



CITY OF **PRESCOTT**
ARIZONA



ANNUAL BUDGET

Fiscal Year 2021

City of Prescott, Arizona Annual Budget

Fiscal Year 2021
July 1, 2020 – June 30, 2021



City Council

Greg Mengarelli, Mayor

Billie Orr

Alexa Scholl

Phil Goode

Cathey Rusing

Steve Sischka

Steve Blair

Administrative Staff

Michael Lamar
City Manager

Mark Woodfill
Finance Director

Jodi Rhodes
Budget Manager

Tyler Goodman
Assistant to City
Manager/Intergovernmental
Coordinator

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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, 2019 (FY2020). In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

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



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Prescott
Arizona**

For the Fiscal Year Beginning

July 1, 2019

Christopher P. Morill

Executive Director

Budget Award

City Manager Budget Message

Dear Citizens and Council –

For the creation of the Fiscal Year 2021 (FY21) budget I determined to continue with several priorities to focus on what would drive the budget process and reflect the desires of the Council. They are the following:

1. Further implement the Council's Strategic Plan
2. Enhanced innovation and efficiency in city operations
3. Ensure the city can remain fiscally sound, especially in light of economic volatility related to COVID-19
4. Continue the budgeting for outcomes model

Our best efforts have been taken to respond thus far to the COVID-19 pandemic and our budgeting process took this into account during every discussion. Departments have been asked to do more with less, they have proposed reduced operating budgets, and no new positions have been approved. Great care has been taken that the city can remain fiscally nimble during these economically challenging times.

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

This budget contains elements that will further the accomplishments made in the Strategic Plan and seeks to ensure our fiscal viability despite economic challenges. \$10.1 million has been budgeted under contingency, which gives the Council flexibility in determining when employee merit pay increases can occur or when certain projects can begin – all dependent on revenues. To continue the stabilization of the General Fund, the budget allocates all \$10.8 million in projected revenues from the Proposition 443 0.75% sales tax for the payment of the PSPRS unfunded liability. This is in addition to normal costs (annual required contribution) and between FY18-FY21 we expect to send over \$86.9 million to PSPRS.

Economic Development continues to be a big focus in FY21 as efforts of attracting a variety of businesses and industries, especially from technology and cyber security. Discussions with the Council will continue regarding the approximate \$5 million in CARES Act money and how that can be used to enhance our local economy for years to come. This includes the plan to build a "center of the future" in collaboration with local partners as well as to consider completing an area plan for "Prescott North." The airport terminal is budgeted to be completed in this fiscal year as we seek to maintain a quality commercial air service provider and our achievement of well over 10,000 enplanements. Quality of life through our excellent recreational amenities, streets, and other services will continue to be provided as well and the city has continued its focus on customer service.

We continue moving in the direction of outcome-based budgeting by asking departments to identify and focus on key efficiency and effectiveness performance measures as well as the outcomes they want to achieve. This method allocates funds based on what the Council wants the departments to achieve.

The table below shows the overall changes between the FY20 and FY21 budgets. The total adopted budget for FY21 is \$206.8 million, which is a 6% decrease from the previous fiscal year. I commend my leadership team for identifying savings throughout their budgets to help provide these savings during such volatile times. The operating component is \$98.2 million which is a 1.2% decrease from last fiscal year.

City Manager Budget Message

The FY21 capital component of the budget is \$87.5 million, which is a 15.6% decrease over FY20. The large decrease is mostly due to the amount in contingency funds. With revenues allowing, the Council may choose to release these funds for a robust plan for infrastructure improvements for utility and streets projects as well as provide for other one time expenditures for purchase or projects.

The remaining components are the budgeted revenues of \$10.8 million from the PSPRS 0.75% sales tax. The contingency of \$10.2 million includes the budget for potential grants that may arise along with monies from the CARES Act distributed by the Governor’s Office. It also allows for reallocation of the budget should revenues come in higher than anticipated. These have been separated from department operating budgets to better reflect the true cost of providing the service if the grants or other costs are not obtained or expended.

	FY20 Budget	FY21 Budget	% Change
Operating Budget			
General Operations	\$ 99,383,692	\$ 98,221,340	-1.2%
PSPRS 0.75% Tax	12,853,928	10,875,000	-15.4%
Contingency	4,100,000	10,185,816	148.4%
Capital Budget	103,731,302	87,548,251	-15.6%
Total	\$ 220,068,922	\$ 206,830,407	-6.0%

We believe this budget balances the desire to continue to deliver high-quality services in an era of economic uncertainty with the need to address issues that are important to the future of the City of Prescott.

Sincerely,

Michael Lamar
City Manager

City Leadership and Community Overview

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City Leadership and Community Overview

Mayor and City Council Profiles



Greg Mengarelli, Mayor

Term: November 2019 – November 2021

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

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

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

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

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

Mayor and City Council Profiles



Billie Orr, Council Member

Term: November 2019 – November 2023

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

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

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

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

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

Mayor and City Council Profiles



Alexa Scholl, Council Member

Term: November 2017 – November 2021

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

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

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

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

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

Mayor and City Council Profiles



Phil Goode, Council Member

Term: November 2017 – November 2021

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

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

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

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

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

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

Mayor and City Council Profiles



Cathey Rusing, Council Member
Term: November 2019 – November 2023

Cathey was born at Walter Reed Army Hospital in Washington, DC. Her father was a career Air Force Officer who served as a navigator Bombardier in WWII and later in NATO Intelligence. Her family has lived in Arizona since 1965. She excelled in the Arizona public school system and graduated from the University of Arizona with a Bachelor of Science in Nursing. She married Dr. Tom Rusing, a General Surgeon, in 1978 at Sacred Heart Church in Prescott. The Rusing family came to Prescott in 1961 and started Julie Ann's Bakery. Tom and Cathey volunteered for six months as Medical Volunteers at a small hospital in the highlands of Kenya in 1985, before returning to Prescott to open Prescott Surgical Clinic and to raise a family. They are the proud parents of three sons. There are now four generations of Rusings living in Prescott!

Cathey is the newest Prescott Council Member. She was sworn in Nov. 19, 2019 to a 4 year term. She was overwhelmingly elected in a nonpartisan election, running on the important issues of Growth and Development, Water, Traffic, and Preservation of our natural beauty and our wonderful quality life. She was the only Candidate that did not take campaign donations from developers. She also was the only Candidate to support the position of Save the Dells, a grassroots organization that is working hard to preserve the "Heart of the Dells."

Cathey is currently working with the City Council and Staff to complete annexation negotiations with Arizona Eco Development which will preserve approximately 475 acres of important Granite Dells property by implementing the City's open space policy. Also, she is working with Council, City Staff, Save the Dells, and our Representatives at the State Capitol to obtain State Funding, therefore bringing our sales tax dollars back to be reinvested in our community for the creation of a Regional Park. This Park will enhance Prescott's reputation as a destination for Eco Tourism.

Prior to her election, Cathey learned basic good business skills by spending almost 30 years helping to build and manage a busy surgical practice, and managed all aspects of personal commercial and residential rental properties. She was also involved in expanding the Downtown Business District. Cathey is a member of the Citizens Water Advocacy Group (CWAG), a science based "think tank" of local water experts who are dedicated to water conservation, protecting our aquifer, and the flow of the Verde River. She is also a member of the Citizens Tax Committee (CTC), a watchdog group of citizens and elected officials dedicated to keeping an eye on the spending of your tax dollars. She is also a volunteer for the Yavapai County Emergency Medical Reserve Corps.

Cathey is an advocate for Truth and Transparency in City government, and encourages citizen input and participation. Please feel free to call, Email, or make an appointment.

Mayor and City Council Profiles

Cathey enjoys hiking, biking, and kayaking the scenic trails, parks, and lakes that are in such close proximity in and around Prescott. Cathey and Tom can also be found Downtown, partaking in Prescott's vibrant Food, Music, Arts and Culture scene, and in the many Events and Festivals!

Mayor and City Council Profiles



Steve Sischka

Term: November 2019 – November 2023

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

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

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

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

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

Mayor and City Council Profiles



Steve Blair, Council Member

Term: November 2017 to November 2021

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

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

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

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

Community Profile

History



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

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

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

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

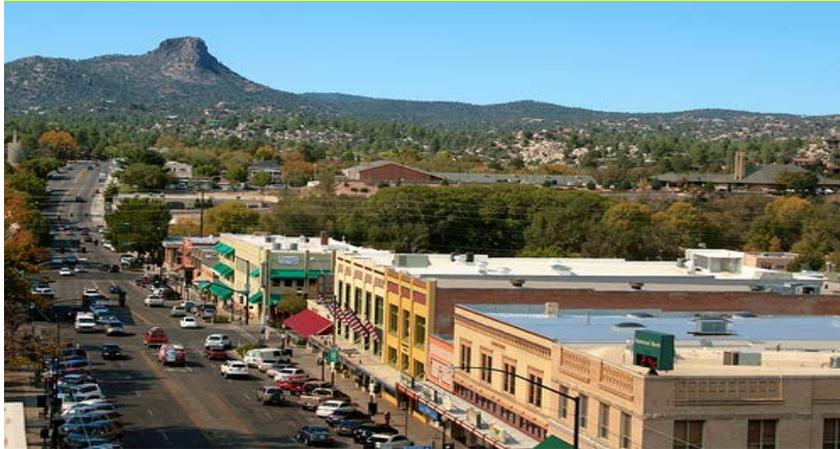
Dubbed “Everybody’s Hometown”, Prescott is culturally diverse from its downtown Courthouse Plaza, famous Whiskey row, preservation emphasis with 809 buildings on the National Register of Historic Places, World’s Oldest Rodeo, Prescott Fine Arts Association, Sharlot Hall Museum, Phippen Art Museum, Folk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



Community Profile

Location

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



City Government

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



Community Profile

City Services

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



Taxes

Prescott and all Arizona municipalities are highly dependent on sales tax and state-shared revenues for their General Fund. Property taxes account for less than 5 percent of City's tax revenues. The total 2019 property tax rate (primary and secondary) for residents in the City is 7.7862 per \$100 assessed value. The City of Prescott's 2019 rate is only 0.2599 per \$100 assessed value, or 3.3% of the total property tax for residents. The remaining property tax is levied by Yavapai County (37.9%), Prescott Unified School District (34.5%), Yavapai College (23.6%), State Legislature (5.9%), and Mountain Institute (.6%). 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, 42,917, the City is not dependent on any one company or industry for economic vitality. The region is diverse in nature and benefits from the following industries and employers:

Education

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

Medical

Yavapai Regional Medical Center
Veteran's Administration Hospital

Manufacturing

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

Retail

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

Tourism

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

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

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

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

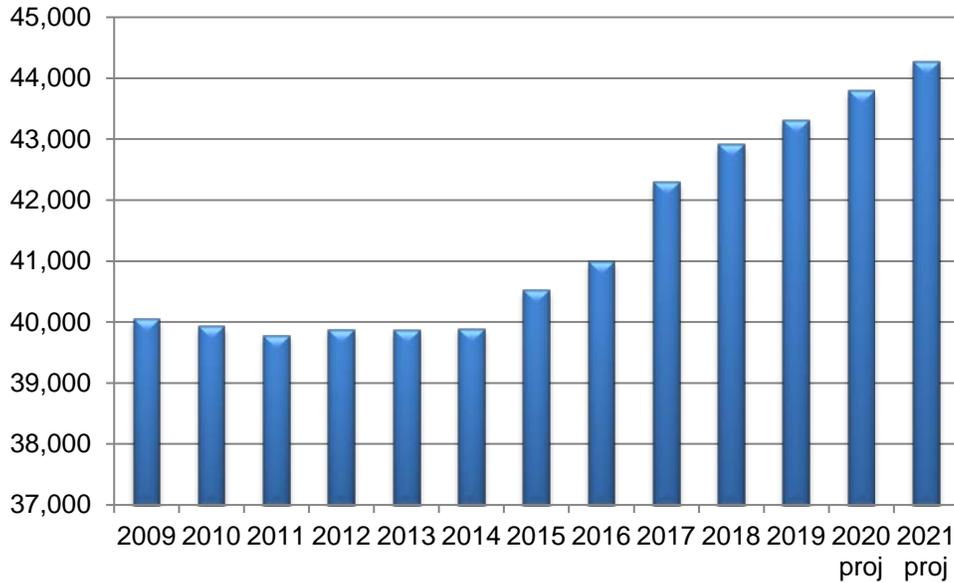
City of Prescott Demographics

City of Prescott Population Demographics

Population and Area

Year	Population	Yavapai County	Population as % of County	Land Area
2009	39,932	212,585	18.8%	40.85 square miles
2010	39,771	210,899	18.9%	41.50 square miles
2011	39,873	211,247	18.9%	41.50 square miles
2012	39,865	211,583	18.8%	41.50 square miles
2013	39,888	213,294	18.7%	42.67 square miles
2014	40,520	215,357	18.8%	42.67 square miles
2015	40,989	217,778	18.8%	42.67 square miles
2016	41,575	220,189	18.9%	42.67 square miles
2017	42,300	225,364	18.8%	42.67 square miles
2018	42,917	228,970	18.7%	42.67 square miles
2019	43,314	231,993	18.7%	45.25 square miles
2020 proj	43,790	235,099	18.6%	45.50 square miles
2021 proj	44,272	237,685	18.6%	45.50 square miles

Population



Source: Population Estimates from Office of Economic Opportunity, State of Arizona

City of Prescott Demographics

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

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

Households by Income, 2015	
\$200,000 or more	2.50%
150,000 to 199,999	3.20%
100,000 to 149,999	12.00%
75,000 to 99,999	9.40%
50,000 to 74,999	18.10%
35,000 to 49,999	15.60%
25,000 to 34,999	12.30%
15,000 to 24,999	12.90%
10,000 to 14,999	6.10%
under 10,000	7.90%

Racial/Ethnic Composition 2015	
White, Non-Hispanic	86.90%
Hispanic	7.60%
Black	0.70%
Other	4.80%

Source: 2015 American Community Survey

City of Prescott Demographics

City of Prescott Financial Snapshot

	<u>FY2016</u>	<u>FY2017</u>	<u>FY2018</u>	<u>FY2019</u>	<u>FY2020</u>	<u>FY2021</u>
Total Operating Budget (000s)	\$ 84,853	\$ 91,382	\$ 91,781	\$ 93,907	\$ 99,384	\$ 103,307
Total Regular Employees ¹	501	497.5	494	498.25	507	507
Total Employees per 1000 population	12	12	12	12	12	12
Primary Assessed Valuation ² (000s)	\$ 548,631	\$ 570,573	\$ 606,159	\$ 647,649	\$ 691,000	\$ 735,510
City of Prescott Property Tax Rate	0.3047	0.3025	0.2821	0.2699	0.2599	0.2484
City Property Tax Paid per Capita	\$ 41	\$ 42	\$ 42	\$ 43	\$ 41	\$ 42
City Sales Tax Rate	2%	2%	2%	2.75%	2.75%	2.75%
City Sales Tax Revenue per Capita ³	\$ 337	\$ 351	\$ 361	\$ 382	\$ 384	\$ 380

Notes:

¹ Regular employees does not include temporary or seasonal employees.

² Source: Yavapai County

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

Population Estimates from Office of Economic Opportunity, State of Arizona

City of Prescott Demographics

City Services

Neighborhood Resources

Parks	21
Lakes	3
Golf Courses	2
Miles of Trails	106
Open Space - Parks (acres)	2,353
Libraries	1
Total Number of Library Materials Checked out	776,276

Public Safety

Police Employees	90
Calls for Services	20,471
Fire Stations	5
Fire Employees	65
Calls for Services	10,799
Fire Inspections	3,689

Building Inspections

Number of Permits Issued	2,059
Value of Permits (in millions)	\$235

Transportation

Total of Miles of Streets (paved miles)	357
Cold Mix Repairs (lbs)	156,723
Hot Mix Repairs (tons)	103,236

Refuse Collection

Household Accounts	19,318
Commercial Accounts	1,335
Refuse Collected (tons)	75,113
Recycle Collected (tons)	5,536

Airport

Ranking for busiest airport in Arizona	5th
Ranking for busiest airport in US	45th
Passengers on Commercial Flights	27,730
FAA Traffic Count	235,554

City of Prescott Water

Miles of Water Mains	546
Number of Connections	25,098

City of Prescott Wastewater

Miles of Wastewater Lines	385
Number of Connections	20,570

Organizational Structure, Goals, and Policies

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Organizational Structure, Goals, and Policies

Organizational Values



VISION

To be the premier community in the Southwest.

MISSION STATEMENT

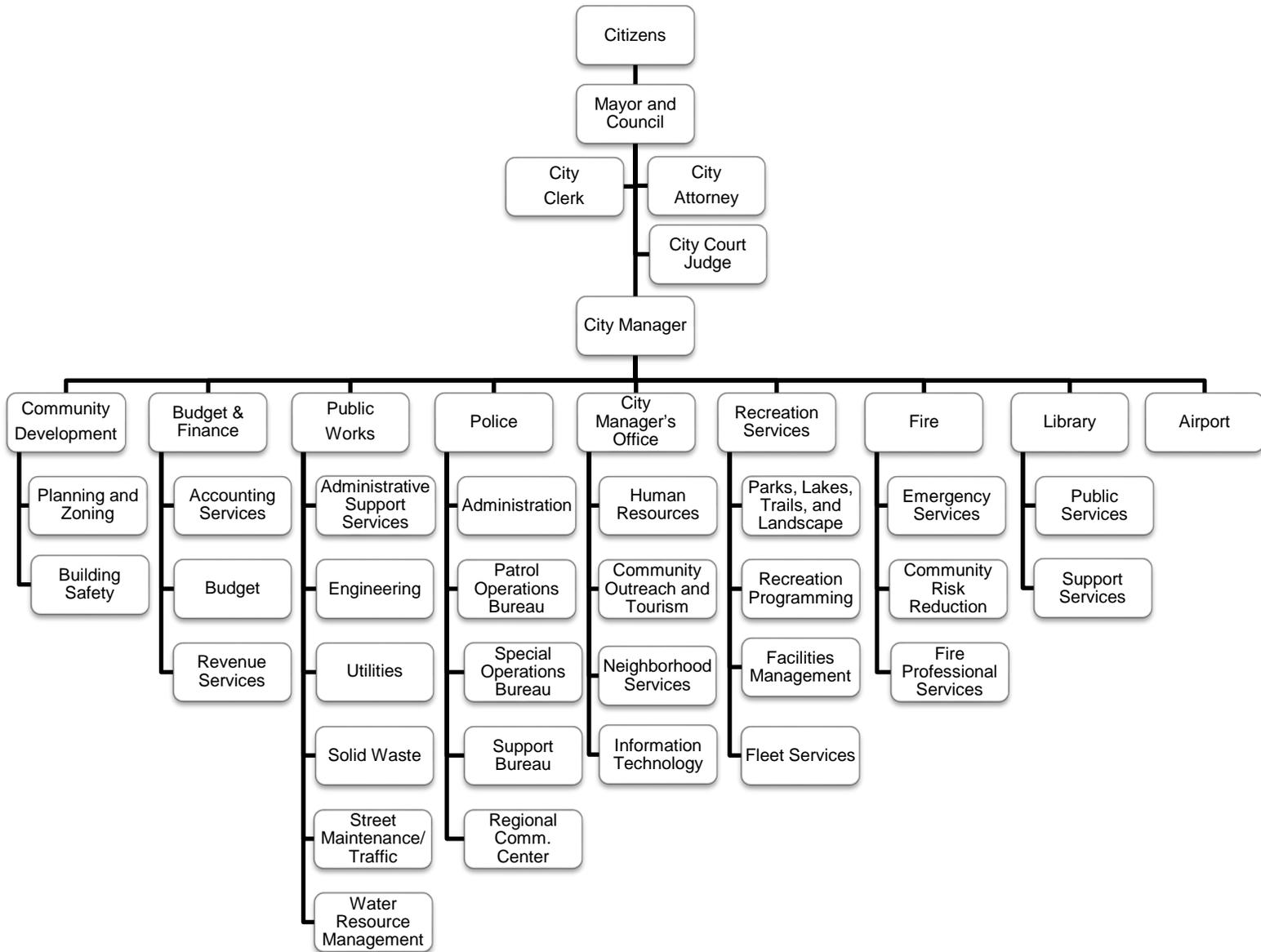
We will embrace our unique past, maximize our current opportunities, and be a catalyst for our future prosperity.

CITY OF PRESCOTT CORE BELIEFS

We believe in:

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

City Organizational Chart



City Organizational Chart

Boards, Commissions and Committees

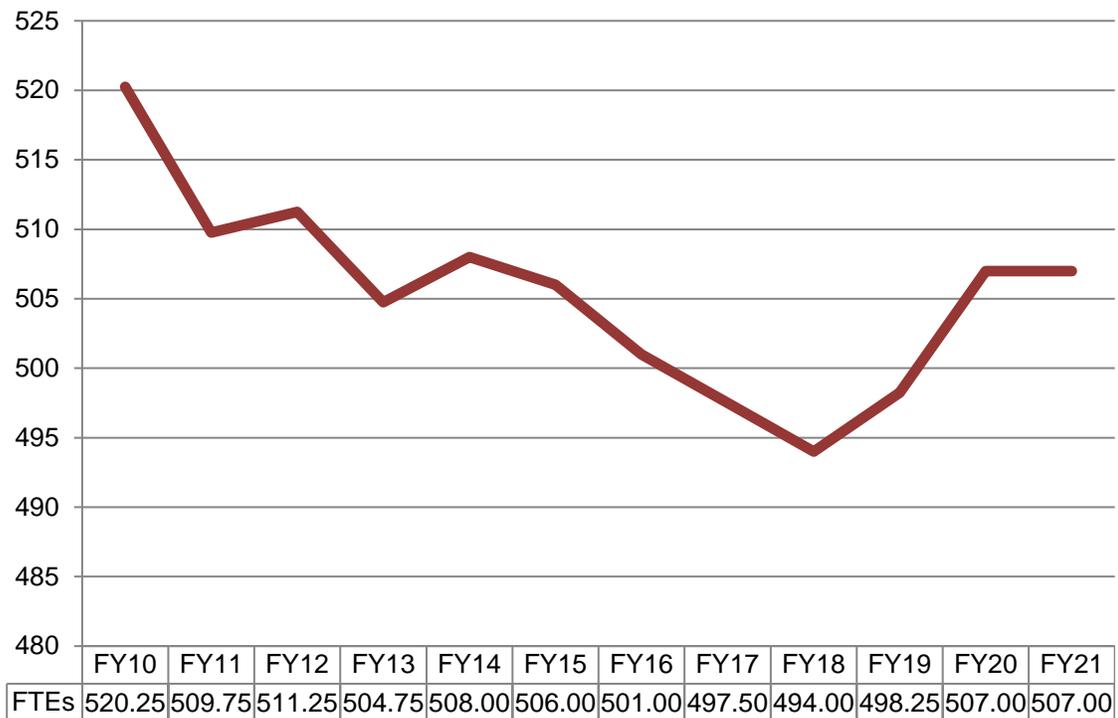
1. Board of Adjustment
2. Industrial Development Authority
3. Municipal Property Corporation
4. Planning & Zoning Commission
5. Prescott Preservation Commission
6. Acker Trust Board
7. Parks and Recreation Board
8. Library Advisory Board
9. Art in Public Places Committee
10. Public Safety Retirement Board - Fire
11. Public Safety Retirement Board – Joint Fire & Police
12. Public Safety Retirement Board - Police
13. CDBG Citizens Advisory Committee
14. Advisory & Appeals Board
15. Fire Board of Appeals
16. Airport Advisory Committee
17. Bicycle, Pedestrian and Traffic Advisory Committee
18. Tourism Advisory Committee
19. Mayor’s Commission on ECHO
20. Mayor’s Commission on Well-Being
21. Mayor’s Commission on Veterans’ Initiatives
22. Youth Advisory Board
23. Mayor’s Commission on Wastewater & Water Connections
24. Mayor’s Commission on Facility Optimization and Property Usage (FOPU)
25. Mayor’s Commission on Airport Terminal Art

Employees by Department and Ten-Year Trend

Department	FTEs ¹		
	FY19	FY20	FY21
Airport	9.00	11.00	11.00
Budget & Finance	15.75	16.00	16.00
City Clerk	3.00	3.00	3.00
City Council	7.00	7.00	7.00
City Court	6.00	7.00	7.00
City Manager	27.50	28.00	28.00
Community Development	15.50	14.50	14.50
Fire	65.00	65.00	65.00
Legal	8.00	8.00	8.00
Library	21.50	21.50	21.50
Police	87.00	90.00	90.00
Public Works	156.00	158.00	158.00
Recreation Services	47.00	48.00	48.00
Regional Communications	30.00	30.00	30.00
City Total	498.25	507.00	507.00

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

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



Budget Policy

City of Prescott Budget Policy

(Resolution No. 4336-1545)

Background

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

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

Laws and Standards

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

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

Budget Objectives

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

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

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

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

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

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

Balanced Budget, Revenue and Expenditure Policies

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

Budget Policy

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

Fund Balance

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

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

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

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

Internal Cost Allocation

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

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

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

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

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

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

Allocation Basis

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

Budget Policy

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

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

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

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

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

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

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

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

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

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

Budget Preparation

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

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

Budget Policy

Budget Adoption

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

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

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

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

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

Budget Amendments

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

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

Debt Policy

City of Prescott Debt Policy

Background

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

The debt policy shall conform to Federal and State Regulations.

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

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

Planning and Performance

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

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

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

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

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

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

Debt shall be within statutory and sound financial management limits.

Types of Debt

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

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

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

Debt Policy

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

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

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

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

Municipal Property Corporation Bonds – These non-voter approved bonds are for all city-approved projects. In essence, the City makes annual payments equal to debt service under a lease-purchase or loan agreement with the Municipal Property Corporation. City payments may be guaranteed by pledge of excise taxes, enterprise revenues or annual appropriations. After the debt is retired, the City receives ownership of the financed project. The Municipal Property Corporation bonds are appropriate to use for 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.

Pension Funding Policy

City of Prescott Pension Funding Policy

(Council Adopted 05/26/2020 with Resolution 2020-1745)

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

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

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

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

- Pension funding goal
- Funding pension cost

Several terms are used throughout this policy:

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

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

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

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

Pension Funding Policy

Public Safety Personnel Retirement System (PSPRS)

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

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

Council formally accepts the assets, liabilities, and current funding ratio of the City's PSPRS trust funds from the June 30, 2019 actuarial valuation, which are detailed below:

Trust Fund	Assets	Accrued Liability	Unfunded Pension Liability (UPL)	Funding Ratio
Prescott Fire Dept. (023)	\$ 55,523,114	\$ 83,268,469	\$ 27,745,355	66.7%
Prescott Police Dept. (024)	42,588,664	67,929,385	25,340,721	62.7%
City of Prescott Total	\$ 98,111,778	\$ 151,197,854	\$ 53,086,076	64.9%

PSPRS Funding Goal

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

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

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

Council has taken the following actions to achieve this goal:

- Made additional payments above the ARC – since July 1, 2017, Council has made additional payments above the ARC from General Fund reserves and sales of unneeded assets totaling \$11.6 million. Additionally, during the annual budget process the Council will evaluate the General Fund fund balance to determine if any unassigned balance can be used to pay down the UPL in advance of the 20 year amortization period.
- Maintain ARC payment from operating revenues – Council is committed to maintaining the full ARC payment (normal cost and UPL amortization) from operating funds.
- Dedicated revenue – Council proposed, and the voters approved, a dedicated sales tax of 0.75% effective January 1, 2018, to pay down the unfunded PSPRS pension liability. This dedicated sales tax is to remain in effect for ten years (until December 31, 2027) or until the combined unfunded pension liability of the City's two PSPRS trust funds is \$1.5 million.

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

Pension Funding Policy

Funding PSPRS Pension Cost

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

Arizona State Retirement System (ASRS)

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

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

ASRS Funding Goal

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

Funding ASRS Pension Cost

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

Budget Preparation Process Overview

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

Purpose of the Budget

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

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

Major City Goals

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

Financial Plan Policies

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

Preparation and Review Process

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

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

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

Budget Preparation Process Overview

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

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

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

Interim Financial and Project Status Reports

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

Administration

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

Budget Preparation Calendar

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

Budget Preparation Calendar

<u>Date</u>	<u>Description</u>
December 13, 2019	IT Project Requests for FY21
December 17, 2019	City Manager strategic planning meetings, next year goals and objectives
January 16, 2020	Budget “Kick-off” meeting for departments
February 7, 2020	Department & division missions, next year objectives, performance measurements, and org charts
February 28, 2020	Base budgets due – next fiscal year requests, current fiscal year estimated endings
February 28, 2020	New personnel requests
March 6, 2020	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 13-24, 2020	City Manager meetings with departments to review budget, decision packages, and department operational plans.
May 19, 2020	Annual Council Workshop (public invited)
May 26, 2020	Annual Council Workshop – if necessary (public invited)
June 5, 2020	List of prior year key results and outcomes due
June 9, 2020	Set public hearing on expenditure limitation and tentative adoption
June 23, 2020	Official public hearing on budget and adoption of budget
July 14, 2020	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.

Fund Summaries

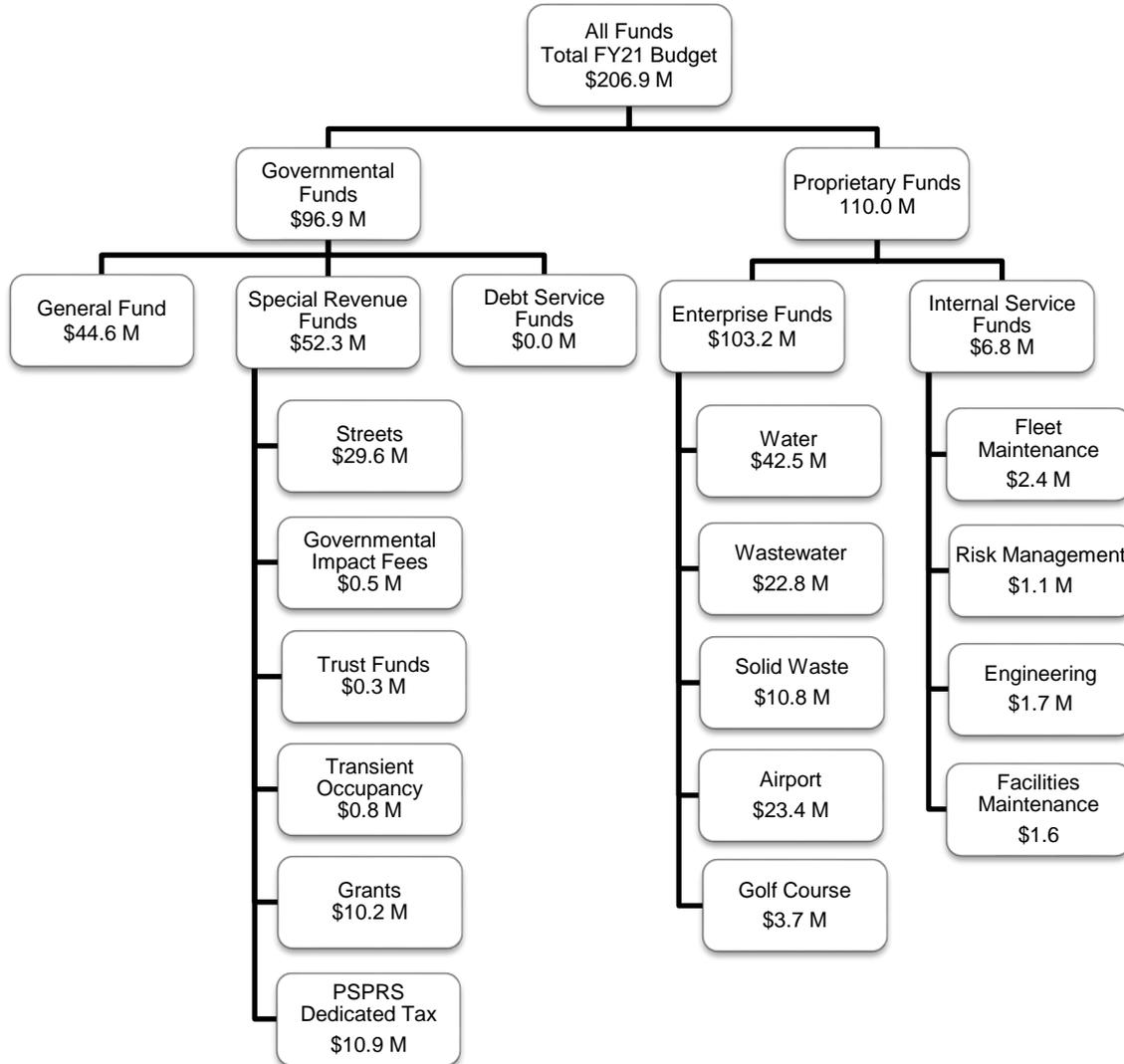
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Fund Summaries

Fund Structure

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



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

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

Fund Structure

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

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

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

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

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

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 were paid in full in 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 to other departments of the City on a cost-reimbursement basis.

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

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

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

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

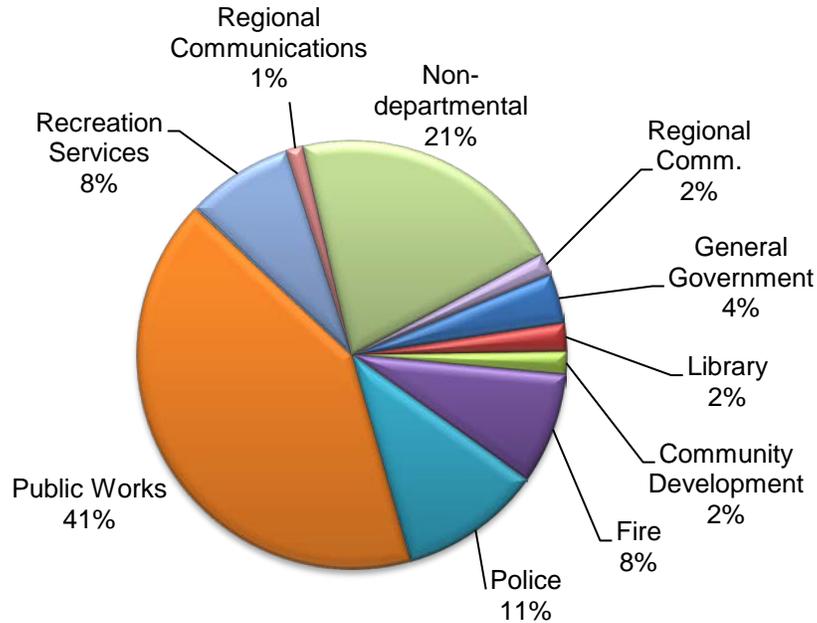
Overall City Budget Summary

The Fiscal Year 2021 (FY2021) Budget consists of two components – operating budget and capital budget. PSPRS 0.75% Tax and Grant Contingency is broken out from General Operations to show a better representation of the operating budget.

	FY20 Budget	FY21 Budget	% Change
Operating Budget			
General Operations	\$ 99,383,692	\$ 98,221,340	-1.2%
PSPRS 0.75% Tax	12,853,928	10,875,000	-15.4%
Contingency	4,100,000	10,185,816	148.4%
Capital Budget	103,731,302	87,548,251	-15.6%
Total	\$ 220,068,922	\$ 206,830,407	-6.0%

The General Operations portion of the operating budget is \$103,307,156 representing a 3.9% increase from FY2020. 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 reflects cost increases necessary to continue to provide City Services at equal or better levels. Below is a chart that depicts the operating budget by department.

FY21 Operating Budget by Department



Overall City Budget Summary

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

	FY2020 Budget	FY2021 Budget
PSPRS Annual Required Contribution		
Normal Pension Cost	\$ 1,302,751	1,081,903
Unfunded Liability	5,966,916	4,322,249
Total ARC - from Operating Budgets	7,269,667	5,404,152
Additional Payments		
3/4 cent PSPRS Tax	12,853,928	10,875,000
Total Additional Payments	12,853,928	10,875,000
Total Contributions	\$ 20,123,595	\$ 16,279,152

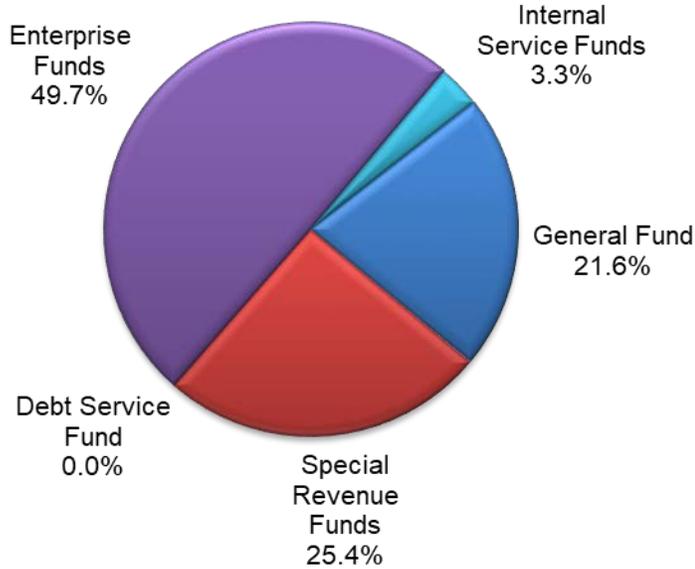
Contingency consists of a budget for potential grants that departments are pursuing along with a monies should the economy bounce back faster than expected. The grants that are likely to be awarded or are ongoing are budgeted in each department's budget. FY2021 is a very uncertain year due to the COVID-19 hit and this uncertainty is reflected in the contingency budget.

The second component, the capital budget, is \$87,548,251, a 15.6% decrease from FY2020. Capital expenditures are non-routine, one time expenditures for purchase or projects with a value over \$5,000 and estimated useful life over one year, mainly infrastructure improvements for utility and streets projects in the Five-Year Capital Improvement Plan. Capital budgets tend to rise and fall each year depending on the timing of projects – especially as Prescott is primarily on a “pay-as-you-go” program.

The total budget for FY2021 is \$206,830,407, including all funds. The proportionate share of each fund type is displayed in the pie chart below:

Overall City Budget Summary

FY21 City Budget by Fund



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

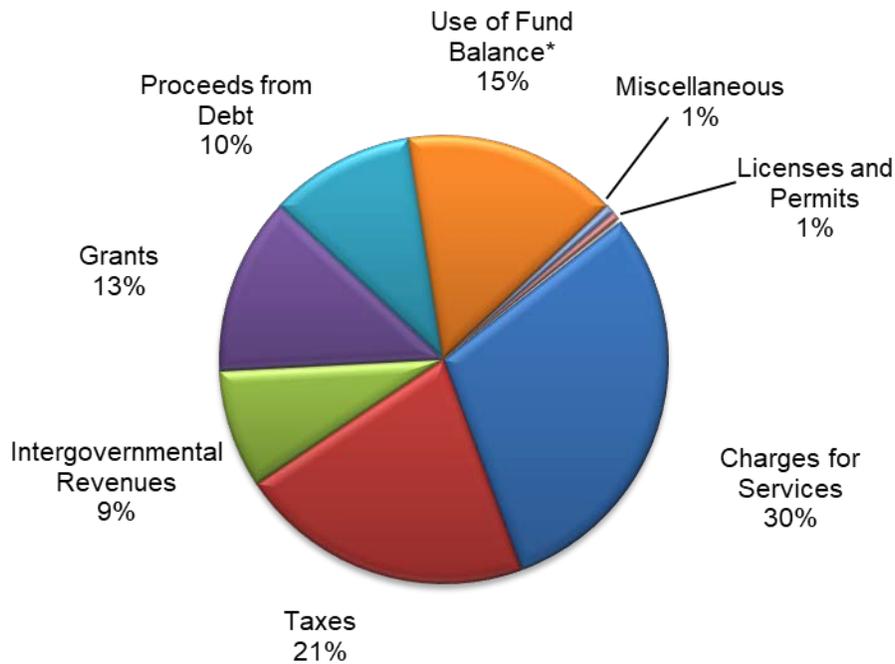
Overall City Budget Summary

City-Wide Funding Sources

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

Funding Source Category	FY20 Budget	FY21 Budget	FY21 % of Total
Charges for Services	60,885,795	61,840,758	29.9%
Taxes	51,726,436	44,081,714	21.3%
Intergovernmental Revenues	17,545,731	17,598,855	8.5%
Grants	16,746,079	26,589,981	12.9%
Proceeds from Debt	32,373,709	21,688,000	10.5%
Use of Fund Balance*	37,626,196	32,013,723	15.5%
Miscellaneous	1,347,826	1,403,776	0.7%
Licenses and Permits	1,358,900	1,154,200	0.6%
Fines and Forfeitures	458,250	459,400	0.2%
Total Funding Sources	\$ 220,068,922	\$ 206,830,407	

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



Overall City Budget Summary

Overall City Budget Summary

	Major Governmental Funds			Non-Major Governmental Funds		
	FY2019	FY2020	FY2021	FY2019	FY2020	FY2021
	Actual	Est End	Budget	Actual	Est End	Budget
Revenues						
Taxes	\$ 50,327,420	\$ 48,714,135	\$ 43,422,008	\$ 1,036,610	\$ 800,258	\$ 800,000
Intergovernmental revenues	17,423,914	18,387,479	18,298,855	1,337,455	6,544,727	7,200,346
Licenses and permits	1,544,427	1,043,960	1,093,000	-	250,000	250,000
Fines and forfeitures	298,994	431,077	439,400	-	-	-
Gifts and donations	-	-	-	121,982	114,418	68,376
Charges for services	4,999,847	4,183,509	4,296,169	-	-	-
Miscellaneous	2,309,094	1,104,247	579,400	213,297	124,092	106,826
Total Revenues	76,903,696	73,864,407	68,128,832	2,709,344	7,833,495	8,425,548
Other Sources						
Bond Proceeds	-	16,495,000	-	-	-	-
Total Revenues and Other Sources	76,903,696	90,359,407	68,128,832	2,709,344	7,833,495	8,425,548
Expenditures						
Operating						
General Government	3,425,372	3,421,582	3,750,751	257,732	264,221	1,485,105
Culture and Recreation	5,808,694	6,348,001	6,260,258	968,824	958,362	940,944
Public Safety	38,860,041	35,426,289	37,804,520	489,876	6,091,340	920,583
Public Works	11,648,024	7,969,768	7,971,457	108,350	940,000	2,575,000
Airport	1,254,875	69,731	164,419	-	-	-
Capital Outlay/Transfers	15,051,755	15,692,297	21,306,649	494,776	280,804	820,887
Debt Service	2,217,193	18,519,050	1,960,410	5,574	5,420	5,265
Contingency	-	-	5,867,427	78,883	88,511	5,100,000
Total Expenditures and Transfers	78,265,954	87,446,718	85,085,891	2,404,015	8,628,658	11,847,784
Other Financing Sources (Uses)						
Transfers In	45,000	45,000	38,000	178,110	684,642	2,668,388
Transfers Out	(2,199,256)	(2,244,442)	(5,361,510)	(82,431)	(110,180)	(99,276)
Total other financing sources (uses)	(2,154,256)	(2,199,442)	(5,323,510)	95,679	574,462	2,569,112
Net change in fund balances	(3,516,514)	713,247	(22,280,569)	401,008	(220,701)	(853,124)
Fund Balance - Beginning July 1	41,666,873	38,150,359	38,863,606	3,008,271	3,409,279	3,188,578
Fund Balance - Ending June 30	\$ 38,150,359	\$ 38,863,606	\$ 16,583,037	\$ 3,409,279	\$ 3,188,578	\$ 2,335,454

Overall City Budget Summary

	Proprietary Funds			Total All Funds		
	FY2019 Actual	FY2020 Est End	FY2021 Budget	FY2019 Actual	FY2020 Est End	FY2021 Budget
Revenues						
Taxes	\$ -	\$ -	\$ -	\$ 51,364,030	\$ 49,514,393	\$ 44,222,008
Intergovernmental revenues	6,553,603	6,890,527	18,576,454	25,314,972	31,822,733	44,075,655
Licenses and permits	3,579,933	2,905,376	3,134,621	5,124,360	4,199,336	4,477,621
Fines and forfeitures	-	-	-	298,994	431,077	439,400
Gifts and donations	-	-	-	121,982	114,418	68,376
Charges for services	41,530,368	44,942,897	46,634,905	46,530,215	49,126,406	50,931,074
Miscellaneous	9,592,422	8,417,699	8,208,716	12,114,813	9,646,038	8,894,942
Total Revenues	61,256,326	63,156,499	76,554,696	140,869,366	144,854,401	153,109,076
Other Sources						
Bond Proceeds	-	12,339,636	22,018,000	-	28,834,636	22,018,000
Total Revenues and Other Sources	61,256,326	75,496,135	98,572,696	140,869,366	173,689,037	175,127,076
Expenditures						
Operating						
General Government	5,001,537	5,315,453	5,365,567	8,684,641	9,001,256	10,601,423
Culture and Recreation	3,303,924	3,400,631	3,316,165	10,081,442	10,706,994	10,517,367
Public Safety	246,058	212,119	370,085	39,595,975	41,729,748	39,095,188
Public Works	24,450,129	25,465,705	28,620,583	36,206,503	34,375,473	39,167,040
Airport	1,442,111	1,591,803	1,854,402	2,696,986	1,661,534	2,018,821
Capital Outlay/Transfers	13,446,290	34,195,332	61,505,441	28,992,821	50,168,433	83,632,977
Debt Service	2,196,317	7,652,096	8,564,489	4,419,084	26,176,566	10,530,164
Contingency	-	-	300,000	78,883	88,511	11,267,427
Total Expenditures and Transfers	50,086,366	77,833,139	109,896,732	130,756,335	173,908,515	206,830,407
Other Financing Sources (Uses)						
Transfers In	-	-	-	2,281,687	2,523,822	6,233,286
Transfers Out	-	(169,200)	(772,500)	(2,281,687)	(2,523,822)	(6,233,286)
Total other financing sources (uses)	-	(169,200)	(772,500)	-	-	-
Net change in fund balances	13,228,537	(712,024)	(8,569,638)	10,113,031	(219,478)	(31,703,331)
Fund Balance - Beginning July 1	24,793,719	38,022,256	37,310,232	69,468,863	79,581,894	79,362,416
Fund Balance - Ending June 30	\$38,022,256	\$ 37,310,232	\$ 28,740,594	\$ 79,581,894	\$ 79,362,416	\$ 47,659,085

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

Overall City Budget Summary

For the beginning of FY 2021, the City's estimated fund balance at July 1, 2020 is \$79.4 million and is summarized below:

City Estimated Fund Balance Summary

	General Fund	Streets Fund	Transient Lodging (Bed) Tax Fund	Water, Wastewater, & Solid Waste	Grants, Trust, Gov Impact Fees, and Internal Service
Beginning Fund Balance	\$ 25,903,888	\$ 12,770,796	\$ 267,635	\$ 34,145,411	\$ 6,274,686
FY21 Budget					
Operating Surplus (Deficit)	(4,090,721)	8,914,476	(43,951)	10,332,225	896,730
Capital Expenditures and Transfers	(5,882,346)	(21,221,978)	(99,276)	(41,078,168)	(1,448,322)
Debt Issues	-	-	-	22,018,000	-
Ending Funding Balance	\$ 15,930,821	\$ 463,294	\$ 124,408	\$ 25,417,468	\$ 5,723,094
Ending Fund Balance Detail					
Operating (Policy)	\$ 7,658,057	\$ 463,294	\$ 124,408	\$ 4,675,642	\$ 690,496
Unassigned	5,348,764	-	-	-	-
Total Unassigned	13,006,821	463,294	124,408	4,675,642	690,496
Reserved					
Long-term Obligations	2,924,000	-	-	5,520,617	-
Capital Projects	-	-	-	15,221,209	2,908,199
Specific Programs	-	-	-	-	2,124,399
Ending Fund Balance	\$ 15,930,821	\$ 463,294	\$ 124,408	\$ 25,417,468	\$ 5,723,094

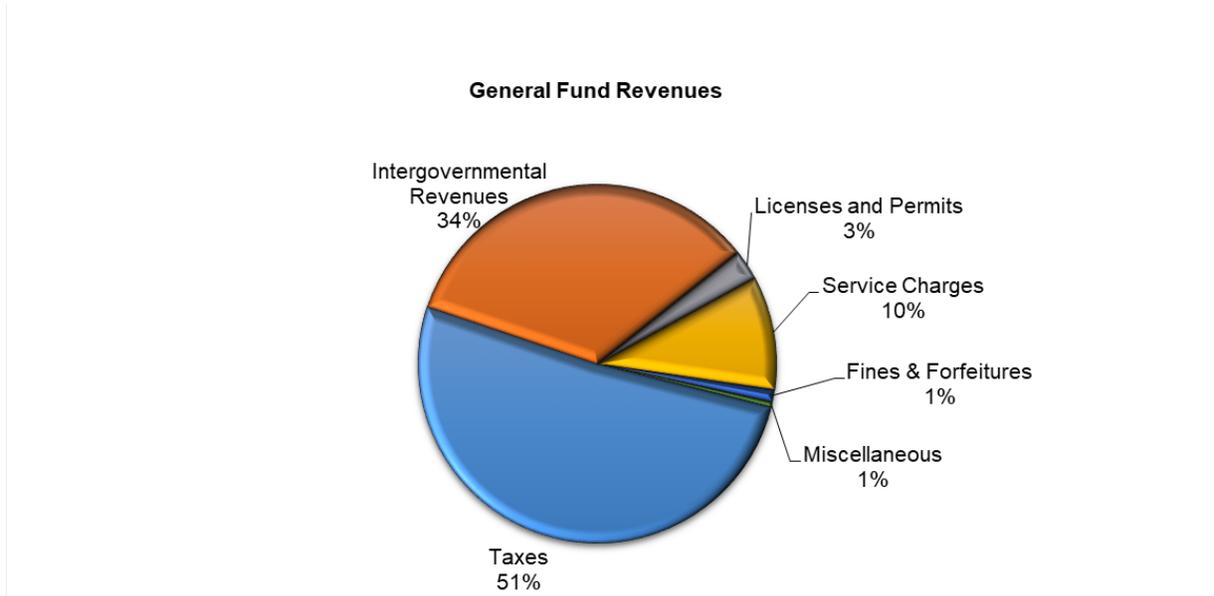
The FY2021 budget has identified the use of \$69.7 million from fund balance relating to a one time use for capital expenditures, retirement of unfunded pension liability, or specific projects. The fund balance levels are sufficient to maintain adequate cash flow and a reserve to cover unanticipated expenditures and revenue shortfalls.

General Fund

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

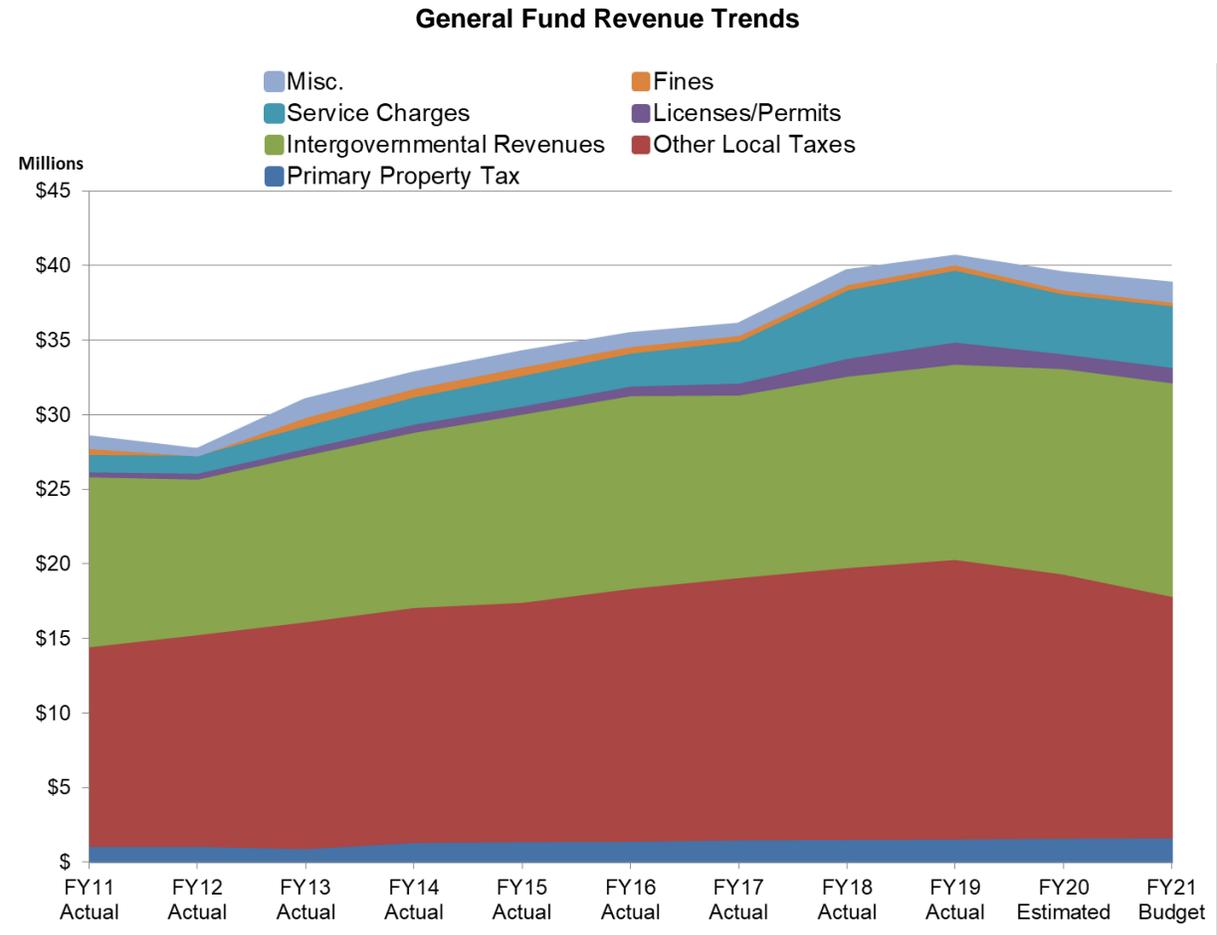
Revenue and Trends

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



General Fund

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 FY21, we are projecting a decrease in revenues as a result of the impact of the COVID-19 pandemic. At the time of the compilation of the FY21 budget, there are still many unknowns.



Taxes

Transaction Privilege (Sales) Tax

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

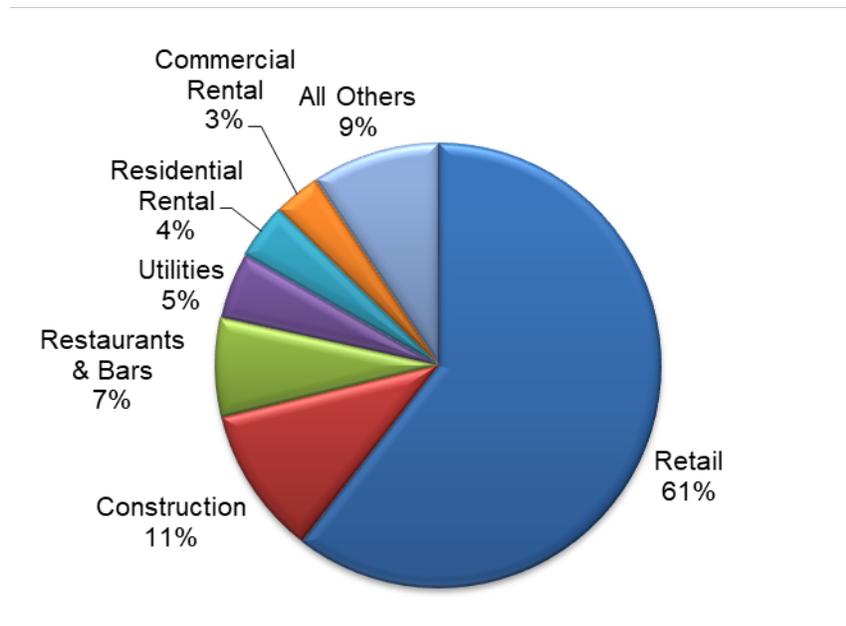
The combined sales tax rate in the City of Prescott for all taxable activities is 9.10%. The combined rate consists of 5.6% for the State of Arizona, 0.75% for Yavapai County and 2.75% for the City of Prescott. Of the City's 2.75% rate, 1% is dedicated for Streets, 1% is for the General Fund, and 0.75%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

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

General Fund

A 14.4% decrease, or \$2,640,000, is budgeted for privilege tax revenue in the General Fund. The challenges in the revenue category are subjectivity to economic activity, increased regional competition, and state law reforms that decrease taxable activities. For FY21 it is difficult to forecast what the impact of the pandemic that is hitting this nation will have on our revenues. Projections are very conservative for the upcoming fiscal year.

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, 3.3% 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 FY21 is 0.2484 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.

General Fund

Intergovernmental Revenues

State Shared Revenues

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

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

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

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

Library District

The Yavapai County Free Library District is a Special District established by the Yavapai County Board of Supervisors in 1987 and is funded by a County levied property tax. The district funds the Yavapai Library Network, consisting of 18 public, academies, school, and museum libraries and allows for the countywide resource sharing of library materials among all member libraries. An annual direct contribution to the libraries provides supplemental funding for library operations. The Prescott Public Library is estimated to receive \$565,000 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, business license fees, dog license, blasting permits, and film permits. The City has experienced an increase in building activity. On September 24, 2019, Council voted to eliminate the business license fee that went into effect January 1, 2017.

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

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

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

General Fund

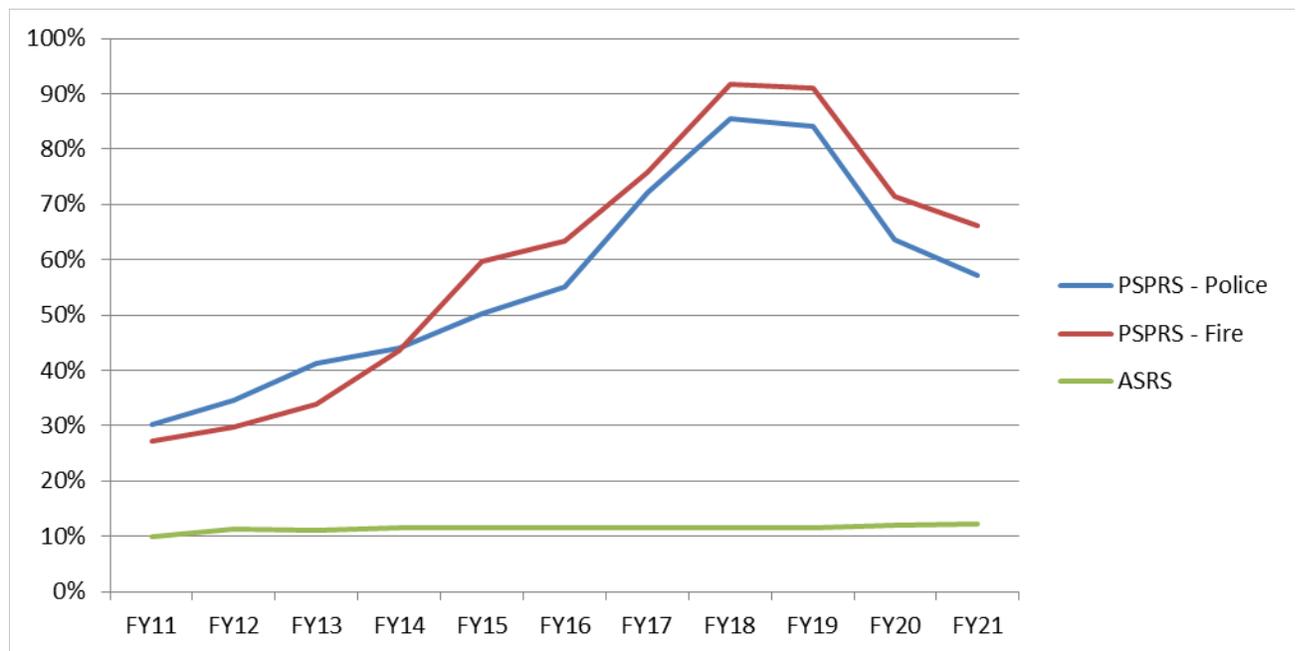
Expenditures and Trends

In FY21, personnel costs make up 73.4% 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.

