



# FY 2025-26 Final Budget

---

June 25, 2025

# Purpose

---



- Fiscal Year 2025-26 Final Budget

# Final Budget Development



---

02/04/25	Work Session	Corporate Strategic Plan
03/04/25	Work Session	Capital Improvement Projects & Revenue Projections
04/01/25	Work Session	Personnel Requests, Compensation & Benefits
05/06/25	Work Session	Draft Budget; Expenditures, Operational Enhancements, One-Time Expenditures
05/28/25	Special Meeting	Tentative Budget Adoption
06/03/25	Work Session	Refine Tentative Budget
06/25/25	Special Meeting	Final Budget Adoption & Property Tax Levy

# FY 25-26 Final Budget

---



The FY25-26 Final Budget is currently balanced with Total Financial Resources equaling Expenditures

<b>Total Financial Resources -</b>	<b>\$91,631,507</b>
<b>Total Expenditures -</b>	<b>\$91,631,507</b>

# FY 25-26 Final Budget



---

Final Budget -	\$91,631,507
Tentative Budget -	\$94,970,924

Following tentative Budget Adoption May 28, 2025

- \$1,480,000 was removed from General Fund Budget and a Fund Transfer was made to Capital Projects Fund for the Aquatics construction drawings (Fund Transfers are not counted as expenditures).
- \$1 million of Fund Balance was expended from the Final Budget due to remaining capital expenditures and interfund transfers this year.
- Personnel Costs were reduced by \$860,000 (option 2 June 3<sup>rd</sup> work session).

# 25-26 Final Budget



<b>Fund</b>	<b>Revenues &amp; Fund Balance</b>	<b>Expenditures</b>
<b>General Fund</b>	<b>\$ 40,629,064</b>	<b>\$ 40,629,064</b>
<b>Special Revenue</b>	<b>\$ 16,572,889</b>	<b>\$ 16,572,889</b>
<b>Capital Fund</b>	<b>\$ 7,170,000</b>	<b>\$ 7,170,000</b>
<b>Water Fund</b>	<b>\$ 29,259,554</b>	<b>\$ 29,259,554</b>
<b>TOTAL</b>	<b>\$ 91,631,507</b>	<b>\$ 91,631,507</b>

# 25-26 Final Budget Expenditures



## The Final Budget Expenditures are made up of the following 18 funds

General Fund	\$	40,629,064	v	Capital Replacement Fund	\$	1,300,000
HURF	\$	11,237,032	^	Gifts and Grants Fund	\$	1,922,556
Water Fund	\$	29,259,554	^	Wildlands/Urban Fund	\$	200,000
Bed Tax Fund	\$	429,427	v	Park & Rec Improvement Fund	\$	7,000
Airport Fund	\$	1,324,968		Police Dept of Justice Fund	\$	39,000
Library Fund	\$	685,725		Police Impound Fund	\$	31,000
Event Center Fund	\$	440,281		Magistrate Court Fund/JCEF	\$	1,600
Capital Projects Fund	\$	3,870,000	^	Magistrate Court Fund/FTG	\$	4,300
Contingency Fund	\$	250,000	v			
				<b>Total</b>	<b>\$</b>	<b>91,631,507</b>



---

# General Fund

# General Fund 25-26 Final Budget

---



**Available Funding**

**\$40,629,064**

**Expenditures**

**\$40,629,064**

# General Fund 25-26 Final Budget

---



**The General Fund FY25-26 Final Budget is currently balanced with available funds and expenditures totaling \$40,629,064.**

• Revenues excluding Property Tax (Sch C)	\$38,675,086
• Property Tax (Schedule B)	\$720,566
• Plus Transfers In (Schedule D)	\$547,714
• Less Transfers Out (Schedule D)	-\$3,662,730
• Plus Fund Balance (Schedule A)	<u>\$4,348,428</u>
<b>Total</b>	<b>\$40,629,064</b>

# General Fund Revenues



	FY 24-25 Budget	FY 24-25 Proj. Actuals	FY 25-26 Budget	% Change
Taxes	\$32,739,595	\$29,084,627	\$29,841,097	-8.85%
Intergovernmental	\$1,700,269	\$1,249,431	\$1,670,189	-1.77%
Licenses & Permits	\$1,357,741	\$1,103,456	\$1,076,100	-20.74%
Charge for Services	\$728,807	\$806,122	\$831,900	14.15%
Fines & Forfeitures	\$185,000	\$120,725	\$121,000	-34.59%
Interest	\$1,450,000	\$1,662,476	\$1,100,000	-24.14%
Misc Revenue	\$632,168	\$320,125	\$4,034,800	538.25%
<b>Budget Schedule Revenues</b>	<b>\$38,793,580</b>	<b>\$34,346,962</b>	<b>\$38,675,086</b>	
Transfer-in (Water)	\$508,000	\$508,000	\$547,714	7.82%
Property Tax	\$717,831	\$704,625	\$720,566	0.38%
<b>Accounting System REVENUES</b>	<b>\$40,019,603</b>	<b>\$35,559,587</b>	<b>\$39,943,366</b>	<b>-0.19%</b>

