

Before using the enclosed schedules, please complete the following:

Completing the steps below will populate the heading for each of the attached schedules.

1. Enter the city/town name:

City of Holbrook

2. Select the budget year:

2025

Arizona Revised Statutes (A.R.S.) §§42-17101 and 42-17102 require cities and towns to prepare annual budgets on forms the Arizona Auditor General developed. The official forms on Schedules A through G include all elements statute requires that the cities and towns **must** include in their budget. **Please note, a city or town may choose to add more information or detail than statute requires within the official budget forms.**

The budget form has a drop-down field to select the budget year, and the instructions do not include specific dates as they are not issued annually. As used in these instructions, the term “**current year**” is the fiscal year in which the city or town is operating, and “**budget year**” is the fiscal year for which the city or town is budgeting. Cities and towns should use the budget schedules dated 6/23 for fiscal year 2024 and thereafter. As changes become necessary, we will post new forms on our website and notify cities and towns of the changes by email.

Linked instructions for completing the schedules are included on the Instructions tab. Links to the related instructions and specific line numbers or section titles have been included throughout the schedules (highlighted in light blue) to allow users to access the specific line instructions directly without the need to scroll through other instructions. An Instructions button is provided at the top of each schedule unless no additional instructions are needed to complete that sheet. This button links to the first instruction for that schedule, and users may scroll down to view all instructions for the schedule. **To return to the related schedule after reviewing the instructions, simply click on the schedule's tab at the bottom of the Excel screen or press the Alt and back arrow keys.** The schedules have been set to print without “objects” so that the instructions buttons do not print. The light blue highlighting will print, and users may remove the highlights before printing if needed.

Protection/Unprotection of file:

Each spreadsheet within the file has been protected to prevent accidental deletion of formulas. When the sheet is protected, you can move from one cell to the next using the Tab key. A password was not assigned so the sheets may be unprotected to make minor formatting changes such as row height, column width, and font size. To unprotect an individual spreadsheet, select Protect/Unprotect Sheet from the menu.

You may need to add lines to Schedules C through G to accommodate all funds or departments involved. Remember to check all formulas in the subtotals and totals to ensure that any additional lines added are included, and make changes accordingly. Once changes have been made, the sheet should be reprotected by reversing the above process. Reprotecting the sheets will help ensure that formulas are not accidentally altered or deleted.

Printing tips:

Schedule A can be printed on 1 page in landscape format with the "fit to 1 page wide by 1 page tall" option (Page Setup) selected. Schedules B through F can be printed in portrait format. Schedule G can be printed in landscape format. Schedules with multiple pages are formatted to print with the column headings on each page.

If you have any questions, please contact the Accountability Services Division at asd@azauditor.gov or (602) 977-2796.

Official Budget Forms

City of Holbrook

Fiscal year 2025

City of Holbrook

Table of Contents

Fiscal year 2025

Resolution for the adoption of the budget

Schedule A—Summary Schedule of estimated revenues and expenditures/expenses

Schedule B—Tax levy and tax rate information

Schedule C—Revenues other than property taxes

Schedule D—Other financing sources/(uses) and interfund transfers

Schedule E—Expenditures/expenses by fund

Schedule F—Expenditures/expenses by department (as applicable)

Schedule G—Full-time employees and personnel compensation

City of Holbrook

Resolution 24-08 for the adoption of the budget

Fiscal year 2025

WHEREAS, in accordance with the provisions of Title 42, Ch. 17, Art. 1-5, Arizona Revised Statutes (A.R.S.), the City Council did, on June 12th, 2024, make an estimate of the different amounts required to meet the public expenditures/expenses for the ensuing year, also an estimate of revenues from sources other than direct taxation, and the amount to be raised by taxation upon real and personal property of the City of Holbrook, and

WHEREAS, in accordance with said chapter of said title, and following due public notice, the Council met on July 10th, 2024, at which meeting any taxpayer was privileged to appear and be heard in favor of or against any of the proposed expenditures/expenses or tax levies, and

WHEREAS, it appears that publication has been duly made as required by law, of said estimates together with a notice that the City Council would meet on July 10th, 2024, at the office of the Council for the purpose of hearing taxpayers and making tax levies as set forth in said estimates, and

WHEREAS, it appears that the sums to be raised by taxation, as specified therein, do not in the aggregate exceed that amount as computed in A.R.S. §42-17051(A), therefore be it

RESOLVED, that the said estimates of revenues and expenditures/expenses shown on the accompanying schedules, as now increased, reduced, or changed, are hereby adopted as the budget of the City of Holbrook for the fiscal year 2025.