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

The retirement system calculates actuarially determined contribution rates, which the City pays each year as a “percentage of salary”. Employees also contribute to the retirement system, but their rates are capped per State law at 7.65. City employer contribution rates for FY21 are 66.24% for Fire and 57.14% 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, 2019 of approximately \$53.1 million and funding ratios of 62.7% for Police and 66.7% for Fire. The total PSPRS annual required contribution in FY21 is \$5.4 million dollars. About 20% of the total contribution costs relate to normal retirement costs (benefits earned by employees this current year) and the remaining 80% pays for the amortization of unfunded liabilities. There have been many factors which lead to the decline in the funded status, including investment losses and pension reform legal battles.

General Fund

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

In previous years major increases could be observed in personnel costs for 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. At this particular time the merit increase was placed on hold for FY21 due to not knowing the impact that the COVID-19 pandemic is going to have on our revenues. A contingency has been placed in the budget should funding allow the merit increases to go forward.

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 FY21 General Fund revenues are budgeted to be down by \$6.7 million and operating expenditures are down \$5.6 million when compared to the FY20 budget. The City is anticipating a large decrease in revenues due to the COVID-19 pandemic and 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

An authorized use of fund balance is budgeted at \$5.4 million in FY21 for one time capital expenditures. The budgetary reserve (unassigned fund balance plus the operating reserve) would be \$13.0 million, which equates to approximately 3 months of operating expenditures. This is greater than the Government Finance Officers Association (GFOA) best practice recommendation of maintaining at least 2 months of regular operating expenditures.

General Fund Balances

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget
Net Change in Fund Balance	\$ 1,864,344	\$ (6,581,572)	\$ 3,742,421	\$ (9,973,067)
Fund Balance - Beginning	20,297,123	22,161,467	22,161,467	25,903,888
Fund Balance - Ending	<u>\$ 22,161,467</u>	<u>\$ 15,579,895</u>	<u>\$ 25,903,888</u>	<u>\$ 15,930,821</u>
Ending Balance - Detail				
Reserved for:				
Operations (Policy)	\$ 8,206,547	\$ 8,175,642	\$ 7,816,630	\$ 7,658,057
Long-term obligations	2,923,537	2,923,537	2,923,537	2,924,000
Unassigned	11,031,382	4,480,716	15,163,721	5,348,764
Total Ending Fund Balance	<u>\$ 22,161,467</u>	<u>\$ 15,579,895</u>	<u>\$ 25,903,888</u>	<u>\$ 15,930,821</u>

General Fund

General Fund					
	FY19	FY20	FY20	FY21	%
	Actual	Budget	Estimate	Budget	Budget Change
Revenues					
Taxes					
Privilege/Use Tax	\$ 17,044,348	\$ 17,140,000	\$ 16,047,305	\$ 14,500,000	-15.4%
Franchise Taxes	1,733,973	1,690,000	1,690,000	1,720,000	1.8%
Primary Property Tax	1,739,608	1,795,908	1,795,908	1,827,008	1.7%
Total Local Taxes	<u>20,517,928</u>	<u>20,625,908</u>	<u>19,533,213</u>	<u>18,047,008</u>	-12.5%
Intergovernmental Revenue					
State Sales Tax	4,303,055	4,545,164	4,425,282	4,147,790	-8.7%
State Income Tax	5,174,719	5,601,127	5,601,127	6,290,965	12.3%
State Vehicle License Tax	3,015,736	3,148,451	3,148,451	3,282,358	4.3%
Yavapai County Library District	567,325	565,000	572,659	564,150	-0.2%
Total Intergovernmental Revenues	<u>13,060,834</u>	<u>13,859,742</u>	<u>13,747,519</u>	<u>14,285,263</u>	3.1%
Licenses and Permits	1,544,427	1,312,700	1,043,960	1,093,000	-16.7%
Service Charges	4,761,371	4,454,210	3,953,509	4,066,169	-8.7%
Fines & Forfeitures	298,994	416,250	431,077	439,400	5.6%
Miscellaneous	849,183	209,400	373,872	209,400	0.0%
Total General Fund Revenue	<u>41,032,737</u>	<u>40,878,210</u>	<u>39,083,150</u>	<u>38,140,240</u>	-6.7%
Other Sources					
Transfers In	45,000	45,000	45,000	38,000	-15.6%
Total Revenues and Other Sources	<u>41,077,737</u>	<u>40,923,210</u>	<u>39,128,150</u>	<u>38,178,240</u>	-6.7%
Operating Expenditures by Departments					
Budget & Finance	\$ 423,722	\$ 500,617	\$ 399,038	\$ 346,246	-30.8%
City Clerk	122,377	146,443	32,563	123,744	-15.5%
City Council	63,756	49,529	44,717	46,141	-6.8%
City Court	580,304	629,985	592,434	619,560	-1.7%
City Manager	550,057	629,627	618,287	558,721	-11.3%
Community Development	1,490,378	1,958,886	1,711,785	1,727,310	-11.8%
Rodeo, Parking Garage	130,306	149,753	112,503	106,505	-28.9%
Fire	8,486,152	9,120,343	6,636,491	8,939,556	-2.0%
Legal	235,898	232,557	175,356	232,556	0.0%
Library	2,222,346	2,354,052	2,320,952	2,352,380	-0.1%
Police	10,505,825	11,621,507	8,419,652	11,490,856	-1.1%
Recreation Services	3,060,192	3,440,321	3,383,830	3,424,271	-0.5%
Regional Communications	1,452,644	1,358,031	1,464,484	1,557,299	14.7%
Governmental Operating Grant Match	70,939	79,502	108,408	93,388	17.5%
Airport Operating Transfer	1,254,875	-	69,731	164,419	-
Golf Course Operating Transfer	354,582	218,177	392,680	216,358	-0.8%
Public Safety Unfunded Liability ARC	5,195,662	5,966,916	5,188,228	4,322,249	-27.6%
Total Operating Expenditures	<u>\$ 36,200,015</u>	<u>\$ 38,456,246</u>	<u>\$ 31,671,139</u>	<u>\$ 36,321,559</u>	-5.6%
Capital and Other					
Capital Projects and Transfers	2,424,958	8,532,396	3,495,665	5,446,181	-36.2%
Contingency	-	-	-	5,867,427	-
Retirement Contributions Use of Fund	337,939	516,140	218,925	516,140	0.0%
Golf Course Debt Transfer	250,481	-	-	-	-
Total Expenditures and Transfers	<u>\$ 39,213,393</u>	<u>\$ 47,504,782</u>	<u>\$ 35,385,729</u>	<u>\$ 48,151,307</u>	-
Ending Balance, 6/30					
Net Change in Fund Balance	\$ 1,864,344	\$ (6,581,572)	\$ 3,742,421	\$ (9,973,067)	-
Fund Balance - Beginning	<u>20,297,123</u>	<u>22,161,467</u>	<u>22,161,467</u>	<u>25,903,888</u>	-
Fund Balance - Ending	<u>22,161,467</u>	<u>15,579,895</u>	<u>25,903,888</u>	<u>15,930,821</u>	-

Special Revenue Funds

Streets

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

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

Streets Fund

	FY19	FY20	FY20	FY21	%
	Actual	Budget	Estimate	Budget	Budget Change
Revenues					
Sales Tax	\$ 17,049,784	\$ 17,140,000	\$ 16,050,000	\$ 14,500,000	-15.4%
Highway Users Revenue	3,748,080	3,685,989	3,939,960	3,313,592	-10.1%
Partnering	615,000	700,000	700,000	700,000	0.0%
Street Light Fee	238,476	230,000	230,000	230,000	0.0%
Miscellaneous/Interest Earnings	1,459,911	536,000	730,375	370,000	-31.0%
Bond Refunding	-	-	16,495,000	-	
Total Revenues	\$ 23,111,251	\$ 22,291,989	\$ 38,145,335	\$ 19,113,592	-14.3%
Expenditures					
Recreation Services	\$ 171,574	\$ 203,660	\$ 250,539	\$ 267,249	31.2%
Public Works	7,234,728	8,174,329	7,969,768	7,971,457	-2.5%
Debt Service	2,206,647	2,188,759	18,519,050	1,960,410	-10.4%
Total Operations	9,612,950	10,566,748	26,739,357	10,199,116	-3.5%
Recreation Services Capital Outlay	17,035	1,832,485	16,942	1,800,485	-1.7%
Streets Capital Outlay	14,558,537	23,431,565	14,424,132	19,421,493	-17.1%
Total Expenditures	\$ 24,188,523	\$ 35,830,798	\$ 41,180,431	\$ 31,421,094	-12.3%
Ending Balance, 6/30					
Net Change in Fund Balance	\$ (1,077,272)	\$ (13,538,809)	\$ (3,035,096)	\$ (12,307,502)	
Fund Balance - Beginning	16,883,164	15,805,892	15,805,892	12,770,796	
Fund Balance - Ending	15,805,892	2,267,083	12,770,796	463,294	

Revenue and Trends

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

Special Revenue Funds

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

The 14.3% decrease in revenues in the FY21 budget shows the unknown impact of the COVID-19 pandemic. Staff went with a very conservative approach when projecting sales tax and state shared revenues.

Highways Users Revenue: The revenue estimate of \$3,313,592 is provided by the State and is lower than the FY20 budget by 10.1%. Along with sales tax, the Highway User Revenue is anticipated to be hit heavily by the pandemic. This revenue source is commonly referred to as the gasoline tax; however, there are a number of additional transportation related fees including a portion of vehicle license taxes that are placed in the highway user revenue fund. The distribution formula is adopted by the state legislature. Currently 27.5% of total State HURF collections is distributed to incorporated cities and towns on the basis of (a) one-half based on the city's population relative to statewide population of incorporated cities and towns and (b) one-half, first, on the basis of county origin of sales of motor vehicle fuel, and secondly, on the basis of the city's population relative to county-wide population of incorporated cities.

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

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

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

Expenditures

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

The capital projects budget is projected to decrease in FY21 as a result of decreased revenues. The capital plan includes some major reconstruction projects.

Transfers Out

The transfers out in FY21 is for a grant funded street project.

Fund Balance

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

Special Revenue Funds

Transient Occupancy Tax

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

Transient Occupancy Tax Fund

	FY19	FY20	FY20	FY21	%
	Actual	Budget	Estimate	Budget	Budget Change
Revenues					
Bed Tax Revenues (3% levy)	\$ 1,036,558	\$ 1,100,000	\$ 800,000	\$ 800,000	-27.3%
Interest Earnings	21,914	5,000	5,000	5,000	0.0%
Total Revenues	<u>\$ 1,058,472</u>	<u>\$ 1,105,000</u>	<u>\$ 805,000</u>	<u>\$ 805,000</u>	<u>-27.1%</u>
Expenditures					
Tourism Office - Sales/Marketing/Admin	\$ 497,063	\$ 610,348	\$ 547,312	\$ 519,951	-14.8%
Tourism Grant Allocations	23,972	80,000	84,000	35,000	-56.3%
Whiskey Row Alley	-	-	40,000	-	
Whiskey Offroad	34,355	60,000	26,000	34,000	-43.3%
Airport Service Media	29,536	20,000	20,000	10,000	-50.0%
Courthouse Lighting	30,000	30,000	30,000	30,000	0.0%
Prescott Frontier Days Rodeo	30,000	30,000	35,000	35,000	16.7%
Prescott Downtown Partnership/SCS	45,000	45,000	45,000	45,000	0.0%
Parks Tourism and Open Space	59,555	40,000	53,092	40,000	0.0%
PAAHC - Arts and Cultural Grants	28,595	-	-	35,000	
Prescott Creeks Match	12,500	-	-	-	
CCJ Work Program	9,178	-	-	-	
Sister Cities	638	-	551	-	
Museum Support					
Sharlot Hall Utilities	10,000	10,000	10,000	10,000	0.0%
Sharlot Hall Marketing Support	25,000	25,000	25,000	25,000	0.0%
Phippen Marketing Support	15,000	15,000	15,000	15,000	0.0%
Smoki Marketing Support	15,000	15,000	15,000	15,000	0.0%
Contingency	103,432	329,780	-	-	-100.0%
Total Operations	<u>968,824</u>	<u>1,310,128</u>	<u>945,955</u>	<u>848,951</u>	<u>-35.2%</u>
Operating Transfer					
Events Overtime (transfer to General Fund)	25,000	25,000	25,000	18,000	-28.0%
Parking Garage	20,000	20,000	20,000	20,000	0.0%
Airport Events	37,070	30,000	28,904	25,000	-16.7%
Downtown Courtesy Can	-	36,276	36,276	36,276	0.0%
Operating Transfer	82,070	111,276	110,180	99,276	-10.8%
Total Operating Uses	<u>\$ 1,050,894</u>	<u>\$ 1,421,404</u>	<u>\$ 1,056,135</u>	<u>\$ 948,227</u>	<u>-33.3%</u>
Recreation Development Capital	\$ 187,002	\$ 36,000	\$ 25,517	\$ -	-100.0%
Total Expenditures	<u>\$ 1,237,896</u>	<u>\$ 1,457,404</u>	<u>\$ 1,081,652</u>	<u>\$ 948,227</u>	<u>-34.9%</u>
Ending Balance, 6/30					
Net Change in Fund Balance	\$ (179,424)	\$ (352,404)	\$ (276,652)	\$ (143,227)	
Fund Balance - Beginning	723,711	544,287	544,287	267,635	
Fund Balance - Ending	<u>544,287</u>	<u>191,883</u>	<u>267,635</u>	<u>124,408</u>	

Special Revenue Funds

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 are project to have a 27.3% decrease expected from FY20 budget to FY21 budget. The fund is another area that is feeling the impact of the pandemic's unknown impact on the economy.

Expenditures

Community Outreach & Tourism actively promotes Prescott as a destination for tourists. Recreation Services includes capital projects related to recreation development. Bed Tax allocations are support and grants to local community events and organizations which promote tourism and recreation. These allocations are recommended by the Tourism Advisory Committee to the City Council for approval. A contingency is included for opportunities that may arise during the fiscal year.

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				% Budget Change
	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	
Revenues					
Grant Revenues	\$ 1,468,227	\$ 6,193,304	\$ 6,780,235	\$ 7,434,700	20.0%
Miscellaneous/Interest Earning	46,009	-	83,919	67,250	
Transfers In	178,110	938,252	684,642	2,668,388	184.4%
Total Revenues	<u>\$ 1,692,346</u>	<u>\$ 7,131,556</u>	<u>\$ 7,548,796</u>	<u>\$ 10,170,338</u>	42.6%
Expenditures					
City Court	\$ -	\$ 25,000	\$ 25,000	\$ 32,000	28.0%
City Manager	25,295	63,901	53,521	877,572	0.0%
Community Development	232,437	587,922	210,700	607,533	3.3%
Recreation Services	-	81,000	-	81,000	0.0%
Library	-	-	12,407	10,993	0.0%
Police Department	381,195	732,216	3,498,573	637,755	-12.9%
Fire Department	108,681	194,517	2,567,767	250,828	28.9%
Public Works	108,350	1,346,000	940,000	2,575,000	91.3%
Non Departmental (Contingency)	78,883	4,100,000	88,511	5,100,000	24.4%
Total Expenditures	<u>\$ 934,841</u>	<u>\$ 7,130,556</u>	<u>\$ 7,396,479</u>	<u>\$ 10,172,681</u>	42.7%
Ending Balance, 6/30					
Net Change in Fund Balance	\$ 757,505	\$ 1,000	\$ 152,317	\$ (2,343)	
Fund Balance - Beginning	(724,395)	33,110	33,110	185,427	
Fund Balance - Ending	<u>33,110</u>	<u>34,110</u>	<u>185,427</u>	<u>183,084</u>	

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. In August 2014, due to new legislation, the Parks, Fire, Library, Police, and Streets impact fees were eliminated. Effective August 1, 2019, the Fire, Police and Streets impact fees were reinstated following the new legislative rules. The remaining impact fees collected by the City of Prescott are the Water and Wastewater Impact Fees which are accounted for in the Enterprise Funds. The summaries of the balances below will mainly grow as a result of interest earnings and expended with eligible capital projects are identified by the City.

Governmental Impact Fees					
FY21 Impact Fee Budget	Parks	Fire	Library	Police	Streets
Revenues					
Impact Fees	\$ -	\$ 50,000	\$ -	\$ 50,000	\$ 150,000
Rent - Fire Station 75	-	12,000	-	-	-
Interest	5,000	2,000	3,000	2,000	-
Total Revenues	\$ 5,000	\$ 64,000	\$ 3,000	\$ 52,000	\$ 150,000
Expenditures					
Capital Outlay	\$ 515,000	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 515,000	\$ -	\$ -	\$ -	\$ -
Ending Balance, 6/30					
Net Change in Fund Balance	\$ (510,000)	\$ 64,000	\$ 3,000	\$ 52,000	\$ 150,000
Fund Balance - Beginning	684,132	892,219	475,933	946,358	150,557
Fund Balance - Ending	174,132	956,219	478,933	998,358	300,557

Note: Parks and Library impact fees are no longer being collected.

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 for one-time purchases or projects for example for improvements to parks and trails.

Trust Funds

FY21 Trust Funds Budget	<u>Acker Trust</u>	<u>Gifts & Donations</u>
Revenues		
Gifts/Donations	\$ -	\$ 68,376
Interest	5,000	-
Total Revenues	<u>\$ 5,000</u>	<u>\$ 68,376</u>
Expenditures		
Scholarships	\$ 10,000	\$ -
Gift/Donation Expenditures	-	295,887
Total Expenditures	<u>\$ 10,000</u>	<u>\$ 295,887</u>
Ending Balance, 6/30		
Net Change in Fund Balance	\$ (5,000)	\$ (227,511)
Fund Balance - Beginning	<u>526,300</u>	<u>92,777</u>
Fund Balance - Ending	<u>521,300</u>	<u>(134,734)</u>

Special Revenue Funds

PSPRS Dedicated Tax

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

	<u>FY19 Actual</u>	<u>FY20 Budget</u>	<u>FY20 Estimate</u>	<u>FY21 Budget</u>
Revenues				
Sales Tax Revenues (0.75%)	\$ 12,759,708	\$ 12,853,928	\$ 13,130,922	\$ 10,875,000
Total Revenues	<u>\$ 12,759,708</u>	<u>\$ 12,853,928</u>	<u>\$ 13,130,922</u>	<u>\$ 10,875,000</u>
Expenditures				
Non Departmental - PSPRS contributions	\$ 12,650,000	\$ 12,853,928	\$ 13,125,000	\$ 10,875,000
Total Expenditures Budget	<u>\$ 12,650,000</u>	<u>\$ 12,853,928</u>	<u>\$ 13,125,000</u>	<u>\$ 10,875,000</u>
Ending Balance, 6/30				
Net Change in Fund Balance	\$ 109,708	\$ -	\$ 5,922	\$ -
Fund Balance - Beginning	73,292	183,000	183,000	188,922
Fund Balance - Ending	<u>183,000</u>	<u>183,000</u>	<u>188,922</u>	<u>188,922</u>

The current PSPRS actuarial valuation shows unfunded liability as of June 30, 2019 of approximately \$53.0 million and funding ratios of 62.7% for Police and 66.7% for Fire. The total PSPRS annual required contribution in FY21 is \$5.4 million dollars and this will be funded out of the general fund. About 20% of the total contribution costs relate to normal retirement costs (benefits earned by employees this current year) and the remaining 80% pays for the amortization of unfunded liabilities over a 20 year period. The PSPRS Dedicated Tax Fund is intended to be additional contributions above the annual required contribution which will pay down the unfunded liability much sooner (estimated at under 10 years) and with much less cost to the community.

Debt Service Fund

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

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

Debt Service Fund

	FY19	FY20	FY20	FY21	%
	Actual	Budget	Estimate	Budget	Budget Change
Revenues					
Secondary Property Taxes	\$ 52	\$ -	\$ 258	\$ -	0.0%
Special Assessments Billing	5,044	5,045	5,045	5,045	0.0%
Interest	716	531	571	531	0.0%
Total Revenues	\$5,813	\$5,576	\$ 5,874	\$5,576	0.0%
Expenditures					
Special Assessment Bonds	\$5,574	\$5,420	\$ 5,420	\$5,265	-2.9%
Total Expenditures Budget	\$5,574	\$5,420	\$ 5,420	\$5,265	-2.9%
Ending Balance, 6/30					
Net Change in Fund Balance	\$ 239	\$ 156	\$ 454	\$ 311	
Fund Balance - Beginning	3,360	3,598	3,598	4,052	
Fund Balance - Ending	3,598	3,754	4,052	4,363	

Revenue

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

Fund Balance

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

Enterprise Funds

Water

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

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Budget Change
Revenues					
Water Sales	\$ 15,409,946	\$ 17,550,000	\$ 17,550,000	\$ 18,356,606	4.6%
Water Connection Fees	218,519	205,000	205,000	205,000	0.0%
Aquifer Protection Fee	266,608	270,000	270,000	275,000	1.9%
Water Resource Development Fee	771,096	659,387	659,387	700,000	6.2%
Water System Impact Fee	1,406,339	1,218,000	1,301,889	1,284,443	5.5%
Miscellaneous/Interest Earnings	1,672,106	410,000	677,861	388,000	-5.4%
Total Revenues	\$ 19,744,613	\$ 20,312,387	\$ 20,664,137	\$ 21,209,049	4.4%
Other Sources					
Bond Proceeds - WIFA Draws	\$ -	\$ 12,783,138	\$ 1,242,886	\$ 15,000,000	17.3%
Water Resource Partnering	224,659	451,440	245,629	234,749	-48.0%
Total Revenues and Other Sources	\$ 19,969,272	\$ 33,546,965	\$ 22,152,652	\$ 36,443,798	8.6%
Expenditures					
Budget & Finance	\$ 231,547	\$ 238,663	\$ 236,725	\$ 264,808	11.0%
Public Works	8,091,366	10,496,803	8,951,943	10,253,839	-2.3%
Debt Service	893,588	3,347,395	2,869,605	3,584,778	7.1%
Subtotal Operations	9,216,500	14,082,861	12,058,273	14,103,425	0.1%
Water System Capital Projects	3,576,585	21,785,420	8,910,608	17,169,590	-21.2%
Aquifer Protection Capital Projects	17,894	318,329	65,300	70,500	-77.9%
Alt Water Sources Capital Projects	292,091	182,050	235,732	220,875	21.3%
Water System Impact Capital Projects	600,905	10,590,516	2,660,705	10,909,604	3.0%
Total Expenditures Budget	\$ 13,703,975	\$ 46,959,176	\$ 23,930,618	\$ 42,473,994	-9.6%
Transfers Out	\$ 114,706	\$ 250,000	\$ 169,200	\$ 772,500	209.0%
Ending Balance, 6/30					
Net Change in Fund Balance	\$ 6,150,591	\$(13,662,211)	\$ (1,947,166)	\$ (6,802,696)	
Fund Balance - Beginning	16,813,569	22,964,160	22,964,160	21,016,994	
Fund Balance - Ending	22,964,160	9,301,949	21,016,994	14,214,298	

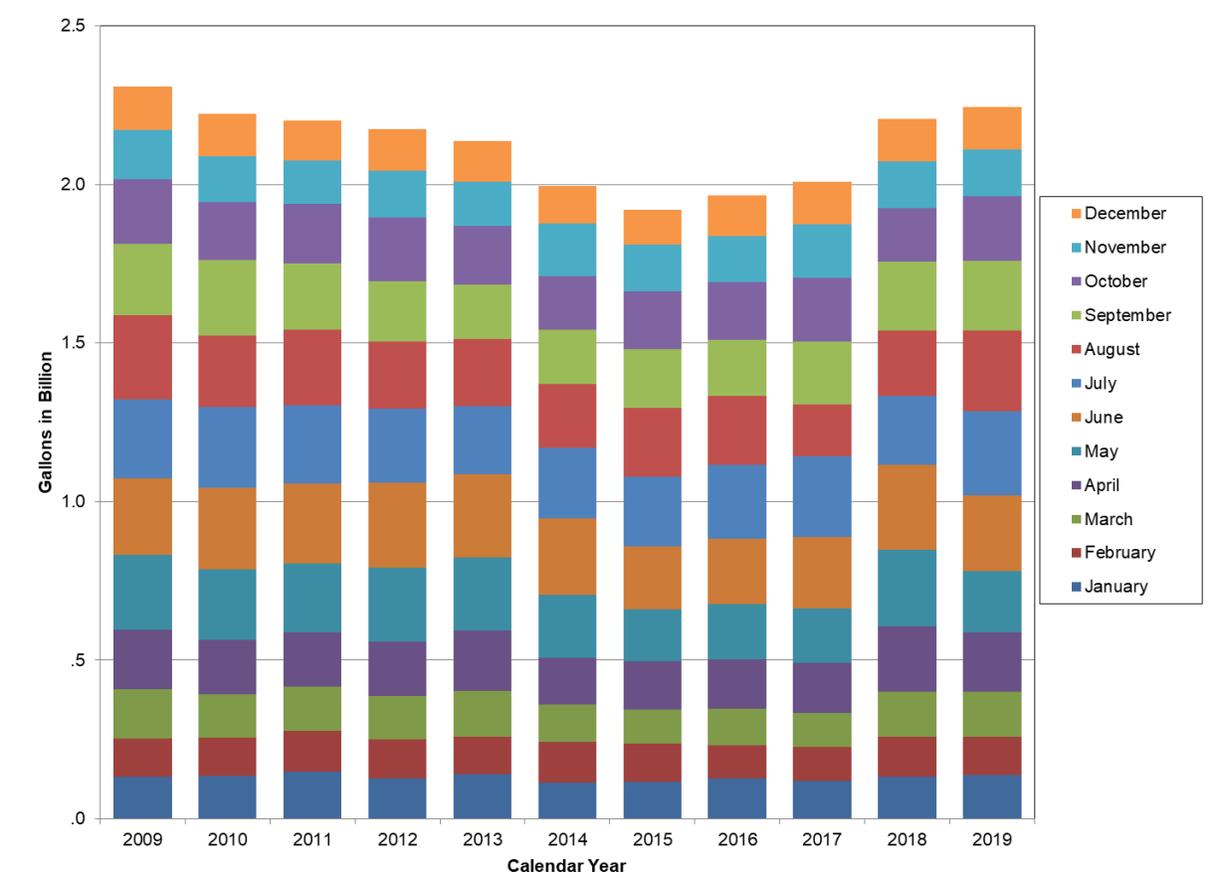
Revenue and Trends

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

Water Sales: During FY2019 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 \$18,356,606 in FY2021 compared to an estimated \$17,550,000 for FY2020 representing a 4.6% increase. This revenue is very weather sensitive; although trends are indicating consumption per capita is decreasing. The total consumption per

Enterprise Funds

capita in 2019 (51,802.85) is down from 2009 (57,805.02). 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. Beginning FY2020, this fee has been combined with Water Sales.

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

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

Water Resource Development Fee (formerly Alternative Water Impact Fee): Water Resource Development Fees are assessed on new construction building permits and are designed to fund infrastructure for capacity needed to serve new development. The City of Prescott adjusted the Water Resource Development Fee through a development fee update prepared by Raftelis Financial Consultants. This fee recovers costs associated with acquiring the Big Chino Water Ranch in accordance with Arizona Revised Statutes 9-463.05. Effective August 1, 2019, this fee is based on the customer’s meter size ranging from \$1,481 for a 5/8” x 3/4” meter to \$76,840 for an 8” meter.

Enterprise Funds

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 FY2019 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 FY2019 fee study set forth a fee schedule that ranges from \$862 for a 5/8" x 3/4" meter in service area A to \$282,826 for an 8" meter in service area B. This adjustment was predicated upon growth related projects, derived from the City's hydraulic utility models, needed in future years in conjunction with Arizona Revised Statutes 9-463.05.

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

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

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

Expenditures

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

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

Fund Balance

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

Enterprise Funds

Wastewater

The purpose of the Wastewater Fund is to account for the provision of wastewater services to the residents of the City of Prescott and some residents of the County. The Utilities Division is responsible for the operation and maintenance of the City wastewater system. The system requires cleaning of approximately 546 miles of main line, 8,634 manholes and 61 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

	FY19	FY20	FY20	FY21	%
	Actual	Budget	Estimate	Budget	Budget Change
Revenues					
Wastewater Service Fees	\$ 12,754,233	\$ 13,240,000	\$ 13,240,000	\$ 13,885,842	4.9%
Wastewater Impact Fees	1,402,498	1,060,500	944,100	1,150,178	8.5%
Effluent Sales	612,779	530,000	539,155	530,000	0.0%
Miscellaneous/Interest Earnings	483,161	286,000	529,724	294,664	3.0%
Total Revenues	\$ 15,252,671	\$ 15,116,500	\$ 15,252,979	\$ 15,860,684	4.9%
Other Sources					
Bond Proceeds - WIFA Draws	\$ -	\$ 18,530,571	\$ 9,809,750	\$ 5,746,000	-69.0%
Total Revenues and Other Sources	\$ 15,252,671	\$ 33,647,071	\$ 25,062,729	\$ 21,606,684	-35.8%
Expenditures					
Public Works Operating	7,083,454	7,901,787	7,671,032	8,144,832	3.1%
Debt Service	1,302,693	4,838,007	4,637,943	4,835,163	-0.1%
Subtotal Operations	8,386,147	12,739,794	12,308,975	12,979,995	1.9%
Wastewater Systems Capital Projects	878,027	16,110,876	7,277,379	6,799,794	-57.8%
Wastewater System Impact Capital Projects	49,382	7,488,423	6,341,537	2,989,205	-60.1%
Total Expenditures Budget	\$ 9,313,556	\$ 36,339,093	\$ 25,927,891	\$ 22,768,994	-37.3%
Ending Balance, 6/30					
Net Change in Fund Balance	\$ 5,939,115	\$ (2,692,022)	\$ (865,162)	\$ (1,162,310)	
Fund Balance - Beginning	3,606,974	9,546,089	9,546,089	8,680,927	
Fund Balance - Ending	9,546,089	6,854,067	8,680,927	7,518,617	

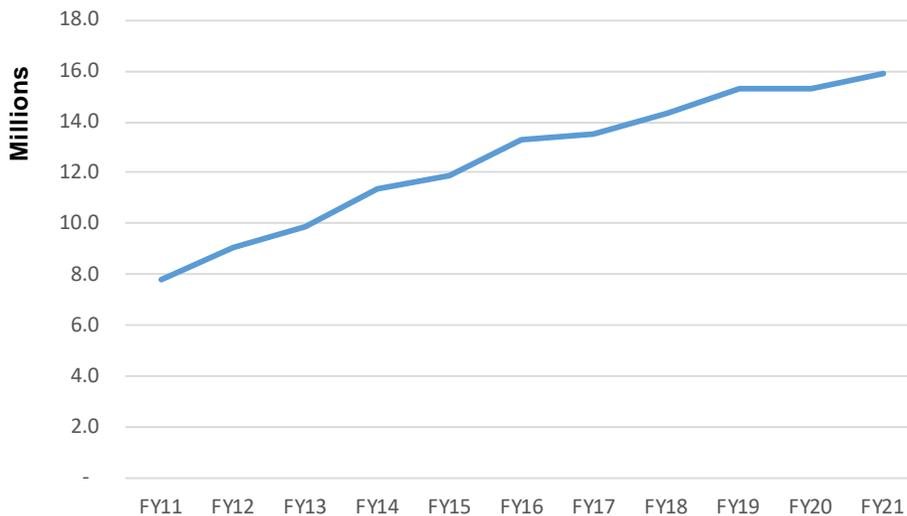
Enterprise Funds

Revenues

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

Wastewater Service Fees: Wastewater fees were evaluated during the FY19 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 FY2019 fee study modified the service unit (fixtures to meter size) which yielded fees ranging from \$3,020 for a 5/8" x 3/4" meter to \$161,068 for an 8" meter. 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.

Enterprise Funds

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

Expenditures

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

Fund Balance

The Fund balance is expected to decrease from FY19 Budget to FY20 Budget as a result of timing of capital expenditures. The Wastewater Fund has less funds available than the Water fund for capital projects, thus debt financing is used more frequently.

Enterprise Funds

Solid Waste

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

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

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

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

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

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

Enterprise Funds

Solid Waste

	FY19	FY20	FY20	FY21	%
	Actual	Budget	Estimate	Budget	Budget Change
Revenues					
Refuse Collection Fees	\$ 5,703,450	\$ 6,116,000	\$ 6,289,751	\$ 6,500,000	6.3%
Transfer Station Fees	1,765,447	2,131,000	2,000,000	2,000,000	-6.1%
Landfill Closure Surcharge	134,959	132,000	141,183	150,000	13.6%
Recycling Revenue	22,800	13,000	9,812	13,000	0.0%
Miscellaneous/Interest Earnings	111,937	79,172	150,256	84,372	6.6%
Total Revenues	\$ 7,738,593	\$ 8,471,172	\$ 8,591,002	\$ 8,747,372	3.3%
Other Sources					
Lease/Purchase Proceeds	\$ -	\$ 1,060,000	\$ 1,287,000	\$ 1,272,000	20.0%
Total Revenues and Other Sources	\$ 7,738,593	\$ 9,531,172	\$ 9,878,002	\$ 10,019,372	5.1%
Expenditures					
Public Works Operating	7,781,142	8,134,879	7,231,340	8,491,661	4.4%
Debt Service	-	144,548	144,548	144,548	0.0%
Subtotal Operations	7,781,142	8,279,427	7,375,888	8,636,209	4.3%
Capital	10,266	1,355,000	570,882	2,146,100	58.4%
Total Expenditures Budget	\$ 7,791,408	\$ 9,634,427	\$ 7,946,770	\$ 10,782,309	11.9%
Ending Balance, 6/30					
Net Change in Fund Balance	\$ (52,816)	\$ (103,255)	\$ 1,931,232	\$ (762,937)	
Fund Balance - Beginning	2,569,074	2,516,258	2,516,258	4,447,490	
Fund Balance - Ending	2,516,258	2,413,003	4,447,490	3,684,553	

Revenues

Refuse Collection Fees: Until 2010, the City collected all solid waste within its city limits. In 2010, as a result of a change in the Arizona State Statute, commercial companies now have the ability to service commercial solid waste customers located within the City of Prescott city limits. In addition in 2015, the State Statutes were again amended to allow for competition for multifamily residential properties. Residential rates are currently to \$16.50 per month structured as follows: \$16.00 to pay for the collection and disposal of solid waste and \$.50 for a landfill closure fee.

Transfer Station Fees: Effective March 1, 2019, the tipping fee increased from \$63.00 per ton to \$69 per ton with an \$11.00 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.

Enterprise Funds

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

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

Lease/Purchase Proceeds: The proceeds will be used to purchase replacement fleet and a new truck for an additional route.

Expenditures

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

Fund Balance

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

Enterprise Funds

Golf Course

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

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

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

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

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

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

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



Enterprise Funds

Golf Course

	FY19	FY20	FY20	FY21	%
	Actual	Budget	Estimate	Budget	Budget Change
Revenues					
Greens Fees	\$ 1,461,593	\$ 1,464,700	\$ 1,464,700	\$ 1,492,700	1.9%
Cart Rentals	532,692	571,761	571,761	558,100	-2.4%
Pro Shop	103,370	91,229	91,229	111,300	22.0%
Food and Beverage	967,333	1,017,560	1,017,560	988,307	-2.9%
Miscellaneous/Contingency	61,168	300,000	2,800	302,400	0.8%
Total Revenues	\$ 3,126,155	\$ 3,445,250	\$ 3,148,050	\$ 3,452,807	0.2%
Expenditures					
Billy Casper Golf Operations	1,950,849	1,969,665	1,998,675	1,959,691	-0.5%
Recreation Services Operations	1,308,522	1,393,762	1,401,956	1,356,474	-2.7%
Contingency	44,553	300,000	-	300,000	0.0%
Subtotal Operations	3,303,923	3,663,427	3,400,631	3,616,165	-1.3%
Capital	-	190,350	140,099	53,000	-72.2%
Total Expenditures Budget	\$ 3,303,923	\$ 3,853,777	\$ 3,540,730	\$ 3,669,165	-4.8%
Net Income/(Loss)	\$ (177,768)	\$ (408,527)	\$ (392,680)	\$ (216,358)	

Revenues

Greens Fees: These are projected to increase slightly. This revenue is extremely sensitive to weather and a construction project on Highway 89 had an impact these revenues in FY19 and FY20.

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

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

Restaurant (Food and Beverage): The Manzanita Grill is a full service restaurant and bar to serve golfers and non-golfers. The restaurant also provides banquet catering for the Centennial Center for group events. This revenue source is estimated to decrease by 2.7% in FY21 compared to FY20.

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

Expenditures

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

Fund Balance

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

Enterprise Funds

Airport

The Airport is classified by the Federal Aviation Administration as a primary, non-hub commercial service airport (more than 10,000 passenger boardings per year but less than 0.05% of total passenger boardings within the United States) and is used for a wide range of activities to include scheduled airline service, recreational aviation, corporate aviation, aircraft maintenance, extensive flight training, aerial firefighting operations, military aviation, medical flights, and aviation educational 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

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Budget Change
Operating Revenues					
Tie Down and Hangar Rentals	\$ 665,110	\$ 652,100	\$ 611,239	\$ 659,120	1.1%
Ground Rentals	514,399	512,500	508,789	507,625	-1.0%
Facilities Rentals	217,666	223,488	221,924	226,045	1.1%
Fuel Flowage Fee	115,062	123,500	126,700	116,697	-5.5%
Landing Fees	64,403	59,665	84,094	59,563	-0.2%
Miscellaneous/Interest Earnings	213,205	225,443	220,041	234,319	3.9%
Total Revenues	\$ 1,789,845	\$ 1,796,696	\$ 1,772,787	\$ 1,803,369	0.4%
Operating Expenditures					
Fire Department - ARFF	246,058	223,022	212,119	370,085	65.9%
Airport Operations	1,442,111	1,569,827	1,591,803	1,854,402	18.1%
Total Operating Expenditures	<u>\$ 1,688,170</u>	<u>\$ 1,792,849</u>	<u>\$ 1,803,922</u>	<u>\$ 2,224,487</u>	24.1%
Operating Profit (Loss)	\$ 101,675	\$ 3,847	\$ (31,135)	\$ (421,118)	
Capital Outlay/Projects					
FAA/ADOT Grant Revenue	\$ 6,328,944	\$ 9,828,750	\$ 6,644,898	\$ 18,341,705	86.6%
Capital Outlay/Projects	7,884,895	13,471,500	7,950,561	21,146,773	57.0%
City Share of Projects	\$ (1,555,951)	\$ (3,642,750)	\$ (1,305,663)	\$ (2,805,068)	-23.0%
Total General Fund Transfer In	\$ (1,454,275)	\$ (3,638,903)	\$ (1,336,798)	\$ (3,226,186)	-11.3%

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. A 1.1% increase is anticipated in FY21.

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). This revenue is expected to be 5.5% lower in FY21 in relation to the decreased number of flights as a result of decreased travel due to COVID concerns.

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. A reduced number of flights should lead to a slight decrease in landing fees received in FY21.

Enterprise Funds

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.

Expenditures

Operations at the airport are managed by the Airport Department. The Fire Department staffs and manages the Aircraft Rescue and Firefighting (ARFF) service, which is charged to the Airport Fund. Starting with FY21, personnel costs for three firefighters will be charged to the Airport Fund with a 50% cost recovery coming from the General Fund. Also, the PSPRS unfunded liability portion of personnel costs will be funded from the General Fund. Combined, this results in a 65.9% increase (before cost recovery) in ARFF expenditures in the Airport.

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					%
	FY19	FY20	FY20	FY21	Budget
	Actual	Budget	Estimate	Budget	Change
Revenues					
Engineering	\$ 1,621,426	\$ 1,730,671	\$ 1,600,348	\$ 1,615,466	-6.7%
Facilities Maintenance	1,733,411	1,787,321	1,761,970	1,788,995	0.1%
Fleet Maintenance	2,630,613	2,665,500	2,292,031	2,400,500	-9.9%
Risk Management	1,065,395	1,095,000	1,182,668	1,100,000	0.5%
Total Revenues	\$ 7,050,845	\$ 7,278,492	\$ 6,837,017	\$ 6,904,961	-5.1%
Operating Expenditures					
Engineering	1,494,203	1,730,486	1,611,390	1,730,251	0.0%
Facilities Maintenance	1,598,963	1,714,568	1,584,458	1,611,143	-6.0%
Fleet Maintenance	2,238,199	2,426,365	2,403,564	2,394,616	-1.3%
Risk Management	932,828	1,095,000	1,090,706	1,095,000	0.0%
Total Operating Expenditures	\$ 6,264,193	\$ 6,966,419	\$ 6,690,118	\$ 6,831,010	-1.9%
Capital Expenditures					
Engineering	\$ 21,538	\$ 22,500	\$ 35,791	\$ -	-100.0%
Facilities Maintenance	-	250,000	6,738	-	-100.0%
Total Capital	\$ 21,538	\$ 272,500	\$ 42,529	\$ -	-100.0%
Total Expenditures	\$ 6,285,731	\$ 7,238,919	\$ 6,732,647	\$ 6,831,010	-5.6%
Ending Fund Balance, 6/30					
Engineering	\$ 370,685	\$ 348,370	\$ 323,852	\$ 209,067	
Facilities Maintenance	422,387	245,140	593,161	771,013	
Fleet Maintenance	677,415	916,550	565,882	571,766	
Risk Management	824,851	824,851	916,813	921,813	

Revenue

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

Expenditures

Engineering operates as a division of Public Works, Fleet and Facilities are in the Recreation Services Department, and Risk Management is managed by the Legal Department.

Internal Service Funds

Fund Balance

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

City Debt Summary

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

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

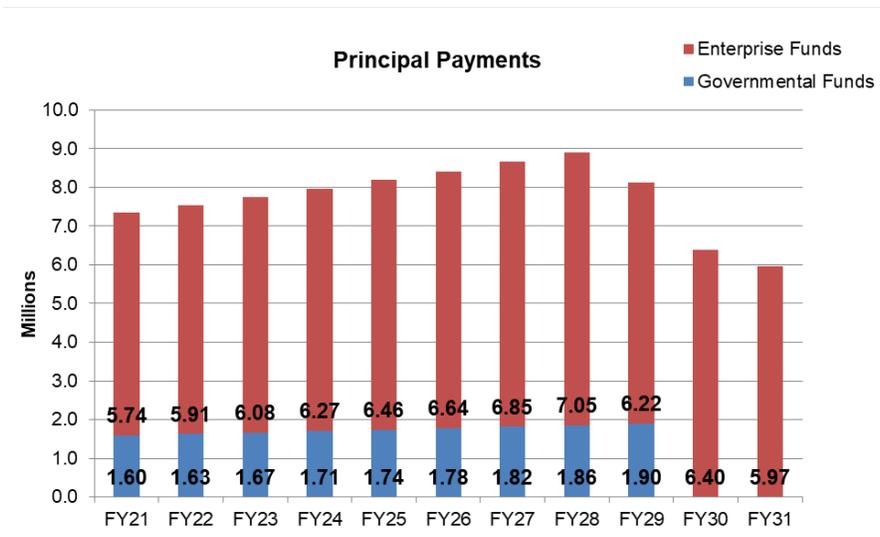
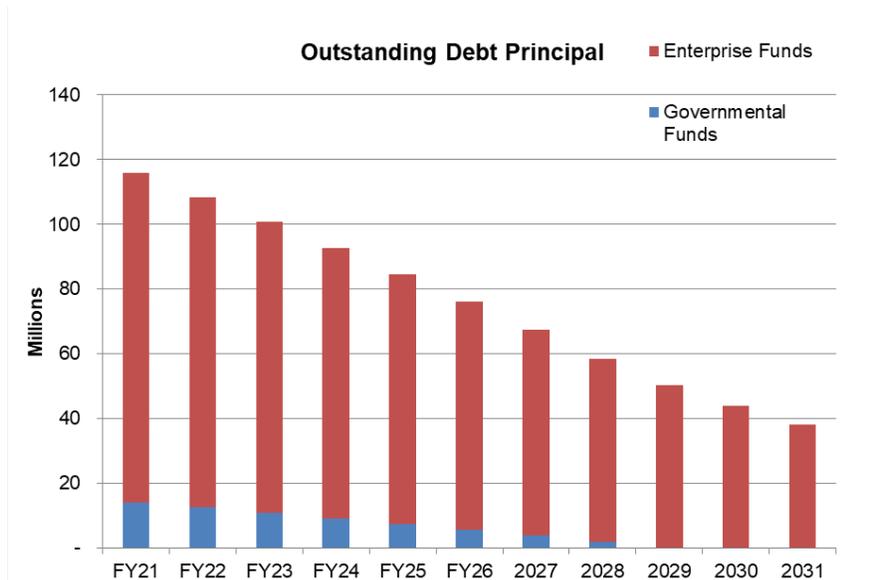
The issuance of general obligation bonds must be submitted to the voters for approval. The City currently has no outstanding general obligation bonds and the total bonding capacity is depicted below:

	<u>General Obligation Bonds</u>	
	All Others 6%	Water & Sewer 20%
<u>Legal Debt Limitation</u>		
Assessed Valuation - \$722,986,346	\$ 43,379,181	\$ 144,597,269
<u>Outstanding Debt</u>		
No outstanding GO Bond Debt	-	-
Total outstanding debt	-	-
Total margin available	<u>\$ 43,379,181</u>	<u>\$ 144,597,269</u>
Total debt applicable to the limit as a percentage	0.0%	0.0%

City Debt Summary

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

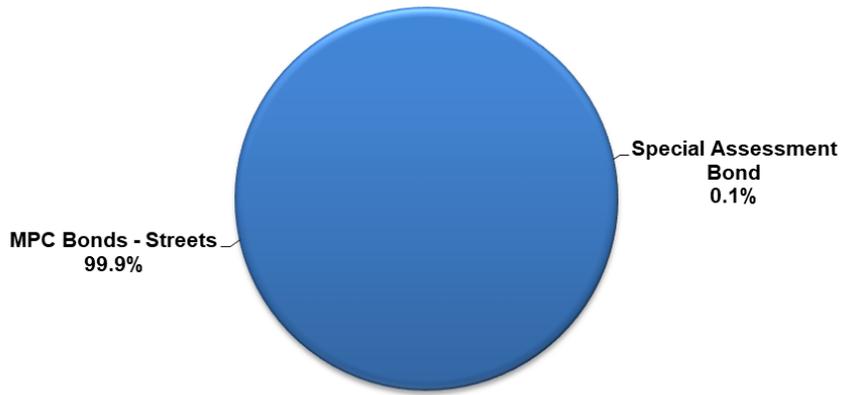
Outstanding debt principal city-wide can be observed in the charts on the following:



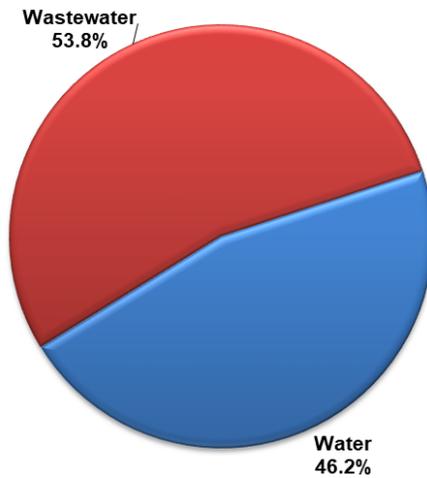
City Debt Summary

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

Governmental Fund Debt



Proprietary Fund Debt



City Debt Summary

Department Operational Plans

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Department Operational Plans

Department Operational Plans Overview

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

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

Objectives:

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

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

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

Objectives:

1. Taking better advantage of community assets
2. Utilize a regionalization approach to support necessary airport and airpark growth and development
3. Continue to monitor a moderate, healthy, and sustainable rate of growth to act as a renewal of the City and to support the local economy

Goal #3 Quality of Life – Create a community of well-being and safe city that provides superior essential services and enhances opportunities that allow for retention and attraction of people who want to live, learn, work, and play in Prescott

Objectives:

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

Department Operational Plans Overview

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

Objectives:

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

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

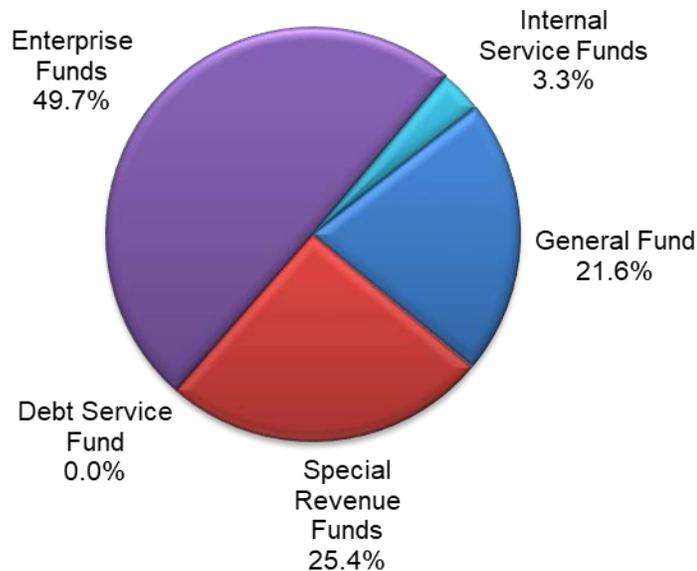
City Expenditure Budget by Department and Fund

Department	General Fund Tax Base	General Fund Program Revenues	Special Revenue Funds	Debt Service Funds	Enterprise Funds	Internal Service Funds	Total
Airport	\$ -	\$ -	\$ -	\$ -	\$ 23,001,175	\$ -	\$ 23,001,175
Budget & Finance	331,746	67,500	578,726	-	1,055,649	33,186	2,066,807
City Clerk	123,744	-	100,120	-	300,358	16,687	540,909
City Council	46,141	-	42,872	-	121,756	6,860	217,629
City Court	526,560	91,000	34,000	-	-	-	651,560
City Manager	1,594,121	-	2,331,321	-	1,858,872	162,932	5,947,245
Community Development	(4,190)	1,731,500	617,533	-	-	-	2,344,843
Fire	9,345,680	555,500	267,068	-	205,666	-	10,373,914
Legal	232,556	-	215,846	-	625,742	1,134,489	2,208,633
Library	1,735,130	617,250	76,708	-	-	-	2,429,088
Police	12,039,717	422,800	784,221	-	-	-	13,246,738
Public Works	-	-	30,125,860	-	75,760,489	1,730,251	107,616,600
Recreation Services	3,263,026	681,400	2,742,462	-	1,515,824	4,005,759	12,208,471
Regional Communications	1,743,573	1,629,769	-	-	-	-	3,373,342
Non-departmental ¹	10,705,816	-	15,975,000	5,265	2,267,503	-	28,953,584
Internal Cost Allocations ²	(2,831,973)	-	(1,295,243)	-	(3,958,430)	(264,485)	(8,350,131)
City Total	\$38,851,647	\$ 5,796,719	\$52,596,494	\$ 5,265	\$102,754,604	\$ 6,825,679	\$206,830,407

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

²Expenditures for General Fund administrative support departments are shown in total, as well as included as internal costs in the department where the costs are allocated. To reconcile total expenditures to the FY21 adopted budget this duplication is eliminated in the line titled "Internal Cost Allocations."

FY21 City Budget by Fund



City Expenditure Budget by Department and Category

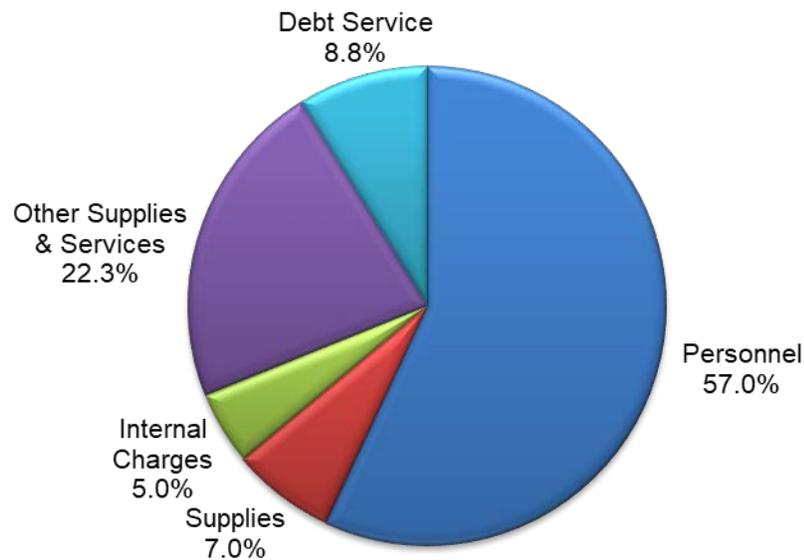
Department	FTEs	Personnel	Supplies	Internal Charges	Other Supplies & Services	Debt Service	Capital	Total
Airport	11.00	\$ 1,024,663	\$ 137,901	\$ 268,112	\$ 423,726	\$ -	\$ 21,146,773	\$ 23,001,175
Budget & Finance	16.00	1,288,464	17,200	119,738	641,405	-	-	2,066,807
City Clerk	3.00	262,827	7,000	45,032	226,050	-	-	540,909
City Council	7.00	49,418	16,500	36,611	115,100	-	-	217,629
City Court	7.00	440,302	7,000	14,490	189,768	-	-	651,560
City Manager	28.00	2,881,184	568,150	156,751	1,463,588	-	877,572	5,947,245
Community Development	14.50	1,352,420	28,700	116,040	499,217	-	348,466	2,344,843
Fire	65.00	7,089,944	568,885	1,353,184	564,696	-	797,205	10,373,914
Legal	8.00	902,948	12,600	38,108	1,254,977	-	-	2,208,633
Library	21.50	1,665,117	303,120	221,813	239,038	-	-	2,429,088
Police	90.00	8,751,070	743,972	2,159,855	620,180	-	971,661	13,246,738
Public Works	158.00	13,112,022	3,219,350	8,488,195	11,993,348	10,524,899	60,278,786	107,616,600
Recreation Services	48.00	4,015,911	1,941,661	944,452	2,336,962	-	2,969,485	12,208,471
Regional Communications	30.00	2,558,442	20,000	252,650	392,250	-	150,000	3,373,342
Non-Departmental ¹	-	22,552,173	735,402	42,083	5,618,661	5,265	-	28,953,584
Internal Cost Allocations ²	-	-	-	(8,350,131)	-	-	-	(8,350,131)
City Total	507.00³	\$ 67,946,905	\$ 8,327,441	\$ 5,906,983	\$ 26,578,966	\$ 10,530,164	\$ 87,539,948	\$ 206,830,407

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

²Expenditures for General Fund administrative support departments are shown in total, as well as included as internal costs in the department where the costs are allocated. To reconcile total expenditures to the FY21 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 55.00 FTEs.

FY21 City Operating Budget by Type



Airport

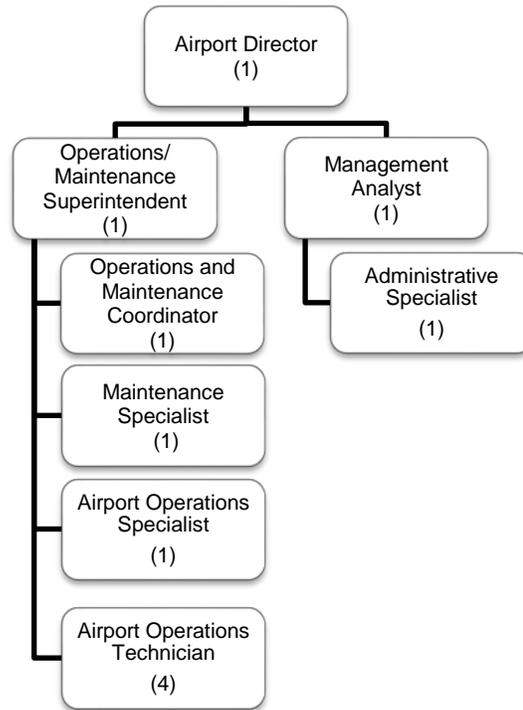
Department Mission

To operate the airport facilities in a safe, efficient, and customer friendly manner by ensuring the effective and efficient use of City resources, and enabling optimal access to the National Air Transportation System; thus contributing to the economic growth of the community, while complying with all applicable laws, regulations, and compliance requirements.

Services

The Airport Department is responsible for the safety, security of the general aviation and commercial air service operations at Prescott Regional Airport – Ernest A. Love Field. The Department also manages all airport properties and facilities, provides tenant services and undertakes grant administration, contract negotiation and management, and airfield and landside management and maintenance functions.

Organization and Personnel



Airport

Department Summary - Authorized Staffing

	FY19	FY20	FY21
Authorized Staffing Level	9.00	11.00	11.00
Airport Director	1.00	1.00	1.00
Operations & Maint. Supt	0.00	1.00	1.00
Operations & Maint. Supv.	1.00	0.00	0.00
Management Analyst	1.00	1.00	1.00
Operations & Maint. Coordinator	1.00	1.00	1.00
Maintenance Specialist	1.00	1.00	1.00
Airport Operations Specialist	0.00	1.00	1.00
Airport Operations Technician	3.00	4.00	4.00
Administrative Specialist	1.00	1.00	1.00

FY21 Objectives

- Seek increases in annual passenger enplanements by investing in marketing and conducting active outreach to current and prospective users.
- Develop airport facilities in accordance with planning documents and seeing maximum external (Federal and state) funding to support necessary capital improvements in accordance with the Airport Master Plan.
- Ensure safe and efficient airside and landside operations (including ensuring proper maintenance of facilities) in compliance with Federal, state, and local standards and grant assurances.
- Seek self-sustaining income levels and promote economic growth by enhancing facility capacity, collecting airport fees, and charging fair market values for land and facilities.
- Complete construction on a replacement passenger terminal, as well as other necessary infrastructure development.

Measure Type	Performance Measure	FY19 Actual	FY20 Target	FY20 Estimate	FY21 Target
Outcome	Obtain a minimum of \$2Mil a year from capital funding from state and federal sources	\$5.8M	\$8M	\$12M	\$6M
Outcome	Maximize annual air carrier revenue passenger enplanement loads at/above the 43% EAS-reported load factor estimates (increasing to 73% in Fall 2020*) by providing superior airport/city staff outreach and innovative marketing support.	75.7%	62%	65%	75%
Outcome	Maintain or improve a minimum of 10% of taxiway linear feet per fiscal year in support of grant assurances	15.8%	10%	10%	10%
Outcome	Achieve maximum occupancy (rental) of available City-owned facilities at the Airport (as of years end)	100%	97%	100%	99%

Airport

Outcome	Exceed the United Airlines (UA) system-wide annual average score by 10% at the PRC station location, based on UA's Customer Satisfaction (CSAT) survey.**	88.7% (UA avg. 77.4%)	85%	85%	85%
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* Adjusted Measure (Note: FY19 & FY20 44% load factor; FY 21 will be adjusted to 73%, as per carrier estimate)
 ** The UA CSAT survey tool is administered to all United Airlines to its passengers; FY19 data reported above is based on CY19 CSAT responses.

FY20 Key Results and Outcomes

Airline Service and Economic Development

- Encouraged regional support of the airport and commercial air service with United Express operated by SkyWest Airlines with 50-seat regional jet service resulting in 27,730 commercial passenger enplanements in CY19.
- Received a third daily round-trip non-stop United Express flight, which will be delivered seasonally.
- Provided City's recommendation to the US Department of Transportation, relating to the new EAS contract to commence in September 2020.
- Conducted a Regional Land Use Summit with community and economic development staff representatives from various jurisdictions in the Region, to jointly focus on the importance of Prescott Regional Airport as a regional asset to utilize, support and incorporate into planning efforts.
- Worked with City leadership and airport tenants on leasing/business efforts, including Eviation which is undergoing systems integration testing for the world's first all-electric commuter aircraft.

