

RESOLUTION NO. 2009-17

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF FOUNTAIN HILLS, ARIZONA, ADOPTING THE TENTATIVE BUDGET AS THE 2009-2010 FISCAL YEAR BUDGET FOR THE TOWN OF FOUNTAIN HILLS.

WHEREAS, in accordance with the provisions of Title 42, Chapter 17, Articles 1-5, Arizona Revised Statutes, the Mayor and Council of the Town of Fountain Hills (the "Town Council") did, on May 21, 2009, 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 Town of Fountain Hills, Arizona; and

WHEREAS, in accordance with said chapter of said title, and following due public notice, the Town Council met on May 21, 2009, 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, publication has been duly made as required by law, of said estimates together with a notice that the Town Council would meet on June 18, 2009, at the Fountain Hills Town Council Chambers for the purpose of hearing taxpayers and with respect to said estimates or any of the proposed expenditures/expenses or tax levies; 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 ARIZ. REV. STAT. § 42-17051(A).

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

SECTION 1. That the statements and schedules attached hereto as Exhibit A and incorporated herein by reference, are hereby adopted as the budget of the Town of Fountain Hills, Arizona, for the fiscal year July 1, 2009 through June 30, 2010.

PASSED AND ADOPTED by the Mayor and Council of the Town of Fountain Hills, June 18, 2009.

FOR THE TOWN OF FOUNTAIN HILLS:

ATTESTED TO:



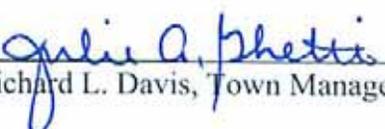
Jay T. Schlum, Mayor



Bevelyn J. Bender, Town Clerk

REVIEWED BY:

APPROVED AS TO FORM:

for 

Richard L. Davis, Town Manager



Andrew J. McGuire, Town Attorney

**EXHIBIT A
TO
RESOLUTION NO. 2009-17**

(FY 09-10 Financial Statements and Schedules)

See following pages.

TOWN OF FOUNTAIN HILLS, ARIZONA
Summary Schedule of Estimated Revenues and Expenses/Expenses
Fiscal Year 2009-10

FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2008-09*	ACTUAL EXPENDITURES/ EXPENSES 2008-09**	FUND BALANCE/ NET ASSETS*** July 1, 2008**	DIRECT PROPERTY TAX REVENUES 2009-10	REVENUES OTHER THAN PROPERTY TAXES 2009-10	OTHER FINANCING 2009-10		INTERFUND TRANSFERS 2009-10		TOTAL FINANCIAL RESOURCES AVAILABLE 2009-10	BUDGETED EXPENDITURES/ EXPENSES 2009-10
						SOURCES	<USES>	IN	<OUT>		
1. General Fund	\$ 16,142,395	\$ 16,142,395	\$ 6,579,803	Primary: \$ 14,698,229	\$	\$	\$ 108,850	\$ (662,422)	\$ 22,047,309	\$ 14,525,655	
2. Special Revenue Funds	4,564,966	4,564,966	1,823,675	Secondary: 1,400,000	4,492,254			(3,044,649)	\$ 10,760,578	4,612,570	
Debt Service Funds											
3. Available	3,205,113	3,205,113	841,640		3,214,041			523,013	4,578,694	3,278,613	
4. Less: Designation for Future Debt Retirement											
5. Total Debt Service Funds	3,205,113	3,205,113	841,640		3,214,041			523,013	4,578,694	3,278,613	
6. Capital Projects Funds	4,407,016	3,449,016	10,547,475		10,874,377			2,981,180	(142,400)	24,345,442	12,867,834
7. Permanent Funds											
8. Enterprise Funds Available											
9. Less: Designation for Future Debt Retirement											
10. Total Enterprise Funds											
11. Internal Service Funds			268,016					236,418	504,434		
2. TOTAL ALL FUNDS	\$ 28,319,490	\$ 27,361,490	\$ 20,060,614	\$ 1,400,000	\$ 33,078,901	\$	\$	\$ 3,849,471	\$ (3,849,471)	\$ 62,235,457	\$ 35,284,672

