



Town of Paradise Valley FY2027 Budget Development

Expenditures Overview



Budget Calendar

| Date | Activity | Subject |
|-------------|----------------------|--|
| March 12 | Study Session | User Fees Preliminary Budget Overview Capital Improvement Projects (CIP) |
| March 26 | Study Session | Department Budgets |
| April 9 | Study Session | Revenue Stress Test Pension Funding Follow Up Items |
| April 23 | Meeting: Action Item | Tentative Budget Adoption |
| May 14 | Meeting: Action Item | Final Budget Adoption |



Agenda

- FY2027 Proposed Changes to Personnel Costs
- FY2027 Proposed Department Budgets
- FY2027 Proposed Enterprise and Special Revenue Fund Budgets

FY2027 Major Personnel Budget Changes

FY2027

Major Personnel Budget Changes

| PROPOSED BUDGET CHANGES | FY2026 | FY2027 |
|--|--------|--------|
| General compensation plan increase of 5.0% total | 5.0% | 5.0% |
| <ul style="list-style-type: none"> • Market adjustment | 2.0% | 3.0% |
| <ul style="list-style-type: none"> • Merit increase | 3.0% | 2.0% |
| Arizona State Retirement System (ASRS) employer contribution rate | 12.00% | 11.98% |
| Public Safety Retirement System (PSPRS) employer contribution rate Tiers 1 & 2 | 24.69% | 16.44% |
| Public Safety Retirement System (PSPRS) employer contribution rate Tier 3 | 8.52% | 8.69% |
| Arizona Metropolitan Trust (AzMT) healthcare benefits overall increase | 4.5% | 9.5% |
| Town FTEs | 117.1 | 116.9 |

FY2027 Department Budgets

Department Budgets

| | FY2025 Actual | FY2025 Budget | FY2026 Budget | FY2027 Proposed | \$ Change | % Change |
|---------------------------|-------------------|-------------------|-------------------|-------------------|----------------|-------------|
| Mayor & Council | 493,496 | 494,550 | 482,379 | 500,279 | 17,900 | 3.7% |
| Town Manager | 1,207,311 | 1,328,431 | 1,529,222 | 1,607,882 | 78,660 | 5.1% |
| Town Attorney | 691,778 | 944,583 | 976,138 | 844,096 | (132,042) | -13.5% |
| Information Technology | 1,662,245 | 2,059,458 | 2,096,889 | 2,184,575 | 87,686 | 4.2% |
| Finance | 1,508,406 | 1,719,807 | 1,813,710 | 1,837,291 | 23,581 | 1.3% |
| Community Development | 3,288,360 | 3,975,106 | 4,111,881 | 4,299,646 | 187,765 | 4.6% |
| Public Works | 799,605 | 1,070,243 | 1,495,116 | 1,551,258 | 56,142 | 3.8% |
| Courts | 1,082,380 | 987,356 | 1,119,901 | 1,339,409 | 219,508 | 19.6% |
| Police | 14,435,682 | 12,609,045 | 13,083,724 | 12,957,631 | (126,093) | -1.0% |
| Total Departmental | 25,169,262 | 25,188,579 | 26,708,959 | 27,130,069 | 421,110 | 1.6% |





Mayor & Town Council

Mayor & Town Council Major Budget Changes

Increased/Decreased Spending

- Arts Commission - increase \$2k
- Council Recognition Events - increase \$10k
- Historical Committee increase - \$5k

To be determined

- Human services contribution \$265,000 preliminary budget

Mayor & Town Council

| | FY2025 Actual | FY2026 Budget | FY2026 Budget | FY2027 Proposed | \$ Change | % Change |
|--------------|--------------------------|--------------------------|--------------------------|----------------------------|----------------------|---------------------|
| Personnel | 0 | 0 | 0 | 0 | 0 | 0% |
| Services | 482,640 | 457,050 | 470,879 | 488,579 | 17,700 | 3.8% |
| Supplies | 10,856 | 37,500 | 11,500 | 11,700 | 200 | 1.7% |
| Total | 493,496 | 494,550 | 482,379 | 500,279 | 17,900 | 3.7% |
| | | | | | | |
| FTE | | | 0 | 0 | 0 | 0% |





