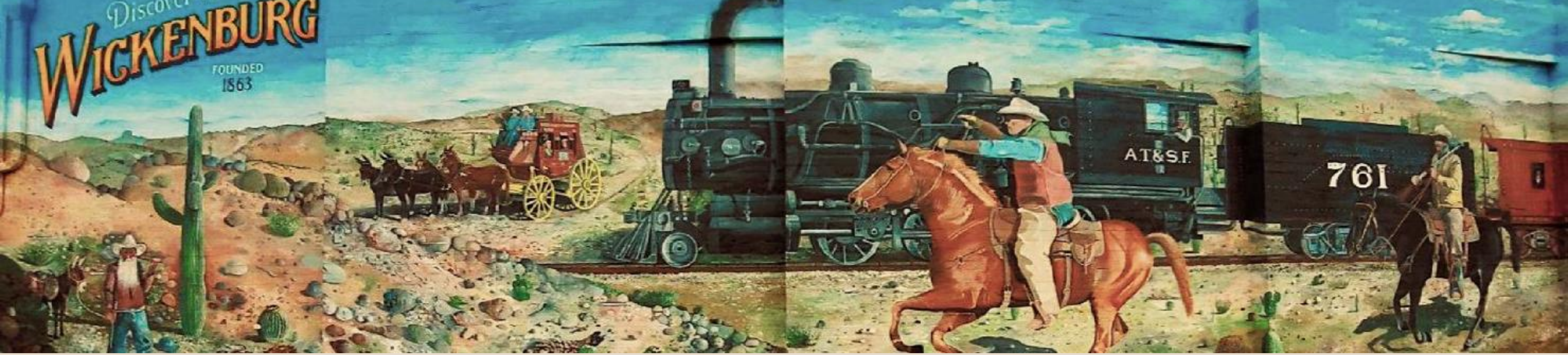

TOWN OF WICKENBURG

BUDGET WORK SESSION

April 21, 2025

Town of Wickenburg

Town Council Budget Workshop Agenda

- **Workshop II**
  - Employee Compensation
  - Non-Profit Funding Overview
  - YTD Revenue and Expenditure Overview
  - Property Tax
  - Capital Improvement Program Overview
  - Tentative Adoption May 19th
  - Final Budget Adoption June 16th

Town of Wickenburg

Introduction

Employee Compensation – Town Manager Recommendations

- Market Adjustment
  - 4% increase to all employees
  - $350,000 (approx.)
- Compression
  - Mid-Point, any EE with greater than 5 years of service will be moved to midpoint
    - $118,000 (approx.)
    - 18 employees
  - 86% Compa-Ratio, any EE still at less than 86% Compa-Ratio will be moved to 86%
    - $5,000 (approx.)
    - 4 employees
- Total Base Cost: $473,000 (approx.)

Town of Wickenburg

Employee Compensation

- What is ECI? The Employment Cost Index (ECI) measures the change in the hourly labor costs to employers over time. The Bureau of Labor Statistics (BLS) provides this information.

- What is Compa-Ratio? Also known as a comparison ratio, is a metric that compares an employee's salary to the midpoint of their salary range, or the midpoint of a market-based salary range for a similar role.

- Market Comparisons for other agencies were gathered through the HR Forum and from the West Valley Town Manager Meeting.
  - 33 Respondents
    - Cities/Towns State-Wide
    - Comparator Organizations
    - Compensation increases include ALL combined compensation changes: COLA, Market, Merit, etc...

NOTE: Not all agencies participated, and all totals are subject to Council approval and final budget.

Town of Wickenburg

Contracts and Agreements

- Summary of Proposed Changes
  - Quarterly Reports
    - Performance Data
    - Expenditures
  - FSL funding possibly returning to historic amount of $60,000
  - Proposed use of Bed Tax Funding for an economic development project at the pool

Foundation for Senior Living - Social Services and Community Enrichment

- In spring 2022, the Town of Wickenburg was informed that Maricopa County would centralize CAP services through its online portal, ending local office support in Wickenburg. The Town provided FSL $60,000 in funding in 2022.

