

Town of Chino Valley, Arizona

Annual Budget

For Fiscal Year Ending
June 30, 2018



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Guide to the Budget Document

The budget document serves a myriad of purposes. Most important is its use as a communications device. The budget presents the public an opportunity to review the types of services and level of service provided within the financial constraints of the community. The allocation of financial resources translates into what services will be provided to the community. As community needs and demands for service change, the allocation of resources should respond accordingly. Therefore, this document attempts to communicate financial information clearly and concisely to our community.

Budget Message, Town Manager - The Town Manager presents a budget message to the community. The Town Manager's message provides readers with a summary of the resource allocation priorities established by the Town Council. The message provides a synopsis of the key policy issues, priorities and strategies which shaped the budget, the budget process fiscal policies, revenue assumptions and expenditure highlights.

Strategic Goals – This section provides information on the Strategic Goals accomplished in the current fiscal year and those to be accomplished in the next budget year and the specific Council decision/directions impacting the prior and current fiscal year budgets.

Community Profile - The profile provides background information so that the budget can be viewed in the context of the factors that shape and affect budget decisions, priorities, and financial parameters within which the community operates. Also provided are select statistical tables providing historical trend information on tax rates, expenditures, and assessed valuations of property.

Budget Process – This section reviews the process the Town undertakes to develop the budget. Included are the Town's fund structure, the budget calendar, basis of accounting, and definition of funds.

Town Financial Policies - This section provides information on policies the Town uses to guide the preparation of the annual budget. They include the Operating Management Policies, Capital Management Policies, Debt Management Policies, Contingency and Reserve Policies and Financial Reporting Policies.

Financial Overview - These schedules consolidate the major financial information and operating data elements. Several schedules also serve to meet state statutory reporting requirements. The expenditure summaries are used primarily for operational purposes; e.g., monitoring expenditures at a fund level and at a category level, and maintaining accountability at a department level.

Expenditure Detail - Each operating Department Summary within each fund provides a Mission, Program Description, current fiscal year accomplishments and initiatives and goals for the next fiscal year, performance measures, financial information and narrative on significant budget changes.

Capital Improvements Fund- The current year portion of the five-year capital improvement program is listed, along with the projected funding sources.

For additional information, please call the Finance Department directly at (928) 636-2646. This budget document may also be viewed in Adobe Acrobat format on the Town of Chino Valley website, www.chinoaz.net under the Finance Department, Financial Reports section.

Town of Chino Valley Council

The Mayor and six council members are elected at large by the voters in the Town of Chino Valley. The Mayor serves a two-year term. Council members serve staggered four year terms.



Mayor and Council Members

Darryl L Croft, Mayor
Mike Best, Vice Mayor
Lon Turner, Councilmember
Jack Miller, Councilmember
Annie Lane, Councilmember
Cory Mendoza, Councilmember

- Council has one vacant position

Distinguished Budget Presentation Award

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Town of Chino Valley, Arizona for its annual budget for the fiscal year beginning July 1, 2016. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Town of Chino Valley
Arizona**

For the Fiscal Year Beginning

July 1, 2016

Executive Director



Town Manager's Office

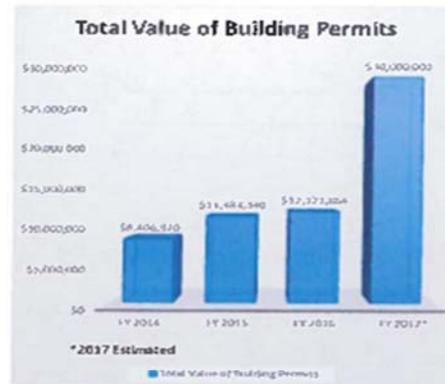
202 North State Route 89
Chino Valley, AZ 86323

(928) 636-2646; (928) 636-2144 (fax)
www.chinoaz.net

Honorable Mayor, Town Council, Staff and Community:

I am proud to present a balanced budget for the Town of Chino Valley for 2017 – 18. The Town, as an organization, is always an evolving entity adjusting to its environment. There have been several leadership changes over the last year, requiring slight adjustments to Council priorities and staff direction.

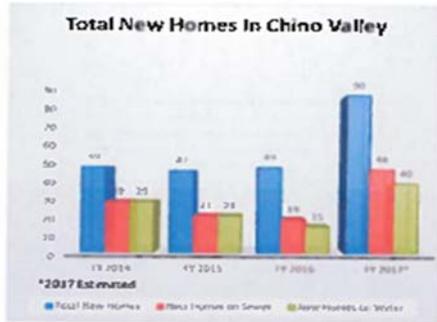
This year's budget will appear fairly similar to last year's budget, as revenues have been optimistic but we retain our conservative and cautious approach to finances. The Town continues to provide more detail in its department budgets, offering opportunities for people to compare our community to others within the great state of Arizona or elsewhere.



Our Enterprise funds of Sewer and Water continue a healthy climb toward sustainability as the Town capitalizes on opportunities for expanding its infrastructure footprint. Those opportunities have presented themselves in neighborhoods with dense housing, providing alternatives in our housing to the community and the ability for existing housing to upgrade their infrastructure and become more viable. We've expanded our billing structure to incorporate varying housing types.

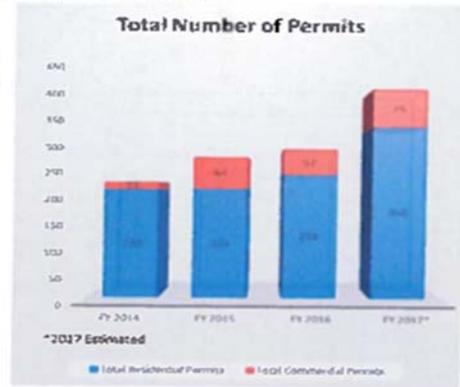
In the short term, over the next year, the Town is focusing on recruitment and retention within our Police Department. The salaries within our department fallen behind the surrounding market, and we have identified that we need to take the department off the Town's pay scale and develop a separate one for this department that may more easily adapt to its market. The second investment in the department will be to ensure we continue to fund our Public Safety Personnel Retirement System at the level requested by the State, and, if the opportunity avails, to invest even more to pay down our unfunded liability and not burden the citizens and administration of the future.

The Town is also beginning to look at long-term strategies for our roads. This next year the Council is looking to increase the funding for our street maintenance, while at the same time looking at a long-term solution that would provide a permanent funding mechanism. These solutions will be community and committee based, percolating up to the Council when the timing is right, when the community supports it, when it appears to make sense, but before it's a crisis.



The Town will also continue to look at other opportunities to extend its infrastructure. There may be opportunities through development to increase our infrastructure footprint, allowing the Town to further its service and provide for growth where it is warranted. As much as we try to plan the build-out of Chino Valley, finances restrict our ability to do it alone. Partnering with others and taking the opportunities as they present themselves sometimes make us take a slight shift in the direction we are heading, but we will always try and participate in infrastructure expansion if we can and if it makes sense for the Town.

The economy continues to improve, and housing valuations are beginning to climb again, as witnessed by the chart below. Residential permits are flying out the door, and the Town is hopeful that commercial development will follow.

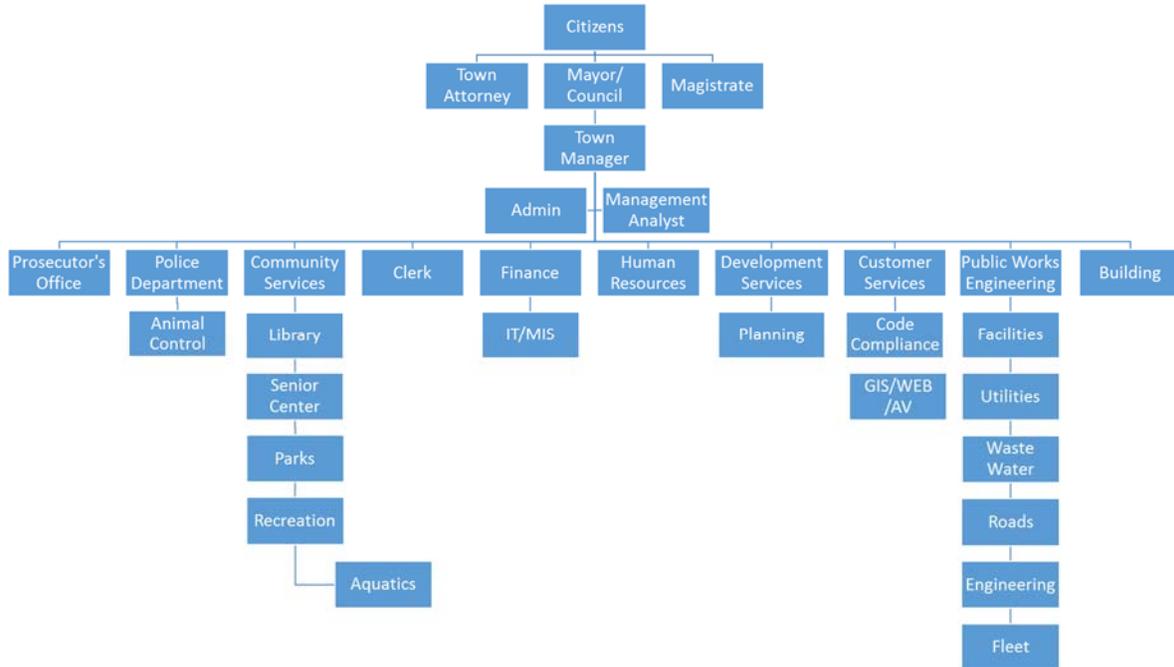


The Town will continue to be as transparent as possible, utilizing multiple mechanisms for communication. The Public is always invited to Council Meetings where budget, expenditures, land use, and ordinances are discussed and adopted. The community belongs to all of us, and the Council appreciates the input from our citizenry.

Respectfully,

Cecilia Grittman
Town Manager

Town Organization Chart



The Mayor and Council of the Town of Chino Valley are accountable to the Citizens of the Town.

The Town Attorney and Town Magistrate report directly to the Mayor and Town Council.

The Town Manager reports directly to the Mayor and Town Council, and oversees six primary divisions:

- Police Department
- Community Services Division
- Administration
- Development Services Division
- Public Works/Engineering
- Customer Service

The Town Manager also oversees the following departments:

- Prosecutor's Office
- Town Clerk
- Finance / Information Technologies/Management Information Services
- Human Resources
- Building

Note: Fire Protection is provided by the Chino Valley Fire District.

Key Officials and Staff

Cecilia Grittman, Town Manager
Vacant, Public Works Director
Jami Lewis, Town Clerk
Joe Duffy, Finance Director
Chuck Wynn, Chief of Police
Laura Kyriakakis, Human Resources Director
Scott Bruner, Community Services Director
Cyndi Thomas, Supervisor Senior Center
Kenny Tribolet, Public Works Manager
Vacant, Development Services Director
Dan Trout, Chief Building Official
Chris Bartels, Utility Supervisor
Spencer Guest, Information Technology Specialist
Joann Brookins, Customer Services Manager

Mission Statement

“We exist to provide public services to the citizens of Chino Valley, an economically self-sustaining Town that cherishes and preserves its historic rural lifestyle. We support Economic Development for the betterment of our citizens.”

Community Vision

“The Town of Chino Valley is a forward-looking, diverse community which, true to its small town/rural values, treasures its historic and natural environments, enhances its economic vitality, protects its neighborhoods and its quality of life, values community-wide interest, and retains its family-friendly heritage.”

Corporate Vision

“The Town of Chino Valley is an employer of choice. We provide competitive salaries and benefits. We seek to hire and retain quality employees who work hard and efficiently. We are worthy of public trust and the respect and trust of fellow employees. We provide prompt and courteous service to all citizens. We efficiently utilize our resources.”

Strategic Goals

Strategic Plan

The Mayor and Council adopted the Chino Valley Strategic Plan on October 14, 2014. A copy can be viewed at www.chinoaz.net.

The purpose of the Chino Valley Strategic Plan is to develop a clear picture of its future as a local government enterprise and how it will serve the community. The Plan sets into writing a vision of what Chino Valley will be five years from now, identifies the milestones to be achieved over those five years, and creates an action plan by which the Mayor, Town Council, Town Manager and staff can guide their effort and measure progress.

Mayor and Council began updating the Strategic Plan this budget year and will publish the plan on the Town's website when complete.

Council Retreat

The Council met for a Study Session/Retreat on January 31, 2017. Council and Staff discussed many including:

- Use of Space at the Community Center
- Discussion regarding septage receiving at the wastewater treatment plant
- Possible funding alternatives to finance the improvement of Town roads
- Roles of the Parks and Recreation Advisory Board and Ad Hoc Old Home Manor Recreational Committee
- The development of the Old Home Manor Industrial Park
- Discussion regarding Code Compliance
- Presentation of Town Assets, fixed assets, land, assets financed with debt, and future equipment needs
- Discussion regarding the re-establishment of a Community Services Department
- Discussion regarding the proposed motor sports project at Old Home Manor

Many of the items discussed have been incorporated into this year's budget.

Community Profile

History

Incorporated in 1970, Chino Valley received its name in 1854 from U.S. Army Cavalry Lt. Amiel W. Whipple. He was traveling through the area and took note of the plentiful grama grass growing in the region. The Mexican word for this grass was “chino”—thus the community’s name. From January through May of 1864, the site of the first Territorial Capital of Arizona was established at Del Rio Springs in Chino Valley. Later that year, the Territorial Capital was moved to Prescott.

It was a railroad that brought much activity to Chino Valley. Jerome Junction was established in 1895, becoming a major center of goings-on from 1900 until 1925, when it was moved farther north. Afterward, from the 1920s to the late 1940s, most of the families of Chino Valley took up farming and ranching. In the 1950s and 1960s, dairy farming became a large source of revenue.

Chino Valley has experienced much growth since its early beginnings. Affordable housing, large plots of land and significant availability of services continue to draw residents and businesses to the area.

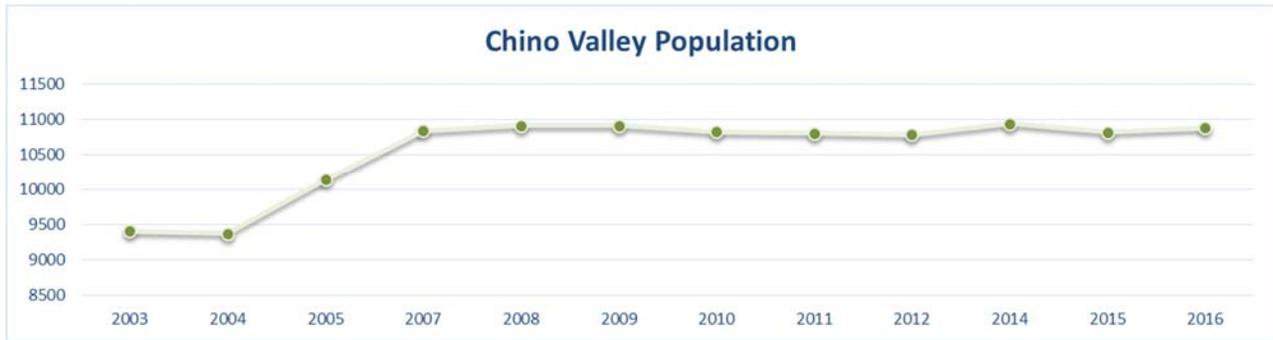
Highway 89

Currently 24,000 vehicles per day travel Highway 89 going through Chino Valley. The Town of Chino Valley, in conjunction with Yavapai County and Arizona Department of Transportation are in the process of planning improvements such as traffic control devices, frontage roads, widening and roundabouts on Highway 89, from Center Street to Road 5 South.

Population and Area	2016			2010		2000	
	Population	% of County	Land Area Square Mile	Population	% of County	Population	% of County
Population Estimates for Yavapai County	225562	100.00%	8123.5	210899	100.00%	169520	100.00%
Yavapai County Total	225562	100.00%	8123.5	210899	100.00%	169520	100.00%
Camp Verde	11965	5.60%	43.1	10875	5.16%	8741	5.16%
Chino Valley	10879	5.09%	63.4	10825	5.13%	8701	5.13%
Clarkdale	4101	1.92%	10.5	4103	1.95%	3298	1.95%
Cottonwood	11358	5.32%	16.8	11238	5.33%	9033	5.33%
Dewey-Humboldt	3894	1.82%	18.7	3896	1.85%	3132	1.85%
Jerome	392	0.18%	0.8	441	0.21%	354	0.21%
Prescott	40246	18.83%	41.5	39771	18.86%	31968	18.86%
Prescott Valley	39686	18.57%	38.7	38839	18.42%	31219	18.42%
Dual Counties Yavapai, Maricopa, Coconino	7042	3.30%	28.1	7198	3.41%	5781	3.41%
Unincorporated Areas	84129	39.37%	7861.9	83714	39.69%	67289	39.69%

<https://suburbanstats.org/population/arizona/how-many-people-live-in-yavapai-county>

Community Profile - Continued



Population by Sex, Est	2016	Percentage	2010	2000
Total Population	10961	100%	10,817	7,835
Male	5477	50.0%	5,333	3,845
Female	5484	50.0%	5,484	3,990

Source: <https://suburbanstats.org/population/arizona/how-many-people-live-in-yavapai-county>

Population by Age, Est	2016	Percentage	2010	2000
Total Population	10,961	100%	10,817	7,835
Persons under 5 years	651	5.94%	682	475
Persons under 18 years	1,707	15.57%	2477	1604
Persons between 18 and 65 years	6,176	56.35%	5473	4483
Persons 65 years and over	2,427	22.14%	2185	1273

Source: U.S.Census Bureau - www.census.gov

Schools in Chino Valley							
	2016	2015	2014	2013	2012	2011	2010
Public Schools - Home of the Cougars							
Del Rio Elementary	724	696	691	686	527	520	575
Territorial Elementary School	428	228	187	161	383	410	429
Heritage Middle School	567	737	721	693	563	582	658
Chino Valley High School	732	777	727	724	748	779	738
Charter Schools							
Mingus Springs Charter School	169	174	174	151	162	158	165
College							
Yavapai College	368	379	477	375	369	342	438

Source: Chino Valley Schools/Yavapai College - as of 04/11/2017

Community Profile - Continued

Neighborhood Resources - 2016	
Active Parks	
Memory Park	1
Community Center	1
Old Home Manner	1
Passive Parks	
Center Street Park	1
Appaloosa Meadows open space	1
Activities	
Ball Fields	6
Playgrounds	2
Aquatic Center	1
Dog Park	1
Park Acres	47
Trails within the town	3 Miles

Source: Town of Chino Valley

Infrastructure			
	<u>2016</u>	<u>2015</u>	<u>2014</u>
Total Miles of Streets	153	153	143
Total Paved Streets	112	112	105
Total Unpaved Streets	40	40	38
Cold Mix Repairs (lbs)	150 tons	205 tons	168 tons
Hot Mix Repairs (tons)	0	0	0
Miles of Water Mains	19.5	19.5	19.5
Number of Water Connections	675	675	641
New Connections	30	34	35
Miles of Wastewater Lines	24	23	23
Number of Sewer Connections	2027	1997	1757
New Connections	30	240	68

Source: Town of Chino Valley

Chino Valley Fire District	
<u>Areas Covered</u>	<u>Stations & Personnel</u>
Chino Valley	Fire houses - 2
Paulden	Employees - 36
Unincorporated Areas	

Source: Chino Valley Fire District - updated 04/11/2017

Incident Type				
	2016	2015	2014	2013
Fire	11	31	55	69
Explosion - no fire	1	1	2	1
Rescue /Medical Emergency	705	1677	1880	1803
Hazardous Conditions - no fire	13	38	26	21
Misc Service Calls	178	361	307	263
Good Intent Call	56	250	135	141
False Alarm /False Calls	25	66	87	75
Severe Weather/Natural Disaster	0	2	1	6
Special Incident Type	0	1	3	2
Total Calls in period	989	2427	2496	2381

Source: Chino Valley Fire District - updated 04/11/2017

Community Profile - Continued

Public Safety									
	2016	2015	2014	2013	2012	2011	2010	2009	2008
CALLS FOR SERVICES	11500	11,125	10,957	11,120	10,367	13,091	14,514	11,855	11,801
PART 1 CRIMES REPORTED									
Homicide	1	1	0	1	2	0	0	0	0
Assault Arrests (agg & Simple)	100	100	100	73	73	69	76	102	101
Buglary	60	55	44	50	43	62	58	49	61
Larceny-Theft	200	200	189	189	175	157	165	197	200
Motor Vehicle Theft	30	25	29	15	10	16	11	18	13
PART 2 CRIMES REPORTED									
DUI Arrests	55	50	38	54	49	38	47	110	98
Sex Offenses	22	20	26	19	22	25	14	18	25
Drugs (Sales, Mfg, Possess)	70	65	76	50	43	57	63	42	60
OTHER CALLS FOR SERVICE									
Domestic Violence	75	75	70	54	49	48	51	57	61
Accidents	210	200	221	198	170	203	174	205	232

Source: Chino Valley Police Department - as of 04/11/2016

Elections	2016	2015	2014	2013	2011	2009	2007	2005
<u>Primary - Mayor & Council and Ballot Measure Election</u>	<u>March</u>	<u>NO ELECTIONS</u>		<u>March</u>	<u>March</u>	<u>March</u>	<u>March</u>	<u>March</u>
Number of Registered Voters	6220			6027	5766	5736	4721	4357
Number of votes Cast	2630			2092	2256	2561	2022	1640
% of registered voters that Voted	42.28%			34.70%	39.12%	44.65%	42.83%	37.64%
<u>General - Run Off and/or Single Ballot Election</u>		<u>NO ELECTIONS</u>			<u>May</u>	<u>May</u>	<u>May</u>	
Number of Registered Voters					5604	5512	4736	
Number of votes Cast					2949	1900	1536	
% of registered voters that Voted					52.62%	34.47%	32.43%	
<u>Special Election - Utility Measure - Sewer</u>		<u>NO ELECTIONS</u>						<u>November</u>
Number of Registered Voters								4187
Number of votes Cast								1862
% of registered voters that Voted								44.47%
<u>Special Election - Bond Measure - Water & Sewer; General Plan</u>		<u>NO ELECTIONS</u>	<u>November</u>					
Number of Registered Voters			5914					
Number of votes Cast			3587					
% of registered voters that Voted			60.65%					

Information provided by Town Clerk's Department - as of 04/11/2016

Community Profile - Continued

Approximate Drive Times From Chino Valley		
Prescott, AZ		30 mins
Prescott Valley, AZ		24 mins
Grand Canyon, AZ	2 Hour	00 mins
Flagstaff, AZ	1 Hour	25 mins
Sedona, AZ	1 Hour	30 mins
Lake Powell, AZ	7 Hours	43 mins
Albuquerque, NM	6 Hours	30 mins
Kingman, AZ	2 Hour	03 mins
Las Vegas, NV	3 Hours	50 mins
Phoenix, AZ	2 Hour	15 mins
Tucson, AZ	3 Hours	41 mins
Los Angeles, CA	6 Hours	53 mins

Source: Mapquest

Weather					
Period of Record Climate Summary					
Average Temperature					
Month	High	Low	Monthly	Percipitation Average	Snow Fall Average
January	54.5	25.8	40.15	1.79	0
February	65.8	30.9	48.35	0.27	0
March	68.3	34.9	51.6	2.32	0
April	71.6	37.2	54.4	0.52	0
May	74.4	43.4	58.9	0.78	0
June	93.5	56.8	75.15	0.7	0
July	90.3	60.9	75.6	3.61	0
August	92	61.8	76.9	0.89	0
September	87.4	56	71.7	1.14	0
October	75.3	47	61.15	2.05	0
November	59.8	27.9	43.85	0.47	0
December	45.2	18.9	32.05	0.32	0
Annual	73.18	41.79	57.48	1.24	0

Period of Record: 2015

Source: www.usclimatedata.com/climate/chino-valley/arizona/united-states

Community Profile - Continued

2015 Housing Occupancy Statistics	Chino Valley, AZ		Arizona		United States	
Total Units	5,043		2,909,336		132,832,000	
Occupied Units	4,365	87%	2,428,743	83%	115,851,000	87%
Vacant Units	741	15%	480,593	17%	16,981,000	13%
Total Housing Units						
Owner Occupied Units	3,312	76%	1,484,857	51%	75,650,000	57%
Renter Occupied Units	1,110	25%	943,886	32%	40,201,000	30%
Vacant Units	741	15%	480,593	17%	16,981,000	13%
Vacant Housing Units						
Vacant Units For Rent	81	11%	93,569	19%	4,415,060	26%
Vacant Units For Sale	168	23%	210,597	44%	6,792,400	40%
Vacant Units Seasonal	227	31%	142,601	30%	4,067,000	24%
Vacant Units Vacant Other	265	36%	33,826	7%	1,735,083	10%

Source: www.homefacts.com/demographics/Arizona/Yavapai-County/Chino-Valley.html, census, information in some area's are an estimate

The data for Chino Valley, AZ may also contain data for the following areas: Chino Valley

Occupied Units: Housing units that are Owner Occupied or Renter Occupied.

Vacant Units: Housing units that are For Sale and Vacant, For Rent and Vacant, Seasonal and Vacant and Other.

Building Inspections				
	# of Permits	Value of Permits	# of Residential	# of Commercial
2016	303	\$ 12,121,864.00	251	52
2015	286	\$ 11,484,340.00	222	64
2014	233	\$ 8,406,970.00	220	13
2013	269	\$ 8,527,974.91	249	20
2012	184	\$ 19,082,877.00	165	19
2011	178	\$ 3,887,705.00	167	11
2010	212	\$ 4,571,107.00	194	18
2009	180	\$ 4,912,905.06	163	17
2008	443	\$ 37,147,423.80	423	20
2007	750	\$ 24,257,802.00	727	23
2006	472	\$ 32,583,561.48	451	21
2005	608	\$ 55,009,375.24	577	31
2004	550	\$ 47,331,781.00	509	41

Source: Town of Chino Valley

Town Of Chino Valley Assessed Value

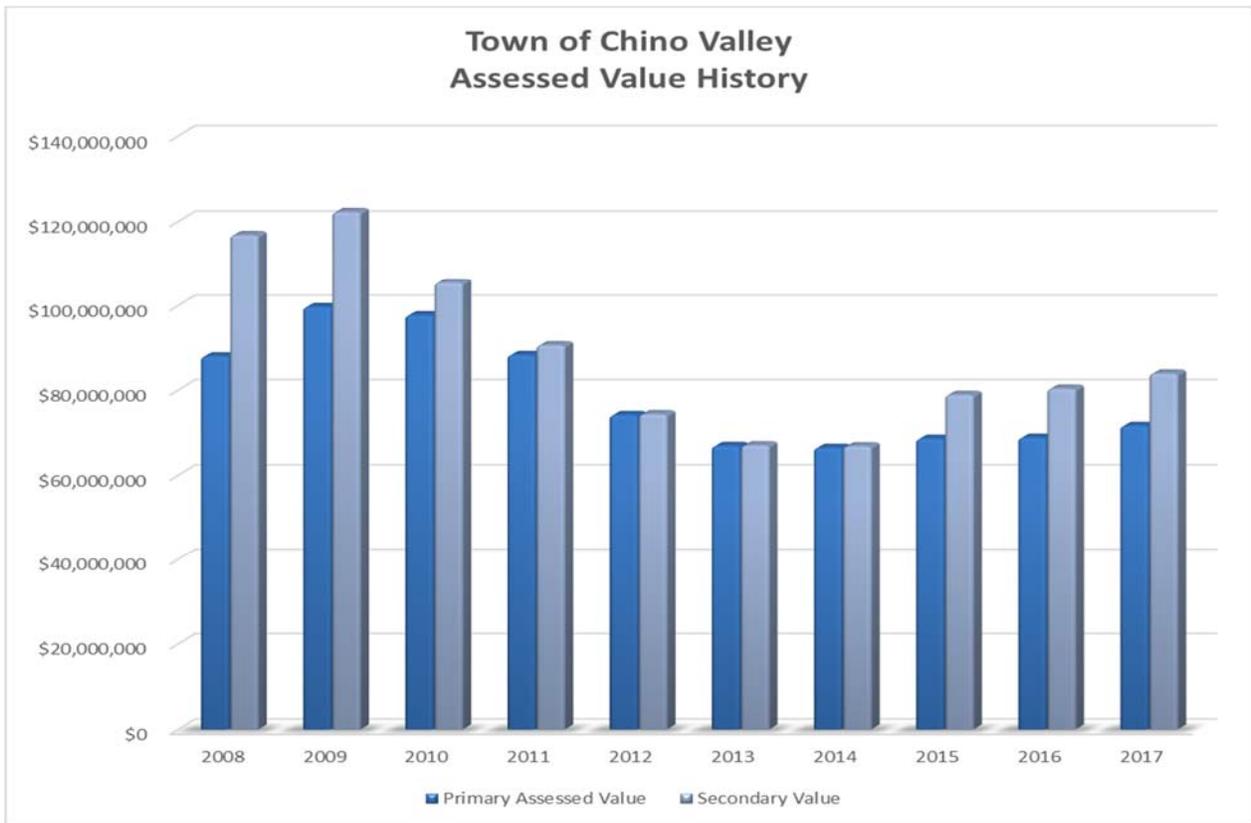
Chino Valley does not assess a primary or secondary property tax. The Town's Assessed Values for the last 10 years are summarized below:

**Town of Chino Valley
Assessed Value History - Last 10 Years***

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Primary Value	\$87,984,637	\$99,671,389	\$97,702,687	\$88,307,350	\$74,109,132	\$66,970,381	\$66,507,361	\$68,650,602	\$68,900,296	\$71,703,530
% Change	19%	13%	-2%	-10%	-16%	-10%	-1%	3%	0%	4%
Secondary Value	\$116,815,366	\$122,276,572	\$105,453,785	\$90,631,086	\$74,322,200	\$67,121,326	\$66,893,394	\$78,892,362	\$80,357,855	\$83,930,432
% Change	44%	5%	-14%	-14%	-18%	-10%	0%	18%	2%	4%

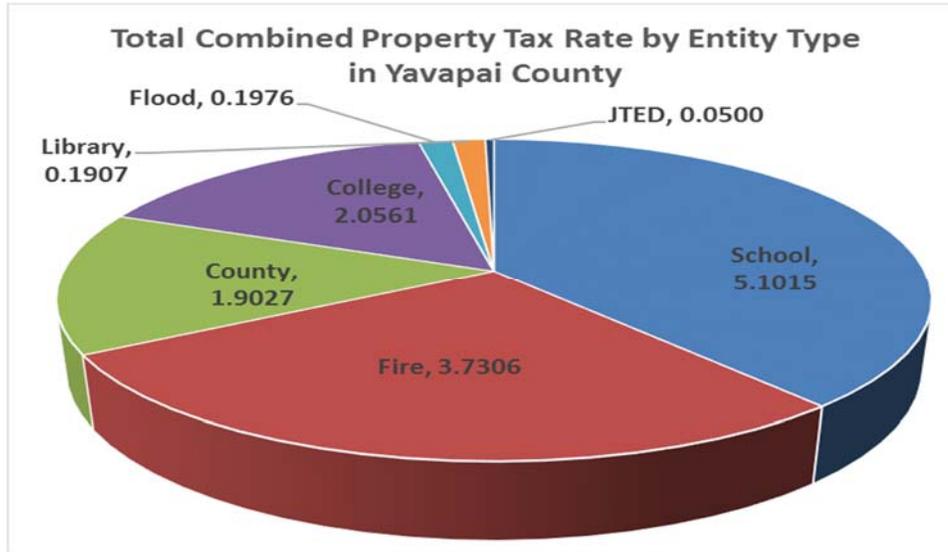
Under Arizona Law there are two primary valuation bases: Primary and Secondary. The primary (limited) assessed valuation is used when levying for maintenance and operation of cities, towns, counties, school districts, community college districts, and the state. The secondary (full cash) assessed valuation is used when levying for debt retirement, voter-approved budget overrides, and maintenance and operation of special service districts.

* Source Yavapai County Assessor's Office



Overlapping Taxing Districts

Chino Valley residents pay property taxes to the following overlapping taxing districts: Yavapai County, Yavapai County Community College District, Yavapai County Fire District, Chino Valley Library District, Yavapai County Library District, Yavapai County Flood Control District, Joint Technology Education District (JTED)



The Total Primary and Secondary Tax Rates assessed by these districts in Fiscal Year 2016/2017 are summarized below:

District		Chino Valley 2014/2015	Chino Valley 2015/2016	Chino Valley 2016/2017
Town of Chino Valley Primary	City			
Town of Chino Valley Secondary	City			
School Equalization	School	0.5123	0.5054	0.5010
School District Primary	School	4.9640	4.4236	4.6005
School District Secondary	School	0.0000	0.0000	0.0000
Total School District		5.4763	4.9290	5.1015
Fire Dist. Contribution	Fire	0.1000	0.1000	0.1000
Fire Districts	Fire	3.5799	3.6577	3.6306
Total Fire District		3.6799	3.7577	3.7306
Yavapai County	County	1.9308	1.9317	1.9027
Total Yavapai County		1.9308	1.9317	1.9027
Yavapai Community College	College	0.2227	0.2180	0.2122
Yavapai Community College	College	1.8241	1.8721	1.8439
Flood Control District	Flood	0.2162	0.2060	0.1976
YC Library District	Library	0.1491	0.1512	0.1907
Joint Tech. Education District	Education	0.0500	0.0500	0.0500
Total Other Districts		2.4621	2.4973	2.4944
Total All Districts		13.5491	13.1157	13.2292

Budget Process

The development of the budget occurs throughout the year and is headed by the Town Manager, Finance Director and the town's department heads. The budget is prepared to fulfill state requirements and follows the budget calendar, which includes the state's mandated deadlines. The budget calendar is reviewed with the department heads and Finance Committee.

The Budget kick off meeting is held with all department heads. The Finance Department prepares and distributes budget worksheets and instructions to each of the department heads. Along with the budget worksheets, form, instructions, and information regarding the preparation of the Five-Year Capital Improvement Plan are provided.

The Finance Department updates and prepares the Revenue Manual, which projects each revenue line item of the town and is used as the basis for the amount of resources available in the next fiscal year. A presentation of the revenue projections is presented to Council and a copy is published on the Town's website.

Budget meetings are held with the Town Manager, Finance Director and Department Heads. Proposed budgets, capital requests, personnel requests and other issues are reviewed.

The Preliminary Budget is prepared and reviewed with Town Council at the Budget Hearing Meetings. The Preliminary Budget is published on the Town's website.

The Tentative Budget is adopted at a regular council meeting and published two times prior to its final adoption.

The key components of the budget development include:

Communication - Detailed information is provided to each department including instructions and submittal deadlines. Department's provide their mission statement, program description, current fiscal year accomplishments, next fiscal year's initiatives and goals, performance measures and financial information. The detailed financial information includes new personnel requests, operating expense information and capital requests.

Coordination – Each department plays a significant role in the budget process. Departments strive to meet the common objectives of the Town of Chino Valley knowing that it is critical to coordinate with other departments in the decision making process.

Forecasting – Forecasting is an essential part of each department in the decision-making process. Short and long range forecasts are used to project each department's ability to accomplish their goals and objectives.

Council – The Council's policies and goals set the direction for the development of the budget. The council determines the major initiatives that the departments use as a basis for developing their budget.

Town Manager – The Town Manager communicates the Council’s goals and objectives to the department heads.

Preliminary Budget - The information gathered from each department is compiled with the other budget information and a Preliminary Budget is prepared. The Preliminary Budget is reviewed by the City Manager and each department. Updates are made based on these reviews.

Budget Hearings – Special public meetings are held with council to review and discuss the various departments proposed budget expenditures along with their accomplishments, initiatives and performance measures.

Adoption of the Tentative Budget - The Town Manager submits the proposed budget to the Council for their adoption. Once the Tentative Budget is adopted the total budget amount cannot be increased. The Tentative Budget is published once a week for at least two consecutive weeks including the notice of public hearing stating the time and date of the final budget adoption. The Tentative Budget is also published on the town website.

Final Budget Adoption – After the public hearing to obtain taxpayer’s comments the Final Budget is adopted by Council.

Amending the Budget – Control of the legally adopted annual budget is at the department level. The Town Manager may authorize the department to exceed the budget on one line item as long as other line items are reduced by a like amount. If a department is projected to be over budget the Town Council may authorized a budget adjustment from one department to another or the use of contingency funds to cover the overage.

Budget Calendar

**Town of Chino Valley
Budget Calendar
Fiscal Year Ending June 30, 2018**

	Date
Council Retreat to determine next year budget goals / strategic plan	1/31/2017
Modify/update budget database/format budget	January
Budget Calendar to departments	February 14, 2017
Distribute budget materials to departments	February 17, 2017
Complete first draft of Revenue Manual	February 28, 2017
Finance Director meeting with departments	March 1 - 9, 2017
Budget worksheets due from departments with performance measures	March 16, 2017
Departments budget meetings with Town Manager to review base budgets, capital budgets, new personnel requests and other issues	March 27 - 30, 2017
Revenue Manual Presentation To Council	March 14, 2017
Council Budget Presentation	May 6, 2017
Council Budget Hearing #1	May 10, 2017
Council Budget Hearing #2 if needed	May 16, 2017
Adopt Tentative Budget Adopt CVSLID Resolution approving estimates, set public hearing	May 23, 2017
Tentative Budget posted on website (within 5 business days)	May 24, 2017
First publication of Tentative Budget	June 6, 2017
Second publication of Tentative Budget	June 13, 2017
Adopt Final Budget Public Hearing CVSLID, adopt resolution setting budget	June 27, 2017
Final Budget posted on website (within 7 business days)	June 28, 2017
Adopt CVSLID Resolution set tax rate	July 11, 2017

Fund Structure

The government environment differs from that of business enterprises; however, underlying accounting policies share many characteristics with private-sector accounting. The principles for financial accounting and reporting for municipalities are established by the Governmental Accounting Standards Board (GASB). The accounting of sources and uses is separated into various fund types. Each fund is a self-balancing accounting entity reporting the assets, liabilities, equity and performance of the fund.

To ensure legal compliance and financial management for the various restricted revenues and program expenditures, the Town's accounting and budget structure is segregated into various funds. The Town utilizes fund accounting, which is a method of tracking revenues and expenditures based on restrictions being placed on the revenues requiring that they be used for specific purposes only. All funds are included in the budget document and reported in the annually audited financial statements.

Governmental Funds – uses the modified accrual basis of accounting and budgeting.

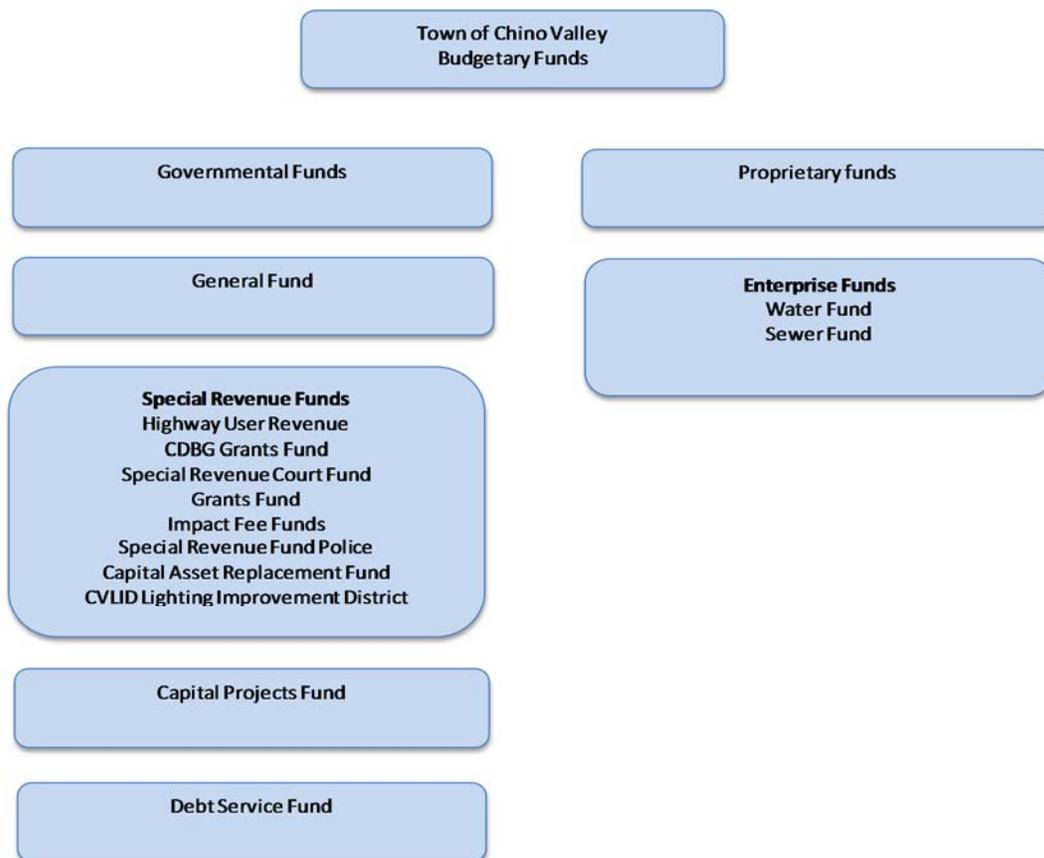
- **General Fund**—The General Fund is the main operating fund of the Town of Chino Valley. It accounts for the majority of the departments within the Town. This fund is used to account for basic governmental services supported mainly by local sales taxes.
- **Special Revenue Funds**—Special Revenue Funds are separate accounting records used to track revenues and related expenditures that are legally restricted for specific purposes. The Town maintains eight (8) different Special Revenue Funds as follows:
 - Highway User Revenue Fund (HURF) - accounts for the Town's share of Arizona's highway user tax revenues and associated expenditures.
 - CDBG Grants Fund - accounts for grant funds received through the Community Development Block Grant program.
 - Special Revenue Fund - Court—accounts for funds received through fees/fines and collections that are usable only for court purposes.
 - Grants Fund - accounts for all grants received from outside entities except CDBG Grants.
 - Impact Fee Funds - accounts for development impact fees collected by the Town. The Town collects Police Impact Fees, Library Impact Fees, Parks & Recreation Impact Fees and Roads Impact Fees.
 - Special Revenue Fund - Police - accounts for fees collected for vehicles impounded by the Police Department.
 - Capital Asset Replacement - accounts for funds used to acquire capital assets.

- CVSLID Street Lighting Improvement Districts - accounts for funds received and disbursed for three lighting districts within the Town.
- **Capital Project Fund**—Capital Project Funds account for the acquisition and construction of major capital facilities, except enterprise fund projects which are included in Proprietary Funds.

Proprietary Funds – uses the accrual basis of accounting and budgeting, except that budgeted capital outlay items are treated as assets for accounting purposes and not reflected as expenditures. These expenses are recognized as depreciation over the useful life of the asset. The Town does not include depreciation expense in the budget. The Town budgets for the total debt service payments (principal and interest) in the budget.

- **Enterprise Funds** – These funds account for operations financed primarily by user fees and are operated in a manner similar to private business. The Town’s two Proprietary Funds are the Water Fund and the Wastewater Fund.

Debt Service Fund—Debt Service Fund is used to account for the funding allocations and the payments of general long-term debt principal, interest and related costs.



Account Structure

The account structure for expenditures is used to determine the department for which the transaction is related, as well as the detailed type of transaction. It provides the detailed characteristics for each transaction.

The Town's accounts system account hierarchy for expenditures and revenues is as follows:

Fund	Department	Object Code
XX	XX	XXXX

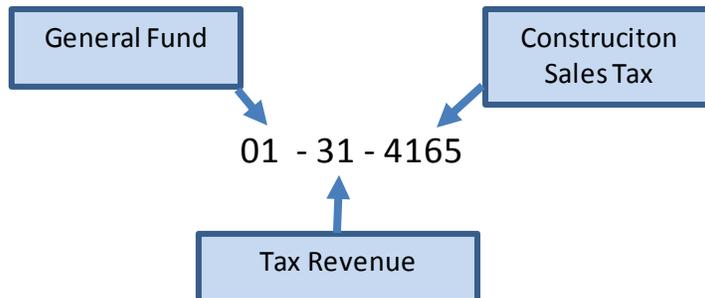
The expenditure account begins with the fund number such as 01 for the General Fund. The account is then segregated into departments for example 60 for the Police Department. Next the accounts are broken down to the Object Code for example 5350 for office supplies.

For example the complete account code for office supplies in the Police Department is:



The revenue account begins with the fund number such as 01 for the General Fund. The account is then segregated into the basic activity like 31 for Tax Revenues. Next the account is broken down to the Object Code for example 4165 Construction Sales Tax.

For a revenue account, an example of the Construction Sales Tax in the General Fund:



For budget presentation the object code is included within each department's budget summary.

Basis of Accounting and Budgeting of Funds

The Town of Chino Valley’s budget is prepared substantially consistent with generally accepted accounting principles (GAAP). Significant differences include:

- Encumbrances are treated as expenditures at fiscal year-end.
- Vacation and sick pay are not accrued at year end.
- Interest expense is not accrued in General Fund and HURF fund departments.
- Depreciation Expense is not budgeted for.
- Capital expenditures are recorded as expenditure and an asset in GAAP.

The Town applies the following basis of accounting depending on the fund type:

- **Modified Accrual** – Revenues are recognized when measurable and available. The Town recognizes revenue received within 60 days of year end.
- **Accrual** – Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flow.
-

Town of Chino Valley		
Basis of Accounting and Budgeting by Fund Type		
Fund	Basis of Accounting	Basis of Budgeting
General Fund	Modified Accrual	Modified Accrual
Special Revenue Funds		
Highway User Revenue Fund (HURF)	Modified Accrual	Modified Accrual
CDBG Grants Fund	Modified Accrual	Modified Accrual
Special Revenue Fund - Court	Modified Accrual	Modified Accrual
Grants Fund	Modified Accrual	Modified Accrual
Special Revenue Fund - Police	Modified Accrual	Modified Accrual
CVSLID Street Lighting Improvement District	Modified Accrual	Modified Accrual
Impact Fee Funds	Modified Accrual	Modified Accrual
Capital Asset Replacement Fund	Modified Accrual	Modified Accrual
Capital Project Fund	Modified Accrual	Modified Accrual
Proprietary Funds		
Water Enterprise Fund	Accrual Basis	Accrual Basis
Sewer Enterprise Fund	Accrual Basis	Accrual Basis

Budget Definition of Funds

In the Budget the Town further defines each fund as a Major or Non-Major fund based on the resources and activity within each fund.