Town Manager

Town Manager Major Budget Changes

Increased/Decreased Spending

- Moved position from Town Attorney to Town Manager - increase \$97k
- Election costs - increase \$25k
- No Comp/benefits studies - decrease \$62K
- Reduced Employee Tuition Reimbursement based on actual use - decrease \$25K

Town Manager Budget

| | FY2025 Actual | FY2025 Budget | FY2026 Budget | FY2027 Proposed | \$ Change | % Change |
|-------------------|--------------------------|--------------------------|--------------------------|----------------------------|----------------------|---------------------|
| Salary & Benefits | 940,953 | 896,496 | 1,041,117 | 1,190,524 | 149,407 | 14.4% |
| Services | 235,545 | 387,935 | 441,905 | 385,808 | (56,097) | -12.7% |
| Supplies | 30,813 | 44,000 | 46,200 | 31,550 | (14,650) | -31.8% |
| Total | 1,207,311 | 1,328,431 | 1,529,222 | 1,607,882 | 78,660 | 5.1% |
| | | | | | | |
| FTE | | | 4.0 | 5.0 | 1.0 | |





Town Attorney

Town Attorney Major Budget Changes

Increased/Decreased Spending

- Position moved to Town Manager - decrease \$97k
- Town Attorney contract - Increase \$10k

Town Attorney Budget

| | FY2025 Actual | FY2025 Budget | FY2026 Budget | FY2027 Proposed | \$ Change | % Change |
|------------------------------|--------------------------|--------------------------|--------------------------|----------------------------|----------------------|---------------------|
| Salary & Benefits | 395,732 | 534,198 | 578,880 | 447,253 | (131,627) | -22.7% |
| Services | 327,320 | 440,025 | 427,958 | 429,643 | 1,685 | 0.3% |
| Supplies | 1,167 | 2,800 | 3,100 | 2,300 | (800) | -25.8% |
| Administrative Allocation | (32,440) | (32,440) | (33,800) | (35,100) | (1,300) | 3.8% |
| Total | 691,778 | 944,583 | 976,138 | 844,096 | (132,042) | -13.5% |
| | | | | | | |
| FTE | | | 4.1 | 3.1 | (1.0) | |





Information Technology

Information Technology Major Budget Changes

Increased/Decreased Spending

- Professional services, licenses & support - Increase \$32k

New purchases-Technology projects

- Campus security projects \$125k
- IT infrastructure improvements \$100,000
- Website \$100k
- Computer yearly refresh of 1/3 \$140k

Information Technology Budget

| | FY2025 Actual | FY2025 Budget | FY2026 Budget | FY2027 Proposed | \$ Change | % Change |
|------------------------------|--------------------------|--------------------------|--------------------------|----------------------------|----------------------|---------------------|
| Salary & Benefits | 651,025 | 718,234 | 632,379 | 701,848 | 69,469 | 11.0% |
| Services | 794,648 | 897,300 | 1,011,610 | 1,043,528 | 31,918 | 3.2% |
| Supplies | 3,454 | 3,100 | 5,100 | 3,900 | (1,200) | -23.5% |
| Administrative Allocation | (26,176) | (26,176) | (27,200) | (28,200) | (1,000) | 3.7% |
| Capital Outlay | 239,294 | 467,000 | 475,000 | 463,500 | (12,000) | -2.5% |
| Total | 1,662,245 | 2,059,458 | 2,096,889 | 2,184,575 | 87,686 | 4.2% |
| | | | | | | |
| FTE | | | 4.0 | 4.0 | 0.0 | |