Passed by the Holbrook City Council, this 10th day of July 2024

APPROVED:

Mayor

ATTEST:

Clerk

City of Holbrook
Summary Schedule of estimated revenues and expenditures/expenses
Fiscal year 2025

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
2024	Adopted/adjusted budgeted expenditures/expenses*	E	1	8,158,428	5,341,449	0	290,000	0	2,159,439	0	15,949,316
2024	Actual expenditures/expenses**	E	2	5,356,352	4,161,427	0	0	0	1,867,319	0	11,385,098
2025	Beginning fund balance/(deficit) or net position/(deficit) at July 1***		3	0	0	0	0	0	0	0	0
2025	Primary property tax levy	B	4	115,018							115,018
2025	Secondary property tax levy	B	5								0
2025	Estimated revenues other than property taxes	C	6	7,701,268	18,256,292	0	213,750	0	2,258,026	0	28,429,336
2025	Other financing sources	D	7	0	0	0	0	0	0	0	0
2025	Other financing (uses)	D	8	0	0	0	0	0	0	0	0
2025	Interfund transfers in	D	9	0	0	0	0	0	0	0	0
2025	Interfund Transfers (out)	D	10	0	0	0	0	0	0	0	0
2025	Line 11: Reduction for fund balance reserved for future budget year expenditures		11								
	Maintained for future debt retirement										0
	Maintained for future capital projects										0
	Maintained for future financial stability										0
	Maintained for future retirement contributions										0
2025	Total financial resources available		12	7,816,286	18,256,292	0	213,750	0	2,258,026	0	28,544,354
2025	Budgeted expenditures/expenses	E	13	7,816,288	18,256,292	0	213,750	0	2,258,026	0	28,544,356

Expenditure limitation comparison

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

	2024	2025
1	\$ 15,949,316	\$ 28,544,356
2		
3	15,949,316	28,544,356
4		16,132,227
5	\$ 15,949,316	\$ 12,412,129
6	\$	\$

☐ The city/town does not levy property taxes and does not have special assessment districts for which property taxes are levied. Therefore, Schedule B has been omitted.

* Includes expenditure/expense adjustments approved in the current year from Schedule E.

** Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.

*** Amounts on this line represent beginning fund balance/(deficit) or net position/(deficit) amounts except for nonspendable amounts (e.g., prepaids and inventories) or amounts legally or contractually required to be maintained intact (e.g., principal of a permanent fund). See the Instructions tab, cell C17 for more information about the amounts that should and should not be included on this line.

City of Holbrook
Tax levy and tax rate information
Fiscal year 2025

	<u>2024</u>	<u>2025</u>
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ <u>108,057</u>	\$ <u>115,018</u>
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	\$ <u>108,057</u>	\$ <u>115,018</u>
Property tax judgment	_____	_____
B. Secondary property taxes	_____	_____
Property tax judgment	_____	_____
C. Total property tax levy amounts	\$ <u>108,057</u>	\$ <u>115,018</u>
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ <u>108,057</u>	
(2) Prior years' levies	_____	
(3) Total primary property taxes	\$ <u>108,057</u>	
B. Secondary property taxes		
(1) Current year's levy	\$ _____	
(2) Prior years' levies	_____	
(3) Total secondary property taxes	\$ _____	
C. Total property taxes collected	\$ <u>108,057</u>	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	0.4784	0.4686
Property tax judgment	_____	_____
(2) Secondary property tax rate	_____	_____
Property tax judgment	_____	_____
(3) Total city/town tax rate	<u>0.4784</u>	<u>0.4686</u>
B. Special assessment district tax rates		
Secondary property tax rates—As of the date the proposed budget was prepared, the city/town was operating _____ 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.

City of Holbrook
Revenues other than property taxes
Fiscal Year 2025

Source of revenues	Estimated revenues 2024	Actual revenues* 2024	Estimated revenues 2025
General Fund			
Local taxes			
City Sales Tax 2%	\$ 2,600,000	\$ 2,882,919	\$ 2,800,000
City Sales Tax 1%	1,325,000	1,441,459	1,400,000
Franchise Revenues	124,000	124,000	124,000
Lodgers Tax	264,000	219,871	220,000
Licenses and permits			
Building Permits	30,000	22,000	22,000
Intergovernmental			
State Sales Tax	728,910	728,910	742,953
Urban Revenue Sharing	1,298,460	1,298,460	1,028,067
Vehicle License Tax	446,176	446,176	438,176
Smart and Safe	20,000	20,000	20,000
Navajo County Flood Control	50,034	50,034	50,034
Charges for services			
Golf Course Revenue	58,000	63,254	63,000
Abatements	1,000	1,647	1,500
Cemetery	32,000	34,126	30,000
Fitness Center	37,000	37,392	37,000
Recreation Center	900	390	500
Swimming Pool	14,500	14,500	14,500
Facilities Rental	14,500	12,307	12,000
Dog Pound	20,000	20,179	20,000
Airport	35,516	43,840	40,000
Fines and forfeits			
Court Fines	12,000	19,337	19,000
Library Fines		110	
Police	5,000	20,116	5,000
Interest on investments			
Interest Earnings	30,000	275,489	274,538
In-lieu property taxes			
Contributions			
Voluntary contributions			
Miscellaneous			
Auction Proceeds		10,372	
Employee Related Reimbursement	21,170	25,200	25,000
Miscellaneous	15,000	6,381	5,000
Fund Balance			309,000
Total General Fund	\$ 7,183,166	\$ 7,818,469	\$ 7,701,268