- FY23 and FY24 - The Town received $60,000 in "Community Impact Grants" from Maricopa County— In addition, The Town continued its own local contribution of $60,000, making the total contribution from the Town $120,000.

- FY25 the Town increased its local funding to FSL from $60,000 to $120,000 (no funding from Maricopa County)
  - As of February 2025, Maricopa County has restored $30,000 in funding to FSL for CAP services, through its Peoria contract.

- Performance Report - "In 2024, FSL reports continued delivery of key services in Wickenburg, including nearly $20,000 in direct CAP assistance and 990 referrals to Maricopa County, with a current focus on navigation services. The Senior Center Café served 29,310 meals in FY23, with increased engagement in congregate dining. Food bank distributions grew significantly from 258,292 to 347,736 pounds. Additionally, the Wickenburg Freedom Express provided 5,942 free rides and traveled 24,611 miles, with ongoing growth in ridership as more seniors rely on the service for transportation and independence."

Town of Wickenburg

Foundation for Senior Living - Social Services and Community Enrichment Continued

- FY26 The Town Proposed to return FSL contract amount to $60,000 in local funding

- FSL requests the Town consider a FY26 grant/contract of $98,431 for services delivered by FSL/AllThrive 365, to seniors and families and add an additional $24,000 added to council contingency, to assist FSL should rumors of diminished Health and Human Services funds that support senior centers and home delivered meals come to fruition.

- FY26 Maricopa County will increase funding to FSL to $72,744 and in addition to servicing Peoria, Youngtown and Wickenburg; FSL will also service Carefree/Cave Creek, Anthem, Morristown, and Aguila sharing expenses across all service areas.
  - Cave Creek and Carefree service area is new to FSL and will add to expenses for the Peoria Contract.

Town of Wickenburg

FSL Freedom Express Program Update

Council Approval (Nov. 18, 2024):

- Authorized the Town Manager to execute a contract with FSL for the Freedom Express program.
- Approved up to $15,000 of funding per year for three years to cover all vehicle-related expenses: lease, insurance, fuel, and maintenance for a total estimated annual program cost of $28,000+

Funding Structure:

- Town retains LTAF II funds (~$16,500 annually, amount may vary) previously sent to FSL
- FSL responsible for staffing and volunteer driver-related expenses

Contract Status:

- The new draft contract is complete – not signed

Bed Tax Funding Agreements – For Marketing & Economic Development

- Bed Tax Fund, Bed Tax Marketing Distribution (320-60410).
  - Taking previous Fiscal Year actual revenues.
  - Subtracting operating expenses then 5% toward contingency
    - FY24 operating expenses: $25,000 Façade Improvement Grant, $10,000 Marketing II Grant, $5,500 Devore Statues.
  - Remainder is divided/distributed equally at 33.3% on or before Aug 1 between the Chamber, Museum, and Webb Center to be used for Marketing.
  - Three Agreements with all terms ending on July 1, 2026 or with 90-day written notice.

Bed Tax Funding Agreement For Marketing – Chamber of Commerce

- **$66,347 (FY26)** used to advertise Wickenburg or Wickenburg Special Events in publications or media with 10,000+ exposure.

- Special Events include Gold Rush Days, Street Dance & Food Truck Fest, Fiesta de September, Bluegrass Festival, Cowboy Christmas Poetry Gathering, Christmas Parade of Lights, and trade shows.

- Funds may be used for brochures, guides, billboards, and other promotional materials and the Town of Wickenburg must be listed as a sponsor in all materials funded by Town dollars.

