

RESOLUTION NO. 2089

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PRESCOTT VALLEY, A MUNICIPAL CORPORATION OF ARIZONA, ADOPTING THE TENTATIVE BUDGET FOR THE TOWN FOR FISCAL YEAR 2019-2020; GIVING NOTICE OF THE TIME AND PLACE OF THE HEARING SCHEDULED FOR ADOPTION OF THE FINAL BUDGET; AND PROVIDING THAT THIS RESOLUTION SHALL BE EFFECTIVE AFTER ITS PASSAGE AND APPROVAL ACCORDING TO LAW.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Common Council of the Town of Prescott Valley, Yavapai County, Arizona as follows:

SECTION I: That, in accordance with the provisions of the laws of the State of Arizona, the statements and schedules herein attached are hereby adopted for the purpose as hereinafter set forth as the Tentative Budget for the Town of Prescott Valley for the Fiscal Year 2019-2020.

SECTION II: That the Town Clerk be and hereby is authorized and directed to publish in the manner prescribed by law, the estimates of expenditures in **Exhibit A** attached hereto and expressly made a part hereof, together with the notice that the Mayor and Common Council will meet for the purpose of conducting a final public hearing and adopting the 2019-2020 Annual Budget for the Town of Prescott Valley on June 27, 2019, at the hour of 5:30 p.m. in the Auditorium of the Prescott Valley Public Library, at 7401 East Skoog Blvd., Prescott Valley, AZ (see **Exhibit B** attached hereto and expressly made a part hereof).

SECTION III: That the statements and schedules of the Tentative Budget are attached hereto, incorporated by reference herein, and adopted by reference as the Tentative Budget by the Town of Prescott Valley for the 2019-2020 Fiscal Year.

SECTION IV: That this Resolution shall be effective after its passage and approval according to law.

RESOLVED by the Mayor and Common Council of the Town of Prescott Valley, Yavapai County, Arizona, this 23rd day of May 2019.



Kell Palguta, Mayor

ATTEST:



Diane Russell, Town Clerk

APPROVED AS TO FORM:



Ivan Legler, Town Attorney

EXHIBIT "A"

Estimates of Expenditures in FY 2019-2020

CITY/TOWN OF PRESCOTT VALLEY, AZ
Summary Schedule of Estimated Revenues and Expenditures/Expenses
Fiscal Year 2020

TENTATIVE

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		
2019	Adopted/Adjusted Budgeted Expenditures/Expenses*	E	1	40,344,789	15,042,119	4,868,220	3,900,000	0	28,834,485	0	92,989,613
2019	Actual Expenditures/Expenses**	E	2	38,021,206	11,787,776	4,866,120	3,831,164	0	25,840,104	0	84,346,370
2020	Fund Balance/Net Position at July 1***		3	23,183,000	2,675,000	14,120,000	6,128,000	0	107,601,837		153,707,837
2020	Primary Property Tax Levy	B	4	0	0	0	0		0	0	0
2020	Secondary Property Tax Levy	B	5	0	0	0	0		0	0	0
2020	Estimated Revenues Other than Property Taxes	C	6	43,294,650	12,570,528	0	2,977,000	0	17,113,591	0	75,955,769
2020	Other Financing Sources	D	7	0	0	0	0	0	0	0	0
2020	Other Financing (Uses)	D	8	0	0	0	0	0	0	0	0
2020	Interfund Transfers In	D	9	0	2,000,000	4,899,532	250,000	0	248,000	0	7,397,532
2020	Interfund Transfers (Out)	D	10	3,991,563	1,138,899	0	2,019,070	0	248,000	0	7,397,532
2020	Reduction for Amounts Not Available:		11								
LESS:	Amounts for Future Debt Retirement:										0
	Future Capital Projects										0
	Maintained Fund Balance for Financial Stability										0
											0
											0
2020	Total Financial Resources Available		12	62,486,087	16,106,629	19,019,532	7,335,930	0	124,715,428	0	229,663,606
2020	Budgeted Expenditures/Expenses	E	13	38,259,519	17,939,397	4,899,532	6,500,000	0	28,685,957	0	96,284,405

EXPENDITURE LIMITATION COMPARISON

- 1 Budgeted expenditures/expenses
- 2 Add/subtract: estimated net reconciling items
- 3 Budgeted expenditures/expenses adjusted for reconciling items
- 4 Less: estimated exclusions
- 5 Amount subject to the expenditure limitation
- 6 EEC expenditure limitation

	2019	2020
1	\$ 92,989,613	\$ 96,284,405
2		
3	92,989,613	96,284,405
4		
5	\$ 92,989,613	\$ 96,284,405
6	\$	\$

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).

