



# Sign Up For TOWN NEWS

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meetings, and more!

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# Fiscal Year Budget 24-25





## TOPICS TO BE DISCUSSED:

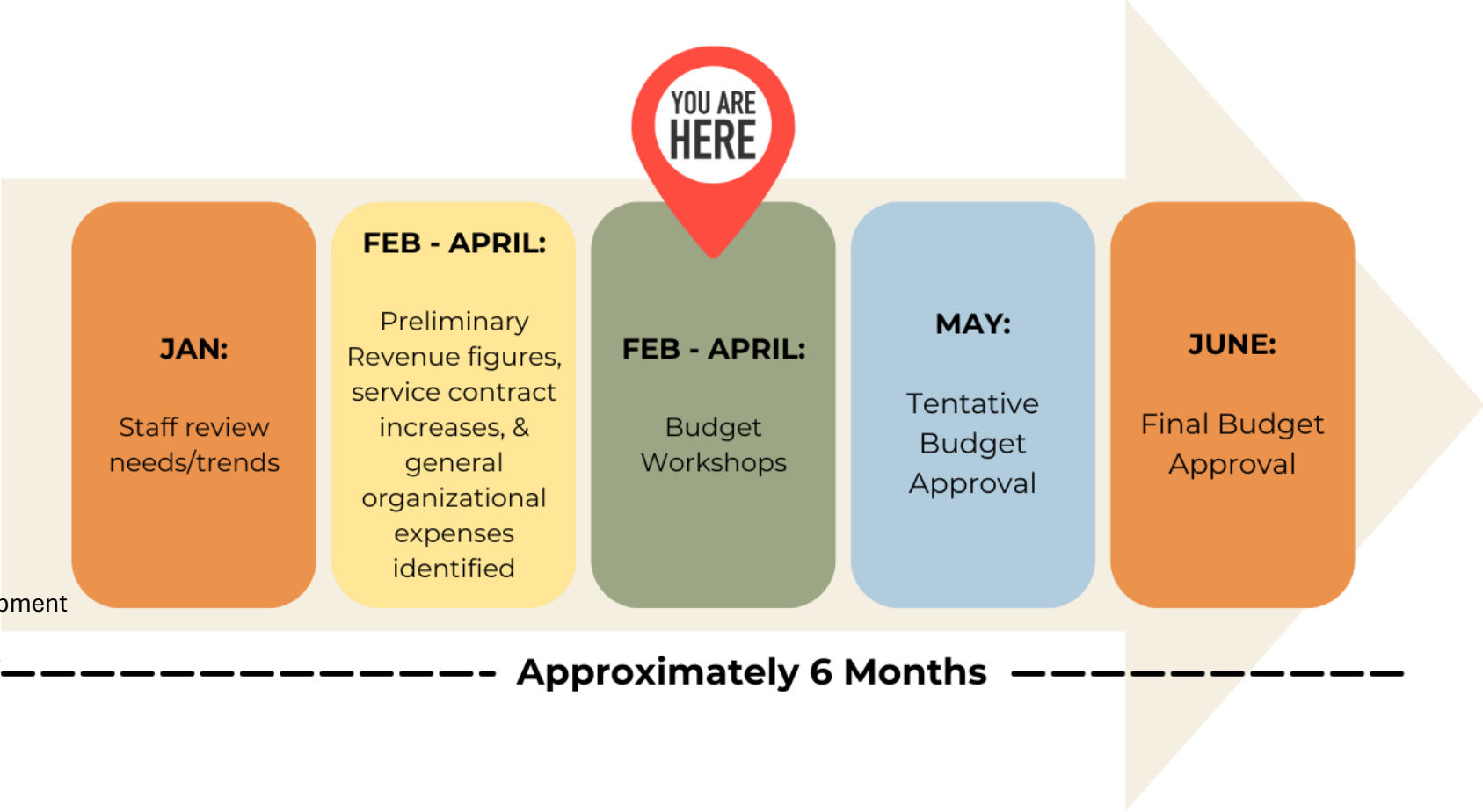
- Budget Process
- Areas of Emphasis
- Forecasted Operational Revenues
- Anticipated Operational Expenses
- Planned Capital Investments
- Next Steps

# Budget Process



### Strategic Planning

- Quality Community Development
- Fiscal Sustainability
- Infrastructure Management
- Community Engagement



### New FY Begins in July

# AREAS OF EMPHASIS

## Public Safety:

- Law Enforcement Services
  - Increase Traffic Patrol
  - Collection of metrics to focus enforcement
- Fire & EMS
  - Replacement of EMS equipment
  - Replacement of appliances
  - Repairs to Fire House

