
Town of Fountain Hills

Arizona

Fiscal Year 2020-2021 Adopted Budget



The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the Town of Fountain Hills, Arizona, for its Annual Budget for the fiscal year beginning July 1, 2019. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

Town of Fountain Hills

Arizona

For the Fiscal Year Beginning

July 1, 2019

Christopher P. Morill

Executive Director

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BUDGET MESSAGE

June 2, 2020

HONORABLE MAYOR AND TOWN COUNCIL:

I am pleased to submit the proposed operating budget for the Town of Fountain Hills for the fiscal year beginning on July 1, 2020, and ending June 30, 2021. The proposed budget is balanced and designed to convey to the public a message that articulates priorities and issues for the upcoming fiscal year.

Although each fund should be viewed individually, the Town's proposed total budget, including all funds is \$33,901,492. It is important to note that the budget includes the use of one-time sources of funding, such as one-time accumulated reserves and grant funds. These funds cannot be relied upon for on-going operations of the Town.

Department Directors and Supervisors, Finance staff, and the Town Manager are actively involved in the annual budget process. The primary focus is placed on the General Fund, which is the Town's primary operating fund and supports core services.

REVENUE AND EXPENDITURE FORECAST

The recent coronavirus pandemic has highlighted the hazards of the Town's reliance on sales tax revenue and State-shared revenues to fund ongoing operations. These two sources of revenue are extremely susceptible to changes in the national and state economies, and conditions can change rapidly as we have seen over the past few months. However, the Town did have nine strong months of sales tax collections before the pandemic hit, largely due to the recent 0.3% sales tax increase that took effect on October 1, 2019. In addition, it appears that actual FY20 expenditures will be under budgeted amounts for the General Fund. Even with the strong revenue headwind caused by the coronavirus, the Town will start FY21 in a stable position.

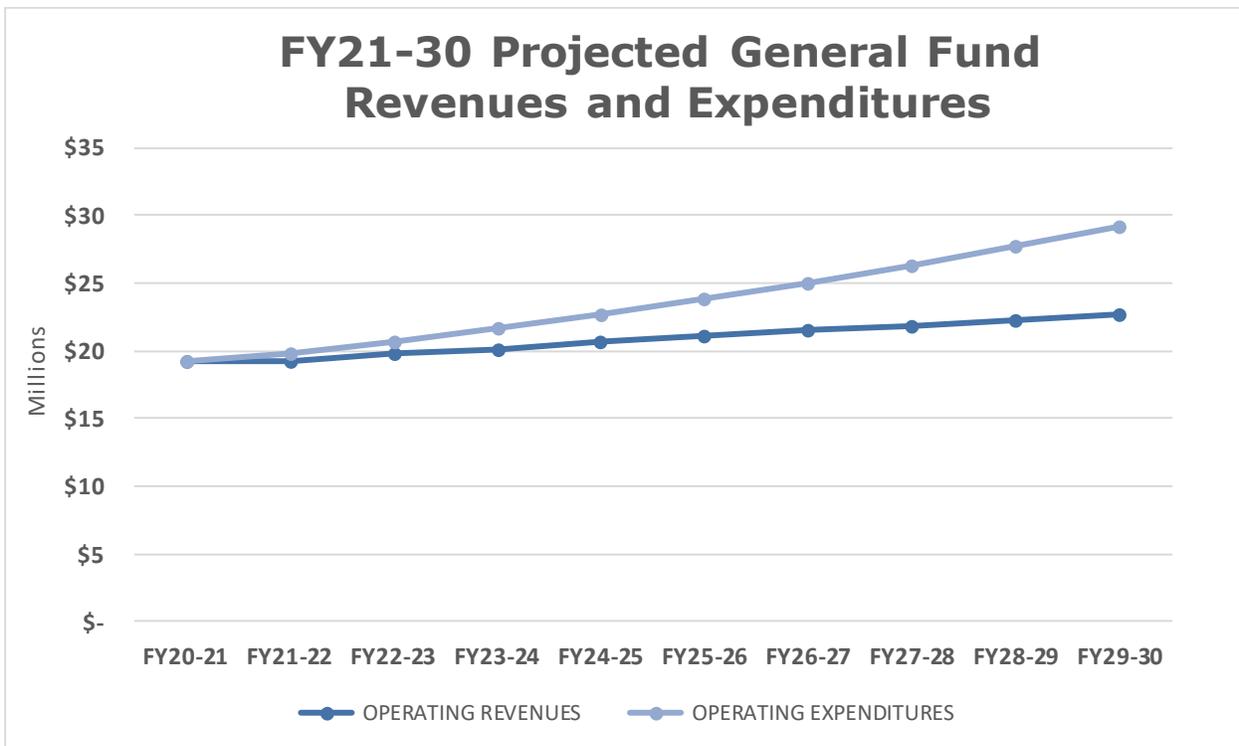
The Town has diligently pared down expenditures while preserving the core services and amenities that make Fountain Hills a desirable place to live. In a number of critical service areas, staff members have taken on additional responsibilities and additional workload to help keep costs down. Where this was not possible, services were outsourced to knowledgeable and reliable vendors using state-compliant procurement methods. Despite these efforts, expenditures will outpace revenues in the near future.

The primary issues facing the Town of Fountain Hills include:

- ◆ Increased operating costs in order to maintain safe and sanitary buildings and amenities
- ◆ Increased costs for maintenance, repair and/or replacement of aging infrastructure (roads, buildings, parks, the Fountain, etc.)

- ◆ Dependence upon State-shared revenues to fund operating expenditures
- ◆ Dependence upon economically volatile local sales tax to fund operational expenditures and capital improvement projects
- ◆ Decreased proportionate share of State-shared revenues due to increased population of surrounding communities combined with negligible population growth or decreased population in Fountain Hills
- ◆ Lack of a sustainable and diversified revenue base to fund ongoing operating costs
- ◆ Potential state legislation impacting revenues, e.g., sweeping of State-shared revenue or unfunded mandates
- ◆ Retaining adequate staffing levels to maintain current service levels
- ◆ Public safety costs as an increasing proportion of total expenditures, resulting in less funding for other core services

The chart below depicts the current ten-year forecast:



REVENUE SOURCES

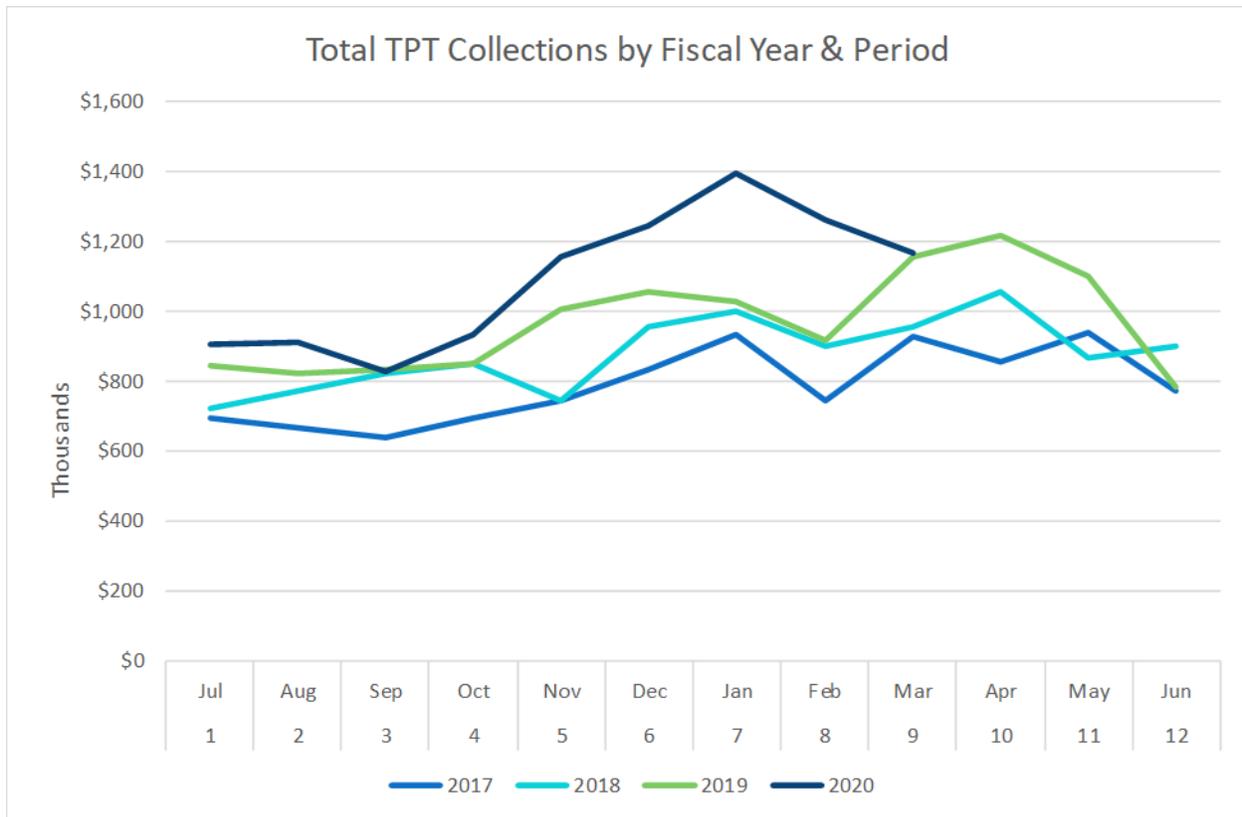
The Town relies primarily on two main sources of revenue for operations: (1) State-shared revenues (sales, income and vehicle license taxes distributed proportionately by the State based on population); and (2) local sales tax. Combined, these two sources contribute 89% of the General Fund (35% and 54% respectively).

At the time of this budget message, staff members are still waiting for the final updated State-shared revenue estimates from the Department of Revenue and the Department of Transportation. Even though the Town of Fountain Hills had a modest increase in State-shared revenues for the past few years, the revised amounts for FY21 will likely be less due to the effects of the coronavirus pandemic. Going forward, this important source of revenue is projected to be relatively flat and eventually decline over time as high growth cities will receive larger allocations of

State-shared revenue.

The single largest revenue source for the Town of Fountain Hills is the local sales tax. The tax is collected by licensees on each taxable transaction in the Town, and it is then remitted to the Department of Revenue when the licensees file their sales tax return. The Department then distributes the local portion of the tax to the Town.

The chart below demonstrates that overall local sales tax collections have increased since FY17 (Apr-Jun FY20 data not yet available):



REVENUE OPTIONS

The Town began exploring various revenue options in 2017 to offset increasing costs of core services, address deferred capital projects, including pavement management, and to reduce the reliance on the local sales tax and State-shared revenue. Options have included increasing the annual environmental fee, establishing an annual public safety fee, increasing the residential rental sales tax rate, increasing franchise fees collected from utility companies, and a primary property tax. In October 2019, a 0.3% local sales tax increase was implemented, raising the tax rate to 2.9% for most categories. This increase did not apply to residential rentals, which remains at 1.6%.

Past efforts to implement alternative revenue options were met with varying degrees of resistance. Collection of an annual environmental fee began in January 2016, which helped to offset expenditures related to maintaining area washes and the storm water system. The environmental fee was not charged for calendar year

2020 because a similar fee was proposed for public safety expenditures. However, the Council did not pursue implementing such a fee, choosing to await a decision regarding a similar fee being charged by the City of Phoenix. Although the case was decided in favor of the City of Phoenix, a written opinion has not yet been issued. Once the opinion becomes available, the Council may reconsider a new public safety fee or the reintroduction of the environmental fee. Finally, a \$7M primary property tax question was submitted to voters in May 2018, and that question was turned down by nearly a 2-to-1 margin. Without public outreach and support, any future primary property tax question is unlikely to fare any better.

Another option for the funding of major capital projects is the issuance of General Obligation bonds, which are repaid by levying a secondary property tax, or Municipal Property Corporation bonds that are repaid using future revenues. These types of funding sources were used for the reconstruction of Saguaro Boulevard, and construction of Town Hall and the Community Center. As of July 1, 2020, the Town will not have any outstanding town-wide General Obligation or Municipal Property Corporation bonds. General Obligation bonds are the preferred method of funding for projects that will benefit residents for many years. This amortizes the cost of the project over a longer period of time so that those benefiting from the project are those contributing to it.

BUDGET APPROACH

In developing the proposed FY20-21 budget, each Department Director was given specific instructions to stay within the FY19-20 budget as the base budget for FY20-21. Any new budget requests had to be submitted separately as supplemental budget requests. This process was designed to maintain the current level of effort for core services and streamline the process for justifying increases to the base budget.

The criteria used to evaluate the supplemental requests are as follows:

- ◆ Is there a dedicated revenue source to pay for the new program or service?
- ◆ Is the budget request one-time or ongoing?
- ◆ Does the supplement address issues involving operational efficiencies, safety, a Council priority, or a Strategic Plan priority?

By working with Department Directors to find operational efficiencies and identifying budget savings in the current budget, we were able to fund \$384,818 in one-time supplemental budget needs and \$77,879 in ongoing supplemental needs.

CORE SERVICES BUDGET

In developing the proposed budget, staff focused on a review of services delivered by the Town, increased scrutiny of expenditures, and prioritization of programs to be funded with limited resources. This proposed budget provides the following core services to Town citizens from the funding sources listed:

	<u>FY19-20</u>	<u>FY20-21</u>	Funding Source
Public Safety	\$8,807,219	9,226,799	General Fund
General Government	1,489,511	2,256,931	General Fund
Administration	2,686,126	2,986,798	General Fund
Public Works	1,100,934	1,940,010	General Fund
Development Services	1,100,290	946,484	General Fund
Community Services	2,595,839	2,942,046	General Fund
Excise Tax Funds -			
Downtown/ED/Tourism	582,985	487,936	Excise Tax
Special Revenue Funds	7,751,739	7,156,157	Special Revenue
Debt Service	2,378,862	408,600	Debt Service
Capital Funds	4,069,194	5,497,230	CIP
	<u>\$32,562,699</u>	<u>\$33,848,991</u>	

CORE SERVICE – PUBLIC SAFETY

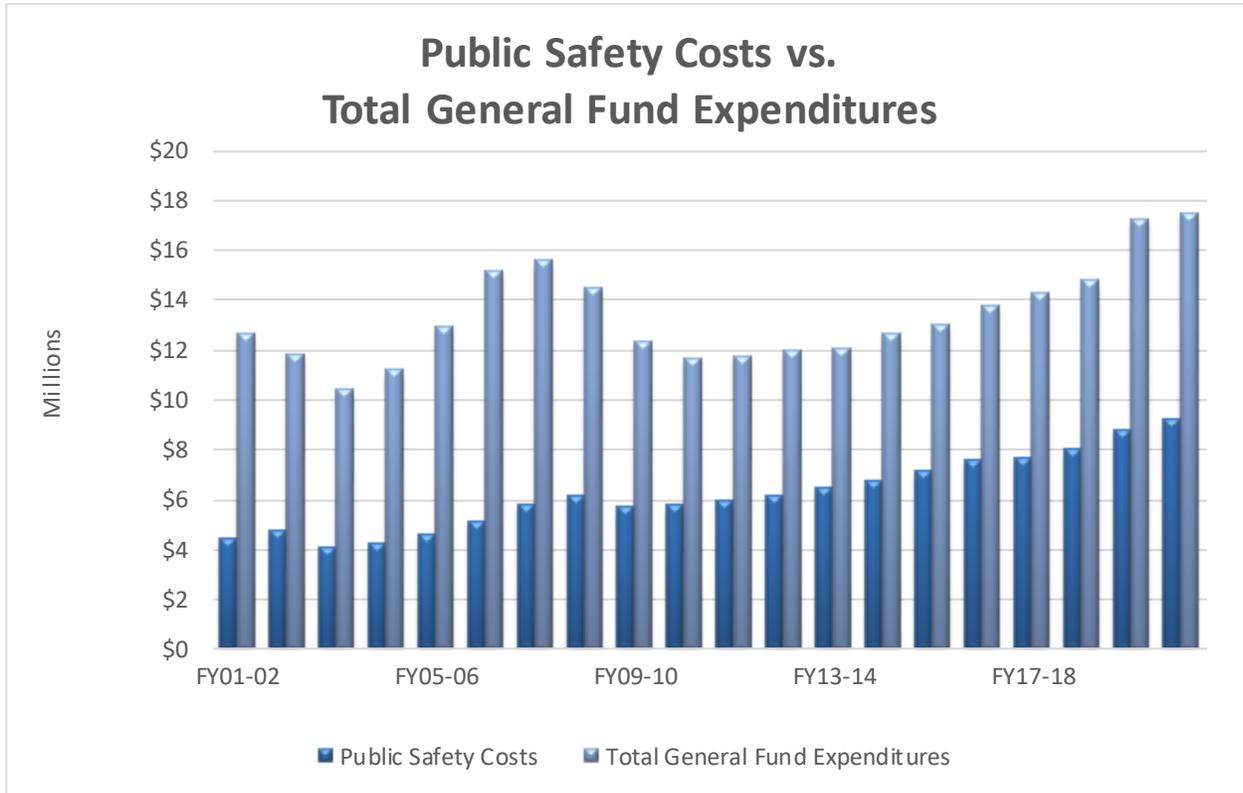
One of the chief roles of government is to provide for the safety of its citizens. The citizens of Fountain Hills receive great value from the Town's contracts for public safety with Maricopa County Sheriff's Office and Rural/Metro Fire. Town funds that are expended for public safety services provided under these contracts are undeniably high quality and cost efficient.

However, the fact remains that public safety costs, while essential, represent an ever-increasing proportion of the Town's total expenditures. During the period from FY01-02 through FY19-20, Town total General Fund expenditures increased 22% while public safety costs increased 99% leaving reduced funding to pay for non-public safety core services. For FY20-21, public safety costs will increase by approximately \$420,000. Public safety costs now represent about 52.7% of the General Fund's budget.

Two years ago, staff negotiated a new contract with Rural/Metro Fire to better anticipate the annual cost of fire and emergency services. The Town Council approved a new multi-year agreement in 2018 with Rural/Metro Fire that caps future contractual increases to three percent annually.

The intergovernmental agreement for law enforcement services with the Maricopa County Sheriff's Office (MCSO) is based on the actual cost of services from the prior fiscal year. For FY20-21 the agency increased the cost of law enforcement services by 5.2%. The Town of Fountain Hills is predicting that the law enforcement services budget will continue to increase at an annual 10 percent rate due to increased costs tied to the Town's proportionate share of MCSO's underfunded liabilities in the Arizona Public Safety Personnel Retirement System. Nearly all of the municipalities and local governments participating in the Public Safety Personnel Retirement System will be experiencing unprecedented contribution rate increases for the foreseeable future.

The chart below demonstrates the proportion of total Town expenditures relative to public safety costs.



RECOMMENDED STAFFING REQUESTS AND PERSONNEL CHANGES

The proposed FY20-21 budget includes one new full-time Groundskeeper II position and an increase of 0.25 FTE to an existing part-time Customer Service Representative II position, both in the Community Services Department. The Groundskeeper II position is needed to assist in maintaining the recently added Fountain Park restrooms, Avenue of the Fountains linear park, and Adero trail-head. The increase for the existing part-time Customer Service Representative II position from 0.35 FTE to 0.60 FTE is a result of rising demand in Home Delivered Meals and increased Community Center activity. These positions will add approximately \$77,500 in wages and benefits to the General Fund budget on an annual basis.

The FY20-21 budget also includes minor reclassifications of positions. After reviewing the Town’s classifications, I am recommending the reclassification of the following positions:

- ◆ Facilities/Environmental Supervisor to Facilities Supervisor
- ◆ Communications and Marketing Coordinator to Community Relations Manager
- ◆ Economic Development Analyst to Economic Development and Tourism Specialist

WAGES AND BENEFITS

Originally, the FY20-21 budget included a cost of living increase of 2.5% for all employees. This recommendation was removed for the first half of the fiscal year. If revenue collections are realized as projected, employees will receive a 2.5% increase after January 1, 2020. The cost for the salary adjustments is \$67,300.

In FY20-21 the Town's portion of employee medical, dental, vision, and other health-related benefits will increase by \$42,300 or 9.8%.

MINOR REORGANIZATION

The former Communications and Marketing Coordinator position reported to the Economic Development Director. As the Town's communications needs have evolved, it is my recommendation that the reclassified Community Relations Manager position report directly to my office. This will provide for improved communications to the Town's residents and business owners. The tourism function will be incorporated into the newly reclassified Economic Development and Tourism Specialist.

COMMUNITY CONTRACTS

Over the years, a number of non-profit organizations have received grants in aid from the Town of Fountain Hills in exchange for providing services to the community. Recognizing that the Town does not have the resources to continue funding these non-profits in the long-term, the Town Council reduced the funding of the community contracts by ten percent from the previous fiscal year. Based on the policy direction from last fiscal year, the funding for community contracts in FY20-21 has been reduced by another ten percent from FY19-20 funding levels. The only organization exempt from this reduction is the Extended Hands Food Bank, which provides much needed human service needs in our community.

CAPITAL IMPROVEMENT PROGRAM

The Town of Fountain Hills remains committed to funding one-time capital projects with one-time revenue sources. Whenever possible, the Town utilizes grants and other outside funding sources to complete projects.

The Five-Year Capital Improvement Program, which represents an investment in public facilities and infrastructure, totals \$24,810,000 in FY20-21, down from \$27,211,000 in FY19-20, or an 8.8% decrease from previous fiscal year. The Town Council previewed the proposed Capital Improvement Program for FY20-21 at the Council Retreat on February 24, 2020 and provided direction and prioritization of the proposed projects at the Budget Workshop, a special session, held on April 14, 2020. As was discussed with the Town Council, the Town Manager plans to review the Town's finances with the Town Council on a quarterly basis beginning this Fall. As was recommended by the Town Council at the April 14, 2020 meeting, the Town will proceed with the following Council high priority capital projects – Panorama Drainage repairs, La Montana/Ave. of the Fountains Roundabout, Golden Eagle Dam, and the Fountain Lighting Infrastructure project. All of the other projects will be on hold until the Town Council believes it is prudent based on revenues to move forward with them.

STRATEGIC PLAN

In past years, the Town’s Strategic Plan has provided considerable direction to the Town Council and staff regarding the expenditure of resources to accomplish its goals, objectives, and tasks. Since the 2017 Strategic Plan, located on page 136, is set to expire and be replaced later in 2020-21, the proposed FY 20-21 budget is not impacted by the plan. However, as in past years, the Strategic Plan will likely impact future proposed budgets after the Town Council considers and adopts the Strategic Planning Advisory Commission’s recommended Strategic Plan in early 2021.

BUDGET ASSUMPTIONS FOR FY20-21 AND BEYOND

- ◆ Continued adherence to State-imposed Expenditure Limitations Law, which impacts the Town’s ability to budget proposed capital projects
- ◆ Revenue projections are determined using both a trend analysis formula, as well as a flat percentage increase, but are estimates
- ◆ A reduction in the distribution of State-shared revenues
- ◆ Existing levels of service are maintained
- ◆ An inflation factor of 2.5% has been added to existing budgets for Administration, Public Works, Development Services and Community Services departments in future years
- ◆ The law enforcement contract with Maricopa County Sheriff’s Office has been budgeted at an increase of 10.0%
- ◆ The fire services contract with Rural/Metro Corporation is projected at a 3% increase for FY20-21 and beyond.

The following chart provides General Fund projections through FY 24-25:

Five-year Budget Projection					
	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25
REVENUES					
Intergovernmental	\$ 6,840,900	\$ 6,920,654	\$ 6,963,197	\$ 7,006,907	\$ 7,051,417
Permits, Licenses, Fees	941,593	914,936	937,379	939,788	943,695
Building Revenue	\$841,592	\$511,907	\$521,264	\$417,056	\$535,225
Local Taxes	<u>\$ 10,634,201</u>	<u>\$ 10,882,733</u>	<u>\$ 11,384,888</u>	<u>\$ 11,760,270</u>	<u>\$ 12,135,651</u>
Total Revenues	<u>\$ 19,258,286</u>	<u>\$ 19,230,230</u>	<u>\$ 19,806,728</u>	<u>\$ 20,124,021</u>	<u>\$ 20,665,988</u>
EXPENDITURES					
Mayor & Town Council	\$ 74,882	\$ 76,754	\$ 78,673	\$ 80,640	\$ 82,656
General government	2,204,942	1,961,535	1,973,073	1,984,900	1,997,023
Administration	2,339,663	2,370,355	2,454,615	2,493,181	2,580,510
Municipal Court	402,604	412,669	422,986	433,561	444,400
Public Works	1,120,866	1,148,888	1,177,610	1,207,050	1,237,227
Development Services	946,484	970,147	994,401	1,019,261	1,044,742
Community Services	2,942,046	3,015,597	3,090,987	3,168,261	3,247,469
Public Safety (Police & Fire)	<u>\$ 9,226,799</u>	<u>\$ 9,855,666</u>	<u>\$ 10,538,606</u>	<u>\$ 11,280,760</u>	<u>\$ 12,087,778</u>
Total Expenditures	<u>\$ 19,258,286</u>	<u>19,811,611</u>	<u>20,730,951</u>	<u>21,667,614</u>	<u>22,721,805</u>
Surplus/(Deficit)	<u>\$ -</u>	<u>\$ (581,381)</u>	<u>\$ (924,223)</u>	<u>\$ (1,543,593)</u>	<u>\$ (2,055,817)</u>

DISTINGUISHED BUDGET PRESENTATION AWARD

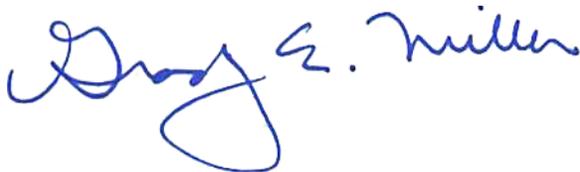
For the past eighteen years, the Town of Fountain Hills has been awarded the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award. Government entities that meet certain criteria in the presentation of their budget will receive this award. This budget message section is designed to provide the layperson with a broad view of the contents of the FY20-21 annual budget, its processes, issues and anticipated outcomes.

A DEBT OF GRATITUDE

A special thank you is extended to the Mayor and Town Council, our numerous Board and Commission members, and our 800 plus volunteers for their many hours of volunteer service without which the Town could not function in the fine manner it does.

I would also like to thank the Town of Fountain Hills Department Directors and their staff members with this year's budget process. The Directors and their staff attended several sessions with the Town Manager and Finance Division to justify programs, develop cost estimates, and answer questions. This team effort has resulted in a balanced budget that achieves the Town Council's current goals and assists in planning for the future of Fountain Hills. Finally, I am extremely grateful to Finance Director David Pock and Accountant Beata Bogdan for their countless hours preparing and finalizing the FY20-21 annual budget.

Respectfully submitted,



Grady E. Miller
Town Manager

Community Profile

COMMUNITY PROFILE

The Town of Fountain Hills overlooks the Verde River Valley and the east Valley of the metro Phoenix area. It is a master planned 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. The land was purchased by Robert McCulloch in the late 1960s and the community designed by Charles Wood, Jr. (designer of Disneyland in southern California).

One of the community's most valuable assets is its natural beauty. Incredible views and natural desert terrain provide for a wide range of outdoor activities including hiking, biking, and golf. In fact, Fountain Hills contains some of the more challenging and picturesque golf courses in the State of Arizona.

The crown jewel of Fountain Hills is our beautiful fountain, which is one of the world's tallest man-made fountains. It serves as a focal point for the community and attracts thousands of visitors each year.



The fountain is nestled in the center of a large man-made lake. With all three pumps and under ideal conditions, the plume of water rises 560 feet (171m) in height from a concrete water lily sculpture, though in normal operation only two of the pumps are used, with a fountain height of around 330 feet (101m). The fountain operates for 15 minutes at the top of every hour between 9 AM and 9 PM, weather permitting.

Fountain Hills is home to approximately 125 pieces of Town-owned artwork throughout its downtown and at public buildings. Art is a significant part of the Town's heritage. The Public Art Committee and its parent organization, the Fountain Hills Cultural and Civic Association, is the official representative of the Town in all matters dealing with the promotion of public art within Fountain Hills.

From striking statues set against Fountain Hills' mountain ranges to photography located inside public buildings, Fountain Hills has something for everyone. A wide variety of fountains, bronze sculptures, and other art types and media are available to be viewed. Residents and visitors are invited to take self guided tours, or take advantage of one of the "Art Walk" guided tours.

Located on 13,006 acres of land, Fountain Hills is surrounded by the McDowell Mountains and Scottsdale on the west, the Fort McDowell Yavapai Nation on the east, the Salt River Pima-Maricopa Indian Community on the south, and the McDowell Mountain Regional Park on the north. The elevation is 1,520 feet at the fountain, 2,130 feet at the Golden Eagle Trailhead, and is approximately 500 feet above Phoenix.

Over the past twenty-five plus years, Fountain Hills has grown from 10,190 residents to a Town of 23,899 in 2015. On June 5, 2006, the Town of

Fountain Hills became twenty square miles and about ten percent larger by annexing 1,300 acres of State Trust Land. The process to annex the State Trust Land occurred over a two and one-half year period and development of the land will occur over the next decade. Annexing this property into the Town ensures that its future development will be of the highest quality under the Town's standards. With unparalleled scenic views of the surrounding rugged mountains, and the serenity of the Sonoran Desert, the Town carefully protects the native flora, fauna, and scenic vistas. It is not unusual to see bobcats, javelina, jackrabbits or coyotes wandering the fringes of the community. Amongst the natural beauty, the Town continues to attract residents who build their homes to take advantage of this environment.

The Town offers a wide range of living accommodations, from small condominium complexes to large custom homes. Fountain Hills also offers recreational and cultural programs and services that contribute to a high quality of life for its residents. The community consists of primarily residential property and open space; of the total 20.32 square miles of land, only 2.5% of the total is zoned commercial and/or industrial, 23.3% is preserved as open space and 51.0% is residential. Of the remaining land, 2,264 acres are developable, with 62 acres being zoned commercial (2.7%), 3 acres zoned industrial (0.1%), 72 acres for schools (3.2%) and 44 acres for lodging (1.9%).

The Town provides or administers a full range of services including public safety (law enforcement, fire and emergency services); development services (code enforcement, planning and zoning); public works (including construction and maintenance of streets and infrastructure); municipal court; recreational activities; community center; senior services and cultural events. The Town does not

maintain utility or other operations that require the establishment of enterprise funds.



Two hundred fifty-eight communities, including Fountain Hills, earned recognition from national non-profit KaBOOM! as 2017 Playful City USA communities honoring cities and towns that ensure kids get the balanced and active play they need to thrive. From forty-four states and the District of Columbia, the Playful City USA honorees range from eleven-time honorees to first-time recipients. In its 10th year, Playful City USA is a national recognition program that honors cities and towns for taking bold steps to create more play opportunities for all kids.

The International Festival and Events Association (IFE) honored the Town of Fountain Hills with three awards in 2018. This association highlights events from around the world with

budgets ranging from less than \$250,000 to well over \$3 million. This year, Fountain Hills was highlighted as the GOLD winner for two separate categories: Best Single Digital/Social Advertisement and Best Emergency Preparedness and Management Plan. The Town also garnered a SILVER award for Best Single Magazine Display Ad. These awards recognize the high quality marketing efforts Town staff produce to promote our many events.

The Arizona Office of Tourism recognized the Town's tourism staff with the award for Outstanding Marketing Campaign for 2017 for its "Get Out of the Valley and into the Hills!" campaign. The campaign encouraged visitors to Arizona for major events such as the Waste Management Open, Spring Training Games, and the Final Four game.

On January 8, 2018 the Town of Fountain Hills, Arizona was awarded the rare distinction of being designated an International Dark Sky Community by the International Dark Sky Association (IDA). It is one of only two International Dark Sky Communities located near a major metropolitan area. In total, only 16 communities in the world have previously earned this prestigious designation.

Fountain Hills' low population density is a major reason it is such a desirable place to live. Unlike other regions of the Valley, one can dine, play, and commute, without congestion.

Fountain Hills' land is currently developed at an average density of 1.5 dwelling units per acre for single family homes and 6.8 units per acre for multi-family housing.

At the end of 2018, there were 915 vacant single family lots and 158 vacant multi-family lots.

Based upon the 2015 US Census population estimate figure of 23,899, Fountain Hills has an average of 1,176.1 people per square mile, or 1.84 people per acre.



Demographics

Population by Gender & Age	Gender		Age Group															TOTAL			
	Male	Female	0-4 Years old	5-9 Years old	10-14 Years old	15-19 Years old	20-24 Years old	25-29 Years old	30-34 Years old	35-39 Years old	40-44 Years old	45-49 Years old	50-54 Years old	55-59 Years old	60-64 Years old	65-69 Years old	70-74 Years old		75-79 Years old	80-84 Years old	85 Years & older
Population	10,741	11,748	680	879	1,005	1,038	679	619	678	949	1,309	1,775	2,020	2,181	2,419	2,071	1,576	1,080	819	712	22,489
Percent	47.8%	52.2%	3.0%	3.9%	4.5%	4.6%	3.0%	2.8%	3.0%	4.2%	5.8%	7.9%	9.0%	9.7%	10.8%	9.2%	7.0%	4.8%	3.6%	3.2%	100.0%

Median Age = 53.9 Years old Average Household Size = 2.16 Average Family Size = 2.56



Income Per Household	Income Bracket								TOTAL		
	Less than \$10,000	\$10,000-\$14,999	\$15,000-\$24,999	\$25,000-\$34,999	\$35,000-\$49,999	\$50,000-\$74,999	\$75,000-\$99,999	\$100,000-\$149,999		\$150,000-\$199,999	\$200,000 or more
Household	97	285	789	789	1,046	2,037	1,457	1,600	1,032	898	10,030

SOURCE: 2010 US CENSUS

Median Household Income = \$74,551
Mean Household Income = \$105,681
Per Capita Income = \$47,260

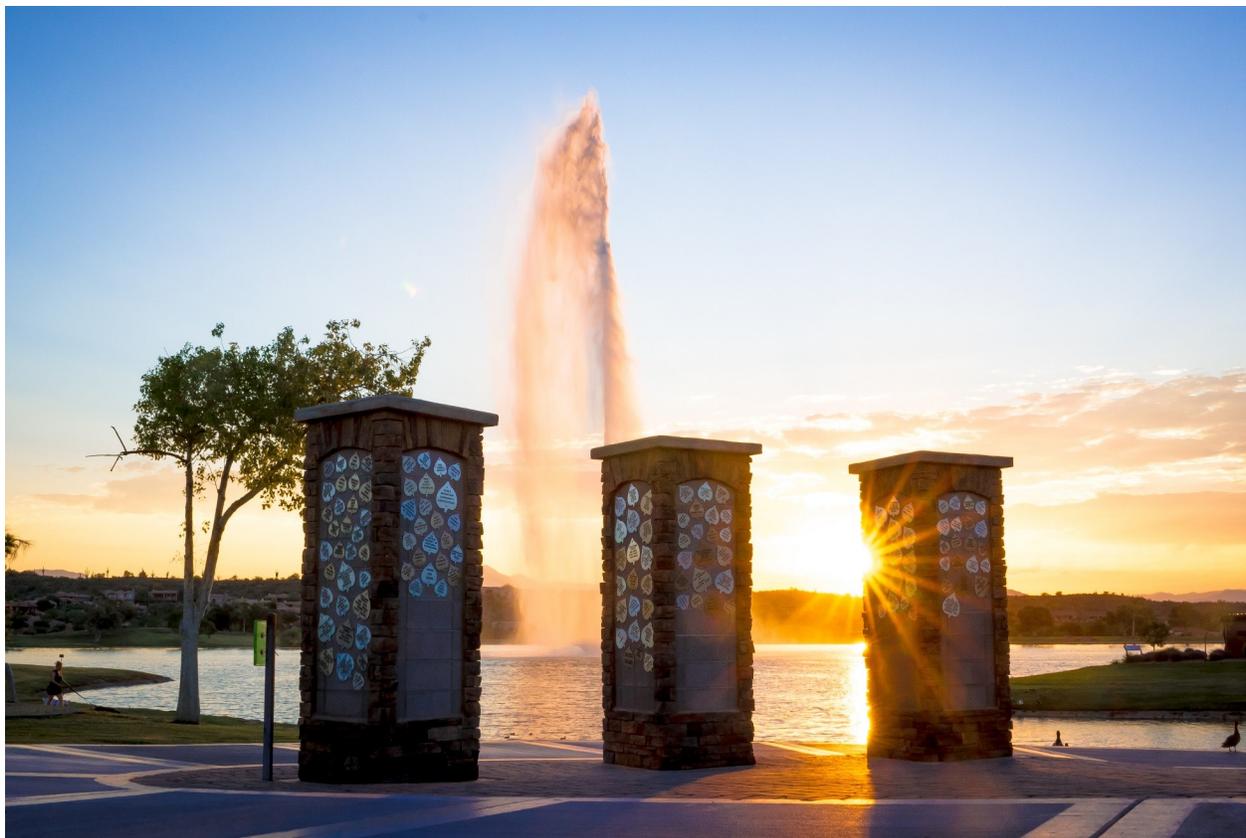
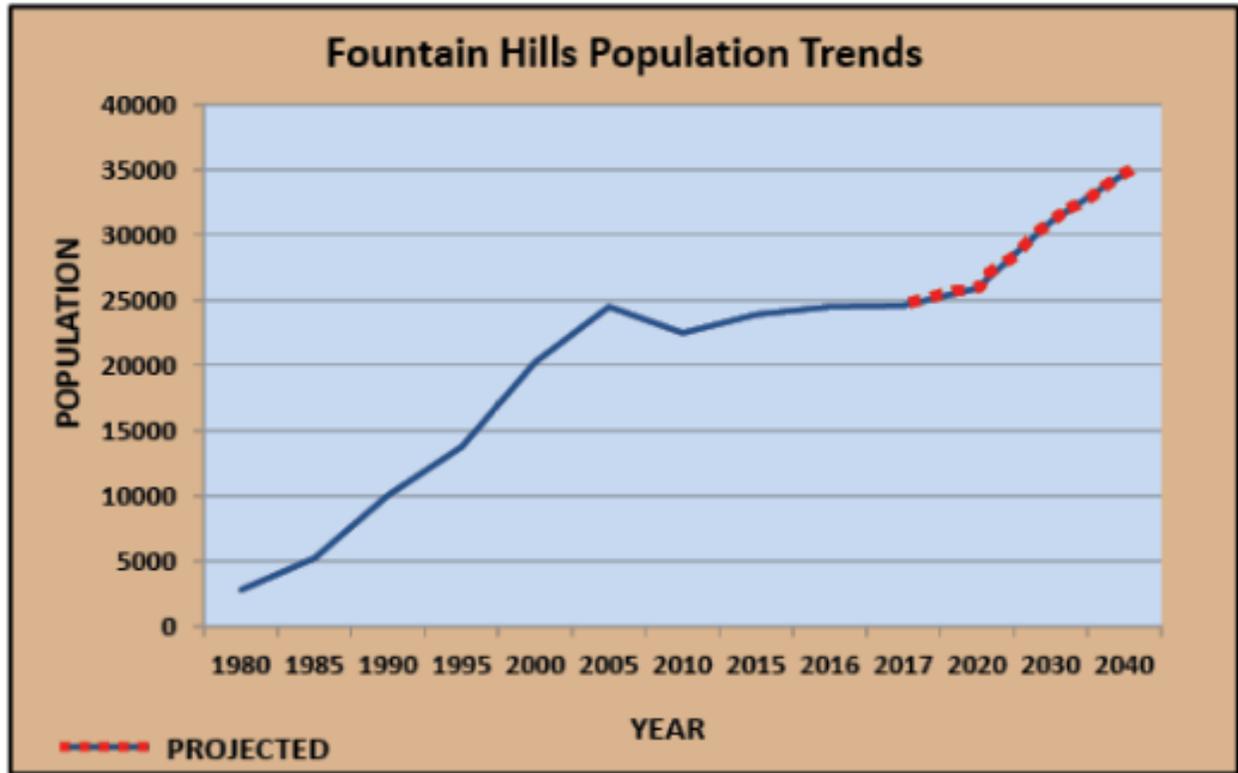
Population Trends	
Year	Fountain Hills Population
1980	2,772*
1985	5,200**
1990	10,030*
1995	13,745**
2000	20,235*
2005	24,492*
2010	22,489*
July 1, 2015	23,899***
July 1, 2016	24,482***
July 1, 2017	24,583***
2020	25,900**
2030	31,000**
Estimated Buildout ~2040	34,700****

* US CENSUS

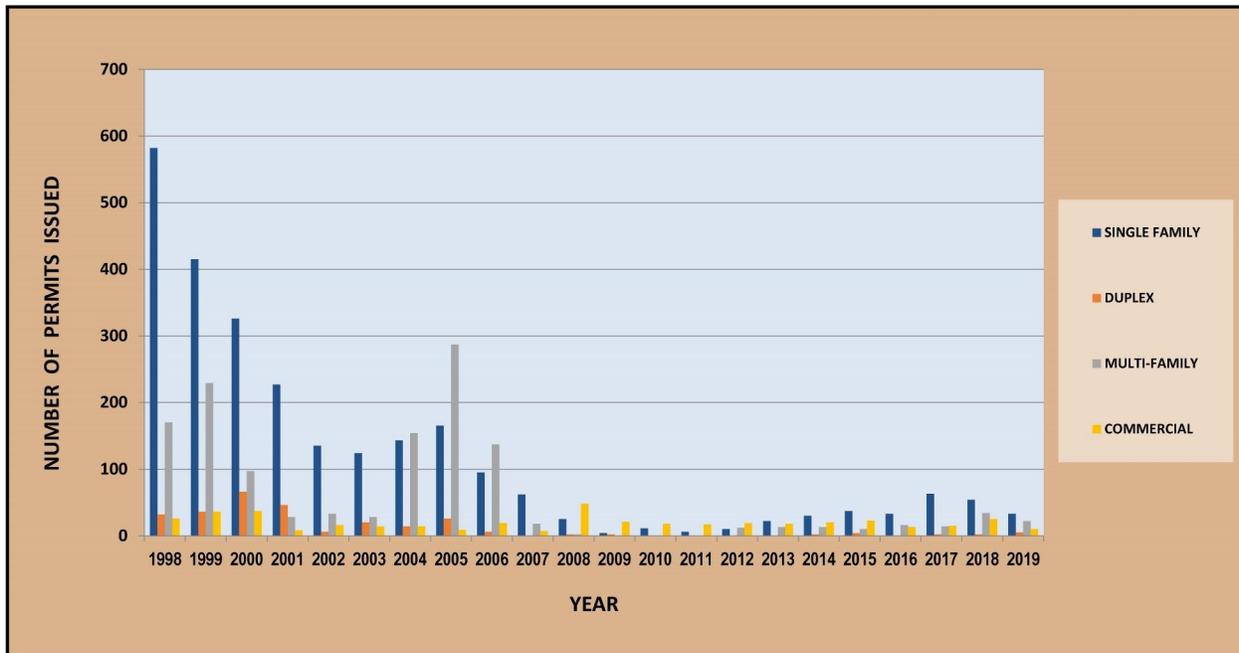
** MAG

***US CENSUS, AMERICAN COMMUNITY SURVEY

****TOWN DEVELOPMENT SERVICES

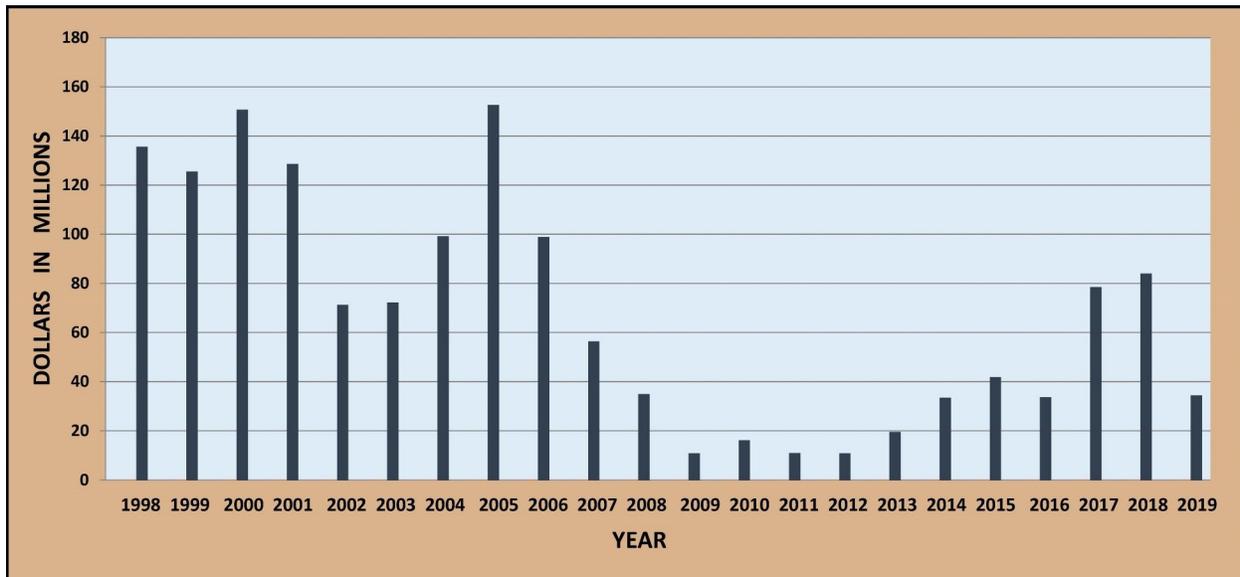


TOWN-WIDE BUILDING PERMITS ISSUED



YEAR	Single Family	Duplex		Multi-Family		Total Dwelling Units	Commercial	Other
		Bldg.	Total Units	Bldg.	Total Units			
1998	582	17	32	36	170	784	26	995
1999	415	18	36	34	229	680	36	947
2000	326	33	66	23	97	489	37	892
2001	227	23	46	6	28	301	8	707
2002	135	3	6	4	33	174	16	622
2003	124	10	20	10	28	172	14	689
2004	143	7	14	64	154	311	14	664
2005	165	13	26	184	287	478	9	777
2006	95	3	6	102	137	238	19	745
2007	62	0	0	18	18	80	7	589
2008	25	1	2	2	2	29	48	489
2009	4	1	2	0	0	6	21	328
2010	11	0	0	0	0	11	18	366
2011	6	0	0	0	0	6	17	319
2012	10	0	0	0	0	10	19	376
2013	22	0	0	12	12	34	18	386
2014	30	1	2	13	13	45	20	391
2015	37	2	4	5	10	51	23	347
2016	33	0	0	8	16	49	13	415
2017	63	1	2	14	14	79	15	370
2018	54	2	4	34	34	92	25	494
2019	33	5	10	22	22	65	10	466
22 Year Total	2602	140	278	591	1304	4184	433	12374
22 Year Avg	118.3	6.4	12.6	26.9	59.3	190.2	19.7	562.5

TOWN-WIDE BUILDING PERMITS ISSUED



COMMERCIAL BUILDING PERMITS ISSUED AND VALUATION

Year	Permits Issued	Valuation (\$ in Millions)
1998	26	9.739
1999	36	13.326
2000	37	25.869
2001	8	15.625
2002	16	16.698
2003	14	9.554
2004	14	23.021
2005	9	27.782
2006	19	15.792
2007	7	5.966
2008	48	10.004
2009	21	0.944
2010	18	0.719
2011	17	2.311
2012	19	1.012
2013	18	1.060
2014	20	1.936
2015	23	12.730
2016	13	0.859
2017	15	13.619
2018	25	37.552
2019	10	34.155

*1998-2019 Valuation includes commercial building permits as well as tenant improvements.

Fountain Hills Schools

The Fountain Hills Unified School District has earned a reputation for excellent academic programs, noteworthy student achievement, and high levels of parent and community involvement. Over the past several years, the district has earned respect throughout the state as a small, friendly, and high achieving system with well-trained and motivated staff (www.fhusd.org).

Public Schools

1. Fountain Hills High School
2. Fountain Hills Middle School
3. McDowell Mountain Elementary School

Address

16100 E. Palisades Boulevard
15414 N. McDowell Mountain Road
14825 N. Fayette Drive

Preschools

4. McDowell Mountain Preschool
5. Creative Child Care Preschool
6. Here We Grow Learning Center
7. Maxwell Preschool Academy
8. Promiseland Christian Preschool

Address

14825 N. Fayette Drive
17150 E. Amhurst Drive
16901 E. Palisades Boulevard
15249 N. Fountain Hills Boulevard
15555 E. Bainbridge Avenue

Charter School

9. Fountain Hills Charter School

Address

16751 E. Glenbrook Boulevard

East Valley Institute of Technology

10. EVIT—Fountain Hills Vocational Center

Address

17300 E. Calaveras Avenue



McDowell Mountain Elementary School



Fountain Hills Middle School

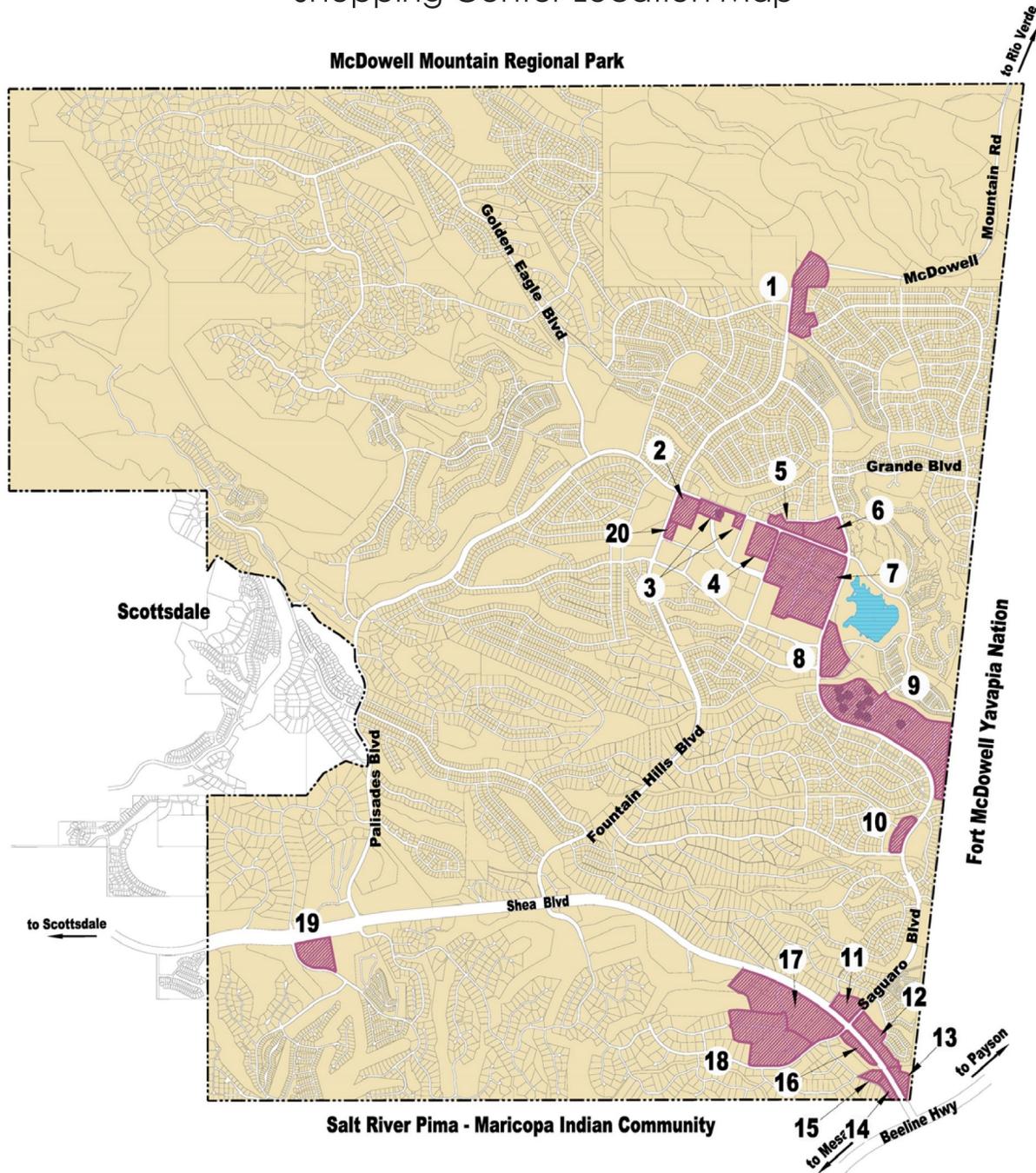
Fountain Hills High School



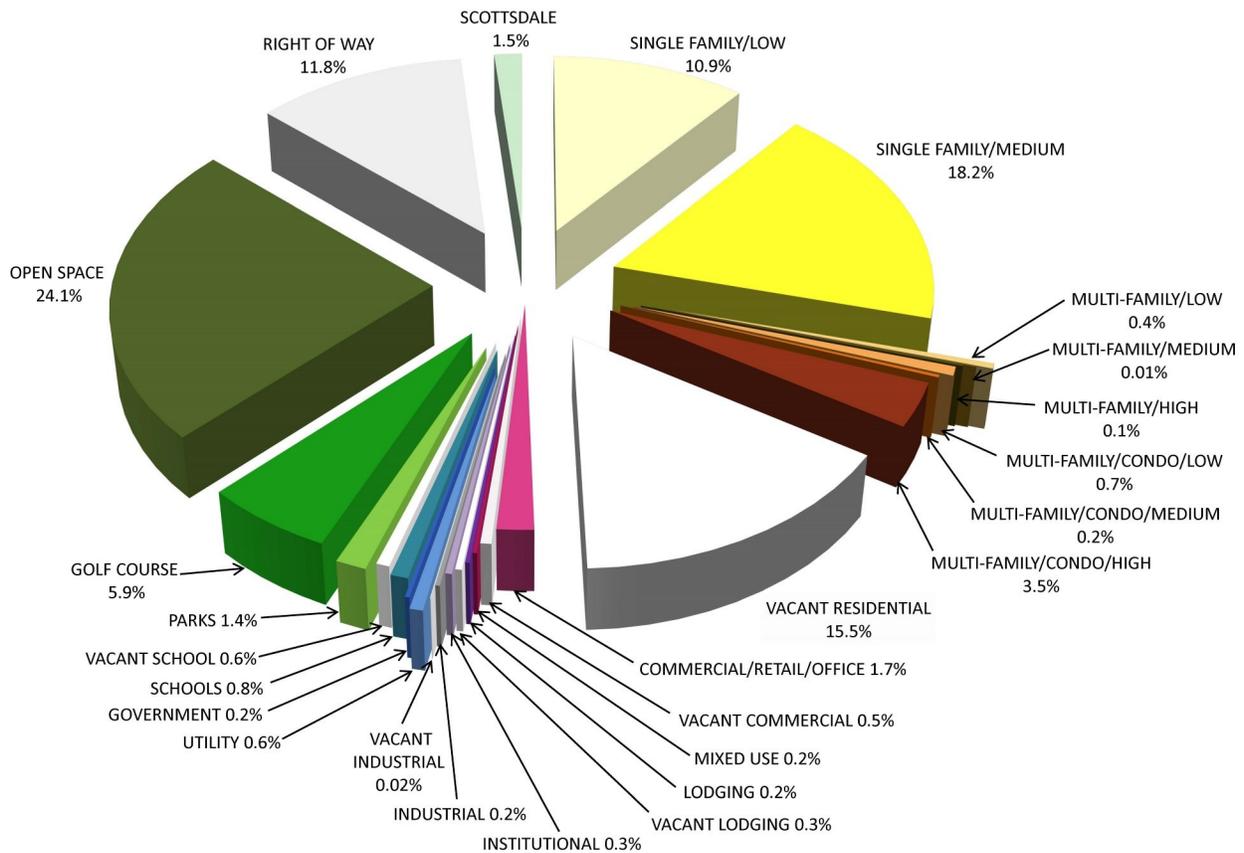
shopping centers (and other non-residential developments)

1. **Northside Business District** (42,700 sf) Along the east side of Fountain Hills Blvd in the north part of town
2. **Palisades Plaza** (93,500 sf) Located at Fountain Hills Blvd and Palisades Blvd (Anchored by Safeway)
3. **Town Center I** (51,500 sf) Includes all businesses at the southwest and southeast of Palisades Blvd and Avenue of the Fountains, and the south west corner of Palisades Blvd and Westby Dr
4. **Fountain Hills Plaza** (120,900 sf) Located at the southwest corner of Palisades Blvd and La Montana Drive (Anchored by Bashas)
5. **La Montana & Palisades Plaza** (42,400 sf) Located at the northeast and northwest corner of La Montana Dr and Palisades Blvd
6. **Red Mountain Plaza** (114,200 sf) Northwest corner of Palisades Blvd and Saguaro Blvd
7. **Downtown** (919,700 sf) Includes all businesses bordered by Saguaro Blvd, Palisades Blvd, La Montana Dr, Avenue of the Fountains and Paul Nordin Pkwy
8. **Plaza Fountainside** (66,900 sf) On the southwest side of Fountain Park
9. **Enterprise Colony District** (514,300 sf) Along Saguaro Blvd, between Colony Dr to the north and Rand Dr to the south
10. **Plat 202** (51,600 sf) Located along Saguaro Blvd between Kingstree Blvd and Malta Dr
11. **Circle K Center** (9,800 sf) Located at the northwest corner of Saguaro Blvd and Shea Blvd
12. **Red Rock Business Center** (84,900 sf) Located at the northeast corner of Saguaro Blvd and Shea Blvd
13. **Crossroads Center** (16,100 sf) West of the Beeline Highway north side on Shea Blvd
14. **Shea East Plaza** (10,800 sf) West of the Beeline Highway south side on Shea Blvd
15. **Firebrick Plaza** (18,800 sf) Located between Firebrick Dr and Shea Blvd
16. **Plat 704** (38,700 sf) Southeast corner of Saguaro Blvd and Shea Blvd
17. **Four Peaks Plaza** (295,000 sf) Southwest corner of Shea Blvd west of Saguaro Blvd (Anchored by Target)
18. **Industrial Park** (337,200 sf) Northwest side of Technology Dr and Saguaro Blvd
19. **Eagle Mountain Village Plaza** (83,000 sf) Southeast corner of Shea Blvd and Eagle Mountain Pkwy (Anchored by Fry's)
20. **Fountain View Plaza** (14,500 sf) Located along Fountain Hills Blvd between Palisades and Keith McMahan Dr

Shopping Center Location Map



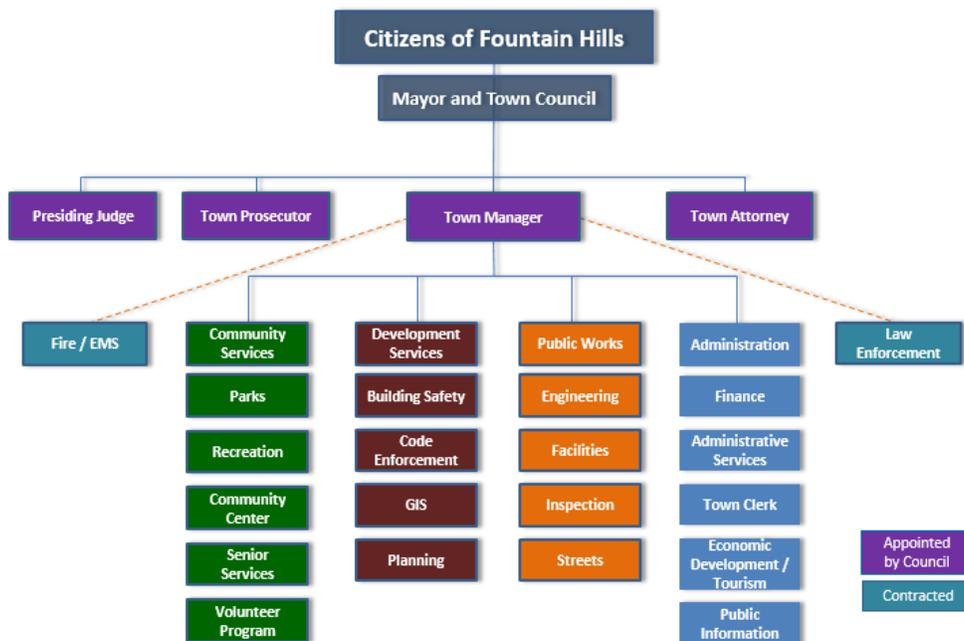
TOWN-WIDE LAND USE



Land Use	Residential Units	Developed Acres	Undeveloped Developable Acres	Undeveloped Undevelopable Acres	Total Acres
Residential					
Single Family – L	1,052	1,416.2	948.4		
Single Family – M	7,497	2,372.6	1,035.2		
Multi-Family – L	431	57.5			
Multi-Family – M	30	1.2			
Multi-Family – H	150	9.1			
Multi-Family/Condo – L	700	93.8		37.0	
Multi-Family/Condo – M	235	26.0			
Multi-Family/Condo – H	3,074	449.8			
Commercial/Retail		223.2	62.4		285.6
Mixed Use	580	25.4			25.4
Lodging		19.6	44.2		63.8
Institutional		44.5			44.5
Industrial		31.3	3.0		34.3
Utility		78.6			78.6
Government/Town Owned		27.3			27.3
Schools		109.4	71.9		181.3
Parks		182.4			182.4
Golf Course		769.7			769.7
Open Space				3,132.9	3,132.9
Scottsdale Owned Land				199.9	199.9
Right of Way/Streets		1,533.2			1,533.2
Total	13,749	7,470.8	2,202.1	3,332.8	13,005.7

Town Council

Town of Fountain Hills Organization



FRONT ROW: Councilmember Dennis Brown, Mayor Ginny Dickey, Councilmember Alan Magazine
 BACK ROW: Vice Mayor Art Tolis, Councilmember Sherry Leckrone, Councilmember Mike Scharnow, Councilmember David Spelich



Mayor Ginny Dickey and her family chose Fountain Hills as their home town in 1983. Born and raised in NY, she followed her parents who had fallen in love with this desert community in the seventies. Her siblings all relocated to AZ, creating a foundation here that spans multiple generations.

Ginny holds a BS in Mathematics from Tufts University. She's been a banker, a bookkeeper and a part-time teacher, in AZ, VT and NH. She was an AZ Senate staffer and an Assistant Director at the Dept. of Environmental Quality. After retiring from the State, she worked with the US Attorney's Office as a neighborhood liaison with various partners including law enforcement.

Inducted into the 2010 Hall of Fame, she participated in FH strategic planning sessions since 1984. She went from room mother to PTA Board, Site Council to elected School Boardmember, where she served from 1994 to 2002, twice as President. Ginny was a Charter Member of the Arts Council and served on the Theater Board as Treasurer and accountant, earning their 2009 Founders Award. She performed in several AriZoni winning productions.

In the Valley, she was a member of Business and Professional Women (Woman of the Year) and the Public Policy Chair for the American Association of University Women. Active in several statewide groups, she was an organizer for the AZ Women's Hall of Fame at the Carnegie Library.

Ginny served as Town Councilwoman for over eight years, co-chairing the Centennial Committee and sitting on the MAG Regional Domestic Violence Council until 2014. She helped raise funds for two public art pieces and co-organized a community unity event in 2017.

Other activities include:

- Justice Department, Recognition of Meritorious Service: Weed and Seed Program
- League of AZ Cities and Towns Eight Years of Service and Dedication
- Ten Years of Service Recognition to the State of AZ
- ADEQ Constellation Team Award for Asarco efforts
- ADEQ Constellation Team Award for Hazardous Air Pollutant/Mercury efforts
- AZ School Boards Association Silver Cactus Pin; Gold Cactus Pin; Master of Boardmanship
- Panel speaker, Estrella Mt. Community College
- Classroom speaker, ASU
- Workshops, Coronado High School and Scottsdale Community College
- Contributor, Sonoran/Lincoln Institute of Land Policy Working Paper
- Falcon Leadership Mentoring Program, National School Boards Association, New Orleans

Ginny is married to former teacher, FHUSD and EVIT Boardmember Jim Dickey, a retired Valley Metro and ADOT Executive. Her family includes three sons – FHUSD graduates Mike, Brian and Frank Chin (Rutgers professor, Scottsdale Fire Captain, Philadelphia musician) plus Jim's daughter and son, all their spouses and eight grandchildren.



Councilmember Brown and his wife have supported Little League baseball and football, the Fountain Hills Community Theater, Movies in the Park, and numerous other local organizations. They have two sons and one daughter who have given them five – count them five – granddaughters.

Councilmember **Dennis Brown** and his wife, Judy, moved to Fountain Hills in 1996. In 1999, they opened their construction company, Echelon Company, building both commercial and residential products in Fountain Hills.

Councilmember Brown was the President of the Fountain Hills Licensed Contractors Association for five years from 2002 through 2007. In 2002, a Planning and Zoning Commission seat became available. He was appointed to serve on the Commission and served for more than seven years, four of which were as Chair of the Commission. During his seven year tenure on the Planning and Zoning Commission, the Commission re-wrote the Town's sign ordinance, passed the Saguaro protection ordinance, and wrote the Commercial Architectural Guidelines.



Councilmember **Sherry Leckrone** has lived in Fountain Hills since moving from Chicago, IL in late 2004. She has been an attorney for 27 years, and is licensed to practice law in Illinois and Arizona. Sherry received her Juris Doctorate Degree from Chicago-Kent College of Law in Chicago in 1990 graduating with honors while excelling on the Moot Court and Trial Advocacy Teams. Throughout her legal career she has volunteered in various roles, including in Illinois where she was the co-founder and President of the first Women's Bar Society in Kankakee, Illinois.

In Illinois she practiced as a federal prosecutor in the U.S. Attorney's Office, a county prosecutor, a public defender and in private practice handling criminal and civil litigation. While in Chicago, she prosecuted complex white-collar crime, governmental fraud and public corruption cases with the Cook County State's Attorney's Office and taught trial advocacy courses with her alma mater as an adjunct professor. She has over two decades of experience as a trial attorney and has spent a

majority of her career as a prosecutor. During her service as a prosecutor with the Maricopa County Attorney's Office she handled and tried felony and misdemeanor cases in a variety of Bureaus, including Pretrial, Trial Division, Repeat Offenders, Gangs, Justice Courts and Special Crimes. Most recently, she served as a Bureau Chief in the Special Crimes Bureau where she managed attorneys whose case-loads included homicide, sex trafficking, home invasion, gambling, identity theft, arson, animal cruelty, governmental fraud, weapon violations and bomb cases. As a public servant in both roles as a prosecutor and public defender, she sought justice on both sides of the aisle and negotiated to resolve cases with opposing counsel. Sherry's keen sense for handling complex cases, solving problems and managing teams led to special recognition in multiple cases she prosecuted.

Sherry has a passion for public service and for teaching. She served the Town of Fountain Hills as a Commissioner on the Planning and Zoning Commission from 2006 until 2010. She worked as a part-time adjunct professor teaching law related courses at Western International University. In addition to the leadership roles she held as an attorney, Sherry earned a Management and Leadership Institute Certificate from the ASU Bob Ramsey Executive Education program in 2015 and became a certified facilitator in *The Leadership Challenge*® in 2017. When she is not working, she enjoys writing, yoga, golfing, biking, hiking and anything that involves the outdoor beauty that Arizona has to offer. Sherry has close family members in Arizona and Chicago. She enjoys living in Fountain Hills and is honored to serve its citizens in her role as a Councilmember.



Councilmember Magazine received a Ph.D. from the University of Maryland in 1976. He has lived in Fountain Hills with his wife, Cynthia, since 2006. Magazine has two children and a granddaughter. Cynthia has two children from a previous marriage and four grandchildren.

Councilmember **Alan Magazine** was sworn in for his first term on the Town Council on December 4, 2014. Prior to that, he served for over five years on the Strategic Planning Advisory Commission, the last year as Chair.

Born and raised in the Boston area, his entire career took place in Washington, D.C. where he served as president of three organizations, the last being The Health Industry Manufacturers Association. Additionally, he served on the staff of the International City Management Association, as well as two four-year terms on the Fairfax County Board of Supervisors in Virginia. In the latter capacity, he represented the county on the Metropolitan Washington Council of Governments' Board of Directors, as well as serving as Chairman of the Northern Virginia Transportation Commission.

During his "retirement" in Fountain Hills, he has won numerous awards as a nature photographer.



Mike has served as a church elder, helped organize the VisionFH program and was part of the organizing committee that launched the Fountain Hills Leadership Academy. He was named "Entrepreneur of the Year" for 2018 by the Fountain Hills Chamber of Commerce.

He graduated from the University of Wisconsin in 1983 with Bachelor of Arts degrees in English, psychology and philosophy. Mike lives here with his wife, Brenda, and has two adult children who were raised in Fountain Hills. In his spare time he enjoys traveling with his wife, especially on their Harley-Davidson motorcycle.

Councilmember **Mike Scharnow** started working in Fountain Hills in 1983 and has resided here since 1990. He worked at "The Fountain Hills Times" for 32 years, many of those as editor, before switching careers at the start of 2016 and becoming a financial advisor for Thrivent Financial with an office in Fountain Hills.

Mike has volunteered for a plethora of organizations and causes in Fountain Hills over the past three decades. He currently is a 25-year member of the Noon Kiwanis Club and is on the board of directors for the Fountain Hills Youth Substance Abuse Prevention Coalition, the Lower Verde Valley Hall of Fame Foundation and Fountain Hills Sister Cities Corp. He was inducted into the Hall of Fame in 2009.

He was founding chairman of the first Parks and Recreation Commission for the Town of Fountain Hills and helped provide input for the design of Golden Eagle Park, helped coordinate the first Turkey Trot and introduced the town's first official recreation program.



Upon relocating to Arizona, David has been active in community affairs, at both state, county, and local levels. He is a member of the Sons of the American Legion, and the Fountain Hills Republican Club. In 2017 he assumed the duties of the 2nd vice president for that club. He currently serves as Republican Committeeman in LD23. He has volunteered on the Maricopa Cold Case Posse. After serving one year on the Governor's Advisory Council on Aging (GACA), in 2018 he was appointed as Secretary of the Executive Board of the Governor's Advisory Council on Aging (GACA), where he remains an active member.

Councilmember **David Spelich** graduated with his degree in Mortuary Science and has worked as a funeral director, criminal investigator for the Cook County Medical Examiner's Office, and, at the time of his retirement, was assigned as the Chicago Police Department's Violent Crimes Detective Liaison to the Cook County Medical Examiner's Office. He is co-author of a textbook on Medico-legal Death Investigations.

David has a combined twenty-four years in law enforcement. The majority of his career in the Chicago Police Department was spent as a Violent Crimes detective. He also spent time working on the streets in a beat car, a diver on the Marine Unit, and an instructor at the CPD Police Academy. Currently, David works as an investigator for the State of Arizona Department of Education.

David purchased a home in Fountain Hills in 2009 and, upon retiring from the Chicago Police Departments in 2014, became a full-time resident in Fountain Hills.



Art is married to Heather Tolis and is the proud father to six children who are either currently attending or have graduated from the Fountain Hills Unified School District.

Vice Mayor **Art Tolis** has been active in the Fountain Hills community for over 16 years. He has served on many boards and commissions including the Fountain Hills Chamber of Commerce (2003-2007), Treasurer of the Chamber in 2006, L. Alan Cruikshank River of Time Museum Board of Directors, Fountain Hills Realtor Marketing Chair/Scottsdale Association of Realtors Board of Directors, the Town of Fountain Hills Planning & Zoning Commission, Four Peaks Rotary (2016-2017 as President), and is a graduate of the first Fountain Hills Leadership Academy class. Prior to moving to Arizona, Art was active in Connecticut politics and also served on the Town Council for Berlin, Connecticut. He has a Bachelor's Degree from Syracuse University and a Master's Certificate from Pacific Coast Banking School/University of Washington.

In addition to these community positions, Art is the owner of Tolis Mortgage Financial Group and is a licensed mortgage broker, realtor and insurance agent (life and health).

Elected Officials' Terms of Office

Mayor:

Ginny Dickey

Term of Office: First term: December 2018—November 2020

Vice Mayor:

Mike Scharnow

Term of Office: First term: December 2018—November 2022

Councilmembers:

Dennis Brown

Term of Office: Partial term: May 2009—May 2012
Second term: June 2012—November 2016
Third term: December 2016—November 2020

Sherry Leckrone

Term of Office: Partial term: October 2018—November 2020

Alan Magazine

Term of Office: First term: December 2014—November 2018
Second term: December 2018—November 2022

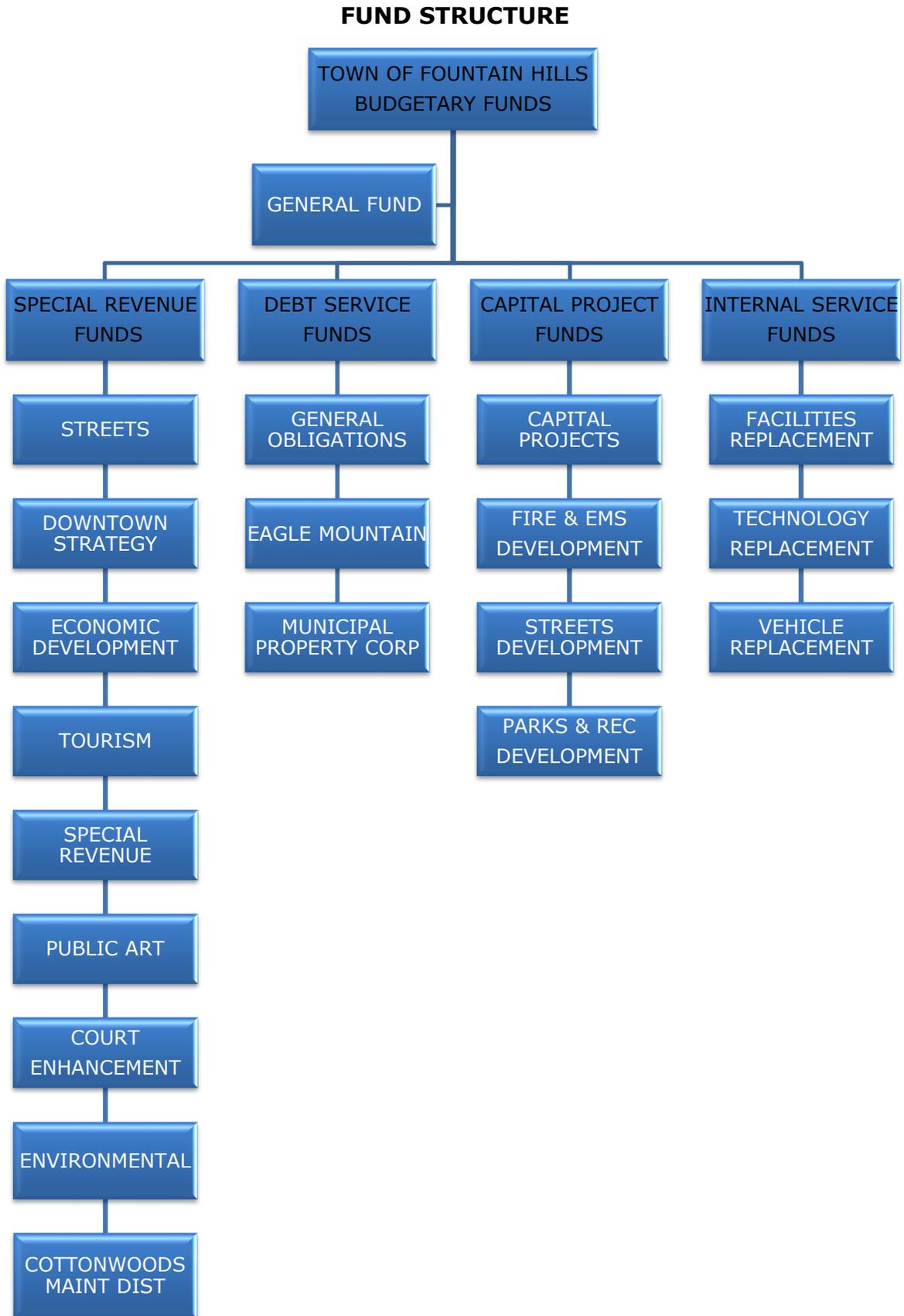
David Spelich

Term of Office: First term: December 2018—November 2022

Art Tolis

Term of Office: First term: December 2016—November 2020

Financial Overview & Policies



**FUND/DEPARTMENT STRUCTURE
Governmental Funds**

			Total Proposed Budget Amount
Fund Type	Fund	Department	Amount
General Fund		Total	\$ 19,258,286
	General Fund	Mayor & Town Council	74,882
	General Fund	Administration	2,339,663
	General Fund	General Government	2,204,942
	General Fund	Municipal Court	402,604
	General Fund	Public Works	1,120,866
	General Fund	Development Services	946,484
	General Fund	Community Services	2,942,046
	General Fund	Law Enforcement	5,029,469
	General Fund	Fire & Emergency Medical	4,197,330
Fund Type	Fund	Department	Amount
Special Revenue		Total	\$ 7,788,742
	Streets (HURF)	Public Works	5,120,822
	Downtown Strategy Fund	Administration	38,400
	Economic Development Fund	Administration	241,270
	Tourism Fund	Administration	208,266
	Special Revenue Fund	Administration	1,338,500
	Public Art Fund	Community Services	144,649
	Court Enhancement Fund	Municipal Court	24,800
	Environmental Fund	Public Works	666,904
	Cottonwoods Maintenance District Fund	Administration	5,131
Fund Type	Fund	Department	Amount
Debt Service		Total	\$ 408,600
	General Obligation Bond Fund	Administration	350
	Eagle Mountain CFD Fund	Administration	407,240
	Municipal Property Corporation Fund	Administration	1,010
Fund Type	Fund	Department	Amount
Capital Projects		Total	\$ 5,497,230
	Capital Projects Fund	Administration, Community Services, Public Works	5,457,230
	Development Fees Funds	Fire, Public Works, Community Services	40,000
Fund Type	Fund	Department	Amount
Internal Service		Total	\$ 896,133
	Facilities Replacement Fund	Public Works	819,144
	Internal Service Fund	General Government	25,000
	Vehicle Replacement Fund	General Government	51,989
GRAND TOTAL ALL FUNDS			\$ 33,848,991

The preceding page depicts the budgetary funds of the Town. The table above represents the departments of the Town and the funds that are used by those departments.

