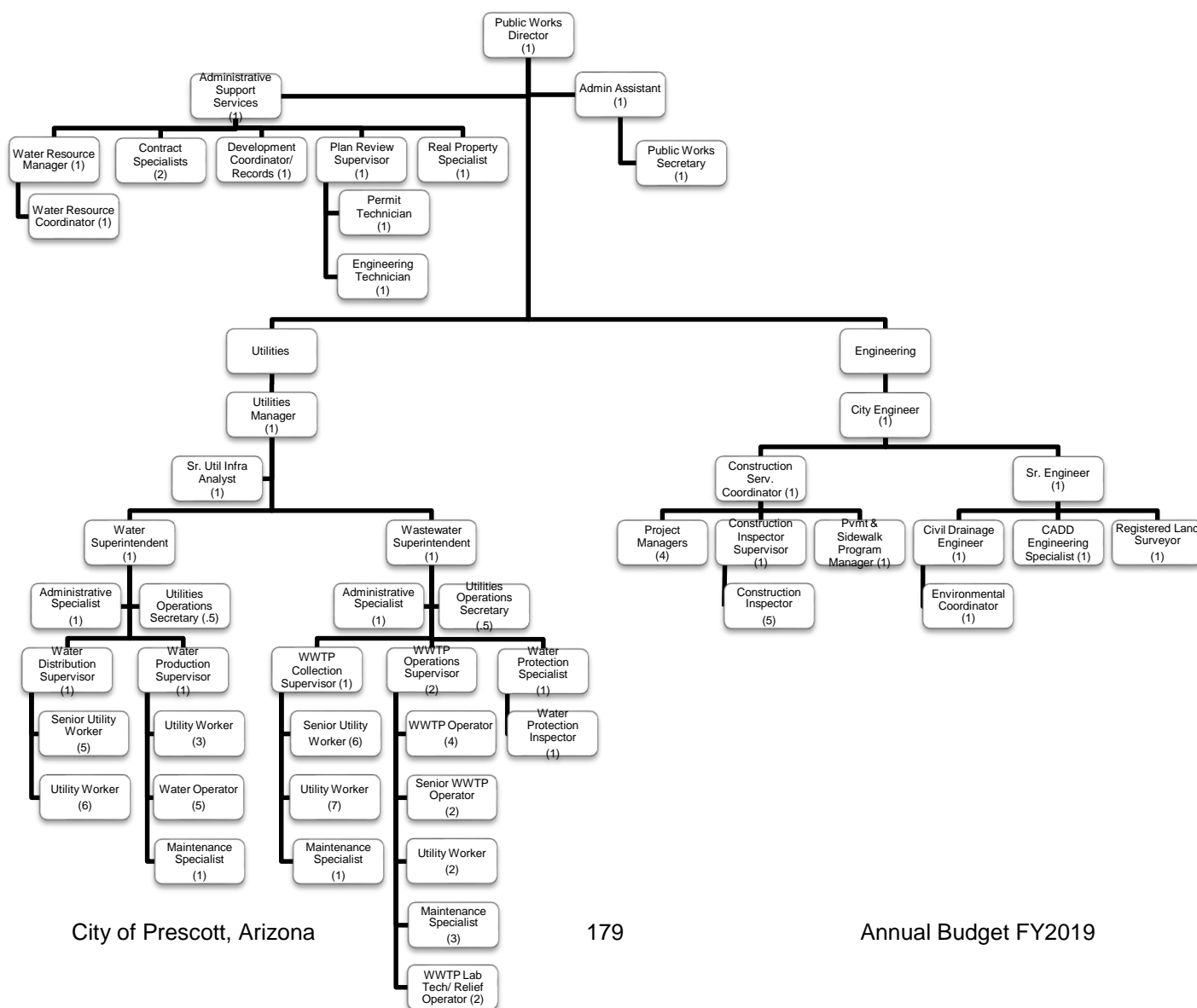
Department Mission

To support the City of Prescott's quality of life and economic prosperity by effectively managing the infrastructure and natural and man-made resources and through timely, quality and cost effective services.

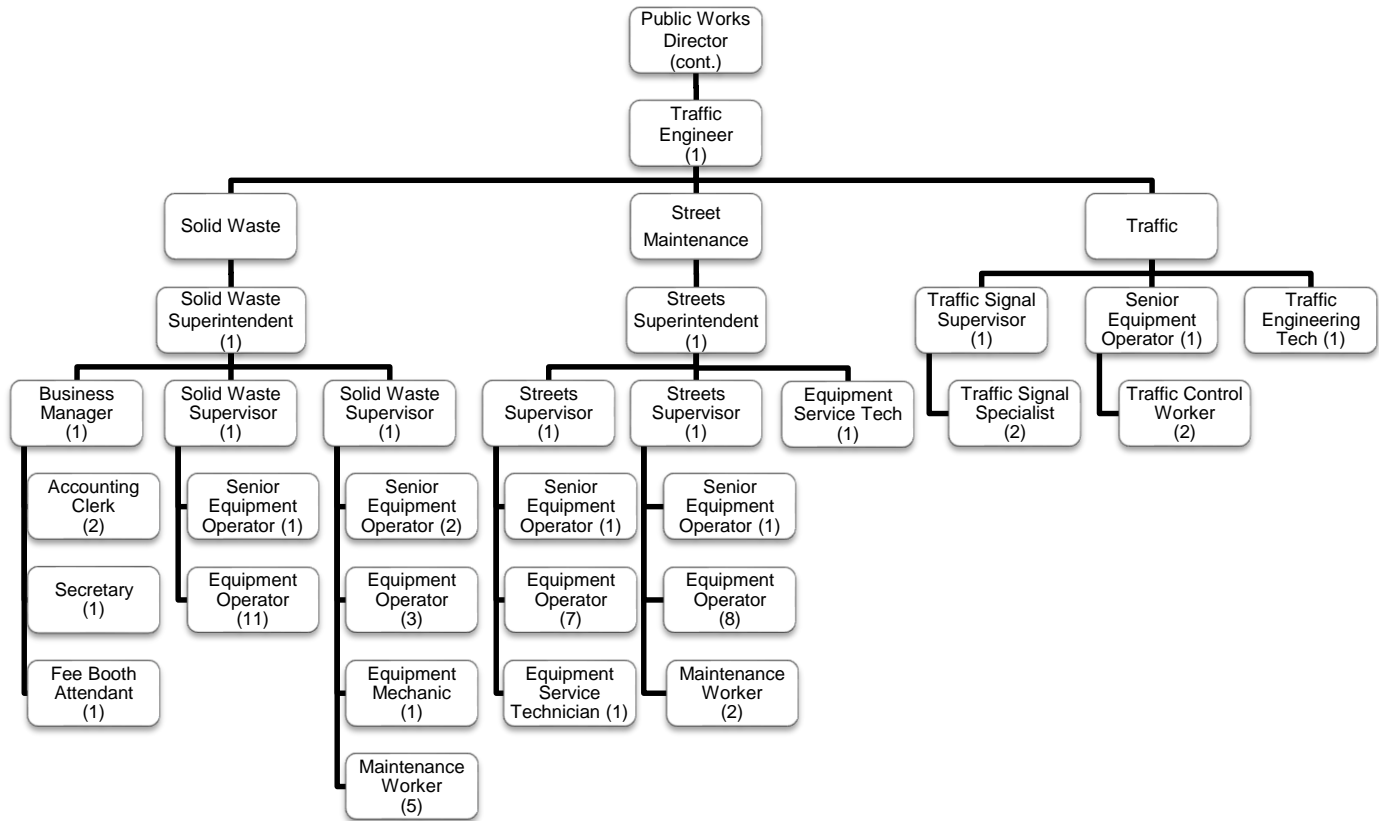
Services

The Public Works Department is responsible for the planning, design, construction, maintenance, performance, function and efficiency of a variety of City infrastructure. This includes roads, traffic control devices and signs, sidewalks, water and wastewater utilities, drainage systems and real property. In addition to City infrastructure and assets, the Department supports private development efforts within the City and utility service areas by providing plan review, permitting, and inspection services. The Department operates and maintains a first class Water and Wastewater Utility system for over 24,000 customers. The Solid Waste Division provides trash and sanitation services to over 18,000 residential and commercial customers. The transfer station operates 6 days a week for customers within the quad-city area. The Streets Division maintains over 695 miles of city paved streets, alleyways, signs, and related items in the public right of ways.

Organization and Personnel



Public Works



Department Summary - Staffing by Division

	FY17	FY18	FY19
Engineering	23.10	23.20	23.40
Utilities	68.60	66.30	66.27
Water Resource Management	2.60	3.00	2.00
Solid Waste	28.20	28.70	30.00
Street Maintenance	<u>35.70</u>	<u>35.80</u>	<u>34.33</u>
Total Authorized Positions	158.20	157.00	156.00

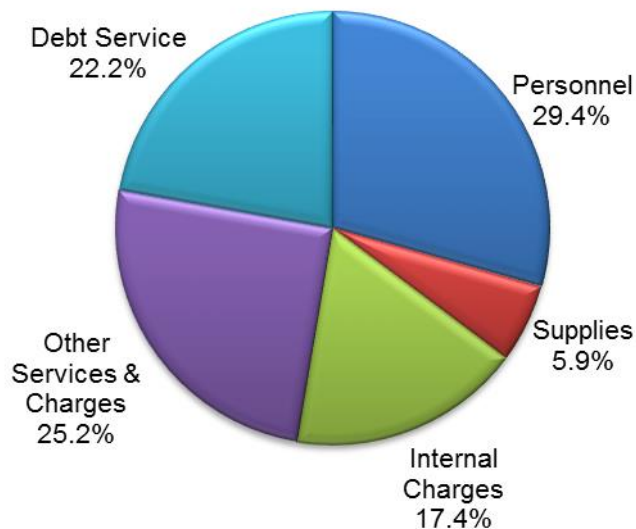
Public Works

Expenditure Budget

Department Summary - Expenditure by Type

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 11,794,265	\$ 12,436,798	\$ 12,226,933	\$ 12,692,136	2%
Supplies	2,071,388	2,517,300	2,316,028	2,531,150	1%
Internal Charges	6,725,948	7,613,212	7,368,328	7,542,929	-1%
Other Services & Charges	8,175,308	10,735,289	9,119,082	10,888,893	1%
Debt Service	<u>8,877,341</u>	<u>9,518,731</u>	<u>9,640,464</u>	<u>9,584,537</u>	1%
Subtotal Operations	37,644,250	42,821,330	40,670,835	43,239,645	1%
Capital	<u>21,378,253</u>	<u>61,589,641</u>	<u>41,826,098</u>	<u>69,802,203</u>	13%
Total	\$ 59,022,503	\$ 104,410,971	\$ 82,496,933	\$ 113,041,848	8%

Public Works FY19 Operating Expenditure Budget by Type



Department Summary - Operating Expenditures by Division and Capital

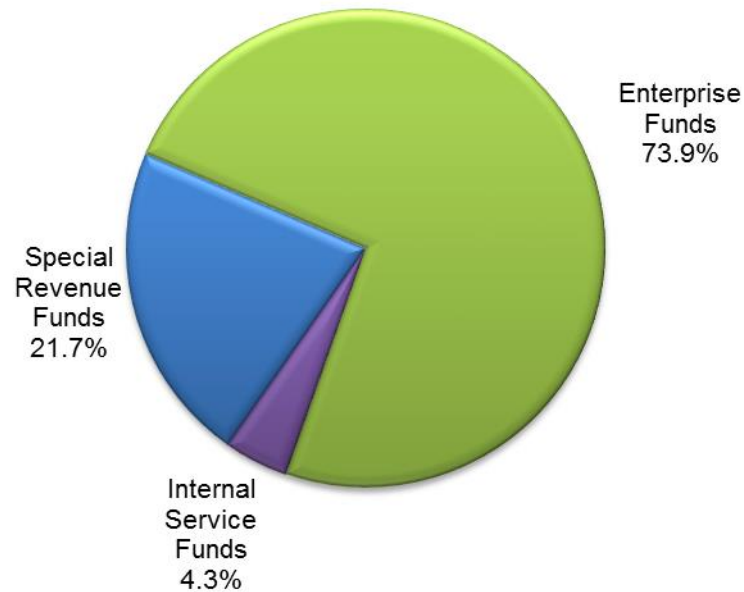
	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Engineering	\$ 4,153,532	\$ 5,438,440	\$ 4,873,612	\$ 4,412,699	-19%
Utilities	19,317,103	20,328,887	19,383,180	21,863,828	8%
Water Resource Management	1,149,078	1,620,615	1,445,359	1,848,845	14%
Solid Waste	6,155,501	7,984,815	7,843,079	7,692,612	-4%
Street Maintenance	<u>6,869,036</u>	<u>7,448,573</u>	<u>7,125,605</u>	<u>7,421,661</u>	0%
Subtotal Operations	37,644,250	42,821,330	40,670,835	43,239,645	1%
Capital	<u>21,378,253</u>	<u>61,589,641</u>	<u>41,826,098</u>	<u>69,802,203</u>	13%
Total	\$ 59,022,503	\$ 104,410,971	\$ 82,496,933	\$ 113,041,848	8%

Public Works

Department Summary - Funding Sources

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Special Revenue Funds	\$ 20,650,135	\$ 29,875,149	\$25,095,577	\$ 34,707,879	16%
Enterprise Funds	36,444,745	72,464,323	55,486,618	76,422,324	5%
Internal Service Funds	1,927,623	2,071,499	1,914,738	1,911,645	-8%
Total	\$ 59,022,503	\$ 104,410,971	\$ 82,496,933	\$ 113,041,848	8%

Public Works Operations Funding Sources
FY19 Budget



Department Funding Sources: Public Works is funded mainly through Enterprise Funds, which primarily consist of user fees and development impact fees. Special Revenue Funds are the Streets 1% dedicated sales tax and Grants. Some of the staff in the Engineering Division operate in an Internal Service fund for charging out internal engineering services to capital projects.

Public Works

Administrative Support Services

Division Mission

As a team provide high level customer service by providing professional quality support and services to internal and external customers. Provide clear, consistent and responsible communication. Promote economic prosperity through timely and efficient plan review and permitting activities for private development and capital improvement projects. Improve the operation, longevity and reliability of public infrastructure to the users of these systems through project documentation.

Services

The Administrative Support Services Division is responsible for the development and management of the departmental budget, facilitates the procurement process, manages contracts and provides records management for the Department. Additionally, the Division is responsible for the acquisition and management of City owned property to meet infrastructure needs, providing professional real estate services to other departments, residents and tenants.

The Division also staffs the permit center at City Hall in support of Public Works activities. Providing building permit plan review, engineering permit plan review/permits, right of way permit plan review/permits, and pre-application conference reviews of Public Works engineering elements.

FY2019 Objectives

- Effectively prepare and manage the fiscal year budget.
- Ensure compliance with all Federal, State and Local guidelines for procurement and ensure contracts remain in compliance throughout the process within specific guidelines.
- Provide timely and accurate processing of payment requests from vendors.
- Provide applicable responses to public records requests in a timely and professional manner.
- Maintain departmental records according to adopted records schedule.
- Ensure customers are satisfied with the professional services provided.
- Provide accurate and timely permit processing and issuance.
- Ensure services are completed in the most effective, efficient and economical method for the customer and the division.
- Provide accurate and timely information to customers via the phone, web or in person

Public Works

Measure Type	Performance Measure	FY17 Actual	FY18 Target	FY18 Estimate	FY19 Target
Efficiency	Percentage of spending within budgeted amount	N/A	N/A	80%	90%
Efficiency	Percentage of completed pay apps within established timeframes	N/A	N/A	90%	90%
Efficiency	Percentage of public records requests completed within 10 days	N/A	N/A	90%	90%
Outcome	Annual Records Destruction Complete	Yes	Yes	Yes	Yes
Outcome	Percentage of Permit Center plan reviews related to Engineering completed within established turn-around times	N/A	N/A	75%	90%
Outcome	Percentage of Engineering Permits processed and issued within 15 days	N/A	N/A	75%	90%

Analysis of Performance: This Division was created in FY18, performance measures will not have comparable data for previous years.

FY2018 Major Achievements

- Managed 165 contracts with a total dollar value of \$77,389,519.23
- Completed 258 records requests in FY2018
- Managed 3 land acquisitions, 6 property leases, and 242 easements and temporary construction easements.
- Provided plan review services for approximately 2,198 permits

Public Works

Engineering

Division Mission

Support the City of Prescott's quality of life and economic prosperity by improving the operation, longevity and reliability of all public infrastructures. Provide timely and professional level engineering and customer service in support of the City's Capital Improvement Program and private development.

Services

The Engineering Division is responsible for the design, construction and inspection of public infrastructure and plan review and inspection for private infrastructure that will be given to the City for long-term maintenance. These activities support the water and wastewater utilities, streets and solid waste operations within the City. The division has two primary areas of work.

Construction Services is responsible for the implementation of the Capital Improvement Program including water and wastewater system upgrades, roadway pavement system preservation, rehabilitation and reconstruction, drainage system improvements, transportation system enhancements and improvements, and the sidewalk program. As part of this team, Construction Inspection provides inspections for all public works and private development projects to assure quality assurance, adherence to construction practices and technical specifications.

Engineering provides plan review services in support of private development and the capital improvement program, develops in-house design projects, provides floodplain administration, computer aided drafting and design (CADD), professional survey services, and environmental services, including the Storm Water Management Program (MS4 and TMDL) .

FY2019 Objectives

- Streamline plan review process to meet or exceed established plan review turnaround times.
- Providing a safe and reliable water, wastewater, drainage, transportation system by delivering the capital improvement program.
- Implementation of storm water regulation requirements imposed by the MS4, ADEQ and NPDES programs.
- Improve the quality of private development and capital improvement projects within the City by reviewing and implementing construction and inspection standard operating procedures and technical specifications that provide guidelines for readability, constructability and efficient use of funds.
- Develop pavement and sidewalk preservation, rehabilitation and reconstruction program to improve quality of roadways.
- Provide professional level engineering services through the design of in-house projects.
- Provide professional level inspection services.

Public Works

Measure Type	Performance Measure	FY17 Actual	FY18 Target	FY18 Estimate	FY19 Target
Outcome	Percentage of plan reviews meeting established deadlines	N/A*	90%	75%	90%
Outcome	Completed projects out of total projects	N/A*	42/53	41/53	56/70
Outcome	Expended or Encumbered CIP Budget (dollars)	58%	80%	80%	85%
Outcome	Roadway System Pavement Quality Index (PQI) – Goal of 75 <u>100 to 70 – Good</u> Needs Preservation <u>40 to 70 - Fair</u> Needs Rehabilitation <u>40 and Below – Poor</u> Needs Reconstruction	66.4	67	67	68
Efficiency	Expenditures, paved road preservation per paved lane miles (695 lane miles)	N/A*	N/A*	\$3,813	\$1,438
Efficiency	Expenditures, paved road rehabilitation per paved lane miles (695 lane miles)	N/A*	N/A*	\$2,409	\$719
Workload	Number of Private Development inspections performed per year per inspector (5.5 inspectors)	N/A*	945	954	964
Workload	Number of Public Capital Improvement Project inspections performed per year per inspector (5.5 inspectors)	N/A*	618	582	582

*New measure

Analysis of performance: Staffing shortage and new software created delays in completing plan review in FY18. Fully staffed and software issues are now resolved.

FY2018 Major Achievements

- Completed in-house design plans for Virginia Street Rehabilitation, FY18 Pavement Rehabilitation, FY18 Pavement Preservation, FY18 Sidewalk Repairs and FY18 Sidewalk Rehabilitation
- Completed the following Capital Improvement Projects:
 - SR89 Widening and Roundabout (Streets Reconstruction/Circulation)
 - Zone 12 Interconnect Pump Station (Water Production)
 - North Tank East Rehabilitation (Water Production)
 - Chino Tank (Water Production)
 - Small Water Mains Phase 3 (Water Distribution)
 - Sundog Trunk Main Phase A (Wastewater Collections)
 - Samaritan Way Improvements (Drainage Improvements)
- Construction Inspection Team performed 2,817 inspections.

Public Works

Expenditure Budget

Engineering & Capital Improvements Expenditure Summary

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 1,980,169	\$ 2,081,299	\$ 2,126,500	\$ 2,227,958	7%
Supplies	30,055	44,000	54,338	40,300	-8%
Internal Charges	1,923,259	2,404,549	2,207,264	1,820,551	-24%
Other Services & Charges	220,049	908,592	485,510	323,890	-64%
Subtotal Operations	4,153,532	5,438,440	4,873,612	4,412,699	-19%
Capital	17,628,490	55,470,472	37,532,343	63,682,628	15%
Total	\$ 21,782,022	\$ 60,908,912	\$ 42,405,955	\$ 68,095,327	12%

Budget Notes and Significant Changes: Other Services and Charges decreased as the City Shop Underground Storage cleanup project is nearing completion. Also, several of the costs were reorganized and moved to other divisions.

Public Works

Authorized Staffing Summary

	FY17	FY18	FY19
Authorized Staffing Level	<u>23.10</u>	<u>23.20</u>	<u>23.40</u>
Public Works Director	0.30	0.16	-
Public Works Analyst ²	0.20	0.20	-
Administrative Assistant	0.40	0.16	-
Secretary	0.20	0.16	-
Contract Specialist	0.80	0.32	-
City Engineer	0.70	0.70	1.00
Development Services Facilitator	-	-	0.40
Program Development Manager	0.40	0.40	-
Construction Services Coordinator	-	-	1.00
Capital Project Manager	5.00	5.00	4.00
Develop. Coord./Records Control	0.10	0.10	1.00
Development Review Supervisor	1.00	1.00	1.00
Engineering Technician	1.00	1.00	1.00
Permit Technician/Plans Examiner	1.00	1.00	1.00
Civil Drainage Engineer	1.00	1.00	1.00
Pavement & Sidewalk Prog. Manag	-	1.00	1.00
Construction Inspection Supv.	1.00	1.00	1.00
Building Inspector	-	-	1.00
Construction Lead Inspector	1.00	1.00	-
Construction Inspector	5.00	5.00	5.00
Environmental Coordinator	1.00	1.00	1.00
CADD Engineering Specialist	1.00	1.00	1.00
Real Property Specialist	1.00	1.00	1.00
Registered Land Surveyor	1.00	1.00	1.00

² Public Works Analyst charged 20% to Program Development, 20% Utilities, 20% Solid Waste, 20% Streets Maintenance.

Public Works

Capital Detail

Zone 16 Virginia Pump Station, Haisley Tank and Pipelines, and Haisley Rd Reconst.	\$ 6,500,000
Goodwin Street and S. Washington Avenue Reconstruction	5,600,000
Airport Trunk Main	5,250,000
Robinson Drive Reconstruction	4,730,000
Penn Avenue and Eastwood Drive Reconstruction	4,050,000
Pavement Preservation Program	3,675,000
Water Production and Intermediate Pump Station, Tanks and Pipeline	3,000,000
SR89 Lift Station	2,900,000
S. Summit Avenue/S. McCormick Street/Beach Avenue Reconstruction	2,628,028
Sundog Trunk Main, Phase B	2,500,000
Production Well No. 4 CV - Rehabilitation	2,500,000
Carleton Street and S. Cortez Street Reconstruction	2,200,000
Dam Repairs	1,900,000
Main Line Replacements	1,685,000
N. Washington - Sheldon Street to Churchill Street Reconstruction	1,500,000
Zone 56 Tank and Piping	1,300,000
Production Well No. 5 AP - New	1,250,000
Zone 7 Lower Pump Station Replacement	1,200,000
Zone 24/27 Water Pipeline Upsizing - T.Butte Road to Upper T.Butte Tank	1,070,000
Zone 56/76 Pump Station Upgrade	1,010,000
Corsair Avenue Extension	750,000
Rosser Street Reconstruction, Phase IV	725,000
Sundog Ranch Road Reconstruction and Water Line	700,000
Hope Street Improvements	515,000
Zone 41 Mingus Pump Station, Tank and Pipeline	500,000
Miscellaneous Water and Wastewater Projects	468,000
Sundog Trunk Main, Phase C	450,000
Operations Building Expansion	400,000
Citywide Drainage Improvements Program	375,000
Miscellaneous Streets Projects	300,000
Watson and Willow Lakes Enhancement Program (TMDL)	300,000
Stormwater Master Plan Update	250,000
Overland Road Bridge Reconstruction - Government Canyon	250,000
Sidewalk Replacement Program	210,000
Safe Routes to School Program - Coronado Sidewalk	200,000
Goodwin Street (East and West) Reconstruction	180,000
Citywide Stormwater Mapping	125,000
Safe Routes to School Program - Mile High Middle School	100,000
SR89 Widening and Utility Improvements South of SR89A	100,000
Willow Creek Berm Improvement	100,000
Production Well No. 5 CV - Rehabilitation	75,000
Water and Wastewater Models Update	51,600
Unpaved Streets Improvements	50,000
Vehicle Replacements - Public Works	35,000
Bashford Courts Alley and Parking Lot Reconstruction	15,000
Willis Street and Cortez Street Intersection Improvements	10,000
	<u>\$ 63,682,628</u>

Public Works

Utilities

Division Mission

To support the City of Prescott's quality of life and economic prosperity by providing high quality, cost effective management of the City's utility system. Provide utility related services that meet or exceed all State and Federal regulations through compliance, communication and outstanding customer service. Maintain the utility systems to protect the environment and assure that every resource is managed in a sustainable manner.

Services

The Utilities Division is responsible for providing water, wastewater, and surface water management services to City customers.

Potable water is produced from groundwater wells, treated as necessary to comply with all State and Federal Drinking Water Standards, pumped into the water distribution system, and delivered to residential, commercial and industrial customers throughout the City of Prescott water service area.

Wastewater is collected from City and County users utilizing a system of gravity main line, lift stations and force mains, treated at City facilities to State mandated standards, and delivered for reuse or recharge into the groundwater aquifer.

All water and wastewater infrastructure is operated and maintained in a manner to support the City's goals of having a fully functioning utility system. This involves routine maintenance, planning for system expansion, implementation of the capital improvement program, and replacement of infrastructure that has reached the end of its service life.

The Utilities division also supports other divisions, departments, entities and projects on an as-needed basis, to help maintain a positive image for the City of Prescott.

FY2019 Objectives

- Provide GUEST level service for each customer interaction with the water and wastewater operations groups.
- Operate and maintain the water and wastewater systems in a safe manner to reduce the City's liability and protect the health and safety of the general public.
- Continually evaluate and assess the water and wastewater systems to budget and staff appropriately for the proactive repair/replacements of system deficiencies.

Public Works

Measure Type	Performance Measure	FY17 Actual	FY18 Target	FY18 Estimate	FY19 Target
Output	Percentage of meter sets within two working days of work-order generation.	93%	N/A	92%	90%
Output	Number of fire hydrants repaired or replaced.	65	N/A	25	75
Output	Percent of priority customer service requests completed within five working days.	99%	N/A	99%	99%
Output	Percentage of wastewater collection system cleaned per year	55.9%	65%	56.7%	50%
Outcome	Percentage of wastewater collection system CCTV evaluated/inspected per year	16.9%	N/A	26.4%	25%
Output	Minimize the total number of sanitary sewer overflows	26	25	24	20
Output	Percentage of emergencies responded to within 45 minutes during working hours	100%	100%	100%	100%
Output	Percentage of water quality samples of potable water and effluent that meet drinking water standards and permit requirements	98%	100%	99%	100%

FY2018 Major Achievements

- Completed deconstruction of the old Goldwater Treatment Plant
- Performed major repair to the 18-inch transmission main from the Chino Production Facility
- Installed valves and fire line on Willow Creek Road 14-inch main to isolate deteriorating/leaking fire line under box culvert
- Realigned the Lake Fork Road water main and the Ho Kay Gan water main to maintain service during a county drainage project
- Performed grease cleanup and educational services for Whiskey Row Alley to provide a cleaner environment for restaurant employees and patrons.
- Attended YCCA Homeshow to educate the public about Prescott's water
- Procured and installed a new effluent reuse pump at AWRF to meet effluent demand
- Eliminated AWRF APP high fluoride levels with the addition of alum and operational adjustments
- Reduced the number of sanitary sewer overflows caused by a City mainline blockage. Attributed to the result of condition assessment (CCTV), increased cleaning cycles, root control treatments, Cured-In-Place Pipe Projects, Fats, Oils & Grease (FOG) Program implementation and Public Education
- Removed the need for anaerobic digestion, solids handling, 1 oxidation ditch, 1 primary clarifier, 1 secondary clarifier and 1 sand filter at Sundog WWTP, as well as reducing the overall cost of operating two treatment facilities at the completion of the Sundog WWTP Lift Station project.

Public Works

Expenditure Budget

Utilities

Expenditure Summary

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 5,019,364	\$ 4,990,744	\$ 4,989,273	\$ 5,033,328	1%
Supplies	998,798	1,308,670	1,111,759	1,242,275	-5%
Internal Charges	2,667,712	2,895,078	2,879,258	3,347,431	16%
Other Services & Charges	4,484,655	5,500,119	4,560,491	5,613,650	2%
Debt Service	6,146,574	5,634,276	5,842,399	6,627,144	18%
Subtotal Operations	19,317,103	20,328,887	19,383,180	21,863,828	8%
Capital	941,338	2,290,000	1,143,013	3,900,500	70%
Total	\$ 20,258,441	\$ 22,618,887	\$ 20,526,193	\$ 25,764,328	14%

Capital Detail

SCADA System Installation and Upgrade	\$ 3,214,500
Vehicle Replacements - Public Works	686,000
	\$ 3,900,500

Budget Notes and Significant Changes: The impact fee study is budgeted in Other Services and Charges. Debt Services is increasing with new wastewater infrastructure loans.

