

Annual Budget

Fiscal Year 2017

City of Prescott, Arizona Annual Budget

Fiscal Year 2017
July 1, 2016 – June 30, 2017



City Council

Harry Oberg, Mayor

Billie Orr

Greg Lazzell

Jean Wilcox

Jim Lamerson

Steve Sischka

Steve Blair

Administrative Staff

Craig McConnell
City Manager

Alison Zelms
Deputy City Manager

Mark Woodfill
Finance Director

Lars Johnson
Budget Manager

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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, 2015 (FY2016). 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.



City Manager's Budget Message

This Fiscal Year 2017 (FY17) Budget responds to our local economy, which continues to show signs of moderate recovery, and does not assume any changes to the City sales tax rate. The recessionary decline experienced from 2007 through 2010 dramatically impacted municipal and state governments throughout the country, including those in Arizona. The FY17 Budget continues the City's strategic approach to management, to the extent practicable, of the challenges we face, particularly in the General Fund, allocating resources to strengthen long-term sustainability of services and organizational stability. The budget includes a minor increase to the primary tax rate for operations, and the final year of a secondary property tax for financing of capital projects. It is significant that both the City's property tax and local option sales tax levies are presently the lowest in the Greater Prescott Area, with 1% of the sales tax dedicated to General Fund Operations, and 1% reauthorized at the August 25, 2015, election, restricted to planning, design, right-of way acquisition, improvements, and other costs associated with the construction, rehabilitation, and maintenance of City streets, highways, alleys and roadways (including curbs, gutters, drainage, bridges, sidewalks, shoulders, medians and related systems).

Despite the local growth in economic activity, which is generating additional revenue for funding City operations, the limited tools available to Arizona municipalities unduly rely upon local sales/use tax to support the City's General Fund. This is the fund through which basic governmental services are provided, including police, fire, parks and recreation, library, planning and zoning, and general city government. The General Fund portion of the FY17 budget, \$35.6 million, is bolstered this year by the growth in local sales tax revenue, and an increase in State Shared Revenue, resulting in \$1 million and \$608,000 in additional resources, respectively. Prior-year actions taken to address the ongoing structural funding challenge included continuing review and restructuring of departments, eliminating unnecessary positions, enhancing operating efficiencies, introducing public-private partnerships and entrepreneurial operating models, reducing costs and, where possible, augmenting revenues through new initiatives. In November 2015, the FY 2016 General Fund budget was adjusted through various service level changes and fee increases that, when combined with increased revenue projections, enabled formulation of a FY17 budget accommodating the full actuarial rate for the City's Public Safety Personnel Retirement System (PSPRS) obligation and implementation of Market Competitive Pay Plan for all employees.

Although the FY17 Budget accommodates these key items, the increases required to maintain progress in reducing the City's unfunded pension liability and ongoing maintenance of the Market Competitive Pay Plan will require either additional dedicated sales tax revenue, or service level adjustments, on a continuing basis to reduce costs in other areas. The pension cost will continue to increase by between \$200,000 and \$300,000 annually, and the cost of maintaining the Pay Plan is estimated at \$750,000 annually (\$450,000 in the General Fund).

Budget guidelines set in FY 2014 were refined in FY 2015 to integrate and link overarching strategic goals of the City Council with funding and resources, in order to deliver work programs and other items that support achievement of the goals. These goals are as follow:

Stronger Local Economy and Expanded Tax Base

- More quality jobs with family wages
- More diverse economy which is less retail dependent
- Development of our airport as an "economic engine"
- Continue as the Regional Retail Center
- Make land available for developing business/commercial sites

Better Mobility through Improved Roads and Transportation System

- Improved condition and quality of city streets
- All city streets and alleys paved
- Air service to alternative hubs
- Effective and functioning Municipal Planning Organization
- Sidewalks on major arterials

City Manager's Budget Message

Managed Growth for a Balanced Community

- More affordable (workforce) housing units
- Well-planned annexed areas with mixed and balanced uses
- Preservation of Prescott's historic charm and character
- Growth paying for growth
- Development consistent with Land Development Code

Polished City – Beautiful and Clean

- Cleaner and well-maintained streets, alleys and rights-of-way
- Reduced number of blighted homes and buildings
- Effective solid waste collection and management
- Redevelopment of aging commercial centers
- Well maintained parks and recreational areas

First Class Utility System

- Water supply for the next 100 years
- Sewers for all residences and businesses
- Well-maintained water treatment and distribution system
- Well-maintained wastewater collection and treatment facility
- Effective storm water management system

Alive Downtown

- Cleaner downtown with improved infrastructure
- More commercial offices with people working downtown
- More activity venues for attracting residents and events
- More people living downtown
- More evening activities with businesses open beyond 5:30

Financially Sustainable City

- Maintain basic services
- Focus on long-term planning in all funds
- Target excess resources for economic & strategic program investment
- Maintain flexibility to respond to unknown opportunities

Key budget focus areas implementing the goals identified for emphasis in FY17 include:

1. Market compensation for employees (all funds) – to enable careers and enhance retention
 - A classification and compensation study was completed in FY15; the FY17 Budget includes adjustments to pay and benefits to implement market adjustments in July 2016 and funding for the first year of merit adjustments to maintain market competitiveness and reduce employee turnover.
2. Public Safety Personnel Retirement System obligations
 - This budget includes funding for the full FY17 actuarial rate at \$6.2 Million.
3. Public safety response and alternatives
 - Funding for implementation of a “Standards of Cover” review and implementation process for the Fire Department, and a new computer-aided dispatch and records system for the Prescott Regional Communications Center, to enhance the public safety response through new generation dispatching techniques.
 - Application and acceptance, if awarded, of a COPS hiring grant for three (3) police officers, and a SAFER grant for nine (9) firefighters. Depending upon the outcome of the grant applications, future decisions will be necessary to move forward.

City Manager's Budget Message

4. Other General Fund services and amenities – to avoid community deterioration and loss of sales/privilege tax revenue
 - o Mid-fiscal year service and fee adjustments, as well as expense reductions, effective January 2016, are reflected in the FY 17 budget.
5. Resources and partnerships for important economic development projects and improvements
 - o Development of a new Airport terminal to attract next-level scheduled commercial air service
 - o Planning for a new downtown hotel and associated redevelopment
 - o A new 25-year Rodeo Grounds lease and master plan formulation to identify accomplishment of major electrical system improvements for the complex
6. Creation of a reserve for future acquisition of open space property and easements (source: Streets and Open Space sales tax)
 - o A \$3.8 million restricted reserve was created through Council Resolution No. 4337-1546
7. Aggressive tourism development - marketing and events
 - o The full cost of direct Tourism expenses are now funded in the Transient Occupancy (Bed) Tax Fund. Resources for marketing were increased by \$70,000 this year to reflect the continuing growth in Bed Tax revenue available, Liquor License Tax collection for hospitality industry promotion.
8. Business license to level the sales/privilege tax field
 - o The budget reflects the cost and net-neutral fees related to implementation and maintenance of a business license program.
9. Optimize vehicle/equipment fleet; reduce unnecessary inventory
 - o Replacement criteria for key vehicles have been adjusted to extend the useful life of vehicles and optimize the cost of maintenance versus replacement.

	<u>Former</u>	<u>New</u>
PD patrol vehicles	5 years / 100,000 miles	6 years /150,000 miles
Light duty fleet	5 years / 100,000 miles	10 years / 100,000 miles / 6,000 hrs
Solid Waste vehicles	5 years / 2,000 hrs	7 years / 5,000 hrs
10. Rehabilitation, replacement, improvement of street, water, and wastewater infrastructure
 - o \$59.4 million of capital improvements are planned for FY17
 - o Anticipated expenditures to upgrade and manage water system assets on a life-cycle basis total hundreds of millions of dollars in the coming decades
11. Conservative, responsible water resource management
 - o The Water Conservation Program through 2018 will focus on reducing outdoor water use, while providing a convenient (City website-based) interface for community access to practical information
12. Closer, more effective relationships with development community to facilitate new construction in growth areas
 - o This budget maintains funding for economic initiatives and related projects, to continue to foster a positive growth environment for targeted areas.

The Fiscal Year 2017 Budget total of \$167,288,761 represents a 12.7% increase over the prior year level, primarily reflecting the funding of infrastructure rehabilitation and replacement capital projects. The \$91,382,735 Operating Budget supports delivery of day-to-day core services, and is an increase of 7.7% over last year. The Operating Budget also will fund Public Safety Personnel Retirement System increases, the market compensation plan for employees, and other adjustments necessary to

City Manager's Budget Message

continue to provide City services at equal or better levels. The Capital Budget for FY17 is \$75,906,026.

In FY17, the City will again provide high quality services to Prescott residents, businesses, and visitors, and undoubtedly realize many successes in our competitive commercial environment, despite the budget challenges arising from external economic factors and the revenue structure prescribed by the state for its municipalities. However, these levels of service are at risk from rising public safety costs, which are largely outside the control of the City and its employees. Future budgets should begin to benefit as reform legislation begin to take effect, with all new PSPRS system members hired after July 1, 2017, entering a more sustainable and cost effective plan ("Tier III").

Challenges Going Forward

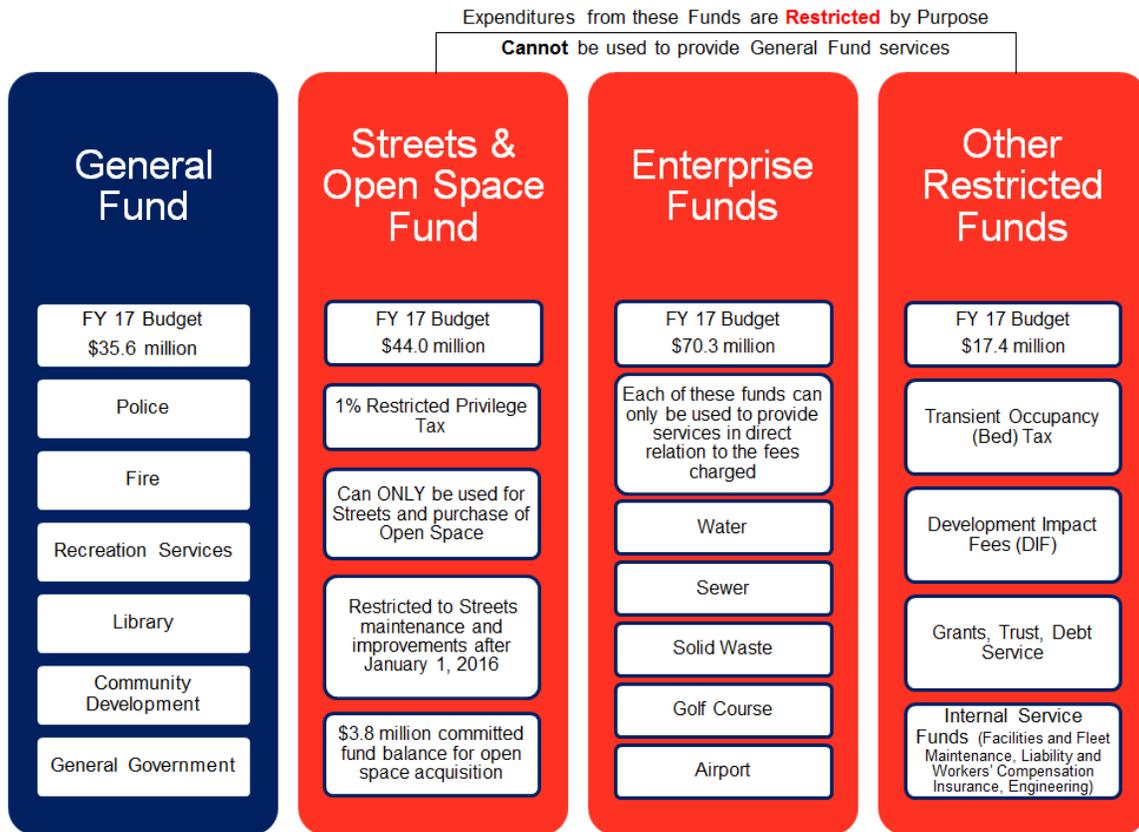
Despite the concerted efforts to address funding of the City's short and long-term operational and capital needs, significant challenges remain which will not be resolved in their entirety by turnarounds in the national and state economies:

- Census-driven impacts to revenues collected and shared by the State of Arizona
- Adequacy of funding sources to support and maintain both public safety and quality of life services
 - Dependence on local sales tax, and property tax constraints
 - Reduction and elimination of grants providing important supplemental funding of public safety programs
 - Increasing pension costs, which may be mitigated through an adjustment to the Transaction Privilege Tax, if approved by the voters in the future
- New state laws that seek to "reform" transaction privilege tax further restrict revenue generation opportunities, and reduce available tax dollars for services
- Local economic development and competition
- Shifting of financial costs from the State to municipalities
- Increases in employee insurance and retirement costs
- Cost of competitive pay for employees
- Increases in utility and fuel costs
- Compliance with more extensive, costly federal and state regulations
- Funding deferred replacement of vehicles and equipment, adequate maintenance of facilities, and personnel training

These items will require comprehensive, continuous scrutiny and new approaches to assure that mandated responsibilities are successfully met. Perhaps the greatest challenge faced in creating the budget each year, is the legal revenue structure by which Prescott is bound, consisting of few, highly restricted revenue sources that are limited as to expenditure purpose. The FY 2017 structure is illustrated in the following diagram:

City Manager's Budget Message

City Funds – Purposes and Restrictions



In summary, the Fiscal Year 2017 Budget is focused on delivering high-quality services and programs to our City's residents, retaining the employees who provide them, preserving amenities central to a superior quality of life in Prescott, and assuring responsive service delivery into the future. These will continue to keep our community safe and clean, implement and complement strategic economic development, encourage tourism, and assure smooth traffic flow. In order to do so, tradeoffs were necessary including reducing full-time equivalent positions, measured review of requests for new operational funding and capital expenditures, and increases to cost recovery related to certain fees. In order to overcome future challenges, continued discussion on new General Fund revenue sources, appropriate service levels, and reasonable adjustments to services and related expenditures will be necessary in order to sustain momentum on strategic employee investments, and avoid recurrence of compression and other personnel issues. The end result of the annual budget process responsibly balances income and expenditures to effectively and efficiently deliver the services our citizens need and expect without reliance upon new revenue sources.

I wish to thank the City Council for their guidance and support, the invaluable input of residents, and the employees of Prescott for their daily contributions in keeping Prescott a city renowned for its welcoming, picturesque ambiance.

Respectfully submitted,

Craig McConnell
 City Manager

City Manager's Budget Message

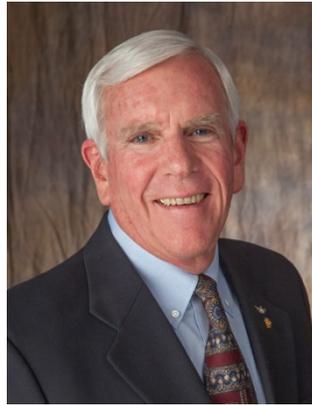
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Mayor and City Council Profiles



Harry Oberg, Mayor

Term: November 2015 – November 2017

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.

Harry Oberg is a longtime native of Prescott whose father (Nils) came to Prescott in 1929. His father worked in ranching until the early 1950's. Harry was born in Laramie, Wyoming in 1947 when his father was in the process of moving his mother from South Dakota to Arizona after their joint service in World War II. Harry grew up in Prescott attending Lincoln School, Prescott Junior High School (where the Sheriff's Office is today), and graduated from Prescott High School in 1965 (where the middle school is currently). Harry attended Arizona State College until drafted on 6 November, 1966.

Harry completed two tours in Vietnam as an Army helicopter pilot. During his first tour he received a combat wound which required several months of hospitalization between tours. His combat decorations include 2-Distinguished Flying Crosses, 2-Bronze Stars, the Purple Heart, 34-Air Medals (one with Valor Device), and numerous Vietnam campaign and service awards. After extensive service with Army Aviation, Harry pursued his Army career as an Armor Officer until retirement at the rank of Colonel in April, 2000. During this time, he was given assignments of increasing responsibility in Cavalry, Mechanized Infantry and Armor units. His non-combat awards include the Legion of Merit, 5-Meritorius Service medals, and other service achievement awards. In addition, he was awarded the Saint George Medallion for his distinguished contributions to the U.S Army Armor Corps.

During his 33-year career in the U.S. Army and Army National Guard, Harry had assignments in several nations in Southwest Asia, Germany and the United Kingdom. In addition, he served in the National Guard for the States of Arizona, Alaska, California, Illinois, Iowa, and Nevada. While serving with the Iowa Army National Guard, Harry was promoted to Brigadier General. Beside his command and staff assignments at the Company, Battalion and Brigade levels, he has also served as an Inspector General.

Harry received an Undergraduate Degree in Accounting from Northern Arizona University, a Master's Degree in International Relations from Salva Regina University, and is a graduate of the U.S. Army War College. In the last nine years before he retired, Harry was assigned to the Pentagon where he was responsible for a \$1.5B budget providing equipment and supplies to Army National Guard units deploying to Afghanistan and Iraq. In 2007, he and his wife Jeanna both retired and returned to Prescott, Arizona.

In August, 2015, Harry was elected Mayor of Prescott for a two-year term, starting 24 November, 2015.

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



Greg Lazell, Council Member

Term: November 2013 – November 2017

Councilman Greg Lazell is the director of facilities for Prescott College and also works as a commercial general contractor. He is a longtime resident of Arizona having moved here in 1972 and to Prescott in 1998.

After spending many years working for charitable organizations, Lazell decided to run for City Council as a continuation of his commitment to improving the community. His focus on the Council will be centered on smart growth policies that create a more business friendly environment that retains and attracts businesses. Lazell plans to utilize his commercial general contractor experience to find opportunities to invigorate City amenities, such as expanding the use of the Prescott rodeo grounds and airport.

Lazell and his wife Andie have two daughters, Ashlee and Trinity. He enjoys family time, which always comes first, in addition to woodworking and hunting.

Mayor and City Council Profiles



Jean Wilcox, Council Member
Term: November 2013 – November 2017

Jean Wilcox has lived in Arizona for over 21 years, relocating to Prescott from Flagstaff in 2012. She was raised in a military family and has lived in two foreign countries and nine states, finding a sense of “community” in each place she lived. She makes Prescott her home for life, along with her husband Jeffrey Zucker, an architect and 28-year resident of Prescott. Together, they have six adult children and two grandchildren.

Jean has a Bachelor’s Degree from the University of Colorado, a Master’s Degree in Geography (with an emphasis in Geomorphology) from the University of Montana, and a Juris Doctorate from the University of Montana. She began her professional career as a land use planner but soon found the constitutional property rights issues so interesting that she enrolled in law school. Throughout her legal career she has worked on land use, local government, education, elder care and adoption issues. Her interest in Prescott City government began when she was appointed interim City Attorney in late 2011.

The City Council has a key role in designing and building the future of Prescott. Development, if not carefully planned, can consume more resources than Prescott has, deprive future generations of the opportunity to thrive here, cut off wildlife corridors, decrease opportunities for hunting and outdoor recreation, foreclose hiking and biking paths, and destroy the beautiful landscapes which surround our community. All land-based decisions (including roads, water and waste water infrastructures, annexations, development approvals, and acquisition of recreation and open space) should be consistent with the community-approved General Plan and related city ordinances. Her goal is to cultivate a more livable, walkable city that is friendly to pedestrians, bicyclists, and motorists. Providing adequate funding and staffing for public safety is a top priority. A livable Prescott also means promoting business and employment opportunities that pay more than minimum wage. Being a full partner in a regional economic development effort will ensure that Prescott is a leader in attracting and retaining employers.

People should be able to trust their city government, to know that their participation on committees and at public meetings is valued, and have confidence that council decisions are made thoughtfully and openly. Transparency in government and strong citizen participation are critical to our survival as a community and to enhancing all the amenities which make Prescott among the best small cities in the U.S.

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 2013 to November 2017

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 2015 property tax rate (primary and secondary) for residents in the City is 8.4122 per \$100 assessed value. The City of Prescott's rate is only 0.3047, 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 8.35%. The combined rate consists of 5.6% for the State of Arizona, 0.75% for Yavapai County and 2% 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, 40,520, 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:

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 Pharmaceuticals
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 ERAU, 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.
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).
3. Manufacturing: Prescott's growing base of prime companies includes international manufacturers in the fields of aerospace, bioscience, guns and after-market vehicle accessories.
4. 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.

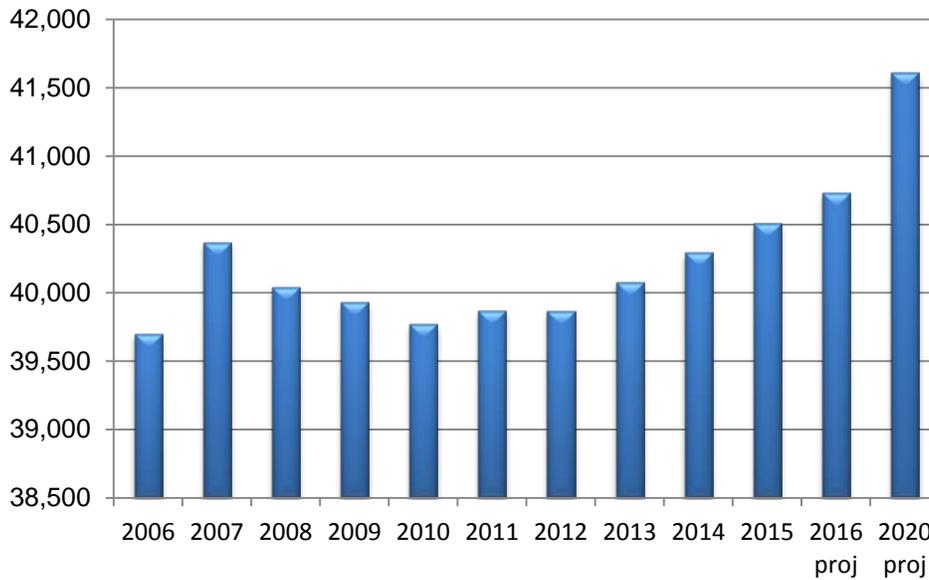
City of Prescott Demographics

City of Prescott Population Demographics

Population and Area

Year	Population	Population		
		Yavapai County	as % of County	Land Area (sq miles)
2006	39,699	202,764	19.6%	38.72
2007	40,371	211,137	19.1%	40.00
2008	40,041	212,137	18.9%	40.80
2009	39,932	212,585	18.8%	40.85
2010	39,771	210,899	18.9%	41.50
2011	39,873	211,247	18.9%	41.50
2012	39,865	211,583	18.8%	41.50
2013	40,080	213,294	18.8%	42.67
2014	40,296	215,357	18.7%	42.67
2015	40,513	220,774	18.4%	42.67
2016 proj	40,731	226,210	18.0%	45.25
2020 proj	41,617	247,911	16.8%	47.20

Population



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

City of Prescott Demographics

Population Statistics	2010	2014	2014	2014
	Prescott	Prescott	Yavapai County	Arizona
<i>Gender distribution</i>				
Percent Male	49.2%	48.3%	48.9%	49.7%
Percent Female	50.8%	51.7%	51.1%	50.3%
<i>Age distribution</i>				
24 and under	21.3%	21.9%	25.0%	34.9%
25 to 44	17.9%	16.7%	18.1%	25.9%
45 to 64	30.4%	28.4%	30.6%	24.4%
65 and over	30.8%	33.1%	26.3%	14.8%
Median Age (years)	53.4	55.4	50.8	36.5
<i>Income/employment</i>				
Household Median Income	\$44,278	\$45,190	\$44,000	\$49,928
Household Average Income	\$63,300	\$60,429	\$57,110	\$67,557
Unemployment	10.7%	6.3%	6.3%	6.8%

Source: U.S. Census Bureau, 2010-2014 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

	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>	<u>FY2016</u>	<u>FY2017</u>
Total Operating Budget (000s)	\$ 74,654	\$ 76,727	\$ 76,340	\$ 80,310	\$ 84,853	\$ 91,382
Total Regular Employees ¹	514	505	508	506	501	497.5
Total Employees per 1000 population	13	13	13	13	12	12
Primary Assessed Valuation ² (000s)	\$ 634,923	\$ 554,022	\$ 510,235	\$ 522,426	\$ 548,631	\$ 570,573
City of Prescott Property Tax Rate	0.4433	0.4832	0.3108	0.3149	0.3047	0.3025
City Property Tax Paid per Capita	\$ 71	\$ 67	\$ 42	\$ 41	\$ 41	\$ 42
City Sales Tax Rate	2%	2%	2%	2%	2%	2%
City Sales Tax Revenue per Capita ³	\$ 316	\$ 337	\$ 346	\$ 337	\$ 337	\$ 351

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%. The other 1% is dedicated to streets.

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	84
Calls for Services	24,979
Fire Stations	5
Fire Employees	68
Calls for Services	8,014
Fire Inspections	1,098

Building Inspections

Number of Permits Issued	2,010
Value of Permits (in millions)	\$166

Transportation

Total of Miles of Streets (lane miles)	601
Cold Mix Repairs (lbs)	176,874
Hot Mix Repairs (tons)	1,302

Refuse Collection

Household Accounts	18,086
Commercial Accounts	1,544
Refuse Collected (tons)	62,729
Recycle Collected (tons)	5,608

Airport

Raking for busiest airport in Arizona	3rd
Passengers on Great Lakes Airline	3,302
FAA Traffic Count	291,170

City of Prescott Water

Miles of Water Mains	526
Number of Connections	23,465

City of Prescott Wastewater

Miles of Wastewater Lines	375
Number of Connections	19,000

Organizational Structure, Goals, and Policies

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Organizational Values



PRESCOTT VISION

Prescott is a beautiful, growing city that has a vibrant historic downtown, is the regional economic center for the Tri-Cities and is a 1st class tourist destination.

Prescott is a livable, dynamic community where there is a range of housing choices for all, where residents and guests enjoy an active lifestyle with great recreation and leisure amenities, where people have quality living, where the community acts as a responsible environmental steward and where there is pride in our hometown.

The Gem of Arizona.

CITY OF PRESCOTT MISSION STATEMENT

The mission of the City of Prescott is to provide superior city services, to create a financially sustainable city and serve as the leader of the region.

CITY OF PRESCOTT CORE BELIEFS

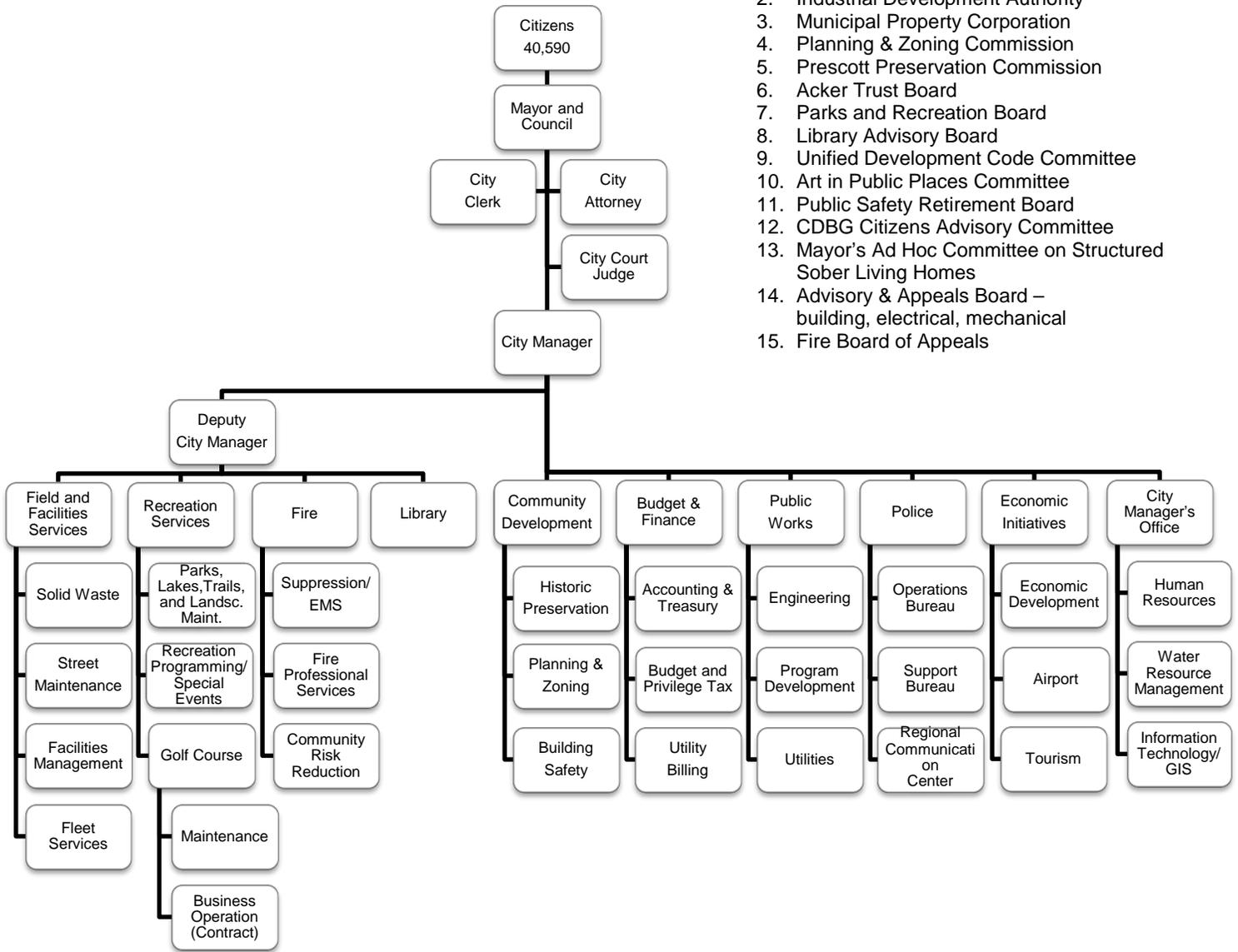
We believe in:

- 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

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. Mayor's Ad Hoc Committee on Structured Sober Living Homes
14. Advisory & Appeals Board – building, electrical, mechanical
15. Fire Board of Appeals

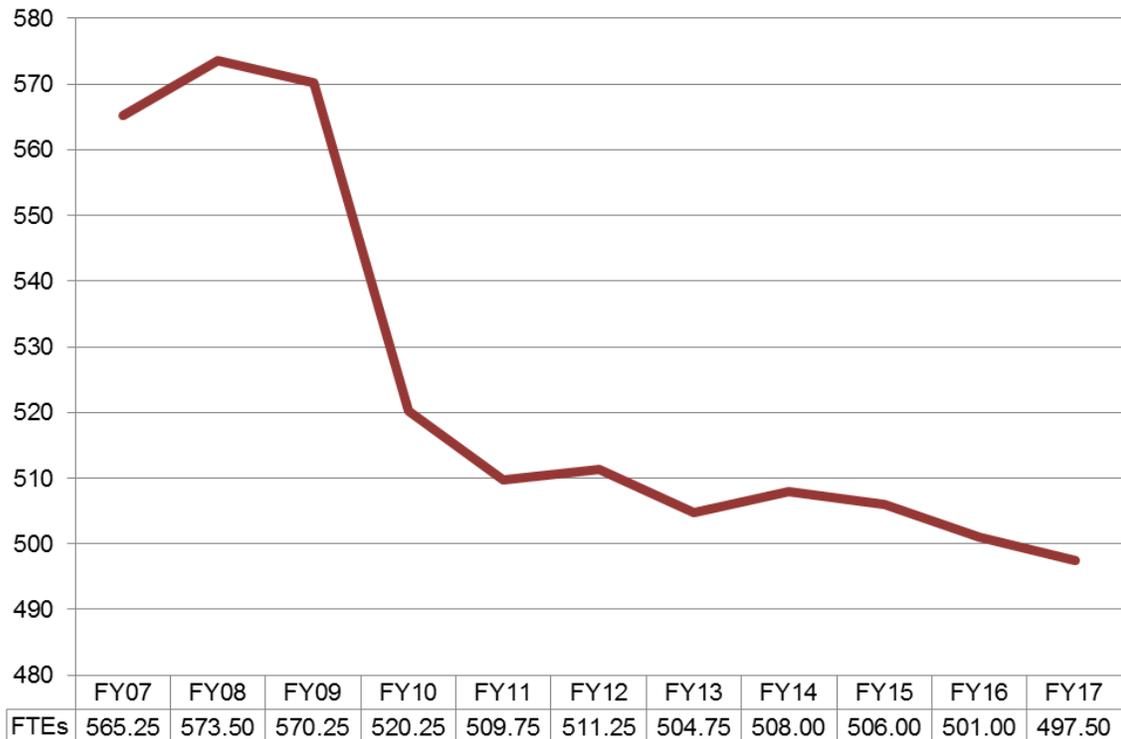


Employees by Department and Ten-Year Trend

Department	FTEs ¹		
	FY15	FY16	FY17
Budget & Finance	14.75	14.75	14.75
City Clerk	2.50	2.75	3.25
City Council	7.00	7.00	7.00
City Court	6.00	6.00	6.00
City Manager	25.20	27.10	27.10
Community Development	11.10	10.50	11.50
Economic Initiatives	13.00	13.00	13.00
Field & Facilities	72.00	73.00	75.00
Fire	71.00	68.00	68.00
Legal	8.50	8.50	8.50
Library	22.00	22.00	21.50
Police	94.50	91.00	84.10
Public Works	95.90	97.40	97.40
Recreation Services	30.00	30.00	30.00
Regional Communications	<u>32.55</u>	<u>30.00</u>	<u>30.40</u>
City Total	<u>506.00</u>	<u>501.00</u>	<u>497.50</u>

¹Full time equivalents (FTEs) include only permanent employees. In addition, the City employs temporary and seasonal employees estimated at 47.25 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 91) 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 government 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.

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 Human Resources Division. Input was provided by the departments concerning temporary/seasonal employment needs as well as overtime

Budget Preparation Process Overview

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.

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 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>
January 21, 2016	Budget “Kick-off” meeting for departments
February 2, 2016	Midyear budget report to Council, Public Works capital program update
February 5, 2016	Department missions, division missions, goals, performance measures, and organizational charts due
February 12, 2016	Supplemental personnel requests for temporary personnel and overtime for next fiscal year, estimated endings for current fiscal year due
February 26, 2016	Base budgets due – next fiscal year requests, current fiscal year estimated endings
March 4, 2016	New personnel and reclassifications of existing personnel request
March 11, 2016	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
April 21-29, 2016	City Manager meetings with departments to review budget, decision packages, and department operational plans.
May 6, 2016	Submit list of changes to estimated endings and carryovers for capital outlay/project and grants
May 12, 2016	Annual Council Workshop (public invited) – Part 1 (General Fund, Tourism, and Golf Course)
May 23, 2016	Annual Council Workshop (public invited) – Part 2 (Streets, Utilities, Solid Waste, and Airport)
May 27, 2016	List of prior year key results and outcomes due
June 7, 2016	Set public hearing on expenditure limitation and tentative adoption
June 21, 2016	Official public hearing on budget and adoption of budget
July 12, 2016	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 measurable. 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.

Budget Basis of Accounting and Budget Amendments

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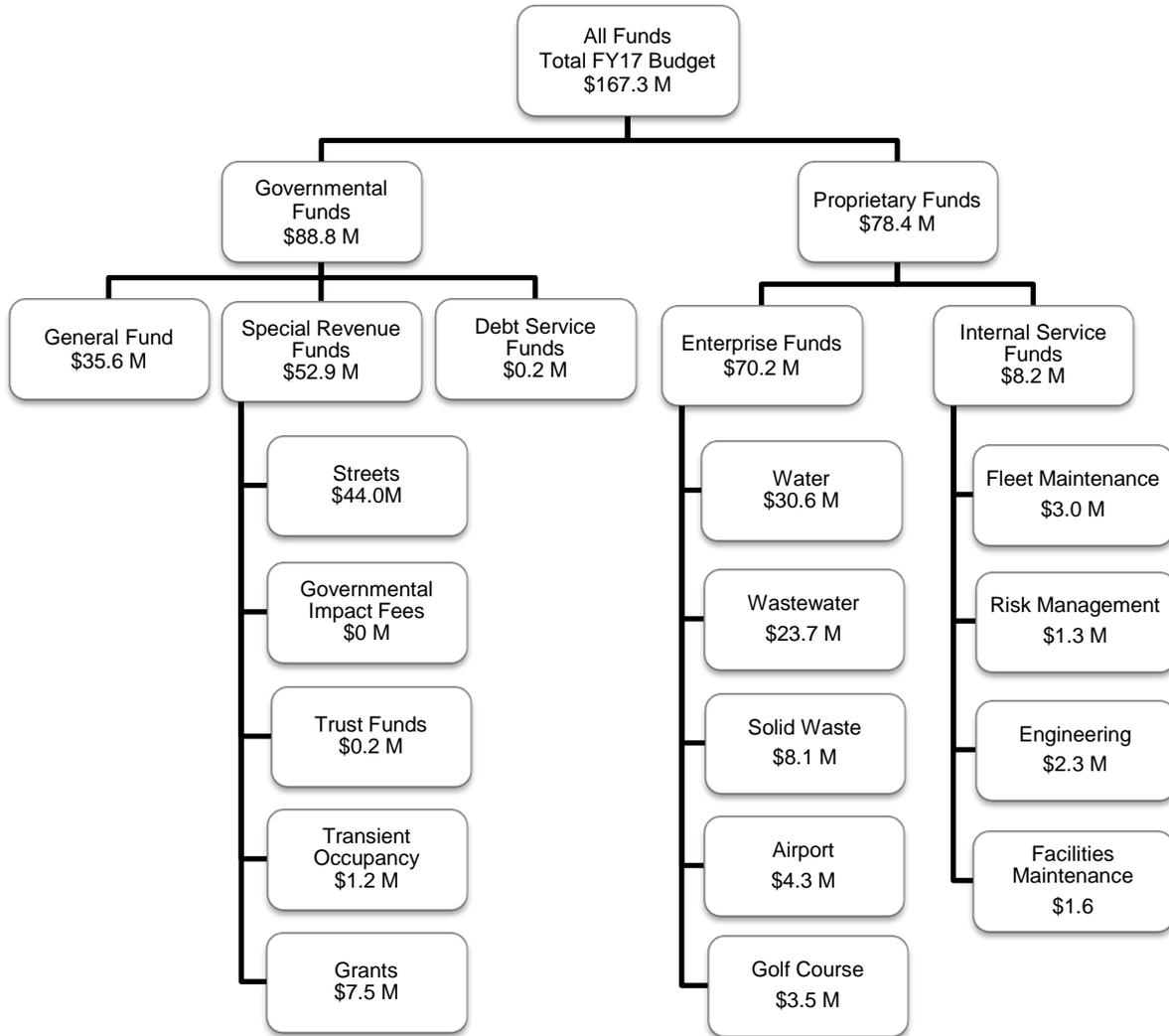


Fund Summaries

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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 (2.0%) transient occupancy (hotel/bed) tax. 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.

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 will be 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.

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.

Fund Structure

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 or agency to other departments or agencies 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.

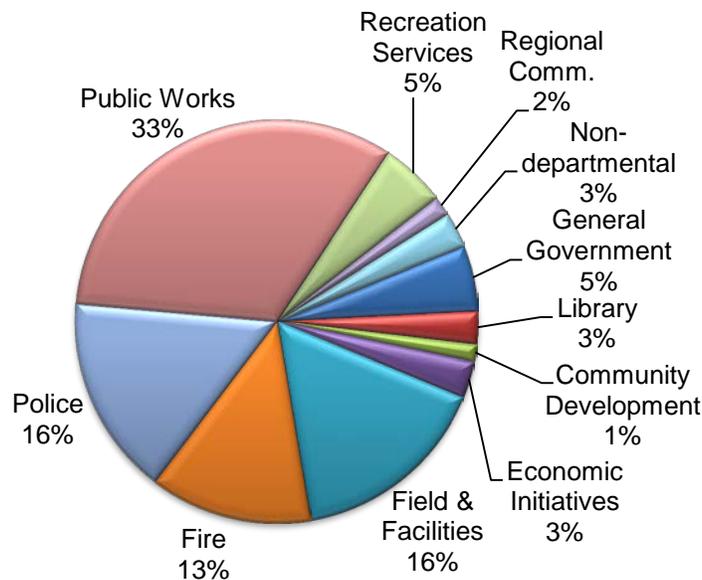
Engineering Services – To account for the direct and indirect costs of the Engineering Division of Public Works, which provides engineering services for the capital projects and other departments of the City. Revenue to this fund is derived from charges to City departments and projects based on the work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

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

Overall City Budget Summary

The FY2017 Budget consists of two components – the operating budget and the capital budget. The operating budget is \$91,382,735 representing a 7.7% increase from FY2016. 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 increases in the contribution rate for Public Safety Personnel Retirement System, adjustments in personnel compensation with the market compensation plan, and other modifications necessary to continue to provide City Services at equal or better levels.

Operating Budget by Department



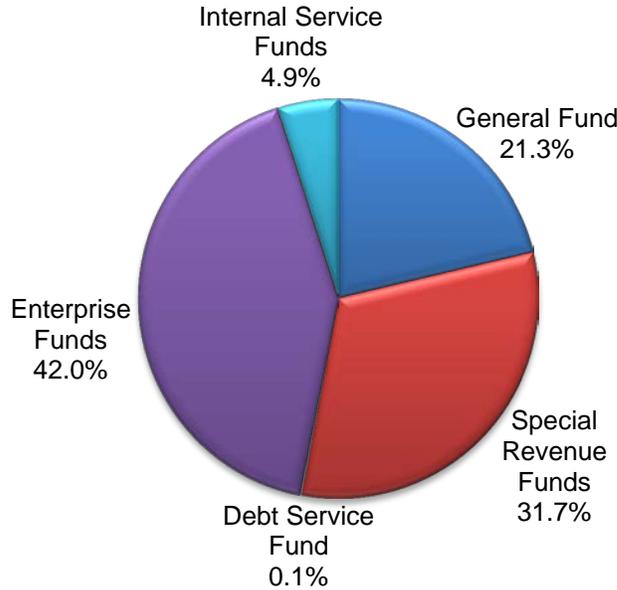
The second component, the capital budget, is \$75,906,026, a 19.4% increase from FY2016. Capital expenditures are non-routine, one time expenditures for purchase or projects with a value over \$5,000 and estimated useful life over one year, mainly infrastructure improvements for utility and streets projects 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.

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget	% Budget Change
Operating	\$ 79,484,028	\$ 84,853,396	\$ 78,744,827	\$ 91,382,735	7.7%
Capital	39,535,278	63,570,466	27,441,554	75,906,026	19.4%
Total	\$ 119,019,306	\$ 148,423,862	\$ 106,186,381	\$ 167,288,761	12.7%

Overall City Budget Summary

The total budget for FY2017 is \$167,288,761, including all funds. The proportionate share of each fund type is displayed in the pie chart below:

Expenditure Budget by Fund Type

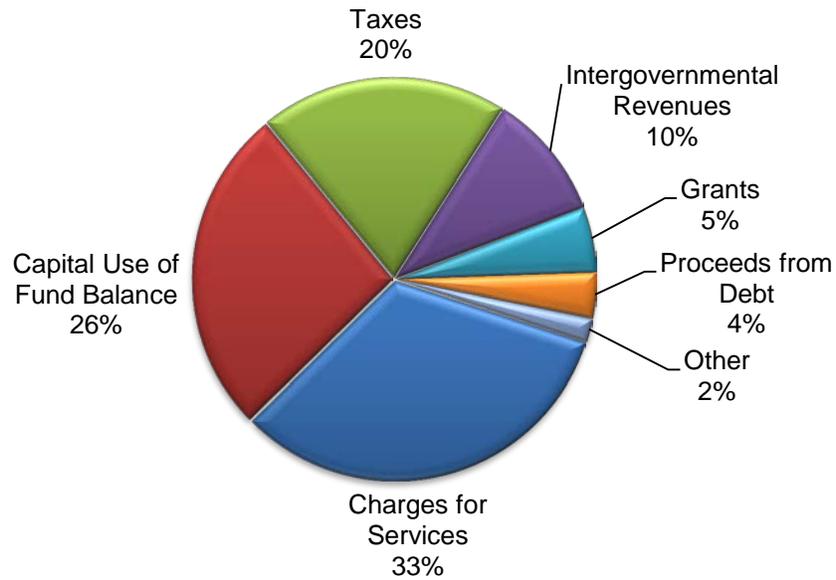


The City of Prescott’s budget is funded through multiple sources. The three main sources of revenue are charges for services, taxes, and intergovernmental revenues. Some of these sources are restricted and can only be used for certain types of expenditures while others are not restricted and can be used 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 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.

Funding Source Category	FY16 Budget	FY17 Budget	% of Total
Charges for Services	\$ 54,479,194	\$ 54,614,110	32.6%
Taxes	29,372,018	33,378,903	20.0%
Intergovernmental Revenues	17,975,103	16,994,745	10.2%
Grants	10,930,117	8,760,332	5.2%
Proceeds from Debt	3,666,286	6,156,286	3.7%
Capital Use of Fund Balance	29,488,274	44,235,493	26.4%
Other			
Miscellaneous	1,412,770	1,501,392	0.9%
Licenses and Permits	590,200	1,171,000	0.7%
Fines and Forfeitures	509,900	476,500	0.3%
Total Funding Sources	\$ 148,423,862	\$ 167,288,761	

Overall City Budget Summary

City-wide Funding Sources



The ensuing table summarizes the overall City of Prescott budget by fund with revenues other financing sources and expenditures and total fund balance. The fund balance levels are sufficient to maintain adequate cash flow and a reserve to cover unanticipated expenditures and revenue shortfalls. The net change in fund balance relates to an authorized one time use for capital expenditures.

Overall City Budget Summary

Overall City Budget Summary

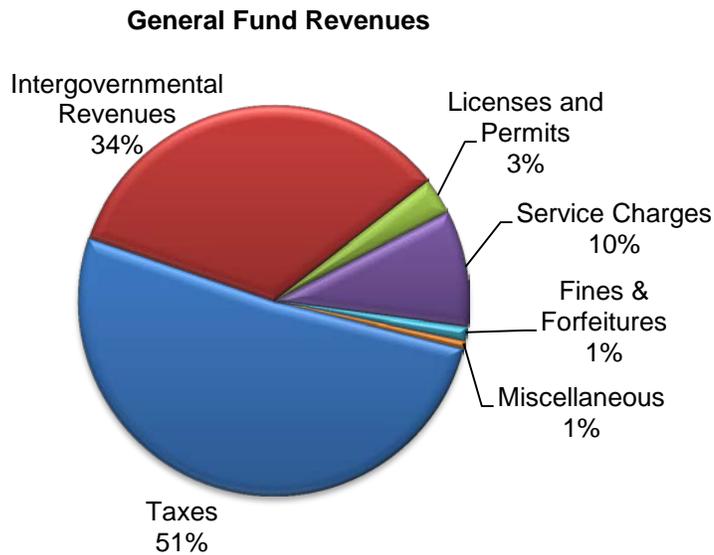
	FY15	FY16	FY16	FY17	%
	Actual	Budget	Estimate	Budget	Budget Change
Revenues					
General Fund	\$ 33,569,103	\$ 32,897,237	\$ 34,031,827	\$ 35,467,606	7.8%
Streets	17,795,351	17,763,874	20,094,470	19,500,373	9.8%
Impact Fees	49,130	44,859	44,859	42,759	-4.7%
Transient Lodging	730,294	752,000	872,000	892,000	18.6%
Grants	1,369,955	4,536,538	1,466,847	7,089,949	56.3%
Trust Funds	97,912	7,000	99,600	145,000	1971.4%
Debt Service (GO/Spec. Asses.)	85,994	81,925	81,925	47,288	-42.3%
Water	16,440,094	20,436,113	19,915,708	19,581,899	-4.2%
Wastewater	11,942,608	13,859,995	13,454,780	13,720,773	-1.0%
Solid Waste	6,570,435	6,472,500	6,428,620	6,924,620	7.0%
Airport	1,845,115	8,049,269	6,728,669	3,375,283	-58.1%
Golf Course	2,959,647	3,398,032	3,092,392	3,403,531	0.2%
Internal Service Funds	6,256,300	6,969,960	6,573,747	6,705,901	-3.8%
Total Revenues	\$ 99,711,938	\$115,269,302	\$112,885,444	\$116,896,982	1.4%
Debt Proceeds					
WIFA Loans	10,516,305	2,666,286	740,000	6,156,286	130.9%
Lease Financing	-	1,000,000	-	-	
Total Debt Issues	\$ 10,516,305	\$ 3,666,286	\$ 740,000	\$ 6,156,286	67.9%
Total Revenues and Debt Proceeds	\$110,228,243	\$118,935,588	\$113,625,444	\$123,053,268	3.5%
Expenditures					
General Fund	\$ 31,508,581	\$ 33,942,465	\$ 31,513,102	\$ 35,609,002	4.9%
Streets Fund	23,857,580	32,177,646	18,276,741	44,011,322	36.8%
Transient Lodging	666,418	897,493	897,493	1,160,222	29.3%
Grants	1,387,896	4,847,775	1,557,680	7,553,295	55.8%
Trust Funds	122,415	245,387	61,761	265,084	8.0%
Debt Service	192,285	196,125	195,625	193,488	-1.3%
Water	24,380,174	27,755,492	16,587,598	30,630,115	10.4%
Wastewater	15,489,183	19,372,112	11,618,278	23,682,254	22.2%
Solid Waste	8,353,424	7,788,813	7,030,597	8,142,008	4.5%
Airport	2,107,715	9,020,055	7,546,447	4,314,892	-52.2%
Golf Course	3,167,902	3,395,518	3,027,833	3,489,220	2.8%
Internal Service Fund	7,773,233	8,774,981	7,863,226	8,237,859	-6.1%
Total Expenditures	\$119,006,806	\$148,413,862	\$106,176,381	\$167,288,761	12.7%
Ending Balance, 6/30					
Net Change in Fund Balance	\$ (8,778,563)	\$ (29,478,274)	\$ 7,449,063	\$ (44,235,493)	
Fund Balance - Beginning	119,185,823	110,407,260	110,407,260	119,433,225	
Fund Balance - Ending	\$110,407,260	\$ 80,928,986	\$117,856,323	\$ 75,197,732	

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.

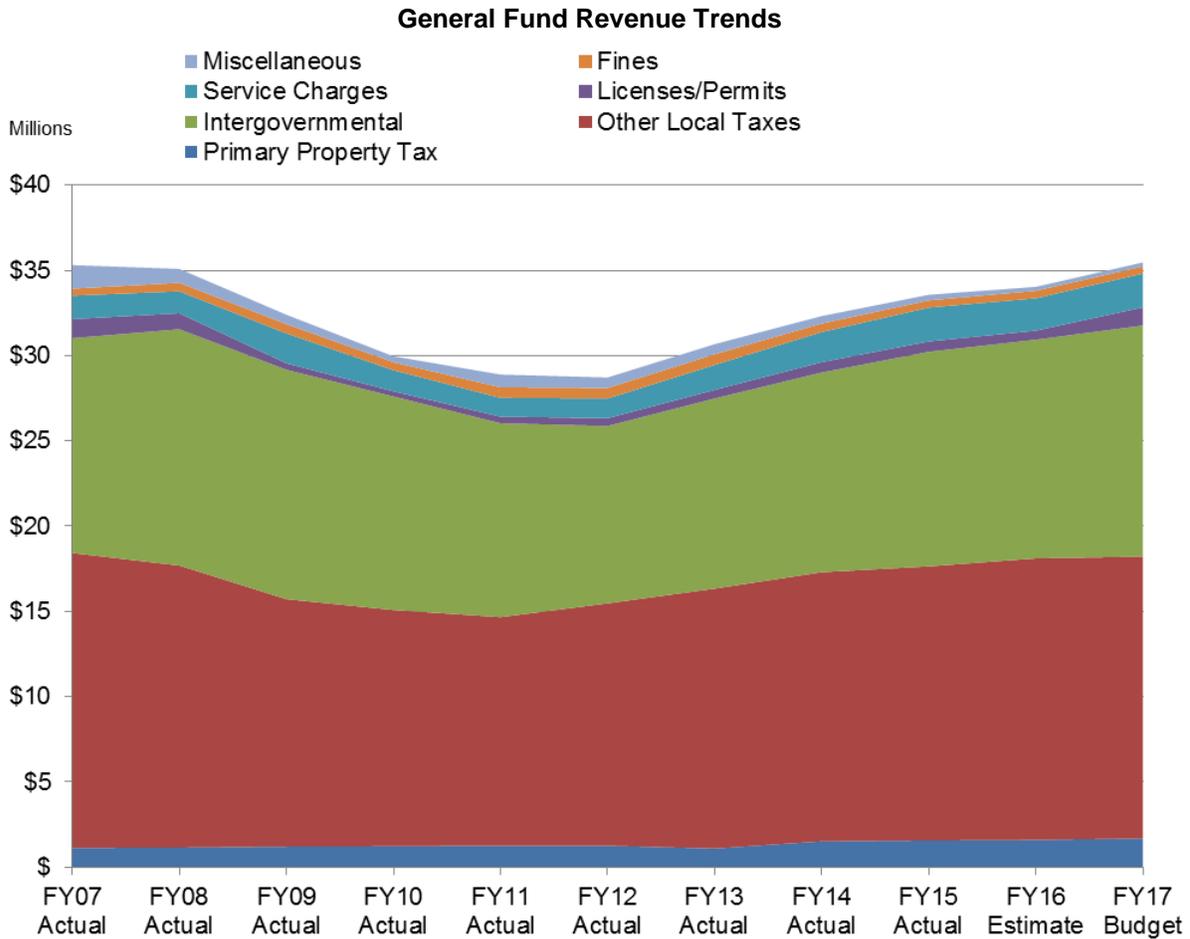
Revenue and Trends

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 FY17, we are projecting the total revenues to be back at the 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%.

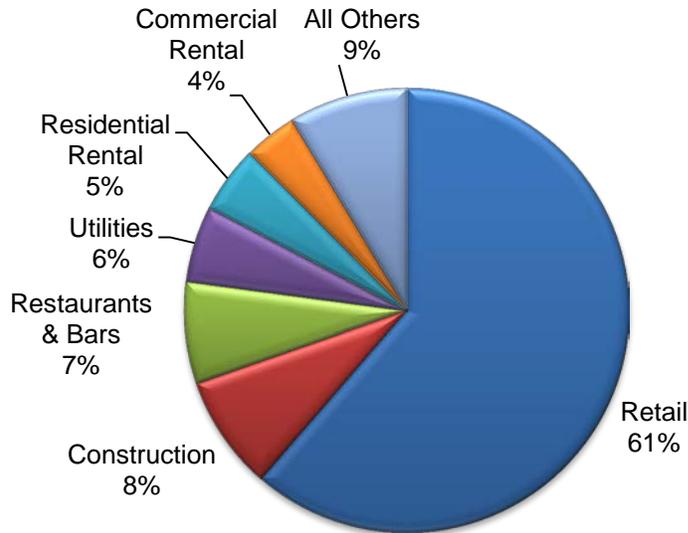
The combined sales tax rate in the City of Prescott for all taxable activities is 8.35%. The combined rate consists of 5.6% for the State of Arizona, 0.75% for Yavapai County and 2% for the City of Prescott. Of the City’s 2% rate, 1% is dedicated for Streets (effective January 1, 2016) and the other 1% is for the General Fund.

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 FY17, a 7.7% increase, or \$1,060,000 more, 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 FY17 is 0.2953 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

General Fund

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. Although the City's share is decreasing, statewide economic activity has provided an increase for FY17 at a combined rate of 6% in these revenues.

State Sales Tax (Transaction Privilege Tax): Citizens 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 \$565,856 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. Also, the City has adopted a business license ordinance requiring an annual license fee effective January 1, 2017. These two increases have doubled the amount of revenue anticipated in this category.

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. Fee increases were implemented for parking at the City's recreational facilities, fire inspection services, and community development service fees, projecting a 10% increase in FY17.

Fines and Forfeitures: This category covers monies paid to the City of Prescott for fines assessed by the Police Department, City Court, Legal Department, and Library. This category's budget we decreased to reflect trends more accurately.

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

General Fund

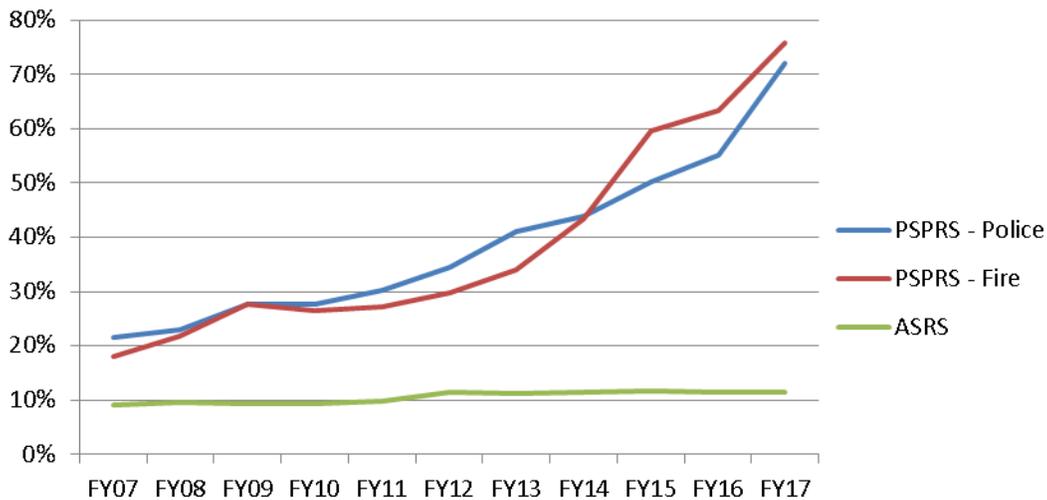
Expenditures and Trends

Personnel costs make up 81% 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 FY07, there has been a reduction of around 65 employees in the General Fund, but the total personnel expenditures have increased by \$3.1 million.

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 11.65% in FY17. City employer contribution rates for FY17 are 75.77% for Fire and 72.05% 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.

State-Run Pension Systems – Employer Contribution Rates



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, 2015 of approximately \$70.5 million and funding ratios of 26% for Police and 39% for Fire. The total PSPRS contribution in FY17 is \$6.2 million dollars. About 15% of the total contribution costs relate to normal retirement costs (benefits earned by employees this current year) and the remaining 85% 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.

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.

General Fund

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 implementation cost for the General Fund is 1.8 million in FY17.

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 FY17 General Fund revenues are budgeted to be up by \$2.5 million and operating expenditures are \$1.4 million over FY16 budget. Mid-year 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 expected to increase as a result of expenditures less than budgeted and revenues more than expected in FY16. An authorized use of fund balance is budgeted at \$1.4 million in FY17 for one time capital expenditures. The unassigned fund balance is \$14.5 million, which equates to approximately 5.2 months of operating expenditures. This is far greater than the GFOA best practice recommendation of maintaining at least 2 months of regular operating expenditures.