Fiscal Accomplishments

- Maintained Primary Commercial Service Non-Hub status, ensuring \$1M in Airport Improvement Program annual entitlements for PRC airport capital development.
- Solicited/received \$12,078,750 in Federal and state grants for capital improvements, including:
 - Replacement Commercial Service Passenger Terminal: \$11.25M Total (\$10M from the FAA and \$1.25M from the state)
 - Taxiway-C Relocation and Hot Spot No. 3 & 4 Design: \$828,750 Total (\$807,500 from the FAA and \$21,250 from the state)
- Received \$1,042,532 in CARES Act funding to support airport operating and capital expenses.

Activities and Award

- Achieved 232,592 flight operations (total aircraft take-offs and landings) in CY19.
- Ranked as the 45th busiest US airport and 5th busiest Arizona airport for flight operations in CY19.
- Received the FAA Airport District Office – Western Pacific Region *2019 Outstanding Airport Award* (Prescott Regional Airport), as well as the Arizona Airports Association *2019 Airport Executive of the Year* award (Airport Director).
- Partnered with Embry Riddle Aeronautical University to host the public October West event and Air Show featuring a tribute to World War II and the 75th anniversary of the D-Day Invasion. It was reported that more than 4K people were in attendance.

Capital and Planning Projects

- Completed a 20-year Airport Master Plan (AMP) update, including an updated Airport Layout Plan and Public Disclosure Map, and received City Council approval for the final AMP products.
- Rapidly progressed on the replacement commercial service passenger terminal project:

Airport

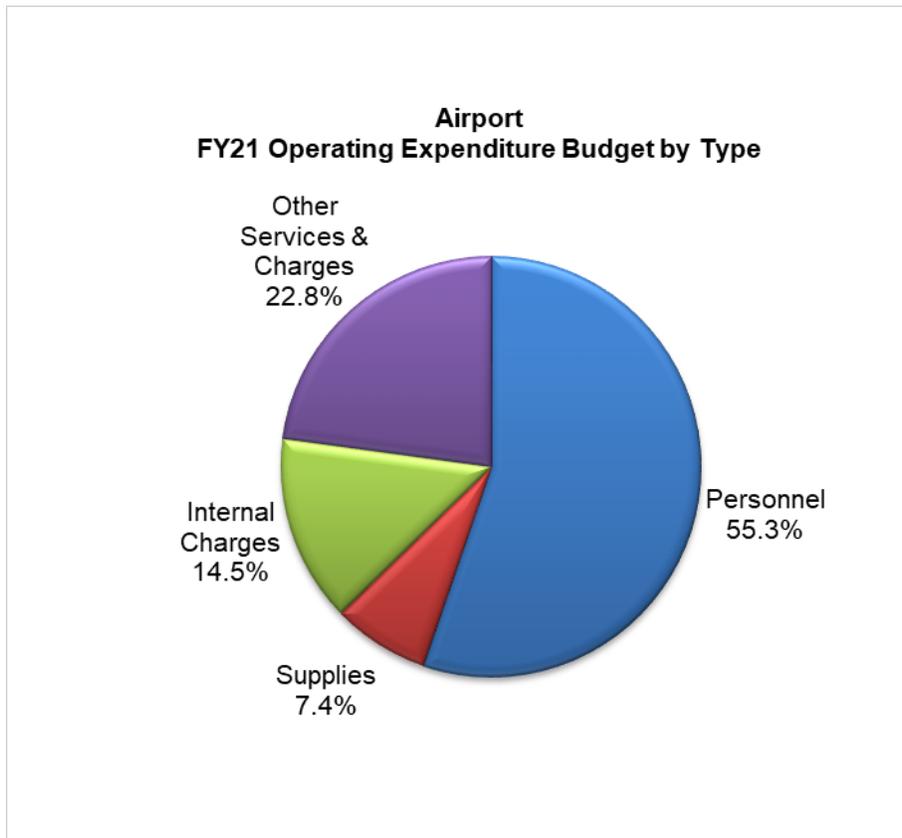
- Completed design and reached a guaranteed maximum price with the CMAR provider for the new passenger terminal, access road and taxiway.
- Held a terminal groundbreaking ceremony on January 07, 2020 with over 200+ attending, including officials/representatives from Prescott, Prescott Valley, Chino Valley, Dewey-Humboldt, Yavapai County, FAA, TSA, SkyWest, the State of Arizona, and design/construction teams. Construction completion is expected in early 2021.
- Commenced a Focused Runway Extension Planning Study to explore the feasibility and optimal length for operational performance on the existing commercial service runway.
- Completed design for realignment of Taxiway C, to provide a 400-foot separation from Runway 3R/21L, to meet FAA safety separation requirements, and to mitigate two published “hotspots” (areas of higher potential for incursions).
- Commenced design on a Perimeter Security and Access Control Project, in conjunction with the access control elements of the new passenger terminal.
- Completed pavement maintenance to include crack seal and seal coat on Runway 3L/21R and parallel Taxiway A, for the benefit of the general aviation users.

Expenditure Budget

Department Summary - Expenditure by Type

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$ 812,806	\$ 876,718	\$ 904,567	\$ 1,024,663	17%
Supplies	126,210	121,400	95,625	137,901	14%
Internal Charges	222,553	272,547	264,832	268,112	-2%
Other Services & Charges	<u>280,542</u>	<u>299,162</u>	<u>326,779</u>	<u>423,726</u>	42%
Subtotal Operations	1,442,111	1,569,827	1,591,803	1,854,402	18%
Capital	<u>266,738</u>	<u>13,471,500</u>	<u>7,950,561</u>	<u>21,146,773</u>	57%
Total	\$ 1,708,849	\$ 15,041,327	\$ 9,542,364	\$ 23,001,175	53%

Airport



Budget Notes and Significant Changes: Personnel increased 17% from FY20 to FY21. This is a result of adding temporary staff hours to meet service demands along with reclassifications that occurred during FY20. Other Services and Charges category in FY21 includes a \$100,000 for On-Call Engineering Services.

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

Airport

Airport Capital Outlay/Projects Detail

Description	FY21 Budget	Federal Grant	State Grant	City Share
<u>Funded by City Only</u>				
Runway 3R/21L Extension	\$ 500,000	\$ -	\$ -	\$ 500,000
Airport Pavement Preservation Program - City	157,133	-	-	157,133
Airport Master Lock System	150,000	-	-	150,000
RWY 3R/21L Ext Focused Plan Study	60,000	-	-	60,000
New Terminal - Furniture, Fixtures, and Equipment	50,000	-	-	50,000
TSA Wing Removal	35,000	-	-	35,000
Subtotal, City Only	952,133	-	-	952,133
<u>Grant Funded Projects</u>				
TWY C Realignment, RIM & Hotspot Mitigation	9,000,000	8,815,000	92,500	92,500
Replacement Airline Terminal	8,864,640	5,476,173	260,500	3,127,967
Perimeter Security Project	1,750,000	-	1,575,000	175,000
New Terminal - Baggage Handling System	580,000	580,000	-	-
Subtotal, Grant Projects	20,194,640	14,871,173	1,928,000	3,395,467
Total, All Projects	\$21,146,773	\$14,871,173	\$1,928,000	\$4,347,600

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

Budget and Finance

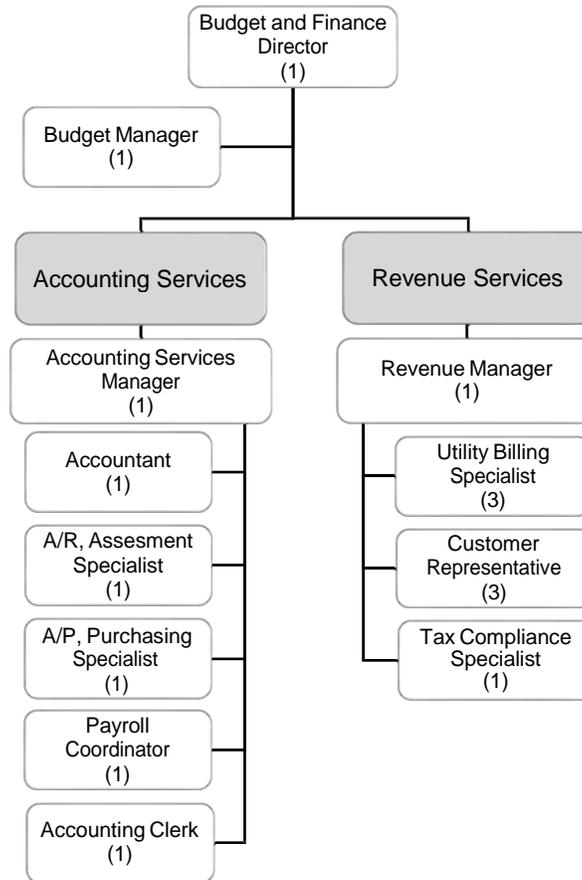
Department Mission

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

Services

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

Organization and Personnel



Department Summary - Staffing by Division

	FY19	FY20	FY21
Accounting Services	5.00	6.00	6.00
Budget & Finance	2.00	2.00	2.00
Revenue Services	<u>8.75</u>	<u>8.00</u>	<u>8.00</u>
Total Authorized Positions	15.75	16.00	16.00

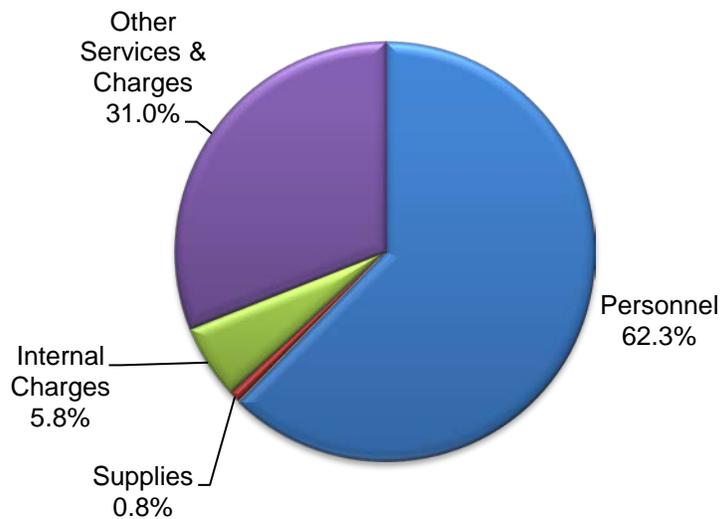
Budget and Finance

Expenditure Budget

Department Summary - Expenditure by Type

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$ 1,192,226	\$ 1,269,481	\$ 1,240,625	\$ 1,288,464	1%
Supplies	13,384	17,200	16,000	17,200	0%
Internal Charges	104,868	123,624	123,220	119,738	-3%
Other Services & Charges	<u>568,557</u>	<u>681,431</u>	<u>628,586</u>	<u>641,405</u>	-6%
Subtotal Operations	1,879,035	2,091,736	2,008,431	2,066,807	
Capital	<u>-</u>	<u>22,500</u>	<u>-</u>	<u>-</u>	
Total Operations	1,879,035	2,114,236	2,008,431	2,066,807	-2%

Budget and Finance
FY21 Operating Expenditure Budget by Type



Department Summary - Operating Expenditure by Division and Capital

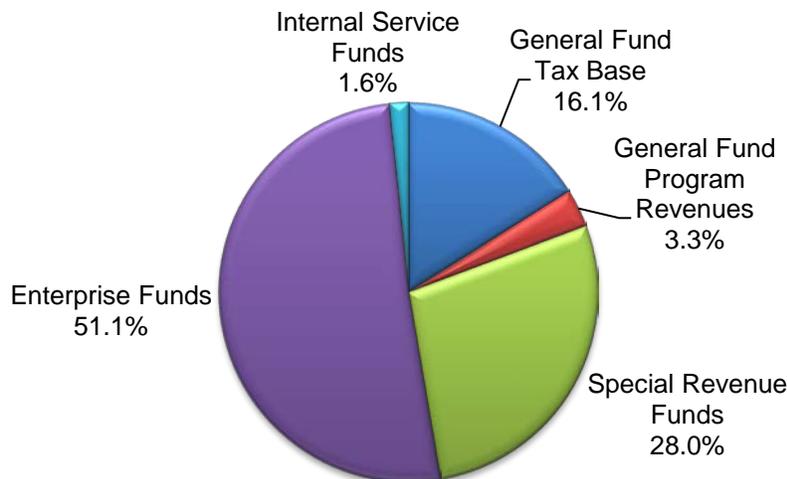
	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Accounting Services	\$ 548,179	\$ 618,346	\$ 662,707	\$ 682,697	10%
Budget & Privilege Tax	271,043	308,255	305,901	314,460	2%
Utility Billing	<u>1,059,813</u>	<u>1,187,635</u>	<u>1,039,823</u>	<u>1,069,650</u>	-10%
Total	\$ 1,879,035	\$ 2,114,236	\$ 2,008,431	\$ 2,066,807	-2%

Budget and Finance

Department Summary - Funding Sources

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
General Fund Source of Funds					
Tax Base	\$ 203,078	\$ 328,417	\$ 396,686	\$ 331,746	1%
Licenses & Permits	202,759	180,200	11,160	-	-100%
Charges for Services	61,257	67,500	67,500	67,500	0%
General Fund Budget	467,093	576,117	475,346	399,246	-31%
Special Revenue Funds	429,302	558,853	577,133	578,726	4%
Enterprise Funds	939,617	945,648	922,340	1,055,649	12%
Internal Service Funds	43,023	33,618	33,612	33,186	-1%
Total	\$ 1,879,035	\$ 2,114,236	\$ 2,008,431	\$ 2,066,807	-2%

**Budget & Finance Funding Sources
FY21 Budget**



Department Funding Sources: The Budget and Finance Department is funded through multiple funds. Per budget policy and to present the full cost of providing services, general fund internal support is allocated to Enterprise Funds, Internal Service Funds and Special Revenue Funds that benefit from the services being provided. For the Accounting Services and Budget and Finance 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. The Privilege Tax portion of Revenues Services is split evenly between General Fund and 1% Streets and Open Space Tax. For the remaining portion of Revenue Services, 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.

Budget and Finance

Accounting Services

Division Mission

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

Services

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

FY2021 Objectives

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

Measure Type	Performance Measure	FY19 Actual	FY20 Target	FY20 Estimate	FY21 Target
Outcome	Purchases paid by credit card with a corresponding decreasing use of check or wire payments.				
	• Volume	14,009	14,800	14,000	14,500
	• % of Volume Total	51.4%	43.8%	43.3%	43.5%
	• % of Dollar Total	2.9%	4.5%	3.9%	4.5%

FY2020 Major Achievements

- Maintained unqualified audit opinion
- Received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA) of the United States and Canada for the City's Comprehensive Annual Financial Report for the thirty-ninth year in a row.

Budget and Finance

Expenditure Budget

Accounting Services

Expenditure Summary

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$ 359,672	\$ 373,786	\$ 418,270	\$ 453,863	21%
Supplies	7,290	6,700	6,700	6,700	0%
Internal Charges	50,398	68,179	68,056	68,839	1%
Other Services & Charges	<u>130,820</u>	<u>169,681</u>	<u>169,681</u>	<u>153,295</u>	-10%
Total, Operations	\$ 548,179	\$ 618,346	\$ 662,707	\$ 682,697	10%

Authorized Staffing Summary

	FY19	FY20	FY21
Authorized Staffing Level	<u>5.00</u>	<u>6.00</u>	<u>6.00</u>
Accounting Services Manager	1.00	1.00	1.00
Payroll Coordinator	0.00	1.00	1.00
Accountant	1.00	1.00	1.00
Payroll Analyst	1.00	0.00	0.00
AP/Purchasing Specialist	1.00	1.00	1.00
AR/Assessment Specialist	1.00	1.00	1.00
Account Clerk	0.00	1.00	1.00

Budget Notes and Significant Changes: During FY20, an Account Clerk was moved from Revenue Services to Accounting Services. This change came about due to improved processes in the Revenue Services Division along with the elimination of business licensing.

Budget and Finance

Budget & Finance

Division Mission

To provide leadership and direction to maintain the financial stability of the City.

Services

The Budget and Finance Division is responsible for financial planning, policy development and administration of the City's financial activities. This includes facilitating 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.

FY2021 Objectives

- Produce a comprehensive, user-friendly budget document that meets the criteria prescribed by the Government Finance Officers Association (GFOA).
- Continue budget improvements, especially in performance based budgeting and capital planning.
- Maintain solid obligation / excise tax bond rating:
 - Standard & Poor's: AA+
 - Moody's: As2/Aa3
 - Fitch: AA/AA

Measure Type	Performance Measure	FY19 Actual	FY20 Target	FY20 Estimate	FY21 Target
Outcome	Investment earnings rate over investment policy benchmark (BM)	2.16%	2.00%	2.00%	2.00%
	Citywide earnings rate 3 mo. US Treasury rate (BM)	2.09%	2.30%	1.50%	1.50%

Analysis of Performance: The City continues to exceed investment policy benchmarks providing consistent earnings.

FY2020 Major Achievements

- Received the Government Finance Officers Association (GFOA) of the United States and Canada Distinguished Budget Presentation Award for the 18th year in a row.
- Bond rating for Standard & Poor's was upgraded from AA/AA to AA+.

Budget and Finance

Expenditure Budget

Budget and Finance Expenditure Summary

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$ 266,713	\$294,866	\$292,545	\$300,043	2%
Supplies	447	1,500	1,500	1,500	0%
Internal Charges	-	5,889	5,856	6,917	17%
Other Services & Charges	<u>3,882</u>	<u>6,000</u>	<u>6,000</u>	<u>6,000</u>	0%
Total, Operations	\$ 271,043	\$308,255	\$305,901	\$314,460	2%

Authorized Staffing Summary

	FY19	FY20	FY21
Authorized Staffing Level	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>
Finance Director	1.00	1.00	1.00
Budget Manager	1.00	1.00	1.00

Budget Notes and Significant Changes: No significant changes

Budget and Finance

Revenue Services

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.

Promote voluntary tax and license compliance through systematic programs designed to educate the community in a fair, equitable, and cost-effective manner.

Services

The Revenue Service Division administers the billing and collection process for the City's 24,800+ 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 including processing all cash receipts received by the City.

The Division provides taxpayer assistance and education on City Tax Code and reporting to the Arizona Department of Revenue (ADOR), analyzes ADOR provided data for taxability trends and compliance, and performs compliance audits. Also, the division is responsible for City business license compliance and issuance. Additional duties include the City-wide switchboard, and the centralized mail room.

FY2021 Objectives

- Produce monthly utility bills with an accurate assessment of user charges and standard billing cycle. Keep average bill cycle between 28-32 days.
- Provide excellent customer service through cost-effective convenient payment options such as auto pay and online bill pay.
- Continue customer service policy of responding to all phone calls within 24 hours.

Measure Type	Performance Measure	FY19 Actual	FY20 Target	FY20 Estimate	FY21 Target
Outcome	Percentage of customers enrolled in auto pay	34%	36%	37%	38%
Outcome	Percentage using online bill pay	9%	12%	12%	15%
Outcome	Percentage of customers enrolled in email option	23%	25%	25%	30%

FY2020 Major Achievements

- Increased enrollment in auto pay by 9.2%. Currently 8,869 customers are utilizing the service which is 37% of our active customer base.
- Customer enrollment in email program is 28%.

Budget and Finance

Revenue Services

Expenditure Summary

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$ 565,840	\$ 600,829	\$ 529,810	\$ 534,558	-11%
Supplies	5,648	9,000	7,800	9,000	0%
Internal Charges	54,470	49,556	49,308	43,982	-11%
Other Services & Charges	433,855	505,750	452,905	482,110	-5%
Subtotal Operations	1,059,813	1,165,135	1,039,823	1,069,650	
Capital	-	22,500	-	-	
Total	\$1,059,813	\$1,187,635	\$1,039,823	\$1,069,650	-10%

Authorized Staffing Summary

	FY19	FY20	FY21
Authorized Staffing Level	<u>8.75</u>	<u>8.00</u>	<u>8.00</u>
Revenue Services Manager	1.00	1.00	1.00
Business License Specialist	1.00	0.00	0.00
Tax Compliance Specialist	1.00	1.00	1.00
Utility Billing Specialist	2.75	3.00	3.00
Utility Billing Representative	3.00	3.00	3.00

Budget Notes and Significant Changes: As a result of improved processes through the utilization of technology and the elimination of business licensing, a Business License Specialist was reclassified to an Account Clerk and moved to Accounting Services.

City Clerk

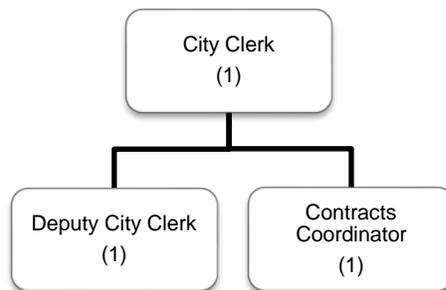
Department Mission

The City Clerk’s Office strives be accessible to the public and other city departments as well as to provide accurate information and services in a timely and professional manner to those parties and City Council. The City Clerk’s Office provides fair and impartial awareness of democratic governmental processes, maintains the integrity of the city’s records, and continues to maintain the preservation of the city’s history.

Services

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

Organization and Personnel



Department Summary - Staffing

	FY19	FY20	FY21
Authorized Staffing Level	<u>3.00</u>	<u>3.00</u>	<u>3.00</u>
City Clerk	1.00	1.00	1.00
Deputy City Clerk	1.00	1.00	1.00
Contract Specialist	0.00	1.00	1.00
City Clerk Specialist	1.00	0.00	0.00

FY2020 Objectives

- Update Agenda Management Software to improve Department efficiencies related to agenda and meeting preparation
- Downsize Department from 4 employees (City Clerk, Deputy City Clerk, Contracts Coordinator and Temp Records Coordinator) to 3 employees (City Clerk, Deputy City Clerk, Contracts Coordinator) by more appropriately allocating responsibilities and reclassifying Contracts Coordinator to City Clerk Specialist and/or Analyst.
- Continue to work on integration of Liquor License Applications into Central Square software to improve Department efficiencies
- City Clerk to complete Certified Municipal Clerk Designation and begin training opportunities for new Deputy City Clerk

City Clerk

Measure Type	Performance Measure	FY19 Actual	FY20 Target	FY20 Estimate	FY21 Target
Outcome	Percent of records destroyed, by cubic feet per records retention schedules	N/A	400	N/A	400
Outcome	Percent of satisfaction questionnaires at Good or Above for Special Event Liquor License Process	98%	100%	99%	100%
Outcome	Percent of satisfaction questionnaires at Good or Above for Liquor License Application Process	100%	100%	98%	100%
Outcome	Percent of agendas and minutes (Council and BCC) posted per the Open Meeting Law	100%	100%	95%	100%
Outcome	Percent of Satisfaction questionnaires at Good or Above for the Boards, Commissions, and Committees application process	95%	100%	99%	100%

FY2020 Major Achievements

- Successful implementation of Boards, Commissions & Committees (BCCs) Management Module for Recruitment Process
- Completion of Historical Audit of BCC Records (Agendas & Minutes)
- Successful improvement in inter-department relationships and accessibility to the City Clerk's Office
- Streamline of liquor license application process and positive feedback from applicants
- Successful replacement of Contracts Coordinator and City Clerk

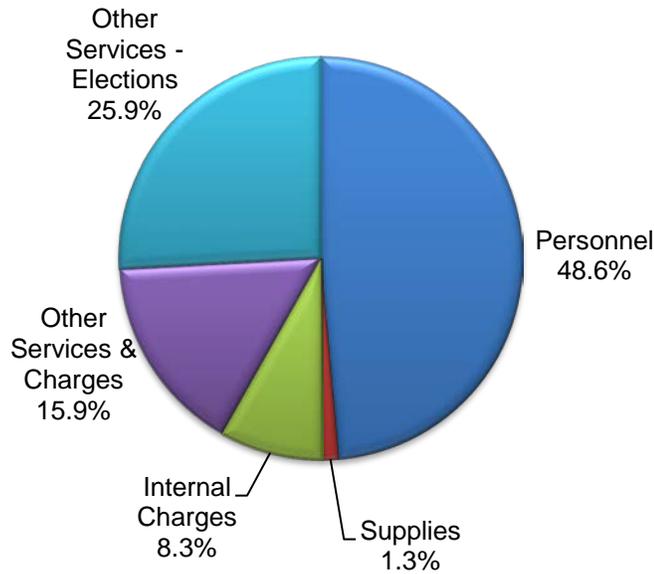
Expenditure Budget

Department Summary - Expenditure by Type

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$ 302,779	\$ 339,062	\$ 293,599	\$ 262,827	-22%
Supplies	6,503	7,075	5,875	7,000	-1%
Internal Charges	31,513	45,273	44,712	45,032	-1%
Other Services & Charges	123,437	81,345	70,461	86,050	6%
Other Services - Elections	-	200,000	140,000	140,000	-30%
Total Operations	464,232	672,755	554,647	540,909	-20%

City Clerk

**City Clerk
FY21 Operating Expenditure Budget by Type**



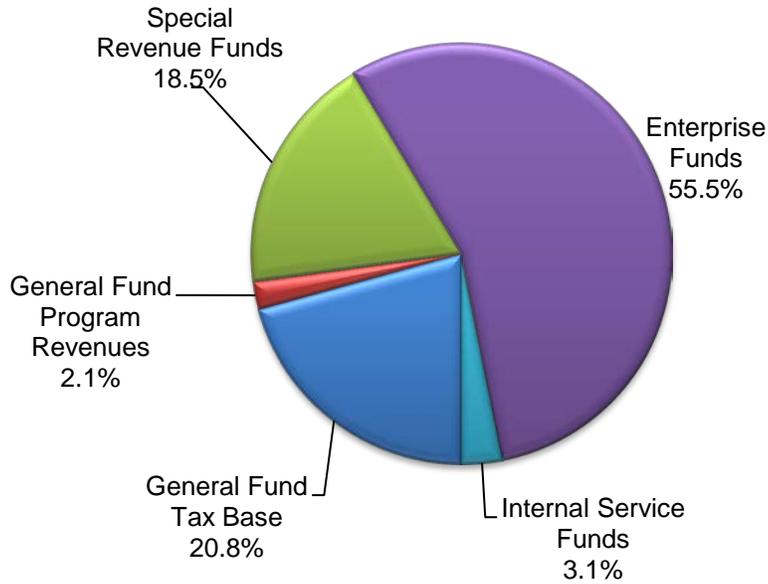
Budget Notes and Significant Changes: The personnel budget decreased in FY21 turnover of and elimination of the temporary employee budget. Other Services - Elections fluctuate depending on whether the City anticipates or schedules a municipal election through the Yavapai County Elections Department.

Department Summary - Funding Sources

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
General Fund Source of Funds					
Tax Base	\$ 111,409	\$ 139,443	\$ 21,563	\$ 112,244	-20%
Charges for Services	10,968	7,000	11,000	11,500	64%
General Fund Budget	122,377	146,443	32,563	123,744	-16%
Special Revenue Funds	92,301	152,630	151,404	100,120	-34%
Enterprise Funds	229,043	347,366	344,575	300,358	-14%
Internal Service Funds	20,511	26,316	26,105	16,687	-37%
Total	\$ 464,232	\$ 672,755	\$ 554,647	\$ 540,909	-20%

City Clerk

**City Clerk Operations Funding Sources
FY21 Budget**



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

City Council

Department Mission

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

Services

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

Organization and Personnel

Department Summary Staffing

	FY19	FY20	FY21
Authorized Staffing Level	<u>7.00</u>	<u>7.00</u>	<u>7.00</u>
Mayor	1.00	1.00	1.00
Councilmembers	6.00	6.00	6.00

FY2020 Objectives

To carry out the Strategic Plan, the Council will focus on the following goals and objectives (as well as others):

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

Objectives:

1. Continue to stabilize General Fund
2. Retire the PSPRS unfunded liability of based on FY17/18 actuarial, administrative, and financial assumptions as soon as possible.
3. Monitor Legislative Actions

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

Objectives:

1. Taking better advantage of community assets
2. Utilize regionalization approach to support necessary airport and airpark growth and development
3. Continue to monitor a moderate, healthy, and sustainable rate of growth to act as a renewal of the City and to support the local economy

City Council

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

Objectives:

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

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

Objectives:

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

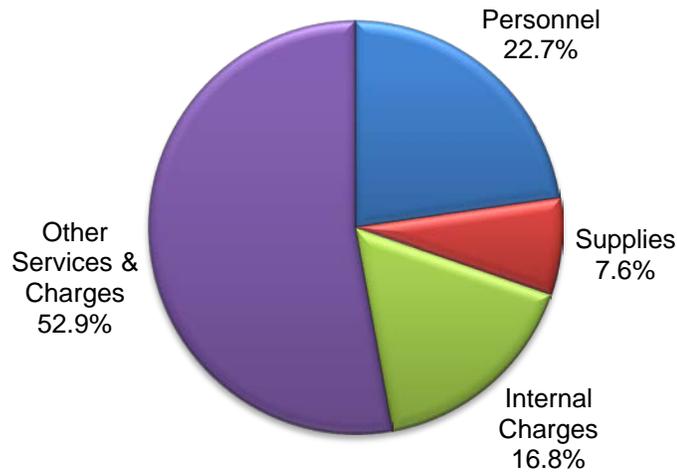
City Council

Expenditure Budget

Department Summary - Expenditure by Type

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$ 51,691	\$ 51,932	\$ 49,609	\$ 49,418	-5%
Supplies	15,677	16,500	15,800	16,500	0%
Internal Charges	34,183	37,595	37,164	36,611	-3%
Other Services & Charges	158,712	114,400	118,585	115,100	1%
Total	\$260,263	\$220,427	\$221,158	\$ 217,629	-1%

**City Council FY21
Expenditure Budget by Type**



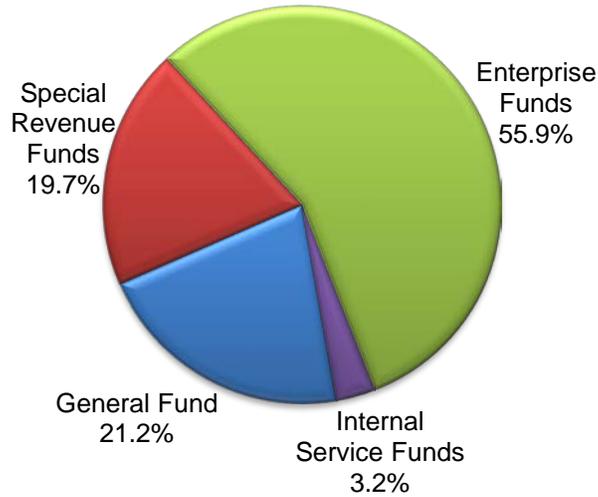
Budget Notes and Significant Changes: No significant changes are anticipated.

Department Summary - Funding Sources

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
General Fund	\$ 63,756	\$ 49,529	\$ 48,262	\$ 46,141	-7%
Special Revenue Funds	53,057	49,560	50,140	42,872	-13%
Enterprise Funds	133,625	112,793	114,111	121,756	8%
Internal Service Funds	9,825	8,545	8,645	6,860	-20%
Total	\$260,263	\$220,427	\$221,158	\$ 217,629	-1%

City Council

**City Council Funding Sources
FY21 Budget**



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

City Court

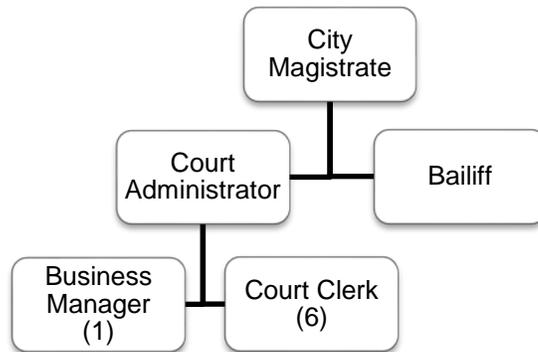
Department Mission

To provide prompt and effective judicial services, adjudicating violations of the Arizona Revised Statutes and the Prescott City Code, Civil and Criminal Violations occurring within the Prescott City Limits in conformity with United State and Arizona Constitutional Due Process principles and in fulfillment of Arizona State Supreme Court standards.

Services

The Court promotes and encourages civility, problem solving with a focus on the quality of life and standards of the community. This is accomplished while being creative, innovative and accountable with an overall purpose of promoting public confidence and trust in the judicial system. The Court also takes into consideration individualized justice in adapting the Arizona State Supreme Court's Fair Justice Initiative into everyday court proceedings.

Organization and Personnel



Department Summary - Staffing

	FY19	FY20	FY21
Authorized Staffing Level	<u>6.00</u>	<u>7.00</u>	<u>7.00</u>
Business Manager	1.00	1.00	1.00
Court Clerk	5.00	6.00	6.00

FY2021 Objectives

- Maintain consistency with standards set by the Arizona Supreme Court and the City of Prescott for case management and reduce litigant time and costs.
- Enforcement of Court Sentencing Orders by taking into consideration the requirements of the law, the ability of the Defendant to comply and consideration of the needs of the Victim.
- Utilizing Community Restitution as much as possible as an original sentence as well to address payment of fines when a Defendant no longer has the means to make that payment consistent with the AZ Supreme Court's Fair Justice Initiative
- Expand the use of collection through FARE to assist, when appropriate, on cases where reduction or community service cannot be utilized thereby reducing the issuance of warrants for issues relating to fine payments.

City Court

- Comply with the Arizona State Supreme Court’s directives relating to pre-trial release from the custody on misdemeanor allegations while at the same time taking into consideration the safety of the victim and community.
- Maintain the standards for civility in the Courtroom.
- Confirm and maintain the Courthouse/Courtroom safety and emergency standards with regard to the public and city employees assigned to the Prescott City Court.
- Working within and being accountable for the fiscal operations of the Court.
- Work with the City Attorney’s Office to better implement new ordinances that will be enforced through the City Court.

Measure Type	Performance Measure	FY19 Actual	FY20 Target	FY20 Estimate	FY21 Target
Outcome	Case Closure Rates (Cases both filed and paid in full during FY)	75%	80%	75%	80%
Output	Defendant’s assigned community restitution	399	425	400	425
	Restitution hours completed	4,627	4,930	4,640	4,930
	Minimum wage value	\$50,897	\$59,160	\$55,680	\$61,625
	Incarceration savings at \$70 per day	\$46,270	\$49,300	\$46,400	\$49,300

FY2020 Major Achievements

- We continue to successfully train new clerks coming on board.
- Working with other outside agencies to streamline processes and procedures. Foster good relations with both the City and the County with the IGA.
- With the integration of a new position we have been able to more effectively and efficiently serve the public and external/internal customers.
- Continued the work of aggressive court-driven case management resulting in decreased time and costs including working with City Legal to continue the clearance of old warrant cases, and to have warrants quashed when there is a change in the law.
- Handling of juvenile criminal traffic cases has continued to allow juveniles and their parents to take care of cases at one court rather than needing to go to both the City Court and Juvenile Probation Department.
- Continue closing out the old CMS Cache’ cases and continue the conversion process to get old collection cases into the new CMS AJACS which enables the AOC collection vendor FARE to more aggressively pursue collections for our court. The new CMS also enables customers to pay on-line and greatly reduces time for both the clerks and clients.
- Our JEU (Judicial Enforcement Officer) program continues to be very successful in working with clients and their abilities to pay fines and sanctions. We have also continued to expand restorative justice concepts by aggressive assignment of community restitution in lieu of jail and sanctions.

City Court

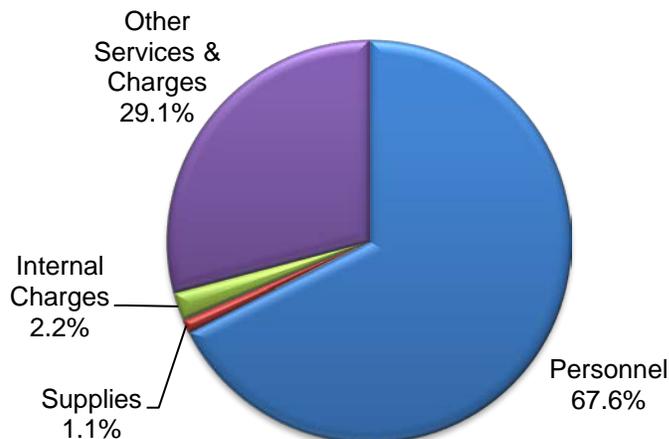
- The court continues to utilize a wonderful group of volunteer Civil Traffic Hearing Officers which enables the area officers and public to receive the benefit of time management and helps to free up time on our court docket for a more efficient flow.
- The City Magistrate is to work daily regarding the implementation of new procedures to help insure the integrity and compliance of documents generated through the court and implement an internal accounting procedure to better service the needs of both the Court and the Administration Offices of the Courts.

Expenditure Budget

Department Summary - Expenditure by Type

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$ 428,867	\$ 449,327	\$ 411,016	\$ 440,302	-2%
Supplies	3,665	7,000	7,000	7,000	0%
Internal Charges	11,416	15,890	15,900	14,490	-9%
Other Services & Charges	<u>180,223</u>	<u>182,768</u>	<u>183,518</u>	<u>189,768</u>	4%
Total	\$ 624,170	\$ 654,985	\$ 617,434	\$ 651,560	-1%

**City Court FY21
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 City of Prescott, Arizona

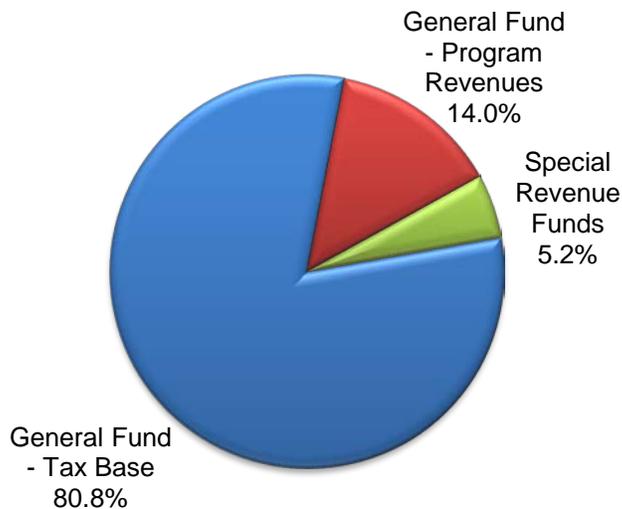
City Court

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 Court operates in an uncertain environment with multiple government agencies and variables related to case expenses, causing a need for budget capacity.

Department Summary - Funding Sources

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
General Fund Sources of Funds					
Tax Base	\$ 485,795	\$ 537,985	\$ 497,972	\$ 526,560	-2%
Charges for Services	102,642	80,000	80,849	80,000	0%
Fines and Forfeitures	18,873	11,000	11,013	11,000	0%
General Fund Budget	607,310	628,985	589,834	617,560	-2%
Special Revenue Funds	16,860	26,000	27,600	34,000	31%
Total	\$ 624,170	\$ 654,985	\$ 617,434	\$ 651,560	-1%

**City Court Funding Sources
FY21 Budget**



Department Funding Sources: The City Court Department is mainly funded through the General Fund, with 5.2% of the budget funded through the Grant Special Revenue Fund. Court grants are support from the state court system help to offset operating costs.

City Manager

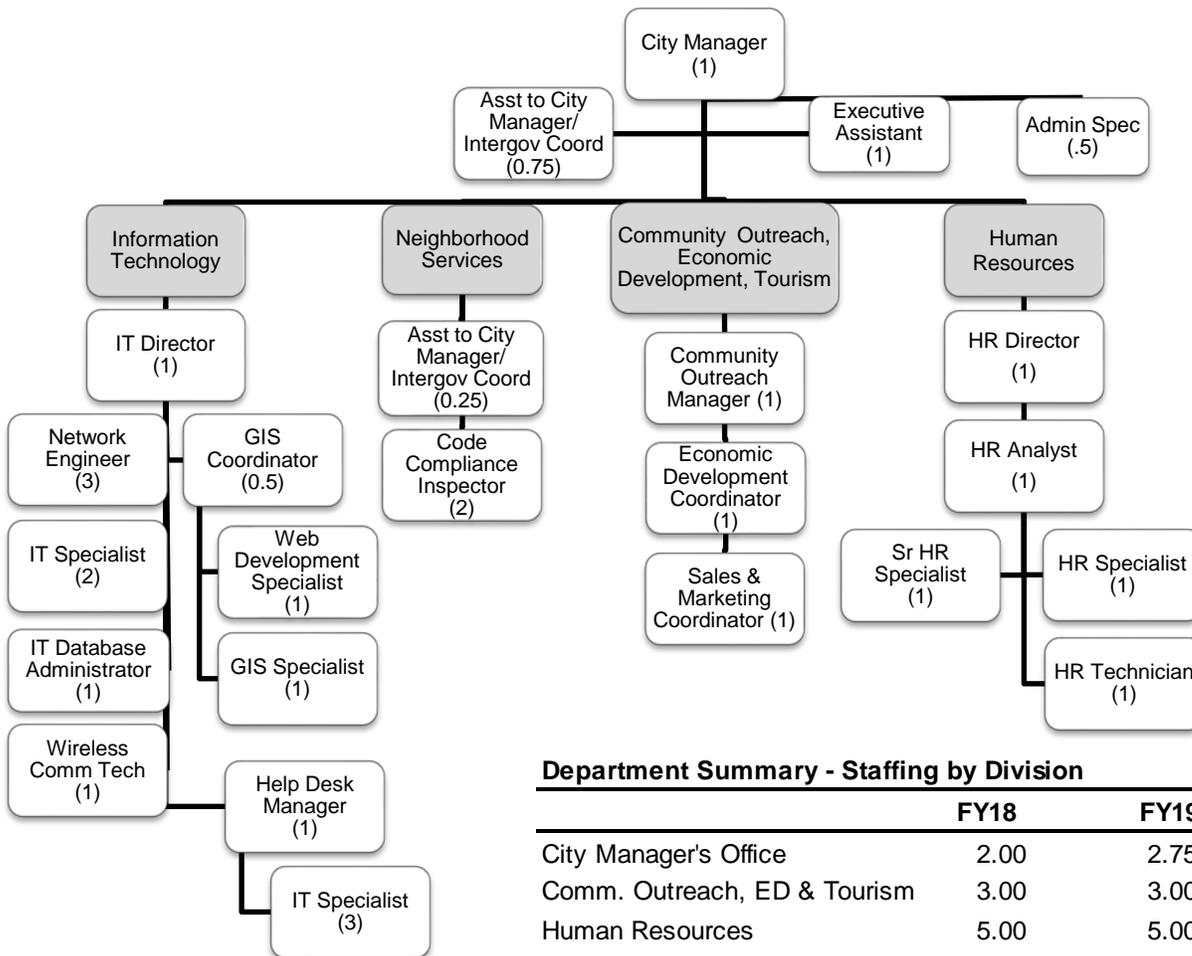
Department Mission

To provide professional administration of the policies and strategic plan goals and objectives established by the City Council; facilitate and promote a culture that encourages the development of City employees; support outreach to citizens to share important information and ensure robust tourism promotion.

Services

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

Organization and Personnel



Department Summary - Staffing by Division

	FY18	FY19	FY20
City Manager's Office	2.00	2.75	3.25
Comm. Outreach, ED & Tourism	3.00	3.00	3.00
Human Resources	5.00	5.00	5.00
Neighborhood Services	2.00	2.25	2.25
Information Technology	<u>14.50</u>	<u>14.50</u>	<u>14.50</u>
Total Authorized Positions	26.50	27.50	28.00

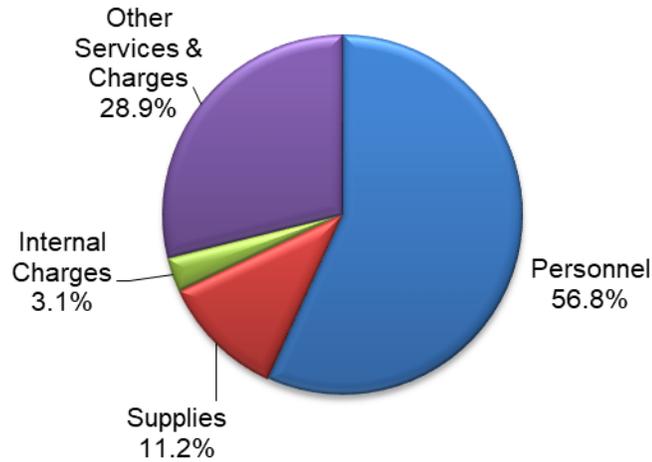
City Manager

Expenditure Budget

Department Summary - Expenditure by Type

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$2,576,902	\$2,693,766	\$2,768,577	\$2,881,184	7%
Supplies	411,912	547,100	495,143	568,150	4%
Internal Charges	139,319	159,236	161,004	156,751	-2%
Other Services & Charges	<u>1,571,431</u>	<u>2,163,042</u>	<u>1,703,601</u>	<u>1,463,588</u>	-32%
Subtotal Operations	4,699,564	5,563,144	5,128,325	5,069,673	-9%
Capital	<u>25,295</u>	<u>63,901</u>	<u>84,947</u>	<u>877,572</u>	
Total	\$4,724,859	\$5,627,045	\$5,213,272	\$5,947,245	6%

**City Manager Department FY21
Operating Expenditure Budget by Type**



City Manager

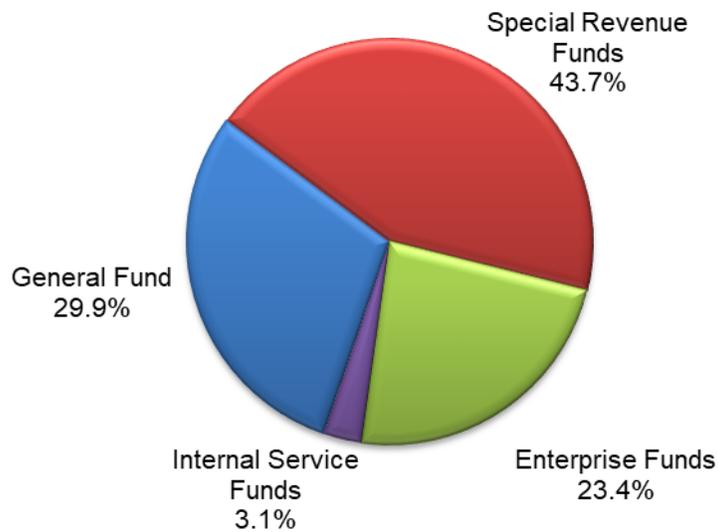
Department Summary - Expenditure by Division

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
City Manager's Office	\$ 425,687	\$ 455,400	\$ 459,398	\$ 475,018	4%
Comm. Outreach, ED & Tourism	1,343,609	1,807,388	1,312,868	1,238,839	-31%
Human Resources	638,283	809,694	810,626	756,285	-7%
Neighborhood Services	171,254	185,721	193,286	192,407	4%
Information Technology	<u>2,120,731</u>	<u>2,304,941</u>	<u>2,352,147</u>	<u>2,407,124</u>	4%
Subtotal Operations	4,699,564	5,563,144	5,128,325	5,069,673	-9%
Capital	<u>25,295</u>	<u>63,901</u>	<u>84,947</u>	<u>877,572</u>	
Total	\$4,724,859	\$5,627,045	\$5,213,272	\$5,947,245	6%

Department Summary - Funding Sources

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
General Fund	\$ 1,538,808	\$ 1,712,153	\$ 1,676,949	\$ 1,594,121	-7%
Special Revenue Funds	1,524,447	2,041,893	1,663,295	2,331,321	14%
Enterprise Funds	1,498,321	1,695,900	1,695,915	1,858,872	10%
Internal Service Funds	<u>163,283</u>	<u>177,099</u>	<u>177,113</u>	<u>162,932</u>	-8%
Total	\$4,724,859	\$5,627,045	\$5,213,272	\$5,947,245	6%

**City Manager Operating Funding Sources
FY21 Budget**



City Manager

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

City Manager

City Manager’s Office

Division Mission

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

Services

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

FY2021 Objectives

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

Measure Type	Performance Measure	FY19 Actual	FY20 Target	FY20 Estimate	FY21 Target
Outcome	Fulfill 90% of Council requests for information within 3 business days	90%	90%	90%	90%
Output	Respond to 90% of citizen inquiries within 1 business day	95%	90%	90%	90%

FY2020 Major Achievements

- Facilitated negotiations with AED and creating the letter of intent to preserve public land in the Dells
- Coordinated water management policy reviews, including independent research on the City’s water portfolio
- Successfully held 3 Citizen’s Academy classes
- Managed a successful legislative agenda, despite changes to the session, and included \$1 million to go towards PSPRS
- Managed the Youth Advisory Board to assist youth in the community
- Completed the Granite Creek Corridor master plan to prepare for implementation
- Coordinated the Whiskey Row Alley mural and other enhancements

City Manager

Expenditure Budget

Expenditure Summary

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$ 366,839	\$ 397,229	\$ 400,776	\$ 422,682	6%
Supplies	1,486	1,300	1,227	-	-100%
Internal Charges	23,750	21,871	21,672	21,410	-2%
Other Services & Charges	<u>33,612</u>	<u>35,000</u>	<u>35,723</u>	<u>30,926</u>	-12%
Total, Operations	425,687	455,400	459,398	475,018	4%
Capital	<u>25,295</u>	<u>63,901</u>	<u>60,421</u>	<u>877,572</u>	
Total	\$ 450,982	\$ 519,301	\$ 519,819	\$ 1,352,590	160%

Authorized Staffing Summary

	FY19	FY20	FY21
Authorized Staffing Level	<u>2.75</u>	<u>3.25</u>	<u>3.25</u>
City Manager	1.00	1.00	1.00
Asst to City Manager/Intergov Coord ¹	0.75	0.75	0.75
Executive Assistant	1.00	1.00	1.00
Administrative Specialist	0.00	0.50	0.50

¹ 25% of Asst to City Manager/Intergovernmental Coordinator charged to Neighborhood Services

Capital Detail

Granite Creek Corridor Grant	<u>877,572</u>
	\$ 877,572

Budget Notes and Significant Changes: No significant changes.

City Manager

Community Outreach, Economic Development & Tourism

Division Mission

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

Services

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

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

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

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

FY2021 Objectives

Community Outreach

- Share messages across multiple media to effectively reach citizens through several channels
- Continue to Produce and update video, social media, print and radio content.
- Share City Information to news media via press release/media alerts
- Share City Information via radio PSAs on six radio stations
- Create platforms for interactive online City services

Economic Development

- Retain and assist existing businesses and prime/base industry employers
- Promote Prescott's assets and opportunities to new and expanding companies
- Increase Prescott's visibility to CEOs and decisions makers, especially in venture capital and high tech firms
- Lead sales missions for recruitment of business and workforce
- Develop and implement an online survey for Prescott businesses
- Create rich digital content for marketing, website and social media platforms that tells the story of successful businesses in Prescott.

City Manager

Tourism

- Provide the community with additional resources through increased Transient Occupancy Tax (Bed Tax) and tourism related sales tax collections by increasing total rooms booked
- Increase length of stay to improve tax collections and revenues in other areas such as restaurants, bars, retail and attractions
- Attract multi-day events/tournaments, especially during shoulder season
- Increase number of group events
- Capitalize on outdoor, natural and recreation assets for increased visitation

Measure Type	Performance Measure	FY19 Actual	FY20 Target	FY20 Estimate	FY21 Target
Output	Number of media used to communicate with the public.	6	6	6	7
Output	Number of shows produced	23	23	23	23
Output	Number of releases	88	90	100	95
Output	Number of PSAs	25	25	25	30
Output	Number of companies/retailers/brokers/developers receiving Prescott marketing information	28	30	30	35
Output	Number of lead generated through participating in events and conferences	5	5	5	5
Output	Number of Business Retention/Expansion visits to Prescott businesses	12	10	12	35
Output	Number of CEO Roundtables hosted	N/A	3	3	4
Output	Number of companies receiving siting information	12	12	12	15
Output	Number of new multi-day events.	2	3	3	4
Output	# of website unique views	83,000	85,000	85,000	89,000
Output	# of social media impressions	1,250	1,250	1,400	1,475
Output	Fiscal Year Bed Tax revenue	1,037,000	950,000	1,045,000	1,050,000
Output	Number of group lead generation	2	2	4	6

City Manager

FY2020 Major Achievements

Community Outreach:

- Hosted City booth at Wings Out West event (3rd Year In a Row)
- Worked with Human Resources Department to create City-wide student internship program
- Embarked on Diversity Outreach Initiatives
- Produced 10 television shows, 12 KQNA radio shows, 20 KYCA Radio Shows, and 11 monthly Facebook Live City Manager programs. Provided content for 52 weekly Leeza radio shows.
- Produced 100 press releases, 16 letters from the Mayor, and 20 Radio PSAs
- Gave 6 slide show presentations to realtor groups, and service clubs on topics of Economic Development and Tourism.
- Presented at three Citizen's Academy classes
- Added City Manager Facebook Live Events Monthly
- Assisted with Census 2020 Communication Campaign- online, radio, social media and print.

Economic Development:

- Won Golden Prospector Award for Website- PrescottBiz.com
- Wendy Bridges elected Vice President of Arizona Association for Economic Development
- Wendy Bridges reappointed to Yavapai Workforce Development Board by Yavapai County Board of Supervisors
- Created "Prescott's Best" business recognition program
- Administered business retention/expansion follow up activities include repeat visits, referrals to various agencies and city departments, workforce facilitation
- Third Year of the Quad Cities Economic Development Practitioner's Luncheons. (This is an initiative by the City of Prescott started in 2017 that provides opportunity for our communities to work together at the staff practitioner level.)
- Continued CEO Roundtable partnership with the Prescott Chamber of Commerce. Visited Prescott businesses for retention/expansion discussions and tours of facilities.
- Research and data compilation for Eviation
- LA Sales Mission, resulting on lead generation and company visit to Prescott for relocation
- Assisted with redevelopment of major downtown buildings including A.J. Head Hotel and U.S. Post Office
- Researched, prepared and submitted proposals for 3 RFP/RFI to Arizona Commerce Authority
- Economic Development Interview with The Japan Times
- Multiple radio appearances to promote opportunities in Prescott
- Assisted with Prescott Regional Airport Terminal Groundbreaking event
- Assisted with Prescott's Arizona League of Cities & Towns booth
- Phoenix-area outreach to promote Prescott's assets and opportunities
- Participation in Achieve60 educational initiative, Prescott downtown code development,
- Development assistance for film production resources
- Presentations to: Vyopta retreat, Arizona Commercial Real Estate School in Scottsdale, Realty One, Producer Panel Workshop & Symposium,

City Manager

- Grand Openings included John's Chop House, Carmella's, Whispering Rock Project, Spectrum Healthcare, This Dude's Food, The Family Grind, Prana Salt, Willow Creek Apartments, Sana Behavioral Hospital, Vitality Care Center, Iconic Automotive and Anytime Fitness

Tourism:

- Wings out West Coordination, Support and Planning
- Airport new Terminal Groundbreaking ceremony support
- Panelist at Governors Conference on TAC:
 - Committee Coordination and Planning
 - Grants
 - 3 Tourism Team Ups
 - Grant Review/Update Subcommittee
- Arizona League of Cities and Towns Showcase Return and Representation
- Prescott Steering Committee Member
- Monthly MPI Visits and Valley sales calls increase by 8 annually
- Shows/Conferences:
 - National Travel Association Travel Exchange
 - Go West Summit
 - Travel and Adventure Shows – Denver
 - NY Times Travel Show
 - MPI Educon
 - Eastern Canada Sales Mission
 - LA Sales Mission
- Increase in Group Business:
 - HSMIA Board Retreat
 - Tempe Chamber of Commerce Staff Retreat
 - Arizona Interagency Farmworkers Coalition
 - Arizona Air Patrol
 - AZ Tech Council moved their conference to downtown. Also helped coordinate outings for participants to two local attractions/stakeholders.
 - Granite Mountain & Prescott Pickle Ball Round Up Tournaments
 - State of Arizona High school Rodeo finals
 - MG Club
- Increase in the number of site visits for conferences/seminars/meeting planners considering Prescott by 5
- Free Spirit Vacation and Events –visited 11 55+ communities in the Valley and gave presentations
- Tourism Office Department Organization Development
- Presented at Yavapai College Hospitality class
- Hosted, Coordinated - 8 Media Visits
- Staff support for Whiskey Row Alley Mural and clean up
- Completion of Parks and Recreation brochure
- Tourism Office Consumer E-blast
- ERAU projects – Eagle Consulting and Marketing Classes
- Hosted - 5 FAMS

City Manager

- Continue to serve on NACOG Tourism Committee, and as Raffle Chair for the MIP Financial Committee

Expenditure Budget

Community Outreach, Economic Development & Tourism

Expenditure Summary

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$ 268,730	\$ 271,100	\$ 255,661	\$ 305,684	13%
Supplies	6,217	5,000	5,562	4,150	-17%
Internal Charges	15,455	21,033	20,976	21,080	0%
Other Services & Charges	598,664	810,475	658,010	618,925	-24%
Total, Operations	889,066	1,107,608	940,209	949,839	-14%
Capital	-	-	20,896	-	
Other, Bed Tax Allocations	351,112	370,000	372,659	289,000	-22%
Other, Bed Tax Contingency	103,432	329,780	-	-	-100%
Total	\$ 1,343,609	\$ 1,807,388	\$ 1,333,764	\$ 1,238,839	-31%

Authorized Staffing Summary

	FY19	FY20	FY21
Authorized Staffing Level	<u>3.00</u>	<u>3.00</u>	<u>3.00</u>
Community Outreach Manager	1.00	1.00	1.00
Sales & Marketing Coordinator	1.00	1.00	1.00
Economic Develop. Coordinator	1.00	1.00	1.00

Budget Notes and Significant Changes: The large increase in Personnel for FY21 is due to the potential reclassification of the Economic Development Coordinator position that was vacated during FY20. FY21 Other Services & Charges is lower due to decreased Bed Tax revenues as a result of the pandemic. Bed Tax Allocations are the community grants and support provided from the transient lodging additional sales tax.

City Manager

Human Resources

Division Mission

Progressive leaders in Human Resources building a committed engaged workforce by creating exceptional employee experiences through quality HR programs and services.

Services

Human Resources aligns strategies and practices with City vision, mission, core beliefs and organizational goals to deliver HR services to the citizens of Prescott. We identify, model and implement best practices in the following areas: Talent Acquisition, Learning and Talent Development, Employee Relations & Performance Planning, Total Compensation, Rewards and Recognition, HR Technology & Process Improvement, HR Compliance, Employee Communications and HR Administration.

FY2021 Objectives

- Guide new classification and compensation structure decision(s) and implement results.
- Research, evaluate and deliver employee benefits options that are cost-effective, competitive and desired by employees.
- Develop and deliver HR related training and supervisory learning for the organization.
- Ensure a productive and engaged workforce by implementing talent management and engagement tools.
- Develop a contemporary human resources business partner model to support the organization's ever-changing people needs through continued growth of in-house HR subject matter expertise.
- Transition Citywide Safety to Human Resources; reconstruct Citywide Safety Committee and renew Safety Training for employees.

