



# **TOWN OF FOUNTAIN HILLS, ARIZONA**

**BUDGET  
FISCAL YEAR  
2007-2008**



*"All that is Arizona"*



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



## 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.

## **Fountain Hills Town Council**

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

## **Management Staff**

Timothy G. Pickering, Town Manager  
Kate Zanon, Assistant to the Town Manager

## **Department Directors**

Ted Armbruster, Presiding Judge  
Julie Ghetti, Finance Director  
John Kleinheinz, Captain, Maricopa County Sheriffs Office  
Scott LaGreca, Chief, Rural Metro Corporation  
Mark Mayer, Parks & Recreation Director  
Richard Turner, Planning & Zoning Director  
Thomas Ward, Public Works Director

## FOUNTAIN HILLS TOWN COUNCIL 2007-2008

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.



Mayor Wally Nichols

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.



Vice Mayor McMahan

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 made 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

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 a member of the Chamber of Commerce.

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 Kehe



Councilmember Leger

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.



Councilmember Schlum



View of the Fountain from Fountain Park

## 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

**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

## 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 12,996 acres of land, and bordering northeast Scottsdale, Fountain Hills is surrounded by the 3,500-foot McDowell Mountains on the west, the Fort McDowell Yavapai Nation on the east, the Salt River Pima Maricopa Indian Community 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.



Town's signature fountain

Over the past seventeen years Fountain Hills has grown from 10,190 residents to a town of 24,492 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 a total of 12,996 acres of property, primarily residential and open space (9,664 or 74%). Of the total available land 3,273 acres are developable, 334 acres are zoned commercial or industrial (approximately 3%) and 1,466 acres are right of way/streets (11%).

In 2006 Fountain Hills was named by Phoenix Magazine as the best place to live and was cited as "a welcome oasis on the outskirts of a metropolis." The magazine measures 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. The volunteer spirit and high level of involvement of the citizens and business representatives were highlighted.

The Council's leadership is committed to what is in the best interests of the community. Priorities include the Avenue of the Fountains enhancement project, partnerships with other communities, especially the Fort McDowell Yavapai Nation, the development of the State Trust Land consistent with the information about the high quality of development, the year-long citizen-driven strategic plan, the amenities, Town's general plan.

## **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 for, among other things, 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 six department directors and 68 full-time and 36 part-time employees. The Presiding Judge, Town Attorney, and Town Prosecutor are under the direction of the Town Council.



Council dais in Town Hall

## Major Employers Town of Fountain Hills, Arizona

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

Town of Fountain Hills, Arizona  
Principal Employers,

Current Year and Nine Years Ago

Employer	Type	2006		1997	
		Employees	Percentage of Total City Employment*	Employees	Percentage of Total City Employment*
Fountain Hills Unified School District No. 98	Education	285	2.26%	235	3.39%
Monks Construction	Construction	190	1.51%	None	N/A
Target	Retail	130	1.03%	None	N/A
MCO Properties, Inc.	Property Management	125	0.99%	85	1.22%
Safeway Food Stores	Grocery Store	110	0.87%	95	1.37%
Town of Fountain Hills	Government	87	0.67%	85	1.22%
Fry's	Grocery Store	80	0.63%	None	N/A
Basha's	Grocery Store	70	0.56%	70	1.01%
Sun Ridge Canyon Golf Course	Golf Course	70	0.56%	70	1.01%
Eagle Mountain Golf Course	Golf Course	70	0.56%	40	0.58%
Golf International	Golf Course	65	0.52%	50	0.72%
<b>Total</b>		<b>1,282</b>	<b>10.16%</b>	<b>730</b>	<b>10.52%</b>

**Source:** The 1998 and 2006 Arizona Industrial Directory; Greater Phoenix Chamber of Commerce; Community Profiles Arizona Department of Commerce; and an individual employer survey.

\* Employment information for 2006 as of May 2006. Arizona Unemployment Statistics Program, Special Unemployment Report, Arizona Department of Economic Security, Research Administration, CES/LAUS UNIT.

## Assessed Valuation of Major Taxpayers

Schedule 9  
Town of Fountain Hills, Arizona  
Top Ten Property Taxpayers  
Current Year and Nine Years Ago.

Taxpayer	2006		Taxpayer	1997	
	Taxable Assessed Value	Percentage of Total Taxable Assessed Value		Taxable Assessed Value	Percentage of Total Taxable Assessed Value
Qwest Corporation	\$3,261,128	0.87%	Chaparral City Water Company	\$ 2,112,467	2.05%
Chaparral City Water Company	3,180,452	0.85%	U S West Communications Inc.	2,103,803	2.04%
Inland Western Fountain Hills Four Peaks	2,946,653	0.79%	MCO Properties Inc.	1,769,358	1.72%
WSL Fountain View Investors V LLC	2,251,544	0.60%	Eagle Mountain Investors LLC	715,908	0.70%
Target Corporation	2,030,676	0.54%	Safeway Inc. #1291	631,287	0.61%
MCO Properties LP	1,873,070	0.50%	Basha's	589,465	0.57%
Cox Communications Inc.	1,754,079	0.47%	Fourway Properties Limited Partnership	486,961	0.47%
En LLC	1,695,043	0.45%	City of Scottsdale	478,720	0.47%
Four Peaks Limited Partnership	1,593,577	0.43%	Fountain Hills Old Vine LP	371,149	0.36%
Adero Canyon LLC	1,585,520	0.42%	Golf International Inc.	316,115	0.31%
<b>Total</b>	<b>\$ 22,171,742</b>	<b>5.94%</b>	<b>Total</b>	<b>\$ 9,575,233</b>	<b>9.30%</b>

**Source:** Maricopa County Treasurer's Office.

**Note:** The schedule should include the ten largest taxpayers, unless fewer are required to reach 50% of the revenue base

## POPULATION STATISTICS

<u>Years</u>	<u>Town of Fountain Hills</u>	<u>Maricopa County</u>	<u>State of Arizona</u>
2005 Special Census	24,492	3,700,516	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

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



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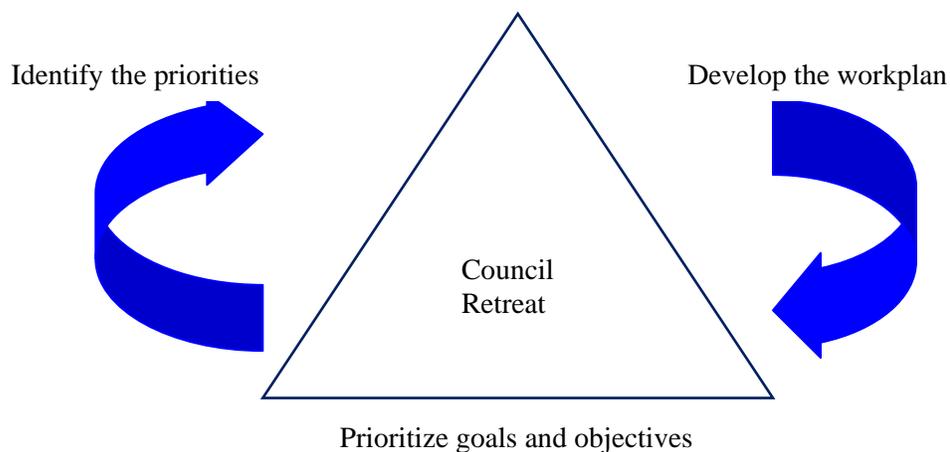
## FISCAL YEAR 2007-08 BUDGET TRANSMITTAL MESSAGE

### To the Honorable Mayor and Town Council:

I am pleased to submit the Operating and Capital Improvement Budget for the Town of Fountain Hills for the fiscal year beginning on July 1, 2007 and ending June 30, 2008 (FY2007-08). 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, as well as 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 \$30.9M in expenditures with projected revenues of \$27 million. The Capital Project fund expenditures exceed revenues due to capital projects that will be completed with construction related reserves that have accumulated in the Capital Projects Fund over the past couple of years. Staff continues to exercise fiscal conservatism with both revenue projections and expenditure controls, which is apparent when comparing the past and proposed year operating (General Fund) budget – despite the increase in overall operating and employee benefit costs the budget increased only 2% from the prior year's adopted budget, excluding capital expenditures.

### Town Council's FY 2007-08 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, 2007 during a retreat to develop goals and objectives for the FY2007-08 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 2007-08 (July 1, 2007 to June 30, 2008), 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 some 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 FY2007-08 budget.



The majority of the initiatives apply to strategic priorities that were adopted in the Town's Strategic Plan 2006-2010; the FY2007-08 goals are bolded.

Develop financial implementation plan for strategic priorities

**Goal 1.** To create a timeline and implementation plan for the second year of the Strategic Plan.

Resolve projected revenue shortfall by Dec. 31, 2007

**Goal 2.** To make a recommendation by December 31, 2007 for a resolution of the revenue shortfall for the community.

**Goal 3.** To contract an economic study of the current and future impacts of changes in key revenue options.

Work with local schools

The Council noted that it will continue ongoing activities working with the Fountain Hills Unified School District the next year, including development of joint-use parks on District lands.

Low-water native landscaping

The Council noted that this Strategic Priority was effectively achieved in Fiscal Year 2006-2007.

Strictly enforce General Plan & zoning ordinances

The Council noted that it will continue ongoing implementation of this Strategic Priority during the next year.

Create commercial architecture review board

The Council noted that this Strategic Priority was effectively achieved in Fiscal Year 2006-2007.

Annex State Trust Land

**Goal 4.** To ensure responsible development of the State Trust Land for the community, in keeping with the character of the community.

Enhance pedestrian safety

**Goal 5.** To improve pedestrian safety for residents and visitors.

Enhance stewardship of the natural environment

**Goal 6.** To provide open access to the McDowell Mountain Preserve for the public.

**Goal 7.** To create a responsible environmental policy for the community, addressing: dark skies, water, noise, recycling, hazardous waste, energy, solar energy, solid waste, trails and natural environment.

Business relations: integration with the Town and economic development

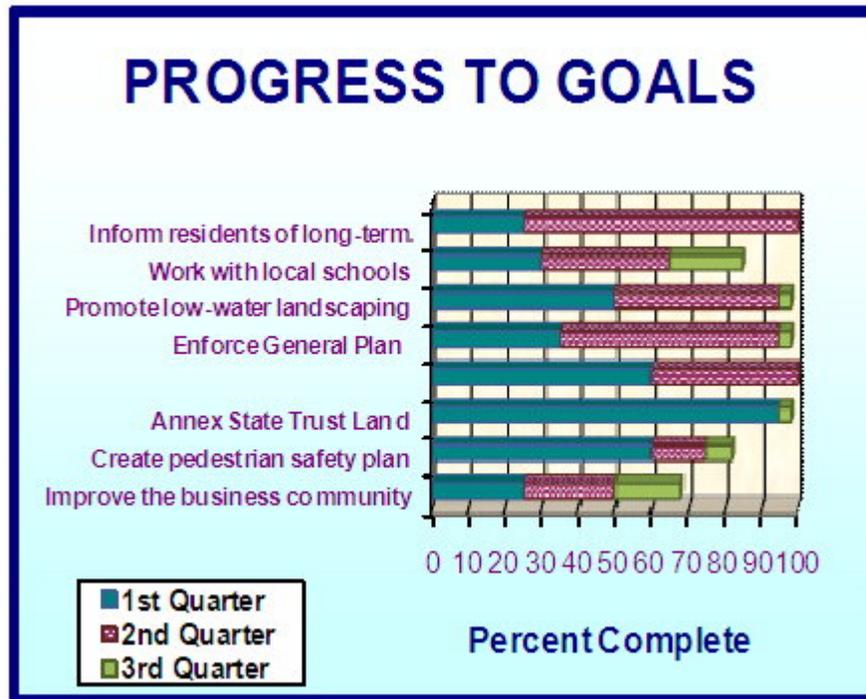
While business relations were not addressed by the Town's *Strategic Plan 2006-2010*, the issue was raised in the Town Council's discussion at the retreat, and the Council established a goal.

**Goal 8.** To promote commercial development and business vitality in Fountain Hills, to meet consumer needs.

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 FY2007-08 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	Planning	Manager	Parks	Streets	Estimated FY07-08 Costs*
To create a timeline and implementation plan for the second year of the Strategic Plan.		√			\$0
To make a recommendation by December 31, 2007 for a resolution of the revenue shortfall for the community.		√			\$45,000
To contract an economic study of the current and future impacts of changes in key revenue options.		√			\$72,000
To ensure responsible development of the State Trust Land for the community, in keeping with the character of the community.	√				\$30,000
To improve pedestrian safety for residents and visitors				√	\$164,869
To provide open access to the McDowell Mountain Preserve for the public.			√		\$169,160
To create a responsible environmental policy for the community, addressing: dark skies, water, noise, recycling, hazardous waste, energy, solar energy, solid waste, air quality, trails and natural environment.	√				\$10,000
To promote commercial development and business vitality in Fountain Hills, to meet consumer needs.		√			\$25,000

## A Year in Review - Fiscal Year 2006-2007 Goals, Accomplishments & Activities



\*as of March 31, 2007

The FY06-07 goal activities are as follows:

- To identify and inform Fountain Hills residents of the projected long-term revenue gap and decide upon a 2007 ballot initiative
- Work with local schools to establish and address common issues affecting the Town, schools and community by the end of the 2006-07 school year
- To promote the use of low-water landscaping in new Fountain Hills developments
- To strictly enforce the General Plan and Town ordinances
- Create commercial architecture review board to regulate architectural physical appearance for commercial properties
- Annex the State Trust Land into Fountain Hills
- To create a plan for pedestrian safety in Fountain Hills; a map has been completed and a long-range projected plan for the construction of these sidewalks is nearing completion. The map identifies the current sidewalk locations and locations of proposed sidewalks.
- To improve the business community and the Town

Six of the Council's goals have been substantially completed, i.e., informing residents of the projected long-term revenue gap, working closely with local schools, creating a commercial architecture review board, promoting low-water landscaping, enforcement of the General Plan, and Annexation of the State Trust Land.

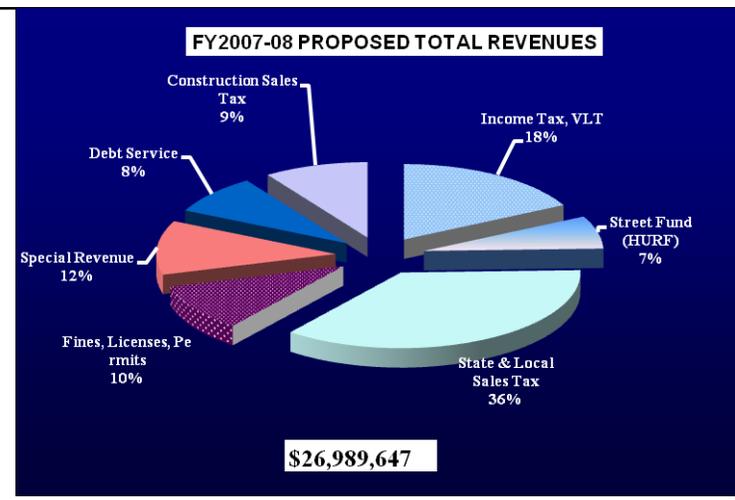
Significant progress has been made toward the goals of creating a pedestrian safety plan, and improving relations between the business community and the Town.

## Budget at a Glance

For the past five years the Town of Fountain Hills has received the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award. This award is presented to government entities that meet certain criteria in the presentation of their budget. This “Budget At A Glance” section is designed to provide the layperson with a broad view of the contents included in the FY2007-08 Fountain Hills budget, its processes, issues and anticipated outcomes. Document sections are cited in order to guide the reader to more in-depth information and explanation of the drivers of Fountain Hills operating budget and capital improvement program.

The FY2007-08 budget forecasts revenues, expenditures and ending fund-balances for the upcoming fiscal year, beginning with July 1, 2007 through June 30, 2008. Following is a summary and detailed narrative description of the assumptions used in this forecast. Also, included are graphs and narratives discussing the primary economic drivers on which the forecasts are based. The forecast provides a conservative estimate of the Town’s fiscal condition through the next year given realistic economic forecasts, current Town policies and existing laws. The forecast does not incorporate possible policy changes, out of pattern spending priorities, or proposed new revenue sources; as such, the forecast provides the Town with a useful assessment of the short-term impact of current policies.

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. Last fiscal year construction related revenues accounted for approximately 22% of the Town’s budget. Due to the decline in building activity only 9% of FY07-08 revenue is derived from construction related activity. As this source of revenue declines the Town will need to find alternate sources of revenue to sustain existing community services and programs.



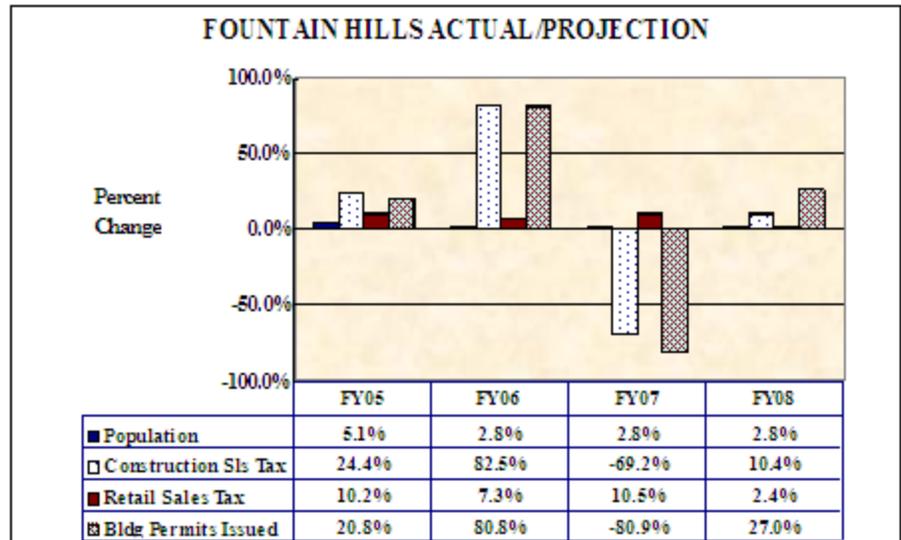
As in years past, the main focus of the proposed budget is the General Fund, the Town’s largest fund, which supports basic services. Developing the proposed budget required making choices to achieve a budget that balances the available resources with the Council goals, while maintaining a level of service 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. Ongoing operating costs should be funded with stable and reliable revenue sources.

The FY2007-08 budget is based on the following assumptions:

- continued weakness in new home construction due to the lack of available land
- annexation of a parcel of State Trust land auctioned in March of 2007 that will provide a maximum of 1,750 residential units within 1,276 acres of land; development of this parcel will eventually provide additional one-time construction related revenues over the short-term but will also increase demand for services over the short and long-term
- no legislative change in distribution of state shared revenues

## ECONOMY

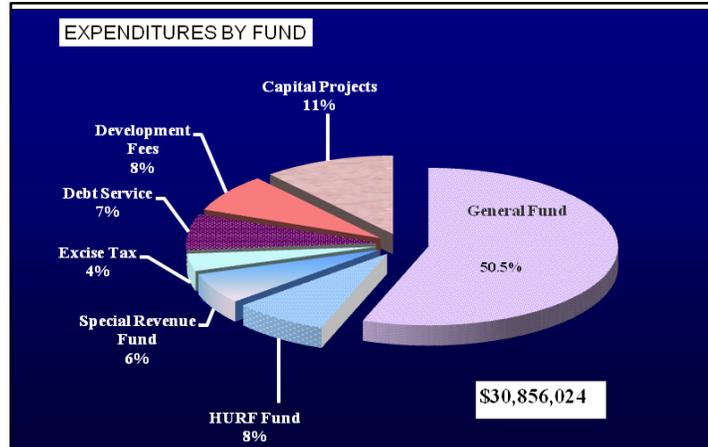
After more than 15 years of continued improvement in the Fountain Hills real estate and construction sector the local economy is beginning to show signs of slowing growth as we near build-out. Factors affecting the Town's current economic condition include population, new home construction and retail sales. The growth of these indicators is shown in the chart at right. Retail activity continues to grow at a steady pace while construction activity decreased significantly during FY2007.



Under the proposed budget, overall General Fund revenues for FY2007-08 are projected to grow by only 1.3% over the FY06-07 budget, including a significant increase in State Shared Revenues (23.5%). The increase in income tax revenues is based on two years prior corporate and individual income taxes; therefore, future tax revenues will decline based on the slowdown in the 2006 economy. Similarly, revenues from construction related permits are anticipated to decline over 33% during FY2007-08 with the decrease in multi-family housing units.

General Fund expenditures are projected to increase only 1.5% over last years' budget, including capital expenditures, as the Town continues to take advantage of one-time revenues catching up on infrastructure projects delayed due to the Budget Reduction Plan in FY02-03. Fountain Hills' goals are long-term and address the entire organization, such as the long-term impacts of revenue shortfalls related to the decline of construction related activity revenue. These long-term forecasts show that the Town's operating costs will begin to outpace revenues and alternative revenue sources or program cuts will need to be considered. Given the cyclical 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 17.5% of its total 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. The General Fund accounts for 50.5% of the overall Town budget.



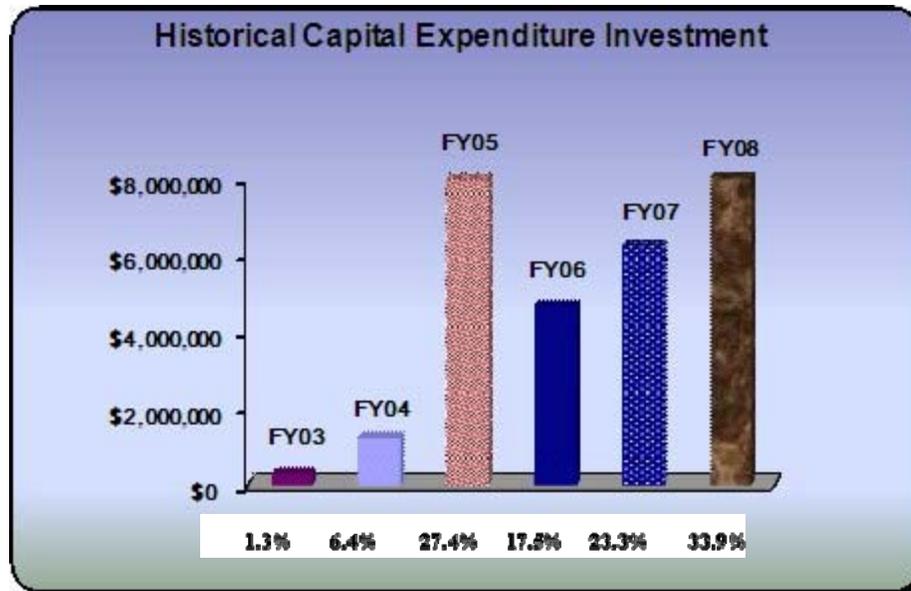
### Budget Highlights

Key initiatives of the proposed FY07-08 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 23.2% of the proposed budget is the investment in capital projects such as street maintenance and improvements, park improvements, major equipment purchases, technology upgrades and other major infrastructure projects. These expenditures are possible with the influx of one-time construction related revenues expected during FY2007-08. Major projects included in the FY07-08 budget are as follows; a more detailed description of each project is included in the Capital Improvement section of the budget document.

- Design of trailhead and access to McDowell Mountain preserve
- Design of westbound climbing lane of Shea Boulevard
- Design of Shea Boulevard, Technology to Saguaro Boulevards, for third lane and signal
- Design for sidewalk plan Fayette to Town limits
- Construction of Saguaro Boulevard drainage improvements in preparation for future mill and overlay of Saguaro
- Construction of multi-purpose bay wash for heavy equipment
- Complete landscaping and irrigation surrounding new splash park
- Phase II improvements to Desert Vista Neighborhood Park
- Master plan for school and Town joint use parks
- Construction of traffic signal at Palisades and Sunridge Boulevards
- Analysis of pedestrian safety at Saguaro and Avenue of the Fountains
- Purchase of new fire truck and street sweeper

The chart below depicts the total dollars spent on capital projects since FY2002-03, which includes major road maintenance and improvements.



**Personnel** – This budget includes minor organizational changes relating to divisions, departments and positions. The most significant change is the addition of two Park Rangers to the parks division. The enforcement of the Town Code specific to parks has become an issue. Further, park vandalism has continued to increase; not only in the number of incidents but also their severity and dollar cost to the community. These issues will likely only increase as the Town continues to grow. As additional recreational amenities are added, not only in parks but also in other areas of the Town, such as a skate park, trailhead locations and park entry/exit gates, the need for opening and closing these amenities in a consistent and timely manner is also growing.

Another significant change is the separation of the Planning & Zoning Division from Public Works and the creation of a new Planning Department. While not adding much additional cost, this change will facilitate a smooth transitional period if and when the current Public Works Director eventually retires. Future recruitment efforts to fill a Public Works Director position with planning, code enforcement, building safety, public works and streets division responsibilities would be challenging. Creating a Planning Department to oversee those areas that are building related will provide more effective use of department directors.

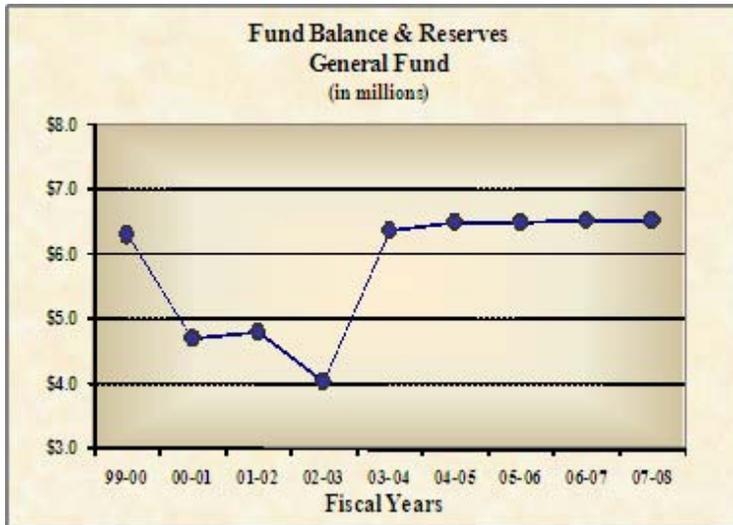
A new division, Public Information, was created within the Administration Department. The responsibilities of this division are to respond to media inquiries, oversee the Town’s communication plan and public venues (web page, Channel 11, news releases, etc.). The costs related to Public Information were previously included within the Information Technology Division budget. While the Public Information costs were removed from the Information Technology budget, the salaries and benefits of the IT Coordinator were added to this budget to more accurately reflect IT related costs (previously included in the Administration budget).

In the Seniors Division one full-time Supervisor will oversee the division instead of two part timers to be consistent with the rest of the Town’s management structure.

Even with the addition of two new positions, these changes do not increase the Town’s overall authorized full time equivalent positions

**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. Projected excess General Fund revenues in the amount of \$1.0M will be transferred to the Capital Projects Fund on June 30, 2007, per Resolution 2005-50 adopted in September, 2005. With projected expenditures of \$3.5M in the Capital Projects Fund in FY2007-08 the estimated balance as of June 30, 2008, will be \$6.4M.

**Recommendation for One-Time Revenues**



The proposed FY07-08 budget for all funds includes capital expenditures in the amount of \$7.2M funded by development fees, general fund transfer, and excise taxes (see page 40). Non-recurring revenues (construction sales tax) should not be depended upon for operating expenditures. Thus one time revenues from construction sales tax have been recorded in the Capital Fund to be used for one time capital items. Conversely, advertising and residential rental taxes, which are ongoing revenue, are now in the General Fund rather than in the Capital Fund.

**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 attended several sessions with the executive budget team of the Finance Director and Assistant to the Town Manager to justify their programs, develop cost estimates, and answer 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

<u>January 5, 2007</u>	Department Directors provide accounting requests for proposed new staff for FY07-08
<u>January 27</u>	Directors turn in to Finance updated capital projects and costs through FY2015 Finance submits estimated year-end revenue, expenditures and fund balances to Town Manager, Department Directors Department Directors input <u>operating</u> budget line items and justifications on Access
<u>January 31</u>	Finance submits updated capital project plan to Town Manager
<u>February 2</u>	Council Goal-Setting, budget priorities identified
<u>Friday, February 23</u>	Director Retreat, plan to implement council goals
<u>Friday, March 2</u>	Department directors input proposed supplemental requests for FY08 budget into Access database (capital, strategic plan goals, Council requests) Finance submits FY07-08 revenue projections to Town Manager for review
<u>Friday, March 9</u>	Written verbiage in Word format for draft budget due to Finance (electronic only)
<u>March 12–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>Friday, April 13</u>	Completed draft budget document submitted to Town Manager
<u>April 16 – April 23</u>	Review of draft budget document by Town Manager, revisions made by Finance
<u>April 27</u>	Council receives copy of draft budget
<u>Tuesday, May 1</u>	Budget work-study for public and Town Council
<u>Thursday, May 17</u>	Adopt tentative budget
<u>May 23 &amp; 30</u>	Publish tentative budget in newspaper
<u>Thursday, June 7</u>	Public Hearing and adoption of final budget
<u>Thursday, June 21</u>	Adopt property 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 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 time line 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 apply diligent effort into improving the processes, decisions and outcomes with each new budget year. The NACSLB's practices encourage governments to consider the long term 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, heavy equipment, park improvements and major road improvements. The Capital Project Fund revenues are derived from excess General Fund revenues and 85% of the construction related local sales tax.

### **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 first opportunity for the Town Council to contribute to the budget is during the annual goal setting retreat held in January. The proposed budget is presented to the public and Town Council in May at which time a public hearing is held to receive input. This is the opportunity to increase the budget for the next fiscal year before the maximum spending amount is established. Once the maximum spending amount is adopted as the tentative budget, line items can only be exchanged or decreased prior to the budget's final adoption.

## **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
  - f) One time capital costs are paid for with one time revenues
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 Balance**

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.

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. 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.

## **Development Fee 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 Development Fees must be expended within six years of collection or refunded to the taxpayer.

## **Capital Project Funds**

Capital projects include all equipment and facilities with a useful life of greater than ten years and a cost greater than \$50,000. These purchases are made with one time revenues derived from the construction portion of the local sales tax.

## **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 analysis 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 Fees 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 five years shall not be eligible for inclusion in bond issues.
3. Lease purchase financing shall be discouraged and 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 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 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. 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. For additional information about the Town of Fountain Hills, please call (480) 816-5100 or visit the Town's website [www.fh.az.gov](http://www.fh.az.gov) and click on the Administration Department icon.



## FY2007-08 Revenue and Expenditure Summary

This section provides a broad overview of the resources and expenditures included in the FY07-08 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 (Highway User 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 2004-2005 Actual	FY 2005-2006 Actual	FY 2006-2007 Budget	FY 2006-2007 Estimate	FY 2007-2008 Proposed
GENERAL FUND REVENUES	\$15,561,387	\$17,196,192	\$16,948,360	\$16,864,713	\$17,157,361
SPECIAL REVENUE FUNDS	\$3,191,765	\$5,564,576	\$4,687,342	\$3,734,025	\$4,968,557
DEBT SERVICE FUNDS	\$2,603,327	\$2,297,992	\$2,156,150	\$2,064,900	\$2,281,850
DEVELOPMENT FEES	\$1,659,350	\$1,531,386	\$2,152,135	\$1,374,955	\$1,376,695
CAPITAL PROJECT FUNDS	<u>\$5,535,018</u>	<u>\$3,746,952</u>	<u>\$528,225</u>	<u>\$3,666,918</u>	<u>\$1,157,434</u>
<b>TOTAL ALL FUNDS</b>	<u><b>\$28,550,847</b></u>	<u><b>\$30,337,098</b></u>	<u><b>\$26,472,212</b></u>	<u><b>\$27,705,511</b></u>	<u><b>\$26,941,897</b></u>

The FY07-08 budgeted revenues for all funds are estimated to be \$27M; the general fund portion of \$17.2M is approximately 66% of the total. Special revenue funds include Highway User Revenue (HURF), grants, and excise (sales) tax - together these funds represent another 18% of the budget. Debt service and capital project funds represent the remaining 16% of the total budget.

The table below provides a comparison of the FY07-08 proposed budget to the FY06-07 adopted budget. Actual expenditures for the FY04-06 are also included.

### All Funds Expenditure Summary

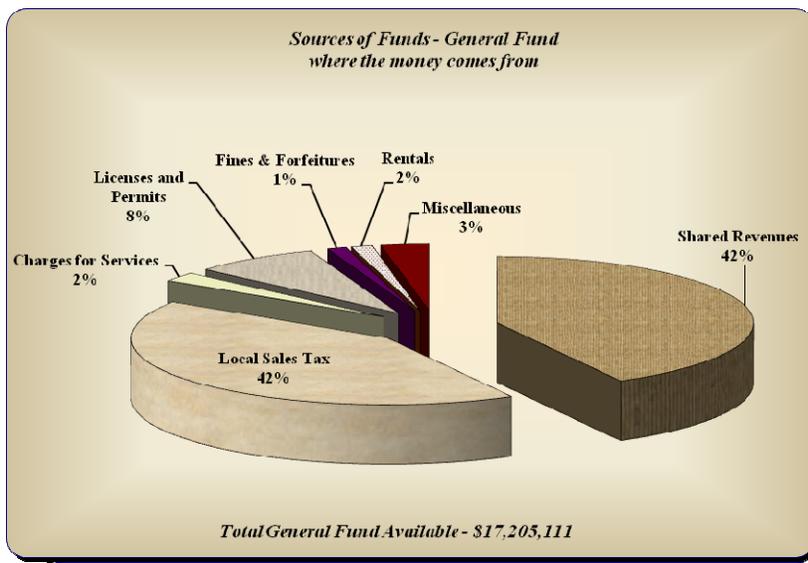
	FY 2004-2005 Actual	FY 2005-2006 Actual	FY 2006-2007 Budget	FY 2006-2007 Estimate	FY 2007-2008 Proposed
GENERAL FUND EXPENDITURES	\$12,692,032	\$12,930,543	\$16,948,360	\$15,801,795	\$17,157,359
SPECIAL REVENUE FUNDS	\$2,828,514	\$5,139,843	\$5,323,317	\$3,699,990	\$5,549,754
DEBT SERVICE FUNDS	\$9,586,363	\$2,549,743	\$2,235,350	\$2,235,350	\$2,267,335
DEVELOPMENT FEES	\$970,365	\$1,257,757	\$1,432,622	\$502,270	\$2,412,514
CAPITAL PROJECT FUNDS	<u>\$6,767,419</u>	<u>\$649,649</u>	<u>\$800,000</u>	<u>\$800,000</u>	<u>\$3,469,059</u>
<b>TOTAL ALL FUNDS</b>	<u><b>\$32,844,693</b></u>	<u><b>\$22,527,535</b></u>	<u><b>\$26,739,649</b></u>	<u><b>\$23,039,405</b></u>	<u><b>\$30,856,021</b></u>

FY07-08 total budgeted expenditures are \$31 million, including transfers; the general fund portion of \$17.2 million represents 53% of the total. Highway User Revenue Fund (streets and highways) represents 7% of the total Town budget. Other special revenue funds represent 5% of the budget, with debt service and capital projects representing the final third of the total.

Total proposed expenditures for FY07-08 are 16% more than the FY06-07 budget due to an additional investment in capital projects. However, general fund expenditures are only 1.5% more than the FY 06-07 budget.

### 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.

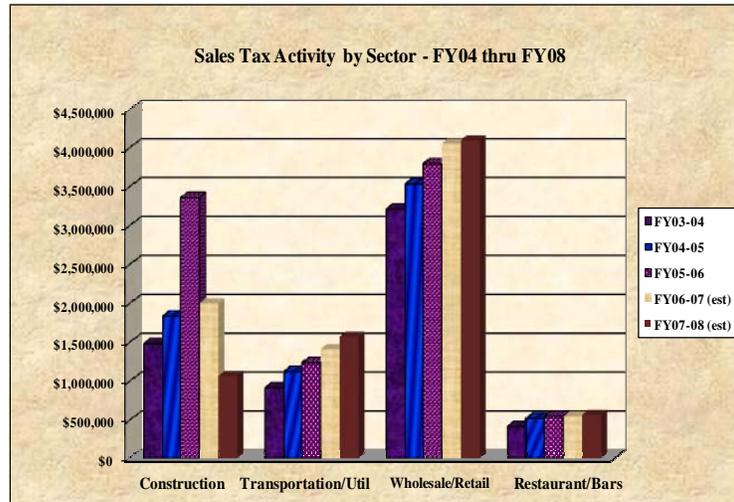


Total General Fund revenues are expected to increase by \$340,398 (1.7%) over FY06-07 estimated revenues – due to an increase in state shared revenues. Charts and descriptions of the major revenue sources with a ten-year history for the Town of Fountain Hills are shown in the budget summary section starting on page 41. As the chart to the left shows, 84% of the Town’s general fund resources are 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 municipality’s 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.

A modest 5% increase has been factored into the Community Center rental rates for FY2007-08 for residents and a 10% increase for nonresidents (some fees will be rounded up to \$5.00 increments). These increases would become effective July 1, 2007, or when existing contracts are renewed. Potential increases were discussed at the April 23, 2007, Community Center Advisory Commission meeting. The Community Center is projecting revenues for the 2007-08 fiscal-year to be \$197,000, which includes the additional fees provided by this modest increase. The rental fees for space at the Center have not been adjusted across the board since 2003.

The largest source of revenue for the general fund is the local sales tax, which represents 42.1% of general fund revenue. The chart on the right presents a five-year history for the top four sales tax categories - retail activity being the largest. This budget recommends allocating 85% of construction sales tax to capital projects to match one-time revenues to one-time expenditures. However, once the inventory of vacant land is depleted, this source of revenue source will decline significantly.



Proposed general fund expenditures for FY07-08 are \$17.2 million and including transfers for debt service, an increase of 1.5% over the prior year budget. A new organizational unit, “Public Information”, has been created within the Administration Department and accounts for expenditures previously included within the Information Technology division (constituent communications, intergovernmental relations, conferences, newsletters). The Administration department budget also includes Town Manager, Town Clerk, Finance, Information Technology and Human Resource functions.

### Salaries and Benefits

There are a total of 86.75 full time equivalent employees (FTE)’s compared to 106 in FY2002-03 and one less than FY2006-07. 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 2007-2008 for all funds are \$5.4 million, or 17.5% of the total budget.

The following positions were reclassified or had title changes to better reflect responsibilities:

2006-07 Position Title	2007-08 Position Title
Planning & Zoning Administrator	Planning & Zoning Director
Accountant	Accounting Supervisor
Planning Assistant	Executive Assistant
Home Delivered Meals Coordinator	Receptionist
Home Delivered Meals Administrator	Administrative Assistant
Volunteer Coordinator	Receptionist
Senior Aide	Recreation Aide

The following positions were eliminated:

Senior Civil Engineer Inspector  
Senior Services Supervisor  
Planning Technician

### **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 (\$2,884,126), currently under contract with Rural Metro Corporation; 2) police protection (Maricopa County Sheriff's Office at \$2,704,200. The proposed law enforcement budget includes an increase that reflects costs associated with a general market salary adjustment across the board for all Maricopa County Sheriff deputies. The increases were implemented in December, 2006, and not passed on to the Town until this budget year.

Contractual services also include contributions that the Town makes to non profit organizations for social, youth, tourism and youth arts programs based on requests from the organizations. The town issued Request for Proposals for services that the Town does not provide – Youth Services, Social Services, Tourism and Youth Arts. Total funding requests for FY07-08 are \$441,000 and 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 utilities, insurance, office supplies, 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 gas and oil, postage, travel, and communications.

### **Capital Projects**

The total budget includes an appropriation of \$7.2 million for capital projects, primarily park improvements in Fountain and Desert Vista Parks, which are made possible with the accumulation of surplus revenues and one-time construction related revenues.

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

- Design of Shea Boulevard truck climbing/bike lanes
- Design for Shea Boulevard - Palisades to Saguaro
- Design for sidewalk plan Fayette to Town limits
- Design for Saguaro Boulevard dirt alley paving

- Water feature for front entrance of Town Hall
- Complete landscaping and irrigation surrounding new splash park
- Improvements to Fountain Park, Desert Vista Neighborhood and Four Peaks Parks
- Master plan for school and Town joint use park

### **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 \$1.2 million in major road improvements such as microsurfacing and slurry seal three zones (see map following page 178)
- Town wide curb removal and replacement

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 the annual payments 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 2007-2008, as follows:

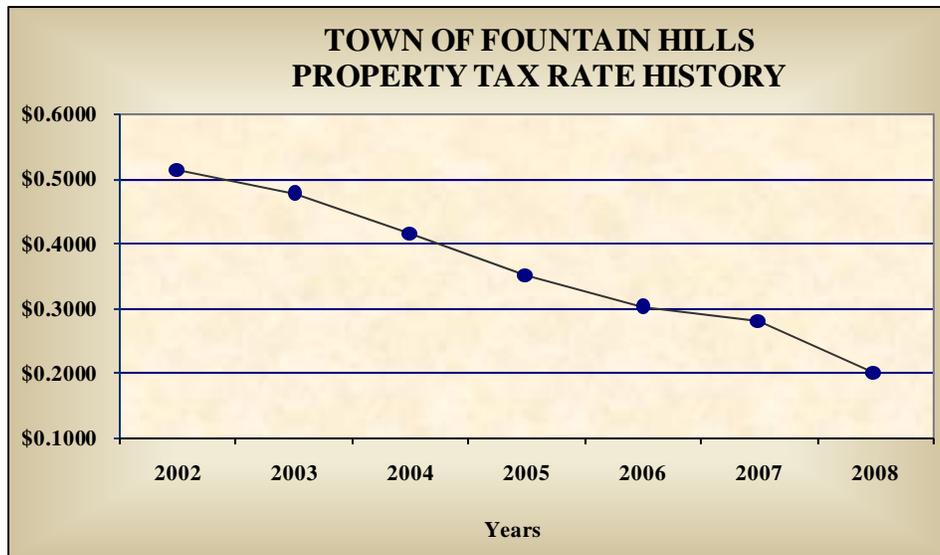
Furniture, Fixtures and Equipment (FF&E) – Donations were received from the community for furniture, fixtures and equipment at the new Community Center. Any unspent funds are carried over to the subsequent year. A major expenditure in this fund is the replacement of a portion of the flooring in the Community Center.

Grant funds are proposed from Arizona Department of Environmental Quality for hazardous waste collection and recycling program.

Undesignated Grant Revenue – As has been included in prior year's 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 2007-2008 is \$2.3 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 levy for FY07-08 is projected to decrease from \$.3012 per \$100 of assessed value to an estimated \$.2567 per \$100 of assessed valuation.



### **Capital Project Funds**

New and ongoing capital project requests are proposed from development fees, particularly improvements to Desert Vista Neighborhood Park (partially grant funded), Fountain Park irrigation and landscaping improvements, the Town-wide sidewalk program and drainage 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).

**EXPENDITURE LIMITATION ANALYSIS (Estimate)**

Total Expenditures	\$30,856,021
Exclusions from Revenues:	
Debt Service Payments	\$3,176,685
Dividends,Interest,Gains	\$655,285
Grants	\$1,747,500
Received from State(LTAF, GETUM Grants)	\$114,716
Highway User Revenues excess 1979-80	\$1,736,917
Prior Years Carryforward	\$2,227,115
Total Exclusions	\$9,658,218
Deductions from Expenditures:	
Total Deductions	
Total Exclusions/Deductions	\$9,658,218
Expenditures subject to limitation	\$21,197,803
Expenditure Limitation	\$25,546,731
Under/(Over) Limitation	\$4,348,928

The final FY07-08 expenditure limitation for the Town of Fountain Hills is \$25,546,731; the limit applies to FY08 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.

**Transfers**

The FY07-08 budget includes transfers of \$387,000 to the debt service fund for the annual lease payment on the Community Center. Residual revenues over expenditures from FY06-07 will be transferred to the capital projects fund (approximately \$1.0M) in the current year for appropriation in future years when construction revenue declines. A schedule of interfund transfers budgeted for FY07-08 is shown below:

<b>Explanation of Transfers</b>			
<u>Transfer Out</u>	<u>Transfer In</u>	<u>Amount</u>	<u>Explanation</u>
General Fund	MPC Debt Service	\$387,000	Annual debt payment for Community Center
Highway Users Revenue	Special Revenue	\$42,500	Matching funds for street sweeper grant
Highway Users Revenue	Debt Service	\$126,300	Transfer for annual debt service payment on bonds
		\$555,800	

## 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, \$1.0M will be transferred to the Capital Projects Fund on June 30, 2007. 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 FY07-08 is anticipated to decrease by 93% from the prior fiscal year. The reason for this is that during FY06-07 major capital road maintenance projects were completed. 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.