Town of Chino Valley 2017/2018 Budget \$24,796,000

Major Funds

General Fund \$9,204,900

- Prosecutor
- Town Clerk
- Town Manager
- Human Resources
- Magistrate Court
- Finance
- Mgmt. Info Systems
- Mayor and Council
- Planning
- Building Inspection
- Police
- Animal Control
- Recreation
- Library
- Senior Center
- Parks
- Aquatic Center
- Facilities Maintenance
- Vehicle Maintenance
- Public Works / Engineering
- Customer Service
- Non-Departmental
- Contingency

HURF Fund \$1,094,900

- Roads and Streets

Utility Fund \$4,973,200

- Water Enterprise Fund
- Sewer Enterprise Fund

Capital Improvement Fund \$4,619,500

Debt Service Fund \$698,000

Non Major Funds

Grants Fund \$3,500,000

Special Revenue Fund Court \$38,500

Special Revenue Fund Police Department \$55,000

Lighting Improvement Districts \$4,000

Impact Fee Funds \$498,000

Asset Replacement Fund \$110,000

Town Financial Policies

Adopted by Council Resolution No. 13-1010, May 28, 2013

Operating Management / Budget Policies

A budget calendar shall be prepared each year and will follow the specific dates set forth by the State of Arizona statute for completion of each of the tasks necessary to prepare and adopt the annual budget.

All departments will participate in the responsibility of meeting policy goals and ensuring long-term financial health. Future service plans and program initiatives will be developed to reflect current policy directives, projected resources and future service requirements. In order to ensure compliance with policy, sunset provisions will be required on all grant program initiatives and incorporated into other service plans, as appropriate.

The budget process is intended to weigh all competing requests for Town resources, within expected fiscal constraints. Requests for new, ongoing programs made outside the budget process will be discouraged. Budget development will use strategic multi-year fiscal planning, conservative revenue forecasts, and modified zero-base expenditure analysis that requires every program to be justified annually in terms of meeting intended objectives and in terms of value received for dollars allocated. The process will include a diligent review of programs by staff and management.

A budget must be balanced for all funds. Total estimated expenditures for each of the governmental fund types must equal total anticipated revenues plus that portion of beginning of the year unreserved fund balance, in excess of the required fund balance reserve. Estimated expenses for enterprise funds types must equal total anticipated revenues and unreserved retained earnings.

Revenues are recognized when they become measurable and available, and expenditures are encumbered against the budget when they become measurable, or a liability has been incurred, and the liability will be liquidated with current resources. All outstanding expenditures are charged to the budget in the year initially incurred.

All budgeted expenditures not authorized by a purchase order lapse at year-end (June 30). Expenditures placed with an authorized purchase order before year-end must be received and invoiced by June 30 and must be paid within 60 calendar days of the close of the fiscal year. Expenditures not paid within this time frame are then charged against the next year's budget.

Special one-time revenue sources (e.g., sales tax audit revenue) will be used to purchase non-recurring items like capital goods. One-time revenues will not be used to support items that will have a long-term operational impact on future Town expenditures.

For those special revenue funds supported by intergovernmental revenues and special purpose taxes, expenditures are limited strictly to the mandates of the funding source. These resources are not to be used to subsidize other funds, except as required or permitted by program regulations.

Annual budgets are adopted for all funds except certain trust and agency funds. Controls for trust and agency funds are achieved through stipulations in the trust agreements, or by State or Federal agency requirements.

The annual budget shall be adopted at the fund level. Expenditures may not exceed the budgeted total of the fund without the Town Council's approval. The reallocation of operating expenditures within each fund requires the approval to the Town Manager. Reallocations of capital expenditures requires the approval of the Town Council

Addition of personnel will only be requested to meet program initiatives and policy directives; after service needs have been thoroughly examined and it is substantiated that additional staffing will result in increased revenue or enhanced operating efficiencies. To the extent feasible, personnel cost reductions will be achieved through attrition.

As a component of the budget process and when fiscal resources permit, the Town Council may allocate funds to Outside Agency Providers for business, social, recreational or economic development, or promotional services. All requests for funding must be submitted on the Town's Outside Agency request form and must meet the following criteria:

Provide a service consistent with an existing recognized Town need, policy, and goal or objective.
Have completed the application process, and the application has been determined to be accurate and complete.

Enterprise (Water and Sewer) user fees and charges will be examined biannually to ensure that they recover all direct and indirect costs of service and any change will be approved by the Town Council. Any unfavorable balances in cost recovery will be highlighted in budget documents. Rate adjustments for enterprise operations will be based on five-year fund plans.

All non-enterprise user fees and charges will be examined annually to determine the direct and indirect cost of service recovery rates. The acceptable recovery rate and any associated changes to user fees and charges will be approved by the Town Council, through the budget process.

Wherever possible, all user fees and charges will be automatically adjusted on an annual basis. The automatic adjustment will be tied to the ENR Index (Engineering News Record). Town Council will determine which fees and charges are subject to the automatic adjustment when changes are made to these fees.

Grant funding will be considered to leverage Town funds. Inconsistent and/or fluctuating grants should not be used to fund ongoing programs. Programs financed with grant monies will be budgeted in separate cost centers, and the service program will be adjusted to reflect the level of available funding. In the event of reduced grant funding, Town resources will be substituted only after all program priorities and alternatives are considered during the budget process.

Balanced revenue and expenditure forecasts will be prepared to examine the Town's ability to absorb operating costs due to changes in the economy, service demands, and capital improvements. The forecast

will be updated annually, focus on a three-year horizon, but include a five-year outlook. The forecasts will be incorporated into the annual budget.

Alternative means of service delivery will be evaluated to ensure that quality services are provided to our citizens at the most competitive and economical cost. Departments, in cooperation with the Finance Department, will identify all activities that could be provided by another source and review options/alternatives to current service delivery. The review of service delivery alternatives and the need for the service will be performed annually or on an “opportunity” basis.

Cash and investment programs will be maintained in accordance with the Town Code and the adopted investment policy and will ensure that proper controls and safeguards are maintained. Town funds will be managed in a prudent and diligent manner with an emphasis on safety of principal, liquidity, and financial return on principal, in that order.

Capital Management Policies

A five-year Capital Improvement Plan will be developed and updated annually, including anticipated funding sources. Capital improvement projects are defined as infrastructure or equipment purchases or construction which results in a capitalized asset costing more than \$50,000 and having a useful (depreciable) life of five years or more.

The Capital Improvement Plan will include, in addition to current operating maintenance expenditures, adequate funding to support repair and replacement of deteriorating infrastructure and avoidance of a significant unfunded liability.

- Proposed capital projects will be reviewed and prioritized by a cross-departmental team regarding accurate costing (design, capital, and operating) and overall consistency with the Town’s goals and objectives. Financing sources will then be identified for the highest ranking projects. Capital projects and/or capital asset purchases will receive a higher priority if they meet some or most of the following criteria.
- Project/asset is mandatory.
- Project/asset is regulatory or environmentally driven.
- Project/asset spurs economic development.
- Project/asset improves efficiency.
- Project/asset provides a needed service.
- Project/asset will have a high usage.
- Project/asset will have a useful life of longer than five years.
- Project/asset will reduce operating and maintenance costs.
- Project/asset has available state/federal grants.
- Project/asset eliminates a hazard.
- Project/asset is a prior commitment.
- Project/asset improves the health, safety and welfare of the Town’s residents.

Capital improvement lifecycle costs will be coordinated with the development of the Operating Budget. Future operating, maintenance and replacement costs associated with new capital improvements will be forecast, matched to available resources and included in the Operating Budget. Capital project contract awards will include a fiscal impact statement disclosing the expected operating impact of the project and when such cost is expected to occur.

To the extent possible, pay-as-you-go financing will be utilized as the funding mechanism for the implementation of the elements of the Town's Capital Improvement Plan. Pay-as-you-go financing is defined as all sources of revenue other than Town debt issuance, i.e., fund balance contributions, developer contributions, grants, endowments, etc.

Debt Management Policies

The Town will seek to maintain and, if possible, improve its current bond rating in order to minimize borrowing costs and preserve access to credit.

An analysis showing how the new issue combined with current debt impacts on the Town's debt capacity and conformance with Town debt policies will accompany every future bond issue proposal.

The Town will communicate, and, where appropriate, coordinate with all jurisdictions with which we share a common tax base concerning our collective plans for future debt issues.

General Obligation debt, which is supported by property tax revenues and grows in proportion to the Town's assessed valuation and/or property tax rate increases, will be utilized as authorized by voters. Other types of voter-approved debt (e.g., water, sewer, and HURF) may also be utilized when they are supported by dedicated revenue sources (e.g., fees and user charges).

Town Debt Service costs (Municipal Property Corporation, Revenue Bonds, General Obligation Bonds, HURF and Contractual Debt) should not exceed 25 percent of the Town's operating revenue in order to control fixed costs and ensure expenditure flexibility.

General Obligation debt issuances will be managed on an annual basis to match funds to Capital Improvement Plan cash flow requirements while being sensitive to the property tax burden on citizens. Careful management of bond issuances will allow the Town to not exceed \$1.50 property tax per \$100 assessed value.

Municipal Property Corporation and contractual debt, which is non-voter approved, will be utilized only when a dedicated revenue source (e.g., additional sales tax) can be identified to pay debt service expenses.

Debt financing should not exceed the useful life of the infrastructure improvement.

For Governmental Funds a ratio of current assets to current liabilities of at least 2/1 will be maintained to ensure the Town's ability to pay short-term obligations.

Bond interest earnings will be limited to funding changes to the bond financed Capital Improvement Plan, as approved by Town Council, or be applied to debt service payment on the bonds issued for construction of this plan.

Contingency Policy

A contingency account equal to 5 percent of the combined expenditure budget of the General, HURF and Enterprise funds will be maintained annually and in the Funds budget. Contingency funds will be available to offset unanticipated revenue shortfalls and/or unexpected expenditure increases. Contingency funds may also be used for unanticipated and/or inadequately budgeted events threatening the public health or safety. Use of contingency funds should be utilized only after all budget sources have been examined for available funds, and subject to Town Council approval.

Reserve Policies

All fund designations and reserves will be evaluated annually for long-term adequacy and use requirements in conjunction with development of the Town's balanced five year financial plan.

The Town will maintain a fund stabilization reserve of 25 percent of General government (General and HURF Funds) and Enterprise funds (Water and Wastewater) operating expenditures for unforeseen emergencies or catastrophic impacts to the Town. Reserve Funds in excess of 25 percent may be used for economic investment in the community when justified by the financial return to the Town to be evaluated by Council on a yearly basis.

All other funds must never incur a negative fund balance.

The Town will establish an equipment reserve fund and will appropriate funds as General Fund Revenues permit to it annually to provide for the timely replacement of equipment and vehicles. Operating departments will be charged for replacement costs spread over the useful life of the equipment and vehicles.

Financial Reporting Policies

The Town's accounting and financial reporting systems will be maintained in conformance with all state and federal laws, generally accepted accounting principles (GAAP) and standards of the Governmental Accounting Standards Board (GASB) and the Government Finance Officers Association (GFOA).

The Finance Department prepares monthly financial reports and delivers the same the Town Manager, Town Council, and the department Directors no later than the 2nd Council meeting of each month. The reports will be available on the Town's website.

The Town Manager and Finance Director will notify the Town Council if the total revenues in the General Fund, HURF Fund, or Enterprise Funds are projected to decrease by an amount greater the 10% of budget during a fiscal year and if any expenditure within the General Fund, HURF Fund, or Enterprise Funds will cause the funds to be over budget.

An annual Financial Report is prepared for the State of Arizona and sent to the State Auditor's Office no later than October 30th when feasible, and oral and written presentation will be made to the Town Council. This report is available to the Town's Council, securities and bonding agencies, and citizens and will be available on the Town's website.

An annual audit will be performed by an independent public accounting firm and budgeted for in the general fund. The audit scope shall include the following:

- All general purpose, combining and individual fund, and account group statements and schedules shall be subject to a full scope audit.
- All Town departments are subject to audit for compliance with the laws and statutes of the State of Arizona.
- All state, federal and local grant funding are subject to a financial and compliance audit.

Every five years, the Finance Department will issue a request for banking services to all qualified banks located within the Town's geographic boundaries. The award of banking services will be made solely on the response to the request for proposal. After a depository is selected, a banking service contract will be approved by the Town Council.

Every five years the Finance Department will issue a request for professional auditing services. The award for auditing services will be made solely based on the response to the request for proposal. The Town Council will select and approve the contract for audit services.

Financial systems will maintain internal controls to monitor revenues, expenditures, and program performance on an ongoing basis. The internal controls will be sufficient as to prevent loss of Town assets. These controls will be documented and reviewed on a periodic basis. Any employee will be prosecuted to the extent of the law in any instance where the employee is proven to have committed an illegal act such as theft.

Financial Overview

Budget Summary

We are pleased to present the budget for Fiscal Year 2017/2018. The Budget was prepared with the recognition that although the Town of Chino Valley's finances have stabilized, the Town still remains conservative in its budget approach. The Town is seeing signs of economic growth but will not include the impact until it is realized.

This budget continues to emphasize the Town's commitment to provide cost effective services to the community.

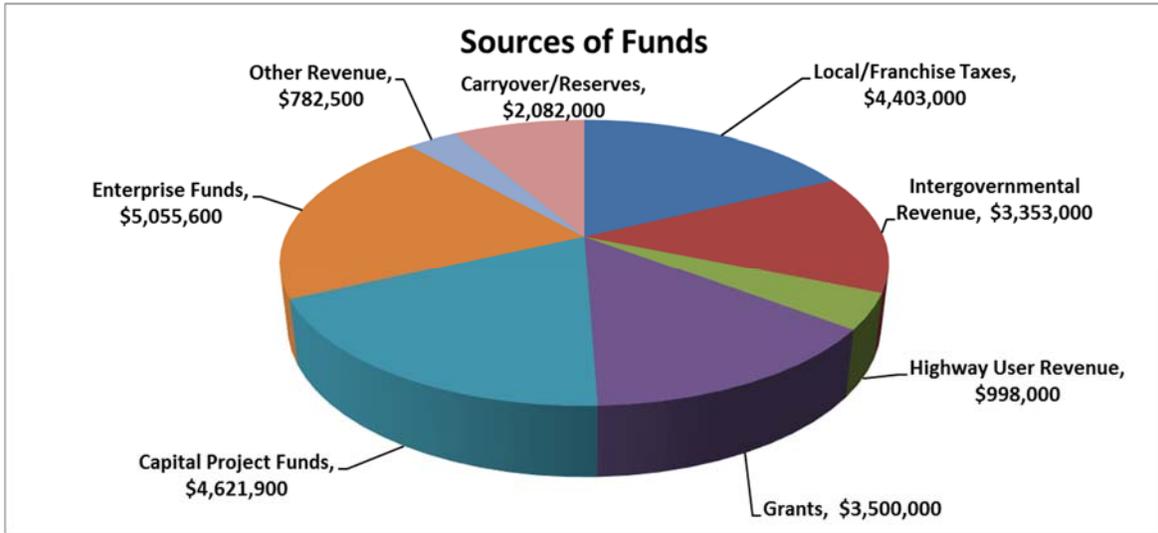
Sources and Uses of Funds

The table below summarizes the budgeted total sources and use of funds:

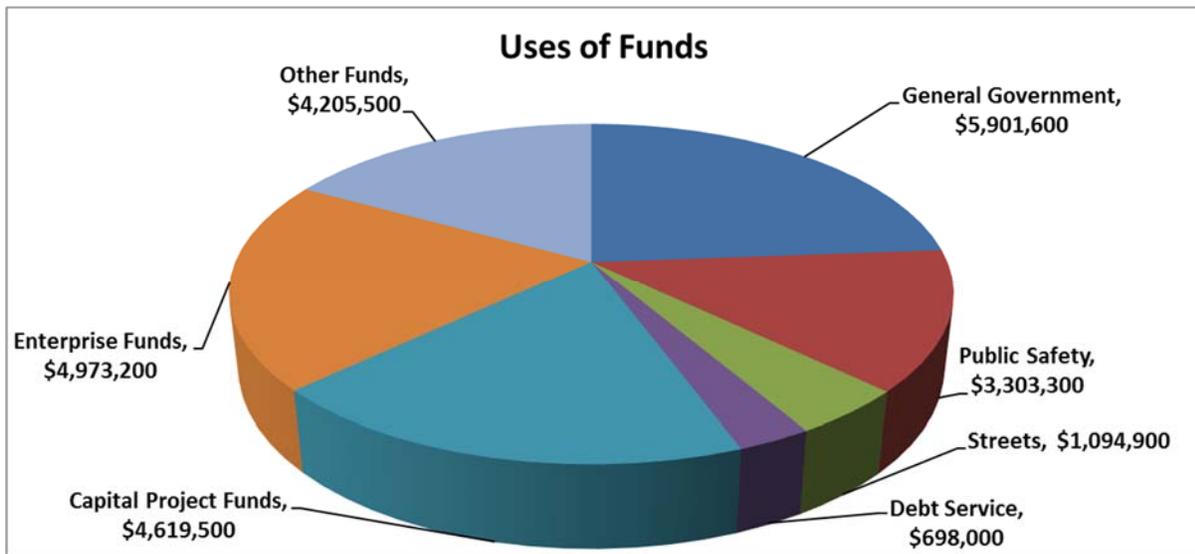
Town of Chino Valley				
Budgeted Total Sources and Uses by Fiscal Year				
		Fiscal Year 2014-15	Fiscal Year 2016-17	Fiscal Year 2017-18
Sources of Funds				
Local/Franchise Taxes	\$	3,897,363	\$ 4,194,000	\$ 4,403,000
Intergovernmental Revenue	\$	3,063,000	\$ 3,228,500	\$ 3,353,000
Highway User Revenue	\$	805,000	\$ 853,000	\$ 998,000
Grants	\$	3,734,000	\$ 3,500,000	\$ 3,500,000
Capital Project Funds	\$	13,843,171	\$ 4,035,500	\$ 4,621,900
Enterprise Funds	\$	1,937,423	\$ 4,725,500	\$ 5,055,600
Other Revenue	\$	505,800	\$ 1,765,500	\$ 782,500
Carryover/Reserves	\$	2,181,017	\$ 1,116,500	\$ 2,082,000
Total All Funding Sources	\$	29,966,774	\$ 23,418,500	\$ 24,796,000
Uses of Funds				
General Government	\$	5,097,450	\$ 5,607,400	\$ 5,901,600
Public Safety	\$	2,756,850	\$ 2,897,100	\$ 3,303,300
Streets	\$	1,200,350	\$ 966,000	\$ 1,094,900
Debt Service	\$	741,932	\$ 727,000	\$ 698,000
Capital Project Funds	\$	13,889,578	\$ 3,921,000	\$ 4,619,500
Enterprise Funds	\$	2,467,614	\$ 5,091,000	\$ 4,973,200
Other Funds	\$	3,813,000	\$ 4,209,000	\$ 4,205,500
	\$	29,966,774	\$ 23,418,500	\$ 24,796,000

The following charts are representations of the Towns revenue and expenditure distribution for fiscal year 2017-2018:

Where the Money Comes From



Where the Money Goes



Summary of Changes in Fund Balance by Fund

The table below summarizes the net change in Fund Balance by Major Fund Type projected through Fiscal year 2022.

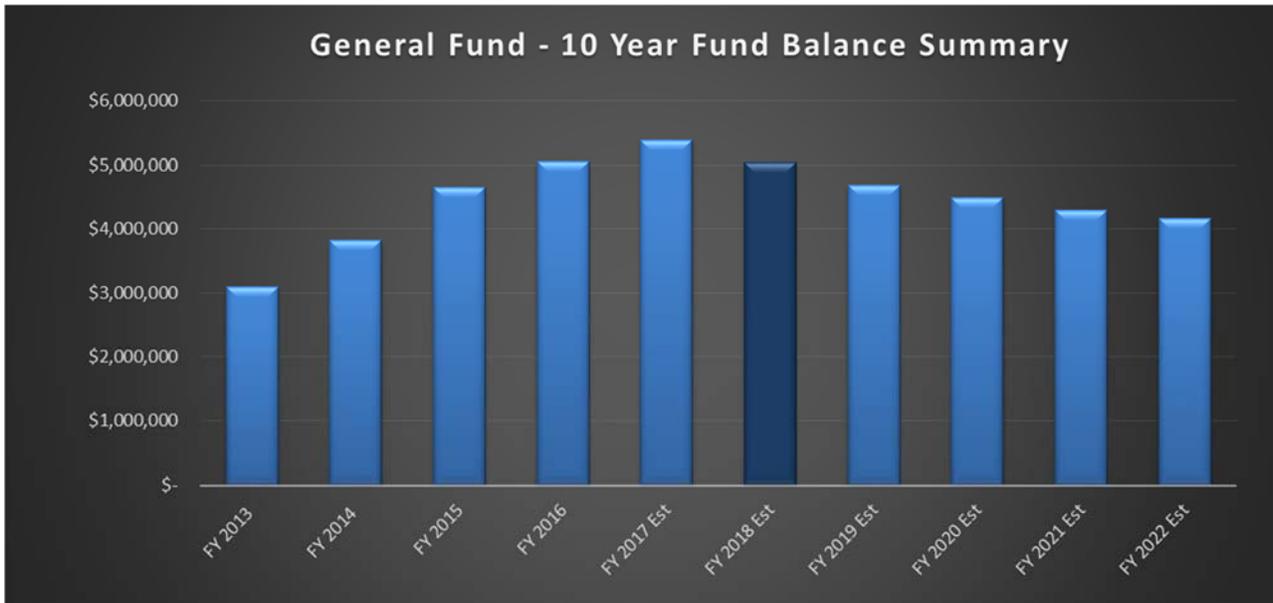
Town of Chino Valley								
Fund Balance by Fiscal Year								
	Total All Funds	General Fund	HURF Fund	Water Enterprise	Sewer Enterprise	Capital Improvement	Debt Service	Total Non Major Funds
Fund Balance 6/30/16	19,089,738	5,053,280	456,204	3,777,322	8,116,957	582,130	128,708	975,137
Fiscal Year 2017								
Revenues	18,887,061	8,486,352	971,387	712,249	2,910,257	1,484,126	727,000	3,595,690
Expenditures	18,312,314	8,153,083	866,100	548,415	3,265,595	1,414,000	398,695	3,666,426
Fund Balance 6/30/17	19,664,485	5,386,549	561,491	3,941,155	7,761,619	652,256	457,014	904,401
Fiscal Year 2018								
Revenues	23,823,000	8,865,000	998,000	2,690,600	2,365,000	4,621,900	698,000	3,584,500
Expenditures	24,796,000	9,204,900	1,094,900	2,633,000	2,340,200	4,619,500	698,000	4,205,500
Fund Balance 6/30/18	18,691,485	5,046,648	464,591	3,998,756	7,786,419	654,656	457,014	283,401
Fiscal Year 2019								
Revenues	23,149,000	9,106,700	1,050,600	2,649,300	2,349,000	3,559,900	849,000	3,584,500
Expenditures	23,257,600	9,452,300	1,049,500	2,609,400	2,185,300	3,544,000	848,500	3,568,600
Fund Balance 6/30/19	18,582,885	4,701,048	465,691	4,038,656	7,950,119	670,556	457,514	299,301
Fiscal Year 2020								
Revenues	23,857,600	9,361,600	1,079,000	2,616,500	2,413,000	3,612,000	891,000	3,884,500
Expenditures	23,749,100	9,548,700	1,078,700	2,610,200	2,179,700	3,571,000	891,300	3,869,500
Fund Balance 6/30/20	18,691,385	4,513,948	465,991	4,044,956	8,183,419	711,556	457,215	314,301
Fiscal Year 2021								
Revenues	24,078,900	9,623,100	1,158,000	2,612,000	2,480,000	3,665,300	956,000	3,584,500
Expenditures	24,118,000	9,818,000	1,145,200	2,611,400	2,446,400	3,571,000	956,500	3,569,500
Fund Balance 6/30/21	18,652,286	4,319,047	478,791	4,045,556	8,217,020	805,856	456,714	329,301
Fiscal Year 2022								
Revenues	26,604,500	9,903,700	1,238,000	2,634,300	2,550,000	3,720,000	974,000	5,584,500
Expenditures	24,123,000	10,015,500	1,237,200	2,621,400	2,181,600	3,524,000	973,800	3,569,500
Fund Balance 6/30/22	21,133,786	4,207,247	479,591	4,058,457	8,585,420	1,001,856	456,914	2,344,301

The charts on the following pages detail each of the Town's Major Funds Fund Balance projections from Fiscal Year 2016/2017 through Fiscal Year 2017/2018. The charts detail the significant revenue and expense items each fiscal year and the required ending Fund Balance per Town Policy. A narrative is included to describe each item.

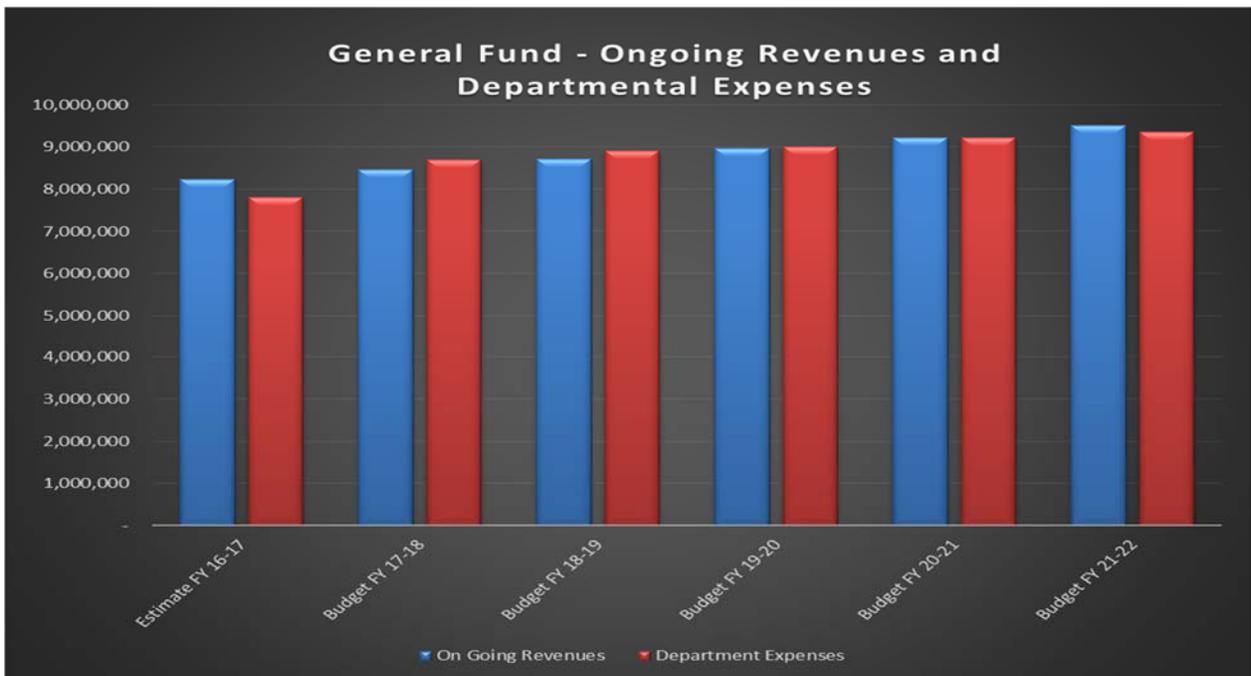
General Fund Balance

TOWN OF CHINO VALLEY			
GENERAL FUND			
	Budget FY 16-17	Estimate FY 16-17	Budget FY 17-18
REVENUES			
On Going Revenues	8,054,500	8,236,352	8,465,000
Transfers In - Capital Improvement Fund	250,000	250,000	400,000
Carry Over	200,000		339,900
TOTAL REVENUES	\$ 8,504,500	\$ 8,486,352	\$ 9,204,900
EXPENDITURES			
Department Expenditures	8,029,500	7,803,083	8,689,900
Contingencies	400,000	275,000	440,000
Transfers To HURF	75,000	75,000	75,000
TOTAL EXPENDITURES	\$ 8,504,500	\$ 8,153,083	\$ 9,204,900
REVENUES (UNDER) OVER EXPENDITURES	\$0	\$333,269	\$0
BEGINNING FUND BALANCE	\$ 4,776,202	\$ 5,053,280	\$ 5,046,649
REVENUES (UNDER) OVER EXPENDITURES	\$0	\$333,269	\$0
ENDING FUND BALANCE	\$ 4,776,202	\$ 5,386,549	\$ 5,046,649
LESS INTERFUND LOANS	\$ 1,800,000	\$ 1,800,000	\$ 1,800,000
TOTAL AVAILABLE RESOURCES	\$ 2,976,202	\$ 3,586,549	\$ 3,246,649
Minimum Reserve Requirement @ 25% of total expenditures	2,126,125	2,038,271	2,301,225

The General Fund Balance first met its required reserve level in Fiscal Year 2013/2014. The Town will continue transferring a portion of its Carry-Over balance to the HURF fund each fiscal year to begin funding additional road improvements. Contingency amount is set per Town Policy.



The General Fund Balance has shown steady growth since 2012. The Town has exceeded the required reserve requirement in the General Fund and will be using the carryover from FY 2017 in FY 2018.

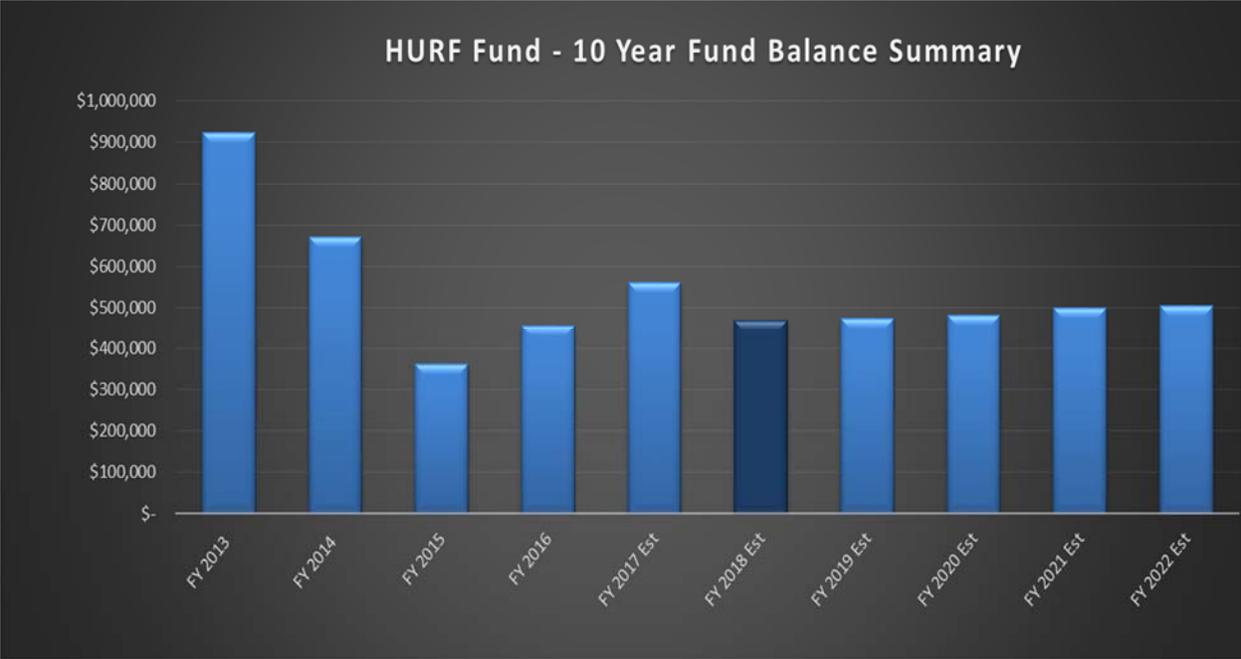


The Chart above compares the On Going Revenues with the Department Expenses each fiscal year. This chart excludes Transfers In from other funds and the amount budgeted for contingency.

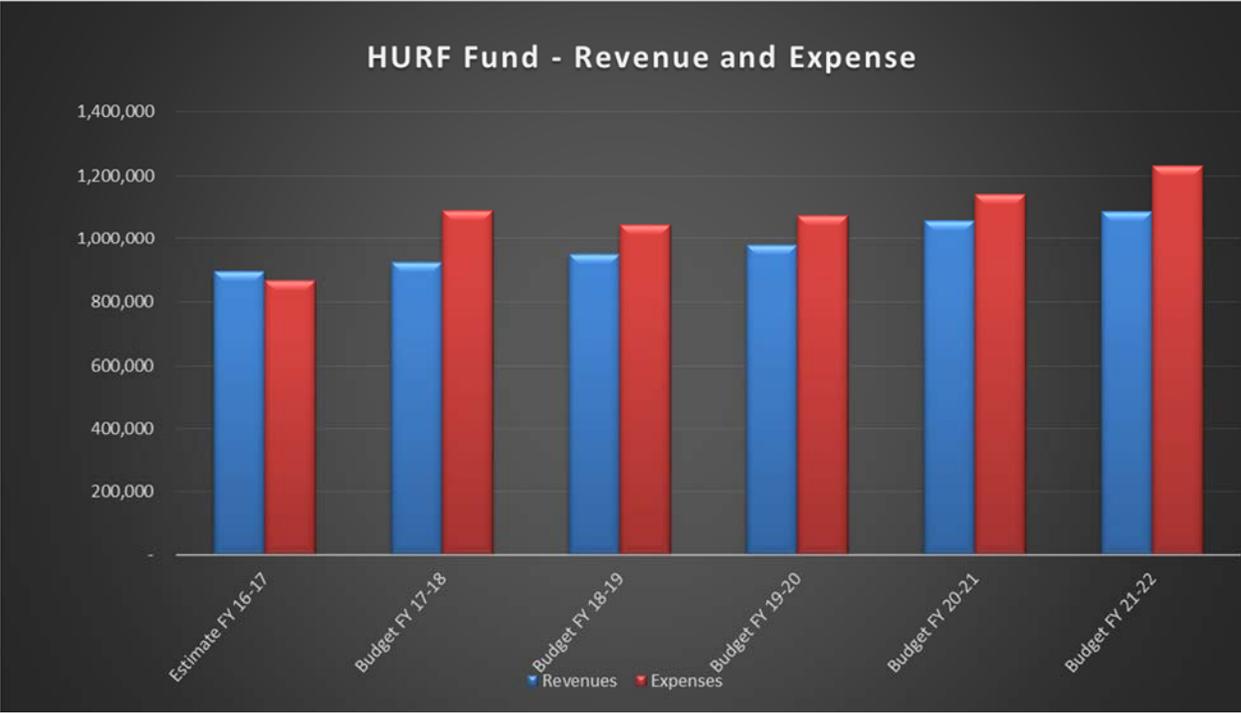
Special Revenue Fund – Highway User Fund (HURF)

TOWN OF CHINO VALLEY			
HURF FUND			
	Budget FY 16-17	Estimate FY 16-17	Budget FY 17-18
REVENUES			
On Going Revenues	855,500	896,387	923,000
Transfers In - General Fund	75,000	75,000	75,000
Carry Over	35,500	-	96,900
TOTAL REVENUES	\$ 966,000	\$ 971,387	\$ 1,094,900
EXPENDITURES			
Department Expenditures	841,000	741,100	844,900
Road Material	125,000	125,000	250,000
TOTAL EXPENDITURES	\$ 966,000	\$ 866,100	\$ 1,094,900
REVENUES (UNDER) OVER EXPENDITURES	\$0	\$105,287	\$0
BEGINNING FUND BALANCE	\$ 349,201	\$ 456,204	\$ 464,591
REVENUES (UNDER) OVER EXPENDITURES	\$0	\$105,287	\$0
ENDING FUND BALANCE	\$ 349,201	\$ 561,491	\$ 464,591
Minimum Reserve Requirement @ 25% of department expenditures	178,500	216,525	273,725

Highway User Funds are restricted and must be used solely for street and highway purposes. At the end of Fiscal Year 2017, the Town is projecting a fund balance of \$561,491. The Town has increased the HURF budget over the last two fiscal years to use a portion of the fund balance to complete a significant amount of road maintenance work. The Town intends to supplement the HURF from the General Fund each year to increase the amount available for road maintenance.



The Town has been budgeting to use the accumulated Fund Balance in order to complete as much road work as possible while maintaining the required reserve balance.



In Fiscal Year 2017 the town did not spend more than the incoming revenues. The Town anticipates increasing the amount transferred in from the General Fund each year in order to maintain the amount of funds available for road maintenance each year.

Capital Improvements Fund

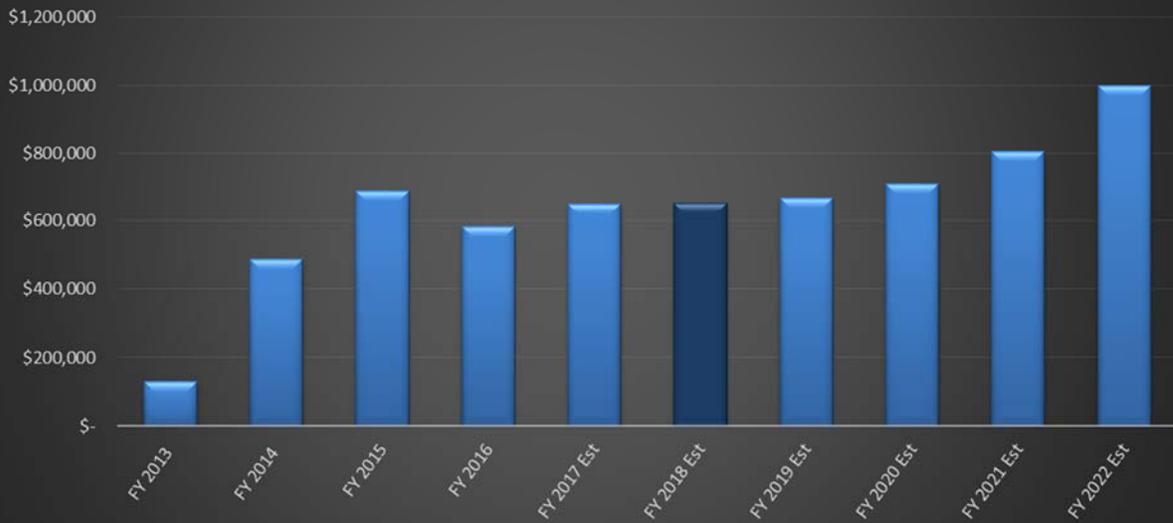
TOWN OF CHINO VALLEY			
CAPITAL IMPROVEMENT FUND			
	Budget FY 16-17	Estimate FY 16-17	Budget FY 17-18
REVENUES			
On Going Revenues	1,372,500	1,374,126	2,013,900
Transfers In from Road Impact Fees	553,000	-	498,000
Bond Proceeds/Other	2,000,000	-	2,000,000
Yavapai Drainage District	110,000	110,000	110,000
TOTAL REVENUES	\$ 4,035,500	\$ 1,484,126	\$ 4,621,900
EXPENDITURES			
Department Expenditures	2,069,000	115,000	2,745,000
Road Impact Fee Projects	553,000	-	498,000
Yavapai Drainage District	110,000	110,000	110,000
Grant Match	137,000	137,000	143,500
TFRS To General Fund	250,000	250,000	400,000
TFRS To Water Enterprise	75,000	75,000	25,000
TFRS To Debt Service Fund	727,000	727,000	698,000
TOTAL EXPENDITURES	\$ 3,921,000	\$ 1,414,000	\$ 4,619,500
REVENUES (UNDER) OVER EXPENDITURES	\$114,500	\$70,126	\$2,400
BEGINNING FUND BALANCE	\$ 609,586	\$ 582,130	\$ 652,256
REVENUES (UNDER) OVER EXPENDITURES	\$114,500	\$70,126	\$2,400
ENDING FUND BALANCE	\$ 724,086	\$ 652,256	\$ 654,656

The Capital Improvement Fund anticipates completion of several major projects this fiscal year. The funds for these projects will be transferred in from the Roads Impact Fee Fund and the Yavapai Drainage District.

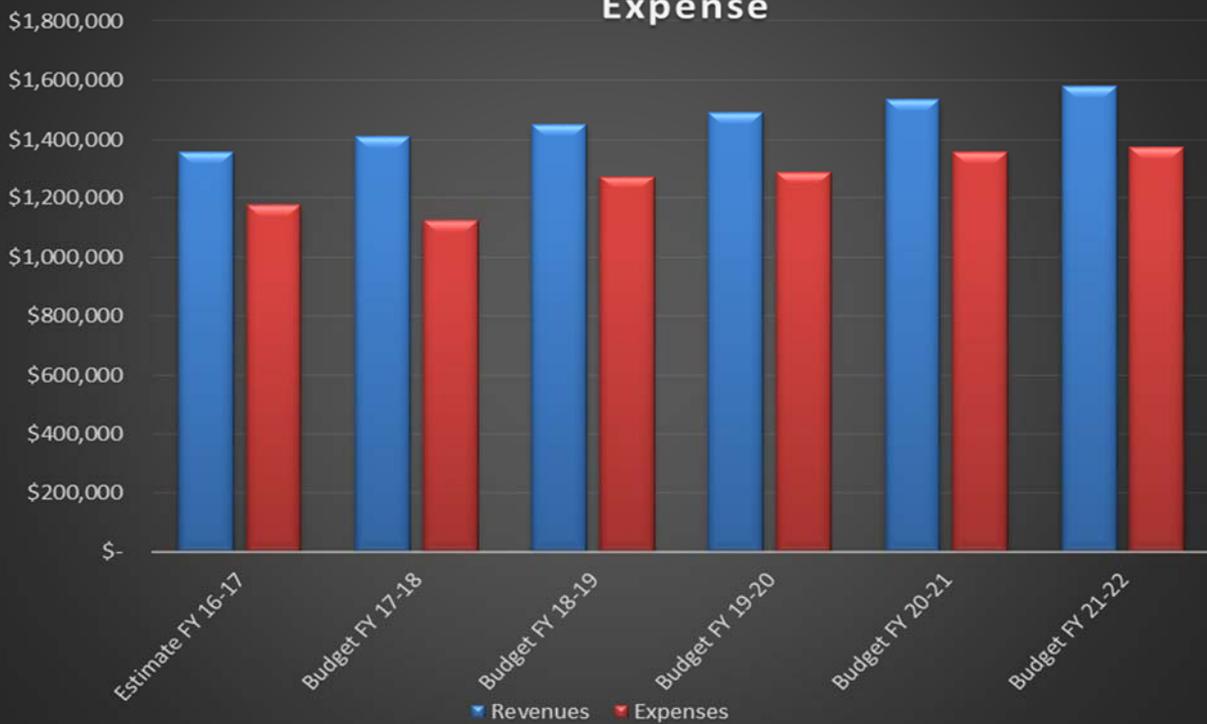
The Capital Improvement Fund is projected to continue supporting the General Fund, Water Enterprise Fund and Debt Service Fund next fiscal year. The General Fund transfer is \$150,000 for the Aquatic Center and \$250,000 for the Police Department.

Per resolution number 04-711 adopted June 24, 2004 the funds from the 1% sales tax accounted for in the Capital Improvement Fund are to be used for water acquisition and extension, sewer extensions, park and pool improvements and additional police officers.

Capital Improvement Fund - 10 Year Fund Balance Summary



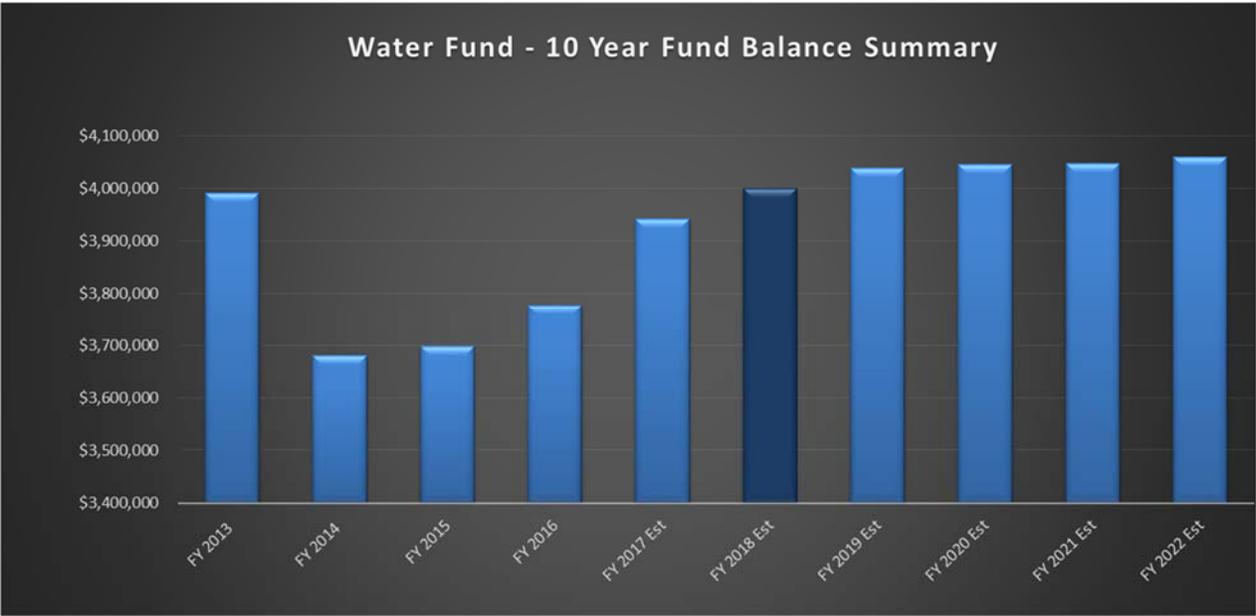
Capital Improvement - 1% Tax Revenue and Expense



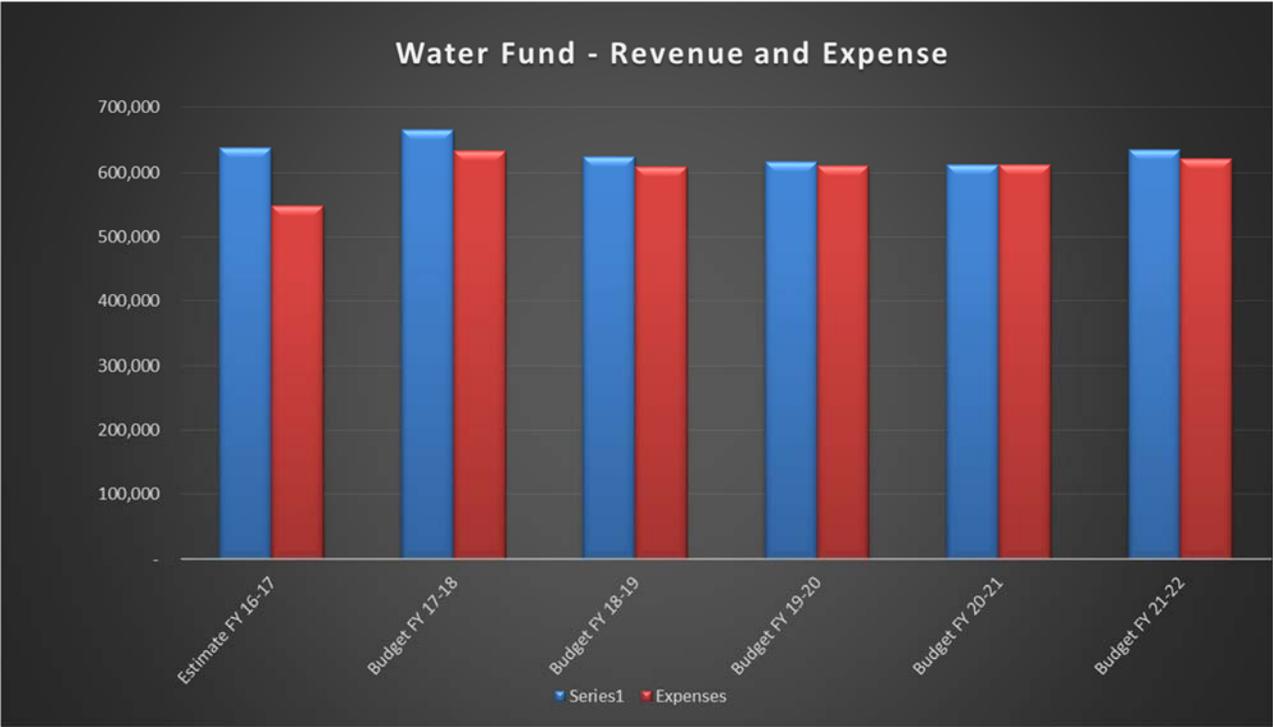
Water Enterprise Fund

TOWN OF CHINO VALLEY			
WATER FUND			
	Budget FY 16-17	Estimate FY 16-17	Budget FY 17-18
REVENUES			
On Going Revenues	470,000	580,446	608,600
Prescott IGA/Misc.	61,000	56,803	57,000
Transfers From Capital Improvement Fund	75,000	75,000	25,000
Water System Acquisition Funds	2,000,000		2,000,000
TOTAL REVENUES	\$ 2,606,000	\$ 712,249	\$ 2,690,600
EXPENDITURES			
Department Expenditures	511,500	479,915	561,300
Debt/Contingency	94,500	68,500	71,700
Water System Acquisition Expense	2,000,000		2,000,000
TOTAL EXPENDITURES	\$ 2,606,000	\$ 548,415	\$ 2,633,000
REVENUES (UNDER) OVER EXPENDITURES	\$0	\$163,834	\$57,600
BEGINNING FUND BALANCE	\$ 3,900,277	\$ 3,777,322	\$ 3,941,156
REVENUES (UNDER) OVER EXPENDITURES	\$ -	\$163,834	\$57,600
ENDING FUND BALANCE	\$ 3,900,277	\$ 3,941,156	\$ 3,998,756
Minimum Reserve Requirement @ 25% of total department expenditures	151,500		158,250

The Town adopted new water rates during Fiscal Year 2013. The effect of the rate increase has reduced the subsidy the Water Fund is receiving from the Capital Improvement Fund each year. The on-going revenue projection assumes no additional customers are being added to the system each year. However, the Town is seeing user growth with the addition of new homes. The Town is also actively pursuing adding new customers by acquiring other water systems already operating within the community.