FUND STRUCTURE

The accounts of the Town are organized on the basis of funds, each of which is considered a separate accounting entity. Operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. Town 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

«The **General Fund (Fund 100)** is the primary operating fund of the Town and accounts for the resources and uses of various Fountain Hills departments. It exists to account for the financing of services traditionally associated with local government. These services include police and fire protection, development services (planning & zoning/building safety/code enforcement/GIS), public works (facilities/engineering), community services (parks and recreation/community center/senior services), general administration, and any other activity for which a special fund has not been created. Governmental accounting requires the General Fund be used for all financial resources except those required to be accounted for in another fund and have designations of non-spendable, restricted, committed, assigned or unassigned.

Special Revenue Funds

«**Special Revenue Funds** are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes, designated as committed or restricted. The Town maintains the following Special Revenue Funds:

«The **Streets (HURF) Fund (Fund 200)** is funded by .2% of local sales tax, State-shared revenues and transfers from the Capital Improvement Fund. The State of Arizona taxes motor fuels and collects a variety of fees and charges relating to the registration and operation of motor vehicles. These revenues are deposited in the Arizona Highway User Revenue Fund (HURF) and are then distributed to the cities, towns, and counties and to the State Highway Fund. This fund may only be used for street and highway purposes and is a restricted fund.

«The **Downtown Strategy Fund (Fund 300)** is a committed fund which may only be used for development of the downtown. Revenue for this fund comes from the 20% of the .1% of local sales tax collections that have been dedicated for this purpose.

«The **Economic Development Fund (Fund 310)** is a committed fund which may only be used for economic development. Revenue for this fund comes from the 80% of the .1% of local sales tax collections that have been dedicated for this purpose.

«The **Tourism Fund (Fund 320)** is a committed fund which may only be used for tourism. Revenue for this fund is provided by a transfer from the Economic Development Fund and grant money.

«The **Special Revenue/Grants Fund (Fund 400)** is restricted by the terms of the individual grants or program funds received. An example of this would be state or federal funds. These funds are to be used only for the specific program or programs for which the funds have been awarded and in accordance with all the grant conditions.

«The **Public Art Fund (Fund 410)** is funded by developer in-lieu contributions. These funds may only be used for the maintenance of art and for the installation of this art throughout the community. This fund has a committed fund balance.

«The **Court Enhancement Fund (Fund 420)** is a restricted fund which may only be used to enhance the technological, operational and security capabilities of the Fountain Hills Municipal Court and to support the operation of the Court collection program. Revenues are derived from court fees and bond forfeitures.

«The **Environmental Fund (Fund 460)** is an assigned fund which may only be used to help offset the costs of stormwater management and air quality permit requirements as well as other environmental programs. These items include, but are not limited to, permit fees, wash maintenance, ADWR dam inspection and maintenance, street sweeping, storm drain cleaning and household hazardous waste disposal. Revenues are derived from the annual environmental fee billed to Town residents.

«The **Cottonwoods Maintenance District Fund (Fund 550)** is a restricted fund which may only be used for maintenance of the Cottonwoods Maintenance District. Revenues are derived from a secondary property tax.

Debt Service Funds

Debt Service Funds are established for the payment of principal and interest on bonded indebtedness. Revenues are derived from a secondary property tax levy, and municipal property lease payments. (The 0.2% of local sales tax previously dedicated to mountain preserve bonds has been redirected to the Highway User Revenue Fund for the pavement management program.) Revenues are received in amounts sufficient to pay the annual debt service payment; therefore, the fund balance will be no less than the annual debt service payment due on July 1 of the new fiscal year plus an amount equal to the average annual delinquency factor based on the prior three years' delinquency rate, categorized as restricted.

Debt Service Funds include:

- **General Obligation Debt Service (Fund 510)**
- **Eagle Mountain CFD Debt Service (Fund 520)**
- **Municipal Property Corporation Debt Service (Fund 530)**

Capital Project Funds

«**Capital Project Funds** are used for the acquisition and/or construction of major capital items including facilities, heavy equipment, technology, open space, park improvements, and major road improvements.

«The **Capital Projects Fund (Fund 600)** revenues are committed revenues derived from excess General Fund revenues and 50% of the construction related local sales tax. The Capital Projects Fund is the primary source of capital improvements funding for the Town.

«The **Development Fee Funds (Funds 710-770)** are restricted funds which may only be used for the planning, design, and construction of public facilities serving the needs of the new development from which it was collected and designated as restricted. The Town has developed an Infrastructure Improvement Plan (IIP) that identifies each public improvement that is proposed to be the subject of a development fee. This IIP is incorporated as part of the Town's Capital Improvement Program (CIP). Development Fee funds now only include:

- **Fire & Emergency (Fund 720)**
- **Streets (Fund 730)**
- **Parks/Recreation (Fund 740)**

Internal Service Funds

«The **Internal Service Funds** are used to account for the Town's business-type activities. These funds are considered self-supporting in that the services rendered are financed through user charges or are on a cost reimbursement basis. These funds are classified as having assigned fund balances.

Internal Service Funds include:

- **Facilities Replacement Fund (610)**
- **Technology Replacement Fund (Fund 800)**
- **Vehicle Replacement Fund (Fund 810)**

BUDGETARY AND ACCOUNTING BASIS

The budget is prepared on a budgetary basis of accounting for all fund types. 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. This basis 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 a budgetary basis, but are accrued and reported on a GAAP basis. For example, increases or decreases in compensated absences are not reported for budgetary purposes, but are presented as revenues or expenditures on a GAAP basis.
- Depreciation is not budgeted as an expense in budgetary accounting.
- Capital outlays are an expenditure in budgetary accounting and an asset in GAAP.

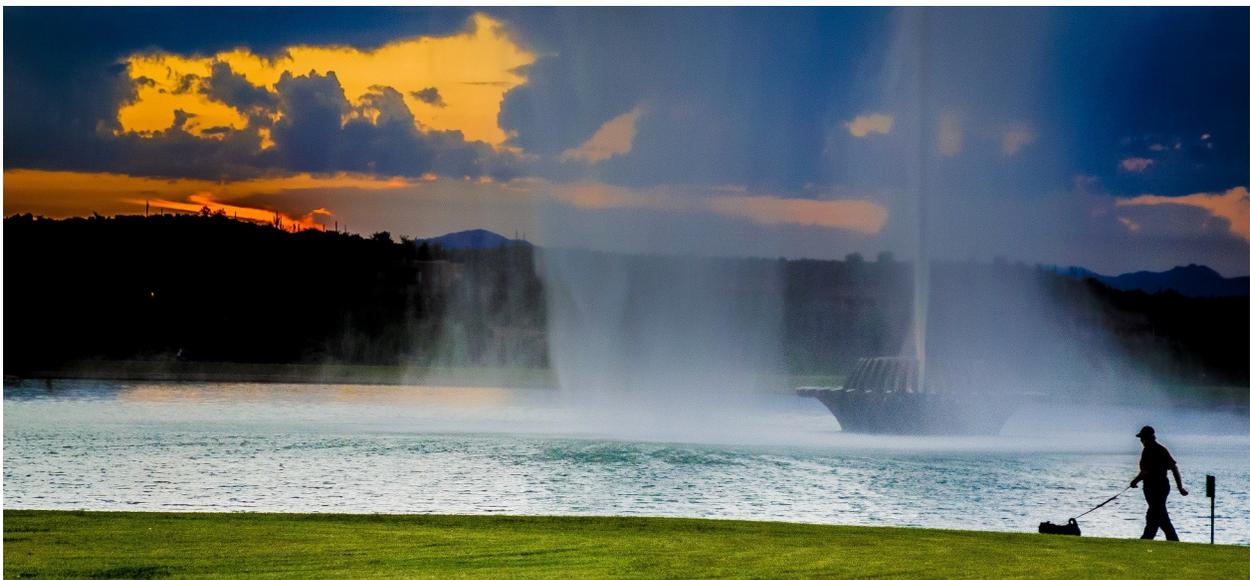
- Certain debt service principal and interest payments are accounted for as expenditures in the General Fund on a budgetary basis, but are reported as expenses in the Debt Service Fund on the GAAP basis.

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

Operating and Capital Budget Relationship

Included within the annual budget is a Capital Improvement Program presented on a budgetary basis. Capital project budget funding sources are matched with budgeted expenditures. Governmental accounting procedures do not 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 budgetary basis which is a cash flow model.

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 project would not 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 fiscal year two.



TOWN OF FOUNTAIN HILLS FINANCIAL POLICIES

I. INTRODUCTION

The Mayor and Town Council (the "Town Council") of the Town of Fountain Hills (the "Town") understands that 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 periodically 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.

II. OVERALL GOALS

The overall financial goals underlying these principles are:

- 2.1 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 well as the financial reporting and budgeting standards established by the Government Finance Officers Association, by the Governmental Accounting Standards Board (GASB) and by other professional organizations.
- 2.2 Maintaining Bond Rating. 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.
- 2.3 Stability. 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.
- 2.4 Delivering Quality Services. To deliver quality services in an affordable, efficient and cost-effective basis providing full value for each tax dollar.

III. FUND BALANCE

“Fund balance” is defined as the cumulative difference between a fund’s assets and its liabilities. The purpose of this policy is to establish a key element of the financial stability of the Town by setting guidelines for fund balance. It is essential that the Town maintain adequate levels of fund balance to mitigate financial risk that can occur from unforeseen revenue fluctuations, unanticipated expenditures, and similar circumstances. The fund balance also provides cash flow liquidity for the Town’s general operations. 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 or emergencies, and/or when unanticipated expenditures occur.

The level of fund balance is related to the degree of uncertainty and risk that the Town faces. A prudent level of financial resources is necessary to protect against the need to reduce service levels due to temporary revenue shortfalls or unanticipated one-time expenditures. With the Town’s dependency on local sales tax and State shared revenues, there is increased risk of revenue fluctuations due to the overall condition of the economy. Therefore, the level of reserves needs to be sufficient to ensure stability of governmental operations during a slowdown in the economy or legislative changes to the State’s revenue sharing formula.

Fund balance is one of the most widely utilized elements of a government’s financial statements. This measure of financial health is used by (1) residents, (2) state, county and local legislators and officials, (3) municipal bond analysts through credit reviews and ratings, (4) taxpayer associations, (5) research organizations and oversight bodies, and (6) reporters.

Other factors that influence the level of fund balance are:

1. Credit reviews performed by municipal bond analysts.
2. Improving or preserving the Town’s bond rating.
3. Maintaining a positive trend in historical fund balances.
4. Maintaining a rating equal to or better than surrounding communities.

The Governmental Accounting Standards Board (“GASB”) determined that the usefulness and value of fund balance information was significantly reduced by misunderstandings caused by inconsistent treatment and financial reporting practices of governments. As a result, GASB issued a pronouncement, GASB Statement No. 54 (“GASB 54”), which applies to the financial reports of all state and local governments. GASB 54 improved financial reporting by providing fund balance classifications that are more easily understood by the user.

3.1 Fund Balance Classifications. An accounting distinction is made between the various portions of fund balance reported in the Town’s financials. The five classifications are:

- (A) **Non-spendable Fund Balance**—Includes amounts either not in spendable form or legally or contractually required to be maintained intact. This amount includes inventory, pre-paid items, and non-current receivables such as long-term loan and notes receivable and property held for resale (unless the proceeds are restricted, committed or assigned).

- (B) **Restricted Fund Balance** —Includes amounts that are constrained for a specific purpose through restrictions either (1) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or (2) imposed by law through constitutional provisions or enabling legislation.
- (C) **Committed Fund Balance** —Includes amounts that are committed for specific purposes by formal action of the Town Council. Although amounts designated “committed” are not legally restricted like restricted fund balance, these committed amounts cannot be used for any other purpose unless the Town Council removes or changes the limitation by taking the same form of action it employed to impose the limitation. The action to commit fund balances must occur prior to year-end; however, actual amounts can be determined in the subsequent period.
- (D) **Assigned Fund Balance** —Includes amounts that are intended by the Town to be used for specific purposes but are neither restricted nor committed. Intent should be expressed by the Town Council itself or a subordinate high-level body or official possessing the authority to assign amounts to be used for specific purposes in accordance with policy established by the Town Council. This assignment would include any activity reported in a fund, other than the General Fund, that is not otherwise restricted more narrowly by the above definitions. The Town is not allowed to assign balances that result in a residual deficit in the fund.
- (E) **Unassigned Fund Balance** —Includes any remaining amounts after applying categories (A)-(D) above (non-spendable, restricted, committed, or assigned). The General Fund is the only fund that will report a positive unassigned fund balance.

3.2 General Fund.

The fund balance of the Town’s General Fund may consist of up to five classifications, as described previously. In order to satisfy the objective of maintaining a bond rating equal to or better than surrounding peer communities, a combined fund balance of at least 30% of the average actual General Fund revenues for the preceding five fiscal years is recommended to be kept in the Committed, Assigned, and Unassigned classifications.

A. Committed Fund Balance. The Town will maintain a Committed Fund Balance in the General Fund of 20% of the average actual General Fund revenues for the preceding five fiscal years. The maintenance of this fund balance is a particularly important factor considered by credit rating agencies in their evaluation of the Town’s credit worthiness.

- (1) Stabilization Fund (Rainy Day Fund). As a component of the General Fund’s Committed Fund Balance, the Town will maintain a Stabilization Fund that shall be designated for use in the event of an unanticipated expenditure or loss of revenue. The balance of the Stabilization Fund at the end of any fiscal year will be equal to a minimum of 20% of the average actual General Fund revenues for the preceding five fiscal years.

- (2) Stabilization Fund Guidelines. In order to achieve the objectives of
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this policy, ensure financial stability, and to maintain sufficient operating capital, the following guidelines shall be followed by the Town Council, Town Manager and Town Staff:

- (a) Increases to Fund. At the conclusion of the Town's annual financial audit, Town Staff shall determine the amount of revenues received by the General Fund in excess of expenditures and interfund transfers made from the General Fund for the year just audited. Transfers shall then be made as set forth herein until the Fund's balance is equal to at least 20% of the average actual General Fund revenues for the preceding five fiscal years.
 - (b) Decreases to Fund. The Stabilization Fund shall be decreased for only one or more of the following purposes and/or under the following circumstances:
 - (i) To replace the loss of more than 25% of the Town's Transaction Privilege Tax revenue or State shared revenues.
 - (ii) For any event that threatens the health, safety, or welfare of the Town's citizens.
 - (iii) For any event that threatens the financial stability of the Town.
 - (iv) To address any matter declared as an emergency by the Governor or the Mayor.
 - (c) Authorization of Use. All decreases in the Stabilization Fund shall be subject to the following:
 - (i) Any decrease shall require the approval by at least 2/3 of the entire Town Council.
 - (ii) The total of all decreases during a fiscal year shall not exceed one-half of the beginning fund balance plus any increases during the same fiscal year.
 - (d) Replenishment Rules. Any amount transferred from the Stabilization Fund shall be replenished as follows:
 - (i) All amounts shall be transferred back to the Fund within five years. At least 20% of the total amount originally transferred from the Fund shall be transferred back to the Fund in each of these five years.
 - (ii) Replenishment transfers shall be appropriated as part of the annual budget process.
- B. Assigned Fund Balance. The Town will maintain an Assigned Fund Balance, in such amounts as deemed necessary by the Town Manager, to systemically accumulate the replacement costs of certain fixed assets. As replacement purchases are made, fund balance will be replenished by charging the owning Department or Division amounts based on the estimated useful life and estimated future replacement value of the fixed as-

set. Budgeted expenditures of Assigned Fund Balance shall comply with Town policy.

- C. Unassigned Fund Balance. The Town will maintain an Unassigned Fund Balance in the General Fund in an amount equal to 20% of the average actual General Fund revenues for the preceding five fiscal years. Funds in excess of the balances described in the preceding paragraphs will be Unassigned Fund Balance, unless otherwise assigned in accordance with GASB 54. Any revenues collected in excess of expenditures and interfund transfers made from the General Fund will be used to satisfy fund balance requirements first. Any remaining fund balance will be transferred to the Capital Projects Fund.

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 fund balances by classification. Such projection will include an analysis of trends in fund balance levels on an historical and future projection basis.

The Finance Director is authorized to assign available fund balance for specific purposes in accordance with GASB 54. It is the Town's policy that expenditures for which more than one category of fund balance might be used, Restricted Fund Balance used first, Committed Fund Balance used second, Assigned Fund balance used third, and Unassigned Fund Balance used last.

3.3 Special Revenue Funds.

- A. Streets Fund (HURF). The Streets Fund is used solely for street and highway purposes. The fund is mostly supported by contributions from the State's Highway User Revenue Fund (HURF); however, the Town Council may also direct portions of other revenue sources to the fund in order to meet the needs of the Town's Pavement Management Program. All HURF revenue received is included in Restricted Fund Balance.
- B. Excise Tax Funds. These funds are created by action of the Town Council, either by resolution or during the annual budget process, to track and report activities for a specified purpose. The resources in these funds are classified as Committed Fund Balance.

3.4 Debt Service Funds.

The Debt Service Fund is established for the payment of principal and interest on bonded indebtedness and is classified as Restricted Fund Balance. Revenues may be 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 restricted fund balance will be no less than the annual debt service payment due on July 1 of the new fiscal year and no more than the annual debt service payment due on July 1 plus an amount equal to the average annual delinquency factor based on the prior three years' delinquency rates.

3.5 Capital Projects Fund.

- A. Capital Project Fund. A Capital Projects Fund has been established to allow the Town to accumulate monies for: (1) purchase of land or buildings; (2) improvements to Town-owned properties; (3) grant matches

associated with capital improvements; (4) public safety projects and equipment purchases; (5) economic development projects; and (6) such other capital projects as determined by the Town Council. The Capital Projects Fund will be funded by: (A) sales of real and personal property belonging to the Town; (B) General Fund transfer of any excess revenues (from the prior fiscal year) collected over budgeted and unexpended appropriations not needed to meet fund balance requirements or re-appropriation; and (C) interest earnings on the balance of the fund invested per the Town's investment policy.

- B. Development Fee Funds. Accounted for separately, but considered part of the Capital Projects Fund, are accumulated development fees collected pursuant to ARIZ. REV. STAT. § 9-463.05 that are assessed on new construction for the purpose of funding growth. These funds are restricted to growth-related capital expenditures as designated in the Town's adopted Infrastructure Improvements Plan. The fund balance will be established each fiscal year during the budget process depending on planned expenditures but cannot exceed accumulated revenues. The Town shall first be entitled to recoup the cost of any capital improvements, infrastructure, marketing or sales-related costs associated with the disposition of property before crediting the Capital Projects Fund (for funds other than development fees). The Town Council may approve the uses of the Capital Projects Fund as a part of its annual budget or by motion and affirmative vote at the time the expenditures are approved.

3.6 Replacement Funds.

Replacement Funds are established to accumulate the resources necessary to replace vehicles, facility components, information technology, and other equipment at the end of their useful lives. The Town's various Departments and Divisions will incur annual internal service charges, based on their shared usage of the underlying asset, its useful life, and the future value of the replacement's cost. The resources in these funds are classified as Assigned Fund Balance.

IV. FINANCIAL PLANNING

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

- 4.1 Budget Adoption. The Town Manager shall prepare a proposed annual budget, which shall be submitted to the Town Council and the public for review in accordance with ARIZ. REV. STAT. § 42-17001, *et seq.* The Town will budget revenues and expenditures on the basis of a fiscal year beginning July 1 and ending the following June 30. The Town Council will adopt the budget no later than June 30. By adopting the budget and the various funds set forth therein, the Town Council expresses its intent to commit fund balances for the purpose of GASB 54 classifications. The Town Manager shall execute the Town Council policies as set forth in the finally adopted budget.
- 4.2 Budget Preparation. The Town Manager or authorized designee 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 fund.
- C. Estimated fund balance by 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.

4.3 Operating Budget. 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.

4.4 Revenue Sources. Ongoing operating costs should be supported by ongoing, stable revenue sources. This policy 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.

4.5 Revenue Estimate. The Town Manager will provide an estimate of the Town's revenues annually for each fiscal year, as well as estimates of special (grant, excise tax, etc.) revenues and interfund transfers.

4.6 Staffing. 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.

4.7 Budget Preparation Schedule. Annually, the Town Manager shall provide 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.

4.8 Performance Measurement. Performance measurement indicators will be in-

tegrated into the budget process as appropriate.

- 4.9 Efficiency Analysis. 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.
- 4.10 Department Responsibility. Department Directors are required to monitor revenues and control expenditures to prevent exceeding their total departmental expenditure budgets. Department Directors shall immediately notify the Town Manager of any exceptional circumstances that could cause a departmental expenditure budget to be exceeded.
- 4.11 Quarterly Report. 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 Town Manager or authorized designee.
- 4.12 Deficit. 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 Rainy Day Fund, 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 or without knowledge and support of the Town Council.

V. EXPENDITURE CONTROL

The Town Manager shall ensure compliance with the legally adopted budget. In addition, purchases and expenditures must comply with all applicable legal requirements.

- 5.1 Budgeted Expenditures. 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.
- 5.2 Purchasing System and Policies. 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.
- 5.3 Internal Controls. Expenditures will be controlled through appropriate internal controls and procedures in processing invoices for payment.
- 5.4 State Expenditure Limit. 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 (ARIZ. REV. STAT. § 41-1279.07) to the State Auditor General each year.

- 5.5 Capitalized Assets. All assets of \$10,000 or more will be capitalized and recorded in the Town of Fountain Hills Summary of Capital Assets.

VI. 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.

- 6.1 Balanced Revenue Base. 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.
- 6.2 Stable Revenue Base. 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 law.
- 6.3 Monitoring Collection. The Town Manager or authorized designee will monitor all taxes to ensure 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.
- 6.4 Intergovernmental Aid. The Town Manager or authorized designee 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.
- 6.5 Cost Recovery. 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 Fountain Hills Unified 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.

- 6.6 Growth Revenues. Local sales tax revenues are derived from several sources with a significant portion from construction related activity. To ensure that the revenues from growth or development are targeted to costs related to development, or invested in improvements that will benefit future residents or make future service provision efficient, the Town will designate 50% of those one-time revenues to the Capital Projects Fund. Monthly, these revenues will be transferred from the General Fund to the Capital Projects Fund for future appropriation.

VII. USER FEE COST RECOVERY

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

- 7.1 Establishing Fees. The Town may establish user fees and charges for certain services provided to users receiving a specific benefit. 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.
- 7.2 Recalculation. Periodically, the Town will recalculate the full costs of activities supported by user fees to identify the impact of inflation and other attendant costs.

VIII. CASH HANDLING POLICY

Collecting and controlling cash at the Town are very important functions. The Customer Service Representatives and Permit Technicians are the Town's cash handling agents. Strong internal controls for cash collection and handling are necessary to prevent mistreatment of Town funds and to safeguard and protect employees from unwarranted charges of mishandling funds.

Historical practices shall not constitute justification for deviation from these procedures. The material contained in this Section supersedes any previous policies and procedures regarding the handling of cash followed within the Town and/or within Departments. The Finance Division will conduct periodic reviews of cash handling procedures. Any amendments to the policies require Town Council approval, but the Town Manager may make interpretations and exceptions to the policies contained in this Section as more particularly set forth in Subsection 8.13 below.

- 8.1 Individual Responsibilities. All cash transactions are to be processed by Town staff (including cash, credit cards, checks, etc.) and not volunteers. Any Department Director or manager with responsibilities for managing Town cash receipts and those employees who are entrusted with the receipt, deposit and reconciliation of cash for Town-related activities shall be responsible for knowledge of and compliance with this Section VIII. A reference to this Section should be included as part of all departmental policies and procedures.
- 8.2 Establishing Cash Handling Sites. Ideally, from a control perspective, col-

lecting and controlling cash should be centralized in one location; however, that is not always possible or practical. As a result, the collection of money is, in part, decentralized. The Finance Division must authorize all cash handling sites, including one-time requests for cash for special events. Departments requesting status as a cash handling site (or special events where money is being collected and a cash float is needed) must submit a request to the Finance Division at least 24 hours prior to the special event that includes:

- A. Reason(s) why cash handling site or cash float is needed.
- B. A list of the personnel involved with the cash handling site, descriptions of their duties, and how segregation of duties will be maintained.
- C. Whether a change drawer will be needed.
- D. A description of the reconciliation process, including frequency of reconciliation.
- E. A description of the process for safeguarding cash until it is deposited.
- F. A schedule of how often and where cash deposits will be made.

8.3 Procedures for Cash Collection.

- A. "Cash" is defined as any of the following accepted methods of payment for Town transactions:
 - (1) Cash (U.S. coin and currency).
 - (2) Checks (drawn on U.S. banks and made payable to the Town; no third party checks).
 - (3) Credit Cards (MasterCard, Visa, Discover, American Express).
 - (4) Money Orders.
- B. Cash should be physically protected through the use of vaults, safes, cash registers, etc. Each Department is responsible to make the necessary provisions to properly safeguard the cash receipts in its area and maintain the necessary safe or vault that will ensure the security. Generally, any amount of cash on hand must be maintained in a vault or heavy safe (one which cannot be easily moved by two persons using a hand cart). Cash should not be retained in desk drawers or standard file cabinets without a locking mechanism; petty cash must be secured in a locked file cabinet and keys should be secured separately.
- C. The cash drawer should be kept shut when not in use and after each transaction. The cash drawer, when open, should not be left unattended when it contains money. The contents of cash drawers should

be placed in a safe, vault, or an approved, locked location after each day; all safes are to be kept locked.

8.4 Receipts.

- A. Procedures must be in place to record the daily beginning and ending receipt numbers of the cash register, and include safeguards to prevent manipulation of register totals, receipt numbers, etc. Automatic numbering of receipts through a computerized system is an acceptable alternative.
- B. Receipts should be generated from either receipt books or cash register receipt system.
- C. Cash registers must be programmed to issue receipts, which shall contain all information required by the accounting system to properly credit and track payments.
- D. Receipt books, if issued for special events, must be issued in sequential order. All books should be accounted for from the time of delivery and returned to the Finance Division.
- E. Only those receipt books that have been distributed by the Finance Division may be used.
- F. At a minimum, sequential, pre-numbered receipt forms must contain the following information:
 - (1) Date issued.
 - (2) Cashier and/or Department issuing the receipt.
 - (3) Name of payor (not the department name or revenue source).
 - (4) Net amount received.
 - (5) Sufficient information to identify the purpose of the payment.
 - (6) Form of payment (cash, check, credit card, etc.).
- G. The receipt forms should also:
 - (1) Contain all available identifying numbers and other pertinent, descriptive information including invoice numbers.
 - (2) Be issued in a minimum of two copies, one for the payor and one to accompany the deposit.
 - (3) Never be altered; if any type of change is necessary, all copies of the receipt must be clearly marked "void", and a new receipt issued.
 - (4) Be filed sequentially and retained by the Department (including void receipts).

8.5 Cash Received in Person.

- A. When a customer produces a mutilated bill (where a portion is missing), the receiver should request that the customer have a bank redeem the bill. No bill will be considered for acceptance if both serial numbers are not present.
- B. A printed receipt must be issued for each payment received when the customer pays in person. At a remote location (for special events), manual pre-numbered receipts may be used when cash register receipts are not available.
- C. Departments may not accept post-dated checks, IOU's, or third party checks.
- D. All cash received must be recorded through the computerized accounting system with computer-generated official Town cash receipts. When a cash handling site with a computerized accounting system has to use temporary cash receipts, those temporary receipts must be converted over to computerized receipts as soon as possible. If the conversion cannot be accomplished within 48 hours, the cash should be deposited into the Department's safe and tracked in detail until it is recorded on the computerized accounting system.
- E. The customer must be presented an official Town receipt form with a duplicate record being retained by the receiving Department. All numbered receipts must be accounted for, including the original of voided receipts.
- F. The cash handling site must maintain a clear separation of duties. An individual should not have responsibility for more than one of the cash handling components: collecting, depositing, disbursement, and reconciling.
- G. The procedures below are to be followed to safeguard the employee and the cash:
 - (1) Account for cash as soon as it is received – count the cash in front of customer.
 - (2) Keep cash received in view of the customer until the transaction is complete.
 - (3) If change is required, count all cash and change in front of customer.
 - (4) Reconcile the funds received to the computerized accounting system cash report or to the total of the temporary receipts at the end of the day or at the end of each shift and balance the receipts as set forth in Subsection 8.9.
 - (5) Immediately place all cash in a cash drawer, safe or other secure place until deposited. A secure area for processing and

safeguarding funds received should be provided and restricted to authorized personnel.

- (6) Personal transactions with Town cash funds are prohibited. Monies may never be borrowed nor loaned from cash funds, nor may personal checks be cashed from receipts.
 - (7) All employees paying for Town services (rentals, movie tickets, animal license, business license, etc.) must be rung up by a different employee under a separate user ID.
 - (8) Deposit all cash intact and not intermingled or substituted with other cash.
 - (9) Pay refunds or expenditures through the appropriate Town bank account on a Town-generated check from the main accounts payable account for the smaller accounts. If the original payment was made using credit/debit card, then whenever possible refunds will be issued through the credit card per credit card regulations.
 - (10) Provide printed receipts generated by the financial system for every transaction involving money.
 - (11) Voided cash receipts must be approved and initialed by a supervisor before the daily deposit is done, noting the reason for voiding the transaction.
 - (12) Deposit daily cash report and cash promptly at the end of each day into the Finance Division safe.
 - (13) Place cash in amounts over \$500.00 in the Finance Division safe immediately following the transaction until the end of day close out.
 - (14) Cashiers should enter transactions using their personal logins (switch user) during a single shift.
 - (15) All packaged coin or strapped currency received as payment should be removed from the package or straps and verified.
- H. Cashing checks from Town deposits, borrowing cash for personal use, lapping receipts to cover shortages in cash receipts, withholding checks for deposit in order to float checks, commingling personal and Town funds and modifying cash records are all serious offenses and may result in discipline up to and including immediate discharge from employment.

8.6 Cash Received Through the Mail.

- A. When mail is opened, if the cash received is not credited directly into the appropriate Town account or issued a receipt through a computerized accounting system, a log of the checks, credit card transac-

tions and or cash should be prepared and submitted to the Finance Division. The log should include the customer's name, amount received, check number and any other information available that may assist in proper allocation of the funds. The envelope also should be retained as part of the records.

- B. When mail is opened, checks must be endorsed promptly with a restrictive endorsement stamp. Checks must be stored in a safe or other secure place approved by the Finance Division until deposited.
- C. Unidentified receipts must be deposited to a depository account approved for such purposes. All reasonable attempts should be made to identify the correct account and transfer the funds.

8.7 Check Acceptance.

A. The Federal Reserve has established a regulation to standardize check endorsements:

- (1) Checks must be made payable to the Town of Fountain Hills and endorsed promptly with a restrictive endorsement stamp payable to the Town of Fountain Hills. The endorsement stamps must be distributed by the Finance Division; this stamp protects the check if lost or stolen.
- (2) All depositor's endorsements are limited to the top 1.5 inches on the back side of the check, at the trailing edge of the check. This area is where endorsements are normally placed. If you look at the face of the check, the endorsement area is directly behind where "Pay to the Order of" is printed.
- (3) Any check that has been endorsed may not be returned to the customer. Any marks below the 1.5 inches on the check may obscure the bank routing number, cause delays in returning checks, and forfeit the Town's right to recovery. The purpose of this regulation is to speed collection and returns.

(4) The endorsement must include the following:

FOR DEPOSIT ONLY
TOWN OF FOUNTAIN HILLS
[Account Number]

- (5) Checks should have the customer information pre-printed on the face of the check. Bank issued/generated checks are acceptable.
- (6) Personal checks from employees for cash may not be cashed at any counter in a Town facility.
- (7) Checks or credit card transactions will not be cashed or processed for more than the amount of purchase. Departments are not authorized to return currency to the payor in the event that the check exceeds the amount due to the Town.

- B. Be sure that the name, branch, city and state where the drawer's bank is located is printed on the check.
- C. The Town will not accept a check that is:
 - (1) Illegible or not written out clearly; checks should be written out in blue or black ink only.
 - (2) For anything other than the exact amount (no change will be given).
 - (3) A third party check (that is, checks made out to someone other than the Town).
 - (4) Altered or changed.
 - (5) Undated, post-dated or stale dated (older than six months).
 - (6) Not signed.
 - (7) A starter check, i.e. a check without the name, address and check number on the face of the check.
 - (8) Not in U.S. funds.
 - (9) From a foreign bank, even if payable in U.S. funds.
 - (10) Transfer checks.
- D. If the written amount on a check does not match the numerical amount, the written amount will govern.
- E. Money orders should be filled out by the customer in the presence of Town staff; the customer must countersign and write Town of Fountain Hills in the payee section.

8.8 Credit Card Acceptance.

- A. Credit cards accepted are Visa, MasterCard, Discover, and American Express.
- B. When presented with a credit card, the Department cashier shall:
 - (1) Verify that the card has not been altered and is not expired.
 - (2) Check customer identification to verify that the name on the card and the account name are the same, unless someone is paying for other family members.
 - (3) Retain the credit card until the transaction is complete.
 - (4) Enter the credit card transaction by swiping the card through the terminal on the keyboard; if the keyboard does not have a

terminal, the swipe reader is not functioning or payment is being taken over the telephone, the credit card number should be entered manually when prompted.

- (5) If the credit card information is being input from a paper registration form that includes the card number and payor signature, shred or permanently mark over the portion of the form that includes the credit card information as soon as the transaction is complete and the card is accepted.
- (6) If receiving credit card information over the phone, verify the caller's name as it appears on the card, verify the amount to be processed, enter the credit card number, expiration date and security code directly; immediately shred any piece of paper where the information can be viewed or taken.

8.9 Balancing of Cash Receipts.

- A. All funds collected must be balanced daily, by mode of payment, by comparing the total of the cash, checks and credit cards to the computerized accounting reports, to the manual receipts totals, including the totals of the money received by mail. All cash receipts and supporting documentation (daily deposit slip, system receipts, and system reports) should be transferred daily to the accounting system and all discrepancies should be resolved before the end of the day/shift.
- B. Daily cash counts and reconciliations will be performed on a random basis by the Accountant or other senior Finance Division staff member. These reconciliations should be signed and dated by the reviewer. The total monthly receipts should be balanced with the monthly bank account statements and accounting system monthly reports and all discrepancies should be resolved.
- C. Currency and coin must be reconciled separately from checks, credit cards and money orders by comparing actual cash received to the cash total from the cash report or to the sum of the cash sales from the manual receipts.
- D. Over/short amounts must be separately recorded, investigated and resolved to the extent possible as set out in the over/short portion of this Section.
- E. Because balancing can be a time-consuming task and requires attention to detail, it is recommended that each cashier pre-balance his/her own drawer periodically during the day.

NOTE: On the rare occasion that a check needs to be forwarded to another party by the Town of Fountain Hills, the check cannot be endorsed. Any of the following positions are authorized to approve this receipt without endorsement: the Town Manager, the Finance Director, and the Town Clerk. Approval to accept this instrument in this manner requires approval from one of the Town's authorized signatories in writing prior to the presentation of the instrument.

- F. End of day close out process for cash collection points includes the following:
 - (1) Two signatures on the daily cash report before depositing in the Finance Division safe.
 - (2) Total deposit must match the printed report from the software program.
 - (3) Deposits are turned in daily and deposited in the Finance Division safe by the responsible party.

8.10 Cash Over & Short.

- A. A daily accounting of cash received should be balanced against the total amount on the daily reports run by the Department. Any amount that is over or short shall be reported on the same day to the Department Director and the Accountant.
- B. The discipline procedures set forth below should be followed if the established dollar limits and frequency of overages and/or shortages are exceeded. The current established dollar limit is five dollars. A log should be established to record any overages and shortages, and the employee's name and date. Patterns, frequencies, and inconsistencies should be noted on the employee's performance review. Overages or shortages of \$50.00 or more are to be reported to the Finance Director.
- C. Warnings or exceptions involving cash overages or shortages shall be retained in the employee's permanent file.
- D. If the shortage is the result of a suspected or documented theft, the shortage must be reported immediately and in writing to the Accountant, the Finance Director, and the Town Manager who will submit to law enforcement for investigation, regardless of amount.
- E. Employees who handle cash are expected to be careful and accurate and to balance their funds each day without overages or shortages. Failure to follow internal controls and checks and balances as approved by the Finance Division is considered to be at least negligence and could be considered misconduct subject to the following disciplinary procedures:
 - (1) Verbal Warning. A verbal warning will be given if an employee has:
 - (i) Two or more over/shorts in any 90-day period (regardless of the amount).
 - (ii) Cumulative over/shorts of \$75.00 or more in any 30-day period.
 - (2) Written Warning.

- (i) After an employee has received two verbal warnings, the third warning will be in the form of a written warning. A fourth warning will be subject to disciplinary action as determined by the Department Director.
- (ii) A written warning will be issued if an employee exceeds a cumulative total of \$100.00 or more cash short in any month regardless of the number of verbal warnings.

8.11 Returned Check Procedures.

- A. Any checks returned by the Town's depository bank as uncollected shall be sent to the Finance Division. Examples of returned checks include: non-sufficient funds (NSF), account closed, payor's signature missing, refer to maker and post-dated or stale-dated checks.
- B. When a check is returned, the Finance Division prepares a negative entry to the revenue journal, debiting the originating account for the amount of the check and at the same time assessing a service fee in the amount set forth in the Town's adopted fee schedule. It is the responsibility of the Department that was credited with the revenue to notify the check writer and use due diligence to collect the amount of the check and the service fee. The check writer will be prohibited from receiving Town services until the Town is paid the full amount, plus the returned check fee. Restitution should be in the form of currency, money order, cashier's check, or certified check. The Finance Division will maintain an aging report on all non-collectable items; this report will be submitted monthly to the Finance Director.
- C. When restitution is obtained, the same account should be used that was used on the negative entry and the deposit should be transferred to the Customer Service Representative for inclusion in the daily deposit.
- D. If after proper due diligence is performed, collection has not been made, the Accountant may be consulted regarding returned items that remain uncollected for further action through the State.

8.12 Preparation of Deposits (performed by the Finance Division).

- A. The Finance Division shall prepare all deposits.
- B. All checks must be made payable to Town of Fountain Hills and endorsed. A calculator tape of the checks should be included with the checks bundled together.
- C. Cash must be recorded on the deposit slip in the appropriate space.
- D. Only depository-issued deposit slips, including the appropriate account number(s) and sub-code(s) are to be used.
- E. Someone not involved with collecting the cash, opening the mail or reconciling the deposit must prepare the deposit.

- F. Deposit from the Municipal Court should be secured in locking deposit bags, which are available from the bank.
- G. Trips to the bank should be at random times during each day.

8.13 Exceptions to Cash Handling Policy.

- A. Any exception to this Section must be approved in writing by the Department Director and requires the concurrence of the Finance Director. For example, in cases where there is not enough staff available to maintain complete separation of duties, an alternate process to safeguard Town funds must be established and approved by the Finance Director. Requests for exceptions to these procedures must be submitted to the Finance Director in writing.
- B. Town personnel are prohibited from depositing Town cash into checking or other bank accounts unless the account has been set up by the Finance Division.

8.14 Records Retention. All cash receipts and related documents must be maintained in accordance with Records Retention Schedules pursuant to ARIZ. REV. STAT. §§ 39-101 through 39-103 and 41-151.15 through 41-151.19. Accounting reports, deposit slips, credit card receipts, copies of manual cash receipts, etc. should be kept for the period specified by the Records Retention Schedules.

IX. 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 Town's overall debt management policy 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.

9.1 General.

- A. The Town will (1) use current revenues to pay for short-term capital projects, repair and maintenance items and (2) reserve long-term debt for capital improvements with useful lives of ten years or more. The Town will not use long-term debt to fund current governmental operations and will manage its cash flow 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.

- B. To increase its reliance on current revenue to finance its capital improvements, and promote a “pay-as-you-go” philosophy, the Town will allocate 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 assigned fund balance.

9.2 Capital Improvement Plan

- A. As part of the budget process each year, the Town Manager or authorized designee 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.
- B. The Town Manager and Department Directors will develop formal ranking criteria that will be used in the evaluation of all capital projects. The ranking criteria will give greatest weight to those projects that protect the health and safety of its citizens. “Pay-as-you-go” project financing shall be given the highest priority. Capital improvements that must rely upon debt financing shall be accorded a lower priority and projects with a useful life of less than ten years shall not be eligible for inclusion in bond issues except in extraordinary circumstances.
- C. Lease-purchase financing shall be undertaken only 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 authorized designee shall be responsible for ensuring that “pay-as-you-go” expenditures do not cause the State-imposed expenditure limitation to be exceeded in any fiscal year.
- D. 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 that are likely to receive grant money.
- E. All capital project appropriations and amendments to the capital improvement plan must be approved by the Town Council.
- F. 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.

- G. The following steps shall be used to prepare the Capital Improvement Program ("CIP"):
- (1) Establish Capital Improvement policies, including:
 - (a) Time period the CIP will cover.
 - (b) Facilities/equipment that will be included in the CIP.
 - (c) How acquisition of multiple items (e.g., computers) will be treated.
 - (d) Identification of projects that are expected to be undertaken, but fall outside the time horizon of the plan.
 - (2) Adopt standards to rank project requests.
 - (a) Projects that address a public health or safety concern are given top priority.
 - (b) Projects mandated by a court of competent jurisdiction or a government with authority over the Town are equal with public health or safety.
 - (c) Major maintenance (preservation of assets).
 - (d) Replacement of obsolete equipment (improving efficiency).
 - (e) Expansion to meet demand caused by growth.
 - (f) Coordination of projects to achieve cost savings.
 - (g) Availability of cash to finance improvements from current revenues.
 - (h) Acquisition of open space.
 - (3) Perform and maintain a capital inventory and identify useful life.
 - (4) Identify projects.
 - (a) Status review of previously approved projects.
 - (b) Identification of new projects.
 - (c) Assess capital project alternatives.
 - (d) Complete project request forms.
 - (5) Assess funding sources.
 - (a) Available grants.
-

- (b) Development fees shall be utilized to fund capital projects before “pay-as-you-go” and bond issuance financing.
 - (c) Developer contributions.
 - (d) Private contributions.
 - (e) Issuance of securities.
 - (f) Capital leases.
- (6) Approve the CIP and Budget.
- (a) Town Council review.
 - (b) Public hearing.
 - (c) Adoption of the CIP and capital budget.

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 detailed descriptions of the useful life of capital projects submitted in conjunction with the preparation of the Town’s CIP. The Town Manager shall incorporate an estimate of the useful life of proposed 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.

9.3 Financing Alternatives.

- A. Financing alternatives include, but are not limited to:
- (1) Grants.
 - (2) Developer Contributions.
 - (3) General Obligation (“GO”) Bond – requires voter approval, supported by an ad valorem (property) tax.
 - (4) Revenue Bonds – repaid with dedicated revenue source (HURF, revenue generated by project).
 - (5) Municipal Property Corporation (“MPC”) Bonds – repaid with a dedicated revenue source.
 - (6) Community Facilities District (“CFD”) or Special District Bonds – supported by an ad valorem property tax, revenues of the district or assessments of the cost of public infrastructure or enhanced municipal services.
-

- (7) Capital Leases – repaid within operating budget.
 - (8) Commercial Paper (CP) or Bond Anticipation Notes (BAN) with terms less than two years.
- B. Town debt service costs (GO Bonds, Revenue Bonds, MPC Bonds, Leases) shall not exceed 20% of the Town’s operating revenue in order to control fixed costs and ensure expenditure flexibility. Improvement 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 for CFDs have been established and included within the Town’s CFD policy.
 - C. The Town shall comply with all U.S. Internal Revenue Service arbitrage rebate requirements for bonded indebtedness.
 - D. Where applicable, the Town will structure GO 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 15 years; at no time will the debt exceed 25 years.
 - E. 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.
 - F. 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.
 - G. 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:
 - (1) Percent of debt outstanding as a percent of the legal debt limit.
 - (2) Measures of the tax and revenue base.
 - (3) Evaluation of trends relating to expenditures and fund balance.
 - (4) Debt service as a percentage of assessed valuation.
 - (5) Measures of debt burden on the community.
 - (6) Tax-exempt market factors affecting interest costs.
 - (7) Debt ratios.

- H. MPC 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).
- I. The Town's privilege/excise tax to debt service goal will be a ratio of at least 2.5:1 to ensure the Town's ability to pay for long-term debt from this elastic revenue source.

9.4 Issuance of Obligations.

- A. 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 with an office in the Phoenix area and a record of prior working relationships.
- B. 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.
- C. The Town will sell bonds through public sale, online bidding process or an accelerated bidding process unless the Town Council authorizes the bond to be sold by negotiated sale or private placement.
- D. 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 governing statutes and regulations. The Town Manager and the Town Attorney shall consult and jointly select the bond counsel for a bond issue.
- E. The Town Manager or authorized designee will seek a rating on all new issues which are being sold in the public market if economically feasible.
- F. The Town will report all financial information on an annual basis and notices of listed events in a timely manner, not in excess of ten business days after the occurrence of event, to the rating agencies and the Municipal Securities Rulemaking Board (MSRB) Electronic Municipal Market Access (EMMA) system. The annual report will include but not be limited to the Town's annual Comprehensive Annual Financial Report (CAFR) and other items specified in the Town's continuing disclosure undertakings.
- G. Any institution or individual investing monies as an agent for the Town shall do so in a manner consistent and in compliance with the Town's adopted Investment Policy.

- H. The Town Manager or authorized designee 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.
- I. 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 Securities and Exchange Commission Rule 15c2-12 and MSRB Rule G-36. The Town will follow its adopted issuance and post-issuance compliance procedures relating to its tax-exempt financings.

X. INVESTMENT/CASH MANAGEMENT POLICY

It is the intent of this investment/cash management policy (the "Investment Policy") that idle public funds (i.e., uninvested funds) will be invested in a manner that maintains safety of principal, maintains liquidity to meet cash flow needs, provides competitive investment returns and conforms to all state statutes governing the investment of public funds (the "Investment Portfolio"). The purpose of these investment guidelines is to formalize the framework for the Town's daily investment activities.

10.1 Scope. This Investment Policy shall be administered in a manner that follows Arizona Revised Statutes Title 35, Chapter 2, Article 2.1, as amended and other investment guidelines mandated by statute and is limited in its application to funds that are not immediately needed and are available for investment, including any and/or all districts, component units, etc., of the Town. These funds are accounted for in the Town's Comprehensive Annual Financial Report ("CAFR") and may include:

- A. The General Fund;
- B. Highway User Revenue Fund;
- C. Excise Tax Funds;
- D. Special Revenue Funds;
- E. Debt Service Funds;
- F. Capital Project Funds
- G. Development Fees Funds;
- H. Internal Service Funds; and
- I. Any new fund/component unit created unless specifically exempted.

Except for cash in certain restricted funds, the Town will consolidate cash balances from all funds to maximize investment earnings. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

10.2 Prudence. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence

exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The standard of prudence to be used by any firm or individual given responsibility as Investment Officer shall be the "prudent person" standard and shall be applied in the context of a professional investment official managing an overall portfolio or account in a manner that aims to accomplish the objectives set forth in these policies. Investment Officers acting in accordance with the Town's written procedures and this Investment Policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

10.3 Objectives. In priority order, the primary objectives of Town investment activities are:

- A. **Safety:** Safety of principal is the foremost objective of the investment program. Investments of the Town shall be undertaken in a manner that seeks to ensure the preservation of principal in the overall portfolio. To attain this objective, the Town will diversify its investments by investing funds among a variety of securities offering independent returns and financial institutions.
- B. **Liquidity:** The Town Investment Portfolio will remain sufficiently liquid to enable the Town to meet all operating requirements that might be reasonably anticipated. Liquidity will be achieved by matching investment maturities with forecasted cash flow funding requirements, by investing in securities with active secondary markets and by diversification of maturities and call dates. Furthermore, since all possible cash demands cannot be anticipated, a portion of the portfolio may also be placed in savings accounts, Certificates of Deposit ("CDs") or local government investment pools that offer same day liquidity for short-term funds.
- C. **Yield (Return on Investments):** The Town Investment Portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints of safety and liquidity needs and the cash flow characteristics of the portfolio.

Return shall be subordinated to safety and liquidity. The core of investments is limited to relatively low-risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall not be sold prior to maturity, with the following exceptions:

- (1) A security with declining credit may be sold early to minimize loss of principal;
- (2) A security swap would improve the quality, yield or target duration in the portfolio;
- (3) Liquidity needs of the portfolio require that the security be sold; and
- (4) If market conditions present an opportunity for the Town to benefit from the sale.

- D. Risk of Loss: All participants in the investment process will seek to act responsibly and prudently as custodians of the public trust. Investment Officers will avoid any transactions that they reasonably believe might impair public confidence in the Town's ability to govern effectively. The Town Council recognizes that in a diversified portfolio, occasional measured losses due to market volatility are inevitable, and must be considered within the context of the overall portfolio's investment return, provided that adequate diversification has been implemented.

10.4 Investment Strategy. The Town intends to pursue a portfolio management philosophy that includes passive management; passive management means that the financial markets will be monitored by Investment Officers and investments will be purchased and sold based on the Town's parameters for safety and liquidity and based on market conditions. All marketable securities purchased by the Town shall have active secondary markets, unless a specific cash outflow is being matched with an investment that will be held to maturity to meet that obligation. Securities may be purchased as a new issue or in the secondary markets. Securities may be sold as provided in Section 4.3. Securities may be purchased with the intent from the beginning to sell them prior to maturity or with the expectation that the security would likely be called prior to maturity under the analyzed market scenario. The portfolio will be structured to benefit from anticipated market conditions and to achieve a reasonable return. Relative value between asset groups shall be analyzed and pursued as part of the investment program within the restrictions set forth by this Investment Policy. Diversification by market sector and security types, as well as maturity will be used to protect the Town from credit and market risk in order to meet liquidity requirements. Market and credit risk shall be minimized by diversification and are defined below:

- A. Credit Risk: The Town will seek to mitigate credit risk, which is defined as the risk of loss due to failure of the security issuer or backer. Mitigating credit risk is to be accomplished by carefully managing the allocation of funds to non-government or insured sectors. The Finance Director will monitor the credit holdings on a continuous basis to ensure they remain appropriate to hold.
- B. Interest Rate Risk: The Town will seek to mitigate interest rate risk, which is defined as the risk that the market value of securities held in the portfolio will decline due to increases in market interest rates subsequent to their purchase. This mitigation will be accomplished by:
- (1) Structuring the Investment Portfolio so that securities mature concurrent with the anticipated cash requirements for ongoing operations, thereby avoiding, as much as possible, the need to sell securities into an adverse market environment prior to maturity;
 - (2) Investing funds primarily in shorter-term securities or similar investment pools and limiting the average maturity of the portfolio in accordance with the needs of the Town; and
 - (3) With respect to any firm or individual given responsibility for investments, utilizing external research and advice regarding the

current interest rate outlook and global economic condition to optimize portfolio duration strategy.

- C. Market Rate Risk: The Town will seek to mitigate market rate risk, which is defined as the risk that the portfolio value will fluctuate due to changes in the general level of interest rates. This mitigation will be accomplished by:
 - (1) Providing adequate liquidity for short-term cash needs; and
 - (2) Making longer-term investments only with funds that are not needed for current cash flow purposes.

10.5 Responsibility and Control.

- A. Delegation of Authority: Authority to manage the Town investment program is derived from the ARIZ. REV. STAT. §§ 35-323 - 328. Management responsibility for the investment program is hereby delegated to the Finance Director. The Finance Director shall be primarily responsible for ensuring the Investment Portfolio is invested according to this Investment Policy. In carrying out these duties, the Finance Director may delegate certain tasks to others (each an "Investment Officer") whose skill and experience are appropriate to the delegation. The term "Investment Officer" includes the Finance Director (until a particular task is delegated) and the "Investment Advisor," as defined below and as described in Section 10.5. A list of Town personnel eligible for delegation as Investment Officer is attached to this Investment Policy in Appendix A.
- B. Establishment of Procedures: The Finance Director shall establish written procedures for the operation of the investment program consistent with this Investment Policy. Procedures should include reference to: safekeeping, repurchase agreements, wire transfer agreements, banking service contracts and collateral/depository agreements. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this Investment Policy and the procedures established by the Finance Director.
- C. Management Responsibilities: No person shall engage in an investment transaction except as provided under the terms of Investment Policy, the procedures established by the Finance Director, or designee, and verbal or written authorization by the Finance Director to withdraw, transfer, deposit and invest the Town's funds. The Finance Director shall be responsible for all transactions undertaken, and shall establish a system of controls to regulate the activities of Investment Officers. The Finance Director has the authority to manage internally or to delegate the management of the investment program to an investment advisor engaged by the Town (the "Investment Advisor"). The Finance Director is responsible for:
 - (1) Reporting Investment Portfolio performance to Town Manager;
 - (2) Evaluating the performance of the externally-managed portfolio;

- (3) Monitoring Investment Advisor's compliance with this Investment Policy;
 - (4) Conveying the investment needs of the Town to the Investment Advisor; and
 - (5) Developing investment strategy with the Investment Advisor.
- D. **Ethics and Conflicts of Interest:** All persons involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Employees and Investment Officers shall disclose to the Town Manager any material financial interests in financial institutions that conduct business within the Town, and they shall further disclose any material personal financial/investment positions that could be related to the performance of the Town, particularly with regard to the time of purchases and sales. This Investment Policy expressly incorporates the provisions of ARIZ. REV. STAT. Title 38, Chapter 3, Article 8.
- E. **Disclosure:** Investment Officers and employees shall disclose to the Town Manager any material financial interest in financial institutions that conduct business with the Town. Investment Officers and employees shall further disclose any material personal investment positions that could be related to the performance of the Town's Investment Portfolio. Investment Officers and employees shall subordinate their personal investment transaction to those of this jurisdiction, particularly with regard to the timing of purchases and sales. An Investment Officer who is related within the second degree by affinity or consanguinity to individuals seeking to sell an investment to the Town shall file a statement with the Town Manager and the Finance Director disclosing that relationship.
- F. **Investment Training:** Investment Officers shall have a finance, accounting or related degree and knowledge of treasury functions and the State of Arizona laws governing public money management and investments.
- 10.6 **Authorized Financial Dealers and Institutions.** The Finance Director will maintain a list of qualified persons or firms authorized to provide investment services that have been publicly procured. In addition, a list will also be maintained of the State pool of approved security broker/dealers selected by credit worthiness who are authorized to provide investment services. The Town shall qualify persons or firms by applying generally accepted industry standards (i.e., capital requirements, asset quality, earnings, liquidity, management and local community development) using available public agency and private rating services as appropriate. Investment transactions shall only be conducted with financial institutions that are licensed as may be required by law to do business in Arizona. Primary government securities dealers, or broker-dealers engaged in the business of selling government securities shall be registered in compliance with section 15 or 15C of the Securities Exchange Act of 1934 and registered pursuant to ARIZ. REV. STAT. § 44-3151, as amended. It shall be the responsibility of the financial institutions and broker/dealers who desire to become qualified bidders for investment transactions to provide the following:
-

- i. Audited financial statements within six months of the close of the fiscal year
- ii. Proof of Financial Industry Regulatory Authority (FINRA) certification, and trading resolution;
- iii. Proof of State registration; and
- iv. Certification of having read this Investment Policy and the Town's depository contracts.

An eligible listing of broker/dealers shall be established for the purchase and sale of investment securities; a new list of approved broker/dealers will be established as needed. External managers may also use their own lists of internally-approved broker-dealers, but only after any such list has been approved by the Town Manager and Finance Director. A periodic review of the financial condition and registrations of qualified companies will be conducted by the Finance Director and the Town Manager.

- A. Selection of Depository, Financial Institutions and Broker/Dealers: Depositories shall be selected through the Town's procurement process, with a typical contract being for two years with an option to extend the contract for three additional one year terms. In selecting depositories, the creditworthiness of institutions shall be considered, and the Finance Director shall conduct a comprehensive review of the prospective depositories' credit characteristics and financial history. No public deposit shall be made except in an eligible public depository as established by state depository laws. The depository bank bid will not include bids for investment rates on certificates of deposit.

Certificate of deposit rates will be evaluated competitively between qualified financial institutions in accordance with the manner in which all other types of investment assets are purchased. The Investment Officer may accept bids for certificates of deposit and for all marketable securities either orally, in writing, electronically, or in any combination of these methods. The Investment Officer will strive to receive three price quotes on marketable securities being sold, but may allow one broker/dealer to sell at a predetermined price under certain market conditions. Investments purchased shall be shopped competitively between approved financial institution and broker/dealers.

- B. Insurability: Banks, financial institutions, individuals and firms seeking to establish eligibility for the Town's certificates of deposit purchase program, shall submit financial statements, evidence of federal insurance and other information as required by the Investment Officers.

10.7 Portfolio and Investment Asset Parameters.

- A. Pricing: Market price for investments acquired for the Town's Investment Portfolio shall be priced using independent pricing sources and market value shall be monitored at least annually.

- B. Eligible Investments: The Town's eligible investments are governed by ARIZ. REV. STAT. § 35-323 *et seq.* Furthermore, those investments not identified in ARIZ. REV. STAT. § 35-323 *et seq.* are considered to be ineligible. For the eligible investments, the following limitations apply:
- (1) Investments in insured or collateralized CDs in eligible depositories shall not exceed 30% of the portfolio.
 - (2) Investments in Certificate of Deposit Account Registry Services shall not exceed 20% of the portfolio.
 - (3) Bonds, notes or other evidences of indebtedness of the State or any of its counties, incorporated cities or towns, school districts or special taxing districts, including registered warrants that bear interest pursuant to ARIZ. REV. STAT. § 11-635, shall not exceed 10% of the portfolio.
 - (4) Bonds, notes or evidences of indebtedness of any county, municipal district, municipal utility or special taxing district of any state that are payable from revenues, earnings or a special tax specifically pledged for the payment of the principal and interest on the obligations, and for the payment of which a lawful sinking fund or reserve fund has been established and is being maintained shall not exceed 10% of the portfolio.
 - (5) Bonds, notes or evidences of indebtedness issued by any county improvement district or municipal improvement district of any state to finance local improvements authorized by law, if the principal and interest of the obligations are payable from assessments on real property within the improvement district shall not exceed 10% of the portfolio.
 - (6) Commercial paper of prime quality shall not exceed 30% of the portfolio.
 - (7) Bonds, debentures, notes or other evidences of indebtedness shall not exceed 30% of the portfolio.
 - (8) Negotiable or brokered certificates of deposit issued by a nationally or state chartered bank or savings and loan association shall not exceed 30% of the portfolio.

Bond proceeds shall be invested by the Finance Director (or the Investment Officer, if such duties have been delegated) pursuant to applicable laws, relevant bond indenture requirements and relevant tenets of this Investment Policy.

Proceeds from tax-exempt bonds shall be invested, recorded, and reported in the manner set forth by the United States ("U.S.") Treasury and Internal Revenue Service to preserve the tax-exempt status of the bonds. The Town's Finance Department will maintain systems to ensure that these requirements are met. Funds set aside to defease Town debt in conjunction with an escrow agreement will be invested in accordance with State law and appropriate bond documents and as

the trustee bank holding such funds deems necessary.

C. **Prohibited Investments:** Regardless of sector, no more than 5% of the portfolio may be invested in any one issuer (excluding obligations issued or guaranteed by the U.S. or any of the senior debt of its agencies, sponsored agencies, corporations, sponsored corporations, or instrumentalities). In addition to the limitations on investment types according to ARIZ. REV. STAT. § 35-323 *et seq.*, Town funds will not be invested in any of the following:

- (1) reverse repurchase agreement
- (2) callable agencies
- (3) derivative type investments such as collateralized mortgage obligations, strips, floaters, etc.
- (4) futures, contractual swaps, options
- (5) inverse floaters
- (6) interest only securities
- (7) forward contracts
- (8) interest bearing securities that have a possibility of not accruing current income
- (9) closed end management type companies
- (10) securities whose yield/market value is based on currency, commodity, or non-interest indices
- (11) bearer-form securities

D. **Downgraded Credit Ratings:** If the credit rating of a security is subsequently downgraded below the minimum rating level specified in this Investment Policy, the Finance Director shall evaluate the downgrade on a case-by-case basis in order to determine if the security should be held or sold. The Finance Director will apply the general objectives of safety, liquidity, yield, and legality to make the decision.

10.8 **Collateralization.** Where allowed by State law, full collateralization is required on all demand deposit accounts, including checking accounts and non-negotiable certificates of deposit. The State requires all depositories holding public funds participate in the State managed pooled collateral program. The State will monitor collateral for public funds to ensure the proper level of collateral is maintained by participant depositories. The Finance Director will check to ensure that any depository it utilizes is a State collateral pool participant. In the event that the Town enters into a repurchase agreement, it shall require collateralization at 102% and accept only the following insurance and securities as collateral:

A. FDIC insurance coverage.

- B. Obligations of the U.S., its agencies and instrumentalities, including agency and instrumentality issued mortgage backed collateral if directly guaranteed by the U.S.
- C. Other obligations, the principal of and interest on which are unconditionally guaranteed or insured by the State, the U.S. or its agencies and instrumentalities.
- D. Obligations of states, agencies thereof, counties, cities, and other political subdivisions of any state having been rated as to investment quality by a NRSRO and having received a rating of no less than "A" or its equivalent.

10.9 Safekeeping and Custody. All security transactions including collateral for repurchase agreements, entered into by the Town or its agents/trustees shall be conducted on a delivery-versus-payment ("DVP") basis. That is, funds shall not be wired or paid until verification has been made that the safekeeping bank received the correct security. The safekeeping, or custody, bank is responsible for matching instructions from the Town's Investment Officers on an investment settlement, with what is wired from the broker/dealer, prior to releasing the Town's designated funds for a given purchase. The security shall be held in the name of the Town, or held on behalf of the Town, in a bank nominee name. A third party custodian designated by the Finance Director and evidenced by safekeeping receipts will hold securities. The safekeeping bank's records shall assure the notation of the Town's ownership of, or explicit claim on, the securities. The original copy of all safekeeping receipts shall be delivered to the Town. Securities shall be held by a custodian designated by the Town Manager and evidenced by safekeeping receipts.

10.10 Internal Control. The Town Manager shall establish an annual process of independent review as part of the external audit. This review will provide internal control by assuring compliance with policies and procedures. The Investment Officer is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Town are protected from loss, theft, or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the valuation of costs and benefits requires estimates and judgments by management. Internal controls should address the following points:

- A. Control of collusion: Collusion is a situation where two or more employees are working in conjunction to defraud their employer.
 - B. Separation of transaction authority from accounting and record keeping: By separating the person who authorizes or performs the transaction from the people who record or otherwise account for the transaction, a separation of duties is achieved.
 - C. Custodial safekeeping: Securities purchased from any bank or dealer including appropriate collateral (as defined by state law) shall be placed with an independent third party of custodial safekeeping.
-

- D. Avoidance of physical delivery securities: Book-entry securities are much easier to transfer and account for since actual delivery of a document never takes place. Delivered securities must be properly safeguarded against loss or destruction. The potential for fraud and loss increases with physically delivered securities.
- E. Clear delegation of authority to staff members: Staff members must have a clear understanding of their authority and responsibilities to avoid improper actions. Clear delegation of authority also preserves the internal control structure that is contingent on the various staff positions and their respective responsibilities.
- F. Written confirmation of transactions for investments and wire transfers: Due to the potential for error and improprieties arising from telephone and electronic transactions, all transactions should be supported by written communications and approved by the appropriate person. Written communications may be via facsimile if on letterhead and if the safekeeping institution has a list of authorized signatures.
- G. Development of a wire transfer agreement with the lead bank and third-party custodian: The Finance Director should ensure that an agreement will be entered into and will address the following points: controls, security provisions, and responsibilities of each party making and receiving wire transfers.

10.11 Reporting. The Town Manager, or designee, is charged with the responsibility of providing quarterly reports on investment activity and returns. The report shall summarize investment transactions that occurred during the reporting period, and shall include, at a minimum:

- A. Asset listing showing par value, cost and market value of each security, type of investment, issuer and interest rate;
- B. Average maturity of the portfolio;
- C. Maturity distribution of the portfolio;
- D. Average portfolio credit quality;
- E. Distribution by type of investment.

10.12 Investment Policy Adoption. This Investment Policy shall be adopted by resolution of the Town Council. The Investment Policy shall be reviewed at least once every five years by the Finance Director and Town Manager and any modifications made hereto must be approved by the Town Council.

10.13 Certification. A copy of this Investment Policy will be provided upon request to the senior management of any financial institution that is approved to transact business with the Town in order that it is apprised of the policies of the Town. The certification must be signed and executed by a senior member of the financial institution before any business is conducted.

GLOSSARY

AGENCY: A debt security issued by a federal or federally sponsored agency. Federal agencies are backed by the full faith and credit of the U.S. Government. Federally sponsored agencies (FSAs) are backed by each particular agency with a market perception that there is an implicit government guarantee. An example of federal agency is the Government National Mortgage Association (GNMA). An example of a FSA is the Federal National Mortgage Association (FNMA).

ASKED: The price at which securities are offered.

BANKERS' ACCEPTANCE (BA): A draft or bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill, as well as the issuer.

BASIS POINT: A unit of measurement used in the valuation of fixed-income securities equal to 1/100 of 1 percent of yield (e.g., "1/4" of 1 percent is equal to 25 basis points).

BID: The price offered by a buyer of securities. (When you are selling securities, you ask for a bid.) See Offer.

BROKER: A broker brings buyers and sellers together for commission.

CERTIFICATE OF DEPOSIT (CDs): A time deposit with a specific maturity evidenced by a certificate. Large-denomination CDs are typically negotiable.

CERTIFICATE OF DEPOSIT ACCOUNT REGISTRY SERVICES (CDARS): A network of financial institutions offering CDs that diversify large deposits between banks at FDIC limits.

COLLATERAL: Securities, evidence of deposit or other property which a borrower pledges to secure repayment

of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR): The official annual report for the Town. It includes five combined statements for each individual fund and account group prepared in conformity with GAAP. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, extensive introductory material, and a detailed Statistical Section.

COUPON: (a) The annual rate of interest that a bond's issuer promises to pay the bondholder on the bond's face value. (b) A certificate attached to a bond evidencing interest due on a payment date.

DEALER: A dealer, as opposed to a broker, acts as a principal in all transactions, buying and selling for his own account.

DEBENTURE: A bond secured only by the general credit of the issuer.

DELIVERY VERSUS PAYMENT: There are two methods of delivery of securities: delivery versus payment and delivery versus receipt. Delivery versus payment is delivery of securities with an exchange of money for the securities. Delivery versus receipt is delivery of securities with an exchange of a signed receipt for the securities.

DISCOUNT: The difference between the cost price of a security and its maturity when quoted at lower than face value. A security selling below original offering price shortly after sale also is considered to be at a discount.

DISCOUNT SECURITIES: Non-interest bearing money market instruments that are issued a discount and redeemed at maturity for full face value (e.g., U.S. Treasury Bills).

DIVERSIFICATION: Dividing investment funds among a variety of securities offering independent returns.

FEDERAL CREDIT AGENCIES:

Agencies of the Federal Government set up to supply credit to various classes of institutions and individuals, e.g., S&L's small business firms, students, farmers, farm cooperatives, and exporters.

FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC): A federal agency that insures bank deposits, currently up to \$250,000 per deposit.

FEDERAL FARM CREDIT BUREAU (FFCB):

Debt securities issued by banks of the Farm Credit System, a leading provider of loans, leases and services to rural communities and U.S. agriculture.

FEDERAL FUNDS RATE: The rate of interest at which Fed funds are traded. This rate is currently pegged by the Federal Reserve through open-market operations.

FEDERAL HOME LOAN BANKS (FHLB):

The institutions that regulate and lend to savings and loan associations. The Federal Home Loan Banks play a role analogous to that played by the Federal Reserve Banks vis-a-vis member commercial banks.

FEDERAL NATIONAL MORTGAGE ASSOCIATION (FNMA):

FNMA, like GNMA was chartered under the Federal National Mortgage Association Act in 1938. FNMA is a federal corporation working under the auspices of the Department of Housing and Urban Development (HUD). It is the largest single provider of residential mortgage funds in the U.S. Fannie Mae, as the corporation is called, is a private stockholder-owned corporation.

The corporation's purchases include a

variety of adjustable mortgages and second loans, in addition to fixed-rate mortgages. FNMA's securities are also highly liquid and are widely accepted. FNMA assumes and guarantees that all security holders will receive timely payment of principal and interest.

FEDERAL OPEN MARKET COMMITTEE (FOMC):

Consists of seven members of the Federal Reserve Board and five of the twelve Federal Reserve Bank Presidents. The President of the New York Federal Reserve Bank is a permanent member, while the other Presidents serve on a rotating basis. The Committee periodically meets to set Federal Reserve guidelines regarding purchases and sales of Government Securities in the open market as a means of influencing the volume of bank credit and money.

FEDERAL RESERVE SYSTEM: The central bank of the U.S. created by Congress and consisting of a seven-member Board of Governors in Washington, D.C., 12 regional banks and about 5,700 commercial banks that are members of the system.

FINANCIAL REGULATORY INDUSTRY AUTHORITY:

A regulatory body created after the merger of the National Association of Securities Dealers and the New York Stock Exchange's regulation committee. The Financial Industry Regulatory Authority is responsible for governing business between brokers, dealers and the investing public. By consolidating these two regulators, FINRA aims to eliminate regulatory overlap and cost inefficiencies.

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION (GNMA OR GINNIE MAE):

Securities influencing the volume of bank credit guaranteed by GNMA and issued by mortgage

bankers, commercial banks, savings and loan associations, and other institutions. Security holder is protected by full faith and credit of the U.S. Government. Ginnie Mae securities are backed by the FHA, VA or FMHM mortgages. The term “pass-throughs” is often used to describe Ginnie Maes.

GOVERNMENT SPONSORED ENTERPRISE AGENCIES (GSE): U.S. Government Agencies, Government Sponsored Enterprises (GSEs), Corporations or Instrumentalities of the US Government – Federal Instrumentality Securities include, but are not limited to, Federal National Mortgage Association (FNMA), the Federal Home Loan Mortgage Corporation (FHLMC), Federal Home Loan Banks (FHLB), and the Federal Farm Credit Bureau (FFCB).

INTERNAL CONTROLS: An internal control structure designed to ensure that the assets of the entity are protected from loss, theft, or misuse. The internal control structure is designed to provide reasonable assurance that these objectives are met.

INVESTMENT ADVISOR: An independent person or group of people that makes investment recommendations or conducts securities analysis for a fee.

LIQUIDITY: A liquid asset is one that can be converted easily and rapidly into cash without a substantial loss of value. In the money market, a security is said to be liquid if the spread between bid and asked prices is narrow and reasonable size can be done at those quotes.

LOCAL GOVERNMENT INVESTMENT POOL (LGIP): The aggregate of all funds from political subdivisions that are placed in the custody of the State Treasurer for investment and reinvestment.

MARKET VALUE: The price at which

a security is trading and could presumably be purchased or sold.

MASTER REPURCHASE AGREEMENT: A written contract covering all future transactions between the parties to repurchase/reverse repurchase agreements that establishes each party’s rights in the transactions. A master agreement will often specify, among other things, the right of the buyer-lender to liquidate the underlying securities in the event of default by the seller-borrower.

MATURITY: The date upon which the principal or stated value of an investment becomes due and payable.

MONEY MARKET: The market in which short-term debt instruments (i.e., bills, commercial paper, bankers’ acceptances, etc.) are issued and traded.

OFFER: The price asked by a seller of securities. (When you are buying securities, you ask for an offer.) See Asked and Bid.

OPEN MARKET OPERATIONS: Purchases and sales of government and certain other securities in the open market by the New York Federal Reserve Bank as directed by the FOMC in order to influence the volume of money and credit in the economy. Purchases inject reserves into the bank system and stimulate growth of money and credit; sales have the opposite effect.

Open market operations are the Federal Reserve’s most important and most flexible monetary policy tool.

PORTFOLIO: Collection of securities held by an investor.

PRIMARY DEALER: A group of government securities dealers who submit daily reports of market activity and positions and monthly financial state-

ments to the Federal Reserve Bank of New York and are subject to its informal oversight. Primary dealers include SEC-registered securities broker-dealer, banks and a few unregulated firms.

PRUDENT PERSON RULE: An investment standard. In some states, the law requires that a fiduciary, such as a trustee, may invest money only in a list of securities selected by the custody state - the so-called legal list. In other states, the trustee may invest in a security if it is one which would be bought by a prudent person of discretion and intelligence who is seeking a reasonable income and preservation of capital (see ARIZ. REV. STAT. §§ 14-10902 and 14-10906).

QUALIFIED PUBLIC DEPOSITORIES: A financial institution which does not claim exemption from the payment of any sales or compensation use or ad valorem taxes under the laws of this state, which has segregated for the benefit of the commission eligible collateral having a value of not less than its maximum liability and which has been approved by the Public Deposit Protection Commission to hold public deposits.

RAINY DAY FUND: Designed to set revenue aside during times of above-trend economic growth and to utilize this revenue during times of below-trend growth. A Rainy Day Fund can be used to balance the budget which is the intended purpose.

RATE OF RETURN: The yield obtainable on a security based on its purchase price or its current market price. This may be the amortized yield to maturity on a bond the current income return.

REPURCHASE AGREEMENT (RP OR REPO): A holder of securities sells

these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date. The security "buyer" in effect lends the "seller" money for the period of the agreement, and the terms of the agreement are structured to compensate him for this. Dealers use RP extensively to finance their positions. Exception: When the Fed is said to be doing RP, it is lending money, which is, increasing bank reserves.

SAFEKEEPING: A service to customers rendered by banks for a fee whereby securities and valuables of all types and descriptions are held in the bank's vaults for protection.

SECONDARY MARKET: A market made for the purchase and sale of outstanding issues following the initial distribution.

SECURITIES & EXCHANGE COMMISSION (SEC): Agency created by Congress to protect investors in securities transactions by administering securities legislation.

SIFMA: Securities Industry and Financial Markets Association.

TOTAL RETURN: The sum of all investment income plus changes in the capital value of the portfolio. For mutual funds, return on an investment is composed of share price appreciation plus any realized dividends or capital gains. This is calculated by taking the following components during a certain time period: (Price Appreciation) + (Dividends paid) + (Capital Gains) = Total Return.

U.S. TREASURY BILLS: A non-interest bearing discount security issued by the U.S. Treasury to finance the national debt. Most bills are issued to mature in three months, six months, or one year.

U.S. TREASURY BONDS: Long-term U.S. government debt securities with maturities of ten years or longer and issued in minimum denominations of \$1,000. Currently, the longest outstanding maturity for such securities is 30 years.

U.S. TREASURY NOTES: Intermediate U.S. government debt securities with maturities of 1 to 10 years and issued in denominations ranging from

\$1,000 to \$1 million or more.

US. TREASURY OBLIGATION: Direct obligations of the U.S. Treasury whose payment is guaranteed by the U.S.

YIELD: The current rate of return on an investment security generally expressed as a percentage of the security's current price.