The chart on the following page is a summary of estimated beginning and ending fund balance broken down by fund:

### Summary of Revenues, Expenditures and Transfers

Fund	Estimated Beginning Fund Balance	Estimated Revenues	Appropriations	Transfers In/(Out)	Estimated Ending Fund Balance
General Fund	\$6,515,123	\$17,157,361	(\$16,770,359)	(\$387,000)	\$6,515,125
Special Revenue Fund					
Highway Users Rev Fund	\$633,145	\$1,900,633	(\$2,320,485)	(\$168,800)	\$44,493
Excise Tax Revenue					
Downtown Development	\$872,032	\$314,281	(\$198,120)		\$988,193
Bond Payments	\$1,004,795	\$982,843	(\$909,350)		\$1,078,288
Court Special Revenue	\$184,681	\$23,300	(\$28,000)		\$179,981
Community Center Sp Rev	\$78,937	\$0	(\$75,000)		\$3,937
Grants	\$0	\$1,807,500	(\$1,850,000)	\$42,500	\$0
Debt Service Funds					
General Obligation	\$149,304	\$1,401,400	(\$1,392,350)		\$158,354
Special Districts	\$24,359	\$754,150	(\$874,985)	\$513,300	\$416,824
Development Fees	\$3,621,742	\$1,376,695	(\$2,412,514)		\$2,585,923
Capital Projects	\$8,705,428	\$1,157,434	(\$3,469,059)		\$6,393,803
<b>Total</b>	<b>\$21,789,546</b>	<b>\$26,875,597</b>	<b>(\$30,300,221)</b>	<b>\$0</b>	<b>\$18,364,921</b>

## All Funds Revenue Summary

	FY 2004-2005 Actual	FY 2005-2006 Actual	FY 2006-2007 Budget	FY 2006-2007 Estimate	FY 2007-2008 Proposed
<b>Source of Revenues</b>					
<b>GENERAL FUND</b>					
<b>Intergovernmental</b>					
State Sales Tax	\$1,874,577	\$2,170,940	\$2,244,476	\$2,370,345	\$2,494,340
Fire Insurance Premium Tax	\$155,927	\$125,567	\$92,400	\$125,500	\$125,500
Shared Income Tax	\$1,860,154	\$2,118,592	\$2,557,255	\$2,557,255	\$3,449,440
Vehicle License Tax	\$865,823	\$974,452	\$945,123	\$1,080,141	\$1,140,010
<b>Total Intergovernmental</b>	<b>\$4,756,481</b>	<b>\$5,389,551</b>	<b>\$5,839,254</b>	<b>\$6,133,241</b>	<b>\$7,209,290</b>
<b>Taxes</b>					
Local Sales Tax	\$7,513,675	\$8,786,172	\$7,795,734	\$7,928,992	\$6,914,185
Franchise Tax	\$216,031	\$314,359	\$275,000	\$300,000	\$320,000
<b>Total Taxes</b>	<b>\$7,727,377</b>	<b>\$9,100,550</b>	<b>\$8,070,734</b>	<b>\$8,228,992</b>	<b>\$7,234,185</b>
<b>Charges for Services</b>					
Parks & Rec User Fees	\$170,709	\$157,193	\$170,123	\$170,123	\$243,571
Senior Services Fees	\$0	\$65,798	\$157,150	\$90,000	\$80,000
Encroachment Permit Fee	\$73,706	\$44,929	\$35,000	\$45,000	\$20,000
Subdivision Fees	\$22,356	\$21,400	\$21,000	\$35,000	\$45,000
<b>Total Charges for Services</b>	<b>\$266,771</b>	<b>\$289,320</b>	<b>\$383,273</b>	<b>\$340,123</b>	<b>\$436,321</b>
<b>Licenses and Permits</b>					
Animal License Fees	\$34,208	\$37,378	\$43,564	\$43,564	\$43,200
Business License Fees	\$110,577	\$108,655	\$115,830	\$115,830	\$116,795
Building Permit Fees	\$1,925,538	\$1,564,000	\$1,651,080	\$950,000	\$1,094,240
Landscape Permit Fees	\$0	\$0	\$0	\$25,200	\$60,480
Rezoning/Variance Fees	\$53,642	\$23,711	\$21,450	\$35,000	\$30,800
Improvement Plan Review Fee	\$32,375	\$4,947	\$21,000	\$21,000	\$25,320
<b>Total Licenses and Permits</b>	<b>\$2,156,340</b>	<b>\$1,738,691</b>	<b>\$1,852,924</b>	<b>\$1,190,594</b>	<b>\$1,370,835</b>
<b>Fines and Forfeitures</b>					
Court Fines	\$222,451	\$214,008	\$188,700	\$218,288	\$209,705
JCEF/CCEF Revenue	\$0	\$0	\$0	\$0	\$0
<b>Total Fines and Forfeitures</b>	<b>\$222,451</b>	<b>\$214,008</b>	<b>\$188,700</b>	<b>\$218,288</b>	<b>\$209,705</b>
<b>Community Center</b>					
Rental Fees	\$158,196	\$190,052	\$187,000	\$187,000	\$197,000
Bar Sales/Commission	\$29,641	\$28,546	\$36,000	\$31,000	\$32,300
<b>Total Community Center</b>	<b>\$187,837</b>	<b>\$218,598</b>	<b>\$223,000</b>	<b>\$218,000</b>	<b>\$229,300</b>
<b>Miscellaneous</b>					
Leases	\$64,131	\$65,475	\$65,475	\$65,475	\$65,475
Donations	\$0	\$0	\$0	\$0	\$0
Interest on Investments	\$130,000	\$130,000	\$250,000	\$360,000	\$350,000
Miscellaneous	\$50,000	\$50,000	\$75,000	\$110,000	\$100,000
<b>Total Miscellaneous</b>	<b>\$244,131</b>	<b>\$245,475</b>	<b>\$390,475</b>	<b>\$535,475</b>	<b>\$515,475</b>
<b>TOTAL GENERAL FUND REVENUES</b>	<b>\$15,561,387</b>	<b>\$17,196,192</b>	<b>\$16,948,360</b>	<b>\$16,864,713</b>	<b>\$17,157,361</b>

	FY 2004-2005 Actual	FY 2005-2006 Actual	FY 2006-2007 Budget	FY 2006-2007 Estimate	FY 2007-2008 Proposed
<b>Source of Revenues</b>					
<b>SPECIAL REVENUE FUNDS</b>					
<b>Highway Users Revenue Funds</b>					
Local Transportation (LTAF)	\$113,674	\$111,638	\$110,785	\$110,785	\$114,716
Highway Users	\$1,471,032	\$1,574,453	\$1,614,855	\$1,704,000	\$1,736,917
In Lieu Payments	\$10,493	\$24,009	\$7,000	\$56,000	\$40,000
Interest	\$26,359	\$12,802	\$8,000	\$30,000	\$8,000
Miscellaneous	\$31,680	\$4,079	\$1,000	\$1,000	\$1,000
Transfers		\$500,000	\$0	\$0	\$0
<b>Total Highway Users Revenue Fund</b>	<b>\$1,653,237</b>	<b>\$2,226,981</b>	<b>\$1,741,640</b>	<b>\$1,901,785</b>	<b>\$1,900,633</b>
<b>Excise Tax Special Revenue</b>					
Mountain Bonds	\$712,116	\$751,662	\$713,700	\$755,817	\$668,562
Civic Center MPC	\$347,583	\$373,331	\$354,350	\$360,409	\$314,281
Downtown Development	\$341,531	\$458,190	\$354,352	\$360,409	\$314,281
<b>Total Excise Tax Special Revenue</b>	<b>\$1,401,230</b>	<b>\$1,583,183</b>	<b>\$1,422,402</b>	<b>\$1,476,635</b>	<b>\$1,297,124</b>
<b>Court Special Revenue</b>					
Court Enhancement Fund	\$29,292	\$24,287	\$23,300	\$23,300	\$23,300
<b>Total Court Special Revenue</b>	<b>\$29,292</b>	<b>\$24,287</b>	<b>\$23,300</b>	<b>\$23,300</b>	<b>\$23,300</b>
<b>Community Center FF&amp;E</b>					
Donations	\$0	\$0	\$0	\$0	\$0
<b>Total Community Center FF&amp;E</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Grants</b>					
FEMA	\$0	\$50,000	\$0	\$0	\$0
AZ Dept of Transportation	\$0	\$175,000	\$0	\$0	\$180,000
Proposition 202	\$55,000	\$0	\$0	\$260,000	\$0
LTAF II	\$53,006	\$68,125	\$0	\$72,305	\$67,500
Miscellaneous Grants	\$0	\$1,437,000	\$1,500,000	\$0	\$1,500,000
<b>Total Grants</b>	<b>\$108,006</b>	<b>\$1,730,125</b>	<b>\$1,500,000</b>	<b>\$332,305</b>	<b>\$1,747,500</b>
<b>TOTAL SPECIAL REVENUE FUNDS</b>	<b>\$3,191,765</b>	<b>\$5,564,576</b>	<b>\$4,687,342</b>	<b>\$3,734,025</b>	<b>\$4,968,557</b>
<b>DEBT SERVICE FUNDS</b>					
<b>General Obligation Bonds</b>					
Secondary Property Tax	\$1,461,420	\$1,325,581	\$1,370,000	\$1,300,000	\$1,400,000
Interest	\$37,427	\$30,407	\$1,400	\$28,000	\$1,400
<b>Total General Obligation Bonds</b>	<b>\$1,498,847</b>	<b>\$1,355,988</b>	<b>\$1,371,400</b>	<b>\$1,328,000</b>	<b>\$1,401,400</b>
Community Center MPC	\$375,500	\$387,000	\$387,000	\$387,000	\$387,000
HURF Street Paving Transfers	\$124,000	\$110,500	\$135,000	\$135,000	\$126,300
Eagle Mountain CFD	\$600,261	\$437,354	\$255,600	\$207,750	\$360,000
Cottonwoods Maintenance District	\$3,200	\$3,300	\$3,300	\$3,300	\$3,300
Cottonwoods Improvement District	\$1,519	\$3,850	\$3,850	\$3,850	\$3,850
<b>TOTAL DEBT SERVICE FUNDS</b>	<b>\$2,603,327</b>	<b>\$2,297,992</b>	<b>\$2,156,150</b>	<b>\$2,064,900</b>	<b>\$2,281,850</b>
<b>DEVELOPMENT FEES</b>					
Law Enforcement Development Fees	\$18,839	\$41,278	\$117,346	\$68,395	\$54,040
Street Department Development Fees	\$236,077	\$314,381	\$795,610	\$447,315	\$225,510
Parks & Recreation Development Fees	\$536,322	\$448,194	\$781,702	\$623,650	\$890,130
Open Space Development Fees	\$597,241	\$468,024	\$153,460	\$63,550	\$67,600
General Government Development Fees	\$270,871	\$245,461	\$247,050	\$143,920	\$113,700
Fire Development Fees	\$0	\$6,356	\$26,089	\$15,340	\$12,115
Library Development Fees	\$0	\$7,692	\$30,878	\$12,785	\$13,600
<b>TOTAL DEVELOPMENT FEES</b>	<b>\$1,659,350</b>	<b>\$1,531,386</b>	<b>\$2,152,135</b>	<b>\$1,374,955</b>	<b>\$1,376,695</b>
<b>CAPITAL PROJECTS FUND</b>					
Miscellaneous	\$21,700	\$25,000	\$0	\$0	\$0
Local SIs Tax - CIP	\$120,340	\$528,225	\$528,225	\$1,700,000	\$1,157,434
Community Center MPC		\$0	\$0	\$0	\$0
Civic Center Phase II Bonds	\$3,783,896	\$0	\$0	\$0	\$0
LWCF Proceeds	\$237,307	\$0	\$0	\$0	\$0
Transfers	\$1,371,775	\$3,193,727	\$0	\$1,966,918	\$0
<b>TOTAL CAPITAL PROJECTS FUND</b>	<b>\$5,535,018</b>	<b>\$3,746,952</b>	<b>\$528,225</b>	<b>\$3,666,918</b>	<b>\$1,157,434</b>
<b>TOTAL ALL FUNDS</b>	<b>\$28,550,847</b>	<b>\$30,337,098</b>	<b>\$26,472,212</b>	<b>\$27,705,511</b>	<b>\$27,001,897</b>

## All Funds Expenditures

Fund/Department	FY 2004-2005 Actual	FY 2005-2006 Actual	FY 2006-2007 Budget	FY 2006-2007 Estimate	FY 2007-2008 Proposed
<b>GENERAL FUND</b>					
Mayor and Town Council	\$55,925	\$79,266	\$117,161	\$75,170	\$212,146
Municipal Court	\$328,489	\$340,292	\$363,655	\$364,798	\$379,320
General and Administrative	\$965,527	\$1,250,720	\$1,089,755	\$1,016,737	\$1,023,855
Public Information	\$0	\$0	\$0	\$0	\$223,341
Operational Support	\$1,728,009	\$1,487,224	\$1,475,732	\$2,362,442	\$1,172,350
Information Technology	\$166,356	\$330,206	\$434,133	\$357,683	\$645,480
Building Safety	\$480,559	\$583,803	\$695,992	\$624,705	\$605,700
Public Works	\$1,064,306	\$1,066,792	\$1,413,407	\$1,401,884	\$2,100,965
Facilities Maintenance	\$0	\$0	\$884,837	\$497,623	\$678,488
Planning and Zoning	\$395,859	\$745,674	\$818,824	\$690,143	\$892,639
Parks and Recreation	\$1,238,903	\$1,466,095	\$2,830,506	\$1,584,352	\$2,206,216
Law Enforcement	\$1,792,782	\$1,907,015	\$2,219,421	\$2,255,220	\$2,790,900
Fire Department	\$2,471,181	\$2,712,388	\$2,846,477	\$2,848,477	\$3,059,326
Community Center	\$425,294	\$441,751	\$528,110	\$483,338	\$480,786
Senior Services	\$55,000	\$132,319	\$203,871	\$257,223	\$223,848
Transfers	\$1,523,842	\$387,000	\$907,000	\$907,000	\$387,000
Contingency	\$0	\$0	\$119,479	\$75,000	\$75,000
<b>TOTAL GENERAL FUND</b>	<b>\$12,692,032</b>	<b>\$12,930,543</b>	<b>\$16,948,360</b>	<b>\$15,801,795</b>	<b>\$17,157,361</b>
<b>SPECIAL REVENUE FUNDS</b>					
Highway Users	\$1,559,721	\$1,572,612	\$2,779,815	\$2,371,545	\$2,489,285
FEMA Grant	\$0	\$50,000	\$0	\$0	\$60,000
ADOT Grant	\$0	\$175,000	\$0	\$0	\$200,000
Community Center FF&E	\$26,343	\$40,000	\$40,000	\$25,000	\$75,000
Court Special Revenue (CCEF)	\$5,067	\$54,316	\$15,000	\$10,000	\$28,000
Proposition 202	\$64,692	\$0	\$0	\$260,000	\$0
L TAF II - RPTA	\$69,595	\$68,125	\$0	\$57,333	\$90,000
Miscellaneous Grants	\$0	\$1,437,000	\$1,500,000	\$0	\$1,500,000
<b>Total Special Revenue</b>	<b>\$1,725,418</b>	<b>\$3,397,053</b>	<b>\$4,334,815</b>	<b>\$2,723,878</b>	<b>\$4,442,285</b>
<b>Excise Tax Special Revenue</b>					
Mountain Bonds	\$617,532	\$595,000	\$563,000	\$563,000	\$594,350
MPC - Civic Center Phase II	\$255,480	\$246,637	\$285,000	\$285,000	\$315,000
Downtown Development	\$230,084	\$892,310	\$140,502	\$128,112	\$198,120
<b>Total Excise Tax Special Revenue</b>	<b>\$1,103,096</b>	<b>\$1,733,947</b>	<b>\$988,502</b>	<b>\$976,112</b>	<b>\$1,107,470</b>
<b>TOTAL SPECIAL REVENUE FUNDS</b>	<b>\$2,828,514</b>	<b>\$5,131,000</b>	<b>\$5,323,317</b>	<b>\$3,699,990</b>	<b>\$5,549,755</b>
<b>DEBT SERVICE FUNDS</b>					
<b>General Obligation Bonds</b>					
Bond Payment - GO	\$53,178	\$281,870	\$0	\$0	\$0
Bond Payment - Lakeside	\$132,500	\$87,800	\$0	\$0	\$0
Bond Payment - Library/Museum	\$295,805	\$304,750	\$0	\$0	\$0
Bond Payment - Min Preserve GO	\$332,595	\$330,000	\$0	\$0	\$0
Refunded Bonds	\$7,822,079	\$515,000	\$1,371,400	\$1,371,400	\$1,392,350
<b>Total General Obligation Bonds</b>	<b>\$8,636,157</b>	<b>\$1,519,420</b>	<b>\$1,371,400</b>	<b>\$1,371,400</b>	<b>\$1,392,350</b>

## All Funds Expenditures (continued)

<u>Fund/Department</u>	<u>FY 2004-2005 Actual</u>	<u>FY 2005-2006 Actual</u>	<u>FY 2006-2007 Budget</u>	<u>FY 2006-2007 Estimate</u>	<u>FY 2007-2008 Proposed</u>
<b>Special Districts/MPC Debt Service:</b>					
Bond Payment - HURF	\$124,000	\$110,500	\$135,000	\$135,000	\$126,300
Bond Payment - Cottonwoods ID.	\$3,991	\$3,850	\$3,850	\$3,850	\$3,850
MPC - Community Center	\$327,228	\$387,000	\$387,000	\$387,000	\$387,000
Eagle Mountain CFD	\$494,987	\$588,745	\$338,100	\$338,100	\$357,835
<b>Total Special District Debt Service</b>	<b>\$950,206</b>	<b>\$1,090,095</b>	<b>\$863,950</b>	<b>\$863,950</b>	<b>\$874,985</b>
<b>TOTAL DEBT SERVICE FUNDS</b>	<b>\$9,586,363</b>	<b>\$2,609,515</b>	<b>\$2,235,350</b>	<b>\$2,235,350</b>	<b>\$2,267,335</b>
<b>DEVELOPMENT FEES</b>					
Law Enforcement Development Fees	\$18,033	\$0	\$0	\$0	\$0
Street Department Development Fees	\$243,342	\$295,000	\$0	\$0	\$441,000
Parks & Recreation Development Fees	\$306,400	\$603,700	\$1,428,622	\$487,270	\$1,777,354
Open Space Development Fees	\$137,598	\$114,370	\$4,000	\$15,000	\$194,160
General Government Development Fees	\$264,992	\$244,687	\$0	\$0	\$0
Fire Development Fees	\$0	\$618	\$0	\$0	\$0
Library Development Fees	\$0	\$1,854	\$0	\$0	\$0
<b>TOTAL DEVELOPMENT FEES</b>	<b>\$970,365</b>	<b>\$1,257,757</b>	<b>\$1,432,622</b>	<b>\$502,270</b>	<b>\$2,412,514</b>
<b>CAPITAL PROJECTS FUND</b>					
Facilities	\$5,958,166	\$649,649	\$0	\$0	\$0
Parks & Recreation	\$809,253	\$0	\$0	\$0	\$1,744,340
Public Safety	\$0	\$0	\$0	\$0	\$360,500
Streets	\$0	\$0	\$0	\$0	\$964,219
Capital Contingency	\$0	\$0	\$800,000	\$800,000	\$400,000
<b>TOTAL CAPITAL PROJECTS FUND</b>	<b>\$6,767,419</b>	<b>\$649,649</b>	<b>\$800,000</b>	<b>\$800,000</b>	<b>\$3,469,059</b>
<b>TOTAL ALL FUNDS</b>	<b>\$32,844,693</b>	<b>\$22,578,464</b>	<b>\$26,739,649</b>	<b>\$23,039,405</b>	<b>\$30,856,024</b>

## Budgeted Expenditure by Account Code – All Funds

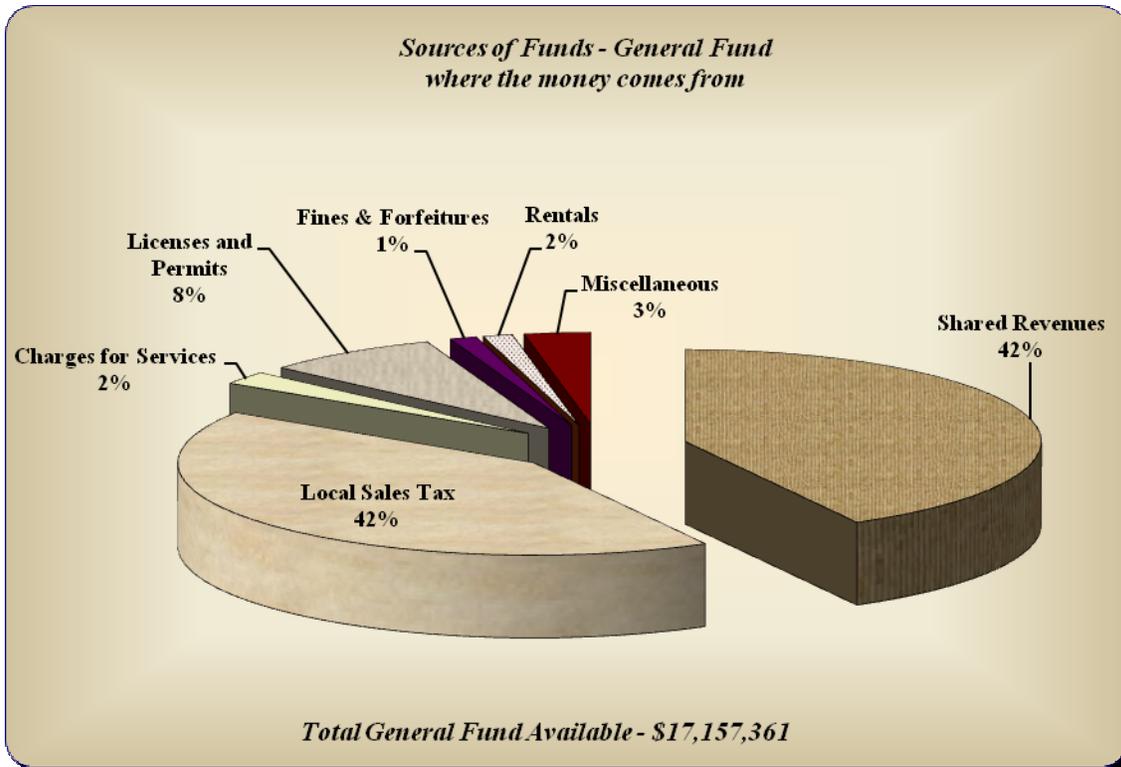
	Gen Fund TOTALS	Special Revenue Funds	Development Fees	Debt Service	Capital Projects	TOTAL ALL FUNDS	% of Total
5199 Overtime	\$11,180	\$0				\$17,710	0.1%
5200 Wages	\$3,725,177	\$35,500	\$0			\$4,166,641	13.5%
5201 FICA	\$82,510	\$530	\$0			\$89,080	0.3%
5202 Unemployment Insurance	\$7,840	\$40	\$0			\$8,580	0.0%
5203 Employee's Health Insurance	\$435,982	\$2,810	\$0			\$500,697	1.6%
5204 Employee's Life Insurance	\$10,599	\$110	\$0			\$11,991	0.0%
5205 Employee's Dental Insurance	\$32,222	\$190	\$0			\$36,824	0.1%
5206 Employee's Eye Insurance	\$5,104	\$30	\$0			\$5,857	0.0%
5207 Worker's Compensation Insurance	\$82,804	\$140	\$0			\$133,335	0.4%
5208 Employee's Retirement Fund	\$359,131	\$3,900	\$0			\$408,406	1.3%
5209 Recruitment Costs	\$0	\$0	\$0			\$0	0.0%
5211 Disability Insurance	\$16,908	\$180	\$0			\$19,159	0.1%
<b>Total Wages &amp; Salaries</b>	<b>\$4,769,458</b>	<b>\$43,430</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,398,279</b>	<b>17.5%</b>
5901 Accounting Fees	\$29,300	\$0	\$0			\$37,765	0.1%
5902 Professional Fees	\$919,885	\$101,000	\$0			\$1,020,885	3.3%
5903 Legal Fees	\$371,800	\$0	\$0			\$389,800	1.3%
5906 Jail/Prisoner Fees	\$58,500	\$0	\$0			\$58,500	0.2%
5908 Engineering Fees	\$784,965	\$0	\$0			\$784,965	2.5%
5907 Rabies & Animal Control	\$28,200	\$0	\$0			\$28,200	0.0%
5915 Elections Expense	\$40,380	\$0	\$0			\$40,380	0.1%
5920 Intergovernmental Agreements	\$9,600	\$0	\$0			\$9,600	0.0%
5929 Special Programs - RPTA	\$22,500	\$90,000	\$0			\$112,500	0.4%
5930 Special Programs - Chamber	\$0	\$0	\$0			\$0	0.0%
5932 Special Programs	\$73,700	\$0	\$0			\$73,700	0.2%
5933 Youth And Teens	\$15,575	\$0	\$0			\$15,575	0.1%
5935 Sports Activities	\$42,492	\$0	\$0			\$42,492	0.1%
5936 Spec.Programs-Constituent Comm	\$58,200	\$0	\$0			\$58,200	0.2%
5939 Youth Services	\$100,000	\$0	\$0			\$100,000	0.3%
5940 Senior	\$118,173	\$0	\$0			\$118,173	0.4%
5941 McDowell Mtn Preservation	\$35,000	\$0	\$0			\$35,000	0.1%
5945 Social Services	\$36,000	\$0	\$0			\$36,000	0.1%
5947 Tourism	\$150,000	\$0	\$0			\$150,000	0.5%
5950 Sheriff's Contract	\$2,704,200	\$0	\$0			\$2,704,200	8.8%
5955 Rural Metro Contract	\$2,884,126	\$0	\$0			\$2,884,126	9.3%
5959 Youth Arts	\$125,000					\$125,000	
5980 Sales Tax Rebates	\$0	\$0	\$0			\$0	0.0%
<b>Total Contract Services</b>	<b>\$8,607,596</b>	<b>\$191,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$8,825,061</b>	<b>28.6%</b>
6400 Vehicle Repairs & Maintenance	\$51,650	\$0	\$0			\$87,991	0.3%
6402 Road Repair & Maintenance	\$0	\$0	\$0			\$243,645	0.8%
6403 Equipment Rental	\$7,300	\$0	\$0			\$7,800	0.0%
6404 Building Repairs & Maintenance	\$161,661	\$3,500	\$0			\$168,161	0.5%
6405 Office Equip. Repairs & Maint.	\$116,970	\$0	\$0			\$117,470	0.4%
6406 Major Road Improvements	\$0	\$0	\$0			\$1,193,342	3.9%
6410 Field Preparation/Maintenance	\$109,650	\$0	\$0			\$109,650	0.4%
6415 Mowing/Landscape Maintenance	\$490,374	\$0	\$0			\$490,374	1.6%
6420 DAM/WASH MAINTENANCE	\$164,590	\$0	\$0			\$164,590	0.5%
<b>Total Repairs &amp; Maintenance</b>	<b>\$1,102,195</b>	<b>\$3,500</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,583,023</b>	<b>8.4%</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	\$58,785	\$15,850	\$0			\$74,885	0.2%
6505 Conferences	\$56,725	\$5,600	\$0			\$64,325	0.2%
6507 Continuing Education	\$49,630	\$5,040	\$0			\$57,620	0.2%
6508 Dues & Publications	\$74,815	\$1,620	\$0			\$81,585	0.3%
6509 Dues - GPEC	\$0	\$0	\$0			\$0	0.0%
6511 Electricity Expense	\$343,725	\$0	\$0			\$368,725	1.2%
6514 Gas & Oil Expense	\$49,835	\$0	\$0			\$84,835	0.3%
6517 Liability Insurance	\$323,650	\$0	\$0			\$426,775	1.4%
6520 Office Supplies	\$87,277	\$250	\$0			\$89,347	0.3%
6525 Tools, Shop Supplies	\$8,250	\$0	\$0			\$13,300	0.0%
6526 Firefighting Equipment	\$7,500	\$0	\$0			\$7,500	0.0%
6529 Postage	\$24,500	\$0	\$0			\$24,500	0.1%
6530 Bar Supplies	\$14,000	\$0	\$0			\$14,000	0.0%
6531 Printing	\$27,135	\$2,100	\$0			\$29,475	0.1%
6534 Rent Expense	\$0	\$0	\$0			\$0	0.0%
6537 Communication Expense	\$92,541	\$530	\$0			\$98,751	0.3%
6546 Water/Sewer	\$108,100	\$0	\$0			\$113,535	0.4%
6548 Travel Expense	\$17,486	\$7,700	\$0			\$25,286	0.1%
6549 Uniforms	\$13,155	\$0	\$0			\$21,155	0.1%
6550 Weapons and Ammunition	\$0	\$0	\$0			\$0	0.0%
6560 Bank Charges	\$14,540	\$0	\$0			\$14,540	0.0%
6650 CCEF Expenditures	\$0	\$0	\$0			\$0	0.0%
<b>Total Supplies &amp; Services</b>	<b>\$1,371,649</b>	<b>\$38,690</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,610,139</b>	<b>5.2%</b>
8010 Capital Outlay - Vehicles	\$131,600	\$200,000	\$0			\$405,600	1.3%
8020 Capital Outlay - Furn & Equip.	\$5,000	\$75,000	\$0			\$80,000	0.3%
8025 Capital Outlay - Computers	\$38,700	\$0	\$0			\$38,700	0.1%
8026 Capital Outlay - Software	\$206,800	\$0	\$0			\$206,800	0.7%
8030 Capital Outlay - Communications	\$138,500	\$60,000				\$198,500	0.6%
8090 Capital Expend. - Improvements	\$314,863	\$39,500	\$2,412,514		\$3,469,059	\$6,235,934	20.2%
<b>Total Capital/Contingency</b>	<b>\$835,463</b>	<b>\$374,500</b>	<b>\$2,412,514</b>	<b>\$0</b>	<b>\$3,469,059</b>	<b>\$7,165,534</b>	<b>23.2%</b>
9000 Debt Service	\$0	\$1,296,350	\$0	\$1,880,335		\$3,302,985	10.7%
9090 Transfers	\$387,000		\$0			\$387,000	1.3%
9999 Contingency	\$75,000	\$1,500,000	\$0			\$1,575,000	5.1%
<b>Total Debt/Transfers</b>	<b>\$462,000</b>	<b>\$2,796,350</b>	<b>\$0</b>	<b>\$1,880,335</b>	<b>\$0</b>	<b>\$5,264,985</b>	<b>17.1%</b>
<b>GRAND TOTAL</b>	<b>\$17,157,361</b>	<b>\$3,447,470</b>	<b>\$2,412,514</b>	<b>\$1,880,335</b>	<b>\$3,469,059</b>	<b>\$30,856,021</b>	<b>100.0%</b>

## General Fund Revenues

General fund operating revenues are estimated at \$17,157,361 for FY2007-08. 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 FY2007-08 estimate.



## State Shared Sales Tax

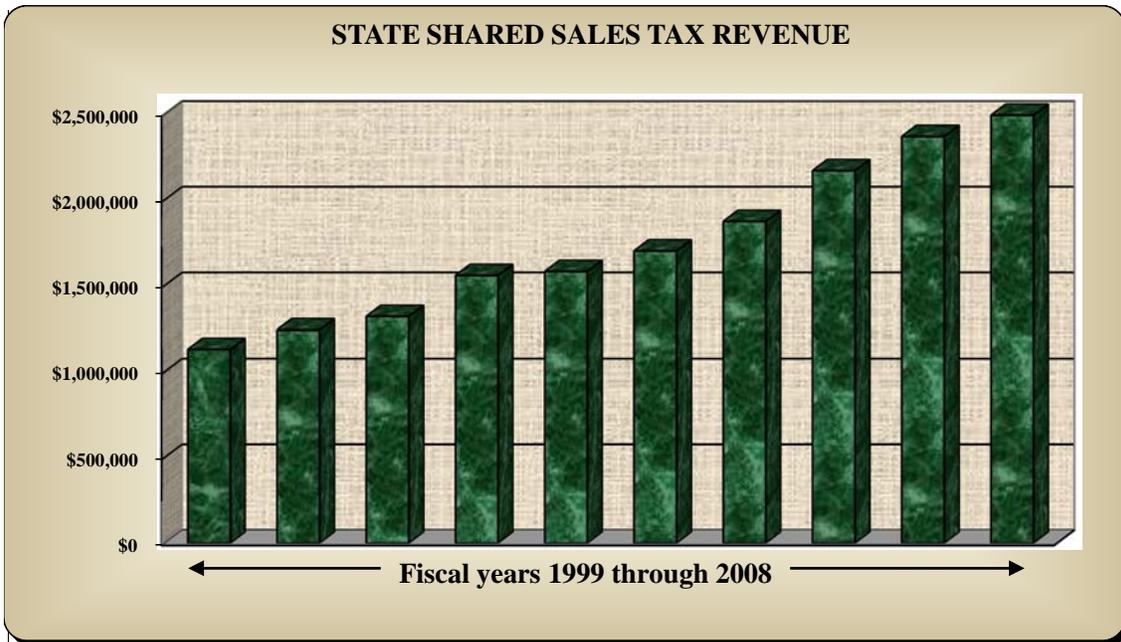
Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purposes.	1996-97	\$998,459	20.3% <sup>1</sup>
	1997-98	\$1,054,548	5.6%
	1998-99	\$1,130,422	7.2%
	1999-00	\$1,242,559	9.9%
	2000-01	\$1,320,401	6.3%
	2001-02	\$1,559,318	18.1% <sup>1</sup>
	2002-03	\$1,582,535	1.5%
	2003-04	\$1,702,374	7.6%
	2004-05	\$1,874,577	10.1%
	2005-06	\$2,170,940	15.8%
	2006-07 (est.)	\$2,370,345	9.2% <sup>1</sup>
2007-08 (est.)	\$2,494,340	5.2%	

<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 2005 census figures (Fountain Hills represents .5% of the state total). The FY 2007-2008 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 Shared Income Tax

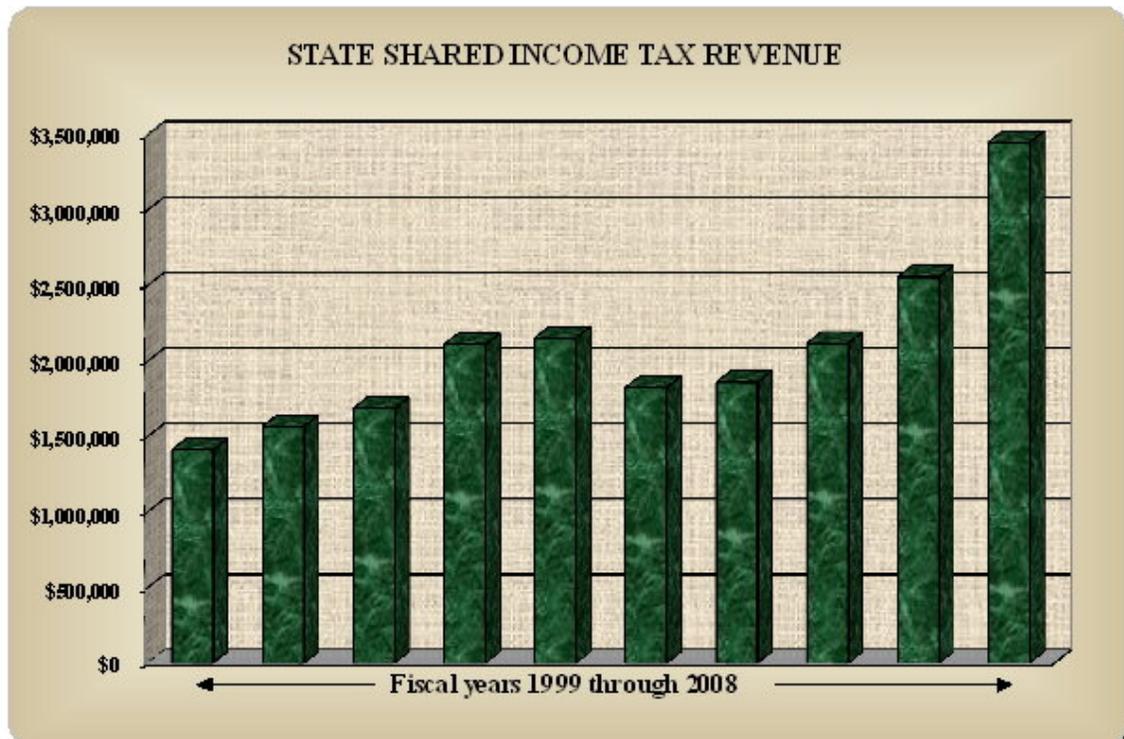
Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purposes.	1996-97	\$1,071,161	39.8% <sup>1</sup>
	1997-98	\$1,210,113	13.0%
	1998-99	\$1,412,702	16.7%
	1999-00	\$1,567,610	11.0%
	2000-01	\$1,688,004	7.7%
	2001-02	\$2,110,536	25.0% <sup>1</sup>
	2002-03	\$2,153,635	2.0%
	2003-04	\$1,826,315	-15.2%
	2004-05	\$1,860,154	1.9%
	2005-06	\$2,118,592	13.9%
	2006-07 (est.)	\$2,557,255	20.7% <sup>1</sup>
	2007-08 (est.)	\$3,449,440	34.9%

<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 FY2007-2008 by the League of Arizona Cities and Towns and the State's Joint Legislative Budget Committee (JLBC) project a 24% increase in state collections based on collections 2 years prior. However, next fiscal year income tax growth may be less than 1%.

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



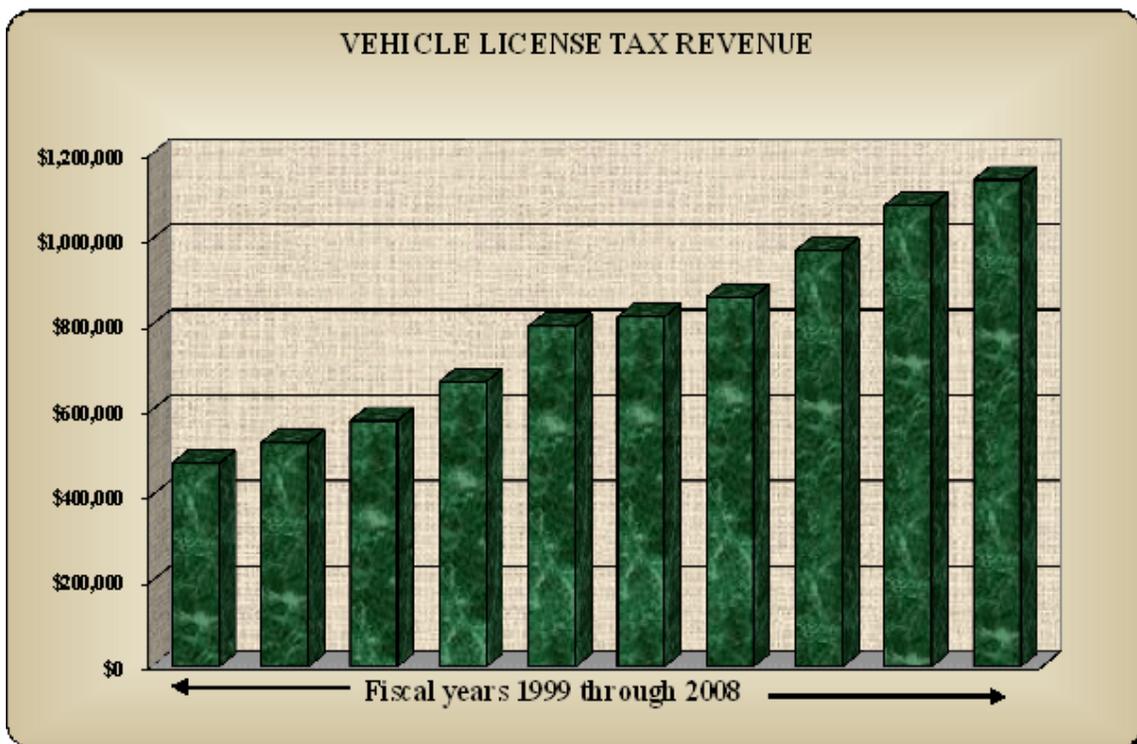
## Vehicle License Tax

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	\$974,452	12.5%
	2006-07 (est.)	\$1,080,141	10.8%
	2007-08 (est.)	\$1,140,010	5.5%

### 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 (0.8%). The remainder of the revenues collected are shared by schools, counties, and the state. The fiscal year 2007-2008 estimate is based on receiving 0.8% of the mid-point between Maricopa County's most likely (\$148,582,544) and pessimistic (\$136,419,881) projection.

Major Influences: Automobile sales, Population, and State Policy



## Local Sales Tax

Restrictions	Fiscal Year	Amount	Percent Change
Revenues from the 2.6% local sales tax are allocated to the Capital Projects Fund, Municipal Property Corporation, Downtown Development and the General Fund. General Fund 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	\$10,866,239	24.2%
<sup>1</sup> Rate increase	2006-07 (est.)	\$9,898,852	-8.9%
	2007-08 (est.)	\$9,238,877	-6.7%

### Assumptions

The local sales tax rate in Fountain Hills is 2.6% - total receipts for FY08 are estimated to be \$9,238,877. The construction related sales tax is derived from one-time activities and should be dedicated for one-time expenditures. Another portion (13.6%) of the local sales tax is dedicated for Municipal Property Corporation bond payments and downtown development; the following is a breakdown of the dedicated and non-dedicated (General Fund) projections:

#### Dedications:

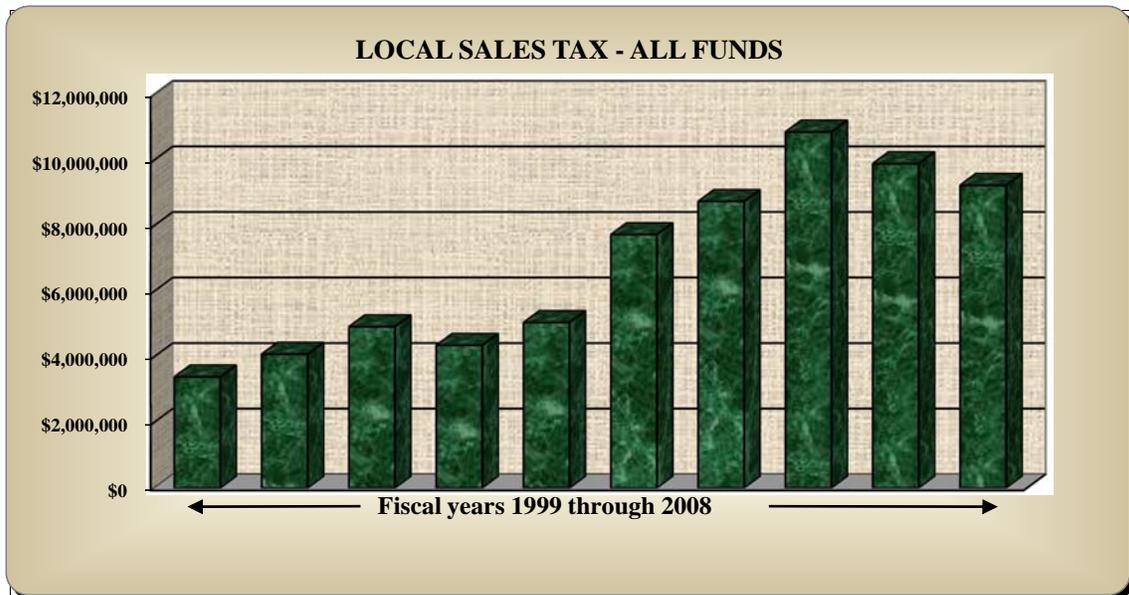
Downtown Fund	\$ 314,281
Civic Center II Bonds	\$ 314,281
Mountain Bonds	\$ 628,562
Capital Projects	\$1,067,569
General Fund	<u>\$6,914,184</u>

\$9,238,877

Construction related activity accounts for 11.6% of this revenue source (9% of the General Fund including Building Permit fees). Projected projects for FY07-08 consists of 75 single family units, 5 multi-family units and 6 commercial projects. Retail activity is projected to provide 44% of the total, compared to 41% in the prior year.

Utilities/communications/transportation provides 17% of the total receipts.