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

City of Holbrook
Revenues other than property taxes
Fiscal Year 2025

Source of revenues	Estimated revenues 2024	Actual revenues* 2024	Estimated revenues 2025
Special revenue funds			
Water Preservation Fee	\$ 171,056	\$ 171,056	\$ 171,056
Water Preservation Grant		96,500	
Water Preservation Fund Balance			38,944
	\$ 171,056	\$ 267,556	\$ 210,000
Highway Users Revenue Fund Balance	\$ 801,907		\$ 965,068
Highway Users Revenue Fund	890,578	890,578	861,307
	\$ 1,692,485	\$ 890,578	\$ 1,826,375
Impound Fee Fund Balance	\$ 25,737	\$ 25,737	\$ 2,000
Impound Fee Fund	2,000	2,000	25,737
	\$ 27,737	\$ 27,737	\$ 27,737
Grants	\$ 2,950,199	\$ 2,950,199	\$ 16,132,227
	\$ 2,950,199	\$ 2,950,199	\$ 16,132,227
JCEF Fund Balance	\$	\$	\$ 38,683
JCEF Fund	40,683	40,683	2,000
	\$ 40,683	\$ 40,683	\$ 40,683
State Fill The Gap Fund Balance	\$ 19,270	\$ 19,270	\$ 18,770
State Fill The Gap Fund			500
	\$ 19,270	\$ 19,270	\$ 19,270
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
Total special revenue funds	\$ 4,901,430	\$ 4,196,023	\$ 18,256,292

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

City of Holbrook
Revenues other than property taxes
Fiscal Year 2025

Source of revenues	Estimated revenues 2024	Actual revenues* 2024	Estimated revenues 2025
Debt service funds			
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
Total debt service funds	\$	\$	\$
Capital projects funds			
Wastewater Capital Fund Balance	\$ 121,490	\$ 52,750	\$ 52,750
Wastewater Capital Fund	53,510		52,750
	\$ 175,000	\$ 52,750	\$ 105,500
Water Capital Fund Balance	\$ 61,470	\$ 52,750	\$ 52,750
Water Capital Fund	53,530	53,530	55,500
	\$ 115,000	\$ 106,280	\$ 108,250
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
Total capital projects funds	\$ 290,000	\$ 159,030	\$ 213,750

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

City of Holbrook
Revenues other than property taxes
Fiscal Year 2025

Source of revenues	Estimated revenues 2024	Actual revenues* 2024	Estimated revenues 2025
Permanent funds			
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
	\$	\$	\$
Total permanent funds	\$	\$	\$
Enterprise funds			
Sanitation Fund Balance	\$	\$	\$
Sanitation Fees	607,262	601,610	632,961
Sanitation Station Revenue	17,855	26,146	
Sanitation Miscellaneous	31,068	28,801	
	\$ 656,185	\$ 656,557	\$ 632,961
Wastewater Fees	\$ 687,093	\$ 772,781	\$ 763,065
Wastewater Connection Charges			
Wastewater Miscellaneous		3,157	
	\$ 687,093	\$ 775,938	\$ 763,065
Water Fees	\$ 729,161	\$ 688,269	\$ 775,000
Water Sales	200	819	62,200
Sun Valley	24,800	24,507	24,800
Water Connection Charges		4,525	
Water Miscellaneous	62,000	68,813	
	\$ 816,161	\$ 786,933	\$ 862,000
	\$	\$	\$
	\$	\$	\$
Total enterprise funds	\$ 2,159,439	\$ 2,219,428	\$ 2,258,026

* 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.

Source of revenues	Estimated revenues 2024	Actual revenues* 2024	Estimated revenues 2025
Internal service funds			
	\$ _____	\$ _____	\$ _____
	_____	_____	_____
	_____	_____	_____
	\$ _____	\$ _____	\$ _____
	\$ _____	\$ _____	\$ _____
	_____	_____	_____
	_____	_____	_____
	\$ _____	\$ _____	\$ _____
	\$ _____	\$ _____	\$ _____
	_____	_____	_____
	_____	_____	_____
	\$ _____	\$ _____	\$ _____
	\$ _____	\$ _____	\$ _____
	_____	_____	_____
	_____	_____	_____
	\$ _____	\$ _____	\$ _____
Total internal service funds	\$ _____	\$ _____	\$ _____
Total all funds	\$ <u>14,534,035</u>	\$ <u>14,392,950</u>	\$ <u>28,429,336</u>

Official City/Town Budget Forms

City of Holbrook
Other financing sources/(uses) and interfund transfers
Fiscal year 2025

Fund	Other financing 2025		Interfund transfers 2025	
	Sources	(Uses)	In	(Out)
General Fund				
	\$	\$	\$	\$
Total General Fund	\$	\$	\$	\$
Special revenue funds				
	\$	\$	\$	\$
Total special revenue funds	\$	\$	\$	\$
Debt service funds				
	\$	\$	\$	\$
Total debt service funds	\$	\$	\$	\$
Capital projects funds				
	\$	\$	\$	\$
Total capital projects funds	\$	\$	\$	\$
Permanent funds				
	\$	\$	\$	\$
Total permanent funds	\$	\$	\$	\$
Enterprise funds				
	\$	\$	\$	\$
Total enterprise funds	\$	\$	\$	\$
Internal service funds				
	\$	\$	\$	\$
Total Internal Service Funds	\$	\$	\$	\$
Total all funds	\$	\$	\$	\$

