



# Annual Budget

Town of Fountain Hills, Arizona

Fiscal Year  
2006-2007



**State Trust Land Annexation**





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Town of Fountain Hills  
Arizona**

For the Fiscal Year Beginning

**July 1, 2005**

President

Executive Director

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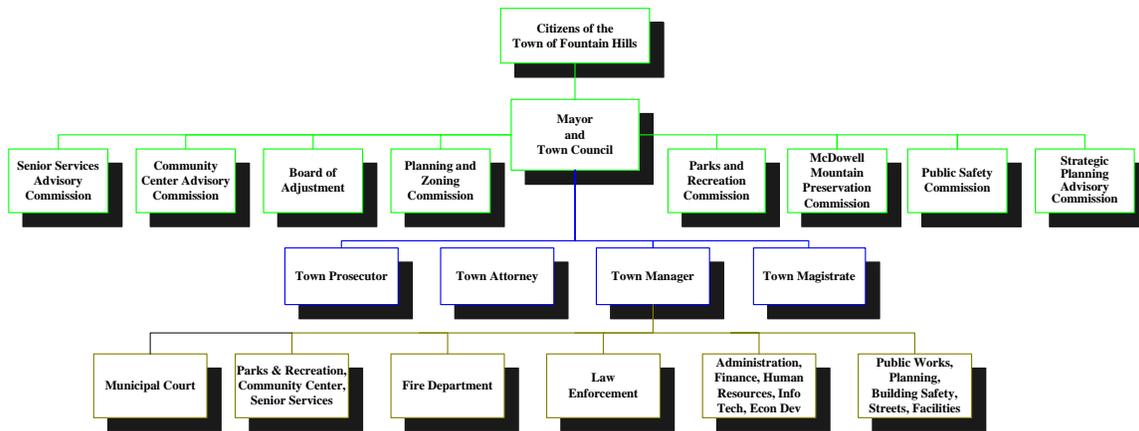
## **TOWN OF FOUNTAIN HILLS, ARIZONA**

### **MISSION STATEMENT**

The Town of Fountain Hills' purpose is to serve the best interests of the community by:

- providing for its safety and well-being;
- respecting its special, small-town character and quality of life;
- providing superior public services;
- sustaining the public trust through open and responsive government;
- and maintaining the stewardship and preservation of its financial and natural resources.

To serve and respect, and provide trust and stewardship.



## Fountain Hills Town Council

Mayor Wally Nichols  
 Vice Mayor Jay Schlum  
 Councilmember Mike Archambault  
 Councilmember Ginny Dickey  
 Councilmember John Kavanagh  
 Councilmember Edwin Kehe  
 Councilmember Keith McMahan  
 Councilmember Elect Henry Leger

### Management Staff

Timothy G. Pickering, Town Manager  
 Ellen Pence, Assistant Town Manager

### Department Directors

Ted Armbruster, Town Magistrate  
 Julie Ghetti, Finance Director  
 John Kleinheinz, Captain, Maricopa County Sheriffs Office  
 Scott LaGreca, Chief, Rural Metro Corporation  
 Mark Mayer, Director of Parks & Recreation  
 Thomas Ward, Director of Public Works



## FOUNTAIN HILLS TOWN COUNCIL 2005-2006

Wallace J. Nichols was elected Mayor of Fountain Hills in May 2003 and is currently serving in his second full term. Mr. Nichols' professional service was as an executive with WorldatWork, Nichols & Wharton, Inc., Premark International, Inc., Dart & Kraft International, Inc. and CPC International, Inc. He earned a Bachelor's degree in Economics at Tufts University and is an alumnus of the Harvard Business School.

He currently is President of Nichols International, Inc., a consulting and educational service to the human resource community and Chairman/CEO of Hawk Enterprises, Inc., a local rental/property management company. The Mayor is a current member of the Board of Directors of the Scottsdale Convention and Visitors Bureau, and Fountain Hills Cultural Council. He represents the Town as a member of the Maricopa Association of Governments. He served as an elected officer of the Fountain Hills Sanitary District, Los Arcos Multipurpose Facilities District Board, Scottsdale Boys & Girls Club Board, Fountain Hills Boys & Girls Club Advisory Chairman, Chairman of the Fountain Hills Community Center Advisory Commission, and on the Citizens Committee/Community Benefits Committee Board.

He is a member of the Noon Kiwanis, Fountain Hills Chamber of Commerce, Friend of the Fountain Hills Community Theater, Senior Center, Civic Association, Library Association, Fountain Hills Historical Society, and the Four Peaks Community Church.

Jay Schlum moved to Fountain Hills 27 years ago and he attended Coronado High School in Scottsdale. After graduation he attended Northern Arizona University where he studied Business Management and Public Speaking. After college, he returned to Fountain Hills and is currently employed by Qwest Communications where he manages business development for the company.

Jay has been active in the Fountain Hills community - he served as a Fountain Hills Planning and Zoning Commissioner, PTA vice president and is actively involved with the local Community Theater. Jay volunteers and performs in productions. He has also served on the advisory committee for the Boys and Girls Club of Fountain Hills.

Presently Jay is a coach with the Fountain Hills Little League.



Wally Nichols, Mayor



Vice Mayor Jay Schlum



Mike Archambault moved to Fountain Hills in January 1972 from Columbus, Ohio and was among the first ten families to live here. Mike worked with his father under the company name of Archie's Construction. In 1981, he started Fountain Hills Wood Whims, Inc., a custom cabinet shop that currently employs fifteen craftspeople.

As a tireless volunteer, Mike ran the annual "Secret Santa" program, bringing toys and smiles to children and food donations to needy families in Fountain Hills and Fort McDowell Yavapai Nation for thirteen years. He served as a Cub Scout and Boy Scout leader for eleven years and was inducted into the Order of the Arrow. He served on the Building Committee of the Church of the Ascension, helped construct the original Town Library and was heavily involved in building the Sunset Kiwanis Building in Kiwanis Park. Mike's recent project using volunteers and many donations involved the construction of the Veterans Memorial, a 12,000 square-foot plaza in Fountain Park. It memorializes those who serve and those who gave the ultimate sacrifice.

Mike served as president of the Fountain Hills Youth Association and as a leader in the Order of the Arrow ceremonial teams. He is a long-term member of the Sunset Kiwanis. He continues to support the Fountain Hills Band, Fountain Hills High School, the Helping Hands food bank, and Concerts in the Park programs.



Councilmember Archambault

Ginny Dickey was elected to her first term on the Town Council during the Primary Election on March 14, 2006. Because she received the highest number of votes, the Town Council unanimously appointed her to fill a vacancy on the Council for the remaining term ending May 31, 2006.

A resident of Fountain Hills since 1983, Ginny was elected and served on the Fountain Hills Unified School District Board from 1994 to 2002, twice as President. A Charter Member of the Fountain Hills Cultural Council Board for seven years, Ginny also served nine years on the Fountain Hills Community Theater Board. She is a member of Metropolitan Business and Professional Women, the American Association of University Women, Scottsdale Branch, the League of Conservation Voters and the Sierra Club. She participated in all of the Fountain Hills Town Hall planning sessions, starting in 1984.

Ginny works as a Legislative Liaison for the Arizona Department of Environmental Quality. She previously was on the staff of the Arizona State Senate and has been a bookkeeper and substitute teacher. Born and raised in New York, she lived in Vermont and New Hampshire before following her parents and family members to Fountain Hills. She has a Bachelor of Science degree in Mathematics from Boston's Tufts University.



Councilmember Dickey



John Kavanagh is a ten-year resident of Fountain Hills who is a professor of criminal justice at Scottsdale Community College and Director of the college's Administration of Justice Studies Program. Prior to teaching at Scottsdale Community College, John taught at Arizona State University and spent 20 years as a police officer with the Port Authority of New York and New Jersey Police.

John Kavanagh has a B.A. in Sociology from NYU, an M.A. in Public Administration from St. John's University (Queens, New York), and a Ph.D. in Criminal Justice from Rutgers University. He also belongs to professional associations, such as the American Society of Criminology and the Arizona Criminal Justice Educators Association.

John Kavanagh is serving or has served with the following town groups: Parks and Recreation Commission, Community Center Advisory Committee, Vision 2000 Planning Committee, School Board Calendar Committee, Youth Basketball League, Veterans Memorial Sitting Committee, the Knights of Columbus, Civic Association, and the American Legion.



Councilmember Kavanagh

Ed Kehe was born and raised in western New York. He received a Bachelor of Arts with honors from Albion College in Michigan and Master of Science from the University of Illinois. He earned sixty post-degree graduate credits from Columbia University, State University of New York, New York University and City College of New York, leading to certificates in administration and directorships.

Ed's career spanned thirty-three years in public secondary education, six in Michigan and twenty-seven in New York, teaching mathematics, physical education, and coaching interscholastic sports. He retired in 1984 from White Plains High School in New York after fourteen years as Director of Athletics. Ed was inducted into the Westchester County (NY) Sports Hall of Fame.

Ed and wife Dolores moved to Fountain Hills in 1995. As a councilmember, he served on the Technical Advisory Committee in the Fountain Hills strategic planning process and was a member of the Town's negotiating team for the annexation of the state trust land.

Ed volunteers with Home Delivered Meals and serves on the boards of McDowell Park Association and the Golden Eagle Foundation. His local memberships include Church of the Ascension, Noon Hour Kiwanis, Fountain Hills Civic Association, Senior Activity Center, and River of Time Museum. He is a Friend of the Community Theater and the Chamber of Commerce.



Councilmember Kehe



Keith McMahan moved to Arizona in 1971 as an advertising writer with Lorne Pratt Enterprises, Inc., the ad agency for McCulloch Properties until 1991 when he formed his own company, McMahan and Company Advertising Agency. Keith has been actively involved in community projects and organizations since he came to Fountain Hills. He was the advertising and tourism chairman for the Chamber of Commerce for nine years as well as serving on their Board of Directors for three years. In 1997, he was honored as the "Business Person of the Year" by the Chamber of Commerce.

He served as an elected member of the Fountain Hills School Board from 1986 to 1990. For nine years, he was on the Road District Joint Powers Board; chairman in 1978. He is presently a contributing member of several organizations: the Fountain Hills Civic Association, the Fountain Hills Republican Club, and the Fountain Hills Historical Society Board of Directors.



Councilmember McMahan

Originally from Massachusetts, Henry Leger moved to Arizona in 1970 to attend the University of Arizona. Henry and his wife Janet were attracted to Fountain Hills because of its natural beauty, small town character and as a safe place to live and raise a family. Henry holds a Master's Degree in Educational Psychology from the University of Arizona and has worked as a professional in the field of leadership and organizational development for the past 25 years. Throughout his career, he held a number of leadership positions in education and government work settings and has worked as an internal consultant for several Fortune 500 companies.

As a long time resident, Henry immersed himself into Fountain Hills by volunteering much of his time on community activities and initiatives. He has been very active in his neighborhood property owners' association serving as a board member, treasurer and member of the association's Committee of Architecture.

Henry served as the Vice President and President of Church Council at Shepherd of the Hills Lutheran Church in Fountain Hills and has been involved in his children's education as a teacher's aide and parent volunteer. Henry served as a member of the Technical Advisory Committee, Co-chair of the Youth Visioning Institute, and member of the survey team for the town's citizen-driven strategic planning initiative.



Councilmember-Elect Leger



## Elected Officials Terms of Office

### **Mayor Wally Nichols**

Term of Office: Partial term: May 2003 – May 2004  
First term: June 2004 – May 2006  
Second term: June 2006 – May 2008

### **Mike Archambault**

Term of Office: First term: June 2002 – May 2006  
Second term: June 2006 – May 2010

### **Ginny Dickey**

Term of Office: Partial term: April – May 2006  
First term: June 2006 – May 2010

### **John Kavanagh**

Term of Office: First term: June 2002 – May 2006

### **Ed Kehe**

Term of Office: First term: June 2004 – May 2008

### **Henry Leger**

Term of Office: First term: June 2006 – May 2010

### **Keith McMahan**

Term of Office: First term: June 2004 – May 2008

### **Jay Schlum**

Term of Office: First term: June 2004 – May 2008



Town Manager Tim Pickering making presentation during Governor Janet Napolitano's visit to Fountain Hills in April, 2006.



## DEMOGRAPHICS

The Town of Fountain Hills is a planned, family-oriented community established in 1970 by McCulloch Properties (now MCO Properties, Inc.). Prior to 1970 the area was a cattle ranch and was part of one of the largest land and cattle holdings in Arizona. It was purchased by Robert McCulloch in the late 1960s and designed by Charles Wood, Jr. (designer of Disneyland in southern California). The centerpiece of Fountain Hills is one of the world's tallest man-made fountains, a focal point that attracts thousands of visitors each year. Located on 11,340 acres of land, and bordering northeast Scottsdale, Fountain Hills is surrounded by the 3,500-foot McDowell Mountains on the west, the Fort McDowell Indian Reservation on the east, the Salt River Indian Reservation on the south and by the McDowell Mountain Regional Park on the north. Elevation is 1,520 feet at the fountain, 3,000 feet on Golden Eagle Boulevard, and is 500 feet above Phoenix.



Over the past sixteen years Fountain Hills has grown from 10,190 residents to a town of 23,442 in 2006. The Maricopa Association of Governments (MAG) estimates that the population of Fountain Hills will continue to grow to a build-out population of between 30,000 and 35,000. Although the rate of growth has slowed due to the lack of available land to build on the Town continues to attract residents who are building large custom homes to take advantage of the scenic vistas surrounding our mountain community.

The Town offers a range of living styles, from small community subdivisions to a number of large custom homes. Fountain Hills also offers recreational, cultural and retirement programs that address the needs and lifestyles of active families and adults. The community consists of primarily residential property with a total of 11,700 acres. Of the total available land 8,706 acres are developable, 460 acres are zoned commercial or industrial (approximately 5%) and 3,600 acres are reserved as open space (30%).

Fountain Hills was named as the best place to live in *Phoenix* magazine's list of the top communities in the Valley. The May 2006 issue cites Fountain Hills as "a welcome oasis on the outskirts of a metropolis." The magazine measured the quality of life in 22 Valley communities, including a



statistical analysis of each community's population, income, home price, crimes, miles to Sky Harbor Airport and square feet of retail. The criteria used by the magazine in the ranking are similar to the priorities established in the Town's Strategic Plan.

Fountain Hills was also featured in the City Focus of the July/August 2006 issue of *Scottsdale Magazine*. Information about the high quality of development, the year-long citizen-driven strategic plan, the amenities, the volunteer spirit and high level of involvement of the citizens and business representatives were highlighted. The Council's leadership and commitment is to what is in the best interests of the community, the Avenue of the Fountains enhancement project, partnerships with other communities, especially the Fort McDowell Yavapai Nation, the proposed annexation of the State Trust Land and the State Land Department's potential sale to the highest developer.

### **Government and Organization**

The Town of Fountain Hills is an Arizona Municipal Corporation, acting as a general law Town as prescribed in the Arizona Revised statutes. The Town was incorporated on December 5, 1989 with the governmental and administrative affairs of the Town operating under the Council-Manager form of government. The Town Council is responsible, among other things, for the adoption of local ordinances, budget adoption, the development of citizen advisory committees and hiring the Town Manager. The Town Manager is responsible for implementation of the policies of the Town Council and administering the Town's operations through five department directors and 84 employees. The Magistrate, Town Attorney and Town Prosecutor are under the direction of the Town Council.



Council dais in new Town Hall



## DEMOGRAPHICS

Population			Land Use (2002)(%)	
1990	U.S. Census	10,190	Residential	27%
1995	Interim Census	14,146	Undeveloped/Agricultural	37%
2000	U.S. Census	20,235	Public/Open Space	34%
2005	MAG Estimate <sup>1</sup>	23,700	Industrial/Commercial	2%

Maricopa Association of Governments

### Assessed Valuation of Major Taxpayers

Taxpayer	Type of Property	2004/05 Assessed Valuation	As % of Town's Total Secondary Assessed Valuation
Qwest Corp	Telecommunications	3,365,809	0.96%
Chapparal City Water Company	Water Utility	3,066,000	0.88%
Fountain Hills Village LLC	Nursing Home	1,822,567	0.52%
Kimco Barclay Fountain Hills	Shopping Center	1,724,863	0.49%
MCO Properties	Industrial	1,655,056	0.47%
Cox Communications	Communications	1,507,740	0.43%
Target Corporation	Shopping Center	1,441,438	0.41%
EN LLC	Residential	1,347,042	0.39%
Fountain Vista Properties LLC	Commercial	986,365	0.28%
Adero Canyon LLC	Residential	834,777	0.24%
		<u>\$ 17,751,657</u>	<u>5.08%</u>

Source: Treasurer of Maricopa County



**MAJOR EMPLOYERS**  
**Town of Fountain Hills, Arizona**

<u>Employer</u>	<u>Product/Service</u>	<u>Approximate Employment</u>
Fountain Hills Unified School District No. 98	Education	250
Monks Construction	Construction	150
Safeway Food Stores	Grocery Store	95
MCO Properties, Inc.	Property Management	85
Town of Fountain Hills	Government	75
Basha's	Grocery Store	70
Sun Ridge Canyon Golf Course	Golf Course	70
Fountain Hills Concrete	Mfg. Ready-Mixed Concrete	50
Golf International	Golf Course	50
Eagle Mountain Golf Course	Golf Course	40

Source: *The 2004 Arizona Industrial Directory*; Greater Phoenix Chamber of Commerce; *Community Profiles Arizona* Department of Commerce; and an individual employer survey.

**Employers**

Residents of the Town can find employment in neighboring Scottsdale, the Fort McDowell Indian Community, or the municipalities that make up the greater Phoenix metropolitan area.

**POPULATION STATISTICS**

<u>Years</u>	<u>Town of Fountain Hills</u>	<u>Maricopa County</u>	<u>State of Arizona</u>
2005 Estimate*	23,700	3,524,175	5,832,150
2000 Census	20,235	3,072,149	5,130,632
1995 Special Census	14,146	2,551,765	4,228,900
1990 Census	10,190	2,122,101	3,665,339

\* Estimated population as of July 1, 2006

Source: U.S. Census Bureau, Maricopa Association of Governments.



## UNEMPLOYMENT AVERAGES

<u>Years</u>	<u>Town of Fountain Hills</u>	<u>Maricopa County</u>	<u>State of Arizona</u>	<u>United States</u>
2005		4.0%	4.6%	5.3%
2004	2.2%	4.0	4.8	5.5
2003	2.7	4.9	5.6	5.6
2002	3.1	5.6	6.2	6.0
2001	2.2	3.9	4.7	4.8
2000	1.4	2.6	3.9	4.0

Source: Arizona Department of Economic Security, Research Administration.



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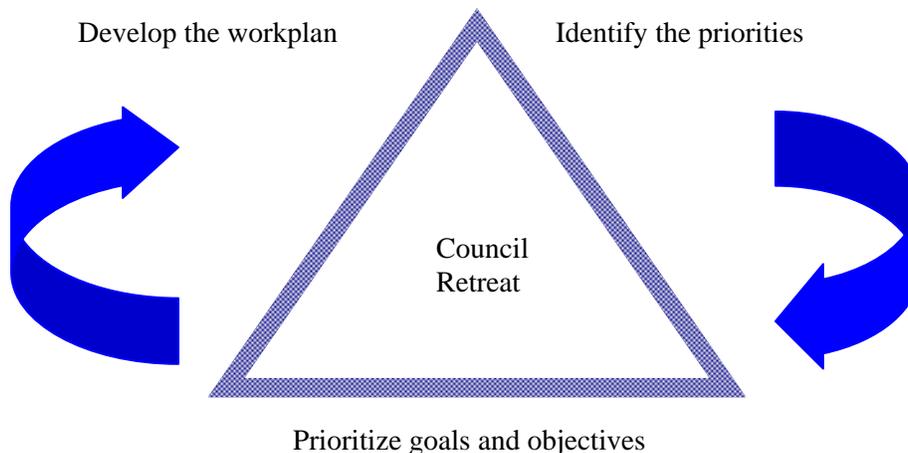
## FISCAL YEAR 2006-07 BUDGET TRANSMITTAL MESSAGE

To the Honorable Mayor and Town Council:

I am pleased to submit the FY06-07 Operating Budget for the Town of Fountain Hills. This budget is balanced and designed to convey to the public a budget message that articulates priorities and issues for the upcoming fiscal year. The budget also highlights any issues facing the staff in developing the budget, and short-term financial and operational policies that were instrumental in guiding the development of the annual budget. Although each fund should be viewed individually, the Town's total budget, including all funds, is estimated at \$26.7 million in expenditures with projected revenues of \$26.4 million. The Special Revenue fund expenditures exceed revenues due to capital projects that will be completed with accumulated fund balance. Staff continues to exercise fiscal conservatism with both revenue projections and expenditure controls, which is apparent when comparing the past and proposed year budgets – despite the increase in employee benefits and construction costs the budget increased less than 1% from the prior year budget.

### **Town Council's FY 2006-2007 Prioritized Goals**

The Town is proposing a conservative balanced budget that includes appropriations for the goals and priorities established by the Town Council. The Town Council met in February, 2006 during a retreat to develop goals and objectives for the FY2006-2007 budget year as part of an annual operating planning program. At the retreat the Council established eight goals consistent with the strategic plan and a series of objectives to achieve those goals, as guidance to the Town Staff. Participants set goals through Fiscal-Year 2006-2007 (July 1, 2006 to June 30, 2007), and identified some preliminary supporting objectives that would lead to achieving the goals, as guidance to the Staff. Participants in the retreat reviewed those objectives, and in most cases, suggested changes to the objectives, to improve accountability for and implementation of the goal. The Town Manager and staff then met to prepare an implementation plan to be incorporated into the FY06-07 budget.





Also, the Town of Fountain Hills adopted a strategic action plan in December 2005, which was the result of a year-long citizen-driven strategic planning process undertaken earlier in the year. The process used several venues and methods to solicit input from and communicate with the Town's citizens. The strategic plan revealed broad community consensus to implement the following strategic priorities. These initiatives guided the development of the budget for the upcoming year; preliminary cost estimates are included in the proposed budget for each priority and summarized below:

### **Strategic Priorities, Years 1-2**

**Goal: Identify and resolve projected revenue shortfall by Dec. 31, 2006**

- Goal 1. To identify and inform Fountain Hills residents of the projected long-term revenue gap.
- Objective 1.1. To quantify the first draft (baseline) of the projected gap by June 1, 2006.
  - Objective 1.2. To review projected gap report by June 30, 2006.
  - Objective 1.3. To prepare a communications program for residents by August 1, 2006.
  - Objective 1.4. To deliver communications program between September and November 2006.
  - Objective 1.5. To decide on a ballot initiative by December 2006.

**Goal: Integrate Town & schools more closely**

- Goal 2. To establish and address common issues affecting the Town, schools and community by the end of the 2006-07 school year.
- Objective 2.1. To reach consensus between the Town and Fountain Hills Unified School District (FHUSD) regarding common issues affecting the Town, schools and community, by June 30, 2006.
  - Objective 2.2. To form two employee committees, one representing the Town and one representing FHUSD, by August 31, 2006.
  - Objective 2.3. To establish operating ground rules and current and potential common services by September 30, 2006
  - Objective 2.4. To develop measurable action plans for new services—including measures of effectiveness against the goal—by December 31, 2006.
  - Objective 2.5. To facilitate three joint meetings between the Town Council and FHUSD Board by June 1, 2007, to finalize the list of common services (September), ratify action plans (January), and assess progress against the goal (May).

**Goal: Require low-water vegetation in new developments**

- Goal 3. To promote the use of low-water landscaping in new Fountain Hills developments (revised).
- Objective 3.1. To inform developers of all new developments about low-water landscaping alternatives, by May 30, 2006.
  - Objective 3.2. To adopt low-water landscape regulations for all new, nonresidential developments by May 30, 2006.



**Goal: Strictly enforce General Plan & zoning ordinances**

Goal 4. To strictly enforce the General Plan and Town ordinances

Objective 4.1. To increase filing fees for variances significantly by July 1, 2006.

Objective 4.2. To eliminate use of special use permits in lieu of variances for height and other categories of exceptions, by June 30, 2006.

Objective 4.3. To restrict height variances to protect existing view corridors, effective June, 2006.

Objective 4.4. To inventory vacant land to project population for use in land use and infrastructure decisions, by September 2006.

Objective 4.5. To maintain the integrity of existing land use regulatory systems effective May 2006.

**Goal: Control commercial architectural compatibility**

Goal 5. To regulate architectural physical appearance for commercial properties.

Objective 5.1. To obtain a legal opinion by June 2006.

Objective 5.2. To name a Planning & Zoning subcommittee to identify guidelines by May 2006.

Objective 5.3. To complete research of five existing ordinances and criteria by July 2006.

Objective 5.4. To draft standards and guidelines and an ordinance by August 2006.

Objective 5.5. To present to the Planning & Zoning Commission and complete public hearings by October 2006.

Objective 5.6. To facilitate Town Council adoption of the ordinance in the first Council meeting of November 2006.

**Goal: Annex State Trust Land**

Goal 6. To annex the State Trust Land into Fountain Hills.

Objective 6.1. To conduct public hearings by May 4, 2006, and accept public input.

Objective 6.2. To adopt rezoning and General Plan Amendment by Council by May 4, 2006.

Objective 6.3. To prepare a packet of all relevant information for prospective bidders by May 4, 2006 (pre-emptive cooperation).

Objective 6.4. To oversee planning of State Trust Land through December 31, 2006, and beyond.

Objective 6.5. To develop a positive relationship with the successful bidder by December 31, 2006, and beyond.

Upon adoption of the Town Council goals specific work-plans are developed in each of the operating divisions to ensure that Fountain Hills residents can monitor the improvement in Town services and the achievement of the Council's goals. The matrix below indicates which departments/divisions are responsible for the implementation of FY2006-07 goals and objectives and shows the relationship between the activities performed by the operating divisions and the effect on operating budgets reported in the division budget summaries.



Goal	Law Enforcement	Planning	Manager	Parks/ Recreation	Estimated FY06-07 Costs*
Identify and inform residents of projected long-term revenue gap			√		\$16,000
Establish and address common issues affecting the Town, schools and community	√		√		\$5,700
Require low-water vegetation in new developments		√		√	\$20,000
Strictly enforce General Plan and zoning ordinances		√			\$0
Control commercial architectural compatibility		√			\$80,000
Annex State Trust land		√	√		\$0

\*excludes salaries and benefits of staff

### Strategic Priorities, Years 3-5

Although the following goal was not identified as a current priority the Town Council decided at the retreat to begin the process of planning for a Town-wide sidewalk improvement plan that may be incorporated in future budgets.

Goal: **Pedestrian safety in Fountain Hills**

Goal 7. To create a plan for pedestrian safety in Fountain Hills.

Objective 7.1. To identify and prioritize all gaps in existing sidewalk systems by June 2006.

Objective 7.2. To publish a Town-wide sidewalk improvement plan map by August 2006.

Objective 7.3. To identify and prioritize all gaps in existing intersections by February 2007.

Objective 7.4. To publish a Town-wide intersection improvement plan map by April 2007.

### Long-term entity goals, concerns and issues

The following issues were raised, either by any participant in the interviews with Town Council Members and the Town Manager, or in the Town Council's discussions at the retreat. They do not fit into the structure of the Strategic Priorities in the Town's *Strategic Plan 2006-2010*. Goal number 8 has, however, been included as a priority by the Council within the upcoming budget year.



Goal: **Business relations**

Business relations: integration with the Town and economic development

Goal 8. To improve relations between the business community and the Town.

Objective 8.1. To designate and define the Economic Development Specialist as an ombudsman to the business community by March 15, 2006.

Objective 8.2. To survey a random sample of business owners or permittees annually, starting July 1, 2006, to measure business friendliness.

Objective 8.3. To implement a B3 program to retain businesses, using volunteer trainers, by July 1, 2006.

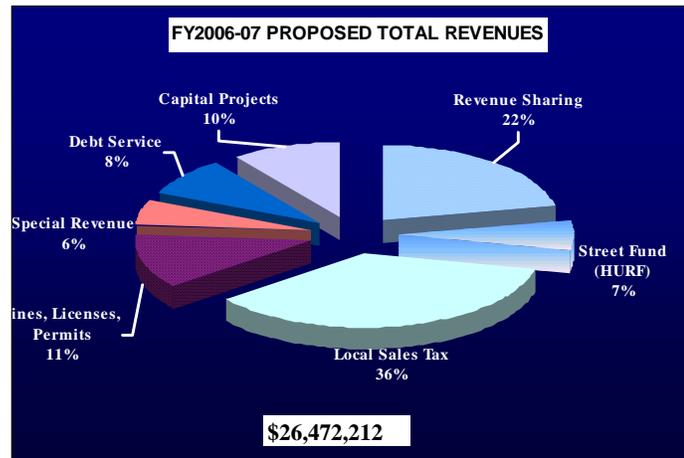
Objective 8.4. To promote special events supporting the community's small-town atmosphere in business venues, by July 31, 2006.

Objective 8.5. To create an interactive web page to address business community concerns by March 30, 2007.

Objective 8.6. To reduce "red tape" in applications, plan reviews and procedures by June 1, 2007.

### Budget Message

Excluding transfers, revenues are projected to increase approximately \$1.1 million, primarily due to increased state shared revenues and development fees. During FY05-06 the Town Council revised the development (impact) fee rates on residential and commercial development to fund future projects that will be a result of growth. The increase was effective in April 2006 and is reflected in the FY07 projected revenues, based on construction activity within the Town.



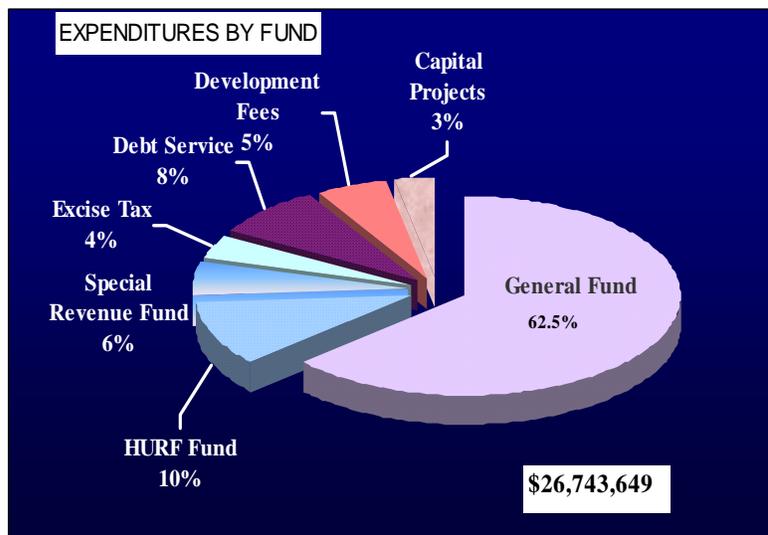
During FY05-06 the Town completed construction of a new Town Hall that replaced the leased space that the Town had occupied since 1990. The new Town Hall adds another asset to the Town's inventory and offers projected savings over the next 34 years of approximately \$34 million. Of the total budget, \$16.7 million will be used to finance the operations of the Town, that is, the General Fund.

The budget could not be prepared without considering the condition of the regional, state and national economies, as well as legislative decisions that affect local governments. What happens at these levels affects both the revenue that Fountain Hills receives and the services we provide. Construction related revenues account for approximately \$3.7 million (22%) of the Town's operating funds in the General Fund. As construction activity declines, and the associated revenues cease to be generated, the Town will be forced to find alternate sources of revenue to sustain existing community services and programs.



The FY06-07 budget is based on more optimistic economic forecasts than the Town has seen since FY01-02 primarily due to improved real estate market; however, optimism remains guarded. The Town anticipates annexation of a parcel of State Trust land that is scheduled to be auctioned in the summer of 2006 that will provide a maximum of 1,750 residential units within 1,276 acres of land. The development of this parcel will provide additional one-time construction related revenues over the short-term but will also increase demand for services over the short and long-term. The projected improvements in the Town's revenues and savings carried over from each fiscal year will allow Fountain Hills to meet its most pressing infrastructure and capital needs, mainly roads.

Longer-term forecasts show that eventually the Town's operating costs will outpace revenues and alternative revenue sources or program cuts will need to be considered. Given the unsettled nature of the economy, it is difficult to project revenues two or more years into the future with any degree of certainty. However, the long-range forecasts serve as an early warning that the Town must continue to exercise restraint in its long-term fiscal planning. The Town is past its highest historic period of expansion; with an economy that is maturing and moving to a slower – and more sustainable – level of growth.



In addition to concerns from the revenue side of the budget picture, there are also concerns over the increased cost of doing business. The Town is a service organization with 19.9% of its operating costs in personnel. However, public safety (police and fire) service that is provided by outside contracts are exposed to the same personnel related increases in costs – these costs are eventually borne by the taxpayers through the contractual negotiations.

This, the price of insurance, health care, and additional personnel in priority areas has a significant effect on the cost of Town services. Balancing the desire to provide top quality services and higher operating costs will be the Town's challenge for years to come.



## **A Year in Review - Fiscal Year 2005-2006 Goals, Accomplishments & Activities**

The FY05-06 goal activities are as follows:

- ◆ Completed the Town's first Town-wide, citizen driven strategic plan that included citizen input as to the vision for the future of Fountain Hills, adopted on December 1, 2005 by Resolution 2005-18. The action plan was a result of a year-long planning process undertaken in 2005. The process used several venues and methods to solicit input from and communicate with the Town's citizens including two all-day Town Hall events, four Informed Choices workshops, a random sample survey sent to 2,400 households, over 70 articles in two newspapers, three newsletters and three major articles in the Town's Compass newsletter, each mailed to every household.
- ◆ Initiated process to annex 1,300 acres of state trust land that borders Fountain Hills. Having the land within the Town boundaries will ensure that future development will be consistent with the Town's general plan and add approximately 10% more land within Fountain Hills borders. On May 4, 2006 the Town Council passed the annexation ordinance. Town staff worked with the Governor of Arizona and the State Land Commission on a pilot program of cooperation among cities/towns and the State regarding plans to annex State Trust Land. The State Selection Board approved the annexation during its March 27 meeting, which was the first time the State Selection Board has met in 3-1/2 years since the Governor and State Land Commissioner have been in office.
- ◆ Signed mutual aid agreement with neighboring fire departments of City of Scottsdale and the Fort McDowell Yavapai Nation
- ◆ Developed and implemented a comprehensive and proactive public information program about Town services and programs to residents, businesses and employees; established strategies to strengthen the relationships and partnerships with organizations within Fountain Hills, the neighboring communities, and regional and state agencies and organizations; and established the foundation for a grant-writing program.
- ◆ Groundbreaking for a new municipal building was held on October 11, 2004. On Friday, July 22, 2005, the Town offices were moved, which occurred within 11 days of the originally projected move-in date in spite of 15 rain days during the construction period. Due to an extremely well planned and efficient move, Town Hall was open for business on Monday, July 25. The \$5.8M final construction price was within 10% of budget, even though construction costs escalated dramatically during construction. The new building will provide an estimated \$34M in savings to taxpayers over the next 34 years by virtue of owning the Town Hall, as opposed to continuing to lease as over the past 15 years. The total project cost for the 34,306 square foot building amounts to approximately \$6.6M, including furniture, fixtures and equipment. The new Town Hall provides citizens with convenient "one stop shopping" for licenses, permits, records, etc. Town Hall is home to Parks and Recreation, Public Works, Engineering, Building Inspections, Sheriff's Office, Arizona Department of Public Safety Substation, Court, Fire Marshall, Administration and the Council Chambers.



## Budget Highlights

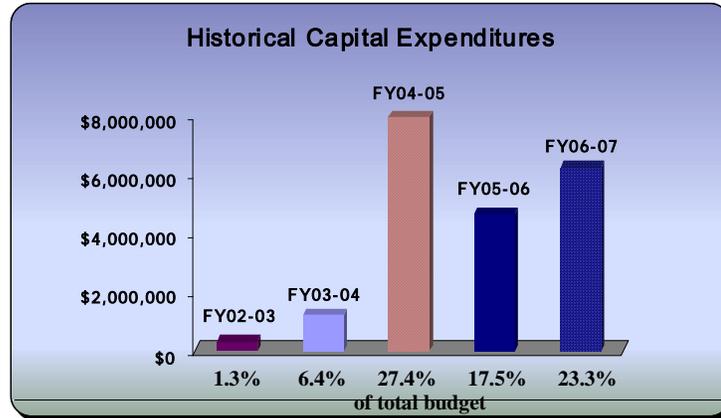
As in years past, the main focus of the proposed budget is the General Fund, the Town's largest fund, which supports basic services. Developing the proposed budget required making choices to achieve a budget that balances the available resources with the Council goals, while maintaining a level of service that enhances the quality of life in Fountain Hills. In developing the proposed budget, Town staff followed a zero-based approach, leading to a focused review of services delivered by the Town, increased scrutiny of expenditures, and prioritization of programs to be funded using limited resources. Additionally, the Town will focus on funding one-time capital projects with one-time revenue sources, such as construction funds and excess revenues in the General Fund. Operating costs should be funded with stable and reliable revenue sources.

Under the proposed budget, overall General Fund revenues are projected to grow by 6.7% over the FY05-06 budget, primarily due to an increase in State Shared Revenues (17%) and revenues from construction related permits (5.5%). General Fund expenditures are projected to increase 7.3% over last year's budget, primarily in capital expenditures as the Town strives to take advantage of one-time revenues catching up on infrastructure projects delayed due to the Budget Reduction Plan in FY02-03.

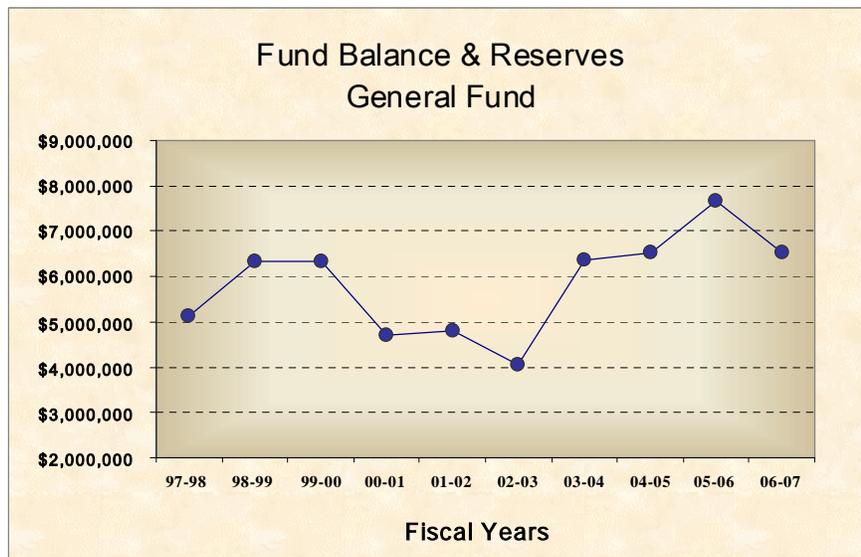
Key initiatives of the proposed FY06-07 budget include the following - a more detailed analysis of all the Town's revenues and expenditures is included in the budget summary and department sections.

**Greater Capital Investment** - A significant component (18.2%) of the proposed budget is the proposed capital projects, street maintenance and other major infrastructure projects. To take advantage of construction related one-time revenues the Town is investing \$6.3 million (23%) of the total budget on capital expenditures. In the general fund 14.8% of expenditures are capital items compared to less than 2% in prior years. The major projects included in the FY06-07 budget are:

- Completion of skate park at Desert Vista Neighborhood Park for \$210,000
- Desert Vista Neighborhood Park improvements (perimeter sidewalks, enhanced parking, upgrade off-leash facility) for \$1,039,932; the Town will be applying for grant funds for this project
- Amphitheater shade structure and aggregate walking path for Fountain Park for \$372,400
- Install new irrigation system for 33 acres of Fountain Park for \$760,568
- Upgrades for disc golf tee pads - \$25,000
- Approximately \$1.6 million in major road improvements
- Approximately 400 feet of sidewalks and possible retaining walls - \$60,000
- Drainage and turn lanes for Palisades Boulevard - \$83,000



**Maintenance of the Reserve Fund** - The proposed budget continues the policy of setting aside a reserve equal to 30% of the General Fund budget to ensure that the Town can provide basic services in the event of major emergencies. This reserve is also very important in retaining the Town's AA3 bond ratings. Reserves in excess of the fund balance policy are transferred to the Capital Projects fund for future appropriation by the Council.



\*decline in General Fund balance reflects transfer to Capital Projects Fund per Resolution 2005-50 adopted in September, 2005.

### Recommendation for One-Time Revenues

The proposed FY06-07 budget for all funds includes capital expenditures in the amount of \$6.3 million funded by development fees, general fund transfer, and excise taxes (see page 33). Non-recurring revenues (construction sales tax, building permit and subdivision fees and development fees), are contributing \$5.5 million to the FY06-07 budget, which allows the Town to budget for one-time capital expenditures. However, these revenues should not be depended upon for operating expenditures. These non-renewable funds are opportunities to purchase land or buildings, improve Town owned properties, provide matching funds for grants, equipment



purchases, economic development activities and other capital projects as determined by the Town Council. As the Town continues to receive sales tax and permit revenue from construction activity, any residual balance in the General Fund will be transferred to the Capital Projects fund as per Resolution 2005-50. The accumulated resources would provide funding for capital projects that the Town Council would approve during the next budget cycle. The FY05-06 budget included a transfer of \$2.6 million to the Capital Projects Fund; that fund balance will be available for future capital projects as construction related revenue declines.

**A Debt of Gratitude**

I would like to offer my special thanks to the Fountain Hills Mayor, Town Council members, and the numerous commission members for their many hours of volunteer service without which the Town could not function in the fine manner that it has over the years. This volunteer core of more than 200 citizens offers Town staff a vast bank of knowledge about subjects that contribute not only to planning for the present, but also for the future of Fountain Hills.

I would also like to thank the Town of Fountain Hills department directors and supervisors for their patience and great effort in preparing their departmental budgets. The directors and their staff endured several sessions with me in justifying their programs, developing cost estimates, and answering my many questions. The team’s efforts have resulted in a balanced budget, which achieves the Council’s current goals, and assists in future planning towards the vision of Fountain Hills.

Respectfully submitted,

Timothy G. Pickering, CEcD, ICMA-CM  
Town Manager



## **Budget Schedule (Fiscal Year 2006-2007)**

<u>January 26, 2006</u>	Departments receive training on new budgeting program
<u>January 27, 2006</u>	Accounting submits summary of estimated FYE 05-06 revenue, expenditures and fund balances to Town Manager, Department Directors Department Directors provide accounting with new staffing requests for FY06-07
<u>February 10</u>	Council Goal-Setting, budget priorities identified
<u>Friday, February 17</u>	Director Retreat, plan to implement council goals
<u>Friday, Feb. 24</u>	Department directors finalize input for proposed justification for FY07 budget into program (base budget plus supplemental requests)
<u>Feb. 27 – March 3</u>	Fiscal year 2006-2007 revenue projections are reviewed with Town Manager
<u>Monday, March 6</u>	Written department verbiage for budget document due to Accounting (electronic format - Word)
<u>March 6–March 31</u>	Staff and Town Manager meet to review justifications and decisions made for requested expenditures Department Directors make changes to verbiage to reflect changes
<u>Monday, April 10</u>	Completed draft budget document submitted to Town Manager
<u>April 10 – April 21</u>	Review of draft budget document by Town Manager, revisions made by Accounting
<u>May 5</u>	Council receives copy of draft budget
<u>Tuesday, May 9</u>	Budget work-study
<u>May 24 &amp; 31</u>	Publish tentative budget in newspaper
<u>Thursday, June 1</u>	Adopt final budget
<u>Thursday, July 6</u>	Adopt tax levy



## **BUDGET PROCESS**

### **Mission of the Budget Process**

Communication and involvement with citizens and other stakeholders is stressed. The broad nature of the budget mission allows issues to be addressed that have limited the success of budgeting in the past. Apathy is a serious illness of government; it is in the best interests of government to have involved stakeholders.

The term stakeholder refers to anyone affected by or who has a stake in government. This term stakeholder includes, but is not limited to: citizens, customers, elected officials, management, employees and their representatives, businesses, vendors, other governments, and the media. It is vital that the budget processes include diverse stakeholders.

Each year, using a modified zero-based budgeting process, the Town of Fountain Hills budget is developed from the Town Council's priorities by the Finance Department with the individual departments and the Town Manager. Meetings with each department, the Town Manager and the Finance Department are held during the month of March. After these meetings are completed, a proposed balanced budget is prepared for submittal to the full Town Council and public in May.

### **Recommended Budget Practices**

The Town of Fountain Hills budget process is designed to meet citizens' needs for information and input; decision makers' needs for information and advice from citizens on their desired blend of services; and the timeline set by the State of Arizona through Arizona Budget Law.

The Town of Fountain Hills budget process incorporates the recommended practices promulgated by the National Advisory Council on State and Local Budgeting (NACSLB). Concurrently, Town staff applies diligent effort into improving the process, decisions and outcomes with each new budget year. The NACSLB's practices encourages governments to consider the longer consequences of actions to ensure that impacts of budget decisions are understood over a multi-year planning horizon and to assess whether program and service levels can be sustained.

### **Budget Definition**

All cities and towns in Arizona are required to adopt an annual budget. State law dictates that fiscal years begin on July 1 and end on June 30. Certain parts of the budget document such as summaries of revenues and expenditures showing two years of spending history are required by State law.

A good budget process is characterized by several essential features:

- Incorporates a long-term perspective
- Establishes linkages to broad goals
- Focuses budget decisions on results and outcomes
- Involves and promotes effective communication with stakeholders
- Provides incentives to government management and employees



These key characteristics of good budgeting make clear that the budget process is not simply an exercise in balancing revenues and expenditures one year at a time, but is strategic in nature, encompassing a multi-year financial and operating plan that allocates resources on the basis of identified goals. A good budget process moves beyond the traditional concept of line-item expenditure control, providing incentives and flexibility to managers that can lead to improved program efficiency and effectiveness.

## **Principles and Elements of the Budget Process**

The budget process consists of four broad principles that stem from the definition and mission previously described. These principles encompass many functions that spread across a governmental organization. They reflect the fact that development of a balanced budget is a political and managerial process that also has financial and technical dimensions. Each of the principles of the budget process incorporates components or elements that represent achievable results. These elements help translate the guiding principles into action components. Individual budgetary practices are derived from these elements. The principles and elements provide a structure to categorize budgetary practices.

- 1) Establish broad goals to guide government decision-making – a government should have broad goals that provide overall direction for the government and serve as a basis for decision-making.
  - a) Assess community needs, priorities, challenges and opportunities.
  - b) Identify opportunities and challenges for governmental services, capital assets, and management
  - c) Develop and disseminate broad goals
- 2) Develop approaches to achieve goals – a government should have specific policies, plans, programs, and management strategies to define how it will achieve its long-term goals.
  - a) Adopt financial policies
  - b) Develop programmatic, operating, and capital policies and plans
  - c) Develop programs and services that are consistent with policies and plans
  - d) Develop management strategies
- 3) Develop a budget consistent with approaches to achieve goals – a financial plan and budget that moves toward achievement of goals, within the constraints of available resources, should be prepared and adopted.
  - a) Develop a process for preparing and adopting a budget
  - b) Develop and evaluate financial options
  - c) Make choices necessary to adopt a budget
- 4) Evaluate performance and make adjustments – program and financial performance should be continually evaluated, and adjustments made, to encourage progress toward achieving goals.
  - a) Monitor, measure, and evaluate performance
  - b) Make adjustments as needed



## **When does the “budget season” start?**

The budget process typically begins in January when the Finance Department begins to review current levels of service, Council goals and objectives as identified at the annual Council retreat, proposed capital improvements, and financial forecasts.

In reality, the budget process for the Town is actually an ongoing process. Throughout the fiscal year, citizens and staff submit suggestions for new services, regulations, funding sources, and improved service delivery, as well as concerns to the Town Council and commissions for discussion, study, and/or implementation. Advisory boards and commissions develop plans for new or enhanced programs to be included in the following year’s budget proposal.

## **Implementing, Monitoring, and Amending the Budget**

A budget is an annual planning tool - it identifies the Town’s work plan and matches the financial, material, and human resources available with the requirements to complete the work plan. It includes information about the organization and identifies the Council policy that directed the budget preparation. Although a budget is often discussed as a financial document, the financial portion means very little without the policy and administrative information that explains what the organization intends to do with the financial resources.

In July, the Town staff begins the process of implementing the newly adopted budget and is accountable for budgetary control throughout the fiscal year. Revenue and expenditure patterns are examined, compared to budget plans, and corrective action, if necessary, is taken during the fiscal year. Town management is provided with a monthly budget and activity report; the Town Council is provided a summary budget report at the end of each quarter disclosing actual revenue, expenditure, and fund balance performance as compared to the budget.

The Town of Fountain Hills budget is adopted at a department level and the Capital Improvement Plan is adopted at a project level. Control of each legally adopted annual budget is at the department level; the Town Manager may at any time transfer any unencumbered appropriation balance or portion thereof between general classifications of expenditure (line items) within a department. The items are reduced by a like amount. At the request of the Town Manager the Council may transfer any unencumbered appropriation balance or portion thereof between one department to another.

Pursuant to Arizona Revised Statutes, “No expenditure shall be made for a purpose not included in such budget..”. Thus a Contingency line item is included within the General Fund to accommodate most unplanned expenditures. The other option in amending the budget, according to state law, is for the Council to declare an emergency and then transfer the monies from one line item or department to another. In essence, any approved Council transfers do amend the budget although the budget is never reprinted. All transfers are reflected on the following year’s legal schedules as required by the Auditor General’s Office.



## **Budgetary and Accounting Basis**

The budget is prepared on a modified accrual basis of accounting for all fund types. This means that expenditures are recorded when the related fund liability is incurred, and revenues are recognized only when they are measurable and available. In all cases, when goods and services are not received by year-end, the encumbrances lapse. It also means certain transactions are recognized in the budget on a basis other than Generally Accepted Accounting Principles (GAAP), which is the basis used to prepare the Town's Comprehensive Annual Financial Report (CAFR). The major differences between the budgetary and GAAP basis are:

- Certain revenues, expenditures and transfers are not included on the budget basis, but are accrued and reported on the GAAP basis. For example, increases or decreases in compensated absences are not reported for budget basis purposes, but are presented as revenues or expenditures on the GAAP basis.
- Depreciation is not budgeted as an expenditure in budgetary accounting
- Capital outlay is an expenditure in budgetary accounting and an asset in GAAP
- Certain debt service principal and interest payments are accounted for as expenses in the General Fund for budget basis purposes, but are reported as expenses in the Debt Service Fund on the GAAP basis.

All actual amounts in the budget document are shown on the budgetary basis to facilitate meaningful comparisons.

### **What funds are included in this budget?**

The accounts of the Town are organized on the basis of funds or account groups, each of which is considered a separate accounting entity. Government resources are allocated to and accounted for in individual funds based on the purposes for which they are to be spent and the means by which spending activities are controlled. The Town of Fountain Hills appropriates all funds in its budget process:

**General Fund** – revenues and expenditures to carry out basic governmental activities such as police and fire, recreation, planning, legal services, administrative services, etc. (non-restricted).

**Special Revenue Funds** – revenues derived from specific taxes or other earmarked revenue sources, usually required by statute or ordinance to finance particular activities. Highway User Revenue Fund (HURF) and grants are examples of special revenue funds (restricted by statute).

**Excise Tax Revenue Funds** – designated for bond payments for mountains, Civic Center phase II project, and downtown development (restricted by legislative action).

**Debt Service Funds** – established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. Municipal Property Corporation (MPC) and Community Facilities District (CFD) funds are included within the debt service funds.

**Capital Projects Funds** – to account for the purchase or construction of major capital facilities, such as the new Civic Center Phase II project, park and major road improvements.



## **Operating and Capital Budget Relationship**

Included within the annual budget is a Capital Project Fund, presented on a budget basis. Capital project budget funding sources are matched with budgeted expenditures. Governmental accounting procedures require adequate budget to pay for an entire contract to be available and appropriated in the period in which a contract is entered; therefore, expenditures are presented on a budget basis as opposed to cash flow basis. For example, a 180 day construction contract entered into in May of fiscal year one would have cash expenditures from May of fiscal year one through October of fiscal year two, however, the entire budget for this contract must be appropriated in fiscal year one, the year in which the contract was entered; any unspent funds at fiscal year-end are carried forward and budgeted again in year two.

## **When can a citizen have input into the budget process?**

Town staff welcomes comments and suggestions throughout the year. The final opportunity occurs in May when the Town Council holds a public hearing on the proposed budget as recommended through the budget hearings. This is the last opportunity to increase the budget for the next fiscal year. Once the tentative budget is adopted, line items can only be decreased prior to the budget's final adoption.

Many revenue estimates must be made based on assumptions regarding general economic conditions. For example, development related revenues (building permits, construction sales taxes, etc.) are all based on assumptions regarding development forecasts for Fountain Hills during the coming year. State shared revenue estimates are provided by the League of Arizona Cities and Towns. Revenue estimates are conservative to avoid setting expenditure budgets that will not be supported by actual revenues.



## TOWN OF FOUNTAIN HILLS FINANCIAL POLICIES

The principles of sound financial management establish the framework for overall fiscal planning and management. The principles set forth guidelines for both current activities and long range planning. Following these principles will enhance the Town's financial health as well as its image and credibility with its citizens, the public in general, bond rating agencies and investors. The policies will be reviewed annually to assure the highest standards of fiscal management. Policy changes will be needed as the Town continues to grow and becomes more diverse and complex in the services it provides, as well as the organization under which it operates to provide these services to its citizens. The Town Manager and staff have the primary role of reviewing and providing guidance in the financial area to the Town Council.

The overall financial goals underlying these principles are:

1. Fiscal Conservatism: to ensure that the Town is at all times in a solid financial condition, defined as:
  - a) cash solvency – the ability to pay bills
  - b) budgetary solvency – the ability to balance the budget
  - c) long run solvency – the ability to pay future costs
  - d) service level solvency – the ability to provide needed and desired services
  - e) adhering to the highest accounting and management practices as set by the Government Finance Officers' Association standards for financial reporting and budgeting, by the Governmental Standards Board and other professional standards
2. To maintain an Aa3 or better bond rating in the financial community to assure the Town taxpayers that the Town government is well managed and financially sound.
3. To have the ability to withstand local and regional economic fluctuations, to adjust to changes in the service requirements of our community, and to respond to changes in Federal and State priorities and funding as they affect the Town's residents.
4. To deliver quality services in an affordable, efficient and cost-effective basis providing full value for each tax dollar.

### FUND BALANCE POLICY

Fund balance is defined as the cumulative difference of all revenues and expenditures, also considered the difference between fund assets and fund liabilities, known as fund equity. Fund balance is an important indicator of the Town's financial position and adequate reserves must be maintained to allow the Town to continue providing services to the community during periods of economic downturns and/or unexpected emergencies or requirements.

The level of Fund Balance is related to the degree of uncertainty that the Town faces. A prudent level of financial resources is necessary to protect against the need to reduce service levels or raise taxes and fees due to temporary revenue shortfalls or unpredicted one-time expenditures. With the Town dependency upon State Shared Income and State Sales Tax revenues for one third of the General Fund budget there is increased opportunity for fluctuation. Additionally, a



significant portion of Town revenue is received from sales taxes – both state shared and local - which are sensitive to fluctuations in the economy. Therefore, the level of reserves needs to be sufficient to ensure stability in on-going government operations during a slowdown in the economy or legislative changes to the revenue sharing formula.

Other objectives that influence the size of the fund balance are:

- a) preserving or improving the Aa3 bond rating
- b) maintaining a positive trend to historical fund balances
- c) maintaining a rating equal to or better than surrounding communities
- d) maintaining ratios consistent with desired outcomes of ten key ratios of financial condition (Government Finance Review, Dec. 1993)

### **General Fund**

The Town fund balance consists of three (3) components, defined below. In order to satisfy the objective of maintaining a bond rating equal to or better than surrounding peer communities a fund balance of at least 30% of revenues is recommended. The three components added together will help achieve the 30% goal.

Definitions:

Undesignated unreserved fund balance – available expendable financial resources that are not the object of tentative management plans. Also defined as residual balance after revenues, expenditures and reserved/designated fund balance and available for future year appropriation.

Designated unreserved fund balance – management’s intended use of otherwise available expendable financial resources reflecting actual plans submitted by the Town Manager and approved by the Town Council. An example would be funds set aside for future capital purchases, land acquisition, construction projects, equipment replacement, etc.

Reserved fund balance – the portion of the Town funds that are not available for appropriation.

Guidelines:

In order to achieve the objectives of this policy, and to maintain sufficient working capital and a comfortable margin of safety to address emergencies and unexpected declines in revenue without borrowing, the following guidelines shall be adhered to by the Town Manager, staff and Town Council:

Undesignated unreserved fund balance – designated for unanticipated expenditure or loss of revenue, the Town of Fountain Hills' undesignated unreserved fund balance in the General Fund at the end of any fiscal year will be equal to no less than 30 days of annual operating expenditures for the upcoming fiscal year. This contingency will provide for the temporary financing of an unforeseen nature for that year. Expenditures for these emergency or unforeseen appropriations can only be undertaken with Town Manager approval and only if funds are not available in the department requesting the contingency funding. Expenditures exceeding \$20,000 will require Council approval. This contingency will expire at the end of each fiscal year and any unused balance will be included with the funds available for appropriation in the following fiscal year.



Designated unreserved fund – the Town will maintain a designated unreserved fund balance in the General Fund of a minimum ten percent (10%) of the average actual General Fund revenues for the preceding five fiscal years. These reserves will be designated for “pay-as-you-go” capital replacement expenditures, equipment replacement, capital projects, prepay existing Town debt, or any other expenditure that is non-recurring in nature. The 10% is the minimum and is based on the Property and Equipment Replacement Schedule, which may be increased to accelerate accumulation funds for a large capital expenditure. To the extent these reserves are expended, additional funds necessary to restore this additional ten percent (10%) amount will be provided in at least approximately equal contributions during the five fiscal years following the fiscal year in which the event occurred. The designated General Fund Balance can only be authorized for expenditure upon recommendation of the Town Manager and vote of the Town Council.

Reserved Fund Balance – the Town will maintain a reserved fund balance in the General Fund of 20% of the average actual General Fund revenues for the preceding five fiscal years, indicating stable fiscal policies. The maintenance of this fiscal balance is a particularly important factor considered by credit rating agencies in their evaluation of the credit worthiness of the Town. It is of primary importance that the Town’s credit rating be protected.