General Fund Balances

	<u>FY15</u>	<u>FY16</u>	<u>FY16</u>	<u>FY17</u>	<u>% Budget</u>
	<u>Actual</u>	<u>Budget</u>	<u>Estimate</u>	<u>Budget</u>	<u>Change</u>
Net Change in Fund Balance	\$ 1,864,987	\$ (1,229,389)	\$ 1,603,269	\$ (1,456,134)	18.4%
Ending Balance - Detail					
Reserve Policy	\$ 6,713,821	\$ 6,579,448	\$ 6,806,365	\$ 7,093,522	7.8%
Retirement Reserve	2,712,539	2,712,539	2,527,289	2,144,861	-20.9%
Internal Loan	5,138,546	5,138,515	5,138,515	4,342,335	-15.5%
Unassigned	13,411,448	12,316,463	15,107,454	14,542,771	18.1%
Total Ending Fund Balance	<u>\$27,976,354</u>	<u>\$26,746,965</u>	<u>\$29,579,623</u>	<u>\$28,123,489</u>	5.1%

General Fund

General Fund					
	FY15	FY16	FY16	FY17	% Budget
	Actual	Budget	Estimate	Budget	Change
Revenues					
Taxes					
Privilege/Use Tax	\$ 14,440,215	\$ 13,840,000	\$ 14,900,000	\$ 14,900,000	7.7%
Franchise Taxes	1,632,304	1,610,000	1,610,000	1,630,000	1.2%
Primary Property Tax	1,566,157	1,596,518	1,596,518	1,684,903	5.5%
Total Local Taxes	17,638,676	17,046,518	18,106,518	18,214,903	6.9%
Intergovernmental Revenues					
State Sales Tax	3,641,202	3,806,325	3,806,325	3,945,830	3.7%
State Income Tax	4,823,242	4,797,092	4,797,092	5,128,724	6.9%
State Vehicle License Tax	2,318,779	2,361,145	2,361,145	2,499,006	5.8%
Yavapai County Library District	565,065	567,270	569,480	565,856	-0.2%
Total Intergovernmental Revenues	11,348,288	11,531,832	11,534,042	12,139,416	5.3%
Licenses and Permits	606,539	495,600	531,190	1,063,600	114.6%
Service Charges	3,223,066	3,099,787	3,193,577	3,400,687	9.7%
Fines & Forfeitures	424,800	492,400	435,400	415,900	-15.5%
Miscellaneous	327,734	231,100	231,100	233,100	0.9%
Total General Fund Revenue	\$ 33,569,103	\$ 32,897,237	\$ 34,031,827	\$ 35,467,606	7.8%
Other Sources					
Capital Financing	-	1,000,000	-	-	
Transfers In	87,288	81,782	51,247	61,080	
Total Revenues and Other Sources	\$ 33,656,391	\$ 33,979,019	\$ 34,083,074	\$ 35,528,686	4.6%
Operating Expenditures by Departments					
Budget & Finance	\$ 364,913	\$ 393,421	\$ 377,165	\$ 733,301	86.4%
City Clerk	84,384	135,864	106,619	111,261	-18.1%
City Council	47,900	40,761	39,372	47,343	16.1%
City Court	527,931	600,161	528,020	609,675	1.6%
City Manager	262,925	187,515	182,400	202,068	7.8%
Community Development	1,116,102	1,118,073	1,108,093	1,232,038	10.2%
Economic Initiatives	604,219	473,107	422,621	355,882	-24.8%
Field & Facilities	102,468	105,386	104,766	221,739	110.4%
Fire	8,732,480	9,186,340	9,058,093	9,586,268	4.4%
Legal	395,729	329,225	309,848	299,589	-9.0%
Library	2,227,517	2,360,794	2,312,640	2,231,555	-5.5%
Police	11,335,023	12,166,621	11,887,113	12,828,765	5.4%
Recreation Services	2,736,869	3,104,676	3,076,946	3,041,608	-2.0%
Regional Communications	1,401,660	1,279,864	1,294,891	1,392,182	8.8%
Non-departmental	285,731	357,053	185,250	382,428	7.1%
Total Operating Expenditures	30,225,851	31,838,861	30,993,837	33,275,702	4.5%
Total Capital Outlay/Projects	1,282,730	2,118,024	519,265	2,333,300	10.2%
Total Expenditures	31,508,581	33,956,885	31,513,102	35,609,002	4.9%
Other Uses					
Transfers out	282,823	1,251,523	966,703	1,375,818	9.9%
Total Expenditures and Other Uses	\$ 31,791,404	\$ 35,208,408	\$ 32,479,805	\$ 36,984,820	5.0%
Ending Balance, 6/30					
Net Change in Fund Balance	\$ 1,864,987	\$ (1,229,389)	\$ 1,603,269	\$ (1,456,134)	
Fund Balance - Beginning	26,111,367	27,976,354	27,976,354	29,579,623	
Fund Balance - Ending	\$ 27,976,354	\$ 26,746,965	\$ 29,579,623	\$ 28,123,489	

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% local 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. Thus the fund has been renamed the Streets Fund in FY17. 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.

Streets Fund

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget	% Budget Change
Revenues					
Sales Tax	\$ 13,922,730	\$ 11,567,500	\$ 14,300,000	\$ 14,300,000	23.6%
Highway Users Revenue	3,102,388	2,994,582	2,994,582	3,349,275	11.8%
Partnering	-	2,400,000	2,120,000	1,050,000	-56.3%
Street Light Fee	228,672	233,000	230,000	230,000	-1.3%
Miscellaneous/Interest Earnings	541,561	568,792	449,888	571,098	0.4%
Total Revenues	17,795,351	17,763,874	20,094,470	19,500,373	9.8%
Other Sources					
Transfers In	-	9,465	500	400	-95.8%
Total Revenues and Other Sources	\$ 17,795,351	\$ 17,773,339	\$ 20,094,970	\$ 19,500,773	9.7%
Operating Expenditures					
Recreation Services	\$ 71,099	\$ 163,772	\$ 163,681	\$ 172,493	5.3%
Field and Facilities	3,693,130	3,565,702	3,479,611	3,843,026	7.8%
Public Works	2,187,288	2,279,564	2,244,530	3,861,610	69.4%
Debt Service	2,302,734	2,245,999	2,245,999	2,230,106	-0.7%
Total Operating Expenditures	\$ 8,254,251	\$ 8,255,037	\$ 8,133,821	\$ 10,107,235	22.4%
Capital Expenditures					
Open Space Capital Outlay	\$ -	\$ 730,000	\$ -	\$ 3,800,000	420.5%
Streets Capital Outlay	15,603,329	23,192,609	10,142,920	30,104,087	29.8%
Total Capital Expenditures	\$ 15,603,329	\$ 23,922,609	\$ 10,142,920	\$ 33,904,087	41.7%
Other Uses					
Transfers Out	\$ -	\$ 5,784	\$ 1,618	\$ 31,382	442.6%
Total Expenditures and Transfer Out	\$ 23,857,580	\$ 32,183,430	\$ 18,278,359	\$ 44,042,704	36.8%
Ending Fund Balance, 6/30					
Net Change in Fund Balance	\$ (6,062,229)	\$(14,410,091)	\$ 1,816,611	\$(24,541,931)	
Fund Balance - Beginning 7/1	25,952,971	19,890,742	19,890,742	21,707,353	
Fund Balance - Ending 6/30	\$ 19,890,742	\$ 5,480,651	\$ 21,707,353	\$ (2,834,578)	

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

Special Revenue Funds

August 2015, when voters repealed the ¾% tax expected to begin January 1, 2016 and replaced it with a 1% streets only tax.

<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
¾%	September 2009, streets only	1/1/2016	12/31/2035
1%	August 2015, repeals prior and adopts 1% streets only	1/1/2016	12/31/2035

The 24% increase in the FY17 budget is a result of budgeting for the drop to the ¾% tax in FY16 that was due to begin January 1, 2016. In addition, increased sales activity is occurring as the economy improves.

Highways Users Revenue: The revenue estimate of \$3,349,275 is provided by the State and is higher than the FY16 estimate by 11.8%. 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, Field and Facilities, and Public Works Departments. Changes in departmental operating budgets will be discussed in the Department Operational Plans section of this document.

The capital projects increase with an aggressive capital improvement plan as well as Council's commitment of fund balance being budgeted for opens space acquisition.

Fund Balance

Although the fund balance is projected to decrease, the negative fund balance is a result of appropriating the full amount of opens space committed fund balance. Based on trends, the City does not expect all capital projects to be accomplished or the opens space balance to be spent.

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

	FY15 Actual	FY16 Budget	FY16 Estimated	FY17 Budget	% Budget Change
Revenues					
Bed Tax Revenues (3% TPT)	\$ 724,807	\$ 680,000	\$ 800,000	\$ 820,000	21%
Liquor License	-	70,000	70,000	70,000	0%
Interest Earnings	5,487	2,000	2,000	2,000	0%
Total Revenues	\$ 730,294	\$ 752,000	\$ 872,000	\$ 892,000	19%
Expenditures					
Tourism, Marketing & Promotion	\$ 309,528	\$ 432,000	\$ 432,400	\$ 522,500	21%
Bed Tax allocations	336,890	321,900	321,900	340,000	6%
Appropriated Use of Fund Balance	-	143,193	143,193	297,722	108%
Total Expenditures Budget	\$ 646,418	\$ 897,093	\$ 897,493	\$ 1,160,222	29%
Transfer Out	\$ 20,000	\$ 45,000	\$ 45,000	\$ 45,000	
Ending Fund Balance					
Net Change in Fund Balance	\$ 83,876	\$ (190,093)	\$ (70,493)	\$ (313,222)	
Fund Balance - Beginning	299,839	383,715	383,715	313,222	
Fund Balance - Ending	\$ 383,715	\$ 193,622	\$ 313,222	\$ -	

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 2007, the voters approved a tax rate increase to 3%. These revenues have been consistently growing with a 19% increase expected from FY16 budget to FY17 budget. The second revenue source is liquor license revenue which is collected from bars and restaurants in the City, moved from the General Fund starting in FY16 as these revenues are also limited to tourism promotion.

Expenditures

The Tourism Division of Economic Initiatives is now funded fully by the Bed Tax Fund. In FY16, the remaining General Fund support for tourism specific personnel and programming was eliminated. 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 each August/September for approval. The remaining fund balance in the fund 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			
	FY15 Actual	FY16 Budget	FY16 Estimated	FY17 Budget
Revenues and Transfers In				
Grant Revenues	\$1,368,330	\$4,535,038	\$1,465,647	\$7,088,749
Interest	1,625	1,500	1,200	1,200
Transfers In	96,216	280,737	142,925	464,666
Total Revenues and Transfers	\$1,466,171	\$4,817,275	\$1,609,772	\$7,554,615
Expenditures				
City Court	\$ 26,639	\$ 31,000	\$ 27,000	\$ 29,000
City Manager	70,886	-	103,000	100,000
Economic Initiatives	-	250,000	-	250,000
Community Development	340,921	748,795	155,131	464,693
Recreation Services	-	500,000	-	-
Library	8,316	55,000	5,000	100,000
Police Department	588,931	1,680,750	494,366	1,792,425
Fire Department	351,699	1,404,520	595,473	3,517,177
Field and Facilities	504	144,000	144,000	-
Public Works	-	33,710	33,710	1,300,000
Total Expenditures Budget	\$1,387,896	\$4,847,775	\$1,557,680	\$7,553,295
Ending Fund Balance				
Net Change in Fund Balance	\$ 78,275	\$ (30,500)	\$ 52,092	\$ 1,320
Fund Balance - Beginning	66,061	144,336	144,336	196,428
Fund Balance - Ending	\$ 144,336	\$ 113,836	\$ 196,428	\$ 197,748

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.

FY17 Impact Fee Budget	Governmental Impact Fees					Public
	Parks	Fire	Library	Police	Streets	Buildings
Revenues						
Interest	\$ 4,000	\$ 5,000	\$ 3,000	\$ 5,000	\$ 400	\$ 1,000
Rent - Fire Station 75	-	24,359	-	-	-	-
Total Revenues	\$ 4,000	\$ 29,359	\$ 3,000	\$ 5,000	\$ 400	\$ 1,000
Expenditures and Transfers						
Transfers Out	\$ -	\$ -	\$ -	\$ -	\$ 400	\$ -
Total Expenditures and Transfers	\$ -	\$ -	\$ -	\$ -	\$ 400	\$ -
Ending Fund Balance						
Net Change in Fund Balance	\$ 4,000	\$ 29,359	\$ 3,000	\$ 5,000	\$ -	\$ 1,000
Fund Balance Beginning, 7/1	722,020	864,953	451,241	852,662	-	172,234
Fund Balance Ending, 6/30	\$ 726,020	\$ 894,312	\$ 454,241	\$ 857,662	\$ -	\$ 173,234

Special Revenue Funds

Trust Funds

Lastly are 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 to purchase items for example for improvements to parks and trails.

Trust Funds		
FY17 Trust Funds Budget	Acker Trust	Gifts & Donations
Revenues		
Gifts/Donations	\$ -	\$ 140,000
Interest	5,000	-
Total Revenues	\$ 5,000	\$ 140,000
Expenditures		
Scholarships	\$ 10,000	\$ -
Gift/Donation Expenditures	-	255,084
Total Expenditures	\$ 10,000	\$ 255,084
Ending Fund Balance		
Net Change in Fund Balance	\$ (5,000)	\$ (115,084)
Fund Balance Beginning, 7/1	567,663	213,480
Fund Balance Ending, 6/30	\$ 562,663	\$ 98,396

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 will be paid in full during FY17 and the only remaining debt service will be for a small sanitary improvement district.

Debt Service Fund					
	FY15	FY16	FY16	FY17	% Budget
	Actual	Budget	Estimate	Budget	Change
Revenues					
Secondary Property Taxes	\$ 76,505	\$ 75,000	\$ 75,000	\$ 41,000	-45%
Special Assessments Billings	5,044	5,045	5,045	5,045	0%
Interest	4,445	1,880	1,880	1,243	-34%
Total Revenues	\$ 85,994	81,925	81,925	47,288	-42%
Expenditures					
GO Bonds	186,224	190,200	189,700	187,700	-1%
Special Assessment Bonds	6,061	5,925	5,925	5,788	-2%
Total Expenditures	\$ 192,285	196,125	195,625	193,488	-1%
Ending Fund Balance					
Net Change in Fund Balance	(106,291)	(114,200)	(113,700)	(146,200)	
Fund Balance Beginning, 7/1	367,098	260,807	260,807	147,107	
Fund Balance Ending, 6/30	\$ 260,807	\$ 146,607	\$ 147,107	\$ 907	

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 fund balance is decreasing as a result of managing the cash flow for the final year of servicing the general obligation bonds for the purchase of the lakes.

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.

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget	% Budget Change
Revenues					
Water Sales	\$ 12,251,350	\$ 14,742,550	\$ 14,742,550	\$ 15,000,000	1.7%
Alt Water Source Fees	1,623,647	1,750,000	1,750,000	1,785,000	2.0%
Water Connection Fees	196,892	170,000	205,000	205,000	20.6%
Aquifer Protection Fee	109,975	261,723	261,723	267,000	2.0%
Water Resource Development Fee	346,766	851,213	628,710	641,284	-24.7%
Water System Impact Fee	752,427	1,490,851	1,064,099	1,085,381	-27.2%
Miscellaneous/Interest Earnings	354,591	173,997	246,351	221,500	27.3%
Total Revenues	15,635,648	19,440,334	18,898,433	19,205,165	-1.2%
Other Sources					
Bond Proceeds - WIFA Draws	2,287,973	-	440,000	-	
Water Resource Partnering	804,446	995,779	1,017,275	376,734	-62.2%
Total Revenues and Other Sources	\$ 18,728,067	\$ 20,436,113	\$ 20,355,708	\$ 19,581,899	-4.2%
Operating Expenditures by Department					
City Manager Department	\$ 516,662	\$ 1,714,994	\$ 966,606	\$ 874,975	
Budget & Finance	206,167	224,152	210,722	198,703	-11.4%
Public Works	8,266,933	6,879,447	6,173,759	7,826,317	13.8%
Debt Service	2,295,621	2,426,963	2,426,959	2,388,030	-1.6%
Total Operating Expenditures	\$ 11,285,383	\$ 11,245,556	\$ 9,778,046	\$ 11,288,025	
Capital Expenditures					
Water System	\$ 8,864,442	\$ 12,978,133	\$ 4,553,852	\$ 13,598,400	4.8%
Aquifer Protection	-	261,000	80,000	442,000	69.3%
Alternative Water Sources	635,710	410,874	123,000	824,681	100.7%
Water System Impact	3,594,639	2,859,929	2,052,700	4,477,009	56.5%
Total Capital	\$ 13,094,791	\$ 16,509,936	\$ 6,809,552	\$ 19,342,090	
Other Use of Funds					
Transfers Out	\$ -	\$ 6,748	\$ 1,888	\$ 4,860	
Total Expenditures and Transfers Out	\$ 24,380,174	\$ 27,762,240	\$ 16,589,486	\$ 30,634,975	
Ending Balance, 6/30					
Net Change in Fund Balance	\$ (5,652,107)	\$ (7,326,127)	\$ 3,766,222	\$ (11,053,076)	
Fund Balance - Beginning	42,371,129	36,719,022	36,719,022	40,485,244	
Fund Balance - Ending	\$ 36,719,022	\$ 29,392,895	\$ 40,485,244	\$ 29,432,168	

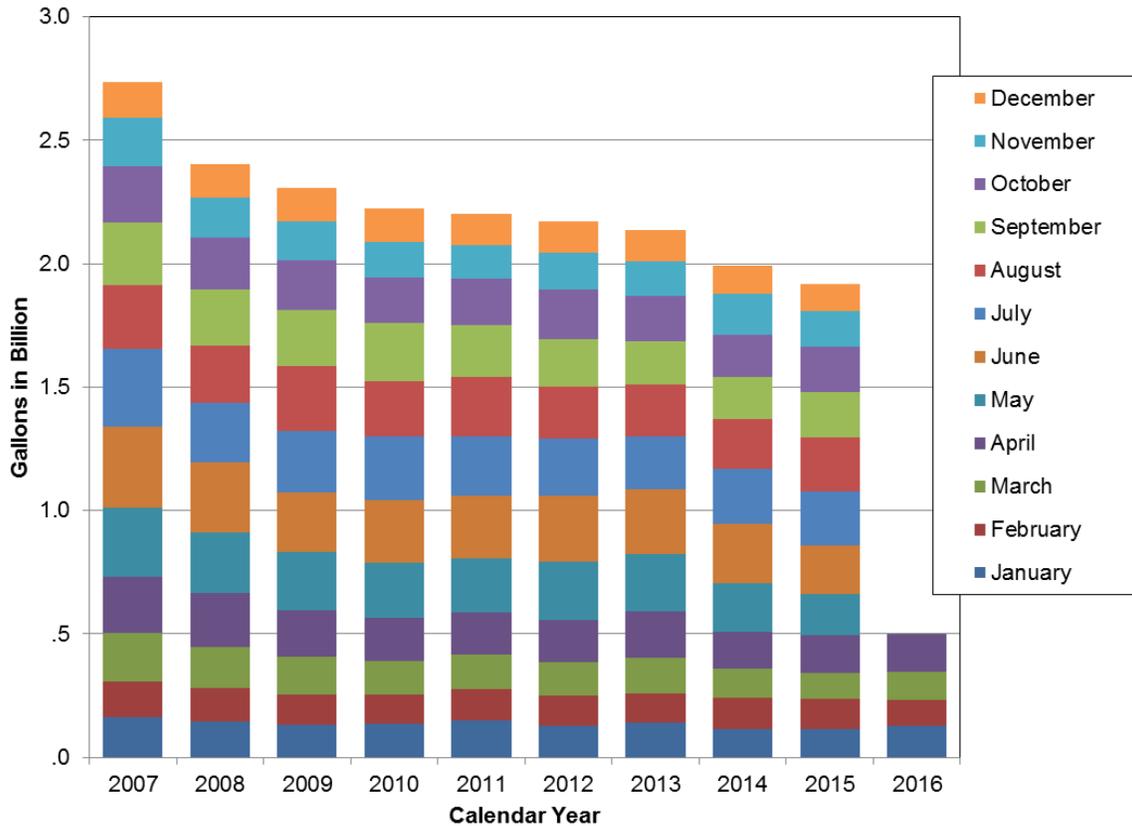
Revenue and Trends

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 \$15,000,000 in FY2017 compared to an estimated \$14,742,550 for FY2016 representing a 1.7% increase. This revenue is very weather sensitive;

Enterprise Funds

although trends are indicating consumption is decreasing. The population estimate for 2016 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.



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

Enterprise Funds

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 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 Division of Public Works, the Utility Billing Division of Budget and Finance, and the Water Resource Management Division of the City Manager's Department.

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.

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					
	FY15	FY16	FY16	FY17	% Budget
	Actual	Budget	Estimate	Budget	Change
Revenues					
Wastewater Service Fees	\$10,531,481	\$11,825,857	\$11,825,857	\$12,037,000	1.8%
Wastewater Impact Fees	622,453	1,343,549	919,086	937,467	-30.2%
Effluent Sales	620,962	563,833	563,833	585,000	3.8%
Miscellaneous/Interest Earned	167,712	126,756	146,004	161,306	27.3%
Total Revenues	11,942,608	13,859,995	13,454,780	13,720,773	-1.0%
Other Financing Sources					
Bond Proceeds - WIFA	8,228,332	2,666,286	300,000	6,156,286	130.9%
Total Revenues and Other Sources	\$20,170,940	\$16,526,281	\$13,754,780	\$19,877,059	20.3%
Operating Expenditures					
Public Works	\$ 5,420,477	\$ 5,385,666	\$ 5,036,296	\$ 7,650,937	42.1%
Debt Service	4,213,155	4,369,966	4,369,966	4,300,843	-1.6%
Total Operating Expenditures	\$ 9,633,632	\$ 9,755,632	\$ 9,406,262	\$11,951,780	22.5%
Capital Expenditures					
Wastewater System	\$ 3,474,590	\$ 6,450,194	\$ 1,912,016	\$ 8,652,331	34.1%
Wastewater Impact	2,380,961	3,166,286	300,000	3,078,143	-2.8%
Total Capital Expenditures	\$ 5,855,551	\$ 9,616,480	\$ 2,212,016	\$11,730,474	22.0%
Other Use of Funds					
Transfers Out	\$ -	\$ 5,624	\$ 1,572	\$ 4,050	
Total Expenditures and Transfer Out	\$15,489,183	\$19,377,736	\$11,619,850	\$23,686,304	
Ending Balance, 6/30					
Net Change in Fund Balance	\$ 4,681,757	\$ (2,851,455)	\$ 2,134,930	\$ (3,809,245)	
Fund Balance - Beginning	5,758,817	10,440,574	10,440,574	12,575,504	
Fund Balance - Ending	\$10,440,574	\$ 7,589,119	\$12,575,504	\$ 8,766,259	

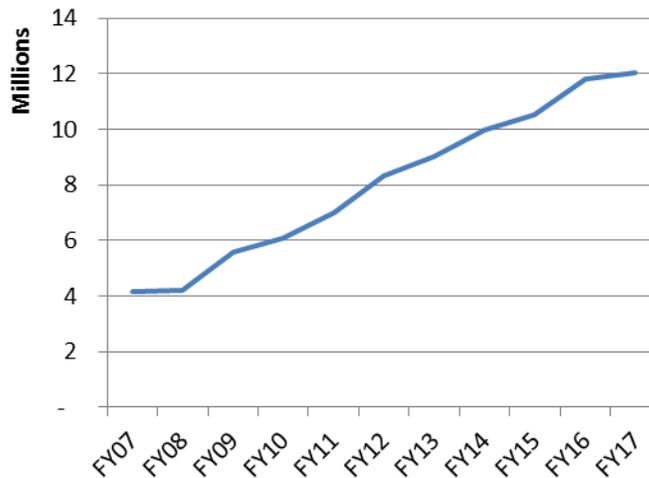
Enterprise Funds

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.

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

Enterprise Funds

borrowers below market interest rates on loans. Draws are made on approved bonds as the capital projects progress.

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 increase from FY16 Budget to FY17 Budget as a result of capital expenditure significantly less than expected. 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

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget	% Budget Change
Revenues					
Refuse Collection Fees	\$ 5,040,032	\$ 4,920,000	\$ 4,910,600	\$ 5,390,000	9.6%
Transfer Station Fees	1,121,955	1,200,000	1,200,000	1,250,000	4.2%
Landfill Closure Surcharge	121,067	120,000	120,000	120,000	0.0%
Recycling Revenue	176,999	150,000	106,000	100,000	-33.3%
Micellaneous/Interest Income	110,382	82,500	92,020	64,620	-21.7%
Total Revenues	\$ 6,570,435	\$ 6,472,500	\$ 6,428,620	\$ 6,924,620	7.0%
Expenditures					
Operating	\$ 6,649,903	\$ 6,471,413	\$ 6,482,597	\$ 6,714,208	3.8%
Capital	1,703,521	1,317,400	548,000	1,427,800	8.4%
Total Expenditures	8,353,424	7,788,813	7,030,597	8,142,008	4.5%
Other Use of Funds					
Transfers Out	-	4,178	1,169	3,010	-28.0%
Total Expenditures and Other Uses	\$ 8,353,424	\$ 7,792,991	\$ 7,031,766	\$ 8,145,018	4.5%
Ending Fund Balance, 6/30					
Net Change in Fund Balance	\$ (1,782,989)	\$ (1,320,491)	\$ (603,146)	\$ (1,220,398)	
Fund Balance - Beginning 7/1	7,621,388	5,838,399	5,838,399	5,235,253	
Fund Balance - Ending 6/30	\$ 5,838,399	\$ 4,517,908	\$ 5,235,253	\$ 4,014,855	

Revenues

Refuse Collection Fees: FY2017 Refuse collection charges are expected to increase due to a pending rate study and possible rate increase. 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 \$14.50 per month structured as follows: \$11.00 to pay for the collection and disposal of solid waste; \$3.00 for the voluntary recycling program; and \$.50 for a landfill closure surcharge.

Transfer Station Fees: Effective July 27, 2010, the tipping fee increased from \$57.25 per ton to \$59.00 per ton (\$2.95 per 100 pounds) with a \$5.00 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.

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 Field and Facilities 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. The rate study and possible rate increase 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				% Budget Change
	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget	
Revenues					
Greens Fees	\$ 1,428,587	\$ 1,524,817	\$ 1,486,100	\$ 1,442,066	-5.4%
Cart Rentals	520,268	532,660	539,478	551,012	3.4%
Pro Shop	118,732	132,000	121,096	130,029	-1.5%
Food and Beverage	891,887	908,555	911,921	980,424	7.9%
Contingency	173	300,000	33,797	300,000	0.0%
Total Revenues	\$ 2,959,647	\$ 3,398,032	\$ 3,092,392	\$ 3,403,531	0.2%
Expenditures					
Billy Casper Golf Operations	\$ 1,743,918	\$ 1,684,743	\$ 1,674,821	\$ 1,730,252	2.7%
Recreation Services Operations	1,286,590	1,410,775	1,353,012	1,415,568	0.3%
Capital Expenditures	-	-	-	43,400	
Cart Debt Service	137,394	-	-	-	
Contingency	-	300,000	-	300,000	0.0%
Total Expenditures	\$ 3,167,902	\$ 3,395,518	\$ 3,027,833	\$ 3,489,220	2.8%
Net Income (Loss)	\$ (208,255)	\$ 2,514	\$ 64,559	\$ (85,689)	

Revenues

Greens Fees: There is a projected decrease in greens fees compared to FY16. This revenue is extremely sensitive to weather and a more conservative estimate is budgeted for FY17.

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: 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 7.9% in FY17 over FY16 with the continued popularity of the restaurant and concessions at the golf course.

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.

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

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget	% Budget Change
Revenues - Operating					
Tie Down and Hangar Rentals	\$ 670,196	\$ 647,105	\$ 661,100	\$ 664,000	2.6%
Ground Rentals	442,105	516,490	481,450	482,000	-6.7%
Facilities Rentals	197,553	201,705	198,810	186,810	-7.4%
Fuel Flowage Fee	87,433	90,300	79,080	86,240	-4.5%
Landing Fees	21,796	21,700	18,300	18,700	-13.8%
Miscellaneous/Interest Earnings	32,189	33,180	67,180	52,830	59.2%
Total Revenues	<u>\$ 1,451,272</u>	<u>\$ 1,510,480</u>	<u>\$ 1,505,920</u>	<u>\$ 1,490,580</u>	-1.3%
Operating Expenditures					
Fire Department - ARFF	\$ 277,620	\$ 460,748	\$ 419,748	\$ 504,993	9.6%
Airport Operations	1,135,568	1,319,215	1,283,429	1,295,267	-1.8%
Total Operating Expenditures	<u>\$ 1,413,188</u>	<u>\$ 1,779,963</u>	<u>\$ 1,703,177</u>	<u>\$ 1,800,260</u>	1.1%
Operating Profit (Loss)	<u>\$ 38,084</u>	<u>\$ (269,483)</u>	<u>\$ (197,257)</u>	<u>\$ (309,680)</u>	14.9%
Capital Outlay/Projects					
FAA/ADOT Grants	\$ 393,843	\$ 6,538,789	\$ 5,222,749	\$ 1,884,703	-71.2%
Capital Outlay/Projects	694,527	7,240,092	5,843,270	2,514,632	-65.3%
City Share of Projects	<u>\$ (300,684)</u>	<u>\$ (701,303)</u>	<u>\$ (620,521)</u>	<u>\$ (629,929)</u>	-10.2%
Total General Fund Transfer In	<u>\$ (262,600)</u>	<u>\$ (970,786)</u>	<u>\$ (817,778)</u>	<u>\$ (939,609)</u>	-3.2%

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 Division of Economic Initiatives. The Fire Department staffs and manages the Aircraft Rescue and Firefighting (ARFF) service, which is charged to the Airport Fund. 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					
	FY15	FY16	FY16	FY17	% Budget
	Actual	Budget	Estimate	Budget	Change
Revenues					
Engineering	\$ 1,855,442	\$ 2,526,143	\$ 2,122,930	\$ 2,304,658	-8.8%
Facilities Maintenance	1,334,312	1,543,816	1,543,816	1,541,243	-0.2%
Fleet Maintenance	2,153,969	1,910,000	1,917,000	1,900,000	-0.5%
Risk Management	912,577	990,001	990,001	960,000	-3.0%
Total Revenues	\$ 6,256,300	\$ 6,969,960	\$ 6,573,747	\$ 6,705,901	-3.8%
Operating Expenditures					
Engineering	\$ 1,857,272	\$ 2,516,143	\$ 2,122,930	\$ 2,235,658	-11.1%
Facilities Maintenance	1,289,151	1,525,086	1,374,937	1,473,893	-3.4%
Fleet Maintenance	2,316,937	2,402,089	2,435,922	2,496,208	3.9%
Risk Management	1,393,992	1,675,963	1,426,887	1,265,100	-24.5%
Total Operating	\$ 6,857,352	\$ 8,119,281	\$ 7,360,676	\$ 7,470,859	-8.0%
Capital Expenditures					
Engineering	\$ -	\$ -	\$ -	\$ 69,000	
Fleet Maintenance	818,347	655,700	502,550	538,000	-18.0%
Facilities	57,671	-	-	160,000	
Total Capital	\$ 876,018	\$ 655,700	\$ 502,550	\$ 767,000	17.0%
Total Expenditures	\$ 7,733,370	\$ 8,774,981	\$ 7,863,226	\$ 8,237,859	-6.1%
Ending Fund Balance 6/30					
Engineering	\$ 1,310,321	\$ 1,320,321	\$ 1,310,321	\$ 1,310,321	
Facilities Maintenance	148,850	167,580	317,729	225,079	
Fleet Maintenance	3,328,032	2,180,243	2,306,560	1,172,352	
Risk Management	1,544,013	858,051	1,107,127	802,027	

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 Field and Facilities 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 to capital items. Fleet Maintenance fund balance is decreasing as vehicles are purchased and a vehicle replacement recovery has not been in place during the recession. This will be addressed in FY18. 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 the end of FY2013, 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

All Others 6% **Water & Sewer 20%**

Legal Debt Limitation

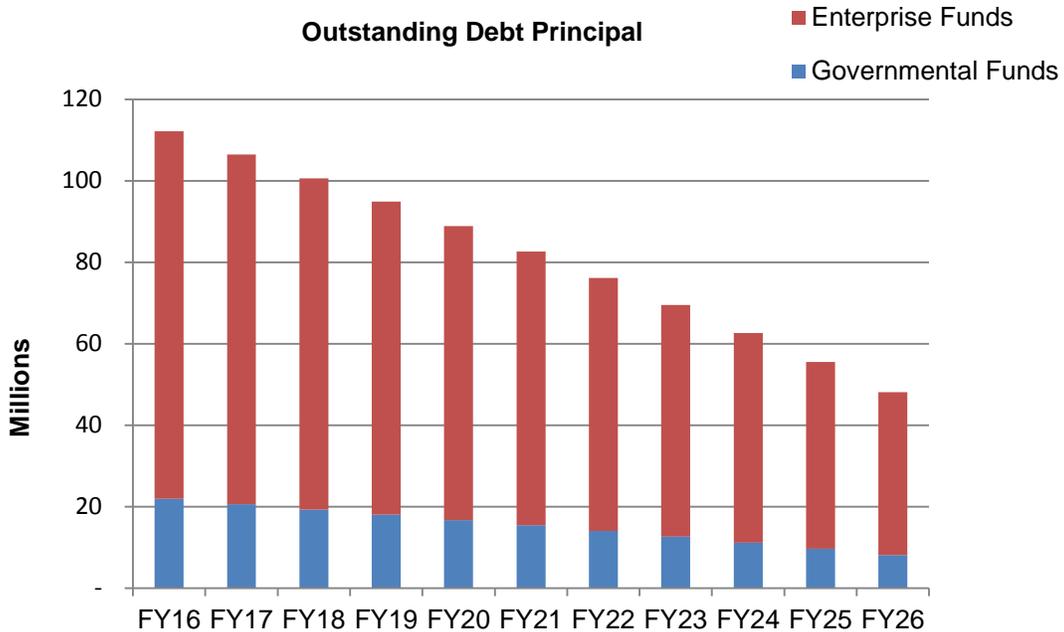
Secondary Assessed Valuation - \$621,227,271 \$ 37,273,636 \$ 124,245,454

Outstanding Debt

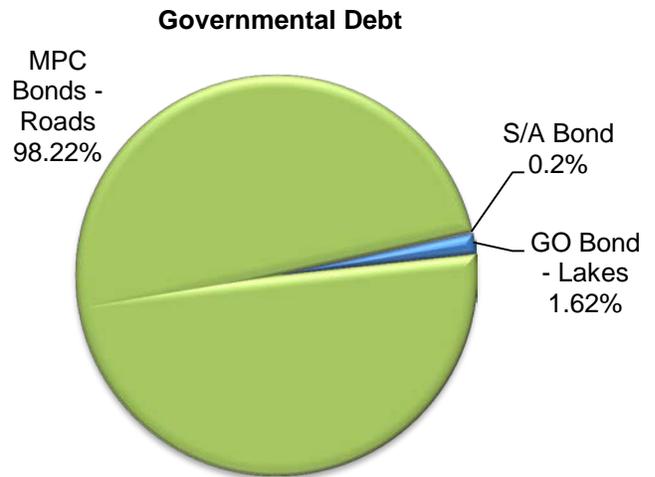
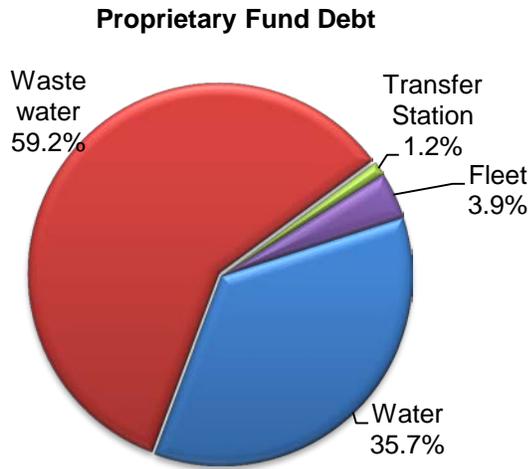
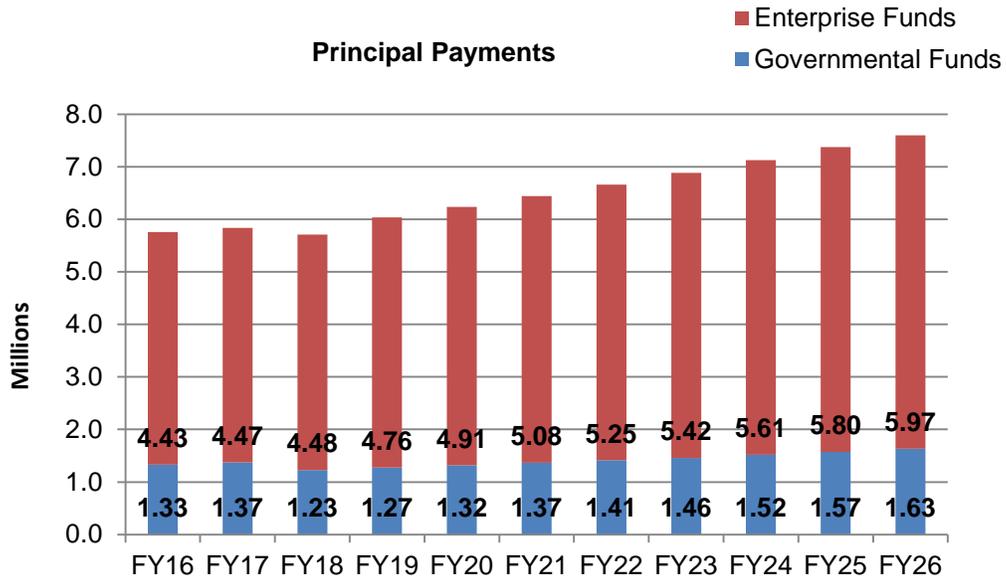
Municipal facilities & refunding bond series 2007	-	355,000
Total outstanding debt	-	355,000
Total margin available	37,273,636	123,890,454

Total debt applicable to the limit as a percentage 0.0% 0.3%

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



City Debt Summary



City Debt Summary

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Department Operational Plans

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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:

<p>Stronger Local Economy and Expanded Tax Base</p> <ul style="list-style-type: none"> • More quality jobs with family wages • More diverse economy which is less retail dependent • Development of our airport as an "economic engine" • Continue as the Regional Retail Center • Make land available for developing business/commercial sites <p>Better Mobility through Improved Roads and Transportation System</p> <ul style="list-style-type: none"> • Improved condition and quality of city streets • All city streets and alleys paved • Air service to alternative hubs • Effective and functioning Municipal Planning Organization • Sidewalks on major arterials <p>Managed Growth for a Balanced Community</p> <ul style="list-style-type: none"> • More affordable (workforce) housing units • Well-planned annexed areas with mixed and balanced uses • Preservation of Prescott's historic charm and character • Growth paying for growth • Development consistent with Land Development Code <p>Polished City – Beautiful and Clean</p> <ul style="list-style-type: none"> • Cleaner and well-maintained streets, alleys and rights-of-way • Reduced number of blighted homes and buildings 	<ul style="list-style-type: none"> • Effective solid waste collection and management • Redevelopment of aging commercial centers • Well maintained parks and recreational areas <p>First Class Utility System</p> <ul style="list-style-type: none"> • Water supply for the next 100 years • Sewers for all residences and businesses • Well-maintained water treatment and distribution system • Well-maintained wastewater collection and treatment facility • Effective storm water management system <p>Alive Downtown</p> <ul style="list-style-type: none"> • Cleaner downtown with improved infrastructure • More commercial offices with people working downtown • More activity venues for attracting residents and events • More people living downtown • More evening activities with businesses open beyond 5:30 <p>Financially Sustainable City</p> <ul style="list-style-type: none"> • Maintain basic services • Focus on long-term planning in all funds • Target excess resources for economic & strategic program investment • Maintain flexibility to respond to unknown opportunities
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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 goals are presented with strategies of how the goals will be accomplished. Each strategy 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.

The remainder of this overview includes selected results and outcomes of departments highlighting the achievement of Council's strategic goals.

Stronger Local Economy and Expanded Tax Base

Financial Sustainability and Economic Vitality

- Received the Distinguished Budget Presentation Award, the highest form of recognition from the Government Finance Officers Association of the United States and Canada (GFOA) for the fourteenth consecutive year
- Received the Certificate of Achievement for Excellence in Financial Reporting from GFOA for the City's Comprehensive Annual Financial Report for the thirty-fourth consecutive year
- Three out-of-state manufacturers relocating to Prescott
- A coffee roaster company relocated from Kingman with 3,000 square foot facility in the Airport Area and opened a retail center off Courthouse Square
- Assisted existing local manufacturer expansion

Department Operational Plans Overview

- Working with 2 retailers to remain and expand in Prescott representing sales tax revenue to the City of over \$175,000 annually
- Film office activity included 2 movies, 1 mini TV series, 6 commercials, and 1 student film
- Assisted development of Greater Prescott Regional Economic Partnership's Annual Work Program and marketing activities
- Submitted and received a \$500,000 Arizona Rural Economic Development Grant provided by the Arizona Commerce Authority/Arizona Department of Transportation to support construction of Corsair Connector in conjunction with private sector.
- Completed 178 desk reviews and 6 field audits resulting in revenue recovery of \$549,200 in previously unremitted sales and use tax.

Tourism

- Transient Occupancy (Bed) Tax revenue collection increased nearly 14.75%,
- Revenue per Available Room (RevPAR) increased 13.6%
- These positive returns represent Bed Tax revenue of \$800,000, an increase of \$75,000 over the prior period
- Ongoing sales efforts resulted in 51 corporate group leads, 213 leisure leads, and 43 new event leads
- Tourism marketing is showing positive trends for reservation referrals, users for websites and information requests.

Airport

- Accommodated 13,000 more flight operations during the year, reaching a total of 291,170 operations recorded during daily tower operational hours of 6 am to 10 pm
- Maintained status as the 35th busiest airport in the US, and the 3rd busiest in Arizona, only behind Phoenix-Sky Harbor International Airport and Phoenix-Deer Valley Airport
- Solicited and received over \$7M in grants for Capital Improvement Projects
- Successful meeting with FAA, ADOT, and City leadership to position Airport to continue airport development through FY17, including the process to relocate the terminal building.

Better Mobility through Improved Roads and Transportation System

Streets Projects

- Willow Creek Road Realignment project construction (\$5,572,388)
- FY16 Pavement Preservation Project construction (\$1,740,193)
- Completed Blackhawk Area Drainage and Road Improvements construction (\$1,1391,904)

Construction/Design Services

- Completed in-house design and survey for Rodeo Grounds Bio-Swale
- In-house design and survey Alarcon-Carleton Improvements in-progress
- In-house design and survey of Alarcon Improvement project from Sheldon to Gurley in-progress
- Completed development of General Engineering Standards, Standard Details and CADD Standards

Streets/Traffic Engineering

Department Operational Plans Overview

- Constructed the Prescott Lakes Parkway @ Blooming Hills Drive traffic signal at a cost of \$75,000 saving the City \$125,000 from the anticipated contract price
- Installed two solar powered changeable radar sign assemblies on Willow Creek Road near Embry Riddle Aeronautical University.

Managed Growth for a Balanced Community

Development

- Approved 280 new single family home construction permits
- Issued 2010 permits of all types with a valuation exceeding \$166 million
- Supervised and assisted the operation of the Community Development Block Grant (CDBG) program, including the project specifications and bid documents, budget, and Annual Action Plan.
- Managed the Pre-Application Conference submittals with 147 projects processed during FY16
- Managed two large annexations through the review and approval process

Water Management

- Alternative Water Allocation Policy for Calendar Year 2016
- Comprehensive Agreement No. 1 continues to meet contract requirements
- Continued participation in regional water groups
- Continued improvements of the web-based outdoor water conservation tool
- Continued maintenance of City's water portfolio and placement of supplies into new contracts
- Continued maintenance of the City's Conservation rebate program

Polished City – Beautiful and Clean

Recreation Services (including Antelope Hills Golf Course Maintenance)

- Produced a promotional video for the marketing of the Prescott Circle Trail.
- Completed a 22' wide concrete walkway/emergency access at Pioneer Park.
- Painted the dugouts at Kuebler field and xero-scaped the parking area.
- Completed a new outside storage area at Heritage Park.
- Implemented a new temporary fence placement system for improved efficiency with tournament set up.
- Completed eight miles of new trail to the Mile-High trail system
- Installed borders and fall protection at six playgrounds.
- The Grace Sparkes Activity Center full size indoor gym hosts annually approximately 3,500 hours of use each year, including adult sports leagues, open gym programs, YMCA youth basketball program and hosted special events.
- Special Needs Adult Program (SNAP) –The Special Needs Adult Program serves over 200 participants in monthly activities
- Volunteer Park Rangers- contributed a total of 3580 hours on park patrols and reporting park issues.
- The Community Restitution Program- workers logged at total of 15,293 hours performing tasks such as graffiti removal, weed abatement, and trash pickup.

Department Operational Plans Overview

Street Maintenance and Drainage

- Employed dedicated drainage crew and equipment in inspecting all drainage ways and structures twice and cleaning over 7,500 lf of culvert and 233 drainage structures.
- Swept the entire City three times, and cleaned the downtown 208 times. Painted over 7,000 feet of curb in the downtown area.
- Replaced 1,750 signs, or approximately 12.5% of the total signs.
- Placed over 180,000 lbs. of hot and cold mix asphalt in patches and potholes within 5 days of notification
- Mowed and manually removed weeds from over 523 acres of right-of-way.

Solid Waste

- Removed 173 tons of trash from neighborhoods during the Annual Clean-up
- Landfill diversions with a total of \$986,500 savings by not sending to landfill, including:
- Purchased a wood chipper to process brush material
- Hosted a successful multi-jurisdictional household hazardous waste event (531 vehicles)

First Class Utility System

- Initiated the design of Zone 16 Water Utility Project including pump station, pipeline and tank (\$1,135,841)
- Completed Small Water Mains Improvement Project Phase 2 construction (\$2,169,427)
- Continued design and master plan for the Sundog Wastewater Trunk Main (\$541,385)
- Initiated SCADA Upgrade project for water and wastewater (Design/Build)
- Upper Granite Creek Watershed and Watson/Willow Lake Reservoir Water Quality Improvement study (TMDL's and eColi) \$60,000

Alive Downtown – Quality of Life

Special Events

- Successfully completed the re-organization of the Recreation Programming office in order to facilitate the addition of Special Events to the Recreation Services department
- Awarded a no cost contract for a private company to plan and implement the 4th of July celebration in downtown Prescott.
- Awarded a contract to the Prescott Downtown Partnership to manage the Downtown Summer Concert Series.

Library

- The library continues to play an important role in the recreational and educational life of the community. This is evidenced by:
 - 426,312 visits to the library in FY 2016—10.5 visits per capita.
 - 773,965 items checked out in FY 2015—19 items per capita.
 - 28,115 persons hold library cards—approximately 69% of the population.
- Community residents and City staff used the library meeting rooms 4,141 times.

Department Operational Plans Overview

- 169 volunteers donated 13,450 hours of service to the library, equivalent to 7.00 full time staff and saving the city approximately \$180,600.
- 14,291 items were added to the collection. Prescott residents now have 174,303 items available at Prescott Public Library and 1,312,883 items available throughout Yavapai Library Network

Other Quality of Life Issues

- Facilitated creation of Mayor's Ad Hoc Committee on Structured Sober Living Homes as well as the Ad Hoc Bicycle and Pedestrian Committee in the Public Works Department
- Initiated congregate living (community residence) safety inspection program

Financially Sustainable City

Public Safety (Police and Fire)

- A grant funded victim advocate position was added to assist victims through the criminal justice process and provide helpful, caring support immediately after their victimization.
- In FY16, applied for and received approximately \$458,000 in grant funding for training, equipment, personnel and overtime.
- Technological improvements include a citizen on-line crime reporting now allows citizens to report non-emergency crimes to law enforcement and electronic self-form completion and ticketing improves the collection and transfer of data to the Department's records and court case management system.
- Patrol Officers responded to 40,393 incidents; 24,979 were citizen initiated calls for service with the remaining 15,414 being Officer initiated.
- The K-9 unit consisting of two teams (1 dog and 1 handler each), performed 19 public demonstrations, speaking engagements and special appearances. K-9 teams performed 14 building clearances for Patrol, 43 vehicle searches for drugs, 39 drug seizures and were involved in 65 drug related arrests.
- The Traffic Safety Section wrote approximately 4,800 traffic citations and warnings, 3,100 parking citations and warnings, investigated 460 traffic crashes, made 81 DUI arrests and investigated three (3) fatal traffic crashes.
- The continuation of the School Resource Officer Program at Prescott High School has allowed instruction and mentorship of approximately 1600 students and staff.
- The Animal Control Section handled over 3,500 license renewals, 305 barking dog complaints, 154 Dogs in Custody, 320 Dogs at Large, 325 Warnings and Citations, 82 animal Cruelty cases, 97 Animal Bites and 349 "miscellaneous" animal problems.
- Each member of the investigations Section successfully completed the intensive on-line training through the End Violence Against Women International, best practices in law enforcement class.
- A total of 333 cases were assigned to investigations with 213 of them resulting in clearances/arrests.
- SWAT responded to six (6) calls including one (1) barricade, two (2) agency assists for YCSO and PANT and three (3) high risk warrants services.
- Coordinated and participated in a regional hazardous materials technician drill in unison with our regional partners as well as the 91 Civil Support Team from the Arizona Department of Military Affairs.
- Trained 1,985 students in fire and life safety.
- Conducted 1,422 fire inspections.
- Conducted 31 fire investigations.
- Responded to 8,355 emergency calls (averaging 23 responses per day).

Department Operational Plans Overview

- Conducted 234 engine company inspections.
- Expanded the Active 911 system, which allows all firefighters to be alerted on their cell phones via an 'APP' to get key department information regarding incidents and needs. This also includes a real time map of where the incident is, but also allows the firefighter to read the nature of the incident in real time.

Administrative Process Improvements

- Critically reviewed and implemented organizational alternatives for fulfilling departmental missions more effectively/efficiently
- A wide variety of network infrastructure elements were upgraded, redesigned, and overhauled in FY16
- HR took over Police recruitments due to downsizing of a Police Department training position and participated in a joint recruitment for Firefighters with Central Yavapai Fire District.
- Continued implementation of time and attendance software, currently testing with certain departments.

Legislative Activity

- Continued to work with legislative representatives to facilitate legislation that better regulates the substance abuse recovery industry and addresses reform for the Public Safety Retirement System (PSPRS)

Financial adjustments

- Facilitated FY16 mid-year budget adjustments, creating capacity for implementation of the market compensation plan and Public Safety Retirement System (PSPRS) increases in FY 17.
- Development fee schedule for greater cost recovery
- Implemented mid-year parking fee increases at four recreation sites.
- Improved the financial performance of the Antelope Hills golf course through a public private partnership with Billy Casper Golf.

Fleet and Facility Improvements

- Inspected five fire stations that were newly introduced into the Facilities Management Fund and began considerable maintenance and repairs.
- Sanitary sewer line replacement at Legal Department's building.
- Improvements to the Police Operations Bureau location at the Virginia Street campus.
- Remodeled the reception and administrative areas of the Grace Sparks Activity Center
- Ensured emergency power generators, elevators, fire and life safety devices, lifts, cranes and compressors were given preventive maintenance and certifications.
- Continued energy savings program by installing LED's whenever fluorescents failed.
- Ongoing parking garage maintenance included repaired damaged bollard, deck and column, requiring new concrete, new steel reinforcement, welding, restriping parking, and structural inspections.
- Rodeo ground repairs included replacing damaged sheet metal, exterior painting, and sanitary line improvements to the Mackin building.
- Maintained an average availability rate of 98% for City vehicles
- Completed 2,506 fleet repair work orders and 954 preventative maintenance work orders

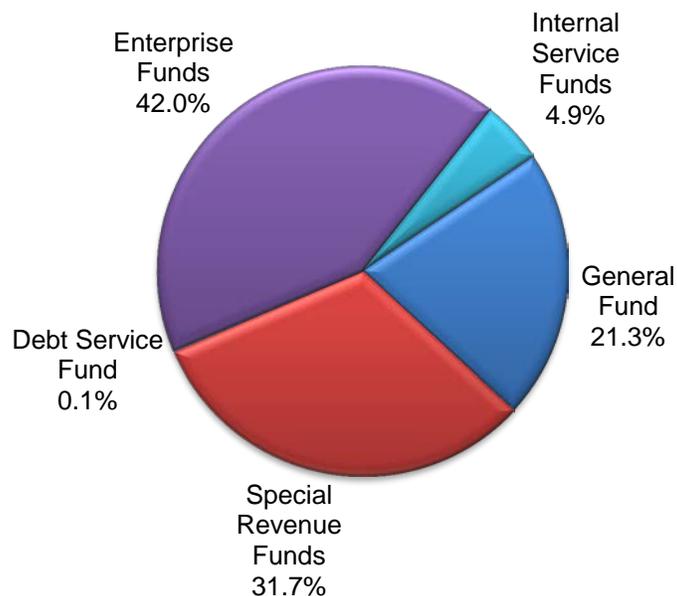
City Expenditure Budget by Department and Fund

Department	General	General	Special	Debt	Enterprise	Internal	Total
	Fund Tax	Fund	Revenue	Service	Enterprise	Service	
	Base	Program	Funds	Funds	Funds	Funds	
Budget & Finance	\$ 325,801	\$ 407,500	\$ 199,397	\$ -	\$ 955,517	\$ 43,707	\$ 1,931,922
City Clerk	111,261	-	106,156	-	191,715	23,270	432,402
City Council	47,343	-	53,425	-	81,578	9,902	192,248
City Court	513,675	96,000	29,000	-	-	-	638,675
City Manager	1,238,347	-	798,098	-	3,499,655	197,438	5,733,538
Community Development	257,838	1,099,200	469,977	-	-	-	1,827,015
Economic Initiatives	355,382	500	1,340,222	-	3,809,899	-	5,506,003
Field & Facilities	1,074,539	72,200	4,954,128	-	8,142,008	4,668,101	18,910,976
Fire	9,154,645	473,623	3,535,275	-	504,993	-	13,668,536
Legal	298,089	1,500	284,420	-	513,652	1,327,446	2,425,107
Library	1,583,999	647,556	189,167	-	-	-	2,420,722
Police	12,468,765	380,000	1,846,302	-	-	-	14,695,067
Public Works	-	-	36,384,701	-	51,948,642	2,304,658	90,638,001
Recreation Services	2,691,308	495,100	4,132,898	-	1,458,968	-	8,778,274
Regional Communications	2,389,548	1,414,664	-	-	-	-	3,804,212
Other ¹	382,428	-	-	193,488	2,030,252	-	2,606,168
Internal Cost Allocations ²	(2,371,809)	-	(1,333,243)	-	(2,878,390)	(336,663)	(6,920,105)
City Total	\$ 30,521,159	\$ 5,087,843	\$ 52,989,923	\$ 193,488	\$ 70,258,489	\$ 8,237,859	\$ 167,288,761

¹Non-departmental budgets including the use of General Fund retirement reserve, Debt Service Fund, and Golf course operations managed by Billy Casper Golf

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."

FY17 City Budget by Fund



City Expenditure Budget by Department and Category

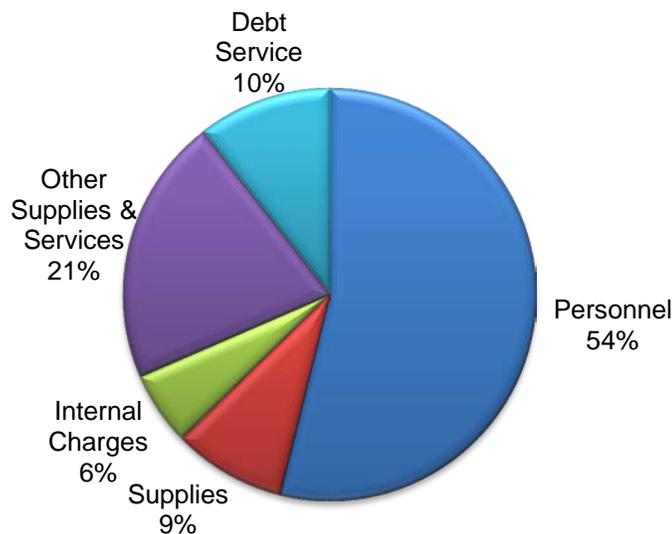
Department	FTEs	Personnel	Supplies	Internal Charges	Other		Capital	Total
					Supplies & Services	Debt Service		
Budget & Finance	14.75	\$ 1,101,045	\$ 9,600	\$ 77,649	\$ 743,628	\$ -	\$ -	\$ 1,931,922
City Clerk	3.25	244,980	7,575	32,805	147,042	-	-	432,402
City Council	7.00	49,791	3,000	35,704	103,753	-	-	192,248
City Court	6.00	330,256	6,000	12,819	289,600	-	-	638,675
City Manager	27.10	2,677,234	353,850	179,966	1,080,939	465,368	976,181	5,733,538
Community Development	11.50	1,052,534	13,950	85,054	86,534	-	588,943	1,827,015
Economic Initiatives	13.00	1,153,512	158,150	180,637	1,249,072	-	2,764,632	5,506,003
Field & Facilities	75.00	5,445,594	2,145,825	2,409,510	4,245,529	502,616	4,161,902	18,910,976
Fire	68.00	9,764,416	624,743	1,013,951	494,126	-	1,771,300	13,668,536
Legal	8.50	932,517	15,200	40,390	1,437,000	-	-	2,425,107
Library	21.50	1,528,637	333,881	218,003	340,201	-	-	2,420,722
Police	84.10	10,772,079	1,207,167	1,942,556	753,265	-	20,000	14,695,067
Public Works	97.40	8,108,339	1,766,835	5,186,734	6,512,614	8,453,611	60,609,868	90,638,001
Recreation Services	30.00	2,571,747	612,277	469,205	1,136,845	-	3,988,200	8,778,274
Regional Communications	30.40	2,327,571	18,350	256,891	176,400	-	1,025,000	3,804,212
Other ¹	-	1,192,171	786,360	37,073	397,076	193,488	-	2,606,168
Internal Cost Allocations ²	-	-	-	(6,920,105)	-	-	-	(6,920,105)
City Total	497.50³	\$ 49,252,423	\$ 8,062,763	\$ 5,258,842	\$ 19,193,624	\$ 9,615,083	\$ 75,906,026	\$ 167,288,761

¹Non-departmental budgets including the use of General Fund retirement reserve, Debt Service Fund, and Golf course operations managed by Billy Casper Golf

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."

³Full time equivalents (FTEs) include only permanent employees. In addition, the City employs temporary employees estimated at 47.25 FTEs.

