

FY 2021/22 RECOMMENDED BUDGET



Departments and Enterprises (Overview)

April 22nd, 2021

Budget Calendar

Last Modified April 16, 2020

APRIL 8 - OPERATING FUND

DAY 1	Work session	Time
Revenue outlook		0:10
Personnel factors		0:10
PSPRS Unfunded liability		0:30

APRIL 22 - OPERATING FUND

DAY 2	Work session	Time
Follow up from Day 1		0:05
Budget document overview		0:05
Operating fund summaries*		0:05

Central services	
Finance office	0:05
Information technology	0:10

Public safety	
Police department	0:20
Alarm and fire services	0:05
Municipal court	0:15

Development	
Public works	0:15
CDD and Wastewater*	0:30

Leadership	
Legal services*	0:10
Town manager*	0:10
Mayor and Council*	0:15

Direction from Council	TBD
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ESTIMATED TIME 4/22	2:30
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Modified April 22, 2020

CONSIDERATIONS & ACTIONS

MAY 27 - TENTATIVE BUDGET

DAY 4b	Regular Session
Tentative budget discussion	

Resolution:	
Adopt tentative budget FY2022	

JUNE 10 - FINAL BUDGET

DAY 5a	Special Session
Public hearing & discussion	

Resolution:	
Final budget adoption 2022	

JUNE 10 - OTHER

DAY 5b	Regular Session
Resolutions FY2022:	

Adoption of ARS: PSPRS policy	
Designation of CFO for AELR	
Large purchases FY2022	

Resolutions FY2021:	
Budget amendments 2021	

*information available by April 20th

**information available by May 7th

MAY 13 - ALL FUNDS **

DAY 3	Work session	Time
Follow up from Day 2		0:10
Executive summary		0:05
Financial forecast		0:05

Assigned balances	
Fleet & facilities	0:03
PD & IT equipment	0:04
PRPRS reserve	0:02

Other programs	
Public transit	0:02
Grants and donations	0:02
Debt service	0:02
Contingencies	0:05

Capital Improvement Plan	0:50
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Direction from Council	TBD
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ESTIMATED TIME 5/13	1:30
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MAY 27 - WRAP UP

DAY 4a	Work session	Time
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Follow up from Day 3		0:10
ARS: PSPRS funding policy		0:02
AZ "State budget forms"		0:03
Changes for tentative budget		0:20

Direction from Council	TBD
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ESTIMATED TIME 5/27	0:35
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AVAILABLE TUESDAY APRIL 20, 2021

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OPERATING FUND EXPENDITURES

OPERATING FUND - Expenditures by CATEGORY							
Funding by Source	Budget 2021/22	Budget 2020/21	Change		Projected 2020/21	Actual 2019/20	Actual 2018/19
			Amount	%			
Personnel	\$13,273,381	\$13,208,623	\$ 64,758	0%	\$12,804,915	\$12,899,244	\$12,101,248
Supplies and services	9,180,063	8,951,644	228,419	3%	8,102,569	7,779,953	9,137,387
Capital	283,570	73,245	210,325	287%	-	265,294	236,262
Expenditures-Priority 2	\$22,737,014	\$22,233,512	\$ 503,502	2%	\$20,907,484	\$20,944,491	\$21,474,897
Contingency Priority 3	\$ 2,220,435						





PURPOSE OF THE SECTION

This section is to keep a list of Council questions and provide follow-up as available. Plus, give the Council the opportunity for further inquiry if warranted.

REQUESTED APRIL 8TH

- I. Sent out the PSPRS Consolidated Actuarial and GASB Schedules consolidated when available
- II. Illustrate the increase of complexity in workloads
- III. Information on how Town uses comparisons for the merit program
- IV. Look at the Town’s “HSA” program as compared to the private sector and other Arizona municipalities

MISSING REQUESTS

If Council has a new request or notices a previously requested item is not listed, please notify the Town Manager or CFO so it can be included.

UPDATES

- I. Most recent PSPRS Consolidated report sent; to continue sending reports when they are available
- II. Work in progress over the course of FY2021/22; possibly collect data from Comp and Class study. See III.
- III. Carried forward from FY2020 and FY2021 is funding for independent Comp and Class studies including, but not limited to: the pay grid; positions placement on the grid; internal and external philosophy; benefit payouts during and when leaving employment. RFQ responses are being reviewed.
Information on comparisons for merit will be incorporated in the scope for deliverables. Communications will be provided.
- IV. See III. But start internally with an update provided in September 2021 with results, if available.



Operating Fund Summaries



FULL-TIME EQUIVELANTS ("FTEs")

Positions are measured in FTE's. An FTE is 1.0 when enough authorized hours yield full benefits. Temporary positions are term-limited and require Council action to continue after the term has ended or to convert it to a regular FTE position.