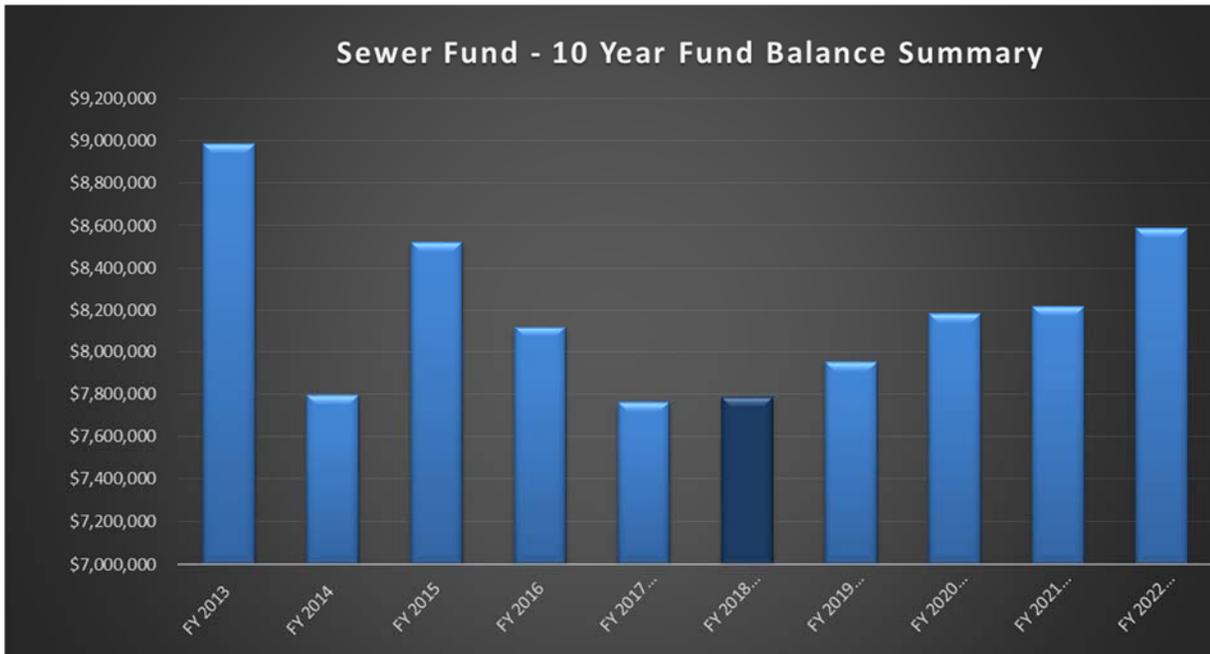
Although the Water Enterprise Fund Balance has begun to improve, it is due to the ongoing subsidy from the Capital Improvement Fund. The subsidy has decreased from \$75,000 to \$25,000 this fiscal year. The Water Fund is projected to owe the General Fund \$1,200,000 at the end of FY 2016/2017. The Water Systems expenses are projected to exceed revenues even with the projected rate increases. The addition of new customers through growth and planned acquisitions should allow the fund to be profitable in the near future.



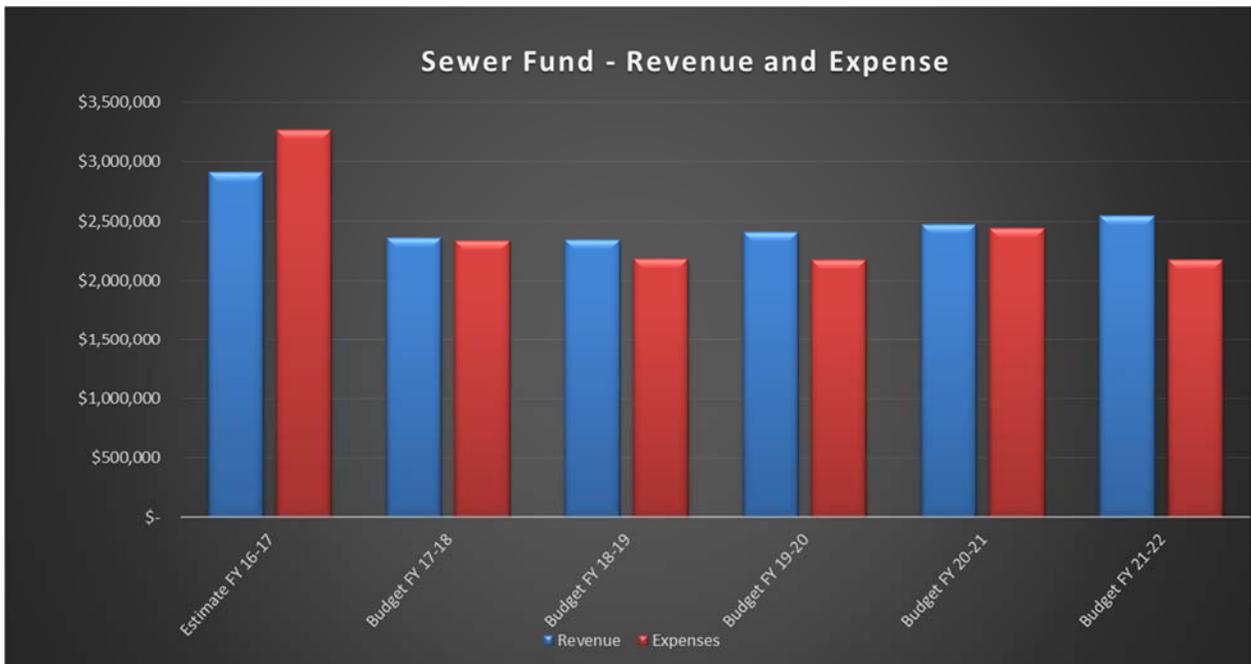
Sewer Enterprise Fund

TOWN OF CHINO VALLEY			
SEWER FUND			
	Budget FY 16-17	Estimate FY 16-17	Budget FY 17-18
REVENUES			
On Going Revenues	1,619,500	1,644,571	1,865,000
Bond Proceeds - WIFA	500,000	1,265,686	500,000
Carry Over	365,500	-	-
TOTAL REVENUES	\$ 2,119,500	\$ 2,910,257	\$ 2,365,000
EXPENDITURES			
Department Expenditures	1,113,500	1,075,794	938,200
WIFA Project	500,000	1,308,227	500,000
Debt/Contingency	871,500	881,574	902,000
TOTAL EXPENDITURES	\$ 2,485,000	\$ 3,265,595	\$ 2,340,200
REVENUES (UNDER) OVER EXPENDITURES	(\$365,500)	(\$355,338)	\$24,800
BEGINNING FUND BALANCE	\$ 8,442,331	\$ 8,116,957	\$ 7,761,619
REVENUES (UNDER) OVER EXPENDITURES	(\$365,500)	(\$355,338)	\$24,800
ENDING FUND BALANCE	\$ 8,076,831	\$ 7,761,619	\$ 7,786,419
Minimum Reserve Requirement @ 25% of total department expenditures	621,250	816,399	585,050

The Town adopted a five year sewer rates increase plan during Fiscal Year 2013. The Town froze the current sewer rates in December 2015 and on-going revenue projections assume adding 20 to 30 additional customers to the system each year. The Town took over operations of the Waste Water Treatment plant in 2015. The Town is projecting the Sewer Fund to break even in fiscal year 2017/2018 after making several major repairs in Fiscal Year 2016/2017.



The Sewer Enterprise Fund Balance has decreased steadily since 2009. The Town adopted a five year rate plan, purchased the Construction Manager at Risk Contract and took over operation of the Waste Water Treatment Plant. This efforts combined with moderate housing growth have the Town projecting the Sewer Enterprise Fund will breakeven by Fiscal Year 2017/2018.



Interdepartmental Charges

The Town of Chino Valley departments provide services and incur expenses assisting other departments with their programs and services. Last budget year the Town changed the focus of the Interdepartmental Charges to the fund level instead of the department level. This approach allows each fund to pay its proportionate share of the costs incurred by other funds and reduces the number of allocations within the General Fund. Management believes this approach also simplifies the process and will help make it easier to understand. The funds that provide services to other funds will charge the expenses through the Interdepartmental line item. The funds receiving the services record the expense through the Interdepartmental line item. The schedule below summarizes the net charges between the Town's departments and funds and the net change made this budget year.

Town of Chino Valley Interdepartmental Charges

	Budget FY 17-18 Public Works	Budget FY 17-18 Customer Service	Net Effect FY 17-18
General Fund			
74 Engineering	(200,000)	-	
75 Customer Service		(190,000)	
Total General Fund	(200,000)	(190,000)	(390,000)
	-		
HURF Fund	100,000	-	100,000
Total Water Fund	50,000	50,000	100,000
Total Sewer Fund	50,000	140,000	190,000
Net Interdepartmental by Fund	-	-	-

Inter fund Transfers Summary

The table below summarizes the transfers between funds.

Town of Chino Valley			
Interfund Transfer Summary			
		Budget FY 16-17	Budget FY 17-18
General Fund			
	From Capital Improvement	\$ 250,000	\$ 400,000
	From PD Special Revenue	\$ -	\$ -
	To HURF Fund	\$ (75,000)	\$ (75,000)
HURF Fund			
	From General fund	\$ 75,000	\$ 75,000
Debt Service Fund			
	From Capital Improvement	\$ 727,000	\$ 698,000
Capital Improvements Fund			
	To General Fund	\$ (250,000)	\$ (400,000)
	To Debt Service Fund	\$ (727,000)	\$ (698,000)
	To Water Enterprise Fund	\$ (75,000)	\$ (25,000)
	From Road Impact Fee Fund	\$ 553,000	\$ 498,000
Water Enterprise Fund			
	From Capital Improvement	\$ 75,000	\$ 25,000
Road Impact Fee Fund			
	To Capital Improvement	\$ (553,000)	\$ (498,000)
Total Interfund Transfers		\$ -	\$ -

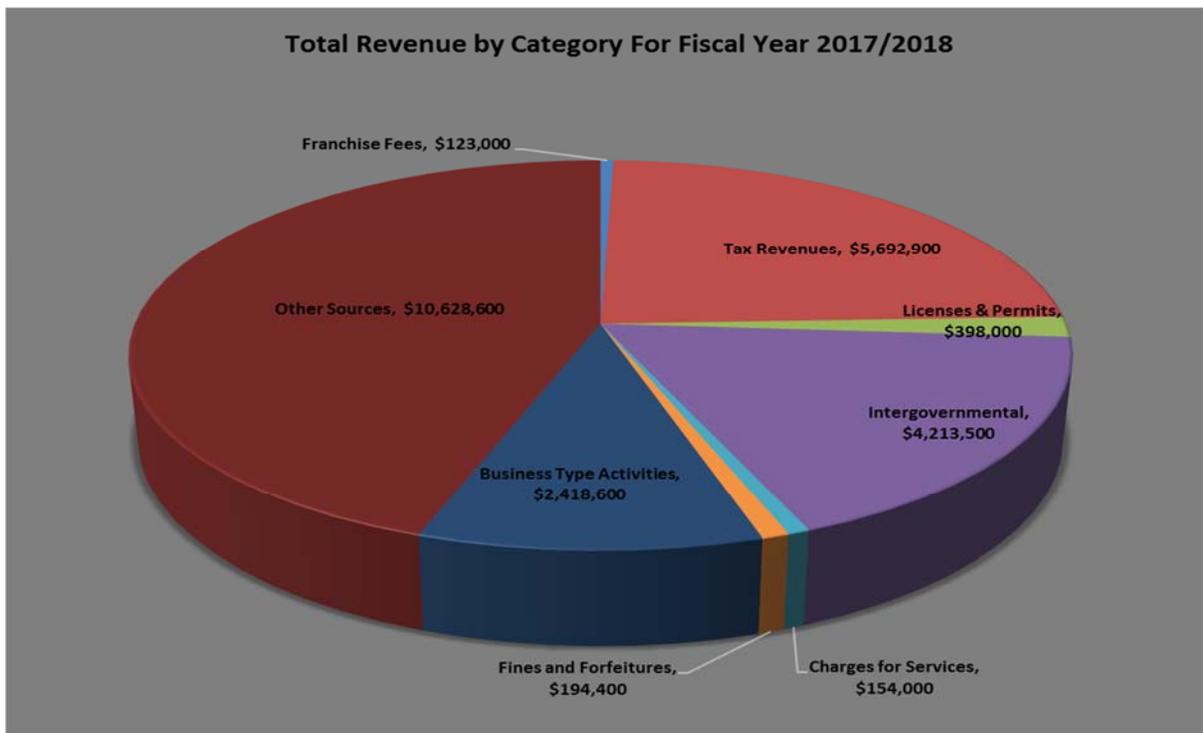
Revenue

The Town receives money from various sources including Franchise Fees, Taxes, Licenses & Permits, Intergovernmental, Charges for Services, Fines and Forfeitures, Utility Fees and Other Sources including Grants and Bond Proceeds.

FY 2017-18 Budget

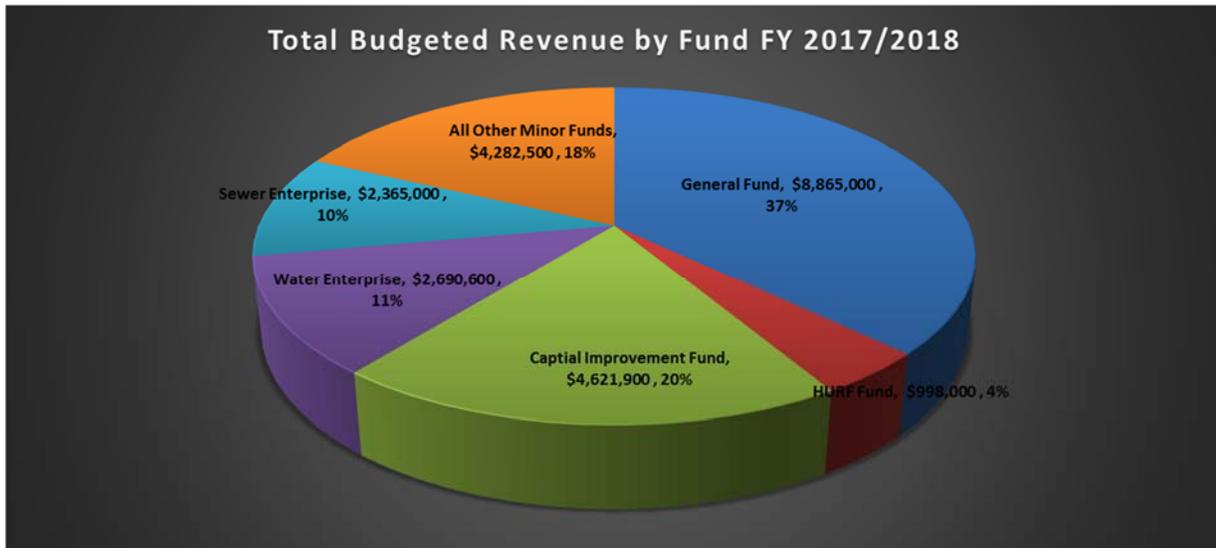
	Governmental Funds	Enterprise Funds	Total
Franchise Fees	\$ 123,000	\$ -	\$ 123,000
Tax Revenues	\$ 5,692,900	\$ -	\$ 5,692,900
Licenses & Permits	\$ 398,000	\$ -	\$ 398,000
Intergovernmental	\$ 4,213,500	\$ -	\$ 4,213,500
Charges for Services	\$ 154,000	\$ -	\$ 154,000
Fines and Forfeitures	\$ 194,400	\$ -	\$ 194,400
Business Type Activities	\$ -	\$ 2,418,600	\$ 2,418,600
Other Sources	\$ 7,991,600	\$ 2,637,000	\$ 10,628,600
	<u>\$ 18,767,400</u>	<u>\$ 5,055,600</u>	<u>\$ 23,823,000</u>

Total Revenue by Category



Revenue Detail by Fund

The following pages detail the Revenues by fund including detail and analysis of the major revenues within each Fund Type. Highlighted Revenues designate major revenues within each fund and transfers in from other funds. The individual charts for each major revenue show a four year history, the current fiscal years projection, next fiscal year's budget projection, and the projected next four fiscal years.



Town of Chino Valley				
Total Revenue Summary				
	Actual FY 15-16	Budget FY 16-17	Estimate FY 16-17	Budget FY 17-18
General Fund	\$ 8,262,303	\$ 8,304,500	\$ 8,486,352	\$ 8,865,000
HURF Fund	\$ 936,142	\$ 930,500	\$ 971,387	\$ 998,000
Capital Improvement Fund	\$ 2,016,767	\$ 4,035,500	\$ 1,484,126	\$ 4,621,900
Water Enterprise	\$ 752,494	\$ 2,606,000	\$ 712,249	\$ 2,690,600
Sewer Enterprise	\$ 1,541,491	\$ 2,119,500	\$ 2,910,257	\$ 2,365,000
All Other Minor Funds	\$ 1,987,223	\$ 4,306,000	\$ 4,322,690	\$ 4,282,500
	\$ 15,496,420	\$ 22,302,000	\$ 18,887,061	\$ 23,823,000

Revenue Projection Methodology

The Town prepares estimates of current year and future year revenues from all revenue sources. The first step in the process is to prepare a Revenue Manual annually that itemizes each revenue on a monthly basis and then projects each revenue forward for future fiscal years. The projections are based on each revenues history, seasonality, and other information available at the time. The Town considers current economic conditions, legislative changes and other factors when preparing projections. For State Shared Revenues, the Town receives estimates prepared by the Arizona League of Cities and Town each year as a basis for the projections. The Revenue Manual is published on the Town's website at www.chinoaz.net, and is updated several times throughout the budget process. The Town projects revenue growth conservatively, usually 3% or less, unless other information is available to base the projection on.

Revenue projections for the next 5 years can be found on page 154.

General Fund

Town of Chino Valley				
Total Revenue Summary				
	Actual FY 15-16	Budget FY 16-17	Estimate FY 16-17	Budget FY 17-18
GENERAL FUND				
CABLE FRANCHISE FEES	56,542	55,000	53,532	54,000
WATER FRANCHISE FEES	9,166	9,000	8,948	9,000
GAS FRANCHISE FEES	51,388	44,000	40,125	40,000
ELECTRIC FRANCHISE FEES	18,940	20,000	19,708	20,000
TOWN SALES TAX-RETAIL	3,715,257	3,778,000	3,714,691	3,859,000
CONSTRUCTION SALES TAX	283,581	250,000	344,522	350,000
BED TAX	45,384	38,000	72,598	71,000
BUILDING PERMITS	175,397	175,000	284,548	225,000
BUSINESS LICENSES	56,124	62,000	54,570	58,000
PLAN CHECK FEES	103,146	90,000	120,681	110,000
SIGN PERMITS	2,720	5,000	2,970	3,000
ZONING PERMITS	10,000	5,000	12,875	10,000
GRADING PERMITS	3,621	1,000	134	1,000
P.A.N.T.	7,026	5,000	1,299	5,000
VEHICLE LICENSE TAX	680,388	663,000	665,870	727,500
COUNTY LIBRARY FUNDS	101,087	101,000	109,996	110,000
SENIOR NUTRITION REVENUE	50,652	52,000	50,652	52,000
BULLET PROOF VEST PARTNER	2,884	2,500	4,053	2,500
STATE SHARED SALES TAX	1,022,546	1,046,000	1,019,815	1,058,000
STATE SHARED INCOME TAX	1,302,365	1,359,000	1,363,404	1,398,000
COPIER FEES	317	500	742	500
ENGINEERING SERVICES	22,066	5,000	3,450	5,000
SPECIAL REC PROGRAM INCO	-	1,000	1,000	1,000
ADULT SPORTS	-	1,000	-	-
PROGRAM INCOME	706	1,000	1,300	1,000
AQUATIC CENTER ENTRANCE	34,082	48,000	46,268	49,000
AQUATIC CENTER CONCESSION	9,585	12,000	13,248	13,000
FACILITIES USE/UTILITY REIME	14,867	12,000	10,200	10,000
AQUATIC CTR PROGRAM FEES	10,478	15,000	11,475	12,000
FACILITIES USE-RECREATION	583	1,000	999	1,000
FACILITIES USE-SENIOR CENTI	4,075	5,000	3,375	5,000
FACILITIES USE-AQUATIC CEN	2,750	2,000	1,643	2,000
FACILITIES USE-PARKS	4,583	5,000	2,858	5,000
S/C NUTRITION PROGRAM IN	16,209	16,000	11,424	16,500

General Fund – Continued

Town of Chino Valley				
Total Revenue Summary				
	Actual FY 15-16	Budget FY 16-17	Estimate FY 16-17	Budget FY 17-18
POLICE REPORTS	2,658	3,000	2,946	3,000
ANIMAL CONTROL FEES	30,335	30,000	35,235	30,000
LIBRARY FINES	3,126	3,000	2,844	3,000
LOST BOOKS	232	1,000	128	-
TRAFFIC FINES	130,169	119,000	121,918	125,000
REIMBURSEMENT COURT ATT	3,139	5,000	2,420	3,000
RESTITUTION	1,230	1,000	974	1,000
ADMINISTRATIVE FEES-FINAN	1,529	1,500	1,582	1,500
MISCELLANEOUS REVENUE	2,895	1,000	818	1,000
SALE OF FIXED ASSETS	1,815	1,000	934	1,000
SENIOR CTR THRIFT STORE	1,398	1,500	1,180	1,500
SR CTR PROGRAM INCOME	1,158	1,000	895	1,000
INTEREST INCOME	4,106	1,500	11,505	10,000
TFRS FROM CAPITAL IMPROVE	250,000	250,000	250,000	400,000
TFRS FROM PD SPECIAL REVEN	10,000		-	-
CARRYOVER			-	-
TOTAL GENERAL FUND	8,262,303	8,304,500	8,486,352	8,865,000
	8%	1%	3%	7%

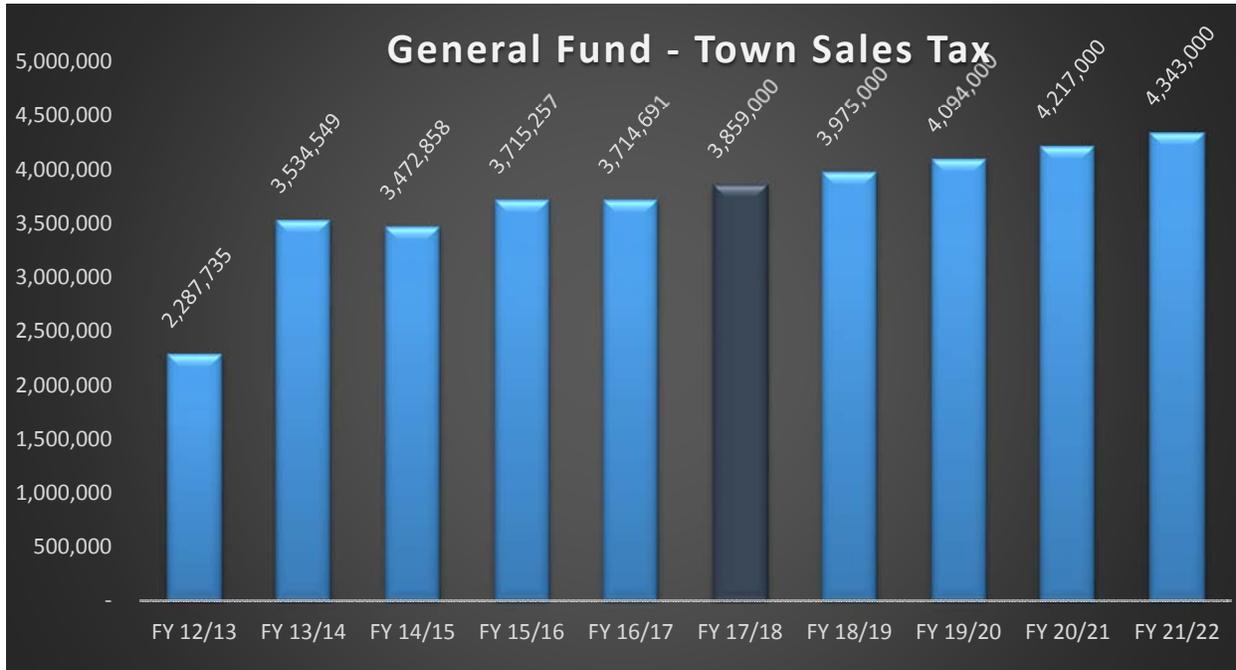
Accounts highlighted in blue represent major revenues and transfers from other funds.

Individual General Fund Revenues are projected to increase by a conservative 3% unless additional information is available to justify a different amount. The Town anticipates a 3% increase in total General Fund Revenues next fiscal year.

General Fund Revenues have shown steady growth during fiscal year 2017. Tax Collections and State Shared Revenues are showing steady growth over last fiscal year.

TOWN SALES TAX

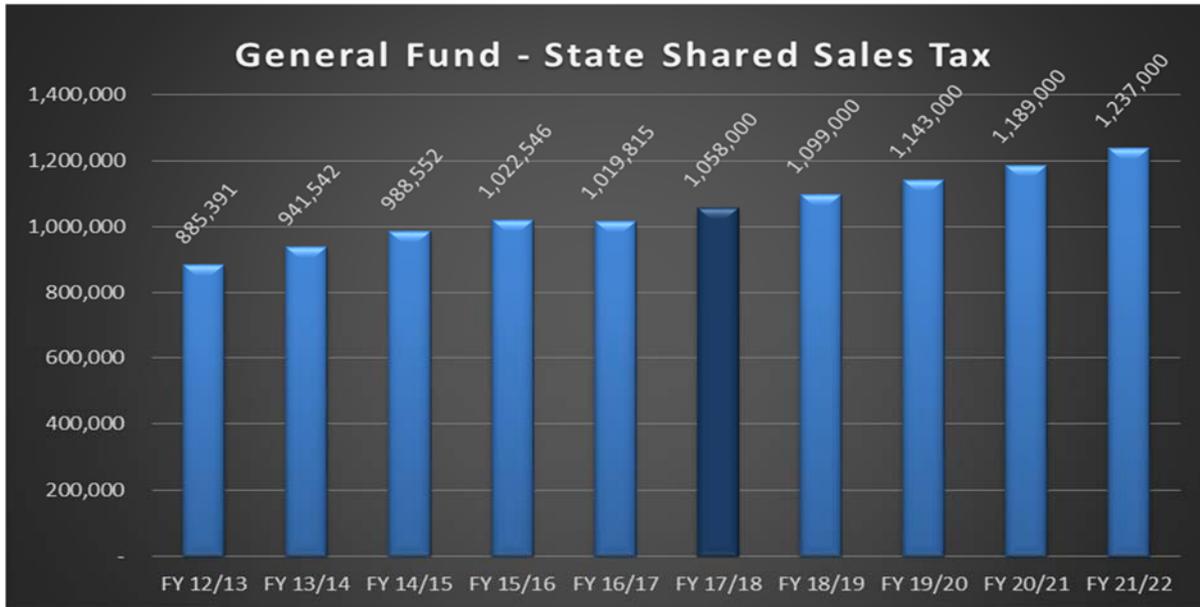
The Town of Chino Valley collects a transaction privilege tax (sales tax) on the gross receipts of business activities. On June 1, 2013 the rate increased from 3% to 4% on the majority of taxable activities in the Town. 1% of the Towns sales tax collected is recorded in the Capital Improvement Fund.



The Chart above summarizes the actual Town Sales Tax collections through fiscal year 2016 and the projected collections through fiscal year 2022. The fiscal year 2014 figures include the 1% tax rate increase and a one-time payment from the City of Prescott of \$220,000. Fiscal year 2018 through 2022 are projected to increase at a conservative rate of 3% per year.

STATE SHARED SALES TAX

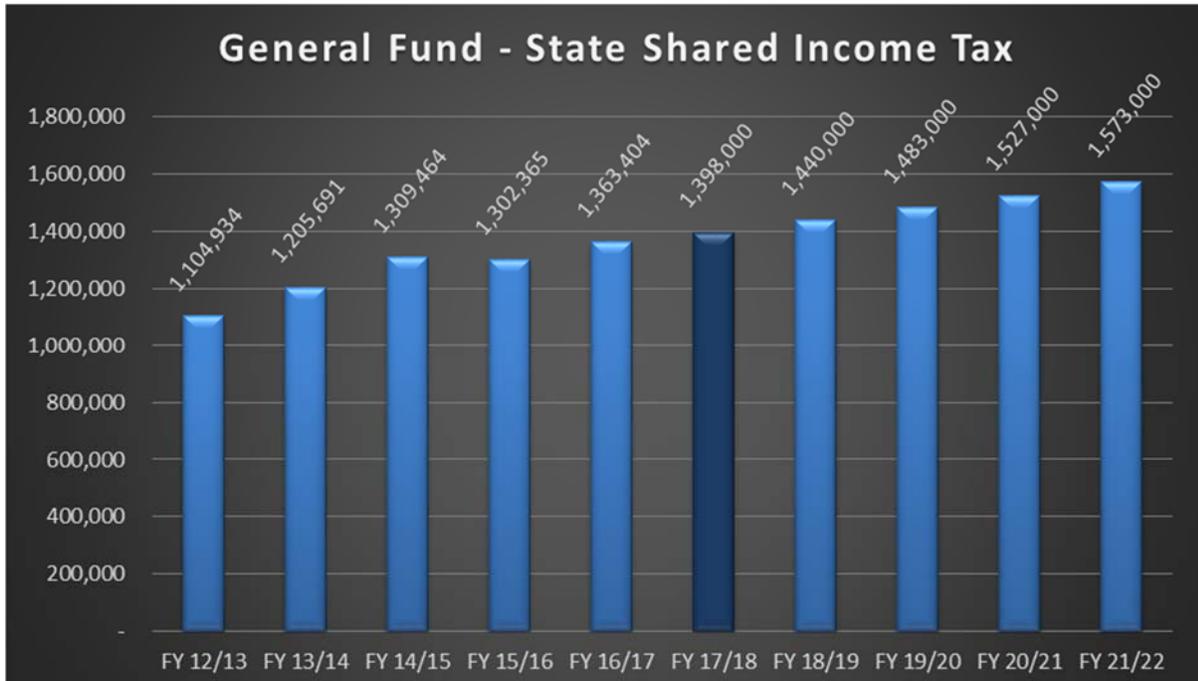
Arizona cities and towns share a portion of the total amount collected from State Sales Tax. The town's portion of the State Sales Tax is based on the relationship of its population to the total population of all cities and towns within the State.



The Chart above summarizes the actual State Shared Sales Tax collections through fiscal year 2016 and the projected collections through fiscal year 2022. The fiscal year 2018 projection is based on an estimate provided by the Arizona Department of Revenue and the League of Arizona Cities and Towns. Fiscal year 2019 through 2022 are projected to increase at a conservative rate of 4% per year.

STATE SHARED INCOME TAX

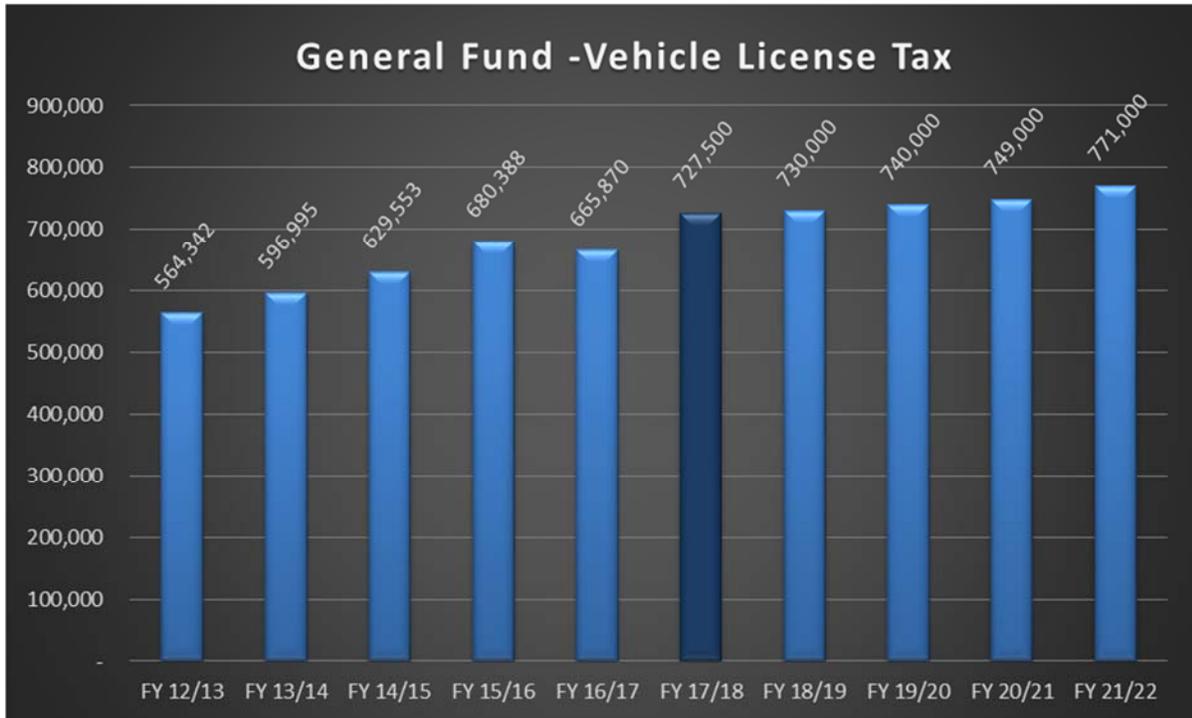
Arizona cities and towns share a portion of the total amount collected from the State Income Tax. A town's portion of the State Income Tax is based on the relationship of its population to the total population of all cities and towns within the state.



The Chart above summarizes the actual State Income Tax collections through fiscal year 2016 and the projected collections through fiscal year 2022. The fiscal year 2018 projection is based on an estimate provided by the Arizona Department of Revenue and the League of Arizona Cities and Towns. Fiscal year 2019 through 2022 are projected to increase at a conservative rate of 3% per year. The revenues are disbursed by the State two years after collection by the Arizona Department of Revenue.

VEHICLE LICENSE TAX

Arizona cities receive a 25% share of the net revenue collected for the licensing of vehicles in their related county. Each town's share within their county is determined based on the town's population in relation to the county as a whole. These revenues are distributed by the State Treasurer.



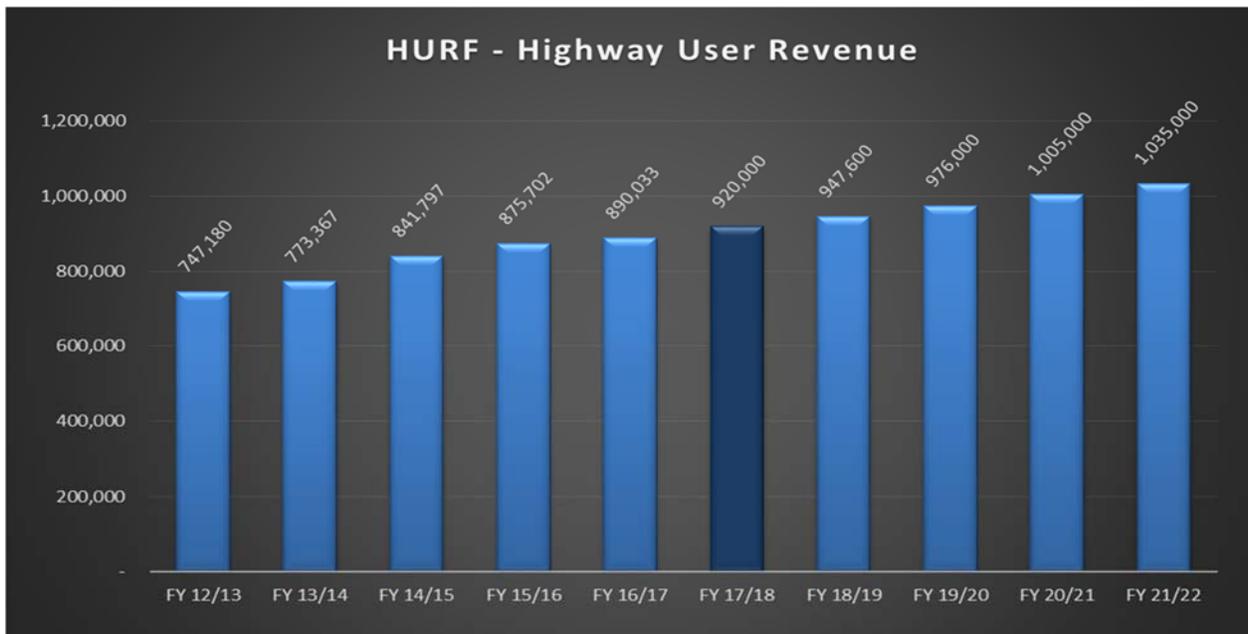
The Chart above summarizes the actual Vehicle License Tax collections through fiscal year 2016 and the projected collections through fiscal year 2022. The fiscal year 2018 projection is based on an estimate provided by the League of Arizona Cities and Towns. Fiscal year 2019 through 2022 are projected to increase at a conservative rate of 1 to 3% per year.

Special Revenue Funds – Highway User Revenue

HIGHWAY USER REVENUE

Town of Chino Valley				
Total Revenue Summary				
	Actual FY 15-16	Budget FY 16-17	Estimate FY 16-17	Budget FY 17-18
HIGHWAY USER REVENUE FUND				
RIGHT-OF-WAY PERMITS	509	1,000	1,859	1,000
DRIVEWAY PERMITS	930	500	870	500
MISCELLANEOUS REVENUE	150		1,700	-
INTEREST INCOME	4,106	1,000	1,925	1,500
HIGHWAY USER REVENUE	875,702	853,000	890,033	920,000
SALE OF FIXED ASSETS	4,745		-	-
TRANSFER FROM GENERAL FUND	50,000	75,000	75,000	75,000
TOTAL HIGHWAY USER REVENUE FUND	936,142	930,500	971,387	998,000
	8%	-1%	4%	7%

Arizona cities receive a share of State Motor Vehicle Fuel Taxes (Highway User Revenue Funds). The distribution formula is based on two separate calculations; the first half is based on the town's population in relation to the State's total population, the second half is based on the county in which the revenues were generated. These funds must be utilized for the construction and maintenance of streets and highways.



The Chart above summarizes the actual Highway User Revenue collections through fiscal year 2016 and the projected collections through fiscal year 2023. The fiscal year 2018 projection is based on an estimate provided by the League of Arizona Cities and Towns. Fiscal year 2019 through 2022 are projected to increase at a conservative rate of 3% per year.

Capital Improvement Funds

Town of Chino Valley				
Total Revenue Summary				
	Actual FY 15-16	Budget FY 16-17	Estimate FY 16-17	Budget FY 17-18
CAPITAL IMPROVEMENT FUND				
1% TPT REVENUES-RETAIL/OTHER	1,250,073	1,266,000	1,244,563	1,281,900
1% CONSTRUCTION TPT REVENUES	94,526	95,000	104,840	97,000
1% BED TAX REVENUES	15,128	11,500	24,532	20,000
MISC. CAPITAL PROJECTS		2,000,000	-	2,000,000
INTEREST INCOME LGIP	28		191	-
YAVAPAI COUNTY DRAINAGE DISTR	628,263	110,000	110,000	110,000
LEASE PURCHASE PROCEEDS				615,000
TFRS IN FROM ROAD IMPACT FEES	28,749	553,000	-	498,000
TOTAL CAPITAL IMPROVEMENT FUND	2,016,767	4,035,500	1,484,126	4,621,900
	-28%	100%	-26%	15%

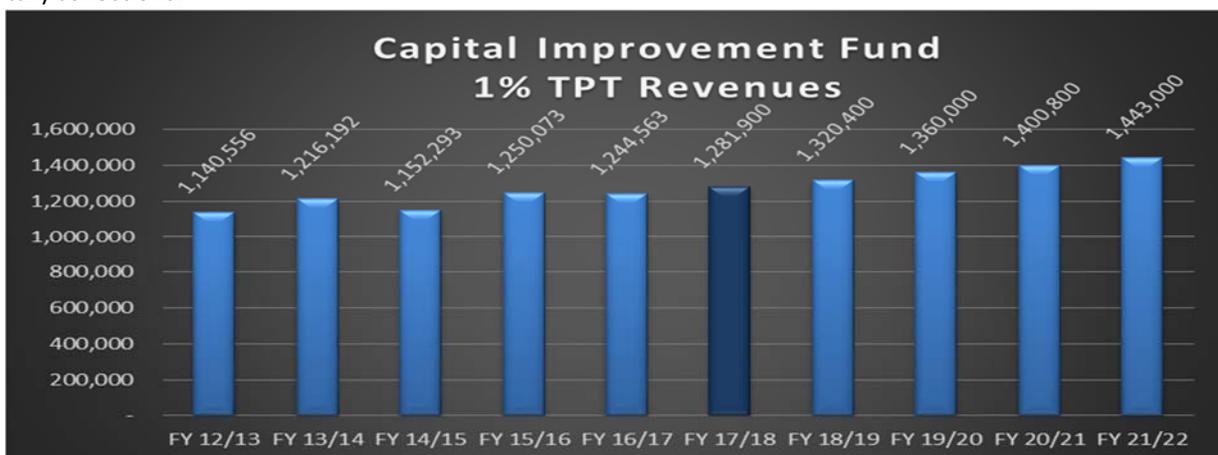
The major on-going revenue for the Capital Improvements Fund is 1% of the Retail Sales Tax. The Town also separates the construction and bed tax portion from the 1%.

The Town Budgets \$2,000,000 as a buffer in order to be able to spend unanticipated revenues received during a fiscal year. These types of funds include FEMA emergency assistant funds, State of Arizona emergency assistant funds, or unanticipated capital improvement grant funds from Federal, State, County, or local sources.

The Town intends to transfer \$498,000 from the Roads Impact Fee Fund and anticipated receiving \$110,000 from the Yavapai County Drainage District this fiscal year. The Town accounts for all of its Governmental Capital Projects over \$50,000 and related funding in the Capital Projects fund.

1% TPT REVENUES – RETAIL/OTHER

The Major on-going revenue for the Capital Improvements Fund is 1% of the Transaction Privilege Tax (sale tax) collections.



The Chart above summarizes the actual 1% Transaction Privilege Tax collections through fiscal year 2016 and the projected collections through fiscal year 2022. Fiscal year 2018 through 2022 are projected to increase at conservative rate of 3% per year.