CITY/TOWN OF PRESCOTT VALLEY, AZ
Revenues Other Than Property Taxes
Fiscal Year 2020

TENTATIVE

SOURCE OF REVENUES	ESTIMATED REVENUES 2019	ACTUAL REVENUES* 2019	ESTIMATED REVENUES 2020
GENERAL FUND			
Local taxes			
City Sales Tax	\$ 19,784,000	\$ 21,438,500	\$ 22,290,000
Franchise Taxes	350,000	379,600	350,000
Licenses and permits			
General	138,250	146,000	151,630
Inspection Fee	4,000	2,400	3,080
Location Fee	1,400	1,100	1,300
Peddlers	300	100	225
Penalty Fee	1,800	1,800	1,800
Application Fee	3,750	5,400	5,700
Building Permits	900,000	808,400	959,700
Building - Plan Reviews	235,000	162,000	186,000
Building - Reinspection Fee	2,000	300	1,200
Permitting Software	81,000	60,000	
Animal License	28,000	30,300	28,500
Intergovernmental			
Urban Revenue Sharing	5,294,922	5,384,900	5,885,418
Auto Lieu Tax	3,005,050	3,237,400	3,276,287
State Sales Tax	4,280,812	4,361,300	4,490,513
Yavapai County	1,222,100	1,176,300	1,783,716
Yavapai College		8,100	
Administrative Fees	923,615	924,615	899,831
CFD - Application/Expenses	78,000		
Charges for services			
Engineering Fees	7,200	10,000	7,200
Planning and Zoning Fees	103,100	183,300	118,100
Copies	3,000	1,600	3,000
Police Fees	19,000	20,000	19,000
Library Fees	16,000	17,300	16,000
Parks and Recreation Fees	175,000	191,400	189,500
Fines and forfeits			
Court Fines	588,500	550,100	600,000
Library Fines	30,000	25,500	30,000
Photo Enforcement Collections		2,200	
Restitution	500	5,000	750
Interest on investments			
Earnings on Investments	100,000	118,300	115,000
Facility Rentals	103,000	105,900	104,000
Antenna Lease	94,000	90,400	94,000
Apartment Surcharge	80,000	77,100	137,000
Miscellaneous			
Miscellaneous	2,156,200	133,400	1,546,200
Total General Fund	\$ 39,809,499	\$ 39,660,015	\$ 43,294,650

* 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.

CITY/TOWN OF PRESCOTT VALLEY, AZ
Revenues Other Than Property Taxes
Fiscal Year 2020

TENTATIVE

SOURCE OF REVENUES	ESTIMATED REVENUES 2019	ACTUAL REVENUES* 2019	ESTIMATED REVENUES 2020
SPECIAL REVENUE FUNDS			
REPLACEMENT FUND			
Earnings on Investments	\$ 1,000	\$ 3,100	\$ 2,000
Gain on Disposal	45,000	15,000	15,000
TOTAL REPLACEMENT FUND	\$ 46,000	\$ 18,100	\$ 17,000
HIGHWAY USERS REVENUE FUND			
Highway User Revenue	\$ 3,447,793	\$ 3,867,300	\$ 3,835,651
Clean Up Day Fees	7,500	7,000	7,500
Earnings on Investments	7,000	8,500	7,000
Gain/(Loss) on Disposal		15,000	
Insurance Claim Proceeds		4,500	
TOTAL HIGHWAY USER REVENUE FUND	\$ 3,462,293	\$ 3,902,300	\$ 3,850,151
UNS FACILITIES RELOCATION FUND			
Franchise Tax	\$ 180,000	\$ 180,000	\$ 190,000
TOTAL UNS RELOCATION FUND	\$ 180,000	\$ 180,000	\$ 190,000
IMPOUNDMENT FEE FUND			
Hearing Fee - Sec 28-3511	\$ 40,000	\$ 40,000	\$ 40,000
TOTAL IMPOUNDMENT FEE FUND	\$ 40,000	\$ 40,000	\$ 40,000
PUBLIC SAFETY FUND			
Public Safety - 41-1723	\$ 10,000	\$ 9,100	\$ 10,000
TOTAL PUBLIC SAFETY FUND	\$ 10,000	\$ 9,100	\$ 10,000
MARANDA FUND			
Earnings on Investments	\$	\$ 4,800	\$
TOTAL MARANDA FUND	\$	\$ 4,800	\$
IMPACT FEE FUNDS			
Earnings on Investments	\$ 14,000	\$ 22,200	\$ 14,000
Impact Fees	2,895,000	2,015,400	1,928,000
Yavapai County	1,500,000	200,000	3,450,000
TOTAL IMPACT FEE FUNDS	\$ 4,409,000	\$ 2,237,600	\$ 5,392,000
GRANT FUNDS			
Federal Grants	\$ 2,595,806	\$ 1,534,600	\$ 2,071,377
State Grants	750,000	150,000	1,000,000
Donations	950,000	535,000	
TOTAL GRANT FUNDS	\$ 4,295,806	\$ 2,219,600	\$ 3,071,377
Total Special Revenue Funds	\$ 12,443,099	\$ 8,611,500	\$ 12,570,528