Appendix A

Authorized Investment Officers

PFM Asset Management LLC
Attn: Paulina Woo
1820 East Ray Road
Chandler, Arizona 85225

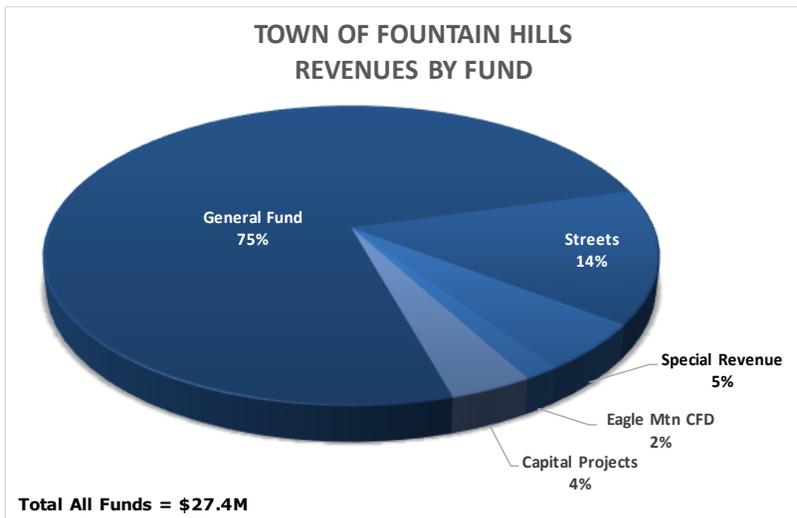
Town Manager
Town Accountant (limited in ministerial acts only)
Town Clerk (limited in ministerial acts only)



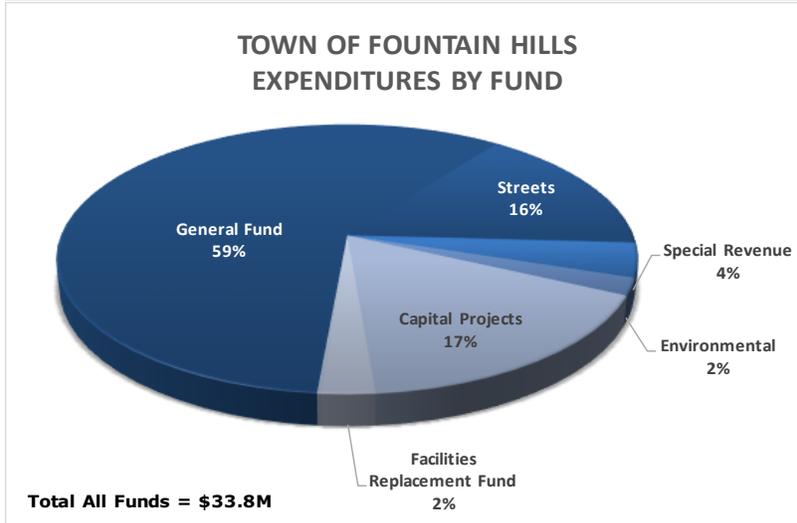
Budget Highlights

Budget Introduction

In FY09-10, the Town introduced program budgeting. Program budgeting is a method of budgeting expenditures to meet programmatic objectives rather than budgeting on a line-item basis. In program budgeting, specific performance objectives or outcomes are defined, and the costs to produce those outcomes are enumerated in the budget. In FY16-17, although the budget document continues with Department level, Division level and Program level budgets, many programs were combined for more efficient managing and reporting purposes. There were also two new Departments created. The new General Government Department was created for all non-departmental, Town-wide items and the Public Works Department was created out of the Development Services Department to oversee the Streets, Facilities, and Engineering Divisions, as well as the Outside Inspections program. For a summary of all Town programs, please see pages 119-120.



The proposed budget is based on revenue projections that are conservative and based on the expectation that the local and national economy will recover quickly with some modest growth in revenues next fiscal year. Revenues for all funds are \$27.4 with expenditures of \$33.8M with some funds utilizing reserves for projects.

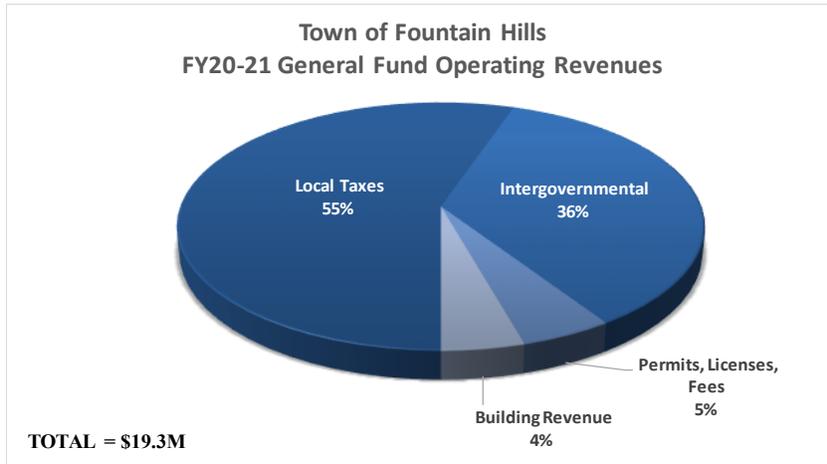


It should be noted that the State-shared sources of revenue are very sensitive to the fluctuations of the economy as well as to annual legislative appropriations. Additionally, these revenues are distributed to cities and towns based on each municipality's population compared to that of the entire State. Some municipalities have abundant available land for expansion and will continue to grow in population, while others, like Fountain Hills, have fixed borders and limited population

growth. Over time, Fountain Hills will, therefore, represent a smaller and smaller percentage of the total and will be allocated a smaller percentage of State-shared revenues. During FY15-16, seven cities and towns had a mid-decade census done in order to capture a bigger portion of State-shared revenues, which in turn, has had a negative impact on the Town's portion.

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, State-shared revenues, license and permit fees, and charges for services provide the major resources to fund programs and services delivered by the Town.

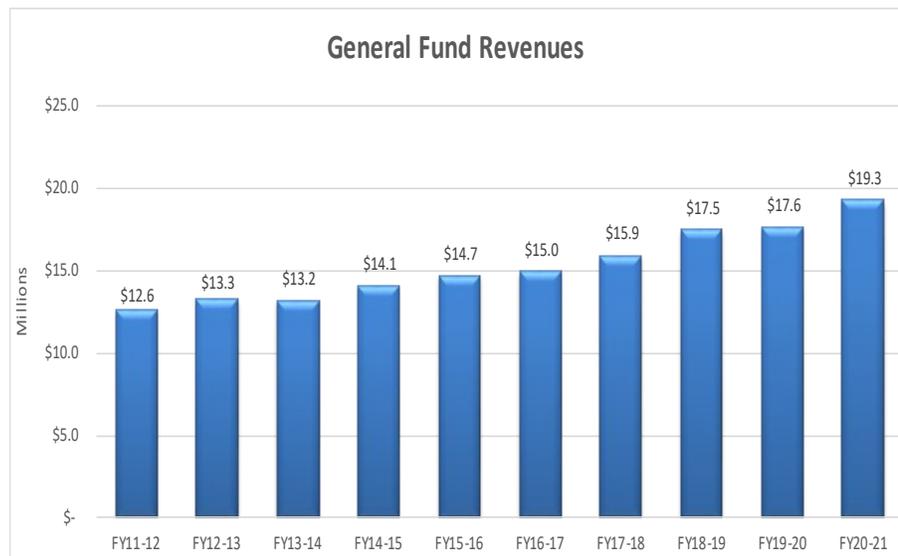


91% of the Town's General Fund resources are derived from the local taxes and State-shared revenues.

The economic recession forced the Town to focus on the delivery of core services, defined by the Town Council as:

- Public Safety – Fire and Emergency Medical, Law Enforcement
- Administration – Finance, Administrative Services, Information Technology, Purchasing, Town Manager, Town Clerk, General Government, and Judicial
- Public Works - Facilities, Engineering
- Development Services – Building Safety, Planning & Zoning, Code Enforcement, Mapping & Graphics
- Community Services – Parks, Recreation, Senior Services, Community Center, Volunteers, Tourism, Open Space and Trails

In FY12, the Town received \$12.6M in General Fund revenues. The economic recovery saw a return to an upward revenue stream. The drop in FY14 reflects the reallocation of the Vehicle License Tax revenue (historically available for General Fund expenditures) to the Streets Fund (HURF) for pavement management.



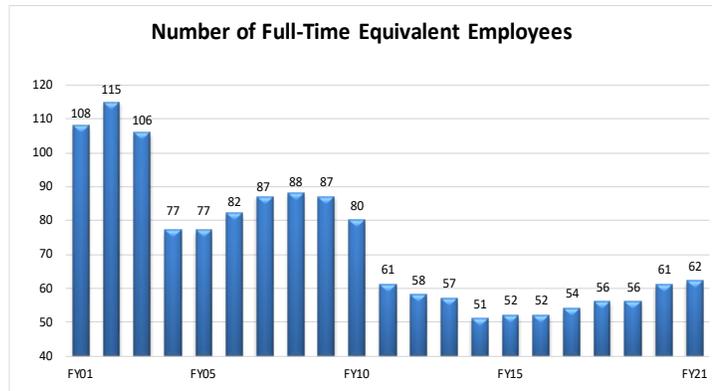
In FY14-15 , the Town Council directed staff to develop a new program for funding maintenance of capital assets – those projects that are necessary to maintain the Town’s infrastructure but are not considered a capital improvement program (i.e., under the \$50,000 threshold for capital). In FY15-16, the Town had a Capital Reserve Study performed to identify those items. The Facilities Replacement fund is normally funded through transfers from the General Fund. However, FY20-21 projects will be completed utilizing accumulated fund balance from prior fiscal years.

Following is a brief summary of what is included in the proposed General Fund budget for FY20-21:

Salaries and Benefits - For FY20-21, an increase of 1.25 Full-Time Equivalents is proposed. This proposal adds a full-time Groundskeeper II position and an increase in hours for a Customer Service Representative II position at the Community Center. Most Town employees’ salaries and benefits are funded through the General Fund; salaries normally include overtime, sick leave, and vacation. The Town Manager is also proposing a cost of living increase of 2.5%, beginning January 1, 2021. Because local governments are primarily a service industry, salaries and benefits comprise a major portion of expenditures. For Fountain Hills, salaries and benefits represent 24% of the proposed General Fund budget in FY20-21 and 16% of the total budget.

Employee benefits include health, vision and dental insurance, employer taxes, disability, workers’ compensation insurance, and employer match of retirement contributions. The Town does not provide a defined benefit pension plan for employees but rather matches employee contributions into a 401(a) account maintained by the International City/County Managers Association (ICMA).

The chart on the right shows that the number of Town employees is only slightly higher than at the lowest level in over sixteen years while the level of service to the citizens has remained constant.



Contractual Services - The Town contracts with outside professionals for a number of services which represents 35% of the total budget (51% of the General Fund). Two major contracts included in this category are:

1. Fire protection and emergency medical services (\$3,833,346), currently under contract with Rural/Metro Corporation – 3% increase; and
2. Police protection (\$4,918,265), currently provided through the Maricopa County Sheriff’s Office – 5.2% increase.

These two contracts alone represent 42% of the General Fund budget in FY20-21.

Contractual Services also includes annual landscape maintenance contracts, equipment and vehicle repairs, and facilities maintenance (janitorial, building maintenance, etc.). Maintenance of the Town’s 119 acres of parks, Town medians, dams, and washes are provided by independent contractors. These contracts are solicited

through a bid process to obtain the most competitive price for the Town. With pavement management a high priority, the Town is placing an emphasis on infrastructure maintenance that has been deferred.

Maintenance/Utilities - In FY20-21, maintenance/utilities represent 5% of the total General Fund budget. The Town owns nine buildings that require maintenance on HVAC equipment, interior and exterior surfaces, electric, plumbing, fire systems, and irrigation. Town staff has been unable to dedicate the resources necessary to maintain the buildings in an optimum condition; consequently future budgets will require increasing amounts of maintenance funding to bring the buildings up to current standards.

Supplies and Services - Supplies and Services include operational costs such as insurance, office supplies, etc. for Town Hall and other Town-owned buildings and accounts for 4% of the operating budget. The Town owns the Library/Museum, the Community Center, two fire stations, a vehicle maintenance facility, the Kiwanis building, Town Hall, and the Streets operations building.

Capital Outlays - Capital outlays include the purchase of furniture and equipment, and the improvement of Town facilities with a cost of at least \$10,000 but less than \$50,000. Expenditures of \$50,000 or more are included in the Capital Improvement Program. The Facilities Replacement Fund is used to cover the costs of other infrastructure type items, such as buildings, parks, and the fountain.

Streets (HURF) Fund Overview

The Streets (HURF) Fund is a fund restricted to streets and transportation related purposes. With an operational priority for pavement management, 70% the revenue from Vehicle License Taxes (VLT) will be appropriated within the Streets fund to be used for pavement maintenance (not reconstruction). The available resources in Streets are anticipated at \$4.5M in FY20-21, including \$816,689 from VLT. Road maintenance has not been adequately funded for several years which has resulted in serious degradation of the Town's 163 miles of streets. The FY20-21 program of work will continue to focus on resolving the long-term fiscal needs for road maintenance.

The Streets (HURF) fund provides funding for the following Town programs:

- Streets Department—Administration, including Legal Services and Traffic Signals
- Open Space
- Pavement Management
- Street Signs
- Vehicle Maintenance

Excise Tax Funds Overview

The Excise Tax/Downtown Fund was created in FY00-01 designating 0.1% of the Town's 2.9% local sales tax to downtown development. Subsequently, on April 18, 2013, the Town Council established an additional fund by splitting the original Excise Tax/Downtown Fund into two separate funds:

- Downtown Strategy Fund (original Excise Tax/Downtown Fund)
- Economic Development Fund

Both funds were originally funded through the dedicated 0.1% of local sales tax with a 60/40 split—60% of dedicated revenue allocated to the new Economic Development Fund and 40% of dedicated revenue allocated to the Downtown Strategy Fund. The residual fund balance of the Excise Tax/Downtown Fund as of June 30, 2013, was included with any new revenue in the Downtown Strategy Fund to be used towards Town Center infrastructure improvement and development.

The Economic Development Fund, originally, was funded with 60% of the 0.1% local sales tax to be available for any economic development purpose. The Economic Development budget also included a proposal to create a new fund for Tourism in the amount of \$103,000 as well as implementation of the Economic Development Plan adopted by the Council in March 2013. A resolution (2014-50) was passed on December 4, 2014, changing the allocations to 80% to the Economic Development Fund and 20% to the Downtown Strategy Fund effective January 1, 2015.

Special Revenue Fund Overview

All special revenues (grants, etc.) are received in the Special Revenue Fund. Operating expenses are also recorded in the Special Revenue Fund unless the projects supported are in the Capital Improvement Program or the funds are in support of ongoing Town services.

In 2013, with proceeds from a \$60,000 grant from the State lottery funds (LTAF II), the Town contracted with Valley Metro for a study on possible transportation programs in Fountain Hills. The study was conducted throughout the community to get a wide response as to the transportation needs; as a result, the Town created the Ride-Choice program. Grant funds will be used for that program as long as they are available. Additionally, a portion of subsequent funding was used to construct the first bus shelter in Town as part of a Park N' Ride approach near Town Hall.

Included in the FY20-21 budget is an appropriation in the event that unanticipated grants become available. Other revenues in the Special Revenue Funds are the Court Enhancement Fund, the Environmental Fund, and the Cottonwoods Maintenance District Fund – these funds are committed/assigned/restricted for specific purpose and not available for general operations.

Debt Service Funds Overview

The Town retired all of its General Obligation and Municipal Property Corporation bonds in FY19-20, as scheduled. There is one-year of debt service remaining for Eagle Mountain Community Facilities District. Total debt service revenues for FY20-21 are budgeted at \$400,001. These revenues will be collected as a secondary property tax from residents of the District, and the final bond payments for the District will be paid during FY20-21.

Development Fee Funds Overview

With limited funds from development anticipated, there are no capital projects budgeted to be funded from development fees in the next fiscal year. However, prior legislation required that the Town update the Infrastructure Improvement Plan (IIP) and update the development fee schedule. This study was initiated in

FY18-19, completed in FY19-20 and is the basis for current fees. The study was approved and increased the number of fee categories from two to three:

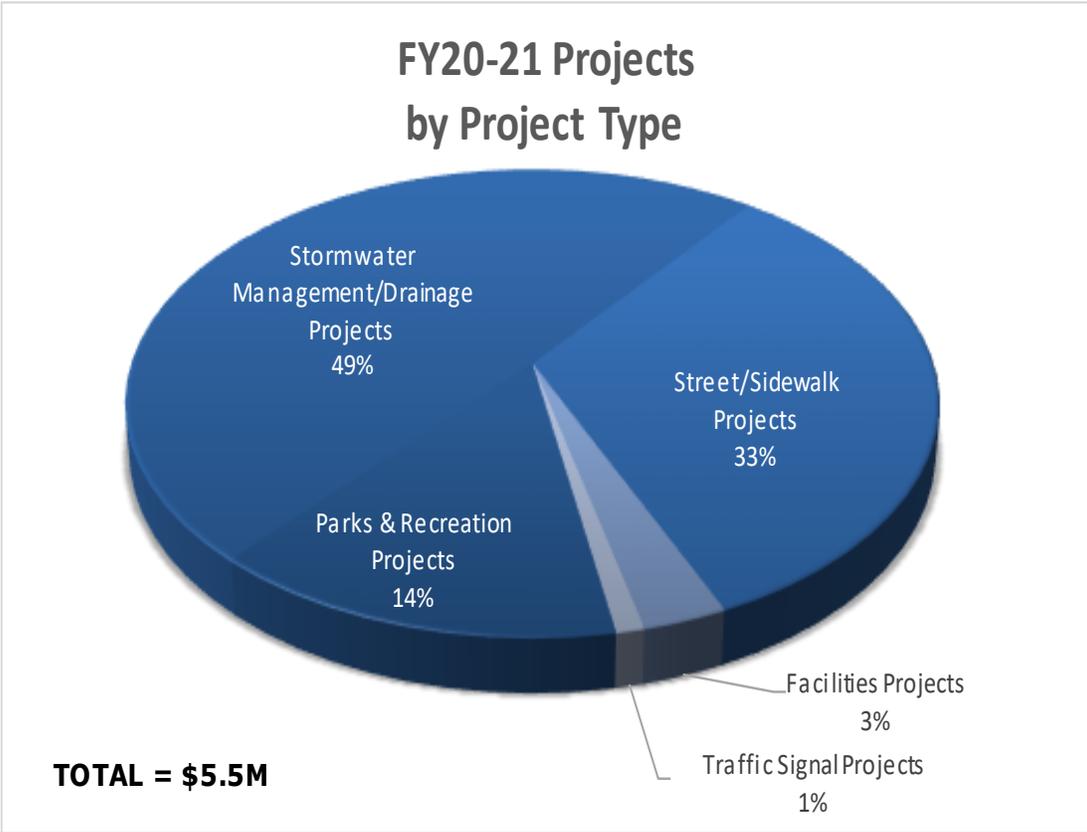
- Fire & Emergency Medical Service
- Parks/Recreation
- Streets

Per statute, the Town will update the Infrastructure Improvement Plan and fee schedule in FY24-25.

Capital Projects Fund Overview

The Capital Projects Fund resources are derived from one time construction sales tax (50% of revenues – the other 50% funds operations in the General Fund), bond proceeds, or other revenue sources.

The following major project areas are programmed for FY20-21 with total expenditures for capital projects budgeted at \$5.5M:



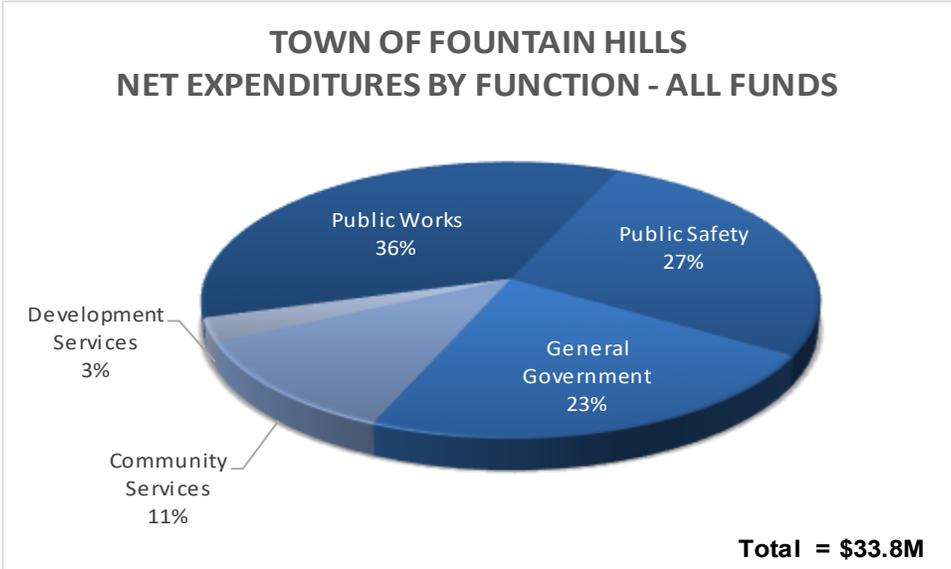
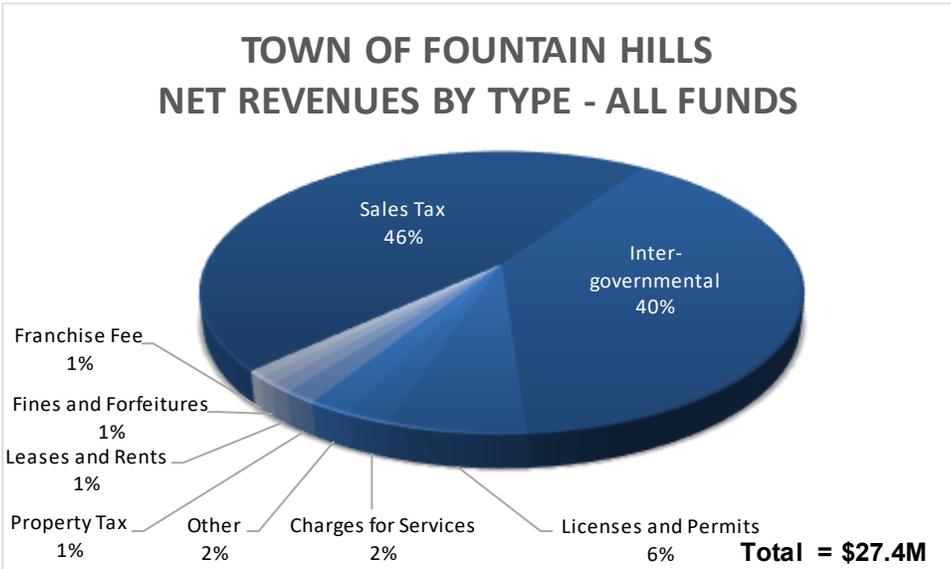
- \$2.6M for Stormwater Management & Drainage projects
- \$1.7M for Street & Sidewalk projects
- \$0.7M for Parks & Recreation projects
- \$0.5M for other minor projects & contingency

The complete list of projects is shown on page 299.

FY20-21 Summary of Proposed Budget Revenues and Expenditures - All Funds

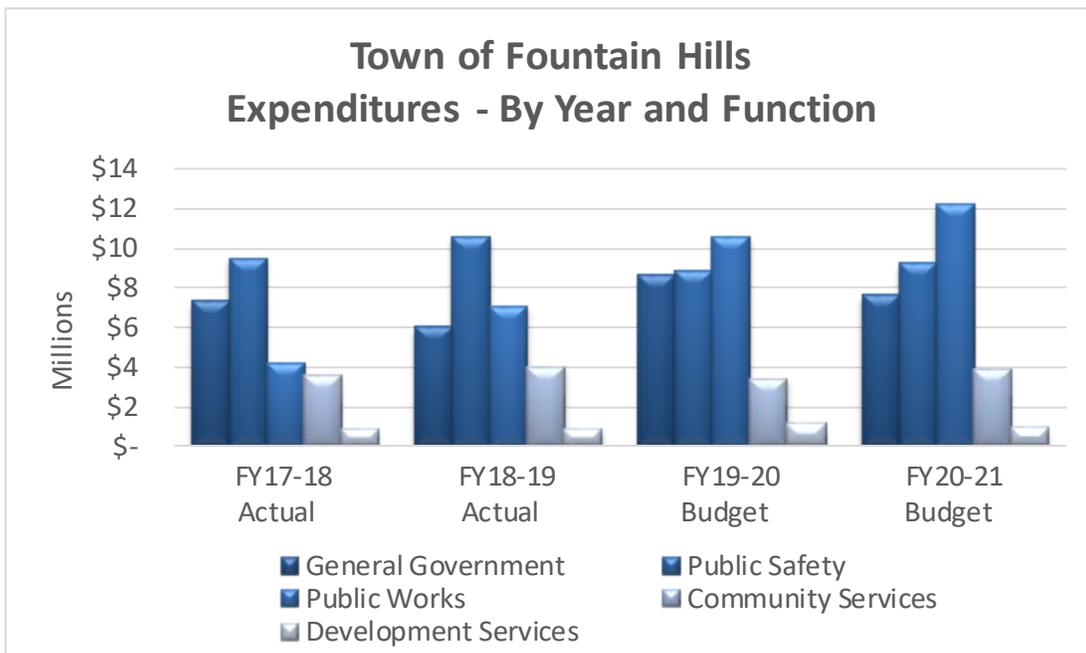
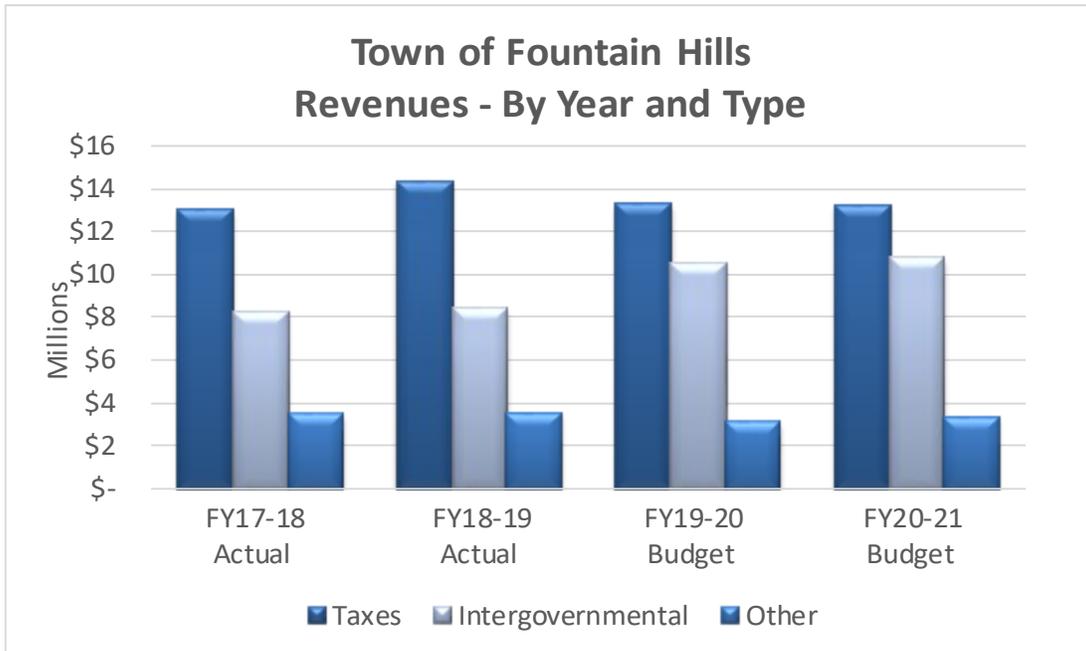
	General Fund	Debt Service Funds	Capital Project Funds	Non-Major Funds	Total
Revenues:					
Sales Tax	\$ 10,422,177	\$ -	\$ 904,152	\$ 1,306,878	\$ 12,633,207
Property Tax	-	400,001	-	6,643	406,644
Franchise Tax	211,974	-	-	-	211,974
Intergovernmental	6,840,899	-	17,500	3,937,072	10,795,471
Fines and Forfeitures	185,004	-	-	49,000	234,004
Licenses and Permits	992,737	-	679,311	-	1,672,048
Charges for Services	221,550	-	-	300,000	521,550
Leases and Rents	278,590	-	-	-	278,590
Investment Earnings	24,000	2,280	26,400	38,892	91,572
Other	81,355	-	-	450,542	531,897
Sub total Revenues	19,258,286	402,281	1,627,363	6,089,027	27,376,957
Transfers In	-	-	975,000	656,240	1,631,240
Sub total	19,258,286	402,281	2,602,363	6,745,267	29,008,197
Use/(Source) of Reserves	250,000	6,319	3,936,511	2,279,204	6,472,034
Total Revenues	<u>\$ 19,508,286</u>	<u>\$ 408,600</u>	<u>\$ 6,538,874</u>	<u>\$ 9,024,471</u>	<u>\$ 35,480,231</u>
Expenditures:					
Current:					
General Government:					
Mayor and Council	\$ 74,882	\$ -	\$ -	\$ -	\$ 74,882
Administration	2,339,663	408,600	262,535	1,826,436	4,837,234
General Government	2,204,942	-	-	76,989	2,281,931
Municipal Court	402,604	-	-	24,800	427,404
Total General Government	<u>5,022,091</u>	<u>408,600</u>	<u>262,535</u>	<u>1,928,225</u>	<u>7,621,451</u>
Public Safety:					
Fire & Emergency Medical	4,197,330	-	-	-	4,197,330
Law Enforcement	5,029,469	-	-	-	5,029,469
Total Public Safety	<u>9,226,799</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,226,799</u>
Community Services	2,942,046	-	775,000	144,649	3,861,695
Public Works	1,120,866	-	4,459,695	6,612,001	12,192,562
Development Services	946,484	-	-	-	946,484
Sub total	19,258,286	408,600	5,497,230	8,684,875	33,848,991
Transfers Out	250,000	-	229,700	1,151,540	1,631,240
Total Expenditures	<u>\$ 19,508,286</u>	<u>\$ 408,600</u>	<u>\$ 5,726,930</u>	<u>\$ 9,836,415</u>	<u>\$ 35,480,231</u>

Note: See page 42 for a listing of the funds included in each column.



Historical Summary of Revenues and Expenditures - All Funds

	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Revenues:				
Taxes:				
Sales Tax	\$ 10,311,578	\$ 11,491,123	\$ 10,995,809	\$ 12,633,207
Property Tax	2,286,081	2,427,731	2,094,172	406,644
Franchise Tax	421,682	423,947	187,231	211,974
Intergovernmental	8,266,027	8,401,676	10,534,886	10,795,471
Fines and Forfeitures	182,998	130,483	228,001	234,004
Licenses and Permits	2,004,386	2,040,622	1,585,419	1,672,048
Charges for Services	254,122	181,105	497,800	521,550
Leases and Rents	282,530	280,801	283,584	278,590
Investment Earnings	158,861	554,549	79,536	91,572
Other	601,425	347,141	433,449	531,897
Sub total Revenues	24,769,690	26,279,178	26,919,887	27,376,957
Transfers In	4,582,728	3,672,532	-	1,631,240
Sub total	29,352,418	29,951,710	26,919,887	29,008,197
Use/(Source) of Reserves	639,707	2,265,296	7,562,806	6,472,034
Total Revenues	<u>\$ 29,992,125</u>	<u>\$ 32,217,006</u>	<u>\$ 34,482,693</u>	<u>\$ 35,480,231</u>
Expenditures:				
Current:				
General Government:				
Mayor and Council Administration	\$ 77,779	\$ 81,836	\$ 98,544	\$ 74,882
General Government	5,443,898	5,273,601	6,734,965	4,837,234
Municipal Court	1,432,215	309,237	1,225,771	2,281,931
Municipal Court	326,699	327,240	552,078	427,404
Total General Government	7,280,591	5,991,914	8,611,358	7,621,451
Public Safety:				
Fire & Emergency Medical	5,703,533	6,458,719	4,030,800	4,197,330
Law Enforcement	3,792,675	4,153,699	4,785,920	5,029,469
Total Public Safety	9,496,208	10,612,418	8,816,720	9,226,799
Community Services	3,549,873	4,027,245	3,415,874	3,861,695
Public Works	4,207,210	7,046,689	10,618,520	12,192,562
Development Services	875,515	866,208	1,100,296	946,484
Sub total Expenditures	25,409,397	28,544,474	32,562,768	33,848,991
Transfers Out	4,582,728	3,672,532	1,919,925	1,631,240
Total Expenditures	<u>\$ 29,992,125</u>	<u>\$ 32,217,006</u>	<u>\$ 34,482,693</u>	<u>\$ 35,480,231</u>



**FY20-21 Proposed Budget
Summary of Expenditures**

Fund/Department	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
General Fund				
Mayor & Council	\$ 77,779	\$ 81,836	\$ 98,544	\$ 74,882
Administration	2,290,065	2,156,946	2,057,198	2,339,663
General Government	204,809	263,431	634,364	2,204,942
Municipal Court	321,152	325,550	397,278	402,604
Public Works	795,607	837,523	1,171,938	1,120,866
Development Services	730,745	866,208	1,100,296	946,484
Community Services	2,177,851	2,227,249	2,674,635	2,942,046
Fire & Emergency Medical	3,866,395	3,892,841	4,021,300	4,197,330
Law Enforcement	3,792,675	4,153,699	4,785,920	5,029,469
Total General Fund	<u>14,257,078</u>	<u>14,805,283</u>	<u>16,941,473</u>	<u>19,258,286</u>
Total General Fund	\$ 14,257,078	\$ 14,805,283	\$ 16,941,473	\$ 19,258,286
Special Revenue Funds				
Public Works	\$ 2,611,947	\$ 4,563,969	\$ 5,194,062	\$ 5,120,822
Total Streets (HURF) Fund	<u>2,611,947</u>	<u>4,563,969</u>	<u>5,194,062</u>	<u>5,120,822</u>
Administration	56,044	38,204	46,400	38,400
Total Downtown Strategy Fund	<u>56,044</u>	<u>38,204</u>	<u>46,400</u>	<u>38,400</u>
Administration	183,332	224,051	285,482	241,270
Total Economic Development Fund	<u>183,332</u>	<u>224,051</u>	<u>285,482</u>	<u>241,270</u>
Administration	206,514	235,302	182,724	208,266
Total Tourism Fund	<u>206,514</u>	<u>235,302</u>	<u>182,724</u>	<u>208,266</u>
Administration	157,945	91,211	1,662,525	1,338,500
Total Special Revenue Fund	<u>157,945</u>	<u>91,211</u>	<u>1,662,525</u>	<u>1,338,500</u>
Community Services	29,234	22,791	139,340	144,649
Total Public Art Fund	<u>29,234</u>	<u>22,791</u>	<u>139,340</u>	<u>144,649</u>
Municipal Court	5,547	1,690	154,800	24,800
Total Court Enhancement Fund	<u>5,547</u>	<u>1,690</u>	<u>154,800</u>	<u>24,800</u>
Public Works	530,655	501,717	735,255	666,904
Total Environmental Fund	<u>530,655</u>	<u>501,717</u>	<u>735,255</u>	<u>666,904</u>
Administration	4,696	4,530	5,101	5,131
Total Cottonwoods Maint District	<u>4,696</u>	<u>4,530</u>	<u>5,101</u>	<u>5,131</u>
Total Special Revenue Funds	\$ 3,785,914	\$ 5,683,465	\$ 8,405,689	\$ 7,788,742

FY20-21 Proposed Budget Summary of Expenditures				
Fund/Department	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Debt Service Funds				
Administration	\$ 2,121,550	\$ 1,972,850	\$ 1,663,800	\$ 350
Total Gen Oblig Debt Service	<u>2,121,550</u>	<u>1,972,850</u>	<u>1,663,800</u>	<u>350</u>
Administration	<u>407,724</u>	<u>405,767</u>	<u>409,192</u>	<u>407,240</u>
Total Eagle Mtn CFD Debt Service	<u>407,724</u>	<u>405,767</u>	<u>409,192</u>	<u>407,240</u>
Administration	<u>377,696</u>	<u>381,854</u>	<u>305,870</u>	<u>1,010</u>
Total Munic Prop Corp Debt Service	<u>377,696</u>	<u>381,854</u>	<u>305,870</u>	<u>1,010</u>
Total Debt Service Funds	<u>\$ 2,906,970</u>	<u>\$ 2,760,471</u>	<u>\$ 2,378,862</u>	<u>\$ 408,600</u>
Capital Projects Funds				
Administration	\$ 2,791	\$ 2,720	\$ 116,673	\$ 262,535
Public Works	250,012	571,328	2,358,378	4,459,695
Community Services	1,135,740	1,120,213	485,000	735,000
Fire & Emergency Medical	<u>1,837,138</u>	<u>2,558,246</u>	-	-
Total Capital Projects Fund	<u>3,225,681</u>	<u>4,252,507</u>	<u>2,960,051</u>	<u>5,457,230</u>
Fire & Emergency Medical	-	<u>7,632</u>	<u>9,500</u>	-
Total Fire/Emergency Dev Fee	-	<u>7,632</u>	<u>9,500</u>	-
Public Works	-	-	-	-
Total Streets Dev Fee	-	-	-	-
Community Services	-	<u>33,094</u>	<u>40,500</u>	<u>40,000</u>
Total Park/Rec Dev Fee	-	<u>33,094</u>	<u>40,500</u>	<u>40,000</u>
Total Capital Projects Funds	<u>\$ 3,225,681</u>	<u>\$ 4,293,233</u>	<u>\$ 3,010,051</u>	<u>\$ 5,497,230</u>
Internal Service Funds				
Public Works	<u>163,759</u>	<u>437,028</u>	<u>819,144</u>	<u>819,144</u>
Total Facilities Replacement Fund	<u>163,759</u>	<u>437,028</u>	<u>819,144</u>	<u>819,144</u>
Administration	<u>61,229</u>	-	-	<u>25,000</u>
Total Technology Replacement Fund	<u>61,229</u>	-	-	<u>25,000</u>
General Government	1,008,231	176,401	591,407	51,989
Public Works	-	-	<u>339,743</u>	-
Total Vehicle/Equip Repl Fund	<u>1,008,231</u>	<u>176,401</u>	<u>931,150</u>	<u>51,989</u>
Total Internal Service Funds	<u>\$ 1,233,219</u>	<u>\$ 613,429</u>	<u>\$ 1,750,294</u>	<u>\$ 896,133</u>
Total Expenditures	<u>\$ 25,408,862</u>	<u>\$ 28,155,881</u>	<u>\$ 32,486,369</u>	<u>\$ 33,848,991</u>

FY20-21 Projected Changes in Fund Balances

	General Fund	Debt Service Funds	Capital Projects Funds	Non-Major Funds	Total
Revenues:					
Sales Tax	\$ 10,422,177	\$ -	\$ 904,152	\$ 1,306,878	\$ 12,633,207
Property Tax	-	400,001	-	6,643	406,644
Franchise Tax	211,974	-	-	-	211,974
Intergovernmental	6,840,899	-	17,500	3,937,072	10,795,471
Fines and Forfeitures	185,004	-	-	49,000	234,004
Licenses and Permits	992,737	-	679,311	-	1,672,048
Charges for Services	221,550	-	-	300,000	521,550
Leases and Rents	278,590	-	-	-	278,590
Investment Earnings	24,000	2,280	26,400	38,892	91,572
Other	81,355	-	-	450,542	531,897
Sub total	19,258,286	402,281	1,627,363	6,089,027	27,376,957
Transfers In	-	-	975,000	656,240	1,631,240
Total Revenues	19,258,286	402,281	2,602,363	6,745,267	29,008,197
Expenditures:					
General Government:					
Mayor and Council	74,882	-	-	-	74,882
Administration	2,339,663	408,600	262,535	1,826,436	4,837,234
General Government	2,204,942	-	-	76,989	2,281,931
Municipal Court	402,604	-	-	24,800	427,404
Total General Government	5,022,091	408,600	262,535	1,928,225	7,621,451
Public Safety:					
Fire & Emergency Medical	4,197,330	-	-	-	4,197,330
Law Enforcement	5,029,469	-	-	-	5,029,469
Total Public Service	9,226,799	-	-	-	9,226,799
Community Services	2,942,046	-	775,000	144,649	3,861,695
Public Works	1,120,866	-	4,459,695	6,612,001	12,192,562
Development Services	946,484	-	-	-	946,484
Sub total	19,258,286	408,600	5,497,230	8,684,875	33,848,991
Transfers Out	250,000	-	229,700	1,151,540	1,631,240
Total Expenditures	19,508,286	408,600	5,726,930	9,836,415	35,480,231
Net Change in Fund Balance	(250,000)	(6,319)	(3,124,567)	(3,091,148)	(6,472,034)
Fund Balance					
Beginning of Year - estimated	7,833,744	670,030	4,681,030	4,617,654	17,802,458
End of Year	\$ 7,583,744	\$ 663,711	\$ 1,556,463	\$ 1,526,506	\$ 11,330,424
Fund Balance Percentage Change	(3%)	(1%)	(67%)	(67%)	(36%)

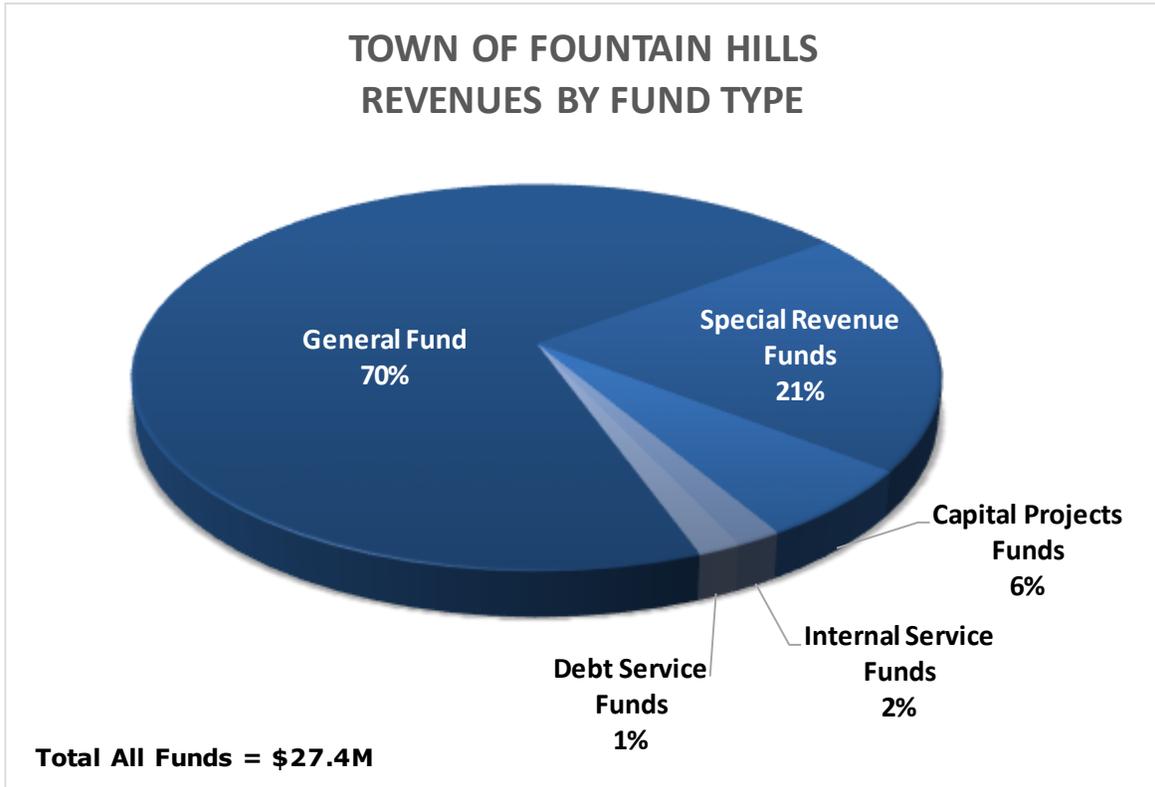
Note: See page 42 for a listing of the funds included in each column.

The Capital Projects and Non-Major Funds will be utilizing accumulated reserves, as well as funds transferred into those funds, for one time capital expenditures.

Revenue Summary

Revenue

This section provides a broad overview of the revenues included in the FY20-21 budget. Information is presented for each fund and fund type.



Total revenues for all funds are estimated at \$27,376,957 excluding transfers. The General Fund portion represents approximately 70% of the total. Special Revenue funds, including the Streets (HURF) Fund, represent another 21% of the budget. Capital Projects is 6%, Internal Service funds are 2%, and Debt Service funds represent the final 1%.

**FY20-21 Proposed Budget
Summary of Revenues**

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
General Fund				
Sales Tax-Local	\$ 8,417,615	\$ 9,198,866	\$ 9,125,999	\$ 10,422,177
Franchise Fees	421,683	423,947	187,231	211,974
Liquor License Fees	2,600	1,750	2,000	2,000
Business License	133,280	137,869	141,696	139,764
Animal License	36,174	-	-	-
Building Permit	251,517	230,326	240,588	394,073
Sign Permits	6,935	8,905	6,100	6,100
Planning & Zoning Fees	6,384	13,212	16,185	15,825
Landscape Permits	23,520	27,300	16,800	44,520
Encroachment Permits	24,887	717,686	25,000	25,000
Variances	2,200	2,500	4,300	5,300
Subdivision Fees	206,768	76,952	52,250	62,250
Special Event Permit	8,800	10,810	8,750	8,750
Engineering Fees	6,600	8,350	5,900	5,600
Plan Review	185,422	159,460	185,969	265,925
Inspection Fees	35,440	18,187	13,250	17,000
Alcohol Permits	240	200	630	630
Third Party Revenues	-	-	210,000	-
Rental Fees	134,007	128,327	156,095	151,100
Non-Taxable Rental	7,301	8,381	7,300	7,301
Cell Tower Lease	141,223	144,093	120,189	120,189
Sales Tax-State	2,352,502	2,476,030	2,583,378	2,815,032
Income Tax-State	3,032,329	2,976,998	3,253,750	3,629,136
Vehicle License Tax	-	-	336,750	350,010
Fire Insurance Premium Tax	45,347	46,275	46,258	46,721
Program Fees	164,456	174,886	197,800	221,550
Sponsorships	5,858	5,101	5,200	37,200
Donations	37,239	28,496	32,345	345
Reimbursements/Refunds	328	18,785	1,260	1,260
Auction/Recycle Proceeds	39	611	640	640
Restitution/Ins Proceeds	712	115,355	200	200
Miscellaneous Revenue	5,721	5,383	5,310	5,535
Taxable Sales	34,088	32,135	30,810	33,925
Convenience Fees	5,448	3,318	1,500	2,250
Court Fines/Fees	152,161	120,340	179,001	185,004
Abatements	1,575	-	-	-
Interest Income	25,792	136,572	24,000	24,000
Internal Service Charges	-	-	-	-
Total General Fund	15,916,191	17,457,406	17,224,434	19,258,286
Total General Fund	\$ 15,916,191	\$ 17,457,406	\$ 17,224,434	\$ 19,258,286
Special Revenue Funds				
Sales Tax-Local	\$ 793,197	\$ 883,932	\$ 819,678	\$ 871,254
Vehicle License Tax	1,011,836	1,061,441	785,748	816,672
Highway User Tax	1,593,514	1,679,594	1,666,476	1,761,600
In-Lieu Fees	20,145	-	200,000	200,000
Adopt-A Street Fee	30	-	-	-
Reimbursements/Refunds	-	-	-	-
Auction/Recycle Proceeds	1,159	1,504	1,000	1,000
Restitution/Ins Proceeds	989	23,957	30,000	30,000
Interest Income	39,992	91,634	24,000	24,000
Internal Service Charges	-	-	-	-
Total Streets Fund	3,460,862	3,742,062	3,526,902	3,704,526

Revenue Summary

FY20-21 Proposed Budget Summary of Revenues

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Sales Tax-Local	79,320	88,393	81,968	87,120
Interest Income	3,755	28,231	1,260	1,260
Total Downtown Strategy Fund	<u>83,075</u>	<u>116,624</u>	<u>83,228</u>	<u>88,380</u>
Sales Tax-Local	317,280	353,573	327,871	348,504
Taxable Sales	-	-	-	-
Interest Income	1,150	1,340	240	240
Total Economic Development Fund	<u>318,430</u>	<u>354,913</u>	<u>328,111</u>	<u>348,744</u>
Grants	37,554	35,127	45,001	25,000
Prop 202/Gaming Rev	35,000	35,000	45,000	25,000
Donations	2	-	-	-
Miscellaneous Revenue	-	312	-	-
Taxable Sales	2,243	1,911	-	-
Convenience Fees	6	-	-	-
Interest Income	932	1,646	180	180
Total Tourism Fund	<u>75,737</u>	<u>73,996</u>	<u>90,181</u>	<u>50,180</u>
Grants	-	-	1,160,000	1,118,800
LTAI II	101,946	26,211	297,525	65,000
Prop 202/Gaming Rev	56,000	55,000	125,000	125,000
Total Special Revenue Fund	<u>157,946</u>	<u>81,211</u>	<u>1,582,525</u>	<u>1,308,800</u>
In-Lieu Fees	69,491	6,219	100,000	100,000
Donations	-	-	-	-
Restitution/Ins Proceeds	1,500	-	-	-
Interest Income	2,318	3,434	240	240
Total Public Art Fund	<u>73,309</u>	<u>9,653</u>	<u>100,240</u>	<u>100,240</u>
Grants	-	-	100,000	-
CCEF Revenue	26,924	8,659	46,500	46,500
JCEF Revenue	2,337	1,483	2,500	2,500
Interest Income	589	876	840	900
Total Court Enhancement Fund	<u>29,850</u>	<u>11,018</u>	<u>149,840</u>	<u>49,900</u>
Environmental Fee	488,474	486,924	491,976	-
Convenience Fees	75	3	-	-
Interest Income	7,663	15,997	2,400	2,400
Total Environmental Fund	<u>496,212</u>	<u>502,924</u>	<u>494,376</u>	<u>2,400</u>
Property Tax-Cy	5,471	6,749	6,643	6,643
Interest Income	197	414	72	72
Total Cottonwoods Maint District	<u>5,668</u>	<u>7,163</u>	<u>6,715</u>	<u>6,715</u>
Total Special Revenue Funds	\$ 4,701,089	\$ 4,899,564	\$ 6,362,118	\$ 5,659,885
Debt Service Funds				
Property Tax-Cy	\$ 1,909,924	\$ 2,011,867	\$ 1,674,486	\$ -
Interest Income	8,494	18,703	1,200	1,200
Total Gen Oblig Bond Debt Service	<u>1,918,418</u>	<u>2,030,570</u>	<u>1,675,686</u>	<u>1,200</u>

**FY20-21 Proposed Budget
Summary of Revenues**

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Property Tax-Cy	370,686	409,114	413,043	400,001
Interest Income	2,116	3,344	240	240
Total Eagle Mtn CFD Debt Service	<u>372,802</u>	<u>412,458</u>	<u>413,283</u>	<u>400,241</u>
Interest Income	3,811	7,090	840	840
Total Munic Prop Corp Debt Service	<u>3,811</u>	<u>7,090</u>	<u>840</u>	<u>840</u>
Total Debt Service Funds	<u>\$ 2,295,031</u>	<u>\$ 2,450,118</u>	<u>\$ 2,089,809</u>	<u>\$ 402,281</u>
Capital Projects Funds				
Sales Tax-Local	\$ 704,166	\$ 966,359	\$ 640,293	\$ 904,152
Grants	-	-	90,000	17,500
Reimbursements/Refunds	103,051	54,211	-	-
Auction/Recycle Proceeds	-	-	-	-
Interest Income	22,557	158,048	7,224	19,200
Total Capital Projects Fund	<u>829,774</u>	<u>1,178,618</u>	<u>737,517</u>	<u>940,852</u>
Development Fees	172,727	27,004	31,323	23,988
Interest Income	1,608	5,808	2,400	2,400
Total Fire/Emergency Dev Fee	<u>174,335</u>	<u>32,812</u>	<u>33,723</u>	<u>26,388</u>
Development Fees	-	-	-	301,331
Interest Income	-	-	-	-
Total Streets Fee	<u>-</u>	<u>-</u>	<u>-</u>	<u>301,331</u>
Development Fees	412,417	113,187	132,702	353,992
Interest Income	5,522	14,898	4,800	4,800
Total Park/Rec Dev Fee	<u>417,939</u>	<u>128,085</u>	<u>137,502</u>	<u>358,792</u>
Total Capital Projects Funds	<u>\$ 1,444,723</u>	<u>\$ 1,387,526</u>	<u>\$ 915,942</u>	<u>\$ 1,627,363</u>
Internal Service Funds				
Donations	5,400	9,600	-	-
Interest Income	17,275	38,411	7,200	7,200
Total Facilities Replacement Fund	<u>22,675</u>	<u>48,011</u>	<u>7,200</u>	<u>7,200</u>
Internal Service Charges	56,129	-	-	65,000
Vehicle Replacement Charges	5,100	-	-	-
Total Internal Service Fund	<u>61,229</u>	<u>-</u>	<u>-</u>	<u>65,000</u>
Auction/Recycle Proceeds	3,839	46,457	25,000	-
Interest Income	12,830	26,049	2,400	2,400
Internal Service Charges	1,193	-	-	-
Vehicle Replacement Charges	331,305	268,446	300,184	354,542
Total Vehicle/Equip Repl Fund	<u>349,167</u>	<u>340,952</u>	<u>327,584</u>	<u>356,942</u>
Total Internal Service Funds	<u>\$ 433,071</u>	<u>\$ 388,963</u>	<u>\$ 334,784</u>	<u>\$ 429,142</u>
Total Revenues	<u>\$ 24,357,034</u>	<u>\$ 26,194,614</u>	<u>\$ 26,592,303</u>	<u>\$ 27,376,957</u>

Revenue Summary

FY20-21 Revenues by Type

	General Fund	Debt Service Funds	Capital Projects Funds	Non-Major Funds	Total	% of Total
Revenues:						
Sales Tax	\$ 10,422,177	\$ -	\$ 904,152	\$ 1,306,878	\$ 12,633,207	36%
Property Tax	-	400,001	-	6,643	406,644	1%
Franchise Tax	211,974	-	-	-	211,974	1%
Intergovernmental	6,840,899	-	17,500	3,937,072	10,795,471	30%
Fines and Forfeitures	185,004	-	-	49,000	234,004	1%
Licenses and Permits	992,737	-	679,311	-	1,672,048	5%
Charges for Services	221,550	-	-	300,000	521,550	1%
Leases and Rents	278,590	-	-	-	278,590	1%
Investment Earnings	24,000	2,280	33,600	31,692	91,572	0%
Other	81,355	-	-	450,542	531,897	1%
Subtotal Revenues	19,258,286	402,281	1,634,563	6,081,827	27,376,957	76%
Transfers In	-	-	975,000	656,240	1,631,240	5%
Subtotal	19,258,286	402,281	2,609,563	6,738,067	29,008,197	82%
Use/(Source) of Reserves	250,000	6,319	3,936,511	2,279,204	6,472,034	18%
Total Revenues	<u>\$ 19,508,286</u>	<u>\$ 408,600</u>	<u>\$ 6,546,074</u>	<u>\$ 9,017,271</u>	<u>\$ 35,480,231</u>	<u>100%</u>

Note: See page 42 for a listing of the funds included in each column.

See the following pages for a discussion of the major revenue types, restrictions on use, and major influences for each type. The graphs on the following pages do not represent all of the accounts combined into the above categories.

The use of reserves is intended to fund capital projects.

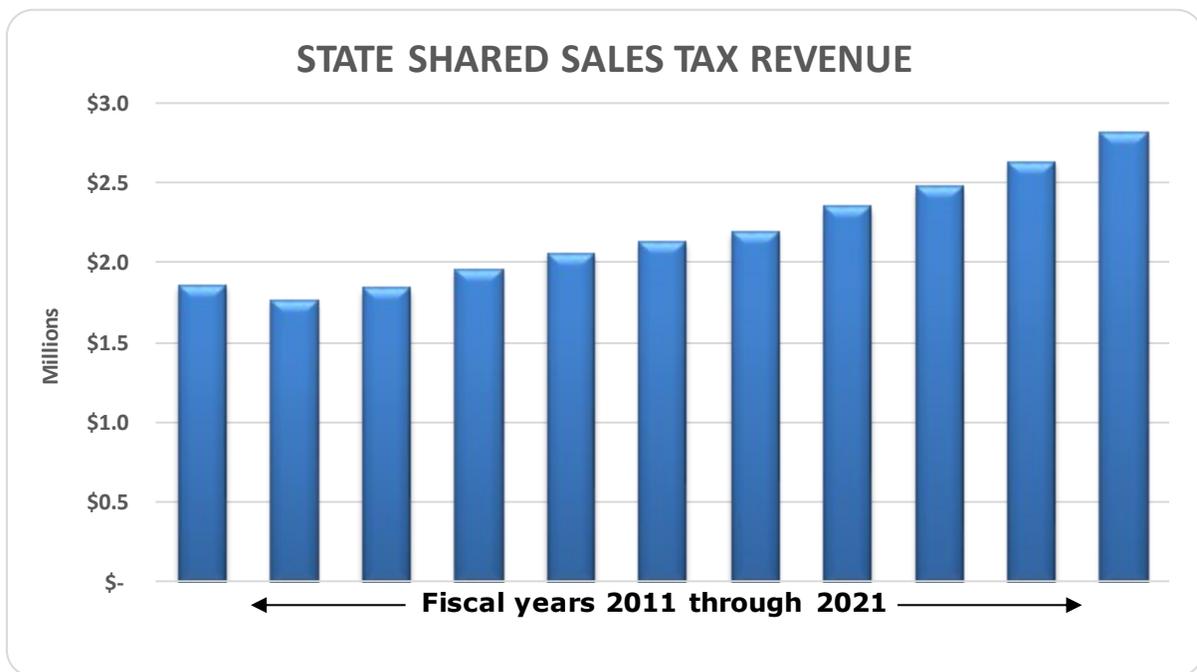
Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purposes.	2010-11	\$ 1,860,421	3.5%
	2011-12	\$ 1,757,297	-5.5% ¹
	2012-13	\$ 1,840,766	4.7%
	2013-14	\$ 1,957,505	6.3%
	2014-15	\$ 2,055,241	5.0%
	2015-16	\$ 2,131,484	3.7%
	2016-17	\$ 2,192,043	2.8% ¹
	2017-18	\$ 2,352,502	7.3%
	2018-19	\$ 2,476,030	5.3%
	2019-20 (est.)	\$ 2,630,053	6.2%
	2020-21 (est.)	\$ 2,815,034	7.0%
	2021-22 (est.)	\$ 2,843,184	1.0%
	2022-23 (est.)	\$ 2,871,616	1.0%
	2023-24 (est.)	\$ 2,900,332	1.0%
	2024-25 (est.)	\$ 2,929,335	1.0%

¹ Change as a result of census population

Assumptions

The State assesses a 5.6% 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 Department of Revenue census figures (Fountain Hills represents 0.4% of the State total). The next year's 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



Revenue Summary
Local Sales Tax
All Funds

Restrictions	Fiscal Year	Amount	Percent Change
Revenues from the 2.9% local sales tax are allocated to Capital Projects, Pavement Maintenance, Downtown Strategy, Economic Development and General Fund. General Fund proceeds are not restricted but must be expended for public purpose.	2010-11	\$ 7,844,332	2.6%
	2011-12	\$ 7,779,219	-0.8%
	2012-13	\$ 7,957,162	2.3%
	2013-14	\$ 8,459,267	6.3%
	2014-15	\$ 8,983,050	6.2%
	2015-16	\$ 9,391,267	4.5%
	2016-17	\$ 9,419,552	0.3%
	2017-18	\$ 10,311,578	9.5%
	2018-19	\$ 11,491,124	11.4%
	2019-20 (est.)	\$ 13,172,304	14.6%
	2020-21 (est.)	\$ 12,633,209	-4.1%
	2021-22 (est.)	\$ 12,969,794	2.7%
	2022-23 (est.)	\$ 13,607,734	4.9%
	2023-24 (est.)	\$ 14,095,010	3.6%
2024-25 (est.)	\$ 14,582,286	3.5%	

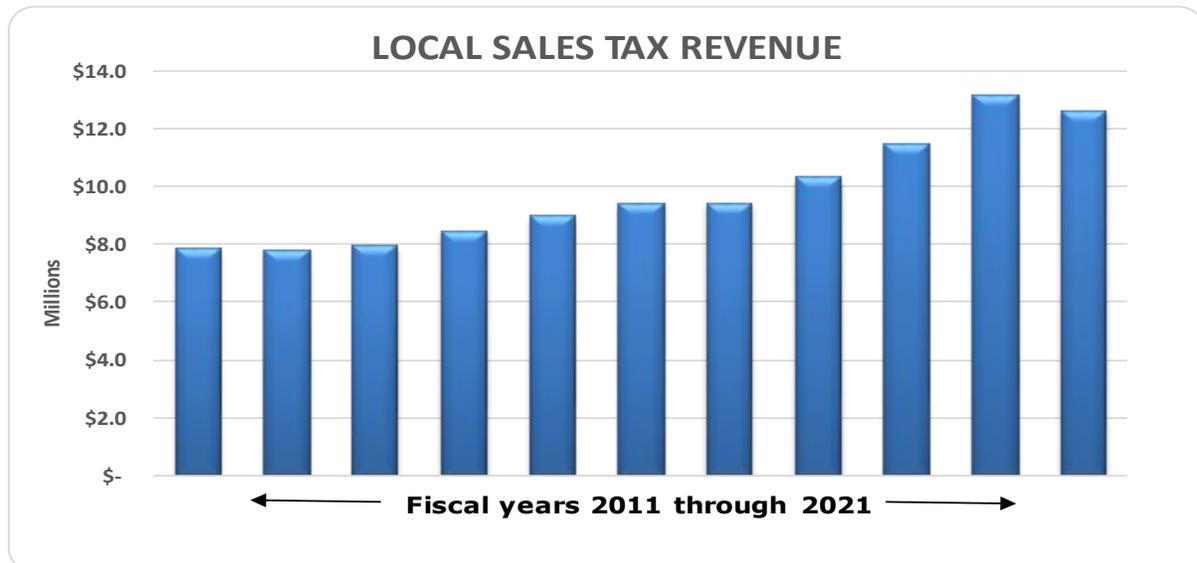
Assumptions

The local sales tax rate in Fountain Hills is 2.9% (increased from 2.6% as of 11/1/19) - total receipts for FY20-21 are estimated to be \$12.6M. The construction related sales tax is derived from one-time activities and has been dedicated for one-time expenditures. Another portion of the local sales tax is dedicated for downtown development. The following is a breakdown of the dedicated and non-dedicated (General Fund) projections:

Dedications:

Downtown Strategy Fund	\$	87,125
Economic Development Fund		348,502
Pavement Maintenance		871,254
Capital Projects Fund		904,151
General Fund		<u>10,422,177</u>
Total Projections		<u>\$12,633,209</u>

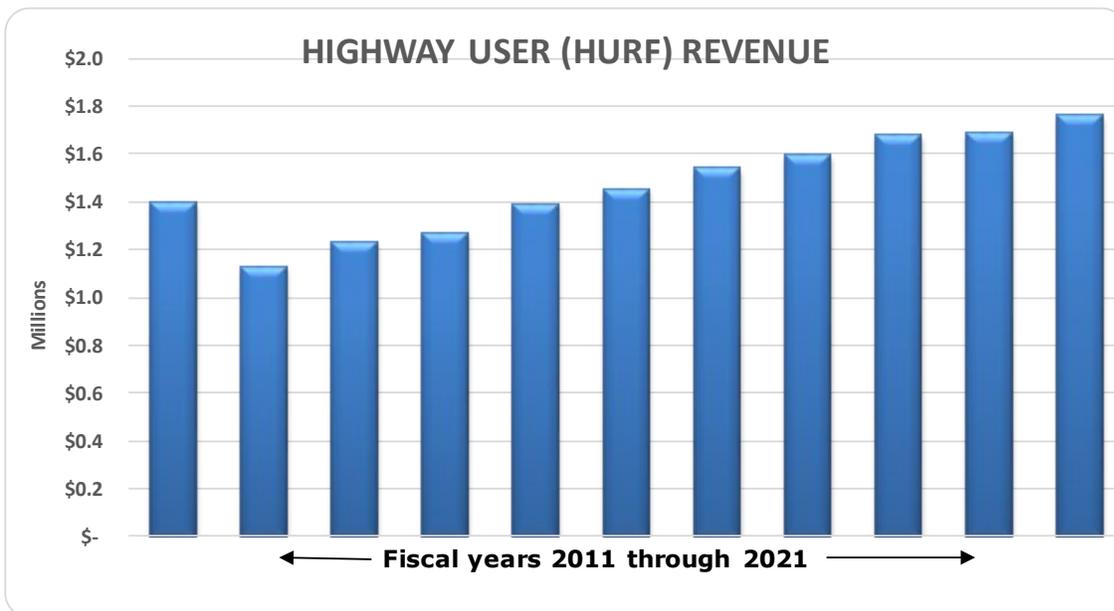
Major Influences: Economy, Construction Activity, Retail Sales, Public Policy



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.	2010-11	\$ 1,396,075	0.4%
	2011-12	\$ 1,126,762	-19.3%
	2012-13	\$ 1,232,187	9.4%
	2013-14	\$ 1,268,563	3.0%
	2014-15	\$ 1,392,806	9.8%
	2015-16	\$ 1,451,431	4.2%
	2016-17	\$ 1,538,940	6.0%
	2017-18	\$ 1,593,514	3.5%
	2018-19	\$ 1,679,594	5.4%
	2019-20 (est.)	\$ 1,689,156	0.6%
	2020-21 (est.)	\$ 1,761,610	4.3%
	2021-22 (est.)	\$ 1,720,656	-2.3%
	2022-23 (est.)	\$ 1,775,466	3.2%
	2023-24 (est.)	\$ 1,832,166	3.2%
2024-25 (est.)	\$ 1,889,244	3.1%	
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 revenue estimate for next year is based on estimates of revenue sharing by Arizona Department of Transportation (ADOT) in their distribution forecast for the next fiscal year.

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



Revenue Summary
 State-shared Income Tax Revenue
 General Fund

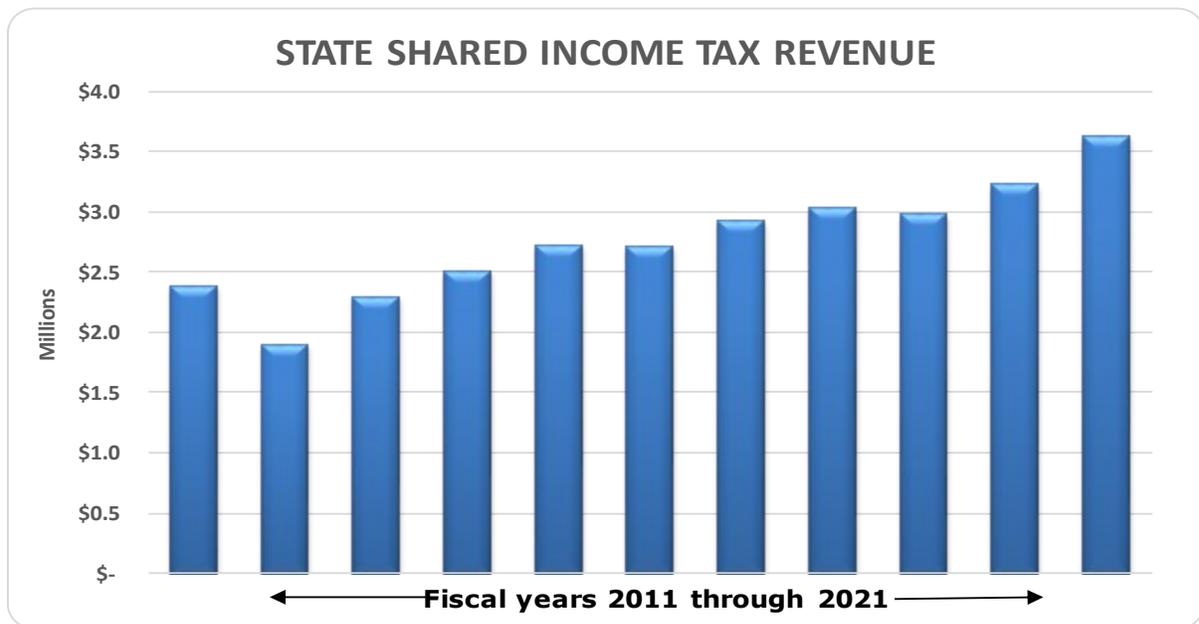
Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purposes.	2010-11	\$ 2,383,874	-24.6%
	2011-12	\$ 1,898,088	-20.4% ¹
	2012-13	\$ 2,297,203	21.0%
	2013-14	\$ 2,506,685	9.1%
	2014-15	\$ 2,722,433	8.6%
	2015-16	\$ 2,707,673	-0.5%
	2016-17	\$ 2,923,870	8.0% ¹
	2017-18	\$ 3,032,329	3.7%
	2018-19	\$ 2,976,998	-1.8%
	2019-20 (est.)	\$ 3,225,317	8.3%
	2020-21 (est.)	\$ 3,629,135	12.5%
	2021-22 (est.)	\$ 3,629,135	0.0%
	2022-23 (est.)	\$ 3,629,135	0.0%
	2023-24 (est.)	\$ 3,629,135	0.0%
	2024-25 (est.)	\$ 3,629,135	0.0%

¹ Change as a result of census population

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 next year's projection is provided by the League of Arizona Cities and Towns and the State's Joint Legislative Budget Committee (JLBC).

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



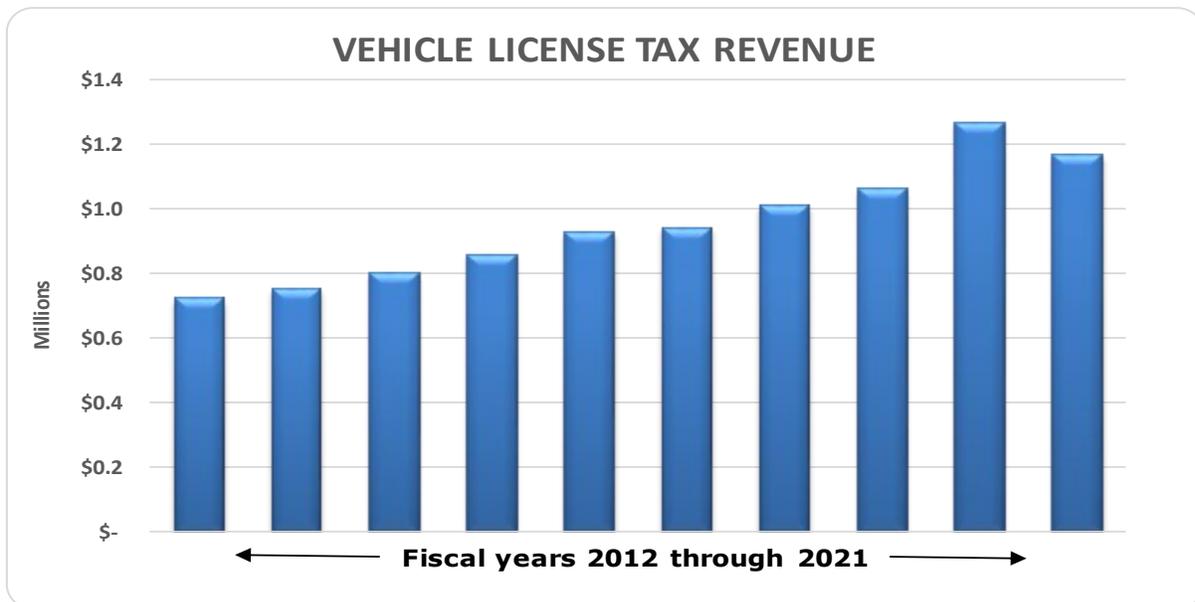
Revenue Summary
Vehicle License Tax Revenue
General & Streets (HURF) Funds

Restrictions	Fiscal Year	Amount	Percent Change
Town Council has restricted for the Pavement Management Program. (30% allocated to General Fund)	2010-11	\$ 799,551	-2.7%
	2011-12	\$ 722,126	-9.7%
	2012-13	\$ 752,949	4.3%
	2013-14	\$ 800,475	6.3%
	2014-15	\$ 858,874	7.3%
	2015-16	\$ 927,440	8.0%
	2016-17	\$ 941,364	1.5%
	2017-18	\$ 1,011,836	7.5%
	2018-19	\$ 1,061,441	4.9%
	2019-20 (est.)	\$ 1,269,840	19.6%
	2020-21 (est.)	\$ 1,166,699	-8.1%
	2021-22 (est.)	\$ 1,337,156	14.6%
	2022-23 (est.)	\$ 1,382,620	3.4%
	2023-24 (est.)	\$ 1,431,011	3.5%
2024-25 (est.)	\$ 1,481,097	3.5%	
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 (Fountain Hills represents 0.4% of the State total). The remainder of the revenues collected are shared by schools, counties, and the State. The Town Council of Fountain Hills passed Resolution 2013-02 designating proceeds from the VLT to be used strictly for maintenance of Town's streets (transferred to Streets/HURF fund). Beginning in FY19-20, Town Council has reallocated the vehicle license tax as follows: 30% to the General Fund and 70% to the Streets (HURF) Fund.

General Fund	\$ 350,010
Streets (HURF) Fund	<u>816,689</u>
	<u>\$ 1,166,699</u>

Major Influences: Automobile sales, Population, and State Policy



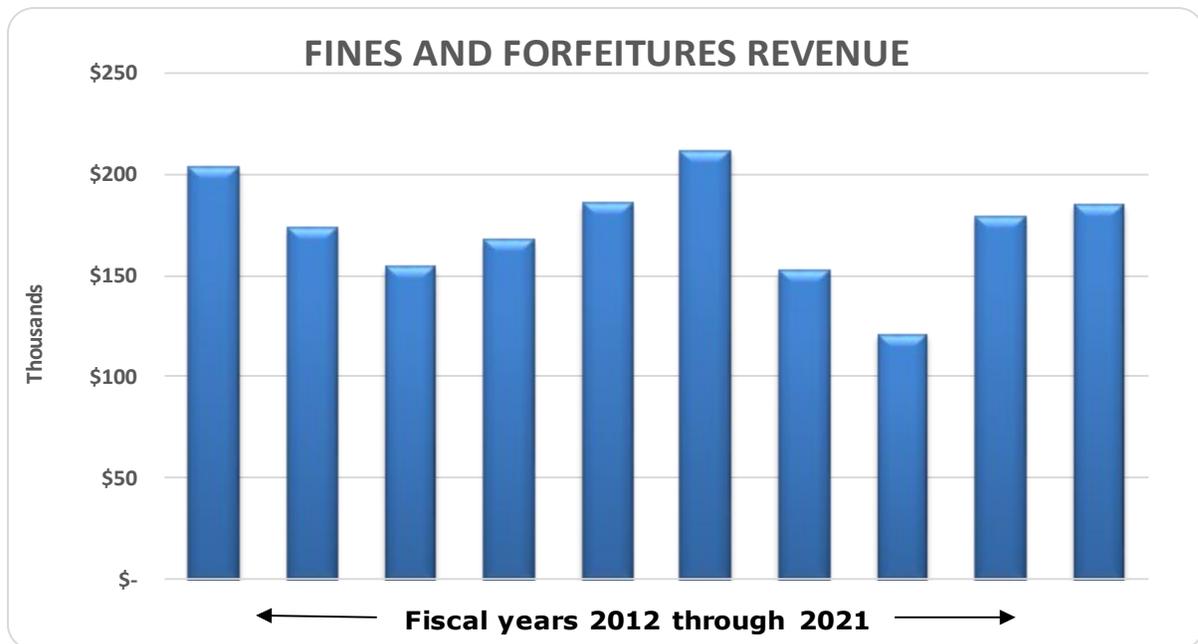
Revenue Summary
 Fines and Forfeitures Revenue
 General Fund

Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purpose.	2010-11	\$ 214,999	-17.2%
	2011-12	\$ 203,350	-5.4%
	2012-13	\$ 173,024	-14.9%
	2013-14	\$ 154,024	-11.0%
	2014-15	\$ 167,491	8.7%
	2015-16	\$ 185,279	10.6%
	2016-17	\$ 211,190	14.0%
	2017-18	\$ 152,161	-28.0%
	2018-19	\$ 120,340	-20.9%
	2019-20 (est.)	\$ 179,000	48.7%
	2020-21 (est.)	\$ 185,000	3.4%
	2021-22 (est.)	\$ 189,000	2.2%
	2022-23 (est.)	\$ 205,000	8.5%
	2023-24 (est.)	\$ 200,000	-2.4%
2024-25 (est.)	\$ 200,000	0.0%	

Assumptions

Municipal Court fines come from traffic violations and other fines paid for the violation of municipal ordinances. The Town contracts with the Maricopa County Sheriff's Office for traffic enforcement and has seen a slight increase in the number of citations.