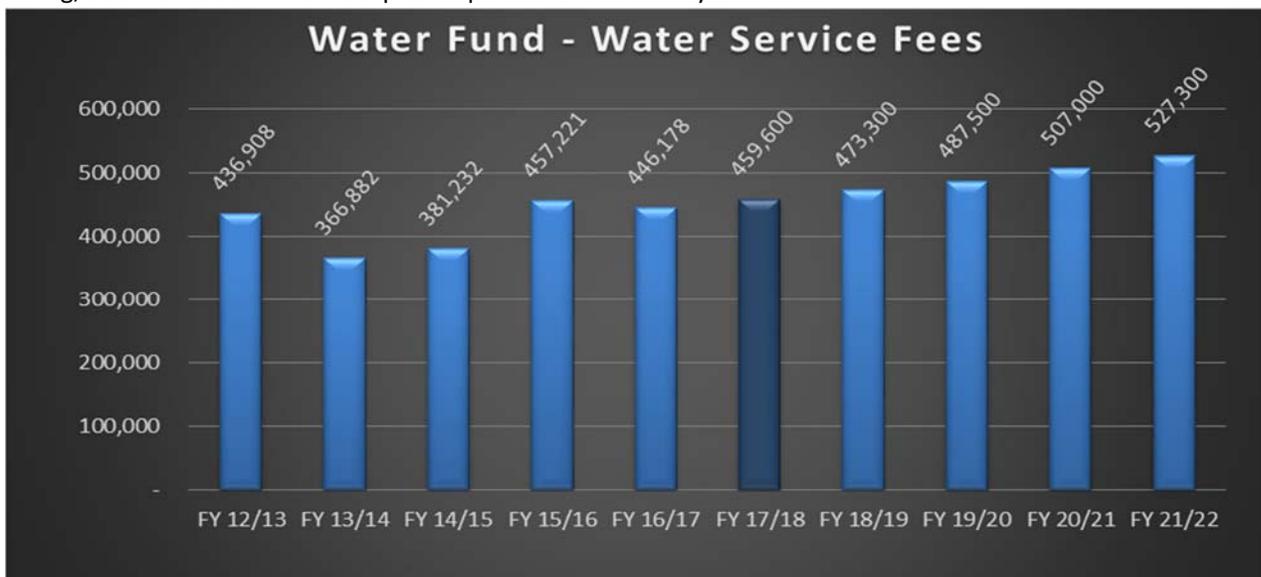
Enterprise Funds – Water

Town of Chino Valley				
Total Revenue Summary				
	Actual FY 15-16	Budget FY 16-17	Estimate FY 16-17	Budget FY 17-18
WATER ENTERPRISE FUND				
WATER SERVICE FEES	457,221	405,000	446,178	459,600
WATER SYSTEM BUY-IN FEES	76,000	60,000	116,000	80,000
WATER METER FEES	6,995	5,000	10,388	8,000
SALE OF FIXED ASSETS	-	-	-	-
MISCELLANEOUS REVENUE	62,278	61,000	64,682	63,000
LEASE PURCHASE PROCEEDS	-	-	-	55,000
WATER SYSTEM AQ BOND PROCEEDS	-	2,000,000	-	2,000,000
TRANSFERS FROM CAPT. IMPROVEMENT FUND	150,000	75,000	75,000	25,000
TOTAL WATER ENTERPRISE FUND	752,494	2,606,000	712,249	2,690,600
	-5%	246%	-5%	3%

Water Enterprise Fund Revenues reflect the effects of the adopted rate increase in Fiscal Year 2012/2013. The new water rates will increase by approximately 3% per year through Fiscal Year 2017. The Town is budgeting \$2,000,000 for a potential water system acquisition.

WATER SERVICE FEES

Water Service Fees are user fees charged to residential, commercial and industrial customer for the distribution of water. These fees are for the maintenance and operation of the system, administration, billing, debt service and future capital improvements to the system.



The Chart above summarizes the actual Water Service Fees collected through fiscal year 2016 and the projected collections through fiscal year 2022. Fiscal year 2017 through 2022 are projected to increase based on minimal new customer growth. The decrease in fiscal year 2014 was due to a faulty meter at Old Home Manor that resulted in the Parks Department paying additional water fees in fiscal year 2013.

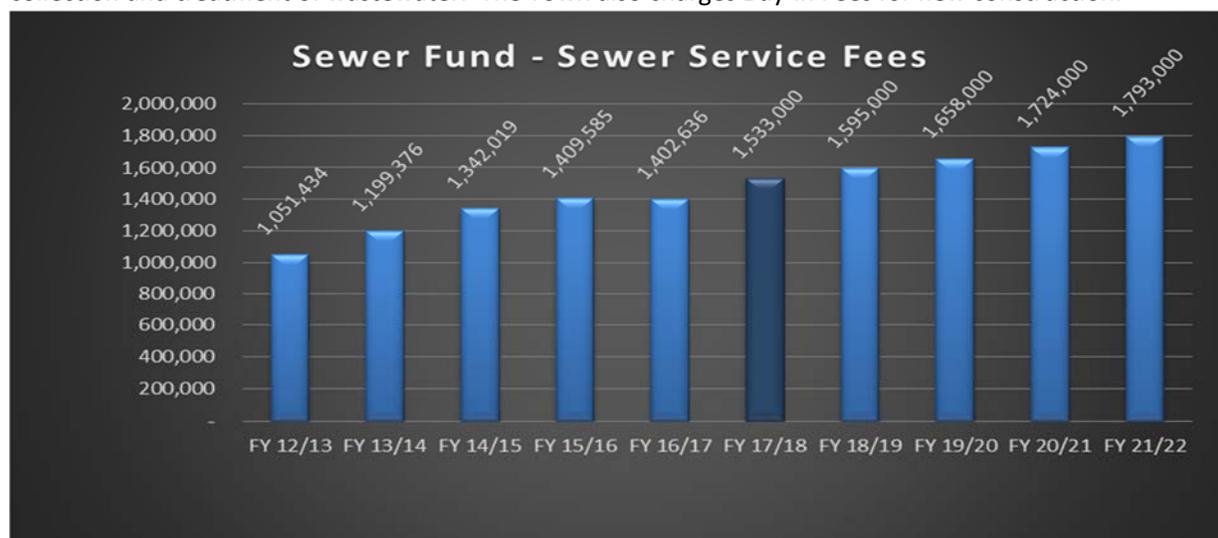
Enterprise Funds – Sewer

Town of Chino Valley				
Total Revenue Summary				
	Actual FY 15-16	Budget FY 16-17	Estimate FY 16-17	Budget FY 17-18
SEWER ENTERPRISE FUND				
SEWER SERVICE FEES	1,409,585	1,449,000	1,402,636	1,533,000
SEWER SYSTEM BUY-IN FEES	81,938	120,000	187,729	224,000
MISCELLANEOUS REVENUE	48,297	50,000	51,900	51,000
INTEREST INCOME	1,671	500	2,306	2,000
LEASE PURCHASE PROCEEDS				55,000
BOND PROCEEDS - WIFA	-	500,000	1,265,686	500,000
TOTAL SEWER ENTERPRISE FUND	1,541,491	2,119,500	2,910,257	2,365,000
	1%	37%	89%	12%

Sewer Enterprise Fund Revenues reflect the effects of the adopted rate increase in Fiscal Year 2012/2013. The original sewer rates increases were projected to increase each year through 2017. However, Council froze the Sewer Service Fee Rate in December of 2015 and will review them annually.

SEWER SERVICE FEES

Sewer Service Fees are user fees charged to residential, commercial and industrial customers for the collection and treatment of wastewater. The Town also charges Buy-in Fees for new construction.



The Chart above summarizes the actual Sewer Service Fees collected through fiscal year 2016 and the projected collections through fiscal year 2022. Fiscal year 2017 through 2022 are projected to increase based on minimal new customer growth.

Debt Service Fund

DEBT SERVICE 08					
Description	2015-16 Actual	2016-17 Adopted Budget	2016-17 Estimated	2017-18 Adopted Budget	% Change Adopted to Adopted
DEBT SVC 2010 BONDS - PRINCIPAL					
DEBT SVC 2010 BONDS -- INTEREST	331,637	332,000	332,000	332,000	
NATIONAL BANK GADA REFI - PRINCIPAL	3,833,313	240,000	-	309,000	
NATIONAL BANK GADA REFI - INTEREST	167,794	153,000	64,695	54,000	
FISCAL AGENT FEES	70,651	2,000	2,000	3,000	
TOTAL EXPENDITURES	4,403,395	727,000	398,695	698,000	-4%

Debt Service Funds are used to make principal and interest payments on general government debt. Funds are transferred from the Capital Improvement Fund on an annual basis to make the required debt service payments. Principal payments for the 2010 Bonds will begin in Fiscal Year 2018/2019.

Other Funds – Non Major Funds

Revenues for Other Funds – Non Major Funds are detailed in each funds expenditure section of the budget.

Community Development Block Grant (CDBG) - The Town of Chino Valley receives funding from the U.S. Department of Housing and Urban Development for the Small Cities Community Development Block Grant Program. The Arizona Department of Housing (ADOH) is the state agency in Arizona responsible for administering the program. The funding is received every four years and projects are approved by Council after a public hearing process.

Grants – The Town receives funding from various Federal, State, County, local, and other agencies. These funds are restricted and can only be used for the purpose intended. A detailed schedule of the projected grants and disbursements can be found in the Grant Expenditure Section of the Budget.

Special Revenue Fund - Court -The Court Special Revenue Fund is a restricted fund. A portion of the funds can be used for Court improvements to enhance the technology, operation and security of the court. A portion can also be used to enhance the technology, operation, and security of the court collection program.

Capital Asset Replacement - The Town Operating Management Policy establishes the Capital Asset Fund to account for special one-time revenues received. Examples include sales tax audit revenue or insurance dividends. These funds are used to purchase non-recurring items like capital goods.

Impact Fee Funds - Arizona Law allows cities and towns to assess development fees to offset costs associated with providing necessary public services to a development, including costs of infrastructure, improvements, real property, engineering and architectural services, financing and professional services. The Town of Chino Valley collected impact fees for the Police Department, Library, Parks, Recreation and Roads. These funds could only be used for growth related projects related to each category and must be accounted for separately. The Town has projected that no impact fees will be collected in the next several fiscal years and intends only to use the funds when received.

Senate Bill 1525 has made significant changes in the way Cities and Towns can impose Impact Fees on future development. The Town of Chino Valley may be undertaking a development fee study during the fiscal year. The Town stopped charging impact fees after August 2014 and will not begin charging them again until the development fee study is complete and adopted by Council.

Special Revenue Fund - Police - The Police Department charges an administrative fee for the administrative and post storage hearing for vehicles impounded under ARS 28-3511. The funds are restricted and can only be used for traffic enforcement related expenses. The Town receives these funds when vehicles are released after an administrative hearing.

Chino Valley Street Lighting Improvement Districts (CVSLID) – The Town of Chino Valley administers three street lighting districts. The property owners within each district pay for the projected amount of electricity used through their property taxes each year. The funds are disbursed by the Yavapai County Treasurer, which the Town uses to pay the utility bills as received.

General Fund Expenditure Detail by Department

GENERAL FUND

The table below summarizes each department's expenditures within the General Fund. The table compares the fiscal year 2017 adopted budget, fiscal year 2017 estimate, fiscal year 2018 adopted budget and the % increase/decrease in fiscal year's 2018 budget over fiscal year 2017 budget.

Town of Chino Valley					
Total Expenditure Summary by Department					
	Description	2016-17 Adopted Budget	2016-17 Estimated	2017-18 Adopted Budget	% Change Adopted to Adopted
GENERAL FUND					
41	PROSECUTOR	123,700	113,317	116,100	-6%
42	TOWN CLERK	224,000	189,350	193,800	-13%
43	TOWN MANAGER	371,400	377,150	313,000	-16%
44	HUMAN RESOURCES	221,600	212,000	233,000	5%
45	MUNICIPAL COURT	278,600	263,500	279,400	0%
46	FINANCE	343,200	342,250	356,200	4%
47	MGMT INFORMATION	336,400	290,150	285,400	-15%
50	MAYOR AND COUNCIL	43,200	35,300	40,700	-6%
55	PLANNING	207,000	177,400	208,500	1%
56	BUILDING INSPECTION	257,700	236,640	186,700	-28%
60	POLICE	2,768,800	2,724,800	3,174,200	15%
61	ANIMAL CONTROL	128,300	112,000	129,100	1%
63	RECREATION	96,100	86,536	112,700	17%
64	LIBRARY	312,600	308,250	329,700	5%
66	SENIOR CENTER	271,600	265,300	317,400	17%
68	PARKS MAINTENANCE	373,400	401,448	430,300	15%
69	AQUATICS CENTER	220,400	257,779	215,800	-2%
71	FACILITIES MAINTENANCE	343,500	356,198	422,100	23%
73	FLEET MAINTENANCE	283,000	251,274	279,200	-1%
74	ENGINEERING	125,900	75,750	216,500	72%
75	CUSTOMER SERVICE	118,100	101,000	237,600	101%
95	NON DEPARTMENTAL	1,056,000	975,691	1,127,500	7%
TOTAL GENERAL FUND		8,504,500	8,153,083	9,204,900	8%

The Town is projecting the General Fund expenditures to end fiscal year 2017 under budget. Overall the General Fund expenditures are projected to increase 8% over last budget year.

Prosecutor

General Fund - Department 41

Michelle Codega

Paralegal

mcodega@chinoaz.net

928-636-8004



Mission

To prosecute criminal behavior on behalf of the people of Chino Valley by assuring justice is served, while balancing the issues of punishment for the offense, deterrent from future offenses, restitution to victims of crimes, and rehabilitation of offenders.

Program Description

CORE SERVICES

The Prosecutor's Officer processes all misdemeanor cases within the jurisdiction of the Chino Valley Magistrate Court. This includes all misdemeanor offenses in violation of the Arizona Revised Statutes (primarily Criminal and Motor Vehicle offenses) and the Chino Valley Town Code. Some of the main activities include pre-trial conferences, hearings, trials, and other matters set by the Court; filing complaints on matters referred by the police department; and extensive contact and correspondence with victims and witnesses, including interviews and further investigation of pending cases.

VICTIM ADVOCACY

Arizona State law requires that victims of crimes be contacted regarding a proposed disposition of a pending case. The Prosecutor's Office is responsible for most of this contact. In order to accomplish this, letters are sent to every victim as soon as the defendant appears in court. Our office also has personal contact with as many victims as possible before determining the final resolution of the case.



DISCLOSURE

Arizona State law requires that the State disclose certain information within its possession regarding a case to the defense. Our office has implemented new technology in order to disclose all the necessary documents, photographs and audio and/or video recordings all on one compact disc. This has saved on printing costs and on mailing costs for the department.

TRIAL PREPARATION

In criminal law, the State has the burden of proving that a defendant is guilty of a crime beyond a reasonable doubt. Therefore, cases must be processed from the beginning with the goal of proving the charges at trial. This involves extensive contact with victims and witness interviews, motions, preparing exhibits, as well as preparation of direct examination, cross examination and argument.

FY 2017 Accomplishments

- Accomplish required disclosure at or prior to the first Pre-trial Conference.
- Maintain current knowledge of the latest legal standards and apply it in resolving pending cases.
- Contact all victims prior to the defendant’s first Court appearance.
- Capture performance data for the Police Department.
- Track statistics data for reports to the administration

FY 2018 Initiatives and Goals

- Accomplish required disclosure at or prior to the first Pre-trial Conference.
- Maintain current knowledge of the latest legal standards and apply it in resolving pending cases.
- Contact all victims prior to the defendant’s first Court appearance.
- Capture performance data for the Police Department.
- Track statistics data for reports to the administration

Financial Information

Expenditure by Type					
Description	2015-16 Actual	2016-17 Adopted Budget	2016-17 FY Estimate	2017-18 Adopted Budget	% Change Adopted to Adopted
Personnel	\$ 51,493	\$ 52,637	\$ 51,057	\$ 54,436	
Benefits	\$ 19,054	\$ 18,463	\$ 18,910	\$ 19,064	
Services and Supplies	\$ 52,182	\$ 52,600	\$ 43,350	\$ 42,600	
Interdepartmental/Capital	\$ 6,000	\$ -	\$ -	\$ -	
Total	\$ 128,729	\$ 123,700	\$ 113,317	\$ 116,100	-6%
Number of Employees	1	1		1	

Total Department Change over
Prior Fiscal Year

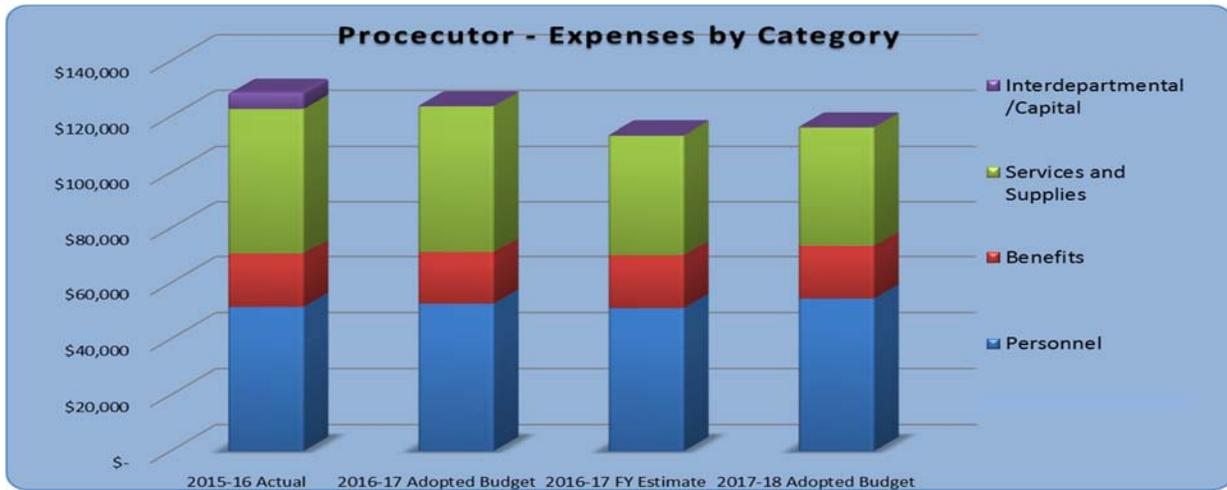
-6%

Increases
Salaries and Benefits \$2,400

Decreases
Prosecutor Contract -\$10,000

Interdepartmental Charges are no longer being charged to the Prosecutors department. Overall the department is projecting a decrease of 6% in next year’s budget.

Department Summaries and Performance Measures



Performance Measures	FY 13/14 Actual	FY 14/15 Actual	FY 15/16 Actual	FY 16/17 Projected
Pre-trial conferences	832	894	780	800
Total cases	334	366	354	350
Cases with convictions	286	289	315	300
Cases not concluded within 180 days	0	2	3	0
Deferred Prosecution Agreements	Not Available	20	17	25

Town Clerk

General Fund – Department 42

Jami Lewis

Town Clerk

jlewis@chinoaz.net

928-636-2646



Mission – The Town Clerk’s Office looks forward to the future and treasures the past of the Town of Chino Valley by accurately recording the actions and proceedings of the Town Council, maintaining and preserving the Town’s official records,

conducting fair and impartial Town elections, and serving internal and external customers with big-town efficiency and small-town friendliness.

Program Description – The Town Clerk’s Office provides the following services for the Town:

Keeps a true and correct record of all business transacted by the Town Council and Council-appointed public bodies and subcommittees.

Prepares meetings, agenda packets, and minutes, and administers the Town’s compliance under the Open Meeting Laws.

Administers all election-related services in accordance with state and federal law.

Administers public records and records management program.

Provides support services for Town staff and the public related to public information, Town Codes, citizen complaints, local legislation, web pages, and notary services.

FY 2017 Accomplishments

Held 2016 Election in accordance with state and federal law.

Began collaboration with other departments to research new software solutions to increase shared program efficiencies.

Implemented new processes and procedures for Code codification, records requests, and liquor licensing to increase efficiency and integrate with new State processes.

Implemented changes to election procedures and campaign finance reforms per new legislation.



FY 2018 Initiatives and Goals

Complete collaboration with other departments to research, purchase, and implement new document management software solution.

Train new Deputy Clerk.

Administer Town-wide document destruction per State Retention Schedules.

Financial Information

Expenditure by Type					
Description	2015-16 Actual	2016-17 Adopted Budget	2016-17 Estimated	2017-18 Adopted Budget	% Change Adopted to Adopted
Personnel	\$ 142,386	\$ 114,160	\$ 104,000	\$ 119,220	
Benefits	\$ 49,914	\$ 38,940	\$ 36,750	\$ 42,080	
Services and Supplies	\$ 24,060	\$ 70,900	\$ 48,600	\$ 32,500	
Total	\$ 216,360	\$ 224,000	\$ 189,350	\$ 193,800	-13%
Number of Employees	2	2		2	

Total Department Change over
Prior Fiscal Year

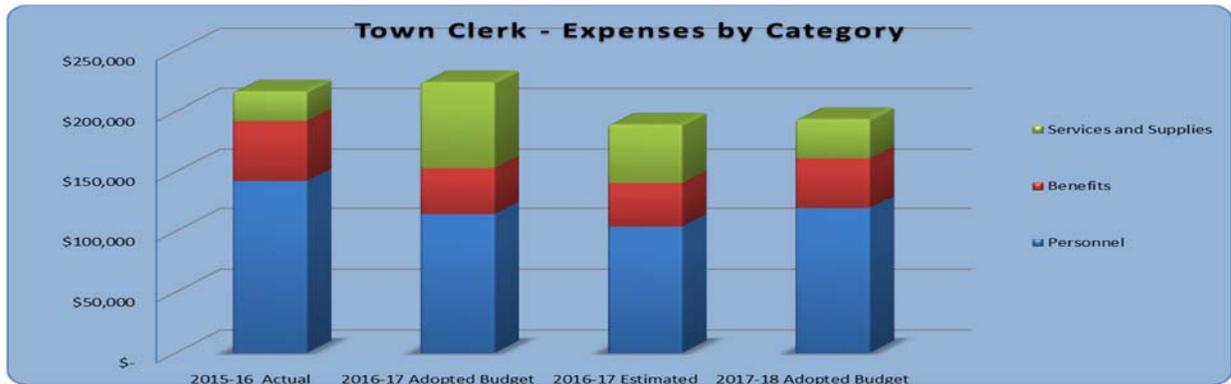
-13%

Increases
Salaries and Benefits \$12,400
Decreases
Election Expenses \$38,500

Narrative

Services and Supplies additional costs reduction is related to the cost of having an election every two fiscal years. All other expenses are flat year over year. The department is projecting a decrease of 13% in next year's budget.

Department Summaries and Performance Measures



Performance Measures	FY 13/14 Actual	FY 14/15 Actual	FY 15/16 Actual	FY 16/17 Projected
Public Record Requests processed	52	172	90	97
Public Records Requests, total labor hours to fill request (does not include processing)	Not Available	244	138	147
Public body agendas and minutes prepared	51	65	85	107
Elections conducted/Registered Voters/ballots cast	0	1 / 5,914 / 3,587	0	1 / 6,220 / 2,630
Total Cost of Election	0	\$18,341	0	\$19,642

Town Manager

General Fund – Department 43

Cecilia J. Grittman

Town Manager

cgrittman@chinoaz.net

928-636-2646



Town Manager 3.5 FTE
\$313,000

Mission – The Mission of the Town Manager’s Department is to administer the goals, policies and objectives established by the Town Council in the most cost effective, efficient means possible.

Program Description - The Town Manager is the head of the administrative branch of the Town government and as the Chief Operating and Administrative Officer of the Town, has overall responsibility for the proper conduct of all procedures, policies and operations of all Town departments, as well as the effective and efficient operation and provision of services and products to the community. The department includes the Town Manager, a Management Analyst, one part-time Administrative Technician and one part-time Senior Administrative Technician.

The Town Manager’s office assures that all laws, regulations, codes and guidelines are adhered to relating to Town government and services, budget and expenditure control; performs liaison duties between Town Council and the administration’s departments; coordinates with the Town Council to develop and implement short and long range goals for the Town; is responsible for economic and community development; and represents the Town in dealing with other governmental jurisdictions, private firms, professional groups, the media and general public.



\$ SPENT PER CITIZEN
\$28.11

FY 2017 Accomplishments

Begin work the next rifle range at the shooting range
Receive and administer EDA, ACA and APS grant funds
to create the industrial park at Old Home Manor and extension of Road 4 North

FY 2018 Initiatives and Goals

Begin work the next rifle range at the shooting range
Complete the EDA, ACA and APS grant funds to create the industrial park at Old Home Manor and extension of Road 4 North
Create an economic development project with Unisource Gas to provide natural gas to the industrial park at Old Home Manor
Update Council’s Strategic Plan
Explore the expansion of additional recreational and tourism related functions at Old Home Manor

Financial Information

Expenditure by Type					
Description	2015-16 Actual	2016-17 Adopted Budget	2016-17 Estimated	2017-18 Adopted Budget	% Change Adopted to Adopted
Personnel	\$ 325,254	\$ 256,419	\$ 291,000	\$ 216,664	
Benefits	\$ 93,079	\$ 73,181	\$ 56,250	\$ 65,036	
Services and Supplies	\$ 39,184	\$ 41,800	\$ 29,900	\$ 31,300	
Interdepartmental/Capital	\$ (61,000)	\$ -	\$ -	\$ -	
Total	\$ 396,517	\$ 371,400	\$ 377,150	\$ 313,000	-16%
Number of Employees	3.5	2.5		3.25	

Total Department Change over
Prior Fiscal Year

-16%

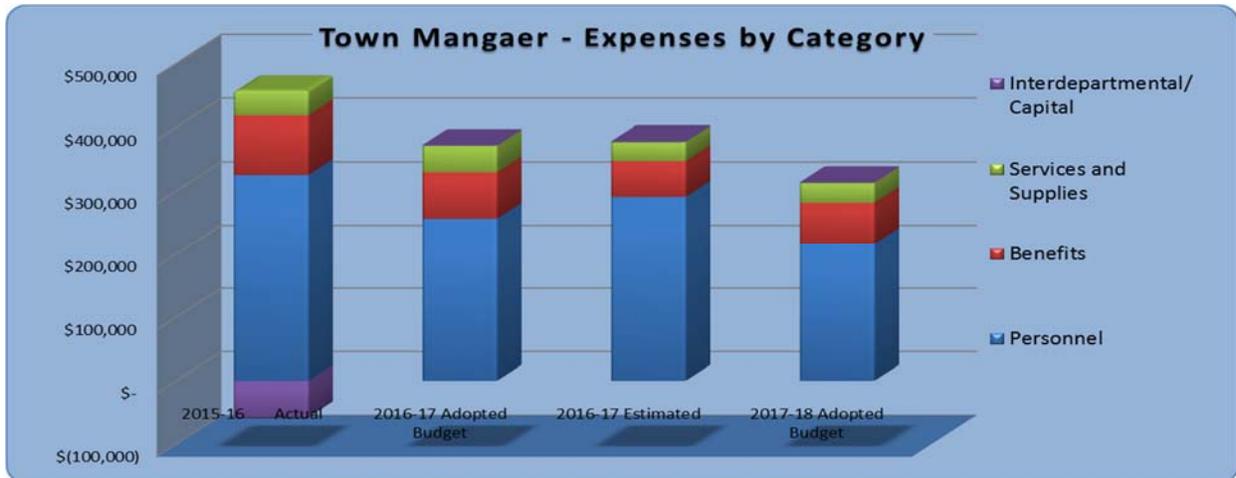
Increases
PT Front Desk \$12,000

Decreases
Personnel and Benefits -\$35,900
Services and Supplies -\$10,500

Narrative

Personnel and Benefits is down due to moving 1/2 of a position to the new Customer Service Department and ½ of a position to the Management Information Systems Department. The Town also discontinued the Interdepartmental charges for the Town Manager Department. Overall the department is projecting a decrease by 16%.

Department Summaries and Performance Measures



Human Resources

General Fund – Department 44
Laura Kyriakakis
Human Resources Director
HumanResources@chinoaz.net
928-636-2646



Human Resources 2.0 FTE
\$233,000

Mission – Develop, implement and support programs and processes that add value to the Town of Chino Valley and its employees, leading to their improved well-being, empowerment, growth and retention, while simultaneously providing a continued commitment to key business strategies and employment law compliance.

Program Description

Human Resources is responsible for the functions and administration in the areas of recruitment and selection, job classification and compensation planning, employee development, employee relations, the total rewards program, and compliance with employment regulations and guidelines as dictated by federal, state and local laws.

FY 2017 Accomplishments

Continued to evaluate the existing Employee Handbook and revised it as necessary to comply with employment laws, statutes & regulations. Created a Personnel Committee that reviews benefits, policies and processes in need of updating and/or revision. Rolled out an online initial enrollment/open enrollment benefits program. Compared the Town’s existing health insurance benefits (cost and coverage) to other like plans in the region and recommended changes as appropriate for the 2017/2018 fiscal year. Rolled out a town-wide training and development program, which has been tailored to the needs of staff; provided more local YCT wellness training opportunities.



\$ SPENT PER CITIZEN
\$20.92

FY 2018 New Initiatives and Goals

Continue to evaluate, revise and update the existing Employee Handbook to ensure compliance with local, state and federal laws. Ensure compliance with Fair Wages and Healthy Families Act (Prop 206) and ARS 38-962. Roll out employee appreciation program (spot award), that supports and promotes the Town’s Core Values. Roll out a separate salary schedule for the Police Department. Introduce an online Human Capital Management System to improve efficiency, limit compliance risk, strengthen security and reduce paperwork. Enhanced onboarding process to improve employee engagement, increase productivity and reduce turnover.

Financial Information

Expenditure by Type					
Description	2015-16 Actual	2016-17 Adopted Budget	2016-17 Estimated	2017-18 Adopted Budget	% Change Adopted to Adopted
Personnel	\$ 134,034	\$ 136,945	\$ 132,000	\$ 140,678	
Benefits	\$ 37,022	\$ 35,655	\$ 44,000	\$ 36,122	
Services and Supplies	\$ 19,606	\$ 49,000	\$ 36,000	\$ 56,200	
Total	\$ 190,662	\$ 221,600	\$ 212,000	\$ 233,000	5%
Number of Employees	1	2		2	

Total Department Change over Prior Fiscal Year

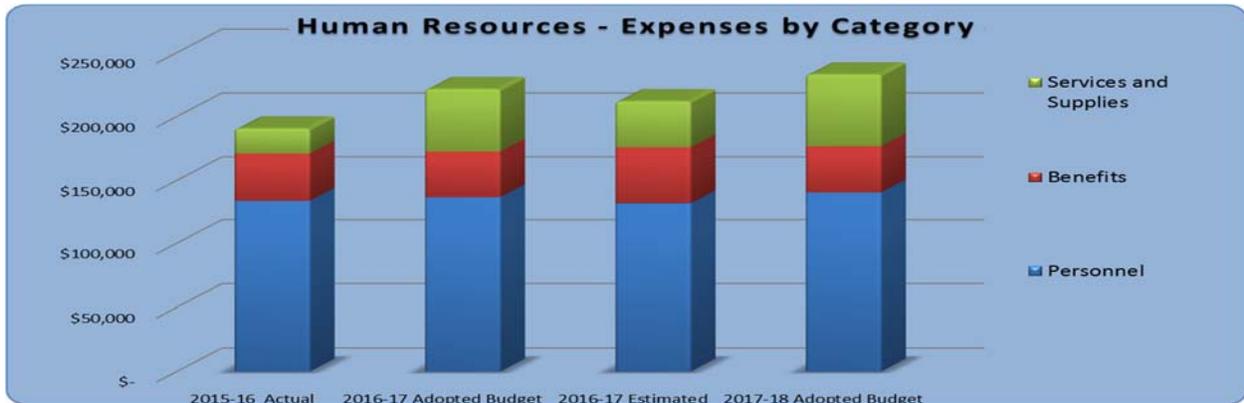
5%

Increases
 Contract Service \$8,000
 Advertising \$2,000

Narrative

Services and Supplies additional costs are associated with the additional cost of the cloud based payroll services and increased advertising expenses for the Police Department. Overall the department is projecting an increase of 5%.

Department Summaries and Performance Measures



Performance Measures	FY 13/14 Actual	FY 14/15 Actual	FY 15/16 Actual	FY 16/17 Projected
# of recruitments processed	21	21	18	34
New positions created	2	3	1	2
# of applications processed	276	304	232	255
Employee turnover rate	24%	23%	20%	26%
Work-related injuries and illnesses	13	4	7	6

Municipal Court

General Fund – Department 45

Catherine Kelley

Magistrate

ckelley@courts.az.gov

928-636-4534



Municipal Court 4.0 FTE
\$ 279,400

Mission – As the judicial branch of government, the mission of the Chino Valley Municipal Court is to provide an independent, accessible, fair, and effective system of justice on behalf of and for the citizens of Chino Valley.

Program Description

The Court has jurisdiction to process and hear cases which arise within the Town limits of Chino Valley, including misdemeanor criminal complaints alleging a violation of Arizona law or Town ordinance, civil and criminal traffic matters, and petitions for an Order of Protection or an Injunction against Harassment. The Magistrate presides over a variety of court proceedings which include initial appearances, arraignments, pretrial disposition conferences, change of plea hearings, sentencing, petitions to revoke probation, order to show cause hearings, motion hearings, civil traffic hearings, jury and non-jury trials, restitution hearings, payment review hearings, and all other hearings as may be required.

FY 2017 Accomplishments

Partial completion of comprehensive Court Policy and Procedures Manual.

Court staff health initiative involving use of varidesks begun to reduce sitting time for staff.

Partial completion of MVD records comparison involving over 2000 cases with dispositional discrepancies between court records and MVD records.

Completed standardization of forms to comply with state law and Supreme Court requirements.

Civil clerk training completed and some cross-training between that desk and criminal desk begun.

FY 2018 Initiatives and Goals

Purge ALL case entries made by Court into AZTEC since courts inception in anticipation of new state-wide court computer system (AJACS) being installed. This involves a review of the status of well over 50,000 ases. Continue and complete the clean-up of Court/MVD records listed above.

Prepare documents, forms, technology and procedures for installation and usage of AJACS court records system.

Complete year one of Arizona Supreme Court security initiative for the courts.

Complete renovation of the court begun in FY 2015 to include installation of panic buttons, exterior painting, paving of back court parking lot and courtroom chair replacement.

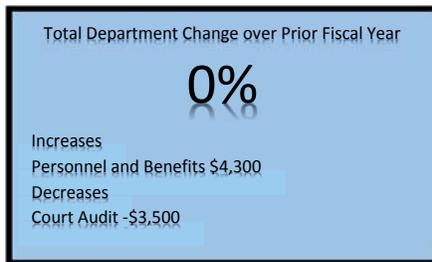
Continue work on Court Policy and Procedures Manual as time permits.



\$ SPENT PER CITIZEN
\$25.27

Financial Information

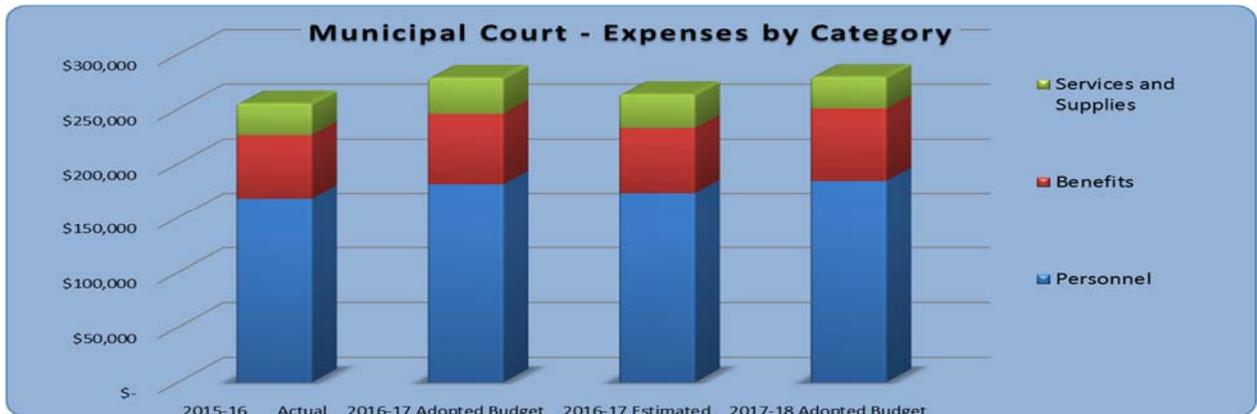
Expenditure by Type					
Description	2015-16 Actual	2016-17 Adopted Budget	2016-17 Estimated	2017-18 Adopted Budget	% Change Adopted to Adopted
Personnel	\$ 167,918	\$ 181,205	\$ 173,000	\$ 184,278	
Benefits	\$ 58,639	\$ 64,795	\$ 60,000	\$ 66,022	
Services and Supplies	\$ 28,376	\$ 32,600	\$ 30,500	\$ 29,100	
Total	\$ 254,933	\$ 278,600	\$ 263,500	\$ 279,400	0%
Number of Employees	4	4		4	



Narrative

Personnel and Benefits were up due to personnel changes within the department and paying Pro Tem judges as employees. Services and Supplies reduced costs are associated with engaging an audit firm that conducts an audit every three fiscal years. Overall the department is projecting a slight increase next fiscal year.

Department Summaries and Performance Measures



Performance Measures	FY 13/14 Actual	FY 14/15 Actual	FY 15/16 Actual	FY 16/17 Projected
DUI	69	56	71	
Total Criminal Traffic	195	215	155	
Total Civil Traffic	842	711	828	
Misdemeanors	252	414	396	
Revenue by Calendar Year	\$80,549	\$93,599	\$130,169	\$121,918

Finance

Finance 3.0 FTE
\$356,200

General Fund – Department 46

Joe Duffy, CPA
Finance Director
jduffy@chinoaz.net
928-636-2646

Mission – The Chino Valley Finance Department’s mission is to administer the financial affairs of the Town through sound financial management practices in order to provide timely, accurate and reliable information to the community.

Program Description - The Finance Department provides the following services for the Town:

Creating and monitoring the annual budget.
Preparing monthly and annual financial reports.
Maintaining the Town’s bank accounts and investments.
Accounts Payable.
Payroll.
Fixed Assets.

\$ SPENT PER CITIZEN
\$31.97

FY 2017 Accomplishments

Received an unqualified opinion on the Fiscal Year 2016 Annual Audit.
Prepared the Town’s Fiscal Year 2017 budget in conformity with the GFOA recommended practices.
Submitted and received the GFOA Distinguished Budget Award.
Prepared the Town’s third Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2016.
Submitted and received the Certificate of Achievement for Excellence in Financial Reporting.

FY 2018 Initiatives and Goals

Oversee the compilation of the Town’s Fiscal Year 2018 Budget in conformity with the GFOA recommended practices.
Prepare a Comprehensive Annual Financial Report (CAFR) for Fiscal Year 2017.
Upgrade current accounting system software.
Set up ACH vendor payment system.
Upgrade and integrate current fixed asset records with Town Clerks, Public Works, and Development Services.

Financial Information

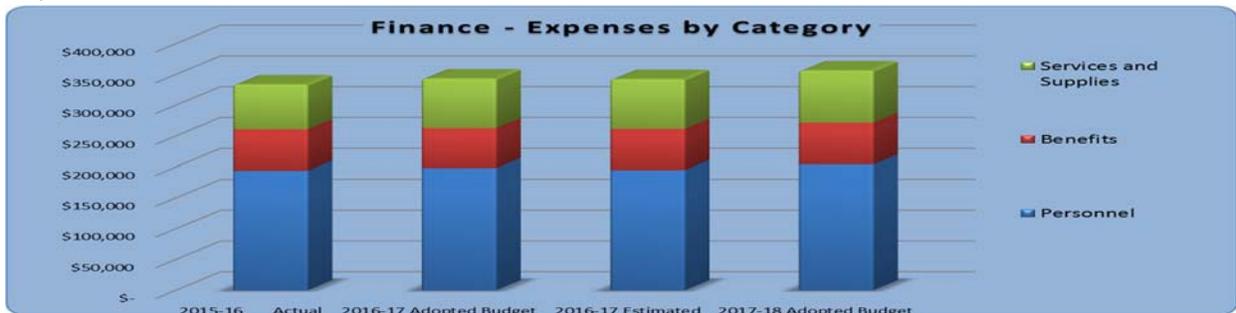
Expenditure by Type					
Description	2015-16 Actual	2016-17 Adopted Budget	2016-17 Estimated	2017-18 Adopted Budget	% Change Adopted to Adopted
Personnel	\$ 193,959	\$ 198,260	\$ 195,000	\$ 204,044	
Benefits	\$ 66,834	\$ 64,440	\$ 66,450	\$ 67,556	
Services and Supplies	\$ 72,819	\$ 80,500	\$ 80,800	\$ 84,600	
Total	\$ 333,612	\$ 343,200	\$ 342,250	\$ 356,200	4%
Number of Employees	3	3		3	



Narrative

Personnel and Benefits are up slightly. Services and Supplies additional costs are associated the contractual increase in audit fees. Overall the department is projecting an increase of 4%.

Department Summaries and Performance Measures



Performance Measures	FY 13/14 Actual	FY 14/15 Actual	FY 15/16 Actual	FY 16/17 Projected
Unqualified Audit Report	Yes	Yes	Yes	Yes
GFOA CAFR Certificate of Achievement Award	Yes	Yes	Yes	Yes
Audit Completion Date	12/15/14	10/30/15	11/29/16	10/30/16
GFOA Distinguished Budget Award	Yes	Yes	Yes	Yes
Accounts Payable and Payroll Payments Processed	4871	5016	5100	5500

Management Information Systems

General Fund – Department 47
Spencer Guest
IT Specialist
sguest@chinoaz.net
928-636-2646



MIS 2.0 FTE
\$285,400

Mission – The mission of Management Information Systems is to support, design, develop and enhance the Town’s information technology (IT), Web and audio visual systems.

Program Description - MIS provides various services to the Town to support the entire IT infrastructure. Foremost, MIS supports resources such as computer systems, networks and servers that allow the Town staff to effectively carry out their normal duties. MIS is additionally responsible for management and preservation of electronic information created during normal Town operations. MIS Maintains the vital communications avenues such as e-mail, phone and Internet access and implements new software, systems and applications to keep Town services running efficiently and maximize the Town’s IT investments. MIS continuously works keep the Town web page updated with the latest content about services, programs and events and manages the audio/visual equipment, filming and production of information and programming that is vital for the Chino Access Television Station. MIS provides assistance to all departments by providing graphic design skills to create flyers, signs and electronic bulletin board advertisements content for the Access Television. MIS manages IT related budget and expenditures throughout the fiscal year to ensure proper spending of Town funds. With the continuous growth of the Town and community, MIS manages expansion of the IT infrastructure and accommodating additional space and staff requirements. MIS helps to establish and maintain IT related policies and procedures by protecting the Town from liabilities inherent in the usage of technology. Lastly, MIS maintains documentation and licensing for the Town to ensure compliance with IT related legal regulations.



\$ SPENT PER CITIZEN
\$25.62

FY 2017 Accomplishments

Work with the Customer Service and Development Services to install the 3 new Customer Service computer stations with receipt printing to allow staff to service the public more effectively.
Research, purchase and deploy a new HD video server for the Access TV station that enhances video quality and allows for web streaming of television programming.
Ongoing management of Document Management System review and demonstrations.
Implementation of Police Portal site allowing entry of daily incident reports for easier shift transition.
Development of a draft Technology Plan.

FY 2018 Initiatives and Goals

Installation, configuration and implementation of the new Windows 2016 Virtual Host server, migration of Virtual Servers and decommissioning of older server. This will fulfill the goals to maintain updated servers environments for the Town.

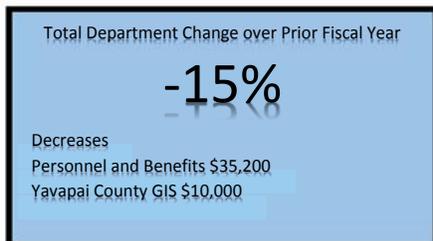
Completion of final technology plan and approval by the Town Council. This will help to fulfill the goal for prioritization of technology initiatives for all Town departments.

Ensure all Library servers are migrated to virtual environment, Internet computers and public access catalogs are upgraded to the newest operating systems and software. This ensures Library remains compatible for the public use on the Internet.

Make a final selection of an enterprise document management vendor and prepare for the deployment of the new system.

Financial Information

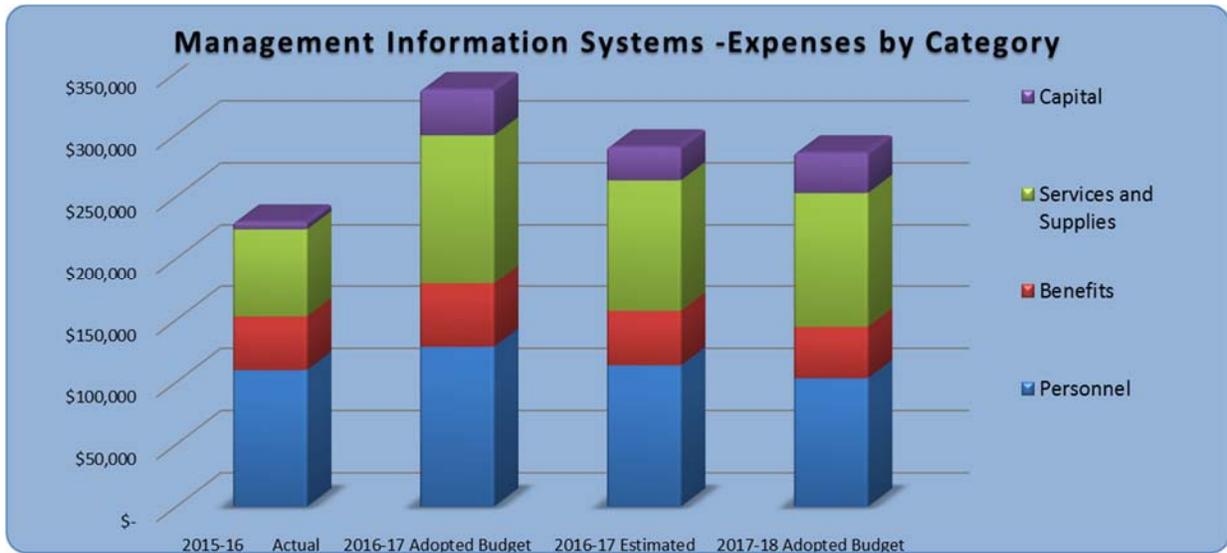
Expenditure by Type					
Description	2015-16 Actual	2016-17 Adopted Budget	2016-17 Estimated	2017-18 Adopted Budget	% Change Adopted to Adopted
Personnel	\$ 109,713	\$ 128,458	\$ 113,500	\$ 103,125	
Benefits	\$ 43,093	\$ 51,042	\$ 43,750	\$ 41,275	
Services and Supplies	\$ 70,876	\$ 119,900	\$ 105,900	\$ 108,500	
Capital	\$ 6,000	\$ 37,000	\$ 27,000	\$ 32,500	
Total	\$ 229,682	\$ 336,400	\$ 290,150	\$ 285,400	-15%
Number of Employees	2	2.5		2.0	



Narrative

Personnel and Benefits decreased due to eliminated a part-time position. Services and Supplies decreased due to not renewing the contract with Yavapai County for GIS Services. The Department has budgeted \$30,000 for Document Management Software. Overall the department is projecting a decrease of 15%.