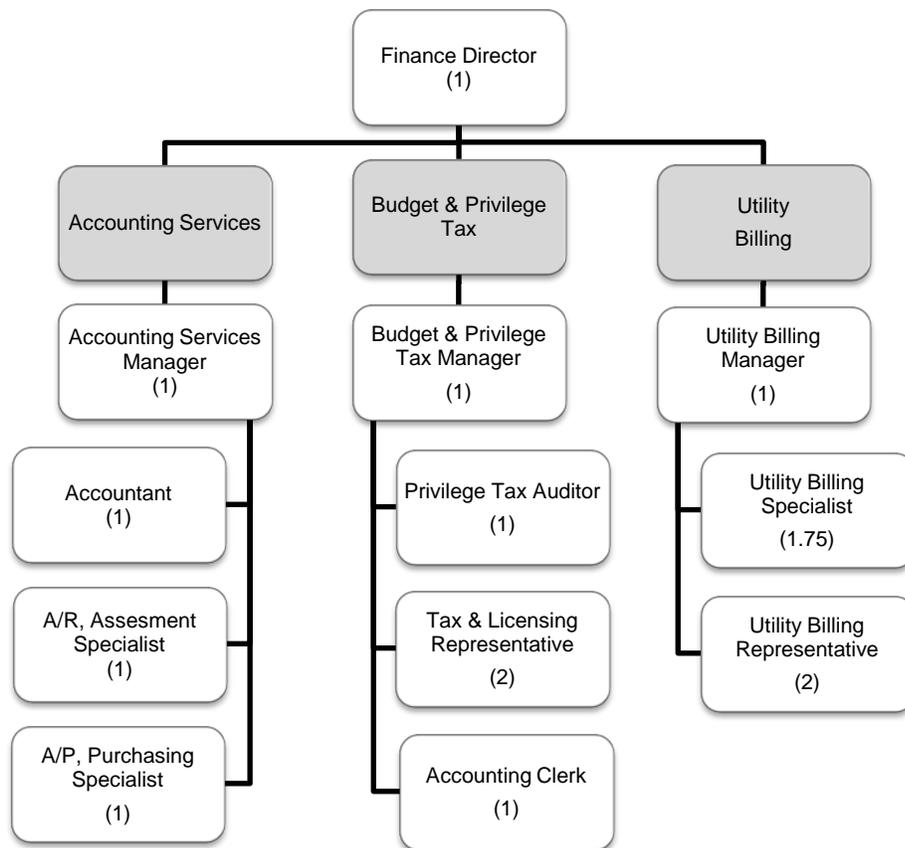
FY17 City Operating Budget by Type



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, grant accounting, procurement code compliance, cash handling controls, investments, and debt issuances.



Department Summary - Staffing by Division

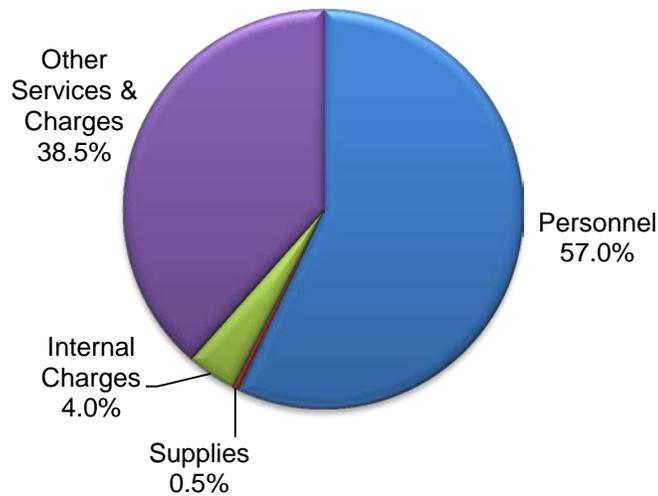
	FY15	FY16	FY17
Accounting Services	5.00	5.00	5.00
Budget & Privilege Tax	5.00	5.00	5.00
Utility Billing	4.75	4.75	4.75
Total Authorized Positions	14.75	14.75	14.75

Budget and Finance

Department Summary - Expenditure by Type

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 970,959	\$ 1,025,681	\$ 1,014,823	\$ 1,101,045
Supplies	15,951	13,700	11,420	9,600
Internal Charges	161,492	167,319	165,731	77,649
Other Services & Charges	<u>367,828</u>	<u>549,117</u>	<u>497,483</u>	<u>743,628</u>
Total, Operations	\$ 1,516,230	\$ 1,755,817	\$ 1,689,457	\$ 1,931,922

Budget and Finance
FY17 Operating Expenditure Budget by Type



Department Summary - Operations Expenditure by Division

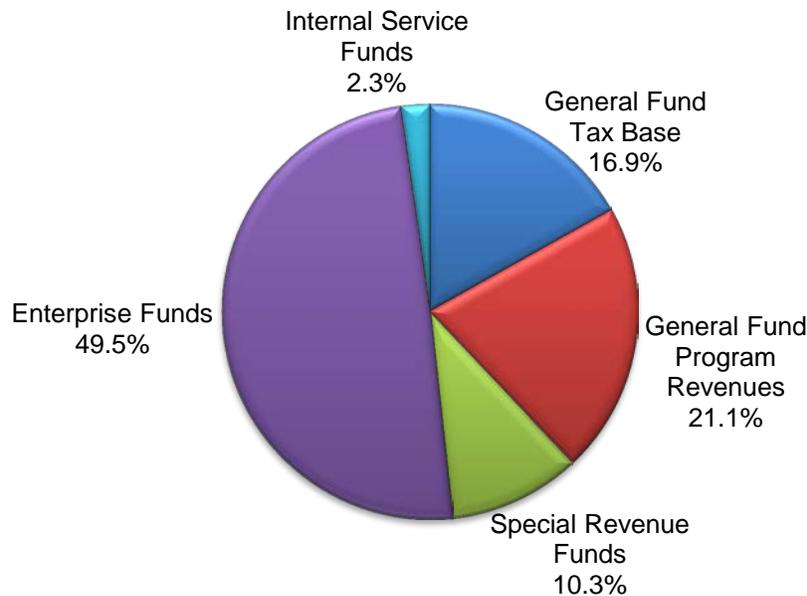
	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Accounting Services	\$ 594,283	\$ 630,383	\$ 628,678	\$ 591,006
Budget & Privilege Tax	391,860	544,540	513,875	745,499
Utility Billing	<u>530,087</u>	<u>580,894</u>	<u>546,904</u>	<u>595,417</u>
Total	\$ 1,516,230	\$ 1,755,817	\$ 1,689,457	\$ 1,931,922

Budget and Finance

Department Summary - Funding Sources

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
General Fund Source of Funds				
Tax Base	\$ 324,229	\$ 335,921	\$ 326,665	\$ 325,801
Licenses & Permits	29,079	27,000	27,000	377,000
Charges for Services	28,117	30,500	30,500	30,500
General Fund Budget	381,425	393,421	384,165	733,301
Special Revenue Funds	280,020	225,058	218,403	199,397
Enterprise Funds	829,417	1,096,725	1,047,477	955,517
Internal Service Funds	25,368	40,613	39,412	43,707
Total	\$ 1,516,230	\$ 1,755,817	\$ 1,689,457	\$ 1,931,922

Budget & Finance Funding Sources FY17 Budget



Department Funding Sources: The Budget and Finance Department is funded through multiple funds. Per budget policy and in order 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 increase in FY17 with the newly adopted business license ordinance requiring an annual fee for all businesses operating in the City limits.

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, Treasury Management, Debt Financing, Grant Management, and Financial Reporting per Federal and State Standards.

Goal: Leverage technology to deliver efficient, economic and innovative financial solutions.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Provide effective and efficient accounting and financial support through the use of innovative and creative approaches	Purchases paid by credit card <ul style="list-style-type: none"> • Volume • % of Volume Total • % of Dollar Total 	16,264 52.0% 3.9%	16,000 56.1% 5.0%	15,000 52.6% 3.8%	16,200 56.8% 5.0%
	Purchases paid by check or Wire <ul style="list-style-type: none"> • Volume • % of Volume Total • % of Dollar Total 	15,010 48.0% 96.1%	12,500 43.9% 95.0%	13,500 47.4% 96.2%	12,300 43.2% 95.0%

Goal: Provide sound financial management					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Maintain strong financial policies and management practices to safeguard the City's financial position and minimize borrowing cost.	Bond rating General Obligation / Excise tax bonds Standard & Poor's Moody's Fitch	AA/AA Aa2/Aa3 AA/AA	Maintain strong rating	AA/AA Aa2/Aa3 AA/AA	Maintain strong rating
Manage the City's investments in accordance with the investment policy while obtaining high yields	Investment earnings rate over investment policy benchmark (BM) Citywide earnings rate 3 mo. US Treasury rate (BM)	1.026% 0.011%	1.0% NA	1.25% 0.12%	1.50% NA

Budget and Finance

Goal: Prepare financial documents in accordance with the best-recognized principles and standards to achieve distinction in reporting.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Coordinate the annual financial audit maintaining accuracy, consistency and integrity	Maintain unqualified audit opinion and award of GFOA Certificate of Achievement in Financial Reporting	Yes Year 34	Yes Year 35	Yes Year 35	Yes Year 36

FY16 Key Results and Outcomes:

- 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-fourth year in a row.

Accounting Services Expenditure Summary

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 423,142	\$ 438,279	\$ 442,127	\$ 458,542
Supplies	9,169	4,500	4,520	3,000
Internal Charges	72,772	77,434	76,896	21,464
Other Services & Charges	<u>89,200</u>	<u>110,170</u>	<u>105,135</u>	<u>108,000</u>
Total, Operations	\$ 594,283	\$ 630,383	\$ 628,678	\$ 591,006

Authorized Staffing Summary

	FY15	FY16	FY17
Authorized Staffing Level	<u>4.00</u>	<u>5.00</u>	<u>5.00</u>
Finance Director	1.00	1.00	1.00
Accounting Services Manager	-	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
Senior Accountant	1.00	-	-

Budget Notes and Significant Changes: The market compensation plan will increase budget for personnel in FY17. Internal charges decrease in FY17 as a result of new cost allocation policy.

Budget and Finance

Budget & Privilege Tax

Division Mission: Provide excellent customer service to the City’s taxpayers while collecting taxes owed to the City, facilitate voluntary compliance with City tax code, and enforce the tax code through taxpayer education, clear interpretation, and compliance audits. To facilitate the internal budget preparation process, ensure compliance with applicable laws, and produce a high quality budget document.

Services: The Budget and Privilege Tax Division administers the collection of privilege tax, a critical revenue source for the City. This includes issuing licenses, the processing of tax reports and payments, collection of delinquent accounts, performing compliance audits, providing taxpayer assistance and education. Additional duties include the City-wide switchboard, receptionist support in City Hall, and the centralized mail room. Also 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.

Goal: Produce a comprehensive, user-friendly budget document that meets the criteria prescribed by the Government Finance Officers Association (GFOA).

Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Follow the guidelines and best practices established by the GFOA.	Receive the GFOA annual budget award	Yes Year 13	Yes Year 14	Yes Year 14	Yes Year 15

Goal: Provide prompt responses to taxpayer account inquiries, treat all customers with fairness and courtesy, relay relevant and accurate information, ensure timely delivery of tax forms, and meet overall taxpayer expectations.

Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Achieve a customer service rating of at least 4 out of 5 on the annual taxpayer survey	Overall customer service rating	4.2	4.5	4.4	4.5

Goal: Facilitate taxpayer compliance by conducting cost-effective audits, reviews, and increased taxpayer education with a customer friendly, professional staff that treats taxpayers fairly and equitably by administering the City Code.

Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Effectively manage field audits and desk reviews to maximize productivity	Number of Completed Privilege Tax Audits (Desk & Field)	325	250	184	200

Budget and Finance

FY16 Key Results and Outcomes:

- Completed 178 desk reviews and 6 field audits resulting in revenue recovery of \$549,200 in previously unremitted sales and use tax. These compliance audits will result in additional ongoing revenue as well.
- Developed an online portal for capital budget request forms to standardize and streamline data processing in the budget preparation process
- Redesigned the structure of the FY17 Budget Book to be more usable to readers and present operational plans on the department functional basis rather than by fund
- Assisted Council with changes to the Peddler Solicitor License Code, Transaction Privilege License Fee, and adoption of a business license ordinance

Budget and Privilege Tax Expenditure Summary

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 292,400	\$ 325,136	\$ 303,577	\$ 345,050
Supplies	4,094	4,200	3,200	2,800
Internal Charges	45,978	46,088	45,550	29,621
Other Services & Charges	49,388	169,116	161,548	368,028
Total, Operations	\$ 391,860	\$ 544,540	\$ 513,875	\$ 745,499

Authorized Staffing Summary

	FY15	FY16	FY17
Authorized Staffing Level	<u>5.00</u>	<u>5.00</u>	<u>5.00</u>
Budget & Tax Manager	1.00	1.00	1.00
Privilege Tax Auditor	1.00	1.00	1.00
Tax & Licensing Representative	1.00	2.00	2.00
Accounting Clerk - Tax	1.00	1.00	1.00
Budget Specialist	1.00	-	-

Budget Notes and Significant Changes: The market competitive pay plan will increase the budget for personnel in FY17. Internal charges decreased in FY17 as a result of new cost allocation policy. Other services and charges increased from FY15 for payment due to the Arizona Department of Revenue (ADOR) per state law, estimated at \$116,818 in FY17. Cities and counties are sharing in an ongoing partial assessment of ADOR operating costs. This is a result of the transition to centralized collection of transaction privilege taxes per state law.

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 23,000+ 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.

Goal: Produce monthly utility bills with an accurate assessment of user charges and standard billing cycle.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Prepare and monitor a read schedule for the meter readers	Average bill cycle between 28-32 days	30	31	31	31
Effectively managing the errors during the billing process through reviewing significant usage fluctuations	Keeping adjustments due to billing errors below 1%	Yes	Yes	Yes	Yes

Goal: Provide excellent customer service through cost-effective convenient payment options.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Effectively offer payment options through all points of customer contact.	Percentage of customers enrolled in auto pay	25%	26%	26%	27%
	Percentage using online bill pay	8%	10%	11%	13%
	Percentage of customers enrolled in email option	7%	9%	10%	15%

Goal: Protect the City’s financial interest with an assertive collection process.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Strive to keep accounts current through courtesy calls and service disconnections for non-payment	Percentage of total bills sent to collections per total annual billing below %	0.159%	0.25%	0.13%	0.25%

Budget and Finance

FY16 Key Results and Outcomes:

- Increased enrollment in auto pay by 5%. Currently, 6,232 customers are utilizing the service which is 26.3% of our customer base.
- Customer's enrolled and using our online bill pay increased 10%.
- Increased customer's enrollment in our email option by 30%.
- Increased account base by 289 accounts.

Utility Billing

Expenditure Summary

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 255,417	\$ 262,266	\$ 269,119	\$ 297,453
Supplies	2,688	5,000	3,700	3,800
Internal Charges	42,742	43,797	43,285	26,564
Other Services & Charges	229,240	269,831	230,800	267,600
Total, Operations	\$ 530,087	\$ 580,894	\$ 546,904	\$ 595,417

Authorized Staffing Summary

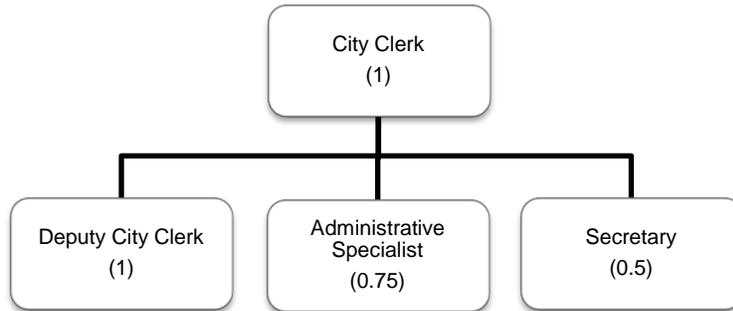
	FY15	FY16	FY17
Authorized Staffing Level	<u>4.75</u>	<u>4.75</u>	<u>4.75</u>
Utility Billing Manager	1.00	1.00	1.00
Utility Billing Specialist	1.75	1.75	1.75
Utility Billing Representative	2.00	2.00	2.00

Budget Notes and Significant Changes: The market competitive pay plan will increase the budget for personnel in FY17. Internal charges decreased in FY17 as a result of new cost allocation policy.

City Clerk

Department Mission: To enable the public to fully participate in the governmental process, by providing accurate information and services in a professional manner, enabling the public to make informed decisions affecting the quality of their lives.

Services: The primary function of the City Clerk’s Office is to provide administrative support to the Council by supplying accurate, accessible, and timely legislative information; coordinate and administer records management throughout the city; and conduct regular and special municipal elections in conformance with federal, state, and city laws and procedures.



Department Summary - Staffing

	FY15	FY16	FY17
Authorized Staffing Level	<u>2.50</u>	<u>2.75</u>	<u>3.25</u>
City Clerk	1.00	1.00	1.00
Deputy City Clerk	1.00	1.00	1.00
Administrative Specialist	-	-	0.75
Secretary	0.50	0.75	0.50

City Clerk

Goal: Provide administrative support to the Council by supplying accurate, accessible, and timely legislative information.

Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Officially document the legislative action taken by the Council; administratively manage the filling of boards, committee, and commission seats.	Number of Council meetings / Agenda Items	58 / 522	60 / 500	60 / 500	60 / 500
	Number of Boards, Committees, and Commissions (BCC) meetings / BCC members appointed	16 / 15	20 / 64	20 / 64	15 / 15

Goal: Administer the Liquor License Application process

Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Process the City's liquor license applications for approval by City Council	Number of new person and location transfer applications processed	19	16	16	18
	Number of special event applications processed	42	40	40	45
	Number of extension of premises applications processed	12	20	20	18

Goal: Coordinate and administer records management throughout the organization

Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Act as the official records keeper for the City; coordinate and implement citywide records policies and procedures; and manage the City Records Center	Number of official City documents processed and filed	420	390	390	390
	Number of records received and stored at the City Records Center, by cubic feet	135	150	150	200
	Number of records destroyed after meeting State and City legal retention period, by cubic feet	149	300	300	350

FY16 Key Results and Outcomes:

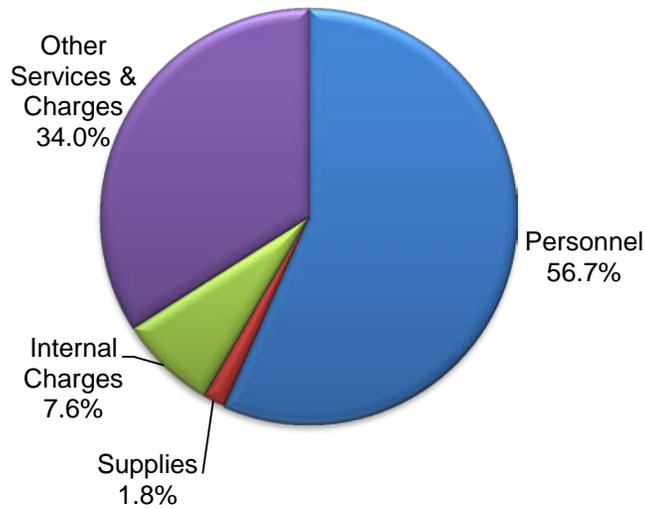
- Purchased an agenda management software program to enable more efficient management of Council agendas and minutes, boards, commissions, and Committees appointment process; and provide live video web-streaming on the City's website
- Assumed Council support function when the Assistant to City Council position was eliminated from the City Manager's Office

City Clerk

Department Summary - Expenditure by Type

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 187,993	\$ 208,850	\$ 206,731	\$ 244,980
Supplies	7,454	6,500	7,607	7,575
Internal Charges	45,891	47,216	46,947	32,805
Other Services & Charges	<u>52,112</u>	<u>257,163</u>	<u>146,987</u>	<u>147,042</u>
Subtotal Operations	293,450	519,729	408,272	432,402
Capital	<u>15,249</u>	<u>19,524</u>	<u>15,000</u>	<u>-</u>
Total	\$ 308,699	\$ 539,253	\$ 423,272	\$ 432,402

**City Clerk
FY17 Operating Expenditure Budget by Type**



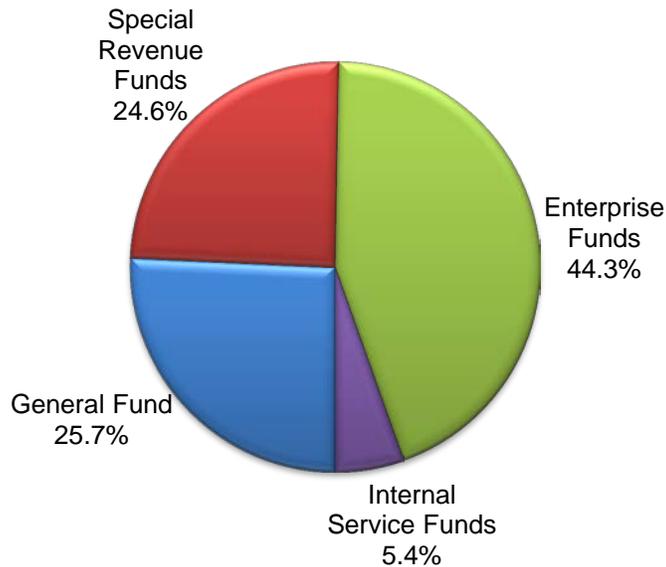
Budget Notes and Significant Changes: The personnel budget has increased in FY17 as a result of adding a part-time permanent secretary position to help with the shift of additional council support functions from the City Manager’s Office to the City Clerk’s department. Other Services and charges fluctuate depending on whether the City budgets and spends for a municipal election through the Yavapai County Elections Department. Internal charges decreased in FY17 as a result of new cost allocation policy.

City Clerk

Department Summary - Funding Sources

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
General Fund	\$ 99,634	\$ 140,968	\$ 110,168	\$ 111,261
Special Revenue Funds	43,012	114,699	87,252	106,156
Enterprise Funds	153,081	262,889	210,106	191,715
Internal Service Funds	12,972	20,697	15,746	23,270
Total	\$ 308,699	\$ 539,253	\$ 423,272	\$ 432,402

**City Clerk Funding Sources
FY17 Budget**



Department Funding Sources: The City Clerk Department is funded through multiple funds. Per budget policy and in order 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 Council

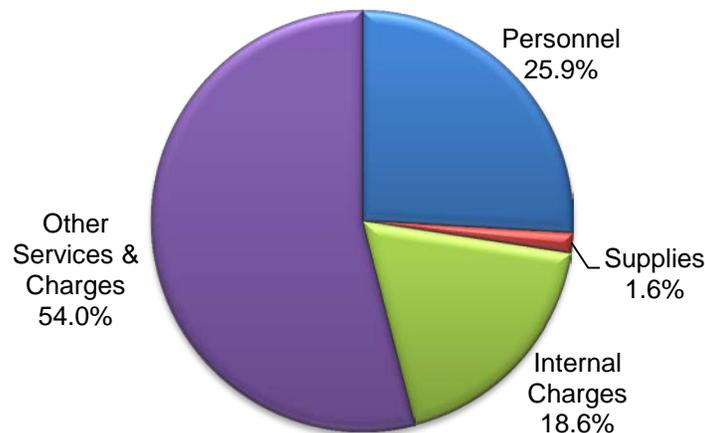
Department Mission: To serve as the legislative and policy-making body of the municipal government and have responsibility for enacting City ordinances, appropriating funds to conduct City business, and providing policy direction to the administrative staff.

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.

Department Summary - Expenditure by Type

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 47,100	\$ 49,654	\$ 49,750	\$ 49,791
Supplies	2,747	3,000	3,038	3,000
Internal Charges	58,046	57,902	57,149	35,704
Other Services & Charges	46,190	54,312	42,800	103,753
Total	\$ 154,083	\$ 164,868	\$ 152,737	\$ 192,248

**City Council FY17
Expenditure Budget by Type**



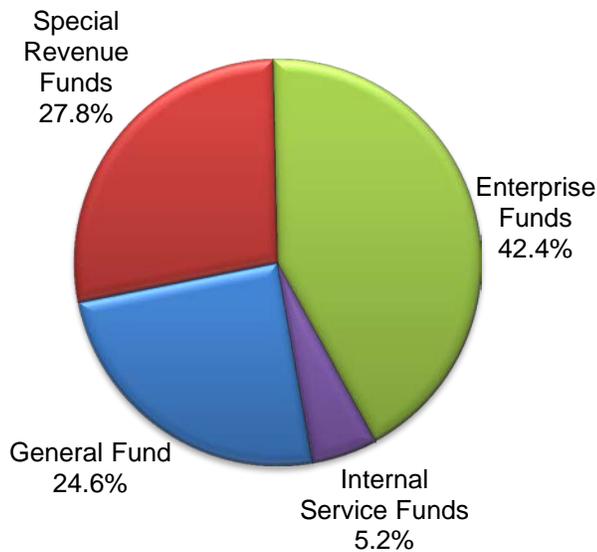
Budget Notes and Significant Changes: The other services and charges increase in FY17 reflects contracting for lobbyist services for City interests at the Arizona State Legislature. Internal charges decreased in FY17 as per a new cost allocation policy.

City Council

Department Summary - Funding Sources

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
General Fund	\$ 47,900	\$ 40,761	\$ 39,372	\$ 47,343
Special Revenue Funds	21,846	42,115	31,591	53,425
Enterprise Funds	77,749	76,008	76,073	81,578
Internal Service Funds	6,588	5,984	5,701	9,902
Total	\$ 154,083	\$ 164,868	\$ 152,737	\$ 192,248

**City Council Funding Sources
FY17 Budget**

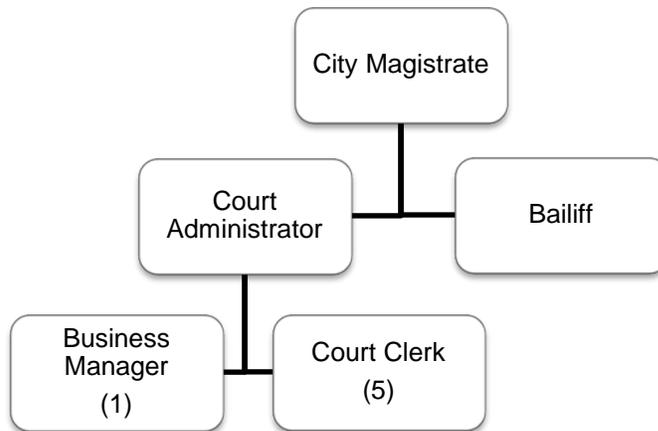


Department Funding Sources: The City Council Department is funded through multiple funds. Per budget policy and in order to present the full cost of providing services, general fund internal support is allocated to Enterprise Funds, Internal Service Funds and Special Revenue Funds that benefit from the 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 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.



Department Summary - Staffing

	FY15	FY16	FY17
Authorized Staffing Level	<u>6.00</u>	<u>6.00</u>	<u>6.00</u>
Business Manager	0.00	0.00	1.00
Senior Court Clerk	1.00	1.00	0.00
Court Clerk	5.00	5.00	5.00

City Court

Goal: Utilize aggressive, court-driven case management to decrease litigant time and costs.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Manage the processing of cases from inception to completion and monitor case progress to assume control of scheduling specific events from filing to disposition.	Case Closure Rates (Cases both filed and paid in full during FY)	70%	74%	72%	73%
Utilize case management system to identify problems and monitor caseload status.	Case Disposition Rate (Calendar Year)	94%	94%	95%	96%
Conduct trial management conferences on each jury trial to minimize last-minute delays.	Trial Rate (3-10% rate nationwide)	1%	1%	1%	1%

Goal: Emphasize enforcement of court orders and collection efforts.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Serve victims through court-ordered restitution.	Restitution money collected by the Court for crime victims	\$29,438	\$26,500	\$27,330	\$28,000
Use a collection agency on previously uncollectible accounts.	Money collected by the collection agency for old and uncollectible accounts	\$138,380	\$139,300	\$140,000	\$150,000

Goal: Continue project to reconnect court to local community.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Expand restorative justice concept by aggressive assignment of community restitution in lieu of jail.	Defendant's assigned	979	1,110	1025	1055
	Restitution hours completed	11,949	13,462	12,030	12,500
	Minimum wage value	\$96,189	\$105,004	\$96,842	\$100,625
	Incarceration savings at \$70 per day	\$119,490	\$134,620	\$120,300	\$125,000

FY16 Key Results and Outcomes:

- Successfully began the process to phase out (2 years) the existing legacy cache database program and the successful implementation of the new case management system AJACS database program that is designed for limited jurisdiction courts.
- Successfully implemented a website link for Turbo Court that will aid civil clients with on-line court forms.

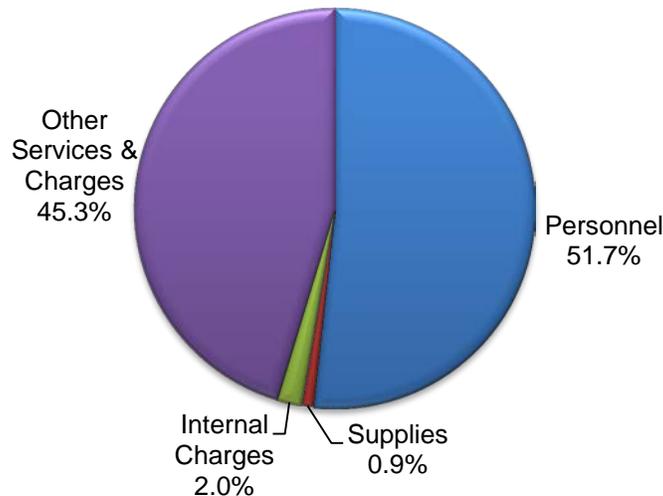
City Court

- Updated and modernized the Civil Department and Judges Chambers with new carpeting, paint and cubicles. Updated the Jury galley with new covered chairs to match the courtroom galley.
- Continued to utilize volunteers for Civil Traffic Hearing Officers and City Council Chambers for hearings. There are currently four fully trained and active hearing officers. This program has received very positive comments from area officers in terms of professionalism and time efficiency.
- Continued interceptions from 343 defendants' 2014 state tax refunds in 2015 that resulted in \$21,858 collected for city court ordered restitution and fine payment through Arizona Tax Intercept Program.

Department Summary - Expenditure by Type

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 321,049	\$ 308,123	\$ 304,434	\$ 330,256
Supplies	3,993	7,500	4,020	6,000
Internal Charges	10,539	10,792	10,146	12,819
Other Services & Charges	218,989	304,746	236,420	289,600
Total	\$ 554,570	\$ 631,161	\$ 555,020	\$ 638,675

**City Court FY17
Operating Expenditure Budget by Type**



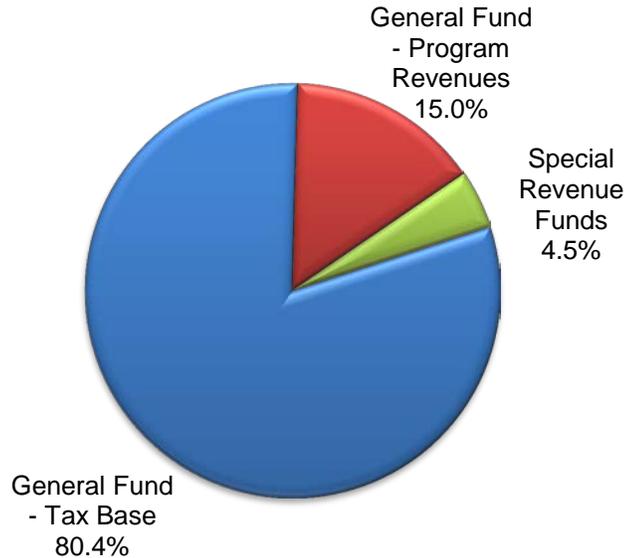
Budget Notes and Significant Changes: The City Court operates as a consolidated court with Yavapai County with operating costs shared through an Intergovernmental Agreement (IGA). The Court Administrator and Bailiff are Yavapai County employees with a portion of the personnel costs paid for by the City 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 City Magistrate is a contract employee and the expenses are under the category of other services and charges. The market compensation plan will increase the budget for personnel in FY17. 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

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
General Fund Sources of Funds				
Tax Base	\$ 427,853	\$ 504,161	\$ 443,400	\$ 513,675
Charges for Services	84,421	80,000	60,120	80,000
Fines and Forfeitures	15,657	16,000	24,500	16,000
General Fund Budget	527,931	600,161	528,020	609,675
Special Revenue Funds	26,639	31,000	35,000	29,000
Total	\$ 554,570	\$ 631,161	\$ 563,020	\$ 638,675

**City Court Funding Sources
FY17 Budget**

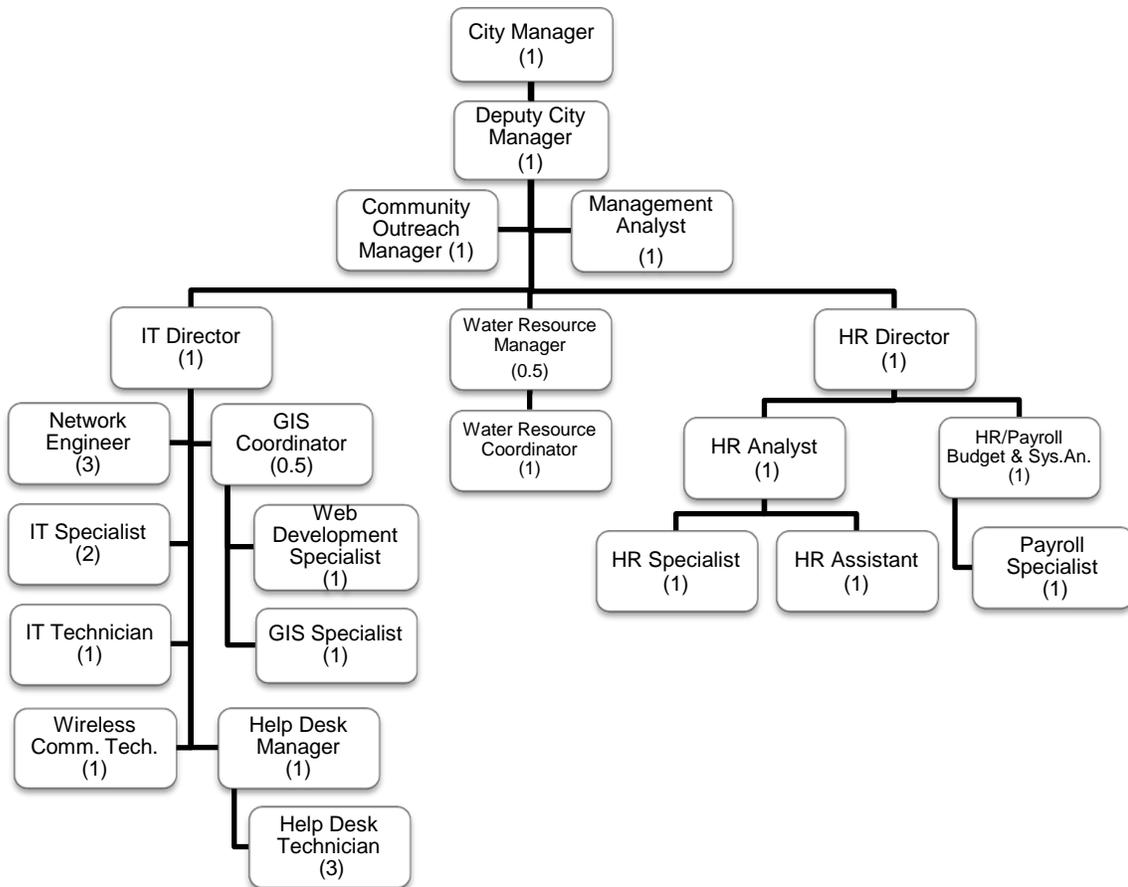


Department Funding Sources: The City Court Department is mainly funded through the General Fund, with 4.5% of the budget funded through the Grant Special Revenue Fund. Court grants are support from the state court system help to offset operating costs.

City Manager

Department Mission: To provide professional administration of the policies and objectives established by City Council; facilitate and help promote a culture that encourages the development of City employees; provide innovative information solutions and services to all City departments; and 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 tracking State and Federal legislation pertinent to local issues, meets with citizen groups, and provides information to citizens; assists with City hiring processes, maintains oversight of payroll and employee benefits; provides the infrastructure necessary to build and develop technology services comprised of software, hardware, and data to meet the needs of the City; reports on and manages City water supplies to achieve safe yield requirements.



Department Summary - Staffing by Division

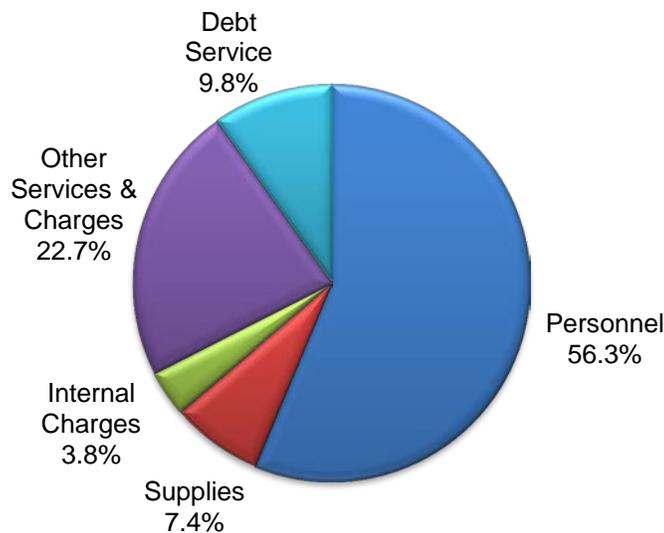
	FY15	FY16	FY17
City Manager's Office	3.75	3.75	4.00
Information Technology	11.50	13.50	14.50
Human Resources	7.00	7.00	6.00
Water Resource Management	<u>2.95</u>	<u>2.85</u>	<u>2.60</u>
Total Authorized Positions	25.20	27.10	27.10

City Manager

Department Summary - Expenditure by Type

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 2,097,005	\$ 2,362,333	\$ 2,284,960	\$ 2,677,234
Supplies	268,125	365,800	279,653	353,850
Internal Charges	233,032	287,324	299,091	179,966
Other Services & Charges	802,011	2,015,002	1,308,255	1,080,939
Debt Service	379,039	465,400	465,400	465,368
Subtotal Operations	3,779,212	5,495,859	4,637,359	4,757,357
Capital	939,797	482,074	246,000	976,181
Total	\$ 4,719,009	\$ 5,977,933	\$ 4,883,359	\$ 5,733,538

**City Manager Department FY17
Operating Expenditure Budget by Type**



Department Summary - Operations Expenditure by Division and Capital

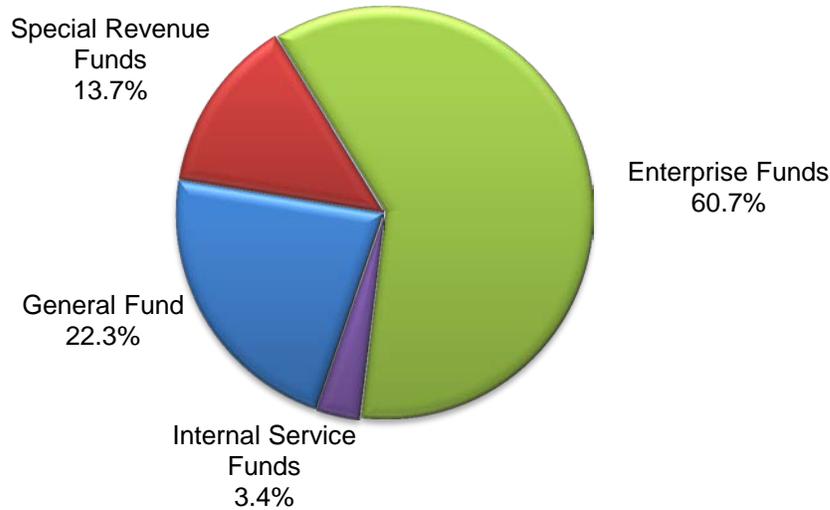
	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
City Manager's Office	\$ 684,750	\$ 709,026	\$ 698,894	\$ 770,185
Information Technology	1,531,309	1,851,279	1,805,045	1,947,207
Human Resources	667,505	755,160	701,414	699,622
Water Resource Management	895,648	2,180,394	1,432,006	1,340,343
Subtotal Operations	3,779,212	5,495,859	4,637,359	4,757,357
Capital	939,797	482,074	246,000	976,181
Total	\$ 4,719,009	\$ 5,977,933	\$ 4,883,359	\$ 5,733,538

City Manager

Department Summary - Funding Sources

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
General Fund	\$ 1,975,937	\$ 2,101,372	\$ 1,968,367	\$ 1,238,347
Special Revenue Funds	264,335	252,544	344,532	798,098
Enterprise Funds	2,289,516	3,415,784	2,366,938	3,499,655
Internal Service Funds	189,221	208,234	203,522	197,438
Total	\$ 4,719,009	\$ 5,977,933	\$ 4,883,359	\$ 5,733,538

**City Manager Funding Sources
FY17 Budget**



Department Funding Sources: The City Manager Department is funded through multiple funds. The Water Resource Management is funded fully by Enterprise Funds. 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 is allocated to Enterprise Funds, Special Revenue and Internal Service Funds on a proportion of budget basis. Information Technology is allocated to all City divisions on a proportion of budget basis. Finally, Human Resources is allocated based on a cost per employee in each division.

The significant decrease in General Fund as a source of funds is a result of a new cost allocation policy for Information Technology to better reflect the change nature of the service model provided to internal departments.

City Manager

City Manager’s Office

Division Mission: To provide professional administration of the policies and objectives established by the City Council; developing alternative solutions to community problems for Council consideration; and planning programs that meet the future needs of the City.

Services: The City Manager’s Office assists the Mayor and Council by tracking State and Federal legislation pertinent to local issues, meeting with citizen groups, and providing information to citizens, among many other tasks.

Goal: To keep citizens and the community informed of relevant City information					
Strategy	Performance Measures	FY15 Actual	FY16 Target	FY16 Estimate	FY17 Target
Post news stories on the City website relevant to current events and information from the City	Refresh City website homepage new stories at least 50 times per year	N/A*	N/A*	N/A*	50

Goal: Positively promote the City’s position on important issues at the State level					
Strategy	Performance Measures	FY15 Actual	FY16 Target	FY16 Estimate	FY17 Target
Remain current on issues affecting the City and actively promote the City through lobbying and communication with local representation at the State	70% or more of state legislation outcomes were consistent with our positions	N/A*	N/A*	N/A*	70%

* These are new measures.

FY16 Key Results and Outcomes:

- Facilitated FY16 mid-year budget adjustments, creating capacity for implementation of the market compensation plan and Public Safety Retirement System (PSPRS) increases in FY 17.
- Provided public outreach regarding August 2015 ballot measures
- Conducted new Councilmember orientation
- Facilitated creation of Mayor’s Ad Hoc Committee on Structured Sober Living Homes as well as the Ad Hoc Bicycle and Pedestrian Committee in the Public Works Department
- Critically reviewed and implemented organizational alternatives for fulfilling departmental missions more effectively/efficiently
- Continued to work with legislative representatives to facilitate legislation that better regulates the substance abuse recovery industry and addresses reform for the Public Safety Retirement System (PSPRS)

City Manager

City Manager's Office Expenditure Summary

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 486,332	\$ 497,499	\$ 464,561	\$ 555,940
Supplies	4,021	4,450	3,776	3,000
Internal Charges	54,266	64,321	63,917	26,511
Other Services & Charges	140,131	142,756	166,640	184,734
Subtotal Operations	684,750	709,026	698,894	770,185
Capital	70,886	-	103,000	100,000
Total	\$ 755,636	\$ 709,026	\$ 801,894	\$ 870,185

Authorized Staffing Summary

	FY15	FY16	FY17
Authorized Staffing Level	<u>3.75</u>	<u>3.75</u>	<u>4.00</u>
City Manager ¹	0.75	0.75	1.00
Deputy City Manager	1.00	1.00	1.00
Management Analyst	-	-	1.00
Community Outreach Manager	-	-	1.00
Assistant to City Council	1.00	1.00	-
Comm. & Public Affairs Mngr	1.00	1.00	-

¹ 25% of City Manager was charged to Water Resource Management.

Budget Notes and Significant Changes: The personnel budget increase in FY17 is a result of charging all of the City Manager's salary to this division, and other position changes in personnel. At mid-year in FY16, the Assistant to City Council and the Communication and Public Affairs Manager positions were eliminated and Council support duties shifted to the City Clerk Department. For FY17, a Management Analyst position and a Community Outreach Manager position was added. Internal charges decreased in FY17 as per a new cost allocation policy. Other services and charges increase in FY17 for consulting services related to a strategic plan.

The capital expenditures relate to pass-through grant funding from the Yavapai Gaming Compact for community support. This grant is given to the City to distribute to community recipients.

City Manager

Information Technology

Division Mission: To deliver quality and innovative information solutions 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 Information Technology (IT) Division is responsible for the delivery of electronic technology services with the City of Prescott. 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.

Goal: Highly available, scalable, and reliable infrastructure.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Assess network capacity	Gather and keep historical information for trending	N/A	N/A	N/A	N/A
Ensure network reliability	Calculation of network availability (uptime)	99.9%	99.9%	99.9%	99.9%

Goal: Complete assigned tasks/projects on-time and at or below budget.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Monitor and manage work volume	Number of work orders completed, project tasks completed	5,946	6,012	6,300	6,500
Complete budgeted projects	Percentage of completed projects	100%	100%	100%	100%

FY16 Key Results and Outcomes:

- IT staff completed 6,174 work orders in FY16 (3.8% increase over FY15)
- Network uptime was 99.9% during FY16
- Zero network security events during FY16 (server hacks, virus infestations, malware, etc)
- IT web servers provided information to 808,000 visitors (6% decrease over FY15) and 19,000,000 web pages on our public web sites (46% increase over FY15)

City Manager

- A wide variety of network infrastructure elements were upgraded, redesigned, and overhauled in FY16

Information Technology Expenditure Summary

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 953,444	\$ 1,161,123	\$ 1,156,068	\$ 1,283,267
Supplies	249,422	340,950	269,002	331,850
Internal Charges	70,061	106,556	105,556	64,740
Other Services & Charges	<u>258,382</u>	<u>242,650</u>	<u>274,419</u>	<u>267,350</u>
Total Operations	\$ 1,531,309	\$ 1,851,279	\$ 1,805,045	\$ 1,947,207

Authorized Staffing Summary

	FY15	FY16	FY17
Authorized Staffing Level	<u>11.50</u>	<u>13.50</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	2.00	2.00	3.00
Help Desk Manager	1.00	1.00	1.00
Wireless Communication Tech.	-	1.00	1.00
Web Development Specialist	1.00	1.00	1.00
IT Specialist	2.00	2.00	2.00
IT Technician	1.00	1.00	1.00
GIS Specialist	1.00	1.00	1.00
Help Desk Technician	2.00	3.00	3.00

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

Budget Notes and Significant Changes: A Network Engineer position was added for FY17, increasing the personnel budget. Other Services and Charges reflect increasing network and software maintenance costs.

City Manager

Human Resources

Division Mission: To provide services which are responsive to the individual employee and the City's mission, vision, and core values; to facilitate and help 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, supervisory training, new hire orientation, classification and compensation review, implementation and administration, employee relations, and employee handbook and policy updates, educational assistance and benefits administration including life and health insurance, retirement, Family Medical Leave, deferred compensation and disability while maintaining oversight for all aspects of payroll and Affordable Care Act reporting.

Goal: To maintain sustainable employment levels to ensure consistent delivery of services to the employees of the City of Prescott and for the citizens of Prescott.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
To ensure a fair and equitable workplace that views employees as our most valuable asset.	Recruitments	77	100	100	115
	Number of Applications Processed	3253	4000	3700	4200
	Turnover Rate (FT Turnover/FT Budgeted Employees)	15%	13%	17.8%	14%
	Number of Employment Grievances/Claims/Lawsuits	0	0	1	0

FY16 Key Results and Outcomes:

- Administered educational reimbursement resulting in completion of five degree programs by employees in FY16.
- Processed approximately 3,500 employment applications and conducted 80 recruitments as well as 60 internal promotions, reclassifications and transfers.
- Implemented compliance with IRS reporting per the new Affordable Care Act
- Took over Police recruitments due to downsizing of a Police Department training position and participated in a joint recruitment for Firefighters with Central Yavapai Fire District.
- Continued implementation of time and attendance software, currently testing with certain departments.

City Manager

Human Resources Expenditure Summary

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 484,286	\$ 530,072	\$ 487,726	\$ 506,111
Supplies	2,632	6,500	4,500	6,500
Internal Charges	62,678	63,753	63,753	30,171
Other Services & Charges	<u>117,909</u>	<u>154,835</u>	<u>145,435</u>	<u>156,840</u>
Subtotal Operations	667,505	755,160	701,414	699,622
Capital	<u>233,202</u>	<u>71,500</u>	<u>20,000</u>	<u>51,500</u>
Total	\$ 900,707	\$ 826,660	\$ 721,414	\$ 751,122

Authorized Staffing Summary

	FY15	FY16	FY17
Authorized Staffing Level	<u>7.00</u>	<u>7.00</u>	<u>6.00</u>
Human Resources Director	1.00	1.00	1.00
Human Resources Analyst	1.00	1.00	1.00
Human Resources Specialist	1.00	2.00	1.00
Human Resources Assistant	1.00	1.00	1.00
HR/Payroll & Systems Analyst	1.00	1.00	1.00
Payroll Specialist	1.00	1.00	1.00
Benefits Specialist	1.00	-	-

Budget Notes and Significant Changes: The personnel budget net decrease reflects the implementation the market compensation plan and the reduction of a Human Resources Specialist position. Internal charges decreased in FY17 as a result of new cost allocation policy. The capital budget and expenditures relate to the ongoing time and attendance software and equipment project.

City Manager

Water Resource Management

Division Mission: To manage the City's Assured Water Supply (AWS) to meet the City's General Plan and requirements, state requirements, and develop water conservation and education programs.

Services: The Water Resource Management Division is responsible for the management and reporting of all water supplies to achieve State of Arizona Department of Water Resource (ADWR) safe yield requirements for customers within City limits and certain areas outside City limits under contract. This is achieved through tracking and reporting changes related to water supply, water law, and community water use patterns that may affect the physical water supplies. Also management of water supplies includes placing alternative water supplies into contracts, executing Comprehensive Agreement No. 1 for imported water supplies from the Big Chino Water, recommending City Codes updates and developing community education programs to meet current water management needs.

Goal: Assured Water Supply to meet the 2015 General Plan and requirements.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Prepare required materials for AWS maintenance	AWS modification application filed in January 2019	In-progress	In-progress	In-progress	Draft
Execute requirements of City Contract No. 2010-128 and 2013-058	Annual Reports	Yes	Yes	Yes	Draft
Seek the City's ADWR groundwater allowance volumes	ADWR documentation of groundwater allowance increases	913 AF	In-progress	In-progress	1050 AF
Address the disproportionate number of potable water connections versus return flow (sewer) connections	Code adoption	Identified	Code Update	Apply Code	Seek funding
Develop reservoir management plan	Draft document in 2018	Identified	In-progress	In-progress	Draft

City Manager

Goal: Develop water conservation and education programs that promote Assured Water Supply and Safe-yield					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Maintain City Conservation Program rebates ¹	On-going tracking of water saving resulting from rebates	917 AF	975 AF	1025 AF	1200 AF
Maintain and update local water conservation outreach (with on-going K-12 emphasis)	Funding and required reporting	Yes	Yes	Yes	Yes
Focus water conservation messaging on outdoor use efficiencies ²	On-going tracking of water saving resulting from rebates	362 AF	400 AF	410 AF	480 AF

¹Numbers reflect cumulative water savings resulting from Water Conservation Incentive Program since 2006 for all incentive options.

²Numbers reflect cumulative water savings resulting from Water Conservation Incentive Program since 2006 for Turf Removal, Irrigation Conversion, Irrigation Audit, and Rainwater Harvest Installation.

FY16 Key Results and Outcomes:

- Alternative Water Allocation Policy for Calendar Year 2016
- ADWR Annual Report filed on-time with another year of reduced fee payments.
- New public education item - City of Prescott Water Cycle illustration (in cooperation with Public Works)
- Comprehensive Agreement No. 1 continues to meet contract requirements
- Continued participation in regional water groups
- Continued improvements of the web-based outdoor water conservation tool
- Continued maintenance of City's water portfolio and placement of supplies into new contracts
- Continued maintenance of the City's Conservation rebate program

City Manager

Water Resource Management Expenditure Summary

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 172,943	\$ 173,639	\$ 176,605	\$ 331,916
Supplies	12,050	13,900	2,375	12,500
Internal Charges	46,027	52,694	65,865	58,544
Other Services & Charges	285,589	1,474,761	721,761	472,015
Debt Service	<u>379,039</u>	<u>465,400</u>	<u>465,400</u>	<u>465,368</u>
Subtotal Operations	895,648	2,180,394	1,432,006	1,340,343
Capital	<u>635,709</u>	<u>410,574</u>	<u>123,000</u>	<u>824,681</u>
Total	\$ 1,531,357	\$ 2,590,968	\$ 1,555,006	\$ 2,165,024

Authorized Staffing Summary

	FY15	FY16	FY17
Authorized Staffing Level	<u>2.95</u>	<u>2.85</u>	<u>2.60</u>
City Manager ¹	0.25	0.25	-
Regional Programs Director	1.00	1.00	1.00
Water Resource Manager ²	0.60	0.60	0.60
Water Resource Coordinator	-	1.00	1.00
Program Manager	0.50	-	-
Contract Specialist	0.20	-	-
Administrative Assistant	0.20	-	-
Secretary	0.20	-	-

¹ 75% of City Manager was charged to City Manager's Office Division.

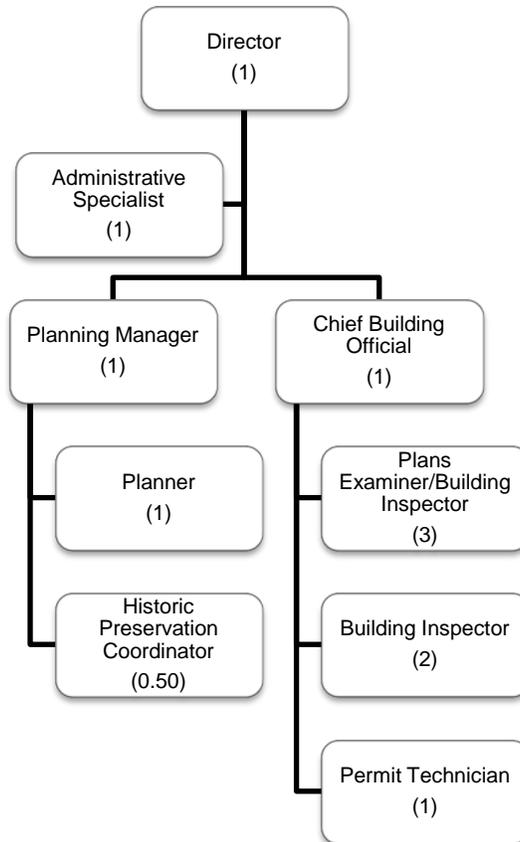
² 40% of Water Resource Manager charged to Utilities Division

Budget Notes and Significant Changes: In addition to other aspects of water resources, the Water Resource Management Division accounts for debt service and maintenance costs for the Big Chino Water Ranch. The Capital expenditures relate to the project related to the Comprehensive Agreement No. 1 for the development of importing water from the Big Chino Water Ranch. These costs are shared per the agreement with Prescott Valley and the Salt River Project, and the cost sharing is reflected as revenue. When considering the revenue offset, about 40% remains the City of Prescott's share. Personnel costs will increase as a result of the filling of the previously vacant Regional Programs Director's position in FY17 and charging the costs of the City Manager fully to the City Manager's Office.

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. To monitor and review land use and building codes to eliminate unnecessary or overly burdensome regulations while protecting the health, safety, and welfare of the community.

Services: 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.



Department Summary - Staffing by Division

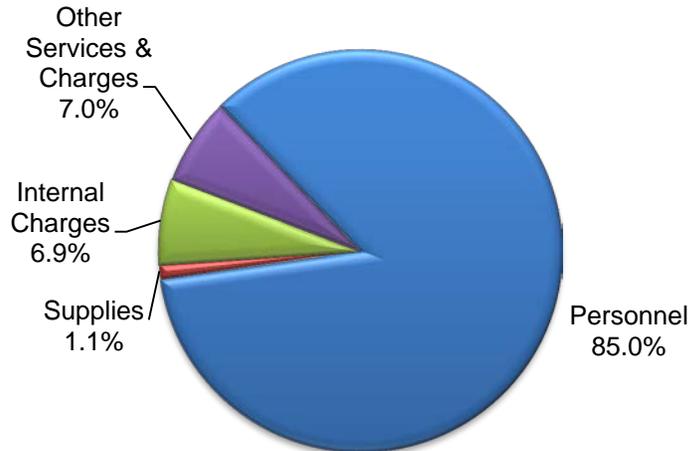
	FY15	FY16	FY17
Admin, Planning & Zoning	4.60	4.00	4.00
Building Safety	<u>6.50</u>	<u>6.50</u>	<u>7.50</u>
Total Authorized Positions	11.10	10.50	11.50

Community Development

Department Summary - Expenditure by Type

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 852,869	\$ 889,978	\$ 892,168	\$ 1,052,534
Supplies	13,010	16,625	11,750	13,950
Internal Charges	215,660	154,120	152,925	85,054
Other Services & Charges	42,186	57,900	51,800	86,534
Subtotal Operations	1,123,725	1,118,623	1,108,643	1,238,072
Capital	340,921	748,245	154,581	588,943
Total	\$ 1,464,646	\$ 1,866,868	\$ 1,263,224	\$ 1,827,015

**Community Development FY17
Operating Expenditure Budget by Type**



Department Summary - Operations Expenditure by Division and Capital

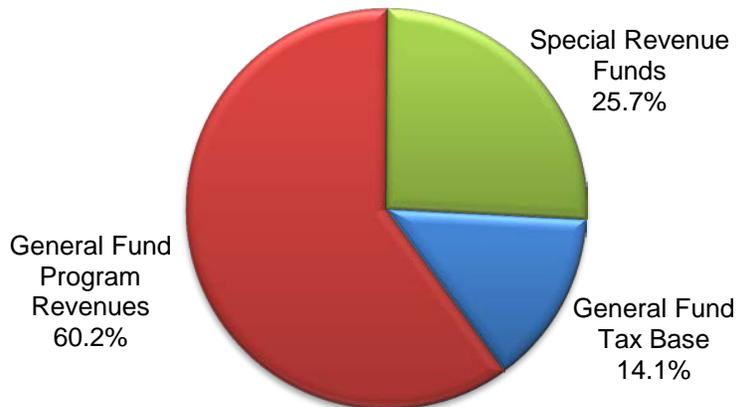
	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Admin, Planning & Zoning	\$ 585,257	\$ 539,725	\$ 536,685	\$ 479,678
Building Safety	538,468	578,898	571,958	758,394
Subtotal Operations	1,123,725	1,118,623	1,108,643	1,238,072
Capital	340,921	748,245	154,581	588,943
Total	\$ 1,464,646	\$ 1,866,868	\$ 1,263,224	\$ 1,827,015

Community Development

Department Summary - Funding Sources

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
General Fund Source of Funds				
Tax Base	\$ 386,017	\$ 407,273	\$ 364,243	\$ 257,838
Licenses & Permits	470,804	440,000	475,000	658,000
Charges for Services	<u>260,779</u>	<u>270,800</u>	<u>268,850</u>	<u>441,200</u>
General Fund Budget	1,117,600	1,118,073	1,108,093	1,357,038
Special Revenue Funds	<u>347,046</u>	<u>748,795</u>	<u>155,131</u>	<u>469,977</u>
Total	\$ 1,464,646	\$ 1,866,868	\$ 1,263,224	\$ 1,827,015

**Community Development Funding Sources
FY17 Budget**



Department Funding Sources: The Community Development's operations 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

Administration, 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: The Administration and Planning and Zoning Division 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.

Goal: 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.

Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Promote the PAC process as a no cost means to get early answers to development questions leading to successful projects.	Percentage of PAC applications resulting in construction permits	53%	54%	55%	56%

Goal: To provide assistance to the development community through the review and processing of applications for land use projects as quickly as practicable.

Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Actively manage project reviews to meet or exceed established project review turnaround times.	Percentage of projects meeting review turnaround times	76%	80%	88%	90%

FY16 Key Results and Outcomes:

- Supervised and assisted the operation of the Community Development Block Grant (CDBG) program, including the project specifications and bid documents, budget, and Annual Action Plan.
- Managed the Pre-Application Conference submittals with 147 projects processed during FY16
- Managed two large annexations through the review and approval process
- Drafted amendment to Development fee schedule for greater cost recovery

Community Development

- Drafted amendment to City Sign regulations and obtained Planning Commission endorsement to forward to Council
- Historic Home Tour - participation by the Preservation Specialist assisted in the success of the event contributing to record attendance at this year's tour

Administration, Planning & Zoning

Expenditure Summary

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 358,164	\$ 372,766	\$ 375,746	\$ 382,063
Supplies	8,042	6,975	6,200	6,500
Internal Charges	184,088	114,484	113,989	45,531
Other Services & Charges	<u>34,963</u>	<u>45,500</u>	<u>40,750</u>	<u>45,584</u>
Subtotal Operations	585,257	539,725	536,685	479,678
Capital	<u>340,921</u>	<u>748,245</u>	<u>154,581</u>	<u>463,943</u>
Total	\$ 1,511,435	\$ 1,827,695	\$ 1,227,951	\$ 1,423,299

Authorized Staffing Summary

	FY15	FY16	FY17
Authorized Staffing Level	<u>4.60</u>	<u>4.00</u>	<u>4.00</u>
Community Devel. Director ¹	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. ²	0.50	0.50	0.50
Administrative Specialist	1.00	1.00	1.00
Real Property Specialist ³	0.10	-	-
Program Manager ⁴	0.50	-	-

¹ 50% of Community Development Director charged to Building Safety

² 50% of GIS/Historic Preservation Coordinator charged to Information Technology

³ 30% of Real Property Specialist was charged to Water Administration, 30% to Wastewater Administration, and 30% to Engineering.

⁴ 50% of Program Manager was charged to Alternative Water Sources.

Budget Notes and Significant Changes: Implementation of the market compensation plan will increase the personnel budget for FY17. Internal charges decrease in FY17 as a result of cost allocation changes. The grants budget is for the management of the Community Development Block Grant Program (CDGB). 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 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.

Goal: Provide efficient and complete plan review services thru contractor education at local contractors meetings and meeting stated plan review time frames.

Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Provide efficient and complete plan review services thru contractor’s education at local contractors meeting and meeting stated plan review time frames.	Contractors’ Meetings	4	4	5	4
	Plan reviews performed	1475	1500	1500	1550
	Reviews completed within stated 3-week time frame	85%	90%	89%	90%

Goal: Provide quality, efficient, friendly, and code compliant field inspections. Have minimum re-inspections and help facilitate increased permits.

Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Have certified, well trained inspectors, able to help and answers questions of developers, contractors, and clients in the field.	Total number of field inspections	18,804	19,500	19,737	21,000
	Percentage of re-inspections	16%	15%	15%	13%
	New single family permits issued	229	240	280	300

FY16 Key Results and Outcomes:

- Issued 2010 permits of all types with a valuation exceeding \$166 million
- Organized three coordination meetings between area Building Officials
- Participated in three radio programs with the Yavapai County Contractors Association and other groups to discuss building related topics
- Drafted amendments to Building fees that has now been adopted by Council

Community Development

- Responded to afterhours inspections due to fires and vehicle/building accidents totaling 18 hours
- Initiated congregate living (community residence) safety inspection program
- Building Safety staff obtained additional certifications to improve the Division's ability to assist customers

Building Safety

Expenditure Summary

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 494,705	\$ 517,212	\$ 516,422	\$ 670,471
Supplies	4,968	9,650	5,550	7,450
Internal Charges	31,572	39,636	38,936	39,523
Other Services & Charges	<u>7,223</u>	<u>12,400</u>	<u>11,050</u>	<u>40,950</u>
Subtotal Operations	538,468	578,898	571,958	758,394
Capital	-	-	-	125,000
Total	\$ 538,468	\$ 578,898	\$ 571,958	\$ 883,394

Authorized Staffing Summary

	FY15	FY16	FY17
Authorized Staffing Level	<u>6.50</u>	<u>6.50</u>	<u>7.50</u>
Community Develop. Director ¹	0.50	0.50	0.50
Chief Building Official	1.00	1.00	1.00
Plans Examiner/Bldg. Insp.	1.00	2.00	3.00
Building Inspector	2.00	2.00	2.00
Permit Technician	1.00	1.00	1.00
Plans Examiner	1.00	-	-

¹ 50% of the Community Development Director charged to Administration, Planning and Zoning.

Budget Notes and Significant Changes: Implementation of the market compensation plan will increase the personnel budget for FY17, as well as the addition of a Plans Examiner/Building Inspector position to keep up with increased building activity. Other services and charges will increase in FY17 for services related to permit restoration and scanning. Permit records are required by law to be a permanent record. The capital budget is for new permit and inspection software, a joint project with the Public Works Department.

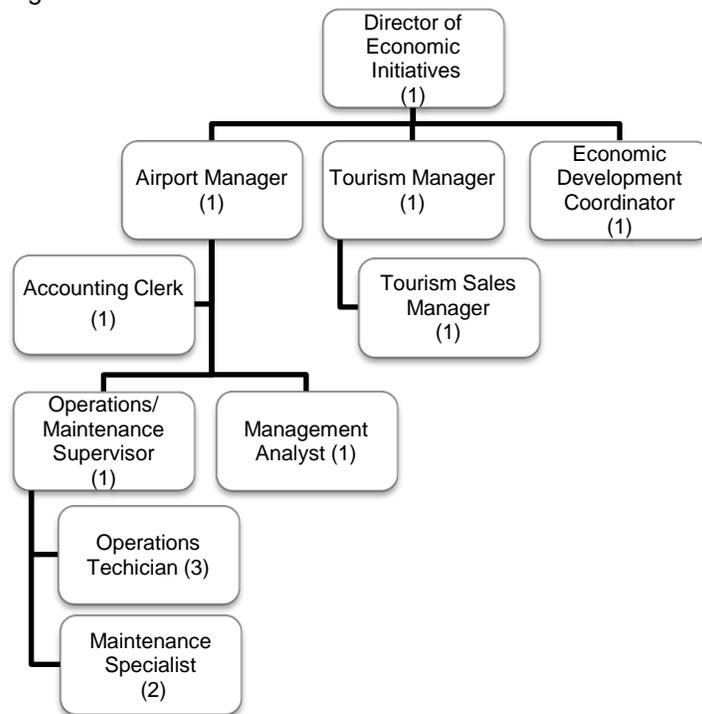
Economic Initiatives

Department Mission: Build a stronger City economy and expand the Transient Occupancy (Bed) Tax collection by creating and supporting initiatives that bring more revenue to the City and expand quality job opportunities in Prescott. These initiatives are directed through Airport-related activities, tourism, and economic development.

Services: The Department of Economic Initiatives (DEI) provides a variety of services to grow and diversify the economy. This is achieved by focusing on the airport as an “economic engine,” and the Airport Area as a location for broad-based business activities. The airport focus is upgrading infrastructure, enhancing air passenger services, and facilitating the expansion of airport businesses and facilities that serve the safety, security, and travelling needs of the public.

DEI directs, organizes, and promotes tourism activities of the City through marketing activities and partnering with the private sector. A focal point of the tourism program is enhancing hotel occupancy rates through increased visitor traffic.

Finally, economic development provides marketing services that assist local businesses in expanding, recruiting new businesses, and facilitating the growth of new quality jobs and increasing City revenues derived from sales tax generation.



Department Summary - Staffing by Division

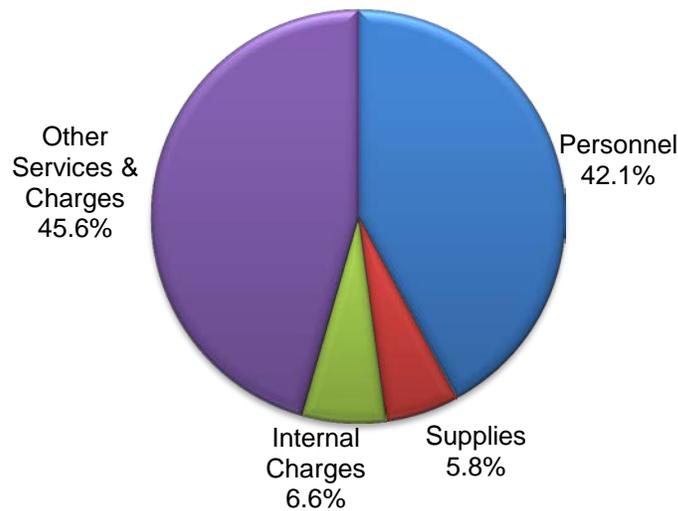
	FY15	FY16	FY17
Economic Development	1.25	1.75	1.75
Airport	8.25	8.25	9.25
Tourism	2.50	2.00	2.00
Special Events	<u>1.00</u>	<u>1.00</u>	<u>0.00</u>
Total Authorized Positions	13.00	13.00	13.00

Economic Initiatives

Department Summary - Expenditure by Type

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 1,126,475	\$ 1,166,082	\$ 1,133,428	\$ 1,153,512
Supplies	88,619	124,975	120,675	158,150
Internal Charges	234,067	278,306	287,757	180,637
Other Services & Charges	929,008	1,038,452	980,544	1,249,072
Subtotal Operations	2,378,169	2,607,815	2,522,404	2,741,371
Capital	667,891	7,490,092	5,843,270	2,764,632
Total	\$ 3,046,060	\$ 10,097,907	\$ 8,365,674	\$ 5,506,003

Economic Initiatives FY17 Operating Expenditure Budget by Type



Department Summary - Operating Expenditure by Division and Capital

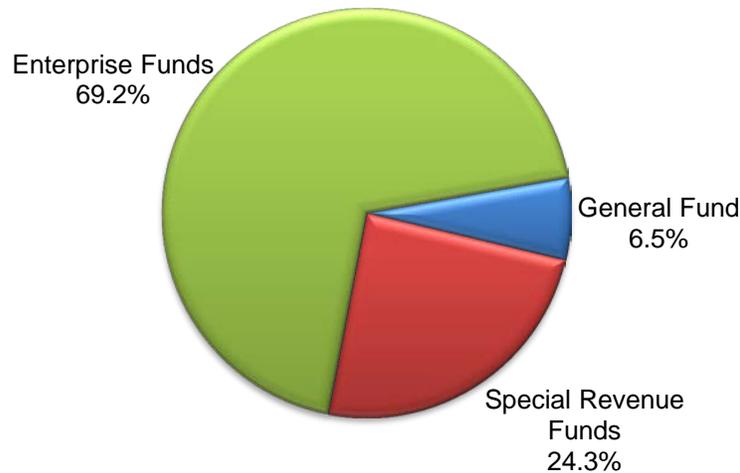
	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Economic Development	\$ 214,009	\$ 283,169	\$ 276,962	\$ 355,882
Airport	1,162,206	1,319,215	1,283,429	1,295,267
Tourism	790,307	815,493	816,354	1,090,222
Special Events	211,647	189,938	145,659	-
Subtotal Operations	2,378,169	2,607,815	2,522,404	2,741,371
Capital	667,891	7,490,092	5,843,270	2,764,632
Total	\$ 3,046,060	\$ 10,097,907	\$ 8,365,674	\$ 5,506,003

Economic Initiatives

Department Summary - Funding Sources

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
General Fund Source of Funds				
Tax Base	\$ 501,275	\$ 396,607	\$ 337,294	\$ 355,382
Licenses & Permits	850	500	500	500
Charges for Services	102,094	76,000	84,827	-
General Fund Budget	604,219	473,107	422,621	355,882
Special Revenue Funds	611,745	1,065,493	816,354	1,340,222
Enterprise Funds	1,830,096	8,559,307	7,126,699	3,809,899
Total	\$ 3,046,060	\$ 10,097,907	\$ 8,365,674	\$ 5,506,003

**Economic Initiatives Funding Sources
FY17 Budget**



Department Funding Sources: The Economic Initiatives Department has multiple funding sources. The Economic Development and Special Events Divisions are funded through the General fund. Special Revenue Funds reflect the Tourism Division funded by the Transient Occupancy Tax Fund and grants. Although the General Fund supports Airport capital projects, that funding is not included as a funding source in the table. Instead, the entire Airport budget is considered an Enterprise Fund.

Economic Initiatives

Economic Development

Division Mission: To lead in building a stronger and more diversified local economy by focusing on outreach marketing, assisting existing Prescott businesses to expand and attract new employers that provide quality jobs. These efforts are also broadened by being an active participant in regional economic development efforts lead by GPREP where the focus is out of state businesses.

Services: The City's economic development services include working with Prescott's existing business community to help them expand by proving information and programs supportive of job growth and new capital investment, identifying real estate options, and assisting firms through the City's development process.

Business attraction services are centered on providing out of state businesses with information that enhances their ability to grow, reduces their cost of doing business, solves existing operating problems, and connecting businesses with new labor supplies and vendors.

Goal: Promote and maintain PRC and the Airport Area as the City's economic engine					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Market the real estate opportunities at PRC and the Airport Area.	Number of businesses receiving siting information	N.A.	6	9	10
Assist airport area real estate owners in receiving ACA support in marketing their sites/ buildings.	Number of buildings and/or sites in gaining Certified Site or Building Designation	1	1	2	2
Facilitate the construction of a spec building	Market the concept to developers	3	4	5	5
Visit manufacturers to promote their expansion in the Airport Area	Number of businesses visited	9	14	18	18

Goal: Participate in and assist the economic development efforts of GPREP					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Encourage GPREP to adopt an annual work program that aggressively markets the region to new manufacturers	Contact manufacturers through direct mail, social media, and direct sales	N.A.	5	6	100
Have GPREP staff attend and call on manufacturers at industry shows and conferences	Participate in GPREP - organized marketing or call trips	N.A.	1	1	2

Economic Initiatives

Goal: Market Prescott as a location for targeted businesses within the state and national marketplace.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Update and expand the DEI website.	Develop new content for the DEI website	N.A.	2 new and updated data points	3 new data points and updated complete website twice	Add new cost-of-doing business data plus 3 website updates
Utilize digital marketing as an efficient and cost effective tool for contacting new businesses	Conduct a S. California marketing campaign to targeted manufacturers and site selectors	N.A.	100	120	150
Prepare research material specific to Prescott that support marketing/sales activities	Prepare a Comparative Operating Cost Analysis or Case Statement for Prescott	N.A.	1	2	1

Goal: Enhance the City's financial health through sales tax generating businesses					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Attract and retain retailers including destination retailers	Number of businesses	3	4	4	5
Participate in events/ conferences geared to retailers	Number of conferences/ events attended	1	2	2	2

FY16 Key Results and Outcomes:

- Three out-of-state manufacturers relocating to Prescott
- A coffee roaster company relocated from Kingman with 3,000 square foot facility in Airport Area and opened a retail center off Courthouse Square
- Assisted existing local manufacturer expansion
- Working with 2 retailers to remain and expand in Prescott representing sales tax revenue to the City of over \$175,000 annually
- Film office activity included 2 movies, 1 mini TV series, 6 commercials, and 1 student film
- Assisted development of Greater Prescott Regional Economic Partnership's Annual Work Program and marketing activities
- Submitted and received a \$500,000 Arizona Rural Economic Development Grant provided by the Arizona Commerce Authority/Arizona Department of Transportation to support construction of Corsair Connector in conjunction with private sector.

Economic Initiatives

Economic Development Expenditure Summary

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 140,328	\$ 178,503	\$ 176,911	\$ 180,312
Supplies	829	2,200	1,700	2,200
Internal Charges	16,163	11,366	11,151	17,970
Other Services & Charges	<u>56,689</u>	<u>91,100</u>	<u>87,200</u>	<u>155,400</u>
Subtotal Operations	214,009	283,169	276,962	355,882
Capital	<u>-</u>	<u>250,000</u>	<u>-</u>	<u>250,000</u>
Total	\$ 214,009	\$ 533,169	\$ 276,962	\$ 605,882

Authorized Staffing Summary

	FY15	FY16	FY17
Authorized Staffing Level	<u>1.25</u>	<u>1.75</u>	<u>1.75</u>
Director of Econ. Initiatives ¹	0.75	0.75	0.75
Econ. Dev. Coordinator ²	0.50	1.00	1.00

¹ 25% of Director of Economic Initiatives charged to Airport.

² 50% of Economic Development Coordinator was charged to Tourism

Budget Notes and Significant Changes: Internal charges increase as the charges previously added to the Special Events Division are now combined with Economic Development. Other services and charges increase in FY17 for additional services related to a \$60,000 annual subscription to a proprietary retail and visitor analytics tool and additional direct sales visits to Southern California in conjunction with the Greater Prescott Regional Economic Partnership (GPREP). The capital budget is related to seeking grant funding to assist with infrastructure to strengthen capacity and competitiveness for economic growth through Arizona Rural Economic Development Grant provided by the Arizona Commerce Authority.

Economic Initiatives

Airport

Division 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, providing for the development of current and future passenger air service, while complying with all applicable regulations as determined by the Federal Aviation Administration and Transportation Security Administration.

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

Goal: Improve revenue generation to maximize the planning, design, construction and maintenance of the airport.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Seek all available funding sources	Number of federal or state grants applied for/awarded to support airport development	7	5	5	5
Improve revenue streams by proposing and negotiating contracts at fair market value	Negotiate a car rental, FAA Tech Ops, Corporate hangar agreement renewals.	1	1	1	3

Goal: Comply with FAA and TSA regulations in support of operating a safe and secure airport.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Comply with FAA Part 139 Inspections	Number of discrepancies identified during annual Part 139 Airport Certification Inspection conducted by FAA	3	4	3	3
Timely and effectively respond to airport work orders per safety and customer service initiatives.	Airport Work Orders Issued and Resolved	1305	1150	1200	1200

Economic Initiatives

Goal: Develop and maintain professional staff to reduce impacts to daily operations.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Reduce total annual number of personnel transactions (hiring/termination)	Number of personnel transactions	18	12	7	5
Increase the Web-based training and seminars attended by staff to ensure employee development	Number of Webinars Attended	1	7	5	7
Maintain or increase the number of training videos reviewed by staff with duties under the Airport Certification Manual	Number of videos reviewed by staff	20	25	20	20

FY16 Key Results and Outcomes:

- 291,170 Flight Operations, a prior year increase of over 13,000 flights.
- 35th busiest airport in the US (GA & Commercial Service); 4th busiest GA Airport in the US; 3rd busiest airport in Arizona (PHX and Deer Valley)
- 3,302 passenger enplanements on Great Lakes Airline. A 647 (16.4%) passenger decrease from prior year.
- Completed Pavement Preservation Projects
- Solicited and received over \$7M in grants for Capital Improvement Projects that include:
 - USFS Apron Reconstruction & Expansion - \$3M (USFS, ADOT, City)
 - PRC Airfield Electrical Upgrades- \$3.6 M (FAA, ADOT, City)
 - PRC VISAIDS -\$275K (ADOT, City)
 - Index A ARFF Truck Procurement - \$400K (FAA, ADOT, City)
 - F Hangar Fire Suppression Upgrade July 2015 – \$87K (City)
- Successful meeting with FAA, ADOT, and City leadership to position Airport to continue airport development through FY17, including the process to relocate the terminal building.

Economic Initiatives

Airport Expenditure Summary

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 669,414	\$ 699,602	\$ 695,460	\$ 760,056
Supplies	85,835	121,900	117,325	155,400
Internal Charges	192,384	240,600	250,589	145,361
Other Services & Charges	<u>214,573</u>	<u>257,113</u>	<u>220,055</u>	<u>234,450</u>
Subtotal Operations	1,162,206	1,319,215	1,283,429	1,295,267
Capital	<u>667,891</u>	<u>7,240,092</u>	<u>5,843,270</u>	<u>2,514,632</u>
Total	\$ 1,830,097	\$ 8,559,307	\$ 7,126,699	\$ 3,809,899

Authorized Staffing Summary

	FY15	FY16	FY17
Authorized Staffing Level	<u>8.25</u>	<u>8.25</u>	<u>9.25</u>
Director of Economic Initiatives ¹	0.25	0.25	0.25
Airport Manager	1.00	1.00	1.00
Operations Maint. Supervisor	1.00	1.00	1.00
Airport Operations Technician	3.00	2.00	3.00
Maintenance Specialist	1.00	2.00	2.00
Management Analyst	1.00	1.00	1.00
Secretary	1.00	1.00	1.00

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

Budget Notes and Significant Changes: The personnel budget increases in FY17 due to the conversion of temporary staff to a permanent Airport Operations Technician position and implementation of the market compensation plan. Supplies increase in FY17 for equipment replacements and materials to maintain buildings. Internal charges decrease in FY17 as a result of new cost allocation policy.

Economic Initiatives

Airport Capital Outlay/Projects Detail

Description	FY17 Budget	Federal Grant	State Grant	City Share
<u>Funded by City Only</u>				
FAA Tech Operations Facility - Building Upgrades	\$ 200,000	-	-	\$ 200,000
Replacement Equipment and Vehicle	125,000	-	-	125,000
Airport Pavement Preservation Program - City	100,000	-	-	100,000
USFS Fuel Line	50,000	-	-	50,000
Administration Bathroom Renovations	25,000	-	-	25,000
Purchase of a FOD Boss	10,000	-	-	10,000
Subtotal, City Only	510,000	-	-	510,000
<u>Grant Funded Projects</u>				
Airport Master Plan	525,000	500,000	12,500	12,500
TWY E Lights, Electrical Vault Relocation, Generator	371,632	353,950	8,841	8,841
Airport Pavement Maintenance Program - ADOT	350,000	-	315,000	35,000
RWY 3R-21L and 3L-21R and TWY A and C Lighting	280,000	-	252,000	28,000
Security Upgrades	250,000	-	225,000	25,000
New Equipment - Snow Broom	157,500	149,625	3,937	3,938
Purchase of Lighted X's for Runway Closures	44,000	-	40,000	4,000
RWY 12-30 PAPI and REIL Both Ends and RWY 3R-21L	21,500	-	19,350	2,150
Airspace Obstruction Mitigation	5,000	-	4,500	500
Subtotal, Grant Projects	2,004,632	1,003,575	881,128	119,929
Total, All Projects	\$ 2,514,632	\$ 1,003,575	\$ 881,128	\$ 629,929

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

Economic Initiatives

Tourism

Division Mission: To develop, promote and maintain Prescott as a year round visitor destination benefitting the community economically while contributing to quality of life.

Services: The Prescott Office of Tourism is the official destination marketing organization for the City of Prescott. The Tourism Office operates sales and marketing programs that promote Prescott as a year round destination for visitors.

Goal: To provide the community with additional resources through increased Transient Occupancy Tax (Bed Tax) and tourism related sales tax collections. To impact length of stay by encouraging overnight visitation to improve tax collections through increasing revenues to hotels, restaurants, bars, retail and attractions.

Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Generate increased Bed Tax by increasing total rooms booked.	Fiscal Year Bed Tax revenue	693,335	728,335	728,335	764,335
Generate increased Bed Tax by increasing lodging revenue (RevPAR)	Lodging revenue (per room) as measured by STR	56.04	58.08	58.08	61.00

FY16 Key Results and Outcomes:

- Lodging performance indicators all show an improving tourism economy.
 - Bed Tax collections in FY 2016 are **up 14.75%** as of April from the prior year.
 - Hotels are reporting slight increases in Occupancy and significant (double-digit) increases in Average Daily Rate (ADR) and Revenue per Available Room (RevPAR).
 - As of April hotels report RevPAR is up by **13.6%**.

- Tourism Marketing
 - Marketing Database: **22,046** active records vs. 16,580 last year at this time
 - Tourism Information Requests: **11,803** in YTD FY 16 vs. 9,421 last year
 - Value of Media Coverage YTD FY 16: **\$6,966,000.**
 - Mobile Website: Users up 31%, Page Views: up 8.7% (YTD)
 - Desktop Website: Users down 1.13%, Page Views: -1% (YTD)
 - Tablet Website: Users down 2.36%, Page Views - 21% (YTD)
 - Visit-Prescott.com reservation referrals to Prescott hotels YTD: **4,202 up 52%** vs. FY 2015 directly driving revenue to hotels through tourism marketing efforts.

- Outcomes related to sales activity.
 - 51 corporate leads distributed in 2016 vs. 22 in 2015, +231%
 - 213 leisure/tour leads distributed 2016 vs. 8 in 2015, +2,662%
 - 43 Event leads new in FY 2016

Economic Initiatives

Tourism

Expenditure Summary

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 236,553	\$ 207,865	\$ 209,116	\$ 213,144
Supplies	1,112	875	700	550
Internal Charges	14,783	13,014	12,799	17,306
Other Services & Charges	<u>537,859</u>	<u>593,739</u>	<u>593,739</u>	<u>859,222</u>
Total, Operations	\$ 790,307	\$ 815,493	\$ 816,354	\$ 1,090,222

Authorized Staffing Summary

	FY15	FY16	FY17
Authorized Staffing Level	<u>2.50</u>	<u>2.00</u>	<u>2.00</u>
Tourism Director	1.00	1.00	-
Tourism Manager	-	-	1.00
Tourism Sales Manager	1.00	1.00	1.00
Econ. Dev. Coordinator ¹	0.50	-	-

¹ 50% of Economic Development Coordinator was charged to Economic Development

Budget Notes and Significant Changes: The other services and charges budget includes all Transient Occupancy Tax (Bed Tax) allocations and community support provided through the 3% bed tax collected on transient lodging in the City of Prescott.

Economic Initiatives

Special Events

Division Mission: To create and manage special events that will attract out-of-town visitors, contribute to the quality of life of our residents, create a positive image of Prescott, and enhance the tax base through increased visitor and resident spending.

Services: Prescott has a diverse array of special events that can be enjoyed year round giving our locals and tourists a full year of quality events. Prescott's special events help contribute to the vibrancy, cultural richness and economic vitality of our community.

Special Events Expenditure Summary

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 80,180	\$ 80,112	\$ 51,941	\$ -
Supplies	843	-	950	-
Internal Charges	10,737	13,326	13,218	-
Other Services & Charges	<u>119,887</u>	<u>96,500</u>	<u>79,550</u>	<u>-</u>
Total, Operations	\$ 211,647	\$ 189,938	\$ 145,659	\$ -

Authorized Staffing Summary

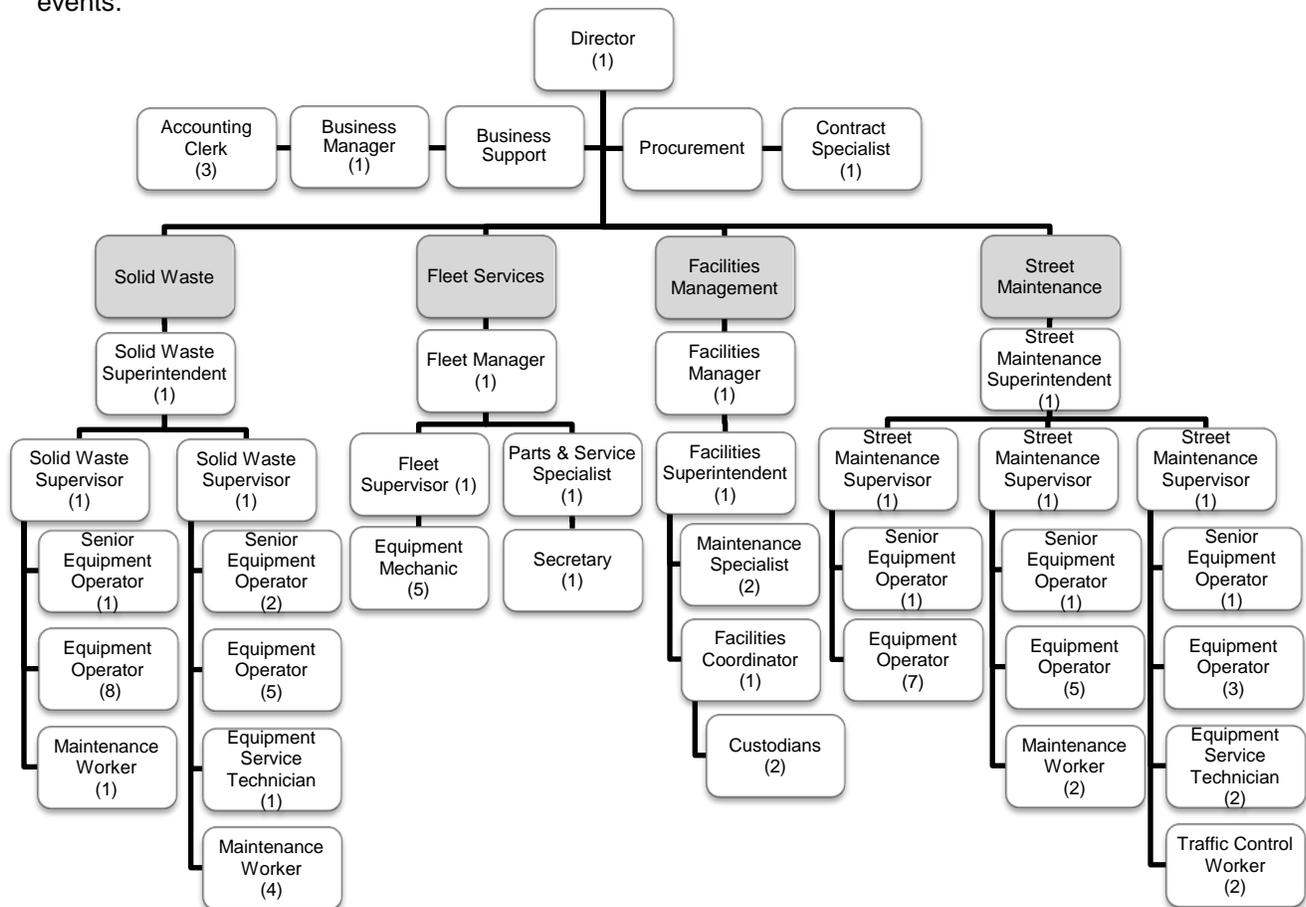
	FY15	FY16	FY17
Authorized Staffing Level	<u>1.00</u>	<u>1.00</u>	<u>0.00</u>
Special Events Manager	1.00	1.00	0.00

Budget Notes and Significant Changes: Special Events Division was eliminated mid-year FY16 with the reduction of the Special Events Manager position. The Special events function was moved to the Recreation Services Department.

Field and Facilities Services

Department Mission: To provide mechanical and electrical maintenance and energy conservation services for City facilities; procure, manage and maintain the City's vehicles and equipment fleet; provide safe, efficient solid waste collection, recycling and disposal management; and maintain safe, accessible streets for the efficient movement of people and goods on City streets.

Services: The divisions of the Field and Facilities Services Department provide services internally to City departments and externally to City residents. Internal services provided by the Facilities Management Division include maintaining more than 300,000 square feet of City facilities through maintenance, janitorial services, and utilities. The Fleet Services Division provides internal support to City departments through acquisition, maintenance, and disposal for more than 530 vehicles and pieces of equipment. External services include solid waste residential and commercial collection services, diversion of recyclable materials from the waste stream, and proper disposal of solid waste. Street Maintenance activities include drainage maintenance, asphalt maintenance, City rights-of-way maintenance, street sign maintenance, street sweeping, and traffic control for certain City special events.



Department Summary - Staffing by Division

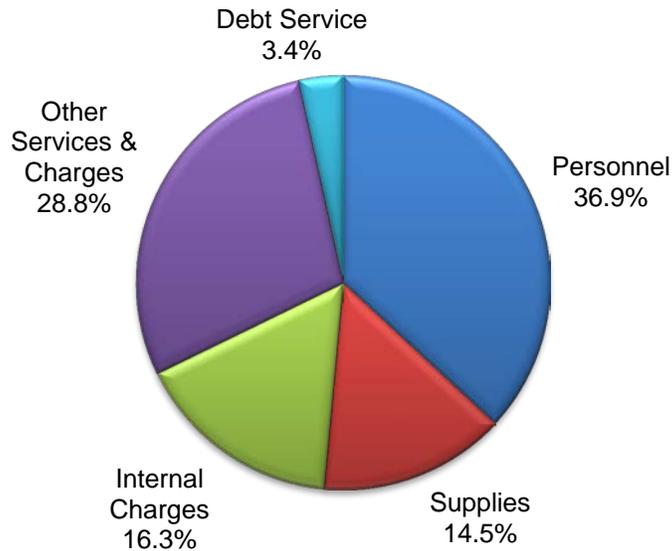
	FY15	FY16	FY17
Facilities Management	6.30	6.45	7.45
Fleet Services	9.10	9.35	9.35
Solid Waste	27.90	27.30	28.20
Street Maintenance	<u>28.70</u>	<u>29.90</u>	<u>30.00</u>
Total Authorized Positions	72.00	73.00	75.00

Field and Facilities Services

Department Summary - Expenditure by Type

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 4,580,667	\$ 5,046,759	\$ 4,883,412	\$ 5,445,594
Supplies	2,597,690	2,063,525	2,136,716	2,145,825
Internal Charges	2,171,020	2,193,446	2,485,798	2,409,510
Other Services & Charges	4,238,431	4,261,705	3,867,666	4,245,529
Debt Service	507,062	504,241	504,241	502,616
Subtotal Operations	14,094,870	14,069,676	13,877,833	14,749,074
Capital	2,627,700	2,707,100	1,416,550	4,161,902
Total	\$ 16,722,570	\$ 16,776,776	\$ 15,294,383	\$ 18,910,976

Field and Facilities FY17 Operating Expenditure Budget by Type



Department Summary - Operating Expenditures by Division and Capital

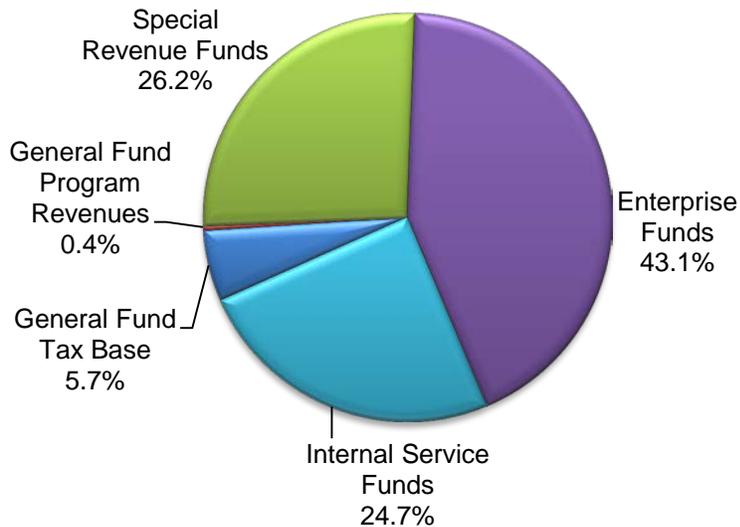
	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Facilities Management	\$ 1,436,394	\$ 1,630,472	\$ 1,479,703	\$ 1,695,632
Fleet Services	2,316,938	2,402,089	2,435,922	2,496,208
Solid Waste	6,648,408	6,471,413	6,482,597	6,714,208
Street Maintenance	3,693,130	3,565,702	3,479,611	3,843,026
Subtotal Operations	14,094,870	14,069,676	13,877,833	14,749,074
Capital	2,627,700	2,707,100	1,416,550	4,161,902
Total	\$ 16,722,570	\$ 16,776,776	\$ 15,294,383	\$ 18,910,976

Field and Facilities Services

Department Summary - Funding Sources

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
General Fund Source of Funds				
Tax Base	\$ 31,894	\$ 33,186	\$ 32,066	\$ 1,074,539
Intergovernmental Revenues	1,957	1,800	1,800	1,800
Charges for Services	48,618	50,400	50,900	50,400
Transfers In (Bed Tax)	20,000	20,000	20,000	20,000
General Fund Budget	102,468	105,386	104,766	1,146,739
Special Revenue Funds	3,744,709	4,299,702	3,845,611	4,954,128
Enterprise Funds	8,353,424	7,788,813	7,030,597	8,142,008
Internal Service Funds	4,521,969	4,582,875	4,313,409	4,668,101
Total	\$ 16,722,570	\$ 16,776,776	\$ 15,294,383	\$ 18,910,976

**Field and Facilities Funding Sources
FY17 Budget**



Department Funding Sources: The Field and Facilities Department has multiple funding sources. The General Fund supports the Facilities Management Division for the rodeo grounds and the parking garage. The charges received for the parking garage are the General Fund program revenues. Special Revenue funds are the source of funding for grants and the Street Maintenance Division funded through the 1% streets tax. The Facilities Management and Fleet Services Divisions operate as Internal Service funds providing appropriate services as needed. Services provided by these two divisions are charged to other City divisions accounted for as revenues. Fleet Services is funded through a direct charge for each vehicle it services and Facilities Management charges an annual rate per square foot of each City facility it maintains.

Field and Facilities 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 55 buildings comprising more than 292,000 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.

Goal: Ensure safe buildings that serve the needs of citizens and users by providing life safety devices, monitoring of life safety and intrusion, and proper lighting.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Inspect fire panels, fire extinguishers, backflow preventers and complete hood certifications annually	Inspect 100% of all devices in Facilities Management Fund	98%	100%	100%	100%
Repair life safety devices and monitor fire and burglar alarms.	Repair devices within 8 hours of notification	N/A	100%	100%	100%
Ensure fire life safety devices are installed and monitor buildings to protect citizens and employees.	Ensure 100% of City facilities have fire safety devices	80%	90%	95%	100%
Improve Parking Garage lighting	Add lighting to ensure 3 foot candles of light and monitor for operation and efficacy	95%	100%	100%	100%

Goal: 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.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Maintain regular PM's. Contract twice per year of HVAC equipment	Contract 2x/year PM services to include filter changes	100%	100%	100%	100%
Complete repair work orders that are prioritized, itemized, and completed per assigned priority.	Priority 1 = 48 hours Priority 2 = 10 days Priority 3 = 30 days Priority 4 = 60 days	99%	99%	99.5%	99.5%
Assist Prescott Frontier Days Rodeo with buildings maintenance	Complete planned projects for Barn A, Barn B, and the Mackin building	100%	100%	100%	100%
Repair facilities damage caused by users, and employ best practice preventive maintenance for buildings	Inspect and assess damage within 8 hours of notification	100%	100%	100%	100%

Field and Facilities Services

Goal: Ensure clean buildings exhibiting a professional appearance.					
Strategy	Performance Measures	FY15 Actual	FY16 Target	FY16 Estimate	FY17 Target
Scheduled cleaning of VCT, carpet and tile	All VCT floors cleaned annually, and scrubbed and burnished daily	100%	100%	100%	100%
Scheduled cleaning of office spaces and carpet	Office space cleaned and carpet spotting completed	95%	98%	98%	100%
Scheduled cleaning of Gym floors	Gym floor scrubbed and burnished monthly	100%	100%	100%	100%
Use green, recycled products whenever possible	Install carpet squares for replacement of carpet for planned projects	100%	100%	100%	100%

Goal: Improve energy efficiency by replacing inefficient lighting and HVAC systems, and use other methods such as installing low-E dual glazed glass, insulation and weather stripping.					
Strategy	Performance Measures	FY15 Actual	FY16 Target	FY16 Estimate	FY17 Target
Upgrade lighting to LED's for increased efficiencies	Convert 100% of T-8s to LED's and de-lamp number of tubes in high occupancy buildings	100%	100%	100%	100%

FY16 Key Results and Outcomes:

- Inspected five fire stations that were newly introduced into the Facilities Management Fund and began considerable maintenance and repairs.
- Sanitary sewer line replacement at Legal Department's building.
- Improvements to the Police Operations Bureau location at the Virginia Street campus.
- Remodeled the reception and administrative areas of the Grace Sparks Activity Center
- Ensured emergency power generators, elevators, fire and life safety devices, lifts, cranes and compressors were given preventive maintenance and certifications.
- Continued energy savings program by installing LED's whenever fluorescents failed.
- Ongoing parking garage maintenance included repaired damaged bollard, deck and column, requiring new concrete, new steel reinforcement, welding, restriping parking, and structural inspections.
- Rodeo ground repairs included replacing damaged sheet metal, exterior painting, and sanitary line improvements to the Mackin building.

Field and Facilities Services

Facilities Management Expenditure Summary

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 443,396	\$ 519,526	\$ 476,832	\$ 578,361
Supplies	160,366	146,195	125,545	135,445
Internal Charges	144,751	110,156	107,965	120,711
Other Services & Charges	<u>687,881</u>	<u>854,595</u>	<u>769,361</u>	<u>861,115</u>
Subtotal Operations	1,436,394	1,630,472	1,479,703	1,695,632
Capital	<u>50,274</u>	<u>144,000</u>	<u>144,000</u>	<u>1,085,000</u>
Total	\$ 1,486,668	\$ 1,774,472	\$ 1,623,703	\$ 2,780,632

Capital Detail

Rodeo Grounds Electrical Improvements	\$ 925,000
Reconstruction of Virginia Street Complex Large Parking Lot	100,000
Grace Sparks Activity Center Renovations	<u>60,000</u>
	\$ 1,085,000

Authorized Staffing Summary

	FY15	FY16	FY17
Authorized Staffing Level	<u>6.30</u>	<u>6.45</u>	<u>7.45</u>
Field & Facilities Director ¹	0.10	0.10	0.10
Facilities Manager	1.00	1.00	1.00
Facilities Maintenance Super.	1.00	1.00	1.00
Maintenance Specialist	1.00	1.00	2.00
Facilities Coordinator	1.00	1.00	1.00
Custodian	2.00	2.00	2.00
Business Manager ²	0.10	0.10	0.10
Accounting Clerk ³	0.10	0.10	0.10
Contract Specialist ⁴	-	0.15	0.15

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

² 40% of Business Manager charged to Solid Waste, 40% charged to Street Maintenance and 10% charged to Fleet Services.

³ 90% of Accounting Clerk charged to Fleet Services

⁴ 40% of Contract Specialist charged to Solid Waste, 25% to Fleet Services and 20% to Street Maintenance

Budget Notes and Significant Changes: Personnel increases in FY17 with conversion of a temporary Maintenance Specialist position to permanent. Parking Garage stair repairs and Rodeo Grounds Electrical improvements increase the General Fund impact of this division.

Field and Facilities Services

Fleet Services

Division Mission: Provide a comprehensive fleet management program that supports City departments and functions in the delivery of municipal services 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 550 fleet vehicles and equipment through efficient fleet operations, ensuring transparency and accountability through a dedicated, highly trained, and certified fleet staff. The vehicles and equipment are used by City employees who provide service delivery to the public that includes public safety, code compliance, solid waste collection, utility services, recreation services, and street maintenance activities. 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.

Goal: Manage the fleet in a manner that insures the lowest possible operational cost while maintaining consistently high mechanical reliability.

Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Ensure scheduled preventive maintenance tasks are completed	98% of scheduled preventive maintenance tasks completed within four weeks of due date	N/A	98%	98%	98%
Complete repair work correctly the first time; reduce rework.	No more than 2% of all repair work orders require rework	N/A	<2%	<2%	<2%

Goal: Maintain positive working relationships with customers.

Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Get feedback annually from customers	Conduct annual survey with 95% or greater customer satisfaction	81%	95%	95%	95%

Goal: Acquire the type and number of vehicles necessary and appropriate to meet the needs of the City.

Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Meet with customers to develop specifications	Procure 100% of planned fiscal year replacements by 12/31 of each year	78%	100%	100%	100%

Field and Facilities Services

FY16 Key Results and Outcomes:

- Continued bi-weekly truck safety inspections for the Fire Department and the Solid Waste Division.
- Continued providing emergency power generator services, performing preventive maintenance, and coordinating load-bank testing with an outside vendor.
- Provided preventive maintenance and safety inspections for Groom Creek Fire District vehicles and equipment through an intergovernmental agreement (IGA).
- Worked with Legal to have 22 vehicles repaired that were involved in an accident
- Completed all paper work for newly purchased vehicles and equipment for City asset numbers and Arizona titles.
- Coordinated, processed, and recovered all vehicle related warranty claims.
- Conducted bi-weekly safety meetings and Occupational Safety and Health Administration (OSHA) mandatory trainings.
- Completed 4,421 total repair orders in FY16.
 - 954 scheduled preventive maintenance (PM) work orders
 - 2,506 non- PM repair orders
 - 961 repair order line items with outside vendors and billed by Fleet Services.

Fleet Services

Expenditure Summary

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 612,542	\$ 713,429	\$ 645,504	\$ 673,286
Supplies	855,654	857,050	903,900	925,400
Internal Charges	317,957	300,536	297,204	317,958
Other Services & Charges	140,448	142,910	201,150	192,650
Debt Service	<u>390,337</u>	<u>388,164</u>	<u>388,164</u>	<u>386,914</u>
Subtotal Operations	2,316,938	2,402,089	2,435,922	2,496,208
Capital	<u>821,337</u>	<u>655,700</u>	<u>502,550</u>	<u>538,000</u>
Total	\$ 3,138,275	\$ 3,057,789	\$ 2,938,472	\$ 3,034,208

Capital Detail

Vehicle Replacements	\$ 248,000
Tracking Devices for the City's Fleet	230,000
Vehicle Alignment Equipment	<u>60,000</u>
	\$ 538,000

Field and Facilities Services

Authorized Staffing Summary

	FY15	FY16	FY17
Authorized Staffing Level	<u>9.10</u>	<u>9.35</u>	<u>9.35</u>
Field & Facilities Director ¹	0.10	0.10	0.10
Fleet Manager	1.00	1.00	1.00
Fleet Maintenance Supervisor	1.00	1.00	1.00
Equipment Mechanic	5.00	5.00	5.00
Parts and Service Specialist	-	-	1.00
Parts Specialist	1.00	1.00	-
Business Manager ²	0.10	0.10	0.10
Secretary ³	-	-	0.90
Accounting Clerk	0.90	0.90	-
Contract Specialist ⁴	-	0.25	0.25

¹ 40% of Field & Facilities Director charged to Solid Waste, 40% charged to Street Maintenance and 10% charged to Facilities Management.

² 40% of Business Manager charged to Solid Waste, 40% charged to Street Maintenance and 10% charged to Facilities Management.

³ 10% of Secretary charged to Facilities Management.

⁴ 40% of Contract Specialist charged to Solid Waste, 15% to Facilities Management 20% to Street Maintenance.

Budget Notes and Significant Changes: Other services and charges increase in FY17 for outsourced specialty repair services. Supplies will increase in FY17 for increasing vehicle part prices and additional parts needed for an aging fleet.

Field and Facilities Services

Solid Waste

Division Mission: Provide economical and efficient municipal solid waste services; educate residents about acceptable recycling materials to increase participation in the City's recycling program; and divert recyclable materials from the waste stream.

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.

Goal: Increase the diversion rate by manually pulling materials from the Transfer Station solid waste stream and educational outreach					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Proactively recover recyclables from received solid waste	Tons of metal diverted	273	240	250	255
	Tons of cardboard diverted	575	800	550	600
	Tons of inert debris diverted	8,337	6,500	9,000	9,000
	Tons of green waste diverted	3,976	4,000	3,650	4,000
	Tons of co-mingled recycle diverted	4,284	4,400	5,000	5,000

Goal: Increase the number of commercial recycling accounts by at least 5% during the fiscal year.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Contact high volume commercial customers and demonstrate the cost savings associated with the diversion of recyclable materials out of the trash container	Number of commercial recycling accounts	179	185	190	200

FY16 Key Results and Outcomes:

- Workload indicators:
 - Weekly trash removal: 1,142 trash dumpsters, 34,398 residential trash containers, and 263 300-gallon containers
 - Weekly recycling material removal: 205 recycle dumpsters and 23,550 residential recycle
 - Delivery/repair service: 3,638 for residential containers, 428 commercial containers
 - Other: 192 roll off container services and solid waste services at 36 special events.

Field and Facilities Services

- Removed 173 tons of trash from neighborhoods during the Annual Clean-up
- Landfill diversions with a total of \$986,500 savings by not sending to landfill, including:
 - 3,708 tons of brush, \$206,000 savings
 - 9,460 tons of inert debris, \$525,700 savings
 - 963 tons of recovered inbound recyclables (cardboard, paper, plastic, aluminum, steel, copper) to the transfer station, \$53,500 savings
 - 4,585 tons comingled recycling processing to City of Phoenix’s North Gateway Materials Recovery Facility, 254,800 savings and \$2,600 in revenue
 - Recycled 18 tons of electronic waste
 - 2,640 gallons of used motor oil and 300 gallons of used antifreeze
- Purchased a wood chipper to process brush material
- Hosted a successful multi-jurisdictional household hazardous waste event (531 vehicles)

Solid Waste

Expenditure Summary

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 1,664,911	\$ 1,753,982	\$ 1,795,062	\$ 1,898,947
Supplies	538,344	392,500	426,171	404,500
Internal Charges	1,194,909	1,195,954	1,483,307	1,375,759
Other Services & Charges	3,133,519	3,012,900	2,661,980	2,919,300
Debt Service	<u>116,725</u>	<u>116,077</u>	<u>116,077</u>	<u>115,702</u>
Subtotal Operations	6,648,408	6,471,413	6,482,597	6,714,208
Capital	<u>1,705,016</u>	<u>1,317,400</u>	<u>548,000</u>	<u>1,427,800</u>
Total	<u>\$ 8,353,424</u>	<u>\$ 7,788,813</u>	<u>\$ 7,030,597</u>	<u>\$ 8,142,008</u>

Capital Detail

Vehicle Replacement - Residential Collections	\$ 522,800
Transfer Station Floor Repair	280,000
Transfer Station Main Scale Replacement	270,000
Vehicle Replacement - Transfer Station	220,000
Electrical Infrastructure and Security Lighting	<u>135,000</u>
	<u>\$ 1,427,800</u>

Field and Facilities Services

Authorized Staffing Summary

	FY15	FY16	FY17
Authorized Staffing Level	<u>27.90</u>	<u>27.30</u>	<u>28.20</u>
Field & Facilities Director ¹	0.40	0.40	0.40
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 Service Technician	-	-	1.00
Maintenance Specialist	1.00	1.00	-
Maintenance Worker	5.00	5.00	5.00
Business Manager ²	0.50	0.40	0.40
Accounting Clerk	1.00	1.00	2.00
Contract Specialist ³	-	0.50	0.40
Accounting Technician	1.00	-	-

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

² 10% of Business Manager charged to Facilities Management, 40% charged to Street Maintenance, and 10% charged to Fleet Services.

³ 25% of Contract Specialist charged to Fleet Services, 15% to Facilities Management, 20% to Street Maintenance

Budget Notes and Significant Changes: The implementation of the market compensation plan and the addition of one Accounting Clerk position will increase personnel expenses for FY17. Internal charges will increase in FY17 as a result of a new cost allocation policy.

Field and Facilities Services

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 in the City of Prescott.

Services: The Street Maintenance Division 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.

Goal: Provide timely, efficient and cost-effective street and right-of-way maintenance by addressing short- and long-term street maintenance issues within the City, prolonging the useful life of the City's roadways.

Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Utilize the Maintenance Management System to produce a performance-based budget	Produce a performance-based budget	N/A	Yes	Yes	Yes
	Produce monthly report to measure Planned vs. Actual accomplishment	N/A	12	12	12
Continue to employ preventive maintenance practices	Percent of planned crack sealing completed	100%	100%	100%	100%
	Sweep entire City 3 times	Yes	Yes	Yes	Yes
	Percent of potholes filled within 5 days of notification	100%	100%	100%	100%

Goal: Maintain City signage in accordance with the Manual on Uniform Traffic Control Devices.

Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Respond to downed stop signs within eight hours of notification	Number of signs replaced within 8 hours	100%	100%	100%	100%
Replace all signs every eight years (life expectancy of signs in Arizona)	Replace 12.5 % of total signs per year	N/A	12.5%	12.5%	12.5%

Field and Facilities Services

Goal: Maintain effective drainage ways and structures within the City.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Inspect drainage ways and repair or clean as needed	Inspect drainage ways and structures 2 times annually	100%	100%	100%	100%
Create work orders for identified repair or cleaning needed	Complete repair or cleaning within 90 days of work order creation	N/A	100%	100%	100%

FY16 Key Results and Outcomes:

- Utilized the Street Maintenance Division’s Maintenance Management System to produce a performance-based budget.
- Replaced two undersized dump trucks with plows and spreaders for maintenance work and snow plowing.
- Employed dedicated drainage crew and equipment in inspecting all drainage ways and structures twice and cleaning over 7,500 lf of culvert and 233 drainage structures.
- Swept the entire City three times, and cleaned the downtown 208 times. Painted over 7,000 feet of curb in the downtown area.
- Replaced 1,750 signs, or approximately 12.5% of the total signs.
- Placed over 180,000 lbs. of hot and cold mix asphalt in patches and potholes within 5 days of notification
- Mowed and manually removed weeds from over 523 acres of right-of-way.

Street Maintenance Expenditure Summary

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 1,859,818	\$ 2,059,822	\$ 1,966,014	\$ 2,295,000
Supplies	1,043,326	667,780	681,100	680,480
Internal Charges	513,403	586,800	597,322	595,082
Other Services & Charges	<u>276,583</u>	<u>251,300</u>	<u>235,175</u>	<u>272,464</u>
Subtotal Operations	3,693,130	3,565,702	3,479,611	3,843,026
Capital	<u>51,073</u>	<u>590,000</u>	<u>222,000</u>	<u>1,111,102</u>
Total	<u>\$ 3,744,203</u>	<u>\$ 4,155,702</u>	<u>\$ 3,701,611</u>	<u>\$ 4,954,128</u>

Field and Facilities Services

Capital Detail

Vehicle Replacements - Street Maintenance	\$ 908,000
Electrical Infrastructure and Security Lighting at Sundog Transfer Station	165,000
Maintenance Management System - Street Maintenance	<u>38,102</u>
	<u>\$ 1,111,102</u>

Authorized Staffing Summary

	FY15	FY16	FY17
Authorized Staffing Level	<u>28.70</u>	<u>29.90</u>	<u>30.00</u>
Field & Facilities Director ¹	0.40	0.40	0.40
Street Maintenance Supt.	1.00	1.00	1.00
Streets Maintenance Supv.	2.00	3.00	3.00
Equipment Service Technician	-	-	2.00
Sr. Equipment Operator	3.00	3.00	3.00
Equipment Operator	12.00	13.00	15.00
Traffic Control Worker	2.00	2.00	2.00
Maintenance Worker	4.00	4.00	2.00
Business Manager ²	0.30	0.40	0.40
Accounting Clerk	1.00	1.00	1.00
Contract Specialist ³	-	0.10	0.20
Supr/Bldg. Project Manager	1.00	-	-
Maintenance Specialist	1.00	1.00	-
Maintenance Technician	1.00	1.00	-

¹ 40% of Field & Facilities Director charged to Solid Waste, 10% charged to Fleet Services and 10% charged to Facilities Management.

² 40% of Business Manager charged to Solid Waste, 10% charged to Fleet Services, and 10% charged to Facilities Management.

³ 40% of Contract Specialist charged to Solid Waste, 25% to Fleet Services, 15% to Facilities Management.

Budget Notes and Significant Changes: The implementation of the market compensation plan will increase the personnel budget for FY17. Other services and charges increase for asphalt crushing services.

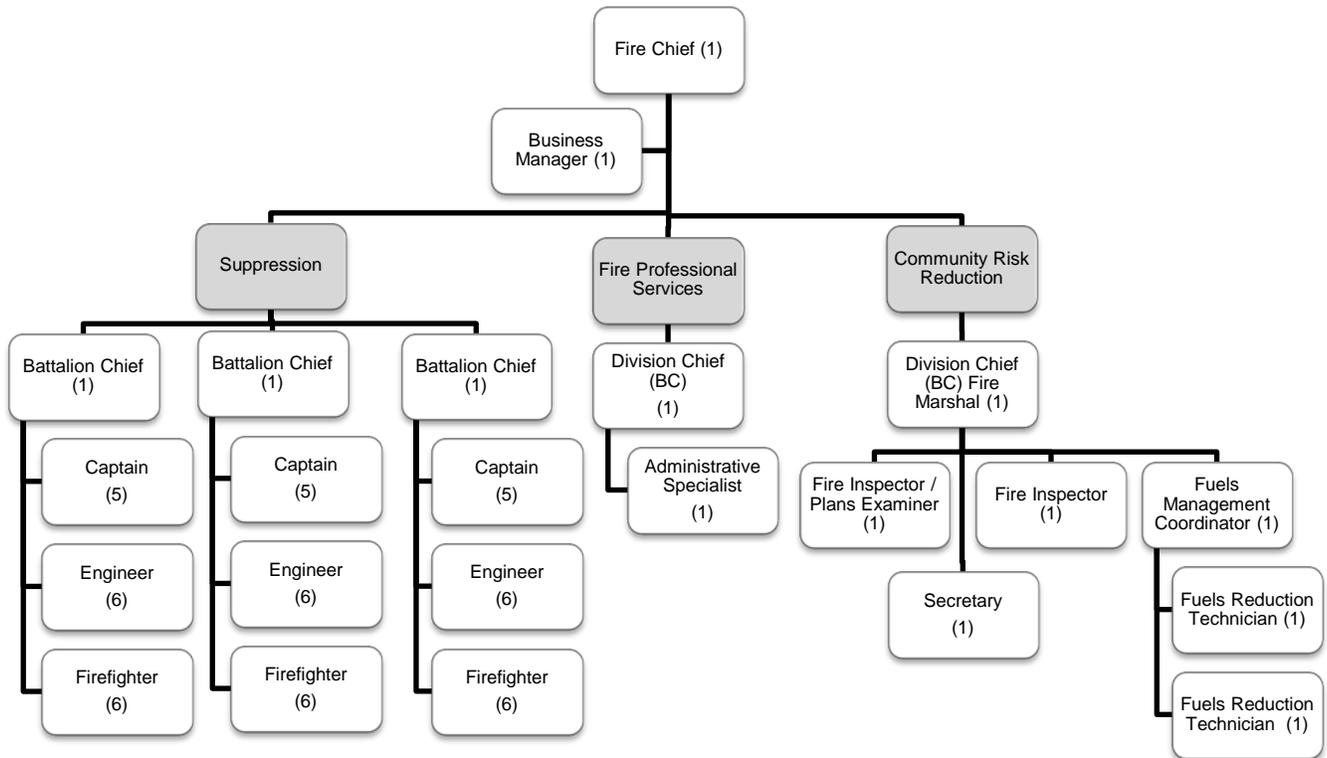
Fire

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, United States Forest Service, and Yavapai-Prescott Indian Tribe.