## Infrastructure Investments:

- Streets
- Drainage
- Town Center

## Community Development:

- Ratification of General Plan
- Update Zoning Code
- Update Design Guidelines
- Update Fee Schedules
- Prioritize implementation items

## Community Engagement:

- Expand stakeholder discussions - issue specific
- Digitizing services
- Improve and expand different communication platforms

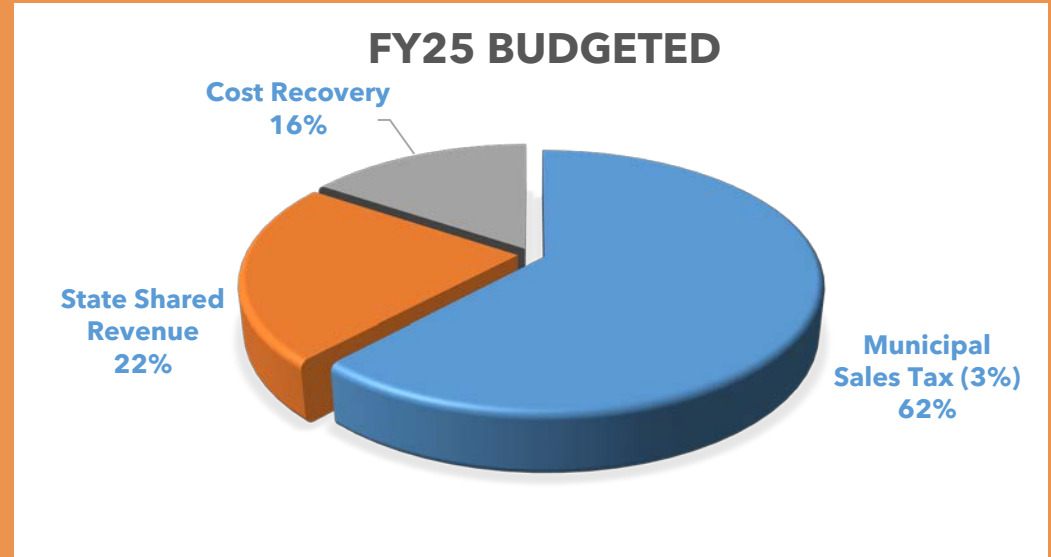