Major Influences: Economy, Construction Activity, Retail Sales, Public Policy



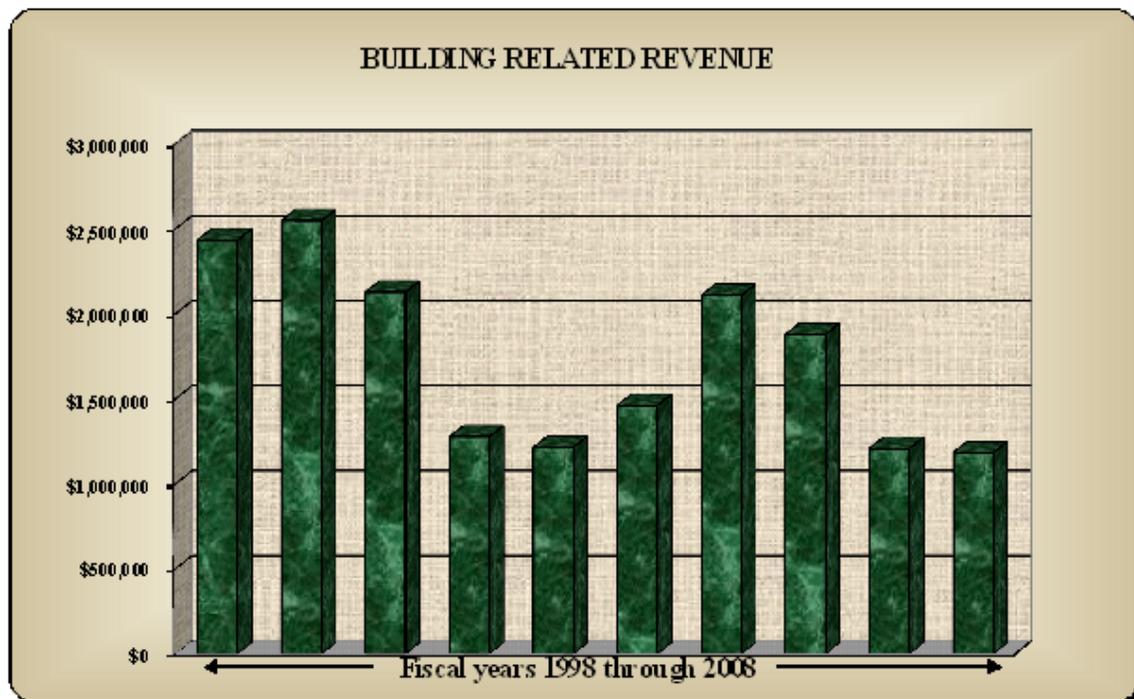
## Building Permit and Related Fees

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	\$1,877,320	-10.9%
	2006-07 (est.)	\$1,206,980	-35.7%
	2007-08 (est.)	\$1,182,340	-2.0%

Accounts: 3220-3250

### As assumptions

Revenues from this source include the fees collected from building permits, rezoning, improvement plan, encroachment and subdivision plans. The increase in 2004-05 is due to the a large number of multi-family units that were constructed that year. The estimates for FY2007-08 are based on construction activity provided by the local developer and planning staff and reflect the general economic slowdown in new home construction. The projected number of permits for next fiscal year is 75 single family (70 last fiscal year), 5 multi-family units (5 last fiscal year), and 6 commercial projects (12 last fiscal year). Projected projects for FY 07-08 consists of commercial development at Redrock Business Center and Four Peaks Plaza. Projected residential development is based on interviews with local developers; two projects anticipate 48 new permits next fiscal year.



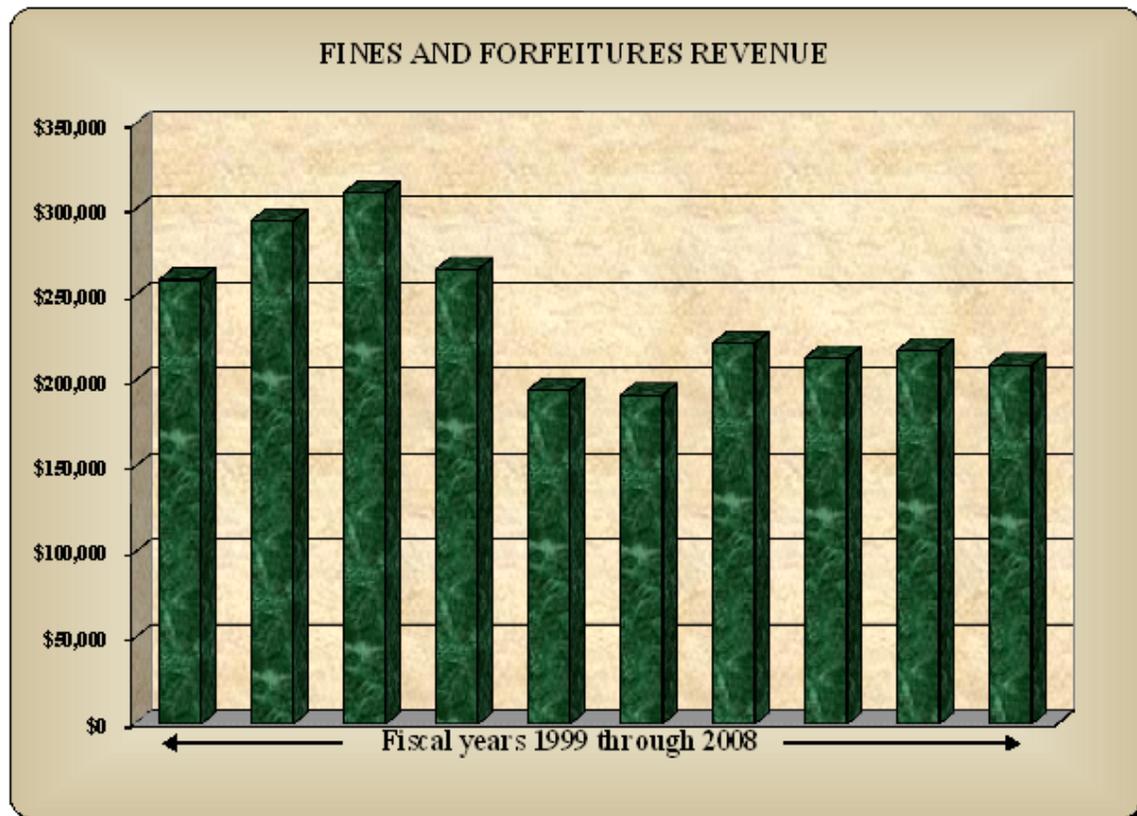
## Fines and Forfeitures

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	\$214,008	-3.8%
	2006-07 (est.)	\$218,288	2.0%
2007-08 (est.)	\$209,705	-3.9%	

### Assumptions

Municipal 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 FY2006-07 is due to an increase in the percentage of fines being remitted to the State of Arizona from 44% to 48%.

Major Influences: Population, Enforcement, Public Policy



## Business and Animal 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	\$146,033	0.9%
	2006-07 (est.)	\$159,394	9.1%
	2007-08 (est.)	\$159,995	0.4%

### Assumptions

License fees are derived from a license tax on professions, occupations, businesses (\$116,795) and animals (\$43,200) within the Town. The license fee is used primarily as a means of regulating businesses and animal control within the community. The estimate for FY2007-2008 is based on 2,437 active business licenses (100 less than last year) and 2,991 animal licenses (113 more than last year).

Major Influences: Economy, Enforcement



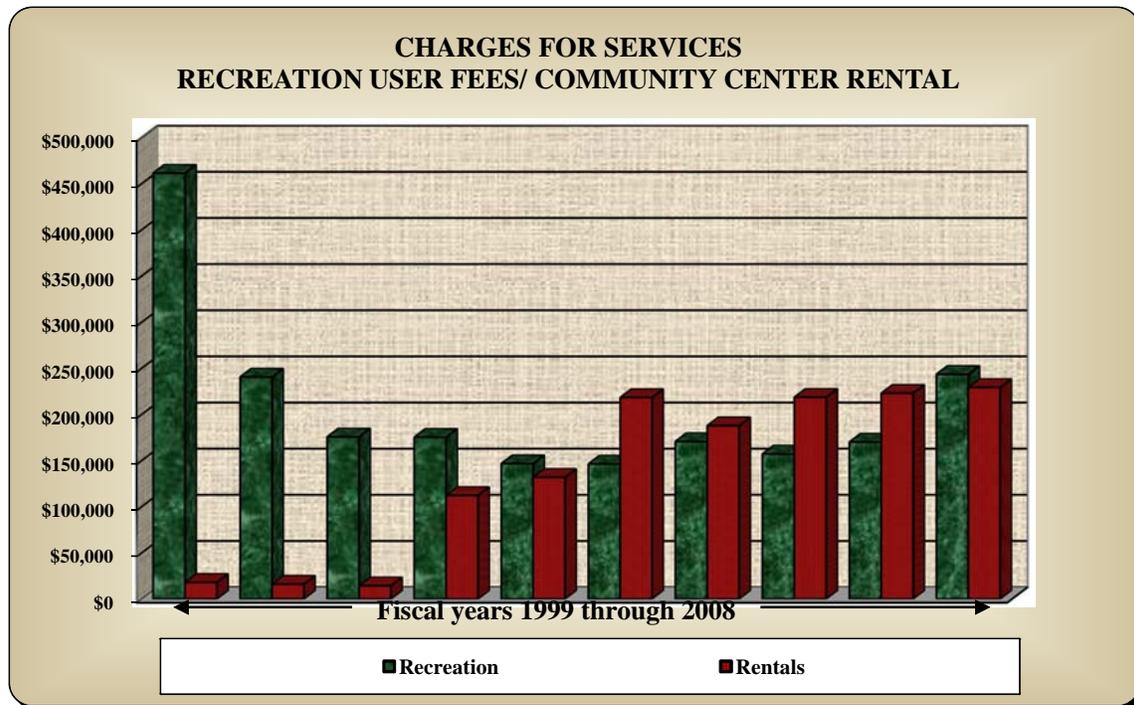
## Community Center and Recreation Charges for Services

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	\$441,268	4.7%
	2006-07 (est.)	\$458,598	3.9%
	2007-08 (est.)	\$538,346	17.4%

### Assumptions

Charges for services are collected from users of Town facilities (parks, community center) and recreation programs. In September 2001 a new Community Center opened providing a venue for weddings, banquets, civic meetings, etc. The proposed revenues from Community Center rentals include an average increase of 5% for Fountain Hills residents and 10% for out of town residents; the last rate increase was in April 2003. Additional service charges are collected from cellular providers for use of town property for their towers.

Major Influences: Population, Internal Policy on Rates



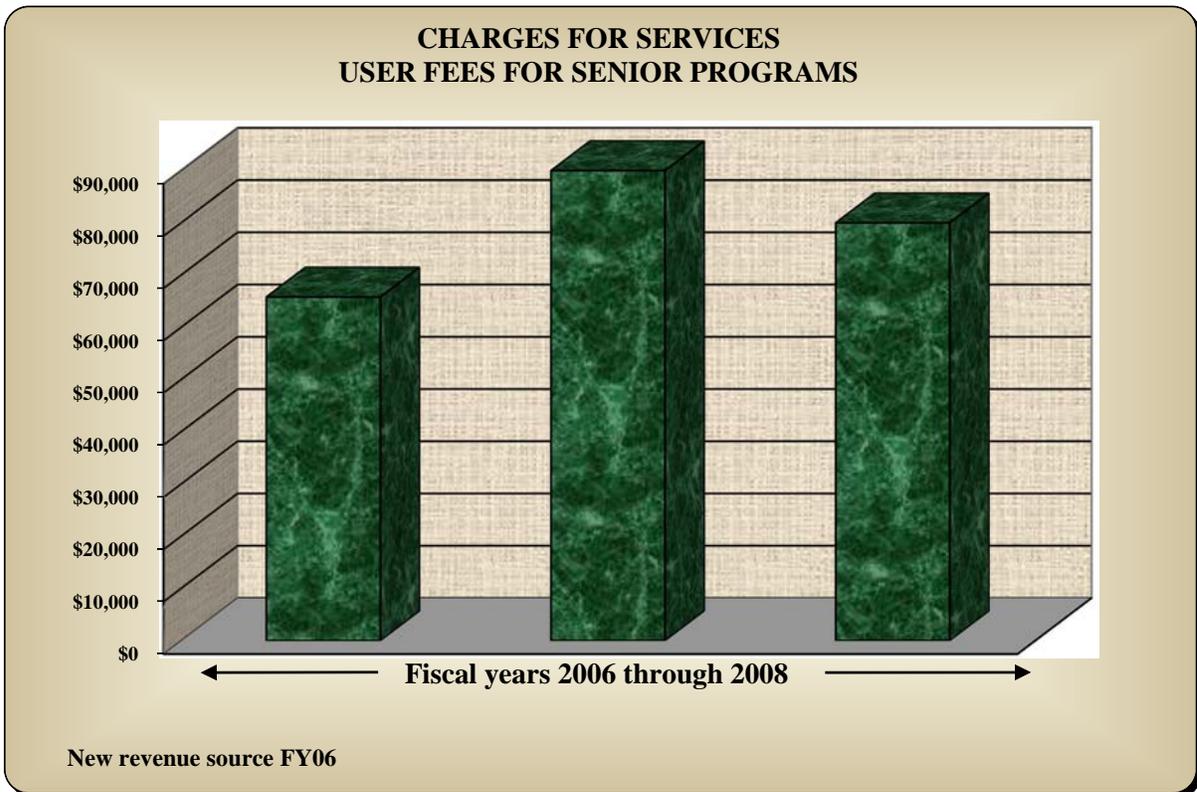
## Charges for Senior Programs

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	\$65,798	n/a
	2006-07 (est.)	\$90,000	36.8%
	2007-08 (est.)	\$80,000	-11.1%

**Assumptions**

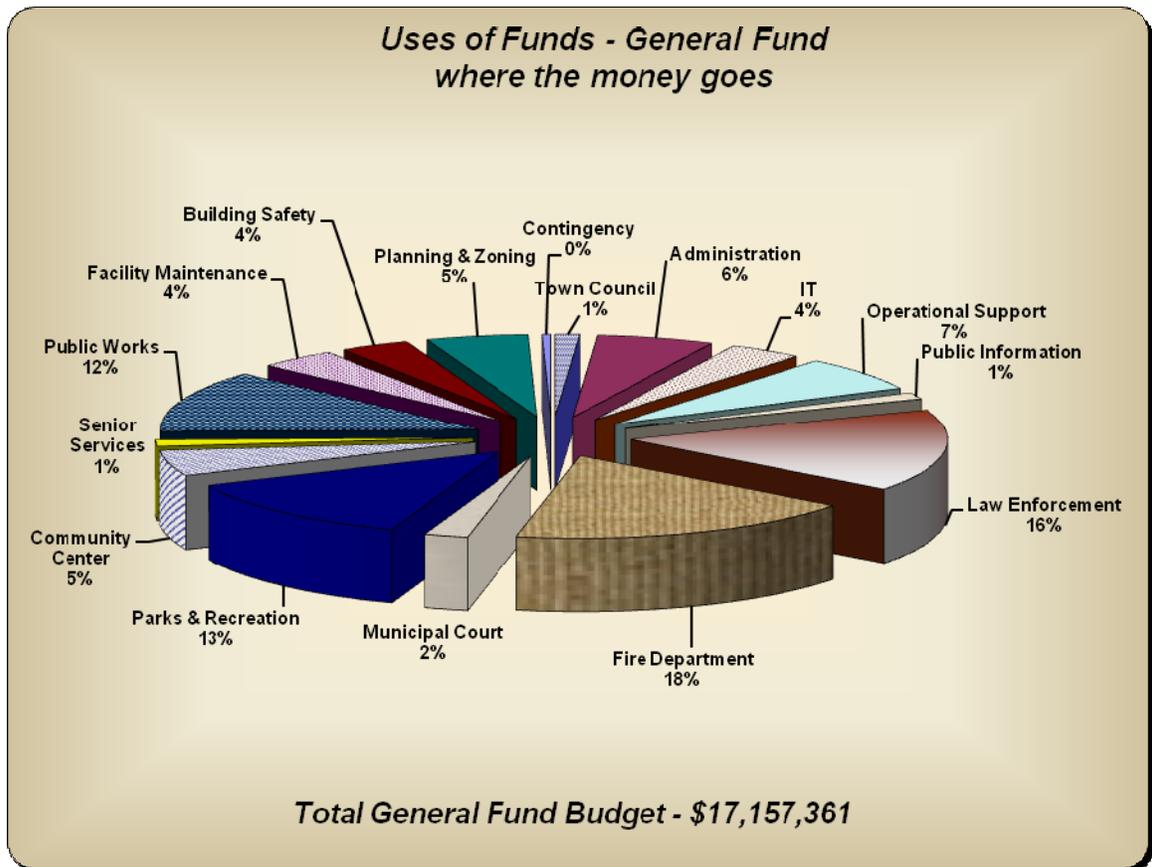
The Senior Services Division is a division within the Parks and Recreation Department and most programs are held at the Community Center. Senior Services offers programs for senior citizens including home delivered meals, fitness programs, special interest classes and trips as well as social events. Revenue is derived from fees collected from participants. Projections for FY2008 are based on planned trips and programs.

Major Influences: Population, Internal Policy on Rates



TOWN OF FOUNTAIN HILLS 2007-08 GENERAL FUND EXPENDITURE SUMMARY

Department	Salaries & Benefits	Contract Services	Repairs & Maintenance	Supplies & Services	Capital Outlay	Total	% of Total
Town Council	\$49,105	\$122,380	\$0	\$40,661	\$0	\$212,146	1.2%
Administration	\$791,000	\$97,250	\$13,300	\$122,305	\$0	\$1,023,855	6.0%
IT	\$64,072	\$49,250	\$68,200	\$93,458	\$370,500	\$645,480	3.8%
Operational Support	\$0	\$807,800	\$0	\$364,550	\$0	\$1,172,350	6.8%
Public Information	\$68,211	\$125,245	\$0	\$29,885	\$0	\$223,341	1.3%
Law Enforcement	\$0	\$2,790,900	\$0	\$0	\$0	\$2,790,900	16.3%
Fire Department	\$0	\$2,974,126	\$36,500	\$35,200	\$13,500	\$3,059,326	17.8%
Municipal Court	\$354,420	\$8,900	\$800	\$15,200	\$0	\$379,320	2.2%
Parks & Recreation	\$886,140	\$538,217	\$387,285	\$264,661	\$71,470	\$2,147,773	12.5%
Community Center	\$414,727	\$1,990	\$18,470	\$99,040	\$392,000	\$926,227	5.4%
Senior Services	\$97,130	\$118,173	\$1,000	\$7,545	\$0	\$223,848	1.3%
Public Works	\$677,980	\$802,465	\$494,390	\$93,130	\$33,000	\$2,100,965	12.2%
Facility Maintenance	\$173,132	\$0	\$79,750	\$141,615	\$283,993	\$678,490	4.0%
Building Safety	\$546,300	\$0	\$800	\$29,600	\$29,000	\$605,700	3.5%
Planning & Zoning	\$656,240	\$170,900	\$1,700	\$34,799	\$29,000	\$892,639	5.2%
Contingency						\$75,000	0.4%
<b>GENERAL FUND TOTALS</b>	<b>\$4,778,458</b>	<b>\$8,607,596</b>	<b>\$1,102,195</b>	<b>\$1,371,649</b>	<b>\$1,222,463</b>	<b>\$17,157,361</b>	<b>100.0%</b>
% of General Fund	27.9%	50.2%	6.4%	8.0%	7.1%	100.0%	



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# Town of Fountain Hills Budget Summary by Program

**01 - General Fund**

**020 - Mayor and Town Council Department**

**Total Budgeted Expenditures - \$212,146**





## Fountain Hills Town Council

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



1<sup>st</sup> Row: Councilmember Jay Schlum, Mayor Wally Nichols; Councilmember Edwin Kehe  
2<sup>nd</sup> Row: Town Manager Tim Pickering, Councilmember Ginny Dickey, Councilmember Mike Archambault, Councilmember Henry Leger, Vice Mayor Keith McMahan

## Town Council

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:

- To identify and inform Fountain Hills residents of the projected long-term revenue gap and decide upon a 2007 ballot initiative
- Work with local schools to establish and address common issues affecting the Town, schools and community by the end of the 2006-07 school year
- To promote the use of low-water landscaping in new Fountain Hills developments
- To strictly enforce the General Plan and Town ordinances
- Create commercial architecture review board to regulate architectural physical appearance for commercial properties
- Annex the State Trust Land into Fountain Hills
- To create a plan for pedestrian safety in Fountain Hills; a map has been completed and a long-range projected plan for the construction of these sidewalks is nearing completion. The map identifies the current sidewalk locations and locations of proposed sidewalks.
- To improve the business community and the Town

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****\$49,105**

This category of expenditures includes salary and related taxes for the Mayor and Councilmembers who are paid \$600 and \$400 per month respectively. Although the Councilmembers have not had an increase in their rate of pay since June 2000 this budget includes a proposal to increase benefits to the Mayor and Town Council as an incentive to encourage candidates to run for office. Several cities offer the State of Arizona's Elected Officials Pension Plan to their Council which requires a contribution from them through payroll deduction. The Town also would contribute approximately 25% of the Town Council salary towards the pension plan. Members would be eligible for the benefit upon serving five years.

**Contract Services****\$122,380**

Funds are allocated in this category for contract services as directed by the Council and an actuarial study for the funding of the Elected Officials Pension Plan. These services include an economic study and survey regarding the projected revenue shortfall per Council's Goal #3 for fiscal year 2007-2008, \$72,000 as well as research and report on an environmental policy per Council's Goal #7 for fiscal year 2007-2008, \$10,000.

The biannual election will be held in March and May of 2008. The election is managed by Maricopa County, but the costs are borne by the Town. The estimate for the upcoming fiscal year is \$40,380 based on prior election experience.

**Supplies and Services****\$40,661**

The Mayor and Town Council attend the annual League of Arizona Cities and Towns conference each year (\$8,900). Funds are allocated for registration and booth fees for the conference as well as commemorative and promotional items to distribute to visiting dignitaries (\$11,200). Conference registration fees have been included for two Councilmembers to attend the annual conference of the International Economic Development Council to be held in Phoenix from September 16 through 21, 2007. The Council has appropriated funds to conduct its annual goal setting retreat in February of 2008 (\$6,000) and to attend seminars and workshops throughout the year, e.g., Maricopa Association of Government (MAG) workshops and legislative events. Funds are also allocated in the budget for office supplies, printing, communication expenses and meeting expenses. Meeting expense includes \$7,500 for Sister City events.

**TOWN COUNCIL**

	<b>FY 2004-2005</b>	<b>FY 2005-2006</b>	<b>FY 2006-2007</b>	<b>FY 2006-2007</b>	<b>FY 2007-2008</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Estimate</b>	<b>Proposed</b>
<b>SALARIES &amp; BENEFITS</b>					
Wages	\$35,600	\$32,000	\$36,000	\$36,000	\$36,000
Employer FICA Expense	\$2,723	\$2,448	\$2,770	\$2,770	\$2,770
Unemployment Insurance Expense	\$305	\$276	\$310	\$310	\$360
Worker Compensation Insurance	\$557	\$755	\$967	\$967	\$975
Elected Official Pension Plan	\$0	\$0	\$0	\$0	\$9,000
<b>TOTAL</b>	<b>\$39,185</b>	<b>\$35,480</b>	<b>\$40,047</b>	<b>\$40,047</b>	<b>\$49,105</b>
<b>CONTRACT SERVICES</b>					
Professional Services	\$0	\$3,000	\$3,500	\$3,500	\$82,000
Election Expense	\$0	\$17,104	\$16,000	\$0	\$40,380
<b>TOTAL</b>	<b>\$0</b>	<b>\$20,104</b>	<b>\$19,500</b>	<b>\$3,500</b>	<b>\$122,380</b>
<b>SUPPLIES &amp; SERVICES:</b>					
Advertising/Signage	\$6,346	\$10,158	\$12,700	\$12,050	\$11,200
Conferences	\$1,535	\$2,880	\$33,741	\$8,400	\$8,900
Continuing Education	\$6,261	\$5,020	\$6,100	\$6,100	\$7,100
Office Supplies	\$1,847	\$3,277	\$1,825	\$1,825	\$3,125
Printing	\$3	\$544	\$500	\$500	\$700
Communications Expense	\$0	\$0	\$100	\$100	\$100
Meeting Expense	\$748	\$1,804	\$2,648	\$2,648	\$9,536
<b>TOTAL</b>	<b>\$16,740</b>	<b>\$23,684</b>	<b>\$57,614</b>	<b>\$31,623</b>	<b>\$40,661</b>
<b>TOTAL EXPENDITURES</b>	<b>\$55,925</b>	<b>\$79,268</b>	<b>\$117,161</b>	<b>\$75,170</b>	<b>\$212,146</b>

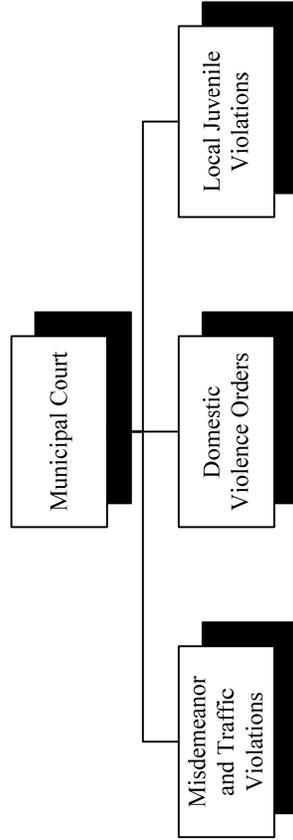
# Town of Fountain Hills Budget Summary by Program

01 - General Fund

040 - Municipal Court

**Total Budgeted Expenditures - \$379,320**





# 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**

	FY2005-06 <u>Actual</u>	FY2006-07 <u>Projected</u>	FY2007-08 <u>Projected</u>
• Cases filed	2,614	2,620	2,625
• Cases terminated	3,396	2,941	2,850
• Hearings held	843	1,073	1,240
• Civil Traffic cases closed within 60 days	90%	85%	90%
• Criminal/Criminal Traffic cases closed within 60 days	75%	72%	80%
• Criminal/Criminal Traffic cases closed within 120 days	97%	95%	95%

## Fiscal Year 2006-2007 Accomplishments:

- Successfully completed the fourth year of the Fountain Hills Community Teen Court, which was recognized by the Maricopa County Board of Supervisors for its outstanding contribution to the juvenile justice system.
- Continued the use of video conferencing in lieu of personal appearances for 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.
- Reviewed and updated Court policies and procedures.
- Enhanced the Court page on Town website with a Q&A feature and expanded resource links.

## Fiscal Year 2007-2008 Objectives:

- Pursue the purchase of electronic archival system, to ensure court records are accessible for a longer period of time to comply with new record retention legislation.
- Enhance Court security by purchasing and installing a video camera system in the courtroom and the lobby waiting area.
- Improve courtroom efficiency utilizing existing court staff with new technology.
- Update Court processes, forms and public information to comply with new legislation.
- Adopt new processes and procedures in preparation for issuing marriage licenses pursuant to new legislation.

### Summary Expenditures - Court

	FY 2003-2004 Actual	FY 2004-2005 Actual	FY 2005-2006 Actual	FY 2006-2007 Budget	FY 2006-2007 Estimate	FY 2007-2008 Budget
SALARIES & BENEFITS	\$274,783	\$310,618	\$320,581	\$340,700	\$342,798	\$354,420
CONTRACTUAL SERVICES	\$4,170	\$7,210	\$6,605	\$6,500	\$6,500	\$8,900
REPAIRS & MAINTENANCE	\$813	\$1,103	\$1,553	\$1,000	\$800	\$800
SUPPLIES & SERVICES	\$12,931	\$9,558	\$11,552	\$15,455	\$14,700	\$15,200
CAPITAL EXPENDITURES	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>	<b>\$292,697</b>	<b>\$328,489</b>	<b>\$340,291</b>	<b>\$363,655</b>	<b>\$364,798</b>	<b>\$379,320</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 Authorized FTE	2007-2008 Proposed FTE
<b>Court</b>						
Presiding Judge	1.00	1.00	1.00	1.00	1.00	1.00
Court Administrator	1.00	1.00	1.00	1.00	1.00	1.00
Senior Court Clerk	0.00	0.00	1.00	1.00	1.00	1.00
Court collections Clerk	1.00	0.00	0.00	0.00	0.00	0.00
Court Clerk	3.00	3.00	2.00	2.50	2.00	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>5.00</b>

**Salaries and Benefits** **\$354,420**

The proposed FY07-08 budget includes one Presiding Judge, one Court Administrator, one Senior Court Clerk and two Court Clerks I, one of which acts as a collection clerk. No additional positions are proposed for this fiscal year.

**Contract Services** **\$8,900**

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 software use and upgrades, technical and processing support and use of hardware for the Arizona Court Automation Program (ACAP).

**Repairs and Maintenance** **\$800**

This supports routine service and annual maintenance agreements for office equipment.

**Supplies and Services** **\$15,200**

This line item includes funding for advertising and signage, costs 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**

	<b>FY 2004-2005 Actual</b>	<b>FY 2005-2006 Actual</b>	<b>FY 2006-2007 Budget</b>	<b>FY 2006-2007 Estimate</b>	<b>FY 2007-2008 Proposed</b>
<b>SALARIES &amp; BENEFITS</b>					
Overtime	\$0	\$172	\$965	\$393	\$0
Wages and Salaries	\$250,235	\$256,444	\$262,935	\$269,027	\$279,700
Employer FICA Expense	\$3,562	\$3,669	\$3,860	\$3,844	\$4,090
Unemployment Insurance Expense	\$466	\$424	\$300	\$377	\$350
Employee's Health Insurance	\$23,470	\$25,578	\$36,620	\$33,205	\$33,210
Employee's Life Insurance	\$783	\$694	\$1,120	\$958	\$910
Employee's Dental Insurance	\$2,812	\$2,973	\$3,330	\$2,770	\$2,560
Employee Vision Insurance	\$0	\$278	\$210	\$346	\$330
Worker Compensation Insurance	\$644	\$927	\$1,010	\$823	\$1,090
Employee's Retirement Expense	\$27,526	\$28,228	\$29,020	\$29,623	\$30,770
Disability Insurance	\$1,120	\$1,194	\$1,330	\$1,432	\$1,410
<b>TOTAL</b>	<b>\$310,618</b>	<b>\$320,581</b>	<b>\$340,700</b>	<b>\$342,798</b>	<b>\$354,420</b>
<b>CONTRACT SERVICES</b>					
Accounting Fees	\$1,500	\$0	\$0	\$0	\$2,000
Legal Fees	\$1,210	\$2,105	\$2,000	\$2,000	\$2,300
Intergovernmental Agreements	\$4,500	\$4,500	\$4,500	\$4,500	\$4,600
<b>TOTAL</b>	<b>\$7,210</b>	<b>\$6,605</b>	<b>\$6,500</b>	<b>\$6,500</b>	<b>\$8,900</b>
<b>REPAIRS &amp; MAINTENANCE:</b>					
Office Equipment Repairs	\$1,103	\$1,553	\$1,000	\$800	\$800
<b>TOTAL</b>	<b>\$1,103</b>	<b>\$1,553</b>	<b>\$1,000</b>	<b>\$800</b>	<b>\$800</b>
<b>SUPPLIES &amp; SERVICES:</b>					
Advertising/Signage	\$87	\$94	\$300	\$200	\$300
Conferences	\$781	\$1,596	\$1,800	\$1,800	\$1,800
Continuing Education	\$367	\$38	\$800	\$900	\$1,000
Dues & Publications	\$2,403	\$2,368	\$3,550	\$3,400	\$3,550
Office Supplies	\$2,092	\$3,099	\$4,000	\$3,700	\$3,300
Printing	\$1,255	\$1,653	\$2,000	\$2,000	\$2,000
Communications Expense	\$113	\$717	\$105	\$1,200	\$450
Meeting Expense	\$261	\$71	\$400	\$300	\$300
Bank Charges	\$2,199	\$1,917	\$2,500	\$1,200	\$2,500
<b>TOTAL</b>	<b>\$9,558</b>	<b>\$11,552</b>	<b>\$15,455</b>	<b>\$14,700</b>	<b>\$15,200</b>
<b>CAPITAL EXPENDITURES</b>					
Capital Outlay - Furniture/Equipment	\$0	\$0	\$0	\$0	\$0
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL EXPENDITURES</b>	<b>\$328,489</b>	<b>\$340,291</b>	<b>\$363,655</b>	<b>\$364,798</b>	<b>\$379,320</b>

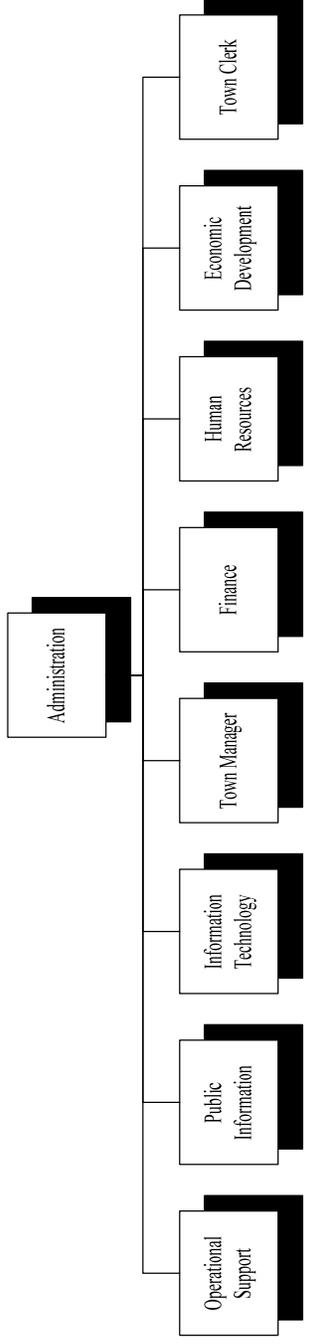
# Town of Fountain Hills Budget Summary by Program

**01 - General Fund**

**050 - General and Administrative Department**

**Total Budgeted Expenditures - \$1,023,855**





## **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 five budgetary divisions within the Administration Department that provide administrative services for the Town government – Administration, Public Information, Information Technology, Economic/Downtown Development and Operational and Community Support. The Administration division includes expenses of the Town Clerk, Town Manager, Finance and Human Resources. The Information Technology division includes expenses relating to computers, network, software, telephone and public information (Channel 11 and web). The Operational Support division was created in 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. The Public Information Division is a new division in the Town that began in the last quarter of FY2006/2007. The Economic/Downtown Development division is included in the Excise Tax budget as a separate fund with revenues from the dedicated local sales tax.

### **Performance Standards**

- Issue business licenses within 10 working days
- Facilitate the public's access to Town 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
- Zero grievances

## Management Indicators

	<b>FY2004-05</b> <b><u>Actual</u></b>	<b>FY2005-06</b> <b><u>Actual</u></b>	<b>FY2006-07</b> <b><u>Estimate</u></b>	<b>FY2007-08</b> <b><u>Estimate</u></b>
Number of resolutions processed	73	52	60	40
Number of ordinances processed	8	8	10	20
New business licenses	629	475	500	300
Business license renewals	1,465	1,600	2,100	2,437
Certificate of Achievement for Excellence in Financial Reporting Award	9 <sup>th</sup> Year	10 <sup>th</sup> Year	11 <sup>th</sup> Year	12 <sup>th</sup> Year
Distinguished Budget Presentation Award	4 <sup>th</sup> Year	5 <sup>th</sup> Year	6 <sup>th</sup> Year	7 <sup>th</sup> Year
Sales tax recovered	\$31,059	\$522,619	\$34,000	\$300,000
Bond rating	Aa3	Aa3	Aa3	Aa3

## Fiscal Year 2006-2007 Accomplishments

- Successful sale of annexed 1,300 acres of State Trust Land
- Updated twenty-year financial and capital improvement plan (CIP)
- Completed first phase of revenue shortfall education program

## Fiscal Year 2007-2008 Objectives

- Identify and inform Fountain Hills residents of the projected long-term revenue gap
- Develop financial implementation plan for strategic priorities.
- Resolve projected revenue shortfall by Dec. 31, 2007
- Work with local schools

### Summary Expenditures - Administration

	<b>FY 2003-2004</b> <b>Actual</b>	<b>FY 2004-2005</b> <b>Actual</b>	<b>FY 2005-2006</b> <b>Actual</b>	<b>FY 2006-2007</b> <b>Budget</b>	<b>FY 2006-2007</b> <b>Estimate</b>	<b>FY 2007-2008</b> <b>Budget</b>
SALARIES & BENEFITS	\$0	\$757,396	\$947,066	\$914,000	\$820,954	\$791,000
CONTRACTUAL SERVICES	\$0	\$85,267	\$112,267	\$69,415	\$80,415	\$97,250
REPAIRS & MAINTENANCE	\$0	\$7,335	\$11,906	\$9,250	\$11,500	\$13,300
SUPPLIES & SERVICES	\$0	\$115,276	\$176,434	\$97,090	\$103,868	\$122,305
CAPITAL EXPENDITURES	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$965,274</b>	<b>\$1,247,672</b>	<b>\$1,089,755</b>	<b>\$1,016,737</b>	<b>\$1,023,855</b>

## Authorized Personnel

### Schedule of Authorized Positions

Position – Title	2002-2003 Authorized FTE	2003-2004 Authorized FTE	2004-2005 Authorized FTE	2005-2006 Authorized FTE	2006-2007 Authorized FTE	2007-2008 Proposed FTE
<b>Administration</b>						
Town Manager	1.00	1.00	1.00	1.00	1.00	1.00
Undesignated Position	2.00	0.00	0.00	0.00	0.00	0.00
Assistant Town Manager	0.00	0.00	0.00	1.00	1.00	0.00
Assistant to the Town Manager	0.00	0.00	0.00	0.00	0.00	1.00
Finance Director	1.00	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	1.00
Town Clerk	1.00	1.00	1.00	1.00	1.00	1.00
Economic Development Specialist	0.00	1.00	1.00	1.00	1.00	0.00
Public Information Officer	0.00	0.00	0.00	0.00	0.00	1.00
I/T Administrator	1.00	0.00	0.00	0.00	0.00	0.00
I/T Coordinator	1.00	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	1.00
Executive Assistant	1.00	0.00	0.00	0.00	0.00	0.00
Accountant	0.00	0.00	1.00	1.00	1.00	0.00
Accounting Supervisor	0.00	0.00	0.00	0.00	0.00	1.00
Accounting/HR Clerk	1.00	1.00	0.00	0.00	0.00	0.00
Administrative Assistant	1.00	0.00	0.00	0.00	1.00	1.00
Customer Service Rep	1.00	1.50	1.00	0.50	0.50	1.50
Accounting Clerk	0.00	0.00	1.00	1.00	1.00	0.50
Administrative Clerk	0.00	0.00	0.50	1.00	0.00	0.00
Receptionist	0.00	0.00	0.00	0.50	0.50	0.00
Administrative Intern	1.00	0.00	0.00	0.50	0.50	0.00
Economic Development Intern	0.00	0.00	0.00	0.00	0.50	0.00
I/T Intern	0.50	0.50	0.50	0.00	0.00	0.00
Authorized FTE	14.50	10.00	11.00	12.50	13.00	12.00

## Salaries and Benefits

**\$791,000**

The Administration salaries and benefits include the Town Manager, Town Clerk, Finance, Human Resources and Customer Service staff, as well as 50% of the Assistant to the Town Manager. The decline from the previous year reflects the transfer of the Information Technology (IT) Coordinator salary and benefits to the IT Division. There was a 11.1% increase in the medical insurance and 12% decrease in the dental plan. The Town will continue to solicit bids from providers for future coverage in order to control the cost to the taxpayers.

## Contract Services

**\$97,250**

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	\$17,440
Customer service survey	\$12,200
Development fee review for indexing of fees	\$10,000
Contract to reformat Town Code programs	\$ 5,500
Performance evaluation, emergency preparedness	\$ 5,550
LTAFF II matching funds for special transportation services (25%)	\$22,500

The Town has an intergovernmental agreement with Maricopa County Human Services to provide transportation service within the community with funding partially provided by a grant from RPTA (Regional Public Transportation Authority). 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 \$90,000. This program will continue to be funded 75% by proceeds from LTAF II (Lottery) and 25% matching funds from the General Fund. The LTAF II 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**

**\$13,300**

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

**Supplies and Services**

**\$122,305**

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, Assistant to the Town Manager, Town Clerk, Finance Director:

ICMA - Pittsburg; ACMA – Tucson and Phoenix; IEDC – Phoenix \$13,445

Education/Training for staff \$15,800

Dues/Publications Total \$40,700

League of Arizona Cities/Towns \$12,650  
 National League of Cities \$ 1,654  
 Greater Phoenix Economic Council \$ 9,740  
 Maricopa Association of Governments \$ 4,200  
 Professional memberships \$ 7,800  
 Miscellaneous publications and membership dues \$ 4,650

Gas and Oil \$ 2,475

Office Supplies Total \$36,885

Fire proof safe/file cabinet \$ 4,600  
 Copy paper, supplies \$ 5,880  
 General office supplies (calendars, toner) \$ 5,800  
 Employee appreciation events/awards \$13,600  
 Meeting refreshments (water, coffee) \$ 2,650  
 Dog license tags, budget supplies \$ 1,230  
 Service awards \$ 3,125

Printing Total \$ 7,900

Business cards, economic development printing \$ 775  
 Letterhead/envelopes and checks \$ 7,100

Meeting/travel reimbursements \$ 5,100

**ADMINISTRATION**

	<b>FY 2004-2005 Actual</b>	<b>FY 2005-2006 Actual</b>	<b>FY 2006-2007 Budget</b>	<b>FY 2006-2007 Estimate</b>	<b>FY 2007-2008 Proposed</b>
<b>SALARIES &amp; BENEFITS:</b>					
Overtime	\$0	\$7,706	\$1,051	\$850	\$2,000
Wages and Salaries	\$629,065	\$775,065	\$748,349	\$660,229	\$641,300
Employer FICA Expense	\$14,266	\$17,073	\$16,000	\$15,243	\$14,500
Unemployment Insurance Expense	\$1,346	\$1,373	\$900	\$956	\$800
Employee's Health Insurance	\$37,518	\$46,496	\$54,400	\$60,103	\$57,500
Employee's Life Insurance	\$1,675	\$2,351	\$2,900	\$2,195	\$1,800
Employee's Dental Insurance	\$5,070	\$5,705	\$5,300	\$4,337	\$3,900
Employee Vision Insurance	\$0	\$611	\$800	\$724	\$700
Worker Compensation Insurance	\$6,384	\$11,945	\$3,800	\$2,890	\$3,300
Employee's Retirement Expense	\$59,761	\$75,920	\$77,000	\$70,470	\$61,900
Disability Insurance	\$2,311	\$2,821	\$3,500	\$2,957	\$3,300
<b>TOTAL</b>	<b>\$757,396</b>	<b>\$947,066</b>	<b>\$914,000</b>	<b>\$820,954</b>	<b>\$791,000</b>
<b>CONTRACT SERVICES</b>					
Professional Fees	\$83,416	\$107,908	\$53,760	\$56,260	\$72,700
Special Programs - RPTA	\$0	\$2,706	\$14,000	\$22,500	\$22,500
Emergency Management	\$1,851	\$1,653	\$1,655	\$1,655	\$2,050
<b>TOTAL</b>	<b>\$85,267</b>	<b>\$112,267</b>	<b>\$69,415</b>	<b>\$80,415</b>	<b>\$97,250</b>
<b>REPAIRS &amp; MAINTENANCE:</b>					
Vehicle Maintenance	\$767	\$76	\$1,250	\$500	\$500
Office Equipment Repairs	\$6,568	\$11,830	\$8,000	\$11,000	\$12,800
<b>TOTAL</b>	<b>\$7,335</b>	<b>\$11,906</b>	<b>\$9,250</b>	<b>\$11,500</b>	<b>\$13,300</b>
<b>SUPPLIES &amp; SERVICES:</b>					
Conferences	\$12,035	\$17,778	\$9,860	\$9,860	\$13,445
Continuing Education	\$18,459	\$8,359	\$12,200	\$12,200	\$15,800
Dues & Publications	\$35,378	\$38,919	\$33,297	\$37,000	\$40,700
Gas & Oil Expense	\$3,733	\$4,843	\$3,130	\$3,130	\$2,475
Office Supplies	\$33,395	\$59,758	\$27,078	\$27,988	\$36,885
Printing	\$3,121	\$5,484	\$7,625	\$7,830	\$7,900
Communications Expense	\$5,211	\$30,284	\$0	\$0	\$0
Meeting Expense	\$3,944	\$11,008	\$3,900	\$5,860	\$5,100
<b>TOTAL</b>	<b>\$115,276</b>	<b>\$176,434</b>	<b>\$97,090</b>	<b>\$103,868</b>	<b>\$122,305</b>
<b>TOTAL EXPENDITURES</b>	<b>\$965,274</b>	<b>\$1,247,672</b>	<b>\$1,089,755</b>	<b>\$1,016,737</b>	<b>\$1,023,855</b>



# Town of Fountain Hills Budget Summary by Program

**01 - General Fund**

**050 - General and Administrative Department**

**105 - Operational Support Program**

**Total Budgeted Expenditures -                      \$1,172,350**





## 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 6.8% of the General Fund budget.

### **Contract Services** **\$807,800**

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** **\$27,300**

The Town is required by law to have an annual audit conducted by an independent auditor at the end of each fiscal year. The Town issued a Request for Proposal (RFP) for audit services for the next three fiscal years. The proposed cost for FY07-08 is \$33,860 – 25% of the cost is allocated to the Highway User Revenue Fund (HURF). The audit will be conducted in September, 2007, with a report to the Council in mid-October.

### **Legal Fees** **\$369,500**

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 (90% General Fund)	\$170,000
Town prosecutor	\$110,000
Tax attorney	\$ 85,000
Public defender, unanticipated legal costs, etc.	\$ 4,500

### **Community Benefit and Special Programs** **\$411,000**

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 approved for FY07-08 and the amounts are as follows:

Youth Services	\$100,000
Social Services	\$ 36,000
Youth Arts	\$125,000
Tourism	\$150,000

**Supplies and Services**

**\$364,550**

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**

**\$17,500**

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, ordinances, etc.	\$ 4,000
Employment ads	\$ 500
Recognition and service awards:	\$ 5,500
Business appreciation events	\$ 5,000
Miscellaneous promotional items, notices	\$ 2,500

**Liability Insurance**

**\$323,650**

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.

**Postage**

**\$14,000**

Postage includes all costs for metered mail and miscellaneous delivery and shipping costs incurred.

**Bank Service Charges**

**\$9,400**

These costs are related to the Town’s banking, merchant services (acceptance of credit cards) and procurement card accounts.