During the annual budget process the Town Manager will estimate the surplus or deficit for the current year and prepare a projection of the year-end undesignated general fund balance. Such projection will include an analysis of trends in fund balance levels on an historical and future projection basis.

Funds in excess of the fund balance goal will be retained in the undesignated unreserved General Fund Balance, and may be considered to supplement "pay as you go" capital outlay expenditures, or may be used to prepay existing Town debt. These funds may not be used to establish or support costs that are recurring in nature.

This policy will be reviewed by the Town Manager every three years following adoption or sooner at the direction of the Town Council.

### **Special Revenue Funds**

The Highway User Revenue Fund (HURF) is a restricted fund and depends upon State Shared Revenues for over 90% of annual revenues. This fund may only be used for street and highway purposes. The combined undesignated unreserved, designated unreserved and reserved Fund Balance will be based on the minimum requirement as specified in the Property and Equipment Replacement Schedule. The schedule will be reviewed on an annual basis to determine the required amount to be set aside as designated unreserved Fund Balance.

The Excise Tax (.4% of Local Sales Tax) Fund is a restricted fund dedicated to Downtown Development, Civic Center and mountain bonds. The combined undesignated unreserved, designated unreserved and reserved Fund Balance will be no less than the annual debt service payment for Land Preservation and prior year available funds for Downtown Development.



## **Debt Service Funds**

The Debt Service Fund is established for the payment of principal and interest on bonded indebtedness. Revenues are derived from a property tax levy, pledged excise taxes, municipal property lease payments and shared revenues. Revenues are received in amounts sufficient to pay the annual debt service payment, therefore, the undesignated unreserved, designated unreserved and reserved Fund Balance will be no less than the annual debt service payment due on July 1 of the new fiscal year.

## **Capital Project Funds**

The Capital Project Funds includes accumulated Development Fees that are assessed on new construction for the purpose of funding growth. These funds are restricted to growth-related capital expenditures. The undesignated unreserved, designated unreserved and reserved fund balance will be established each fiscal year during the budget process depending on planned expenditures but cannot exceed accumulated revenues. The Development Fees must be expended within six years of collection or refunded to the taxpayer.

## **FINANCIAL PLANNING**

Fiscal planning refers to the process of identifying resources and allocating those resources among competing purposes. The primary vehicle for this planning is the preparation, monitoring and analyses of the Town's budget. It is increasingly important to monitor the performance of the programs competing to receive funding.

1. The Town Manager shall submit to the Town Council a proposed annual budget, with their recommendations, and shall execute the budget as finally adopted, pursuant to Section 15.1-602 of the Arizona Revised Statutes, as amended. The Town will budget revenues and expenditures on the basis of a fiscal year which begins July 1 and ends on the following June 30. The Town Council will adopt the budget no later than June 30.
2. The Town will prepare a budget in accordance with the guidelines established by the Government Finance Officers Association in its Distinguished Budget Award Program. The proposed budget will contain the following:
  - a) Revenue estimates by major category, by major fund;
  - b) Expenditure estimates by department levels and major expenditure category, by major fund;
  - c) Estimated fund balance by major fund;
  - d) Debt service by issue detailing principal and interest amounts by fund.
  - e) Proposed personnel staffing levels;
  - f) A detailed schedule of capital projects, including a capital improvement program;
  - g) Any additional information, data, or analysis requested of management by the Town Council.
3. The operating budget will be based on the principle that current operating expenditures, including debt service, will be funded with current revenues creating a balanced budget. The Town will not balance the current budget at the expense of meeting future years'



- expenditures; for example accruing future years' revenues or rolling over short-term debt to avoid planned debt retirement.
4. Ongoing operating costs should be supported by ongoing, stable revenue sources. This protects the Town from fluctuating service levels, and avoids crises when one-time revenues are reduced or removed. Revenues from growth or development should be targeted to costs related to development, or invested in improvements that will benefit future residents or make future service provision efficient.
  5. The Town Manager will provide an estimate of the Town's revenues annually for each fiscal year. The estimates of special (grant, excise tax, etc.) revenues and interfund transfers will also be provided by the Town Manager.
  6. The budget will fully appropriate the resources needed for authorized regular staffing. At no time shall the number of regular full-time employees on the payroll exceed the total number of full-time positions authorized by the Town Council. All personnel actions shall be in conformance with applicable federal and state law and all Town ordinances and policies.
  7. The Town Manager shall provide annually a budget preparation schedule outlining the preparation timelines for the proposed budget. Budget packages for the preparation of the budget, including forms and instructions, shall be distributed to Town departments in a timely manner for the department's completion. Department Directors shall prepare and return their budget proposals to the Administration Department, as required in the budget preparation schedule.
  8. Performance measurement indicators will be integrated into the budget process as appropriate.
  9. Alternatives for improving the efficiency and effectiveness of the Town's programs and the productivity of its employees will be considered during the budget process. Duplication of services and inefficiency in service delivery should be eliminated wherever they are identified.
  10. Department Directors are required to monitor revenues and control expenditures to prevent exceeding their total departmental expenditure budget. It is the responsibility of these department directors to immediately notify the Town Manager of any exceptional circumstances that could result in a departmental expenditure budget to be exceeded.
  11. A quarterly report on the status of the General Fund budget and trends will be prepared within 60 days of the end of each quarter by the Administration Department. In addition, the quarterly report shall include revenue and expenditure projections through the end of the fiscal year.
  12. If a deficit is projected during any fiscal year, the Town will take steps to reduce expenditures, increase revenues or, if a deficit is caused by an emergency, consider using the undesignated unreserved General Fund Balance, to the extent necessary to ensure a balanced budget at the close of the fiscal year. The Town Manager may institute a cessation during the fiscal year on hirings, promotions, transfers, and capital equipment



purchases. Such action will not be taken arbitrarily and without knowledge and support of the Town Council.

## **EXPENDITURE CONTROL**

Management must ensure compliance with the legally adopted budget. In addition, purchases and expenditures must comply with legal requirements.

1. Expenditures will be controlled by an annual budget at the departmental level. The Town Council shall adopt appropriations through the budget process. Written procedures will be maintained for administrative approval and processing of certain budget transfers within funds.
2. The Town will maintain a purchasing system that provides needed materials in a timely manner to avoid interruptions in the delivery of services. All purchases shall be made in accordance with the Town's purchasing policies, guidelines and procedures and applicable state and federal laws. The Town will endeavor to obtain supplies, equipment and services as economically as possible.
3. Expenditures will be controlled through appropriate internal controls and procedures in processing invoices for payment.
4. The Town shall pay applicable contractor invoices in accordance with the requirements of Arizona Revised Statutes 34-221.
5. The State of Arizona sets a limit on the expenditures of local jurisdictions. The Town will comply with these expenditure limitations and will submit an audited expenditure limitation report, audited financial statements, and audited reconciliation report as defined by the Uniform Expenditure Reporting System (A.R.S. Section 41-1279.07) to the State Auditor General each year.
6. Assets will be capitalized at \$10,000 and will be recorded in the Town of Fountain Hills Summary of General Fixed Assets.

## **REVENUES AND COLLECTIONS**

All government employees are considered stewards of public funds. In order to provide funding for service delivery, the Town must have reliable revenue sources. These diverse revenues must be collected equitably, timely, and efficiently.

1. The Town's goal is a General Fund revenue base that is equally balanced between sales taxes, state shared revenues, property tax, service fees and other revenue sources.
2. The Town will strive for a diversified and stable revenue base to shelter it from economic changes or short-term fluctuations and in any one revenue source by doing the following:
  - a) Establishing new charges and fees as needed and as permitted by law at reasonable levels.
  - b) Pursuing legislative change, when necessary, to permit changes or establishment of user charges and fees.



- c) Aggressively collecting all revenues, late penalties, outstanding taxes owed and related interest as authorized by the Arizona Revised Statutes.
3. The Town will monitor all taxes to insure they are equitably administered and collections are timely and accurate. Fees and charges should be based on benefits and/or privileges granted by the Town, or based on costs of a particular service.
4. The Town should pursue intergovernmental aid for those programs and activities that address a recognized need and are consistent with the Town's long-range objectives. Any decision to pursue intergovernmental aid should include the consideration of the following:
  - a) Present and future funding requirements.
  - b) Cost of administering the funds.
  - c) Costs associated with special conditions or regulations attached to the grant award.
5. The Town will attempt to recover all allowable costs--both direct and indirect--associated with the administration and implementation of programs funded through intergovernmental aid. In the case of the School District, the Town may determine to recover less than full cost of services provided. In the case of State and Federally mandated programs, the Town will attempt to obtain full funding for the service from the governmental entity requiring the service be provided. Allowable costs will be determined based upon a "Cost Allocation Study" prepared periodically.

## **USER FEE COST RECOVERY**

User fees and charges are payments for voluntarily purchased, publicly provided services that benefit specific individuals. The Town relies on user fees and charges to supplement other revenue sources in order to provide public services.

1. The Town may establish user fees and charges for certain services provided to users receiving a specific benefit.
2. User fees and charges will be established to recover as much as possible the direct and indirect costs of the program or service, unless the percentage of full cost recovery has been mandated by specific action of the Town Council. It is recognized that occasionally competing policy objectives may result in reduced user fees and charges that recover a smaller portion of service costs.
3. Periodically, the Town will recalculate the full costs of activities supported by user fees to identify the impact of inflation and other attendant costs.



## **DEBT POLICY**

The purpose of this debt policy is to provide for the preservation and enhancement of the Town's bond ratings, the maintenance of adequate debt service reserves, compliance with debt instrument covenants and provisions and required disclosures to investors, underwriters and rating agencies. The overall debt management policy of the Town of Fountain Hills is to ensure that financial resources are adequate in any general economic situation to not preclude the Town's ability to pay its debt when due.

These policies are meant to supplement the legal framework of public debt laws provided by the Arizona Constitution, State Statutes, Federal tax laws and the Town's current bond resolutions and covenants. The Arizona Constitution limits a city or town's bonded debt capacity (outstanding principal) to certain percentages of the Town's secondary assessed valuation by the type of project to be constructed. There is a limit of 20% of secondary assessed valuation for projects involving water, sewer, artificial lighting, parks, open space, and recreational facility improvements. There is a limit of 6% of secondary assessed valuation for any other general-purpose project.

### **General**

1. The Town will use current revenues to pay for short-term capital projects, repair and maintenance items and will reserve long-term debt for capital improvements with useful lives of ten (10) years or more. The Town will not use long-term debt to fund current governmental operations and will manage its cash in a fashion that will prevent any borrowing to meet working capital needs. However, exclusive reliance upon pay-as-you-go funds for capital improvements requires existing residents to pay for improvements that will benefit new residents who relocate to the area after the expenditure is made. Financing capital projects with debt provides for an "intergenerational equity", as the actual users of the capital asset pay for its cost over time, rather than one group of users paying in advance for the costs of the asset. Where there is a benefit to all future residents, debt financing should be given consideration
2. To increase its reliance on current revenue to finance its capital improvements, and promote a "pay-as-you-go" philosophy, the Town will appropriate each year a percentage of current revenues to maintain a minimum 10% of average actual General Fund revenues for the preceding five fiscal years in the Designated Unreserved Fund.

### **Capital Improvement Plan**

1. As part of the budget process each year the Town will prepare a capital spending plan that provides a detailed summary of specific capital projects for the five fiscal years subsequent to the fiscal year presented. The plan will include the name of the project, project schedule, capital cost by fiscal year and a recommended specific funding source. The five-year capital improvement plan will be developed within the constraints of the Town's ability to finance the plan.



2. The Town Manager and Department Directors will develop formal ranking criteria that will be used in the evaluation of all capital projects. The program ranking criteria will give greatest weight to those projects which protect the health and safety of its citizens. Pay-as-you-go project financing shall be given the highest priority. Capital improvements that must rely upon debt financing shall be accorded a lower priority and projects with a useful life of less than ten (10) years shall not be eligible for inclusion in bond issues.
3. Lease purchase financing shall only be undertaken when the project is considered essential to the efficient operation of the Town or to remove expenditures that would exceed the State imposed expenditure limitation. The Town Manager or designee shall determine that pay-as-you-go expenditures do not cause the state imposed expenditure limitation to be exceeded in any fiscal year.
4. All capital project requests will be accompanied by a description of the sources of funding to cover project costs. Where borrowing is recommended, a dedicated source of funds to cover debt service requirements must be identified. All capital project requests will be required to identify any impact the project may have on future operating costs of the Town. The Town will seek grants to finance capital improvements and will favor those projects which are likely to receive grant money.
5. All capital project appropriations and amendments to the capital improvement plan must be approved by the Town Council.
6. The capital plan will include all equipment and facilities with a useful life of greater than ten (10) years and a cost greater than \$50,000. Debt financing shall not exceed the useful life of the infrastructure improvement or asset.

### **Financing Alternatives**

1. Financing alternatives are listed below but are not limited to:
  - a) Grants
  - b) Developer Contributions
  - c) General Obligation Bond – requires voter approval, supported by an ad valorem (property) tax
  - d) Revenue Bonds – repaid with revenue stream (HURF, revenue generated by project)
  - e) Municipal Property Corporation Bonds – repaid with a dedicated revenue source
  - f) CFD or Special District Bonds – supported by an ad valorem property tax
  - g) Capital Leases – repaid within operating budget
  - h) Commercial Paper (CP) or Bond Anticipation Notes (BAN) with terms less than two years
2. Town Debt Service costs (GO, Revenue Bonds, MPC, Leases) shall not exceed 20% of the Town's operating revenue in order to control fixed costs and ensure expenditure flexibility. Improvement District (ID), Community Facility District (CFD) and Special District debt service is not included in this calculation because it is paid by district property owners and is not an obligation of the general citizenry. Separate criteria have been established and included within the Town's CFD policy.



3. In accordance with requirements of the State of Arizona Constitution, total bonded debt will not exceed the 20% limitation and 6% limitation of the total secondary assessed valuation of taxable property in the Town.
4. The Town shall comply with all U.S. Internal Revenue Service arbitrage rebate requirements for bonded indebtedness.
5. Where applicable, the Town will structure General Obligation bond issues to create level debt service payments over the life of the issue. The goal will be to strive for a debt repayment schedule to be no more than fifteen (15) years; at no time will the debt exceed twenty-five (25) years.
6. Refunding bonds will be measured against a standard of the net present value debt service savings exceeding 3% of the principal amount of the bonds being refunded, or if savings exceed \$750,000, or for the purposes of modifying restrictive covenants or to modify the existing debt structure to the benefit of the Town. Refinancings undertaken for other reasons should proceed only when the advantages have been clearly shown in a cost/benefit analysis of the transaction.
7. The Town will seek to maintain and, if possible, improve the current bond rating in order to minimize borrowing costs and preserve access to credit.
8. An analysis showing how a new issue combined with current debt impacts the Town's debt capacity and conformance with Town debt policies will accompany every future bond issue proposal. The debt capacity analysis should reflect a positive trend and include:
  - a) percent of debt outstanding as a percent of the legal debt limit
  - b) measures of the tax and revenue base
  - c) evaluation of trends relating to expenditures and fund balance
  - d) debt service as a percentage of assessed valuation
  - e) measures of debt burden on the community
  - f) tax-exempt market factors affecting interest costs
  - g) debt ratios
9. Municipal Property Corporation and contractual debt, which is non-voter approved, will be utilized only when a dedicated revenue source (e.g. excise taxes) can be identified to pay debt service expenses. The project to be financed will generate net positive revenues (i.e., the additional revenues generated by the project will be greater than the debt service requirements).
10. The Town's privilege tax to debt service goal will be a ratio of at least 3.5:1 to ensure the Town's ability to pay for long term debt from this elastic revenue source.



## Issuance of Obligations

1. The Town shall select the underwriter and the paying agent/registrars for each debt issuance based on competitive bid. The underwriter must be a firm domiciled in Arizona with an office in the Phoenix area and a record of prior working relationships.
2. The request for proposals process will be designed to select the service providers that offer the Town the best combination of expertise and price. The Town is not required to select the firm offering the lowest price, but a report must be prepared by the Town Manager providing justification to the Town Council for a recommendation when other than the lowest bidder is chosen. The review of all proposals submitted shall be the responsibility of the Town Manager.
3. The Town of Fountain Hills will use competitive sales as the primary means of selling new General Obligation or Revenue bonds that are repaid through ad valorem (property) taxes. Negotiated sales will be permitted for all other debt issues when it is expected to result in a lower true interest cost than would a competitive sale of that same date and structure or there is evidence of volatile market conditions, complex security features, or another overriding factor.
4. The Town Manager or designee and Town Attorney will coordinate their activities to ensure that all securities are issued in the most efficient and cost-effective manner and in compliance with the Town's governing statutes and regulations. The Manager and the Town Attorney shall consult and jointly select the bond counsel for a bond issue. The Town Attorney will review all documents related to the issuance of securities by the jurisdiction.
5. The Town will seek a rating on all new issues which are being sold in the public market if economically feasible.
6. The Town will report on an annual basis all financial information and/or notices of material events to the rating agencies and Nationally-Recognized Municipal Securities Information Repositories (NRMSIR's). The annual report will include but not be limited to the Town's annual Comprehensive Annual Financial Report (CAFR).
7. The Town will require any institution or individual investing monies as an agent for the Town to do so in a manner consistent and in compliance with the Town's adopted Investment Policy.
8. The Town will provide detailed draw schedules for any project to be funded with borrowed monies. The Town will invest the proceeds or direct a trustee to invest the proceeds of all borrowings in a manner that will ensure the availability of funds as described in the draw schedules.
9. The Town acknowledges the responsibilities of the underwriting community and pledges to make all reasonable efforts to assist underwriters in their efforts to comply with SEC Rule 15c2-12 and MSRB Rule G-36.



The Town of Fountain Hills' capital improvement program ranking criteria will give greatest weight to those projects, which protect the health and safety of it's citizens. Pay-as-you-go project financing shall be given the highest priority. Capital improvements that must rely upon debt financing shall be accorded a lower priority. All capital project requests will be accompanied by a description of the sources of funding to cover project costs. Where borrowing is recommended, the source of funds to cover debt service requirements must be identified. All capital project requests will be required to identify any impact the project may have on future operating costs of the Town.

Department Directors will submit a detailed description of the useful life of capital projects submitted in conjunction with the preparation of the Town's CIP. Projects with a useful life of less than ten years shall not be eligible for inclusion in bond issues. The Manager shall incorporate an estimate of the useful life of proposal capital improvements in developing an amortization schedule for each bond issue. If a short-lived asset or project (less than ten years) is included in a bond issue, then the bond amortization schedule shall be adjusted to reflect the asset's rapid depreciation. At no time shall the amortization exceed the life of the asset.

### **How do I get more information?**

All requests for public information in the Town of Fountain Hills are handled by the Town Clerk's office. Please call (480) 816-5100 or visit the Town's website [www.fh.az.gov](http://www.fh.az.gov) and click on the Accounting Department icon.



## FY2006-07 REVENUE AND EXPENDITURE SUMMARY

This section provides a broad overview of the resources and expenditures included in the FY06-07 budget. Information is presented for general, special revenue, debt service and capital project funds. General funds, which receive special attention by the citizens, are of particular importance to our residents as they provide for most basic services such as public safety (law enforcement and fire), recreation, senior services, parks, planning and zoning and the community center. Special revenue funds (HURF and grants) are restricted to specific uses. Proposed capital projects are included within the departmental budgets; projects in progress are included in the capital projects funds.

### ALL FUNDS REVENUE SUMMARY

Source of Revenues	FY 2001-2002 Actual	FY 2002-2003 Actual	FY 2003-2004 Actual	FY 2004-2005 Actual	FY 2005-2006 Budget	FY 2005-2006 Estimate	FY 2006-2007 Proposed
GENERAL FUND REVENUES	\$14,088,326	\$13,370,239	\$13,643,820	\$15,686,927	\$15,856,163	\$16,685,577	\$16,948,360
SPECIAL REVENUE FUNDS	\$3,373,437	\$3,289,922	\$2,910,234	\$3,191,765	\$5,445,654	\$4,822,557	\$4,687,342
DEBT SERVICE FUNDS	\$2,605,487	\$2,225,902	\$2,648,359	\$2,603,327	\$2,061,650	\$2,259,200	\$2,156,150
DEVELOPMENT FEES	\$690,724	\$604,659	\$855,641	\$1,659,350	\$1,356,876	\$1,427,176	\$2,152,135
CAPITAL PROJECT FUNDS	\$13,826,973	\$2,189,660	\$1,121,960	\$5,535,018	\$3,746,952	\$3,509,782	\$528,225
<b>TOTAL ALL FUNDS</b>	<b>\$34,584,947</b>	<b>\$21,680,382</b>	<b>\$21,180,014</b>	<b>\$28,676,387</b>	<b>\$28,467,295</b>	<b>\$28,704,292</b>	<b>\$26,472,212</b>

The FY06-07 budgeted revenues for all funds are estimated to be \$26.5 million; the general fund portion of \$16.9 million is approximately 64.1% of the total. Special revenue funds include Highway User Revenue (HURF), grants, and excise (sales) tax) - together these funds represent another 17.7% of the budget. Debt service and capital project funds represent the remaining 18.1% of the total budget.

The table below provides a comparison of the FY06-07 budget to the FY05-06 adopted budget. Actual expenditures for the FY04-05 are also included.

### ALL FUNDS EXPENDITURE SUMMARY

	FY 2001-2002 Actual	FY 2002-2003 Actual	FY 2003-2004 Actual	FY 2004-2005 Actual	FY 2005-2006 Budget	FY 2005-2006 Estimate	FY 2006-2007 Proposed
GENERAL FUND EXPENDITURE	\$15,062,061	\$11,680,585	\$11,310,262	\$12,692,048	\$15,756,336	\$15,522,306	\$16,948,360
SPECIAL REVENUE FUNDS	\$2,636,353	\$1,940,188	\$2,218,760	\$2,828,514	\$6,003,311	\$4,288,552	\$5,323,317
DEBT SERVICE FUNDS	\$2,132,503	\$2,411,280	\$2,379,634	\$9,586,363	\$2,239,950	\$2,285,303	\$2,239,350
DEVELOPMENT FEES	\$266,454	\$21,105	\$214,199	\$970,365	\$1,290,035	\$690,535	\$1,432,622
CAPITAL PROJECT FUNDS	\$13,750,000	\$362,500	\$565,590	\$6,767,419	\$1,297,500	\$1,226,500	\$800,000
<b>TOTAL ALL FUNDS</b>	<b>\$33,847,371</b>	<b>\$16,415,658</b>	<b>\$16,688,445</b>	<b>\$32,844,709</b>	<b>\$26,587,132</b>	<b>\$24,013,196</b>	<b>\$26,743,649</b>

The FY06-07 total budgeted expenditures are \$26.7 million, including transfers; the general fund portion of \$16.9 million represents 63% of the total. Highway User Revenue Fund (streets and highways) represents 10.5% of the total Town budget, other special revenue funds represent 9.6% of the budget, debt service and capital projects represent the final 16.9% of the total.

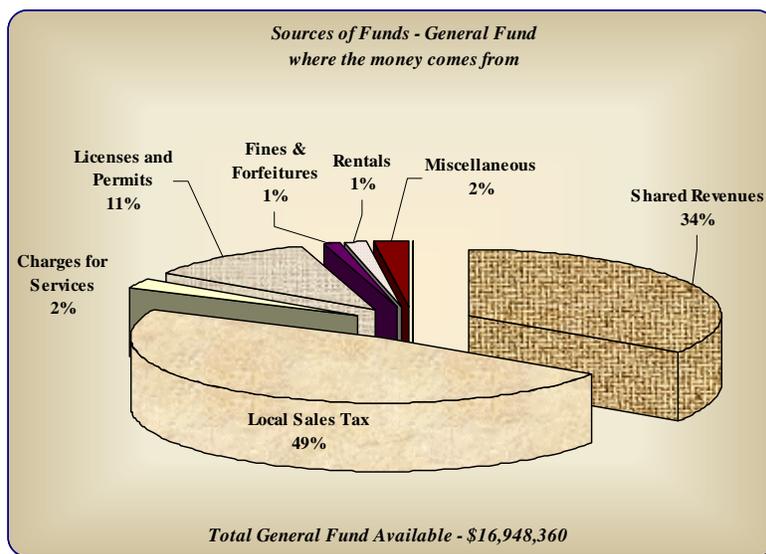
Total expenditures for FY06-07 are projected to be less than 1% more than the FY05-06 budget with the additional capital projects scheduled for completion. The phase II project of the Civic Center complex was completed during FY05-06, which includes a new municipal building to house law enforcement, municipal court, public works, parks and recreation, and the administrative offices. The new Town Hall was completed in August, 2005 providing taxpayers



with a one stop shop to conduct their Town business. The FY06-07 budget also provides a large capital investment, primarily to complete the park system and improve the downtown area. The FY06-07 budget also includes staffing and expenditures to accomplish the strategic priorities adopted in the Town's 2006 – 2010 strategic plan (included in Appendix A).

## General Fund Budget Overview

The General Fund supports core services and is the largest fund with the greatest potential for revenue fluctuations. Revenues from taxes, license and permit fees, and charges for services provide resources to fund programs and services delivered by the Town. In the aftermath of an economic downturn in 2002, the revenues forecasted in this proposed budget reflect a guarded optimism, tempered by the reality that the local, state and national economies are complex and uncertain. The proposed budget is based on projections that are conservative and based on the expectation that the local and national economy will continue at a normal pace.

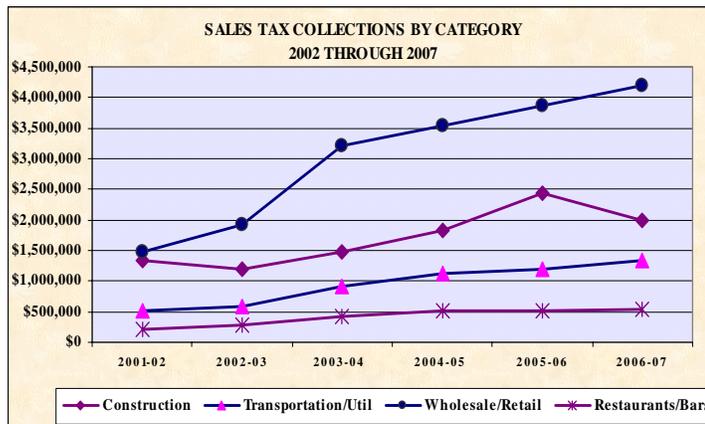


Total General Fund revenues are expected to increase by \$262,800 (1.5%) over FY05-06 actual revenues – due to an increase in state shared revenues. Charts and descriptions of the major revenue sources with a ten-year history for the Town of Fountain Hills are shown in the budget summary section starting on page 42. As the chart to the left shows, 83% of the Town's general fund resources is derived from

local sales tax and state shared revenues, similar to many other cities and towns in Arizona. These sources of revenue are sensitive to the upward and downward cycles of the economy as well as annual legislative appropriations. Additionally, the revenues are distributed to cities and towns based on each municipalities portion of the population compared to the entire state. As other municipalities that have abundant available land for development continue to grow in population the cities and towns that have fixed borders will represent a smaller percentage of the total; that is, Fountain Hills may lose a proportionate share of state revenues. Through the strategic planning process the Town is preparing a revised twenty-year revenue and capital improvement plan that will identify when one-time revenues will go away and facilitate the multi-year and capital improvement planning.



The largest source of revenue for the general fund is the local sales tax (29.5%) and is projected to remain level from fiscal year 2005-2006. The chart on the right presents a six-year trend for the top four sales tax categories - retail activity being the largest. Construction activity will likely remain level over the next few years as the state land is developed; however, once the land inventory is gone this source of revenue source will disappear.



Proposed general fund expenditures for FY06-07 are \$16.9 million and including transfers for debt service and capital, an increase of 7.3% over the prior year. The budget includes an appropriation of \$2.2 million in capital projects, primarily park improvements in Fountain and Desert Vista Parks, which are made possible with one-time construction related revenues. A new organizational unit, “Facilities Maintenance”, has been created within the Public Works Department and accounts for expenditures previously included within the Administration department (buildings maintenance and improvements, custodial, and utilities). The Administration department budget incorporated the Economic Development division and retains Town Manager, Town Clerk, Finance, and Human Resource functions. Senior Services, a new division of the Town government, provides a service that was previously provided by a non-profit organization in Fountain Hills. Their programs have been very successful and popular with the citizens of Fountain Hills in its second year of service.

### Salaries and Benefits

There are no new full-time position requests included in this budget; there are two part-time positions, an economic development intern and Community Center operations worker. There are a total of 87 full time equivalent employees (FTE)’s compared to 106 in FY2002-03. The new Senior Services division that was approved last year added 3.5 FTE’s during FY2005-06. Most Town employees’ salaries and benefits are funded through the general fund (exceptions are Street division and Downtown Development staff who are funded with restricted revenues). Salaries include wages, overtime, vacation and merit pay. An allowance of 4.5% of the budgeted salaries line item is available for pay for performance merit increases. Employee benefits include health insurance, employer taxes, disability, worker compensation insurance, and employer match retirement contributions. The total salaries and benefits proposed for fiscal year 2006-2007 for all funds is \$5.3 million, or 19.9% of the total budget.

### Contractual Services

The Town contracts with outside professionals for public safety, conducting recreational programs, consulting and legal fees, outside auditing services, engineering/inspection fees, and contributions to special programs. Two major contracts included in this category are: 1) Fire protection and emergency medical services (\$2,746,787), currently under contract with Rural Metro Corporation; 2) police protection (Maricopa County Sheriff’s Office at \$2,236,900). The



proposed law enforcement budget includes an addition of two officers to the contract (from 25 to 27 officers) (2 deputies, a 4-wheel drive vehicle and equipment). The increase will allow the deputies to patrol the unimproved 2 square miles of the State Trust land, which requires special enforcement vehicles, after it is annexed. But for the annexation, an analysis of the overall incidents, number of reports generated, calls for service and priority one response times indicate no additional staffing would be needed at this time. This analysis will be done annually to ensure that law enforcement staffing levels meet service needs.

Contractual services also include contributions that the Town makes to social and community benefit programs based on requests from the organizations. Total funding proposed for FY06-07 is \$250,000 and is described in the Operational and Community Support budget.

### **Repairs and Maintenance**

Repairs and maintenance include annual landscape maintenance contracts, equipment and vehicle repairs, and facilities maintenance (janitorial, building maintenance, etc.). Maintenance of the Town's 121 acres of parks, as well as medians, dams, and washes is solicited through a bid process to obtain the most competitive price for the Town.

### **Supplies and Services**

Supplies and services include operational costs such as rent, electricity, utilities, insurance, etc. for Town Hall and other Town-owned buildings. The Town owns the Kiwanis building, two fire stations, the Library/Museum, the Community Center, a vehicle maintenance garage, and the Community Theater building. Other items in this category are office supplies, gas and oil, postage, travel, and communications.

### **Capital Projects**

Proposed large capital projects included within the General Fund departmental budgets are:

- Completion of skate park at Desert Vista Neighborhood Park for \$210,000
- Desert Vista Neighborhood Park improvements (perimeter sidewalks, enhanced parking, upgrade off-leash facility) to complete this park for \$1,039,932 – grant funds will be solicited to match local resources
- Amphitheater shade structure and aggregate walking path for Fountain Park for \$372,400 and new irrigation system for 33 acres of Fountain Park @ \$760,568 to complete the Town's most famous park and finally ensure that the grass is green

### **Special Revenue Funds**

In addition to the general fund, Fountain Hills maintains several other funds that are established for specific purposes. Within the special revenue funds is the Highway Users Revenue Fund (HURF), the resources of which are restricted for street and highway purposes (cost of right-of-way acquisition, construction, reconstruction, maintenance, repairs, roadside development of town roads, and payment of the interest and principal on highway and street bonds). Another HURF revenue source is the Local Transportation Assistance Fund (LTAF), which is generated by the State lottery and restricted for street and transportation purposes. Proposed capital projects included in HURF are:



- Approximately \$1.6 million in major road improvements such as microsurfacing and slurry sealing three zones (see map following page 132) sidewalks and drainage at Saguaro and Palisades Boulevards
- Approximately 400 feet of sidewalks and possible retaining walls - \$60,000
- Drainage and turn lanes for Palisades Boulevard - \$83,000

Within the special revenue fund is the excise tax special revenue, which accounts for revenue received as the dedicated portion of the local sales tax (0.4%). The tax collections are deposited to this fund for mountain bonds (0.2%), Civic Center phase II bonds (0.1%), and downtown development (0.1%) purposes as determined by the Council.

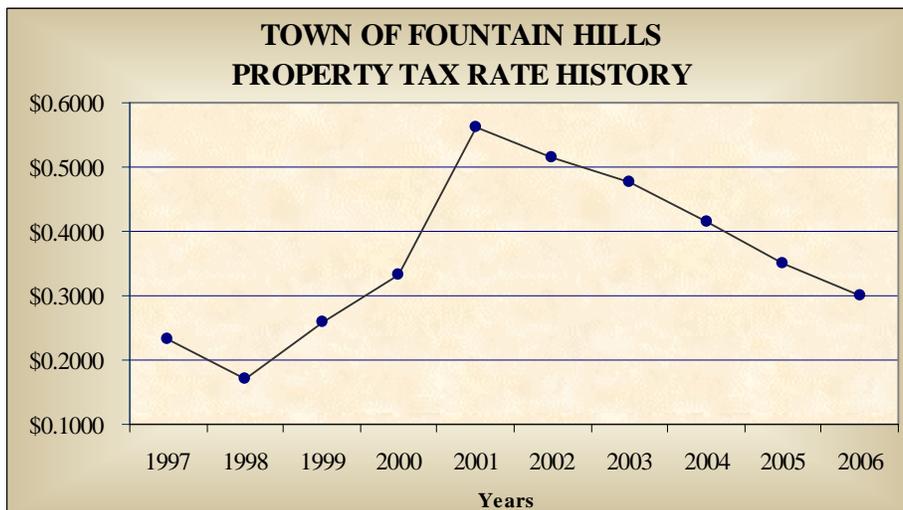
Grants are utilized whenever possible to supplement the Town's general fund and are designated for the specific purchases for which they are awarded. This budget includes an appropriation for the possibility for grants that may be awarded in fiscal year 2006-2007, as follows:

Furniture, Fixtures and Equipment (FF&E) – Donations were received from the community for furniture, fixtures and equipment at the new Community Center. Any unspent funds are carried over to the subsequent year.

Undesignated Grant Revenue – As has been included in prior years budgets, this is an appropriation of \$1.5 million in the event the Town receives unanticipated grant funding from any source.

### Debt Service Funds

Total debt service revenues for fiscal year 2006-2007 is \$3.6 million including secondary property taxes for voter approved bonds, transfers from Highway User Revenue Fund to pay for road improvements, transfer from the General Fund for the Community Center and excise taxes to pay for Municipal Property Corporation (MPC) debt (mountain bonds and Civic Center phase II). The chart below shows a history of the tax rate over the past nine years for the voter approved projects. The spike in 2001 reflects the levy for the bonds approved to construct the library/museum project. The levy for FY06-07 is projected to decrease from \$.3510 per \$100 of assessed value to \$.3012.





## Capital Project Funds

New and ongoing capital project requests are proposed from development fees, such as a skate park, spray park, trailhead development, and park improvements.

Development fees are restricted and may only be spent with Council approval. Additionally, expenditures from this fund are also restricted by Ordinances 00-21 through 00-26 which state that the expenditures cannot be “appropriated for funding maintenance or repair of public facilities nor operational or personnel expenses associated with the provision of the public facility”. However, appropriations can be made by the Council for financing public facilities and public facility expenditures, and capital expenditures related to maintaining the level of service standards for existing town residents (streets).

## Expenditure Limitation

Each year the Economic Estimates Commission of the State of Arizona develops expenditure limits for local governments in Arizona based on a formula using 1979-80 expenses adjusted for inflation and population growth. Cities and town are required to stay within the limits or incur a penalty (reduction in State Shared revenues).

The final FY06-07 expenditure limitation for the Town of Fountain Hills is \$22,824,284; the limit applies to FY07 expenditures of the Town (all funds) but allows for certain exemptions and deductions. For example, debt service payments, HURF and grant expenditures are not included when determining compliance with the expenditure limitation. However, development fee and capital project expenditures are subject to the limitation. The following table is an estimate of the Town’s expenditure limitation, deductions and exclusions and final spending authority.

### EXPENDITURE LIMITATION ANALYSIS (Estimate)

Total Expenditures	\$26,743,649
Exclusions from Revenues:	
Debt Service Payments	\$3,087,350
Dividends,Interest,Gains	\$250,000
Grants	\$1,500,000
Received from State(LTAF, GETUM Grants)	\$110,785
Highway User Revenues excess 1979-80	\$1,614,855
Prior Years Carryforward	\$1,669,587
Total Exclusions	\$8,232,577
Deductions from Expenditures:	
Total Deductions	\$0
Total Exclusions/Deductions	\$8,232,577
Expenditures subject to limitation	\$18,511,072
Expenditure Limitation	\$22,824,284
Under/(Over) Limitation	Fiscal Year 2006-2007 Budget \$4,313,212



## Transfers

The FY06-07 budget includes transfers of \$520,000, to the development fee fund for improvements at Desert Vista Neighborhood Park, described more fully in the divisional budget included in Parks and Recreation. Residual revenues over expenditures from FY05-06 will be transferred to the capital projects fund (approximately \$1.1M) in the current year for appropriation in future years when construction revenue declines. A schedule of interfund transfers for FY06-07 is shown below:

<b>Explanation of Transfers</b>			
<u>Transfer Out</u>	<u>Transfer In</u>	<u>Amount</u>	<u>Explanation</u>
General Fund	Development Fees	\$520,000	Contribution to fund improvements at Desert Vista
General Fund	MPC Debt Service	\$387,000	Annual debt payment for Community Center
Excise Tax	MPC Debt Service	\$1,068,050	Proceeds from dedicated sales tax for mtn and Town Hall bonds
Highway Users Revenue	Debt Service	\$135,000	Transfer for annual debt service payment on bonds
		\$2,110,050	

## Reserves

In May 2003, the Town Council adopted a formal fund balance policy appropriating funds as designated reserves for future capital expenditures, a contingency fund for unanticipated expenditures and/or revenue shortfalls, and an undesignated reserve fund. An important component of the reserve funds is an amount set aside that is not available for appropriation but will be maintained at a level that will satisfy the public and financial community regarding the fiscal stability of the Town, referred to as undesignated reserves. This proposed budget exceeds the policy requirement with a projected general fund balance for June 30, 2006 therefore, \$1.1M will be transferred to the Capital Projects Fund. A contingency amount of \$75,000 is included in the General Fund under non-departmental for minor unforeseen expenditures.

As the Town's primary operating fund the general fund accounts for all financial resources except those that are required to be accounted for in other funds. The end of the fiscal year fund balance is projected to be \$6,515,123 (after transfers). This is well above the Town's financial policy level fund balance of at least 30% of general fund budgeted revenues.

The Highway User Refund Fund (HURF) estimated ending fund balance for FY06-07 is anticipated to decrease by 93% from the prior fiscal year. The reason for this is that during FY05-06 the General Fund transferred \$500,000 to this fund for major capital road maintenance projects. The projects were not completed prior to the end of the fiscal year but will be completed during FY06-07. The HURF fund is a restricted fund that may only be used for streets and highways.

The Development Fee fund is another restricted fund and accumulates revenues from building permits with proceeds used for major capital expenditures, some of which take many years of savings to accomplish.



Below is a summary of estimated beginning and ending fund balance broken down by fund:

**Summary of Revenues, Expenditures and Transfers**

<b>Fund</b>	<b>Estimated Beginning Fund Balance</b>	<b>Estimated Revenues</b>	<b>Appropriations</b>	<b>Transfers In/(Out)</b>	<b>Estimated Ending Fund Balance</b>
General Fund	\$6,511,595	\$16,948,360	(\$16,041,360)	(\$907,000)	\$6,511,595
Special Revenue Fund					
Highway Users Rev Fund	\$1,108,324	\$1,741,640	(\$2,644,815)	(\$135,000)	\$70,149
Excise Tax Revenue					
Downtown Development	\$561,913	\$354,352	(\$140,502)		\$775,763
Bond Payments	\$530,291	\$1,068,050	(\$848,000)		\$750,341
Court Special Revenue	\$201,410	\$23,300	(\$15,000)		\$209,710
Community Center Sp Rev	\$92,593	\$0	(\$40,000)		\$52,593
Grants	\$0	\$1,500,000	(\$1,500,000)		\$0
Debt Service Funds					
General Obligation	\$192,704	\$1,371,400	(\$1,371,400)		\$192,704
Special Districts	\$450,803	\$649,750	(\$867,950)	\$522,000	\$754,603
Development Fees	\$3,172,412	\$1,632,135	(\$1,432,622)	\$520,000	\$3,891,925
Capital Projects	\$2,649,817	\$528,225	(\$800,000)		\$2,378,042
<b>Total</b>	<b>\$15,471,862</b>	<b>\$25,817,212</b>	<b>(\$25,701,649)</b>	<b>\$0</b>	<b>\$15,587,425</b>



## All Funds Revenue Summary

	FY 2001-2002 Actual	FY 2002-2003 Actual	FY 2003-2004 Actual	FY 2004-2005 Actual	FY 2005-2006 Budget	FY 2005-2006 Estimate	FY 2006-2007 Proposed
<b>Source of Revenues</b>							
<b>GENERAL FUND</b>							
<b>Intergovernmental</b>							
State Sales Tax	\$1,559,318	\$1,582,535	\$1,702,374	\$1,874,577	\$1,914,315	\$1,982,147	\$2,244,476
Fire Insurance Premium Tax	\$0	\$207,244	\$143,396	\$155,927	\$92,400	\$92,400	\$92,400
Shared Income Tax	\$2,110,536	\$2,153,635	\$1,824,577	\$1,860,154	\$2,126,144	\$2,126,144	\$2,557,255
Vehicle License Tax	\$667,570	\$797,344	\$819,497	\$865,823	\$842,300	\$882,895	\$945,123
<b>Total Intergovernmental</b>	<b>\$4,337,424</b>	<b>\$4,740,758</b>	<b>\$4,489,844</b>	<b>\$4,756,481</b>	<b>\$4,975,159</b>	<b>\$5,083,586</b>	<b>\$5,839,254</b>
<b>Taxes</b>							
Local Sales Tax	\$4,355,701	\$5,051,871	\$6,543,988	\$7,513,675	\$7,932,000	\$8,213,278	\$7,795,734
Franchise Tax	\$130,694	\$152,542	\$126,362	\$216,031	\$160,000	\$275,000	\$275,000
<b>Total Taxes</b>	<b>\$4,486,395</b>	<b>\$5,204,413</b>	<b>\$6,668,242</b>	<b>\$7,727,377</b>	<b>\$8,092,000</b>	<b>\$8,488,293</b>	<b>\$8,070,734</b>
<b>Charges for Services</b>							
Parks & Rec User Fees	\$175,376	\$146,734	\$146,334	\$170,709	\$193,000	\$160,800	\$170,123
Senior Services Fees	\$0	\$0	\$0	\$0	\$104,050	\$66,000	\$157,150
Encroachment Permit Fee	\$185,431	\$107,267	\$68,359	\$73,706	\$25,000	\$50,000	\$35,000
Subdivision Fees	\$36,854	\$28,378	\$21,415	\$22,356	\$21,400	\$25,000	\$21,000
<b>Total Charges for Services</b>	<b>\$397,661</b>	<b>\$282,379</b>	<b>\$236,108</b>	<b>\$266,771</b>	<b>\$343,450</b>	<b>\$301,800</b>	<b>\$383,273</b>
<b>Licenses and Permits</b>							
Animal License Fees	\$24,779	\$25,335	\$32,547	\$34,208	\$32,675	\$40,000	\$43,564
Business License Fees	\$87,394	\$99,004	\$103,372	\$110,577	\$111,040	\$111,040	\$115,830
Building Permit Fees	\$997,239	\$1,007,036	\$1,343,551	\$1,925,538	\$1,564,000	\$1,781,320	\$1,651,080
Rezoning/Variance Fees	\$27,327	\$32,560	\$25,773	\$53,642	\$21,450	\$21,450	\$21,450
Improvement Plan Review Fee	\$29,040	\$37,545	\$21,353	\$32,375	\$21,000	\$21,000	\$21,000
<b>Total Licenses and Permits</b>	<b>\$1,165,779</b>	<b>\$1,201,480</b>	<b>\$1,526,596</b>	<b>\$2,156,340</b>	<b>\$1,750,165</b>	<b>\$1,974,810</b>	<b>\$1,852,924</b>
<b>Fines and Forfeitures</b>							
Court Fines	\$256,774	\$195,091	\$192,158	\$222,451	\$236,240	\$185,000	\$188,700
JCEF/CCEF Revenue	\$8,831	\$0	\$583	\$0	\$0	\$0	\$0
<b>Total Fines and Forefeitures</b>	<b>\$265,605</b>	<b>\$195,091</b>	<b>\$192,741</b>	<b>\$222,451</b>	<b>\$236,240</b>	<b>\$185,000</b>	<b>\$188,700</b>
<b>Community Center</b>							
Rental Fees	\$71,057	\$132,003	\$179,248	\$158,196	\$161,527	\$182,614	\$187,000
Bar Sales/Commission	\$41,291	\$61,027	\$39,091	\$29,641	\$52,148	\$24,000	\$36,000
<b>Total Community Center</b>	<b>\$112,347</b>	<b>\$193,030</b>	<b>\$218,339</b>	<b>\$187,837</b>	<b>\$213,675</b>	<b>\$206,614</b>	<b>\$223,000</b>
<b>Miscellaneous</b>							
Leases	\$36,556	\$56,741	\$63,456	\$64,131	\$65,475	\$65,475	\$65,475
Donations	\$12,760	\$10,000	\$0	\$0	\$0	\$0	\$0
Interest on Investments	\$188,681	(\$53,214)	\$73,005	\$184,871	\$130,000	\$230,000	\$250,000
Miscellaneous	\$3,085,119	\$1,539,562	\$175,490	\$120,669	\$50,000	\$150,000	\$75,000
<b>Total Miscellaneous</b>	<b>\$3,323,116</b>	<b>\$1,553,089</b>	<b>\$311,951</b>	<b>\$369,671</b>	<b>\$245,475</b>	<b>\$445,475</b>	<b>\$390,475</b>
<b>TOTAL GENERAL FUND REVENUES</b>	<b>\$14,088,326</b>	<b>\$13,370,239</b>	<b>\$13,643,820</b>	<b>\$15,686,927</b>	<b>\$15,856,163</b>	<b>\$16,685,577</b>	<b>\$16,948,360</b>



## All Funds Revenue Summary – continued

Source of Revenues	FY 2001-2002 Actual	FY 2002-2003 Actual	FY 2003-2004 Actual	FY 2004-2005 Actual	FY 2005-2006 Budget	FY 2005-2006 Estimate	FY 2006-2007 Proposed
<b>SPECIAL REVENUE FUNDS</b>							
<b>Highway Users Revenue Funds</b>							
Local Transportation (LTAF)	\$114,861	\$115,691	\$115,339	\$113,674	\$113,700	\$111,688	\$110,785
Highway Users	\$1,254,816	\$1,310,997	\$1,400,448	\$1,471,032	\$1,598,850	\$1,522,897	\$1,614,855
In Lieu Payments	\$7,648	\$298	\$3,701	\$10,493	\$4,500	\$6,500	\$7,000
Interest	\$37,422	\$31,775	\$28,597	\$26,359	\$8,000	\$14,000	\$8,000
Miscellaneous	\$0	\$7,409	\$0	\$31,680	\$1,000	\$2,500	\$1,000
Transfers	\$588,079	\$0	\$0	\$0	\$500,000	\$500,000	\$0
<b>Total Highway Users Revenue Fund</b>	<b>\$2,002,827</b>	<b>\$1,466,170</b>	<b>\$1,548,085</b>	<b>\$1,653,237</b>	<b>\$2,226,050</b>	<b>\$2,157,585</b>	<b>\$1,741,640</b>
<b>Excise Tax Special Revenue</b>							
Mountain Bonds	\$804,959	\$1,084,814	\$909,846	\$712,116	\$745,089	\$751,662	\$713,700
Civic Center MPC	\$0	\$0	\$0	\$347,583	\$360,545	\$373,331	\$354,350
Downtown Development	\$271,065	\$358,978	\$297,414	\$341,531	\$360,545	\$1,173,331	\$354,352
<b>Total Excise Tax Special Revenue</b>	<b>\$1,076,024</b>	<b>\$1,443,792</b>	<b>\$1,207,260</b>	<b>\$1,401,230</b>	<b>\$1,466,179</b>	<b>\$2,298,324</b>	<b>\$1,422,402</b>
<b>Court Special Revenue</b>							
Court Enhancement Fund	\$0	\$118,747	\$51,288	\$29,292	\$23,300	\$23,300	\$23,300
<b>Total Court Special Revenue</b>	<b>\$0</b>	<b>\$118,747</b>	<b>\$51,288</b>	<b>\$29,292</b>	<b>\$23,300</b>	<b>\$23,300</b>	<b>\$23,300</b>
<b>Community Center FF&amp;E</b>							
Donations	\$174,000	\$117,200	\$0	\$0	\$0	\$0	\$0
<b>Total Community Center FF&amp;E</b>	<b>\$174,000</b>	<b>\$117,200</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Grants</b>							
FEMA	\$0	\$84,769	\$0	\$0	\$50,000	\$0	\$0
AZ Dept of Transportation	\$0	\$0	\$0	\$0	\$175,000	\$175,000	\$0
Proposition 202	\$0	\$0	\$75,000	\$55,000	\$0	\$147,928	\$0
LTAF II	\$0	\$0	\$28,601	\$53,006	\$68,125	\$20,420	\$0
Miscellaneous Grants	\$120,586	\$59,244	\$0	\$0	\$1,437,000	\$0	\$1,500,000
<b>Total Grants</b>	<b>\$120,586</b>	<b>\$144,013</b>	<b>\$103,601</b>	<b>\$108,006</b>	<b>\$1,730,125</b>	<b>\$343,348</b>	<b>\$1,500,000</b>
<b>TOTAL SPECIAL REVENUE FUNDS</b>	<b>\$3,373,437</b>	<b>\$3,289,922</b>	<b>\$2,910,234</b>	<b>\$3,191,765</b>	<b>\$5,445,654</b>	<b>\$4,822,557</b>	<b>\$4,687,342</b>
<b>DEBT SERVICE FUNDS</b>							
<b>General Obligation Bonds</b>							
Secondary Property Tax	\$1,341,025	\$1,447,580	\$1,563,508	\$1,461,420	\$1,150,000	\$1,350,000	\$1,370,000
Interest	\$953	\$179	\$1,415	\$37,427	\$1,400	\$1,400	\$1,400
<b>Total General Obligation Bonds</b>	<b>\$1,341,978</b>	<b>\$1,447,759</b>	<b>\$1,564,923</b>	<b>\$1,498,847</b>	<b>\$1,151,400</b>	<b>\$1,351,400</b>	<b>\$1,371,400</b>
Community Center MPC	\$407,634	\$385,022	\$377,813	\$375,500	\$387,000	\$387,000	\$387,000
HURF Street Paving Transfers	\$135,861	\$126,000	\$124,417	\$124,000	\$110,500	\$110,500	\$135,000
Eagle Mountain CFD	\$715,494	\$262,641	\$577,584	\$600,261	\$405,600	\$405,600	\$255,600
Cottonwoods Maintenance District	\$0	\$0	\$0	\$3,200	\$3,300	\$3,200	\$3,300
Cottonwoods Improvement District	\$4,520	\$4,480	\$3,622	\$1,519	\$3,850	\$1,500	\$3,850
<b>TOTAL DEBT SERVICE FUNDS</b>	<b>\$2,605,487</b>	<b>\$2,225,902</b>	<b>\$2,648,359</b>	<b>\$2,603,327</b>	<b>\$2,061,650</b>	<b>\$2,259,200</b>	<b>\$2,156,150</b>
<b>DEVELOPMENT FEES</b>							
Law Enforcement Development Fees	\$10,843	\$6,573	\$9,814	\$18,839	\$12,082	\$13,432	\$117,346
Street Department Development Fees	\$144,761	\$96,705	\$139,990	\$236,077	\$260,740	\$274,740	\$795,610
Parks & Recreation Development Fees	\$176,759	\$192,463	\$268,018	\$536,322	\$425,880	\$448,880	\$781,702
Open Space Development Fees	\$198,023	\$212,684	\$296,402	\$597,241	\$482,608	\$498,008	\$153,460
General Government Development Fees	\$160,338	\$96,234	\$141,417	\$270,871	\$175,566	\$183,716	\$247,050
Fire Development Fees	\$0	\$0	\$0	\$0	\$0	\$3,900	\$26,089
Library Development Fees	\$0	\$0	\$0	\$0	\$0	\$4,500	\$30,878
<b>TOTAL DEVELOPMENT FEES</b>	<b>\$690,724</b>	<b>\$604,659</b>	<b>\$855,641</b>	<b>\$1,659,350</b>	<b>\$1,356,876</b>	<b>\$1,427,176</b>	<b>\$2,152,135</b>
<b>CAPITAL PROJECTS FUND</b>							
Miscellaneous			\$21,700	\$21,700	\$25,000	\$30,000	\$0
Local SIs Tax - CIP			\$120,340	\$120,340	\$528,225	\$528,225	\$528,225
Community Center MPC			\$0	\$0	\$0	\$0	\$0
Civic Center Phase II Bonds			\$0	\$3,783,896	\$0	\$0	\$0
LWCF Proceeds			\$0	\$237,307	\$0	\$0	\$0
Transfers	\$13,826,973	\$2,189,660	\$979,920	\$1,371,775	\$3,193,727	\$2,951,557	\$0
<b>TOTAL CAPITAL PROJECTS FUND</b>	<b>\$13,826,973</b>	<b>\$2,189,660</b>	<b>\$1,121,960</b>	<b>\$5,535,018</b>	<b>\$3,746,952</b>	<b>\$3,509,782</b>	<b>\$528,225</b>
<b>TOTAL ALL FUNDS</b>	<b>\$34,584,947</b>	<b>\$21,680,382</b>	<b>\$21,180,014</b>	<b>\$28,676,387</b>	<b>\$28,467,295</b>	<b>\$28,704,292</b>	<b>\$26,472,212</b>