- An annual report must be submitted each year, detailing use of funds and marketing efforts.
    - The report shall also include the total number of website visits recorded, including traffic to **WickenburgChamber.com** and **OutWickenburgWay.com**. It should also include a description of trade shows attended, the number of visitors to the Wickenburg Visitor Center, and the number of tourism-related telephone inquiries received.

- Proposing change from annual reporting to quarterly reporting
    - Includes proof of publication, invoice, receipts
    - Adding: Number of Impressions/views, Engagement numbers for digital advertising, and an Economic Impact Narrative

Town of Wickenburg

Bed Tax Sponsorships – Chamber of Commerce

- In July 2024, the Town Council approved a renewal of the "Chamber Sponsorship Agreement," in the amount of **$65K** and extended the term of the contract from 1 year to 3 years ending on June 30, 2027.
- Only be used in support of Gold Rush Days, Bluegrass Festival, Christmas Light Parade, and two Tourism Trade Shows.
- Funding is limited to marketing, promotion, and operation of the Special Events for upcoming fiscal years.
- Keep and maintain attendance records for the events and provide the data to the Town on a quarterly basis or after each Special Event.

Train Depot Rental – Visitor Center (Depot A)

- The Chamber may use the building in exchange for running it as an Official Visitor Center, compliant with the Arizona Office of Tourism (AOT).
- The Chamber is responsible for all repairs, maintenance, and cleaning inside the building.
- The Chamber must promote all businesses in town, businesses within two miles of town limits, and local tourist attractions at the Visitor Center.
- The Chamber must operate the VisitWickenburg.com (OutWickenburgWay.com) website in cooperation with the Town.
- The Visitor Center is currently not consistently open on weekends and major holidays.
- At least twice a year, the Chamber must present a report to Town Council showing Visitor Center activity and compliance with AOT guidelines.
- Agreement ends June 22, 2026.

Town of Wickenburg

Train Depot Rental – Office Space (Depot B)

- In 2021 the Chamber agreement specified market value lease payment for the space.
- In 2023 the lease agreement was modified for a reduction in lease amount.
- In 2024 the lease agreement was modified to $1 a year in recognition that the Chamber has invested over $500,000 in improvements to the space.
- Term ends July 21, 2027.

Town of Wickenburg

Bed Tax Funding Agreement For Marketing – Del E Webb Center and Desert Caballeros Western Museum

- **$66,347 (FY26)** each organization used to Annually market and advertise its season of performing arts events to areas outside of Wickenburg.

- The Town of Wickenburg must be listed as a sponsor in all materials funded by Town dollars.

- An annual report must be submitted each year, detailing use of funds and marketing efforts.

- Proposing change from annual reporting to quarterly reporting
  - Includes proof of publication, invoice, receipts
  - Adding: Number of Impressions/views, Engagement numbers for digital advertising, and Narrative

Bed Tax Sponsorships – Del E Webb Center and Desert Caballeros Western Museum

- Awarded for the first time this Fiscal Year to Webb Center for the Performing Arts – $5,000; Desert Caballeros Western Museum – $4,000

- 1-year terms ending on June 30, 2025.

- Funded through Bed Tax Contingency Funds any payments back to the town using these funds will go back into the Bed Tax Fund.

- Contractor must submit a report to the Town by May 1, 2025 (at least 60 days before the agreement ends). Report must include visitor attendance and impact on local businesses, quality of life impact summary of events, meetings, and activities organized, and their public benefits.