Measure Type	Performance Measure	FY19 Actual	FY20 Target	FY20 Estimate	FY21 Target
Workload	Number of recruitments	83	85	84	80
Outcome	All FTEs turnover rate	7.2%	11%	10%	9%
Outcome	Reduction in amount of benefit manual transactions*	N/A	N/A	N/A	85%
Outcomes	Percent of employees that received at least 3% merit increase*	N/A	N/A	98%	90%
Workload	Number of employee relations issues*	N/A	N/A	35	30
Outcome	Employee relations issues that do not result in legal action*	N/A	N/A	100%	100%
Workload	Number of job re-classes*	N/A	N/A	29	15
Outcome	Reduction in job re-classes*	N/A	N/A	N/A	50%
Workload	Number of trainings (online and classroom)	18	15	25	30
Outcome	Effectiveness of training as measured by survey.	N/A	N/A	N/A	4.5/5

*New measure

City Manager

FY2020 Major Achievements

- Developed and executed a 5 year Human Resources Strategic Plan
- Coordinated and facilitated City-Wide Employee Recognition events and GUEST Service Award program. Rewarded and recognized employees for embodiment of the City's Core Beliefs
- Initiated full-scale Total Compensation and Classification Study
- Created new job descriptions for over 220 citywide classifications
- Developed and implemented new performance management process "Career Conversations"
- Implemented BenefitFocus – new online paperless benefits open enrollment platform
- Introduced new Wellness Program including Fitness Challenges and Telephonic Coaching
- Conducted Citywide training needs assessment
- Completed a number of new learning and training offerings including coaching, conflict management, ethics and online sexual harassment for all employees
- Used social media to engage and communicate with our employees and community through positive and consistent branding
- Conducted a number of executive recruitments such as City Clerk & Deputy Fire Chief & facilitation of Executive Director Recruitment for Adult Center
- Hosted City of Prescott Spring High School Internship Program 2020
- Worked with Police and Fire to implement an EAP program for Public Safety
- Partnered with the County to plan and implement the Welcome Home Charlie Company – 158th event

Expenditure Budget

Human Resources

Expenditure Summary

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$ 500,031	\$ 523,447	\$ 577,541	\$ 570,110	9%
Supplies	5,343	10,200	8,000	10,200	0%
Internal Charges	20,521	21,272	20,964	21,200	0%
Other Services & Charges	112,389	254,775	204,121	154,775	-39%
Total	\$ 638,283	\$ 809,694	\$ 810,626	\$ 756,285	-7%

Authorized Staffing Summary

	FY19	FY20	FY21
Authorized Staffing Level	<u>5.00</u>	<u>5.00</u>	<u>5.00</u>
Human Resources Director	1.00	1.00	1.00
Human Resources Manager	1.00	1.00	1.00
Senior HR Business Partner	1.00	1.00	1.00
HR Business Partner	1.00	1.00	1.00
HRIS Technician	1.00	1.00	1.00

City Manager

Budget Notes and Significant Changes: Other Services & Charges decrease is caused by a funding for a Personnel Study being included in FY20. Studies are done periodically to make sure the classification and compensation for City employees is comparable with other governmental entities. The last study was implemented on July 1, 2016. It is anticipated that the study will be complete in FY21 and possible recommendations included in the FY22 budget.

City Manager

Neighborhood Services

Division Mission

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

Services

Protect the public health, safety and welfare, while ensuring every citizen the right to a clean, enjoyable neighborhood by enforcing codes and ordinances. Resolve citizen generated code complaints through a process of notification and education and to obtain voluntary compliance.

FY2021 Objectives

- Communicate the purpose of code compliance to the citizens of Prescott through systematic inspections, while seeking voluntary compliance with city codes, primarily pertaining to property maintenance.
- Provide proactive outreach to neighborhoods and businesses regarding relevant codes
- Address violations through a process of education, inspections, information, and enforcement.
- Provide neighborhood cleanups and resources to assist with compliance.

Measure Type	Performance Measure	FY19 Actual	FY20 Target	FY20 Estimate	FY21 Target
Workload	Code cases opened	556	900	641	800
Workload	Code cases closed	522	800	600	700
Outcome	Average calendar days, inspection to voluntary compliance	95%	95%	95%	95%
Outcome	Percentage of cases resolved through voluntary compliance	99%	80%	98%	99%

FY2020 Major Achievements

- Hosted 1 Neighborhood Cleanup resulting in 22 tons of waste collected
- Inspected all new vacation rental registrations
- Brought several hundred properties into compliance
- Assisted other city departments during COVID-19 to assist businesses, residents, builders, and others

City Manager

Expenditure Budget

Neighborhood Services

Expenditure Summary

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$ 142,859	\$ 150,629	\$ 153,134	\$ 159,219	6%
Supplies	3,985	5,100	4,123	3,300	-35%
Internal Charges	10,797	15,417	18,468	15,363	0%
Other Services & Charges	<u>13,612</u>	<u>14,575</u>	<u>17,561</u>	<u>14,525</u>	0%
Total, Operations	\$ 171,254	\$ 185,721	\$ 193,286	\$ 192,407	4%

Authorized Staffing Summary

	FY19	FY20	FY21
Authorized Staffing Level	<u>2.25</u>	<u>2.25</u>	<u>2.25</u>
Asst to City Manager/Intergov Coord ¹	0.25	0.25	0.25
Code Compliance Inspector	2.00	2.00	2.00

¹ 75% of Asst to City Manager/Intergovernmental Coordinator charged to City Manager's Office

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

City Manager

Information Technology

Division Mission

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

Services

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

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

FY2021 Objectives

- Explore and implement methods to improve customer service tools and practices
- Find ways to maintain and expand service delivery levels in the face of rising IT workload
- Expand focus on network design and security to meet service needs
- Continue to focus within IT on a collaborative driven IT working environment

Measure Type	Performance Measure	FY19 Actual	FY20 Target	FY20 Estimate	FY21 Target
Outcome	Network availability (uptime)	99.9%	99.9%	99.9%	99.9%
Workload	Number of work orders and tasks completed	8,900	10,000	12,000	14,000
Outcome	Percentage of help desk requests resolved within 4 work hours	TBD	TBD	TBD	TBD
Efficiency	IT expenditures per endpoint served	TBD	TBD	TBD	TBD
Efficiency	IT help desk requests per endpoint served	TBD	TBD	TBD	TBD
Outcome	Percentage of completed budgeted projects	92%	900%	100%	100%

FY2020 Major Achievements

- Rebuild of radio system infrastructure
- Successful implementation of Building Permits and Inspections system
- Internet bandwidth and security upgrade
- Email system upgrade
- Roll out new IT Service Desk and related tools to address rising IT workload

City Manager

Expenditure Budget

Information Technology

Expenditure Summary

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$ 1,298,442	\$ 1,351,361	\$ 1,381,465	\$ 1,423,489	5%
Supplies	394,881	525,500	476,231	550,500	5%
Internal Charges	68,796	79,643	78,924	77,698	-2%
Other Services & Charges	358,612	348,437	415,527	355,437	2%
Subtotal Operations	2,120,731	2,304,941	2,352,147	2,407,124	4%
Capital	-	-	3,630	-	
Total	\$ 2,120,731	\$ 2,304,941	\$ 2,355,777	\$ 2,407,124	4%

Authorized Staffing Summary

	FY19	FY20	FY21
Authorized Staffing Level	<u>14.50</u>	<u>14.50</u>	<u>14.50</u>
Director of IT	1.00	1.00	1.00
GIS Coord\Historic Pres. ¹	0.50	0.50	0.50
Network Engineer	3.00	3.00	3.00
Help Desk Manager	1.00	1.00	1.00
Wireless Communication Tech.	1.00	1.00	1.00
IT Database Administrator	1.00	1.00	1.00
IT Specialist	5.00	5.00	5.00
GIS Specialist	1.00	1.00	1.00
Web Development Specialist	1.00	1.00	1.00

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

Budget Notes and Significant Changes: Personnel increased in FY21 due to additional overtime funding needed to meet demands. FY21 Supplies is higher in materials to maintain equipment and small tools/equipment. Projects anticipated in the upcoming fiscal year are for iPad and Data tablet replacements. Also, IT will begin Windows 10 PC upgrades.

Community Development

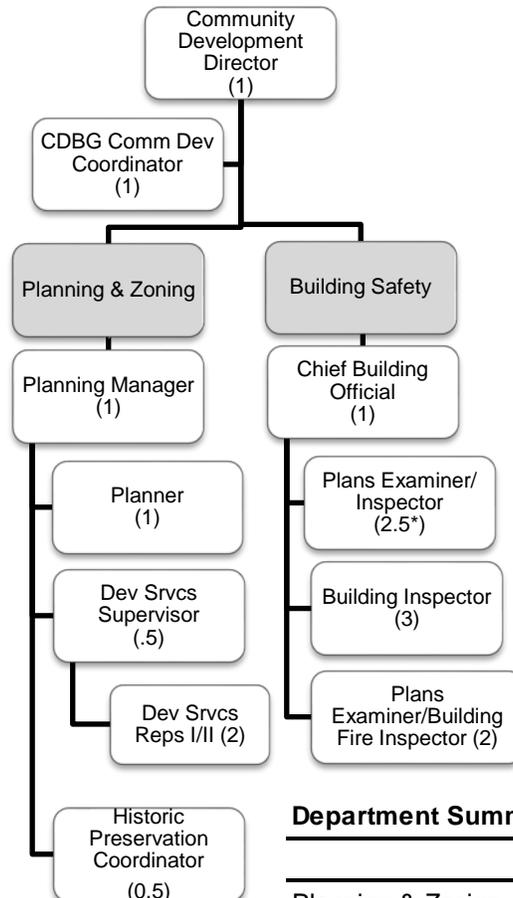
Department Mission

To provide residents, builders and developers with friendly and efficient customer service, useful information, and expeditious processing of projects and permits, facilitating quality development in the City of Prescott.

Service

Community Development provides project review, planning guidance, building permit processing, plan review, and field inspection services to the 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 permits, provides building and fire plan review, and conducts inspections of construction work in progress and life safety aspects to assure building code compliance. The department monitors and reviews land use and building codes to eliminate unnecessary or overly burdensome regulations, while protecting the health, safety, and welfare of the community through the thoughtful application of codes and ordinances.

Organization and Personnel



Department Summary - Staffing by Division

	FY19	FY20	FY21
Planning & Zoning	5.00	4.50	6.50
Building Safety	<u>10.50</u>	<u>10.00</u>	<u>8.00</u>
Total Authorized Positions	15.50	14.50	14.50

*One Plans Examiner/Inspector charged to Public Works

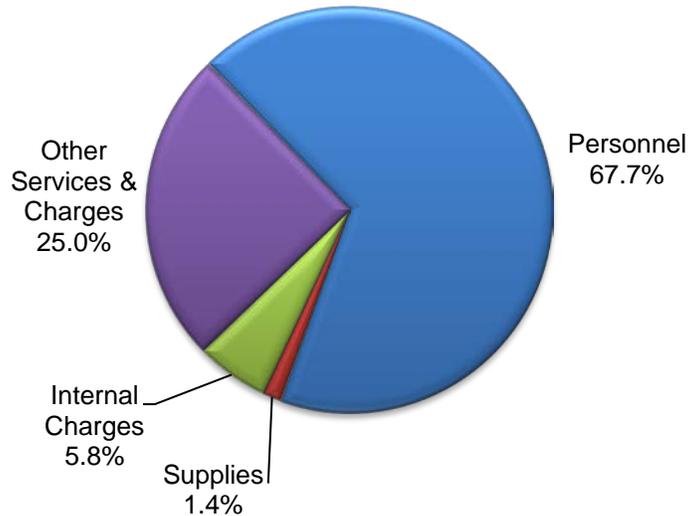
Community Development

Expenditure Budget

Department Summary - Expenditure by Type

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$ 1,211,538	\$ 1,380,700	\$ 1,342,390	\$ 1,352,420	-2%
Supplies	34,249	40,650	33,873	28,700	-29%
Internal Charges	114,847	113,427	119,844	116,040	2%
Other Services & Charges	137,656	437,109	280,434	499,217	14%
Subtotal Operations	1,498,290	1,971,886	1,776,541	1,996,377	1%
Capital	396,536	719,922	205,187	348,466	-52%
Total	\$ 1,894,826	\$ 2,691,808	\$ 1,981,728	\$ 2,344,843	-13%

**Community Development FY21
Operating Expenditure Budget by Type**



Community Development

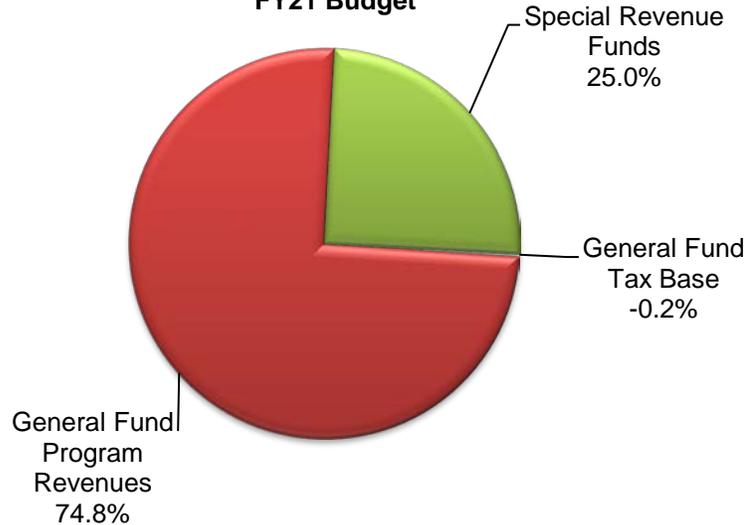
Department Summary - Operations Expenditure by Division and Capital

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Planning & Zoning	\$ 483,270	\$ 897,820	\$ 774,933	\$ 1,017,626	13%
Building Safety	<u>1,015,020</u>	<u>1,074,066</u>	<u>1,001,608</u>	<u>978,751</u>	-9%
Subtotal Operations	1,498,290	1,971,886	1,776,541	1,996,377	1%
Capital	<u>396,536</u>	<u>719,922</u>	<u>205,187</u>	<u>348,466</u>	-52%
Total	\$ 1,894,826	\$ 2,691,808	\$ 1,981,728	\$ 2,344,843	-13%

Department Summary - Funding Sources

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
General Fund Source of Funds					
Tax Base	\$ (715,723)	\$ 115,697	\$ 146,651	\$ (4,190)	-104%
Licenses & Permits	1,313,414	1,100,000	1,000,000	1,050,000	-5%
Charges for Services	<u>1,056,786</u>	<u>878,189</u>	<u>614,377</u>	<u>681,500</u>	-22%
General Fund Budget	1,654,476	2,093,886	1,761,028	1,727,310	-18%
Special Revenue Funds	<u>240,350</u>	<u>597,922</u>	<u>220,700</u>	<u>617,533</u>	3%
Total	\$ 1,894,826	\$ 2,691,808	\$ 1,981,728	\$ 2,344,843	-13%

**Community Development Operating Funding Sources
FY21 Budget**



Department Funding Sources: The Community Development's operations are funded through multiple funds. The Building Safety and Planning and Zoning divisions are funded through the City of Prescott, Arizona

Community Development

General Fund and are significantly offset by program revenues such as building permit fees, inspection fees, and planning and zoning fees. The Special Revenue Fund reflects the funding for the Community Development Block Grant Program (CDGB), which is managed by this department.

Community Development

Planning and Zoning

Division Mission

To provide assistance to the development community through the review and processing of applications for various land use actions. To assist customers with understanding the requirements of codes, and 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, reviewing departments, and the various Boards and Commissions of the City to assure effective communication across all parties.

Services

The Planning and Zoning Division assists applicants with 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 several other standing and ad hoc committees. The Division manages portions of 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 to improve the probability of successful project completion within reasonable timeframes.

FY2021 Objectives

- Provide comprehensive and efficient assistance to applicants during development project reviews and any related public meeting processes by applying effective communication, efficient time management and thorough knowledge of state and local regulations.
- Collaborate effectively with the development community to assist in meeting the objectives of the adopted General Plan.
- Provide professional and timely planning and zoning services to residents, developers, builders and the general public to further the City’s objective of creating an accountable solution and service-oriented culture within the division.
- Provide professional, accurate and actionable data and recommendations to decision-making bodies of the City to further the goals of the General Plan and the City Council’s adopted strategic goals.

Measure Type	Performance Measure	FY19 Actual	FY20 Target	FY20 Estimate	FY21 Target
Outcome	Percentage of projects meeting review turnaround times	75%	75%	80%	80%
Outcome	Percentage of PAC applications resulting in construction permits	65%	60%	60%	60%

Analysis of performance:

These performance measures indirectly measure the effectiveness of the assistance and guidance provided by the Division. Data for the review times measurement indicates that the times have improved slightly over the targeted times. Improvements in process efficiency and the review competency of the division staff are the significant factors in this change. The expectation is that the improvements and competency for review turnaround times will remain and be sustained into FY2021 as indicated by the higher percentage performance measures for the coming budget year.

Community Development

Data for the PAC applications remains static based on current market conditions. This indicates that the predicted target percentage accurately assesses the ratio of projects that move from the concept realm to the action realm. As a result, the performance measure has been carried forward into the FY 2021 budget year.

FY2020 Major Achievements

- Restructured the permitting team to include an intermediate level supervisor with both permit technician and plan review capabilities and certifications, to better support the workflow between the permitting team and plan reviewers, and enhance overall issuance timeframes. This restructure also provided a career ladder staffing approach for the technicians, designating them Development Services Rep I and II, and rewarding staff who have secured additional specialized knowledge and certifications.
- Completed transition to digital submittals for planning projects, building permits, and plan revisions during a major adaptation of the ComDev business model to address the restrictions the department faced through the Covid-19 pandemic. The new electronic model was a work-around process developed due to the department's Central Square software implementation being incomplete at the time the department was forced to close its front counter to foot traffic.
- Initiated discussions with regional and jurisdictional partners to reevaluate land uses and development plans in the vicinity of the airport to assure appropriate protections for the airport are considered with all new land use and zoning changes. These efforts will be continued as the airport completes its new terminal and associated runway extension(s), and as land around the airport's perimeter continues to develop with new industrial, technical, and aviation-related businesses.
- Increased participation in transportation-related regional planning activities by working directly with CYMPO, the CT-LU (Coordinated Transportation and Land Use) regional work group, and by engaging with the updates to several key regional transportation and transit studies.
- Completed annexation and subdivision plats for key industrial and commercial/mixed use developments (Whispering Rock, Liberator/Fann HQ) that will bring needed sites for key medical and industrial businesses in the region.

Expenditure Budget

Planning & Zoning

Expenditure Summary

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$ 390,627	\$ 484,686	\$ 459,073	\$ 605,137	25%
Supplies	9,708	13,900	10,125	10,700	-23%
Internal Charges	47,023	48,725	52,320	52,722	8%
Other Services & Charges	35,912	350,509	253,415	349,067	0%
Subtotal Operations	483,270	897,820	774,933	1,017,626	13%
Capital	232,437	584,922	155,944	348,466	-40%
Total	\$ 715,707	\$ 1,482,742	\$ 930,877	\$ 1,366,092	-8%

Community Development

Authorized Staffing Summary

	FY19	FY20	FY21
Authorized Staffing Level	<u>5.00</u>	<u>4.50</u>	<u>6.50</u>
Community Devel. Director	0.50	0.50	0.50
Planning Manager	1.00	1.00	1.00
GIS/Historic Pres. Coord. ¹	0.50	0.50	0.50
Planner	1.00	1.00	1.00
Development Services Supv	0.00	0.50	0.50
CDBG Com Dev Coord.	1.00	1.00	1.00
Development Services Rep II	0.00	0.00	1.00
Development Services Rep I	0.00	0.00	1.00
Administrative Specialist	1.00	0.00	0.00

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

² 50% of Development Services Supv charged to Building Safety

Budget Notes and Significant Changes: Personnel increased in this division due to the movement of the Development Services Rep I/II from the Building Safety division. The Capital 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 which facilitate successful completion of code compliant projects while safeguarding the public health, safety, and welfare.

Services

The Building Safety Division applies adopted technical codes to ensure requirements are met that safeguard the public health, safety, and welfare from fire and other hazards, and the safety of first responders during emergency operations. The Division’s primary areas of focus are building and fire plan review, field inspections, and safety compliance.

FY2021 Objectives

- Provide effective and complete plan review services by meeting stated plan review time frames, while using effective communication with applicants throughout the process to ensure project success.
- Continue to interface successfully with the building and development community by providing contractor education at local outreach meetings, adding digital plan review format.
- Assist customer in successful completion of code compliant projects that safeguard the public safety health and welfare.
- Provide quality and effective field inspections using friendly, effective communication, resulting in minimum re-inspections and facilitating increased permits by onsite reviews and revision approval. Initiate the acceptance of self-certification inspection processes for building components through manufacture installer certification programs, reducing the time necessary to perform an inspection on site, and the number of overall inspections provided by our inspection team.
- Strive to maintain current time line of reviews while implantation of a new permitting software program and starting to perform digital plan reviews.

Measure Type	Performance Measure	FY19 Actual	FY20 Target	FY20 Estimate	FY21 Target
Output	Number of contractor outreach meetings	6	4	4	4
Workload	Plan reviews performed	4,437	4,560	4,575	4,580
Outcome	Reviews completed within stated 3-week time frame	87%	90%	90%	90%
Workload	New single family residence permits issued	369	410	420	400
Workload	Total number of field inspections	17,103	26,000	17,000	17,200
Outcome	Average calendar days from application to ready for issuance – residential permits	56	50	55	50
Outcome	Average calendar days from application to ready for issuance – commercial permits	45	40	44	40
Outcome	Percentage of re-inspections	18%	20%	18%	15%
Outcome	Percentage of projects meeting review turnaround times	85%	85%	85%	90%

Analysis of performance:

Community Development

The Building Safety Division continued to address volumes that have not been experienced by Community Development in a number of years. Routine metrics such as of number of plan reviews and inspections have remained steady over late FY19 and into FY20, with mild indications of some potential economic easing compared to analysis performed during the FY20 budget process, which the department predicts will somewhat level the growth that was anticipated last budget year.

The Division continues to promote plan review and inspection strategies that compress permit issuance and total build timeframes, adapting processes to increase efficiencies across those disciplines. Contractor outreach has continued at a “one meeting per quarter” pace, only interrupted by the department’s implementation of the Central Square software system, which resulted in meeting spacing that more appropriately fit our implementation schedule; i.e., the department adjusted our normal schedule of these meetings so we could work most meaningfully with the contractor community to introduce them and integrate their application processes into our new format and approach.

FY2020 Major Achievements

- Initiated a virtual inspection program connecting customers and inspectors via a mobile video camera, allowing a contractor/customer to request a time convenient for them to perform the inspection and allowing the contractors who perform one-day installs (HVAC, water heaters, etc.) to achieve an inspection the day they install, eliminating costly returns and allowing them to move on to other jobs. This program increased productivity of the inspectors and streamlined the customer-inspector interactions.
- Worked with the Public Works Department to provide enhanced training to inspection staff in providing more comprehensive delegated Public Works inspections by the ComDev building inspection team, via a departmental collaboration.
- Implemented newly adopted ICC 2018 building codes, after a cooperative regional approach with other building departments during FY19, while working with local builders on re-submittal of hundreds of updated model plan submittals for the production builder neighborhoods.
- Decreased the number of re-inspections performed by providing the customer sufficient information during inspections to help prevent subsequent field corrections, as well as establishing realistic expectations prior to the next usual inspection in the sequence.
- Assisted in testing, training, and implementation of the department’s new digital permitting and plan review systems, enhancing the service delivery model of Community Development.

Expenditure Budget

Building Safety

Expenditure Summary

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$ 820,912	\$ 896,014	\$ 883,317	\$ 747,283	-17%
Supplies	24,541	26,750	23,748	18,000	-33%
Internal Charges	67,824	64,702	67,524	63,318	-2%
Other Services & Charges	101,743	86,600	27,019	150,150	73%
Subtotal Operations	1,015,020	1,074,066	1,001,608	978,751	-9%
Capital	164,099	135,000	49,243	-	
Total	\$ 1,179,119	\$ 1,209,066	\$ 1,050,851	\$ 978,751	-19%

Community Development

Authorized Staffing Summary

	FY19	FY20	FY21
Authorized Staffing Level	<u>10.50</u>	<u>10.00</u>	<u>8.00</u>
Community Development Director	0.50	0.50	0.50
Chief Building Official	1.00	1.00	1.00
Development Services Supervisor	0.00	0.50	0.50
Plans Examiner/Building Inspector	3.00	2.00	2.00
Plans Examiner/Building Fire Insp.	1.00	2.00	2.00
Building Inspector	3.00	2.00	2.00
Development Services Rep II	0.00	1.00	0.00
Development Services Rep I	1.00	1.00	0.00
Permit Technician	1.00	0.00	0.00

Budget Notes and Significant Changes: The decrease in Personnel is due to the movement of the Development Services Rep I/II to the Planning & Zoning division. Other Services & Charges increase is the Willdan contract for outsourcing of services.

Fire

Department Mission

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

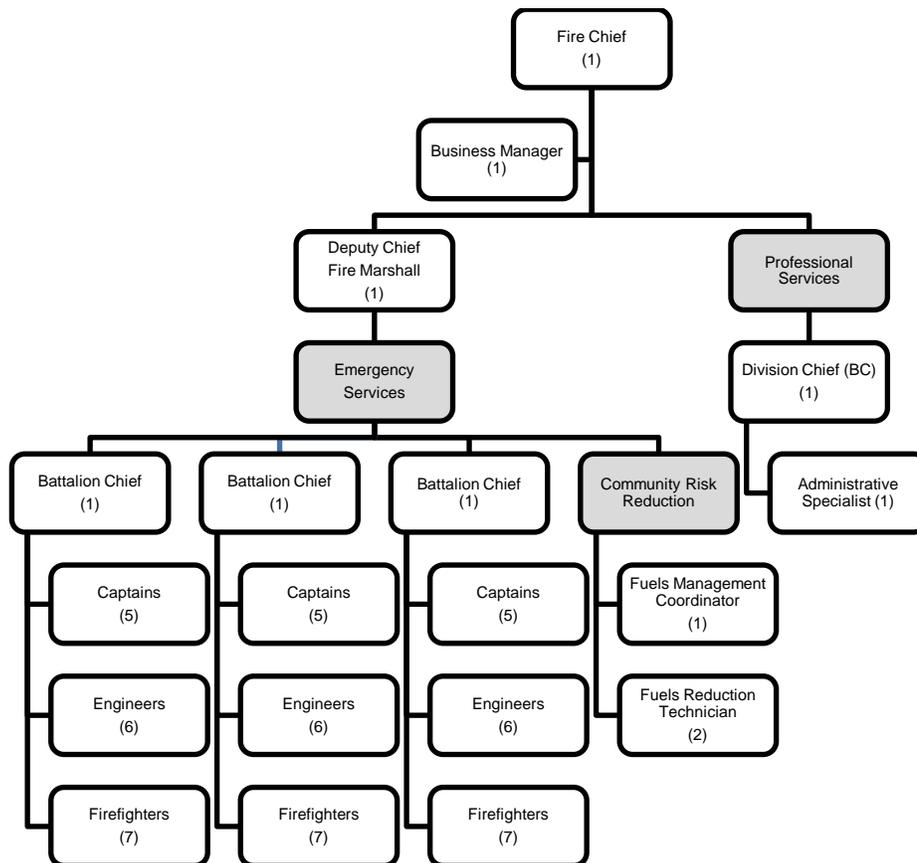
Services

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

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

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

Organization and Personnel



Fire

Department Summary - Staffing by Division

	FY19	FY20	FY21
Fire Department Administration	2.00	2.00	2.00
Emergency Services	57.00	58.00	58.00
Fire Professional Services	2.00	2.00	2.00
Community Risk Reduction	<u>4.00</u>	<u>3.00</u>	<u>3.00</u>
Total Authorized Positions	65.00	65.00	65.00

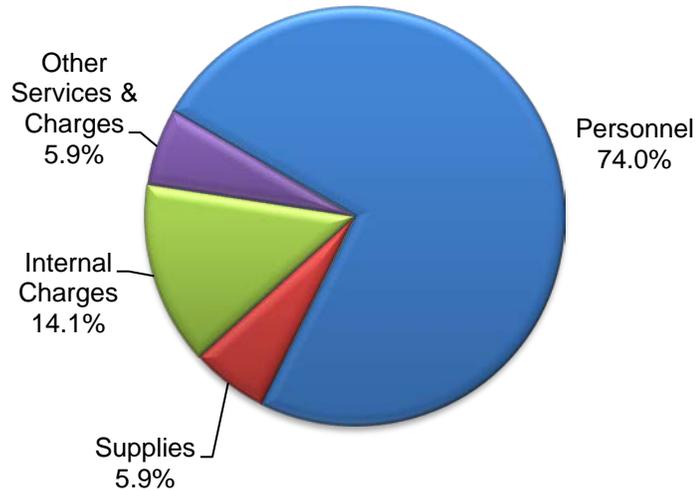
Expenditure Budget

Department Summary - Expenditure by Type

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$ 6,762,374	\$ 6,971,629	\$ 7,117,459	\$ 7,089,944	2%
Supplies	421,567	613,006	632,974	568,885	-7%
Internal Charges	1,242,933	1,316,707	1,208,996	1,353,184	3%
Other Services & Charges	<u>387,990</u>	<u>652,646</u>	<u>468,178</u>	<u>564,696</u>	-13%
Subtotal Operations	8,814,864	9,553,988	9,427,607	9,576,709	0%
Capital	<u>766,191</u>	<u>1,029,717</u>	<u>777,956</u>	<u>797,205</u>	-23%
Total	\$ 9,581,055	\$ 10,583,705	\$ 10,205,563	\$ 10,373,914	-2%

Fire

**Fire Department FY21
Operating Expenditure Budget by Type**



Department Summary - Operations Expenditure by Division and Capital

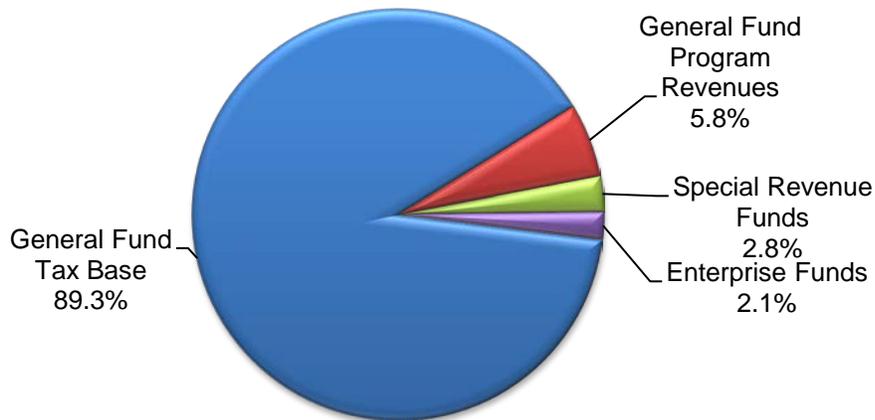
	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Fire Admin	\$ 409,247	\$ 491,611	\$ 439,391	\$ 462,297	-6%
Emergency Services	7,594,278	8,009,155	8,132,323	8,059,754	1%
Fire Professional Services	301,826	312,588	298,666	335,856	7%
Community Risk Reduction	<u>509,513</u>	<u>740,634</u>	<u>557,227</u>	<u>718,802</u>	-3%
Subtotal Operations	8,814,864	9,553,988	9,427,607	9,576,709	0%
Capital	<u>766,191</u>	<u>1,029,717</u>	<u>777,956</u>	<u>797,205</u>	-23%
Total	\$ 9,581,055	\$ 10,583,705	\$ 10,205,563	\$ 10,373,914	-2%

Fire

Department Summary - Funding Sources

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
General Fund Source of Funds					
Tax Base	\$ 8,546,698	\$ 9,616,770	\$ 9,322,155	\$ 9,345,680	-3%
Licenses and Permits	600	500	300	500	0%
Charges for Services	<u>705,045</u>	<u>532,790</u>	<u>567,000</u>	<u>555,000</u>	4%
General Fund Budget	9,252,343	10,150,060	9,889,455	9,901,180	-2%
Special Revenue Funds	111,163	210,623	103,989	267,068	27%
Enterprise Funds	<u>217,549</u>	<u>223,022</u>	<u>212,119</u>	<u>205,666</u>	-8%
Total	\$ 9,581,055	\$ 10,583,705	\$ 10,205,563	\$ 10,373,914	-2%

Fire Department Operations Funding Sources
FY21 Budget



Department Funding Sources: In most years, the Fire Department is largely funded by the General Fund. The Enterprise Fund relates to the Aircraft Rescue and Firefighting (ARFF) staffing which is sourced to the Airport fund. Grants are reflected in the Special Revenue Funds. The Fire Department is budgeting for many other operating type grants such as for fuel mitigation projects.

Fire

Fire Department Administration

Division Mission

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

Services

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

FY2021 Objectives

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

Measure Type	Performance Measure	FY19 Actual	FY20 Target	FY20 Estimate	FY21 Target
Outcome	Community survey results regarding service level and citizen satisfaction (5 is highest score)	5	5	5	5
Efficiency	Expenditures per capita Emergency Services	\$199	\$240	\$241	\$247
Output	Number of organizations interacted with and the number of community initiatives of which were a part of. (Examples: Prescott Area Shelter Services, Meals on Wheels, etc.)	25	18	24	24

Fire

FY2020 Major Achievements

- Hosted accreditation site visit by a set of third party fire service professionals that resulted in the recognition of the Prescott Fire and Medical Department as an accredited agency during the spring 2020 Commission on Fire Accreditation International hearings.
- Provided for the safe and sound approach to help managing the on-going public health emergency related to the proliferation of COVID-19.
- Sponsored and supported the Arizona Wildfire and Incident Management Academy.
- Served as the point agency as it relates to the filings for request for public assistance as part of the roles associated to emergency management.

Expenditure Budget

Fire Department Administration

Expenditure Summary

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$266,722	\$265,452	\$263,570	\$264,027	-1%
Supplies	10,330	30,973	21,437	29,725	-4%
Internal Charges	19,390	18,190	17,248	16,222	-11%
Other Services & Charges	<u>112,805</u>	<u>176,996</u>	<u>137,136</u>	<u>152,323</u>	-14%
Total	\$409,247	\$491,611	\$439,391	\$462,297	-6%

Authorized Staffing Summary

	FY19	FY20	FY21
Authorized Staffing Level	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>
Fire Chief	1.00	1.00	1.00
Business Manager	1.00	1.00	1.00

Budget Notes and Significant Changes: In FY21 the Other Services & Charges is lower because of less grant funds anticipated. Budgeting for the expenditure of donated funds is included in the Supplies category.

Fire

Emergency Services

Division Mission

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

Services

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

FY2021 Objectives

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

Measure Type	Performance Measure	FY19 Actual	FY20 Target	FY20 Estimate	FY21 Target
Outcome	Response times under 8 minutes national standard	9:37	9:00	10:42	9:00
Outcome	Percentage of cardiac patients with pulsatile rhythms upon delivery to hospital	7.2%	9%	7.8%	9%
Outcome	Percentage of time in which the first due unit comes from within the same service area for which an emergent event occurs.				
	Station 71	75%	73%	73%	78%
	Station 72	67%	68%	67%	72%
	Station 73	85%	80%	83%	85%
	Station 74	76%	72%	74%	80%
	Station 75	82%	80%	78%	80%

Analysis of performance: Emergency services were successful towards the use of data to drive our decision making as it relates to apparatus deployment and dispatching. We've successfully been vetted by the Commission on Fire Accreditation and deemed credible against national benchmarks. There remains a solid opportunity towards even greater improvements given the establishing of a Deputy Chief to oversee emergency services.

Fire

FY2020 Major Achievements

- Implemented a Deputy Chief position for oversight of the three platoons which has provided the needed platform for greater accountability at all levels within operations.
- Accepted delivery of two new fire engines, provided needed in-service training, and deployed vehicles to the front line.
- Highly successful in the acquisition of additional personal protective equipment to leverage our response needs safely for not only our own department but that of the police and other departments within the city.
- Facilitated the citizen's academy on three instances for which the highest marks of satisfaction by the participants was indicated in their post academy survey.

Expenditure Budget

Emergency Services Expenditure Summary

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$ 5,848,795	\$ 5,940,587	\$ 6,164,246	\$ 6,001,157	1%
Supplies	379,456	532,744	569,935	488,223	-8%
Internal Charges	1,150,528	1,226,719	1,131,248	1,272,813	4%
Other Services & Charges	<u>215,499</u>	<u>309,105</u>	<u>266,894</u>	<u>297,561</u>	-4%
Subtotal Operations	7,594,278	8,009,155	8,132,323	8,059,754	1%
Capital	<u>689,961</u>	<u>1,029,717</u>	<u>777,956</u>	<u>797,205</u>	-23%
Total	\$ 8,284,239	\$ 9,038,872	\$ 8,910,279	\$ 8,856,959	-2%

Capital Detail

Fire Portable Radio Upgrade	\$ 395,000
Vehicle Replacement - Fire Department	275,000
Fire Training Center Improvements	60,938
Skid Unit	45,600
Fire Records Management System (RMS)	<u>20,667</u>
	\$ 797,205

Authorized Staffing Summary

	FY19	FY20	FY21
Authorized Staffing Level	<u>57.00</u>	<u>58.00</u>	<u>58.00</u>
Deputy Fire Chief	-	1.00	1.00
Division/Battalion Chief	3.00	3.00	3.00
Fire Captain	15.00	15.00	15.00
Fire Engineer	18.00	18.00	18.00
Firefighter	21.00	21.00	21.00

Budget Notes and Significant Changes: No significant expenditure changes.

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.

FY2021 Objectives

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

Measure Type	Performance Measure	FY19 Actual	FY20 Target	FY20 Estimate	FY21 Target
Output	Training hours	13,509	17,000	19,367	16,000
Output	Multi-company drills	127	165	135	165
Output	Day/night live fire training evolutions	17	17	17	17
Output	Hours of minimum company standards	127	165	150	150
Output	Accidents investigated determined to have a human element as part of the cause	3	0	5	0
Output	Number of qualified entry level firefighters presented for Fire Chief's interview	15	0	0	9
Output	Number of qualified applicants which meet or exceed the requirements set forth in the promotional job announcement for:				
	Battalion Chief	1	2	2	2
	Captain	7	8	7	8
	Engineer	11	13	13	13

Fire

FY2020 Major Achievements

- Successfully transitioned the Professional Services Division to a new Division Chief. Division duties include recruitment, promotional testing, training planning and implementation, internal investigations, running the department’s public information program, grant applications, and general planning within the department.
- Conducted new hire and promotional testing for the Prescott Fire Department.
- The department’s Threat Liaison Officer (TLO) position was created. The position received over \$13,000 in grant funding for equipment related to active shooter incidents in our community.
- Hosted several classes and trainings regionally including, but not limited to: active shooter hostile event response, Arson II, air operations, and dementia training.

Expenditure Budget

Fire Professional Services

Expenditure Summary

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$ 246,339	\$ 246,283	\$ 233,683	\$246,078	0%
Supplies	7,679	12,235	12,185	20,918	71%
Internal Charges	9,573	11,894	11,292	11,821	-1%
Other Services & Charges	<u>38,235</u>	<u>42,176</u>	<u>41,506</u>	<u>57,039</u>	35%
Total	\$ 301,826	\$ 312,588	\$ 298,666	\$ 335,856	7%

Authorized Staffing Summary

	FY19	FY20	FY21
Authorized Staffing Level	<u>2.00</u>	<u>2.00</u>	<u>2.00</u>
Division/Battalion Chief	1.00	1.00	1.00
Administrative Specialist	1.00	1.00	1.00

Budget Notes and Significant Changes: Increases can be observed in both Supplies and Other Services & Charges. There is a need to purchase additional training supplies including a new treadmill in FY21. Other Services & Charges is higher due to more travel and training being anticipated during the fiscal year.

Fire

Community Risk Reduction

Division Mission

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

Services

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

FY2021 Objectives

- To provide a fire prevention or other life-safety message with each and every media contact in order to reduce negative outcomes by repetition of the same mistakes from one emergent event to the similar emergent events.
- Examine trends revealed as part of the normal inspection process and communicate those to others in like type businesses by direct mailing or other outreach.
- Reduce the threat from wildland fires via educational outreach, risk assessments, hazardous fuels treatments, and when necessary fire suppression.

Measure Type	Performance Measure	FY19 Actual	FY20 Target	FY20 Estimate	FY21 Target
Output	Published media releases Safety message embedded	19	36	45	36
Output	Property assessments	278	300	310	300
Output	Residences treated	808	700	2,000	700
Output	City property treated in acres for fuel reduction	16	156	150	197.12
Output	Total acres treated for fuel reduction	329	600	500	600

FY2020 Major Achievements

- Awarded a WFHF Hazardous fuels grant and SFA Grant for projects located on city property.
- Removed 255.5 tons of debris from residences and project in and bordering the City of Prescott.
- Completed 101 acres of fuels reduction project work.

Fire

Expenditure Budget

**Community Risk Reduction
Expenditure Summary**

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$400,519	\$519,307	\$455,960	\$578,682	11%
Supplies	24,102	37,054	29,417	30,019	-19%
Internal Charges	63,443	59,904	49,208	52,328	-13%
Other Services & Charges	<u>21,450</u>	<u>124,369</u>	<u>22,642</u>	<u>57,773</u>	-54%
Subtotal Operations	509,513	740,634	557,227	718,802	-3%
Capital	<u>76,230</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Total	\$585,743	\$740,634	\$557,227	\$718,802	-3%

Authorized Staffing Summary

	FY19	FY20	FY21
Authorized Staffing Level	<u>4.00</u>	<u>3.00</u>	<u>3.00</u>
Division/Battalion Chief	1.00	0.00	0.00
Fuels Management Coordinator	1.00	1.00	1.00
Fuels Reduction Technician	2.00	2.00	2.00

Budget Notes and Significant Changes: More grants are anticipated in FY21 leading to a higher budget when compared to the previous fiscal year.

Legal

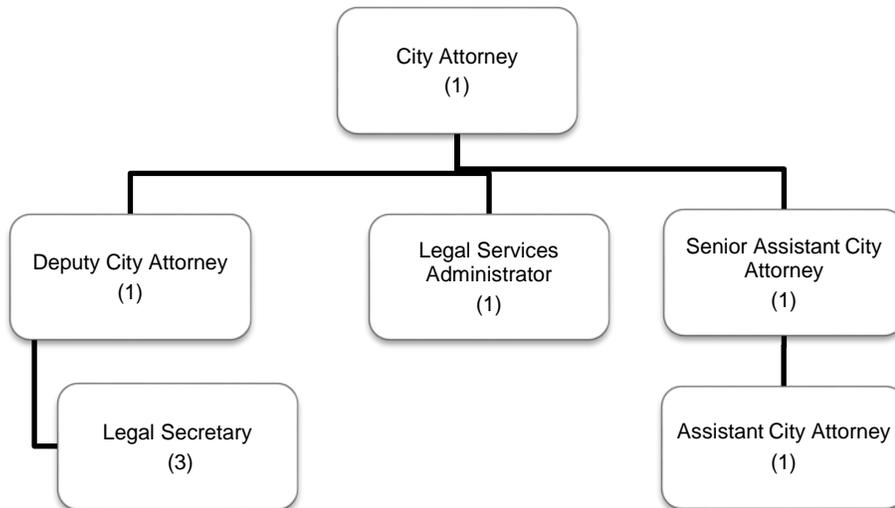
Department Mission

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

Services

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

Organization and Personnel



Department Summary - Staffing

	FY19	FY20	FY21
Authorized Staffing Level	<u>8.00</u>	<u>8.00</u>	<u>8.00</u>
City Attorney	1.00	1.00	1.00
Deputy City Attorney	1.00	1.00	1.00
Senior Assistant City Attorney	1.00	1.00	1.00
Assistant City Attorney	1.00	1.00	1.00
Legal Services Administrator	0.00	1.00	1.00
Paralegal	1.00	0.00	0.00
Risk Management Technician	1.00	0.00	0.00
Legal Secretary	2.00	3.00	3.00

Legal

FY2021 Objectives

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

Measure Type	Performance Measure	FY19 Actual	FY20 Target	FY20 Estimate	FY21 Target
Outcome	Internal customer satisfaction on survey, achieve an average rating of 4 out of 5 on:				
	Overall rating on services	4	4	4	4
	Timeliness	4	4	4	4
	Useful Legal Advice	4	4	4	4
	Communication	4	4	4	4
	Quality of Legal Services	4	4	4	4
	Accessibility and Approachability	4	4	4	4
Outcome	Percentage of claims and lawsuits resolved within our recommended reserve amount	75%	75%	75%	75%
Outcome	Complete public records requests within an Average of 10 days	10.8 days	10 days	11.7 days	10 days
Workload	Number of Requests Opened	832	n/a	700	n/a
Outcome	Workers compensation claims per 100 FTEs	46	40	40	36
Outcome	Percent reduction of work place accidents	6% increase	10%	10%	10%

Analysis of performance: Legal services provided to departments, Council and Mayor are of good quality and useful to those that need or seek legal advice. Lawsuits are being resolved in a somewhat predictable manner. On average public record requests are taking longer to complete, due to the high number of voluminous requests are being made. It is now easier for the public to make requests for records online and more people are using it. Claims for liability and property damage are down from FY18 to FY19 and FY20 to date, however the data from FY20 could change before June, 2020.

FY2020 Major Achievements

- Attended all City's Council Meetings, Planning and Zoning Board meetings, Board of Adjustment meetings, Water Issue Committee meetings and Mayor 's Commission on Prevention, Addiction and Recovery meetings; and other board and commission meetings as requested. City Council goal of taking better advantage of community assets and promoting excellent service and problem solving. (Goals #2 and #4)

Legal

- Provide Open Meeting Law, Conflict of Interest and Public Records Law training to all elected and appointed positions in the City. City Council goal of providing service oriented culture. (Goal 4)
- Initiated and worked closely with outside legal counsel to sue major pharmaceutical companies and other tortfeasors for damages caused to the Prescott Community by the over prescription of opioids. City Council goal of creating a community of well-being. (Goal #3)
- Provided legal advice in negotiations for major pre-annexation and other development agreements/significant zoning amendments to include Arizona Eco Development, Whispering Rock, and Stringfield Ranch projects. City Council goal of providing for economic development opportunities. (Goal #2)
- Provided over 350 written legal opinions to City officials and staff. City Council goal of providing a service oriented culture. (Goal #4)
- Reviewed and advised internal clients on all City contracts and successfully defended multiple bid disputes. City Council goals of stabilizing the general fund taking better advantage of community assets and promote excellent service. (Goals #1, #2, and #4)
- Review and advise our legislative liaison and lobbyists on relevant proposed legislation and its potential effects on Prescott. City Council goals of stabilizing the general fund taking better advantage of community assets and creating a community of well-being. (Goals #1, #2 and #3)
- Worked closely with outside legal counsel to successfully defend and settle significant lawsuits; including but not limited to personal injury claims, excessive use of force claims and multi-million dollar breach of contract claims. City Council goal of stabilizing the general fund. (Goal #1)
- Assisted Prescott Regional Airport with major economic development initiatives: contracting with major corporations to provide airline services, high-tech airplane development and new terminal development. City Council goal of providing for economic development opportunities. (Goal #2)
- Successfully led team drafting, presenting, and implementing substantial water policy revisions. Drafted all prospective and adopted changes. Continued negotiations with regional water users for assured viability of water resources. City Council goal of providing for economic development opportunities and preserving quality of life. (Goals #2 and #3)
- Implemented, managed and administered the City on-line public records request system, which streamlines the response and organization for all public records requests. To date in FY20, the City has received 670 new requests (July 1, 2019 to February 12, 2020) and closed 658 requests with only 66 requests left pending. The average response time for public records requests is 11.7 days open to close. City Council's goal of providing a service oriented culture. (Goal #4)
- As part of criminal case resolution, required 3900 community service hours. City Council goals of protecting quality of life and stabilizing general fund. (Goals #1 and #3)
- Continue to move toward a more "paperless" law practice through the use and administration of computer software, e.g. Legal Edge for tracking all criminal, civil and liability matters. City Council goal of promoting an accountable organizational culture by providing a tool that allows for better customer service and performance of staff duties. (Goal #4)

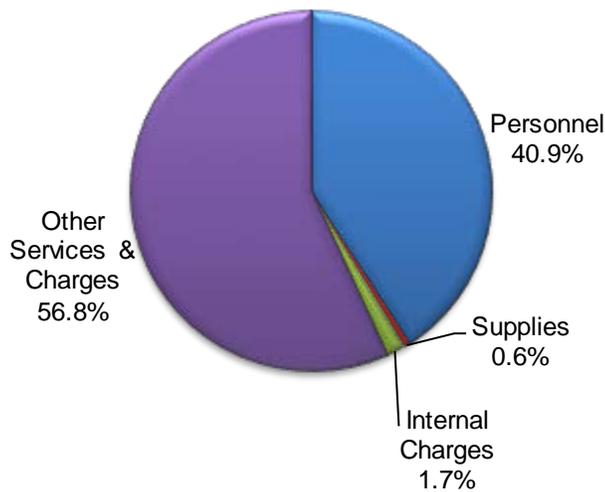
Legal

Expenditure Budget

Department Summary - Expenditure by Type

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$ 842,496	\$ 869,957	\$ 813,141	\$ 902,948	4%
Supplies	8,316	12,600	12,600	12,600	0%
Internal Charges	36,186	40,453	40,144	38,108	-6%
Other Services & Charges	<u>1,025,490</u>	<u>1,259,487</u>	<u>1,255,057</u>	<u>1,254,977</u>	0%
Subtotal	1,912,487	2,182,497	2,120,942	2,208,633	1%
Capital	<u>7,447</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Total	\$1,919,934	\$2,182,497	\$2,120,942	\$2,208,633	1%

**Legal Department FY21
Operating Expenditure Budget by Type**



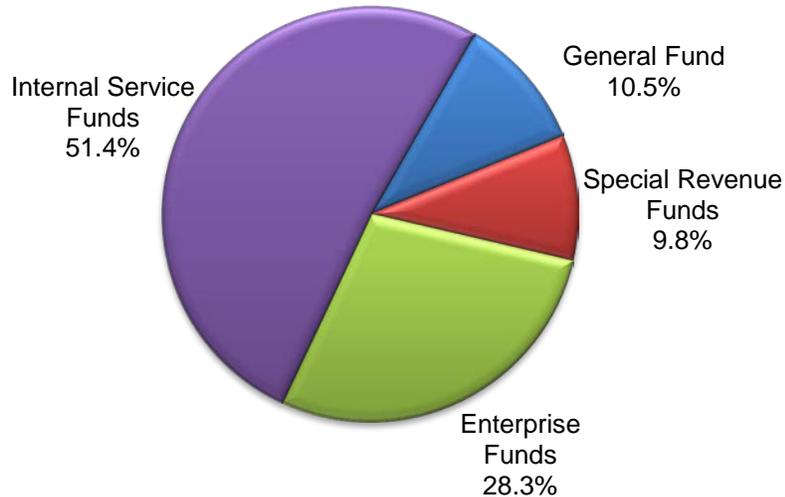
Budget Notes and Significant Changes: No significant expenditure changes.

Legal

Department Summary - Funding Sources

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
General Fund	243,344	232,557	175,356	232,556	0%
Special Revenue Funds	198,446	245,639	245,580	215,846	-12%
Enterprise Funds	502,124	567,133	567,144	625,742	10%
Internal Service Funds	976,020	1,137,168	1,132,862	1,134,489	0%
Total	\$1,919,934	\$2,182,497	\$2,120,942	\$2,208,633	1%

Legal Department Operations Funding Sources FY21 Budget



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

Library

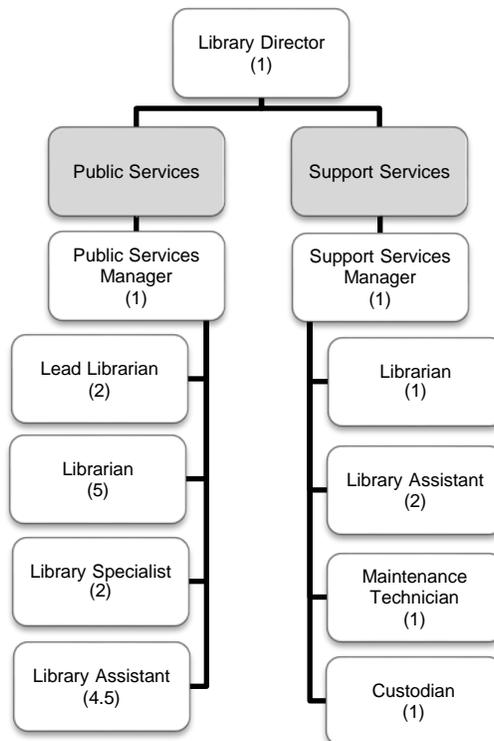
Department Mission

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

Services

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

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



Department Summary - Staffing by Division

	FY19	FY20	FY21
Public Services	15.50	15.50	15.50
Support Services	<u>6.00</u>	<u>6.00</u>	<u>6.00</u>
Total Authorized Positions	21.50	21.50	21.50

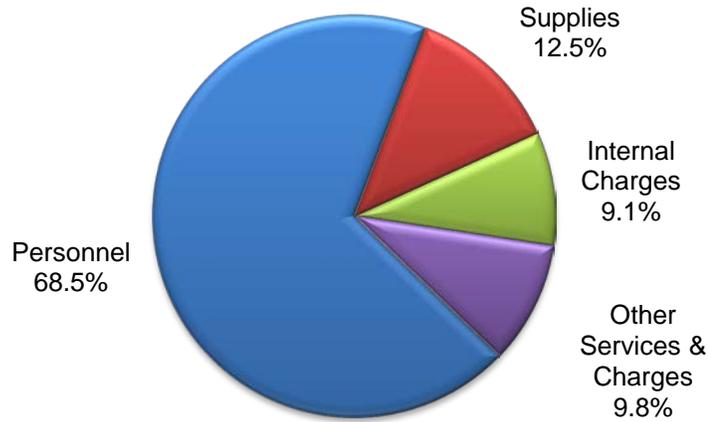
Library

Expenditure Budget

Department Summary - Expenditure by Type

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$ 1,557,889	\$ 1,647,462	\$ 1,619,596	\$ 1,665,117	1%
Supplies	275,149	305,560	308,381	303,120	-1%
Internal Charges	207,598	228,340	226,308	221,813	-3%
Other Services & Charges	<u>195,932</u>	<u>232,238</u>	<u>248,189</u>	<u>239,038</u>	3%
Subtotal Operations	2,236,568	2,413,600	2,402,474	2,429,088	1%
Capital	-	-	25,417	-	
Total	\$ 2,236,568	\$ 2,413,600	\$ 2,427,891	\$ 2,429,088	1%

Library FY21
Operating Expenditure Budget by Type



Department Summary - Expenditure by Division

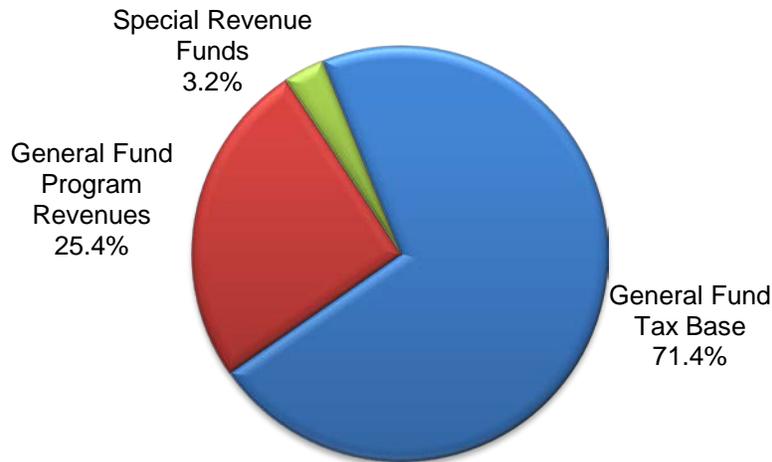
	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Public Services	\$ 1,283,812	\$ 1,394,303	\$ 1,425,056	\$ 1,431,756	3%
Support Services	<u>952,755</u>	<u>1,019,297</u>	<u>1,002,835</u>	<u>997,332</u>	-2%
Total, Operations	\$ 2,236,568	\$ 2,413,600	\$ 2,427,891	\$ 2,429,088	1%

Library

Department Summary - Funding Sources

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
General Fund Funding Sources					
Tax Base	\$ 1,599,478	\$ 1,733,952	\$ 1,691,060	\$ 1,735,130	0%
Intergovernmental Revenues	567,325	565,000	572,659	564,150	0%
Charges for Services	16,895	16,500	20,671	16,500	0%
Fines and Forfeitures	<u>38,648</u>	<u>38,600</u>	<u>36,562</u>	<u>36,600</u>	-5%
General Fund Budget	2,222,346	2,354,052	2,320,952	2,352,380	0%
Special Revenue Funds	<u>14,221</u>	<u>59,548</u>	<u>106,939</u>	<u>76,708</u>	29%
Total	\$ 2,236,568	\$ 2,413,600	\$ 2,427,891	\$ 2,429,088	1%

**Library Operations Funding Sources
FY21 Budget**



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

Library

Public Services

Division Mission

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

Services

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

FY2021 Objectives

- Provide cost-effective, convenient, accessible resources to people in the community
- Provide tools and training to access and use digital information
- Utilize Yavapai Library Network to access over 1.3 million items from over 40 libraries
- Select print and non-print materials to meet community needs
- Provide access to lifelong learning, recreational and cultural opportunities
- Provide early childhood literacy skills training imbedded in programs and materials to increase awareness among parents and caregivers of best practices for preparing children for school
- Effectively communicate with community members about library programs and services
- Provide programs and outreach that offer adults and teens lifelong learning opportunities
- Provide a summer reading program that encourages children and teens to read throughout the summer months to maintain or improve their reading skills
- Provide library services to individuals who are unable to visit the library
- Continue work with Friends of the Library, the Rotary Clubs of Prescott, Read on Prescott and other local literacy focused groups to establish a permanent presence of the Prescott Area Imagination Library

Measure Type	Performance Measure	FY19 Actual	FY20 Target	FY20 Estimate	FY21 Target
Workload	Number of registered borrowers *	26,889	26,000	26,000	26,500
Workload	Library card holders per capita	62.65%	60.59%	60.58%	61.75%
Workload	Customer Visits *	431,868	445,000	417,000	417,000
Workload	Visits per capita	10.06	10.37	9.72	9.72
Efficiency	Library expenditures per visitor *	\$5.15	\$5.60	\$5.60	\$6.00
Efficiency	Library expenditures per capita	\$51.78	\$50.00	\$50.00	\$53.00
Output	Digital access and use training: percentage of responders agreeing	90%	98%	9100	98%

Library

	strongly with survey statements				
Output	Items borrowed from network libraries	74,164	74,000	72,500	71,000
Output	As percentage of items checked out	10.70%	10.48%	10.85%	11.00%
Output	Items loaned to network libraries	67,092	67,000	74,000	75,000
Output	Wireless use w/in library	69,099	71,000	95,000	100,000
Output	Computer use w/in library	73,762	76,000	69,300	65,000
Output	Website pageviews	785,944	465,000	857,000	930,000
Output	Circulation of physical items *	693,074	706,000	668,300	645,000
Output	Circulation of electronic items *	90,297	100,000	101,000	113,000
Output	Total circulation	783,371	806,000	769,300	760,000
Output	Circulation per capita *	18.25	19.79	17.93	17.71
Output	Number of outreach events to communicate with library programs and services	118	140	100	120
Output	Attendance at outreach events	3,717	3,700	2,500	2,500
Outcome	Overall customer satisfaction: percent of responders agree/strongly agree with survey statements.	95%	95%	92%	98%
Outcome	Customer satisfaction with materials available: percent of responders that agree/strongly agree with statement	92%	92%	92%	95%
Outcome	Impact of early child literacy programs: percent of responders that agree/strongly agree with statement	96%	96%	96%	96%
Outcome	Impact of programs and outreach by percent of responders agree/strongly agree that they benefitted from library programs or services	91.5%	92%	95%	95%
Outcome	Summer reading programs customer satisfaction: percent of responders agree/strongly agree with surveys to measure increase in time children and teen spend reading.	64%	75%	64%	75%

* ICMA Open Access Benchmarking Indicator

FY2020 Major Achievements

- In partnership with the Prescott Area Rotary Clubs and the Friends of the Prescott Public Library, began Prescott Area Imagination Library (PAIL) an affiliate of the Dolly Parton Imagination Library. Currently 450 children are receiving a book a month.
- Worked with Arizona Humanities and the Smithsonian Museum on Main Street Program to bring the *Voices and Votes* exhibit to the library.
- Added a “Library of Things” including hiking kits for adults and kids, wireless access points and Ipads that can be checked out with a library card.
- Began a Homework Help program for children in grades K-6. This program is staffed by volunteers.

Library

- Made adjustments to provide as much service as possible during the Governor’s Stay at Home order related to COVID-19. 2,283 patrons collected 6851 items from the parking lot.
- Added electronic book collections for Kids and Teens and increased purchases of electronic items for adults during the time the library was closed to public use due to COVID-19.
- Staff increased Facebook posts , recorded book and video suggestions, held book club meetings via Zoom and launched a library Instagram account to keep in touch with patrons.
- Despite adjustments required by COVID-19 more than 550,000 items were circulated to over 300,000 library patrons.