Finance

Finance

Major Budget Changes

Increased/Decreased Spending

- Payroll processing fees - increase \$15k

Finance Budget

| | FY2025 Actual | FY2025 Budget | FY2026 Budget | FY2027 Proposed | \$ Change | % Change |
|------------------------------|--------------------------|--------------------------|--------------------------|----------------------------|----------------------|---------------------|
| Salary & Benefits | 957,881 | 1,065,300 | 1,114,687 | 1,128,393 | 13,706 | 1.2% |
| Services | 315,200 | 353,690 | 384,193 | 399,498 | 15,305 | 4.0% |
| Supplies | 372,508 | 438,000 | 457,500 | 457,500 | 0 | 0.0% |
| Administrative Allocation | (137,184) | (137,184) | (142,670) | (148,100) | (5,430) | 3.8% |
| Total | 1,508,405 | 1,719,807 | 1,813,710 | 1,837,291 | 23,581 | 1.3% |
| | | | | | | |
| FTE | | | 8.0 | 8.0 | 0.0 | |





Community Development

Community Development Major Budget Changes

Increased/Decreased Spending

- Professional Services - increase \$38k
- Training - increase \$10K

New purchases

- Vehicle \$33,050

Community Development Budget

| | FY2025 Actual | FY2025 Budget | FY2026 Budget | FY2027 Proposed | \$ Change | % Change |
|---------------------------|------------------|------------------|------------------|------------------|----------------|-------------|
| Salary & Benefits | 2,681,314 | 2,685,481 | 2,807,057 | 2,949,594 | 142,537 | 5.1% |
| Services | 734,901 | 1,438,210 | 1,419,524 | 1,466,402 | 46,878 | 3.3% |
| Supplies | 20,112 | 31,850 | 39,850 | 45,050 | 5,200 | 13.0% |
| Capital Outlay | 32,469 | 0 | 33,050 | 33,300 | 250 | 0.8% |
| Administrative Allocation | (180,436) | (180,435) | (187,600) | (194,700) | (7,100) | 3.8% |
| Total | 3,288,360 | 3,975,106 | 4,111,881 | 4,299,646 | 187,765 | 4.6% |
| | | | | | | |
| FTE | | | 19.0 | 19.0 | 0.0 | |





Public Works

Public Works Major Budget Changes

General Fund

New purchases (department capital expenditures) - \$435k

- Town Hall exterior repairs: fascia/structure
- Fan coil and HVAC units: replacement of aged past life cycle units

Public Works Budget

| | FY2025 Actual | FY2025 Budget | FY2026 Budget | FY2027 Proposed | \$ Change | % Change |
|------------------------------|------------------|------------------|------------------|--------------------|------------------|--------------|
| Salary & Benefits | 350,812 | 348,063 | 342,110 | 359,028 | 16,918 | 4.9% |
| Services | 321,516 | 575,825 | 763,863 | 743,730 | (20,133) | -2.6 |
| Supplies | 32,692 | 41,350 | 42,663 | 36,200 | (6,463) | -15.1% |
| Capital | 115,661 | 125,500 | 368,380 | 435,000 | 66,620 | 18.1% |
| Administrative Allocation | (21,076) | (21,075) | (21,900) | (22,700) | (800) | 3.7% |
| Total General Fund | 799,605 | 1,070,243 | 1,495,116 | 1,551,258 | 56,142 | 3.8% |
| | | | | | | |
| HURF | 3,869,742 | 3,928,742 | 7,583,088 | 7,044,571 | (538,517) | -7.1% |
| Total All | 4,669,347 | 4,669,347 | 9,078,204 | 8,595,829 | (482,375) | -5.3% |
| | | | | | | |
| FTE | | | 14.0 | 14.0 | 0.0 | |