Department Summary - Staffing by Division

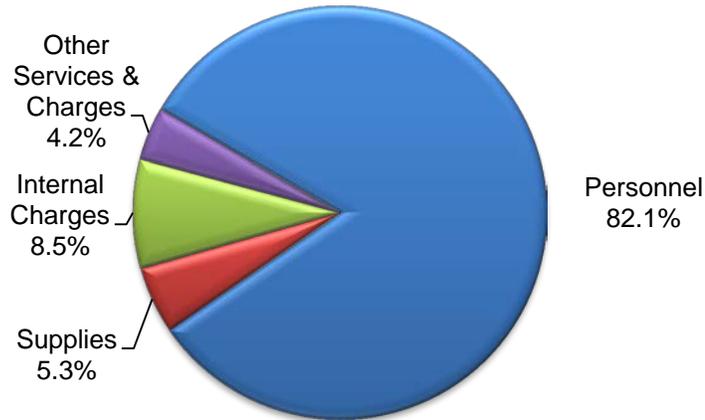
	FY15	FY16	FY17
Fire Department Administration	5.00	3.00	2.00
Suppression/EMS	57.00	57.00	48.00
Suppression/EMS (SAFER Grant)	0.00	0.00	9.00
Fire Professional Services	1.00	2.00	2.00
Community Risk Reduction	<u>8.00</u>	<u>6.00</u>	<u>7.00</u>
Total Authorized Positions	71.00	68.00	68.00

Fire

Department Summary - Expenditure by Type

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 7,752,408	\$ 8,281,133	\$ 7,850,492	\$ 9,764,416
Supplies	387,946	556,420	384,765	624,743
Internal Charges	862,946	942,714	1,010,799	1,013,951
Other Services & Charges	<u>358,260</u>	<u>758,831</u>	<u>377,383</u>	<u>494,126</u>
Subtotal Operations	9,361,560	10,539,098	9,623,439	11,897,236
Capital	<u>867,852</u>	<u>1,499,400</u>	<u>890,565</u>	<u>1,771,300</u>
Total	\$ 10,229,412	\$ 12,038,498	\$ 10,514,004	\$ 13,668,536

**Fire Department FY17
Operating Expenditure Budget by Type**



Department Summary - Operations Expenditure by Division and Capital

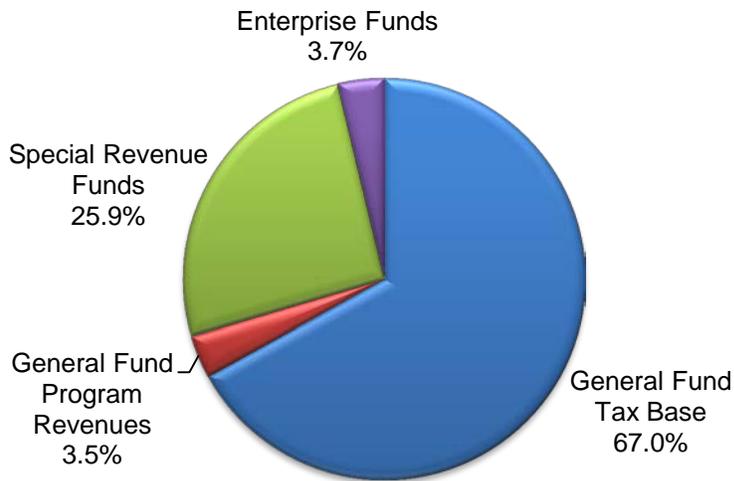
	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Fire Admin	\$ 762,772	\$ 1,158,266	\$ 672,563	\$ 741,721
Suppression/EMS	7,622,603	8,087,244	8,004,745	9,513,163
Fire Professional Services	205,392	272,148	258,729	280,334
Community Risk Reduction	<u>770,793</u>	<u>1,021,440</u>	<u>687,402</u>	<u>1,381,318</u>
Subtotal Operations	9,361,560	10,539,098	9,623,439	11,916,536
Capital	<u>867,852</u>	<u>1,499,400</u>	<u>890,565</u>	<u>1,752,000</u>
Total	\$ 10,229,412	\$ 12,038,498	\$ 10,514,004	\$ 13,668,536

Fire

Department Summary - Funding Sources

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
General Fund Source of Funds				
Tax Base	\$ 9,141,274	\$ 9,692,717	\$ 9,064,985	\$ 9,154,645
Licenses and Permits	1,525	500	1,090	500
Charges for Services	<u>447,925</u>	<u>440,123</u>	<u>430,183</u>	<u>473,123</u>
General Fund Budget	9,590,724	10,133,340	9,496,258	9,628,268
Special Revenue Funds	361,068	1,444,410	597,998	3,535,275
Enterprise Funds	<u>277,620</u>	<u>460,748</u>	<u>419,748</u>	<u>504,993</u>
Total	\$ 10,229,412	\$ 12,038,498	\$ 10,514,004	\$ 13,668,536

**Fire Department Funding Sources
FY17 Budget**



Department Funding Sources: In most years, the Fire Department is largely funded by the General Fund. In FY16, for example the department was funded 84% 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, the Fire Department has applied for the Staffing for Adequate Fire and Emergency Response grant (SAFER). 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 capital and operating type grants.

The FY17 budget is structured as if the grant will be received with 9 total positions budgeted in the grant fund, including 6 existing and 3 new positions. If the grant is not received, a Council transfer of appropriation will be required to move the funding for the 6 existing positions back to the General Fund. The 3 new positions that the grant would have allowed will not be filled.

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.

Goal: To provide leadership, guidance, and administrative oversight directed towards providing all-risks services that are fiscally responsible, effective, and efficient.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Our level of service will stay in stride with the provision of services desired and asked of us by the community.	Conduction of a community survey instrument for those citizens in which we provide emergent or non-emergency services twice annually.	N/A	N/A	N/A	100
	Tabulate results from the survey instruments in order to enhance our overall efficiency as it relates to all-risk responses. Pursue those areas that our citizens determine as "being in need of improvement and work towards attaining a rating of exception in key indicator areas surveyed.	N/A	N/A	N/A	TBD

Goal: To provide state of the art training via a one-week intensive wildfire training academy.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Provide support via the Prescott Fire department towards facilitation of the local wildfire academy for our employees and regional partners.	Academy participants	850	1,000	900	1,000
	Classes being offered	49	51	49	50

Fire

Goal: To provide a platform for community engagement for which input is received in regards to process improvement for departmental efforts.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Increase the number of connections we have with community organizations and initiatives and help strengthen the fabric of our community any way we can.	The number of organizations interacted with and the number of community initiatives of which we are a part.	N/A	N/A	N/A	8

FY16 Key Results and Outcomes:

- Conducted Chief’s facilities and apparatus inspections at 8 locations
- Expanded our health/fitness/wellness initiatives to include cancer screenings for each of our personnel covered under the PSPRS while ensuring more comprehensive screening processes.
- Supported the efforts of the Arizona Wildfire Incident Management Academy and served as host for the Incident Management Type III Team from Maui during this year’s week long effort.
- Worked with the Facilities Management personnel to provide long term solutions for fire alarm systems within each of our operating locations and bringing our facilities into compliance with the International Fire Code.
- Provided administrative oversight and support to each of the operations branches of the Fire Department to include: financial reconciliation, records management services, and citizen interactions.
- Took part in a vast array of interactions at the federal, state, region, and local levels to include but not limited to: SAFER Grant reviews, Arizona Fire Service Institute, Yavapai County Emergency Management Advisory Committee, and Western Yavapai Fire Chief’s Association.

Fire

**Fire Department Administration
Expenditure Summary**

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 426,671	\$ 386,825	\$ 313,360	\$ 321,569
Supplies	37,249	155,315	59,343	184,713
Internal Charges	163,096	182,896	182,358	40,196
Other Services & Charges	<u>135,756</u>	<u>433,230</u>	<u>117,502</u>	<u>195,243</u>
Subtotal Operations	762,772	1,158,266	672,563	741,721
Capital	<u>730,860</u>	<u>1,047,000</u>	<u>438,165</u>	<u>132,000</u>
Total	\$ 1,493,632	\$ 2,205,266	\$ 1,110,728	\$ 873,721

Authorized Staffing Summary

	FY15	FY16	FY17
Authorized Staffing Level	<u>5.00</u>	<u>3.00</u>	<u>2.00</u>
Fire Chief	1.00	1.00	1.00
Business Manager	1.00	1.00	1.00
Administrative Assistant	1.00	-	-
Administrative Specialist	1.00	-	-
Secretary	1.00	1.00	-

Budget Notes and Significant Changes: The Secretary position was moved to the Community Risk Reduction Division resulting in a decrease for the personnel budget in FY17. Supplies include the expenditure of donated funds. Beginning in FY16, maintenance of fire stations will now be under the Facilities Management internal service causing the other services and charges to decrease. Internal charges decrease for this Division as a result of moving internal cost allocations to each division in the Fire Department to more accurately represent each division's cost. The capital budget relates to budgeting for contracting the support of the Center for Public Safety Excellence Technical Assistance Program to aid the Fire Department with the development of a strategic management plan and standards of cover/community risk management plan, as well as other capital type grant applications.

Fire

Suppression

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 Suppression 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.

Goal: To provide a service level that meets or exceeds that which is outlined in our standards of cover (SOC) document					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Maintain the response times established via our benchmarks for fire and EMS emergency services	The percentage we are above or below our stated benchmarks as outlined in the SOC document	N/A	N/A	N/A	10 mins

Goal: To deploy the closest, most appropriate unit to emergent events and deliver the most effective mitigation efforts in line with national best practices.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Assess the reliability of units to maintain a reliability for the unit being dispatched greater than or equal to 70%	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%	72.50%	TBD
	Station 72	76.68%	76.68%	68.68%	TBD
	Station 73	89.15%	89.15%	81.15%	TBD
	Station 74	74.97%	74.97%	66.97%	TBD
	Station 75	82.43%	82.43%	74.43%	TBD

Fire

Goal: To provide for measurement of our success rates in regards to the save ratio for cardiac arrest responses.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Measure, maintain, and improve our save ratios (# of Cardiac Arrests/# Positive Outcomes).	The save ratio as measured as part of our quality assurance/quality improvement of EMS services.	N/A	N/A	N/A	65%

FY16 Key Results and Outcomes:

- Responded to 8,355 emergency calls (averaging 23 responses per day).
- Conducted 234 engine company inspections.
- Expanded the Active 911 system, which allows all firefighters to be alerted on their cell phones via an ‘APP’ to get key department information regarding incidents and needs. This also includes a real time map of where the incident is, but also allows the firefighter to read the nature of the incident in real time.
- Participated in Solid Waste Division’s Hazardous Waste Disposal Day
- Heavily engaged in many community events which include but were not limited to: July 4th Fireworks/Parade, Rodeo Week, Veteran’s Day Parade, Holiday Parades, Sheriff’s Posse Emergency Awareness Activities, and Prescott High School Graduation night.
- Completed 16,135 hours of training in support of our all-risk response model.

Fire

**Suppression/EMS
Expenditure Summary**

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 6,456,049	\$ 6,773,696	\$ 6,731,091	\$ 8,009,586
Supplies	320,759	345,462	289,247	342,725
Internal Charges	680,147	703,494	772,136	920,815
Other Services & Charges	<u>165,648</u>	<u>264,592</u>	<u>212,271</u>	<u>240,037</u>
Subtotal Operations	7,622,603	8,087,244	8,004,745	9,513,163
Capital	<u>136,992</u>	<u>452,400</u>	<u>452,400</u>	<u>1,620,000</u>
Total	\$ 7,759,595	\$ 8,539,644	\$ 8,457,145	\$ 11,133,163

Authorized Staffing Summary

	FY15	FY16	FY17
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	12.00
Firefighter (SAFER Grant)	-	-	9.00

Budget Notes and Significant Changes: The personnel budget increase in FY17 reflects an increasing contribution rate for the Public Safety Retirement System and the implementation of the market compensation plan. Internal charges increase as a result of a change in the cost allocation policy and an increase in fleet maintenance costs for an aging fleet. The capital budget relates to the Assistance to Firefighters Grant (AFG) offered through the US Department of Homeland Security and if awarded would be intended for capital purchases.

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.

Goal: 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.

Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Provision of regularly scheduled in-service training that meets a host of nationally recognized consensus standards and laws which have been promulgated.	Training hours	18,000	16,500	16,500	16,000
	Multi-company drills	63	63	61	63
	Day/night live fire training evolutions	20	21	19	21
	Hours of minimum company standards	500	540	500	500

Goal: To provide the requisite skills necessary to fulfill our efforts towards succession planning and retention.

Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
We will have no less than three qualified applicants for every new hire vacancy	Qualified entry-level firefighters presented on slate for Fire Chief's interview	9	15	6	3
We will have no less than four qualified applicants for every Fire Engineer promotional vacancy and no less three qualified applicants for Captain and Battalion/Division Chief vacancies	Qualified applicants which meet or exceed the requirements set forth in the promotional job announcement.	12	26	26	10

Fire

Goal: 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.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
We will ensure all accidents, injuries and complaints are fully investigated and that the appropriate corrective measures are taken.	Accidents investigated	16	0	8	0
	Injuries investigated	27	0	16	0
	Complaints investigated	3	0	1	0
We will ensure those accidents which may be attributed to human error receive needed follow on training to prevent reoccurrence.	Accidents investigated determined to have a human element as part of the cause.	16	0	8	0
	Training sessions towards eliminating future reoccurrences.	3	1	2	1

FY16 Key Results and Outcomes:

- Completed field trials on a variety of Self-Contained-Breathing Apparatus' (SCBA), sought and was granted purchase authority as part of the Assistance to Firefighter Grant award, received new SCBA and completed requisite training on new equipment, and deployed new units on each of our piece of fire equipment.
- Provided instruction and means for 3 of our personnel to graduate from the 200 hour technical rescue technician training course. This includes: high/low angle rescue, swift water rescue, trench rescue and shoring, confined space rescue, and other specialties.
- Completed an average of 20 hours per month of suppression based training as required by the ISO for roughly 90% of our members.
- Coordinated and participated in a regional hazardous materials technician drill in unison with our regional partners as well as the 91 Civil Support Team from the Arizona Department of Military Affairs.
- Conducted 5 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 environment.
- Completed after action reviews for two significant emergency events which included a fatality accident and a major gas leak.
- Completed entry level firefighter testing and interviews along with promotional testing for Fire Engineer.

Fire

**Fire Professional Services
Expenditure Summary**

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 174,199	\$ 222,325	\$ 211,361	\$ 223,647
Supplies	5,656	10,140	12,745	14,360
Internal Charges	4,592	4,781	4,473	9,303
Other Services & Charges	<u>20,945</u>	<u>34,902</u>	<u>30,150</u>	<u>33,024</u>
Total Operations	\$ 205,392	\$ 272,148	\$ 258,729	\$ 280,334

Authorized Staffing Summary

	FY15	FY16	FY17
Authorized Staffing Level	<u>1.00</u>	<u>2.00</u>	<u>2.00</u>
Division/Battalion Chief	1.00	1.00	1.00
Administrative Specialist	-	1.00	1.00

Budget Notes and Significant Changes: No significant changes.

Fire

Community Risk Reduction

Division Mission: To provide enhanced life safety and property conservation through public education, code enforcement, plan review, 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, code enforcement, plan review, fire and life safety inspections, fire and arson investigations, public education, and fuels reduction.

Goal: To provide risk mitigation services in the areas of public education, code enforcement, fire investigation, plan reviews, and miscellaneous services requests.

Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
We will use the most current codes and work policies in order to deliver a comprehensive risk mitigation program that is responsive to the community's needs.	Service requests	31	49	40	52
	Existing building inspections	807	1419	1525	1678
	Plan reviews	1480	1496	1247	1476
	Students trained in life-safety	2052	2345	2202	2345
	New construction	996	781	664	965
	Miscellaneous inspections	960	158	982	1323

Goal: 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.

Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
We will ensure each and every media release published is embedded with a "safety message to build community awareness" for things to consider.	Published media releases Safety message embedded	TBD	TBD	TBD	TBD
We will 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.	Number of trends revealed	0	2	5	2
	Communications rendered	0	2	5	2

Fire

Goal: To provide the citizens of Prescott with a comprehensive wildland and all-hazards mitigation program that focuses on property owners responsibilities, public education, and actions to take in the event of an emergency.

Strategy	Performance Measures	FY15 Actual	FY16 Target	FY16 Estimate	FY17 Target
We will work towards reducing the threat from wildland fires via educational outreach, risk assessments, hazardous fuels treatments, and when necessary fire suppression.	Property assessments	630	160	160	160
	Residences treated	549	200	300	300
	City property treated in acres	NA	25	0	75
	Open space treated in acres	108	50	68	90
	Total acres treated	226	500	271	265
	PAWUIC meetings attended	12	12	12	12
We will work towards reducing those risks associated with other all-risk type events by educational outreach, hazard mitigation, and when necessary event response and mitigation.	Local Emergency Planning Committee meetings attended	5	8	8	8

FY16 Key Results and Outcomes:

- Trained 1,985 students in fire and life safety.
- Received and cleared 40 life safety complaints and requests.
- Conducted 1,422 fire inspections.
- Conducted 31 fire investigations.
- Reviewed 1,644 plans for new subdivisions and buildings.
- Completed 287 detailed home assessments.
- Adopted new fees for service in regards to customer service elements offered by the Community Risk Reduction Division

Fire

**Community Risk Reduction
Expenditure Summary**

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 695,489	\$ 898,287	\$ 594,680	\$ 1,209,614
Supplies	24,282	45,503	23,430	82,945
Internal Charges	15,111	51,543	51,832	43,637
Other Services & Charges	<u>35,911</u>	<u>26,107</u>	<u>17,460</u>	<u>25,822</u>
Subtotal Operations	770,793	1,021,440	687,402	1,362,018
Capital	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,300</u>
Total Operations	\$ 770,793	\$ 1,021,440	\$ 687,402	\$ 1,381,318

Authorized Staffing Summary

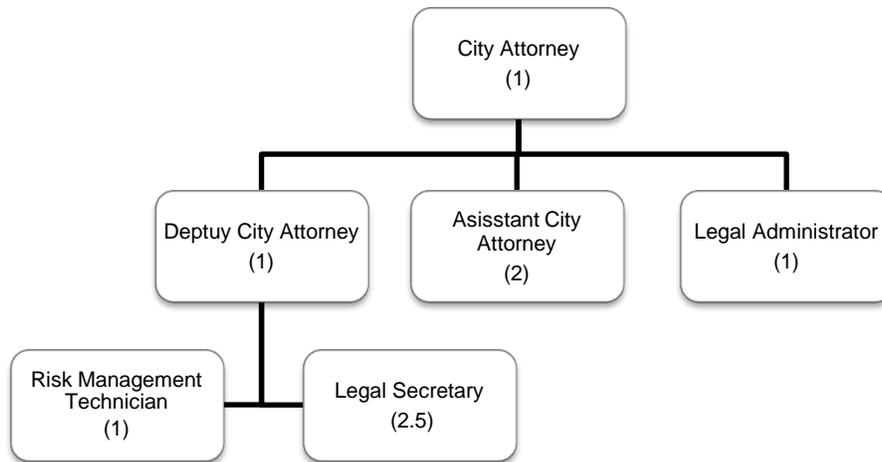
	FY15	FY16	FY17
Authorized Staffing Level	<u>8.00</u>	<u>6.00</u>	<u>7.00</u>
Division/Battalion Chief	2.00	1.00	1.00
Plans Examiner	1.00	1.00	1.00
Fire Inspector	1.00	1.00	1.00
Fuels Management Coordinator	-	1.00	1.00
Fuels Reduction Technician	-	2.00	2.00
Secretary	-	-	1.00
Fuels Management Supervisor	1.00	-	-
Lead Fuels Technician	3.00	-	-

Budget Notes and Significant Changes: The personnel budget increase in FY17 is a result of the implementation of the market compensation plan, the movement of the secretary position from Administration, and an increase in the temporary employee salary budget (\$85,000 more) for fuels reduction work.

Legal

Department Mission: Continue to provide the highest caliber of legal service to the City, its officials and City departments by adhering to professional standards, garnering strong understanding of City operations and incorporating all relevant information into providing legal advice and guidance.

Services: Prosecute violations of the City Code and misdemeanor violations of state law in an ethical manner to assure that justice is done. Perform risk mitigation and risk management to all City departments in an effort to reduce potential claims and/or lawsuits.



Department Summary - Staffing

	FY15	FY16	FY17
Authorized Staffing Level	8.50	8.50	8.50
City Attorney	1.00	1.00	1.00
Deputy City Attorney	-	-	1.00
Assistant City Attorney	3.00	3.00	2.00
Legal Services Administrator	1.00	1.00	1.00
Legal Secretary	1.50	1.50	2.50
Risk Management Technician	1.00	1.00	1.00
Legal Assistant	1.00	1.00	-

Legal

Goal: Civil Provide high caliber, professional and timely legal services to the Mayor, City council, City Manager and City staff.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Provide outstanding legal services and procedural guidance to the Mayor, City Council, and administrative bodies as needed for City operations.	Develop strong relationships with departments and attend meetings, boards and commissions as needed or requested.	n/a	n/a	n/a	n/a

Goal: Prosecution Serve the people of Arizona by assuring the consistent and ethical application of criminal justice and continue to aggressively prosecute city code and state law misdemeanor violations.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Provide outstanding prosecution services for the people of Arizona.	Aggressively prosecute misdemeanor charges. When appropriate, facilitate resolution of cases by successful completion of diversion programs.	n/a	n/a	n/a	n/a

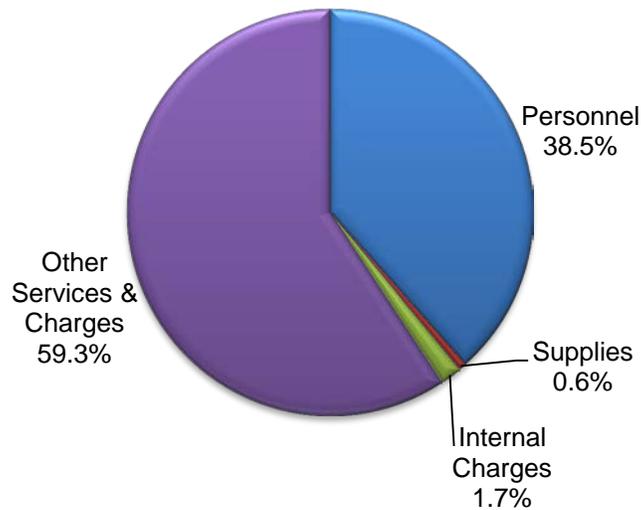
Goal: Risk Management Provide risk assessments and risk mitigation, administration of workers' compensation and liability claims and safety training to employees.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Provide outstanding risk mitigation services for the City of Prescott and its employees.	Continue working with departments regarding safety and loss control.	n/a	n/a	n/a	n/a

Legal

Department Summary - Expenditure by Type

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 899,095	\$ 916,998	\$ 908,402	\$ 932,517
Supplies	10,828	6,000	7,150	15,200
Internal Charges	81,293	85,925	84,810	40,390
Other Services & Charges	<u>1,580,707</u>	<u>1,880,263</u>	<u>1,614,391</u>	<u>1,437,000</u>
Total	\$ 2,571,923	\$ 2,889,186	\$ 2,614,753	\$ 2,425,107

Legal Department FY17 Operating Expenditure Budget by Type



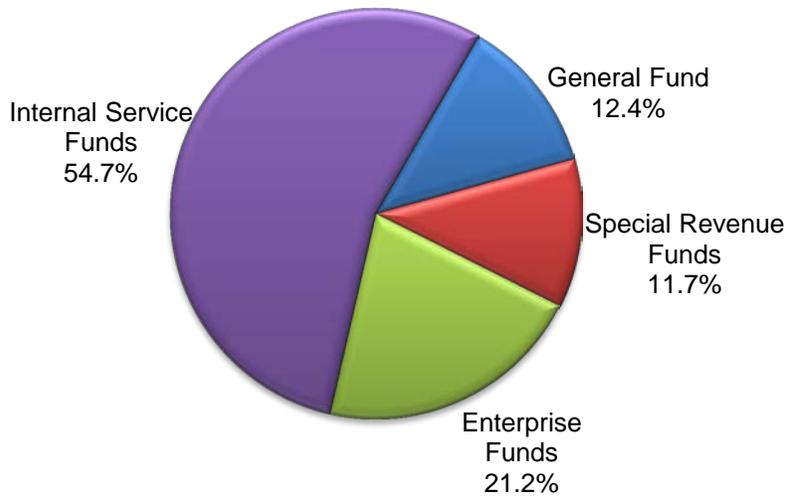
Budget Notes and Significant Changes: Supplies increase in FY17 for the anticipated purchase of an electronic case management system and a mobile computer. Internal charges decrease in FY17 as a result of a new cost allocation policy. Other services and charges decrease in FY17 related to the projected legal fees and workers comp awards in the Risk Management Internal Service Fund.

Legal

Department Summary - Funding Sources

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
General Fund Source of Funds				
Tax Base	\$ 344,085	\$ 277,725	\$ 258,348	\$ 298,089
Charges for Services	51,644	51,500	51,500	1,500
General Fund Budget	395,729	329,225	309,848	299,589
Special Revenue Funds	160,800	258,053	252,854	284,420
Enterprise Funds	572,854	579,378	579,535	513,652
Internal Service Funds	1,442,540	1,722,530	1,472,516	1,327,446
Total	\$ 2,571,923	\$ 2,889,186	\$ 2,614,753	\$ 2,425,107

**Legal Department Funding Sources
FY17 Budget**



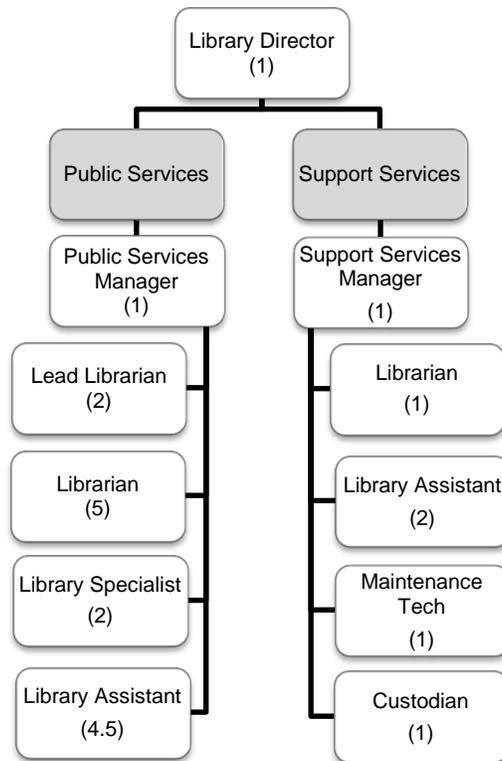
Department Funding Sources: The Legal Department is funded through multiple funds. Per budget policy and in order to present the full cost of providing services, General Fund internal support is allocated to Enterprise Funds, Internal Service Funds and Special Revenue Funds that benefit from the services 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: The Prescott Public Library enriches lives, ensuring access to resources that allow every member of the community to experience the joy of reading, the discovery of ideas, and the power of information.

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

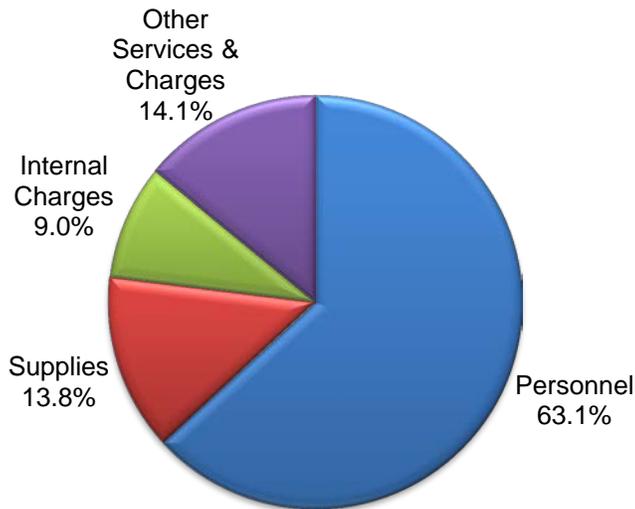
	FY15	FY16	FY17
Public Services	16.00	16.00	15.50
Support Services	<u>6.00</u>	<u>6.00</u>	<u>6.00</u>
Total Authorized Positions	22.00	22.00	21.50

Library

Department Summary - Expenditure by Type

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 1,361,972	\$ 1,393,827	\$ 1,391,325	\$ 1,528,637
Supplies	290,653	324,627	261,106	333,881
Internal Charges	396,282	441,283	438,915	218,003
Other Services & Charges	227,080	311,946	235,118	340,201
Subtotal Operations	2,275,987	2,471,683	2,326,464	2,420,722
Capital	31,069	-	-	-
Total	\$ 2,307,056	\$ 2,471,683	\$ 2,326,464	\$ 2,420,722

Library FY17 Operating Expenditure Budget by Type



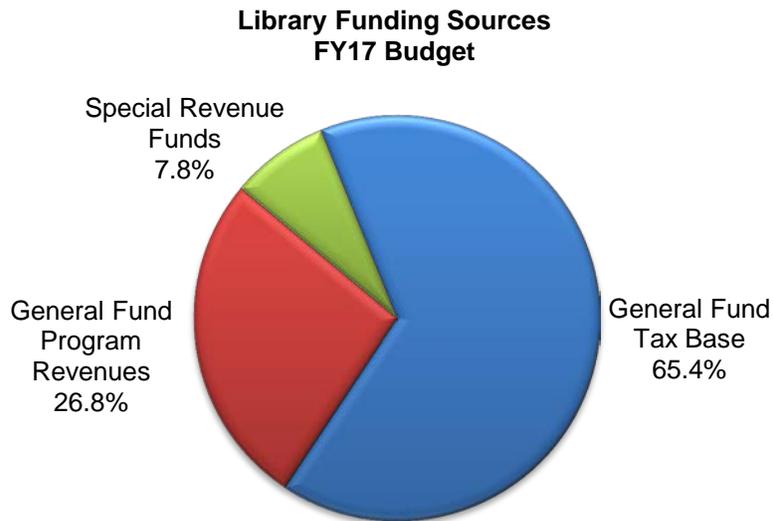
Department Summary - Expenditure by Division

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Public Services	\$ 1,091,097	\$ 1,086,527	\$ 1,068,738	\$ 1,247,357
Support Services	1,184,890	1,385,156	1,257,726	1,173,365
Subtotal Operations	2,275,987	2,471,683	2,326,464	2,420,722
Capital	31,069	-	-	-
Total	\$ 2,307,056	\$ 2,471,683	\$ 2,326,464	\$ 2,420,722

Library

Department Summary - Funding Sources

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
General Fund Funding Sources				
Tax Base	\$ 1,628,665	\$ 1,729,024	\$ 1,677,460	\$ 1,583,999
Intergovernmental Revenues	565,065	567,270	569,480	565,856
Charges for Services	20,377	16,000	19,800	34,800
Fines and Forfeitures	44,480	48,500	45,900	46,900
General Fund Budget	2,258,586	2,360,794	2,312,640	2,231,555
Special Revenue Funds	48,470	110,889	13,824	189,167
Total	\$ 2,307,056	\$ 2,471,683	\$ 2,326,464	\$ 2,420,722



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 access to community-driven services, resources and lifelong learning opportunities in a welcoming, convenient manner.

Services: The Public Services Division promotes lifelong learning through educational, cultural, and recreational programs and opportunities for all ages. The Division provides access to information in a variety of ways: print and non-print items that address community needs; reliable, experienced assistance with reference questions and reader's advisory questions; access to and knowledgeable assistance with computers and electronic information; and a dynamic website that serves as a portal to library resources. Also, the Public Services Division interacts with the community and offer information about library services through various outreach programs and activities.

Goal: Be a learning and cultural center of the community.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Maintain library hours that make programs and resources accessible to the community.	Gate Count	459,661	450,000	400,000	390,000
	Visits per capita	11.3	11	9.9	9.5
Select print and non-print materials to meet community needs.	Total circulation of materials	770,369	765,000	768,000	765,500
	Circulation per capita	19.0	18.8	18.9	18.7
Provide educational and cultural programs that attract people to the library.	Number of Programs in Library	960	950	718	675
	Attendance	20,218	19,500	15,438	14,500
Offer information about library services throughout the community.	Community outreach events	112	120	88	88
	Attendance	4,294	3,150	3,100	3,100
Provide access to public library services to all community residents.	Number of library card holders	27,370	28,000	28,000	28,700
	Percent of population	68%	69%	69%	70%

Library

Goal: Use technology to provide cost effective, convenient, accessible resources to patrons in the library and throughout the community.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Increase access to electronic books	Percent of circulation	7%	6%	8%	9%
Utilize Yavapai Library Network to share materials between network libraries	Items borrowed from other YLN member libraries	67,436	66,000	67,568	67,675
	Items loaned to other YLN member libraries	64,414	64,000	63,546	62,700
Encourage use of self-service technology	Percent of items patrons check out on self-check computers	61%	58%	58%	60%
Provide electronic access to library resources	Library website page views	500,404	339,726	502,548	504,500
Provide access to electronic information	Use of public access computers	82,094	80,195	60,000	55,000

FY16 Key Results and Outcomes:

- The library continues to play an important role in the recreational and educational life of the community. This is evidenced by:
 - 426,312 visits to the library in FY 2016—10.5 visits per capita.
 - 773,965 items checked out in FY 2015—19 items per capita.
 - 28,115 persons hold library cards—approximately 69% of the population.

Library

**Public Services
Expenditure Summary**

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 1,022,421	\$ 1,054,299	\$ 1,038,232	\$ 1,134,518
Internal Charges	<u>68,676</u>	<u>32,228</u>	<u>30,506</u>	<u>112,839</u>
Total	\$ 1,091,097	\$ 1,086,527	\$ 1,068,738	\$ 1,247,357

Authorized Staffing Summary

	FY15	FY16	FY17
Authorized Staffing Level	<u>16.00</u>	<u>16.00</u>	<u>15.50</u>
Library Director	1.00	1.00	1.00
Manager, Public Services	1.00	1.00	1.00
Lead Librarian	2.00	2.00	2.00
Librarian	5.00	5.00	5.00
Library Specialist	2.00	2.00	2.00
Library Assistant	5.00	5.00	4.50

Budget Notes and Significant Changes: The implementation of the market compensation plan will increase the personnel budget for FY17. Also, a part-time time Library Assistant position was eliminated mid-year FY16. Internal charges increase in this Division as result of dividing the charges for facilities maintenance between both Library divisions when in prior years it was fully allocated to the Support Services Division.

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.

Goal: Provide safe and attractive facilities to community residents					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Provide comfortable and accessible meeting room space that meets community needs	Meeting room reservations	4,959	4,298	4,200	4,300

Goal: Use technology and volunteers to ensure efficient delivery of materials and services to Prescott residents					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Supplement library personnel and services with appropriate use of volunteers	Number of volunteers	169	160	150	155
	Number of volunteer hours	14,975	15,000	13,000	14,500
	Equivalent Personnel	7.8	7.2	8.0	8.5
Provide timely accurate and cost effective purchasing and cataloging of library materials	Number of items added to collection	15,668	18,000	14,900	15,200
Provide library users access to materials from outside Yavapai County through interlibrary loan program	Items borrowed from libraries outside Yavapai County	923	910	930	945
	Items loaned to libraries outside Yavapai County	3,484	3,800	3,950	4,020

FY16 Key Results and Outcomes

- Community residents and City staff used the library meeting rooms 4,141 times.
- 169 volunteers donated 13,450 hours of service to the library, equivalent to 7.00 full time staff and saving the city approximately \$180,600.

Library

- 14,291 items were added to the collection. Prescott residents now have 174,303 items available at Prescott Public Library and 1,312,883 items available throughout Yavapai Library Network.
- The Friends of the Prescott Public Library:
 - Provided \$82,495 for public programming and special projects
 - Completed a \$96,837 re-carpeting project of the first two floors of the Library
 - Purchased \$11,384 of furniture for the North Reading room
 - Purchased \$9,741 of furniture for the Upper Level, creating the Silent Study Area

**Support Services
Expenditure Summary**

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 339,551	\$ 339,528	\$ 353,093	\$ 394,119
Supplies	290,653	324,627	261,106	333,881
Internal Charges	327,606	409,055	408,409	105,164
Other Services & Charges	<u>227,080</u>	<u>311,946</u>	<u>235,118</u>	<u>340,201</u>
Subtotal Operations	1,184,890	1,385,156	1,257,726	1,173,365
Capital	<u>31,069</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 1,215,959</u>	<u>\$ 1,385,156</u>	<u>\$ 1,257,726</u>	<u>\$ 1,173,365</u>

Authorized Staffing Summary

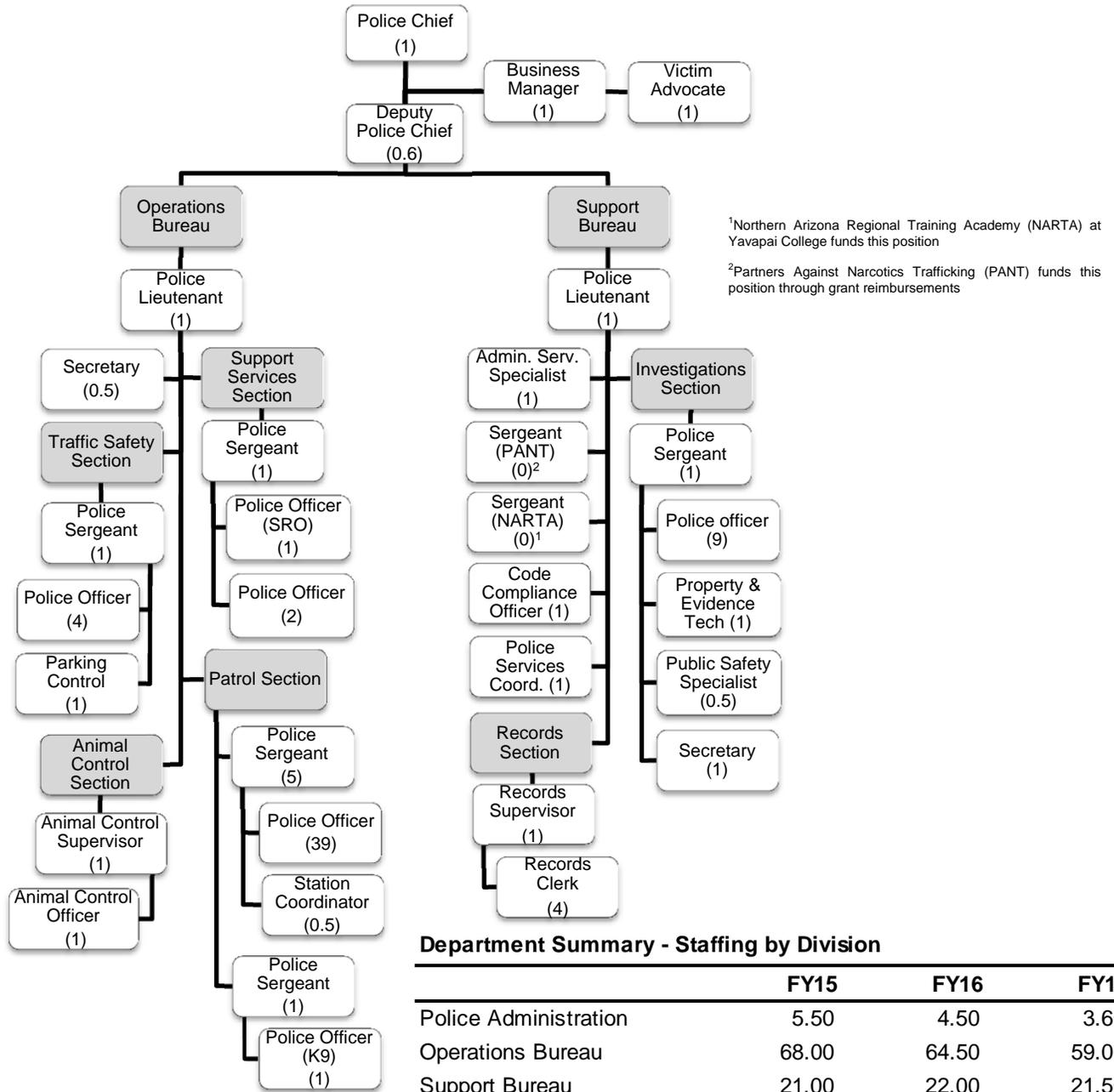
	FY15	FY16	FY17
Authorized Staffing Level	<u>6.00</u>	<u>6.00</u>	<u>6.00</u>
Manager, Support Services	1.00	1.00	1.00
Librarian	1.00	1.00	1.00
Library Assistant	2.00	2.00	2.00
Maintenance Technician	1.00	1.00	1.00
Custodian	1.00	1.00	1.00

Budget Notes and Significant Changes: The implementation of the market compensation plan increased the personnel budget for FY17. Internal charges significantly decrease as a result of a new internal cost allocation policy and dividing facilities maintenance charges to both Library divisions. Supplies and other services and charges include budgeting for the use of donated funds.

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.



Department Summary - Staffing by Division

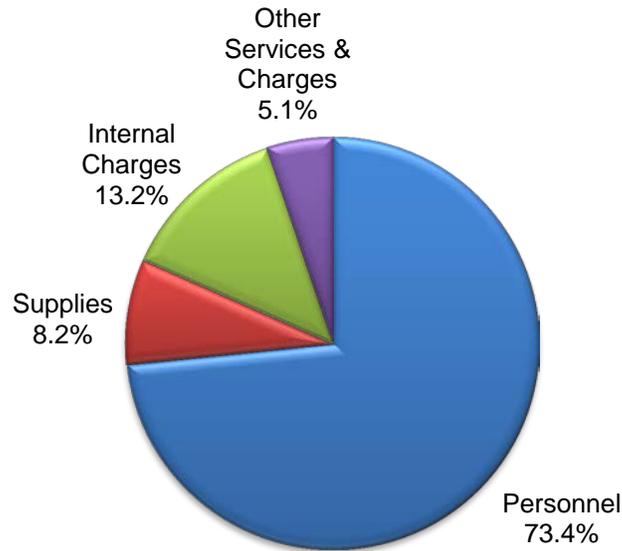
	FY15	FY16	FY17
Police Administration	5.50	4.50	3.60
Operations Bureau	68.00	64.50	59.00
Support Bureau	<u>21.00</u>	<u>22.00</u>	<u>21.50</u>
Total Authorized Positions	94.50	91.00	84.10

Police

Department Summary - Expenditure by Type

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 9,117,752	\$ 9,588,458	\$ 9,235,281	\$ 10,772,079
Supplies	459,847	1,110,748	547,668	1,207,167
Internal Charges	1,927,211	2,072,650	2,093,797	1,942,556
Other Services & Charges	463,011	1,136,238	536,485	753,265
Subtotal Operations	11,967,821	13,908,094	12,413,231	14,675,067
Capital	27,799	-	-	20,000
Total	\$ 11,995,620	\$ 13,908,094	\$ 12,413,231	\$ 14,695,067

Police Department FY17 Operating Expenditure Budget by Type



Department Summary - Operations Expenditure by Division and Capital

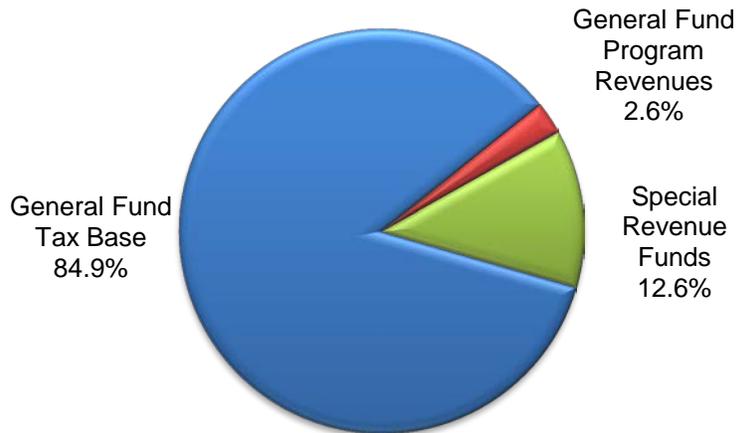
	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Police Administration	\$ 1,404,733	\$ 2,381,533	\$ 1,493,811	\$ 1,771,555
Operations Bureau	7,997,173	8,500,961	8,348,059	9,740,414
Support Bureau	2,565,915	3,025,600	2,571,361	3,163,098
Subtotal Operations	11,967,821	13,908,094	12,413,231	14,675,067
Capital	27,799	-	-	20,000
Total	\$ 11,995,620	\$ 13,908,094	\$ 12,413,231	\$ 14,695,067

Police

Department Summary - Funding Sources

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
General Fund Source of Funds				
Tax Base	\$ 10,983,387	\$ 11,712,721	\$ 11,534,213	\$ 12,468,765
Licenses and Permits	26,977	27,000	27,000	27,000
Fines and Forfeitures	<u>353,218</u>	<u>426,900</u>	<u>325,900</u>	<u>353,000</u>
General Fund Budget	11,363,582	12,166,621	11,887,113	12,848,765
Special Revenue Funds	<u>632,038</u>	<u>1,741,473</u>	<u>526,118</u>	<u>1,846,302</u>
Total	\$ 11,995,620	\$ 13,908,094	\$ 12,413,231	\$ 14,695,067

**Police Department Funding Sources
FY17 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.

Goal: To reduce / eliminate liability exposure to our city, department, and all police personnel and establish prevention measures to maintain a low level of industrial injuries.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Implement standards that assists officers effectively perform assigned tasks in a safe manner while reducing liability	Number of industrial claims	13	8	6	7
	Dollar amount paid on claims	\$3,705.08	\$70,000	\$15,000	\$30,000

Goal: Maintain strategic plan as a guide for the future activities of the Prescott Police Department.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Through cooperative efforts of all Bureaus and sections, build a living document that offers vision and direction for the department	Review and update document through planning and strategy meetings	3	4	2	4

Goal: The police administration will ensure the community receives efficient public safety response to address crime and respond to calls for service.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Maintain a fully staffed, professional and well trained police force to handle all calls for service	UCR Part 1 Crimes	1,288	1,300	1,235	1,250
	UCR Part 2 Crimes	3,293	3,500	3,420	3,350
	Total calls for service	25,473	26,200	26,500	26,000

FY16 Key Results and Outcomes:

- In FY16, applied for and received approximately \$458,000 in grant funding for training, equipment, personnel and overtime.
- Departmental personnel continue to be actively involved in our community by partnering and strengthening relationships with various community groups by sitting on a variety of boards such as the Northern Arizona Regional Training Academy, End Violence Against Women International, AZ Supreme Court committee on the Impact of Domestic Violence and the

Police

Courts, Yavapai County Coordinated Community Response Team, Northern Arizona Council of Governments Local Workforce Investment Youth Council Board, The Prescott Kiwanis Club, Trauma Intervention Program Board of Directors, and the Domestic Violence Fatality Review Team.

- A grant funded victim advocate position was added to assist victims through the criminal justice process and provide helpful, caring support immediately after their victimization.
- Technological improvements include a citizen on-line crime reporting now allows citizens to report non-emergency crimes to law enforcement and electronic self-form completion and ticketing improves the collection and transfer of data to the Department's records and court case management system.

Police Administration Expenditure Summary

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 648,523	\$ 632,402	\$ 579,940	\$ 663,854
Supplies	91,038	454,348	160,117	509,422
Internal Charges	483,509	527,283	535,691	93,114
Other Services & Charges	181,663	767,500	218,063	505,165
Subtotal Operations	1,404,733	2,381,533	1,493,811	1,771,555
Capital	21,726	-	-	-
Total	\$ 1,426,459	\$ 2,381,533	\$ 1,493,811	\$ 1,771,555

Authorized Staffing Summary

	FY15	FY16	FY17
Authorized Staffing Level	<u>5.50</u>	<u>4.50</u>	<u>3.60</u>
Police Chief	1.00	1.00	1.00
Deputy Police Chief ¹	1.00	1.00	0.60
Business Manager	1.00	1.00	1.00
Victim Advocate	-	-	1.00
Police Lieutenant	1.00	-	-
Public Safety Specialist	0.50	0.50	-
Admin Services Specialist	1.00	1.00	-

¹ 40% of Deputy Chief charged to Regional Communications

Budget Notes and Significant Changes: Personnel changes in FY17 include moving the Administrative Services Specialist to the Support Bureau, the addition of a Victim Advocate grant funded position, and reduction of the Public Safety Specialist position to half time. Internal charges decrease significantly in FY17. This is a combined effect of a new internal cost allocation policy and dividing the Police Department internal allocations more evenly among all four divisions. Other services and charges decrease with a reduction in training to rely on in-house alternatives, miscellaneous item reductions, and other decreases related to grants.

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 two dedicated K9 Teams. 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 a School Resource Officer to Prescott High School and provides visibility in the downtown area to promote communication between our business community and the visitors frequenting these locations. 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.

Goal: Proactive policing resource to the community and police department focusing on special enforcement, education and presentations.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Utilize the Support Services Section to provide classroom instruction on community sensitive issues and special enforcement for identified high frequency complaint areas.	Combined number of assists provided to Patrol, Traffic, Investigations as well as classes provided to High School students and Special Interest groups.	378	325	325	400

Goal: Respond to calls for service from the Prescott Regional Communications Center as well as self-initiated activity by Patrol Officers					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Staff five Patrol Teams with a suggested compliment of eight officers and one sergeant for each team. Minimum staffing is five officers for each team.	Calls for service both dispatched and self-initiated	38,972	40,000	40,000	40,000

Police

Goal: Preserve the quality of life in the community by arresting offenders for misdemeanor and felony crimes

Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Investigate reports of criminal activity and arrest those responsible.	Arrests (felony, misdemeanor and juvenile)	2,577	2,400	2,575	2,625

Goal: Promote safe and efficient travel on the roadways within the city.

Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Proactive enforcement of traffic laws by the use of speed enforcement, saturation patrols, DUI Task Force and high frequency crash locations.	Citations and warnings issued by the Traffic safety Section.	8,615	7,800	7,800	8,500

Goal: To promote as well as protect the safety, health and welfare of the domestic animals within the city and to provide education to the owners of these animals.

Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Respond to animal related calls for service and to provide information to the citizens on licensing and safety enhancing measures.	Animal related calls for service and educational contacts.	2,051	1,600	1,600	1,600

FY16 Key Results and Outcomes:

- Patrol Officers responded to 40,393 incidents; 24,979 were citizen initiated calls for service with the remaining 15,414 being Officer initiated.
- The K-9 unit consisting of two teams (1 dog and 1 handler each), performed 19 public demonstrations, speaking engagements and special appearances. K-9 teams performed 14 building clearances for Patrol, 43 vehicle searches for drugs, 39 drug seizures and were involved in 65 drug related arrests.
- The Traffic Safety Section participated in thirteen (13) DUI task force details, including saturation patrols and joint command post operations. Nine (9) speed and aggressive driving enforcement details, a “know your limit” campaign education the community about alcohol and its effects and, they participated in a two week “Click it or Ticket” National Campaign promoting the proper use of seat belts.
- The Traffic Safety Section wrote approximately 4,800 traffic citations and warnings, 3,100 parking citations and warnings, investigated 460 traffic crashes, made 81 DUI arrests and investigated three (3) fatal traffic crashes.
- The members of the Support Services Section coordinated and successfully carried out the 19th Annual Prescott Police Department Shop with a Cop program.

Police

- The continuation of the School Resource Officer Program at Prescott High School has allowed instruction and mentorship of approximately 1600 students and staff by a Prescott Police Officer. The School Resource Officer conducts all investigations at the Prescott High School, and continues to support and coordinate the Prescott Police Department Youth Role Model Scholarship program which awarded \$8,000 to deserving students seeking to further their education.
- The Animal Control Section handled over 3,500 license renewals, 305 barking dog complaints, 154 Dogs in Custody, 320 Dogs at Large, 325 Warnings and Citations, 82 animal Cruelty cases, 97 Animal Bites and 349 “miscellaneous” animal problems.

Operations Bureau

Expenditure Summary

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 6,272,974	\$ 6,563,635	\$ 6,463,578	\$ 7,624,713
Supplies	259,138	341,600	288,431	342,700
Internal Charges	1,296,370	1,404,221	1,419,221	1,592,886
Other Services & Charges	168,691	191,505	176,829	160,115
Total, Operations	\$ 7,997,173	\$ 8,500,961	\$ 8,348,059	\$ 9,720,414

Authorized Staffing Summary

	FY15	FY16	FY17
Authorized Staffing Level	<u>68.00</u>	<u>64.50</u>	<u>59.00</u>
Police Lieutenant	1.00	1.00	1.00
Police Sergeant	8.00	8.00	8.00
Police Officer	52.00	49.00	46.00
Parking Control Monitor	1.00	1.00	1.00
Animal Control Supervisor	1.00	1.00	1.00
Animal Control Officer	2.00	2.00	1.00
Station Coordinator	-	0.50	0.50
Secretary	1.50	1.00	0.50
Crime Prevention Specialist	1.00	1.00	-
IT Technician	0.50	-	-

Budget Notes and Significant Changes: Changes to personnel in FY17 include the reduction of three vacant Police Officer positions, an Animal Control Officer, a Crime Prevention Specialist, and removing the split Secretary Position to be fully charged to the Support Bureau. The FY17 personnel budget will increase rising Public Safety Personnel Retirement System (PSPRS) contributions and the implementation of the market compensation plan. Internal charges increase in FY17 as a result of dividing the Police Department’s internal cost allocations more evenly to each division and an increase in charges from Regional Communications (dispatch).

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.

Code enforcement provides daily inspection of major arterials, enforces sign codes by removing personal sale information posters and flyers from street corners, and works with the Fire Department and Building Department to address properties and code violations that presented life safety and neighborhood quality of life issues.

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.

Goal: Reduce overall crime rates within the City of Prescott through quality investigations and follow-up.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Assign specific cases to investigators who specialize in those areas and who have the tools and resources to bring cases to a successful conclusion.	Increase clearance rates of Part 1 and Part 2 crimes; decrease overall numbers of reported crimes. Document overall clearance rates of said crimes.	283	300	300	300
Provide updated training to investigators to stay current with best practices for a variety of criminal investigations.	Maintain certifications for two (2) CVSA operators, seven (7) adult and child forensic interviewers, and two (2) electronic data collection specialties.	11	11	11	11

Police

Goal: Implement “Packing the Record” for a more complete and accurate records management system for obtaining statistical information for Citizens, Command Staff, and Council.

Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Records Section will be responsible for the timely, accurate and completeness of data collection of police related information.	Number of accidents processed	1,057	1,144	1,144	1,644
	Number of charges listed on citations and warning that are processed	15,299	16,000	16,000	16,500
	Number of warrants	2,262	2,304	2,304	2,500
	Number of police reports processed: i.e., crime reports, graffiti cards, alarm & gas cards, MI's, property reports, etc.	19,431	19,508	19,508	20,100

Goal: Communicate the purpose of Code Enforcement to the citizens of Prescott through systematic inspections, while seeking voluntary compliance with city codes, primarily pertaining to property maintenance.

Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Address violations through a process of education, inspections, information, and enforcement.	Code Cases Opened	528	600	500	450
	Code Cases Closed	517	580	480	410

Goal: Focus on reduction family violence and sexual assault, through education, investigation, prosecution and victim advocacy.

Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Assign intimate partner domestic violence and sexual assault cases to the family violence unit and victim advocate.	Increase clearance by arrest cases of family violence.	168	200	200	150
Assign cases for follow-up to newly appointed victim advocate for referral to appropriate services.	Partner victims with appropriate	10	50	50	100

Police

Goal: Safeguard all evidence and property held by the Prescott Police Department and provide excellent service to criminal justice practitioners and participants.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Store property and evidence in manner consistent with industry standards.	Number of items impounded	6,791	6,700	6,800	6,800
Maintain and destroy prescription and illegal drugs turned in or seized as consistent with industry standards.	Pounds of prescription and illegal drugs destroyed	1,231	1,250	1,250	1,250

FY16 Key Results and Outcomes:

- The investigations section responded to, investigated and made three arrests for homicide after a body was found in the front yard of a residence on Beach Avenue.
- Each member of the investigations Section successfully completed the intensive on-line training through the End Violence Against Women International, best practices in law enforcement class.
- A total of 333 cases were assigned to investigations with 213 of them resulting in clearances/arrests.
- Property and evidence technicians cataloged and impounded 611 items of evidence, released 750 items, and destroyed 1250 pounds of drugs and responded to 44 crime scenes to identify and collect valuable evidence.
- The Records Section has fully implemented the on-line reporting system located on the City of Prescott Website. This was done to accommodate the public as well as reduce the workload on the officers so they will no longer be completing reports on cases where citizens elect to electronically file their report.
- SWAT responded to six (6) calls including one (1) barricade, two (2) agency assists for YCSO and PANT and three (3) high risk warrants services.
- Training and recruiting coordinated and conducted background investigations for over thirty-eight (38) police officer candidates, dispatchers, police civilian employees and other City of Prescott Employees, maintained the training data base for all sworn officer training requests and completed trainings, coordinated in-house training events to minimize expense to police training budgets.
- Code enforcement worked with leaders from the City of Prescott and the community to begin an ad-hoc committee designed to address communal living issues with the City.

Police

**Support Bureau
Expenditure Summary**

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 2,196,255	\$ 2,392,421	\$ 2,191,763	\$ 2,483,512
Supplies	109,671	314,800	99,120	355,045
Internal Charges	147,332	141,146	138,885	256,556
Other Services & Charges	<u>112,657</u>	<u>177,233</u>	<u>141,593</u>	<u>87,985</u>
Subtotal Operations	2,565,915	3,025,600	2,571,361	3,183,098
Capital	<u>6,073</u>	<u>-</u>	<u>-</u>	<u>20,000</u>
Total	\$ 2,571,988	\$ 3,025,600	\$ 2,571,361	\$ 3,203,098

Authorized Staffing Summary

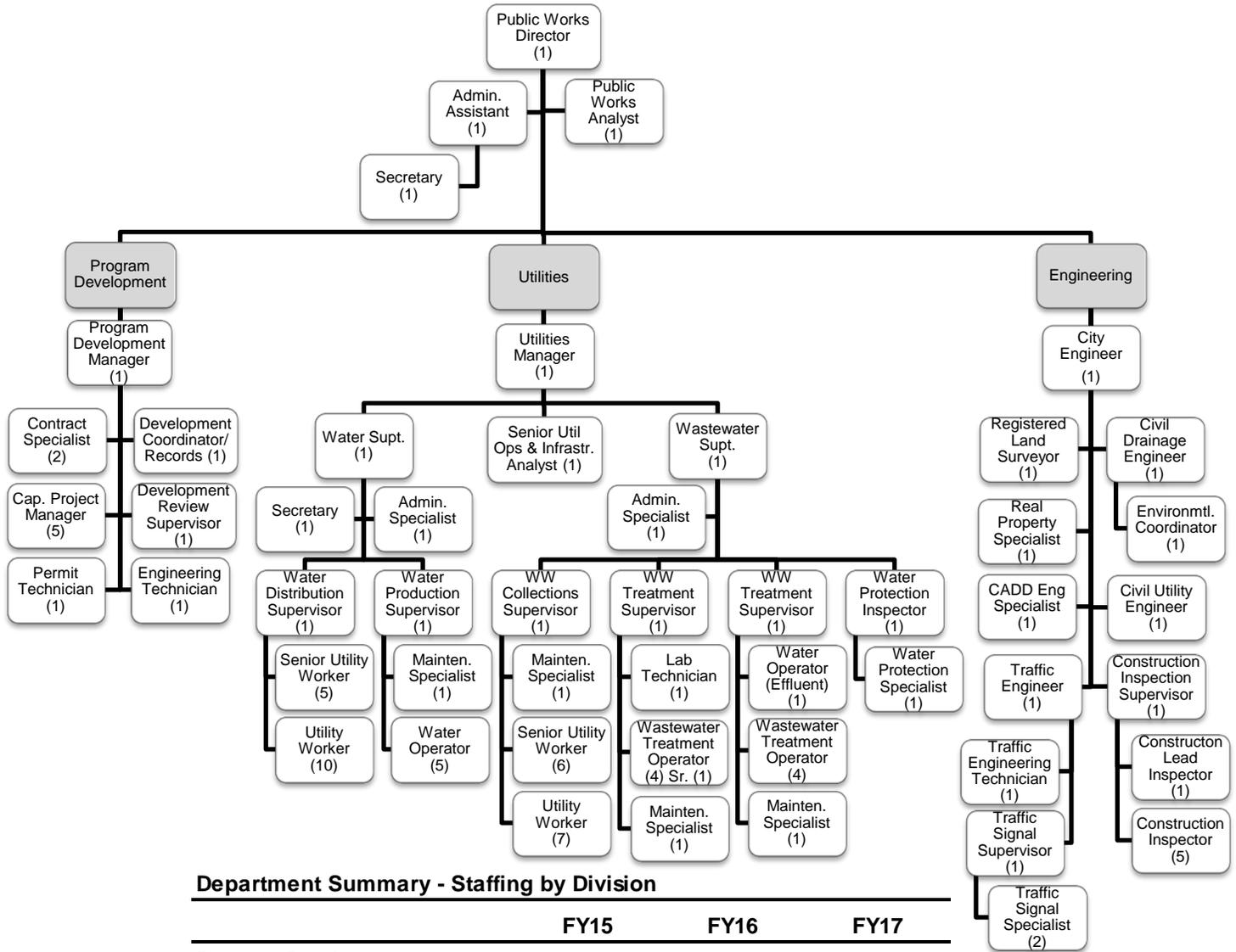
	FY15	FY16	FY17
Authorized Staffing Level	<u>21.00</u>	<u>22.00</u>	<u>21.50</u>
Police Lieutenant	1.00	1.00	1.00
Police Sergeant	1.00	1.00	1.00
Police Officer	8.00	9.00	9.00
Secretary	0.50	0.50	1.00
Property/Evidence Technician	2.00	2.00	1.00
Public Safety Specialist	0.50	0.50	0.50
Admin Services Specialist	-	-	1.00
Police Records Supervisor	1.00	1.00	1.00
Police Records Clerk	5.00	4.00	4.00
Chief Code Comp. Officer	1.00	1.00	1.00
Police Services Coordinator	-	-	1.00
Code Enforcement Officer	1.00	1.00	-
Police Training Coordinator	-	1.00	-

Budget Notes and Significant Changes: Changes to personnel in FY17 include the reduction of a Code Enforcement Officer, a Property Evidence Technician, moving the Administrative Services Specialist position from Police Administration, and moving the split Secretary position to be fully in the Support Bureau. Also, the personnel budget will increase in FY17 with a higher contribution rate to the Public Safety Personnel Retirement System (PSPRS) and the implementation of the market compensation plan. The increase in supplies relates to budgeting for grant opportunities. Internal charges increase in FY17 as a result of dividing the Police Department's internal cost allocations more evenly to each division. A reduction in other services and charges is a result of a decrease in the training budget as well as moving phone charges to the Administration Division.