EXPENDITURE LIMITATION COMPARISON

	2008-09	2009-10
1. Budgeted expenditures/expenses	\$ 28,319,490	\$ 35,284,672
2. Add/subtract: estimated net reconciling items		
3. Budgeted expenditures/expenses adjusted for reconciling items	28,319,490	35,284,672
4. Less: estimated exclusions	9,658,218	17,595,352
5. Amount subject to the expenditure limitation	\$ 18,661,272	\$ 17,689,320
6. EEC or voter-approved alternative expenditure limitation	\$ 25,546,731	\$ 28,055,993

* Includes Expenditure/Expense Adjustments Approved in 2007-08 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 in this column represent Fund Balance/Net Asset amounts except for amounts invested in capital assets, net of related debt, and reserved/restricted amounts established as offsets to assets presented for informational purposes (i.e., prepaids, inventory, etc.).

TOWN OF FOUNTAIN HILLS, ARIZONA
Summary of Tax Levy and Tax Rate Information
Fiscal Year 2009-10

	<u>2008-09</u> <u>FISCAL YEAR</u>	<u>2009-10</u> <u>FISCAL YEAR</u>
1. Maximum allowable primary property tax levy A.R.S. §42-17051(A).	\$ <u>0</u>	\$ <u>0</u>
2. Amount received from primary property taxation in the fiscal year 2007-08 in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18).	\$ 0	0
3. Property tax levy amounts		
A. Primary property taxes	\$ <u>0</u>	\$ <u>0</u>
B. Secondary property taxes	<u>1,400,000</u>	<u>1,400,000</u>
C. Total property tax levy amounts	\$ <u>1,400,000</u>	\$ <u>1,400,000</u>
4. Property taxes collected*		
A. Primary property taxes		
(1) 2008-09 levy	\$ 0	0
(2) Prior years' levy	0	0
(3) Total primary property taxes	\$ 0	0
B. Secondary property taxes		
(1) 2008-09 levy	\$ 1,330,000	1,400,000
(2) Prior years' levy	\$ 0	0
(3) Total secondary property taxes	\$ 1,330,000	1,400,000
C. Total property taxes collected	\$ 1,330,000	1,400,000
5. Property tax rates		
A. Town tax rate		
(1) Primary property tax rate	<u>0.0000</u>	<u>0.0000</u>
(2) Secondary property tax rate (estimate)	<u>0.1972</u>	<u>0.2173</u>
(3) Total city/town tax rate	<u>0.1972</u>	<u>0.2173</u>
B. Special assessment district tax rates		

Secondary property tax rates - As of the date the proposed budget was prepared, the town was operating two (2) 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 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.

TOWN OF FOUNTAIN HILLS, ARIZONA
Summary by Fund Type of Revenues Other Than Property Taxes
Fiscal Year 2009-10