# REVENUES

FISCAL YEAR 2024-2025



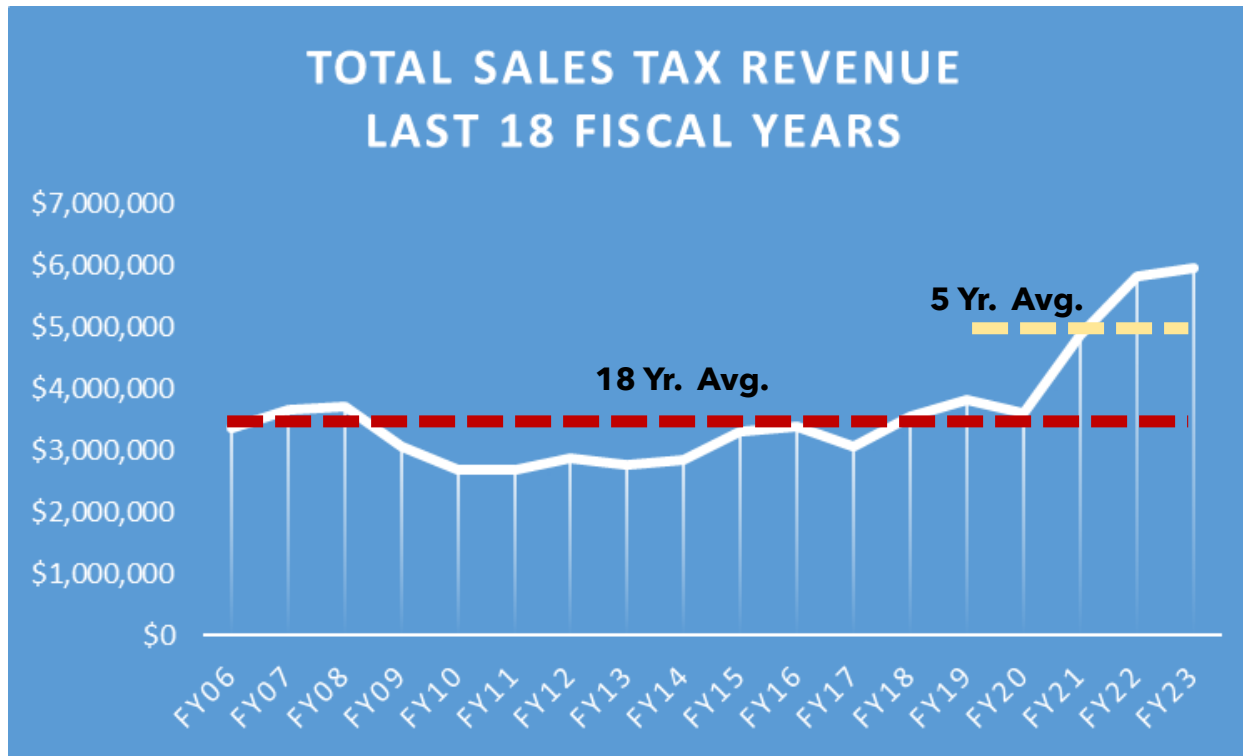


# FORECASTED REVENUE FY 2024-2025



REVENUE TYPE	FY25 Budgeted
<b>Municipal Sales Tax (3%)</b>	\$5,000,000
<b>State Shared Revenue</b>	\$1,814,859
<b>Cost Recovery</b>	\$1,258,546
<b>Total</b>	<b>\$8,073,405</b>

# Local Trends in Municipal Sales Tax:

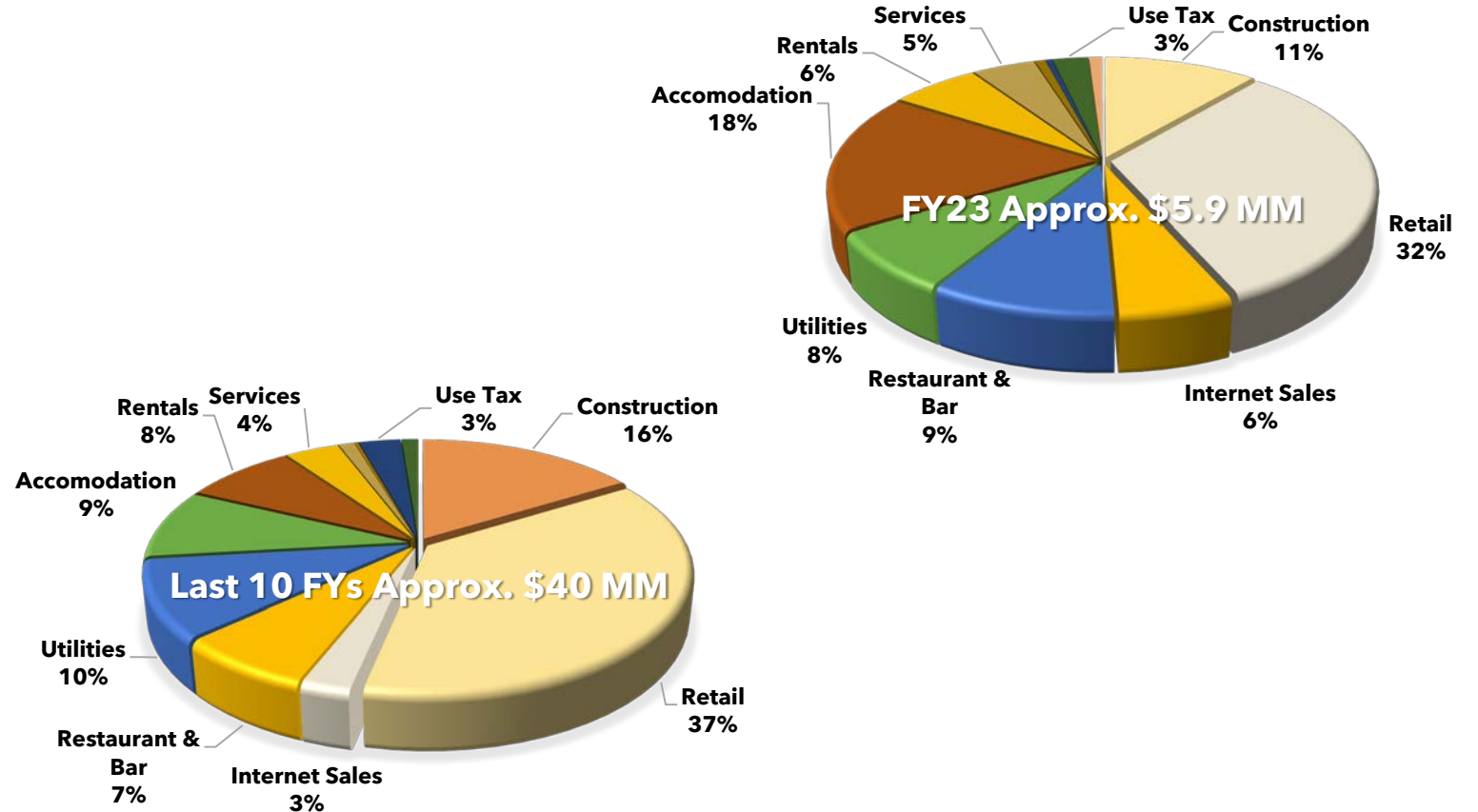
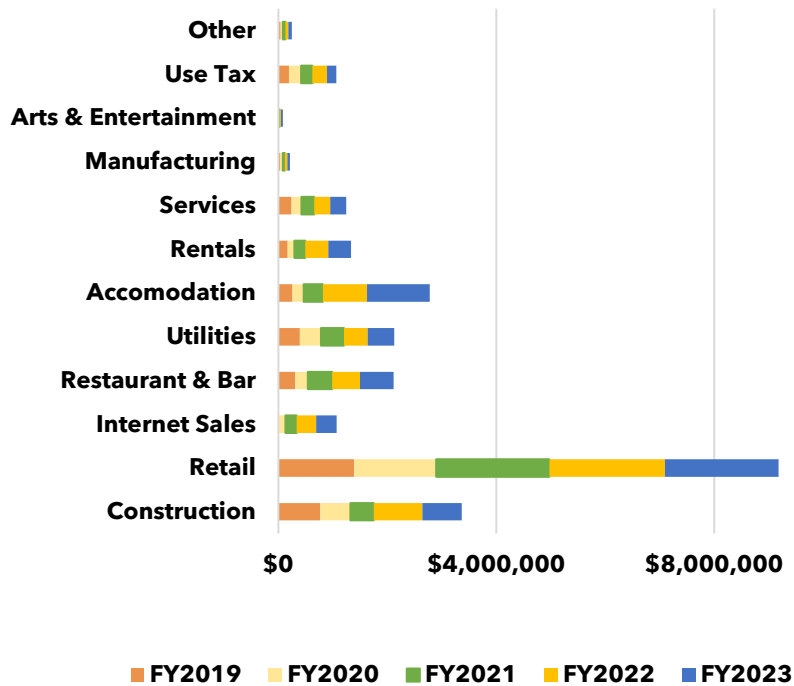