Expenditure Budget

Expenditure Summary

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$ 1,157,415	\$ 1,209,913	\$ 1,195,254	\$ 1,234,365	2%
Operating Supplies	14,237	38,160	59,181	55,320	45%
Internal Charges	112,160	124,842	123,816	120,683	-3%
Other Services and Charges	-	21,388	21,388	21,388	0%
Subtotal	1,283,812	1,394,303	1,399,639	1,431,756	3%
Capital	-	-	25,417	-	
Total	\$ 1,283,812	\$ 1,394,303	\$ 1,425,056	\$ 1,431,756	3%

Authorized Staffing Summary

	FY19	FY20	FY21
Authorized Staffing Level	<u>15.50</u>	<u>15.50</u>	<u>15.50</u>
Library Director	1.00	1.00	1.00
Library Manager, Public Services	1.00	1.00	1.00
Lead Librarian	2.00	2.00	2.00
Librarian	4.00	4.00	4.00
Librarian - Trainee	1.00	1.00	1.00
Library Specialist	2.00	2.00	2.00
Library Assistant	4.50	4.50	4.50

Budget Notes and Significant Changes: Operating Supplies exhibits an increase due to anticipated Gift Funds and Grants Funds spending in FY21. If the funds are not received, the expenditures will not be made.

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.

FY2021 Objectives

- Provide cost-effective services to support library operations
- Supplement library personnel and services with appropriate use of volunteers
- Partner with Friends of the Prescott Public Library to deliver value-added services
- Recruit and train additional volunteers for Homework Help program
- Finalize coffee bar service in library

Measure Type	Performance Measure	FY19 Actual	FY20 Target	FY20 Estimate	FY21 Target
Outcome	Customer satisfaction with meeting rooms: percent of responders agree/strongly agree with survey statements	63%	80%	71%	75%
Efficiency	Volunteer hours represented as an estimated number of full-time equivalents	7.1	7.1	7.3	7.2
Efficiency	Estimated personnel savings from volunteer hours	\$172,083	\$179,932	\$188,336	\$194,389
Input	Donations received from Friends of the Prescott Public Library for supplemental programming and library improvements	\$86,462	\$102,080	\$97,816	\$102,707

FY2020 Major Achievements

- Conducted several active shooter safety training sessions for staff in collaboration with the Prescott Police Department
- Placed four new Automated External Defibrillators in the library and had staff trained on their use
- Expanded Books on Wheels program to two retirement communities.
- Recruited 19 new library volunteers.
- Recruited six new volunteers for Homework Help program for children in grades K – 6.
- Processed 1,191 requests for use of meeting rooms
- Processed approximately 13,000 items that were added to the collection

Library

Expenditure Budget

Expenditure Summary

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$ 400,474	\$ 437,549	\$ 424,342	\$ 430,752	-2%
Supplies	260,912	267,400	249,200	247,800	-7%
Internal Charges	95,437	103,498	102,492	101,130	-2%
Other Services & Charges	195,932	210,850	226,801	217,650	3%
Total, Operations	952,755	1,019,297	1,002,835	997,332	-2%

Authorized Staffing Summary

	FY19	FY20	FY21
Authorized Staffing Level	<u>6.00</u>	<u>6.00</u>	<u>6.00</u>
Library Manager, Support Services	1.00	1.00	1.00
Librarian	1.00	1.00	1.00
Maintenance Technician	1.00	1.00	1.00
Library Assistant	2.00	2.00	2.00
Custodian	1.00	1.00	1.00

Budget Notes and Significant Changes: No significant expenditure changes.

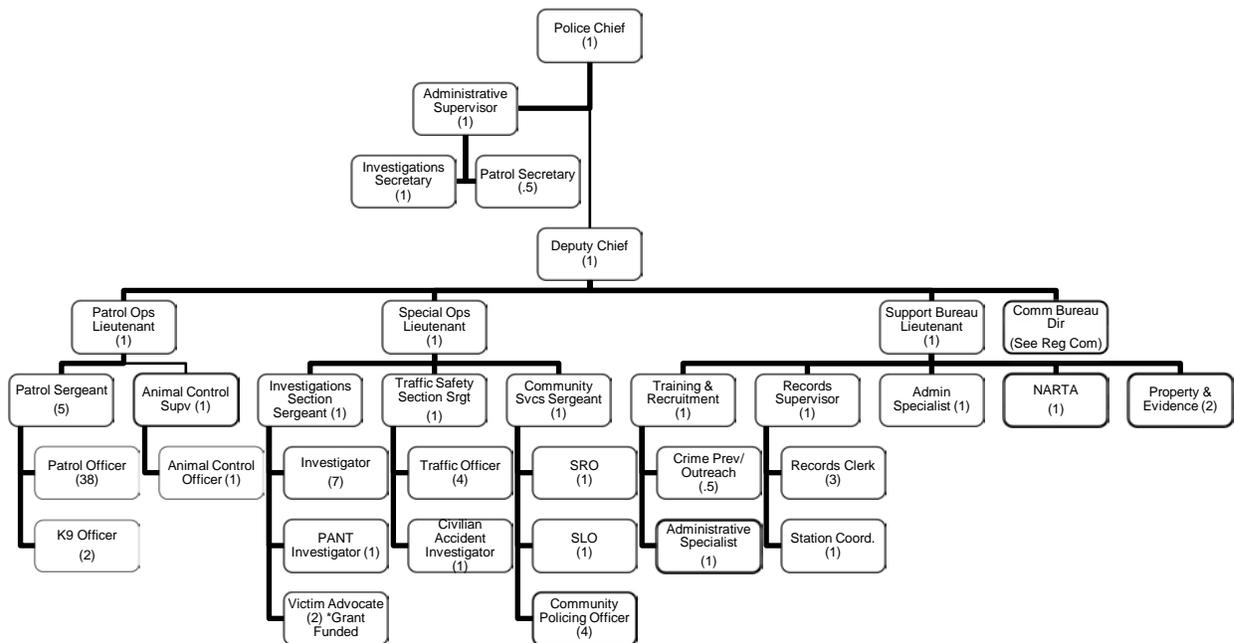
Police

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

	FY19	FY20	FY21
Police Administration	5.00	5.00	5.00
Patrol Operations Bureau	50.50	54.50	54.50
Special Operations Bureau	25.00	25.00	25.00
Support Bureau	<u>6.50</u>	<u>5.50</u>	<u>5.50</u>
Total Authorized Positions	87.00	90.00	90.00

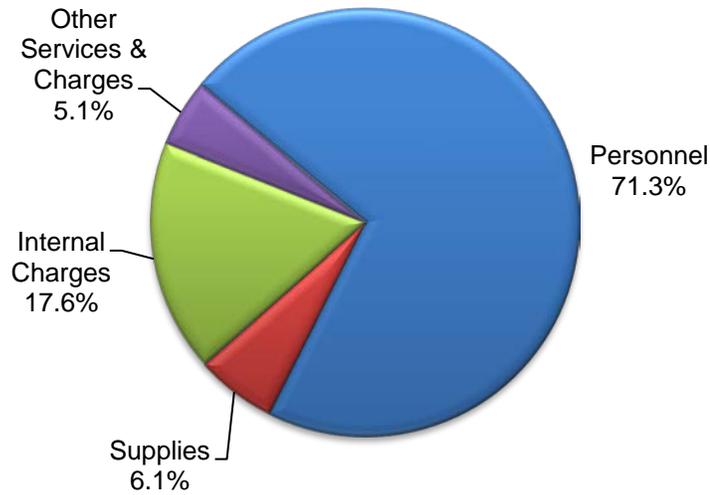
Police

Expenditure Budget

Department Summary - Expenditure by Type

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$ 7,839,437	\$ 8,778,244	\$ 8,602,890	\$ 8,751,070	0%
Supplies	533,654	731,071	690,464	743,972	2%
Internal Charges	2,015,085	2,280,400	2,001,329	2,159,855	-5%
Other Services & Charges	404,297	579,066	562,341	620,180	7%
Subtotal Operations	10,792,473	12,368,781	11,857,024	12,275,077	-1%
Capital	161,664	1,571,298	835,524	971,661	-38%
Total	\$ 10,954,138	\$ 13,940,079	\$ 12,692,548	\$ 13,246,738	-5%

**Police Department FY21
Operating Expenditure Budget by Type**



Police

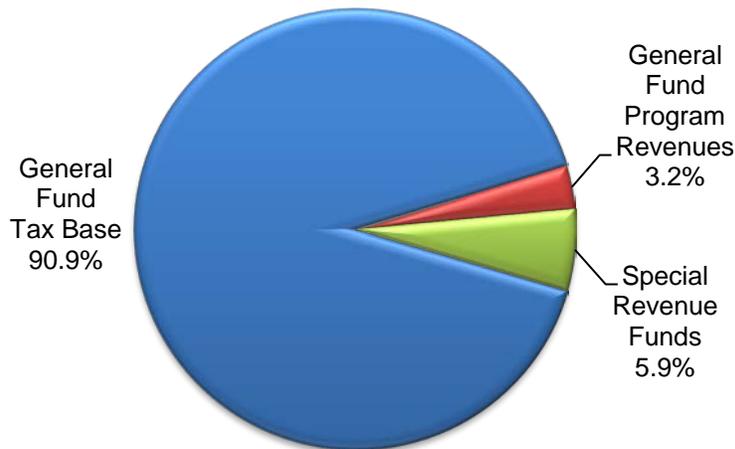
Department Summary - Operations Expenditure by Division and Capital

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Police Administration	\$ 889,146	\$ 1,209,581	\$ 1,153,303	\$ 1,309,738	8%
Patrol Operations Bureau	6,593,172	7,399,045	6,977,524	7,136,039	-4%
Special Operations Bureau	2,864,787	3,140,187	3,103,777	3,212,386	2%
Support Bureau	445,368	619,968	622,420	616,914	0%
Subtotal Operations	10,792,473	12,368,781	11,857,024	12,275,077	-1%
Capital	161,664	1,571,298	835,524	971,661	-38%
Total	\$ 10,954,138	\$ 13,940,079	\$ 12,692,548	\$ 13,246,738	-5%

Department Summary - Funding Sources

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
General Fund Source of Funds					
Tax Base	\$ 10,280,225	\$ 12,618,607	\$ 8,697,290	\$ 12,039,717	-5%
Licenses and Permits	28,914	31,000	31,000	31,000	0%
Fines and Forfeitures	240,565	366,650	378,850	391,800	7%
General Fund Budget	10,549,703	13,016,257	9,107,140	12,462,517	-4%
Special Revenue Funds	404,435	923,822	3,585,408	784,221	-15%
Total	\$ 10,954,138	\$ 13,940,079	\$ 12,692,548	\$ 13,246,738	-5%

Police Department Operating Funding Sources
FY21 Budget



Police

Department Funding Sources: The Police Department is primarily funded through the General Fund. Special Revenue Funds account for donations and grants. FY20 shows a larger Special Revenue Funds funding source than usual. This is the result of the state program called the AZCares Fund that will provide monies for coronavirus relief and recovery money to local governments and non profits.

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.

FY2021 Objectives

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

Measure Type	Performance Measure	FY19 Actual	FY20 Target	FY20 Estimate	FY21 Target
Workload	Reduce Uniform Crime Reporting (UCR) Part 1 Crimes	945	990	1,270	1,250
Workload	Reduce Uniform Crime Reporting (UCR) Part II Property Crimes	4,324	3,040	2,582	2,450
Workload	Reduce Uniform Crime Reporting (UCR) Part 1 Violent Crimes	158	130	233	200
Output	Increase officer initiated contacts including traffic stops, business checks and other community related policing efforts	43,689	53,000	41,933	44,000
Efficiency	Sworn police per 1,000 population	1.69	1.69	1.81	1.81

FY2020 Major Achievements

- The Police Department procured a 3D measurement and imaging device called FARO to assist with crime scene processing and evidence collection. This particular piece of equipment is a tremendous asset that allows the Investigations Section to complete more thorough crime scene investigations, clear scenes more efficiently, and assists with courtroom testimony and preparation.
- Chief Black was appointed to the National Institute on Drug Abuse Justice Community Opioid Innovation Network (JCOIN) Practitioner Board. As part of the National Institute of Health Helping to End Addiction Long-term HEAL Initiative, Chief Black evaluated and promoted evidence-based approaches to treat individuals in justice settings who have an opioid use disorder.
- Deputy Chief Bonney was awarded the “Leading the Way” award through at the annual Celebrating Women in Yavapai County Law Enforcement Luncheon in October 2019.
- The second annual Prescott Police Department Pink Patch Program raised nearly \$6,000 for the Breast Care Center at Yavapai Regional Medical Center.

Police

- Every police officer received specialized training in de-escalation and response to active shooter incidents. We continued our commitment to increase numbers of officers trained in critical incident response to meet the needs of members of the community experiencing a mental health crises.

Expenditure Budget

Police Administration Expenditure Summary

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$ 529,733	\$ 601,083	\$ 612,314	\$ 631,028	5%
Supplies	82,637	205,633	162,525	239,834	17%
Internal Charges	139,564	149,704	148,265	149,601	0%
Other Services & Charges	<u>137,213</u>	<u>253,161</u>	<u>230,199</u>	<u>289,275</u>	14%
Subtotal Operations	889,146	1,209,581	1,153,303	1,309,738	8%
Capital	<u>51,548</u>	<u>176,548</u>	<u>62,237</u>	-	
Total	\$ 940,694	\$ 1,386,129	\$ 1,215,540	\$ 1,309,738	-6%

Authorized Staffing Summary

	FY19	FY20	FY21
Authorized Staffing Level	<u>5.00</u>	<u>5.00</u>	<u>5.00</u>
Police Chief	1.00	1.00	1.00
Deputy Police Chief	1.00	1.00	1.00
Administrative Supervisor	1.00	1.00	1.00
Senior Victim Advocate	1.00	1.00	1.00
Victim Advocate	1.00	1.00	1.00

Budget Notes and Significant Changes: Supplies increase represents additional grant requests that will be submitted in FY21. As in other areas, if these grants are not received, the funds will not be expended. Other services and charges increase consists of additional funding for Public Safety crisis and trauma services.

Police

Patrol Operations Bureau

Division Mission

To provide high quality police and animal control services to the people in our community through integrity, compassion, and commitment to innovation while enforcing the law and safeguarding constitutional rights.

Services

The Patrol Operation Bureau consists of 2 sections: Patrol Section and Animal Control Section.

The Patrol Section consists of uniformed patrol officers and sergeants staff, resulting in five 24/7 patrol teams with assistance from a dedicated K9 team. These patrol teams provide city-wide coverage, responding to calls for service from citizens and visitors.

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

FY2021 Objectives

- Maintain response to high priority calls for service at an average time of 5 minutes, equivalent to industry standards
- Implement on-line customer survey system for citizens in order to increase external customer satisfaction.
- Focus workload to being proactive on calls for service, high complaint areas and proactive problem solving.
- Maintain accountability of the Sex Offender Accountability Program through monthly checks on registered sex offenders in our community.
- Provide ongoing education to improve communication skills, promote independent decision making and problem solving, and develop overall leadership abilities necessary to continue to provide a high level of service to our community.

Measure Type	Performance Measure	FY19 Actual	FY20 Target	FY20 Estimate	FY21 Target
Input*	Increase K9 program with an additional officer and dog	N/A	1	1	0
Output	Priority calls: average time, dispatch to arrival on scene in minutes	N/A	5 MIN	5 MIN	5 MIN
Output	Attempt contact with every sex offender each month as provided by the SOAP coordinator	N/A	100%	100%	100%
Output	% of time on patrol dedicated to productive policing; calls, proactive, complaints, etc.	N/A	60%	60%	60%
Output*	Provide quarterly in-house training	N/A	N/A	N/A	4
Outcome*	# of on-line customer satisfaction survey received	N/A	N/A	N/A	1,000

*New measure

Police

FY2020 Major Achievements

Patrol

- Six new officers and one new lateral officer were hired to fill existing vacancies and successfully completed their training program achieving solo officer status. An additional four officers were hired and graduated the police academy and are in the field training program.
- Promoted one officer and two lead police officers to fill vacancies left through attrition and assignments.
- Sergeant Cook tested for and was selected to fill the position as NARTA Class Sergeant.
- All patrol officers attended monthly firearms and proficiency training through our contract with the indoor shooting facility at Prescott Gun Club.
- Maintained high level of accountability through monthly checks by patrol on registered sex offenders.

Animal Control

- Processed 4,713 license renewals.
- Responded to 1,301 animal related calls for service.
- Animal Control Officer Joe Driskill retired after 25 years of service.
- Tested for and hired replacement animal control officer who is currently in the training process.
- Participated in community outreach events to include the citizen academies.

Expenditure Budget

Patrol Operations Bureau Expenditure Summary

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$ 4,589,437	\$ 5,081,807	\$ 4,950,869	\$ 4,953,066	-3%
Supplies	315,792	342,841	327,578	327,141	-5%
Internal Charges	1,596,041	1,862,852	1,586,852	1,744,887	-6%
Other Services & Charges	91,902	111,545	112,225	110,945	-1%
Subtotal Operations	6,593,172	7,399,045	6,977,524	7,136,039	-4%
Capital	67,807	1,062,750	712,222	577,327	-46%
Total	\$ 6,660,979	\$ 8,461,795	\$ 7,689,746	\$ 7,713,366	-9%

Capital Detail

Vehicle Replacements - Police Department	\$ 501,327
Interview Room/Fleet Cameras	76,000
	<u>\$ 577,327</u>

Police

Authorized Staffing Summary			
	FY19	FY20	FY21
Authorized Staffing Level	<u>50.50</u>	<u>54.50</u>	<u>54.50</u>
Police Lieutenant	2.00	2.00	2.00
Police Sergeant	5.00	4.00	4.00
Police Officer	41.00	46.00	46.00
Animal Control Supervisor	1.00	1.00	1.00
Animal Control Officer	1.00	1.00	1.00
Secretary	0.50	0.50	0.50

Budget Notes and Significant Changes: Internal Charges decreases with the cost recovery of FY21 Regional Communications budget. This cost recovery is adjusted yearly based on the number of service calls.

Police

Special Operations Bureau

Division Mission

To provide public safety services and support by investigating felony and high priority crime, securing and documenting property and evidence, responding to requests for traffic crash investigation, proactively enforcing traffic law to incentivize safe driving habits, resolving crime related community issues through personalized service, and ensuring public safety at City of Prescott special events.

Services

The Police Department Special Operations Bureau consists of three sections:

The Investigations Section investigates specifically assigned crimes against persons and property as well as financial crimes, while supporting other department sections and criminal justice practitioners in law enforcement duties; provide victim advocacy services to victims of crime and provide property and evidence storage and record keeping.

The 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 Community Services Section solves crime-related community problems, ensures school security and safety, develops community relationships by participating in community outreach, and provides numerous training sessions throughout the community on subjects such as Alzheimer’s Alert, active shooter survival, and Red Ribbon anti-drug training.

FY2021 Objectives

- Proactive enforcement of traffic laws by the use of speed enforcement, saturation patrols, etc.
- Reduce patrol response to traffic crashes through the use of civilian traffic investigators.
- Reduce collisions through education, enforcement, and community outreach.
- Improve service to victims of crime by ensuring timely follow-up and quality communication.
- Develop and implement satisfaction survey of crime victims of cases assigned to investigations.
- Reduce crime in the business district through high visibility walking and bicycling patrols.

Measure Type	Performance Measure	FY19 Actual	FY20 Target	FY20 Estimate	FY21 Target
Output	Traffic contacts by the Traffic Safety Section	3,744	4,000	7,140	7,500
Output	Traffic crash investigations, non-injury, injury and fatality as a percentage of department total	53%	65%	65%	65%
Output	DUI arrests per 1,000 population	5.25	5.35	6.66	6.75
Output	Number of bicycle and foot patrols in the downtown area and public spaces.	175	200	600	600
Outcome*	On a weekly basis, target enforcement efforts in high complaint areas to address specialized concerns	N/A	52	80	100

Police

Outcome*	Detectives communicate with victims of assigned cases within three business days of case assignment	N/A	100%	90.5%	100%
Outcome	Achieve 90% customer satisfaction rate on all completed surveys administered through the office of the Victim Advocate	88%	90%	95.8%	95%

*New measure

FY2020 Major Achievements

Investigations

- Responded to a case involving an officer-involved shooting, sexual assault, and aggravated assault. The section worked in conjunction with AZ DPS and handled the non-officer involved portion. This resulted in the arrest of a male subject who is still awaiting trial.
- Involved in a homicide investigation of a 73-year-old female that had been deceased for approximately three years prior to law enforcement's involvement. The case resulted in the arrest of two females that are currently in custody for the homicide and are awaiting trial.
- Investigated and stopped the sexual exploitation of a 3-year-old child. Suspect was arrested and is awaiting trial.
- Assisted with a missing person case involving 67-year-old missing person. Investigations used a new software ZETEX to locate him alive.
- Investigated a kidnapping and sexual assault of a 15-year-old victim resulting in arrest of the suspect.
- The section is currently looking to advance its role in computer forensics by certifying its one examiner from the basic certification to an advanced level.

Traffic Safety

- Conducted 12 DUI taskforce operations.
- Conducted 8 Speed and Aggressive Driving details.
- Averaged 2 special enforcement complaint areas a week for a total of 104 enforcement areas in 2019.
- Investigated 559 crashes, including two fatal crashes.
- Added and trained a volunteer Traffic Investigator.
- Assisted in traffic control of multiple special events including 4th of July parade, 4th of July Watson Lake event, kiddie parade, homecoming parade, Halloween detail, Veteran's Day parade, light parade, Christmas parade, MLK March, Shop With a Cop, and Walk Your Kids to School.

Community Services Section

- Responded to 255 calls for service and conducted 360 proactive patrols in the downtown area as well as creek and park areas.
- Provided downtown security and public safety services for special events in the downtown area to include 4th of July parade, Christmas parade, courthouse lighting, and George Floyd death protests.
- Transitioned the School Liaison Officer to a Safety and Intelligence Officer responsible for providing public safety and threat intelligence information to citizens, businesses, schools and government entities. This position has been critical in providing intelligence in reference to the above mentioned downtown events.

Police

- Successfully reduced homelessness and assisted with mental health issues of the transient population by referring people to resources who provide shelter and mental health treatment instead of enforcement action when possible.

SWAT

- Activated 3 times during FY20; 1) kidnapping and sexual assault apprehension, 2) domestic violence barricaded subject, and 3) aggravated assault/sexual assault suspect apprehension.
- Provided security for four (4) large events held in the downtown area. These events were the Christmas parade, the courthouse lighting, Save the Dells meeting and George Floyd death protests.
- Trained one hundred ninety hours (190) over the past year and attended the Arizona Tactical Officer's Association (ATOA) Conference as well as TAC OPS where tactical operators attended leadership classes and specialized instructor certification courses.

Expenditure Budget

Special Operations Bureau

Expenditure Summary

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$ 2,432,601	\$ 2,721,835	\$ 2,687,847	\$ 2,796,511	3%
Supplies	116,114	104,600	109,659	104,600	0%
Internal Charges	279,480	267,844	266,212	265,367	-1%
Other Services & Charges	36,591	45,908	40,059	45,908	0%
Subtotal Operations	2,864,787	3,140,187	3,103,777	3,212,386	2%
Capital	42,310	332,000	61,065	394,334	19%
Total	\$ 2,907,097	\$ 3,472,187	\$ 3,164,842	\$ 3,606,720	4%

Special Operations Bureau

Authorized Staffing Summary

	FY19	FY20	FY21
Authorized Staffing Level	<u>25.00</u>	<u>25.00</u>	<u>25.00</u>
Police Lieutenant	1.00	1.00	1.00
Police Sergeant	3.00	3.00	3.00
Police Officer	15.00	15.00	15.00
Property/Evidence Tech-CSI	1.00	1.00	1.00
Property/Evidence Tech	1.00	1.00	1.00
Administrative Svcs Specialist	1.00	1.00	1.00
Station Coordinator	1.00	1.00	1.00
Civilian Parking Accident Inv.	1.00	1.00	1.00
Secretary	1.00	1.00	1.00

Budget Notes and Significant Changes: No significant expenditure changes.

Police

Support Bureau

Division Mission

To support and serve the community, the police department, and other criminal justice partners by maintaining a record management system, an enhanced training and recruitment section, and high professional standards through oversight for policy revision, accreditation, and all employee internal investigations.

Services

The Support Bureau provides internal and external customer service in the areas of records management, department training and recruiting of all sworn and civilian employees, professional standard complaints and investigations, policy and procedure updates and compliance, and crime prevention and community outreach programs.

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. The Records Section is responsible for fulfilling any routine request for public records from all external customers.

Additionally, 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 utilizing creative strategies such as the Recruitment Bonus Incentive Program, and provides public awareness of programs that focus on crime prevention and community outreach.

FY2021 Objectives

- Attract the best employees for all areas of the police department through active recruiting and detailed background investigations
- Provide service to our internal and external customers regarding requests for any records maintained by the Records Section
- Maintain ACJIS certification for all users within the police department

Measure Type	Performance Measure	FY19 Actual	FY20 Target	FY20 Estimate	FY21 Target
Outputs*	Attend quarterly recruiting venues to attract quality applicants for testing.	N/A*	4	4	4
Outcome*	Fulfill 90% of records requests within two business days	N/A*	90%	90%	90%
Outcome*	Notify 100% of ACJIS users of recertification within 30 days of expiration	N/A*	100%	100%	100%

*New measure

Police

FY2020 Major Achievements

Records

- Implemented and ongoing completion of the Tri-Tech/Central Square Records Management (RMS) project. Data conversion of remaining modules and uploaded attachments in the former RMS are pending.
- All vacant Records Clerk positions were filled.
- Ongoing project regarding E-warrant system in conjunction with the Prescott Consolidated Court and Prescott Regional Communications Center.
- Began implementation of NIBRS reporting through Central Square; the UCR Program is retiring the Summary Reporting System (SRS) and will transition to a National Incident-Based Reporting System (NIBRS)-only data collection by January 1, 2021.

Training and Recruiting

- Successfully recruited and hired eleven police officers, three communication specialists, and one animal control officer.
- Through our community outreach program, organized National Night Out with 16 neighborhood watch parties, four Coffee with a Cop events, the annual Shop with a Cop, Pink Patch Project that raised \$6,000 for the YRMC Breast Care Center, four community “drive-bys” during the COVID pandemic, and conducted three fraud and scam presentations for local civic groups as well as hosted 12 Facebook live events for the youth of our community during the COVID pandemic.
- All sworn officers attended first aid and CPR training, which is required every two years to maintain certification.
- Conducted seven threat assessments on facilities within our community to improve safety.
- Managed nine active grants to include two of which provide funding for three positions within the department.

Expenditure Budget

Support Bureau

Expenditure Summary

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$ 287,667	\$ 373,519	\$ 351,860	\$ 370,465	-1%
Supplies	19,111	77,997	90,702	72,397	-7%
Other Services & Charges	<u>138,591</u>	<u>168,452</u>	<u>179,858</u>	<u>174,052</u>	3%
Total	\$ 445,368	\$ 619,968	\$ 622,420	\$ 616,914	0%

Authorized Staffing Summary

	FY19	FY20	FY21
Authorized Staffing Level	<u>6.50</u>	<u>5.50</u>	<u>5.50</u>
Police Records Supervisor	1.00	1.00	1.00
Police Officer	2.00	1.00	1.00
Police Records Clerk	3.00	3.00	3.00
Crime Prevention Specialist	0.50	0.50	0.50

Budget Notes and Significant Changes: No significant expenditure changes.

Public Works

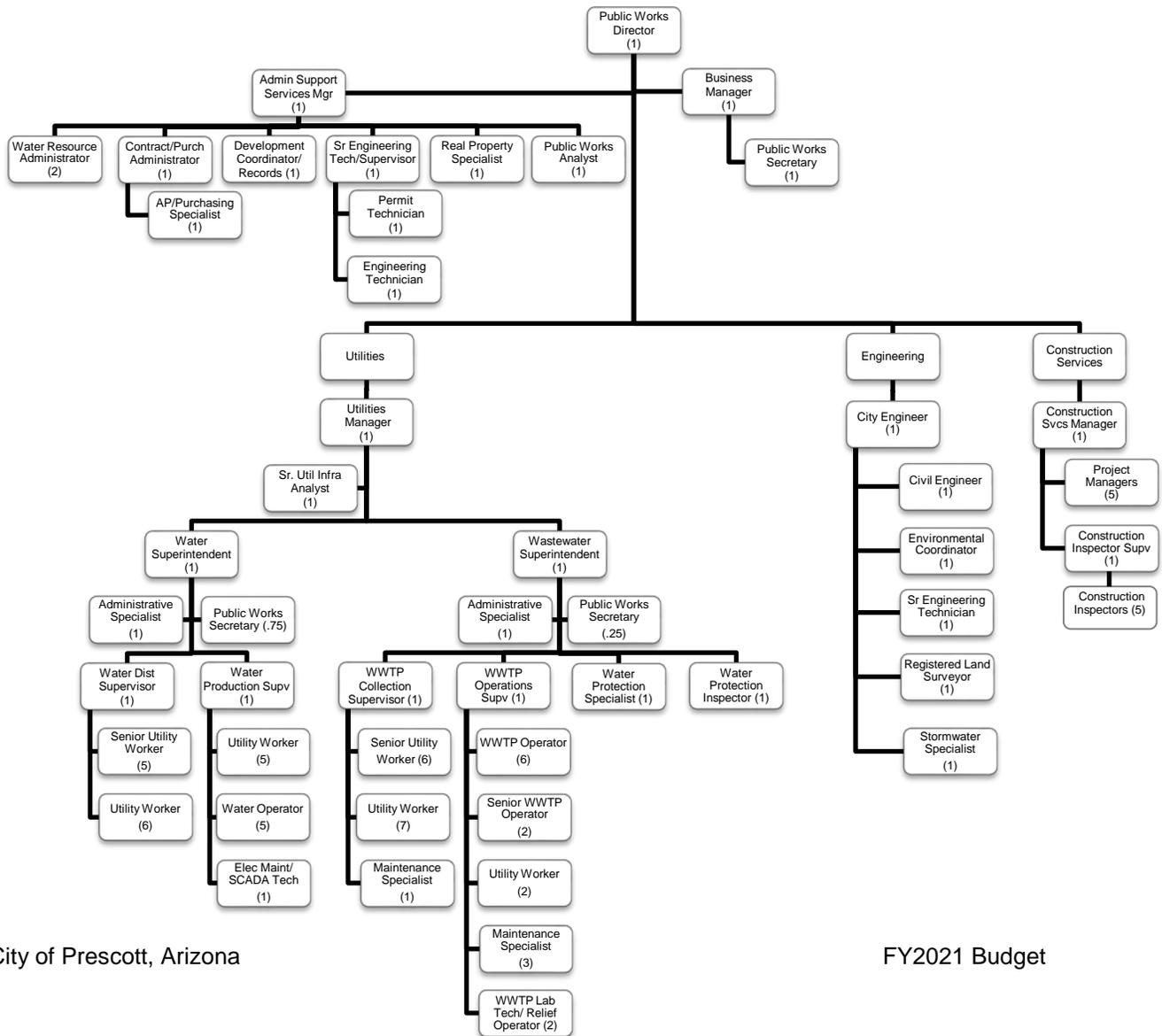
Department Mission

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

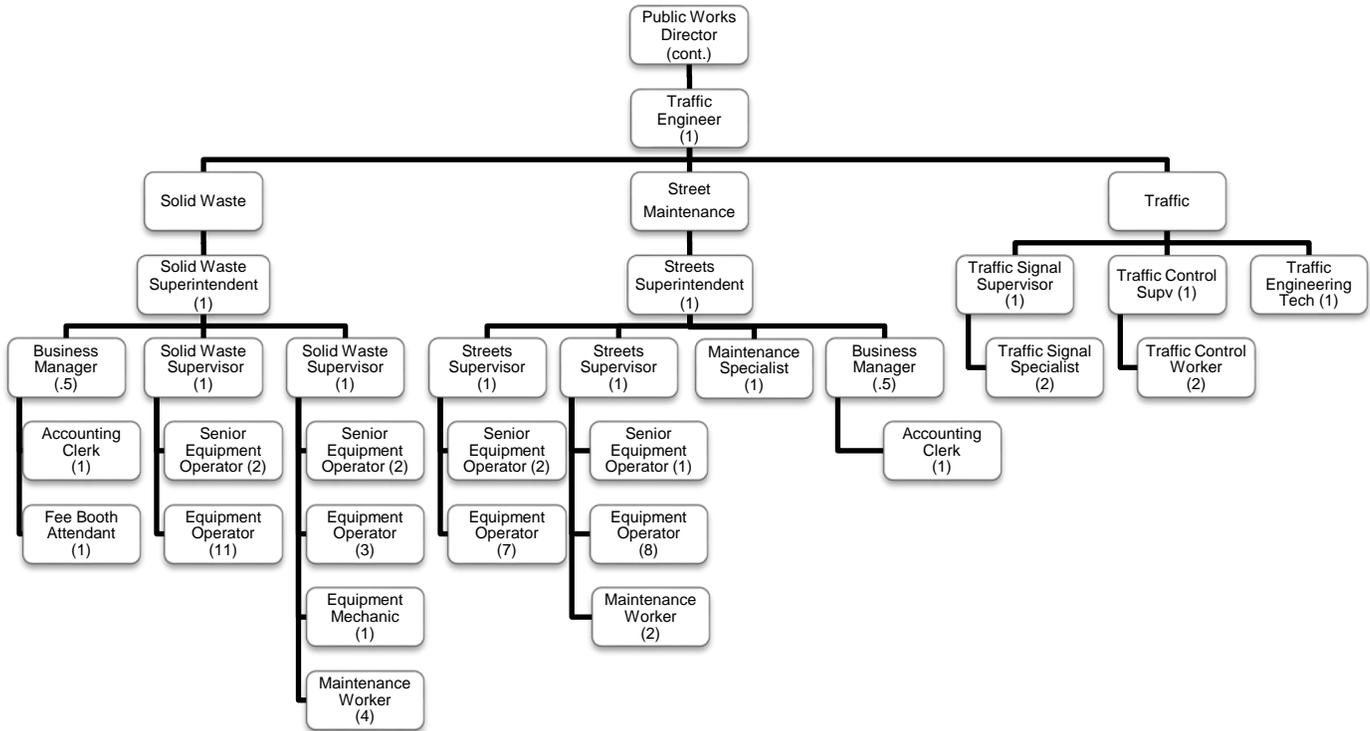
Services

The Public Works Department is responsible for the planning, design, construction, maintenance, performance, function and efficiency of a variety of City infrastructure. This includes roads, traffic control devices and signs, sidewalks, water and wastewater utilities, drainage systems and real property. In addition to City infrastructure and assets, the Department supports private development efforts within the City and utility service areas by providing plan review, permitting, and inspection services. The Department operates and maintains a first class Water and Wastewater Utility system for over 24,000 customers. The Solid Waste Division provides trash and recycling services to over 24,000 residential and commercial customers. The transfer station operates 6 days a week for customers within the quad-city area. The Streets Division maintains over 765 miles of city paved streets, alleyways, signs, and related items in the public right of ways. [Updated GR 2-7-20]

Organization and Personnel



Public Works



Department Summary - Staffing by Division

	FY19	FY20	FY21
Engineering	19.74	18.17	18.17
Utilities	71.09	73.66	73.66
Solid Waste	29.75	30.75	30.75
Street Maintenance	<u>35.42</u>	<u>35.42</u>	<u>35.42</u>
Total Authorized Positions	156.00	158.00	158.00

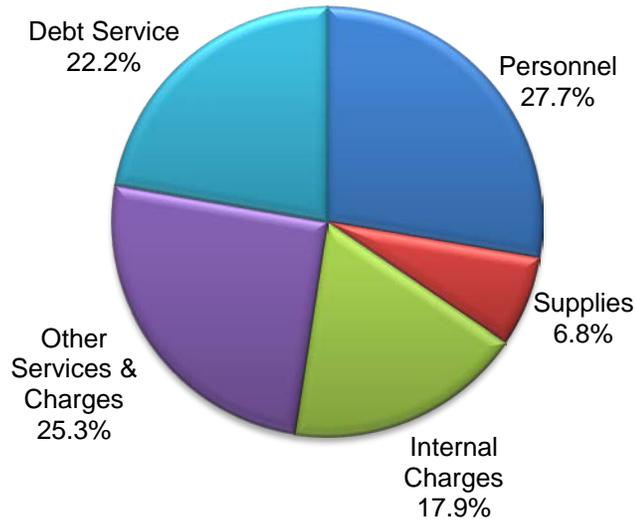
Public Works

Expenditure Budget

Department Summary - Expenditure by Type

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$ 11,861,484	\$ 12,988,113	\$ 13,223,841	\$ 13,112,022	1%
Supplies	2,504,465	3,066,824	2,601,582	3,219,350	5%
Internal Charges	7,454,361	8,344,688	7,929,764	8,488,195	2%
Other Services & Charges	10,058,283	12,219,709	10,293,165	11,993,348	-2%
Debt Service	<u>4,402,928</u>	<u>10,519,709</u>	<u>26,171,146</u>	<u>10,524,899</u>	0%
Subtotal Operations	36,281,522	47,139,043	60,219,498	47,337,814	0%
Capital	<u>19,919,976</u>	<u>81,852,629</u>	<u>41,226,334</u>	<u>60,278,786</u>	-26%
Total	\$ 56,201,498	\$ 128,991,672	\$ 101,445,832	\$ 107,616,600	-17%

**Public Works FY21
Operating Expenditure Budget by Type**



Public Works

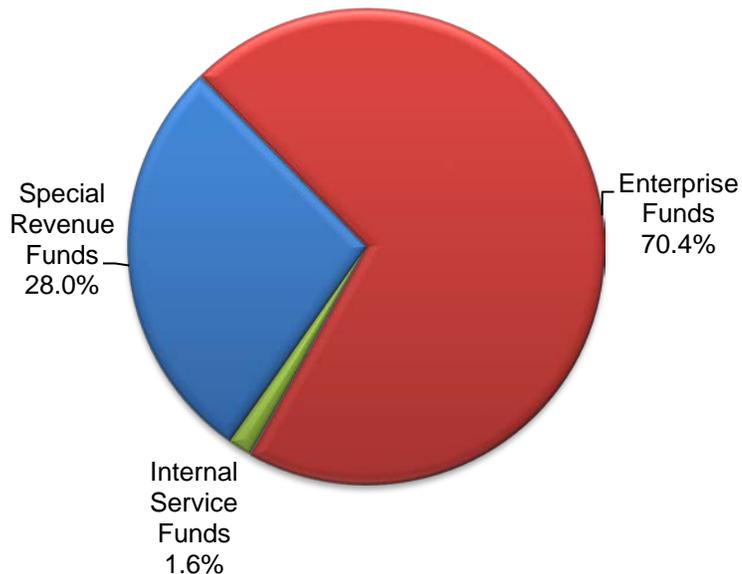
Department Summary - Operating Expenditures by Division and Capital

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Engineering	\$ 3,987,936	\$ 4,833,352	\$ 5,029,550	\$ 4,629,024	-4%
Utilities	17,049,536	26,140,528	23,775,566	26,511,079	1%
Solid Waste	7,781,142	8,279,427	7,375,888	8,636,209	4%
Street Maintenance	7,462,908	7,885,736	24,038,494	7,561,502	-4%
Subtotal Operations	36,281,522	47,139,043	60,219,498	47,337,814	0%
Capital	19,919,976	81,852,629	41,226,334	60,278,786	-26%
Total	\$56,201,498	\$ 128,991,672	\$ 101,445,832	\$ 107,616,600	-17%

Department Summary - Funding Sources

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Special Revenue Funds	\$24,108,363	\$ 34,544,653	\$ 41,157,383	\$ 30,125,860	-13%
Enterprise Funds	30,577,393	92,694,033	58,264,121	75,760,489	-18%
Internal Service Funds	1,515,742	1,752,986	2,024,328	1,730,251	-1%
Total	\$56,201,498	\$ 128,991,672	\$ 101,445,832	\$ 107,616,600	-17%

Public Works Operations Funding Sources FY21 Budget



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

Public Works

Administrative Support Services

Division Mission

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

Services

The Administrative Support Services Division is responsible for the development and management of the departmental budget, facilitates the procurement process, manages contracts and provides records management for the Department. The Division is also responsible for the acquisition and management of City owned property to meet infrastructure needs, providing professional real estate services to other departments, residents and tenants. Finally, the Water Resource staff provide technical support for the Big Chino Water Ranch, development of the water resources management model and implement an education outreach program.

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

FY2021 Objectives

- Effectively prepare and manage the fiscal year budget.
- Ensure compliance with all Federal, State and Local guidelines for procurement and ensure contracts remain in compliance throughout the process within specific guidelines.
- Provide timely and accurate processing of payment requests from vendors.
- Provide applicable responses to public records requests in a timely and professional manner.
- Maintain departmental records according to adopted records schedule.
- Ensure customers are satisfied with the professional services provided.
- Provide technical support to, and administer Comprehensive Agreement No. 1 and its subcontracts.
- Operation and ongoing maintenance of the Water Resources Management Model (WRMM).
- Support the Water Issues Committee and the Mayors Committee for Water and Sewer Connections
- Deliver community water education program.
- Administer the Water Conservation Incentive Program.
- Provide accurate and timely permit processing and issuance.
- Ensure services are completed in the most effective, efficient and economical method for the customer and the division.
- Provide accurate and timely information to customers via the phone, web or in person

Public Works

Measure Type	Performance Measure	FY19 Actual	FY20 Target	FY20 Estimate	FY21 Target
Workload	Water rebate applications	150	175	150	175
Workload	Customer satisfaction surveys/responses from attendees of Drop by Drop	45	50	45	N/A
Efficiency	Percentage of spending within budgeted amount	100%	90%	100%	90%
Efficiency	Percentage of completed pay apps within established timeframes	95%	90%	98%	95%
Efficiency	Percentage of public records requests completed within 10 days	95%	90%	95%	90%
Outcome	Annual Records Destruction Complete	Yes	Yes	Yes	Yes
Outcome	Percentage of Permit Center plan reviews related to Engineering completed within established turn-around times	65%	90%	80%	90%
Outcome	Percentage of Engineering Permits processed and issued within 15 days	75%	90%	75%	90%

Analysis of Performance:

The Division met most of the primary goals set for FY20, including budgeting and procurement targets due to a reorganization of staffing. The Department records retention schedules were accepted by the State in FY19, which allowed cataloging and destruction work to be accomplished in FY20. The Division also hired a temporary intern to complete a much needed report library, which will be completed in FY20. Process and procedural changes along with the implementation of a new software program has improved the turn-around times for permitting activities at the permit center. Automation and on-line (paperless) processes will assist with improving customer service levels going forward.

Water Resources was a major focus of FY20, which resulted in the adoption of a new water policy and related code amendments aimed at increasing water conservation efforts. The Mayor has formed a new commission related to water and sewer connections to further increase recharge into the PrAMA, thus reducing overdraft. This commission, along with the Water Issues Committee will be a primary focus during FY21.

FY2020 Major Achievements

- Effectively prepare and manage the fiscal year budget.
- Ensure compliance with all Federal, State and Local guidelines for procurement and ensure contracts remain in compliance throughout the process within specific guidelines.
- Provide timely and accurate processing of payment requests from vendors.
- Provide applicable responses to public records requests in a timely and professional manner.
- Maintain departmental records according to adopted records schedule.
- Ensure customers are satisfied with the professional services provided.
- Provide technical support to, and administer Comprehensive Agreement No. 1 and its subcontracts.
- Operation and ongoing maintenance of the Water Resources Management Model (WRMM).

Public Works

- Support the Water Issues Committee and the Mayors Committee for Water and Sewer Connections
- Deliver community water education program.
- Administer the Water Conservation Incentive Program.
- Provide accurate and timely permit processing and issuance.
- Ensure services are completed in the most effective, efficient and economical method for the customer and the division.
- Provide accurate and timely information to customers via the phone, web or in person

Public Works

Engineering

Division Mission

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

Services

Engineering Division provides plan review services in support of private development and the capital improvement program, develops in-house design projects, provides floodplain administration, computer aided design and drafting, professional survey services, and storm water management. This division is in charge of modeling updates to the water and wastewater models, design of pavement preservation, pavement rehabilitation, drainage system, sidewalk network, and other transportation system improvements.

The Construction Services Division is responsible for the design, construction and inspection of public infrastructure as well as inspection for private infrastructure that will be given to the City for long-term maintenance. These activities support two primary areas of work, utilities and streets operations within the City. This comprises of the implementation of the Capital Improvement Program including water and wastewater system upgrades, roadway pavement system preservation, rehabilitation and reconstruction, drainage system improvements, and transportation system enhancements and improvements.

FY2021 Objectives

- Streamline private plan review process to meet or exceed established plan review turnaround times.
- Provide professional engineering services through the design of in-house projects, including: pavement preservation, pavement rehabilitation, drainage, and sidewalk replacement/repairs.
- Successful completion of the annual Stormwater Management Plan as obligated by the City's MS4 annual report and permit.
- Development & implementation of a TMDL action plan (CIP program, organizational BMPs, etc.) to execute the recommendations of the Watershed Pollution Reduction Plan and the Lake Management Plan.
- Provide survey services to internal and external clients, as well as developing and maintaining tools which will enable the City to better serve the engineering and surveying community.
- Providing safe and reliable water, wastewater, drainage and transportation systems by completing capital projects.
- Improve the quality of capital improvement projects and private development within the City by reviewing and implementing adopted construction and inspection standards, resulting in an efficient use of funds.
- Develop pavement and sidewalk preservation, rehabilitation and reconstruction programs to improve the quality of the City's roadways and sidewalks.
- Provide professional level inspection services.

Public Works

Measure Type	Performance Measure	FY19 Actual	FY20 Target	FY20 Estimate	FY21 Target
Outcome	Percentage of implementation of Stormwater Management Plan	90%	82%	95%	100%
Outcome	Develop and Implement TMDL Action Plan	N/A	15%	50%	65%
Outcome	Completed projects out of total projects	25/46	30/40	31/56	30/40
Outcome	Expended or Encumbered CIP Budget (dollars)	78%	75%	80%	80%
Outcome	Roadway System Pavement Quality Index (PQI) – Goal of 75 <u>100 to 70 – Good</u> Needs Preservation <u>40 to 70 – Fair</u> Needs Rehabilitation <u>40 and Below – Poor</u> Needs Reconstruction	60	60	60	62
Workload	Completed in-house projects	8	9	6	9
Workload	Provided Survey Services	35	47	21	20
Workload	Number of Private Development inspections performed per year per inspector (1 Inspection Supervisor, 5 full-time and 3 full-time temporary inspectors)	5,200	5,300	5,900	5,900
Workload	Number of Public Capital Improvement Project inspections performed per year per inspector (5.5 inspectors)	3,400	3,200	2,700	2,600

Analysis of performance:

The In-house design team has been proficient at supporting the needs of designing in-house projects, which represents approximately \$6M in CIP projects. Due to staff vacancies the number of projects and survey services were less than originally anticipated.

In FY 20 a permanent fulltime position for a Storm Water Technician was filled, which enabled our Storm Water program meet ADEQ’s Storm Water permit requirements. A preliminary list of TMDL action plan items has been developed and the implementation of these organizational BMP’s has commenced.

FY2020 Major Achievements

- Completed in-house design plans and specifications for:
 - SR 89 Pavement Rehabilitation Design
 - Gail Gardner Way Pavement Repair Design
 - Wilkinson Drive Pavement Reconstruction Design
 - Smoke Tree Lane Mill & Fill Design
 - FY 20 Pavement Preservation Design
 - FY 20 Concrete Repairs and Replacement
- Completed review of FY 20 Citywide Area Master Drainage Study
- Completed Community Rating System (CRS) Review and Improvement Plan
- Completed Pavement Condition Review and Update (Lucity -IMMS)

Public Works

- Completed the following Capital Improvement Projects:
 - Zone 24/27 HDD Water Main Installation (Water Distribution)
 - S.Washington/E.Goodwin Street Improvements (Streets Reconstruction/Circulation)
 - Gurley/McCormick Water Main Replacement (Water Distribution)
 - Wastewater Collection Building Expansion (Wastewater Collections)
 - Transfer Station Pavement Improvements (Solid Waste/Streets)
 - Hillcrest Storm Drain (Drainage Improvements)
 - Prescott Lakes Pkwy Water Main Extension (Water Distribution)
 - Willow Lake Rd and Prescott Lakes Pkwy Intersection (Streets Reconstruction/Circulation)
 - Carleton and South Cortez Reconstruction (Streets Reconstruction/Circulation)
 - Granite Creek Dam Outlet Rehabilitation (Water Quality)
 - SCADA Improvements (Water and Wastewater)
 - Zone 16 Water Main and Pump Station (Water Distribution)
 - Chino Production Well #4 Rehabilitation (Water Distribution)
 - Montezuma and Sheldon Sewer Relocation (Wastewater Collections)
 - Sundog Trunk Main Phase C1 (Wastewater Collections)
 - Airport Trunk Main Phase 2B (Wastewater Collections)
 - 2019 Yavapai Hills Drainage Improvement Projects (Drainage Improvements)
 - Hope Street Improvements (Drainage Improvements)
 - Sunrise Boulevard Improvements (Drainage Improvements)
 - SR89 Pavement Rehabilitation (Streets Reconstruction/Circulation)
 - West Gurley Restriping Project (Streets Reconstruction/Circulation)
 - FY20 Pavement Rehabilitation (Streets Reconstruction/Circulation)
 - FY20 Pavement Preservation Program (Streets Reconstruction/Circulation)

Expenditure Budget

Engineering & Capital Improvements

Expenditure Summary

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$ 1,993,108	\$ 2,255,956	\$ 2,622,685	\$ 2,431,888	8%
Supplies	30,025	39,350	41,556	45,950	17%
Internal Charges	1,652,031	2,287,506	2,090,232	1,760,731	-23%
Other Services & Charges	312,772	250,540	275,077	390,455	56%
Subtotal Operations	3,987,936	4,833,352	5,029,550	4,629,024	-4%
Capital	19,210,746	74,645,151	36,707,131	56,682,416	-24%
Total	\$23,198,681	\$79,478,503	\$41,736,681	\$61,311,440	-23%

Public Works

Authorized Staffing Summary			
	FY19	FY20	FY21
Authorized Staffing Level	<u>19.74</u>	<u>18.17</u>	<u>18.17</u>
City Engineer ¹	0.34	0.34	0.34
Civil Drainage Engineer	1.00	0.00	0.00
Civil Engineer ¹	0.00	0.33	0.33
Capital Project Manager	4.00	4.00	4.00
Real Estate Administrator	1.00	1.00	1.00
City Surveyor	0.00	1.00	1.00
Development Services Facilitator ¹	0.40	0.40	0.40
Pavement & Sidewalk Prog. Manage	1.00	1.00	1.00
Development Review Supervisor	1.00	0.00	0.00
Construction Inspection Supv.	1.00	1.00	1.00
Senior Engineering Technician	0.00	1.00	1.00
Environmental Coordinator ¹	1.00	0.80	0.80
Registered Land Surveyor	1.00	0.00	0.00
Stormwater Specialist	0.00	1.00	1.00
Construction Inspector	5.00	5.00	5.00
Building Inspector ¹	1.00	0.50	0.50
Engineering Technician ¹	1.00	0.40	0.40
Permit Technician/Plans Examiner ¹	1.00	0.40	0.40
¹ Also charged to Utilities			

Budget Notes and Significant Changes: Reclassifications and reorganizations combined result in the higher Personnel budget in FY21. Increased Internal Charges is the result of the methodology used to calculate the cost recoveries from other funds. This is based on the budget compared to the City as a whole so it can fluctuate yearly. Other Services & Charges shows a larger budget for FY21 due to Private Development and NPDES Phase II Implementation.

Public Works

Capital Detail

Water Production and Intermediate Pump Station, Tanks and Pipeline	\$15,000,000
Pavement Preservation Program	11,000,000
Penn Avenue and Eastwood Drive Reconstruction	3,370,649
Main Line Replacements	3,344,000
Zone 41 Mingus Pump Station, Tank and Pipeline	3,083,141
SR89 Lift Station	2,880,000
Corsair Avenue Extension	2,575,000
Sundog Trunk Main, Phase B	2,366,000
Production Well No. 5 AP - New	2,250,000
Sundog Trunk Main, Phase C	2,160,957
Willow Creek Road Curve Realignment	2,015,000
Sundog Ranch Road Reconstruction and Water Line	1,128,310
Zone 56 Tank and Pipeline and Zone 7 Pump Station	882,000
Zone 16 Virginia Pump Station, Haisley Tank and Pipelines, and Haisley Rd Recon:	750,000
Airport Trunk Main	500,000
Spreader Racks and Cinder Mix Station	500,000
Miscellaneous Water and Wastewater Projects	462,600
Robinson Drive Reconstruction	400,000
S. Summit Avenue/S. McCormick Street/Beach Avenue Reconstruction	300,000
Miscellaneous Streets Projects	300,000
Zone 24/27 Water Pipeline	250,000
Willow Creek Gravity Sewer	200,000
Zone 30 Pump Station	200,000
Zone 51 Water Main	200,000
Downtown Water Main Replacement	150,000
Aerial, Digital Elevation Model, Contours	109,759
Unsewered Areas	100,000
Watson and Willow Lakes Enhancement Program (TMDL)	75,000
Quaka Crossing YPIT	50,000
Sidewalk Replacement	50,000
City Shop UST Release	30,000
	<u>\$56,682,416</u>

Public Works

Utilities

Division Mission

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

Services

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

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

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

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

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

FY2021 Objectives

- Operate and maintain the Water, Wastewater and Surface Water systems in a safe manner to provide uninterrupted service and protect the health and safety of the general public.
- Continually inspect, evaluate and assess the Water, Wastewater and Surface Water systems to be proactive regarding repairs/replacements of system deficiencies and to protect the health and safety of the general public.
- Provide GUEST level service for each customer service request and customer interaction with the water and wastewater operations divisions.

Measure Type	Performance Measure	FY19 Actual	FY20 Target	FY20 Estimate	FY21 Target
Output	Percentage of water system valves exercised and maintained.	3.3%	25%	2.1%	10%
Output	Percentage of wastewater collection system cleaned and maintained	36%	50%	29.5%	35%
Output	Percentage of fire hydrants inspected, evaluated, repaired or replaced.	26%	50%	45%	50%
Output	Percentage of wastewater collection system CCTV inspected or evaluated.	22%	25%	14.1%	20%

Public Works

Output	Percentage of surface water assets inspected and maintained.	100%	100%	100%	100%
Output	Percentage of meter sets completed within two working days of work-order generation.	88%	90%	83%	85%
Output	Percentage of emergencies responded to within 45 minutes during working hours.	100%	100%	100%	100%
Output	Percentage of wastewater, effluent, and surface water monitoring points sampled that meet permit compliance.	99%	100%	99%	100%
Output	Percentage of water quality samples of potable water that meet regulatory standards.	100%	100%	100%	100%

Analysis of performance:

The Utilities Division is continuing a high level of productivity through FY20. Reduction in performance goals are attributed primarily to increased development activity; increased capital improvement activity and increased special assignments, without increases in personnel.

FY2020 Major Achievements

- Water Operations supported the construction of the new Zone 56/Zone 76 Booster Pump Station at the Intersection of Heather Heights and SR69.
- Water Operations removed the liability of the attractive nuisances surrounding the decommissioned water treatment plant, including a steel storage tank, in preparation for the upcoming improvements by Recreation Services for the opening of Lower Goldwater Lake to the public.
- Water Operations supported the drilling and testing phase of the new Airport Well No. 5.
- Water Operations supported the Chino Well No. 4 Rehabilitation Project.
- Water Operations completed field reviews and provided maintenance history for design and replacement of prematurely failing PVC pipe in the Cliff Rose subdivision.
- Water Operations replaced the storage tank for the Upper Goldwater Public Water System and performed general upgrades on the system to bring the system up to compliance per requests from ADEQ.
- Water Operations crews performed emergency water meter verification and leak detection in the Hassayampa subdivision on 99 individual meters and approximately 7,000LF of water main after multiple main line breaks in the area.
- The SCADA Integration project was completed and turned over to the City. The Utilities Division has been adjusting, tuning and coordinating the SCADA radio network to maintain communications.
- The expansion of the Wastewater Collections Building was completed to provide space for personnel and equipment.
- Wastewater Operations supported FY20 pipe bursting in several locations downtown and around surrounding areas to replace undersized vitrified clay pipe (VCP) which was in poor condition, with new 8-inch high density polyethylene (HDPE) pipe.
- Wastewater Operations successfully completed an internal project to rehabilitate the existing Auxiliary Dam at Watson Lake.
- Wastewater Operations operated and maintained City recharge facilities and assets to maximize the recharge for the City in FY20.

Public Works

Expenditure Budget

Utilities

Expenditure Summary

	FY18 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$ 4,891,077	\$ 5,479,887	\$ 5,366,963	\$ 5,539,071	1%
Supplies	1,463,715	1,671,275	1,376,932	1,694,075	1%
Internal Charges	3,380,222	3,737,268	3,718,580	4,084,593	9%
Other Services & Charges	5,118,241	7,065,696	5,805,543	6,773,399	-4%
Debt Service	<u>2,196,281</u>	<u>8,186,402</u>	<u>7,507,548</u>	<u>8,419,941</u>	3%
Subtotal Operations	17,049,536	26,140,528	23,775,566	26,511,079	1%
Capital	<u>172,307</u>	<u>4,275,108</u>	<u>2,755,151</u>	<u>132,027</u>	-97%
Total	\$ 17,221,844	\$ 30,415,636	\$ 26,530,717	\$ 26,643,106	-12%

Capital Detail

Vehicle Replacements - Public Works	<u>132,027</u>
	\$ 132,027

Budget Notes and Significant Changes: Increased Internal Charges is the result of the methodology used to calculate the cost recoveries from other funds. This is based on the budget compared to the City as a whole so it can fluctuate yearly.

Public Works

Authorized Staffing Summary

	FY19	FY20	FY21
Authorized Staffing Level	<u>71.09</u>	<u>73.66</u>	<u>73.66</u>
Public Works Director ¹	0.50	0.50	0.50
City Engineer ²	0.66	0.66	0.66
Utilities Manager	1.00	1.00	1.00
Admin Support Services Manager ¹	0.50	0.50	0.50
Construction Services Manager ³	0.66	0.66	0.66
Senior Infrastructure Analyst	1.00	1.00	1.00
Civil Engineer ⁴	0.00	0.67	0.67
Water Resource Administrator	1.00	1.00	1.00
Water Superintendent	1.00	1.00	1.00
Wastewater Superintendent	1.00	1.00	1.00
Development Services Facilitator ⁴	0.60	0.60	0.60
Water Operations Supervisor	2.00	2.00	2.00
Wastewater Collection Supervisor	1.00	2.00	2.00
WW Treatment Plant Ops Supv	2.00	1.00	1.00
Public Works Analyst ¹	0.50	0.50	0.50
Environmental Coordinator ⁴	0.00	0.20	0.20
Water Resource Specialist	1.00	1.00	1.00
Senior Engineering Technician	0.00	1.00	1.00
Contract/Purchasing Administrator ¹	0.50	0.50	0.50
Senior WWTP Operator	2.00	2.00	2.00
WWTP Operator	5.00	5.00	5.00
WWTP Lab Tech/Relief Operator	1.00	1.00	1.00
Engineering Technician ⁴	0.00	0.60	0.60
Building Inspector ⁴	0.00	0.50	0.50
Elect Maint & SCADA Tech	1.00	1.00	1.00
Maintenance Specialist	5.00	4.00	4.00
Water Protection Specialist	1.00	1.00	1.00
Water Operator	5.00	5.00	5.00
Business Manager ³	0.00	0.50	0.50
Water Protection Inspector	1.00	1.00	1.00
Senior Utility Worker	11.00	11.00	11.00
Permit Technician/Plans Examiner ⁴	0.00	0.60	0.60
Dev Coord/Records Control ³	0.67	0.67	0.67
Accounts Payable/Purch Spec ¹	0.50	0.50	0.50
Administrative Assistant	0.50	0.00	0.00

Public Works

Authorized Staffing Summary - continued

	FY19	FY20	FY21
Utility Worker	19.00	19.00	19.00
Administrative Specialist	2.00	2.00	2.00
Secretary ¹	1.50	1.50	1.50
¹ Also charged to Street Maintenance and Solid Waste			
² Remainder charged to Utilities			
³ Charged to Street Maintenance also			
⁴ Partially charged to Engineering			

Public Works

Solid Waste

Division Mission

Support the City of Prescott's quality of life and economic prosperity by providing solid waste services in an environmentally, fiscally responsible and customer service oriented manner. Educate and encourage waste reduction and recycling practices. Divert inert and organic materials from the landfill by processing them into valuable recycled commodities such as clean aggregate fill and wood chips.

