

City of Prescott Budget & Finance Department Citizen's Academy



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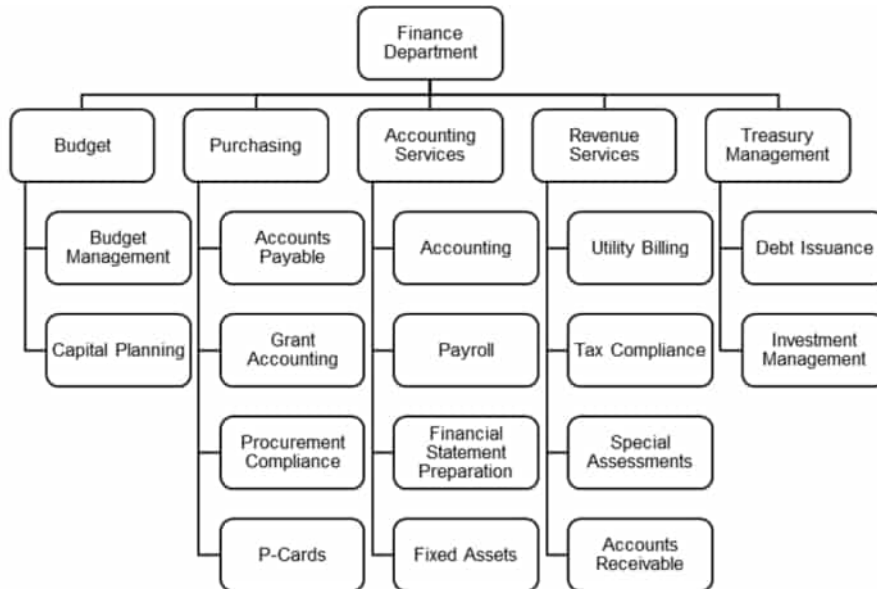
Outline

- City Finance Snapshot
- City Finance Basics, Fund Types
- General Fund Summary
- City Budgeting
- Resources to learn more
- Department Contacts

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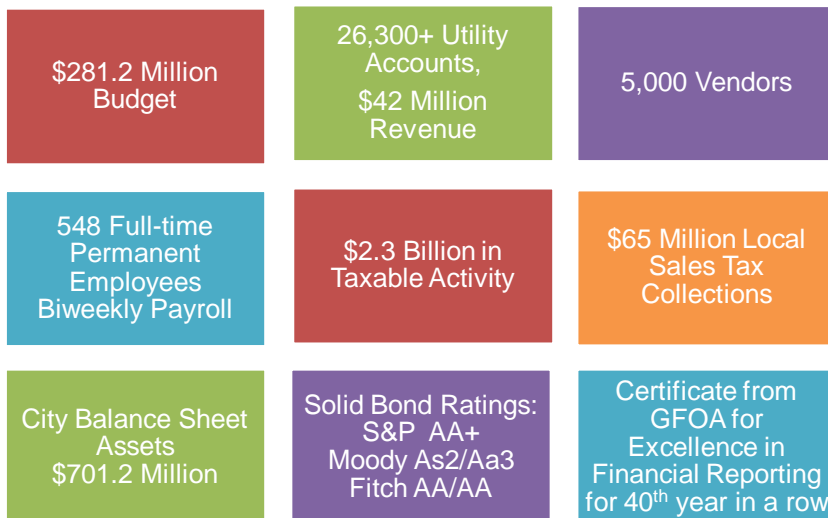
Budget & Finance Organization



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City Finance Snapshot



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City Finance Basics

Fund Accounting – a fund is an independent fiscal and accounting entity with a self-balancing set of accounts, segregated for the purpose of carrying on specific activities in accordance with specific regulations, restrictions or limitations.