## All Funds Expenditures

Fund/Department	FY 2001-2002 Actual	FY 2002-2003 Actual	FY 2003-2004 Actual	FY 2004-2005 Actual	FY 2005-2006 Budget	FY 2005-2006 Estimate	FY 2006-2007 Proposed
<b>GENERAL FUND</b>							
Mayor and Town Council	\$102,491	\$66,272	\$77,106	\$55,925	\$110,663	\$90,408	\$117,161
Magistrate Court	\$337,469	\$278,915	\$296,272	\$328,489	\$362,275	\$344,735	\$363,655
General and Administrative	\$1,417,654	\$1,378,657	\$845,142	\$965,527	\$1,209,308	\$1,266,981	\$1,089,755
Operational Support	\$1,513,173	\$1,688,478	\$1,769,640	\$1,728,009	\$2,701,017	\$2,171,676	\$1,475,732
Information Technology	\$213,318	\$119,130	\$137,225	\$166,356	\$361,455	\$348,447	\$434,133
Building Safety	\$524,116	\$379,879	\$548,472	\$480,559	\$652,845	\$618,178	\$695,992
Public Works	\$1,181,919	\$942,589	\$932,422	\$1,064,306	\$1,361,804	\$1,100,529	\$1,413,407
Facilities Maintenance	\$0	\$0	\$0	\$0	\$0	\$0	\$884,837
Planning and Zoning	\$347,581	\$272,798	\$212,542	\$395,875	\$742,240	\$730,888	\$818,824
Parks and Recreation	\$1,553,028	\$1,340,441	\$1,096,446	\$1,238,903	\$1,669,674	\$1,573,269	\$2,830,506
Law Enforcement	\$2,607,125	\$2,440,402	\$1,708,052	\$1,792,782	\$1,903,894	\$1,905,044	\$2,219,421
Fire Department	\$1,819,291	\$2,324,935	\$2,342,412	\$2,471,181	\$2,698,593	\$2,701,682	\$2,846,477
Community Center	\$1,023,873	\$570,926	\$383,579	\$425,294	\$484,824	\$452,420	\$528,110
Senior Services	\$0	\$0	\$40,000	\$55,000	\$174,400	\$169,705	\$203,871
Transfers	\$2,382,024	(\$152,375)	\$910,250	\$1,523,842	\$1,248,344	\$2,048,344	\$907,000
Contingency	\$38,999	\$29,539	\$10,702	\$0	\$75,000	\$0	\$119,479
<b>TOTAL GENERAL FUND</b>	<b>\$15,062,061</b>	<b>\$11,680,585</b>	<b>\$11,310,262</b>	<b>\$12,692,048</b>	<b>\$15,756,336</b>	<b>\$15,522,306</b>	<b>\$16,948,360</b>
<b>SPECIAL REVENUE FUNDS</b>							
Highway Users	\$2,011,832	\$1,278,353	\$1,400,343	\$1,559,721	\$2,387,403	\$1,474,336	\$2,779,815
AZ Commission on the Arts	\$2,500	\$2,500	\$2,500	\$0	\$0	\$0	\$0
FEMA Grant	\$0	\$0	\$0	\$0	\$50,000	\$0	\$0
ADOT Grant	\$0	\$0	\$0	\$0	\$175,000	\$0	\$0
Community Center FF&E	\$51,706	\$51,924	\$28,634	\$26,343	\$40,000	\$40,000	\$40,000
Court Special Revenue (CCEF)	\$0	\$0	\$0	\$5,067	\$30,000	\$15,000	\$15,000
Proposition 202	\$0	\$0	\$65,320	\$64,692	\$0	\$147,928	\$0
LTAFF II - RPTA	\$0	\$0	\$28,601	\$69,595	\$68,125	\$53,006	\$0
Miscellaneous Grants	\$0	\$0	\$0	\$0	\$1,437,000	\$0	\$1,500,000
<b>Total Special Revenue</b>	<b>\$2,066,038</b>	<b>\$1,332,777</b>	<b>\$1,525,398</b>	<b>\$1,725,418</b>	<b>\$4,187,528</b>	<b>\$1,730,270</b>	<b>\$4,334,815</b>
<b>Excise Tax Special Revenue</b>							
Mountain Bonds	\$520,315	\$607,411	\$637,061	\$617,532	\$645,102	\$617,532	\$563,000
MPC - Civic Center Phase II	\$0	\$0	\$0	\$255,480	\$270,000	\$255,480	\$285,000
Downtown Development	\$50,000	\$0	\$56,302	\$230,084	\$900,681	\$1,685,270	\$140,502
<b>Total Excise Tax Special Revenue</b>	<b>\$570,315</b>	<b>\$607,411</b>	<b>\$693,363</b>	<b>\$1,103,096</b>	<b>\$1,815,783</b>	<b>\$2,558,282</b>	<b>\$988,502</b>
<b>TOTAL SPECIAL REVENUE FUNDS</b>	<b>\$2,636,353</b>	<b>\$1,940,188</b>	<b>\$2,218,760</b>	<b>\$2,828,514</b>	<b>\$6,003,311</b>	<b>\$4,288,552</b>	<b>\$5,323,317</b>
<b>DEBT SERVICE FUNDS</b>							
<b>General Obligation Bonds</b>							
Bond Payment - GO	\$338,220	\$349,690	\$359,239	\$53,178	\$360,000	\$275,000	\$0
Bond Payment - Lakeside	\$142,000	\$137,500	\$132,250	\$132,500	\$125,000	\$97,375	\$0
Bond Payment - Library/Museum	\$397,075	\$382,975	\$368,425	\$295,805	\$399,000	\$304,750	\$0
Bond Payment - Mtn Preserve GO	\$402,000	\$513,200	\$500,400	\$332,595	\$499,000	\$330,000	\$0
Refunded Bonds	\$0	\$0	\$0	\$7,822,079	\$0	\$515,000	\$1,371,400
<b>Total General Obligation Bonds</b>	<b>\$1,279,295</b>	<b>\$1,383,365</b>	<b>\$1,360,314</b>	<b>\$8,636,157</b>	<b>\$1,383,000</b>	<b>\$1,522,125</b>	<b>\$1,371,400</b>
<b>Special Districts/MPC Debt Service:</b>							
Bond Payment - HURF	\$135,861	\$126,223	\$122,533	\$124,000	\$110,500	\$110,500	\$135,000
Bond Payment - Cottonwoods ID.	\$3,821	\$4,245	\$4,160	\$3,991	\$3,850	\$3,850	\$3,850
MPC - Community Center	\$392,000	\$385,022	\$377,813	\$327,228	\$387,000	\$327,228	\$387,000
Eagle Mountain CFD	\$321,526	\$512,425	\$514,814	\$494,987	\$355,600	\$321,600	\$338,100
<b>Total Special District Debt Service</b>	<b>\$853,208</b>	<b>\$1,027,915</b>	<b>\$1,019,320</b>	<b>\$950,206</b>	<b>\$856,950</b>	<b>\$763,178</b>	<b>\$863,950</b>
<b>TOTAL DEBT SERVICE FUNDS</b>	<b>\$2,132,503</b>	<b>\$2,411,280</b>	<b>\$2,379,634</b>	<b>\$9,586,363</b>	<b>\$2,239,950</b>	<b>\$2,285,303</b>	<b>\$2,235,350</b>
<b>DEVELOPMENT FEES</b>							
Law Enforcement Development Fees	\$0	\$0	\$0	\$18,033	\$16,848	\$16,848	\$0
Street Department Development Fees	\$0	\$7,000	\$201,150	\$243,342	\$295,000	\$200,000	\$0
Parks & Recreation Development Fees	\$80,954	\$0	\$0	\$306,400	\$603,700	\$175,000	\$1,428,622
Open Space Development Fees	\$0	\$14,105	\$13,049	\$137,598	\$129,800	\$54,000	\$4,000
General Government Development Fees	\$185,500	\$0	\$0	\$264,992	\$244,687	\$244,687	\$0
Fire Development Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Library Development Fees	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL DEVELOPMENT FEES</b>	<b>\$266,454</b>	<b>\$21,105</b>	<b>\$214,199</b>	<b>\$970,365</b>	<b>\$1,290,035</b>	<b>\$690,535</b>	<b>\$1,432,622</b>
<b>CAPITAL PROJECTS FUND</b>							
Civic Center Phase II	\$0	\$362,500	\$520,590	\$5,958,166	\$956,500	\$956,500	\$0
Mountain Preserve	\$13,750,000	\$0	\$45,000	\$809,253	\$206,000	\$0	\$0
Parks & Recreation	\$0	\$0	\$0	\$0	\$0	\$135,000	\$0
Streets	\$0	\$0	\$0	\$0	\$0	\$135,000	\$800,000
Capital Contingency	\$0	\$0	\$0	\$0	\$135,000	\$135,000	\$800,000
<b>TOTAL CAPITAL PROJECTS FUND</b>	<b>\$13,750,000</b>	<b>\$362,500</b>	<b>\$565,590</b>	<b>\$6,767,419</b>	<b>\$1,297,500</b>	<b>\$1,226,500</b>	<b>\$800,000</b>
<b>TOTAL ALL FUNDS</b>	<b>\$33,847,371</b>	<b>\$16,415,658</b>	<b>\$16,688,445</b>	<b>\$32,844,709</b>	<b>\$26,587,132</b>	<b>\$24,013,196</b>	<b>\$26,739,649</b>



## Budgeted Expenditure by Account Code – All Funds

	Gen Fund	Special Revenue	Development	Debt	Capital	TOTAL	% of	
	TOTALS	HURF	Funds	Fees	Service	Projects	ALL FUNDS	
							Total	
5199 Overtime	\$23,459	\$7,401	\$0				\$30,860	0.1%
5200 Wages	\$3,578,945	\$477,844	\$41,200	\$0			\$4,097,989	15.4%
5201 FICA	\$81,530	\$7,000	\$610	\$0			\$89,140	0.3%
5202 Unemployment Insurance	\$5,844	\$655	\$40	\$0			\$6,539	0.0%
5203 Employee's Health Insurance	\$391,255	\$77,212	\$3,980	\$0			\$472,447	1.8%
5204 Employee's Life Insurance	\$12,983	\$1,981	\$170	\$0			\$15,134	0.1%
5205 Employee's Dental Insurance	\$40,057	\$7,056	\$360	\$0			\$47,473	0.2%
5206 Employee's Eye Insurance	\$5,514	\$960	\$50	\$0			\$6,524	0.0%
5207 Worker's Compensation Insurance	\$78,979	\$49,771	\$160	\$0			\$128,910	0.5%
5208 Employee's Retirement Fund	\$346,789	\$53,377	\$4,530	\$0			\$404,696	1.5%
5209 Recruitment Costs	\$0	\$0	\$0	\$0			\$0	0.0%
5211 Disability Insurance	\$15,768	\$2,389	\$210	\$0			\$18,367	0.1%
<b>Total Wages &amp; Salaries</b>	<b>\$4,581,123</b>	<b>\$685,646</b>	<b>\$51,310</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,318,079</b>	<b>19.9%</b>
5901 Accounting Fees	\$15,400	\$4,500	\$0	\$0			\$19,900	0.1%
5902 Professional Fees	\$325,977	\$10,500	\$55,000	\$0			\$391,477	1.5%
5903 Legal Fees	\$349,000	\$9,250	\$0	\$0			\$358,250	1.3%
5906 Jail/Prisoner Fees	\$45,000		\$0	\$0			\$45,000	0.2%
5908 Engineering Fees	\$161,562		\$0	\$0			\$161,562	0.6%
5907 Rabies & Animal Control	\$32,000		\$0	\$0			\$32,000	0.0%
5915 Elections Expense	\$16,000		\$0	\$0			\$16,000	0.1%
5920 Intergovernmental Agreements	\$9,500		\$0	\$0			\$9,500	0.0%
5929 Special Programs - RPTA	\$14,000		\$0	\$0			\$14,000	0.1%
5930 Special Programs - Chamber	\$0		\$0	\$0			\$0	0.0%
5932 Special Programs	\$44,845	\$0	\$0	\$0			\$44,845	0.2%
5933 Youth And Teens	\$12,461		\$0	\$0			\$12,461	0.0%
5935 Sports Activities	\$42,975		\$0	\$0			\$42,975	0.2%
5936 Spec.Programs-Constituent Comm	\$83,700		\$0	\$0			\$83,700	0.3%
5939 Boys & Girls Club	\$100,000		\$0	\$0			\$100,000	0.4%
5940 Senior	\$105,695		\$0	\$0			\$105,695	0.4%
5941 McDowell Mtn Preservation	\$33,500		\$0	\$0			\$33,500	0.1%
5945 Community Benefit Programs	\$50,000		\$0	\$0			\$50,000	0.2%
5947 Tourism	\$125,000		\$0	\$0			\$125,000	0.5%
5950 Sheriff's Contract	\$2,142,421		\$0	\$0			\$2,142,421	8.0%
5955 Rural Metro Contract	\$2,746,787		\$0	\$0			\$2,746,787	10.3%
5959 FH Theater	\$50,000		\$0	\$0			\$50,000	0.2%
5980 Sales Tax Rebates	\$400,000		\$0	\$0			\$400,000	1.5%
<b>Total Contract Services</b>	<b>\$6,905,823</b>	<b>\$24,250</b>	<b>\$55,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,935,073</b>	<b>26.0%</b>
6400 Vehicle Repairs & Maintenance	\$56,550	\$36,330	\$0	\$0			\$92,880	0.3%
6402 Road Repair & Maintenance	\$0	\$194,231	\$0	\$0			\$194,231	0.7%
6403 Equipment Rental	\$4,500	\$500	\$0	\$0			\$5,000	0.0%
6404 Building Repairs & Maintenance	\$127,350	\$7,000	\$15,000	\$0			\$149,350	0.6%
6405 Office Equip. Repairs & Maint.	\$95,420	\$500	\$0	\$0			\$95,920	0.4%
6406 Major Road Improvements	\$0	\$1,410,163	\$0	\$0			\$1,410,163	5.3%
6410 Field Preparation/Maintenance	\$112,300		\$0	\$0			\$112,300	0.4%
6415 Mowing/Landscape Maintenance	\$470,939		\$0	\$0			\$470,939	1.8%
6420 DAM/WASH MAINTENANCE	\$158,622		\$0	\$0			\$158,622	0.6%
<b>Total Repairs &amp; Maintenance</b>	<b>\$1,025,681</b>	<b>\$1,648,724</b>	<b>\$15,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,689,405</b>	<b>10.1%</b>



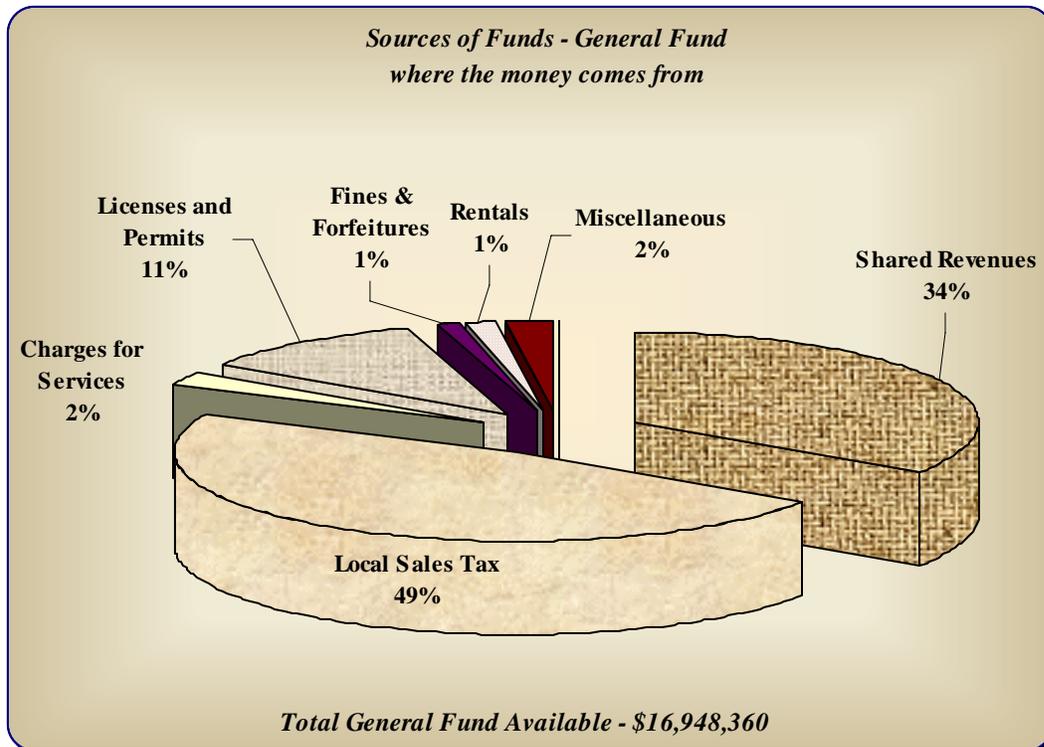
## Budgeted Expenditure by Account Code – All Funds – continued

	Gen Fund TOTALS	Special Revenue Funds	Development Fees	Debt Service	Capital Projects	TOTAL ALL FUNDS	% of Total
6501 Advertising/Signage	\$53,650	\$29,750	\$0			\$83,650	0.3%
6505 Conferences	\$74,041	\$6,190	\$0			\$84,206	0.3%
6507 Continuing Education	\$40,535	\$0	\$0			\$43,565	0.2%
6508 Dues & Publications	\$62,454	\$1,545	\$0			\$69,549	0.3%
6509 Dues - GPEC	\$0	\$0	\$0			\$0	0.0%
6511 Electricity Expense	\$363,945	\$0	\$0			\$393,945	1.5%
6514 Gas & Oil Expense	\$57,600	\$0	\$0			\$86,900	0.3%
6517 Liability Insurance	\$340,050	\$0	\$0			\$448,750	1.7%
6520 Office Supplies	\$71,770	\$562	\$0			\$73,652	0.3%
6525 Tools, Shop Supplies	\$7,400	\$0	\$0			\$12,200	0.0%
6526 Firefighting Equipment	\$18,300	\$0	\$0			\$18,300	0.1%
6529 Postage	\$27,340	\$0	\$0			\$27,340	0.1%
6530 Bar Supplies	\$14,000	\$0	\$0			\$14,000	0.1%
6531 Printing	\$36,995	\$675	\$0			\$37,870	0.1%
6534 Rent Expense	\$0	\$0	\$0			\$0	0.0%
6537 Communication Expense	\$86,858	\$600	\$0			\$92,908	0.3%
6546 Water/Sewer	\$121,462	\$0	\$0			\$125,142	0.5%
6548 Travel Expense	\$9,248	\$4,870	\$0			\$14,408	0.1%
6549 Uniforms	\$13,406	\$0	\$0			\$23,056	0.1%
6550 Weapons and Ammunition	\$0	\$0	\$0			\$0	0.0%
6560 Bank Charges	\$13,732	\$0	\$0			\$13,732	0.1%
6650 CCEF Expenditures	\$0	\$0	\$0			\$0	0.0%
Total Supplies & Services	\$1,412,786	\$44,192	\$0	\$0	\$0	\$1,663,173	6.2%
						\$0	0.0%
8010 Capital Outlay - Vehicles	\$109,200	\$0	\$0			\$139,200	0.5%
8020 Capital Outlay - Furn & Equip.	\$7,500	\$30,000	\$0			\$37,500	0.1%
8025 Capital Outlay - Computers	\$25,100	\$0	\$0			\$25,100	0.1%
8026 Capital Outlay - Software	\$135,000	\$0	\$0			\$135,000	0.5%
8030 Capital Outlay - Communications	\$18,000					\$18,000	0.1%
8090 Capital Expend. - Improvements	\$2,221,668	\$0	\$1,432,622		\$800,000	\$4,504,290	16.8%
Total Capital/Contingency	\$2,516,468	\$30,000	\$1,432,622	\$0	\$800,000	\$4,859,090	18.2%
9000 Debt Service	\$0	\$1,235,000	\$0	\$1,852,350		\$3,222,350	12.0%
9090 Transfers	\$387,000		\$0			\$387,000	1.4%
9999 Contingency	\$75,000	\$1,500,000	\$0			\$1,575,000	5.9%
Total Debt/Transfers	\$2,978,468	\$2,765,000	\$1,432,622	\$1,852,350	\$800,000	\$10,043,440	37.6%
GRAND TOTAL	\$16,948,360	\$2,930,502	\$1,432,622	\$1,852,350	\$800,000	\$26,743,649	100.0%



## General Fund Revenues

General fund operating revenues are estimated at \$16,948,360 for FY06-07. The following charts will summarize operating revenues by major source, as well as provide a ten-year history. The following charts highlight the trends, account codes, restrictions on usage, major influences, and assumptions for the FY06-07 estimate.





## State Shared Sales Tax

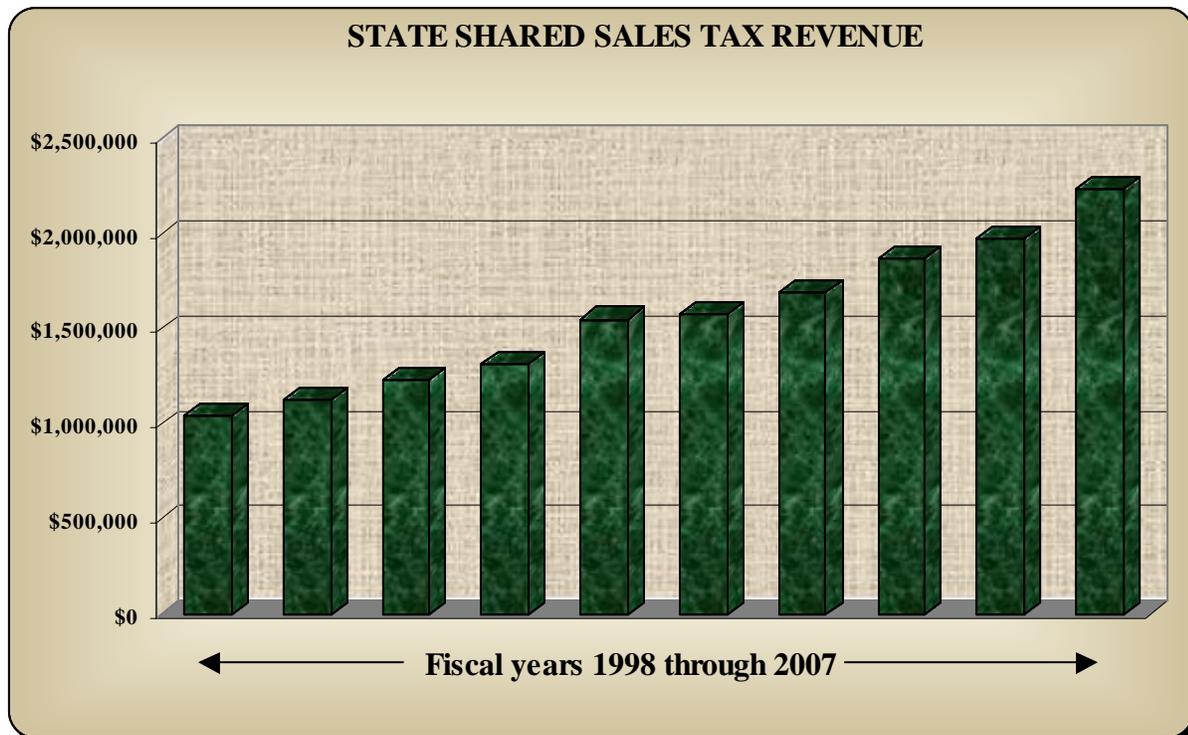
Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purposes.	1996-97	\$998,459	20.3% <sup>1</sup>
	1997-98	\$1,054,548	5.6%
	1998-99	\$1,130,422	7.2%
	1999-00	\$1,242,559	9.9%
	2000-01	\$1,320,401	6.3%
	2001-02	\$1,559,318	18.1% <sup>1</sup>
	2002-03	\$1,582,535	1.5%
	2003-04	\$1,702,374	7.6%
	2004-05	\$1,874,577	10.1%
	2005-06 (est.)	\$1,982,147	5.7%
	2006-07 (est.)	\$2,244,476	13.2% <sup>1</sup>

<sup>1</sup> Increase as a result of census population growth

### Assumptions

The State assesses a 6.3% sales tax, of which cities and towns share in the collections based on the relation of its population to the total population of all incorporated cities and towns using the 2000 census figures (Fountain Hills represents .0048% of the state total). The FY 2006-2007 revenue projection is based on the League of Arizona Cities and Towns bulletin and by the Arizona Department of Revenue forecast for Sales and Use Tax.

Major Influences: Construction Activity, Retail Sales, Population and Economy





## State Income Tax

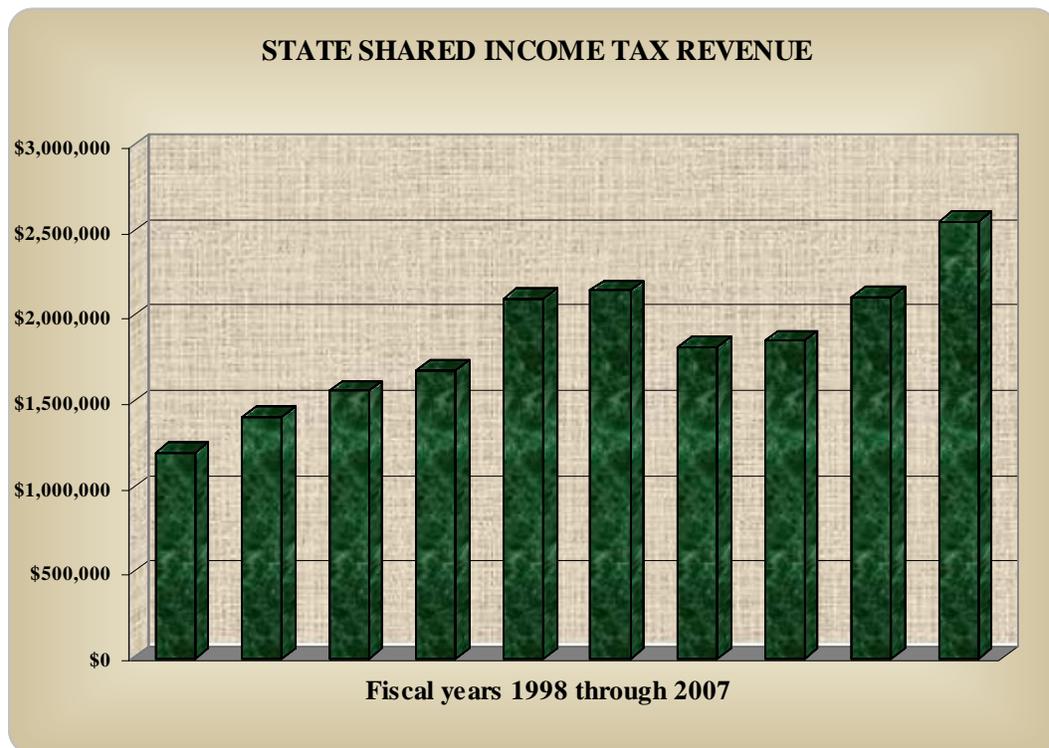
Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purposes.	1996-97	\$1,071,161	39.8% <sup>1</sup>
	1997-98	\$1,210,113	13.0%
	1998-99	\$1,412,702	16.7%
	1999-00	\$1,567,610	11.0%
	2000-01	\$1,688,004	7.7%
	2001-02	\$2,110,536	25.0% <sup>1</sup>
	2002-03	\$2,153,635	2.0%
	2003-04	\$1,826,315	-15.2%
	2004-05	\$1,860,154	1.9%
	2005-06 (est.)	\$2,117,755	13.8%
2006-07 (est.)	\$2,557,255	20.8% <sup>1</sup>	

<sup>1</sup> Increase as a result of census population growth

### Assumptions

A 1972 citizen's initiative gave the cities and towns a percentage share of the state income tax, officially called urban revenue sharing; Arizona cities and towns receive 15% of the State's income tax collections. This state shared revenue is distributed to cities and towns based on the relation of their population to the total population of all incorporated cities and towns in the state according to the latest census. Amounts distributed are based on actual income tax collections from two years prior to the fiscal year in which the Town receives the funds. The projection for FY2006-2007 by the League of Arizona Cities and Towns and the State's Joint Legislative Budget Committee (JLBC) project a 30% increase based on collections 2 years prior.

Major Influences: Personal Income, Corporate Net Profits, Population and State Policy





## Vehicle License Tax

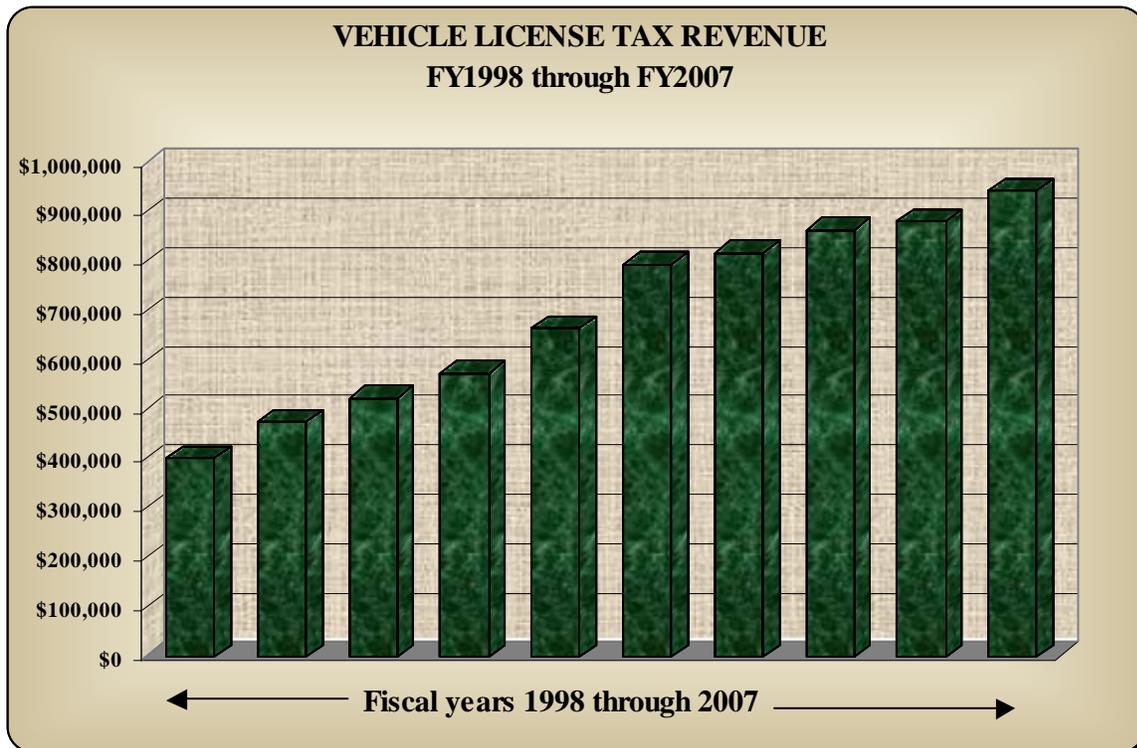
Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purposes.	1996-97	\$378,103	38.4%
	1997-98	\$403,775	6.8%
	1998-99	\$476,430	18.0%
	1999-00	\$524,796	10.2%
	2000-01	\$576,264	9.8%
	2001-02	\$667,570	15.8%
	2002-03	\$797,344	19.4%
	2003-04	\$819,497	2.8%
	2004-05	\$865,823	5.7%
	2005-06 (est.)	\$882,895	2.0%
	2006-07 (est.)	\$945,123	7.0%

Account: 3030

### Assumptions

Approximately 20% of the revenues collected for the licensing of motor vehicles is distributed to incorporated cities and towns. The Town receives its share of the vehicle license tax collections based on its population in relation to the total incorporated population of the county (0.7%). The remainder of the revenues collected are shared by schools, counties, and the state. The fiscal year 2006-2007 estimate is based on receiving 0.7% of the mid-point between Maricopa County's most likely (\$138,862,200) and pessimistic (\$131,172,962) projection.

Major Influences: Automobile sales, Population, and State Policy





## Local Sales Tax

Restrictions	Fiscal Year	Amount	Percent Change
Of the total proceeds from the 2.6% tax rate 0.4% of the revenue is restricted - 0.2% for repayment of mountain bonds purchased through the Municipal Property Corporation (MPC), 0.1% for civic center bond payments and 0.1% for Downtown Development. Excess proceeds are not restricted but must be expended for public purpose.	1996-97	\$2,664,923	65.5%
	1997-98	\$2,920,084	9.6%
	1998-99	\$3,394,152	16.2%
	1999-00	\$4,087,514	20.4%
	2000-01	\$4,923,174	20.4% <sup>1</sup>
	2001-02	\$4,355,701	-11.5%
	2002-03	\$5,051,871	16.0% <sup>1</sup>
	2003-04	\$7,733,643	53.1%
	2004-05	\$8,745,998	13.1%
	2005-06 (est.)	\$8,966,190	2.5%
	2006-07 (est.)	\$9,741,365	8.6%

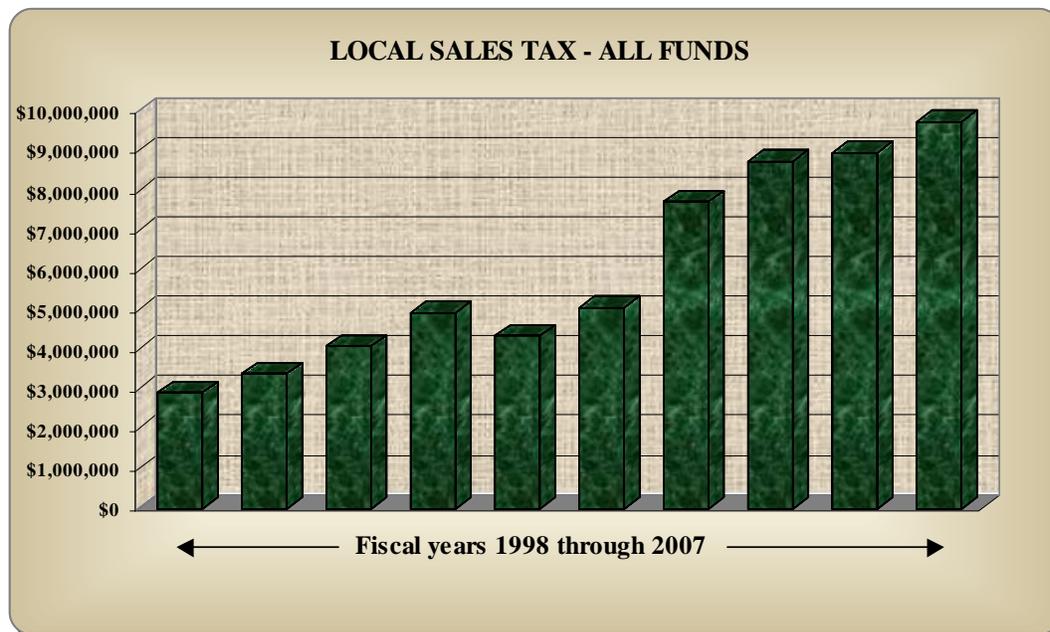
<sup>1</sup> Rate increase

### Assumptions

The local sales tax rate in Fountain Hills is 2.6% - total receipts for FY07 are estimated to be \$9,741,365. A portion of this revenue is dedicated for bond payments and downtown development; the following is a breakdown of the dedicated and non-dedicated (General Fund) projections:

Total Collections	\$9,741,365
<u>Less:</u>	
Downtown Fund	\$ 354,352
Civic Center Bonds	\$ 354,352
Mountain Bonds	\$ 708,702
Capital Projects	<u>\$ 528,225</u>
General Fund	\$7,795,734

Construction related activity contributes 24% of local sales tax revenue. Projected projects for FY06-07 consists of 150 single family units, 60 multi-family units and 12 commercial projects. Retail activity is projected to provide 41% of the total, compared to 42% in the prior year. Utilities/communications/transportation provides 13% of the total receipts. Major Influences: Economy, Construction Activity, Retail Sales, Public Policy





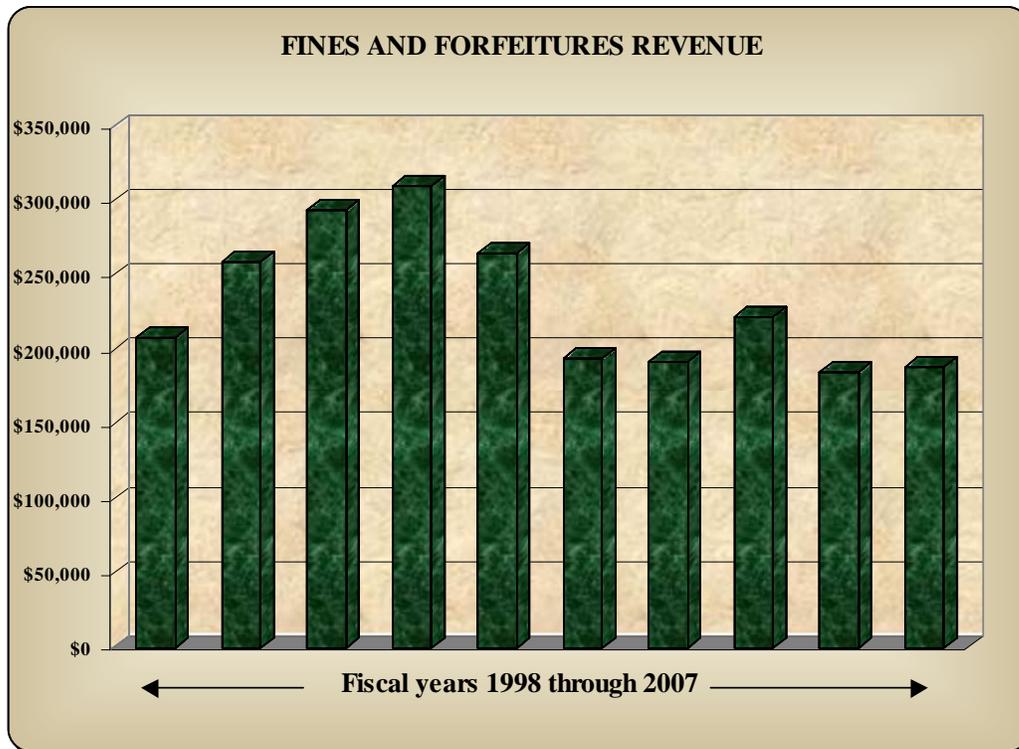
## Fines and Forfeitures

Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purpose.	1996-97	\$209,485	-0.9%
	1997-98	\$208,900	-0.3%
	1998-99	\$259,453	24.2%
	1999-00	\$293,910	13.3%
	2000-01	\$310,359	5.6%
	2001-02	\$265,605	-14.4%
	2002-03	\$195,091	-26.5%
	2003-04	\$192,158	-1.5%
	2004-05	\$222,451	15.8%
	2005-06 (est.)	\$185,000	-16.8%
	2006-07 (est.)	\$188,700	2.0%

### Assumptions

Magistrate Court fines come from traffic violations and other fines paid for the violation of municipal ordinances. The decline in fines and forfeitures beginning in fiscal year 2001-2002 is related to the elimination of duplicate law enforcement within the Town. The decrease in fines for FY2005-06 is due to a proactive measures taken by law enforcement, use of the speed trailer, public education, and general compliance within the community. The estimate for FY2006-07 is based on continued pro-active enforcement and public education.

Major Influences: Population, Enforcement, Public Policy



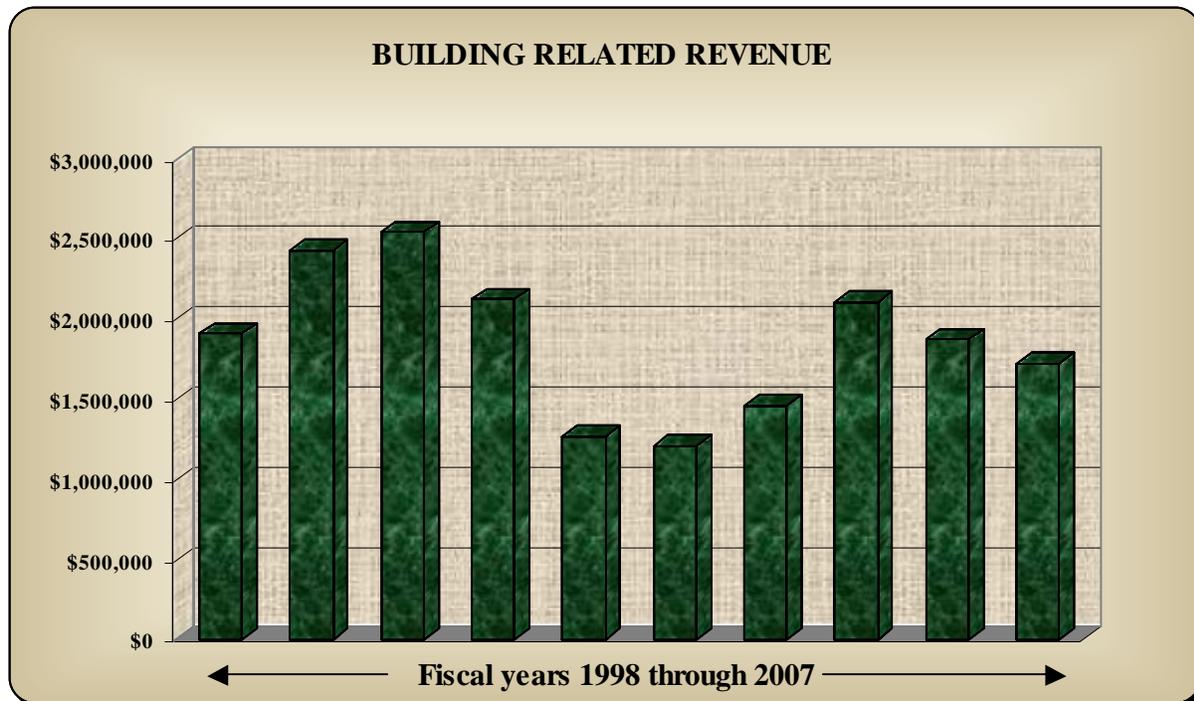


## Building Related Fees

Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purpose.	1996-97	\$1,759,326	4.2%
	1997-98	\$1,912,468	8.7%
	1998-99	\$2,433,602	27.2%
	1999-00	\$2,547,521	4.7%
	2000-01	\$2,127,305	-16.5%
	2001-02	\$1,275,891	-40.0%
	2002-03	\$1,213,553	-4.9%
	2003-04	\$1,461,030	20.4%
	2004-05	\$2,107,617	44.3%
	2005-06 (est.)	\$1,877,320	-10.9%
	2006-07 (est.)	\$1,728,080	-7.9%

### Assumptions

Revenues from this source include the fees collected from building permits, rezoning, improvement plan, encroachment and subdivision plans. The sharp decline from 2001 is due to the decrease in production home building. The remaining lots will have custom homes with higher than average valuations. The estimates for FY2006-07 are based on construction activity provided by the local developer and planning staff. The projected number of permits for next fiscal year is 150 single family (140 last fiscal year), 60 multi-family units (230 last fiscal year), and 12 commercial projects (3 last fiscal year). Projected projects for FY06-07 consists of commercial development at Fountain View Village Lot 1, El Lago Retail Center, Firerock Plaza, Peaks Fitness and Lakeview Center. Additional resort development is expected with the expansion of CopperWynd and the new Fountain Hills Resort and Spa. New industrial buildings should be constructed in Firerock Commerce Park. Eagles Landing is a new condominium project that should be finished in FY06-07.





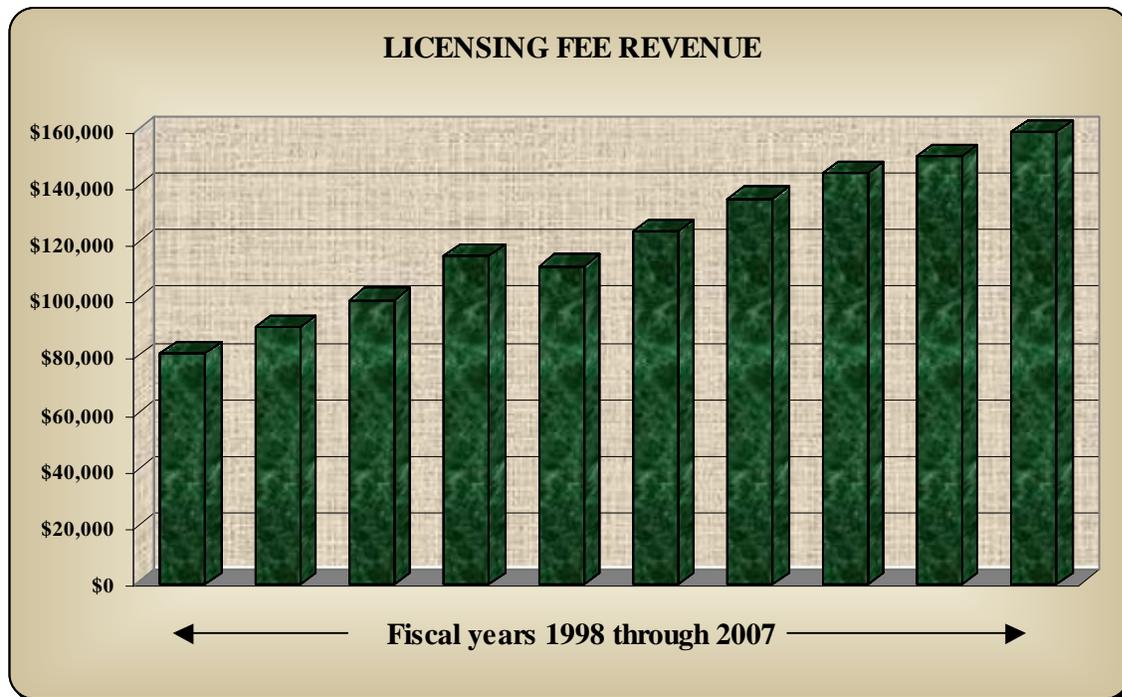
## License Fees

Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purpose.	1996-97	\$70,038	13.7%
	1997-98	\$81,125	15.8%
	1998-99	\$90,717	11.8%
	1999-00	\$100,134	10.4%
	2000-01	\$115,681	15.5%
	2001-02	\$112,173	-3.0%
	2002-03	\$124,292	10.8%
	2003-04	\$135,919	9.4%
	2004-05	\$144,785	6.5%
	2005-06 (est.)	\$151,040	4.3%
	2006-07 (est.)	\$159,394	5.5%

### Assumptions

License fees are derived from a license tax on professions, occupations, businesses and animals within the Town. The license fee is used primarily as a means of regulating businesses and animal control within the community. The estimate for FY2006-2007 is based on 2,537 active business licenses and 2,786 animal licenses. In April, 2006 the animal license fees were raised from \$25 to \$40 for non-neutered and \$10 to \$12 for sterile dogs.

Major Influences: Economy, Enforcement





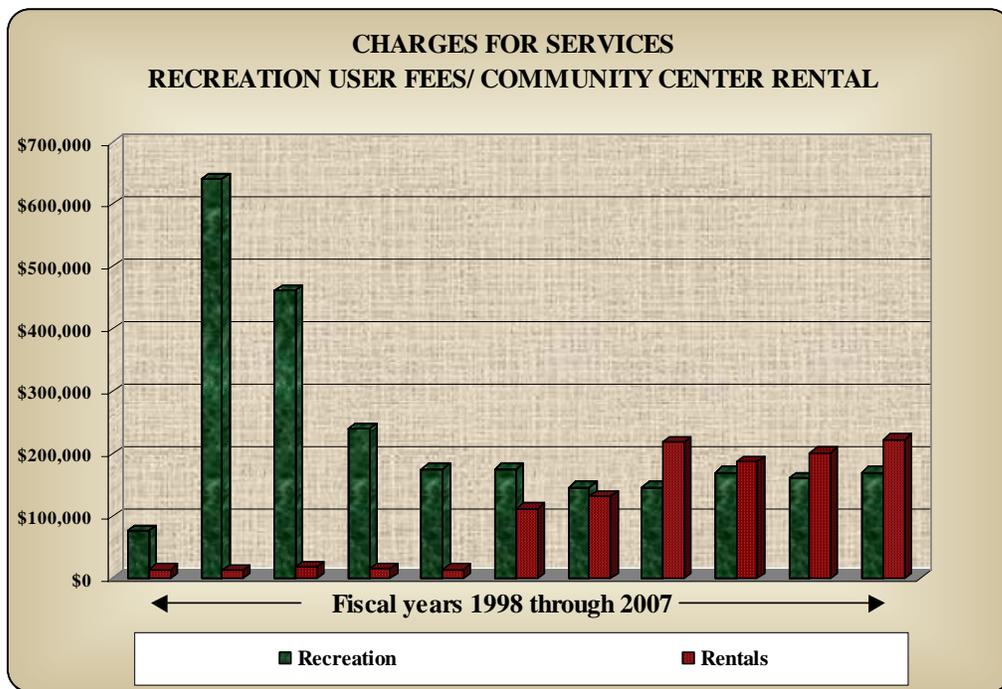
## Charges for Services

Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purpose.	1996-97	\$150,209	111.7%
	1997-98	\$656,283	336.9%
	1998-99	\$479,633	-26.9%
	1999-00	\$267,835	-44.2%
	2000-01	\$211,800	-20.9%
	2001-02	\$324,300	53.1%
	2002-03	\$341,479	5.3%
	2003-04	\$428,129	25.4%
	2004-05	\$421,546	-1.5%
	2005-06 (est.)	\$428,275	1.6%
	2006-07 (est.)	\$458,598	7.1%

### Assumptions

Charges for services are collected from users of Town facilities (parks, community center) or programs (recreation). In September 2001 a new Community Center opened providing a venue for weddings, banquets, civic meetings, etc. The increase in FY2003-2004 reflects the new rates that were implemented by the Council in April 2003. The projection for FY2007 was calculated based on the number of facility bookings that have been received and a factor for growth. During FY1997-98 the master developer in Fountain Hills transferred Fountain Park to the Town which included a monetary contribution for two years (\$700,000); that subsidy expired in FY1999-00. Additional service charges are collected from cellular providers for use of town property for their towers.

Major Influences: Population, Internal Policy on Rates





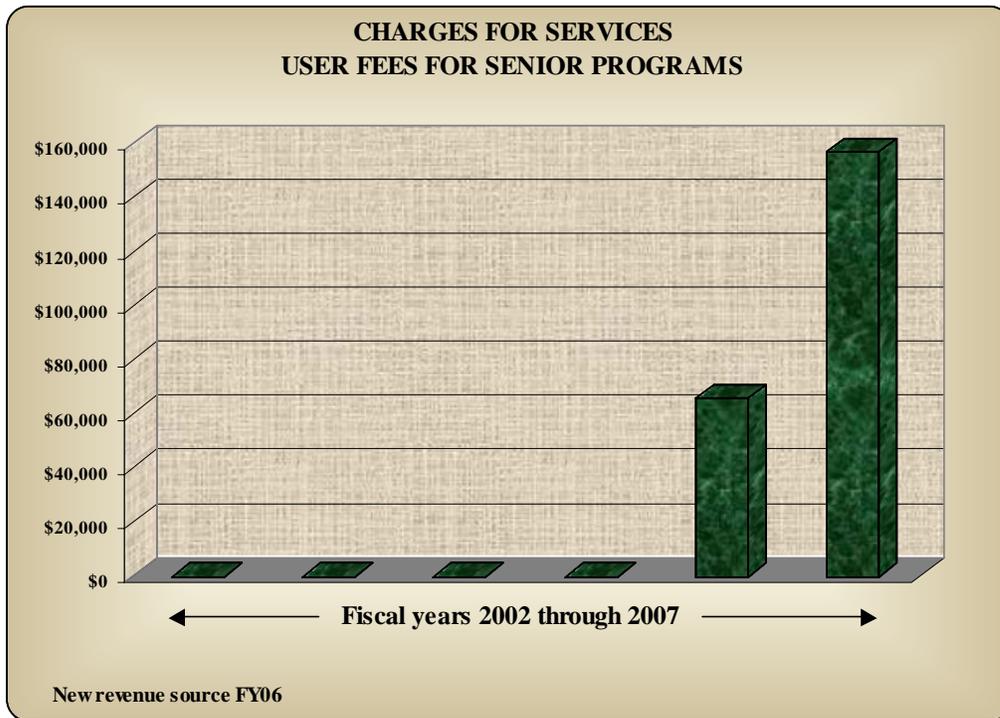
## Senior Services

Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purpose.	2001-02	\$0	
	2002-03	\$0	
	2003-04	\$0	
	2004-05	\$0	
	2005-06 (est.)	\$66,000	n/a
	2006-07 (est.)	\$157,150	138.1%

### Assumptions

The Senior Services Division is a new division within the Parks and Recreation Department starting January, 2006. Senior Services offers programs for senior citizens including home delivered meals, fitness programs, special interest classes and trips as well as social events. Revenue is derived from fees collected from participants. Projections for FY2007 are based on planned trips and programs.

Major Influences: Population, Internal Policy on Rates

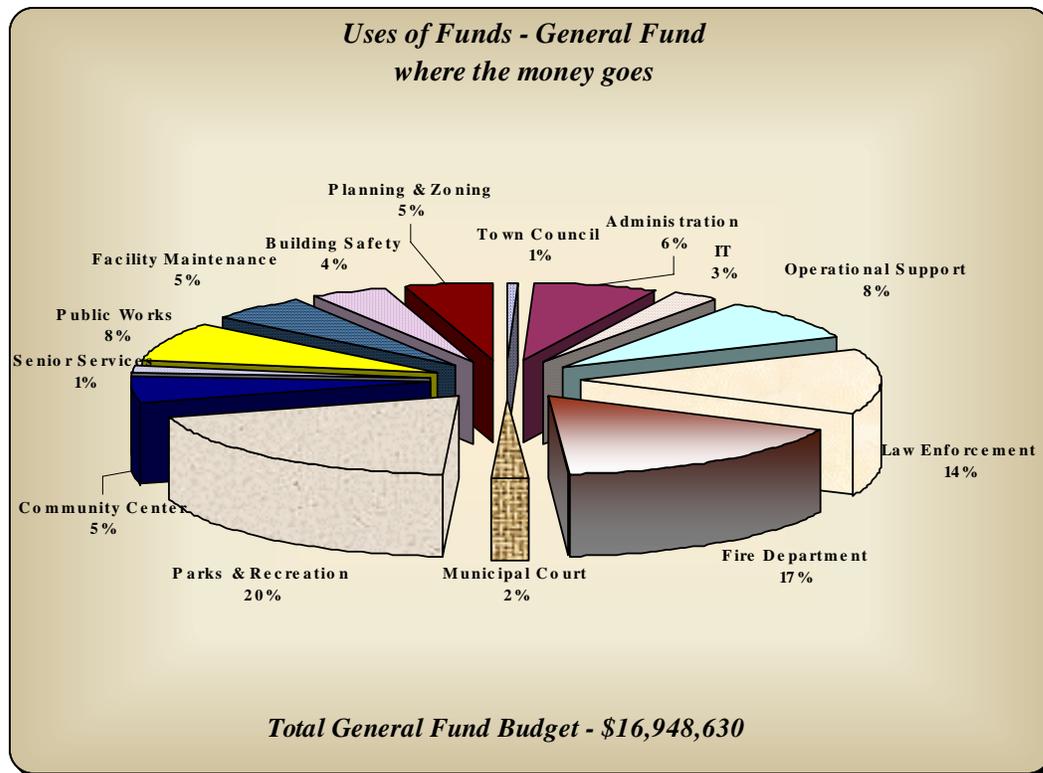




# General Fund Expenditure Summary

## TOWN OF FOUNTAIN HILLS 2006-07 GENERAL FUND EXPENDITURE SUMMARY

Department	Salaries & Benefits	Contract Services	Repairs & Maintenance	Supplies & Services	Capital Outlay	Total	% of Total
Town Council	\$40,047	\$19,500	\$0	\$57,614	\$0	\$117,161	0.7%
Administration	\$914,000	\$69,415	\$9,250	\$97,090	\$0	\$1,089,755	6.4%
IT	\$0	\$87,100	\$68,100	\$106,833	\$172,100	\$434,133	2.6%
Operational Support	\$0	\$1,087,400	\$0	\$388,332	\$0	\$1,475,732	8.7%
Law Enforcement	\$0	\$2,219,421	\$0	\$0	\$0	\$2,219,421	13.1%
Fire Department	\$0	\$2,754,287	\$38,000	\$48,190	\$6,000	\$2,846,477	16.8%
Municipal Court	\$340,700	\$6,500	\$1,000	\$15,455	\$0	\$363,655	2.1%
Parks & Recreation	\$768,690	\$180,526	\$345,896	\$279,726	\$1,775,668	\$3,350,506	19.8%
Community Center	\$391,930	\$4,600	\$18,320	\$113,260	\$387,000	\$915,110	5.4%
Senior Services	\$85,506	\$105,695	\$1,000	\$9,670	\$2,000	\$203,871	1.2%
Public Works	\$653,560	\$162,562	\$474,965	\$89,320	\$33,000	\$1,413,407	8.3%
Facility Maintenance	\$175,030	\$0	\$66,900	\$144,207	\$498,700	\$884,837	5.2%
Building Safety	\$591,100	\$45,717	\$1,250	\$28,925	\$29,000	\$695,992	4.1%
Planning & Zoning	\$620,560	\$163,100	\$1,000	\$34,164	\$0	\$818,824	4.8%
Contingency						\$119,479	0.7%
<b>GENERAL FUND TOTALS</b>	<b>\$4,581,123</b>	<b>\$6,905,823</b>	<b>\$1,025,681</b>	<b>\$1,412,786</b>	<b>\$2,903,468</b>	<b>\$16,948,360</b>	<b>100.0%</b>
% of General Fund	27.0%	40.7%	6.1%	8.3%	17.1%	100.0%	



# **Town of Fountain Hills Budget Summary by Program**

**01 - General Fund**

**020 - Mayor and Town Council Department**

**999 - No Title Location**

**999 - No Title Program**

**Total Budgeted Expenditures - \$117,161**

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## **Fountain Hills Town Council**

Mayor Wally Nichols  
Vice Mayor Jay Schlum  
Councilmember Mike Archambault  
Councilmember Ginny Dickey  
Councilmember John Kavanagh  
Councilmember Edwin Kehe  
Councilmember Keith McMahan  
Councilmember-Elect Henry Leger





## Town Council

### Mission Statement

Expenditures appearing in this section support the goals and objectives of the Mayor and Town Council, particularly those goals identified during the strategic planning process. These include:

- 1) identifying and resolving projected revenue shortfall by December 31, 2006
- 2) integrate Town and schools more closely
- 3) require low water vegetation in new developments
- 4) strictly enforce General Plan and zoning ordinances
- 5) control commercial architectural compatibility
- 6) annex state trust land

In order to accomplish these goals the Council has appropriated funds within the departmental budgets. Other goals of the Council are maximizing public access to Council meetings, providing funding for municipal elections, enhancing constituent communication, compensating and equipping the Mayor and Town Council with the tools necessary to do their jobs; and promoting communication and awareness of the Mayor, Town Council, and the Town with other municipalities.

### Salaries and Benefits

**\$40,047**

This category of expenditures includes the salary and related taxes for the Mayor and Council members. The Mayor and Town Council are paid \$600 and \$400 per month respectively without an increase in their rate of pay since June 2000.

### Contract Services

**\$19,500**

Included in this line item is an appropriation for a potential ballot initiative regarding the revenue shortfall identified as goal number 1 in the strategic plan. Funds are also included for any consulting projects that the Council may consider during the year.

### Supplies and Services

**\$57,614**

This category of expenditures provides funding to purchase commemorative items for the Mayor and Council to share with visiting dignitaries and promote Fountain Hills at the annual Arizona League of Cities and Towns conference. The conference will be held in Tucson, Arizona in September, 2006. An amount of \$2,000 has been included this year to fund participation in the Town's strong cities celebration and other community celebrations.

During January of each fiscal year, the Council attends a goal setting and strategic planning retreat to give them an opportunity to focus on issues such as budget priorities, economic development, and council relations. The Council would like to attend other functions throughout the year such as the National League of Cities conference, Maricopa Association of Government (MAG) workshops, legislative events, and seminars. The estimated cost for these events is \$6,100.

Funds are also included for reimbursement for business meetings, mileage, Town related phone calls, and miscellaneous office items.



## Summary Expenditures – Town Council

	FY 2003-2004 Actual	FY 2004-2005 Actual	FY 2005-2006 Budget	FY 2005-2006 Estimate	FY 2006-2007 Budget
SALARIES & BENEFITS	\$39,387	\$39,185	\$39,763	\$35,028	\$40,047
CONTRACTUAL SERVICES	\$23,328	\$0	\$32,000	\$30,676	\$19,500
REPAIRS & MAINTENANCE	\$0	\$0	\$0	\$0	\$0
SUPPLIES & SERVICES	\$14,393	\$16,740	\$38,900	\$24,704	\$57,614
CAPITAL EXPENDITURES	\$0	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$77,108	\$55,925	\$110,663	\$90,408	\$117,161



Arizona Governor Janet Napolitano visited the Town Council in April, 2006 and is seated at the Council dais with the Mayor Nichols and Vice Mayor Schlum (left).



**FY 2006/2007 Line Item Budget**  
**01-General Fund**  
**020-Mayor and Town Council**

		FY 03/04 Actual	FY 04/05 Actual	FY 05/06 Approve	FY05/06 Estimate	FY 06/07 Approved
	<b><u>Expenditures</u></b>					
5200	Wages and Salaries	\$36,000	\$35,600	\$36,000	\$31,600	\$36,000
5201	Employer FICA Expense	\$2,754	\$2,723	\$2,800	\$2,417	\$2,770
5202	Unemployment Insurance Expense	\$247	\$305	\$303	\$275	\$310
5207	Worker Compensation Insurance	\$386	\$557	\$660	\$736	\$967
5902	Professional Fees	\$0	\$0	\$7,000	\$3,500	\$3,500
5915	Elections Expense	\$23,328	\$0	\$25,000	\$27,176	\$16,000
6501	Advertising/Signage	\$3,541	\$6,346	\$20,000	\$7,256	\$12,700
6505	Conferences	\$198	\$1,535	\$9,000	\$8,075	\$33,741
6507	Continuing Education	\$5,667	\$6,261	\$6,000	\$5,500	\$6,100
6520	Office Supplies	\$4,099	\$1,847	\$2,200	\$2,506	\$1,825
6531	Printing	\$431	\$3	\$1,000	\$500	\$500
6537	Communications Expense	\$0	\$0	\$200	\$100	\$100
6548	Meeting Expense	<u>\$457</u>	<u>\$748</u>	<u>\$500</u>	<u>\$767</u>	<u>\$2,648</u>
<b>Total</b>		<b>\$77,108</b>	<b>\$55,925</b>	<b>\$110,663</b>	<b>\$90,408</b>	<b>\$117,161</b>

# **Town of Fountain Hills**

## **Budget Summary by Program**

**01 - General Fund**

**050 - General and Administrative Department**

**Total Budgeted Expenditures - \$1,089,755**

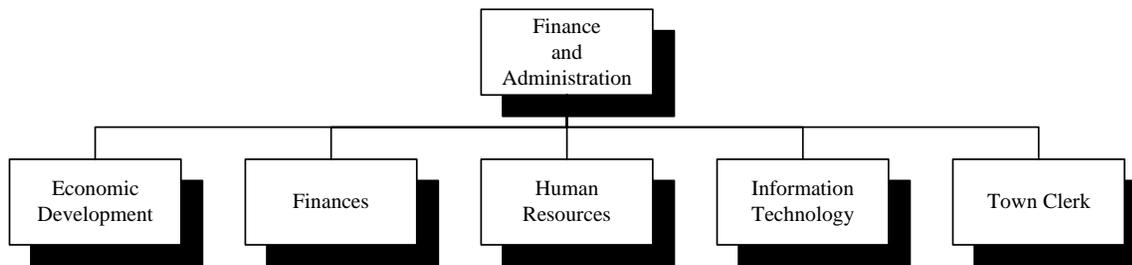
**101 - Information Technology Program**

**Total Budgeted Expenditures - \$434,133**

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## Administration



## Mission Statement

The Administration Department is dedicated to serving the citizens of Fountain Hills by providing accurate and current information on Council legislation and administrative actions; supporting the Town of Fountain Hills and its departments; providing for the delivery of comprehensive financial services to internal and external customers; protecting the integrity of Town assets; maintaining Town facilities; and delivering the finest municipal services to ensure the highest quality of life for Fountain Hills residents.

