

Striping Program	\$ 20,000.00	General Fund/HURF
Various Projects	\$ 3,000,000.00	WIFA
PUBLIC WORKS CIP	\$ 4,390,000.00	

Public Works CIP Request

Department	Project	Amount Requested	Source
Parks/Streets	Chip Seal	\$300,000.00	1/2 excise/HURF
Parks/Streets	Preventive Maintenance Program	\$150,000.00	1/2 excise/HURF
Parks/Streets	Sidewalk repair	\$30,000.00	1/2 excise/HURF
Parks/Streets	Signage Program	\$20,000.00	1/2 excise/HURF
Parks/Streets	Striping	\$20,000.00	1/2 excise/HURF
	Subtotal	\$520,000.00	
Parks/Streets	2" Mill and fill	\$420,000.00	CDBG
	Subtotal	\$420,000.00	
Fleet	Shop Hydraulic Pipe Bender	\$900.00	General
Fleet	Plasma Cutter	\$1,600.00	General
Parks/Streets	Ball Fields Rehab	\$40,000.00	General
Parks/Streets	Lap top	\$2,000.00	General
Parks/Streets	Playground Equipment	\$50,000.00	General
Parks/Streets	Service Trucks	\$30,000.00	General
	Subtotal	\$124,500.00	
WWTP	City Sewer Line Cameral Program	\$120,000.00	Sewer/Enterprise
WWTP	Haskins Sewer Line	\$60,000.00	Sewer/Enterprise
WWTP	Locating Equipment	\$20,000.00	Sewer/Enterprise
WWTP	Oxidation Ditch Rehab	\$600,000.00	Sewer/Enterprise
WWTP	Wastewater Plant Roof	\$25,000.00	Sewer/Enterprise
WWTP	Wastewater Lift Station Electrical	\$60,000.00	Sewer/Enterprise
	Subtotal	\$885,000.00	

Engineering	Pinal Creek Bridge	\$220,000.00	STIP/5.7%
	Subtotal	\$220,000.00	
Water	Pick-up Truck	\$29,902.25	Water/Enterprise
Water	Mini Excavator	\$49,242.00	Water/Enterprise
Water	Dump Truck	\$109,365.45	Water/Enterprise
	Subtotal	\$188,509.70	
Engineering	WIFA	\$3,000,000.00	WIFA
	Subtotal	\$3,000,000.00	
Engineering	Signage Program- Computer Striping Inventory Software	\$100,000	Grant (HSIP)
	Subtotal	\$100,000	
	Total	\$5,458,009.70	

Adria Ricke presents Library CIP;
New Roof for Library; Metal \$50K, Shingles \$25K General Fund/possible grant match
Window Replacements; \$5,000 General Fund

Fire Chief Gary Robinson presents Fire CIP;
Mr. Jepson stated that we need to have a stand-alone discussion regarding the Type 3
Wildland Truck that was on the CIP.
Personal Protective Equipment; \$17,105.00 General Funds
Workout Equipment; \$15,000.00 General Funds

Paul Jepson and Interim Chief Folker presents Police CIP;
Building Facility Architect Design \$25,000
2- Crown Vic's refurbish \$60,000
Chief Folker informed Council that he would like to do away with the Crown Vic's and focus on
Ford products. Chief also informed Council that the Police Department has put in for a Grant to
purchase 4-Ford explorers.
IT Communication Radio Towners \$40,000
Computers and laptops mobile in Police Cars and body cameras.

Mr. Jepson explains that items will be looked at more closely tonight is a chance to get Council
feedback.

City Hall, IT Hardware \$10K.

C. City Revenue Projections;

General Fund

Finance Director; Jeannie Sgroi updates Council that the General Fund contains most departments and revenues can be used for any municipal purpose.

Taxes;

City Sales Tax (2%)

City Sales Tax for PSPRS Unfunded Liability (.3%)

Bed Tax (3%)

Property Tax

Local Sales Taxes are received from major revenue categories such as; retail, construction, utilities hotel/motel, restaurant/bar and bed tax. Through 2017 and 2018 the sales tax has been on a increase with an estimated total amount of \$3.96M. Ms. Sgroi informed Council that an estimated \$65K has been included from the Town of Miami for Globe sales tax that was incorrectly allocated to Miami. Mr. Jepson clarified for Council that the payment from Miami for sales tax payback will be put in a separate fund. The expected money from FreePort and Arizona Water however, have not been included in these projections. Staff is assuming a 4% increase over FY 18 estimated for local sales tax, which creates a \$178,015 increase over FY18 budget and \$144,131 increase over FY18 estimated. Also based on the consumer price index of 3%, Staff is assuming a 2% increase to the .3% PSPRS sales tax which would amount to a \$189K increase over FY18 budget and \$11K increase over estimated. Assuming the same 2% increase to bed tax revenue, the City should see \$49K increase over FY18 budget and \$3K increase over estimated. Franchise taxes from APS, Southwest Gas and Arizona Water will all be projected at the same 2% increase over FY18 which should yield \$38K over FY18 Budget and \$5K increase over estimated.

Property Tax is currently at a \$1.31 rate per \$100 of assessed value. Council may maintain that rate which would require a truth in taxation hearing and would increase over the prior year by \$16,319. Council may also lower the rate based on higher property evaluations and would still see a \$4,023 increase to the General Fund. If Council were to adopt the maximum allowable levy at a rate of \$1.8663, the General Fund would see \$239,088 increase.

State Shared Revenues are derived from Auto Lieu Tax, State Sales Tax and State Income Tax. State Shared estimates are provided by the League from the Arizona Department of Revenue. FY19 projections are: State shared sales tax; \$732K, Vehicle License Tax; \$524K and State Income Tax; \$905K.

Charges for Services; Staff will project a 5% increase for Besh Ba Gowah, 2% increase for sanitation fees and rental revenue will stay the same per agreements. Business License and Permit revenues are all proposed to increase; Business License will increase from an estimated \$554K to \$565K proposed, Building Permits will increase from an estimated \$51K to \$52K proposed and Police Court Fines will increase from estimated \$58K to \$59K proposed.

In summary the General Fund revenues are estimated for FY18 at \$10,141,412 or over realized by \$126,945. Primarily a result of sales tax increases.

Special Revenue Funds are collected for specific purposes and are restricted in their including Highway User Revenue Fund (HURF), Transportation Excise Tax, Library and Grants. HURF funding is projected under the FY18 estimated at \$772K, Excise tax will increase to \$464K projected, Library funding from Gila County will stay the same at \$114K and Grants are projected at \$1,850,000.

Enterprise Funds, includes Water and Wastewater, like a business needs to be self-supporting. Water Revues are projected slightly above the FY18 estimated at \$1.98M and Wastewater will remain the same at \$1.10M projected for FY19.

D. Budget Process Next Steps;

Mr. Jepson states next week we will be talking about Staffing Models and Operational Budgets.

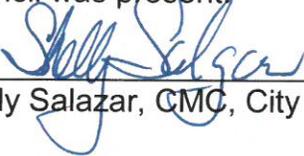
2. **ADJOURNMENT.**

Motion: Motion to Adjourn at 8:08 pm., **Action:** Adjourn, **Moved by** Councilwoman Charlene Giles; District 5, **Seconded by** Councilman Freddy Rios; District 1.

Motion passed unanimously.

SCHEDULED MEETINGS / EVENTS

I certify that the forgoing are a true and correct copy of the Budge Work Session Meeting Minutes of April 17, 2018 and the meeting was duly called and quorum of Council was present.



Shelly Salazar, CMC, City Clerk