- In 2006, the Town's sales tax increased from 2% to 3% to offset the master contract for Rural Metro.
- Overall performance: since this time (18 years), the average total municipal sales tax collection was \$3.62MM per year or about \$1.2MM per each 1%
- Short-term performance: the past 5 years, this total municipal sales tax collection averaged \$5 MM or about \$1.66 per each 1%.
- Sales tax tracks with economic conditions and performance of local businesses.
- Threats to the town's sales tax revenues are:
  - Closure of top producers
  - Economic cycles
  - Legislative initiatives



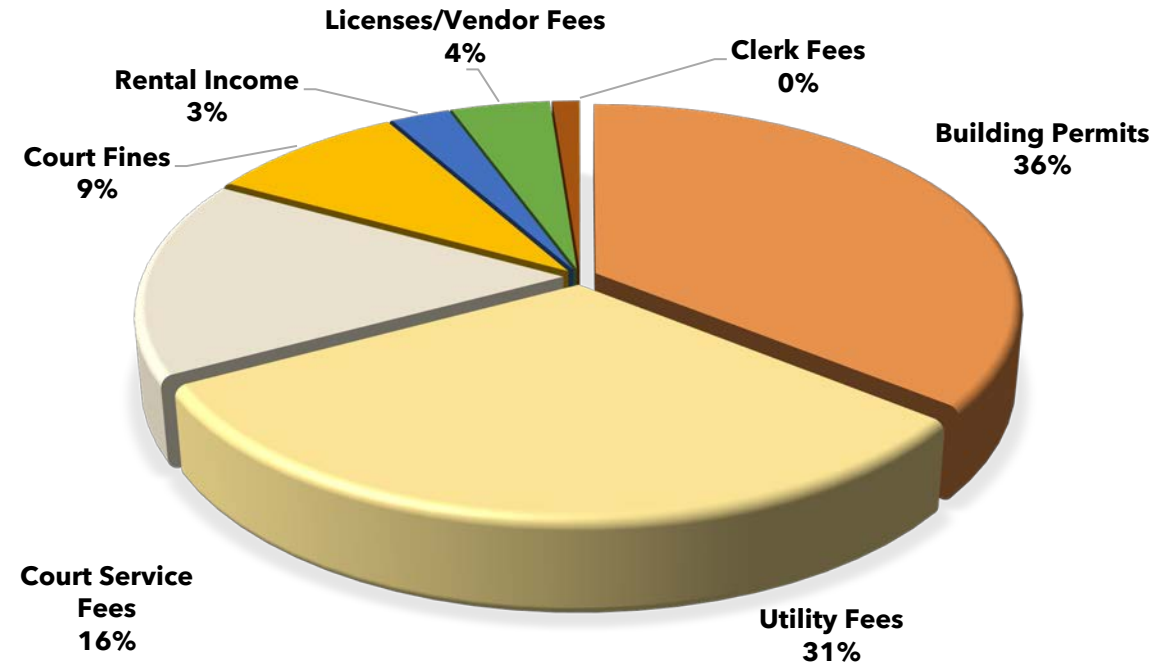
# Local Trends in Municipal Sales Tax:

5 YEAR GROWTH PER CATEGORY



# Anticipated User Fees:

COST RECOVERY FEES	FY23 ACTUAL	FY24 ESTIMATE	FY25 BUDGET
Building Permits	\$465,727	\$467,000	\$450,000
Utility Fees	\$382,027	\$399,000	\$395,000
Court Service Fees	\$185,234	\$192,540	\$200,346
Court Fines	\$122,915	\$105,000	\$110,000
Rental Income	\$33,000	\$33,000	\$33,000
Licenses/Vendor Fees	\$47,303	\$54,400	\$55,000
Agreements	\$25,000	\$15,000	\$15,000
Clerk Fees	\$177	\$200	\$200
<b>TOTAL</b>	<b>\$1,261,383</b>	<b>\$1,266,140</b>	<b>\$1,258,546</b>



# Forecasted State Shared Revenue:



CATEGORY	FY21	FY22	FY23	FY24 EST.	FY25 BUDGET
<b>State Income Tax</b>	\$561,223	\$523,051	\$699,050	\$988,192	\$791,859(44%)
<b>State Sales Tax</b>	\$465,873	\$490,938	\$544,720	\$554,736	\$568,000(31%)
<b>VLT</b>	\$185,551	\$183,054	\$182,202	\$172,000	\$180,000(15%)
<b>HURF</b>	\$272,183	\$288,864	\$274,193	\$288,000	\$275,000(10%)
<b>TOTAL</b>	<b>\$1,484,830</b>	<b>\$1,485,907</b>	<b>\$1,700,165</b>	<b>\$2,002,928</b>	<b>\$1,814,859</b>





# OPERATIONAL EXPENSES

FISCAL YEAR 2024-2025





**GUIDING PRINCIPLES:**

Carefree is a distinctive, premier upper Sonoran Desert community that seeks to deliver high quality lifestyle, experienced based retail destinations and access to nearby expansive desert preserves and lakes.

**VALUE STATEMENT:**

Carefree's leadership is committed to providing a safe community with quality infrastructure and services within its limited financial capacity and minimizing tax liability on its residents.

**CORE TASKS:**

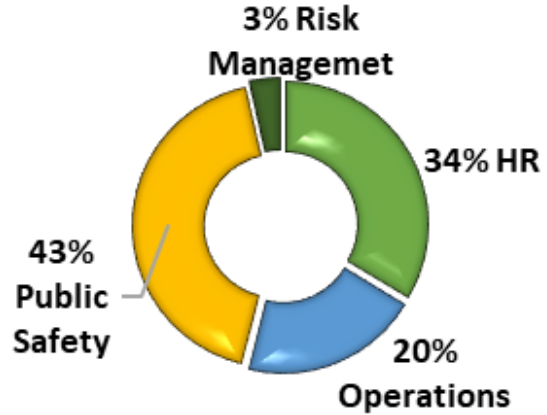
Quality Community Development:	Infrastructure Management:	Economic Development & Financial Stability:	Communications, Marketing and Community Engagement:
<ul style="list-style-type: none"> <li>a. Statutory updates to General Plan</li> <li>b. Update any zoning standards to align with General Plan and or new state laws, community design guidelines &amp; building codes</li> <li>c. Update fee structures, entitlement and permit documents</li> </ul>	<ul style="list-style-type: none"> <li>a. Prepare a work plan including but not limited to:               <ul style="list-style-type: none"> <li>i. Update of 10-year street preventative maintenance plan and culvert maintenance plan</li> <li>ii. Identify 5-year capital project improvement plan</li> </ul> </li> <li>b. Coordinate, update and/or implement:               <ul style="list-style-type: none"> <li>i. MS4 permitting and reports</li> <li>ii. Flood control permitting and reports</li> <li>iii. Hazardous mitigation plan</li> <li>iv. Emergency Operations plan</li> </ul> </li> <li>c. Manage Public Works Department:               <ul style="list-style-type: none"> <li>i. Coordinate Department's activities</li> <li>ii. Address design/engineering related improvements</li> <li>iii. Coordinate/conduct MS4 &amp; OSHA training</li> <li>iv. Coordinate governmental compliance requirements</li> <li>v. Seek grants and funding for capital projects</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>a. Create an Economic Development Strategic Work Plan               <ul style="list-style-type: none"> <li>i. Identify revenue targets</li> <li>ii. Outline strategic initiatives to reach revenue targets, business retention and attraction plans, primary trade area analysis and outreach programs</li> <li>iii. Cultivate relationships with trade organizations, real estate associations, and local business associations</li> </ul> </li> <li>b. Create a program based budget:               <ul style="list-style-type: none"> <li>i. Convert line item budget to a policy and program based budget</li> <li>ii. Incorporate discussions on goals, achievements, metrics and deliverables</li> <li>iii. Incorporate financial policies and short and long term financial goals to ensure continual future Town solvency</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>a. Engage residents, visitors and businesses through visitor center</li> <li>b. Direct the Ambassador program</li> <li>c. Identify all of the amenities the area has to offer and get the word out</li> <li>d. Support business programs like: first Thursday art walks, restaurant week, etc.</li> <li>e. Build and run the Town social media program</li> <li>f. Provide a series of regular communications with residents, visitors and businesses</li> <li>g. Provide a steady stream of articles to local area newspapers to keep Carefree top of mind among residents and those within the primary trade area</li> <li>h. Coordinate the use/activities held within the Town amphitheater</li> </ul>