## Department Description

There are three divisions within the Administration Department that provide administrative services for the Town government – Administration, Information Technology and Operational and Community Support. The Administration division includes expenses of the Town Clerk, Town Manager, Finance and Human Resources. Information Technology includes expenses relating to computers, network, software, telephone and public information (Channel 11 and web). The Operational Support division was created for FY05-06 to segregate the non-departmental expenditures that had previously been included with the Administration Department budget. This division accounts for expenses that apply to all functions of the Town government such as legal fees, annual financial audit, liability insurance, sales tax refunds and community benefit programs.

## Performance Standards

- Issue business licenses within 10 working days
- Provide public access to Town Council legislation and ensure preservation of legal documents
- Conduct elections in accordance with current state law and facilitate the public's ability to vote
- Update the Town Code to reflect legislation enacted by the Council within 30 days
- Maintain the Town's "Certificate of Achievement for Excellence in Financial Reporting"
- Maintain the Town's "Distinguished Budget Presentation Award"
- Maintain the Town's current Aa3 bond rating
- Provide a comprehensive personnel program based on merit principles administered in compliance with applicable local, state, and federal laws
- Administer and coordinate all employee-related programs and benefits



## Management Indicators

	2004-2005 Actual	2005-2006 Estimated	2006-2007 Estimated
Number of resolutions processed	73	52	60
Number of ordinances processed	8	8	10
New business licenses	629	475	500
Business license renewals	1,465	1,600	2,100
Adopt-A-Street commercial/residential	65/59	60/59	57/59
Certificate of Achievement for Excellence in Financial Reporting Award	8 <sup>th</sup> year	9 <sup>th</sup> year	10 <sup>th</sup> year
Distinguished Budget Presentation Award	3 <sup>rd</sup> year	4 <sup>th</sup> year	5 <sup>th</sup> year
Sales tax recovered	\$31,059	\$31,059	\$744,300
Bond rating	Aa3	Aa3	Aa3

## Fiscal Year 2005-2006 Accomplishments

- Hosted a visit by the Governor's Office
- Negotiated agreement for successful annexation of 1,300 acres of State Trust Land
- Completed the Town's first strategic planning process with citizen involvement
- Formed Strategic Plan Advisory Committee (SPAC) to monitor strategic plan
- Updated twenty-year financial and capital improvement plan (CIP)
- Completed Phase II of Civic Center (new Town Hall)

## Fiscal Year 2006-2007 Objectives

- Identify and inform Fountain Hills residents of the projected long-term revenue gap
- Achieve first year goals of strategic plan
- Improve relations between the business community and the Town
- Develop and achieve an intergovernmental relations and cooperation program with neighboring communities to establish and address common issues affecting the Town, schools and community by the end of the 2006-07 school year

## Summary Expenditures – Administration (includes Information Technology)

	FY 2003-2004 Actual	FY 2004-2005 Actual	FY 2005-2006 Budget	FY 2005-2006 Estimate	FY 2006-2007 Budget
SALARIES & BENEFITS	\$681,289	\$757,396	\$945,900	\$942,542	\$914,000
CONTRACTUAL SERVICES	\$93,707	\$96,055	\$166,098	\$206,155	\$156,515
REPAIRS & MAINTENANCE	\$57,948	\$78,176	\$89,395	\$101,978	\$77,350
SUPPLIES & SERVICES	\$134,708	\$182,298	\$207,930	\$222,886	\$203,923
CAPITAL EXPENDITURES	\$163,589	\$17,705	\$160,040	\$140,867	\$172,100
<b>TOTAL EXPENDITURES</b>	<b>\$1,131,241</b>	<b>\$1,131,630</b>	<b>\$1,569,363</b>	<b>\$1,614,428</b>	<b>\$1,523,888</b>



## Authorized Personnel

Position – Title	2002-2003 Authorized FTE	2003-2004 Authorized FTE	2004-2005 Authorized FTE	2005-2006 Authorized FTE	2006-2007 Proposed FTE
Town Manager	1.00	1.00	1.00	1.00	1.00
Undesignated Position	2.00	0.00	0.00	0.00	0.00
Assistant Town Manager	0.00	0.00	0.00	1.00	1.00
Finance Director	1.00	1.00	1.00	1.00	1.00
H/R Administrator/Risk Manager	1.00	1.00	1.00	1.00	1.00
Town Clerk	1.00	1.00	1.00	1.00	1.00
Economic Development Specialist	0.00	1.00	1.00	1.00	1.00
I/T Administrator	1.00	0.00	0.00	0.00	0.00
I/T Coordinator	1.00	1.00	1.00	1.00	1.00
Executive Asst to Town Mgr/Council	1.00	1.00	1.00	1.00	1.00
Executive Assistant	1.00	0.00	0.00	0.00	0.00
Accountant	0.00	0.00	1.00	1.00	1.00
Accounting/HR Clerk	1.00	1.00	0.00	0.00	0.00
Administrative Assistant	1.00	0.00	0.00	0.00	1.00
Customer Service Rep	1.00	1.50	1.00	0.50	0.50
Accounting Clerk	0.00	0.00	1.00	1.00	1.00
Administrative Clerk	0.00	0.00	0.50	1.00	0.00
Receptionist	0.00	0.00	0.00	0.50	0.50
Administrative Intern	1.00	0.00	0.00	0.50	0.50
Economic Development Intern	0.00	0.00	0.00	0.00	0.50
I/T Intern	0.50	0.50	0.50	0.00	0.00
Authorized FTE	14.50	10.00	11.00	12.50	13.00

## Salaries and Benefits

**\$914,000**

The proposed budget recommends an increase of one .50 full-time equivalent position - the proposed position is the addition of an intern for the Economic Development division. The intern will be recruited from local and/or national colleges or universities. The intern's responsibilities will include assisting the Economic Development Specialist with business retention activities (such as the Building Bridges to Business Program), prospect management programs (such as creating and maintaining commercial property and prospect databases), and for implementing the economic development goals, which Council produced from the Strategic Plan.

The Facilities Maintenance division, formerly included within Administration, has been transferred from Operational Support to Public Works. The Facilities Supervisor and maintenance/custodial staff have also been transferred to the Public Works Department, reducing the number of staff previously included in the Administration Department (3.5 FTE's).

The employee's health insurance plan is renewed annually and coordinated by Human Resources. With the increasing costs of providing health insurance the FY06-07 budget includes an estimated 20% increase in premiums effective January 1, 2007. The Town will continue to solicit bids from providers in order to control the cost to the taxpayers.



### **Contract Services**

**\$69,415**

These funds provide for contracts with outside vendors who provide specialized functions for the Town in the areas of sales tax auditing and project consultants as directed by the Town Council, such as the strategic plan. The proposed budget includes the following:

annual cost of the contract with the sales tax auditor	\$24,000
transcription and payroll service	\$14,760
calculation of arbitrage rebate on bonds	\$15,000

Also included under contract services is an intergovernmental agreement with Maricopa County Human Services to provide a transportation service to the community with funding partially provided by a grant from RPTA (Regional Public Transportation Authority). RPTA has in prior years provided funding for both a shuttle and special transportation for qualified residents. However, that funding source has been reduced, which eliminated funding for the no charge shuttle service. Town staff is researching alternative options for continuing to offer bus or shuttle service within the Town limits for little or no charge to the customer. The special transportation service program provides free medical, social and employment trips for eligible residents (seniors, disabled, and low income) at an annual cost of approximately \$32,000. This program will continue to be funded 75% by proceeds from LTAF (Lottery) and 25% matching funds from the General Fund. The LTAF funding is dependent upon sales of lottery tickets within the state reaching \$23M, proceeds after that are distributed to cities and towns through RPTA to be used for transportation related expenses.

### **Repairs and Maintenance**

**\$9,250**

This section of the budget funds vehicle maintenance for the departments three vehicles, as well as maintenance on two Xerox copiers.

### **Supplies and Services**

**\$97,090**

This category of expenditures for the Administration Department includes routine operating costs associated with the Town Clerk, Town Manager, Finance and Human Resources functions. A summary of proposed expenses is listed below:

Conferences for town manager, town clerk, finance director (ICMA, ACMA, IEDC):	\$ 9,860
Education/Training for staff	\$12,200
Dues/Publications	
League of Arizona Cities/Towns	\$ 9,500
Greater Phoenix Economic Council	\$ 8,900
Maricopa Association of Governments	\$ 4,100
Professional memberships	\$ 9,250
Miscellaneous publications and membership dues	\$ 6,000



Office Supplies

copy paper, supplies	\$ 5,300
general office supplies (calendars, toner)	\$ 4,800
staff holiday party	\$ 6,300
employee recognition awards	\$ 5,500
meeting refreshments (water, coffee)	\$ 2,200
dog tags, budget supplies	\$ 2,100

Printing

budget, annual report	\$ 2,900
letterhead/envelopes and checks	\$ 4,400



**FY 2006/2007 Line Item Budget**  
**01-General Fund**  
**050-General and Administrative**

	FY 03/04 Actual	FY 04/05 Actual	FY 05/06 Approved	FY 05/06 Estimate	FY 06/07 Approved
<b><u>Expenditures</u></b>					
5199 Overtime	\$0	\$0	\$0	\$7,289	\$1,051
5200 Wages and Salaries	\$563,634	\$629,065	\$769,700	\$766,767	\$748,349
5201 Employer FICA Expense	\$10,477	\$14,266	\$17,500	\$16,790	\$16,000
5202 Unemployment Insurance Expense	\$814	\$1,346	\$1,200	\$1,200	\$900
5203 Employee's Health Insurance	\$37,637	\$37,518	\$59,900	\$52,185	\$54,400
5204 Employee's Life Insurance	\$1,360	\$1,675	\$2,400	\$2,106	\$2,900
5205 Employee's Dental Insurance	\$5,355	\$5,070	\$7,400	\$5,521	\$5,300
5206 Employee Vision Insurance	\$0	\$0	\$500	\$611	\$800
5207 Worker Compensation Insurance	\$5,115	\$6,384	\$8,600	\$12,143	\$3,800
5208 Employee's Retirement Expense	\$54,997	\$59,761	\$75,200	\$75,402	\$77,000
5211 Disability Insurance	\$1,900	\$2,311	\$3,500	\$2,528	\$3,500
5902 Professional Fees	\$49,900	\$83,416	\$101,710	\$97,000	\$53,760
5929 Special Programs - RPTA	\$26,772	\$0	\$22,708	\$65,000	\$14,000
5938 Emergency Management	\$1,523	\$1,851	\$1,980	\$1,655	\$1,655
6400 Vehicle Repairs & Maintenance	\$1,163	\$767	\$2,500	\$1,978	\$1,250
6405 Office Equipment Repairs &	\$8,808	\$6,568	\$8,000	\$8,000	\$8,000
6505 Conferences	\$10,874	\$12,035	\$11,750	\$11,750	\$9,860
6507 Continuing Education	\$10,409	\$18,459	\$12,300	\$1,500	\$12,200
6508 Dues & Publications	\$36,304	\$35,378	\$33,515	\$33,515	\$33,297
6514 Gas & Oil Expense	\$2,440	\$3,733	\$3,550	\$4,646	\$3,130
6520 Office Supplies	\$15,150	\$33,395	\$25,700	\$55,000	\$27,078
6531 Printing	\$4,255	\$3,121	\$7,200	\$7,200	\$7,625
6537 Communications Expense	\$0	\$5,211	\$28,995	\$28,995	\$0
6548 Meeting Expense	\$3,893	\$3,944	\$2,100	\$7,200	\$3,900
<b>Total</b>	<b>\$853,042</b>	<b>\$965,527</b>	<b>\$1,209,308</b>	<b>\$1,266,981</b>	<b>\$1,089,755</b>



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# **Town of Fountain Hills Budget Summary by Program**

**01 - General Fund**

**050 - General and Administrative Department**

**105 - Operational Support Program**

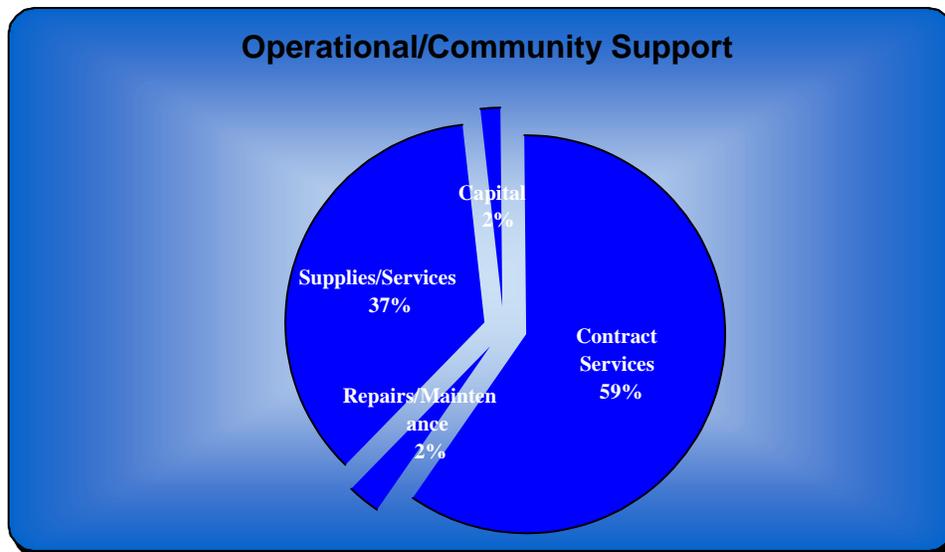
**Total Budgeted Expenditures -        \$1,475,732**

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## Operational & Community Support Division

This division was created in FY05-06 to include expenses previously included within the Administration Department that are applicable to all functions of the Town government. The types of expenses included within this division are overhead type costs and represents 18% of the General Fund budget.



### Contract Services

**\$1,087,400**

These funds provide for contracts with outside vendors who provide specialized functions for the Town that are applicable to all departments.

### Accounting Fees and Professional/Outside Services \$15,400

The Town is required by law to have an annual audit conducted by an independent auditor at the end of each fiscal year. The FY05-06 audit will be conducted in September, 2006, with a report to the Council in mid-October.

### Legal Fees

Legal fees include the services of the town attorney, town prosecutor, and specialized legal services, if required, for bond transactions, employment issues, tax claims or other unanticipated legal services. The FY06-07 budget contains the following estimated legal fees:

Town attorney	\$184,500
Town prosecutor	\$110,000
Sales tax refund claim	\$ 50,000
Public defender, unanticipated legal costs, etc.	<u>\$ 2,500</u>
<b>Total</b>	<b>\$347,000</b>

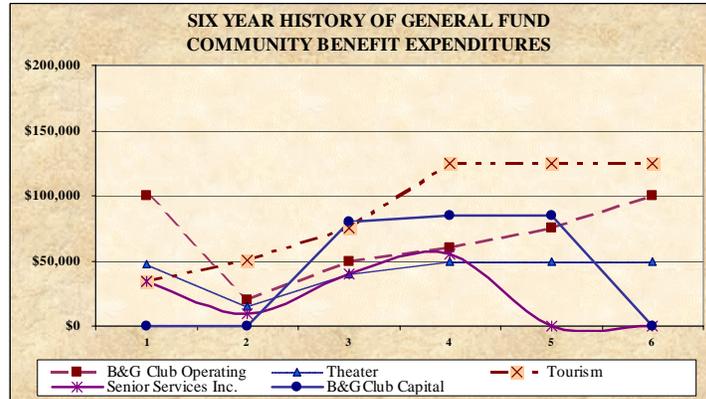


**Community Benefit and Special Programs**

Each fiscal year the Town of Fountain Hills receives requests from various community organizations to support their organizations by including funding in the proposed budget. The requests received for FY06-07 and the amounts are as follows:

**Fiscal Year 2006-2007 Requests:**

Boys & Girls Club (operating)	\$100,000
Community Benefits	\$ 50,000
Community Theater	\$ 50,000
Tourism Bureau	<u>\$125,000</u>
<b>Total</b>	<b>\$325,000</b>



**Sales Tax Rebates/Refunds**

\$400,000

The Town has received a request for refund of local sales taxes previously paid; the claim was rejected by the Town and has been appealed by the taxpayers. A budget appropriation has been included in the event that the Town is not successful in the appeal.

**Supplies and Services**

**\$388,332**

This category of expenditures includes all routine operating costs associated with the Town governmental functions. Operational & Community Support serves all other departments in the areas of public notices, postage, bank charges, and liability insurance costs.

Advertising

The annual cost of placing meeting notices, the annual budget, resolutions, and ordinances in the local newspaper, includes costs associated with employee recognition and service awards. The following is a breakdown of the costs:

Public notices, resolutions etc.	\$2,500
Employment ads	\$1,000
Recognition and service awards:	\$6,950
Miscellaneous promotional items, notices	\$1,500

Liability Insurance

\$340,050

The Town of Fountain Hills is a member of the Arizona Municipal Risk Retention Pool (AMRRP), which provides municipal insurance to most Arizona cities and towns. The limit for basic coverage is \$2,000,000 per occurrence on a claims-made basis with excess coverage in the amount of \$8,000,000 is included in the premium. The anticipated increase in insurance includes coverage for land use liability, liquor liability (for the community center), commuting coverage and deductibles. The Town's coverage maintains a \$10,000 per occurrence deductible; the budget includes funds for one claim that the Pool settles on behalf of the Town, as well as \$5,000 for additional endorsements for any equipment added.



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### Rent Expense

In prior fiscal years the budget included an appropriation to lease three buildings that housed Town Hall (approximately \$600,000, including utilities and maintenance). The construction of the new Town Hall will provide an estimated \$34M in savings to taxpayers over the next 34 years by virtue of owning the building, as opposed to continuing to lease. The Town Hall will also add another asset that the taxpayers will benefit from.



**FY 2006/2007 Line Item Budget  
01-General Fund  
050-General and Administrative**

	FY 03/04 Actual	FY 04/05 Actual	FY 05/06 Approved	FY 05/06 Estimate	FY 06/07 Approved	
<b>Program 105-Operational Support</b>						
<b><u>Expenditures</u></b>						
5901	Accounting Fees	\$13,040	\$14,962	\$15,025	\$16,300	\$15,400
5903	Legal Fees	\$360,794	\$358,202	\$350,860	\$350,860	\$347,000
5939	Boys & Girls Club	\$130,000	\$145,000	\$160,000	\$160,000	\$100,000
5945	Community Benefit Programs	\$0	\$0	\$0	\$0	\$50,000
5959	Fountain Hills Theater	\$15,000	\$40,000	\$50,000	\$50,000	\$50,000
5947	Tourism	\$50,677	\$75,500	\$125,000	\$125,000	\$125,000
5980	Sales Tax Rebates	\$309,385	\$388,125	\$877,750	\$185,000	\$400,000
6404	Building Repairs & Maintenance	\$51,397	\$43,089	\$65,650	\$65,650	\$0
6501	Advertising/Signage	\$6,353	\$8,340	\$11,950	\$13,451	\$13,950
6511	Electricity Expense	\$157,190	\$127,991	\$76,700	\$141,244	\$0
6517	Liability Insurance	\$253,996	\$270,721	\$221,382	\$302,500	\$340,050
6529	Postage	\$15,258	\$18,491	\$28,700	\$15,000	\$27,340
6534	Rent Expense	\$385,421	\$215,600	\$659,000	\$683,339	\$0
6546	Water/Sewer	\$18,419	\$19,396	\$9,300	\$11,772	\$0
6560	Bank Charges	\$2,712	\$2,592	\$4,700	\$6,560	\$6,992
8090	Capital Outlay - Improvements	<u>\$0</u>	<u>\$0</u>	<u>\$45,000</u>	<u>\$45,000</u>	<u>\$0</u>
<b>Total - Operational Support</b>		<b>\$1,769,642</b>	<b>\$1,728,009</b>	<b>\$2,701,017</b>	<b>\$2,171,676</b>	<b>\$1,475,732</b>

# **Town of Fountain Hills Budget Summary by Program**

**01 - General Fund**

**050 - General and Administrative Department**

**101 - Information Technology Program**

**Total Budgeted Expenditures - \$434,133**

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## Information Technology Division



### Mission Statement

The mission of the Information Technology Division is to work in partnership with the Town staff, facilitating their use of computing, telephone, and network technologies. The division also endeavors to provide excellent information technology, internal and external customer support, and resources to enable and encourage staff to effectively use technology to achieve Town-wide missions and strategic goals.

### Division Description

Information Technology (I/T Division) functions are incorporated within the Administration Department but the appropriation is shown separately to highlight the total investment in technology. Responsibilities include all aspects of Information Technology: computers, the Internet, Town website, local and wide-area networks, inter-networking, voice and data communications systems, and cablecast technologies (Channel 11). All hardware and software requests in this section are based on departmental requests.

### Performance Standards

- Coordinate and implement technology related purchases and processes Town-wide.
- Enhance the functionality of the Information Technology division.
- Expand and enhance internal training programs.
- Act as technology consultant and coordinator for Town departments to aid in identification, selection, and implementation of technology driven or assisted needs.
- Develop enterprise-wide technology architecture to drive standards that enable information sharing and maximize return on technology investments.
- Provide strategic I/T services and serve as an enabler to improve the delivery of Town services and improve the efficiency, productivity, and financial performance of Town operations.



## Management Indicators

	<u>FY06 Actual</u>	<u>FY07 Estimates</u>
Training Programs offered	3	4
Documented Service Requests	1,300	1,500
Average Time to Resolve	48 hrs	24 hrs

## Fiscal Year 2005-2006 Accomplishments

- Relocated all workstations, servers, and network equipment to new town hall. All services were restored less than 48 hours after the start of the move.
- Created first ever two-year Information Technology Plan for the Town of Fountain Hills, outlining the overall objectives of Information Technology Division, hardware replacement schedule, and long-range goals.
- Increased network reliability and minimized downtime by implementing server replacement and upgrade schedules.
- Installed Blackberry Enterprise Server to increase staff productivity through mobile access to data, email, and town network.

## Fiscal Year 2006-2007 Objectives

- Replace outdated workstations with latest computer equipment to improve staff efficiency and minimize downtime.
- Redesign Town's website with new look, easy navigation, and E-Government applications, including online payments.
- Purchase and implement a municipal software package with financial, permitting, licensing, and GIS capabilities.
- Improve Code Enforcement effectiveness and efficiency by installing laptops with mobile data service in vehicles.

## Salaries and Benefits

The I/T division currently has one Information Technology Coordinator. The position is appropriated within the Administration Department. There are no new positions for information technology in the upcoming fiscal year.

## Contract Services

**\$87,100**

Under the direction of the new office of Assistant Town Manager the Information Technology Division will expand its constituent communication program by contracting for additional cameras during Council meetings to offer multiple angles. The annual contract for videotaping the meetings is estimated to be \$30,800. Additionally the Town will produce four video programs in a series entitled "Sharing Our Town" at a cost of \$8,000 and continue printing and distributing the Compass newsletter bi-monthly for an estimated \$35,500. The newsletter is a valuable tool that the Public Information Office uses to provide the public with accurate information from the Town to its citizens.



An amount of \$4,800 is included in this budget for an outside contractor to assist with improvements to the town servers and website to provide more citizen access to public information.

### **Repairs and Maintenance**

**\$68,100**

The Information Technology budget includes costs for required maintenance and service on all Town-owned computer hardware and software, including annual software maintenance agreements and pay-per-call service calls for the various programs. The proposed repairs and maintenance budget follows:

#### **Information Technology Division Repairs & Maintenance FY 2006-2007**

Computer repairs, maintenance contracts for hardware and software support	\$23,000
Support for servers (12) (RAID arrays)	\$6,500
Scheduled server replacement (2 servers)	\$7,000
Virus protection maintenance (83 users)	\$2,475
Public Information Group	\$2,500
Channel 11 equipment upgrade, maintenance for AutoDesk	\$4,000
Software support for program registration and facility booking program	\$12,700
Fleet vehicle maintenance software support	\$1,400
Intersection software upgrade	\$ 1,000
Firehouse annual support	\$700
AutoCAD Upgrade, Maintenance	\$3,500
Annual Support and Upgrades	\$3,331

### **Supplies and Services**

**\$106,833**

Two conferences are included within this budget – the Assistant Town Manager will attend the Arizona City Management Association winter and summer conferences for \$2,200 each. The Information Technology Coordinator plans to attend the Federal Office Systems Expo in Washington, DC this year. Additional funding is proposed for the Assistant Manager and I/T staff to take professional development/certification courses that will enhance the level of service to the public and the staff (\$3,000).

The citizens of Fountain Hills, through the Strategic Plan, included Intergovernmental relations as one of the priorities for the community. The budget includes funding for the Town to facilitate meetings with governing boards of the City of Scottsdale, Fort McDowell Yavapai Nation, the Fountain Hills School Board and the Town of Fountain Hills that will become part of an annual program of intergovernmental relations at a cost of \$5,700.



The Public Information Office has also included printing of a potential ballot initiative should the Council decide to propose a primary property tax to the voters in May, 2007 at a cost of \$15,000.

Under dues/publications the Town pays a subscription service to ASU and Qwest for the Internet connection at an annual amount of \$7,500, as well as \$5,400 for the annual subscription to the code enforcement software.

The I/T division is responsible for all costs associated with telecommunications, networking, and telephone service. The monthly line charges through Qwest, ASU (internet), Muzak, and others comprise the majority of this category at approximately \$63,000.

**Capital Expenditures** **172,100**

Proposed in the FY06-07 budget is the following new equipment and computers:

Badge printer (1)	\$ 3,000
Ruggedized laptops for fire prevention services	\$ 4,600
Scheduled equipment replacement – 15 desktop units	\$ 12,000
Mobile computing equipment for code enforcement	\$ 5,500

The proposed budget includes funds for purchasing financial/municipal software that will integrate the accounting, licensing, and permitting functions. Currently each function has a stand-alone software package and manual processes are necessary to record the information into the financial records. The long-term goal would be to migrate towards the ability to have the Town's financial, building, zoning, etc. information on one system and provide GIS capability. Total software requirements for all the departments include the following:

Digital signature software (new)	\$ 5,000
New permit, licensing and financial software	\$100,000
Upgrade Office software to 2003	\$ 21,000
Business software for economic development	\$ 4,800
Wide Area Network (WAN) for Streets and Fire Department	\$ 12,000



**FY 2006/2007 Line Item Budget**  
**01-General Fund**  
**050-General and Administrative**

	FY 03/04 Actual	FY 04/05 Actual	FY 05/06 Approved	FY 05/06 Estimate	FY 06/07 Approved
<b>Program 101-Information Technology</b>					
<i><u>Expenditures</u></i>					
5902 Professional Fees	\$2,875	\$0	\$2,000	\$5,500	\$4,800
5936 Constituent Communications	\$12,637	\$10,788	\$37,700	\$37,000	\$82,300
6405 Office Equipment Repairs &	\$47,977	\$70,841	\$78,895	\$92,000	\$68,100
6505 Conferences	\$0	\$0	\$2,600		\$4,400
6507 Continuing Education	\$4,450	\$3,339	\$4,600	\$2,000	\$3,000
6508 Dues & Publications	\$7,430	\$15,535	\$13,490	\$12,000	\$13,200
6520 Office Supplies	\$1,141	\$1,123	\$4,280	\$4,280	\$2,250
6529 Postage	\$0	\$0	\$0	\$0	\$0
6531 Printing	\$0	\$0	\$2,000	\$0	\$15,000
6537 Communications Expense	\$46,262	\$47,025	\$55,850	\$54,800	\$68,983
8020 Capital Outlay - Furniture &	\$0	\$0	\$80,000	\$69,257	\$3,000
8025 Capital Outlay - Computers	\$3,989	\$9,367	\$44,500	\$41,610	\$22,100
8026 Capital Outlay - Software	\$10,463	\$8,338	\$35,540	\$30,000	\$135,000
8030 Capital Outlay - Communications	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$12,000</u>
<b>Total - Information Technology</b>	<b>\$137,224</b>	<b>\$166,356</b>	<b>\$361,455</b>	<b>\$348,447</b>	<b>\$434,133</b>

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# **Town of Fountain Hills Budget Summary by Program**

**01 - General Fund**

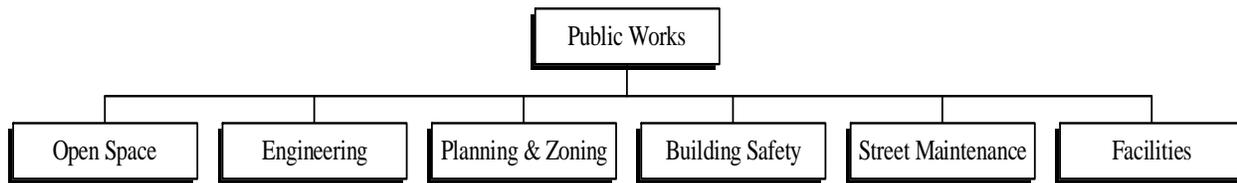
**061 - Public Works Department**

**Total Budgeted Expenditures - \$1,413,407**

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## PUBLIC WORKS DEPARTMENT



### Mission Statement

The Public Works Department's mission is to express and enhance the beauty, value, and quality of the environment by operating and maintaining public grounds, dams, medians, natural washes and open space, as well as protecting the health, safety, and well being of the public by assuring properly designed and constructed infrastructure, correct property transfers, quality mapping, and excellent customer service.

### Department Description

The Open Space and Engineering Divisions are responsible for the operation and maintenance of Town-owned wash parcels, open space, dams, public grounds and median landscaping. The department is responsible for six ADWR jurisdictional dams and numerous smaller dams. The department maintains landscaping at all Town-owned buildings and facilities (except public parks), including Town Hall, Community Center/Library, two fire stations, Community Theatre buildings, and the street yard.

Engineering processes, reviews, permits and inspects encroachment permits, including subdivision plans, "off-site" improvement plans and utility cuts. Engineering supports Building Safety by reviewing and inspecting site work plans for building permits. Engineering also supports the Planning Division by technical review of area specific plans, rezonings, preliminary plats, special use permits and other land use matters. Public Works is responsible for all right-of-way capital projects including streets, traffic, drainage and landscaping, and it provides technical support for park and building projects. It provides project planning, design and drafting (or design contract management and plan review), construction inspection and contract administration. The division also handles all street related construction maintenance contracts, including their design, layout and inspection.

The Facilities Division is responsible for maintenance of all Town-owned buildings.

### PERFORMANCE STANDARDS:

- Provide information to the public regarding the medians, dams, preservation areas and washes.
- Provide a high level of median maintenance, recognizing that medians are a very important element of the "first impression" people have of Fountain Hills.
- Inspect all dams quarterly (State inspection annually).
- Provide a customer friendly environment for citizen and developer access to services.
- Provide technical input to the Town Council and advisory commissions as requested.
- Assist Planning & Zoning with technical support of the annexation process of State Trust Land.



<b>Management Indicators:</b>	2004-05	2005-06	2006-07
	<u>Actual</u>	<u>Estimates</u>	<u>Projected</u>
<u>Engineering Plan review time (1<sup>st</sup> submittal) goal</u>			
• Single family residence: 20 working days	90%	90%	90%
• Commercial: 15 working days	90%	90%	90%
• Subdivision: 20 working days	90%	90%	90%
• Utility: 5 working days	90%	90%	90%
• Easement abandonments: 35 working days (including Council action)	80%	80%	80%
	2004-05	2005-06	2006-07
	<u>Estimates</u>	<u>Estimates</u>	<u>Projected</u>
Town owned maintained property	1529 acres	1529 acres	1529
Wash management program	51.4 acres	63.3 acres	64.8 acres

Note: Acres can vary depending on density of vegetation

**Fiscal Year 2005-2006 Accomplishments**

- Submitted the Stormwater Management Plan to ADEQ and EPA for municipal stormwater discharges.
- Continued the wash management program at various locations where fire hazards existed.
- Reviewed site plans for building permits, subdivision preliminary plats and condo replats.
- Reviewed, permitted and inspected utility permit requests.
- Reviewed and processed easement and right-of-way abandonments and acquisitions.

**Fiscal Year 2006-2007 Objectives:**

- Fulfill the first six requirements of the Stormwater Management Plan as required by the Arizona Department of Environmental Quality (ADEQ) and Environmental Protection Agency (EPA).
- Provide wash management at urgent and moderate fire hazard areas in coordination with the Fire Department requests.
- Provide capital project planning, design and construction consistent with the budget.
- Complete traffic signal warrant study and design of highest priority signal.

**Summary Expenditures – Public Works**

	<b>FY 2003-2004 Actual</b>	<b>FY 2004-2005 Actual</b>	<b>FY 2005-2006 Budget</b>	<b>FY 2005-2006 Estimate</b>	<b>FY 2006-2007 Budget</b>
SALARIES & BENEFITS	\$558,794	\$664,509	\$605,870	\$532,387	\$828,590
CONTRACTUAL SERVICES	\$41,787	\$37,723	\$187,025	\$51,000	\$162,562
REPAIRS & MAINTENANCE	\$263,052	\$282,336	\$447,185	\$415,175	\$540,615
SUPPLIES & SERVICES	\$68,789	\$79,738	\$91,724	\$70,967	\$230,582
CAPITAL EXPENDITURES	\$0	\$0	\$30,000	\$31,000	\$531,700
<b>TOTAL EXPENDITURES</b>	<b>\$932,422</b>	<b>\$1,064,306</b>	<b>\$1,361,804</b>	<b>\$1,100,529</b>	<b>\$2,294,049</b>



**Schedule of Authorized Positions**

Position – Title	2002-2003 Authorized FTE	2003-2004 Authorized FTE	2004-2005 Authorized FTE	2005-2006 Authorized FTE	2006-2007 Proposed FTE
<b>Public Works</b>					
Public Works Director	1.00	1.00	1.00	1.00	1.00
Town Engineer	1.00	1.00	1.00	1.00	1.00
Senior Civil Engineer	1.00	1.00	1.00	0.00	0.00
Civil Engineer	1.00	1.00	1.00	2.00	2.00
Senior Civil Engineer Inspector	0.00	0.00	1.00	1.00	1.00
Facilities Supervisor	1.00	1.00	1.00	1.00	1.00
Civil Engineer Inspector	2.00	1.00	1.00	1.00	1.00
Open Space & Landscape Spec.	1.00	1.00	1.00	1.00	1.00
Executive Assistant	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	0.00	0.00	0.00	0.00
Facilities Maintenance Tech	0.00	0.00	1.00	1.00	1.00
Maintenance/Custodial Worker	1.00	1.00	0.50	0.50	0.50
Custodian	2.00	1.50	1.00	1.00	1.00
<b>Authorized FTE</b>	<b>13.00</b>	<b>10.50</b>	<b>11.50</b>	<b>11.50</b>	<b>11.50</b>

**Salaries and Benefits**

**\$653,560**

The Public Works Department has assumed the Facilities Division staff and responsibilities from the Administration/Operational Support Division. Currently there are 8 full-time positions in the Public Works Department with 3.5 transferred from the Facilities Maintenance Division.

**Contract Services**

**\$162,562**

Engineering regularly contracts with design professionals (traffic engineers, land surveyors, architects and landscape architects) for services. These contracts provide disciplines and special expertise that are not available among the Town’s regular staff; provide technical manpower for major projects; and can provide a reserve of technical manpower during overflow time periods.

Two Federal-aid grant projects start design this upcoming year - they consist of:

- climbing lane on westbound Shea from Fountain Hills Boulevard to Palisades (\$58,400)
- paving existing alley from Colony Drive to Desert Vista (\$36,642)

Other anticipated projects for FY06-07 are:

- Traffic Engineer for signal design at Sunridge/Palisades & Palomino/Palisades - \$30,000
- Traffic Engineer for traffic options analysis (Avenue of the Fountains/La Montana) - \$30,000
- Surveying Services for traffic related issues - \$3,000.
- Contribution to floodplain management, appraisals and mylar scanning - \$3,500



## Repairs and Maintenance:

**\$474,965**

Vehicle Repairs and Maintenance (\$3,600) - the division has six assigned vehicles; one for the department director, two for engineering inspectors, one for the open space and landscape specialist, and two for field work and also pool vehicles for all Town staff.

Median Landscape Maintenance (\$312,743) - this line item has been increased significantly from prior years due to an increase in median maintenance. Staff believes that two full-time crews are necessary to maintain our medians and town-owned property up to standards.

The request for median landscape maintenance covers:

- Mowing, aeration, fertilizer and application, scalp, vacuum, dispose of clippings, mulch, overseed (\$18,669)
- Landscape maintenance-4,048 hours, spraying pre-emergent (surflan) and post-emergent (roundup) twice a year, irrigation technician (\$256,220)
- Irrigation repair parts \$2,105)
- Palm tree trimming (\$11,856)
- Tree trimming-50 trees (\$1,375)
- Annual backflow assembly inspection and repairs (required by law) (\$2,000)
- Fountain maintenance/supplies - this work is done in-house and includes chlorine, algaecide, shock treatment, pump/motor maintenance and cleaning bronze statues (\$9,868)
- Irrigation renovation (three solar devices) on Palisades Blvd from Fountain Hills to Shea (\$10,650)

Dam/Wash Maintenance (\$158,622) – this line item includes fire hazard, drainage control, trash and dumping removal in the wash and preservation areas. Total open space, including washes and dams is 1,442 acres. The majority of this budgeted expenditure is for wash cleanup (see map behind this section – 64.77 acres for urgent fire hazard removal areas during next fall, winter, and spring. Also included is maintenance of items required at the six Town-owned jurisdictional dams (\$3,000) as required by Arizona Department of Water Resources.

The request for dam and wash maintenance includes:

- Bridge inspections performed by ADOT on box culverts and CMP's and the removal of sediment and vegetation (\$3,000)
- Dam inspections by ADWR and the required cleanup and maintenance (\$7,313)
- Wash maintenance: To minimize any drainage problems and maximize fire protection, we propose to work in 7 washes: Total area is 64.77 acres. (\$132,967)
- After the cutting and removal of debris from the washes, a post-emergent spray is applied to prevent re-growth of vegetation not indigenous to the area. The spraying and labor is estimated at \$12,742.
- Re-vegetation of native plant material (seed) is applied - done in-house. Cost of the seed is estimated at \$1,600.



### **SUPPLIES AND SERVICES**

**\$89,320**

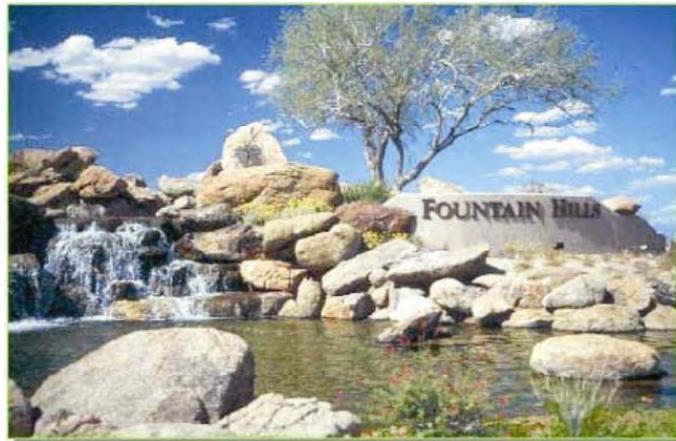
This item includes water, electricity, advertising, education and training, dues and publications, fuel costs, office supplies, tool and shop supplies, printing, communication expenses, travel expenses and uniforms. The water is for irrigation of medians, fountains and other Town-owned properties.

Electricity for water features is estimated at \$12,420, while water estimates are \$52,000.

### **CAPITAL OUTLAY**

**\$33,000**

The Town's fleet replacement policy specifies that vehicles with 100,000 miles or 10 years of age be replaced. The department's 1998 Chevrolet pickup will be replaced with a Ford Escape Hybrid.



Town's entrance monument at Palisades and Shea Boulevard



**FY 2006/2007 Line Item Budget**  
**01-General Fund**  
**061-Public Works**

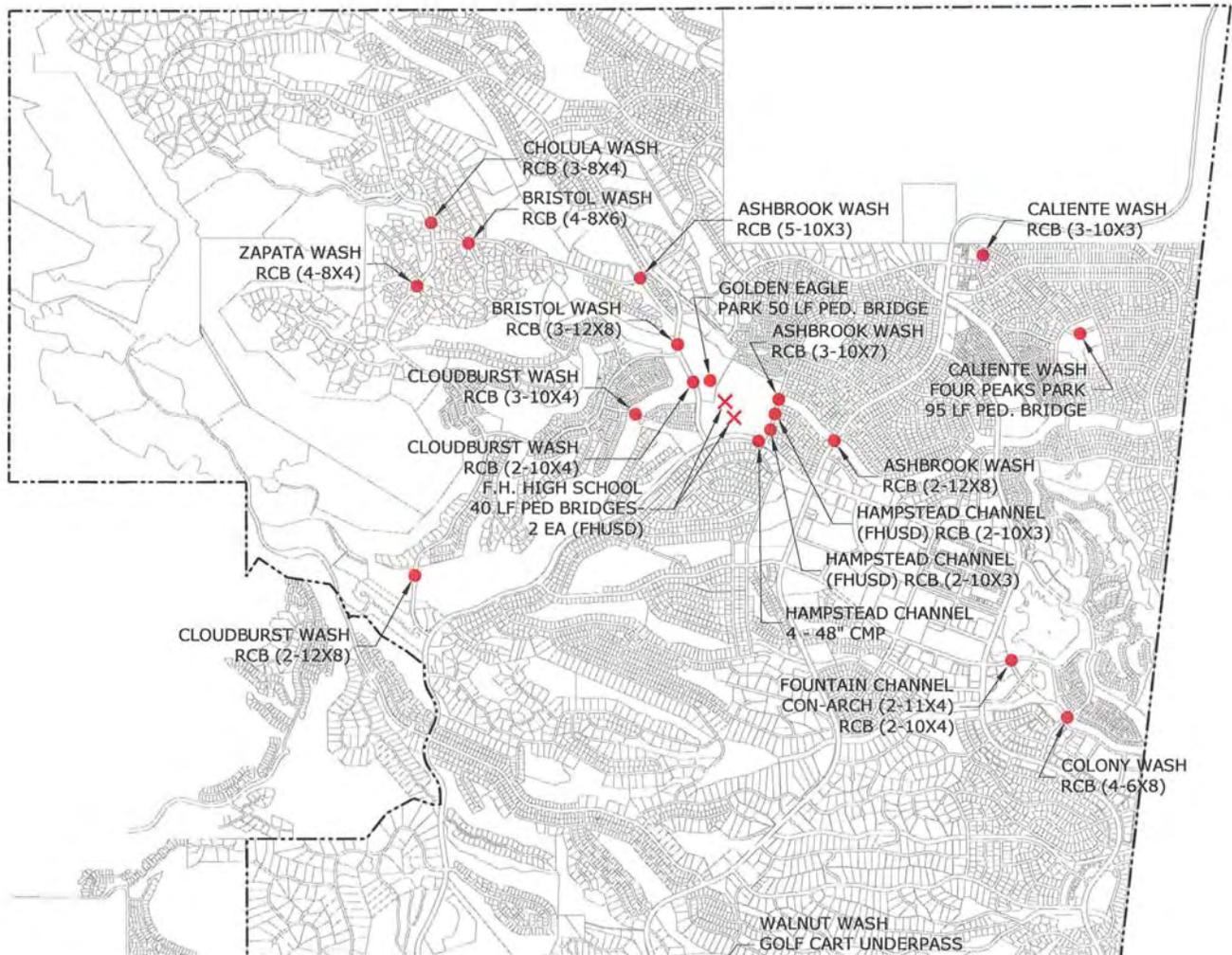
	FY 03/04 Actual	FY 04/05 Actual	FY 05/06 Approved	FY 05/06 Estimate	FY 06/07 Approved
<b><u>Expenditures</u></b>					
5199 Overtime	\$0	\$0	\$0	\$4,320	\$4,581
5200 Wages and Salaries	\$443,205	\$518,469	\$472,400	\$413,180	\$501,619
5201 Employer FICA Expense	\$6,140	\$7,184	\$6,900	\$6,054	\$7,380
5202 Unemployment Insurance Expense	\$412	\$743	\$530	\$440	\$480
5203 Employee's Health Insurance	\$46,685	\$56,509	\$55,120	\$43,328	\$59,430
5204 Employee's Life Insurance	\$1,213	\$1,537	\$1,610	\$1,292	\$2,070
5205 Employee's Dental Insurance	\$5,883	\$6,533	\$5,780	\$4,320	\$5,450
5206 Employee Vision Insurance	\$0	\$0	\$360	\$553	\$760
5207 Worker Compensation Insurance	\$4,396	\$7,434	\$8,840	\$10,998	\$13,600
5208 Employee's Retirement Expense	\$48,733	\$56,987	\$51,970	\$45,925	\$55,680
5209 Recruitment Costs	\$0	\$6,584	\$0	\$0	\$0
5211 Disability Insurance	\$2,127	\$2,529	\$2,360	\$1,977	\$2,510
5902 Professional Fees	\$20,390	\$0	\$2,500	\$1,000	\$1,000
5908 Engineering Fees	\$21,397	\$37,723	\$184,525	\$50,000	\$161,562
6400 Vehicle Repairs & Maintenance	\$4,321	\$3,958	\$3,430	\$3,430	\$3,600
6405 Office Equipment Repairs &	\$0	\$365	\$0	\$0	\$0
6415 Mowing/Landscape Maintenance	\$126,257	\$174,116	\$277,110	\$255,000	\$312,743
6420 Dam/Wash Maintenance	\$132,474	\$103,897	\$166,645	\$156,745	\$158,622
6501 Advertising/Signage	\$1,842	\$606	\$1,250	\$1,250	\$650
6505 Conferences	\$145	\$400	\$1,500	\$1,500	\$1,950
6507 Continuing Education	\$1,725	\$1,300	\$1,160	\$360	\$1,000
6508 Dues & Publications	\$1,018	\$2,236	\$1,885	\$2,225	\$2,545
6511 Electricity Expense	\$9,628	\$19,366	\$12,000	\$4,500	\$12,420
6514 Gas & Oil Expense	\$6,026	\$6,759	\$5,570	\$8,232	\$8,520
6520 Office Supplies	\$4,884	\$5,099	\$2,500	\$3,200	\$3,000
6525 Tools, Shop Supplies	\$154	\$578	\$500	\$900	\$550
6531 Printing	\$724	\$763	\$1,000	\$1,000	\$1,000
6537 Communications Expense	\$2,630	\$2,359	\$3,324	\$2,600	\$3,360
6546 Water/Sewer	\$38,611	\$38,472	\$59,800	\$44,100	\$52,000
6548 Meeting Expense	\$50	\$496	\$100	\$500	\$500
6549 Uniforms	\$1,317	\$1,269	\$1,135	\$600	\$1,825
6560 Bank Charges	\$35	\$35	\$0	\$0	\$0
8010 Capital Outlay - Vehicles	\$0	\$0	\$30,000	\$31,000	\$33,000
<b>Total</b>	<b>\$932,422</b>	<b>\$1,064,306</b>	<b>\$1,361,804</b>	<b>\$1,100,529</b>	<b>\$1,413,407</b>



# TOWN OF FOUNTAIN HILLS

## BRIDGE INSPECTIONS

### 2006-2007



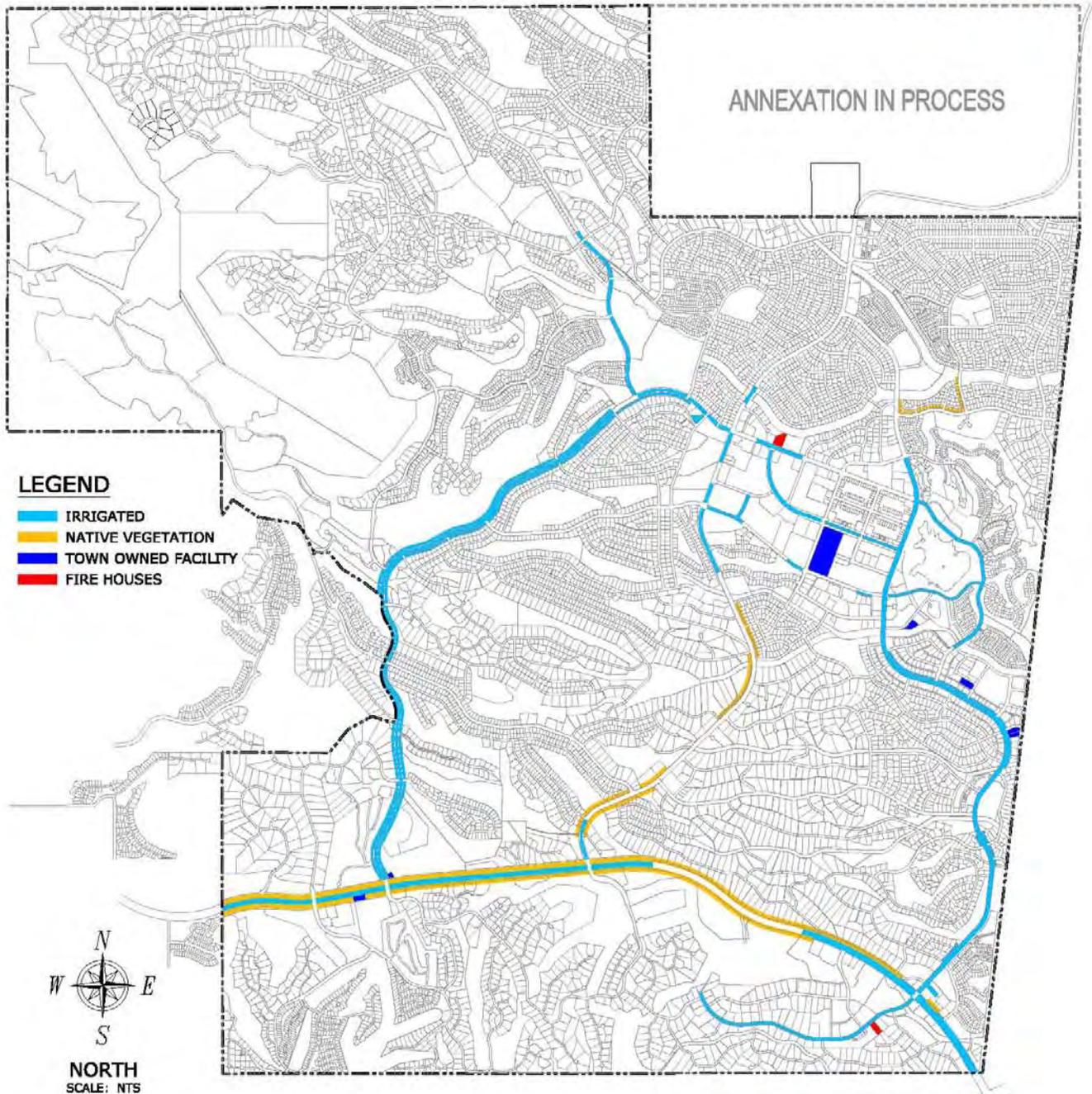
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# TOWN OF FOUNTAIN HILLS

## LANDSCAPE MAINTENANCE CONTRACT

### 2006-2007



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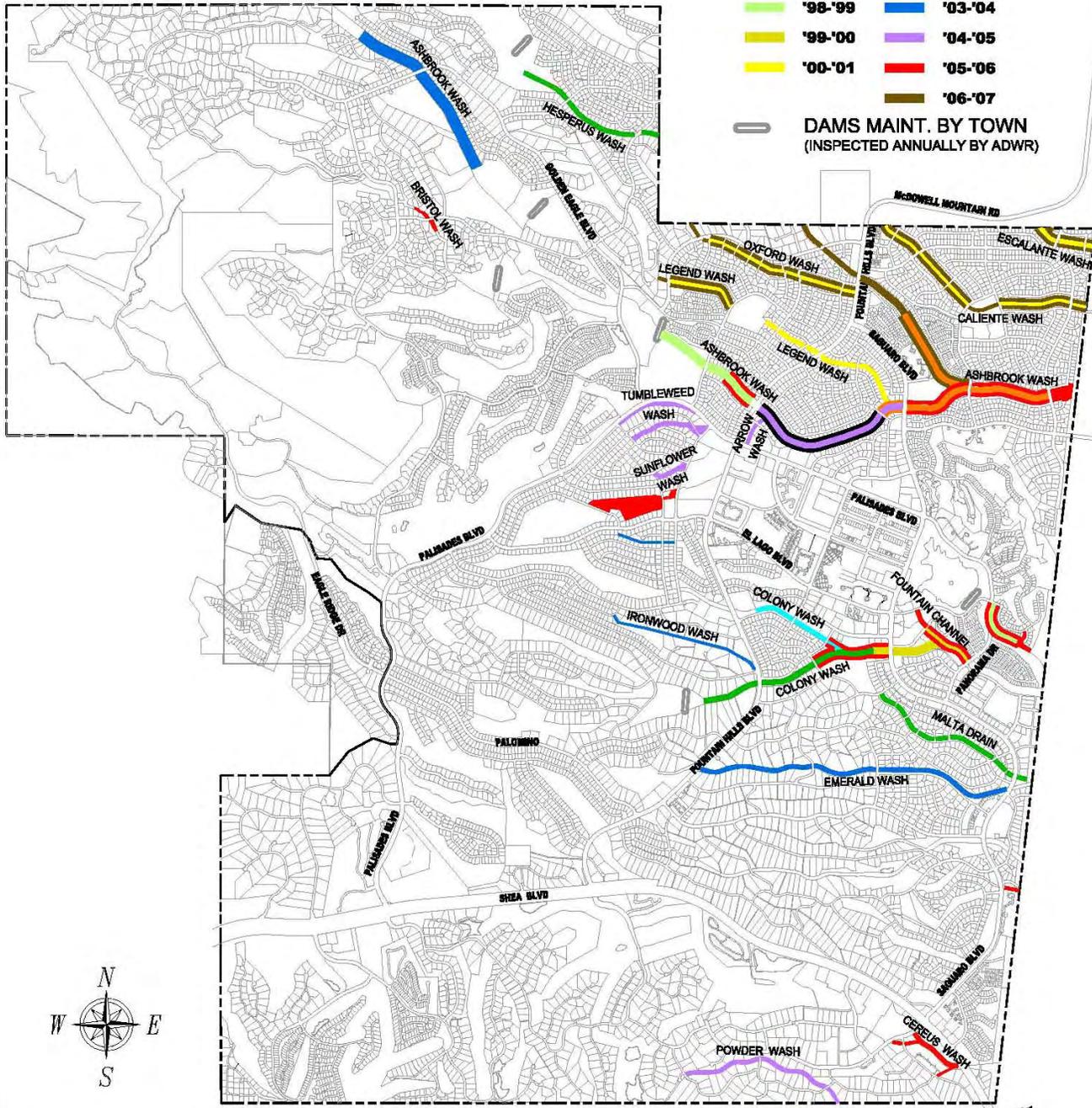
# TOWN OF FOUNTAIN HILLS WASH MANAGEMENT PROGRAM

PUBLIC WORKS DEPARTMENT

## LEGEND

- '96-'97
- '97-'98
- '98-'99
- '99-'00
- '00-'01
- '01-'02
- '02-'03
- '03-'04
- '04-'05
- '05-'06
- '06-'07

DAMS MAINT. BY TOWN  
(INSPECTED ANNUALLY BY ADWR)



0 0.5 1  
SCALE OF MILES

PLOT DATE: 4-2006

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# **Town of Fountain Hills Budget Summary by Program**

**01 - General Fund**

**061 - Public Works Department**

**110 - Facilities Maintenance Program**

**Total Budgeted Expenditures - \$884,837**

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## Facilities Maintenance Division

### Salaries and Benefits **\$175,030**

The Public Works Department assumed staff and responsibilities from the Operational Support Division within the Administration Department. There were 3.5 FTE's transferred from Operational Support to the new Facilities Division.