Bed Tax Funding Agreements – For Marketing & Economic Development

- Bed Tax Fund Contingency $298,470 (Current), $350,914 (Proposed)

- **Proposed Pool Improvement Project** – $222,000 (estimate as of 04/21/2025)
  - Replace grass surface in 2 areas to eliminate chemicals getting into the pool and add shade structures for families and guests - $80,000
  - Add a pool heater to extend swimming pool season - $142,000

    **Does not include utility relocation*

- Funding Options, if Council wishes to proceed with the project in FY26
  - Charge 100% of Project Cost as an annual operating expense – eliminates available funding for marketing contracts
  - Charge 50% to operating & 50% to the fund contingency – results in 57% reduction in Bed Tax Marketing Funding
  - Charge 100% of the Project Cost to Contingency – leaves marketing funding whole for FY26

General Fund YTD Revenue Overview

Account Number	Account Title	07/21-03/22 Prior year 3 Actual	07/22-03/23 Prior year 2 Actual	07/23-03/24 Prior year Budget	07/23-03/24 Prior year Actual	07/24-03/25 Current year Budget	07/24-03/25 Current year Actual
GENERAL FUND							
GENERAL FUND REVENUE							
100-101-000-42503	STATE GRANT/LOAN	0	0	115,000	113,340	115,000	276,042
100-101-000-44110	PRIMARY PROP TAX	352,153	402,386	600,000	419,219	600,000	392,335
100-101-000-44120	PRIOR PERIOD TAX	37,583	17,676	26,369	26,369	30,000	8,599
100-101-000-44210	LOCAL SALES TAX	5,481,855	6,535,933	9,500,000	7,851,520	9,500,000	7,069,342
100-101-000-44215	PROP 207 SMART & SAFE	39,453	0	0	0	0	0
100-101-000-44418	AUTO LIEU TAX	297,942	297,880	394,216	304,722	404,879	301,997
100-101-000-44420	STATE SALES TAX/TPT	774,055	849,449	1,158,398	897,432	1,208,395	915,516
100-101-000-44422	STATE INCOME TAX/URS	750,958	1,094,815	2,098,742	1,574,050	1,700,982	1,295,992
100-101-000-45489	BANNER FEES	920	1,560	1,467	1,200	1,467	1,280
100-101-000-45490	COMM & REC CENTER RENTALS	26,566	36,464	33,831	25,373	33,831	34,878
100-101-000-45491	SWIM POOL ADMISSION	9,161	7,111	24,629	18,472	24,629	5,647
100-101-000-45494	PARK FEES	13,449	7,354	8,991	6,743	8,991	480
100-101-000-45495	RECREATION PROGRAMS	6,895	4,153	22,647	17,160	22,647	4,617
100-101-000-46432	CABLE AGREEMENT	30,815	39,167	52,638	38,302	52,638	32,384
100-101-000-46434	POLE ATTACHMENT	7,970	7,970	7,970	7,970	7,970	7,970
100-101-000-46436	SOUTHWEST GAS FRANCHISE	12,866	15,383	31,650	17,863	31,650	9,904
100-101-000-46438	APS FRANCHISE	129,356	145,621	216,949	169,304	216,949	194,364
100-101-000-46441	LIQUOR LICENSE FEES	2,925	2,800	3,325	3,325	3,325	3,275
100-101-000-46444	OCCUPATIONAL FEES	61,993	66,044	65,364	65,364	65,364	55,505
100-101-000-46445	OTHER PERMIT FEES	255,221	148,755	153,668	115,251	153,668	128,155
100-101-000-46459	INTEREST INCOME	6,239	561,917	741,352	559,261	700,000	804,276
100-101-000-46460	LGIP LOSS	0	0	0	0	0	173
100-101-000-46463	TOWN RENTALS	8,503	20,056	26,149	21,395	26,149	15,063
100-101-000-46470	LIBRARY - MISC REVENUES	2,273	749	937	703	937	1,003
100-101-000-46471	LIBRARY - COPIES	1,618	2,052	1,819	1,364	1,819	1,675
100-101-000-46481	ZONING & SUBDIVISION FEES	15,580	28,855	5,000	5,000	10,000	3,700
100-101-000-46483	NEW BLDG PERMIT FEES	768,780	298,604	402,458	301,841	500,000	328,443
100-101-000-47452	PUBLIC SAFETY - RENTAL & REIMB	6,511	28,411	13,927	13,927	13,927	30,415
100-101-000-47453	FIRE - IGA	0	0	889,185	0	946,781	0
100-101-000-47465	FINES & COURT CHARGES	120,477	106,315	154,183	115,637	154,183	153,644
100-101-000-47467	POLICE MISC FEES	7,002	8,547	7,529	7,529	7,529	8,674
100-101-000-47469	ADMIN CHARGE - GF	682,321	845,862	983,250	737,437	1,100,465	733,644
100-101-000-47471	ADMIN CHARGE - PS & CIP	131,759	135,325	238,737	179,053	261,081	174,054
100-101-000-47510	RESTITUTION	374	89	1,420	1,420	0	3,386
100-101-000-48821	EVENT STAFF/EQUIPMENT USE	8,616	9,015	48,000	48,000	48,000	37,888
100-101-000-48830	CREDIT/DEBIT FEES	46,784	4,763	6,088	4,987	6,088	22,223
100-101-000-49999	CAPITAL LEASE PROCEEDS	0	(2,350,573)	0	0	0	0
	Total GENERAL FUND REVENUE:	10,098,973	9,380,508	18,035,888	13,670,534	17,959,344	13,056,544