FULL TIME EQUIVALENTS ("FTE")				Recommended 2021/22				
DEPARTMENT	Budget 2021/22	Actual 2020/21	Chg +/-	Actual 2019/20	Actual 2018/19	Actual 2017/18	Actual 2016/17	Actual 2015/16
Town manager's office								
Administration	4.0	4.0	-	4.0	5.0	5.0	4.0	4.0
Post Office	2.0	2.0	-	2.0	2.0	2.0	2.0	2.0
Town attorney's office	3.8	4.0	(0.2)	4.0	4.0	3.0	3.0	3.0
Municipal court	10.5	8.5	2.0	7.0	7.0	6.0	5.0	5.0
Police department								
Sworn	34.0	34.0	-	34.0	34.0	34.0	34.0	33.0
Civilian	15.0	15.0	-	15.0	10.0	8.0	8.0	8.0
Public works								
Facilities and fleet	3.0	3.0	-	3.0	3.0	3.0	3.0	3.0
Streets & pavement plan	10.0	10.0	-	10.0	10.0	10.0	10.0	10.0
Community development	16.0	16.0	-	16.0	14.0	13.0	12.0	12.0
Information technology	5.0	5.0	-	5.0	5.0	4.0	3.0	3.0
Finance	4.6	4.6	-	4.5	4.0	4.0	4.0	4.0
Sub-Total Priority 2 FTEs	107.9	106.1	1.8	104.5	98.0	92.0	88.0	87.0
Contingency Priority 3:								
Police - sworn	2.0	2.0	-	-	-	-	-	-
Community development	3.0	1.0	2.0	1.0	-	-	-	-
Total Authroized FTEs	112.9	109.1	3.8	105.5	98.0	92.0	88.0	87.0

TEMPORARY (TERM-LIMITED OR CONTRACTED)				Recommended 2021/22				
DEPARTMENT	Budget 2021/22	Actual 2020/21	Chg +/-	Actual 2019/20	Actual 2018/19	Actual 2017/18	Actual 2016/17	Actual 2015/16
Town manager's office	0.4	0.4	-	-	-	-	-	-
Town attorney's office	-	0.4	(0.4)	0.4	-	1.2	1.0	1.0
Municipal court	-	0.6	(0.6)	3.0	3.0	3.0	5.0	3.0
Police department	1.0	1.0	-	1.0	1.0	3.0	2.0	-
Community development	1.0	1.0	-	-	-	-	1.0	-
Total temporary FTE	2.4	3.4	(1.0)	4.4	4.0	7.2	9.0	4.0

FTEs, Allocations and Transfers

ENTERPRISE ALLOCATIONS

Town Departments provide direct services and support to the Town's Enterprises. Enterprises are intended to be self sufficient. Based on statistical date, an allocation is applied; and is reviewed with the Budget and audited with the CAFR.

SCHEDULE OF ADMINISTRATIVE COSTS				
Department	Enterprise			Total
	Alarm	Fire	Wastewater	
Town attorney	-	\$ 26,680	\$ 13,340	\$ 40,020
Police	\$ 97,480	29,090	-	126,570
Facilities	-	21,230	-	21,230
Community development	-	97,256	67,324	164,580
Information technology	12,115	5,256	1,679	19,050
Finance	6,752	65,663	39,895	112,310
Total	\$ 116,347	\$ 245,175	\$ 122,238	\$ 483,760

INTERFUND TRANSFERS

Transfers are made for various reasons: funding or closing major projects, reimbursement of fronting cash, or mandated separate funds (HURF, AZCares).

SCHEDULE OF TRANSFERS				
Transfer in	Transfers out			Total
	General Fund	Wastewater Impact Fees	CIP Proceeds	
HURF fund (streets)	\$ 2,081,945	-	-	\$ 2,081,945
Capital projects fund	2,330,990	-	\$ 3,500,000	5,830,990
Debt service fund	2,869,010	-	-	2,869,010
Wastewater utility	-	\$ 200,000	-	200,000
Total	\$ 7,281,945	\$ 200,000	\$ 3,500,000	\$ 10,981,945

Operating Fund Summaries

DEPARTMENT BUDGETS

The recommended budget is structurally balanced. Operating expenditures do not exceed operating revenues. Revenue over expenditures is used to cover Contingencies, Transfers and changes in Assigned balances