# General Fund Expenditures



<b>Expenditures</b>	<b>FY24-25 Budget</b>	<b>FY 24-25 Proj Actuals</b>	<b>FY 25-26 Budget</b>	<b>% Change</b>
Personnel	\$ 24,103,394	\$ 20,528,032	\$ 24,751,496	2.69%
Supplies	\$ 2,655,496	\$ 1,425,177	\$ 2,137,585	-19.50%
Services	\$ 6,497,271	\$ 6,497,271	\$ 13,674,983	101.29%
Capital	\$ 4,125,015	\$ 3,828,134	\$ 65,000	-98.42%
<b>Total Expenditures</b>	<b>\$ 37,381,146</b>	<b>\$ 32,192,342</b>	<b>\$ 40,629,064</b>	<b>8.71%</b>



# General Fund Tentative Department Expenditures

	FY 24-25 Budget	FY 24-25 Projected	FY 25-26 Baseline	% Change
<b>Central Services</b>	\$6,264,692	\$4,771,856	\$8,366,173	33.54%
<b>Clerks</b>	\$317,133	\$271,571	\$306,028	-3.50%
<b>Council</b>	\$147,535	\$96,354	\$117,138	-20.60%
<b>Elections</b>	\$34,000	\$63,508	\$43,000	26.47%
<b>Town Manager</b>	\$638,362	\$864,688	\$609,139	-4.58%
<b>Finance</b>	\$870,426	\$848,277	\$874,134	0.43%
<b>Human Resources</b>	\$557,703	\$465,157	\$488,759	-12.36%
<b>IT</b>	\$2,125,327	\$1,684,564	\$2,102,320	-1.08%
<b>IT-Public Safety</b>	\$345,340	\$391,639	\$421,840	22.15%
<b>Attorney</b>	\$480,250	\$585,644	\$454,000	-5.47%
<b>Court</b>	\$322,588	\$297,107	\$318,844	-1.16%
<b>Tourism</b>	\$60,774	\$55,137	\$65,693	8.09%
<b>Police Department</b>	\$10,834,686	\$9,160,388	\$10,831,778	-0.03%
<b>Fire Dept</b>	\$8,663,278	\$7,693,404	\$8,482,789	-2.08%
<b>Public Works (Town Engineer &amp; Fac Maint)</b>	\$1,512,034	\$704,505	\$1,746,674	15.52%
<b>Community Development</b>	\$1,558,647	\$1,189,629	\$1,781,990	14.33%
<b>Parks &amp; Rec</b>	\$3,144,969	\$3,039,419	\$3,265,914	3.85%
<b>Transfer to Airport</b>	\$302,021	\$302,021	\$280,000	-7.29%
<b>Transfer to Library</b>	\$355,748	\$355,748	\$402,730	13.21%
<b>Projected Department Expenses</b>	<b>\$38,535,513</b>	<b>\$32,840,616</b>	<b>\$40,958,943</b>	6.29%

# General Fund 25-26

## Final Budget Notes

---



- Personnel expenditures were reduced \$860K from the Tentative Budget based on 6/3/25 work session.
- A \$1,500,000 fund transfer from General Fund to the Capital Projects Fund was added for the Event Center Design.
- A \$1,480,000 Transfer from General Fund to the Capital Project Fund was made for the Aquatic construction drawings.
- \$6.3 million is included in GF Central Services Budget for a possible PSPRS payoff and/or CIP expenditure.
- Three (3) Fire Fighter positions from the “Safer” Grant were removed from the FTE.
- Financial policy reserve met - \$12,333,250 reserved for future budget year expenditures (Sch A – Line 11).



---

# HURF (Highway User Revenue Fund)

# HURF FY 25-26 Final Budget

---



**Revenues**

**\$11,237,032**

**Expenditures**

**\$11,237,032**

The FY25-26 Final HURF Budget is currently balanced with Revenue equaling Expenditures

# HURF FY 25-26 Revenues



REVENUES	FY 24-25	FY 24-25	FY 25-26
	Budget	Projected Actuals	Draft Budget
Highway Gas Tax	\$2,302,775	\$2,175,092	\$2,398,866
Gila County Trans Tax	\$1,282,500	\$1,444,188	\$1,308,150
ADOT State Grant	\$4,058,668	\$0	\$2,028,686
Other Grants/Revenue	\$4,663,640	\$417,121	\$15,000
<b>TOTAL REVENUES</b>	<b>\$12,307,583</b>	<b>\$4,036,401</b>	<b>\$5,750,702</b>
<b>Fund Balance Available</b>		<b>\$11,818,836</b>	<b>\$5,486,330</b>
<b>TOTAL FUNDS AVAILABLE</b>		<b>\$15,855,237</b>	<b>\$11,237,032</b>

