

BUDGET 2020:
PUBLIC HEARING &
FINAL BUDGET RESOLUTION 2019-12



June 13th, 2019

Public Hearing: Budget Highlights

HIGHLIGHTS OF THE TENTATIVE BUDGET 2020		
Category / Description	Amount	% of Total
Police department (net PSPRS UAAL)	\$ 9,366,074	14%
Non-Town CIP	9,425,067	14%
New Capital Improvement Plan	4,300,000	6%
Prior Year CIP	1,800,000	3%
Fire services	3,335,239	5%
Scheduled Debt Payments	3,174,677	5%
Street Improvements	3,054,013	4%
Wastewater services	2,757,237	4%
Financing AEL Contingency	6,000,000	9%
PSPRS Unfunded Liability	12,000,000	18%
All Other Expenditures / Expenses	13,118,889	19%
TOTAL BUDGET	\$68,331,196	100.0%



Public Hearing: Schedule A Summary

TOWN OF PARADISE VALLEY Summary Schedule of Estimated Revenues and Expenditures/Expenses Fiscal Year 2020										
Fiscal Year	S c h	FUNDS								
		General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Permanent Fund	Enterprise Funds	Internal Service Funds	Total All Funds	
2019	Adopted/Adjusted Budgeted Expenditures/Expenses*	E	30,453,582	3,656,999	1,257,673	13,854,120	0	6,172,126	0	55,394,500
2019	Actual Expenditures/Expenses**	E	23,554,612	3,516,424	1,257,673	4,713,713	0	5,518,611	0	38,561,033
2020	Fund Balance/Net Position at July 1***		4,909,110	200,925	467,697	4,197,400		392,284	0	10,167,416
2020	Primary Property Tax Levy	B	0							0
2020	Secondary Property Tax Levy	B								0
2020	Estimated Revenues Other than Property Taxes	C	32,397,480	1,623,400	0	4,000,000	0	5,837,000	0	43,857,880
2020	Other Financing Sources	D	12,000,000	0	0	0	0	0	0	12,000,000
2020	Other Financing (Uses)	D	0	0	0	0	0	0	0	0
2020	Interfund Transfers In	D	1,500,000	2,085,113	1,455,244	4,300,000	0	100,000	0	9,440,357
2020	Interfund Transfers (Out)	D	(7,840,357)	0	0	(1,500,000)	0	(100,000)	0	(9,440,357)
2020	Reduction for Amounts Not Available:									
	LESS: Amounts for Future Debt Retirement:									0
										0
										0
2020	Total Financial Resources Available		58,646,947	3,909,438	1,922,941	13,997,400	0	6,429,284	0	84,906,010
2020	Budgeted Expenditures/Expenses	E	39,856,160	3,782,879	2,764,614	15,525,067	0	6,302,476	0	68,331,196

EXPENDITURE LIMITATION COMPARISON		2019	2020
1.	Budgeted expenditures/expenses	\$ 55,394,500	\$ 68,331,196
2.	Add/subtract: estimated net reconciling items	(356,492)	(10,220)
3.	Budgeted expenditures/expenses adjusted for reconciling items	55,038,008	68,320,976
4.	Less: estimated exclusions	14,152,842	26,124,394
5.	Amount subject to the expenditure limitation	\$ 40,885,166	\$ 42,196,582
6.	EEC expenditure limitation	\$ 40,907,550	\$ 42,196,582

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).