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 also operates and maintains a first class water and wastewater utility system for over 23,000 customers.



Department Summary - Staffing by Division

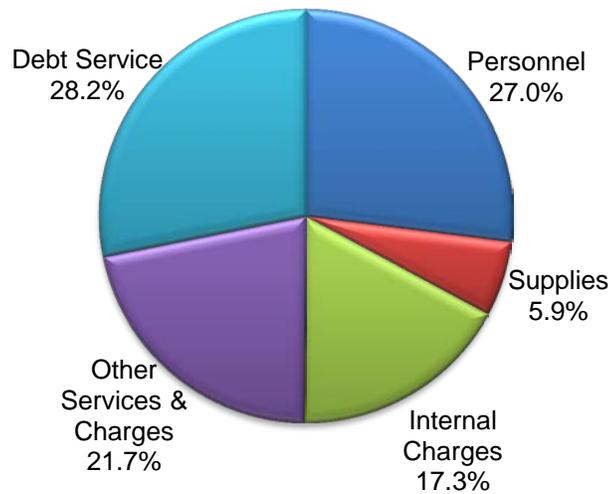
	FY15	FY16	FY17
Program Development	1.30	11.90	11.10
Utilities	72.50	67.10	68.60
Engineering	<u>22.10</u>	<u>18.40</u>	<u>17.70</u>
Total Authorized Positions	95.90	97.40	97.40

Public Works

Department Summary - Expenditure by Type

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 6,794,150	\$ 7,509,066	\$ 7,265,868	\$ 8,108,339
Supplies	1,508,785	1,280,060	1,050,476	1,766,835
Internal Charges	4,166,290	4,463,905	4,155,130	5,186,734
Other Services & Charges	5,263,557	4,526,376	3,245,628	6,512,614
Debt Service	8,432,471	8,577,528	8,577,524	8,453,611
Subtotal Operations	26,165,253	26,356,935	24,294,626	30,028,133
Capital	33,866,075	47,633,274	18,713,611	60,609,868
Total	\$60,031,328	\$73,990,209	\$43,008,237	\$90,638,001

**Public Works FY17
Operating Expenditure Budget by Type**



Department Summary - Operating Expenditures by Division and Capital

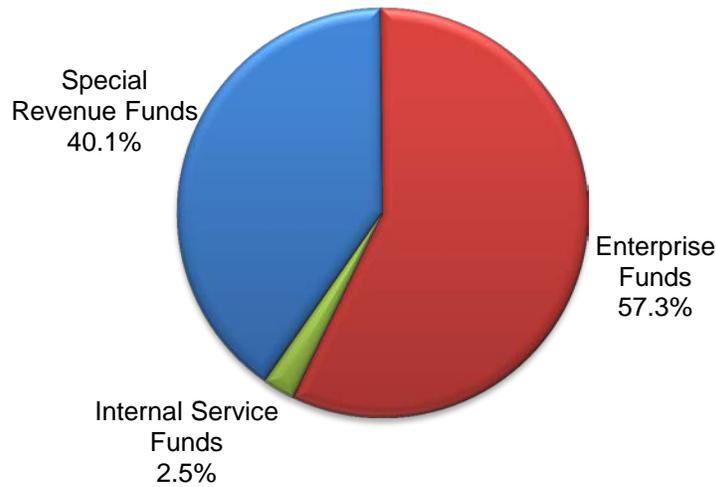
	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Program Development	\$ 4,077,725	\$ 5,134,121	\$ 4,885,302	\$ 6,388,178
Utilities	19,395,280	18,828,642	17,194,580	21,112,742
Engineering	2,692,248	2,394,172	2,214,744	2,527,213
Subtotal Operations	26,165,253	26,356,935	24,294,626	30,028,133
Capital	33,866,075	47,633,274	18,713,611	60,609,868
Total	\$60,031,328	\$73,990,209	\$43,008,237	\$90,638,001

Public Works

Department Summary - Funding Sources

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Special Revenue Funds	\$ 20,042,277	\$ 27,161,882	\$ 14,445,159	\$ 36,384,701
Enterprise Funds	38,131,779	44,312,184	26,440,148	51,948,642
Internal Service Funds	<u>1,857,272</u>	<u>2,516,143</u>	<u>2,122,930</u>	<u>2,304,658</u>
Total	\$ 60,031,328	\$ 73,990,209	\$ 43,008,237	\$ 90,638,001

**Public Works Funding Sources
FY17 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. The Engineering Division operates as an Internal Service fund for charging out internal engineering services to capital projects.

Public Works

Program Development

Division Mission: To provide, superior customer service, timely and efficient plan review and permitting for private development projects, develop and implement the capital improvement program for residents, developers, contractors and internal customers; support the City of Prescott’s quality of life and economic prosperity by improving the standard of service through clear and responsive communication; to improve operations and maintain the reliability of public infrastructure (streets, drainage and utilities).

Services: Within the Program Development Division, the permit center is responsible for providing building permit plan review of Public Works engineering elements, engineering permit plan review/permits, right of way permit plan review/permits, and pre-application conference reviews of Public Works engineering elements.

Also within the Program Development Division, the capital improvement program management team is responsible for implementing water system and wastewater system upgrades, roadway pavement system preservation, rehabilitation and reconstruction, drainage system improvements, and transportation system enhancements and improvements.

Goal: Provide superior customer service to the private development community.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Complete Building Permit Plan Reviews on-time.	100% on-time – 5 days or less	N/A	100%	95%	100%
Complete Right-of-Way Permit Plan Reviews on-time	100% on-time – 5 days or less	N/A	100%	100%	100%
Complete Engineering Permit Plan Reviews on-time.	100% on-time – 10 days or less	N/A	100%	98%	100%

Goal: Implement the capital improvement program; encourage continuing education in construction technologies and interpersonal communication skills to promote capable performance in the development of effective working relationships with City departments, design engineers, contractors and the public.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Efficiently manage preparation of design bid documents for capital improvement projects.	Ratio of actual number of project designs completed vs. total number planned	93%	80%	83%	80%
Efficient delivery of capital improvement program	Ratio of actual number of CIP projects completed vs. total number planned	85%	80%	138%	80%

Public Works

FY16 Key Results and Outcomes:

- Initiated the design of Zone 16 Water Utility Project including pump station, pipeline and tank (\$1,135,841)
- Completed Small Water Mains Improvement Project Phase 2 construction (\$2,169,427)
- Continued design and master plan for the Sundog Wastewater Trunk Main (\$541,385)
- Initiated SCADA Upgrade project for water and wastewater (Design/Build)
- Willow Creek Road Realignment project construction (\$5,572,388)
- FY16 Pavement Preservation Project construction (\$1,740,193)
- Completed Blackhawk Area Drainage and Road Improvements construction (\$1,1391,904)
- Upper Granite Creek Watershed and Watson/Willow Lake Reservoir Water Quality Improvement study (TMDL's and eColi) \$60,000
- Permit center issued 364 engineering permits
- Permit center issued 39 approvals to construct permits and 19 approvals to operate

Public Works

Program Development Expenditure Summary

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 151,848	\$ 1,013,492	\$ 1,042,482	\$ 1,131,401
Supplies	23,134	16,400	7,400	17,000
Internal Charges	1,566,934	1,671,003	1,437,774	2,153,937
Other Services & Charges	33,075	187,227	151,647	855,734
Debt Service	<u>2,302,734</u>	<u>2,245,999</u>	<u>2,245,999</u>	<u>2,230,106</u>
Subtotal Operations	4,077,725	5,134,121	4,885,302	6,388,178
Capital	<u>33,351,335</u>	<u>46,152,274</u>	<u>17,998,503</u>	<u>58,672,868</u>
Total	<u>\$37,429,060</u>	<u>\$51,286,395</u>	<u>\$22,883,805</u>	<u>\$65,061,046</u>

Authorized Staffing Summary

	FY15	FY16	FY17
Authorized Staffing Level	<u>1.30</u>	<u>11.90</u>	<u>11.10</u>
Public Works Director	0.30	0.30	0.30
Program Development Manager	-	-	0.40
City Engineer	-	-	0.70
Capital Project Manager	-	5.00	5.00
Public Works Analyst	-	0.20	0.20
Administrative Assistant	-	0.20	0.40
Secretary	-	0.20	0.20
Contract Specialist	-	2.00	0.80
Develop. Coord./Records Control	-	1.00	0.10
Development Review Supervisor	-	1.00	1.00
Engineering Technician	-	1.00	1.00
Permit Technician	-	1.00	1.00
Environmental Coordinator	1.00	-	-

Budget Notes and Significant Changes: Due to the reorganization of Public Works, personnel charges were significantly less in FY15. Other services and charges increase significantly as a result of classifying projects as operating that were previously capital items. Internal Charges increase in FY17 due to a new internal cost allocation policy.

Public Works

Capital Detail	
Pavement Preservation Program	\$ 5,000,000
Chino Valley Tank	4,200,000
Goodwin Street/S Washington Avenue Pavement Reconstruction	3,885,000
Smoke Tree Lane Reconstruction from Willow Creek to Birchwood Cove	3,720,000
Sundog Trunk Main Upsizing	3,306,286
Robinson Drive Pavement Reconstruction	2,730,000
Rosser Street Pavement Reconstruction Phase IV	2,695,000
Sundog Force Main and Liftstation	2,600,000
Carleton Street Alarcon Street Pavement Reconstruction and Drainage Improvements	2,550,000
Main Line Replacements	2,526,299
Fluoride Reduction	1,550,000
SR89 Widening and Utility Improvements South of SR89A	1,529,000
Walker Road Pavement Reconstruction	1,386,500
Penn Avenue - Eastwood Drive Pavement Reconstruction	1,380,000
Zone 24/27, Water Pipeline Upsizing - from Thumb Butte Rd to Upper Thumb Butte Tank	1,336,364
Corsair Avenue Extension	1,300,000
Dam Repairs	1,200,000
S. Marina Street Reconstruction	1,079,140
Schemmer Drive Reconstruction	969,733
Production Well No 5 Rehabilitation	900,000
Bashford Courts Alley and Parking Lot Reconstruction	876,000
Willow Creek Road Realignment - (West Airport Distribution System Loop)	850,000
N. Washington/Churchill Street Reconstruction	835,350
Crystal Lane Realignment	825,000
Zone 16 Improvements, Virginia Pumpstation, Haisley Tank, Pipelines, and Haisley Road	800,000
Zone 12 Interconnection Pump Station	787,000
Alarcon Street Improvements	655,000
Watson and Willow Lakes Enhancement Program (TMDL)	640,000
Zone 56 Tank and Piping	600,000
Airport Zone Production Recovery Well #4	600,000
Miscellaneous Water & Wastewater Projects	519,000
Hope/Autumn Breeze Improvements	466,540
Willis-Cortez Intersection Improvements	450,000
Water and Wastewater Models Update	401,600
SR69 Corridor Water Main	343,000
Acker Park Regional Detention	320,000
E. Goodwin Street Reconstruction	300,000
Miscellaneous Streets Projects	300,000
Overland Road Bridge Reconstruction - Government Canyon	275,000
Downtown Drainage Improvements Program	250,000
Zone 7 Lower Pump Station Replacement	250,000
Airport Trunk Main Sewer Improvement	250,000
Sidewalk Replacement Program	250,000
Operations Building Expansion	250,000
S. Summit Avenue/S. McCormick Street/Beach Avenue Reconstruction	206,056
Energy Efficiency Program	150,000
Permitting and Inspection Software Implementation	125,000
Willow Creek Road Wall Repairs	100,000
Darby Creek Way Reconstruction	55,000
Unpaved Streets Improvements	50,000
Streetscape Master Plan Development	50,000
	<u>\$ 58,672,868</u>

Public Works

Utilities

Division Mission: Support the City of Prescott’s quality of life and economic prosperity by providing high quality, cost effect 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 and wastewater services to City customers. Drinking water is produced from wells, treated as necessary to comply with all Federal and State Drinking Water Standards, before entering the water distribution system. Water from the distribution system is metered for delivery to customers with metering information subsequently supplied to the Utility Billing Division.

Wastewater collection and treatment is another part of the Utilities Division, including conveyance to the City treatment facilities. The treated flow is reused either as irrigation water or for recharge of the groundwater aquifer.

The Division is also responsible for compliance with Federal and State backflow and pretreatment regulations to ensure the safety of the systems. All utility systems are maintained to support the City’s goals of having a first class utility system. This involves not only routine maintenance but also planning for the future through the implementation of the capital improvement program, and replacement of systems and equipment that have reached the end of their service life.

Goal: Meet all U.S. EPA and Arizona Department of Environmental Quality Drinking Water Standards and Requirements.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Follow COP Standard Operating Procedures and make adjustments to operating parameters when sampling results indicate potential problems	No violations of MCLs	No Violations	No Violations	No Violations	No Violations
Maintain appropriate disinfection levels in the distribution system	Maintaining a minimum chlorine residual in the distribution system	0.6 ppm	0.6 -0.8 ppm	0.6 -0.8 ppm	0.6 -0.8 ppm

Public Works

Goal: Respond to system wide water emergencies in a timely manner minimizing disruption to water services.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
To ensure all on call personnel are trained, available and ready to respond promptly to emergencies	Respond to emergencies within 45 minutes during working hours and 60 minutes after hours	70%	75%	75%	80%
Monitor performance of pumps and wells. Practice preventative and predictive maintenance and explore new technologies to maintain equipment.	Track number of unexpected equipment failures	8	6	4	5

Goal: Inspect water system assets to reduce water leaks and ensure adequate and reliable fire flows.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Perform Hydrant and Valve inspections maintaining ISO rating and reliable performance	Perform Hydrant, Main line valves Inspections, repair and replace	540	1,250	1,523	1,700
Review water leak records, plan and perform leak detection on high risk areas and old infrastructure	Perform Water main leak detection	45,000 linear ft.	75,000 linear ft.	100,000 linear ft.	120,000 linear ft.

Goal: Improve wastewater infrastructure, reduce City liability through a well maintained wastewater collection system, and minimize sanitary sewer overflows.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Effectively maintain the City's wastewater infrastructure to ensure proper operation.	Percentage of wastewater collection system cleaned per year based on 333 miles of gravity sewer.	62%	65%	65%	65%
Effectively manage the structured cleaning program to reduce sanitary sewer overflows.	Percent reduction of Sanitary Sewer Overflows requiring ADEQ reporting.	33%	50%	40%	75%

Public Works

Goal: Provide environmentally safe wastewater effluent, maintain regulatory compliance and reduce emergency equipment repairs by performing appropriate preventive maintenance.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Effectively operate the City's wastewater treatment plants to ensure compliance.	Percentage of compliance samples meeting permit limits.	99%	100%	98%	100%
Effectively maintain the City's wastewater treatment plants to prevent equipment failures.	Percentage of equipment in continuous service or on stand-by ready for service.	95%	98%	95%	100%

Goal: Provide sufficient supply of reclaimed water to end users, and efficiently manage treated effluent and surface water for recharge into the aquifer for safe yield.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Effectively manage effluent reuse and recharge to maintain safe yield.	Percentage of total ac/ft. effluent produced and recharged into the aquifer.	70%	75%	72%	75%
Effectively operate and maintain the City's surface water facilities to provide public safety and safe yield.	Percentage of 1391 ac/ft. surface water recharge delivered.	100%	100%	75%	100%

FY16 Key Results and Outcomes:

- Applications submitted to APS Business Solutions for rebate incentives to reduce energy consumption by installing energy saving variable frequency drives at Airport WRF resulted in a net return of \$74,350 to the wastewater fund.
- Surface Water from Watson and Willow Lakes produced 1,054 acre feet (343,446,945 gallons) of water to recharge the aquifer at the City's water reclamation facility resulting in recharge credits issued to the City by Arizona Department of Water Resources (ADWR).
- Water Protection received 2,013 certified backflow test reports from residential and commercial water users to ensure the City's water system is protected from potential cross-connection contamination at the point of use.
- The City's two Wastewater Treatment Facilities recovered roughly \$580,000 of revenue from effluent sales and generated roughly \$160,000 of sewer disposal revenue from outside waste haulers.
- The Airport Wastewater Reclamation Facility obtained state certified laboratory licensure for daily fecal coliform compliance sampling, reducing one hour of staff time, vehicle operation & maintenance and fuel costs for daily travel to the Sundog compliance laboratory.
- Water Operations produced 6,500 acre feet of water equaling 2.1 billion gallons.
- Water Meter Services installed 324 new water meters to the utility billing system.

Public Works

- Water Distribution staff completed 16 new water service installations.
- Water Operations staff collected 1,175 water quality samples meeting all U.S. EPA and Arizona Department of Environmental Quality Drinking Water Standards and requirements
- Water Operations staff handled 3,014 work orders tracked by the computer maintenance management system (Lucity)

Utilities

Expenditure Summary

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 4,731,337	\$ 4,793,834	\$ 4,697,925	\$ 5,375,747
Supplies	1,400,987	1,213,985	993,602	1,535,510
Internal Charges	2,260,925	2,486,719	2,408,837	2,818,060
Other Services & Charges	4,872,294	4,002,575	2,762,691	5,159,920
Debt Service	<u>6,129,737</u>	<u>6,331,529</u>	<u>6,331,525</u>	<u>6,223,505</u>
Subtotal Operations	19,395,280	18,828,642	17,194,580	21,112,742
Capital	<u>490,419</u>	<u>1,206,000</u>	<u>560,108</u>	<u>1,623,000</u>
Total	\$ 19,885,699	\$ 20,034,642	\$ 17,754,688	\$ 22,735,742

Capital Detail

SCADA System Installation and Upgrade	\$ 1,000,000
Public Works Vehicle Replacements	<u>623,000</u>
	\$ 1,623,000

Budget Notes and Significant Changes: Personnel costs will increase in FY17 with the implementation of the market compensation plan. Supplies and other services and charges increase mainly by reclassifying routine infrastructure maintenance as operating from capital. Examples are chemical root control, cured in place pipe lining, and lift station rehabilitation.

Public Works

Authorized Staffing Summary

	FY15	FY16	FY17
Authorized Staffing Level	<u>72.50</u>	<u>67.10</u>	<u>68.60</u>
Public Works Director	0.70	0.70	0.70
City Engineer	0.40	-	0.30
Civil Utility Engineer	1.00	1.00	1.00
Program Development Manager	1.00	0.60	0.60
Utilities Manager	1.00	1.00	1.00
Water Resource Manager	0.40	0.40	0.40
Public Works Analyst	-	0.80	0.80
Sr. Util Ops & Infrastr. Analyst	1.00	1.00	1.00
Develop. Coord./Records Control	-	-	0.20
Administrative Assistant	0.80	0.80	0.60
Secretary	1.80	1.80	1.80
Administrative Specialist	2.00	2.00	2.00
Contract Specialist	0.80	-	1.20
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
Wastewater Treatment Operator	9.00	9.00	8.00
Wastewater Lab Technician	1.00	1.00	1.00
Senior Utility Worker	10.00	11.00	11.00
Utility Worker	16.00	17.00	17.00
Water Operator	6.00	6.00	6.00
Maintenance Specialist	4.00	4.00	4.00
Water Protection Specialist	1.00	1.00	1.00
Water Protection Inspector	1.00	1.00	1.00
Capital Program Manager	1.00	-	-
Communications Tech Manager	0.20	-	-
Capital Project Manager	2.80	-	-
Real Property Specialist	0.60	-	-
Senior Engineering Technician	1.00	-	-
Senior Project Manager	1.00	-	-

Public Works

Engineering

Division Mission: Use sound, practical, engineering judgment to provide excellent customer service to residents, developers, contractors and internal customers; support City of Prescott’s quality of life and economic prosperity by improving the standard of service through clear and responsive communication.

Services: The Engineering Division provides technical review of public and private infrastructure, professional in-house design, floodplain administration, computer aided drafting and design (CADD), technical grant writing, professional survey, professional real property services. This includes acquisitions and leases, traffic engineering including the evaluation, design and maintenance of signals, signage and pavement markings, traffic calming and other measures to increase safety and minimize delays, construction management, and inspections for all public and private development. In addition, the Engineering Division assists with the City’s sidewalk program, pavement preservation program, development of CADD standards, technical specifications, and the Stormwater Management Program (MS4 and TMDL).

Goal: Provide complete, timely, and efficient development reviews for Private Development and Capital Improvement Projects					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Monitor and provide review “tools” such as review checklists, standard manuals, mentoring and training to technical review staff to achieve complete, timely and efficient reviews.	Development Review for Private & Public Improvements	900	1000		1000

Goal: Provide complete, timely, and efficient Inspections for both Private and Capital Improvement Projects					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Provide Inspection “tools” such as standard operating procedures, inspection manuals, mentoring, and training to inspection staff to achieve complete, timely and efficient Inspections.	Number of Private Development performed per year.	4728	4800	4962	5160
	Actual number of Public Capital Improvement Project inspections performed per year.	3653	3400	3200	3200

Public Works

Goal: Provide In-House Designs for the development of construction documents that exceed the standard for readability, constructability and are change-order free.

Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Prepare professional-level biddable construction documents for In-House Capital Improvement Projects utilizing City staff. Develop a training program to build skill sets and cross-train staff for added depth within the division	Amount of Construction dollars designed and number of change orders during construction	196k	200k	230k	230k

Goal: Meet State and Local requirement for storm water quality management.

Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Implement the National Pollution Discharge Elimination System (NPDES) guidelines and policies	Annual monitoring of discharge sites and adherence to guidelines of the Cities MS4 Permit.	N/A New	Completed Monitoring Report	Approved Monitoring plan	Implementation of monitoring plan

Goal: Improve traffic safety, minimize delay and reduce City liability through a modern well maintained traffic control system and high quality pavement markings.

Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Effectively maintain the City's traffic signal and roundabout intersections to ensure proper operation.	Traffic signal and roundabout semi-annual maintenance intervals met.	58/58	58/58	59/59	60/60
Effectively manage the Annual Pavement Marking Contract.	Percentage of pavement marking work completed by the contract.	90%	100%	95%	100%

Goal: Provide prompt responses to citizen traffic inquiries, treat all customers with fairness and courtesy, relay relevant and accurate information, and resolve all requests within a reasonable timeframe.

Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Manage the traffic requests to maximize productivity and provide a request resolution rate greater than 90%.	Traffic request resolution rate	96%	98%	98%	98%

Public Works

FY16 Key Results and Outcomes:

- Completed in-house design and survey for Rodeo Grounds Bio-Swale
- In-house design and survey Alarcon-Carleton Improvements in-progress
- In-house design and survey of Alarcon Improvement project from Sheldon to Gurley in-progress
- Completed development of General Engineering Standards, Standard Details and CADD Standards
- Total number of CIP Project related inspections 3,653.
- Total number of Private Development inspections 5,148.
- Constructed the Prescott Lakes Parkway @ Blooming Hills Drive traffic signal at a cost of \$75,000 saving the City \$125,000 from the anticipated contract price
- Installed two solar powered changeable radar sign assemblies on Willow Creek Road near Embry Riddle Aeronautical University.
- Completed 56 survey reviews for private development and completed 11 survey reviews for Capital Improvement Projects
- Worked with various departments including Police, Field and Facilities/Streets, Legal, Economic Initiatives/Airport and Recreation Services with their surveying needs

Engineering

Expenditure Summary

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 1,910,965	\$ 1,701,740	\$ 1,525,461	\$ 1,601,191
Supplies	84,664	49,675	49,474	214,325
Internal Charges	338,431	306,183	308,519	214,737
Other Services & Charges	<u>358,188</u>	<u>336,574</u>	<u>331,290</u>	<u>496,960</u>
Subtotal Operations	2,692,248	2,394,172	2,214,744	2,527,213
Capital	<u>24,321</u>	<u>275,000</u>	<u>155,000</u>	<u>314,000</u>
Total	\$ 2,716,569	\$ 2,669,172	\$ 2,369,744	\$ 2,841,213

Capital Detail

Intersection Signalization Project	\$ 200,000
Public Works Vehicle Replacements	<u>114,000</u>
	\$ 314,000

Public Works

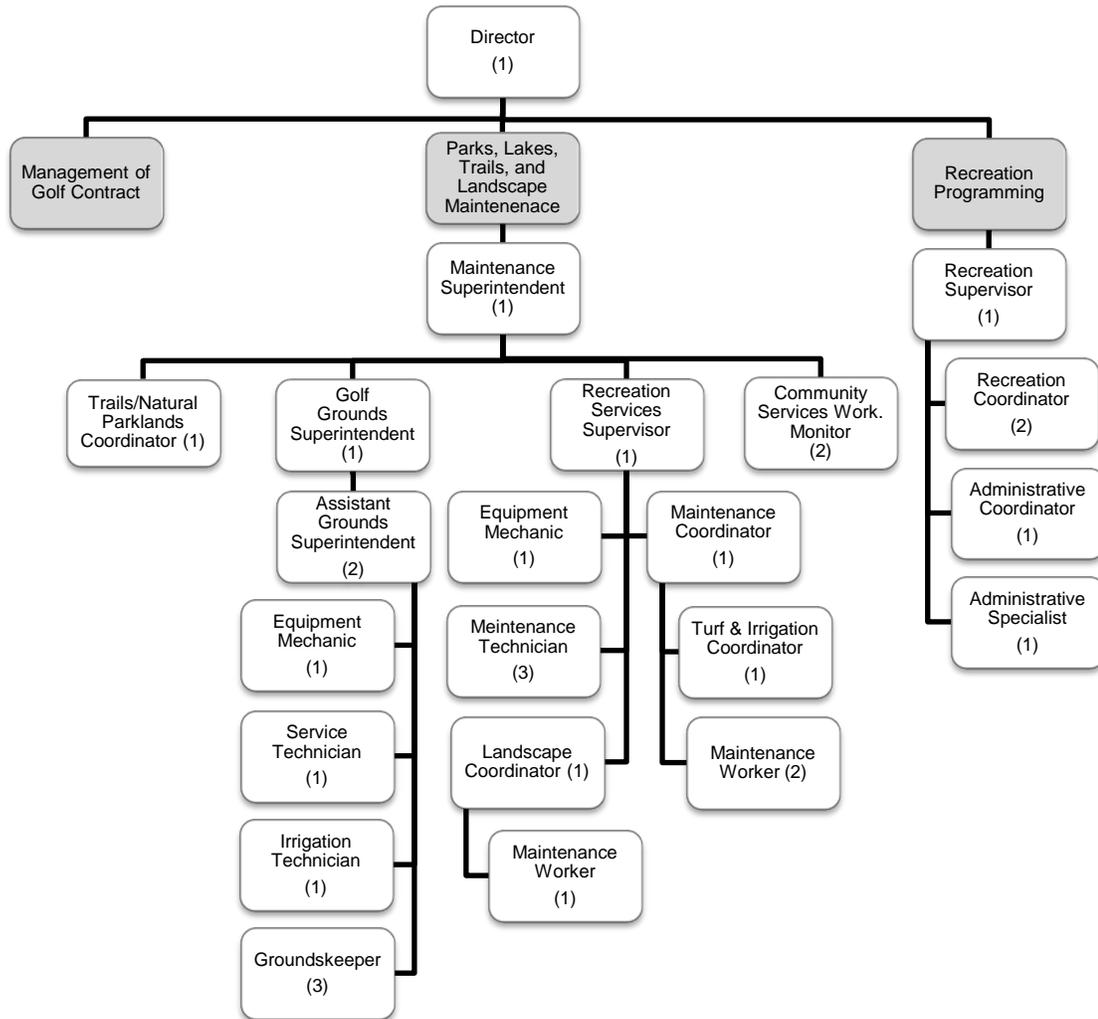
Authorized Staffing Summary			
	FY15	FY16	FY17
Authorized Staffing Level	<u>22.10</u>	<u>18.40</u>	<u>17.70</u>
City Engineer	0.60	1.00	-
Civil Drainage Engineer	1.00	1.00	1.00
Program Development Manager	-	0.40	-
Construction Inspection Supv.	1.00	1.00	1.00
Construction Lead Inspector	-	-	1.00
Construction Inspector	6.00	6.00	5.00
Environmental Coordinator	-	1.00	1.00
CADD Engineering Specialist	1.00	1.00	1.00
Real Property Specialist	0.30	1.00	1.00
Registered Land Surveyor	1.00	1.00	1.00
Traffic Engineer	1.00	1.00	1.00
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
Develop. Coord./Records Control	1.00	-	0.70
Senior Engineering Tech	1.00	-	-
Permit Technician	1.00	-	-
Contract Specialist	1.00	-	-
Capital Project Manager	2.20	-	-

Budget Notes and Significant Changes: The increases in supplies and other services and charges relate to traffic engineering projects now classified as operating that were previously classified as capital, including pavement marking, street lights, and signal replacement.

Recreation Services

Department 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. 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 and Special events. In addition to these responsibilities Recreation Services is responsible for all associated maintenance within these areas.



Department Summary Staffing by Division

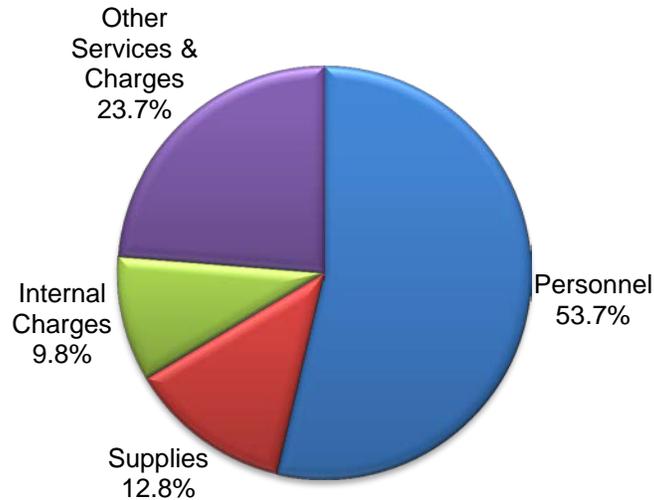
	FY15	FY16	FY17
Parks, Lakes, Trails, and Lands.	27.00	27.00	25.00
Recreation Programming	<u>3.00</u>	<u>3.00</u>	<u>5.00</u>
Total Authorized Positions	30.00	30.00	30.00

Recreation Services

Department Summary - Expenditure by Type

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 2,279,379	\$ 2,459,740	\$ 2,417,566	\$ 2,571,747
Supplies	483,545	696,454	604,796	612,277
Internal Charges	443,264	513,612	512,680	469,205
Other Services & Charges	976,199	1,168,100	1,156,257	1,136,845
Debt Service	3,007	3,000	3,000	-
Subtotal Operations	4,185,394	4,840,906	4,694,299	4,790,074
Capital	97,794	1,310,000	60,200	3,988,200
Total	\$ 4,283,188	\$ 6,150,906	\$ 4,754,499	\$ 8,778,274

Recreation Services FY17 Operating Expenditure Budget by Type



Department Summary - Operating Expenditures by Division and Capital

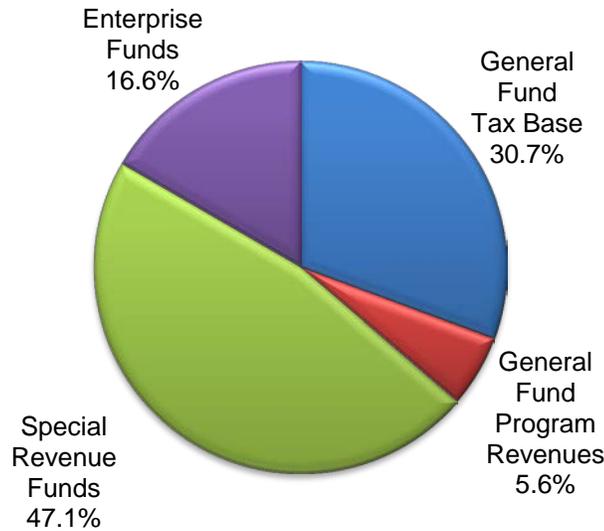
	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Parks, Lakes, Trails, and Lands.	\$ 3,615,780	\$ 4,138,978	\$ 3,918,295	\$ 3,945,973
Recreation Programming	569,614	701,928	776,004	844,101
Subtotal Operations	4,185,394	4,840,906	4,694,299	4,790,074
Capital	97,794	1,310,000	60,200	3,988,200
Total	\$ 4,283,188	\$ 6,150,906	\$ 4,754,499	\$ 8,778,274

Recreation Services

Department Summary - Funding Sources

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
General Fund Source of Funds				
Tax Base	\$ 2,367,118	\$ 2,724,476	\$ 2,608,440	\$ 2,691,308
Licenses & Permits	470	600	600	600
Charges for Services	454,631	434,600	503,106	474,500
Miscellaneous	12,444	15,000	15,000	20,000
General Fund Budget	2,834,663	3,174,676	3,127,146	3,186,408
Special Revenue Funds	161,935	1,565,455	274,341	4,132,898
Enterprise Funds	1,286,590	1,410,775	1,353,012	1,458,968
Total	\$ 4,283,188	\$ 6,150,906	\$ 4,754,499	\$ 8,778,274

**Recreation Services Funding Sources
FY17 Budget**



Department Funding Sources: The General Fund provides for most of the operational funding for Recreation Services. Charges for services include parking fees, tournament fees, and facility rentals. The FY17 charges for services reflect the parking fee increase from \$2 to \$3 mid-year FY16. Special Revenue Funds account for open space capital projects, grants, and donations. Golf course maintenance is sourced to the Golf Course Enterprise Fund.

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.

Goal: Providing superior parks facilitates with increased usage of parks facilities while offsetting maintenance costs with user fees.					
Strategy	Performance Measures	FY15 Actual	FY16 Target	FY16 Estimate	FY17 Target
Advertise/market camping, provide superior customer service to campers	Number of campsites rented	503	515	520	530
Increase parking fee, annual pass fee	Revenue generated	\$107,00	\$125,00	\$160,00	\$255,00
Work with Game & Fish to increase stocking of trout at Watson Lake and Goldwater to provide more fishing opportunities to the public.	Number of stockings	4	5	6	7
Maintain existing and construct new trail utilizing the allowed budget and other funding sources as well as volunteer labor.	Miles of Trails	56	60	75	85

Goal: Use the court ordered restitution program to benefit the community					
Strategy	Performance Measures	FY15 Actual	FY16 Target	FY16 Estimate	FY17 Target
Conduct work with court assigned community Restitution workers for City Departments	Hours worked and savings on City properties	9,000	9250	9300	9400
	Savings on City properties	\$72,400	\$74,460	\$74,865	\$75,670
Work with non-profits and court assigned restitution workers	Hours worked and savings for non-profit groups	2800	2850	2850	2800
	Savings for non-profit groups	\$22,540	\$22,940	\$22,940	\$22,540

Recreation Services

Goal: Maintain Antelope Hills Golf Course at high agronomic standards and providing our customer with superior course conditions.					
Strategy	Performance Measures	FY15 Actual	FY16 Target	FY16 Estimate	FY17 Target
Create annual tree maintenance program to reduce customer and employee liability	Number of trees completed	N/A	125	125	150
Establish volunteer group to perform routine maintenance functions thereby reducing some seasonal labor costs while benefiting course conditions	Volunteer labor hours	N/A	N/A	N/A	520
Re-surface cart paths using crushed concrete material	Lineal feet completed	N/A	N/A	1500	3000

FY16 Key Results and Outcomes:

- Administration results:
 - Successfully completed the re-organization of the programming office in order to facilitate the addition of Special Events to the department
 - Awarded a no cost contract for a private company to plan and implement the 4th of July celebration in downtown Prescott.
 - Awarded a contract to the Prescott Downtown Partnership to manage the Downtown Summer Concert Series.
 - Produced a promotional video for the marketing of the Prescott Circle Trail.
 - Implemented mid-year parking fee increases at four recreation sites.
 - Improved the financial performance of the Antelope Hills golf course through a public private partnership with Billy Casper Golf.
- Completed a 22' wide concrete walkway/emergency access at Pioneer Park.
- Painted the dugouts at Kuebler field and xero-scaped the parking area.
- Rewired field lights on fields 1&2 at Heritage Park.
- Completed a new outside storage area at Heritage Park.
- Implemented a new temporary fence placement system for improved efficiency with tournament set up.
- Completed eight miles of new trail to the Mile-High trail system
- Installed borders and fall protection at six playgrounds.

Recreation Services

Parks, Lakes, Trails, and Landscape Maintenance

Expenditure Summary

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 1,953,100	\$ 2,123,187	\$ 2,027,134	\$ 2,079,222
Supplies	444,549	639,454	541,296	552,277
Internal Charges	304,547	334,487	332,473	284,479
Other Services & Charges	910,577	1,038,850	1,014,392	1,029,995
Debt Service	<u>3,007</u>	<u>3,000</u>	<u>3,000</u>	<u>-</u>
Subtotal Operations	3,615,780	4,138,978	3,918,295	3,945,973
Capital	<u>97,794</u>	<u>1,310,000</u>	<u>60,200</u>	<u>3,988,200</u>
Total	\$ 3,713,574	\$ 5,448,978	\$ 3,978,495	\$ 7,934,173

Capital Detail

Open Space Acquisitions	\$ 3,800,000
Pay Station replacement and addition of new Pay Stations	125,000
Golf Course Replacement Equipment and Vehicles	43,400
Acker Park Improvements (reimbursed with developer funds)	<u>19,800</u>
	\$ 3,988,200

Authorized Staffing Summary

	FY15	FY16	FY17
Authorized Staffing Level	<u>26.00</u>	<u>26.00</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
Special Proj. Administrator	1.00	1.00	-
Parks Regional Coordinator	2.00	-	-
Maintenance Coordinator	-	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. Work Monitor	2.00	2.00	2.00
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	2.00	2.00	1.00
Groundskeeper	2.00	2.00	3.00

Recreation Services

Budget Notes and Significant Changes: The Special Project Administrator position was moved to the Recreation Programming Division and reclassified as Administrative Coordinator. Supplies include the budget for available donations. Internal charges decrease in FY17 as a result of a new cost allocation policy.

Recreation Services

Recreation Programming

Division Mission: To organize and provide recreational and leisure opportunities for citizens and visitors of all ages and abilities.

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.

Goal: Increase community awareness of the Community Youth Sports Leagues and Specialty Youth Sports Programs assisted by the Recreation Services Department.

Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Assist Community Youth Sports leagues with registration and field use assistance.	AYSO Soccer Participants Field hours Utilized	1,061 2,579	1,095 2,820	1,100 2,850	1,100 2,850
	Prescott Little League Participants Field hours Utilized	445 1,700	500 1,825	500 1,825	500 1,825
	Prescott Girls Softball Participants Field hours Utilized	274 895	290 1,000	290 1,000	300 1,025
	Alliance Youth Football Participants Field hours Utilized	82 300	100 375	100 375	110 400
	YMCA Youth Basketball Participants GYM hours Utilized (GSAC Gym)	656 215	650 215	675 215	675 215

Recreation Services

Goal: Increase community awareness of the Special Needs Program and additional recreation opportunities for the community					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Seek more opportunities for our residents and surrounding communities to participate in a variety of recreation programs.	Number of Special Needs Activities/Dates	97	105	105	110
	Participants on Special Olympics of Arizona Teams:				
	Basketball	20	24	24	24
	Bowling Team	30	30	30	30
	Swimming	15	20	20	20
	Participants in Recreation Program Contract Classes:				
	Tennis	160	160	160	160
	Boot Camp	600	600	615	615
	Running	15	20	22	25

Goal: Host a variety of sporting events that generate visitation and its associated economic benefits as well as creating additional revenues through field and facility rentals					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Build a sporting event and field scheduling calendar to increase visitation by adding events and diversifying types of competitions that can host events in the fall and winter seasons as well as maximize the number of peak season events.	Number of Sporting Events	26	29	26	31
	Number of Senior Olympic Participants	972	720	720	720
	Individual Events discontinued after FY15				
	Number of Field Rental Hours	11,736	8,500	12,000	12,500
	Events/Practice				
	Number of Gym Rental Hours	2,079	2,000	2,100	2,200
	Events/Practice				
	Economic Impact	\$2.4	\$2.5	\$2.4	\$2.6
	Direct Spending (millions)				

Recreation Services

Goal: To maintain the success of City Adult sports leagues in the current economic climate.					
Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Maintain registration entries with minimal entry fee increase to cover costs.	Softball Teams Softball Participants (12 per/Team)	149 1,788	155 1860	150 1800	155 1860
	Volleyball Teams Volleyball Participants (8 per/Team)	68 544	75 600	75 600	75 600
	Basketball Teams Basketball Participants	63 504	68 544	70 560	70 560
	Sports Leagues Total Teams Total Participants (8 per/Team)	280 2,836	298 3,004	295 2,960	300 3,020

FY16 Key Results and Outcomes:

- The Grace Sparkes Activity Center full size indoor gym hosts annually approximately 3,500 hours of use each year, including adult sports leagues, open gym programs, YMCA youth basketball program and hosted special events. Some of the special events that are conducted in the facility are the Annual Kiwanis Auction, Teen Maze, Body Walk and Stocking Stuffer Bazaar.
- Special Needs Adult Program (SNAP) –The Special Needs Adult Program serves over 200 participants in monthly activities such as Dances, Bingo and Craft Nights, Swimming and Weight Training programs and Karaoke Nights. The program also has a partnership with Special Olympics of Arizona with competing teams participating in Swimming, Bowling and Basketball.
- Volunteer Park Rangers- contributed a total of 3580 hours on park patrols and reporting park issues.
- The Community Restitution Program- workers logged at total of 15,293 hours performing tasks such as graffiti removal, weed abatement, and trash pickup.

Recreation Services

Recreation Programming Expenditure Summary

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 326,279	\$ 336,553	\$ 390,432	\$ 492,525
Supplies	38,996	57,000	63,500	60,000
Internal Charges	138,717	179,125	180,207	184,726
Other Services & Charges	<u>65,622</u>	<u>129,250</u>	<u>141,865</u>	<u>106,850</u>
Total	\$ 569,614	\$ 701,928	\$ 776,004	\$ 844,101

Authorized Staffing Summary

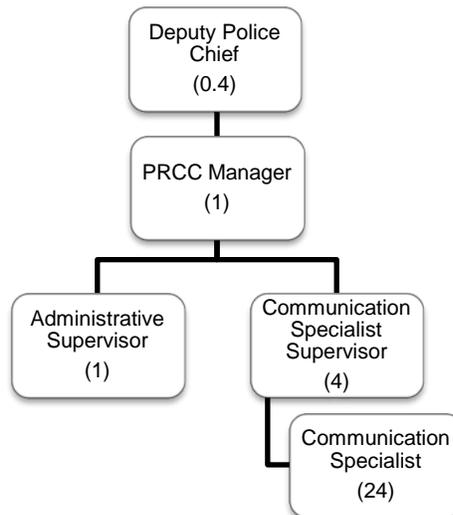
	FY15	FY16	FY17
Authorized Staffing Level	<u>4.00</u>	<u>4.00</u>	<u>5.00</u>
Recreation Supervisor	1.00	1.00	1.00
Recreation Coordinator	2.00	2.00	2.00
Administrative Coordinator	-	-	1.00
Administrative Specialist	-	-	1.00
Secretary	1.00	1.00	-

Budget Notes and Significant Changes: Personnel changes in FY17 include moving a position from Parks, Lakes, Trails, and Landscape Maintenance. Also, the implementation of the market compensation plan will increase the personnel costs. The special events function has moved to this Division after the reduction of the Special Events Division under Economic Initiatives. The reduction in other services and charges reflects a decrease in the number of tournaments organized by the City of Prescott in FY17.

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.



Department Summary - Staffing

	FY15	FY16	FY17
Authorized Staffing Level	<u>32.55</u>	<u>30.00</u>	<u>30.40</u>
Deputy Police Chief ¹	-	-	0.40
Police Lieutenant	1.00	1.00	-
PRCC Manager	-	-	1.00
Business Manager	1.00	1.00	-
Administrative Supervisor	-	-	1.00
Comm. Spec. Supervisor	4.00	4.00	4.00
Communications Specialist	24.75	24.00	24.00
Comm. Tech. Manager	0.80	-	-
IT Technician	1.00	-	-

¹ 60% of Deputy Police Chief is charged to Police Administration

Regional Communications

Goal: One hundred percent (100%) of 911 calls arriving at the PRCC will be answered within ten (10) seconds.

Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Provide training, equipment and staffing to adequately comply with this National Standard.	Track, chart and distribute standard data on a yearly basis to Partners and key personnel.	99.27%	99.61%	99.66%	99.75%

Goal: One hundred percent (100%) of PRCC's seven 10 digit emergency lines will be answered within ten (10) seconds.

Strategy	Performance Measures	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Provide training, equipment and staffing to adequately comply with this National Standard.	Track, chart and distribute standard data on a yearly basis to Partners and key personnel.	99.36%	99.62%	99.70%	99.75%

FY16 Key Results and Outcomes:

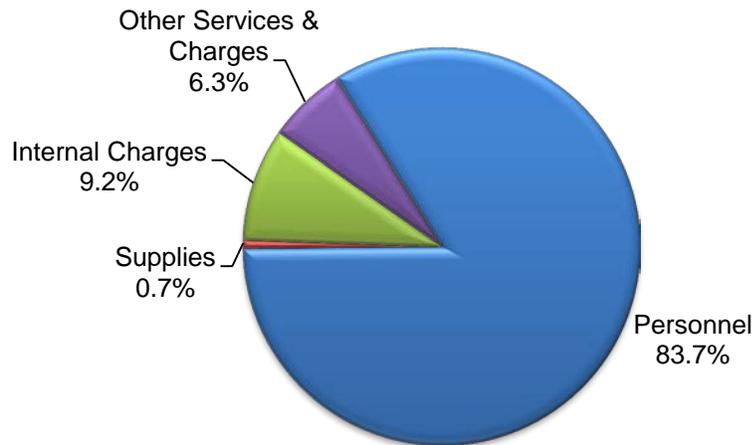
- Workload indicators:
 - Handled 268,088 calls both inbound and outbound which included 84,416 fire, police and EMS responses.
 - Supported efforts for approximately 41,244 self-initiated calls not included in the total call count.
- Training:
 - Continuing to compose the training manual for PRCC.
 - Conducted two, six-week Dispatch classroom training session and enjoyed an 86% success rate.
 - Conducted two, three-day Emergency Medical Dispatch (EMD) classes – a total of 24 dispatchers attended from various agencies/cities.
 - Participation and support of airport mass casualty drill and Wildland Regional Group (WRG) drills.
- Began installation project for a new Vesta E911 telephone system, the majority of which will be paid for by State 911 funds.
- Formed a research team and began researching multi-jurisdictional vendors for Computer Aided Dispatch software replacement.
- Worked with DPS to incorporate an ACJIS software upgrade.
- Continued National Center for Missing and Exploited Children certification.
- Participated in the Yavapai County Child Abduction Response Team.
- Working with State 911 and CenturyLink to move to a hosted E911 telephone system solution.

Regional Communications

Department Summary - Expenditure by Type

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
Personnel	\$ 2,233,471	\$ 2,099,807	\$ 2,157,719	\$ 2,327,571
Supplies	27,193	19,350	17,350	18,350
Internal Charges	123,814	248,217	239,213	256,891
Other Services & Charges	162,511	182,600	175,500	176,400
Subtotal Operations	2,546,989	2,549,974	2,589,782	2,779,212
Capital	5,770	1,010,000	-	1,025,000
Total	\$ 2,552,759	\$ 3,559,974	\$ 2,589,782	\$ 3,804,212

Regional Communications FY17 Operating Expenditure Budget by Type



Department Summary - Funding Sources

	FY15 Actual	FY16 Budget	FY16 Estimate	FY17 Budget
General Fund Sources of Funds				
Tax Base	\$ 1,312,425	\$ 2,280,110	\$ 1,294,891	\$ 2,389,548
Charges for Services	1,240,334	1,279,864	1,294,891	1,414,664
General Fund Budget	\$ 2,552,759	\$ 3,559,974	\$ 2,589,782	\$ 3,804,212

Budget Notes and Significant Changes: Changes to personnel in FY17 include eliminating the Police Lieutenant position, charging 40% of Deputy Police Chief, and adding an Administrative Supervisor position. The increase in personnel costs is primarily from the implementation of the market compensation plan. The capital budget in FY17 is for a public safety software upgrade and a new dispatch recording system.

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.

Regional Communications

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Capital Budget

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Capital Budget

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Capital Budget Overview

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 FY17 as well as the projection for the next five fiscal years.

Capital Budget Category	5 Year Projection						Total
	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	
Operating Capital	4,784,545	811,095	364,800	191,000	325,500	60,000	6,536,940
Vehicle Replacements and Additions	2,760,800	2,018,326	2,669,943	2,454,873	2,092,658	1,487,423	13,484,023
Capital Improvement Plan	<u>68,360,681</u>	<u>65,447,418</u>	<u>59,603,719</u>	<u>43,238,435</u>	<u>30,171,886</u>	<u>39,483,400</u>	<u>306,305,539</u>
Total	75,906,026	68,276,839	62,638,462	45,884,308	32,590,044	41,030,823	326,326,502

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:

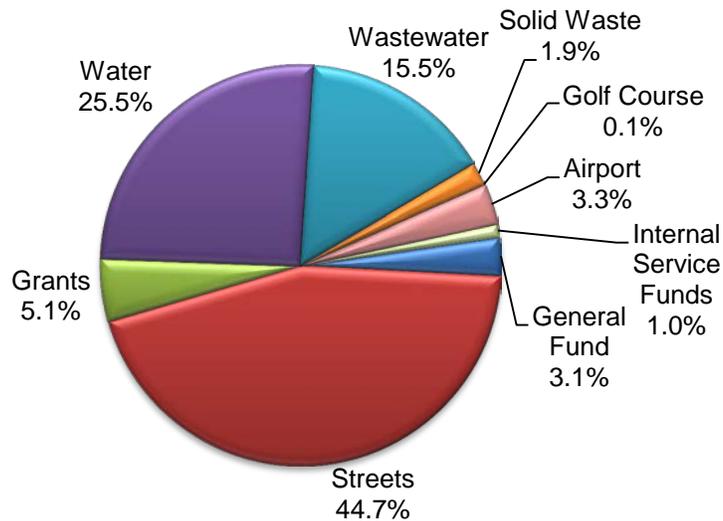
- Facilitates long-range financial planning, allowing us to look at not only what the community wants, but also what they can afford.
- Enhances coordination of capital improvements among City departments and other governmental agencies.
- Clearly identifies the Council's goals and their capital priorities 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			
	Capital	Vehicle	Operating	Total
	Improvement Plan	Replacement and Additions	Capital	
General Fund	\$ 925,000	\$ -	\$ 1,408,300	\$ 2,333,300
Special Revenue				
Streets	\$ 32,821,319	\$ 953,000	\$ 129,768	\$ 33,904,087
Grants	1,300,000	-	2,543,243	3,843,243
Total Special Revenue	\$ 34,121,319	\$ 953,000	\$ 2,673,011	\$ 37,747,330
Enterprise Funds				
Water	\$ 18,982,423	\$ 318,000	\$ 41,667	\$ 19,342,090
Wastewater	11,383,807	305,000	41,667	11,730,474
Solid Waste	685,000	742,800	-	1,427,800
Golf Course	-	-	43,400	43,400
Airport	2,103,132	125,000	286,500	2,514,632
Total Enterprise Funds	\$ 33,154,362	\$ 1,490,800	\$ 413,234	\$ 35,058,396
Internal Service Funds				
Facilities Maintenance	\$ 160,000	\$ -	\$ -	\$ 160,000
Fleet Maintenance	-	248,000	290,000	538,000
Engineering	-	69,000	-	69,000
Total Internal Service Funds	\$ 160,000	\$ 317,000	\$ 290,000	\$ 767,000
Total FY17 Budget	\$ 68,360,681	\$ 2,760,800	\$ 4,784,545	\$ 75,906,026

FY17 Capital Budget by Fund



FY17 Capital Budget Listing by Department

Page No.	Description	Funding	FY17 Budget
	<u>City Manager</u>		
240	CA1 with SRP and Prescott Valley - Monitoring	W	599,450
240	CA1 with SRP and Prescott Valley - Modeling	W	225,231
240	Yavapai Gaming Compact	GR	100,000
241	Time and Attendance Software and Equipment	G	51,500
	<u>Community Development</u>		
241	Community Development Block Grant (CDBG)	GR	463,943
	<u>Fire Department</u>		
242	FEMA Assistance to Firefighters Grant	GR	1,639,300
242	Arizona Department of Homeland Security Grant	GR	90,000
242	Center for Public Safety Excellence Technical Assistance Program	G	42,000
	<u>Police Department</u>		
243	High Capacity Copier	G	20,000
	<u>Regional Communications</u>		
243	Public Safety Software System Upgrade	G	1,000,000
243	Recording System for Dispatch	G	25,000
	Total, City Manager, Fire, Police, Reg Comm		4,256,424
	<u>Recreation Services</u>		
244	Open Space Acquisitions	S	3,800,000
244	Pay Station replacement and addition of new Pay Stations	G	125,000
244	Golf Course Replacement Equipment	GC	43,400
245	Acker Park Improvements (reimbursed with developer funds)	G	19,800
	Total, Recreation Services		3,988,200
	<u>Economic Initiatives - Airport</u>		
245	Airport Master Plan	A, AG	525,000
245	TWY E Lights, Electrical Vault Relocation, Emergency Generator Replacement	A, AG	371,632
246	Airport Pavement Maintenance Program - ADOT	A, AG	350,000
246	RWY 3R-21L and 3L-21R and TWY A and C Lighting and Signage	A, AG	280,000
247	Security Upgrades	A, AG	250,000
247	Arizona Rural Economic Development Grant (REDG)	GR	250,000
247	FAA Tech Operations Facility - Building Upgrades and Maintenance	A	200,000
248	New Equipment - Snow Broom	A, AG	157,500
248	Replacement Equipment and Vehicle	A	125,000
249	Airport Pavement Preservation Program - City	A	100,000
249	USFS Fuel Line	A	50,000
249	Purchase of Lighted Xs for Runway Closures	A, AG	44,000
250	Administration Bathroom Renovations	A	25,000
250	RWY 12-30 PAPI and REIL Both Ends and RWY 3R-21L PAPI Both Ends	A, AG	21,500
250	Purchase of a FOD Boss	A	10,000
251	Airspace Obstruction Mitigation	A, AG	5,000
	Total, Airport		2,764,632

FY17 Capital Budget Listing by Department

Page No.	Description	Funding	FY17 Budget
<u>Field and Facilities</u>			
251	Rodeo Grounds Electrical Improvements	G	925,000
251	Vehicle Replacements - Street Maintenance	S	908,000
252	Vehicle Replacement - Residential Collections	SW	522,800
252	Electrical Infrastructure and Security Lighting at Sundog Transfer Station	S, SW	300,000
252	Transfer Station Floor Repair	SW	280,000
253	Transfer Station Main Scale Replacement	SW	270,000
253	Vehicle Replacement Fund - Fleet Services	FS	248,000
254	Tracking Devices for the City's Fleet	FS	230,000
254	Vehicle Replacement - Transfer Station	SW	220,000
255	Reconstruction of Virginia Street Complex Large Parking Lot	FM	100,000
255	Grace Sparks Activity Center Renovations	FM	60,000
255	Vehicle Alignment Equipment	FS	60,000
256	Maintenance Management System - Street Maintenance	S	38,102
Total, Field and Facilities			4,161,902
<u>Public Works</u>			
256	Pavement Preservation Program	S,W,WW	5,000,000
257	Chino Valley Tank	W	4,200,000
257	Goodwin Street/S Washington Avenue Pavement Reconstruction	S,W,WW	3,885,000
257	Smoke Tree Lane Reconstruction from Willow Creek to Birchwood Cove	S,W,WW	3,720,000
258	Sundog Trunk Main Upsizing	WW	3,306,286
258	Robinson Drive Pavement Reconstruction	S,W,WW	2,730,000
258	Rosser Street Pavement Reconstruction Phase IV	S	2,695,000
259	Sundog Force Main and Liftstation	WW	2,600,000
259	Carleton Street Alarcon Street Pavement Reconstruction and Drainage Improvements	S,W,WW	2,550,000
259	Main Line Replacements	W,WW	2,526,299
260	Fluoride Reduction	WW	1,550,000
260	SR89 Widening and Utility Improvements South of SR89A	S,W,WW	1,529,000
261	Walker Road Pavement Reconstruction	S,W	1,386,500
261	Penn Avenue - Eastwood Drive Pavement Reconstruction	S,W,WW	1,380,000
261	Zone 24/27, Water Pipeline Upsizing - from Thumb Butte Rd to Upper Thumb Butte Tank	S,W	1,336,364
262	Corsair Avenue Extension	GR	1,300,000
262	Dam Repairs	W	1,200,000
262	S. Marina Street Reconstruction	S,W,WW	1,079,140
263	SCADA System Installation and Upgrade	W,WW	1,000,000
263	Schemmer Drive Reconstruction	S,W,WW	969,733
264	Production Well No 5 Rehabilitation	W	900,000
264	Bashford Courts Alley and Parking Lot Reconstruction	S,W,WW	876,000
265	Willow Creek Road Realignment - (West Airport Distribution System Loop)	S,W,WW	850,000
265	N. Washington/Churchill Street Reconstruction	S,W,WW	835,350
265	Crystal Lane Realignment	S,W	825,000
266	Zone 16 Improvements, Virginia Pumpstation, Haisley Tank, Pipelines and Haisley Rd	S,W	800,000
266	Zone 12 Interconnection Pump Station	W	787,000
266	Alarcon Street Improvements	S	655,000
267	Watson and Willow Lakes Enhancement Program (TMDL)	S,W,WW	640,000
267	Public Works Vehicle Replacements	S,W,WW,E	737,000
268	Zone 56 Tank and Piping	W	600,000
268	Airport Zone Production Recovery Well #4	W	600,000
268	Miscellaneous Water & Wastewater Projects	W,WW	519,000
269	Hope/Autumn Breeze Improvements	S	466,540

FY17 Capital Budget Listing by Department

Page No.	Description	Funding	FY17 Budget
269	Willis-Cortez Intersection Improvements	W	450,000
269	Water and Wastewater Models Update	W,WW	401,600
270	SR69 Corridor Water Main	W	343,000
270	Acker Park Regional Detention	S	320,000
271	E. Goodwin Street Reconstruction	S,W,WW	300,000
271	Miscellaneous Streets Projects	S	300,000
271	Overland Road Bridge Reconstruction - Government Canyon	S	275,000
272	Downtown Drainage Improvements Program	S,W,WW	250,000
272	Zone 7 Lower Pump Station Replacement	W	250,000
272	Airport Trunk Main Sewer Improvement	WW	250,000
273	Sidewalk Replacement Program	S	250,000
273	Operations Building Expansion	WW	250,000
273	Permitting and Inspection Software Implementation	S,W,WW,G	250,000
274	S. Summit Avenue/S. McCormick Street/Beach Avenue Reconstruction	S,W,WW	206,056
274	Intersection Signalization Project	S	200,000
274	Energy Efficiency Program	W,WW	150,000
275	Willow Creek Road Wall Repairs	S	100,000
275	Darby Creek Way Reconstruction	S	55,000
275	Unpaved Streets Improvements	S	50,000
276	Streetscape Master Plan Development	S	50,000
Total, Public Works			<u>60,734,868</u>
Funding Summary, all projects			
General Fund (G)			2,333,300
Streets (S)			32,854,087
Streets - County Contribution (C)			1,050,000
Governmental Grants (GR)			3,843,243
Water (W)			19,342,090
Wastewater (WW)			11,730,474
Solid Waste (SW)			1,427,800
Airport (A)			629,929
Airport Grants (AG)			1,884,703
Golf Course (GC)			43,400
Engineering Fund (E)			69,000
Facilities Management (FM)			160,000
Fleet Services (FS)			538,000
Total			<u>75,906,026</u>

Capital Budget and Project Descriptions

City Manager

CA1 with SRP and Prescott Valley - Monitoring

Dept/Division: City Manager - Water Resource Management

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Water Fund	599,450	1,556,450	344,400	250,000	250,000	250,000	3,250,300

Description: Per City Contract No. 2013-058, Exhibit 4 (Big Chino Sub-basin Data Collection and Monitoring Plan) outlines the need for up to ten (10) new groundwater monitor wells. Exhibit 5 of the contract further defines and provides cost estimates for the siting/drilling of 5 shallow wells (spanning 2 years), and 2 deep wells.