Major Influences: Population, Enforcement, Public Policy

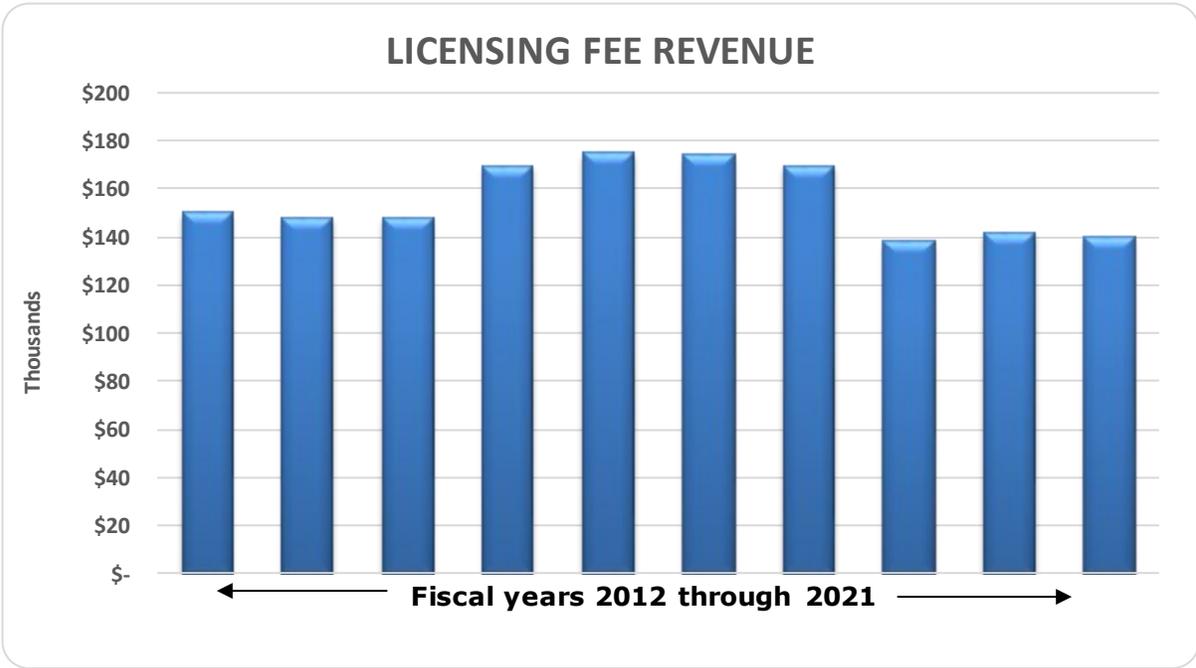


Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purpose.	2010-11	\$ 151,637	2.0%
	2011-12	\$ 150,144	-1.0%
	2012-13	\$ 148,209	-1.3%
	2013-14	\$ 148,066	-0.1%
	2014-15	\$ 169,638	14.6%
	2015-16	\$ 175,120	3.2%
	2016-17	\$ 174,027	-0.6%
	2017-18	\$ 169,455	-2.6%
	2018-19	\$ 137,869	-18.6%
	2019-20 (est.)	\$ 141,696	2.8%
	2020-21 (est.)	\$ 139,760	-1.4%
	2021-22 (est.)	\$ 139,760	0.0%
	2022-23 (est.)	\$ 139,760	0.0%
	2023-24 (est.)	\$ 139,760	0.0%
2024-25 (est.)	\$ 139,760	0.0%	

Assumptions

License fees are derived from fees on professions, occupations, businesses operating within Town limits. The license fee is used primarily as a means of regulating businesses within the community. The estimate for FY20-21 is based on 3,035 active business licenses. Beginning in FY18-19, animal licensing was transferred to Maricopa County Animal Care and Control.

Major Influences: Economy, Enforcement



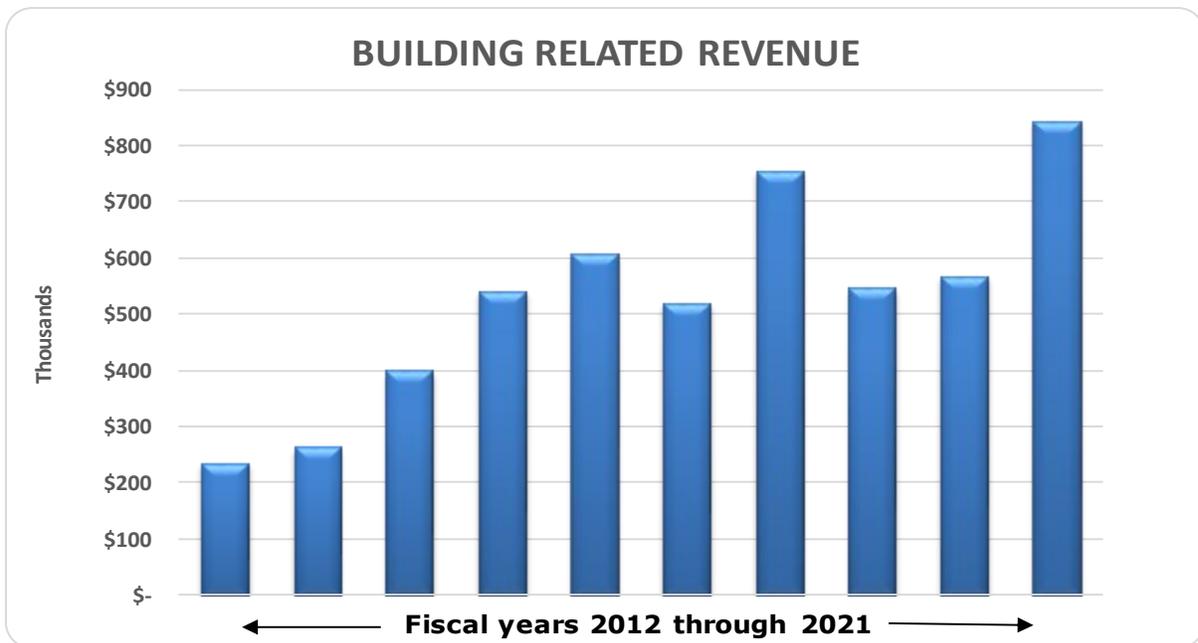
Revenue Summary
 Building Related Revenue
 General Fund

Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purpose.	2010-11	\$ 253,074	7.1%
	2011-12	\$ 232,447	-8.2%
	2012-13	\$ 262,403	12.9%
	2013-14	\$ 396,875	51.2%
	2014-15	\$ 538,264	35.6%
	2015-16	\$ 605,966	12.6%
	2016-17	\$ 518,619	-14.4%
	2017-18	\$ 753,523	45.3%
	2018-19 (est.)	\$ 543,700	-27.8%
	2019-20 (est.)	\$ 566,341	4.2%
	2020-21 (est.)	\$ 841,592	48.6%
	2021-22 (est.)	\$ 566,341	-32.7%
	2022-23 (est.)	\$ 566,341	0.0%
2023-24 (est.)	\$ 566,341	0.0%	
2024-25 (est.)	\$ 566,341	0.0%	

Assumptions

Revenues from this source include the fees collected from building permits, rezoning, improvement plans, encroachment and subdivision plans. The estimates for FY20-21 are based on construction activity provided by local developers and planning staff and reflect the general economy in new home construction. The projected number of permits for next fiscal year is 64 single family, 38 multi-family unit, and 2 commercial projects.

Major Influences: Population, Economy, Development, Public Policy

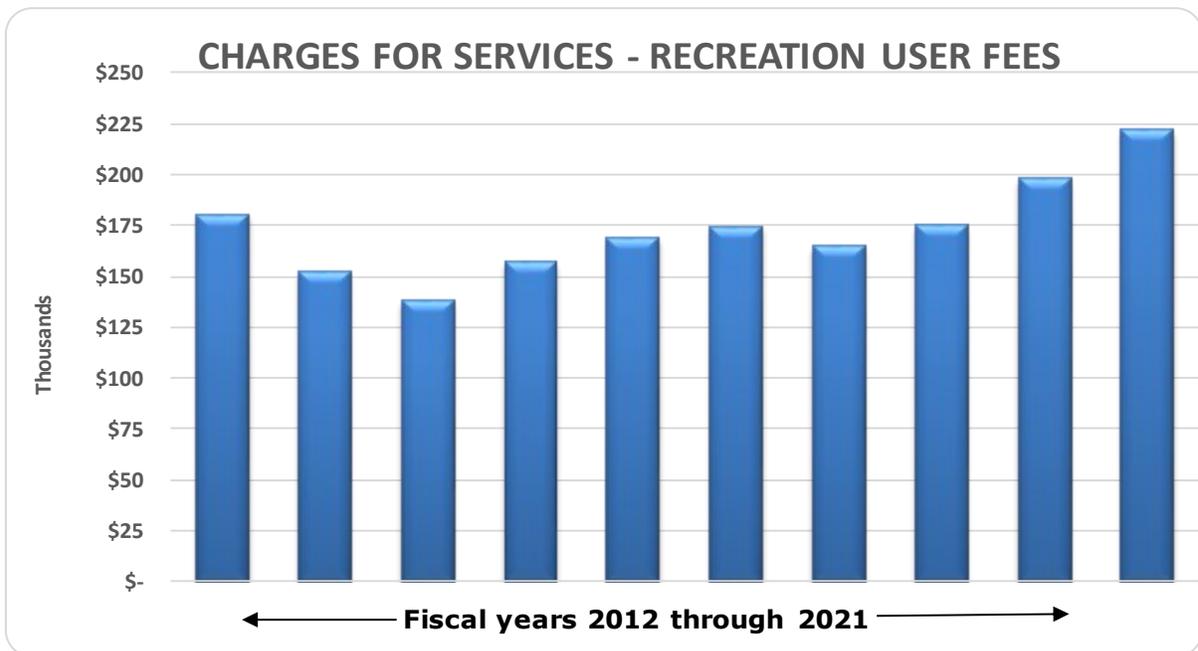


Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purpose.	2010-11	\$ 187,524	-2.7%
	2011-12	\$ 180,223	-3.9%
	2012-13	\$ 152,106	-15.6%
	2013-14	\$ 138,089	-9.2%
	2014-15	\$ 156,839	13.6%
	2015-16	\$ 168,895	7.7%
	2016-17	\$ 174,638	3.4%
	2017-18	\$ 164,456	-5.8%
	2018-19	\$ 174,886	6.3%
	2019-20 (est.)	\$ 197,800	13.1%
	2020-21 (est.)	\$ 221,500	12.0%
	2021-22 (est.)	\$ 211,500	-4.5%
	2022-23 (est.)	\$ 212,500	0.5%
	2023-24 (est.)	\$ 212,500	0.0%
2024-25 (est.)	\$ 212,500	0.0%	

Assumptions

Charges for services are collected from recreation programs for youths to seniors. Senior Services offers programs for senior citizens including home delivered meals, fitness programs, special interest classes, as well as social events.

Major Influences: Population, Internal Policy on Rates



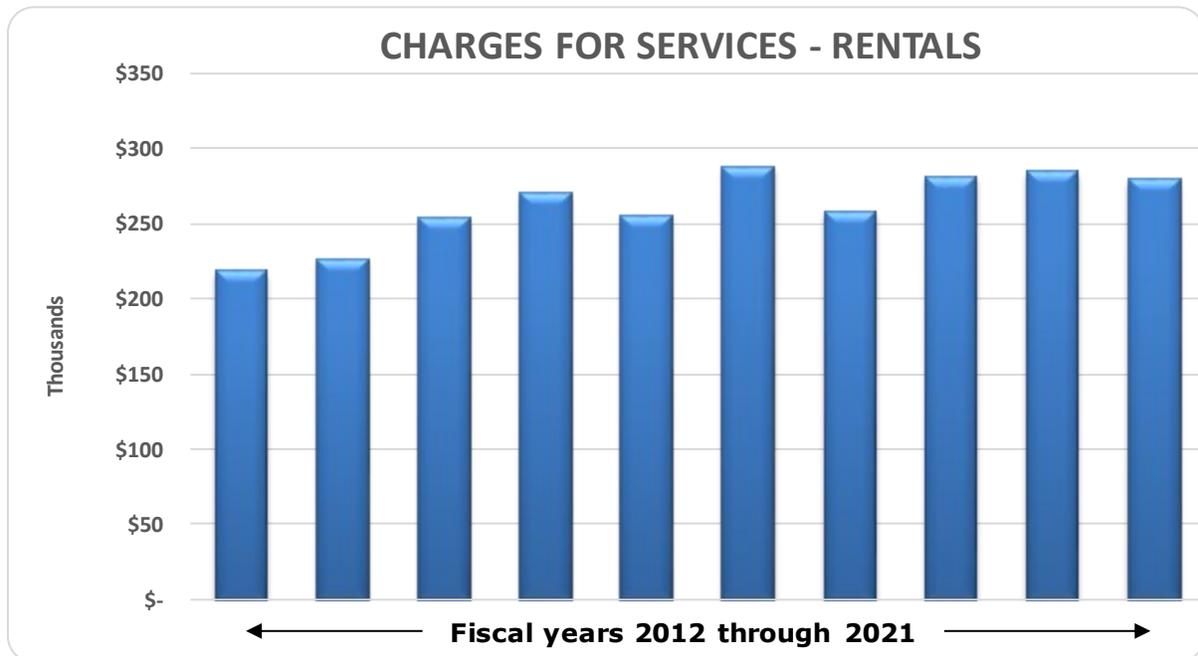
Revenue Summary
Charges For Services-Rentals
General Fund

Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purpose.	2010-11	\$ 238,104	5.2%
	2011-12	\$ 217,987	-8.4%
	2012-13	\$ 226,600	4.0%
	2013-14	\$ 252,874	11.6%
	2014-15	\$ 269,774	6.7%
	2015-16	\$ 255,204	-5.4%
	2016-17	\$ 287,500	12.7%
	2017-18	\$ 257,368	-10.5%
	2018-19	\$ 281,000	9.2%
	2019-20 (est.)	\$ 284,213	1.1%
	2020-21 (est.)	\$ 279,220	-1.8%
	2021-22 (est.)	\$ 286,808	2.7%
	2022-23 (est.)	\$ 290,712	1.4%
	2023-24 (est.)	\$ 294,731	1.4%
2024-25 (est.)	\$ 299,082	1.5%	

Assumptions

The Community Center provides meeting space for the Senior Services, local organizations such as the photography club, Community Chorus, Fountain Hills Realtors and various homeowners associations. It also serves as a venue for weddings, concerts and other gatherings. Park rentals include the Plaza and ramada rentals. Additional rental charges are collected from cellular providers for use of Town property for their towers.

Major Influences: Population, Internal Policy on Rates



Expenditure Summary

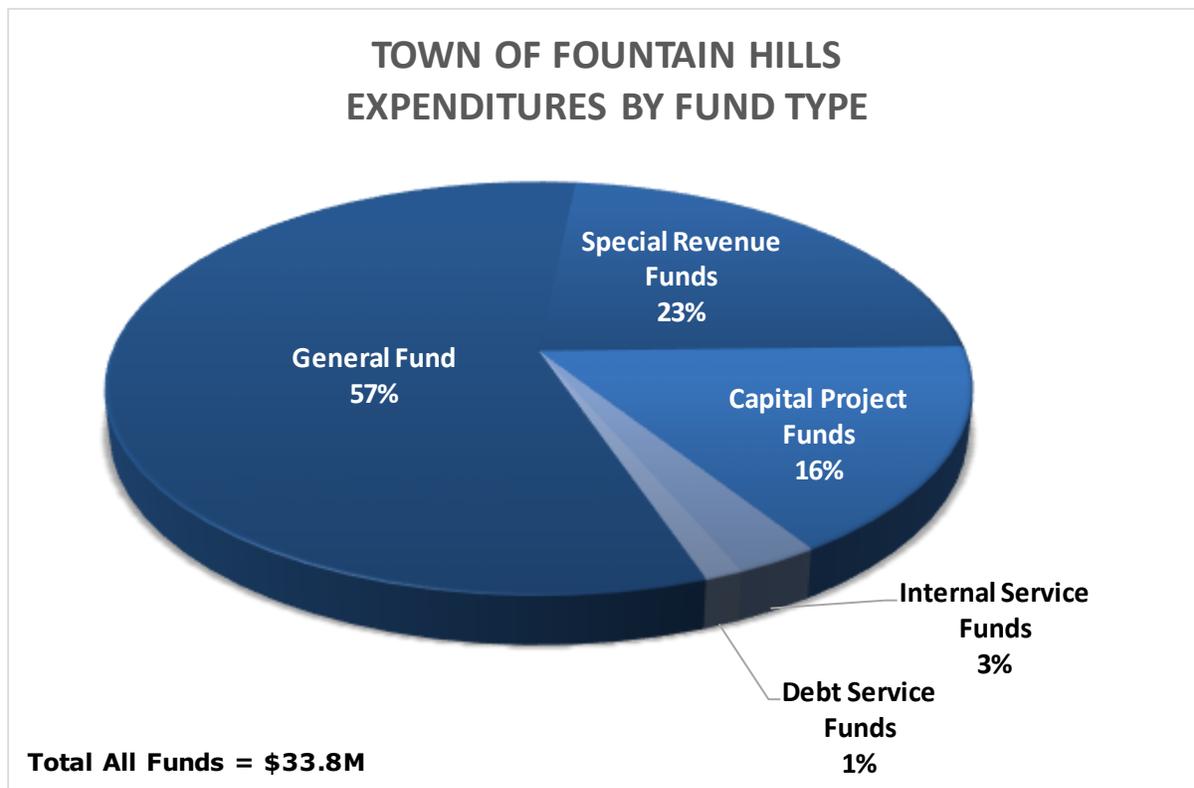
Expenditures

This section provides a broad overview of the expenditures included in the FY20-21 budget. Information is presented for each fund and fund type.

All Funds Expenditure Summary

Total expenditures for all funds are \$33,848,991, excluding transfers. The General Fund represents 57% of the total budgeted expenditures. Special Revenue funds, including the Streets (HURF) Fund, represent another 23%. Capital Projects funds represent 16%, Internal Service funds represent 3%, and Debt Service funds represent 1% of the expenditures.

With the introduction of program budgeting, all expenditures are categorized by line item or program. A summary of all programs and proposed costs is shown on the following pages.



FY20-21 Proposed Budget
Summary of Expenditures by Fund and Program

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
General Fund				
Accounting	\$ 164,076	\$ 171,417	\$ 308,661	\$ 318,407
Administration	6,186,029	6,788,389	8,101,272	10,084,824
Animal Control	24,319	-	-	-
Attorney Services	464,384	302,557	285,116	293,564
Building Inspection	299,489	334,201	536,490	355,963
Building Maintenance	99,165	107,194	197,755	175,130
Code Compliance	74,502	79,628	158,855	163,545
Community Events	165,798	175,152	175,873	189,575
Customer Service	41,261	44,330	42,985	44,665
Engineering	144,770	161,642	272,018	279,959
Fountain	150,662	121,176	173,217	175,515
Home Delivered Meals	45,606	50,023	67,010	85,433
Legislation	13,138	5,274	-	-
Licensing	55,163	58,570	-	-
Mapping & Graphics	96,039	102,723	113,329	116,460
Media Relations	36,012	35,799	35,427	147,523
Open Space	11,172	12,300	45,330	58,910
Operations	5,525,164	5,592,859	6,068,095	6,383,509
Outside Inspections	53,702	39,394	56,703	58,834
Planning & Zoning	98,097	102,683	111,483	121,088
Purchasing	61,342	65,335	-	-
Risk Management	285,141	300,238	-	-
Special Interest Programs	16,087	16,092	15,878	15,878
Sports Activities	39,293	38,611	52,520	52,520
Volunteers	85,739	76,382	93,516	107,044
Youth & Teen Programs	20,928	23,314	29,940	29,940
Total General Fund	\$ 14,257,078	\$ 14,805,283	\$ 16,941,473	\$ 19,258,286
Total General Fund	\$ 14,257,078	\$ 14,805,283	\$ 16,941,473	\$ 19,258,286
Special Revenue Funds				
Administration	\$ 314,509	\$ 432,605	\$ 529,357	\$ 537,228
Open Space	255,891	279,629	430,379	409,323
Pavement Management	1,748,608	3,647,363	4,012,909	3,950,165
Street Signs	46,003	163,443	153,220	156,631
Traffic Signals	188,049	-	-	-
Vehicle Maintenance	58,888	40,929	68,197	67,475
Total Streets Fund	2,611,948	4,563,969	5,194,062	5,120,822
Administration	56,044	38,204	46,400	38,400
Total Downtown Strategy Fund	56,044	38,204	46,400	38,400
Administration	183,332	224,051	285,482	241,270
Total Economic Development Fund	183,332	224,051	285,482	241,270
Administration	206,513	235,302	182,724	208,266
Total Tourism Fund	206,513	235,302	182,724	208,266
Grants Admin	157,945	91,211	1,662,525	1,338,500
Total Special Revenue Fund	157,945	91,211	1,662,525	1,338,500
Art & Culture	\$ 29,234	\$ 22,791	\$ 139,340	\$ 144,649
Total Public Art Fund	29,234	22,791	139,340	144,649
Court Enhancement	5,547	1,690	124,800	24,800
Judicial Court Enhancement	-	-	30,000	-
Total Court Enhancement Fund	5,547	1,690	154,800	24,800

Expenditure Summary

FY20-21 Proposed Budget Summary of Expenditures by Fund and Program

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Administration	530,655	501,717	735,255	666,904
Total Environmental Fund	530,655	501,717	735,255	666,904
Cottonwoods Maintenance District	4,696	4,530	5,101	5,131
Total Cottonwoods Maint District	4,696	4,530	5,101	5,131
Total Special Revenue Funds	\$ 3,785,914	\$ 5,683,465	\$ 8,405,689	\$ 7,788,742
Debt Service Funds				
Gen Oblig Bond Debt Service	\$ 2,121,550	\$ 1,972,850	\$ 1,663,800	\$ 350
Eagle Mtn CFD Debt Service	407,724	405,767	409,192	407,240
Munic Prop Corp Debt Service	377,696	381,854	305,870	1,010
Total Debt Service Funds	\$ 2,906,970	\$ 2,760,471	\$ 2,378,862	\$ 408,600
Capital Projects Funds				
Administration	\$ 2,791	\$ 2,720	\$ 116,673	\$ 262,535
Fire Suppression	1,837,137	2,558,246	-	-
General Govt Projects	25,482	-	300,000	150,000
Park Development	1,135,741	1,120,213	485,000	735,000
Pavement Management	224,530	568,802	1,333,378	1,708,000
Stormwater Management	-	2,526	725,000	2,551,695
Traffic Signals	-	-	-	50,000
Total Capital Projects Fund	3,225,681	4,252,507	2,960,051	5,457,230
Fire/Emergency Dev Fee	-	7,632	9,500	-
Park/Rec Dev Fee	-	33,094	-	-
Open Space Dev Fee	535	68	40,500	40,000
Total Development Fee Funds	535	40,794	50,000	40,000
Total Capital Projects Funds	\$ 3,226,216	\$ 4,293,301	\$ 3,010,051	\$ 5,497,230
Internal Service Funds				
Administration	163,759	437,028	819,144	819,144
Total Facilities Replacement Fund	163,759	437,028	819,144	819,144
Operational Support	61,229	-	-	25,000
Total Internal Service Fund	61,229	-	-	25,000
Vehicle Replacement	1,008,231	176,401	931,150	51,989
Total Vehicle Replacement Fund	1,008,231	176,401	931,150	51,989
Total Internal Service Funds	\$ 1,233,219	\$ 613,429	\$ 1,750,294	\$ 896,133
Total Expenditures	\$ 25,409,397	\$ 28,155,949	\$ 32,486,369	\$ 33,848,991

FY20-21 Expenditures by Function

	General Fund	Debt Service Funds	Capital Project Funds	Non-Major Funds	Total	% of Total
Expenditures:						
General Government	\$ 5,022,091	\$ 408,600	\$ 262,535	\$ 1,928,225	\$ 7,621,451	20%
Public Safety	9,226,799	-	-	-	9,226,799	26%
Community Services	2,942,046	-	775,000	144,649	3,861,695	11%
Public Works	1,120,866	-	4,459,695	6,612,001	12,192,562	34%
Development Services	946,484	-	-	-	946,484	3%
Subtotal Expenditures	19,258,286	408,600	5,497,230	8,684,875	33,848,991	94%
Transfers Out	250,000	-	229,700	1,151,540	1,631,240	5%
Total Expenditures	<u>\$ 19,508,286</u>	<u>\$ 408,600</u>	<u>\$ 5,726,930</u>	<u>\$ 9,836,415</u>	<u>\$ 35,480,231</u>	<u>99%</u>

Note: See page 42 for a listing of the funds included in each column.

FY20-21 General Fund Expenditures by Department and Division

Department	Division	Proposed Budget
Mayor & Council	Mayor & Council	\$ 74,882
Administration	Town Manager	433,426
	Town Clerk	246,680
	Administrative Services	259,245
	Purchasing	98,637
	Finance	687,402
	Information Technology	320,709
	Legal Services	293,564
	Total Administration	2,339,663
General Government	Non-Departmental	2,204,942
Municipal Court	Municipal Court	402,604
Public Works	Public Works	143,543
	Engineering	279,959
	Facilities	697,364
	Total Public Works	1,120,866
Development Services	Development Services	189,428
	Planning & Zoning	121,088
	Code Compliance	163,545
	Mapping & Graphics	116,460
	Building Safety	355,963
	Total Development Services	946,484
Community Services	Community Services	340,968
	Recreation	658,514
	Community Center	314,486
	Senior Services	236,629
	Parks-Town Hall	103,761
	Parks-Fountain Park	584,356
	Parks-Golden Eagle Park	290,908
	Parks-Four Peaks Park	134,407
	Parks-Desert Vista Park	92,398
	Parks-Open Space/Trails	58,910
	Parks-Avenue of the Fountains Plaza	126,709
	Total Community Services	2,942,046
Law Enforcement	Law Enforcement	5,029,469
Fire & Emergency Medical	Fire & Emergency Medical	4,197,330
Total General Fund Expenditures		\$ 19,258,286

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 towns are required to stay within the limits or incur a penalty (reduction in State-shared revenues).

The FY20-21 expenditure limitation for the Town of Fountain Hills is \$30,646,564 which is a 2.7% increase from the previous year. The limit applies to FY20-21 expenditures of the Town (all funds) but allows for certain exemptions and deductions. For example, bond proceeds, debt service payments, grant expenditures, and HURF are not included when determining compliance with the expenditure limitation. However, development fee and capital project expenditures are subject to the limitation. The table below is an estimate of the Town's expenditure limitation, deductions and exclusions and final spending authority.

EXPENDITURE LIMITATION ANALYSIS (Estimated)

Total Expenditures	\$ 33,848,991
Exclusions (Subtractions) from Revenues:	
Separate Legal Entities	413,381
Required fees paid to the Arizona Department of Revenue	65,000
Debt Service Payments	350
Dividends, Interest, Gains	165,517
Grants, Aid, Contributions from Federal Government	2,893,126
Grants, Aid, Contributions from Private Organizations	37,545
Amounts Received from State	1,376,300
Quasi-External interfund Transactions	-
Savings Reserved for Capital Purchase (voter approved)	-
Highway User Revenues Excess 1979-80	3,679,695
Contracts with Other Political Subdivisions	-
Refunds, Reimbursements	1,260
Voter Approved Exclusions	-
Prior Years Carry Forward	-
Total Exclusions	<u>8,632,174</u>
Expenditures subject to limitation	25,216,817
Expenditure Limitation	<u>30,646,564</u>
Under/(Over) Limitation	<u>\$ 5,429,747</u>

Budget Process & Schedule

Planning Process

A number of planning processes are in place to guide the Town's decision making. Many of these processes allow for direct citizen input through public hearings, community meetings or participation in Council-appointed committees. The Town's planning processes include:

Planning Process	Description
Town Vision, Mission, Goals and Values	Sets the overall tone of the organization and guides employees in managing the daily operations of the Town.
General Plan	A guide designed to encourage the most appropriate use of land and resources within the Town consistent with the interest of the citizens. The General Plan sets forth goals, objectives, policies and implementation techniques that will guide the development activity within the Town and promote, preserve and protect the health, safety, and general welfare of its citizens.
Capital Improvement Program	A five-year guide to assist in long range planning for the Town's capital needs. Details of the adopted Capital Improvement Plan are found beginning on page 347.
Fiscal Policy Guidelines	Policies guiding the financial management of the Town of Fountain Hills are approved by the Town Council to ensure a fiscally sound government. The adoption of and compliance with these policies is an important factor in Rating Agency reviews. A summary of the Town's policies can be found beginning on page 52.
Annual Budget Process	Town staff develops a recommended budget. Many of the decisions included in that recommendation are driven by processes noted above. A summary of the Town's budget process can be found on the following pages.
Five Year Financial Plan	A five-year financial forecast is developed annually as a tool to anticipate potential budget imbalances. The current plan can be found on page 16.

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 Division with the individual Departments and the Town Manager. Meetings with each Department, the Town Manager and the Finance Division are held during the months of February/March. After these meetings are completed, a proposed Town-wide balanced budget is prepared for submittal to the full Town Council and public in April/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 the 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) and the Government Finance Officers Association (GFOA). 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 are as follows:

1. A government should have broad goals that provide overall direction for the government and serve as a basis for decision making.
2. A government should have specific policies, plans, programs and management strategies to define how it will achieve its long-term goals.
3. A financial plan and budget that moves toward Town achievement of goals, within the constraints of available resources, should be prepared and adopted.
4. Program and financial performance should be continually evaluated, and adjustments made, to encourage progress toward achieving goals.

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.

The Town of Fountain Hills has broad goals that provide overall direction for the government and serves as a basis for decision-making.

- Assess community needs, priorities, challenges and opportunities
- Identify opportunities and challenges for governmental services, capital assets, and management
- Develop and disseminate broad goals
- 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
- Adopt financial policies
- Develop programmatic, operating, and capital policies and plans
- Develop programs and services that are consistent with policies and plans
- Develop management strategies
- 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
- Develop a process for preparing and adopting a budget
- Develop and evaluate financial options
- Make choices necessary to adopt a budget

- Evaluate performance and make adjustments – program and financial performance should be continually evaluated, and adjustments made, to encourage progress toward achieving goals
- Monitor, measure, and evaluate performance
- Make adjustments as needed

When does the “budget season” start?

The budget process typically begins in December or January when the Finance Division 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. 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. The budget 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 has access to 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 Program 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.

What funds are included in this budget?

The accounts of the Town are organized on the basis of funds, 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. (unrestricted).
- Special Revenue Funds – revenues derived from specific taxes or other earmarked revenue sources, usually required by statute or ordinance to finance particular activities. Streets (HURF) Fund, grants, and the Excise Tax Funds are examples of special revenue funds.
- 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 Projects Fund revenues are derived from excess General Fund revenues and 50% of the construction related local sales tax. These funds also include the Facilities Replacement Fund and the Development Fee Funds.

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 which is typically held around the beginning of the calendar year. The proposed budget is presented to the public and Town Council in April/May at which time a public hearing is held to receive input. This hearing 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.

Budget Schedule FY20-21

Wed, November 13, 2019	Staff budget "kick-off" meeting in the Council Chambers
Thu, November 21, 2019	CIP & Facilities Replacement Fund meeting
Thu, December 12, 2019	DEADLINE for preliminary operating budgets entered into MUNIS. Staffing requirements and budget supplements due to Finance. CIP project requests and funding sources due to Finance. Revenue projections from individual departments due to Finance. New or updated existing fees on Fee Schedule due to Finance
Mon, January 13, 2020	5 year Revenue Forecast due to Town Manager from Finance Final reconciliation of revenues vs. expenditures (Finance staff)
Tue - Thu, January 21 - 23, 2020	Departmental presentations for Town Manager
Tue, January 28, 2020	Mayor's State of the Town Address
Tue, February 25, 2020	Council Retreat Session - Priorities for FY20-21 with Council receiving preliminary CIP Budget & Strategic Plan Review
Wed, February 26, 2020	Staff meeting to debrief Council Retreat Department/Division templates due to Finance
Mon, March 2, 2020	Final operating budgets entered into MUNIS based on proposed changes from Retreat
Wed, March 4, 2020	Staff to review proposed budget dates with Town Attorney for statute compliance
Tue, March 24, 2020	Council Special Session @ 5:30 PM - Consideration of CIP projects
Thu, April 3, 2020	<u>A.R.S. §9-499.15(B)(1)-(3)</u> : Deadline to publish the proposed fee and tax levy notice on the Town's website (including written report/data supporting any increases or new fees) for legal compliance at least 60 days prior to date will be approved by the Council. Council receives proposed budget , posted online Budget Schedules prepared for Legal
Mon, April 13, 2020	Final revenue projections entered into MUNIS Public Outreach/Open House (5:30 - 6:30 PM)
Tue, April 14, 2020	Council Budget Workshop - Special Session @ 5:00 PM
Tue, May 5, 2020	Town, CMD & EMCFD Meetings - Adoption of Tentative Budgets with notice of hearing dates; notices sent to Cottonwood Homeowners the next day - <i>CMD requires 20 days between the date of the published notice and the final budget hearing, which (due to advertising date limitations creates a 29-day window between the tentative budget adoption and the final budget adoption; EMCFD requires 10 days between the date of the published notice and the final budget hearing, which would allow the EMCFD budget to be adopted with a 21-day gap between the tentative budget adoption and the final; however, it is aligned with the CMD to avoid confusion</i>
Wednesdays, May 13 & 20, 2020	Publish Notice of time & place of budget hearings, where budgets are available (Town Hall & Library), and Tentative Budget(s) in the Times legal section for 2 consecutive weeks; place on Town website & at Library the next day after adoption [A.R.S. §42-17103]
Mon, May 18, 2020	<u>A.R.S. §9-499.15(B)(4)</u> : Deadline to post [on all Town social media sites] the "Notice of Intent" - for legal compliance at least 15 days prior to date will be approved by Council.
Tue, June 2, 2020	Town, CMD & EMCFD Meetings - Public Hearing held in Regular Session (<u>required to be held on or before the 14th day before the day on which it levies taxes</u>); Council convenes in Special Session & adopts Town's Final Budget (A.R.S. §42-17104) and reconvenes the Regular Session [<u>14 days - June 16, 2020</u>]
Tue, June 16, 2020	CMD & EMCFD Meetings - Adoption of Tax Levy occurs on or before the 3 rd Monday in August [A.R.S. §42-17151]; Forward certified copy of approved tax levy ordinance(s) to County Board of Supervisors the next business day
Tue, June 23, 2020	Post Final Budget(s) on website within 7 days of adoption [A.R.S. §42-17105 - for 60 months]
July through August 23, 2020	Council Summer Hiatus
Tue, August 24, 2020	1 st meeting of the new fiscal year

GENERAL FUND

MAYOR & TOWN COUNCIL

ADMINISTRATION

GENERAL GOVERNMENT

MUNICIPAL COURT

PUBLIC WORKS

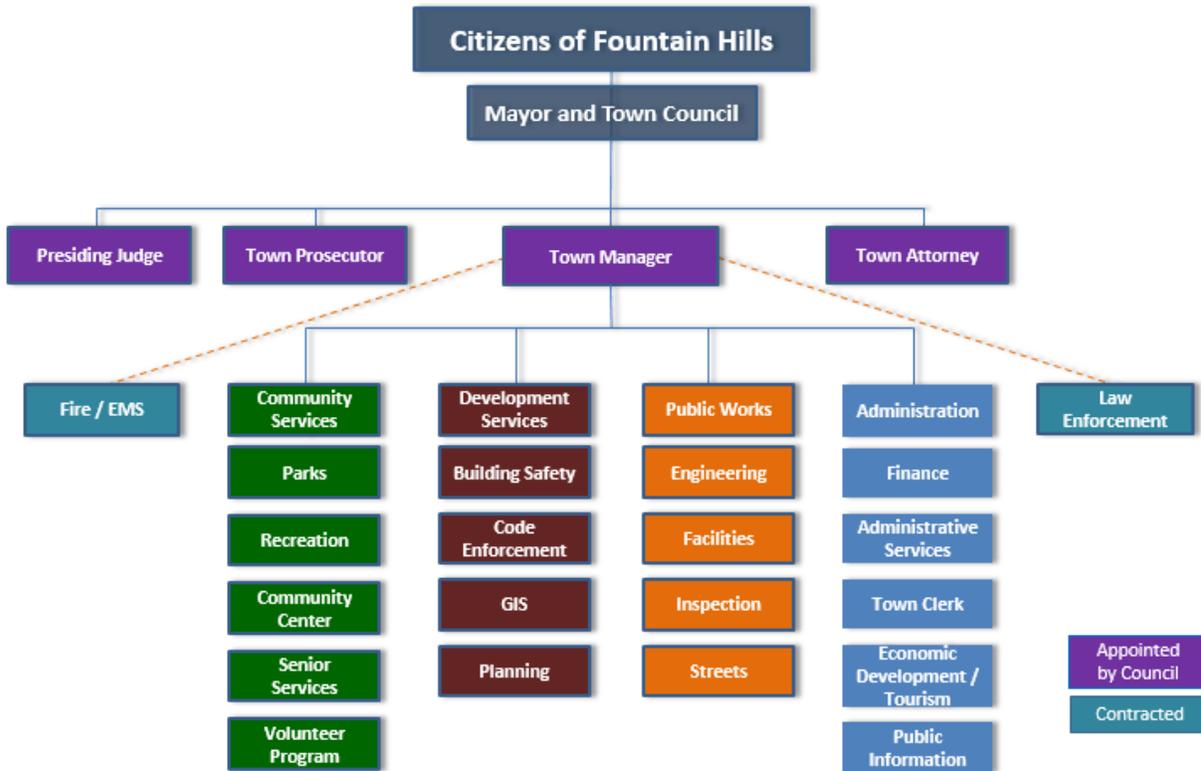
DEVELOPMENT SERVICES

COMMUNITY SERVICES

LAW ENFORCEMENT

FIRE & EMERGENCY MEDICAL

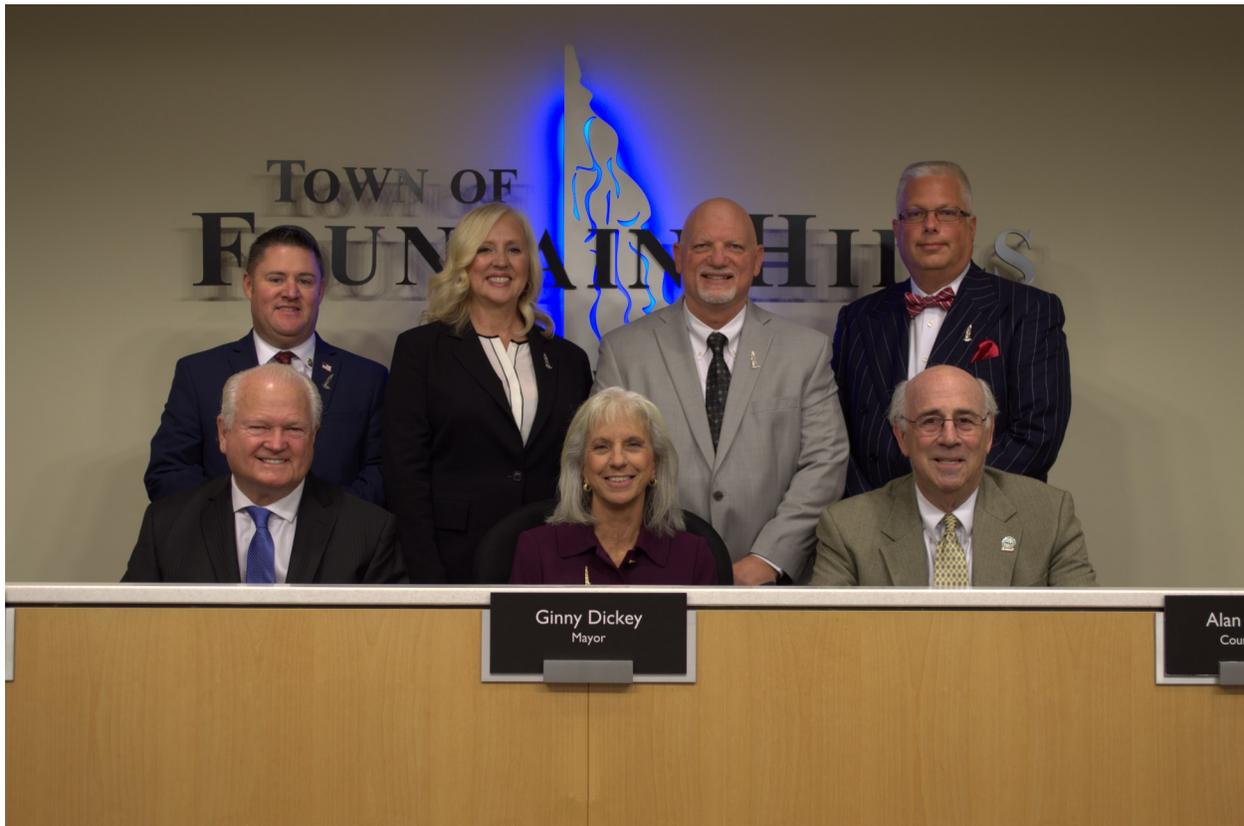
Town of Fountain Hills Organization



Department Directors

Town Manager	Grady Miller
Deputy Town Manager	David Trimble
Community Services Director	Rachel Goodwin
Development Services Director	John Wesley
District Commander	Captain Larry Kratzer
Economic Development Director	James Smith
Finance Director	David Pock
Fire Chief	Chief Dave Ott
Presiding Judge	Robert Melton
Public Works Director	Justin Weldy
Town Attorney	Aaron Arnson
Town Clerk	Elizabeth Burke
Town Prosecutor	Mark Iacovino

Mayor & Town Council



FRONT ROW: Councilmember Dennis Brown, Mayor Ginny Dickey, Councilmember Alan Magazine
BACK ROW: Councilmember Art Tolis, Councilmember Sherry Leckrone, Councilmember Mike Scharnow, Councilmember David Spelich

MAYOR & TOWN COUNCIL

Mission Statement

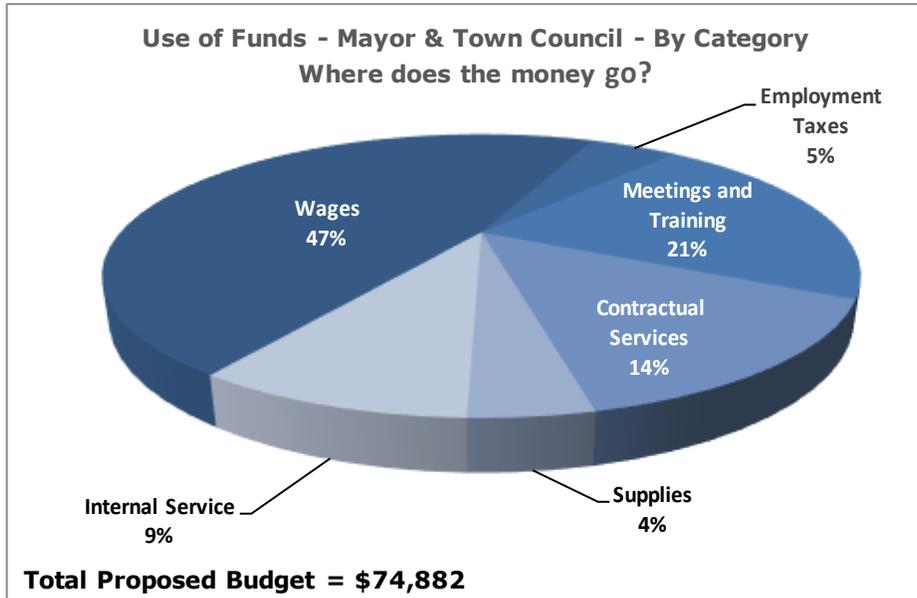
The Mayor & Town Council are charged with serving the best interests of the community by providing for its safety and well-being; respecting its special, small-town character and quality of life; providing superior public services; sustaining the public trust through open and responsive government; and maintaining the stewardship and preservation of its financial and natural resources.

Department Overview

The Town Council is comprised of the Mayor and six Councilmembers, all of whom are elected at large to serve the citizens of the Town of Fountain Hills. The term of office for the Mayor is two years, and Councilmembers serve overlapping terms of four years. The corporate powers of the Town are vested in the Council and are exercised only as directed or authorized by law via ordinance, resolution, order or motion. The Council appropriates funds and provides policy direction to Town staff. The Council appoints a Town Manager, who is responsible for the day-to-day administration of the Town. The Council also appoints the Presiding Judge, Town Attorney, and Town Prosecutor.

Program Name	Expenditures by Program			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Administration	\$ 77,779	\$ 81,837	\$ 98,544	\$ 74,882
Total	\$ 77,779	\$ 81,837	\$ 98,544	\$ 74,882

Category	Expenditures by Category			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Wages	\$ 55,408	\$ 64,041	\$ 58,822	\$ 36,000
Employment Taxes	3,283	3,409	3,325	3,398
Benefits	5,559	6,553	6,282	-
Dues & Memberships	-	66	-	-
Meetings and Training	685	2,497	16,665	15,575
Maintenance and Repair	-	104	-	-
Contractual Services	10,890	3,534	10,240	10,240
Supplies	1,253	1,525	3,110	3,150
Internal Service	701	108	100	6,519
Total	\$ 77,779	\$ 81,837	\$ 98,544	\$ 74,882



Town Council has accepted the Strategic Planning Advisory Committee’s highest goals, objectives and tasks as follows:

- Rezone unplatted land for greater density and affordable family homes
- Develop and implement an investment plan to bring streets, buildings and parks up to established standards
- Adequately fund all identified reserve funds
- Identify revenue options
- Increase revenues to meet community needs including addressing projected operating shortfall

Program Name	Operating Results			
	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Revised Budget	FY 20-21 Proposed Budget
Total Revenues	\$ -	\$ -	\$ -	\$ -
Total Expenses	77,779	81,837	98,544	74,882
Total	\$ (77,779)	\$ (81,837)	\$ (98,544)	\$ (74,882)

The 2017 Fountain Hills Strategic Plan contains a number of actions and performance measures tied to the following strategic priorities:

- *Goal #1: Maximize Economic Development Opportunities in Fountain Hills*
- *Goal #2: Ensure that Infrastructure in Fountain Hills is Well-Maintained and Safe*
- *Goal #3: Attract Families and Working Professionals to Fountain Hills*
- *Goal #4: Ensure that Fountain Hills Finances are Stable and Sustainable*
- *Goal #5: Focus on Strengthening the Community and Improving the Town's Quality of Life*



VISION

Fountain Hills is a distinctive community with long term economic sustainability and vitality anchored with an active and vibrant town citizenship that serves to invigorate a rich cultural, social, and economic quality of life.

VALUES

Preserve the health, well being, and safety of all residents and visitors.

Champion the diversity of experiences our residents bring to our community and rely on this depth of experience to innovatively address our challenges and continually improve our community.

Take responsibility for our Town's success by building partnerships and investing in our talent and resources.

Steward this unique enclave, dedicated to preserving the environment and visual aesthetic and to living in balance with the Sonoran Desert.

Encourage a strong community that meets the needs of a growing, balanced demographic.

2017 STRATEGIC PLAN

STRATEGIC GOALS

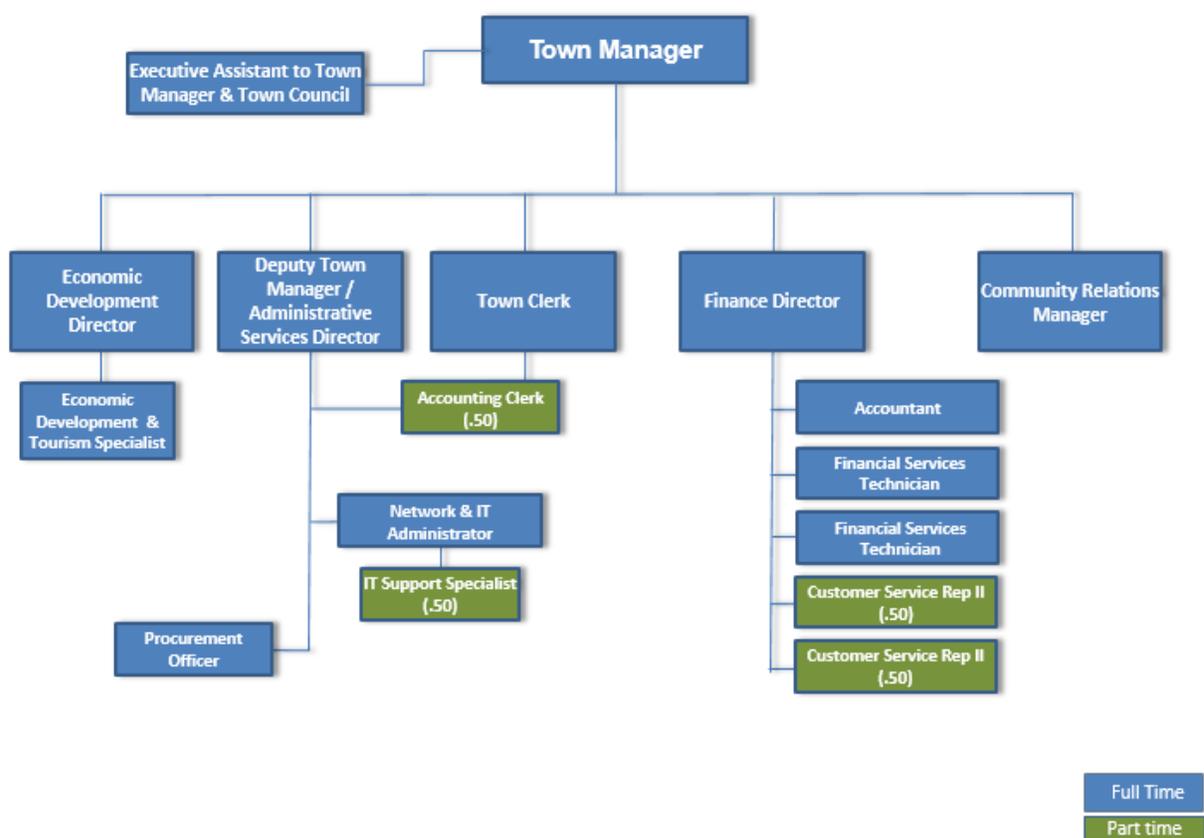
1 Economic Growth	2 Infrastructure Maintenance	3 Demographic Balance	4 Financial Stability and Sustainability	5 Community and Quality of Life
STRATEGIC OBJECTIVES AND TASKS				
<p>1.1 Market Fountain Hills</p> <p>1.1a Develop a community brand/vision/ marketing plan</p> <p>1.1b Develop a new business resource package</p> <p>1.1c Increase funding for business accelerator programs</p> <p>1.2 Sustain Commercial Businesses</p> <p>1.2a Rezone undeveloped commercial property to residential where feasible</p> <p>1.2b Adopt a text amendment that allows residential uses on commercially rezoned properties</p> <p>1.2c Rezone un-platted land for greater density and affordable family homes</p> <p>1.3 Promote Tourism</p> <p>1.3a Create and expand destination events</p> <p>1.4 Higher Education</p> <p>1.4a Explore higher education options and opportunities in Fountain Hills</p>	<p>2.1 Invest in Fountain Hills</p> <p>2.1a Develop and implement an investment plan to bring streets, buildings, and parks up to established standards</p> <p>2.1b Commission a study to identify gap between actual and subdivision ordinance specifications and determine cost of meeting ordinance specifications</p> <p>2.2 Promote Environmentally Friendly initiatives</p> <p>2.2a Develop and adopt a comprehensive environmental plan</p> <p>2.2b Research and report on economic and logistic feasibility of electric car charging stations</p>	<p>3.1 Attract Demographic</p> <p>3.1a Work with State Land Trust to increase residential density</p> <p>3.2 Market and Promote</p> <p>3.2a Distribute Town's marketing plan to local businesses</p> <p>3.2b Expand use of social media and on-line messaging</p> <p>3.2c Include family branding in marketing plan</p> <p>3.2d Organize a young professionals group or organization</p> <p>3.2e Organize specialty youth camps</p> <p>3.2f Support youth club sports</p>	<p>4.1 Identify Sources of New Revenue</p> <p>4.1a Adequately fund all identified reserve funds</p> <p>4.1b Identify revenue options</p> <p>4.1c Increase revenues to meet community needs including addressing projected operating shortfall</p>	<p>5.1 Promote Education System</p> <p>5.1a Include local school strengths in marketing plan</p> <p>5.1b Work with FHUSD to maximize property values</p> <p>5.1c Explore selling/leasing unused properties</p> <p>5.2 Utilize Intergovernmental Relations to Achieve Priorities</p> <p>5.2a Increase community efforts to lobby for municipal issues</p> <p>5.3 Leverage the Talents of Residents to the Town's Advantage</p> <p>5.3a Utilize effective volunteer skills and talents</p>

**FY20-21 Proposed Budget
Summary of Expenditures
Mayor & Council**

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
General Fund				
Salaries-Full Time	\$ 19,408	\$ 26,640	\$ 22,822	\$ -
Salaries-Part Time	36,000	37,400	36,000	36,000
FICA	2,207	2,244	2,232	2,232
Medicare	781	919	853	522
Workers Compensation	86	116	105	89
Unemployment Insurance	209	130	135	555
Group Health Insurance	3,008	3,007	3,040	-
Group Dental Insurance	215	218	232	-
Group Vision Insurance	43	43	46	-
Disability Insurance	76	94	96	-
Retirement	2,179	3,062	2,511	-
Life Insurance	20	24	25	-
Bonus	18	105	17	-
Allowance/Stipend	-	-	315	-
Dues, Subscript & Publicat	-	66	-	-
Meetings & Training	685	2,497	15,575	15,575
Boards & Commission	-	-	1,090	-
Sign Repair & Replacement	-	104	-	-
Legal Fees	10,890	3,264	10,000	10,000
Printing Expense	-	270	240	240
Office Supplies	114	1,005	600	600
Operating Supplies	-	74	-	-
Food & Beverage Supplies	242	290	1,200	1,200
Program Materials	897	152	900	900
Uniforms	-	-	400	400
Postage & Delivery	-	5	10	50
ISF-Copier Charges	97	108	100	100
ISF-Mail Service Charges	6	-	-	-
ISF- Technology Replacement	-	-	-	6,419
ISF-Telecom Charges	598	-	-	-
Total Mayor & Council	<u>\$ 77,779</u>	<u>\$ 81,837</u>	<u>\$ 98,544</u>	<u>\$ 74,882</u>

Administration

ADMINISTRATION DEPARTMENT



Note: Numbers in parentheses represent full-time equivalents (FTE).

ADMINISTRATION

Mission Statement

The Administration Department is dedicated to serving the citizens of Fountain Hills by providing administrative direction and support to the Town's Departments. Administration provides accurate and current information on Council legislation and administrative actions; provides for the delivery of comprehensive financial services to internal and external customers; provides support to Town staff; reaches out to political leaders and geographical neighbors to continue to grow relationships in the best interests of the Town; and enhances the Town's economic base through business attraction, retention and business vitality activities.

Department Overview

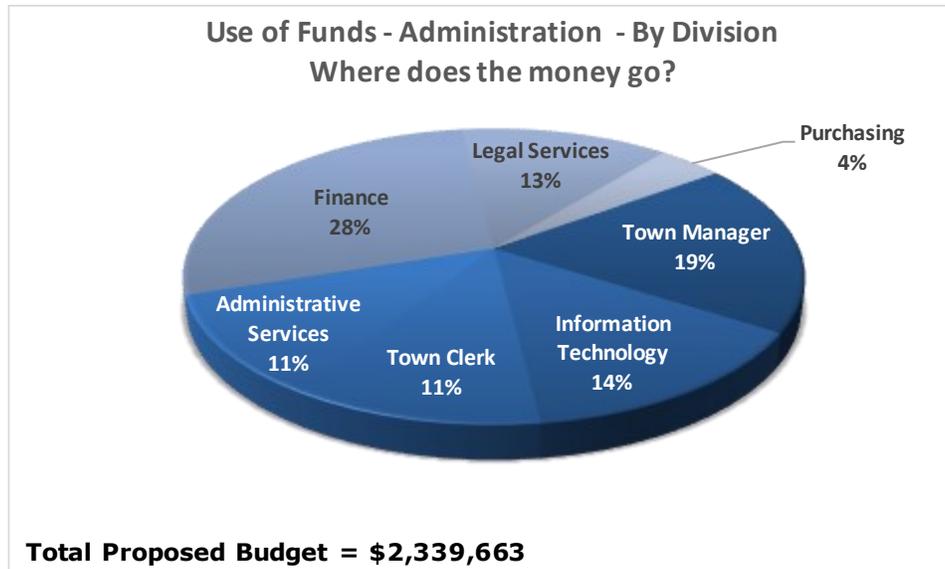
The Administration Department is made up of seven (7) Divisions: Town Manager, Information Technology, Town Clerk, Administrative Services, Finance, Legal Services, Purchasing, and one service function: Media Relations. The Town Manager provides direct supervision over the Town Clerk, Administrative Services, Finance, and Media Relations. The Town Manager also administers the budget for Legal Services. The Finance Director is responsible for Finance staff, and the Administrative Services Director is responsible for Human Resources, Information Technology, Risk Management and Purchasing.

Division	Expenditures by Division			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Town Manager	\$ 348,446	\$ 360,250	\$ 292,864	\$ 433,426
Information Technology	285,227	295,718	315,657	320,709
Town Clerk	217,660	172,395	237,712	246,680
Administrative Services	416,010	463,100	221,415	259,245
Finance	558,338	562,926	619,240	687,402
Legal Services	464,384	302,557	285,116	293,564
Purchasing	-	-	85,194	98,637
Total	\$ 2,290,065	\$ 2,156,946	\$ 2,057,198	\$ 2,339,663

Variance Explanations:

Town Manager: The increase is caused by the reallocation of wages for the Executive Assistant to Town Manager and the Mayor and Council and the reclassification of the Community Relations Manager.

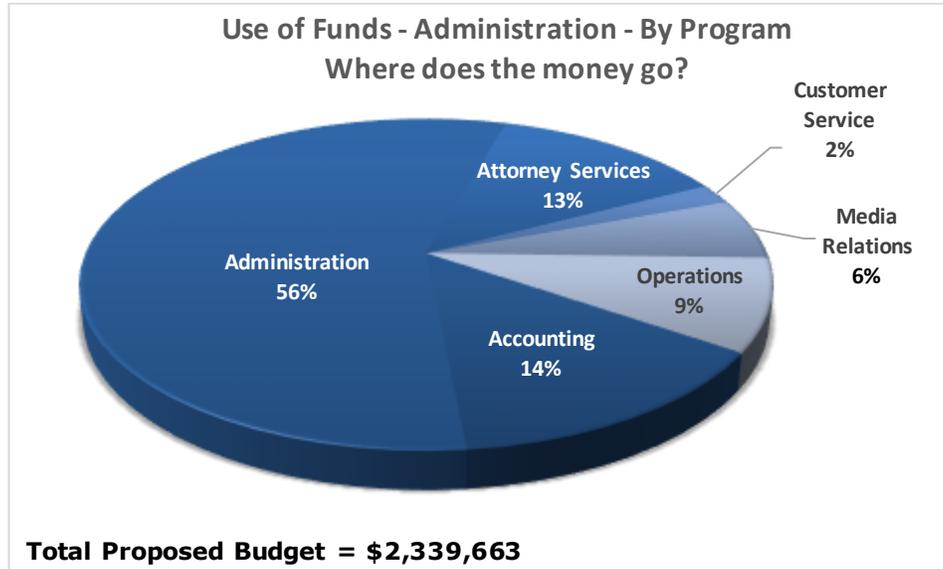
Town Clerk: The increase is due to added election costs and the reallocation of wages for the Account Clerk.



Program Name	Expenditures by Program			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Accounting	\$ 164,076	\$ 171,416	\$ 308,661	\$ 318,407
Administration	897,836	903,408	1,162,887	1,325,551
Attorney Services	464,384	302,557	285,116	293,564
Customer Service	41,261	44,330	42,985	44,665
Legislation	13,138	5,275	-	-
Licensing	55,163	58,570	-	-
Media Relations	36,012	35,799	35,427	147,523
Operations	185,972	193,636	207,396	209,953
Purchasing	61,343	65,335	-	-
Risk Management	285,141	300,238	-	-
Volunteers	85,739	76,382	14,726	-
Total	\$ 2,290,065	\$ 2,156,946	\$ 2,057,198	\$ 2,339,663

Variance Explanations:

Volunteers: This program was moved to Community Services.

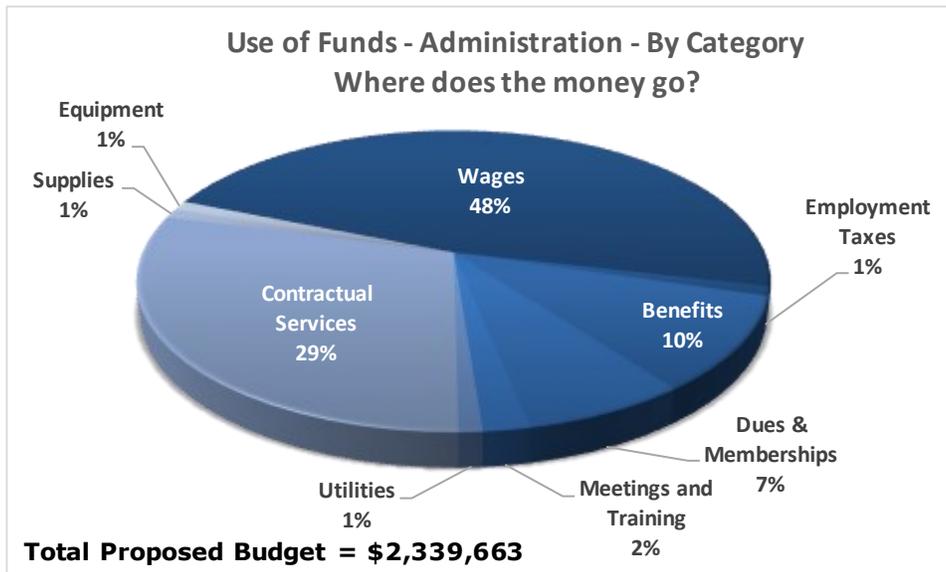


Category	Expenditures by Category			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Wages	\$ 814,548	\$ 890,915	\$ 952,743	\$ 1,087,807
Employment Taxes	18,061	19,299	21,506	26,136
Benefits	167,489	180,379	199,879	234,916
Dues & Memberships	136,576	152,592	161,033	165,921
Meetings and Training	20,564	45,969	55,782	57,826
Maintenance and Repair	4,035	3,968	11,000	8,600
Utilities	1,280	12,770	13,700	12,800
Contractual Services	1,005,861	796,335	596,737	682,102
Supplies	31,205	25,335	25,575	27,766
Equipment	71,419	24,029	13,800	17,050
Internal Service	19,027	5,355	5,443	18,739
Total	\$ 2,290,065	\$ 2,156,946	\$ 2,057,198	\$ 2,339,663

Variance Explanations:

Contractual Services: The increase is from the addition of possible Bond Advisory services, election(s), a public safety study and increased legal fees.

Internal Service: The increase is from the newly created Information Technology Replacement fund.



Program Name	Operating Results			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Total Revenues	\$ 14,533,391	\$ 15,520,408	\$ 15,782,743	\$ 17,722,982
Total Expenses	2,290,065	2,156,946	2,057,198	2,339,663
Total	\$ 12,243,326	\$ 13,363,462	\$ 13,725,545	\$ 15,383,319

FY 2019-20 Accomplishments

- In order to address future revenue shortfalls and to be able to fund town operations, sought and received Council approval of a three-tenths of a percent sales tax increase
- Successfully completed a major update to the audio-visual equipment in the Council Chambers that resulted in improved quality of presentations for public meetings, better audio and graphics for TV/streamed meeting broadcasts, and significant reduction in staff time required to post Council meetings on YouTube
- Implemented Agenda Quick, a Council agenda management system that streamlines the workflow of the Town Council agenda process and minimizes staff report errors
- Received Council approval for a Ten-Year Pavement Management Program which will help identifying funding and prioritizing street maintenance in a more strategic manner
- Sought and received Town Council adoption of a major update to the Town's Development Fee Schedule which will help fund future streets, parks, and fire infrastructure
- Implemented a number of traffic and pedestrian improvement projects to improve traffic and pedestrian safety in Fountain Hills – additional sidewalks, LED stop signs, rumble strips, narrower lanes on Ave. of the Fountains, and received MAG grants for future projects

FY 2020-21 Goals and Objectives

- Oversee and manage the Town of Fountain Hills' COVID-19 response and recovery actions
- Seek and receive 2020 CARES ACT funding and reimbursement for Covid-19 related expenditures
- Implement a \$300,000 Small Business Assistance Grant Program to financially help businesses negatively impacted by the economic downturn caused by the pandemic
- Due to economic downturn, monitor town revenues and recommend actions to ensure expenditures are in alignment with revenues
- Seek Council adoption of an ordinance adopting comprehensive user fee schedule based on the 2020 Cost of Service Study
- Oversee and ensure major capital improvement projects (Roundabout, Panorama Drainage, FH Shoulder Widening, etc.) are completed on time and on budget
- Assist the Strategic Planning Advisory Council in developing the 2020 Strategic Plan

**FY20-21 Proposed Budget
Summary of Expenditures
Administration Department**

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
General Fund				
Salaries-Full Time	\$ 737,079	\$ 821,275	\$ 863,219	\$ 993,145
Salaries-Part Time	77,277	69,012	89,524	94,662
Overtime	193	630	-	-
FICA	4,855	4,340	5,508	5,825
Medicare	11,637	12,891	13,922	15,979
Workers Compensation	1,237	1,650	1,730	2,698
Unemployment Insurance	332	418	346	1,634
Group Health Insurance	63,680	64,847	78,292	91,846
Group Dental Insurance	4,955	5,379	6,490	7,050
Group Vision Insurance	797	859	994	1,140
Disability Insurance	2,671	3,206	3,640	10,531
Retirement	81,813	91,071	94,315	108,970
Life Insurance	727	825	965	1,129
Bonus	666	811	693	750
Allowance/Stipend	12,180	13,380	14,490	13,500
Licenses/Filing Fees	89,028	82,638	99,445	103,685
Dues, Subscript & Publicat	47,548	69,954	61,588	62,236
Education/Tuition Reimb	-	7,635	15,179	15,179
Meetings & Training	20,378	38,149	40,603	42,647
Boards & Commissions	185	185	-	-
Equipment Maint/Repair	1,403	1,746	5,000	5,000
Office Equip Maint/ Repair	2,632	2,139	6,000	3,600
Sign Repair & Replacement	-	83	-	-
Telecommunications	1,280	12,770	13,700	12,800
Auditing Expense	74,970	76,981	68,740	70,615
Professional Fees	67,674	38,419	63,384	122,184
Legal Fees	351,031	178,119	167,000	169,800
Management Fees	14,754	12,209	13,025	13,025
Insurance Expense	247,437	264,631	4,000	4,000
Rentals & Leases	1,214	1,163	1,224	1,224
Printing Expense	20,562	3,349	7,415	2,540
Advertising/Signage	4,685	5,268	9,810	9,810
Intergovt Agreements	50,606	59,971	66,000	66,500
Contractual Services	1,858	3,595	4,000	4,000
Constituent Communication	5,628	22,369	19,423	29,800
Bank/Merc Acct Fees	3,609	2,307	3,600	3,840
Election Expense	53,333	8,388	50,000	60,000
Community Contracts/Events	-	3,356	-	-
Prosecutor Fees	105,000	110,316	110,316	119,964
Public Defender Fees	3,500	5,894	8,800	4,800
Office Supplies	2,475	1,524	6,295	5,970
Cleaning/Janitorial Supplies	39	86	10	10
Operating Supplies	4,976	1,078	3,225	5,850
Food & Beverage Supplies	10,699	10,991	5,641	5,641
Program Materials	12,108	5,367	4,950	4,950
Uniforms	-	470	-	-
Postage & Delivery	511	5,805	5,454	5,345
Miscellaneous Expense	397	13	-	-

Town Manager Division

Service Delivery Plan

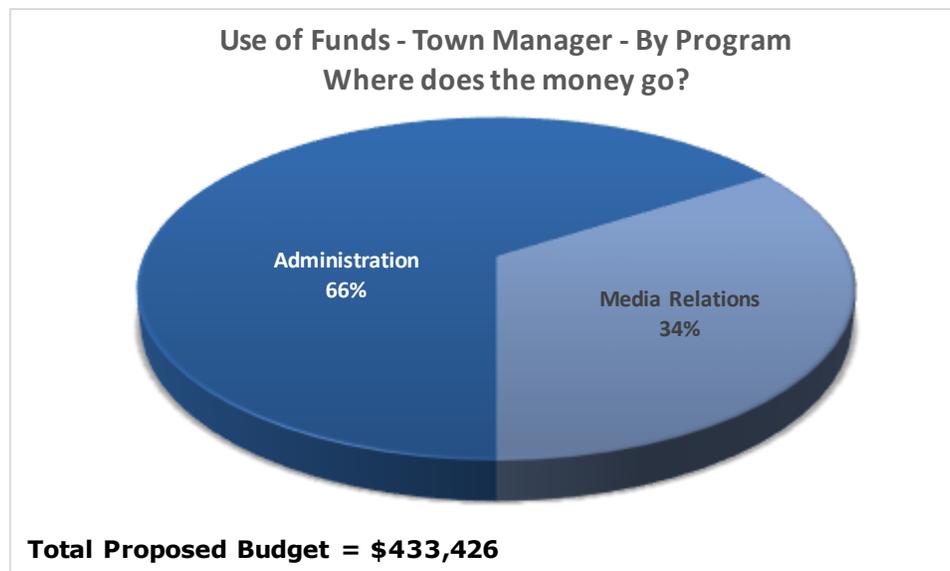
Provide leadership to ensure a high quality of life for the citizens of Fountain Hills by utilizing Town resources to the greatest extent possible and offering superior service. Work in conjunction with the Town Council and the Strategic Planning Advisory Commission (SPAC) for successful implementation of Operational Priorities and Strategic Plan Goals. Per direction and approval of the Town Council, administer fee for service contracts and communicate with the public.

Program Name	Expenditures by Program			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Administration	\$ 226,695	\$ 248,069	\$ 242,711	\$ 285,903
Media Relations	36,012	35,799	35,427	147,523
Total	\$ 262,707	\$ 283,868	\$ 278,138	\$ 433,426

Variance Explanations:

Administration: The increase is caused by the reallocation of wages for the Executive Assistant to Town Manager and the Mayor and Council.

Media Relations: The increase is due to the reclassification of the Communications and Marketing Coordinator to a Community Relations Manager.

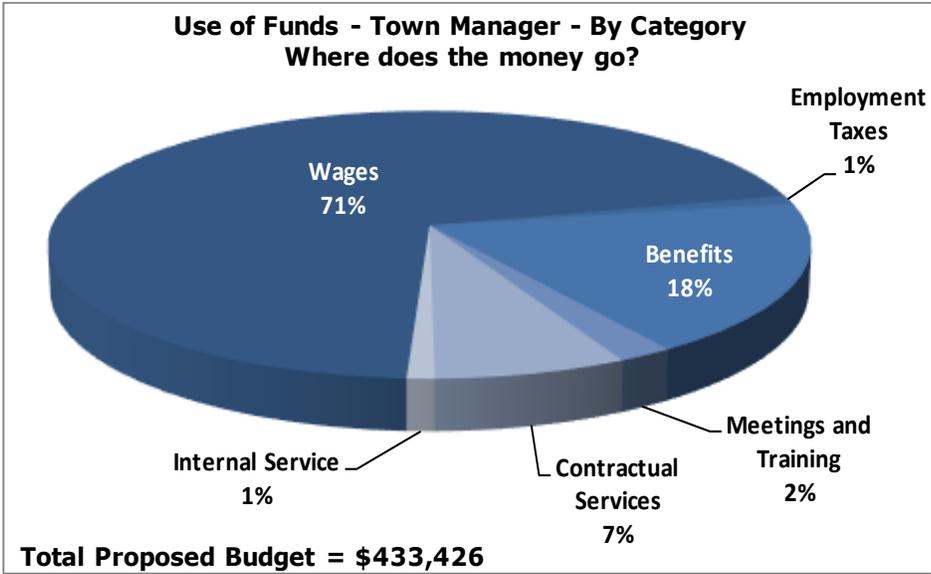


Category	Expenditures by Category			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Wages	\$ 183,775	\$ 204,484	\$ 202,610	\$ 303,425
Employment Taxes	3,156	3,567	3,365	5,623
Benefits	43,599	47,153	39,771	76,515
Dues & Memberships	1,934	3,937	2,462	3,909
Meetings and Training	3,389	2,565	7,615	7,615
Maintenance & Repair	-	-	-	-
Utilities	-	13	-	-
Contractual Services	25,036	20,719	19,681	30,880
Supplies	1,140	1,009	2,411	2,410
Equipment	11	236	-	-
Internal Service	667	185	223	3,049
Total	\$ 262,707	\$ 283,868	\$ 278,138	\$ 433,426

Variance Explanations:

Wages/Benefits: The increase is caused by the reallocation of wages for the Executive Assistant to Town Manager and the Mayor and Council and the reclassification of the Communications and Marketing Coordinator to a Community Relations Manager.

Contractual Services: Amounts were increased for the Fountain First publication.



Activities/Results

COMMUNITY RELATIONS

The mission of the Community Relations Office is to accurately communicate news and information to Fountain Hills' customers, citizens, news media, elected officials, and employees via internal and external communication sources. The Office also creates and distributes the Town's quarterly informational newsletter, Fountain Hills Insider, which is sent out to all Fountain Hills' residential addresses. This publication reaches approximately 13,127 places of residence. The Fountain Hills Insider publication boasts a wealth of information pertaining particularly to residents including but not limited to information regarding street maintenance work, tax and fee information, Town aid programs and the special events calendar. In addition to this publication the Community Relations Office also manages the Town's six social media pages, municipal website information releases and news releases.

**FY20-21 Proposed Budget
Summary of Expenditures
Town Manager**

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
General Fund				
Salaries-Full Time	\$ 183,775	\$ 204,484	\$ 202,610	\$ 303,425
Medicare	2,804	3,136	2,955	4,546
Workers Compensation	307	389	363	750
Unemployment Insurance	45	43	46	327
Group Health Insurance	12,792	12,915	6,817	27,561
Group Dental Insurance	485	490	523	1,674
Group Vision Insurance	95	95	102	288
Disability Insurance	679	722	858	3,220
Retirement	20,984	23,252	22,287	33,377
Life Insurance	189	202	226	345
Bonus	94	296	93	150
Allowance/Stipend	8,280	9,180	8,865	9,900
Dues, Subscript & Publicat	1,934	3,937	2,462	3,909
Meetings & Training	3,204	2,380	7,615	7,615
Boards & Commissions	185	185	-	-
Telecommunications	-	13	-	-
Professional Fees	2,410	-	-	-
Printing Expense	19,473	70	80	80
Advertising/Signage	-	-	1,000	1,000
Constituent Communication	3,153	20,649	18,601	29,800
Office Supplies	295	85	1,650	1,650
Food & Beverage Supplies	697	800	200	200
Program Materials	96	118	500	500
Postage & Delivery	52	6	61	60
Software	11	-	-	-
Hardware/Peripherals	-	236	-	-
ISF-Copier Charges	111	74	116	115
ISF-Mail Service Charges	18	-	-	-
ISF-Vehicle Replacement Charges	179	111	82	87
ISF-Motor Pool Charges	-	-	26	96
ISF- Technology Replacement	-	-	-	2,751
ISF-Telecom Charges	360	-	-	-
Total Town Manager	\$ 262,707	\$ 283,868	\$ 278,138	\$ 433,426

Town Clerk Division

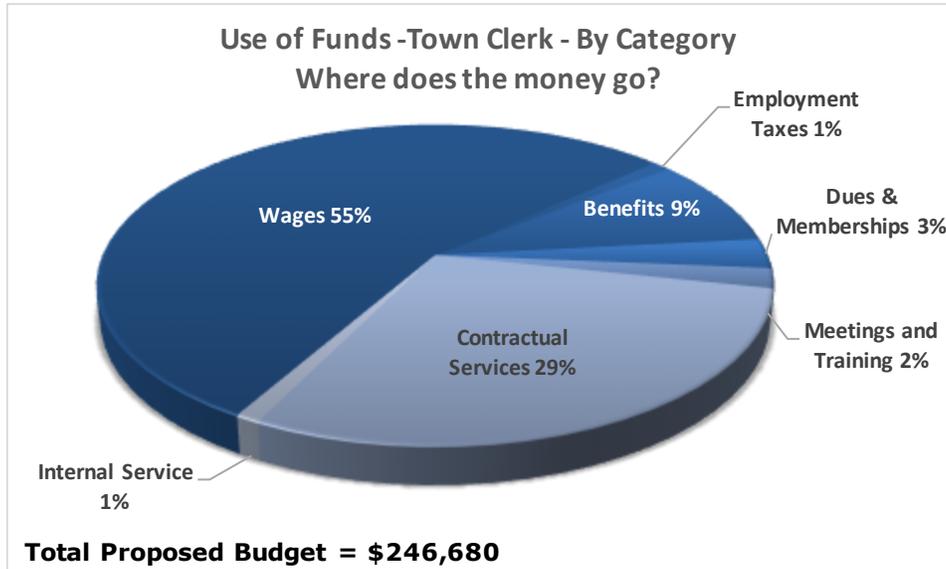
Service Delivery Plan

The Town Clerk Division supports the values of the community and the organization through the delivery of quality customer service; conducting fair and open municipal elections; providing broad organizational support; managing the Town's records management program and accessibility to public records; overseeing boards and commissions administration; and ensuring that official postings, notices and related publications meet legal compliance.