City of Holbrook
Expenditures/expenses by fund
Fiscal year 2025

Fund/Department	Adopted budgeted expenditures/ expenses 2024	Expenditure/ expense adjustments approved 2024	Actual expenditures/ expenses* 2024	Budgeted expenditures/ expenses 2025
General Fund				
City Council	\$ 45,322	\$	\$ 50,899	\$ 52,622
Administration	846,952		665,099	1,151,201
Community Development				
Library	348,121		331,211	341,112
Cemetery, Parks and Recreation	527,268		424,147	546,992
Golf Course	320,938		283,818	330,163
Animal Control	130,312		131,509	186,753
Police	2,920,358		2,369,983	2,969,649
Fire	1,420,749		143,432	923,675
Facilities and Levies	226,381		112,866	121,653
Fleet Maintenance	181,369		180,956	208,363
Airport	177,301		172,995	177,801
Courts	206,517		206,517	206,513
Senior Center	93,948		99,324	70,791
Lodger	531,000		183,596	529,000
Contingency	181,892			
Total General Fund	\$ 8,158,428	\$	\$ 5,356,352	\$ 7,816,288
Special revenue funds				
Water Preservation	\$ 212,125	\$	\$ 212,125	\$ 210,000
HURF	1,692,485		600,603	1,826,375
Impound	27,737			27,737
Grants	3,348,699		3,348,699	16,132,227
JCEF	40,683			40,683
State Fill the Gap	19,720			19,270
Total special revenue funds	\$ 5,341,449	\$	\$ 4,161,427	\$ 18,256,292
Debt service funds				
	\$	\$	\$	\$
Total debt service funds	\$	\$	\$	\$
Capital projects funds				
Wastewater	\$ 175,000	\$	\$	\$ 105,500
Water	115,000			108,250
Total capital projects funds	\$ 290,000	\$	\$	\$ 213,750
Permanent funds				
	\$	\$	\$	\$
Total permanent funds	\$	\$	\$	\$
Enterprise funds				
Sanitation	\$ 656,185	\$	\$ 488,760	\$ 632,961
Wastewater	687,093		581,819	763,065
Water	816,161		796,740	862,000
Total enterprise funds	\$ 2,159,439	\$	\$ 1,867,319	\$ 2,258,026
Internal service funds				
	\$	\$	\$	\$
Total internal service funds	\$	\$	\$	\$
Total all funds	\$ 15,949,316	\$	\$ 11,385,098	\$ 28,544,356

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

City of Holbrook
Expenditures/expenses by department
Fiscal year 2025

	Adopted budgeted expenditures/ expenses	Expenditure/ expense adjustments approved	Actual expenditures/ expenses*	Budgeted expenditures/ expenses
Department/Fund	2024	2024	2024	2025
City clerk:				
General Fund	\$ _____	\$ _____	\$ _____	\$ _____
List other funds	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Department total	\$ _____	\$ _____	\$ _____	\$ _____

List department:

General Fund	\$ _____	\$ _____	\$ _____	\$ _____
List other funds	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Department total	\$ _____	\$ _____	\$ _____	\$ _____

List department:

General Fund	\$ _____	\$ _____	\$ _____	\$ _____
List other funds	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Department total	\$ _____	\$ _____	\$ _____	\$ _____

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

City of Holbrook
Full-time employees and personnel compensation
Fiscal year 2025

	Full-time equivalent (FTE)	Employee salaries and hourly costs	Retirement costs	Healthcare costs	Other benefit costs	Total estimated personnel compensation
Fund	2025	2025	2025	2025	2025	2025
General Fund	40	\$ 2,262,746	\$ 1,197,397	\$ 554,476	\$ 242,369	\$ 4,256,987
Special revenue funds						
HURF	4	\$ 248,268	\$ 30,463	\$ 97,329	\$ 41,610	\$ 417,670
Total special revenue funds	4	\$ 248,268	\$ 30,463	\$ 97,329	\$ 41,610	\$ 417,670
Debt service funds						
		\$	\$	\$	\$	\$
Total debt service funds		\$	\$	\$	\$	\$
Capital projects funds						
		\$	\$	\$	\$	\$
Total capital projects funds		\$	\$	\$	\$	\$
Permanent funds						
		\$	\$	\$	\$	\$
Total permanent funds		\$	\$	\$	\$	\$
Enterprise funds						
Sanitation	3	\$ 140,477	\$ 15,396	\$ 43,305	\$ 17,702	\$ 216,880
Wastewater	4	\$ 241,567	\$ 28,200	\$ 82,593	\$ 29,705	\$ 382,065
Water	4	\$ 206,442	\$ 25,330	\$ 77,887	\$ 22,382	\$ 332,042
Total enterprise funds	12	\$ 588,486	\$ 68,926	\$ 203,785	\$ 69,790	\$ 930,987
Internal service funds						
		\$	\$	\$	\$	\$
Total internal service fund		\$	\$	\$	\$	\$
Total all funds	55	\$ 3,099,500	\$ 1,296,785	\$ 855,590	\$ 353,769	\$ 5,605,644