Department Summaries and Performance Measures



Performance Measures	FY 14/15 Actual	FY 15/16 Actual	FY 16/17 Projected
# of Computers in Service	121	127	129
# of Servers in Service	13	15	16
# of Printers In Service	32	32	39
Number of Service Tickets Closed	450	491	350

Mayor and Council



General Fund – Department 50

Darryl L Croft

Mayor

dcroft@chinoaz.net

928-636-2646

Mission – The mission of the Town of Chino Valley Council is to enhance the quality of life for its citizens while supporting the values of the community.

Program Description - The Mayor and Council is the legislative branch of the Chino Valley Council-Manager form of Government. The Town Council enacts local legislation, develops policies for the Town Manager to

implement and adopts the annual budget. The Council appoints the Town Manager, Town Attorney, Court Magistrate, and members of various boards, commissions, and committees.

\$ SPENT PER CITIZEN
\$3.65

Financial Information

Expenditure by Type					
Description	2015-16 Actual	2016-17 Adopted Budget	2016-17 Estimated	2017-18 Adopted Budget	% Change Adopted to Adopted
Personnel	\$ 9,100	\$ 19,200	\$ 17,900	\$ 19,195	
Benefits	\$ 757	\$ 1,500	\$ 1,400	\$ 1,505	
Services and Supplies	\$ 16,759	\$ 22,500	\$ 16,000	\$ 20,000	
Total	\$ 26,616	\$ 43,200	\$ 35,300	\$ 40,700	-6%

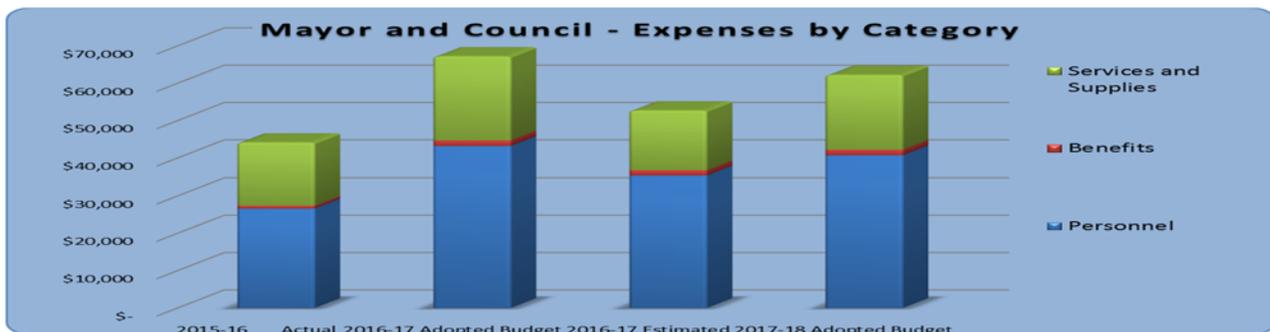
Total Department Change over Prior Fiscal Year

-6%

Decreases
Services and Supplies \$2,500

Narrative

Services and Supplies are down slightly over last fiscal year. Overall the department is projecting a decrease of 6%.



Planning

General Fund – Department 55
Vacant
Development Services Director
928-636-4427

Planning 2.0 FTE
\$208,500

Mission - The mission of the Planning Department is to facilitate growth and development within the Town of Chino Valley. By following the General Plan and supporting Specific Area Plans, staff will assist in creating a community that provides employment, recreation, residential, and retail opportunities for all.

Program Description

The Planning Department provides detailed information regarding properties, land use, and zoning regulations. The department processes rezoning applications, provides technical review for development projects, administers the General Plan, and provides support to the Planning and Zoning Commission.

\$ SPENT PER CITIZEN
\$19.14

As the economy continues to recover, development activities will continue to increase. The number of site plan reviews nearly doubled from 15/16 to 16/17 while the number of zone change requests increased from 7 to 10, or 30%. An increase of three (3) zone changes may not seem like much, however, one of the zone changes/PAD applications resulted in a 224-unit multi-family apartment project, the first of its kind in the community. A number of additional residential and mixed-use projects are in the pre-development pipeline and should obtain final approval during the first half of FY 17/18.

FY 2017 Accomplishments

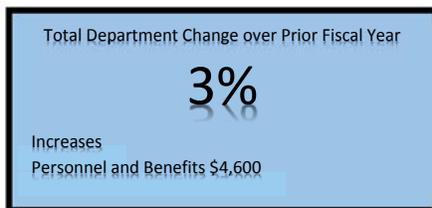
- Update Focused Future with APS
- Continue Economic Development and Retail Attraction efforts
- Complete Interdepartmental Strategic Plan
- Complete Master Plan and Supporting Legal Documents for Old Home Manor Industrial Park
- Pursue grant funding opportunities

FY 2018 Initiatives and Goals

- Complete the Old Home Manor Industrial Park Master Plan
- Continue focus on Retail Attraction efforts
- Pursue grant funding opportunities

Financial Information

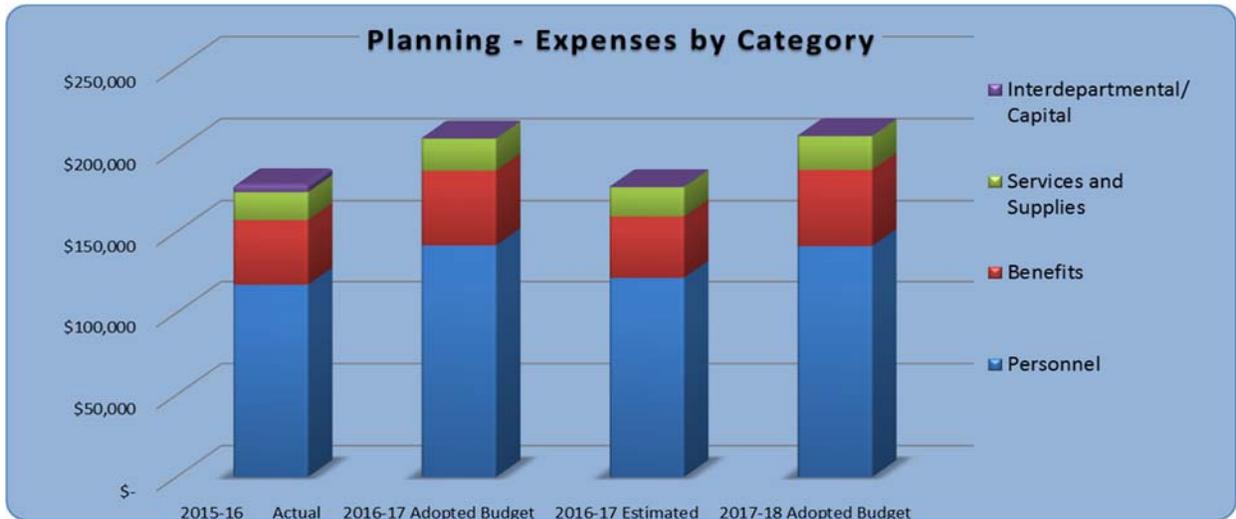
Expenditure by Type					
Description	2015-16 Actual	2016-17 Adopted Budget	2016-17 Estimated	2017-18 Adopted Budget	% Change Adopted to Adopted
Personnel	\$ 117,349	\$ 141,900	\$ 121,500	\$ 141,452	
Benefits	\$ 39,942	\$ 45,500	\$ 38,000	\$ 46,448	
Services and Supplies	\$ 17,071	\$ 19,600	\$ 17,900	\$ 20,600	
Interdepartmental/Capital	\$ 4,500	\$ -	\$ -	\$ -	
Total	\$ 178,862	\$ 207,000	\$ 177,400	\$ 208,500	1%
Number of Employees	2	2		2	



Narrative

Personnel and Benefits are up due to a position being re-classed last fiscal year. Overall the department is projecting an increase of 3%.

Summaries and Performance Measures



	FY 13/14 Actual	FY 14/15 Actual	FY 15/16 Actual	FY 16/17 Projected
Neighborhood Meetings	10	9	7	10
UDO Amendment	21	3	12	8
Rezoning	5	7	10	15
Lot Splits	95	94	90	110
Site Plan Reviews	15	10	19	25

Building Inspection



General Fund – Department 56
Dan Trout
Chief Building Official
dt trout@chinoaz.net
928-636-4427

Mission - The Town of Chino Valley’s Building Department’s mission is to provide the public with outstanding customer service through dedication and commitment to excellence throughout the entire process for building.

Program Description - The Building Division reviews all applications and building plans for compliance and issues building permits for all development projects, residential and commercial, in the town. The safety of residential and commercial structures is regulated by the enforcement of building codes adopted by the Town Council. These codes include the 2012 International Building, Residential, Mechanical, Plumbing, and Fuel Gas Codes, as well as the 2011 National Electrical Code.

FY 2017 Accomplishments

Begin the process of amending for adoption, the 2015 International Building Codes. These periodic adoptions help maintain consistency in building regulations with neighboring jurisdictions as well as satisfy requirements from ISO for audits.

Begin data migration of the entire parcel file history to Citizen Serve Software Application.

FY 2018 Initiatives and Goals

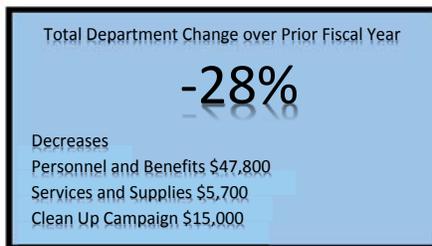
Continue streamlining permitting and inspection process.

Continue to transition to a paperless plan submittal, plan review and inspections.

Continue data migration of the entire parcel file history to Citizen Serve Software Application.

Financial Information

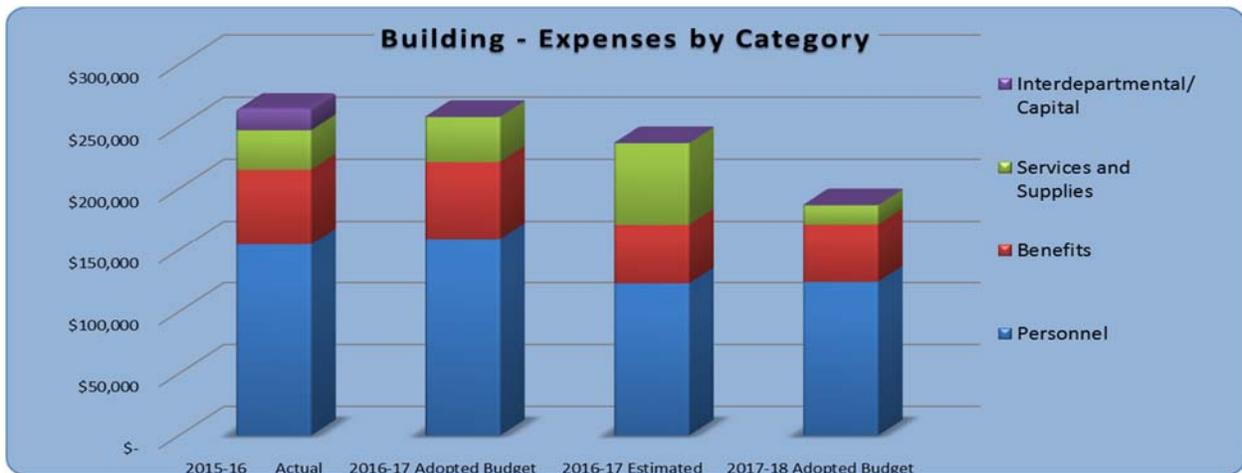
Expenditure by Type					
Description	2015-16 Actual	2016-17 Adopted Budget	2016-17 Estimated	2017-18 Adopted Budget	% Change Adopted to Adopted
Personnel	\$ 154,741	\$ 159,317	\$ 123,000	\$ 124,220	
Benefits	\$ 60,544	\$ 62,083	\$ 48,000	\$ 46,880	
Services and Supplies	\$ 31,792	\$ 36,300	\$ 65,640	\$ 15,600	
Interdepartmental/Capital	\$ 17,500	\$ -	\$ -	\$ -	
Total	\$ 264,577	\$ 257,700	\$ 236,640	\$ 186,700	-28%
Number of Employees	3	3		2	



Narrative

Interdepartmental Charges are no longer being charged to the Building Department. Personnel and Benefits were decreased due to the Customer Service Department now overseeing Code Enforcement. Overall the department is projecting a decrease of 28%.

Summaries and Performance Measures



Performance Measures	FY 13/14 Actual	FY 14/15 Actual	FY 15/16 Actual	FY 16/17 Projected
Number of Residential Permits	220	222	251	266
Number of Commercial Permits	13	64	52	48
Value of Building Permits	\$8,406,970	\$11,484,340	\$12,121,864	\$23,648,651
Number of Code Enforcement Cases Initiated/Completed	No Data Available	77	160	169
Number of Code Enforcement Citations Issued	No Data Available	28	47	136

Police

General Fund – Department 60

Chuck Wynn

Chief of Police

cwynn@chinoaz.net

928-636-4223



Mission - Employees of the Chino Valley Police Department are dedicated to providing our community with the best professional services available within our resources. We are committed to establishing close working relationships with our citizens,

businesses and visitors to resolve problems and issues

Program Description

Utilizing state of the art policing methods the police department is able to proactively patrol and enforce criminal, traffic and town laws and ordinances. The department has utilized staff to provide ideas, methods and solutions by “thinking outside the box”. This approach has allowed the department to stretch the limited operating budget and provide the highest level of policing service to the public. The production, dedication and enthusiasm provided by the department ensures we maximize resources to ensure success of the department’s mission.

Police Department staff have donated time and expertise to ensure outside funding and resources, such as the Federal 1033 program, RICO funds and collaboration with private organizations, are obtained and utilized to increase training capabilities of the department and town. We have a facility and location to train our staff, as well as those around us, which enables our staff to obtain the latest and greatest training in the profession. The ability of the department to tap internal resources to ensure the training facility is operational, functional and capable of providing the needed training is like none seen anywhere else in this profession.

\$ SPENT PER CITIZEN
\$255.97

The department has been, and continues to be, successful in obtaining federal, state and private grants to provide equipment, resources and staffing outside those available through the town.

FY 2017 Accomplishments

Developed and implemented 2 Police Citizen Academy sessions, hosting 20 citizens per session.

Began hosting “Coffee With A Cop” once a month.

Conducted 9 trainings in the new range classroom. All officers attended at least 2 of these trainings, saving the department and the Town training dollars and per diem.

Currently the department is down only one position, with one in the hiring process. We are closer to being fully staffed than in the past.

Substantially increased attendance at National Night out ~ participants and attendees.

Joined Prescott PD in implementing Alzheimer’s Aware, giving ID bracelets to dementia patients.

FY 2018 Initiatives and Goals

Begin construction of a tactical village for training.

Move Sgt. Responsibilities to the new Civilian Officer position, allowing Sargent’s more time on the road.

Work with Finance and HR on retention of officers.

Begin rollout of body cameras and evaluate the system.

Financial Information

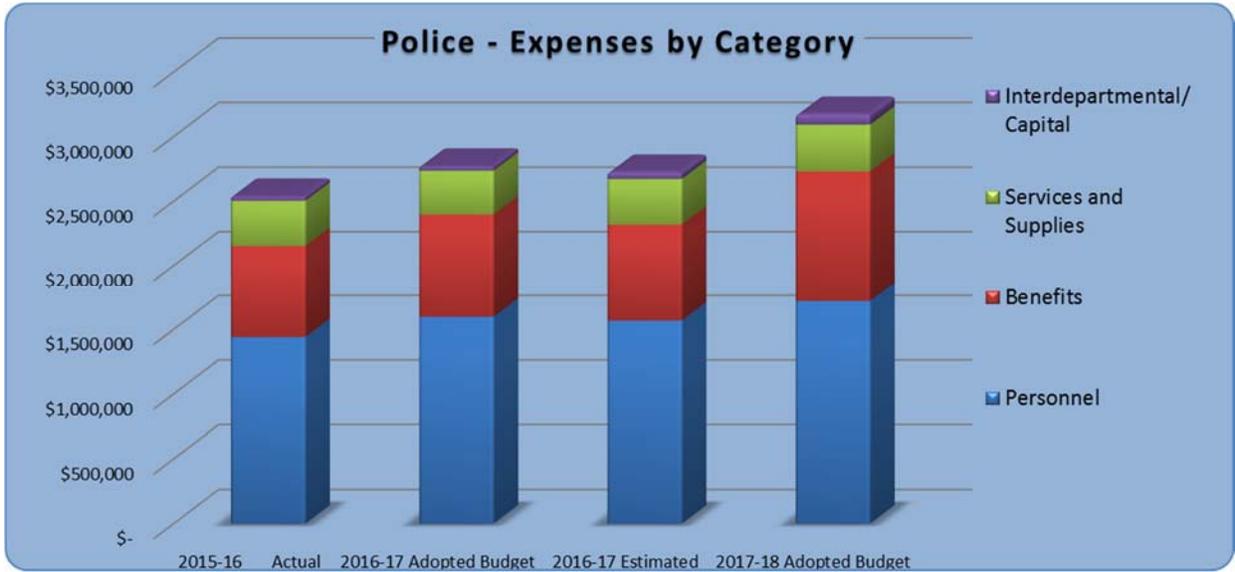
Expenditure by Type					
Description	2015-16 Actual	2016-17 Adopted Budget	2016-17 Estimated	2017-18 Adopted Budget	% Change Adopted to Adopted
Personnel	\$ 1,440,915	\$ 1,597,540	\$ 1,569,000	\$ 1,720,385	
Benefits	\$ 712,087	\$ 798,960	\$ 750,000	\$ 1,010,014	
Services and Supplies	\$ 350,206	\$ 339,500	\$ 353,000	\$ 362,000	
Interdepartmental/Capital	\$ 32,761	\$ 32,800	\$ 52,800	\$ 81,800	
Total	\$ 2,535,969	\$ 2,768,800	\$ 2,724,800	\$ 3,174,200	15%
Number of Employees	28	28.5		30.0	



Narrative

Personnel increased due to a ½ time officer position going to full time and one additional non-sworn position. Sworn officer salaries were adjusted across the board to reflect current market conditions in order to retain existing staff and improve recruitment. Benefits increased due to pension and health insurance increases. Services and Supplies due to an increase in the Yavapai County Sheriffs contract and an overall increase in operating expenses. Capital reflects the lease purchase payments for new police cars. Overall the department is projecting an increase of 15%.

Department Summaries and Performance Measures



Performance Measures	FY 13/14 Actual	FY 14/15 Actual	FY 15/16 Actual	FY 16/17 Projected
Total Arrests	513	720	495	500
Citations Issued	934	815	1169	1200
Warnings Issued	2431	2173	2034	2100
Total Departmental Reports	11120	10957	11125	11500
Dispatched Calls for Service	4698	4473	4871	5000

Animal Control

General Fund – Department 61
Bethany Steinmann
Animal Control Officer
bsteinmann@chinoaz.net
928-636-2646



Animal Control 2.5 FTE
\$129,100

Mission

Promote responsible pet ownership by enforcing town ordinances in regards to domestic animals. Provide quality care and find homes for abandoned animals with their best interests at heart.

Program Description

Animal Control is responsible for enforcing town code and state statute relating to animal issues (primarily dogs) within the town limits. Animal Control also operates the Animal Shelter and is responsible for selling dog licenses and ensuring dogs have been properly vaccinated for rabies. Animal Control responds to calls from the public as well as visual observation of dogs running at large, cruelty and neglect cases and nuisance barking complaints.



\$ SPENT PER CITIZEN
\$11.86

FY 2017 Accomplishments

Completed fencing for dog runs on concrete pad poured in FY 16. This created 5 new dog runs and 1 new play yard.
Worked with the Parks & Recreation Department and had the shelter parking area graveled.
Purchased and installed decomposed granite for outdoor play yards.
With volunteer raised funds, we installed metal roofing and siding on new outdoor kennels.
With volunteer raised funds we installed 45° fencing on top of the newly installed fencing around the perimeter of the new dog kennels and play yard.

FY 2018 Initiatives and Goals

ACO Tweedy train for Livestock Certification
Increase TNR (Trap Neuter Release) program participation
Install guillotine doors in kennels to increase the emergency capacity

Financial Information

Expenditure by Type					
Description	2014-15 Actual	2016-17 Adopted Budget	2016-17 Estimated	2017-18 Adopted Budget	% Change Adopted to Adopted
Personnel	\$ 66,635	\$ 72,652	\$ 65,700	\$ 73,341	
Benefits	\$ 20,767	\$ 24,048	\$ 19,800	\$ 24,059	
Services and Supplies	\$ 29,615	\$ 31,600	\$ 26,500	\$ 31,700	
Interdepartmental/Capital	\$ -	\$ -	\$ -		
Total	\$ 117,017	\$ 128,300	\$ 112,000	\$ 129,100	1%
Number of Employees	2.5	2.5		2.5	

Total Department Change over Prior Fiscal Year
-1%

Narrative

Overall the department is projecting an increase of 1%.

Department Summaries and Performance Measures



Performance Measures	FY 13/14 Actual	FY 14/15 Actual	FY 15/16 Actual	FY 16/17 Projected
Animal Related Calls	829	1272	1000	
Impounded Dogs	315	301	320	
Adopted Dogs	121	136	150	
Dog Licenses Sold	1807	1839	1850	
Dogs Returned to Owner	186	160	175	

Recreation

General Fund – Department 63
Scott Bruner
Community Services Director
sbruner@chinoaz.net
928-636-9780



Recreation 1.5 FTE
\$112,700

Mission

The Recreation Department is committed to providing safe, welcoming parks, recreation facilities, programs and events that encourage a healthy lifestyle, citizen participation and a strong sense of community.

Program Description

The Recreation Department is responsible for creating and maintaining parks and recreational programs for the citizens of the Town of Chino Valley.



\$ SPENT PER CITIZEN
\$9.86

FY 2017 Accomplishments

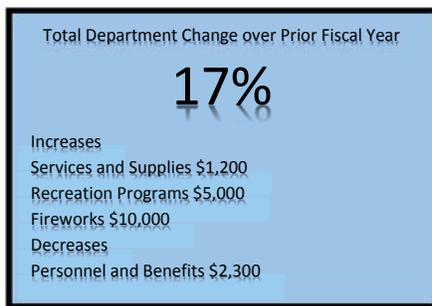
Continue coordination effort between Town of Chino Valley and local non-profit organizations to provide Halloween activities at little or no cost.
Continue coordination effort between Town of Chino Valley and local non-profit organizations to provide recreational activities at little or no cost.
Develop Parks and Recreation needs assessment.
Develop and expand statistical data for performance measures and development of new programs.

FY 2018 Initiatives and Goals

Remodel and repair Community Center.
Establish a Boys and Girls Club in Chino Valley.
Relocated Recreation Services and Parks Maintenance to Community Center.
Purchase recreational reservation software to improve management of recreational facilities.
Add a new Recreation Lead to oversee all recreational activities, programs, and events.

Financial Information

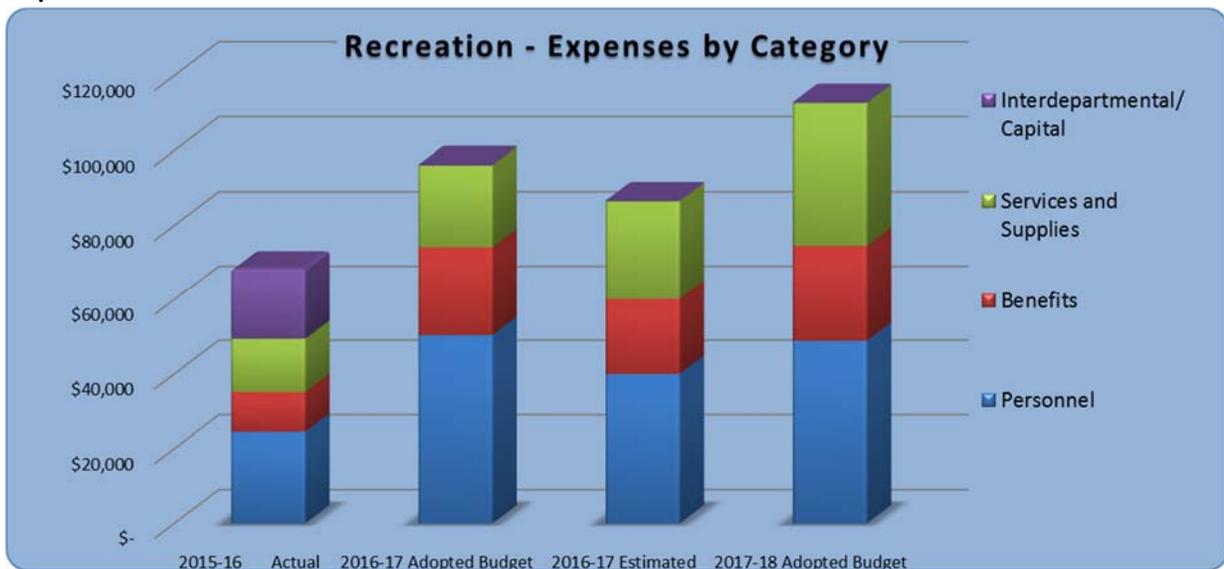
Expenditure by Type					
Description	2015-16 Actual	2016-17 Adopted Budget	2016-17 Estimated	2017-18 Adopted Budget	% Change Adopted to Adopted
Personnel	\$ 24,487	\$ 50,434	\$ 40,000	\$ 48,923	
Benefits	\$ 10,673	\$ 23,766	\$ 20,236	\$ 25,678	
Services and Supplies	\$ 14,288	\$ 21,900	\$ 26,300	\$ 38,100	
Interdepartmental/Capital	\$ 19,000	\$ -	\$ -	\$ -	
Total	\$ 68,448	\$ 96,100	\$ 86,536	\$ 112,700	17%
Number of Employees	0.5	1.5		1.5	



Narrative

Personnel and Benefits are down slightly. Services and Supplies additional costs are associated with additional recreation program and advertising expenses. Fireworks was also budgeted separately this year. Overall the department is projecting an increase of 17%.

Department Summaries and Performance Measures



Library

General Fund – Department 64
Scott Bruner
Community Services Director
sbruner@chinoaz.net
928-636-2687



Library 5.5 FTE
\$329,700

Mission

The Chino Public Library exists to serve the informational needs of our community. We strive to create a friendly environment that connects people with resources, programs, referrals, and technology to enrich their lives and expand their imagination and knowledge.

Program Description

The Chino Valley Public Library offers a vast variety of free educational materials and services to the public. The Library has over 40,000 books, 4,000 videos, 1,000 Audio's, 100 magazines, 8 local and national newspapers, with puzzles and CD's for the whole family. Over 200 educational and children's programs are available throughout the year.

In addition, the Library offers nine on-line computerized card catalogs, sixteen internet terminals (plus wireless) that also feature word-processing and spreadsheets. Internet computers are equipped with headphones with downloading capability and online access with full text research articles and electronic reference databases. There is also a children's computer room with seven educational computers offering a vast array of learning programs.

The Chino Valley Library is a member of the Yavapai Library Network giving Chino Valley citizens access to all 40 libraries in the County, and their holdings. Chino Valley citizens have access to over one million items which they can place holds on. Chino Valley patrons can access our web site from the comforts of their home, or wherever they may be in the world, and place holds, renew their books, videos, search our database or download e-books.



\$ SPENT PER CITIZEN
\$29.31

Children's programs are offered free to the public four times a week throughout the year. The Summer Reading Program is the most popular programming in the Library.

It should be noted that The Friends of the Chino Valley Library continue to save the Town thousand of dollars each year in volunteer labor costs

FY 2017 Accomplishments

The integration of Memory Park to the doorstep of the Southside entrance of the Library enabling an extended “outdoor reading area”, expanded playground, planting of trees, bushes and placement of tables/benches.

The building and expansion of the Library’s Technical Services Area, for the Friends of the Library to work and process their book sales items.

The building and relocation of the Library Director’s office.

The complete deletion of VHS tapes from the Library due to it being an outdated media source

FY 2018 Initiatives and Goals

Increase and double Library Summer Reading Program donors and sponsors.

Start and complete the Memory Park/Library expansion.

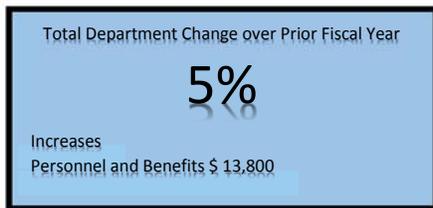
Create outdoor reading areas with additional benches and tables.

Install three lard metal sculptures on the south entrance.

Downsize and purge the reference section.

Financial Information

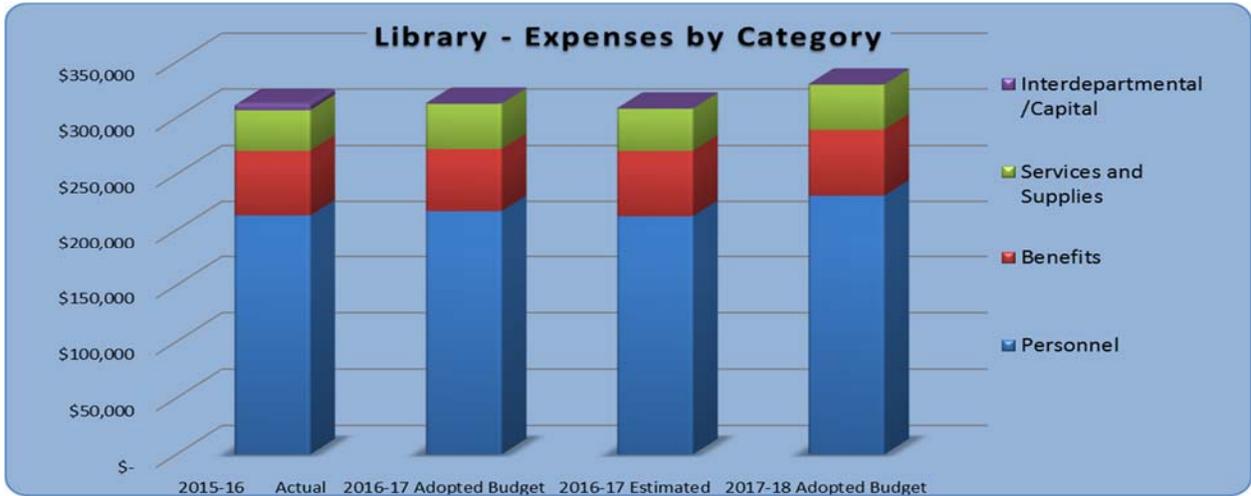
Expenditure by Type					
Description	2015-16 Actual	2016-17 Adopted Budget	2016-17 Estimated	2017-18 Adopted Budget	% Change Adopted to Adopted
Personnel	\$ 213,194	\$ 217,070	\$ 212,500	\$ 230,873	
Benefits	\$ 57,840	\$ 55,530	\$ 58,500	\$ 58,627	
Services and Supplies	\$ 35,857	\$ 40,000	\$ 37,250	\$ 40,200	
Interdepartmental/Capital	\$ 6,000	\$ -	\$ -	\$ -	
Total	\$ 312,891	\$ 312,600	\$ 308,250	\$ 329,700	5%
Number of Employees	4	5		5.5	



Narrative

Personnel and Benefits are up slightly over the prior fiscal year. Services and Supplies remain flat and Interdepartmental charges are no longer being assessed to the department. Overall the department is projecting an increase of 5%.

Summaries and Performance Measures



Performance Measures	FY 13/14 Actual	FY 14/15 Actual	FY 15/16 Actual	FY 16/17 Projected
Number of Registered Library Users	5,152	6,307	6,500	7,399
Total Attendance in Library per year	60,380	62,346	64,000	66,131
Total Circulation Transactions per year	119,033	112,843	115,000	119,721
Printed materials	44249	45557	46000	56,671
Total Volunteer hours	7226	6420	6500	5728

Senior Center

General Fund – Department 66
Cyndi Thomas
Senior Services Administrator
cthomas@chinoaz.net
928-636-9114



Senior Center 4.25 FTE
\$317,400

Mission

The Mission of Chino Valley Senior Services is to provide opportunities for participation with social interaction, education, recreation, nutrition, wellness, and referral information to enhance the quality of life for the adult population of Chino Valley.

Program Description

The Chino Valley Senior Center administers and supports the Meals on Wheels program and provides a setting for daily congregate meals, artistic performances and exhibits, social gatherings, dances, enrichment programming, health programming, social services, referral services and educational life skill training for our adult population. Additionally, many off campus programs and trips are planned each year. The center provides activity and meeting space for numerous community organizations and other Town departments.

Currently, Senior Services staff consists of an Administrator, cook, an assistant cook and a part time kitchen assistant. Additionally, numerous volunteers are utilized as Meals-on-Wheels drivers, program drivers, program facilitators, facility hosts, kitchen help and thrift store operators.



\$ SPENT PER CITIZEN
\$26.99

FY 2017 Accomplishments

Will continue to encourage outside funding and larger donations; we will work at securing \$7,000 in donations this fiscal year.

Develop a fundraising campaign to cover the outside patio.

Increase participation and awareness of CCEO, working to have them make more of an impact on our organization and our community.

Will continue to develop SOPs to ensure consistency within the operation.

Continue developing a more comprehensive activities program to include enrichment, wellness and fitness programs by building stronger partnerships with other senior programs.

FY 2018 Initiatives and Goals

Increase awareness and understanding of aging issues in the Chino Valley Community.

Increase the ability of older adults to remain active and healthy.

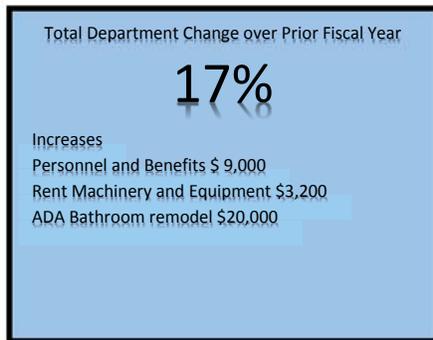
Enhance opportunities and collaborations for transportation services for seniors in the Chino Valley Community.

Implement new data management systems to improve operational efficiency.

Develop a strategy for private pay and/or sliding fee scale for meal services that will not interfere with older American Act and/or State funds as appropriate.

Financial Information

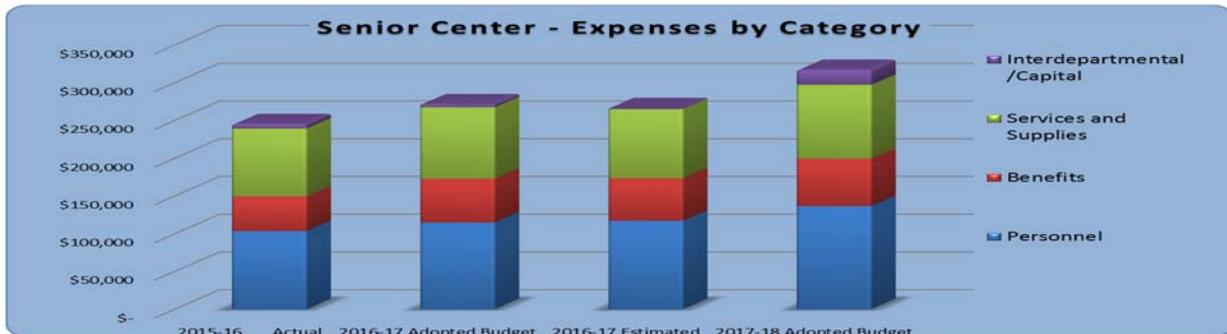
Expenditure by Type					
Description	2015-16 Actual	2016-17 Adopted Budget	2016-17 Estimated	2017-18 Adopted Budget	% Change Adopted to Adopted
Personnel	\$ 103,640	\$ 114,984	\$ 117,200	\$ 136,713	
Benefits	\$ 45,931	\$ 57,916	\$ 56,300	\$ 62,787	
Services and Supplies	\$ 89,946	\$ 94,700	\$ 91,800	\$ 97,900	
Interdepartmental/Capital	\$ 6,000	\$ 4,000	\$ -	\$ 20,000	
Total	\$ 245,517	\$ 271,600	\$ 265,300	\$ 317,400	17%
Number of Employees	3.5	3.5		4.25	



Narrative

Personnel and Benefits are up due to an increased number of hours for the assistant cook. Services and Supplies additional costs are associated with renting a dishwasher. Capital includes remodeling bathrooms to be ADA compliant. Overall the department is projecting an increase of 17%.

Summaries and Performance Measures



Performance Measures	FY 13/14 Actual	FY 14/15 Actual	FY 15/16 Actual	FY 16/17 Projected
Total Meals Served In House	10,647	11,606	13,452	14,000
Total Meals Delivered	7,836	10,582	13,200	14,000
Building Usage	3,654	4,284	4162	4,500
Programs	1,205	1,036	10,250	10,000
Trips	840	572	432	500

Parks Maintenance

General Fund – Department 68
Scott Bruner
Community Services Director
sbruner@chinoaz.net
928-636-6084

Parks Maintenance
2.0 FTE \$430,200

Mission

The Parks and Recreation Department are committed to providing safe, welcoming parks, recreation facilities, and programs and events that encourage a healthy lifestyle, citizen participation and a strong sense of community.

Program Description

The Parks and Recreation Division is responsible for creating and maintaining parks and recreational programs for the citizens of the Town of Chino Valley. Each facility requires the maintenance of turf, foliage, shrubs, aggregate, playground equipment, irrigation systems, etc., necessary to provide a safe and convenient recreation experience for both adults and children participating in organized sports or just a casual location for the family seeking to experience the beauties of Chino Valley.

\$ SPENT PER CITIZEN
\$38.62

FY 2017 Accomplishments

- Develop and implement Parks turf water conservation program.
- Develop Parks and Recreation capital & community needs assessment.
- Develop comprehensive parks maintenance program.
- Develop Memory Park / Library expansion integration construction plans and identify and submit applications for grant funding.

FY 2018 Initiatives and Goals

- Remodel and upgrade Memory Park restrooms.
- Complete Memory Park expansion to Library.
- In cooperation with Library, install three metal sculptures and water feature in Memory Park.
- Development and expansion of the Community Center Walking Trail.
- Reroof and paint of all parks facility sheds and buildings.

Financial Information

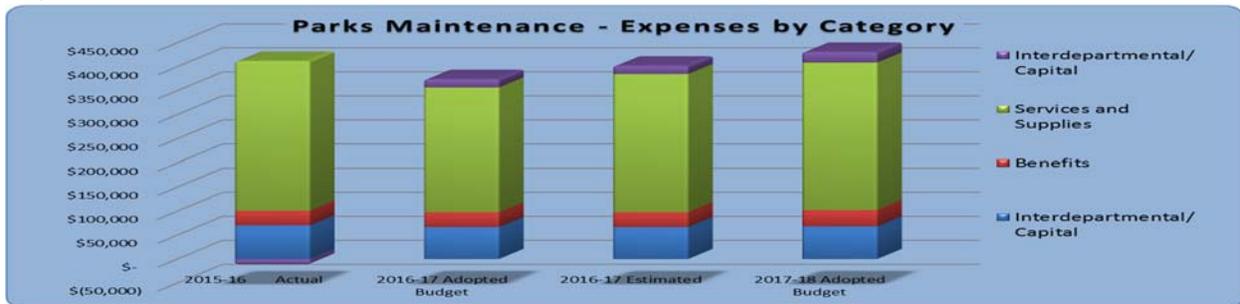
Expenditure by Type					
Description	2015-16 Actual	2016-17 Adopted Budget	2016-17 Estimated	2017-18 Adopted Budget	% Change Adopted to Adopted
Personnel	\$ 70,426	\$ 66,702	\$ 66,700	\$ 68,374	
Benefits	\$ 30,053	\$ 30,698	\$ 30,698	\$ 33,526	
Services and Supplies	\$ 310,855	\$ 259,200	\$ 287,250	\$ 306,500	
Interdepartmental/Capital	\$ (12,280)	\$ 16,800	\$ 16,800	\$ 21,800	
Total	\$ 399,054	\$ 373,400	\$ 401,448	\$ 430,200	15%
Number of Employees	3	2		2	



Narrative

Personnel and Benefits are up slightly. Contract and Support Services are up due to increasing the budget for temporary contract employees. Water is up based on historical usage and the emphasis to improve the quality of the fields. Capital is up due to lease purchasing several new pieces of equipment. Overall the department is projecting an increase of 15%.

Department Summaries and Performance Measures



Performance Measures	FY 13/14 Actual	FY 14/15 Actual	FY 15/16 Actual	FY 16/17 Projected
Total Park Acres	114	114	114	114
Number of Youth Organizations using Park Facilities	10	10	12	16
Total Acres of Active Parks	9.3	9.3	9.3	9.3
Total Acres of Turf	19.65	19.65	19.65	19.65
Total Gallons of Water used per Acre of Turf	650,000	650,000	750,000	700,000

Aquatic Center

General Fund – Department 69
Scott Bruner
Community Services Director
sbruner@chinoaz.net
928-636-9780



Aquatic Center .5 FTE
\$215,800

Mission

The Recreation Department oversees the Aquatic Center Operation and is committed to providing safe, welcoming parks, recreation facilities, programs and events that encourage a healthy lifestyle,

citizen participation and a strong sense of community.

Program Description

The Recreation Department operates the Aquatics Center from May through August each year. During the season the Center offers swim lessons, water aerobics, public swim sessions, as well as renting the facility for special events.



\$ SPENT PER CITIZEN
\$18.50

FY 2017 Accomplishments

Increase cost recovery percentage.

Increase use of the facility by increasing advertising campaign and improving existing programming.

Expand statistical data for performance measures to include details in general admission use per category.

Begin development of in house certification process for water safety instructor trainer and water safety instructors

Develop and implement water safety program in coordination with local non-profit organization at no cost to the community or the Town of Chino Valley.

FY 2018 Initiatives and Goals

In cooperation with Yavapai Regional Transit, establish a pool voucher program for Paulden area children.

Install a new high efficiency pool heater.

Complete remodel and facelift of the Aquatic Center: new paint, tile, roof, sinks and general repairs.

Expand the use of the facility year round by renting the Conference Room to the public.

Increase facility use rentals.

Financial Information

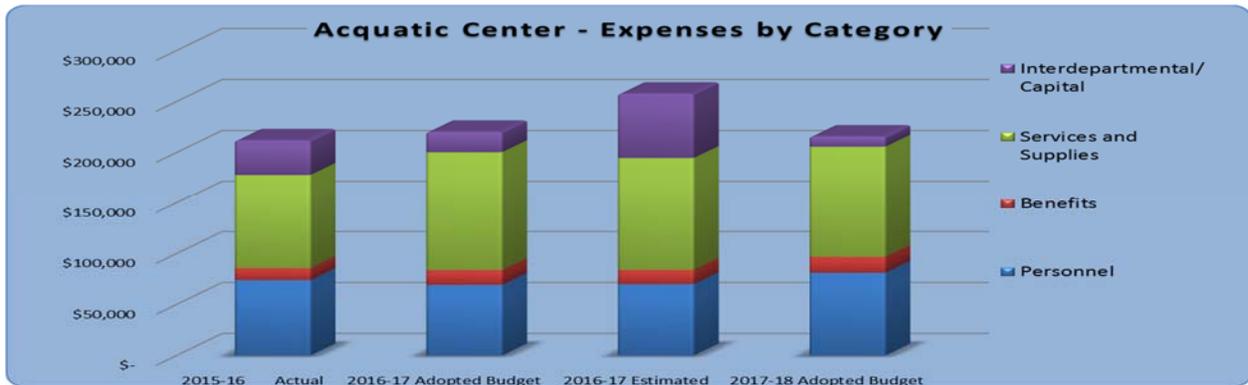
Expenditure by Type					
Description	2015-16 Actual	2016-17 Adopted Budget	2016-17 Estimated	2017-18 Adopted Budget	% Change Adopted to Adopted
Personnel	\$ 74,035	\$ 69,393	\$ 70,000	\$ 81,264	
Benefits	\$ 11,566	\$ 14,407	\$ 14,000	\$ 15,437	
Services and Supplies	\$ 92,420	\$ 116,600	\$ 110,704	\$ 109,100	
Interdepartmental/Capital	\$ 34,000	\$ 20,000	\$ 63,075	\$ 10,000	
Total	\$ 212,021	\$ 220,400	\$ 257,779	\$ 215,800	-2%
Number of Employees	0.5	0.5		0.5	



Narrative

Personnel and Benefits are up due to the change in the minimum wage for lifeguards. Services and Supplies are down due to the projected saving in natural gas after the installation of a new heater. Overall the department expenses are projected a decrease by 2%.

Department Summaries and Performance Measures



Performance Measures	FY 13/14 Actual	FY 14/15 Actual	FY 15/16 Actual	FY 16/17 Projected
General Admission	13,052	12,225	10,468	12,500
Aqua fit Attendance	132	93	90	125
Swim Lessons	184	196	163	200
Entrance Fees	\$46,247	\$43,740	\$37,406	\$46,000
Concession Sales	\$11,820	\$13,488	\$11,537	\$12,500

Facilities Maintenance

General Fund – Department 71
Kenny Tribolet
Public Works Manager
ktribolet@chinoaz.net
928-636-7140



Mission

The Facilities Maintenance Department is committed to maintaining the Town's facilities in a manner to guarantee the safety of the facilities users while performing routine maintenance and repairs in a responsible manner.

Program Description

The Facilities Department is responsible for maintenance services including scheduled and preventive maintenance, in house remodeling projects and divisional moves. The Facilities Department is also responsible for a master meter. This is the natural gas system in the town complex which is controlled through the Arizona Corporation Commission.

\$ SPENT PER CITIZEN
\$37.85

The Facilities Department is responsible for all janitorial services, which include 30 public restrooms, cleaning and vacuuming all floors, trash removal, lighting, alarm systems, HVAC repair, roofing, painting, carpentry, plumbing, pest control, monthly and annual fire extinguisher inspection and monthly filter changes in all HVAC units.

The Facilities Department is on call 24 hours a day.

FY 2017 Accomplishments

- Create maintenance and asset program for all facilities.
- Install daily work request, duties and inventory into IWORQ software.
- Training for employees- HVAC, Plumbing, Electrical and Data Entry.
- Implement Capital Improvement program for Town facilities.
- Remodel Human Resources, Customer Service, and Building Department Offices.

FY 2018 Initiatives and Goals

- Paint Town Facilities.
- Remove Doublewide from North Campus.
- Continue Training employees - HVAC, Plumbing, Electrical and Data Entry.
- Begin installing energy efferent lighting and HVAC units.
- Complete inventory of all Town Facilities and systems.