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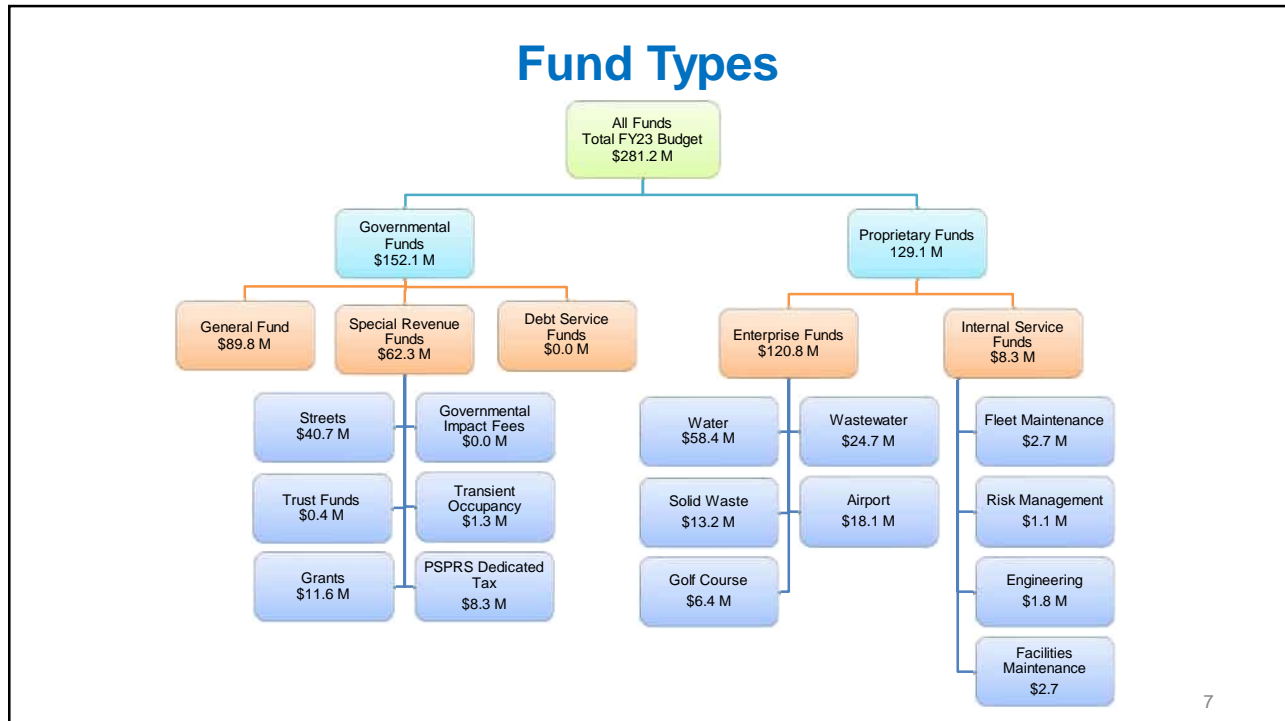
Fund Types Defined

- **Governmental Funds**
 - **General Fund:** Funded mainly by general type taxes, funds basic governmental activities.
 - **Special Revenue and Capital Fund:** Dedicated taxes or other earmarked revenue sources as required by statute, charter provision, ballot language, or ordinance.
 - **Debt Service:** General long-term debt principal and interest.
- **Proprietary (Business) Funds**
 - **Enterprise:** Similar to private business operations where the intent of the City is that the costs of providing goods or services to the general public on a continuing basis be recovered primarily through user charges.
 - **Internal Service:** Services furnished by one department to other departments of the City on a cost-reimbursement basis.

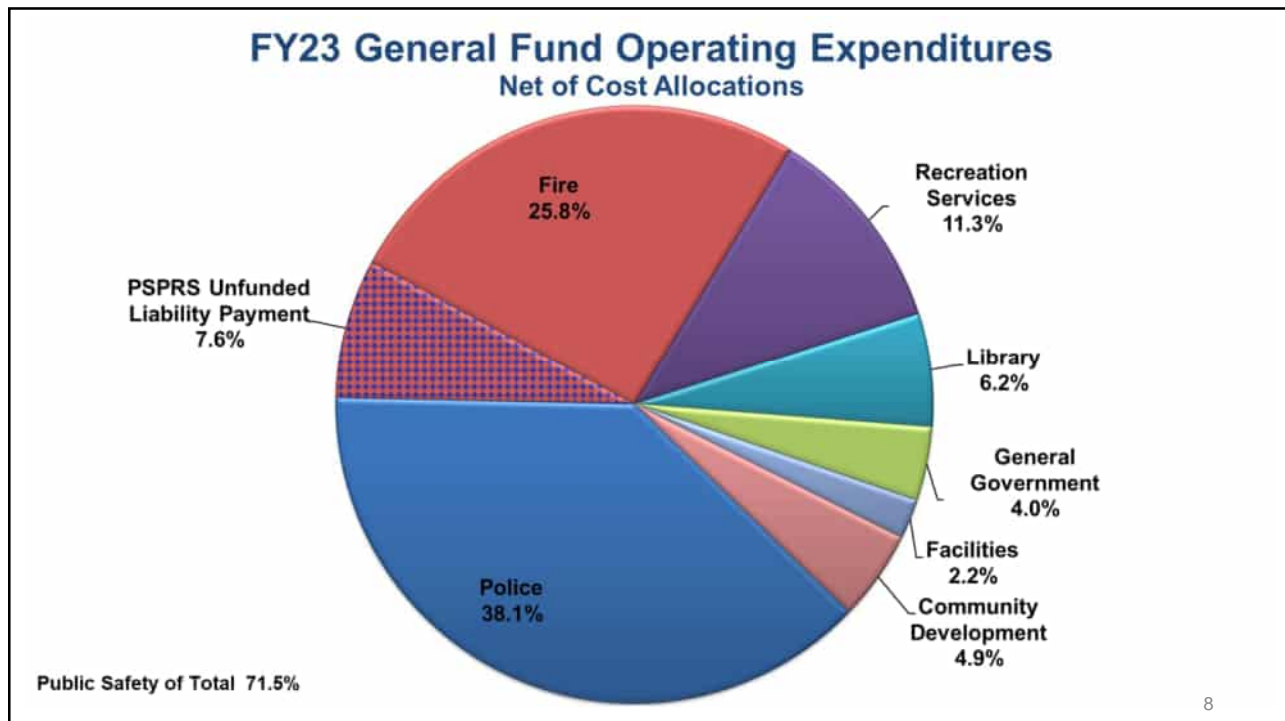
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Citizen's Academy 1/25/2023 Budget and Finance Department