Services

The Solid Waste Division manages municipal solid waste City-wide. The Division provides solid waste and recycling collection services to City residents and commercial customers; operates a 250 ton-per-day Transfer Station; and provides post closure care of the City's closed landfill.

FY2021 Objectives

- Provide quality, customer service oriented Solid Waste recycling and disposal services to protect the health and safety of the community.
- In collaboration with IT Department, create a geographic information system designed to calculate more efficient routes for the solid waste collection and transport to Transfer Station. Develop a web-based platform for use by staff.
- Increase public education and outreach to decrease contamination of City's comingled recycle stream as measured by quarterly audits of transfer trailers at the Phoenix Northgate Transfer Station and Materials Recovery Facility.
- Reach and exceed the 30.5% ICMA waste diversion metric, the Division will engage with schools, community organizations and local businesses with a "Recycle Right" education campaign to reduce contaminated loads and meet today's stricter materials processing standards.

Measure Type	Performance Measure	FY19 Actual	FY20 Target	FY20 Estimate	FY21 Target
Outcome	Tons of Metal Diverted	205.75	208	205	212
Outcome	Tons of Inert Debris Diverted	4,763.24	5,100	4,900	5,200
Outcome	Tons of Wood Waste Diverted	4,250.03	4,200	4,400	5,000
Outcome	Tons of Co-mingled Recycle Diverted	5,454.02	5,600	5,900	6,200
Outcome	Percentage waste diverted from landfill for material collected	29.60%	31%	30%	31%
Outcome	Public Education and Outreach	N/A*	8	10	15
Outcome	Recycle Contamination Rate	N/A*	35%	35%	32%

*New Measure

Analysis of performance:

There has been an increase in the diversion of scrap metals due to improved separation at Transfer Station's service bays, relatively strong metals markets over time, and an improved reimbursement system due to department-wide contract with metal recycling vendor.

Both inert debris and wood waste continue to grow in volume due to a strong economy (home improvement projects, growing residential and commercial development), and citizen awareness to City of Prescott, Arizona

Public Works

maintain the quality of living in the Prescott area by reducing threat of wildfire in the wildland/urban interface. To incentive the latter, the Solid Waste Division continues to offer free brush debris drop off in month of June each year. Materials are chipped and given back to community for free.

The diversion rate continues to moderately increase year after year due to continued public education and outreach events. Due to global and national changes in recycling commodities markets, the success of recycling will be measured less on the volume of materials collected, but rather the quality (level of contamination) of recyclables set curbside.

FY2020 Major Achievements

- Supported implementation of computerized asset management system for commercial garbage and recycling dumpsters, including shared dumpsters.
- Supported implementation of Pre and Post electronic inspection forms for drivers and Equipment Mechanic for collection trucks.
- Balanced existing residential collection routes to evenly distribute the number of households served per route, per day, in each collection area.
- The spring bulk item collection event collected 577.12 tons captured at the curb – a 133% increase from the 2019 event.
- Completed curbside Household Hazardous Waste collection for 633 Prescott residents in March of 2020 diverting 12 tons of hazardous materials from being flushed, poured into storm drains or dumped into ditches.
- Transfer Station usage increased 25.15% from Jan – May 2020.
- Completed installation of new Transfer Station crane arm.

Expenditure Budget

Solid Waste

Expenditure Summary

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$ 1,950,163	\$ 2,265,398	\$ 2,245,888	\$ 2,233,495	-1%
Supplies	558,483	635,800	618,287	721,500	13%
Internal Charges	1,572,232	1,625,361	1,426,824	1,916,206	18%
Other Services & Charges	3,700,264	3,608,320	2,940,341	3,620,460	0%
Debt Service	-	144,548	144,548	144,548	
Subtotal Operations	7,781,142	8,279,427	7,375,888	8,636,209	4%
Capital	10,266	1,355,000	570,882	2,146,100	58%
Total	\$ 7,791,408	\$ 9,634,427	\$ 7,946,770	\$ 10,782,309	12%

Capital Detail

Vehicle Replacement - Solid Waste Division	\$ 2,100,000
Animal Proof Garbage Cans	\$ 25,000
10-Yard Roll Off Boxes	21,100
	\$ 2,146,100

Public Works

Budget Notes and Significant Changes: The increases in Supplies and Internal Services Charges relates to anticipated maintenance and repair on the City Landfill. Per Federal and State Regulations the City of Prescott is required to continue monitoring and maintaining the landfill to protect against the release of hazardous constituents to the environment. FY21 will assist in correcting the effects of erosion and settlement that damage the final cover.

Authorized Staffing Summary

	FY19	FY20	FY21
Authorized Staffing Level	<u>29.75</u>	<u>30.75</u>	<u>30.75</u>
Public Works Director ¹	0.25	0.25	0.25
Traffic Engineer ²	0.50	0.50	0.50
Admin Support Services Mgr ¹	0.25	0.25	0.25
Solid Waste Superintendent	1.00	1.00	1.00
Public Works Analyst ¹	0.25	0.25	0.25
Solid Waste Supervisor	2.00	2.00	2.00
Contract/Purch Administrator ¹	0.25	0.25	0.25
Senior Equipment Operator	3.00	3.00	3.00
Business Manager ²	0.50	0.75	0.75
Equipment Mechanic	1.00	1.00	1.00
Equipment Operator	13.00	14.00	14.00
Accounts Payable/Purch Spec ¹	0.25	0.25	0.25
Administrative Assistant	0.25	0.00	0.00
Accounting Clerk	1.00	1.00	1.00
Secretary ¹	0.25	0.25	0.25
Fee Booth Attendant	1.00	1.00	1.00
Maintenance Worker	5.00	5.00	5.00
¹ Also charged to Street Maintenance and Utilities			
² Remainder charged to Street Maintenance			

Public Works

Street Maintenance

Division Mission

To support the City of Prescott's quality of life and economic prosperity by providing high quality, cost effective management of the City's roadway system through quality maintenance, environmentally safe, accessible streets.

Communication and outstanding customer service. Maintain drainage system to protect the environment and assure that every resource is managed in a sustainable manner.

Maintain serviceable, environmentally safe, accessible streets; an effective storm water drainage system; informative signage; and aesthetically pleasing rights-of-way for residents and visitors.

Maintain a serviceable, safe, accessible street signage, striping, traffic control and signalization system that meets regulatory requirements and supports the City of Prescott's quality of life and economic prosperity by providing high mobility and efficient transport of people, goods and services throughout the City.

Services

Street Operations performs maintenance of pavement, curb & gutter, street sweeping, pothole repair, crack sealing, right-of-way, including weeds, brush, trees and sight-distance issues City-wide. The City's drainage infrastructure, pedestrian safety devices, hand rail, and guard rail are also part of the services provided by this division. The Division also responds year-round to rain and snow storms, including the ensuing clean-up requirements.

Traffic Engineering and Transportation planning includes, the evaluation, design and maintenance of signals, signage and pavement markings, traffic calming and other measures to increase safety and minimize delays. The Division also provides review of construction and special event traffic control plans, and barricade setup for city sponsored events.

FY2021 Objectives

- Ensure city streets are well maintained through an effective maintenance plan.
- Implement preventative maintenance practices to include crack sealing operations, repair of utility asphalt cuts in the roadway and repair or replacement of mill paved roads.
- Proactively repair pot holes on all arterial, collector and residential streets.
- Proactively prepare for snow events by outfitting all snow response equipment prior to events.
- Improve traffic safety, minimize delay and reduce City liability through a modern well maintained traffic control system and high quality pavement markings.
- Improve the quality of private development and capital improvement projects within the City by reviewing and implementing traffic standards and overseeing the traffic impact analysis (TIA) process.

Public Works

Measure Type	Performance Measure	FY19 Actual	FY20 Target	FY20 Estimate	FY21 Target
Output	Weeks in average sweeping cycle for residential and collector streets	17	17	17	17
Outcome	Activate snow response prior to accumulation of snow on the street network	50%	100%	100%	100%
Outcome	Prepare equipment for snow response prior to events	N/A	100%	100%	100%
Output	Inspect drainage ways and structures 2 times annually	100%	100%	100%	100%
Outcome	Traffic signal and roundabout call-out maintenance/repairs made within 4 hours of notification. ¹	87%	85%	88%	85%
Outcome	Traffic request is resolved within 2 weeks of initial citizen contact.	91%	94%	85%	94%
Outcome	Percentage of regulatory signing replaced in priority intersections within 8 hours	100%	100%	100%	100%
Outcome	Inspect and replace 12.5% of over 10,000 signs per year	980	1,250	1,000	1,250

Analysis of performance:

The Division was able to meet the primary goals set for FY20, including a 50% increase in activating its snow response to meet the FY20 target of 100% due to a reorganization of crew stand-by and equipment readiness protocols. With the addition of a self contained hot patch truck the Division was able to make more permanent repairs to potholes Citywide, thus reducing or eliminating the need to revisit the same areas repeatedly.

With increased precipitation resulting in increased tree and brush growth, the Division trimmed in excess of twice the cubic yards in FY20 compared with FY19 outcomes. This results in safer sight distances at intersections and curves for traffic and reduces sidewalk and roadway intrusions making it safer for pedestrians.

¹Some traffic signal maintenance requires traffic control or repair parts that may not be available the same day. The 85% target allows for 15% of the requests to be of this type.

Due to a position vacancy sign replacement was reduced, however this is anticipated to meet the FY21 target.

FY2020 Major Achievements

- Poured 1,084 square feet of flat concrete work throughout the City to include sidewalk repairs on Montezuma, Iron Springs, Nightshade, Montana and Miller Valley.
- Replaced 838 feet of curb and gutter to include gutter pan on Alarcon, Willow Creek, Rainbow Ridge and Virginia.
- Permanently repaired 1,757 potholes throughout the City using the new patch truck.
- Repaired 110,763 square feet of asphalt, including Grove, Thumb Butte, Mt Vernon, Oak St, Willis, Arena, Dragonfly, S Burro, and Yolo.
- Swept 9,442.71 lane miles of city streets.
- Performed general cleaning to the downtown area daily. Also, periodic pressure washing for sidewalks, (41,231 sqft), and repainting curb, (4,504 linear ft.).
- Removed 286 nuisance trees and trimmed 330,613 cubic yards of brush and trees.

Public Works

- Mowed and manually removed weeds from over 1,646 acres of City right of way and property.
- Snow plowed 23,078 miles of streets.
- Installation of new solar powered rectangular rapid flashing beacon sign assemblies at the SR89 at Willow Lake Road Roundabout.
- Completed the installation of the pedestrian scramble intersection control at Montezuma at Gurley Street downtown.
- Completed the West Gurley Street striping modification, improving operations and safety.
- Installed five (5) news racks for neighborhood services downtown.
- Completed the Granite at Willis Street striping modification adding a dedicated turn pocket, improving operation and safety.
- Completed emergency replacement of traffic signal at Pioneer Parkway and Willow Creek Road for Yavapai County.
- Managed the Annual Pavement Marking Contract, painting 597,000 linear feet of long line.
- Installed new antique globe street light systems on East Goodwin Street, S. Cortez Street and W. Carleton within the Central Business and Historic Districts.
- Installed the 4-Points Intersection traffic and pedestrian safety improvements.
- Constructed Whiskey Row Alleyway safety lighting and archway foundations.
- Maintained 54 traffic signals and 5 roundabouts.
- Provided traffic control plans and/or plan review for 64 special events.
- Provided traffic control barricade setup for 6 city sponsored events each year.
- Responded to 182 traffic requests.
- Reviewed and approved 280 construction traffic control plans.
- Installed street light mounted Christmas decorations.
- Replaced and upgraded 233 signs and posts through ADOTs CYMPO HSIP Phase IV grant program.

Expenditure Budget

Street Maintenance

Expenditure Summary

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$ 3,027,136	\$ 2,986,872	\$ 2,988,305	\$ 2,907,568	-3%
Supplies	452,243	720,399	564,807	757,825	5%
Internal Charges	849,875	694,553	694,128	726,665	5%
Other Services & Charges	927,006	1,295,153	1,272,204	1,209,034	-7%
Debt Service	<u>2,206,647</u>	<u>2,188,759</u>	<u>18,519,050</u>	<u>1,960,410</u>	-10%
Subtotal Operations	7,462,908	7,885,736	24,038,494	7,561,502	-4%
Capital	<u>526,657</u>	<u>1,577,370</u>	<u>1,193,170</u>	<u>1,318,243</u>	-16%
Total	\$ 7,989,565	\$ 9,463,106	\$ 25,231,664	\$ 8,879,745	-6%

Public Works

Capital Detail

Vehicle Replacements -Street Maintenance	\$ 1,008,243
Intersection Signalization	220,000
Snow Equipment	<u>90,000</u>
	<u>\$ 1,318,243</u>

Budget Notes and Significant Changes: No significant changes.

Authorized Staffing Summary

	FY19	FY20	FY21
Authorized Staffing Level	<u>35.42</u>	<u>35.42</u>	<u>35.42</u>
Public Works Director ¹	0.25	0.25	0.25
Traffic Engineer ²	0.50	0.50	0.50
Admin Support Services Mgr ¹	0.25	0.25	0.25
Construction Services Mgr ³	0.34	0.34	0.34
Street Maintenance Supt	1.00	1.00	1.00
Traffic Signal Supervisor	1.00	1.00	1.00
Public Works Analyst ¹	0.25	0.25	0.25
Street Maintenance Supervisor	2.00	2.00	2.00
Traffic Control Supervisor	1.00	1.00	1.00
Contract/Purch Administrator ¹	0.25	0.25	0.25
Traffic Signal Specialist	2.00	2.00	2.00
Traffic Engineering Technician	1.00	1.00	1.00
Business Manager ¹	0.50	0.75	0.75
Senior Equipment Operator	3.00	2.00	2.00
Equipment Service Technician	2.00	2.00	2.00
Dev Coord/Records Control ³	0.33	0.33	0.33
Equipment Operator	15.00	15.00	15.00
Traffic Control Worker	2.00	2.00	2.00
Accts Payable/Purch Spec ¹	0.25	0.25	0.25
Administrative Assistant	0.25	0.00	0.00
Accounting Clerk	0.00	1.00	1.00
Secretary ¹	0.25	0.25	0.25
Maintenance Worker	2.00	2.00	2.00

¹Also Charged to Solid Waste and Utilities

²Remainder charged to Solid Waste

³Charged to Utilities also

Recreation Services

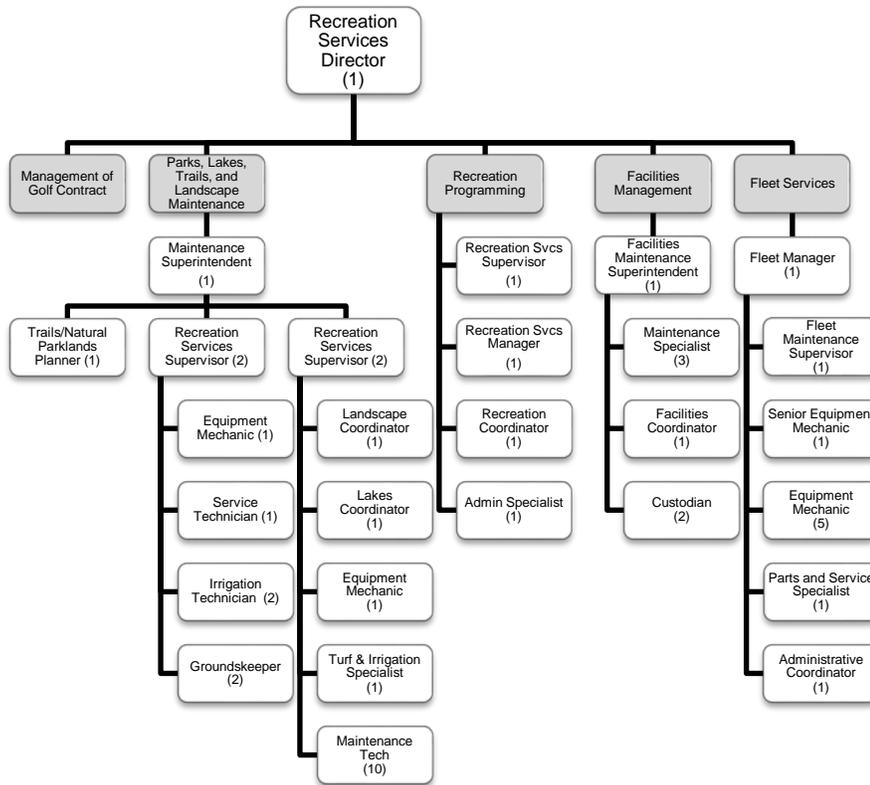
Department Mission

To preserve, protect, and enhance the parklands, public open spaces, trails, lakes, and golf course for the benefit of City of Prescott Citizens and visitors. To maintain City owned vehicles and facilities in a safe, clean, and efficient manner. To promote tourism and its associated economic benefits through hosting and facilitating events.

Services

The Recreation Services Department is responsible for the parks, lakes, trails, sports tournaments, Antelope Hills Golf Course, special events, city facilities and fleet. In addition to these responsibilities Recreation Services is responsible for all associated maintenance within these areas.

Organization and Personnel



Department Summary - Staffing by Division

	FY19	FY20	FY21
Parks, Lakes, Trails, and Lands.	25.00	27.00	27.00
Recreation Programming	5.00	4.00	4.00
Facilities Management	7.60	7.00	7.00
Fleet Services	<u>9.40</u>	<u>10.00</u>	<u>10.00</u>
Total Authorized Positions	47.00	48.00	48.00

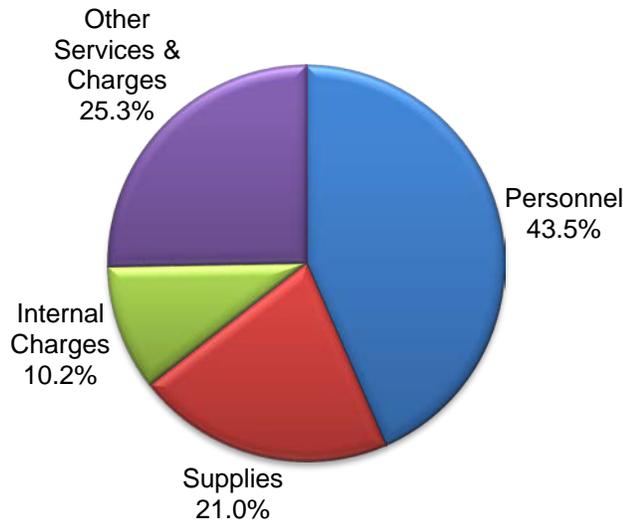
Recreation Services

Expenditure Budget

Department Summary - Expenditure by Type

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$3,636,917	\$ 4,067,607	\$3,921,552	\$ 4,015,911	-1%
Supplies	1,915,309	1,967,198	1,970,078	1,941,661	-1%
Internal Charges	925,692	967,520	952,170	944,452	-2%
Other Services & Charges	<u>2,160,010</u>	<u>2,383,809</u>	<u>2,379,370</u>	<u>2,336,962</u>	-2%
Subtotal Operations	8,637,928	9,386,134	9,223,170	9,238,986	-2%
Capital	<u>885,345</u>	<u>4,509,835</u>	<u>425,269</u>	<u>2,969,485</u>	-34%
Total	\$9,523,273	\$13,895,969	\$9,648,439	\$ 12,208,471	-12%

Recreation Services FY21 Operating Expenditure Budget by Type



Department Summary - Operating Expenditures by Division and Capital

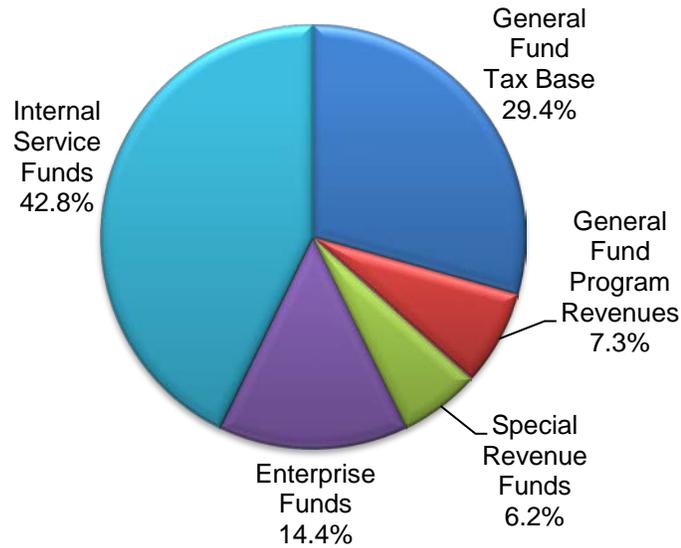
	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Parks, Lakes, Trails, and Lands.	\$3,834,944	\$ 4,220,970	\$4,325,624	\$ 4,337,531	3%
Recreation Programming	807,586	874,478	797,021	789,191	-10%
Facilities Management	1,757,199	1,864,321	1,696,961	1,717,648	-8%
Fleet Services	<u>2,238,199</u>	<u>2,426,365</u>	<u>2,403,564</u>	<u>2,394,616</u>	-1%
Subtotal Operations	8,637,928	9,386,134	9,223,170	9,238,986	-2%
Capital	<u>885,345</u>	<u>4,509,835</u>	<u>425,269</u>	<u>2,969,485</u>	-34%
Total	\$9,523,273	\$13,895,969	\$9,648,439	\$ 12,208,471	-12%

Recreation Services

Department Summary - Funding Sources

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
General Fund Source of Funds					
Tax Base	\$2,446,772	\$ 4,376,321	\$3,002,199	\$ 3,263,026	-25%
Licenses & Permits	590	500	500	500	0%
Charges for Services	666,817	643,200	582,553	655,900	2%
Miscellaneous	19,778	25,000	25,000	25,000	0%
General Fund Budget	3,133,957	5,045,021	3,610,252	3,944,426	-22%
Special Revenue Funds	500,434	2,726,150	388,869	2,742,462	1%
Enterprise Funds	2,051,722	1,733,865	1,654,558	1,515,824	-13%
Internal Service Funds	3,837,162	4,390,933	3,994,760	4,005,759	-9%
Total	\$9,523,273	\$13,895,969	\$9,648,439	\$ 12,208,471	-12%

**Recreation Services Operations Funding Sources
FY21 Budget**



Department Funding Sources: The General Fund provides for most of the operational funding for the Parks, Lakes, Trails, and Landscape Maintenance as well as Recreation programming. Charges for services include parking fees, tournament fees, and facility rentals. Special Revenue Funds account for open space capital projects, grants, and donations. Golf course maintenance is sourced to the Golf Course Enterprise Fund. Facilities Management and Fleet Services operate as Internal Service Funds.

Recreation Services

Parks, Lakes, Trails, and Landscape Maintenance

Division Mission

To provide safe, enjoyable, attractive, parks, lakes, trails, golf facilities and programs with responsive service which enhance our quality of life and preserve the natural and recreational assets of the City of Prescott.

Services

The Parks, Lakes, Trails, and Landscape Maintenance Division is responsible for maintenance of the City's parks, lakes, trails, right of way landscape, and golf facilities.

FY2021 Objectives

- Complete construction of playground and splash pad near Hilton Garden Inn
- Complete construction of West Granite Creek Park
- Complete construction of Lower Goldwater Lake improvements
- Close sale of 324+/- acres in Granite Dells
- Successfully make application for and receive grant funding from Arizona State Parks for implementation of the Granite Creek corridor master plan
- Complete Peavine Trail connection to Chino Valley
- Increase revenue generated from user fees

Measure Type	Performance Measure	FY19 Actual	FY20 Target	FY20 Estimate	FY21 Target
Output	Revenue generated from parking fees	\$300,963	\$300,000	\$300,000	\$310,000
Output	Revenue generated from Ramada rentals	\$65,486	\$74,500	\$74,000	\$76,000
Output	Number of miles of trail in the City's Mile High trail system	100	115	112	120
Output	Total golf rounds played		75,600	78,000	78,500
Output	Total golf revenue		\$3,200,000	\$3,300,000	\$3,350,000

FY2020 Major Achievements

- Addition of 4 more Pickleball courts
- Addition of restroom at Constellation trail head parking lot
- Upgrade to LED lights in Pioneer Parking lot

Recreation Services

Expenditure Budget

Parks, Lakes, Trails, and Landscape Maintenance

Expenditure Summary

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$1,862,140	\$2,124,997	\$2,154,751	\$2,260,033	6%
Supplies	645,812	556,148	641,058	602,561	8%
Internal Charges	309,682	321,341	320,934	322,175	0%
Other Services & Charges	<u>1,017,310</u>	<u>1,218,484</u>	<u>1,208,881</u>	<u>1,152,762</u>	-5%
Subtotal Operations	3,834,944	4,220,970	4,325,624	4,337,531	3%
Capital	<u>326,501</u>	<u>4,259,835</u>	<u>418,531</u>	<u>2,969,485</u>	-30%
Total	\$4,161,445	\$8,480,805	\$4,744,155	\$7,307,016	-14%

Capital Detail

Open Space Acquisitions	\$1,800,485
West Granite Creek Park Improvements	1,000,000
Peavine to Glassford Hill Trail Connection - State Parks Grant	81,000
Golf Course Irrigation System Consulting	25,000
Goldwater Lake Ramada Refurbishment	20,000
Centennial Center Equipment	20,000
Picnic Tables	15,000
Manzanita Grill Equipment	<u>8,000</u>
	<u>\$2,969,485</u>

Recreation Services

Authorized Staffing Summary			
	FY19	FY20	FY21
Authorized Staffing Level	<u>25.00</u>	<u>27.00</u>	<u>27.00</u>
Recreation Services Director	1.00	1.00	1.00
Maintenance Superintendent	1.00	1.00	1.00
Golf Grounds Superintendent	1.00	0.00	0.00
Trails/Natural Parkland Coord.	1.00	1.00	1.00
Recreation Services Supervisor	2.00	4.00	4.00
Assistant Golf Course Super.	2.00	0.00	0.00
Landscape Coordinator	1.00	1.00	1.00
Lakes Coordinator	1.00	1.00	1.00
Equipment Mechanic	2.00	2.00	2.00
Turf & Irrigation Specialist	1.00	1.00	1.00
Maintenance Technician	6.00	10.00	10.00
Irrigation Technician	2.00	2.00	2.00
Comm. Svcs. Work Monitor	1.00	0.00	0.00
Service Technician	1.00	1.00	1.00
Groundskeeper	2.00	2.00	2.00

Budget Notes and Significant Changes: Personnel is deceptively up in this division, but it is just the reflection of moving employees from other divisions to this area. Overall, the department does not have a significant increase. The Supplies category has increased with increases in janitorial supplies and gas, oil, and lubricants.

Recreation Services

Recreation Programming

Division Mission

To organize and provide recreational and leisure opportunities for citizens and visitors of all ages and abilities. Live, Work and Play in Prescott.

Services

The Recreation Programming Division provides a variety of recreational programming opportunities to our residents and surrounding communities. These include adult sports leagues in softball, basketball, volleyball and tennis, special needs programming and contract classes. The Recreation Programming Division is also the primary contact for all the Department’s revenue securing and scheduling management that include the Grace Sparkes Memorial Activity Center, and rentals of fields, ramadas, camping, Trek about, and parking passes.

FY2021 Objectives

- Improve Online Registration Process for Leagues, parking passes, and other services through city website
- Transition concessions contract partnership to new non-profit group taking over from long standing concessionaire
- Provide Recreational program services to enhance the quality of life to all who live, work and play in Prescott
- Offer quality adult sports leagues that maintain high participation and satisfied customers
- Maximize sports calendar with youth events that attract families during peak seasons increasing economic impact
- Create new Teen Task Force program to provide opportunities for teens to serve community groups through public and private partnerships through projects and services.
- Increase number of Grace Sparkes Activity Center rentals to increase revenues
- Offer Free Family Movie nights at Ken Lindley Field

Measure Type	Performance Measure	FY19 Actual	FY20 Target	FY20 Estimate	FY21 Target
Outcome	Average rating by league managers, achieve at least 4.0 out of 5.0	4.41	4.70	4.6	4.75
Output	Total number of Special Needs events that attract at least 50 participants	18	24	18	24
Output	Increase the number of Shoulder season events (October-March)	4	5	5	7
Output	Total Tournaments attracted	36	37	37	43
Outcome	Direct Spending for tournament participation	\$2.565M	\$2.8M	\$2.767M	\$3.0M
Output	Number of Special events on City property	63	70	70	75

Recreation Services

FY2020 Major Achievements

- Introduced WiFi access throughout the GSAC and provide true digital marketing in the building to our customers
- Continue to expand GSAC major event usage, trainings and increased charter school rentals for sporting events that increased revenues to our division
- Partner with Prescott Pickle ball Association to complete four more courts and increase number of programs, membership and tournaments
- Improvement to the Special Needs Adult Program with hiring of new special needs coordinator who is increasing participation and volunteer support
- Maximized Sporting Events Calendar weekend use during peak season and increased direct spending/economic impact with more youth sporting events
- Veteran’s Day Parade has become the 2nd largest parade in the state behind the City of Phoenix
- Worked with Facilities Division to complete the upgrade of exterior windows throughout the Grace Sparkes Activity Center along with repainting the gym
- Increased the number of Adult Sports League teams from 254 to 260 including a new Coed Kickball league to expand in 2021
- Increased the number of Special Events from 63 to 70 events

Expenditure Budget

Recreation Programming Expenditure Summary

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$ 492,285	\$ 520,754	\$ 488,984	\$ 483,468	-7%
Supplies	47,970	74,355	48,505	45,100	-39%
Internal Charges	184,708	197,819	191,328	196,073	-1%
Other Services & Charges	<u>82,623</u>	<u>81,550</u>	<u>68,204</u>	<u>64,550</u>	-21%
Total	\$ 807,586	\$ 874,478	\$ 797,021	\$ 789,191	-10%

Authorized Staffing Summary

	FY19	FY20	FY21
Authorized Staffing Level	<u>5.00</u>	<u>4.00</u>	<u>4.00</u>
Recreation Supervisor	1.00	1.00	1.00
Recreation Services Manager	0.00	1.00	1.00
Rec/Special Events Coordinator	1.00	0.00	0.00
Recreation Coordinator	1.00	1.00	1.00
Administrative Coordinator	1.00	0.00	0.00
Administrative Specialist	1.00	1.00	1.00

Budget Notes and Significant Changes: Personnel shows a decrease due to the shifting of one employee to another division. Supplies in FY20 included monies for repairs and remodeling areas of the Adult Center building which are not in FY21.

Recreation Services

Facilities Management

Division Mission

Provide safe, well maintained, energy efficient, and clean buildings and facilities that serve the needs of the public and employees of the City.

Services

The Facilities Management Division maintains 56 buildings comprising more than 323,287 square feet of office space, warehouses, and equipment bays. The Division also maintains the 175,000 square foot/ 500 space Garage on Granite parking structure, and provides maintenance oversight of the Prescott Rodeo Grounds, a 34-acre facility under lease to the Prescott Frontier Days and several other leases.

FY2021 Objectives

- Provide service and support to City Departments and functions
- Provide well-maintained buildings that serve the needs of the citizens and users through preventive maintenance, maintenance scheduling, and by providing thorough and correct repairs.
- Improve energy efficiency by replacing inefficient lighting
- Perform annual certification inspections on 8 portable lifts, 2 surface mounted lifts, 2 overhead cranes, 1 hoist. Perform required inspections on 16 generators.
- Perform regular preventive maintenance (PM's) and filter changes twice per year on 130 package and split HVAC systems, and 74 mini-split HVAC systems.

Measure Type	Performance Measure	FY18 Actual	FY19 Target	FY19 Estimate	FY20 Target
Outcome	Average rating out of 100% satisfaction with facility services	95%	97%	97%	97%
Efficiency	Percentage of Facility Fund building fixtures converted to LED	85%	100%	90%	100%
Outcome	Percentage of Facility Fund toilets and urinals converted to low flow or waterless	100%	100%	100%	N/A
Efficiency	Maintenance cost per square foot	\$2.99	\$2.95	\$2.95	\$2.95

FY2020 Major Achievements

- Completed the remodel of hanger Q at the Airport ,this entailed completing \$800,000 of improvements in 90 days
- Installed safety enhancements and cleaning protocols to adjust for COVID-19
- Completed major remodel and refurbishments to the Rowle P Simmons Adult Center
- Completed water infiltration improvements after major flooding in the basement of City Hall.

Recreation Services

Expenditure Budget

Expenditure Summary

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$ 611,102	\$ 660,247	\$ 507,447	\$ 528,126	-20%
Supplies	185,041	165,195	155,408	158,500	-4%
Internal Charges	130,089	153,904	153,656	146,122	-5%
Other Services & Charges	<u>830,968</u>	<u>884,975</u>	<u>880,450</u>	<u>884,900</u>	0%
Subtotal Operations	1,757,199	1,864,321	1,696,961	1,717,648	-8%
Capital	<u>558,845</u>	<u>250,000</u>	<u>6,738</u>	<u>-</u>	-100%
Total	\$2,316,044	\$2,114,321	\$1,703,699	\$1,717,648	-19%

Authorized Staffing Summary

	FY19	FY20	FY21
Authorized Staffing Level	<u>7.60</u>	<u>7.00</u>	<u>7.00</u>
Facilities Manager	1.00	1.00	0.00
Facilities Maintenance Super.	1.00	1.00	1.00
Maintenance Specialist	2.00	2.00	3.00
Contract Specialist	0.50	0.00	0.00
Facilities Coordinator	1.00	1.00	1.00
Administrative Coordinator	0.10	0.00	0.00
Custodian	2.00	2.00	2.00

Budget Notes and Significant Changes: Personnel decreases in FY21 as a result of the retirement of the Facilities Manager and subsequent reorganization.

Recreation Services

Fleet Services

Division Mission

Provide fleet management services that support City departments and functions by ensuring that City vehicles and equipment are available, dependable, and safe to operate.

Services

The Fleet Services Division strategically plans, maintains, acquires, and disposes of approximately 530 fleet vehicles and equipment through efficient fleet operations, ensuring transparency and accountability through a dedicated, highly trained, and certified fleet staff. The Division maintains a diversified shop that provides welding, machining, and metal fabrication services. To fulfill its mission, the Fleet Services Division manages the fleet in a manner that insures the lowest possible operating cost while maintaining consistently high mechanical reliability.

FY2021 Objectives

- Manage the fleet in a manner that insures vehicles and equipment are dependable and safe to operate.
- Ensure that the type and number of vehicles necessary and appropriate to meet the needs of the City are available to departments and functions.
- Provide monthly billing and work order information to each department.
- Perform proactive maintenance to reduce unscheduled down time repairs and costs.
- Reduce unscheduled repairs and maximize equipment availability to user departments.
- Warehouse, inventory, and issue parts to meet the need of the City fleet.

Measure Type	Performance Measure	FY19 Actual	FY20 Target	FY20 Estimate	FY21 Target
Outcome	Average customer satisfaction rating out of 100%	95%	95%	95%	100%
Efficiency	Mechanic Productivity Rate	80%	78%	75%	80%
Efficiency	Average Cost Per Mile: Refuse Trucks	\$3.45	\$3.38	\$3.40	\$3.38
Efficiency	Average Cost Per Mile: Police Vehicles	\$0.36	\$0.27	\$0.32	\$0.27
Efficiency	Average Cost Per Mile: Pickup Trucks	\$0.35	\$0.33	\$0.36	\$0.33
Efficiency	Average Cost Per Mile: Fire Equipment	\$3.55	\$3.51	\$3.51	\$3.50

FY2020 Major Achievements

- Completed 2,458 work orders
- Provided preventive maintenance for the approximately 548 City assets in accordance with original equipment manufacturers' (OEM) recommendations and performed fleet vehicle repairs as needed.
- Worked with Risk Management to have 49 vehicles repaired that were involved in an accident, and made sure the work was completed correctly.

Recreation Services

- Completed all paper work for newly purchased vehicles and equipment for City asset numbers and Arizona titles

Expenditure Budget

Fleet Services

Expenditure Summary

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$ 671,390	\$ 761,609	\$ 770,370	\$ 744,284	-2%
Supplies	1,036,487	1,171,500	1,125,107	1,135,500	-3%
Internal Charges	301,213	294,456	286,252	280,082	-5%
Other Services & Charges	<u>229,109</u>	<u>198,800</u>	<u>221,835</u>	<u>234,750</u>	18%
Total	\$2,238,199	\$2,426,365	\$2,403,564	\$2,394,616	-1%

Authorized Staffing Summary

	FY19	FY20	FY21
Authorized Staffing Level	<u>9.40</u>	<u>10.00</u>	<u>10.00</u>
Fleet Manager	1.00	1.00	1.00
Fleet Maintenance Supervisor	1.00	1.00	1.00
Senior Fleet Technician	1.00	0.00	0.00
Senior Equipment Mechanic	0.00	1.00	1.00
Contract Specialist	0.50	0.00	0.00
Equipment Mechanic	4.00	5.00	5.00
Parts and Service Specialist	1.00	1.00	1.00
Administrative Coordinator	0.90	1.00	1.00

Budget Notes and Significant Changes: Other services and charges reflects the higher cost of outsourcing some mechanical work.

Regional Communications

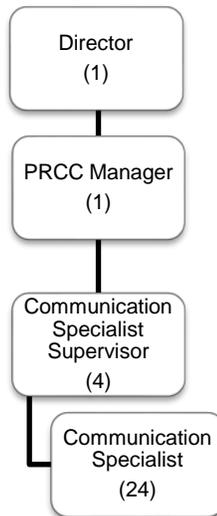
Department Mission

Provide superior public safety services to citizens, firefighters and officers through life saving techniques, accurate receipt and relay of critical information and expedient dispatch of fire and police personnel.

Services

The Prescott Regional Communications Center (PRCC) is responsible for answering 911 lines as well as emergency and non-emergency telephone calls. We are a primary Public Safety Answering Point (PSAP) and dispatch for 10 Partnered agencies; 6 fire and 4 police departments. In addition to call taking and dispatching police and fire personnel, staff is responsible to guide callers through CPR and Emergency Medical Dispatch (EMD); they are also responsible for entering and updating warrants, performing records searches through ACJIS of people, plates and items, running criminal histories, executing in-house searches of people and addresses, pulling numerous recordings for County Attorneys, citizens, command staff, and fire and police personnel.

Organization and Personnel



Department Summary - Staffing

	FY19	FY20	FY21
Authorized Staffing Level	<u>30.00</u>	<u>30.00</u>	<u>30.00</u>
Police Lieutenant	1.00	0.00	0.00
PRCC Director	0.00	1.00	1.00
PRCC Manager	1.00	1.00	1.00
Comm. Spec. Supervisor	4.00	4.00	4.00
Communications Specialist	24.00	24.00	24.00

Regional Communications

FY2021 Objectives

- Provide training, equipment and staffing to adequately comply with this national standard of one hundred percent (100%) of 911 calls arriving at the PRCC answered within ten (10) seconds.

Measure Type	Performance Measure	FY19 Actual	FY20 Target	FY20 Estimate	FY21 Target
Outcome	Answer 100% of 911 calls within ten seconds.	98.74%	99.00%	99.00%	99.25%
Outcome	Answer 100% of PRCC's seven 10-digit emergency lines within ten seconds.	98.95%	99.00%	99.00%	99.25%

FY2020 Major Achievements

- PRCC handled 221,149 inbound /outbound calls which included 81,981 fire, police and EMS responses.
- Maintained staffing levels in order to provide the best service to our partners.
- Hosted Emergency Medical Dispatch (EMD) class which was attended by nine dispatchers from various agencies/cities.
- Maintained active participation in Yavapai County Regional 9-1-1 committee whereby PRCC Supervisor/Interim Director is the Co-Chair.
- Maintained certification with the National Center for Missing and Exploited Children.
- Participated in several community events to include Shop with a Cop, National Night Out and Citizen Academies.
- Fulfilled 398 recording requests for partner agencies and prosecutor offices.
- Implemented PowerPhone (on-line EMD) software which is currently being installed and interfaced with our CAD.
- Implemented a APCO/NENA computer aided Quality Assurance program.
- Revised/rewrote the PRCC Procedural Manual.
- Continuous, in-house Trittech (CentralSquare) training of PRCC support personnel

Expenditure Budget

Department Summary - Expenditure by Type

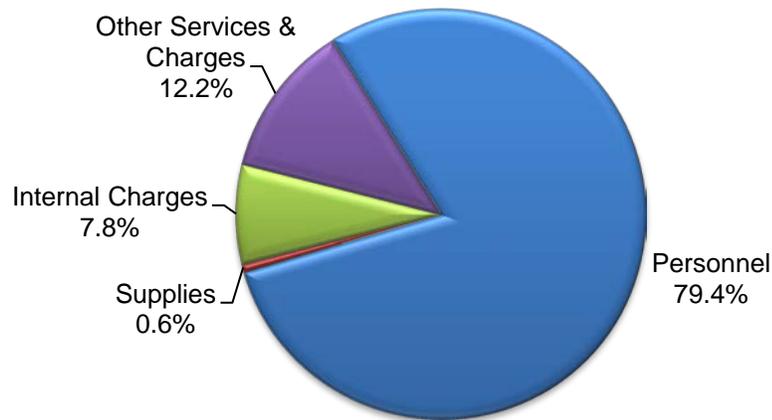
	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
Personnel	\$2,306,116	\$2,525,724	\$2,238,276	\$2,558,442	1%
Supplies	13,358	18,950	18,950	20,000	6%
Internal Charges	268,721	260,940	260,056	252,650	-3%
Other Services & Charges	250,534	393,300	393,300	392,250	0%
Subtotal Operations	2,838,729	3,198,914	2,910,582	3,223,342	1%
Capital	38,110	490,000	170,728	150,000	-69%
Total	\$2,876,839	\$3,688,914	\$3,081,310	\$3,373,342	-9%

Regional Communications

Capital Detail

Replacement Consoles for Dispatch	150,000
	\$ 150,000

**Regional Communications
FY21 Operating Expenditure Budget by Type**



Department Summary - Funding Sources

	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Budget	% Change Budget
General Fund Sources of Funds					
Tax Base	\$ 1,173,407	\$ 1,840,883	\$ 1,446,098	\$ 1,743,573	-5%
Charges for Services	<u>1,703,432</u>	<u>1,848,031</u>	<u>1,635,212</u>	<u>1,629,769</u>	-12%
General Fund Budget	\$ 2,876,839	\$ 3,688,914	\$ 3,081,310	\$ 3,373,342	-9%

Budget Notes and Significant Changes: No significant changes.

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

Capital Budget

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Capital Budget

Capital Budget Overview

The Capital Budget for the City of Prescott is significant and is presented in a separate section of this document to provide more detail. The Department Operational Plans included the total allocated for capital in each Department.

The City of Prescott plans for sustainable infrastructure improvements that keep pace with the growth of the community and meets the needs of the City’s residents. The City has significant investments in its streets, water infrastructure, wastewater infrastructure, public facilities, parks and other city infrastructure. In addition, capital investment is necessary to keep operations running smoothly such as vehicles, equipment, information technology, and facility improvements.

Capital expenditures are purchases that meet the following requirements:

1. Estimated useful life over one year
2. Unit cost of \$5,000 or more
3. If considered an addition or improvement to an existing asset, expenditure significantly increases the capacity of an asset or extends the useful life.

Funding for the capital budget is appropriated annually, however, many of these projects span multiple years. In this case, the budgeted amount in each year is the estimate for expenditures for that particular year. Requirements for funding projects are addressed each year prior to projects moving forward. Also, organizational changes, funding uncertainties, unforeseen emergencies, project delays, or plans by other governmental units can cause changes to the capital plan.

Long-range planning requires estimating and projecting of revenues as well as expenditures. This is a dynamic process and is reviewed each year during the budgeting process. Financing of capital expenditures from available funds, pay-as-you-go funding, is the least costly and most desirable method to cover capital expenditures. Every effort will be made to accumulate funds to allow this method of funding. Should the City not have sufficient funds available, it has a formal Debt Policy and issues debt for the purpose of acquiring or constructing capital projects including buildings, machinery equipment and furniture and fixtures. These needs are addressed through the budget process and the annual five-year capital improvement plan.

Capital Budget Categories

The capital budget is separated into three categories, which are defined in the following table.

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

Capital Budget Overview

Below is a summary of the budget in each category for FY21 as well as the projection for the next five fiscal years.

Capital Budget Category	5 Year Projection						Total
	FY21 Budget	FY22 Projection	FY23 Projection	FY24 Projection	FY25 Projection	FY26 Projection	
Operating Capital	\$ 480,767	\$ 807,172	\$ 201,813	\$ 201,000	\$ 230,500	\$ 101,000	\$ 2,022,252
Vehicle Replacements	4,546,531	930,000	175,000	175,000	400,000	1,000,000	7,226,531
Capital Improvement Plan	\$82,512,650	71,356,831	46,935,888	77,380,235	65,370,550	24,491,998	368,048,152
Total	\$87,539,948	\$73,094,003	\$47,312,701	\$77,756,235	\$66,001,050	\$25,592,998	\$377,296,935

The Capital Improvement Plan (CIP) is the largest component of the capital budget. The CIP identifies projects to be completed throughout the next five years. The plan outlines project costs, funding sources, and future operating costs associated with each capital improvement. Because these projects typically span more than one fiscal year, the plan is updated annually to track existing projects and to identify new projects.

The five-year Capital Improvement Plan is an important component of the City's budgeting process. It helps focus the budget process on a longer-term than just the next fiscal year. Here are some of the benefits from this longer-term approach:

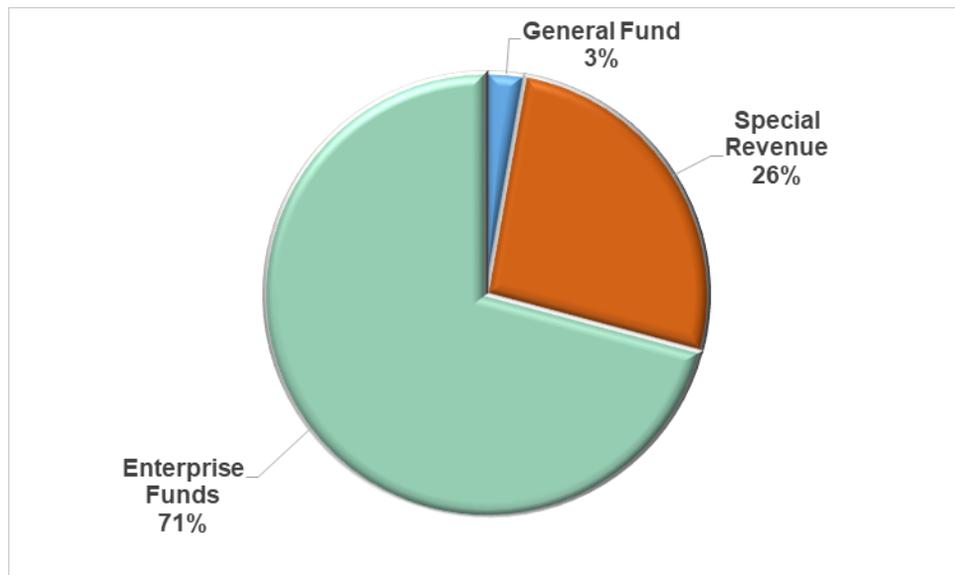
- Facilitates long-range financial planning, allowing us to look at not only what the community wants, but also what they can afford.
- Enhances coordination of capital improvements among City departments and other governmental agencies.
- Clearly identifies the Council's goals and their capital priorities to achieve those goals.

In developing this financial plan, current Council policies were used. The annual review and update of a long-term plan is an excellent opportunity to reexamine Council goals and policies.

Capital Budget Categories and Funding Sources

Funding Source	Capital Budget Category			Total
	Capital Improvement Plan	Vehicle Replacements and Additions	Operating Capital	
General Fund	\$ 955,938	\$ 1,216,261	\$ 266,667	\$ 2,438,866
Special Revenue				
Streets	\$ 19,894,944	\$ 1,098,243	\$ 50,000	\$21,043,187
Bed Tax				
Impact Fees	500,000		15,000	515,000
Trust Funds				
Grants	1,529,673			1,529,673
Total Special Revenue	\$ 21,924,617	\$ 1,098,243	\$ 65,000	\$23,087,860
Enterprise Funds				
Water	\$ 28,793,350	\$ 82,000		\$28,875,350
Wastewater	9,741,972	50,027		9,791,999
Solid Waste		2,100,000	46,100	2,146,100
Golf Course			53,000	53,000
Airport	21,096,773		50,000	21,146,773
Total Enterprise Funds	\$ 59,632,095	\$ 2,232,027	\$ 149,100	\$62,013,222
Total FY21 Budget	\$ 82,512,650	\$ 4,546,531	\$ 480,767	\$87,539,948

FY21 Capital Budget by Fund Type



FY21 Capital Budget Listing by Department

Page No.	Title	Funding	FY2021 Budget
<u>Airport - City Only Funded Projects</u>			
244	Airport Pavement Preservation Program - City	G	157,133
244	Airport Master Lock and Badging System	G	150,000
245	Runway 3R/21L Extension Focused Planning Study	G	60,000
245	New Terminal - Furniture, Fixtures, and Equipment	G	50,000
246	TSA Wing Removal	G	35,000
	Total Airport		452,133
<u>Airport - Grant Funded Projects</u>			
246	TWY C Realignment, RIM & Hotspot Mitigation	GR, G	9,000,000
247	Replacement Terminal	GR, G, A	8,864,640
247	Security Upgrades	GR, G	1,750,000
248	New Terminal - Baggage Handling System	GR, G	580,000
248	Runway 3R/21L Extension	GR, G	500,000
	Total Airport - Grants		20,694,640
<u>City Manager</u>			
249	Granite Creek Corridor Grant	GR	877,572
	Total City Manager		877,572
<u>Community Development</u>			
249	CDBG Grants	GR	348,466
	Total Community Development		348,466
<u>Fire Department</u>			
250	Fire Portable Radio Upgrade	G	395,000
250	Replacement Fire Truck	G	275,000
251	Fire Drill Ground Improvements	G	60,938
251	Skid Unit/Service Body (carryover)	G	45,600
252	Fire Records Management (RMS) carryover	G	20,667
	Total Fire Department		797,205
<u>Police Department</u>			
252	Vehicle Replacements	G	895,661
252	Fleet Cameras/Interview Room Cameras	G	76,000
	Total Police Department		971,661
<u>Recreation Services</u>			
253	Open Space Acquisition	S	1,800,485
253	West Granite Creek Park Improvements	G,IMP	1,000,000
253	Peavine to Glassford Hill Trail Connection Grant	GR	81,000
254	Goldwater Lake Ramada Refurbishment	G	20,000
254	Picnic Tables	IMP	15,000
	Total Recreation Services		2,916,485

FY21 Capital Budget Listing by Department

Page No.	Title	Funding	FY2021 Budget
<u>Recreation Services - Golf Course</u>			
254	Golf Course Irrigation System Consulting	GC	25,000
255	Centennial Center Equipment	GC	20,000
255	Manzanita Grill Equipment	GC	8,000
	Total Recreation Services - Golf Course		53,000
<u>Regional Communications</u>			
255	Replacement Consoles	G	150,000
	Total Regional Communications		150,000
<u>Public Works</u>			
<u>Street Circulation</u>			
256	Corsair Avenue Extension	S,W,GR	2,575,000
256	Willow Creek Road Curve Realignment	S	2,015,000
257	Intersection Signalization Project	S	220,000
257	Sidewalk Repair and Replacement Program	S	50,000
	Total Street Circulation		4,860,000
<u>Street Reconstruction</u>			
258	Penn Avenue and Eastwood Drive Reconstruction	S,W,WW	3,370,649
	S Summit Ave/S McCormick St/Beach Ave/Goodwin St		
258	Reconstruction	S,W,WW	300,000
259	Robinson Drive Reconstruction	S,W,WW	400,000
259	Miscellaneous Streets Projects	S	300,000
	Total Street Reconstruction		4,370,649
<u>Street Preservation, Rehabilitation and Maintenance</u>			
260	Pavement Preservation Program	S	11,000,000
	Total Street Preservation, Rehabilitation and Maintenance		11,000,000
<u>Water Distribution</u>			
260	Main Line Replacements	S,W,WW	3,344,000
261	Sundog Ranch Road Reconstruction and Water Line	W	1,128,310
	Zone 24/27 Water Pipeline Upsizing - Thumb Butte Road to		
261	Upper Thumb Butte Tank	W,WW	250,000
261	Downtown Water Main Replacement	W	150,000
262	Quaka Crossing - YPIT Water Main Upgrade	W	50,000
	Total Water Distribution		4,922,310

FY21 Capital Budget Listing by Department

Page No.	Title	Funding	FY2021 Budget
	<u>Water Production</u>		
	Water Production and Intermediate Pump Station, Tanks		
262	and Pipeline	WIFA	15,000,000
263	Zone 41 Mingus Pump Station, Tank and Pipeline	W	3,083,141
263	Production Well No. 5 AP - New	W	2,250,000
263	Zone 56 Tank and Pipeline and Zone 7 Pump Station	W	882,000
264	Zone 16 Virginia Pump Station, Haisley Tank and Pipelines, and Haisley Road Reconstruction	S,W	750,000
264	Zone 30 Pump Station	W	200,000
264	Zone 51 Water Main Connect to Northwest Regional Tank	W	200,000
	Total Water Production		<u>22,365,141</u>
	<u>Water Quality</u>		
265	Watson and Willow Lakes Enhancement Program (TMDL)	S,W,WW	75,000
	Total Water Quality		<u>75,000</u>
	<u>Wastewater Collections</u>		
265	Centralization - SR89 Lift Station	WIFA	2,880,000
266	Centralization - Sundog Trunk Main, Phase B	WIFA	2,366,000
266	Sundog Trunk Main, Phase C	W,WW	2,160,957
266	Centralization - Airport Trunk Main	WIFA	500,000
267	Willow Creek Gravity Sewer	WW	200,000
267	Unsewered Areas	WW	100,000
	Total Wastewater Collections		<u>8,206,957</u>
	<u>Solid Waste</u>		
267	Animal Proof Garbage Carts	SW	25,000
268	10-yd Roll Off Boxes	SW	21,100
	Total Solid Waste		<u>46,100</u>
	<u>Facility, Vehicles, Other Capital</u>		
268	New/Replacement Vehicles	S,SW	1,290,000
268	Carryover Replacement Vehicles	S,W,WW,:	1,950,270
268	Spreader Racks and Cinder Mix Station	S	500,000
269	Miscellaneous Water and Wastewater Projects	W,WW	462,600
269	Aerial, Digital Elevation Model, Contours	S,W,WW	109,759
270	Snow Plow Equipment	S	90,000
270	City Shop Underground Storage Tank	S,W,WW	30,000
	Total Facility, Vehicles, Other Capital		<u>4,432,629</u>

FY21 Capital Budget Listing by Department

Page No.	Title	Funding	FY2021 Budget
	Funding Summary, all projects		
	General Fund		2,366,396
	General Fund - PRCC partners		72,470
	General Fund - Airport		3,847,600
	General Fund - Golf Course		53,000
	Airport Grants		17,299,173
	Grants		1,529,673
	Streets		20,343,187
	Streets - County Contribution		700,000
	Parks Impact Fees		515,000
	Water		13,875,350
	Wastewater		1,885,042
	WIFA Loan Proceeds		22,906,957
	Solid Waste		2,146,100
			<u>87,539,948</u>

Capital Budget and Project Descriptions

Airport – City Only Funded Projects

Airport Pavement Preservation Program

Dept/Division: Airport
 Category: Capital Improvement Plan

Funding Plan	FY21 Budget	FY22 Projection	FY23 Projection	FY24 Projection	FY25 Projection	FY26 Projection	Total
General Fund	157,133	1,165,405	-	-	248,468	190,916	1,761,922

Description: FY21 – Runway 3L/21R, TWY A Crack Seal & Seal Coating (Base Bid + Alternate 1)
 FY22 – Runway 3L21R Overlay, Runway 12/30 (Section 10), TWY E & F, Crack Seal & Seal Coat and Markings
 FY25 – Runway 3R/21R, TWY A Crack Seal & Seal Coating
 FY26 – Runway 12/30 Seal Coat

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 life cycle of airport pavements and reduce the needs for more costly pavement overlays and/or reconstruction.

Airport Master Lock System

Dept/Division: Airport
 Category: Operating Capital

Funding Plan	FY21 Budget	FY22 Projection	FY23 Projection	FY24 Projection	FY25 Projection	FY26 Projection	Total
General Fund	150,000	-	-	-	-	-	150,000

Description: Design and construct upgrade airport master lock and key system for all airport facilities. This will be coordinated with the new Commercial Service Terminal and in preparation for the ARFF and Operations Building and the Security Upgrades.

Operating Impact: No additional increase over existing is expected.

Capital Budget and Project Descriptions

Runway 3R/21L Extension Focused Planning Study

Dept/Division: Airport
 Category: Operating Capital

Funding Plan	FY21 Budget	FY22 Projection	FY23 Projection	FY24 Projection	FY25 Projection	FY26 Projection	Total
General Fund	60,000	-	-	-	-	-	60,000

Description: Completion of Runway 3R/21L Extension Focused Planning Study. At the request of the Federal Aviation Administration (FAA), this planning study began in FY20 to evaluate the ultimate desired length of Runway 3R-21L to accommodate both the current 50-seat regional jet being used by the commercial carrier but also the critical aircraft (Embraer 170/175) as designated in the Airport Master Plan. The study looks at not only the length of the runway to meet air carrier demands, but also additional needs such as a relocated Air Traffic Control Tower and Aircraft Rescue and Firefighting facility to meet FAA Part 139 requirements. This design and construction will ultimately lengthen Runway 3R-21L and parallel taxiway C and relocate the Runway 21L Instrument Landing System to the northeast to a length determined by this Planning Study, anticipated to be an additional 2,381-3,381 additional feet in length.

Operating Impact: By extending the runway length there will be additional budget impact of pavement preservation, additional lighting, and signage required.

New Terminal – Furniture, Fixtures, and Equipment

Dept/Division: Airport
 Category: Capital Improvement Plan

Funding Plan	FY21 Budget	FY22 Projection	FY23 Projection	FY24 Projection	FY25 Projection	FY26 Projection	Total
General Fund	50,000	-	-	-	-	-	50,000

Description: Procurement of furniture, fixtures, and equipment for the new airport terminal.

Operating Impact: The furniture, fixtures, and equipment may need to be periodically repaired or replaced as it ages, but do not expect any ongoing impact to operating budget and will be one time procurement.

Capital Budget and Project Descriptions

TSA Wing Removal

Dept/Division: Airport
 Category: Capital Improvement Plan

Funding Plan	FY21 Budget	FY22 Projection	FY23 Projection	FY24 Projection	FY25 Projection	FY26 Projection	Total
General Fund	35,000	-	-	-	-	-	35,000

Description: Remove/relocate the modular wing currently being utilized for TSA screening and gate hold area at the existing terminal.

Operating Impact: Removal of this TSA Modular building will decrease utility costs associated with its utilization.

Airport – Grant Funded

Taxiway C Realignment, RIM & Hotspot Mitigation

Dept/Division: Airport
 Category: Capital Improvement Plan

Funding Plan	FY21 Budget	FY22 Proj	FY23 Proj	FY24 Proj	FY25 Proj	FY26 Proj	Total
Airport Fund/ Grant Match	9,000,000	5,525,000	-	-	-	-	14,525,000

Description: FY20 – CATEX and Design realignment/relocation of Taxiway C, parallel to Runway 3R-21L (primary runway) offset to the north to provide 400 feet between runway and taxiway centerlines per FAA separation requirements and Hotspot mitigation.
 FY21 – Construct realignment/relocation of Taxiway C, parallel to Runway 3R-21L (primary runway) offset to the north to provide 400 feet between runway and taxiway centerline per FAA separation requirements.