SOURCES OF REVENUES	ESTIMATED REVENUES 2008-09	ACTUAL REVENUES 2008-09*	ESTIMATED REVENUES 2009-10
GENERAL FUND			
Local taxes			
Local Sales Tax	\$ 6,508,903	\$ 6,508,903	\$ 6,628,911
Franchise Tax	\$ 332,800	\$ 332,800	\$ 363,731
Licenses and permits			
Animal License Fees	37,986	37,986	39,505
Business License Fees	117,995	117,995	122,715
Building Permit Fees	812,780	812,780	330,120
Landscape Permit Fees	20,000	20,000	10,400
Planning & Zoning Fees	34,000	34,000	0
Improvement Plan Review Fee	21,000	21,000	21,000
Intergovernmental			
State Sales Tax	2,215,242	2,215,242	1,894,032
Fire Insurance Premium Tax	130,520	130,520	135,741
Shared Income Tax	3,610,480	3,610,480	3,163,367
Vehicle License Tax	1,067,300	1,067,300	953,455
Charges for services			
Parks & Rec User Fees	155,683	155,683	127,687
Senior Services Fees	79,551	79,551	110,211
Encroachment Fees	25,000	25,000	10,000
Variances	50,000	50,000	15,600
Fines and forfeitures			
Court Fines	234,600	234,600	239,292
Interest on investments			
Interest on Investments	300,000	300,000	125,000
Rentals			
Community Center Rental Fees	198,600	198,600	168,150
Community Center Bar Sales	24,480	24,480	0
Leases & Rents	65,475	65,475	55,575
Miscellaneous			
Miscellaneous	100,000	100,000	181,737
Tqтал General Fund	\$ 16,142,395	\$ 16,142,395	\$ 14,696,229
SPECIAL REVENUE FUNDS			
Highway User Revenue Fund			
Highway Users	\$ 1,763,000	\$ 1,763,000	\$ 1,480,152
Tqтал Highway User Revenue Fund	\$ 1,763,000	\$ 1,763,000	\$ 1,480,152
Local Transportation Assistance Fund			
Local Transportation (LTAF)	\$ 113,600	\$ 113,600	\$ 113,400
Total Local Transportation Assistance Fund	\$ 113,600	\$ 113,600	\$ 113,400
In Lieu Payments	\$ 10,000	\$ 10,000	\$ 2,000
Interest	\$ 40,000	\$ 40,000	\$ 4,993
Miscellaneous	\$ 1,000	\$ 1,000	\$ 0
Total	\$ 1,927,600	\$ 1,927,600	\$ 1,600,545

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

Excise Taxes			
Local Sales Tax Transfer	\$ 295,859	\$ 295,859	\$ 295,859
	<u>\$ 295,859</u>	<u>\$ 295,859</u>	<u>\$ 295,859</u>
Court Enhancement Fund			
Court Enhancement Fund	\$ 28,000	\$ 28,000	\$ 17,000
	<u>\$ 28,000</u>	<u>\$ 28,000</u>	<u>\$ 17,000</u>
Public Art Fund			
Public Art Fund	\$ 0	\$ 0	\$ 2,000
	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2,000</u>
Grants			
FEMA	\$ 0	\$ 0	\$ 0
Construction Grants/Stimulus	\$ 0	\$ 0	\$ 2,318,000
Proposition 202	\$ 0	\$ 0	\$ 150,000
LTAI II	\$ 0	\$ 0	\$ 40,000
Miscellaneous Grants	\$ 2,039,867	\$ 2,039,867	\$ 68,850
	<u>\$ 2,039,867</u>	<u>\$ 2,039,867</u>	<u>\$ 2,576,850</u>
Tmtal Special Revenue Funds	<u>\$ 4,291,326</u>	<u>\$ 4,291,326</u>	<u>\$ 4,492,254</u>
DEBT SERVICE FUNDS			
General obligation Bonds			
Secondary Property Tax	1,400,000	\$ 1,400,000	\$ 1,400,000
Interest	1,500	1,500	1,500
	<u>\$ 1,401,500</u>	<u>\$ 1,401,500</u>	<u>\$ 1,401,500</u>
Revenue Bonds			
Transfer from HURF Fund	\$ 115,843	\$ 115,843	\$ 136,413
	<u>\$ 115,843</u>	<u>\$ 115,843</u>	<u>\$ 136,413</u>
Special District Bonds			
Eagle Mountain CFD	\$ 379,000	\$ 379,000	\$ 389,100
Cottonwoods Improvement District	\$ 3,300	\$ 3,300	\$ 0
Cottonwoods Maintenance District	\$ 3,850	\$ 3,850	\$ 3,850
Municipal Prop Corp	1,275,277	1,275,277	1,283,178
	<u>\$ 1,661,427</u>	<u>\$ 1,661,427</u>	<u>\$ 1,676,128</u>
Tqtal Debt Service Funds	<u>\$ 3,178,770</u>	<u>\$ 3,178,770</u>	<u>\$ 3,214,041</u>
CAPITAL PROJECTS FUNDS			
Development Fees			
Law Enforcement Development Fees	\$ 43,575	\$ 43,575	\$ 13,767
Street Department Development Fees	\$ 214,000	\$ 214,000	\$ 74,316
Parks & Recreation Development Fees	\$ 76,010	\$ 76,010	\$ 14,664
Open Space Development Fees	\$ 44,550	\$ 44,550	\$ 9,390
General Government Development Fees	\$ 91,700	\$ 91,700	\$ 28,440
Fire Development Fees	\$ 9,785	\$ 9,785	\$ 3,153
Library/Museum Development Fees	\$ 8,965	\$ 8,965	\$ 1,740
	<u>\$ 488,585</u>	<u>\$ 488,585</u>	<u>\$ 145,470</u>
Capital Projects			
Local SIs Tax Contribution	\$ 706,154	\$ 706,154	\$ 510,000
Capital Projects transfers	35,980	35,980	2,981,190
Stimulus Funds	0	0	2,537,717
Debt Service Proceeds	\$ 0	\$ 0	\$ 4,500,000
	<u>742,134</u>	<u>742,134</u>	<u>10,528,907</u>
Tmtal Capital Prmjects Funds	<u>\$ 1,230,719</u>	<u>\$ 1,230,719</u>	<u>\$ 10,674,377</u>
TOTAL ALL FUNDS	<u>\$ 24,843,210</u>	<u>\$ 24,843,210</u>	<u>\$ 33,076,901</u>