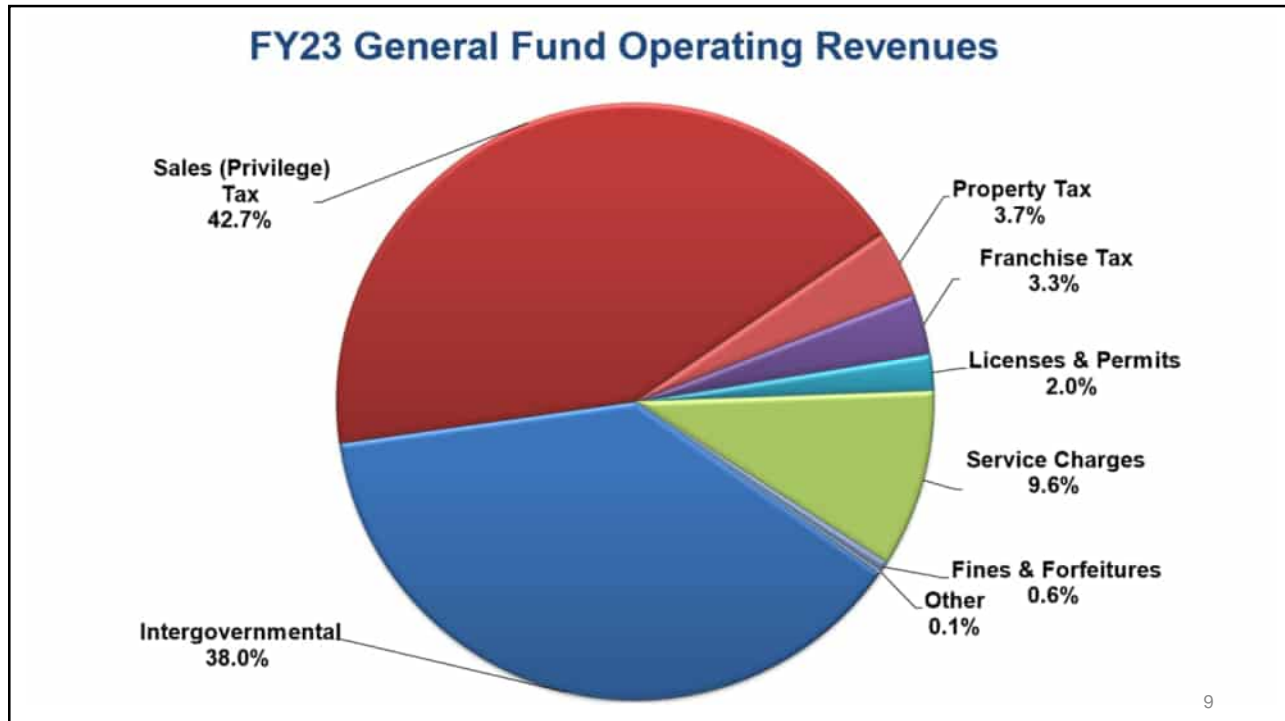


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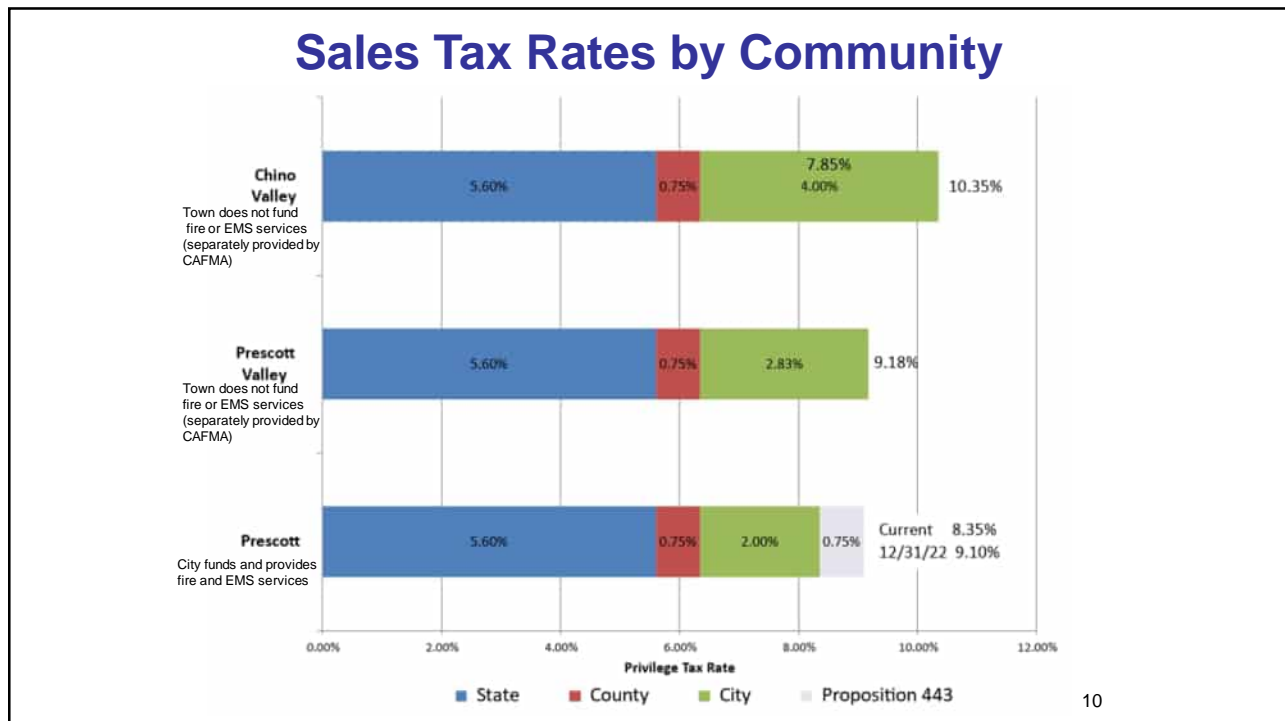