Program Name	Expenditures by Program			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Administration	\$ 204,522	\$ 167,121	\$ 237,712	\$ 246,680
Legislation	13,138	5,274	-	-
Total	\$ 217,660	\$ 172,395	\$ 237,712	\$ 246,680

Category	Expenditures by Category			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Wages	\$ 125,270	\$ 119,280	\$ 140,584	\$ 136,793
Employment Taxes	1,887	2,223	3,506	3,317
Benefits	21,143	20,392	21,460	22,883
Dues & Memberships	380	8,446	6,720	6,950
Meetings and Training	50	2,769	4,824	4,824
Contractual Services	66,503	16,933	59,080	69,080
Supplies	423	151	695	695
Equipment	-	1,474	50	50
Internal Service	2,004	727	793	2,088
Total	\$ 217,660	\$ 172,395	\$ 237,712	\$ 246,680





Activities/Results

Performance Measures

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Registered Voters:				
Special (05/15/18 and 05/19/20)	17,168	N/A	17,300	N/A
Primary (08/28/18 and 08/04/20)	N/A	16,775	N/A	17,400
General (11/03/20)	N/A	N/A	N/A	17,500
Voter Turnout %:				
Special (05/15/18 and 05/19/20)	59%	N/A	60%	N/A
Primary (08/28/18 and 08/04/20)	N/A	51%	50%	60%
General (11/03/20)	N/A	N/A	N/A	65%

Quality

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Percentage of contracts processed within five business days after approval	100%	98%	100%	100%
Percentage of agenda and meeting notices posted in compliance with legal requirements	100%	100%	100%	100%

Productivity

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Town Council Agenda/Meeting notices posted	36/28	52/36	61/41	60/50
Requests for Public Information processed	205	202	200	175

**FY20-21 Proposed Budget
Summary of Expenditures
Town Clerk**

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
General Fund				
Salaries-Full Time	\$ 125,270	\$ 116,873	\$ 122,006	\$ 123,568
Salaries-Part Time	-	2,407	18,578	13,225
FICA	-	149	1,152	820
Medicare	1,722	1,751	2,053	1,997
Workers Compensation	141	267	251	337
Unemployment Insurance	24	56	50	163
Group Health Insurance	5,788	5,780	5,849	6,303
Group Dental Insurance	614	431	459	481
Group Vision Insurance	124	82	79	79
Disability Insurance	359	473	516	1,311
Retirement	13,813	12,856	13,421	13,593
Life Insurance	94	119	136	141
Bonus	51	51	100	75
Allowance/Stipend	300	600	900	900
Licenses/Filing Fees	-	113	70	300
Dues, Subscript & Publicat	380	8,333	6,650	6,650
Meetings & Training	50	2,769	4,824	4,824
Professional Fees	10,068	382	-	-
Printing Expense	-	128	80	80
Advertising/Signage	3,070	4,440	5,000	5,000
Contractual Services	-	3,595	4,000	4,000
Bank/Merc Account Fees	32	-	-	-
Election Expense	53,333	8,388	50,000	60,000
Office Supplies	423	118	470	470
Operating Supplies	-	18	-	-
Postage & Delivery	-	15	225	225
Software	-	-	50	50
Hardware/Peripherals	-	1,474	-	-
ISF-Copier Charges	1,585	574	420	420
ISF-Mail Service Charges	39	-	-	-
ISF-Vehicle Replacement Charges	-	153	284	252
ISF- Motor Pool Charges	141	-	89	269
ISF- Technology Replacement	-	-	-	1,147
ISF-Telecom Charges	239	-	-	-
Total Town Clerk	\$ 217,660	\$ 172,395	\$ 237,712	\$ 246,680



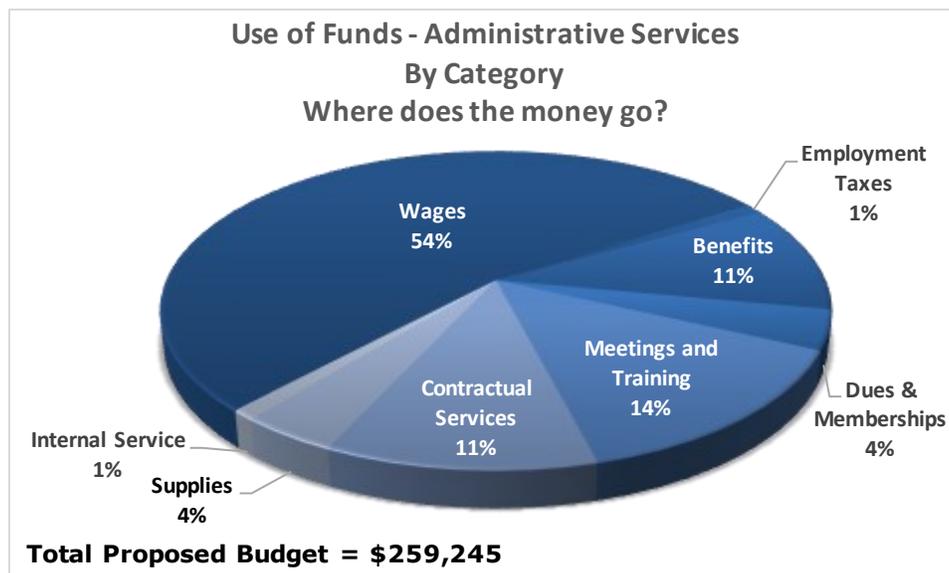
Administrative Services Division

Service Delivery Plan

Lead the organization in the acquisition, maintenance, development, supervision and measurement of the human assets and the results of their work (quality, productivity and service). Protect the Town's assets from loss and minimize employee injuries on the job.

Program Name	Expenditures by Program			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Administration	\$ 130,869	\$ 162,862	\$ 221,415	\$ 259,245
Risk Management	285,141	300,238	-	-
Total	\$ 416,010	\$ 463,100	\$ 221,415	\$ 259,245

Category	Expenditures by Category			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Wages	\$ 100,736	\$ 104,496	\$ 109,591	\$ 139,014
Employment Taxes	1,503	1,586	1,824	3,356
Benefits	24,343	24,815	25,161	29,045
Dues & Memberships	9,175	9,657	9,017	10,347
Meetings and Training	13,457	37,533	36,204	36,204
Contractual Services	260,745	279,473	28,044	28,044
Supplies	4,635	4,728	10,271	10,271
Equipment/Improvements	26	-	-	-
Internal Service	1,390	812	1,303	2,964
Total	\$ 416,010	\$ 463,100	\$ 221,415	\$ 259,245



Activities/Results

Performance Measures

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Increase the percentage of employee performance reviews completed on schedule	88%	90%	93%	97%
Increase or maintain the number of applications received per recruitment for non-exempt positions	N/A	35	30	25
Increase or maintain the number of applications received per recruitment for exempt positions	29	46	45	30

Quality

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Decrease the number of days lost to injury per worker's compensation claim	34	0	112	0
Maintain the turnover rate of full-time employees at an acceptable rate	7%	11%	8%	0%

Productivity

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Number of full-time employees departed from Town service	3	9	7	1
Number of exit interviews conducted	3	9	7	1
Ensure supervisors receive performance evaluation documentation four weeks in advance	75%	75%	85%	100%
Quarterly track and analyze performance evaluation trends, including number of performance evaluations that were late, type of increases each employee received, etc.	100%	100%	100%	100%
Number of exempt recruitments conducted	7	6	5	1
Number of full-time non-exempt recruitments conducted	1	8	2	0
Average number of days to fill a vacancy	60	69	60	60
Number of workers' compensation claims due to injury	3	0	1	0

**FY20-21 Proposed Budget
Summary of Expenditures
Administrative Services**

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
General Fund				
Salaries-Full Time	\$ 100,736	\$ 104,495	\$ 109,591	\$ 125,789
Salaries-Part Time	-	-	-	13,225
Fica	-	-	-	820
Medicare	1,321	1,379	1,603	2,030
Workers Compensation	158	184	196	343
Unemployment Insurance	25	23	25	163
Group Health Insurance	10,868	10,875	10,983	11,797
Group Dental Insurance	865	875	932	979
Group Vision Insurance	74	78	79	156
Disability Insurance	399	434	448	1,329
Retirement	11,081	11,495	11,647	13,666
Life Insurance	104	108	122	143
Bonus	51	51	50	75
Allowance/Stipend	900	900	900	900
Dues, Subscript & Publicat	9,175	9,657	9,017	10,347
Training/Cont Ed	-	7,635	15,179	15,179
Meetings & Training	13,457	29,898	21,025	21,025
Professional Fees	13,308	14,111	21,084	21,084
Legal Fees	-	-	1,000	1,000
Insurance Expense	247,437	264,631	4,000	4,000
Printing Expense	-	-	150	150
Advertising/Signage	-	730	1,810	1,810
Office Supplies	192	151	830	830
Cleaning/Janitorial Supplies	-	-	10	10
Operating Supplies	82	-	-	-
Food & Beverage Supplies	2,582	3,759	5,441	5,441
Program Materials	1,349	789	3,830	3,830
Postage & Delivery	34	30	160	160
Miscellaneous Expense	397	-	-	-
Hardware/Peripherals	26	-	-	-
ISF-Copier Charges	439	323	420	420
ISF-Mail Service Charges	72	-	-	-
ISF-Vehicle Replacement Charges	89	379	673	676
ISF- Motor Pool Charges	311	110	210	721
ISF- Technology Replacement	-	-	-	1,147
ISF-Telecom Charges	478	-	-	-
Total Administrative Services	\$ 416,010	\$ 463,100	\$ 221,415	\$ 259,245



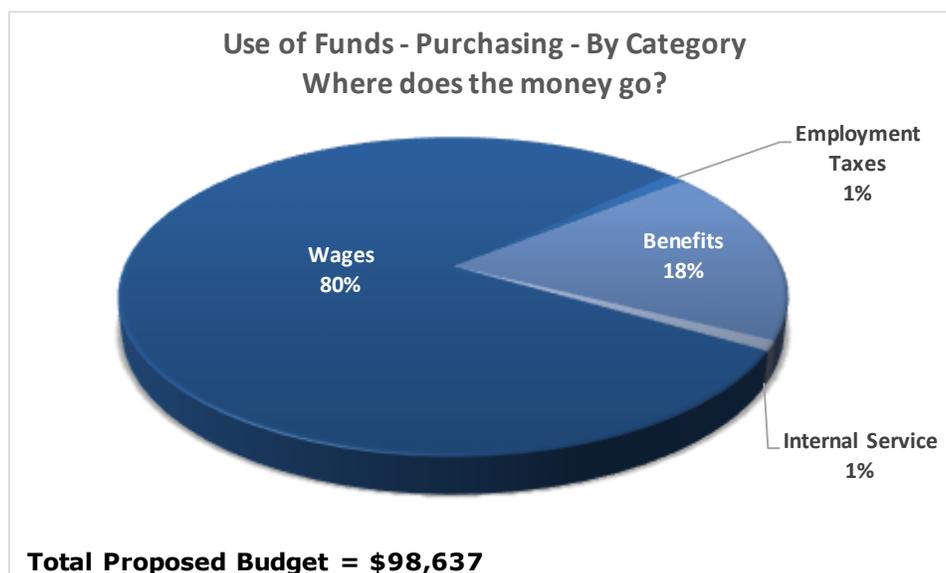
Purchasing Division

Service Delivery Plan

The Purchasing Division is responsible for supporting the Town's need for materials and services in accordance with Federal, State, and Town requirements. These requisitions are conducted in an open, competitive, and professional manner, which maximizes the effectiveness of tax dollars.

Program Name	Expenditures by Program			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Administration	\$ -	\$ -	\$ 85,194	\$ 98,637
Total	\$ -	\$ -	\$ 85,194	\$ 98,637

Category	Expenditures by Category			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Wages	\$ -	\$ -	\$ 62,100	\$ 79,132
Employment Taxes	-	-	1,050	1,452
Benefits	-	-	19,944	16,436
Dues & Memberships	-	-	-	350
Meetings & Training	-	-	200	200
Supplies	-	-	150	150
Equipment/Improvement	-	-	1,750	-
Internal Service	-	-	-	917
Total	\$ -	\$ -	\$ 85,194	\$ 98,637



**FY20-21 Proposed Budget
Summary of Expenditures
Purchasing**

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
General Fund				
Salaries-Full Time	\$ -	\$ -	\$ 62,100	\$ 79,132
Medicare	-	-	914	1,148
Workers Compensation	-	-	111	195
Unemployment Insurance	-	-	25	109
Group Health Insurance	-	-	10,983	6,303
Group Dental Insurance	-	-	932	481
Group Vision Insurance	-	-	156	79
Disability Insurance	-	-	254	836
Retirement	-	-	6,600	8,597
Life Insurance	-	-	69	90
Bonus	-	-	50	50
Allowance/Stipend	-	-	900	-
Dues, Subscript & Publicat	-	-	-	350
Meetings & Training	-	-	200	200
Office Supplies	-	-	150	150
Hardware/Peripherals	-	-	1,750	-
ISF- Technology Replacement	-	-	-	917
Total Purchasing	\$ -	\$ -	\$ 85,194	\$ 98,637



Finance Division

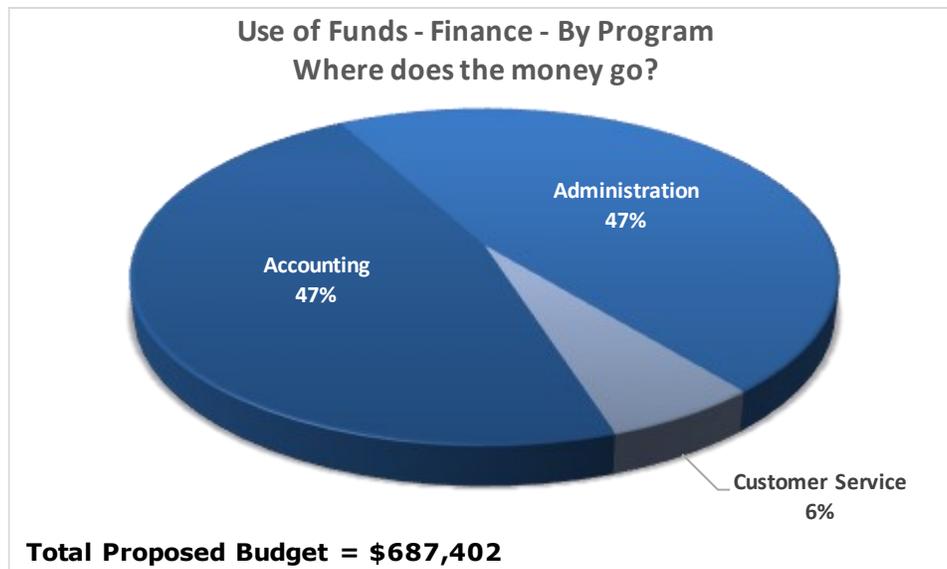
Service Delivery Plan

Provide efficient and cost effective financial oversight of both the short and long-term components of the Town’s functions. Be proactive in providing financial information to staff and citizens. Provide safe, secure and effective cash, banking, merchant service, tax service and debt service administration for the Town.

Program Name	Expenditures by Program			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Accounting	\$ 164,076	\$ 171,416	\$ 308,661	\$ 318,407
Administration	236,495	223,274	267,594	324,330
Customer Service	41,261	44,330	42,985	44,665
Licensing	55,163	58,570	-	-
Purchasing	61,343	65,336	-	-
Total	\$ 558,338	\$ 562,926	\$ 619,240	\$ 687,402

Variance Explanations:

Administration: Amounts were added for possible bond advisory services and the biennial development fee audit.

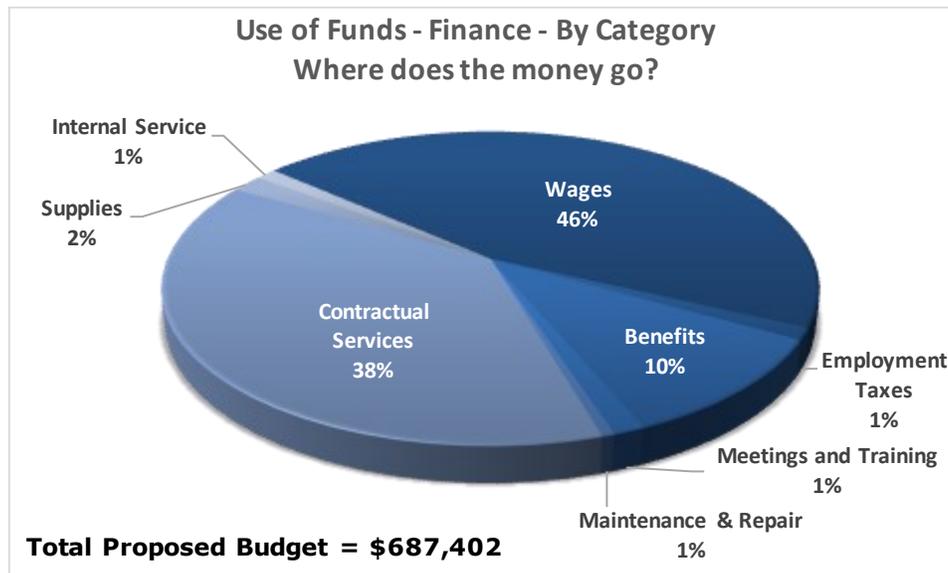


Category	Expenditures by Category			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Wages	\$ 274,987	\$ 307,580	\$ 307,493	\$ 311,460
Employment Taxes	9,352	7,653	7,478	8,288
Benefits	49,057	58,639	72,200	71,444
Dues & Memberships	10,724	3,754	3,350	3,465
Meetings and Training	3,162	2,845	6,744	8,983
Maintenance & Repair	2,615	2,089	6,000	3,600
Contractual Services	183,127	169,672	202,994	259,534
Supplies	3,144	7,618	10,055	12,440
Equipment	11,270	22	-	-
Internal Service	10,900	3,054	2,926	8,188
Total	\$ 558,338	\$ 562,926	\$ 619,240	\$ 687,402

Variance Explanations:

Contractual Services: Amounts were added for possible bond advisory services and the biennial development fee audit.

Internal Service: The increase is from the newly created Information Technology Replacement fund.



Activities/Results

Performance Measures

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Consecutive years for GFOA annual Certificate of Achievement for Excellence in Financial Reporting award	22	23	24	25
Consecutive years for GFOA annual Distinguished Budget Presentation award	17	18	19	20
Consecutive years of GFOA annual Popular Reporting Award	6	7	8	9

Quality

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Actual revenue versus forecast—General Fund only (excluding transfers)	94%	90%	100%	100%
Unmodified audit opinion	Yes	Yes	Yes	Yes

Productivity

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Accounts payable checks issued	1,477	1,487	1,500	1,500
Local tax revenues from audits	\$171,149	\$67,194	\$50,000	\$50,000
Business licenses processed	2,874	2,866	2,900	2,900



**FY20-21 Proposed Budget
Summary of Expenditures
Finance**

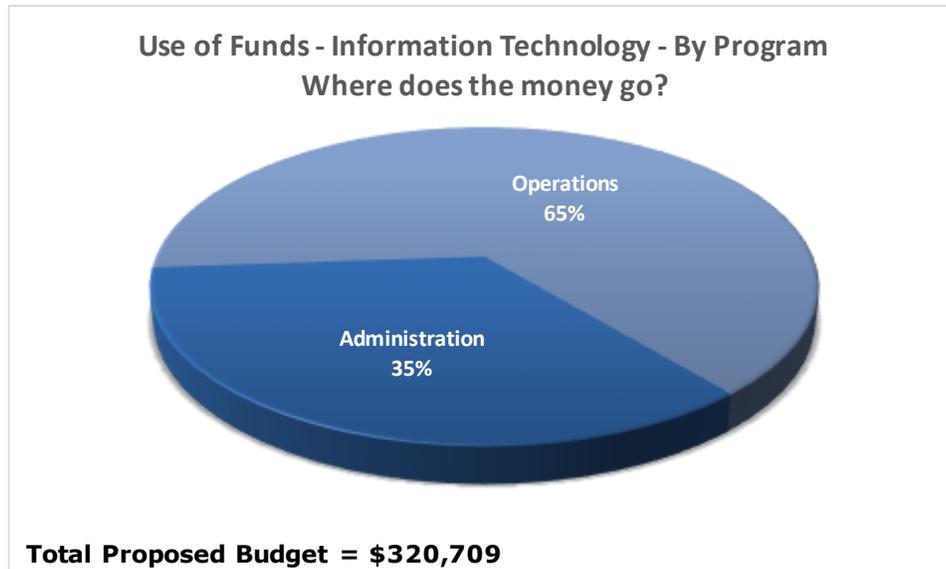
Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
General Fund				
Salaries-Full Time	\$ 197,518	\$ 266,545	\$ 269,646	\$ 273,111
Salaries-Part Time	77,277	40,405	37,847	38,349
Overtime	193	630	-	-
FICA	4,855	2,567	2,304	2,333
Medicare	3,881	4,348	4,476	4,533
Workers Compensation	428	537	548	768
Unemployment Insurance	189	202	150	654
Group Health Insurance	22,655	23,692	36,349	33,579
Group Dental Insurance	2,140	2,721	3,070	2,954
Group Vision Insurance	354	449	479	459
Disability Insurance	776	1,018	1,141	2,899
Retirement	21,659	29,292	29,661	30,043
Life Insurance	204	256	300	310
Bonus	369	311	300	300
Allowance/Stipend	900	900	900	900
Licenses/Filing Fees	876	1,076	1,425	1,585
Dues, Subscript & Publicat	9,848	2,678	1,925	1,880
Meetings & Training	3,162	2,845	6,744	8,983
Office Equip Maint/Repair	2,615	2,089	6,000	3,600
Auditing Expense	74,970	76,981	68,740	70,615
Professional Fees	34,627	14,791	42,300	101,100
Management Fees	14,754	12,209	13,025	13,025
Rentals & Leases	1,214	1,163	1,224	1,224
Printing Expense	1,089	3,152	7,105	2,230
Advertising/Signage	1,433	97	2,000	2,000
Intergovt Agreements	49,606	58,971	65,000	65,500
Contractual Services	1,858	-	-	-
Bank/Merc Acct Fees	3,577	2,307	3,600	3,840
Office Supplies	1,231	998	2,684	2,370
Cleaning/Janitorial Supplies	10	76	-	-
Operating Supplies	1,722	391	1,975	4,650
Food & Beverage Supplies	-	39	-	-
Program Materials	116	331	620	620
Uniforms	-	470	-	-
Postage & Delivery	63	5,313	4,776	4,800
Software	6,790	-	-	-
Hardware/Peripherals	87	22	-	-
Equipment	4,393	-	-	-
ISF-Copier Charges	2,418	2,284	1,993	2,005
ISF-Mail Service Charges	5,814	-	-	-
ISF-Vehicle Replacement Charges	426	562	711	773
ISF- Motor Pool Charges	327	208	222	825
ISF- Technology Replacement	-	-	-	4,585
ISF-Telecom Charges	1,914	-	-	-
Total Finance	\$ 558,338	\$ 562,926	\$ 619,240	\$ 687,402

Information Technology Division

Service Delivery Plan

The Information Technology Division is dedicated to providing professional support in a timely and responsive manner while focusing on high availability and reliable technology. The Division also endeavors to implement alternative technologies to reduce operating and maintenance costs while improving the user experience.

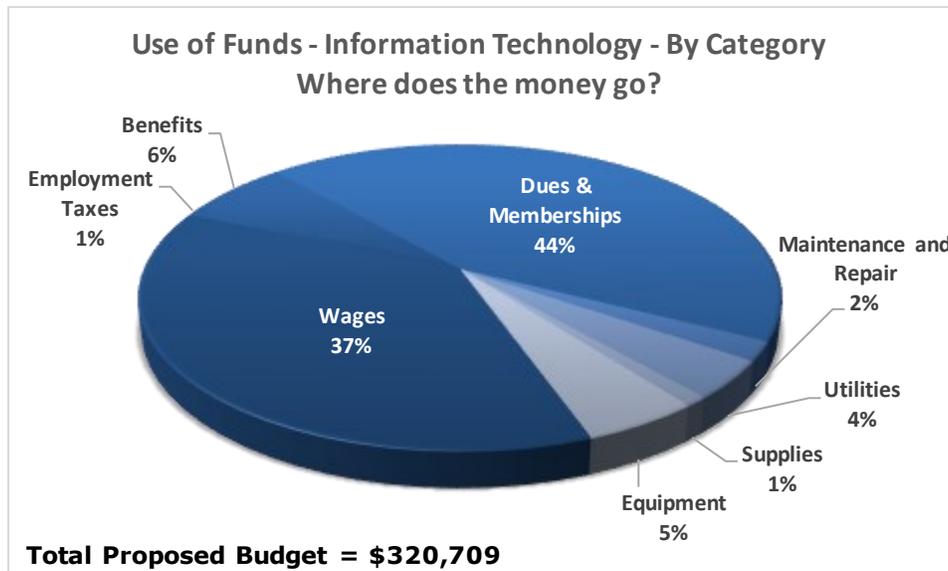
Program Name	Expenditures by Program			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Administration	\$ 99,255	\$ 102,082	\$ 108,261	\$ 110,756
Operations	185,972	193,636	207,396	209,953
Total	\$ 285,227	\$ 295,718	\$ 315,657	\$ 320,709



Category	Expenditures by Category			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Wages	\$ 79,976	\$ 109,160	\$ 120,105	\$ 117,983
Employment Taxes	1,324	3,483	4,113	4,100
Benefits	16,406	16,808	18,323	18,593
Dues & Memberships	109,886	126,905	139,440	140,900
Meetings and Training	-	-	-	-
Maintenance and Repair	1,420	1,796	5,000	5,000
Utilities	1,280	12,758	13,700	12,800
Contractual Services	8,245	1,753	1,000	1,000
Supplies	4,133	717	1,850	1,800
Equipment	60,113	22,296	12,000	17,000
Internal Service	2,444	42	126	1,533
Total	\$ 285,227	\$ 295,718	\$ 315,657	\$ 320,709

Variance Explanations:

Equipment: A budget supplement was added to upgrade the access control system software.



Activities/Results

Performance Measures

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Percentage of emergency related helpdesk tickets resolved within two business hours	95%	95%	99%	99%
Percentage of high priority helpdesk tickets resolved within four hours	98%	98%	98%	100%
Percentage of helpdesk tickets resolved within twelve hours	95%	98%	98%	100%

Quality

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Total number of tickets opened	294	344	350	300
Total number of tickets closed without resolution	0	0	0	0
Total number of tickets resolved within established timeframe	294	344	350	300
Number of issues resolved during initial contact	235	292	315	270
Online Payments Processed (Website)	1111	884	1200	1500

Productivity

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Availability of computer system up-time	99%	99%	99%	100%
Number of Public Meetings Recorded (Video)	25	25	25	25



**FY20-21 Proposed Budget
Summary of Expenditures
Information Technology**

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
General Fund				
Salaries-Full Time	\$ 79,976	\$ 82,961	\$ 87,006	\$ 88,120
Salaries-Part Time	-	26,199	33,099	29,863
FICA	-	1,624	2,052	1,852
Medicare	1,174	1,597	1,769	1,725
Workers Compensation	125	191	242	305
Unemployment Insurance	24	71	50	218
Group Health Insurance	5,788	5,791	5,849	6,303
Group Dental Insurance	426	431	459	481
Group Vision Insurance	75	78	79	79
Disability Insurance	285	345	368	936
Retirement	8,798	9,126	9,571	9,694
Life Insurance	84	87	97	100
Bonus	51	51	100	100
Allowance/Stipend	900	900	1,800	900
Licenses/Filing Fees	88,152	81,449	97,950	101,800
Dues, Subscript & Publicat	21,734	45,456	41,490	39,100
Equipment Maint/Repair	1,403	1,746	5,000	5,000
Office Equip Maint/Repair	17	50	-	-
Telecommunications	1,280	12,758	13,700	12,800
Professional Fees	7,245	752	-	-
Intergovt Agreements	1,000	1,000	1,000	1,000
Office Supplies	114	46	500	500
Operating Supplies	823	669	1,250	1,200
Program Materials	3,177	-	-	-
Postage & Delivery	19	2	100	100
Software	31,045	4,376	500	5,500
Hardware/Peripherals	29,007	17,920	11,500	11,500
Equipment	60	-	-	-
ISF-Copier Charges	14	16	50	50
ISF-Mail Service Charges	3	-	-	-
ISF-Vehicle Replacement Charges	-	25	58	52
ISF- Motor Pool Charges	38	1	18	55
ISF- Technology Replacement	-	-	-	1,376
ISF-Telecom Charges	2,390	-	-	-
Total Information Technology	\$ 285,227	\$ 295,718	\$ 315,657	\$ 320,709

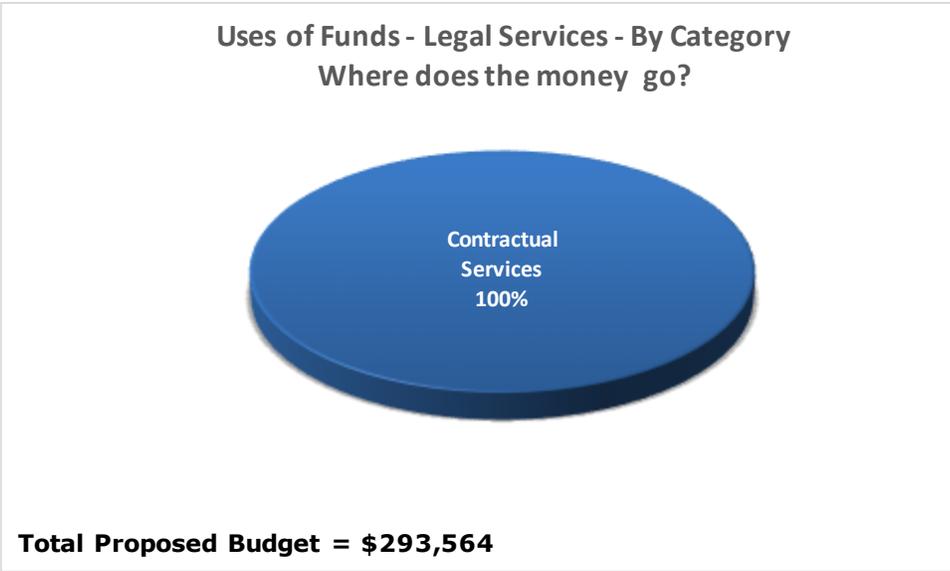
Legal Services Division

Service Delivery Plan

The Town Attorney and Town Prosecutor are appointed by the Town Council to serve as general counsel for the Town in addition to its responsibility for the efficient disposition of criminal cases prosecuted in the Municipal Court.

Program Name	Expenditures by Program			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Attorney Services	\$ 464,384	\$ 302,557	\$ 285,116	\$ 293,564
Total	\$ 464,384	\$ 302,557	\$ 285,116	\$ 293,564

Category	Expenditures by Category			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Dues & Memberships	\$ 4,432	\$ (148)	\$ -	\$ -
Contractual Services	459,713	302,705	285,116	293,564
Internal Service	239	-	-	-
Total	\$ 464,384	\$ 302,557	\$ 285,116	\$ 293,564



Activities/Results

Productivity

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Ordinances processed	16		15	
Resolutions processed	89		75	
Contracts and Agreements processed	171		250	

FY20-21 Proposed Budget Summary of Expenditures Legal Services

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
General Fund				
Dues, Subscript & Publicat	\$ 4,432	\$ (148)	\$ -	\$ -
Professional Fees	-	8,376	-	-
Legal Fees	351,031	178,119	166,000	168,800
Advertising/Signage	182	-	-	-
Prosecutor Fees	105,000	110,316	110,316	119,964
Public Defender Fees	3,500	5,894	8,800	4,800
ISF-Telecom Charges	239	-	-	-
Total Legal Services	\$ 464,384	\$ 302,557	\$ 285,116	\$ 293,564



General Government

GENERAL GOVERNMENT

Mission Statement

The mission of the General Government Department is to provide a centralized location for Town-wide expenditures rather than in individual departmental budgets. By doing so, transparency is enhanced.

Department Overview

The purpose of the General Government Department is to locate expenditures that are Town-wide and do not belong to any one department. Such expenditures as the community contracts, Town’s membership dues in the Arizona League of Cities and Town, Maricopa Association of Governments, East Valley Partnership, and other Town-wide expenditures are located in the General Government Department. Transfers for Municipal Property Corporation (MPC) debt service for the Community Center are also located in General Government. Terms such as General Government and Non-Departmental are commonly used in municipal budgeting to describe this type of cost center.

Division	Expenditures by Division			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Non-Departmental	\$ 204,809	\$ 263,431	\$ 634,364	\$ 2,204,942
Total	\$ 204,809	\$ 263,431	\$ 634,364	\$ 2,204,942

Variance Explanations:

Non-Departmental: Due to the uncertainty of the economy, a large contingency was added.

Program Name	Expenditures by Program			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Administration	\$ 204,809	\$ 263,431	\$ 634,364	\$ 2,204,942
Total	\$ 204,809	\$ 263,431	\$ 634,364	\$ 2,204,942

Variance Explanations:

Administration: Due to the uncertainty of the economy, a large contingency was added.

Category	Expenditures by Category			
	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Revised Budget	FY 20-21 Proposed Budget
Dues & Memberships	\$ 34,163	\$ 37,480	\$ 40,931	\$ 57,163
Meetings & Training	3,694	-	650	1,740
Maintenance & Repair	84	5,958	6,300	6,300
Utilities	-	22,907	24,120	24,120
Contractual Services	166,787	195,659	527,458	395,159
Supplies	81	6,398	26,305	56,305
Internal Service	-	(9,191)	(10,154)	(14,555)
Contingency	-	4,220	18,754	1,678,710
Total	\$ 204,809	\$ 263,431	\$ 634,364	\$ 2,204,942

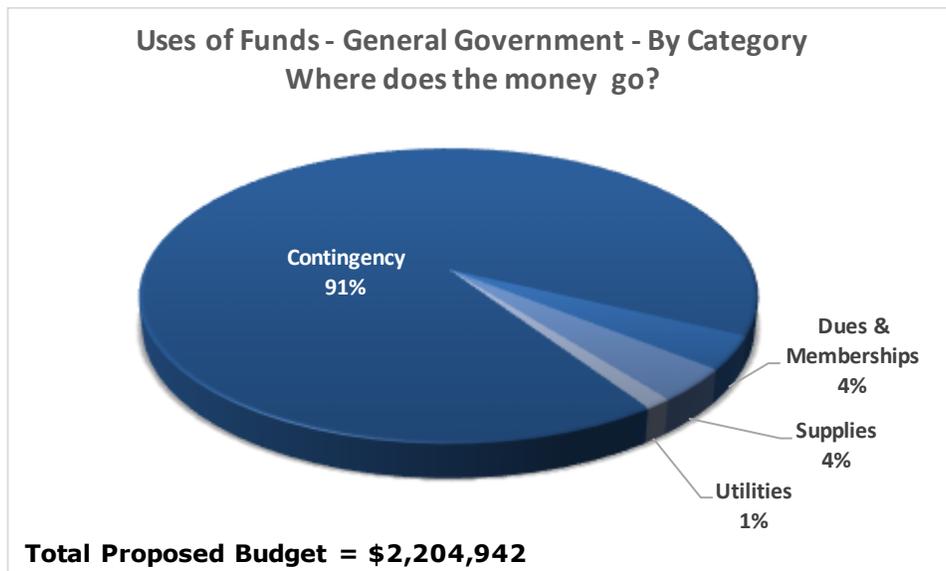
Variance Explanations:

Dues & Memberships: The amount increased for additional memberships.

Contractual Services: FY19-20 included a budget supplement for the comprehensive user fee study and the General Plan Update.

Supplies: An amount was added for the 50th Anniversary Celebration.

Contingency: Due to the uncertainty of the economy, a large contingency was added.

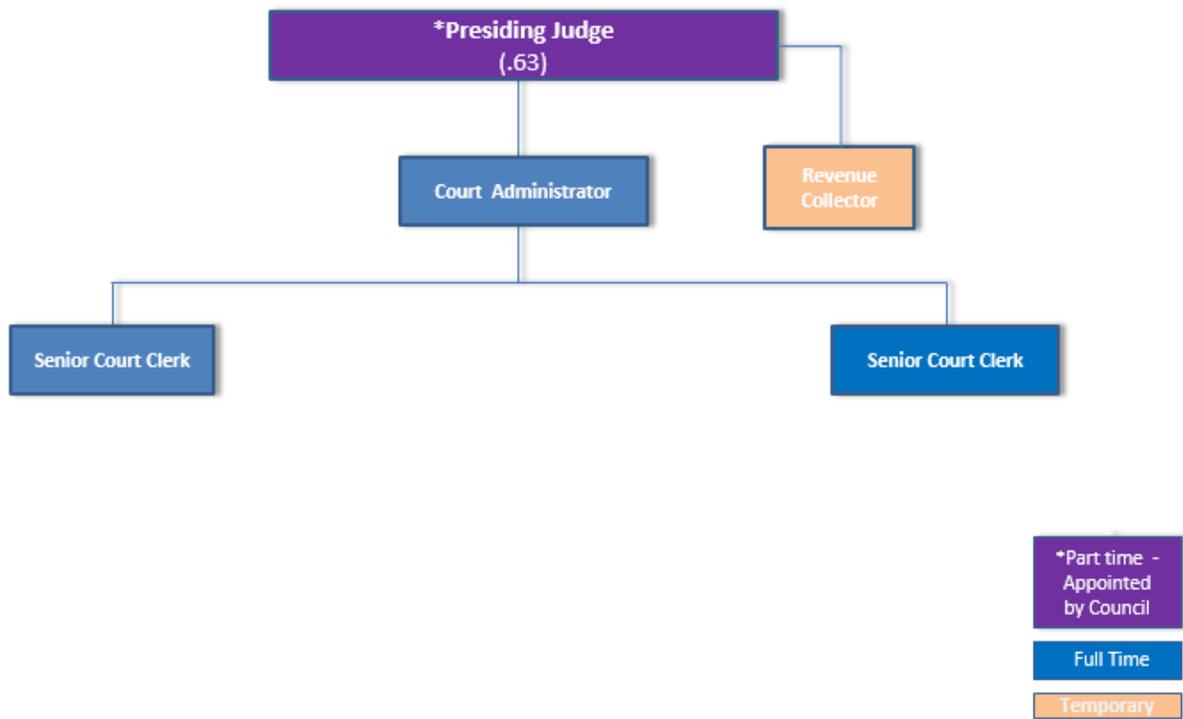


**Summary of Expenditures
General Government**

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
General Fund				
Licenses/Filing Fees	\$ -	\$ 150	\$ -	\$ -
Dues, Subscript & Publicat	34,163	37,330	40,931	57,163
Meetings & Training	-	-	650	650
Boards & Commissions	3,694	-	-	1,090
Office Equipment Maint/Repair	-	5,958	6,300	6,300
Sign Repair & Replacement	84	-	-	-
Telecommunications	-	22,907	24,120	24,120
Professional Fees	39,200	56,388	116,000	48,000
Legal Fees	365	-	-	-
Insurance Expense	-	-	298,582	262,749
Advertising/Signage	728	74	10,000	-
Contractual Services	12,758	19,551	-	-
Community Contracts/Events	110,890	118,515	102,795	84,410
Holiday Lighting	2,846	907	-	-
Interest Expense	-	224	-	-
Office Supplies	-	1,123	3,000	3,000
Program Materials	-	3,044	21,000	51,000
Postage & Delivery	82	2,231	2,305	2,305
ISF-Copier Charges	-	(8,179)	(8,500)	(8,500)
ISF-Motor Pool Charges	-	(1,012)	(1,654)	(6,055)
Contingency	-	4,220	18,754	1,678,710
Total General Government	\$ 204,810	\$ 263,431	\$ 634,283	\$ 2,204,942

Municipal Court

MUNICIPAL COURT



MUNICIPAL COURT

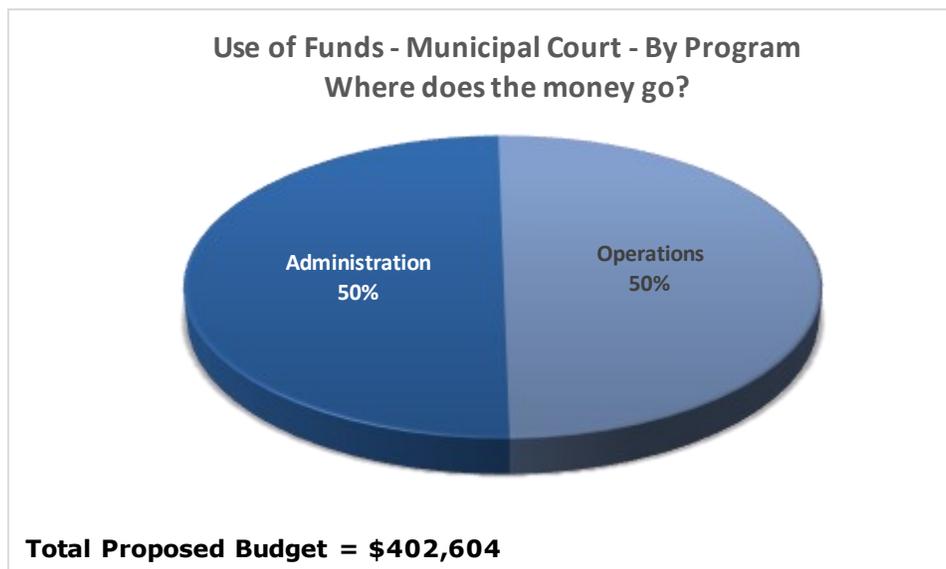
Mission Statement

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.

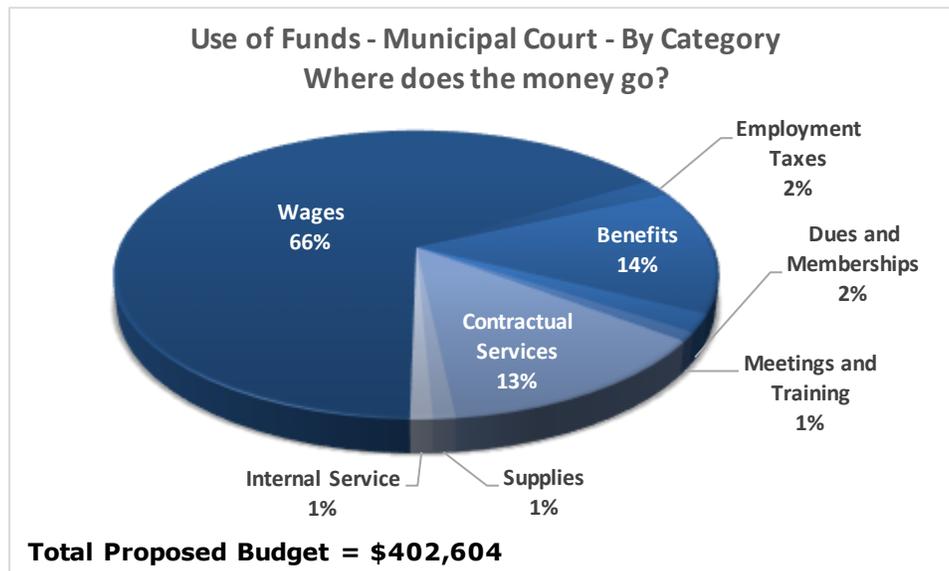
Department Overview

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 Presiding 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, record keeping, ADA, minimum accounting standards and judicial ethics.

Program Name	Expenditures by Program			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Administration	\$ 185,639	\$ 187,852	\$ 193,947	\$ 200,899
Operations	135,513	137,699	203,331	201,705
Total	\$ 321,152	\$ 325,551	\$ 397,278	\$ 402,604



Category	Expenditures by Category			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Wages	\$ 239,521	\$ 249,624	\$ 260,083	\$ 264,373
Employment Taxes	9,064	9,410	9,118	9,820
Benefits	49,053	51,118	51,566	55,658
Dues and Memberships	3,422	2,447	8,863	8,863
Meetings and Training	1,649	1,154	3,405	3,405
Maintenance and Repair	690	798	804	804
Contractual Services	11,720	6,315	58,501	50,981
Supplies	1,956	3,535	3,935	3,935
Equipment	57	214	260	260
Internal Service	4,020	936	743	4,505
Total	\$ 321,152	\$ 325,551	\$ 397,278	\$ 402,604



Program Name	Operating Results			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Total Revenues	\$ 152,489	\$ 120,340	\$ 179,001	\$ 185,004
Total Expenses	321,152	325,551	397,278	402,604
Total	\$ (168,663)	\$ (205,211)	\$ (218,277)	\$ (217,600)

FY19-20 Department Accomplishments

Initiative	Strategic Value
Provided all court and judicial services as mandated by the Constitution, statutes and ordinances as fairly, effectively and efficiently as possible.	Goal #5, Objective #2
Provided community outreach through informing the public and Fountain Hills High School about Teen Court and the justice system.	Goal #5, Objective #2 Goal #5, Objective #1
Effectively and efficiently monitored and enforced timely compliance with Court ordered sentencing and diversion programs while holding defendants accountable for their actions and obligations.	Goal #5, Objective #2
Complied with recognized Supreme Court/AOC guidelines for timely case processing, management and finances.	Goal #5, Objective #2 Goal #4, Objective #1
Continue to seek ways to better improve the court process for citizens. Complying with Administrative orders and new processes from Supreme Court.	Goal #5, Objective #2

FY20-21 Objectives

Initiative	Strategic Value	Estimated Cost/Funding Source
Provide all court and judicial services as mandated by the Constitution, statutes and ordinances as fairly, effectively and efficiently as possible.	Goal #5, Objective #2	\$0
Provide community outreach and garner support through informing the public and Fountain Hills High School about Teen Court and the justice system.	Goal #3, Objective #2 Goal #5, Objective #1 Goal #5, Objective #2	\$0
Refurbish or replace, as needed, the benches in the Courtroom due to the wear and tear that the benches have received from years of use.	Goal #2, Objective #1	No more than \$10,000 Funding Source: CCEF Total amount in unknown
Eliminate paper files by transitioning to scanning of active case records to improve case processing. With the goal to become entirely file less the processing time should be reduced once the transition has been completed providing the staff a way to better serve the public.	Goal #2, Objective #2 Goal #5, Objective #2	Estimated Cost Per Scanner: \$4,385.00 Total Estimated Cost of 3 Scanners: \$13,155.00 Annual Cost Per Scanner: \$785.00 Total Estimated Annual Cost: \$2,355.00 Funding Source: CCEF
Comply with recognized Arizona Supreme Court/AOC standards for timely case processing, management, and finances.	Goal #5, Objective #2 Goal #4, Objective #1	\$0
Comply with standard court security standards as defined and mandated by the Arizona Supreme Court/AOC.	Goal #5, Objective #2	No more than: \$30,000 for upgraded security cameras. Funding Source: CCEF Total amount is unknown.
Effectively and efficiently monitor and enforce timely compliance with Court ordered sentencing and diversion programs while holding defendants accountable for their actions and obligations.	Goal #5, Objective #2	\$0

Activities/Results

Performance Measures

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Cases Filed	1,268	786	2,600	2,800
Cases Terminated	1,217	957	2,550	2,750
Hearings/Trial Held	618	830	1,400	1,600

Quality

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Achieve a better understanding of how many arraignments the court conducts.	217 Estimated Minimum	395 Estimated Minimum	1050 Minimum	1250 Minimum

Productivity

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Telephone	682	1503	1999	2400
Appearance	776	1369	1900	2290
Acceptance of plea agreement	140	209	230	295
Defensive Driving School (DDS) Completed	210	270	1000	1550

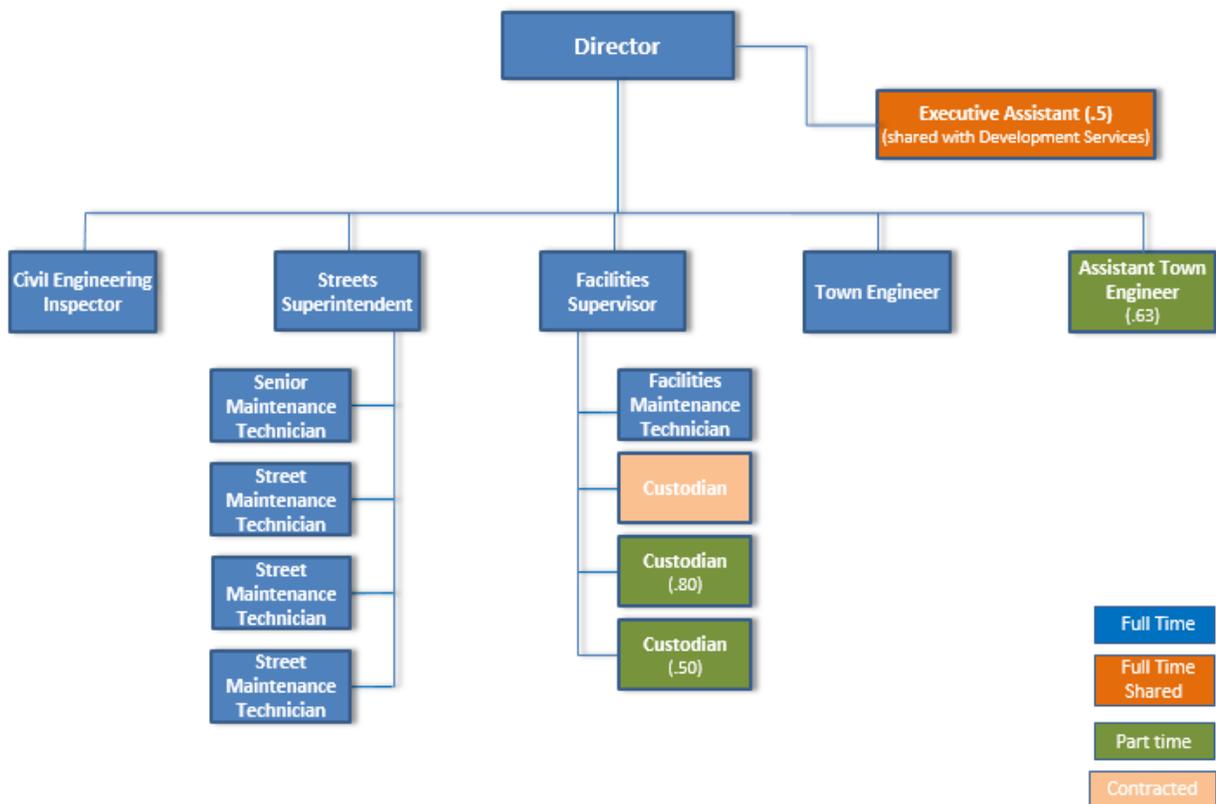


**FY20-21 Proposed Budget
Summary of Expenditures
Municipal Court**

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
General Fund				
Salaries-Full Time	\$ 165,592	\$ 173,846	\$ 182,375	\$ 184,724
Salaries-Part Time	73,929	75,777	77,708	79,649
FICA	5,090	5,218	4,817	4,938
Medicare	3,524	3,686	3,775	3,849
Workers Compensation	352	414	426	597
Unemployment Insurance	98	93	100	436
Group Health Insurance	19,879	19,892	20,232	21,782
Group Dental Insurance	1,512	1,530	1,521	1,709
Group Vision Insurance	224	233	237	237
Disability Insurance	659	722	772	1,960
Retirement	26,324	27,455	28,401	28,660
Life Insurance	172	180	203	210
Bonus	206	206	200	200
Allowance/Stipend	75	900	-	900
Licenses/Filing Fees	3,422	2,447	-	-
Dues, Subscript & Publicat	-	-	8,863	8,863
Meetings & Training	1,649	1,154	3,405	3,405
Office Equip Maint/ Repair	690	771	804	804
Sign Repair & Replacement	-	27	-	-
Auditing Expense	3,750	-	-	-
Professional Fees	746	200	2,956	2,956
Legal Fees	400	675	1,400	1,400
Printing Expense	1,283	-	2,000	2,000
Intergovt Agreements	5,157	5,105	11,605	11,825
Contractual Services	-	-	40,000	32,500
Bank/Merc Acct Fees	385	335	540	300
Office Supplies	1,370	2,019	2,443	2,443
Cleaning/Janitorial Supplies	39	79	32	32
Safety Supplies	42	11	-	-
Operating Supplies	28	5	-	-
Food & Beverage Supplies	477	437	660	660
Postage & Delivery	-	984	800	800
Hardware/Peripherals	58	214	260	260
ISF-Copier Charges	9	30	5	5
ISF-Mail Service Charges	1,049	-	-	-
ISF-Vehicle Replacement Charge	756	810	562	567
ISF-Motor Pool Charges	54	96	176	604
ISF- Technology Replacement	-	-	-	3,329
ISF-Telecom Charges	2,152	-	-	-
Total Municipal Court	\$ 321,152	\$ 325,551	\$ 397,278	\$ 402,604

Public Works

PUBLIC WORKS DEPARTMENT



Note: Numbers in parentheses represent full-time equivalents (FTE).

PUBLIC WORKS

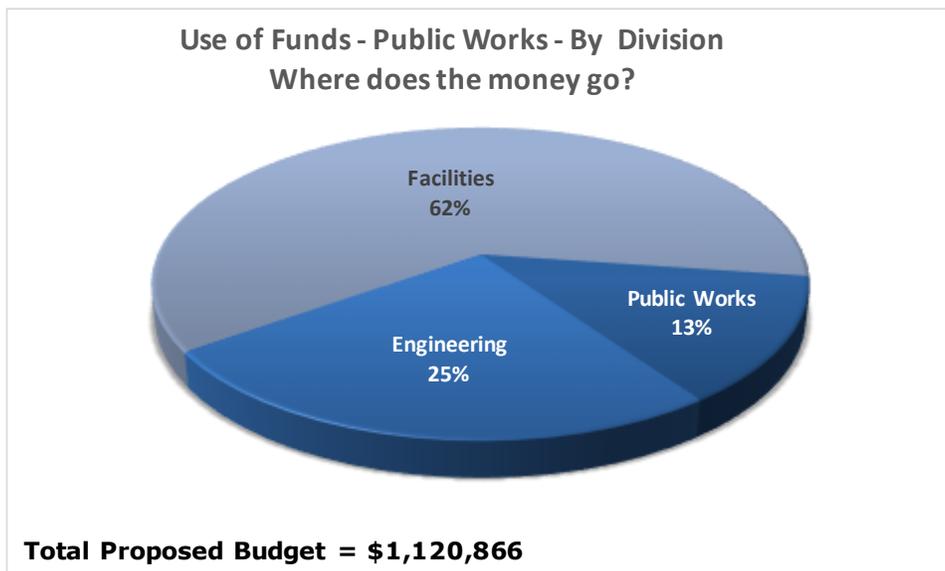
Mission Statement

The Public Works Department is dedicated to enhancing the quality of life in Fountain Hills by ensuring the construction of quality infrastructure; maintenance of roadways and traffic control devices; maintenance of Town-owned washes, dams, medians and open space; and maintenance of Town facilities in a manner that provides a safe, healthy and secure environment for staff and visitors. The Department strives to provide quality customer service in a professional and timely manner.

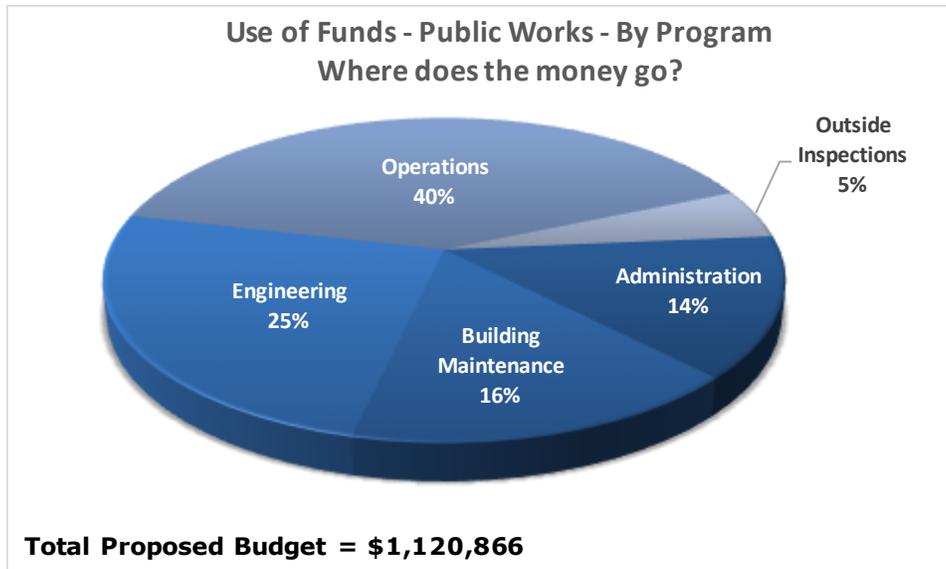
Department Overview

The Public Works Department is made up of three (3) Divisions: Public Works, Facilities and Engineering. The Public Works Director provides direct supervision over Division heads and the executive assistant.

Division	Expenditures by Division			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Public Works	\$ 159,995	\$ 153,317	\$ 147,003	\$ 143,543
Engineering	144,770	161,644	272,018	279,959
Facilities	490,843	522,566	752,917	697,364
Total	\$ 795,608	\$ 837,527	\$ 1,171,938	\$ 1,120,866



Program Name	Expenditures by Program			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Administration	\$ 184,998	\$ 194,477	\$ 158,638	\$ 155,123
Building Maintenance	99,164	107,196	197,755	175,130
Engineering	144,770	161,642	272,018	279,959
Operations	312,973	334,818	486,824	451,820
Outside Inspections	53,703	39,394	56,703	58,834
Total	\$ 795,608	\$ 837,527	\$ 1,171,938	\$ 1,120,866



Category	Expenditures by Category			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Wages	\$ 353,971	\$ 369,558	\$ 432,034	\$ 436,294
Employment Taxes	15,178	17,638	22,873	27,223
Benefits	73,237	76,702	76,981	81,849
Dues & Memberships	11,797	9,111	11,240	3,555
Meetings and Training	685	800	3,285	3,415
Maintenance and Repair	79,270	90,945	234,790	169,465
Utilities	170,463	176,623	195,417	193,445
Contractual Services	38,167	56,477	140,941	138,301
Supplies	25,343	21,088	36,508	36,148
Equipment	5,756	3,447	5,350	11,900
Damages/Vandalism	2,779	-	900	900
Internal Service	18,962	15,138	11,619	18,371
Total	\$ 795,608	\$ 837,527	\$ 1,171,938	\$ 1,120,866

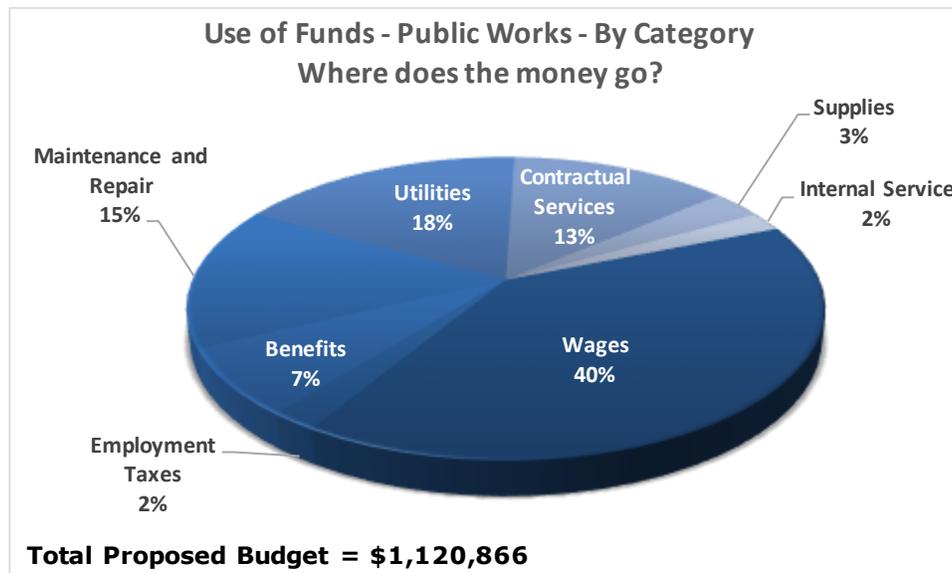
Variance Explanations:

Dues & Memberships: The decrease is due to the Town-wide elimination of the environmental fee, including fees billed to the Town.

Maintenance & Repair: FY19-20 included a budget transfer for chiller repair.

Equipment: A budget supplement was added for metal detectors for the Council Chambers.

Internal Service: The increase is from the newly created Information Technology Replacement fund.



Program Name	Operating Results			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Total Revenues	\$ 32,355	\$ 736,993	\$ 44,790	\$ 44,490
Total Expenses	795,608	837,527	1,171,938	1,120,866
Total	\$ (763,253)	\$ (100,534)	\$ (1,127,148)	\$ (1,076,376)

FY19-20 Department Accomplishments

Initiative	2017 Strategic Value
Fostered a culture of public service and volunteerism	Goal 5, Objective 3
Developed and implemented an investment plan to bring additional streets up to established standards	Goal 2, Objective 1
Designed and constructed drainage improvements to minimize Golden Eagle Park flooding	Goal 2, Objective 1
Commissioned a study to identify gap between actual & subdivision ordinance specifications & determine cost of meeting ordinance specifications	Goal 2, Objective 2

FY20-21 Objectives

Initiative	Strategic Value	Estimated Cost/Funding Source
Restart long range sidewalk infill program	Goal 2, Objective 1	\$100,000/CIP Fund
Develop and adopt a comprehensive environmental plan	Goal 2, Objective 2	Awaiting Estimates / Environmental Fund
Develop & implement an investment plan to bring streets, buildings and parks up to established standards	Goal 2, Objective 1	\$10,000,000 - \$12,000,000 Bond and/or General Fund

**FY20-21 Proposed Budget
Summary of Expenditures
Public Works Department**

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
General Fund				
Salaries-Full Time	\$ 305,460	\$ 319,056	\$ 316,865	\$ 320,930
Salaries-Part Time	48,430	50,075	115,169	115,364
Overtime	81	426	-	-
FICA	3,009	3,111	7,140	7,153
Medicare	4,999	5,199	6,282	6,344
Workers Compensation	7,015	9,141	9,277	12,959
Unemployment Insurance	155	187	174	767
Group Health Insurance	35,311	36,143	36,317	38,509
Group Dental Insurance	2,106	2,263	2,442	2,578
Group Vision Insurance	366	401	420	436
Disability Insurance	1,188	1,310	1,340	3,407
Retirement	33,609	35,147	34,857	35,302
Life Insurance	325	328	352	364
Bonus	332	362	353	353
Allowance/Stipend	-	750	900	900
Licenses/Filing Fees	10,286	8,571	9,060	700
Dues, Subscript & Publicat	1,511	540	2,180	2,855
Meetings & Training	685	800	3,285	3,415
Building Maint/Repair	11,164	17,041	44,900	48,315
HVAC Repair	52,069	49,143	149,080	80,680
Plumbing Repair	5,216	185	8,100	8,100
Electrical Repair/Maint	-	-	5,140	5,140
Fire Protection Systems	6,504	8,571	7,960	8,320
Irrigation Repair	460	879	2,850	2,850
Backflow Testing & Maintenance	250	100	1,235	1,235
Equipment Maint/Repair	1,232	5,517	7,850	7,850
Vehicle Maint/Repair	1,846	239	2,160	1,760
Other Maint/Repair	-	6,277	2,400	2,400
Sign Repair & Replacement	530	2,993	2,015	2,815
Painting	-	-	100	-
Lighting Repair	-	-	1,000	-
Electricity Expense	139,636	145,027	155,942	153,290
Refuse/Recycling	1,704	3,004	1,704	1,704
Telecommunications	3,006	4,533	5,736	7,416
Water/Sewer	22,602	21,015	26,985	26,585
Gas & Oil	3,514	3,044	5,050	4,450
Professional Fees	29,888	52,088	76,591	76,951
Rentals & Leases	-	-	750	750
Printing Expense	148	287	650	650
Advertising/Signage	196	-	-	-
Contractual Services	988	-	25,000	25,000
Bank/Merc Acct Fees	289	173	500	500
Landscape Contracts	6,656	3,928	37,450	34,450

**FY20-21 Proposed Budget
Summary of Expenditures
Public Works Department**

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
General Fund-continued				
Office Supplies	\$ 587	\$ 237	\$ 1,075	\$ 1,075
Cleaning/Janitorial Supplies	9,631	9,643	14,500	14,500
Safety Supplies	2,091	269	825	825
Operating Supplies	10,468	8,199	15,833	15,473
Food & Beverage Supplies	1,547	1,875	2,000	2,000
Uniforms	1,021	804	2,100	2,100
Postage & Delivery	-	61	175	175
Small Tools	25	94	950	950
Hardware/Peripherals	1,394	-	-	-
Furniture/Appliances	1,152	2,708	2,900	2,900
Equipment	806	645	1,500	8,050
Building Improvements Exp	2,380	-	-	-
Damages/Vandalism	2,779	-	900	900
ISF-Copier Charges	149	220	287	287
ISF-Mail Service Charges	62	-	-	-
ISF-Vehicle Replacement Charge	14,350	14,300	10,984	11,108
ISF-Motor Pool Charges	386	618	348	1,489
ISF- Technology Replacement	-	-	-	5,487
ISF-Telecom Charges	4,014	-	-	-
Total Public Works	<u>\$ 795,608</u>	<u>\$ 837,527</u>	<u>\$ 1,171,938</u>	<u>\$ 1,120,866</u>

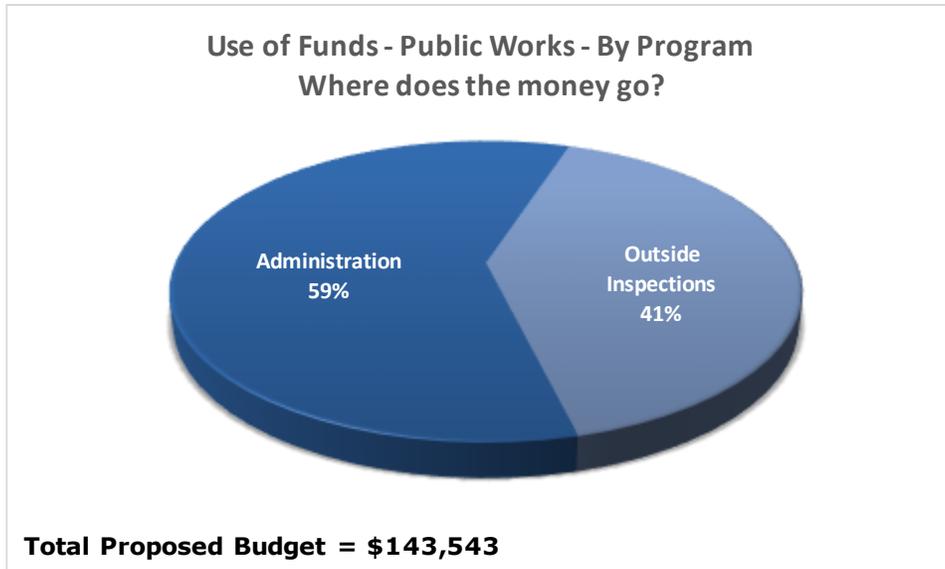


Public Works Division

Service Delivery Plan

The Public Works Division, through its administrative services, is responsible for the general oversight of capital projects and review, approval and inspections related to encroachment permits.

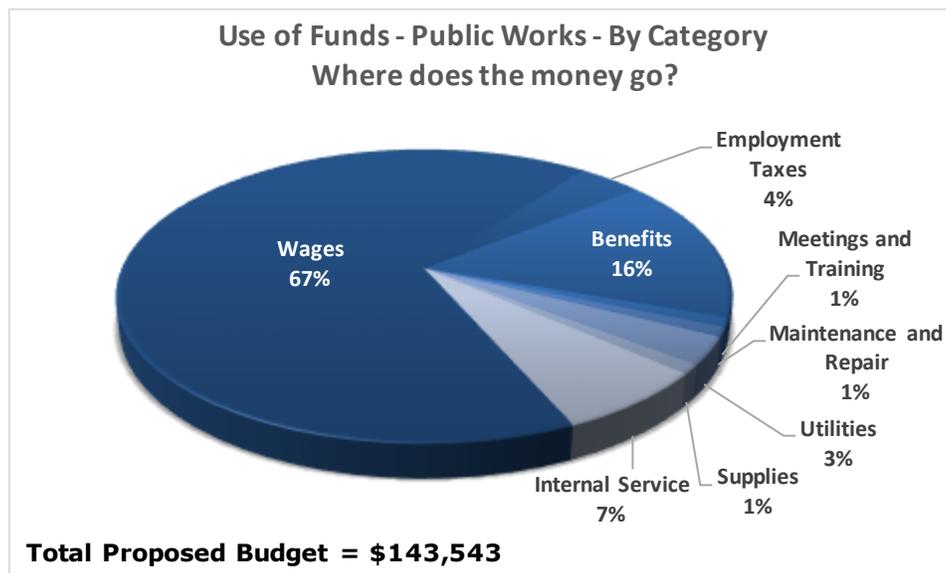
Program Name	Expenditures by Program			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Administration	\$ 106,293	\$ 113,921	\$ 90,300	\$ 84,709
Outside Inspections	53,702	39,394	56,703	58,834
Total	\$ 159,995	\$ 153,315	\$ 147,003	\$ 143,543



Category	Expenditures by Category			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Wages	\$ 108,904	\$ 101,083	\$ 94,752	\$ 95,966
Employment Taxes	4,284	5,234	4,045	5,282
Benefits	25,183	24,717	22,643	23,549
Dues & Memberships	8,460	8,388	9,045	585
Meetings and Training	-	800	2,040	2,040
Maintenance and Repair	799	84	1,360	1,360
Utilities	3,633	3,276	3,716	3,716
Contractual Services	553	2,987	700	700
Supplies	1,141	110	1,575	1,575
Equipment	-	-	450	450
Internal Service	7,038	6,636	6,677	8,320
Total	\$ 159,995	\$ 153,315	\$ 147,003	\$ 143,543

Variance Explanations:

Dues & Memberships: The decrease is due to the Town-wide elimination of the environmental fee, including fees billed to the Town.



**FY20-21 Proposed Budget
Summary of Expenditures
Public Works Division**

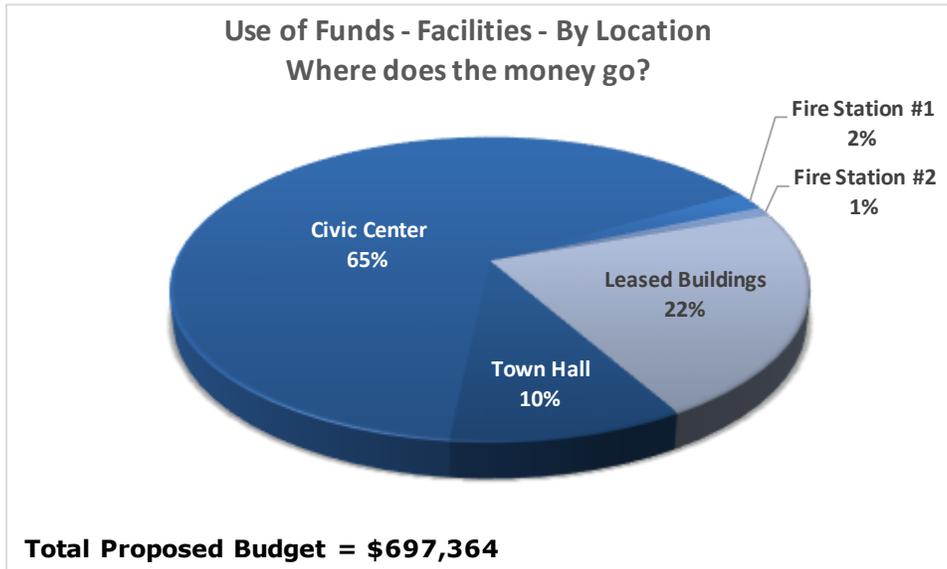
Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
General Fund				
Salaries-Full Time	\$ 108,888	\$ 100,678	\$ 94,752	\$ 95,966
Overtime	16	405	-	-
Medicare	1,545	1,429	1,375	1,392
Workers Compensation	2,697	3,750	2,633	3,722
Unemployment Insurance	41	55	37	168
Group Health Insurance	11,705	11,900	10,607	10,680
Group Dental Insurance	808	915	908	969
Group Vision Insurance	124	126	122	138
Disability Insurance	366	441	400	1,019
Retirement	11,979	11,123	10,423	10,556
Life Insurance	113	111	105	109
Bonus	89	101	78	78
Licenses/Filing Fees	8,460	8,388	8,560	100
Dues, Subscriptions & Publications	-	-	485	485
Meetings & Training	-	800	2,040	2,040
Vehicle Maint/Repair	799	84	1,360	1,360
Telecommunications	803	880	1,116	1,116
Gas & Oil	2,830	2,396	2,600	2,600
Professional Fees	-	2,744	-	-
Printing Expense	67	70	200	200
Advertising/Signage	196	-	-	-
Bank/Merc Acct Fees	289	173	500	500
Office Supplies	587	105	900	900
Safety Supplies	22	-	100	100
Uniforms	533	-	575	575
Postage & Delivery	-	5	-	-
Small Tools	-	-	450	450
ISF-Copier Charges	11	27	30	30
ISF-Mail Service Charges	24	-	-	-
ISF-Vehicle Replacement Charges	6,384	6,519	6,631	6,820
ISF- Motor Pool Charges	21	90	16	48
ISF- Technology Replacement	-	-	-	1,422
ISF-Telecom Charges	598	-	-	-
Total Public Works	<u>\$ 159,995</u>	<u>\$ 153,315</u>	<u>\$ 147,003</u>	<u>\$ 143,543</u>

Facilities Division

Service Delivery Plan

The Facilities Division is dedicated to maintaining a safe and clean environment in Town-owned buildings for citizens and employees to enjoy. The Facilities Division maintains Town Hall, Community Center, Library/Museum, Fire Stations Nos. 1 and 2, the Kiwanis Building, the Streets operations building and a vehicle maintenance facility.