* 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.

CITY/TOWN OF PRESCOTT VALLEY, AZ
Revenues Other Than Property Taxes
Fiscal Year 2020

TENTATIVE

SOURCE OF REVENUES	ESTIMATED REVENUES 2019	ACTUAL REVENUES* 2019	ESTIMATED REVENUES 2020
DEBT SERVICE FUNDS			
MUNICIPAL PROPERTY CORPORATION			
Trust Interest	\$	\$ 37,000	\$
TOTAL MPC FUNDS	\$	\$ 37,000	\$
PRIVATE PLACEMENT FUNDS			
Trust Interest	\$	\$ 16,600	\$
TOTAL PRIVATE PLACEMENT FUNDS	\$	\$ 16,600	\$
CERTIFICATE OF PARTICIPATION FUNDS			
Trust Interest	\$	\$ 3,000	\$
TOTAL COP FUNDS	\$	\$ 3,000	\$
Total Debt Service Funds	\$	\$ 56,600	\$
CAPITAL PROJECTS FUNDS			
STREETS CAPITAL PROJECTS			
City Sales Tax	\$ 2,609,000	\$ 2,901,400	\$ 2,937,000
Earning on Investments	40,000	92,000	40,000
TOTAL COP FUNDS	\$ 2,649,000	\$ 2,993,400	\$ 2,977,000
Total Capital Projects Funds	\$ 2,649,000	\$ 2,993,400	\$ 2,977,000

* 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.

CITY/TOWN OF PRESCOTT VALLEY, AZ
Revenues Other Than Property Taxes
Fiscal Year 2020

TENTATIVE

SOURCE OF REVENUES	ESTIMATED REVENUES 2019	ACTUAL REVENUES* 2019	ESTIMATED REVENUES 2020
ENTERPRISE FUNDS			
WASTEWATER			
Earnings on Investments	\$ 50,000	\$ 107,400	\$ 100,000
User Charges	5,200,000	5,350,700	5,404,207
Penalties	110,000	97,700	110,000
Other	281,000	339,100	15,300
	<u>\$ 5,641,000</u>	<u>\$ 5,894,900</u>	<u>\$ 5,629,507</u>
WASTEWATER RESERVE FUND			
Earnings on Investments	\$	\$ 20,900	\$
TOTAL WASTEWATER RESERVE FUND	<u>\$</u>	<u>\$ 20,900</u>	<u>\$</u>
WASTEWATER REPLACEMENT FUND			
Earnings on Investments	\$	\$ 12,900	\$
TOTAL WASTE WATER REP FUND	<u>\$</u>	<u>\$ 12,900</u>	<u>\$</u>
WATER FUND			
Earnings on Investments	\$ 50,100	\$ 104,000	\$ 100,100
Antenna Lease	52,000	50,100	52,000
Recovery of Prior Year Expense/Revenue	5,000		
Usage Fees	8,200,000	8,597,000	8,364,000
Water Meter Charge	225,000	250,100	250,000
Fire Protection	30,000	31,000	31,000
Water Tap Fees	2,000	2,200	2,000
Penalties	139,000	125,400	139,000
Service Fees	120,000	136,000	120,000
Non-Sufficient Funds Fees	2,500	3,000	2,500
Other	1,000	12,000	1,000
	<u>\$ 8,826,600</u>	<u>\$ 9,310,800</u>	<u>\$ 9,061,600</u>
RECLAIMED WATER			
Usage Fees	\$ 26,000	\$ 27,600	\$ 26,000
TOTAL RECLAIMED WATER FUND	<u>\$ 26,000</u>	<u>\$ 27,600</u>	<u>\$ 26,000</u>
WATER RESOURCE/RECHARGE			
Earnings on Investments	\$	\$ 16,700	\$
Water Resource Fees	1,006,000	749,900	690,000
TOTAL WATER RESOURCE/RECHARGE	<u>\$ 1,006,000</u>	<u>\$ 766,600</u>	<u>\$ 690,000</u>
WATER RESOURCE - UVRWPC			
Federal Grant	\$ 465,650	\$ 233,600	\$ 270,984
UVRWPC Contributions	145,500	146,500	145,500
TOTAL WATER RESOURCE - UVRWPC	<u>\$ 611,150</u>	<u>\$ 380,100</u>	<u>\$ 416,484</u>
WATER CAPACITY			
Earnings on Investments	\$ 40,000	\$ 65,500	\$ 40,000
Capacity Charges	625,000	459,900	390,000
TOTAL WATER CAPACITY	<u>\$ 665,000</u>	<u>\$ 525,400</u>	<u>\$ 430,000</u>
WASTEWATER CAPACITY			
Earnings on Investments	\$	\$ 3,100	\$
Capacity Charges	1,362,000	921,600	860,000
TOTAL WASTEWATER CAPACITY	<u>\$ 1,362,000</u>	<u>\$ 924,700</u>	<u>\$ 860,000</u>
Total Enterprise Funds	<u>\$ 18,137,750</u>	<u>\$ 17,863,900</u>	<u>\$ 17,113,591</u>
TOTAL ALL FUNDS	<u>\$ 73,039,348</u>	<u>\$ 69,185,415</u>	<u>\$ 75,955,769</u>