Operating Impact: This is a feasibility study for importation of water from the Big Chino Water Ranch

CA1 with SRP and Prescott Valley - Modeling

Dept/Division: City Manager - Water Resource Management

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Water Fund	225,231	76,098	197,758	300,272	25,000	25,000	849,359

Description: Per City Contract No. 2013-058, Exhibit 3 (Proposal to Test Conceptual Models using Numerical Models and to Develop an Improved Hydrogeological Framework and Numerical Model of the Big Chino Sub basin Central, Arizona) described the Groundwater Flow Model requirement.

Operating Impact: This is a feasibility study for importation of water from the Big Chino Water Ranch

Yavapai Gaming Compact

Dept/Division: City Manager - City Manager's Office

Category: Operating Capital

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Grant Fund	100,000	-	-	-	-	-	100,000

Description: The Yavapai Gaming Compact provides pass through grant funding to the City for community support. This grant is given to the City to distribute to community recipients prescribed by the Tribal Board of Directors.

Operating Impact: None

Capital Budget and Project Descriptions

Time and Attendance Software and Equipment

Dept/Division: City Manager - Human Resources

Category: Operating Capital

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
General Fund	51,500	-	-	-	-	-	51,500

Description: Automate the time and attendance procedures for 700 employees and 300+ volunteers in over 62 payroll locations throughout the City. Tracking and resolving liability issues such as Family and Medical Leave Act (FMLA), Industrial, and Affordable Care Act (ACA) Compliance. As well as putting strong time management tools in the hands of supervisors, giving them the ability to resolve issues before they become a liability. Employees will better access to view their hours and benefits and will have improved communication capabilities with their supervisors. The project includes the software, annual license, implementation and training, and time clocks. This project began in FY15 and this amount is to finish the project.

Operating Impact: Annual software maintenance fees after implementation is complete.

Community Development

Community Development Block Grant (CDBG)

Dept/Division: Community Development – Administration, Planning & Zoning

Category: Operating Capital

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Grant Funds	463,943	-	-	-	-	-	463,943

Description: The grants budget is for the management of the Community Development Block Grant Program (CDGB). 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.

Operating Impact: N/A

Capital Budget and Project Descriptions

Fire Department

FEMA Assistance to Firefighters Grant

Dept/Division: Fire Department - Suppression

Category: Operating Capital

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Grant Funds	1,639,300	-	-	-	-	-	1,639,300

Description: The Fire department is budgeting for possible grant opportunities from the Federal Emergency Management Agency. If received, the funds could be used for a medium rescue vehicle, add-on components for the mobile live fire training, or thermal imaging cameras.

Operating Impact: N/A

Arizona Department of Homeland Security Grant

Dept/Division: Fire Department - Suppression

Category: Operating Capital

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Grant Funds	90,000	-	-	-	-	-	90,000

Description: The Fire department is budgeting for possible grant opportunities. If received, the funds could be used for hazmat equipment for joint response team, TRT equipment for regional response team, and/or thermal imaging cameras.

Operating Impact: N/A

Center for Public Safety Excellence Technical Assistance Program

Dept/Division: Fire Department - Administration

Category: Operating Capital

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
General Fund	42,000	-	-	-	-	-	42,000

Description: Enlist the support from the Center for Public Safety Excellence to aid the Prescott Fire Department with the development for both a Strategic Management Plan (SMP) and a Standards of Cover/Community Risk Management Plan as recommended by the recently completed ICMA study.

Operating Impact: N/A

Police Department

Capital Budget and Project Descriptions

High Capacity Copier

Dept/Division: Police Department - Support Bureau

Category: Operating Capital

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
General Fund	20,000	-	-	-	-	-	20,000

Description: Replacement copier for the Records section. The current copier is utilized for regular everyday public records requests, insurance requests, 3511 hearing paperwork, alarm paperwork, sex offender notifications, various bulk size investigation reports for trials as well as copies for the Alzheimer pamphlets and brochures.

Operating Impact: N/A

Regional Communications

Public Safety Software System Upgrade

Dept/Division: Regional Communications

Category: Operating Capital

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
General Fund	1,000,000	-	-	-	-	-	1,000,000

Description: Replace the current ADSi public safety software system with new and updated system necessary for supporting the ongoing efforts of Public Safety in our community. This project is a constellation or "ecosystem" of public safety related software which encompasses dispatchers, field units, records, and administrative staff with greater capabilities and functions. Would also enable operational efficiencies through increased automation and data integration/access.

Operating Impact: N/A

Recording System for Dispatch

Dept/Division: Regional Communications

Category: Operating Capital

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
General Fund	25,000	-	-	-	-	-	25,000

Description: Replacement of the current voice logging system utilized to store and query all phone traffic and radio traffic. This system needs to be upgraded or replaced with a system that is capable of handling the enormous amount of data that will be coming across for the next Generation 911 upgrades. The first portion of this upgrade will include text to 911 and is expected to occur sometime within the next 12-18 months, as determined by the State of Arizona 911 commission. In requesting this replacement we are taking into account the inevitable addition of video and photograph to 911 that the next generation system.

Operating Impact: Similar to current system

Capital Budget and Project Descriptions

Recreation Services

Open Space Acquisitions

Dept/Division: Recreation Services - Parks, Lakes, Trails, and Landscape Maintenance

Category: Capital Improvement Program

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Streets Fund	3,800,000	-	-	-	-	-	3,800,000

Description: This project provides dedicated fund balance for future open space acquisition opportunities. This funding will carry forward until depleted.

Operating Impact: Not yet determined

Pay Station replacement and addition of new Pay Stations

Dept/Division: Recreation Services - Parks, Lakes, Trails, and Landscape Maintenance

Category: Operating Capital

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
General Fund	125,000	-	-	-	-	-	125,000

Description: This project entails purchasing and installing pay kiosks at the lake locations and trail locations. The current pay stations are no longer available from the current vendor therefore a new pay station and company will be needed. This project includes eight total pay stations, four of which are for replacing the existing locations at Goldwater Lake, Watson Lake, Willow Lake, and South Peavine. The remaining four stations are for new locations at North Peavine, Willow Creek Dog Park, Willow Lake Road Parking, and an additional station added to Watson Lake.

Operating Impact: Increased revenue

Golf Course Replacement Equipment

Dept/Division: Recreation Services - Parks, Lakes, Trails, and Landscape Maintenance

Category: Operating Capital

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Golf Course Fund	43,400	56,900	123,800	50,000	145,000	-	419,100

Description: FY17: Golf Course Aerator \$31,500 and Sweeper \$11,900 (Total \$43,400)
 FY18: Greens mower \$33,700 and Golf Utility Vehicle - workman 23,200 (Total \$56,900)
 FY19: Rough mower \$65,000 and Fairway mower \$58,800 (Total \$123,800)
 FY20: Golf course mower \$50,000
 FY21: Rough mower \$65,000, Utility Vehicles \$40,000, Bunker Rake Equipment \$40,000 (\$Total 145,000)

Operating Impact: Having operable and the right equipment for projects allows the maintenance crew to work more efficiently and reduce labor hours

Capital Budget and Project Descriptions

Acker Park Improvements (reimbursed with developer funds)

Dept/Division: Recreation Services - Parks, Lakes, Trails, and Landscape Maintenance

Category: Operating Capital

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
General Fund	19,800	-	-	-	-	-	19,800

Description: This item addresses funding needed improvement to Acker Park, and includes but is not limited to, parking upgrades, lighting, and other amenities.

Operating Impact: Initially, the improvements will have no effect on the operating budget, with minimal maintenance needed in future.

Economic Initiatives – Airport

Airport Master Plan

Dept/Division: Economic Initiatives - Airport

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
FAA	500,000	500,000	-	-	-	-	1,000,000
ADOT	12,500	12,500	-	-	-	-	25,000
Airport (City)	12,500	12,500	-	-	-	-	25,000
Total	525,000	525,000	-	-	-	-	1,050,000

Description: Conduct a comprehensive Airport Master Plan Update to include Federal Aviation Regulation Part 77 and Part 150 studies and complete additional elements that include an eALP, AGIS, and RIM study required for current and future grant assurances. The Airport Master Plan was last updated in 2010 and approved by City Council in 2010. This AMP will benefit Prescott Municipal Airport by including a new vision of airport development committees as approved recently by the City Council.

TWY E Lights, Electrical Vault Relocation, Emergency Generator Replacement

Dept/Division: Economic Initiatives - Airport

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
FAA	353,950	-	-	-	-	-	353,950
ADOT	8,841	-	-	-	-	-	8,841
Airport (City)	8,841	-	-	-	-	-	8,841
Total	371,632	-	-	-	-	-	371,632

Description: FY16 Construct installation of taxiway lighting for Twy E; Relocate primary airfield electrical vault; Replace and Upgrade the Airfield Emergency Generator; Replace the Segmented Circle. Project completion is scheduled for May of 2016 with funds dedicated in FY 2016. Retainage will carry over into FY 17.

Capital Budget and Project Descriptions

Airport Pavement Maintenance Program - ADOT

Dept/Division: Economic Initiatives - Airport

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
ADOT	315,000	1,372,000	1,350,000	-	1,350,000	-	4,387,000
Airport (City)	35,000	152,500	150,000	-	150,000	-	487,500
Total	350,000	1,524,500	1,500,000	-	1,500,000	-	4,874,500

Description: For these projects, the City contributes a 10% match to the overall project and coordinates the construction work locally and with ADOT's select contractor.

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 need for more costly pavement overlays and/or reconstruction.

RWY 3R-21L and 3L-21R and TWY A and C Lighting and Signage

Dept/Division: Economic Initiatives - Airport

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
FAA	-	-	2,303,750	-	-	-	2,303,750
ADOT	252,000	-	60,625	-	-	-	312,625
Airport (City)	28,000	-	60,625	-	-	-	88,625
Total	280,000	-	2,425,000	-	-	-	2,705,000

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
 FY19 - Construct - Runway 3R-21L and 3L-21R and Taxiway A and C lighting and signage and navigation aid replacement and upgrade

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.

Capital Budget and Project Descriptions

Security Upgrades

Dept/Division: Economic Initiatives - Airport

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
ADOT	225,000	1,350,000	-	-	-	-	1,575,000
Airport (City)	25,000	150,000	-	-	-	-	175,000
Total	250,000	1,500,000	-	-	-	-	1,750,000

Description: FY17 - Design upgrade of security fencing to include approximately 29,000 linear feet of fencing, with cameras, access control devices to meet FAA Runway Safety Action Team Report Item PRC-2006-006. -- This will coordinate with the design of the new ARFF and Airport Operations Building and the Master Lock System.

FY18 - Construct upgrades to include approximately 29,000 linear feet of fencing, with cameras, access control devices to meet FAA Runway Safety Action Team Report Item PRC-2006-006. -- This will coordinate with the design of the new ARFF and Airport Operations Building and the Master Lock System.

Operating Impact: Reduced maintenance

Arizona Rural Economic Development Grant (REDG)

Dept/Division: Economic Initiatives - Economic Development

Category: Operating Capital

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Grants	250,000	-	-	-	-	-	250,000

Description: Funding to assist rural Arizona communities develop infrastructure to strengthen capacity and competitiveness for economic growth. This grant requires a 10% match from the City, or up to \$25,000.

FAA Tech Operations Facility - Building Upgrades and Maintenance

Dept/Division: Economic Initiatives - Airport

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Airport (City)	200,000	100,000	-	-	-	-	300,000

Description: FY17 - Design and Replacement of HVAC system and Roof
 FY18 - Perform Maintenance activities that include installing new flooring, replacing of damaged ceiling tiles and upgrades, parking lot maintenance (crack seal) and painting of the interior of the building.

Operating Impact: Reduced maintenance

Capital Budget and Project Descriptions

New Equipment - Snow Broom

Dept/Division: Economic Initiatives - Airport

Category: Operating Capital

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
FAA	149,625	-	-	-	-	-	149,625
ADOT	3,937	-	-	-	-	-	3,937
Airport (City)	3,938	-	-	-	-	-	3,938
Total	157,500	-	-	-	-	-	157,500

Description: Airports have a responsibility to provide for safe and efficient removal of all contaminants from airfield surfaces utilized by aircraft, this includes snow, ice, slush, sand, standing water, etc.

Operating Impact: Reduction in maintenance costs and wear-and-tear for vehicles during snow removal or FOD control operations, labor efficiency

Replacement Equipment and Vehicle

Dept/Division: Economic Initiatives - Airport

Category: Vehicle Replacements and Additions

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Airport (City)	125,000	95,000	110,000	110,000	170,000	150,000	760,000

Description: FY17 - Tractor and Mower
 FY18 - Tandem Dump Truck/Bucket Truck Retained Surplus (fleet ID# 1042); Retained Surplus Tractor with Mower
 FY18 - Truck #5 (fleet ID# 1215) Replacement
 FY19 - Truck #6 (fleet ID#1216) Replacement; Truck #8 (fleet ID #1290) Replacement with snow plow
 FY20 - Truck #3 (fleet ID# 1278) Replacement; Truck #1 (fleet ID# 1279) Replacement
 FY21 - Backhoe Replacement; Equipment Trailer Replacement

Operating Impact: Reduction in annual vehicle or equipment maintenance costs incurred by aging fleet, increase productivity

Capital Budget and Project Descriptions

Airport Pavement Preservation Program - City

Dept/Division: Economic Initiatives - Airport

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Airport (City)	100,000	-	200,000	200,000	200,000	200,000	900,000

Description: The Airport Pavement Preservation program (APPP) is designed to provide for the maintenance and repair of all pavements operated and maintained by the Airport. As a condition of acceptance of each federal and state grant, the City agrees to implement an effective APPP to maintain all the airport pavement. These maintenance items include routine crack seal and seal coat projects, pavement overlays, and pavement reconstruction.

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.

USFS Fuel Line

Dept/Division: Economic Initiatives - Airport

Category: Operating Capital

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Airport (City)	50,000	-	-	-	-	-	50,000

Description: Construction of a new fuel line at the US Forest Service facility per the lease agreement.

Operating Impact: Maintenance

Purchase of Lighted X's for Runway Closures

Dept/Division: Economic Initiatives - Airport

Category: Operating Capital

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
ADOT	40,000	-	-	-	-	-	40,000
Airport (City)	4,000	-	-	-	-	-	4,000
Total	44,000	-	-	-	-	-	44,000

Description: Purchase of a set of two "lighted X's" for use during runway closures as recommended by the Federal Aviation Administration.

Operating Impact: Improve safety

Capital Budget and Project Descriptions

Administration Bathroom Renovations

Dept/Division: Economic Initiatives - Airport

Category: Operating Capital

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Airport (City)	25,000	-	-	-	-	-	25,000

Description: Renovation and updating the Administrative Office Building restrooms.

Operating Impact: None

RWY 12-30 PAPI and REIL Both Ends and RWY 3R-21L PAPI Both Ends

Dept/Division: Economic Initiatives - Airport

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
ADOT	19,350	-	-	-	-	-	19,350
Airport (City)	2,150	-	-	-	-	-	2,150
Total	21,500	-	-	-	-	-	21,500

Description: Construction on the runway signage and navigational aid systems scheduled for completion in FY16, project retention carried into FY17

Operating Impact: Reduced maintenance, required for safety

Purchase of a FOD Boss

Dept/Division: Economic Initiatives - Airport

Category: Operating Capital

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Airport (City)	10,000	-	-	-	-	-	10,000

Description: Purchase of one Foreign Object Debris (FOD) boss to reduce and remove debris on the airfield. The Airport does not currently have sufficient equipment.

Operating Impact: Required for safety, increase productivity

Capital Budget and Project Descriptions

Airspace Obstruction Mitigation

Dept/Division: Economic Initiatives - Airport

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
ADOT	4,500	-	-	274,500	-	-	279,000
Airport (City)	500	-	-	30,500	-	-	31,000
Total	5,000	-	-	305,000	-	-	310,000

Description: FY17 - Environmental Assessment for Mitigation of identified airspace obstructions to the runway approaches
 FY20 - Design and Construct Mitigation of identified airspace obstructions to the runway approaches

Operating Impact: Reduce maintenance costs for newer LED lights, trees and bushes identified and not removed will need to be monitored and periodically trimmed.

Field and Facilities

Rodeo Grounds Electrical Improvements

Dept/Division: Field and Facilities – Facilities Management

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
General Fund	925,000	475,000	-	-	-	-	1,400,000

Description: Long-deferred electrical improvements to meet current electrical, lighting, and OSHA codes. New electrical service, elimination of transformers currently located on top of Grandstands. All new distribution panels, sub panels, circuits, conduits, electrical outlets, emergency lighting. New arena and parking lights.

Operating Impact: Reduce maintenance, improve safety

Vehicle Replacements - Street Maintenance

Dept/Division: Field and Facilities – Street Maintenance

Category: Vehicle Replacements and Additions

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Streets Fund	908,000	326,966	725,208	725,078	464,158	350,773	3,500,183

Description: The Street Maintenance Division maintains over 600 lane miles of City streets. Operations include snow plowing, storm cleanup, right-of-way maintenance and pavement and concrete repair and maintenance. Timely replacement of vehicles and equipment allows for the continued provision of services to the public and allows for timely response by crews during emergencies.

Operating Impact: Reduce maintenance, improve safety

Capital Budget and Project Descriptions

Vehicle Replacement - Residential Collections

Dept/Division: Field and Facilities - Solid Waste

Category: Vehicle Replacements and Additions

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Solid Waste Fund	522,800	314,000	274,000	546,000	436,975	275,400	2,369,175

Description: Solid Waste Division user fees are built around a replacement cycle of collection vehicles to remain efficient and competitive. The replacement of this equipment is imperative for providing a sustainable and efficient service to the customers of the City of Prescott.

Operating Impact: None. Operational and maintenance costs for vehicles are already budgeted in the Solid Waste operating fund.

Electrical Infrastructure and Security Lighting at Sundog Transfer Station

Dept/Division: Field and Facilities - Solid Waste & Street Maintenance

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Solid Waste Fund	135,000	-	-	-	-	-	135,000
Streets Fund	165,000	-	-	-	-	-	165,000
Total	300,000	-	-	-	-	-	300,000

Description: Install electrical infrastructure to support parking lot lighting, equipment ready line lighting, automated gates, scales, and other facility locations.

Operating Impact: Increased APS electric service bill is estimated at \$500 per month and will be split 50/50 between Solid Waste and Street Maintenance.

Transfer Station Floor Repair

Dept/Division: Field and Facilities – Solid Waste

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Fleet Maintenance	280,000	-	-	-	-	-	280,000

Description: Repairs to the Transfer Station floor at loading pit walls both inside and outside of the building. Solid waste and recyclables are dumped onto the floor and loaded into the pit in between the interior and exterior floors. The pit walls and floor have worn down over the years to a point where regular maintenance is not stopping deterioration.

Operating Impact: The floor and pit walls are in need of repair, and must be fixed in order to maintain operations and preserve the asset.

Capital Budget and Project Descriptions

Transfer Station Main Scale Replacement

Dept/Division: Field and Facilities – Solid Waste

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Fleet Maintenance	270,000	-	-	-	-	-	270,000

Description: The purchase and installation of the two new scales are needed because of the age of the existing scales.

Operating Impact: Decreased maintenance as the existing scales have been in use since 1991, have exhausted their useful life, and repairs are becoming more frequent.

Vehicle Replacement Funds - Fleet Services

Dept/Division: Field and Facilities - Fleet Services

Category: Vehicle Replacements and Additions

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Fleet Maintenance	248,000	165,000	200,000	200,000	200,000	200,000	1,213,000

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.

FY16 Carryover: Replace Police Investigations 2004 Ford Explorer \$28,000

FY17 Replacements: Facilities Management 1995 Ford Van \$25,000, Police Patrol 2008 Ford Crown Vic \$65,000, Police Patrol 2011 Chevy Tahoe \$65,000, Police Patrol Vehicle TBD \$65,000.

Operating Impact: Any asset identified for replacement is then individually scrutinized (maintenance history, utilization, outdated safety features, etc.) prior to being placed on the replacement list.

Capital Budget and Project Descriptions

Tracking Devices for the City's Fleet

Dept/Division: Field and Facilities - Fleet Services

Category: Operating Capital

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Fleet Maintenance	230,000	-	-	-	-	-	230,000

Description: A vehicle tracking system consists of a tracking device placed inside a vehicle along with a data server and software that lets the user track the fleet. The information can provide any fleet vehicle's speed, position and direction of travel. The device inside the vehicle transmits its position on regular intervals in order to remain up to date at all times. By making use of advanced technology to improve operations, the City will also improve efficiency and reduce fleet costs.

Operating Impact: The data obtained from the devices helps to reduce fleet costs, increase productivity, and improve vehicle and equipment utilization.

Vehicle Replacement - Transfer Station

Dept/Division: Field and Facilities - Solid Waste

Category: Vehicle Replacements and Additions

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Solid Waste Fund	220,000	50,000	150,000	36,400	100,000	26,250	582,650

Description: 2017-Replace Equipment No. 1381, Caterpillar Tool Carrier.
 2018-Replace Vehicle No. 1268, Ford F350 Service truck.
 2019- Replace Equipment No. 788, Allied Compactor.
 2020-Replace Vehicle No. 979, Dodge pickup.
 2021-Replace Equipment No. 1334, Mack walking floor trailer.
 2022 -Replace Vehicle No. 1196, Ford pickup

Operating Impact: Solid Waste Division user fees are built around a replacement cycle to remain efficient and competitive. The replacement of this equipment is imperative for providing a sustainable and efficient service to the customers of the City of Prescott.

Capital Budget and Project Descriptions

Reconstruction of Virginia Street Complex Large Parking Lot

Dept/Division: Field and Facilities - Facilities Management

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Facilities Maintenance	100,000	-	-	-	-	-	100,000

Description: Install concrete gutter with new asphalt/stripping in large parking area behind Engineering Services/Motor Cops at the Virginia Street Complex.

Operating Impact: No impact for the first five years; thereafter, periodic restriping, sealing and maintenance.

Grace Sparks Activity Center Renovations

Dept/Division: Field and Facilities - Facilities Management

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Facilities Maintenance	60,000	20,000	192,461	86,563	130,686	-	489,710

Description: FY17: Providing air conditioning and replacement of eight furnaces
 FY18: Energy efficiency upgrade to windows.
 FY19: Projects include a new fire sprinkler system throughout the building.
 FY20: Replace and provide new supply piping (water, gas) to the building.
 FY21: Replace and provide new drain piping to the building.

Operating Impact: Normal recurring facility maintenance

Vehicle Alignment Equipment

Dept/Division: Field and Facilities - Fleet Services

Category: Operating Capital

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Fleet Maintenance	60,000	-	-	-	-	-	60,000

Description: Purchase of machines for performing tire alignments on both light duty and heavy duty equipment.

Operating Impact: Currently, the Fleet Services Division sends out light duty fleet vehicles to outside vendors for this service. In the Prescott area there are no heavy duty alignment services available. Owning this equipment instead of using outside vendors would save the City time and money.

Capital Budget and Project Descriptions

Maintenance Management System - Street Maintenance

Dept/Division: Field and Facilities - Street Maintenance

Category: Operating Capital

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Streets Fund	38,102	-	-	-	-	-	38,102

Description: The Street Maintenance Division uses a maintenance management system (MMS) for budgeting, work planning, work tracking and asset management. The current program is not compatible with the system (Lucity) used by other Departments within the City. The Lucity MMS is also preferred by the Information Technology Department.

Operating Impact: The annual maintenance cost for CitiTech is approximately \$10,000.00. The annual maintenance cost for the Lucity program is \$2,400.00, a savings of \$7,600.00 annually.

Public Works

Pavement Preservation Program

Dept/Division: Public Works - Program Development

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Streets Fund	4,700,000	4,700,000	4,700,000	4,700,000	4,700,000	4,700,000	28,200,000
Water Fund	250,000	250,000	250,000	250,000	250,000	250,000	1,500,000
Wastewater Fund	50,000	50,000	50,000	50,000	50,000	50,000	300,000
Total	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	30,000,000

Description: This is a recurring, 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. Streets where milling and paving is performed may require utility upgrades based on age and condition

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.

Capital Budget and Project Descriptions

Chino Valley Tank

Dept/Division: Public Works - Program Development

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Water Fund	4,200,000	1,000,000	-	-	-	-	5,200,000

Description: This project is for the addition of a new 5-million gallon storage tank at the Chino Valley water production facility. The new tank will supply additional water production storage from the Chino well field to provide redundancy and capacity for future demands.

Operating Impact: Minor operational impacts are expected for upkeep of the new facility

Goodwin Street/S Washington Avenue Pavement Reconstruction

Dept/Division: Public Works - Program Development

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Streets Fund	3,115,000	-	-	-	-	-	3,115,000
Water Fund	495,000	-	-	-	-	-	495,000
Wastewater	275,000	-	-	-	-	-	275,000
Total	3,885,000	-	-	-	-	-	3,885,000

Description: This project is for the reconstruction of E Goodwin Street from Mount Vernon Avenue to Penn Avenue and reconstruction of S Washington From Acker Park to E Gurley Street. The project includes water, sewer, dry utility, drainage upgrades and streetscape features.

Operating Impact: Completion of this project will result in a reduction in overall maintenance and operational expenses, due to the improved condition of the transportation and utility systems.

Smoke Tree Lane Reconstruction from Willow Creek to Birchwood Cove

Dept/Division: Public Works - Program Development

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Streets Fund	2,536,000	-	-	-	-	-	2,536,000
Water Fund	1,120,000	-	-	-	-	-	1,120,000
Wastewater	64,000	-	-	-	-	-	64,000
Total	3,720,000	-	-	-	-	-	3,720,000

Description: This project is to reconstruct a portion of Smoketree Lane roadway and utilities from Willow Creek Road to Birchwood Cove. The project includes construction of an 18" water main in Smoke Tree Ln from the 30" main in Willow Creek Road to Birchwood Cove, reconnection of existing services and resolution of wastewater conflicts and pavement reconstruction. This main line will serve as distribution/transmission main and will provide connectivity to mains in the Prescott Lakes area.

Operating Impact: Reduced maintenance due to elimination of aged infrastructure.

Capital Budget and Project Descriptions

Sundog Trunk Main Upsizing

Dept/Division: Public Works - Program Development

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Wastewater	3,306,286	6,680,000	3,300,000	-	-	-	13,286,286

Description: This project is to design replacements and upgrades to the Sundog Trunk Main as part of the centralization program. Phase 1 replacements begin at Prescott Lakes Parkway and continue north along Highway 89, to Lillian Lane. Phase 2 replacements begin Prescott Lakes Parkway and SR89 to the Veterans Administration Center. Phase 3 replacements begin at the Veterans Administration Center to Miller Valley Road.

Operating Impact: This project will reduce longer term maintenance through a centralized wastewater reclamation system.

Robinson Drive Pavement Reconstruction

Dept/Division: Public Works - Program Development

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Streets Fund	1,724,000	1,000,000	-	-	-	-	2,724,000
Water Fund	635,000	-	-	-	-	-	635,000
Wastewater	371,000	-	-	-	-	-	371,000
Total	2,730,000	1,000,000	-	-	-	-	3,730,000

Description: This project is for the reconstruction of Robinson Drive from Gurley Street to the City Limits. The project includes water, sewer, dry utilities and drainage improvements as well as sidewalks on one side of the street.

Operating Impact: The pavement surface has deteriorated with age and full reconstruction is required. 900 lineal feet of City water line just beyond the pavement reconstruction has been identified as a significant maintenance problem. This segment of water line will also be replaced with this project

Rosser Street Pavement Reconstruction Phase IV

Dept/Division: Public Works - Program Development

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Streets Fund	2,695,000	-	-	-	-	-	2,695,000

Description: This project is for the reconstruction of Rosser Street from Campbell Avenue to Eagle View Drive. Minor utility, drainage, sidewalk and driveway improvements will also be made.

Operating Impact: Completion of this project will result in a reduction in overall maintenance and operational expenses, due to the improved condition of the transportation system.

Capital Budget and Project Descriptions

Sundog Force Main and Liftstation

Dept/Division: Public Works - Program Development

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Wastewater	2,600,000	-	-	-	-	-	2,600,000

Description: This project is to construct a lift station and force main at the Sundog Wastewater Treatment Plant to move flows and process solids to the Airport WRF. The flows will be pumped and connected into the Sundog Trunk Main in SR 89. This is the first step toward centralization.

Operating Impact: The operating budget is expected to decrease once the identified improvements are constructed. Budget reductions will come from decreased goods/supplies, facilities maintenance, personnel, equipment maintenance, and vehicles.

Carleton Street Alarcon Street Pavement Reconstruction and Drainage Improvements

Dept/Division: Public Works - Program Development

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Streets Fund	1,545,000	-	-	-	-	-	1,545,000
Streets - County Cont.	550,000	-	-	-	-	-	550,000
Water Fund	210,000	-	-	-	-	-	210,000
Wastewater	245,000	-	-	-	-	-	245,000
Total	2,550,000	-	-	-	-	-	2,550,000

Description: This project is for street, drainage and utility improvements on Carleton Street from Granite Creek to Alarcon Street. Improvements to Carleton Street include pavement replacement from Montezuma to Cortez, mill and overlay from Cortez Street to Alarcon Street and new storm drain from Granite Creek to Alarcon St. This project will also include pavement reconstruction, streetscape, and utility and drainage improvements on Alarcon Street from Aubrey Street to Carleton Street.

Operating Impact: Completion of this project will result in a reduction in overall maintenance and operational expenses, due to the improved condition of the street and drainage systems.

Main Line Replacements

Dept/Division: Public Works - Program Development

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Water Fund	1,500,278	1,250,000	1,250,000	1,250,000	1,250,000	1,250,000	7,750,278
Wastewater	1,026,021	250,000	250,000	250,000	250,000	250,000	2,276,021
Total	2,526,299	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	10,026,299

Description: This project will replace existing deficient mains (age, condition, capacity) with new water mains

Operating Impact: Reduction in overall maintenance and operational expenses

Capital Budget and Project Descriptions

Fluoride Reduction

Dept/Division: Public Works - Program Development

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Wastewater	1,550,000	-	-	-	-	-	1,550,000

Description: This project will provide pretreatment to reduce fluoride prior to discharging into the Publically Owned Treatment Works. The required infrastructure to convey the fluoride concentrated flow to an area where it can be treated may include gravity sewer mains, manholes, lift station, and force main. Other costs include litigation expenses borne out of the United States District Court Ruling (Arizona Case No. 3:13-cv-08236-JAT)

Operating Impact: The process will increase the operational budget due to electricity, chemicals, supplies, disposal, permitting, and labor.

SR89 Widening and Utility Improvements South of SR89A

Dept/Division: Public Works - Program Development

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Streets Fund	1,004,000	1,952,000	-	-	-	-	2,956,000
Water Fund	300,000	100,000	-	-	-	-	400,000
Wastewater	225,000	45,000	-	-	-	-	270,000
Total	1,529,000	2,097,000	-	-	-	-	3,626,000

Description: This project is to reconstruct a portion of SR89 between the SR89A/Pioneer Parkway intersection and Granite Dells. The project includes water, sewer, dry utilities, drainage and intersection improvements. Intersection improvements at the Side Road Connector 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: Construction of this project will expand and improve the City's transportation system which will increase the asset for long-term maintenance. The planned improvements will improve traffic safety.

Capital Budget and Project Descriptions

Walker Road Pavement Reconstruction

Dept/Division: Public Works - Program Development

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Streets Fund	1,286,500	-	-	-	-	-	1,286,500
Water Fund	100,000	-	-	-	-	-	100,000
Total	1,386,500	-	-	-	-	-	1,386,500

Description: Remove and reconstruct Walker Road pavement between SR69 and the City Limits. Minor drainage improvements are included in this project

Operating Impact: Completion of this project will result in a reduction in overall maintenance and operational expenses, due to the improved condition of the transportation system.

Penn Avenue - Eastwood Drive Pavement Reconstruction

Dept/Division: Public Works - Program Development

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Streets Fund	928,000	3,720,000	-	-	-	-	4,648,000
Water Fund	226,000	300,000	-	-	-	-	526,000
Wastewater	226,000	300,000	-	-	-	-	526,000
Total	1,380,000	4,320,000	-	-	-	-	5,700,000

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. The project will also include water, sewer, and other dry utilities, as necessary. Additionally, sidewalk will be added on Penn Avenue and storm drain in Eastwood Drive.

Operating Impact: Completion of this project will result in a reduction in overall maintenance and operational expenses, due to the improved condition of the transportation and utility systems.

Zone 24/27, Water Pipeline Upsizing - from Thumb Butte Rd to Upper Thumb Butte Tank

Dept/Division: Public Works - Program Development

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Streets Fund	300,000	767,520	-	-	-	-	1,067,520
Water Fund	1,036,364	941,736	-	-	-	-	1,978,100
Total	1,336,364	1,709,256	-	-	-	-	3,045,620

Description: This project is to upgrade 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

Corsair Avenue Extension

Dept/Division: Public Works - Program Development

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Grants Fund	1,300,000	-	-	-	-	-	1,300,000

Description: The project extends Corsair Avenue southwesterly to Wilkinson Drive, approximately 0.5 miles. The Economic Initiatives Department received a \$500,000 grant from the Arizona Commerce Authority/Arizona Department of Transportation Economic Strength Project Program. The remaining portion is expected to be contributed by a private partner.

Operating Impact: Additional infrastructure to maintain

Dam Repairs

Dept/Division: Public Works - Program Development

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Water Fund	1,200,000	-	50,000	-	50,000	-	1,300,000

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 replace two original large diameter valves at Granite Creek Dam and also provide required access at Granite Creek dam.

Operating Impact: Ongoing phases will address maintenance needs identified by City personnel and/or ADWR Dam Safety Inspectors.

S. Marina Street Reconstruction

Dept/Division: Public Works - Program Development

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Streets Fund	871,140	-	-	-	-	-	871,140
Water Fund	176,000	-	-	-	-	-	176,000
Wastewater	32,000	-	-	-	-	-	32,000
Total	1,079,140	-	-	-	-	-	1,079,140

Description: This project is for the reconstruction of S. Marina Street from E Gurley Street to E Goodwin Street. The project also includes pedestrian improvements at intersections, streetscape landscaping, water quality improvements, water utility and dry utility relocations.

Operating Impact: Reduced street maintenance.

Capital Budget and Project Descriptions

SCADA System Installation and Upgrade

Dept/Division: Public Works - Program Development

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Water Fund	706,000	500,000	500,000	-	-	-	1,706,000
Wastewater	294,000	250,000	250,000	-	-	-	794,000
Total	1,000,000	750,000	750,000	-	-	-	2,500,000

Description: The installation/upgrades of the Telemetry (SCADA) System will allow automatic control and monitoring (alarm conditions - high low level/pressure conditions) associated with the City's water Production facilities and wastewater facilities. This program will be implemented (phased in) over a period of years based on budgetary allowances.

Operating Impact: Reduced labor and transportation costs due to ability to monitor the system remotely. Reduced system failure-related costs due to ability to respond to emergency situations more promptly.

Schemmer Drive Reconstruction

Dept/Division: Public Works - Program Development

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Streets Fund	969,733	700,000	500,000	-	-	-	2,169,733
Water Fund	-	90,000	-	-	-	-	90,000
Wastewater	-	100,000	-	-	-	-	100,000
Total	969,733	890,000	500,000	-	-	-	2,359,733

Description: This project is for the rehabilitation and reconstruction of Schemmer Drive from Miller Valley Road to Gail Gardner Way. The western section of the roadway will be rehabilitated with milling and repaving. The eastern segment of the roadway will be fully reconstructed. The project also includes the addition of curbs to improve street drainage. Additionally, street drainage improvements will extend beyond Miller Valley Road to Granite Creek.

Operating Impact: Reduced street maintenance costs.

Capital Budget and Project Descriptions

Production Well No 5 Rehabilitation

Dept/Division: Public Works - Program Development

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Water Fund	900,000	-	-	-	-	-	900,000

Description: Well #5 is located in the Chino Meadows Sub Division in Chino Valley. This well is the City of Prescott's second largest producer of safe drinking water rated at a capacity of 2300 GPM. The City upgraded this well in 1985 which included a new 300 hp motor, pump, pump controls, electrical components, a pump base and assorted piping. The well house, its electrical controls, and HVAC components are failing beyond service repair. Projects in subsequent years will redrill or re-equip production wells to meet regulatory standards.

Operating Impact: Positive impacts include improved electrical efficiency, improved environmental (sanitary) conditions, and health and safety effects (security).

Bashford Courts Alley and Parking Lot Reconstruction

Dept/Division: Public Works - Program Development

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Streets Fund	721,000	-	-	-	-	-	721,000
Water Fund	-	-	-	-	-	-	-
Wastewater	155,000	-	-	-	-	-	155,000
Total	876,000	-	-	-	-	-	876,000

Description: This project is for the reconstruction of the Bashford Courts alley and the construction of an underground storm drain system to remove roof drainage away from structures and alley surface. The project also includes redesign and reconstruction of the parking lot incorporating streetscape landscaping and stormwater quality improvements.

Operating Impact: Reduced street maintenance of poor pavement and drainage problems

Capital Budget and Project Descriptions

Willow Creek Road Realignment - (West Airport Distribution System Loop)

Dept/Division: Public Works - Program Development

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Streets Fund	450,000	-	-	-	-	-	450,000
Streets - County Cont.	400,000	-	-	-	-	-	400,000
Total	850,000	-	-	-	-	-	850,000

Description: The project provides for the design and construction of the realignment of Willow Creek Road between Pioneer Parkway and Deep Well Ranch Road. The project also includes the construction of a section of Deep Well Ranch Road between Willow Creek Road and SR89. A water main will be extended along a portion of the realigned Willow Creek Road and then to the east to connect with existing water mains at the Airport. This project is a continuation from FY16.

Operating Impact: Additional infrastructure to maintain.

N. Washington/Churchill Street Reconstruction

Dept/Division: Public Works - Program Development

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Streets Fund	835,350	-	-	-	-	-	835,350

Description: The project is for the reconstruction of pavement and drainage infrastructure on N Washington Street from Sheldon Street to Churchill Street. The project also includes the reconstruction of Churchill Street between N Washington and Arizona St.

Operating Impact: Reduced maintenance.

Crystal Lane Realignment

Dept/Division: Public Works - Program Development

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Streets Fund	745,000	-	-	-	-	-	745,000
Water Fund	80,000	-	-	-	-	-	80,000
Total	825,000	-	-	-	-	-	825,000

Description: The project will realign the portion of Crystal Lane between Ruger Road and the Janine Drive intersection at the private aviation side of the Prescott Airport. The length of the roadway project is approximately 500 feet and includes utility relocations and abandonment.

Operating Impact: No on-going maintenance and operations budget impacts.

Capital Budget and Project Descriptions

Zone 16 Improvements, Virginia Pumpstation, Haisley Tank, Pipelines and Haisley Rd Reconstr.

Dept/Division: Public Works - Program Development

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Streets Fund	-	1,700,000	-	-	-	-	1,700,000
Water Fund	800,000	3,036,700	1,000,000	-	-	-	4,836,700
Total	800,000	4,736,700	1,000,000	-	-	-	6,536,700

Description: This project is to replace and upsize the Haisley Tank, replace and upsize the Virginia Street Pump Station and replace and upsize 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: Reduced maintenance due to elimination of aged infrastructure.

Zone 12 Interconnection Pump Station

Dept/Division: Public Works - Program Development

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Water Fund	787,000	-	-	-	-	-	787,000

Description: The project consists of constructing a pump station at the southwest corner of Pioneer Parkway and Willow Creek Road. The pump station will provide the City the ability to utilize airport area wells to serve properties throughout the Cities service area. This configuration will also provide water supply redundancy in the event of a failure at the Chino Valley Water Production Facility.

Operating Impact: The upgrade will have an impact on the operating budget through additional facility O&M. However, the cost to pump from this location is more cost effective and will reduce the electricity consumption.

Alarcon Street Improvements

Dept/Division: Public Works - Program Development

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Streets Fund	655,000	-	-	-	-	-	655,000

Description: This project is for street, water quality and streetscape improvements on Alarcon Street from Sheldon Street to E. Gurley Street. Improvements to Alarcon Street include pavement replacement. This project will also include streetscape beautification, and drainage improvements on Alarcon Street.

Operating Impact: Completion of this project will result in a reduction in overall maintenance and operational expenses, due to the improved condition of the street and drainage systems.

Capital Budget and Project Descriptions

Watson and Willow Lakes Enhancement Program (TMDL)

Dept/Division: Public Works - Program Development

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Streets Fund	133,000	-	-	-	-	-	133,000
Water Fund	477,000	261,000	261,000	261,000	261,000	261,000	1,782,000
Wastewater	30,000	-	-	-	-	-	30,000
Total	640,000	261,000	261,000	261,000	261,000	261,000	1,945,000

Description: This project provides for water and sediment sampling, testing and data analysis at Willow and Watson Lakes. 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 Vehicle Replacements

Dept/Division: Public Works

Category: Vehicle Replacements and Additions

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Streets Fund	45,000	-	-	-	100,000	-	145,000
Water Fund	318,000	136,000	169,000	188,000	245,000	150,000	1,206,000
Wastewater	305,000	113,000	275,000	400,000	225,000	100,000	1,418,000
Engineering Fund	69,000	25,000	-	25,000	-	25,000	144,000
Total	737,000	274,000	444,000	613,000	570,000	275,000	2,913,000

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.

Capital Budget and Project Descriptions

Zone 56 Tank and Piping

Dept/Division: Public Works

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Water Fund	600,000	3,422,209	-	-	-	-	4,022,209

Description: This project will consist of a new 1.5 million gallon tank for pressure zone 56. Included is 6,440 LF of piping extending from the new tank to the Zone 7 pump station and continuing westward to U-Haul along the SR69 corridor and connecting to the existing system.

Operating Impact: Additional long-term tank maintenance including cleaning and painting.

Airport Zone Production Recovery Well #4

Dept/Division: Public Works

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Water Fund	600,000	700,000	-	-	-	-	1,300,000

Description: This project is for a new well at the Zone 12 water storage tank site within the airport area. It includes siting and development of an additional production/recovery wells. The project budget includes possible arsenic treatment and would only be used if determined to be necessary during initial well development and testing.

Operating Impact: Minor operational impacts are expected for upkeep of the new facility.

Miscellaneous Water & Wastewater Projects

Dept/Division: Public Works

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Water Fund	332,000	188,000	194,000	200,000	206,000	212,000	1,332,000
Wastewater	187,000	193,000	199,000	205,000	212,000	218,000	1,214,000
Total	519,000	381,000	393,000	405,000	418,000	430,000	2,546,000

Description: Unforeseen and unexpected 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. Pavement rehabilitation is included at the water operations facility.

Operating Impact: No operating budget impact as this item is contemplated to repair existing facilities.

Capital Budget and Project Descriptions

Hope/Autumn Breeze Improvements

Dept/Division: Public Works

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Streets Fund	466,540	-	-	-	-	-	466,540

Description: The project is for paving and drainage improvements on Hope Street, which is currently unpaved. It also includes street drainage improvements on Autumn Breeze at Spring Trail.

Operating Impact: Reduction in street maintenance costs due to improvement of an unpaved street and improved street drainage.

Willis-Cortez Intersection Improvements

Dept/Division: Public Works

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Water Fund	450,000	-	-	-	-	-	450,000

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, sewer line replacement, drainage system improvements, decorative paver replacement and other utility upgrades. The asphalt surface will be replaced as well.

Operating Impact: The upgrades will reduce the potential for future utility failures and reactive repairs through the lifecycle of the infrastructure.

Water and Wastewater Models Update

Dept/Division: Public Works

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Water Fund	301,600	-	-	-	-	-	301,600
Wastewater	100,000	-	-	-	-	-	100,000
Total	401,600	-	-	-	-	-	401,600

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: Necessary for operations.

Capital Budget and Project Descriptions

SR69 Corridor Water Main

Dept/Division: Public Works

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Water Fund	343,000	787,505	300,000	-	-	-	1,430,505

Description: This project will be to design and construct a 5,260 LF water main from the U-haul location westward across a portion of SR69 north of the Frontier Village Shopping Center to Zone 56 Pump Station at Heather Heights Drive.

Operating Impact: No significant impact to the operating budget is expected because this is a replacement for an existing line

Acker Park Regional Detention

Dept/Division: Public Works

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Streets Fund	320,000	-	-	-	-	-	320,000

Description: As part of the City's Regional Stormwater Management Program (RSMP), the Acker Park Regional Detention facility will mitigate flooding potential for properties along the Virginia Street wash flow corridor by decreasing peak discharge rates from the upper end of the watershed. The City previously entered into a development agreement with "The Homestead" subdivision to secure \$120,000 in lieu of onsite detention. The subdivision was renamed "Tenny Ranch", with plat and construction plan approval in FY15. The in lieu monies were also received by the City in FY15. Design of the detention facility has begun in FY16 and will be completed in FY17. Construction is anticipated in FY17.

Operating Impact: On-going maintenance costs will be associated with this improvement.

Capital Budget and Project Descriptions

E. Goodwin Street Reconstruction

Dept/Division: Public Works

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Streets Fund	220,000	2,960,000	-	-	-	-	3,180,000
Water Fund	50,000	400,000	-	-	-	-	450,000
Wastewater	30,000	290,000	-	-	-	-	320,000
Total	300,000	3,650,000	-	-	-	-	3,950,000

Description: The Downtown Prescott Drainage Study identified the East Goodwin Street project that includes the design and construction of an underground storm drain system along Goodwin Street from Marina Street to Granite Creek. The East Goodwin Street project will reduce potential flooding due to street overflows along the portion of Whiskey Row from Goodwin Street and Gurley Street. Concurrently with the roadway improvements, street drainage, pedestrian and streetscape landscaping improvements are being considered. Subsurface water, wastewater and dry utility relocations and upgrades are included, as necessary.

Operating Impact: Reduced street maintenance.

Miscellaneous Streets Projects

Dept/Division: Public Works

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Streets Fund	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 Program.

Operating Impact: Completion of this project will result in a reduction in overall maintenance and operational expenses, due to the improved condition of the transportation systems

Overland Road Bridge Reconstruction - Government Canyon

Dept/Division: Public Works

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Streets Fund	275,000	-	-	-	-	-	275,000

Description: In FY16, ADOT began the design of a replacement bridge on Overland Road east of Gurley Street. Project design and construction to be administered by ADOT Bridge Group. The budgeted amount in FY17 is the estimated City Match to be paid to ADOT, when requested.

Operating Impact: No on-going maintenance and operations budget impacts

Capital Budget and Project Descriptions

Downtown Drainage Improvements Program

Dept/Division: Public Works

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Streets Fund	250,000	2,250,000	2,250,000	2,250,000	2,250,000	2,250,000	11,500,000
Water Fund	-	100,000	100,000	100,000	100,000	100,000	500,000
Wastewater	-	100,000	100,000	100,000	100,000	100,000	500,000
Total	250,000	2,450,000	2,450,000	2,450,000	2,450,000	2,450,000	12,500,000

Description: In 2006, the Downtown Prescott Drainage Study identified nine potential drainage improvement projects that would benefit the downtown area by improving capture and conveyance of stormwater. As part of this project, associated pavement, water and wastewater systems would be upgraded due to age and condition.

Operating Impact: There is no budget impact as the infrastructure will be newly upgraded.

Zone 7 Lower Pump Station Replacement

Dept/Division: Public Works

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Water Fund	250,000	1,000,000	-	-	-	-	1,250,000

Description: This project will consist of relocating the existing Lower Yavapai Hills pump station that feeds pressure zones east of Prescott Lakes Parkway, eastward to the new 1.5 MG water storage tank for pressure zone 56, and relocated and upgraded to meet existing and future domestic and fire flow demands for this area. This project would include installation of new pumps, associated controls and appurtenances, and an above-ground building enclosure. This project would be concurrent with the installation of the new Prescott Canyon 1.5 MG tank and piping.

Operating Impact: No significant impact to the operating budget is expected because this is a replacement for an existing pump station.

Airport Trunk Main Sewer Improvement

Dept/Division: Public Works

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Wastewater	250,000	950,000	10,800,000	-	-	-	12,000,000

Description: This project is for the Airport trunk main sewer line upsize improvement project to achieve the single wastewater treatment plant centralization. This project will complete pipeline improvements from SR89 and old SR89A to the Airport Wastewater treatment plant.

Operating Impact: The operating budget is expected to decrease once the identified improvements are constructed. Budget reductions will come from decreased goods/supplies, facilities maintenance, personnel, equipment maintenance, and vehicles.

Capital Budget and Project Descriptions

Sidewalk Replacement Program

Dept/Division: Public Works

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Streets Fund	250,000	275,000	300,000	300,000	300,000	300,000	1,725,000

Description: This project is an annual project to improve pedestrian circulation and connectivity within the City.

Operating Impact: No on-going maintenance and operations budget impacts.

Operations Building Expansion

Dept/Division: Public Works

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Wastewater	250,000	-	-	-	-	-	250,000

Description: This project is for the expansion of an 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 due to long term impact of exposure to the elements

Permitting and Inspection Software Implementation

Dept/Division: Public Works

Category: Operating Capital

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
General Fund	125,000	-	-	-	-	-	125,000
Streets Fund	41,666	-	-	-	-	-	41,666
Water	41,667	-	-	-	-	-	41,667
Wastewater	41,667	-	-	-	-	-	41,667
Total	250,000	-	-	-	-	-	250,000

Description: The software program that supports the City's Capital Improvement Program (CIP) and Private Development projects is no longer able to support the City's programs, due to its limited functionality. Additionally, the software which supports the call-in inspection line for contractors has reached the end of its useful life and must be replaced. The implementation of new software with increased functionality will provide a higher level of customer service to both internal and external customers. Additional functionality will include an on-line interface for permit submittals; permit progression, inspection call-in and resulting as well as reporting. The new software will include a mobile application for inspectors and field personnel.

Operating Impact: An annual maintenance fee based on the number of users will be included in the annual budget. The implementation of a mobile solution will include both fixed costs for the devices as well as annual costs for data access.

Capital Budget and Project Descriptions

S. Summit Avenue/S. McCormick Street/Beach Avenue Reconstruction

Dept/Division: Public Works
 Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Streets Fund	206,056	1,550,000	500,000	-	-	-	2,256,056
Water	-	300,000	-	-	-	-	300,000
Wastewater	-	150,000	-	-	-	-	150,000
Total	206,056	2,000,000	500,000	-	-	-	2,706,056

Description: This project is for the reconstruction of S Summit Avenue from W. Gurley Street to W. Goodwin. The project also includes reconstruction of Beach Avenue from S. Summit Avenue to McCormick Street and McCormick Street from W. Gurley Street to W. Goodwin Street. Additionally, streetscape landscaping, drainage and pedestrian improvements are included in the project.

Operating Impact: Reduced street maintenance.

Intersection Signalization Project

Dept/Division: Public Works
 Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Streets Fund	200,000	200,000	20,000	200,000	20,000	200,000	840,000

Description: Design and install complete signal system at one (1) intersection as needed. Currently the City is monitoring Prescott Lakes Parkway @ Blooming Hills and Prescott Lakes Parkway @ Willow Lake Road intersections for meeting a signal warrant.

Operating Impact: Expands the maintained traffic signal system from 50 signals to 51.

Energy Efficiency Program

Dept/Division: Public Works
 Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Water	112,500	-	-	-	-	-	112,500
Wastewater	37,500	450,000	-	-	-	-	487,500
Total	150,000	450,000	-	-	-	-	600,000

Description: This project will initiate a renewable energy and equipment efficiency program to consider ways to offset the City's electrical consumption for utilities and other power uses. Partnering options will be explored to develop cost-benefit analyses. Initial capital outlay (if any) will be evaluated in the cost-benefit analysis.

Operating Impact: The project may have a decrease to the overall operating budget by reducing electrical demand from the City's electrical provider.

Capital Budget and Project Descriptions

Willow Creek Road Wall Repairs

Dept/Division: Public Works

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Streets Fund	100,000	-	-	-	-	-	100,000

Description: This project will facilitate the removal of the stone veneer finish and subsequent repainting of several retaining walls along Willow Creek Road. The stone veneer appears to be not adhering to the existing concrete retaining walls. The project includes 10 retaining walls of various heights and lengths totaling about 40,000 square feet of wall surface. At this time, three of the walls have had the rock removed and two have been repainted. This is a joint project lead by the Street Maintenance Department

Operating Impact: The rock veneer has been removed and the remaining wall surface should be improved.

Darby Creek Way Reconstruction

Dept/Division: Public Works

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Streets Fund	55,000	-	-	-	-	-	55,000

Description: The pavement in the section of Darby Creek Way westerly of Golden Bear Drive in the Blackhawk subdivision has failed. The project consists of full street reconstruction of Darby Creek Way. This is a continued project from FY16.

Operating Impact: None.

Unpaved Streets Improvements

Dept/Division: Public Works

Category: Capital Improvement Plan

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Streets Fund	50,000	50,000	50,000	50,000	50,000	50,000	300,000

Description: To provide asphalt paving, base material and other street construction materials for various unpaved streets to be improved by Public Works and/or Streets Maintenance.

Operating Impact: No on-going maintenance and operations budget impacts.

Capital Budget and Project Descriptions

Streetscape Master Plan Development							
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Dept/Division: Public Works

Category: Operating Capital

Funding Plan	FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection	FY22 Projection	Total
Streets Fund	50,000	-	-	-	-	-	50,000

Description: To develop a master plan to guide the implementation of the streetscape program for Capital Improvement Program projects. With the emphasis on safety improvements, beautification, stormwater quality and traffic calming being incorporated into capital improvement projects, a guiding document on what measures should be incorporated, where, when and how; would assist the Public Works Department in the orderly application of these improvements citywide. The Master Plan process would allow all stakeholders and opportunity to provide input.

Operating Impact: This project will reduce costs on capital projects by providing consistent direction for implementation of safety, beautification, stormwater quality and traffic calming on projects within the City, under a master planned concept.