Public Works

Authorized Staffing Summary

	FY17	FY18	FY19
Authorized Staffing Level	<u>68.60</u>	<u>66.30</u>	<u>66.27</u>
Public Works Director ¹	0.70	0.36	0.50
Admin Support Services Manager ¹	-	-	0.50
Public Works Analyst ²	0.80	0.40	-
Administrative Assistant ¹	0.60	0.36	0.50
Secretary ¹	1.80	1.36	1.50
Contract Specialist ¹	1.20	0.72	1.00
City Engineer	0.30	0.30	-
Civil Utility Engineer	1.00	1.00	0.67
Program Development Manager	0.60	0.60	0.60
Utilities Manager	1.00	1.00	1.00
Water Resource Manager	0.40	-	-
Sr. Infrastructure Analyst	1.00	1.00	1.00
Develop. Coord./Records Control	0.20	0.20	-
Administrative Specialist	2.00	2.00	2.00
Water Superintendent	1.00	1.00	1.00
Water Distribution Supervisor	1.00	1.00	1.00
Water Production Supervisor	1.00	1.00	1.00
Wastewater Superintendent	1.00	1.00	1.00
WW Collections Supervisor	1.00	1.00	1.00
WW Treatment Supervisor	2.00	2.00	2.00
Sr. WW Treatment Operator	1.00	2.00	2.00
Wastewater Treatment Operator	8.00	5.00	5.00
Lab Technician/Relief Operator	1.00	1.00	1.00
Senior Utility Worker	11.00	11.00	11.00
Utility Worker	17.00	19.00	19.00
Water Operator	6.00	6.00	5.00
Maintenance Specialist	4.00	4.00	5.00
Water Protection Specialist	1.00	1.00	1.00
Water Protection Inspector	1.00	1.00	1.00

¹ Public Works Admin personnel charged 25% Streets Maintenance, 25% Solid Waste, and 50% Utilities

² Public Works Analyst charged 20% to Program Development, 20% Utilities, 20% Solid Waste, 20% Streets Maintenance.

Public Works

Water Resource Management

Division Mission

To manage the water resources of the City of Prescott, meeting State of Arizona requirements for a designated municipal water provider, making available an assured water supply to serve customers and implement the General Plan, and pursuing additional supplies that may become available.

Services

The Water Resource Division manages the City's water supplies to meet State of Arizona Department of Water Resources (ADWR) requirements within its designated service area, which extends outside the City limits. This is accomplished by tracking water availability and use, formulating and recommending necessary policies, receiving, processing, and recommending action on requests for allocation of water to new development, coordinating with the Community Development Department on land use and development, and Public Works Department on utilities infrastructure and water resource-related operations, conducting an active water conservation program, reporting to the City Council and ADWR, and working toward bringing the Big Chino Water Importation Project online, including initiating, managing, and participating in complex scientific studies.

FY2019 Objectives

- Deliver and gauge effectiveness of WaterSmart: Drop by Drop, a monthly public water education program
- Maximize annual surface water recharge quantity pledged for Assured Water Supply
- Formulate, adopt, and commence 5-year program for removal of vegetation overgrowth and maintenance of lands proximate to Willow Lake Reservoir
- Pursue Arizona Department of Water Resources (ADWR) recognition of all groundwater eligible for grandfathered status through auditing of properties

Measure Type	Performance Measure	FY17 Actual	FY18 Target	FY18 Estimate	FY19 Target
Output	Water rebate applications initiated from Drop by Drop water education program	N/A*	N/A*	N/A*	100
Output	Positive customer satisfaction surveys/responses from attendees of Drop by Drop water education program	N/A*	N/A*	N/A*	75
Output	Annual quantity of surface water placed in aquifer storage for recover in Acre-Feet (AF)	2,937	2,000	4,000	1,400
Output	Total quantity of grandfathered groundwater recognized by ADWR	960	960	960	1,060

*New Measure

FY2018 Major Achievements

- Adoption of the Calendar Year 2018 Water Management Policy, effective 1/1/2018
- Approval of City Contract No. 2018-114, Big Chino Monitor Well Drilling, and initiation of work
- Acquired and implemented AIQUEOUS (Water Conservation Rebate Program database software) to inform long-term decision-making on City Code and program updates

Public Works

- Development and marketing of WaterSmart: Drop by Drop, a new interactive water public education program
- Approval of the Granite Dells Estates Master Plan Amendment, Revised Preliminary Plat, and Second Amendment to Potable Water Contract, providing the alternative water necessary for build out of the development
- Delivery of a parcel-specific GIS layer and powerful decision-making program by the Long-term Water Management Plan technical contractor, and placement into use by the Division.

Expenditure Budget

Water Resource Management Expenditure Summary

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 281,117	\$ 363,103	\$ 367,569	\$ 404,869	12%
Supplies	12,003	13,600	3,850	7,950	-42%
Internal Charges	68,858	81,976	71,342	76,582	-7%
Other Services & Charges	406,423	456,600	383,652	604,650	32%
Debt Service	380,677	705,336	618,946	754,794	7%
Subtotal Operations	1,149,078	1,620,615	1,445,359	1,848,845	14%
Capital	488,665	2,280,169	2,141,670	613,225	-73%
Total	\$ 1,637,743	\$ 3,900,784	\$ 3,587,029	\$ 2,462,070	-37%

Authorized Staffing Summary

	FY17	FY18	FY19
Authorized Staffing Level	<u>2.60</u>	<u>3.00</u>	<u>2.00</u>
Regional Programs Director	1.00	1.00	-
Water Resource Manager ¹	0.60	1.00	1.00
Water Resource Coordinator	1.00	1.00	1.00

¹ 40% of Water Resource Manager was charged to Utilities Division in FY17

Budget Notes and Significant Changes: In addition to water resource management functions, the Division accounts for debt service and maintenance expenses for the Big Chino Water Ranch, and associated Big Chino Water Importation Project. Internal Charges fluctuate depending upon use of Internal Engineering (Public Works) staff to perform various technical and administrative activities. The increase in Other Services & Charges relates to additional consulting services with the reduction of a director position and possible legal services. The Capital expenditures pertain to Comprehensive Agreement No. 1 for the importation of water from the Big Chino Water Ranch. These costs are shared per the agreement with Prescott Valley and Salt River Project; the cost-sharing is reflected as revenue. With that revenue offset, the City of Prescott's net share is approximately 40%.

Public Works

Solid Waste

Division Mission

Support the City of Prescott's quality of life and economic prosperity by providing solid waste services in an environmentally, fiscally responsible and customer service oriented manner. Educate and encourage recycling practices, including inert and composting materials within the Community to reduce recyclable materials from permanent landfills.

Services

The Solid Waste Division manages municipal solid waste City-wide. The Division provides solid waste and recycling collection services to all City residents and contracted commercial customers; operates a 250 ton-per-day transfer station; and monitors a closed landfill. The Division educates residents regarding acceptable recycling materials in order to increase participation in the City's recycling program and divert recyclable materials from the waste stream.

FY2019 Objectives

- Increase the overall diversion rate for the Solid Waste Division to exceed the national average of 34.6% of material diverted from the landfill through proactively recovering recyclables from received solid waste and educational outreach.

Measure Type	Performance Measure	FY17 Actual	FY18 Target	FY18 Estimate	FY19 Target
Outcome	Tons of Metal Diverted	135.08	190	200	230
Outcome	Tons of Inert Debris Diverted	7,113	5,000	5,000	9,000
Outcome	Tons of Green Waste Diverted	3,649	4,000	3,650	4,200
Outcome	Tons of Co-mingled Recycle Diverted	5,074	5,000	5,200	5,400
Outcome	Percentage waste diverted from landfill for material collected	26%	27%	27%	31%

Analysis of performance: The Transfer Station had limited access from May 1, 2017 through June 10, 2017 which impacted the amount of material coming into the facility (closed on Thursdays). The residents in Prescott continue to participate in the curbside program with an impressive 26% of material diverted from the landfill in FY17. To reach and exceed the 31% ICMA metric, the City will need to purchase additional 65 gallon residential carts as an estimated 25% of the City is still using the smaller 35 gallon carts. Once the smaller cart fills up, the remainder of the good recyclables goes in the trash cart.

FY2018 Major Achievements

- Collected 14.21 tons of Household Hazardous Waste (HHW) from nearly 500 City of Prescott residents during Prescott's first curbside HHW collection event.
- Collected 196 tons of material from City residences over a 5-week period during Annual Bulk Cleanup.
- In partnership with Prescott Creeks, Solid Waste collected 1.24 tons of material removed by volunteers from local creeks and waterways.

Public Works

- Upgraded service for “Alley Collections” by removing numerous 65-gallon containers and placing shared 300-gallon containers. This not only decreased congestion in the alleys by moving both garbage and recycle containers to single-sided collection, but also significantly lowered the number of lifts on the automated collection arms. This increased production and efficiency through these areas.
- Completed a gate and fence project at the Transfer Station, located on Sundog Ranch Road, to secure the facility. This will limit the number of customers that dump off material without paying, as the fee booth, controlled by the fee booth operator, is now the only entry/exit point.

Expenditure Budget

Solid Waste

Expenditure Summary

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 1,837,992	\$ 1,997,032	\$ 1,909,141	\$ 2,129,413	7%
Supplies	430,156	459,800	485,191	535,350	16%
Internal Charges	1,385,216	1,520,144	1,503,979	1,605,501	6%
Other Services & Charges	2,386,021	3,043,180	2,980,109	3,422,348	12%
Debt Service	116,116	964,659	964,659	-	-100%
Subtotal Operations	6,155,501	7,984,815	7,843,079	7,692,612	-4%
Capital	1,387,286	1,084,800	656,112	1,235,850	14%
Total	\$ 7,542,787	\$ 9,069,615	\$ 8,499,191	\$ 8,928,462	-2%

Capital Detail

Vehicle Replacement - Solid Waste Division	\$ 1,085,850
Transfer Station/Street Maintenance Yard Paving	150,000
	<u>\$ 1,235,850</u>

Budget Notes and Significant Changes: Personnel increases in FY19 with an increase in charges for Public Works support staff. Supplies increase in FY19 with the need for more 68 gallon recycling containers and increasing fuel costs. Other Services & Charges increase with complying with new Arizona Department of Environmental Quality requirements for monitoring air quality at the landfill, rock crushing services, two hazardous waste events, and the anticipation of recycling tipping fees increasing. Debt Service increases significantly in FY18 for budgeting to pay off the debt relating to the 2007 Transfer Station facility expansion.

Public Works

Authorized Staffing Summary

	FY17	FY18	FY19
Authorized Staffing Level	<u>28.20</u>	<u>28.70</u>	<u>30.00</u>
Field & Facilities Director ¹	0.40	-	-
Public Works Director ²	-	0.20	0.25
Traffic Engineer	-	-	0.50
Admin Support Manager	-	-	0.25
Public Works Analyst ³	-	0.20	-
Administrative Assistant ²	-	0.20	0.25
Secretary ²	-	0.20	0.25
Contract Specialist ²	0.40	0.40	0.50
Solid Waste Superintendent	1.00	1.00	1.00
Solid Waste Supervisor	2.00	2.00	2.00
Senior Equipment Operator	3.00	3.00	3.00
Equipment Operator	13.00	13.00	13.00
Equipment Mechanic	-	-	1.00
Equipment Service Technician	1.00	1.00	-
Maintenance Specialist	-	-	-
Maintenance Worker	5.00	5.00	5.00
Business Manager ⁴	0.40	0.50	0.50
Fee Booth Attendant	-	-	1.00
Accounting Clerk	2.00	2.00	1.50

¹ 10% of Field & Facilities Director charged to Fleet Services, 40% charged to Street Maintenance, and 10% charged to Facilities Management

² Public Works Admin personnel charged 25% Streets Maintenance, 25% Solid Waste, and 50% Utilities

³ Public Works Analyst charged 20% to Program Development, 20% Utilities, 20% Solid Waste, 20% Streets Maintenance.

⁴ 50% of Business Manager charged to Street Maintenance

Public Works

Street Maintenance

Division Mission

Maintain serviceable, environmentally safe, accessible streets; an effective storm water drainage system; informative signage; and aesthetically pleasing rights-of-way for residents and visitors. Facilitate safe and efficient vehicular and alternate mode traffic circulation within the City street system through transportation planning, traffic engineering, and traffic operations including traffic signals, signing and marking.

Services

Street Maintenance performs pavement and concrete maintenance and repair, including preventive measures such as crack sealing, street sweeping and pothole repair. The division also maintains designated rights-of-way by removing weeds, brush and nuisance trees for aesthetic purposes, and for sight-distance issues City-wide. The City's drainage infrastructure, signage, traffic and pedestrian safety devices, such as hand rail and guard rail, are maintained by the Street Maintenance Division. The Division also responds year-round to rain and snow storms, including the ensuing clean-up requirements.

Traffic Engineering and Transportation Planning provides for the evaluation, design and maintenance of signals, signage, pavement markings, traffic calming and other measures to increase safety and minimize delays. The staff also review construction improvement plans and approve all construction and special event traffic control plans.

FY2019 Objectives

- Ensure city streets are well maintained through an effective maintenance plan and by implementing preventative maintenance practices.
- To provide for the safe, efficient and convenient movement of persons and goods by coordination of planning, geometric design and traffic operation of roads, streets, abutting lands and other modes of transportation.

Public Works

Measure Type	Performance Measure	FY17 Actual	FY18 Target	FY18 Estimate	FY19 Target
Output	Miles of crack sealing completed	35	22	35.5	30
Output	Weeks in average sweeping cycle for residential and collector streets	17	17	17	17
Outcome	Percentage of intersection regulatory signing replaced within 8 hours	100%	100%	100%	100%
Output	Inspect and replace 12.5 % of over 10,000 signs per year	475	1,250	2,884	1,250
Outcome	Response time from Police Department activation of snow response until plows are deployed	N/A*	2 hours	2 hours	2 hours
Output	Inspect drainage ways and structures 2 times annually	100%	100%	100%	100%
Input	Expenditures, paved road maintenance per lane mile				
Outcome	Traffic signal and roundabout call-out Maintenance/repairs made within 4 hours of notification. ¹	N/A*	85%	80%	85%
Outcome	Traffic request is resolved within 2 weeks of Initial citizen contact.	N/A*	94%	90%	94%
Outcome	Percentage of high priority (intersection) regulatory signing replaced within 8 hours	100%	100%	100%	100%
Output	Inspect and replace 12.5 % of over 10,000 signs per year	475	1,250	2,884	1,250
Output	Percentage of potholes repaired within 5 days of being reported	N/A	N/A	100%	100%
Output	Average number of times gateways and corridors are mowed/weeds trimmed	N/A	N/A	4	4

*New measure

Analysis of performance: ¹Some traffic signal maintenance requires traffic control or repair parts that may not be available the same day. The 85% target allows for 15% of the requests to be of this type.

FY2018 Major Achievements

- Poured 3,285 square feet of flat concrete work, including work at the Fire Department Fuels Reduction Crew's new location at the Fire Training Center and the low water crossing on Willow Creek Lane
- Replaced 683 feet of curb and gutter and 336 feet of sidewalk repair throughout the City (including sidewalk at City Hall and on Copper Basin Road)
- Repaired 90,922 square feet of asphalt, including Crossings Drive, Estrella Road, Smoke Tree Lane, Equestrian Way, Virginia Street, Anderson Road, Christie Lane, and Copper Basin Road
- Swept 135,000 Miles of city streets
- Cleaned and maintained the downtown area for 1664 hours

Public Works

- Removed 1,103 nuisance trees and trimmed 20,573 cubic yards of brush and trees
- Mowed and manually removed weeds from over 110.5 acres
- Snow plowed 2,379 miles of streets

Expenditure Budget

Street Maintenance

Expenditure Summary

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 2,675,623	\$ 3,004,620	\$ 2,834,450	\$ 2,896,568	-4%
Supplies	600,376	691,230	660,890	705,275	2%
Internal Charges	680,903	711,465	706,485	692,864	-3%
Other Services & Charges	678,160	826,798	709,320	924,355	12%
Debt Service	<u>2,233,974</u>	<u>2,214,460</u>	<u>2,214,460</u>	<u>2,202,599</u>	-1%
Subtotal Operations	6,869,036	7,448,573	7,125,605	7,421,661	0%
Capital	<u>932,474</u>	<u>464,200</u>	<u>352,960</u>	<u>370,000</u>	-20%
Total	\$ 7,801,510	\$ 7,912,773	\$ 7,478,565	\$ 7,791,661	-2%

Capital Detail

Vehicle Replacements -Street Maintenance	\$ 200,000
Transfer Station/Street Maintenance Yard Paving	150,000
Intersection Signalization	<u>20,000</u>
	\$ 370,000

Budget Notes and Significant Changes: Other Services and Charges include rock crushing services shared by the Solid Waste Division. Debt Service relates to the State Route 89A/Granite Dells Parkway interchange and Williamson Valley Road widening and improvement bonds.

Public Works

Authorized Staffing Summary

	FY17	FY18	FY19
Authorized Staffing Level	<u>35.70</u>	<u>35.80</u>	<u>34.33</u>
Field & Facilities Director ¹	0.40	-	-
Public Works Director ²	-	0.28	0.25
Admin Support Manager	-	-	0.25
Public Works Analyst ³	-	0.20	-
Administrative Assistant ²	-	0.28	0.25
Secretary ²	-	0.28	0.25
Contract Specialist ²	0.20	0.56	0.50
Accounting Clerk	1.00	1.00	0.50
Business Manager ⁴	0.40	0.50	0.50
Senior Engineer	-	-	0.33
Street Maintenance Supt.	1.00	1.00	1.00
Streets Maintenance Supv.	3.00	2.00	2.00
Equipment Service Technician	2.00	2.00	2.00
Sr. Equipment Operator	3.00	3.00	3.00
Equipment Operator	15.00	15.00	15.00
Traffic Control Worker	2.00	2.00	2.00
Maintenance Worker	2.00	2.00	2.00
Traffic Engineer	1.00	1.00	0.50
Traffic Engineering Technician	1.00	1.00	1.00
Traffic Signal Supervisor	1.00	1.00	1.00
Traffic Signal Specialist	2.00	2.00	2.00
Dev Coord./Records Control	0.70	0.70	

¹ 40% of Field & Facilities Director was charged to Solid Waste, 10% charged to Fleet Services and 10% charged to Facilities Management.

² Public Works Admin personnel charged 25% Streets Maintenance, 25% Solid Waste, and 50% Utilities

³ Public Works Analyst charged 20% to Program Development, 20% Utilities, 20% Solid Waste, 20% Streets Maintenance.

⁴ 50% of Business Manager charged to Solid Waste

Recreation Services

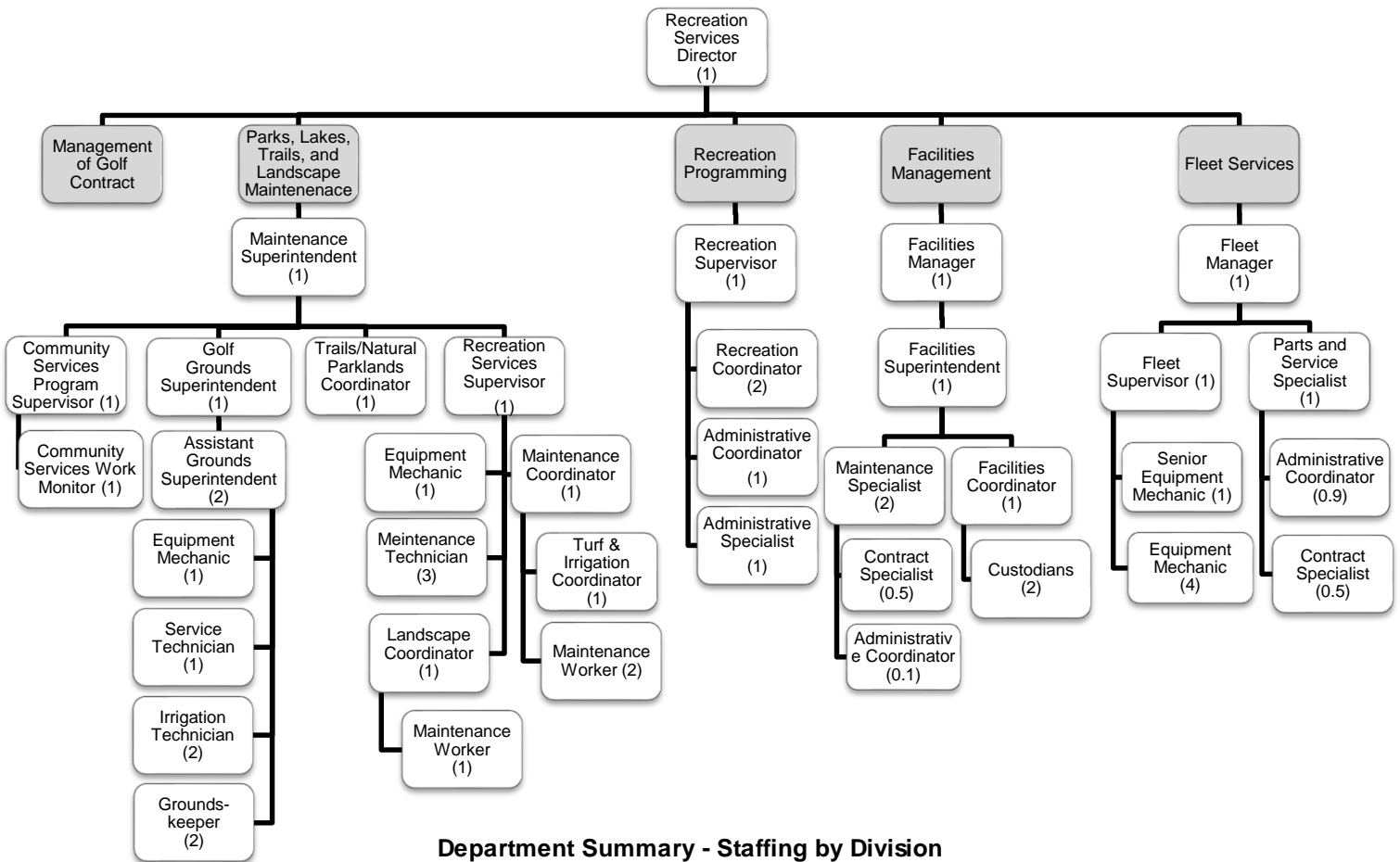
Department Mission

To preserve, protect, and enhance the parklands, public open spaces, trails, lakes, and golf course for the benefit of City of Prescott Citizens and visitors. To maintain City owned vehicles and facilities in a safe, clean, and efficient manner. To promote tourism and its associated economic benefits through hosting and facilitating events.

Services

The Recreation Services Department is responsible for the parks, lakes, trails, sports tournaments, Antelope Hills Golf Course, special events, city facilities and fleet. In addition to these responsibilities Recreation Services is responsible for all associated maintenance within these areas.

Organization and Personnel



Department Summary - Staffing by Division

	FY17	FY18	FY19
Parks, Lakes, Trails, and Lands.	25.00	25.00	25.00
Recreation Programming	5.00	5.00	5.00
Facilities Management	7.45	7.60	7.60
Fleet Services	<u>9.35</u>	<u>9.40</u>	<u>9.40</u>
Total Authorized Positions	46.80	47.00	47.00

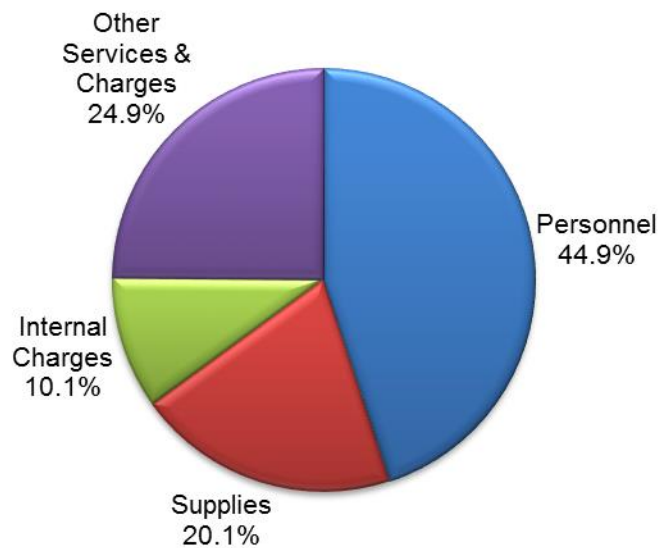
Recreation Services

Expenditure Budget

Department Summary - Expenditure by Type

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 3,678,153	\$ 4,023,879	\$ 3,955,194	\$ 4,060,000	1%
Supplies	1,545,096	1,656,283	1,695,243	1,825,247	10%
Internal Charges	970,090	914,685	921,254	914,807	0%
Other Services & Charges	2,064,178	2,086,673	2,145,192	2,246,720	8%
Debt Service	410,409	3,335,867	3,225,867	-	-100%
Subtotal Operations	8,667,926	12,017,387	11,942,750	9,046,774	-25%
Capital	2,153,564	5,855,800	4,008,695	2,846,985	-51%
Total	\$10,821,490	\$17,873,187	\$15,951,445	\$11,893,759	-33%

Recreation Services FY19 Operating Expenditure Budget by Type



Department Summary - Operating Expenditures by Division and Capital

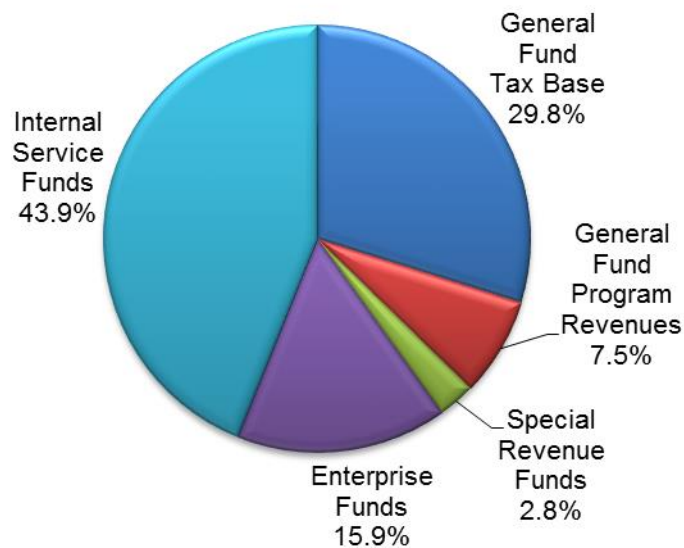
	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Parks, Lakes, Trails, and Lands.	\$ 3,726,231	\$ 4,200,460	\$ 4,050,175	\$ 4,065,020	-3%
Recreation Programming	783,882	821,846	844,624	853,253	4%
Facilities Management	1,623,489	1,604,604	1,649,172	1,799,684	12%
Fleet Services	2,534,324	5,390,477	5,398,779	2,328,817	-57%
Subtotal Operations	8,667,926	12,017,387	11,942,750	9,046,774	-25%
Capital	2,153,564	5,855,800	4,008,695	2,846,985	-51%
Total	\$10,821,490	\$17,873,187	\$15,951,445	\$11,893,759	-33%

Recreation Services

Department Summary - Funding Sources

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
General Fund Source of Funds					
Tax Base	\$ 4,244,062	\$ 3,159,926	\$ 3,018,598	\$ 3,211,553	2%
Licenses & Permits	690	600	690	690	15%
Charges for Services	603,897.07	570,820	655,372	655,370	15%
Miscellaneous	12,182	20,000	20,000	20,000	0%
General Fund Budget	4,860,831	3,751,346	3,694,660	3,887,613	4%
Special Revenue Funds	235,230	4,293,088	2,474,323	2,424,102	-44%
Enterprise Funds	1,439,074	2,098,973	2,054,186	1,608,010	-23%
Internal Service Funds	4,286,355	7,729,780	7,728,276	3,974,034	-49%
Total	\$ 10,821,490	\$ 17,873,187	\$ 15,951,445	\$ 11,893,759	-33%

**Recreation Services Operations Funding Sources
FY19 Budget**



Department Funding Sources: The General Fund provides for most of the operational funding for the Parks, Lakes, Trails, and Landscape Maintenance as well as Recreation programming. Charges for services include parking fees, tournament fees, and facility rentals. Special Revenue Funds account for open space capital projects, grants, and donations. Golf course maintenance is sourced to the Golf Course Enterprise Fund. Facilities Management and Fleet Services operate as Internal Service Funds.

Recreation Services

Parks, Lakes, Trails, and Landscape Maintenance

Division Mission

To provide safe, enjoyable, attractive, parks, lakes, trails, golf facilities and programs with responsive service which enhance our quality of life and preserve the natural and recreational assets of the City of Prescott.

Services

The Parks, Lakes, Trails, and Landscape Maintenance Division is responsible for maintenance of the City's parks, lakes, trails, right of way landscape, and golf facilities.

FY2019 Objectives

- Providing superior parks facilities with increased usage of parks facilities while offsetting maintenance costs with user fees.
- Increase outdoor recreation infrastructure
- Work with Game & Fish to increase stocking of trout at Watson Lake and Goldwater to provide more fishing opportunities to the public.
- Maintain Antelope Hills Golf Course at high agronomic standards, providing our customers with superior course conditions.