Financial Information

Expenditure by Type					
Description	2015-16 Actual	2016-17 Adopted Budget	2016-17 Estimated	2017-18 Adopted Budget	% Change Adopted to Adopted
Personnel	\$ 73,609	\$ 94,298	\$ 94,298	\$ 100,419	
Benefits	\$ 32,052	\$ 48,202	\$ 45,300	\$ 48,680	
Services and Supplies	\$ 205,711	\$ 201,000	\$ 216,600	\$ 217,000	
Interdepartmental/Capital	\$ 52,000	\$ -	\$ -	\$ 56,000	
Total	\$ 363,372	\$ 343,500	\$ 356,198	\$ 422,100	23%
Number of Employees	2.5	3		3	

Total Department Change over Prior Fiscal Year

+23%

Increases

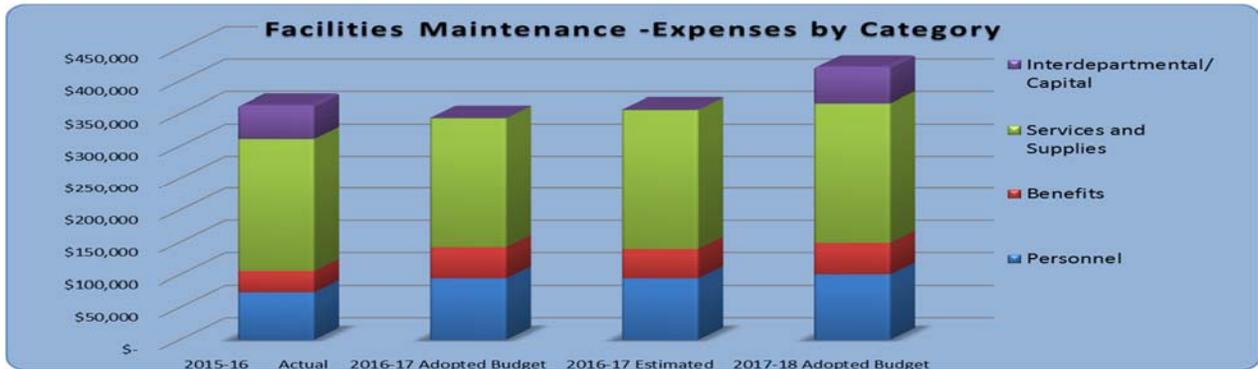
- Town Maintenance Facilities \$10,000
- Painting North Campus Buildings \$25,000
- Memory Park Restrooms \$25,000
- Equipment Lease Purchase \$6,000

Narrative

Personnel and Benefits are up slightly. Services and Supplies additional costs are due to an increase in the Town Maintenance Facilities line item. The Town plans on painting its facilities on the North Campus and remodeling the Memory Park Restrooms.

Overall the department is projecting an increase of 23%.

Department Summaries and Performance Measures



Performance Measures	FY 13/14 Actual	FY 14/15 Actual	FY 15/16 Actual	FY 16/17 Projected
Number of Facilities Maintained	19	19	19	19
Square Footage of Facilities Maintained	55,704	55,704	55,704	55,704
Number of HVAC Units	44	44	44	44

Fleet Maintenance

General Fund – Department 73
Kenny Tribolet
Public Works Manager
ktribolet@chinoaz.net
928-636-7140



Mission

To provide an efficient, comprehensive fleet management program, which responsively fulfills the vehicle and equipment needs of the various Town Divisions through cost-effective practices and dedicated personal service.

Program Description

The Fleet/Vehicle Department of the Public Works Division provides the required operation and maintenance of all rolling stock that is owned by the Town of Chino Valley. This includes Police vehicles, all Town vehicles, heavy equipment, motor grader, chip spreader, 10 yard dump trucks, Vactor Truck, mowers and small power tools, trailers, generators, etc.

\$ SPENT PER CITIZEN
\$25.02

FY 2017 Accomplishments

- Evaluated contracting with local vendors for minor maintenance items.
- Evaluated contracting with local vendors for tire repair and replacements.
- Continue training to keep up with new vehicle technology.
- Install all vehicles, equipment and inventory into IWORQ software.

FY 2018 Initiatives and Goals

- Continue training to keep up with new vehicle technology.
- Complete installation of IWORQ software.
- Great customer service and strive to do best for the town.

Financial Information

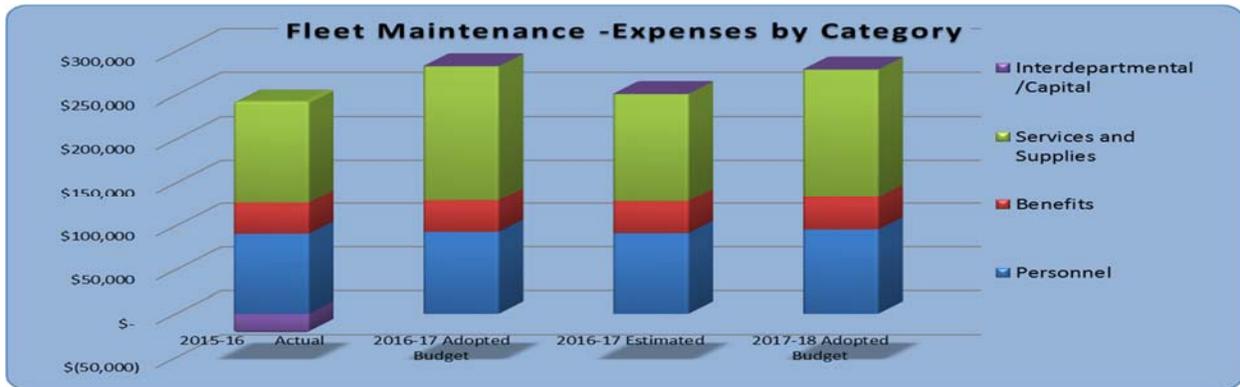
Expenditure by Type					
Description	2015-16 Actual	2016-17 Adopted Budget	2016-17 Estimated	2017-18 Adopted Budget	% Change Adopted to Adopted
Personnel	\$ 91,082	\$ 93,175	\$ 91,674	\$ 95,888	
Benefits	\$ 35,743	\$ 36,325	\$ 37,100	\$ 37,812	
Services and Supplies	\$ 115,958	\$ 153,500	\$ 122,500	\$ 145,500	
Interdepartmental/Capital	\$ (22,000)	\$ -	\$ -	\$ -	
Total	\$ 220,783	\$ 283,000	\$ 251,274	\$ 279,200	-1%
Number of Employees	3	2		2	



Narrative

Personnel and Benefits are up slightly this fiscal year. The Town also increase the Maintenance Police Vehicle and Other Services and Supplies. Gasoline cost for vehicles was reduced. Overall the department is projecting a decrease of 1%.

Department Summaries and Performance Measures



Performance Measures	FY 13/14 Actual	FY 14/15 Actual	FY 15/16 Actual	FY 16/17 Projected
# of Machinery and Equipment Units Maintained	69	69	70	74
# of Police Department Units Maintained	27	27	28	29

Public Works / Engineering

General Fund – Department 74

Richard Straub

Public Works Director

rstraub@chinoaz.net

928-636-7140



Public Works 4.0 FTE
\$216,500

Mission

The Public Works Department oversees the Public Works Division and provides professional engineering advice to the Town Council, while working with citizens and developers regarding competing goals of efficient cost delivery systems and public health/safety issues.

Program Description

The Public Works Department was combined with the Engineering Department. The Department provides administrative support to the Roads Department, Water and Sewer Enterprises Funds, and the several General Funds Departments including Parks Maintenance, Recreation, Aquatics, Facilities Maintenance, and Vehicle Maintenance. The Engineering function provides professional engineering services for all public improvements within the Town of Chino Valley right-of-way. They are responsible for the delivery of the capital improvement program, review and oversight of private and public development/construction projects. In addition, this department represents the Town of Chino Valley on various regional technical committees such as the Central Yavapai Metropolitan Planning Organization, and the Upper Verde Water Protection Coalition.



\$ SPENT PER CITIZEN
\$20.66

FY 2017 Accomplishments

Complete design & begin construction of the Environmental Protection Agency Grant for Peavine water line loop.

Complete RFQ for professional consultants.

Manage the design and construction of EDA & EPA projects.

Continue to develop and implement Engineering Standards for the Town.

Develop comprehensive pavement preservation program.

Coordinate and facilitate the development and inventory of the Towns Water and Wastewater assets.

FY 2018 Initiatives and Goals

Oversee the completion of the Center Street and One West Sewer Extension.

Complete the EDA old Home Manor infrastructure project

Complete design & begin construction of the Environmental Protection Agency Grant for Peavine water line loop.

Facilitate the Old Home Manor Master Plan.

Develop and design several sewer main extension projects.

Financial Information

Expenditure by Type					
Description	2015-16 Actual	2016-17 Adopted Budget	2016-17 Estimated	2017-18 Adopted Budget	% Change Adopted to Adopted
Personnel	\$ 108,424	\$ 303,316	\$ 272,000	\$ 294,191	
Benefits	\$ 36,221	\$ 102,084	\$ 85,250	\$ 101,308	
Services and Supplies	\$ 10,311	\$ 20,500	\$ 18,500	\$ 21,000	
Interdepartmental/Capital	\$ (6,000)	\$ (300,000)	\$ (300,000)	\$ (200,000)	
Total	\$ 148,956	\$ 125,900	\$ 75,750	\$ 216,500	72%
Number of Employees	1	4		4	

Total Department Change over Prior Fiscal Year

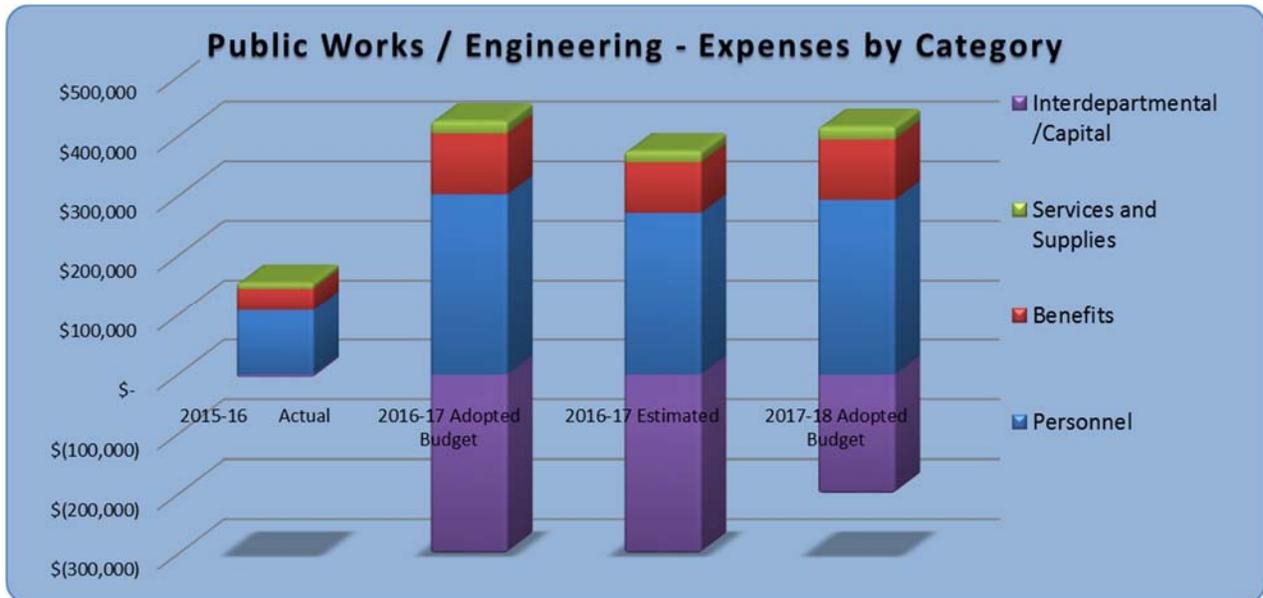
+72%

Increases
Reduce HURF Fund Overhead \$100,000

Narrative

The department was reorganized to the combine the administrative funds of Public Works previously accounted for in the Roads Department. Overhead related to the Roads Department, Water and Sewer Enterprise funds will be allocated to these departments through interdepartmental charges. The Town decreased the amount of overhead allocated to the Roads Department (HURF FUND) by \$100,000 this year. Overall the department is projecting an increase of 72%.

Department Summaries and Performance Measures



Customer Service

General Fund – Department 75
JoAnn Brookins
Customer Service Supervisor
jbrookins@chinoaz.net
928-636-4427



Customer Service 6 FTE
\$237,600

Mission

The Chino Valley Customer Service Department’s mission is to meet the needs and requests of our citizens and internal users, giving them what they expect and a little bit more.

Program Description

The Customer Service Department is a newly created department established to combine the personnel from Planning, Building, Public Works, Business License, Water and Sewer with the goal of providing superior customer service to the community. Focusing on the town’s mission of Integrity, Team Work, Respectful Communications, Service, Leadership, and Innovation, while creating an atmosphere of cooperation with the users of the department.



\$ SPENT PER CITIZEN
\$10.92

FY 2017 Accomplishments

Improve the Town’s image with regard to customer service.

Create a team environment with all our internal departments.

Centralize processes with backup so that customers are given what they need in a timely manner.

Streamline processes to eliminate duplication.

Automate various areas to improve customer service.

Create performance measures for FY2016-17.

FY 2018 Initiatives and Goals

Create a cohesiveness with all departments working on same level regarding building permitting, Planning & Zoning process review/intake/distribution.

Create a voucher program with the County transfer station that would allow the citizens of Chino Valley to dump their rubbish at the transfer station.

Automate the Engineering permit process.

Continue improving the Town’s image with regards to customer service.

Create an expedited Business License process.

Financial Information

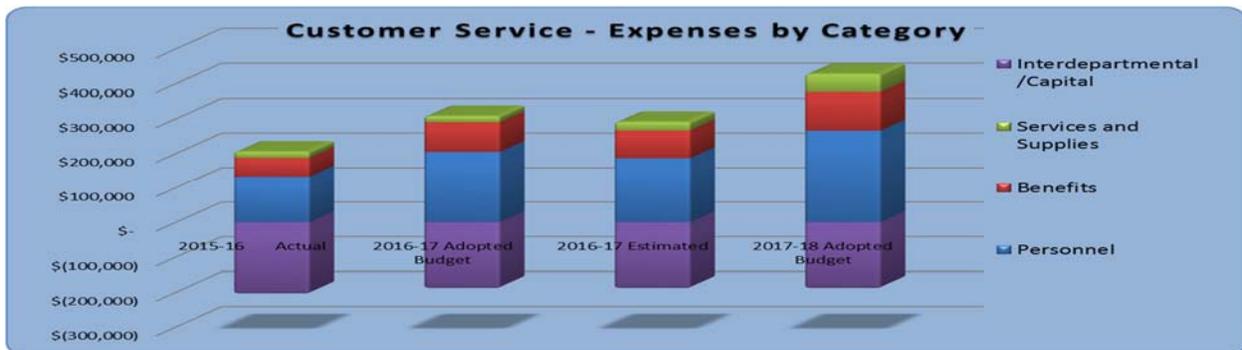
Expenditure by Type					
Description	2015-16 Actual	2016-17 Adopted Budget	2016-17 Estimated	2017-18 Adopted Budget	% Change Adopted to Adopted
Personnel	\$ 132,858	\$ 204,663	\$ 186,500	\$ 265,860	
Benefits	\$ 55,006	\$ 85,737	\$ 80,000	\$ 110,141	
Services and Supplies	\$ 17,782	\$ 17,700	\$ 24,500	\$ 51,600	
Interdepartmental/Capital	\$ (205,646)	\$ (190,000)	\$ (190,000)	\$ (190,000)	
Total	\$ -	\$ 118,100	\$ 101,000	\$ 237,600	101%
Number of Employees	4	5		6	



Narrative

The department was created in FY 2015/16. Customer Service Personnel provide services to the General Fund Departments, Water and Wastewater Enterprise Funds. The Enterprise Funds portions are charged to their respective departments through Interdepartmental Charges and the remaining costs stay in the General Fund. Code Enforcement will be integrated into Customer Service this fiscal year.

Department Summaries and Performance Measures



Performance Measures	FY 13/14 Actual	FY 14/15 Actual	FY 15/16 Actual	FY 16/17 Projected
Number of Business Licenses Issued	No Data Available	821	924	942
Bus. Lic. Online Renewals			198	286
Number of Code Enforcement Cases Initiated/Complete	No Data Available	77	186	169
Sewer Accounts	No Data Available			1867
Water Accounts	No Data Available			604
Permit	No Data Available	316	382	442

Highway User Revenue (HURF) - Roads

Special Revenue Fund – Department 02-78

Kenny Tribolet

Public Works Manager

ktribolet@chinoaz.net

928-636-7140



Highway User Revenue
7.0 FTE \$1,094,900

Mission

To identify and implement roadway and other related transportation system solutions for the safe and efficient movement of goods, services and people to support a high quality of life in Chino Valley.

Program Description

The Roads Division takes a proactive stance to citizens needs by maintaining 140 miles of paved, chip sealed or dirt streets which include:

Repairing potholes.

Culvert drainage maintenance.

Grading roads.

Mowing/ trash pickup.

Tree trimming along Town right of way.

Repair and replacement of Town signage.

Light construction of new streets.

Chip seal program.

The Roads Division utilizes the IWORQ software system to assist staff with maintenance schedules and work order tracking.



\$ SPENT PER CITIZEN
\$97.87

FY 2017 Accomplishments

Complete 2016-17 Chip seal program with intergovernmental agreements.

Develop a comprehensive list of drainage projects needed to be completed throughout town.

Continue to maintain and upgrade traffic control signs.

Develop GIS maps for Roads and existing road conditions.

Completed Road Inventory and rating system in house.

FY 2018 Initiatives and Goals

Construct Road 1 east between Kalinich and 3 South.

Continue to work on CYMPO Community Street Project.

Complete crack seal project

Prepare roads for summer chip seal project

Work with Roads Committee to set road maintenance priorities.

Financial Information

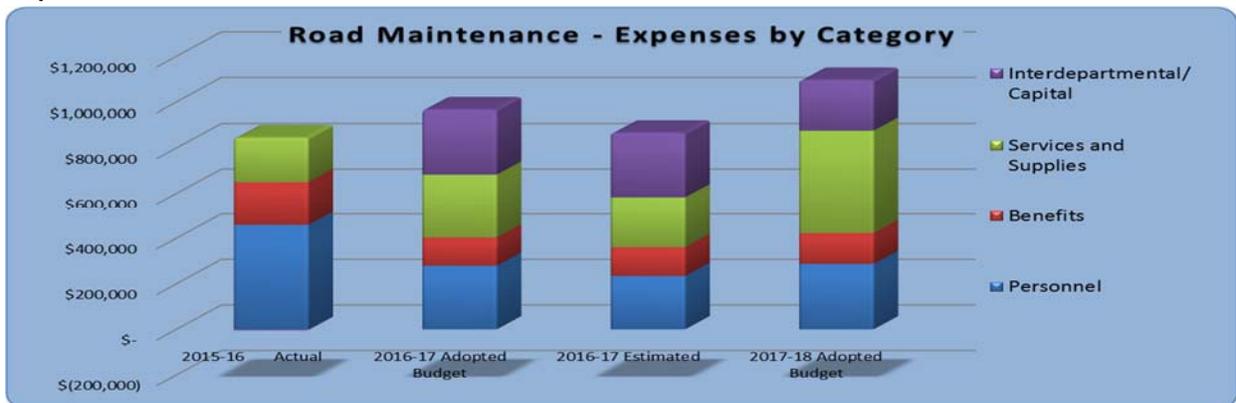
Expenditure by Type					
Description	2015-16 Actual	2016-17 Adopted Budget	2016-17 Estimated	2017-18 Adopted Budget	% Change Adopted to Adopted
Personnel	\$ 458,536	\$ 279,208	\$ 234,000	\$ 286,868	
Benefits	\$ 191,320	\$ 124,092	\$ 126,500	\$ 135,532	
Services and Supplies	\$ 195,460	\$ 279,500	\$ 222,400	\$ 453,500	
Interdepartmental/Capital	\$ (5,878)	\$ 283,200	\$ 283,200	\$ 219,000	
Total	\$ 839,438	\$ 966,000	\$ 866,100	\$ 1,094,900	13%
Number of Employees	10	7		7	

Total Department Change over Prior Fiscal Year	
+13%	
Increases	
Road materials	\$125,000
Highway 89 Maintenance	\$50,000
Equipment Lease Purchase	\$36,000
Decreases	
Interdepartmental Charges	\$100,000

Narrative

Personnel and Benefits are up slightly over last fiscal year. The Town increased the Road Materials line item and added a new line time for Highway 89 maintenance to Services and Supplies. The Interdepartmental Charge from the General Fund was decreased by \$100,000. Capital also included funds for equipment acquisition. Overall the department is projecting an increase of 13%.

Department Summaries and Performance Measures



Performance Measures	FY 13/14 Actual	FY 14/15 Actual	FY 15/16 Actual	FY16/17 Projected
# of Road miles	152	152	152	152
\$ spent on chip sealing roads	\$90,091	\$142,108	\$21,235	\$0
\$ spent on Cold Mix	\$69,697	\$37,618	\$22,347	\$24,000
\$ spent on crack seal projects	\$33,798	\$0	\$0	\$13,000
\$ spend on sign replacement	\$7,096	\$2,558	\$7,829	\$9,000

Enterprise Funds

The Town of Chino Valley operates two Enterprise Funds:

The Water Enterprise Fund – the Water Fund has 701 connections a 6% increase over last fiscal year. The Town is responsible for maintaining the water supply and distribution system for its water customers. The Town operated 1 well and has 19.5 miles of water mains. The Town is not the only provider of water in the community. Currently 7 other water companies provide services to the citizens of Chino Valley.

The Town of Chino Valley maintains approximately 8-9 miles of water pipes and has the capacity to store over one million gallons of water for fire protection. The predominate area for water service (demand) is the Road 2 North corridor along with the Bright Star and Highlands Ranch subdivisions.

The Wastewater Enterprise Fund – The Wastewater Fund has 1,744 connections a 11% increase over last fiscal year. The Town took over the operation of the one half million gallon per day wastewater treatment plant on April 1, 2015. The Town purchased the remaining amount due on the Construction Manager at Risk contract with Fann Construction on December 31, 2014.

The Town extended the Sewer Main up Center Street to the Molly Ray Subdivision and down One West to the Mountain Home Mobile Home Community. The extensions will add approximately 150 service connections in the current fiscal year.

The Town of Chino Valley maintains approximately 20 miles of wastewater collection lines and has the capacity to treat over 500,000 gallons of wastewater per day for recharge. The predominate area for sewer service is the Road 2 North corridor along with the Chino Meadows, Bright Star, and Highlands Ranch subdivisions.

The Town Council commissioned Economists.com to conduct a Water and Wastewater Rate Study in 2012. The recommended 5 year rate plan was adopted by Council on February 12, 2013, and went into effect on April 1, 2013. The rate increase also affected the Water and Wastewater buy-in fee amounts. The Water and Sewer Rates are available on the Town's website at www.chinoaz.net.

Water Enterprise

Enterprise Fund – Department 04

Chris Bartels

Utilities Supervisor

cbartels@chinoaz.net

928-636-6084



Water Enterprise 2.5 FTE
\$2,633,000

Mission

The Water Department and its employees are committed to delivering the highest quality water that meets or exceeds all federal and state requirements to every customer at fair and reasonable rates. We remain vigilant in meeting the

challenges of protecting our sole water source that is the heart of our community, our way of life and our children's future.

Program Description

The Water Department is responsible for the day to day operations of public water in Chino Valley which includes customer service, general administration, operations and general maintenance, project planning and implementation, and policy development, while ensuring the Town of Chino Valley is in compliance with State and Federal regulations.



\$ SPENT PER CITIZEN
\$236.42

FY 2017 Accomplishments

- Reduce amount of delinquent fees owed to the Town of Chino Valley from Utility Customers.
- Develop and implement backflow prevention program.
- Continue fire hydrant and valve maintenance program.
- Reduced amount of lost and unaccounted for water from 7.6% to 6.5%

FY 2018 Initiatives and Goals

- Reduce lost and unaccounted water
- Continue fire hydrant and valve maintenance program.
- Improve backflow prevention program
- Develop water meter replacement program
- Continue to improve comprehensive water preventative maintenance program.

Financial Information

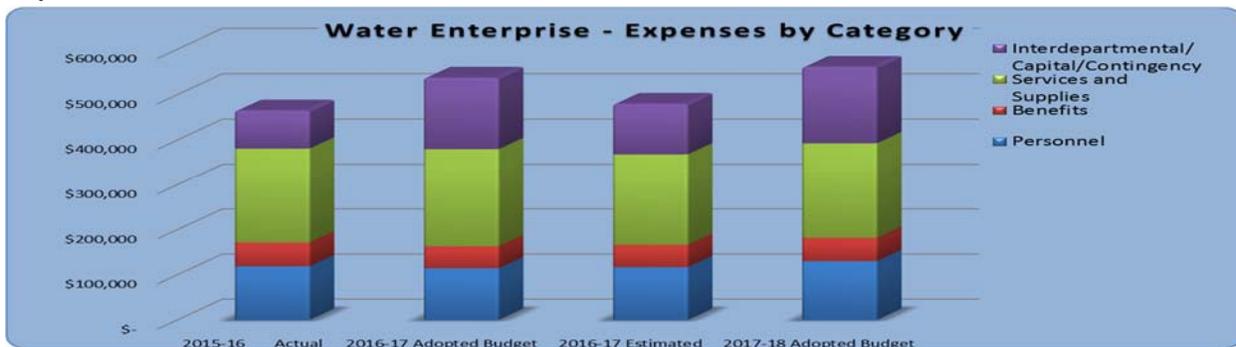
Expenditure by Type					
Description	2015-16 Actual	2016-17 Adopted Budget	2016-17 Estimated	2017-18 Adopted Budget	% Change Adopted to Adopted
Personnel	\$ 118,930	\$ 114,657	\$ 117,000	\$ 130,441	
Benefits	\$ 52,594	\$ 48,443	\$ 49,416	\$ 51,659	
Services and Supplies	\$ 209,893	\$ 217,000	\$ 202,099	\$ 210,800	
Interdepartmental/Capital/Contingency	\$ 83,638	\$ 157,400	\$ 111,400	\$ 168,400	
Debt Service	\$ 24,713	\$ 2,068,500	\$ 68,500	\$ 2,071,700	
Total	\$ 489,768	\$ 2,606,000	\$ 548,415	\$ 2,633,000	1%
Number of Employees	2.5	2.5		2.5	



Narrative

Personnel and Benefits are up slightly over last fiscal year. System Maintenance has been increases offset by other cost reductions in Services and Supplies. Overall the department is projecting to increase 1%.

Department Summaries and Performance Measures



Performance Measures	FY 13/14 Actual	FY 14/15 Actual	FY 15/16 Actual	FY 16/17 Projected
# of Water Accounts	606	633	667	701
Total # of gallons produced	66,457,705	72,274,194	73,000,000	75,000,000
Total # of gallons billed	63,933,434	66,489,694	67,859,000	69,000,000
% of loss for unaccounted for water	4%	8%	7%	8%
Compliance with all water system regulations	100%	100%	100%	100%

Wastewater Enterprise

Enterprise Fund – Department 06

Chris Bartels

Utility Supervisor

cbartels@chinoaz.net

928-636-6084



Waste Water 3.5 FTE
\$2,340,200

Mission

The Town of Chino Valley Wastewater Collection and Treatment facility (WWTP) is dedicated in its approach in collecting and treating wastewater within the Town of Chino Valley in a manner

that meets or exceeds federal and state regulations while placing the highest priority on courteously serving the public and protecting the environment.

Program Description

The Wastewater Department conducts utility location services, system flushing, and inspections and maintenance for the wastewater collection system.



\$ SPENT PER CITIZEN
\$210.73

FY 2017 Accomplishments

Continue to operate and maintain the WWTP.

Continue to reduce amount of delinquent fees owed to the Town of Chino Valley from Utility Customers.

Continue installing sewer service connections within wastewater collection system.

Develop and implement wastewater collection inspection, repair and cleaning program.

Develop and implement comprehensive preventative maintenance program.

FY 2018 Initiatives and Goals

Develop and implement wastewater collection inspection, repair and cleaning program.

Continue to improve comprehensive wastewater preventative maintenance program.

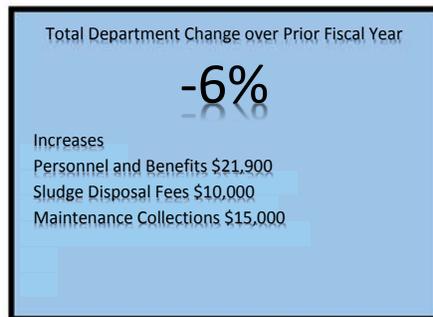
Continue to improve Supervisory Control and Data Acquisition (SCADA) systems

Continue to improve operational efficiency of the Wastewater Treatment Facility

Continue to replace Wastewater equipment that is beyond its service life.

Financial Information

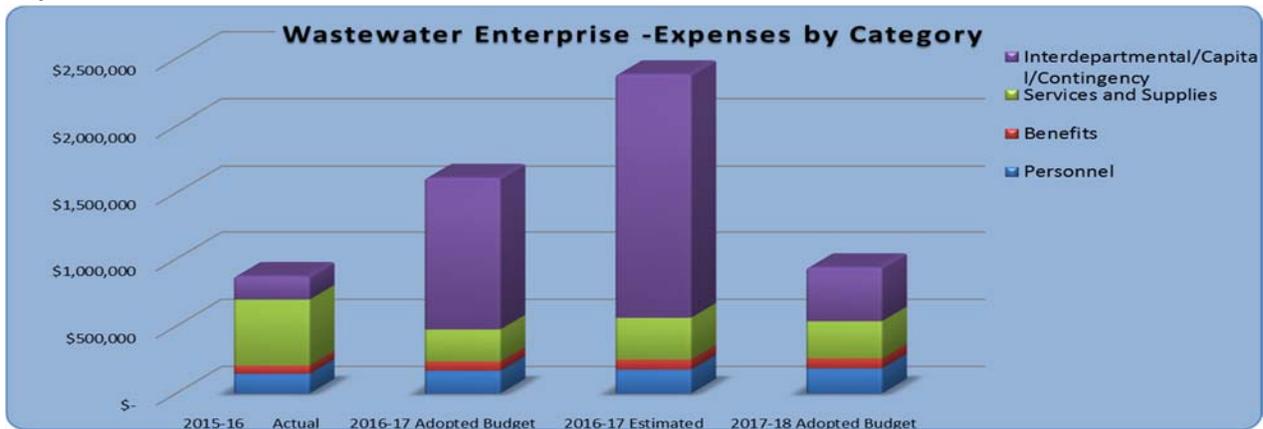
Expenditure by Type					
Description	2015-16 Actual	2016-17 Adopted Budget	2016-17 Estimated	2017-18 Adopted Budget	% Change Adopted to Adopted
Personnel	\$ 146,498	\$ 169,184	\$ 178,000	\$ 186,557	
Benefits	\$ 59,969	\$ 67,816	\$ 73,794	\$ 72,842	
Services and Supplies	\$ 492,351	\$ 239,100	\$ 311,600	\$ 278,400	
Interdepartmental/Capital/Contingency	\$ 174,638	\$ 1,137,400	\$ 1,820,627	\$ 400,400	
Debt Service	\$ 381,242	\$ 871,500	\$ 881,574	\$ 1,402,000	
Total	\$ 1,254,698	\$ 2,485,000	\$ 3,265,595	\$ 2,340,200	-6%
Number of Employees	3.5	3.5		3.5	



Narrative

Personnel and Benefits are up slightly. Services and Supplies are up due to increased compliance testing, sludge disposal fee, and maintenance on the collection system. Capital projects planned for this year include a new building, drying bed design and a grant match for a regional septage receiving grant. The department also budgeted for additional sewer extensions. Capital is reduced due to completing the Center Street Sewer Extension in FY 16/17. Overall the department is projecting a decrease of 6%.

Department Summaries and Performance Measures



Performance Measures	FY 13/14 Actual	FY 14/15 Actual	FY 15/16 Actual	FY 16/17 Projected
# of Sewer Accounts	1689	1748	1740	1744
Miles of wastewater collection lines	23	23	23	24
Compliance with all Waste Water System regulations	100%	100%	100%	100
Gallons processed per year	85,000,000	90,000,000	95,000,000	98,000,000
Acre Feet reclaimed per year	260.89	277.44	294.00	310.00

Non Major Funds

In addition to the Major Operating funds, the Town of Chino Valley oversees the following Non Major Funds:

- Community Development Block Grant (CDBG).
- Grants Fund.
- Special Revenue Fund – Court.
- Capital Asset Replacement.
- Impact Fee Funds.
- Special Revenue Fund – Police.
- CVSLID Lighting Improvement Districts.

Community Development Block Grant

Special Revenue Fund 03

The Town of Chino Valley receives funding from the U.S. Department of Housing and Urban Development for the Small Cities Community Development Block Grant Program (CDBG). The Arizona Department of Housing (ADOH) is the state agency in Arizona responsible for administering the program.

Community Development Block Grant funds don't require a match from the Town; however, the Town has historically contributed additional funding when needed to complete a project.

The Town receives a funding allocation every four years.

The Town received funding of \$264,000 in fiscal year 2014/2015.

This project provided an asphalt surface to Cottonwood Drive and other dirt roads within the Chino Meadow's Unit 5 area. The project began at Center Street and provided asphalt paving from Center Street moving north until the funds are exhausted. The following streets were paved:

Cottonwood Drive between Center Street and Grasshopper Lane
Center Street between Cottonwood Drive and Railroad Avenue
Railroad Avenue
Lazy Loop Drive
Lobo Lane
Sunset Drive
The Northern Cottonwood Drive south of Sunset Drive

The next round of funding is anticipated in fiscal year 2018/2019.

Grants Fund

Special Revenue Fund 07

The Grants Fund accounts for the miscellaneous grants received throughout the fiscal year. The type and amount of grants received each fiscal year is not always known, therefore the Town estimates the amounts to be received by each department. Matching funds as required are accounted for within each department.

The table below summarizes the estimated grant receipts and expenditures for Fiscal Year Ending June 30, 2018.

GRANTS 07					
Description	2015-16 Actual	2016-17 Adopted Budget	2016-17 Estimated	2017-18 Adopted Budget	% Change Adopted to Adopted
COURT GRANTS	15,246	25,000	25,000	25,000	
PLANNING GRANTS	128,986	25,000	25,000	25,000	
POLICE DEPARTMENT GRANTS	110,047	100,000	100,000	100,000	
ANIMAL CONTROL GRANTS	8,699	100,000	100,000	100,000	
RECREATION GRANTS	3,003	25,000	25,000	25,000	
LIBRARY GRANTS	-	50,000	50,000	50,000	
SENIOR CENTER GRANTS	23,002	25,000	25,000	25,000	
PARKS GRANTS	-	25,000	25,000	25,000	
PUBLIC WORKS GRANTS	57,438	3,225,000	3,225,000	3,225,000	
TOTAL GRANTS	337,722	3,500,000	3,500,000	3,500,000	-

The Town has received and/or applied for several specific grants summarized below:

CCVSD ADJACENT WAYS GRANT - Design and Construction of Heritage/Del Rio Street Improvements

This project will complete the design and begin phase 1 construction a new method of separating bus and parent drop off for both Heritage Middle School and Del Rio Elementary School. The design is just beginning; based on the agreed upon project and the availability of Adjacent Ways Funding from the Chino Valley School District the complete project is yet to be determined. The intent of the project is to improve traffic circulation along Road 1 West and Road 2 North by creating separate and distinct traffic routes for both parents dropping off their children and the school bus drop off. \$150,000 from Grants from the Chino Valley School Adjacent Ways Program.

Public Works and Development Services Grants

Economic Development Administration Public Works Grant (EDAP): The purpose of the EDAP grant program is to assist low to moderate income communities expand infrastructure that will create or retain jobs and spur economic development, among other things. This program's match requirement is based on two factors: unemployment relative to national average, and per capita income relative to the national average. Chino Valley meets the minimum requirements for 50% match; as the reach of the development of the Old Home Manor industrial park is regional rather than local, staff is working with EDA to decrease the match to 40% of total project funding. A portion of that match can be "in-kind", but cannot include the actual construction of the project, which must be competitively bid. While EDA will also accept interest in land for match purposes, EDA staff has discouraged the Town from that path as it can be inordinately challenging. EDA dollars can be used for myriad purposes, including pre-construction engineering cost, actual construction costs, and administration, among others. This grant also requires a project cost at or near one million dollars (\$1,000,000), which will require a \$500,000 minimum match.

The Rural Economic Development Grant (REDG) is a competitive grant program open to rural municipalities and other rural political subdivisions that have registered as Certified Sites with the Arizona Commerce Authority. While use of the funds is limited to construction only, they can comprise a portion of (or all of) the required match for EDA. The REDG requires a match equivalent to 10% of the non-qualifying costs (e.g., engineering and design), and the project must increase the marketability and usefulness of the Certified Site. Due to the increase in size of the EDAP project, the match requirement for this program will likely increase.

Development Services

Environmental Protection Agency The Town of Chino Valley received a \$500,000 appropriation from the Environmental Protection Agency (EPA) for water and wastewater infrastructure improvements. Staff has been working with the EPA to receive approval of its match waiver application and expects a response by the end of FY14/15. Should the waiver be granted, the funds will be used to complete the looping of the Bright Star/Country West water system. The EPA retains \$15,000 to cover its administrative costs; the total funding available to the Town will be \$485,000.

Rural Business Development Grant Staff has applied for \$90,000 to fund development of a Master Plan for Old Home Manor Industrial Park. The United States Department of Agriculture's (USDA) Rural Development arm administers grant and loan programs for rural communities with populations at or below 20,000. These programs vary as to match requirements as they are dependent upon population and income.

Special Revenue Fund – Court

Special Revenue Fund 09

The Court Special Revenue Fund is a restricted fund per Town Code.

The Town Code established the Special Revenue Fund, which determines how the funds are to be expended. The Municipal Court Improvement Account shall be used exclusively to enhance the technological, operational, and security capabilities of the Municipal Court. The Municipal Court Improvement Account shall be established as an interest bearing account in accordance with town policies and procedures. The Municipal Court shall collect the court improvement fees as defined in this section and deposit them in the court improvement account on a monthly basis.

The Municipal Court Collection Account shall be used exclusively to enhance the technological, operational, and security capabilities of the Municipal Court collection program. The Court Collection Account shall be established as an interest bearing account in accordance with town policies and procedures. The Municipal Court shall collect probation client, Municipal Court time payment, warrant, suspension, and house arrest fees as defined in this section and deposit them in the court collection account on a monthly basis.

Financial Information

SPECIAL REVENUE COURT 09

Description	2015-16 Actual	2016-17 Adopted Budget	2016-17 Estimated	2017-18 Adopted Budget	% Change Adopted to Adopted
REVENUES					
COURT IMPROVEMENT FEES	13,083	7,000	13,574	12,000	
COURT COLLECTION FEES	5,339	2,400	7,238	2,400	
INTEREST INCOME-LGIP	132	100	231	100	
TOTAL REVENUES	<u>18,554</u>	<u>9,500</u>	<u>21,043</u>	<u>14,500</u>	-31%
EXPENDITURES					
COURT COLLECTION EXPENSES	298	10,000	200	10,000	
COURT COLLECTION TO GEN FUND	8,500	8,500	8,500	8,500	
COURT IMPROVEMENTS	30,577	20,000	1,000	20,000	
TOTAL EXPENDITURES	<u>39,375</u>	<u>38,500</u>	<u>9,700</u>	<u>38,500</u>	0%
NET INC/DEC IN FUND BALANCE	<u>(20,821)</u>	<u>(29,000)</u>	<u>11,343</u>	<u>(24,000)</u>	

FUND BALANCE SUMMARY

COURT IMPROVEMENT FUND

FUND BALANCE BEGINNING OF YEAR	26,166		8,672	21,247
NET CHANGE DURING YEAR	<u>(17,494)</u>		<u>12,575</u>	<u>(8,000)</u>
FUND BALANCE END OF YEAR	<u>8,672</u>		<u>21,247</u>	<u>13,247</u>

COURT COLLECTION FUND

FUND BALANCE BEGINNING OF YEAR	42,645		39,318	38,088
NET CHANGE DURING YEAR	<u>(3,327)</u>		<u>(1,230)</u>	<u>(16,000)</u>
FUND BALANCE END OF YEAR	<u>39,318</u>		<u>38,088</u>	<u>22,088</u>

TOTAL FUND BALANCE

FUND BALANCE BEGINNING OF YEAR	68,811		47,990	59,335
NET CHANGE DURING YEAR	<u>(20,821)</u>		<u>11,345</u>	<u>(24,000)</u>
FUND BALANCE END OF YEAR	<u>47,990</u>		<u>59,335</u>	<u>35,335</u>

Capital Asset Replacement

Capital Projects Fund 10

In accordance with Town Policy, special one-time revenue sources (e.g., sales tax audit revenue, insurance dividends) will be used to purchase non-recurring items like capital goods. One-time revenues will not be used to support items that will have a long-term operational impact on future Town expenditures. The Town has established the Capital Asset Replacement Fund to account for these one-time revenues and expenditures.

CAPITAL ASSET REPLACEMENT FUND 10

Description	2015-16 Actual	2016-17 Adopted Budget	2016-17 Estimated	2017-18 Adopted Budget	% Change Adopted to Adopted
REVENUES					
TPT AUDIT REVENUE	53,316	10,000	5,450	10,000	
INTEREST INCOME-LGIP	459	500	500	500	
TOTAL REVENUES	53,775	10,500	5,950	10,500	0%
EXPENDITURES					
SALES TAX AUDIT EXPENDITURES	6,091	10,000	7,500	10,000	
CAPITAL ASSET REPLACEMENTS	13,522	40,000	40,000	50,000	
TOTAL EXPENDITURES	6,091	50,000	47,500	60,000	20%
NET INC/DEC IN FUND BALANCE	47,684	(39,500)	(41,550)	(49,500)	
ENDING FUND BALANCE	231,977		190,427	140,927	

Impact Fee Funds

Capital Projects Fund 11, 12, 13, 15

Arizona law allows cities and towns to assess development fees to offset costs associated with providing necessary public services to a development, including costs of infrastructure, improvements, real property, engineering and architectural services, financing and professional services. The Town of Chino Valley collected impact fees for the Police Department, Library, Parks and Recreation, and Roads. These funds can only be used for growth related projects related to each category and must be accounted for separately. Senate Bill 1525 has made significant changes in the way cities and towns can impose Impact Fees on future development. As of August 2014 the Town no longer assessed impact fees. No additional impact fee revenues were included in Fiscal Year 2017/18 budget.

Total Impact Fees

The table below summarizes the estimated and budgeted impact fee expenditures for each impact fee category.

Description	IMPACT FEES		2017-18 Adopted Budget	% Change Adopted to Adopted
	2016-17 Adopted Budget	2016-17 Estimated		
POLICE IMPACT PROJECTS	63,000	226	-	
PARKS/REC IMPACT FEES PROJECTS	16,000	-	-	
ROAD IMPACT FEES PROJECTS	529,000	50,000	498,000	
TOTAL EXPENDITURES	608,000	50,226	498,000	-18%
POLICE IMPACT FEES (11)				
Beginning Fund Balance	-	226	-	
Projected Revenues	-	-	-	
Projected Expenditures	-	226	-	
Ending Fund Balance	-	0	-	
PARKS/REC IMPACT FEES (13)				
Beginning Fund Balance	18,323	18,323	18,323	
Projected Revenues	-	-	-	
Projected Expenditures	16,000	-	-	
Ending Fund Balance	2,323	18,323	18,323	
ROAD IMPACT FEES (15)				
Beginning Fund Balance	566,190	547,641	498,541	
Projected Revenues	-	900	-	
Projected Expenditures	529,000	50,000	498,000	
Ending Fund Balance	37,190	498,541	541	
Total Impact Fees				
Beginning Fund Balance	566190			
Projected Revenues				
Projected Expenditures	529000			
Ending Fund Balance	37190			

Special Revenue Fund - Police Department

Special Revenue Fund 16

Per ARS 28-3513 the Police Department may charge an administrative charge not to exceed \$150.00 for an administrative or post storage hearing for vehicles impounded under ARS 28-3511. Administrative charges must be deposited in a special fund for the purpose implementation of this program and ARS 28-872. This charge is in addition to any other immobilization, impoundment or storage charges.

The Town receives these funds when vehicles are released after an administrative hearing.

SPECIAL REVENUE POLICE DEPARTMENT 16

Description	2015-16 Actual	2016-17 Adopted Budget	2016-17 Estimated	2017-18 Adopted Budget	% Change Adopted to Adopted
REVENUES					
VEHICLE IMPOUND HEARING FEE	16,978	15,000	15,000	15,000	
VEHICLE IMPOUND TOWING FEE	23,147	20,000	20,000	20,000	
VEHICLE IMPOUND FEE REVENUE	21,197	20,000	20,000	20,000	
INTEREST INCOME-LGIP	67	-	-	-	
TOTAL REVENUES	61,389	55,000	55,000	55,000	0%
EXPENDITURES					
TRANSFERS TO GENERAL FUND	10,000	-	-	-	
TOWING EXPENSES	23,977	20,000	20,000	20,000	
TRAFFIC RELATED EQUIPMENT	8,997	25,000	20,000	15,000	
VEHICLE IMPOUND FEE EXPENSE	11,259		15,000	20,000	
TOTAL EXPENDITURES	54,233	45,000	55,000	55,000	22%
NET INC/DEC IN FUND BALANCE	7,156	10,000	-	-	
ENDING FUND BALANCE	42,384		42,384	42,384	

CVSLID – Street Lighting Improvement Districts

Special Revenue Fund 40

The Town of Chino Valley administers three lighting districts. The property owners within each district pay for the projected amount of electricity used through their property taxes each year. The funds are disbursed by the Yavapai County Treasurer, which the Town uses to pay the utility bills as received.

The table below summarizes the annual assessment calculation for the Street Lighting Improvement District.

Description	CVSLID 40					% Change Adopted to Adopted
	2015-16 Actual	2016-17 Adopted Budget	2016-17 Estimated	2017-18 Adopted Budget		
Total Revenues	3,994	4,000	4,000	4,000		
CVSLID #1 UTILITIES - ELECTRIC	2,110	2,000	2,000	2,000		
CVSLID #2 UTILITIES - ELECTRIC	1,083	1,000	1,000	1,000		
CVSLID #3A UTILITIES - ELECTRIC	985	1,000	1,000	1,000		
TOTAL EXPENDITURES	4,178	4,000	4,000	4,000		0%

FY 2018 CAPITAL IMPROVEMENT PROGRAM

The Capital Improvement Program (CIP) for FY 2018 represents a 4.6 million dollar investment of public funds in infrastructure and public facilities.