# General Fund - Operational Budget

**FY23 ACTUAL**



**FY24 ESTIMATED**

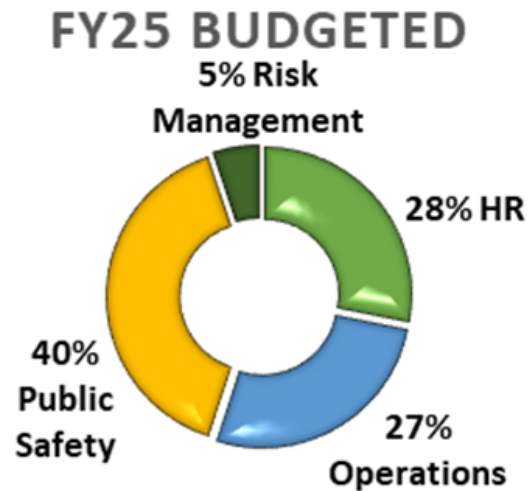


**FY25 BUDGETED**



# General Fund - Public Safety

	FY 2025
SUMMARY EXPENSES	Budget
Salaries & Benefits	\$2,040,756
Operations	\$1,951,633
Public Safety Contracts	\$2,890,353
Risk Management Contracts	\$370,000
TOTAL	\$7,252,742



	FY 2023	FY 2024	FY 2025
	ACTUAL	ESTIMATED	BUDGET
<b>PUBLIC SAFETY SERVICES</b>			
FIRE & EMERGENCY MEDICAL SERVICES	\$2,013,782	\$2,023,892	\$2,173,200
LAW ENFORCEMENT SERVICES	\$508,999	\$599,335	\$717,153
<b>TOTAL</b>	<b>\$2,522,781</b>	<b>\$2,623,227</b>	<b>\$2,890,353</b>

	FY 2023	FY 2024	FY 2025
	ACTUAL	ESTIMATED	BUDGET
<b>LAW ENFORCEMENT SERVICES</b>			
MCSO CONTRACT	\$499,278	\$583,349	\$698,153
JAIL SERVICES	\$7,854	\$13,986	\$16,500
ANIMAL CONTROL	\$1,867	\$2,000	\$2,500
<b>TOTAL</b>	<b>\$508,999</b>	<b>\$599,335</b>	<b>\$717,153</b>

	FY 2023	FY 2024	FY 2025
	ACTUAL	ESTIMATED	BUDGET
<b>FIRE &amp; EMERGENCY SERVICES</b>			
RURAL METRO CONTRACT	\$1,831,500	\$1,857,000	\$1,904,000
OFFICE EQUIPMENT/BUILDING MAINTENANCE	\$2,102	\$2,600	\$120,700
VEHICLE MAINTENANCE/FUEL	\$22,179	\$19,342	\$20,000
FIXTURES/APPLIANCE REPLACEMENT	\$17,726	\$6,950	\$14,500
EMERGENCY EQUIPMENT	\$140,275	\$138,000	\$114,000
<b>TOTAL</b>	<b>\$2,013,782</b>	<b>\$2,023,892</b>	<b>\$2,173,200</b>