* 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.

TOWN OF FOUNTAIN HILLS, ARIZONA
Summary by Fund Type of Other Financing Sources/<Uses> and Interfund Transfers
Fiscal Year 2009-10

FUND	OTHER FINANCING 2009-10		INTERFUND TRANSFERS 2009-10	
	SOURCES	<USES>	IN	<OUT>
GENERAL FUND				
Annual Debt Payment for Community Center	\$ _____	\$ _____	\$ _____	\$ (387,000)
Transfer to CIP-Municipal Software	_____	_____	_____	(100,000)
Interfund charge for Vehicle Replacement	_____	_____	_____	(175,422)
Grant Match	_____	_____	108,850	_____
Total General Fund	\$ 0	\$ 0	\$ 108,850	\$ (662,422)
HIGHWAY USERS				
Annual Debt Payment for Community Center	\$ _____	\$ _____	\$ _____	\$ (136,013)
Transfer to CIP-Pavement Mgmt	_____	_____	_____	(170,790)
Interfund charge for Vehicle Replacement	_____	_____	_____	(60,996)
Total Highway Users Funds	\$ 0	\$ 0	\$ 0	\$ (367,799)
DEBT SERVICE FUNDS				
Annual Debt Payment for Community Center	\$ _____	\$ _____	\$ 387,000	\$ _____
Annual debt payment for street paving bonds	_____	_____	136,013	_____
_____	_____	_____	_____	_____
Total Debt Service Funds	\$ 0	\$ 0	\$ 523,013	\$ 0
CAPITAL PROJECTS FUNDS				
Transfer to CIP-Municipal Software	\$ _____	\$ _____	\$ 100,000	\$ _____
Transfer to CIP-Pavement Mgmt	_____	_____	170,790	_____
Transfer to CIP-Various projects	_____	_____	2,318,000	_____
Transfer to CIP-Downtown Improvements	_____	_____	250,000	_____
Transfer to CIP-Traffic Signal project	_____	_____	142,400	_____
Total Capital Projects Funds	\$ 0	\$ 0	\$ 2,981,190	\$ 0
SPECIAL REVENUE FUNDS				
Grant Match	\$ _____	\$ _____	\$ _____	\$ (108,850)
Transfer to CIP-Downtown Improvements	_____	_____	_____	(250,000)
Transfer to CIP-Various projects	_____	_____	_____	(2,318,000)
Total Special Revenue Funds	\$ 0	\$ 0	\$ 0	\$ (2,676,850)
DEVELOPMENT FEES				
Transfer to CIP-Traffic Signal project	\$ _____	\$ _____	\$ _____	\$ (142,400)
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Enterprise Funds	\$ 0	\$ 0	\$ 0	\$ (142,400)
INTERNAL SERVICE FUNDS				
Interfund charge for Vehicle Replacement	\$ _____	\$ _____	\$ 175,422	\$ _____
Interfund charge for Vehicle Replacement	_____	_____	60,996	_____
Total Internal Service Funds	\$ 0	\$ 0	\$ 236,418	\$ 0
TOTAL ALL FUNDS	\$ 0	\$ 0	\$ 3,849,471	\$ (3,849,471)