**OPERATIONAL & COMMUNITY SUPPORT**

	<b>FY 2004-2005 Actual</b>	<b>FY 2005-2006 Actual</b>	<b>FY 2006-2007 Budget</b>	<b>FY 2006-2007 Estimate</b>	<b>FY 2007-2008 Proposed</b>
<b>CONTRACT SERVICES</b>					
Accounting Fees	\$14,962	\$21,868	\$15,400	\$13,400	\$27,300
Legal Fees	\$358,202	\$405,573	\$347,000	\$347,000	\$369,500
Youth Services	\$145,000	\$160,000	\$100,000	\$100,000	\$100,000
Social Services	\$40,000	\$50,000	\$50,000	\$50,000	\$36,000
Tourism	\$75,500	\$125,000	\$125,000	\$125,000	\$150,000
Youth Arts	\$0	\$0	\$50,000	\$50,000	\$125,000
Sales Tax Rebates	\$388,125	\$183,339	\$400,000	\$400,000	\$0
<b>TOTAL</b>	<b>\$1,021,789</b>	<b>\$945,780</b>	<b>\$1,087,400</b>	<b>\$1,085,400</b>	<b>\$807,800</b>
<b>REPAIRS &amp; MAINTENANCE:</b>					
Building Repairs & Maintenance	\$43,089	\$67,177	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$43,089</b>	<b>\$67,177</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>SUPPLIES &amp; SERVICES:</b>					
Advertising/Signage	\$8,340	\$9,173	\$13,950	\$10,000	\$17,500
Electricity Expense	\$127,991	\$138,482	\$0	\$0	\$0
Liability Insurance	\$270,721	\$263,182	\$340,050	\$340,050	\$323,650
Postage	\$18,491	\$23,422	\$27,340	\$16,000	\$14,000
Rent Expense	\$215,600	\$18,539	\$0	\$904,000	\$0
Water/Sewer	\$19,396	\$13,113	\$0	\$0	\$0
Bank Charges	\$2,592	\$8,356	\$6,992	\$6,992	\$9,400
<b>TOTAL</b>	<b>\$663,131</b>	<b>\$474,267</b>	<b>\$388,332</b>	<b>\$1,277,042</b>	<b>\$364,550</b>
<b>CAPITAL EXPENDITURES</b>					
Capital Outlay - Improvements	\$0	\$0	\$0	\$0	\$0
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL EXPENDITURES</b>	<b>\$1,728,009</b>	<b>\$1,487,223</b>	<b>\$1,475,732</b>	<b>\$2,362,442</b>	<b>\$1,172,350</b>



# Town of Fountain Hills Budget Summary by Program

**01 - General Fund**

**050 - General and Administrative Department**

**101 - Information Technology Program**

**Total Budgeted Expenditures -**

**\$645,480**





## 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.
- 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>FY07 Actual</u>	<u>FY08 Estimates</u>
Help desk requests resolved at time of call	33%	66%
Documented Service Requests	1360	1300
Average Time to Resolve	11 hours	4 hours

### Fiscal Year 2006-2007 Accomplishments

- Upgraded Town software to newer version of Microsoft Office
- Increased network reliability and minimized downtime by implementing server replacement and upgrade schedules.
- Improve Code Enforcement effectiveness and efficiency by installing laptops with mobile data service in vehicles.

### Fiscal Year 2007-2008 Objectives

- Replace outdated workstations with latest computer equipment to improve staff efficiency and minimize downtime.
- Resolve network problems within one day
- 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.

#### Summary Expenditures - I/T

	FY 2003-2004 Actual	FY 2004-2005 Actual	FY 2005-2006 Actual	FY 2006-2007 Budget	FY 2006-2007 Estimate	FY 2007-2008 Budget
SALARIES & BENEFITS	\$0	\$0	\$0	\$0	\$0	\$64,072
CONTRACTUAL SERVICES	\$0	\$10,788	\$30,789	\$87,100	\$52,000	\$49,250
REPAIRS & MAINTENANCE	\$0	\$70,841	\$96,878	\$68,100	\$55,500	\$68,200
SUPPLIES & SERVICES	\$0	\$67,022	\$60,870	\$106,833	\$90,083	\$93,458
CAPITAL EXPENDITURES	\$0	\$17,705	\$141,668	\$172,100	\$160,100	\$370,500
TOTAL EXPENDITURES	\$0	\$166,356	\$330,206	\$434,133	\$357,683	\$645,480

**Salaries and Benefits****\$64,072**

The I/T division currently has one Information Technology Coordinator position that, in prior years, was included within the Administration salaries and benefits budget. There are no new positions in Information Technology in the upcoming fiscal year.

**Contract Services****\$49,250**

An amount of \$31,250 is included in this budget for the services of a professional website designer and content management system that will enhance the appearance and functionality of the Town's website. The Town's Public Information Group, made up of representatives from each department, will work with the vendors and provide input as to what features the website will have. An additional \$15,000 is included for outside consulting services to do an analysis of the Town's current and future software requirements. The purpose of the analysis is to determine future software needs and ensure that all software purchases are consistent with an IT strategic plan that ensures compatibility with existing hardware and software.

**Repairs and Maintenance****\$68,200**

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:

Computer repairs, maintenance contracts for hardware and software support	\$25,000
Support for servers (12) (RAID arrays)	\$6,500
Scheduled server replacement (2 servers)	\$7,000
Virus protection maintenance (83 users)	\$3,500
Channel 11 equipment upgrade	\$2,500
Software support for program registration and facility booking program	\$15,000
Fleet vehicle maintenance software support	\$1,500
Intersection software upgrade	\$ 1,200
AutoCAD Upgrade, Maintenance	\$3,500
Annual Support and Upgrades	\$2,500

**Supplies and Services****\$93,458**

The I/T division is responsible for all costs associated with telecommunications, networking, and telephone service. The monthly line charges through Qwest, Muzak, Nextel, Verizon and others comprise the majority of this category at approximately \$34,700. Under communications line item the Town pays a monthly service to Cox for the Internet connection at an annual amount of \$8,500 for Town Hall and \$6,700 for the fire stations, street department and the web streaming server. Additionally, \$5,400 is included for the annual subscription cost for the code enforcement software.

## Capital Expenditures

**\$ 370,500**

Proposed in the FY07-08 budget is the following new equipment and computers:

### **Capital equipment and computers:**

Scheduled replacement of 19 workstation computers	\$31,200
ArcMail Defender for email archiving	\$ 5,000
CD/DVD Printer	<u>\$ 2,500</u>
Total equipment and computers	\$38,700

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.

### **Capital Outlay – Software:**

eCivis grant software	\$ 12,600
Citizen Alert constituent request tracking	\$ 78,200
Accounting Software (rebudgeted)	\$100,000
GIS training, upgrades and imagery	<u>\$ 16,000</u>
Total software	\$206,800

e-Civis – E-Civis is a grant tracking system that local governments can use to identify funding opportunities with other public agencies and community-based organizations to secure mutually-beneficial grants.

Citizen Alert – Citizen Alert is a software package that offers:

- An outbound alert notification system that can be used to alert citizens during minor emergencies (e.g, a road closure due to an accident) or large-scale emergencies (e.g, the recent Virginia Tech tragedy). The system will also provide proactive notifications to Town residents (e.g., press releases, notices or Town updates on activities and events). Citizens, homeowner associations, or businesses may register to be included on the alert notification system and may choose the *type of information* they want, *when* they want to receive it, and *how* they want it delivered. The system is capable of sending coordinated audio and text messages to telephones, cell phones, email, email pagers, TDD/TTY and fax machines, websites and personal digital assistants (PDAs).
- A request tracking component that allows citizens to track the progress of any service request they have made via phone or the website. The system reduces misrouted calls or misdirected services requests and offers a reliable method to follow-up on service requests.
- Another component is a 311 information system. When a citizen calls with a question, the team member taking the call can enter a key word into the system and immediately pull up clear information pertinent to the subject, thus giving residents consistent answers. A 311 directory would be published and made available to Town residents who wish to dial-in directly into an information hotline to obtain the information they desire. The 311 information would also be available on the Town website with the same answers that are available from staff.

Municipal Accounting Software - Funds are also being requested for the purchase of new municipal accounting software. This was included in the prior year budget, however, an analysis of the complete Town software and hardware requirements should be done prior to purchasing the financial package that must integrate with all the other software programs.

**Capital Outlay – Communications Equipment:**

Voice Over Internet Protocol (VOIP) Telephone System	\$ 85,000
Toastmaster Video Production System	<u>\$ 40,000</u>
Total communications equipment	\$125,000

New Phone System - Our existing phone switch has been in operation for approximately 8 years. The system is outdated technology and no longer supported by the manufacturer. Replacement parts are also no longer available, so when parts (phones, interface cards, etc) are purchased we are buying someone's used parts. While we have not had issues finding used parts in the past, parts are being increasingly difficult to find and limited in quantity.

VOIP – VOIP is Voice Over Internet Protocol, and utilizes existing LAN (Local Area Network, i.e. network infrastructure) for cabling and communication. Unified messaging (allowing for email to be read over the phone, access to voicemail via Microsoft Outlook) as well as less system administration, ease of use and upkeep. These are just some of the many enhancements that a VOIP phone system would bring to the Town. We expect that there may even be more depending on the system selected.

ToastMaster Video System - Currently the Town contracts with Pro One Media for video production services for Town Council meetings. Information Technology will purchase and install a robotic camera system for the Council Chambers. This project will increase the professional appearance of our council meeting videos and allow us to broadcast live to Fountain Hills residents via Channel 11. The system could also be used for other Commission or Board meetings. Staff visited with the Town of Payson Information Technology Department to demo a system very similar to what would be installed at our location. The system can be operated by one person.

Pro One Media would still be used for "special projects" like the Our Town Series. Our contract with Pro One Media runs approximately \$11,000 annually, this proposed system would pay for itself in less than 4 years.

**INFORMATION TECHNOLOGY**

	<b>FY 2004-2005</b>	<b>FY 2005-2006</b>	<b>FY 2006-2007</b>	<b>FY 2006-2007</b>	<b>FY 2007-2008</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Estimate</b>	<b>Proposed</b>
<b>SALARIES &amp; BENEFITS:</b>					
Overtime	\$0	\$0	\$0	\$0	\$0
Wages and Salaries	\$0	\$0	\$0	\$0	\$50,902
Employer FICA Expense	\$0	\$0	\$0	\$0	\$740
Unemployment Insurance Expense	\$0	\$0	\$0	\$0	\$70
Employee's Health Insurance	\$0	\$0	\$0	\$0	\$5,628
Employee's Life Insurance	\$0	\$0	\$0	\$0	\$168
Employee's Dental Insurance	\$0	\$0	\$0	\$0	\$389
Employee Vision Insurance	\$0	\$0	\$0	\$0	\$65
Worker Compensation Insurance	\$0	\$0	\$0	\$0	\$257
Employee's Retirement Expense	\$0	\$0	\$0	\$0	\$5,598
Disability Insurance	\$0	\$0	\$0	\$0	\$255
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$64,072</b>
<b>CONTRACT SERVICES</b>					
Professional/Outside Services	\$0	\$5,865	\$4,800	\$2,000	\$49,250
Constituent Communications	\$10,788	\$24,924	\$82,300	\$50,000	\$0
<b>TOTAL</b>	<b>\$10,788</b>	<b>\$30,789</b>	<b>\$87,100</b>	<b>\$52,000</b>	<b>\$49,250</b>
<b>REPAIRS &amp; MAINTENANCE:</b>					
Computer Repairs & Maintenance	\$70,841	\$96,878	\$68,100	\$55,500	\$68,200
<b>TOTAL</b>	<b>\$70,841</b>	<b>\$96,878</b>	<b>\$68,100</b>	<b>\$55,500</b>	<b>\$68,200</b>
<b>SUPPLIES &amp; SERVICES:</b>					
Conferences	\$0	\$265	\$4,400	\$1,000	\$0
Continuing Education	\$3,339	\$0	\$3,000	\$2,500	\$3,600
Dues & Publications	\$15,535	\$6,892	\$13,200	\$13,200	\$14,340
Office Supplies	\$1,123	\$3,889	\$2,250	\$2,400	\$6,000
Printing	\$0	\$0	\$15,000	\$0	\$0
Communications Expense	\$47,025	\$49,824	\$68,983	\$70,983	\$69,518
<b>TOTAL</b>	<b>\$67,022</b>	<b>\$60,870</b>	<b>\$106,833</b>	<b>\$90,083</b>	<b>\$93,458</b>
<b>CAPITAL EXPENDITURES</b>					
Capital Outlay - Equipment		\$69,257	\$3,000	\$3,000	\$0
Capital Outlay - Computers	\$0	\$56,147	\$22,100	\$22,100	\$38,700
Capital Outlay - Software	\$9,367	\$16,265	\$135,000	\$135,000	\$206,800
Capital Outlay - Communications	\$8,338	\$0	\$12,000	\$0	\$125,000
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>\$17,705</b>	<b>\$141,668</b>	<b>\$172,100</b>	<b>\$160,100</b>	<b>\$370,500</b>
<b>TOTAL EXPENDITURES</b>	<b>\$166,356</b>	<b>\$330,206</b>	<b>\$434,133</b>	<b>\$357,683</b>	<b>\$645,480</b>

# Town of Fountain Hills Budget Summary by Program

**01 - General Fund**

**050 - General and Administrative Department**

**108 - Public Information Division**

**Total Budgeted Expenditures - \$223,341**





## **Public Information Division**

### **Mission Statement**

The Public Information Division is a new division in the Town that began in the last quarter of FY2006/2007. The mission of the Public Information Division is to work in partnership with Town staff, to facilitate external communication with the media and residents on Town Services, Town accomplishments. The division will also improve internal communication between staff and Mayor and Council. It will have the resources to enable and encourage staff to effectively use information dissemination to communicate Town-wide missions and strategic goals. The division also endeavors to sustain the public trust through open and responsive government.

### **Division Description**

The Public Information Division functions are incorporated within the Administration Department but the appropriation is shown separately to highlight the total investment in communication. Responsibilities include all aspects of communication: media relations, Town website content, resident communications such as the Compass, Channel 11 programming, employee and Council communications, presentations to other organizations, maintenance of the Town brand and Intergovernmental relations.

### **Performance Standards**

- Coordinate and streamline the internal and external communication process.
- Coordinate media placements and publication distribution.
- Act as in-house communications consultant for Town departments to aid in creation and dissemination of information.
- Provide education opportunities for the community to learn about the municipal government and the services provided to the community.
- Improve the efficiency, accuracy and expediency of information delivery internally and externally.
- Coordinate efforts with other municipalities, agencies and the legislature to ensure the Town's key messages are communicated.
- Advocate a consistent Town identity through coordinated name, logotypes, language, images, seal and other graphics.
- Produce three videos.

### **Fiscal Year 2006/2007 Accomplishments**

- Creation and implementation of a consistent Town brand.
- Creation and implementation of a Town communications plan.
- Built relationships with other municipalities, agencies and the legislature.
- Implementation of a Low Water Landscape Education campaign.

## Fiscal Year 2007-2008 Objectives

- Assist in the redesign of the Town's website with new look, easy navigation, and E-Government applications, including online payments.
- Coordinate the Town communications system into a centralized communications system rather than a decentralized department system
- Assist and coordinate communication efforts between the public, Council and staff.
- Enhance communications with Councilmembers and improve internal staff communications by providing weekly updates
- Demonstrate the value of the Town to local and statewide civic and service organizations
- Oversight of the Town's communication plan
- Respond to media inquiries within 24 hours
- Offer three Town stories a month to the media

	FY 2003-2004 Actual	FY 2004-2005 Actual	FY 2005-2006 Actual	FY 2006-2007 Budget	FY 2006-2007 Estimate	FY 2007-2008 Budget
SALARIES & BENEFITS	\$0	\$0	\$0	\$0	\$0	\$68,211
CONTRACTUAL SERVICES	\$0	\$0	\$0	\$0	\$0	\$125,245
REPAIRS & MAINTENANCE	\$0	\$0	\$0	\$0	\$0	\$0
SUPPLIES & SERVICES	\$0	\$0	\$0	\$0	\$0	\$29,885
CAPITAL EXPENDITURES	\$0	\$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>\$223,341</b>

### Contract Services

**\$125,245**

The budget includes several professional services including \$3,000 to begin a photographic inventory of the Town, \$5,000 for new Town communication materials, such as brochures and newsletters, and \$9,500 to continue the Low-Water Landscape education and communications plan. In addition \$45,000 has been budgeted for a communications plan on the strategic initiative to resolve the revenue shortfall.

This budget includes maintenance of the existing constituent communications as well as creation of new communication mediums. \$10,500 has been budgeted to produce three video programs and tape two Town events to increase Channel 11 programming. The Compass newsletter will continue to be distributed to households six times per year at a cost of approximately \$27,000. New communications include \$1,600 for a Town Hall Open House, \$1,200 for monthly community information meetings, and \$7,000 to hold two community events on the Avenue of the Fountains. These events will encourage residents and visitors to come downtown. Also included in this budget are intergovernmental relations events. \$6,000 was budgeted for joint elected official and management meetings with Carefree, Fort McDowell Yavapai Nation, Scottsdale and the Fountain Hills Unified School District. \$2,000 was budgeted for two events with the Legislature, one during Cities and Towns week in October and another during the 2008 Legislative session.

**Supplies and Services**

**\$29,885**

Advertising and Memberships – This is a new line item which focuses on increasing exposure and communication on Fountain Hills. \$3,000 has been budgeted to place ads in Phoenix Magazine’s ‘Best Places to Live’ issue and in Arizona Business Magazine’s Economic Development issue. This budget area allows the Town to hold memberships and participate in regional and national public information organizations including the National Information Officers Association (NIOA), the Public Relations Society of America (PRSA) and the City/County Communication and Marketing Association (CCMA). Other costs are:

AZ Business Magazine, Valley Forward and GPEC	\$ 3,000
Event sponsorship	\$ 1,000
Conferences NIOA and PRSA	\$ 4,365
Continuing education seminars	\$ 3,120
Professional dues and publications	\$ 3,900
Postage for Compass	\$10,500
Office Supplies	\$ 1,900
Printing for Waterwise campaign	<u>\$ 2,100</u>
Total	\$29,885

**PUBLIC INFORMATION**

	<b>FY 2004-2005 Actual</b>	<b>FY 2005-2006 Actual</b>	<b>FY 2006-2007 Budget</b>	<b>FY 2006-2007 Estimate</b>	<b>FY 2007-2008 Proposed</b>
<b>SALARIES &amp; BENEFITS:</b>					
Overtime	\$0	\$0	\$0	\$0	\$0
Wages and Salaries	\$0	\$0	\$0	\$0	\$54,716
Employer FICA Expense	\$0	\$0	\$0	\$0	\$800
Unemployment Insurance Expense	\$0	\$0	\$0	\$0	\$70
Employee's Health Insurance	\$0	\$0	\$0	\$0	\$5,628
Employee's Life Insurance	\$0	\$0	\$0	\$0	\$181
Employee's Dental Insurance	\$0	\$0	\$0	\$0	\$389
Employee Vision Insurance	\$0	\$0	\$0	\$0	\$65
Worker Compensation Insurance	\$0	\$0	\$0	\$0	\$69
Employee's Retirement Expense	\$0	\$0	\$0	\$0	\$6,019
Disability Insurance	\$0	\$0	\$0	\$0	\$275
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$68,211</b>
<b>CONTRACT SERVICES</b>					
Professional/Outside Services	\$0	\$0	\$0	\$0	\$67,545
Constituent Communications	\$0	\$0	\$0	\$0	\$57,700
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$125,245</b>
<b>REPAIRS &amp; MAINTENANCE:</b>					
Equipment Repairs & Maintenance	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>SUPPLIES &amp; SERVICES:</b>					
Advertising	\$0	\$0	\$0	\$0	\$4,000
Conferences	\$0	\$0	\$0	\$0	\$4,365
Continuing Education	\$0	\$0	\$0	\$0	\$3,120
Dues & Publications	\$0	\$0	\$0	\$0	\$3,900
Office Supplies	\$0	\$0	\$0	\$0	\$1,900
Postage	\$0	\$0	\$0	\$0	\$10,500
Printing	\$0	\$0	\$0	\$0	\$2,100
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$29,885</b>
<b>CAPITAL EXPENDITURES</b>					
Capital Outlay - Equipment	\$0	\$0	\$0	\$0	\$0
Capital Outlay - Communications	\$0	\$0	\$0	\$0	\$0
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$223,341</b>

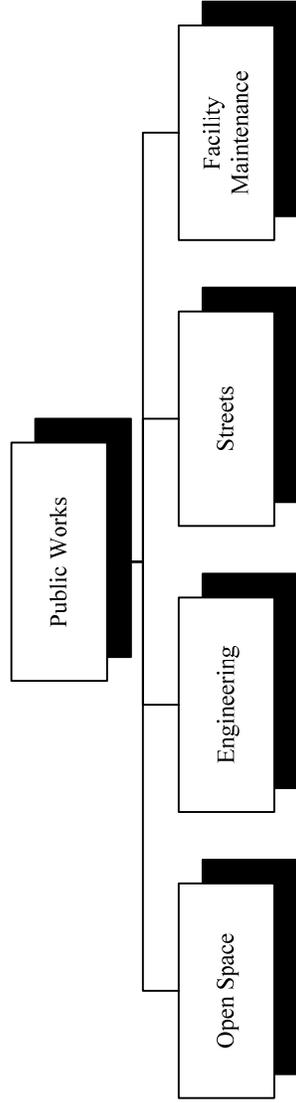
# Town of Fountain Hills Budget Summary by Program

**01 - General Fund**

**061 - Public Works Department**

**Total Budgeted Expenditures - \$2,100,965**





# 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, 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 Arizona Dept of Water Resources (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 Department 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 Engineering 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.

<b>Management Indicators:</b>	2005-06 <u>Actual</u>	2006-07 <u>Estimates</u>	2007-08 <u>Projected</u>
<u>Development Plan review time (1<sup>st</sup> submittal) goal</u>			
• Utility: 5 working days	90%	90%	90%
• Easement abandonments: 35 working days (including Council action)	80%	80%	80%

	2005-06 <u>Estimates</u>	2006-76 <u>Estimates</u>	2007-08 <u>Projected</u>
Town owned maintained property	1529 acres	1529 acres	1529 acres
*Wash management program	63.3acres	64.8 acres	63.14 acres

\*Acres can vary depending on density of vegetation

### **Fiscal Year 2006-2007 Accomplishments:**

- Submitted the Stormwater Management Plan to the Arizona Dept of Environmental Quality (ADEQ) and the Environmental Protection Agency (EPA) for municipal stormwater discharges. Best Management Practices (BMPs) accomplished are:
  - (1) Public Education and Outreach – Education materials, link on web page and material to high school students.
  - (2) Public Involvement and Participation – Adopt-a-Street program and hand-out material at local meetings and fairs.
  - (3) Illicit Discharge Detection and Elimination – Reviewed existing Town ordinances and storm drain labeling program complete.
  - (4) Construction Site Runoff Control – Inspected construction sites and reviewed all site plans for stormwater requirements.
  - (5) Post-Construction Runoff Control – Reviewed post-construction ordinances and reviewed wash management program for stormwater issues.
  - (6) Pollution Prevention/Good Housekeeping – Reviewed Town vehicle maintenance programs and inspected Town owned vehicles; modified street sweeping programs and determined miles of streets swept and frequency of sweeping; trained Town staff on proper stormwater maintenance and illicit discharge disposal programs; reviewed chemical applications by Town staff and program for proper handling; reviewed methods for storm drain maintenance and operation and determined miles of system to be maintained.
- 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 2007-2008 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). Best Management Practices (BMPs) to be accomplished by December 2007 are:
  - (1) Public Education and Outreach – Present material to the Middle and Elementary Schools, develop direct mail flyers for proper discharge of swimming pool water and develop a program to educate restaurants, garages and golf courses.
  - (2) Illicit Discharge Detection and Elimination – Modify Town ordinances to prohibit illicit discharges; develop process to monitor dry weather screening of outfalls; document phone calls and citizen complaints regarding illicit discharges; revise ordinances regarding pool water discharge to the stormwater system.
  - (3) Construction Site Runoff Control – Develop erosion/sedimentation control ordinance and enforcement program and revise site plan requirements and ordinances.
  - (4) Post-Construction Runoff Control – Revise construction standard for site inspections and record site inspection problems encountered and resolution; revise post-construction ordinances; evaluate and revise education program for developers/engineers/general public and contractors.
  - (5) Pollution Prevention/Good Housekeeping – Revise street sweeper back washing facilities.
- Complete annual Stormwater Management Plan update and submit to ADEQ.
- 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 pedestrian safety study in connection with the Strategic Plan goal.
- Research the establishment of a stormwater utility.
- Design Shea Boulevard climbing lane
- Design Shea Boulevard third lane from Saguardo Boulevard to Technology Drive lane

**Summary Expenditures - Public Works**

	FY 2003-2004 Actual	FY 2004-2005 Actual	FY 2005-2006 Actual	FY 2006-2007 Budget	FY 2006-2007 Estimate	FY 2007-2008 Budget
SALARIES & BENEFITS	\$558,794	\$664,509	\$529,540	\$653,560	\$644,944	\$677,980
CONTRACTUAL SERVICES	\$41,787	\$37,723	\$27,726	\$162,562	\$167,370	\$802,465
REPAIRS & MAINTENANCE	\$263,052	\$282,336	\$411,726	\$474,965	\$473,865	\$494,390
SUPPLIES & SERVICES	\$68,789	\$79,738	\$68,527	\$89,320	\$82,705	\$93,130
CAPITAL EXPENDITURES	\$0	\$0	\$29,275	\$33,000	\$33,000	\$33,000
<b>TOTAL EXPENDITURES</b>	<b>\$932,422</b>	<b>\$1,064,306</b>	<b>\$1,066,794</b>	<b>\$1,413,407</b>	<b>\$1,401,884</b>	<b>\$2,100,965</b>

## Authorized Personnel

Position – Title	2002-2003 Authorized FTE	2003-2004 Authorized FTE	2004-2005 Authorized FTE	2005-2006 Authorized FTE	2006-2007 Authorized FTE	2007-2008 Proposed FTE
Public Works Director	1.00	1.00	1.00	1.00	1.00	1.00
Town Engineer	1.00	1.00	1.00	1.00	1.00	1.00
Senior Civil Engineer	1.00	1.00	1.00	0.00	0.00	0.00
Civil Engineer	1.00	1.00	1.00	2.00	2.00	2.00
Senior Civil Engineer Inspector	0.00	0.00	1.00	1.00	1.00	0.00
Facilities Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Civil Engineer Inspector	2.00	1.00	1.00	1.00	1.00	2.00
Open Space & Landscape Spec.	1.00	1.00	1.00	1.00	1.00	1.00
Executive Assistant	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	0.00	0.00	0.00	0.00	0.00
Facilities Maintenance Tech	0.00	0.00	1.00	1.00	1.00	1.00
Maintenance/Custodial Worker	1.00	1.00	0.50	0.50	0.50	0.50
Custodian	2.00	1.50	1.00	1.00	1.00	1.00
Authorized FTE	13.00	10.50	11.50	11.50	11.50	11.50

## Salaries and Benefits

**\$677,980**

There are currently 8 full-time positions in the Public Works Department and 3.5 from the Facilities Division with no increase in personnel proposed.

## Contract Services

**\$802,465**

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.

Four Federal-aid grant projects for design this upcoming year - they consist of:

- Phase II of the Shea Blvd. Climbing Lane (\$372,345)
- Establishment of a Stormwater Utility (\$30,000)
- Shea Blvd. From Saguaro to Technology (\$210,000)
- Sidewalks from Fayette to the Middle School (\$90,000)

Other anticipated projects for FY 07-08 are:

- Surveying Services for traffic related issues (\$5,000)
- Contribution to floodplain management, appraisals and mylar scanning (\$3,500)
- Design a sidewalk to Four Peaks School (\$5,865)
- Survey and right-of-way location for design of alley paving (Colony to Panorama) (\$17,560)
- County Refuse Collection Permit (\$2,100)
- Saguaro/Avenue of the Fountains Analysis (\$24,000)
- Contribution to Fort McDowell for Usury Pass study (\$37,500)

**Repairs and Maintenance:****\$494,390****Vehicle Repairs and Maintenance (\$3,000)**

The division has six assigned vehicles; one for the department director, one for the open space and landscape specialist, two for Engineering Inspectors and also pool vehicles for all Town staff.

**Median Landscape Maintenance (\$326,800)**

This line item was increased last year due to an increase in median maintenance. Staff confirms that two full-time crews are necessary to maintain our medians and town-owned property.

The request for median landscape maintenance covers:

- Mowing, aeration, fertilizer and application, scalp, vacuum, dispose of clippings, mulch, overseed (\$19,317)
- Landscape maintenance-4048 hours, spraying pre-emergent (surflan) and post-emergent (roundup) twice a year, Irrigation technician (\$265,770)
- Irrigation repair parts \$3,600
- Palm tree trimming (\$14,006)
- Tree trimming-76 trees (\$4,180)
- Annual backflow assembly inspection and repairs (required by law) (\$2,350)
- Fountain maintenance/supplies - this work is done in-house and includes chlorine, algaecide, shock treatment, pump/motor maintenance and cleaning bronze statues (\$8,340)

**Dam/Wash Maintenance (\$164,590):**

The item includes fire hazard, drainage control, trash and dumping removal in the wash and preservation areas. Total open space, including washes and dams is 1442 acres. The majority of this budgeted expenditure is for wash cleanup (see map behind this section – 63 acres for urgent fire hazard removal areas during next fall, winter and spring.

The request for dam and wash maintenance also includes:

- Bridge inspections performed by the Arizona Dept of Transportation (ADOT) on box culverts and Corrugated Metal Pipes and the removal of sediment and vegetation (\$3,000)
- Dam inspections by ADWR and the required cleanup and maintenance (\$8,569)
- Wash maintenance: To minimize any drainage problems and maximize fire protection, we propose to work in 8 washes. Total area is 63.14 acres. (\$137,621)
- 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. (\$13,600)
- Re-vegetation of native plant material (seed) is applied - done in-house. (\$1,800)

**Supplies and Services****\$93,130**

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. Major expenditures are electricity for water features at \$14,000 and water usage estimated at \$46,500.

**Capital Outlay****\$33,000**

The Town's fleet practice is that vehicles with 100,000 miles or 10 years of age be replaced. The department's 1996 Jeep vehicle will be replaced with a Ford Escape Hybrid.

**PUBLIC WORKS**

	<b>FY 2004-2005</b>	<b>FY 2005-2006</b>	<b>FY 2006-2007</b>	<b>FY 2006-2007</b>	<b>FY 2007-2008</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Estimate</b>	<b>Proposed</b>
<b>SALARIES &amp; BENEFITS:</b>					
Overtime	\$0	\$6,092	\$4,581	\$4,581	\$4,750
Wages	\$518,469	\$408,559	\$501,619	\$492,656	\$517,950
FICA	\$7,184	\$5,823	\$7,380	\$6,924	\$7,640
Unemployment Insurance	\$743	\$510	\$480	\$745	\$560
Employee's Health Insurance	\$56,509	\$44,029	\$59,430	\$63,033	\$65,560
Employee's Life Insurance	\$1,537	\$1,318	\$2,070	\$1,599	\$1,640
Employee's Dental Insurance	\$6,533	\$4,320	\$5,450	\$5,048	\$4,800
Employee's Eye Insurance	\$0	\$553	\$760	\$775	\$750
Worker's Compensation Insurance	\$7,434	\$10,757	\$13,600	\$12,271	\$14,210
Employee's Retirement Fund	\$56,987	\$45,550	\$55,680	\$54,519	\$57,500
Recruitment Costs	\$6,584	\$0	\$0	\$0	\$0
Disability Insurance	\$2,529	\$2,029	\$2,510	\$2,793	\$2,620
<b>TOTAL</b>	<b>\$664,509</b>	<b>\$529,540</b>	<b>\$653,560</b>	<b>\$644,944</b>	<b>\$677,980</b>
<b>CONTRACT SERVICES</b>					
Contractual Services	\$0	\$500	\$1,000	\$1,000	\$17,500
Engineering Fees	\$37,723	\$27,226	\$161,562	\$166,370	\$784,965
<b>TOTAL</b>	<b>\$37,723</b>	<b>\$27,726</b>	<b>\$162,562</b>	<b>\$167,370</b>	<b>\$802,465</b>
<b>REPAIRS &amp; MAINTENANCE:</b>					
Vehicle Repair & Maint.	\$3,958	\$3,545	\$3,600	\$2,500	\$3,000
Office Equipment Repairs	\$365	\$0	\$0	\$0	\$0
Mowing/Landscape Maintenance	\$174,116	\$266,750	\$312,743	\$312,743	\$326,800
Wash Maintenance	\$103,897	\$141,431	\$158,622	\$158,622	\$164,590
<b>TOTAL</b>	<b>\$282,336</b>	<b>\$411,726</b>	<b>\$474,965</b>	<b>\$473,865</b>	<b>\$494,390</b>
<b>SUPPLIES &amp; SERVICES:</b>					
Advertising	\$606	\$1,378	\$650	\$400	\$500
Conferences	\$400	\$1,833	\$1,950	\$5,260	\$6,400
Education/Training	\$1,300	\$195	\$1,000	\$600	\$1,000
Dues & Publications	\$2,236	\$1,394	\$2,545	\$2,545	\$2,640
Electricity	\$19,366	\$2,944	\$12,420	\$12,420	\$14,000
Gas & Oil	\$6,759	\$7,603	\$8,520	\$7,100	\$7,100
Office Supplies	\$5,099	\$2,389	\$3,000	\$3,000	\$3,000
Tools, Shop Supplies	\$578	\$1,155	\$550	\$1,400	\$500
Printing	\$763	\$1,681	\$1,000	\$250	\$5,665
Communications Expense	\$2,359	\$2,958	\$3,360	\$3,600	\$3,600
Water/Sewer	\$38,472	\$43,680	\$52,000	\$45,000	\$46,500
Travel	\$496	\$711	\$500	\$730	\$1,000
Uniforms	\$1,269	\$605	\$1,825	\$400	\$1,225
Bank Charges	\$35	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$79,738</b>	<b>\$68,527</b>	<b>\$89,320</b>	<b>\$82,705</b>	<b>\$93,130</b>
<b>CAPITAL EXPENDITURES</b>					
Capital Outlay - Vehicles	\$0	\$29,275	\$33,000	\$33,000	\$33,000
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>\$0</b>	<b>\$29,275</b>	<b>\$33,000</b>	<b>\$33,000</b>	<b>\$33,000</b>
<b>TOTAL EXPENDITURES</b>	<b>\$1,064,306</b>	<b>\$1,066,794</b>	<b>\$1,413,407</b>	<b>\$1,401,884</b>	<b>\$2,100,965</b>

# Town of Fountain Hills Budget Summary by Program

**01 - General Fund**

**061 - Public Works Department**

**110 - Facilities Maintenance Program**

**Total Budgeted Expenditures - \$678,490**





## Facilities Maintenance Division

### Salaries and Benefits

**\$173,132**

There are currently 3.5 employees within the Facilities Division with no request for additional staff at this time.

### Repairs and Maintenance

**\$79,750**

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 estimates. Following is a breakdown of the costs:

- Vehicle repairs and maintenance \$ 1,250
- HVAC service agreements, fire sprinkler/backflow testing 10,500
- Building maintenance supplies 15,000
- Maintenance and repair of 11 town owned facilities 25,000
- HVAC chillers (annuals) 5,000
- Art installation and relocation 8,000
- Holiday lighting on Civic Center buildings 15,000

### Supplies and Services

**\$141,615**

There are seven line items within this category: advertising, continuing education, electricity, gas and oil, office supplies, communications, water/sewer and facilities staff uniforms. Major items for Town-owned buildings are as follows:

- Electricity (based on 7 month average) \$122,000
- Water/sewer (Town Hall, Kiwanis, Library/Museum) 14,000

### Capital Outlay

**\$283,993**

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

- Replace fabric/ties for existing canopy covers \$ 50,000
- Repaint library/museum and community center and Recoat steel awning supports 95,584
- Resurface pavement to the rear of Fire Station #1 4,333
- Aggregate for vacant town lot south of library 11,000
- Town official information posting board ramada 8,000
- Finish shell space/work shop Town Hall Room 109 15,000
- Water feature for Town Hall entrance \$100,000

**FACILITIES MAINTENANCE**

	<b>FY 2004-2005 Actual</b>	<b>FY 2005-2006 Actual</b>	<b>FY 2006-2007 Budget</b>	<b>FY 2006-2007 Estimate</b>	<b>FY 2007-2008 Proposed</b>
<b>SALARIES &amp; BENEFITS:</b>					
Overtime	\$0	\$0	\$2,610	\$3,056	\$2,179
Wages and Salaries	\$0	\$0	\$146,090	\$145,280	\$144,228
Employer FICA Expense	\$0	\$0	\$4,080	\$5,406	\$4,680
Unemployment Insurance Expense	\$0	\$0	\$300	\$335	\$350
Employee's Health Insurance	\$0	\$0	\$0	\$57	\$0
Employee's Life Insurance	\$0	\$0	\$400	\$294	\$317
Employee's Dental Insurance	\$0	\$0	\$1,470	\$1,384	\$1,208
Employee Vision Insurance	\$0	\$0	\$190	\$100	\$181
Worker Compensation Insurance	\$0	\$0	\$8,350	\$7,387	\$8,171
Employee's Retirement Expense	\$0	\$0	\$11,080	\$10,296	\$11,335
Disability Insurance	\$0	\$0	\$460	\$505	\$482
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$175,030</b>	<b>\$174,100</b>	<b>\$173,132</b>
<b>REPAIRS &amp; MAINTENANCE:</b>					
Vehicle Maintenance	\$0	\$0	\$1,250	\$1,250	\$1,250
Building Repairs & Maintenance	\$0	\$0	\$65,650	\$64,209	\$78,500
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$66,900</b>	<b>\$65,459</b>	<b>\$79,750</b>
<b>SUPPLIES &amp; SERVICES:</b>					
Advertising/Signage	\$0	\$0	\$0	\$57	\$60
Continuing Education	\$0	\$0	\$0	\$195	\$990
Electricity Expense	\$0	\$0	\$128,300	\$118,400	\$122,000
Gas & Oil Expense	\$0	\$0	\$1,545	\$1,392	\$1,400
Office Supplies	\$0	\$0	\$0	\$100	\$100
Communications	\$0	\$0	\$0	\$1,665	\$1,665
Water/Sewer	\$0	\$0	\$12,962	\$14,000	\$14,000
Uniforms	\$0	\$0	\$1,400	\$1,707	\$1,400
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$144,207</b>	<b>\$137,516</b>	<b>\$141,615</b>
<b>CAPITAL EXPENDITURES</b>					
Capital Outlay - Improvements	\$0	\$0	\$498,700	\$120,548	\$283,993
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$498,700</b>	<b>\$120,548</b>	<b>\$283,993</b>
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$884,837</b>	<b>\$497,623</b>	<b>\$678,490</b>

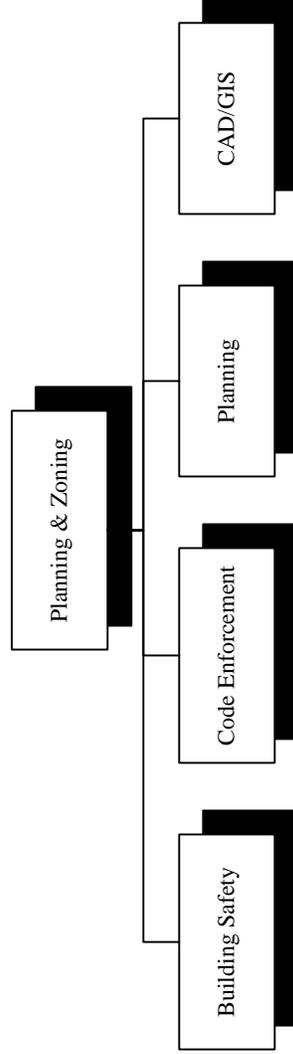
# Town of Fountain Hills Budget Summary by Program

01 - General Fund

080 - Planning and Zoning Department

**Total Budgeted Expenditures - \$892,639**





## Management Indicators

	2005-2006	2006-2007	2007-2008
	Actual	Estimated	Projected
Special Use Permits	12	8	8
Temporary Use Permits	17	16	15
Cut/Fill Waivers	4	0	2
Subdivisions/Condominium Subdivisions	26	40	30
Zoning Text Amendments	12	6	6
General Plan Amendments	1	2	2
Variances	1	0	1
Re-zoning	3	2	2
Concept Plans	17	8	8

## 2006-2007 Accomplishments

In fiscal year 2006-2007, the Planning & Zoning Department accomplished the following:

- Improved compliance with zoning regulations by increasing Variance filing fees (Strategic Plan)
- Use of Special Use Permits in lieu of Variances for many categories in the Zoning Ordinance eliminated by Town Council (Strategic Plan)
- Land Use Analysis and Statistical Report, including inventory of vacant land, to aid in projecting population (Strategic Plan)
- Approval of ordinance dealing with architectural design standards for non-residential development (Strategic Plan)
- Processed applications for the following projects: Fountain Hills Conference Resort and Spa (General Plan amendment, rezoning, special use permit and development agreement), Lion's Spring (rezoning and preliminary plat), Sonoran Hills Office Condominiums (preliminary and final plat), Coyote Corner (special use permit), L'Edifice Professional Office Condominium (preliminary and final plat), Fountain Hills Veterinary Hospital (special use permit), The Retreat at FireRock (concept plan and cut/fill waiver), Pal's Inn (concept plan and special use permit) and Spectrum Behavioral Health Center (special use permit).
- Approval of Saguaro Cactus preservation regulations
- Approval of low water landscape regulations, irrigation methods and plant list
- On pace to investigate and complete 2,432 code violation complaints, a 19 percent increase over cases completed in FY06-07.
- Awarded contract for GIS services.
- Regulation changes to streamline processing and approval of condominium subdivisions
- Planning and Zoning Commission study of mixed use regulations
- Approval of regulations for swim schools in residential zoning districts
- Planning and Zoning Commission agenda information transmitted electronically to members
- Sale of State Trust Land on 3/15/07 enabled by providing information to potential buyers

## 2007-2008 Objectives

- 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.
- Oversee planning of the State Trust Land (Strategic Plan)
- Implement a mediation program to resolve neighborhood disputes.
- Update the Town General Plan
- Update Land Use Analysis and Statistical Report

## Summary Expenditures - Planning & Zoning Department

	FY 2003-2004 Actual	FY 2004-2005 Actual	FY 2005-2006 Actual	FY 2006-2007 Budget	FY 2006-2007 Estimate	FY 2007-2008 Budget
SALARIES & BENEFITS	\$171,458	\$323,364	\$579,288	\$620,560	\$577,639	\$656,240
CONTRACTUAL SERVICES	\$27,950	\$51,312	\$130,634	\$163,100	\$79,560	\$170,900
REPAIRS & MAINTENANCE	\$12	\$656	\$1,647	\$1,000	\$1,062	\$1,700
SUPPLIES & SERVICES	\$13,122	\$20,527	\$34,107	\$34,164	\$31,882	\$34,799
CAPITAL EXPENDITURES	\$0	\$0	\$0	\$0	\$0	\$29,000
<b>TOTAL EXPENDITURES</b>	<b>\$212,542</b>	<b>\$395,859</b>	<b>\$745,675</b>	<b>\$818,824</b>	<b>\$690,143</b>	<b>\$892,639</b>

## Authorized Personnel

Position – Title	2002-2003 Authorized FTE	2003-2004 Authorized FTE	2004-2005 Authorized FTE	2005-2006 Authorized FTE	2006-2007 Authorized FTE	2007-2008 Proposed FTE
Director	1.00	0.00	0.00	0.00	0.00	1.00
P & Z Administrator	0.00	1.00	1.00	1.00	1.00	0.00
Senior Planner	2.00	1.00	1.00	1.00	1.00	1.00
Planner	1.00	1.00	1.00	1.00	2.00	2.00
Eng. Tech/CAD Operator	2.00	2.00	2.00	2.00	2.00	2.00
Code Enforcement Officer	0.00	3.00	2.00	3.00	3.00	3.00
Executive Assistant	1.00	0.00	0.00	0.00	0.00	1.00
Planning Technician	0.00	0.00	0.00	0.50	0.00	0.00
Planning Assistant	1.00	1.00	1.00	1.00	1.00	0.00
<b>Authorized FTE</b>	<b>8.00</b>	<b>9.00</b>	<b>8.00</b>	<b>9.50</b>	<b>10.00</b>	<b>10.00</b>

**Salaries and Benefits****\$656,240**

In December of FY06-07, the Town Council authorized converting the half time Planning Technician position into a full time Planner position. This change was necessary to meet the additional resource needs of newly adopted regulations dealing with architectural review, low water landscaping and saguaro cactus preservation.

**Contractual Service****\$170,900**

This category includes funds for the following:

- Aerial photography and survey \$22,500
- Mediation \$7,400
- General plan update \$100,000 (required every five years)
- Update land use report \$5,000
- Outsource meeting minutes \$6,000
- State Trust Land traffic study \$15,000
- State Trust Land LVA planning \$15,000

**Repairs and Maintenance****\$1,700**

This line item includes regular service and maintenance for three division vehicles and CAD plotter maintenance.

**Supplies and Services****\$34,799**

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, amounts detailed on the next page.