Measure Type	Performance Measure	FY17 Actual	FY18 Target	FY18 Estimate	FY19 Target
Output	Revenue generated from parking fees	\$252,781	\$242,000	\$253,000	\$265,000
Output	Revenue generated from Ramada rentals	\$65,583	\$67,000	\$67,000	\$69,000
Efficiency	Court assigned community restitution hours worked and savings on City properties	9,000 \$72,400	9,250 \$74,642	9,300 \$74,865	9,400 \$75,670
Efficiency	Court assigned community restitution hours worked savings for non-profit groups	2,800 \$22,540	2,850 \$22,942	2,850 \$22,942	2,800 \$22,540
Output	Number of miles of trail in the City's Mile High trail system	78	95	98	108
Output	Total golf rounds played	72,303	75,000	79,500	*78,000

*Due to effects of State route 89 construction

FY2018 Major Achievements

- Completed the installation of new field lights at Ken Lindley park replacing lights installed in the late 1970s
- On May 30th we completed the 100th mile of the City's Mile High Trail system
- Reconstructed six greenside bunkers on the Antelope Hills South course
- Completed road widening and mitigated safety issues at Lower Goldwater Lake in an effort begin the planning process of opening up the Lower lake to the public
- Completed a major trail construction and re-alignment project at Pioneer Park which will allow for a better user experience and an improved human powered racing venue

Recreation Services

- Acquired 160 acres of open space in the Granite Dells (Storm Ranch North) and have completed 5+ miles of trail construction in this scenic area
- Installed new landscape rock in all the downtown planters
- Completed construction of nine additional holes to the disc golf course at Watson Lake

Expenditure Budget

Parks, Lakes, Trails, and Landscape Maintenance

Expenditure Summary

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 1,936,766	\$ 2,230,927	\$ 2,123,549	\$ 2,154,130	-3%
Supplies	438,802	501,259	511,523	507,067	1%
Internal Charges	320,753	269,424	284,781	292,298	8%
Other Services & Charges	1,007,802	1,088,850	1,130,322	1,111,525	2%
Debt Service	22,108	110,000	-	-	-100%
Subtotal Operations	3,726,231	4,200,460	4,050,175	4,065,020	-3%
Capital	159,279	4,632,800	2,793,850	2,406,985	-48%
Total	\$ 3,885,510	\$ 8,833,260	\$ 6,844,025	\$ 6,472,005	-27%

Capital Detail

Open Space Acquisitions	\$ 1,800,485
Constellation Trail head Restroom and Pay Kiosk	149,000
Golf Course Equipment	120,000
Peavine to Glassford Hill Trail Connection - State Parks Grant	81,000
Goldwater Lake - Design and Engineering of Expansion Area	70,000
Golf Course Bunkers Improvements	45,500
Heritage Park/Willow Lake - purchase staff (caretaker) residence	35,000
Pickleball Courts - City Match	30,000
Golf Course Tee Renovations	25,500
Recreation Services Vehicle and Equipment Replacement	25,000
Turf Maintenance Sprayer and Accessories	15,000
Golf Course Cart Path Paving	10,500
	<u>\$ 2,406,985</u>

Recreation Services

Authorized Staffing Summary

	FY17	FY18	FY19
Authorized Staffing Level	<u>25.00</u>	<u>25.00</u>	<u>25.00</u>
Recreation Services Director	1.00	1.00	1.00
Maintenance Superintendent	1.00	1.00	1.00
Recreation Services Supervisor	1.00	1.00	1.00
Maintenance Coordinator	1.00	1.00	1.00
Landscape Coordinator	1.00	1.00	1.00
Equipment Mechanic	2.00	2.00	2.00
Turf & Irrigation Coordinator	1.00	1.00	1.00
Trails/Natural Parkland Coord.	1.00	1.00	1.00
Comm. Svcs. Progrm Supervisor	-	-	1.00
Comm. Svcs. Work Monitor	2.00	2.00	1.00
Maintenance Worker	3.00	3.00	3.00
Maintenance Technician	3.00	3.00	3.00
Golf Grounds Superintendent	1.00	1.00	1.00
Assistant Grounds Superintend.	2.00	2.00	2.00
Service Technician	1.00	1.00	1.00
Irrigation Technician	1.00	1.00	2.00
Groundskeeper	3.00	3.00	2.00

Budget Notes and Significant Changes: The fuels reduction temporary/seasonal staff have been moved back to Community Risk Reduction for FY19, causing a decrease in Personnel. The increase in Other Services and Charges is for increased water charges for parks and golf course.

Recreation Services

Recreation Programming

Division Mission

To organize and provide recreational and leisure opportunities for citizens and visitors of all ages and abilities. Live, Work and Play in Prescott.

Services

The Recreation Programming Division provides a variety of recreational programming opportunities to our residents and surrounding communities. These include adult sports leagues in softball, basketball, volleyball and tennis, special needs programming and contract classes. The Recreation Programming Division is also the primary contact for all the Department's revenue securing and scheduling management that include the Grace Sparkes Memorial Activity Center, and rentals of fields, ramadas, camping, Trek about, and parking passes.

FY2019 Objectives

- Provide recreational program services to enhance quality of life to all who live, work and play in Prescott
- Offer quality adult sports leagues that maintain high participation and satisfied customers
- Provide higher attended programming activities to the Special needs community that increase participation and reduced staff time
- Maximize sports calendar with youth events that attract families during peak seasons increasing economic impact to the community
- Create good community relations with local businesses and community partners by establishing a diverse special events calendar that promotes the City and creates increased economic impact through tourism.

Measure Type	Performance Measure	FY17 Actual	FY18 Target	FY18 Estimate	FY19 Target
Outcome	Average rating by league managers, achieve at least 4.0 out of 5.0	N/A*	N/A*	N/A*	4
Output	Total number of Special Needs events that attract at least 50 participants	12	16	18	24
Output	Increase the number of Shoulder season events (October-March)	0	1	2	4
Output	Total Tournaments attracted	25	30	32	37
Outcome	Direct Spending for tournament participation	\$2,257,250	2,500,000	2,521,775	2,700,000
Output	Number of Special events on City property	63	68	70	75

*New measure

Recreation Services

FY2018 Major Achievements

- Installed new basketball standards and scoreboard at the Grace Sparkes Activity Center through a grant award from the local Kiwanis club
- Incorporated an online registration form, seamless documents to better serve our customers
- Continued to increase the economic impact associated with hosting sporting events

Expenditure Budget

Recreation Programming Expenditure Summary

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 496,018	\$ 501,252	\$ 524,914	\$ 533,518	6%
Supplies	48,073	58,704	55,820	54,350	-7%
Internal Charges	184,300	186,440	186,440	184,835	-1%
Other Services & Charges	55,491	75,450	77,450	80,550	7%
Total	\$ 783,882	\$ 821,846	\$ 844,624	\$ 853,253	4%

Authorized Staffing Summary

	FY17	FY18	FY19
Authorized Staffing Level	<u>5.00</u>	<u>5.00</u>	<u>5.00</u>
Recreation Supervisor	1.00	1.00	1.00
Recreation Coordinator	2.00	2.00	2.00
Administrative Coordinator	1.00	1.00	1.00
Administrative Specialist	1.00	1.00	1.00

Budget Notes and Significant Changes: Other Services and Charges increased with a change in the Acker Fund Grant allocation budget from \$10,000 to \$15,000.

Recreation Services

Facilities Management

Division Mission

Provide safe, well maintained, energy efficient, and clean buildings and facilities that serve the needs of the public and employees of the City.

Services

The Facilities Management Division maintains 56 buildings comprising more than 323,287 square feet of office space, warehouses, and equipment bays. The Division also maintains the 175,000 square foot/ 500 space Garage on Granite parking structure, and provides maintenance oversight of the Prescott Rodeo Grounds, a 34-acre facility under lease to the Prescott Frontier Days and several other leases.

FY2019 Objectives

- Provide service and support to City Departments and functions
- Provide well-maintained buildings that serve the needs of the citizens and users through preventive maintenance, maintenance scheduling, and by providing thorough and correct repairs.
- Improve energy efficiency by replacing inefficient lighting
- Perform annual certification inspections on 8 portable lifts, 2 surface mounted lifts, 2 overhead cranes, 1 hoist. Perform required inspections on 16 generators.
- Perform regular preventive maintenance (PM's) and filter changes twice per year on 126 package and split HVAC systems, and 74 mini-split HVAC systems.

Measure Type	Performance Measure	FY17 Actual	FY18 Target	FY18 Estimate	FY19 Target
Outcome	Average rating out of 100% satisfaction with facility services	N/A*	N/A*	N/A*	90%
Efficiency	Percentage of Facility Fund building fixtures converted to LED	60%	64%	64%	82%
Outcome	Percentage of Facility Fund toilets and urinals converted to low flow or waterless	80%	92%	92%	100%
Efficiency	Maintenance cost per square foot	N/A*	N/A*	N/A*	\$3.03

*New measure

FY2018 Major Achievements

- Completed a major restoration to the staircase at the parking garage
- The Butler building was renovated for the use of the Fire Department
- Completed installation of a new emergency backup generator for the Police Department and the Dispatch center received a new uninterrupted power source apparatus
- Completed the installation of new energy efficient windows to the Airport Administration building

Recreation Services

- Rehabilitated the windows on the West side of the Grace Sparkes Activity Center (Historic building) and painted the entire exterior.
- LED lighting retrofits were completed on multiple City buildings resulting in a \$15,000 annual energy savings

Expenditure Budget

Facilities Management

Expenditure Summary

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 558,217	\$ 582,687	\$ 580,801	\$ 621,310	7%
Supplies	121,202	136,970	159,658	159,330	16%
Internal Charges	146,776	153,624	147,765	137,399	-11%
Other Services & Charges	<u>797,294</u>	<u>731,323</u>	<u>760,948</u>	<u>881,645</u>	21%
Subtotal Operations	1,623,489	1,604,604	1,649,172	1,799,684	12%
Capital	<u>1,940,869</u>	<u>393,000</u>	<u>393,700</u>	<u>440,000</u>	12%
Total	\$ 3,564,358	\$ 1,997,604	\$ 2,042,872	\$ 2,239,684	12%

Capital Detail

Renovation of Parking Garage Stairs	\$ 440,000
	\$ 440,000

Authorized Staffing Summary

	FY17	FY18	FY19
Authorized Staffing Level	<u>7.45</u>	<u>7.60</u>	<u>7.60</u>
Field & Facilities Director ¹	0.10	-	-
Facilities Manager	1.00	1.00	1.00
Facilities Maintenance Super.	1.00	1.00	1.00
Maintenance Specialist	2.00	2.00	2.00
Facilities Coordinator	1.00	1.00	1.00
Custodian	2.00	2.00	2.00
Business Manager ²	0.10	-	-
Administrative Coordinator ³	-	-	0.10
Secretary ³	0.10	0.10	-
Contract Specialist ⁴	0.15	0.50	0.50

¹ 40% of Field & Facilities Director was charged to Solid Waste, 40% charged to Street Maintenance, and 10% charged to Fleet Services.

² 40% of Business Manager was charged to Solid Waste, 40% charged to Street Maintenance and 10% charged to Fleet Services.

³ 90% of Secretary/Administrative Coordinator charged to Fleet Services

⁴ 50% of Contract Specialist charged to Fleet Service

Recreation Services

Budget Notes and Significant Changes: Personnel increases in FY19 with additional temporary salaries for parking garage attendants and custodians to cover an increased workload. The increase in supplies relates to a purchase of an auto scrubber to refinish gym floors, and installation of low flow fixtures and LED lights. Other Services and Charges relate to a an increase in planned facility improvements

Recreation Services

Fleet Services

Division Mission

Provide fleet management services that support City departments and functions by ensuring that City vehicles and equipment are available, dependable, and safe to operate.

Services

The Fleet Services Division strategically plans, maintains, acquires, and disposes of approximately 530 fleet vehicles and equipment through efficient fleet operations, ensuring transparency and accountability through a dedicated, highly trained, and certified fleet staff. The Division maintains a diversified shop that provides welding, machining, and metal fabrication services. To fulfill its mission, the Fleet Services Division manages the fleet in a manner that insures the lowest possible operating cost while maintaining consistently high mechanical reliability.

FY2019 Objectives

- Manage the fleet in a manner that insures vehicles and equipment are dependable and safe to operate.
- Ensure that the type and number of vehicles necessary and appropriate to meet the needs of the City are available to departments and functions.
- Provide monthly billing and work order information to each department.
- Perform proactive maintenance to reduce unscheduled down time repairs and costs.
- Reduce unscheduled repairs and maximize equipment availability to user departments.
- Warehouse, inventory, and issue parts to meet the need of the City fleet.

Measure Type	Performance Measure	FY17 Actual	FY18 Target	FY18 Estimate	FY19 Target
Outcome	Average customer satisfaction rating out of 100%	94%	95%	95	97%
Efficiency	Mechanic Productivity Rate	N/A	75%	80%	77%
Efficiency	Average Cost Per Mile: Refuse Trucks	N/A*	N/A*	\$4.52	\$3.40
Efficiency	Average Cost Per Mile: Police Vehicles	N/A*	N/A*	\$0.47	\$0.25
Efficiency	Average Cost Per Mile: Pickup Trucks	N/A*	N/A*	\$0.49	\$0.35
Efficiency	Average Cost Per Mile: Fire Equipment	N/A*	N/A*	\$3.51	\$4.63

*New Measures

Analysis of performance:

The cost per mile in FY18 is higher than the targeted national average of FY19 due to the age of the Fleet. Average age of the fleet is 2X higher than the national average.

Recreation Services

FY2018 Major Achievements

- Organized two auctions disposing of 21 assets and generating \$99,852
- Completed 2,816 work orders
- Organized a Fleet Asset Review Board made up of representatives from various City departments help better determine Fleet needs and priorities
- Implemented a carpool rental program with a vendor allowing for a reduction in fleet assets

Expenditure Budget

Fleet Services

Expenditure Summary

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 687,152	\$ 709,013	\$ 725,930	\$ 751,042	6%
Supplies	937,019	959,350	968,242	1,104,500	15%
Internal Charges	318,261	305,197	302,268	300,275	-2%
Other Services & Charges	203,591	191,050	176,472	173,000	-9%
Debt Service	388,301	3,225,867	3,225,867	-	-100%
Subtotal Operations	2,534,324	5,390,477	5,398,779	2,328,817	-57%
Capital	53,416	830,000	821,145	-	-100%
Total	\$ 2,587,740	\$ 6,220,477	\$ 6,219,924	\$ 2,328,817	-63%

Authorized Staffing Summary

	FY17	FY18	FY19
Authorized Staffing Level	<u>9.35</u>	<u>9.40</u>	<u>9.40</u>
Field & Facilities Director ¹	0.10	-	-
Fleet Manager	1.00	1.00	1.00
Fleet Maintenance Supervisor	1.00	1.00	1.00
Senior Fleet Technician	-	1.00	1.00
Equipment Mechanic	5.00	4.00	4.00
Parts and Service Specialist	1.00	1.00	1.00
Business Manager ²	0.10	-	-
Administrative Coordinator ³	-	-	0.90
Secretary ³	0.90	0.90	-
Contract Specialist ⁴	0.25	0.50	0.50

¹ 40% of Field & Facilities Director was charged to Solid Waste, 40% charged to Street Maintenance and 10% charged to Facilities Management.

² 40% of Business Manager was charged to Solid Waste, 40% charged to Street Maintenance and 10% charged to Facilities Management.

³ 10% of Secretary/Administrative Coordinator charged to Facilities Management.

⁴ 50% of Contract Specialist charged to Facilities Management.

Recreation Services

Budget Notes and Significant Changes: Debt Service decreases significantly in FY19 as the debt relating to the 2007 facility expansion will be paid off in FY18. Supplies increases as a result of an anticipated cost increase for parts and gas, oil, and lubricants. Other services and charges decreases as a more work is planned to be done in house. Vehicle replacements will now be funded in each department's budgets instead of the vehicle replacement fund under Fleet Services.

Regional Communications

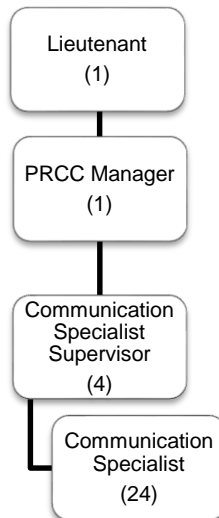
Department Mission

Provide superior public safety services to citizens, firefighters and officers through life saving techniques, accurate receipt and relay of critical information and expedient dispatch of fire and police personnel.

Services

The Prescott Regional Communications Center (PRCC) is responsible for answering 911 lines as well as emergency and non-emergency telephone calls. We are a primary Public Safety Answering Point (PSAP) and dispatch for 10 Partnered agencies; 6 fire and 4 police departments. In addition to call taking and dispatching police and fire personnel, staff is responsible to guide callers through CPR and Emergency Medical Dispatch (EMD); they are also responsible for entering and updating warrants, performing records searches through ACJIS of people, plates and items, running criminal histories, executing in-house searches of people and addresses, pulling numerous recordings for County Attorneys, citizens, command staff, and fire and police personnel.

Organization and Personnel



Department Summary - Staffing

	FY17	FY18	FY19
Authorized Staffing Level	<u>30.40</u>	<u>30.00</u>	<u>30.00</u>
Deputy Police Chief ¹	0.40	-	-
Police Lieutenant	-	1.00	1.00
PRCC Manager	1.00	1.00	1.00
Administrative Supervisor	1.00	-	-
Comm. Spec. Supervisor	4.00	4.00	4.00
Communications Specialist	24.00	24.00	24.00

¹ 60% of Deputy Police Chief was charged to Police Administration

Regional Communications

FY2019 Objectives

- Provide training, equipment and staffing to adequately comply with this national standard of one hundred percent (100%) of 911 calls arriving at the PRCC answered within ten (10) seconds.

Measure Type	Performance Measure	FY17 Actual	FY18 Target	FY18 Estimate	FY19 Target
Outcome	Answer 100% of 911 calls within ten seconds.	98.89%	99.50%	99.60%	99.75%
Outcome	Answer 100% of PRCC's seven 10-digit emergency lines within ten seconds.	97.61%	98.00%	98.50%	99.00%

FY2018 Major Achievements

- Handled 205,937 inbound calls, which included 82,968 fire, police and EMS responses.
- Conducted two, three-day Emergency Medical Dispatch (EMD) classes of which a total of 30 dispatchers from various agencies/cities attended.
- Collaborated with the Department of Public Safety to incorporate an ACJIS JWI (Justice Web Interface) policy change.
- Participated in and supported an airport mass casualty drill.
- Became nationally certified with the National Center for Missing and Exploited Children.
- Partnered with the Yavapai County Sheriff's Office and trained personnel on a Code Red reverse emergency notification solution.
- Successfully transitioned from ADSi, our current Computer Aided Dispatch (CAD) vendor to our new CAD vendor TriTech – 1, 410 PRCC hours were dedicated to the success of the project.

Expenditure Budget

Department Summary - Expenditure by Type

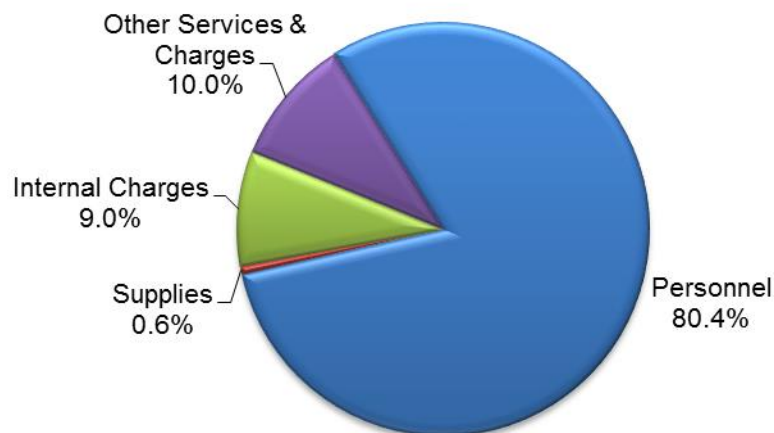
	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
Personnel	\$ 2,217,440	\$ 2,270,300	\$ 2,369,876	\$ 2,407,351	6%
Supplies	12,263	18,350	18,350	18,950	3%
Internal Charges	252,841	254,177	257,177	268,959	6%
Other Services & Charges	180,438	196,900	212,400	298,900	52%
Subtotal Operations	2,662,982	2,739,727	2,857,803	2,994,160	9%
Capital	872,964	1,522,600	875,000	325,000	-79%
Total	\$ 3,535,946	\$ 4,262,327	\$ 3,732,803	\$ 3,319,160	-22%

Regional Communications

Capital Detail

Public Safety Software System Upgrade	\$ 200,000
Replacement Consoles for Dispatch	100,000
Recording System for Dispatch	25,000
	<u>\$ 325,000</u>

**Regional Communications
FY19 Operating Expenditure Budget by Type**



Department Summary - Funding Sources

	FY17 Actual	FY18 Budget	FY18 Estimate	FY19 Budget	% Change Budget
General Fund Sources of Funds					
Tax Base	\$ 2,182,571	\$ 2,070,504	\$ 1,817,886	\$ 1,665,405	-20%
Charges for Services	<u>1,353,375</u>	<u>2,191,823</u>	<u>1,914,917</u>	<u>1,653,755</u>	-25%
General Fund Budget	\$ 3,535,946	\$ 4,262,327	\$ 3,732,803	\$ 3,319,160	-22%

Budget Notes and Significant Changes: The personnel increase in FY19 is for additional overtime budget to allow for training on new software as well as match historical trends. Other Services & Charges increase with the newly upgraded Public Safety Software licensing fees, training, and console lighting.

Charges for services are charges to area partners who share the cost of the Regional Communications center. The General Fund Tax Base amount less the amount related to capital is charged to the Police and Fire Departments and is included in their budgets under internal charges.

Capital Budget

Capital Budget Overview	222
Capital Budget Categories and Funding Sources	224
Capital Budget Listing	225
Capital Budget and Project Descriptions	228
Five-Year Capital Improvement Plan Summary	268



Capital Budget

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Capital Budget Overview

The Capital Budget for the City of Prescott is significant and is presented in a separate section of this document to provide more detail. The Department Operational Plans included the total allocated for capital in each Department.

The City of Prescott plans for sustainable infrastructure improvements that keep pace with the growth of the community and meets the needs of the City's residents. The City has significant investments in its streets, water infrastructure, wastewater infrastructure, public facilities, parks and other city infrastructure. In addition, capital investment is necessary to keep operations running smoothly such as vehicles, equipment, information technology, and facility improvements.

Capital expenditures are purchases that meet the following requirements:

1. Estimated useful life over one year
2. Unit cost of \$5,000 or more
3. If considered an addition or improvement to an existing asset, expenditure significantly increases the capacity of an asset or extends the useful life.

Funding for the capital budget is appropriated annually, however, many of these projects span multiple years. In this case, the budgeted amount in each year is the estimate for expenditures for that particular year. Requirements for funding projects are addressed each year prior to projects moving forward. Also, organizational changes, funding uncertainties, unforeseen emergencies, project delays, or plans by other governmental units can cause changes to the capital plan.

Long-range planning requires estimating and projecting of revenues as well as expenditures. This is a dynamic process and is reviewed each year during the budgeting process. Financing of capital expenditures from available funds, pay-as-you-go funding, is the least costly and most desirable method to cover capital expenditures. Every effort will be made to accumulate funds to allow this method of funding. Should the City not have sufficient funds available, it has a formal Debt Policy and issues debt for the purpose of acquiring or constructing capital projects including buildings, machinery equipment and furniture and fixtures. These needs are addressed through the budget process and the annual five-year capital improvement plan.

Capital Budget Categories

The capital budget is separated into three categories, which are defined in the following table.

Capital Budget Category	Definition
Capital Improvement Plan (CIP)	A project that is more than \$100,000 for a <i>new</i> infrastructure asset or to increase the capacity, efficiency, or expected life span of an <i>existing</i> infrastructure asset. This consists of infrastructure projects such as streets, utilities, and airport projects as well as major renovations to or additional City buildings or facilities.
Vehicle Replacements and Additions	Requests regarding fleet additions or replacements.
Operating Capital	All other capital requests not in the above categories, such as information technology infrastructure, major tools, and equipment purchases of any unit cost over \$5,000. Projects otherwise matching the CIP definition but for which the cost is between \$5,000 and \$100,000 will be categorized as operating capital.

Capital Budget Overview

Below is a summary of the budget in each category for FY19 as well as the projection for the next five fiscal years.

	5 Year Projection						Total
	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	
Capital Budget Category							
Operating Capital	1,894,491	1,124,700	430,500	200,000	155,000	-	3,804,691
Vehicle Replacements	2,936,850	3,861,911	2,741,342	2,967,046	2,334,300	2,360,235	17,201,684
Capital Improvement Plan	77,954,372	62,125,044	46,814,500	30,669,700	23,259,800	34,645,200	275,468,616
Total	82,785,713	67,111,655	49,986,342	33,836,746	25,749,100	37,005,435	296,474,991

The Capital Improvement Plan (CIP) is the largest component of the capital budget. The CIP identifies projects to be completed throughout the next five years. The plan outlines project costs, funding sources, and future operating costs associated with each capital improvement. Because these projects typically span more than one fiscal year, the plan is updated annually to track existing projects and to identify new projects.

The five-year Capital Improvement Plan is an important component of the City's budgeting process. It helps focus the budget process on a longer-term than just the next fiscal year. Here are some of the benefits from this longer-term approach:

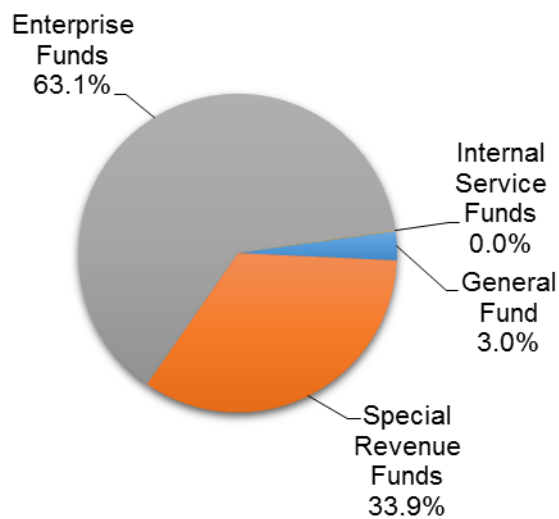
- Facilitates long-range financial planning, allowing us to look at not only what the community wants, but also what they can afford.
- Enhances coordination of capital improvements among City departments and other governmental agencies.
- Clearly identifies the Council's goals and their capital priorities to achieve those goals.

In developing this financial plan, current Council policies were used. The annual review and update of a long-term plan is an excellent opportunity to reexamine Council goals and policies.