# HURF

## FY 25-26 Expenditures



EXPENDITURES	FY 24-25	FY 24-25	FY 25-26
	Budget	Projected Actuals	Budget
Personnel	\$1,781,268	\$1,593,247	\$1,545,313
Supplies	\$429,120	\$323,899	\$415,610
Services	\$540,887	\$414,803	\$487,795
Capital	\$18,972,274	\$6,986,508	\$8,788,314
<b>TOTAL EXPENDITURES</b>	<b>\$21,723,549</b>	<b>\$9,318,457</b>	<b>\$11,237,032</b>

# HURF

## FY 25-26 Capital



---

• Pavement Preservation	\$1,000,000
• Longhorn/McLane Roundabout	\$1,650,000
• Beeline Bus Route Improvements	\$5,242,000
• Wilson Court	\$800,000
• W. Forest Dr. Improvements	\$12,314
• Houston Mesa PATS Improvements	\$55,000
• Vehicle Lift	\$29,000
<b>Total</b>	<b>\$8,788,314</b>

Highlighted projects were not included in the Tentative Budget

A replacement Street Sweeper is budgeted as a lease @ \$78k per year



# Enterprise/Water Fund

# Water/Enterprise FY 25-26 Final Budget



## Financing

## Expenditures

<b>Revenues</b>	<b>\$12,129,947</b>	<b>\$29,259,554</b>
<b>Transfer Out</b>	<b>\$572,714</b>	
<b>Fund Balance</b>	<b><u>\$17,702,321</u></b>	
	<b>\$29,259,554</b>	

The Water Fund's FY25-26 Final Budget is currently balanced with Available Funding equaling Expenditures

# Water FY 25-26 Expenditures



	FY 24-25	FY 24-25	FY 25-26	%
<b>EXPENDITURES</b>	<b>Budget</b>	<b>Proj. Actuals</b>	<b>Draft Budget</b>	<b>Change</b>
Personnel	\$2,805,754	\$2,720,671	\$2,957,640	5.41%
Supplies	\$2,194,150	\$774,468	\$2,449,049	11.62%
Services	\$2,919,111	\$1,412,494	\$3,378,141	15.72%
Capital	\$18,317,488	\$4,690,148	\$15,511,979	-15.32%
Debt Service	\$2,184,000	\$2,300,533	\$2,184,000	0.00%
Depreciation	\$0	\$2,779,745	\$2,778,745	
<b>TOTAL EXPENDITURES</b>	<b>\$28,420,503</b>	<b>\$14,678,059</b>	<b>\$29,259,554</b>	<b>2.95%</b>

# Water

## FY 25-26 Expenditures

---



- Water's 25-26 Final Budget increased 2.95% compared to the FY 24-25 Budget
- FY 25-26 budgeted Revenues increased \$1.9 million over FY 24-25 Revenues due to getting a \$1.3 million WIFA grant (for the automated meter reading project which was not budgeted last year) and a \$500K increase in Water revenues
- FY 25-26 Final Budget Expenditures increase by \$840K. This is primarily due to budgeting \$1.4 million for the Automated Meter Reading Project (which was not budgeted in FY24-25);
- One new Billing Clerk position was added to FTE count.

# General Fund FY 25-26 Capital Projects

---



## Capital Projects Fund

# FY 25-26 Capital Projects Budget (Fund 401)



## Expenditures

Relocate Data Center (RO) -	\$	10,000
Network Modernization (RO) -	\$	100,000
Network Infrastructure Upgrade (RO) -	\$	70,000
Software Purchase (RO) -	\$	110,000
IT Capital Equipment (RO) -	\$	25,000
Council Chambers AV Update (RO) -	\$	175,000
PATS Project (RO) -	\$	400,000
Event Center Improvements -	\$	1,500,000
Aquatics Design -	\$	1,480,000
*RO = Rolled over projects/ funds from FY24/25	<b>\$</b>	<b>3,870,000</b>

# FY 25-26 Final Budget

---



## What additional revenues are included in this Final Budget

- \$4,000,000 million in potential PFAS settlement Revenues
- \$2,300,000 in General Fund Balance is being used as a place holder for possible CIP expenditures or Liability reduction payments (i.e. PSPRS)

# FY 25-26 Final Budget



## What new Expenditures are included in the Final Budget

- \$23,000 in Bed Tax fund to lease a Water Truck (Parks & Recreation)
- \$78,000/year to lease a new Street Sweeper (HURF Fund)
- \$24,693 in General Fund to purchase a replacement Beeline Bus (\$164,622 paid by grant)
- \$169,215 CDBG grant for ADA project in Gifts & Grant Fund
- \$1,300,000 for New Public Safety Radio system (in Capital Replacement Fund)

# Next Steps

---



Hold public hearing on the FY 2025-26 Final Budget

Approve Resolution 3453 “ADOPTING ESTIMATES OF REVENUES AND EXPENDITURES/EXPENSES, AND ADOPTING SUCH ESTIMATES AS PAYSON’S FINAL BUDGET FOR FISCAL YEAR 2026”

Post Final Budget on Town Website



---

Questions?