Capital Budget

Five-Year Capital Improvement Plan Summary

Description	Funding	5 Year Projection					Total	
		FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection		FY22 Projection
City Manager - Water Resource Management								
CA1 with SRP and Prescott Valley - Monitoring	W	599,450	1,556,450	344,400	250,000	250,000	250,000	3,250,300
CA1 with SRP and Prescott Valley - Modeling	W	225,231	76,098	197,758	300,272	25,000	25,000	849,359
Total, City Manager		824,681	1,632,548	542,158	550,272	275,000	275,000	4,099,659
Recreation Services								
Open Space Acquisitions	S	3,800,000	-	-	-	-	-	3,800,000
Kuebler Field Expansion	PI	-	600,000	-	-	-	-	600,000
Willow Lake Southshore Parking	G	-	200,000	-	-	-	-	200,000
Ken Lindley Field - ballfield light replacement	G	-	195,000	-	-	-	-	195,000
Golf Course Bunkers Improvements	GC	-	45,500	45,500	45,500	45,500	-	182,000
Heritage Park - Ballfield Light Replacement	G	-	-	250,000	-	-	-	250,000
Goldwater Lake Expansion/Improvements	G	-	-	-	500,000	-	-	500,000
Ballfield Light Replacement - Roughrider Park	G	-	-	-	130,000	-	-	130,000
Irrigation Improvements- South Golf Course	GC	-	-	-	125,000	-	-	125,000
Willow Creek Park - Upgrades and Irrigation	G	-	-	-	-	262,000	-	262,000
Irrigation Improvements- North Golf Course	GC	-	-	-	-	125,000	-	125,000
Rosser Street Neighborhood Park	G	-	-	-	-	-	250,000	250,000
Total, Recreation Services		3,800,000	1,040,500	295,500	800,500	432,500	250,000	6,619,000
Economic Initiatives - Airport								
Airport Master Plan	A, AG	525,000	525,000	-	-	-	-	1,050,000
TWY E Lights, Electrical Vault Relocation, Emergency Generator	A, AG	371,632	-	-	-	-	-	371,632
Airport Pavement Maintenance Program - ADOT	A, AG	350,000	1,524,500	1,500,000	-	1,500,000	-	4,874,500
RWY 3R-21L and 3L-21R and TWY A and C Lighting and Signage	A, AG	280,000	-	2,425,000	-	-	-	2,705,000
Security Upgrades	A, AG	250,000	1,500,000	-	-	-	-	1,750,000
FAA Tech Operations Facility - Building Upgrades	A	200,000	100,000	-	-	-	-	300,000
Airport Pavement Preservation Program - City	A	100,000	-	200,000	200,000	200,000	200,000	900,000
RWY 12-30 PAPI and REIL Both Ends and RWY 3R-21L PAPI	A, AG	21,500	-	-	-	-	-	21,500
Airspace Obstruction Mitigation	A, AG	5,000	-	-	305,000	-	-	310,000
RWY 21L and TWY D Extension - Land Acquisitions	A, AG	-	600,000	-	900,000	900,000	1,000,000	3,400,000
Land Acquisition for Aeronautical Development	A, AG	-	600,000	-	900,000	900,000	1,000,000	3,400,000
Replacement Airline Terminal	A, AG	-	200,000	500,000	5,000,000	-	-	5,700,000
RWY 3L PAPI and 21R PAPI Both Ends	A, AG	-	42,000	77,000	-	-	-	119,000
Bottleneck Area Land Development	A	-	-	750,000	-	-	-	750,000
Aircraft Rescue Fire Fighting and Airport Operations Facility	A, AG	-	-	500,000	8,000,000	-	-	8,500,000
Airport Master Lock System	A	-	-	175,000	-	-	-	175,000
TWY C Realignment	A, AG	-	-	-	-	900,000	4,500,000	5,400,000
RWY 12-30 Shift Safety Area Improvements	A, AG	-	-	-	-	672,500	650,000	1,322,500
Total, Airport		2,103,132	5,091,500	6,127,000	15,305,000	5,072,500	7,350,000	41,049,132
Field and Facilities								
Rodeo Grounds Electrical Improvements	G	925,000	475,000	-	-	-	-	1,400,000
Electrical Infrastructure and Lighting at Transfer Station	S, SW	300,000	-	-	-	-	-	300,000
Transfer Station Floor Repair	SW	280,000	-	-	-	-	-	280,000
Transfer Station Main Scale Replacement	SW	270,000	-	-	-	-	-	270,000
Reconstruction of Virginia Street Complex Large Parking Lot	FM	100,000	-	-	-	-	-	100,000
Grace Sparks Activity Center Renovations	FM	60,000	20,000	192,461	86,563	130,686	-	489,710
Paving of Sundog Ranch Solid Waste/Street Maintenance Yard	S, SW	-	200,000	-	-	-	-	200,000
Transfer Station Stand Alone Scale	SW	-	150,000	-	-	-	-	150,000
Vehicle/Truck Wash Bay	FS	-	-	-	-	430,000	-	430,000
City Hall Roof Replacement	FM	-	-	-	-	325,000	-	325,000
Total, Field and Facilities		1,935,000	845,000	192,461	86,563	885,686	-	3,944,710

Capital Budget

Five-Year Capital Improvement Plan Summary

Description	Funding	5 Year Projection					Total	
		FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection		FY22 Projection
Public Works								
Pavement Preservation Program	S,W,WW	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	30,000,000
Chino Valley Tank	W	4,200,000	1,000,000	-	-	-	-	5,200,000
Goodwin Street/S Washington Avenue Pavement Reconstruction	S,W,WW	3,885,000	-	-	-	-	-	3,885,000
Smoke Tree Lane Reconstruction from Willow Creek to Birchwood	S,W,WW	3,720,000	-	-	-	-	-	3,720,000
Sundog Trunk Main Upsizing	WW	3,306,286	6,680,000	3,300,000	-	-	-	13,286,286
Robinson Drive Pavement Reconstruction	S,W,WW	2,730,000	1,000,000	-	-	-	-	3,730,000
Rosser Street Pavement Reconstruction Phase IV	S	2,695,000	-	-	-	-	-	2,695,000
Sundog Force Main and Liftstation	WW	2,600,000	-	-	-	-	-	2,600,000
Drainage Improvements	S,W,WW	2,550,000	-	-	-	-	-	2,550,000
Main Line Replacements	W,WW	2,526,299	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	10,026,299
Fluoride Reduction	WW	1,550,000	-	-	-	-	-	1,550,000
SR89 Widening and Utility Improvements South of SR89A	S,W,WW	1,529,000	2,097,000	-	-	-	-	3,626,000
Walker Road Pavement Reconstruction	S,W	1,386,500	-	-	-	-	-	1,386,500
Penn Avenue - Eastwood Drive Pavement Reconstruction	S,W,WW	1,380,000	4,320,000	-	-	-	-	5,700,000
Upper Thumb Butte Tank	S,W	1,336,364	1,709,256	-	-	-	-	3,045,620
Corsair Avenue Extension	GR	1,300,000	-	-	-	-	-	1,300,000
Dam Repairs	W	1,200,000	-	50,000	-	50,000	-	1,300,000
S. Marina Street Reconstruction	S,W,WW	1,079,140	-	-	-	-	-	1,079,140
SCADA System Installation and Upgrade	W,WW	1,000,000	750,000	750,000	-	-	-	2,500,000
Schemmer Drive Reconstruction	S,W,WW	969,733	890,000	500,000	-	-	-	2,359,733
Production Well No 5 Rehabilitation	W	900,000	-	-	-	-	-	900,000
Bashford Courts Alley and Parking Lot Reconstruction	S,W,WW	876,000	-	-	-	-	-	876,000
Willow Creek Road Realignment	S,W,WW	850,000	-	-	-	-	-	850,000
N. Washington/Churchill Street Reconstruction	S,W,WW	835,350	-	-	-	-	-	835,350
Crystal Lane Realignment	S,W	825,000	-	-	-	-	-	825,000
Zone 16, Virginia Pumpstation, Haisley Tank, Pipelines and Road	S,W	800,000	4,736,700	1,000,000	-	-	-	6,536,700
Zone 12 Interconnection Pump Station	W	787,000	-	-	-	-	-	787,000
Alarcon Street Improvements	S	655,000	-	-	-	-	-	655,000
Watson and Willow Lakes Enhancement Program (TMDL)	S,W,WW	640,000	261,000	261,000	261,000	261,000	261,000	1,945,000
Zone 56 Tank and Piping	W	600,000	3,422,209	-	-	-	-	4,022,209
Airport Zone Production Recovery Well #4	W	600,000	700,000	-	-	-	-	1,300,000
Miscellaneous Water & Wastewater Projects	W,WW	519,000	381,000	393,000	405,000	418,000	430,000	2,546,000
Hope/Autumn Breeze Improvements	S	466,540	-	-	-	-	-	466,540
Willis-Cortez Intersection Improvements	W	450,000	-	-	-	-	-	450,000
Water and Wastewater Models Update	W,WW	401,600	-	-	-	-	-	401,600
SR69 Corridor Water Main	W	343,000	787,505	300,000	-	-	-	1,430,505
Acker Park Regional Detention	S	320,000	-	-	-	-	-	320,000
E. Goodwin Street Reconstruction	S,W,WW	300,000	3,650,000	-	-	-	-	3,950,000
Miscellaneous Streets Projects	S	300,000	300,000	300,000	300,000	300,000	300,000	1,800,000
Overland Road Bridge Reconstruction - Government Canyon	S	275,000	-	-	-	-	-	275,000
Downtown Drainage Improvements Program	S,W,WW	250,000	2,450,000	2,450,000	2,450,000	2,450,000	2,450,000	12,500,000
Zone 7 Lower Pump Station Replacement	W	250,000	1,000,000	-	-	-	-	1,250,000
Airport Trunk Main Sewer Improvement	WW	250,000	950,000	10,800,000	-	-	-	12,000,000
Sidewalk Replacement Program	S	250,000	275,000	300,000	300,000	300,000	300,000	1,725,000
Operations Building Expansion	WW	250,000	-	-	-	-	-	250,000
Reconstruction	S,W,WW	206,056	2,000,000	500,000	-	-	-	2,706,056
Intersection Signalization Project	S	200,000	200,000	20,000	200,000	20,000	200,000	840,000
Energy Efficiency Program	W,WW	150,000	450,000	-	-	-	-	600,000
Willow Creek Road Wall Repairs	S	100,000	-	-	-	-	-	100,000
Darby Creek Way Reconstruction	S	55,000	-	-	-	-	-	55,000
Unpaved Streets Improvements	S	50,000	50,000	50,000	50,000	50,000	-	250,000
Intermediate Pump Station, Tanks and Pipeline	W	-	4,638,400	4,638,400	-	-	-	9,276,800
Chino Valley Booster Facility Upgrades	W	-	2,340,000	2,340,000	-	-	-	4,680,000
Production Well Rehabilitation Program	W	-	900,000	900,000	900,000	-	-	2,700,000

Capital Budget

Five-Year Capital Improvement Plan Summary

Description	Funding	5 Year Projection					Total	
		FY17 Budget	FY18 Projection	FY19 Projection	FY20 Projection	FY21 Projection		FY22 Projection
Public Works (cont.)								
Impact Fee Ordinance Project	W,WW	-	445,000	-	-	-	445,000	
Sundog Ranch Road Reconstruction and 12" Water Line	S,W	-	440,000	4,777,400	-	-	5,217,400	
Zone 41, Mingus Pump Station, Tank and Pipeline	W	-	349,300	3,143,800	-	-	3,493,100	
Sun Street Sewer Main Upgrade	S,W	-	310,000	-	-	-	310,000	
City Lights Sewer Main Replacement	WW	-	285,500	-	-	-	285,500	
West Haisley Road Pavement Reconstruction	S	-	200,000	2,620,000	-	-	2,820,000	
Zone 42, Pipeline Upgrade	S,W,WW	-	175,000	-	-	-	175,000	
Hassayampa Sewer Trunk Main Upsizing	WW	-	100,000	2,638,000	-	-	2,738,000	
S Cortez Street Reconstruction	S,W,WW	-	95,000	1,000,000	-	-	1,095,000	
Airport WRF Phase 2 Expansion	WW	-	-	1,875,000	8,437,500	8,437,500	18,750,000	
Gail Gardner Way Improvements	S	-	-	475,000	375,000	-	850,000	
Upper Rancho Vista Pump Station Upgrade	W	-	-	465,000	340,000	-	805,000	
15" Montezuma Trunk Main Upsizing	S,W,WW	-	-	100,000	2,213,600	-	2,313,600	
Zone 61/Zone 41/ Zone 40/Zone 0, Water Main Upgrades	S,W,WW	-	-	-	2,243,300	1,156,700	3,400,000	
Zone 39, 12" Pipeline Upgrade to Zone 31 Tank	W	-	-	-	1,220,700	-	1,220,700	
Zone 40, Cedarwood Tank Upsizing	W	-	-	-	225,000	750,000	975,000	
5th St, 6th St and Hillside Sewer Main Upsize	S,W,WW	-	-	-	75,000	1,375,000	1,450,000	
Sundog Connector Road (Storm Ranch DA)	S,W,WW	-	-	-	-	625,000	6,250,000	
Effluent Tank, Pipeline and Conversion	WW	-	-	-	-	350,000	3,150,000	
Sundog Equalization Basin and Plant Decommissioning	WW	-	-	-	-	325,000	2,925,000	
8" Sewer Main Upsizing - Willow Creek, Rosser, and Demerse	S,W,WW	-	-	-	-	100,000	2,468,400	
Heckthorn Water Main (DA)	W	-	-	-	-	38,000	343,000	
Granite Dells Ranch Development (DA) Wastewater Requirements	WW	-	-	-	-	-	4,100,000	
Zone 56/76 Pump Station Upgrade	W	-	-	-	-	-	1,931,000	
Total, Public Works		59,697,868	56,837,870	52,446,600	26,496,100	23,506,200	31,608,400	250,593,038
Funding Summary, all projects								
General Fund (G)		925,000	870,000	250,000	630,000	262,000	250,000	3,187,000
Streets (S)		31,771,319	23,073,520	17,023,400	8,946,200	8,931,000	14,590,500	104,335,939
Park Impact		-	600,000	-	-	-	-	600,000
Streets - County Contribution (C)		1,050,000	-	-	-	-	-	1,050,000
Governmental Grants (GR)		1,300,000	-	-	-	-	-	1,300,000
Water (W)		18,982,423	25,188,398	16,387,358	7,512,272	3,997,700	5,290,400	77,358,551
Wastewater (WW)		11,383,807	10,388,500	19,578,000	10,587,900	10,852,500	12,002,500	74,793,207
Solid Waste (SW)		685,000	170,000	-	-	-	-	855,000
Airport (A)		411,991	454,200	1,405,825	5,200,500	490,500	378,750	8,341,766
Airport Grants (AG)		1,691,141	4,637,300	4,721,175	10,104,500	4,582,000	6,971,250	32,707,366
Golf Course (GC)		-	45,500	45,500	170,500	170,500	-	432,000
Facilities Management (FM)		160,000	20,000	192,461	86,563	455,686	-	914,710
Fleet Services (FS)		-	-	-	-	430,000	-	430,000
Total		68,360,681	65,447,418	59,603,719	43,238,435	30,171,886	39,483,400	306,305,539
Funding Summary by Fund Type								
General Fund		925,000	870,000	250,000	630,000	262,000	250,000	3,187,000
Special Revenue Funds		34,121,319	23,673,520	17,023,400	8,946,200	8,931,000	14,590,500	107,285,939
Enterprise Funds		33,154,362	40,883,898	42,137,858	33,575,672	20,093,200	24,642,900	194,487,890
Internal Service Funds		160,000	20,000	192,461	86,563	885,686	-	1,344,710
Total		68,360,681	65,447,418	59,603,719	43,238,435	30,171,886	39,483,400	306,305,539

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Appendix

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Budget Resolutions

Tentative Budget Resolution

RESOLUTION NO. 4335-1544

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 2017, 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 2017. 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 statements and schedules 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 21st day of June, 2016, at 5:30 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 2017 for the City of Prescott. The proposed budget may be examined on weekdays at 201 South Cortez Street, Prescott, Arizona, between 8:00 A.M. and 5:00 P.M.
- B. That the City Council will further meet at a Regular Meeting on the 12th day of July, 2016, 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 2017 for the City of Prescott.

Budget Resolutions

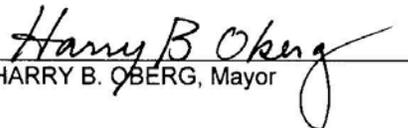
RESOLUTION NO. 4335-1544

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SECTION 3. THAT upon the recommendation by the City Manager and with the approval of the Council, expenditures may be made from the appropriation for contingencies. The transfers of any sums within or without any specific appropriations shall conform to Article VI, Section 11, Prescott City Charter.

SECTION 4. 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.

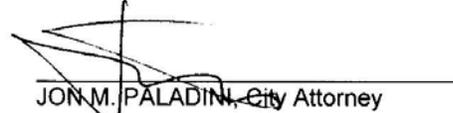
PASSED and ADOPTED by the Mayor and Council of the City of Prescott, Arizona, on this 7th day of June, 2016.


HARRY B. OBERG, Mayor

ATTEST:


DANA R. DeLONG, City Clerk

APPROVED AS TO FORM:


JON M. PALADINI, City Attorney

Budget Resolutions

Final Budget Resolution

RESOLUTION NO. 4340-1549

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 2017, 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 7th day of June, 2016, 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 June 21, 2016, 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 12, 2016, 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 2017.

Budget Resolutions

RESOLUTION NO. 4340-1549

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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 2017 be established at \$167,288,761.

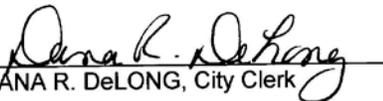
SECTION 4. THAT, the Roster of Jobs shown in the attached accompanying exhibit be adopted and approved by the City of Prescott and in accordance with Article IV of the Prescott City Charter.

PASSED and ADOPTED by the Mayor and Council of the City of Prescott, Arizona, on this 21st day of June, 2016.


HARRY B. OBERG, Mayor

ATTEST:

APPROVED AS TO FORM:


DANA R. DeLONG, City Clerk


JON M. PALADINI, City Attorney

Auditor General Schedules

OFFICIAL BUDGET FORMS

CITY OF PRESCOTT

Fiscal Year 2017

Auditor General Schedules

CITY OF PRESCOTT
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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 2017

Fiscal Year	S c h	FUNDS										Total All Funds	
		General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Permanent Fund	Enterprise Funds Available	Internal Service Funds					
2016		33,942,465	38,178,301	196,125			67,331,990					8,774,981	148,423,862
2016		31,513,102	20,803,675	195,625			45,810,753					7,863,226	106,186,381
2017		29,579,623	26,323,256	147,107			56,296,001					5,087,238	119,433,225
2017		1,684,903											1,684,903
2017				41,000									41,000
2017		33,782,703	27,670,081	6,288			47,006,106					6,705,901	115,171,079
2017													6,156,286
2017													
2017		61,080	465,066				938,374						1,464,520
2017		1,375,818	76,782				11,920						1,464,520
2017													
LESS:		4,342,335											4,342,335
2017		59,390,156	54,381,621	194,395			112,384,847					11,793,139	238,144,158
2017		35,609,002	52,989,923	193,488			70,258,489					8,237,859	167,288,761

	2016	2017
EXPENDITURE LIMITATION COMPARISON		
1. Budgeted expenditures/expenses	\$ 148,423,862	\$ 167,288,761
2. Add/subtract: estimated net reconciling items		
3. Budgeted expenditures/expenses adjusted for reconciling items	148,423,862	167,288,761
4. Less: estimated exclusions		
5. Amount subject to the expenditure limitation	\$ 148,423,862	\$ 167,288,761
6. EEC expenditure limitation		
	\$	\$

* 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).

Auditor General Schedules

CITY OF PRESCOTT Tax Levy and Tax Rate Information Fiscal Year 2017

	2016	2017
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ 1,628,887	\$ 1,684,903
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	\$ 1,596,518	\$ 1,684,903
B. Secondary property taxes	75,000	41,000
C. Total property tax levy amounts	\$ 1,671,518	\$ 1,725,903
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ 1,556,605	
(2) Prior years' levies	39,273	
(3) Total primary property taxes	\$ 1,595,878	
B. Secondary property taxes		
(1) Current year's levy	\$ 73,125	
(2) Prior years' levies	1,875	
(3) Total secondary property taxes	\$ 75,000	
C. Total property taxes collected	\$ 1,670,878	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	0.2910	0.2953
(2) Secondary property tax rate	0.0137	0.0072
(3) Total city/town tax rate	0.3047	0.3025
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.

Auditor General Schedules

CITY OF PRESCOTT Revenues Other Than Property Taxes Fiscal Year 2017

SOURCE OF REVENUES	ESTIMATED REVENUES 2016	ACTUAL REVENUES* 2016	ESTIMATED REVENUES 2017
GENERAL FUND			
Local taxes			
Privilege and Use Tax	\$ 13,840,000	\$ 14,900,000	14,900,000
Franchise Taxes	1,610,000	1,610,000	1,630,000
Intergovernmental			
State	8,603,417	8,603,417	9,074,554
County	2,930,215	2,932,425	3,066,662
Local Jurisdictions	1,635,487	1,650,514	1,770,287
Other Revenues			
Licenses and permits	495,600	531,190	1,063,600
Charges for services	1,464,300	1,543,063	1,630,400
Fines and forfeits	492,400	435,400	415,900
Interest on investments	193,300	193,300	190,300
Miscellaneous	36,000	36,000	41,000
Total General Fund	\$ 31,300,719	\$ 32,435,309	\$ 33,782,703
SPECIAL REVENUE FUNDS			
Streets			
Streets Privilege Tax	\$ 11,567,500	\$ 14,300,000	\$ 14,300,000
Intergovernmental - State (Highway Users Rev)	2,994,582	2,994,582	3,349,275
Intergovernmental - County	2,400,000	2,120,000	1,050,000
Charges for services	358,000	255,000	375,000
Interest Earned	150,000	150,000	150,000
Miscellaneous	293,792	274,888	276,098
Total Streets and Open Space Fund	\$ 17,763,874	\$ 20,094,470	\$ 19,500,373
Transient Occupancy Tax			
Transient Occupancy Tax	\$ 680,000	\$ 800,000	\$ 820,000
Miscellaneous	72,000	72,000	72,000
Total Transient Occupancy Tax	\$ 752,000	\$ 872,000	\$ 892,000
Impact Fee Funds			
Charges for Services	\$ 24,359	\$ 24,359	\$ 24,359
Interest	20,500	20,500	18,400
Total Impact Fee Funds	\$ 44,859	\$ 44,859	\$ 42,759
Grant Funds			
Miscellaneous Grants	\$ 4,536,538	\$ 1,466,847	\$ 7,089,949
Total Grant Funds	\$ 4,536,538	\$ 1,466,847	\$ 7,089,949
Trust Funds			
Gifts and Donations	\$	\$ 92,600	\$ 140,000
Interest Earned	\$ 7,000	\$ 7,000	\$ 5,000
Total Gift Trust Fund	\$ 7,000	\$ 99,600	\$ 145,000
Total Special Revenue Funds	\$ 23,104,271	\$ 22,577,776	\$ 27,670,081

* 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.

Auditor General Schedules

CITY OF PRESCOTT Revenues Other Than Property Taxes Fiscal Year 2017

SOURCE OF REVENUES	ESTIMATED REVENUES 2016	ACTUAL REVENUES* 2016	ESTIMATED REVENUES 2017
DEBT SERVICE FUNDS			
Special Assessments	\$ 5,045	\$ 5,045	\$ 5,045
Interest Earned	1,880	1,880	1,243
Total Debt Service Funds	\$ 6,925	\$ 6,925	\$ 6,288
ENTERPRISE FUNDS			
Water			
Intergovernmental	\$ 995,779	\$ 1,017,275	\$ 376,734
Charges for services	17,780,686	17,604,983	17,915,284
Impact fees	1,490,851	1,064,099	1,085,381
Interest	146,297	189,851	165,000
Miscellaneous	22,500	39,500	39,500
Total Water Funds	\$ 20,436,113	\$ 19,915,708	\$ 19,581,899
Wastewater			
Charges for services	\$ 12,424,190	\$ 12,443,690	\$ 12,681,000
Impact fees	1,343,549	919,086	937,467
Interest	91,056	90,804	102,306
Miscellaneous	1,200	1,200	
Total Wastewater Funds	\$ 13,859,995	\$ 13,454,780	\$ 13,720,773
Solid Waste			
Charges for services	\$ 6,390,000	\$ 6,336,600	\$ 6,860,000
Interest	75,000	26,800	30,000
Miscellaneous	7,500	65,220	34,620
Total Solid Waste Fund	\$ 6,472,500	\$ 6,428,620	\$ 6,924,620
Golf Course			
Charges for services	\$ 3,098,032	\$ 3,058,595	\$ 3,103,531
Miscellaneous	300,000	33,797	300,000
Total Golf Course Fund	\$ 3,398,032	\$ 3,092,392	\$ 3,403,531
Airport			
Intergovernmental - grants	\$ 6,538,789	\$ 5,222,749	\$ 1,884,703
Charges for services	1,506,780	1,485,120	1,486,980
Miscellaneous	3,700	20,800	3,600
Total Airport Fund	\$ 8,049,269	\$ 6,728,669	\$ 3,375,283
Total Enterprise Funds	\$ 52,215,909	\$ 49,620,169	\$ 47,006,106
INTERNAL SERVICE FUNDS			
Fleet Maintenance	\$ 1,910,000	\$ 1,917,000	\$ 1,900,000
Self-Insurance	990,001	990,001	960,000
Engineering	2,526,143	2,122,930	2,304,658
Facilities Maintenance	1,543,816	1,543,816	1,541,243
Total Internal Service Funds	\$ 6,969,960	\$ 6,573,747	\$ 6,705,901
TOTAL ALL FUNDS	\$ 113,597,784	\$ 111,213,926	\$ 115,171,079

* 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.

Auditor General Schedules

CITY OF PRESCOTT				
Other Financing Sources/<Uses> and Interfund Transfers				
Fiscal Year 2017				
FUND	OTHER FINANCING		INTERFUND TRANSFERS	
	2017		2017	
	SOURCES	<USES>	IN	<OUT>
GENERAL FUND				
Parking Garage	\$	\$	20,000	\$
General Fund			25,000	
Streets and Open Space			4,160	
Water			4,860	
Wastewater			4,050	
Solid Waste			3,010	
Airport				938,374
Grants				437,444
Total General Fund	\$	\$	61,080	\$ 1,375,818
SPECIAL REVENUE FUNDS				
Streets	\$	\$	400	\$ 31,382
Streets Impact Fees				400
Transient lodging tax				45,000
Grants			464,666	
Total Special Revenue Funds	\$	\$	465,066	\$ 76,782
ENTERPRISE FUNDS				
Water	\$	\$	\$	4,860
Wastewater	6,156,286			4,050
Airport			938,374	
Solid Waste				3,010
Total Enterprise Funds	\$ 6,156,286	\$	938,374	\$ 11,920
TOTAL ALL FUNDS	\$ 6,156,286	\$	1,464,520	\$ 1,464,520

Auditor General Schedules

CITY OF PRESCOTT Expenditures/Expenses by Fund Fiscal Year 2017

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2016	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2016	ACTUAL EXPENDITURES/ EXPENSES* 2016	BUDGETED EXPENDITURES/ EXPENSES 2017
GENERAL FUND				
City Council	\$ 40,761	\$	\$ 39,372	\$ 47,343
City Clerk	140,968		110,519	111,261
City Court	600,161		528,020	609,675
City Manager	259,015		202,400	253,568
Legal	329,225		309,848	299,589
Budget & Finance	393,421		384,165	733,301
Economic Initiatives	473,107		422,621	355,882
Community Development	1,118,073		1,108,093	1,357,038
Recreation Services	3,174,676		3,127,146	3,186,408
Library	2,360,794		2,312,640	2,231,555
Police Department	12,166,621		11,887,113	12,848,765
Fire Department	10,133,340		9,496,258	9,628,268
Regional Communications	2,289,864		1,294,891	2,417,182
Field and Facilities	105,386		104,766	1,146,739
Non-departmental	357,053		185,250	382,428
Total General Fund	\$ 33,942,465	\$	\$ 31,513,102	\$ 35,609,002
SPECIAL REVENUE FUNDS				
Streets				
Field and Facilities	\$ 4,155,702	\$	\$ 3,701,611	\$ 4,954,128
Public Works	27,128,172		14,411,449	35,084,701
Recreation Services	893,772		163,681	3,972,493
Total Streets	\$ 32,177,646	\$	\$ 18,276,741	\$ 44,011,322
Transient Occupancy Tax				
Economic Initiatives	\$ 815,493	\$	\$ 815,493	\$ 1,090,222
Recreation Services	82,000		82,000	70,000
Total Transient Occupancy Tax	\$ 897,493	\$	\$ 897,493	\$ 1,160,222
Impact Fees				
Recreation Services	\$ 10,000	\$	\$ 10,000	\$
Total Impact Fees	\$ 10,000	\$	\$ 10,000	\$
Grants				
City Court	\$ 31,000	\$	\$ 27,000	\$ 29,000
Economic Initiatives	250,000		103,000	350,000
Community Development	748,795		155,131	464,693
Recreation Services	500,000			
Library	55,000		5,000	100,000
Police Department	1,680,750		494,366	1,792,425
Fire Department	1,404,520		595,473	3,517,177
Field and Facilities	144,000		144,000	
Public Works	33,710		33,710	1,300,000
Total Grants	\$ 4,847,775	\$	\$ 1,557,680	\$ 7,553,295
Trust Funds				
City Council	\$ 8,952	\$	\$	\$ 8,253
Community Development	250			5,284
Recreation Services	79,683		18,660	90,405
Library	55,889		8,824	89,167
Police Department	60,723		31,752	53,877
Fire Department	39,890		2,525	18,098
Total Trust Funds	\$ 245,387	\$	\$ 61,761	\$ 265,084
Total Special Revenue Funds	\$ 38,178,301	\$	\$ 20,803,675	\$ 52,989,923
DEBT SERVICE FUNDS				
Non-departmental	\$ 196,125	\$	\$ 195,625	\$ 193,488

Auditor General Schedules

CITY OF PRESCOTT Expenditures/Expenses by Fund Fiscal Year 2017

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2016	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2016	ACTUAL EXPENDITURES/ EXPENSES* 2016	BUDGETED EXPENDITURES/ EXPENSES 2017
ENTERPRISE FUNDS				
Water				
City Manager	\$ 2,591,268	\$	\$ 1,555,006	\$ 2,165,024
Budget & Finance	224,152		210,722	198,703
Public Works	24,940,072		14,821,870	28,266,388
Total Water	\$ 27,755,492	\$	\$ 16,587,598	\$ 30,630,115
Wastewater				
Public Works	\$ 19,372,112	\$	\$ 11,618,278	\$ 23,682,254
Total Wastewater	\$ 19,372,112	\$	\$ 11,618,278	\$ 23,682,254
Solid Waste				
Field and Facilities	\$ 7,788,813	\$	\$ 7,030,597	\$ 8,142,008
Total Solid Waste	\$ 7,788,813	\$	\$ 7,030,597	\$ 8,142,008
Golf Course				
Recreation Services	\$ 1,410,775	\$	\$ 1,353,012	\$ 1,458,968
Non-Departmental	1,984,743		1,674,821	2,030,252
Total Golf Course	\$ 3,395,518	\$	\$ 3,027,833	\$ 3,489,220
Airport				
Fire Department	\$ 460,748	\$	\$ 419,748	\$ 504,993
Economic Initiatives	8,559,307		7,126,699	3,809,899
Total Airport	\$ 9,020,055	\$	\$ 7,546,447	\$ 4,314,892
Total Enterprise Funds	\$ 67,331,990	\$	\$ 45,810,753	\$ 70,258,489
INTERNAL SERVICE FUNDS				
Fleet Maintenance				
Field and Facilities	\$ 3,057,789	\$	\$ 2,938,472	\$ 3,034,208
Risk Management				
Legal	1,675,963		1,426,887	1,265,100
Engineering				
Public Works	2,516,143		2,122,930	2,304,658
Facilities Maintenance				
Field and Facilities	1,525,086		1,374,937	1,633,893
Total Internal Service Funds	\$ 8,774,981	\$	\$ 7,863,226	\$ 8,237,859
TOTAL ALL FUNDS	\$ 148,423,862	\$	\$ 106,186,381	\$ 167,288,761

* 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.

Auditor General Schedules

CITY OF PRESCOTT Expenditures/Expenses by Department Fiscal Year 2017

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2016	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2016	ACTUAL EXPENDITURES/ EXPENSES* 2016	BUDGETED EXPENDITURES/ EXPENSES 2017
Budget & Finance				
General Fund	\$ 393,421	\$	\$ 384,165	\$ 733,301
Water	224,152		210,722	198,703
Budget & Finance Total	\$ 617,573	\$	\$ 594,887	\$ 932,004
City Clerk				
General Fund	\$ 140,968	\$	\$ 110,519	\$ 111,261
City Clerk Total	\$ 140,968	\$	\$ 110,519	\$ 111,261
City Council				
General Fund	\$ 40,761	\$	\$ 39,372	\$ 47,343
Trust Funds	8,952			8,253
City Council Total	\$ 49,713	\$	\$ 39,372	\$ 55,596
City Court				
General Fund	\$ 600,161	\$	\$ 528,020	\$ 609,675
Grant Funds	31,000		27,000	29,000
City Court Total	\$ 631,161	\$	\$ 555,020	\$ 638,675
City Manager				
General Fund	\$ 259,015	\$	\$ 202,400	\$ 253,568
Water	2,591,268		1,555,006	2,165,024
City Manager Total	\$ 2,850,283	\$	\$ 1,757,406	\$ 2,418,592
Community Development				
General Fund	\$ 1,118,073	\$	\$ 1,108,093	\$ 1,357,038
Grant Funds	748,795		155,131	464,693
Trust Funds	250			5,284
Community Development Total	\$ 1,867,118	\$	\$ 1,263,224	\$ 1,827,015
Economic Initiatives				
General Fund	\$ 473,107	\$	\$ 422,621	\$ 355,882
Transient Occupancy Tax	815,493		815,493	1,090,222
Grants	250,000		103,000	350,000
Airport	8,559,307		7,126,699	3,809,899
Economic Initiatives Total	\$ 10,097,907	\$	\$ 8,467,813	\$ 5,606,003
Field and Facilities				
General Fund	\$ 105,386	\$	\$ 104,766	\$ 1,146,739
Streets	4,155,702		3,701,611	4,954,128
Grants	144,000		144,000	
Solid Waste	7,788,813		7,030,597	8,142,008
Fleet Maintenance	3,057,789		2,938,472	3,034,208
Facilities Maintenance	1,525,086		1,374,937	1,633,893
Field and Facilities Total	\$ 16,776,776	\$	\$ 15,294,383	\$ 18,910,976
Fire Department				
General Fund	\$ 10,133,340	\$	\$ 9,496,258	\$ 9,628,268
Grants	1,404,520		595,473	3,517,177
Trust Funds	39,890		2,525	18,098
Airport	460,748		419,748	504,993
Fire Department Total	\$ 12,038,498	\$	\$ 10,514,004	\$ 13,668,536
Legal				
General Fund	\$ 329,225	\$	\$ 309,848	\$ 299,589
Risk Management	1,675,963		1,426,887	1,265,100
Legal Total	\$ 2,005,188	\$	\$ 1,736,735	\$ 1,564,689

Auditor General Schedules

CITY OF PRESCOTT Expenditures/Expenses by Department Fiscal Year 2017

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2016	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2016	ACTUAL EXPENDITURES/ EXPENSES* 2016	BUDGETED EXPENDITURES/ EXPENSES 2017
Library				
General Fund	\$ 2,360,794	\$	\$ 2,312,640	\$ 2,231,555
Grants	55,000		5,000	100,000
Trust Funds	55,889		8,824	89,167
Library Total	\$ 2,471,683	\$	\$ 2,326,464	\$ 2,420,722
Police Department				
General Fund	\$ 12,166,621	\$	\$ 11,887,113	\$ 12,848,765
Grants	1,680,750		494,366	1,792,425
Trust Funds	60,723		31,752	53,877
Police Department Total	\$ 13,908,094	\$	\$ 12,413,231	\$ 14,695,067
Public Works				
Streets	\$ 27,128,172	\$	\$ 14,411,449	\$ 35,084,701
Grants	33,710		33,710	1,300,000
Water	24,940,072		14,821,870	28,266,388
Wastewater	19,372,112		11,618,278	23,682,254
Engineering	2,516,143		2,122,930	2,304,658
Public Works Total	\$ 73,990,209	\$	\$ 43,008,237	\$ 90,638,001
Recreation Services				
General Fund	\$ 3,174,676	\$	\$ 3,127,146	\$ 3,186,408
Streets	893,772		163,681	3,972,493
Transient Occupancy Tax	82,000		82,000	70,000
Impact Fees	10,000		10,000	
Grants	500,000			
Trust Funds	79,683		18,660	90,405
Golf Course	1,410,775		1,353,012	1,458,968
Recreation Services Total	\$ 6,150,906	\$	\$ 4,754,499	\$ 8,778,274
Regional Communications				
General Fund	\$ 2,289,864	\$	\$ 1,294,891	\$ 2,417,182
Regional Communications Total	\$ 2,289,864	\$	\$ 1,294,891	\$ 2,417,182
Non-departmental				
General Fund	\$ 357,053	\$	\$ 185,250	\$ 382,428
Debt Service	196,125		195,625	193,488
Golf (Outsourced Operations)	1,984,743		1,674,821	2,030,252
Non-department Total	\$ 2,537,921	\$	\$ 2,055,696	\$ 2,606,168
Total All Departments	\$ 148,423,862	\$	\$ 106,186,381	\$ 167,288,761

* 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.

Auditor General Schedules

**CITY OF PRESCOTT
Full-Time Employees and Personnel Compensation
Fiscal Year 2017**

FUND	Full-Time Equivalent (FTE) 2017	Employee Salaries and Hourly Costs 2017	Retirement Costs 2017	Healthcare Costs 2017	Other Benefit Costs 2017	Total Estimated Personnel Compensation 2017
GENERAL FUND	324.10	\$ 18,881,584	\$ 6,845,030	\$ 2,570,981	\$ 1,785,943	\$ 30,083,538
SPECIAL REVENUE FUNDS						
Streets and Open Space	39.40	\$ 2,236,773	\$ 256,447	\$ 373,658	\$ 356,443	\$ 3,223,321
Transient Occupancy Tax	2.00	160,199	18,391	21,117	13,437	213,144
Grants	10.00	1,573,939	382,475	100,459	60,961	2,117,834
Trust	0.25	7,800	739		616	9,155
Total Special Revenue Funds	51.65	\$ 3,978,711	\$ 658,052.00	\$ 485,234.00	\$ 431,457.00	\$ 5,563,454.00
ENTERPRISE FUNDS						
Water	38.55	\$ 2,202,186	\$ 248,899	\$ 345,995	\$ 241,591	\$ 3,038,671
Wastewater	38.95	2,123,857	241,598	355,387	245,603	2,966,445
Solid Waste/Transfer Station	28.90	1,301,996	149,166	252,512	195,273	1,898,947
Golf Course	14.00	553,830	63,580	79,067	57,830	754,307
Airport	10.25	812,353	207,900	120,329	76,307	1,216,889
Total Enterprise Funds	130.65	\$ 6,994,222	\$ 911,143	\$ 1,153,290	\$ 816,604	\$ 9,875,259
INTERNAL SERVICE FUND						
Fleet Maintenance	10.35	\$ 476,296	\$ 54,281	\$ 90,016	\$ 52,693	\$ 673,286
Engineering	20.00	1,396,199	156,041	203,415	135,022	1,890,677
Facilities Maintenance	7.00	374,220	42,961	70,363	44,327	531,871
Total Internal Service Fund	37.35	\$ 2,246,715	\$ 253,283	\$ 363,794	\$ 232,042	\$ 3,095,834
TOTAL ALL FUNDS	543.75	\$ 32,101,232	\$ 8,667,508	\$ 4,583,299	\$ 3,266,046	\$ 48,618,085

Note: See Note

Full-Time Equivalent (FTE) includes 497.50 FTE permanent employees and estimated 47.25 FTE temporary employees.

Authorized Position Listing

Positions by Department and Division	FTEs			Pay Range			Pay
	FY2015	FY2016	FY2017	Min	Mid	Max	Grade
Budget and Finance							
<u>Accounting Services</u>							
Finance Director	1.00	1.00	1.00	Unclassified			
Account Services Manager	-	1.00	1.00	65,582	78,707	91,811	80
Accountant	1.00	1.00	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
Senior Accountant	1.00	-	-	56,555	67,870	79,186	74
Total Accounting Services	5.00	5.00	5.00				
<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	1.00	48,776	58,510	68,266	68
Tax & Licensing Representative	1.00	2.00	2.00	33,675	40,414	47,133	53
Accounting Clerk-Tax	1.00	1.00	1.00	32,843	39,416	45,989	52
Budget Specialist	1.00	-	-	36,254	43,514	50,773	56
Total Budget and Privilege Tax	5.00	5.00	5.00				
<u>Utility Billing</u>							
Utility Billing Manager	1.00	1.00	1.00	51,230	61,485	71,739	70
Utility Billing Specialist	1.75	1.75	1.75	36,254	43,514	50,773	56
Utility Billing Representative	2.00	2.00	2.00	33,675	40,414	47,133	53
Total Utility Billing	4.75	4.75	4.75				
Total Budget and Finance	14.75	14.75	14.75				
City Clerk							
City Clerk	1.00	1.00	1.00	Unclassified			
Deputy City Clerk	1.00	1.00	1.00	40,019	48,027	56,035	60
Administrative Specialist	-	-	0.75	33,675	40,414	47,133	53
Secretary	0.50	0.75	0.50	29,765	35,714	41,662	48
Total City Clerk	2.50	2.75	3.25				
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	40,019	48,027	56,035	60
Senior Court Clerk	1.00	1.00	-	40,019	48,027	56,035	60
Court Clerk	5.00	5.00	5.00	31,262	37,523	43,784	50
Total City Court	6.00	6.00	6.00				
City Manager							
<u>City Manager's Office</u>							
City Manager	0.75	0.75	1.00	Unclassified			
Deputy City Manager	1.00	1.00	1.00	Unclassified			
Community Outreach Manager	-	-	1.00	63,981	76,794	89,586	79
Management Analyst	-	-	1.00	48,776	58,510	68,266	68
Assistant to City Council	1.00	1.00	-	48,776	58,510	68,266	68
Communications & Public Affairs Manager	1.00	1.00	-	57,970	69,555	81,162	75
Total City Manager's Office	3.75	3.75	4.00				

Authorized Position Listing

Positions by Department and Division	FTEs			Pay Range			Pay
	FY2015	FY2016	FY2017	Min	Mid	Max	Grade
<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
HR/Payroll Budget & Systems Analyst	1.00	1.00	1.00	48,776	58,510	68,266	68
Human Resources Specialist	1.00	2.00	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
Payroll Specialist	1.00	1.00	1.00	45,282	54,350	63,398	65
Benefits Specialist	1.00	-	-	38,106	45,718	53,331	58
Total Human Resources	7.00	7.00	6.00				
<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	2.00	2.00	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	56,555	67,870	79,186	74
Web Development Specialist	1.00	1.00	1.00	46,426	55,702	64,979	66
IT Specialist	2.00	2.00	2.00	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	2.00	3.00	3.00	42,058	50,461	58,864	62
Total Information Technology	11.50	13.50	14.50				
<u>Water Resource Management</u>							
City Manager	0.25	0.25	-	Unclassified			
Regional Programs Director	1.00	1.00	1.00	Unclassified			
Water Resource Manager	-	0.60	0.60	67,226	80,662	94,120	81
Water Resource Coordinator	-	1.00	1.00	45,282	54,350	63,398	65
Water Resource Specialist	0.60	-	-	51,230	61,485	71,739	70
Program Manager	0.50	-	-	46,426	55,702	64,979	66
Contract Specialist	0.20	-	-	41,018	49,234	57,429	61
Administrative Assistant	0.20	-	-	35,381	42,453	49,525	55
Secretary	0.20	-	-	29,765	35,714	41,662	48
Total Water Resource Management	2.95	2.85	2.60				
Total City Manager	25.20	27.10	27.10				
<u>Community Development</u>							
<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
Administrative Specialist	1.00	1.00	1.00	33,675	40,414	47,133	53
Real Property Specialist	0.10	-	-	56,555	67,870	79,186	74
Program Manager	0.50	-	-	46,426	55,702	64,979	66
Total Administration/Planning and Zoning	4.60	4.00	4.00				

Authorized Position Listing

Positions by Department and Division	FTEs			Pay Range			Pay
	FY2015	FY2016	FY2017	Min	Mid	Max	Grade
Building Safety							
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	1.00	2.00	3.00	45,282	54,350	63,398	65
Building Inspector	2.00	2.00	2.00	43,098	51,730	60,341	63
Permit Technician	1.00	1.00	1.00	31,262	37,523	43,784	50
Plans Examiner	1.00	-	-	44,179	53,019	61,859	64
Total Building Safety	6.50	6.50	7.50				
Total Community Development	11.10	10.50	11.50				
Economic Initiatives							
<u>Economic Development</u>							
Director of Economic Initiatives	0.75	0.75	0.75	Unclassified			
Economic Development Coordinator	0.50	1.00	1.00	41,018	49,234	57,429	61
Total Economic Development	1.25	1.75	1.75				
<u>Airport</u>							
Director of Economic Initiatives	0.25	0.25	0.25	Unclassified			
Airport Manager	1.00	1.00	1.00	72,384	86,882	101,358	84
Operations & Maintenance Supervisor	1.00	1.00	1.00	51,230	61,485	71,739	70
Airport Operations Technician	3.00	2.00	3.00	35,381	42,453	49,525	55
Maintenance Specialist	1.00	2.00	2.00	41,018	49,234	57,429	61
Management Analyst	1.00	1.00	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	8.25	8.25	9.25				
<u>Tourism</u>							
Tourism Director	1.00	1.00	-	Unclassified			
Tourism Manager	-	-	1.00	68,910	82,680	96,470	82
Tourism Sales Manager	1.00	1.00	1.00	48,776	58,510	68,266	68
Economic Development Coordinator	0.50	-	-	41,018	49,234	57,429	61
Total Tourism	2.50	2.00	2.00				
<u>Special Events</u>							
Special Events Manager	1.00	1.00	-	43,098	51,730	60,341	63
Total Special Events	1.00	1.00	-				
Total Economic Initiatives	13.00	13.00	13.00				
Field and Facilities							
<u>Facilities Management</u>							
Field & Facilities Director	0.10	0.10	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	1.00	1.00	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	0.10	0.10	40,019	48,027	56,035	60
Secretary	-	-	0.10	29,765	35,714	41,662	48
Accounting Clerk	0.10	0.10	-	29,765	35,714	41,662	48
Contract Specialist	-	0.15	0.15	41,018	49,234	57,429	61
Total Facilities Management	6.30	6.45	7.45				

Authorized Position Listing

Positions by Department and Division	FTEs			Pay Range			Pay
	FY2015	FY2016	FY2017	Min	Mid	Max	Grade
<u>Fleet Services</u>							
Field & Facilities Director	0.10	0.10	0.10	Unclassified			
Fleet Manager	-	1.00	1.00	59,426	71,302	83,179	76
Fleet Maintenance Superintendent	1.00	-	-	56,555	67,870	79,186	74
Fleet Maintenance Supervisor	1.00	1.00	1.00	51,230	61,485	71,739	70
Equipment Mechanic	5.00	5.00	5.00	39,042	46,862	54,662	59
Parts and Service Specialist	-	-	1.00	39,042	46,862	54,662	59
Parts Specialist	1.00	1.00	-	32,843	39,416	45,989	52
Business Manager	0.10	0.10	0.10	40,019	48,027	56,035	60
Secretary	-	-	0.90	29,765	35,714	41,662	48
Accounting Clerk	0.90	0.90	-	29,765	35,714	41,662	48
Contract Specialist	-	0.25	0.25	41,018	49,234	57,429	61
Total Fleet Services	9.10	9.35	9.35				
<u>Solid Waste</u>							
Field & Facilities Director	0.40	0.40	0.40	Unclassified			
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 Service Technician	-	-	1.00	36,254	43,514	50,773	56
Maintenance Specialist	1.00	1.00	-	41,018	49,234	57,429	61
Maintenance Worker	5.00	5.00	5.00	29,037	34,840	40,643	47
Business Manager	0.50	0.40	0.40	40,019	48,027	56,035	60
Accounting Clerk	1.00	1.00	2.00	29,765	35,714	41,662	48
Contract Specialist	-	0.50	0.40	41,018	49,234	57,429	61
Accounting Technician	1.00	-	-	33,675	40,414	47,133	53
Total Solid Waste	27.90	27.30	28.20				
<u>Street Maintenance</u>							
Field & Facilities Director	0.40	0.40	0.40	Unclassified			
Streets Maintenance Superintendent	1.00	1.00	1.00	59,426	71,302	83,179	76
Streets Maintenance Supervisor	2.00	3.00	3.00	51,230	61,485	71,739	70
Equipment Service Technician	-	-	2.00	36,254	43,514	50,773	56
Senior Equipment Operator	3.00	3.00	3.00	40,019	48,027	56,035	60
Equipment Operator	12.00	13.00	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	4.00	4.00	2.00	29,037	34,840	40,643	47
Business Manager	0.30	0.40	0.40	40,019	48,027	56,035	60
Accounting Clerk	1.00	1.00	1.00	29,765	35,714	41,662	48
Contract Specialist	-	0.10	0.20	41,018	49,234	57,429	61
Supervisor/Bldg. Project Manager	1.00	-	-	48,776	58,510	68,266	68
Maintenance Specialist	1.00	1.00	-	41,018	49,234	57,429	61
Maintenance Technician	1.00	1.00	-	35,381	42,453	49,525	55
Total Street Maintenance	28.70	29.90	30.00				
Total Field and Facilities	72.00	73.00	75.00				

Authorized Position Listing

Positions by Department and Division	FTEs			Pay Range			Pay
	FY2015	FY2016	FY2017	Min	Mid	Max	Grade
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
Administrative Assistant	1.00	-	-	35,381	42,453	49,525	55
Administrative Specialist	1.00	-	-	33,675	40,414	47,133	53
Secretary	1.00	1.00	-	29,765	35,714	41,662	48
Total Administration	5.00	3.00	2.00				
<u>Community Risk Reduction</u>							
Division Chief/Battalion Chief	2.00	1.00	1.00	76,066	91,270	106,475	86
Plans Examiner	1.00	1.00	1.00	46,426	55,702	64,979	66
Fire Inspector	1.00	1.00	1.00	43,098	51,730	60,341	63
Fuels Management Coordinator	-	1.00	1.00	36,254	43,514	50,773	56
Fuel Reduction Technician	-	2.00	2.00	34,507	41,413	48,318	54
Secretary	-	-	1.00	29,765	35,714	41,662	48
Fuels Management Supervisor	1.00	-	-	38,106	45,718	53,331	58
Lead Fuels Technician	3.00	-	-	34,507	41,413	48,318	54
Total Community Risk Reduction	8.00	6.00	7.00				
<u>Suppression</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	52,796	63,333	73,892	68F
Firefighter	21.00	21.00	12.00	47,820	57,389	66,957	64F
Firefighter (SAFER GRANT)	-	-	9.00	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	33,675	40,414	47,133	53
Total Fire Professional Services	1.00	2.00	2.00				
Total Fire Department	71.00	68.00	68.00				
Legal							
City Attorney	1.00	1.00	1.00	Unclassified			
Deputy City Attorney	-	-	1.00	86,050	103,272	120,474	91
Assistant City Attorney	3.00	3.00	2.00	79,914	95,888	111,883	88
Legal Services Administrator	1.00	1.00	1.00	72,384	86,882	101,358	84
Legal Secretary	1.50	1.50	2.50	33,675	40,414	47,133	53
Risk Management Technician	1.00	1.00	1.00	34,507	41,413	48,318	54
Legal Assistant	1.00	1.00	-	34,507	41,413	48,318	54
Total Legal	8.50	8.50	8.50				
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	5.00	5.00	46,426	55,702	64,979	66
Library Specialist	2.00	2.00	2.00	33,675	40,414	47,133	53
Library Assistant	5.00	5.00	4.50	29,037	34,840	40,643	47
Total Public Services	16.00	16.00	15.50				

Authorized Position Listing

Positions by Department and Division	FTEs			Pay Range			Pay
	FY2015	FY2016	FY2017	Min	Mid	Max	Grade
<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	22.00	22.00	21.50				
Police Department							
<u>Administration</u>							
Police Chief	1.00	1.00	1.00	Unclassified			
Deputy Police Chief	1.00	1.00	0.60	Unclassified			
Business Manager	1.00	1.00	1.00	40,019	48,027	56,035	60
Victim Advocate	-	-	1.00	35,381	42,453	49,525	55
Police Lieutenant	1.00	-	-	76,066	91,270	106,475	86
Public Safety Specialist	0.50	0.50	-	30,514	36,608	42,702	49
Administrative Services Specialist	1.00	1.00	-	38,106	45,718	53,331	58
Total Administration	5.50	4.50	3.60				
<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	52.00	49.00	46.00	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	2.00	2.00	1.00	32,843	39,416	45,989	52
Station Coordinator	-	0.50	0.50	33,675	40,414	47,133	53
Secretary	1.50	1.00	0.50	29,765	35,714	41,662	48
Crime Prevention Specialist	1.00	1.00	-	41,018	49,234	57,429	61
IT Technician	0.50	-	-	46,426	55,702	64,979	66
Total Operations Bureau	68.00	64.50	59.00				
<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	8.00	9.00	9.00	47,570	57,096	66,602	67
Secretary	0.50	0.50	1.00	29,765	35,714	41,662	48
Property/Evidence Technician-CSI	2.00	2.00	1.00	42,058	50,461	58,864	62
Public Safety Specialist	0.50	0.50	0.50	30,514	36,608	42,702	49
Administrative Services Specialist	-	-	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	5.00	4.00	4.00	33,675	40,414	47,133	53
Chief Code Compliance Officer	1.00	1.00	1.00	52,520	63,024	73,528	71
Police Services Coordinator	-	-	1.00	32,053	38,459	44,866	51
Code Enforcement Officer	1.00	1.00	-	38,106	45,718	53,331	58
Police Training Coordinator	-	1.00	-	32,053	38,459	44,866	51
Total Support Bureau	21.00	22.00	21.50				
Total Police Department	94.50	91.00	84.10				

Authorized Position Listing

Positions by Department and Division	FTEs			Pay Range			Pay
	FY2015	FY2016	FY2017	Min	Mid	Max	Grade
Public Works							
<u>Program Development</u>							
Public Works Director	0.30	0.30	0.30	Unclassified			
Program Development Manager	-	-	0.40	79,914	95,888	111,883	88
City Engineer	-	-	0.70	79,914	95,888	111,883	88
Capital Project Manager	-	5.00	5.00	67,226	80,662	94,120	81
Public Works Analyst	-	0.20	0.20	55,182	66,206	77,251	73
Administrative Assistant	-	0.20	0.40	35,381	42,453	49,525	55
Secretary	-	0.20	0.20	29,765	35,714	41,662	48
Contract Specialist	-	2.00	0.80	41,018	49,234	57,429	61
Development Coordinator/Records Control	-	1.00	0.10	37,170	44,595	52,042	57
Development Review Supervisor	-	1.00	1.00	51,230	61,485	71,739	70
Engineering Technician	-	1.00	1.00	43,098	51,730	60,341	63
Permit Technician	-	1.00	1.00	37,170	44,595	52,042	57
Environmental Coordinator	1.00	-	-	51,230	61,485	71,739	70
Total Program Development	1.30	11.90	11.10				
<u>Utilities</u>							
Public Works Director	0.70	0.70	0.70	Unclassified			
City Engineer	0.40	-	0.30	79,914	95,888	111,883	88
Civil Utility Engineer	1.00	1.00	1.00	68,910	82,680	96,470	82
Program Development Manager	1.00	0.60	0.60	79,914	95,888	111,883	88
Utilities Manager	1.00	1.00	1.00	77,958	93,558	109,138	87
Water Resource Manager	-	0.40	0.40	67,226	80,662	94,120	81
Public Works Analyst	-	0.80	0.80	55,182	66,206	77,251	73
Senior Utilities Ops/Infrastructure Analyst	1.00	-	1.00	68,910	82,680	96,470	82
Development Coordinator/Records Control	-	-	0.20	37,170	44,595	52,042	57
Administrative Assistant	0.80	0.80	0.60	35,381	42,453	49,525	55
Secretary	1.80	1.80	1.80	29,765	35,714	41,662	48
Administrative Specialist	2.00	2.00	2.00	33,675	40,414	47,133	53
Contract Specialist	0.80	-	1.20	41,018	49,234	57,429	61
Water Superintendent	1.00	1.00	1.00	60,902	73,091	85,259	77
Water Distribution Supervisor	1.00	1.00	1.00	51,230	61,485	71,739	70
Water Production Supervisor	1.00	1.00	1.00	51,230	61,485	71,739	70
Wastewater Superintendent	1.00	1.00	1.00	60,902	73,091	85,259	77
Wastewater Collection Supervisor	1.00	1.00	1.00	51,230	61,485	71,739	70
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	45,282	54,350	63,398	65
Wastewater Treatment Plant Operator	9.00	9.00	8.00	43,098	51,730	60,341	63
Wastewater Lab Technician	1.00	1.00	1.00	43,098	51,730	60,341	63
Senior Utility Worker	10.00	11.00	11.00	38,106	45,718	53,331	58
Utility Worker	13.00	17.00	17.00	34,507	41,413	48,318	54
Water Operator	6.00	6.00	6.00	40,019	48,027	56,035	60
Maintenance Specialist	4.00	4.00	4.00	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
Capital Program Manager	1.00	-	-	76,066	91,270	106,475	86
Communications Tech Manager	0.20	-	-	65,582	78,707	91,811	80
Metering Service Worker	3.00	-	-	26,312	31,574	36,816	43
New PW Projects & Infrastructure Manager	-	1.00	-	65,582	78,707	91,811	80
Capital Project Manager	2.80	-	-	67,226	80,662	94,120	81

Authorized Position Listing

Positions by Department and Division	FTEs			Pay Range			Pay
	FY2015	FY2016	FY2017	Min	Mid	Max	Grade
Real Property Specialist	0.60	-	-	56,555	67,870	79,186	74
Senior Engineering Technician	1.00	-	-	51,230	61,485	71,739	70
Senior Project Manger	1.00	-	-	68,910	82,680	96,470	82
Water Resource Specialist	0.40	-	-	51,230	61,485	71,739	70
Total Utilities	72.50	67.10	68.60				
Engineering							
City Engineer	0.60	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
Program Development Manager	-	0.40	-	79,914	95,888	111,883	88
Construction Inspection Supervisor	1.00	1.00	1.00	56,555	67,870	79,186	74
Construction Lead Inspector	-	-	1.00	46,426	55,702	64,979	66
Construction Inspector	6.00	6.00	5.00	43,098	51,730	60,341	63
Environmental Coordinator	-	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	0.30	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
Traffic Engineer	1.00	1.00	1.00	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	1.00	-	0.70	37,170	44,595	52,042	57
Senior Engineering Technician	1.00	-	-	51,230	61,485	71,739	70
Permit Technician	1.00	-	-	37,170	44,595	52,042	57
Contract Specialist	1.00	-	-	41,018	49,234	57,429	61
Capital Project Manager	2.20	-	-	67,226	80,662	94,120	81
Total Engineering	22.10	18.40	17.70				
Total Public Works	95.90	97.40	97.40				
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	48,776	58,510	68,266	68
Special Projects Administrator	1.00	1.00	-	48,776	58,510	68,266	68
Parks Regional Coordinator	2.00	-	-	40,019	48,027	56,035	60
Maintenance Coordinator	-	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	1.00	40,019	48,027	56,035	60
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 Work Monitor	2.00	2.00	2.00	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	2.00	2.00	1.00	35,381	42,453	49,525	55
Groundskeeper	2.00	2.00	3.00	29,037	34,840	40,643	47
Total Parks, Lakes, Trails, and Landscape	26.00	26.00	25.00				

Authorized Position Listing

Positions by Department and Division	FTEs			Pay Range			Pay
	FY2015	FY2016	FY2017	Min	Mid	Max	Grade
<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	37,170	44,595	52,042	57
Administrative Specialist	-	-	1.00	33,675	40,414	47,133	53
Secretary	1.00	1.00	-	29,765	35,714	41,662	48
Total Recreation Programming	4.00	4.00	5.00				
Total Recreation Services	30.00	30.00	30.00				
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	59,426	71,302	83,179	76
Business Manager	1.00	1.00	-	40,019	48,027	56,035	60
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	24.75	24.00	24.00	39,042	46,862	54,662	59
Communications Tech Manager	0.80	-	-	65,582	78,707	91,811	80
IT Technician	1.00	-	-	46,426	55,702	64,979	66
Total Regional Communications	32.55	30.00	30.40				
Total City-wide Authorized	506.00	501.00	497.50				

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	68F	52,796.00	63,332.69	73,891.89
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.

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 data), 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

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.

Cost Center - An organizational budget/operating unit within each City division or department.

Glossary of Terms

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.

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.

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.

Glossary of Terms

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.

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.

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 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.

Glossary of Terms

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.

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.

Glossary of Terms

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.

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.

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.

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.

Glossary of Terms

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).