### Repairs and Maintenance **\$66,900**

This section of the budget funds maintenance for all overhead expenditures dealing with maintaining and operating town-owned facilities as well as the facilities maintenance vehicles. Budgeted amounts are based on an estimate of what the costs will be and the following is a breakdown of the costs:

HVAC (Heating, Ventilation and Air Conditioning)	\$21,000
Annual sprinkler, fire extinguisher, backflow, etc. testing	\$11,350
Maintenance supplies – various vendors	\$13,300
Building maintenance – 11 Town owned	\$20,000

### Supplies and Services **\$144,207**

There are three line items within this category, electricity, water/sewer and facilities staff uniforms. FY06-07 utility costs for Town-owned buildings are broken down as follows:

Electricity (based on 7 month average)	\$128,300
Water/sewer (Town Hall, Kiwanis, Library/Museum)	\$ 12,962

### Capital Outlay **\$498,700**

This budget includes several capital projects that will enhance and protect the value of the Town owned buildings. Included are:

Parking canopy covers for new Town Hall	\$400,000
Major roofing repair Theater Bldg	\$ 7,500
Fire Station #1 roofing, paint and door apparatus	\$ 28,000
Facility maintenance storage, HVAC	\$ 10,000
Fountain for Civic Center entryway	\$ 50,000
Lighting improvements at Library/Museum	\$ 3,200



**FY 2006/2007 Line Item Budget**  
**01-General Fund**  
**061-Public Works**

	FY 03/04 Actual	FY 04/05 Actual	FY 05/06 Approved	FY 05/06 Estimate	FY 06/07 Approved
<b>Program 110-Facilities Maintenance</b>					
<i><u>Expenditures</u></i>					
5199 Overtime	\$0	\$0	\$0	\$0	\$2,610
5200 Wages and Salaries	\$0	\$0	\$0	\$0	\$146,090
5201 Employer FICA Expense	\$0	\$0	\$0	\$0	\$4,080
5202 Unemployment Insurance Expense	\$0	\$0	\$0	\$0	\$300
5203 Employee's Health Insurance	\$0	\$0	\$0	\$0	\$0
5204 Employee's Life Insurance	\$0	\$0	\$0	\$0	\$400
5205 Employee's Dental Insurance	\$0	\$0	\$0	\$0	\$1,470
5206 Employee Vision Insurance	\$0	\$0	\$0	\$0	\$190
5207 Worker Compensation Insurance	\$0	\$0	\$0	\$0	\$8,350
5208 Employee's Retirement Expense	\$0	\$0	\$0	\$0	\$11,080
5211 Disability Insurance	\$0	\$0	\$0	\$0	\$460
6404 Building Repairs & Maintenance	\$0	\$0	\$0	\$0	\$65,650
6511 Electricity Expense	\$0	\$0	\$0	\$0	\$128,300
6546 Water/Sewer	\$0	\$0	\$0	\$0	\$12,962
6549 Uniforms	\$262	\$253	\$1,400	\$1,000	\$1,400
8090 Capital Outlay - Improvements	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$498,700</u>
<b>Total - Facilities Maintenance</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$884,837</b>

# **Town of Fountain Hills Budget Summary by Program**

**01 - General Fund**

**060 - Building Safety Department**

**Total Budgeted Expenditures - \$695,992**

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## Building Safety Division

### Mission Statement

The Building Safety Division of the Public Works Department is dedicated to providing the highest quality construction permitting, plan review and building inspection services in a responsive and friendly manner.

### Division Description

The Building Safety Division processes applications for permits to construct homes, commercial buildings, fences, pools, and any other structures. The division serves as a receiving and processing center for internal review of these plans. The division's review and inspection staff includes a building official, two certified residential plans examiner, three certified building inspectors and three permit technicians to assure compliance with the adopted building codes by the Town. The Building Safety Division also issues numerous reports regarding building activity to other public agencies.

Building Safety anticipates that it will process over 1,200 building permit applications and perform inspections at approximately 750 building sites in fiscal year 2006-2007. Most of the division's activity will be concentrated in the developing portions of Firerock Country Club, Crestview, Eagles Nest, the proposed Fountain Hills Resort and Spa on Palisades Boulevard and many custom homes throughout the community. The division expects the same levels of construction inspection activity due to on-going construction projects that have been permitted in fiscal year 2004-2005 (750 active and open permits), and new residential and commercial projects permitted early in fiscal year 2005-2006.

### Performance Standards Management Indicators

- Perform first review plan reviews within 20 working days, and subsequent plan reviews in 10 working days.
- Identify all plan review concerns in the first review.
- Perform all requested inspections within 24 hours.
- Provide a customer friendly environment for citizens to access the services of Building Safety and process the needed applications.

Respond to all citizens inquires within the same working day.

### Management Indicators

	2004-2005 Actual	2005-2006 Estimated*	2006-2007 Proposed
<b>Building Permit Activity</b>			
● Single-family	162	145	150
● Multi-family	139	240 Units	60 Units
● Commercial	19	12	12
● Pools, Fences, Additions and Remodels	730	713	700
On-site Inspection	8661	9500	9500

\* Estimated, based on actual figures from the first three quarters.

### Fiscal Year 2005-2006 Accomplishments

Projected from figures based on first nine months of fiscal year 2005-2006, the Building Safety Division accomplished the following:

- Reviewed 1,225 building plans and permit applications.



- Performed 9,500 commercial and residential building inspections.
- Maintained an automated building permit system to better enhance customer service and reduce paperwork.

### Fiscal Year 2006-2007 Objectives

- Provide staff educational opportunities to best serve the community with the highest level of expertise.
- Provide trained and qualified plan examiners, building inspectors and building permit technicians.
- Deliver the highest professional service available to our customers.
- Maintain high workplace safety standards in the field and in the office.
- Continue to inform the community about new Building Codes and Energy Conservation Codes.

### Summary Expenditures – Building Safety

	FY 2003-2004 Actual	FY 2004-2005 Actual	FY 2005-2006 Budget	FY 2005-2006 Estimate	FY 2006-2007 Budget
SALARIES & BENEFITS	\$458,951	\$426,245	\$560,500	\$543,808	\$591,100
CONTRACTUAL SERVICES	\$66,586	\$34,014	\$39,150	\$20,000	\$45,717
REPAIRS & MAINTENANCE	\$2,030	\$856	\$2,200	\$2,200	\$1,250
SUPPLIES & SERVICES	\$20,905	\$19,444	\$25,995	\$24,420	\$28,925
CAPITAL EXPENDITURES	\$0	\$0	\$25,000	\$27,750	\$29,000
<b>TOTAL EXPENDITURES</b>	<b>\$548,472</b>	<b>\$480,559</b>	<b>\$652,845</b>	<b>\$618,178</b>	<b>\$695,992</b>

### Authorized Positions

Position – Title	2002-2003 Authorized FTE	2003-2004 Authorized FTE	2004-2005 Authorized FTE	2005-2006 Authorized FTE	2006-2007 Proposed FTE
<b>Building Safety</b>					
Chief Building Official	1.00	1.00	1.00	1.00	1.00
Senior Building Inspector	2.00	0.00	1.00	1.00	1.00
Plans Examiner	2.00	2.00	2.00	2.00	2.00
Building Inspector	1.00	2.00	2.00	2.00	2.00
Building Permit Technician	2.00	2.00	3.00	3.00	3.00
<b>Authorized FTE</b>	<b>8.00</b>	<b>7.00</b>	<b>9.00</b>	<b>9.00</b>	<b>9.00</b>

### Salaries and Benefits

**\$591,100**

There are currently 9 full time positions within this department, with no requests for additional staffing at this time.



**Contractual Services** **\$45,717**

When commercial building plans are submitted for review, or when the residential plan check or inspection load exceeds the division's ability to maintain its turn-around goals, outside consulting firms are utilized.

**Repairs and Maintenance** **\$1,250**

**Repairs and Maintenance**

This item includes regular service and repair and maintenance for the four division vehicles.

**Supplies and Services** **\$28,925**

Funds are included for advertising, signage, conferences, education and training, dues and publications, gas and oil, office supplies, printing, communication expenses, travel and uniforms.

**Capital Outlay** **\$29,000**

The Town's fleet replacement policy specifies that vehicles with 100,000 miles or 10 years of age be replaced. The department's 1995 Ford pickup will be replaced with a Ford Escape Hybrid.



**FY 2006/2007 Line Item Budget**  
**01-General Fund**  
**060-Building Safety**

	FY 03/04 Actual	FY 04/05 Actual	FY 05/06 Approved	FY 05/06 Estimate	FY 06/07 Approved
<b><i>Expenditures</i></b>					
5199 Overtime	\$0	\$0	\$0	\$402	\$6,087
5200 Wages and Salaries	\$354,637	\$331,907	\$428,000	\$416,093	\$439,413
5201 Employer FICA Expense	\$4,843	\$4,594	\$6,200	\$6,039	\$6,500
5202 Unemployment Insurance Expense	\$609	\$757	\$600	\$656	\$500
5203 Employee's Health Insurance	\$48,362	\$40,586	\$61,500	\$56,493	\$68,500
5204 Employee's Life Insurance	\$945	\$995	\$1,500	\$1,449	\$1,800
5205 Employee's Dental Insurance	\$6,229	\$5,136	\$7,200	\$6,055	\$6,900
5206 Employee Vision Insurance	\$0	\$0	\$400	\$857	\$1,100
5207 Worker Compensation Insurance	\$2,898	\$4,479	\$5,900	\$8,231	\$9,100
5208 Employee's Retirement Expense	\$39,000	\$36,510	\$47,100	\$45,814	\$49,000
5211 Disability Insurance	\$1,428	\$1,281	\$2,100	\$1,719	\$2,200
5902 Professional Fees	\$66,586	\$34,014	\$39,150	\$20,000	\$45,717
6400 Vehicle Repairs & Maintenance	\$2,030	\$856	\$2,200	\$2,200	\$1,250
6501 Advertising/Signage	\$1,046	\$778	\$500	\$300	\$500
6505 Conferences	\$524	\$741	\$1,825	\$0	\$2,125
6507 Continuing Education	\$2,073	\$3,733	\$7,770	\$7,770	\$9,910
6508 Dues & Publications	\$1,099	\$1,629	\$2,850	\$2,850	\$2,190
6514 Gas & Oil Expense	\$4,658	\$5,320	\$6,200	\$6,200	\$5,650
6520 Office Supplies	\$1,588	\$2,029	\$1,000	\$2,300	\$2,500
6525 Tools, Shop Supplies	\$100	\$371	\$300	\$100	\$250
6531 Printing	\$2,295	\$1,430	\$1,800	\$1,800	\$1,950
6537 Communications Expense	\$5,929	\$2,021	\$2,500	\$2,500	\$3,200
6548 Meeting Expense	\$413	\$1,040	\$250	\$100	\$150
6549 Uniforms	\$1,180	\$352	\$1,000	\$500	\$500
8010 Capital Outlay - Vehicles	\$0		<u>\$25,000</u>	<u>\$27,750</u>	<u>\$29,000</u>
<b>Total</b>	<b>\$548,472</b>	<b>\$480,559</b>	<b>\$652,845</b>	<b>\$618,178</b>	<b>\$695,992</b>

# **Town of Fountain Hills Budget Summary by Program**

**01 - General Fund**

**080 - Planning and Zoning Department**

**Total Budgeted Expenditures - \$818,824**

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## PLANNING & ZONING

### **Mission Statement**

The Planning and Zoning Division is dedicated to enhancing the quality of life in Fountain Hills through innovative planning techniques and providing excellent customer service in a professional and timely manner.

### **Division Description**

The Planning and Zoning Division administers the Town of Fountain Hills' planning, code enforcement and computer aided drafting programs. Planning functions include the processing of applications for General Plan amendments, area specific plans, special use permits, rezonings, subdivisions, variances, concept site plans and other land use related requests. Code enforcement responds to citizen complaints and provides proactive services with the goal of eliminating blight and improving the appearance of business and residential areas to enhance property values and maintain the quality of life within the Town. CAD Services provides internal and external customers with maps and geographic information and research.

The division provides staff support to the Town Council, the Planning and Zoning Commission, and the Board of Adjustment. Staff represents the Town at intergovernmental meetings, Maricopa Association of Governments committees, boards and special interest associations, and neighborhood groups.

### **Performance Standards**

- Perform first review plan checks within 20 working days and subsequent plan reviews in 10 working days.
- Respond to all citizen inquiries within the same working day.
- Keep the Town Council, Planning and Zoning Commission, Board of Adjustment and other commissions informed of new legislation and legal rulings pertaining to land use matters.
- Provide educational opportunities to members of the Town Council, Planning and Zoning Commission, and Board of Adjustment on pertinent and evolving land use matters.
- Ensure that Council approved ordinances are enforced.



## Management Indicators

	2004-2005 Actual	2005-2006 Estimated	2006-2007 Projected
Special Use Permits	5	12	10
Temporary Use Permits	15	15	15
Cut/Fill Waivers	2	2	2
Subdivisions	29	30	30
Administrative Use Permits	8	5	4
Variances	2	2	2
Comprehensive Sign Plans	7	5	5
Concept Plans	23	15	14
Plan of Development	2	1	1
Zoning Text Amendments	3	4	5
Re-zoning	2	2	2
General Plan Amendments	2	2	3
Annexations	0	1	0

## 2005-2006 Accomplishments

In the first ten months of fiscal year 2005-2006, the Planning & Zoning Division accomplished the following:

- Processed applications to annex, rezone and amend the Town's General Plan for the State Trust Land northeast of Town.
- Removed A-Frame signs from the Town pursuant to the Zoning Ordinance and prior Council direction.
- Obtained current aerial imagery of the Town, 3 inch resolution, ortho rectified.
- Processed applications for the following projects: McDowell Mountain Preserve (re-zoning), Lakeview Medical Center (concept plan), Legends at La Montana (condominium), High Nob Acres (single-family subdivision and development agreement), El Lago Retail Center (concept plan), Firerock Plaza (concept plan and development agreement), Firerock Commerce Park (concept plan), Peaks Fitness (concept plan), and 8 parcels in Eagle's Nest (landscape plans/improvement plans).
- Processed to approval, regulation changes dealing with fractional ownerships and timeshares, open space preservation and utility corridors.
- Investigated and completed 1,359 code violation complaints in the first 8 months of the FY, a 104 percent increase over the first 8 months of FY05-06.
- Contract awarded to Ardavin Builders, Inc., for construction of phase one of the Avenue of the Fountains Enhancement Project.



## 2006-2007 Objectives Summary Expenditures – Planning & Zoning Division

- Process development proposals and building permit applications in a thorough and timely manner.
- Process text amendments to the Town’s Zoning and Subdivision Ordinances to implement and clarify policies and remove grammatical and typographical errors.
- Enforce Town ordinances and policies to maintain the Town’s quality of life, provide safe living conditions, protect the environment and preserve resources.
- Provide staff and the Planning and Zoning Commission with educational opportunities to best serve the community with the highest level of expertise in the fields of planning and code enforcement.
- Significantly increase Variance filing fees (Strategic Plan)
- Eliminate the use of Special Use Permits in lieu of Variances for height and other categories of exceptions (Strategic Plan)
- Inventory vacant land to project population for use in land use and infrastructure decisions (Strategic Plan)
- Prepare, process and present for approval, an ordinance dealing with architectural appearance of commercial development (Strategic Plan)
- Oversee planning of the State Trust Land (Strategic Plan)

## Summary Expenditures – Planning & Zoning Division

	FY 2003-2004 Actual	FY 2004-2005 Actual	FY 2005-2006 Budget	FY 2005-2006 Estimate	FY 2006-2007 Budget
SALARIES & BENEFITS	\$171,458	\$323,364	\$585,110	\$580,406	\$620,560
CONTRACTUAL SERVICES	\$27,950	\$51,312	\$119,000	\$119,000	\$163,100
REPAIRS & MAINTENANCE	\$12	\$656	\$800	\$717	\$1,000
SUPPLIES & SERVICES	\$13,122	\$20,527	\$37,330	\$30,765	\$34,164
CAPITAL EXPENDITURES	\$0	\$0	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>	<b>\$212,542</b>	<b>\$395,859</b>	<b>\$742,240</b>	<b>\$730,888</b>	<b>\$818,824</b>



**Schedule of Authorized Positions**

Position – Title	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007
	Authorized FTE	Authorized FTE	Authorized FTE	Authorized FTE	Proposed FTE
<b>Planning &amp; Zoning</b>					
Director	1.00	0.00	0.00	0.00	0.00
P & Z Administrator	0.00	1.00	1.00	1.00	1.00
Senior Planner	2.00	1.00	1.00	1.00	1.00
Planner	1.00	1.00	1.00	1.00	1.00
Eng. Tech/CAD Operator	2.00	2.00	2.00	2.00	2.00
Code Enforcement Officer	0.00	3.00	2.00	3.00	3.00
Executive Assistant	1.00	0.00	0.00	0.00	0.00
Planning Technician	0.00	0.00	0.00	0.50	0.50
Planning Assistant	1.00	1.00	1.00	1.00	1.00
Authorized FTE	8.00	9.00	8.00	9.50	9.50

**Salaries and Benefits**

**\$620,560**

The Economic Development Specialist position has been transferred to the Administration Division as part of a reorganization of supervisor duties. The position of Drafting/CAD Technician was upgraded and reclassified to Engineering Technician/CAD Operator.

**Contractual Service**

**\$163,100**

This category includes funds for the following:

- Outside vendor to provide Geographic Information System services to the Department \$41,000
- Funds to pay for the Town’s proportionate share of expenses associated with the 2005 Census \$2,100
- Low water use landscaping brochures and educational material, a Strategic Plan project \$20,000
- Vacant land inventory/build-out study, a Strategic Plan project \$20,000
- Support for development of commercial architectural regulations/guidelines, a Strategic Plan project \$80,000

**Repairs and Maintenance**

**\$1,000**

This line item includes regular service and maintenance for three division vehicles and office equipment repairs and maintenance.

**Supplies and Services**

**\$34,164**

Funds are included for advertising, including signage and posting of notices and agendas, dues and publications for the planners, gas and oil, travel and uniforms.



**FY 2006/2007 Line Item Budget**  
**01-General Fund**  
**080-Planning and Zoning**

	FY 03/04 Actual	FY 04/05 Actual	FY 05/06 Approved	FY 05/06 Estimate	FY 06/07 Approved
<i><b>Expenditures</b></i>					
5199 Overtime	\$0	\$0	\$0	\$578	\$2,181
5200 Wages and Salaries	\$137,015	\$258,779	\$452,400	\$451,712	\$479,519
5201 Employer FICA Expense	\$1,984	\$3,692	\$7,690	\$6,958	\$8,360
5202 Unemployment Insurance Expense	\$231	\$513	\$670	\$860	\$600
5203 Employee's Health Insurance	\$11,711	\$25,215	\$60,080	\$56,987	\$60,760
5204 Employee's Life Insurance	\$402	\$755	\$1,560	\$1,493	\$1,990
5205 Employee's Dental Insurance	\$1,508	\$2,941	\$7,370	\$6,097	\$6,670
5206 Employee Vision Insurance	\$0	\$0	\$400	\$716	\$850
5207 Worker Compensation Insurance	\$301	\$1,502	\$4,860	\$4,515	\$6,600
5208 Employee's Retirement Expense	\$15,072	\$28,454	\$47,880	\$48,564	\$50,670
5209 Recruitment Costs	\$2,623	\$408	\$0	\$0	\$0
5211 Disability Insurance	\$611	\$1,105	\$2,200	\$1,926	\$2,360
5902 Professional Fees	\$27,950	\$36,752	\$119,000	\$119,000	\$163,100
5908 Engineering Fees	\$0	\$14,560	\$0	\$0	\$0
6400 Vehicle Repairs & Maintenance	\$12	\$656	\$800	\$500	\$600
6405 Office Equipment Repairs &	\$0	\$0	\$0	\$217	\$400
6501 Advertising/Signage	\$3,393	\$2,580	\$2,700	\$1,000	\$1,500
6505 Conferences	\$908	\$4,138	\$7,315	\$7,315	\$8,090
6507 Continuing Education	\$2,486	\$814	\$3,500	\$2,200	\$2,850
6508 Dues & Publications	\$2,442	\$4,016	\$2,700	\$3,000	\$3,392
6514 Gas & Oil Expense	\$779	\$2,997	\$2,315	\$3,000	\$3,000
6520 Office Supplies	\$2,254	\$2,222	\$5,600	\$7,000	\$9,467
6525 Tools, Shop Supplies	\$0	\$16	\$0	\$0	\$0
6531 Printing	\$536	\$1,327	\$10,000	\$5,000	\$3,200
6537 Communications Expense	\$127	\$1,474	\$2,200	\$1,500	\$1,800
6548 Meeting Expense	\$77	\$461	\$500	\$250	\$500
6549 Uniforms	\$120	\$498	\$500	\$500	\$365
6560 Bank Charges	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>		
<b>Total</b>	<b>\$212,542</b>	<b>\$395,875</b>	<b>\$742,240</b>	<b>\$730,888</b>	<b>\$818,824</b>

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# **Town of Fountain Hills Budget Summary by Program**

**01 - General Fund**

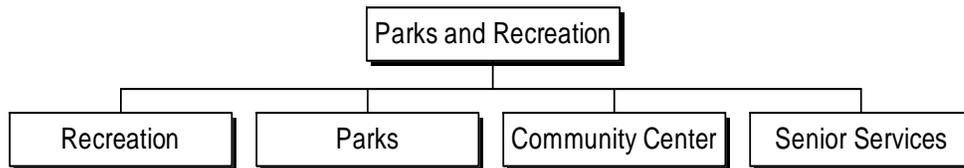
**081 - Parks and Recreation Department**

**Total Budgeted Expenditures -           \$613,861**

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## Parks, Recreation, Senior Services and Community Center



### Mission Statement

The mission of the Fountain Hills Parks and Recreation Department is to enhance the quality of life by providing and maintaining safe, available, and accessible parks and recreation services that will meet the intellectual, social cultural, and leisure needs of all residents.

### Department Description

The Parks and Recreation Department is responsible for providing safe and accessible recreation services for all age groups. Parks and Recreation services include senior programs, adult and youth sports, pre-school programs, cultural programs, teen services, outdoor programs, special events, special interest classes, adult education classes, and after school programs. The department continues to grow with the addition of the management of the Community Center in 2002 and Senior Services in 2005, as well as a growing trails system.

### Performance Standards

- Increase participation through unique marketing techniques
- Increase the department's volunteer base and continue to explore and use creative methods to recognize volunteers
- Provide Little League Baseball, Soccer Club, Pop Warner Football and Cheerleading with assistance to help ensure the success of their respective organizations
- Solicit special event sponsorship from community organizations and businesses

### Management Indicators

	<b>2004-2005 Actual</b>	<b>2005-2006 Estimated</b>	<b>2006-2007 Projected</b>
<b>Recreation</b>			
• Special Events	5	6	7
• Adult and Youth Sports Activities/ Number of Courses Offered	12/126	10/207	8/210
• Special Interest Programs/ Number of Courses Offered	11/104	11/121	10/130
• Youth and Teen Programs/ Number of Courses Offered	7/23	11/26	11/36
• Youth Sports Organizations Affiliated w/ Parks and Recreation	4	4	4
• Volunteer Hours (estimated)	4,000	4,000	4,000



## Administrative Support

### Youth Sports Organizations & Schools – Facility Bookings

• Little League Baseball	849	611	625
• PONY League Baseball	51	74	75
• Soccer Club	299	308	300
• Pop Warner Football	77	76	75
• Fountain Hills High School	401	519	500
• Fountain Hills Middle School	19	16	18
• Fountain Hills Montessori School	9	8	10
<b>Total</b>	<b>1,705</b>	<b>1,612</b>	<b>1,603</b>

### Parks and Recreation Revenue

	<b>2004-2005 Actual</b>	<b>2005-2006 Estimated</b>	<b>2006-2007 Projected</b>
• Recreation Programs	\$ 137,535	\$ 142,625	\$ 172,925
• Facility Rentals	\$ 15,675	\$ 15,000	\$ 13,500
• Picnic Ramada Reservations	<u>\$ 3,750</u>	<u>\$ 3,175</u>	<u>\$ 3,750</u>
<b>Total</b>	<b>\$ 156,960</b>	<b>\$ 160,800</b>	<b>\$ 190,175</b>

### Fiscal Year 2005-2006 Accomplishments

- Continued to work with the McDowell Mountain Preservation Commission regarding the design work for the planned permanent trailhead into the McDowell Mountain Preserve
- Continued the positive relationship between the Town and the Fountain Hills School District to jointly utilize school facilities for various programs in return for the District's use of park facilities. The existing Intergovernmental Agreement is effective until April 2007
- Continued sponsorship of St. Patrick's Day, Eggstravaganza, and the Fantastic Fall Festival events
- Presented Concerts in the Park, which for the first time included a fall series. Eight different performers entertained crowds at the amphitheater at Fountain Park
- The Mayor's Youth Council volunteered over 2,000 hours last year, which resulted in over two dozen members receiving the President's Volunteer Service Award; this equates to over \$10,500 in volunteer labor contributed to the community
- Continued to provide expanded opportunities to utilize park facilities by the local youth sports organizations, which include Little League Baseball, Soccer Club, and Pop Warner Football and Cheerleading
- Entered the third year of a partnership with the Phoenix Suns Jr. Suns / Jr. Mercury to enhance our Youth Basketball program
- Ongoing training and certification for all Parks and Recreation Staff in CPR and First Aid, as well as on the Automatic External Defibrillators
- Successfully incorporated Senior Services and maintained the same level of service to the seniors



## Fiscal Year 2006-2007 Objectives

- Provide excellent customer service including information referral, quality programs, and easy registration
- Provide staff support to all events and activities scheduled at all town parks
- Work closely with Fountain Hills Unified School District to assist with scheduling and maintenance of facilities utilized by the Parks and Recreation Department
- Identify new recreation and leisure education programs to be offered in 2007-2008

### Summary Expenditures - Recreation

	FY 2003-2004 Actual	FY 2004-2005 Actual	FY 2005-2006 Budget	FY 2005-2006 Estimate	FY 2006-2007 Budget
SALARIES & BENEFITS	\$347,286	\$373,023	\$410,180	\$398,136	\$432,820
CONTRACTUAL SERVICES	\$91,265	\$101,194	\$150,059	\$135,235	\$133,526
REPAIRS & MAINTENANCE	\$1,727	\$1,983	\$2,150	\$3,300	\$2,100
SUPPLIES & SERVICES	\$22,449	\$27,434	\$35,325	\$37,000	\$37,915
CAPITAL EXPENDITURES	\$0	\$0	\$0	\$0	\$7,500
<b>TOTAL EXPENDITURES</b>	<b>\$462,727</b>	<b>\$503,634</b>	<b>\$597,714</b>	<b>\$573,671</b>	<b>\$613,861</b>

### Schedule of Authorized Positions

Position – Title	2002-2003 Authorized FTE	2003-2004 Authorized FTE	2004-2005 Authorized FTE	2005-2006 Authorized FTE	2006-2007 Proposed FTE
<b>Parks &amp; Recreation</b>					
Parks & Rec/Comm Ctr Dir.	1.00	0.50	0.50	0.50	0.50
Recreation Supervisor	1.00	1.00	1.00	1.00	1.00
Parks Supervisor	1.00	1.00	1.00	1.00	1.00
Rec. Program Coordinator	3.00	2.00	2.00	2.00	2.00
Park Operations Lead	3.00	2.00	2.00	3.00	3.00
Administrative Assistant	1.00	0.00	0.00	0.00	0.00
Executive Assistant	1.00	1.00	1.00	1.00	1.00
Groundskeeper	1.00	1.00	2.00	2.00	2.00
Recreation Assistant	4.00	4.00	4.00	4.00	4.00
Receptionist	0.00	0.50	0.50	0.50	1.00
Recreation Aide	0.00	0.00	1.00	1.00	1.00
Recreation Intern	0.00	0.00	0.00	0.50	0.50
<b>Authorized FTE</b>	<b>16.00</b>	<b>13.00</b>	<b>15.00</b>	<b>16.50</b>	<b>17.00</b>



## Salaries and Benefits

**\$432,820**

There are no changes proposed for recreation division staffing this year.

## Contract Services

**\$133,526**

Contract service includes recreation programs such as special interest programs and events, sports activities, youth and teen programs as well as the quarterly newsletter. Special programs in the amount of \$43,190 includes:

• Adult Education Courses	\$3,000
• Art Classes	\$1,290
• Adult Dance Class	\$2,160
• Dog Obedience	\$2,200
• Fitness Classes	\$7,040
• Language Lessons	\$960
• Concerts In The Park Series	\$8,510
• St. Patrick's Day Celebration	\$18,030

The youth and teen programs line item of \$12,461 is broken down as follows:

• Art Classes	\$1,000
• Battle Of The Bands	\$1,086
• Dance Classes	\$620
• Fantastic Fall Festival	\$2,100
• Homecoming Tailgate Party	\$500
• Kids Create	\$1,000
• Kiddie Rhythmics	\$500
• Mayor's Youth Council	\$1,500
• Midnight Madness	\$250
• Party In The Park	\$2,995
• Youth Town Hall.	\$910

The sports activities line item of \$42,975 is broken down as follows:

• Youth Basketball	\$9,238
• Golf Lessons	\$6,325
• Adult Softball Leagues	\$4,765
• Senior Softball Leagues	\$1,156
• Senior Softball Tournaments	\$10,132
• Youth And Adult Tennis	\$4,704
• Turkey Trot	\$4,860
• Youth Volleyball Camps	\$1,450
• Youth Sports Competitions	\$345

Each program was analyzed comparing expenses, including overhead versus fees, to ensure at least a break-even program.



The "In The Loop" Parks and Recreation Activity Guide is prepared and budgeted for within the Parks and Recreation department. Each issue is 24 pages and mailed to every resident in Town three times a year at a cost of \$11,167 each edition.

**Repairs and Maintenance**

**\$2,100**

This refers to expenses relating to the department's 15-passenger van and an administrative vehicle, as well as maintenance and repair to office equipment.

**Supplies and Services**

**\$37,915**

This category includes advertising, conferences, continuing education, dues and publications, gas and oil, office supplies, printing, communications, travel, and uniforms. The increase in conference costs is to allow for the Director to attend the annual National Parks and Recreation Association's Business Institute for Revenue Development and Management in Clemson, South Carolina.

**Capital Outlay**

**\$7,500**

This refers to the expense to replace the department's copier, which was purchased used in 1998, with new model.





**FY 2006/2007 Line Item Budget**  
**01-General Fund**  
**081-Parks and Recreation**

	FY 03/04 Actual	FY 04/05 Actual	FY 05/06 Approved	FY 05/06 Estimate	FY 06/07 Approved
<b><u>Expenditures</u></b>					
5199 Overtime	\$0	\$0	\$0	\$3,500	\$2,702
5200 Wages and Salaries	\$286,802	\$307,212	\$334,400	\$321,709	\$342,698
5201 Employer FICA Expense	\$8,809	\$10,568	\$11,600	\$11,002	\$12,000
5202 Unemployment Insurance Expense	\$824	\$1,127	\$1,000	\$1,130	\$1,000
5203 Employee's Health Insurance	\$21,306	\$23,398	\$28,100	\$25,660	\$34,500
5204 Employee's Life Insurance	\$571	\$662	\$800	\$691	\$900
5205 Employee's Dental Insurance	\$2,151	\$2,213	\$2,400	\$2,151	\$3,300
5206 Employee Vision Insurance	\$0	\$0	\$200	\$290	\$500
5207 Worker Compensation Insurance	\$2,939	\$4,086	\$5,580	\$6,819	\$8,420
5208 Employee's Retirement Expense	\$22,958	\$22,810	\$25,000	\$24,198	\$25,600
5211 Disability Insurance	\$926	\$947	\$1,100	\$986	\$1,200
5932 Special Programs	\$18,804	\$26,681	\$60,774	\$50,267	\$43,190
5933 Youth and Teens	\$6,231	\$10,035	\$10,940	\$10,030	\$12,461
5935 Sports Activities	\$40,309	\$42,475	\$52,945	\$45,238	\$42,975
5936 Constituent Communications	\$25,208	\$21,663	\$24,000	\$29,000	\$33,500
5946 McDowell Mountain Preservation	\$713	\$340	\$1,400	\$700	\$1,400
6400 Vehicle Repairs & Maintenance	\$24	\$862	\$350	\$1,500	\$1,500
6405 Office Equipment Repairs &	\$1,703	\$1,121	\$1,800	\$1,800	\$600
6501 Advertising/Signage	\$1,213	\$3,717	\$3,300	\$5,900	\$3,000
6505 Conferences	\$2,847	\$3,567	\$5,900	\$6,400	\$6,150
6507 Continuing Education	\$1,910	\$500	\$2,100	\$1,200	\$1,800
6508 Dues & Publications	\$1,400	\$1,313	\$1,300	\$1,300	\$1,300
6511 Electricity Expense	\$0	\$0	\$4,125	\$1,700	\$4,125
6514 Gas & Oil Expense	\$548	\$697	\$800	\$1,000	\$1,000
6520 Office Supplies	\$5,893	\$6,576	\$5,900	\$7,500	\$7,500
6531 Printing	\$1,002	\$2,242	\$2,000	\$3,000	\$2,000
6537 Communications Expense	\$2,651	\$3,338	\$3,500	\$3,300	\$4,640
6546 Water/Sewer	\$0	\$0	\$800	\$350	\$800
6548 Meeting Expense	\$347	\$476	\$500	\$250	\$500
6549 Uniforms	\$3,156	\$2,863	\$3,000	\$3,000	\$3,000
6560 Bank Charges	\$1,482	\$2,145	\$2,100	\$2,100	\$2,100
8020 Capital Outlay - Furniture &	\$0	\$0	\$0	\$0	\$7,500
<b>Total</b>	<b>\$462,727</b>	<b>\$503,634</b>	<b>\$597,714</b>	<b>\$573,671</b>	<b>\$613,861</b>

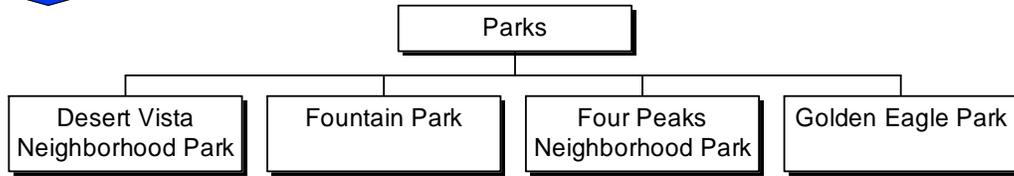
# **Town of Fountain Hills Budget Summary by Program**

**01 - General Fund**

**081 - Parks and Recreation Department**

<b>004 - Fountain Park Location</b>	<b>\$1,540,469</b>
<b>005 - Desert Vista Neighborhood Park Location</b>	<b>\$ 567,525</b>
<b>006 - Four Peaks Park Location</b>	<b>\$ 206,635</b>
<b>007 – Golden Eagle Park</b>	<b>\$ 422,106</b>
<b>Total Parks</b>	<b>\$2,736,735</b>

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## **Parks**

### **Mission Statement**

The park staff is dedicated to maintaining over 114 acres of park land throughout the Fountain Hills park system to department standards by professionally maintaining and operating each park's facilities and amenities enhancing the beauty, value, quality of the park's environment; and continuing to provide quality recreation opportunities, safe and clean parks, and superior park beautification.

### **Park Descriptions**

Each of the four parks in the Town's park system is in a different stage of development based on master plans that were developed specific to each park. The Parks and Recreation Commission and Town Council have reviewed and approved the master plans, which included public input during their planning. Golden Eagle Park is the first to complete its master plans and the updated master plan for Desert Vista Park has also been completed. The master plans for Fountain Park, and Four Peaks Neighborhood Park will be updated as they continue to be developed to completion.

### **Desert Vista Neighborhood Park**

Desert Vista Neighborhood Park is an all turf 12-acre park located between Desert Vista and Tower Drives, south of Tioga Drive. The Town acquired this site on May 21, 1998, from MCO Properties, Inc. The Town has fenced 3.5 acres that is used as an Off-Leash Recreational Facility and uses the remainder of the park for soccer and open field play. Additionally, the local dog owners group, Fountain Hills "ADOG" (Association of Dog Owners) has been raising funds to contribute to the off leash recreational facility in order for lights to be installed. The lighting will extend the hours that users will be able to utilize the park, particularly during the summer months when it cools off in the evening. During FY04-05 the Site Design Group Inc. consultant and the Parks and Recreation Commission recommended this park as the location for construction of the Skate Park. Construction will start in the second half of 2006 along with improvements in the Off Leash Facility. This will include lights, ramadas, hardscape and landscaping.

### **Fountain Park**

Fountain Park is a 62-acre passive recreation facility that is the signature park of the community and home of the Town's world famous fountain. The Town acquired the park on May 1, 1997, from MCO Properties, Inc. The park was built in 1970 and includes 33 acres of turf, a 29-acre million gallon effluent lake, a pump house station, a dam, 18-hole disc golf course, restroom/control building, two children's playgrounds, approximately 7,200 linear feet of walkways, five ramadas with picnic tables and grills, and two parking lots. Additional amenities include the beautiful Veterans' Memorial and also in the park an amphitheater and three Sanitary District recharge effluent water wells. Several park improvement projects are budgeted for fiscal year 2006-2007 including the replacement of the irrigation system, installation of an aggregate walking path along the west side of the lake and 18 new disc golf tee pads. Some reconstruction of the Lake Overlook Trail is also planned for the fall.



### **Four Peaks Neighborhood Park**

Four Peaks Neighborhood Park is a 14-acre recreation facility adjacent to Four Peaks Elementary School. The Parks and Recreation Department acquired approximately 9.9 acres of land from the School District in May 2001, bringing the total acreage of the park to 14 acres. The park currently includes the North soccer field with seating, the South athletic multi-purpose field with lights, one baseball field, one softball field, two lighted tennis courts, two lighted basketball courts, two children’s playgrounds, a restroom/control building, one ramada with a grill, and parking for 20 vehicles.

### **Golden Eagle Park**

Golden Eagle Park is a 25-acre active recreation facility adjacent to Fountain Hills High School. The park includes four multi-purpose lighted ball fields with covered dugouts and seating for 550 spectators, four lighted tennis courts with a shaded waiting area, two lighted basketball courts with bleachers, two lighted sand volleyball courts with a shower tower, a shaded tot lot, a shaded children’s playground with a shaded seat wall, a 2,500 square foot restroom/control building, three parking lots with a total of 223 parking spaces, three picnic ramadas with grills, one pedestrian foot bridge, eight chilled drinking fountains, a horse shoe pit, two open turf areas, a large equipment storage yard, and over one mile of sidewalks and concrete pathways. Golden Eagle Park is the first facility to complete all phases of capital improvements.

### **Performance Standards**

#### **Fountain Hills Park System**

(Fountain Park, Desert Vista Neighborhood Park, Four Peaks Neighborhood Park, and Golden Eagle Park)

- Provide safe and clean facilities daily
- Secure restroom/control buildings and park entry gates daily
- Prepare and line all ball fields for scheduled activities
- Maintain athletic facilities at standards acceptable for all scheduled sports activities
- Maintain safe and healthy green turf
- Maintain an accident free work place
- Provide excellent customer service

### **Management Indicators – Parks**

	<b>2004-2005 Actual</b>	<b>2005-2006 Actual</b>	<b>2006-2007 Projected</b>
<b>Grounds Maintenance</b>			
Mowing Frequency	42 weeks	42 weeks	42 weeks
Aeration	2 x annually	2 x annually	2 x annually
Post Emergence Spraying	2 x annually	In house	2 x annually
Pre Emergence Spraying	2 x annually	In house	2 x annually



	<b>2004-2005</b>	<b>2005-2006</b>	<b>2006-2007</b>
	<b>Actual</b>	<b>Actual</b>	<b>Projected</b>
<b>Park Facility Bookings</b>			
Desert Vista Neighborhood Park	21	57	75
Fountain Park	87	108	100
Four Peaks Neighborhood Park	504	550	575
Golden Eagle Park	<u>2425</u>	<u>1891</u>	<u>2150</u>
Total:	3,037	2,606	2,900
<b>Parks and Recreation Revenue</b>			
Desert Vista Neighborhood Park	60	400	350
Fountain Park	11,150	10,660	10,650
Four Peaks Neighborhood Park	1,127	789	725
Golden Eagle Park	<u>7,094</u>	<u>6,170</u>	<u>5,525</u>
Total:	\$19,431	\$18,019	\$17,250
<b>Facility Rentals</b>	\$16,501	\$14,334	\$13,500
<b>Ramada Rentals</b>	<u>\$2,930</u>	<u>\$3,685</u>	<u>3,750</u>
Total:	\$19,431	\$18,019	\$17,250

The revenues for Golden Eagle Park have declined steadily due to the conversion of Field #1 during FY04-05, when the dimensions were reduced from a full-sized major baseball field to a Little League minor baseball field. Many of the adult baseball and high school teams that utilized the field no longer had a place to play. With the support of the Fountain Hills Little League, the field dimensions have been restored and staff hopes to attract some of those teams back to the park.

### **Fiscal Year 2005 – 2006 Accomplishments - Parks**

#### **Fountain Hills Park System**

- Maintained our high standards of maintenance for all park amenities and facilities
- Posted new signage throughout the park system
- Installed several new memorial park benches and trees at several parks
- Provided support services and field preparation for various Fountain Hills organizations, such as, the Chamber of Commerce, Ministerial Association, Little League, the Soccer Club, Pop Warner Football, the Senior Softball program, and the Men's League
- Provided support services and field preparation to High School, Middle School, and Four Peaks Elementary School personnel and associated sports teams
- Upgraded turf and field conditions at all parks
- Completed Fountain Park Phase III Improvements that included the construction of the Ironwood and Chuparosa Ramadas.

#### **Desert Vista Neighborhood Park**

- Replaced several trees at the Off-Leash Recreational Facility
- Prepared and lined the turf for games and practices of the F.H. Soccer Club
- Backfilled low areas of the park



### **Fountain Park**

- Continued the St. Patrick's Day annual tradition this year with two scheduled times for dyeing the fountain green.
- Repaired aeration pumps for better circulation of oxygen into the Fountain Park Lake
- Continued to repair the irrigation system for consistent coverage
- Initiated soils testing throughout the park in order to determine fertilizer applications
- Completed Phase III Improvements

### **Four Peaks Neighborhood Park**

- Reconditioned the baseball field
- Installed new park signage
- Installed new backstops and dugouts on the east and west ball-fields

### **Golden Eagle Park**

- Replaced gate valves and isolation valves throughout the park
- Worked with SunRidge Canyon Golf course to maintain the required level of pump pressure to ensure adequate irrigation operation
- Reconfigured Field #1 to 90ft regulation baseball field with new sod and stabilizer
- Installed a grass infield on field #4 for Little League games this season
- Re-lamped ball field lighting on Field #1

### **Fiscal Year 2006-2007 Objectives (Parks)**

#### **Fountain Hills Park System**

- Explore opportunities for meeting the community's expanding need for additional parks and amenities
- Eliminate turf weeds and weeds on dirt slopes and open areas
- Repair any uneven turf areas throughout each park
- Maintain high staff visibility and provide friendly help for park patrons
- Reduce the number of vandalism incidents in the park system.

#### **Desert Vista Neighborhood Park**

- Install additional benches and trees
- Work with ADOG to continue safe and clean operations of the Off-Leash Recreational Facility
- Improve turf and field conditions at the Off-Leash Recreational Facility
- Obtain grant funding for completing park master plan - park improvements include three permanent shade structures, irrigation upgrades, restroom/concession building, lights and a new entrance
- Complete budgeted park improvements for 06/07



## Fountain Park

- Complete construction of spray park
- Complete park master plan including upgrading the irrigation, providing a walking path, shade structure for amphitheater, disc golf upgrades and reconstruction of overlook walking path
- Continue to reduce the year round migratory bird population at Fountain lake
- Clean up of pump house building and yard to allow for tours of the facility
- Improve turf conditioning and appearance throughout the park
- Program irrigation clocks to achieve better overnight-run times
- Complete Capital Projects for 06/07

## Four Peaks Neighborhood Park

- Meet with neighborhood watch groups to discuss any possible issues
- Streamline maintenance operations
- Work with Fountain Hills Little League to improve cooperation with field usage and maintenance
- Improve field conditions on ball fields
- Continue cleanup of former school bus barn property

## Golden Eagle Park

- Maintain park amenities, courts, ball fields, landscaping, and building with a high level of service
- Continue to provide excellent field preparation for scheduled sports activities
- Cross train field supervisors on restroom and field maintenance
- Complete Department of Justice ADA compliance requests.

## Summary Expenditures - Parks

	FY 2003-2004 Actual	FY 2004-2005 Actual	FY 2005-2006 Budget	FY 2005-2006 Estimate	FY 2006-2007 Budget
SALARIES & BENEFITS	\$206,578	\$227,742	\$282,760	\$268,594	\$335,870
CONTRACTUAL SERVICES	\$6,975	\$750	\$21,000	\$21,000	\$47,000
REPAIRS & MAINTENANCE	\$257,130	\$311,687	\$335,600	\$329,100	\$343,796
SUPPLIES & SERVICES	\$163,036	\$195,090	\$221,300	\$233,904	\$241,811
CAPITAL EXPENDITURES	\$0	\$0	\$211,300	\$147,000	\$1,768,168
<b>TOTAL EXPENDITURES</b>	<b>\$633,719</b>	<b>\$735,269</b>	<b>\$1,071,960</b>	<b>\$999,598</b>	<b>\$2,736,645</b>

## Salaries and Benefits

**\$335,870**

The Fountain Hills Parks Division for FY06-07 includes a Supervisor of Parks, three Park Operations Leads, and two Groundskeepers positions. Although the staff members are assigned to a specific park, they share responsibilities for all the parks and perform their duties wherever necessary.



Fountain Park	\$ 56,740
Desert Vista Neighborhood Park	\$ 0
Four Peaks Neighborhood Park	\$ 54,460
Golden Eagle Park	\$ 224,670

### **Contract Services**

**\$47,000**

There are plans to update the Park Master Plan at Four Peaks Neighborhood Park and the other cost is associated with the Fountain Lake Management Testing and Analysis. The following is a breakdown by park of the associated costs:

Fountain Park	\$ 2,000
Four Peaks Neighborhood Park	\$ 45,000

### **Repairs and Maintenance**

**\$343,796**

These expenses reflect the annual cost of the daily maintenance of the parks facilities, as well as repairs to park vehicles and the rental of power equipment to perform park maintenance repairs. The major component to this category is the Annual Landscape Contract, which accounts for most of the expenditures in this category. The Annual Landscape Contract was re-bid during fiscal year 2004-2005 and can be renewed on an annual basis for up to four additional years. Mariposa is the current contractor and we are in the first year of renewal of the Annual Landscape Contract. Additionally, the annual landscape contract is adjusted annually to include the Consumer Price Index increase.

Fountain Park Total:	\$ 148,261
Desert Vista Neighborhood Park Total:	\$ 41,085
Four Peaks Neighborhood Park Total:	\$ 51,500
Golden Eagle Park Total:	\$ 102,950

Fountain Park's budget of \$148,261 for maintenance and repairs includes equipment repairs at \$15,000 for maintenance and repairs on the "world famous" fountain; irrigation pumps and lake aerators. Field and park maintenance line item at \$41,500 consists of liquid fertilizer \$5,000; acid supplies \$5,000; granular fertilizers \$11,000; irrigation repairs \$6,000; hydro-seeding \$5,000; memorial bench pads \$2,000; memorial benches 2,000; water fowl removal \$2,000; new trees \$3,500. Also included is \$12,600 for building maintenance, \$1,000 for vehicle maintenance/repairs and \$1,500 for equipment rentals. Fountain Park's mowing and landscaping line item of \$76,661 breaks down as follows: Mowing 42 times at \$24,893; Aeration \$2,100; tree trimming \$8,723; palm tree trimming \$1,645; over-seeding \$28,100; landscape maintenance \$3,000; irrigation laborer \$7,000; and pesticide spraying \$1,200.

Desert Vista Neighborhood Park has \$41,805 budgeted for repairs and maintenance, primarily mowing and landscaping work in the amount of \$31,185. This line item consists of mowing 42 times, equaling \$18,500; herbicide spraying at \$1,000, and over-seeding the park at \$9,435; aeration \$700 and fertilizing at \$1,550. The remaining expenditures are for field preparation at \$9,400 and rentals of equipment at \$500.

Four Peaks Neighborhood Park budget of \$51,500 consists mainly of two line items, \$20,000 for field preparation and \$20,000 for mowing and landscape maintenance. The field preparation expenditures consists of \$4,000 for lighting repairs, \$4,000 stabilizer and paint, \$4,000 fertilizer & herbicides, irrigation repairs \$1,000 and basketball fence repairs \$6,000. Also included is \$7,800 for building maintenance/repairs; \$1,000 for equipment rentals, and \$700 for vehicle maintenance/repairs.



The mowing and landscaping \$22,000 includes 42 mows at \$14,364; over-seeding \$4,830; mulch \$750 and tree trimming for \$2,000

Golden Eagle Park's request of \$102,950 consists of \$24,300 for building repairs and maintenance that includes \$5,000 for fence repairs, \$4,800 picnic tables; \$6,000 painting ramadas; \$5,000 tennis court repairs and \$3,500 for building supplies. Field Preparation and Maintenance \$41,400 is budgeted as follows: \$4000 for fertilizers; \$4,000 infield stabilizer; \$1,500 warning track mix; \$2,000 sand; \$2,500 herbicides; \$6,500 rye-seed and mulch; \$4,200 marking paint; \$6,000 ball-field lighting repairs; \$3,000 irrigation parts and \$7,613.35 to replace dugout shade screens. Also include is \$7,400 for vehicle maintenance/repairs, and \$1,500 for equipment rentals.

Mowing and Landscape Maintenance has \$28,350 as follows: \$13,000 for mowing; \$3,500 irrigation laborer; scalping \$3,000; \$8,000 for tree trimming and \$850 for turf sweeping.

### **Supplies and Services**

**\$241,811**

Expenses in this category pertain to the daily operations of the park and include costs for electricity, water, sewer, trash pick-up, associated operational signage, and miscellaneous tools and supplies. Also included are expenditures associated with continuing education and conferences for park staff to keep current with professional maintenance standards and certifications.

Fountain Park Total:	\$140,000
Desert Vista Neighborhood Park Total:	\$ 6,440
Four Peaks Neighborhood Park Total:	\$ 36,675
Golden Eagle Park Total:	\$ 58,696

Fountain Park supplies and services of \$140,000, which includes \$119,000 for electricity to operate the fountain pumps, ramadas, parking lot lights, and control building. The remaining \$21,000 includes \$15,500 for water and sewer, \$1,900 for gas and oil, and all other associated line items equal \$1,000 or less.

Desert Vista Neighborhood Park has budgeted \$6,440 for supplies and services. The major expenditure is \$5,300 for electricity; water/sewer services at \$740; \$200 for park signage and \$200 for tools or shop supplies. The 06/07 budget has been increased slightly to accommodate the cost associated with the Phase I Capital Improvements and the installation of lights in the Off Leash Recreational Facility. The new amenities and facilities will primarily impact the electricity and water/sewer line items.

Four Peaks Neighborhood Park supplies and services costs of \$36,675 include major expenditures for electricity at \$14,000; and water/sewer costs \$18,080; uniforms at \$1,000 and all other associated line items less than a \$1,000.

Golden Eagle Park costs of \$58,696 include electricity at \$33,800 for lighting the ball fields, tennis courts, parking lots, area lighting, and the control building. The remaining \$24,896 is accounted for in line items for gas and oil at \$5,200; tools and shop supplies at \$4,700; water/ sewer at \$7,680; uniforms for three staff members \$3,416; and communication expense at \$1,300. All other associated line items equal less than \$1,000.



## Capital Improvement Projects

**\$1,780,000**

In February 2006, the Town Council approved an updated Master Plan for Desert Vista Neighborhood Park. The updated master plan was the result of several public meetings with area residents and park users from around the community. Three main focus areas emerged during the public meetings: improving and lighting the off-leash recreational facility (dog park); the skate park, which is being developed separately; and improving and lighting the multi purpose athletic fields. \$520,000 was budgeted, which along with Development Fee Funds, will be used as a match for an Arizona State Parks Heritage Grant to be submitted in February 2007. If successful, the grant could provide approximately \$700,000 towards the park development. \$59,000 will be used to install lighting in the off-leash recreational facility (dog park) in early fall 2006, with the remainder of the project to be developed awaiting the outcome of the grant process.

In a continuing effort to improve Fountain Park, \$761,000 has been budgeted for installation of an entirely new irrigation system, replacing the nearly 35-year old system. The installation will provide a much more efficient irrigation system capable of providing water round-the-clock to the nearly 33-acres of turf in Fountain Park. Additional improvements include an aggregate walking path around 1/3 of the lake connecting with existing walkways (\$342,400), a semi-permanent shade structure for the amphitheater (\$30,000), and permanent tee pads for the disc golf course (\$25,000). Also included is \$15,000 for trail reconstruction of the Fountain Overlook Trail.

Due to increased vandalism at Town parks, staff plans to install a Camera Security System at both Golden Eagle Park and Four Peaks Neighborhood Park at a cost of \$10,000 each. Staff hopes that the cameras will not only help to deter vandalism, but assist in prosecuting any individuals caught vandalizing park sites. An additional \$8,000 is necessary to conclude ADA improvements at Golden Eagle Park.

The capital improvements projects proposed for FY06-07 are as follows:

<u>Desert Vista Neighborhood Park</u>	\$ 520,000
(Phase I improvements)	
Off Leash Facility Lights	<u>\$ 59,000</u>
(ADOG contribution \$27,000 / Town \$32,000)	
Total:	\$ 579,000
<u>Fountain Park</u>	
New Irrigation system (33acres turf)	\$ 761,000
Aggregate walking path	\$ 342,400
Amphitheater shade structure	\$ 30,000
Overlook trail reconstruction	\$ 15,000
Disc Golf Tee Pads	<u>\$ 25,000</u>
Total:	\$1,173,000
<u>Four Peaks Neighborhood Park</u>	
Camera Security System	<u>\$ 10,000</u>
Total:	\$ 10,000
<u>Golden Eagle Park</u>	
Camera Security System	\$ 10,000
Department of Justice ADA repairs	<u>\$ 8,000</u>
Total:	\$ 18,000



**FY 2006/2007 Line Item Budget**  
**01-General Fund**  
**081-Parks and Recreation**

	FY 03/04 Actual	FY 04/05 Actual	FY 05/06 Approved	FY 05/06 Estimate	FY 06/07 Approved
<b>Location 004-Fountain Park</b>					
<i><b>Expenditures</b></i>					
5199 Overtime	\$0	\$0	\$0	\$230	\$355
5200 Wages and Salaries	\$38,941	\$37,159	\$43,300	\$34,617	\$37,045
5201 Employer FICA Expense	\$504	\$486	\$640	\$505	\$560
5202 Unemployment Insurance Expense	\$55	\$84	\$70	\$121	\$60
5203 Employee's Health Insurance	\$7,250	\$7,357	\$9,460	\$4,201	\$10,610
5204 Employee's Life Insurance	\$117	\$115	\$150	\$116	\$150
5205 Employee's Dental Insurance	\$934	\$890	\$1,060	\$369	\$1,060
5206 Employee Vision Insurance	\$0	\$0	\$70	\$57	\$150
5207 Worker Compensation Insurance	\$1,175	\$1,934	\$2,160	\$2,205	\$2,440
5208 Employee's Retirement Expense	\$4,284	\$4,087	\$4,770	\$3,833	\$4,120
5211 Disability Insurance	\$167	\$171	\$220	\$148	\$190
5902 Professional Fees	\$6,975	\$750	\$9,000	\$9,000	\$2,000
6400 Vehicle Repairs & Maintenance	\$1,599	\$1,904	\$2,000	\$1,000	\$1,000
6403 Equipment Rental	\$48	\$313	\$500	\$1,200	\$1,500
6404 Building Repairs & Maintenance	\$8,367	\$5,889	\$9,000	\$12,000	\$12,600
6405 Office Equipment Repairs &	\$3,824	\$9,865	\$10,000	\$16,500	\$15,000
6410 Field Preparation/Maintenance	\$25,253	\$45,115	\$48,500	\$34,000	\$41,500
6415 Mowing/Landscape Maintenance	\$62,006	\$60,321	\$68,000	\$68,000	\$76,661
6501 Advertising/Signage	\$623	\$525	\$0	\$0	\$0
6505 Conferences	\$0	\$128	\$250	\$125	\$150
6507 Continuing Education	\$130	\$230	\$500	\$250	\$500
6508 Dues & Publications	\$120	\$70	\$100	\$100	\$400
6511 Electricity Expense	\$66,225	\$85,515	\$104,000	\$114,000	\$119,000
6514 Gas & Oil Expense	\$1,510	\$1,669	\$1,700	\$1,700	\$1,900
6520 Office Supplies	\$6	\$217	\$200	\$0	\$0
6525 Tools, Shop Supplies	\$1,103	\$1,341	\$1,000	\$500	\$1,000
6531 Printing	\$3	\$4	\$300	\$300	\$300
6537 Communications Expense	\$526	\$299	\$350	\$220	\$250
6546 Water/Sewer	\$8,643	\$12,392	\$14,500	\$14,500	\$15,500
6549 Uniforms	\$835	\$1,118	\$900	\$750	\$1,000
8010 Capital Outlay - Vehicles	\$0	\$0	\$0	\$0	\$20,500
8090 Capital Outlay - Improvements	\$0	\$0	\$30,000	\$6,000	\$1,172,968
9090 Transfers	\$0	\$54,865	\$0	\$0	
<b>Total - Fountain Park</b>	<b>\$241,223</b>	<b>\$334,813</b>	<b>\$362,700</b>	<b>\$326,547</b>	<b>\$1,540,469</b>



**FY 2006/2007 Line Item Budget**  
**01-General Fund**  
**081-Parks and Recreation**

		FY 03/04	FY 04/05	FY 05/06	FY 05/06	FY 06/07
		Actual	Actual	Approved	Estimate	Approved
<b>Location 005-Desert Vista Neighborhood Park</b>						
<i><u>Expenditures</u></i>						
5908	Engineering Fees	\$0	\$0	\$6,000	\$6,000	\$0
6403	Equipment Rental	\$1,782	\$0	\$1,000	\$200	\$500
6410	Field Preparation/Maintenance	\$9,036	\$9,540	\$10,000	\$9,000	\$9,400
6415	Mowing/Landscape Maintenance	\$24,145	\$27,377	\$31,600	\$28,500	\$31,185
6501	Advertising/Signage	\$0	\$0	\$200	\$200	\$200
6511	Electricity Expense	\$2,279	\$2,425	\$5,300	\$4,000	\$5,300
6525	Tools, Shop Supplies	\$116	\$16	\$250	\$100	\$200
6546	Water/Sewer	\$546	\$605	\$900	\$650	\$740
8090	Capital Outlay - Improvements	\$0	\$0	\$32,000		
9090	Transfers	\$0	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$520,000</u>
<b>Total - Desert Vista Neighborhood Park</b>		<b>\$37,904</b>	<b>\$39,963</b>	<b>\$87,250</b>	<b>\$48,650</b>	<b>\$567,525</b>



**FY 2006/2007 Line Item Budget**  
**01-General Fund**  
**081-Parks and Recreation**

	FY 03/04 Actual	FY 04/05 Actual	FY 05/06 Approved	FY 05/06 Estimate	FY 06/07 Approved
<b>Location 006-Four Peaks Park</b>					
<i><u>Expenditures</u></i>					
5199 Overtime	\$0	\$0	\$0	\$0	\$336
5200 Wages and Salaries	\$0	\$0	\$9,800	\$9,800	\$35,164
5201 Employer FICA Expense	\$0	\$0	\$160	\$160	\$530
5202 Unemployment Insurance Expense	\$0	\$0	\$70	\$70	\$60
5203 Employee's Health Insurance	\$0	\$0	\$2,370	\$2,370	\$10,610
5204 Employee's Life Insurance	\$0	\$0	\$30	\$30	\$150
5205 Employee's Dental Insurance	\$0	\$0	\$270	\$270	\$1,060
5206 Employee Vision Insurance	\$0	\$0	\$20	\$20	\$150
5207 Worker Compensation Insurance	\$0	\$0	\$490	\$640	\$2,320
5208 Employee's Retirement Expense	\$0	\$0	\$1,080	\$1,080	\$3,900
5211 Disability Insurance	\$0	\$0	\$50	\$50	\$180
5902 Professional Fees	\$0	\$0	\$0	\$0	\$45,000
5908 Engineering Fees	\$0	\$0	\$6,000	\$6,000	\$0
6400 Vehicle Repairs & Maintenance	\$305	\$1,228	\$1,000	\$1,000	\$700
6403 Equipment Rental	\$33	\$53	\$500	\$300	\$1,000
6404 Building Repairs & Maintenance	\$4,755	\$17,066	\$16,500	\$15,000	\$7,800
6410 Field Preparation/Maintenance	\$14,360	\$12,875	\$24,000	\$24,000	\$20,000
6415 Mowing/Landscape Maintenance	\$17,872	\$17,826	\$20,000	\$20,000	\$22,000
6501 Advertising/Signage	\$0	\$0	\$800	\$800	\$400
6505 Conferences	\$0	\$0	\$0	\$0	\$225
6507 Continuing Education	\$440	\$0	\$200	\$100	\$200
6508 Dues & Publications	\$0	\$0	\$100	\$100	\$250
6511 Electricity Expense	\$11,258	\$14,393	\$14,000	\$14,000	\$14,000
6514 Gas & Oil Expense	\$321	\$1,127	\$600	\$1,900	\$1,400
6520 Office Supplies	\$0	\$0	\$100	\$0	\$100
6525 Tools, Shop Supplies	\$598	\$793	\$700	\$700	\$700
6531 Printing	\$0	\$0	\$100	\$100	\$100
6537 Communications Expense	\$0	\$0	\$100	\$60	\$220
6546 Water/Sewer	\$16,602	\$16,701	\$20,000	\$26,000	\$18,080
6549 Uniforms	\$0	\$0	\$350	\$470	\$1,000
8010 Capital Outlay - Vehicles	\$0	\$0	\$0	\$0	\$9,000
8090 Capital Outlay - Improvements	\$0	\$0	\$106,000	\$106,000	\$10,000
<b>Total - Four Peaks Park</b>	<b>\$66,544</b>	<b>\$82,062</b>	<b>\$225,390</b>	<b>\$231,020</b>	<b>\$206,635</b>



**FY 2006/2007 Line Item Budget**  
**01-General Fund**  
**081-Parks and Recreation**

	FY 03/04 Actual	FY 04/05 Actual	FY 05/06 Approved	FY 05/06 Estimate	FY 06/07 Approved
<b>Location 007-Golden Eagle Park</b>					
<b><u>Expenditures</u></b>					
5199 Overtime	\$0	\$0	\$0	\$477	\$1,001
5200 Wages and Salaries	\$117,699	\$133,429	\$156,000	\$153,799	\$163,899
5201 Employer FICA Expense	\$1,632	\$1,855	\$2,290	\$2,230	\$2,420
5202 Unemployment Insurance Expense	\$161	\$300	\$260	\$248	\$240
5203 Employee's Health Insurance	\$14,501	\$16,584	\$18,920	\$20,283	\$23,720
5204 Employee's Life Insurance	\$346	\$411	\$530	\$545	\$680
5205 Employee's Dental Insurance	\$1,782	\$1,964	\$2,510	\$2,301	\$2,510
5206 Employee Vision Insurance	\$0	\$0	\$120	\$338	\$410
5207 Worker Compensation Insurance	\$3,553	\$5,794	\$7,950	\$9,926	\$10,830
5208 Employee's Retirement Expense	\$12,939	\$14,547	\$17,160	\$16,970	\$18,140
5211 Disability Insurance	\$538	\$575	\$780	\$585	\$820
6400 Vehicle Repairs & Maintenance	\$7,106	\$8,699	\$11,000	\$5,000	\$7,400
6403 Equipment Rental	\$991	\$1,130	\$1,500	\$1,400	\$1,500
6404 Building Repairs & Maintenance	\$19,527	\$34,616	\$24,500	\$25,000	\$24,300
6410 Field Preparation/Maintenance	\$31,465	\$34,674	\$30,000	\$41,000	\$41,400
6415 Mowing/Landscape Maintenance	\$24,656	\$23,196	\$26,000	\$26,000	\$28,350
6501 Advertising/Signage	\$0	\$124	\$100	\$0	\$100
6505 Conferences	\$173	\$384	\$1,100	\$850	\$1,100
6507 Continuing Education	\$904	\$1,245	\$1,000	\$500	\$800
6508 Dues & Publications	\$310	\$360	\$300	\$300	\$400
6511 Electricity Expense	\$32,635	\$33,451	\$32,000	\$31,800	\$33,800
6514 Gas & Oil Expense	\$4,366	\$6,037	\$4,500	\$5,227	\$5,200
6520 Office Supplies	\$0	\$82	\$100	\$0	\$100
6525 Tools, Shop Supplies	\$2,853	\$2,431	\$2,200	\$2,400	\$4,700
6531 Printing	\$0	\$0	\$100	\$236	\$100
6537 Communications Expense	\$1,528	\$1,259	\$1,300	\$1,300	\$1,300
6546 Water/Sewer	\$6,237	\$7,362	\$7,900	\$7,050	\$7,680
6549 Uniforms	\$2,146	\$2,787	\$3,200	\$2,616	\$3,416
8010 Capital Outlay - Vehicles	\$0	\$0	\$0	\$0	\$17,700
8090 Capital Outlay - Improvements	\$0	\$0	\$43,300	\$35,000	\$18,000
<b>Total - Golden Eagle Park</b>	<b>\$288,048</b>	<b>\$333,296</b>	<b>\$396,620</b>	<b>\$393,381</b>	<b>\$422,016</b>

# **Town of Fountain Hills Budget Summary by Program**

**01 - General Fund**

**095 - Community Center Department**

**Total Budgeted Expenditures - \$915,110**

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## **Community Center**

### **Mission Statement**

Like the trademark fountain that stands at the heart of the community, so too does the Community Center. Its mission is to enhance the quality of life for Fountain Hills' citizens by providing a gathering place for civic, non-profit and community events, promoting the arts, and developing a conference and convention trade. The Community Center shall be "All that is Fountain Hills".