Location	Expenditures by Location			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Town Hall	\$ 78,705	\$ 80,555	\$ 68,338	\$ 70,414
Civic Center	312,973	334,818	486,824	451,820
Fire Station #1	-	-	12,105	12,105
Fire Station #2	-	-	9,295	10,055
Leased Buildings	99,165	107,194	176,355	152,970
Total	\$ 490,843	\$ 522,567	\$ 752,917	\$ 697,364

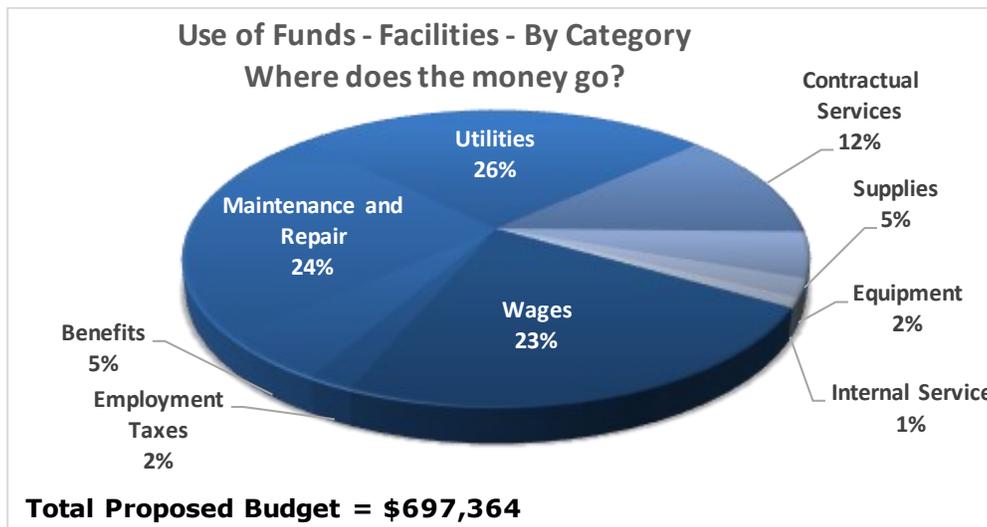


Category	Expenditures by Category			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Wages	\$ 141,145	\$ 160,673	\$ 158,726	\$ 160,775
Employment Taxes	8,215	9,496	9,769	11,848
Benefits	27,658	31,101	32,670	35,115
Dues & Memberships	-	-	300	300
Maintenance and Repair	78,471	90,861	233,430	168,105
Utilities	166,106	172,759	190,921	188,169
Contractual Services	28,596	26,920	83,491	80,851
Supplies	24,203	20,819	34,463	34,103
Equipment	4,363	3,447	4,900	11,450
Damages/Vandalism	2,779	-	900	900
Internal Service	9,307	6,491	3,347	5,748
Total	\$ 490,843	\$ 522,567	\$ 752,917	\$ 697,364

Variance Explanations:

Maintenance & Repair: FY19-20 included a budget transfer to fix the chillers.

Equipment: A budget supplement was added for metal detectors for the Council Chambers.



**FY20-21 Proposed Budget
Summary of Expenditures
Facilities**

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
General Fund				
Salaries-Full Time	\$ 92,651	\$ 110,577	\$ 109,056	\$ 110,460
Salaries-Part Time	48,430	50,075	49,670	50,315
Overtime	65	21	-	-
FICA	3,009	3,111	3,079	3,120
Medicare	1,981	2,264	2,317	2,347
Workers Compensation	3,133	4,009	4,283	5,989
Unemployment Insurance	92	111	90	392
Group Health Insurance	15,871	16,503	17,893	19,424
Group Dental Insurance	746	790	938	984
Group Vision Insurance	130	156	179	179
Disability Insurance	411	421	462	1,173
Retirement	10,199	12,166	11,997	12,150
Life Insurance	105	105	121	125
Bonus	197	210	180	180
Allowance/Stipend	-	750	900	900
Dues, Subscript & Publicat	-	-	300	300
Building Maint/Repair	11,164	17,041	44,900	48,315
HVAC Repair	52,069	49,143	149,080	80,680
Plumbing Repair	5,216	185	8,100	8,100
Electrical Repair/Maint	-	-	5,140	5,140
Fire Protection Systems	6,504	8,571	7,960	8,320
Irrigation Repair	460	879	2,850	2,850
Backflow Testing & Maintenance	250	100	1,235	1,235
Equipment Maint/Repair	1,232	5,517	7,850	7,850
Vehicle Maint/Repair	1,047	155	800	400
Other Maint/Repair	-	6,277	2,400	2,400
Sign Repair & Replacement	530	2,993	2,015	2,815
Painting	-	-	100	-
Lighting Repair	-	-	1,000	-
Electricity Expense	139,636	145,027	155,942	153,290
Refuse/Recycling	1,704	3,004	1,704	1,704
Telecommunications	1,479	3,066	3,840	4,740
Water/Sewer	22,602	21,015	26,985	26,585
Gas & Oil	684	647	2,450	1,850
Professional Fees	21,939	22,922	45,091	45,451
Rentals & Leases	-	-	750	750
Printing Expense	-	70	200	200
Landscape Contracts	6,656	3,928	37,450	34,450
Office Supplies	-	67	175	175
Cleaning/Janitorial Supplies	9,631	9,643	14,500	14,500
Safety Supplies	2,069	269	625	625
Operating Supplies	10,468	8,199	15,833	15,473
Food & Beverage Supplies	1,547	1,875	2,000	2,000
Uniforms	488	746	1,325	1,325

**FY20-21 Proposed Budget
Summary of Expenditures
Facilities**

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
General Fund-continued				
Postage & Delivery	\$ -	\$ 21	\$ 5	\$ 5
Small Tools	25	94	500	500
Furniture/Appliances	1,152	2,708	2,900	2,900
Equipment	806	645	1,500	8,050
Building Improvements Exp	2,379	-	-	-
Damages/Vandalism	2,779	-	900	900
ISF-Copier Charges	24	22	57	57
ISF-Mail Service Charges	3	-	-	-
ISF-Vehicle Replacement Charges	6,342	6,469	3,290	2,982
ISF- Motor Pool Charges	-	-	-	48
ISF- Technology Replacement	-	-	-	2,661
ISF-Telecom Charges	2,938	-	-	-
Total Facilities	\$ 490,843	\$ 522,567	\$ 752,917	\$ 697,364



Activities/Results

Performance Measures

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Percentage of maintenance requests resolved within 24 hours	80	80	80	80
Percentage of maintenance requests resolved within 48 hours	95	95	95	95
Percentage of trade related work orders completed in-house versus contracts	70	70	70	70

Quality

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Square footage of buildings maintained by staff	107,507	122,003	122,003	118,108
Square footage of buildings cleaned by staff	23,500	23,500	23,500	23,500
Number of annual maintenance requests	350	344	360	350
Number of Custodial Staff	1.25	1.25	1.25	1.25
Library/Museum Custodial Staff	.50	.50	.50	.50
Town Hall Custodial Staff	.75	.75	.75	.75

Productivity

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Civil Center utility costs per square foot (water, sewer and electricity)	\$1.81	\$1.85	\$2.04	\$2.00

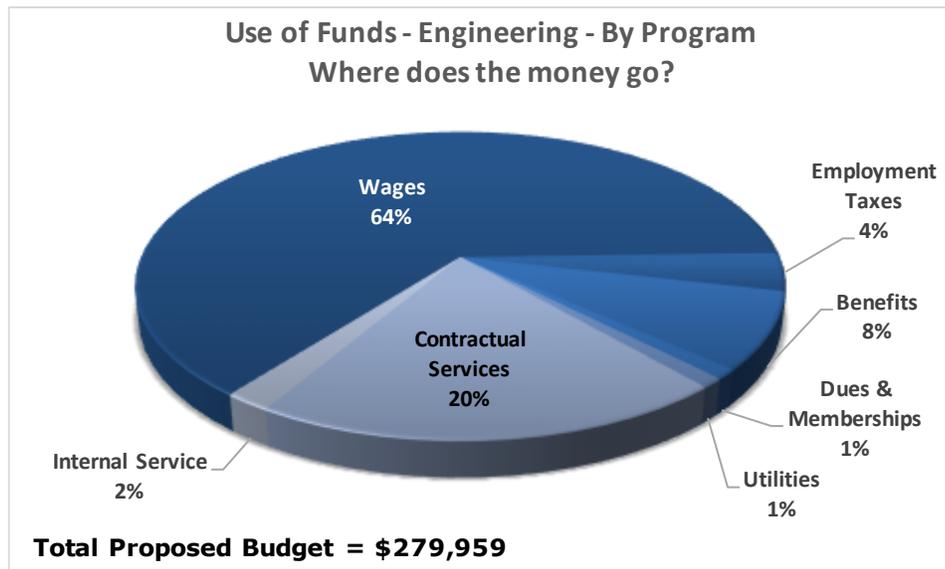
Engineering Division

Service Delivery Plan

The Engineering Division is responsible for the review of commercial and residential building plans, flood plan administration, preliminary and final plats, easement abandonments, etc.

Program Name	Expenditures by Program			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Engineering	\$ 205,471	\$ 144,770	\$ 272,018	\$ 279,959
Total	\$ 205,471	\$ 144,770	\$ 272,018	\$ 279,959

Category	Expenditures by Category			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Wages	\$ 101,435	\$ 103,922	\$ 178,556	\$ 179,553
Employment Taxes	3,265	2,679	9,059	10,093
Benefits	19,683	20,397	21,668	23,185
Dues & Memberships	595	3,337	1,895	2,670
Meetings & Training	525	684	1,245	1,375
Utilities	706	723	780	1,560
Contractual Services	78,462	9,018	56,750	56,750
Supplies	94	-	470	470
Equipment	-	1,394	-	-
Internal Service	706	2,616	1,595	4,303
Total	\$ 205,471	\$ 144,770	\$ 272,018	\$ 279,959



Activities/Results

Performance Measures

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Percentage of reviews of final plats, site plans and commercial plans completed within established turn-around time	95%	95%	95%	99%

Quality

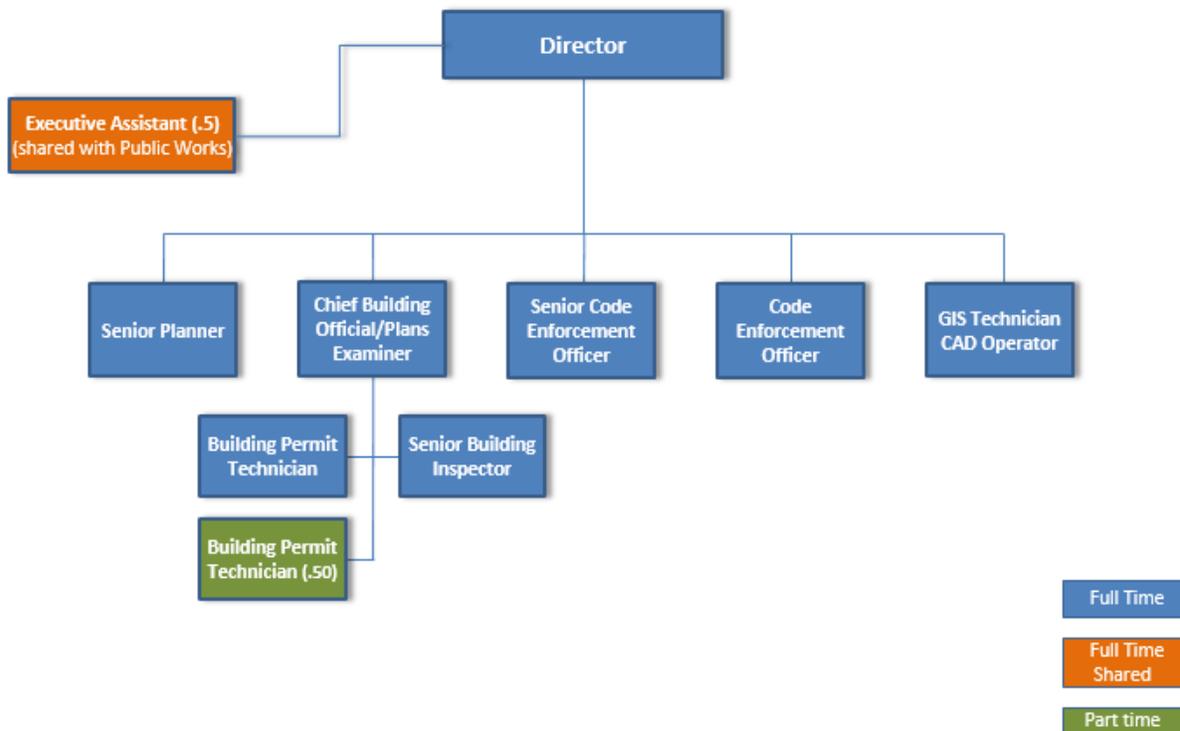
	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Number of easements released or acquired	18	25	35	35

FY20-21 Proposed Budget Summary of Expenditures Engineering

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
General Fund				
Salaries-Full Time	\$ 103,922	\$ 107,801	\$ 113,057	\$ 114,504
Salaries-Part Time	-	-	65,499	65,049
Fica	-	-	4,061	4,033
Medicare	1,473	1,505	2,590	2,605
Workers Compensation	1,184	1,382	2,361	3,248
Unemployment Insurance	22	21	47	207
Group Health Insurance	7,736	7,740	7,817	8,405
Group Dental Insurance	553	559	596	625
Group Vision Insurance	112	118	119	119
Disability Insurance	412	448	478	1,215
Retirement	11,431	11,858	12,437	12,596
Life Insurance	108	112	126	130
Bonus	46	51	95	95
Licenses/Filing Fees	1,826	183	500	600
Dues, Subscript & Publicat	1,511	540	1,395	2,070
Meetings & Training	684	-	1,245	1,375
Telecommunications	723	588	780	1,560
Professional Fees	7,950	26,422	31,500	31,500
Printing Expense	80	148	250	250
Contractual Services	987	-	25,000	25,000
Office Supplies	-	65	-	-
Safety Supplies	-	-	100	100
Uniforms	-	58	200	200
Postage & Delivery	-	34	170	170
Hardware/Peripherals	1,394	-	-	-
ISF-Copier Charges	113	172	200	200
ISF-Mail Service Charges	36	-	-	-
ISF-Vehicle Replacement Charges	1,624	1,312	1,063	1,306
ISF- Motor Pool Charges	365	527	332	1,393
ISF- Technology Replacement	-	-	-	1,404
ISF-Telecom Charges	478	-	-	-
Total Engineering	\$ 144,770	\$ 161,644	\$ 272,018	\$ 279,959

Development Services

DEVELOPMENT SERVICES DEPARTMENT



Note: Numbers in parentheses represent full-time equivalents (FTE).

DEVELOPMENT SERVICES

Mission Statement

The Development Services Department is dedicated to enhancing the quality of life in Fountain Hills by providing plan review, construction permitting, building inspections, code enforcement, and Geographic Information Systems, as well as the use of innovative and proven land planning techniques. The Department strives to provide quality customer service in a professional and timely manner.

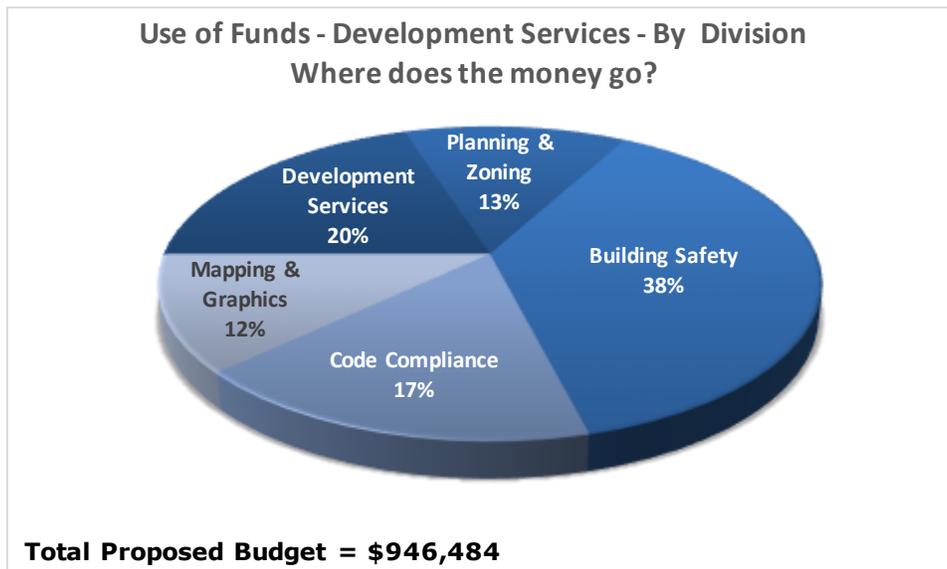
Department Overview

The Development Services Department is made up of five (5) Divisions: Development Services, Building Safety, Code Compliance, Mapping & Graphics and Planning & Zoning. The Development Services Director provides direct supervision over Division heads and the executive assistant. Previously, the Department also contained the Engineering Division.

Division	Expenditures by Division			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Development Services	\$ 162,618	\$ 246,973	\$ 180,139	\$ 189,428
Planning & Zoning	98,097	102,683	111,483	121,088
Building Safety	299,489	334,201	536,490	355,963
Code Compliance	74,502	79,628	158,855	163,545
Mapping & Graphics	96,039	102,723	113,329	116,460
Total	\$ 730,745	\$ 866,208	\$ 1,100,296	\$ 946,484

Variance Explanations:

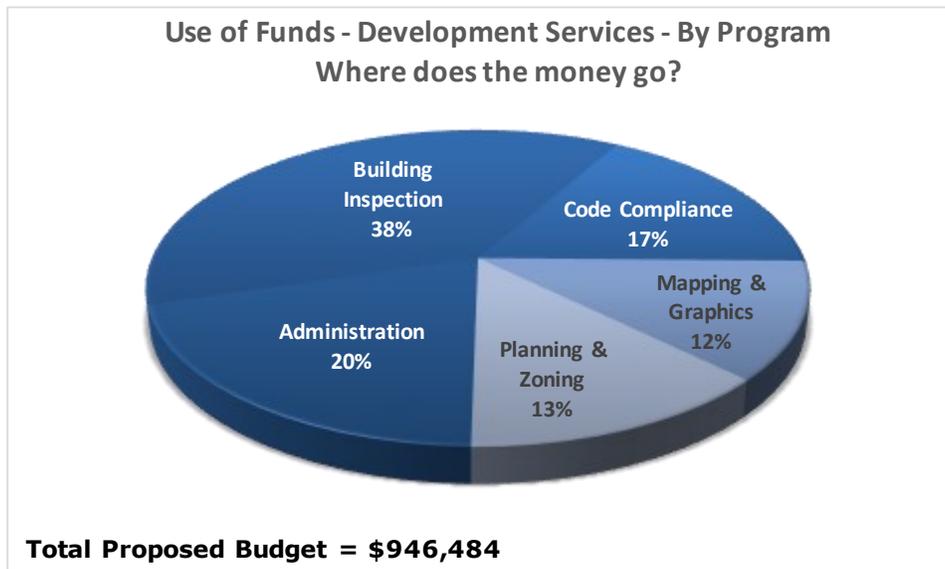
Building Safety: FY19-20 included Third-party Fees.



Program Name	Expenditures by Program			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Administration	\$ 162,618	\$ 246,973	\$ 180,139	\$ 189,428
Building Inspection	299,489	334,201	536,490	355,963
Code Compliance	74,502	79,628	158,855	163,545
Mapping & Graphics	96,039	102,723	113,329	116,460
Planning & Zoning	98,097	102,683	111,483	121,088
Total	\$ 730,745	\$ 866,208	\$ 1,100,296	\$ 946,484

Variance Explanations:

Building Inspection: FY19-20 included Third-party Fees.

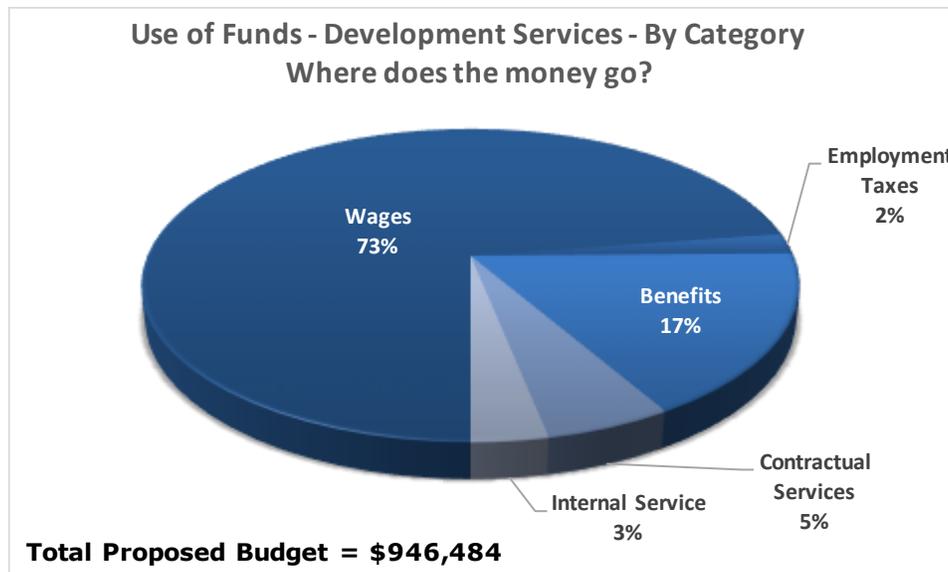


Category	Expenditures by Category			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Wages	\$ 507,021	\$ 583,562	\$ 645,560	\$ 654,291
Employment Taxes	14,316	17,654	17,326	20,930
Benefits	104,205	110,857	149,139	153,853
Dues & Memberships	4,452	4,269	4,146	5,491
Meetings and Training	2,244	3,010	12,390	13,540
Maintenance and Repair	2,093	1,891	5,552	7,912
Utilities	2,849	2,840	5,340	4,560
Contractual Services	76,105	125,299	228,664	49,074
Supplies	4,412	7,983	12,360	10,960
Equipment	1,841	560	3,800	300
Internal Service	11,207	8,283	16,019	25,573
Total	\$ 730,745	\$ 866,208	\$ 1,100,296	\$ 946,484

Variance Explanations:

Contractual Services: FY19-20 included Third-party Fees.

Internal Service: The increase is from the newly created Information Technology Replacement fund.



Program Name	Operating Results			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Total Revenues	\$ 688,606	\$ 515,120	\$ 723,192	\$ 785,018
Total Expenses	730,745	866,208	1,100,296	946,484
Total	\$ (42,139)	\$ (351,088)	\$ (377,104)	\$ (161,466)

FY19-20 Department Accomplishments

Initiative	Strategic Plan Value
Completed the 2018 edition of the "Land Use Analysis and Statistical Report"	Goal #1, Objective #1
Complete the 2020 General Plan Update	Goal #1, Goal #2, Goal #3, Goal #4
Continue public outreach and advertising for the 2020 Census update	Goal #5, Objective #2
Adopted a text amendment that allows residential uses on commercially zoned properties	Goal #1, Objective #2

FY20-21 Objectives

Initiative	Strategic Plan Value	Estimated Cost/ Funding Source
Complete Sign Code update	Goal #1, Objective #1	\$0
Continue to revise zoning ordinance to meet strategic plan goals	Goal #1, Objective #2	\$0
Initiate implementation of the General Plan 2020	Goal #1, Goal #2, Goal #3, Goal #4	\$0



**FY20-21 Proposed Budget
Summary of Expenditures
Development Services Department**

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
General Fund				
Salaries-Full Time	\$ 461,933	\$ 519,736	\$ 624,937	\$ 633,410
Salaries-Part Time	45,071	63,759	20,623	20,881
Overtime	16	67	-	-
FICA	2,822	3,960	1,278	1,295
Medicare	7,231	8,315	9,406	9,559
Workers Compensation	3,957	5,159	6,405	9,041
Unemployment Insurance	306	220	237	1,035
Group Health Insurance	45,195	45,261	67,804	65,566
Group Dental Insurance	3,192	3,237	5,195	5,280
Group Vision Insurance	534	559	878	907
Disability Insurance	1,790	1,889	2,645	6,728
Retirement	50,778	57,175	68,745	69,676
Life Insurance	479	473	697	721
Bonus	438	463	475	475
Allowance/Stipend	1,800	1,800	2,700	4,500
Licenses/Filing Fees	1,278	793	1,420	1,690
Dues, Subscript & Publicat	3,174	3,477	2,726	3,801
Meetings & Training	2,244	3,010	12,390	13,540
Equipment Maint/Repair	393	-	2,500	2,500
Vehicle Maint/Repair	199	130	1,252	1,812
Office Equip Maint/Repair	1,501	1,622	1,800	3,600
Sign Repair & Replacement	-	139	-	-
Telecommunications	1,627	1,554	2,340	1,560
Gas & Oil	1,222	1,286	3,000	3,000
Professional Fees	3,937	43,861	7,000	7,000
Rentals & Leases	1,214	1,163	1,214	1,224
Printing Expense	1,312	209	4,850	5,250
Advertising/Signage	1,350	1,837	3,000	3,000
Contractual Services	64,690	78,055	2,500	32,500
Bank/Merc Acct Fees	3,602	174	100	100
Third Party Fees	-	-	210,000	-
Office Supplies	3,670	7,332	10,250	9,050
Cleaning Supplies	33	-	-	-
Operating Supplies	91	5	-	-
Food & Beverage Supplies	17	-	-	-
Uniforms	531	515	1,830	1,630
Postage & Delivery	69	130	280	280
Small Tools	159	119	300	300
Hardware/Peripherals	1,682	441	3,500	-
ISF-Copier Charges	1,288	710	1,415	1,415
ISF-Mail Service Charges	361	-	-	-
ISF-Vehicle Replacement Charge	7,297	7,251	10,733	11,044
ISF-Motor Pool Charges	230	322	3,871	4,860
ISF- Technology Replacement	-	-	-	8,254
ISF-Telecom Charges	2,032	-	-	-
Total Development Services	\$ 730,745	\$ 866,208	\$ 1,100,296	\$ 946,484

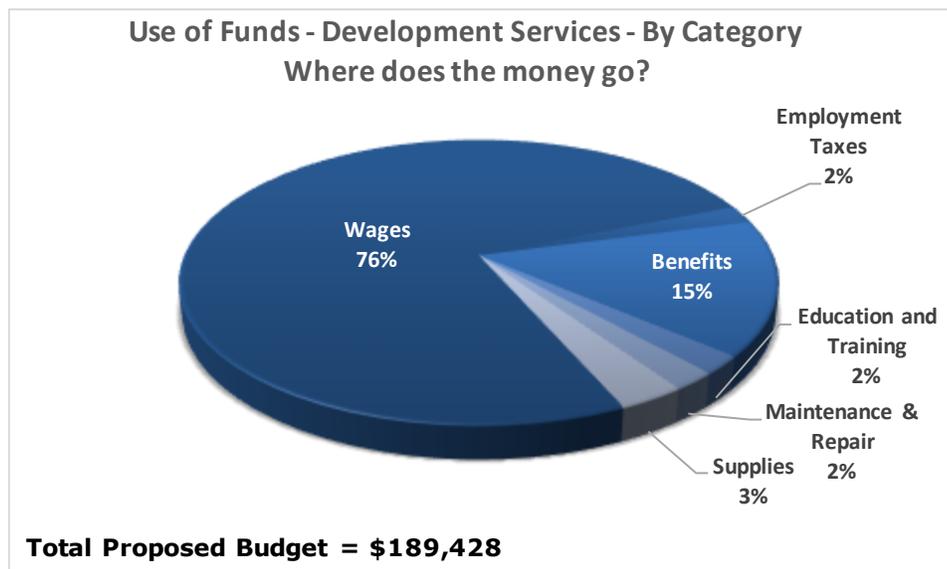
Development Services Division

Service Delivery Plan

The Development Services Division, through its administrative services, provides direction to and clerical support for the Department by the Development Services Director and executive assistant.

Program Name	Expenditures by Program			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Administration	\$ 162,618	\$ 246,971	\$ 180,139	\$ 189,428
Total	\$ 162,618	\$ 246,971	\$ 180,139	\$ 189,428

Category	Expenditures by Category			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Wages	\$ 125,098	\$ 166,520	\$ 136,098	\$ 139,029
Employment Taxes	3,051	4,306	3,520	4,314
Benefits	23,767	28,376	25,354	28,195
Dues & Memberships	791	729	662	812
Education and Training	305	785	4,100	4,100
Maintenance & Repair	1,501	1,622	1,800	3,600
Utilities	841	901	780	-
Contractual Services	1,350	41,375	1,514	1,524
Supplies	2,571	1,467	5,305	5,305
Equipment	1,639	148	-	-
Internal Service	1,704	742	1,006	2,549
Total	\$ 162,618	\$ 246,971	\$ 180,139	\$ 189,428



Activities/Results

Performance Measures

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Continue to serve as staff liaison to the Planning & Zoning Commission, Zoning Board of Adjustment, and Building Board of Appeals.	15	29	20	25
Continue to support joint P&Z Commission / Town Council joint meetings	1	1	1	1
Prepare/Post Commission and Board meeting agendas both pre and post meetings.	30	37	34	24
Prepare Commission and Board meeting minutes and post approved meeting minutes.	25	24	26	13

Quality

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Continue to draft, propose and update various improvements to the Zoning Ordinance, Subdivision Ordinance, and Town Code.	Yes	Yes	Yes	Yes
Publish the annual Land Use Analysis and Statistical Report	Yes	Yes	Yes	Yes
Administer contracts for plan review and inspection consulting services.	2	2	2	4

Productivity

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Process payroll for department	Bi-weekly	Bi-weekly	Bi-weekly	Bi-weekly



**FY20-21 Proposed Budget
Summary of Expenditures
Development Services Division**

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
General Fund				
Salaries-Full Time	\$ 125,082	\$ 166,454	\$ 136,098	\$ 139,029
Overtime	16	67	-	-
Medicare	1,819	2,419	1,975	2,030
Workers Compensation	1,195	1,852	1,508	2,121
Unemployment Insurance	37	35	37	163
Group Health Insurance	8,612	8,655	8,774	9,454
Group Dental Insurance	639	654	689	721
Group Vision Insurance	112	117	118	118
Disability Insurance	438	428	576	1,476
Retirement	13,761	18,314	14,971	15,293
Life Insurance	130	107	151	158
Bonus	76	101	75	75
Allowance/Stipend	-	-	-	900
Licenses/Filing Fees	-	55	70	70
Dues, Subscript & Publicat	791	674	592	742
Meetings & Training	305	785	4,100	4,100
Office Equip Maint/Repair	1,501	1,622	1,800	3,600
Telecommunications	841	901	780	-
Professional Fees	-	39,924	-	-
Rentals & Leases	1,214	1,163	1,214	1,224
Printing Expense	136	139	300	300
Bank/Merc Acct Fees	-	148	-	-
Office Supplies	2,205	1,401	5,000	5,000
Cleaning/Janitorial Supplies	33	-	-	-
Operating Supplies	91	5	-	-
Food & Beverage Supplies	17	-	-	-
Uniforms	155	60	300	300
Postage & Delivery	69	1	5	5
Hardware/Peripherals	1,639	148	-	-
ISF-Copier Charges	708	430	650	650
ISF-Mail Service Charges	7	-	-	-
ISF-Vehicle Replacement Charges	325	295	271	253
ISF- Motor Pool Charges	66	17	85	270
ISF- Technology Replacement	-	-	-	1,376
ISF-Telecom Charges	598	-	-	-
Total Development Services	<u>\$ 162,618</u>	<u>\$ 246,971</u>	<u>\$ 180,139</u>	<u>\$ 189,428</u>

Building Safety Division

Service Delivery Plan

Building Safety uses the building codes to establish minimum requirements to safeguard the public safety, health and general welfare through affordability, structural strength, means of egress, facilities, stability, sanitation, light and ventilation, and energy conservation to life and property from fire and other hazards attributed to the built environment, and to provide safety to fire fighters and emergency responders during emergency operations.

Program Name	Expenditures by Program			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Building Inspection	\$ 299,489	\$ 334,201	\$ 536,490	\$ 355,963
Total	\$ 299,489	\$ 334,201	\$ 536,490	\$ 355,963

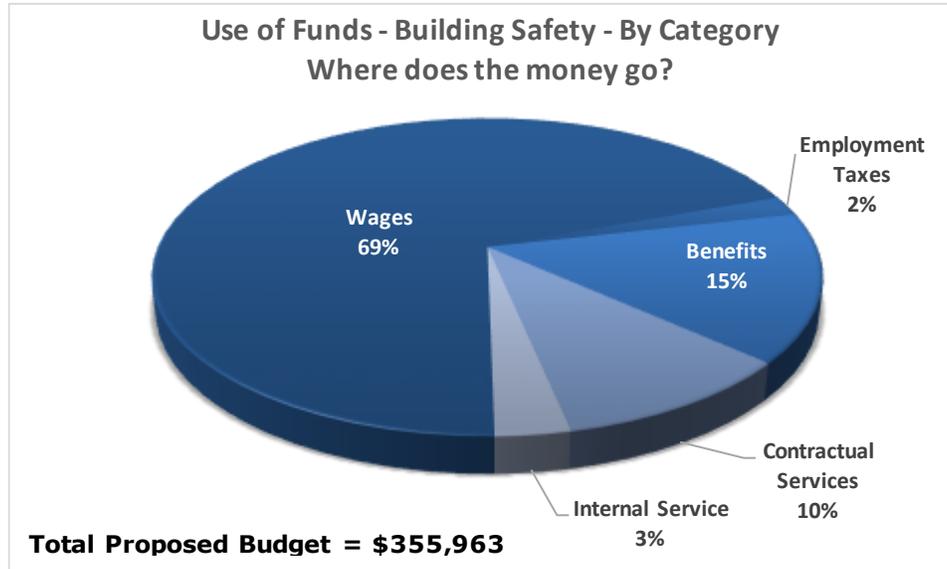
Variance Explanations:

Building Inspection: FY19-20 included Third-party Fees.

Category	Expenditures by Category			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Wages	\$ 183,105	\$ 206,616	\$ 243,450	\$ 245,316
Employment Taxes	6,804	8,445	7,245	8,583
Benefits	34,710	35,346	57,883	53,219
Dues & Memberships	367	301	530	380
Meetings and Training	1,439	477	3,990	3,640
Maintenance and Repair	101	237	692	692
Utilities	636	639	1,000	1,000
Contractual Services	67,812	78,275	211,000	31,000
Supplies	60	201	1,630	1,280
Equipment	202	293	1,950	200
Internal Service	4,253	3,371	7,120	10,653
Total	\$ 299,489	\$ 334,201	\$ 536,490	\$ 355,963

Variance Explanations:

Contractual Services: FY19-20 included Third-party Fees.



Activities/Results

Performance Measures

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Percentage of all Residential building plan reviews completed within established times	100%	96%	100%	100%
Percentage of all Commercial building plan reviews completed within established times	100%	100%	100%	100%

Quality

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
All building plan reviews	485	513	800	800
Number of residential plan reviews (Multiple reviews possible)	146	178	675	675
Number of commercial plan reviews (Multiple reviews possible)	25	45	80	80
Number of Inspectors	*1	*1	2	2
Total number of permits issued	480	575	734	734
Number of inspections conducted	3,602	4,768	4600	4600

*Building Inspections are performed by Building Official and third party Inspectors

Productivity

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Average expenditure per inspection during the reporting period	\$83.15	\$70.09	\$70.98	\$77.38
Average cost per permit	\$623.94	\$581.22	\$444.81	\$484.96

**FY20-21 Proposed Budget
 Summary of Expenditures
 Building Safety**

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
General Fund				
Salaries-Full Time	\$ 138,034	\$ 142,857	\$ 222,827	\$ 224,435
Salaries-Part Time	45,071	63,759	20,623	20,881
FICA	2,822	3,960	1,278	1,295
Medicare	2,602	2,957	3,558	3,586
Workers Compensation	1,184	1,411	2,309	3,266
Unemployment Insurance	196	116	100	436
Group Health Insurance	16,562	16,572	27,815	21,945
Group Dental Insurance	1,041	1,053	2,053	1,657
Group Vision Insurance	149	156	314	290
Disability Insurance	558	593	942	2,383
Retirement	15,147	15,714	24,511	24,688
Life Insurance	143	148	248	256
Bonus	210	210	200	200
Allowance/Stipend	900	900	1,800	1,800
Licenses/Filing Fees	12	51	-	-
Dues, Subscript & Publicat	355	250	530	380
Meetings & Training	1,439	477	3,990	3,640
Vehicle Maint/Repair	101	99	692	692
Sign Repair & Replacement	-	139	-	-
Gas & Oil	636	639	1,000	1,000
Printing Expense	1,176	70	1,000	1,000
Advertising/Signage	-	150	-	-
Contractual Services	63,190	78,055	-	30,000
Bank/Merc Acct Fees	3,447	-	-	-
Third Party Fees	-	-	210,000	-
Office Supplies	-	-	700	550
Uniforms	60	172	900	700
Postage & Delivery	-	29	30	30
Small Tools	159	-	200	200
Hardware/Peripherals	43	293	1,750	-
ISF-Copier Charges	118	61	150	150
ISF-Mail Service Charges	49	-	-	-
ISF-Vehicle Replacement Charges	3,366	3,287	3,351	3,416
ISF- Motor Pool Charges	3	23	3,619	3,877
ISF- Technology Replacement	-	-	-	3,210
ISF-Telecom Charges	716	-	-	-
Total Building Safety	\$ 299,489	\$ 334,201	\$ 536,490	\$ 355,963

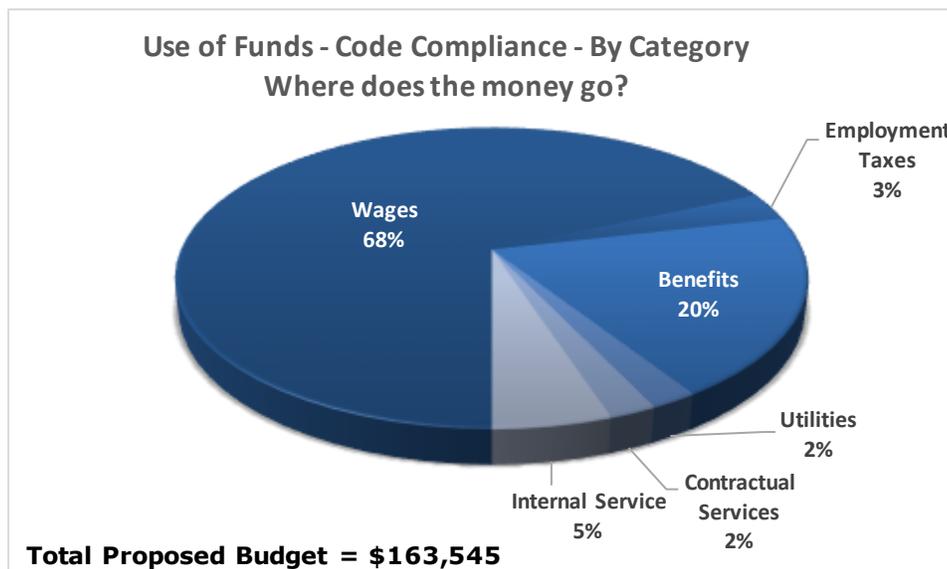
Code Compliance Division

Service Delivery Plan

The Code Compliance Division is actively involved in maintaining an excellent quality of life by addressing community issues such as abandoned vehicles, property maintenance, improperly maintained pools, illegal signs, improper parking on private property, and dumping or other destruction in Town-owned washes. The Code Compliance Division strives to address problems in a confidential, friendly and understanding way which allows for sufficient time to come into compliance voluntarily.

Program Name	Expenditures by Program			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Code Compliance	\$ 74,502	\$ 79,627	\$ 158,855	\$ 163,545
Total	\$ 74,502	\$ 79,627	\$ 158,855	\$ 163,545

Category	Expenditures by Category			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Wages	\$ 53,439	\$ 59,609	\$ 107,839	\$ 110,241
Employment Taxes	1,373	1,593	3,023	3,815
Benefits	12,530	13,265	31,053	31,509
Dues & Memberships	70	50	200	220
Meetings and Training	500	290	900	900
Maintenance and Repair	99	32	560	1,120
Utilities	1,372	1,300	3,560	3,560
Contractual Services	1,500	-	2,800	3,200
Supplies	141	141	580	430
Equipment/Improvements	-	119	1,750	-
Internal Service	3,478	3,228	6,590	8,550
Total	\$ 74,502	\$ 79,627	\$ 158,855	\$ 163,545



Activities/Results

Performance Measures

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Percentage of code violations brought into voluntary compliance prior to initiation of administrative or judicial action	99%	99%	99%	99%

Quality

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Number of Code Enforcement Officers	1	1	2	2
Number of code violation cases	653	655	650	750
Number of code violation cases reviewed in court proceedings (does not include barking dog cases)	8	3	8	6

**Note: The number of cases does not reflect the total quantity of requests for service, as cases are not open on all requests and complaints. In addition to responding to inquiries, other administrative duties take away time from case work.

Productivity

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Average cost per code violation case	\$114.09	\$121.57	\$244.39	\$218.06



**FY20-21 Proposed Budget
Summary of Expenditures
Code Compliance**

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
General Fund				
Salaries-Full Time	\$ 53,439	\$ 59,609	\$ 107,839	\$ 110,241
Medicare	745	811	1,566	1,612
Workers Compensation	603	758	1,407	1,985
Unemployment Insurance	25	23	50	218
Group Health Insurance	5,788	5,792	16,832	15,642
Group Dental Insurance	426	431	1,391	1,176
Group Vision Insurance	124	131	288	264
Disability Insurance	208	241	457	1,174
Retirement	5,878	6,557	11,863	12,127
Life Insurance	55	62	122	126
Bonus	51	51	100	100
Allowance/Stipend	-	-	-	900
Licenses/Filing Fees	-	-	100	120
Dues, Subscript & Publicat	70	50	100	100
Meetings & Training	500	290	900	900
Vehicle Maint/Repair	99	32	560	1,120
Telecommunications	786	653	1,560	1,560
Gas & Oil	586	647	2,000	2,000
Printing Expense	-	-	300	700
Contractual Services	1,500	-	2,500	2,500
Office Supplies	-	104	150	-
Uniforms	141	-	330	330
Postage & Delivery	-	38	100	100
Small Tools	-	119	-	-
Hardware/Peripherals	-	-	1,750	-
ISF-Copier Charges	5	3	10	10
ISF-Mail Service Charges	72	-	-	-
ISF-Vehicle Replacement Charge	3,162	3,225	6,580	6,706
ISF- Technology Replacement	-	-	-	1,834
ISF-Telecom Charges	239	-	-	-
Total Code Compliance	<u>\$ 74,502</u>	<u>\$ 79,627</u>	<u>\$ 158,855</u>	<u>\$ 163,545</u>

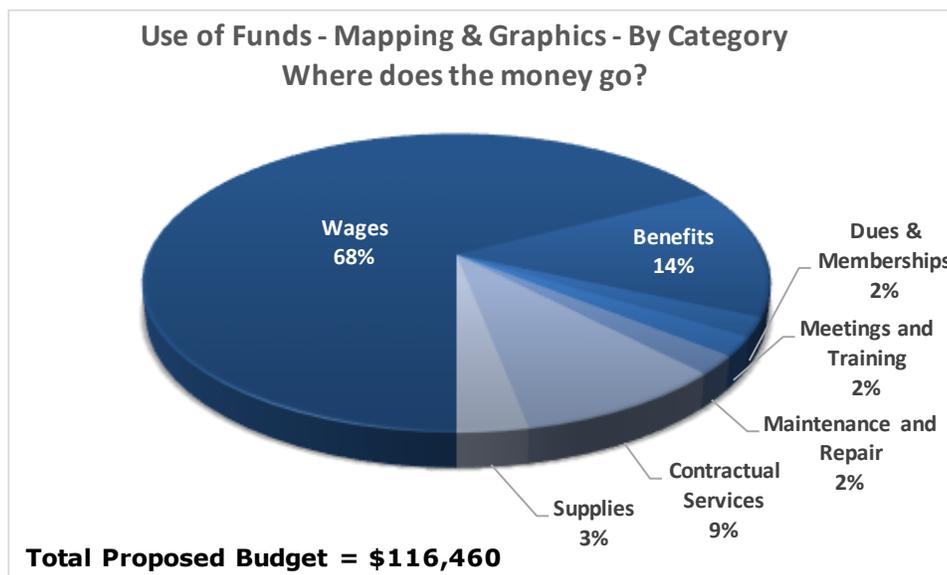
Mapping & Graphics Division

Service Delivery Plan

The Mapping & Graphics Division is dedicated to providing excellent customer service in a professional and timely manner. The Division is responsible for providing internal and external customers with maps, geographic information, and research.

Program Name	Expenditures by Program			
	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Revised Budget	FY 20-21 Proposed Budget
Mapping & Graphics	\$ 96,039	\$ 102,724	\$ 113,329	\$ 116,460
Total	\$ 96,039	\$ 102,724	\$ 113,329	\$ 116,460

Category	Expenditures by Category			
	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Revised Budget	FY 20-21 Proposed Budget
Wages	\$ 69,564	\$ 72,170	\$ 75,693	\$ 76,680
Employment Taxes	1,103	1,159	1,259	1,411
Benefits	17,230	17,561	17,998	16,515
Dues & Memberships	1,883	1,989	1,000	2,000
Meetings and Training	-	-	1,000	2,500
Maintenance and Repair	393	-	2,500	2,500
Contractual Services	3,959	3,963	10,000	10,000
Supplies	1,465	5,675	3,600	3,600
Internal Service	442	207	279	1,254
Total	\$ 96,039	\$ 102,724	\$ 113,329	\$ 116,460



Activities/Results

Performance Measures

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Work order satisfaction rating	95%	95%	95%	95%

Quality

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Number of internal customer requests processed	200	175	200	175
Number of aerial site plans completed	150	130	150	130
Number of external customer request processed	175	150	175	150
GIS database maintenance in hours	80	80	80	80

**FY20-21 Proposed Budget
Summary of Expenditures
Mapping & Graphics**

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
General Fund				
Salaries-Full Time	\$ 69,564	\$ 72,170	\$ 75,693	\$ 76,680
Medicare	971	1,010	1,098	1,113
Workers Compensation	108	126	136	189
Unemployment Insurance	24	23	25	109
Group Health Insurance	8,445	8,450	8,534	6,303
Group Dental Insurance	660	668	603	747
Group Vision Insurance	75	78	79	79
Disability Insurance	276	300	321	814
Retirement	7,652	7,939	8,327	8,435
Life Insurance	72	75	84	87
Bonus	51	51	50	50
Licenses/Filing Fees	883	-	-	-
Dues, Subscript & Publicat	1,000	1,989	1,000	2,000
Meetings & Training	-	-	1,000	2,500
Equipment Maint/Repair	393	-	2,500	2,500
Professional Fees	3,937	3,937	7,000	7,000
Printing Expense	-	-	2,900	2,900
Bank/Merc Acct Fees	22	26	100	100
Office Supplies	1,465	5,581	3,500	3,500
Uniforms	-	94	100	100
ISF-Copier Charges	70	94	130	130
ISF-Mail Service Charges	110	113	-	-
ISF-Vehicle Replacement Charge	22	-	113	100
ISF- Motor Pool Charges	-	-	36	107
ISF- Technology Replacement	-	-	-	917
ISF-Telecom Charges	239	-	-	-
Total Mapping & Graphics	\$ 96,039	\$ 102,724	\$ 113,329	\$ 116,460

Planning & Zoning Division

Service Delivery Plan

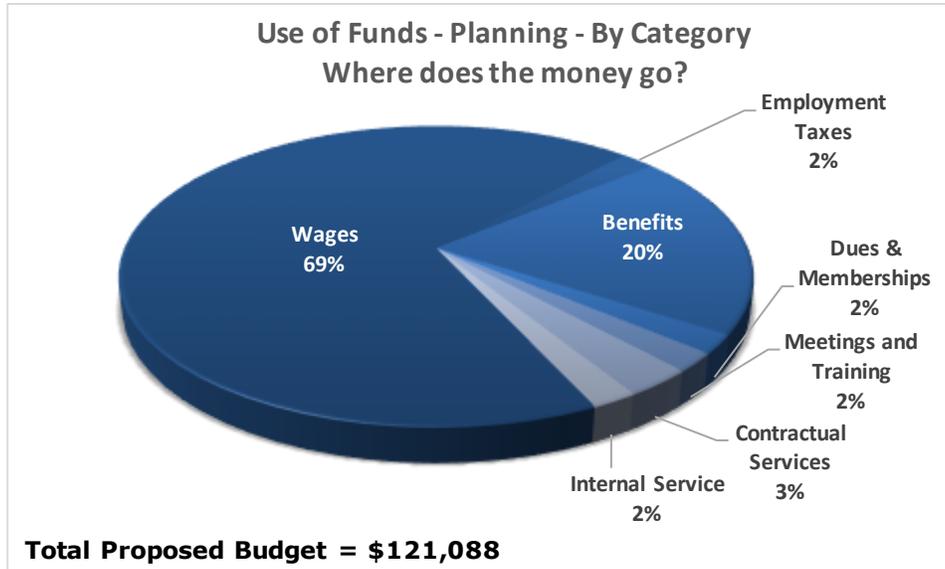
The Planning & Zoning Division is dedicated to enhancing the quality of life in Fountain Hills through innovative, proven planning techniques, and providing excellent customer service in a professional and timely manner. The Division implements land-use planning related goals, policies and programs as approved by the Town Council. The Division processes applications for zoning interpretations and verifications, preliminary and final sub-division plats, variances from the requirements of the Zoning Ordinance, Temporary Use Permits, Special Use Permits, Commercial Site Plans, signs and amendments to the General Plan and Area Specific Plans. The Division also processes amendments to the Town's regulations, the Zoning Ordinance, Subdivision Ordinance and Town Code.

Program Name	Expenditures by Program			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Long Range Planning	\$ 98,097	\$ -	\$ -	\$ -
Planning & Zoning	-	102,685	111,483	121,088
Total	\$ 98,097	\$ 102,685	\$ 111,483	\$ 121,088

Category	Expenditures by Category			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Wages	\$ 75,814	\$ 78,645	\$ 82,480	\$ 83,025
Employment Taxes	1,985	2,152	2,279	2,807
Benefits	15,968	16,311	16,851	24,415
Dues & Memberships	1,340	1,201	1,754	2,079
Meetings and Training	-	1,457	2,400	2,400
Contractual Services	1,484	1,687	3,350	3,350
Supplies	175	498	1,245	345
Equipment	-	-	100	100
Internal Service	1,331	734	1,024	2,567
Total	\$ 98,097	\$ 102,685	\$ 111,483	\$ 121,088

Variance Explanations:

Benefits: Amounts were increased to include family coverage.



Activities/Results

Performance Measures

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Number of Long Range Planning Projects	7	3	1	1
Number of Subdivision Ordinance Projects	19	28	30	35
Number of Zoning Cases	48	51	53	58
Number of Building Permit Reviews	323	382	350	375

Quality

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Percentage of first reviews of plans completed within the established department turnaround time	100	95	95	100
Staff Training (1 time/year)	100	100	100	100

Productivity

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Average processing cost per plan review	\$303.71	\$268.81	\$318.52	\$322.90

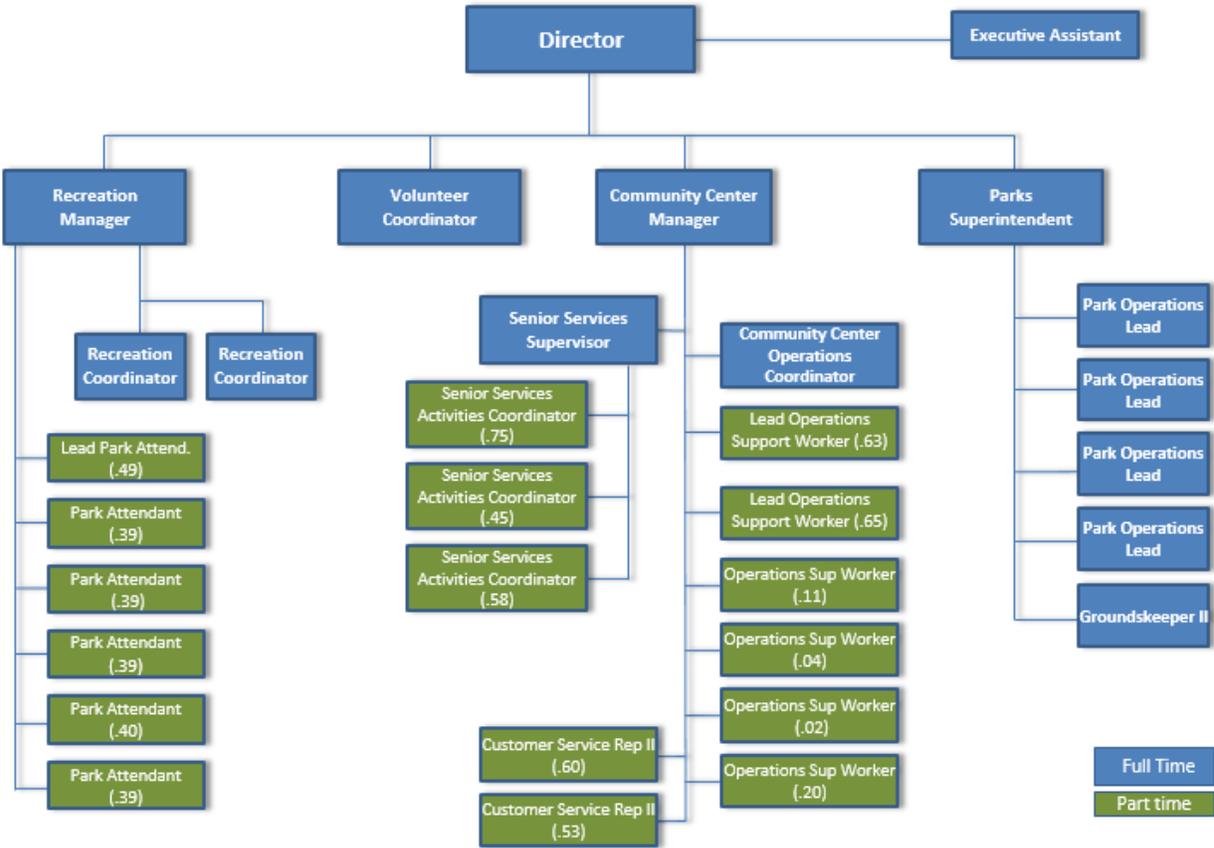
**FY 20-21 Proposed Budget
 Summary of Expenditures
 Planning & Zoning**

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
General Fund				
Salaries-Full Time	\$ 75,814	\$ 78,645	\$ 82,480	\$ 83,025
Medicare	1,093	1,117	1,209	1,218
Workers Compensation	867	1,012	1,045	1,480
Unemployment Insurance	24	23	25	109
Group Health Insurance	5,788	5,792	5,849	12,222
Group Dental Insurance	426	431	459	979
Group Vision Insurance	75	78	79	156
Disability Insurance	311	327	349	881
Retirement	8,339	8,651	9,073	9,133
Life Insurance	78	81	92	94
Bonus	51	51	50	50
Allowance/Stipend	900	900	900	900
Licenses/Filing Fees	266	687	1,250	1,500
Dues, Subscript & Publicat	1,074	514	504	579
Meetings & Training	-	1,457	2,400	2,400
Printing Expense	-	-	350	350
Advertising/Signage	1,350	1,687	3,000	3,000
Bank/Merc Acct Fees	134	-	-	-
Office Supplies	-	246	900	-
Uniforms	175	190	200	200
Postage & Delivery	-	62	145	145
Small Tools	-	-	100	100
ISF-Copier Charges	387	121	475	475
ISF-Mail Service Charges	234	-	-	-
ISF-Vehicle Replacement Charge	333	331	418	569
ISF-Motor Pool Charges	139	282	131	606
ISF- Technology Replacement	-	-	-	917
ISF-Telecom Charges	239	-	-	-
Total Planning	\$ 98,097	\$ 102,685	\$ 111,483	\$ 121,088



Community Services

COMMUNITY SERVICES DEPARTMENT



Note: Numbers in parentheses represent full-time equivalents (FTE).

COMMUNITY SERVICES

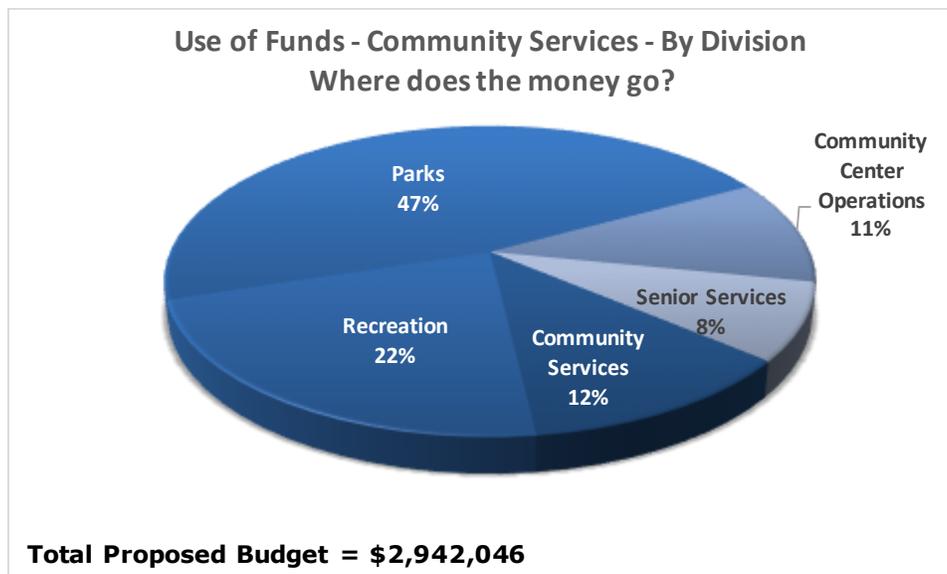
Mission Statement

The mission of the Community Services Department is to provide exceptional customer service to enhance the quality of life by providing and maintaining safe, available, and accessible parks and facilities, recreation programs, events, and services that will meet the intellectual, social, cultural, and leisure needs of all residents.

Department Overview

Management and operations of Parks, Recreation, Community Center, Senior Services, McDowell Mountain Preserve, Desert Botanical Garden, a growing public trails system, public art, tourism, and the Avenue of the Fountains Plaza.

Division	Expenditures by Division			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Community Services	\$ 270,922	\$ 265,086	\$ 327,845	\$ 340,968
Recreation	501,644	545,986	637,851	658,514
Parks	1,055,043	1,046,228	1,224,095	1,391,449
Community Center Operations	240,316	274,785	286,623	314,486
Senior Services	195,665	171,582	212,947	236,629
Total	\$ 2,263,590	\$ 2,303,667	\$ 2,689,361	\$ 2,942,046

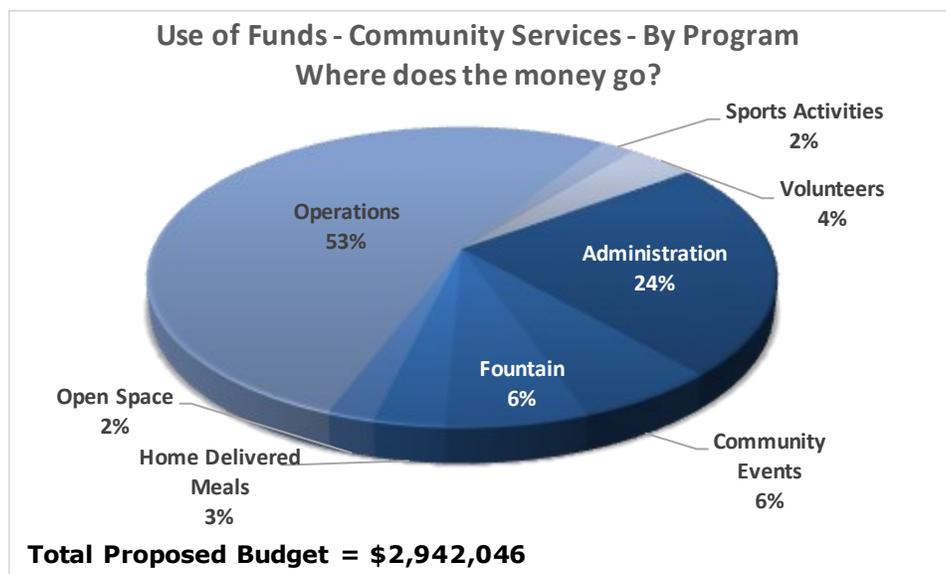


Program Name	Expenditures by Program			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Administration	\$ 527,950	\$ 575,913	\$ 697,601	\$ 708,286
Community Events	165,798	175,152	175,873	189,575
Fountain	150,662	121,176	173,217	175,515
Home Delivered Meals	45,606	50,023	67,010	85,433
Open Space	11,172	12,300	45,330	58,910
Operations	1,200,355	1,214,704	1,338,476	1,518,945
Special Interest Programs	16,087	16,092	15,878	15,878
Sports Activities	39,293	38,611	52,520	52,520
Volunteers	85,739	76,382	93,516	107,044
Youth & Teen Programs	20,928	23,314	29,940	29,940
Total	\$ 2,263,590	\$ 2,303,667	\$ 2,689,361	\$ 2,942,046

Variance Explanations:

Home Delivered Meals: Budget was increased to allow for more meals.

Open Space: Budget was increased to include the new Adero Trailhead costs.



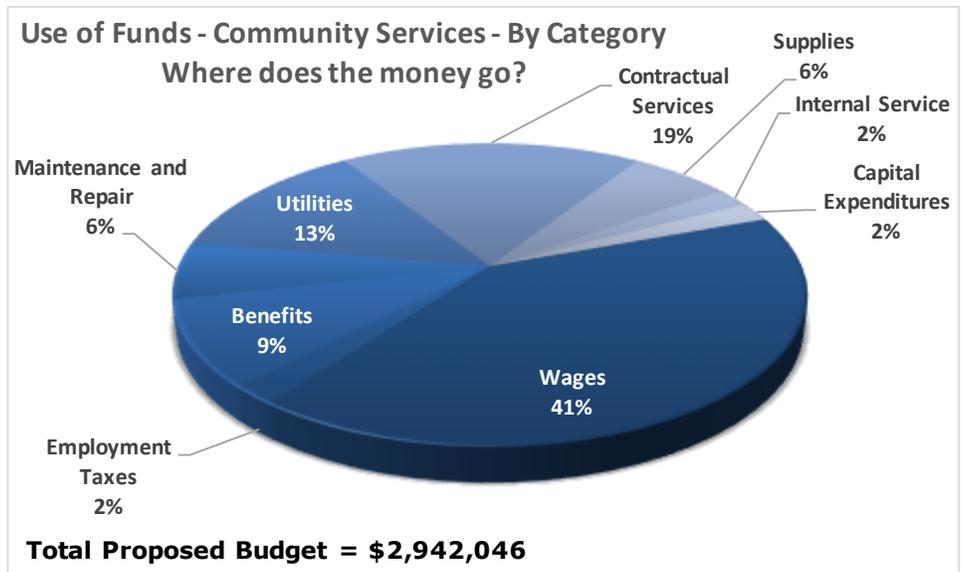
Category	Expenditures by Category			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Wages	\$ 926,782	\$ 976,409	\$ 1,071,854	\$ 1,153,557
Employment Taxes	38,037	41,651	46,370	58,824
Benefits	189,782	208,141	226,676	269,841
Dues & Memberships	6,726	9,045	7,160	7,224
Meetings and Training	7,981	10,053	18,665	19,650
Maintenance and Repair	181,623	146,401	172,973	183,819
Utilities	324,420	286,572	374,888	390,516
Contractual Services	385,613	410,268	526,122	521,615
Supplies	105,476	116,336	154,847	173,046
Equipment	47,386	31,548	9,700	9,700
Damages/Vandalism	1,983	2,729	2,100	2,100
Internal Service	47,781	41,456	53,006	67,154
Contingency	-	-	25,000	25,000
Capital Expenditures	-	23,058	-	60,000
Total	\$ 2,263,590	\$ 2,303,667	\$ 2,689,361	\$ 2,942,046

Variance Explanations:

Employment Taxes: Budget was increased due to an increase in worker’s compensation rates.

Internal Service: The increase is from the newly created Information Technology Replacement fund.

Capital Expenditures: Budget supplements were added for a new vehicle and UV system for the splashpad in Fountain Park.



Program Name	Operating Results			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Total Revenues	\$ 359,714	\$ 338,441	\$ 370,213	\$ 390,078
Total Expenses	2,263,590	2,303,667	2,689,361	2,942,046
Total	\$ (1,903,876)	\$ (1,965,226)	\$ (2,319,148)	\$ (2,551,968)

FY19-20 Department Accomplishments

Initiative	Strategic Value
Continue Four Peaks Park Renovation	Goal #1, Objective #3; Goal #3, Objective #2; Goal #2, Objective #1
Evaluate Community Center space for most efficient use	Goal #1, Objective #3; Goal #3, Objective #2
Continue to increase the number of special events	Goal #1, Objective #3
Organize specialty youth programs	Goal #3, Objective #2
Continue to participate in the Youth Coalition	Goal #5, Objective #1
Continue to Support Youth Sports Club	Goal #3, Objective #2
Expand the use of social media to promote activities and events	Goal #3, Objective #2

FY20-21 Objectives

Initiative	Strategic Value	Estimated Cost/Funding Source
Continue Four Peaks Park Renovation; complete new basketball court	Goal #1, Objective #3; Goal #2, Objective #1; Goal #3, Objective #2	\$150,000/CIP; in addition to \$85,000 AZSTA Grant funding and \$85,000 CIP
Implement Community Services Parks, Trails, and Recreation Master Plan	Goal #2, Objective #1; CS Vision #2, Task #1a(v)	\$65,000/Development Fees and General Fund
Enlist assistance from the CSAC to spearhead efforts in growing programs	Goal #1, Objective #3; CS Vision #1, Task #5(c)	\$0
Enhance/re-establish Docent/Volunteer training	Goal #1, Objective #3; CS Vision #3, Task #2(a)	\$0
Expand tournament and club offerings (youth and adult)	Goal #3, Objective #2; CS Vision #2, Task#3(a-c)	To be Determined/General Fund
Offer sensible evening and weekend programs	Goal #3, Objective #2; CS Vision #1, Task 2 and Vision #4, Task #1(c)	To be Determined/General Fund
Continue to expand the use of social media to promote activities and events	Goal #3, Objective #2; CS Vision #2, Task #2(b) and Vision #3, Task #3(a)	To be Determined/General Fund

**FY20-21 Proposed Budget
Summary of Expenditures
Community Services Department**

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
General Fund				
Salaries-Full Time	\$ 731,358	\$ 772,989	\$ 838,149	\$ 905,424
Salaries-Part Time	194,191	202,327	233,705	248,133
Overtime	1,233	1,092	-	-
FICA	12,101	12,589	14,301	15,172
Medicare	13,176	13,790	15,707	16,894
Workers Compensation	11,935	14,529	15,638	23,530
Unemployment Insurance	825	744	725	3,228
Group Health Insurance	89,438	102,321	109,836	135,474
Group Dental Insurance	6,921	7,473	8,364	10,843
Group Vision Insurance	1,106	1,238	1,297	1,780
Disability Insurance	2,464	3,143	3,549	9,617
Retirement	80,571	84,116	92,195	99,597
Life Insurance	736	787	930	1,030
Bonus	1,572	1,415	1,595	1,600
Allowance/Stipend	6,975	7,650	8,910	9,900
Licenses/Filing Fees	2,136	2,714	2,240	2,240
Dues, Subscript & Publicat	4,590	6,332	4,920	4,984
Meetings & Training	7,786	9,683	18,090	19,075
Boards & Commissions	195	370	575	575
Building Maint/Repair	2,749	380	1,300	1,300
HVAC Repair	150	107	1,400	1,400
Plumbing Repair	2,118	528	2,700	2,700
Electrical Repair/Maint	20,650	16,846	5,950	5,950
Fire Protection Systems	1,221	1,221	2,440	2,440
Grounds Maint/Repair	12,534	40,592	27,600	28,300
Irrigation Repair	25,460	17,829	15,400	15,400
Backflow Testing & Maintenance	672	2,931	2,450	2,450
Storm Damage/Cleanup	-	326	-	-
Equipment Maint/Repair	20,465	16,194	31,790	31,790
Vehicle Maint/Repair	10,025	5,258	11,010	11,010
Office Equip Maint/ Repair	3,444	3,274	6,624	7,020
Other Maint/Repair	28,681	12,216	30,800	40,550
Striping	1,302	408	2,380	2,380
Sidewalk/Pathway Repair	8,857	-	6,575	6,575
Sign Repair & Replacement	5,369	6,094	6,850	6,850
Painting	5,978	2,144	1,804	1,804
Lighting Repair	31,947	20,052	15,900	15,900
Electricity Expense	196,266	181,196	230,642	234,940
Refuse/Recycling	5,124	4,904	6,380	6,380
Telecommunications	5,916	6,102	5,754	6,084
Water/Sewer	105,959	82,618	112,500	123,500
Gas & Oil	11,155	11,752	19,612	19,612
Professional Fees	24,758	23,860	58,740	33,740
Instructor Fees	36,499	39,244	48,165	49,341
Insurance Expense	-	-	-	2,500
Rentals & Leases	31,264	36,416	54,677	42,061
Printing Expense	2,861	3,361	4,355	4,355

**FY20-21 Proposed Budget
Summary of Expenditures
Community Services Department**

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
General Fund-continued				
Advertising/Signage	\$ 1,763	\$ 716	\$ 4,100	\$ 4,100
Contractual Services	37,001	42,815	62,200	76,750
Constituent Communication	30,431	27,474	33,990	33,990
Bank/Merc Acct Fees	6,001	5,737	6,705	6,705
Community Contracts/Events	90,626	101,046	98,098	98,800
Landscape Contracts	116,316	120,529	145,009	159,190
ActiveNet Fees	8,095	9,069	10,083	10,083
Office Supplies	2,552	2,513	4,351	4,350
Cleaning/Janitorial Supplies	15,489	13,464	13,429	23,179
Safety Supplies	540	802	1,100	1,100
Operating Supplies	30,728	48,572	76,538	76,538
Food & Beverage Supplies	10,992	11,141	10,620	12,620
Program Materials	41,080	36,190	44,410	50,410
Uniforms	3,728	2,980	3,679	4,129
Postage & Delivery	368	661	720	720
Miscellaneous Expense	-	13	-	-
Small Tools	4,654	2,726	4,500	4,500
Hardware/Peripherals	1,317	3,775	-	-
Furniture/Appliances	14,433	482	-	-
Equipment	26,981	24,565	5,200	5,200
Damages/Vandalism	1,983	2,729	2,100	2,100
ISF-Copier Charges	1,962	2,385	1,922	1,922
ISF-Mail Service Charges	432	-	-	-
ISF-Vehicle Replacement Charge	38,509	39,070	50,961	44,658
ISF-Motor Pool Charges	52	-	122	387
ISF- Technology Replacement	-	-	-	20,187
ISF-Telecom Charges	6,824	-	-	-
Contingency	-	-	25,000	25,000
Vehicles	-	-	-	25,000
Furniture/Appliances	-	23,058	-	-
Park Improvements	-	-	-	35,000
Total Community Services	<u>\$ 2,263,590</u>	<u>\$ 2,303,667</u>	<u>\$ 2,689,361</u>	<u>\$ 2,942,046</u>

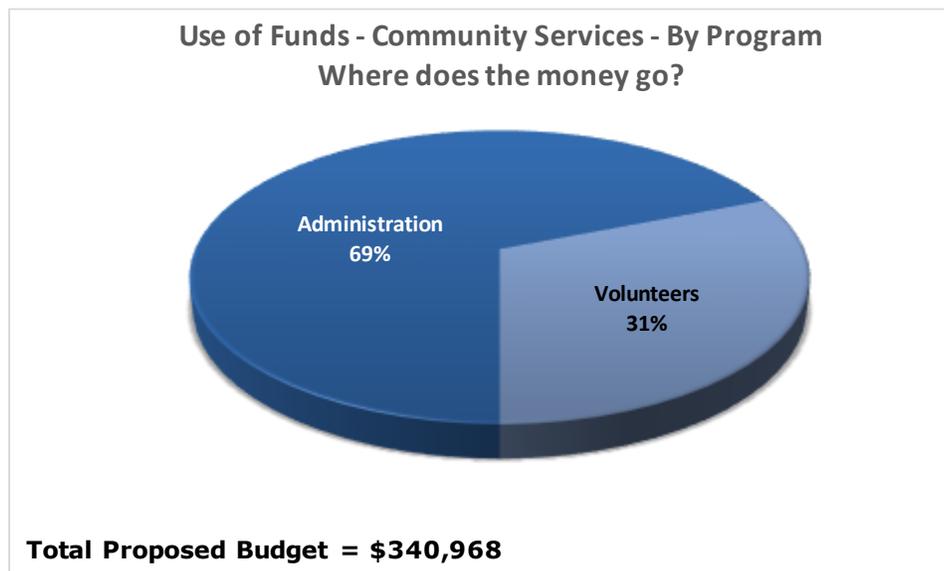


Community Services Division

Service Delivery Plan

The Community Services Division, through its administrative services, provides direction to and clerical support for the Department by the Community Services Director and executive assistant and manages the Volunteer program.

Program Name	Expenditures by Program			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Administration	\$ 185,182	\$ 188,705	\$ 234,329	\$ 233,924
Volunteers	85,739	76,382	93,516	107,044
Total	\$ 270,921	\$ 265,087	\$ 327,845	\$ 340,968

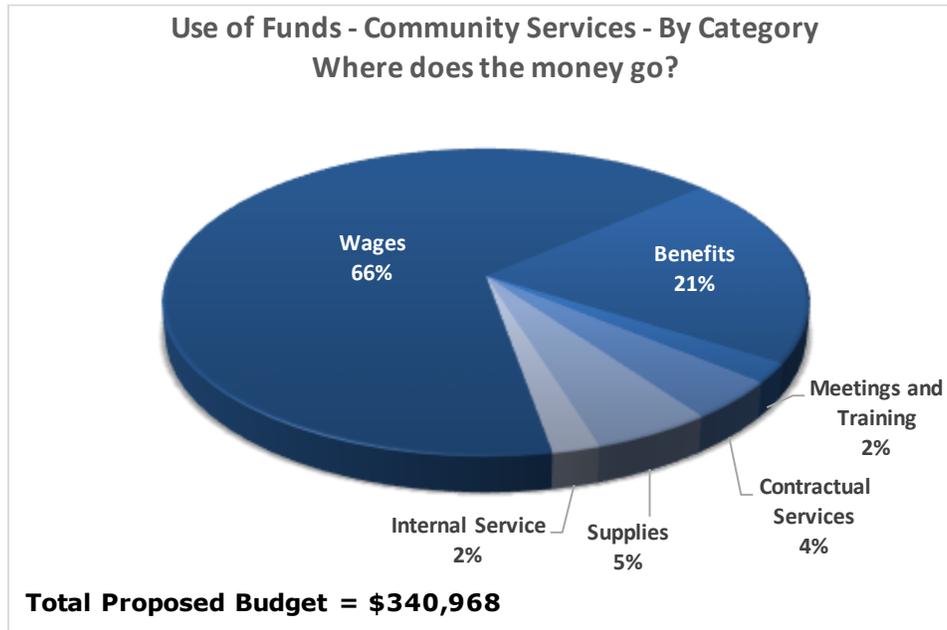


Category	Expenditures by Category			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Wages	\$ 181,643	\$ 183,922	\$ 208,053	\$ 223,349
Employment Taxes	2,765	2,938	3,501	4,133
Benefits	50,868	45,177	52,534	67,890
Dues & Memberships	105	42	51	50
Meetings and Training	2,947	6,129	4,475	5,925
Maintenance and Repair	2,193	1,734	2,720	2,720
Utilities	1,061	869	600	600
Contractual Services	6,328	8,790	35,575	13,075
Supplies	18,210	11,915	16,761	16,760
Equipment/Improvements	39	50	-	-
Internal Service	4,759	3,521	3,575	6,466
Total	\$ 270,918	\$ 265,087	\$ 327,845	\$ 340,968

Variance Explanations:

Benefits: Amounts were increased to include family coverage.

Contractual Services: FY19-20 included a budget supplement for a parks/ programs/facilities study.



Activities/Results

Performance Measures

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Continue to serve as staff liaison to the two advisory commissions.	18	18	18	18
Continue to support commission and Council joint meetings.	2	1	1	1
Prepare/post commission meeting agendas both pre and post meetings.	36	36	36	36
Prepare commission meeting minutes and post approved meeting minutes	18	18	18	18

Quality

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Continue to provide support for various improvements to the parks.	Yes	Yes	Yes	Yes
Administer contracts for various capital projects.	2	2	3	3

Productivity

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Monitor number of trail users	15,000+	20,000+	25,000+	26,000+

**FY20-21 Proposed Budget
Summary of Expenditures
Community Services Division**

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
General Fund				
Salaries-Full Time	\$ 131,836	\$ 137,989	\$ 197,793	\$ 223,349
Overtime	-	19	-	-
Medicare	1,676	1,832	2,905	3,254
Workers Compensation	204	230	354	552
Unemployment Insurance	47	92	72	327
Group Health Insurance	20,852	15,280	22,958	36,241
Group Dental Insurance	1,658	1,186	1,846	2,937
Group Vision Insurance	280	191	280	468
Disability Insurance	404	534	826	2,371
Retirement	14,502	15,181	21,758	24,569
Life Insurance	134	133	216	254
Bonus	96	101	145	150
Allowance/Stipend	-	-	1,485	900
Dues, Subscript & Publicat	60	-	7	50
Meetings & Training	2,247	5,502	3,705	5,350
Boards & Commissions	195	370	575	575
Vehicle Maint/Repair	29	-	500	500
Office Equip Maint/Repair	2,164	1,651	2,220	2,220
Telecommunications	784	653	-	-
Gas & Oil	279	216	600	600
Professional Fees	-	-	25,400	400
Insurance Expense	-	-	-	2,500
Rentals & Leases	3,368	3,371	3,600	3,600
Printing Expense	470	170	75	75
Advertising/Signage	-	167	200	200
Constituent Communication	-	-	678	1,500
Community Events	-	-	4,800	4,800
Office Supplies	467	683	1,090	1,100
Cleaning/Janitorial Supplies	13	-	-	-
Operating Supplies	14	-	860	860
Food & Beverage Supplies	15	115	7,500	7,500
Program Materials	16	-	6,800	6,800
Postage & Delivery	17	5	368	500
Hardware/Peripherals	-	50	-	-
ISF-Copier Charges	18	71	489	560
ISF-Mail Service Charges	19	-	-	-
ISF-Vehicle Replacement Charge	20	2,913	3,004	3,107
ISF-Motor Pool Charges	-	-	10	48
ISF-Technology Replacement	-	-	-	2,751
ISF-Telecom Charges	478	-	-	-
Total Community Services	\$ 182,362	\$ 188,705	\$ 313,119	\$ 340,968

VOLUNTEER PROGRAM

Our Fountain Hills Volunteers believe that one of the defining characteristics of our community is our resident's commitment to service. This commitment is demonstrated through the energy, skills, enthusiasm, vision, and support that they bring to our Town.