Capital Budget Categories and Funding Sources

Funding Source	Capital Budget Category			Total
	Capital Improvement Plan	Vehicle Replacement and Additions	Operating Capital	
General Fund	\$ 565,000	\$ 930,000	\$ 954,859	\$ 2,449,859
Special Revenue				
Streets	\$ 26,427,113	\$ 200,000	\$ -	\$ 26,627,113
Bed Tax	149,000	-	106,000	255,000
Trust Funds			30,000	30,000
Grants	500,000	-	658,632	1,158,632
Total Special Revenue	\$ 27,076,113	\$ 200,000	\$ 794,632	\$ 28,070,745
Enterprise Funds				
Water	\$ 27,591,275	\$ 221,000	\$ -	\$ 27,812,275
Wastewater	15,377,450	465,000	-	15,842,450
Solid Waste	150,000	1,085,850	-	1,235,850
Golf Course	45,500	-	120,000	165,500
Airport	7,149,034	-	25,000	7,174,034
Total Enterprise Funds	\$ 50,313,259	\$ 1,771,850	\$ 145,000	\$ 52,230,109
Internal Service Funds				
Engineering	\$ -	\$ -	\$ 35,000	\$ 35,000
Total Internal Service Funds	\$ -	\$ -	\$ 35,000	\$ 35,000
Total FY19 Budget	\$ 77,954,372	\$ 2,901,850	\$ 1,929,491	\$ 82,785,713

FY19 Capital Budget by Fund Type



FY19 Capital Budget Listing by Department

Page No.	Description	Funding	FY19 Budget
	<u>Community Development</u>		
228	CDBG Annual Entitlement Grant	GR	577,632
228	Community Development Safety Improvements	G	45,000
	<u>Fire</u>		
228	Vehicle Replacement - Fire Department	G	715,000
229	Fire Drill Ground Improvements	G	125,000
229	Fire Records Management System (RMS)	G	72,559
230	Fire Mobile Data Computer Replacement	G	65,300
	<u>Legal</u>		
230	Legal Department Multifunction Copier	G	13,000
	<u>Police</u>		
231	Police Radio Replacement	G	384,000
231	Vehicle Replacement - Police Department	G	190,000
	<u>Regional Communications</u>		
232	Public Safety Software System Upgrade	G,P	200,000
232	Replacement Consoles for Dispatch	G,P	100,000
233	Recording System for Dispatch	G,P	25,000
	Total		2,512,491
	<u>Recreation Services</u>		
233	Open Space Acquisitions	S	1,800,485
233	Constellation Trail head Restroom and Pay Kiosk	BT	149,000
234	Peavine to Glassford Hill Trail Connection - State Parks Grant	GR	81,000
234	Goldwater Lake - Design and Engineering of Expansion Area	BT	70,000
234	Heritage Park/Willow Lake - purchase staff (caretaker) residence	G	35,000
235	Pickleball Courts - City Match	A	30,000
235	Recreation Services Vehicle and Equipment Replacement	G, S	25,000
235	Turf Maintenance Sprayer and Accessories	G	15,000
	Total		2,205,485
	<u>Recreation Services - Golf Course</u>		
236	Golf Course Equipment	GC	120,000
236	Golf Course Bunkers Improvements	GC	45,500
236	Golf Course Tee Renovations	BT	25,500
237	Golf Course Cart Path Paving	BT	10,500
	Total		201,500
	<u>Facilities</u>		
237	Renovation of Parking Garage Stairs	G	440,000
	Total		440,000
	<u>Airport - Grant Funded Projects</u>		
238	RWY Rehabilitation, Lighting and Signage, TWY C2 RIM Mitigation	G, GR	5,529,034
	Total		5,529,034
	<u>Airport - City Only Funded Projects</u>		
238	Hangar/Shade Relocation in Preparation for Terminal	G	900,000
239	Replacement Airline Terminal	G	450,000
239	Terminal Upgrades	G	150,000
240	Airport Pavement Preservation Program - City	G	120,000
240	Economic Impact Study	G	25,000
	Total		1,645,000

FY19 Capital Budget Listing by Department

Page No.	Description	Funding	FY19 Budget
<u>Street Circulation</u>			
241	Corsair Avenue Extension	S,GR	750,000
241	Safe Routes to School Program - Coronado Sidewalk	S	200,000
242	Intersection Signalization Project	S	20,000
	Total		970,000
<u>Street Reconstruction</u>			
242	Goodwin Street and S. Washington Avenue Reconstruction	S,W,WW	5,600,000
243	Robinson Drive Reconstruction	S,W,WW	4,730,000
243	Penn Avenue and Eastwood Drive Reconstruction	S,W,WW	4,050,000
244	S. Summit Avenue/S. McCormick Street/Beach Avenue Reconstruction	S,W,WW	2,628,028
244	Carleton Street and S. Cortez Street Reconstruction	S,W,WW	2,200,000
245	N. Washington - Sheldon Street to Churchill Street Reconstruction	S,W,WW	1,500,000
245	Rosser Street Reconstruction, Phase IV	S	725,000
246	Sundog Ranch Road Reconstruction and Water Line	S,W	700,000
246	Hope Street Reconstruction	S,W	515,000
247	Overland Road Bridge Reconstruction - Government Canyon	S	250,000
247	Goodwin Street (East and West) Reconstruction	S,W,WW	180,000
248	SR89 Widening and Utility Improvements South of SR89A	S,W,WW	100,000
248	Unpaved Streets Improvements	S	50,000
249	Bashford Courts Alley and Parking Lot Reconstruction	S,WW	15,000
249	Willis Street and Cortez Street Intersection Improvements	W	10,000
	Total		23,253,028
<u>Street Preservation, Rehabilitation and Maintenance</u>			
250	Pavement Preservation Program	S	3,675,000
250	Miscellaneous Streets Projects	S	300,000
251	Sidewalk Replacement Program	S	210,000
251	Safe Routes to School Program - Mile High Middle School	S	100,000
	Total		4,285,000
<u>Drainage</u>			
252	Citywide Drainage Improvements Program	S,C	375,000
252	Stormwater Master Plan Update	S,C	250,000
253	Citywide Stormwater Mapping	W	125,000
253	Willow Creek Berm Improvement	S,C,GR	100,000
	Total		850,000
<u>Water Distribution</u>			
254	Main Line Replacements	S,W,WW	1,685,000
254	Zone 24/27 Water Pipeline Upsizing - T.Butte Road to Upper T.Butte Tank	S,W	1,070,000
	Total		2,755,000
<u>Water Production</u>			
255	Zone 16 Virginia Pump Station, Haisley Tank and Pipelines, and Haisley Rd	S,W	6,500,000
255	SCADA System Installation and Upgrade	W,WW	3,214,500
256	Water Production and Intermediate Pump Station, Tanks and Pipeline	W	3,000,000
256	Production Well No. 4 CV - Rehabilitation	W	2,500,000
257	Dam Repairs	W	1,900,000
257	Zone 56 Tank and Piping	W	1,300,000
258	Production Well No. 5 AP	W	1,250,000
258	Zone 7 Lower Pump Station Replacement	W	1,200,000
258	Zone 56/76 Pump Station Upgrade	W	1,010,000
259	Zone 41 Mingus Pump Station, Tank and Pipeline	W	500,000
259	Production Well No. 5 CV - Rehabilitation	W	75,000
	Total		22,449,500

FY19 Capital Budget Listing by Department

Page No.	Description	Funding	FY19 Budget
<u>Water Quality</u>			
260	Watson and Willow Lakes Enhancement Program (TMDL)	S,W,WW	300,000
		Total	300,000
<u>Wastewater Collections</u>			
260	Airport Trunk Main	WW	5,250,000
261	SR89 Lift Station	WW	2,900,000
261	Sundog Trunk Main, Phase B	WW	2,500,000
262	Sundog Trunk Main, Phase C	WW	450,000
262	Operations Building Expansion	WW	400,000
		Total	11,500,000
<u>Facility, Vehicles, Other Capital</u>			
263	Vehicle Replacement - Solid Waste Division	SW	1,085,850
264	Vehicle Replacement - Public Works	S,W,WW,E	921,000
264	Miscellaneous Water and Wastewater Projects	W,WW	468,000
265	Impact Fee Ordinance Project	W,WW	450,000
265	Transfer Station/Street Maintenance Yard Paving	S,SW	300,000
266	Water and Wastewater Models Update	W,WW	51,600
		Total	3,276,450
<u>Water Resource Management</u>			
266	CA1 with SRP and Prescott Valley - Modeling	AW, P	353,000
267	CA1 with SRP and Prescott Valley - Monitoring	AW, P	260,225
		Total	613,225

Funding Summary, all projects

General Fund	2,290,609
General Fund - PRCC partners	159,250
General Fund - Airport	1,783,225
General Fund - Golf Course	165,500
Acker	30,000
Bed Tax	255,000
Airport Grants	5,390,809
Grants	1,158,632
Streets	25,977,113
Streets - County Contribution	650,000
Parks Impact Fee	-
Water	27,199,050
Alt Water	238,299
Water Resource Partners	374,926
Wastewater	15,842,450
Solid Waste	1,235,850
Engineering Fund	35,000
Total	82,785,713

Capital Budget and Project Descriptions

Community Development

CDBG Annual Entitlement Grant

Dept/Division: Community Development

Category: Operating Capital

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Grant Fund	577,632	-	-	-	-	-	503,944

Description: This is the annual CDBG Entitlement Grant received from HUD. The grant funds may be spent on capital projects and grant administration. The grant is allocated through development and adoption of a budget and Annual Action Plan by the City Council.

Operating Impact: The grant is in a reimbursement format, with Prescott expending the funds and then drawing down the grant for the various projects.

Community Development Safety Improvements

Dept/Division: Community Development

Category: Operating Capital

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
General Fund	45,000	-	-	-	-	-	45,000

Description: Safety enhancements to the Building/Engineering/Planning counter area (front counter). Physical modifications to the counter, including installation of bullet resistant glass, widening of the counter, and installation of door.

Operating Impact: None, improved safety.

Fire

Vehicle Replacement - Fire Department

Dept/Division: Fire Department - Suppression

Category: Vehicle Replacements and Additions

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
General Fund	715,000	550,000	575,000	750,000	750,000	550,000	3,890,000

Description: Vehicle replacement for General Fund Departments. Timely replacement allows for a modern, efficient, and well maintained fleet, crucial to the continued provision of services to the public.

FY19- Vehicle No.1221, F250 pickup truck.

FY19- Vehicle No. 1057, Pumper truck.

FY19 - Vehicle No. 1019, Chipper truck

Operating Impact: Decrease costs for aging fleet

Capital Budget and Project Descriptions

Fire Drill Ground Improvements

Dept/Division: Fire Department - Fire Professional Services

Category: Capital Improvement Plan

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
General Fund	125,000	125,000	750,000	-	-	-	1,000,000

Description: The project will consist of three phases across FY19-21. Phase One (FY19) will consist of drill ground design/space needs analysis, followed by all work related to drainage, demolition of the condemned training tower, underground water, gas, and other sub-grade items as identified through the design process. Phase Two (FY20) will consist of all surface improvements such as paving, curbs, and concrete pads. Phase Three (FY21) will consist of the construction of a new tower and purchase/placement of other props as identified through the design process.

Operating Impact: Costs as outlined below. Routine maintenance for the property will need to be budgeted in future years to prevent deterioration of improvements (e.g. paving maintenance, etc). Equipment shelf life will be extended as hose, PPE, and other items will not be subjected to use in mud.

Fire Records Management System (RMS)

Dept/Division: Fire Department – Emergency Services

Category: Operating Capital

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
General Fund	72,559	-	-	-	-	-	72,559

Description: This project is for a records management system (RMS) to integrate with TriTech, carried over from FY18.

Operating Impact: Ongoing licensing fees

Capital Budget and Project Descriptions

Fire Mobile Data Computer Replacement

Dept/Division: Fire Department - Emergency Services

Category: Operating Capital

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
General Fund	65,300	-	-	-	-	-	65,300

Description: This project represents replacement of the Mobile Data Computers (MDC) in existing Fire vehicles. Fire has 11 units for replacement. The TriTech software system facilitates the ability to take an MDC from a vehicle and use it to gather information, enter information, take pictures, etc. There are two viable hardware choices that IT has identified through discussion and testing with Police and Fire.

Operating Impact: Necessary for the hardware to support new software.

Legal

Legal Department Multifunction Copier

Dept/Division: Legal Department

Category: Operating Capital

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
General Fund	13,000	-	-	-	-	-	13,000

Description: Color copier/scanner/wireless printer.

Operating Impact: No additional impact. We are replacing a leased copy machine with a purchased machine.

Capital Budget and Project Descriptions

Police

Police Radio Replacement

Dept/Division: Police

Category: Operating Capital

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
General Fund	384,000	-	-	-	-	-	384,000

Description: Motorola has phased out the mobile (in-vehicle) and handheld radios used by Police and Fire currently. What this means is that the purchase of new radios of this same model is not possible currently and after 2018 sales of accessories and factory repair will no longer be possible. Motorola has a migration path of course and on behalf of Fire and Police we are investigating options for replacement.

Operating Impact: No additional increase over existing

Vehicle Replacement - Police Department

Dept/Division: Police

Category: Operating Capital

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
General Fund	190,000	195,000	195,000	195,000	195,000	195,000	1,165,000

Description: Vehicle replacements allows for a modern, efficient, and well maintained fleet, crucial to the continued provision of services to the public.
 FY19- Vehicle No.1120, 2005 Ford Explorer.
 FY19- Vehicle No. 1354, 2011 Ford Crown Vic.
 FY19- Vehicle No. 1355, 2011 Ford Crown Vic.

Operating Impact: No additional increase over existing

Capital Budget and Project Descriptions

Regional Communications

Public Safety Software System Upgrade

Dept/Division: Information Technology/Regional Communications

Category: Operating Capital

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
General Fund	200,000	-	-	-	-	-	200,000

Description: This item represents a carryover of the FY17 public safety software dollar amount combined with an additional amount to complete the project. This project is in conjunction with partner agencies with City of Prescott costs (\$881,578) and non-City of Prescott PRCC partner costs (\$932,024). The PRCC partner costs incurred by the City of Prescott during FY17 and FY18 during project implementation will be recovered from each partner agency on either a single year or three year repayment system as agreed to by the chief of each PRCC partner agency.

Operating Impact: The yearly support and maintenance costs for TriTech will begin in FY19 and will be \$117,729.92 for Prescott agencies and \$123,049.19 for non-City of Prescott PRCC agencies.

Replacement Consoles for Dispatch

Dept/Division: Regional Communications

Category: Operating Capital

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
General Fund	100,000	100,000	100,000	100,000	-	-	400,000

Description: Two replacement emergency dispatch consoles at the Prescott Regional Communications Center. The emergency dispatching consoles located at PRCC are an essential piece of equipment for not only PRCC staff, but for many first responders in many jurisdictions. The furniture is breaking as are the motors required for raising and lowering the consoles to create a safer working environment and conditions for staff.

Operating Impact: No additional increase over existing.

Capital Budget and Project Descriptions

Recording System for Dispatch

Dept/Division: Regional Communications

Category: Operating Capital

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
General Fund	25,000	-	-	-	-	-	25,000

Description: Replacement of the current voice logging system utilized to store and query all telephone and radio traffic both to and from the Prescott Regional Communications Center (PRCC).

Operating Impact: While there will be an upfront investment in the upgrade, the annual operating budget impact will be limited to IT/Tech support as would be required by the manufacturer of the chosen product. Our current system requires an annual maintenance cost of approximately \$3,500.

Recreation Services

Open Space Acquisitions

Dept/Division: Recreation Services

Category: Capital Improvement Program

Funding Plan	FY18 Budget	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	Total
Streets Fund	1,800,485	-	-	-	-	-	1,800,485

Description: This project provides dedicated fund balance for future open space acquisition opportunities. This funding will carry forward until depleted.

Operating Impact:

Constellation Trail head Restroom and Pay Kiosk

Dept/Division: Recreation Services

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Bed Tax	149,000	-	-	-	-	-	149,000

Description: To build a new restroom building and install a pay kiosk for the constellation Trail head parking lot.

Operating Impact: Additional maintenance and janitorial

Capital Budget and Project Descriptions

Peavine to Glassford Hill Trail Connection - State Parks Grant

Dept/Division: Recreation Services

Category: Operating Capital

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Grant	81,000	-	-	-	-	-	81,000

Description: To construct a connector trail up Glassford Hill from Peavine to the Glassford Hill Summit Trail. The City anticipates a grant award from Arizona State Parks.

Operating Impact: Additional trail maintenance.

Goldwater Lake - Design and Engineering of Expansion Area

Dept/Division: Recreation Services

Category: Operating Capital

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Bed Tax	70,000	-	-	-	-	-	70,000

Description: This item is the engineering and design for revenue producing amenities at lower Goldwater lake

Operating Impact: This item has no impact on the operating budget.

Heritage Park/Willow Lake - purchase staff (caretaker) residence

Dept/Division: Recreation Services

Category: Operating Capital

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
General Fund	35,000	-	-	-	-	-	35,000

Description: This item involves purchasing the manufactured home located on City property within Heritage Park, that is occupied/owned currently by a City-employee. This allows the home to remain for many years due to needed security for Heritage Park and the Willow Lake park.

Operating Impact: Future operating budget impact will be limited to any repairs needed for the house.

Capital Budget and Project Descriptions

Pickleball Courts - City Match

Dept/Division: Recreation Services

Category: Operating Capital

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Acker Trust	30,000	-	-	-	-	-	30,000

Description: The Prescott Pickleball Association will be fundraising to build additional courts near the existing courts. The City's match is budgeted at \$30,000.

Operating Impact: After the courts are completed, they will be donated to the City for continued maintenance.

Recreation Services Vehicle and Equipment Replacement

Dept/Division: Recreation Services

Category: Vehicle Replacements and Additions

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
General Fund	25,000	120,000	59,000	-	25,000	-	229,000
Streets	-	40,000	-	-	-	-	40,000

Description: FY19: Maintenance Utility Carts: \$25,000 to be used for maintenance at ball fields and parks
 FY20: Parks Mower \$80,000, Community Restitution Van \$60,000, Utility Vehicle ROW \$40,000 (Total \$180,000)
 FY21: Community Restitution Trailer \$20,000, Verti Cutter \$14,000, Maintenance Utility Carts \$25,000
 FY23: Maintenance Utility Carts \$25,000

Operating Impact: This budget request could reduce rental costs incurred in the park operating budget.

Turf Maintenance Sprayer and Accessories

Dept/Division: Recreation Services

Category: Vehicle Replacements and Additions

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
General Fund	15,000	-	-	-	-	-	15,000

Description: This turf sprayer and accessories will allow staff to more efficiently apply fertilizers and herbicides to City turf areas for optimal turf conditions.

Operating Impact: Impacts to the operating budget are minimal, and limited minor maintenance on equipment.

Capital Budget and Project Descriptions

Recreation Services – Golf Course

Golf Course Equipment

Dept/Division: Recreation Services - Golf Course

Category: Vehicle Replacements and Additions

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Golf Course	120,000	65,000	70,000	40,000	85,000	-	380,000

Description: FY19: Greens mower \$35,000, Fairway mower \$65,000, and Golf Utility Vehicle 20,000 (Total \$120,000)

FY20: Rough mower \$65,000

FY21: Golf course mower \$50,000 and Utility Vehicle \$20,000 (Total \$70,000)

FY22: Bunker Rake Equipment \$40,000

FY23: Rough mower \$65,000, Utility Vehicles \$20,000 (Total \$85,000)

Operating Impact: Having operable and the right equipment for projects allows the maintenance crew to work more efficiently and reduce labor hours..

Golf Course Bunkers Improvements

Dept/Division: Recreation Services - Golf Course

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Golf Course	45,500	-	45,500	-	-	-	91,000

Description: Rebuild North and South bunkers, including complete excavation, drainage tile installation with ADS and gravel.

Operating Impact: To be phased over 4 years

Golf Course Tee Renovations

Dept/Division: Recreation Services - Golf Course

Category: Operating Capital

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Bed Tax	25,500	-	-	-	-	-	25,500

Description: Laser level and re-sod various North course tee surfaces

Operating Impact: Phase construction over three years, completing approximately 15,00 square feet/year

Capital Budget and Project Descriptions

Golf Course Path Paving

Dept/Division: Recreation Services - Golf Course

Category: Operating Capital

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Bed Tax	10,500	10,500	10,500	-	-	-	31,500

Description: Mil Pave from greens to following tee (lead-ins and lead-outs) and all par 3's

Operating Impact: Phase construction over 4 years

Facilities

Renovation of Parking Garage Stairs

Dept/Division: Fleet and Facilities

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
General Fund	440,000	-	-	-	-	-	440,000

Description: Replacement of south east stairs. Project includes mobilization, demolition, stringer preparation, new concrete treads/risers, landings, scaffolding, barricades, paint preparation, and paint.

Operating Impact: None

Capital Budget and Project Descriptions

Airport-Grant Funded

RWY Rehabilitation, Lighting and Signage, TWY C2 RIM Mitigation

Dept/Division: Airport

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Federal	5,252,583	-	-	-	-	-	5,252,583
State	138,226	-	-	-	-	-	138,226
City	138,225	-	-	-	-	-	138,225
Total	5,529,034						5,529,034

Description: FY17 - Design and environmental for Runway 3R-21L and 3L-21R and Taxiway A and C lighting and signage and navigation aid replacement and upgrade
 FY18 - A portion of this project was not budgeted but designed in FY18. This design project included the runway rehabilitation and TWY C2 Removal to assist in the mitigation of Runway Incursions
 FY19 - Construct - Runway Rehab, Lighting and Signage Upgrades and removal of C2.

Operating Impact: This upgrade will ensure the systems operate properly, reduce maintenance costs, reduce replacement parts costs and reduce electrical costs by upgrading to new LED lights, signs and navigational aids.

Airport-City Only Funded Projects

Hangar/Shade Relocation in Preparation for Terminal

Dept/Division: Airport

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Airport Fund (City)	900,000	-	-	-	-	-	900,000

Description: FY19 - Design/Demo and relocate T-Shades to West Ramp in preparation for Airport Terminal construction. This includes white capping pavement on West Ramp. The Demo and Construction will take place in FY2019 so that construction can begin in FY 2020.

Operating Impact: In order to facilitate the terminal construction, one row of hangars and one row of T-Shades will need to be built or relocated.

Capital Budget and Project Descriptions

Replacement Airline Terminal

Dept/Division: Airport

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Airport Fund (City)	450,000	4,000,000	2,000,000	-	-	-	6,450,000

Description: FY19- Design relocation of facilities, as required for new terminal location; Design Terminal Building
FY20/21 - Construct relocation of facilities as required and begin construction on new Terminal Building with supporting infrastructure

Operating Impact: A larger terminal will increase electrical, water and wastewater costs. Additional janitorial costs are expected to maintain the facility. Additional personnel will be needed to handle landside operations (terminal and parking lot). Airport security personnel to oversee the Airport Security Program, to include background checks, fingerprinting and issuance of airport identification media.

Terminal Upgrades

Dept/Division: Airport

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Airport Fund (City)	150,000	-	-	-	-	-	150,000

Description: Terminal Upgrades required to solicit new air service. Upgrades may possibly include upgrading electrical, purchase of terminal seating, baggage bins, etc.

Operating Impact: None

Capital Budget and Project Descriptions

Airport Pavement Preservation Program-City

Dept/Division: Airport

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Airport Fund(City)	120,000	120,000	120,000	120,000	120,000	120,00	720,000

Description: FY19-Crack seal and seal coat Terminal parking lot and interior perimeter roads.

FY20- Crack seal and seal coat Taxiway A and adjacent south ramp.

FY21- Crack seal and seal coat Bottleneck Hangar area.

Operating Impact: Proper pavement maintenance, to include crack seal and seal coating on a regularly scheduled basis will allow the City to maximize the useful lifecycle of airport pavements and reduce the needs for more costly pavement overlays and/or reconstruction.

Economic Impact Study

Dept/Division: Airport

Category: Operating Capital

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Airport Fund(City)	25,000	-	-	-	-	-	50,000

Description: Study the Direct and Indirect Economic Impact of the Prescott Municipal Airport.

Operating Impact: None

Capital Budget and Project Descriptions

Public Works-Street Circulation

Corsair Avenue Extension

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Streets	250,000	-	-	-	-	-	250,000
Grants	500,000	-	-	-	-	-	500,000
Total	750,000	-	-	-	-	-	750,000

Description: The project extends Corsair Avenue from its current terminus near Avenger southwesterly to Wilkinson Drive, approximately 0.5 miles. The City has submitted a grant request in 2018 through the ACA/ADOT Economic Strength Project Program to off-set a portion of the cost, in the amount of \$500,000. The grant request was to construct a 2,500 LF road segment identified as the "Corsair Connector". If the city is successful in this competitive grant process and the ADOT Transportation Board gave final approval to the grant proposal, the City will initiate the project. In addition to the Grant funding, the remainder cost of the project will be shared by the City and private development partner(s) for the project.

Operating Impact: This new street will be given to the City upon completion of the project. Long-term maintenance costs will be required for the life of the infrastructure.

Safe Routes to School Program – Coronado Sidewalk

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Streets	200,000	-	-	-	-	-	200,000

Description: This project provides roadway improvements on Coronado Avenue between Park Avenue and Country Club Drive that will result in enhanced pedestrian access between the neighborhood and Lincoln Elementary School through the installation of new sidewalk, ADA complaint ramps, striping, signing, crosswalks and other improvements. The majority of the project is funded through a federal SRTS Grant. The City is contributing a portion of the project amount and any project costs that exceed the grant total.

Operating Impact: None

Capital Budget and Project Descriptions

Intersection Signalization Project

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Streets	20,000	200,000	20,000	200,000	20,000	200,000	660,000

Description: Design and install complete signal system at one (1) intersection as warranted. Currently, the City is monitoring the intersections of Prescott Lakes Parkway at Willow Lake Road and at Sundog Ranch Road for potentially meeting signal warrants.

Operating Impact: None

Public Works-Street Reconstruction

Goodwin Street and S. Washington Avenue Reconstruction

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Streets	5,300,000	-	-	-	-	-	5,300,000
Water	175,000	-	-	-	-	-	175,000
Wastewater	125,000	-	-	-	-	-	125,000
Total	5,600,000	-	-	-	-	-	5,600,000

Description: This project is for the reconstruction of E. Goodwin Street from Mount Vernon Avenue to Penn Avenue AND the reconstruction of S. Washington Street from Acker Park to E. Gurley Street. Improvements needed include roadway, sidewalk/curb, drainage, water and sewer improvements.

Operating Impact: Completion of this project will result in an initial reduction in overall maintenance and operational expenses due to the improved condition of the roadway, drainage, water and sewer system. Long-term maintenance costs will be required for the life of the infrastructure.

Capital Budget and Project Descriptions

Robinson Drive Reconstruction

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Streets	3,635,000	-	-	-	-	-	3,635,000
Water	751,000	-	-	-	-	-	751,000
Wastewater	344,000	-	-	-	-	-	344,000
Total	4,730,000	-	-	-	-	-	4,730,000

Description: This project is for the reconstruction of Robinson Drive from Gurley Street to the City Limits. Improvements needed include roadway, sidewalk (on one-side of the street), drainage, water and sewer.

Operating Impact: Completion of this project will result in an initial reduction in overall maintenance and operational expenses due to the improved condition of the roadway, drainage, water and sewer system. Long-term maintenance costs will be required for the life of the infrastructure.

Penn Avenue and Eastwood Drive Reconstruction

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Streets	2,258,000	1,000,000	-	-	-	-	3,258,000
Water	896,000	-	-	-	-	-	896,000
Wastewater	896,000	-	-	-	-	-	896,000
Total	4,050,000	1,000,000	-	-	-	-	5,050,000

Description: This project is for the reconstruction of Penn Avenue from Gurley Street to Eastwood Drive AND the reconstruction of Eastwood Drive from Penn Avenue to Deveroux Drive. Improvements needed include roadway and drainage. Sidewalk will be added on Penn Avenue. Subsurface water, sewer and improvements are included with the project, as necessary.

Operating Impact: Completion of this project will result in an initial reduction in overall maintenance and operational expenses due to the improved condition of the roadway, drainage, water and sewer system. Long-term maintenance costs will be required for the life of the infrastructure.

Capital Budget and Project Descriptions

S. Summit Avenue/S. McCormick Street/Beach Avenue Reconstruction

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Streets	1,443,028	800,000	-	-	-	-	2,243,028
Water	688,000	-	-	-	-	-	688,000
Wastewater	497,000	-	-	-	-	-	497,000
Total	2,628,028	800,000	-	-	-	-	3,428,028

Description: This project is for the reconstruction of S. Summit Avenue from W. Gurley Street to W. Goodwin Street AND the reconstruction of Beach Avenue from S. Summit Avenue to McCormick Street AND McCormick Street from W. Gurley Street to W. Goodwin Street. Improvements needed include roadway, drainage, pedestrian and minor landscaping improvements. Subsurface water, sewer and improvements are included with the project, as necessary.

Operating Impact: Completion of this project will result in an initial reduction in overall maintenance and operational expenses due to the improved condition of the roadway, drainage, water and sewer system. Long-term maintenance costs will be required for the life of the infrastructure.

Carleton Street and S. Cortez Street Reconstruction

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Streets	1,815,000	-	-	-	-	-	1,815,000
Water	275,000	-	-	-	-	-	275,000
Wastewater	110,000	-	-	-	-	-	110,000
Total	2,200,000	-	-	-	-	-	2,200,000

Description: This project is for the reconstruction of Carleton Street between Cortez Street and Granite Creek AND S Cortez Street between Goodwin Street and Carleton Street. Improvements needed include, roadway, sidewalk/curb.

Operating Impact: Completion of this project will result in an initial reduction in overall maintenance and operational expenses due to the improved condition of the roadway, drainage, water and sewer system. Long-term maintenance costs will be required for the life of the infrastructure.

Capital Budget and Project Descriptions

N. Washington – Sheldon Street to Churchill Street Reconstruction

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Streets	1,330,000	-	-	-	-	-	1,330,000
Water	160,000	-	-	-	-	-	160,000
Wastewater	10,000	-	-	-	-	-	10,000
Total	1,500,000	-	-	-	-	-	1,500,000

Description: The project is for the reconstruction of pavement, drainage and utility infrastructure on North Washington Avenue from Sheldon Street to Churchill Street. The project also includes the reconstruction of Churchill Street between North Washington Avenue and Arizona Street.

Operating Impact: Completion of this project will result in an initial reduction in overall maintenance and operational expenses due to the improved condition of the roadway, drainage, water and sewer system. Long-term maintenance costs will be required for the life of the infrastructure.

Rosser Street Reconstruction, Phase IV

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Streets	725,000	-	-	-	-	-	725,000

Description: This project is for the reconstruction of Rosser Street from Campbell Avenue to Eagle View Drive. Improvements needed include roadway, minor drainage, sidewalk and driveway improvements.

Operating Impact: Completion of this project will result in an initial reduction in overall maintenance and operational expenses due to the improved condition of the roadway, drainage, water and sewer system. Long-term maintenance costs will be required for the life of the infrastructure.

Capital Budget and Project Descriptions

Sundog Ranch Road Reconstruction and Water Line

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Streets	-	-	-	-	250,000	2,500,000	2,750,000
Water	700,000	-	-	-	-	-	700,000
Total	700,000	-	-	-	250,000	2,500,000	3,450,000

Description: This project is for the reconstruction of Sundog Ranch Road from Prescott Lakes Parkway to Yavpe Connector. Improvements needed include roadway, drainage and water improvements.

Operating Impact: Completion of this project will result in an initial reduction in overall maintenance and operational expenses due to the improved condition of the roadway, drainage, water and sewer system. Long-term maintenance costs will be required for the life of the infrastructure.

Hope Street Reconstruction

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Streets	315,000	-	-	-	-	-	315,000
Water	200,000	-	-	-	-	-	200,000
Total	515,000	-	-	-	-	-	515,000

Description: The project is for the paving of Hope Street, which is currently an unpaved street. The project also includes drainage, water and sewer improvements. Additionally, the project includes replacement of the water main in Wane Street.

Operating Impact: Completion of this project will result in an initial reduction in overall maintenance and operational expenses due to the improved condition of the roadway, drainage, water and sewer system. Long-term maintenance costs will be required for the life of the infrastructure.

Capital Budget and Project Descriptions

Overland Road Bridge Reconstruction – Government Canyon

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Streets	250,000	-	-	-	-	-	250,000

Description: ADOT is designing a replacement bridge on Overland Road, east of Gurley Street. Project design and construction to be administered by ADOT Bridge Group. ADOT has an agreement with City to partner with a portion of the design and construction costs of the project.

Operating Impact: No on-going maintenance and operations budget impacts.

Goodwin Street (East and West) Reconstruction

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Streets	130,000	3,420,000	1,280,000	-	-	-	4,830,000
Water	30,000	300,000	150,000	-	-	-	480,000
Wastewater	20,000	220,000	110,000	-	-	-	350,000
Total	180,000	3,940,000	1,540,000	-	-	-	5,660,000

Description: This project is for the reconstruction of E Goodwin Street from Marina Street to Granite Creek AND W Goodwin Street from Summit Avenue to Granite Creek. Improvements will include construction of an underground storm drain system, pedestrian safety and minor aesthetic improvements. Subsurface water, sewer and dry utility relocations are included with the project, as necessary.

Operating Impact: Completion of this project will result in an initial reduction in overall maintenance and operational expenses due to the improved condition of the drainage system. Long-term maintenance costs will be required for the life of the infrastructure.

Capital Budget and Project Descriptions

SR89 Widening and Utility Improvements South of SR89A

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Streets	70,000	-	-	-	-	-	70,000
Water	10,000	-	-	-	-	-	10,000
Wastewater	20,000	-	-	-	-	-	20,000
Total	100,000	-	-	-	-	-	100,000

Description: This project is to reconstruct a portion of SR89 between the SR89A/Pioneer Parkway intersection and south of Constellation Trail entrance. The project includes water, sewer, drainage and intersection improvements. The project will improve traffic flow in the area and provide safer turning movements into the Constellation trailhead and Phippen Museum. Additionally, parking improvements for the Constellation trailhead are planned.

Operating Impact: Minor increase in maintenance costs associated with additional pavement surface.

Unpaved Streets Improvements

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Streets	50,000	-	-	-	-	-	50,000

Description: To provide asphalt paving, base material and other street construction materials for various unpaved streets to be improved.