### **Department Description**

The Fountain Hills Community Center provides meeting space for recreational, civic, educational, commercial, and private events that require seminar, banquet, and classroom or exhibit space. Both Senior Services and SeniorNet are also housed in the Community Center building, office space for each entity along with numerous activities such as specialty classes, clubs and support groups meet here each week.

The Center staff works attentively with clients and town staff to ensure that all rooms and public areas are clean, properly set, and prepared for their use. License agreements ensure that users comply with the policies and procedures as adopted by the Town.

### **Goals and Objectives**

The Fountain Hills Community Center is dedicated to service the residents of Fountain Hills in the manner and spirit established by the former Community Center. A variety of amenities and spaces combined with a very affordable rate structure provide residents with increased opportunities for personal and local non-profit use. The Center will continue to make community and resident usage a number one priority.

Additionally, the department will incorporate the following goals and objectives previously established:

- Maintain a safe and accessible facility
- Satisfy client's requirements
- Maximize facility usage
- Bring additional revenues into Fountain Hills
- Continue regular building maintenance to prolong the facilities new appearance

The Center will provide a positive economic stimulus to the Town by scheduling and booking as many outside groups as possible while continuing to meet the needs of the Fountain Hills Senior Services, Parks & Recreation, Residents and Community Groups.



## Performance Standards

- The Center shall meet with clients, obtain all necessary event information, discuss rental fees and obtain a signed license agreement within ten working days
- Continue a safe working environment for staff and those who use the facility
- Clients shall be furnished a detailed scale drawing of their event showing the set
- All events shall be properly supervised with Center personnel readily available to assist with clients' needs
- Maintain a clean and organized facility that offers up to date audio visual, sound and other amenities to those who rent the Community Center
- Outstanding billings for events are to be processed in a prompt manner
- Maintain current Arizona State Liquor License for the Center along with continued education and certification for all staff who are involved with events serving alcohol
- Continue to coordinate activities for the Senior Activity Center, Recreation Division, and Town related functions and activities

## Management Indicators

	2003-2004 Actual	2004-2005 Actual	2005-2006 Estimate	2006-2007 Projected
Events/Activities	1,800	3,864	4,050	4,117
Attendance	76,500	93,000	96,300	99,225
Revenues	\$218,339	\$187,837	\$206,614	\$223,000

## Fiscal year 2005-2006 Accomplishments

- Continue maintenance upgrades to the building to maintain appearance
- Maintained a close working relationship with the Senior's helping to organize their schedule and determine set requirements
- Closed the Pottery room and set up a new classroom that will serve as additional space for rentals and other events
- Reorganized Art Room 1 and put it back to its original design so it will now be used for drawing and painting classes only
- Installed a state of the art security system
- Offered new art exhibits that attracted people from around the Valley
- Installed several new pieces of art work both inside and outside of the Community Center building
- Brought the Senior Center patio up to date with new screens and patio furniture
- Painted all classrooms in order to maintain a professional appearance
- Utilized volunteer staff that not only oversees the front desk but also has creates several community activities: the Holiday Celebration and tree decorating, "Munch and Music", "Summer Serendipity", and entered and placed first in the Chamber of Commerce Thanksgiving Day Parade



## Fiscal Year 2006-2007 Objectives

- Continue serving as the location of choice for many service club meetings, civic functions, and major community social, fundraising, and Chamber events
- The Center is working on making the facility one of the premier wedding destinations in the valley by exposing the public to a facility through a marketing campaign that includes bridal exhibitions and trade shows, hosting bridal consultant meetings, and other venues
- Fill in Plaza Circle making it an extension of the Center in order to enhance its use for special events.

### Summary Expenditures - Community Center

	FY 2003-2004 Actual	FY 2004-2005 Actual	FY 2005-2006 Budget	FY 2005-2006 Estimate	FY 2006-2007 Budget
SALARIES & BENEFITS	\$271,374	\$305,868	\$351,324	\$329,767	\$391,930
CONTRACTUAL SERVICES	\$2,256	\$5,294	\$6,550	\$4,750	\$4,600
REPAIRS & MAINTENANCE	\$11,807	\$15,256	\$16,300	\$16,425	\$18,320
SUPPLIES & SERVICES	\$98,140	\$98,876	\$110,650	\$101,478	\$113,260
CAPITAL EXPENDITURES	\$0	\$0	\$387,000	\$387,000	\$387,000
<b>TOTAL EXPENDITURES</b>	<b>\$383,577</b>	<b>\$425,294</b>	<b>\$871,824</b>	<b>\$839,420</b>	<b>\$915,110</b>

### Schedule of Authorized Positions

Position – Title	2002-2003 Authorized FTE	2003-2004 Authorized FTE	2004-2005 Authorized FTE	2005-2006 Authorized FTE	2006-2007 Proposed FTE
<b>Community Center</b>					
Parks & Rec/Comm Ctr Dir.	1.00	0.50	0.50	0.50	0.50
Comm Ctr Supervisor	1.00	1.00	1.00	1.00	1.00
Comm Ctr Operations Sup.	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
Volunteer Coordinator	0.50	0.50	0.50	0.50	0.50
Operations Support Worker	1.00	1.50	1.50	1.50	2.00
Operations Support Assistant	0.00	0.00	0.00	0.50	0.50
Custodian	1.00	1.00	1.00	1.00	1.00
<b>Authorized FTE</b>	<b>6.50</b>	<b>6.50</b>	<b>6.50</b>	<b>7.00</b>	<b>7.50</b>



## **Salaries and Benefits**

**\$ 391,930**

The Community Center budget includes additional part time hours for operation staff. At the beginning of FY04-05 the Fountain Hills Senior Center relocated to the Community Center providing a first class facility to run senior programs. The senior programs run five days a week and each program requires setting up and taking down of equipment such as tables, chairs, video and audio equipment, etc. which has increased staff time by 33%. The senior programs require approximately 8 hours of set up and take down time during the daytime hours, which requires approximately 40 hours per week for one person. This is in addition to the set ups and take downs required for the groups and organizations that rent the facility on a regular basis.

## **Contract Services**

**\$ 4,600**

Contract services include costs associated with bartender hours and event security; we contract with the Maricopa County Sheriffs Office to provide security at Community Center events when liquor is served.

## **Repairs and Maintenance**

**\$ 18,320**

This category includes the costs for normal repair and maintenance of the facility, equipment rental such as sound or lighting systems, and normal equipment repair and maintenance. All original warranties have expired so we are now trying to maintain a regular schedule for all necessary repairs and maintenance.

## **Supplies and Services**

**\$ 113,260**

This category includes the Center printing budget, which is used for all brochures, flyers, promotional, and trade show materials. Also included are office supplies for daily operations, dues and publications, and conferences. The largest line item in this category is electricity at \$47,000 to run the building. Liquor sales are also a significant part of the overall revenues and supplies costs at \$14,000. The Center's margins are lower than private commercial centers allowing lower prices to be charged. This is an advantage in holding major events at the Center. Lastly, supplies and materials for volunteer programs are also included under the office supply line item. These programs include the Holiday Party, Summer Serendipity, Thanksgiving Day Parade and the Spring Volunteer Reception.

## **Capital Outlay/Debt Service**

**\$ 387,000**

New to this division's budget is the annual debt service payment for the Municipal Property Corporation bonds that were sold in 2000 to finance the cost of the Community Center. In FY05-06 the bonds were refinanced to take advantage of interest rate savings. In prior years the annual bond payment was made from residual bond proceeds.





**FY 2006/2007 Line Item Budget**  
**01-General Fund**  
**095-Community Center**

	FY 03/04 Actual	FY 04/05 Actual	FY 05/06 Approved	FY 05/06 Estimate	FY 06/07 Approved
<i><b>Expenditures</b></i>					
5199 Overtime	\$0	\$0	\$0	\$610	\$1,590
5200 Wages and Salaries	\$229,452	\$256,289	\$279,323	\$263,561	\$307,548
5201 Employer FICA Expense	\$8,490	\$9,494	\$9,430	\$8,200	\$10,980
5202 Unemployment Insurance Expense	\$544	\$754	\$823	\$837	\$744
5203 Employee's Health Insurance	\$12,543	\$14,788	\$28,623	\$25,841	\$32,105
5204 Employee's Life Insurance	\$435	\$483	\$652	\$649	\$823
5205 Employee's Dental Insurance	\$1,467	\$1,546	\$3,007	\$2,576	\$3,007
5206 Employee Vision Insurance	\$0	\$0	\$188	\$318	\$394
5207 Worker Compensation Insurance	\$1,638	\$3,847	\$7,062	\$5,344	\$11,142
5208 Employee's Retirement Expense	\$16,145	\$17,912	\$21,252	\$20,880	\$22,579
5211 Disability Insurance	\$660	\$755	\$966	\$951	\$1,018
5900 Bartending Services	\$1,076	\$5,014	\$6,000	\$4,500	\$3,900
5902 Professional Fees	\$1,180	\$280	\$550	\$250	\$700
6404 Building Repairs & Maintenance	\$10,378	\$14,103	\$15,000	\$15,000	\$17,000
6405 Office Equipment Repairs &	\$1,429	\$1,153	\$1,300	\$1,425	\$1,320
6501 Advertising/Signage	\$10,356	\$10,888	\$15,200	\$15,200	\$19,350
6505 Conferences	\$0	\$1,232	\$1,650	\$2,028	\$3,100
6507 Continuing Education	\$105	\$319	\$600	\$200	\$825
6508 Dues & Publications	\$924	\$764	\$800	\$800	\$545
6511 Electricity Expense	\$53,440	\$56,991	\$56,650	\$44,500	\$47,000
6520 Office Supplies	\$5,878	\$5,791	\$6,300	\$6,300	\$7,150
6530 Bar Supplies	\$12,543	\$10,151	\$14,300	\$14,000	\$14,000
6531 Printing	\$2,487	\$1,096	\$1,500	\$1,500	\$1,500
6537 Communications Expense	\$1,383	\$1,325	\$1,350	\$2,600	\$2,900
6546 Water/Sewer	\$8,623	\$7,526	\$9,000	\$12,000	\$13,700
6548 Meeting Expense	\$0	\$5	\$200	\$0	\$150
6549 Uniforms	\$1,065	\$800	\$900	\$700	\$900
6560 Bank Charges	\$1,336	\$1,988	\$2,200	\$1,650	\$2,140
9090 Transfers	\$0	\$0	\$387,000	\$387,000	\$387,000
<b>Total</b>	<b>\$383,577</b>	<b>\$425,294</b>	<b>\$871,826</b>	<b>\$839,420</b>	<b>\$915,110</b>

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# **Town of Fountain Hills Budget Summary by Program**

**01 - General Fund**

**096 - Senior Services Department**

**Total Budgeted Expenditures - \$203,871**

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## Senior Services

### Mission Statement

To help community seniors maintain their independence and improve the quality of their lives by providing a comprehensive and coordinated community-based system of services and opportunities. To collaborate with other agencies and organizations that provide and/or support programs and social services for seniors.

### Department Description

Senior Services Division reports to the Director of the Parks & Recreation Department and provides the following major programs: Home Delivered Meals, Fitness and Educational Programs, Day and Overnight Trips, Socialization activities and Social Services including seven support groups.

### Goals & Objectives

- Help seniors and disabled maintain independence
  - By providing hot, nutritious meals
  - By offering a variety of dietary choices to meet individual health requirements
- Help seniors and their caregivers deal with everyday problems
  - By trained facilitators for support groups
- Help new residents and winter visitors establish a network of friends
  - By providing opportunities for socialization
- Help seniors maintain and/or improve their health
  - By offering exercise and preventive fitness classes
  - By offering information on nutrition
  - By offering hearing and blood pressure screenings
  - By providing opportunity to obtain FLU shots
- Help seniors by providing educational opportunities: AARP driving and computer classes
- Help seniors by providing information and referrals
  - Referrals to social services agencies
  - Referrals to home health care and other resources

### Performance Standards

- Serve all who need assistance that Senior Services can provide
- Obtain financial assistance for HDM clients who cannot afford the meal cost

### Management Indicators

	2005-06	2006-07
Membership	950	1,100
Events/Activities	40	42
Attendance	14,430	15,700
Revenues	\$66,000	\$170,123



Prior to FY2005-06 the Senior activities were offered by a private, not for profit corporation, Senior Services Inc. The Town assumed the Senior programs and revenue in December, 2005.

### Senior Services Revenue

	2004-2005 Actual	2005-2006 Estimated	2006-2007 Projected
• Senior Program Costs	\$ 55,000*	\$ 169,705	\$203,871
• Program Revenues	<u>\$ 0</u>	<u>\$ 66,000</u>	<u>\$157,150</u>
Difference	\$ (55,000)	\$(103,705)	\$(46,721)

\*funding to Senior Services Inc.

### Fiscal Year 2005-06 Accomplishments

Membership is up 50% over this time last year  
 Three new support groups have been initiated : Low Hearing, Diabetes, Parkinson's  
 Began transition of staffing in August and most operations in December 2005  
 Recruited and hired Home Delivered Meals (HDM) Coordinator  
 Obtained gate and additional screening for medical equipment loan program  
 Began year-round movie program with sponsorship of Blockbusters  
 New programs: Belly Dance, Yoga, ceramics, Spooner & Shaft preventive fitness talks  
 Held 3 presentations on Part-D medicare program  
 Programs on fraud prevention from AZ Corporation Commission and AZ Attorney General's office

### Fiscal Year 2006-07 Objectives

Increase membership to 1,000  
 Conduct more outreach for support groups  
 Recruit more volunteers  
 Working with Senior Services, Inc. to increase membership

### Summary Expenditures - Senior Services

	FY 2003-2004 Actual	FY 2004-2005 Actual	FY 2005-2006 Budget	FY 2005-2006 Estimate	FY 2006-2007 Budget
SALARIES & BENEFITS	\$0	\$0	\$64,600	\$77,680	\$85,506
CONTRACTUAL SERVICES	\$40,000	\$55,000	\$91,650	\$87,650	\$105,695
REPAIRS & MAINTENANCE	\$0	\$0	\$7,500	\$0	\$1,000
SUPPLIES & SERVICES	\$0	\$0	\$10,650	\$4,375	\$9,670
CAPITAL EXPENDITURES	\$0	\$0	\$0	\$0	\$2,000
TOTAL EXPENDITURES	\$40,000	\$55,000	\$174,400	\$169,705	\$203,871



**Schedule of Authorized Positions**

Position – Title	2002-2003 Authorized FTE	2003-2004 Authorized FTE	2004-2005 Authorized FTE	2005-2006 Authorized FTE	2006-2007 Proposed FTE
<b>Senior Services</b>					
Senior Services Supervisor	0.00	0.00	0.00	0.00	1.00
HDM/Special Programs Admin	0.00	0.00	0.00	0.00	0.50
HDM Coordinator	0.00	0.00	0.00	0.00	0.50
Senior Aide	0.00	0.00	0.00	0.00	1.50
Authorized FTE	0.00	0.00	0.00	0.00	3.50

**Salaries and Benefits** **\$85,506**

Currently, all of the positions under Senior Services are part time and employees receive no benefits. The responsibility for the Senior Services Supervisor position is shared equally between two people. There are two part time positions that work with the Home Delivered Meals program. Lastly, there are a small number of people that serve as Senior Aides.

**Contract Services** **\$105,695**

This category of expenditures is for the cost of senior programs, outlined below. A major program through the Senior Services Division is providing meals for the Home Delivered Meals program. The meals are prepared by a local cafeteria and delivered by volunteers to homebound seniors. This division also provides for a variety of senior trips and for instructors for programs that the Senior Center offers.

Category of Programs	Cost of Program	Revenue
Senior Excursions	\$31,354	\$48,677
Senior Overnight Trips	\$18,400	\$27,405
Fee Based Classes	\$12,581	\$24,439
Home Delivered Meals	\$43,360	\$56,620

**Repairs and Maintenance** **\$1,000**

Expenses and potential repairs of the copier and office equipment

**Supplies and Services** **\$9,670**

Advertising costs for health fair ads and special events at \$1,000. Office supplies includes paper for informational flyers that are produced internally for the various programs that are offered (\$1,300). Also included is the cost for the home delivered meal bags (\$750), two carts for equipment (\$1,000), a fridge, two printers, cartridges and a shredder (\$1,310). Printing activity booklets is also included for a cost of \$1,050

**Capital Outlay/Debt Service** **\$2,000**

For the installation of mirrors on the walls for the dance and exercise classes that are offered.



**FY 2006/2007 Line Item Budget**  
**01-General Fund**  
**096-Senior Services**

	FY 03/04 Actual	FY 04/05 Actual	FY 05/06 Approved	FY 05/06 Estimate	FY 06/07 Approved
<b><u>Expenditures</u></b>					
5199 Overtime	\$0	\$0	\$0		\$0
5200 Wages and Salaries	\$0	\$0	\$59,650	\$71,469	\$78,666
5201 Employer FICA Expense	\$0	\$0	\$4,580	\$5,469	\$6,090
5202 Unemployment Insurance Expense	\$0	\$0	\$140	\$433	\$350
5207 Worker Compensation Insurance	\$0	\$0	\$230	\$309	\$400
5902 Professional Fees	\$0	\$0	\$8,000	\$4,000	\$0
5940 Senior Services	\$40,000	\$55,000	\$83,650	\$83,650	\$105,695
6405 Office Equipment Repairs &	\$0	\$0	\$7,500	\$0	\$1,000
6501 Advertising/Signage	\$0	\$0	\$1,500	\$750	\$1,000
6505 Conferences	\$0	\$0	\$550	\$125	\$850
6507 Continuing Education	\$0	\$0	\$550	\$125	\$550
6508 Dues & Publications	\$0	\$0	\$250	\$125	\$250
6520 Office Supplies	\$0	\$0	\$6,000	\$2,500	\$5,300
6531 Printing	\$0	\$0	\$1,100	\$500	\$1,220
6537 Communications Expense	\$0	\$0	\$200	\$100	\$0
6548 Meeting Expense	\$0	\$0	\$500	\$150	\$500
8020 Capital Outlay - Furniture &	\$0	\$0	\$0	\$0	\$0
8020 Capital Outlay - Furniture &	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$2,000</u>
<b>Total</b>	<b>\$40,000</b>	<b>\$55,000</b>	<b>\$174,400</b>	<b>\$169,705</b>	<b>\$203,871</b>

# **Town of Fountain Hills Budget Summary by Program**

**01 - General Fund**

**040 - Magistrate Court Department**

**Total Budgeted Expenditures - \$363,655**

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## MUNICIPAL COURT

### MISSION STATEMENT:

The Fountain Hills Municipal Court is committed to professionally serving the citizens of Fountain Hills by administering justice in a fair, efficient and respectful manner, so as to enhance public trust and community confidence in our court system.

### COURT DESCRIPTION:

The Fountain Hills Municipal Court is the judicial branch of the Fountain Hills government. Pursuant to State law and the Town Code, decisions regarding the overall function of the Court are the sole responsibility of the Presiding Judge, who also has exclusive supervisory authority over all court personnel. The Court has jurisdiction over civil traffic, criminal traffic and criminal misdemeanor offenses and violations of our Town Code and ordinances. The Court also has authority over specified juvenile offenses. In addition, the Municipal Court Judge has authority to issue arrest/search warrants, civil orders of protection and injunctions against harassment.

As part of the Arizona State Court System, the Fountain Hills Municipal Court is subject to the authority and administrative supervision of the Arizona Supreme Court. The Fountain Hills Municipal Court has legal obligations and reporting responsibilities to the State, as well as to the Town of Fountain Hills. The Court must comply with constantly changing federal, state and local laws and administrative rules, including those relating to crimes and criminal procedure, Victims Rights, Domestic Violence, Driving Under the Influence, Record Keeping, ADA, Minimum Accounting Standards and judicial ethics.

### PERFORMANCE STANDARDS:

- Adjudicate 90% of all civil traffic cases within 60 days.
- Adjudicate 80% of criminal and criminal traffic cases within 60 days and 95% within 120 days.
- Maintain a fair and impartial environment to resolve legal disputes.
- Respond to incoming mail requests within 24 hours.
- Issue warrants for failure to appear within two business days.
- Keep written procedures current with changes in laws and rules.

### Management Indicators

	FY 2004-2005	FY 2005-2006 Projected	FY 2006-2007 Projected
Cases filed	3,110	2,650	2,800
Cases terminated	3,598	3,420	3,150
Hearings held	993	820	840
Civil Traffic cases closed within 60 days	83%	88%	90%
Criminal/Criminal Traffic cases closed within 60 days	80%	82%	85%
Criminal/Criminal Traffic cases closed within 120 days	93%	93%	95%



**FISCAL YEAR 2005-2006 ACCOMPLISHMENTS:**

- Successfully completed the third year of the Fountain Hills Community Teen Court.
- Effectively used the new video conferencing program in over 100 cases involving incarcerated defendants, thereby cutting transport costs for the Maricopa County Sheriff’s Office, as well as removing security risks involved with having such defendants appear in the court.
- Purchased a new digital recording system to more accurately record court trials and hearings and more efficiently provide appeal records.
- Participated for the first full year in the Fines, Fees and Restitution Enforcement (FARE) program sponsored by the Supreme Court, thus improving collection of defendants’ outstanding financial obligations.

**FISCAL YEAR 2006-2007 OBJECTIVES:**

- Continue the review, updating and implementation of existing and new Court policies and procedures, including those related to security and collections.
- Pursue a partnership opportunity with the mental health courts in the Valley for utilizing their resources and programs for Fountain Hills Cases.
- Continue enhancement of the Court’s website for public access to court information and services.

**Summary Expenditures - Court**

	<b>FY 2003-2004 Actual</b>	<b>FY 2004-2005 Actual</b>	<b>FY 2005-2006 Budget</b>	<b>FY 2005-2006 Estimate</b>	<b>FY 2006-2007 Budget</b>
<b>SALARIES &amp; BENEFITS</b>	\$274,783	\$310,618	\$337,820	\$321,680	\$340,700
<b>CONTRACTUAL SERVICES</b>	\$4,170	\$7,210	\$6,300	\$6,900	\$6,500
<b>REPAIRS &amp; MAINTENANCE</b>	\$813	\$1,103	\$1,200	\$1,500	\$1,000
<b>SUPPLIES &amp; SERVICES</b>	\$12,931	\$9,558	\$16,955	\$14,655	\$15,455
<b>CAPITAL EXPENDITURES</b>	\$0	\$0	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>	<b>\$292,697</b>	<b>\$328,489</b>	<b>\$362,275</b>	<b>\$344,735</b>	<b>\$363,655</b>

**Schedule of Authorized Positions**

<b>Position – Title</b>	<b>2002-2003 Authorized FTE</b>	<b>2003-2004 Authorized FTE</b>	<b>2004-2005 Authorized FTE</b>	<b>2005-2006 Authorized FTE</b>	<b>2006-2007 Proposed FTE</b>
<b>Court</b>					
<b>Presiding Judge</b>	1.00	1.00	1.00	1.00	1.00
<b>Court Administrator</b>	1.00	1.00	1.00	1.00	1.00
<b>Senior Court Clerk</b>	0.00	0.00	1.00	1.00	1.00
<b>Court collections Clerk</b>	1.00	0.00	0.00	0.00	0.00
<b>Court Clerk</b>	3.00	3.00	2.00	2.50	2.00
<b>Authorized FTE</b>	<b>6.00</b>	<b>5.00</b>	<b>5.00</b>	<b>5.50</b>	<b>5.00</b>



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**Salaries and Benefits****\$340,700**

The proposed FY06-07 budget includes one Presiding Judge, one Court Administrator, one Court Clerk II and two Court Clerks I, one of which acts as a collection clerk. No additional positions are proposed for this fiscal year.

**Contract Services****\$6,500**

This category includes required interpreting services other than day-to-day Spanish, which is provided by court staff, and the services of pro tem judges when the presiding judge is unavailable. The court also has a contract for \$4,500 with the Supreme Court for the use, upgrades, technical and processing support for the Arizona Court Automation Program (ACAP).

**Repairs and Maintenance****\$1,000**

This supports routine service and annual maintenance of office equipment.

**Supplies and Services****\$15,455**

This line item includes funding to support advertising and signage, \$2,600 for the presiding judge and court staff to attend mandatory continuing education conferences as required by the Arizona Supreme Court, court-related association dues, fees for publications, updated Arizona statutes and court rules, and necessary directory subscriptions. Also included in this item is funding for office supplies and printing.



Municipal Court in new Town Hall



**FY 2006/2007 Line Item Budget**  
**01-General Fund**  
**040-Magistrate Court**

	FY 03/04 Actual	FY 04/05 Actual	FY 05/06 Approved	FY 05/06 Estimate	FY 06/07 Approved
<b><u>Expenditures</u></b>					
5199 Overtime	\$0	\$0		\$140	\$965
5200 Wages and Salaries	\$220,620	\$250,235	\$265,200	\$257,131	\$262,935
5201 Employer FICA Expense	\$3,124	\$3,562	\$4,750	\$3,728	\$3,860
5202 Unemployment Insurance Expense	\$266	\$466	\$400	\$331	\$300
5203 Employee's Health Insurance	\$21,751	\$23,470	\$33,120	\$25,952	\$36,620
5204 Employee's Life Insurance	\$643	\$783	\$890	\$679	\$1,120
5205 Employee's Dental Insurance	\$2,740	\$2,812	\$3,580	\$3,010	\$3,330
5206 Employee Vision Insurance	\$0	\$0	\$190	\$283	\$210
5207 Worker Compensation Insurance	\$388	\$644	\$790	\$963	\$1,010
5208 Employee's Retirement Expense	\$24,254	\$27,526	\$27,640	\$28,284	\$29,020
5211 Disability Insurance	\$997	\$1,120	\$1,260	\$1,179	\$1,330
5901 Accounting Fees	\$0	\$1,500	\$0	\$0	\$0
5903 Legal Fees	\$1,170	\$1,210	\$1,800	\$2,400	\$2,000
5920 Intergovernmental Agreements	\$3,000	\$4,500	\$4,500	\$4,500	\$4,500
6405 Office Equipment Repairs &	\$813	\$1,103	\$1,200	\$1,500	\$1,000
6501 Advertising/Signage	\$0	\$87	\$500	\$400	\$300
6505 Conferences	\$1,409	\$781	\$1,900	\$1,500	\$1,800
6507 Continuing Education	\$940	\$367	\$1,600	\$800	\$800
6508 Dues & Publications	\$3,276	\$2,403	\$3,550	\$3,400	\$3,550
6520 Office Supplies	\$3,514	\$2,092	\$4,000	\$3,850	\$4,000
6531 Printing	\$1,467	\$1,255	\$2,000	\$1,800	\$2,000
6537 Communications Expense	\$38	\$113	\$105	\$105	\$105
6548 Meeting Expense	\$225	\$261	\$800	\$300	\$400
6560 Bank Charges	<u>\$2,062</u>	<u>\$2,199</u>	<u>\$2,500</u>	<u>\$2,500</u>	<u>\$2,500</u>
<b>Total</b>	<b>\$292,697</b>	<b>\$328,489</b>	<b>\$362,275</b>	<b>\$344,735</b>	<b>\$363,655</b>

# **Town of Fountain Hills Budget Summary by Program**

**01 - General Fund**

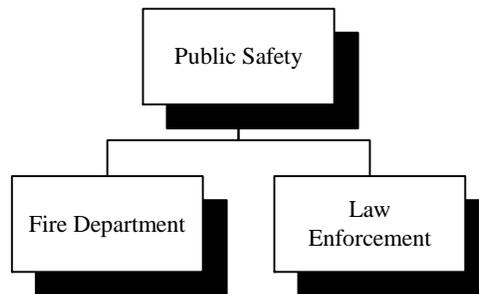
**090 - Law Enforcement Department**

**Total Budgeted Expenditures -        \$2,219,421**

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## Law Enforcement Department



### Mission Statement

The Maricopa County Sheriff's Office, in partnership with our citizens and contract cities, will enforce state laws, deter criminal activity, protect life and property, maintain order, and operate a safe, constitutional jail system.

Through innovative leadership and dedication to providing quality services, the Sheriff's Office will maximize the use of its resources to provide the highest quality service, which will aid in improving the quality of life for the citizens of Maricopa County.

The office is also dedicated to providing a caring and supportive environment for our employees because they are the backbone of the system and have a need for continued growth and development through education and training. Each employee will have opportunities for career development, professional growth, and a challenging work environment.

Employee creativity and innovations are encouraged for improving the effectiveness of the Office. Employees will be provided the same concern, respect, and caring attitude within the Office, that they are expected to share when contacting the citizens of Maricopa County

### Department Description

Law enforcement services are provided to our residents through contract services from the Maricopa County Sheriff's Office (MCSO). The Sheriff's Office enforces State and local laws as well as addressing "quality of life" issues such as crime prevention, traffic safety, drug enforcement, youth services, special events, barking dogs, and community services.

### Performance Standards

- All Sheriff's Office members will support the principles of community based policing
- The public will be treated with courtesy and respect by all members of the Sheriff's Office
- Members of the Sheriff's Office will not engage in racial profiling
- All sworn personnel will meet, or exceed, state training standards (AZ-POST) as a means of reducing liability



## Management Indicators

	<b>2003 Actual</b>	<b>2004 Actual</b>	<b>2005 Actual</b>
Crimes Part I*	387	594	605
Crimes Part II**	713	618	549
Traffic accidents	233	347	331
Driving under the influence (DUI)	60	63	32

\*Part I Crimes – Homicide, Sex Assault, Robbery, Aggravated Assault, Residential/Business Burglaries, Auto Burglaries, Auto Theft, Arson.

\*\*Part II Crimes – All other crimes, except Part I crimes and traffic violations.

## Fiscal Year 2005-2006 Accomplishments

In the first nine months of the fiscal year, the Maricopa County Sheriff's Office accomplished the following:

- Continued youth services activity in conjunction with the Boys and Girls Club of Fountain Hills with the award of another grant for Friday Night Live
- Decreased the number of traffic accidents in 2005 by 4% through traffic enforcement and speed awareness programs
- Decreased the number of Part II Crimes by 11% through effective patrolling and investigative techniques
- Promoted crime prevention through a variety of community programs including public service articles on crime resistance techniques and vacation watches
- Sponsored and presented a variety of youth services activities including Teen Court, Party in the Park and Midnight Madness

## Fiscal Year 2006-2007 Objectives

- Decrease the number of juvenile crimes by increasing the number of juveniles contacted and identified for trespassing, criminal damage, and curfew violations through the VENT program (Vandalism Elimination Now and Tomorrow)
- Decrease the number of Part I Crimes through the effective implementation of the VENT Program
- Continue to promote effective communication between the Town and Sheriff's Office in addressing issues that need a cooperative answer
- Increase traffic enforcement and awareness with higher visibility during peak traffic times to reduce traffic accidents and speeding complaints
- Promote public visibility, accessibility, and community relations through clearly marked cars and involvement of uniformed personnel at Town functions



## Summary Expenditures – Law Enforcement

	FY 2003-2004 Actual	FY 2004-2005 Actual	FY 2005-2006 Budget	FY 2005-2006 Estimate	FY 2006-2007 Budget
SALARIES & BENEFITS	\$36,757	\$0	\$0	\$0	\$0
CONTRACTUAL SERVICES	\$1,669,726	\$1,792,782	\$1,903,894	\$1,905,044	\$2,313,900
REPAIRS & MAINTENANCE	\$287	\$0	\$0	\$0	\$0
SUPPLIES & SERVICES	\$1,282	\$0	\$0	\$0	\$0
CAPITAL EXPENDITURES	\$0	\$0	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>	<b>\$1,708,052</b>	<b>\$1,792,782</b>	<b>\$1,903,894</b>	<b>\$1,905,044</b>	<b>\$2,313,900</b>

### Schedule of Authorized Positions

Position – Title	2002-2003 Authorized FTE	2003-2004 Authorized FTE	2004-2005 Authorized FTE	2005-2006 Authorized FTE	2006-2007 Proposed FTE
<b>Law Enforcement</b>					
Public Safety Dir/TownMarshal	1.00	0.00	0.00	0.00	0.00
Sergeant	3.00	0.00	0.00	0.00	0.00
Deputy Marshal	8.00	0.00	0.00	0.00	0.00
Dispatcher	7.00	0.00	0.00	0.00	0.00
Administrative Assistant	1.00	0.00	0.00	0.00	0.00
Emergency Mgmt Coord	0.00	1.00	0.00	0.00	0.00
Authorized FTE	20.00	1.00	0.00	0.00	0.00

### Contract Services

**\$2,313,900**

The Town of Fountain Hills contracts with the Maricopa County Sheriff's Office for law enforcement services. The contract amount is \$2,313,900, or an increase of 21.8% over the previous fiscal year. The proposed budget includes an addition to the contract of two officers (2 deputies, a 4 wheel drive vehicle and equipment). The increase will allow the deputies to patrol the unimproved 2 square miles of the State Trust land, which requires special enforcement vehicles, after it is annexed. The contract provides for law enforcement officers for the Town of Fountain Hills (3.8 beats) and provides for a school resource officer requested by the Fountain Hills School District. The Town's cost for law enforcement services has remained conservative since FY02-03 while excellent service levels have been maintained. In a separate agreement with Maricopa County Office of Management and Budget, prisoners are transported to the Maricopa County jail and the Town is charged a per diem fee, estimated at \$36,575. The Town also contracts with Maricopa County Animal Care and Control Services for animal control and shelter services in the amount of \$32,275.



**FY 2006/2007 Line Item Budget**  
**01-General Fund**  
**090-Law Enforcement**

	FY 03/04 Actual	FY 04/05 Actual	FY 05/06 Approved	FY 05/06 Estimate	FY 06/07 Approved
<b><u>Expenditures</u></b>					
5906 Jail/Prisoner Fees	\$38,896	\$32,531	\$36,575	\$42,000	\$45,000
5907 Rabies/Animal Shelter Fees	\$32,442	\$29,781	\$32,275	\$28,000	\$32,000
5950 Sheriff's Contract	<u>\$1,598,388</u>	<u>\$1,730,470</u>	<u>\$1,835,044</u>	<u>\$1,835,044</u>	<u>\$2,236,900</u>
<b>Total</b>	<b>\$1,669,726</b>	<b>\$1,792,782</b>	<b>\$1,903,894</b>	<b>\$1,905,044</b>	<b>\$2,313,900</b>

# **Town of Fountain Hills Budget Summary by Program**

**01 - General Fund**

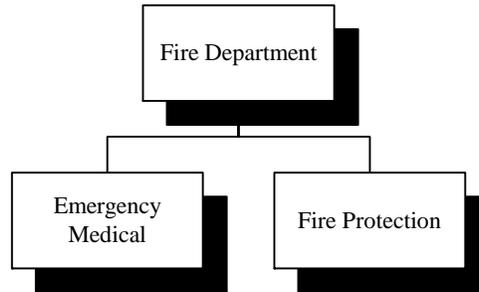
**092 - Fire Department Department**

**Total Budgeted Expenditures -       \$2,846,477**

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## Fire Department



### Mission Statement

The mission of the Fire Department is to preserve life and property through fire prevention, education, suppression and emergency medical services, while maintaining the highest level of training, professionalism and dedication to customer service.

### Department Description

Fire fighting and emergency medical services are provided to the residents through a unique combination of municipally owned equipment and facilities operated by contract personnel from the Rural Metro Corporation.

The Fire Department is responsible for prevention and suppression of structural and wild land fires within the town limits. The fire department also provides inspections, emergency medical services, emergency transport, hazardous material handling, and takes the lead role in emergency response to natural disasters. In conjunction with its primary role, the Fire Department provides a wide range of auxiliary community services such as public education, snake removal, and a youth-oriented explorer post.

### Performance Standards

- Response time of 5 to 8 minutes or less (per contract response areas) to the scene of fire and medical calls at least 90% of the time
- Provide a minimum of 240 hours of training to each individual assigned to Fountain Hills per year.
- Inspect and test all fire hydrants in Fountain Hills on an annual basis.



## Management Indicators

	2003-2004 Actual	2004-2005 Actual	2005-2006 Actual	2006-2007 Projected
Emergency response time	3min 33sec	3min 30sec	3min 37 sec	4min
EMS response time	3min 28sec	3min 35sec	3min 33 sec	4min
Percentage of EMS calls	53%	54%	53%	55%
Emergency calls	1,494	1,470	1,553	1,650
Non-emergency service calls	1,343	1,290	1,191	1,100
Construction inspections/safety surveys	1,556	1,530	1,348	1,450

## Fiscal Year 2005-2006 Accomplishments

- Completed up-date of Town Emergency Operations Plan.
- Completed, with Town Council Adoption, the National Incident Management System (NIMS) Resolution.
- Staffing and Ambulance transportation transition plan complete.
- Completed Mutual aid agreements with neighboring communities.
- New Fire Marshal working with Town Staff.
- Reduced fire fleet by 3 vehicles.
- National Fire Incident Reporting System operational...Federal grant compliant.
- Ladder Tender model operational...saves mileage and wear on ladder truck.
- Maintained 4 minutes or less emergency response time community-wide.
- Maintained 4 minutes or less emergency medical response time community-wide.
- Maintained strong relationship with Maricopa County Sheriff's District Office in Fountain Hills.

## Fiscal Year 2006-2007 Objectives

- Conduct Town, to include local communities, table top exercise to test operations plan.
- Prepare and implement the "Cardiac Alert" program in conjunction with Scottsdale Health Care and Mayo Hospitals.
- Implement a new records management program/system for the Fire Marshal's office.
- Submit for a Federal Firefighters grant to up-grade mobile and portable radio equipment.
- Maintain or improve upon a 4-minute response time for all emergency calls.
- Continue building the relationship with Maricopa County Sheriff's Office District in Fountain Hills.



## Summary Expenditures – Fire Department

	FY 2003-2004 Actual	FY 2004-2005 Actual	FY 2005-2006 Budget	FY 2005-2006 Estimate	FY 2006-2007 Budget
SALARIES & BENEFITS	\$0	\$0	\$0	\$0	\$0
CONTRACTUAL SERVICES	\$2,283,480	\$2,395,128	\$2,615,988	\$2,610,988	\$2,754,287
REPAIRS & MAINTENANCE	\$34,022	\$27,798	\$33,700	\$45,000	\$38,000
SUPPLIES & SERVICES	\$24,910	\$48,255	\$48,905	\$45,694	\$48,190
CAPITAL EXPENDITURES	\$0	\$0	\$0	\$0	\$6,000
<b>TOTAL EXPENDITURES</b>	<b>\$2,342,412</b>	<b>\$2,471,181</b>	<b>\$2,698,593</b>	<b>\$2,701,682</b>	<b>\$2,846,477</b>

### Contract Services

**\$2,754,287**

The majority of contractual services for this department include the contract for the Town's fire protection and emergency medical services contract with Rural/Metro Corporation at \$2,746,787. The Town contracts for personnel only; all the equipment and fire stations are owned by the Town. At the end of this fiscal year the Town will have completed two years of the five year contract.

### Repairs and Maintenance

**\$38,000**

This category of expenses relates to the department's fleet of fire equipment for field operations as well as maintenance and repair of office equipment for administrative activities. Fleet expenses include tires, brakes, batteries, and vehicle parts essential to keeping equipment in operating order. The estimate is based on a two year cost trend for repair and maintenance of the fleet (\$23,000); reducing the fleet size by three vehicles and making an assumption that the Town front line trucks are reaching the mid-point of service life. Also, one complete tire change per engine and ladder is anticipated.

### Supplies and Services

**\$48,190**

Expenses in this category pertain to daily operations of the department and range from fuel costs to fire fighting tools, office supplies, specialized training, printing, and publications. Items in this category are outside of the parameters of the Rural/Metro contract and represent expenses specifically for Fountain Hills. Gas is the largest line item within this category at \$26,255, followed by firefighting equipment. The Town will purchase various fire equipment (air compressor, Homaltro tool, thermal imaging camera, etc.) for \$18,300.



**FY 2006/2007 Line Item Budget**  
**01-General Fund**  
**092-Fire Department**

	FY 03/04 Actual	FY 04/05 Actual	FY 05/06 Approved	FY 05/06 Estimate	FY 06/07 Approved
<b><u>Expenditures</u></b>					
5902 Professional Fees	\$0	\$0	\$0	\$0	\$2,500
5920 Intergovernmental Agreements	\$0	\$0	\$0	\$5,000	\$5,000
5955 Rural Metro Contract	\$2,283,480	\$2,395,128	\$2,615,988	\$2,605,988	\$2,746,787
6400 Vehicle Repairs & Maintenance	\$34,022	\$27,798	\$33,700	\$45,000	\$38,000
6505 Conferences	\$0		\$0	\$395	\$500
6508 Dues & Publications	\$620	\$626	\$760	\$881	\$1,135
6514 Gas & Oil Expense	\$18,990	\$28,611	\$33,420	\$30,000	\$26,255
6520 Office Supplies	\$400	\$7,842	\$700	\$770	\$1,500
6526 Fire Fighting Equipment	\$4,900	\$10,685	\$13,525	\$13,525	\$18,300
6531 Printing	\$0	\$491	\$500	\$123	\$500
8030 Capital Outlay - Communications	<u>\$0</u>	<u>\$0</u>	\$0	<u>\$0</u>	<u>\$6,000</u>
<b>Total</b>	<b>\$2,342,412</b>	<b>\$2,471,181</b>	<b>\$2,698,593</b>	<b>\$2,701,682</b>	<b>\$2,846,477</b>

# **Town of Fountain Hills Budget Summary by Program**

**02 - Highway Users Fund**

**071 - Streets and Highways Department**

**Total Budgeted Expenditures - \$2,779,815**

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## Highway User Revenue (Street) Fund

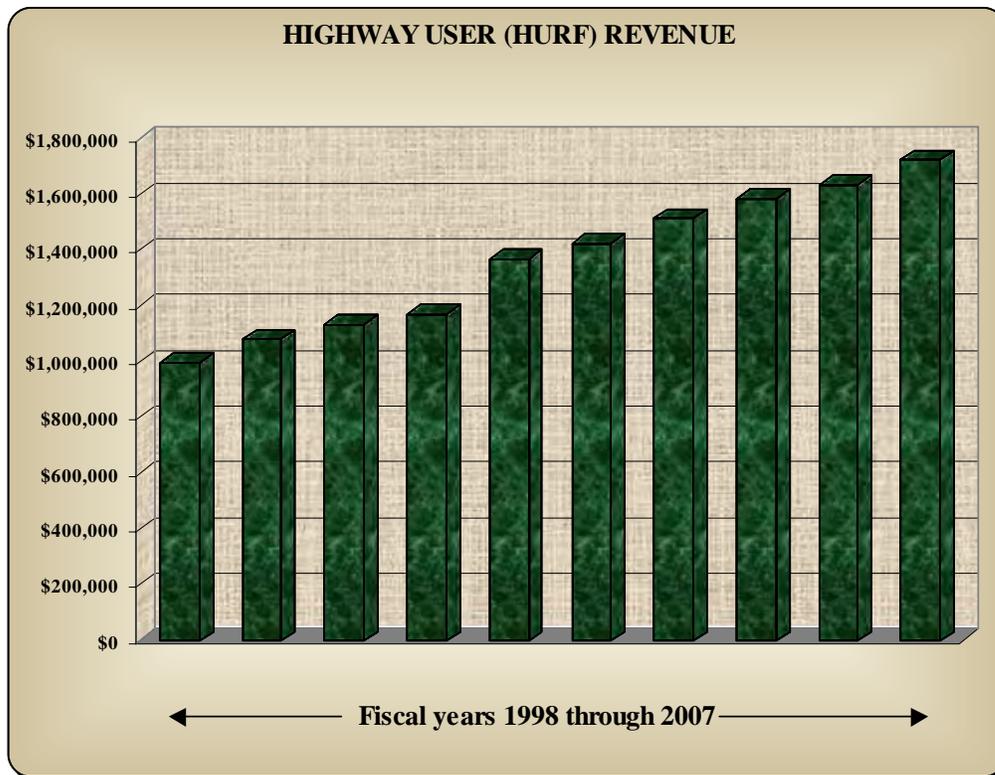
Restrictions	Fiscal Year	Amount	Percent Change
There is a State constitutional restriction on the use of these funds which requires that these funds be used solely for street and highway purposes. Payment of principal and interest on highway and street bonds are an approved use.	1996-97	\$1,017,600	24.3%
	1997-98	\$996,805	-2.0%
	1998-99	\$1,082,173	8.6%
	1999-00	\$1,136,051	5.0%
	2000-01	\$1,171,463	3.1%
	2001-02	\$1,369,677	16.9%
	2002-03	\$1,426,688	4.2%
	2003-04	\$1,515,787	6.2%
	2004-05	\$1,584,706	4.5%
	2005-06 (est.)	\$1,634,585	3.1%
	2006-07 (est.)	\$1,725,640	5.6%

Accounts: 3040, 3050

### Assumptions

Cities and towns receive 27.5% of fuel tax and transportation related fees collected by the state based on population and county of origin of gasoline sales. The increases in HURF allocations in FY 1997 and 2002 were the result of the 1995 and 2000 census population growth. The estimate for FY2007 is based on the Arizona Department of Transportation distribution forecast as published at [www.dot.az.us/Inside](http://www.dot.az.us/Inside). The Local Transportation Assistance Fund (LTAF) comes from lottery proceeds and is distributed to cities and towns based on population as a percentage of all incorporated cities and towns.

Major Influences: Gasoline sales, Population, Economy and State Policy





## STREET DEPARTMENT

### **Mission Statement:**

The Street Division is dedicated to quality customer service by operating, preserving and maintaining Town-owned roadways and traffic control systems safely and efficiently.

### **Division Description:**

The HURF (Highway User Revenue Fund) pays for Street Division personnel and contract work for street repairs, operations, maintenance and improvements. Major Street Division staff responsibilities include crack sealing, asphalt patching, signing, traffic signals, brush removal, storm debris clean up, street sweeping, and street related emergency responses. The Division provides vehicle maintenance services for the entire Town fleet, and traffic barricading for Town approved and sponsored special events. Contracted tasks include construction and renovation of streets, sidewalks, drainage facilities and traffic signals. Contracted major street maintenance items include concrete curb replacement, asphalt reconstruction, asphalt overlays, slurry seal and emulsion seal.

### **Performance Standards:**

- Gutter sweep all streets quarterly, with full width sweeping annually. Gutter sweep all arterial streets and commercial area collector streets monthly. Under the requirements of the Storm Water Management Plan, street sweeping occurs on a daily basis.
- Respond to citizen inquiries within one working day.
- Respond to pothole complaints within 24-hours of notification.
- Respond to missing or damaged stop-sign complaints immediately, upon notification.
- Respond to missing or damaged street signage within 24-hours of notification.
- Perform routine maintenance of all Town fleet vehicles to minimize major repair “down-time”.

### **Management Indicators:**

	<u>2004-05</u> <u>Actual</u>	<u>2005-06</u> <u>Estimated</u>	<u>2006-07 Projected</u>
Slurry Seal	15.6 miles	0 miles	27.2 miles
Microsurfacing		0 miles	2.9 miles
Emulsion Seal Applications	9.8 miles	0 miles	0 miles
Striping Applied	22 miles	30.5 miles	23.8 miles
Traffic Signal LED Retrofits		2	2 signals
ADA Intersection retrofits		4	2 locations
Complete Construction Projects		4 projects	3 projects

### **Fiscal Year 2005-2006 Accomplishments:**

Major projects and accomplishments included:

- Constructed new traffic signal at Saguaro Boulevard and El Lago Boulevard.
- Purchased new PM-10 compliant street sweeper.
- Constructed new left turn lane on Saguaro Boulevard at Monterey Drive.
- Constructed new left turn lane on Saguaro Boulevard at the southern service road entrance.
- Completed design of right turn lane on Palisades Boulevard at Vista Drive
- Removed and replaced approximately 1,000 feet of damaged concrete curb and gutter.
- Removed and replaced approximately 400 feet of damaged concrete sidewalk.



- Constructed ADA sidewalk ramp improvements at four intersections.
- Implemented Storm Water Management Plan actions by installing over 1,500 STORM drainage marker discs.
- Completed LED retrofit for two traffic signals for cost savings, increased reliability, and improved visibility.
- Barricading and street closures for all special events (600 man-hours total for 4 special events).
- Crack sealing in the northeast quadrant of Town (approximately 15 miles of streets).
- Street patching in Town-wide areas – over 200 tons of asphalt.
- Performed 740 man-hours on special projects (major projects include drainage from Community Center parking lot, cleared street drainage inlets, asphalt millings on alleys, asphalt millings on shoulders along Fountain Hills Blvd., erosion control repair on Hamilton at Westby).
- Assisted other Town departments (over 1,000 man-hours).

**Fiscal Year 2006-07 Objectives:**

- Convert one-third of street name signs to larger, higher visibility signs.
- Retrofit school-zone flashing lights for increased reliability.
- Prepare streets in the northeast area of Town for pavement maintenance activities.
- Update the street maintenance program for addressing annual, 5, 10, and 20-year pavement maintenance needs.
- Create fleet maintenance program to minimize vehicle down time and provide long term vehicle needs analysis.
- Replace existing 1996 Ford Explorer with a 2007 Ford Escape Hybrid.
- Increase hours spent on signage and brush control (line-of-sight), to minimize Town liability.
- Retrofit two traffic signals to LED signal heads for cost savings, increased reliability, and improved visibility.
- Retrofit two existing street intersection locations for ADA accessibility compliance.
- Implement Storm Water Management Plan actions by cleaning one-third of Town-owned catch basins.



## Summary Expenditures - Streets

	FY 2003-2004 Actual	FY 2004-2005 Actual	FY 2005-2006 Budget	FY 2005-2006 Estimate	FY 2006-2007 Budget
SALARIES & BENEFITS	\$492,691	\$485,056	\$627,551	\$599,617	\$685,646
CONTRACTUAL SERVICES	\$7,500	\$20,319	\$24,625	\$24,625	\$24,250
REPAIRS & MAINTENANCE	\$578,698	\$628,060	\$1,327,581	\$450,250	\$1,648,724
SUPPLIES & SERVICES	\$191,083	\$200,625	\$212,147	\$212,747	\$206,195
CAPITAL EXPENDITURES	\$134,370	\$225,664	\$195,500	\$187,097	\$215,000
<b>TOTAL EXPENDITURES</b>	<b>\$1,404,342</b>	<b>\$1,559,724</b>	<b>\$2,387,404</b>	<b>\$1,474,336</b>	<b>\$2,779,815</b>

## Schedule of Authorized Positions

Position – Title	2002-2003 Authorized FTE	2003-2004 Authorized FTE	2004-2005 Authorized FTE	2005-2006 Authorized FTE	2006-2007 Proposed FTE
<b>Street</b>					
Assistant Public Works Director	0.00	0.00	0.00	1.00	1.00
Street Superintendent	1.00	1.00	1.00	1.00	1.00
Street Maintenance Supervisor	0.00	1.00	1.00	0.00	0.00
Fleet Mechanic	1.00	1.00	1.00	1.00	1.00
Fleet Equipment Mechanic	1.00	1.00	0.00	0.00	0.00
Street Maintenance Tech	11.00	9.00	8.00	8.00	8.00
<b>Authorized FTE</b>	<b>14.00</b>	<b>13.00</b>	<b>11.00</b>	<b>11.00</b>	<b>11.00</b>

## Salaries and Benefits

**\$685,646**

The Street Division currently has 11 full-time regular employees including the street superintendent, mechanic, operators and technicians. The Assistant Public Works Director salary and benefits are included in the Streets department.

## Contract Services

**\$24,250**

Accounting (auditor) and Town Attorney legal fees are annually prorated to the Street Fund. A regular update of street segment ratings is necessary to maintain an accurate pavement management program and \$10,500 is included for this contracted service.

## Repairs and Maintenance

**\$1,648,724**

Street maintenance activities must continue to occur since asphalt conditions are nearing the end of their life expectancy. A routine pavement maintenance program is essential to identify streets requiring minor and major repairs. Continued preventative maintenance activities, which prolong pavement life expectancy, reduce the necessity for costly road reconstruction projects. Over 50% of the streets in Fountain Hills are over twenty years old, which is the normal life expectancy of asphalt without regular maintenance. Maintenance operations over the past 13 years have proved to be an effective investment, as very few roads are failing and require complete reconstruction.