Schedule	Reference	Instructions
Instructions	General requirements	<p>Arizona Revised Statutes (A.R.S.) §§42-17101 and 42-17102 require cities and towns to prepare annual budgets on forms the Arizona Auditor General has developed.</p> <p>Cities and towns must prepare an annual budget for each department, public office, or official indicating the amount proposed to be spent from each fund. Budgets include estimated revenues and expenditures/expenses for the fiscal year and other information statute requires. For consistency, the budget should be prepared on the same basis used to prepare the fund financial statements. Fund financial statements are prepared on the modified accrual basis of accounting for the General, special revenue, debt service, capital projects, and permanent funds. Fund financial statements are prepared on the accrual basis of accounting for enterprise and internal service funds. Cities and towns are not required to prepare budgets for the fiduciary funds (Agency, Investment trust, and Private-purpose trust funds) because these funds represent assets the city or town holds for others. Annual budgets for fiduciary funds, while not required, may be prepared for internal management purposes.</p> <p>Cities and towns under a voter-approved alternative expenditure limitation (home rule) should budget for internal service and fiduciary funds to include these expenditures in the expenditure limitation. <i>The Uniform Expenditure Reporting System</i> (UERS) allows cities and towns to exclude expenses paid from internal service fund charges for services to other funds of the government as quasi-external interfund transactions on Part II of the Annual Expenditure Limitation Report (AELR). Likewise, expenses reported in fiduciary funds are excludable as trustee or custodian on Part II of the AELR. However, cities and towns operating under a home rule may not take exclusions unless specifically included in the voter-approved resolution adopting the home rule (see Part II—exclusions and carryforwards FAQs). Therefore, such expenses would be subject to the city's or town's expenditure limitation. For most cities and towns operating under home rule, the expenditure limitation equals the total budgeted expenditures/expenses plus other financing uses for all funds as reported in Lines 8 and 13 on Schedule A of the budget forms.</p> <p>Flexible budgets are frequently used for enterprise and internal service funds to provide dollar estimates that vary according to demand for the goods or services provided. Cities and towns that employ flexible budgeting for enterprise and internal service funds should include on Schedule A estimated financial resources and expenses at maximum expected activity levels to provide a “worst-case” expenditure limitation comparison in order to help ensure that the city's or town's total actual expenditures/expenses do not exceed its expenditure limitation. Likewise, Schedules C, D, E, F, and G should include amounts at maximum expected activity levels; and budgets for reduced, present, or expanded levels of activity may also be incorporated in these schedules for use in internal financial planning and budgetary control.</p>
Cover	Heading	Enter the city/town name and select the fiscal year from the drop-down list on the cover sheet. This information will automatically transfer to the resolution and subsequent schedules.
Resolution	General	The resolution is recommended to support the final adopted budget. It is not required by statute and does not have to be published. Cities and towns not imposing property taxes should revise the resolution to omit references to property tax levies.
Resolution	First paragraph	Enter the date the Council proposed the budget estimate and the city/town name.
Resolution	Second paragraph	Enter the date the budget was adopted.

Schedule	Reference	Instructions
Resolution	Third paragraph	Enter the date the Council set the primary and secondary tax levies.
Resolution	Fifth paragraph	Enter the city/town name and the fiscal year.
Resolution	Sixth paragraph	Enter the city/town name and the date the budget was adopted.
Resolution	Closing	Obtain the signatures of the mayor and clerk on the resolution.
A	Summary Schedule of estimated revenues and expenditures/expenses	Complete this schedule after completing Schedules B through E. The appropriate information from Schedules B through E will automatically populate Schedule A. After entering all amounts on Schedules B through E, use the Tab key to enter amounts in the remaining cells on Schedule A [Beginning fund balance/(deficit) or net position/(deficit) at July 1 of the budget year, secondary property taxes, and any other reductions such as any amounts for future debt retirement]. Cities/towns should verify the final amounts for accuracy. The amounts from Schedules F and G are not carried forward to Schedule A because that information is already included in amounts on Schedule E by fund.
A	Line 1: Adopted/adjusted budgeted expenditures/expenses current year	Equals the total amounts for each fund type in the Adopted budgeted expenditures/expenses current year column and the Expenditure/expense adjustments approved current year columns on Schedule E.
A	Line 2: Actual expenditures/expenses current year	Equals the total amounts for each fund type in the Actual expenditures/expenses current year column on Schedule E.
A	Line 3: Beginning fund balance/(deficit) or net position/(deficit) at July 1 of the budget year	<p>When estimating budgetary fund balance or net position, which is different than financial statement fund balance or net position (see Budgeting FAQ #5), cities and towns should review their accounting records and report all available financial resources, such as cash and receivables, and restricted cash and investments held with the Arizona State Retirement System (ASRS) or in a 115 trust for future pension contribution payments. Only include amounts estimated to be available at the beginning of the year or expected to be collected in the budget year. If the estimate results in a deficit in any fund, enter a NEGATIVE amount. Negative amounts will show in parenthesis and red font.</p> <p>Budgetary fund balance or net position should not include nonspendable amounts other than any fund deficits as described above. Nonspendable amounts include prepaids, inventories, and capital assets, net of accumulated depreciation and related debt, or amounts legally or contractually required to be maintained intact and never spent (e.g., principal of a permanent fund).</p> <p>If the city/town maintains amounts in its fund balance or net position that it does not consider available to finance expenditures in the budget year, it must still include those amounts here and also identify those amounts and their intended purposes on Line 11.</p>
A	Line 4: Primary property tax levy budget year	The entire estimated revenue from the primary property tax levy in the General Fund is pulled from Schedule B.