Town of Wickenburg

General Fund YTD Expenditure Overview

	2023-24 ACTUAL	2024-25 BUDGET	2024-25 YTD ACTUAL	2025-26 PROPOSED
FINANCE	767,086	759,888	557,067	840,277
GENERAL SERVICES	604,371	666,016	381,914	626,016
TOWN MANAGER	658,434	367,879	97,224	554,638
HUMAN RESOURCES	1,003	362,927	255,297	402,959
TOWN CLERK	177,482	242,303	158,310	243,197
TOWN COURT	357,763	563,957	343,154	483,684
TOWN ATTORNEY	269,552	301,320	187,999	285,000
RECREATION	575,600	585,086	276,950	613,139
ECON DEV & PUBLIC OUTREACH	228,307	456,847	281,151	406,935
INFORMATION TECHNOLOGY	415	583,356	345,586	570,167
LIBRARY	496,468	319,422	202,231	322,403
PARKS & FACILIY MAINTENANCE	1,562,785	2,282,240	1,569,023	1,773,128
COMMUNITY DEVELOPMENT	665,089	670,637	436,179	717,969
PUBLIC SERVICES ADMIN	424,218	488,807	335,103	469,323
POLICE	4,934,165	6,531,732	4,091,787	6,397,048
FIRE	4,006,920	5,251,011	3,703,987	4,589,956
TOTALS	**15,729,658**	**20,433,428**	**13,222,962**	**19,295,839**

General Fund YTD Expenditure Overview with NEW Operating Contingency

	2023-24 ACTUAL	2024-25 BUDGET	2024-25 YTD ACTUAL	2025-26 PROPOSED
FINANCE	767,086	759,888	557,067	840,277
GENERAL SERVICES	604,371	666,016	381,914	626,016
OPERATING CONTINGENCY	0	0	0	750,000
TOWN MANAGER	658,434	367,879	97,224	554,638
HUMAN RESOURCES	1,003	362,927	255,297	402,959
TOWN CLERK	177,482	242,303	158,310	243,197
TOWN COURT	357,763	563,957	343,154	483,684
TOWN ATTORNEY	269,552	301,320	187,999	285,000
RECREATION	575,600	585,086	276,950	613,139
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FIRE	4,006,920	5,251,011	3,703,987	4,589,956
TOTALS	**15,729,658**	**20,433,428**	**13,222,962**	**20,045,839**

Property Tax

Town of Wickenburg

Start With the End in Mind

- **Restricted Projected End of Year Fund Balance- $22,068,517**
  - -Contingency $3,173,744
  - -Capital Reserve $1,000,000
  - -Reserve $5,394,773 (30%) – policy is 15%

- **Unrestricted Fund Balance- $12.5M**