**Capital Expenditures****\$29,000**

Funds in this category will be used to purchase a new, fuel-efficient hybrid vehicle that will replace one of the three existing vehicles currently used by the code enforcement officers.

**PLANNING & ZONING**

**SALARIES & BENEFITS:**

	<b>FY 2004-2005 Actual</b>	<b>FY 2005-2006 Actual</b>	<b>FY 2006-2007 Budget</b>	<b>FY 2006-2007 Estimate</b>	<b>FY 2007-2008 Proposed</b>
Overtime	\$0	\$1,309	\$2,181	\$1,622	\$0
Wages and Salaries	\$258,779	\$453,238	\$479,519	\$442,488	\$509,700
Employer FICA Expense	\$3,692	\$6,975	\$8,360	\$7,272	\$7,440
Unemployment Insurance Expense	\$513	\$876	\$600	\$835	\$730
Employee's Health Insurance	\$25,215	\$53,337	\$60,760	\$63,897	\$70,630
Employee's Life Insurance	\$755	\$1,533	\$1,990	\$1,600	\$1,660
Employee's Dental Insurance	\$2,941	\$6,097	\$6,670	\$5,691	\$4,300
Employee Vision Insurance	\$0	\$716	\$850	\$822	\$730
Worker Compensation Insurance	\$1,502	\$4,444	\$6,600	\$3,966	\$6,770
Employee's Retirement Expense	\$28,454	\$48,786	\$50,670	\$47,040	\$52,130
Recruitment Costs	\$408	\$0	\$0	\$0	\$0
Disability Insurance	\$1,105	\$1,977	\$2,360	\$2,406	\$2,150
<b>TOTAL</b>	<b>\$323,364</b>	<b>\$579,288</b>	<b>\$620,560</b>	<b>\$577,639</b>	<b>\$656,240</b>

Professional Fees	\$36,752	\$130,634	\$163,100	\$79,560	\$170,900
Engineering Fees	\$14,560	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$51,312</b>	<b>\$130,634</b>	<b>\$163,100</b>	<b>\$79,560</b>	<b>\$170,900</b>

**REPAIRS & MAINTENANCE:**

Vehicle Repairs & Maintenance	\$656	\$410	\$600	\$662	\$700
Office Equipment Repairs & Maintenance	\$0	\$1,238	\$400	\$400	\$1,000
<b>TOTAL</b>	<b>\$656</b>	<b>\$1,647</b>	<b>\$1,000</b>	<b>\$1,062</b>	<b>\$1,700</b>

**SUPPLIES & SERVICES:**

Advertising/Signage	\$2,580	\$2,306	\$1,500	\$1,800	\$1,800
Conferences	\$4,138	\$8,579	\$8,090	\$6,044	\$7,200
Continuing Education	\$814	\$2,087	\$2,850	\$2,850	\$3,150
Dues & Publications	\$4,016	\$4,637	\$3,392	\$4,000	\$4,360
Gas & Oil Expense	\$2,997	\$4,026	\$3,000	\$3,200	\$3,360
Office Supplies	\$2,222	\$5,981	\$9,467	\$9,467	\$9,467
Printing	\$1,327	\$3,266	\$3,200	\$840	\$1,500
Communications Expense	\$1,474	\$2,323	\$1,800	\$2,816	\$2,832
Meeting Expense	\$461	\$435	\$500	\$500	\$500
Uniforms	\$498	\$466	\$365	\$365	\$630
<b>TOTAL</b>	<b>\$20,527</b>	<b>\$34,107</b>	<b>\$34,164</b>	<b>\$31,882</b>	<b>\$34,799</b>

**CAPITAL EXPENDITURES**

Capital Expenditures - Vehicles	\$0	\$0	\$0	\$0	\$29,000
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<b>TOTAL CAPITAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$29,000</b>
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<b>TOTAL EXPENDITURES</b>	<b>\$395,859</b>	<b>\$745,675</b>	<b>\$818,824</b>	<b>\$690,143</b>	<b>\$892,639</b>
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# **Town of Fountain Hills Budget Summary by Program**

**01 - General Fund**

**060 - Building Safety**

**Total Budgeted Expenditures - \$605,700**





## Building Safety Division

### Mission Statement

The Building Safety Division of the Planning & Zonings Department is dedicated to providing the highest quality construction permitting, plan review and building inspection services in a responsive and customer 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 examiners, three certified building inspectors and two 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 approximately 75 single family building permit applications, around 650 for pools, fences and remodeling jobs and perform inspections at approximately 850 building sites in fiscal year 2007-2008. 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 volume of construction to be less than the previous year with construction numbers of 75 new single-family units and 5 multi family units. Inspections will not be affected as there are 850 active and older permits in progress.

### 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 citizen inquiries within the same working day.

### Management Indicators

	2005-2006 Actual	2006-2007 Estimated*	2007-2008 Proposed
Building Permit Activity			
• Single-family	145	70	75
• Multi-family	240 units	5 units	5 units
• Commercial	12	12	6
• Pools, Fences, Additions and Remodels	713	700	650
• On-site Inspection	9500	9500	8400

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

## 2006-2007 Accomplishments

Projected from figures based on first nine months of fiscal year 2006-2007, the Building Safety Division accomplished the following:

- Reviewed 700 building plans and permit applications.
- Performed 9500 commercial and residential building inspections.
- Maintained an automated building permit system to better enhance customer service and reduce paperwork.

## 2007-2008 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.
- Provide a high level of business inspections.
- To maintain an effective ISO rating of 4 or less by utilizing 2% of total budget for training.

## Summary Expenditures - Building Safety

	FY 2003-2004 Actual	FY 2004-2005 Actual	FY 2005-2006 Actual	FY 2006-2007 Budget	FY 2006-2007 Estimate	FY 2007-2008 Budget
SALARIES & BENEFITS	\$458,951	\$426,245	\$535,591	\$591,100	\$564,502	\$546,300
CONTRACTUAL SERVICES	\$66,586	\$34,014	\$0	\$45,717	\$0	\$0
REPAIRS & MAINTENANCE	\$2,030	\$856	\$947	\$1,250	\$625	\$800
SUPPLIES & SERVICES	\$20,905	\$19,444	\$19,518	\$28,925	\$31,331	\$29,600
CAPITAL EXPENDITURES	\$0	\$0	\$27,748	\$29,000	\$28,247	\$29,000
<b>TOTAL EXPENDITURES</b>	<b>\$548,472</b>	<b>\$480,559</b>	<b>\$583,804</b>	<b>\$695,992</b>	<b>\$624,705</b>	<b>\$605,700</b>

## Authorized Personnel

### Schedule of Authorized Positions

Position – Title	2002-2003 Authorized FTE	2003-2004 Authorized FTE	2004-2005 Authorized FTE	2005-2006 Authorized FTE	2006-2007 Authorized FTE	2007-2008 Proposed FTE
<b>Building Safety</b>						
Chief Building Official	1.00	1.00	1.00	1.00	1.00	1.00
Senior Building Inspector	2.00	0.00	1.00	1.00	1.00	0.00
Plans Examiner	2.00	2.00	2.00	2.00	2.00	2.00
Building Inspector	1.00	2.00	2.00	2.00	2.00	3.00
Building Permit Technician	2.00	2.00	3.00	3.00	3.00	2.00
<b>Authorized FTE</b>	<b>8.00</b>	<b>7.00</b>	<b>9.00</b>	<b>9.00</b>	<b>9.00</b>	<b>8.00</b>

**Salaries and Benefits** **\$546,300**

There are currently 8 full time positions within this department, with no request for additional staffing at this time. A vacancy was created during the year that will not be filled.

**Repairs and Maintenance** **\$800**

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

**Supplies and Services** **\$29,600**

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

Note: To score the maximum Insurance Services Office (ISO) points possible, training must be at least 2% of the annual operating budget for all building department related activities.

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

The Town's fleet practice is that vehicles with 100,000 miles or 10 years of age be replaced. The department's 1998 Ford F-150 pickup should be replaced with a Ford Escape Hybrid.

**BUILDING SAFETY**

	<b>FY 2004-2005</b>	<b>FY 2005-2006</b>	<b>FY 2006-2007</b>	<b>FY 2006-2007</b>	<b>FY 2007-2008</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Estimate</b>	<b>Proposed</b>
<b>SALARIES &amp; BENEFITS:</b>					
Overtime	\$0	\$532	\$6,087	\$0	\$0
Wages and Salaries	\$331,907	\$409,824	\$439,413	\$419,654	\$411,000
Employer FICA Expense	\$4,594	\$5,681	\$6,500	\$5,764	\$6,000
Unemployment Insurance Expense	\$757	\$773	\$500	\$696	\$600
Employee's Health Insurance	\$40,586	\$55,403	\$68,500	\$73,498	\$65,000
Employee's Life Insurance	\$995	\$1,445	\$1,800	\$1,507	\$1,300
Employee's Dental Insurance	\$5,136	\$5,925	\$6,900	\$6,034	\$4,900
Employee Vision Insurance	\$0	\$849	\$1,100	\$1,044	\$800
Worker Compensation Insurance	\$4,479	\$8,334	\$9,100	\$8,059	\$9,400
Employee's Retirement Expense	\$36,510	\$45,113	\$49,000	\$46,158	\$45,200
Disability Insurance	\$1,281	\$1,711	\$2,200	\$2,088	\$2,100
<b>TOTAL</b>	<b>\$426,245</b>	<b>\$535,591</b>	<b>\$591,100</b>	<b>\$564,502</b>	<b>\$546,300</b>
<b>CONTRACT SERVICES</b>					
Professional Fees	\$34,014	\$0	\$45,717	\$0	\$0
<b>TOTAL</b>	<b>\$34,014</b>	<b>\$0</b>	<b>\$45,717</b>	<b>\$0</b>	<b>\$0</b>
<b>REPAIRS &amp; MAINTENANCE:</b>					
Vehicle Maintenance	\$856	\$947	\$1,250	\$625	\$800
<b>TOTAL</b>	<b>\$856</b>	<b>\$947</b>	<b>\$1,250</b>	<b>\$625</b>	<b>\$800</b>
<b>SUPPLIES &amp; SERVICES:</b>					
Advertising/Signage	\$778	\$0	\$500	\$0	\$500
Conferences	\$741	\$0	\$2,125	\$2,125	\$1,850
Continuing Education	\$3,733	\$6,754	\$9,910	\$12,326	\$11,110
Dues & Publications	\$1,629	\$1,080	\$2,190	\$2,600	\$1,690
Gas & Oil Expense	\$5,320	\$5,014	\$5,650	\$6,200	\$6,000
Office Supplies	\$2,029	\$1,983	\$2,500	\$2,500	\$2,500
Tools, Shop Supplies	\$371	\$15	\$250	\$150	\$250
Printing	\$1,430	\$1,504	\$1,950	\$2,130	\$2,050
Communications Expense	\$2,021	\$3,060	\$3,200	\$2,650	\$3,000
Meeting Expense	\$1,040	\$0	\$150	\$150	\$150
Uniforms	\$352	\$108	\$500	\$500	\$500
<b>TOTAL</b>	<b>\$19,444</b>	<b>\$19,518</b>	<b>\$28,925</b>	<b>\$31,331</b>	<b>\$29,600</b>
<b>CAPITAL EXPENDITURES</b>					
Capital Outlay - Vehicles	\$0	\$27,748	\$29,000	\$28,247	\$29,000
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>\$0</b>	<b>\$27,748</b>	<b>\$29,000</b>	<b>\$28,247</b>	<b>\$29,000</b>
<b>TOTAL EXPENDITURES</b>	<b>\$480,559</b>	<b>\$583,804</b>	<b>\$695,992</b>	<b>\$624,705</b>	<b>\$605,700</b>

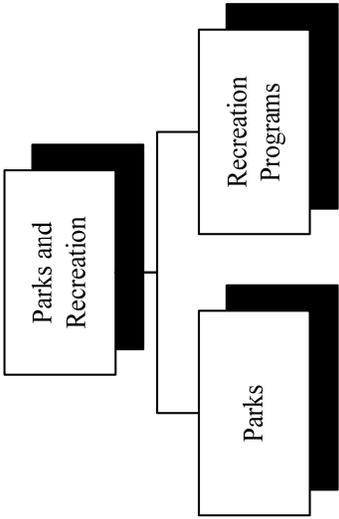
# Town of Fountain Hills Budget Summary by Program

01 - General Fund

081 - Recreation Department

**Total Budgeted Expenditures - \$715,850**





## Parks & Recreation Department

### 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 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.

### 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>2005-2006</b>	<b>2006-2007</b>	<b>2007-2008</b>
	<b>Actual</b>	<b>Estimated</b>	<b>Projected</b>
<b>Recreation</b>			
• Special Events	6	7	8
• Adult and Youth Sports Activities/ Number of Courses Offered	10/207	10/208	20/210
• Special Interest Programs/ Number of Courses Offered	11/121	20/131	23/140
• Youth and Teen Programs/ Number of Courses Offered	11/26	9/58	16/60
• 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	611	631	635
• PONY League Baseball	74	93	105
• Soccer Club	308	317	320
• Pop Warner Football	76	75	75

• Fountain Hills High School	519	509	500
• Fountain Hills Middle School	16	18	18
• Fountain Hills Montessori School	8	5	5
<b>Total</b>	<b>1,705</b>	<b>1,612</b>	<b>1,603</b>

### **Parks and Recreation Revenue**

	<b>2005-2006 Actual</b>	<b>2006-2007 Estimated</b>	<b>2007-2008 Projected</b>
• Recreation Programs	\$ 138,733	\$ 154,873	\$ 226,321
• Facility Rentals	\$ 14,340	\$ 12,800	\$ 13,500
• Picnic Ramada Reservations	<u>\$ 4,120</u>	<u>\$ 2,450</u>	<u>\$ 3,750</u>
<b>Total</b>	<b>\$ 157,193</b>	<b>\$ 170,123</b>	<b>\$243,571</b>

### **Fiscal Year 2006-2007 Accomplishments**

- The Town and Parks and Recreation were recognized by the Arizona Parks and Recreation Association with two awards; the St. Patrick's Day Celebration was acknowledged with the Outstanding Neighborhood/Community Special Event Award for communities with a population under 25,000; and Mayor Wally Nichols received the Outstanding Public Official Award for his ongoing support of Parks and Recreation in the community.
- Movies in the Park debuted at Fountain Park as a result of financial support from several local businesses.
- Partnered with Ballet Arizona to present "Ballet Under the Stars" at Fountain Park.
- Hosted the Lori Piestawa Native American Games along with Fort McDowell and the Fountain Hills Unified School District
- 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. Established an Intergovernmental Agreement to jointly develop school sites as public parks.
- Continued to defray costs for events such as the St. Patrick's Day Celebration, Eggstravaganza, and the Fantastic Fall Festival by making the most of sponsorships opportunities.
- 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
- Implemented an on-line program registration system
- Entered the fourth 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

## **Planning and Zoning Department**

### **Mission Statement**

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

### **Division Description**

The Planning and Zoning Department administers the Town of Fountain Hills' planning, building safety, code enforcement and computer aided drafting programs. Planning functions include the processing of applications for General Plan amendments, area specific plans, special use permits, temporary use permits, re-zonings, subdivisions, variances, concept site plans and other land use related requests. The Building Safety Division processes applications for permits to construct homes, commercial buildings, fences, pools, and any other structures. 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, geographic information and research.

The department 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.

## Fiscal Year 2007-2008 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 2008-2009

	FY 2003-2004 Actual	FY 2004-2005 Actual	FY 2005-2006 Actual	FY 2006-2007 Budget	FY 2006-2007 Estimate	FY 2007-2008 Budget
SALARIES & BENEFITS	\$347,286	\$373,023	\$391,573	\$432,820	\$417,613	\$512,223
CONTRACTUAL SERVICES	\$91,265	\$101,194	\$126,469	\$133,526	\$135,076	\$165,217
REPAIRS & MAINTENANCE	\$1,727	\$1,983	\$2,399	\$2,100	\$3,300	\$1,750
SUPPLIES & SERVICES	\$22,449	\$27,434	\$36,790	\$37,915	\$38,775	\$36,660
CAPITAL EXPENDITURES	\$0	\$0	\$0	\$7,500	\$0	\$0
TOTAL EXPENDITURES	\$462,727	\$503,634	\$557,231	\$613,861	\$594,764	\$715,850

### Schedule of Authorized Positions

Position – Title	2002-2003 Authorized FTE	2003-2004 Authorized FTE	2004-2005 Authorized FTE	2005-2006 Authorized FTE	2006-2007 Authorized FTE	2007-2008 Proposed FTE
<b>Parks &amp; Recreation</b>						
Parks & Rec/Comm Ctr Dir.	1.00	0.50	0.50	0.50	0.50	1.00
Recreation Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Parks Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Rec. Program Coordinator	3.00	2.00	2.00	2.00	2.00	2.00
Park Operations Lead	3.00	2.00	2.00	3.00	3.00	3.00
Administrative Assistant	1.00	0.00	0.00	0.00	0.00	0.00
Executive Assistant	1.00	1.00	1.00	1.00	1.00	1.00
Groundskeeper	1.00	1.00	2.00	2.00	2.00	2.00
Recreation Assistant	4.00	4.00	4.00	4.00	4.00	4.00
Customer Service Representative	0.00	0.50	0.50	0.50	1.00	1.00
Recreation Aide	0.00	0.00	1.00	1.00	1.00	1.00
Recreation Intern	0.00	0.00	0.00	0.50	0.50	0.50
Park Ranger	0.00	0.00	0.00	0.00	0.00	2.00
Authorized FTE	16.00	13.00	15.00	16.50	17.00	19.50

## Salaries and Benefits

**\$512,223**

There are no changes proposed for recreation division staffing this year; however there are two new positions requested, Park Ranger, in the parks (see parks section).

**Contract Services****\$165,217**

The Special Programs funding request has increased this fiscal year due to new programs and/or returning such as Digital Photography, Scrapbooking, and Tai Chi, as well as the addition of special events such as Ballet Under the Stars and Movies in the Park and Paws in the Park. Special Programs in the amount of \$71,650 includes:

Ballet Under the Stars	\$8,620
Ballroom Dancing	\$1,800
Cardio Kick Fit	\$3,300
Concerts in the Park	\$4,325
Digital Photography	\$720
Drawing	\$820
Faux Painting	\$1,920
Hunter Education	\$300
Instant Musicians	\$960
Language Lessons	\$2,100
Movies in the Park	\$14,835
Oil Painting	\$2,160
Paws in the Park	\$590
Pilates	\$1,160
Scrapbooking	\$1,080
St. Patrick's Day Celebration	\$21,260
Tai Chi Chuan	\$2,160
Watercolor	\$2,220
Yoga	\$1,320

The youth and teen programs line item of \$15,575 is broken down as follows:

Afternoon Adventures	\$1,160
Eggstravaganza	\$2,500
Fantastic Fall Festival	\$3,235
Friday Night Live	\$0
Homecoming Tailgate Party	\$696
Mayor's Youth Council	\$1,529
Midnight Madness	\$250
Munchkin Adventures	\$1,380
Party In The Park	\$2,372
Teen Etiquette	\$480
Toddler Time	\$1,973

The sports activities line item of \$42,492 is broken down as follows:

Basketball – Adult	\$665
Basketball - Youth	\$9,238
Dodgeball – Adult	\$120
Dodgeball – Youth	\$112
Golf Lessons - Adult	\$3,000

Golf Lessons – Junior	\$2,550
Kickball – Adult	\$180
Softball – Adult Leagues	\$3,748
Softball – Senior Leagues	\$702
Softball – Senior Tournaments	\$10,852
Tennis – Adult	\$1,068
Tennis – Junior	\$2,136
Tennis – Pee Wee	\$846
Turkey Trot	\$4,860
Volleyball – Adult	\$620
Volleyball – Youth	\$1,450
Youth Sports Competitions	\$345

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 \$11,615 each edition.

**Repairs and Maintenance** **\$1,750**

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** **\$36,660**

This category includes advertising, conferences, continuing education, dues and publications, gas and oil, office supplies, printing, communications, travel, and uniforms as detailed on the following page. The increase in conference costs is to allow for the Director to attend the National Parks and Recreation Association’s Pacific Northwest Resource Management School in Seattle, Washington.

	FY 2004-2005 Actual	FY 2005-2006 Actual	FY 2006-2007 Budget	FY 2006-2007 Estimate	FY 2007-2008 Proposed
<b>SALARIES &amp; BENEFITS</b>					
Overtime	\$0	\$4,525	\$2,702	\$5,112	\$0
Wages and Salaries	\$307,212	\$315,255	\$342,698	\$329,677	\$411,108
Employer FICA Expense	\$10,568	\$12,012	\$12,000	\$14,716	\$12,300
Unemployment Insurance Expense	\$1,127	\$1,235	\$1,000	\$1,158	\$1,900
Employee's Health Insurance	\$23,398	\$24,621	\$34,500	\$30,519	\$39,400
Employee's Life Insurance	\$662	\$729	\$900	\$791	\$1,000
Employee's Dental Insurance	\$2,213	\$2,224	\$3,300	\$2,424	\$2,900
Employee Vision Insurance	\$0	\$295	\$500	\$365	\$500
Worker Compensation Insurance	\$4,086	\$7,082	\$8,420	\$8,420	\$10,220
Employee's Retirement Expense	\$22,810	\$22,705	\$25,600	\$23,328	\$31,300
Disability Insurance	\$947	\$941	\$1,200	\$1,103	\$1,600
<b>TOTAL</b>	<b>\$373,023</b>	<b>\$391,573</b>	<b>\$432,820</b>	<b>\$417,613</b>	<b>\$512,223</b>
<b>CONTRACT SERVICES</b>					
Special Programs	\$26,681	\$43,119	\$43,190	\$43,190	\$71,650
Youth and Teens	\$10,085	\$10,204	\$12,461	\$12,511	\$15,575
Sports Activities	\$42,475	\$45,566	\$42,975	\$42,975	\$42,492
Constituent Communications	\$21,663	\$27,146	\$33,500	\$35,000	\$35,000
McDowell Mountain Preservation	\$340	\$434	\$1,400	\$1,400	\$500
<b>TOTAL</b>	<b>\$101,194</b>	<b>\$126,469</b>	<b>\$133,526</b>	<b>\$135,076</b>	<b>\$165,217</b>
<b>REPAIRS &amp; MAINTENANCE:</b>					
Vehicle Maintenance & Repair	\$862	\$900	\$1,500	\$1,500	\$1,500
Office Equipment Maintenance	\$1,121	\$1,499	\$600	\$1,800	\$250
<b>TOTAL</b>	<b>\$1,983</b>	<b>\$2,399</b>	<b>\$2,100</b>	<b>\$3,300</b>	<b>\$1,750</b>
<b>SUPPLIES &amp; SERVICES:</b>					
Advertising/Signage	\$3,717	\$5,983	\$3,000	\$3,000	\$3,000
Conferences	\$3,567	\$6,498	\$6,150	\$6,350	\$7,500
Continuing Education	\$500	\$726	\$1,800	\$1,000	\$1,000
Dues & Publications	\$1,313	\$1,472	\$1,300	\$1,300	\$1,135
Electricity Expense	\$0	\$0	\$4,125	\$4,125	\$4,125
Gas & Oil Expense	\$697	\$1,011	\$1,000	\$1,500	\$500
Office Supplies	\$6,576	\$8,981	\$7,500	\$7,500	\$7,500
Printing	\$2,242	\$3,110	\$2,000	\$2,000	\$1,500
Communications Expense	\$3,338	\$4,214	\$4,640	\$5,600	\$5,600
Water/Sewer	\$0	\$0	\$800	\$800	\$800
Meeting Expense	\$476	\$569	\$500	\$500	\$500
Uniforms	\$2,863	\$2,830	\$3,000	\$3,000	\$3,000
Bank Charges	\$2,145	\$1,396	\$2,100	\$2,100	\$500
<b>TOTAL</b>	<b>\$27,434</b>	<b>\$36,790</b>	<b>\$37,915</b>	<b>\$38,775</b>	<b>\$36,660</b>
<b>CAPITAL EXPENDITURES</b>					
Capital Outlay - Equipment	\$0	\$0	\$7,500	\$0	\$0
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$7,500</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL EXPENDITURES</b>	<b>\$503,634</b>	<b>\$557,231</b>	<b>\$613,861</b>	<b>\$594,764</b>	<b>\$715,850</b>

# Town of Fountain Hills Budget Summary by Program

**01 - General Fund**

**81 - Parks and Recreation Department**

- **004 - Fountain Park Location**
- **005 - Desert Vista Neighborhood Park Location**
- **006 - Four Peaks Park Location**
- **007 – Golden Eagle Park**

**Total Parks**

**\$1,490,366**





## **Parks Division**

### **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 and Fountain Park, has also been completed. The master plan for Four Peaks Neighborhood Park will be updated as it continues 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 raised funds to contribute to the installation of lights at the facility. The lights 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. The first phase of the Skate Park was completed and dedicated in January of 2007 and the additional improvements to the entire parks sidewalks, landscaping, ramadas, restroom control building and lights are planned this year with proceeds from a Heritage Grant, if approved.

### **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 100 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 a beautiful Veterans' Memorial, an amphitheater, three effluent recharge wells and the Rotary Centennial Splash Park. Several other park improvements are scheduled to be completed later this year, which include a concrete walking path along the west side of the lake, 18 new disc golf tee pads and the installation of a new irrigation system for the park.

### 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 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, two softball fields with covered dugouts, two lighted tennis courts, two lighted basketball courts, two ADA accessible children’s playgrounds, a restroom control building, one ramada with a grill and parking for 20 vehicles. The Master Plan for future improvements is scheduled to be updated this year.

### 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, ADA accessible shaded tot lot & 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 approximately one mile of concrete pathways throughout the park. 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, & 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 or events
- Maintain athletic facilities at standards acceptable for all scheduled sports activities
- Maintain an accident free work place
- Provide excellent customer service

### Management Indicators-Parks

	2005-2006 <u>Actual</u>	2006-2007 <u>Actual</u>	2007-2008 <u>Projected</u>
<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	2 x annually	2 x annually
Pre Emergence Spraying	2 x annually	2 x annually	2 x annually

**Park Facility Bookings**

Desert Vista Neighborhood Park	57	75	100
Fountain Park	108	100	110
Four Peaks Neighborhood Park	550	575	600
Golden Eagle Park	<u>1,891</u>	<u>2,150</u>	<u>2,200</u>
Total:	2,606	2,900	3,010

**Parks and Recreation Revenue**

Desert Vista Neighborhood Park	400	350	400
Fountain Park	10,660	10,650	10,700
Four Peaks Neighborhood Park	789	725	800
Golden Eagle Park	<u>6,170</u>	<u>5,525</u>	<u>5,600</u>
Total:	\$18,019	\$17,250	\$17,500

<b>Facility Rentals</b>	\$14,340	\$12,800	\$ 13,500
<b>Ramada Rentals</b>	<u>\$ 4,120</u>	<u>\$ 2,450</u>	<u>\$ 3,750</u>
Total:	\$18,460	\$15,250	\$ 17,250

**Fiscal Year 2006-2007 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 Adult 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

**Desert Vista Neighborhood Park**

- Replaced ficus trees at the Off Leash Recreational Facility
- Prepared and lined the open turf area for F.H. Soccer Club games and practices.
- Finished Phase I of the Skate Park

**Fountain Park**

- Completed reconstruction on overlook trail
- Continued the St. Patrick's Day celebration with two scheduled times for dyeing the Fountain green.
- Repaired aeration pumps and diffusers for greater aeration of Fountain Lake
- Repaired Fountain Bank lights
- Rotary Splash Park was completed and opened
- Installed granite on Island

### Four Peaks Neighborhood Park

- Reconditioned East and West softball fields
- Installed timer for tennis court lights
- Installed shaded seating area between tennis courts
- Installed liquid fertilizer injector connections to irrigation system

### Golden Eagle Park

- Crack seal parking lots
- Painted Saguaro Ramada roof
- Re-lamped field #4
- Replaced shade screens on dugouts for all four ball-fields
- Installed grass infield on field #4 for Little League games this season
- Added boards to field #3 backstops and dugouts to reduce rainwater runoff on infield
- Completed two items on the FEMA requirements list
- Installed hour meter on ballfield lights

### Fiscal Year 2007-2008 Objectives (Parks)

- Complete budgeted park improvements for 2007/2008
- Obtain grant funding for the completion of the Desert Vista Neighborhood Park Improvements
- Improve turf and field conditions at each park facility
- Work with ADOG to continue safe and clean operations of the Off Leash Recreational Facility
- Improve Fountain Lake water quality
- Install Fountain Park irrigation system
- Continue high level of support for all sports and special events in the park system
- Reduce the expenditures related to vandalism through prevention measures and surveillance
- Complete Department of Justice ADA compliance request
- Complete FEMA requirements for restroom/ control building at Golden Eagle Park
- Accomplish access to the McDowell Mountain Preserve trails
- Resurface and re-stripe all the Parks Division parking lots.

### Summary Expenditures

	FY 2003-2004 Actual	FY 2004-2005 Actual	FY 2005-2006 Actual	FY 2006-2007 Budget	FY 2006-2007 Estimate	FY 2007-2008 Budget
SALARIES & BENEFITS	\$206,578	\$227,742	\$250,019	\$335,870	\$315,646	\$432,360
CONTRACTUAL SERVICES	\$6,975	\$750	\$5,755	\$47,000	\$6,308	\$373,000
REPAIRS & MAINTENANCE	\$257,130	\$311,687	\$315,711	\$343,796	\$332,120	\$385,535
SUPPLIES & SERVICES	\$163,036	\$195,090	\$216,706	\$241,811	\$210,061	\$228,001
CAPITAL EXPENDITURES	\$0	\$0	\$120,683	\$1,768,168	\$645,453	\$71,470
<b>TOTAL EXPENDITURES</b>	<b>\$633,719</b>	<b>\$735,269</b>	<b>\$908,873</b>	<b>\$2,736,645</b>	<b>\$1,509,588</b>	<b>\$1,490,366</b>

**Salaries and Benefits**

**\$432,360**

The Parks Division personnel include a Supervisor of Parks, three Parks Operations Leads, and two Groundskeeper positions. Two additional positions are proposed – two Park Rangers. The Park Rangers will have responsibility for monitoring the trails as well as the parks for adherence to Town rules. Although the staff members are assigned to a specific park, they share responsibilities for all parks and perform their duties wherever necessary. The following is the proposed salary and benefit costs broken down by park:

Desert Vista Neighborhood Park	\$ 0 (shared with other parks)
Fountain Park	\$ 58,820 1-Operations Lead
Four Peaks Neighborhood Park	\$ 51,260 1-Operations Lead
Golden Eagle Park	\$305,930 1-Operations Lead 1-Supervisor of Parks 2-Park Rangers 2-Groundskeepers

Park / Trail Ranger Budget Justification (further justification is included in the Pay Plan Section of this budget)

The enforcement of the Town Code specific to parks remains an issue. Further, issues such as park vandalism have continued to increase in not only the number of incidents but their severity and dollar cost to the community. These issues will likely only increase as the Town continues to grow. As additional recreational amenities are added not only in parks but also to other areas of the Town such as a skate park, trailhead locations and park entry/exit gates the need for opening and closing these amenities on a consistent timely manner is also growing.

**Contract Services**

**\$373,000**

There are plans to update the Park Master Plan at Four Peaks Neighborhood Park and increase funding for the Fountain Lake Management. The following is a breakdown by parks of the associated costs:

Four Peaks Neighborhood Park \$45,000 Master Plan/documents  
Four Peaks Park master plan documents need to reflect the change of the skate park relocation to Desert Vista Neighborhood Park as well as future upgrades to the bus barn, basketball courts and concession stand area.

Fountain Park \$28,000 Lake Management  
Fountain Lake management was increased to resolve issues with algae and odors. Monthly testing plus contingency funds are for any lake treatments that may be needed.

Joint Use School Parks Analysis\* \$300,000 Design fees  
\*This is included in the Capital Projects fund that includes the description and justification.

## Repairs and Maintenance

**\$385,535**

The major component to this category is the Annual Landscape Contract, which accounts for most of the expenditures. The Annual Landscape Contract was re-bid during fiscal year 2004-2005 and will be renewed on an annual basis for up to four additional years. We are in the third year of renewal for the Annual Landscape Contract. Additionally, the annual landscape contract amounts for each park budget have adjusted annually to include the Consumer Price Index increase. Other expenses relate to the daily maintenance of the parks, as well as renting power tools and small equipment to perform park maintenance repairs.

Desert Vista Neighborhood Park Total:	\$ 43,195
Fountain Park Total:	\$171,178
Four Peaks Neighborhood Park Total:	\$ 53,948
Golden Eagle Park Total:	\$117,214

Desert Vista Neighborhood Park has **\$43,195** budgeted for repairs and maintenance, primarily mowing and landscaping in the amount of \$32,245. This line item consists of mowing 42 times a year; Pre and Post emergence spraying \$1,000, scalping + over-seeding at \$9,435. The remaining \$11,000 is for field prep/maintenance at \$8,950 and rentals of equipment at \$2,000. The rentals increased due to the porta-johns at the Off Leash Facility and the Skate Park until the restroom control building is built.

Fountain Park's budget of **\$171,178** for repairs and maintenance consists of \$79,267 mowing and landscaping, equipment repairs were increased to \$31,600 to replace and repair the Cla-valves on the "world famous" fountain. Most of the increase is for the recommended replacement of Cla-valve #3. \$34,500 Field and park maintenance line item that consists of liquid fertilizer \$3,000, acid supplies \$4,000, granular fertilizer \$8,000, irrigation repairs \$1,000, \$5,000 hydro-seeding, \$3,500 trees, \$3,000 memorial benches, \$1,000 for memorial concrete pads, , \$1,000 water fowl removal. \$23,311 building repairs/maintenance supplies; the increase is due to costs to seal and stripe two parking lots; \$1,500 equipment rental and \$1,000 for vehicle repairs/maintenance.

Fountain Park's mowing and landscaping line item of \$79,267 breaks down as follows: Mowing 42 times at \$24,893, \$2,100 aeration, \$3,000 landscape maintenance; \$7,000 irrigation tech; \$1,200 pre and post emergence spraying; \$8,723 tree trimming, \$1,645 palm tree trimming, \$28,100 scalping and over-seeding. Added CPI 3.4% = \$2,606

Four Peaks Neighborhood Park budget of **\$53,948** consists mainly of two line items, \$22,478 for mowing and landscape maintenance and \$21,700 for field preparation. The mowing and landscaping \$22,478 breaks down as \$14,364 for 42 mows, \$2,000 for tree trimming, \$750 for mulch, \$4,830 for over-seeding and \$748 for the CPI 3.4% increase. The \$21,700 field preparation consists of \$6,000 for lighting repairs, \$2,000 stabilizer and paint, \$2,500 fertilizer & herbicides, \$1,000 irrigation repairs, \$1,000 Rye-seed, \$2,000 fence repairs and \$7,200 for parking lot resurfaced and lined. Also included is \$7,000 for building repairs/maintenance, \$1,800 equipment rental and \$700 for vehicle repairs/maintenance.

Golden Eagle Park's request of **\$117,214** consists of \$29,314 mowing and landscape maintenance, \$44,500 field prep/maintenance, \$35,700 building repairs/maintenance. Building repairs and maintenance increased due to the FEMA (Federal Emergency Management Agency) required improvements to relocate the air conditioning unit to the roof, add a shutoff switch for the lower level garage area and \$10,000 to reseal and stripe three parking lots. The mowing contract breakdown as follows: \$13,000 for 42 mows, \$8,000 for trimming, \$3,500 irrigation laborer, \$3,000 for scalping 6 acres of turf, \$850 for turf sweeping

and \$963 for CPI 3.4% increase. Field prep/maintenance breakdown; \$3,000 fertilizers, \$4,000 infield stabilizer, \$1,500 warning track mix, \$3,000 herbicides, \$5,000 rye-seed, \$2,500 mulch, \$4,500 paint and chalk, \$14,000 ball-field light repairs on #1 and #3, \$3,000 irrigation repairs, \$1,000 garbage can lids and \$3,000 replacement plants/landscaping. \$35,700 for building repairs /maintenance which includes \$5,000 for fence repairs, \$10,000 resurface and line 3 parking lots, \$6,000 picnic tables, \$3,000 painting ramadas, foul poles and block walls, \$3,500 restroom repairs/building supplies, \$1,200 new faucets for restrooms, \$4,000 to relocate A/C unit due to FEMA requirement, \$3,000 to install electrical conduit to A/C unit plus a shutoff switch for the building lower level. Also included is \$5,700 for vehicle repairs/maintenance and \$2,000 for equipment rentals.

**Supplies and Services**

**\$228,001**

The major expenditures of this category consists of the electricity and water/sewer services required to service each of the Town’s four parks. Expenses in this category pertain to the daily operations of the parks and also include trash pick-up, park signage, tools and supplies, gas and oil, communications expenses, and uniforms. Also included are expenditures associated with continuing education and conferences for park staff to keep current with their certifications.

Desert Vista Neighborhood Park Total:	\$ 12,450
Fountain Park Total:	\$125,250
Four Peaks Neighborhood Park Total:	\$ 29,601
Golden Eagle Park Total:	\$ 60,700

Desert Vista Neighborhood Park supplies and services are **\$12,450**. Fountain Park supplies and services are **\$125,250**, which includes \$109,000 for electricity to operate the fountain pumps, ramadas, parking lot lights, Rotary Splash Park and restroom/control building. The remaining \$16,250 includes \$10,000 for water and sewer, \$1,000 for gas and oil, and all other associated line items equal \$1,000 or less. Four Peaks Neighborhood Park supplies and services costs of **\$29,601** include two major expenses, \$10,000 for electricity plus water and sewer costs at \$15,000. Golden Eagle Park costs of **\$60,700** include \$33,800 for electricity to light the ball fields, tennis courts, parking lots, area lighting, and the restroom/control building. The remaining \$26,900 is accounted for in line items for gas and oil at \$5,600, tools and shop supplies at \$5,800, water and sewer at \$8,100, uniforms at \$3,500, and communication expense at \$1,300. All other associated line items equal \$1,000 or less.

**Capital Improvement Projects**

**\$71,470**

Each park budget includes a request for capital expenditures, some of which are budgeted in the Capital Improvement Plan. The park projects in the General Fund are as follows:

- John Deere gator 4x4 to replace existing gator \$ 6,600  
This replaces the Golden Eagle Park existing utility vehicle which is 9 years old and has transmission problems. The piece of equipment is used to move smaller loads and materials around the parks.
- F150 ½ ton truck to replace a 1999 Dodge ram \$ 17,000  
This will replace the current vehicle which is a 1999 Dodge with over 100,000 miles and will be shared between part time staff and the Park Rangers.
- Flood proof container (required by FEMA) \$ 5,870  
This is a storage container for chemicals and materials that are being stored in a designated flood plain, this is mandated by FEMA (Federal Emergency Management Agency).

Camera system for park surveillance \$ 25,000  
The camera system will be used for surveillance at Golden Eagle Park where the highest amount of vandalism occurs.

F150 Pickup for Park Operations Lead \$ 17,000  
This vehicle will be used by the Four Peaks Park staff who are currently using a loaner from the Golden Eagle Park.