Operating Impact: Reduced on-going maintenance and operations budget impact due to an improved roadway surface.

Capital Budget and Project Descriptions

Bashford Courts Alley and Parking Lot Reconstruction

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Streets	12,000	-	-	-	-	-	12,000
Wastewater	3,000	-	-	-	-	-	3,000
Total	15,000	-	-	-	-	-	15,000

Description: This project is for the reconstruction of the Bashford Courts alley and parking lot. Improvements needed include an underground storm drain system to remove roof drainage away from structures and alley surface, redesign and reconstruction of the parking lot incorporating streetscape landscaping and stormwater quality improvements. Minor sewer improvements are also required with the project.

Operating Impact: Completion of this project will result in an initial reduction in overall maintenance and operational expenses due to the improved condition of the roadway, parking lot and drainage improvements. Long-term maintenance costs will be required for the life of the infrastructure.

Willis Street and Cortez Street Intersection Improvements

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Water	10,000	-	-	-	-	-	10,000

Description: This project consists of repairs and improvements to the Willis and Cortez intersection as a result of a previous water line break. At the time of the break, temporary repairs were made and a larger improvement project was identified. The project includes water line replacement, decorative paver replacement and pedestrian safety improvements. The asphalt surface will be replaced as well between Cortez and Montezuma Streets.

Operating Impact: The upgrades will reduce the potential for future utility failures and reactive repairs throughout the lifecycle of the infrastructure.

Capital Budget and Project Descriptions

Public Works - Street Preservation, Rehabilitation and Maintenance

Pavement Preservation Program

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Streets	3,675,000	3,675,000	3,675,000	3,675,000	3,675,000	3,675,000	22,050,000

Description: This is an annual program that includes pavement maintenance, preservation and rehabilitation on various streets. Maintenance and preservation activities include various seal coatings, and micro-surfacing projects. Pavement rehabilitation typically includes milling and overlay of various streets. Pavement reconstruction typically includes the complete reconstruction of the paved surface that has failed to a point beyond rehabilitation. The list of streets to be maintained, rehabilitated or reconstructed is evaluated on an annual basis using the Pavement Maintenance Program and is subject to change based on the actual performance of the pavement from year to year. As part of this program, alley, curb, gutter and minor sidewalk repairs are made concurrently with the pavement preservation program.

Operating Impact: Continued maintenance of the city's pavement asset will result in a reduction in overall maintenance and operational expenses, due to improved condition of the pavement system, as well as the elimination or reduction of on-going pavement maintenance.

Miscellaneous Streets Projects

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Streets	300,000	300,000	300,000	300,000	300,000	300,000	1,800,000

Description: Funding source for roadway projects that become a priority that may not have been specifically budgeted for in the Pavement Preservation, Rehabilitation and Reconstruction Programs.

Operating Impact: Completion of this project will result in an initial reduction in overall maintenance and operational expenses due to the improved condition of the roadway. Long-term maintenance costs will be required for the life of the infrastructure.

Capital Budget and Project Descriptions

Sidewalk Replacement Program

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Streets	210,000	210,000	210,000	210,000	210,000	210,000	1,260,000

Description: This is an annual project to improve pedestrian safety, circulation and connectivity within the City.

Operating Impact: Sidewalks are maintained by adjoining property owners in residential areas. In areas of City responsibility, long-term maintenance costs will be required for the life of the infrastructure.

Safe Routes to School Program – Mile High Middle School

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Streets	100,000	-	-	-	-	-	100,000

Description: This project provides roadway improvements in and around Mile High and Mountain Oak Charter School that will result in enhanced pedestrian access. It includes a new sidewalk, ADA complaint ramps, striping, signing, crosswalks and other improvements. The majority of the project is funded through a federal SRTS Grant. The City is contributing a portion of the project amount and any project costs that exceed the grant total.

Operating Impact: None

Capital Budget and Project Descriptions

Public Works – Drainage

Citywide Drainage Improvements Program

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Streets	375,000	275,000	725,000	725,000	-	625,000	2,725,000

Description: This program addresses street drainage issues that result in drainage impacts to City infrastructure and neighboring properties. Some of the issues can be addressed through minor maintenance, others are not substantial enough to require complete street reconstruction. These projects are of a size and complexity that an engineering solution is required. The program will address various locations annually that are not a part of other CIP projects.

Operating Impact: None

Stormwater Master Plan Update

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Streets	250,000	500,000	-	-	-	-	750,000

Description: The City of Prescott Area Drainage Master Plan was first prepared in 1996 and last updated in 2004. This project will update the plan to reflect current conditions using a higher degree of detail now possible with current City mapping and modern software. The outcome of this project will be GIS compatible that will enable better stormwater planning and management to address both capacity and environmental surface water quality concerns city wide.

Operating Impact: None

Capital Budget and Project Descriptions

Citywide Stormwater Mapping

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Water	125,000	-	-	-	-	-	125,000

Description: This project will inventory and map all publically owned and maintained stormwater drainage infrastructure throughout the City as required by the Arizona Department of Environmental Quality (ADEQ) as part of the Cities Municipal Separate Storm Sewer System (MS4) permit. The project will utilize existing records and maintenance data, supplemented with field survey, to build upon ongoing efforts to create a complete and accurate data set of all City stormwater assets to meet these requirements.

Operating Impact: Once the mapping is established on-going effort will be required to keep the data current for reporting purposes to ADEQ.

Willow Creek Berm Improvement

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Streets	100,000	150,000	-	-	-	-	250,000
Federal Grant	-	-	1,500,000	-	-	-	1,500,000
Total	100,000	150,000	1,500,000	-	-	-	1,750,000

Description: The project will design and construct improvements to the existing Willow Creek Berm and/or the channel of Willow Creek to reduce the number of properties that would be within the FEMA designated floodplain on the landward side of the levee. The first step of this project will be to identify options and feasibility. Once the options have been identified, FEMA funding will be considered.

Operating Impact: None

Capital Budget and Project Descriptions

Public Works – Water Distribution

Main Line Replacements

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Streets	50,000	50,000	50,000	50,000	50,000	50,000	300,000
Water	1,385,000	1,990,000	1,200,000	1,200,000	1,200,000	1,200,000	8,175,000
Wastewater	250,000	250,000	250,000	250,000	250,000	250,000	1,500,000
Total	1,685,000	2,290,000	1,500,000	1,500,000	1,500,000	1,500,000	9,975,000

Description: This project will replace existing deficient (age, condition, capacity) mains with new water mains to meet current system requirements and operational needs. Minor sewer main replacements are also considered in areas where the water mains are replaced.

Operating Impact: Reduction in continuous high maintenance costs and extensive repairs associated with old and inefficient water mains.

Zone 24/27 Water Pipeline Upsizing – Thumb Butte Road to Upper Thumb Butte Tank

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Streets	-	50,000	590,000	-	-	-	640,000
Water	1,070,000	200,000	1,900,000	-	-	-	3,170,000
Total	1,070,000	250,000	2,490,000	-	-	-	3,810,000

Description: This project is to upsize the existing 6" water line that currently supplies water to the Lower and Upper Thumb Butte Tanks to a new 12" water line. This line will connect to the 12" water line in Thumb Butte Road, proceed up to the existing Lower Thumb Butte Water Tank and continue to the Upper Thumb Butte Water Tank.

Operating Impact: This project will reduce maintenance costs due to elimination of aged infrastructure.

Capital Budget and Project Descriptions

Public Works – Water Production

Zone 16 Virginia Pump Station, Haisley Tank and Pipelines, and Haisley Rd Reconst.

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Streets	1,563,000	700,000	-	-	-	-	2,263,000
Water	4,937,000	800,000	-	-	-	-	5,737,000
Total	6,500,000	1,500,000	-	-	-	-	8,000,000

Description: This project is to replace and upsize the Haisley Tank, the Virginia Street Pump Station and the distribution pipeline from the south end of Virginia Street to Valley Ranch Circle. This project will increase the capacity to the areas served by Zone 16. As part of this project, Haisley Road between Senator Highway and Valley Ranch Circle will be reconstructed concurrently with the water line improvements.

Operating Impact: Completion of this project will result in an initial reduction in overall maintenance and operational expenses due to the improved condition of the pump station, tank and water mains. Long-term maintenance costs will be required for the life of the infrastructure.

SCADA System Installation and Upgrade

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Water	2,018,500	1,750,000	-	-	-	-	3,768,500
Wastewater	1,196,000	1,035,500	-	-	-	-	2,231,500
Total	3,214,500	2,785,500	-	-	-	-	6,000,000

Description: The installation/upgrades of the Supervisory Control and Data Acquisition (SCADA) System will allow for automatic control and monitoring associated with the City's water production facilities and wastewater facilities. This program will be implemented over a period of years.

Operating Impact: Reduced labor and transportation costs due to ability to monitor the systems remotely. Reduced system failure-related costs due to ability to respond to emergency situations more promptly.

Capital Budget and Project Descriptions

Water Production and Intermediate Pump Station, Tanks and Pipeline

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Water	3,000,000	15,400,000	4,200,000	-	-	-	22,600,000

Description: This project consists of two major components: Water Production Booster Facility and Intermediate Pump Station. The new intermediate pump station, tanks and pipeline facility will reduce the pipeline pressure and provide additional tank storage closer to Prescott. The site is located about 1 mile north of Pioneer Parkway and 1 mile west of Willow Creek Road on City owned property within the currently undeveloped Deep Well Ranch and the site will be accessed by a new road from Willow Creek Road. The project will coordinate with replacement of the Chino Valley pumping facility to adjust for lower operating pressures at the Chino Valley Facility. This portion of the project will consist of replacing the City of Prescott water production booster facility (buildings, boosters, electrical, controls) in the Town of Chino Valley. Portions of the existing facility date back to the original 1947 pump station.

Operating Impact: The Operating budget will increase with the addition of the new intermediate booster pump station. However, no significant impact to the operating budget associated with the Booster Facility upgrades are expected because the facilities are already operational. A decrease in operational costs may be experienced with modernized facilities and more efficient motors, pumps and buildings.

Production Well No. 4 CV – Rehabilitation

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Water	2,500,000	-	-	-	-	-	2,500,000

Description: This well is a City drinking water production well that produces approximately 3,330 gallons per minute (gpm). The equipment is aging and is nearing the end of its useful life. This project will provide new well equipment to ensure water supply to the City.

Operating Impact: Completion of this project will result in an initial reduction in overall maintenance and operational expenses due to the improved condition of the well. Long-term maintenance costs will be required for the life of the infrastructure.

Capital Budget and Project Descriptions

Dam Repairs

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Water	1,900,000	-	50,000	-	-	-	1,950,000

Description: This project will be to design and complete repairs and remediation measures identified by the Arizona Department of Water Resources (ADWR) Dam Safety Division. This phase will correct deficiencies for two large diameter valves at Granite Creek Dam and also provide required access at Granite Creek dam. Future phases will address maintenance needs identified by City personnel and/or ADWR Dam Safety Inspectors.

Operating Impact: Long-term maintenance costs will be required for the life of the infrastructure.

Zone 56 Tank and Piping

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Water	1,300,000	1,700,000	350,000	-	-	-	3,350,000

Description: This project will consist of a new 1.5 million gallon tank and piping from the new tank westward to U-Haul along SR69 for Zone 56.

Operating Impact: Additional long-term tank maintenance including cleaning and painting.

Capital Budget and Project Descriptions

Production Well No. 5 AP

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Water	1,250,000	998,000	-	-	-	-	2,248,000

Description: The City's water system utilizes a number of production wells that have been in service for up to 40 years. Many of these wells need rehabilitation due to age, condition and technological efficiency advances. The well houses, electrical controls, pump systems, HVAC and other well components are failing and/or need significant service repair. Projects in subsequent years will redrill or re-equip production wells to meet regulatory standards.

Operating Impact: Completion of this project will result in an initial reduction in overall maintenance and operational expenses due to the improved condition of the well. Long-term maintenance costs will be required for the life of the infrastructure.

Zone 7 Lower Pump Station Replacement

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Water	1,200,000	300,000	-	-	-	-	1,500,000

Description: This project will consist of relocating and upsizing the existing Zone 7 pump station that feeds pressure zones east of Prescott Lakes Parkway.

Operating Impact: Completion of this project will result in an initial reduction in overall maintenance and operational expenses due to the improved condition of the pump station. Long-term maintenance costs will be required for the life of the infrastructure.

Zone 56/76 Pump Station Upgrade

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Water	1,010,000	-	-	-	-	-	1,010,000

Description: This project is to upgrade the existing pump stations that feed Zone 56/76 at the corner of Heather Heights and SR 69.

Operating Impact: No significant impact to the operating budget is expected because it is replacing existing pump stations.

Capital Budget and Project Descriptions

Zone 41 Mingus Pump Station, Tank and Pipeline

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Water	500,000	3,250,000	1,550,000	-	-	-	5,300,000

Description: This project is to replace two existing 200,000 gallon water storage tanks northwest of the corner of Mingus Avenue and Northside Drive currently known as Mingus Tanks #1 and #2 with a single 1.50 million gallon (MG) storage tank. The project will also replace the existing Mingus Pump Station to meet demands and upsize the pipeline between the pump station and the tank.

Operating Impact: Completion of this project will result in an initial reduction in overall maintenance and operational expenses due to the improved condition of the pump stations, tank and water mains. Long-term maintenance costs will be required for the life of the infrastructure.

Production Well No. 5 CV – Rehabilitation

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Water	75,000	-	-	-	-	-	75,000

Description: This well is a City drinking water production well that produces approximately 2,350 gallons per minute (gpm). The equipment is aging and is nearing the end of its useful life. This project will provide new well equipment to ensure water supply to the City.

Operating Impact: Completion of this project will result in an initial reduction in overall maintenance and operational expenses due to the improved condition of the well. Long-term maintenance costs will be required for the life of the infrastructure.

Capital Budget and Project Descriptions

Public Works – Water Quality

Watson and Willow Lakes Enhancement Program (TMDL)

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Streets	50,600	-	-	-	-	-	50,600
Water	239,400	261,000	261,000	261,000	261,000	261,000	1,544,400
Wastewater	10,000	-					10,000
Total	300,000	261,000	261,000	261,000	261,000	261,000	1,605,000

Description: This project provides for water and sediment sampling, testing and data analysis at Willow and Watson Lakes to meet regulatory requirements. It also provides for public involvement and dissemination of information gathered to identify potential future water quality improvement projects. Funding will be required for on-going data collection and analysis of the City's lakes and watershed and to identify TMDL reduction projects that can be implemented to meet required EPA and ADEQ pollutant load reductions.

Operating Impact: No impact to operating budget.

Public Works – Wastewater Collections

Centralization – Airport Trunk Main

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Wastewater	5,250,000	4,600,000	-				9,850,000

Description: This project is to complete the upsizing of the airport trunk main sewer main from the Granite Dells area to the Airport Water Reclamation Facility. The capacity of this new trunk main will convey flows from the upstream centralization projects and new development within the City.

Operating Impact: This project will reduce longer term operations and maintenance costs through a centralized wastewater system.

Capital Budget and Project Descriptions

Centralization – SR89 Lift Station

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Wastewater	2,900,000	-	-				2,900,000

Description: This project is to construct a wastewater lift station at the SR89 near the Veteran's Administration (VA) hospital to move flows from the Sundog Trunk Main to the Airport Water Reclamation Facility (AWRF). This project will assist in removing flows from the Sundog Wastewater Treatment Plant as the City approaches centralization.

Operating Impact: This project will reduce longer term operations and maintenance costs through a centralized wastewater system.

Centralization – Sundog Trunk Main, Phase B

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Wastewater	2,500,000	-	-				2,500,000

Description: This project will build approximately 8,600 linear feet of force main that will convey wastewater flows from the SR89 Lift Station, along SR89 to the Sundog Phase A Trunk main at Prescott Lakes Parkway. This project will assist in removing flows from the Sundog Wastewater Treatment Plant as the City approaches centralization.

Operating Impact: This project will reduce longer term operations and maintenance costs through a centralized wastewater system.

Capital Budget and Project Descriptions

Sundog Trunk Main, Phase C

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Water	-	-	300,000	-	-	-	300,000
Wastewater	450,000	2,000,000	4,700,000	-	-	-	7,150,000
Total	450,000	2,000,000	5,000,000	-	-	-	7,450,000

Description: This project is to replace approximately 10,300 linear feet of existing undersized sewer main from Miller Valley Road to the Veterans Administration (VA). This upsizing project will provide the required sewer capacity for the trunk main and reduce sanitary sewer overflows.

Operating Impact: This project will reduce longer term operations and maintenance costs through a centralized wastewater system.

Operations Building Expansion

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Wastewater	400,000	-	-	-	-	-	400,000

Description: This project is for the expansion of the existing building at the wastewater collection facility on Sundog Ranch Road. This expansion will be used to house operations staff, vehicles, equipment and materials used in the daily operation of the facility.

Operating Impact: Minor increase in operating budget due to expanded building footprint and a decrease of maintenance and replacement costs for machinery and equipment due to long term impact of exposure to the elements.

Capital Budget and Project Descriptions

Public Works – Facility, Vehicles, Other Capital

Vehicle Replacement - Solid Waste Division

Dept/Division: Public Works Projects

Category: Vehicle Replacements and Additions

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Solid Waste	1,085,850	1,193,911	803,342	772,046	664,300	940,235	5,459,684
Description:	2019-Replace Vehicle No. 1185, Autocar Side Load collection vehicle. 2019-Replace Vehicle No. 1292, Autocar Side Load collection vehicle. 2019-Replace Vehicle No. 1399, Peterbilt Front-Load collection vehicle. 2019-Replace Vehicle No. 1149, Ford stake body delivery truck vehicle. 2019- Add a small Rear-Loader for small collections route 2020-Replace Vehicle No. 1321, Autocar Side Load collection vehicle, Vehicle No. 1152, Autocar Front Load collection vehicle, Vehicle No. 1335, Autocar Side Load collection vehicle, Vehicle No. 1268, F350 Service Truck, and Asset No. 788, an Allied stationary crane. 2021-Replace Vehicle No. 1336, Autocar Side Load collection vehicle, Vehicle No. 1382, Volvo Rear Load collection vehicle, and Vehicle No. 1381, Caterpillar Tool Carrier. 2022-Replace Vehicle No. 1089, F750 delivery truck, Vehicle No. 1225, Autocar Front Load collection vehicle, Vehicle No. 1146, F150 pickup truck, Vehicle No. 1442 Peterbilt Side Load collection vehicle, and Vehicle No. 1086, F350 plow truck. 2023- Replace Vehicle No. 1289, Autocar Front Load collection vehicle, Vehicle No. 1257, Peterbilt Rollover truck, Vehicle No. 1148, Ford F350 ParKan truck. 2024- Replace Vehicle No. 1476 Peterbilt Side Load collection vehicle, Vehicle No. 1496 Peterbilt Side Load collection vehicle, Vehicle No. 1146, F150 pickup truck, Vehicle No. 685, Caterpillar Dozer						
Operating Impact:	None. Operational and maintenance costs for vehicles are already budgeted in the Solid Waste operating fund.						

Capital Budget and Project Descriptions

Vehicle Replacement - Public Works

Dept/Division: Public Works Projects

Category: Vehicle Replacements and Additions

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Streets	200,000	725,000	464,000	350,000	325,000	325,000	2,389,000
Water	221,000	400,000	225,000	100,000	100,000	100,000	1,146,000
Wastewater	465,000	188,000	245,000	150,000	100,000	100,000	1,248,000
Engineering	35,000	-	25,000	-	25,000	-	85,000
Total	921,000	1,313,000	959,000	600,000	550,000	525,000	4,868,000

Description: This capital request is for replacement of aging Public Works fleet vehicles and equipment. This equipment is used on a daily basis to perform routine maintenance and emergency repairs to utility infrastructure, traffic control devices, and perform daily inspections of capital and private development projects.

Operating Impact: Reduced maintenance costs due to elimination of high mileage/hour vehicles. A reduction to the operating budget is expected because these are replacements for existing units that have developed extensive repair needs and result in higher gas consumption than newer technology vehicles.

Miscellaneous Water and Wastewater Projects

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Water	298,000	305,000	313,000	320,000	335,000	350,000	1,921,000
Wastewater	170,000	175,000	180,000	185,000	190,000	200,000	1,100,000
Total	468,000	480,000	493,000	505,000	525,000	550,000	3,021,000

Description: Unforeseen and unexpected water system failures happen from time to time due to the City's aging infrastructure. Repairs to water pipe failures and/or valve or other system components are sometimes beyond normal maintenance repairs. This item is to provide for unanticipated design and construction necessary when a capital project has not been identified.

Operating Impact: The City is required to maintain a safe and adequate water supply and to plan for contingencies in the event of a system failure.

Capital Budget and Project Descriptions

Impact Fee Ordinance Project

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Water	225,000	-	-	-	-	-	225,000
Wastewater	225,000	-	-	-	-	-	225,000
Total	450,000	-	-	-	-	-	450,000

Description: Perform a rate and fee updated analysis associated with the water and wastewater models update starting in FY18. The rate and fee updated analysis will review previously projected revenues and operating budgets including the capital program. Through this analysis projected rate and fee increases to meet revenue requirements will be identified.

Operating Impact: Increases to revenues will set funding capabilities for current and future operating budgets including capital requirements.

Transfer Station/Street Maintenance Yard Paving

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Streets	150,000	-	75,000	-	-	-	225,000
Solid Waste	150,000	-	75,000	-	-	-	225,000
Total	300,000	-	150,000	-	-	-	450,000

Description: This project consists of repaving portions of the pavement surface at the Sundog Transfer Station facility.

Operating Impact: Reduced maintenance.

Capital Budget and Project Descriptions

Water and Wastewater Models Update

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Water	40,150	-	-	-	-	-	40,150
Wastewater	11,450	-	-	-	-	-	11,450
Total	51,600	-	-	-	-	-	51,600

Description: The City's water system production and distribution model was completed in 2013. The water model serves as a broad overview and guidance of the water system capabilities and provides recommendations for system improvements. The water model needs to be updated every 5-years to account for changes in growth patterns, as-built infrastructure and facilities that have differed from original projections.

Operating Impact: There is no impact to the operating budget.

Public Works – Water Resources

CA1 with SRP and Prescott Valley - Modeling

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Water	353,000	485,544	-	-	-	-	838,544

Description: This work is a prerequisite for the Big Chino Water Importation Project, which is not presently programmed for construction. City Contract No. 2013-058, commits the City, in partnership with the Town of Prescott Valley and Salt River Project, to monitoring and modeling the Big Chino Sub-basin. City Contract No. 2017-246 describes the scope, cost and schedule for the Big Chino Sub-Basin Groundwater Flow Model.

Operating Impact: Unknown at this time

Capital Budget and Project Descriptions

CA1 with SRP and Prescott Valley - Monitoring

Dept/Division: Public Works Projects

Category: Capital Improvement Program

Funding Plan	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
Water	260,225	200,000	220,000	-	-	-	680,225

Description: This work is a prerequisite for the Big Chino Water Importation Project, which is not presently programmed for construction. City Contract No. 2013-058, commits the City, in partnership with the Town of Prescott Valley and Salt River Project, to the Big Chino Sub-basin Data Collection and Monitoring Plan; Exhibit 4 identifies up to ten (10) new groundwater monitor wells, and Exhibit 5 provides estimates for siting drilling five (5) shallow wells over 2 years, and two (2) deep wells.

Operating Impact: Unknown at this time

Capital Budget

Five-Year Capital Improvement Plan Summary

Description	Funding	5 Year Projection						Total
		FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	
<u>Fire</u>								
Fire Drill Ground Improvements	G	125,000	125,000	750,000	-	-	-	1,000,000
<u>Police</u>								
Police Facility Improvements	G	-	-	-	-	-	4,650,000	4,650,000
Total		125,000	125,000	750,000	-	-	4,650,000	4,650,000
<u>Recreation Services</u>								
Open Space Acquisitions	S	1,800,485	-	-	-	-	-	1,800,485
Constellation Trail head Restroom and Pay Kiosk	BT	149,000	-	-	-	-	-	149,000
Pioneer Park Paving	G	-	-	200,000	-	-	-	200,000
Willow Lake Southshore Parking	G	-	-	200,000	-	-	-	200,000
Willow Creek Park Improvements	G	-	-	-	50,000	450,000	-	500,000
Multi-use four field sports complex	G, PI	-	-	-	-	1,850,000	-	1,850,000
Total		1,949,485	-	400,000	50,000	2,300,000	-	4,699,485
<u>Recreation Services - Golf Course</u>								
Golf Course Bunkers Improvements	GC	45,500	-	45,500	-	-	-	91,000
Irrigation Improvements- South Golf Course	GC	-	125,000	-	-	-	-	125,000
Irrigation Improvements- North Golf Course	GC	-	-	125,000	-	-	-	125,000
Total		45,500	125,000	170,500	-	-	-	250,000
<u>Facilities</u>								
Renovation of Parking Garage Stairs	G	440,000	440,000	-	-	-	-	880,000
City Hall Roof Replacement	FM	-	-	325,000	-	-	-	325,000
Total		440,000	440,000	325,000	-	-	-	1,205,000
<u>Airport - Grant Funded Projects</u>								
RWY Rehabilitation, Lighting and Signage, TWY C2 RIM Mitigation	G, GR	5,529,034	-	-	-	-	-	5,529,034
Security Upgrades	G, GR	-	2,000,000	-	-	-	-	2,000,000
Airport Pavement Maintenance Program - ADOT	G, GR	-	1,525,000	-	-	1,500,000	-	3,025,000
TWY C Realignment, RIM & Hotspot Mitigation	G, GR	-	850,000	5,000,000	5,000,000	-	-	10,850,000
Land Acquisition for Aeronautical Development (Air Traffic Control Tower)	G, GR	-	350,000	900,000	-	-	-	1,250,000
RWY 21L and TWY D Extension - Land Acquisitions	G, GR	-	350,000	-	-	-	-	350,000
RWY 3L PAPI and 21R PAPI Both Ends	G, GR	-	195,000	-	-	-	-	195,000
Aircraft Rescue Fire Fighting and Airport Operations Facility	G, GR	-	-	500,000	3,000,000	-	-	3,500,000
RWY 12-30 Runway Safety Area	G, GR	-	-	300,000	1,200,000	-	-	1,500,000
Runway 3L/21R Runway Safety Area Grading	G, GR	-	150,000	1,800,000	-	-	-	1,950,000
Total		5,529,034	5,420,000	8,500,000	9,200,000	1,500,000	-	30,149,034
<u>Airport - City Only Funded Projects</u>								
Hangar/Shade Relocation in Preparation for Terminal	G	900,000	-	-	-	-	-	900,000
Replacement Airline Terminal	G	450,000	4,000,000	2,000,000	-	-	-	6,450,000
Terminal Upgrades	G	150,000	-	-	-	-	-	150,000
Airport Pavement Preservation Program - City	G	120,000	120,000	120,000	120,000	120,000	120,000	720,000
Airport Master Lock System	G	-	175,000	-	-	-	-	175,000
Total		1,620,000	4,295,000	2,120,000	120,000	120,000	120,000	8,395,000
<u>Street Circulation</u>								
Corsair Avenue Extension	S,GR	750,000	-	-	-	-	-	750,000
Safe Routes to School Program - Coronado Sidewalk	S	200,000	-	-	-	-	-	200,000
Intersection Signalization Project	S	20,000	200,000	20,000	200,000	20,000	200,000	660,000
Total		970,000	200,000	20,000	200,000	20,000	200,000	1,610,000
<u>Street Reconstruction</u>								
Goodwin Street and S. Washington Avenue Reconstruction	S,W,WW	5,600,000	-	-	-	-	-	5,600,000
Robinson Drive Reconstruction	S,W,WW	4,730,000	-	-	-	-	-	4,730,000
Penn Avenue and Eastwood Drive Reconstruction	S,W,WW	4,050,000	1,000,000	-	-	-	-	5,050,000
S. Summit Avenue/S. McCormick Street/Beach Avenue Reconstruction	S,W,WW	2,628,028	800,000	-	-	-	-	3,428,028
Carleton Street and S. Cortez Street Reconstruction	S,W,WW	2,200,000	-	-	-	-	-	2,200,000
N. Washington - Sheldon Street to Churchill Street Reconstruction	S,W,WW	1,500,000	-	-	-	-	-	1,500,000
Rosser Street Reconstruction, Phase IV	S	725,000	-	-	-	-	-	725,000
Sundog Ranch Road Reconstruction and Water Line	S,W	700,000	-	-	-	250,000	2,500,000	3,450,000
Hope Street Reconstruction	S,W	515,000	-	-	-	-	-	515,000
Overland Road Bridge Reconstruction - Government Canyon	S	250,000	-	-	-	-	-	250,000
Goodwin Street (East and West) Reconstruction	S,W,WW	180,000	3,940,000	1,540,000	-	-	-	5,660,000
SR89 Widening and Utility Improvements South of SR89A	S,W,WW	100,000	-	-	-	-	-	100,000
Unpaved Streets Improvements	S	50,000	50,000	50,000	50,000	50,000	50,000	300,000
Bashford Courts Alley and Parking Lot Reconstruction	S,WW	15,000	-	-	-	-	-	15,000
Willis Street and Cortez Street Intersection Improvements	W	10,000	-	-	-	-	-	10,000
Gurley Street Reconstruction	S,W,WW	-	400,000	3,150,000	2,700,000	-	-	6,250,000
W. Haisley Road Reconstruction	S	-	-	-	175,000	2,670,000	-	2,845,000
Washington Street Reconstruction - Sheldon Street to Gurley Street	S,W,WW	-	-	-	50,000	1,600,000	-	1,650,000
W. Merritt Avenue Reconstruction	S,C,W,WW	-	-	-	50,000	250,000	2,275,000	2,575,000
McCormick Street Reconstruction - Gurley St to Grove Ave	S,W,WW	-	-	-	-	200,000	2,000,000	2,200,000
E. Willis Street Reconstruction	S,W,WW	-	-	-	-	-	450,000	450,000
Carleton Street and Alarcon Street Reconstruction and Drainage	S,C	-	-	-	-	-	250,000	250,000
Schemmer Drive and Rodeo Drive Reconstruction	S,W,WW	-	-	-	-	-	200,000	200,000
Total		23,253,028	6,190,000	4,740,000	3,025,000	5,020,000	7,725,000	49,953,028