Schedule	Reference	Instructions
A	Line 5: Secondary property tax levy budget year	<p>Enter the estimated secondary property tax revenues in the appropriate fund types. Record secondary property taxes for payment of principal and interest on general obligation bonds in the debt service funds. Total property taxes to be levied in the budget year must agree with the corresponding amount on line 3.C on Schedule B.</p> <p>If the city/town does not levy property taxes and does not have special assessment districts for which property taxes are levied, check the box provided at the bottom of Schedule A and omit Schedule B.</p>
A	Line 6: Estimated revenues other than property taxes budget year	Equals the total amounts for each fund type in the Estimated revenues budget year column on Schedule C.
A	Lines 7 & 8: Other financing sources and (uses) budget year	Equals the estimated amounts of other financing sources and other financing uses for the budget year for each fund type on Schedule D.
A	Line 9 & 10: Interfund transfers in and (out) budget year	Fund transfers in and out are the estimated amounts that will be transferred in or out of the fund type during the budget year. Interfund transfers are not expenditures, and the totals of transfers in and out for all funds must agree with the corresponding totals on Schedule D.
A	Line 11: Reduction for fund balance reserved for future budget year expenditures	<p>If a city/town has or considers that certain accumulated resources maintained in fund balance will not be used to finance current budget year expenditures included on Schedule E, it should enter those amounts and their intended future purpose here. Before reserving fund balance, ensure that the amounts will not be needed for current-year expenditures. For illustrative purposes, rows and descriptions for fund balance maintained for future debt retirement, future capital projects, and financial stability have been included on Schedule A and explained below. Additional rows may be added for other specific reduction amount(s). For any added reductions, include a description on the blank lines provided for the reduction amount(s). Reductions must be entered as POSITIVE numbers for the formulas to calculate correctly.</p> <p>Cities/towns should budget expenditures for contingencies, such as unanticipated or emergency expenditures that may arise in the budget year in each fund/department on Schedule E.</p>
A	Line 11: Maintained for future debt retirement	Include amounts set aside for future debt service principal and interest payments on long-term debt.
A	Line 11: Maintained for future capital projects	Include amounts set aside for the future purchase of land, buildings, building improvements, improvements other than buildings, equipment, or other acquisitions that will be capitalized. Additionally, this category may include funds set aside for long-term planned maintenance projects or future replacement of equipment.

Schedule	Reference	Instructions
A	Line 11: Maintained for future financial stability	Include amounts set aside to manage cash flows in future budget years to cover such things as revenue shortfalls, emergencies, and/or other unforeseen circumstances.
A	Line 11: Maintained for future retirement contributions	Include restricted cash and investments held with ASRS or in an irrevocable 115 trust for future years' retirement contribution payments (e.g., the ASRS Contribution Prepayment Program). Do not include the following amounts: - Amounts held with ASRS or in an irrevocable 115 trust the city/town plans to amortize and apply to the budget year's required pension contribution payments. - Additional contributions the city/town plans to make in the budget year to an agent plan to reduce its pension liability (i.e., more than the required pension contribution payments).
A	Line 12: Total financial resources available budget year	Equals the total of amounts available to be spent in the budget for the current fiscal year, in accordance with A.R.S. §42-17151(A)(1).
A	Line 13: Budgeted expenditures/expenses budget year	Equals the amount of money required for each item of expenditure necessary for city/town purposes, in accordance with A.R.S. §42-17102.
A	Line 1: Expenditure limitation comparison	Equals the total budgeted expenditures/expenses for the current year and budget year from the summary schedule above. The budget year also includes total other financing used in the calculation.
A	Line 2: Expenditure limitation comparison	Enter the estimated net reconciling items for the current year and the budget year. Estimated net reconciling items for the current year may be obtained from that year's adopted budget. Estimated net reconciling items for the budget year may be determined by preparing an estimated AELR as part of the budgeting process. Enter estimated net reconciling items and estimated exclusions as positive or negative numbers, as appropriate. The <i>Uniform Expenditure Reporting System</i> Forms and FAQs on our Office's website (see links to the right) include examples of reconciling items and instructions for preparing an AELR.
A	Line 3: Expenditure limitation comparison	Calculates budgeted expenditures/expenses adjusted for reconciling items.
A	Line 4: Expenditure limitation comparison	Enter the estimated exclusions from budgeted expenditures/expenses for the current year and budget year. If the city/town is operating under a voter-approved alternative expenditure limitation, only voter-approved exclusions may be used. Estimated exclusions may be obtained in the same manner as reconciling items described in line 2.
A	Line 5: Expenditure limitation comparison	Calculates the amount subject to the expenditure limitation adjusted for estimated exclusions.
A	Line 6: Expenditure limitation comparison	Enter the expenditure limitation provided by the Economic Estimates Commission (EEC) or the voter-approved alternative expenditure limitation, if applicable. The total amount subject to the expenditure limitation on line 5 must not exceed this amount.