The Five-Year Capital Improvement Plan (multi-year, long-range study of construction and/or acquisition of high cost items with an extended useful life) is prepared as part of the Annual Budget.

FINANCING THE CAPITAL PLAN

The major sources of financing capital improvements in the upcoming fiscal year are:

Operating Funds

Debt Financing

Grants

The Town currently is financing its CIP out of operating funds. However, because of large funding requirements, debt financing still continues to be the major source of financing for capital improvements. A brief description of the major types of financing available and limitations as to use is presented below.

GENERAL OBLIGATION (G.O.) BONDS

Bonds issued as general obligations of the Town are secured by the full faith and credit of the Town through its power to tax. In order for bonds to be issued, voter authorization must be obtained. Debt service (payment of principal and interest) is to be paid from the proceeds of ad valorem taxes, i.e., property taxes. The Arizona Constitution and State Statutes limit the indebtedness that a jurisdiction may incur by the type of project constructed. The Town can issue G.O. bonds up to 20% of the secondary assessed valuation for projects involving water, sewer, artificial lighting, parks, open space, recreational facilities, public safety, law enforcement, fire and emergency services, and street and transportation facilities. For all other general-purpose improvements, the Town may issue up to 6% of its secondary assessed valuation.

HIGHWAY USER REVENUE (HURF) BOND

The State distributes a share of the motor vehicle fuel tax to cities and towns based partially on population (50% of allocation) and partially on jurisdiction of origin. This special revenue source can only be used for maintenance or construction of streets and highways. Special revenue bonds can be issued for construction of street projects, with the gas tax revenues pledged as a source of debt repayment. The annual total debt service, both principal and interest, cannot exceed 50% of the HURF distribution received for the most recent twelve month period by the Town.

WATER AND SEWER REVENUE BONDS

In addition to water/sewer G.O. bonds, the Town can sell bonds that pledge utility revenues. Debt service requirements are paid from the net revenue derived by the Town from the operations of its water and sewer system after provision has been made for the payment from such revenues of the reasonable and necessary expenses of the operation and maintenance of such systems. Therefore, there is no legal limitation on indebtedness that can be incurred; rather, there is only the practical limitation imposed by what the utility rate structures will support.

SPECIAL IMPROVEMENTS/ASSESSMENT DISTRICTS

Special improvements/assessments are a means of financing services or capital improvements that benefit specific property owners more than the general public. Majority consent must be obtained from the property owners within the designated geographic assessment district. The property owners are then levied a supplemental property tax assessment for their share of the costs of the improvements.

MUNICIPAL PROPERTY'S CORPORATION (MPC) BONDS

The Municipal Property's Corporation, Inc. (MPC) is a not for profit corporation over which the Town exercises significant oversight authority. It was formed to assist the Town in acquiring land and constructing improvements thereon, constructing and acquiring improvements upon land owned by the Town, and in any other way incurring expenses to improve the use of presently owned facilities, or as they may be expanded in the future.

The Corporation finances various projects for the benefit of the Town by issuing MPC bonds. Bonds may be issued without voter approval and without limitation as to interest rate or amount. The Town enters into a rental lease agreement with the corporation sufficient to service the debt on the MPC bonds. The bonds are made marketable by assuring, prior to entering into any lease agreement with the MPC, the Town will maintain an excise, transaction privilege, and franchise tax base at least three times the maximum annual debt service.

Most municipalities in Arizona have utilized this method of financing to construct major public projects such as municipal complexes, civic centers, and sports complexes.

LEASE FINANCING

Under this type of debt financing, a governmental entity enters into a contractual arrangement with the issuer to construct or otherwise acquire facilities and/or equipment that is needed by the entity. Ordinarily, all operation and maintenance costs are the responsibility of the lessee (borrower).

The lease terms are generally structured such that the rental payments are sufficient to meet debt service costs as well as any administrative expenses. Usually a reserve fund is set aside at inception as security to obtain a competitive interest rate.

Typically, lease financing is used for acquisition of major capital equipment, e.g., computer systems, vehicles and equipment, which are very expensive and have useful life greater than five years but typically are not expected to have a useful life as long as the terms of bonds issued.

GRANTS

Grants are contributions of cash or other assets from another governmental entity to be used or expended for a specified purpose, activity, or facility. Grants can be either capital grants or operating grants. Capital grants are for the acquisition or construction of fixed assets and usually require some local effort match. All

other grants are considered operating grants. Grants have specific compliance requirements including prescribing the activities allowed and not allowed, eligibility requirements, matching level of effort or earmarking requirements, reporting requirements, and special provisions to be taken into consideration.

INTERGOVERNMENTAL AGREEMENTS (IGA)

Infrastructure needs may, at times, overlap different jurisdictional boundaries. Jurisdictions then often enter into an IGA for the construction and proportionally shared payment of the project. One jurisdiction will act as primary lead agent for project management purposes. The Transportation Regional Plan and Storm Drainage Master Plan, in particular, may often require coordinated efforts between the Town, Arizona Department of Transportation (ADOT) and Yavapai County.

STATE REVOLVING LOAN FUND

Arizona has established a revolving fund empowered to accept Federal capitalization grants for publicly owned wastewater treatment projects pursuant to the Federal Water Pollution Control Act and Water Quality Act. In order to qualify for the Federal monies, the State must match a 20% contribution into the fund. The Water Infrastructure Finance Authority of Arizona (WIFA) that issues bonds that are then lent to different governmental entities to finance project manages Arizona's fund. Projects are submitted to WIFA for review, and prioritization. Based on this compilation, projects are then eligible for funding.

PAY AS YOU GO FINANCING

Projects funded on a pay as you go basis derive their financing from current revenue streams or prior savings that have been kept in fund balance. This method of financing eliminates the need for borrowing and thereby preserves debt capacity for other purposes. Costs are lower because non-debt financing does not incur interest costs. The major drawbacks of pay as you go financing include inadequacy of funds available (taxes, reserves); erratic impact on rate structures (water/sewer rates); legislative approval (formation of improvement district); and political difficulties (impact fees or other exactions).

Capital improvements that are considered ongoing improvements and maintenance required expenditures are built into the rate structure of the two enterprise funds (Water and Wastewater Funds).

UNFUNDED PROJECTS

Projects that do not have a funding source are classified as unfunded Town capital projects. These projects are evaluated annually as changes in funding occur and estimates are revised, as well as changes in Town priorities.

The following pages provide a listing of the Capital Improvement projects.

Capital Improvement Projects

Expenditure by Type				
Description	2014-15 Actual	2015-16 Adopted Budget	2015-16 Estimated	2016-17 Adopted Budget
Personnel	\$ -	\$ -	\$ -	\$ -
Benefits	\$ -	\$ -	\$ -	\$ -
Services and Supplies	\$ -	\$ -	\$ -	\$ -
Interdepartmental/Capital	\$ 2,024,168	\$ 3,921,000	\$ 1,414,000	\$ 4,619,500
Total	\$ 2,024,168	\$ 3,921,000	\$ 1,414,000	\$ 4,619,500

Project Name: Acquisition of Water System

Project Location: Town wide

Fund: Water Enterprise

CIP Category: Utilities

Project Description and Justification: This project will be for the potential acquisition of one of the five other private water systems operating in Chino Valley. The Town is in talks with the owners of several systems and may purchase a system during the budget year.

Estimated Cost and Funding Source:

\$2,000,000 from WIFA loan.

Impact on Operating Budget: The projected impact of incorporating an additional water system will enhance the operating efficiency of the Town’s current system and will help the system operate profitably in the future. Additional maintenance expenditures will likely be minimal and no additional personnel are anticipated.

Project Name: Road 1 East between Road 3 South and Kalinich Avenue, Including the Construction of Three East/West Roadways between Road 1 East and Highway 89

Project Location: Road 1 East between Road 3 South and Kalinich Avenue

Fund: Capital Improvement Fund

CIP Category: Public Works/Roads

Project Description and Justification:

This project will construct a new two lane roadway along the alignment of Road 1 East between Road 3 South and Kalinich Avenue. The roadway will turn westerly to intersect with Highway 89 at the recently constructed roundabout. This project will also construct three east/west roadway connection between Road 1 East and Highway 89 in the general vicinity of Road 4½ South, Kalinich Avenue and Brownlow Avenue. ADOT has provided to the Town 7,140 cubic yards of millings from the Highway 89 widening project to allow the Town to construct a better road base for this roadway.

Estimated Cost and Funding Source: \$498,000 from Roads Impact

Impact on Operating Budget: Once constructed the project will have no significant financial impact on the HURF Fund's Operating Budget.

Project Name: Extension of Road 4 North between Arizona Trail and Jerome Junction and the Extension of Water and Sewer to the Old Home Manor Business/Industrial Park

Project Location: Old Home Manor

Fund: Grant

CIP Category: Public Works/Roads, Utilities

Project Description and Justification: This project will extend Road 4 North from Arizona Trail easterly to Jerome Junction and construct a box culvert over the Santa Cruz Wash. This project will also extend a 12" water line and a 12" sewer line from their respective terminus to the intersection of Jerome Junction and Rodeo Drive.

Estimated Cost and Funding Source: \$1,985,000 from EDA and EPA Grant. Town budgeted a \$137,000 in matching funds from the Capital Improvement Fund. Construction began in Fiscal Year 2016/2017.

Impact on Operating Budget: Once constructed the project will have no significant financial impact on the

Water and Sewer Enterprise Funds or the HURF Funds operating Budget. The increased flows from Old Home Manor development will have a positive impact on the environment due to the increased amount of recharge into the aquifer each fiscal year.

Project Name: Community Center Remodel and WIFI Wiring

Project Location: Community Center

Fund: Capital Improvement

CIP Category: Building Maintenance

Project Description and Justification: The Town is designing a wireless networking system to connect the North Campus, South Campus and Recreation/Community Center. This would allow all three facilities data communications systems to connect wirelessly, eliminating the \$2,000 monthly fee currently being paid for fiber optic lines. The Town also will be remodeling the facility including new flooring, blinds, painting and landscaping.

Estimated Cost and Funding Source: \$100,000 Capital Improvement Funds

Impact on Operating Budget: Once constructed the project will eliminate approximately \$2,000 in current and anticipated connection fees being paid.

Financial Information

CAPITAL IMPROVEMENT FUND 05-90				
Description	2015-16 Actual	2016-17 Adopted Budget	2016-17 Estimated	2017-18 Adopted Budget
MISC CAPITAL PROJECTS		2,000,000	-	2,000,000
FUNDED BY ROAD IMPACT FEES				
CENTER STREET BOX CULVERT AT SANTA CRUZ	17,569		-	-
ROAD 1 EAST BETWEEN ROAD 3 & 4 SOUTH	11,180	553,000	-	498,000
FUNDED BY YAVAPAI DRAINAGE DISTRICT				
CHINO MEADOWS UNIT 5 AT PEAVINE TRAIL DR	830,604	110,000	110,000	110,000
FUNDED BY LEASE PURCHASE				
LEASE PURCHASE EQUIPMENT	-			615,000
FUNDED BY CARRYOVER				
1 NORTH SIGNAL			75,000	
BUILDING DEPT REHAB			15,000	
COMMUNITY CENTER REMODEL	5,654	19,000	25,000	50,000
COMMUNITY CENTER WIFI & WIRING		50,000	-	50,000
RURAL ECONOMIC DEVEL GRANT MATCH	22,161	137,000	137,000	69,000
ACA ECON. STRENGTH PROJECTS GRANT				74,500
OLD 89 MILL/FILL				
OLD HOME MANOR MASTER PLAN				30,000
TFRS TO GENERAL FUND - POLICE	250,000	100,000	100,000	250,000
TFRS TO GENERAL FUND - AQUATICS		150,000	150,000	150,000
TFRS TO WATER ENTERPRISE FUND	150,000	75,000	75,000	25,000
TFRS TO DEBT SERVICE FUND	737,000	727,000	727,000	698,000
TOTAL EXPENDITURES	2,024,168	3,921,000	1,414,000	4,619,500

Capital Improvement Projects Five Year Projection

CAPITAL IMPROVEMENT FUND 05-90					
Description	2017-18 Adopted Budget	2018-19 Projected	2019-20 Projected	2020-21 Projected	2021-22 Projected
MISC CAPITAL PROJECTS	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
FUNDED BY ROAD IMPACT FEES					
CENTER STREET BOX CULVERT AT SANTA CRUZ	-				
ROAD 1 EAST BETWEEN ROAD 3 & 4 SOUTH	498,000	-			
FUNDED BY YAVAPAI DRAINAGE DISTRICT					
CHINO MEADOWS UNIT 5 AT PEAVINE TRAIL DR	110,000	120,000	130,000	140,000	150,000
FUNDED BY LEASE PURCHASE					
LEASE PURCHASE EQUIPMENT	615,000				
FUNDED BY CARRYOVER					
1 NORTH SIGNAL			-	75,000	
BUILDING DEPT REHAB					
COMMUNITY CENTER REMODEL	50,000	-			
COMMUNITY CENTER WIFI & WIRING	50,000	-			
RURAL ECONOMIC DEVEL GRANT MATCH	69,000				
ACA ECON. STRENGTH PROJECTS GRANT	74,500				
OLD 89 MILL/FILL		150,000	150,000		
OLD HOME MANOR MASTER PLAN	30,000				
TFRS TO GENERAL FUND - POLICE	250,000	250,000	250,000	250,000	250,000
TFRS TO GENERAL FUND - AQUATICS	150,000	150,000	150,000	150,000	150,000
TFRS TO WATER ENTERPRISE FUND	25,000	25,000	-	-	-
TFRS TO DEBT SERVICE FUND	698,000	849,000	891,000	956,000	974,000
TOTAL EXPENDITURES	4,619,500	3,544,000	3,571,000	3,571,000	3,524,000

Bonded Indebtedness

Debt Service Fund 08

The total indebtedness for the Town is summarized below. The payments for General Government Debt are recorded and paid in the Debt Service Fund. The Town transfers the amount of money required to make the General Government Debt Service payments from the Capital Improvement Fund. The Enterprise funds account for their debt within each respective fund. Debt is maintained in accordance with the Debt Management Policy found on page 34.

Town of Chino Valley					
Annual Debt Service Summary By Fund					
Fiscal Year Ended June 30, 2018					
Debt Issue	Date Issued	Original Amount	Outstanding Amount as of June 30, 2017	FY 2018 Principal	FY 2018 Interest
General Government					
National Bank GADA Refi	7/1/2016	\$ 3,346,000	\$ 3,346,000	\$ 309,000	\$ 54,290
US Bank Series 2010	12/15/2010	\$ 7,280,000	\$ 7,280,000		\$ 331,637
		\$ 10,626,000	\$ 10,626,000	\$ 309,000	\$ 385,927
Water Enterprise Fund					
US Bank Series 2010	12/15/2010	\$ 745,000	\$ 520,000	\$ 50,000	\$ 21,662
Sewer Enterprise Fund					
WIFA 2007	1/10/2007	\$ 1,580,000	\$ 932,369	\$ 82,242	\$ 23,447
WIFA 2008	1/11/2008	\$ 4,853,000	\$ 3,247,075	\$ 255,957	\$ 84,170
WIFA 2014	12/30/2014	\$ 2,963,671	\$ 2,717,515	\$ 126,801	\$ 52,073
WIFA 2015	11/23/2015	\$ 4,259,646	\$ 4,109,465	\$ 153,701	\$ 92,724
WIFA 2016	11/23/2015	\$ 50,354	\$ 40,492	\$ 9,965	\$ 320
WIFA 2017	2/27/2017	\$ 327,500	\$ 327,500	\$ 12,450	\$ 7,618
		\$ 14,034,171	\$ 11,374,416	\$ 641,116	\$ 260,352
Total Town of Chino Valley Debt		\$ 25,405,171	\$ 22,520,416	\$ 1,000,116	\$ 667,941
General Government Payment Date					
Natiional Bank GADA Refi	7/1/2018			309,000	27,145
	1/1/2018	3,346,000	3,346,000	-	27,145
US Bank Series 2010	8/1/2017				165,819
	2/1/2018	7,280,000	7,280,000		165,819
		10,626,000	10,626,000	309,000	385,927
Water Enterprise Fund					
US Bank Series 2010	8/1/2017			50,000	10,831
	2/1/2018	745,000	520,000	-	10,831
Total Water Enterprise		745,000	520,000	50,000	21,662
Sewer Enterprise Fund					
WIFA 2007	7/1/2017			82,242	11,723
	1/1/2018	1,580,000	932,369	-	11,723
WIFA 2008	7/1/2017			255,957	42,085
	1/1/2018	4,853,000	3,247,075	-	42,085
WIFA 2014	7/1/2017			126,801	26,037
	1/1/2018	2,963,671	2,717,515		26,037
WIFA 2015	7/1/2017			153,701	46,362
	1/1/2018	4,259,646	4,109,465		46,362
WIFA 2016	7/1/2017			9,965	160
	1/1/2018	50,354	40,492		160
WIFA 2017	7/1/2017			12,450	3,809
	1/1/2018	327,500	327,500		3,809
Total Sewer Enterprise		14,034,171	11,374,416	641,116	260,352
Total Town of Chino Valley Debt		25,405,171	22,520,416	1,000,116	667,941

Bonded Debt Capacity – General Obligation Bonded Debt

State Law limits the amount of General Obligation Bonded Debt that the Town of Chino Valley can issue. The debt authorization must be approved by the Town’s voters. The Town currently has no General Obligation Bonded Debt.

TOWN OF CHINO VALLEY, ARIZONA			
Fiscal Year 2017/2018 Direct General Obligation Bonded Debt,			
Legal Limitation and Unused Borrowing Capacity			
	6%		20%
General Municipal Purpose Bonds		Water, Light, Sewer, Open Space, Public Safety, Law Enforcement, Fire/Emergency Services,	
2015/16 Secondary Assessed Valuation	<u>\$83,930,432</u>	2015/16 Secondary Assessed Valuation	<u>\$83,930,432</u>
6% Limitation	<u>\$5,035,826</u>	20% Limitation	<u>\$16,786,086</u>
6% Direct General Obligation Bonds	<u>0</u>	20% Direct General Obligation Bonds	<u>0</u>
Unused 6% Borrowing Capacity	<u>\$5,035,826</u>	Unused 20% Borrowing Capacity	<u>\$16,786,086</u>
Fiscal Year 2015/16	<u>\$4,733,542</u>	Fiscal Year 2015/16	<u>\$15,778,472</u>

The schedules on the following pages detail the total principal and interest payment due each fiscal year for each outstanding debt issue.

	National Bank Refinance GADA 7/1/2016 Original Amount \$3,346,000			US Bank Series 2010 Issued 12/15/2010 Original Amount \$7,280,000		
Fiscal Year	Pincipal	Interest	Total	Pincipal	Interest	Total
2017	309,000	54,290	363,290		331,638	331,638
2018	320,000	50,386	370,386	150,000	331,638	481,638
2019	320,000	46,354	366,354	205,000	325,638	530,638
2020	326,000	41,724	367,724	280,000	317,438	597,438
2021	331,000	36,461	367,461	310,000	306,238	616,238
2022	336,000	30,514	366,514	330,000	293,838	623,838
2023	341,000	23,865	364,865	345,000	279,813	624,813
2024	348,000	16,522	364,522	360,000	265,150	625,150
2025	353,000	8,579	361,579	380,000	252,850	632,850
2026	362,000	-	362,000	400,000	233,700	633,700
2027			-	820,000	214,700	1,034,700
2028			-	860,000	175,750	1,035,750
2029			-	905,000	134,900	1,039,900
2030				945,000	91,913	1,036,913
2031				990,000	47,025	1,037,025
2032						
2033						
2034						
2035						
2036						
2037						
2038						
	3,346,000	308,694	3,654,694	7,280,000	3,602,225	10,882,225

	US Bank Series 2010 Issued 12/15/2010 Original Amount \$745,000			WIFA Issued 1/10/2007 Original Amount \$1,580,000		
Fiscal Year	Pincipal	Interest	Total	Pincipal	Interest	Total
2017	50,000	21,663	71,663	82,242	23,447	105,688
2018	50,000	19,813	69,813	84,510	21,116	105,626
2019	50,000	17,813	67,813	86,841	18,721	105,561
2020	55,000	15,475	70,475	89,236	16,260	105,495
2021	55,000	13,000	68,000	91,697	13,731	105,427
2022	60,000	10,000	70,000	94,226	11,132	105,358
2023	65,000	6,750	71,750	96,825	8,461	105,286
2024	65,000	3,500	68,500	99,495	5,717	105,212
2025	70,000		70,000	102,239	2,898	105,137
2026				105,059		105,059
2027						
2028						
2029						
2030						
2031						
2032						
2033						
2034						
2035						
2036						
2037						
2038						
	520,000	108,013	628,013	932,369	121,481	1,053,850

	WIFA Issued 1/11/2008 Original Amount \$4,853,000			WIFA 12/30/2014 Original Amount \$2,963,671		
Fiscal Year	Pincipal	Interest	Total	Pincipal	Interest	Total
2017	255,957	84,170	340,127	126,801	52,073	178,875
2018	263,160	76,765	339,925	129,350	49,473	178,823
2019	270,565	69,151	339,716	131,950	46,821	178,771
2020	278,179	61,323	339,502	134,602	44,116	178,718
2021	286,007	53,275	339,282	137,308	41,356	178,663
2022	294,055	45,000	339,055	140,068	38,540	178,608
2023	302,330	36,493	338,822	142,883	35,668	178,551
2024	310,837	27,746	338,583	145,755	32,738	178,493
2025	319,584	18,753	338,337	148,684	29,750	178,434
2026	328,577	9,506	338,084	151,673	26,700	178,373
2027	337,824		337,824	154,722	23,590	178,312
2028				157,832	20,419	178,251
2029				161,004	17,183	178,187
2030				164,240	13,882	178,122
2031				167,541	10,514	178,055
2032				170,909	7,079	177,988
2033				174,344	3,574	177,918
2034				177,849		177,849
2035				-	-	-
2036				-	-	-
2037				-	-	-
2038						
	3,247,075	482,181	3,729,257	2,717,515	493,477	3,210,992

	WIFA Issued 11/23/15 Original Amount \$4,259,646			WIFA 11/23/2015 Original Amount \$50,354		
Fiscal Year	Pincipal	Interest	Total	Pincipal	Interest	Total
2017	153,701	92,723	246,424	9,965	320	10,285
2018	157,304	89,036	246,340	10,070	214	10,284
2019	160,991	85,262	246,253	10,175	108	10,283
2020	164,764	81,400	246,164	10,282	-	10,282
2021	168,627	77,448	246,074			
2022	172,579	73,402	245,982			
2023	176,624	69,262	245,887			
2024	180,764	65,025	245,790			
2025	185,002	60,689	245,690			
2026	189,338	56,251	245,589			
2027	193,776	51,709	245,485			
2028	198,318	47,060	245,378			
2029	202,967	42,302	245,269			
2030	207,724	37,433	245,158			
2031	212,593	32,450	245,043			
2032	217,577	27,350	244,927			
2033	222,677	22,130	244,807			
2034	227,896	16,788	244,684			
2035	233,238	11,320	244,558			
2036	238,705	5,726	244,432			
2037	244,300		244,300			
2038	-	-	-	-	-	-
	4,109,465	1,044,767	5,154,232	40,492	642	41,134

	WIFA Issued 2/27/17 Original Amount \$327,500			Total Town of Chino Valley Combined Debt Service All Debt Issues		
Fiscal Year	Pincipal	Interest	Total	Pincipal	Interest	Total
2017	12,450	7,618	20,068	1,000,116	667,940	1,668,057
2018	11,535	9,753	21,288	1,175,928	648,193	1,824,121
2019	11,904	9,372	21,276	1,247,426	619,239	1,866,664
2020	12,285	8,979	21,264	1,350,348	586,714	1,937,062
2021	12,678	8,574	21,251	1,392,316	550,081	1,942,397
2022	13,083	8,155	21,238	1,440,011	510,581	1,950,592
2023	13,502	7,723	21,225	1,483,164	468,034	1,951,198
2024	13,934	7,277	21,211	1,523,786	423,675	1,947,461
2025	14,380	6,817	21,197	1,572,890	380,335	1,953,225
2026	14,840	6,342	21,182	1,551,488	332,499	1,883,987
2027	15,315	5,852	21,167	1,521,636	295,850	1,817,487
2028	15,805	5,346	21,151	1,231,955	248,575	1,480,530
2029	16,311	4,824	21,135	1,285,282	199,209	1,484,491
2030	16,833	4,285	21,118	1,333,797	147,513	1,481,311
2031	17,372	3,729	21,101	1,387,506	93,719	1,481,225
2032	17,927	3,156	21,083	406,413	37,585	443,998
2033	18,501	2,564	21,065	415,522	28,268	443,790
2034	19,093	1,953	21,046	424,838	18,741	443,579
2035	19,704	1,322	21,026	252,942	12,642	265,584
2036	20,335	672	21,006	259,040	6,398	265,438
2037	19,712	-	19,712	264,013	-	264,013
2038	-	-	-	-	-	-
	<u>327,500</u>	<u>114,312</u>	<u>441,812</u>	<u>22,520,417</u>	<u>6,275,792</u>	<u>28,796,209</u>

Personnel Schedules & Benefits

Employee Benefits

The full-time town employees benefit package consists of the following item:

Health / Dental / Vision Insurance

Operations of the Yavapai Combined Trust are governed by a Trust Agreement executed by each of the participating entities; Yavapai County, the City of Prescott, Yavapai College and the Town of Chino Valley. The Town of Chino Valley has participated for over ten years in the Trust. The Third-Party Administrator of our Health Care is Summit, and we utilize Blue Cross / Blue Shield's PPO. The Town provides 100% medical coverage (medical, dental, vision) for qualified employees, contributes 30% of the cost for dependent medical coverage for qualified employees, and contributes 25% of the cost for dependent dental/vision coverage for qualified employees. The Town offers three types of medical coverage; a Premier Plan, Basic-Plus Plan and High Deductible Health Plan with a Health Savings Account. The plans offer prescription services through OptumRX.

The Trust also offers preventative and comprehensive Dental coverage options. Dental coverage operates differently than a PPO, allowing employees to choose the dentist of their choice, but benefits are capped, thus limiting each entity's exposure.

The Town also offers vision insurance. This coverage offers a maximum benefit of \$300.00 per year with a provider of your choice.

Healthcare costs generally increase every year, but through good stewardship from the Trust as well as the employees, the Trust experienced an average of 2.13% in increased premium costs in the last four fiscal years. In fiscal year 17/18 the Trust will be passing along a 3% increase for medical/prescription, a 2.8% increase for dental, a 1.6% increase for vision, and a 3% increase for short term disability.

Life Insurance

The Town pays for group term life Insurance coverage amounting to 1½ times an employee's annual salary. Employees may also voluntarily purchase supplemental, spousal and dependent life insurance coverage for an additional premium.

Short Term Disability (STD)

The Town pays for STD benefits for qualified employees. This benefits provides temporary income replacement if the employee cannot work due to a non-occupational illness or injury. Employees who become totally disabled due to non-occupational injury or illness are eligible to receive monthly payments on the first day following 90 days of total disability.

Employee Assistance Program (EAP)

The EAP provides counseling and referrals for up to three (3) free behavioral health (mental health and substance abuse) sessions per problem.

Wellness Program

Through the YCT Wellness Program, full-time employees as well as their spouses and dependents can participate in activity based programs, and gain increased awareness of upcoming events, seminars, classes, and other wellness-based special events and services through a variety of web-based programs.

Arizona State Retirement System

The Town contributes to a cost-sharing multiple-employer defined benefit pension plan, health care plan, and long-term disability plan; all of which are administered by the Arizona State Retirement System (ASRS). The plan covers employees of the State of Arizona and participating political subdivisions and school districts. The ASRS (through its Retirement Fund) provides retirement, death, and survivor benefits; the Health Benefit Supplement Fund provides health insurance premium benefits and the Long-Term Disability Funds provides long-term disability benefits. Benefits are established by state statute.

ASRS Contribution Rates are summarized below:

	Fiscal Year 2012-13	Fiscal Year 2013-14	Fiscal Year 2014-15	Fiscal Year 2015-16	Fiscal Year 2016-17	Fiscal Year 2017-18
Employee Contribution Rate	11.14%	11.54%	11.60%	11.47%	11.48%	11.50%
Employer Contribution Rate	11.14%	11.54%	11.60%	11.47%	11.48%	11.50%
Total Contribution Rate	22.28%	23.08%	23.20%	22.94%	22.96%	23.00%

Public Safety Personnel Retirement System (PSPRS)

The Town contributes to the Public Safety Personnel Retirement System (PSPRS), an agency multiple-employer defined benefit pension plan and benefit health insurance premium plan that covers public safety personnel who are regularly assigned hazardous duty in the employ of the State of Arizona or a political subdivision thereof.

PSPRS Contribution Rates are summarized below:

	Fiscal Year 2012-13	Fiscal Year 2013-14	Fiscal Year 2014-15	Fiscal Year 2015-16	Fiscal Year 2016-17	Fiscal Year 2017-18
Employee Contribution Rate	9.55%	10.35%	11.05%	11.65%	11.65% <small>(7.65% Parker Rate, effective 4/9/2017)</small>	11.65% <small>(7.65% Parker Rate)</small>

Employer Contribution Rate	17.29%	19.31%	20.51%	21.67%	23.82%	33.55%
Total Contribution Rate	26.84%	29.66%	31.56%	33.32%	35.47%	45.20%

Vacation

Vacation time is traditional paid time-off benefit that will provide a restful break in the yearly work routine and support the Town’s goals to attract and retain quality employees. This applies to regular full-time and qualified part-time Town employees.

The following schedule specifies the amount of vacation a regular full-time employee earns for a corresponding period of continuous service. Qualified part-time employees are entitled to a pro-rated benefit:

Length of Service Completed	Hours per pay period	Hours per year
Less than two years	3.077	80
Two to five years	4.615	120
Five to ten years	5.539	144
Over ten years	6.154	160

Sick Leave

To provide income protection for employees who, because of illness or accident, are temporarily disabled and absent from work for limited periods.

Each full-time employee accrues 3.692 hours of sick leave per pay period (equal to 96 hours per year). Each qualified part-time employee earns a pro-rated sick leave benefit.

Holidays

This provides a competitive paid time-off benefit to recognize traditional holidays. The Town currently observes the following holidays:

New Year’s Day	January 1
Martin Luther King Jr. Day	Third Monday in January
President’s Day	Third Monday in February

Memorial Day	Last Monday in May
Independence Day	July 4 th
Labor Day	First Monday in September
Veteran's Day	November 11 th
Thanksgiving Day	Fourth Thursday in November
Day after Thanksgiving (Personal Holiday)	Fourth Friday in November
Christmas Day	December 25 th

AFLAC

Voluntary supplemental insurance, offered at a group discount rate, which pays cash benefits when a policyholder has a covered accident or illness.

Fiscal Year 2017-2018						
Staff Positions by Department with Prior Year Comparisons						
(Excludes temporary and seasonal employees)						
Department/Position	FTE 13-14	FTE 14-15	FTE 15-16	FTE 16-17	FTE 17-18	Net Change
PROSECUTOR 41						
PARALEGAL	1.00	1.00	1.00	1.00	1.00	
TOTAL	1.00	1.00	1.00	1.00	1.00	0%
TOWN CLERK 42						
TOWN CLERK	1.00	1.00	1.00	1.00	1.00	
TOWN CLERK ASSISTANT/RECORDS TECH	1.00	1.00	1.00	1.00	1.00	
TOTAL	2.00	2.00	2.00	2.00	2.00	0%
TOWN MANAGER 43						
TOWN MANAGER	1.00	1.00	1.00	1.00	1.00	
MANAGEMENT ANALYST					1.00	
ASST TOWN MANAGER	1.00	1.00	1.00	0.50	-	
SR ADMINISTRATIVE TECH		1.00	1.00	0.50	0.75	
ADMINISTRATIVE TECH/IT	2.00	0.50	0.50	0.50	0.50	
TOTAL	4.00	3.50	3.50	2.50	3.25	-29%
HUMAN RESOURCES 44						
HR DIRECTOR			1.00	1.00	1.00	
HR ANALYST	1.00	1.00	1.00	1.00	1.00	
TOTAL	1.00	1.00	2.00	2.00	2.00	0%
MUNICIPAL COURT 45						
MAGISTRATE	1.00	1.00	1.00	1.00	1.00	
DEPUTY CLERK OF COURT	1.00	1.00	1.00	2.00	2.00	
COURT CLERK II	1.00	1.00	1.00	-	-	
COURT COORDINATOR	1.00	1.00	1.00	1.00	1.00	
TOTAL	4.00	4.00	4.00	4.00	4.00	0%
FINANCE 46						
FINANCE DIRECTOR	1.00	1.00	1.00	1.00	1.00	
SENIOR ACCOUNTANT	1.00	1.00	1.00	1.00	1.00	
ACCOUNTING CLERK	1.00	1.00	1.00	1.00	1.00	
TOTAL	3.00	3.00	3.00	3.00	3.00	0%
MIS 47						
IT TECHNICIAN	1.00	1.00	1.00	1.00	1.00	
GIS/CAD TECHNICIAN	1.00	1.00	1.00	1.00	-	
ADMINISTRATIVE TECH/IT				0.50	1.00	
TOTAL	2.00	2.00	2.00	2.50	2.00	25%
PLANNING 55						
DEVELOPMENT SERVICES DIRECTOR	0.50	1.00	1.00	1.00	1.00	
PLANNING ASSISTANT	1.00	1.00	1.00	1.00	1.00	
TOTAL	1.50	2.00	2.00	2.00	2.00	0%

Fiscal Year 2017-2018						
Staff Positions by Department with Prior Year Comparisons						
(Excludes temporary and seasonal employees)						
Department/Position	FTE 13-14	FTE 14-15	FTE 15-16	FTE 16-17	FTE 17-18	Net Change
BUILDING INSPECTION 56						
BUILDING OFFICIAL	1.00	1.00	1.00	1.00	1.00	
PLANS EXAMINER/INSPECTOR	1.00	1.00	1.00	1.00	1.00	
ADMINISTRATIVE TECHNICIAN	1.00	1.00				
CODE ENFORCEMENT	1.00	1.00	1.00	1.00	-	
TOTAL	4.00	4.00	3.00	3.00	2.00	0%
POLICE 60						
CHIEF OF POLICE	1.00	1.00	1.00	1.00	1.00	
LIEUTENANT	1.00	1.00	1.00	1.00	1.00	
DETECTIVE	2.00	2.00	3.00	3.00	3.00	
SERGEANT	4.00	4.00	4.00	4.00	4.00	
OFFICER	16.00	16.00	15.00	15.50	16.00	
TOTAL	24.00	24.00	24.00	24.50	25.00	2%
NON-SWORN STAFF						
CIVILIAN OFFICER	3.00	3.00	3.00	2.00	3.00	
MANAGEMENT ASSISTANT	1.00	1.00	1.00	1.00	1.00	
PROPERTY EVIDENCE				1.00	1.00	
TOTAL	4.00	4.00	4.00	4.00	5.00	0%
ANIMAL CONTROL 61						
ANIMAL CONTROL OFFICER	1.00	2.00	1.00	1.00	1.00	
ADOPTION SPECIALIST / SHELTER TECHNICIA	1.00	0.50	1.00	1.00	1.00	
PT ANIMAL CONTROL OFFICER			0.50	0.50	0.50	
TOTAL	2.00	2.50	2.50	2.50	2.50	0%
RECREATION 63						
RECREATION COORDINATOR				1.00	1.00	
RECREATION AIDE	0.50	0.50	0.50	0.50	0.50	
TOTAL	0.50	0.50	0.50	1.50	1.50	200%
LIBRARY 64						
LIBRARY DIRECTOR	1.00	1.00	1.00	1.00	1.00	
CHILDRENS LIBRARIAN	1.00	1.00	1.00	1.00	1.00	
TECHNICAL SRV LIBRARY				1.00	1.00	
CATALOGER	1.00	1.00	1.00	1.00	1.00	
PART TIME CIRCULATION	1.00	1.00	1.00	1.00	1.50	
TOTAL	4.00	4.00	4.00	5.00	5.50	25%
SENIOR CENTER 66						
SENIOR CENTER SUPERVISOR	1.00	1.00	1.00	1.00	1.00	
SR. CENTER COOK	1.00	2.00	2.00	1.00	1.00	
ASSISTANT COOK	1.00	0.50	0.50	1.50	1.75	
ADMIN ASSISTANT					0.50	
TOTAL	3.00	3.50	3.50	3.50	4.25	0%

Fiscal Year 2017-2018						
Staff Positions by Department with Prior Year Comparisions						
(Excludes temporary and seasonal employees)						
Department/Position	FTE 13-14	FTE 14-15	FTE 15-16	FTE 16-17	FTE 17-18	Net Change
PARKS MAINTENANCE 68						
PARKS MAINTENANCE WORKER	3.00	3.00	3.00	2.00	2.00	
TOTAL	3.00	3.00	3.00	2.00	2.00	-33%
AQUATIC CENTER 69						
RECREATION	1.00	0.50	0.50	0.50	0.50	
TOTAL	1.00	0.50	0.50	0.50	0.50	0%
FACILITIES MAINTENANCE 71						
FACILITIES MAINTENANCE WORKER	1.00	1.00	1.00	1.00	1.00	
LABORER I	1.00	1.00	1.00	1.00	1.00	
CUSTODIAN		0.50	0.50	1.00	1.00	
TOTAL	2.00	2.50	2.50	3.00	3.00	20%
FLEET MAINTENANCE 73						
VEHICLE MAINT SUPERVISOR	1.00	1.00	1.00	-	-	
EQUIPMENT MECHANIC	2.00	2.00	2.00	2.00	2.00	
TOTAL	3.00	3.00	3.00	2.00	2.00	-33%
ENGINEERING 74						
PW DIRECTOR	1.00	1.00	1.00	1.00	1.00	
EXEC ASSISTANT				1.00	1.00	
PW SUPERVISOR				1.00	1.00	
ENGINEER				1.00	1.00	
TOTAL	1.00	1.00	1.00	4.00	4.00	300%
CUSTOMER SERVICE 75						
ASST TOWN MANAGER				0.50	-	
COSTOMER SERVICE SUPERVISOR				1.00	1.00	
LEIN POSITION			1.00	-	-	
ADMIN CLERK II			2.00	2.00	2.00	
ADMINISTRATIVE TECHNICIAN			1.00	1.00	1.00	
GIS/CAD TECHNICIAN					1.00	
CODE COMPLIANCE OFFICER					1.00	
TOTAL	-	-	4.00	4.50	6.00	13%
ROADS MAINTENANCE 02-78						
PW DIRECTOR/TOWN ENGINEER	1.00	1.00	1.00	-	-	
PW SUPERVISOR	1.00	1.00	1.00	-	-	
PW INSPECTOR	1.00	1.00	1.00	1.00	1.00	
EXEC ASSISTANT	1.00	1.00	1.00	-	-	
ADMIN CLERK	1.00	1.00				
HEAVY EQUIP. OPERATOR	2.00	2.00	2.00	2.00	2.00	
LABORER II	2.00	2.00	1.00	1.00	1.00	
MED. EQUIP. OPERATOR	2.00	2.00	2.00	2.00	2.00	
PARKS MAINTENANCE WORKER			1.00	1.00	1.00	
TOTAL	11.00	11.00	10.00	7.00	7.00	-30%

Fiscal Year 2017-2018						
Staff Positions by Department with Prior Year Comparisons						
(Excludes temporary and seasonal employees)						
Department/Position	FTE 13-14	FTE 14-15	FTE 15-16	FTE 16-17	FTE 17-18	Net Change
UTILITIES- WATER						
UTILITIES SUPERVISOR	1.00	0.50	0.50	0.50	0.50	
UTILITIES TECH II	1.00	1.00	1.00	1.00	1.00	
UTILITIES MAINT TECH	1.00	1.00	1.00	1.00	1.00	
ADMIN CLERK II	1.00	1.00	-	-	-	
TOTAL	4.00	3.50	2.50	2.50	2.50	0%
SEWER ENTERPRISE						
UTILITIES SUPERVISOR	1.00	0.50	0.50	0.50	0.50	
PLANT OPERATOR			1.00	1.00	1.00	
UTILITIES TECH II	1.00	1.00	1.00	1.00	1.00	
UTILITIES MAINT TECH	1.00	1.00	1.00	1.00	1.00	
ADMIN CLERK II	1.00	1.00	-	-	-	
TOTAL	4.00	3.50	3.50	3.50	3.50	0%
TOTAL	89.00	89.00	91.00	92.00	95.50	2%

Personnel Summary By Fund

Fiscal Year 2017-2018						
Staff Positions by Fund with Prior Year Comparisons						
(Excludes temporary and seasonal employees)						
Department	FTE 13-14	FTE 14-15	FTE 15-16	FTE 16-17	FTE 17-18	Net Change
GENERAL FUND						
PROSECUTOR 41	1.00	1.00	1.00	1.00	1.00	
TOWN CLERK 42	2.00	2.00	2.00	2.00	2.00	
TOWN MANAGER 43	4.00	3.50	3.50	2.50	3.25	
HUMAN RESOURCES 44	1.00	1.00	2.00	2.00	2.00	
MUNICIPAL COURT 45	4.00	4.00	4.00	4.00	4.00	
FINANCE 46	3.00	3.00	3.00	3.00	3.00	
MIS 47	2.00	2.00	2.00	2.50	2.00	
PLANNING 55	1.50	2.00	2.00	2.00	2.00	
BUILDING INSPECTION 56	4.00	4.00	3.00	3.00	2.00	
POLICE 60	24.00	24.00	24.00	24.50	25.00	
NON-SWORN STAFF	4.00	4.00	4.00	4.00	5.00	
ANIMAL CONTROL 61	2.00	2.50	2.50	2.50	2.50	
RECREATION 63	0.50	0.50	0.50	1.50	1.50	
LIBRARY 64	4.00	4.00	4.00	5.00	5.50	
SENIOR CENTER 66	3.00	3.50	3.50	3.50	4.25	
PARKS MAINTENANCE 68	3.00	3.00	3.00	2.00	2.00	
AQUATIC CENTER 69	1.00	0.50	0.50	0.50	0.50	
FACILITIES MAINTENANCE 71	2.00	2.50	2.50	3.00	3.00	
FLEET MAINTENANCE 73	3.00	3.00	3.00	2.00	2.00	
ENGINEERING 74	1.00	1.00	1.00	4.00	4.00	
CUSTOMER SERVICE 75			4.00	4.50	6.00	
TOTAL GENERAL FUND	70.00	71.00	75.00	79.00	82.50	5%
HURF FUND						
TOTAL HURF FUND	11.00	11.00	10.00	7.00	7.00	-30%
WATER ENTERPRISE						
TOTAL WATER ENTERPRISE	4.00	3.50	2.50	2.50	2.50	0%
SEWER ENTERPRISE						
TOTAL SEWER ENTERPRISE	4.00	3.50	3.50	3.50	3.50	0%
TOTAL	89.00	89.00	91.00	92.00	95.50	1%

Personnel Summary By Position

Job Description and Pay Ranges			
Job Title	Department	Minimum - Annual	Maximum - Annual
Accounting Technician	Finance	\$32,918.00	\$43,191.00
Administrative Aide	Various Departments	\$25,792.00	\$33,841.00
Administrative Technician	Various Departments	\$29,857.00	\$39,175.00
Adoption Specialist/Shelter Technician	Police	\$24,564.00	\$32,230.00
Animal Control Officer/Shelter Manager	Police	\$31,350.00	\$41,134.00
Assistant Cook	Senior Center/Town Manger's Office	\$22,280.00	\$29,233.00
Associate Planner	Development Services	\$48,635.00	\$63,813.00
Baliff	Town Magistrate	\$25,792.00	\$33,841.00
Cashier	General Services	\$7.65	
Chief Building Official	Development Services	\$53,620.00	\$70,353.00
Chief of Police	Police	\$91,708.00	\$120,328.00
Civilian/Cole Enforcement Officer	Police	\$32,918.00	\$43,191.00
Cook	Senior Center/Town Manger's Office	\$27,082.00	\$35,533.00
Court Administrator	Town Magistrate	\$40,012.00	\$52,499.00
Court Clerk	Town Magistrate	\$32,918.00	\$43,191.00
Detective	Police	\$46,319.00	\$60,774.00
Facilities Maintenance Worker	Public Works/Engineering	\$27,082.00	\$35,533.00
Facilities Maintenance Worker - Senior	Public Works/Engineering	\$31,350.00	\$41,134.00
Field Training Officer	Police	\$42,012.00	\$55,124.00
Finance Director	Finance	\$91,708.00	\$120,328.00
Fleet mechanic	Public Works/Engineering	\$34,564.00	\$45,350.00
Fleet Supervisor	Public Works/Engineering	\$46,319.00	\$60,774.00
General Services Director	General Services	\$91,708.00	\$120,328.00
GIS/CAD/WED Technician	General Services	\$42,012.00	\$55,124.00
HR Analyst	HR/General Services	\$44,113.00	\$57,880.00
Information Technology Specialist	General Services	\$46,319.00	\$60,774.00
Library Clerk	Library	\$25,792.00	\$33,841.00
Library Director	Library	\$62,071.00	\$81,443.00
Lieutenant	Police	\$68,434.00	\$89,791.00
Lifeguard	General Services	\$8.05	
Paralegal	Prosecutor/General Services	\$40,012.00	\$52,499.00
Parks Maintenance Worker	Public Works/Engineering	\$27,082.00	\$35,533.00
Plans Examiner/Inspector	Development Services	\$44,113.00	\$57,880.00
Police Civilian Operations Supervisor	Police	\$46,319.00	\$60,774.00
Police Officer	Police	\$42,012.00	\$55,124.00
Pool Manager	General Services	\$10.30	
Public Works Director/Town Engineer	Public Works/Engineering	\$91,708.00	\$120,328.00
Public Works Inspector	Public Works/Engineering	\$38,106.00	\$49,999.00
Public Works Manager	Public Works/Engineering	\$53,620.00	\$70,353.00
Recreation Manager	General Services	\$42,012.00	\$55,124.00
Roads Maintenance Worker	Public Works/Engineering	\$27,082.00	\$35,533.00
Roads Maintenance Worker - Senior	Public Works/Engineering	\$31,350.00	\$41,134.00
Senior Accountant	Finance	\$46,319.00	\$60,774.00
Senior Administrative Technician	Public Works/Engineering	\$34,564.00	\$45,350.00
Senior Engineering Project Manager	Public Works/Engineering	\$65,175.00	\$85,515.00
Senior Services Supervisor	Senior Center/Town Manger's Office	\$34,564.00	\$45,350.00
Sergeant	Police	\$53,620.00	\$70,353.00
Technical Services Librarian	Library	\$29,857.00	\$39,175.00
Town Clerk	Town Clerk	\$62,071.00	\$81,443.00
Town Clerk Assistant/ Record Technician	Town Clerk	\$32,918.00	\$43,191.00
Town Magistrate	Town Magistrate	Contract	Contract
Town Manager	Town	Contract	Contract
Utilities Crew Leader	Public Works/Engineering	\$36,292.00	\$47,618.00
Utilities Lien & Collections Technician	Public Works/Engineering	\$32,918.00	\$43,191.00
Utilities Maintenance Technician	Public Works/Engineering	\$31,350.00	\$41,134.00
Utilities Supervisor	Public Works/Engineering	\$46,319.00	\$60,774.00
Water Safety Instructor	General Services	\$8.55	
Youth Services Librarian	Library	\$34,564.00	\$45,350.00

Revenue Projections – 5 Year

The Town prepares estimates of current year and future year revenues from all revenue sources. The first step in the process is to prepare a Revenue Manual annually that itemizes each revenue on a monthly basis and then projects each revenue forward for future fiscal years. The projections are based on each revenues history, seasonality, and other information available at the time. The Town considers current economic conditions, legislative changes and other factors when preparing projections. For State Shared Revenues, the Town receives estimates prepared by the Arizona League of Cities and Town each year as a basis for the projections.