Five-Year Capital Improvement Plan Summary

		5 Year Projection						
		FY19	FY20	FY21	FY22	FY23	FY24	
Description	Funding	Budget	Projection	Projection	Projection	Projection	Projection	Total
Street Preservation, Rehabilitation and Maintenance								
Pavement Preservation Program	S	3,675,000	3,675,000	3,675,000	3,675,000	3,675,000	3,675,000	22,050,000
Miscellaneous Streets Projects	S	300,000	300,000	300,000	300,000	300,000	300,000	1,800,000
Sidewalk Replacement Program	S	210,000	210,000	210,000	210,000	210,000	210,000	1,260,000
Safe Routes to School Program - Mile High Middle School	S	100,000	-	-	-	-	-	100,000
Smoke Tree Lane (East) Rehabilitation	S	-	-	-	-	-	200,000	200,000
Gail Gardner Way Improvements	S	-	-	-	-	-	130,000	130,000
	Total	4,285,000	4,185,000	4,185,000	4,185,000	4,185,000	4,515,000	25,540,000
Drainage								
Citywide Drainage Improvements Program	S,C	375,000	275,000	725,000	725,000	-	625,000	2,725,000
Stormwater Master Plan Update	S,C	250,000	500,000	-	-	-	-	750,000
Citywide Stormwater Mapping	W	125,000	-	-	-	-	-	125,000
Willow Creek Berm Improvement	S,C,GR	100,000	150,000	1,500,000	-	-	-	1,750,000
North Fork Miller Creek Channel Improvements	S,C,GR	-	-	-	100,000	1,000,000	-	1,100,000
Sheldon Street Drainage Improvements	S	-	-	-	-	-	100,000	100,000
	Total	850,000	925,000	2,225,000	825,000	1,000,000	725,000	6,550,000
Water Distribution								
Main Line Replacements	S,W,WW	1,685,000	2,290,000	1,500,000	1,500,000	1,500,000	1,500,000	9,975,000
Zone 24/27 Water Pipeline Upsizing - T.Butte Road to Upper T.Butte Tank	S,W	1,070,000	250,000	2,490,000	-	-	-	3,810,000
SR69 Corridor Water Main	W	-	470,000	200,000	1,330,000	-	-	2,000,000
Zone 61/Zone 41/Zone 40/Zone 0 Water Main Upgrades	S,W,WW	-	-	-	-	2,243,300	1,156,700	3,400,000
Zone 42 Pipeline Upgrade	S,W,WW	-	-	-	-	175,000	-	175,000
	Total	2,755,000	3,010,000	4,190,000	2,830,000	3,918,300	2,656,700	19,360,000
Water Production								
Zone 16 Virginia Pump Station, Haisley Tank and Pipelines, and Haisley Rd	S,W	6,500,000	1,500,000	-	-	-	-	8,000,000
SCADA System Installation and Upgrade	W,WW	3,214,500	2,785,500	-	-	-	-	6,000,000
Water Production and Intermediate Pump Station, Tanks and Pipeline	W	3,000,000	15,400,000	4,200,000	-	-	-	22,600,000
Production Well No. 4 CV - Rehabilitation	W	2,500,000	-	-	-	-	-	2,500,000
Dam Repairs	W	1,900,000	-	50,000	-	-	-	1,950,000
Zone 56 Tank and Piping	W	1,300,000	1,700,000	350,000	-	-	-	3,350,000
Production Well No. 5 AP	W	1,250,000	998,000	-	-	-	-	2,248,000
Zone 7 Lower Pump Station Replacement	W	1,200,000	300,000	-	-	-	-	1,500,000
Zone 56/76 Pump Station Upgrade	W	1,010,000	-	-	-	-	-	1,010,000
Zone 41 Mingus Pump Station, Tank and Pipeline	W	500,000	3,250,000	1,550,000	-	-	-	5,300,000
Production Well No. 5 CV - Rehabilitation	W	75,000	-	-	-	-	-	75,000
Production Well No. 3 CV - Rehabilitation	W	-	2,500,000	-	-	-	-	2,500,000
Production Well No. 6 AP	W	-	450,000	2,050,000	-	-	-	2,500,000
Production Well No. 2 CV - Rehabilitation	W	-	-	3,000,000	-	-	-	3,000,000
Upper Rancho Vista Pump Station Upgrade	W	-	-	490,000	365,000	-	-	855,000
Zone 40 Cedarwood Tank Upsizing	W	-	-	225,000	750,000	-	-	975,000
Zone 31 Pump Station	W	-	-	220,000	1,000,700	-	-	1,220,700
Production Well No. 1 CV - Rehabilitation	W	-	-	-	2,500,000	-	-	2,500,000
	Total	22,449,500	28,883,500	12,135,000	4,615,700	-	-	68,083,700
Water Quality								
Watson and Willow Lakes Enhancement Program (TMDL)	S,W,WW	300,000	261,000	261,000	261,000	261,000	261,000	1,605,000
	Total	300,000	261,000	261,000	261,000	261,000	261,000	1,605,000
Wastewater Collections								
Airport Trunk Main	WW	5,250,000	4,600,000	-	-	-	-	9,850,000
SR89 Lift Station	WW	2,900,000	-	-	-	-	-	2,900,000
Sundog Trunk Main, Phase B	WW	2,500,000	-	-	-	-	-	2,500,000
Sundog Trunk Main, Phase C	WW	450,000	2,000,000	5,000,000	-	-	-	7,450,000
Operations Building Expansion	WW	400,000	-	-	-	-	-	400,000
Hassayampa Sewer Trunk Main Upsizing	WW	-	-	100,000	2,638,000	-	-	2,738,000
Montezuma Trunk Main Upsizing	S,W,WW	-	-	100,000	2,215,000	-	-	2,315,000
City Lights Sewer Main Replacement	WW	-	-	-	-	285,500	-	285,500
5th Street, 6th Street and Hillside Sewer Main Upsize	S,W,WW	-	-	-	-	75,000	1,375,000	1,450,000
Sewer Main Upsizing - Willow Creek Rd Rosser St and Demerse St Area	WW	-	-	-	-	-	250,000	250,000
Sun Street Sewer Main Upgrade	WW	-	-	-	-	-	30,000	30,000
	Total	11,500,000	6,600,000	5,200,000	4,853,000	360,500	1,655,000	30,168,500
Wastewater Treatment								
Airport WRF Expansion, Phase 2	WW	-	-	-	-	1,875,000	8,437,500	10,312,500
Sundog Equalization Basin and Plant Decommissioning	WW	-	-	-	-	1,825,000	-	1,825,000
Effluent Tank, Pipeline and Conversion	WW	-	-	-	-	350,000	3,150,000	3,500,000
	Total	-	-	-	-	4,050,000	11,587,500	15,637,500

Five-Year Capital Improvement Plan Summary

		5 Year Projection						
Description	Funding	FY19 Budget	FY20 Projection	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	Total
<u>Facility, Vehicles, Other Capital</u>								
Miscellaneous Water and Wastewater Projects	W,WW	468,000	480,000	493,000	505,000	525,000	550,000	3,021,000
Impact Fee Ordinance Project	W,WW	450,000	-	-	-	-	-	450,000
Transfer Station/Street Maintenance Yard Paving	S,SW	300,000	-	150,000	-	-	-	450,000
Water and Wastewater Models Update	W,WW	51,600	-	-	-	-	-	51,600
CIP Project Management Software	S,W,WW,S	-	300,000	-	-	-	-	300,000
Transfer Station Equipment (Crane)	SW	-	-	250,000	-	-	-	250,000
Transfer Station Above Ground Fuel Tank	S,W,WW	-	-	250,000	-	-	-	250,000
Maintenance/ Repair Facility- Solid Waste Division	SW	-	-	200,000	-	-	-	200,000
Compactor/ Trash and Recycling Enclosure-Solid Waste Division	SW	-	-	30,000	-	-	-	30,000
	Total	1,269,600	780,000	1,373,000	505,000	525,000	550,000	5,002,600
<u>Water Resource Management</u>								
CA1 with SRP and Prescott Valley - Modeling	AW, P	353,000	485,544	-	TBD	TBD	TBD	838,544
CA1 with SRP and Prescott Valley - Monitoring	AW, P	260,225	200,000	220,000	TBD	TBD	TBD	680,225
	Total	613,225	685,544	220,000	-	-	-	1,518,769
Funding Summary, all projects								
General Fund		565,000	565,000	1,150,000	50,000	1,722,700	4,650,000	8,702,700
General Fund - Airport		1,758,225	4,762,000	2,460,000	350,000	270,000	120,000	9,720,225
General Fund - Golf Course		45,500	125,000	170,500	-	-	-	341,000
Bed Tax		149,000	-	-	-	-	-	149,000
Airport Grants		5,390,809	4,953,000	8,160,000	8,970,000	1,350,000	-	28,823,809
Grants		500,000	-	1,500,000	-	250,000	-	2,250,000
Streets		25,777,113	10,935,000	8,931,000	7,872,600	8,840,000	12,760,000	75,115,713
Streets - County Contribution		650,000	850,000	650,000	800,000	750,000	675,000	4,375,000
Parks Impact Fee		-	-	-	-	577,300	-	577,300
Water		26,978,050	30,819,000	16,812,000	7,943,700	4,334,300	2,892,700	89,779,750
Alt Water		238,299	266,402	85,492	-	-	-	590,193
Water Resource Partners		374,926	419,142	134,508	-	-	-	928,576
Wastewater		15,377,450	8,425,500	5,756,000	4,683,400	5,165,500	13,547,500	52,955,350
Solid Waste		150,000	5,000	680,000	-	-	-	835,000
Engineering Fund		-	-	-	-	-	-	-
Facilities Management		-	-	325,000	-	-	-	325,000
Total		77,954,372	62,125,044	46,814,500	30,669,700	23,259,800	34,645,200	275,468,616
Funding Summary by Fund Type								
General Fund		2,368,725	5,452,000	3,780,500	400,000	1,992,700	4,770,000	18,763,925
Special Revenue Fund		32,466,922	16,738,000	19,241,000	17,642,600	11,767,300	13,435,000	111,290,822
Enterprise Funds		43,118,725	39,935,044	23,468,000	12,627,100	9,499,800	16,440,200	145,088,869
Internal Service Funds		-	-	325,000	-	-	-	325,000
Total		77,954,372	62,125,044	46,814,500	30,669,700	23,259,800	34,645,200	275,468,616

Five-Year Capital Improvement Plan Summary

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Appendix

Budget Resolutions	274
Auditor General Schedules	278
Authorized Position Listing	290
Authorized Pay Ranges.....	298
Glossary of Terms	299



Appendix

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Budget Resolutions

Tentative Budget Resolution

RESOLUTION NO. 2018-1643

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, ADOPTING A TENTATIVE BUDGET, ADOPTING THE ESTIMATED AMOUNTS REQUIRED TO MEET THE PUBLIC EXPENSES FOR THE CITY OF PRESCOTT FOR THE FISCAL YEAR 2019, AUTHORIZING AND DIRECTING PUBLICATION OF STATEMENTS AND SCHEDULES OF THE TENTATIVE BUDGET, TOGETHER WITH NOTICE OF HEARING ON SAID BUDGET AND NOTICE OF DATE OF FINAL ADOPTION OF SAID BUDGET, AND NOTICE OF DATE OF ESTABLISHMENT OF THE EXPENDITURE LIMITATION, AND NOTICE OF THE DATE FOR FIXING A TAX LEVY

ENACTMENTS:

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT AS FOLLOWS:

SECTION 1. THAT the statements and schedules attached are hereby adopted as the estimated amounts required to meet the public expenses for the City of Prescott and as the tentative budget for the Fiscal Year 2019. Copies of said statements and schedules have been distributed to the Council and are on file in the office of the City Manager. Said copies are attached hereto for the purpose of publication only, except that they are hereby ordered to be entered into the minutes of the City Council of the City of Prescott.

SECTION 2. THAT the Clerk is hereby authorized and directed to publish in the manner prescribed by law, the attached schedule A as said tentative budget, together with a copy of this Resolution as notice of the meetings of the City Council, to wit:

- A. That the City Council will meet on the 10th day of July, 2018, at 3:00 P.M., in the Council Chambers of the Municipal Offices Building, 201 South Cortez Street, Prescott, Arizona, at a Regular Meeting to hold a public hearing when and where any citizen may appear and be heard or submit written comments in favor of or against any proposed use within the budget, expenditure limitation, or the tax levy; at said time and place or after said hearing for the purpose of finally adopting the budget and establishment of the expenditure limitation for the fiscal year 2019 for the City of Prescott. The proposed budget may be examined weekdays at 201 South Cortez Street, Prescott, Arizona, between 8:00 A.M. and 5:00 P.M or by accessing the budget documents on the City's website www.prescott-az.gov.
- B. That the City Council will further meet at a Regular Meeting on the 24th day of July, 2018, at 3:00 P.M. in the Council Chambers of the Municipal Building, 201 South Cortez Street, Prescott, Arizona, for the purpose of adopting the property tax levy for Fiscal Year 2019 for the City of Prescott.

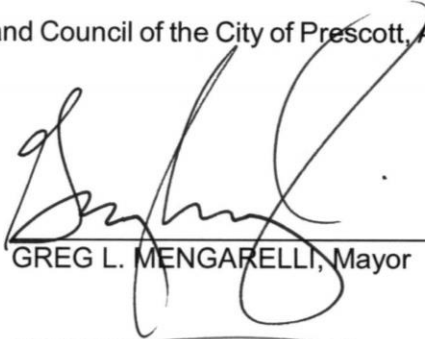
Budget Resolutions

RESOLUTION NO. 2018-1643

PAGE 2

SECTION 3. THAT money from any fund may be used for any of these appropriations except money specifically restricted by State Law, City Charter, codes, ordinance, or resolution.

PASSED and ADOPTED by the Mayor and Council of the City of Prescott, Arizona, on this 26th day of June, 2018.




GREG L. MENGARELLI, Mayor

ATTEST:

APPROVED AS TO FORM:



MAUREEN SCOTT, City Clerk



JON M. PALADINI, City Attorney

CERTIFICATION OF RECORDING OFFICER

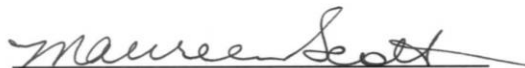
STATE OF ARIZONA)
County of Yavapai) ss.

I, the undersigned Maureen Scott, being the duly appointed, qualified City Clerk of the City of Prescott, Yavapai County, Arizona, certify that the foregoing Resolution No. 2018-1643 is a true, correct and accurate copy of Resolution No. 2018-1643, passed and adopted at a Voting Meeting of the Council of the City of Prescott, Yavapai County, Arizona, held on the 26th day of June, 2018, at which a quorum was present and, by a 7-0 vote, 1 voted in favor of said resolution.



Seal

Given under my hand and sealed this 27th day of June, 2018.



Budget Resolutions

Final Budget Resolution

RESOLUTION NO. 2018-1648

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PRESCOTT, YAVAPAI COUNTY, ARIZONA, DETERMINING AND ADOPTING FINAL ESTIMATES OF PROPOSED EXPENDITURES FOR FISCAL YEAR 2019, DECLARING THAT THE SAME SHALL CONSTITUTE THE BUDGET FOR THE CITY OF PRESCOTT FOR SAID FISCAL YEAR, ESTABLISHING THE EXPENDITURE LIMITATION, AND APPROVING AND UPDATING THE JOB ROSTER FOR THE CITY OF PRESCOTT.

RECITALS:

WHEREAS, in accordance with the Provisions of Title 42, Chapter 17, Articles 1-5, Arizona Revised Statutes, the City Council did, on the 26th day of June, 2018, make an estimate of the different amounts required to meet the public expenses for the ensuing year, also an estimate of revenues from sources other than direct taxation, and the amount to be raised by taxation upon real and personal property within the City of Prescott; and

WHEREAS, in accordance with said sections of said title, and following due public notice, the Council met on July 10, 2018, at which meeting any taxpayer was privileged to appear and be heard in favor of or against any of the proposed expenditures, establishing the expenditure limitation, or tax levies; and

WHEREAS, the City Job Roster is included in the accompanying exhibit and the Council wishes to update its job roster and approve the job roster as provided by the Prescott City Charter; and

WHEREAS, publication has been duly made as required by law, of said estimates together with a notice that the City Council would meet on July 24, 2018, in Prescott City Council Chambers at 201 South Cortez Street, Prescott, Arizona, for the purpose of making tax levies as set forth in said estimates; and

WHEREAS, the sums to be raised by primary taxation, as specified therein, do not in the aggregate amount exceed that amount as computed in Arizona Revised Statutes, Title 42, Section 17051.A.

ENACTMENTS:

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF PRESCOTT AS FOLLOWS:

SECTION 1. THAT, the said estimates of revenue and expenditures shown on the accompanying schedules as now increased, reduced or changed are hereby adopted as the budget of the City of Prescott for the Fiscal Year 2019.

Budget Resolutions

RESOLUTION NO. 2018-1648

PAGE 2

SECTION 2. THAT, all sums contained in said estimated expenditures shall be considered as specific appropriation and authority for the expenditure thereof, as provided for and in said budget, the laws of the United States, the State of Arizona, and the Charter and Code of the City of Prescott.

SECTION 3. THAT, the expenditure limitation for the City of Prescott for Fiscal Year 2019 be established at \$191,270,765.

SECTION 4. THAT, the Roster of Jobs shown in the attached accompanying exhibit be adopted and approved by the City of Prescott and in accordance with Article IV of the Prescott City Charter.

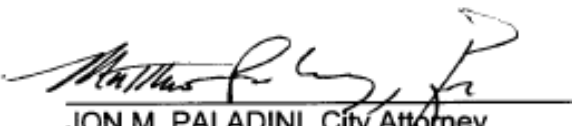
PASSED and ADOPTED by the Mayor and Council of the City of Prescott, Arizona, on this 10th day of July, 2018.


GREG L. MENGARELLI, Mayor

ATTEST:

APPROVED AS TO FORM:


MAUREEN SCOTT, City Clerk


JON M. PALADINI, City Attorney
MATTHEW BORACI, For

CERTIFICATION OF RECORDING OFFICER

STATE OF ARIZONA)
County of Yavapai) ss.

I, the undersigned Maureen Scott, being the duly appointed, qualified City Clerk of the City of Prescott, Yavapai County, Arizona, certify that the foregoing Resolution No. 2018-1648 is a true, correct and accurate copy of Resolution No. 2018-1648, passed and adopted at a Voting Meeting of the Council of the City of Prescott, Yavapai County, Arizona, held on the 10th day of July 2018, at which a quorum was present and, by a 6-0 vote, 6 voted in favor of said resolution.



Seal

Given under my hand and sealed this 10th day of July, 2018.



Auditor General Schedules

OFFICIAL BUDGET FORMS

CITY OF PRESCOTT

Fiscal Year 2019

Auditor General Schedules

**CITY OF PRESCOTT
TABLE OF CONTENTS
Fiscal Year 2019**

Schedule A—Summary Schedule of Estimated Revenues and Expenditures/Expenses
Schedule B—Tax Levy and Tax Rate Information
Schedule C—Revenues Other Than Property Taxes
Schedule D—Other Financing Sources/<Uses> and Interfund Transfers
Schedule E—Expenditures/Expenses by Fund
Schedule F—Expenditures/Expenses by Department (as applicable)
Schedule G—Full-Time Employees and Personnel Compensation

Auditor General Schedules

CITY OF PRESCOTT
Summary Schedule of Estimated Revenues and Expenditures/Expenses
Fiscal Year 2019

Fiscal Year	S c h	FUNDS							
		General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Permanent Fund	Enterprise Funds Available	Internal Service Funds	Total All Funds
2018 Adopted/Adjusted Budgeted Expenditures/Expenses*	E	49,821,004	45,912,788	5,731			82,222,349	10,891,379	188,853,251
2018 Actual Expenditures/Expenses**	E	48,275,404	36,576,931	5,731			62,637,846	10,733,114	158,229,026
2019 Fund Balance/Net Position at July 1***		21,849,557	20,930,586	3,321			48,318,189	2,675,060	93,776,713
2019 Primary Property Tax Levy	B	1,748,005							1,748,005
2019 Secondary Property Tax Levy	B								
2019 Estimated Revenues Other than Property Taxes	C	36,168,834	39,114,350	5,576			51,147,164	6,964,764	133,400,688
2019 Other Financing Sources	D						14,100,000		14,100,000
2019 Other Financing (Uses)	D								
2019 Interfund Transfers In	D	45,000	718,686				7,537,604		8,301,290
2019 Interfund Transfers (Out)	D	7,881,290	370,000				50,000		8,301,290
2019 Reduction for Amounts Not Available:									
LESS: Internal Loans		5,309,736							5,309,736
2019 Total Financial Resources Available		46,620,370	60,393,622	8,897			121,052,957	9,639,824	237,715,670
2019 Budgeted Expenditures/Expenses	E	40,021,056	55,175,045	5,576			89,093,409	6,975,679	191,270,765

EXPENDITURE LIMITATION COMPARISON

	2018	2019
1. Budgeted expenditures/expenses	\$ 188,853,251	\$191,270,765
2. Add/subtract: estimated net reconciling items		
3. Budgeted expenditures/expenses adjusted for reconciling items	188,853,251	191,270,765
4. Less: estimated exclusions		
5. Amount subject to the expenditure limitation	\$ 188,853,251	\$191,270,765
6. EEC expenditure limitation	\$ 188,853,251	\$191,270,765

* Includes Expenditure/Expense Adjustments Approved in the 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 on this line 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).

SCHEDULE A

Auditor General Schedules

CITY OF PRESCOTT Tax Levy and Tax Rate Information Fiscal Year 2019

	2018	2019
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ 1,743,920	\$ 1,817,951
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	\$ 1,709,975	\$ 1,748,005
B. Secondary property taxes		
C. Total property tax levy amounts	\$ 1,709,975	\$ 1,748,005
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ 1,675,776	
(2) Prior years' levies	33,698	
(3) Total primary property taxes	\$ 1,709,474	
B. Secondary property taxes		
(1) Current year's levy	\$	
(2) Prior years' levies		
(3) Total secondary property taxes	\$	
C. Total property taxes collected	\$ 1,709,474	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	0.2821	0.2699
(2) Secondary property tax rate		
(3) Total city/town tax rate	0.2821	0.2699
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>0</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.

SCHEDULE B

Auditor General Schedules

CITY OF PRESCOTT Revenues Other Than Property Taxes Fiscal Year 2019

SOURCE OF REVENUES	ESTIMATED REVENUES 2018	ACTUAL REVENUES* 2018	ESTIMATED REVENUES 2019
GENERAL FUND			
Local taxes			
Privilege and Use Tax	\$ 15,400,000	\$ 15,800,000	\$ 16,000,000
Franchise Taxes	1,660,000	1,660,000	1,660,000
Intergovernmental			
State	9,241,251	9,241,251	9,434,777
County	3,289,562	3,300,214	3,514,769
Local Jurisdictions	2,547,446	2,270,540	2,009,378
Other Revenues			
Licenses and permits	854,250	1,112,265	1,021,890
Charges for services	1,773,520	2,085,020	1,968,370
Fines and forfeits	418,400	406,284	417,250
Interest on investments	140,300	140,300	100,000
Miscellaneous	42,000	42,400	42,400
Total General Fund	\$ 35,366,729	\$ 36,058,274	\$ 36,168,834
SPECIAL REVENUE FUNDS			
Streets			
Streets Privilege and Use Tax	\$ 14,800,000	\$ 15,800,000	\$ 16,000,000
Intergovernmental - State (Highway Users Rev)	3,461,595	3,461,595	3,702,094
Intergovernmental - County	250,000	653,000	650,000
Charges for services	236,000	420,000	260,000
Interest Earned	20,000	50,000	20,000
Miscellaneous	265,000	290,500	265,000
Total Streets and Open Space Fund	\$ 19,032,595	\$ 20,675,095	\$ 20,897,094
PSPRS Dedicated Tax			
PSPRS Privilege and Use Tax	\$ 6,000,000	\$ 6,000,000	\$ 12,000,000
Total PSPRS Dedicated Tax	\$ 6,000,000	\$ 6,000,000	\$ 12,000,000
Transient Occupancy Tax			
Transient Occupancy Tax	\$ 880,000	\$ 1,000,000	\$ 1,050,000
Miscellaneous	71,000	2,162	1,000
Total Transient Occupancy Tax	\$ 951,000	\$ 1,002,162	\$ 1,051,000
Impact Fee Funds			
Charges for Services	\$ 25,000	\$ 25,000	\$ 25,000
Interest	18,000	8,000	8,000
Total Impact Fee Funds	\$ 43,000	\$ 33,000	\$ 33,000
Grant Funds			
Miscellaneous Grants	\$ 4,293,670	\$ 2,112,663	\$ 5,038,661
Total Grant Funds	\$ 4,293,670	\$ 2,112,663	\$ 5,038,661
Trust Funds			
Gifts and Donations	\$ 50,605	\$ 97,135	\$ 89,595
Interest Earned	5,000	5,000	5,000
Total Gift Trust Fund	\$ 55,605	\$ 102,135	\$ 94,595
Total Special Revenue Funds	\$ 30,375,870	\$ 29,925,055	\$ 39,114,350

* 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.

SCHEDULE C

Auditor General Schedules

CITY OF PRESCOTT Revenues Other Than Property Taxes Fiscal Year 2019

SOURCE OF REVENUES	ESTIMATED REVENUES 2018	ACTUAL REVENUES* 2018	ESTIMATED REVENUES 2019
DEBT SERVICE FUNDS			
Special Assessments	\$ 5,045	\$ 5,392	\$ 5,045
Interest Earned	686	686	531
Total Debt Service Funds	\$ 5,731	\$ 6,078	\$ 5,576
ENTERPRISE FUNDS			
Water			
Intergovernmental	\$ 395,205	\$ 395,205	\$ 203,174
Charges for services	16,997,000	16,997,000	17,330,000
Impact fees	1,076,990	1,076,990	1,143,000
Interest	165,000	165,000	158,000
Miscellaneous	39,500	39,500	39,500
Total Water Funds	\$ 18,673,695	\$ 18,673,695	\$ 18,873,674
Wastewater			
Charges for services	\$ 12,961,000	\$ 12,961,000	\$ 13,311,000
Impact fees	1,088,500	1,088,500	987,500
Interest	100,000	100,000	100,000
Miscellaneous			
Total Wastewater Funds	\$ 14,149,500	\$ 14,149,500	\$ 14,398,500
Solid Waste			
Charges for services	\$ 7,189,100	\$ 7,511,000	\$ 7,505,000
Interest	30,000	10,000	10,000
Miscellaneous	11,600	31,088	23,020
Total Solid Waste Fund	\$ 7,230,700	\$ 7,552,088	\$ 7,538,020
Golf Course			
Charges for services	\$ 3,057,935	\$ 3,167,010	\$ 3,088,937
Miscellaneous	300,000	110,129	300,000
Total Golf Course Fund	\$ 3,357,935	\$ 3,277,139	\$ 3,388,937
Airport			
Intergovernmental - grants	\$ 3,127,700	\$ 966,191	\$ 5,390,809
Charges for services	1,509,840	1,551,205	1,551,524
Miscellaneous	4,700	6,600	5,700
Total Airport Fund	\$ 4,642,240	\$ 2,523,996	\$ 6,948,033
Total Enterprise Funds	\$ 48,054,070	\$ 46,176,418	\$ 51,147,164
INTERNAL SERVICE FUNDS			
Fleet Maintenance	\$ 2,518,764	\$ 2,504,764	\$ 2,330,606
Risk Management	970,000	980,000	1,030,000
Engineering	2,071,499	1,914,738	1,912,889
Facilities Maintenance	1,667,024	1,668,024	1,691,269
Total Internal Service Funds	\$ 7,227,287	\$ 7,067,526	\$ 6,964,764
TOTAL ALL FUNDS	\$ 121,029,687	\$ 119,233,351	\$ 133,400,688

* 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.