Other Documents: Capital Improvement Plan 2020

CAPITAL PROJECTS SCHEDULE OF FUNDING				
TOWN FUNDED PROJECTS		Total Sources	FUNDING	
(General fund & Wastewater)			New	Carry forward
	Project #			
Lincoln Dr, Mockingbird Ln, Indian Bend Rd Roadway & Utility Improvements	2016-14	2,500,000	1,100,000	1,400,000
Lincoln Dr Sidewalks	2017-05	80,000	60,000	20,000
Town Hall Remodel	2018-12	600,000	300,000	300,000
SRP Denton Ln Underground Conversion	2020-02	170,000	140,000	30,000
Miscellaneous Drainage Improvements (various locations)	2020-10	300,000	300,000	-
56th St & Doubletree Ranch Rd Intersection Improvement	2020-11	20,000	20,000	-
License Plate Readers Update	2020-12	350,000	350,000	-
Lincoln Dr Median Improvements: 32nd St to Tatum Blvd	2020-13	650,000	650,000	-
Lincoln Dr Median Improvements: Tatum Blvd to Mockingbird Ln	2020-14	650,000	650,000	-
Lincoln Dr & Invergordon Rd Intersection Realignment	2019-01	230,000	230,000	-
Telecommunications System Upgrade	2019-04	200,000	200,000	-
Public Works / Engineering Remodel	2018-01	90,000	40,000	50,000
Lincoln Dr & Tatum Blvd Improvement - VSC	2020-15	10,000	10,000	-
CIP Contingency	2099-99	200,000	200,000	-
CIP Scope & Cost Estimating (various projects)	2098-98	50,000	50,000	-
Town of Paradise Valley Operating Funds		\$ 6,100,000	\$ 4,300,000	\$ 1,800,000
Sewer System Assessment	2017-06	234,200	234,200	-
Sewer System Improvements	2019-05	500,000	500,000	-
Total Wastewater Enterprise Funds		\$ 734,200	\$ 734,200	\$ -
TOTAL TOWN FUNDED PROJECTS		\$ 6,834,200	\$ 5,034,200	\$ 1,800,000
OTHER FUND SOURCES		Total Sources	FUNDING	
			New	Carry forward
Lincoln Dr, Mockingbird Ln, Indian Bend Rd Improvements - Five Star Development	2016-14	10,395,000	5,080,000	5,315,000
SRP Denton Ln Underground Conversion - SRP Aesthetics	2020-02	200,000	200,000	-
SRP Denton Ln Underground Conversion - Residents	2020-02	70,000	70,000	-
Lincoln Dr Sidewalks - CMAQ Funds	2017-05	2,267,915	-	2,267,915
TOTAL OTHER FUND SOURCES		\$ 12,932,915	\$ 5,350,000	\$ 7,582,915
TOTAL CAPITAL PROJECTS LISTING		\$ 19,767,115	\$ 10,384,200	\$ 9,382,915



Other Documents: Capital Improvement Plan 2020-24

Source	Project #	2020	2021	2022	2023	2024	Total	Source	Project #	2020	2021	2022	2023	2024	Total
Federal CMAQ Funds															
Lincoln Drive Sidewalks	2017-06	2,267,915					2,267,915	Lincoln Dr & Invergordon Intersection Realignment	2019-01	230,000					230,000
Federal CMAQ Funds Total		2,267,915					2,267,915	Highlands Drive Cul De Sac	2019-03		250,000				250,000
Five Star Development															
Lincoln, Mockingbird, Indian Bend - Five Star	2016-14	10,395,000					10,395,000	Telecommunications System Update	2019-04	200,000					200,000
Five Star Development Total		10,395,000					10,395,000	Town Hall Chiller Replacement	2020-01				150,000		150,000
Flood Control District															
FCD LIBW Invergordon Improvements Alt 1	2021-01				500,000	3,000,000	3,500,000	SRP Denton Ln Underground Conversion	2020-02	170,000					170,000
Flood Control District Total					500,000	3,000,000	3,500,000	Tatum Blvd Retaining Walls	2020-03			400,000			400,000
Residents of Paradise Valley															
SRP Denton Ln Underground Conversion	2020-02	70,000					70,000	Denton Lane Cul De Sac	2020-05		25,000	125,000			150,000
SRP 40th St & Lincoln Dr Underground Conversion	2022-01					700,000	700,000	Tatum Sidewalks: Doubletree Ranch to Mountain View	2020-06		30,000	300,000			330,000
Residents of Paradise Valley Total		70,000				700,000	770,000	45th Street Curbs: McDonald Dr to Valley Vista Ln	2020-07				125,000		125,000
Sewer Fund															
Sewer System Assessment	2017-06	234,200	234,200				468,400	Miscellaneous Drainage Improvements	2020-10	300,000	250,000	250,000	250,000	250,000	1,300,000
Sewer System Improvements	2019-05	500,000	300,000	100,000	100,000	100,000	1,100,000	56th & Doubletree Ranch Intersection Improvement	2020-11	20,000	100,000				120,000
Sewer Fund Total		734,200	534,200	100,000	100,000	100,000	1,568,400	License Plate Readers Update	2020-12	350,000					350,000
SRP Aesthetics															
SRP Denton Ln Underground Conversion	2020-02	200,000					200,000	Lincoln Dr Median Improvements: 32nd St to Tatum	2020-13	650,000					650,000
SRP 40th St & Lincoln Dr Underground Conversion	2022-01					800,000	800,000	Lincoln Median Improvements: Tatum to Mockingbird	2020-14	650,000					650,000
SRP Aesthetics Total		200,000				800,000	1,000,000	Lincoln Dr & Tatum Blvd Intersection Improvement	2020-15	10,000	230,000	300,000			540,000
Town of Paradise Valley															
Watershed Studies	2016-06		450,000				450,000	FCD LIBW Invergordon Improvements Alt 1	2021-01				500,000	3,000,000	3,500,000
Lincoln, Mockingbird, Indian Bend - Five Star	2016-14	2,500,000					2,500,000	32nd St Sidewalks: Stanford Dr to Lincoln Dr	2021-02					200,000	200,000
Lincoln Drive Sidewalks	2017-05	80,000					80,000	Mockingbird Ln Improvement: 56th St to Invergordon	2021-03		300,000	3,000,000			3,300,000
Public Works / Engineering Remodel	2018-01	90,000	500,000				590,000	White Wing Rd Half Street Improvements	2021-05				30,000	300,000	330,000
Police Department Remodel	2018-02		100,000	900,000			1,000,000	RWC Fiber Connection - Phase I Conduit Only	2021-10		200,000				200,000
Mockingbird Ln Improvements: Lincoln - McDonald Dr	2018-03					200,000	200,000	RWC Fiber Connection - Phase II Fiber	2021-11		750,000				750,000
56th St Sidewalks: Mockingbird to Doubletree Ranch	2018-06		50,000	300,000			350,000	SRP 40th St & Lincoln Dr Underground Conversion	2022-01					1,500,000	1,500,000
Town Hall Remodel	2018-12	600,000					600,000	CIP Scope & Cost Estimating	2099-98	50,000	50,000	50,000	50,000	50,000	250,000
								CIP Contingency	2099-99	200,000					200,000
								Town Hall Remodel (Ultimate Buildout)	TBA				150,000	1,500,000	1,650,000
								McDonald Dr Curb Replacement: 40th St to 44th St	TBA2				150,000		150,000
								Town Gateway Entry Features - VSC	TBA3					150,000	150,000
								Town of Paradise Valley Total		6,100,000	3,285,000	5,625,000	1,405,000	7,150,000	23,565,000
								GRAND TOTAL		19,767,115	3,819,200	5,725,000	2,005,000	11,750,000	43,066,315