Arterial roadways, such as Palisades, Fountain Hills, Saguaro and Shea make up 12% of the total network system. These road sections should receive priorities and added maintenance activities when considering street maintenance. These arterials carry the largest amount of traffic on a daily basis (approximately 65,000 vehicles per day, combined) and therefore, deteriorate the fastest. Major road construction costs on these arterials is expensive and have the largest impact on the traveling public during construction. The condition of a town's arterial streets is often times seen as an overall condition of the town. In addition, properly maintained streets help reduce liability for the Town.

Data for the Town-wide street maintenance study has been gathered. Staff continuously performs quality assurance checks on the data collected and works to update the data set to reflect actual current conditions. Continued funding and major maintenance activities is vital to keep the Town's streets in acceptable condition and to keep major road reconstruction projects to a minimum.

Major items in Repairs and Maintenance include \$34,330 for Vehicle Repairs and Maintenance. The department maintains the maintenance vehicles as well as heavy-duty road equipment such as tractors, backhoes, dump trucks and sweepers. A total of \$194,231 is budgeted under Road Repair and Maintenance. The Department is planning on retrofitting existing traffic signals Light Emitting Diode (LED) signal heads and regularly maintains twelve traffic signals and two school flasher locations. The signal retrofit will enhance safety, reduce electricity consumption, and increase reliability. Two such retrofits are planned for this fiscal year. A Town street sign conversion program will be implemented. The program will convert street name signs to a larger size and a more reflective material for better visibility. The Town is mandated to complete this conversion by 2011.

Under the Major Road Improvements line item, \$870,714 has been budgeted for: Slurry Seal which will be applied primarily in the northeastern area of Town. A total of \$277,449 is budgeted for Microsurfacing, which is planed for two locations - Saguaro Boulevard (Palisades Boulevard to Fountain Hills Boulevard) and Fountain Hills Boulevard (Saguaro Boulevard to Palisades Boulevard). See street maintenance map for exact locations.

Thermoplastic striping will be applied to all streets being re-surfaced and used to refresh existing striping, at a cost of \$40,000. Concrete curb repairs, sidewalks, handicap ramps and aprons will be installed for \$70,000. Stormwater management plan implementation activities will take place for \$15,000. Drainage and turn lane projects will be constructed for an estimated cost of \$119,000.

#### **Supplies and Services**

**\$206,195**

Major items include \$30,000 for electricity and \$29,300 gas and oil expenses. This item also includes advertising, education and training, dues and publications, office supplies and printing, tool and shop supplies.

#### **Capital Outlay**

**\$215,000**

Two capital items are proposed for this budget year – purchase of a 2007 Ford Escape Hybrid (\$30,000) and construction of a multi-purpose wash bay for public works vehicles and for sweeper maintenance (\$50,000).



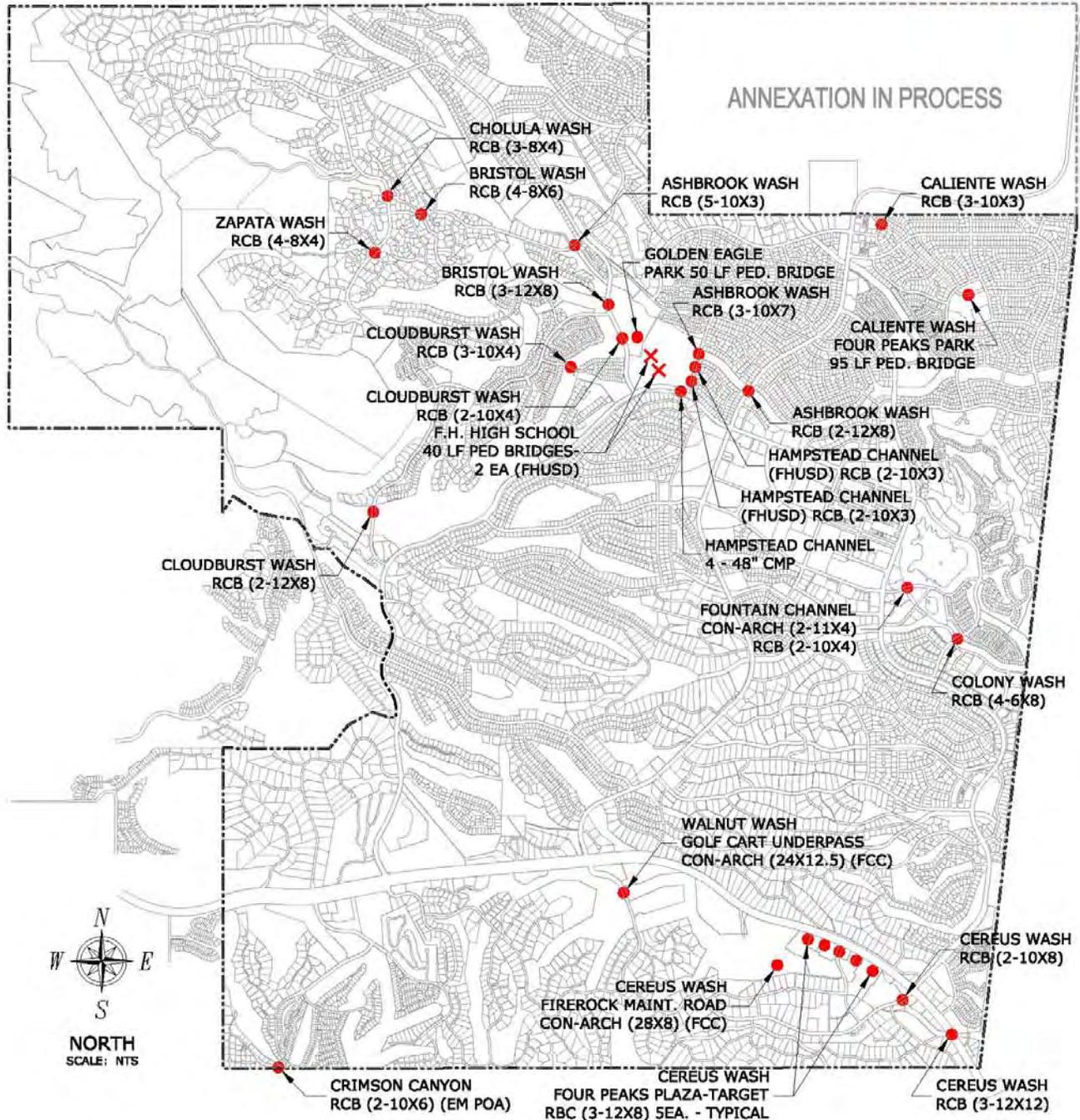
**FY 2006/2007 Line Item Budget**  
**02-Highway Users Fund**  
**071-Streets and Highways**

	FY 03/04 Actual	FY 04/05 Actual	FY 05/06 Approved	FY 05/06 Estimate	FY 06/07 Approved
<b><u>Expenditures</u></b>					
5199 Overtime	\$0	\$0	\$0	\$7,000	\$7,401
5200 Wages and Salaries	\$375,213	\$352,228	\$456,238	\$420,044	\$477,844
5201 Employer FICA Expense	\$5,485	\$5,174	\$6,700	\$6,091	\$7,000
5202 Unemployment Insurance Expense	\$599	\$783	\$724	\$507	\$655
5203 Employee's Health Insurance	\$40,762	\$48,383	\$66,234	\$64,222	\$77,212
5204 Employee's Life Insurance	\$1,107	\$1,107	\$1,546	\$1,591	\$1,981
5205 Employee's Dental Insurance	\$4,644	\$5,108	\$6,804	\$6,556	\$7,056
5206 Employee Vision Insurance	\$0	\$0	\$440	\$809	\$960
5207 Worker Compensation Insurance	\$21,018	\$30,106	\$36,398	\$43,598	\$49,771
5208 Employee's Retirement Expense	\$42,083	\$40,410	\$50,186	\$46,975	\$53,377
5211 Disability Insurance	\$1,780	\$1,757	\$2,281	\$2,223	\$2,389
5901 Accounting Fees	\$3,500	\$3,500	\$5,375	\$5,375	\$4,500
5902 Professional Fees	\$0	\$7,569	\$10,000	\$10,000	\$10,500
5903 Legal Fees	\$4,000	\$9,250	\$9,250	\$9,250	\$9,250
6400 Vehicle Repairs & Maintenance	\$34,339	\$31,119	\$34,000	\$41,000	\$36,330
6402 Road Repair & Maintenance	\$120,748	\$136,783	\$146,150	\$142,800	\$194,231
6403 Equipment Rental	\$0	\$20	\$500	\$250	\$500
6404 Building Repairs & Maintenance	\$3,922	\$1,616	\$3,500	\$5,000	\$7,000
6405 Office Equipment Repairs &	\$9	\$16	\$500	\$500	\$500
6406 Major Road Improvements	\$419,680	\$458,506	\$1,142,931	\$260,700	\$1,410,163
6501 Advertising/Signage	\$480	\$29	\$300	\$300	\$250
6505 Conferences	\$0	\$0	\$3,255	\$3,505	\$3,975
6507 Continuing Education	\$344	\$820	\$3,755	\$3,755	\$3,030
6508 Dues & Publications	\$3,639	\$3,853	\$5,175	\$5,125	\$5,550
6511 Electricity Expense	\$26,889	\$25,750	\$30,000	\$30,000	\$30,000
6514 Gas & Oil Expense	\$15,073	\$24,395	\$28,930	\$28,930	\$29,300
6517 Liability Insurance	\$117,000	\$98,301	\$117,000	\$117,000	\$108,700
6520 Office Supplies	\$1,168	\$1,485	\$1,500	\$1,100	\$1,320
6525 Tools, Shop Supplies	\$7,604	\$29,726	\$5,000	\$6,000	\$4,800
6531 Printing	\$82	\$82	\$500	\$300	\$200
6537 Communications Expense	\$6,496	\$4,340	\$5,432	\$5,432	\$5,450
6546 Water/Sewer	\$3,114	\$2,802	\$3,200	\$3,200	\$3,680
6548 Meeting Expense	\$24	\$0	\$100	\$100	\$290
6549 Uniforms	\$9,170	\$9,042	\$8,000	\$8,000	\$9,650
8010 Capital Outlay - Vehicles	\$0	\$105,164	\$35,000	\$36,597	\$30,000
8020 Capital Outlay - Furniture &	\$3,374	\$0	\$0	\$0	\$0
8026 Capital Outlay - Software	\$7,000	\$0	\$0	\$0	\$0
8090 Capital Outlay - Improvements	\$0	\$0	\$0	\$0	\$50,000
9090 Transfers	<u>\$123,996</u>	<u>\$120,500</u>	<u>\$160,500</u>	<u>\$150,500</u>	<u>\$135,000</u>
<b>Total</b>	<b>\$1,404,342</b>	<b>\$1,559,724</b>	<b>\$2,387,404</b>	<b>\$1,474,335</b>	<b>\$2,779,815</b>



# TOWN OF FOUNTAIN HILLS

## NO BRIDGE INSPECTIONS IN 2006-2007



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# TOWN OF FOUNTAIN HILLS

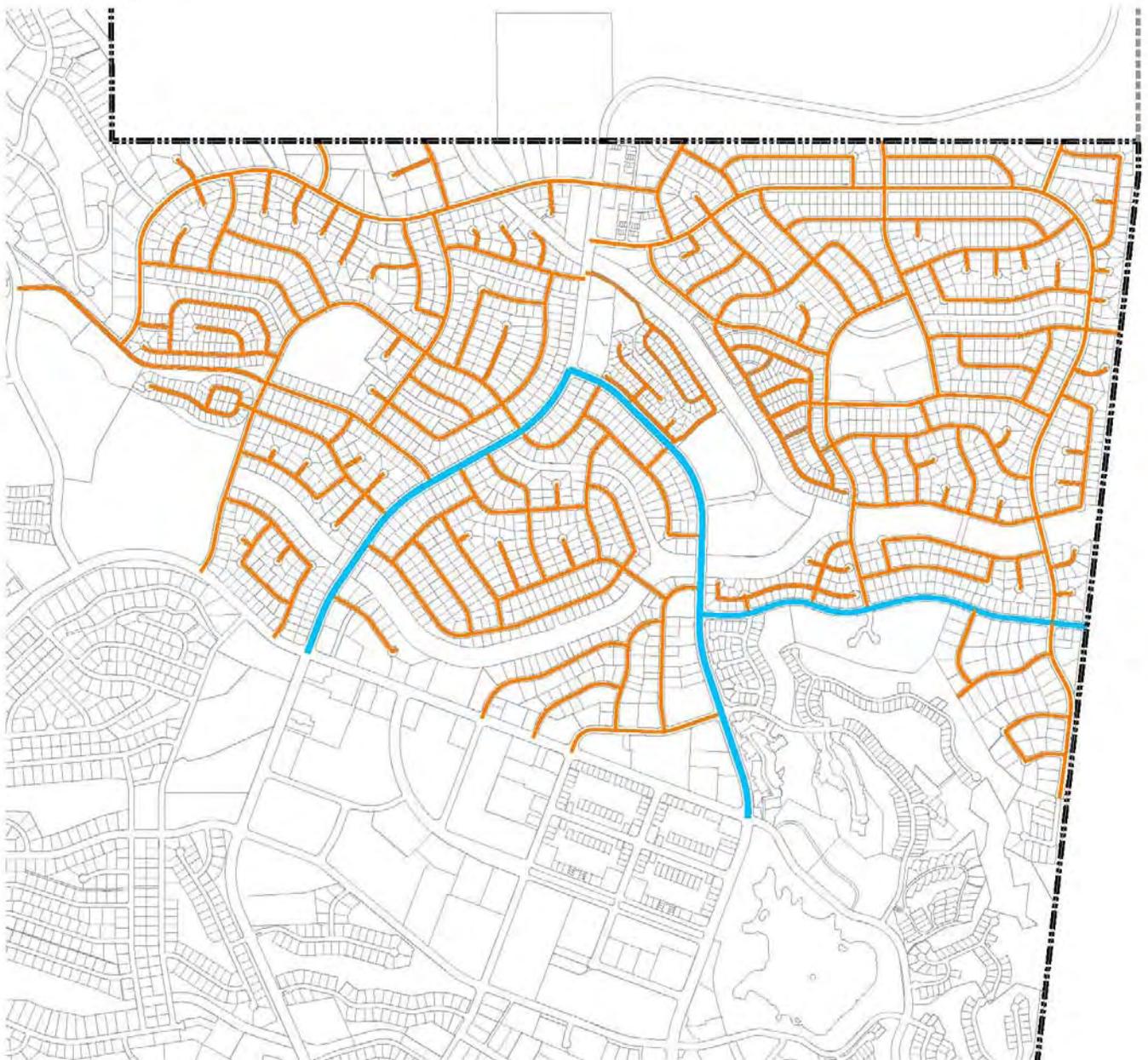
PROPOSED PAVEMENT MAINTENANCE  
2006-2007



NORTH  
SCALE: NTS

### LEGEND

-  MICROSURFACE
-  SLURRY SEAL



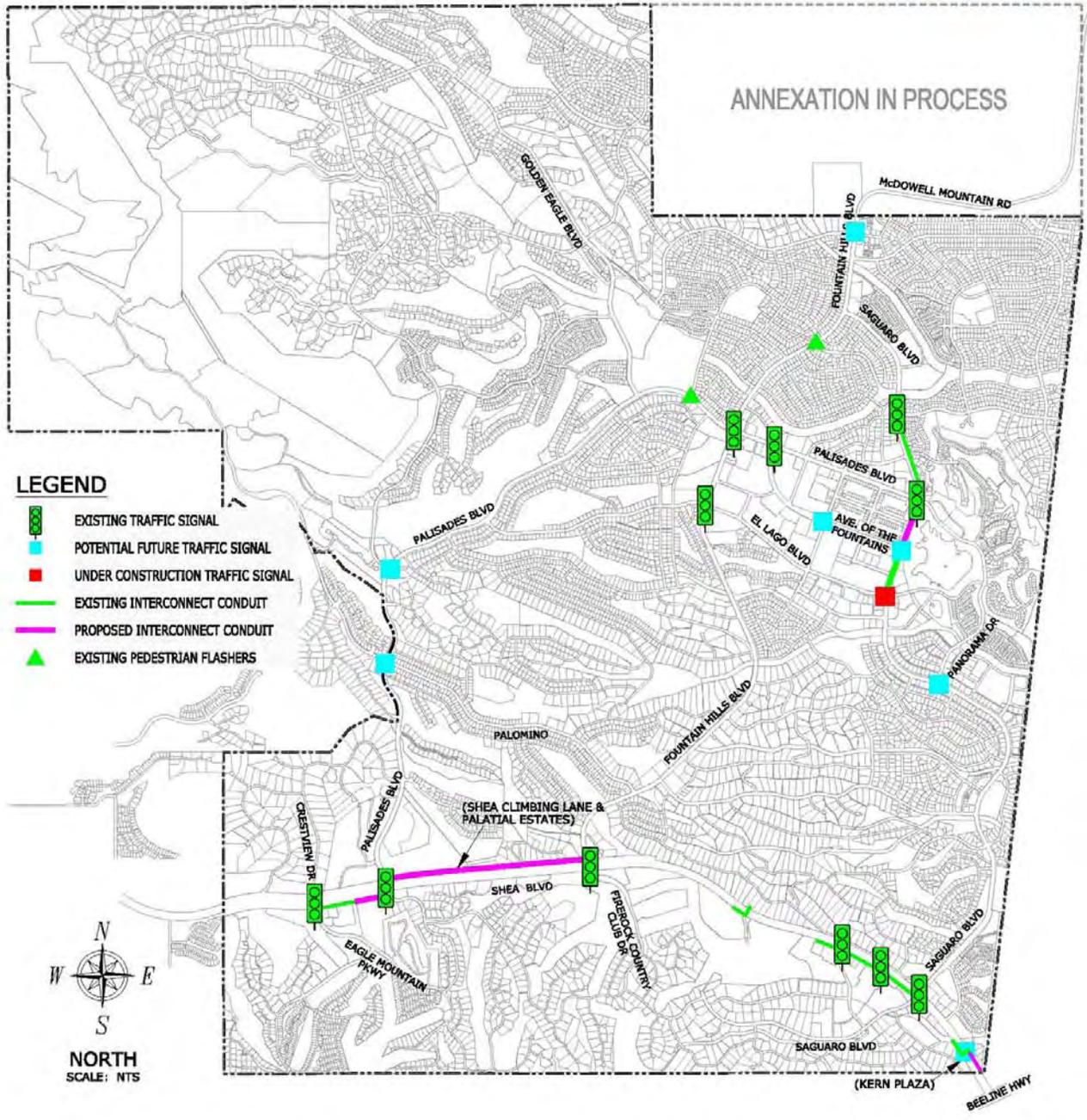
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# TOWN OF FOUNTAIN HILLS

## PROJECTED TRAFFIC SIGNALS MAP

### 2006-2007



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# **Town of Fountain Hills Budget Summary by Program**

**09 - Excise Tax Fund**

**050 - General and Administrative Department**

**822 - Downtown Development Program**

**Total Budgeted Expenditures - \$140,502**

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## **Excise Tax – Special Revenue – Downtown Development**

In November, 2000 the Town Council passed Ordinance 00-12 dedicating a portion of local sales tax collected (excise tax) to downtown development. The funds are to be used to attract and retain business in the downtown area; expenditures include 75% of the salaries and benefits of the Town's Economic Development Specialist. During FY2005-06 the Council approved the design for an initial phase of the downtown project, design conception shown below. Construction began in May of 2006 with scheduled completion in August 2006.

### **Salaries and Benefits**

**\$51,310**

The Town's Economic Development Specialist salary and benefits are partially funded by the dedicated 0.01% of local sales tax. The Specialist dedicates 75% of the time with a focus on developing the downtown area; the remainder of the time will be spent on promoting economic development for the community as a whole.

### **Contractual Service**

**\$45,000**

The proposed budget includes the services of a professional firm to provide a fantastic holiday/anniversary lighting display in the downtown area. The contract for repair, erection, dismantling, and storage of the Town-owned holiday lighting displays is estimated to be \$30,000. \$15,000 is included for contract design of prospect collateral material for development recruiting.

### **Supplies and Services**

**\$44,192**

Included within this category are expenditures for promoting business in the downtown area. \$15,750 has been allocated for banners, \$6,000 for downtown maps, and \$7,000 for ribbon cutting and kickoff ceremonies. The Economic Development Specialist is planning to attend three major conferences in the upcoming fiscal year - the national International Economic Development (IEDC) conference in Chicago in the fall of 2006 (\$2,755), the Arizona Economic Development Association conferences (fall and spring) for \$1,075, and the International Conference of Shopping Centers for \$800. Memberships in Arizona Association for Economic Development, International Economic Development Council, and associated publications will cost \$850.

### **Capital Expenditures**

**\$0**

The capital request for funding of Phase I along the north side of Avenue of the Fountains for FY06-07 was approved in FY05-06 with a start date of May. The project will take approximately three months to complete; therefore there is an appropriation in Previously Approved Capital Projects for the portion that is completed after July 1, 2006.





**FY 2006/2007 Line Item Budget**  
**09-Excise Tax Fund**  
**050-General and Administrative**

	FY 03/04 Actual	FY 04/05 Actual	FY 05/06 Approved	FY 05/06 Estimate	FY 06/07 Approved	
<b>Program 822-Downtown Development</b>						
<i><u>Expenditures</u></i>						
5200	Wages and Salaries	\$8,798	\$35,700	\$39,375	\$38,275	\$41,200
5201	Employer FICA Expense	\$128	\$496	\$580	\$555	\$610
5202	Unemployment Insurance Expense	\$41	\$100	\$49	\$90	\$40
5203	Employee's Health Insurance	\$472	\$2,490	\$3,548	\$3,424	\$3,980
5204	Employee's Life Insurance	\$19	\$103	\$142	\$138	\$170
5205	Employee's Dental Insurance	\$53	\$275	\$362	\$332	\$360
5206	Employee Vision Insurance	\$0	\$0	\$23	\$59	\$50
5207	Worker Compensation Insurance	\$16	\$117	\$121	\$182	\$160
5208	Employee's Retirement Expense	\$968	\$3,927	\$4,331	\$4,210	\$4,530
5209	Recruitment Costs	\$475	\$0	\$0	\$0	\$0
5211	Disability Insurance	\$30	\$153	\$197	\$179	\$210
5902	Professional Fees	\$0	\$39,654	\$30,000	\$32,480	\$45,000
5908	Engineering Fees	\$32,674	\$675	\$0	\$0	\$0
5980	Sales Tax Rebates	\$11,600	\$11,600	\$12,867	\$4,905	\$0
6501	Advertising/Signage	\$289	\$85	\$0	\$150	\$29,750
6505	Conferences	\$399	\$1,152	\$5,075	\$5,075	\$6,190
6507	Continuing Education	\$0	\$0	\$450	\$450	\$0
6508	Dues & Publications	\$188	\$75	\$600	\$750	\$1,545
6520	Office Supplies	\$69	\$21	\$300	\$300	\$562
6531	Printing	\$31	\$696	\$2,000	\$2,000	\$675
6537	Communications Expense	\$0	\$33	\$0	\$530	\$600
6548	Meeting Expense	\$52	\$1,709	\$660	\$1,320	\$4,870
8090	Capital Outlay - Improvements	<u>\$0</u>	<u>\$131,023</u>	<u>\$800,000</u>	<u>\$1,589,866</u>	<u>\$0</u>
Total - Downtown Development		\$56,302	\$230,084	\$900,680	\$1,685,270	\$140,502



## Special Revenue Funds

### Special Revenue Fund – Community Center – Furniture, Fixtures & Equipment (FF&E)

This budget includes carryover funds from community donations to be used for the Community Center. Included is a miscellaneous amount for unforeseen expenditures in the amount of \$40,000.

### Excise (Sales )Tax – Special Revenue – Municipal Property Corporation Debt Service

In November, 2000 the Town Council authorized Ordinance 00-12 dedicating a portion of local sales tax collected (excise tax) to downtown development, repayment for mountain and Civic Center bonds through the Town’s Municipal Property Corporation (MPC). The MPC owns the assets and leases them to the Town for the annual debt payment. When the bonds are defeased the assets will be transferred over to the Town. The Community Center was constructed with MPC bonds that are repaid by a transfer from the General Fund.

	FY 2003-2004 Actual	FY 2004-2005 Actual	FY 2005-2006 Budget	FY 2005-2006 Estimate	FY 2006-2007 Proposed
<b>MUNICIPAL PROPERTY CORP</b>					
Excise Tax Transfers (.2%)	892,241	683,061	721,089	746,662	708,700
Excise Tax Transfers (.1%)	0	347,583	360,545	373,331	354,350
Transfer from General Fund	377,813	327,228	387,000	327,228	387,000
Interest	17,605	29,055	24,000	5,000	5,000
<b>TOTAL REVENUES</b>	<b>\$1,287,659</b>	<b>\$1,386,927</b>	<b>\$1,492,634</b>	<b>\$1,452,221</b>	<b>\$1,455,050</b>
<b>EXPENDITURES:</b>					
<b>MPC Debt Service</b>					
Mountain Bond Payment	596,661	595,000	606,500	595,000	563,000
Civic Center Phase II Bonds (.1%)	0	255,480	270,000	255,480	285,000
MPC - Community Center	377,813	327,228	387,000	327,228	387,000
Sales Tax Rebate	40,400	22,532	38,602	22,532	0
Refunded Bonds	0	1,650,928	0	0	
<b>TOTAL EXPENDITURES</b>	<b>\$1,014,874</b>	<b>\$2,851,168</b>	<b>\$1,302,102</b>	<b>\$1,200,240</b>	<b>\$1,235,000</b>
<b>EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES</b>	<b>272,785</b>	<b>(1,464,241)</b>	<b>190,532</b>	<b>251,981</b>	<b>220,050</b>
Fund Balance Beginning of Year	\$1,469,765	\$1,742,551	\$1,627,823	\$278,310	\$530,291
Ending Fund Balance	<b>\$1,742,551</b>	<b>\$278,310</b>	<b>\$1,818,355</b>	<b>\$530,291</b>	<b>\$750,341</b>



**Debt Retirement**

The Debt Service Fund provides for the payment of interest, principal, and related costs on General Obligation (GO) Bonds, Highway User Revenue Fund bonds and Municipal Property Corporation (MPC) Revenue bonds. There are three General Obligation bond issues outstanding that were approved by the voters for specific purposes. The first GO bond issued in 1991 (refunded in 1995) was to pave roads that remained unpaved at the time of incorporation. Additional GO bonds issued in 1999 and 2000 were for the construction of a library/museum and community center. Bonds issued in 2001 were for the purchase of mountain preservation land in the McDowell mountains. Total General Obligation bond principal and interest payments for fiscal year 2006/2007 are \$1,371,400 and will be paid through a levy of Town property. The Summary/Schedules section includes an itemization of the outstanding debt as of June 30, 2006.

The HURF Bond principal and interest payment is \$135,000 for fiscal year 2006-2007 and will be paid from HURF revenues received during the year. The Eagle Mountain Community Facilities District debt payments are levied on the property owners within the district. These obligations are paid by the Fountain Hills property owners using secondary property taxes, less any credits, carry-forward and/or interest earnings. The annual Municipal Property Corporation debt service for the Community Center will be transferred from the General Fund and is included within the Community Center budget. The annual Mountain Bond MPC debt service is included as a transfer in the Excise Sales Tax – Mountain Bond Fund to the Debt Service Fund. Below is the schedule of Debt Service payments required for next fiscal year.

**TOTAL DEBT SERVICE - TOWN OF F.H. 06-07**

<u>Issue</u>	<u>Principal</u>	<u>Interest</u>
GO	refunded	
Lakeside	refunded	
HURF	\$110,000	\$25,000
Cottonwoods	\$3,228	\$700
Library/Museum	refunded	
Eagle Mtn	\$160,000	\$182,100
MPC Comm. Center	refunded	
Mtn Bonds (GO)	refunded	
MPC - Mtn Bonds	refunded	
Refunded GO	\$390,000	\$981,400
Refunded MPC	\$570,000	\$380,000
MPC - Civic Ctr Ph II	<u>\$140,000</u>	<u>\$145,000</u>
<b>TOTAL</b>	<b>\$1,373,228</b>	<b>\$1,714,200</b>

The annual property tax levy is based on the total amount required for the payment (with adjustments for carry-forward, delinquencies, etc.) divided by the total assessed valuation for the Town of Fountain Hills. The Town’s secondary assessed property valuation for fiscal year 2006-2007 is estimated to be \$397,380,162 for the upcoming year and the estimated levy is \$0.3012 per \$100 of assessed value.



The summary below is a breakdown of the debt service payments for FY06-07 and ending fund balance.

**DEBT RETIREMENT - HURF/GO BONDS**

	<b>FY 2003-2004 Actual</b>	<b>FY 2004-2005 Actual</b>	<b>FY 2005-2006 Budget</b>	<b>FY 2005-2006 Estimate</b>	<b>FY 2006-2007 Proposed</b>
<b>REVENUE:</b>					
<b>Property Tax Revenue:</b>					
General Obligation Bonds	1,563,508	1,461,420	1,150,000	1,350,000	1,370,000
<b>Other Debt Retirement Issues:</b>					
HURF Street Paving Transfers	124,417	124,000	110,500	110,500	135,000
Cottonwoods Improvement Distric	3,622	1,519	3,850	1,500	3,850
Interest Earnings	1,415	37,427	1,400	1,400	1,400
Bond Proceeds	0	7,225,000	0	0	0
<b>TOTAL REVENUES</b>	<b>\$1,692,962</b>	<b>\$8,849,366</b>	<b>\$1,265,750</b>	<b>\$1,463,400</b>	<b>\$1,510,250</b>
<b>EXPENDITURES:</b>					
<b>General Obligation Bonds:</b>					
Bond Payment - GO	359,239	53,178	360,000	275,000	
Bond Payment - Lakeside	132,250	132,500	125,000	97,375	
Bond Payment - Library/Museum	368,425	295,805	399,000	304,750	
Bond Payment - Mtn Bonds GO	500,400	332,595	499,000	330,000	
Refunding Bonds		7,822,079	0	515,000	1,371,400
<b>Special Districts Debt Service:</b>					
Bond Payment - HURF	122,533	124,000	110,500	110,500	135,000
Bond Payment - Cottonwoods Imp	4,160	3,991	3,850	3,850	3,850
<b>TOTAL EXPENDITURES</b>	<b>\$1,487,007</b>	<b>\$8,764,148</b>	<b>\$1,497,350</b>	<b>\$1,636,475</b>	<b>\$1,510,250</b>
<b>EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES</b>	<b>205,955</b>	<b>85,218</b>	<b>(231,600)</b>	<b>(173,075)</b>	<b>0</b>
Fund Balance Beginning of Year	\$74,606	\$280,561	\$289,320	\$365,779	\$192,704
Ending Fund Balance	<b>\$280,561</b>	<b>\$365,779</b>	<b>\$57,720</b>	<b>\$192,704</b>	<b>\$192,704</b>



**Schedule of Outstanding Debt – June 30, 2006**

Bond Type	Purpose of Issue	Date of Bond Issue	Interest Rate	Date of Maturity	Original Principal Amount	Principal Amount Retired	Amount Refunded	Outstanding Principal
GO	Refunding	11/1/1995	5.30	7/1/2010	\$2,455,000	\$925,000	\$1,255,000	\$275,000
GO	Library/Museum	6/1/2000	5.50	7/1/2014	\$3,700,000	\$975,000	\$1,675,000	\$1,050,000
GO	Land Acq-Lake	8/1/1999	5.10	7/1/2014	\$1,400,000	\$425,000	\$500,000	\$475,000
GO	Mtn. Bonds	12/1/2001	4.90	7/1/2020	\$6,000,000	\$925,000	\$3,425,000	\$1,650,000
GO	Refunding	6/1/2005	4.00	7/1/2019	\$7,225,000	\$0	\$0	\$7,225,000
	<b>TOTAL</b>				<b>\$24,310,000</b>	<b>\$4,325,000</b>	<b>\$9,310,000</b>	<b>\$10,675,000</b>
Rev	Refunding	8/1/1998	4.63	7/1/2010	\$1,075,000	\$535,000	\$0	\$540,000
Rev	Comm. Center	7/1/2000	5.40	7/1/2020	\$4,680,000	\$775,000	\$2,475,000	\$1,430,000
Rev	Mtn. Bonds	12/1/2001	4.70	7/1/2021	\$7,750,000	\$1,100,000	\$3,910,000	\$2,740,000
Rev	Civic Center	12/1/2004	4.50	7/1/2019	\$3,645,000	\$170,000	\$0	\$3,475,000
Rev	Refunding	6/1/2005	4.15	7/1/2019	\$5,330,000	\$0	\$0	\$5,330,000
	<b>TOTAL</b>				<b>\$23,680,000</b>	<b>\$2,780,000</b>	<b>\$7,385,000</b>	<b>\$13,515,000</b>
SA	Eagle Mtn-A	6/1/1996	6.50	7/1/2021	\$4,435,000	\$410,000	\$4,025,000	\$0
SA	Eagle Mtn-B	6/1/1996	7.25	7/1/2021	\$470,000	\$40,000	\$430,000	\$0
SA	Eagle Mtn	7/12/2005	3.95	7/1/2021	\$4,555,000	\$0	\$0	\$4,555,000
SA	Improvmts	6/16/1999	5.25	7/1/2009	\$32,276	\$19,365	\$0	\$12,911
	<b>TOTAL</b>				<b>\$9,492,276</b>	<b>\$469,365</b>	<b>\$4,455,000</b>	<b>\$4,567,911</b>
	<b>GRAND TOTAL</b>				<b>\$57,482,276</b>	<b>\$7,574,365</b>	<b>\$21,150,000</b>	<b>\$28,757,911</b>

GO General Obligation Bonds  
 Rev Revenue Bonds  
 SA Special Assessment Bonds



**Computation of Legal Debt Margin – Fiscal Year 2006-2007**

The Arizona Constitution provides that the general obligation bonded indebtedness for a municipality for general municipal purposes may not exceed six percent (6%) of the secondary assessed valuation of the taxable property in that city or town. In addition to the six percent limitation for general municipal purpose bonds, municipalities may issue general obligation bonds up to an additional twenty percent (20%) of the secondary assessed valuation for supplying water, artificial light, or sewers, and for the acquisition and development of land for open space preserves, parks, playgrounds and recreational facilities.

**Direct Bonded Debt, Legal Limitation and Unused Borrowing Capacity – FY2006-07**

<u>General Municipal Purpose Bonds</u>	<u>Water, Sewer, Light, Parks, Open Space and Recreational Facility Boards</u>
<p><b>Debt limit - 6% of secondary net assessed valuation</b></p> <p style="text-align: right;"><b>\$23,842,810</b></p>	<p><b>Debt limit - 20% of secondary net assessed valuation</b></p> <p style="text-align: right;"><b>\$79,476,032</b></p>
<p><b>Less Direct Bonded Debt</b></p> <p style="text-align: right;"><b><u>(\$2,660,000)</u></b></p>	<p><b>Less Direct Bonded Debt</b></p> <p style="text-align: right;"><b><u>(\$6,940,000)</u></b></p>
<p><b>Unused 6% Borrowing Capacity</b></p> <p style="text-align: right;"><b><u>\$21,182,810</u></b></p>	<p><b>Unused 20% Borrowing Capacity</b></p> <p style="text-align: right;"><b><u>\$72,536,032</u></b></p>



### Eagle Mountain Community Facilities District

Formed in 1995, the District is a special purpose taxing District and separate political subdivision under Arizona statutes. As such, the District can levy taxes and issue bonds, independent of the Town of Fountain Hills. Property owners within the District boundaries pay the debt service due on the District's bonds through the levy of a secondary property tax. By law, and by the proceedings of the District, the definition of debt service on the bonds includes all costs and expenses of the District, in addition to principal and interest expenses. Town staff serves as District staff and administers the District and the costs of their services are reimbursed by District funds. The Fountain Hills Town Council also serves as the District Board of Directors. The District is one of the Town of Fountain Hills' component units for the fiscal year ended June 30, 2006.

During FY05-06 the District refinanced the bonds to take advantage of interest rate savings and surplus revenues. The summary below is a breakdown of the debt service payments for FY06-07, ending fund balance and estimated tax levy per \$100 of assessed valuation.

**EAGLE MOUNTAIN COMMUNITY FACILITIES DISTRICT**

**Annual Statement of Estimates of Expenses**

	<b>FY 2003-2004 Actual</b>	<b>FY 2004-2005 Actual</b>	<b>FY 2005-2006 Budget</b>	<b>FY 2005-2006 Estimate</b>	<b>FY 2006-2007 Proposed</b>
<b>REVENUE:</b>					
Property Tax Revenue	\$574,193	\$594,644	\$353,600	\$353,600	\$195,250
Town of Fountain Hills Reimbursement	\$0	\$0	\$50,000	\$50,000	\$0
Investment Earnings	\$3,391	\$5,616	\$2,000	\$2,000	\$18,500
<b>TOTAL REVENUES</b>	<b>\$577,584</b>	<b>\$600,261</b>	<b>\$405,600</b>	<b>\$405,600</b>	<b>\$213,750</b>
<b>EXPENDITURES:</b>					
Debt Service	\$459,814	\$451,827	\$330,600	\$310,000	\$330,500
Administrative Fees	\$50,000	\$38,160	\$20,000	\$6,600	\$6,600
Trustee Fees	\$5,000	\$5,000	\$5,000	\$5,000	\$1,000
<b>TOTAL EXPENDITURES</b>	<b>\$514,814</b>	<b>\$494,987</b>	<b>\$355,600</b>	<b>\$321,600</b>	<b>\$338,100</b>
<b>EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES</b>	<b>\$62,770</b>	<b>\$105,274</b>	<b>\$50,000</b>	<b>\$84,000</b>	<b>(\$124,350)</b>
Fund Balance Beginning of Year	\$198,760	\$261,530	\$306,100	\$366,803	\$450,803
Ending Fund Balance	\$261,530	\$366,803	\$356,100	\$450,803	\$326,453

Tax levy is estimated to be \$0.7730 per \$100 of assessed valuation.



## Summary of Tax Levy and Tax Rate Information

TOWN OF FOUNTAIN HILLS, ARIZONA  
Summary of Tax Levy and Tax Rate Information  
Fiscal Year 2006-07

	<u>2005-06</u> <u>FISCAL YEAR</u>	<u>2006-07</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 2002-03 fiscal year in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18).	\$ <u>0</u>	
3. Property tax levy amounts		
A. Primary property taxes	\$ <u>0</u>	\$ <u>0</u>
B. Secondary property taxes	<u>1,316,860</u>	<u>1,370,000</u>
C. Total property tax levy amounts	\$ <u>1,316,860</u>	\$ <u>1,370,000</u>
4. Property taxes collected*		
A. Primary property taxes		
(1) 2003-04 levy	\$ <u>0</u>	
(2) Prior years' levy	<u>0</u>	
(3) Total primary property taxes	\$ <u>0</u>	
B. Secondary property taxes		
(1) 2005-06 levy	\$ <u>1,316,860</u>	
(2) Prior years' levy	<u>0</u>	
(3) Total secondary property taxes	\$ <u>1,316,860</u>	
C. Total property taxes collected	\$ <u>1,350,000</u>	
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>0.3510</u>	<u>0.3012</u>
(3) Total city/town tax rate	<u>0.3510</u>	<u>0.3012</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 ASSESSED VALUATION

1996 - 2006

<u>Tax Year</u>	<u>Primary</u>	<u>% Change</u>	<u>Secondary</u>	<u>% Change</u>
1996	\$100,649,833	6.9%	\$103,944,051	3.8%
1997	\$112,285,569	11.6%	\$116,333,406	11.9%
1998	\$133,721,181	19.1%	\$146,943,730	26.3%
1999	\$160,963,931	20.4%	\$174,760,640	18.9%
2000	\$190,102,361	18.1%	\$212,415,476	21.5%
2001	\$220,229,137	15.8%	\$238,714,537	12.4%
2002	\$247,151,729	12.2%	\$270,602,866	13.4%
2003	\$282,800,857	14.4%	\$323,385,230	19.5%
2004	\$319,213,464	12.9%	\$349,398,334	8.0%
2005	\$350,557,588	9.8%	\$375,183,181	7.4%
2006	\$377,041,563	7.6%	\$397,380,162	5.9%

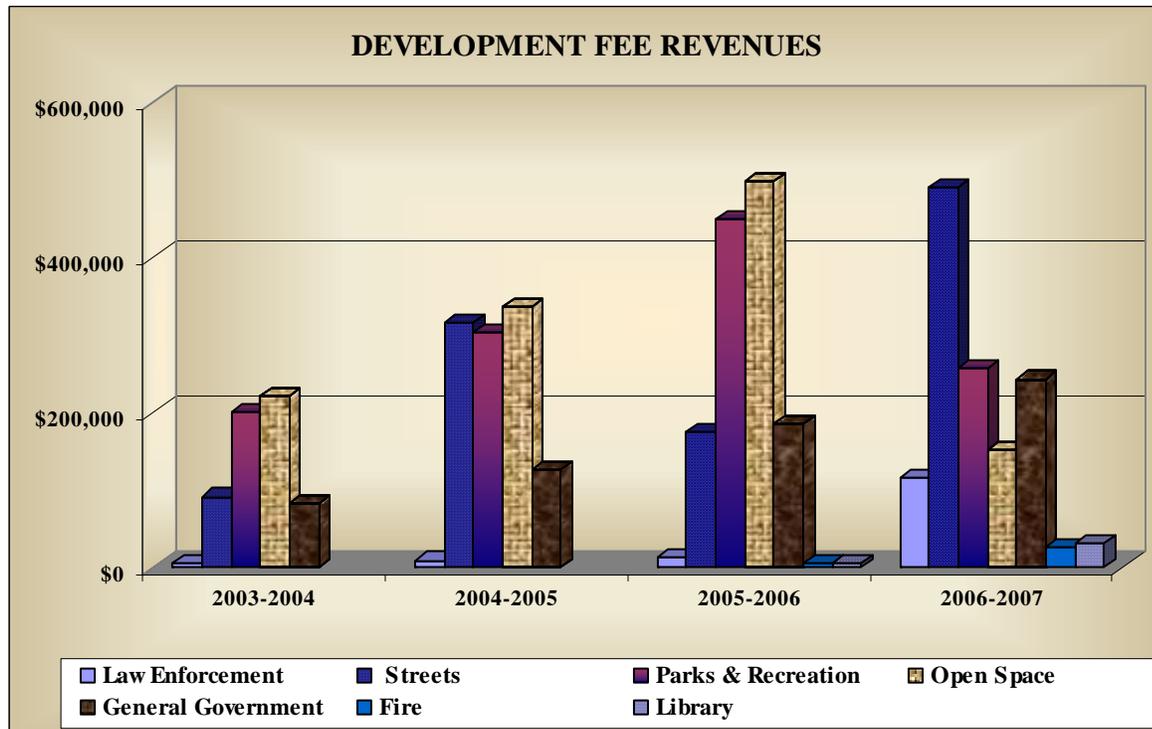


### Development Fees

Restrictions	Fiscal Year	Amount	Percent Change
There is a State constitutional restriction on the use of these funds which requires that these funds be used solely for infrastructure expansion required by new development. The Development Fund is a restricted fund and may only be appropriated for the particular purpose for which they were imposed. The projection for FY2007 is based on information provided by planning staff estimates of construction activity.	2000-01	\$163,611	
	2001-02	\$564,813	245.2%
	2002-03	\$604,658	7.1%
	2003-04	\$855,643	41.5%
	2004-05 (est.)	\$1,678,632	96.2%
	2005-06 (est.)	\$1,427,176	-15.0%
	2006-07 (est.)	\$1,341,656	-6.0%
Accounts: 802 - 819			

**Assumptions**

Major Influences: Development





## Development Fee Expenditures

In November 2000, the Town Council of Fountain Hills passed Ordinance 00-21 to establish and impose development fees on new residential permits to offset the costs associated with growth. The development fee accounts are restricted and may only be spent for the particular public facility for which they were imposed. Each year during the budget process, the Town of Fountain Hills will identify the projects anticipated to be funded in whole or in part with development fees. For fiscal year 2006-2007, the following schedule is presented for Council consideration and itemizes the proposed development fee expenditures based on available balance in each account as of June 30, 2006.

### PROPOSED DEVELOPMENT FEE SCHEDULE FISCAL YEAR 2006-07

	Law Enforcement	Streets	Parks	Open Space	General Government	Library	Fire	TOTALS
Balance 6/3/2001	\$960	\$13,742	\$33,900	\$37,740	\$13,987			\$100,329
FY 2001-2002 Revenues	\$10,887	\$142,410	\$176,257	\$198,023	\$160,338			\$687,915
FY 2001-2002 Expenditures	\$0	\$0	(\$80,954)	\$0	(\$185,500)			(\$266,454)
FY 2002-2003 Revenues	\$6,573	\$96,705	\$192,463	\$212,684	\$96,234			\$604,659
FY 2002-2003 Expenditures	0	(\$7,000)	\$0	(\$14,105)	\$0			(\$21,105)
FY 2003-2004 Revenues	\$9,814	\$139,990	\$268,018	\$296,402	\$141,417			\$855,641
FY 2003-2004 Expenditures	\$0	(\$201,150)	\$0	(\$13,049)	\$0			(\$214,199)
FY 2004-2005 Revenues	\$18,839	\$236,077	\$536,322	\$597,241	\$270,871			\$1,659,350
FY 2004-2005 Expenditures	(\$18,033)	(\$243,342)	(\$306,400)	(\$137,598)	(\$264,992)			(\$970,365)
FY 2005-2006 Revenues	\$13,432	\$274,740	\$448,880	\$498,008	\$183,716	\$4,500	\$3,900	\$1,427,176
FY 2005-2006 Expenditures	(\$16,848)	(\$200,000)	(\$175,000)	(\$54,000)	(\$244,687)			(\$690,535)
FY 2006-2007 Revenues <sup>1</sup>	\$117,346	\$795,610	\$781,702	\$153,460	\$247,050	\$30,878	\$26,089	\$2,152,135
FY 2006-2007 Expenditures <sup>1</sup>	\$0	\$0	(\$1,432,622)	\$0	\$0	\$0	\$0	(\$1,432,622)
Ending Fund Balance	<u>\$142,970</u>	<u>\$1,047,782</u>	<u>\$442,566</u>	<u>\$1,774,806</u>	<u>\$418,434</u>	<u>\$35,378</u>	<u>\$29,989</u>	<u>\$3,891,925</u>

<sup>1</sup> Estimated

The capital projects proposed to be funded from development fees are listed below (descriptions of each project are included in the Capital Improvement Plan):

### Parks

Completion of Splash Pad at Fountain Park	\$ 127,570
Skate Park Construction Desert Vista Neighborhood Park	\$ 210,000
Desert Vista Development	\$1,039,923
Joint use project with School District	\$ 51,120



## Development Fees

<b>LAW ENFORCEMENT</b>	<b>FY 2003-2004 Actual</b>	<b>FY 2004-2005 Actual</b>	<b>FY 2005-2006 Budget</b>	<b>FY 2005-2006 Estimate</b>	<b>FY 2006-2007 Proposed</b>
<b>REVENUES:</b>					
Law Enforcement Development Fees	9,676	18,033	12,032	12,032	115,146
Interest	138	806	50	1,400	2,200
<b>TOTAL REVENUES</b>	<b>9,814</b>	<b>18,839</b>	<b>12,082</b>	<b>13,432</b>	<b>117,346</b>
<b>EXPENDITURES:</b>					
Transfer to CIP	0	18,033	16,848	16,848	0
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$18,033</b>	<b>\$16,848</b>	<b>\$16,848</b>	<b>\$0</b>
<b>EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES</b>	<b>9,814</b>	<b>806</b>	<b>(4,766)</b>	<b>(3,416)</b>	<b>117,346</b>
Fund Balance Beginning of Year	\$18,420	\$28,234	\$4,766	\$29,040	\$25,624
Ending Fund Balance	\$28,234	\$29,040	\$0	\$25,624	\$142,970

<b>STREETS</b>	<b>FY 2003-2004 Actual</b>	<b>FY 2004-2005 Actual</b>	<b>FY 2005-2006 Budget</b>	<b>FY 2005-2006 Estimate</b>	<b>FY 2006-2007 Proposed</b>
<b>REVENUES:</b>					
Street Department Development Fees	138,608	228,500	160,240	160,240	779,865
Developer Contribution	0		100,000	100,000	0
Interest	1,382	7,577	500	14,500	15,745
<b>TOTAL REVENUE</b>	<b>139,990</b>	<b>236,077</b>	<b>260,740</b>	<b>274,740</b>	<b>795,610</b>
<b>CAPITAL EXPENDITURES</b>					
FH Blvd/El Lago Signal	83,088	35,355	0	0	0
Shea Widening (MCDOT)	118,062	193,633	0	0	0
Shea/Saguaro Left Turn Lane	0	0	0	0	0
Saguaro/Monterey Turn Lanes	0	0	40,000	0	0
Shea Signal (Eagle Mtn/Palisades)	0	0	0	0	0
Shea Bike Lanes	0	0	0	0	0
Drainage Ruskin/Kipling	0	0	0	0	0
Sidewalks	0	0	55,000	0	0
Saguaro/El Lago Signal	0	14,354	200,000	200,000	0
<b>TOTAL EXPENDITURES</b>	<b>\$201,150</b>	<b>\$243,342</b>	<b>\$295,000</b>	<b>\$200,000</b>	<b>\$0</b>
<b>EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES</b>	<b>(\$61,160)</b>	<b>(\$7,265)</b>	<b>(\$34,260)</b>	<b>\$74,740</b>	<b>\$795,610</b>
Fund Balance Beginning of Year	\$248,208	\$187,048	\$67,548	\$177,432	\$252,172
Ending Fund Balance	\$187,048	\$177,432	\$33,288	\$252,172	\$1,047,782



**Development Fees (continued)**

<b>PARKS &amp; RECREATION</b>	<b>FY 2003-2004 Actual</b>	<b>FY 2004-2005 Actual</b>	<b>FY 2005-2006 Budget</b>	<b>FY 2005-2006 Estimate</b>	<b>FY 2006-2007 Proposed</b>
<b>REVENUES:</b>					
P & R Department Development Fees	263,320	522,060	424,880	424,880	257,052
Interest	4,698	14,262	1,000	24,000	4,650
Transfer from General Fund					\$520,000
<b>TOTAL REVENUES</b>	<b>\$268,018</b>	<b>\$536,322</b>	<b>\$425,880</b>	<b>\$448,880</b>	<b>\$781,702</b>
<b>EXPENDITURES:</b>					
<b>CAPITAL EXPENDITURES</b>					
Fountain Park	0	211,700	0	0	127,570
Skate Park	0	0	0	0	210,000
Veteran's Memorial	0	25,000	40,000	40,000	0
Fountain Park Picnic Ramadas	0	69,700	138,200	50,000	0
Desert Vista Phase III	0	0	425,500	85,000	1,039,932
Joint School Parks					51,120
Previously Approved Projects	0	0	0	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$306,400</b>	<b>\$603,700</b>	<b>\$175,000</b>	<b>\$1,428,622</b>
<b>EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES</b>	<b>\$268,018</b>	<b>\$229,922</b>	<b>(\$177,820)</b>	<b>\$273,880</b>	<b>(\$646,920)</b>
Fund Balance Beginning of Year	\$321,666	\$589,684	\$599,698	\$819,606	\$1,093,486
Ending Fund Balance	\$589,684	\$819,606	\$421,878	\$1,093,486	\$446,566

<b>OPEN SPACE</b>	<b>FY 2003-2004 Actual</b>	<b>FY 2004-2005 Actual</b>	<b>FY 2005-2006 Budget</b>	<b>FY 2005-2006 Estimate</b>	<b>FY 2006-2007 Proposed</b>
<b>REVENUES:</b>					
Open Space Development Fees	290,598	581,196	473,008	473,008	150,660
Interest	5,804	16,045	9,600	25,000	2,800
<b>TOTAL REVENUES</b>	<b>\$296,402</b>	<b>\$597,241</b>	<b>\$482,608</b>	<b>\$498,008</b>	<b>\$153,460</b>
<b>EXPENDITURES:</b>					
<b>CAPITAL EXPENDITURES</b>					
Capital Outlay - Trailhead Restroom	0	0	28,800	0	0
Capital Outlay-Trailhead Development	13,049	137,598	101,000	54,000	0
<b>TOTAL EXPENDITURES</b>	<b>\$13,049</b>	<b>\$137,598</b>	<b>\$129,800</b>	<b>\$54,000</b>	<b>\$0</b>
<b>EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES</b>	<b>\$283,353</b>	<b>\$459,643</b>	<b>\$352,808</b>	<b>\$444,008</b>	<b>\$153,460</b>
Fund Balance Beginning of Year	\$434,342	\$717,695	\$1,115,995	\$1,177,338	\$1,621,346
Ending Fund Balance	\$717,695	\$1,177,338	\$1,468,803	\$1,621,346	\$1,774,806



**Development Fees (continued)**

<b>GENERAL GOVERNMENT</b>	<b>FY 2003-2004 Actual</b>	<b>FY 2004-2005 Actual</b>	<b>FY 2005-2006 Budget</b>	<b>FY 2005-2006 Estimate</b>	<b>FY 2006-2007 Proposed</b>
<b>REVENUES:</b>					
General Government Development Fees	139,621	264,992	175,216	175,216	242,450
Interest	1,796	5,879	350	8,500	4,600
<b>TOTAL REVENUE</b>	<b>\$141,417</b>	<b>\$270,871</b>	<b>\$175,566</b>	<b>\$183,716</b>	<b>\$247,050</b>
<b>EXPENDITURES:</b>					
<b>CAPITAL EXPENDITURES</b>					
Capital Project - Civic Center	0	264,992	244,687	244,687	0
Capital Outlay	0	0	0	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$264,992</b>	<b>\$244,687</b>	<b>\$244,687</b>	<b>\$0</b>
<b>EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES</b>	<b>\$141,417</b>	<b>\$5,879</b>	<b>(\$69,121)</b>	<b>(\$60,971)</b>	<b>\$247,050</b>
Fund Balance Beginning of Year	\$85,059	\$226,476	\$69,121	\$232,355	\$171,384
Ending Fund Balance	\$226,476	\$232,355	\$0	\$171,384	\$418,434

<b>Fire</b>	<b>FY 2003-2004 Actual</b>	<b>FY 2004-2005 Actual</b>	<b>FY 2005-2006 Budget</b>	<b>FY 2005-2006 Estimate</b>	<b>FY 2006-2007 Proposed</b>
<b>REVENUES:</b>					
Fire Development Fees	0	0	0	3,900	25,614
Interest				0	475
<b>TOTAL REVENUE</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,900</b>	<b>\$26,089</b>
<b>EXPENDITURES:</b>					
<b>CAPITAL EXPENDITURES</b>					
Capital Outlay	0	0	0	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,900</b>	<b>\$26,089</b>
Fund Balance Beginning of Year	\$0	\$0	\$0	\$0	\$3,900
Ending Fund Balance	\$0	\$0	\$0	\$3,900	\$29,989



**Development Fees (continued)**

Library	FY 2003-2004 Actual	FY 2004-2005 Actual	FY 2005-2006 Budget	FY 2005-2006 Estimate	FY 2006-2007 Proposed
<b>REVENUES:</b>					
Library Development Fees	0	0	0	4,500	30,318
Interest	0	0	0		560
<b>TOTAL REVENUE</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$4,500</b>	<b>\$30,878</b>
<b>EXPENDITURES:</b>					
<b>CAPITAL EXPENDITURES</b>					
Capital Outlay	0	0	0	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$4,500</b>	<b>\$30,878</b>
Fund Balance Beginning of Year	\$0	\$0	\$0	\$0	\$4,500
Ending Fund Balance	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$4,500</b>	<b>\$35,378</b>

**Capital Projects Fund (projects that have been previously approved)**

During the FY2005-06 fiscal year the downtown improvements capital project was approved by the Town Council and is currently under construction. Projects that are not complete prior to the end of any fiscal year must be re-budgeted the following year, such as the new Town Hall last fiscal year. FY06-07 includes \$800,000 in the capital projects budget that was transferred from the General Fund and is being carried forward.

**General Fund Balance Transfer for Capital**

During FY05-06 revenues are expected to exceed expenditures by approximately \$1.1 million due to controlled expenditures and better than anticipated revenues. Resolution 2005-50 authorizes that this amount be transferred from the General Fund to the Capital Projects to be available for funding future capital projects. The Town's beginning General Fund balance is \$6.5 million, which meets the Town's fund balance policy reserve level and brings it back to historic levels. While the Town is benefiting from one time construction related revenues it makes sense to use them for one time capital costs and maintaining the fund balance.