Court

Court Major Budget Changes

General Fund Increased/Decreased Spending

- Planned retirements vacation/sick payouts \$113k

Court Enhancement Fund

- Employee costs - increase \$37k
- Professional services - increase \$62k

Court Budget

| | FY2025 Actual | FY2025 Budget | FY2026 Budget | FY2027 Proposed | \$ Change | % Change |
|---|------------------|------------------|------------------|------------------|----------------|--------------|
| Salary & Benefits | 962,092 | 872,256 | 995,408 | 1,206,962 | 211,554 | 21.3% |
| Services | 108,847 | 103,200 | 112,593 | 120,047 | 7,454 | 4.3% |
| Supplies | 11,441 | 11,900 | 11,900 | 12,400 | 500 | 4.2% |
| Total General Fund | 1,082,380 | 987,356 | 1,119,901 | 1,339,409 | 219,508 | 19.6% |
| | | | | | | |
| Court Enhancement/ JCEF Fund | 409,314 | 584,852 | 572,665 | 681,278 | 108,613 | 19.0% |
| | | | | | | |
| Total All | 1,491,694 | 1,396,670 | 1,692,566 | 2,020,687 | 328,121 | 19.4% |
| | | | | | | |
| FTE | | | 12.0 | 12.0 | 0.0 | |





Police

Police Major Budget Changes

Increased/Decreased Spending

- Professional services - increase \$57K
- Photo Radar - decrease \$137K
- Software maintenance contract - increase \$78k
- Equipment - decrease \$508k

New purchases

- Vehicle replacements \$500k

Police Budget

| | FY2025 Actual | FY2025 Budget | FY2026 Budget | FY2027 Proposed | \$ Change | % Change |
|---------------------------|-------------------|-------------------|-------------------|-------------------|------------------|--------------|
| Salary & Benefits | 8,783,250 | 9,053,235 | 8,831,095 | 9,169,783 | 338,688 | 3.8% |
| PSPRS payment | 2,500,000 | 0 | 0 | 0 | 0 | 0.0% |
| Services | 2,392,947 | 2,800,140 | 3,002,059 | 3,067,645 | 65,586 | 2.2% |
| Supplies | 628,714 | 621,500 | 991,070 | 440,603 | (550,467) | -55.5% |
| Administrative Allocation | (204,328) | (205,329) | (212,500) | (220,600) | (8,100) | -3.8% |
| Capital Outlay | 335,098 | 338,500 | 472,000 | 500,200 | 28,200 | 6.0% |
| Total | 14,435,682 | 12,609,405 | 13,083,724 | 12,957,631 | (126,093) | -1.0% |
| | | | | | | |
| FTE | | | 52.0 | 52.0 | 0 | |



A background image featuring a butterfly perched on a thin branch, surrounded by yellow flowers and green foliage. The scene is softly lit, creating a warm and natural atmosphere.

FY2026 Enterprise Funds, Tourism, and Special Revenue Fund expenditures

Special Revenue Funds & Tourism

| | FY2025 Actual | FY2025 Budget | FY2026 Budget | FY2027 Proposed | \$ Change | % Change |
|--|--------------------------|--------------------------|--------------------------|----------------------------|----------------------|---------------------|
| Tourism (General Fund) | 2,194,142 | 2,490,800 | 2,605,340 | 2,605,340 | 0 | 0.0% |
| Grants/Substance Prevention | 394,651 | 230,000 | 230,000 | 230,000 | 0 | 0.0% |
| Donations | 19,423 | 20,000 | 25,000 | 25,000 | 0 | 0.0% |
| Paradise Valley Mountain Preserve Trust | 8,173 | 15,100 | 46,100 | 48,500 | 2,400 | 5.2% |



Enterprise Funds

| | FY2025 Actual | FY2026 Budget | FY2027 Proposed | \$ Change | % Change |
|-------|--------------------------|--------------------------|----------------------------|----------------------|---------------------|
| Alarm | 189,687 | 196,550 | 202,150 | 5,600 | 2.8% |
| Fire | 4,574,525 | 4,865,418 | 5,324,994 | 459,576 | 9.4% |
| Sewer | 3,458,008 | 3,381,620 | 3,618,410 | 236,790 | 7.0% |





Questions?