**DESERT VISTA PARK**

	<b>FY 2004-2005 Actual</b>	<b>FY 2005-2006 Actual</b>	<b>FY 2006-2007 Budget</b>	<b>FY 2006-2007 Estimate</b>	<b>FY 2007-2008 Proposed</b>
<b>CONTRACT SERVICES:</b>					
Engineering/Design Fees	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>REPAIRS &amp; MAINTENANCE:</b>					
Equipment Rental	\$0	\$102	\$500	\$1,200	\$2,000
Field Preparation/Maintenance	\$9,540	\$7,663	\$9,400	\$7,800	\$8,950
Mowing/Landscape Maintenance	\$27,377	\$26,660	\$31,185	\$30,000	\$32,245
<b>TOTAL</b>	<b>\$36,917</b>	<b>\$34,425</b>	<b>\$41,085</b>	<b>\$39,000</b>	<b>\$43,195</b>
<b>SUPPLIES &amp; SERVICES:</b>					
Advertising	\$0	\$0	\$200	\$200	\$600
Electricity	\$2,425	\$2,777	\$5,300	\$3,500	\$7,500
Tools/Shop Supplies	\$16	\$80	\$200	\$200	\$200
Water/Sewer	\$605	\$788	\$740	\$900	\$4,150
<b>TOTAL</b>	<b>\$3,046</b>	<b>\$3,645</b>	<b>\$6,440</b>	<b>\$4,800</b>	<b>\$12,450</b>
<b>CAPITAL EXPENDITURES</b>					
Transfers	\$0	\$0	\$520,000	\$520,000	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$520,000</b>	<b>\$520,000</b>	<b>\$0</b>
<b>TOTAL EXPENDITURES</b>	<b>\$39,963</b>	<b>\$38,069</b>	<b>\$567,525</b>	<b>\$563,800</b>	<b>\$55,645</b>

**FOUNTAIN PARK**

	<b>FY 2004-2005</b>	<b>FY 2005-2006</b>	<b>FY 2006-2007</b>	<b>FY 2006-2007</b>	<b>FY 2007-2008</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Estimate</b>	<b>Proposed</b>
<b>SALARIES &amp; BENEFITS:</b>					
Overtime	\$0	\$230	\$355	\$954	\$1,000
Wages and Salaries	\$37,159	\$22,188	\$37,045	\$32,844	\$40,200
Employer FICA Expense	\$486	\$325	\$560	\$476	\$610
Unemployment Insurance Expense	\$84	\$111	\$60	\$191	\$70
Employee's Health Insurance	\$7,357	\$4,202	\$10,610	\$7,152	\$8,720
Employee's Life Insurance	\$115	\$120	\$150	\$110	\$130
Employee's Dental Insurance	\$890	\$369	\$1,060	\$433	\$600
Employee Vision Insurance	\$0	\$57	\$150	\$83	\$90
Worker Compensation Insurance	\$1,934	\$1,420	\$2,440	\$1,687	\$2,660
Employee's Retirement Expense	\$4,087	\$2,466	\$4,120	\$3,718	\$4,530
Disability Insurance	\$171	\$152	\$190	\$120	\$210
<b>TOTAL</b>	<b>\$52,283</b>	<b>\$31,639</b>	<b>\$56,740</b>	<b>\$47,768</b>	<b>\$58,820</b>
<b>CONTRACT SERVICES:</b>					
Consultant Fees	\$750	\$5,755	\$2,000	\$6,308	\$28,000
<b>TOTAL</b>	<b>\$750</b>	<b>\$5,755</b>	<b>\$2,000</b>	<b>\$6,308</b>	<b>\$28,000</b>
<b>REPAIRS &amp; MAINTENANCE:</b>					
Vehicle Maintenance/Repair	\$1,904	\$700	\$1,000	\$500	\$1,000
Equipment Rental	\$313	\$1,633	\$1,500	\$700	\$1,500
Building Repairs/Maintenance	\$5,889	\$20,207	\$12,600	\$10,000	\$23,311
Equipment Repair	\$9,865	\$15,080	\$15,000	\$18,227	\$31,600
Field and Park Maintenance	\$45,115	\$21,527	\$41,500	\$32,259	\$34,500
Mowing/Landscape Maintenance	\$60,321	\$63,006	\$76,661	\$76,661	\$79,267
<b>TOTAL</b>	<b>\$123,407</b>	<b>\$122,154</b>	<b>\$148,261</b>	<b>\$138,347</b>	<b>\$171,178</b>
<b>SUPPLIES &amp; SERVICES:</b>					
Advertising/Signage	\$525	\$0	\$0	\$0	\$1,000
Conferences	\$128	\$125	\$150	\$250	\$250
Continuing Education	\$230	\$95	\$500	\$500	\$500
Dues & Publications	\$70	\$320	\$400	\$200	\$300
Electricity Expense	\$85,515	\$94,482	\$119,000	\$105,500	\$109,000
Gas & Oil Expense	\$1,669	\$1,719	\$1,900	\$700	\$1,000
Office Supplies	\$217	\$0	\$0	\$0	\$0
Tools, Shop Supplies	\$1,341	\$590	\$1,000	\$1,000	\$1,000
Printing	\$4	\$153	\$300	\$0	\$300
Communications Expense	\$299	\$219	\$250	\$700	\$900
Water/Sewer	\$12,392	\$17,487	\$15,500	\$9,600	\$10,000
Uniforms	\$1,118	\$704	\$1,000	\$1,000	\$1,000
<b>TOTAL</b>	<b>\$103,508</b>	<b>\$115,894</b>	<b>\$140,000</b>	<b>\$119,450</b>	<b>\$125,250</b>
<b>CAPITAL EXPENDITURES</b>					
Capital Outlay - Vehicles	\$0	\$0	\$20,500	\$21,764	\$0
Capital Outlay - Improvements	\$0	\$0	\$1,172,968	\$50,000	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,193,468</b>	<b>\$71,764</b>	<b>\$0</b>
<b>TOTAL EXPENDITURES</b>	<b>\$279,948</b>	<b>\$275,442</b>	<b>\$1,540,469</b>	<b>\$383,637</b>	<b>\$383,248</b>

**FOUR PEAKS NEIGHBORHOOD PARK**

	<b>FY 2004-2005</b>	<b>FY 2005-2006</b>	<b>FY 2006-2007</b>	<b>FY 2006-2007</b>	<b>FY 2007-2008</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Estimate</b>	<b>Proposed</b>
<b>SALARIES &amp; BENEFITS:</b>					
Overtime	\$0	\$885	\$336	\$197	\$250
Wages and Salaries	\$0	\$7,196	\$35,164	\$35,693	\$37,360
Employer FICA Expense	\$0	\$105	\$530	\$508	\$560
Unemployment Insurance Expense	\$0	\$66	\$60	\$67	\$70
Employee's Health Insurance	\$0	\$833	\$10,610	\$5,723	\$5,630
Employee's Life Insurance	\$0	\$11	\$150	\$133	\$120
Employee's Dental Insurance	\$0	\$37	\$1,060	\$448	\$390
Employee Vision Insurance	\$0	\$11	\$150	\$70	\$60
Worker Compensation Insurance	\$0	\$467	\$2,320	\$1,891	\$2,490
Employee's Retirement Expense	\$0	\$889	\$3,900	\$3,948	\$4,140
Disability Insurance	\$0	\$13	\$180	\$230	\$190
<b>TOTAL</b>	<b>\$0</b>	<b>\$10,513</b>	<b>\$54,460</b>	<b>\$48,908</b>	<b>\$51,260</b>
<b>CONTRACT SERVICES:</b>					
Professional Fees	\$0	\$0	\$45,000	\$0	\$45,000
Engineering Fees	\$0	\$0	\$0	\$0	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$45,000</b>	<b>\$0</b>	<b>\$45,000</b>
<b>REPAIRS &amp; MAINTENANCE:</b>					
Vehicle Maintenance/Repair	\$1,228	\$286	\$700	\$500	\$700
Equipment Rental	\$53	\$219	\$1,000	\$1,000	\$1,800
Building Repairs/Maintenance	\$17,066	\$13,268	\$7,800	\$7,800	\$7,000
Field Preparation/Maintenance	\$12,875	\$18,878	\$20,000	\$20,000	\$21,700
Mowing/Landscape Maintenance	\$17,826	\$18,802	\$22,000	\$22,000	\$22,748
<b>TOTAL</b>	<b>\$49,048</b>	<b>\$51,453</b>	<b>\$51,500</b>	<b>\$51,300</b>	<b>\$53,948</b>
<b>SUPPLIES &amp; SERVICES:</b>					
Advertising/Signage	\$0	\$0	\$400	\$200	\$200
Conferences	\$0	\$0	\$225	\$225	\$225
Continuing Education	\$0	\$0	\$200	\$200	\$550
Dues & Publications	\$0	\$0	\$250	\$250	\$250
Electricity Expense	\$14,393	\$12,526	\$14,000	\$9,500	\$10,000
Gas & Oil Expense	\$1,127	\$1,843	\$1,400	\$1,400	\$1,400
Office Supplies	\$0	\$0	\$100	\$100	\$100
Tools, Shop Supplies	\$793	\$1,149	\$700	\$1,200	\$500
Printing	\$0	\$0	\$100	\$100	\$100
Communications Expense	\$0	\$0	\$220	\$220	\$276
Water/Sewer	\$16,701	\$23,379	\$18,080	\$15,000	\$15,000
Uniforms	\$0	\$99	\$1,000	\$1,000	\$1,000
<b>TOTAL</b>	<b>\$33,014</b>	<b>\$38,995</b>	<b>\$36,675</b>	<b>\$29,395</b>	<b>\$29,601</b>
<b>CAPITAL EXPENDITURES</b>					
Capital Outlay - Vehicles	\$0	\$0	\$9,000	\$6,600	\$17,000
Capital Outlay - Improvements	\$0	\$92,657	\$10,000	\$10,000	\$0
<b>TOTAL</b>	<b>\$0</b>	<b>\$92,657</b>	<b>\$19,000</b>	<b>\$16,600</b>	<b>\$17,000</b>
<b>TOTAL EXPENDITURES</b>	<b>\$82,062</b>	<b>\$193,619</b>	<b>\$206,635</b>	<b>\$146,203</b>	<b>\$196,809</b>

**GOLDEN EAGLE PARK**

	<b>FY 2004-2005</b>	<b>FY 2005-2006</b>	<b>FY 2006-2007</b>	<b>FY 2006-2007</b>	<b>FY 2007-2008</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Estimate</b>	<b>Proposed</b>
<b>SALARIES &amp; BENEFITS:</b>					
Overtime	\$0	\$585	\$1,001	\$825	\$1,000
Wages and Salaries	\$133,429	\$154,059	\$163,899	\$160,150	\$232,350
Employer FICA Expense	\$1,855	\$2,166	\$2,420	\$2,184	\$3,430
Unemployment Insurance Expense	\$300	\$271	\$240	\$269	\$560
Employee's Health Insurance	\$16,584	\$20,383	\$23,720	\$24,290	\$39,110
Employee's Life Insurance	\$411	\$560	\$680	\$574	\$770
Employee's Dental Insurance	\$1,964	\$2,301	\$2,510	\$2,331	\$3,000
Employee Vision Insurance	\$0	\$338	\$410	\$415	\$470
Worker Compensation Insurance	\$5,794	\$9,603	\$10,830	\$8,498	\$14,750
Employee's Retirement Expense	\$14,547	\$17,000	\$18,140	\$18,718	\$25,670
Disability Insurance	\$575	\$602	\$820	\$716	\$1,170
<b>TOTAL</b>	<b>\$175,459</b>	<b>\$207,867</b>	<b>\$224,670</b>	<b>\$218,970</b>	<b>\$322,280</b>
<b>CONTRACT SERVICES:</b>					
					\$300,000
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>300,000</b>
<b>REPAIRS &amp; MAINTENANCE:</b>					
Vehicle Maintenance/Repair	\$8,699	\$5,415	\$7,400	\$6,000	\$5,700
Equipment Rental	\$1,130	\$1,252	\$1,500	\$3,000	\$2,000
Building Repairs/Maintenance	\$34,616	\$28,921	\$24,300	\$24,300	\$35,700
Field Preparation/Maintenance	\$34,674	\$49,895	\$41,400	\$43,173	\$44,500
Mowing/Landscape Maintenance	\$23,196	\$22,196	\$28,350	\$27,000	\$29,314
<b>TOTAL</b>	<b>\$102,315</b>	<b>\$107,679</b>	<b>\$102,950</b>	<b>\$103,473</b>	<b>\$117,214</b>
<b>SUPPLIES &amp; SERVICES:</b>					
Advertising/Signage	\$124	\$0	\$100	\$100	\$100
Conferences	\$384	\$560	\$1,100	\$1,100	\$1,100
Continuing Education	\$1,245	\$285	\$800	\$800	\$800
Dues & Publications	\$360	\$480	\$400	\$400	\$400
Electricity Expense	\$33,451	\$34,554	\$33,800	\$31,000	\$33,800
Gas & Oil Expense	\$6,037	\$5,350	\$5,200	\$5,200	\$5,600
Office Supplies	\$82	\$65	\$100	\$100	\$100
Tools, Shop Supplies	\$2,431	\$3,210	\$4,700	\$4,700	\$5,800
Printing	\$0	\$236	\$100	\$0	\$100
Communications Expense	\$1,259	\$1,150	\$1,300	\$1,100	\$1,300
Water/Sewer	\$7,362	\$9,502	\$7,680	\$8,500	\$8,100
Uniforms	\$2,787	\$2,779	\$3,416	\$3,416	\$3,500
<b>TOTAL</b>	<b>\$55,522</b>	<b>\$58,172</b>	<b>\$58,696</b>	<b>\$56,416</b>	<b>\$60,700</b>
<b>CAPITAL EXPENDITURES</b>					
Capital Outlay - Vehicles	\$0	\$0	\$17,700	\$19,089	\$23,600
Capital Outlay - Improvements	\$0	\$28,025	\$18,000	\$18,000	\$30,870
<b>TOTAL</b>	<b>\$0</b>	<b>\$28,025</b>	<b>\$35,700</b>	<b>\$37,089</b>	<b>\$54,470</b>
<b>TOTAL EXPENDITURES</b>	<b>\$333,296</b>	<b>\$401,743</b>	<b>\$422,016</b>	<b>\$415,948</b>	<b>\$854,664</b>

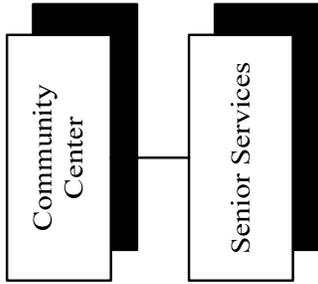
# Town of Fountain Hills Budget Summary by Program

**01 - General Fund**

**095 - Community Center Department**

**Total Budgeted Expenditures - \$867,786**





# Community Center

## Mission Statement

Like the trademark fountain that stands at the heart of the community, so too does the Fountain Hills Community Center. Its mission is to enhance the quality of life for Fountain Hills' residents 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 is "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 an 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
- Maintain ADA compliance
- 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

	<b>2003-2004 Actual</b>	<b>2004-2005 Actual</b>	<b>2005-2006 Actual</b>	<b>2006-2007 Projected</b>	<b>2007-2008 Projected</b>
Events/Activities	1,800	3,864	3862	3950	4,050
Attendance	76,500	93,000	101,716	104,796	107,000
Revenues	\$195,000	\$187,837	\$218,598	\$187,000	\$197,000

### Fiscal year 2006-2007 Accomplishments

- Continue maintenance upgrades to the building to maintain appearance
- Maintained a close working relationship with the Senior Programs, helping to organize their schedule and determine set requirements
- Purchased additional tables for the art room to accommodate growing class sizes
- Purchased 100 new chairs for the facility, replacing worn out/broken chairs
- Purchased (2) new flat panel LCD monitors and a laptop computer to better serve the audio visual needs of our clients
- Installed several new pieces of art work both inside and outside of the Community Center building
- Hired a Receptionist to maintain the front desk, providing essential community information and to process registrations for the Senior Services Division
- Painted common areas 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
- Created new office space for the Senior Services Supervisor

## Fiscal Year 2007-2008 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
- Replace flooring in the facility to maintain a professional appearance

	FY 2003-2004 Actual	FY 2004-2005 Actual	FY 2005-2006 Actual	FY 2006-2007 Budget	FY 2006-2007 Estimate	FY 2007-2008 Budget
SALARIES & BENEFITS	\$271,374	\$305,868	\$327,481	\$391,930	\$356,203	\$356,286
CONTRACTUAL SERVICES	\$2,256	\$5,294	\$4,779	\$4,600	\$4,600	\$1,990
REPAIRS & MAINTENANCE	\$11,807	\$15,256	\$14,960	\$18,320	\$18,500	\$18,470
SUPPLIES & SERVICES	\$98,140	\$98,876	\$94,531	\$113,260	\$104,035	\$99,040
CAPITAL EXPENDITURES	\$0	\$0	\$387,000	\$387,000	\$387,000	\$392,000
TOTAL EXPENDITURES	\$383,577	\$425,294	\$828,751	\$915,110	\$870,338	\$867,786

### Schedule of Authorized Positions

Position – Title	2002-2003 Authorized FTE	2003-2004 Authorized FTE	2004-2005 Authorized FTE	2005-2006 Authorized FTE	2006-2007 Authorized FTE	2007-2008 Proposed FTE
<b>Community Center</b>						
Parks & Rec/Comm Ctr Dir.		1.00	0.50	0.50	0.50	0.00
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	0.00
Receptionist		0.00	0.00	0.00	0.00	0.50
Operations Support Worker		1.00	1.50	1.50	1.50	2.00
Event Representative		0.00	0.00	0.00	0.50	0.50
Bartender		0.00	0.00	0.00	0.00	0.25
Custodian		1.00	1.00	1.00	1.00	1.00
Authorized FTE		6.50	6.50	6.50	7.50	7.25

## Salaries and Benefits

**\$356,286**

At the beginning of FY04-05 the Fountain Hills Senior Services relocated to the Community Center. 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 Community Center staff time by 33%. The senior programs alone require approximately 8 hours of set up and take down time during the daytime hours, or approximately 40 hours per week for one person. This is in addition to the set ups and take downs required for other groups and organizations that rent the facility on a regular basis.

**Professional Fees****\$ 1,990**

Contract services include costs associated with event security; we contract with the Maricopa County Sheriff's Office to provide security at Community Center events when liquor is served. Yearly renewal of Liquor License, ASPCA Music Licensing and Simplex Alarm Company.

**Repairs and Maintenance****\$ 18,470**

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****\$ 99,040**

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, also included under the office supply line item, dollars for the yearly volunteer appreciation party.

**Capital Outlay/Debt Service****\$ 392,000**

Included in 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 prior years the debt payment was made from residual bond proceeds. There is an additional request for \$5,000 to purchasing hearing assistance units for the grand ballroom to enable the hearing impaired to participate in events.

**COMMUNITY CENTER****SALARIES & BENEFITS**

	FY 2004-2005 Actual	FY 2005-2006 Actual	FY 2006-2007 Budget	FY 2006-2007 Estimate	FY 2007-2008 Proposed
Overtime	\$0	\$745	\$1,590	\$1,274	\$0
Wages and Salaries	\$256,289	\$260,927	\$307,548	\$280,166	\$282,155
Employer FICA Expense	\$9,494	\$8,183	\$10,980	\$9,097	\$11,050
Unemployment Insurance Expense	\$754	\$698	\$744	\$641	\$840
Employee's Health Insurance	\$14,788	\$25,842	\$32,105	\$32,520	\$31,233
Employee's Life Insurance	\$483	\$662	\$823	\$714	\$523
Employee's Dental Insurance	\$1,546	\$2,576	\$3,007	\$2,792	\$2,291
Employee Vision Insurance	\$0	\$318	\$394	\$430	\$361
Worker Compensation Insurance	\$3,847	\$5,946	\$11,142	\$5,748	\$8,048
Employee's Retirement Expense	\$17,912	\$20,611	\$22,579	\$21,636	\$18,769
Disability Insurance	\$755	\$973	\$1,018	\$1,185	\$1,017
<b>TOTAL</b>	<b>305,868</b>	<b>327,481</b>	<b>391,930</b>	<b>356,203</b>	<b>356,286</b>

**CONTRACT SERVICES**

Bandending Services	\$5,014	\$4,519	\$3,900	\$3,900	\$0
Professional Fees	\$280	\$260	\$700	\$700	\$1,990
<b>TOTAL</b>	<b>\$5,294</b>	<b>\$4,779</b>	<b>\$4,600</b>	<b>\$4,600</b>	<b>\$1,990</b>

**REPAIRS & MAINTENANCE:**

Building Repairs & Maintenance	\$14,103	\$13,590	\$17,000	\$17,000	\$17,150
Office Equipment Repairs & Maintenance	\$1,153	\$1,370	\$1,320	\$1,500	\$1,320
<b>TOTAL</b>	<b>\$15,256</b>	<b>\$14,960</b>	<b>\$18,320</b>	<b>\$18,500</b>	<b>\$18,470</b>

**SUPPLIES & SERVICES:**

Advertising/Signage	\$10,888	\$14,004	\$19,350	\$19,350	\$17,325
Conferences	\$1,232	\$2,028	\$3,100	\$1,500	\$1,200
Continuing Education	\$319	\$199	\$825	\$700	\$700
Dues & Publications	\$764	\$912	\$545	\$545	\$175
Electricity Expense	\$56,991	\$40,962	\$47,000	\$43,000	\$43,300
Office Supplies	\$5,791	\$7,162	\$7,150	\$6,900	\$4,800
Bar Supplies	\$10,151	\$12,198	\$14,000	\$14,000	\$14,000
Printing	\$1,096	\$524	\$1,500	\$900	\$1,500
Communications Expense	\$1,325	\$2,750	\$2,900	\$3,050	\$3,300
Water/Sewer	\$7,526	\$12,177	\$13,700	\$11,000	\$9,550
Meeting Expense	\$5	\$0	\$150	\$150	\$150
Uniforms	\$800	\$210	\$900	\$800	\$900
Bank Charges	\$1,988	\$1,406	\$2,140	\$2,140	\$2,140
<b>TOTAL</b>	<b>\$98,876</b>	<b>\$94,531</b>	<b>\$113,260</b>	<b>\$104,035</b>	<b>\$99,040</b>

**CAPITAL EXPENDITURE S**

Capital Outlay - Equipment	\$0	\$0	\$0	\$0	\$5,000
Debt Service	\$0	\$387,000	\$387,000	\$387,000	\$387,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$387,000</b>	<b>\$387,000</b>	<b>\$387,000</b>	<b>\$392,000</b>

**TOTAL EXPENDITURE S**

<b>TOTAL EXPENDITURE S</b>	<b>\$425,294</b>	<b>\$828,751</b>	<b>\$915,110</b>	<b>\$870,338</b>	<b>\$867,786</b>
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# Town of Fountain Hills Budget Summary by Program

**01 - General Fund**  
**096 - Senior Services**

**Total Budgeted Expenditures -           \$223,848**





## **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 who provide and/or support programs and social services for seniors.

### **Department Description**

Senior Services provides the following major programs: home delivered meals program, fitness and educational programs, community activities, day and overnight trips, socialization activities and facilitating other social services including support groups.

### **Goals & Objectives**

Help seniors and the disabled attend trips sponsored by the Senior Activity Center

Help seniors and disabled maintain independence through the Home Delivered Meals Program  
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 improving communication with volunteer facilitators which results in increased attendance and membership

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 sponsoring an Annual Health Fair  
by providing a location for flu shots for the community

Manage revenues and expenditures to keep annual subsidy of programs to a minimum

By monitoring revenues and expenditures on a monthly basis

By following pre-registration guidelines established through the budget process

### **Performance Standards**

Serve all who need the assistance that Senior Services can provide

Obtain financial assistance for all HDM clients who cannot afford the meal cost

## Management Indicators

	<b>2005-06 Actual</b>	<b>2006-07 Estimated</b>	<b>2007-08 Projected</b>
Club Membership	932	1,100	1,300
Attendance	24,600	29,510	33,000
Non-member Participation	Not recorded	Not recorded	2,536
Hours of Operation/week	37	45	49
Average drop-ins/calls/day	Not recorded	Not recorded	68/35

## Senior Services Revenue

	<b>2005-2006 Actual</b>	<b>2006-2007 Estimated</b>	<b>2007-2008 Projected</b>
Senior Program Costs	\$132,138	\$257,223	\$223,848
Program Revenues	\$ 65,798	\$ 90,000	\$ 80,000

The relationship between the program costs and program revenues have been adjusted for FY2007-08 to ensure that the Senior Center can continue to provide quality programs but also recover some of the costs.

## Fiscal Year 2006-07 Accomplishments

Membership continues to grow; it should reach 1,100 by June 30, 2007

Six new support groups have been initiated in 06-07: Renal Disorders, Cardiac, Crohn's and Colitis, Caregivers Support, Cancer, Bereavement Support,

A very successful Mardi Gras Community Party/Dance was held in February

Senior Services uses all dedicated space, including the patio for meetings, receptions, and classes.

In addition, space at the library is used for blood pressure checks, medical insurance consultations, and meetings

## Fiscal Year 2007-2008 Objectives

Increase membership to 1,300

Improve transportation services for the elderly and disabled

Acquire space to be used by seniors and the community as a gathering place and equip it

## Summary Expenditures – Seniors Division

### Summary Expenditures - Senior Services

	FY 2003-2004 Actual	FY 2004-2005 Actual	FY 2005-2006 Actual	FY 2006-2007 Budget	FY 2006-2007 Estimate	FY 2007-2008 Budget
SALARIES & BENEFITS	\$0	\$0	\$74,563	\$85,506	\$107,318	\$97,130
CONTRACTUAL SERVICES	\$40,000	\$55,000	\$50,685	\$105,695	\$133,245	\$118,173
REPAIRS & MAINTENANCE	\$0	\$0	\$0	\$1,000	\$1,000	\$1,000
SUPPLIES & SERVICES	\$0	\$0	\$7,071	\$9,670	\$10,060	\$7,545
CAPITAL EXPENDITURES	\$0	\$0	\$0	\$2,000	\$5,600	\$0
<b>TOTAL EXPENDITURES</b>	<b>\$40,000</b>	<b>\$55,000</b>	<b>\$132,319</b>	<b>\$203,871</b>	<b>\$257,223</b>	<b>\$223,848</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 Authorized FTE	2007-2008 Proposed FTE
<b>Senior Services</b>						
Senior Services Supervisor	0.00	0.00	0.00	0.00	1.00	1.00
Administrative Assistant	0.00	0.00	0.00	0.00	0.00	0.50
HDM/Special Programs Admin	0.00	0.00	0.00	0.00	0.50	0.00
HDM Coordinator	0.00	0.00	0.00	0.00	0.50	0.00
Receptionist	0.00	0.00	0.00	0.00	0.00	0.50
Recreation Aide	0.00	0.00	0.00	0.00	0.00	1.50
Senior Aide	0.00	0.00	0.00	0.00	1.50	0.00
<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>3.50</b>

### Salaries and Benefits

**\$97,130**

One change in personnel this year is to reclassify the two part-time Co-Supervisor hourly positions and replace with one full-time Program Supervisor salaried position. This will ensure daily coverage and better supervision for the Senior Activity Center and senior programs. While the titles have changed to reflect the existing job descriptions the number of personnel remains the same.

### Contract Services

**\$118,173**

The Home Delivered Meals Program is a major part of this category. Due to the fact that the meal contract with Fountain View Village has not been updated for several years, we anticipate an increase in the cost of the meals of up to 10 per cent. Accordingly, we have revised the amount we will charge the clients for each meal. That increase has also been factored into grant applications to Area Agency on Aging, Region I and Valley of the Sun United Way. Also included is a variety of trips, theater excursions, classes and activities.

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

A possible maintenance contract on a copier (\$600); costs associated with repair on our DME wheelchairs (\$125); maintenance pack for Xerox printer (\$275)

**Supplies and Services****\$7,545**

Advertising costs for the Health Fair, dances and Senior Expo events at \$100, Office supplies such as two wastebaskets (\$40), printer cartridges, filing supplies, pens, staplers, colored copy paper for flyers, printing costs for two program booklets, flyers for dances, Health Fair and Expos.

**SENIOR SERVICES**

	<b>FY 2004-2005 Actual</b>	<b>FY 2005-2006 Actual</b>	<b>FY 2006-2007 Budget</b>	<b>FY 2006-2007 Estimate</b>	<b>FY 2007-2008 Proposed</b>
<b>SALARIES &amp; BENEFITS:</b>					
Overtime					0
Wages and Salaries	\$0	\$68,495	\$78,666	\$98,604	\$76,470
Employer FICA Expense	\$0	\$5,240	\$6,090	\$7,594	\$5,900
Unemployment Insurance Expense	\$0	\$514	\$350	\$331	\$440
Employee's Health Insurance	\$0	\$0	\$0	\$0	\$8,720
Employee's Life Insurance	\$0	\$0	\$0	\$0	\$130
Employee's Dental Insurance	\$0	\$0	\$0	\$0	\$600
Employee Vision Insurance	\$0	\$0	\$0	\$0	\$70
Worker Compensation Insurance	\$0	\$313	\$400	\$789	\$390
Employee's Retirement Expense	\$0	\$0	\$0	\$0	\$4,220
Disability Insurance	\$0	\$0	\$0	\$0	\$190
<b>TOTAL</b>	<b>\$0</b>	<b>\$74,563</b>	<b>\$85,506</b>	<b>\$107,318</b>	<b>\$97,130</b>
<b>CONTRACT SERVICES:</b>					
Professional Fees	\$0	\$84	\$0	\$8,800	\$0
Program Fees	\$55,000	\$50,601	\$105,695	\$124,445	\$118,173
<b>TOTAL</b>	<b>\$55,000</b>	<b>\$50,685</b>	<b>\$105,695</b>	<b>\$133,245</b>	<b>\$118,173</b>
<b>REPAIRS &amp; MAINTENANCE:</b>					
Equipment Repair	0	0	1,000	1,000	1,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,000</b>	<b>\$1,000</b>	<b>\$1,000</b>
<b>SUPPLIES &amp; SERVICES:</b>					
Advertising/Signage	\$0	\$1,733	\$1,000	\$1,000	\$700
Conferences	\$0	\$0	\$850	\$1,000	\$1,000
Continuing Education	\$0	\$0	\$550	\$550	\$200
Dues & Publications	\$0	\$174	\$250	\$250	\$175
Office Supplies	\$0	\$4,584	\$5,300	\$5,300	\$4,000
Printing	\$0	\$467	\$1,220	\$1,220	\$1,220
Communications Expense	\$0	\$0	\$0	\$240	\$0
Meeting Expense	\$0	\$113	\$500	\$500	\$250
<b>TOTAL</b>	<b>\$0</b>	<b>\$7,071</b>	<b>\$9,670</b>	<b>\$10,060</b>	<b>\$7,545</b>
<b>CAPITAL EXPENDITURES</b>					
Capital Outlay	0	0	2,000	5,600	0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,000</b>	<b>\$5,600</b>	<b>\$0</b>
<b>TOTAL EXPENDITURES</b>	<b>\$55,000</b>	<b>\$132,319</b>	<b>\$203,871</b>	<b>\$257,223</b>	<b>\$223,848</b>



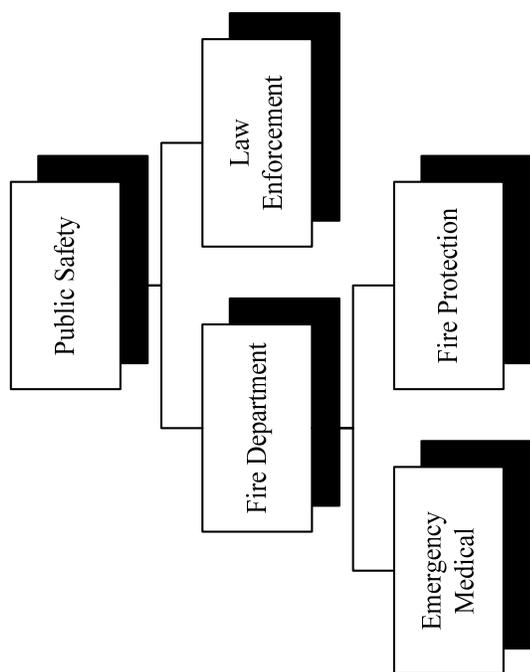
# Town of Fountain Hills Budget Summary by Program

**01 - General Fund**

**090 - Law Enforcement Department**

**Total Budgeted Expenditures - \$2,790,900**





## **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, sponsoring youth activities and special events, addressing barking dogs, and promoting community involvement.

### **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

	2004 <u>Actual</u>	2005 <u>Actual</u>	2006 <u>Actual</u>
Crimes Part I*	594	605	554
Crimes Part II**	618	549	638
Traffic accidents	347	331	364
Driving under the influence (DUI)	63	32	81

\*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 2006-2007 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.
- Added Deputy positions to cover the State Trust Land on the north edge of Town
- Decreased the number of Part I Crimes by 10% 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
- Continued to sponsor and present a variety of youth services activities including Teen Court, Party in the Park and Midnight Madness

## Fiscal Year 2007-2008 Objectives

- Continue to 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)
- Continue to 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 Town functions
- Increase patrols in Town parks with the assistance of volunteer Posse

## Summary Expenditures – Law Enforcement

	FY 2003-2004 Actual	FY 2004-2005 Actual	FY 2005-2006 Actual	FY 2006-2007 Budget	FY 2006-2007 Estimate	FY 2007-2008 Budget
SALARIES & BENEFITS	\$0	\$0	\$0	\$0	\$0	\$0
CONTRACTUAL SERVICES	\$1,669,726	\$1,792,782	\$1,907,015	\$2,219,421	\$2,255,220	\$2,790,900
REPAIRS & MAINTENANCE	\$287	\$0	\$0	\$0	\$0	\$0
SUPPLIES & SERVICES	\$1,282	\$0	\$0	\$0	\$0	\$0
CAPITAL EXPENDITURES	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>	<b>\$1,671,296</b>	<b>\$1,792,782</b>	<b>\$1,907,015</b>	<b>\$2,219,421</b>	<b>\$2,255,220</b>	<b>\$2,790,900</b>

### Contract Services

**\$2,790,900**

The Town of Fountain Hills contracts with the Maricopa County Sheriff's Office for law enforcement services. The contract amount is \$2,704,200. There are two major reasons for the increase. The first increase is in the category of personnel related costs for the Maricopa County Sheriff's Office deputies (27%); there was a market adjustment to rank that was effective December, 2006 and an overall increase in benefits costs. However, this cost was not passed on to contract cities and towns until the new contracts. Additionally, a full-time clerical position has been added which will provide customer service even when all officers are out on the road. The second increase was in the communications category. This is due to the new methodology adopted by Maricopa County that allocates communication costs based on the proportionate number of dispatch calls, based on the actual number of calls received. The contract provides for 3.8 beats and provides for a school resource officer requested by the Fountain Hills School District.

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 \$58,500 annually. There is an estimated increase due to new legislation that may require more jail time for Driving Under the Influence (DUI) related offenses.

The Town also contracts with Maricopa County Animal Care and Control Services for animal control and shelter services in the amount of \$28,200.

**LAW ENFORCEMENT**

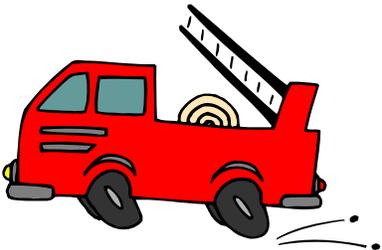
	<b>FY 2004-2005 Actual</b>	<b>FY 2005-2006 Actual</b>	<b>FY 2006-2007 Budget</b>	<b>FY 2006-2007 Estimate</b>	<b>FY 2007-2008 Proposed</b>
<b>SALARIES &amp; BENEFITS:</b>					
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>CONTRACT SERVICES</b>					
Jail/Prisoner Fees	\$32,531	\$47,884	\$45,000	\$45,000	\$58,500
Rabies/Animal Control	\$29,781	\$24,087	\$32,000	\$27,800	\$28,200
Sheriff's Contract	\$1,730,470	\$1,835,044	\$2,142,421	\$2,182,420	\$2,704,200
<b>TOTAL</b>	<b>\$1,792,782</b>	<b>\$1,907,015</b>	<b>\$2,219,421</b>	<b>\$2,255,220</b>	<b>\$2,790,900</b>
<b>REPAIRS &amp; MAINTENANCE:</b>					
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>SUPPLIES &amp; SERVICES:</b>					
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>CAPITAL EXPENDITURES</b>					
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL EXPENDITURES</b>	<b>\$1,792,782</b>	<b>\$1,907,015</b>	<b>\$2,219,421</b>	<b>\$2,255,220</b>	<b>\$2,790,900</b>

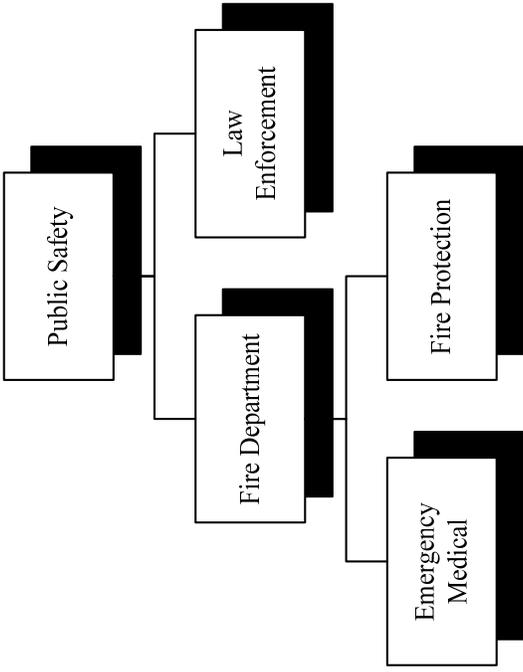
# Town of Fountain Hills Budget Summary by Program

**01 - General Fund**

**092 - Fire Department Department**

**Total Budgeted Expenditures - \$3,059,326**





# 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.
- Inspect 100% of Target Hazards (40 Commercial and Industrial) Occupancies.
- Inspect 95% of Safety Surveys (210 Commercial and Assembly) Occupancies.

## Management Indicators

	<b>2004-2005</b>	<b>2005-2006</b>	<b>2006-2007</b>	<b>2007-2008</b>
	<b><u>Actual</u></b>	<b><u>Actual</u></b>	<b><u>Actual</u></b>	<b><u>Projected</u></b>
Emergency response time	3min 30sec	3min 37 sec	3min 49sec	4min
EMS response time	3min 35sec	3min 33 sec	3min.44 sec	4min
Percentage of EMS calls	54%	53%	56%	58%
Emergency calls	1,470	1,553	1,634	1,715
Non-emergency service calls	1,290	1,191	1,223	1,247
Construction inspections/safety surveys	1,530	1,858	2,532	2,300

## **Fiscal Year 2006-2007 Accomplishments**

- Conducted Town (to include local community) tabletop exercise to test operations plan.
- Moved Ladder & Ladder Tender from Station 2, to Station 1. Improves ISO grading and saves fuel, wear and tear/maintenance on all front line vehicles.
- Implemented a new records management program/system for the Fire Marshal's office.
- A.E.D.'s purchased and installed. All Town employees certified in CPR/AED.
- Up-graded PASS alarms on all Self Contained Breathing Apparatus...\$12,000 project at no cost to the Town.
- Submitted a Federal Firefighters grant to up-grade mobile and portable radio equipment.... on-going. \$65,000 requested.
- Submitted Governors Highway grant for extrication/stabilization equipment...\$8,000 awarded
- Submitted Proposition 202 Grant for 3-life pack 12 Cardiac Defibulator/Heart Monitors... \$75,000 under review.
- Completed Station response time study. Saved \$5,000 in potential software purchase, through partnership with the Cities of Phoenix and Scottsdale.
- Completed Station 1 kitchen remodel.
- Completed Station 1 exterior painting and re-roofing.
- Completed Station 1 parking lot; interior painting; floor covering; men's shower and bathroom remodel.
- Maintain or improve upon a 4-minute response time for all emergency calls.
- Continued building the relationship with Maricopa County Sheriff's Office District in Fountain Hills.

## **Fiscal Year 2006-2007 Objectives**

- Prepare engineering and design work for re-location of Station 2.
- RFQ, award contract, and build new replacement fire pumper.
- Submit for Federal Firefighters grant for mobile and portable radios for station 1.
- Insurance Serves Organization (ISO) re-grade project...from a Grade 4 to a Grade 2.
- Continue to up-grade record management systems.
- Review/study fire marshal operations for efficiency enhancements.

## Summary Expenditures – Fire Department

	FY 2003-2004 Actual	FY 2004-2005 Actual	FY 2005-2006 Actual	FY 2006-2007 Budget	FY 2006-2007 Estimate	FY 2007-2008 Budget
SALARIES & BENEFITS	\$0	\$0	\$0	\$0	\$0	\$0
CONTRACTUAL SERVICES	\$2,283,480	\$2,395,128	\$2,607,692	\$2,754,287	\$2,754,287	\$2,974,126
REPAIRS & MAINTENANCE	\$34,022	\$27,798	\$58,622	\$38,000	\$40,000	\$36,500
SUPPLIES & SERVICES	\$24,910	\$48,255	\$46,074	\$48,190	\$48,190	\$35,200
CAPITAL EXPENDITURES	\$0	\$0	\$0	\$6,000	\$6,000	\$13,500
<b>TOTAL EXPENDITURES</b>	<b>\$2,342,412</b>	<b>\$2,471,181</b>	<b>\$2,712,388</b>	<b>\$2,846,477</b>	<b>\$2,848,477</b>	<b>\$3,059,326</b>

### Contract Services

**\$2,974,126**

The majority of contractual services for this department include the contract for the Town's fire protection and emergency services contract with Rural/Metro Corporation at \$2,844,126. The Town contracts for dispatch, fleet service, and personnel only; all equipment and fire stations are owned by the Town. At the end of this fiscal year the Town will have completed three (3) years of the five (5) year contract. Also included is an expenditure of \$85,000 for conceptual design and site engineering for proposed re-location of Station 2.

### Repairs and Maintenance

**\$36,500**

This category of expenses relates to the department's fleet of fire equipment for field operations as well as maintenance and repair safety and office equipment. Fleet expenses include tires, brakes, batteries, and vehicle parts essential to keep equipment in operating order. The estimates are based on a three year cost trend for repair and maintenance of the fleet (\$38,000): reducing the fleet size by one vehicle (from 8 to 7) and making an assumption that the front line trucks are at the mid-point of service life. Also, one complete tire change for all vehicles is anticipated.

### Supplies and Services

**\$35,200**

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 \$ 21,000, followed by firefighting equipment which the Town will purchase to replace 10+-year-old fire equipment (radio's, nozzle, hose, saws, etc.) for \$15,000.

### Capital Expenditures

**\$13,500**

These funds are to be used as matching funds for a grant for portable radios.

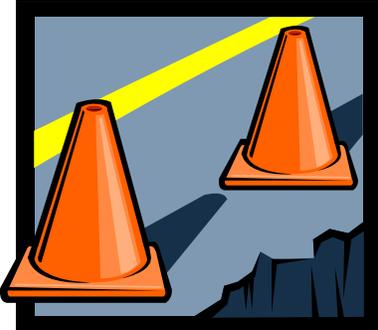
**FIRE DEPARTMENT**

	<b>FY 2004-2005 Actual</b>	<b>FY 2005-2006 Actual</b>	<b>FY 2006-2007 Budget</b>	<b>FY 2006-2007 Estimate</b>	<b>FY 2007-2008 Proposed</b>
<b>CONTRACT SERVICES</b>					
Professional Fees	\$0	\$0	\$2,500	\$2,500	\$85,000
Intergovernmental Agreements	\$0	\$5,000	\$5,000	\$5,000	\$5,000
Rural Metro Contract	\$2,395,128	\$2,602,692	\$2,746,787	\$2,746,787	\$2,884,126
<b>TOTAL</b>	<b>\$2,395,128</b>	<b>\$2,607,692</b>	<b>\$2,754,287</b>	<b>\$2,754,287</b>	<b>\$2,974,126</b>
<b>REPAIRS &amp; MAINTENANCE:</b>					
Vehicle Repairs & Maintenance	\$27,798	\$58,622	\$38,000	\$40,000	\$36,500
<b>TOTAL</b>	<b>\$27,798</b>	<b>\$58,622</b>	<b>\$38,000</b>	<b>\$40,000</b>	<b>\$36,500</b>
<b>SUPPLIES &amp; SERVICES:</b>					
Conferences	\$0	\$605	\$500	\$500	\$500
Dues & Publications	\$626	\$941	\$1,135	\$1,135	\$1,200
Gas & Oil Expense	\$28,611	\$28,956	\$26,255	\$26,255	\$21,000
Office Supplies	\$7,842	\$860	\$1,500	\$1,500	\$4,500
Fire Fighting Equipment	\$10,685	\$14,589	\$18,300	\$18,300	\$7,500
Printing	\$491	\$123	\$500	\$500	\$500
<b>TOTAL</b>	<b>\$48,255</b>	<b>\$46,074</b>	<b>\$48,190</b>	<b>\$48,190</b>	<b>\$35,200</b>
<b>CAPITAL EXPENDITURES</b>					
Capital Outlay-Commun.	\$0	\$0	\$6,000	\$6,000	\$13,500
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,000</b>	<b>\$6,000</b>	<b>\$13,500</b>
<b>TOTAL EXPENDITURES</b>	<b>\$2,471,181</b>	<b>\$2,712,388</b>	<b>\$2,846,477</b>	<b>\$2,848,477</b>	<b>\$3,059,326</b>

# Town of Fountain Hills Budget Summary by Program

**02 - Highway Users Fund**  
**071 - Streets and Highways Department**

**Total Budgeted Expenditures - \$2,489,285**





## Highway User Revenue Fund

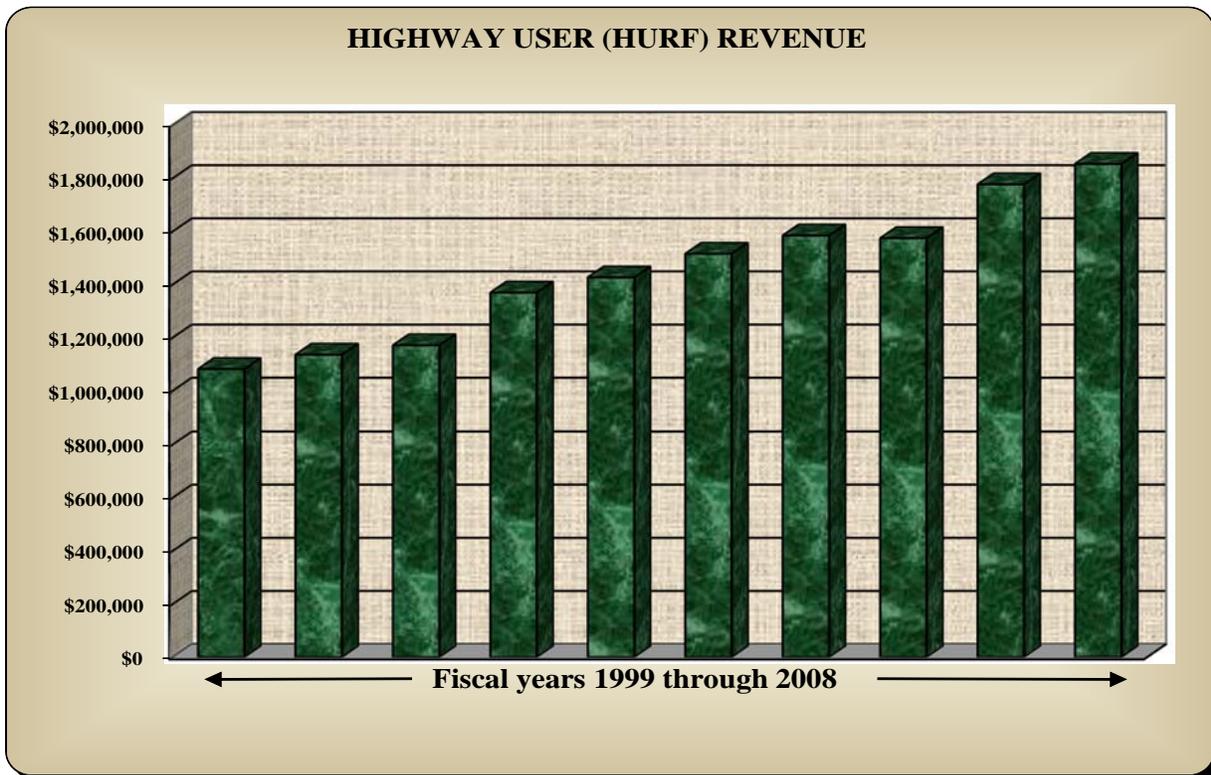
Restrictions	Fiscal Year	Amount	Percent Change
There is a State constitutional restriction on the use of these funds which requires that these funds be used solely for street and highway purposes. Payment of principal and interest on highway and street bonds are an approved use.	1996-97	\$1,017,600	24.3%
	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	\$1,574,453	-0.6%
	2006-07 (est.)	\$1,777,020	12.9%
	2007-08 (est.)	\$1,853,880	4.3%

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 FY2008 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

	2005-06 <u>Actual</u>	2006-07 <u>Estimated</u>	2007-08 <u>Projected</u>
Slurry Seal	0 miles	27.2 miles	30 miles
Microsurfacing	0 miles	2.9 miles	5 miles
Emulsion Seal Applications	0 miles	0 miles	0 miles
Striping Applied	30.5 miles	23.8 miles	22 miles
Traffic Signal LED Retrofits	2	2 signals	2 signals
ADA Intersection retrofits	4	2 locations	0
Complete Construction Projects	4 projects	3 projects	4 projects

## **Fiscal Year 2006-2007 Accomplishments:**

Major projects and accomplishments included:

- Reconstructed the median on Saguaro Boulevard and the old Stewart Vista alignment.
- Received a grant for a new PM-10 compliant street sweeper.
- Constructed new right turn lane on Palisades Boulevard at Vista Drive (Westridge Village).
- Constructed new deceleration lane on Fountain Hills Boulevard at Sullivan Drive.
- Constructed an emergency crossover on Shea Boulevard.
- Installed approximately 240 tons of erosion control at various wash crossings.
- Installed solar powered pedestrian crossing flasher on Saguaro Boulevard at Avenue of the Fountains.
- Started town wide replacement of all street name signs and support poles.
- Implemented Stormwater Management Plan requirement by hydro-vacuuming 235 stormwater catch basins.
- 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 central quadrants of town (approximately 15 miles of streets).
- Street patching in town-wide areas – over 200 tons of asphalt.
- Performed 575 man-hours on special projects (major projects include drainage pipe repair at El Lago/Saguaro Boulevard intersection, cleared street drainage inlets, alley clean-up of debris and brush, erosion control at the overlook on Shea Boulevard, install new banners on the Avenue of the Fountains).

## **Fiscal Year 2007-08 Objectives:**

- Convert one-third of street name signs to larger, higher visibility signs.
- Construct traffic signal at the Palisades/Sunridge Drive intersection.
- Prepare streets in the central area of town for pavement maintenance activities.
- Reconstruct drainage system on Saguaro Boulevard in preparation for overlay.
- Replace existing 1997 Ford crew cab truck with a 2007 Ford F-450 crew cab.
- Increase hours spent on curb replacement to minimize town liability.
- Retrofit two traffic signals to LED signal heads for cost savings, increased reliability, and improved visibility.
- Purchase a new PM-10 sweeper with grant money received.
- Implement Storm Water Management Plan requirements by increased street sweeping to minimize road debris runoff.
- Install a self-contained wash bay/decant station for all equipment.