TOWN OF FOUNTAIN HILLS, ARIZONA
Summary by Department of Expenditures/Expenses Within Each Fund Type
Fiscal Year 2009-10

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2008-09	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2008-09	ACTUAL EXPENDITURES/ EXPENSES 2008-09*	BUDGETED EXPENDITURES/ EXPENSES 2009-10
GENERAL FUND				
Mayor and Town Council	\$ 93,088	\$	\$ 93,088	\$ 85,640
Municipal Court	\$ 394,490	\$	\$ 394,490	\$ 397,528
Administration	\$ 3,253,281	\$	\$ 3,253,281	\$ 2,964,808
Public Works	\$ 1,818,358	\$	\$ 1,818,358	\$ 1,372,201
Planning and Zoning	\$ 1,421,338	\$	\$ 1,421,338	\$ 1,068,474
Parks and Recreation	\$ 1,936,912	\$	\$ 1,936,912	\$ 1,669,024
Law Enforcement	\$ 2,839,077	\$	\$ 2,839,077	\$ 2,844,877
Fire Department	\$ 3,240,908	\$	\$ 3,240,908	\$ 3,065,477
Community Center	\$ 1,144,943	\$	\$ 1,144,943	\$ 1,057,625
Transfers	0	\$	0	0
Contingency	0	\$	0	0
Total General Fund	\$ 16,142,395	\$ 0	\$ 16,142,395	\$ 14,525,655
SPECIAL REVENUE FUNDS				
Highway Users (HURF)	\$ 2,207,284	\$	\$ 2,207,284	\$ 1,600,545
ADOT	0	\$	0	0
Public ART	0	\$	0	2,500
Community Center FF&E	0	\$	0	0
Court Enhancement Fund	\$ 90,000	\$	\$ 90,000	\$ 50,000
Proposition 202	0	\$	0	150,000
Miscellaneous Grants	\$ 2,075,847	\$	\$ 2,075,847	\$ 2,426,850
Excise Tax Special Revenue	\$ 191,835	\$	\$ 191,835	\$ 382,675
Total Special Revenue Funds	\$ 4,564,966	\$ 0	\$ 4,564,966	\$ 4,612,570
DEBT SERVICE FUNDS				
General Obligation Bonds	\$ 1,340,364	\$	\$ 1,340,364	\$ 1,340,364
Revenue Bonds	136,413	\$	136,413	136,413
Municipal Property Corp (MPC)	1,337,486	\$	1,337,486	1,408,886
Cottonwood Improv Dist	3,850	\$	3,850	3,850
Eagle Mountain CFD	387,000	\$	387,000	389,100
Total Debt Service Funds	\$ 3,205,113	\$ 0	\$ 3,205,113	\$ 3,278,613
DEVELOPMENT FEES				
Law Enforcement Development Fees	\$ 6,020	\$	\$ 6,020	\$ 0
Street Department Development Fees	272,780	\$	272,780	142,400
Parks & Recreation Development Fees	583,900	\$	583,900	0
Open Space Development Fees	79,060	\$	79,060	0
General Government Development Fees	12,670	\$	12,670	0
Fire Development Fees	1,330	\$	1,330	0
Library Development Fees	2,240	\$	2,240	0
Total Development Fees	\$ 958,000	\$ 0	\$ 958,000	\$ 142,400
Capital Projects	3,049,016	\$	3,049,016	12,291,724
Contingency	400,000	\$	400,000	433,710
Total Capital Projects Funds	\$ 3,449,016	\$ 0	\$ 3,449,016	\$ 12,725,434
TOTAL ALL FUNDS	\$ 28,319,490	\$ 0	\$ 28,319,490	\$ 35,284,672

* 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.