OPERATING FUND: SCHEDULE OF USES AND SOURCES				REVENUE AND EXPENDITURES ONLY		
REVENUE AND EXPENDITURES	Recommended 2021/22	Amended 2020/21	Change		Projected 2020/21	Actual 2019/20
			\$	%		
REVENUES:						
Operating revenues	\$25,510,360	\$25,344,110	\$ 166,250	0.7%	\$25,344,110	\$27,901,152
Non-operating revenues	6,495,000	6,550,600	(55,600)	-0.8%	6,550,600	7,676,356
Total revenues	32,005,360	31,894,710	110,650	0.3%	31,894,710	35,577,508
DEPARTMENT EXPENDITURES:						
Community development	2,676,508	2,494,685	181,823	7.3%	2,240,002	2,242,991
Finance	771,929	733,318	38,611	5.3%	731,843	645,949
Information technology	1,158,843	965,264	193,579	20.1%	974,905	1,837,729
Legal services	673,845	779,523	(105,678)	-13.6%	735,926	726,968
Contingency for litigation	350,000	250,000	100,000	40.0%	243,114	22,052
Mayor, Council, Boards, Commissions & Volunteers	157,020	152,120	4,900	3.2%	83,565	132,186
Municipal court	785,515	770,600	14,915	1.9%	807,485	855,214
Public works						
Facilities and fleet	957,929	909,764	48,165	5.3%	887,211	925,717
Streets and pavement	3,054,945	3,810,088	(755,143)	-19.8%	3,696,803	1,869,375
Police	8,947,952	8,948,097	(145)	0.0%	8,366,623	8,404,778
Tourism	1,242,000	900,000	342,000	38.0%	900,000	1,797,056
Town manager	921,877	955,386	(33,509)	-3.5%	807,161	1,037,228
Post office	558,651	564,667	(6,016)	-1.1%	432,846	447,248
Contingency for merit 2022	480,000	-	480,000	n/a	-	-
Total department expenditures	\$22,737,014	\$22,233,512	\$ 503,502	2.3%	\$20,907,484	\$20,944,491
REVENUE OVER EXPENDITURES *	\$ 9,268,346	\$ 9,661,198	\$ (392,852)	-4.1%	\$10,987,226	\$14,633,017
* before transfers in, transfers out, contingencies, and changes in assigned balances						

Department expenditures includes operating and some capital expenditures that re part of the long-term plans supported by assigned balances.

Sources and Uses

CONTINGENCIES, TRANSFERS, ASSIGNED

May 13th includes REVENUE update, Contingencies, Interfund transfers and Changes in Assigned Balances; plus the financial forecast (net worth equivalent).

APRIL 22ND IS ALL ABOUT THE DEPARTMENTS

OPERATING FUND: SCHEDULE OF USES AND SOURCES			CONTINGENCIES, TRANSFERS IN AND TRANSFERS OUT			
CONTINGENCIES, TRANSFERS IN AND TRANSFERS OUT	Recommended 2021/22	Amended 2020/21	Change		Projected 2020/21	Actual 2019/20
			\$	%		
REVENUE OVER EXPENDITURES	\$ 9,268,346	\$ 9,661,198	\$ (392,852)	-4.1%	\$10,987,226	\$14,633,017
LESS: CONTINGENCIES						
Operating	1,200,000	729,058	470,942	64.6%	600,000	-
Specific use and residual	-	53,548	-	n/a	-	-
Department's - Priority 2	-	309,960	(309,960)	n/a	-	-
Department's - Priority 3	2,220,435	2,003,237	217,198	10.8%	-	-
PSPRS UAAL Payment	-	1,800,000	(1,800,000)	n/a	1,800,000	3,000,000
PSPRS Reserve (NEW)	-	2,000,000	-	n/a	2,000,000	-
PSPRS UAAL - residual	-	1,600,000	-	n/a	-	-
Total contingencies	3,420,435	8,495,803	(5,075,368)	-59.7%	4,400,000	3,000,000
LESS: TRANSFERS OUT						
CIP Projects	2,500,000	3,500,000	(1,000,000)	-28.6%	3,500,000	5,570,077
CIP Series 2016	1,480,883	1,479,585	1,298	0.1%	1,479,585	1,455,244
CIP Series 2020	1,396,181	728,443	667,738	91.7%	728,443	-
Total transfers out	5,377,064	5,708,028	(330,964)	-5.8%	5,708,028	7,025,321
NET BEFORE TRANSFERS IN	470,847	(4,542,633)	175,654	n/a	879,198	4,607,696
PLUS: TRANSFERS IN						
CIP Project reconciliations	-	5,000,000	(5,000,000)	n/a	5,000,000	1,500,000
AZ Cares funding (public safety)	-	1,680,424	(1,680,424)	n/a	1,680,424	-
Other	-	70,000	(70,000)	n/a	-	-
Total transfers in	-	6,750,424	(6,750,424)	n/a	6,680,424	1,500,000
SOURCES OVER (UNDER) USES **	470,847	2,207,791	(1,736,944)	-78.7%	7,559,622	6,107,696
* available to leave balance unassigned and carried to the next fiscal year or assign to a designated program						

- Assigned balances:
- I. Facilities and Fleet
 - II. Pavement preservation
 - III. PD and IT Equipment life cycle
 - IV. CIP future projects, debt service
 - V. PSPRS unfunded liability reserve

- Unassigned balances:
- I. Emergency Reserve
 - II. Carry to next Year

FY 2021/22 RECOMMENDED BUDGET



Departments and Enterprises (Overview)

April 22nd, 2021