

RESOLUTION NO. 2010-16

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF FOUNTAIN HILLS, ARIZONA, ADOPTING THE AMENDED AND RESTATED TOWN OF FOUNTAIN HILLS FINANCIAL POLICIES.

WHEREAS, the Mayor and Council of the Town of Fountain Hills (the "Town Council") approved Resolution No. 2003-14, adopting the Town of Fountain Hills Financial Policies (the "Original Financial Policies") to establish the framework for the Town's fiscal planning and management; and

WHEREAS, pursuant to Resolution No. 2009-05, the Original Financial Policies were amended and restated on June 18, 2009 (the "Amended Financial Policies") to incorporate Rainy Day Fund procedures and to make other technical corrections; and

WHEREAS, the Town Council desires to further amend the Amended Financial Policies to modify the sales tax revenues allocation for the Capital Projects Fund.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE TOWN OF FOUNTAIN HILLS as follows:

SECTION 1. The recitals above are hereby incorporated as if fully set forth herein.

SECTION 2. The Financial Policies, Section VI, Revenues and Collections, Subsection 6, is hereby amended as follows:

6. Local sales tax revenues are derived from several sources with a significant portion from construction-related activity. To ensure that the revenues from growth or development are targeted to costs related to development or invested in improvements that will benefit future residents or make future service provision efficient, the Town will designate ~~50%~~ **85%** of those one-time **CONSTRUCTION-RELATED TAX** revenues ~~to~~ **FOR** the Capital Projects Fund. At the end of each fiscal year these **DESIGNATED** revenues will be transferred from the General Fund to the Capital Projects Fund for future appropriation.

SECTION 3. The Mayor, the Town Manager, the Town Clerk and the Town Attorney are hereby authorized and directed to take all steps necessary to carry out the purpose and intent of this Resolution.

[SIGNATURES ON FOLLOWING PAGE]

PASSED AND ADOPTED by the Mayor and Council of the Town of Fountain Hills, Arizona, June 17, 2010.

FOR THE TOWN OF FOUNTAIN HILLS:

ATTESTED TO:



Jay T. Schlum, Mayor



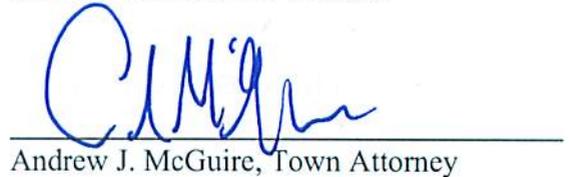
Bevelyn J. Bender, Town Clerk

REVIEWED BY:

APPROVED AS TO FORM:



Richard L. Davis, Town Manager



Andrew J. McGuire, Town Attorney