Operating Impact: No additional increase over existing is expected.

Capital Budget and Project Descriptions

Replacement Airline Terminal

Dept/Division: Airport
 Category: Capital Improvement Plan

Funding Plan	FY21 Budget	FY22 Proj	FY23 Proj	FY24 Proj	FY25 Proj	FY26 Proj	Total
Airport Fund/ Grant Match	8,864,640	-	-	-	100,000	1,000,000	9,964,000

Description: FY21 – Complete construction on new terminal building with support infrastructure
 FY25 – Design of terminal expansion
 FY26 – Construction of terminal expansion

Operating Impact: A larger terminal will increase electrical, water and wastewater costs. Additional janitorial costs are expected to maintain the facility. Additional personnel will be needed to handle landside operations (terminal and parking lot). Airport security personnel to oversee the Airport Security Program, to include background checks, fingerprinting and issuance of airport identification media.

Security Upgrades

Dept/Division: Airport
 Category: Capital Improvement Plan

Funding Plan	FY21 Budget	FY22 Proj	FY23 Proj	FY24 Proj	FY25 Proj	FY26 Proj	Total
Airport Fund/ Grant Match	1,750,000	-	-	-	-	-	1,750,000

Description: FY21 – Revalidate design and 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.

Operating Impact: This project will include replacing the current access control system and motorized gates which will reduce the time airport maintenance and operations staff spend continually repairing the existing gates and access control system. In addition, it will ultimately require the creation of an Airport Security Coordinator position to oversee the operation and administration of the access control system, airport badging system, and act as the primary airport security employee if the aircraft capacity exceeds 60 passengers. This position will include salary and benefits and regular training costs.

Capital Budget and Project Descriptions

New Terminal – Baggage Handling System

Dept/Division: Airport
 Category: Capital Improvement Plan

Funding Plan	FY21 Budget	FY22 Projection	FY23 Projection	FY24 Projection	FY25 Projection	FY26 Projection	Total
Airport Fund/Grant Match	580,000	-	-	-	-	-	580,000

Description: In conjunction with the new passenger terminal, this is for the procurement of the inbound and outbound baggage handling system for the terminal.

Operating Impact: Ongoing maintenance as needed as well as additional electricity when it is being operated.

Runway 3R/21L Extension

Dept/Division: Airport
 Category: Capital Improvement Plan

Funding Plan	FY21 Budget	FY22 Projection	FY23 Projection	FY24 Projection	FY25 Projection	FY26 Projection	Total
General Fund	500,000	2,000,000	3,800,000	20,000,000	20,000,000	-	46,300,000

Description: FY21: Environmental Analysis for the proposed Runway Extension
 FY22: Land Acquisition required for Runway Extension
 FY23 - Design of the Runway Extension to take the Runway to approximately 10,000 ft in length.
 FY24/25 - Construction of the Runway Extension to approximately 10,00 ft in length.

Operating Impact: Ultimately, by extending the runway length there will be additional budget impact of pavement preservation, additional lighting, and signage required.

Capital Budget and Project Descriptions

City Manager

Granite Creek Corridor Master Plan Execution

Dept/Division: City Manager
 Category: Capital Improvement Plan

Funding Plan	FY21 Budget	FY22 Projection	FY23 Projection	FY24 Projection	FY25 Projection	FY26 Projection	Total
General Fund	877,572	877,572	3,800,000	-	-	-	1,755,144

Description: This project includes implementing the Granite Creek Corridor Master Plan. It includes riparian area improvements (cross vein weirs, split & narrowed channels, and more), stormwater outfall improvements, trail improvements (trail surface, constructing or improving access points, retaining walls), and amenity additions (lighting, signage, and more).

Operating Impact: Ongoing maintenance

Community Development

CDBG Annual Entitlement Grant

Dept/Division: Community Development
 Category: Operating Capital

Funding Plan	FY21 Budget	FY22 Projection	FY23 Projection	FY24 Projection	FY25 Projection	FY26 Projection	Total
Grants	348,466	-	-	-	-	-	348,466

Description: This is the annual CDBG Entitlement Grant received from HUD. The grant funds may be spent on capital projects and grant administration. The grant is allocated through development and adoption of a budget and Annual Action Plan by the City Council.

Operating Impact: The grant is in a reimbursement format, with Prescott expending the funds and then drawing down the grant for the various projects.

Capital Budget and Project Descriptions

Fire

Fire Portable Radio Upgrade

Dept/Division: Fire
 Category: Operating Capital

Funding Plan	FY21 Budget	FY22 Projection	FY23 Projection	FY24 Projection	FY25 Projection	FY26 Projection	Total
Facilities	395,000	-	-	-	-	-	395,000

Description: This project is a continuation of a project to replace Fire and Police radios. Field testing was done by both departments with Kenwood and Motorola radios and those findings translated to IT working with each department and Motorola as the solution of choice. FY21 funding is for the Fire Department portion of the radio replacement.

Operating Impact: Minimal operating impact

Vehicle Replacements – Fire Department

Dept/Division: Fire
 Category: Vehicle Replacement and Additions

Funding Plan	FY21 Budget	FY22 Projection	FY23 Projection	FY24 Projection	FY25 Projection	FY26 Projection	Total
Facilities	275,000	300,000	-	-	-	-	575,000

Description: Replacement fire truck – FY21 is for Fire Apparatus Chassis and FY22 is for Fire Apparatus Body

Operating Impact: Decrease costs for aging fleet

Capital Budget and Project Descriptions

Fire Drill Ground Improvements

Dept/Division: Fire
 Category: Capital Improvement Program

Funding Plan	FY21 Budget	FY22 Projection	FY23 Projection	FY24 Projection	FY25 Projection	FY26 Projection	Total
General Fund	60,938	1,250,000	750,000	-	-	-	2,060,938

Description: The project will consist of multiple year systematic approach. Initially efforts will target drill ground design/space needs analysis, followed by all work related to drainage, demolition of the condemned training tower, underground water, gas, and other sub-grade items as identified through the design process. This subsequently will be followed by all surface improvements such as paving, curbs, and concrete pads. Finally efforts will be targeted towards construction of a new tower and purchase and placement of other props as identified through the design process.

Operating Impact: Routine maintenance for the property will need to be budgeted in future years to prevent deterioration of improvements (e.g. paving maintenance, etc). Equipment shelf life will be extended as hose, as well as personal protective equipment, and other items will not be subjected to use in austere conditions.

Skid Unit/Service Body – Fire Department

Dept/Division: Fire
 Category: Vehicle Replacement and Additions

Funding Plan	FY21 Budget	FY22 Projection	FY23 Projection	FY24 Projection	FY25 Projection	FY26 Projection	Total
Facilities	45,600	-	-	-	-	-	45,600

Description: Replace the fire suppression skid unit currently employed on Patrol 73. The vehicle frame and body is in pristine shape as is the motor and mechanical elements. The fire suppression skid that is located in the bed of this particular heavy duty, 4 x 4 vehicle, however has been extended beyond its anticipated life span and is in need of replacement.

Operating Impact: Decrease in maintenance costs

Capital Budget and Project Descriptions

Fire Records Management System (RMS)

Dept/Division: Fire
 Category: Operating Capital

Funding Plan	FY21 Budget	FY22 Projection	FY23 Projection	FY24 Projection	FY25 Projection	FY26 Projection	Total
General Fund	20,667	-	-	-	-	-	20,667

Description: This project is for a records management system (RMS) to integrate with TriTech, carried over from FY20.

Operating Impact: Ongoing licensing fees

Police

Vehicle Replacements – Police Department

Dept/Division: Police
 Category: Vehicle Replacements and Additions

Funding Plan	FY21 Budget	FY22 Projection	FY23 Projection	FY24 Projection	FY25 Projection	FY26 Projection	Total
General Fund	895,661	-	-	-	-	-	895,661

Description: Vehicle replacements allow for a modern, efficient, and well maintained fleet, crucial to the continued provision of services to the public.

Operating Impact: No additional increase over existing.

Fleet Cameras/Interview Room Cameras

Dept/Division: Police
 Category: Operating Capital

Funding Plan	FY21 Budget	FY22 Projection	FY23 Projection	FY24 Projection	FY25 Projection	FY26 Projection	Total
General Fund	76,000	76,000	76,000	76,000	76,000	-	380,000

Description: Interview room cameras are failing and the system isn't that great for the process flow needed for evidence to begin with. Second piece of this is the Police in-car cameras. Our current vendor has failed to improve much at all over the past decade and support is somewhere between sad and non-existent. It also eats up a disproportionate piece of IT's available resources with no end in sight. The new cameras are much easier to install and no data-management is required since it uses Verizon to upload to the Evidence.com cloud.

Operating Impact: No additional increase over existing.

Capital Budget and Project Descriptions

Recreation Services

Open Space Acquisitions

Dept/Division: Recreation Services

Category: Capital Improvement Program

Funding Plan	FY21 Budget	FY22 Projection	FY23 Projection	FY24 Projection	FY25 Projection	FY26 Projection	Total
Streets Fund	1,800,485	-	-	-	-	-	1,800,485

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

Operating Impact:

West Granite Creek Park Improvements

Dept/Division: Recreation Services

Category: Capital Improvement Program

Funding Plan	FY21 Budget	FY22 Projection	FY23 Projection	FY24 Projection	FY25 Projection	FY26 Projection	Total
General Fund	500,000	-	-	-	-	-	500,000
Park Impact	500,000	-	-	-	-	-	500,000

Description: Future expansion of West Granite Creek Park related to the new Hilton Garden Hotel.

Operating Impact: Future impact will be general maintenance and upkeep.

Peavine to Glassford Hill Trail Connection – State Parks Grant

Dept/Division: Recreation Services

Category: Operating Capital

Funding Plan	FY21 Budget	FY22 Projection	FY23 Projection	FY24 Projection	FY25 Projection	FY26 Projection	Total
Grant	81,000	-	-	-	-	-	81,000

Description: To construct a connector trail up Glassford Hill from Peavine to the Glassford Hill Summit Trail. The City anticipates a grant award from Arizona State Parks.

Operating Impact: This budget request could reduce rental costs incurred in the park operating budget.

Capital Budget and Project Descriptions

Goldwater Lake Ramada Refurbishment

Dept/Division: Recreation Services

Category: Operating Capital

Funding Plan	FY20 Budget	FY21 Projection	FY22 Projection	FY23 Projection	FY24 Projection	FY25 Projection	Total
General Fund	800,000	420,000	-	-	-	-	1,220,000

Description: Replace the current wooden structure ramada at Goldwater Lake

Operating Impact: Minimal impact

Picnic Table

Dept/Division: Recreation Services

Category: Operating Capital

Funding Plan	FY21 Budget	FY22 Projection	FY23 Projection	FY24 Projection	FY25 Projection	FY26 Projection	Total
Impact Fee	15,000	-	15,000	-	15,000	-	45,000

Description: This item addresses meeting future demand for picnic area expansion to include adding tables, grills, pads, garbage receptacles, and parking.

Operating Impact: Future impact will be general maintenance and upkeep.

Recreation Services – Golf Course

Golf Course Irrigation System Consulting

Dept/Division: Recreation Services – Golf Course

Category: Operating Capital

Funding Plan	FY21 Budget	FY22 Projection	FY23 Projection	FY24 Projection	FY25 Projection	FY26 Projection	Total
Golf Course	25,000	-	-	-	-	-	25,000

Description: Hire a professional company to look into the aging irrigation system and provide recommendations of what actually needs to be replaced or upgraded. The current system is outdated and failing.

Operating Impact: Reduced cost of repairs to existing system.

Capital Budget and Project Descriptions

Centennial Center Equipment

Dept/Division: Recreation Services – Golf Course
 Category: Operating Capital

Funding Plan	FY21 Budget	FY22 Projection	FY23 Projection	FY24 Projection	FY25 Projection	FY26 Projection	Total
Golf Course	20,000	-	-	-	-	-	20,000

Description: FY21: Awnings, storage shed, blinds on windows and sound system upgrade

Operating Impact: The impact to the operating budget will be positive as the newer equipment is more efficient and by adding certain equipment it will increase revenue.

Manzanita Grill Equipment

Dept/Division: Recreation Services – Golf Course
 Category: Operating Capital

Funding Plan	FY21 Budget	FY22 Projection	FY23 Projection	FY24 Projection	FY25 Projection	FY26 Projection	Total
Golf Course	8,000	8,000	8,000	8,000	8,000	-	40,000

Description: Equipment replacements and upgrades at the Manzanita Grill

Operating Impact: The impact to the operating budget will be positive as the newer equipment is more efficient and by adding certain equipment it will increase revenue.

Regional Communications

Replacement Consoles for Dispatch

Dept/Division: Regional Communications
 Category: Vehicle Replacements and Additions

Funding Plan	FY21 Budget	FY22 Projection	FY23 Projection	FY24 Projection	FY25 Projection	FY26 Projection	Total
General Fund	150,000	150,000	-	-	-	-	300,000

Description: Two replacement emergency dispatch consoles at the Prescott Regional Communications Center. The emergency dispatching consoles located at PRCC are an essential piece of equipment for not only PRCC staff, but for many first responders in many jurisdictions. The furniture is breaking as are the motors required for raising and lowering the consoles to create a safer working environment and conditions for staff.

Operating Impact: No additional increase over existing.

Capital Budget and Project Descriptions

Public Works – Streets Circulation

Corsair Avenue Extension

Dept/Division: Public Works
 Category: Capital Improvement Plan

Funding Plan	FY21 Budget	FY22 Proj	FY23 Proj	FY24 Proj	FY25 Proj	FY26 Proj	Total
Streets Fund	1,802,500	-	-	-	-	-	1,802,500
Water Fund	772,500	-	-	-	-	-	772,500

Description: The project extends Corsair Avenue from its current terminus near Avenger southwesterly to Wilkinson Drive, approximately 0.5 miles. The City has submitted a grant request in 2018 through the ACA/ADOT Economic Strength Project Program to off-set a portion of the cost, in the amount of \$500,000. The grant request was to construct a 2,500 LF road segment identified as the "Corsair Connector". If the city is successful in this competitive grant process and the ADOT Transportation Board gave final approval to the grant proposal, the City will initiate the project. In addition to the Grant funding, the remainder cost of the project will be shared by the City and private development partner(s) for the project.

Operating Impact: This new street will be given to the City upon completion of the project. Long-term maintenance costs will be required for the life of the infrastructure.

Willow Creek Curve Realignment

Dept/Division: Public Works
 Category: Capital Improvement Plan

Funding Plan	FY21 Budget	FY22 Proj	FY23 Proj	FY24 Proj	FY25 Proj	FY26 Proj	Total
Streets Fund	2,015,000	-	-	-	-	-	2,015,000

Description: This project will realign the curve at the north end of Willow Creek Road and expand the roadway from two to four lanes. The project also includes a center median and drainage improvements.

Operating Impact: Long-term maintenance costs will be required for the life of the infrastructure.

Capital Budget and Project Descriptions

Intersection Signalization Project

Dept/Division: Public Works
 Category: Capital Improvement Plan

Funding Plan	FY21 Budget	FY22 Projection	FY23 Projection	FY24 Projection	FY25 Projection	FY26 Projection	Total
Streets Fund	220,000	200,000	20,000	200,000	20,000	200,000	860,000

Description: Design and install complete signal system at one (1) intersection as warranted. The City routinely monitors various intersections to determine those that potentially meet signal warrants.

Operating Impact: None

Sidewalk Repair and Replacement Program

Dept/Division: Public Works
 Category: Capital Improvement Plan

Funding Plan	FY21 Budget	FY22 Proj	FY23 Proj	FY24 Proj	FY25 Proj	FY26 Proj	Total
Streets Fund	50,000	310,000	310,000	310,000	310,000	310,000	1,600,000

Description: This is an annual project to improve pedestrian safety, circulation and connectivity within the City.

Operating Impact: Long-term maintenance costs will be required for the life of the infrastructure.

Capital Budget and Project Descriptions

Public Works – Street Reconstruction

Penn Avenue and Eastwood Drive Reconstruction

Dept/Division: Public Works
 Category: Capital Improvement Plan

Funding Plan	FY21 Budget	FY22 Proj	FY23 Proj	FY24 Proj	FY25 Proj	FY26 Proj	Total
Streets Fund	1,887,563	1,540,000	-	-	-	-	3,427,563
Water	741,543	605,000	-	-	-	-	1,346,543
Wastewater	741,543	605,000	-	-	-	-	1,346,543

Description: This project is for the reconstruction of Penn Avenue from Gurley Street to Eastwood Drive AND the reconstruction of Eastwood Drive from Penn Avenue to Deveroux Drive. Improvements needed include roadway and drainage. Sidewalk will be added on Penn Avenue. Subsurface water, sewer and improvements are included with the project, as necessary.

Operating Impact: Completion of this project will result in an initial reduction in overall maintenance and operational expenses due to the improved condition of the roadway, drainage, water and sewer system. Long-term maintenance costs will be required for the life of the infrastructure.

S. Summit Avenue/S. McCormick Street/Beach

Dept/Division: Public Works
 Category: Capital Improvement Plan

Funding Plan	FY21 Budget	FY22 Proj	FY23 Proj	FY24 Proj	FY25 Proj	FY26 Proj	Total
Streets Fund	165,000	-	-	-	-	-	165,000
Water	78,000	-	-	-	-	-	78,000
Wastewater	78,000	-	-	-	-	-	78,000

Description: This project is for the reconstruction of S. Summit Avenue from W. Gurley Street to W. Goodwin Street AND the reconstruction of Beach Avenue from S. Summit Avenue to McCormick Street AND McCormick Street from W. Gurley Street to W. Goodwin Street. Improvements needed include roadway, drainage, pedestrian and minor landscaping improvements. Subsurface water, sewer and improvements are included with the project, as necessary.

Operating Impact: Completion of this project will result in an initial reduction in overall maintenance and operational expenses due to the improved condition of the roadway, drainage, water and sewer system. Long-term maintenance costs will be required for the life of the infrastructure.

Capital Budget and Project Descriptions

Robinson Drive Reconstruction

Dept/Division: Public Works
 Category: Capital Improvement Program

Funding Plan	FY21 Budget	FY22 Proj	FY23 Proj	FY24 Proj	FY25 Proj	FY26 Proj	Total
Streets Fund	308,000	-	-	-	-	-	308,000
Water	64,000	-	-	-	-	-	64,000
Wastewater	28,000	-	-	-	-	-	28,000

Description: This project is for the reconstruction of Robinson Drive from Gurley Street to the City Limits. Improvements needed include roadway, sidewalk (on one-side of the street), drainage, water and sewer.

Operating Impact: Completion of this project will result in an initial reduction in overall maintenance and operational expenses due to the improved condition of the roadway, drainage, water and sewer system. Long-term maintenance costs will be required for the life of the infrastructure.

Miscellaneous Streets Projects

Dept/Division: Public Works
 Category: Capital Improvement Program

Funding Plan	FY21 Budget	FY22 Proj	FY23 Proj	FY24 Proj	FY25 Proj	FY26 Proj	Total
Streets	300,000	350,000	350,000	350,000	350,000	350,000	2,050,000

Description: Funding source for roadway projects that become a priority that may not have been specifically budgeted for in the Pavement Preservation, Rehabilitation and Reconstruction Programs.

Operating Impact: Completion of this project will result in an initial reduction in overall maintenance and operational expenses due to the improved condition of the roadway. Long-term maintenance costs will be required for the life of the infrastructure.

Capital Budget and Project Descriptions

Public Works – Street Preservation, Rehabilitation and Maintenance

Pavement Preservation Program

Dept/Division: Public Works
 Category: Capital Improvement Program

Funding Plan	FY21 Budget	FY22 Proj	FY23 Proj	FY24 Proj	FY25 Proj	FY26 Proj	Total
Streets	11,000,000	7,000,000	8,500,000	8,500,000	8,500,000	8,500,000	52,000,000

Description: This is an annual program that includes pavement maintenance, preservation and rehabilitation on various streets. Maintenance and preservation activities include various seal coatings, and micro-surfacing projects. Pavement rehabilitation typically includes milling and overlay of various streets. Pavement reconstruction typically includes the complete reconstruction of the paved surface that has failed to a point beyond rehabilitation. The list of streets to be maintained, rehabilitated or reconstructed is evaluated on an annual basis using the Pavement Maintenance Program and is subject to change based on the actual performance of the pavement from year to year. As part of this program, alley, curb, gutter and minor sidewalk repairs are made concurrently with the pavement preservation program.

Operating Impact: Continued maintenance of the city's pavement asset will result in a reduction in overall maintenance and operational expenses, due to improved condition of the pavement system, as well as the elimination or reduction of on-going pavement maintenance.

Public Works – Water Distribution

Main Line Replacements

Dept/Division: Public Works
 Category: Capital Improvement Program

Funding Plan	FY21 Budget	FY22 Proj	FY23 Proj	FY24 Proj	FY25 Proj	FY26 Proj	Total
Water	2,825,400	2,261,000	1,275,000	1,275,000	1,275,000	1,275,000	10,186,400
Wastewater	498,600	399,000	225,000	225,000	225,000	225,000	1,797,600
Streets	20,000						20,000

Description: This project will replace existing deficient (age, condition, capacity) mains with new water mains to meet current system requirements and operational needs. Minor sewer main replacements are also considered in areas where the water mains are replaced.

Operating Impact: Reduction in continuous high maintenance costs and extensive repairs associated with old and inefficient water mains.

Capital Budget and Project Descriptions

Sundog Ranch Road Reconstruction and Water Line

Dept/Division: Public Works
 Category: Capital Improvement Program

Funding Plan	FY20 Budget	FY21 Proj	FY22 Proj	FY23 Proj	FY24 Proj	FY25 Proj	Total
Water	1,128,310	-	-	-	-	-	1,128,310

Description: This project is for the reconstruction of Sundog Ranch Road from Prescott Lakes Parkway to Yavpe Connector. Improvements needed include roadway, drainage and water improvements.

Operating Impact: Completion of this project will result in an initial reduction in overall maintenance and operational expenses due to the improved condition of the roadway, drainage, water and sewer system. Long-term maintenance costs will be required for the life of the infrastructure.

Zone 24/27 Water Pipeline Upsizing – Thumb Butte Road to Upper Thumb Butte Tank

Dept/Division: Public Works
 Category: Capital Improvement Program

Funding Plan	FY21 Budget	FY22 Proj	FY23 Proj	FY24 Proj	FY25 Proj	FY26 Proj	Total
Water	200,000	1,700,000	-	-	-	-	1,900,000
Wastewater	-	300,000	-	-	-	-	300,000

Description: This project is to upsize the existing 6" water line that currently supplies water to the Lower and Upper Thumb Butte Tanks to a new 12" water line. This line will connect to the 12" water line in Thumb Butte Road, proceed up to the existing Lower Thumb Butte Water Tank and continue to the Upper Thumb Butte Water Tank.

Operating Impact: This project will reduce maintenance costs due to elimination of aged infrastructure.

Downtown Water Main Replacement

Dept/Division: Public Works
 Category: Capital Improvement Program

Funding Plan	FY21 Budget	FY22 Proj	FY23 Proj	FY24 Proj	FY25 Proj	FY26 Proj	Total
Water	150,000	1,650,000	1,500,000	-	-	-	3,300,000

Description: This project will rehabilitate or replace several water mains in the downtown area on Gurley, Montezuma and Cortez that are aged and past their useful lifespan.

Operating Impact: Rehabilitation or replacement of the water mains will prevent water main breaks, expensive repairs and financial impacts to downtown businesses.

Capital Budget and Project Descriptions

Quaka Crossing – YPIT Water Main Upgrade

Dept/Division: Public Works
 Category: Capital Improvement Program

Funding Plan	FY21 Budget	FY22 Proj	FY23 Proj	FY24 Proj	FY25 Proj	FY26 Proj	Total
Water	50,000	1,200,000	-	-	-	-	1,250,000

Description: This project is to reconstruct the water main from SR89 at Cultural Center Road to the intersection of Sundog Ranch Road and the Yavpe Connector. Improvements will be coordinated and installed in conjunction with the YPIT's Quaka Crossing roadway project.

Operating Impact: Completion of this project will result in an initial reduction in overall maintenance and operational expenses due to the improved condition of the water main. Long-term maintenance costs will be required for the life of the infrastructure.

Public Works – Water Production

Water Production and Intermediate Pump Station, Tanks and Pipeline

Dept/Division: Public Works
 Category: Capital Improvement Program

Funding Plan	FY21 Budget	FY22 Proj	FY23 Proj	FY24 Proj	FY25 Proj	FY26 Proj	Total
Water	15,000,000	14,540,000	-	-	-	-	29,540,000

Description: This project consists of two major components: Water Production Booster Facility and Intermediate Pump Station. The new intermediate pump station, tanks and pipeline facility will reduce the pipeline pressure and provide additional tank storage closer to Prescott. The site is located about 1 mile north of Pioneer Parkway and 1 mile west of Willow Creek Road on City owned property within the currently undeveloped Deep Well Ranch and the site will be accessed by a new road from Willow Creek Road. The project will coordinate with replacement of the Chino Valley pumping facility to adjust for lower operating pressures at the Chino Valley Facility. This portion of the project will consist of replacing the City of Prescott water production booster facility (buildings, boosters, electrical, controls) in the Town of Chino Valley. Portions of the existing facility date back to the original 1947 pump station.

Operating Impact: The Operating budget will increase with the addition of the new intermediate booster pump station. However, no significant impact to the operating budget associated with the Booster Facility upgrades are expected because the facilities are already operational. A decrease in operational costs may be experienced with modernized facilities and more efficient motors, pumps and buildings.

Capital Budget and Project Descriptions

Zone 41 Mingus Pump Station, Tank and Pipeline

Dept/Division: Public Works
 Category: Capital Improvement Program

Funding Plan	FY21 Budget	FY22 Proj	FY23 Proj	FY24 Proj	FY25 Proj	FY26 Proj	Total
Water	3,083,141	1,200,000	-	-	-	-	4,283,141

Description: This project is to replace two existing 200,000 gallon water storage tanks northwest of the corner of Mingus Avenue and Northside Drive currently known as Mingus Tanks #1 and #2 with a single 1.50 million gallon (MG) storage tank. The project will also replace the existing Mingus Pump Station to meet demands and upsize the pipeline between the pump station and the tank.

Operating Impact: Completion of this project will result in an initial reduction in overall maintenance and operational expenses due to the improved condition of the pump stations, tank and water mains. Long-term maintenance costs will be required for the life of the infrastructure.

Production Well No. 5 AP - New

Dept/Division: Public Works
 Category: Capital Improvement Program

Funding Plan	FY21 Budget	FY22 Proj	FY23 Proj	FY24 Proj	FY25 Proj	FY26 Proj	Total
Water	2,250,000	-	-	-	-	-	2,250,000

Description: The City's water system utilizes a number of production wells that have been in service for up to 40 years. Many of these wells need rehabilitation due to age, condition and technological efficiency advances. The well houses, electrical controls, pump systems, HVAC and other well components are failing and/or need significant service repair. Projects in subsequent years will redrill or re-equip production wells to meet regulatory standards.

Operating Impact: Completion of this project will result in an initial reduction in overall maintenance and operational expenses due to the improved condition of the well. Long-term maintenance costs will be required for the life of the infrastructure.

Zone 56 Tank and Pipeline and Zone 7 Pump Station

Dept/Division: Public Works
 Category: Capital Improvement Program

Funding Plan	FY21 Budget	FY22 Proj	FY23 Proj	FY24 Proj	FY25 Proj	FY26 Proj	Total
Water	882,000	3,482,000	-	-	-	-	4,364,000

Description: This project will consist of a new 1.5 million gallon tank and piping from the new tank westward to U-Haul along SR69 for Zone 56.

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

Capital Budget and Project Descriptions

Zone 16 Virginia Pump Station, Haisley Tank and Pipelines, and Haisley Road Reconstruction

Dept/Division: Public Works
 Category: Capital Improvement Program

Funding Plan	FY21 Budget	FY22 Proj	FY23 Proj	FY24 Proj	FY25 Proj	FY26 Proj	Total
Water	750,000	-	-	-	-	-	750,000

Description: This project is to replace and upsize the Haisley Tank, the Virginia Street Pump Station and the distribution pipeline from the south end of Virginia Street to Valley Ranch Circle. This project will increase the capacity to the areas served by Zone 16. As part of this project, Haisley Road between Senator Highway and Valley Ranch Circle will be reconstructed concurrently with the water line improvements.

Operating Impact: Completion of this project will result in an initial reduction in overall maintenance and operational expenses due to the improved condition of the well. Long-term maintenance costs will be required for the life of the infrastructure.

Zone 30 Pump Station

Dept/Division: Public Works
 Category: Capital Improvement Program

Funding Plan	FY21 Budget	FY22 Proj	FY23 Proj	FY24 Proj	FY25 Proj	FY26 Proj	Total
Water	200,000	2,181,000	-	-	-	-	2,381,000

Description: This project is to construct a new booster pump station at Hidden Valley and Valley Ranch to convey water from Zone 16 to Zone 30.

Operating Impact: Long-term maintenance costs will be required for the life of the infrastructure.

Zone 51 Water Main Connect to Northwest Regional Tank

Dept/Division: Public Works
 Category: Capital Improvement Program

Funding Plan	FY21 Budget	FY22 Proj	FY23 Proj	FY24 Proj	FY25 Proj	FY26 Proj	Total
Water	200,000	1,400,000	-	-	-	-	1,600,000

Description: This project is to construct 4,587 lineal feet of twelve (12") inch water main to connect Zone 51 to Northwest Regional Tank.

Operating Impact: Long-term maintenance costs will be required for the life of the infrastructure.

Capital Budget and Project Descriptions

Public Works – Water Quality

Watson and Willow Lakes Enhancement Program (TMDL)

Dept/Division: Public Works
 Category: Capital Improvement Program

Funding Plan	FY21 Budget	FY22 Proj	FY23 Proj	FY24 Proj	FY25 Proj	FY26 Proj	Total
Water	75,000	279,038	279,038	279,038	279,038	279,038	1,470,190

Description: This project provides for water and sediment sampling, testing and data analysis at Willow and Watson Lakes to meet regulatory requirements. It also provides for public involvement and dissemination of information gathered to identify potential future water quality improvement projects. Funding will be required for on-going data collection and analysis of the City's lakes and watershed and to identify TMDL reduction projects that can be implemented to meet required EPA and ADEQ pollutant load reductions.

Operating Impact: No impact to operating budget.

Public Works – Wastewater Collection

Centralization – SR89 Lift Station

Dept/Division: Public Works
 Category: Capital Improvement Program

Funding Plan	FY21 Budget	FY22 Proj	FY23 Proj	FY24 Proj	FY25 Proj	FY26 Proj	Total
Wastewater	2,880,000	1,000,000	-	-	-	-	3,880,000

Description: This project is to construct a wastewater lift station at the SR89 near the Veteran's Administration (VA) hospital to move flows from the Sundog Trunk Main to the Airport Water Reclamation Facility (AWRF). This project will assist in removing flows from the Sundog Wastewater Treatment Plant as the City approaches centralization.

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

Capital Budget and Project Descriptions

Centralization – Sundog Trunk Main, Phase B

Dept/Division: Public Works
 Category: Capital Improvement Program

Funding Plan	FY21 Budget	FY22 Proj	FY23 Proj	FY24 Proj	FY25 Proj	FY26 Proj	Total
Wastewater	2,366,000	1,000,000	-	-	-	-	3,366,000

Description: This project will build approximately 8,600 linear feet of force main that will convey wastewater flows from the SR89 Lift Station, along SR89 to the Sundog Phase A Trunk main at Prescott Lakes Parkway. This project will assist in removing flows from the Sundog Wastewater Treatment Plant as the City approaches centralization.

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

Sundog Trunk Main, Phase C

Dept/Division: Public Works
 Category: Capital Improvement Program

Funding Plan	FY21 Budget	FY22 Proj	FY23 Proj	FY24 Proj	FY25 Proj	FY26 Proj	Total
Wastewater Water	1,860,957 300,000	3,950,000	2,400,000	-	-	-	8,210,957 300,000

Description: This project is to replace approximately 10,300 linear feet of existing undersized sewer main from Miller Valley Road to the Veterans Administration (VA). This upsizing project will provide the required sewer capacity for the trunk main and reduce sanitary sewer overflows.

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

Centralization – Airport Trunk Main

Dept/Division: Public Works
 Category: Capital Improvement Program

Funding Plan	FY21 Budget	FY22 Proj	FY23 Proj	FY24 Proj	FY25 Proj	FY26 Proj	Total
Wastewater	500,000	-	-	-	-	-	500,000

Description: This project is to complete the upsizing of the airport trunk main sewer main from the Granite Dells area to the Airport Water Reclamation Facility. The capacity of this new trunk main will convey flows from the upstream centralization projects and new development within the City.

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

Capital Budget and Project Descriptions

Willow Creek Gravity Sewer

Dept/Division: Public Works
 Category: Capital Improvement Program

Funding Plan	FY21 Budget	FY22 Proj	FY23 Proj	FY24 Proj	FY25 Proj	FY26 Proj	Total
Wastewater	200,000	2,450,000	-	-	-	-	2,650,000

Description: This project will replace the existing Willow Lake Regional Lift Station and the existing Willow Lake Estates Lift Station with a gravity sewer main to the Prescott Lake Regional Lift Station.

Operating Impact: This project will eliminate the need to upgrade the aged Willow Lake Regional lift station and will also eliminate future operation and maintenance costs for both lift stations being removed from the system.

Unsewered Areas

Dept/Division: Public Works
 Category: Capital Improvement Program

Funding Plan	FY21 Budget	FY22 Proj	FY23 Proj	FY24 Proj	FY25 Proj	FY26 Proj	Total
Wastewater	100,000	-	-	-	-	-	100,000

Description: This project is to explore options for addressing unsewered areas within the city.

Operating Impact: Expanding the City's service area will result in an increase of overall maintenance and operational expenses. Long-term maintenance costs will also be required for the life of the infrastructure.

Solid Waste

Animal Proof Garbage Cans

Dept/Division: Public Works
 Category: Operating Capital

Funding Plan	FY21 Budget	FY22 Proj	FY23 Proj	FY24 Proj	FY25 Proj	FY26 Proj	Total
Solid Waste	25,000	-	-	-	-	-	25,000

Description: Some areas of the city experience chronic problems with javelina and other wildlife knocking over garbage carts. This results in trash spread throughout the streets, a high number of complaints and causing additional work for residents and drivers to clean up. This should purchase 200 cans.

Operating Impact: Reduced labor as a result of less clean up of debris spread by wildlife.

Capital Budget and Project Descriptions

10-Yd Roll Off Boxes

Dept/Division: Public Works
 Category: Operating Capital

Funding Plan	FY21 Budget	FY22 Proj	FY23 Proj	FY24 Proj	FY25 Proj	FY26 Proj	Total
Solid Waste	21,100	-	-	-	-	-	21,100

Description: Purchase of 10-Yd Roll Off Boxes

Operating Impact: Continued maintenance and replacement of dumpsters as they age.

Public Works – Facility, Vehicles, Other Capital

Vehicle Replacement – Public Works

Dept/Division: Public Works
 Category: Vehicle Replacements and Additions

Funding Plan	FY21 Budget	FY22 Proj	FY23 Proj	FY24 Proj	FY25 Proj	FY26 Proj	Total
Streets	1,008,243	-	-	-	-	-	1,008,243
Water	82,000	-	-	-	-	-	82,000
Wastewater	50,027	-	-	-	-	-	50,027
Solid Waste	2,100,000	-	-	-	-	-	2,100,000

Description: This capital request is for replacement of aging Public Works 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.

Spreader Racks and Cinder Mix Station

Dept/Division: Public Works
 Category: Capital Improvement Program

Funding Plan	FY21 Budget	FY22 Proj	FY23 Proj	FY24 Proj	FY25 Proj	FY26 Proj	Total
Streets	500,000	500,000	-	-	-	-	1,000,000

Description: Installation of a new snowplow spreader rack in the Streets Maintenance Yard to replace the current rack which is outdated and unsafe.

Operating Impact: None

Capital Budget and Project Descriptions

Miscellaneous Water and Wastewater Projects

Dept/Division: Public Works
 Category: Capital Improvement Program

Funding Plan	FY21 Budget	FY22 Proj	FY23 Proj	FY24 Proj	FY25 Proj	FY26 Proj	Total
Water	296,064	607,680	336,000	352,000	352,000	352,000	2,295,744
Wastewater	166,536	341,820	189,000	198,000	198,000	198,000	1,291,356

Description: Unforeseen and unexpected water system failures happen from time to time due to the City's aging infrastructure. Repairs to water pipe failures and/or valve or other system components are sometimes beyond normal maintenance repairs. This item is to provide for unanticipated design and construction necessary when a capital project has not been identified.

Operating Impact: Completion of this project will result in an initial reduction in overall maintenance and operational expenses due to the improved condition of the water and wastewater system. Long-term maintenance costs will be required for the life of the infrastructure.

Aerial, Digital Elevation Model, Contours

Dept/Division: Public Works/Information Technology
 Category: Capital Improvement Program

Funding Plan	FY21 Budget	FY22 Proj	FY23 Proj	FY24 Proj	FY25 Proj	FY26 Proj	Total
Streets	36,587	-	-	37,000	-	-	73,587
Water	36,586	-	-	37,000	-	-	73,586
Wastewater	36,586	-	-	36,000	-	-	72,586

Description: This project is a refresh of our high resolution aerial imagery. The scope of this imagery is Prescott city limits and the immediate surrounding area. The data acquired from this process is used to produce two foot contour information for the same areas. This data is used extensively by various City departments – Community Development, Economic Development, Fire, Police, Public Works, and Recreation Services – as well as outside consultants that the City of Prescott engages with.

Operating Impact: None

Capital Budget and Project Descriptions

Snow Plow Equipment

Dept/Division: Public Works
 Category: Operating Capital

Funding Plan	FY21 Budget	FY22 Proj	FY23 Proj	FY24 Proj	FY25 Proj	FY26 Proj	Total
Streets	90,000	-	-	-	-	-	90,000

Description: Purchase one (1) plow attachment and three (3) cinder spreader attachments to replace aging equipment on existing vehicles; and one (1) new plow and spreader attachment for an existing ¾ ton truck.

Operating Impact: Ongoing maintenance costs will be associated with the equipment

City Shop Underground Storage Tank

Dept/Division: Public Works
 Category: Capital Improvement Program

Funding Plan	FY21 Budget	FY22 Proj	FY23 Proj	FY24 Proj	FY25 Proj	FY26 Proj	Total
Water	15,600	-	-	-	-	-	15,600
Wastewater	11,400	-	-	-	-	-	11,400
Streets	3,000	-	-	-	-	-	3,000

Description: Many years ago, the City had underground storage tanks (UST) removed from the City's maintenance facility on Virginia Street. As part of the removal process, a monitoring and remediation plan was prepared. This project will provide resampling of the aquifer for several wells previously drilled in accordance with the site characterization and remediation plan previously approved by ADEQ. Additional actions, depending on the results of the resampling, may lead to further quarterly sampling or complete remediation requiring monthly pumping and testing.

Operating Impact: No operating impact to the budget

Capital Budget

Five-Year Capital Improvement Plan

Description	Funding	5 Year Projection					Total	
		FY2021	FY2022	FY2023	FY2024	FY2025		FY2026
Airport - City Only Funded Projects								
Airport Pavement Preservation Program - City	G	157,133	1,165,405			248,468	190,916	1,761,922
Airport Master Lock and Badging System	G	150,000						150,000
Runway 3R/21L Extension Focused Planning Study	G	60,000						60,000
New Terminal - Furniture, Fixtures, and Equipment	G	50,000						50,000
TSA Wing Removal	G	35,000						35,000
New and Replacement Vehicles/Equipment	G	-	230,000	175,000	175,000	400,000	1,000,000	1,980,000
Bottleneck Hangar Complex Improvements	G		221,888					221,888
Fuel System	G		100,000					100,000
T-Share Construction	G			1,000,000				1,000,000
Total		452,133	1,717,293	1,175,000	175,000	648,468	1,190,916	5,358,810
Airport - Grant Funded Projects								
TWY C Realignment, RIM & Hotspot Mitigation	G, GR	9,000,000	5,525,000					14,525,000
Replacement Terminal	G, GR	8,864,640				100,000	1,000,000	9,964,640
Security Upgrades	G, GR	1,750,000						1,750,000
New Terminal - Baggage Handling System	G, GR	580,000						580,000
Runway 3R/21L Extension	G, GR	500,000	2,000,000	3,800,000	20,000,000	20,000,000		46,300,000
Runway 3L/21R Lighting and Signage	G, GR		950,000					950,000
Airport Pavement Maintenance System - ADOT	G, GR		320,000		125,000			445,000
ARFF, Airport Ops & Maint, and Snow Removal	G, GR		250,000	800,000	8,000,000			9,050,000
Equipment Storage Facility								
RWY 3L/21R PAPI's (Both Ends)	G, GR		195,000					195,000
Taxiway-D Rehabilitation	G, GR		160,000	1,560,000				1,720,000
Wildlife Hazard Assessment	G, GR		150,000					150,000
West Ramp Rehabilitation	G, GR		85,000	565,000				650,000
South Ramp and Perimeter Road Rehabilitation	G, GR			1,000,000				1,000,000
North Ramp Rehabilitation	G, GR			140,000	1,400,000			1,540,000
Runway 12-30 Lighting and Signage Improvements	G, GR						950,000	950,000
Total		20,694,640	9,635,000	7,865,000	29,525,000	20,100,000	1,950,000	89,769,640
City Manager								
Granite Creek Corridor Grant	GR	877,572						877,572
Total		877,572	-	-	-	-	-	877,572
Community Development								
CDBG Grants	GR	348,466						348,466
Replacement Vehicles	G		60,000					60,000
Scanning Project for Commercial Building Permit Records	G		60,000					60,000
Copier/Scanner	G		5,504					5,504
Total		348,466	125,504					473,970
Facilities Maintenance								
City Hall Roof Replacement	FM		250,000					250,000
Total			250,000					250,000
Fire Department								
Fire Portable Radio Upgrade	G	395,000						395,000
Replacement Fire Truck	G	275,000	300,000					575,000
Fire Drill Ground Improvements	G	60,938	1,250,000	750,000				2,060,938
Skid Unit/Service Body (carryover)	G	45,600						45,600
Fire Records Management (RMS) carryover	G	20,667						20,667
Fire Station 73 Structural Station Relocation	G,IMP		340,000	3,000,000				3,340,000
Breathing Air Compressor	G		70,000					70,000
Battery Operated PPV Fans	G		45,000					45,000
ARFF-Aqueous Film Forming Foam (AFFF) Testing	A		35,000					35,000
Drone Camera Package	G		18,355					18,355
EMS Simulation Manikin	G		15,000					15,000
SCBA Voice Amplification Devices	G		10,313	10,313				20,626
Apparatus Bay Floor Refurbishment Station 71	G			13,200				13,200
Extractor Washing Machine	G			9,200				9,200
Fire Station 76	G				1,124,897	3,055,244	365,901	4,546,042
Hydraulic Extrication Tool Package	G				50,000			50,000
Fire Station 77	G						1,322,143	1,322,143
Total		797,205	2,083,668	3,782,713	1,174,897	3,055,244	1,688,044	12,581,771
Human Resources								
Human Resources Software for Applicants and Onboarding	G		25,000					25,000
Total			25,000					25,000

Capital Budget

Five-Year Capital Improvement Plan

Description	Funding	5 Year Projection					Total	
		FY2021	FY2022	FY2023	FY2024	FY2025		FY2026
Information Technology								
IT Physical Space Consolidation	G		500,000				500,000	
Microsoft Office 365 Migration	G		95,000				95,000	
Telephone System Replacement	G		175,000				175,000	
Advanced Threat Protection Sandbox	G		50,000				50,000	
Vehicle Replacement	G		30,000				30,000	
Prescott Public Library Camera Upgrade Project	G		32,000				32,000	
Total			882,000				882,000	
Parking Garage								
Replacement of North East Stairs	G		410,000				410,000	
Total			410,000				410,000	
Police Department								
Vehicle Replacements	G	895,661	230,000				1,125,661	
Fleet Cameras/Interview Room Cameras	G	76,000					76,000	
Mobile Emergency Command Center	G		300,000				300,000	
Police Facility Improvements	G,IMP		250,000	2,000,000	250,000	3,000,000	5,500,000	
Total		971,661	780,000	2,000,000	250,000	3,000,000	7,001,661	
Recreation Services								
Open Space Acquisition	S	1,800,485					1,800,485	
West Granite Creek Park Improvements	G,IMP	1,000,000					1,000,000	
Peavine to Glassford Hill Trail Connection Grant	GR	81,000					81,000	
Goldwater Lake Ramada Refurbishment	G	20,000					20,000	
Picnic Tables	IMP	15,000		15,000		15,000	45,000	
Goldwater Lake Expansion	G		1,220,000				1,220,000	
Granite Creek Corridor Improvements	G		1,000,000	1,000,000			2,000,000	
Portable Stage	G		200,000				200,000	
Camping - Willow Lake	G		200,000				200,000	
Trail Fencing	G		180,000				180,000	
Parks Maintenance Shop	G		150,000				150,000	
Pavement Preservation	G		100,000		100,000		300,000	
Vehicle Replacements	G		80,000				80,000	
Watson Lake Ramada Roof Replacement	G		21,000				21,000	
Playground Component Replacements	G		20,000	20,000	20,000	20,000	100,000	
Roughrider Park - Lower Field Stadium - Seating	G				80,000		80,000	
Concrete Cap								
Mountain Bike Competitive Track - Pioneer Park	BT				40,000		40,000	
Willow Lake Southshore Parking	G					200,000	200,000	
Total		2,916,485	3,171,000	1,035,000	240,000	235,000	120,000	7,717,485
Recreation Services - Golf Course								
Golf Course Irrigation System Consulting	GC	25,000					25,000	
Centennial Center Equipment	GC	20,000					20,000	
Manzanita Grill Equipment	GC	8,000	8,000	8,000	8,000	8,000	40,000	
Golf Course Equipment	GC		61,000	53,000	92,000	92,000	298,000	
Irrigation Improvements - North and South Golf Course	GC		50,000	100,000		100,000	250,000	
Antelope Hills New Parking Area	GC		50,000				50,000	
Golf Course Bunkers Improvements	GC		45,500		45,500		136,500	
Golf Course Tee Renovations	BT		25,000		25,000		75,000	
Golf Course Cart Path Paving	BT		10,500	10,500	10,500	10,500	52,500	
Golf Operations Equipment	GC		20,000				20,000	
Golf Cart Bam Surfacing	GC		35,000				35,000	
Golf Cart Replacement	GC				600,000		600,000	
Total		53,000	305,000	171,500	781,000	210,500	81,000	1,602,000
Regional Communications								
Replacement Consoles	G	150,000	150,000				300,000	
Total		150,000	150,000				300,000	

Capital Budget

Five-Year Capital Improvement Plan

Description	Funding	5 Year Projection					Total	
		FY2021	FY2022	FY2023	FY2024	FY2025		FY2026
Public Works								
<u>Street Circulation</u>								
Corsair Avenue Extension	S,W,GR	2,575,000						2,575,000
Willow Creek Road Curve Realignment	S	2,015,000						2,015,000
Intersection Signalization Project	S	220,000	200,000	20,000	200,000	20,000	200,000	860,000
Sidewalk Repair and Replacement Program	S	50,000	310,000	310,000	310,000	310,000	310,000	1,600,000
SR89 Widening - Dells	S			1,000,000	3,000,000	6,000,000		10,000,000
Total		4,860,000	510,000	1,330,000	3,510,000	6,330,000	510,000	17,050,000
<u>Street Reconstruction</u>								
Penn Avenue and Eastwood Drive Reconstruction	S,W,WW	3,370,649	2,750,000					6,120,649
S Summit Ave/S McCormick St/Beach	S,W,WW	300,000						300,000
Robinson Drive Reconstruction	S,W,WW	400,000						400,000
Miscellaneous Streets Projects	S	300,000	350,000	350,000	350,000	350,000	350,000	2,050,000
W Merritt Avenue Reconstruction	S,W,WW		50,000	250,000	2,275,000			2,575,000
McCormick Street Reconstruction - Gurley Street	S,W,WW			200,000	2,000,000			2,200,000
E Willis Street Reconstruction	S,W,WW					450,000	2,500,000	2,950,000
Gail Gardner Way Improvements	S					130,000	1,500,000	1,630,000
Total		4,370,649	3,150,000	800,000	4,625,000	930,000	4,350,000	18,225,649
<u>Street Preservation, Rehabilitation and</u>								
Pavement Preservation Program	S	11,000,000	7,000,000	8,500,000	8,500,000	8,500,000	8,500,000	52,000,000
Total		11,000,000	7,000,000	8,500,000	8,500,000	8,500,000	8,500,000	52,000,000
<u>Drainage</u>								
Willow Creek Berm Improvement	S,GR		400,000					400,000
Carleton Street Neighborhood Reconstruction and D S	S					250,000	2,250,000	2,500,000
Sheldon Street Drainage Improvements	S					100,000	1,000,000	1,100,000
Total			400,000			350,000	3,250,000	4,000,000
<u>Water Distribution</u>								
Main Line Replacements	S,W,WW	3,344,000	2,660,000	1,500,000	1,500,000	1,500,000	1,500,000	12,004,000
Sundog Ranch Road Reconstruction and Water	W	1,128,310						1,128,310
Zone 24/27 Water Pipeline Upsizing - Thumb Butte								
Road to Upper Thumb Butte Tank	W,WW	250,000	2,000,000					2,250,000
Downtown Water Main Replacement	W	150,000	1,650,000	1,500,000				3,300,000
Quaka Crossing - YPIT Water Main Upgrade		50,000	1,200,000					1,250,000
Zone 61 Water Main Upgrade	S,W			2,243,300	1,156,700			3,400,000
Arrowhead Distribution System Loop	W			865,000				865,000
SR69 Corridor Water Main	W			470,000	200,000	1,330,000		2,000,000
Buttermilk Drive Distribution System Loop	W			259,000				259,000
Zone 40 and Zone 41 Water Main Upgrades	S,W				1,450,000			1,450,000
Green Lane and Yakashba Water Main Upsizing	W					1,914,000		1,914,000
North Airport Distribution System Loop	W					1,071,000		1,071,000
Zone 48 Distribution System Loop	W					500,000		500,000
Wilkinson/Larry Caldwell Drive Water Main Upsizing	W						650,000	650,000
Zone 42 Pipeline Upgrade	S,W,WW						175,000	175,000
Total		4,922,310	7,510,000	6,837,300	4,306,700	6,315,000	2,325,000	32,216,310
<u>Water Production</u>								
Water Production and Intermediate Pump Station,	WIFA	15,000,000	14,540,000					29,540,000
Zone 41 Mingus Pump Station, Tank and Pipeline	W	3,083,141	1,200,000					4,283,141
Production Well No. 5 AP - New	W	2,250,000						2,250,000
Zone 56 Tank and Pipeline and Zone 7 Pump	W	882,000	3,482,000					4,364,000
Zone 16 Virginia Pump Station, Haisley Tank and Pipelines, and Haisley Road Reconstruction	S,W	750,000						750,000
Zone 30 Pump Station	W	200,000	2,181,000					2,381,000
Zone 51 Water Main Connect to Northwest	W	200,000	1,400,000					1,600,000
Production Well No. 3 CV - Rehabilitation	W		215,000	2,500,000				2,715,000
Production Well No. 2 CV - Rehabilitation	W		200,000	3,000,000				3,200,000
Granite Creek and Willow Creek Dam Repairs	W		100,000					100,000
Upper Rancho Vista Pump Station Upgrade	W			800,000				800,000
Production Well No. 6 AP - New	W			300,000	3,000,000			3,300,000
Zone 40 Cedarwood Tank Upsizing	W			225,000	750,000			975,000
Production Well No. 1 CV - Rehabilitation	W			200,000	3,000,000			3,200,000
Total		22,365,141	23,318,000	7,025,000	6,750,000			59,458,141
<u>Water Quality</u>								
Watson and Willow Lakes Enhancement Program	S,W,WW	75,000	279,038	279,038	279,038	279,038	279,038	1,470,190
Total		75,000	279,038	279,038	279,038	279,038	279,038	1,470,190

Five-Year Capital Improvement Plan

Description	Funding	5 Year Projection					Total	
		FY2021	FY2022	FY2023	FY2024	FY2025		FY2026
Wastewater Collections								
Centralization - SR89 Lift Station	WIFA	2,880,000	1,000,000					3,880,000
Centralization - Sundog Trunk Main, Phase B	WIFA	2,366,000	1,000,000					3,366,000
Sundog Trunk Main, Phase C	W,WW	2,160,957	3,950,000	2,400,000				8,510,957
Centralization - Airport Trunk Main	WIFA	500,000						500,000
Willow Creek Gravity Sewer	WW	200,000	2,450,000					2,650,000
Unsewered Areas	WW	100,000						100,000
Prescott Lakes Parkway Lift Station	WW		275,000					275,000
Montezuma Trunk Main Upsizing	WW		268,000	1,427,000				1,695,000
Hassayampa Sewer Trunk Main Upsizing	WW			275,000	2,812,000			3,087,000
Willow Creek Trunk Main Upsize	WW				317,600	2,858,400		3,176,000
Willow Creek Road, Rosser Street and Demerse								
Street Area Sewer Main Upsize	S,W,WW				250,000	2,568,400		2,818,400
5th Street, 6th Street and Hillside Sewer Main	W,WW					821,000		821,000
Gurley, Sheldon, EZ Street and Roughrider Improvements	WW						542,000	542,000
Montezuma and Gurley Street Improvements	WW						215,000	215,000
Shadow Valley Drive and Archers Path	WW						42,000	42,000
Total		8,206,957	8,943,000	4,102,000	3,379,600	6,247,800	799,000	31,678,357
Wastewater Treatment								
Centralization - Airport WRF Expansion, Phase 2	WIFA		1,000,000		10,000,000	7,750,000		18,750,000
Centralization - Sundog Equalization Basin and Plant	WW			800,000		1,500,000		2,300,000
Centralization - Effluent Tank, Pipeline and				350,000	3,150,000			3,500,000
Total			1,000,000	1,150,000	13,150,000	9,250,000		24,550,000
Solid Waste								
Animal Proof Garbage Carts	SW	25,000						25,000
10-yd Roll Off Boxes	SW	21,100						21,100
Transfer Station Master Plan	SW			200,000				200,000
Solid Waste Maintenance Building	SW			200,000	200,000			400,000
Total		46,100		400,000	200,000			646,100
Facility, Vehicles, Other Capital								
New/Replacement Vehicles	S,SW	1,290,000						1,290,000
Carryover Replacement Vehicles	S,W,WW,;	1,950,270						1,950,270
Spreader Racks and Cinder Mix Station	S	500,000	500,000					1,000,000
Miscellaneous Water and Wastewater Projects	W,WW	462,600	949,500	525,000	550,000	550,000	550,000	3,587,100
Aerial, Digital Elevation Model, Contours	S,W,WW	109,759			110,000			219,759
Snow Plow Equipment	S	90,000						90,000
City Shop Underground Storage Tank	S,W,WW	30,000						30,000
Impact Fee Ordinance Project	W,WW			225,000				225,000
Water and Wastewater Model Updates	W,WW			110,150				110,150
Transfer Station Paving	S,SW				250,000			250,000
Total		4,432,629	1,449,500	860,150	910,000	550,000	550,000	8,752,279
Funding Sources, all projects								
General Fund G		5,914,071	9,238,190	5,699,838	2,429,897	6,113,712	3,118,960	32,514,668
Streets Fund S		21,043,187	10,210,440	10,470,440	16,372,107	16,052,440	16,354,190	90,502,804
Water Fund W		13,875,350	22,850,554	14,351,442	11,196,355	7,343,138	2,801,238	72,418,077
Wastewater Fund WW		1,885,042	10,591,430	5,861,606	7,116,876	6,406,260	1,407,610	33,268,824
Solid Waste Fund SW		2,146,100		400,000	325,000			2,871,100
Golf Course Fund GC		53,000	269,500	161,000	745,500	200,000	45,500	1,474,500
Airport Fund AP		811,181	35,000					846,181
Impact Fee Funds IMP		515,000	440,400	2,835,000	717,500	2,625,000		7,132,900
Facilities Maintenance FM			250,000					250,000
Bed Tax BT			35,500	10,500	75,500	10,500	35,500	167,500
Grants Fund GR		18,390,060	9,415,875	7,522,875	28,777,500	19,500,000	1,830,000	85,436,310
WIFA Loan Proceeds WIFA		22,906,957	9,757,114		10,000,000	7,750,000		50,414,071
Total		87,539,948	73,094,003	47,312,701	77,756,235	66,001,050	25,592,998	377,296,935

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Appendix

Budget Resolutions

RESOLUTION NO. 2020-1747

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 2021, 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 2021. Copies of said statements and schedules have been distributed to the Council and are on file in the office of the City Manager. Said copies are attached hereto for the purpose of publication only, except that they are hereby ordered to be entered into the minutes of the City Council of the City of Prescott.

SECTION 2. THAT the Clerk is hereby authorized and directed to publish in the manner prescribed by law, the attached schedule A as said tentative budget, together with a copy of this Resolution as notice of the meetings of the City Council, to wit:

- A. That the City Council will meet on the 23th day of June, 2020, at 3:00 P.M., in the Council Chambers of the Municipal Offices Building, 201 South Cortez Street, Prescott, Arizona, at a Regular Meeting to hold a public hearing when and where any citizen may appear and be heard or submit written comments in favor of or against any proposed use within the budget, expenditure limitation, or the tax levy; at said time and place or after said hearing for the purpose of finally adopting the budget and establishment of the expenditure limitation for the fiscal year 2021 for the City of Prescott. The proposed budget may be examined weekdays at 201 South Cortez Street, Prescott, Arizona, between 8:00 A.M. and 5:00 P.M. or by accessing the budget documents on the City's website www.prescott-az.gov.
- B. That the City Council will further meet at a Regular Meeting on the 14th day of July, 2020, 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 2021 for the City of Prescott.

Auditor General Schedules

OFFICIAL BUDGET FORMS

CITY OF PRESCOTT

Fiscal Year 2021

Auditor General Schedules

CITY OF PRESCOTT
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Auditor General Schedules

CITY OF PRESCOTT
Summary Schedule of Estimated Revenues and Expenditures/Expenses
Fiscal Year 2021

Fiscal Year	S c h	FUNDS								
		General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Permanent Fund	Enterprise Funds Available	Internal Service Funds	Total All Funds	
2020	Adopted/Adjusted Budgeted Expenditures/Expenses*	E 1	38,280,858	69,867,903	5,420	625,000	0	104,050,822	7,238,919	220,068,922
2020	Actual Expenditures/Expenses**	E 2	33,251,898	62,928,189	5,420	0	0	71,100,492	6,732,647	174,018,646
2021	Fund Balance/Net Position at July 1***	3	25,903,888	14,031,857	4,052	3,149,199	0	34,145,411	2,399,708	79,634,115
2021	Primary Property Tax Levy	B 4	1,827,008							1,827,008
2021	Secondary Property Tax Levy	B 5								0
2021	Estimated Revenues Other than Property Taxes	C 6	36,313,232	38,368,918	5,576	274,000	0	69,585,033	6,904,961	151,451,720
2021	Other Financing Sources	D 7	0	0			0	22,018,000		22,018,000
2021	Other Financing (Uses)	D 8	0	0			0	0		0
2021	Interfund Transfers In	D 9	38,000	2,668,388			0	3,526,898		6,233,286
2021	Interfund Transfers (Out)	D 10	(3,559,010)	(1,901,776)			0	(772,500)		(6,233,286)
2021	Reduction for Amounts Not Available:	11								
LESS:	Amounts for Future Debt Retirement:				4,363			5,520,617		5,524,980
	Future Capital Projects					2,908,199				2,908,199
	Maintained Fund Balance for Financial Stability		7,658,057					4,675,642	690,496	13,024,195
										0
										0
2021	Total Financial Resources Available	12	59,983,081	56,970,939	5,265	515,000	0	119,851,583	8,614,173	245,940,041
2021	Budgeted Expenditures/Expenses	E 13	44,592,297	51,821,113	5,265	515,000	0	103,065,722	6,831,010	206,830,407

EXPENDITURE LIMITATION COMPARISON

	2020	2021
1 Budgeted expenditures/expenses	\$ 220,068,922	\$ 206,830,407
2 Add/subtract: estimated net reconciling items		
3 Budgeted expenditures/expenses adjusted for reconciling items	220,068,922	206,830,407
4 Less: estimated exclusions		
5 Amount subject to the expenditure limitation	\$ 220,068,922	\$ 206,830,407
6 EEC expenditure limitation	\$ 220,068,922	\$ 206,830,407

The city/town does not levy property taxes and does not have special assessment districts for which property taxes are levied. Therefore, Schedule B has been omitted.