# General Fund - HR

FY 2025	
SUMMARY EXPENSES	Budget
Salaries & Benefits	\$2,040,756
Operations	\$1,951,633
Public Safety Contracts	\$2,890,353
Risk Management Contracts	\$370,000
<b>TOTAL</b>	<b>\$7,252,742</b>



## FY25 BUDGETED



	FTE'S	FY 2023 ACTUAL	FY 2024 ESTIMATED	FY 2025 BUDGET
<b>TOWN STAFF</b>				
Administration	5	\$696,761	\$711,428	\$745,804
Community Development	4	\$634,386	\$640,437	\$528,690
Public Facilities	4	\$494,840	\$521,225	\$526,301
Court	2.5	\$168,093	\$198,104	\$246,505
<b>TOTAL SALARIES &amp; BENEFITS</b>	<b>16</b>	<b>\$1,994,080</b>	<b>\$2,071,194</b>	<b>\$2,047,301</b>

- 5% increase in health insurance
- 5% COLA/Merit

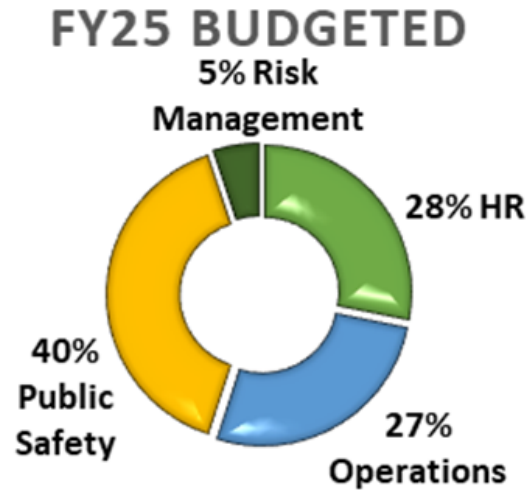


# General Fund - Operations

FY 2025	
SUMMARY EXPENSES	Budget
Salaries & Benefits	\$2,040,756
Operations	\$1,951,633
Public Safety Contracts	\$2,890,353
Risk Management Contracts	\$370,000
TOTAL	\$7,252,742



	FY 2023 ACTUAL	FY 2024 ESTIMATED	FY 2025 BUDGET
<b>ADMINISTRATION</b>			
MAYOR & COUNCIL	\$24,173	\$36,873	\$26,700
MANAGEMENT	\$233,198	\$266,530	\$313,600
CLERK	\$87,178	\$58,413	\$87,500
COMMUNICATIONS	\$96,493	\$101,420	\$159,250
<b>TOTAL</b>	<b>\$441,042</b>	<b>\$463,236</b>	<b>\$587,050</b>
<b>COMMUNITY DEVELOPMENT</b>			
PLANNING & ZONING	\$86,227	\$65,400	\$235,700
BUILDING SAFETY	\$138,806	\$211,500	\$291,700
ECONOMIC DEVELOPMENT	\$13,225	\$5,050	\$44,050
CODE ENFORCEMENT	\$4,423	\$8,025	\$8,250
<b>TOTAL</b>	<b>\$242,681</b>	<b>\$289,975</b>	<b>\$579,700</b>
<b>PUBLIC FACILITIES</b>			
ENGINEERING	\$61,544	\$39,937	\$126,500
PUBLIC WORKS	\$434,251	\$499,332	\$611,160
<b>TOTAL</b>	<b>\$495,795</b>	<b>\$539,269</b>	<b>\$737,660</b>
<b>MUNICIPAL COURT</b>			
	<b>\$65,800</b>	<b>\$71,458</b>	<b>\$84,223</b>

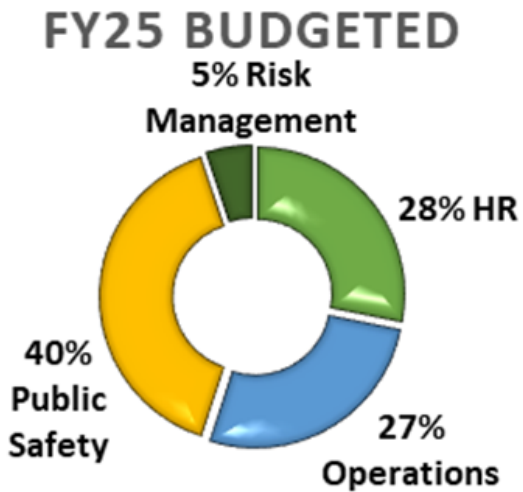


# General Fund - Risk Management

FY 2025	
SUMMARY EXPENSES	Budget
Salaries & Benefits	\$2,040,756
Operations	\$1,951,633
Public Safety Contracts	\$2,890,353
Risk Management Contracts	\$370,000
TOTAL	\$7,252,742