Our Volunteers deliver meals to homebound residents with the Home Delivered Meals program, and provide transportation for medical appointments for disabled and/or over 65 year old residents with the Give a Lift program. They also take part in assisting with our Special Events such as Turkey Trot, The Irish Fountain Festival, and The Fountain Hills Arts & Craft Fairs... just to name a few.

In addition, our Fountain Hills Volunteers provide assistance to residents and visitors at Town Hall and the Community Center reception desks. They lead instruction in our various Senior Service programs, provide trail maintenance through the Trailblazer program, assist the Docent lead Art Walk program and provide help and support during times of emergency with the Crisis Support Team. Many of them also utilize their professional skills to assist with projects for the Development Services and Administration departments.



Community Center Division

Service Delivery Plan

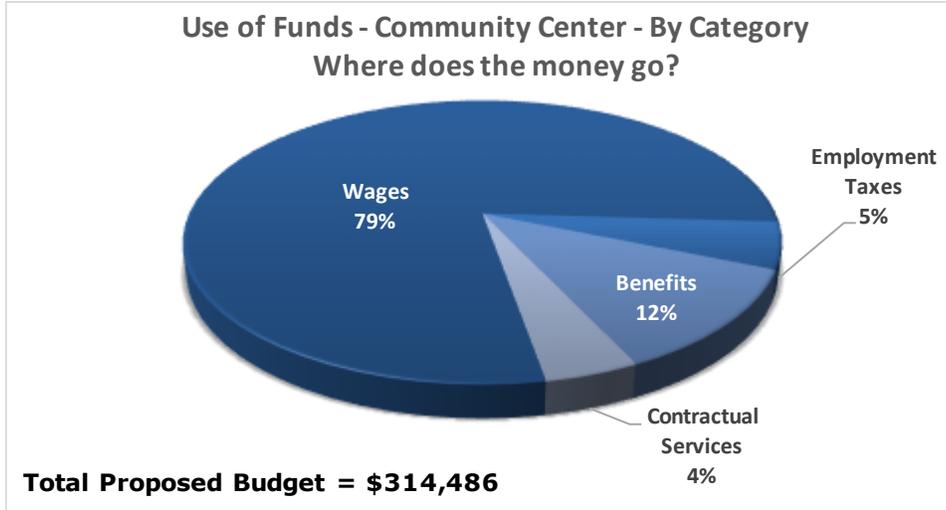
The Community Center strives to enhance the quality of life of Fountain Hills residents by providing and maintaining a safe, available, and accessible facility that will meet the needs of all residents.

Program Name	Expenditures by Program			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Operations	240,316	274,785	286,623	314,486
Total	\$ 240,316	\$ 274,785	\$ 286,623	\$ 314,486

Category	Expenditures by Category			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Wages	\$ 175,708	\$ 219,072	\$ 219,939	\$ 233,536
Employment Taxes	9,505	13,116	12,306	15,255
Benefits	24,004	26,279	27,685	33,836
Dues & Memberships	902	2,246	852	852
Meetings and Training	-	-	2,000	2,000
Maintenance and Repair	(83)	1,648	2,304	2,700
Utilities	1,138	1,848	2,064	2,064
Contractual Services	7,150	4,427	11,806	12,166
Supplies	1,930	2,597	3,600	3,600
Equipment	17,838	3,484	4,000	4,000
Internal Service	2,224	68	67	4,477
Total	\$ 240,316	\$ 274,785	\$ 286,623	\$ 314,486

Variance Explanations:

Benefits: Amounts were increased to include family coverage.



Activities/Results

Performance Measures

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
To attain a high overall satisfaction rating (good or better) with quality on rental evaluations	N/A	N/A	Good	Good
To achieve a high return rate on rental surveys	N/A	N/A	50%	50%

Quality

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Number of bookings	4,295	4,350	4,415	4,415
Number of patrons served	81,826	84,000	85,260	85,260

Productivity

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Net operating costs of facility per capita	\$9.82	\$11.22	\$11.71	\$12.85

**FY20-21 Proposed Budget
Summary of Expenditures
Community Center**

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
General Fund				
Salaries-Full Time	\$ 104,990	\$ 116,613	\$ 124,935	\$ 126,535
Salaries-Part Time	70,718	102,461	95,004	107,001
FICA	4,411	6,386	5,784	6,510
Medicare	2,556	3,182	3,197	3,406
Workers Compensation	2,368	3,347	3,134	4,493
Unemployment Insurance	169	200	191	846
Group Health Insurance	10,621	11,345	11,698	15,642
Group Dental Insurance	788	852	918	1,176
Group Vision Insurance	138	154	158	211
Disability Insurance	361	479	529	1,344
Retirement	11,549	12,827	13,743	13,919
Life Insurance	109	120	139	144
Bonus	439	426	500	500
Allowance/Stipend	-	75	-	900
Licenses/Filing Fees	575	1,304	700	700
Dues, Subscript & Publicat	327	942	152	152
Meetings & Training	-	-	2,000	2,000
Office Equip Maint/ Repair	(83)	1,245	2,304	2,700
Sign Repair & Replacement	-	403	-	-
Telecommunications	1,138	1,848	2,064	2,064
Professional Fees	-	-	300	300
Rentals & Leases	3,534	2,460	4,056	4,416
Printing Expense	62	-	130	130
Advertising/Signage	1,281	-	3,500	3,500
Constituent Communication	-	-	1,500	1,500
Bank/Merc Acct Fees	1,283	1,102	1,320	1,320
ActiveNet Fees	990	865	1,000	1,000
Office Supplies	264	214	450	450
Cleaning/Janitorial Supplies	42	58	-	-
Operating Supplies	252	269	1,000	1,000
Food & Beverage Supplies	351	606	550	550
Program Materials	565	938	1,000	1,000
Uniforms	455	512	600	600
Small Tools	869	-	-	-
Hardware/Peripherals	754	347	-	-
Furniture/Appliances	13,792	-	-	-
Equipment	2,424	3,137	4,000	4,000
ISF-Vehicle Replacement Charge	60	68	51	45
ISF-Motor Pool Charges	-	-	16	48
ISF-Technology Replacement	-	-	-	4,384
ISF-Telecom Charges	2,164	-	-	-
Total Community Center	\$ 240,316	\$ 274,785	\$ 286,623	\$ 314,486

Parks Division

Service Delivery Plan

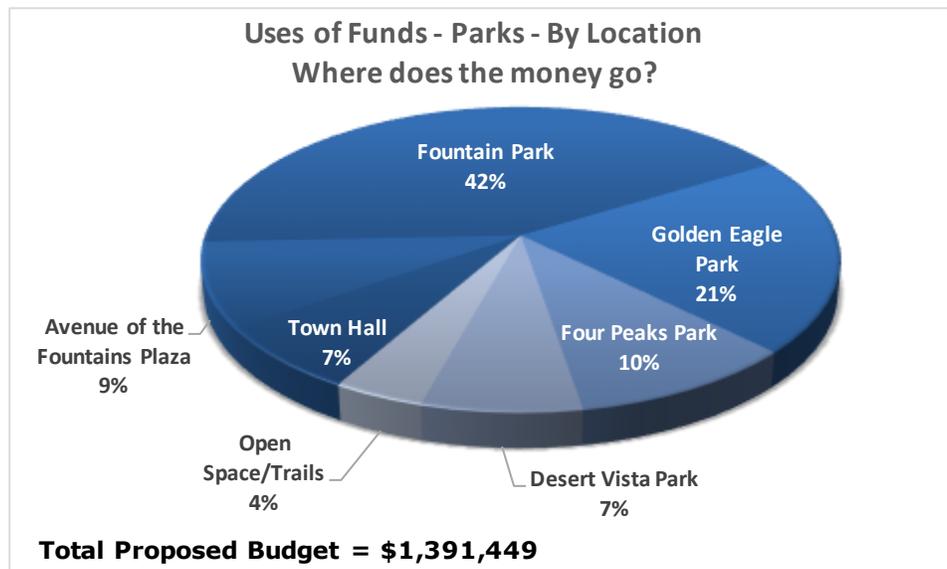
The Parks Division staff is dedicated to providing safe, clean and green parks that will meet the intellectual, social, cultural, and leisure needs of all park patrons. The Town’s park system has been developed to enhance the quality of life of Fountain Hills residents with hiking trails and park facilities for youth and adult sports programs, youth and teen programs, special events, and facility rentals. Each year, our experienced staff works to meet the goals through efficient park maintenance and operations methods.

Location Name	Expenditures by Location			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Town Hall	\$ 83,229	\$ 94,394	\$ 99,632	\$ 103,761
Avenue of the Fountains Plaza	84,162	71,319	124,060	126,709
Fountain Park	367,700	346,325	440,748	584,356
Golden Eagle Park	290,389	313,256	294,371	290,908
Four Peaks Park	113,522	135,288	128,329	134,407
Desert Vista Park	104,869	73,348	91,625	92,398
Open Space/Trails	11,172	12,300	45,330	58,910
Total	\$ 1,055,043	\$ 1,046,230	\$ 1,224,095	\$ 1,391,449

Variance Explanations:

Fountain Park: A budget supplement was added for an additional park operations lead, including a vehicle and a new UV system for the splashpad.

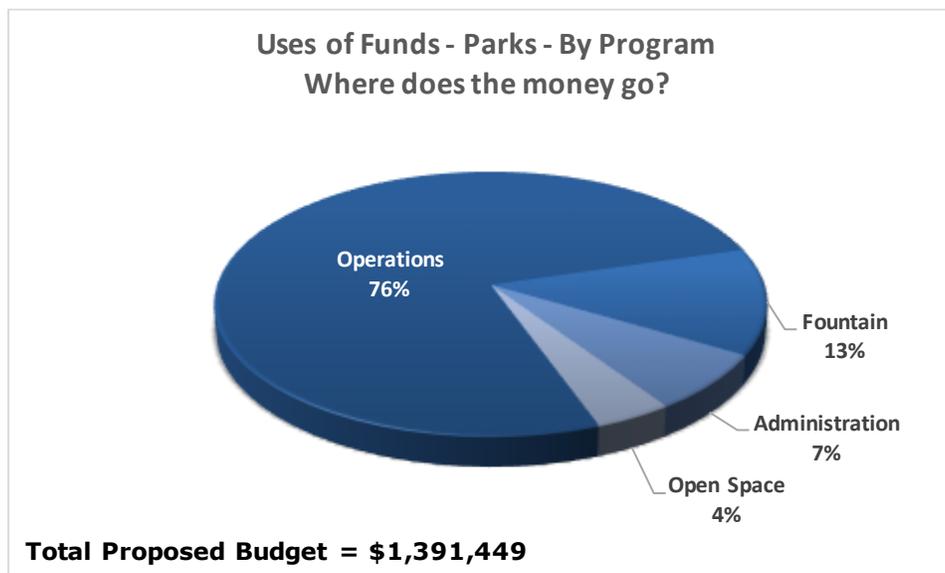
Open Space/Trails: Budget was increased to include the new Adero Trailhead costs.



Program Name	Expenditures by Program			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Administration	\$ 83,229	\$ 94,394	\$ 99,632	\$ 103,761
Fountain	150,662	121,176	173,217	175,515
Open Space	11,171	12,300	45,330	58,910
Operations	809,981	818,360	905,916	1,053,263
Total	\$ 1,055,043	\$ 1,046,230	\$ 1,224,095	\$ 1,391,449

Variance Explanations:

Open Space: Budget was increased to include the new Adero Trailhead costs.



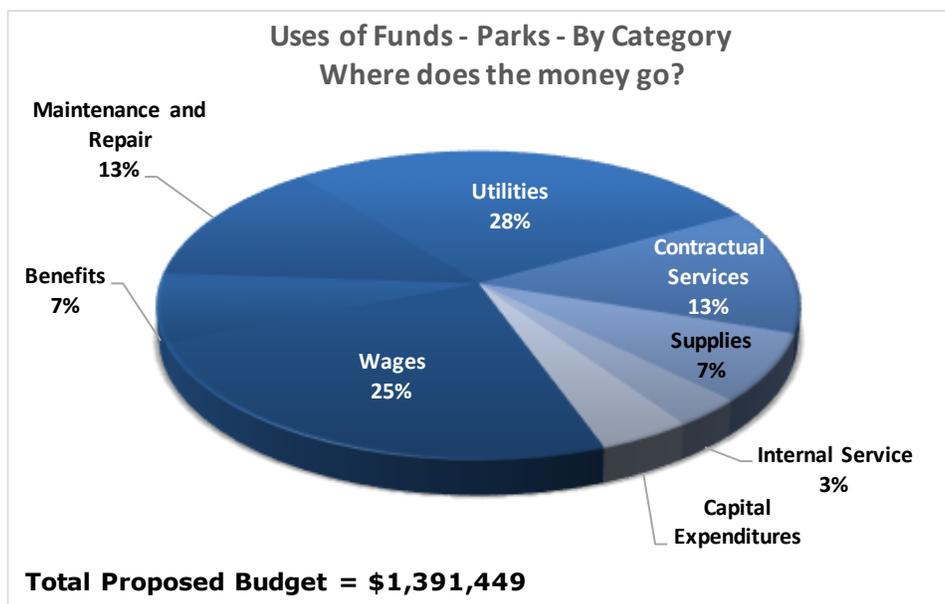
Category	Expenditures by Category			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Wages	\$ 233,687	\$ 249,974	\$ 262,047	\$ 309,312
Employment Taxes	8,187	9,322	10,011	15,062
Benefits	69,204	74,905	77,547	102,887
Dues & Memberships	1,125	765	1,040	1,105
Meetings and Training	3,413	2,694	8,390	7,925
Maintenance and Repair	176,890	139,488	164,299	174,749
Utilities	317,089	277,813	366,584	382,212
Contractual Services	137,289	143,330	190,156	184,837
Supplies	45,972	63,822	89,507	99,707
Equipment	24,213	22,502	4,500	4,500
Damages/Vandalism	1,983	2,729	2,100	2,100
Internal Service	35,991	35,828	47,914	47,053
Capital Expenditures	-	23,058	-	60,000
Total	\$ 1,055,043	\$ 1,046,230	\$ 1,224,095	\$ 1,391,449

Variance Explanations:

Employment Taxes: Budget was increased due to an increase in worker’s compensation rates.

Benefits: Amounts were increased to include family coverage.

Capital Expenditures: Budget supplements were added for a new vehicle and UV system for the splashpad in Fountain Park.



**FY20-21 Proposed Budget
Summary of Expenditures
Parks**

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
General Fund				
Salaries-Full Time	\$ 232,572	\$ 248,919	\$ 262,047	\$ 309,312
Overtime	1,115	1,052	-	-
Medicare	3,306	3,510	3,855	4,556
Workers Compensation	4,728	5,696	6,032	9,854
Unemployment Insurance	153	116	124	652
Group Health Insurance	36,262	39,422	40,054	55,727
Group Dental Insurance	2,518	2,790	2,973	4,094
Group Vision Insurance	416	442	446	602
Disability Insurance	809	1,034	1,110	3,288
Retirement	25,706	27,405	28,824	34,023
Life Insurance	240	259	290	353
Bonus	254	254	250	300
Allowance/Stipend	3,000	3,300	3,600	4,500
Licenses/Filing Fees	795	550	590	590
Dues, Subscript & Publicat	330	215	450	515
Meetings & Training	3,413	2,694	8,390	7,925
Building Main/Repair	2,749	380	1,300	1,300
HVAC Repair	150	107	1,400	1,400
Plumbing Repair	2,118	528	2,700	2,700
Electrical Repair/Maint	20,650	16,846	5,950	5,950
Fire Protection Systems	1,221	1,221	2,440	2,440
Grounds Maint/Repair	12,534	40,592	27,600	28,300
Irrigation Repair	25,460	17,829	15,400	15,400
Backflow Testing & Maintenance	672	2,931	2,450	2,450
Storm Damage Cleanup	-	326	-	-
Equipment Maint/Repair	20,465	16,194	30,290	30,290
Vehicle Maint/Repair	8,906	3,893	10,510	10,510
Other Maint/Repair	28,681	12,216	30,800	40,550
Striping	1,302	408	2,380	2,380
Sidewalk/Pathway Repair	8,857	-	6,575	6,575
Sign Repair & Replacement	5,199	3,821	6,800	6,800
Painting	5,978	2,144	1,804	1,804
Lighting Repair	31,947	20,052	15,900	15,900
Electricity Expense	196,266	181,196	230,642	234,940
Refuse/Recycling	4,920	4,904	6,380	6,380
Telecommunications	2,869	2,807	2,850	3,180
Water/Sewer	105,959	82,618	112,500	123,500
Gas & Oil	7,075	6,288	14,212	14,212
Professional Fees	10,765	8,499	13,900	13,900
Rentals & Leases	6,445	10,172	20,380	7,380
Printing Expense	1,937	2,965	2,900	2,900
Contractual Services	-	-	6,500	-
Bank/Merc Acct Fees	1,112	626	772	772
Community Events	66	-	-	-

**FY20-21 Proposed Budget
Summary of Expenditures
Parks**

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
General Fund-continued				
Landscape Contracts	\$ 116,316	\$ 120,529	\$ 145,009	\$ 159,190
ActiveNet Fees	649	539	695	695
Office Supplies	262	-	100	100
Cleaning/Janitorial Supplies	15,405	13,332	13,279	23,029
Safety Supplies	540	802	1,100	1,100
Operating Supplies	27,701	47,644	72,353	72,353
Food & Beverage Supplies	-	464	120	120
Program Materials	117	-	300	300
Uniforms	1,921	1,578	2,250	2,700
Postage & Delivery	25	2	5	5
Small Tools	3,758	2,726	4,500	4,500
Hardware/Peripherals	46	186	-	-
Furniture/Appliances	(245)	-	-	-
Equipment	20,653	19,591	-	-
Damages/Vandalism	1,983	2,729	2,100	2,100
ISF-Copier Charges	399	138	315	315
ISF-Mail Service Charges	1	-	-	-
ISF-Vehicle Replacement Charge	35,114	35,691	47,599	41,234
ISF-Motor Pool Charges	-	-	-	-
ISF-Technology Replacement	478	-	-	5,504
ISF-Telecom Charges	-	-	-	-
Vehicles	-	-	-	25,000
Furniture/Equipment	-	23,058	-	-
Park Improvements	-	-	-	35,000
Total Parks	<u>\$ 1,055,043</u>	<u>\$ 1,046,230</u>	<u>\$ 1,224,095</u>	<u>\$ 1,391,449</u>



Activities/Results

Performance Measures

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Maintain a high overall satisfaction rating (good or better) of maintenance/operations	Good	Good	Good	Good
Number of Special Events hosted in parks	35	35	35	35
Number of Tournaments	11	8	8	11
Appearance/availability	Good	Good	Good	Good

Quality

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Restrooms serviced and cleaned	365 days	365 days	365 days	365 days
Ramadas cleaned and serviced	365	365	365	365
Trails maintained and ready for use daily	365	365	365	365
Trailhead promotions with brochures, maps and Town website	365	365	365	365

Productivity

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Net expenditures for park operation per capita*	\$39.70	\$38.88	\$45.93	\$52.60
Park rental/revenue	319/55,691	325/60,000	325/60,000	325/60,000
Fountain Hills Hiking Trail visitors	50,000+	55,000+	55,000+	55,000+

Fountain Hills Recreation Statistics:

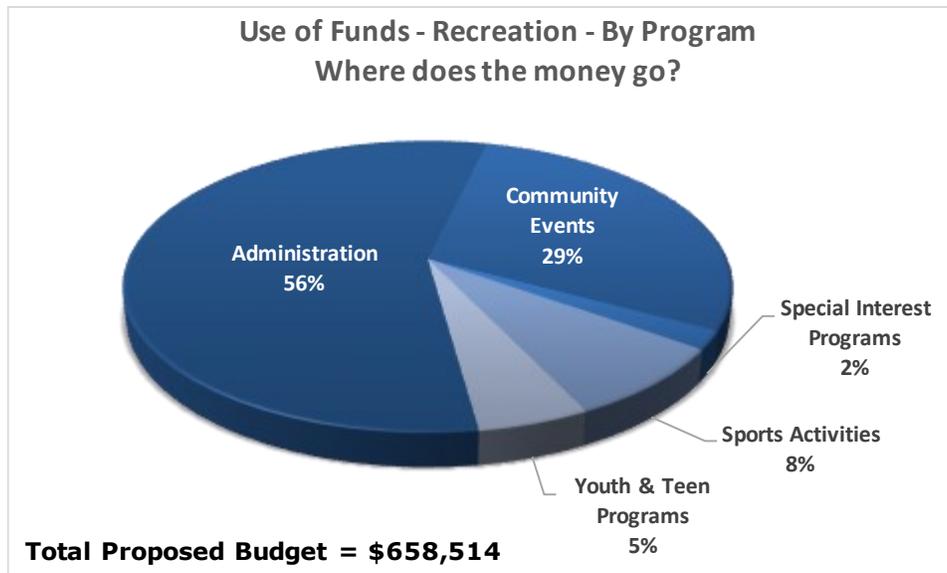
- 119 Acres of Developed Parks
- 822 Acres of Mountain Preserve Park
- 8 Acres of Botanical Garden Preserve
- 83.2 Acres of Lake Overlook Trail Preserve
- 7.7 Miles of Preserve Trails
- 8.7 Miles of Urban Trails (FIT)

Recreation Division

Service Delivery Plan

The Recreation Division strives to enhance the quality of life for Fountain Hills residents by providing recreation services that will meet the intellectual, social, cultural, and leisure needs of all residents. Program activities include: special interest classes, youth and adult sports programs, youth and teen programs, special events, and facility rentals.

Program Name	Expenditures by Program			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Administration	\$ 259,539	\$ 292,817	\$ 363,640	\$ 370,601
Community Events	165,799	175,152	175,873	189,575
Special Interest Programs	16,087	16,093	15,878	15,878
Sports Activities	39,293	38,611	52,520	52,520
Youth & Teen Programs	20,927	23,314	29,940	29,940
Total	\$ 501,645	\$ 545,987	\$ 637,851	\$ 658,514

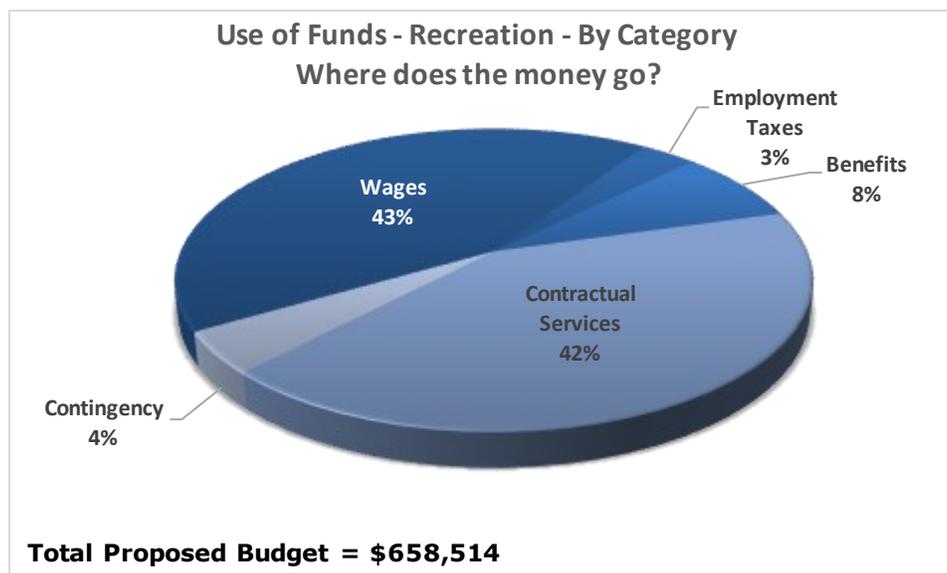


Category	Expenditures by Category			
	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Revised Budget	FY 20-21 Proposed Budget
Wages	\$ 199,012	\$ 223,837	\$ 257,987	\$ 261,933
Employment Taxes	10,677	11,957	14,409	17,731
Benefits	35,480	42,093	48,917	43,478
Dues & Memberships	3,373	4,542	4,567	4,567
Meetings and Training	1,597	1,230	3,600	3,600
Maintenance and Repair	1,260	2,777	1,500	1,500
Utilities	5,131	6,042	5,640	5,640
Contractual Services	203,684	215,257	237,094	242,796
Supplies	35,609	34,198	37,754	45,754
Equipment	2,811	2,084	-	-
Internal Service	3,011	1,970	1,383	6,515
Contingency	-	-	25,000	25,000
Total	\$ 501,645	\$ 545,987	\$ 637,851	\$ 658,514

Variance Explanations:

Supplies: Budget supplement was added to additional Turkey Trot shirts due to increased registrations.

Internal Service: The increase is from the newly created Information Technology Replacement fund.



Activities/Results

Performance Measures

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
To attain a High overall satisfaction rating (good or better) with the quality of Town recreation programs in post-program evaluations	88%	%	92%	%
To achieve a high return rate on recreation program surveys	38%	%	40%	%

Quality

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Number of individual program participants ¹	2,737	2,766	2,850	2,900
Number of team sport participants	345	315	600	650
Number of teen trip/teen activity participants	378	492	500	550
Number of volunteer hours in support of Town recreation programs ²	826	1,120	1,000	1,050
Number of youth sport, Boys and Girls Club, and FHUSD facility bookings	1,397	1,771	1,700	1,750

Productivity

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Net operating costs of recreation programs per capita ³	\$9.89	\$10.34	\$11.20	\$11.76

¹Does not include participations at special events or teen drop in programs

²Volunteer hours are estimated

³Population based on U.S. Census 2016 estimate

**FY20-21 Proposed Budget
Summary of Expenditures
Recreation**

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
General Fund				
Salaries-Full Time	\$ 143,140	\$ 167,021	\$ 183,971	\$ 186,328
Salaries-Part Time	55,754	56,796	74,016	75,605
Overtime	118	20	-	-
FICA	3,481	3,536	4,506	4,600
Medicare	2,909	3,221	3,787	3,842
Workers Compensation	4,006	4,998	5,878	8,322
Unemployment Insurance	281	201	238	967
Group Health Insurance	15,054	19,467	22,681	15,642
Group Dental Insurance	1,112	1,329	1,580	1,657
Group Vision Insurance	186	218	237	343
Disability Insurance	493	641	779	1,978
Retirement	15,745	17,433	20,236	20,497
Life Insurance	141	161	204	211
Bonus	423	369	500	450
Allowance/Stipend	2,325	2,475	2,700	2,700
Licenses/Filing Fees	454	398	400	400
Dues, Subscript & Publicat	2,919	4,144	4,167	4,167
Meetings & Training	1,597	1,230	3,600	3,600
Equipment Maint/Repair	-	-	1,500	1,500
Vehicle Maint/Repair	1,090	1,366	-	-
Sign Repair & Replacement	170	1,411	-	-
Refuse/Recycling	204	-	-	-
Telecommunications	1,126	794	840	840
Gas & Oil	3,801	5,248	4,800	4,800
Professional Fees	13,161	14,294	17,880	17,880
Instructor Fees	36,499	38,604	46,800	46,800
Rentals & Leases	17,792	19,122	26,485	26,485
Printing Expense	312	156	1,100	1,100
Advertising/Signage	482	421	400	400
Contractual Services	14,700	15,450	16,800	21,800
Constituent Communication	24,340	22,514	26,700	26,700
Bank/Merc Acct Fees	2,912	3,179	3,423	3,423
Community Events	90,561	97,690	93,298	94,000
ActiveNet Fees	2,925	3,827	4,208	4,208
Office Supplies	259	208	700	700
Operating Supplies	34	-	-	-
Food & Beverage Supplies	1,656	2,304	550	2,550
Program Materials	32,309	30,776	35,595	41,595
Uniforms	1,352	890	829	829
Postage & Delivery	-	19	80	80
Small Tools	27	-	-	-
Hardware/Peripherals	450	247	-	-
Furniture/Appliances	777	-	-	-
Equipment	1,557	1,837	-	-
ISF-Copier Charges	1,168	1,763	1,047	1,047
ISF-Mail Service Charges	69	-	-	-
ISF-Vehicle Replacement Charge	286	207	256	227
ISF-Motor Pool Charges	52	-	80	243
ISF-Technology Replacement	-	-	-	4,998
ISF-Telecom Charges	1,436	-	-	-
Contingency	-	-	25,000	25,000
Total Recreation	\$ 501,645	\$ 545,985	\$ 637,851	\$ 658,514

Senior Services Division

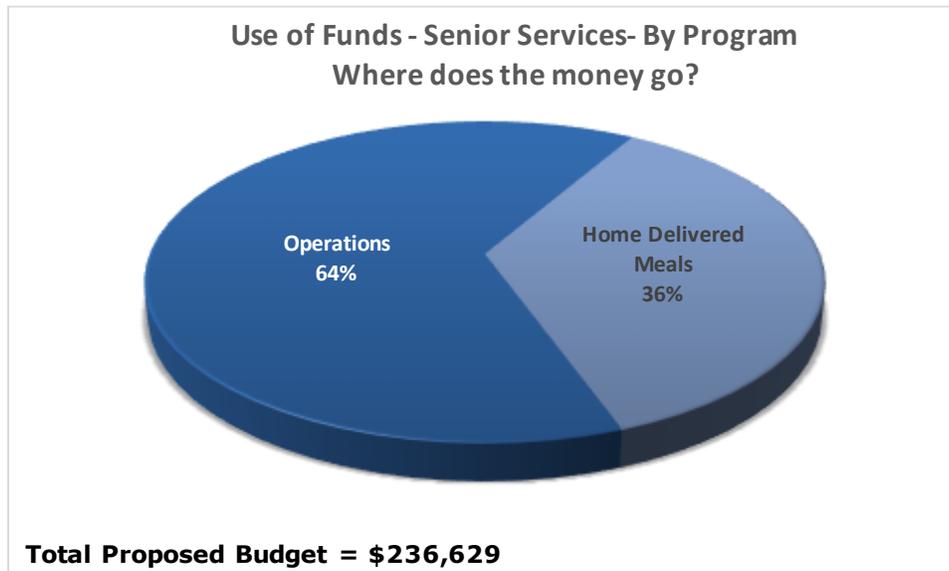
Service Delivery Plan

Provide meeting space to members for programs and presentations. Coordinate meeting schedule with support groups and other social services for the community. Provide a mobility medical equipment loaner program to Town residents. Deliver a quality noon-time meal to Town residents who require assistance in obtaining nutritional meals.

Program Name	Expenditures by Program			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Home Delivered Meals	45,606	50,023	67,010	85,433
Operations	150,059	121,559	145,937	151,196
Total	\$ 195,665	\$ 171,582	\$ 212,947	\$ 236,629

Variance Explanations:

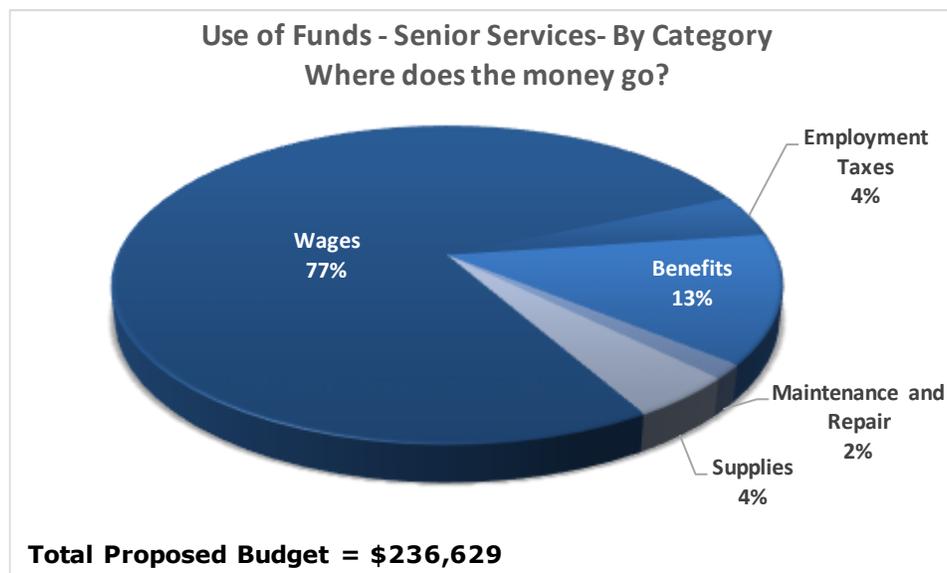
Home Delivered Meals: Budget was increased to allow for more meals.



Category	Expenditures by Category			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Wages	\$ 136,731	\$ 99,605	\$ 123,828	\$ 125,427
Employment Taxes	6,903	4,319	6,143	6,643
Benefits	10,226	19,688	19,993	21,750
Dues & Memberships	1,221	1,451	650	650
Meetings and Training	25	-	200	200
Maintenance and Repair	1,364	755	2,150	2,150
Contractual Services	31,162	38,464	51,491	68,741
Supplies	3,755	3,804	7,225	7,225
Equipment	2,483	3,428	1,200	1,200
Internal Service	1,795	68	67	2,643
Total	\$ 195,665	\$ 171,582	\$ 212,947	\$ 236,629

Variance Explanations:

Contractual Services: Budget was increased to allow for more meals.



Activities/Results

Performance Measures

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Number of members	1,254	1,312	1,350	1,375
Maintain a high overall satisfaction rating (good or better) of meal quality	Good	Good	Good	Good

Quality

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Number of attendees to senior programs And presentations	22,314	20,902	21,000	22,000
Number of days per year meals delivered	365	365	365	365

Productivity

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Number of senior programs offered	63	63	65	65
Number of special guest speaker presentations offered	37	36	35	36
Number of socialization activities/special events offered	6	6	6	6
Number of support groups & social services offered	15	15	15	14
Number of meals delivered annually	3,093	3,562	4,500	4,800
Number of clients participating in HDM program	38	46	60	65
Number of pieces of medical equipment loaned out	N/A	128	140	150

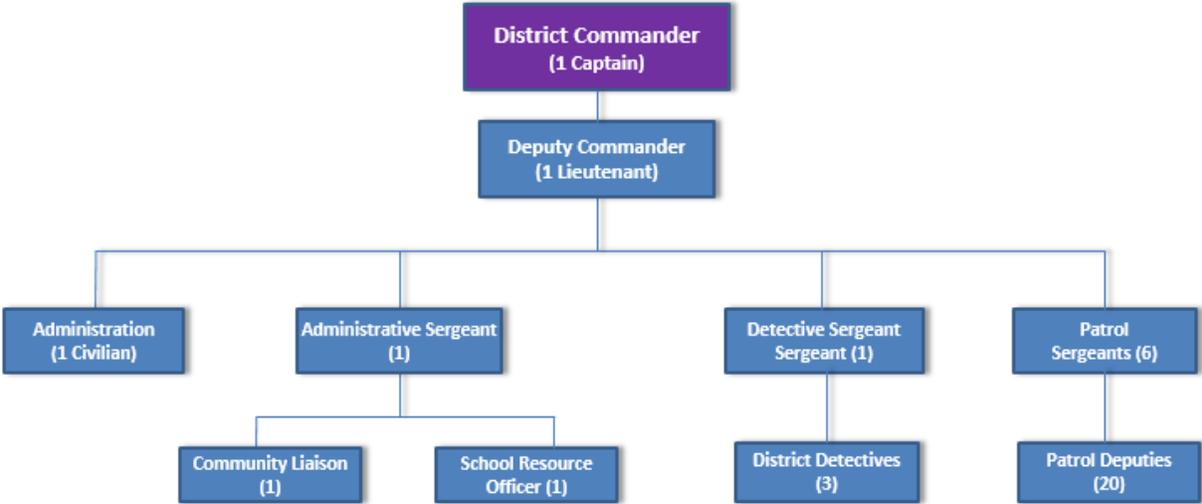


**FY20-21 Proposed Budget
Summary of Expenditures
Senior Services**

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
General Fund				
Salaries-Full Time	\$ 69,013	\$ 56,537	\$ 59,143	\$ 59,900
Salaries-Part Time	67,718	43,070	64,685	65,527
FICA	4,208	2,668	4,011	4,062
Medicare	1,995	1,364	1,811	1,836
Workers Compensation	550	174	221	309
Unemployment Insurance	150	113	100	436
Group Health Insurance	861	11,014	10,983	12,222
Group Dental Insurance	419	886	932	979
Group Vision Insurance	11	156	156	156
Disability Insurance	224	239	250	636
Retirement	7,592	6,219	6,506	6,589
Life Insurance	60	60	66	68
Bonus	309	213	200	200
Allowance/Stipend	750	900	900	900
Licenses/Filing Fees	312	462	550	550
Dues, Subscript & Publicat	909	989	100	100
Meetings & Training	25	-	200	200
Office Equip Maint/Repair	1,364	379	-	-
Office Equip Maint/ Repair	-	-	2,100	2,100
Sign Repair & Replacement	-	376	50	50
Professional Fees	816	1,062	1,260	1,260
Instructor Fees	-	640	1,365	2,541
Rentals & Leases	125	1,291	156	180
Printing Expense	80	70	150	150
Advertising/Signage	-	128	-	-
Contractual Services	22,301	27,365	38,900	54,950
Constituent Communication	3,616	3,239	4,290	4,290
Bank/Merc Acct Fees	694	831	1,190	1,190
ActiveNet Fees	3,530	3,838	4,180	4,180
Office Supplies	1,079	1,281	2,000	2,000
Cleaning/Janitorial Supplies	-	65	150	150
Operating Supplies	391	659	2,325	2,325
Food & Beverage Supplies	1,565	1,259	1,900	1,900
Program Materials	719	345	715	715
Postage & Delivery	-	194	135	135
Hardware/Peripherals	27	2,946	-	-
Furniture/Appliances	109	482	-	-
Equipment	2,347	-	1,200	1,200
ISF-Mail Service Charges	182	-	-	-
ISF-Vehicle Replacement Charge	60	68	51	45
ISF-Motor Pool Charges	-	-	16	48
ISF-Technology Replacement	-	-	-	2,550
ISF-Telecom Charges	1,554	-	-	-
Total Senior Services	\$ 195,665	\$ 171,582	\$ 212,947	\$ 236,629

Law Enforcement

LAW ENFORCEMENT



LAW ENFORCEMENT

Mission Statement

The Maricopa County Sheriff’s Office (MCSO) proudly provides contractual law enforcement services to the Town of Fountain Hills by enforcing State and local laws, selective Town Ordinances and deterring criminal activity. MCSO will protect life and property, investigate criminal activity, and will work in partnership with the Town Council, staff, community leaders, and residents to resolve issues and concerns.

MCSO is dedicated to providing these services to the residents of Fountain Hills and the general public in a respectful, courteous, and professional manner and is supportive of the community-based policing principles.

Additionally, all sworn personnel will meet and stay current with established State training as delineated by Arizona Peace Officer Standards and Training Board (AZ POST) and the Maricopa County Sheriff’s Office as a means of reducing liability.

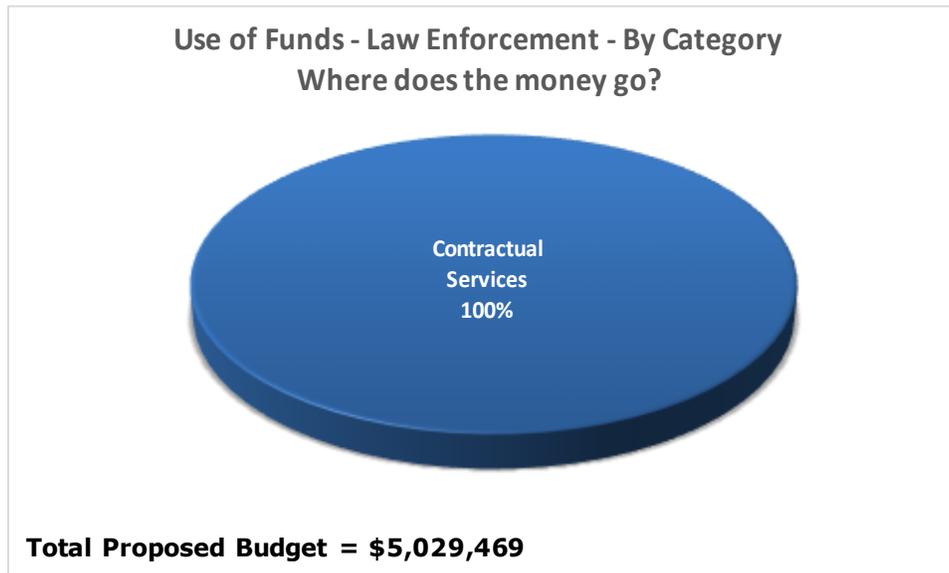
Department Overview

The Maricopa County Sheriff’s Office is a fully integrated law enforcement agency committed to being the leader in establishing the standards for providing quality law enforcement, detention and support services to the citizens of Maricopa County and to other criminal justice agencies.

Under the command of Captain Larry Kratzer, twenty-two deputies are assigned to the Town of Fountain Hills. Of these, twenty deputies and six sergeants are assigned to patrol. In addition, one deputy is assigned as the School Resource Officer and one deputy is assigned as the Community Liaison to address quality of life issues, court security, and administrative duties. Additionally, there are three detectives assigned, one detective supervisor sergeant, one administrative sergeant, one Commander (Captain), one Deputy Commander (Lieutenant), and one administrative assistant.

Program Name	Expenditures by Program			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Administration	\$ 3,768,356	\$ 4,153,699	\$ 4,785,920	\$ 5,029,469
Animal Control	24,319	-	-	-
Total	\$ 3,792,675	\$ 4,153,699	\$ 4,785,920	\$ 5,029,469

Category	Expenditures by Category			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Dues & Memberships	\$ 1,295	\$ 1,295	\$ 1,296	\$ 1,296
Contractual Services	3,769,827	4,152,404	4,774,584	5,018,133
Supplies	652	-	40	40
Damages/Vandalism	-	-	10,000	10,000
Internal Service	3,500	-	-	-
Capital Expenditures	17,401	-	-	-
Total	\$ 3,792,675	\$ 4,153,699	\$ 4,785,920	\$ 5,029,469



Program Name	Operating Results			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Total Revenues	\$ 37,680	\$ -	\$ -	\$ -
Total Expenses	3,792,675	4,153,699	4,785,920	5,029,469
Total	\$ (3,754,995)	\$ (4,153,699)	\$ (4,785,920)	\$ (5,029,469)



**FY20-21 Proposed Budget
Summary of Expenditures
Law Enforcement**

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
General Fund				
Dues, Subscript & Publicat	\$ 1,295	\$ 1,295	\$ 1,296	\$ 1,296
Printing Expense	-	-	700	700
Advertising/Signage	809	-	-	-
Intergovt Agreements	19,464	-	-	-
Contractual Services	-	-	10,000	10,000
Bank/Merc Acct Fees	305	-	-	-
Law Patrol	3,715,447	4,090,928	4,675,701	4,918,265
Jail Fees	33,802	41,778	67,500	67,500
Animal Control	-	19,698	20,683	21,668
Office Supplies	-	-	40	40
Program Materials	652	-	-	-
Rewards Program	-	-	10,000	10,000
ISF-Copier Charges	362	-	-	-
ISF-Mail Service Charges	3,138	-	-	-
Furniture/Equipment	17,401	-	-	-
Total Law Enforcement	<u>\$ 3,792,675</u>	<u>\$ 4,153,699</u>	<u>\$ 4,785,920</u>	<u>\$ 5,029,469</u>

Top 20 Calls For Service

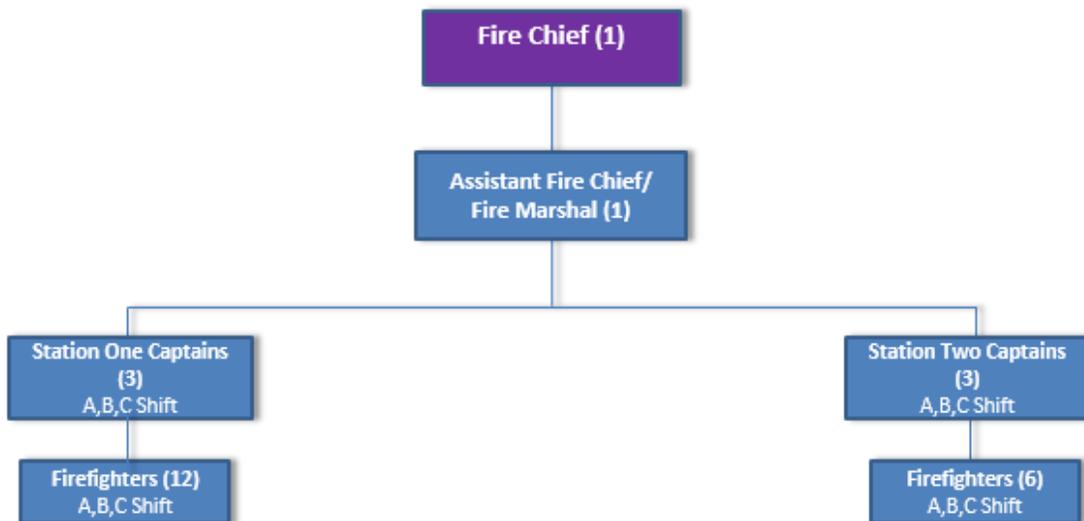
Event Category	2018	2019
WELFARE CHECK	742	828
FALSE BURGLAR ALARM*	726	644
CITIZEN/MOTORIST ASSIST	250	276
SUSPICIOUS ACTIVITY	191	239
CIVIL ACTION	203	175
FOLLOW UP	144	191
SUSPICIOUS PERSON	172	172
TRAFFIC HAZARD	177	147
VEHICLE CRASH (NO INJURIES)*	158	161
AUDIBLE BURGLAR ALARM*	155	119
SUSPICIOUS PERSON AND VEHICLE	132	121
ANIMAL NOISE PROBLEM	114	119
LOUD NEIGHBORS DISTURBING	114	116
THEFT	123	110
ABANDONED VEHICLE	80	88
ATTEMPT TO LOCATE	81	67
ILLEGAL PARKING	75	71
INJURED/SICK PERSON	85	57
ANIMAL PROBLEM	79	61
CRIMINAL DAMAGE	73	60
Total	3874	3822

Top 20 On View

Event Category	2018	2019
PATROL/VACATION WATCH	4890	2054
TRAFFIC VIOLATION*	775	2052
TRAFFIC CONTROL	514	648
FOLLOW UP	561	574
SPEEDERS	691	156
SCHOOL PROGRAMS(COMM SERV)	343	252
CITIZEN/MOTORIST ASSIST	183	189
COMMUNITY POLICING*	269	100
WELFARE CHECK	113	65
SPECIAL DETAIL	105	59
TRAFFIC HAZARD	32	92
SUSPICIOUS ACTIVITY	45	46
FOUND PROPERTY	47	40
ORDERS OF PROT - HARASS - CIVIL USE ONLY	34	34
CIVIL ACTION	47	17
SUSPICIOUS PERSON AND VEHICLE	36	25
CIVIL SUMMONS -CIVIL USE ONLY	25	17
SUSPICIOUS VEHICLE	24	12
CRIMINAL SUBPOENA - CIVIL USE	31	8
VEHICLE CRASH (NO INJURIES)*	17	10
Total	8782	6450

Fire & Emergency Medical

FIRE DEPARTMENT



FIRE & EMERGENCY MEDICAL

Mission Statement

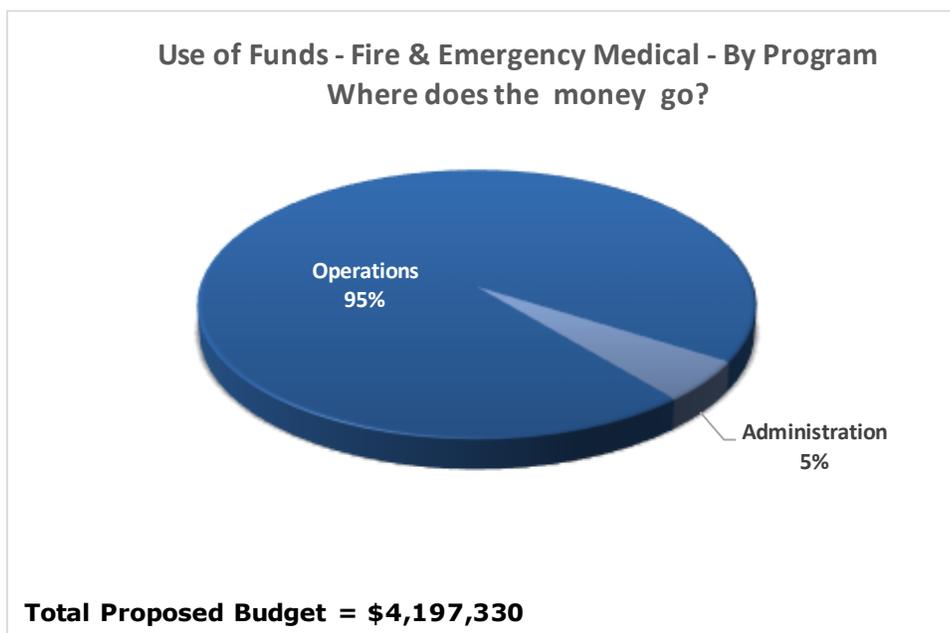
The mission of the Fire Department is to protect the safety and quality of life of residents, visitors and businesses in Fountain Hills. This mission is achieved by a commitment to exceptional service delivery in fire suppression, emergency medicine and rescue, as well as a proactive approach to fire prevention and public safety education.

Department Overview

Fire protection and Emergency Medical Service (EMS) are provided by a public/private partnership between the Town and Rural Metro Corporation. The Town owns the equipment and facilities and Rural Metro supplies the personnel through a contract.

The Fire Department is responsible for EMS delivery and fire suppression within the Town limits. The Fire Department is also responsible for fire prevention that includes plan review and building inspections. The Fire Department takes the lead role in emergency management and the Fire Chief serves as the Emergency Manager for the Town. The Fire Department also provides other community services such as public education, CPR classes, child safety seat checks and other safety programs.

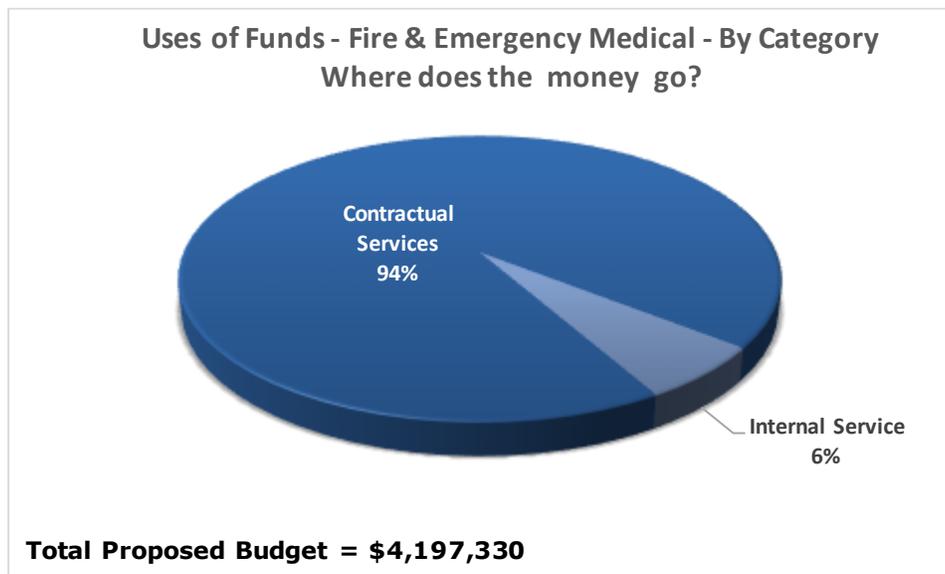
Program Name	Expenditures by Program			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Administration	\$ 176,043	\$ 180,801	\$ 189,232	\$ 196,244
Operations	3,690,352	3,712,040	3,832,068	4,001,086
Total	\$ 3,866,395	\$ 3,892,841	\$ 4,021,300	\$ 4,197,330



Category	Expenditures by Category			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Dues & Memberships	\$ 3,959	\$ 3,256	\$ 3,360	\$ 3,360
Meeting & Training	-	-	2,200	2,200
Maintenance and Repair	46,257	45,287	55,250	55,250
Utilities	21,691	33,989	35,820	35,820
Contractual Services	3,512,228	3,617,499	3,725,736	3,837,638
Supplies	7,641	6,635	11,975	11,975
Equipment	27,265	12,510	16,500	16,500
Internal Service	247,354	173,665	170,459	234,587
Total	\$ 3,866,395	\$ 3,892,841	\$ 4,021,300	\$ 4,197,330

Variance Explanations:

Internal Service: The increase is from the newly created Information Technology Replacement fund.



Program Name	Operating Results			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Total Revenues	\$ 111,344	\$ 110,947	\$ 124,495	\$ 130,713
Total Expenses	3,866,395	3,892,841	4,021,300	4,197,330
Total	\$ (3,755,051)	\$ (3,781,894)	\$ (3,896,805)	\$ (4,066,617)

FY19-20 Department Accomplishments

Initiative	Strategic Value
Updated Emergency Operations Plan approved by Council	N/A
Call volume is balancing out between stations and response times are improving	N/A
Old Fire Station #2 was sold. Proceeds to CIP Fund.	N/A

FY19-20 Objectives

Initiative	Strategic Value	Estimated Cost/Funding Source
Continue to improve response times	N/A	\$0
Develop a Continuity of Operations Plan (COOP)	N/A	\$0
Replace extrication equipment	N/A	\$55,000/Facilities Replacement Fund

Activities/Results

Performance Measures

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Complete Annual Minimum Company Standards Training	100%	100%	100%	100%
Emergency Response Times (5 Minutes)	86%	88%	90%	90%

Quality

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Child Safety Seat Checks	84	58	40	60
Public Education Activities	83	133	90	100

Productivity

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Fire Prevention Inspections	841	823	800	780
Plan Reviews	193	216	185	185

**FY20-21 Proposed Budget
Summary of Expenditures
Fire & Emergency Medical**

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
General Fund				
Dues, Subscript & Publicat	\$ 3,959	\$ 3,256	\$ 3,360	\$ 3,360
Meetings & Training	-	-	2,200	2,200
Building Maint/Repair	1,081	708	-	-
Plumbing Repair	374	609	-	-
Fire Protection Systems	814	814	-	-
Grounds Maint/Repair	-	120	-	-
Backflow Testing & Maintenance	-	-	150	150
Equipment Maint/Repair	9,234	11,031	14,050	14,050
Vehicle Maint/Repair	34,542	31,636	40,900	40,900
Office Equip Maint/ Repair	-	-	150	150
Sign Repair & Replacement	192	370	-	-
Lighting Repair	19	-	-	-
Electricity Expense	-	1,228	3,000	3,000
Refuse/Recycling	-	-	1,080	1,080
Telecommunications	-	4,935	5,040	5,040
Water/Sewer	-	1,521	1,500	1,500
Gas & Oil	21,691	26,305	25,200	25,200
Professional Fees	304	864	640	640
Printing Expense	274	163	900	900
Intergovt Agreements	2,004	2,320	2,500	2,750
Contractual Services	3,508,053	3,613,295	3,721,696	3,833,348
Bank/Merc Acct Fees	4	1	-	-
Landscape Contracts	1,589	856	-	-
Office Supplies	-	21	550	550
Cleaning/Janitorial Supplies	-	-	50	50
Operating Supplies	3,473	4,452	6,760	6,760
Food & Beverage Supplies	2	146	-	-
Program Materials	711	1,047	1,000	1,000
Uniforms	3,456	940	3,600	3,600
Postage	-	29	15	15
Small Tools	5,776	5,659	6,500	6,500
Hardware/Peripherals	413	838	-	-
Furniture/Appliances	651	-	-	-
Equipment	20,425	6,013	10,000	10,000
ISF-Copier Charges	292	160	269	269
ISF-Mail Service Charges	27	-	-	-
ISF-Vehicle Replacement Charge	238,102	173,504	170,190	232,651
ISF-Vehicle Replacement Charge	-	-	-	1,667
ISF-Telecom Charges	8,933	-	-	-
Total Fire & Emergency Medical	\$ 3,866,395	\$ 3,892,841	\$ 4,021,300	\$ 4,197,330



Special Revenue Funds

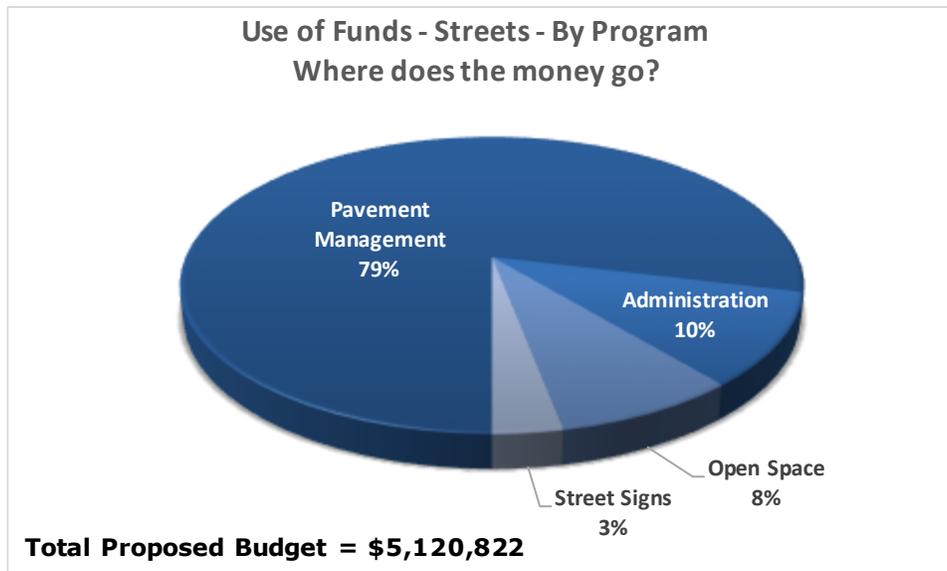
Streets Fund (HURF)
Downtown Strategy Fund
Economic Development Fund
Tourism Fund
Special Revenue Fund
Public Art Fund
Court Enhancement Fund
Environmental Fund
Cottonwoods Maint. Dist. Fund

Streets Fund

Service Delivery Plan

The Streets Division is responsible for the maintenance of traffic signals; regulatory signs; median landscape maintenance; storm debris clean up; street sweeping; street-related emergency responses; vehicle maintenance; contract administration as well as minor asphalt, curb and sidewalk repairs. The Streets (HURF) Fund, which includes a portion of Vehicle License Taxes (VLT) and transfers from the Capital Projects Fund, pays for Streets personnel and contract work for street repair.

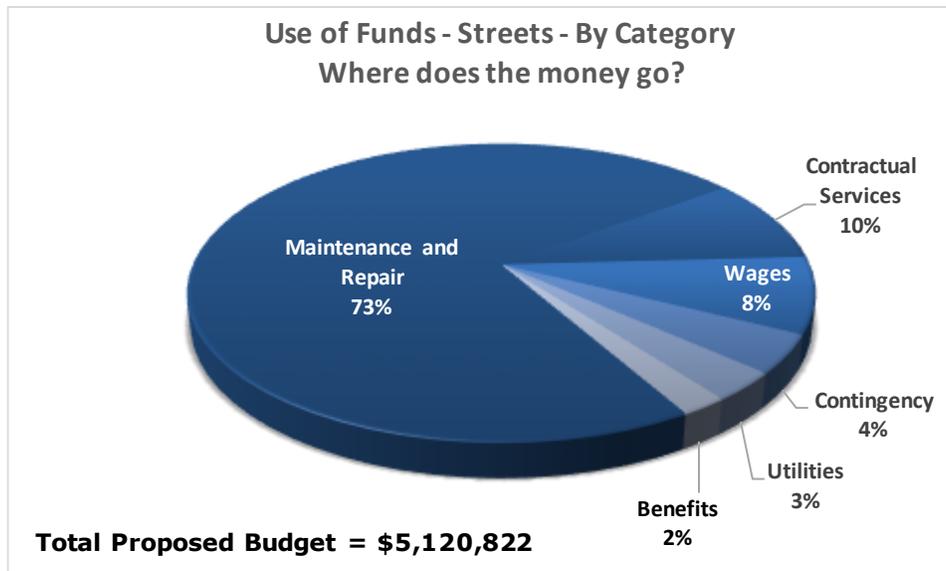
Program Name	Expenditures by Program			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Administration	\$ 314,509	\$ 432,605	\$ 529,357	\$ 537,228
Open Space	255,891	279,629	430,379	409,323
Pavement Management	1,748,607	3,647,368	4,012,909	3,950,165
Street Signs	46,003	163,443	153,220	156,631
Traffic Signals	188,049	-	-	-
Vehicle Maintenance	58,888	40,929	68,197	67,475
Total	\$ 2,611,947	\$ 4,563,974	\$ 5,194,062	\$ 5,120,822



Category	Expenditures by Category			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Wages	\$ 277,807	\$ 318,141	\$ 396,049	\$ 411,565
Employment Taxes	15,872	20,687	27,965	38,321
Benefits	74,524	82,964	112,380	111,280
Dues & Memberships	2,003	2,726	8,750	11,750
Meetings and Training	300	410	-	-
Maintenance and Repair	1,748,410	3,631,774	3,716,365	3,621,185
Utilities	104,491	94,505	145,086	140,446
Contractual Services	302,896	307,105	436,552	451,296
Supplies	10,197	14,811	20,701	22,421
Equipment	13,731	15,130	14,500	12,750
Damages/Vandalism	2,280	6,975	40,000	40,000
Internal Service	34,501	32,119	54,769	59,808
Contingency	-	-	200,000	200,000
Capital Expenditures	24,935	36,627	20,945	-
Total	\$ 2,611,947	\$ 4,563,974	\$ 5,194,062	\$ 5,120,822

Variance Explanations:

Employment Taxes: Budget was increased due to an increase in worker’s compensation rates.



**FY20-21 Proposed Budget
Summary of Expenditures
Streets Fund**

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Streets Fund				
Salaries-Full Time	\$ 263,018	\$ 299,697	\$ 389,325	\$ 404,754
Overtime	3,022	6,909	-	-
On Call Pay	11,767	11,536	6,724	6,811
Medicare	3,840	4,398	5,761	5,984
Workers Compensation	11,860	16,144	22,057	31,682
Unemployment Insurance	171	145	147	655
Group Health Insurance	38,752	42,065	60,189	55,008
Group Dental Insurance	2,589	2,993	4,572	4,342
Group Vision Insurance	424	491	766	672
Disability Insurance	1,083	1,138	1,673	4,331
Retirement	30,559	34,876	43,541	45,262
Life Insurance	271	299	437	463
Bonus	246	203	302	302
Allowance/Stipend	600	900	900	900
Licenses/Filing Fees	434	382	-	-
Dues, Subscript & Publicat	1,569	2,344	8,750	11,750
Meetings & Training	300	410	-	-
Building Maint/Repair	21	1,811	15,000	15,000
HVAC Repair	310	80	-	-
Plumbing Repair	43	-	-	-
Electrical Repair/Maint	1,130	-	3,000	3,000
Fire Protection Systems	509	509	2,000	2,000
Grounds Maint/Repair	14,406	127	50,000	50,000
Irrigation Repair	1,993	3,367	2,500	5,000
Backflow Testing & Maintenance	1,451	1,889	6,110	6,110
Drainage Maint/Repair	2,757	-	10,000	10,000
Storm Damage Cleanup	-	14,307	-	-
Equipment Maint/Repair	1,647	704	19,300	11,300
Traffic Signal Maint/Repair	-	2,889	-	-
Vehicle Maint/Repair	7,170	12,014	22,625	14,225
Office Equip Maint/ Repair	-	-	750	750
Other Maint/Repair	3,336	3,730	1,800	1,800
Road Repair	-	5,188	-	-
Striping	12,326	20,047	50,000	100,000
Sidewalk/Pathway Repair	48,900	54,364	70,000	70,000
Other Road Related Repair	-	3,178	-	-
Sign Repair & Replacement	14,483	96,923	32,000	32,000
Pavement Management	1,530,595	3,409,880	3,431,280	3,300,000
Painting	-	763	-	-
Lighting Repair	107,333	-	-	-
Electricity Expense	30,996	30,596	33,620	28,620
Refuse/Recycling	3,316	2,042	16,200	16,200
Telecommunications	3,703	4,689	4,956	5,016
Water/Sewer	57,564	42,779	75,910	76,210
Gas & Oil	8,913	14,400	14,400	14,400
Auditing Expense	8,530	9,694	11,460	11,460

**FY20-21 Proposed Budget
Summary of Expenditures
Streets Fund**

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Professional Fees	\$ 3,966	\$ 10,687	\$ 30,600	\$ 37,100
Legal Fees	39,003	19,607	54,000	70,200
Insurance Expense	80,398	82,851	104,392	89,036
Rentals & Leases	1,304	384	-	2,400
Printing Expense	81	-	-	-
Advertising/signage	45	-	-	-
Contractual Services	34,560	1,076	13,500	18,500
Landscape Contracts	135,009	142,706	175,000	175,000
Traffic Signals	-	40,100	47,600	47,600
Office Supplies	34	675	2,075	2,075
Cleaning/Janitorial Supplies	291	389	500	500
Safety Supplies	1,440	852	150	1,020
Operating Supplies	6,123	9,870	15,600	16,450
Food & Beverage Supplies	752	1,079	500	500
Program Materials	-	139	-	-
Uniforms	1,161	1,807	1,876	1,876
Postage & Delivery	156	-	-	-
Miscellaneous Expense	241	-	-	-
Small Tools	1,048	1,964	5,250	5,250
Software	-	-	7,500	7,500
Hardware/Peripherals	6,606	3,400	1,750	-
Equipment	6,076	9,766	-	-
Damages/Vandalism	2,280	6,976	40,000	40,000
ISF-Copier Charges	1	15	5	5
ISF-Mail Service Charges	-	-	-	-
ISF-Vehicle Replacement Charge	31,450	32,079	54,748	54,205
ISF-Motor Pool Charges	20	25	16	48
ISF-Technology Replacement	-	-	-	5,550
ISF-Telecom Charges	3,030	-	-	-
Contingency	-	-	200,000	200,000
Furniture/Equipment	24,935	36,627	20,945	-
Total Streets	<u>\$ 2,611,947</u>	<u>\$ 4,563,974</u>	<u>\$ 5,194,062</u>	<u>\$ 5,120,822</u>

Program Name	Operating Results			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Total Revenues	\$ 3,460,862	\$ 3,741,862	\$ 3,526,902	\$ 3,704,526
Total Expenses	2,611,947	4,563,974	5,194,062	5,120,822
Total	\$ 848,915	\$ (822,112)	\$ (1,667,160)	\$ (1,416,296)

Activities/Results

Performance Measures

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Pothole repair requests completed within two business days.	95%	95%	100%	100%

Quality

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Total residential lane miles	265	265	265	265
Total arterial lane miles	79	79	79	79
Number of vehicles in fleet	40	40	45	45
Acreage of medians maintained	56	56	56	56
Number of Adopt-a-Street active participants	60	60	32	40

Productivity

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Net Expenditures per capita	\$106.69	\$186.42	\$212.16	\$209.17



The Town originally established an Excise Tax/Downtown Fund on August 3, 2000 for the purpose of improving the downtown area and spur economic activity. This fund had been funded through a dedicated portion of the Town's local sales tax (0.1% of 2.9%).

On April 18, 2013, the Town Council established an additional fund by splitting the original Excise Tax/Downtown Fund into two separate funds:

Downtown Strategy Fund (original Excise Tax/Downtown Fund)
Economic Development Fund (new)

Both funds were originally funded through the dedicated 0.1% of local sales tax with a 60/40 split—60% of sales tax revenues would be allocated to the new Economic Development Fund and 40% of sales tax revenues would be allocated to the Downtown Strategy Fund. The residual fund balance of the Excise Tax/Downtown Fund as of June 30, 2013, was included with any new revenue in the Downtown Strategy Fund to be used towards Town Center infrastructure improvement and development. In January 2015, the percentage was changed to 80/20, respectively. The Economic Development Fund is now funded with 80% of the 0.1% local sales tax and will be available for any economic development purpose.



Downtown Strategy Fund

Service Delivery Plan

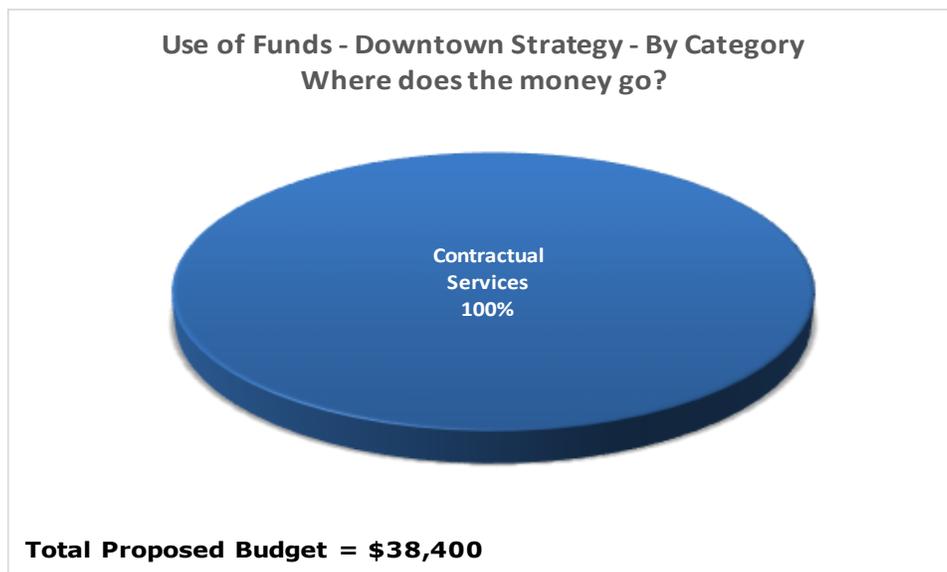
The Downtown Strategy Fund was established to provide resources for enhancement to the downtown area through capital and economic development expenditures to enhance the downtown’s economic base.

Program Name	Expenditures by Program			
	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Revised Budget	FY 20-21 Proposed Budget
Administration	\$ 56,044	\$ 38,204	\$ 46,400	\$ 38,400
Total	\$ 56,044	\$ 38,204	\$ 46,400	\$ 38,400

Category	Expenditures by Category			
	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Revised Budget	FY 20-21 Proposed Budget
Maintenance and Repair	\$ 12,981	\$ 1,079	\$ 8,000	\$ -
Contractual Services	43,063	37,125	38,400	38,400
Total	\$ 56,044	\$ 38,204	\$ 46,400	\$ 38,400

Variance Explanations:

Maintenance and Repair: FY19-20 included a budget transfer to purchase new banners on the Avenue of the Fountains.



**FY20-21 Proposed Budget
Summary of Expenditures
Downtown Strategy Fund**

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Downtown Strategy Fund				
Sign Repair & Replacement	\$ 12,981	\$ 1,079	\$ 8,000	\$ -
Management Fees	313	381	400	400
Advertising/Signage	29	-	-	-
Holiday Lighting	42,721	36,744	38,000	38,000
Total Downtown Strategy Fund	\$ 56,044	\$ 38,204	\$ 46,400	\$ 38,400



Economic Development Fund

Service Delivery Plan

Economic Development in Fountain Hills requires a collaborative effort to ensure success. The Town of Fountain Hills plays a key role along with the business community and residents. The Town works collaboratively with the various stakeholder groups and other agencies in its effort to diversify the local economy.

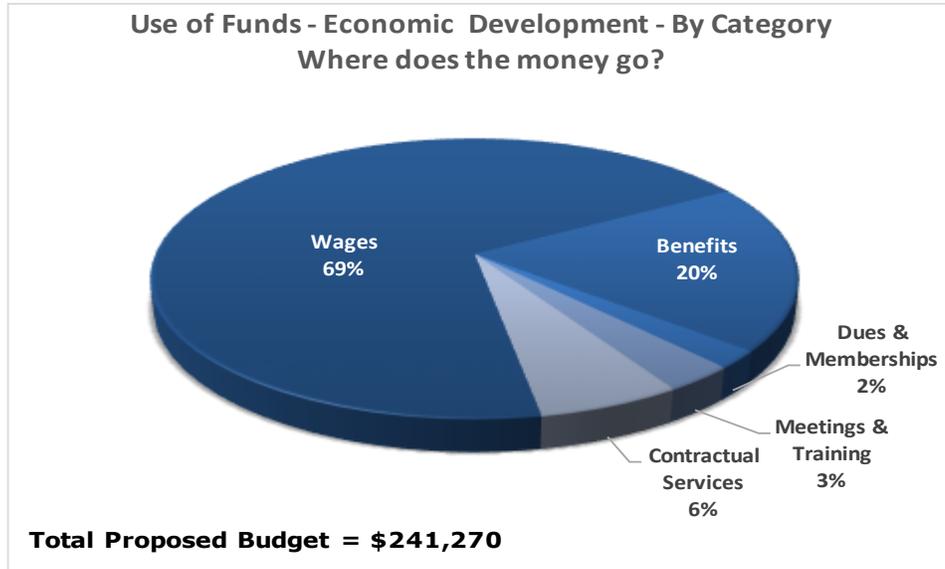
The Economic Development Plan is a multi-tiered approach to building a strong economic base. Creating more base jobs locally will attract more year-round residents to live, work and play in the community. Expanding the market for local businesses creates revenues that support the community’s quality of life. As revenues are generated and the economic base expands, revenues are available for basic services such as parks, recreation and roadway improvements.

Program Name	Expenditures by Program			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Administration	\$ 183,332	\$ 224,053	\$ 285,482	\$ 241,270
Total	\$ 183,332	\$ 224,053	\$ 285,482	\$ 241,270

Category	Expenditures by Category			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Wages	\$ 85,749	\$ 151,288	\$ 208,941	\$ 164,790
Employment Taxes	1,372	2,549	3,481	3,026
Benefits	20,098	30,012	41,867	44,765
Dues & Memberships	8,968	10,293	9,504	5,624
Meetings & Training	3,539	2,809	6,320	6,320
Contractual Services	63,125	26,907	15,100	15,100
Supplies	52	139	200	200
Internal Service	429	56	69	1,445
Total	\$ 183,332	\$ 224,053	\$ 285,482	\$ 241,270

Variance Explanations:

Wages: The decrease is from personnel allocation changes.