## Fund Summary - Streets

	FY 2004-2005 Actual	FY 2005-2006 Actual	FY 2006-2007 Budget	FY 2006-2007 Estimate	FY 2007-2008 Proposed
<b>REVENUE:</b>					
LTAF	\$113,674	111,638	110,785	110,785	114,716
Highway User	\$1,471,032	1,574,453	1,614,855	1,704,000	1,736,917
Charges for Svcs/In Lieu Pmts	\$26,359	12,802	8,000	30,000	8,000
Interest	\$10,493	24,009	7,000	56,000	40,000
Misc. Income	\$31,680	4,079	1,000	1,000	1,000
Transfer from General Fund	0	519,869	0	0	0
<b>TOTAL CURRENT REVENUE</b>	<b>\$1,653,237</b>	<b>\$2,246,850</b>	<b>\$1,741,640</b>	<b>\$1,901,785</b>	<b>\$1,900,633</b>
<b>EXPENDITURES:</b>					
Salaries and Benefits	485,056	589,071	685,646	685,646	585,392
Contractual Services	20,319	15,946	24,250	33,650	26,465
Repairs and Maintenance	628,060	599,505	1,648,724	1,233,255	1,477,328
Supplies and Services	200,625	197,685	206,195	204,150	199,800
Capital Outlay	105,164	36,597	80,000	79,844	74,000
Debt Retirement	120,500	133,808	135,000	135,000	126,300
<b>TOTAL CURRENT EXPENDITURES</b>	<b>\$1,559,724</b>	<b>\$1,572,612</b>	<b>\$2,779,815</b>	<b>\$2,371,545</b>	<b>\$2,489,285</b>
<b>EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES</b>	<b>93,513</b>	<b>674,238</b>	<b>(1,038,175)</b>	<b>(469,760)</b>	<b>(588,652)</b>
<b>Fund Balance Beginning of Year</b>	<b>\$331,561</b>	<b>\$427,218</b>	<b>\$1,108,324</b>	<b>\$1,101,456</b>	<b>\$633,145</b>
<b>Ending Fund Balance</b>	<b>\$425,075</b>	<b>\$1,101,456</b>	<b>\$70,149</b>	<b>\$633,145</b>	<b>\$44,493</b>

## Authorized Personnel

Assistant Public Works Director	0.00	0.00	0.00	1.00	1.00	0.00
Street Superintendent	1.00	1.00	1.00	1.00	1.00	1.00
Street Maintenance Supervisor	0.00	1.00	1.00	0.00	0.00	0.00
Fleet Mechanic	1.00	1.00	1.00	1.00	1.00	1.00
Fleet Equipment Mechanic	1.00	1.00	0.00	0.00	0.00	0.00
Street Maintenance Tech	11.00	9.00	8.00	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>10.00</b>

## Salaries and Benefits

**\$585,392**

The Street Division currently has 10 full-time regular employees including the street superintendent, mechanic, and technicians. The Assistant Public Works Director position has been difficult to fill and with the hiring of another civil engineer, the workload has been absorbed.

## **Contract Services**

**\$26,465**

Accounting (auditor) and Town Attorney legal fees are annually prorated to the Street Fund.

## **Repairs and Maintenance**

**\$1,477,328**

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 17 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, Saguario 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 are expensive and have the largest impact on the traveling public during construction. The condition of a town's arterial streets is often seen as indicative of the 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 \$36,341 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 \$241,645 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. A contract in the amount of \$79,750 to paint house numbers on the curbs is proposed—11,000 residences at \$7.25 each.

Under the Major Road Improvements line item, \$932,671 has been budgeted for slurry seal, which will be applied primarily in the southeast area of Town. A total of \$89,700 is budgeted for the Microsurfacing which is planned for the downtown streets. 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 \$25,250.

**Supplies and Services****\$199,800**

Major items include \$25,000 for electricity and \$35,000 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****\$200,300**

Capital items proposed for this budget year include the purchase of a 2007 Ford F450 crew cab that will replace a 1997 vehicle that will be retired according to the Town's vehicle replacement policy. The vehicle will be equipped with a sign pole pulling device – total cost \$54,000. The Town has been awarded a grant from Maricopa Association of Governments for an additional street sweeper, requiring a \$20,000 matching fee which is included in the capital outlay.

Transfers include the annual debt service payment for road paving bonds that were issued in 1991 of \$126,300. These bonds will be retired in FY09-10.

# TOWN OF FOUNTAIN HILLS

## PROPOSED PAVEMENT MAINTENANCE

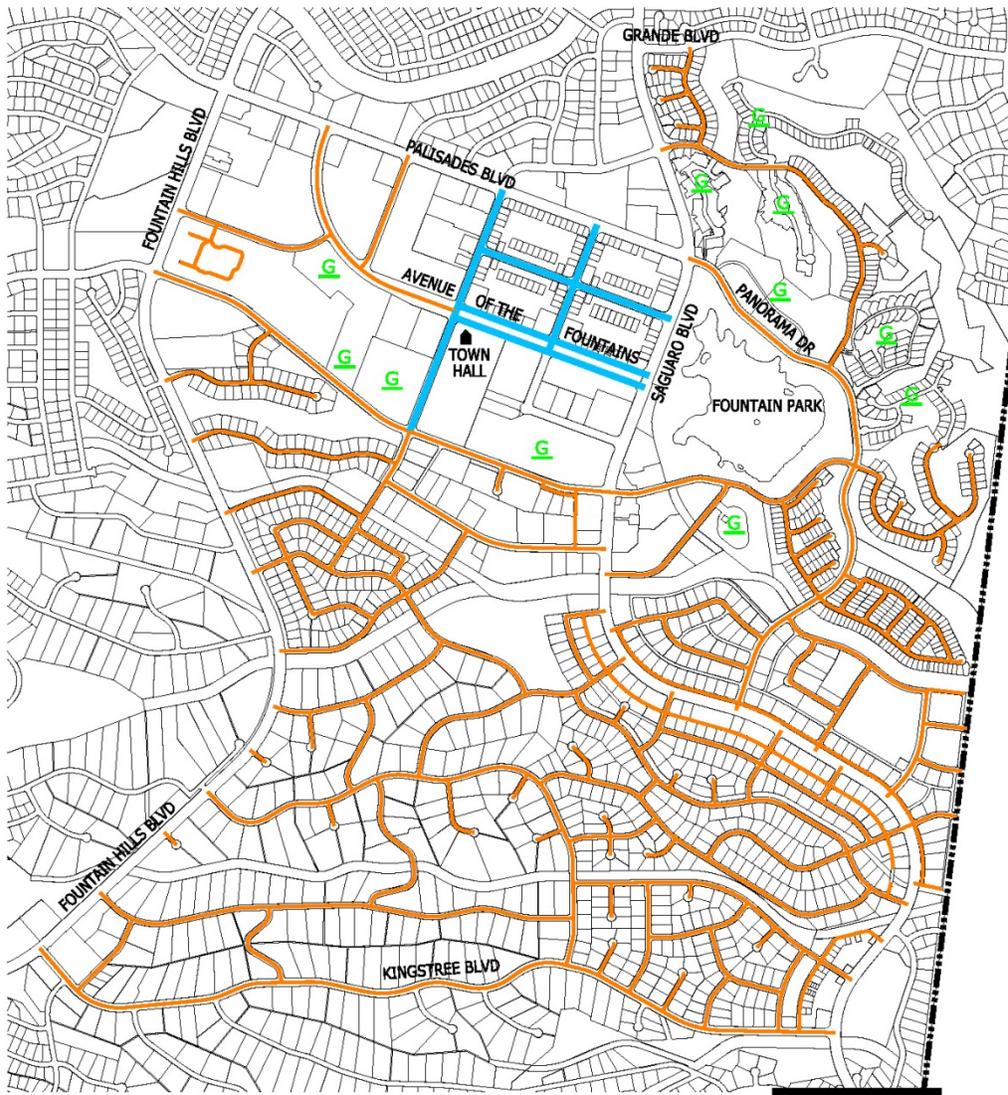
### 2007-2008



NORTH  
SCALE: NTS

#### LEGEND

- █ MICROSURFACE
- █ SLURRY SEAL
- G GATED - PRIVATE STREETS



NORTH  
SCALE: NTS

MATCH BELOW LEFT



MATCH ABOVE RIGHT

**STREET DEPARTMENT**

	<b>FY 2004-2005</b>	<b>FY 2005-2006</b>	<b>FY 2006-2007</b>	<b>FY 2006-2007</b>	<b>FY 2007-2008</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Estimate</b>	<b>Proposed</b>
<b>SALARIES &amp; BENEFITS:</b>					
Overtime	\$0	\$7,573	\$7,401	\$7,401	\$6,530
Wages and Salaries	\$352,228	\$412,533	\$477,844	\$477,844	\$405,964
Employer FICA Expense	\$5,174	\$6,037	\$7,000	\$7,000	\$6,040
Unemployment Insurance Expense	\$783	\$754	\$655	\$655	\$700
Employee's Health Insurance	\$48,383	\$62,175	\$77,212	\$77,212	\$61,904
Employee's Life Insurance	\$1,107	\$1,578	\$1,981	\$1,981	\$1,282
Employee's Dental Insurance	\$5,108	\$6,120	\$7,056	\$7,056	\$4,412
Employee Vision Insurance	\$0	\$754	\$960	\$960	\$723
Worker Compensation Insurance	\$30,106	\$41,998	\$49,771	\$49,771	\$50,391
Employee's Retirement Expense	\$40,410	\$47,342	\$53,377	\$53,377	\$45,374
Disability Insurance	\$1,757	\$2,208	\$2,389	\$2,389	\$2,071
<b>TOTAL</b>	<b>\$485,056</b>	<b>\$589,071</b>	<b>\$685,646</b>	<b>\$685,646</b>	<b>\$585,392</b>
<b>CONTRACT SERVICES</b>					
Accounting Fees	\$3,500	\$5,375	\$4,500	\$4,500	\$8,465
Professional Fees	\$7,569	\$1,321	\$10,500	\$19,900	\$0
Legal Fees	\$9,250	\$9,250	\$9,250	\$9,250	\$18,000
<b>TOTAL</b>	<b>\$20,319</b>	<b>\$15,946</b>	<b>\$24,250</b>	<b>\$33,650</b>	<b>\$26,465</b>
<b>REPAIRS &amp; MAINTENANCE:</b>					
Vehicle Repairs & Maintenance	\$31,119	\$45,232	\$36,330	\$36,330	\$36,341
Road Repair & Maintenance	\$136,783	\$160,694	\$194,231	\$199,870	\$243,645
Equipment Rental	\$20	\$0	\$500	\$0	\$500
Building Repairs & Maintenance	\$1,616	\$6,199	\$7,000	\$6,000	\$3,000
Office Equipment Repairs & Maintenance	\$16	\$0	\$500	\$500	\$500
Major Road Improvements	\$458,506	\$387,380	\$1,410,163	\$990,555	\$1,193,342
<b>TOTAL</b>	<b>\$628,060</b>	<b>\$599,505</b>	<b>\$1,648,724</b>	<b>\$1,233,255</b>	<b>\$1,477,328</b>
<b>SUPPLIES &amp; SERVICES:</b>					
Advertising	\$29	\$99	\$250	\$500	\$250
Conferences	\$0	\$3,505	\$3,975	\$2,000	\$2,000
Education/Training	\$820	\$3,375	\$3,030	\$2,300	\$2,950
Dues & Publications	\$3,853	\$4,295	\$5,550	\$6,000	\$5,150
Electricity	\$25,750	\$21,666	\$30,000	\$22,000	\$25,000
Gas & Oil	\$24,395	\$27,125	\$29,300	\$35,000	\$35,000
Liability Insurance	\$98,301	\$111,870	\$108,700	\$108,700	\$103,125
Office Supplies	\$1,485	\$595	\$1,320	\$1,320	\$1,820
Tools, Shop Supplies	\$29,726	\$6,819	\$4,800	\$4,800	\$5,050
Printing	\$82	\$390	\$200	\$240	\$240
Communication Expense	\$4,340	\$5,029	\$5,450	\$5,680	\$5,680
Water/Sewer	\$2,802	\$4,561	\$3,680	\$5,940	\$5,435
Travel	\$0	\$69	\$290	\$20	\$100
Uniforms	\$9,042	\$8,288	\$9,650	\$9,650	\$8,000
<b>TOTAL</b>	<b>\$200,625</b>	<b>\$197,685</b>	<b>\$206,195</b>	<b>\$204,150</b>	<b>\$199,800</b>
<b>CAPITAL EXPENDITURES</b>					
Capital Outlay - Vehicles	\$105,164	\$36,597	\$30,000	\$29,844	\$74,000
Capital Outlay - Furniture & Equipment	\$0	\$0	\$0	\$0	\$0
Capital Outlay - Software	\$0	\$0	\$0	\$0	\$0
Capital Outlay - Improvements	\$0	\$0	\$50,000	\$50,000	\$0
Transfers	\$120,500	\$133,808	\$135,000	\$135,000	\$126,300
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>\$225,664</b>	<b>\$170,405</b>	<b>\$215,000</b>	<b>\$214,844</b>	<b>\$200,300</b>

## Special Revenue Funds

Special Revenue Funds include those resources and expenditures that are restricted as to their purpose; these funds are not available for any expenditures that are not specifically stipulated in either statute or contract. The table below lists those funds that are dedicated as special revenues, their source of revenue, purpose and estimated expenditures for FY2007-08:

Fund No.	Fund Name	Revenue Source	Eligible Expenditures	FY07-08 Budget
02	Highway User Revenue Fund (HURF)	Gasoline tax	Town road maintenance	\$2,489,285
07	Court Enhancement Fund	Court Fines	Court improvements	\$28,000
08	Community Center FF&E	Fund Balance	Community Center	\$75,000
08	Special Revenue – Fire Department	Grant	Mobile communications equipment	\$60,000
08	Special Revenue - Streets	Lottery Funds	Shuttle for Seniors medical appointments	\$90,000
08	Special Revenue - Streets	MAG	Street Sweeper	\$200,000
08	Special Revenue Miscellaneous	Grants	Stipulated by funding source	\$1,500,000
09	Downtown Development	.1% sales tax	Downtown development	\$219,730

A brief summary for the Highway User Revenue Fund and Downtown Development follow the chart below:

SPECIAL REVENUE FUND	FY 2004-2005 Actual	FY 2005-2006 Actual	FY 2006-2007 Budget	FY 2006-2007 Estimate	FY 2007-2008 Proposed
<b>REVENUE:</b>					
FEMA	0	50,000	0	0	60,000
Proposition 202	55,000	0	0	260,000	0
LTAF Revenue	53,006	68,125	0	72,305	67,500
Miscellaneous Grant Revenue	0	1,437,000	1,500,000	0	1,500,000
ADOT	0	175,000	0	0	180,000
Transfer from Other Funds				22,500	42,500
<b>TOTAL CURRENT REVENUE</b>	<b>\$108,006</b>	<b>\$1,730,125</b>	<b>\$1,500,000</b>	<b>\$354,805</b>	<b>\$1,850,000</b>
FEMA	0	50,000	0	0	60,000
Proposition 202	64,692	0	0	260,000	0
LTAF-RPTA	53,006	68,125	0	94,805	90,000
Undesignated Grant Expenditure	0	1,437,000	1,500,000	0	1,500,000
ADOT - Street Sweeper	0	175,000			200,000
<b>TOTAL EXPENDITURES &amp; TRANSFER</b>	<b>\$117,698</b>	<b>\$1,730,125</b>	<b>\$1,500,000</b>	<b>\$354,805</b>	<b>\$1,850,000</b>

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

When the Community Center was built in 2004, the Fountain Hills Civic Association collected donations from residents to supplement the furniture, fixtures and equipment budget of the new building. These funds have been set aside to be used for costs associated with improvements to the Community Center and will have an estimated balance of \$97,650 on June 30, 2007. With the successful use of the building, the carpeting has deteriorated due to wear and tear. This budget includes funds to begin to update the flooring over the next two years - \$75,000 has been included for FY2007-08.

## 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 issued bonds to purchase the mountain preserve land, the Community Center and the Town Hall; the MPC leases the property to the Town for an amount equal to the annual debt service payment. When the bonds are retired, the assets will be transferred over to the Town. The Community Center bonds are repaid by a transfer from the General Fund. The mountain and Town Hall bonds are repaid through excise tax revenue.

	FY 2004-2005 Actual	FY 2005-2006 Actual	FY 2006-2007 Budget	FY 2006-2007 Estimate	FY 2007-2008 Proposed
<b>MUNICIPAL PROPERTY CORP</b>					
Excise Tax Transfers (.2%)	683,061	746,662	708,700	720,817	628,562
Excise Tax Transfers (.1%)	347,583	373,331	354,350	360,409	314,281
Transfer from Community Center	327,228	327,228	387,000	360,409	387,000
Interest	29,055	5,000	5,000	35,000	40,000
<b>TOTAL REVENUES</b>	<b>\$1,386,927</b>	<b>\$1,452,221</b>	<b>\$1,455,050</b>	<b>\$1,476,635</b>	<b>\$1,369,843</b>
<b>EXPENDITURES:</b>					
<b>MPC Debt Service</b>					
Mountain Bond Payment	595,000	595,000	563,000	563,000	415,000
Civic Center Phase II Bonds (.1%)	255,480	255,480	285,000	285,000	315,000
MPC - Community Center	327,228	327,228	387,000	387,000	387,000
Sales Tax Rebate	22,532	0	0	0	0
Refunded Bonds	1,650,928	0			179,350
<b>TOTAL EXPENDITURES</b>	<b>\$2,851,168</b>	<b>\$1,177,708</b>	<b>\$1,235,000</b>	<b>\$1,235,000</b>	<b>\$1,296,350</b>
<b>EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES</b>	<b>(1,464,241)</b>	<b>274,513</b>	<b>220,050</b>	<b>241,635</b>	<b>73,493</b>
Fund Balance Beginning of Year	\$1,742,551	\$278,310	\$552,823	\$772,873	\$1,014,508
Ending Fund Balance	<b>\$278,310</b>	<b>\$552,823</b>	<b>\$772,873</b>	<b>\$1,014,508</b>	<b>\$1,088,001</b>

## Grants

In the third quarter of FY2006-07 the Town began a grants program. The Public Works and Parks and Recreation Departments have several grant applications submitted. The grant horizon chart details several Town projects that are being supported by grant dollars. Some of these projects are multi-year and some will be completed in FY2007-08. Planning for grants on a horizon allows the Town to match our project needs with money available. It also allows us to budget matching funds.

Grant Agency/Name	Project	Planning/Design (Estimated Year and Dollars)	Construction/Implementation (Estimated Year and Dollar)	Estimated Completion	Estimated Total Grant Dollars	Estimated Town Match
MAG - STP	Shea Boulevard Climbing Lane (Fountain Hills to Palisades)	FY2006-2009	FY2009-2011	2012	\$ 1,076,000.00	\$ 880,205.00
MAG - RARF	Shea Boulevard Widening Phase I (Saguaro to Technology)	FY2007-2009	FY2009-2011	2012	\$ 1,589,000.00	\$ 1,131,466.00
MAG - RARF	Shea Boulevard Phase II (Add three lanes and appurtenances)	FY2020-2022	FY2022-2024	2025	\$ 3,689,000.00	\$ 1,581,000.00
MAG - CMAQ	Fountain Hills Boulevard (Fayette to Middle School)	FY2006-2009	FY2009-2011	2011	\$ 354,000.00	\$ 411,000.00
MAG - Deisgn Assistance	Four Peaks School Sidewalk (Alamosa & Del Cambre)	FY2007-2008	FY2009-2011	2011	\$45,000 (Design Only)	\$1,156,150
MAG - CMAQ	Fountain Hills Boulevard Sidewalk (Shea to Crystal Print)	FY2009-2011	FY2011 - 2013	2014	\$300,000	\$1,058,000
MAG - CMAQ	Shea Boulevard Sidewalk (142nd St. to Eagle Mountain)	FY2010-2012	FY2012-2014	2015	\$2,733,000	\$117,000
State Park Heritage Grant	Desert Vista Neighborhood Park	N/A	FY2007-2008	Jun-08	\$774,920	\$1,002,434
AZ Commission of the Arts	Concerts in the Park Series (6)	N/A	FY 2007-2008	Mar-08	\$2,300	
AZ Commission of the Arts	Ballet Under the Stars	N/A	FY 2007-2008	Sep-07	\$1,800	
AZ Game and Fish Dept.	PENDING APPLICATION for Riparian Grant	N/A	FY 2007-2008	2008	Amount to be determined	Amount to be determined
Target Corporation	PENDING APPLICATION for Arts Grant	N/A	FY 2007-2008	2008	Application for \$3,000	Amount to be determined
MAG	PENDING APPLICATION for Safety and Elderly Mobility Sign Program	N/A	FY 2007-2008	2008	Application for \$4,172	Amount to be determined



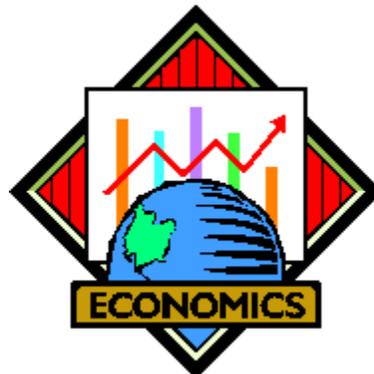
# **Town of Fountain Hills Budget Summary by Program**

**09 - Excise Tax Fund**

**050 - General and Administrative Department**

**822 - Downtown Development Program**

**Total Budgeted Expenditures -\$198,120**





## **Economic/Downtown Development Program**

### **Mission Statement**

The mission of the Economic/Downtown Development Program is two-fold: 1) to work in partnership with retail developers, leasing agents and business owners/managers to bring new business into Fountain Hills and 2) to enhance business vitality for existing businesses in Fountain Hills through downtown improvements and a business vitality program. The program coordinator endeavors to act as an ombudsman between the Town and the business community by providing excellent communication between these two groups and assisting business with the development process. The program coordinator also supports the business community by encouraging events and activities in the downtown.

### **Division Description**

The Economic/Downtown Development Program functions are incorporated within the Administration Department but the appropriation is shown separately to highlight the total investment in economic development. Responsibilities include all aspects of economic development: business attraction and recruitment, business retention, ombudsmen, downtown development, small business development, technology led economic development, business education development and redevelopment and reuse.

### **Performance Standards**

- Continue to evaluate and improve the efficiency, accuracy, expediency and coordination of the planning, engineering and building review process for commercial developments.
- Encourage and support small business education classes and seminars.
- Act as an ombudsman for businesses to assist with communication of Town regulations and to assist with the development process.
- Support existing businesses by implementing business retention strategies.
- Communicate efforts with other municipalities and economic development agencies.
- Build and maintain relationships with other municipalities and economic development agencies.
- Evaluate and implement technology led strategies that would improve the delivery of economic development services.

### **Fiscal Year 07/08 Accomplishments**

- Construction of Phase I of the Avenue of the Fountains Enhancement Project.
- Implementation of a downtown events program.
- Coordination of the review process between economic development, planning, engineering and building departments.
- Partnership with the Chamber of Commerce in conducting a Business Excellence Program.
- Partnership with the Art League in a downtown banner design contest.

### **Fiscal Year 2007-2008 Objectives**

- Develop and implement a business retention program.
- Coordinate an economic market study for the remaining commercial development areas.

- Hold economic development visioning sessions with stakeholders in the community.
- Coordinate a development strategy and visual representation for the south side of the Avenue of the Fountains.
- Enhance the business environment in the Downtown area.
- Work with the Chamber of Commerce on the Business Vitality Plan.
- Create the vision for the property on the south side of Avenue of the Fountains.

### **Excise Tax – Special Revenue**

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 50% of the salaries and benefits of the Town’s Assistant to the Town Manager. During FY2005-06 the Council approved the design for an initial phase of the downtown project. Construction began in May of 2006 with completion in October 2006.

### **Salaries and Wages**

**\$43,430**

The salary and benefits for economic development work is partially funded by the dedicated \$0.01% of the local sales tax. Approximately 50% of the time spent on economic development work is focused on the downtown area; the remainder of the time is spent on promoting economic development for the community as a whole.

### **Professional Services**

**\$101,000**

The budget includes professional services to provide a holiday lighting display in the medians and on the light poles and ramadas along the Avenue of the Fountains in the downtown area. The estimated contract of \$32,000 includes repair, erecting, dismantling and storage of the Town owned holiday light displays. An additional \$6,000 is estimated to purchase and install lights on the light poles and the ramadas on the Avenue. Other professional services include hiring consultant(s) to conduct an economic market study for Fountain Hills and a south side of the Avenue visualization; each of these services will cost approximately \$25,000.

The Town will also be contributing \$8,000 to the Business Excellence Program provided in conjunction with the Fountain Hills Chamber of Commerce. This program supports small business development. Additionally, \$5,000 is requested to improve collateral material for business recruitment.

### **Supplies and Services**

**\$38,690**

This category includes advertising and membership fees and includes money to continue to enhance and add vitality into downtown Fountain Hills. There is \$12,600 to purchase two more sets of banners, including one set of the winning designs from an art contest done in conjunction with the Art League. There is \$1,000 to create Downtown Fountain Hills signs to go on top of all the street signs in the downtown area. As well, an additional \$2,450 is budgeted to promote Fountain Hills at events such as the Chamber of Commerce Business Showcase, the East Valley Partnership Economic Development Forum and the International Council of Shopping Centers Idea Exchange. The budgeted amount for supplies and services is reduced this year with the elimination of \$7,000 for the Avenue of the Fountains Enhancement project celebrations and \$6,000 for a downtown map. These were one-time expenditures that are not required in the FY07-08 budget.

Memberships allows the Town to hold membership and participate in regional and national economic development organizations including the Greater Phoenix Economic Council (GPEC), Arizona Association of Economic Development (AAED), East Valley Partnership, the National Main street Program, the International Council on Shopping Centers (ICSC) and the International Economic Development Council (IEDC). IEDC is holding their national conference in Phoenix this year. This is an exciting opportunity for both the region and the Town to receive economic exposure nationally and internationally. The Town is embracing this opportunity with at \$5000 sponsorship donation. This budget also includes \$7100 for the economic development coordinator to support business attraction and recruitment with the creation of Town marketing materials.

To reach more of the business community this budget proposes several meeting opportunities to gain input and learn about business needs. Two small group business appreciation events are proposed for \$4,000. In addition \$800 is proposed to conduct visioning sessions for vacant commercial properties. The Town supports our new businesses by providing flowers at grand openings and one year anniversaries at a cost of approximately \$1,170. Finally the Town budgets to support business growth by meeting with new and existing businesses, attend Chamber breakfasts and participate in regional professional meetings for approximately \$1,660.

EXCISE TAX - DOWNTOWN DEV	FY 2004-2005 Actual	FY 2005-2006 Actual	FY 2006-2007 Budget	FY 2006-2007 Estimate	FY 2007-2008 Proposed
<b>REVENUES:</b>					
Downtown Development (.1%)	341,531	458,190	354,352	360,409	314,281
General Fund Transfer	\$0	\$0			
<b>TOTAL REVENUES</b>	<b>\$341,531</b>	<b>\$458,190</b>	<b>\$354,352</b>	<b>\$360,409</b>	<b>\$314,281</b>
<b>EXPENDITURES:</b>					
<b>SALARIES &amp; BENEFITS:</b>					
Wages	35,700	38,275	41,200	41,200	35,500
FICA	496	555	610	610	530
Unemployment Insurance	100	79	40	40	40
Employee's Health Insurance	2,490	3,422	3,980	3,980	2,810
Employee's Life Insurance	103	142	170	130	110
Employee's Dental Insurance	275	332	360	300	190
Employee's Eye Insurance	0	60	50	50	30
Worker's Compensation Insurance	117	181	160	160	140
Employee's Retirement Fund	3,927	4,210	4,530	4,530	3,900
Disability Insurance	153	183	210	210	180
<b>TOTAL SALARIES/BENEFITS</b>	<b>\$43,361</b>	<b>\$47,439</b>	<b>\$51,310</b>	<b>\$51,210</b>	<b>\$43,430</b>
<b>CONTRACT SERVICES</b>					
Professional Fees	39,654	31,630	45,000	30,550	101,000
Engineering Fees	675	0	0	0	0
Sales Tax Rebate	11,600	4,905	0	0	0
<b>TOTAL CONTRACT SERVICES</b>	<b>\$51,929</b>	<b>\$36,535</b>	<b>\$45,000</b>	<b>\$30,550</b>	<b>\$101,000</b>
<b>SUPPLIES &amp; SERVICES</b>					
Advertising/Signage	85	0	29,750	29,750	15,850
Conferences	1,152	1,751	6,190	9,595	5,600
Education/Training	0	2,047	0	0	5,040
Dues/Publications	75	767	1,545	1,545	1,620
Office Supplies	21	947	562	562	250
Printing	696	1,794	675	1,500	2,100
Communication	33	588	600	900	530
Meetings/Travel	1,709	442	4,870	2,500	7,700
<b>TOTAL</b>	<b>\$3,771</b>	<b>\$8,336</b>	<b>\$44,192</b>	<b>\$46,352</b>	<b>\$38,690</b>
<b>CAPITAL EXPENDITURES</b>					
Capital Projects - Downtown	131,023	800,000	0	0	15,000
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>\$131,023</b>	<b>\$800,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$15,000</b>
<b>TOTAL EXPENDITURES</b>	<b>\$230,084</b>	<b>\$892,310</b>	<b>\$140,502</b>	<b>\$128,112</b>	<b>\$198,120</b>
<b>EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES</b>	<b>\$111,447</b>	<b>(\$434,120)</b>	<b>\$213,850</b>	<b>\$232,297</b>	<b>\$116,161</b>
Fund Balance Beginning of Year	\$955,156	\$1,073,854	\$0	\$639,735	\$872,032
Ending Fund Balance	<b>\$1,073,854</b>	<b>\$639,734</b>	<b>\$213,850</b>	<b>\$872,032</b>	<b>\$988,193</b>

# Town of Fountain Hills Budget Schedules/Summaries

## Debt Service





## Debt Service Funds

The Debt Service Funds provide 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 issue 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 2007/2008 are \$1,400,000 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, 2007.

### DEBT RETIREMENT - HURF/GO BONDS

	FY 2004-2005 Actual	FY 2005-2006 Actual	FY 2006-2007 Budget	FY 2006-2007 Estimate	FY 2007-2008 Proposed
<b>REVENUE:</b>					
<b>Property Tax Revenue:</b>					
General Obligation Bonds	1,461,420	1,325,581	1,370,000	1,300,000	1,400,000
<b>Other Debt Retirement Issues:</b>					
HURF Street Paving Transfers	124,000	110,500	135,000	135,000	126,300
Cottonwoods Improvement District	1,519	3,850	3,850	3,850	3,850
Interest Earnings	37,427	30,407	1,400	28,000	1,400
Bond Proceeds	7,225,000	0	0	0	0
<b>TOTAL REVENUES</b>	<b>\$8,849,366</b>	<b>\$1,470,338</b>	<b>\$1,510,250</b>	<b>\$1,466,850</b>	<b>\$1,531,550</b>
<b>EXPENDITURES:</b>					
<b>General Obligation Bonds:</b>					
Bond Payment - GO	53,178	281,870			
Bond Payment - Lakeside	132,500	87,800			
Bond Payment - Library/Museum	295,805	304,750			
Bond Payment - Mtn Bonds GO	332,595	330,000			
Refunded Bonds	7,822,079	515,000	1,371,400	1,371,400	1,392,350
<b>Special Districts Debt Service:</b>					
Bond Payment - HURF	124,000	110,500	135,000	135,000	126,300
Bond Payment - Cottonwoods Impr. Dist.	3,991	3,850	3,850	3,850	3,850
<b>TOTAL EXPENDITURES</b>	<b>\$8,764,148</b>	<b>\$1,633,770</b>	<b>\$1,510,250</b>	<b>\$1,510,250</b>	<b>\$1,522,500</b>
<b>EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES</b>	<b>85,218</b>	<b>(163,432)</b>	<b>0</b>	<b>(43,400)</b>	<b>9,050</b>
Fund Balance Beginning of Year	\$280,561	\$365,779	\$192,704	\$192,704	\$149,304
Ending Fund Balance	\$365,779	\$202,347	\$192,704	\$149,304	\$158,354

The HURF Bond principal and interest payment is \$126,300 for fiscal year 2007-2008 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. Below is the schedule of Debt Service payments required for next fiscal year, including a breakdown of the debt service payments for FY07-08 and ending fund balance. 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 2007-2008 is estimated to be \$610,738,122 for the upcoming year and the estimated levy is \$0.2124 per \$100 of assessed value.

### **Municipal Properties Corporation (MPC) Fund Revenues and Expenditures Summary**

The Municipal Property Corporation owns the land and buildings purchased through bond proceeds (McDowell Mountain preserve, Community Center and Town Hall). The annual debt payment on the bonds is paid for with proceeds from the dedicated portion of the local sales tax and is included as a transfer from the Excise Sales Tax. The debt payment for the Community Center will be transferred from the General Fund and is included within the Community Center budget. Any fund balance in this fund may be used only to retire the debt on the bonds. When the bonds are retired any assets owned by the MPC are turned over to the Town.

	<b>FY 2004-2005 Actual</b>	<b>FY 2005-2006 Actual</b>	<b>FY 2006-2007 Budget</b>	<b>FY 2006-2007 Estimate</b>	<b>FY 2007-2008 Proposed</b>
<b>MUNICIPAL PROPERTY CORP</b>					
Excise Tax Transfers (.2%)	683,061	843,492	708,700	720,817	628,562
Excise Tax Transfers (.1%)	347,583	421,746	354,350	360,409	314,281
Transfer from Community Center	327,228	387,000	387,000	387,000	387,000
Interest	29,055	34,658	5,000	35,000	40,000
<b>TOTAL REVENUES</b>	<b>\$1,386,927</b>	<b>\$1,686,896</b>	<b>\$1,455,050</b>	<b>\$1,503,226</b>	<b>\$1,369,843</b>
<b>EXPENDITURES:</b>					
<b>MPC Debt Service</b>					
Mountain Bond Payment	595,000	595,000	563,000	563,000	415,000
Civic Center Phase II Bonds (.1%)	255,480	246,637	285,000	285,000	315,000
MPC - Community Center	327,228	387,000	387,000	387,000	387,000
Sales Tax Rebate	22,532	0	0	0	0
Refunded Bonds	1,650,928	0			179,350
<b>TOTAL EXPENDITURES</b>	<b>\$2,851,168</b>	<b>\$1,228,637</b>	<b>\$1,235,000</b>	<b>\$1,235,000</b>	<b>\$1,296,350</b>
<b>EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES</b>	<b>(1,464,241)</b>	<b>458,259</b>	<b>220,050</b>	<b>268,226</b>	<b>73,493</b>
Fund Balance Beginning of Year	\$1,742,551	\$278,310	\$530,291	\$736,569	\$1,004,795
Ending Fund Balance	<b>\$278,310</b>	<b>\$736,569</b>	<b>\$750,341</b>	<b>\$1,004,795</b>	<b>\$1,078,288</b>

## Schedule of Outstanding Debt – June 30, 2007

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	\$1,200,000	\$1,255,000	\$0
GO	Library/Museum	6/1/2000	5.50	7/1/2014	\$3,700,000	\$1,475,000	\$1,675,000	\$550,000
GO	Land Acq-Lake	8/1/1999	5.10	7/1/2014	\$1,400,000	\$600,000	\$500,000	\$300,000
GO	Mtn. Bonds	12/1/2001	4.90	7/1/2020	\$6,000,000	\$1,175,000	\$3,425,000	\$1,400,000
GO	Refunding	6/1/2005	4.00	7/1/2019	\$7,225,000	\$0	\$0	\$7,225,000
TOTAL					\$24,310,000	\$5,525,000	\$9,310,000	\$9,475,000
Rev	Refunding	8/1/1998	4.63	7/1/2010	\$1,075,000	\$730,000	\$0	\$345,000
Rev	Comm. Center	7/1/2000	5.40	7/1/2020	\$4,680,000	\$1,125,000	\$2,475,000	\$1,080,000
Rev	Mtn. Bonds	12/1/2001	4.70	7/1/2021	\$7,750,000	\$1,715,000	\$3,910,000	\$2,125,000
Rev	Civic Center	12/1/2004	4.50	7/1/2019	\$3,645,000	\$440,000	\$0	\$3,205,000
Rev	Refunding	6/1/2005	4.15	7/1/2019	\$5,330,000	\$0	\$0	\$5,330,000
TOTAL					\$23,680,000	\$4,210,000	\$7,385,000	\$12,085,000
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	Improvmtnts	6/16/1999	5.25	7/1/2009	\$32,276	\$25,821	\$0	\$6,455
TOTAL					\$9,492,276	\$475,821	\$4,455,000	\$4,561,455
GRAND TOTAL					<u>\$57,482,276</u>	<u>\$10,210,821</u>	<u>\$21,150,000</u>	<u>\$26,121,455</u>

GO General Obligation Bonds  
 Rev Revenue Bonds  
 SA Special Assessment Bonds

## Computation of Legal Debt Margin – Fiscal Year 2007-2008

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 – FY2007-08

Net secondary assessed valuation	\$	\$610,738,122	
<u>General Municipal Purpose Bonds</u>		<u>Water, Sewer, Light, Parks, Open Space and Recreational Facility Bonds</u>	
Debt limit - 6% of secondary net assessed valuation	\$36,644,287	Debt limit - 20% of secondary net assessed valuation	\$122,147,624
Less Direct Bonded Debt	<u>(\$2,030,000)</u>	Less Direct Bonded Debt	<u>(\$6,590,000)</u>
Unused 6% Borrowing Capacity	<u>\$34,614,287</u>	Unused 20% Borrowing Capacity	<u>\$115,557,624</u>

### 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 FY07-08, ending fund balance and estimated tax levy per \$100 of assessed valuation.

EAGLE MOUNTAIN COMMUNITY FACILITIES DISTRICT

Annual Statement of Estimates of Expenses

	FY 2004-2005 Actual	FY 2005-2006 Actual	FY 2006-2007 Budget	FY 2006-2007 Estimate	FY 2007-2008 Proposed
<b>REVENUE:</b>					
Property Tax Revenue	\$594,644	\$366,683	\$195,250	\$195,250	\$350,000
Town of Fountain Hills Reimbursement	\$0	\$50,000	\$0	\$0	\$0
Investment Earnings	\$5,616	\$20,671	\$18,500	\$12,500	\$10,000
<b>TOTAL REVENUES</b>	<b>\$600,261</b>	<b>\$437,354</b>	<b>\$213,750</b>	<b>\$207,750</b>	<b>\$360,000</b>
<b>EXPENDITURES:</b>					
Debt Service	\$451,827	\$577,145	\$330,500	\$330,500	\$350,235
Administrative Fees	\$38,160	\$6,600	\$6,600	\$6,600	\$6,600
Trustee Fees	\$5,000	\$5,000	\$1,000	\$1,000	\$1,000
<b>TOTAL EXPENDITURES</b>	<b>\$494,987</b>	<b>\$588,745</b>	<b>\$338,100</b>	<b>\$338,100</b>	<b>\$357,835</b>
<b>EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES</b>	<b>\$105,274</b>	<b>(\$151,391)</b>	<b>(\$124,350)</b>	<b>(\$130,350)</b>	<b>\$2,165</b>
Fund Balance Beginning of Year	\$261,530	\$306,100	\$154,709	\$154,709	\$24,359
<b>Ending Fund Balance</b>	<b>\$366,803</b>	<b>\$154,709</b>	<b>\$30,359</b>	<b>\$24,359</b>	<b>\$26,524</b>

Tax levy is estimated to be \$0.8831 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 2007-08

	<u>2006-07</u> <u>FISCAL YEAR</u>	<u>2007-08</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>1,370,000</u>	<u>1,400,000</u>
C. Total property tax levy amounts	\$ <u>1,370,000</u>	\$ <u>1,400,000</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>1,300,000</u>	
(2) Prior years' levy	<u>0</u>	
(3) Total secondary property taxes	\$ <u>1,300,000</u>	
C. Total property taxes collected	\$ <u>1,370,000</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>0.3012</u>	<u>0.2124</u>
(3) Total city/town tax rate	<u>0.3012</u>	<u>0.2124</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 - 2007

<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%
2007	\$443,618,807	17.7%	\$610,738,122	53.7%



# **Town of Fountain Hills Budget Schedules/Summaries**

## **Development Fees**

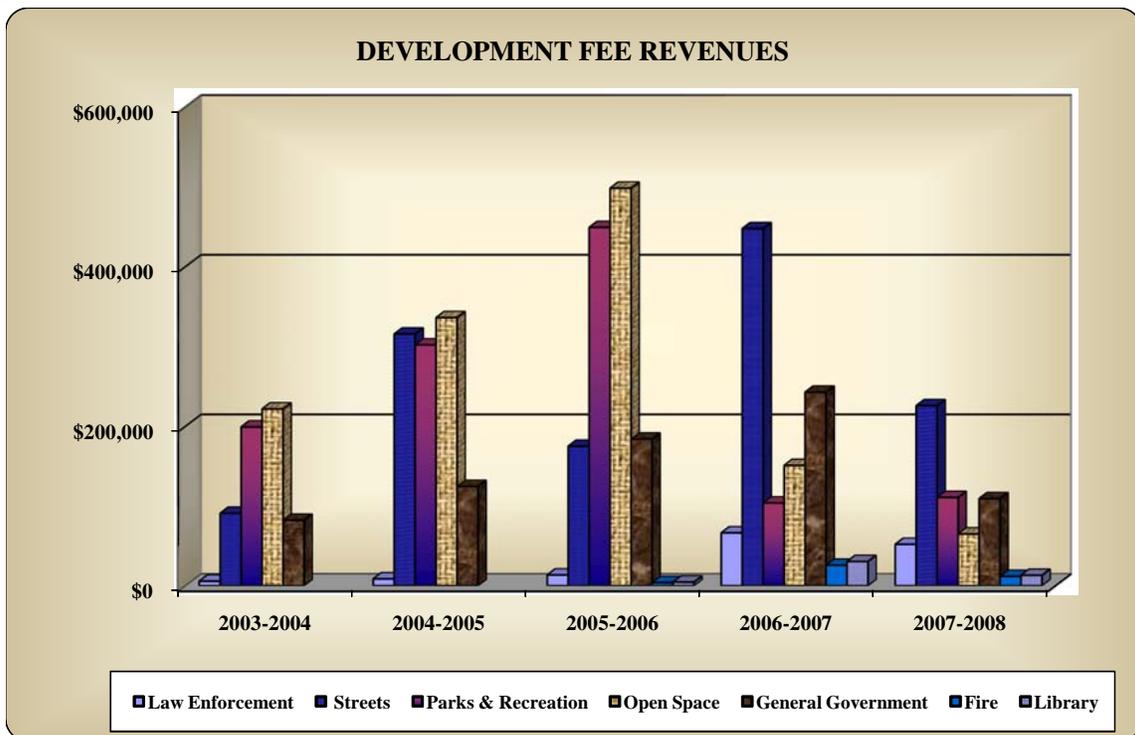




## Development Fees

Restrictions	Fiscal Year	Amount	Percent Change
<p>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 FY2008 is based on information provided by planning staff estimates of construction activity.</p> <p>Accounts: 802 - 819</p>	2000-01	\$163,611	
	2001-02	\$564,813	245.2%
	2002-03	\$604,658	7.1%
	2003-04	\$855,643	41.5%
	2004-05	\$1,678,632	96.2%
	2005-06	\$1,427,176	-15.0%
	2006-07 (est.)	\$1,092,857	-23.4%
	2007-08 (est.)	\$601,152	-45.0%
	<b>Assumptions</b>		

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 2007-2008, 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, 2007.