	FY 2023 ACTUAL	FY 2024 ESTIMATED	FY 2025 BUDGET
<b>RISK MANAGEMENT SERVICES</b>			
LEGAL SERVICES	\$115,158	\$154,820	\$235,000
INSURANCE	\$92,613	\$105,800	\$135,000
<b>TOTAL</b>	<b>\$207,771</b>	<b>\$260,620</b>	<b>\$370,000</b>



	FY 2023 ACTUAL	FY 2024 ESTIMATED	FY 2025 BUDGET
<b>LEGAL SERVICES</b>			
GENERAL LEGAL	\$62,049	\$75,100	\$100,000
SPECIAL LEGAL	\$5,749	\$10,000	\$60,000
PROSECUTOR	\$47,360	\$69,720	\$75,000
<b>TOTAL</b>	<b>\$115,158</b>	<b>\$154,820</b>	<b>\$235,000</b>



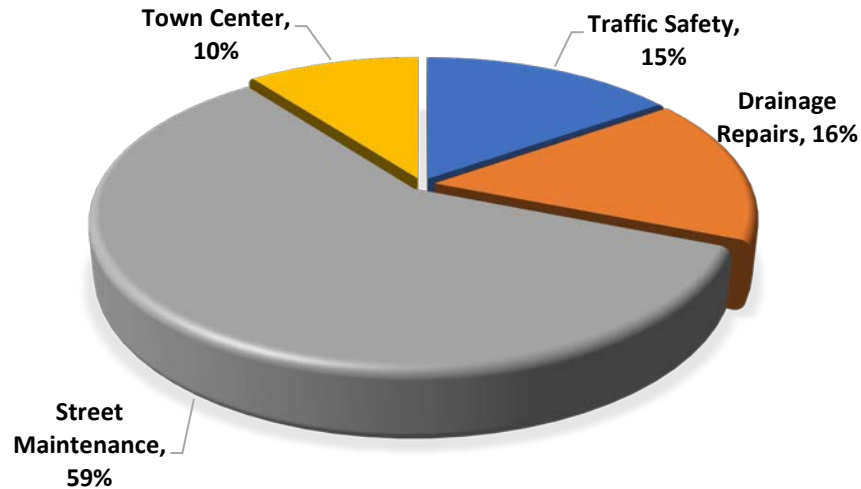
	FY 2023 ACTUAL	FY 2024 ESTIMATED	FY 2025 BUDGET
<b>INSURANCE SERVICES</b>			
SOUTHWEST MUNICIPAL POOL	\$92,613	\$105,800	\$125,000
CLAIMS-LOSSES	\$0	\$0	\$10,000
<b>TOTAL</b>	<b>\$92,613</b>	<b>\$105,800</b>	<b>\$135,000</b>

# CAPITAL IMPROVEMENT PROJECTS

FISCAL YEAR 2024-2025



# Capital Improvement Projects:



CAPITAL PROJECTS	EST. EXPENSE
<b>DRAINAGE</b>	
Culvert repairs	\$750,000
Slurry Bank Repairs	\$150,000
ADEQ Sampling/MS4 Compliance	\$15,000
	<b>\$915,000</b>
<b>TRAFFIC SAFETY</b>	
Neighborhood Program	\$15,000
Flock cameras (4)	\$12,000
Solar Radar Speed Signs (12)	\$110,000
Pedestrian Xings	\$750,000
	<b>\$887,000</b>
<b>STREET MAINTENANCE</b>	
TD/CCR/Highlands 2" -3"M/O	\$3,350,000
Street Sign Replacement	\$50,000
	<b>\$3,400,000</b>
<b>TOWN CENTER</b>	
Electrical Repairs	\$30,000
Chair Replacement	\$5,000
Landscape/sidewalk Repairs	\$40,000
Replace holiday lights/décor	\$25,000
Signage/Parking/Facade	\$500,000
	<b>\$600,000</b>
<b>TOTAL</b>	<b>\$5,802,000</b>



# Overall Budget:

<b>Anticipated bottom line expenditures approx.:</b>	<b>\$13.30 MM</b>
<b>Estimated exempt expenditures (UCAP, HURF, Grants):</b>	<b>\$ 1.09 MM</b>
<b><u>Expenditure limit:</u></b>	<b>\$12.86 MM</b>
<b>Forecasted under cap:</b>	<b>\$ 646K</b>





# FY Budget 24-25 - Questions





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