



# TOWN OF JEROME

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Founded 1876  
Incorporated 1899

## MEMO

**FROM:** Candace Gallagher  
**TO:** Mayor and Council  
**SUBJECT:** 2022-23 Town budget for final adoption  
**DATE:** July 18, 2022  
**MEETING DATE:** July 25, 2022

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Here is the final draft of our 2022-23 budget.

At tentative adoption, the following changes were made:

- Under Parking, corrected wages for one parking enforcement officer (added \$4,661)
- Under Sanitation, increased appropriation for fuel (added \$3,000)

As now drafted:

- We are using \$1,081,000 of our estimated \$1,767,000 unrestricted general fund balance, leaving \$686,000 in reserve, constituting 30% of general fund operating expenses.
- The budget utilizes \$66,500 of our accumulated utility fund balance, \$20,000 of accumulated fund balance in our HURF fund and \$54,661 of accumulated fund balance in our Parking fund.
- The General Fund is subsidizing other funds as follows:
  - Water budget - \$500,000
  - Sanitation budget - \$30,000
  - HURF fund - \$130,000
  - Capital fund - \$460,000
- The budget anticipates a \$1/day increase in the parking fee as of October 1. No increases in sales tax or property tax are anticipated.
- The parking fund is transferring \$324,000 to other funds to support infrastructure and public safety as follows:
  - General Fund (public safety): \$37,500
  - Water budget: \$90,000
  - Sewer budget: \$90,000
  - HURF budget: \$106,500
- The Sanitation budget once again includes a \$10,000 transfer to the Capital Fund toward the eventual purchase of a garbage truck. After this transfer, we will have accumulated \$70,000, enough for a substantial downpayment.

## RECAP

### CAPITAL AND ONE-TIME EXPENDITURES:

In addition to routine maintenance expenses, this third draft of the budget now includes the following capital and one-time expenditures:

- System to live stream Council and Board meetings - \$6,000

- Purchase and installation of PBX phone system for Town Hall - \$5,000
- Purchase of a patrol car to replace a 2008 vehicle - \$37,500
- Upgrade of police department network and computers - \$25,000
- Replacement of street level windows at Hotel Jerome - \$30,000
- Restoration of the School Street access to Town Hall - \$100,000 plus \$61,000 in grant monies received in prior years
- Appraisal of town-owned property in Clarkdale - \$5,000
- Purchase of real property to house future staff - \$350,000
- Security cameras for springs - \$10,000
- Live taps for Clark Street regulator - \$25,500
- Refurbishment of water tank on Cleopatra Hill - \$300,000
- Design/engineering for new water tank (location tbd) - \$75,000
- Design/engineering/preliminary expenses related to wastewater treatment plant upgrade - \$900,000 (funded by a bridge loan)
- Water leak detection study - \$20,000
- Repair to siphon at Mescal Canyon - \$100,000
- Sewer line replacement at Hull and Jerome - \$33,000
- Sewer line mapping - \$15,000
- Purchase of new dumpsters - \$6,000
- Completion of the public restrooms - \$25,000 (plus \$15,000 in Prop 202 funds under grants)
- Design/engineering/preliminary expenses related to repairs to School Street (includes water, sewer and roadway) - \$100,000
- Purchase of parking kiosk for use at police station - \$7,000
- Purchase of new shuttle van (trade in) - \$35,000

**CONTINGENCIES:**

We budget for contingencies so that if funds that are not anticipated in the regular budget are received, they can be spent. Revenues from excess sales tax, additional donations, sale or lease of real property and connection fees are included, as well as the use of additional fund balance if necessary. Expenditures provided for in the contingency budgets include:

- Design work for upper floor of the Hotel Jerome - \$20,000
- Repairs to the rock wall below School Street - \$100,000
- Hampshire Avenue sidewalk repair - \$60,000
- Purchase of flatbed truck – \$50,000
- Repairs to cobblestone streets - \$50,000
- Utility work on Center Avenue (prior to road repairs) - \$250,000
- Other utility work as needed - \$50,000

**GRANTS:**

The operating and capital grants portion of our budget remains a work in progress. We want to be sure to include any grant that is a possibility during the coming year, so that if received, it can be spent.

Some of the included grants are already confirmed. They are:

- Carryover of funding from prior grants from Freeport-McMoRan for restoration of the School Street access to Town Hall and for water planning - \$98,000
- Carryover of CDBG funding for Dundee water line improvements and hydrant installation (project in progress) - \$300,000
- American Rescue Plan Act funds (carryover of fy22 funds plus fy23 allotment) – used in part to supplement Dundee waterline project - \$151,780
- Legislative funding for Center Avenue improvements - \$560,000
- HURF Exchange funding – Drainage improvements construction (project in progress) - \$500,000
- Yavapai County Flood Control funding – Drainage improvements - \$130,000
- Carryover of prior year Prop 202 funding from the Yavapai-Apache nation - \$37,000

Other grants are included as well, in the hopes that they will be received. This includes \$1,134,000 in Congressional funding for waterline and hydrant work on Deception, Holly and the remainder of Dundee.

**PERSONNEL:**

As in the prior drafts, this budget includes an across-the-board COLA increase of 5.9%, consistent with that of the Social Security Administration for 2022.

In addition, it anticipates the following additional hires/schedule changes:

- Hiring of sixth crew member (also budgeted in FY22 but no hire was made)
- Hiring of fifth full-time police officer (also budgeted in FY22 but no hire was made)
- Additional hours (4 per week) for library employee for STEM program
- Transition for part-time to full-time (with benefits) for court clerk as of January 1, 2023
- Hiring of additional part-time administrative aide in police department (16 hrs/wk)
- Weekend staffing at the Fire Station (\$20,000 appropriated for this)

The tentative budget was approved on July 12. It may be reduced but not increased prior to its final adoption at this meeting.

My thanks to Council and staff for their work in creating this budget!

# OPERATING EXPENSES BY DEPARTMENT

EXCLUDES TRANSFERS AND CAPITAL EXPENDITURES