### PROPOSED DEVELOPMENT FEE SCHEDULE FISCAL YEAR 2007-08

	Law Enforcement	Streets	Parks	Open Space	General Government	Library	Fire	TOTALS
FY01 Balance	\$960	\$13,742	\$33,900	\$37,740	\$13,987			\$100,329
FY2001-02 Revenues	\$10,887	\$142,410	\$176,257	\$198,023	\$160,338			\$687,915
Expenditures	\$0	\$0	(\$80,954)	\$0	(\$185,500)			(\$266,454)
FY2002-03 Revenues	\$6,573	\$96,705	\$192,463	\$212,684	\$96,234			\$604,659
Expenditures	0	(\$7,000)	\$0	(\$14,105)	\$0			(\$21,105)
FY2003-04 Revenues	\$9,814	\$139,990	\$268,018	\$296,402	\$141,417			\$855,641
Expenditures	\$0	(\$201,150)	\$0	(\$13,049)	\$0			(\$214,199)
FY2004-05 Revenues	\$18,839	\$236,077	\$536,322	\$597,241	\$270,871			\$1,659,350
Expenditures	(\$18,033)	(\$243,342)	(\$306,400)	(\$137,598)	(\$264,992)			(\$970,365)
FY2005-06 Revenues	\$41,278	\$214,381	\$448,194	\$468,024	\$245,461	\$7,692	\$6,356	\$1,431,386
Expenditures	(\$16,848)	(\$313,595)	(\$426,128)	(\$114,370)	(\$244,687)	(\$1,854)	(\$618)	(\$1,118,100)
FY2006-07 Revenues <sup>1</sup>	\$68,395	\$447,315	\$623,650	\$63,550	\$143,920	\$12,785	\$15,340	\$1,374,955
FY2006-07 Expenditures <sup>1</sup>	\$0	\$0	(\$487,270)	(\$15,000)	\$0	\$0	\$0	(\$502,270)
FY2007-08 Revenues <sup>1</sup>	\$54,040	\$225,510	\$890,130	\$67,600	\$113,700	\$13,600	\$12,115	\$1,376,695
FY2007-08 Expenditures <sup>1</sup>		(\$441,000)	(\$1,777,354)	(\$194,160)				(\$2,412,514)
Ending Fund Balance	<u>\$175,905</u>	<u>\$310,043</u>	<u>\$90,828</u>	<u>\$1,452,982</u>	<u>\$490,749</u>	<u>\$32,223</u>	<u>\$33,193</u>	<u>\$2,585,923</u>

<sup>1</sup> estimated

The capital projects proposed to be funded from development fees during FY2007-08 are listed below (descriptions of each project are included in the Capital Improvement Plan):

Traffic signal at Palisades & Sunridge Boulevards	\$ 441,000
Desert Vista Neighborhood Park Phase II (partially grant funded)	\$1,777,354
Fountain Hills/McDowell Mountain Preserve Central Trailhead	\$ 10,000
Botanical Garden Improvements	\$ 15,000
Fountain Hills/McDowell Mountain Preserve Access	\$ 169,160

## Development Fees

LAW ENFORCEMENT	FY 2004-2005 Actual	FY 2005-2006 Actual	FY 2006-2007 Budget	FY 2006-2007 Estimate	FY 2007-2008 Proposed
<b>REVENUES:</b>					
Law Enforcement Development Fees	18,033	41,228	115,146	66,195	51,840
Interest	806	50	2,200	2,200	2,200
<b>TOTAL REVENUES</b>	<b>18,839</b>	<b>41,278</b>	<b>117,346</b>	<b>68,395</b>	<b>54,040</b>
<b>EXPENDITURES:</b>					
Transfer to CIP	18,033	16,848	0	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$18,033</b>	<b>\$16,848</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES</b>	<b>806</b>	<b>24,430</b>	<b>117,346</b>	<b>68,395</b>	<b>54,040</b>
Fund Balance Beginning of Year	\$28,234	\$29,040	\$53,470	\$53,470	\$121,865
Ending Fund Balance	<b>\$29,040</b>	<b>\$53,470</b>	<b>\$170,816</b>	<b>\$121,865</b>	<b>\$175,905</b>

STREETS	FY 2004-2005 Actual	FY 2005-2006 Actual	FY 2006-2007 Budget	FY 2006-2007 Estimate	FY 2007-2008 Proposed
<b>REVENUES:</b>					
Street Department Development Fees	228,500	213,881	779,865	447,315	225,510
Developer Contribution		100,000	0	0	0
Interest	7,577	500	15,745		
<b>TOTAL REVENUE</b>	<b>236,077</b>	<b>314,381</b>	<b>795,610</b>	<b>447,315</b>	<b>225,510</b>
<b>CAPITAL EXPENDITURES</b>					
Traffic Signals	35,355	0	0	0	441,000
Shea Widening (MCDOT)	193,633	0	0	0	0
Saguaro/El Lago Signal	14,354	413,595	0	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$243,342</b>	<b>\$413,595</b>	<b>\$0</b>	<b>\$0</b>	<b>\$441,000</b>
<b>EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES</b>	<b>(\$7,265)</b>	<b>(\$99,214)</b>	<b>\$795,610</b>	<b>\$447,315</b>	<b>(\$215,490)</b>
Fund Balance Beginning of Year	\$187,048	\$177,432	\$252,172	\$78,218	\$525,533
Ending Fund Balance	<b>\$177,432</b>	<b>\$78,218</b>	<b>\$1,047,782</b>	<b>\$525,533</b>	<b>\$310,043</b>

## Development Fees (continued)

<b>PARKS &amp; RECREATION</b>	<b>FY 2004-2005</b>	<b>FY 2005-2006</b>	<b>FY 2006-2007</b>	<b>FY 2006-2007</b>	<b>FY 2007-2008</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Estimate</b>	<b>Proposed</b>
<b>REVENUES:</b>					
P & R Department Development Fees	522,060	447,194	257,052	99,000	110,560
Grant Revenue	0	0	0	0	774,920
Interest	14,262	1,000	4,650	4,650	4,650
Transfer from General Fund			\$520,000	\$520,000	
<b>TOTAL REVENUES</b>	<b>\$536,322</b>	<b>\$448,194</b>	<b>\$781,702</b>	<b>\$623,650</b>	<b>\$890,130</b>
<b>EXPENDITURES:</b>					
<b>CAPITAL EXPENDITURES</b>					
Fountain Park	281,400	200,168	127,570	127,570	0
Skate Park	0	37,560	210,000	321,374	0
Veteran's Memorial	25,000	40,000	0	0	0
Desert Vista Phase III	0	148,400	1,039,932	22,500	1,777,354
Joint School Parks			51,120	11,286	0
Trailheads	0	0	0	4,540	0
<b>TOTAL EXPENDITURES</b>	<b>\$306,400</b>	<b>\$426,128</b>	<b>\$1,428,622</b>	<b>\$487,270</b>	<b>\$1,777,354</b>
<b>EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES</b>	<b>\$229,922</b>	<b>\$22,066</b>	<b>(\$646,920)</b>	<b>\$136,380</b>	<b>(\$887,224)</b>
Fund Balance Beginning of Year	\$589,684	\$819,606	\$1,093,486	\$841,672	\$978,052
Ending Fund Balance	<b>\$819,606</b>	<b>\$841,672</b>	<b>\$446,566</b>	<b>\$978,052</b>	<b>\$90,828</b>

<b>OPEN SPACE</b>	<b>FY 2004-2005</b>	<b>FY 2005-2006</b>	<b>FY 2006-2007</b>	<b>FY 2006-2007</b>	<b>FY 2007-2008</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Estimate</b>	<b>Proposed</b>
<b>REVENUES:</b>					
Open Space Development Fees	581,196	458,424	150,660	60,750	64,800
Interest	16,045	9,600	2,800	2,800	2,800
<b>TOTAL REVENUES</b>	<b>\$597,241</b>	<b>\$468,024</b>	<b>\$153,460</b>	<b>\$63,550</b>	<b>\$67,600</b>
<b>EXPENDITURES:</b>					
<b>CAPITAL EXPENDITURES</b>					
Capital Outlay - Trailhead Access	0	8,581	4,000	0	169,160
Capital Outlay - Botanical Garden	0	0	0	0	15,000
Capital Outlay-Trailhead Development	137,598	105,789	0	15,000	10,000
<b>TOTAL EXPENDITURES</b>	<b>\$137,598</b>	<b>\$114,370</b>	<b>\$4,000</b>	<b>\$15,000</b>	<b>\$194,160</b>
<b>EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES</b>	<b>\$459,643</b>	<b>\$353,654</b>	<b>\$149,460</b>	<b>\$48,550</b>	<b>(\$126,560)</b>
Fund Balance Beginning of Year	\$717,695	\$1,177,338	\$1,621,346	\$1,530,992	\$1,579,542
Ending Fund Balance	<b>\$1,177,338</b>	<b>\$1,530,992</b>	<b>\$1,770,806</b>	<b>\$1,579,542</b>	<b>\$1,452,982</b>

## Development Fees (continued)

GENERAL GOVERNMENT	FY 2004-2005 Actual	FY 2005-2006 Actual	FY 2006-2007 Budget	FY 2006-2007 Estimate	FY 2007-2008 Proposed
<b>REVENUES:</b>					
General Government Development Fees	264,992	245,111	242,450	139,320	109,100
Interest	5,879	350	4,600	4,600	4,600
<b>TOTAL REVENUE</b>	<b>\$270,871</b>	<b>\$245,461</b>	<b>\$247,050</b>	<b>\$143,920</b>	<b>\$113,700</b>
<b>EXPENDITURES:</b>					
<b>CAPITAL EXPENDITURES</b>					
Capital Project - Civic Center	264,992	244,687	0	0	0
Capital Outlay	0	0	0	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$264,992</b>	<b>\$244,687</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES</b>	<b>\$5,879</b>	<b>\$774</b>	<b>\$247,050</b>	<b>\$143,920</b>	<b>\$113,700</b>
Fund Balance Beginning of Year	\$226,476	\$232,355	\$171,384	\$233,129	\$377,049
Ending Fund Balance	<b>\$232,355</b>	<b>\$233,129</b>	<b>\$418,434</b>	<b>\$377,049</b>	<b>\$490,749</b>

Fire	FY 2004-2005 Actual	FY 2005-2006 Actual	FY 2006-2007 Budget	FY 2006-2007 Estimate	FY 2007-2008 Proposed
<b>REVENUES:</b>					
Fire Development Fees	0	6,356	25,614	14,865	11,640
Interest			475	475	475
<b>TOTAL REVENUE</b>	<b>\$0</b>	<b>\$6,356</b>	<b>\$26,089</b>	<b>\$15,340</b>	<b>\$12,115</b>
<b>EXPENDITURES:</b>					
<b>CAPITAL EXPENDITURES</b>					
Capital Outlay	0	618	0	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$618</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES</b>	<b>\$0</b>	<b>\$5,738</b>	<b>\$26,089</b>	<b>\$15,340</b>	<b>\$12,115</b>
Fund Balance Beginning of Year	\$0	\$0	\$3,900	\$5,738	\$21,078
Ending Fund Balance	<b>\$0</b>	<b>\$5,738</b>	<b>\$29,989</b>	<b>\$21,078</b>	<b>\$33,193</b>

## Development Fees (continued)

Library	FY 2004-2005 Actual	FY 2005-2006 Actual	FY 2006-2007 Budget	FY 2006-2007 Estimate	FY 2007-2008 Proposed
<b>REVENUES:</b>					
Library Development Fees	0	7,692	30,318	12,225	13,040
Interest	0	0	560	560	560
<b>TOTAL REVENUE</b>	<b>\$0</b>	<b>\$7,692</b>	<b>\$30,878</b>	<b>\$12,785</b>	<b>\$13,600</b>
<b>EXPENDITURES:</b>					
<b>CAPITAL EXPENDITURES</b>					
Capital Outlay	0	1,854	0	0	0
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$1,854</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES</b>	<b>\$0</b>	<b>\$5,838</b>	<b>\$30,878</b>	<b>\$12,785</b>	<b>\$13,600</b>
Fund Balance Beginning of Year	\$0	\$0	\$4,500	\$5,838	\$18,623
Ending Fund Balance	<b>\$0</b>	<b>\$5,838</b>	<b>\$35,378</b>	<b>\$18,623</b>	<b>\$32,223</b>

# **Town of Fountain Hills Budget Schedules/Summaries**

## **Capital Projects**





## Capital Projects Fund

The Capital Project Fund is created with surplus revenues from the General Fund that are transferred at the end of each fiscal year. Resolution 2005-50 authorizes that this amount be transferred from the General Fund to the Capital Projects for funding future capital projects. The surplus revenues are one-time resources that generated from construction related activity and should be used for funding one-time capital expenditures. The projected surplus from FY06-07 is \$1.9M.

Projects that are included in the FY07-08 capital budget are summarized below and explained in detail on the following pages:

### FY2007-08 Capital Projects Funding Summary

		General Fund	Streets Fund	Grant Fund	Development Fees	Capital Projects Fund
S6001	Shea Blvd truck climbing/bike lanes design	\$372,345				
S6003	Saguaro Blvd dirt alley paving design	\$10,000				
S6005	Shea Blvd/Palisades to Saguaro design	\$210,000				
S6006	FH Blvd/Fayette STL sidewalks	\$90,000				
P3019	Joint Use Park - High School Site - design	\$180,000				
P3020	Joint Use Park - McDowell Mountain Elem. - design	\$120,000				
F4001	Town Hall Improvements	\$100,000				
E2001	Streets heavy equipment - Street Sweeper		\$20,000	\$180,000		
P3006	Desert Vista Neighborhood Park Phase II			\$774,920	\$1,002,434	
O7002	McDowell Mountain Central Trailhead				\$10,000	
O7005	Fountain Hills/McDowell Mountain Preserve Access				\$169,160	
T5003	Palisades/Sunridge Traffic Signal				\$441,000	
S6007	Town wide sidewalk program					\$164,869
S6026	Saguaro Blvd. Drainage Improvements					\$650,000
F4002	Sweeper Decant Disposal Facility					\$149,350
P3006	DVNP Dog Park Lighting					\$125,485
P3007	DVNP Parking Improvements					\$260,276
P3011	Ftn Park Phase III					\$1,358,579
E2008	Fire Truck/Pumper					\$360,500
Total FY07-08 Capital Projects		\$1,082,345	\$20,000	\$954,920	\$1,622,594	\$3,069,059

## Capital Projects

<b>CAPITAL PROJECTS</b>	<b>FY 2004-2005</b>	<b>FY 2005-2006</b>	<b>FY 2006-2007</b>	<b>FY 2006-2007</b>	<b>FY 2007-2008</b>
	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Estimate</b>	<b>Proposed</b>
<b>Revenues:</b>					
<b>Development Fee Transfers:</b>					
General Government	264,992	232,946	0	0	0
Law Enforcement	18,033	11,904	0	0	0
<b>Other Revenue Sources:</b>					
Local Sales Tax (85% from new construction)	528,225	547,590	\$528,225	\$1,700,000	\$907,434
Grants	237,307	0	0	0	0
Bond Proceeds	3,783,896		0	0	0
Interest Earnings	35,384	105,176	95,000	230,000	250,000
<b>Transfers:</b>					
General Fund - Fountain Park	124,565	0	0	0	0
General Fund - Civic Center II	1,224,666	1,961,344	0	0	0
General Fund Balance Transfer for Capital		5,497,848	0	1,062,918	0
<b>TOTAL REVENUES</b>	<b>6,217,068</b>	<b>8,356,808</b>	<b>623,225</b>	<b>2,992,918</b>	<b>1,157,434</b>
<b>EXPENDITURES:</b>					
Civic Center	5,958,166	649,649	0	0	0
Downtown	0	959,921	800,000	1,034,728	0
Public Safety	0	0	0	0	360,500
Parks & Recreation	809,253		0	0	1,744,340
Streets	0		0	0	964,219
Bond Issuance Costs	91,739				
Contingency					\$400,000
<b>TOTAL EXPENDITURES</b>	<b>6,859,158</b>	<b>1,609,570</b>	<b>800,000</b>	<b>1,034,728</b>	<b>3,469,059</b>
<b>EXCESS OF REVENUES OVER/ (UNDER) EXPENDITURES</b>	<b>(\$642,091)</b>	<b>\$6,747,238</b>	<b>(\$176,775)</b>	<b>\$1,958,190</b>	<b>(\$2,311,625)</b>
Fund Balance Beginning of Year	\$642,091	\$0	\$3,834,819	\$6,747,238	\$8,705,428
Ending Fund Balance	<b>\$0</b>	<b>\$6,747,238</b>	<b>\$3,658,044</b>	<b>\$8,705,428</b>	<b>\$6,393,803</b>

## Open Space Projects

**Project Number:** O7002

**Project Name:** FH/McDowell Mountain Preserve Central Trailhead

**Project Description:**

J2 Engineering has completed the site Master Plan and all of the plans and bid documents for this project. The plans have all been submitted and approved. A remaining issue, which was not in their original scope of work, was to have them create legal descriptions for the utilities that will need to be extended into the site. Secondly, the Town requested that the firm complete a design for an automated entry gate to the trailhead, which was also not in the original scope of work.

**Funding Requested:** \$10,000

**Funding Source:** Development Fees – Open Space

**Timeline:** July 1, 2007 – August 30, 2007

**Justification:**

The work on the legal descriptions was requested by the Town's Engineering Department. The cost of the design work for the gate was at the request of the Town and not in the firm's original scope of work.

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**Project Number:** O7004

**Project Name:** Fountain Hills McDowell Mountain Preserve Access

**Project Description:**

Develop access to the Fountain Hills McDowell Mountain Preserve including trail development, temporary parking, and related signage. Depending on the site, a master plan for the site may be needed, properly identifying parking, trail access, restroom facilities, if necessary, and native landscape screening.

**Funding Requested:** \$169,160

**Funding Source:** Development Fees – Open Space

**Timeline:** July 1, 2007 – August 30, 2007

**Justification:**

The Town's McDowell Mountain Preservation Commission and the Sonoran Conservancy have requested public access to the Town's Fountain Hills McDowell Mountain Preserve. The Town Council has indicated that this is one of their goals for the 2007-2008 year.

**Project Number:** O7005

**Project Name:** Botanical Garden Improvements

**Project Description:**

The improvements will provide an area for parking and some site signage for the redeveloped open space.

**Funding Requested:** \$15,000

**Funding Source:** Development Fees – Open Space

**Timeline:** July 1, 2007 – August 30, 2007

**Justification:**

Staff has been working with a new non-profit group, the Desert Botanical Garden Society, to clean up and reintroduce the open space to the public.

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## **Park Improvements**

**Project Number:** P3006

**Project Name:** Desert Vista Neighborhood Park – Phase II

**Project Description:**

Phase II Improvements will consist of improvements to the multi-purpose fields and adjoining areas including new sidewalks and entryways, two playgrounds, two picnic ramadas, site furnishings, landscape improvements, and a restroom/storage/concession building. Improvements at the Off-Leash Recreational Facility (Dog Park) include new sidewalks and entryways, three shade ramadas, site furnishings, and landscaping improvements.

**Funding Requested:** \$1,777,354

**Funding Source:** \$774,920 Arizona State Parks Heritage Grant  
\$1,002,434 Development Fee Fund

**Timeline:** October 1, 2007 – May 31, 2008

**Justification:**

Planned improvements are part of an updated Park Master Plan approved by the Town Council in February 2006. The improvements will add new amenities to the park that will enhance patrons' enjoyment of the park and its facilities, particularly the lighted multipurpose fields that will be able to be utilized by the local Soccer Club and Pop Warner Football and Cheerleading.

---

**Project Number:** P3006

**Project Name:** Desert Vista Neighborhood Park – Dog Park Lighting

**Project Description:**

This phase of the park improvements will include the installation of lights in the Off-Leash Recreation Facility (Dog Park). The final estimate of probable construction costs from the Town's consultants put these improvements at \$125,485.

**Funding Requested:** \$125,254

**Funding Source:** Capital Projects Fund

**Timeline:** June 1, 2007 – September 30, 2007

**Justification:**

Planned improvements are part of an updated Park Master Plan approved by the Town Council in February 2006. The improvements will allow increased usage of the park that will enhance patrons' enjoyment of the facility. ADOG is contributing approximately \$27,000 towards the installation of the lights.

**Project Number:** P3007

**Project Name:** Desert Vista Neighborhood Park – Parking Improvements

**Project Description:**

This phase of the park improvements will include developing almost 100 permanent, paved parking spaces for park patrons along Desert Vista Drive and along the alley adjacent to the park.

**Funding Requested:** \$260,276

**Funding Source:** Capital Projects Fund

**Timeline:** September 1, 2007 – April 30, 2008

**Justification:**

Planned improvements are part of an updated Park Master Plan approved by the Town Council in February 2006. The additional parking will accommodate the increased number of park patrons enjoying the new park facilities, particularly during youth sports competitions.

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**Project Number:** P3011

**Project Name:** Fountain Park – Phases 4 & 5

**Project Description:**

Phase 4 and 5 Improvements consist of a new irrigation system throughout the 22-acres of turf, new sidewalk along the western edge of the lake and a connecting entry point, 18 concrete disc golf tee pads, and landscaping surrounding the Rotary Centennial Splash Park and area adjacent to Plaza Fountainside.

**Funding Request:** \$1,358,579

**Funding Source:** Capital Projects Fund

**Timeline:** July 1, 2007 – November 30, 2007

**Justification:**

The Fountain Park irrigation system is over 36 years old and is in desperate need of replacement. The sidewalk and disc golf tee pads are additional amenities included in the Park Master Plan approved by the Town Council in 1998, and will add valuable amenities to the park. Additionally, the landscaping improvements are necessary to complete the Rotary Centennial Splash Park and make the area more aesthetically pleasing. Current landscaping in that area consists simply of 40 tons of granite, which was temporary measure. The latest engineering estimate of probable construction costs from the Town’s consultants put these improvements at \$1.36 million and includes CM at risk funding.

**Project Number:** P3019

**Project Name:** Joint Use Park – High School Site

**Project Description:**

High School Site – The Town is currently working cooperatively with USD #98 to potentially develop a site adjacent to the High School. The site would provide badly needed school team practice sites for football and other sports. By agreement the site would be usable by the Town as a practice facility for various youth associations when not being utilized by the District.

**Funding Requested:** \$180,000

**Funding Source:** General Fund

**Timeline:** September 1, 2007 – April 30, 2008

**Justification:**

This would provide the needed funds to complete plans and specifications in order to bid improvements to the site based on Master Plans that are currently being developed.

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**Project Number:** P3020

**Project Name:** Joint Use Park – McDowell Mountain Elementary School Site

**Project Description:**

McDowell Mountain Elementary School Site – The Town is currently working cooperatively with USD #98 to potentially develop this site adjacent to McDowell Mountain Elementary School. This site would also provide needed physical education space for the school because of a bus off loading project that will eliminate some of the open space turf area currently used for this purpose.

**Funding Request:** \$120,000

**Funding Source:** General Fund

**Timeline:** July 1, 2007 – November 30, 2007

**Justification:**

This would provide the needed funds to complete plans and specifications in order to bid improvements to the site based on the Master Plans that are currently being developed.

## Facilities

**Project Number:** F4001

**Project Name:** Civic Center Phase II (Town Hall)

**Project Description:**

Install Art/Water feature at the North West corner landscaped area of Civic Center Phase II (Town Hall) - corner of Avenue of the Fountains and LaMontana Boulevards

**Funding Request:** \$100,000

**Funding Source:** General Fund

**Timeline:** July 1, 2007- June 30, 2008

**Justification:**

It is desired to place a significant water feature at the North West corner of our New Town Hall. The project will be the finishing touch and a defining corner piece blending with the completion of Town Hall and Phase I of the Avenue of the Fountains landscape project.

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**Project Number:** F4002

**Project Name:** Street Sweeper Decant Disposal Facility

**Project Description:**

Staff is proposing to install a self-contained cleaning and decant facility. The self-contained unit will permit the street department to clean equipment, vehicles, and the street sweeper. The self-contained unit collects all the wastewater and recycles it for use, while removing the sediment. It is a closed loop system that has zero discharge and meets federal wastewater regulations. The unit includes an internal conveyor, media filter, absolute filter, ozone, oil coalescing and oil skimming. The solids are then dumped into a dumpster and disposed of at an appropriate landfill. The unit will require a 20-foot by 40-foot area. The unit can be moved if necessary in the future.

**Funding Request:** \$149,350

**Funding Source:** Capital Projects Fund

**Timeline:** July 1, 2007- June 30, 2008

**Justification:**

The Town currently has a street sweeper that requires disposal of water and waste products removed from the streets by the sweeper. This material must be disposed of in a manner acceptable to ADEQ. The current practice is to decant the wastewater and solids in a concrete floor bin. The decant water then runs into a dry well. The current practice needs to be upgraded to meet the required stormwater regulations

## Saguaro Boulevard Improvements

**Project Number:** S6003

**Project Name:** Saguaro Boulevard dirt alley paving design

**Project Description:**

The project is to provide a hard surface for better dust control northeast of Saguaro Boulevard between Panorama and Colony Drives. Dumpsters will be relocated, driveway entrances defined and some minor drainage improvements completed.

**Funding Request:** \$10,000 for surveying

**Funding Source:** General Fund, Public Works

**Timeline:** Design in FY07-08 - constructed in FY09-10

**Justification:**

After careful review of this project with the Town staff and Town manager, the team agreed to drop this grant and do the project with capital improvement funds. The Town will design the project and issue a work order from the annual on call contracts for construction.

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**Project Number:** S6026

**Project Name:** Saguaro Blvd. Drainage improvements

**Project Description:**

This project is in preparation for major asphalt resurfacing to all of Saguaro Boulevard from Shea Boulevard to Fountain Hills Boulevard. (08-09) Saguaro Boulevard was originally constructed and paved in the early 1970's and has never received any major improvements since that time.

**Funding Request:** \$650,000

**Funding Source:** Capital Projects Fund

**Timeline:** July 1, 2007 – June 30, 2008

**Justification:**

Presently Saguaro Boulevard has several locations that need drainage improvements, some major and some minor. These improvements would remove the drainage from Saguaro, therefore minimizing standing water at several critical locations. One of these major projects consists of a 42" culvert that would run along Saguaro Boulevard, from Palisades to Parkview, and into Fountain Park. Another is Malta Drive and Saguaro where insufficient drainage exists along the west side. Several other misc. catch-basins will need to be installed where structures are non-existent and culvert pipes need to be installed. Other considerations will need to be conduit installations for future traffic signal installations, curb repairs and possible median modifications.

## Sidewalk Programs

**Project Number:** S6006

**Project Name:** Fountain Hills Boulevard Sidewalk from Fayette to Fountain Hills Middle School.

**Project Description:**

In 2004 the Town applied for a CMAQ grant that was approved by the Maricopa Association of Governments (MAG) to provide sidewalks along Fountain Hills Boulevard from Fayette to the Middle School. The project will include a sidewalk on the west side of Fountain Hills Boulevard from Oxford Drive to Glenbrook Boulevard and the east side of Fountain Hills Boulevard from Fayette to El Pueblo and from Glenbrook to the Middle School.

**Funding Request:** \$90,000 for design and review  
The project cost is \$755,000

**Funding Source:** General Fund, Public Works  
\$254,000 Congestion Mitigation & Air Quality (CMAQ) grant  
\$401,000 General Funds

**Timeline:** Design from FY07-08, construction from FY08-09.

**Justification:**

The project will provide a link between McDowell Mountain School, Fountain Hills Middle School, the Private Schools along Fountain Hills Boulevard and Four Peaks Elementary School.

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**Project Number:** S6007

**Project Name:** Town Wide Sidewalk Program

**Project Description:**

This project consists of six locations where sidewalk gaps exist or are being extended into neighborhood locations. The total proposed distance to construct is 3,539 LF.

**Funding Request:** \$164,869

**Funding Source:** Capitol Projects Fund

**Timeline:** July 1, 2007 – June 30, 2008

**Justification:**

This project is a first step to working on the Strategic Plan Goal of Enhancing Pedestrian Safety.

## Shea Boulevard Improvements

**Project Number:** S6001

**Project Name:** Shea Boulevard Climbing Lane from Fountain Hills Boulevard to Palisades Boulevard design

**Project Description:**

In 2001 the Town applied for a grant to make improvements to Shea Boulevard from Fountain Hills Boulevard to Palisades Boulevard and the grant was approved.

**Funding Request:** This fiscal year request of \$372,345 is for design only. The total project cost is \$1,919,000 with a grant for \$1,076,000 and a Town cost of \$843,920.

**Funding Source:** General Fund, Public Works (FY08)  
Surface Transportation Planning (STP) Grant and General Fund (FY09 & beyond)

**Timeline:** The project began design in 2007 and will be complete in 2008. Construction is scheduled for 2008 and 2009.

**Justification:**

The pavement along this portion of Shea Boulevard is a long steep westbound uphill grade (maximum grade is 5%-6% for 2200'). This uphill grade forces many of the large, heavily loaded trucks to slow and use lower gears. Mile long holiday weekend backups (Sunday or Monday P.M.) have been common on this road segment. Improvements to this section of pavement will include the addition of a third lane of pavement on the north side of Shea, a bike lane, curb and gutter, and a sidewalk. In addition, intersection improvements and lane improvements will be included at the intersection of Shea and Fountain Hills Boulevard and Shea and Palisades Boulevard. The project will also include interconnecting the traffic signals along Shea Boulevard from Fountain Hills Boulevard, Palisades Boulevard, and Eagle Mountain Parkway.

**Project Number:** S6005

**Project Name:** Shea Boulevard Widening (Saguaro to Technology) design

**Project Description:**

In 2005 the Town applied for a grant to improve Shea Boulevard to provide the addition of three lanes of pavement along Shea from Saguaro to Palisades. The grant application was approved by the Maricopa Association of Governments (MAG) and scheduled for fiscal year 2008 to begin design.

**Funding Request:** \$210,000 this fiscal year for design  
The project cost was estimated at \$7,200,000  
grant for \$5,000,000 (70%)  
local project cost of \$2,200,000 (30%).

**Funding Source:** General Fund, Public Works (FY08)  
Regional Area Road Fund (RARF) Grant and General Funds

**Timeline:** The first section is scheduled to begin design 07-08  
Completion of design in 08-09  
Construction is scheduled to start in 09-10

**Justification:**

Due to the dollar amounts of this project, the Town staff split the project into two sections. The first section is from Saguaro to Technology. The balance of the project will be deferred approximately 15 years in the future. These improvements will improve the intersection of Saguaro and Shea with additional turn lanes, provide an interconnect of the traffic signals along Shea at Saguaro, Center and Technology.

## Equipment

**Project Number:** E2001

**Project Name:** Street Sweeper (Streets Heavy Equipment)

**Project Description:**

To replace a 1999 non-compliant street sweeper with a PM-10 compliant sweeper and to comply with the Best Management Practices (BMP's) of the Stormwater Management Plan.

**Funding Request:** \$200,000

**Funding Source:** \$180,000 Maricopa Association of Government (MAG) Grant  
\$20,000 (10%) matching funds (Streets)

**Timeline:** July 1, 2007 – June 30, 2008

**Justification:**

The Town will then have two PM-10 compliant sweepers for street maintenance.

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**Project Number:** E2008

**Project Name:** Fire Pumper Truck (Streets Heavy Equipment)

**Project Description:**

To replace an 18 year old fire pumper truck; the unit will meet all NFPA 1901 and ISO requirements. Light weight with a short wheel base and 55% cramp angle configuration for the front end. This unit will be built for 20 year service life.

**Funding Request:** \$360,500

**Funding Source:** Capital Projects Fund

**Timeline:** August, 2007 approval with delivery prior to June 30, 2008

**Justification:**

This unit will replace a unit that currently has 140,000 miles on it, will be able to turn and operate in short areas such as long serpentine driveways with grade, will be quick/fast with the corresponding brake system, allowing for decreased response times. It will also be able to handle structure and wildland fire emergencies, as well as EMS and mountain rescue. It has capacity to provide electrical power for all emergency scenes, day or night and will have a 20 year service life. The unit that is being replaced will become a reserve piece of equipment when others are in for maintenance.

## Traffic Signals

**Project Number:** T5003

**Project Name:** Traffic Signal at Palisades Blvd. and Sunridge Drive

**Project Description:**  
Traffic signal at Palisades Boulevard and Sunridge Drive

**Funding Request:** \$441,000

**Funding Source:** Development Fees

**Timeline:** July 1, 2007 – June 30, 2008.

**Justification:**

The intersection of Palisades Blvd. and Sunridge Drive currently meets the following MUTCD traffic signal warrants (as determined by CK Engineering in their March 2007 “Traffic Signal Warrant Study at Palisades Boulevard & Sunridge Drive”):

- #2. Four-Hour Vehicular Volume
- #3. Peak Hour Vehicular Volume
- #8. Roadway Network

# **Town of Fountain Hills Budget Schedules/Summaries**

## **Authorized Positions Pay Plan**





Schedule of Authorized Positions

Position – Title	2002-2003 Authorized FTE	2003-2004 Authorized FTE	2004-2005 Authorized FTE	2005-2006 Authorized FTE	2006-2007 Authorized FTE	2007-2008 Proposed FTE
<b>Court</b>						
Presiding Judge	1.00	1.00	1.00	1.00	1.00	1.00
Court Administrator	1.00	1.00	1.00	1.00	1.00	1.00
Senior Court Clerk	0.00	0.00	1.00	1.00	1.00	1.00
Court collections Clerk	1.00	0.00	0.00	0.00	0.00	0.00
Court Clerk	3.00	3.00	2.00	2.50	2.00	2.00
Authorized FTE	6.00	5.00	5.00	5.50	5.00	5.00
<b>Administration</b>						
T own Manager	1.00	1.00	1.00	1.00	1.00	1.00
Undesignated Position	2.00	0.00	0.00	0.00	0.00	0.00
Assistant T own Manager	0.00	0.00	0.00	1.00	1.00	0.00
Assistant to the T own Manager	0.00	0.00	0.00	0.00	0.00	1.00
Finance Director	1.00	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	1.00
T own Clerk	1.00	1.00	1.00	1.00	1.00	1.00
E conomic Development Specialist	0.00	1.00	1.00	1.00	1.00	0.00
Public Information Officer	0.00	0.00	0.00	0.00	0.00	1.00
I/T Administrator	1.00	0.00	0.00	0.00	0.00	0.00
I/T Coordinator	1.00	1.00	1.00	1.00	1.00	1.00
E xecutive Asst to T own Mgr/Council	1.00	1.00	1.00	1.00	1.00	1.00
E xecutive Assistant	1.00	0.00	0.00	0.00	0.00	0.00
Accountant	0.00	0.00	1.00	1.00	1.00	0.00
Accounting Supervisor	0.00	0.00	0.00	0.00	0.00	1.00
Accounting/HR Clerk	1.00	1.00	0.00	0.00	0.00	0.00
Administrative Assistant	1.00	0.00	0.00	0.00	1.00	1.00
Customer Service Rep	1.00	1.50	1.00	0.50	0.50	1.50
Accounting Clerk	0.00	0.00	1.00	1.00	1.00	0.50
Administrative Clerk	0.00	0.00	0.50	1.00	0.00	0.00
Receptionist	0.00	0.00	0.00	0.50	0.50	0.00
Administrative Intern	1.00	0.00	0.00	0.50	0.50	0.00
E conomic Development Intern	0.00	0.00	0.00	0.00	0.50	0.00
I/T Intern	0.50	0.50	0.50	0.00	0.00	0.00
Authorized FTE	14.50	10.00	11.00	12.50	13.00	12.00
<b>Building Safety</b>						
Chief Building Official	1.00	1.00	1.00	1.00	1.00	1.00
Senior Building Inspector	2.00	0.00	1.00	1.00	1.00	0.00
Plans Examiner	2.00	2.00	2.00	2.00	2.00	2.00
Building Inspector	1.00	2.00	2.00	2.00	2.00	3.00
Building Permit Technician	2.00	2.00	3.00	3.00	3.00	2.00
Authorized FTE	8.00	7.00	9.00	9.00	9.00	8.00

Public Works

Public Works Director	1.00	1.00	1.00	1.00	1.00	1.00
T own Engineer	1.00	1.00	1.00	1.00	1.00	1.00
Senior Civil Engineer	1.00	1.00	1.00	0.00	0.00	0.00
Civil Engineer	1.00	1.00	1.00	2.00	2.00	2.00
Senior Civil Engineer Inspector	0.00	0.00	1.00	1.00	1.00	1.00
Facilities Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Civil Engineer Inspector	2.00	1.00	1.00	1.00	1.00	1.00
Open Space & Landscape Spec.	1.00	1.00	1.00	1.00	1.00	1.00
Executive Assistant	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	0.00	0.00	0.00	0.00	0.00
Facilities Maintenance Tech	0.00	0.00	1.00	1.00	1.00	1.00
Maintenance/Custodial Worker	1.00	1.00	0.50	0.50	0.50	0.50
Custodian	2.00	1.50	1.00	1.00	1.00	1.00
Authorized FTE	13.00	10.50	11.50	11.50	11.50	11.50

Street

Assistant Public Works Director	0.00	0.00	0.00	1.00	1.00	0.00
Street Superintendent	1.00	1.00	1.00	1.00	1.00	1.00
Street Maintenance Supervisor	0.00	1.00	1.00	0.00	0.00	0.00
Fleet Mechanic	1.00	1.00	1.00	1.00	1.00	1.00
Fleet Equipment Mechanic	1.00	1.00	0.00	0.00	0.00	0.00
Street Maintenance Tech	11.00	9.00	8.00	8.00	8.00	8.00
Authorized FTE	14.00	13.00	11.00	11.00	11.00	10.00

Planning & Zoning

Director	1.00	0.00	0.00	0.00	0.00	0.00
P & Z Administrator	0.00	1.00	1.00	1.00	1.00	1.00
Senior Planner	2.00	1.00	1.00	1.00	1.00	1.00
Planner	1.00	1.00	1.00	1.00	1.00	2.00
Eng. Tech/CAD Operator	2.00	2.00	2.00	2.00	2.00	2.00
Code Enforcement Officer	0.00	3.00	2.00	3.00	3.00	3.00
Executive Assistant	1.00	0.00	0.00	0.00	0.00	0.00
Planning Technician	0.00	0.00	0.00	0.50	0.50	0.00
Planning Assistant	1.00	1.00	1.00	1.00	1.00	1.00
Authorized FTE	8.00	9.00	8.00	9.50	9.50	10.00

Parks & Recreation

Parks & Recreation Director	1.00	0.50	0.50	0.50	0.50	1.00
Recreation Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Parks Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Rec. Program Coordinator	3.00	2.00	2.00	2.00	2.00	2.00
Park Operations Lead	3.00	2.00	2.00	3.00	3.00	3.00
Administrative Assistant	1.00	0.00	0.00	0.00	0.00	0.00
Executive Assistant	1.00	1.00	1.00	1.00	1.00	1.00
Groundskeeper	1.00	1.00	2.00	2.00	2.00	2.00
Recreation Assistant	4.00	4.00	4.00	4.00	4.00	4.00
Customer Service Representative	0.00	0.50	0.50	0.50	1.00	1.00
Recreation Aide	0.00	0.00	1.00	1.00	1.00	1.00
Recreation Intern	0.00	0.00	0.00	0.50	0.50	0.50
Park Ranger	0.00	0.00	0.00	0.00	0.00	2.00
Authorized FTE	16.00	13.00	15.00	16.50	17.00	19.50

Law Enforcement

Public Safety Dir/Town Marshal	1.00	0.00	0.00	0.00	0.00	0.00
Sergeant	3.00	0.00	0.00	0.00	0.00	0.00
Deputy Marshal	8.00	0.00	0.00	0.00	0.00	0.00
Dispatcher	7.00	0.00	0.00	0.00	0.00	0.00
Administrative Assistant	1.00	0.00	0.00	0.00	0.00	0.00
Emergency Mgmt. Coord	0.00	1.00	0.00	0.00	0.00	0.00
Authorized FTE	20.00	1.00	0.00	0.00	0.00	0.00

Community Center

Parks & Rec/Comm Ctr Dir.	1.00	0.50	0.50	0.50	0.50	0.00
Comm Ctr Supervisor	1.00	1.00	1.00	1.00	1.00	1.00
Comm Ctr Operations Sup.	1.00	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00	1.00
Volunteer Coordinator	0.50	0.50	0.50	0.50	0.50	0.00
Receptionist	0.00	0.00	0.00	0.00	0.00	0.50
Operations Support Worker	1.00	1.50	1.50	1.50	2.00	2.00
Operations Support Assistant	0.00	0.00	0.00	0.50	0.50	0.50
Bartenders	0.00	0.00	0.00	0.00	0.00	0.25
Custodian	1.00	1.00	1.00	1.00	1.00	1.00
Authorized FTE	6.50	6.50	6.50	7.00	7.50	7.25

Senior Services

Senior Services Supervisor	0.00	0.00	0.00	0.00	1.00	1.00
Administrative Assistant	0.00	0.00	0.00	0.00	0.00	0.50
HDM/Special Programs Admin	0.00	0.00	0.00	0.00	0.50	0.00
HDM Coordinator	0.00	0.00	0.00	0.00	0.50	0.00
Receptionist	0.00	0.00	0.00	0.00	0.00	0.50
Senior Aide	0.00	0.00	0.00	0.00	1.50	1.50
Authorized FTE	0.00	0.00	0.00	0.00	3.50	3.50

Total Authorized FTE	106.00	75.00	77.00	82.50	87.00	86.75
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## **Pay Plan**

The Town Council last adopted the pay plan for the Town of Fountain Hills in June 2006. 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 2007-08 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 1 are exempt and are not eligible for any overtime compensation. Employees in section 2 are 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

Position Title	Minimum	Maximum	Previous Range
Public Works Director	77,124	109,678	74,153 - 105,453
Finance Director	74,886	106,495	72,987 - 103,795
Assistant Public Works Director	71,277	101,363	69,067 - 98,220
Town Engineer	68,504	97,420	65,301 - 92,865
Parks & Recreation/Community Center Director	67,268	95,662	65,301 - 92,865
Planning & Zoning Director	66,293	94,275	-
Assistant to the Town Manager	65,864	93,665	-
Human Resources Administrator/Risk Manager	64,072	91,117	60,684 - 86,299
Court Administrator	64,072	91,117	59,774 - 85,005
Town Clerk	56,285	80,043	54,876 - 78,039
Chief Building Official	54,891	78,061	54,611 - 77,662
Senior Planner	54,891	78,061	53,455 - 76,018
Public Information Officer	51,529	73,279	-
Street Superintendent	49,687	70,660	48,259 - 68,629
Information Technology Coordinator	48,610	69,128	48,259 - 68,629
Recreation Supervisor	48,610	69,128	46,635 - 66,320
Parks Supervisor	47,371	67,366	45,934 - 65,323
Community Center Supervisor	46,971	66,797	45,934 - 65,323
Planner	44,998	63,992	44,998 - 63,992
Executive Assistant to Town Manager/Council	43,357	61,658	41,815 - 59,465
Accounting Supervisor	42,629	60,623	-
Facilities Supervisor	40,733	57,926	39,253 - 55,822
Community Center Operations Supervisor	39,253	55,821	39,253 - 55,822
Recreation Program Coordinator	37,920	53,926	34,766 - 49,441

### Non-Exempt Positions

Position Title	Minimum	Maximum	Previous Range
Civil Engineer	26.05	37.05	24.78 - 35.24
Senior Building Inspector	23.71	33.71	22.97 - 32.67
Plans Examiner	21.90	31.14	21.90 31.14
Building Inspector	20.97	29.82	19.64 - 27.93
Engineering Assistant/CAD Technician	20.39	29.00	20.39 - 29.00
Civil Engineer Inspector	19.54	27.79	18.22 - 25.91
Senior Code Enforcement Officer	19.54	27.79	-
Park Operations Lead	17.89	25.44	17.19 24.45
Park Ranger	17.89	25.44	-
Open Space/Landscape Specialist	17.89	25.44	17.19 - 24.45
Code Enforcement Officer	17.89	25.44	17.19 - 24.45
Fleet Mechanic	16.56	23.55	16.56 - 23.55
Facilities Maintenance Technician	15.98	22.73	15.49 - 22.03
Executive Assistant	15.98	22.73	15.15 - 21.54
Administrative Assistant	15.04	22.27	15.04 - 21.39
Building Permit Technician	15.04	22.27	14.52 - 20.65
Senior Court Clerk	15.04	21.39	14.93 - 21.23
Street Maintenance Technician	14.47	21.23	14.04 - 19.96
Court Clerk	13.75	19.55	13.75 - 19.55
Accounting Clerk	13.75	19.55	12.51 - 17.79
Customer Service Representative	13.75	19.55	11.74 - 16.70
Maintenance/Custodial Worker	12.92	18.37	12.51 - 17.79
Groundskeeper	11.74	16.72	11.74 - 16.72
Receptionist	11.37	16.19	-
Custodian	10.64	15.13	10.10 - 14.36
Operations Support Worker	10.64	15.13	10.10 - 14.36
Recreation Assistant	9.37	13.33	9.08 - 12.91
Recreation Aide	8.39	11.93	8.00 - 11.38
Operations Support Assistant	8.39	11.93	8.00 - 11.38

Fiscal Year 2007-08  
Park / Trail Ranger  
Budget Justification

The enforcement of the Town Code specific to parks remains an issue. Currently, the Maricopa County Sheriff Office (MCSO) has overall law enforcement across the county and in Fountain Hills. Because of the breadth of service that the MCSO provide and the breadth over which they provide that service, understandably the enforcement of code issues in parks is not their highest priority. Further, issues such as park vandalism have continued to increase in not only the number of incidents but their severity and dollar cost to the community. These issues will likely only increase further as the Town continues to grow. As additional recreational amenities are added such as a skate park, trailhead locations and park entry/exit gates, the need for opening and closing these amenities in a consistent and timely manner is also growing.

Currently, the supervision of the part-time staff in the parks, who are almost exclusively young people, is lacking. These Ranger positions would cover the parks on weekdays from mid-afternoon to the 11: 00 pm closing time, and on weekends and holidays from 6:00 am to 11:00 pm to provide the necessary supervision.

Lastly, the Department has assumed the responsibility for all maintenance and enforcement of rules throughout the Town's growing trail system, which now includes 1.7 mile of trails in the subdivisions adjacent to Fountain Park and 3.88 miles of trails in the McDowell Mountain Preserve. This brings the total of maintained and enforcement miles to 5.58 with additional mileage to come with the potential for an additional access to the Preserve.

The responsibility for ongoing maintenance of the Town's trail system and the enforcement of rules for the trails would also be performed by these positions.



## 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.





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*"All that is Arizona"*

[www.fh.az.gov](http://www.fh.az.gov)