The Table below summarizes each revenue for the current budget year and four subsequent years. The highlighted revenues designate major revenues for each fund.

Town of Chino Valley					
Total Revenue Summary					
	Budget FY 17-18	Budget FY 18-19	Budget FY 19-20	Budget FY 20-21	Budget FY 21-22
GENERAL FUND					
CABLE FRANCHISE FEES	54,000	53,000	52,000	51,000	50,000
WATER FRANCHISE FEES	9,000	9,500	9,500	10,000	10,000
GAS FRANCHISE FEES	40,000	42,000	44,000	46,000	48,000
ELECTRIC FRANCHISE FEES	20,000	20,500	21,000	21,500	22,000
TOWN SALES TAX-RETAIL	3,859,000	3,975,000	4,094,000	4,217,000	4,343,000
CONSTRUCTION SALES TAX	350,000	357,000	364,000	371,000	378,000
BED TAX	71,000	72,000	73,000	74,000	75,000
BUILDING PERMITS	225,000	235,000	245,000	255,000	265,000
BUSINESS LICENSES	58,000	60,000	61,000	62,000	63,000
PLAN CHECK FEES	110,000	115,000	120,000	125,000	130,000
SIGN PERMITS	3,000	3,000	3,000	3,000	3,000
ZONING PERMITS	10,000	10,000	10,000	10,000	10,000
GRADING PERMITS	1,000	1,000	1,000	1,000	1,000
P.A.N.T.	5,000	5,000	5,000	5,000	5,000
VEHICLE LICENSE TAX	727,500	730,000	740,000	749,000	771,000
COUNTY LIBRARY FUNDS	110,000	115,000	120,000	125,000	130,000
SENIOR NUTRITION REVENUE	52,000	54,000	56,000	58,000	60,000
BULLET PROOF VEST PARTNERSHIP	2,500	2,500	2,500	2,500	2,500
STATE SHARED SALES TAX	1,058,000	1,099,000	1,143,000	1,189,000	1,237,000
STATE SHARED INCOME TAX	1,398,000	1,440,000	1,483,000	1,527,000	1,573,000
COPIER FEES	500	500	500	500	500
ENGINEERING SERVICES	5,000	5,000	5,000	5,000	5,000
SPECIAL REC PROGRAM INCOME	1,000	1,000	1,000	1,000	1,000
ADULT SPORTS	-	-	-	-	-
PROGRAM INCOME	1,000	1,000	1,000	1,000	1,000
AQUATIC CENTER ENTRANCE FEES	49,000	50,000	51,000	52,000	53,000
AQUATIC CENTER CONCESSIONS	13,000	13,500	14,000	14,500	15,000
FACILITIES USE/UTILITY REIMBURSE	10,000	10,000	10,000	10,000	10,000
AQUATIC CTR PROGRAM FEES	12,000	12,000	12,000	12,000	12,000
FACILITIES USE-RECREATION	1,000	1,000	1,000	1,000	1,000
FACILITIES USE-SENIOR CENTER	5,000	5,000	5,000	5,000	5,000
FACILITIES USE-AQUATIC CENTER	2,000	2,000	2,000	2,000	2,000
FACILITIES USE-PARKS	5,000	5,000	5,000	5,000	5,000
S/C NUTRITION PROGRAM INCOME	16,500	17,000	17,500	18,000	18,500
POLICE REPORTS	3,000	3,000	3,000	3,000	3,000
ANIMAL CONTROL FEES	30,000	30,000	30,000	30,000	30,000
LIBRARY FINES	3,000	3,500	3,500	4,000	4,000
LOST BOOKS	-	-	-	-	-
TRAFFIC FINES	125,000	128,700	132,600	136,600	140,700
REIMBURSEMENT COURT ATTORNE	3,000	3,000	3,500	3,500	3,500
RESTITUTION	1,000	1,000	1,000	1,000	1,000
ADMINISTRATIVE FEES-FINANCE	1,500	1,500	1,500	1,500	1,500
MISCELLANEOUS REVENUE	1,000	1,000	1,000	1,000	1,000
SALE OF FIXED ASSETS	1,000	1,000	1,000	1,000	1,000
SENIOR CTR THRIFT STORE	1,500	1,500	1,500	1,500	1,500
SR CTR PROGRAM INCOME	1,000	1,000	1,000	1,000	1,000
INTEREST INCOME	10,000	10,000	10,000	10,000	10,000
TFRS FROM CAPITAL IMPROVE FUNI	400,000	400,000	400,000	400,000	400,000
TFRS FROM PD SPECIAL REVENUE FU	-	-	-	-	-
CARRYOVER	-	-	-	-	-
TOTAL GENERAL FUND	8,865,000	9,106,700	9,361,600	9,623,100	9,903,700
	7%	3%	3%	3%	3%

Town of Chino Valley					
Total Revenue Summary					
	Budget FY 17-18	Budget FY 18-19	Budget FY 19-20	Budget FY 20-21	Budget FY 21-22
HIGHWAY USER REVENUE FUND					
RIGHT-OF-WAY PERMITS	1,000	1,000	1,000	1,000	1,000
DRIVEWAY PERMITS	500	500	500	500	500
MISCELLANEOUS REVENUE	-	-	-	-	-
INTEREST INCOME	1,500	1,500	1,500	1,500	1,500
HIGHWAY USER REVENUE	920,000	947,600	976,000	1,005,000	1,035,000
SALE OF FIXED ASSETS	-	-	-	-	-
TRANSFER FROM GENERAL FUND	75,000	100,000	100,000	150,000	200,000
TOTAL HIGHWAY USER REVENUE FUND	998,000	1,050,600	1,079,000	1,158,000	1,238,000
	7%	5%	3%	7%	7%
CDBG GRANT					
CDBG GRANTS		-	300,000		
	-	-	300,000	-	-
WATER ENTERPRISE FUND					
WATER SERVICE FEES	459,600	473,300	487,500	507,000	527,300
WATER SYSTEM BUY-IN FEES	80,000	80,000	85,000	85,000	85,000
WATER METER FEES	8,000	8,000	10,000	10,000	12,000
SALE OF FIXED ASSETS	-	-	-	-	-
MISCELLANEOUS REVENUE	63,000	63,000	34,000	10,000	10,000
LEASE PURCHASE PROCEEDS	55,000				
WATER SYSTEM AQ BOND PROCEEDS	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
TRANSFERS FROM CAPT. IMPROVEMENT FUND	25,000	25,000	-	-	-
TOTAL WATER ENTERPRISE FUND	2,690,600	2,649,300	2,616,500	2,612,000	2,634,300
	3%	-2%	-1%	0%	1%
CAPITAL IMPROVEMENT FUND					
1% TPT REVENUES-RETAIL/OTHER	1,281,900	1,320,400	1,360,000	1,400,800	1,443,000
1% CONSTRUCTION TPT REVENUES	97,000	99,000	101,000	103,000	105,000
1% BED TAX REVENUES	20,000	20,500	21,000	21,500	22,000
MISC. CAPITAL PROJECTS	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
INTEREST INCOME LGIP	-	-	-	-	-
YAVAPAI COUNTY DRAINAGE DISTRICT	110,000	120,000	130,000	140,000	150,000
LEASE PURCHASE PROCEEDS	615,000				
TRANSFERS IN FROM ROAD IMPACT FEES	498,000				
TOTAL CAPITAL IMPROVEMENT FUND	4,621,900	3,559,900	3,612,000	3,665,300	3,720,000
	15%	-23%	1%	1%	1%
SEWER ENTERPRISE FUND					
SEWER SERVICE FEES	1,533,000	1,595,000	1,658,000	1,724,000	1,793,000
SEWER SYSTEM BUY-IN FEES	224,000	200,000	200,000	200,000	200,000
MISCELLANEOUS REVENUE	51,000	52,000	53,000	54,000	55,000
INTEREST INCOME	2,000	2,000	2,000	2,000	2,000
LEASE PURCHASE PROCEEDS	55,000				
BOND PROCEEDS - WIFA	500,000	500,000	500,000	500,000	500,000
TOTAL SEWER ENTERPRISE FUND	2,365,000	2,349,000	2,413,000	2,480,000	2,550,000
	12%	-1%	3%	3%	3%

**Town of Chino Valley
Total Revenue Summary**

	Budget FY 17-18	Budget FY 18-19	Budget FY 19-20	Budget FY 20-21	Budget FY 21-22
GRANTS FUND					
TOTAL GRANTS FUND	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
	0%	0%	0%	0%	0%
DEBT SERVICE FUND					
TFRS FROM CAPITAL IMPROVE FUNI	698,000	849,000	891,000	956,000	974,000
TOTAL DEBT SERVICE FUND	698,000	849,000	891,000	956,000	974,000
	-4%	22%	5%	7%	2%
SPECIAL REVENUE FUND - COURT					
COURT IMPROVEMENT FEES	12,000	12,000	12,000	12,000	12,000
COURT COLLECTION FEES	2,400	2,400	2,400	2,400	2,400
INTEREST INCOME-LGIP	100	100	100	100	100
TOTAL SPECIAL REVENUE FUND	14,500	14,500	14,500	14,500	14,500
	53%	0%	0%	0%	0%
CAPITAL ASSET REPLACEMENT FUND					
MISCELLANEOUS REVENUE	10,000	10,000	10,000	10,000	10,000
INTEREST INCOME LGIP	1,000	1,000	1,000	1,000	1,000
TOTAL CAPITAL ASSET REPLACEMENT	11,000	11,000	11,000	11,000	11,000
	5%	0%	0%	0%	0%
IMPACT FEES					
POLICE IMPACT FEES	-	-	-	-	-
ROADS IMPACT FEES	-	-	-	-	-
INTEREST INCOME LGIP	-	-	-	-	-
TOTAL IMPACT FEE	-	-	-	-	-
SPECIAL REVENUE FUND - PD					
VEHICLE HEARING FEE REVENUE	15,000	15,000	15,000	15,000	15,000
VEHICLE TOWING FEE	20,000	20,000	20,000	20,000	20,000
VEHICLE IMPOUND FEE REVENUE	20,000	20,000	20,000	20,000	20,000
CARRYOVER					
TOTAL SPECIAL REVENUE FUND - PD	55,000	55,000	55,000	55,000	55,000
	0%	0%	0%	0%	0%
LIGHTING IMPROVEMENT DISTRICTS					
CVSLID #1 TAX REVENUES	2,000	2,000	2,000	2,000	2,000
CVSLID #2 TAX REVENUES	1,000	1,000	1,000	1,000	1,000
CVSLID #3A TAX REVENUES	1,000	1,000	1,000	1,000	1,000
TOTAL LIGHTING IMPROVEMENT DI	4,000	4,000	4,000	4,000	4,000
	0%	0%	0%	0%	0%
CARRYOVER, TRANSFERS, GRANT & DEBT	23,823,000	23,149,000	23,857,600	24,078,900	24,604,500
	7%	-3%	3%	1%	2%

Expenditure Projections – 5 Year

The Town prepares estimates of current year and future year expenses for each department. The Town projected Salaries and Fringe Benefits to increase 2% each year. Operating Expenses are projected to increase between 2 and 3% each year unless other information is available to base the projection on. Capital is based on the actual item or planned project for future fiscal years. The Table below summarizes each department by fund for the current budget year a four subsequent years.

Town of Chino Valley						
Total Expenditure Summary by Department						
	Description	2017-18 Adopted Budget	2018-19 Projected	2019-20 Projected	2020-21 Projected	2021-22 Projected
GENERAL FUND						
41	PROSECUTOR	116,100	119,600	123,100	126,600	130,200
42	TOWN CLERK	193,800	228,618	213,235	246,349	208,162
43	TOWN MANAGER	313,000	318,614	324,312	330,194	336,160
44	HUMAN RESOURCES	233,000	236,300	239,900	244,100	248,100
45	MUNICIPAL COURT	279,400	284,558	294,116	296,272	302,127
46	FINANCE	356,200	350,502	357,403	365,006	372,807
47	MGMT INFORMATION	285,400	265,602	258,504	262,506	265,608
50	MAYOR AND COUNCIL	40,700	32,400	32,400	32,400	32,400
55	PLANNING	208,500	212,218	205,234	222,949	226,962
56	BUILDING INSPECTION	186,700	187,450	190,899	209,447	213,094
60	POLICE	3,174,200	3,293,271	3,329,357	3,334,463	3,397,887
61	ANIMAL CONTROL	129,100	131,234	133,369	135,805	137,941
63	RECREATION	112,700	114,154	115,709	117,265	118,823
64	LIBRARY	329,700	335,462	341,325	347,390	353,556
66	SENIOR CENTER	317,400	303,536	309,779	316,728	323,185
68	PARKS MAINTENANCE	430,300	451,302	440,704	445,906	454,208
69	AQUATICS CENTER	215,800	207,696	212,192	217,388	222,484
71	FACILITIES MAINTENANCE	422,100	374,310	383,920	393,630	403,441
73	FLEET MAINTENANCE	279,200	284,910	289,620	296,431	301,241
74	ENGINEERING	216,500	324,428	332,950	341,167	350,079
75	CUSTOMER SERVICE	237,600	245,136	253,171	261,005	268,937
95	NON DEPARTMENTAL	1,127,500	1,151,000	1,167,500	1,275,000	1,348,100
TOTAL GENERAL FUND		9,204,900	9,452,300	9,548,700	9,818,000	10,015,500
HIGHWAY USER REVENUE FUND						
278	ROAD MAINTENANCE	1,094,900	1,049,500	1,078,700	1,145,200	1,237,200
CDBG GRANTS						
390	CDBG PROJECTS	-	-	300,000	-	-

Town of Chino Valley						
Total Expenditure Summary by Department						
	Description	2017-18 Adopted Budget	2018-19 Projected	2019-20 Projected	2020-21 Projected	2021-22 Projected
WATER ENTERPRISE FUND						
482	WATER UTILITY OPERATION	561,300	539,600	542,400	540,900	553,400
495	WATER ENTERPRISE FUND EXP	2,071,700	2,069,800	2,067,800	2,070,500	2,068,000
		2,633,000	2,609,400	2,610,200	2,611,400	2,621,400
CAPITAL IMPROVEMENT FUND						
590	MISC CAPITAL PROJECTS	4,619,500	3,544,000	3,571,000	3,571,000	3,524,000
SEWER ENTERPRISE FUND						
683	SEWER	938,200	784,400	779,300	1,056,800	792,400
695	CAP/DEBT CONTINGENCIES	1,402,000	1,400,900	1,400,400	1,389,600	1,389,200
		2,340,200	2,185,300	2,179,700	2,446,400	2,181,600
GRANTS FUND						
7	GRANTS	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
DEBT SERVICE FUND						
8	DEBT SERVICE	698,000	848,500	891,300	956,500	973,800
SPECIAL REVENUE FUND COURT						
9	SPECIAL REV FUND	38,500	9,600	10,500	10,500	10,500
CAPITAL ASSET REPLACEMENT						
10	ASSET REPLACEMENT EXPEN	110,000	10,000	10,000	10,000	10,000
IMPACT FEE FUNDS						
11	TOTAL IMPACT FEES	498,000	-	-	-	-
SPECIAL REVENUE FUND PD						
16	VEHICLE IMPOUND EXPEND	55,000	45,000	45,000	45,000	45,000
LIGHTING IMPROVEMENT DISTRICTS						
40	CVSLID	4,000	4,000	4,000	4,000	4,000
TOTAL EXPENDITURES		24,796,000	23,257,600	23,749,100	24,118,000	24,123,000

OFFICIAL BUDGET FORMS

Town of Chino Valley

Fiscal Year 2018

Town of Chino Valley
 Summary Schedule of Estimated Revenues and Expenditures/Expenses
 Fiscal Year 2018

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	
2017	Adopted/Adjusted Budgeted Expenditures/Expenses*	E	8,429,500	4,553,500	727,000	2,937,500	0	5,091,000	0	21,738,500
2017	Actual Expenditures/Expenses**	E	8,078,083	4,434,800	398,695	459,726	0	3,814,010	0	17,185,314
2018	Fund Balance/Net Position at July 1***		5,386,549	755,912	457,014	1,362,236		11,702,774		19,664,485
2018	Primary Property Tax Levy	B	0							0
2018	Secondary Property Tax Levy	B								0
2018	Estimated Revenues Other than Property Taxes	C	8,465,000	4,496,500	0	4,632,900		5,030,600		22,625,000
2018	Other Financing Sources	D	0	0	0	0	0	0	0	0
2018	Other Financing (Uses)	D	0	0	0	0	0	0	0	0
2018	Interfund Transfers In	D	400,000	75,000	698,000	498,000	0	25,000	0	1,696,000
2018	Interfund Transfers (Out)	D	75,000	0	0	1,621,000	0	0	0	1,696,000
2018	Reduction for Amounts Not Available:									
LESS:	Amounts for Future Debt Retirement:									0
										0
										0
										0
2018	Total Financial Resources Available		14,176,549	5,327,412	1,155,014	4,872,136		16,758,374	0	42,289,485
2018	Budgeted Expenditures/Expenses	E	9,129,900	4,692,400	698,000	3,606,500	0	4,973,200	0	23,100,000

EXPENDITURE LIMITATION COMPARISON

	2017	2018
1. Budgeted expenditures/expenses	\$ 21,738,500	\$ 23,100,000
2. Add/subtract: estimated net reconciling items		
3. Budgeted expenditures/expenses adjusted for reconciling items	21,738,500	23,100,000
4. Less: estimated exclusions		
5. Amount subject to the expenditure limitation	\$ 21,738,500	\$ 23,100,000
6. EEC expenditure limitation	\$	\$

x 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).

**Town of Chino Valley
Tax Levy and Tax Rate Information
Fiscal Year 2018**

	2017	2018
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ _____	\$ _____
2. Amount received from primary property taxation in the current year in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18)	\$ _____	
3. Property tax levy amounts		
A. Primary property taxes	\$ _____	\$ _____
B. Secondary property taxes	\$ _____	\$ _____
C. Total property tax levy amounts	\$ _____	\$ _____
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ _____	
(2) Prior years' levies	\$ _____	
(3) Total primary property taxes	\$ _____	
B. Secondary property taxes		
(1) Current year's levy	\$ _____	
(2) Prior years' levies	\$ _____	
(3) Total secondary property taxes	\$ _____	
C. Total property taxes collected	\$ _____	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	_____	_____
(2) Secondary property tax rate	_____	_____
(3) Total city/town tax rate	_____	_____
B. Special assessment district tax rates		
Secondary property tax rates - As of the date the proposed budget was prepared, the city/town was operating <u> 3 </u> special assessment districts for which secondary property taxes are levied. For information pertaining to these special assessment districts and their tax rates, please contact the city/town.		

* Includes actual property taxes collected as of the date the proposed budget was prepared, plus estimated property tax collections for the remainder of the fiscal year.

**Town of Chino Valley
Revenues Other Than Property Taxes
Fiscal Year 2018**

SOURCE OF REVENUES	ESTIMATED REVENUES 2017	ACTUAL REVENUES* 2017	ESTIMATED REVENUES 2018
GENERAL FUND			
Local taxes			
Sales Taxes	\$ 4,066,000	\$ 4,131,811	4,280,000
Franchise Taxes	128,000	122,313	123,000
Licenses and permits			
Building Permits	175,000	284,548	225,000
Business Licenses	62,000	54,570	58,000
Plan Check Fees	90,000	120,681	110,000
Other Licenses and Permits	11,000	15,979	14,000
Intergovernmental			
State Shared Sales Tax	1,046,000	1,019,815	1,058,000
State Shared Income Tax	1,359,000	1,363,404	1,398,000
Vehicle License Tax	663,000	665,870	727,500
Yavapai County Library Funds	101,000	109,996	110,000
Police Dept Grants	7,500	5,352	7,500
Senior Nutrition Grant	52,000	50,652	52,000
Charges for services			
Engineering Fees	5,000	3,450	5,000
Senior Nutrition Program Fees	16,000	11,424	16,500
Facility Use Fees	25,000	19,075	23,000
Police Report Fees	3,000	2,946	3,000
Aquatic Center Fees	75,000	70,991	74,000
Other Charges for Services	3,500	3,042	2,500
Fines and forfeits			
Animal Control Fees	30,000	35,235	30,000
Library Fines	4,000	2,972	3,000
Court Fines and Forfeitures	124,000	124,338	128,000
Interest on investments			
Interest	1,500	11,505	10,000
Contributions			
Sponsorships	1,000	895	1,000
Senior Center Thrift Store	1,500	1,180	1,500
Friends of the Library			
Miscellaneous			
Other Revenues	4,500	4,308	4,500
Total General Fund	\$ 8,054,500	\$ 8,236,352	\$ 8,465,000

* 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.

**Town of Chino Valley
Revenues Other Than Property Taxes
Fiscal Year 2018**

SOURCE OF REVENUES	ESTIMATED REVENUES 2017	ACTUAL REVENUES* 2017	ESTIMATED REVENUES 2018
SPECIAL REVENUE FUNDS			
Highway User Revenue Fund			
Highway User Revenue	\$ 853,000	\$ 890,033	920,000
Interest	1,000	1,925	1,500
Miscellaneous	1,500	4,429	1,500
	<u>\$ 855,500</u>	<u>\$ 896,387</u>	<u>\$ 923,000</u>
CDBG Grants	\$	\$	\$
	<u>\$</u>	<u>\$</u>	<u>\$</u>
Miscellaneous Grants	\$ 3,500,000	\$ 3,500,000	3,500,000
	<u>\$ 3,500,000</u>	<u>\$ 3,500,000</u>	<u>\$ 3,500,000</u>
Special Revenue Fund-Court	\$ 9,500	\$ 21,043	14,500
Special Revenue Fund-PD	55,000	61,108	55,000
Lighting Improvement Districts #1, #2, #3	4,000	4,000	4,000
	<u>\$ 68,500</u>	<u>\$ 86,151</u>	<u>\$ 73,500</u>
Total Special Revenue Funds	<u>\$ 4,424,000</u>	<u>\$ 4,482,538</u>	<u>\$ 4,496,500</u>
CAPITAL PROJECTS FUNDS			
Impact Fee Funds	\$	\$ 900	
Capital Improvements Fund	4,035,500	1,484,126	4,621,900
Replacement Fund	10,500	8,639	11,000
	<u>\$ 4,046,000</u>	<u>\$ 1,493,665</u>	<u>\$ 4,632,900</u>
Total Capital Projects Funds	<u>\$ 4,046,000</u>	<u>\$ 1,493,665</u>	<u>\$ 4,632,900</u>
ENTERPRISE FUNDS			
Water Enterprise Fund	\$ 2,531,000	\$ 637,249	2,665,600
Sewer Enterprise Fund	2,119,500	2,910,257	2,365,000
	<u>\$ 4,650,500</u>	<u>\$ 3,547,506</u>	<u>\$ 5,030,600</u>
Total Enterprise Funds	<u>\$ 4,650,500</u>	<u>\$ 3,547,506</u>	<u>\$ 5,030,600</u>
TOTAL ALL FUNDS	<u>\$ 21,175,000</u>	<u>\$ 17,760,061</u>	<u>\$ 22,625,000</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.

Town of Chino Valley
Other Financing Sources/<Uses> and Interfund Transfers
Fiscal Year 2018

FUND	OTHER FINANCING 2018		INTERFUND TRANSFERS 2018	
	SOURCES	<USES>	IN	<OUT>
GENERAL FUND				
Capital Improvement Fund	\$	\$	\$ 400,000	\$
General Fund				75,000
Total General Fund	\$	\$	\$ 400,000	\$ 75,000
SPECIAL REVENUE FUNDS				
HURF Fund			75,000	
Total Special Revenue Funds	\$	\$	\$ 75,000	
DEBT SERVICE FUNDS				
Capital Improvement Fund	\$	\$	\$ 698,000	\$
Total Debt Service Funds	\$	\$	\$ 698,000	\$
CAPITAL PROJECTS FUNDS				
Capital Improvement Fund	\$	\$	\$ 498,000	\$ 1,123,000
Road Impact Fee Fund				498,000
Total Capital Projects Funds	\$	\$	\$ 498,000	\$ 1,621,000
ENTERPRISE FUNDS				
Water Enterprise	\$	\$	\$ 25,000	\$
Total Enterprise Funds	\$	\$	\$ 25,000	\$
TOTAL ALL FUNDS	\$	\$	\$ 1,696,000	\$ 1,696,000

**Town of Chino Valley
Expenditures/Expenses by Fund
Fiscal Year 2018**

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2017	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2017	ACTUAL EXPENDITURES/ EXPENSES* 2017	BUDGETED EXPENDITURES/ EXPENSES 2018
GENERAL FUND				
Prosecutor	\$ 123,700	\$	\$ 113,317	\$ 116,100
Town Clerk	224,000		189,350	193,800
Town Manager	371,400		377,150	313,000
Human Resources	221,600		212,000	233,000
Magistrate Court	278,600		263,500	279,400
Finance	343,200		342,250	356,200
Mgmt Info Systems	336,400		290,150	285,400
Mayor & Council	43,200		35,300	40,700
Planning	207,000		177,400	208,500
Building Inspection	257,700		236,640	186,700
Police	2,768,800		2,724,800	3,174,200
Animal Control	128,300		112,000	129,100
Recreation	96,100		86,536	112,700
Library	312,600		308,250	329,700
Senior Center	271,600		265,300	317,400
Parks	373,400		401,448	430,300
Aquatic Center	220,400		257,779	215,800
Facilities Maintenance	343,500		356,198	422,100
Fleet Maintenance	283,000		251,274	279,200
Engineering	125,900		75,750	216,500
Customer Service	118,100		101,000	237,600
Non-Departmental	581,000		625,691	687,500
Contingency	400,000		275,000	440,000
Total General Fund	\$ 8,429,500	\$	\$ 8,078,083	\$ 9,129,900
SPECIAL REVENUE FUNDS				
Highway User Revenue Fund	\$ 966,000	\$	\$ 866,100	\$ 1,094,900
Miscellaneous Grants Fund	3,500,000		3,500,000	3,500,000
Special Revenue Fund -- Court	38,500		9,700	38,500
Special Revenue Fund -- PD	45,000		55,000	55,000
Lighting Improvement Districts	4,000		4,000	4,000
Total Special Revenue Funds	\$ 4,553,500	\$	\$ 4,434,800	\$ 4,692,400
DEBT SERVICE FUNDS				
Debt Service Fund	\$ 727,000	\$	\$ 398,695	\$ 698,000
Total Debt Service Funds	\$ 727,000	\$	\$ 398,695	\$ 698,000
CAPITAL PROJECTS FUNDS				
Capital Improvements Fund	\$ 2,869,000	\$	\$ 362,000	\$ 3,496,500
Impact Fees Funds	18,500		50,226	
Asset Replacement Fund	50,000		47,500	110,000
Total Capital Projects Funds	\$ 2,937,500	\$	\$ 459,726	\$ 3,606,500
ENTERPRISE FUNDS				
Water Enterprise Fund	\$ 2,606,000	\$	\$ 548,415	\$ 2,633,000
Sewer Enterprise Fund	2,485,000		3,265,595	2,340,200
Total Enterprise Funds	\$ 5,091,000	\$	\$ 3,814,010	\$ 4,973,200
TOTAL ALL FUNDS	\$ 21,738,500	\$	\$ 17,185,314	\$ 23,100,000

* 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.

**Town of Chino Valley
Expenditures/Expenses by Department
Fiscal Year 2018**

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2017	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2017	ACTUAL EXPENDITURES/ EXPENSES* 2017	BUDGETED EXPENDITURES/ EXPENSES 2018
Prosecutor				
General Fund	\$ 123,700	\$	\$ 113,317	\$ 116,100
Department Total	\$ 123,700	\$	\$ 113,317	\$ 116,100
Town Clerk				
General Fund	\$ 224,000	\$	\$ 189,350	\$ 193,800
Department Total	\$ 224,000	\$	\$ 189,350	\$ 193,800
Town Manager				
General Fund	\$ 371,400	\$	\$ 377,150	\$ 313,000
Department Total	\$ 371,400	\$	\$ 377,150	\$ 313,000
Human Resources				
General Fund	\$ 221,600	\$	\$ 212,000	\$ 233,000
Department Total	\$ 221,600	\$	\$ 212,000	\$ 233,000
Municipal Court				
General Fund	278,600	\$	263,500	279,400
Special Revenue Fund	\$ 38,500	\$	\$ 9,700	\$ 38,500
Department Total	\$ 317,100	\$	\$ 273,200	\$ 317,900
Finance				
General Fund	\$ 343,200	\$	\$ 342,250	\$ 356,200
Department Total	\$ 343,200	\$	\$ 342,250	\$ 356,200
Mgmt Info Systems				
General Fund	\$ 336,400	\$	\$ 290,150	\$ 285,400
Department Total	\$ 336,400	\$	\$ 290,150	\$ 285,400
Mayor and Council				
General Fund	\$ 43,200	\$	35,300	40,700
Department Total	\$ 43,200	\$	35,300	\$ 40,700
Planning				
General Fund	\$ 207,000	\$	\$ 177,400	\$ 208,500
Department Total	\$ 207,000	\$	\$ 177,400	\$ 208,500
Building Inspection				
General Fund	\$ 257,700	\$	236,640	186,700
Department Total	\$ 257,700	\$	236,640	\$ 186,700
Police				
General Fund	2,768,800	\$	2,724,800	3,174,200
Impact Fee Fund	\$	\$	\$	\$
Special Revenue Fund	45,000	\$	55,000	55,000
Department Total	\$ 2,813,800	\$	\$ 2,779,800	\$ 3,229,200
Animal Control				
General Fund	\$ 128,300	\$	112,000	129,100
Department Total	\$ 128,300	\$	\$ 112,000	\$ 129,100
Recreation				
General Fund	\$ 96,100	\$	86,536	112,700
Impact Fee Fund	18,283	\$	\$	\$
Department Total	\$ 114,383	\$	\$ 86,536	\$ 112,700

**Town of Chino Valley
Expenditures/Expenses by Department
Fiscal Year 2018**

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2017	EXPENDITURE/ ADJUSTMENTS APPROVED 2017	ACTUAL EXPENDITURES/ EXPENSES* 2017	BUDGETED EXPENDITURES/ EXPENSES 2018
Library				
General Fund	\$ 312,600	\$	\$ 308,250	\$ 329,700
Department Total	\$ 312,600	\$	\$ 308,250	\$ 329,700
Senior Center				
General Fund	\$ 271,600	\$	\$ 265,300	\$ 317,400
Department Total	\$ 271,600	\$	\$ 265,300	\$ 317,400
Parks Maintenance				
General Fund	\$ 373,400	\$	\$ 401,448	\$ 430,300
Department Total	\$ 373,400	\$	\$ 401,448	\$ 430,300
Aquatics Center				
General Fund	\$ 220,400	\$	\$ 257,779	\$ 215,800
Department Total	\$ 220,400	\$	\$ 257,779	\$ 215,800
Facilities Maintenance				
General Fund	\$ 343,500	\$	\$ 356,198	\$ 422,100
Department Total	\$ 343,500	\$	\$ 356,198	\$ 422,100
Fleet Maintenance				
General Fund	\$ 283,000	\$	\$ 251,274	\$ 279,200
Department Total	\$ 283,000	\$	\$ 251,274	\$ 279,200
Engineering				
General Fund	\$ 125,900	\$	\$ 75,750	\$ 216,500
Department Total	\$ 125,900	\$	\$ 75,750	\$ 216,500
Customer Service				
General Fund	\$ 118,100	\$	\$ 101,000	\$ 237,600
Department Total	\$ 118,100	\$	\$ 101,000	\$ 237,600
Non-Departmental				
General Fund	\$ 981,000	\$	\$ 900,691	\$ 1,127,500
Debt Service Fund	727,000	\$	398,695	698,000
Capital Improvement Fund	2,869,217	\$	362,000	4,619,500
Grant Fund	3,500,000	\$	3,500,000	3,500,000
Impact Fee Fund	50,226	\$	50,226	498,000
Asset Replacement Fund	50,000	\$	47,500	110,000
Department Total	\$ 8,127,217	\$	\$ 5,259,112	\$ 10,553,000
Water Utilities				
Water Enterprise Fund	\$ 2,606,000	\$	\$ 548,415	2,633,000
Department Total	\$ 2,606,000	\$	\$ 548,415	\$ 2,633,000
Sewer Utilities				
Sewer Enterprise Fund	\$ 2,485,000	\$	\$ 3,265,595	2,340,200
Department Total	\$ 2,485,000	\$	\$ 3,265,595	\$ 2,340,200
Roads				
HURF	\$ 966,000	\$	\$ 866,100	1,094,900
Department Total	\$ 966,000	\$	\$ 866,100	\$ 1,094,900
Street Lighting Improvement District				
SLID Fund	\$ 4,000	\$	\$ 4,000	4,000
Department Total	\$ 4,000	\$	\$ 4,000	\$ 4,000
TOTAL ALL DEPARTMENTS	\$ 21,738,500	\$	\$ 17,185,314	\$ 24,796,000

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.

**Town of Chino Valley
Full-Time Employees and Personnel Compensation
Fiscal Year 2018**

FUND	Full-Time Equivalent (FTE) 2018	Employee Salaries and Hourly Costs 2018	Retirement Costs 2018	Healthcare Costs 2018	Other Benefit Costs 2018	Total Estimated Personnel Compensation 2018
GENERAL FUND	82.5	\$ 4,423,229	\$ 821,639	\$ 713,919	\$ 424,939	= 6,383,726
SPECIAL REVENUE FUNDS						
Highway User Revenue	7.0	\$ 286,854	\$ 32,529	\$ 53,735	\$ 49,267	= 422,385
Total Special Revenue Funds	7.0	\$ 286,854	\$ 32,529	\$ 53,735	\$ 49,267	= 422,385
ENTERPRISE FUNDS						
Water Enterprise Fund	2.5	\$ 130,448	\$ 14,793	\$ 22,514	\$ 14,352	= 182,107
Sewer Enterprise Fund	3.5	186,578	21,158	31,193	20,492	259,421
Total Enterprise Funds	6.0	\$ 317,026	\$ 35,951	\$ 53,707	\$ 34,844	= 441,528
TOTAL ALL FUNDS	95.5	\$ 5,027,109	\$ 890,119	\$ 821,361	\$ 509,050	= 7,247,639

Budget Resolution – Adopt Tentative Budget

Budget Resolution – Adopt Expenditure Limitation

Glossary

Alternative Expenditure Limitation - A voter approved alternative to the state imposed annual expenditure limitation.

The alternative to the state plan is effective for a four year period. This alternative allows local government to establish its own spending cap each year.

Appropriation - A legal authorization granted by Town Council to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in amount and duration as to when it may be expended.

Arizona Department of Transportation (ADOT) - A State of Arizona agency responsible for the administration of state highways, transportation and aeronautics. ADOT administrates and funds various road, transit and airport grants.

Arizona Revised Statutes - Laws governing the State of Arizona, as amended by the state legislature.

Base Budget - Cost of continuing the existing levels of service in the current budget year.

Bonds - A written instrument to pay a sum of money at a specified interest rate, on a specific date or dates in the future, called maturity dates. The interest payments and the repayment of the principal are detailed in a bond resolution or ordinance. Two common types of bonds are general obligation and revenue bonds which are most commonly used for construction of large capital projects such as buildings, streets and sewers.

Budget - A plan of financial operation representing an estimate of Final expenditures and the Final means of financing them for a given period. This official public document reflects decisions, measures service needs, establishes the allocation of resources and is the pecuniary plan for achieving goals and objectives.

Budget Calendar - The schedule of key dates or events which the city follows in the preparation, adoption, and administration of the budget.

Capital Outlay - Expenditures resulting in the acquisition or addition to the government's general fixed assets. These assets generally have a useful life of more than one year.

Capital Projects Fund - A fund created to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by propriety funds and fiduciary funds).

Carryover – The amount of fund balance from the prior fiscal year used in the current fiscal year.

Classification Plan - Employee positions, which are authorized in the Final budget, to be filled during the year.

Community Development Block Grant (CDBG) - A grant program administrated through the state's Department of Commerce focusing on neighborhood rehabilitation and other community based needs.

Comprehensive Annual Financial Report (CAFR) - The official annual audited financial report of the town.

Consumer Price Index (CPI) - A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in the cost of living (i.e., economic inflation).

Contingency - A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

Contractual Services - Professional, technical or maintenance expertise typically purchased from external sources.

Cost-of-living Adjustment (COLA) - An increase in salaries to offset the adverse effect of inflation on compensation.

Debt - An obligation resulting from borrowing money or from the purchase of goods and services. Types of governmental debts includes bonds, loans, time warrants and notes.

Debt Service - The long-term payment of principal and interest on borrowed funds.

Debt Service Fund - A fund organized to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Deficit - The excess of an entity's liabilities over its assets or the excess of expenditures or expenses over revenues during a single accounting period.

Department - The basic organizational unit of government which is functionally unique in its delivery of services.

Designated Reserves - Those portions of fund balance that are not appropriable for expenditure or that are legally segregated for a specific future use.

Employee Benefit Trust Fund - Accounts for the Town's partially self-funded health and accident insurance program for the Town's employees and their dependents.

Enterprise Fund - A governmental accounting fund in which the services provided are financed and operated similarly to those of a private business. The governing body's intention is to finance or recover operation costs through user fees.

Expenditure - Decreases in net financial resources in accordance with budgeted appropriations. Expenditures include operating expenses such as the acquisition of assets or goods and services.

Fiduciary Funds - Funds used to account for assets held by a government unit in a trustee capacity (i.e., Alternative Pension and Benefits Plan Fund, Employee Benefit Trust Fund).

Fines and Forfeitures - Income received through the assessments of fines and penalties through the municipal court.

Fiscal Year - A time period designated by the Town signifying the beginning and ending period for recording financial transactions. The Town of Chino Valley has a fiscal year beginning July 1 and ending June 30.

Franchise Fee - A fee paid by public service business for the special privilege to use Town streets, alley and property in providing their services to the citizens of the community. Services requiring franchise fees include electricity, water, natural gas, and cable television.

Full-time Equivalent Position (FTE) - A part-time position converted to the decimal equivalent of a full-time position based on 2,080 hours per year. For example, a part-time typist working for 20 hours per week would be the equivalent to .5 of a full-time position.

Fund - An accounting entity having a set of self-balancing accounts and records all financial transactions for specific activities or government functions in attaining certain objectives governed by special regulations, restrictions, or limitations.

Fund Balance - Fund balance is the excess of assets over liabilities of governmental and fiduciary funds.

Greater Arizona Development Authority - Created by the Arizona Legislature to assist local and tribal governments and special districts with the development of public infrastructure. Housed in the Arizona Department of Commerce, this \$20 million bond authority leverages funding for infrastructure projects, helping accelerate project development and lower costs of financing.

General Fund - The operating fund established to account for resources and uses of general operating functions of Town departments that are not required to be accounted for in another fund. Resources are, in the majority, provided by taxes.

General Obligation Bonds - Bonds that finance a variety of public projects and require voter approval. These bonds are backed by the full faith and credit of the city. Limitations for bonding capacity are set by State Statute.

Generally Accepted Accounting Principles (GAAP) - Uniform minimum standards and guidelines for financial accounting and reporting.

Governmental Funds - Funds used to account for the acquisition, use and balances of expendable financial resources and related current liabilities, except those accounted for in propriety funds and fiduciary funds (i.e., General Fund, Special Revenue Fund, Debt Service Fund, Capital Projects Fund).

Grant - Contributions or gifts of cash or other assets from another government to be used for a specified purpose, activity or facility.

Indirect Cost - A cost necessary for the functioning of the organization as a whole, but which cannot be directly assigned to one service.

Infrastructure - The physical assets of a government (e.g., streets, water, sewer, public buildings and parks).

Intergovernmental Revenue - Funds received from federal, state and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes.

Internal Service Fund - A fund used to account for the financing of goods or services provided by one department to other departments on a cost-reimbursement basis.

Line-item Budget - A budget prepared along departmental lines that focuses on what is to be bought.

Local Transportation Assistance Fund - A state fund established and funded by lottery proceeds to provide grants for local transit systems, parks and other open space needs, and street maintenance and improvements.

Long-term Debt - Debt with a maturity of more than one year after the date of issuance.

Municipal Property Corporation - A component unit of the Town established for the purposes of providing funding for capital projects which directly benefit the Town.

Objective - Something to be accomplished in specific, well-defined, and measurable terms and that is achievable with a specific time frame.

Obligations - Amounts which a government may be legally required to meet out of its resources. They include not only actual liabilities, but also encumbrances not yet paid.

Operating Budget - Plan of current expenditures and the prepared means to finance them. This budget, associated with providing on-going services to citizens, includes general expenditures such as personal services, contractual services, operating supplies and operating capital items. The budget is the primary measure of controlling financing, acquisition, spending and delivering of services of the entity.

Operating Expenses - The cost for personnel, materials and equipment required for a department to function.

Operating Revenue - Funds that the government receives as income to pay for ongoing operations. It includes such items as taxes, fees from specific services, interest earnings, and grant revenues. Operating revenues are used to pay for day-today services.

Proprietary Funds - Funds used to account for a government's ongoing activities that are similar to those often found in the private sector (i.e., Water & Wastewater Enterprise Funds).

Public Hearing - A hearing, publically advertised to promote public input into the annual budget process, held each year prior to the adoption of the Final budget.

Reserve - An account used either to set aside budgeted revenues that are not required for expenditure in the current budget year or to earmark revenues for a specific future purpose.

Resolution - A special or temporary order of a legislative body; an order of a legislative body requiring less legal formality than an ordinance or statute.

Resources - Total amounts available for appropriation including estimated revenues, fund transfers, and beginning balances.

Revenue - Sources of income financing the operations of government.

Revenue Bonds - Bonds whose principal and interest are payable exclusively from earnings of an enterprise fund.

Service Level - Specific quantitative and qualitative measures of work performed as an objective of specific departments or programs.

Special Revenue Fund - A fund used to finance distinct activities and is created out of receipts of specific revenues.

Unreserved Fund Balance - Undesignated monies available for appropriations.

Acronyms

AC - Animal Control	GPU - General Plan Update
ACO - Animal Control Officer	HR - Human Resources
ADOH - Arizona Department of Housing	HURF - Highway User Revenue Fund
ADOT – Arizona Department of Transportation	HVAC - Heating Ventilation and Air Conditioning
ADWR - Arizona Department of Water Resource	ID - Improvement District
AMRRP - Arizona Municipal Risk Retention Pool	IGA - Intergovernmental Agreement
ARS - Arizona Revised Statutes	ISP - Internet Service Provider
ASRS - Arizona State Retirement System	JCEF - Judicial Collection Enhancement Fund
ASSMT - Assessment	JTED - Joint Technology Education District
AV - Audio Visual	LGIP - Local Government Investment Pool
AZ - Arizona	LTAf - Local Transportation Assistance Fund
CAFR - Comprehensive Annual Financial Report	MGPA - Minor General Plan Amendment
CD - Compact Disc	MIS - Management Information Systems
CDBG - Community Development Block Grant	MPC - Municipal Property Corporation
CIP - Capital Improvement Plan	MUTCD - Manual of Uniform Traffic Control Devices
COC - Chamber of Commerce	NACOG - Northern Arizona Council of Governments
COLA - Cost of Living Adjustment	NAMUA - Northern Arizona Water Users Association Officer
COP - Citizens on Patrol	OSHA - Occupational Safety & Health Administration
CPI - Consumer Price Index	PAD - Planned Area of Development
CTR - Center	PANT - (P.A.N.T.) Prescott Area Narcotics Taskforce
CUP - Conditional Use Permit	PD - Police Department
CVSLID - Chino Valley Street Lighting Improvement District	PPO - Preferred Provider Organization
CWRF - Clean Water Revolving Fund	PSPRS - Public Safety Personnel Retirement System
CYMPO - Central Yavapai Metropolitan Planning Organization	PT - Part-time
DPS GITM - Department of Public Safety Gang Intervention Team	PVEDF - Prescott Valley Economic Development Foundation
DUI - Driving Under the Influence	PW - Public Works
DWRF - Drinking Water Revolving Fund	R&R - Reserve and Replacement
EAP - Employee Assistant Program	RFID - Radio Frequency
EDF - Economic Development Fund	RFP - Request for Proposal
EECBG - Energy Efficiency and Conservation Block Grant	RFQ - Request for Qualifications
EEOC - Equal Employment Opportunity Compliance	S/C - Senior Center
ENR - Engineering News Record	SVCS - Services
FEMA - Federal Emergency Management Administration	TFR - Transfer
FTE – Full-Time Equivalent	TPT - Transaction Privilege Tax
FY - Fiscal Year	UDO - Unified Development Ordinance
GAAP - Generally Accepted Accounting Principles	US - United States
GADA - Greater Arizona Development Authority	USDA - United States Department of Agriculture
GASB - Government Accounting Standards Board	WC - Workers Compensation
GFOA - Government Finance Officers Association	WIFA - Water Infrastructure Finance Authority
GIITEM - Gang and Immigration Intelligence Team	YC - Yavapai County
GIS - Graphical Information Systems	YCT - Yavapai County Trust
GO Bond - General Obligation Bond	
GOHS - Governor's Office of Highway Safety	