* 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.

CITY/TOWN OF PRESCOTT VALLEY, AZ
Other Financing Sources/(Uses) and Interfund Transfers
Fiscal Year 2020

TENTATIVE

FUND	OTHER FINANCING 2020		INTERFUND TRANSFERS 2020	
	SOURCES	(USES)	IN	(OUT)
GENERAL FUND				
Total General Fund	\$	\$	\$	\$ 3,991,563
	\$	\$	\$	\$ 3,991,563
SPECIAL REVENUE FUNDS				
Highway Users Revenue Fund	\$	\$	\$ 2,000,000	\$
Impact Fee Funds	\$	\$	\$	\$ 1,138,899
Total Special Revenue Funds	\$	\$	\$ 2,000,000	\$ 1,138,899
DEBT SERVICE FUNDS				
Municipal Property Corporation Funds	\$	\$	\$ 3,085,428	\$
Private Placement Fund	\$	\$	\$ 1,814,104	\$
Total Debt Service Funds	\$	\$	\$ 4,899,532	\$
CAPITAL PROJECTS FUNDS				
Capital Project Growth Fund	\$	\$	\$ 250,000	\$
Streets Capital Project Fund	\$	\$	\$	\$ 2,019,070
Total Capital Projects Funds	\$	\$	\$ 250,000	\$ 2,019,070
ENTERPRISE FUNDS				
Water Fund	\$	\$	\$	\$ 248,000
Reclaimed Water Fund	\$	\$	\$ 248,000	\$
Total Enterprise Funds	\$	\$	\$ 248,000	\$ 248,000
TOTAL ALL FUNDS	\$	\$	\$ 7,397,532	\$ 7,397,532