## Previously Approved Capital Projects

CAPITAL PROJECTS	FY 2003-2004 Actual	FY 2004-2005 Actual	FY 2005-2006 Budget	FY 2005-2006 Estimate	FY 2006-2007 Proposed
<b>Beginning Fund Balance</b>	\$0	\$0	\$409,896	\$556,370	\$409,896
<b>Revenues:</b>					
<b>Development Fee Transfers:</b>					
General Government	0	264,992	244,687	244,687	0
Law Enforcement	0	18,033	16,848	16,848	0
Parks & Recreation		0	0	0	0
<b>Other Revenue Sources:</b>					
Sales Tax - CIP		528,225	528,225	528,225	528,225
Grants	0	237,307	0	0	0
Proceeds from sale of assets	21,690	0	0	0	0
Bond Proceeds	0	3,783,896		0	0
Developer Contributions	0	0	0	0	0
Interest Earnings	149	35,384	25,000	85,000	95,000
<b>Transfers:</b>					
General Fund - Fountain Park	0	124,565	0		0
General Fund - Civic Center II	910,250	1,224,666	361,344	380,709	
General Fund Balance Transfer for Cap	0		2,570,848	4,470,850	0
<b>TOTAL REVENUES</b>	<b>932,089</b>	<b>6,217,068</b>	<b>3,746,952</b>	<b>5,726,319</b>	<b>623,225</b>
<b>EXPENDITURES:</b>					
Civic Center	227,379	5,958,166	956,500	956,500	0
Downtown	0	0	0	800,000	800,000
Parks & Recreation	62,619	809,253	206,000	0	0
Streets	0	0	135,000	135,000	0
Bond Issuance Costs		91,739			
<b>TOTAL EXPENDITURES</b>	<b>289,998</b>	<b>6,859,158</b>	<b>1,297,500</b>	<b>1,891,500</b>	<b>800,000</b>
<b>EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES</b>	<b>\$642,091</b>	<b>(\$642,091)</b>	<b>\$2,449,452</b>	<b>\$3,834,819</b>	<b>(\$176,775)</b>
Fund Balance Beginning of Year	\$0	\$642,091	\$409,896	\$0	\$3,834,819
<b>Ending Fund Balance</b>	<b>\$642,091</b>	<b>\$0</b>	<b>\$2,859,348</b>	<b>\$3,834,819</b>	<b>\$3,658,044</b>



Schedule of Authorized Positions

Position – Title	2002-2003 Authorized FTE	2003-2004 Authorized FTE	2004-2005 Authorized FTE	2005-2006 Authorized FTE	2006-2007 Proposed FTE
<b>Court</b>					
Presiding Judge	1.00	1.00	1.00	1.00	1.00
Court Administrator	1.00	1.00	1.00	1.00	1.00
Senior Court Clerk	0.00	0.00	1.00	1.00	1.00
Court collections Clerk	1.00	0.00	0.00	0.00	0.00
Court Clerk	3.00	3.00	2.00	2.50	2.00
<b>Authorized FTE</b>	<b>6.00</b>	<b>5.00</b>	<b>5.00</b>	<b>5.50</b>	<b>5.00</b>
<b>Administration</b>					
Town Manager	1.00	1.00	1.00	1.00	1.00
Undesignated Position	2.00	0.00	0.00	0.00	0.00
Assistant Town Manager	0.00	0.00	0.00	1.00	1.00
Finance Director	1.00	1.00	1.00	1.00	1.00
H/R Administrator/Risk Manager	1.00	1.00	1.00	1.00	1.00
Town Clerk	1.00	1.00	1.00	1.00	1.00
Economic Development Specialist	0.00	1.00	1.00	1.00	1.00
I/T Administrator	1.00	0.00	0.00	0.00	0.00
I/T Coordinator	1.00	1.00	1.00	1.00	1.00
Executive Asst to Town Mgr/Council	1.00	1.00	1.00	1.00	1.00
Executive Assistant	1.00	0.00	0.00	0.00	0.00
Accountant	0.00	0.00	1.00	1.00	1.00
Accounting/HR Clerk	1.00	1.00	0.00	0.00	0.00
Administrative Assistant	1.00	0.00	0.00	0.00	1.00
Customer Service Rep	1.00	1.50	1.00	0.50	0.50
Accounting Clerk	0.00	0.00	1.00	1.00	1.00
Administrative Clerk	0.00	0.00	0.50	1.00	0.00
Receptionist	0.00	0.00	0.00	0.50	0.50
Administrative Intern	1.00	0.00	0.00	0.50	0.50
Economic Development Intern	0.00	0.00	0.00	0.00	0.50
I/T Intern	0.50	0.50	0.50	0.00	0.00
<b>Authorized FTE</b>	<b>14.50</b>	<b>10.00</b>	<b>11.00</b>	<b>12.50</b>	<b>13.00</b>
<b>Building Safety</b>					
Chief Building Official	1.00	1.00	1.00	1.00	1.00
Senior Building Inspector	2.00	0.00	1.00	1.00	1.00
Plans Examiner	2.00	2.00	2.00	2.00	2.00
Building Inspector	1.00	2.00	2.00	2.00	2.00
Building Permit Technician	2.00	2.00	3.00	3.00	3.00
<b>Authorized FTE</b>	<b>8.00</b>	<b>7.00</b>	<b>9.00</b>	<b>9.00</b>	<b>9.00</b>



Schedule of Authorized Positions

Position – Title	2002-2003 Authorized FTE	2003-2004 Authorized FTE	2004-2005 Authorized FTE	2005-2006 Authorized FTE	2006-2007 Proposed FTE
<b>Public Works</b>					
Public Works Director	1.00	1.00	1.00	1.00	1.00
Town Engineer	1.00	1.00	1.00	1.00	1.00
Senior Civil Engineer	1.00	1.00	1.00	0.00	0.00
Civil Engineer	1.00	1.00	1.00	2.00	2.00
Senior Civil Engineer Inspector	0.00	0.00	1.00	1.00	1.00
Facilities Supervisor	1.00	1.00	1.00	1.00	1.00
Civil Engineer Inspector	2.00	1.00	1.00	1.00	1.00
Open Space & Landscape Spec.	1.00	1.00	1.00	1.00	1.00
Executive Assistant	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	0.00	0.00	0.00	0.00
Facilities Maintenance Tech	0.00	0.00	1.00	1.00	1.00
Maintenance/Custodial Worker	1.00	1.00	0.50	0.50	0.50
Custodian	2.00	1.50	1.00	1.00	1.00
<b>Authorized FTE</b>	<b>13.00</b>	<b>10.50</b>	<b>11.50</b>	<b>11.50</b>	<b>11.50</b>
<b>Street</b>					
Assistant Public Works Director	0.00	0.00	0.00	1.00	1.00
Street Superintendent	1.00	1.00	1.00	1.00	1.00
Street Maintenance Supervisor	0.00	1.00	1.00	0.00	0.00
Fleet Mechanic	1.00	1.00	1.00	1.00	1.00
Fleet Equipment Mechanic	1.00	1.00	0.00	0.00	0.00
Street Maintenance Tech	11.00	9.00	8.00	8.00	8.00
<b>Authorized FTE</b>	<b>14.00</b>	<b>13.00</b>	<b>11.00</b>	<b>11.00</b>	<b>11.00</b>
<b>Planning &amp; Zoning</b>					
Director	1.00	0.00	0.00	0.00	0.00
P & Z Administrator	0.00	1.00	1.00	1.00	1.00
Senior Planner	2.00	1.00	1.00	1.00	1.00
Planner	1.00	1.00	1.00	1.00	1.00
Eng. Tech/CAD Operator	2.00	2.00	2.00	2.00	2.00
Code Enforcement Officer	0.00	3.00	2.00	3.00	3.00
Executive Assistant	1.00	0.00	0.00	0.00	0.00
Planning Technician	0.00	0.00	0.00	0.50	0.50
Planning Assistant	1.00	1.00	1.00	1.00	1.00
<b>Authorized FTE</b>	<b>8.00</b>	<b>9.00</b>	<b>8.00</b>	<b>9.50</b>	<b>9.50</b>



Schedule of Authorized Positions

Position – Title	2002-2003 Authorized FTE	2003-2004 Authorized FTE	2004-2005 Authorized FTE	2005-2006 Authorized FTE	2006-2007 Proposed FTE
<b>Parks &amp; Recreation</b>					
Parks & Rec/Comm Ctr Dir.	1.00	0.50	0.50	0.50	0.50
Recreation Supervisor	1.00	1.00	1.00	1.00	1.00
Parks Supervisor	1.00	1.00	1.00	1.00	1.00
Rec. Program Coordinator	3.00	2.00	2.00	2.00	2.00
Park Operations Lead	3.00	2.00	2.00	3.00	3.00
Administrative Assistant	1.00	0.00	0.00	0.00	0.00
Executive Assistant	1.00	1.00	1.00	1.00	1.00
Groundskeeper	1.00	1.00	2.00	2.00	2.00
Recreation Assistant	4.00	4.00	4.00	4.00	4.00
Receptionist	0.00	0.50	0.50	0.50	1.00
Recreation Aide	0.00	0.00	1.00	1.00	1.00
Recreation Intern	0.00	0.00	0.00	0.50	0.50
<b>Authorized FTE</b>	<b>16.00</b>	<b>13.00</b>	<b>15.00</b>	<b>16.50</b>	<b>17.00</b>
<b>Law Enforcement</b>					
Public Safety Dir/TownMarshal	1.00	0.00	0.00	0.00	0.00
Sergeant	3.00	0.00	0.00	0.00	0.00
Deputy Marshal	8.00	0.00	0.00	0.00	0.00
Dispatcher	7.00	0.00	0.00	0.00	0.00
Administrative Assistant	1.00	0.00	0.00	0.00	0.00
Emergency Mgmt Coord	0.00	1.00	0.00	0.00	0.00
<b>Authorized FTE</b>	<b>20.00</b>	<b>1.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Community Center</b>					
Parks & Rec/Comm Ctr Dir.	1.00	0.50	0.50	0.50	0.50
Comm Ctr Supervisor	1.00	1.00	1.00	1.00	1.00
Comm Ctr Operations Sup.	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
Volunteer Coordinator	0.50	0.50	0.50	0.50	0.50
Operations Support Worker	1.00	1.50	1.50	1.50	2.00
Operations Support Assistant	0.00	0.00	0.00	0.50	0.50
Custodian	1.00	1.00	1.00	1.00	1.00
<b>Authorized FTE</b>	<b>6.50</b>	<b>6.50</b>	<b>6.50</b>	<b>7.00</b>	<b>7.50</b>
<b>Senior Services</b>					
Senior Services Supervisor	0.00	0.00	0.00	0.00	1.00
HDM/Special Programs Admin	0.00	0.00	0.00	0.00	0.50
HDM Coordinator	0.00	0.00	0.00	0.00	0.50
Senior Aide	0.00	0.00	0.00	0.00	1.50
<b>Authorized FTE</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>3.50</b>
<b>Total Authorized FTE</b>	<b>106.00</b>	<b>75.00</b>	<b>77.00</b>	<b>82.50</b>	<b>87.00</b>



## Pay Plan

The Town Council last adopted the pay plan for the Town of Fountain Hills in June 2005. It is imperative that the salary ranges for each position be updated on a regular basis to remain competitive in the market. Consequently, the Human Resources division has surveyed the salary ranges from competing towns and cities for like positions. The information from those surveys has resulted in the proposed pay plan for the 2006-07 fiscal year.

## Explanation of the Pay Plan

1. All Town positions, except that of town manager and presiding judge, are classified and covered in the pay plan.
2. Persons shall be recruited into the municipal service at the appropriate salary within that position, according to experience and/or market demand.
3. Advancement within the salary range shall be obtained on the basis of merit.
4. Human Resources recommends incremental increases based on the performance evaluation written by the employee's Supervisor. The Town Manager is authorized to place the salary of each employee at a rate of pay within the salary range for the position title to which said employee is assigned. The rates of pay so established for various employees shall be effective at the time of review.
5. Increases may be granted after six months of service and annually thereafter.
6. The town manager shall make whatever administrative regulations, not inconsistent with the plan or the ordinances of the Town of Fountain Hills, he/she deems necessary, for the effective administration of the plan.
7. Employees in section 2 are exempt and are not eligible for any overtime compensation. Employees in section 3 are hourly non-exempt and therefore entitled to overtime compensation.
8. The pay plan shall be reviewed annually.
9. The minimum and maximum rates and the ranges constituting the salary range of a position title shall supersede any previously adopted for said title.



**Exempt Positions**

<b>Position Title</b>	<b>Minimum</b>	<b>Maximum</b>	<b>Previous Range</b>
Assistant Town Manager	85,202	121,166	81,938 - 115,188
Public Works Director	74,153	105,453	68,713 - 97,712
Finance Director	72,987	103,795	67,461 - 95,936
Assistant Public Works Director	69,067	98,220	66,014 - 93,879
Town Engineer	65,301	92,865	65,050 - 92,508
Parks & Recreation/Community Center Director	65,301	92,865	60,606 - 86,188
Human Resources Administrator/Risk Manager	60,684	86,299	59,585 - 84,736
Planning & Zoning Administrator	60,684	86,299	55,457 - 78,865
Court Administrator	59,774	85,005	58,046 - 82,547
Town Clerk	54,876	78,039	52,797 - 75,083
Chief Building Official	54,611	77,662	49,469 - 70,350
Senior Planner	53,455	76,018	51,566 - 73,332
Economic Development Specialist	51,529	73,279	49,630 - 70,578
Street Superintendent	48,259	68,629	46,225 - 65,738
Information Technology Coordinator	48,259	68,629	44,388 - 63,124
Recreation Supervisor	46,635	66,320	45,934 - 65,323
Parks Supervisor	45,934	65,323	44,388 - 63,124
Community Center Supervisor	45,934	65,323	45,934 - 65,323
Planner	44,998	63,992	43,922 - 62,462
Executive Assistant to Town Manager/Council	41,815	59,465	40,576 - 57,703
Facilities Supervisor	39,253	55,822	39,166 - 55,697
Community Center Operations Supervisor	39,253	55,821	39,166 - 55,697
Accountant	38,379	54,579	36,587 - 52,030
Recreation Program Coordinator	34,766	49,441	34,766 - 49,441



**Non-Exempt Positions**

<b>Position Title</b>	<b>Minimum</b>	<b>Maximum</b>	<b>Previous Range</b>
Civil Engineer	24.78	35.24	23.34 - 33.20
Senior Building Inspector	22.97	32.67	21.32 - 30.32
Plans Examiner	21.90	31.14	21.32 - 30.32
Senior Civil Engineer Inspector	21.90	31.14	21.32 - 30.32
Engineering Assistant/CAD Technician	20.39	29.00	19.80 - 28.15
Building Inspector	19.64	27.93	18.61 - 26.47
Senior Services Supervisor	18.87	26.84	
Civil Engineer Inspector	18.22	25.91	17.88 - 25.43
Code Enforcement Officer	17.19	24.45	16.68 - 23.72
Park Operations Lead	17.19	24.45	16.17 - 23.00
Open Space/Landscape Specialist	17.19	24.45	16.17 - 23.00
Fleet Mechanic	16.56	23.55	16.44 - 23.38
Planning Technician	15.83	22.51	15.51 - 22.06
Facilities Maintenance Technician	15.49	22.03	14.86 - 21.13
Executive Assistant	15.15	21.54	15.06 - 21.42
Planning Assistant	15.15	21.54	15.06 - 21.42
Home Delivered Meals Administrator	15.04	21.39	
Administrative Assistant	15.04	21.39	13.84 - 19.68
Senior Court Clerk	14.93	21.23	14.93 - 21.23
Building Permit Technician	14.52	20.65	13.57 - 19.30
Street Maintenance Technician	14.04	19.96	13.70 - 19.47
Court Clerk	13.75	19.55	13.50 - 19.20
Maintenance/Custodial Worker	12.51	17.79	12.12 - 17.24
Accounting Clerk	12.51	17.79	11.63 - 16.54
Groundskeeper	11.74	16.72	11.69 - 16.64
Customer Service Representative	11.74	16.70	10.23 - 14.55
Volunteer Coordinator	11.02	15.69	11.02 - 15.69
Custodian	10.10	14.36	9.76 - 13.88
Operations Support Worker	10.10	14.36	9.76 - 13.88
Home Delivered Meals Coordinator	9.08	12.91	
Recreation Assistant	9.08	12.91	8.78 - 12.48
Recreation Aide	8.00	11.38	7.78 - 11.06
Operations Support Assistant	8.00	11.38	7.78 - 11.06
Senior Aide	8.00	11.38	



## Budget Glossary

### **Account**

A separate financial reporting unit for budgeting, management or accounting purposes. All budgetary transactions, whether revenue or expenditure, are recorded in accounts. Several related accounts may be grouped together in a fund. A list is called a chart of accounts.

### **Accounting Standards**

The generally accepted accounting principles (GAAP) promulgated by the Governmental Accounting Standards Board (GASB) that guide the recording and reporting of financial information by state and local governments.

### **Accrual Basis Accounting**

A basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or sent.

### **Actual vs. Budgeted**

Difference between the amounts projected (budgeted) in revenues or expenditures at the beginning of the fiscal year and the actual receipts or expenses, which are incurred by the end of the fiscal year.

### **Ad Valorem Taxes**

Commonly referred to as property taxes. The charges levied on all real, and certain personal property according to the property's assessed value and the tax rate. Used as a source of monies to pay general obligation debt and to support the general fund.

### **Adoption**

Formal action by the Town Council, which sets the spending limits for the fiscal years.

### **Appropriation**

Specific amount of monies authorized by the Council for the purpose of incurring obligations and acquiring goods and services.

### **Assessed Valuation**

A value set upon real and personal property by the Maricopa County Assessor for the purpose of levying property taxes.

### **Asset**

The resources and property of the Town that can be used or applied to cover liabilities.

### **Audit Report**

The report prepared by an auditor covering the audit or investigation of an entity's financial position for a given period of time, usually a year. As a general rule, the report should include: 1) a statement of the scope of the audit; 2) explanatory comments concerning exceptions from generally accepted auditing standards; 3) opinions; 4) explanatory comments concerning verification procedures; 5) financial statements and schedules; and 6) statistical tables, supplementary comments and recommendations. The auditor's signature follows 3). The Town is required to have an annual audit conducted by qualified certified public accountants.

### **Balanced Budget**

Arizona law (Title 42 Arizona Revised Statutes) requires the Town Council to annually adopt a balanced budget by purpose of public expense. State law defines this balanced budget as "the primary property tax levy, when added together with all other available resources, must equal these expenditures." The total of proposed expenditures will not exceed the total of estimated revenues and fund balances.

### **Base Budget**

The ongoing expense for personnel, contractual services, commodities, and the replacement of equipment to maintain service levels previously established by the Council.



**Bond**

A written promise to pay a specified sum of money (called the principal amount) at a specified date or dates in the future (called the maturity dates), and carrying interest at a specified rate, usually paid periodically. The difference between a bond and a note is that a bond is issued for a longer period and requires greater legal formality.

Bonds are primarily used to finance capital projects. The most common types of bonds are:

- **General Obligation (GO) Bond**  
This type of bond is secured by the full faith, credit, and taxing power of the municipality.
- **Revenue Bond**  
This type of bond is secured by the revenues from a specific source such as gas taxes or water revenues.

**Budget**

A financial plan of estimated expenditures and anticipated resources adopted for a specific period of time outlining a plan for achieving council goals and objectives.

**Budgetary Basis**

The method used to determine when revenues and expenditures are recognized for budgetary purposes.

**Capital Budget**

A spending plan for improvements to or acquisition of land, facilities and infrastructure that balances revenues and expenditures, specifies the sources of revenues, and lists each project or acquisition. Normally a capital budget must be approved by the legislative body. The capital budget and accompanying appropriation ordinance may be included in a consolidated budget document that has a section devoted to capital expenditures and another to operating expenditures. Or two separate documents may be prepared – one for the capital budget and one for the operating budget.

**Capital Improvements**

Expenditures for the construction, purchase or renovation of Town facilities or property.

**Capital Outlay**

Expenditures resulting in the acquisition of or addition to the Town’s fixed assets.

**Carry Over**

Year-end savings that can be carried forward to cover any one-time expenses such as supplies, equipment, or special contracts.

**Cash Basis**

A basis of accounting in which transactions are recognized only when cash amounts are increased or decreased.

**Contingency/Reserve**

An amount set aside as available, with Council approval, to cover unforeseen expenditures, emergency expenditures, or revenue short falls.

**Debt Limit**

Statutory or constitutional limit on the principal amount of debt that an issuer may incur (or that it may have outstanding at any one time).

**Debt Ratio**

Total debt divided by total assets.

**Debt Service**

Principal and interest payments on outstanding bonds.

**Debt Service Fund**

One or more funds established to account for revenues used to repay the principal and interest on debt.

**Department**

A functional group of the Town with related activities aimed at accomplishing a major Town service or program.



### **Division**

A grouping of related activities within a particular department (example, Senior Services is a division of Parks & Recreation).

### **Estimated Revenue**

The amount of projected revenue to be collected during the fiscal year.

### **Expenditure**

If accounts are kept on the accrual basis, this term designates total charges incurred, whether paid or unpaid. If they are kept on the cash basis, the term covers only actual disbursements for these purposes.

### **Expenditure Limitation**

An amendment to the Arizona State Constitution that limits annual expenditures of all municipalities. The Economic Estimates Commission, based on population growth and inflation sets the limit. All municipalities have the option of Home Rule where the voters approve a four-year expenditure limit based on revenues received.

### **Fiscal Year**

Any period of twelve consecutive months establishing the beginning and the ending of financial transactions. For the Town of Fountain Hills, this period begins July 1 and ends June 30.

### **Full-Time Equivalent Position (FTE)**

A position converted to the decimal equivalent of a full-time position based on 2,080 hours per year. For example, a part-time typist working for 20 hours per week would be equivalent to a 0.5 FTE.

### **Fund**

A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources.

### **Fund Balance**

A balance or carry over that occurs when actual revenues exceed budgeted revenues

and/or when actual expenditures are less than budgeted expenditures.

### **General Fund**

The major fund in most governmental entities. While other funds tend to be restricted to a single purpose, the general fund is a catch all for general government purposes. The General Fund contains the activities commonly associated with municipal government, such as police and fire protection, parks and recreation.

### **Highway Users Revenue Bond**

Proceeds used solely for street and highway purposes and require voter authorization. Bonds are payable from highway user revenue up to 50% of total received for the past twelve month period (stipulated by state law).

### **Highway Users Revenue Fund (HURF)**

This revenue source consists of state taxes collected on gasoline, vehicle licenses, and a number of other additional transportation related fees. These funds must be used for street and highway purposes.

### **Infrastructure**

Facilities that support the continuance and growth of a community. Examples include roads, water lines, sewers, public buildings, and parks.

### **Intergovernmental Revenue**

Federal and state grants and other forms of revenue (e.g. state sales tax, state income tax, gasoline tax, motor vehicle license).

### **Long Term Debt**

Debt with a maturity of more than one year after date of issuance.

### **Management Indicators**

A measurable means of evaluating impact of budget on achieving stated objectives.



**Modified Accrual Basis of Accounting**

Basis of accounting according to which; a) revenues are recognized in the accounting period in which they become available and measurable, and b) expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for un-matured interest on general long-term debt and certain similar accrued obligations, which should be recognized when due.

**Municipal Property Corporation (MPC) Bond**

Bonds that are backed by the excise taxes of the Town including local sales tax, franchise tax, state shared sales tax, and auto lieu tax. The MPC is a non-profit corporation established for the purpose of issuing debt to purchase municipal facilities, which it leases to the Town.

**Objectives**

A measurable output that an organization strives to achieve within a designated time frame. The achievement of the objective advances an organization toward a corresponding goal.

**Operating Budget**

Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing activities of the Town are controlled.

**Ordinance**

A formal legislative enactment by the Town Council.

**Performance Indicators**

Measurement of service performance indicators that reflect amount of money spent on services and the resulting outcomes at a specific level of services provided.

**Property Tax**

The total property tax levied by a municipality. Arizona's municipal property

tax system is divided into a primary and secondary rate.

**Primary Tax**

Arizona statute limits the primary property tax levy amount and municipalities may use this tax for any purpose.

**Secondary Rate**

Arizona statute does not limit the secondary tax levy amount and municipalities may only use this levy to retire the principal and interest or redemption charges on bond debt.

**Resolution**

A special or temporary order of the Town Council. Requires less formality than an ordinance.

**Resources**

Total amounts available for appropriation including estimated revenues, bond/loan proceeds, fund transfers, and beginning fund balances.

**Revenue**

Financial resources received from taxes, user charges, and other levels of government.

**Revenue Bonds**

Bonds whose principal and interest are payable exclusively from earnings of a revenue generating fund.

**Special Revenue Fund**

Accounts for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes.

**State-Shared Revenue**

Includes the Town's portion of state sales tax revenues, state income tax receipts, motor vehicle in-lieu taxes.

**Tax Levy**

The total amount of the general property taxes collected for purposes specified in the Tax Levy Ordinance.



**Tax Rate**

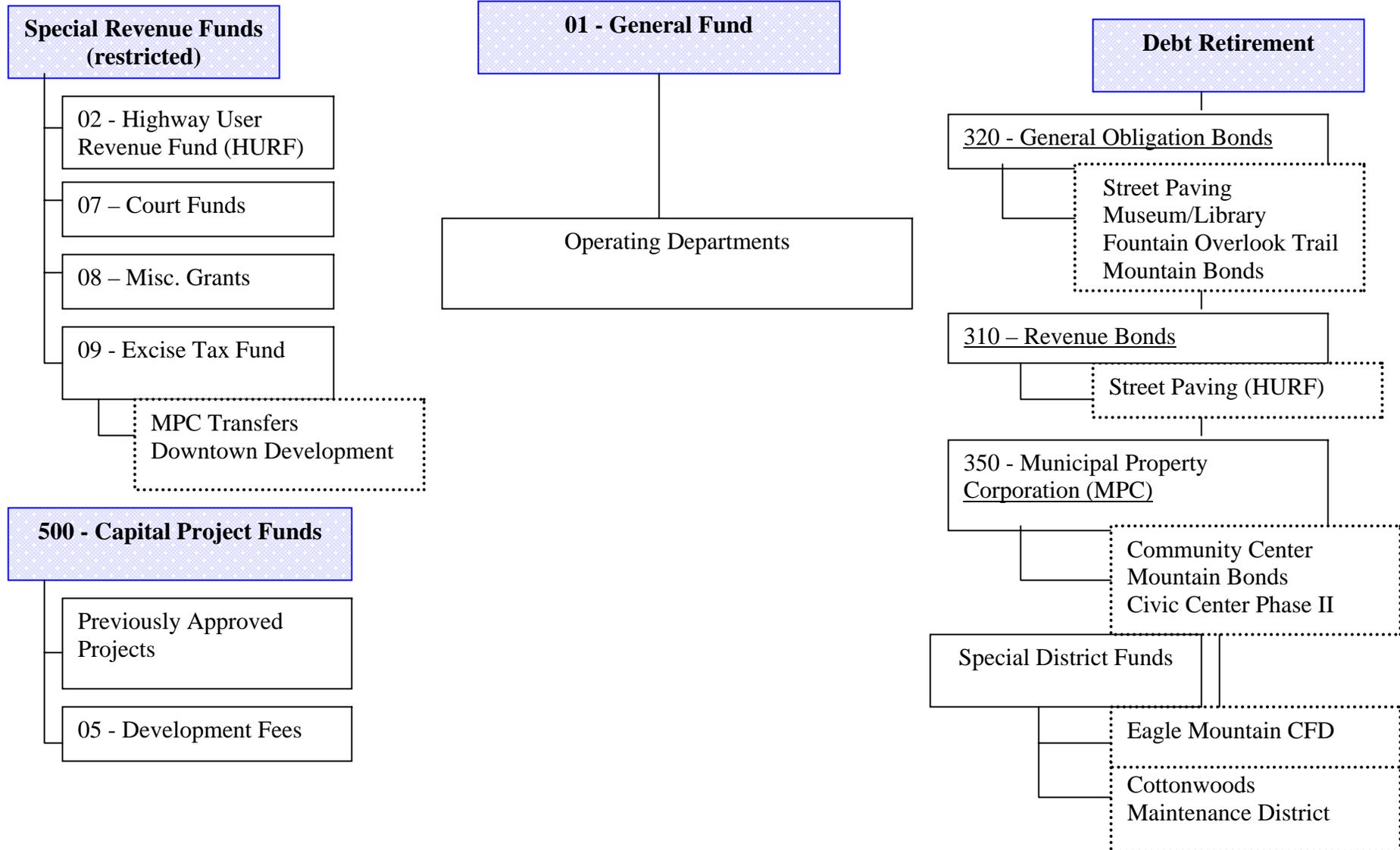
The amount of tax levied for each \$100 of assessed valuation.

**Transfer**

Movement of resources between two funds. Example: An interfund transfer would include the transfer of operating resources from the General Fund to the Street Fund.



# TOWN OF FOUNTAIN HILLS BUDGETARY FUND AND ORGANIZATIONAL STRUCTURE



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# Fountain Hills



## TIP Projects Summary

In the Town of Fountain Hills, federal aid projects will widen westbound Shea Boulevard (Fountain Hills—Palisades); pave existing dirt alleys and build sidewalks on Fountain Hills Boulevard (Fayette-Middle School). The regional project will complete the widening of Shea Boulevard within the Town limits.

### INFO:

2004 Population: 22,475  
Incorporated Area: 18.2 sq. mi.

### Town of Fountain Hills

Box 17958  
Fountain Hills, Arizona 85268

Town Motto: "All that is Arizona."



Mayor **Wally Nichols**

Type of Project	No.	Cost
Air Quality (Alley Paving)	1	\$190,300
Pedestrian	1	\$506,000
Street	4	\$8,545,000
<b>Total</b>	<b>6</b>	<b>\$9,241,300</b>

## Fountain Hills Highway/Street Project Listings

Proj #	Location	Work Type	Length (Miles)	Fund Type	Local Cost	Federal Cost	Regional Cost	Total Cost
<b>FY 2007</b>								
FTH07-301	Shea Blvd: Palisades Blvd to Fountain Hills Blvd	Widen for third (westbound) climbing lane and bicycle lane	1	STP-MAG	\$269,000	\$1,076,000	\$0	\$1,345,000
<b>FY 2008</b>								
FTH08-601	Saguaro Blvd: Colony Dr to Desert Vista	Pave existing dirt alleys (east side)	1.1	CMAQ	\$57,090	\$133,210	\$0	\$190,300
FTH08-08D	Shea Blvd: Palisades Blvd to Saguaro Blvd	Design roadway widening	3	RARF II	\$300,000	\$0	\$700,000	\$1,000,000
<b>FY 2009</b>								
FTH09-602	Fountain Hills Blvd: Fayette Dr to Fountain Hills Middle School	Design and construct 8 foot wide detached sidewalks	0.8	CMAQ	\$151,800	\$354,200	\$0	\$506,000
FTH09-09RW	Shea Blvd: Palisades Blvd to Saguaro Blvd	Acquire right-of-way for roadway widening	3	RARF II	\$550,000	\$0	\$1,250,000	\$1,800,000
<b>FY 2010</b>								
FTH10-10C	Shea Blvd: Palisades Blvd to Saguaro Blvd	Construct roadway widening	3	RARF II	\$1,350,000	\$0	\$3,050,000	\$4,400,000
<b>Total</b>					<b>\$2,677,890</b>	<b>\$1,563,410</b>	<b>\$5,000,000</b>	<b>\$9,241,300</b>



**Before**



**After**

## Previous Project Progress

### Shea Blvd. Improvements

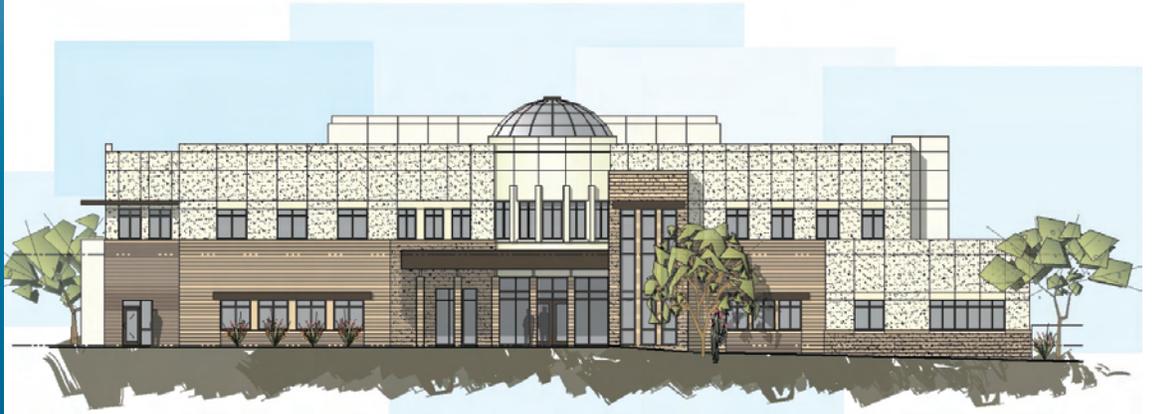
The two Shea Blvd. projects will complete previous Town and developer widenings of Shea Blvd. for its full length within the Town limits for three lanes in each direction. The project also includes bike lanes, sidewalks, and a landscaped median.

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**Our Town. Our Choices.  
A Road Map to the Future**

# The Town of Fountain Hills



**STRATEGIC PLAN  
2006-2010**

# WITH GRATEFUL APPRECIATION



Fountain Hills Civic Association

We wish to thank everyone who contributed their time, thoughtfulness and imagination to making this strategic plan “citizen-driven.” Fountain Hills is a town of volunteers and that spirit of citizen involvement made the strategic plan a true reflection of our values and vision.

Fountain Hills has a proud 20-year history of Town Halls to identify amenities desired by its residents. The 2005 strategic planning process has a number of additional components:

- All citizens in the Town were invited to give input during two Town Halls, and more than 1600 citizens participated.
- Individual input was also invited through the Town website and information phone line.
- Key stakeholders from the civic, business and cultural community were interviewed.
- A Youth Visioning Institute gathered input from teens.
- Four public education sessions were held prior to Town Hall 2.
- A scientific random sample survey reached 1 in 8 households.
- Approximate annual “per household” costs were assigned to initiatives under consideration.
- A commission to oversee the implementation of the plan was initiated.

This strategic plan represents a broad spectrum of citizen input amounting to thousands of hours of citizen involvement and thoughtful debate. *Strategic Plan 2006-2010* reflects these ideas and will guide Town Council Members and staff as they establish budgets and priorities over the years.

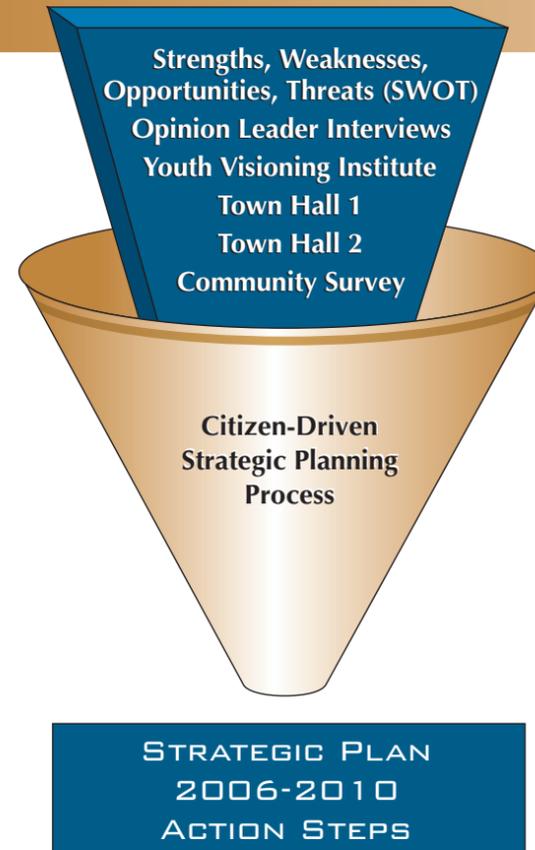
We are pleased to have played a part in bringing this *Strategic Plan* to completion and will continue to support its implementation by keeping citizens informed and involved.

Thank you to everyone who brought this plan to fruition.

Sincerely,

Wally Nichols  
Mayor, Town of Fountain Hills

Roger Riggert  
President, Civic Association



Youth contribute ideas to Strategic Plan.

PHOTO BY DERALD HOFFMAN

### Informed Choices Education Outreach:

A significant sample (30%) of participants in the random survey indicated the need for more information on the Town’s financial future to make informed decisions. The Town and the Strategic Planning Advisory Commission will coordinate educational efforts to provide a broader scope of financial information to the Town’s citizens. These sessions will provide information on alternative methods of achieving long-term financial stability. Workshops will be conducted to illuminate the causes and depth of the projected shortfall, and will demonstrate the pros and cons of alternative solutions.

The SPAC, Town management team and the Town Council will begin to implement the Plan’s Strategic Priorities listed on the following pages.

### Strategic Planning Advisory Commission:

The Town Council will create and appoint members to a Strategic Planning Advisory Commission (SPAC) by February 2, 2006, to champion implementation and periodic updates of the Fountain Hills Strategic Plan 2006-2010.

### Financial Implementation Plan for Strategic Priorities:

The Town Manager and staff will develop and maintain with Town Council approval, a financial plan showing (a) strategies to maintain long-term stability of the Town’s finances, and (b) how the strategic priorities will be implemented, including refinements of the cost estimates in the *Strategic Plan 2006-2010*, by June 30, 2006.



Citizens weigh options at Town Hall 2.

## STRATEGIC PRIORITIES 1-2 YEARS

### STRATEGIC FOCUS AREA: Education Higher and Continuing Education and Support of Educational Excellence

#### *Integrate the Town and schools more closely*

- Increase sharing of facilities
- Support and promote “Falcon Pride”
- Support mentoring programs with town volunteers
- Connect businesses with students in need of employment

### STRATEGIC FOCUS AREA: Physical Planning Zoning and Architecture

#### *Require new developments to use native vegetation*

- Develop public education programs to demonstrate the benefits of following native vegetation standards in residents’ homes
- Require low-water native vegetation in all commercial projects
- Require low-water native vegetation landscaping in common areas in new developments

#### *Strictly enforce General Plan and Zoning ordinances*

- Enforce height restrictions to protect views
- Continue current build-out plan
- Include population projections when considering P&Z cases
- Improve build-out population projections

#### *Establish controls over commercial architectural compatibility*

- Establish a citizens’ architectural review committee:
  - Review commercial projects against standards
  - Recommend approval/disapproval of proposed commercial architecture

#### *Annex State Trust Land*

- Annex and assume responsibility for infrastructure and municipal services
- Apply planning and zoning standards consistent with other areas of the Town

Strategic Priorities, 1-2 Years	Estimated cost per hshd per year
Fountain Hills Town government will accomplish the following initiatives by December 31, 2007	
Work more closely with schools	\$ 0
Low water native landscaping – public education program	10
Enforce General Plan and Zoning	8
Create commercial architecture review board	18
Annex State Trust Land	0
<b>Strategic Priorities 1-2 Years</b>	<b>\$ 36</b>

Revenue Shortfall, 1-2 Years	
The Town council will resolve the Town’s projected long-term revenue shortfall by December 31, 2007, by taking actions such as (i) calling an election for voters to decide whether to levy a primary property tax, or (ii) increasing various sales tax rates. This projected shortfall is caused by reduction of construction-related revenues and State shared revenues as the Town nears build-out. Without action, budget deficits are estimated to begin in 9-13 years. The revenue shortfall is currently estimated to require approximately \$66 per household to maintain services at current levels.	
<b>Revenue Shortfall 1-2 Years</b>	<b>\$ 66</b>

Strategic Priorities, 3-5 Years	Estimated cost per hshd per year
Fountain Hills Town government will accomplish the following initiatives by December 31, 2010 (contingent upon resolution of the revenue shortfall issue)	
Add recreation amenities	\$ 17
Strengthen small town identity	32
Enhance pedestrian safety	17
Maintain smooth streets	120
Support lifelong learning	10
Enhance dedication to stewardship of natural environment	68
<b>Strategic Priorities 3-5 Years</b>	<b>\$264</b>
<b>GRAND TOTAL</b>	<b>\$366</b>

## STRATEGIC PRIORITIES 3-5 YEARS

### STRATEGIC FOCUS AREA: Parks and Recreation

#### *Add new amenities to Parks and Recreation system*

- Build additional hiking trails
- Develop pedestrian-friendly pathways/ walking trails
- Expand bike lanes connecting hiking/walking trails
- Increase the frequency of concerts and movies in Fountain Park
- Increase programs to bring together people with different backgrounds

### STRATEGIC FOCUS AREA: Small Town Atmosphere and Town Identity

#### *Strengthen the community’s small town identity*

- Promote citizen involvement in Town activities and community dialogue
- Partner with Ft. McDowell on local events
- Welcome and mentor new residents
- Establish a “one stop shop” for Town information
- Emphasize the Fountain as Town icon

### STRATEGIC FOCUS AREA: Municipal Government Services

#### *Increase pedestrian safety*

- Increase use of “striped” crosswalks, pedestrian signals and traffic controls
- Build more sidewalks each year

#### *Ensure all streets in Fountain Hills are well maintained and smooth*

- Increase the frequency of street resurfacing

### Strategic Focus Area: Education Higher and Continuing Education and Support of Educational Excellence

#### *Create lifelong learning opportunities*

- Increase availability of on-line classes
- Increase learning opportunities for seniors
- Provide access to college courses with accreditation

### STRATEGIC FOCUS AREA: Preservation of the Environment

#### *Enhance dedication to stewardship of the natural environment*

- Establish restricted view corridors
- Educate public on avoiding light pollution
- Increase frequency of wash maintenance
- Improve street sweeping program and equipment
- Monitor/maintain McDowell Mountain preserve trails
- Start proactive code enforcement to ensure the Town has a well-maintained and clean environment

### Not Town Priorities at This Time

The strategic planning process considered hundreds of ideas, but few made it through the rigorous process to become strategic priorities in the current planning cycle. An important purpose of strategic planning is to avoid focusing on non-priority programs. Citizens and groups who are enthusiastic about these ideas are encouraged to develop funding partnerships, and to educate citizens on how their ideas improve the quality of life in Fountain Hills. Ideas that are not Town priorities at this time include:

- Build a new teen activity center
- Increase enforcement of housing quality codes with occupancy change inspections
- Build a new aquatic center that has features for people of all ages
- Improve public transportation services to and from Fountain Hills and other communities
- Create a curbside recycling program
- Establish a town-operated garbage collection service
- Acquire land, develop and maintain a new 15-acre community park
- Widen Fountain Hills Boulevard
- Build a new performing arts center
- Build a larger stand-alone senior center

## Citizens Express a Vision for the Ambiance of Fountain Hills

### Vision of Fountain Hills/Residents:

- It is dedicated to careful stewardship of the most beautiful natural desert area in the world. It maintains its starry nights, clean air and water quality.
- It is recognized as the best planned community in Arizona. Growth and density area closely managed to maintain the Town's unique character.
- It is the premier school district in Arizona. The Town offers lifelong learning opportunities to residents.
- Town Government is fiscally sound and has reliable revenue streams.
- New business development mainly serves the needs of residents, rather than primarily focusing on attracting tourists and residents from other communities.

PHOTO BY DERALD HOFFMAN



The stunning desert beauty of Fountain Hills.

### Values of Fountain Hills Residents

- Education
- Cultural diversity
- Public safety
- Environment
- Community participation, involvement and volunteerism
- Preservation of small town character
- Recreational opportunities

PHOTO BY DERALD HOFFMAN



St. Patrick's Day celebration at Fountain Park.

### Commercial Vitality & Business Development

The completion of Fountain Hills' downtown was the cornerstone of the commercial vitality discussions. Participants were united in their desire for a "pedestrian-friendly" downtown corridor for enjoyment primarily by residents, rather than focus on attracting shoppers and tourists from all over the Valley. Participants supported attracting popular smaller chain stores, galleries, and boutiques to enhance customer flow for retailers. Many citizens supported the development of "gathering places" on the Avenue of the Fountains, including cafes, restaurants and park-like walkways.

### Arts & Culture

Many Town Hall 1 participants suggested a lively cultural environment as an opportunity to draw people from both within and outside Fountain Hills, and some suggested making the Town an arts/theater destination. In the community survey respondents were asked to choose between an approach to arts and cultural programs to serve local residents (31%), serve as a destination for tourists (37%) or neither (25%). Because of the lack of consensus in this area, Strategic Plan 2006-2010 includes no new Town initiatives to foster or promote either approach.



Citizens set priorities at Town Hall 2.



PHOTO BY DERALD HOFFMAN

Fountain Park.

### Quality of Life is Great in Fountain Hills

During the strategic planning process, citizens discussed current and potential municipal services. Many of the existing services and amenities such as police, fire protection and economic development are considered important, but are operating satisfactorily, and are not included in the 2006-2010 Plan. Other findings from the survey indicated a high level of satisfaction with a broad range of Town activities.

- Residents think Fountain Hills is a good place to live (96%); U.S. average (84%)
- Residents like quality of life (93%); U.S. average (77%)
- Most residents are aware of the Strategic Planning Process (75%)

### Residents moved to Fountain Hills because:

- Low crime rate
- Appearance, views, beauty
- Quality of housing
- Small town atmosphere
- Local government financial stability

### Residents stay in Fountain Hills because:

- Small town atmosphere
- Low crime rate
- Appearance, beauty, views
- Level of taxation
- Quality of housing

## A WORD OF THANKS

We wish to acknowledge the Citizens of Fountain Hills whose input formed Strategic Plan 2006-2010. The process involved hundreds of individuals who participated in the various events and the volunteers and organizations that stepped forward to help organize and promote the citizen-input events.

Many thanks are also due to the members of the Technical Advisory Committee (TAC), citizens of Fountain Hills who volunteered thousands of hours over more than a year to design and oversee the process and make the Strategic Plan truly citizen-driven.

### Technical Advisory Committee (TAC)

Janice Abramson, Market Research Subcommittee Chair

Curt Dunham, Town Hall Subcommittee Chair

Peggy Fiandaca, Youth Visioning Institute  
Subcommittee Co-chair

Jim Hamblin, Speakers' Bureau Subcommittee Co-chair

Edwin Kehe, Town Council representative

Kathleen Nicola, Town Council, In Memoriam

Henry Leger, Youth Visioning Subcommittee Co-chair

Roger Riggert, Fountain Hills Civic Association

Mike Tyler, Communications Subcommittee Chair

### Supporting the Technical Advisory Committee were:

Tim Pickering, Town Manager  
Shaunna Williams,  
Executive Assistant

### Project management and facilitation services:

Phillip Blackerby and  
Lynne Brown,  
Blackerby Associates, Inc.

### Communications and media relations:

Francesca Carozza and  
Charlotte McCluskey,  
Image Weavers, LLC

The full Strategic Plan 2006-2010, and other downloadable reports are available at [www.fh.az.gov/ourtownourchoices/](http://www.fh.az.gov/ourtownourchoices/)



## A Citizen-Driven Process

- Community Leaders – 30 interviews with Civic, Business and Cultural leaders
- Youth Visioning Institute – 50 high school students and a dozen citizen volunteers
- Town Hall 1 – 256 citizens participated
- Informed Choices workshops – more than 50 people attended at least one of the four workshops
- Town Hall 2 – 163 citizens participated; 330 citizens attended at least one Town Hall
- Committees – more than 50 citizens provided logistical and communication support
- Community survey – 1,206 adults responded (50% response rate)
- Over 70 newspaper articles in the *Fountain Hills Times* or the *Arizona Republic*
- Newsletters (4), Invitations (1), Compass (3) = 12,000 distribution
- Contact list of concerned individuals – 703 citizens

Plan adopted by the Town of Fountain Hills on December 1, 2005.

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## CAPITAL IMPROVEMENT PLAN

Project No.	Project Name	5 Years	5 Years	5 Years	5 Years	20 Year Total
		FY06-10	FY11-15	FY16-20	FY20-25	
<u>Avenue of the Fountains Improvements</u>						
D8005	Avenue of Fountains improvements	\$6.5	\$0.0	\$0.0	\$0.0	\$6.5
	<b>TOTAL</b>	<b>\$6.5</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$6.5</b>
<u>Open Space Projects</u>						
O7002	McDowell Mountain Central Trailhead - Adero Canyon	\$2.8	\$0.0	\$0.0	\$0.0	\$2.8
O7003	Trail Connectivity Plan	\$1.1	\$0.0	\$0.0	\$0.0	\$1.1
	<b>TOTAL</b>	<b>\$4.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$4.0</b>
<u>Shea Boulevard Improvements</u>						
S6001	Shea Blvd. Truck climbing and bike lanes	\$0.4	\$0.0	\$0.0	\$0.0	\$0.4
S6003	Saguaro Blvd dirt alley paving	\$0.1	\$0.0	\$0.0	\$0.0	\$0.1
S6005	Shea Blvd. Palisades to Saguaro Blvd.	\$2.7	\$0.0	\$0.0	\$0.0	\$2.7
	<b>TOTAL</b>	<b>\$3.2</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$3.2</b>
<u>Sidewalk programs</u>						
S6006	Fountain Hills Blvd Fayette Dr -State Land sidewalks	\$0.2	\$0.0	\$0.0	\$0.0	\$0.2
S6007	Town wide sidewalk program	\$0.4	\$1.5	\$0.4	\$0.4	\$2.7
	<b>TOTAL</b>	<b>\$0.6</b>	<b>\$1.5</b>	<b>\$0.4</b>	<b>\$0.4</b>	<b>\$2.9</b>
S6008	<u>Pavement management program</u>	\$8.0	\$3.4	\$3.0	\$4.6	\$19.1
<u>Palisades Boulevard Improvements</u>						
S6009	Palisades medians-Fountain Hills Blvd east to existing	\$0.5	\$0.0	\$0.0	\$0.0	\$0.5
S6011	La Montana medians	\$0.1	\$0.0	\$0.0	\$0.0	\$0.1
S6012	Palisades & Vista Dr intersection reconfiguration	\$0.0	\$0.3	\$0.0	\$0.0	\$0.3
S6013	Palisades & Sunburst Drive intersection reconfiguration	\$0.0	\$0.3	\$0.0	\$0.0	\$0.3
S6014	Palisades Blvd at Fountain Hills Blvd turn lanes	\$0.0	\$0.5	\$0.0	\$0.0	\$0.5
	<b>TOTAL</b>	<b>\$0.7</b>	<b>\$1.1</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$1.8</b>
<u>Fountain Hills Boulevard Improvements</u>						
S6015	Fountain Hills Blvd road widening	\$0.0	\$6.7	\$0.0	\$0.0	\$6.7
S6016	Fountain Hills Blvd medians	\$0.0	\$0.0	\$0.4	\$0.0	\$0.4
	<b>TOTAL</b>	<b>\$0.0</b>	<b>\$6.7</b>	<b>\$0.4</b>	<b>\$0.0</b>	<b>\$7.1</b>
<u>Saguaro Boulevard Improvements</u>						
S6017	Saguaro Blvd & Trevino Dr intersection reconfiguration	\$0.0	\$0.0	\$0.5	\$0.0	\$0.5
S6018	Saguaro Blvd & Monterey Dr right turn improvements	\$0.0	\$0.0	\$0.4	\$0.0	\$0.4
S6019	Saguaro Blvd service road elimination	\$0.8	\$0.2	\$0.0	\$0.0	\$1.0
S6020	Saguaro Blvd & Avenue of the Fountains intersection improvement	\$0.0	\$0.3	\$0.0	\$0.0	\$0.3
S6021	Saguaro Blvd & Grande Blvd medians	\$0.0	\$0.6	\$0.0	\$0.0	\$0.6
S6022	Saguaro Blvd median improvement at Fountain Hills Blvd	\$0.0	\$0.1	\$0.0	\$0.0	\$0.1
	<b>TOTAL</b>	<b>\$0.8</b>	<b>\$1.2</b>	<b>\$0.9</b>	<b>\$0.0</b>	<b>\$3.0</b>
<u>Shea/Saguaro Boulevard Separated Bypass</u>						
S6023	Shea/Saguaro Boulevard Separated Bypass	\$0.0	\$0.0	\$0.0	\$3.5	\$3.5
S6024	Shea/Saguaro Boulevard Separated Bypass	\$0.0	\$0.0	\$0.0	\$3.4	\$3.4
	<b>TOTAL</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$6.8</b>	<b>\$6.8</b>



## CAPITAL IMPROVEMENT PLAN

<u>Drainage Improvements</u>						
S6026	Saguaro Blvd Drainage Improvements	\$0.1	\$0.0	\$0.0	\$0.0	\$0.1
S6027	Del Cambre Drainage Improvements	\$0.1	\$0.0	\$0.0	\$0.0	\$0.1
S6028	Fountain Hills Blvd at Oxford Wash Drainage Improvements	\$0.4	\$0.0	\$0.0	\$0.0	\$0.4
S6029	Firebrick Drive and Laser Drain Culvert	\$0.1	\$0.0	\$0.0	\$0.0	\$0.1
TOTAL		\$0.7	\$0.0	\$0.0	\$0.0	\$0.7
<u>Wash Crossing Improvements</u>						
S6030	Ashbrook Wash Crossing Improvements	\$0.0	\$1.4	\$2.2	\$0.7	\$4.3
S6031	Balboa Wash Crossing Improvements	\$0.0	\$0.6	\$0.0	\$0.0	\$0.6
S6032	Hesperus Wash Crossing Improvements	\$0.0	\$0.2	\$0.0	\$0.3	\$0.5
S6033	Oxford Wash Crossing Improvements	\$0.0	\$0.5	\$0.6	\$0.0	\$1.0
S6034	Caliente Wash Crossing Improvements	\$0.0	\$0.4	\$0.5	\$0.0	\$1.0
S6035	Arrow Wash Crossing Improvements	\$0.0	\$0.0	\$0.4	\$0.0	\$0.4
S6036	Colony Wash Crossing Improvements	\$0.0	\$0.0	\$0.3	\$0.2	\$0.5
S6037	Fountain Channel Crossing Improvements	\$0.0	\$0.0	\$0.5	\$0.0	\$0.5
S6038	Ironwood Wash Crossing Improvements	\$0.0	\$0.0	\$0.2	\$0.0	\$0.2
S6039	Malta Wash Crossing Improvements	\$0.0	\$0.0	\$0.0	\$0.9	\$0.9
S6040	Emerald Wash Crossing Improvements	\$0.0	\$0.0	\$0.0	\$0.2	\$0.2
S6041	Kingstree Wash Crossing Improvements	\$0.0	\$0.0	\$0.0	\$0.1	\$0.1
S6042	Cypress Point Wash Crossing Improvements	\$0.0	\$0.0	\$0.0	\$0.4	\$0.4
S6043	Jacklin Wash Crossing Improvements	\$0.0	\$0.0	\$0.0	\$0.3	\$0.3
S6044	Escalante Wash Crossing Improvements	\$0.0	\$0.0	\$0.0	\$0.6	\$0.6
S6045	Legend Wash Crossing Improvements	\$0.0	\$0.0	\$0.0	\$0.9	\$0.9
TOTAL		\$0.0	\$3.0	\$4.7	\$4.6	\$12.3
<u>Municipal Facilities</u>						
F4001	Civic Center Phase II	\$1.4	\$0.0	\$0.0	\$0.0	\$1.4
F4002	Street Yard Building	\$1.0	\$0.0	\$0.0	\$0.0	\$1.0
F4004	Senior Center	\$0.0	\$1.7	\$0.0	\$0.0	\$1.7
F4005	Police Station	\$0.0	\$0.0	\$0.0	\$4.3	\$4.3
F4006	Municipal Software	\$0.1	\$0.0	\$0.0	\$0.0	\$0.1
F4007	Document Preparation/Reproduction	\$0.1	\$0.0	\$0.1	\$0.0	\$0.2
F4008	Performing Arts Building	\$0.0	\$0.0	\$6.4	\$0.0	\$6.4
F4009	Parking Garage	\$0.0	\$2.0	\$0.0	\$0.0	\$2.0
F4010	Public Aquatic and Fitness Facility	\$0.0	\$3.0	\$0.0	\$0.0	\$3.0
F4011	Maintenance Facility	\$0.0	\$0.9	\$0.0	\$0.0	\$0.9
F4012	Storage Building	\$0.0	\$0.0	\$0.2	\$0.0	\$0.2
F4013	New Fire Station	\$0.5	\$1.3	\$0.2	\$0.0	\$2.0
TOTAL		\$3.1	\$9.0	\$6.9	\$4.3	\$23.2
<u>Park Improvements</u>						
P3003	Fountain Park Picnic Ramadas	\$0.2	\$0.0	\$0.0	\$0.0	\$0.2
P3004	Four Peaks Neighborhood Parks Ball Diamond Improvements	\$0.1	\$0.0	\$0.0	\$0.0	\$0.1
P3005	Fountain Park Splash Pad Landscaping	\$0.1	\$0.0	\$0.0	\$0.0	\$0.1
P3006	Desert Vista Neighborhood Park Phase II	\$1.1	\$0.0	\$0.0	\$0.0	\$1.1
P3002	Desert Vista Neighborhood Park - Skate Park	\$0.2	\$0.0	\$0.0	\$0.0	\$0.2
P3007	Desert Vista Neighborhood Park Phase III	\$1.0	\$0.0	\$0.0	\$0.0	\$1.0
P3008	Four Peaks Neighborhood Park Phase II	\$0.7	\$0.0	\$0.0	\$0.0	\$0.7
P3010	Four Peaks Neighborhood Park Phase III	\$1.3	\$0.0	\$0.0	\$0.0	\$1.3
P3011	Fountain Park Phase III	\$1.2	\$0.0	\$0.0	\$0.0	\$1.2
P3012	Fountain Park Phase IV	\$1.3	\$0.0	\$0.0	\$0.0	\$1.3
P3017	Kiwanis Park Improvements	\$0.0	\$0.0	\$1.4	\$0.0	\$1.4
TOTAL		\$7.2	\$0.0	\$1.4	\$0.0	\$8.6
<u>Acquisition of New Parks</u>						
P3013	Acquisition and development of one of two neighborhood parks	\$0.0	\$10.4	\$0.0	\$0.0	\$10.4
P3014	Community Park in the State land	\$0.0	\$9.4	\$0.0	\$0.0	\$9.4
P3016	Acquisition and development of one of two neighborhood parks	\$0.1	\$10.9	\$0.0	\$0.0	\$10.9
TOTAL		\$0.1	\$30.6	\$0.0	\$0.0	\$30.7



## CAPITAL IMPROVEMENT PLAN

<u>Traffic Signals</u>						
T5002	Saguaro Blvd and El Lago Blvd	\$0.2	\$0.0	\$0.0	\$0.0	\$0.2
T5003	Palisades Blvd & Sunridge Drive	\$0.3	\$0.0	\$0.0	\$0.0	\$0.3
T5004	Palisades Blvd & Eagle Ridge Drive/Palomino Blvd	\$0.3	\$0.0	\$0.0	\$0.0	\$0.3
T5005	Fountain Hills & Glenbrook Blvd	\$0.3	\$0.0	\$0.0	\$0.0	\$0.3
T5006	Avenue of the Fountains & La Montana	\$0.5	\$0.0	\$0.0	\$0.0	\$0.5
TOTAL		\$1.6	\$0.0	\$0.0	\$0.0	\$1.6
<u>Vehicles/Heavy Equipment</u>						
E2001	Streets Division heavy equipment	\$0.5	\$0.8	\$0.3	\$0.7	\$2.2
E2002	Street Division vehicles	\$0.1	\$0.0	\$0.1	\$0.2	\$0.5
E2003	Parks vehicles	\$0.1	\$0.0	\$0.1	\$0.1	\$0.3
E2004	Public Works vehicles	\$0.1	\$0.0	\$0.2	\$0.1	\$0.4
E2005	Building Safety vehicles	\$0.1	\$0.0	\$0.1	\$0.0	\$0.2
E2006	Administration vehicles	\$0.0	\$0.1	\$0.0	\$0.0	\$0.1
E2007	Planning & Zoning vehicles	\$0.0	\$0.1	\$0.0	\$0.1	\$0.1
E2008	Fire Truck - Pumper	\$0.5	\$0.1	\$1.3	\$0.0	\$1.9
TOTAL		\$1.5	\$1.1	\$2.1	\$1.1	\$5.7
Total Estimated Capital Project Costs		\$38.0	\$57.7	\$19.7	\$21.9	\$137.3