Schedule	Reference	Instructions
B	Tax levy and tax rate information	NOTE: If the city/town has checked the box on Schedule A, it may omit Schedule B.
B	Line 1	Enter the maximum allowable primary property tax levies for the current year and budget year. The amount for the current year may be obtained from that year's adopted budget. Calculate the amount for the budget year in accordance with A.R.S. §42-17051(A).
B	Property tax judgments	Record the levy amount of any judgments expected to be paid in the budget year for an excessive property tax valuation judgment per A.R.S. §§42-16213 and 42-16214, throughout Schedule B as applicable.
B	Line 3.A	Enter the amount of primary property taxes levied in the current year and the estimated amount of primary property taxes to be levied for the budget year. The estimated amount of primary property taxes to be levied for the budget year must not exceed the maximum allowable primary property tax levy for the budget year recorded on line 1.
B	Line 3.B	Enter the amount of secondary property taxes levied in the current year and the estimated amount of secondary property taxes to be levied for the budget year. Also, A.R.S. §35-458 requires that the levy for bond principal and interest payments must be net of all cash remaining in the bond interest and redemption fund(s) in excess of 10 percent of the annual principal and interest payments.
B	Line 3.C	Calculates the total amount of property taxes levied for the current year and estimated total property tax levy amount for the budget year.
B	Line 4.A	<p>1) Enter the amount of primary property taxes actually collected from the tax roll of the current year. If the actual amount of primary property taxes collected is not available, enter the actual amount collected as of the date the proposed budget was prepared, plus an estimate of primary property tax collections for the remainder of the fiscal year.</p> <p>2) Enter the amount of delinquent taxes collected from the tax rolls of fiscal years prior to the current year.</p> <p>3) Calculates the total primary property taxes collected.</p>
B	Line 4.B	<p>1) Enter the amount of secondary property taxes actually collected from the tax roll of the current year. If the actual amount of secondary property taxes collected is not available, enter the actual amount collected as of the date the proposed budget was prepared plus an estimate of secondary property tax collections for the remainder of the fiscal year.</p> <p>2) Enter the amount of delinquent taxes collected from the tax rolls of fiscal years prior to the current year.</p> <p>3) Calculates the total secondary property taxes collected.</p>
B	Line 4.C	Calculates the total property taxes collected.

Schedule	Reference	Instructions
B	Line 5.A	<p>1) Enter the primary property tax rate for the current year and the estimated primary property tax rate for the budget year. Calculate the estimated budget year tax rate by dividing the proposed tax levy for the budget year on line 3.A. by the assessed valuation, then multiplying by 100.</p> <p>2) Enter the secondary property tax rate for the current year and the estimated secondary property tax rate for the budget year applicable to city/town taxpayers for payment of principal and interest on general obligation bonds. Calculate the estimated budget year tax by dividing the proposed tax levy for the budget year on line 3.B. by the assessed valuation, then multiplying by 100.</p> <p>3) Calculates the total city/town tax rate for the current year and the estimated total city/town tax rate for the budget year.</p>
B	Line 5.B	On the line provided, enter the number of special assessment districts within the city/town for which secondary property taxes are levied.
C	Revenues other than property taxes	All estimated revenues other than property taxes must be identified on this schedule by source of revenue within each fund type.
C	Column: Source of revenues	<p>Enter the title of each fund and its revenue sources other than property taxes. All funds must be included within the appropriate fund type. Disclose assessments received from special assessment districts that are treated as revenues of the city/town as a revenue source in the applicable fund.</p> <p>Categorize intergovernmental revenues by source as well as by fund. List federal, State, and county sources separately. Categorize motor vehicle license taxes as county revenue under intergovernmental revenues.</p> <p>In-lieu property taxes should include amounts paid by governments exempt from paying property taxes, such as the federal government, and those governments A.R.S. §48-242 does not cover, which provides for voluntary contributions.</p> <p>Voluntary contributions received under A.R.S. §48-242 must be recorded on the applicable line in the General Fund. Voluntary contributions consist of contributions from any irrigation, power, electrical, or agricultural improvement district engaged in the sale of electric power, which is located within the city/town and elects to make a voluntary contribution to the city/town. Contributions from the Salt River Project fall into this category. Base the amount of the contributions on information prepared by the Arizona Department of Revenue and transmitted to the city/town by the County Assessor.</p>