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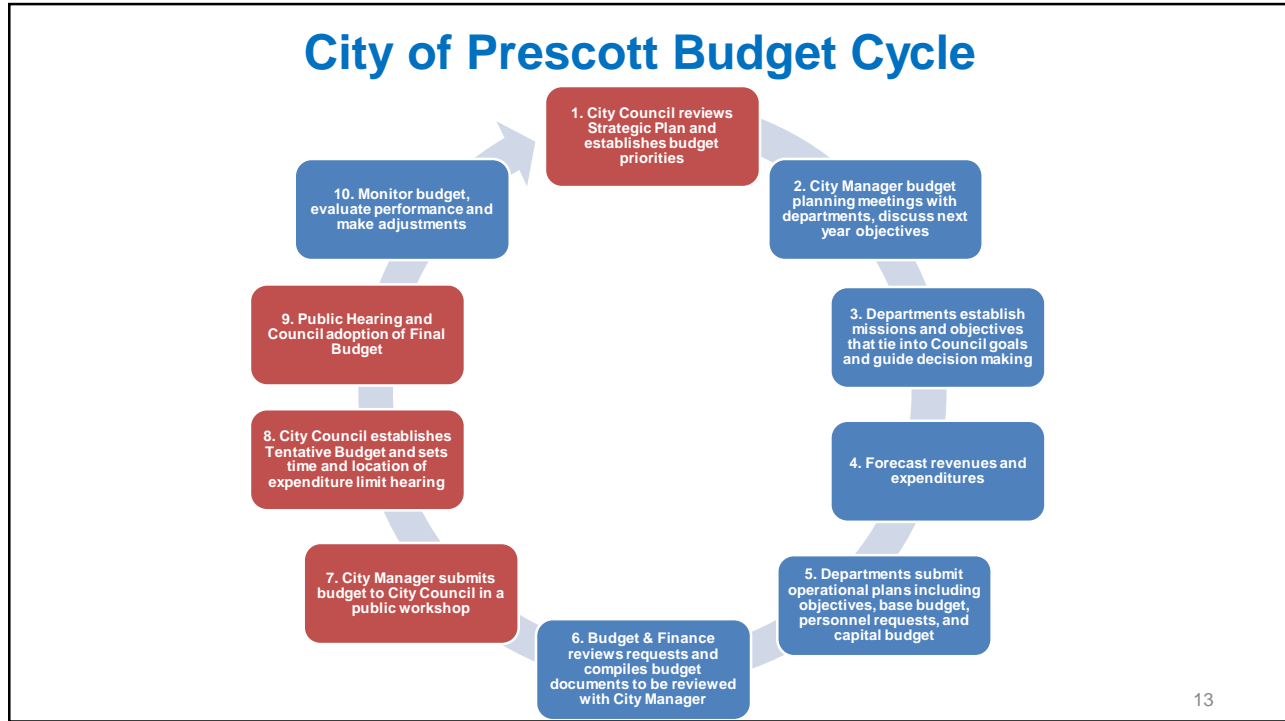
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Budgeting Basics