- * Includes Expenditure/Expense Adjustments Approved in 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 2021

	2020	2021
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ <u>1,905,086</u>	\$ <u>1,977,052</u>
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)	\$ <u> </u>	
3. Property tax levy amounts		
A. Primary property taxes	\$ <u>1,795,908</u>	\$ <u>1,827,008</u>
B. Secondary property taxes		
C. Total property tax levy amounts	\$ <u>1,795,908</u>	\$ <u>1,827,008</u>
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ <u>1,773,849</u>	
(2) Prior years' levies	<u>22,059</u>	
(3) Total primary property taxes	\$ <u>1,795,908</u>	
B. Secondary property taxes		
(1) Current year's levy	\$ <u> </u>	
(2) Prior years' levies	<u>284</u>	
(3) Total secondary property taxes	\$ <u>284</u>	
C. Total property taxes collected	\$ <u>1,796,192</u>	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	<u>0.2599</u>	<u>0.2484</u>
(2) Secondary property tax rate		
(3) Total city/town tax rate	<u>0.2599</u>	<u>0.2484</u>
B. Special assessment district tax rates		
Secondary property tax rates - As of the date the proposed budget was prepared, the city/town was not operating any 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 2021

SOURCE OF REVENUES	ESTIMATED REVENUES 2020	ACTUAL REVENUES* 2020	ESTIMATED REVENUES 2021
GENERAL FUND			
Local Taxes			
Privilege and Use Tax	\$ 17,140,000	\$ 16,050,000	\$ 14,500,000
Franchise Taxes	1,690,000	1,690,000	1,720,000
Intergovernmental			
State	10,146,291	10,026,409	10,438,755
County	3,725,451	3,733,110	3,858,508
Local Jurisdictions	2,218,821	2,022,212	2,022,769
Licenses and Permits	1,312,700	1,043,960	1,093,000
Charges for Services	2,257,389	1,870,797	2,043,400
Fines and Forfeits	416,250	431,077	439,400
Interest Earned	150,000	302,001	150,000
Miscellaneous	47,400	57,176	47,400
Total General Fund	\$ 39,104,302	\$ 37,226,742	\$ 36,313,232
SPECIAL REVENUE FUNDS			
Streets Fund			
Streets Privilege and Use Tax	\$ 17,140,000	\$ 16,050,000	\$ 14,500,000
Intergovernmental - State (HURF)	3,685,989	3,939,960	3,313,592
Intergovernmental - County	700,000	700,000	700,000
Charges for Services	440,000	602,055	440,000
Interest Earned	100,000	250,000	125,000
Miscellaneous.	226,000	108,320	35,000
Total Streets Fund	\$ 22,291,989	\$ 21,650,335	\$ 19,113,592
PSPRS			
PSPRS Privilege and Use Tax	\$ 12,853,928	\$ 13,130,922	\$ 10,875,000
Total PSPRS Dedicated Tax	\$ 12,853,928	\$ 13,130,922	\$ 10,875,000
Transient Occupancy Tax			
Transient Occupancy Tax	\$ 1,100,000	\$ 800,000	\$ 800,000
Miscellaneous	5,000	5,000	5,000
Total Transient Occupancy Tax	\$ 1,105,000	\$ 805,000	\$ 805,000
Grant Funds			
Miscellaneous Grants	\$ 6,193,304	\$ 6,864,154	\$ 7,501,950
Total Grant Funds	\$ 6,193,304	\$ 6,864,154	\$ 7,501,950
Trust Funds			
Gifts and Donations	\$ 61,025	\$ 114,418	\$ 68,376
Interest Earned	5,000	5,000	5,000
Total Trust Funds	\$ 66,025	\$ 119,418	\$ 73,376
Total Special Revenue Funds	\$ 42,510,246	\$ 42,569,829	\$ 38,368,918
DEBT SERVICE FUNDS			
Special Assessments	\$ 5,045	\$ 5,303	\$ 5,045
Interest Earned	531	571	531
Total Debt Service Funds	\$ 5,576	\$ 5,874	\$ 5,576

* 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 2021

SOURCE OF REVENUES	ESTIMATED REVENUES 2020	ACTUAL REVENUES* 2020	ESTIMATED REVENUES 2021
CAPITAL PROJECTS FUNDS			
Impact Fee Funds			
Charges for Services	\$	\$ 262,000	\$ 262,000
Interest Earned	12,000	10,557	12,000
Total Impact Fee Funds	\$ 12,000	\$ 272,557	\$ 274,000
Total Capital Projects Funds	\$ 12,000	\$ 272,557	\$ 274,000
ENTERPRISE FUNDS			
Water			
Intergovernmental	\$ 451,440	\$ 234,749	\$ 234,749
Charges for Services	18,794,387	18,797,860	19,649,606
Impact Fees	1,218,000	1,342,389	1,284,443
Interest Earned	260,000	460,326	235,000
Miscellaneous	40,000	74,442	40,000
Total Water Funds	\$ 20,763,827	\$ 20,909,766	\$ 21,443,798
Wastewater			
Charges for Services	\$ 13,856,000	\$ 13,898,829	\$ 14,510,506
Impact Fees	1,060,500	944,100	1,150,178
Interest Earned	200,000	400,000	200,000
Miscellaneous	10,050	10,050	10,050
Total Wastewater Funds	\$ 15,116,500	\$ 15,252,979	\$ 15,860,684
Solid Waste			
Charges for Services	\$ 8,392,000	\$ 8,450,526	\$ 8,663,000
Interest Earned	10,000	30,000	15,000
Miscellaneous	4,470	45,774	4,670
Total Solid Waste Fund	\$ 8,406,470	\$ 8,526,300	\$ 8,682,670
Golf Course			
Charges for Services	\$ 3,145,250	\$ 3,145,250	\$ 3,150,407
Miscellaneous	300,000	2,800	302,400
Total Golf Course Fund	\$ 3,445,250	\$ 3,148,050	\$ 3,452,807
Airport			
Intergovernmental - Grants	\$ 9,828,750	\$ 6,644,898	\$ 18,341,705
Charge for Services	1,787,896	1,761,753	1,791,919
Miscellaneous	8,800	11,034	11,450
Total Enterprise Funds	\$ 11,625,446	\$ 8,417,685	\$ 20,145,074
Total Enterprise Funds	\$ 59,357,493	\$ 56,254,780	\$ 69,585,033
INTERNAL SERVICE FUNDS			
Fleet Maintenance	\$ 2,665,500	\$ 2,292,031	\$ 2,400,500
Risk Management	1,095,000	1,182,668	1,100,000
Engineering	1,730,671	1,600,348	1,615,466
Facilities Maintenance	1,787,321	1,761,970	1,788,995
Total Internal Service Funds	\$ 7,278,492	\$ 6,837,017	\$ 6,904,961
Total Internal Service Funds	\$ 7,278,492	\$ 6,837,017	\$ 6,904,961
TOTAL ALL FUNDS	\$ 148,268,109	\$ 143,166,799	\$ 151,451,720

* 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 2021

FUND	OTHER FINANCING 2021		INTERFUND TRANSFERS 2021	
	SOURCES	(USES)	IN	(OUT)
GENERAL FUND				
General Fund	\$	\$	\$ 38,000	\$
Airport				(3,220,838)
Golf Course				(216,358)
Solid Waste				(28,426)
Grants				(93,388)
Total General Fund	\$	\$	\$ 38,000	\$ (3,559,010)
SPECIAL REVENUE FUNDS				
Transient Lodging Tax		\$	\$	\$ (99,276)
Streets				(1,802,500)
Grants			2,668,388	
Total Special Revenue Funds	\$	\$	\$ 2,668,388	\$ (1,901,776)
ENTERPRISE FUNDS				
Water	\$ 15,000,000	\$	\$	\$ (772,500)
Wastewater	5,746,000			
Solid Waste	1,272,000		64,702	
Airport			3,245,838	
Golf Course			216,358	
Total Enterprise Funds	\$ 22,018,000	\$	\$ 3,526,898	\$ (772,500)
TOTAL ALL FUNDS	\$ 22,018,000	\$	\$ 6,233,286	\$ (6,233,286)

Auditor General Schedules

CITY OF PRESCOTT Expenditures/Expenses by Fund Fiscal Year 2021

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2020	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2020	ACTUAL EXPENDITURES/ EXPENSES* 2020	BUDGETED EXPENDITURES/ EXPENSES 2021
GENERAL FUND				
City Council	\$ 49,529	\$	\$ 44,717	\$ 46,141
City Clerk	146,443		32,563	123,744
City Court	629,985		592,434	619,560
City Manager	629,627		622,813	558,721
Legal	232,557		175,356	232,556
Budget & Finance	523,117		404,038	346,246
Community Development	2,093,886		1,761,028	1,727,310
Recreation Services	5,210,074		3,722,755	4,050,776
Library	2,354,052		2,332,242	2,352,380
Police Department	13,016,257	(2,710,808)	9,107,140	12,462,517
Fire Department	10,150,060	(2,375,008)	7,414,447	9,736,761
Regional Communications	1,848,031		1,635,212	1,629,769
Non-Departmental	6,483,056		5,407,153	10,705,816
Total General Fund	\$ 43,366,674	\$ (5,085,816)	\$ 33,251,898	\$ 44,592,297
SPECIAL REVENUE FUNDS				
Streets				
Public Works	\$ 33,198,653	\$ 8,000,000	\$ 40,912,950	\$ 27,550,860
Recreation Services	2,036,145		267,481	2,067,734
Total Streets	\$ 35,234,798	\$ 8,000,000	\$ 41,180,431	\$ 29,618,594
Transient Occupancy Tax				
City Manager	\$ 1,270,128	\$	\$ 892,863	\$ 808,951
Recreation Services	76,000		75,609	40,000
Total Transient Occupancy Tax	\$ 1,346,128	\$	\$ 968,472	\$ 848,951
Grants				
City Court	\$ 25,000	\$	\$ 25,000	\$ 32,000
City Manager	63,901		53,521	877,572
Community Development	587,922		210,700	607,533
Recreation Services	81,000			81,000
Library		13,000	12,407	10,993
Police Department	732,216	2,810,808	3,498,573	637,755
Fire Department	194,517	2,475,008	2,567,767	250,828
Public Works	1,346,000		940,000	2,575,000
Non-Departmental	4,100,000	(1,023,000)	88,511	5,100,000
Total Grants	\$ 7,130,556	\$ 4,275,816	\$ 7,396,479	\$ 10,172,681
Trust Funds				
City Manager	\$ 10,000	\$ 15,000	\$ 19,523	\$ 20,926
Community Development	10,000		10,000	10,000
Recreation Services	40,817	15,000	53,591	46,540
Library	73,148	5,000	76,628	65,715
Police Department	66,606	25,000	86,835	146,466
Fire Department	16,106		11,230	16,240
Total Trust Funds	\$ 216,677	\$ 60,000	\$ 257,807	\$ 305,887
PSPRS Dedicated Tax				
Non-Departmental	\$ 12,853,928	\$ 750,000	\$ 13,125,000	\$ 10,875,000
Total PSPRS Dedicated Tax	\$ 12,853,928	\$ 750,000	\$ 13,125,000	\$ 10,875,000
Total Special Revenue Funds	\$ 56,782,087	\$ 13,085,816	\$ 62,928,189	\$ 51,821,113

* 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

Expenditures/Expenses by Fund Fiscal Year 2021

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2020	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2020	ACTUAL EXPENDITURES/ EXPENSES* 2020	BUDGETED EXPENDITURES/ EXPENSES 2021
DEBT SERVICE FUNDS				
Non-Departmental	\$ 5,420	\$	\$ 5,420	\$ 5,265
Total Debt Service Funds	\$ 5,420	\$	\$ 5,420	\$ 5,265
CAPITAL PROJECTS FUNDS				
Impact Fees				
Police Department	\$ 125,000	\$	\$	\$
Recreation Services	500,000			515,000
Total Impact Fees	\$ 625,000	\$	\$	\$ 515,000
Total Capital Projects Funds	\$ 625,000	\$	\$	\$ 515,000
ENTERPRISE FUNDS				
Water				
Budget & Finance	\$ 238,663	\$	\$ 236,725	\$ 264,808
Public Works	46,720,513	(8,000,000)	23,693,893	42,209,186
Total Water Fund	\$ 46,959,176	\$ (8,000,000)	\$ 23,930,618	\$ 42,473,994
Wastewater				
Public Works	\$ 36,339,093	\$	\$ 25,927,891	\$ 22,768,994
Total Wastewater Fund	\$ 36,339,093	\$	\$ 25,927,891	\$ 22,768,994
Solid Waste				
Public Works	\$ 9,634,427	\$	\$ 7,946,770	\$ 10,782,309
Total Solid Waste Fund	\$ 9,634,427	\$	\$ 7,946,770	\$ 10,782,309
Golf Course				
Recreation Services	\$ 1,512,762	\$	\$ 1,470,705	\$ 1,381,474
Non-Departmental	2,341,015		2,070,025	2,287,691
Total Golf Course Fund	\$ 3,853,777	\$	\$ 3,540,730	\$ 3,669,165
Airport				
Fire Department	\$ 223,022	\$	\$ 212,119	\$ 370,085
Airport	15,041,327		9,542,364	23,001,175
Total Airport Fund	\$ 15,264,349	\$	\$ 9,754,483	\$ 23,371,260
Total Enterprise Funds	\$ 112,050,822	\$ (8,000,000)	\$ 71,100,492	\$ 103,065,722
INTERNAL SERVICE FUNDS				
Fleet Maintenance				
Recreation Services	\$ 2,426,365	\$	\$ 2,403,564	\$ 2,394,616
Risk Management				
Legal	\$ 1,095,000	\$	\$ 1,090,706	\$ 1,095,000
Engineering				
Public Works	\$ 1,752,986	\$	\$ 1,647,181	\$ 1,730,251
Facilities Maintenance				
Recreation Services	\$ 1,964,568	\$	\$ 1,591,196	\$ 1,611,143
Total Internal Service Funds	\$ 7,238,919	\$	\$ 6,732,647	\$ 6,831,010
TOTAL ALL FUNDS	\$ 220,068,922	\$	\$ 174,018,646	\$ 206,830,407

* 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.

Authorized Position Listing

FY2021 Budget - Authorized Position Roster

Positions by Department and Division	FTE's			Pay Range			Pay Grade
	FY2019	FY2020	FY2021	Min	Mid	Max	
Airport							
Airport Director	1.00	1.00	1.00		Unclassified		Open
Operations & Maintenance Superintendent	0.00	1.00	1.00	60,902	73,091	85,259	77
Operations & Maintenance Supervisor	1.00	0.00	0.00	51,230	61,485	71,739	70
Management Analyst	1.00	1.00	1.00	51,230	61,485	71,739	70
Airport Operations and Maintenance Coordinator	1.00	1.00	1.00	43,098	51,730	30,341	63
Maintenance Specialist	1.00	1.00	1.00	41,018	49,234	57,429	61
Airport Operations Specialist	0.00	1.00	1.00	41,018	49,234	57,429	61
Administrative Services Specialist	1.00	1.00	1.00	38,106	45,718	53,331	58
Airport Operations Technician	3.00	4.00	4.00	35,381	42,453	49,525	55
Total Airport	9.00	11.00	11.00				
Budget and Finance							
<u>Budget and Treasury</u>							
Finance Director	1.00	1.00	1.00		Unclassified		Open
Budget Manager	1.00	1.00	1.00	51,230	61,485	71,739	70
Total Budget and Finance	2.00	2.00	2.00				
<u>Accounting Services</u>							
Accounting Services Manager	1.00	1.00	1.00	65,582	78,707	91,811	80
Payroll Coordinator	1.00	1.00	1.00	51,230	61,485	71,739	70
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 Receivable & Assessments Specialist	1.00	1.00	1.00	36,254	43,514	50,773	56
Account Clerk	0.00	1.00	1.00	33,675	40,414	47,133	53
Total Accounting Services	5.00	6.00	6.00				
<u>Revenue Services</u>							
Revenue Manager	1.00	1.00	1.00	65,582	78,707	91,811	80
Business License Specialist	1.00	0.00	0.00	36,254	43,514	50,773	56
Tax Compliance Specialist	1.00	1.00	1.00	36,254	43,514	50,773	56
Utility Billing Specialist	2.75	3.00	3.00	36,254	43,514	50,773	56
Utility Billing Representative	3.00	3.00	3.00	33,675	40,414	47,133	53
Total Revenue Services	8.75	8.00	8.00				
Total Budget and Finance	15.75	16.00	16.00				
City Clerk							
City Clerk	1.00	1.00	1.00		Unclassified		Open
Deputy City Clerk	1.00	1.00	1.00	49,982	59,987	69,971	69
Contracts Coordinator	0.00	1.00	1.00	41,018	49,234	57,429	61
City Clerk Specialist	1.00	0.00	0.00	40,019	48,027	56,035	60
Total City Clerk	3.00	3.00	3.00				
City Council							
Mayor	1.00	1.00	1.00	9,000	9,000	9,000	
Councilmembers	6.00	6.00	6.00	6,000	6,000	6,000	
Total City Council	7.00	7.00	7.00				
City Court							
Business Manager	1.00	1.00	1.00	40,019	48,027	56,035	60
Court Clerk	6.00	6.00	6.00	31,262	37,523	43,784	50
Total City Court	7.00	7.00	7.00				

Authorized Position Listing

Positions by Department and Division	FTE's			Pay Range			Pay Grade
	FY2019	FY2020	FY2021	Min	Mid	Max	
City Manager							
<u>City Manager's Office</u>							
City Manager	1.00	1.00	1.00		Unclassified		Open
Assistant to City Manager/Intergov. Coordinator	0.00	0.75	0.75	70,637	84,760	98,883	83
Assistant to City Manager	0.75	0.00	0.00	53,830	64,605	75,358	72
Executive Assistant	1.00	1.00	1.00	42,058	50,461	58,864	62
Administrative Specialist	0.00	0.50	0.50	33,675	40,414	47,133	53
Total City Manager's Office	2.75	3.25	3.25				
<u>Community Outreach & Tourism</u>							
Community Outreach Manager	1.00	1.00	1.00	63,981	76,794	89,586	79
Economic Development Project Manager	1.00	1.00	1.00	59,426	71,302	83,179	76
Sales & Marketing Coordinator	1.00	1.00	1.00	41,018	49,234	57,429	61
Total Community Outreach & Tourism	3.00	3.00	3.00				
<u>Human Resources</u>							
Human Resources Director	1.00	1.00	1.00		Unclassified		Open
Human Resources Manager	1.00	1.00	1.00	59,426	71,302	83,179	76
Senior Human Resources Business Partner	1.00	1.00	1.00	45,282	54,350	63,398	65
Human Resources Business Partner	1.00	1.00	1.00	39,042	46,862	54,662	59
HRIS Technician	1.00	1.00	1.00	37,170	44,595	52,042	57
Total Human Resources	5.00	5.00	5.00				
<u>Information Technology</u>							
Director of Information Technology	1.00	1.00	1.00		Unclassified		Open
GIS Coord/Historic Preservation	0.50	0.50	0.50	60,902	73,091	85,259	77
Network Engineer	3.00	3.00	3.00	56,555	67,870	79,186	74
Help Desk Manager	1.00	1.00	1.00	56,555	67,870	79,186	74
Wireless Communication Technician	1.00	0.00	0.00	56,555	67,870	79,186	74
IT Database Administrator	1.00	1.00	1.00	55,182	66,206	77,251	73
IT Specialist	1.00	6.00	6.00	48,776	58,510	68,266	68
GIS Specialist	1.00	1.00	1.00	48,776	58,510	68,266	68
Web Development Specialist	1.00	1.00	1.00	46,426	55,702	64,979	66
IT Technician	1.00	0.00	0.00	46,426	55,702	64,979	66
Help Desk Technician	3.00	0.00	0.00	42,058	50,461	58,864	62
Total Information Technology	14.50	14.50	14.50				
<u>Neighborhood Services</u>							
Assistant to City Manager/Intergov. Coordinator	0.00	0.25	0.25	70,637	84,760	98,883	83
Assistant To City Manager	0.25	0.00	0.00	53,830	64,605	75,358	72
Code Compliance Inspector	2.00	2.00	2.00	43,098	51,730	60,341	63
Total Neighborhood Services	2.25	2.25	2.25				
Total City Manager	27.50	28.00	28.00				

Authorized Position Listing

FY2021 Budget - Authorized Position Roster

Positions by Department and Division	FTE's			Pay Range			Pay Grade
	FY2019	FY2020	FY2021	Min	Mid	Max	
Community Development							
<u>Administration/Planning and Zoning</u>							
Community Development Director	0.50	0.50	0.50		Unclassified		Open
Planning Manager	1.00	1.00	1.00	68,910	82,680	96,470	82
GIS Coord/Historic Preservation Planner	0.50	0.50	0.50	60,902	73,091	85,259	77
Development Services Supervisor	1.00	1.00	1.00	51,230	61,485	71,739	70
CDBG Admin/Com Dev Coordinator	0.00	0.50	0.50	48,776	58,510	68,266	68
Development Services Representative II	1.00	1.00	1.00	46,426	55,702	64,979	66
Development Services Representative I	0.00	0.00	1.00	32,843	39,416	45,989	52
	0.00	0.00	1.00	31,262	37,523	43,784	50
Total Administration/Planning and Zoning	4.00	4.50	6.50				
<u>Building Safety</u>							
Community Development Director	0.50	0.50	0.50		Unclassified		Open
Chief Building Official	1.00	1.00	1.00	63,981	76,794	89,586	79
Development Services Supervisor	0.00	0.50	0.50	48,776	58,510	68,266	68
Plans Examiner/Building Inspector	3.00	2.00	2.00	45,282	54,350	63,398	65
Plans Examiner/Building Fire Inspector	2.00	2.00	2.00	45,282	54,350	63,398	65
Building Inspector	2.00	2.00	2.00	43,098	51,730	60,341	63
Development Services Representative II	0.00	1.00	0.00	32,843	39,416	45,989	52
Development Services Representative I	2.00	1.00	0.00	31,262	37,523	43,784	50
Total Building Safety	10.50	10.00	8.00				
Total Community Development	14.50	14.50	14.50				
Fire Department							
<u>Administration</u>							
Fire Chief	1.00	1.00	1.00		Unclassified		Open
Business Manager	1.00	1.00	1.00	40,019	48,027	56,035	60
Total Administration	2.00	2.00	2.00				
<u>Community Risk Reduction</u>							
Division Chief/Battalion Chief	1.00	0.00	0.00	76,066	91,270	106,475	86
Fuels Management Coordinator	1.00	1.00	1.00	38,106	45,718	53,331	58
Fuel Reduction Technician	2.00	2.00	2.00	34,507	41,413	48,318	54
Total Community Risk Reduction	4.00	3.00	3.00				
<u>Emergency Services</u>							
Deputy Fire Chief	0.00	1.00	1.00		Unclassified		Open
Division Chief/Battalion Chief	3.00	3.00	3.00	79,200	95,032	110,863	86F
Fire Captain	15.00	15.00	15.00	67,565	81,096	94,605	78F
Fire Engineer	18.00	18.00	18.00	56,849	68,218	79,588	71F
Firefighter	21.00	21.00	21.00	47,820	57,389	66,957	64F
Total Emergency Services	57.00	58.00	58.00				
<u>Fire Professional Services</u>							
Division Chief/Battalion Chief	1.00	1.00	1.00	76,066	91,270	106,475	86
Administrative Specialist	1.00	1.00	1.00	33,675	40,414	47,133	53
Total Fire Professional Services	2.00	2.00	2.00				
Total Fire Department	65.00	65.00	65.00				

Authorized Position Listing

FY2021 Budget - Authorized Position Roster

Positions by Department and Division	FTE's			Pay Range			Pay Grade
	FY2019	FY2020	FY2021	Min	Mid	Max	
Legal							
City Attorney	1.00	1.00	1.00		Unclassified		Open
Deputy City Attorney	1.00	1.00	1.00	86,050	103,272	120,474	91
Senior Assistant City Attorney	1.00	0.00	0.00	79,914	95,888	111,863	88
Assistant City Attorney	1.00	2.00	2.00	72,384	86,882	101,358	84
Legal Services Administrator	0.00	1.00	1.00	42,058	50,461	58,864	62
Paralegal	1.00	0.00	0.00	39,042	46,862	54,662	59
Risk Management Technician	1.00	0.00	0.00	34,507	41,413	48,318	54
Legal Secretary	2.00	3.00	3.00	34,507	41,413	48,318	54
Total Legal Department	8.00	8.00	8.00				
Library							
<u>Public Services</u>							
Library Director	1.00	1.00	1.00		Unclassified		Open
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	4.00	4.00	4.00	46,426	55,702	64,979	66
Librarian Trainee	1.00	1.00	1.00	46,426	55,702	64,979	66
Library Specialist	2.00	2.00	2.00	33,675	40,414	47,133	53
Library Assistant	4.50	4.50	4.50	29,037	34,840	40,643	47
Total Public Services	15.50	15.50	15.50				
<u>Support Services</u>							
Library Manager, Support Services	1.00	1.00	1.00	57,970	69,555	81,162	75
Librarian	1.00	1.00	1.00	46,426	55,702	64,979	66
Maintenance Technician	1.00	1.00	1.00	35,381	42,453	49,525	55
Library Assistant	2.00	2.00	2.00	29,037	34,840	40,643	47
Custodian	1.00	1.00	1.00	25,043	30,035	35,048	41
Total Support Services	6.00	6.00	6.00				
Total Library	21.50	21.50	21.50				
Police Department							
<u>Administration</u>							
Police Chief	1.00	1.00	1.00		Unclassified		Open
Deputy Police Chief	1.00	1.00	1.00		Unclassified		Open
Administrative Supervisor	1.00	1.00	1.00	51,230	61,485	71,739	70
Senior Victim Advocate	1.00	1.00	1.00	39,042	46,862	54,662	59
Victim Advocate	1.00	1.00	1.00	35,381	42,453	49,525	55
Total Administration	5.00	5.00	5.00				
<u>Patrol Operations Bureau</u>							
Police Lieutenant	2.00	2.00	2.00	81,910	98,280	114,670	89
Police Sergeant	5.00	5.00	5.00	62,421	74,922	87,402	78
Police Officer	41.00	43.00	43.00	47,570	57,096	66,602	67
Animal Control Supervisor	1.00	1.00	1.00	36,254	43,514	50,773	56
Animal Control Officer	1.00	1.00	1.00	32,843	39,416	45,989	52
Secretary	0.50	0.50	0.50	29,765	35,714	41,662	48
Total Patrol Operations Bureau	50.50	52.50	52.50				

Authorized Position Listing

FY2021 Budget - Authorized Position Roster

Positions by Department and Division	FTE's			Pay Range			Pay
	FY2019	FY2020	FY2021	Min	Mid	Max	Grade
<u>Special Operations Bureau</u>							
Police Lieutenant	1.00	1.00	1.00	81,910	98,280	114,670	89
Police Sergeant	3.00	3.00	3.00	62,421	74,922	87,402	78
Police Officer	15.00	17.00	17.00	47,570	57,096	66,602	67
Property & Evidence Technician - CSI	1.00	1.00	1.00	42,058	50,461	58,864	62
Property & Evidence Technician	1.00	1.00	1.00	39,042	46,862	54,662	59
Administrative Services Specialist	1.00	1.00	1.00	38,106	45,718	53,331	58
Station Coordinator	1.00	1.00	1.00	33,675	40,414	47,133	53
Civilian Parking Accident Investigator	1.00	1.00	1.00	32,843	39,416	45,989	52
Secretary	1.00	1.00	1.00	29,765	35,714	41,662	48
Total Special Operations Bureau	25.00	27.00	27.00				
<u>Support Bureau</u>							
Police Records Supervisor	1.00	1.00	1.00	48,776	58,510	68,266	68
Police Officer	2.00	1.00	1.00	47,570	57,096	66,602	67
Police Records Clerk	3.00	3.00	3.00	33,675	40,414	47,133	53
Crime Prevention Specialist	0.50	0.50	0.50	33,675	40,414	47,133	53
Total Support Bureau	6.50	5.50	5.50				
Total Police Department	87.00	90.00	90.00				
<u>Public Works</u>							
<u>Engineering</u>							
City Engineer	0.34	0.34	0.34	79,914	95,888	111,863	88
Civil Drainage Engineer	1.00	0.00	0.00	68,910	82,680	96,470	82
Civil Engineer	0.00	0.33	0.33	68,910	82,680	96,470	82
Capital Project Manager	4.00	5.00	5.00	67,226	80,662	94,120	81
Real Estate Administrator	1.00	1.00	1.00	67,226	80,662	94,120	81
City Surveyor	0.00	1.00	1.00	67,226	80,662	94,120	81
Development Services Facilitator	0.40	0.40	0.40	57,970	69,555	81,162	75
Pavement & Sidewalk Program Manager	1.00	0.00	0.00	56,555	67,870	79,186	74
Development Review Supervisor	1.00	0.00	0.00	51,230	61,485	71,739	70
Construction Inspection Supervisor	1.00	1.00	1.00	51,230	61,485	71,739	70
Senior Engineering Technician	0.00	1.00	1.00	51,230	61,485	71,739	70
Environmental Coordinator	1.00	0.80	0.80	51,230	61,485	71,739	70
Registered Land Surveyor	1.00	0.00	0.00	51,230	61,485	71,739	70
Stormwater Specialist	0.00	1.00	1.00	45,282	54,350	63,398	65
Construction Inspector	5.00	5.00	5.00	43,098	51,730	60,341	63
Building Inspector	1.00	0.50	0.50	43,098	51,730	60,341	63
Engineering Technician	1.00	0.40	0.40	43,098	51,730	60,341	63
Permit Technician/Plans Examiner	1.00	0.40	0.40	37,170	44,595	52,042	57
Total Engineering	19.74	18.17	18.17				

Authorized Position Listing

FY2021 Budget - Authorized Position Roster

Positions by Department and Division	FTE's			Pay Range			Pay Grade
	FY2019	FY2020	FY2021	Min	Mid	Max	
<u>Utilities</u>							
Public Works Director	0.50	0.50	0.50	Unclassified			Open
City Engineer	0.66	0.66	0.66	79,914	95,888	111,863	88
Utilities Manager	1.00	1.00	1.00	79,914	95,888	111,863	88
Admin Support Services Manager	0.50	0.50	0.50	72,384	86,882	101,358	84
Construction Services Manager	0.66	0.66	0.66	72,384	86,882	101,358	84
Senior Infrastructure Analyst	1.00	1.00	1.00	70,637	84,760	98,883	83
Civil Engineer	0.00	0.67	0.67	68,910	82,680	96,470	82
Water Resource Administrator	1.00	0.00	0.00	67,226	80,662	94,120	81
Water Resource Project Manager	0.00	2.00	2.00	67,226	80,662	94,120	81
Water Superintendent	1.00	1.00	1.00	60,902	73,091	85,259	77
Wastewater Superintendent	1.00	1.00	1.00	60,902	73,091	85,259	77
Development Services Facilitator	0.60	0.60	0.60	57,970	69,555	81,162	75
Water Operations Supervisor	2.00	2.00	2.00	52,520	63,024	77,251	71
Wastewater Collection Supervisor	1.00	2.00	2.00	52,520	63,024	77,251	71
WW Treatment Plant Operations Supervisor	2.00	1.00	1.00	52,520	63,024	77,251	71
Public Works Analyst	0.50	0.50	0.50	51,230	61,485	71,739	70
Environmental Coordinator	0.00	0.20	0.20	51,230	61,485	71,739	70
Water Resource Specialist	1.00	0.00	0.00	51,230	61,485	71,739	70
Senior Engineering Technician	0.00	1.00	1.00	51,230	61,485	71,739	70
Contract/Purchasing Administrator	0.50	0.50	0.50	48,776	58,510	68,266	68
Senior WW Treatment Plant Operator	2.00	2.00	2.00	45,282	54,350	63,398	65
Wastewater Treatment Plant Operator	5.00	5.00	5.00	43,098	51,730	60,341	63
WWTP Lab Tech/Relief Operator	1.00	1.00	1.00	43,098	51,730	60,341	63
Engineering Technician	0.00	0.60	0.60	43,098	51,730	60,341	63
Building Inspector	0.00	0.50	0.50	43,098	51,730	60,341	63
Elect Maint & SCADA Tech	1.00	1.00	1.00	42,058	50,461	58,864	62
Maintenance Specialist	5.00	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 Operator	5.00	5.00	5.00	40,019	48,027	56,035	60
Business Manager	0.00	0.50	0.50	40,019	48,027	56,035	60
Water Protection Inspector	1.00	1.00	1.00	39,042	46,862	54,662	59
Senior Utility Worker	11.00	11.00	11.00	38,106	45,718	53,331	58
Permit Technician/Plans Examiner	0.00	0.60	0.60	37,170	44,595	52,042	57
Development Coordinator/Records Control	0.67	0.67	0.67	37,170	44,595	52,042	57
Accounts Payable/Purchasing Specialist	0.50	0.50	0.50	36,254	43,514	50,773	56
Administrative Assistant	0.50	0.00	0.00	35,381	42,453	49,525	55
Utility Worker	19.00	19.00	19.00	34,507	41,413	48,318	54
Administrative Specialist	2.00	2.00	2.00	33,675	40,414	47,133	53
Secretary	1.50	1.50	1.50	29,765	35,714	41,662	48
Total Utilities	71.09	73.66	73.66				

Authorized Position Listing

FY2021 Budget - Authorized Position Roster

Positions by Department and Division	FTE's			Pay Range			Pay Grade
	FY2019	FY2020	FY2021	Min	Mid	Max	
<u>Solid Waste</u>							
Public Works Director	0.25	0.25	0.25		Unclassified		Open
Traffic Engineer	0.50	0.50	0.50	79,914	95,888	111,863	88
Admin Support Services Manager	0.25	0.25	0.25	72,384	86,882	101,358	84
Solid Waste Superintendent	1.00	1.00	1.00	59,426	71,302	83,179	76
Public Works Analyst	0.25	0.25	0.25	51,230	61,485	71,739	70
Solid Waste Supervisor	2.00	2.00	2.00	51,230	61,485	71,739	70
Contract/Purchasing Administrator	0.25	0.25	0.25	48,776	58,510	68,266	68
Senior Equipment Operator	3.00	3.00	3.00	40,019	48,027	56,035	60
Business Manager	0.50	0.25	0.25	40,019	48,027	56,035	60
Equipment Mechanic	1.00	1.00	1.00	39,042	46,862	54,662	59
Equipment Operator	13.00	14.00	14.00	37,170	44,595	52,042	57
Accounts Payable/Purchasing Specialist	0.25	0.25	0.25	36,254	43,514	50,773	56
Administrative Assistant	0.25	0.00	0.00	35,381	42,453	49,525	55
Administrative Specialist	0.00	0.50	0.50	33,675	40,414	47,133	53
Accounting Clerk	1.00	0.00	0.00	32,843	39,416	45,989	52
Secretary	0.25	1.25	1.25	29,765	35,714	41,662	48
Fee Booth Attendant	1.00	1.00	1.00	29,765	35,714	41,662	48
Maintenance Worker	5.00	5.00	5.00	29,037	34,840	40,643	47
Total Solid Waste	29.75	30.75	30.75				
<u>Street Maintenance</u>							
Public Works Director	0.25	0.25	0.25		Unclassified		Open
Traffic Engineer	0.50	0.50	0.50	79,914	95,888	111,863	88
Admin Support Services Manager	0.25	0.25	0.25	72,384	86,882	101,358	84
Construction Services Manager	0.34	0.34	0.34	72,384	86,882	101,358	84
Street Maintenance Superintendent	1.00	1.00	1.00	59,426	71,302	83,179	76
Traffic Signal Supervisor	1.00	1.00	1.00	55,182	66,206	77,251	73
Public Works Analyst	0.25	0.25	0.25	51,230	61,485	71,739	70
Street Maintenance Supervisor	2.00	2.00	2.00	51,230	61,485	71,739	70
Traffic Control Supervisor	1.00	1.00	1.00	51,230	61,485	71,739	70
Contract/Purchasing Administrator	0.25	0.25	0.25	48,776	58,510	68,266	68
Traffic Signal Specialist	2.00	2.00	2.00	44,179	53,019	61,859	64
Traffic Engineering Technician	1.00	1.00	1.00	43,098	51,730	60,341	63
Business Manager	0.50	0.25	0.25	40,019	48,027	56,035	60
Senior Equipment Operator	3.00	4.00	4.00	40,019	48,027	56,035	60
Equipment Service Technician	2.00	0.00	0.00	38,106	45,718	53,331	58
Development Coordinator/Records Control	0.33	0.33	0.33	37,170	44,595	52,042	57
Equipment Operator	15.00	15.00	15.00	37,170	44,595	52,042	57
Traffic Control Worker	2.00	2.00	2.00	37,170	44,595	52,042	57
Accounts Payable/Purchasing Specialist	0.25	0.25	0.25	36,254	43,514	50,773	56
Administrative Assistant	0.25	0.00	0.00	35,381	42,453	49,525	55
Administrative Specialist	0.00	0.50	0.50	33,675	40,414	47,133	53
Accounting Clerk	0.00	1.00	1.00	32,843	39,416	45,989	52
Secretary	0.25	0.25	0.25	29,765	35,714	41,662	48
Maintenance Worker	2.00	2.00	2.00	29,037	34,840	40,643	47
Total Street Maintenance	35.42	35.42	35.42				
Total Public Works	156.00	158.00	158.00				

Authorized Position Listing

FY2021 Budget - Authorized Position Roster

Positions by Department and Division	FTE's			Pay Range			Pay Grade
	FY2019	FY2020	FY2021	Min	Mid	Max	
Recreation Services							
<u>Parks, Lakes, Trails and Landscape Maintenance</u>							
Recreation Director	1.00	1.00	1.00	Unclassified			Open
Maintenance Superintendent	1.00	1.00	1.00	65,582	78,707	91,811	80
Grounds Superintendent	1.00	0.00	0.00	56,555	67,870	79,186	74
Trails/Natural Parklands Coordinator	1.00	1.00	1.00	51,230	61,485	71,739	70
Recreation Services Supervisor	2.00	4.00	4.00	48,776	58,510	68,266	68
Assistant Golf Course Superintendent	2.00	0.00	0.00	46,426	55,702	64,979	66
Landscape Coordinator	1.00	1.00	1.00	40,019	48,027	56,035	60
Lakes 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
Turf & Irrigation Specialist	1.00	1.00	1.00	37,170	44,595	52,042	57
Maintenance Technician	6.00	10.00	10.00	35,381	42,453	49,525	55
Irrigation Technician	2.00	2.00	2.00	35,381	42,453	49,525	55
Community Services Work Monitor	1.00	0.00	0.00	30,514	36,608	42,702	49
Service Technician	1.00	1.00	1.00	32,843	39,416	45,989	52
Groundskeeper	2.00	2.00	2.00	29,037	34,840	40,643	47
Total Parks, Lakes, Trails, and Landscape	25.00	27.00	27.00				
<u>Recreation Programming</u>							
Recreation Services Supervisor	1.00	1.00	1.00	56,555	67,870	79,186	74
Recreation Services Manager	0.00	1.00	1.00	42,058	50,461	58,864	62
Recreation/Special Events Coordinator	1.00	0.00	0.00	42,058	50,461	58,864	62
Recreation Coordinator	1.00	1.00	1.00	40,019	48,027	56,035	60
Administrative Coordinator	1.00	0.00	0.00	37,170	44,595	52,042	57
Administrative Specialist	1.00	1.00	1.00	33,675	40,414	47,133	53
Total Recreation Programming	5.00	4.00	4.00				
<u>Facilities Management</u>							
Facilities Manager	1.00	0.00	0.00	59,426	71,302	83,179	76
Facilities Superintendent	0.00	1.00	1.00	59,426	71,302	83,179	76
Facilities Maintenance Supervisor	1.00	0.00	0.00	51,230	61,485	71,739	70
Maintenance Specialist	2.00	3.00	3.00	41,018	49,234	57,429	61
Contract Specialist	0.50	0.00	0.00	41,018	49,234	57,429	61
Facilities Coordinator	1.00	1.00	1.00	40,019	48,027	56,035	60
Administrative Coordinator	0.10	0.00	0.00	37,170	44,595	52,042	57
Custodian	2.00	2.00	2.00	25,043	30,035	35,048	41
Total Facilities Management	7.60	7.00	7.00				
<u>Fleet Services</u>							
Fleet Manager	1.00	1.00	1.00	59,426	71,302	83,179	76
Fleet Maintenance Supervisor	1.00	1.00	1.00	51,230	61,485	71,739	70
Senior Fleet Technician	1.00	0.00	0.00	42,058	50,461	58,864	62
Senior Equipment Mechanic	0.00	1.00	1.00	42,058	50,461	58,864	62
Contract Specialist	0.50	0.00	0.00	41,018	49,234	57,429	61
Equipment Mechanic	4.00	5.00	5.00	39,042	46,862	54,662	59
Parts and Service Specialist	1.00	1.00	1.00	39,042	46,862	54,662	59
Administrative Coordinator	0.90	1.00	1.00	37,170	44,595	52,042	57
Total Fleet Services	9.40	10.00	10.00				
Total Recreation Services	47.00	48.00	48.00				

Authorized Position Listing

FY2021 Budget - Authorized Position Roster

Positions by Department and Division	FTE's			Pay Range			Pay
	FY2019	FY2020	FY2021	Min	Mid	Max	Grade
Regional Communications							
Police Lieutenant	1.00	0.00	0.00	81,910	98,280	114,670	89
PRCC Manager	1.00	1.00	1.00	72,384	86,882	101,358	84
PRCC Assistant Manager	0.00	1.00	1.00	59,426	71,302	83,179	76
Communications Specialist Supervisor	4.00	4.00	4.00	45,282	54,350	63,398	65
Communications Specialist	24.00	24.00	24.00	39,042	46,862	54,662	59
Total Regional Communications	30.00	30.00	30.00				
Total City-wide Authorized	498.25	507.00	507.00				

Authorized Pay Grade Ranges

Pay Grade	Annual Minimum	Annual Midpoint	Annual Maximum	Pay Grade	Annual Minimum	Annual Midpoint	Annual Maximum
20	14,913.60	17,888.00	20,862.40	68	48,776.00	58,510.40	68,265.60
21	15,288.00	18,324.80	21,382.40	69	49,982.40	59,987.20	69,971.20
22	15,662.40	18,803.20	21,923.20	70	51,230.40	61,484.80	71,739.20
23	16,057.60	19,260.80	22,464.00	71	52,520.00	63,024.00	73,528.00
24	16,452.80	19,739.20	23,025.60	72	53,830.40	64,604.80	75,358.40
25	16,868.80	20,238.40	23,608.00	73	55,182.40	66,206.40	77,251.20
26	17,284.80	20,758.40	24,211.20	74	56,555.20	67,870.40	79,185.60
27	17,721.60	21,257.60	24,814.40	75	57,969.60	69,555.20	81,161.60
28	18,158.40	21,798.40	25,417.60	76	59,425.60	71,302.40	83,179.20
29	18,616.00	22,339.20	26,062.40	77	60,902.40	73,091.20	85,259.20
30	19,073.60	22,900.80	26,707.20	78	62,420.80	74,921.60	87,401.60
31	19,552.00	23,462.40	27,372.80	79	63,980.80	76,793.60	89,585.60
32	20,051.20	24,065.60	28,059.20	80	65,582.40	78,707.20	91,811.20
33	20,550.40	24,668.80	28,766.40	81	67,225.60	80,662.40	94,120.00
34	21,070.40	25,272.00	29,494.40	82	68,910.40	82,680.00	96,470.40
35	21,590.40	25,916.80	30,222.40	83	70,636.80	84,760.00	98,883.20
36	22,131.20	26,561.60	30,971.20	84	72,384.00	86,881.60	101,358.40
37	22,672.00	27,227.20	31,761.60	85	74,193.60	89,044.80	103,875.20
38	23,254.40	27,892.80	32,552.00	86	76,065.60	91,270.40	106,475.20
39	23,836.80	28,600.00	33,363.20	87	77,958.40	93,558.40	109,137.60
40	24,419.20	29,307.20	34,195.20	88	79,913.60	95,888.00	111,883.20
41	25,043.20	30,035.20	35,048.00	89	81,910.40	98,280.00	114,670.40
42	25,667.20	30,804.80	35,921.60	90	83,948.80	100,755.20	117,540.80
43	26,312.00	31,574.40	36,816.00	91	86,049.60	103,272.00	120,473.60
44	26,956.80	32,364.80	37,752.00	92	88,212.80	105,851.20	123,489.60
45	27,643.20	33,155.20	38,688.00	93	90,417.60	108,492.80	126,568.00
46	28,329.60	33,987.20	39,665.60	94	92,664.00	111,196.80	129,729.60
47	29,036.80	34,840.00	40,643.20	95	94,993.60	113,984.00	132,974.40
48	29,764.80	35,713.60	41,662.40	96	97,364.80	116,833.60	136,302.40
49	30,513.60	36,608.00	42,702.40	97	99,798.40	119,745.60	139,713.60
50	31,262.40	37,523.20	43,784.00	98	102,294.40	122,740.80	143,208.00
51	32,052.80	38,459.20	44,865.60	99	104,852.80	125,819.20	146,785.60
52	32,843.20	39,416.00	45,988.80	100	107,473.60	128,960.00	150,467.20
53	33,675.20	40,414.40	47,132.80	101	110,156.80	132,184.00	154,211.20
54	34,507.20	41,412.80	48,318.40	102	112,902.40	135,491.20	158,080.00
55	35,380.80	42,452.80	49,524.80	103	115,731.20	138,881.60	162,032.00
56	36,254.40	43,513.60	50,772.80	104	118,622.40	142,355.20	166,067.20
57	37,169.60	44,595.20	52,041.60	105	121,596.80	145,912.00	170,227.20
58	38,105.60	45,718.40	53,331.20	106	124,633.60	149,552.00	174,491.20
59	39,041.60	46,862.40	54,662.40	107	127,753.60	153,296.00	178,838.40
60	40,019.20	48,027.20	56,035.20	108	130,936.00	157,123.20	183,310.40
61	41,017.60	49,233.60	57,428.80	109	134,222.40	161,054.40	187,907.20
62	42,057.60	50,460.80	58,864.00	110	137,571.20	165,089.60	192,608.00
63	43,097.60	51,729.60	60,340.80				
64	44,179.20	53,019.20	61,859.20	64F	47,820.34	57,388.91	66,957.49
65	45,281.60	54,350.40	63,398.40	71F	56,848.57	68,218.29	79,588.00
66	46,425.60	55,702.40	64,979.20	78F	67,565.37	81,096.46	94,605.03
67	47,569.60	57,096.00	66,601.60	86F	79,200.17	95,031.54	110,862.91

Glossary of Terms

Accrual Basis - A basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent.

Actual - Actual, as used in the fund summaries and department and division summaries within the budget document, represents the actual costs results of operations. This category is presented on a GAAP basis, with the exception that depreciation and amortization are not budgeted and principal payments on debt in the enterprise funds are budgeted as expenses.

Adopted Budget - Formal action made by City Council which sets the spending limits for the fiscal year.

Appropriation - An authorization granted by the City Council to make expenditures and to incur obligations for purposes specified in the Appropriation Ordinance.

ARFF – Airport Rescue Fire Fighting

Assessed Valuation - A value placed upon real estate or other property by the County Assessor and the State as a basis for levying ad valorem property taxes.

Asset - Resources owned or held by a government which has monetary value.

ASRS – Arizona State Retirement System – all civilian employees in the City of Prescott contribute to this statewide retirement system.

Authorized Positions - Employee positions, which are authorized in the adopted budget, to be filled during the year.

Balanced Budget - Arizona State law requires a “balanced” budget, which is “all-inclusive”. Arizona State Revised Statute (42-17151) defines a “balanced” budget as follows:

“Fix, levy and assess the amount to be raised from primary property taxation and secondary property taxation. This amount, plus all other sources of revenue, as estimated, and unencumbered balances from the preceding fiscal year, shall equal the total of amounts proposed to be spent in the budget for the current fiscal year.”

Base Budget Allowances - Ongoing expense for personnel, commodities, and contractual services.

Beginning Balance - The beginning balance is the residual funds brought forward from the previous fiscal year (ending balance).

Bond Refinancing - The payoff and re-issuance of bonds, to obtain better interest rates and/or bond conditions.

Bonds - Bonds are debt instruments which require repayment of a specified principal amount on a certain date (maturity 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

CAFR – Comprehensive Annual Financial Report – the audited financial statement for the City.

Capital Assets - Assets of significant value and having a useful life of several years. Capital assets are also called fixed assets.

Capital Improvements - Expenditures related to the acquisition, expansion or rehabilitation of an element of the government's physical plant; sometimes referred to as infrastructure.

Capital Improvement Program (CIP) - A plan for capital outlay to be incurred each year over a fixed number of years to meet capital needs arising from the government's long-term needs.

Capital Project - Major construction, acquisition, or renovation activities which add value to a government's physical assets or significantly increase their useful life. Also called capital improvements.

Capital Outlay - Items costing more than \$5,000 and having a useful life of more than one year are defined as capital outlay.

Carryover - Any equipment, contractual, commodity, or capital project that has been previously approved by the Mayor and Council but for various reasons has not been implemented on schedule. Under the State laws and generally accepted accounting principles only those costs relating to work actually done on or before the last day of the fiscal year can be reflected on the financial statements of that fiscal year. To avoid having to charge the project costs estimated to be incurred in a subsequent fiscal year as an unbudgeted item for that year and, therefore, a violation of State budget law, such project and the associated projected costs are included in the subsequent year's budget.

Cash Basis - A basis of accounting in which transactions are recognized only when cash is increased or decreased.

Commodities - Expendable items used by operating or construction activities. Examples include office supplies, repair and replacement parts for equipment, fuels and lubricants, etc.

Community Development Block Grant (CDBG) - Grant funds allocated by the Federal Government to the City of Prescott to use for the prevention and removal of slum and blight, and to benefit low and moderate income persons. The City of Prescott disburses these funds via an application process open to all non-profit organizations and City of Prescott departments.

Compression - A problem that occurs when, due to market conditions, the bottom of the pay range moves up more rapidly than salaries of the incumbents.

Consumer Price Index (CPI) - A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in the cost of living (i.e., economic inflation).

Contingency - An appropriation of funds to cover unforeseen events that occur during the fiscal year, such as flood emergencies, Federal mandates, shortfalls in revenue and similar eventualities.

Contractual Services - Contractual Services are services provided to the City by firms, individuals, or other City departments.

Glossary of Terms

Cost Center - An organizational budget/operating unit within each City division or department.

Cost-of-living Adjustment (COLA) - An increase in salaries to offset the adverse effect of inflation on compensation.

D.A.R.E. - Drug Abuse Resistance Education

Debt Service - Payment of interest and principal on an obligation resulting from the issuance of bonds and/or lease purchase contracts.

Deficit - The excess of an entity's liabilities over its assets or the excess of expenditures or expenses over revenues during a single accounting period.

Department - A major administrative division of the City which indicates overall management responsibility for an operation or group of related operations within a functional area.

Depreciation - An accrual accounting method of allocation a capital asset cost over multiple years.

Development-related Fees - Those fees and charges generated by building, development and growth in a community. Included are building and street permits, development review fees, and zoning, platting and subdivision fees.

Disbursement - The expenditure of monies from an account.

Distinguished Budget Presentation Awards Program - A voluntary awards program administered by the Government Finance Officers Association to encourage governments to prepare effective budget documents.

Division - A functional unit within a department consisting of one or more cost centers engaged in activities supporting the unit's mission and objectives.

Employee Benefits - Contributions made by a government to meet commitments or obligations for employee fringe benefits. Included are the government's share of costs for Social Security and the various pension, medical, and life insurance plans.

Encumbrance - A reservation of funds to cover purchase orders, contracts or other funding commitments which are yet to be fulfilled. The budget basis of accounting considers an encumbrance to be the equivalent of an expenditure.

Enterprise Funds - Funds which are accounted for in a manner similar to a private business enterprise. Usually the governmental entity intends for enterprise funds to fully recover their costs (including depreciation) through user fees. The City of Prescott has six such self-supporting funds: Airport, Water, Wastewater, Golf, Solid Waste, and Transfer Station.

Estimate - As used throughout the budget document, represents the most recent estimate for current year revenue and expenditures. The estimates used are prepared using several months of actual expenditure and revenue experience and are prepared to consider the impact of unanticipated price or other economic changes.

Expenditures - Refers to current cash operating expenses and encumbrances.

Expense - Charges incurred (whether paid immediately or unpaid) for operations, maintenance, interest or other charges.

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.

Glossary of Terms

Fiscal Year - The time period designated by the City satisfying the beginning and ending period for recording financial transactions. The City of Prescott has specified July 1 to June 30 as its fiscal year.

Fixed Assets - Assets of a long-term character which are intended to continue to be held or used, such as land, buildings, machinery, furniture and other equipment.

Full-Time Equivalent Position - A part-time position converted to the decimal equivalent of a full-time position based on 2,080 hours per year. For example, a part-time typist working for 20 hours per week would be equivalent to .5 of a full-time position.

Fund - An independent governmental accounting entity with a self-balancing group of accounts including assets, liabilities and fund balance.

Fund Balance - The excess of the assets of a fund over its liabilities, reserves, and carryover.

Governmental Fund: Includes the general fund, special revenue funds and debt service funds. Governmental funds account for all services provided which do not have revenues generated directly by providing services. Rather, revenues are more indirect in forms of taxes or fees.

GAAP - Generally Accepted Accounting Principles. Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.

General Fund - A fund used to account for all general-purpose transactions of the City which do not require a special type of fund.

General Obligation Bonds (G.O. Bonds) - Bonds that require voter approval and finance a variety of public capital projects such as streets, buildings, parks and improvements. The bonds are backed by the "full faith and credit" of the issuing government.

GFOA - The Government Finance Officers Association is a professional association of approximately 18,500 state, provincial, and local government finance officers in the United States and Canada. GFOA is headquartered in downtown Chicago.

Goal - A statement of broad direction, purpose or intent based on the needs of the community. A goal is general and timeless; that is, it is not concerned with a specific achievement in a given time period.

Grant - A grant is a contribution by one government unit or funding source to another. The contribution is usually made to aid in the support of a specified function, i.e., library materials, drug enforcement, but it is sometimes for general purposes.

Highway User Revenue Fund (HURF) - Highway user revenues are a gasoline tax collected by the state and distributed to counties and cities based on the county of origin and population. These revenues are to be used for highways and streets maintenance and construction.

Impact Fees - Fees charged to developers or individuals to cover, in whole or in part, the anticipated costs of improvements that will be necessary as a result of the development.

Improvement Districts - Consists of property owners desiring improvements to their property. Bonds are issued to finance these improvements, which are repaid by assessments on affected property. Improvement District debt is paid for by a compulsory levy (special assessment) made against certain 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.

Glossary of Terms

Infrastructure - The physical assets of a government (e.g., streets, water, sewer, public buildings and parks).

Interfund Transfers - Transfer of resources between funds that are not recorded as revenues to the fund receiving or expenditures to the fund providing.

Intergovernmental Revenue - Funds received from federal, state and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes.

Internal Charges - The charges to user departments for intercity services provided by another City departments.

Levy - To impose taxes for the support of government activities.

Long-term Debt - Debt with a maturity of more than one year after the date of issuance.

Mandate - Legislation passed by the State or Federal government requiring action or provision of services and/or programs. Examples include the Americans with Disabilities Act which requires actions such as physical facility improvements and provision of specialized transportation services.

Municipal Property Corporation (MPC) - The Municipal Property Corporation is a non-profit corporation established to issue bonds to fund City capital improvement projects.

Net Budget - The legally adopted budget less all interfund transfers and interdepartmental charges.

Objective - Desired output oriented accomplishments which can be measured and achieved within a given time frame. Achievement of the objective advances the activity organization toward a corresponding goal.

Obligations - Amounts which a government may be legally required to meet out of its resources. They include not only actual liabilities, but also encumbrances not yet paid.

Operating Budget - A budget for general expenditures such as salaries, utilities, and supplies.

Operating Expenses - The cost for personnel, materials and equipment required for a department to function.

Operating Funds - Resources derived from recurring revenue sources used to finance ongoing operating expenditures and pay-as-you-go capital projects.

Other Services and Charges: Expenditures for service performed by firms or individuals outside of the City. These include contracted services, insurance, cleaning services, professional services, advertising, postage and freight, telecommunications, travel/training, printing and binding, utilities, rental equipment, and maintenance/repair.

Pay-As-You-Go Capital Projects - Pay-as-you-go capital projects are capital projects whose funding source is derived from City revenue sources other than through the use of debt.

Performance Indicators - Specific quantitative and qualitative measures of work performed as an objective of specific departments or programs.

Performance Measure - Data collected to determine how effective or efficient a program is in achieving its objectives.

Glossary of Terms

Personnel - All employer's costs related to compensating employees of the City of Prescott, including employee fringe benefit costs such as City portion of retirement, social security, and health and industrial insurance.

Primary Property Tax - A limited tax levy used to support general government operations. The total levy for primary property taxes is restricted to a 2% annual increase, plus allowances for previously unassessed property (primarily new construction).

Program - A group of related activities performed by one or more organizational units for the purpose of accomplishing a function for which the City is responsible.

Property Tax - A levy upon each \$100 of assessed valuation of property within the City of Prescott. Arizona has two types of property taxes. Primary property taxes support the City of Prescott's general fund, and secondary property taxes pay general obligation debt.

PSPRS – Public Safety Personnel Retirement System – sworn police and fire personnel in the City of Prescott participate in this retirement system.

Reserve - An account used either to set aside budgeted revenues that are not required for expenditure in the current budget year or to earmark revenues for a specific future purpose.

Resolution - A special or temporary order of a legislative body; an order of a legislative body requiring less legal formality than an ordinance or statute.

Resources - Total amounts available for appropriation including estimated revenues, fund transfers and beginning fund balances.

Revenue - Sources of income financing the operations of government.

SCADA - Supervisory Control and Data Acquisition

Secondary Property Tax - An unlimited tax levy restricted to general bonded debt obligations.

Service Level - Services or products which comprise actual or expected output of a given program. Focus is on results, not measures of workload.

Supplies: Includes purchases of tangible personal property for operations. Operating supplies include articles, materials, and commodities which are consumed or generally altered when used. These items are necessary for the basic operation of the program or activity.

Source of Revenue - Revenues are classified according to their source or point of origin.

Special Assessment - A compulsory levy made against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

Special Revenue Fund - to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes.

State-Shared Revenues - Revenues levied and collected by the State but shared on a predetermined basis with local governments.

Tax Levy - The total amount to be raised by general property taxes for purposes specified in the Tax Levy Ordinance.

Tax Rate - The amount of tax levied for each \$100 of assessed valuation.

Glossary of Terms

Taxes - Compulsory charges levied by a government for the purpose of financing services performed for the common benefit of the people. This term does not include specific charges made against particular persons or property for current or permanent benefit, such as special assessments.

Transfers - Transfers are the authorized exchanges of cash or other resources between funds.

Transfers In/Out - Amounts transferred from one fund to another to assist in financing the services for the recipient fund.

U/W/I - Urban Wildland Interface

Unrestricted Fund Balance - The portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.

User Charges - The payment of a fee for direct receipt of a public service by the party benefiting from the service.

Workload Indicator - A unit of work to be done (e.g., number of permit applications received, the number of household receiving refuse collection service, or the number of burglaries to be investigated).