Schedule	Reference	Instructions
		<p>Special revenue funds are used to account for the proceeds of specific revenue sources (other than for major capital projects) that are legally restricted to expenditures for specified purposes.</p> <p>Use permanent funds to account for monies that are legally restricted to the extent that only earnings, and not principal, may be used to support city/town government or citizens programs; for example, the Fire Fighters' Relief and Pension Fund.</p>
C	Column: Estimated revenues current year	Enter the amounts from the Estimated revenues column on Schedule C from the prior year's adopted budget.
C	Column: Actual revenues current year	Enter the amounts of revenues other than property taxes for the current year. These amounts include 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.
C	Column: Estimated revenues budget year	Enter the estimated revenues other than property taxes for the budget year. Do not include proceeds from other financing sources such as the sale or refunding of bonds and interfund transfers on this schedule; include them on Schedule D.
D	Other financing sources/(uses) and interfund transfers	Include receipt of monies, such as those from the sale or refunding of bonds, loans, or installment sales of city/town property; payments to a refunded bond escrow agent; and interfund transfers on this schedule, not on Schedule C. Also include proceeds from sources such as bonds expected to be received in the enterprise funds on this schedule.
D	Column: Fund	Enter all funds within the appropriate fund type.
D	Column: Other financing sources budget year	<p>Enter the amounts expected to be received in the budget year from other financing sources by fund and in total for each fund type.</p> <p>Disclose bond proceeds of special assessment districts, which are considered to be other financing sources of the city/town, in the applicable fund.</p>
D	Column: Other financing (uses) budget year	Enter the amounts expected to be paid in the budget year as other financing uses by fund and in total for each fund type. Other financing uses must be entered as POSITIVE numbers in order for the formulas in the spreadsheet to calculate correctly.
D	Column: Interfund transfers budget year	<p>Enter estimated transfers in and out for the budget year for each fund and the totals for each fund type. Transfers out must be entered as POSITIVE numbers in order for the formulas in the spreadsheet to calculate correctly. Transfers in must equal transfers out on the TOTAL ALL FUNDS line.</p> <p>NOTE: Interfund transfers are not expenditures and should not be entered on any other schedules.</p>
E	Column: Fund/Department	<p>Enter titles of funds and departments within each fund. All funds must be included within the appropriate fund type. Several departments of the General Fund have been listed for illustrative purposes.</p> <p>An amount must be budgeted for unanticipated contingencies or emergencies in accordance with A.R.S. §42-17102(A)(4). An example line item is provided in each fund type.</p>

Schedule	Reference	Instructions
E	Column: Adopted budgeted expenditures/expenses current year	Enter the amounts from the Budgeted expenditures/expenses column on Schedule E from the prior year's adopted budget.
E	Column: Expenditure/expense adjustments approved current year	Enter the amounts of each departmental transfer the Council approved during the current year, in accordance with A.R.S. §42-17106(B).
E	Column: Actual expenditures/expenses current year	Enter the amounts of the current year actual expenditures/expenses, if available. If the actual expenditures/expenses are not available, enter the actual amounts as of the date the proposed budget was prepared, plus the estimated expenditures/expenses for the remainder of the fiscal year.
E	Column: Budgeted expenditures/expenses budget year	Enter the amounts of estimated expenditures/expenses for the budget year by department, fund, and total. Although budgets for enterprise funds should be prepared on the accrual basis, to comply with A.R.S. §42-17102(A), include estimated payments for capital acquisitions, and principal and interest payments on long-term debt in the enterprise funds.
F	Expenditures/expenses by department	Schedule F helps facilitate budgetary comparison reporting at the department level (the statutorily required legal level of budgetary control) when a single department is budgeted in more than 1 fund. Total expenditures on Schedule F should agree to total expenditures on Schedule E. Please note, if a city/town budgets each department in only 1 fund, Schedule F may be omitted.
F	Column: Department/Fund	Enter the titles of each department and each fund in which the department is budgeted.
F	Column: Adopted budgeted expenditures/expenses current year	Enter the amounts from the Budgeted expenditures/expenses column on Schedule F from the prior year's adopted budget. If Schedule F was not used in the prior year, these amounts may be determined from the prior year's Schedule E for the departments that are budgeted in more than 1 fund.
F	Column: Expenditure/expense adjustments approved current year	Enter the amounts of each departmental transfer the Council approved during the current year, in accordance with A.R.S. §42-17106(B).
F	Column: Actual expenditures/expenses current year	Enter the amounts of the current year actual expenditures/expenses, if available. If the actual expenditures/expenses are not available, enter the actual amounts as of the date the proposed budget was prepared, plus the estimated expenditures/expenses for the remainder of the fiscal year.
F	Column: Budgeted expenditures/expenses budget year	Enter the amounts of estimated expenditures/expenses for the budget year for each department by fund. Although budgets for enterprise funds should be prepared on the accrual basis, to comply with A.R.S. §42-17102(A), include estimated payments for capital acquisitions, and principal and interest payments on long-term debt in the enterprise funds.
G	Full-time employees and personnel compensation	Schedule G helps facilitate reporting the estimated number of full-time equivalent employees and the total estimated personnel compensation at the fund level as required by A.R.S. §42-17102(A)(1).
G	Column: Fund	Enter the title of each fund. All funds must be included within the appropriate fund type.

Schedule	Reference	Instructions
G	Column: Full-time equivalent (FTE)	Enter the estimated number of full-time equivalent employees for the budget year by fund.
G	Column: Employee salaries and hourly costs	Enter the amounts of estimated expenditures/expenses for the budget year for all employee salaries and hourly costs by fund, including amounts budgeted for employee salary increases in the budget year.
G	Column: Retirement costs	Enter the amounts of estimated expenditures/expenses for the budget year for employee retirement costs by fund.
G	Column: Healthcare costs	Enter the amounts of estimated expenditures/expenses for the budget year for employee healthcare costs by fund.
G	Column: Other benefit costs	Enter the amounts of estimated expenditures/expenses for the budget year for all other employee benefit costs not included in the previous columns by fund.
G	Column: Total estimated personnel compensation	Sums the amounts in the columns titled Employee salaries and hourly costs, Retirement costs, Healthcare costs, and Other benefit costs.