- State Imposed Expenditure Limitation
 - City of Prescott is under the Alternative Expenditure Limitation or “Home Rule Option” which allows the annual adopted budget to become the expenditure limitation
 - Voters approve this every four years
- Council Adopted Final Budget limit
 - Departments cannot exceed limits
 - City Council can authorize movement of budget appropriation between departments and funds
- Balanced Budget – required by City Charter
 - Ongoing operating expenditures are covered by operating revenues
 - One-time capital expenditures may use some accumulated fund balance or debt issues

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Proposed Total City Budget

	FY22 Budget	FY23 Budget	% Chg
Operating Budget			
General Operations	\$ 102,361,873	\$ 108,185,890	5.7%
PSPRS 0.75% Tax	14,780,000	8,330,625	-43.6%
Contingent Debt Service	-	3,980,000	-
Capital Budget	98,502,428	125,723,688	27.6%
Contingency			
Potential Grants	5,000,000	5,000,000	0.0%
Other	17,500,000	30,000,000	71.4%
Total	\$ 238,144,301	\$ 281,220,203	18.1%

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Capital Budget and 5 year plan



FY23
\$125.7 Mil

FY24-FY28
\$365.6 Mil

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Airport Capital



FY23
\$15.4 Mil

FY24-FY28
\$96.4 Mil

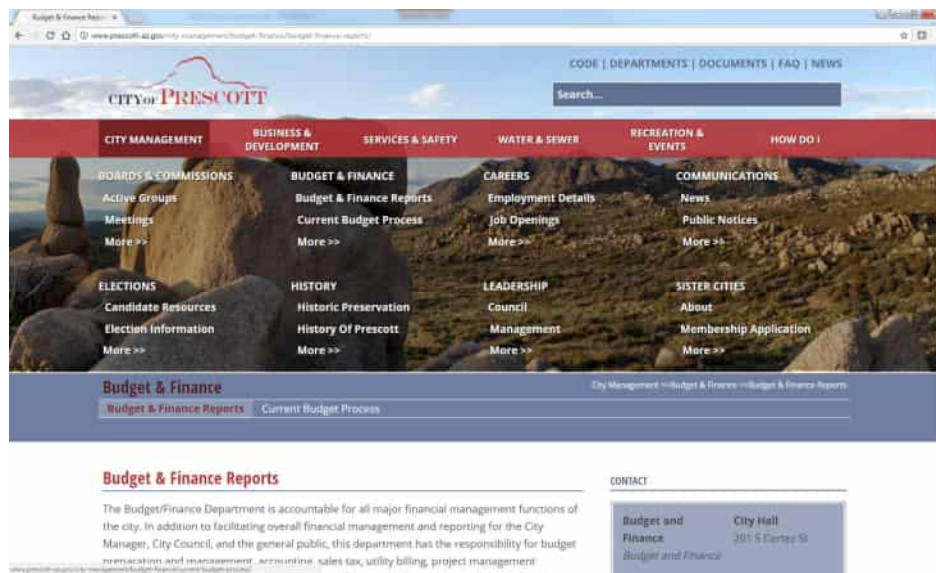
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Public Works Capital



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Resources to Learn More



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Questions?

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