SCHEDULE C

Auditor General Schedules

CITY OF PRESCOTT Other Financing Sources/<Uses> and Interfund Transfers Fiscal Year 2019

FUND	OTHER FINANCING 2019		INTERFUND TRANSFERS 2019	
	SOURCES	<USES>	IN	<OUT>
GENERAL FUND				
General Fund	\$	\$	\$ 45,000	\$
Airport				1,774,863
Golf Course				5,637,741
Grants				468,686
Total General Fund	\$	\$	\$ 45,000	\$ 7,881,290
SPECIAL REVENUE FUNDS				
Transient lodging tax	\$	\$	\$	\$ 70,000
Streets				300,000
Grants			718,686	
Total Special Revenue Funds	\$	\$	\$ 718,686	\$ 370,000
ENTERPRISE FUNDS				
Wastewater	\$ 11,100,000	\$	\$ 100,000	\$
Water	3,000,000			50,000
Airport			1,799,863	
Golf Course			5,637,741	
Total Enterprise Funds	\$ 14,100,000	\$	\$ 7,537,604	\$ 50,000
INTERNAL SERVICE FUNDS				
Fleet Maintenance	\$	\$	\$	\$
Total Internal Service Funds	\$	\$	\$	\$
TOTAL ALL FUNDS	\$ 14,100,000	\$	\$ 8,301,290	\$ 8,301,290

SCHEDULE D

Auditor General Schedules

CITY OF PRESCOTT Expenditures/Expenses by Fund Fiscal Year 2019

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2018	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2018	ACTUAL EXPENDITURES/ EXPENSES* 2018	BUDGETED EXPENDITURES/ EXPENSES 2019
GENERAL FUND				
City Council	\$ 43,166	\$	\$ 43,166	\$ 46,895
City Clerk	133,404		131,863	126,263
City Court	637,197		596,099	614,149
City Manager	348,386	169,689	517,539	581,295
Legal	245,393		243,893	268,451
Budget & Finance	481,344		478,920	538,672
Community Development	1,728,854	(54,689)	1,667,439	1,680,334
Recreation Services	3,751,346		3,694,660	3,887,613
Library	2,219,351		2,165,768	2,297,570
Police Department	13,470,672	(3,082,796)	10,381,907	11,299,789
Fire Department	10,873,553	(2,961,517)	7,160,942	9,331,614
Regional Communications	2,931,948		2,343,917	1,864,005
Non-departmental	12,731,390	6,154,313	18,849,291	7,484,406
Total General Fund	\$ 49,596,004	\$ 225,000	\$ 48,275,404	\$ 40,021,056
SPECIAL REVENUE FUNDS				
Streets				
Public Works	\$ 29,875,149	\$	\$ 25,095,577	\$ 33,978,135
Recreation Services	3,979,825		2,191,686	1,978,310
Total Streets	\$ 33,854,974	\$	\$ 27,287,263	\$ 35,956,445
Transient Occupancy Tax				
City Manager	\$ 1,228,848	\$ 30,000	\$ 727,601	\$ 912,267
Recreation Services	130,500	(30,000)	50,500	295,000
Total Transient Occupancy Tax	\$ 1,359,348	\$	\$ 778,101	\$ 1,207,267
Impact Fees				
Fire Department	\$ 75,000	\$ 12,000	\$ 86,887	\$
Recreation Services	161,000	35,000	194,000	
Total Impact Fees	\$ 236,000	\$ 47,000	\$ 280,887	\$
Grants				
City Court	\$ 26,000	\$	\$ 16,000	\$ 26,000
Community Development	505,444		505,444	579,882
Recreation Services				81,000
Library		30,000	28,394	10,136
Police Department	492,838		399,646	811,542
Fire Department	1,164,935		1,099,765	470,991
Public Works				750,000
Non-departmental	2,481,153	(449,000)	73,265	3,027,708
Total Grants	\$ 4,670,370	\$ (419,000)	\$ 2,122,514	\$ 5,757,259
Trust Funds				
City Council	\$ 565	\$	\$	\$
City Manager		2,000	2,000	5,000
Community Development	6,000	2,000	7,520	4,528
Recreation Services	51,763		41,425	69,792
Library	40,494		9,136	100,296
Police Department	56,450		45,783	56,990
Fire Department	16,824	(12,000)	2,302	17,368
Public Works				100
Total Trust Funds	\$ 172,096	\$ (8,000)	\$ 108,166	\$ 254,074

SCHEDULE E

Auditor General Schedules

CITY OF PRESCOTT Expenditures/Expenses by Fund Fiscal Year 2019

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2018	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2018	ACTUAL EXPENDITURES/ EXPENSES* 2018	BUDGETED EXPENDITURES/ EXPENSES 2019
PSPRS Dedicated Tax				
Non-departmental	\$ 6,000,000	\$	\$ 6,000,000	\$ 12,000,000
PSPRS Fund	\$ 6,000,000	\$	\$ 6,000,000	\$ 12,000,000
Total Special Revenue Funds	\$ 46,292,788	\$ (380,000)	\$ 36,576,931	\$ 55,175,045
DEBT SERVICE FUNDS				
Non-departmental	\$ 5,731	\$	\$ 5,731	\$ 5,576
ENTERPRISE FUNDS				
Water				
City Manager	\$ 3,900,784	\$ (3,900,784)	\$	\$
Budget & Finance	219,761		214,724	226,603
Public Works	35,726,863	3,900,784	29,051,748	39,707,305
Total Water	\$ 39,847,408	\$	\$ 29,266,472	\$ 39,933,908
Wastewater				
Public Works	\$ 23,767,061	\$	\$ 17,935,679	\$ 27,766,201
Total Wastewater	\$ 23,767,061	\$	\$ 17,935,679	\$ 27,766,201
Solid Waste				
Public Works	9,069,615		8,503,191	8,928,462
Total Solid Waste	\$ 9,069,615	\$	\$ 8,503,191	\$ 8,928,462
Golf Course				
Recreation Services	\$ 2,098,973	\$	\$ 2,054,186	\$ 1,608,010
Non-Departmental	2,079,141		1,870,228	2,108,932
Total Golf Course	\$ 4,178,114	\$	\$ 3,924,414	\$ 3,716,942
Airport				
Fire Department	\$ 588,393	\$	\$ 530,948	\$ 227,141
Airport	4,771,758		2,477,142	8,520,755
Total Airport	\$ 5,360,151	\$	\$ 3,008,090	\$ 8,747,896
Total Enterprise Funds	\$ 82,222,349	\$	\$ 62,637,846	\$ 89,093,409
INTERNAL SERVICE FUNDS				
Fleet Maintenance				
Recreation Services	\$ 6,065,477	\$ 155,000	\$ 6,219,924	\$ 2,328,817
Risk Management				
Legal	1,090,100		1,090,100	1,090,000
Engineering				
Public Works	2,071,499		1,914,738	1,911,645
Facilities Maintenance				
Recreation Services	1,509,303		1,508,352	1,645,217
Total Internal Service Funds	\$ 10,736,379	\$ 155,000	\$ 10,733,114	\$ 6,975,679
TOTAL ALL FUNDS	\$ 188,853,251	\$	\$ 158,229,026	\$ 191,270,765

* 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.

SCHEDULE E

Auditor General Schedules

CITY OF PRESCOTT Expenditures/Expenses by Department Fiscal Year 2019

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2018	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2018	ACTUAL EXPENDITURES/ EXPENSES* 2018	BUDGETED EXPENDITURES/ EXPENSES 2019
Airport				
Airport	\$ 4,771,758	\$	\$ 2,477,142	\$ 8,520,755
Budget & Finance Total	\$ 4,771,758	\$	\$ 2,477,142	\$ 8,520,755
Budget & Finance				
General Fund	\$ 481,344	\$	\$ 478,920	\$ 538,672
Water	219,761		214,724	226,603
Budget & Finance Total	\$ 701,105	\$	\$ 693,644	\$ 765,275
City Clerk				
General Fund	\$ 133,404	\$	\$ 131,863	\$ 126,263
City Clerk Total	\$ 133,404	\$	\$ 131,863	\$ 126,263
City Council				
General Fund	\$ 43,166	\$	\$ 43,166	\$ 46,895
Trust Funds	565			
City Council Total	\$ 43,731	\$	\$ 43,166	\$ 46,895
City Court				
General Fund	\$ 637,197	\$	\$ 596,099	\$ 614,149
Grant Funds	26,000		16,000	26,000
City Court Total	\$ 663,197	\$	\$ 612,099	\$ 640,149
City Manager				
General Fund	\$ 348,386	\$ 169,689	\$ 517,539	\$ 581,295
Water	3,900,784	(3,900,784)		
Trust Funds		2,000	2,000	5,000
Transient Occupancy Tax	1,228,848	30,000	727,601	912,267
City Manager Total	\$ 5,478,018	\$ (3,699,095)	\$ 1,247,140	\$ 1,498,562
Community Development				
General Fund	\$ 1,728,854	\$ (54,689)	\$ 1,667,439	\$ 1,680,334
Grant Funds	505,444		505,444	579,882
Trust Funds	6,000	2,000	7,520	4,528
Community Development Total	\$ 2,240,298	\$ (52,689)	\$ 2,180,403	\$ 2,264,744
Fire Department				
General Fund	\$ 10,873,553	\$ (2,961,517)	\$ 7,160,942	\$ 9,331,614
Grants	1,164,935		1,099,765	470,991
Impact Fee	75,000	12,000	86,887	
Trust Funds	16,824	(12,000)	2,302	17,368
Airport	588,393		530,948	227,141
Fire Department Total	\$ 12,718,705	\$ (2,961,517)	\$ 8,880,844	\$ 10,047,114
Legal				
General Fund	\$ 245,393	\$	\$ 243,893	\$ 268,451
Risk Management	1,090,100		1,090,100	1,090,000
Legal Total	\$ 1,335,493	\$	\$ 1,333,993	\$ 1,358,451

SCHEDULE F

Auditor General Schedules

CITY OF PRESCOTT Expenditures/Expenses by Department Fiscal Year 2019

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2018	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2018	ACTUAL EXPENDITURES/ EXPENSES* 2018	BUDGETED EXPENDITURES/ EXPENSES 2019
Library				
General Fund	\$ 2,219,351	\$	\$ 2,165,768	\$ 2,297,570
Grants		30,000	28,394	10,136
Trust Funds	40,494		9,136	100,296
Library Total	\$ 2,259,845	\$ 30,000	\$ 2,203,298	\$ 2,408,002
Police Department				
General Fund	\$ 13,470,672	\$ (3,082,796)	\$ 10,381,907	\$ 11,299,789
Grants	492,838		399,646	811,542
Trust Funds	56,450		45,783	56,990
Police Department Total	\$ 14,019,960	\$ (3,082,796)	\$ 10,827,336	\$ 12,168,321
Public Works				
Streets	\$ 29,875,149	\$	\$ 25,095,577	\$ 33,978,135
Grants				750,000
Trust Funds				100
Water	35,726,863	3,900,784	29,051,748	39,707,305
Wastewater	23,767,061		17,935,679	27,766,201
Solid Waste	9,069,615		8,503,191	8,928,462
Engineering	2,071,499		1,914,738	1,911,645
Public Works Total	\$ 100,510,187	\$ 3,900,784	\$ 82,500,933	\$ 113,041,848
Recreation Services				
General Fund	\$ 3,751,346	\$	\$ 3,694,660	\$ 3,887,613
Streets	3,979,825		2,191,686	1,978,310
Transient Occupancy Tax	130,500	(30,000)	50,500	295,000
Impact Fee	161,000	35,000	194,000	
Grant Funds				81,000
Trust Funds	51,763		41,425	69,792
Golf Course	2,098,973		2,054,186	1,608,010
Fleet Services	6,065,477	155,000	6,219,924	2,328,817
Facilities Maintenance	1,509,303		1,508,352	1,645,217
Recreation Services Total	\$ 17,748,187	\$ 160,000	\$ 15,954,733	\$ 11,893,759
Regional Communications				
General Fund	\$ 2,931,948	\$	\$ 2,343,917	\$ 1,864,005
Regional Communications Total	\$ 2,931,948	\$	\$ 2,343,917	\$ 1,864,005
Non-departmental				
General Fund	\$ 12,731,390	\$ 6,154,313	\$ 18,849,291	\$ 7,484,406
Debt Service	5,731		5,731	5,576
Golf (Outsourced Operations)	2,079,141		1,870,228	2,108,932
Grants	2,481,153	(449,000)	73,265	3,027,708
PSPRS Dedicated Tax	6,000,000		6,000,000	12,000,000
Non-department Total	\$ 23,297,415	\$ 5,705,313	\$ 26,798,515	\$ 24,626,622
Total All Departments	\$ 188,853,251	\$	\$ 158,229,026	\$ 191,270,765

* 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.

SCHEDULE F

Auditor General Schedules

CITY OF PRESCOTT Full-Time Employees and Personnel Compensation Fiscal Year 2019

FUND	Full-Time Equivalent (FTE) 2019	Employee Salaries and Hourly Costs 2019	Retirement Costs 2019	Healthcare Costs 2019	Other Benefit Costs 2019	Total Estimated Personnel Compensation 2019
GENERAL FUND	320.30	\$ 20,119,447	\$ 9,398,207	\$ 2,758,603	\$ 1,765,132	\$ 34,041,389
SPECIAL REVENUE FUNDS						
Streets and Open Space	41.80	\$ 2,346,400	\$ 276,866	\$ 405,085	\$ 339,247	\$ 3,367,598
PSPRS Dedicated Tax			12,000,000			12,000,000
Transient Occupancy Tax	1.00	95,731	11,296	14,308	8,330	129,665
Grants	16.50	726,079	104,825	80,785	26,800	938,489
Trust	0.25	11,500			2,000	13,500
Total Special Revenue Funds	59.55	\$ 3,179,710	\$ 12,392,987	\$ 500,178	\$ 376,377	\$ 16,449,252
ENTERPRISE FUNDS						
Water	38.60	\$ 2,284,580	\$ 269,547	\$ 387,399	\$ 223,894	\$ 3,165,420
Wastewater	37.90	2,074,440	244,756	360,450	222,920	2,902,566
Solid Waste	30.60	1,485,733	174,301	277,697	191,682	2,129,413
Golf Course	12.70	559,287	65,996	80,057	54,999	760,339
Airport	13.30	655,832	80,308	83,780	61,058	880,978
Total Enterprise Funds	133.10	\$ 7,059,872	\$ 834,908	\$ 1,189,383	\$ 754,553	\$ 9,838,716
INTERNAL SERVICE FUND						
Fleet Maintenance	10.70	\$ 535,828	\$ 63,228	\$ 91,346	\$ 60,640	\$ 751,042
Engineering	17.60	1,210,773	142,874	151,868	109,292	1,614,807
Facilities Maintenance	8.00	409,360	48,303	65,793	44,045	567,501
Total Internal Service Fund	36.30	\$ 2,155,961	\$ 254,405	\$ 309,007	\$ 213,977	\$ 2,933,350
TOTAL ALL FUNDS	549.25	\$ 32,514,990	\$ 22,880,507	\$ 4,757,171	\$ 3,110,039	\$ 63,262,707
	See Note					

Note:

Full-Time Equivalent (FTE) includes 498.25 FTE permanent employees and estimated 51.00 FTE temporary employees.

SCHEDULE G

Authorized Position Listing

Positions by Department and Division	FTEs			Pay Range			Pay
	FY2017	FY2018	FY2019	Min	Mid	Max	Grade
Airport							
Director of Economic Initiatives	0.25	-	-	Unclassified			
Airport Director	-	-	1.00	Unclassified			
Assistant Airport Director	-	-	1.00	56,555	67,870	79,186	74
Airport Manager	1.00	1.00	-	72,384	86,882	101,358	84
Assistant Airport Manager	-	1.00	-	56,555	67,870	79,186	74
Operations & Maintenance Supervisor	1.00	1.00	1.00	51,230	61,485	71,739	70
Airport Operations and Maint. Coordinator	-	-	1.00	43,098	51,730	60,341	63
Maintenance Specialist	2.00	2.00	1.00	41,018	49,234	57,429	61
Airport Operations Technician	3.00	3.00	3.00	35,381	42,453	49,525	55
Management Analyst	1.00	-	-	48,776	58,510	68,266	68
Secretary	1.00	1.00	1.00	29,765	35,714	41,662	48
Total Airport	9.25	9.00	9.00				
Budget and Finance							
<u>Accounting Services</u>							
Finance Director	1.00	1.00	1.00	Unclassified			
Account Services Manager	1.00	1.00	1.00	65,582	78,707	91,811	80
Payroll Coordinator	-	-	1.00	51,230	61,485	71,739	70
Accountant	1.00	1.00	1.00	48,776	58,510	68,266	68
Payroll Analyst	-	1.00	-	48,776	58,510	68,266	68
Accounts Payable & Purchasing Specialist	1.00	1.00	1.00	36,254	43,514	50,773	56
Accounts Rec. & Assessments Specialist	1.00	1.00	1.00	36,254	43,514	50,773	56
Total Accounting Services	5.00	6.00	6.00				
<u>Budget and Privilege Tax</u>							
Budget & Privilege Tax Manager	1.00	1.00	1.00	65,582	78,707	91,811	80
Privilege Tax Auditor	1.00	1.00	-	48,776	58,510	68,266	68
Tax & Licensing Specialist	-	-	2.00	36,254	43,514	50,773	56
Tax & Licensing Representative	2.00	1.00	-	33,675	40,414	47,133	53
Utility Billing Representative	-	-	1.00	33,675	40,414	47,133	53
Accounting Clerk-Tax	1.00	1.00	-	32,843	39,416	45,989	52
Total Budget and Privilege Tax	5.00	4.00	4.00				
<u>Utility Billing</u>							
Utility Billing Manager	1.00	1.00	1.00	59,426	71,302	83,179	76
Utility Billing Specialist	1.75	1.75	2.75	36,254	43,514	50,773	56
Utility Billing Representative	2.00	3.00	2.00	33,675	40,414	47,133	53
Total Utility Billing	4.75	5.75	5.75				
Total Budget and Finance	14.75	15.75	15.75				
City Clerk							
City Clerk	1.00	1.00	1.00	Unclassified			
Deputy City Clerk	1.00	1.00	1.00	49,982	59,987	69,971	69
City Clerk Specialist	-	-	1.00	40,019	48,027	56,035	60
Administrative Specialist	0.75	0.75	-	33,675	40,414	47,133	53
Secretary	0.50	-	-	29,765	35,714	41,662	48
Total City Clerk	3.25	2.75	3.00				
City Council							
Mayor	1.00	1.00	1.00	9,000	9,000	9,000	
Councilman	6.00	6.00	6.00	6,000	6,000	6,000	
Total City Council	7.00	7.00	7.00				
City Court							
Business Manager	1.00	1.00	1.00	40,019	48,027	56,035	60
Court Clerk	5.00	5.00	6.00	31,262	37,523	43,784	50
Total City Court	6.00	6.00	7.00				

Authorized Position Listing

Positions by Department and Division	FTEs			Pay Range			Pay
	FY2017	FY2018	FY2019	Min	Mid	Max	Grade
City Manager							
<u>City Manager's Office</u>							
City Manager	1.00	1.00	1.00	Unclassified			
Deputy City Manager	1.00	-	-	Unclassified			
Community Outreach Manager	1.00	-	-	63,981	76,794	89,586	79
Assistant to City Manager	-	-	0.75	53,830	64,605	75,358	72
Special Projects Coordinator	-	1.00	-	49,982	59,987	69,971	69
Executive Assistant	-	1.00	1.00	38,106	45,718	53,331	58
Management Analyst	1.00	-	-	48,776	58,510	68,266	68
Total City Manager's Office	4.00	3.00	2.75				
<u>Community Outreach & Tourism</u>							
Director of Economic Initiatives	0.75	-	-	Unclassified			
Tourism Manager	1.00	-	-	68,910	82,680	96,470	82
Community Outreach Manager	-	1.00	1.00	63,981	76,794	89,586	79
Economic Development Coordinator	1.00	1.00	1.00	41,018	49,234	57,429	61
Sales & Marketing Coordinator	-	1.00	1.00	41,018	49,234	57,429	61
Tourism Sales Manager	1.00	-	-	48,776	58,510	68,266	68
Total Community Outreach & Tourism	3.75	3.00	3.00				
<u>Human Resources</u>							
Human Resources Director	1.00	1.00	1.00	Unclassified			
Human Resources Analyst	1.00	1.00	1.00	59,426	71,302	83,179	76
Senior Human Resource Specialist	-	1.00	1.00	45,282	54,350	63,398	65
Human Resources Specialist	1.00	1.00	1.00	39,042	46,862	54,662	59
Human Resources Assistant	1.00	1.00	1.00	35,381	42,453	49,525	55
HR/Payroll Budget & Systems Analyst	1.00	-	-	48,776	58,510	68,266	68
Payroll Specialist	1.00	-	-	45,282	54,350	63,398	65
Total Human Resources	6.00	5.00	5.00				
<u>Information Technology</u>							
Director of Information Technology	1.00	1.00	1.00	Unclassified			
GIS Coord\Historic Preservation	0.50	0.50	0.50	60,902	73,091	85,259	77
Network Engineer	3.00	3.00	3.00	56,555	67,870	79,186	74
Help Desk Manager	1.00	1.00	1.00	56,555	67,870	79,186	74
Wireless Communication Technician	1.00	1.00	1.00	56,555	67,870	79,186	74
Web Development Specialist	1.00	1.00	1.00	46,426	55,702	64,979	66
IT Database Administrator	-	-	1.00	55,182	66,206	77,251	73
IT Specialist	2.00	2.00	1.00	48,776	58,510	68,266	68
IT Technician	1.00	1.00	1.00	46,426	55,702	64,979	66
GIS Specialist	1.00	1.00	1.00	48,776	58,510	68,266	68
Help Desk Technician	3.00	3.00	3.00	42,058	50,461	58,864	62
Total Information Technology	14.50	14.50	14.50				
<u>Neighborhood Services</u>							
Assistant to City Manager	-	-	0.25	53,830	64,605	75,358	72
Chief Code Compliance Officer	1.00	1.00	-	52,520	63,024	73,528	71
Code Compliance Inspector	-	-	2.00	43,098	51,730	60,341	63
Secretary	-	1.00	-	29,765	35,714	41,662	48
Total Code Compliance	1.00	2.00	2.25				
Total City Manager	29.25	27.50	27.50				

Authorized Position Listing

Positions by Department and Division	FTEs			Pay Range			Pay
	FY2017	FY2018	FY2019	Min	Mid	Max	Grade
Community Development							
<u>Administration/Planning and Zoning</u>							
Community Development Director	0.50	0.50	0.50	Unclassified			
Planning Manager	1.00	1.00	1.00	68,910	82,680	96,470	82
Planner	1.00	1.00	1.00	51,230	61,485	71,739	70
GIS Coord/Historic Preservation	0.50	0.50	0.50	60,902	73,091	85,259	77
CDBG Admin/Com Dev Coordinator	-	-	1.00	46,426	55,702	64,979	66
Administrative Specialist	1.00	1.00	-	33,675	40,414	47,133	53
Total Administration/Planning and Zoning	4.00	4.00	4.00				
<u>Building Safety</u>							
Community Development Director	0.50	0.50	0.50	Unclassified			
Chief Building Official	1.00	1.00	1.00	63,981	76,794	89,586	79
Plans Examiner/Building Inspector	3.00	3.00	3.00	45,282	54,350	63,398	65
Building Inspector	2.00	3.00	2.00	43,098	51,730	60,341	63
Permit Technician	1.00	2.00	2.00	31,262	37,523	43,784	50
Plans Examiner/Building Fire Inspector	-	1.00	2.00	45,282	54,350	63,398	65
Total Building Safety	7.50	10.50	10.50				
Total Community Development	11.50	14.50	14.50				
Fire Department							
<u>Administration</u>							
Fire Chief	1.00	1.00	1.00	Unclassified			
Business Manager	1.00	1.00	1.00	40,019	48,027	56,035	60
Total Administration	2.00	2.00	2.00				
<u>Community Risk Reduction</u>							
Division Chief/Battalion Chief	1.00	1.00	1.00	76,066	91,270	106,475	86
Plans Examiner	1.00	-	-	46,426	55,702	64,979	66
Fire Inspector	1.00	-	-	43,098	51,730	60,341	63
Fuels Management Coordinator	1.00	1.00	1.00	36,254	43,514	50,773	56
Fuel Reduction Technician	2.00	2.00	2.00	34,507	41,413	48,318	54
Secretary	1.00	-	-	29,765	35,714	41,662	48
Total Community Risk Reduction	7.00	4.00	4.00				
<u>Emergency Services</u>							
Division Chief/Battalion Chief	3.00	3.00	3.00	79,200	95,032	110,863	86F
Fire Captain	15.00	15.00	15.00	67,565	81,096	94,605	78F
Fire Engineer	18.00	18.00	18.00	56,849	68,218	79,588	71F
Firefighter	21.00	21.00	21.00	47,820	57,389	66,957	64F
Total Suppression	57.00	57.00	57.00				
<u>Fire Professional Services</u>							
Division Chief/Battalion Chief	1.00	1.00	1.00	76,066	91,270	106,475	86
Administrative Specialist	1.00	1.00	1.00	33,675	40,414	47,133	53
Total Fire Professional Services	2.00	2.00	2.00				
Total Fire Department	68.00	65.00	65.00				
Legal							
City Attorney	1.00	1.00	1.00	Unclassified			
Deputy City Attorney	1.00	1.00	1.00	86,050	103,272	120,474	91
Senior Assistant City Attorney	-	1.00	1.00	79,914	95,888	111,883	88
Assistant City Attorney	2.00	1.00	1.00	72,384	86,882	101,358	84
Legal Services Administrator	1.00	-	-	72,384	86,882	101,358	84
Paralegal	-	1.00	1.00	39,042	46,862	54,662	59
Legal Secretary	2.50	2.00	2.00	33,675	40,414	47,133	53
Risk Management Technician	1.00	1.00	1.00	34,507	41,413	48,318	54
Total Legal	8.50	8.00	8.00				

Authorized Position Listing

Positions by Department and Division	FTEs			Pay Range			Pay
	FY2017	FY2018	FY2019	Min	Mid	Max	Grade
Library							
<u>Public Services</u>							
Library Director	1.00	1.00	1.00	Unclassified			
Library Manager, Public Services	1.00	1.00	1.00	63,981	76,794	89,586	79
Lead Librarian	2.00	2.00	2.00	51,230	61,485	71,739	70
Librarian	5.00	4.00	5.00	46,426	55,702	64,979	66
Librarian Trainee	-	1.00	-	46,426	55,702	64,979	66
Library Specialist	2.00	2.00	2.00	33,675	40,414	47,133	53
Library Assistant	4.50	4.50	4.50	29,037	34,840	40,643	47
Total Public Services	15.50	15.50	15.50				
<u>Support Services</u>							
Library Manager, Support Services	1.00	1.00	1.00	57,970	69,555	81,162	75
Librarian	1.00	1.00	1.00	46,426	55,702	64,979	66
Library Assistant	2.00	2.00	2.00	29,037	34,840	40,643	47
Maintenance Technician	1.00	1.00	1.00	35,381	42,453	49,525	55
Custodian	1.00	1.00	1.00	25,043	30,035	35,048	41
Total Support Services	6.00	6.00	6.00				
Total Library	21.50	21.50	21.50				
Police Department							
<u>Administration</u>							
Police Chief	1.00	1.00	1.00	Unclassified			
Deputy Police Chief	0.60	1.00	1.00	Unclassified			
Business Manager	1.00	1.00	1.00	40,019	48,027	56,035	60
Victim Advocate	1.00	1.00	2.00	35,381	42,453	49,525	55
Total Administration	3.60	4.00	5.00				
<u>Operations Bureau</u>							
Police Lieutenant	1.00	1.00	1.00	76,066	91,270	106,475	86
Police Sergeant	8.00	8.00	8.00	62,421	74,922	87,402	78
Police Officer	46.00	48.00	49.00	47,570	57,096	66,602	67
Parking Control Monitor	1.00	1.00	1.00	32,843	39,416	45,989	52
Animal Control Supervisor	1.00	1.00	1.00	36,254	43,514	50,773	56
Animal Control Officer	1.00	1.00	1.00	32,843	39,416	45,989	52
Station Coordinator	0.50	0.50	0.50	33,675	40,414	47,133	53
Community Services Specialist	-	1.00	1.00	33,675	40,414	47,133	53
Secretary	0.50	0.50	0.50	29,765	35,714	41,662	48
Total Operations Bureau	59.00	62.00	63.00				
<u>Support Bureau</u>							
Police Lieutenant	1.00	1.00	1.00	76,066	91,270	106,475	86
Police Sergeant	1.00	1.00	1.00	62,421	74,922	87,402	78
Police Officer	9.00	7.00	9.00	47,570	57,096	66,602	67
Secretary	1.00	1.00	1.00	29,765	35,714	41,662	48
Property & Evidence Technician-CSI	1.00	1.00	1.00	42,058	50,461	58,864	62
Property & Evidence Technician	-	1.00	1.00	39,042	46,862	54,662	59
Public Safety Specialist	0.50	-	-	30,514	36,608	42,702	49
Administrative Services Specialist	1.00	1.00	1.00	38,106	45,718	53,331	58
Police Records Supervisor	1.00	1.00	1.00	51,230	61,485	71,739	70
Police Records Clerk	4.00	3.00	3.00	33,675	40,414	47,133	53
Police Services Coordinator	1.00	-	-	32,053	38,459	44,866	51
Total Support Bureau	20.50	17.00	19.00				
Total Police Department	83.10	83.00	87.00				