Other Documents: Strategic Revenue Plan 2020

TOWN OF PARADISE VALLEY, ARIZONA

STRATEGIC REVENUE PLAN

FISCAL YEAR 2020

June 13, 2019



SUMMARY

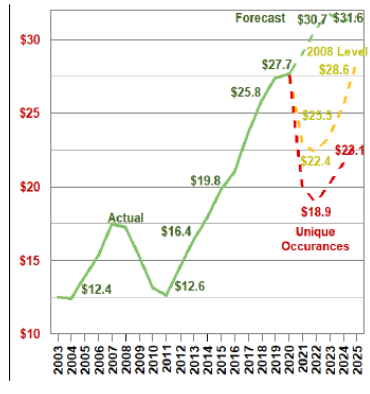
Stressing the forecast: Based on the previous pages, a goal is to maintain the revenue line above the expenditure line and focusing on major revenues is a logical step one.

Green line: shows the current revenue forecast that is then stressed in two scenarios.

Yellow line: runs a trend that mirrors the economic downturn late 2008 through 2011 for each major revenue.

Red line: represents a unique situation, either legislative action or a change in the revenue base for each major revenue.

Step two is to test how these two scenarios support the Towns forecasted expenditures for operations, debt payments, capital improvements, planned repairs and replacement of vehicles and equipment.

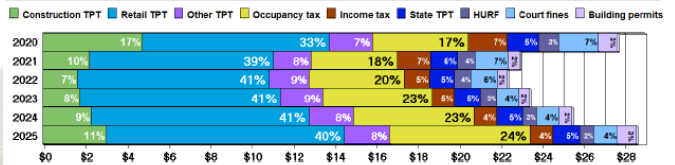


YELLOW LINE: REVENUE IMPACTS - STRESS TEST: 2008-2011 MODEL						
MAJOR REVENUES	Estimated 2019/20	Forecast 2020/21	Forecast 2021/22	Forecast 2022/23	Forecast 2023/24	Forecast 2024/25
Financial forecast 2020	\$ 27,686,760	\$ 29,019,949	\$ 30,734,630	\$ 31,755,374	\$ 31,225,413	\$ 31,560,568
Stress: 2008-2011 model	27,686,760	22,959,849	22,356,496	23,436,173	25,492,940	28,573,942
Shortfalls: less than forecast	\$ -	\$ (6,060,100)	\$ (8,378,134)	\$ (8,319,201)	\$ (5,733,473)	\$ (2,986,626)

* Due to the inclusion of multiple scenarios, "equivalent net worth" is not shown

The chart above compares major revenues in the forecast in the 2020 budget and a stress test modeled after impacts to revenue 2008-2011.

The graph below shows each major revenue and the percentage the account for in the total major revenue.



After Public Hearing: Discussion & Action

Before Final Budget Resolution adoption,
Council can modify the budget categorically

But the total budget can not be increased
(without reposting and holding another public hearing)



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