CITY/TOWN OF PRESCOTT VALLEY, AZ
Expenditures/Expenses by Fund
Fiscal Year 2020

TENTATIVE

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2019	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2019	ACTUAL EXPENDITURES/ EXPENSES* 2019	BUDGETED EXPENDITURES/ EXPENSES 2020
GENERAL FUND				
Town Council	\$ 128,705	\$	\$ 125,627	\$ 143,502
Executive Management	969,379		927,568	1,279,621
Town Clerk/Risk Management	531,140		399,235	425,524
Management Services	2,292,580		2,236,157	1,635,141
Community Development	1,683,968		1,607,567	2,190,465
Human Resources	445,726		439,496	367,579
Information Technology				640,298
Parks and Recreation	2,760,284		2,826,325	2,980,507
Legal	788,178		775,896	802,549
Library	1,927,906		1,802,351	2,123,213
Magistrate	670,626		625,096	677,884
Public Works	2,362,576		2,321,963	2,758,774
Police	12,828,809	42,528	12,828,809	14,002,220
Non-Departmental	12,704,912		11,105,116	7,982,242
Contingency	250,000	(42,528)		250,000
Total General Fund	\$ 40,344,789	\$	\$ 38,021,206	\$ 38,259,519
SPECIAL REVENUE FUNDS				
Replacement Fund	\$	\$	\$ 1,290	\$
Highway Users Revenue Fund	5,876,313		5,138,231	7,720,520
UNS Facilities Relocation Fund	350,000		200,000	350,000
Impoundment Fee Fund	40,000		40,000	40,000
Public Safety Fund	10,000		10,000	10,000
Impact Fee Funds	4,470,000		4,178,655	6,747,500
Grant Funds	4,295,806		2,219,600	3,071,377
Total Special Revenue Funds	\$ 15,042,119	\$	\$ 11,787,776	\$ 17,939,397
DEBT SERVICE FUNDS				
Municipal Property Corporation	\$ 3,077,178	\$	\$ 3,077,178	\$ 3,085,428
Private Placement	911,142		910,142	1,814,104
Certificates of Participation	879,900		878,800	
Total Debt Service Funds	\$ 4,868,220	\$	\$ 4,866,120	\$ 4,899,532
CAPITAL PROJECTS FUNDS				
Streets Capital Projects	\$ 3,900,000	\$	\$ 3,831,164	\$ 6,500,000
Total Capital Projects Funds	\$ 3,900,000	\$	\$ 3,831,164	\$ 6,500,000
ENTERPRISE FUNDS				
Wastewater Fund	\$ 7,580,479	\$	\$ 6,959,518	\$ 8,128,873
Wastewater Capacity	1,050,939		1,001,734	1,200,505
Water Fund	12,598,575	(400,000)	12,597,255	9,704,607
Water Capacity	5,100,000	400,000	3,182,733	6,520,000
Reclaimed Water Fund	270,196		263,346	274,000
Water Resource/Recharge Fund	1,602,296		1,555,312	2,278,477
Water Resource - UVRWPC	632,000		280,206	579,495
Total Enterprise Funds	\$ 28,834,485	\$	\$ 25,840,104	\$ 28,685,957
TOTAL ALL FUNDS	\$ 92,989,613	\$	\$ 84,346,370	\$ 96,284,405

* 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.

CITY/TOWN OF PRESCOTT VALLEY, AZ
Full-Time Employees and Personnel Compensation
Fiscal Year 2020

TENTATIVE

FUND	Full-Time Equivalent (FTE) 2020	Employee Salaries and Hourly Costs 2020	Retirement Costs 2020	Healthcare Costs 2020	Other Benefit Costs 2020	Total Estimated Personnel Compensation 2020
GENERAL FUND	240.0	\$ 13,385,500	\$ 4,132,501	\$ 2,601,213	\$ 859,669	\$ 20,978,883
SPECIAL REVENUE FUNDS						
Highway Users Revenue Fund	16.8	\$ 708,834	\$ 96,467	\$ 150,349	\$ 84,801	\$ 1,040,451
Impoundment Fee Fund		40,000				40,000
Grant Funds		337,099	33,678	44,105	9,118	424,000
Total Special Revenue Funds	16.8	\$ 1,085,933	\$ 130,145	\$ 194,454	\$ 93,919	\$ 1,504,451
ENTERPRISE FUNDS						
Wastewater Fund	2.2	\$ 164,125	\$ 24,863	\$ 31,429	\$ 6,388	\$ 226,805
Water Fund	2.3	198,247	30,036	37,945	7,728	273,956
Water Resource/Recharge	1.0	102,561	15,466	8,518	3,212	129,757
Total Enterprise Funds	5.5	\$ 464,933	\$ 70,365	\$ 77,892	\$ 17,328	\$ 630,518
TOTAL ALL FUNDS	262.3	\$ 14,936,366	\$ 4,333,011	\$ 2,873,559	\$ 970,916	\$ 23,113,852

EXHIBIT "B"

TOWN OF PRESCOTT VALLEY
NOTICE OF PUBLIC HEARING

The Common Council of the Town of Prescott Valley, Arizona, will hold a public hearing for the adoption of the Fiscal Year 2019-2020 Budget for the Town of Prescott Valley.

The public hearing will be held at 5:30 p.m. on Thursday, June 27, 2019, in the Auditorium of the Prescott Valley Public Library, 7401 East Skoog Blvd., Prescott Valley, Arizona.

Any interested citizen may review the Tentative Budget at the Executive Management Office (fourth floor) at the Prescott Valley Civic Center, 7501 East Skoog Blvd., Monday through Friday 8:00 a.m. to 5:00 p.m.; the Prescott Valley Public Library, 7401 East Skoog Blvd., Monday through Thursday 9:00 a.m. to 8:00 p.m., Friday 9:00 a.m. to 5:00 p.m., or Saturday 9:00 a.m. to 3:00 p.m.; the Town's website at www.pvaz.net; or other arrangements can be made by calling (928) 759-3002.

(To be) Published: June 6, 2019 and June 13, 2019