Authorized Position Listing

Positions by Department and Division	FTEs			Pay Range			Pay
	FY2017	FY2018	FY2019	Min	Mid	Max	Grade
Public Works							
<u>Engineering</u>							
Public Works Director	0.30	0.16	-	Unclassified			
City Engineer	0.70	0.70	1.00	79,914	95,888	111,883	88
Civil Drainage Engineer	1.00	1.00	1.00	68,910	82,680	96,470	82
Development Services Facilitator	-	-	0.40	57,970	69,555	81,162	75
Program Development Manager	0.40	0.40	-	79,914	95,888	111,883	88
Construction Services Coordinator	-	-	1.00	70,637	84,760	98,883	83
Capital Project Manager	5.00	5.00	4.00	67,226	80,662	94,120	81
Public Works Analyst	0.20	0.20	-	55,182	66,206	77,251	73
Administrative Assistant	0.40	0.16	-	35,381	42,453	49,525	55
Secretary	0.20	0.16	-	29,765	35,714	41,662	48
Contract Specialist	0.80	0.32	-	41,018	49,234	57,429	61
Development Coordinator/Records Control	0.10	0.10	1.00	37,170	44,595	52,042	57
Senior Engineering Technician	-	-	1.00	51,230	61,485	71,739	70
Development Review Supervisor	1.00	1.00	-	51,230	61,485	71,739	70
Engineering Technician	1.00	1.00	1.00	43,098	51,730	60,341	63
Permit Technician/Plans Examiner	1.00	1.00	1.00	37,170	44,595	52,042	57
Pavement & Sidewalk Program Manager	-	1.00	1.00	56,555	67,870	79,186	74
Construction Inspection Supervisor	1.00	1.00	1.00	51,230	61,485	71,739	70
Construction Lead Inspector	1.00	1.00	-	46,426	55,702	64,979	66
Building Inspector	-	-	1.00	43,098	51,730	60,341	63
Construction Inspector	5.00	5.00	5.00	43,098	51,730	60,341	63
Environmental Coordinator	1.00	1.00	1.00	51,230	61,485	71,739	70
CADD Engineering Specialist	1.00	1.00	1.00	46,426	55,702	64,979	66
Real Property Specialist	1.00	1.00	1.00	56,555	67,870	79,186	74
Registered Land Surveyor	1.00	1.00	1.00	51,230	61,485	71,739	70
Total Engineering	23.10	23.20	23.40				
<u>Utilities</u>							
Public Works Director	0.70	0.36	0.50	Unclassified			
City Engineer	0.30	0.30	-	79,914	95,888	111,883	88
Senior Engineer	-	-	0.67	72,384	86,882	101,358	84
Civil Utility Engineer	1.00	1.00	-	68,910	82,680	96,470	82
Development Services Facilitator	-	-	0.60	57,970	69,555	81,162	75
Program Development Manager	0.60	0.60	-	79,914	95,888	111,883	88
Utilities Manager	1.00	1.00	1.00	79,914	95,888	111,883	88
Water Resource Manager	0.40	-	-	67,226	80,662	94,120	81
Admin Support Services Manager	-	-	0.50	72,384	86,882	101,358	84
Public Works Analyst	0.80	0.40	-	55,182	66,206	77,251	73
Senior Infrastructure Analyst	1.00	1.00	1.00	70,637	84,760	98,883	83
Development Coordinator/Records Control	0.20	0.20	-	37,170	44,595	52,042	57
Administrative Assistant	0.60	0.36	0.50	35,381	42,453	49,525	55
Secretary	1.80	1.36	1.50	29,765	35,714	41,662	48
Administrative Specialist	2.00	2.00	2.00	33,675	40,414	47,133	53
Contract Specialist	1.20	0.72	1.00	41,018	49,234	57,429	61
Water Superintendent	1.00	1.00	1.00	60,902	73,091	85,259	77
Water Operations Supervisor	-	-	2.00	52,520	63,024	73,528	71
Water Distribution Supervisor	1.00	1.00	-	52,520	63,024	73,528	71
Water Production Supervisor	1.00	1.00	-	52,520	63,024	73,528	71
Wastewater Superintendent	1.00	1.00	1.00	60,902	73,091	85,259	77
Wastewater Collection Supervisor	1.00	1.00	1.00	52,520	63,024	73,528	71
WW Treatment Plant Operations Supv.	2.00	2.00	2.00	52,520	63,024	73,528	71
Senior WW Treatment Plant Operator	1.00	2.00	2.00	45,282	54,350	63,398	65
Wastewater Treatment Plant Operator	8.00	5.00	5.00	43,098	51,730	60,341	63
WWTP Lab Tech/Relief Operator	1.00	1.00	1.00	43,098	51,730	60,341	63
Senior Utility Worker	11.00	11.00	11.00	38,106	45,718	53,331	58
City of Prescott, Arizona		294		Annual Budget FY2019			

Authorized Position Listing

Positions by Department and Division	FTEs			Pay Range			Pay
	FY2017	FY2018	FY2019	Min	Mid	Max	Grade
Utility Worker	17.00	19.00	19.00	34,507	41,413	48,318	54
Water Operator	6.00	6.00	5.00	40,019	48,027	56,035	60
Maintenance Specialist	4.00	4.00	5.00	41,018	49,234	57,429	61
Water Protection Specialist	1.00	1.00	1.00	41,018	49,234	57,429	61
Water Protection Inspector	1.00	1.00	1.00	39,042	46,862	54,662	59
Total Utilities	68.60	66.30	66.27				
<u>Water Resource Management</u>							
Regional Programs Director	1.00	1.00	-	Unclassified			
Water Resource Manager	0.60	1.00	1.00	67,226	80,662	94,120	81
Water Resource Coordinator	1.00	1.00	1.00	45,282	54,350	63,398	65
Total Water Resource Management	2.60	3.00	2.00				
<u>Solid Waste</u>							
Field & Facilities Director	0.40	-	-	Unclassified			
Public Works Director	-	0.20	0.25	Unclassified			
Traffic Engineer	-	-	0.50	79,914	95,888	111,883	88
Admin Support Services Manager	-	-	0.25	72,384	86,882	101,358	84
Public Works Analyst	-	0.20	-	55,182	66,206	77,251	73
Administrative Assistant	-	0.20	0.25	35,381	42,453	49,525	55
Contract Specialist	0.40	0.40	0.50	41,018	49,234	57,429	61
Secretary	-	0.20	0.25	29,765	35,714	41,662	48
Solid Waste Superintendent	1.00	1.00	1.00	59,426	71,302	83,179	76
Solid Waste Supervisor	2.00	2.00	2.00	51,230	61,485	71,739	70
Senior Equipment Operator	3.00	3.00	3.00	40,019	48,027	56,035	60
Equipment Operator	13.00	13.00	13.00	37,170	44,595	52,042	57
Equipment Mechanic	-	-	1.00	39,042	46,862	54,662	59
Equipment Service Technician	1.00	1.00	-	36,254	43,514	50,773	56
Maintenance Worker	5.00	5.00	5.00	29,037	34,840	40,643	47
Business Manager	0.40	0.50	0.50	40,019	48,027	56,035	60
Fee Booth Attendant	-	-	1.00	29,765	35,714	41,662	48
Accounting Clerk	2.00	2.00	1.50	29,765	35,714	41,662	48
Total Solid Waste	28.20	28.70	30.00				
<u>Street Maintenance</u>							
Field & Facilities Director	0.40	-	-	Unclassified			
Public Works Director	-	0.28	0.25	Unclassified			
Admin Support Services Manager	-	-	0.25	72,384	86,882	101,358	84
Public Works Analyst	-	0.20	-	55,182	66,206	77,251	73
Administrative Assistant	-	0.28	0.25	35,381	42,453	49,525	55
Secretary	-	0.28	0.25	29,765	35,714	41,662	48
Contract Specialist	0.20	0.56	0.50	41,018	49,234	57,429	61
Accounting Clerk	1.00	1.00	0.50	29,765	35,714	41,662	48
Business Manager	0.40	0.50	0.50	40,019	48,027	56,035	60
Senior Engineer	-	-	0.33	72,384	86,882	101,358	84
Streets Maintenance Superintendent	1.00	1.00	1.00	59,426	71,302	83,179	76
Streets Maintenance Supervisor	3.00	2.00	2.00	51,230	61,485	71,739	70
Equipment Service Technician	2.00	2.00	2.00	38,106	45,718	53,331	58
Senior Equipment Operator	3.00	3.00	3.00	40,019	48,027	56,035	60
Equipment Operator	15.00	15.00	15.00	37,170	44,595	52,042	57
Traffic Control Worker	2.00	2.00	2.00	37,170	44,595	52,042	57
Maintenance Worker	2.00	2.00	2.00	29,037	34,840	40,643	47
Traffic Engineer	1.00	1.00	0.50	79,914	95,888	111,883	88
Traffic Engineering Technician	1.00	1.00	1.00	43,098	51,730	60,341	63
Traffic Signal Supervisor	1.00	1.00	1.00	55,182	66,206	77,251	73
Traffic Signal Specialist	2.00	2.00	2.00	44,179	53,019	61,859	64
Development Coordinator/Records Control	0.70	0.70	-	37,170	44,595	52,042	57
Total Street Maintenance	35.70	35.80	34.33				
Total Public Works	158.20	157.00	156.00				

Authorized Position Listing

Positions by Department and Division	FTEs			Pay Range			Pay
	FY2017	FY2018	FY2019	Min	Mid	Max	Grade
Recreation Services							
<u>Parks, Lakes, Trails, and Landscape Maintenance</u>							
Recreation Director	1.00	1.00	1.00	Unclassified			
Maintenance Superintendent	1.00	1.00	1.00	59,426	71,302	83,179	76
Recreation Services Supervisor	1.00	1.00	1.00	48,776	58,510	68,266	68
Maintenance Coordinator	1.00	1.00	1.00	40,019	48,027	56,035	60
Landscape Coordinator	1.00	1.00	1.00	40,019	48,027	56,035	60
Turf & Irrigation Coordinator	1.00	1.00	-	40,019	48,027	56,035	60
Turf & Irrigation Specialist	-	-	1.00	37,170	44,595	52,042	57
Trails/Natural Parklands Coordinator	1.00	1.00	1.00	40,019	48,027	56,035	60
Equipment Mechanic	2.00	2.00	2.00	39,042	46,862	54,662	59
Community Services Program Supervisor	-	-	1.00	36,254	43,514	50,773	56
Community Services Work Monitor	2.00	2.00	1.00	30,514	36,608	42,702	49
Maintenance Worker	3.00	3.00	3.00	29,037	34,840	40,643	47
Maintenance Technician	3.00	3.00	3.00	35,381	42,453	49,525	55
Grounds Superintendent	1.00	1.00	1.00	56,555	67,870	79,186	74
Assistant Grounds Superintendent	2.00	2.00	2.00	46,426	55,702	64,979	66
Service Technician	1.00	1.00	1.00	32,843	39,416	45,989	52
Irrigation Technician	1.00	1.00	2.00	35,381	42,453	49,525	55
Groundskeeper	3.00	3.00	2.00	29,037	34,840	40,643	47
Total Parks, Lakes, Trails, and Landscape	25.00	25.00	25.00				
<u>Recreation Programming</u>							
Recreation Supervisor	1.00	1.00	1.00	56,555	67,870	79,186	74
Recreation Coordinator	2.00	2.00	2.00	40,019	48,027	56,035	60
Administrative Coordinator	1.00	1.00	1.00	37,170	44,595	52,042	57
Administrative Specialist	1.00	1.00	1.00	33,675	40,414	47,133	53
Total Recreation Programming	5.00	5.00	5.00				
<u>Facilities Management</u>							
Field & Facilities Director	0.10	-	-	Unclassified			
Facilities Manager	1.00	1.00	1.00	59,426	71,302	83,179	76
Facilities Maintenance Superintendent	1.00	1.00	1.00	59,426	71,302	83,179	76
Maintenance Specialist	2.00	2.00	2.00	41,018	49,234	57,429	61
Facilities Coordinator	1.00	1.00	1.00	40,019	48,027	56,035	60
Custodian	2.00	2.00	2.00	25,043	30,035	35,048	41
Business Manager	0.10	-	-	40,019	48,027	56,035	60
Administrative Coordinator	-	-	0.10	37,170	44,595	52,042	57
Secretary	0.10	0.10	-	29,765	35,714	41,662	48
Contract Specialist	0.15	0.50	0.50	41,018	49,234	57,429	61
Total Facilities Management	7.45	7.60	7.60				
<u>Fleet Services</u>							
Field & Facilities Director	0.10	-	-	Unclassified			
Fleet Manager	1.00	1.00	1.00	59,426	71,302	83,179	76
Fleet Maintenance Supervisor	1.00	1.00	1.00	51,230	61,485	71,739	70
Senior Equipment Mechanic	-	1.00	1.00	42,058	50,461	58,864	62
Equipment Mechanic	5.00	4.00	4.00	39,042	46,862	54,662	59
Parts and Service Specialist	1.00	1.00	1.00	39,042	46,862	54,662	59
Business Manager	0.10	-	-	40,019	48,027	56,035	60
Administrative Coordinator	-	-	0.90	37,170	44,595	52,042	57
Secretary	0.90	0.90	-	29,765	35,714	41,662	48
Contract Specialist	0.25	0.50	0.50	41,018	49,234	57,429	61
Total Fleet Services	9.35	9.40	9.40				
Total Recreation Services	46.80	47.00	47.00				

Authorized Position Listing

Positions by Department and Division	FTEs			Pay Range			Pay
	FY2017	FY2018	FY2019	Min	Mid	Max	Grade
Regional Communications							
Deputy Police Chief	0.40	-	-		Unclassified		
Police Lieutenant	-	1.00	1.00	76,066	91,270	106,475	86
PRCC Manager	1.00	1.00	1.00	59,426	71,302	83,179	76
Administrative Supervisor	1.00	-	-	41,018	49,234	57,429	61
Communications Specialist Supervisor	4.00	4.00	4.00	45,282	54,350	63,398	65
Communications Specialist	24.00	24.00	24.00	39,042	46,862	54,662	59
Total Regional Communications	30.40	30.00	30.00				
Total City-wide Authorized	497.50	494.00	498.25				

Authorized Pay Grade Ranges

Pay Grade	Annual Minimum	Annual Midpoint	Annual Maximum	Pay Grade	Annual Minimum	Annual Midpoint	Annual Maximum
20	14,913.60	17,888.00	20,862.40	68	48,776.00	58,510.40	68,265.60
21	15,288.00	18,324.80	21,382.40	69	49,982.40	59,987.20	69,971.20
22	15,662.40	18,803.20	21,923.20	70	51,230.40	61,484.80	71,739.20
23	16,057.60	19,260.80	22,464.00	71	52,520.00	63,024.00	73,528.00
24	16,452.80	19,739.20	23,025.60	72	53,830.40	64,604.80	75,358.40
25	16,868.80	20,238.40	23,608.00	73	55,182.40	66,206.40	77,251.20
26	17,284.80	20,758.40	24,211.20	74	56,555.20	67,870.40	79,185.60
27	17,721.60	21,257.60	24,814.40	75	57,969.60	69,555.20	81,161.60
28	18,158.40	21,798.40	25,417.60	76	59,425.60	71,302.40	83,179.20
29	18,616.00	22,339.20	26,062.40	77	60,902.40	73,091.20	85,259.20
30	19,073.60	22,900.80	26,707.20	78	62,420.80	74,921.60	87,401.60
31	19,552.00	23,462.40	27,372.80	79	63,980.80	76,793.60	89,585.60
32	20,051.20	24,065.60	28,059.20	80	65,582.40	78,707.20	91,811.20
33	20,550.40	24,668.80	28,766.40	81	67,225.60	80,662.40	94,120.00
34	21,070.40	25,272.00	29,494.40	82	68,910.40	82,680.00	96,470.40
35	21,590.40	25,916.80	30,222.40	83	70,636.80	84,760.00	98,883.20
36	22,131.20	26,561.60	30,971.20	84	72,384.00	86,881.60	101,358.40
37	22,672.00	27,227.20	31,761.60	85	74,193.60	89,044.80	103,875.20
38	23,254.40	27,892.80	32,552.00	86	76,065.60	91,270.40	106,475.20
39	23,836.80	28,600.00	33,363.20	87	77,958.40	93,558.40	109,137.60
40	24,419.20	29,307.20	34,195.20	88	79,913.60	95,888.00	111,883.20
41	25,043.20	30,035.20	35,048.00	89	81,910.40	98,280.00	114,670.40
42	25,667.20	30,804.80	35,921.60	90	83,948.80	100,755.20	117,540.80
43	26,312.00	31,574.40	36,816.00	91	86,049.60	103,272.00	120,473.60
44	26,956.80	32,364.80	37,752.00	92	88,212.80	105,851.20	123,489.60
45	27,643.20	33,155.20	38,688.00	93	90,417.60	108,492.80	126,568.00
46	28,329.60	33,987.20	39,665.60	94	92,664.00	111,196.80	129,729.60
47	29,036.80	34,840.00	40,643.20	95	94,993.60	113,984.00	132,974.40
48	29,764.80	35,713.60	41,662.40	96	97,364.80	116,833.60	136,302.40
49	30,513.60	36,608.00	42,702.40	97	99,798.40	119,745.60	139,713.60
50	31,262.40	37,523.20	43,784.00	98	102,294.40	122,740.80	143,208.00
51	32,052.80	38,459.20	44,865.60	99	104,852.80	125,819.20	146,785.60
52	32,843.20	39,416.00	45,988.80	100	107,473.60	128,960.00	150,467.20
53	33,675.20	40,414.40	47,132.80	101	110,156.80	132,184.00	154,211.20
54	34,507.20	41,412.80	48,318.40	102	112,902.40	135,491.20	158,080.00
55	35,380.80	42,452.80	49,524.80	103	115,731.20	138,881.60	162,032.00
56	36,254.40	43,513.60	50,772.80	104	118,622.40	142,355.20	166,067.20
57	37,169.60	44,595.20	52,041.60	105	121,596.80	145,912.00	170,227.20
58	38,105.60	45,718.40	53,331.20	106	124,633.60	149,552.00	174,491.20
59	39,041.60	46,862.40	54,662.40	107	127,753.60	153,296.00	178,838.40
60	40,019.20	48,027.20	56,035.20	108	130,936.00	157,123.20	183,310.40
61	41,017.60	49,233.60	57,428.80	109	134,222.40	161,054.40	187,907.20
62	42,057.60	50,460.80	58,864.00	110	137,571.20	165,089.60	192,608.00
63	43,097.60	51,729.60	60,340.80				
64	44,179.20	53,019.20	61,859.20	64F	47,820.34	57,388.91	66,957.49
65	45,281.60	54,350.40	63,398.40	71F	56,848.57	68,218.29	79,588.00
66	46,425.60	55,702.40	64,979.20	78F	67,565.37	81,096.46	94,605.03
67	47,569.60	57,096.00	66,601.60	86F	79,200.17	95,031.54	110,862.91

Glossary of Terms

Accrual Basis - A basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent.

Actual - Actual, as used in the fund summaries and department and division summaries within the budget document, represents the actual costs results of operations. This category is presented on a GAAP basis, with the exception that depreciation and amortization are not budgeted and principal payments on debt in the enterprise funds are budgeted as expenses.

Adopted Budget - Formal action made by City Council which sets the spending limits for the fiscal year.

Appropriation - An authorization granted by the City Council to make expenditures and to incur obligations for purposes specified in the Appropriation Ordinance.

ARFF – Airport Rescue Fire Fighting

Assessed Valuation - A value placed upon real estate or other property by the County Assessor and the State as a basis for levying ad valorem property taxes.

Asset - Resources owned or held by a government which has monetary value.

ASRS – Arizona State Retirement System – all civilian employees in the City of Prescott contribute to this statewide retirement system.

Authorized Positions - Employee positions, which are authorized in the adopted budget, to be filled during the year.

Balanced Budget - Arizona State law requires a “balanced” budget, which is “all-inclusive”. Arizona State Revised Statute (42-17151) defines a “balanced” budget as follows:

“Fix, levy and assess the amount to be raised from primary property taxation and secondary property taxation. This amount, plus all other sources of revenue, as estimated, and unencumbered balances from the preceding fiscal year, shall equal the total of amounts proposed to be spent in the budget for the current fiscal year.”

Base Budget Allowances - Ongoing expense for personnel, commodities, and contractual services.

Beginning Balance - The beginning balance is the residual funds brought forward from the previous fiscal year (ending balance).

Bond Refinancing - The payoff and re-issuance of bonds, to obtain better interest rates and/or bond conditions.

Bonds - Bonds are debt instruments which require repayment of a specified principal amount on a certain date (maturity date), together with interest at a stated rate, or according to a formula for determining the interest rate.

Budget - A budget is a plan of financial operation embodying an estimate of proposed expenditures and the means of financing them.

Budget Basis - This refers to the basis of accounting used to estimate financing sources and uses in the budget. This generally takes one of three forms: GAAP, cash, or modified accrual.

Budget Calendar - The schedule of key dates which a government follows in the preparation and adoption of the budget.

Glossary of Terms

Budgetary Control - The control or management of a government in accordance with the approved budget for the purpose of keeping expenditures within the limitations of available appropriations and resources.

C.Y.M.P.O. - Central Yavapai Metropolitan Planning Organization

CAFR – Comprehensive Annual Financial Report – the audited financial statement for the City.

Capital Assets - Assets of significant value and having a useful life of several years. Capital assets are also called fixed assets.

Capital Improvements - Expenditures related to the acquisition, expansion or rehabilitation of an element of the government's physical plant; sometimes referred to as infrastructure.

Capital Improvement Program (CIP) - A plan for capital outlay to be incurred each year over a fixed number of years to meet capital needs arising from the government's long-term needs.

Capital Project - Major construction, acquisition, or renovation activities which add value to a government's physical assets or significantly increase their useful life. Also called capital improvements.

Capital Outlay - Items costing more than \$5,000 and having a useful life of more than one year are defined as capital outlay.

Carryover - Any equipment, contractual, commodity, or capital project that has been previously approved by the Mayor and Council but for various reasons has not been implemented on schedule. Under the State laws and generally accepted accounting principles only those costs relating to work actually done on or before the last day of the fiscal year can be reflected on the financial statements of that fiscal year. To avoid having to charge the project costs estimated to be incurred in a subsequent fiscal year as an unbudgeted item for that year and, therefore, a violation of State budget law, such project and the associated projected costs are included in the subsequent year's budget.

Cash Basis - A basis of accounting in which transactions are recognized only when cash is increased or decreased.

Commodities - Expendable items used by operating or construction activities. Examples include office supplies, repair and replacement parts for equipment, fuels and lubricants, etc.

Community Development Block Grant (CDBG) - Grant funds allocated by the Federal Government to the City of Prescott to use for the prevention and removal of slum and blight, and to benefit low and moderate income persons. The City of Prescott disburses these funds via an application process open to all non-profit organizations and City of Prescott departments.

Compression - A problem that occurs when, due to market conditions, the bottom of the pay range moves up more rapidly than salaries of the incumbents.

Consumer Price Index (CPI) - A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in the cost of living (i.e., economic inflation).

Contingency - An appropriation of funds to cover unforeseen events that occur during the fiscal year, such as flood emergencies, Federal mandates, shortfalls in revenue and similar eventualities.

Contractual Services - Contractual Services are services provided to the City by firms, individuals, or other City departments.

Glossary of Terms

Cost Center - An organizational budget/operating unit within each City division or department.

Cost-of-living Adjustment (COLA) - An increase in salaries to offset the adverse effect of inflation on compensation.

D.A.R.E. - Drug Abuse Resistance Education

Debt Service - Payment of interest and principal on an obligation resulting from the issuance of bonds and/or lease purchase contracts.

Deficit - The excess of an entity's liabilities over its assets or the excess of expenditures or expenses over revenues during a single accounting period.

Department - A major administrative division of the City which indicates overall management responsibility for an operation or group of related operations within a functional area.

Depreciation - An accrual accounting method of allocation a capital asset cost over multiple years.

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.

Disbursement - The expenditure of monies from an account.

Distinguished Budget Presentation Awards Program - A voluntary awards program administered by the Government Finance Officers Association to encourage governments to prepare effective budget documents.

Division - A functional unit within a department consisting of one or more cost centers engaged in activities supporting the unit's mission and objectives.

Employee Benefits - Contributions made by a government to meet commitments or obligations for employee fringe benefits. Included are the government's share of costs for Social Security and the various pension, medical, and life insurance plans.

Encumbrance - A reservation of funds to cover purchase orders, contracts or other funding commitments which are yet to be fulfilled. The budget basis of accounting considers an encumbrance to be the equivalent of an expenditure.

Enterprise Funds - Funds which are accounted for in a manner similar to a private business enterprise. Usually the governmental entity intends for enterprise funds to fully recover their costs (including depreciation) through user fees. The City of Prescott has six such self-supporting funds: Airport, Water, Wastewater, Golf, Solid Waste, and Transfer Station.

Estimate - As used throughout the budget document, represents the most recent estimate for current year revenue and expenditures. The estimates used are prepared using several months of actual expenditure and revenue experience and are prepared to consider the impact of unanticipated price or other economic changes.

Expenditures - Refers to current cash operating expenses and encumbrances.

Expense - Charges incurred (whether paid immediately or unpaid) for operations, maintenance, interest or other charges.

Glossary of Terms

Expenditure Limitation - The Arizona State Legislature imposed constitutional amendment which limits the annual expenditures of all municipalities. This limit is set by the Economic Estimates Commission based on population growth and inflation.

Fiscal Year - The time period designated by the City satisfying the beginning and ending period for recording financial transactions. The City of Prescott has specified July 1 to June 30 as its fiscal year.

Fixed Assets - Assets of a long-term character which are intended to continue to be held or used, such as land, buildings, machinery, furniture and other equipment.

Full-Time Equivalent Position - A part-time position converted to the decimal equivalent of a full-time position based on 2,080 hours per year. For example, a part-time typist working for 20 hours per week would be equivalent to .5 of a full-time position.

Fund - An independent governmental accounting entity with a self-balancing group of accounts including assets, liabilities and fund balance.

Fund Balance - The excess of the assets of a fund over its liabilities, reserves, and carryover.

Governmental Fund: Includes the general fund, special revenue funds and debt service funds. Governmental funds account for all services provided which do not have revenues generated directly by providing services. Rather, revenues are more indirect in forms of taxes or fees.

GAAP - Generally Accepted Accounting Principles. Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.

General Fund - A fund used to account for all general-purpose transactions of the City which do not require a special type of fund.

General Obligation Bonds (G.O. Bonds) - Bonds that require voter approval and finance a variety of public capital projects such as streets, buildings, parks and improvements. The bonds are backed by the "full faith and credit" of the issuing government.

GFOA - The Government Finance Officers Association is a professional association of approximately 18,500 state, provincial, and local government finance officers in the United States and Canada. GFOA is headquartered in downtown Chicago.

Goal - A statement of broad direction, purpose or intent based on the needs of the community. A goal is general and timeless; that is, it is not concerned with a specific achievement in a given time period.

Grant - A grant is a contribution by one government unit or funding source to another. The contribution is usually made to aid in the support of a specified function, i.e., library materials, drug enforcement, but it is sometimes for general purposes.

Highway User Revenue Fund (HURF) - Highway user revenues are a gasoline tax collected by the state and distributed to counties and cities based on the county of origin and population. These revenues are to be used for highways and streets maintenance and construction.

Impact Fees - Fees charged to developers or individuals to cover, in whole or in part, the anticipated costs of improvements that will be necessary as a result of the development.

Improvement Districts - Consists of property owners desiring improvements to their property. Bonds are issued to finance these improvements, which are repaid by assessments on affected property. Improvement District debt is paid for by a compulsory levy (special assessment) made against certain

Glossary of Terms

properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

Indirect Cost - A cost necessary for the functioning of the organization as a whole, but which cannot be directly assigned to one service.

Infrastructure - The physical assets of a government (e.g., streets, water, sewer, public buildings and parks).

Interfund Transfers - Transfer of resources between funds that are not recorded as revenues to the fund receiving or expenditures to the fund providing.

Intergovernmental Revenue - Funds received from federal, state and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes.

Internal Charges - The charges to user departments for intercity services provided by another City departments.

Levy - To impose taxes for the support of government activities.

Long-term Debt - Debt with a maturity of more than one year after the date of issuance.

Mandate - Legislation passed by the State or Federal government requiring action or provision of services and/or programs. Examples include the Americans with Disabilities Act which requires actions such as physical facility improvements and provision of specialized transportation services.

Municipal Property Corporation (MPC) - The Municipal Property Corporation is a non-profit corporation established to issue bonds to fund City capital improvement projects.

Net Budget - The legally adopted budget less all interfund transfers and interdepartmental charges.

Objective - Desired output oriented accomplishments which can be measured and achieved within a given time frame. Achievement of the objective advances the activity organization toward a corresponding goal.

Obligations - Amounts which a government may be legally required to meet out of its resources. They include not only actual liabilities, but also encumbrances not yet paid.

Operating Budget - A budget for general expenditures such as salaries, utilities, and supplies.

Operating Expenses - The cost for personnel, materials and equipment required for a department to function.

Operating Funds - Resources derived from recurring revenue sources used to finance ongoing operating expenditures and pay-as-you-go capital projects.

Other Services and Charges: Expenditures for service performed by firms or individuals outside of the City. These include contracted services, insurance, cleaning services, professional services, advertising, postage and freight, telecommunications, travel/training, printing and binding, utilities, rental equipment, and maintenance/repair.

Pay-As-You-Go Capital Projects - Pay-as-you-go capital projects are capital projects whose funding source is derived from City revenue sources other than through the use of debt.

Performance Indicators - Specific quantitative and qualitative measures of work performed as an objective of specific departments or programs.

Glossary of Terms

Performance Measure - Data collected to determine how effective or efficient a program is in achieving its objectives.

Personnel - All employer's costs related to compensating employees of the City of Prescott, including employee fringe benefit costs such as City portion of retirement, social security, and health and industrial insurance.

Primary Property Tax - A limited tax levy used to support general government operations. The total levy for primary property taxes is restricted to a 2% annual increase, plus allowances for previously unassessed property (primarily new construction).

Program - A group of related activities performed by one or more organizational units for the purpose of accomplishing a function for which the City is responsible.

Property Tax - A levy upon each \$100 of assessed valuation of property within the City of Prescott. Arizona has two types of property taxes. Primary property taxes support the City of Prescott's general fund, and secondary property taxes pay general obligation debt.

PSPRS – Public Safety Personnel Retirement System – sworn police and fire personnel in the City of Prescott participate in this retirement system.

Reserve - An account used either to set aside budgeted revenues that are not required for expenditure in the current budget year or to earmark revenues for a specific future purpose.

Resolution - A special or temporary order of a legislative body; an order of a legislative body requiring less legal formality than an ordinance or statute.

Resources - Total amounts available for appropriation including estimated revenues, fund transfers and beginning fund balances.

Revenue - Sources of income financing the operations of government.

SCADA - Supervisory Control and Data Acquisition

Secondary Property Tax - An unlimited tax levy restricted to general bonded debt obligations.

Service Level - Services or products which comprise actual or expected output of a given program. Focus is on results, not measures of workload.

Supplies: Includes purchases of tangible personal property for operations. Operating supplies include articles, materials, and commodities which are consumed or generally altered when used. These items are necessary for the basic operation of the program or activity.

Source of Revenue - Revenues are classified according to their source or point of origin.

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 - to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes.

State-Shared Revenues - Revenues levied and collected by the State but shared on a predetermined basis with local governments.

Tax Levy - The total amount to be raised by general property taxes for purposes specified in the Tax Levy Ordinance.

Glossary of Terms

Tax Rate - The amount of tax levied for each \$100 of assessed valuation.

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.

Transfers - Transfers are the authorized exchanges of cash or other resources between funds.

Transfers In/Out - Amounts transferred from one fund to another to assist in financing the services for the recipient fund.

U/W/I - Urban Wildland Interface

Unrestricted Fund Balance - The portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.

User Charges - The payment of a fee for direct receipt of a public service by the party benefiting from the service.

Workload Indicator - A unit of work to be done (e.g., number of permit applications received, the number of household receiving refuse collection service, or the number of burglaries to be investigated).