Program Name	Operating Results			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Total Revenues	\$ 318,430	\$ 354,913	\$ 328,111	\$ 348,744
Total Expenses	183,332	224,053	285,482	241,270
Total	\$ 135,098	\$ 130,860	\$ 42,629	\$ 107,474

Activities/Results

Performance Measures

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Facilitate and/or recruit new base sector employment opportunities	30 jobs \$1M CAPEX	25 jobs \$1.5M CAPEX	50 jobs \$15M CAPEX	25 jobs \$1.5M CAPEX
Facilitate retention or expansion of targeted existing businesses	15 jobs	62 jobs \$100K CAPEX	0 jobs \$0 CAPEX	30 jobs \$1M CAPEX
Support and structure assistance for entrepreneurial growth	2 through Arizona Business Advisors	2 through Arizona Business Advisors	1 through Arizona Business Advisors	2 through Arizona Business Advisors

**FY20-21 Proposed Budget
 Summary of Expenditures
 Economic Development Fund**

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Economic Development Fund				
Salaries-Full Time	\$ 85,749	\$ 151,288	\$ 208,941	\$ 164,790
Medicare	1,213	2,181	3,056	2,456
Workers Compensation	134	274	375	407
Unemployment Insurance	24	94	50	163
Group Health Insurance	8,548	10,723	14,535	18,332
Group Dental Insurance	614	790	1,121	1,469
Group Vision Insurance	124	156	211	235
Disability Insurance	340	536	884	1,750
Retirement	9,433	16,073	22,983	18,127
Life Insurance	89	133	233	187
Bonus	51	101	100	75
Allowance/Stipend	900	1,500	1,800	4,590
Dues, Subscript & Publicat	8,968	10,293	9,504	5,624
Meetings & Training	3,539	2,809	6,320	6,320
Printing Expense	-	153	100	100
Advertising/Signage	475	-	-	-
Marketing	62,650	26,754	15,000	15,000
Office Supplies	52	118	200	200
Operating Supplies	-	18	-	-
Postage & Delivery	-	3	-	-
ISF-Copier Charges	109	40	69	69
ISF-Vehicle Replacement Charge	81	16	-	-
ISF-Technology Replacement	-	-	-	1,376
ISF-Telecom Charges	239	-	-	-
Total Economic Development Fund	<u>\$ 183,332</u>	<u>\$ 224,053</u>	<u>\$ 285,482</u>	<u>\$ 241,270</u>



Tourism Fund

Service Delivery Plan

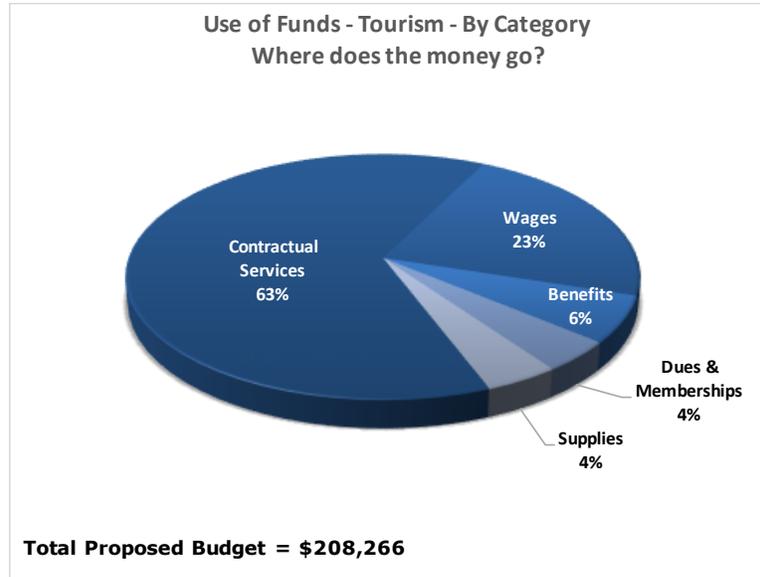
Implement a comprehensive tourism program as outlined in the Town’s Economic Development Plan. Provide a mix of marketing tools, with an emphasis on digital methods, to promote Town programs, amenities, and special events. Maintain the tourism website and provide timely analytic updates. Establish and maintain Fountain Hills as a Destination Marketing Organization with the Arizona Office of Tourism. Research grant opportunities, specific to Proposition 302 funding dispersed through the Arizona Office of Tourism, and apply annually.

Program Name	Expenditures by Program			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Tourism	\$ 206,513	\$ 235,302	\$ 259,123	\$ 208,266
Total	\$ 206,513	\$ 235,302	\$ 259,123	\$ 208,266

Category	Expenditures by Category			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Wages	\$ 49,343	\$ 51,718	\$ 54,241	\$ 44,344
Employment Taxes	812	857	942	827
Benefits	12,511	12,962	13,433	12,913
Dues & Memberships	8,583	4,442	8,384	8,383
Meetings & Training	1,108	202	3,501	3,500
Utilities	506	532	481	552
Contractual Services	121,916	150,908	167,641	126,706
Supplies	8,327	12,226	7,882	7,880
Equipment/Improvement	919	80	1,000	1,000
Internal Service	2,488	1,375	1,618	2,161
Total	\$ 206,513	\$ 235,302	\$ 259,123	\$ 208,266

Variance Explanations:

Contractual Services: The decreased amount is the result of uncertainty of the estimated grants for next year.



Program Name	Operating Results			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Total Revenues	\$ 75,737	\$ 73,996	\$ 90,181	\$ 50,180
Total Expenses	206,513	235,302	259,123	208,266
Total	\$ (130,776)	\$ (161,306)	\$ (168,942)	\$ (158,086)

Performance Measures

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Average annual website views	30,000	91,000	95,000	100,000
Average monthly social media reach	20,000	21,000	40,000	50,000
Social Media Followers (Facebook)	4570	4,700	5,426	6,000
Support overall quality of visitor experience while in Fountain Hills via visitor surveys	Good	Good	Good	Good

Quality

	FY16-17 Actual	FY17-18 Actual	FY18-19 Target	FY19-20 Target
Number of special events supported	22	25	27	27
Reach/ Maintain status of Destination Marketing Organization as determined by the Arizona Office of Tourism standards	Maintain	Maintain	Maintain	Maintain

Productivity

	FY16-17 Actual	FY17-18 Estimate	FY18-19 Target	FY19-20 Target
Total distribution of collateral (includes Visitor/ Dining Guides)	30,000	28,000	38,000	45,000
Percentage of in/out of county distribution	55/45	45/55	45/55	45/55

**FY20-21 Proposed Budget
Summary of Expenditures
Tourism Fund**

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Tourism Fund				
Salaries-Full Time	\$ 49,343	\$ 51,718	\$ 54,241	\$ 44,344
Medicare	712	745	801	655
Workers Compensation	78	91	119	118
Unemployment Insurance	22	21	22	54
Group Health Insurance	5,538	5,723	5,778	6,111
Group Dental Insurance	413	432	461	490
Group Vision Insurance	72	78	80	78
Disability Insurance	162	215	230	470
Retirement	5,434	5,689	5,968	4,878
Life Insurance	51	54	61	51
Bonus	46	51	45	25
Allowance/Stipend	795	720	810	810
Licenses/Filing Fees	-	585	-	-
Dues, Subscript & Publicat	8,583	3,857	8,384	8,383
Meetings & Training	1,108	203	3,501	3,500
Telecommunications	506	532	481	552
Professional Fees	33,563	37,600	66,142	51,683
Rentals & Leases	3,250	-	3,550	3,550
Printing Expense	4,100	-	-	-
Advertising/Signage	80,104	111,944	96,448	69,973
Constituent Communication	897	1,364	1,501	1,500
Bank/Merc Acct Fees	2	-	-	-
Office Supplies	567	415	701	700
Food & Beverage Supplies	-	-	500	500
Program Materials	7,476	10,474	4,086	4,086
Uniforms	156	290	1,000	1,000
Postage & Delivery	128	1,047	1,595	1,594
Software	-	3	-	-
Hardware/Peripherals	919	77	-	-
Equipment	-	-	1,000	1,000
ISF-Copier Charges	1,409	1,227	1,401	1,400
ISF-Mail Service Charges	774	-	-	-
ISF-Vehicle Replacement Charge	66	147	165	146
ISF-Motor Pool Charges	-	-	52	156
ISF-Technology Replacement	-	-	-	459
ISF-Telecom Charges	239	-	-	-
Total Tourism Fund	<u>\$ 206,513</u>	<u>\$ 235,302</u>	<u>\$ 259,123</u>	<u>\$ 208,266</u>



GRANT TITLE: Proposition 302 Grant for Tourism—Arizona Office of Tourism

GRANT NUMBER: G5201

GRANT AMOUNT AWARDED: \$25,000

TOWN'S MATCH AMOUNT: \$ 0

TOTAL ESTIMATED PROJECT COST: \$25,000

GRANT DESCRIPTION/SCOPE:
Marketing grant through the Arizona Office of Tourism.

TIMEFRAME: FY20-21

GRANT JUSTIFICATION:
Grant funding not requiring any Town matching funds.

FUNDING PRIORITY: High - Leverage Local Funds



GRANT TITLE: Proposition 202 Grant for Tourism—Salt River Pima Indian Community

GRANT NUMBER: G5202

GRANT AMOUNT AWARDED: \$20,000

TOWN'S MATCH AMOUNT: \$ 0

TOTAL ESTIMATED PROJECT COST: \$20,000

GRANT DESCRIPTION/SCOPE:
Marketing grant through Salt River Pima Indian Community for Special Events Support.

TIMEFRAME: FY20-21

GRANT JUSTIFICATION:
Grant funding not requiring any Town matching funds.

FUNDING PRIORITY: High - Leverage Local Funds



PROJECT TITLE: Proposition 202 Grant for Tourism—Fort McDowell

GRANT NUMBER: G5204

GRANT AMOUNT AWARDED: \$5,000

TOWN'S MATCH AMOUNT: \$ 0

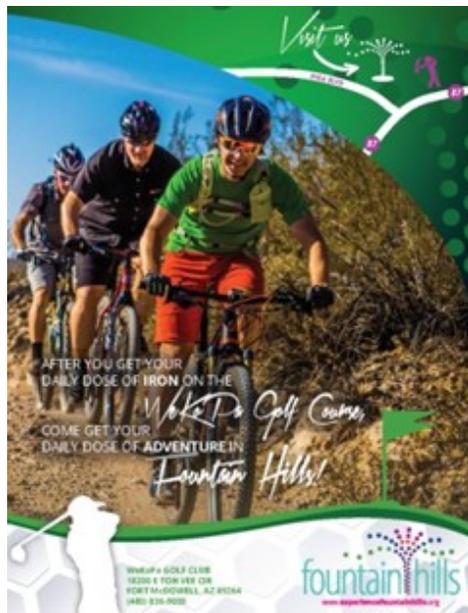
TOTAL ESTIMATED PROJECT COST: \$5,000

PROJECT DESCRIPTION/SCOPE:
Fort McDowell grant for marketing the area and golfing activities.

TIMEFRAME: FY20-21

PROJECT JUSTIFICATION:
Grant funding not requiring any Town matching funds.

FUNDING PRIORITY: High - Leverage Local Funds



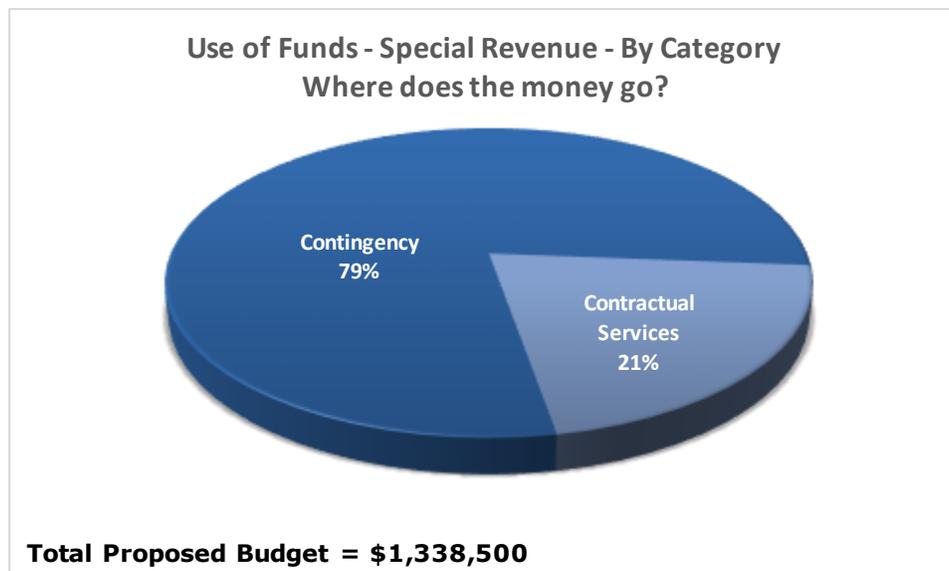
Special Revenue Fund

Service Delivery Plan

The Special Revenue Fund was established as a segregated fund for grant monies, both anticipated and unanticipated. Any monies received may have a matching expenditure associated with it. If grants require a Town match, those monies are transferred into this fund. Anticipated grants received on annual basis include Proposition 202 funds and LTAF II funds.

Program Name	Expenditures by Program			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Administration	\$ 157,946	\$ 157,946	\$ 1,662,525	\$ 1,338,500
Total	\$ 157,946	\$ 157,946	\$ 1,662,525	\$ 1,338,500

Category	Expenditures by Category			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Contractual Services	\$ 56,000	\$ 55,000	\$ 127,000	\$ 275,500
Equipment/Improvements	-	-	-	-
Contingency	-	-	1,230,525	1,063,000
Capital Expenditures	101,946	36,211	305,000	-
Total	\$ 157,946	\$ 91,211	\$ 1,662,525	\$ 1,338,500



Program Name	Operating Results			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Total Revenues	\$ 157,946	\$ 91,211	\$ 1,582,525	\$ 1,308,800
Total Expenses	157,946	91,211	1,662,525	1,338,500
Total	\$ -	\$ -	\$ (80,000)	\$ (29,700)

*Negative amounts represent matching funds transferred in from other funds.

**FY20-21 Proposed Budget
Summary of Expenditures
Special Revenue Fund**

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Special Revenue Fund				
Professional Fes	\$ -	\$ -	\$ -	\$ 148,500
Advertising/Signage	-	-	2,000	2,000
Intergovt Agreements	56,000	55,000	125,000	125,000
Contingency	-	-	1,230,525	1,063,000
Park Improvements	-	-	240,000	-
Other Infrastructure	101,946	36,211	65,000	-
Total Special Revenue Fund	\$ 157,946	\$ 91,211	\$ 1,662,525	\$ 1,338,500



PROJECT TITLE: Active Transportation Master Plan Grant
GRANT NUMBER: G3205
GRANTING AGENCY: Federal Transportation Alternatives grant, selected through the Maricopa Association of Governments
GRANT AMOUNT AWARDED: \$118,800
TOWN'S MATCH AMOUNT: \$ 29,700
TOTAL ESTIMATED PROJECT COST: \$148,500

PROJECT DESCRIPTION/SCOPE:

Prepare a Town-wide, prioritized Master Plan for sidewalks, trails, and bikeways. This document will provide the basis for future Town/developer/grant design and construction projects. This Master Plan is primarily funded by a Federal Transportation Alternatives grant, selected through the Maricopa Association of Governments.

TIMEFRAME: FY20-21

PROJECT JUSTIFICATION:

The Town has never yet had a Council-approved, long-range Master Plan to locate and prioritize active transportation projects.

FUNDING PRIORITY: High - Leverage Local Funds

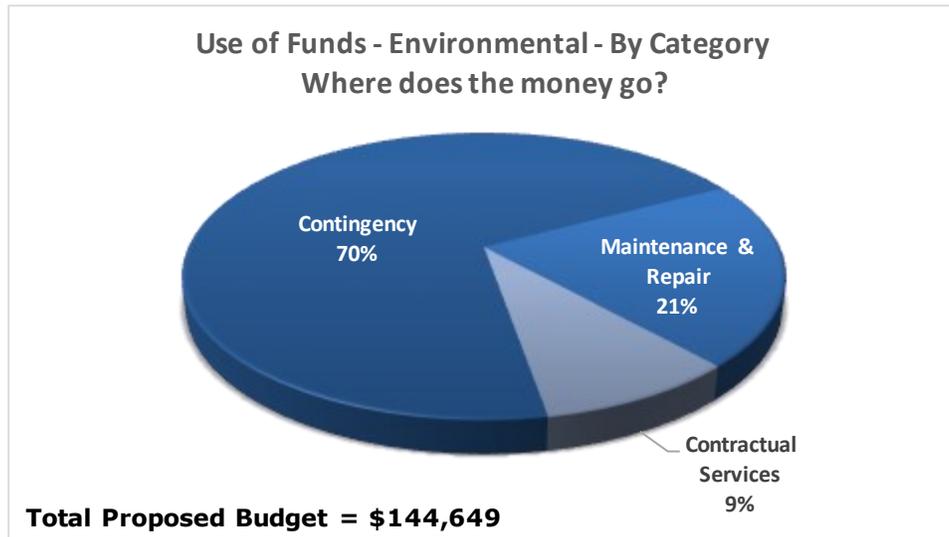
Public Art Fund

Service Delivery Plan

The Public Art Fund was established to accumulate funds to manage, maintain, and protect the art collection of the Town. Contributions are received from property developers, the public, and transfers from the Town. These funds are used to procure additional art, maintain existing pieces, and provide insurance against damage.

Expenditures by Program				
Program Name	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Administration	\$ 29,234	\$ 22,191	\$ 139,340	\$ 144,649
Total	\$ 29,234	\$ 22,191	\$ 139,340	\$ 144,649

Expenditures by Category				
Category	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Maintenance & Repair	\$ 14,216	\$ 11,319	\$ 26,294	\$ 31,000
Contractual Services	11,378	11,472	13,046	13,649
Damages/Vandalism	3,640	-	-	-
Contingency	-	-	100,000	100,000
Total	\$ 29,234	\$ 22,791	\$ 139,340	\$ 144,649



Program Name	Operating Results			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Total Revenues	\$ 73,309	\$ 9,653	\$ 100,240	\$ 100,240
Total Expenses	29,234	22,791	139,340	144,649
Total	\$ 44,075	\$ (13,138)	\$ (39,100)	\$ (44,409)

Court Enhancement Fund

Service Delivery Plan

Pursuant to local ordinance and Arizona Revised Statutes, the Court collects monies deposited into the local Court Enhancement Fund (CCEF) and Judicial Court Enhancement Fund (JCEF) to increase the effectiveness of Fountain Hills Municipal Court. Pursuant to Town Resolution 2000-03A, Court Enhancement Funds shall be used to offset the costs of computer software, personnel, equipment and supplies needed to increase the effectiveness of Court case management. Pursuant to A.R.S. §12-113(B), Judicial Court Enhancement Funds, "shall be used according to plans approved by the Supreme Court to train court personnel, improve, maintain and enhance the ability to collect and manage monies assessed or received by the courts, including restitution, child support, fines and civil penalties, to improve court automation, to improve case processing or the administration of justice and for probation services." The monies collected into these funds are to be used to supplement the Court's annual appropriations and shall not be used solely to fund Court operations. Both funds are maintained as separate accounts within the Town and any balance remaining in such accounts at the end of the fiscal year shall carry over into the subsequent fiscal year.

Program Name	Expenditures by Program			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Court Enhancement	\$ 5,547	\$ 1,690	\$ 124,800	\$ 24,800
Judicial Court Enhancement	-	-	30,000	-
Total	\$ 5,547	\$ 1,690	\$ 154,800	\$ 24,800

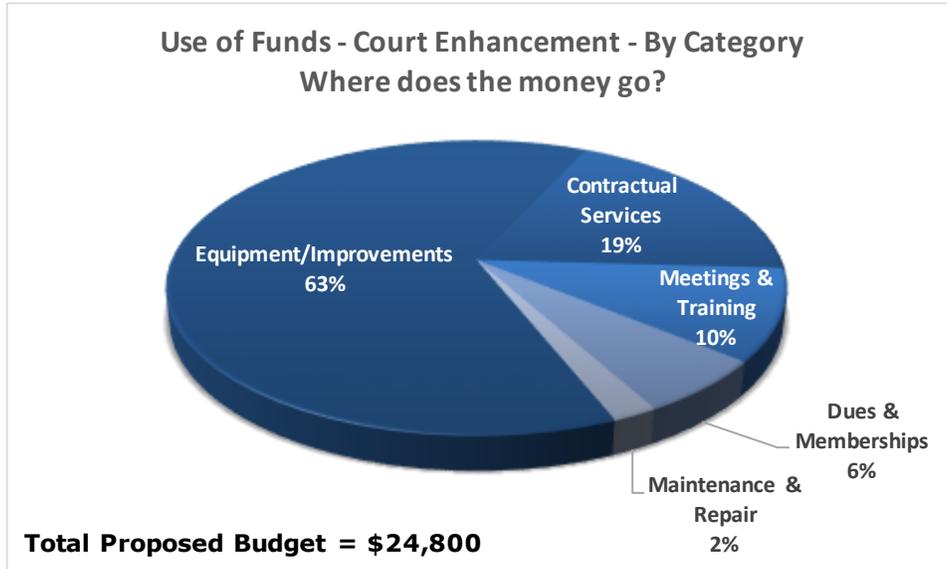
Variance Explanations:

Court Enhancement: FY19-20 included a budget supplement for security updates for the Court.

Category	Expenditures by Category			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Dues & Memberships	\$ -	\$ -	\$ 1,500	\$ 1,500
Meetings & Training	2,478	-	2,500	2,500
Maintenance & Repair	-	-	500	500
Contractual Services	-	-	4,800	4,800
Equipment/Improvements	3,069	1,690	15,500	15,500
Capital Expenditures	-	-	130,000	-
Total	\$ 5,547	\$ 1,690	\$ 154,800	\$ 24,800

Variance Explanations:

Capital Expenditures: FY19-20 included a budget supplement for security updates for the Court.



Program Name	Operating Results			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Total Revenues	\$ 29,850	\$ 11,019	\$ 149,840	\$ 49,900
Total Expenses	5,547	1,690	154,800	24,800
Total	\$ 24,303	\$ 9,329	\$ (4,960)	\$ 25,100

**FY20-21 Proposed Budget
Summary of Expenditures
Court Enhancement Fund**

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Court Enhancement Fund				
Dues, Subscript & Publicat	\$ -	\$ -	\$ 1,500	\$ 1,500
Meetings & Training	2,478	-	2,500	2,500
Sign Repair & Replacement	-	-	500	500
Rentals & Leases	-	-	2,800	2,800
Printing Expense	-	-	2,000	2,000
Small Tools	-	218	-	-
Hardware/Peripherals	-	1,472	5,500	5,500
Furniture/Appliances	3,069	-	10,000	10,000
Computer Hardware	-	-	130,000	-
Total Court Enhancement Fund	\$ 5,547	\$ 1,690	\$ 154,800	\$ 24,800

Environmental Fund

Service Delivery Plan

The Environment Fund was established to help offset the costs of stormwater management and air quality permit requirements as well as other environmental programs. These programs include, but are not limited to, stormwater and air quality programs, public outreach, permit fees, wash maintenance, ADWR dam inspection and maintenance, street sweeping, storm drain cleaning. The Environmental Division provides environmental regulatory compliance oversight to Fountain Hills operations and facilities and the management of the EPA’s Stormwater Pollution Prevention Plan (SWPPP), Phase II Permit. This management includes oversight of staff training, field inspections, implementing the best management practices outlined in the permit, and drafting and submitting the annual reports required by the Arizona Department of Environmental Quality. This permit is a State-mandated, unfunded requirement.

The Environmental Division is also responsible for coordinating recycling programs, establishing energy efficiency activities and helping promote and implement sustainable activities within the Town. This Division maintains environmental permits and files for the Town of Fountain Hills and is funded by the previously collected environmental fee and transfers from the General Fund.

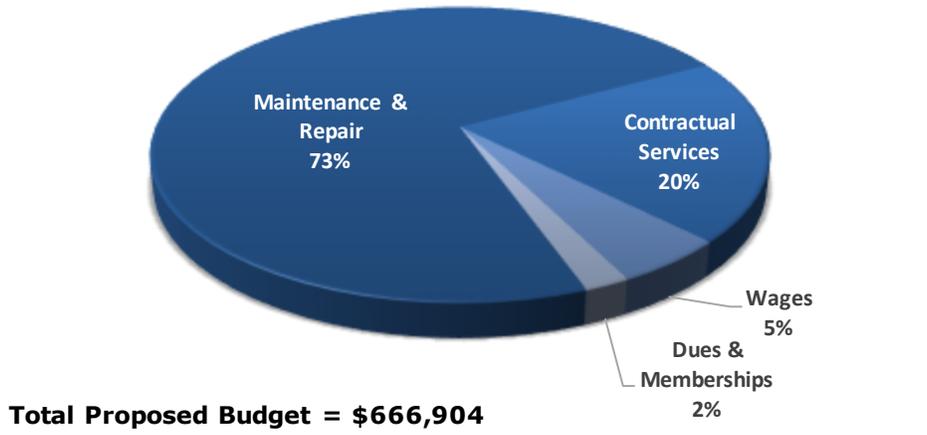
Program Name	Expenditures by Program			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Administration	\$ 530,655	\$ 501,718	\$ 735,255	\$ 666,904
Total	\$ 530,655	\$ 501,718	\$ 735,255	\$ 666,904

Category	Expenditures by Category			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Wages	\$ 18,731	\$ 18,731	\$ 32,605	\$ 33,022
Employment Taxes	644	644	1,363	1,752
Benefits	3,739	3,739	6,334	6,786
Dues & Memberships	8,000	8,000	11,215	11,215
Meetings and Training	-	-	300	300
Maintenance & Repair	295,610	295,610	495,400	475,400
Utilities	750	750	-	-
Contractual Services	202,812	202,812	185,945	135,945
Supplies	330	330	2,000	2,000
Internal Service	39	39	93	484
Total	\$ 530,655	\$ 530,655	\$ 735,255	\$ 666,904

Variance Explanations:

Contractual Services: Amounts were eliminated related to the billing of the environmental fee.

Use of Funds - Environmental - By Category
Where does the money go?



Program Name	Operating Results			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Total Revenues	\$ 496,212	\$ 502,924	\$ 494,376	\$ 2,400
Total Expenses	530,655	530,655	735,255	666,904
Total	\$ (34,443)	\$ (27,731)	\$ (240,879)	\$ (664,504)



Activities/Results

Performance Measures

	FY17-18 Actual	FY18-19 Actual	FY19-20- Estimate	FY20- 21 Target
Percentage of residential sweeping completed within specified cycle*	100%	100%	100%	100%
Percentage of arterial sweeping completed within specified cycle*	100%	100%	100%	100%
Completion of Annual permit requirements	100%	100%	100%	100%

Quality

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20- 21 Target
Total curb miles on sweeping schedule	316	360.4	360.4	360.4
Total lane miles swept annually	2,682	3,063.8	3063.8	3,063.8
Acres of Town-owned washes maintained	65	65	49.5	65
Number of paper shedding events held*	2	2	1	2
Number of electronics recycling events held	1	1	0	1
Number of household hazardous waste events held	0	1	1	1

*Friends of the Library event

Productivity

	FY17-18 Actual	FY18-19 Actual	FY19-20 Estimate	FY20-21 Target
Expenditure of street sweeping	\$65,127	\$71,860.22	\$75,000	\$75,000
Expenditure per curb mile of streets swept	\$24.28	\$24,45	\$24.48	\$24.48

**FY20-21 Proposed Budget
Summary of Expenditures
Environmental Fund**

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Environmental Fund				
Salaries-Full Time	\$ 18,731	\$ 19,430	\$ 32,605	\$ 33,022
Medicare	262	268	473	479
Workers Compensation	375	438	880	1,230
Unemployment Insurance	6	6	10	43
Group Health Insurance	1,447	1,448	2,340	2,521
Group Dental Insurance	107	108	184	192
Group Health Vision	19	19	31	31
Disability Insurance	74	81	138	351
Retirement	2,061	2,137	3,586	3,633
Life Insurance	19	20	36	38
Bonus	13	-	19	20
Licenses/Filing Fees	5,000	6,160	7,715	7,715
Dues, Subscript & Publicat	3,000	3,500	3,500	3,500
Meetings & Training	-	-	300	300
Grounds Maint/Repair	-	-	5,000	5,000
Wash Maintenance	152,549	-	210,000	210,000
Dam Inspection and Maint	19,070	13,400	20,400	20,400
Drainage Maint/Repair	111,485	68,416	180,000	160,000
Storm Damage Cleanup	12,506	265,340	80,000	80,000
Refuse/Recycling	750	-	-	-
Professional Fees	47,289	43,428	50,000	-
Advertising/Signage	189	-	-	-
Contractual Services	115,978	77,356	135,920	135,920
Bank/Merc Acct Fees	51	74	25	25
Community Events	39,305	-	-	-
Program Materials	330	36	2,000	2,000
ISF-Copier Charges	35	13	30	30
ISF-Vehicle Replacement Charge	-	40	48	42
ISF-Motor Pool Charges	4	-	15	45
ISF-Technology Replacement	-	-	-	367
Total Environmental Fund	<u>\$ 530,655</u>	<u>\$ 501,718</u>	<u>\$ 735,255</u>	<u>\$ 666,904</u>

Cottonwoods Maintenance District Fund

The Cottonwoods Maintenance District was formed by the Town Council in June 1999 for the purpose of improving the common areas of the Cottonwoods subdivision. The Town Council serves as the governing Board for the District. The Maintenance District provides for the maintenance of the common area, which is performed by the Town of Fountain Hills. The cost is repaid through an annual property tax assessment per property owner levied by the Town and collected by Maricopa County. The estimated levy for FY20-21 is \$114.52 which includes the annual contract cost for landscaping as well as establishing a reserve amount for future exterior wall maintenance.

COTTONWOODS MAINTENANCE DISTRICT

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Revenues				
Property Tax	\$ 5,471	\$ 6,749	\$ 6,643	\$ 6,643
Interest Income	197	414	72	72
Total Revenues	\$ 5,668	\$ 7,163	\$ 6,715	\$ 6,715
Expenditures				
Grounds Maint/Repair	\$ (4,500)	\$ (4,500)	\$ (4,851)	\$ (4,851)
Advertising/Signage	(195)	-	(250)	(250)
Postage/Mailing	(1)	(30)	-	(30)
Total Expenditures	\$ (4,696)	\$ (4,530)	\$ (5,101)	\$ (5,131)



Cottonwoods Maintenance District Summary of Tax Levy and Tax Rate Information Fiscal Year 20-21

	FY19-20	FY20-21
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ <u> -</u>	\$ <u> -</u>
2. Amount received from primary property taxation in the current year in excess of the sum of that year's maximum allowable primary property tax levy.	\$ <u> -</u>	
3. Property tax levy amounts		
A. Primary property taxes	\$ -	\$ -
B. Secondary property taxes	<u> 6,643</u>	<u> 6,643</u>
C. Total property tax levy amounts	<u>\$ 6,643</u>	<u>\$ 6,643</u>
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ -	-
(2) Prior years' levies	<u> -</u>	<u> -</u>
(3) Total primary property taxes	<u> -</u>	<u> -</u>
B. Secondary property taxes		
(1) Current year's levy	6,643	6,643
(2) Prior years' levies	<u> -</u>	<u> -</u>
(3) Total secondary property taxes	<u> 6,643</u>	<u> 6,643</u>
C. Total property taxes collected	<u>\$ 6,643</u>	<u>\$ 6,643</u>
5. Property tax rates		
A. Town tax rate		
(1) Primary property tax rate	\$ -	\$ -
(2) Secondary property tax rate	<u> 114.5172</u>	<u> 114.5172</u>
(3) Total town tax rate	<u>\$ 114.5172</u>	<u>\$ 114.5172</u>

* 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.

Debt Service Funds

General Obligation

Eagle Mountain Community
Facilities District

Municipal Property Corporation

Debt Service Funds

The Debt Service Funds provide for the payment of interest, principal, and related costs on General Obligation (GO) bonds (both the Town of Fountain Hills and the Eagle Mountain Community Facilities District) and Municipal Property Corporation (MPC) Revenue bonds.

Outstanding Debt

The Schedule below includes an itemization of the outstanding debt as of June 30, 2021, after the scheduled principal and interest payments due July 1, 2021.

Outstanding Debt Schedule

Bond Type	Purpose of Issue	Date of Bond Issue	Interest Rate	Date of Maturity	Original Principal Amount	Principal Amount Retired	Outstanding Principal
GO	Road Construction	12/18/2014	2.00-3.00	7/1/2020	<u>7,565,000</u>	<u>7,565,000</u>	<u>-</u>
	Total GO				<u>7,565,000</u>	<u>7,565,000</u>	<u>-</u>
Rev	Refunding	6/4/2015	1.62	7/1/2020	<u>1,880,000</u>	<u>1,880,000</u>	<u>-</u>
	Total Rev				<u>1,880,000</u>	<u>1,880,000</u>	<u>-</u>
GO	Eagle Mtn	6/4/2015	1.76	7/1/2021	<u>2,300,000</u>	<u>1,900,000</u>	<u>400,000</u>
	Total GO - Eagle Mtn				<u>2,300,000</u>	<u>1,900,000</u>	<u>400,000</u>
	Grand Total				<u>\$ 11,745,000</u>	<u>\$ 11,345,000</u>	<u>\$ 400,000</u>

General Obligation Bond Fund

Voter-approved General Obligation bonds issued by the Town are repaid by collecting a secondary property tax. This secondary property tax levy is based on the total amount required for the annual principal and interest payments (with adjustments for carry-forward and/or interest earnings, delinquencies, etc.) divided by the total assessed valuation for the Town of Fountain Hills.

Currently, the Town does not have any outstanding General Obligation bonds, and a town-wide secondary property tax is not required for FY21.

GENERAL OBLIGATION DEBT SERVICE

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Revenues				
Secondary Property Tax	\$ 1,909,924	\$ 2,011,867	\$ 1,674,486	\$ -
Interest Income	<u>8,495</u>	<u>18,703</u>	<u>1,200</u>	<u>1,200</u>
Total Revenues	<u>\$ 1,918,419</u>	<u>\$ 2,030,570</u>	<u>\$ 1,675,686</u>	<u>\$ 1,200</u>
Expenditures				
Principal Payments	\$ (1,980,000)	\$ (1,880,000)	\$ (1,615,000)	\$ -
Interest Payments	(140,950)	(92,250)	(48,450)	-
Administrative/Trustee Fees	<u>(600)</u>	<u>(600)</u>	<u>(350)</u>	<u>(350)</u>
Total Expenditures	<u>\$ (2,121,550)</u>	<u>\$ (1,972,850)</u>	<u>\$ (1,663,800)</u>	<u>\$ (350)</u>

Legal Debt Margin Information

The Total Net Debt Applicable to Limit comes from the Report of Bonded Indebtedness and is related to those issues noted by the appropriate % debt limit.

20% limit - GO bonds for projects involving water, sewer, artificial lighting, parks, open space, public safety, law enforcement, fire and emergency facilities, street and transportation facilities and recreational facility improvements.

6% limit - GO bonds for any other general purpose improvements.

The basis for determining the legal debt margin is the net full cash assessed value of all property located within the Town.

Town of Fountain Hills, Arizona Legal Debt Margin Information				
	<u>FY17-18</u>	<u>FY18-19</u>	<u>FY19-20</u>	<u>FY20-21</u>
6% Debt Limit				
Debt limit	\$ 31,468,771	\$ 32,385,629	\$ 33,951,090	\$ 35,683,229
Total applicable to limit	-	-	-	-
Legal debt margin	<u>\$ 26,678,977</u>	<u>\$ 27,998,343</u>	<u>\$ 33,951,090</u>	<u>\$ 35,683,229</u>
Total net debt applicable to the limit as a percentage of debt limit	-	-	-	-
20% Debt Limit				
Debt limit	\$ 104,895,902	\$ 107,952,098	\$ 113,170,302	\$ 118,944,098
Total applicable to limit	<u>5,475,000</u>	<u>3,495,000</u>	<u>1,615,000</u>	-
Legal debt margin	<u>\$ 83,454,923</u>	<u>\$ 89,832,809</u>	<u>\$ 111,555,302</u>	<u>\$ 118,944,098</u>
Total net debt applicable to the limit as a percentage of debt limit	5%	3%	1%	-
Net Assessed Full Cash Value	\$ 524,479,512	\$ 539,760,488	\$ 565,851,508	\$ 594,720,491

Eagle Mountain Community Facilities District (CFD) Bond Fund

There have been four bond issues (issued as General Obligation bonds) that were approved for specific purposes:

- The first two CFD bond issues in 1996 (refunded in 2005) were to acquire certain public infrastructure benefiting the District, specifically a sewer project, a storm water conveyance system project, the Eagle Mountain Parkway Phase I project, and the Summer Hill Boulevard project.
- The third CFD bond issue, completed in 2005, refunded and defeased the two 1996 issues.
- The fourth issue refinanced the outstanding bonds in 2015 to reduce interest costs.

The Eagle Mountain Community Facilities District debt payments are levied on the property owners within the District. These obligations are paid by the property owners using secondary property taxes, less any credits, carry-forward and/or interest earnings and allowing for delinquencies. The anticipated rate based on the estimated assessed valuation of \$32,058,853 (an increase of 5.1% from the prior year) is \$1.2477 per \$100 of assessed valuation compared to \$1.3541 in the prior year.

EAGLE MOUNTAIN COMMUNITY FACILITIES DISTRICT DEBT SERVICE

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Revenues				
Property Tax	\$ 378,872	\$ 370,686	\$ 413,043	\$ 400,001
Interest Income	<u>938</u>	<u>2,116</u>	<u>240</u>	<u>240</u>
Total Revenues	<u>\$ 379,810</u>	<u>\$ 372,802</u>	<u>\$ 413,283</u>	<u>\$ 400,241</u>
Expenditures				
Advertising/Signage	\$ (170)	\$ (195)	\$ (200)	\$ (200)
Principal Payments	(375,000)	(380,000)	(395,000)	(400,000)
Interest Payments	<u>(34,056)</u>	<u>(27,529)</u>	<u>(13,992)</u>	<u>(7,040)</u>
Total Expenditures	<u>\$ (409,226)</u>	<u>\$ (407,724)</u>	<u>\$ (409,192)</u>	<u>\$ (407,240)</u>

Municipal Property Corporation (MPC) Bond Fund

One of the methods of funding major municipal projects is the use of a Municipal Property Corporation (MPC). The Town created the Fountain Hills Municipal Property Corporation and bonds were issued in 2000 and 2001 to build the Community Center and purchase a portion of the McDowell Mountain Preserve, respectively. In 2004, MPC bonds were used to construct Town Hall. While the bonds are outstanding, the MPC owns the land and buildings purchased with bond proceeds. Now that all the MPC bonds have been redeemed, ownership of the buildings and land have been transferred to the Town.

MUNICIPAL PROPERTY CORPORATION DEBT SERVICE

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Revenues				
Interest Income	\$ 2,315	\$ 3,811	\$ -	\$ -
Transfer In	<u>249,055</u>	<u>249,055</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>\$ 251,370</u>	<u>\$ 252,866</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures				
License/Filing Fees	\$ (10)	\$ (10)	\$ (10)	\$ (10)
Principal Payments	(370,000)	(360,000)	(300,000)	-
Interest Payments	(22,680)	(16,686)	(4,860)	-
Administrative/Trustee Fees	<u>(1,000)</u>	<u>(1,000)</u>	<u>(1,000)</u>	<u>(1,000)</u>
Total Expenditures	<u>\$ (393,690)</u>	<u>\$ (377,696)</u>	<u>\$ (305,870)</u>	<u>\$ (1,010)</u>



Capital Projects Fund

Administration Department

Public Works Department

Community Services Department

Capital Improvement Program (CIP) Policy and Procedures

Objective

To provide a policy and procedures for the development, approval, and implementation of the Town of Fountain Hills' five (5) year and twenty (20) year Capital Improvement Programs (CIP).

Scope

This policy applies to all projects undertaken by the Town of Fountain Hills that meet the definition of a capital improvement project detailed in the definitions section.

Policy

The purpose of the Capital Improvement Program is to provide an authoritative decision-making process for the evaluation, selection, and multi-year scheduling of public physical improvements based on a projection of available fiscal resources and the community's priorities.

The objectives of the Program are to:

- a) ensure the timely repair, replacement and expansion of the Town's infrastructure;
- b) serve as a link in the Town's planning between the Town's Strategic Plan and all subsidiary plans with a 5-20 year horizon and the annual budget process with a one-year horizon;
- c) maintain control over the Town's long-term cash flow in relation to the Town's financial capacity; and
- d) ensure efficient, effective and coordinated capital improvement.

Definitions

The following words, when used in connection with this policy, shall have the following meanings:

CAPITAL IMPROVEMENT PROGRAM: A multi-year planning document that is the product of a systematic evaluation of capital projects. This Program serves as a guide for the efficient and effective construction and maintenance of public facilities, outlining a detailed timeline and financing schedule of capital projects for a five (5) year period of time and a summary schedule of capital projects for a twenty (20) year period.

CAPITAL IMPROVEMENT PROJECT: A capital project is a heavy equipment acquisition, a computer/software systems acquisition, or a public improvement that involves construction of new infrastructure, additions to existing structures, renovation of existing structures, and major repairs to infrastructure of a comprehensive and non-routine nature. A capital project is defined in financial terms as a project with a projected final cost of at least \$50,000 and is a non-recurring expense.

In addition, the capital asset(s) resulting from the project should have a useful life of at least 10 years. Studies, design and engineering fees greater than \$10,000 which are preparatory to a capital project with a projected final cost of at least \$50,000 should be included as part of the capital project cost.

INFRASTRUCTURE IMPROVEMENT PLAN (IIP): A written plan that individually or collectively identifies each public service that is proposed to be the subject of a development fee. The Town of Fountain Hills' IIP is incorporated as part of the Town's CIP and follows the same timeline and procedure.

Process

A. Schedule: Annually, the CIP Coordinator and Finance Director will submit a proposed CIP development calendar to the Town Manager for review. Based on this calendar, the CIP Coordinator will initiate a request to the management team for submission of updates, revisions and new projects for the five (5) year Capital Improvement Program. A further, but less detailed, review of the twenty (20) year Program will also be conducted.

B. Format: The management team will utilize the previous year's approved CIP as a base for developing recommended additions, deletions, or changes for incorporation in the updated CIP for the ensuing year. The management team will utilize the standard format provided to submit new projects or propose revisions to existing projects. All new projects will also include a comprehensive estimate of the impact of the new project on the Town's annual operating budget; e.g., salaries and benefits, supplies, utilities, fuel, maintenance requirements, etc.

C. Finance Review: The Finance Director will assist the CIP Coordinator as necessary in all facets of Capital Improvement Program development and review including production of revenue estimates and estimated growth in assessed valuation as well as overall financial analysis of the proposed program. Additional assistance may be requested to help produce draft documents, etc.

D. Town Manager Review: The CIP Coordinator will provide a copy of the proposed CIP document to the Finance Director and Town Manager for review and comment prior to distribution of the CIP document to the Town Council as part of the budget package.

E. Public Hearing: The proposed CIP will be considered at a public hearing convened by the Town Council to accept comments and input from the public on the content of the Program. Notice of said public hearing date, place, and time will be made at least 60 days in advance of the scheduled hearing. Copies of the proposed CIP will be made available to the public at least 30 days prior to the scheduled hearing date and at the hearing itself.

F. Town Council Approval: The final draft of the proposed CIP will be submitted as an agenda item for formal approval by the Town Council at the first Council Meeting in June.

G. Distribution: A copy of the approved CIP document will be published on the Town's website.

H. Implementation: Upon adoption of the CIP, projects included within the applicable budget year may be implemented by the appropriate management team member in compliance with the Town's procurement policy, special benefit district, or applicable procedure.

I. Amendments: The adopted CIP may be amended upon approval of the Town Council. Examples of amendments include cost increases for approved projects, the acceleration of projects to the applicable budget year from a future year, and the addition of projects not previously included in the CIP.

An amendment to the CIP will be submitted to the Town Manager for approval. Upon approval, the amendment should be prepared as an agenda item for formal approval by the Town Council at a regular or special session. Upon approval, a copy of the amended CIP document will be published on the Town's website.

Procedure

A. Form: The form listed as Attachment A shall be utilized to request inclusion of a project in the Capital Improvement Program.

B. Funding Prioritization: As part of the project submittal process, management team members shall identify project priorities to help determine which projects are recommended for inclusion in the five-year CIP.

The initial measure of the project's priority is first established using the following factors:

HIGH

- Project protects the health and safety of the Town, its residents, visitors and employees
- Project is mandated by Federal, State or local, regulations
- Project is a high priority of the Town Council, based on the most current Strategic Plan or other subsidiary plans. Project prevents irreparable damage to existing facilities
- Project leverages local funding with other non-local funding sources
- Project finishes a partially completed project

MEDIUM

- Project maintains existing service levels
- Project provides for the maintenance of existing systems and equipment
- Project results in increased efficiency
- Project reduces operational costs
- Project significantly reduces losses in revenue or provides for significant increased revenues

LOW

- Project provides an expanded level of service or new public facility not included in the Town Council's priorities
- Project is deferrable
- Project uses debt financing

C. Funding Sources: The primary funding sources for the CIP are the General Fund, grants, development fees, excise taxes, HURF, bonded indebtedness, capital leases and Capital Projects funds. All potential projects must identify the proposed sources of funding before submission of the CIP request. Projects that are funded by development fees must also identify the relationship between the IIP project and the development fee from which it is funded in the justification section of the CIP Form.

D. Project Schedule: Each Project Manager shall provide a preliminary schedule which shall detail the various phases involved in the project and their starting and ending dates. It is the responsibility of the Project Manager to maintain this schedule or to provide schedule updates to the CIP Coordinator on at least a quarterly basis.

Responsibility for Enforcement

The Town Manager, Finance Director and CIP Coordinator will be responsible for ensuring that this policy is followed and/or updated as necessary.



Attachment A

Town of Fountain Hills Capital Improvement Project Information

PROJECT TITLE: [Click here to enter text.](#)

PROJECT NUMBER: [Click here to enter text.](#)

PROJECT DESCRIPTION/SCOPE: [Click here to enter text.](#)

TIMEFRAME: [Click here to enter text.](#) Example FY 2020-21

YEAR PROJECT BEGAN: [Click here to enter text.](#) Example FY 2020-21

TOTAL ESTIMATED PROJECT COST: [Click here to enter text.](#)

PROJECT JUSTIFICATION: [Click here to enter text.](#)

FUNDING PRIORITY: [Click here to select a Priority from the list](#)

Note: Double click on the below tables to update them in Excel. The totals will automatically calculate.

Funding Sources							
Fund Type	Prior Years	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	Total
Capital Projects							\$0
Grant							\$0
Downtown Strategy							\$0
General							\$0
Developer							\$0
Development Fees							\$0
Bonds							\$0
Other Sources							\$0
Unfunded							\$0
Total		\$0	\$0	\$0	\$0	\$0	\$0

Project Expenses							
Fund Type	Prior Years	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	Total
Acquisition							\$0
Planning							\$0
Design							\$0
Construction							\$0
Other Expenses							\$0
Total		\$0	\$0	\$0	\$0	\$0	\$0

Operating Impact							
Fund Type	Prior Years	FY 20-21	FY 21-22	FY 22-23	FY 23-24	FY 24-25	Total
Salaries & Benefits							\$0
Services & Supplies							\$0
Other Impact							\$0
Total		\$0	\$0	\$0	\$0	\$0	\$0

**PROPOSED CAPITAL PROJECTS
FY20-21 THROUGH FY24-25
PROJECTS BY YEAR**

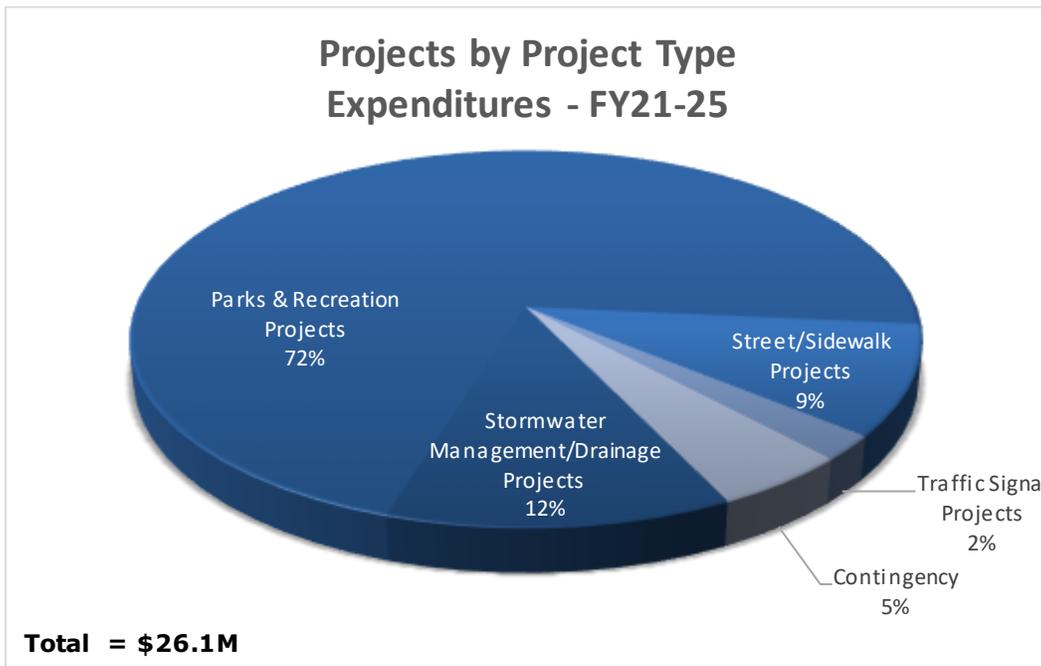
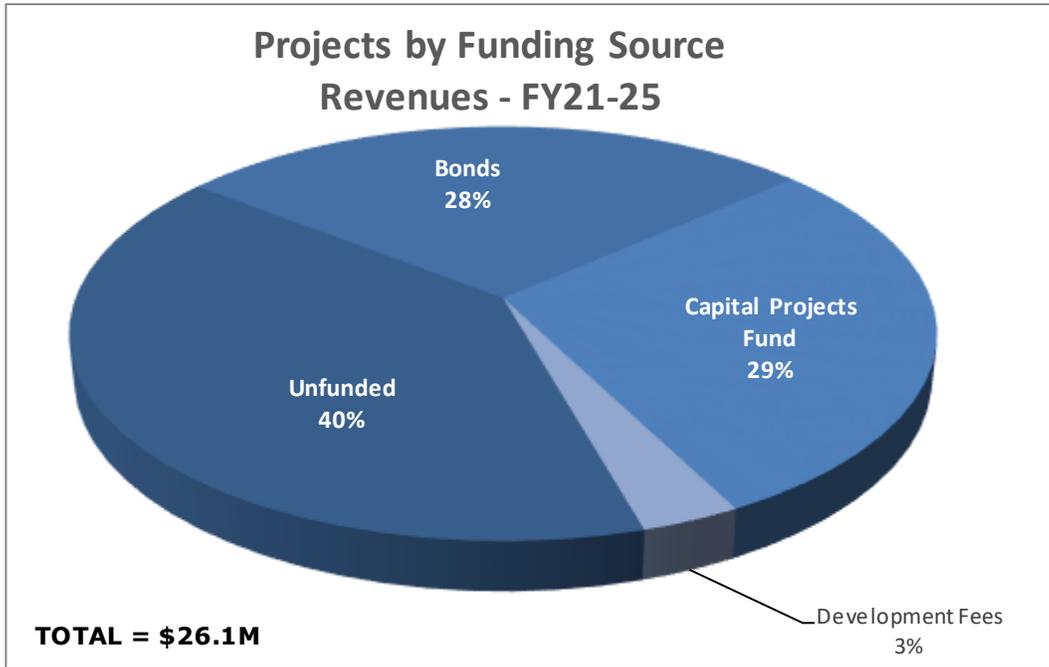
Project No.	Project Title	Prior Years' Costs	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	Five Year Total (excludes Prior Years' Costs)
<u>Stormwater Management/Drainage Projects</u>								
D6047	Drainage-Miscellaneous	\$ 108,830	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 250,000
D6057	Golden Eagle Impoundment Area Improvements	122,770	500,000	377,230	-	-	-	877,230
D6058	Panorama Drive Storm Drain Improvements	98,305	1,901,695	-	-	-	-	1,901,695
D6059	Pollina Brantley Detention Basin	-	100,000	-	-	-	-	100,000
TOTAL		\$ 329,905	\$ 2,551,695	\$ 427,230	\$ 50,000	\$ 50,000	\$ 50,000	\$ 3,128,925
<u>Facilities Projects</u>								
F4035	HVAC Controllers Replacement - Community Center	\$ -	\$ 70,000	\$ -	\$ -	\$ -	\$ -	\$ 70,000
F4036	Fire Panel Replacement-CC, Library, Museum	-	80,000	-	-	-	-	80,000
TOTAL		\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ 150,000
<u>Parks & Recreation Projects</u>								
P3032	Sport Field Lighting	\$ -	\$ -	\$ 1,733,000	\$ -	\$ -	\$ -	\$ 1,733,000
P3033	Video Surveillance Cameras	94,316	50,000	50,000	-	-	-	100,000
P3035	Four Peaks Park Upgrades	412,564	330,000	200,000	100,000	-	-	630,000
P3036	Desert Vista Skate Park Lights	-	-	75,000	-	-	-	75,000
P3038	Fountain Park Lake Liner	-	140,000	5,000,000	-	-	-	5,140,000
P3039	Fountain Park Pump Replacements	-	-	1,500,000	-	-	-	1,500,000
P3040	Splash Pad Renovation	-	-	550,000	-	-	-	550,000
P3041	Sunridge Park	-	-	-	200,000	3,300,000	-	3,500,000
P3042	Fountain Lighting Replacement	-	150,000	-	-	-	-	150,000
P3044	Sierra Madre Park	-	-	-	100,000	2,500,000	2,500,000	5,100,000
P3045	Four Peaks Park Playground Parking Lot Imp	-	65,000	-	-	-	-	65,000
TOTAL		\$ 506,880	\$ 735,000	\$ 9,108,000	\$ 400,000	\$ 5,800,000	\$ 2,500,000	\$ 18,543,000
<u>Street/Sidewalk Projects</u>								
S6003	Unpaved Alley Paving Projects	\$ 408,637	\$ 308,000	\$ -	\$ -	\$ -	\$ -	\$ 308,000
S6015	Fountain Hills Blvd Widening - Shea Boulevard to Segundo	-	-	-	-	-	-	-
S6051	AOTF/La Montana Intersection Improvements	-	300,000	-	-	-	-	300,000
S6053	Fountain Hills Blvd. Shoulder Paving	693,231	700,000	-	-	-	-	700,000
S6058	Shea Blvd. Widening - Palisades Blvd. to Technology Dr.	105,000	25,000	-	-	-	-	25,000
S6061	Sidewalk Infill Program	247,138	200,000	200,000	200,000	150,000	-	750,000
S6062	AOTF/Verde River Intersection Improvements	7,630	75,000	-	-	-	-	75,000
S6063	Palisades Median Landscape Improvements	-	-	-	-	-	-	-
S6064	Desert Vista Crosswalk	-	100,000	180,000	-	-	-	280,000
TOTAL		\$ 1,461,636	\$ 1,708,000	\$ 380,000	\$ 200,000	\$ 150,000	\$ -	\$ 2,438,000
<u>Traffic Signal Projects</u>								
T5005	Traffic Signal-Palisades & Eagle Ridge/Palomino	\$ -	\$ 50,000	\$ 500,000	\$ -	\$ -	\$ -	\$ 550,000
TOTAL		\$ -	\$ 50,000	\$ 500,000	\$ -	\$ -	\$ -	\$ 550,000
<u>Vehicle Replacement Program</u>								
Vehicle Replacement Per Schedule			\$ 51,989	\$ 54,385	\$ 530,198	\$ 256,722	\$ -	\$ 893,294
<u>Contingency</u>								
			\$ 259,735	\$ 520,762	\$ 32,500	\$ 300,000	\$ 127,500	\$ 1,240,497
TOTAL PROPOSED CAPITAL PROJECTS		\$ 2,298,421	\$ 5,454,430	\$ 10,935,992	\$ 682,500	\$ 6,300,000	\$ 2,677,500	\$ 26,050,422

**CAPITAL PROJECTS FIVE-YEAR PROJECTION
REVENUES & PROJECT COSTS**

REVENUES BY SOURCE	FIVE-YEAR AVAILABLE FUNDS						TOTAL FIVE-YEAR PROJECTION	SURPLUS/ (DEFICIT)
	FY20-21 Requested	FY21-22 Requested	FY22-23 Requested	FY23-24 Requested	FY24-25 Requested			
Highway User Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Downtown Strategy Fund	2,403,614	875,000	-	-	-	-	875,000	1,528,614
Grants	-	17,500	40,000	-	-	-	57,500	(57,500)
Capital Projects Fund	1,211,584	4,561,930	1,612,992	382,500	500,000	177,500	7,234,922	(6,023,338)
Development Fees								
Fire & Emergency Medical	707,100	-	-	-	-	-	-	707,100
Streets	-	-	-	-	-	-	-	-
Parks & Recreation	1,724,836	-	-	300,000	500,000	-	800,000	924,836
Bonds	-	-	7,050,000	-	-	-	7,050,000	(7,050,000)
Environmental Fund	-	-	-	-	-	-	-	-
Total Revenues By Source	\$ 6,047,134	\$ 5,454,430	\$ 8,702,992	\$ 682,500	\$ 1,000,000	\$ 177,500	\$ 16,017,422	\$ (9,970,288)
Unfunded	-	-	2,233,000	-	5,300,000	2,500,000	10,033,000	(10,033,000)
Total Revenues Required	\$ 6,047,134	\$ 5,454,430	\$ 10,935,992	\$ 682,500	\$ 6,300,000	\$ 2,677,500	\$ 26,050,422	\$ (20,003,288)

EXPENDITURES BY PROJECT TYPE & COSTS	FIVE-YEAR REQUESTED					TOTAL FIVE-YEAR PROJECTION
	FY20-21 Requested	FY21-22 Requested	FY22-23 Requested	FY23-24 Requested	FY24-25 Requested	
Stormwater Management/Drainage Projects	\$ 2,551,695	\$ 427,230	\$ 50,000	\$ 50,000	\$ 50,000	\$ 3,128,925
Facilities Projects	150,000	-	-	-	-	150,000
Parks & Recreation Projects	735,000	9,108,000	400,000	5,800,000	2,500,000	18,543,000
Street/Sidewalk Projects	1,708,000	380,000	200,000	150,000	-	2,438,000
Traffic Signal Projects	50,000	500,000	-	-	-	550,000
Contingency	259,735	520,762	32,500	300,000	127,500	1,240,497
Total Project Costs	\$ 5,454,430	\$ 10,935,992	\$ 682,500	\$ 6,300,000	\$ 2,677,500	\$ 26,050,422

CAPITAL PROJECTS FIVE-YEAR PROJECTION



**PROPOSED CAPITAL PROJECTS
FY20-21 THROUGH FY24-25
BY YEAR AND FUNDING SOURCE**

Project	Project Title/ <i>Funding Source</i>	Prior Years' Costs	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25
D6047	Drainage-Miscellaneous						
	<i>Capital Projects Fund</i>	\$ 108,830	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
D6057	Golden Eagle Impoundment Area Improvements						
	<i>Capital Projects Fund</i>	\$ 122,770	\$ 500,000	\$ 377,230	\$ -	\$ -	\$ -
D6058	Panorama Drive Storm Drain Improvements						
	<i>Capital Projects Fund</i>	\$ 98,305	\$ 1,401,695	\$ -	\$ -	\$ -	\$ -
	<i>Downtown Strategy</i>	-	500,000	-	-	-	-
D6059	Pollina Brantley Detention Basin						
	<i>Capital Projects Fund</i>	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -
F4035	HVAC Controllers Replacement - Community Center						
	<i>Capital Projects Fund</i>	\$ -	\$ 70,000	\$ -	\$ -	\$ -	\$ -
F4036	Fire Panel Replacement-CC, Library, Museum						
	<i>Capital Projects Fund</i>	\$ -	\$ 80,000	\$ -	\$ -	\$ -	\$ -
P3032	Sport Field Lighting						
	<i>Unfunded</i>	-	-	1,733,000	-	-	-
P3033	Video Surveillance Cameras						
	<i>Capital Projects Fund</i>	\$ 94,316	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ -
P3035	Four Peaks Park Upgrades						
	<i>Capital Projects Fund</i>	\$ 412,564	\$ 330,000	\$ 200,000	\$ 100,000	\$ -	\$ -
P3036	Desert Vista Skate Park Lights						
	<i>Capital Projects Fund</i>	\$ -	\$ -	\$ 35,000	\$ -	\$ -	\$ -
	<i>Grants</i>	-	-	40,000	-	-	-
P3038	Fountain Park Lake Liner						
	<i>Capital Projects Fund</i>	\$ -	\$ 140,000	\$ -	\$ -	\$ -	\$ -
	<i>Bonds</i>	-	-	5,000,000	-	-	-
P3039	Fountain Park Pump Replacements						
	<i>Bonds</i>	-	-	1,500,000	-	-	-
P3040	Splash Pad Renovation						
	<i>Bonds</i>	-	-	550,000	-	-	-
P3041	Sunridge Park						
	<i>Development Fees</i>	-	-	-	200,000	500,000	-
	<i>Unfunded</i>	-	-	-	-	2,800,000	-
P3042	Fountain Lighting Replacement						
	<i>Capital Projects Fund</i>	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ -
P3044	Sierra Madre Park						
	<i>Development Fees</i>	-	-	-	100,000	-	-
	<i>Unfunded</i>	-	-	-	-	2,500,000	2,500,000
P3045	Four Peaks Park Playground Parking Lot Imp						
	<i>Capital Projects Fund</i>	\$ -	\$ 65,000	\$ -	\$ -	\$ -	\$ -
S6003	Unpaved Alley Paving Projects						
	<i>Capital Projects Fund</i>	\$ 408,637	\$ 308,000	\$ -	\$ -	\$ -	\$ -
S6051	AOTF/La Montana Intersection Improvements						
	<i>Downtown Strategy</i>	-	300,000	-	-	-	-
S6053	Fountain Hills Shoulder Paving						
	<i>Capital Projects Fund</i>	\$ 693,231	\$ 700,000	\$ -	\$ -	\$ -	\$ -
S6058	Shea Blvd. Widening - Palisades Blvd. to Technology Dr.						
	<i>Capital Projects Fund</i>	\$ 105,000	\$ 7,500	\$ -	\$ -	\$ -	\$ -
	<i>Grants</i>	-	17,500	-	-	-	-
S6061	Sidewalk Infill Program						
	<i>HURF</i>	150,103	-	-	-	-	-
	<i>Capital Projects Fund</i>	\$ 97,036	\$ 200,000	\$ 200,000	\$ 200,000	\$ 150,000	\$ -
S6062	AOTF/Verde River Intersection Improvements						
	<i>Downtown Strategy</i>	7,630	75,000	-	-	-	-
S6063	Palisades Median Landscape Improvements						
	<i>Unfunded</i>	-	-	-	-	-	-
S6064	Desert Vista Crosswalk						
	<i>Capital Projects Fund</i>	\$ -	\$ 100,000	\$ 180,000	\$ -	\$ -	\$ -
T5005	Traffic Signal-Palisades & Eagle Ridge/Palomino						
	<i>Capital Projects Fund</i>	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -
	<i>Unfunded</i>	-	-	500,000	-	-	-
	Contingency						
	<i>Capital Projects Fund</i>		\$ 259,735	\$ 520,762	\$ 32,500	\$ 300,000	\$ 127,500

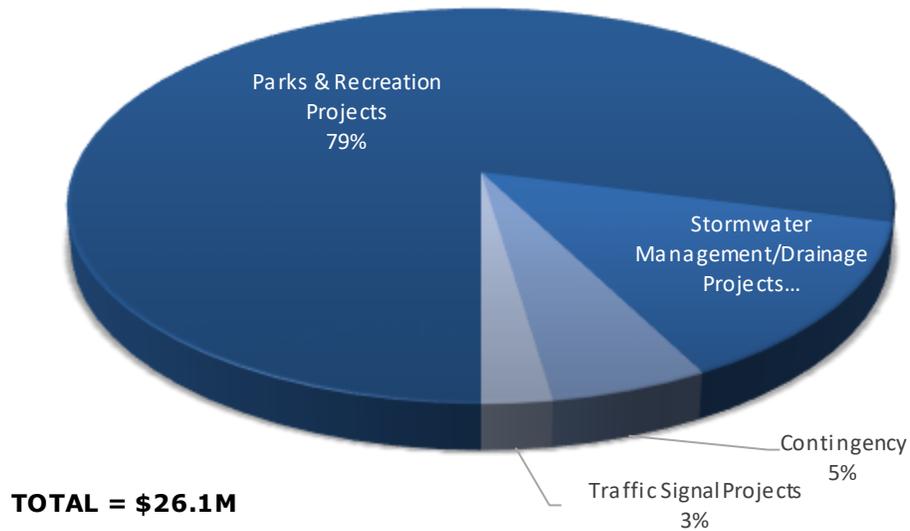
The highlighted rows represent project funding through the Town's Capital Projects Fund.

**PROPOED CAPITAL PROJECTS
FY20-21 THROUGH FY24-25
BY YEAR AND FUNDING SOURCE
TOTALS**

REVENUE SUMMARY TOTALS - BY FUNDING SOURCE

Source	Prior Years'	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	Total	Project Total
	Costs						FY20-21 to	
Capital Projects Fund	\$ 2,140,689	\$ 4,561,930	\$ 1,612,992	\$ 382,500	\$ 500,000	\$ 177,500	\$ 7,234,922	\$ 9,375,611
Grants	-	17,500	40,000	-	-	-	57,500	57,500
Downtown Strategy	7,630	875,000	-	-	-	-	875,000	882,630
Development Fees	-	-	-	300,000	500,000	-	800,000	800,000
Bonds	-	-	7,050,000	-	-	-	7,050,000	7,050,000
HURF	150,103	-	-	-	-	-	-	150,103
Other	-	-	-	-	-	-	-	-
Funding Source Totals	2,298,422	5,454,430	8,702,992	682,500	1,000,000	177,500	16,017,422	18,315,844
Unfunded	-	-	2,233,000	-	5,300,000	2,500,000	10,033,000	10,033,000

**Projects by Project Type
Revenues - FY21-25**

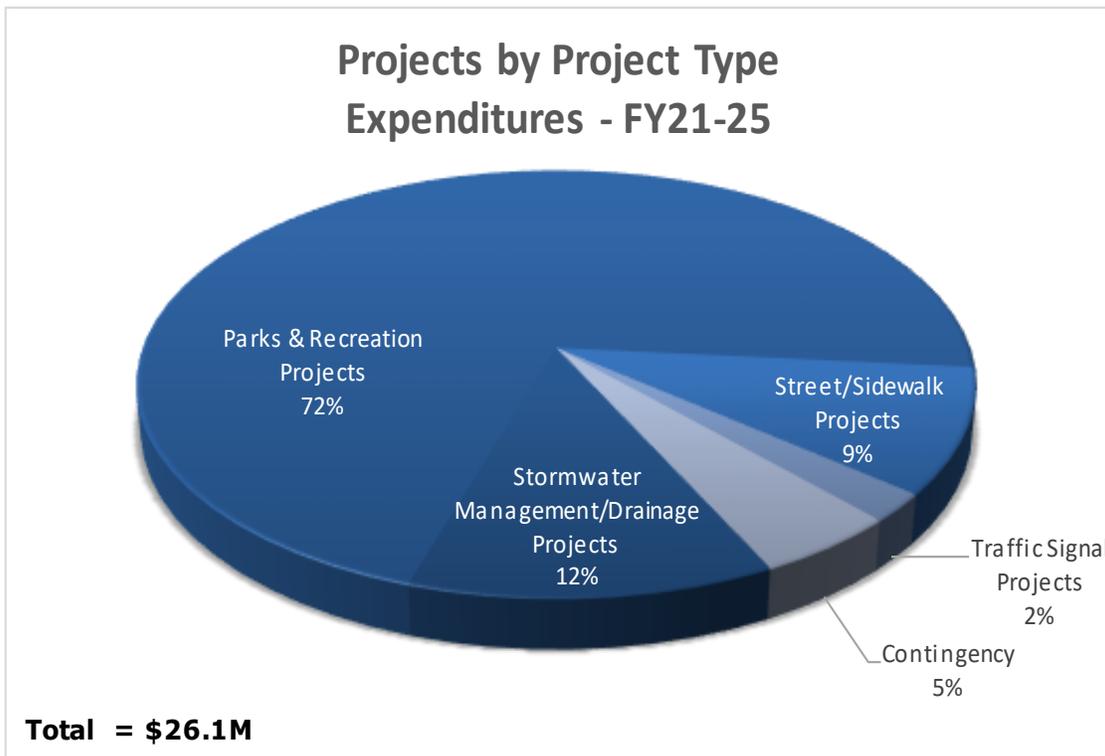


**PROPOSED CAPITAL PROJECTS
FY20-21 THROUGH FY24-25
EXPENDITURES BY YEAR BY PROJECT**

Project No.	Project Title	Prior Years' Costs	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25
<u>Stormwater Management/Drainage Projects</u>							
D6047	Drainage-Miscellaneous	\$ 108,830	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
D6057	Golden Eagle Impoundment Area Improvements	122,770	500,000	377,230	-	-	-
D6058	Panorama Drive Storm Drain Improvements	98,305	1,901,695	-	-	-	-
D6059	Pollina Brantley Detention Basin	-	100,000	-	-	-	-
TOTAL		\$ 329,905	\$ 2,551,695	\$ 427,230	\$ 50,000	\$ 50,000	\$ 50,000
<u>Facilities Projects</u>							
F4035	HVAC Controllers Replacement - Community Center	\$ -	\$ 70,000	\$ -	\$ -	\$ -	\$ -
F4036	Fire Panel Replacement-CC, Library, Museum	-	80,000	-	-	-	-
TOTAL		\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ -
<u>Parks & Recreation Projects</u>							
P3032	Sport Field Lighting	\$ -	\$ -	\$ 1,733,000	\$ -	\$ -	\$ -
P3033	Video Surveillance Cameras	94,316	50,000	50,000	-	-	-
P3035	Four Peaks Park Upgrades	412,564	330,000	200,000	100,000	-	-
P3036	Desert Vista Skate Park Lights	-	-	75,000	-	-	-
P3038	Fountain Park Lake Liner	-	140,000	5,000,000	-	-	-
P3039	Fountain Park Pump Replacements	-	-	1,500,000	-	-	-
P3040	Splash Pad Renovation	-	-	550,000	-	-	-
P3041	Sunridge Park	-	-	-	200,000	3,300,000	-
P3042	Fountain Lighting Replacement	-	150,000	-	-	-	-
P3044	Sierra Madre Park	-	-	-	100,000	2,500,000	2,500,000
P3045	Four Peaks Park Playground Parking Lot Imp	-	65,000	-	-	-	-
TOTAL		\$ 506,880	\$ 735,000	\$ 9,108,000	\$ 400,000	\$ 5,800,000	\$ 2,500,000
<u>Street/Sidewalk Projects</u>							
S6003	Unpaved Alley Paving Projects	\$ 408,637	\$ 308,000	\$ -	\$ -	\$ -	\$ -
S6015	Fountain Hills Blvd Widening - Shea Boulevard to Segundo	-	-	-	-	-	-
S6051	AOTF/La Montana Intersection Improvements	-	300,000	-	-	-	-
S6053	Fountain Hills Blvd. Shoulder Paving	693,231	700,000	-	-	-	-
S6058	Shea Blvd. Widening - Palisades Blvd. to Technology Dr.	105,000	25,000	-	-	-	-
S6061	Sidewalk Infill Program	247,138	200,000	200,000	200,000	150,000	-
S6062	AOTF/Verde River Intersection Improvements	7,630	75,000	-	-	-	-
S6063	Palisades Median Landscape Improvements	-	-	-	-	-	-
S6064	Desert Vista Crosswalk	-	100,000	180,000	-	-	-
TOTAL		\$ 1,461,636	\$ 1,708,000	\$ 380,000	\$ 200,000	\$ 150,000	\$ -
<u>Traffic Signal Projects</u>							
T5005	Traffic Signal-Palisades & Eagle Ridge/Palomino	\$ -	\$ 50,000	\$ 500,000	\$ -	\$ -	\$ -
TOTAL		\$ -	\$ 50,000	\$ 500,000	\$ -	\$ -	\$ -
<u>Vehicle Replacement Program</u>							
	Vehicle Replacement Per Schedule		\$ 51,989	\$ 54,385	\$ 530,198	\$ 256,722	\$ -
Contingency			\$ 259,735	\$ 520,762	\$ 32,500	\$ 300,000	\$ 127,500
TOTAL PROPOSED CAPITAL PROJECTS		\$ 2,298,421	\$ 5,454,430	\$ 10,935,992	\$ 682,500	\$ 6,300,000	\$ 2,677,500

**PROPOSED CAPITAL PROJECTS
FY20-21 THROUGH FY24-25
BY YEAR AND PROJECT TYPE
TOTALS**

EXPENDITURES BY PROJECT TYPE & COSTS	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL FIVE-
	Requested	Requested	Requested	Requested	Requested	YEAR PROJECTION
Stormwater Management/Drainage Projects	\$ 2,551,695	\$ 427,230	\$ 50,000	\$ 50,000	\$ 50,000	\$ 3,128,925
Facilities Projects	150,000	-	-	-	-	150,000
Parks & Recreation Projects	735,000	9,108,000	400,000	5,800,000	2,500,000	18,543,000
Street/Sidewalk Projects	1,708,000	380,000	200,000	150,000	-	2,438,000
Traffic Signal Projects	50,000	500,000	-	-	-	550,000
Contingency	259,735	520,762	32,500	300,000	127,500	1,240,497
Total Project Costs	\$ 5,454,430	\$ 10,935,992	\$ 682,500	\$ 6,300,000	\$ 2,677,500	\$ 26,050,422



**FY20-21 Proposed Budget
Summary of Expenditures
Capital Projects Fund**

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Capital Projects Fund				
Management Fees	\$ 2,791	\$ 2,720	\$ 2,800	\$ 2,800
Building Improvement Expenses	-	-	150,000	-
Street Improvement Expenses	49,099	31,703	-	-
Park Improvement Expenses	-	388,492	-	-
Other Infrastructure Expenses	9,090	-	-	-
Stormwater/Drainage Expenses	-	2,526	50,000	50,000
Furniture/Equipment	16,392	-	-	-
Building Improvements	1,837,138	2,558,246	150,000	150,000
Street Improvements	175,431	537,099	1,333,378	1,608,000
Park Improvements	1,135,740	1,120,213	485,000	835,000
Other Infrastructure	-	-	-	50,000
Stormwater/Drainage Improvements	-	-	675,000	2,501,695
Contingency	-	-	113,873	259,735
Total Capital Projects Fund	<u>\$ 3,225,681</u>	<u>\$ 4,640,999</u>	<u>\$ 2,960,051</u>	<u>\$ 5,457,230</u>

Program Name	Operating Results			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Total Revenues	\$ 829,774	\$ 1,178,619	\$ 737,517	\$ 940,852
Total Expenses	3,225,681	4,640,999	2,960,051	5,457,230
Total	<u>\$(2,395,907)</u>	<u>\$(3,462,380)</u>	<u>\$(2,222,534)</u>	<u>\$(4,516,378)</u>

Capital Projects Information Sheets

PROJECT TITLE: Miscellaneous Drainage Improvements

PROJECT NUMBER: D6047

PROJECT DESCRIPTION/SCOPE:

This project will provide for the construction of new drainage facilities, major repairs, or the extension of existing facilities at locations of future road widening projects so that excess excavated materials may be put in place when available. This project will also address erosion issues as well as improve drainage as needed.

TOWN GOALS

TIMEFRAME: FY15-25

YEAR PROJECT BEGAN: FY14-15

TOTAL ESTIMATED PROJECT COST: \$358,830

PROJECT JUSTIFICATION:

The Town has worked successfully with municipal, private and utility construction contractors in the past to place excess excavation materials at locations where future Town road widening projects will require fill material. This work is done at no cost to the Town and will save on the costs to fill and compact these areas in the future. The locations where the excess materials can be placed are now limited without constructing or extending drainage culverts. Revegetation is also required in the areas where fill materials are placed to help with erosion and aesthetics.

FUNDING PRIORITY: High - Leverage Local Funds



FUNDING SOURCES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Capital Projects	\$ 108,830	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 358,830
Grant							-
Downtown Strategy							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ 108,830	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 358,830

PROJECT EXPENSES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design							-
Construction	108,830	50,000	50,000	50,000	50,000	50,000	358,830
Other Expenses							-
TOTAL	\$ 108,830	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 358,830

OPERATING IMPACT

ACTIVITY	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT TITLE: Golden Eagle Impoundment Area Improvements

PROJECT NUMBER: D6057

PROJECT DESCRIPTION/SCOPE:

Drainage channel improvements. Modify trash racks on Golden Eagle dam inlets. Construct flood walls, sediment drop basins, grouted rip-rap.

TOWN GOALS

TIMEFRAME: FY19-21

YEAR PROJECT BEGAN: FY19-20

TOTAL ESTIMATED PROJECT COST: \$1,000,000

PROJECT JUSTIFICATION:

Golden Eagle impoundment area receives storm runoff from three washes: Ashbrook wash, Bristol wash and Cloudburst wash. The 100-year storm rainfall intensity values have increased in the north-eastern area of Maricopa County. Runoff values have increased due to increased upstream development. Runoff time of concentration has also accelerated due to increased upstream development. The net change as a result of the items noted have increased the amount of flow entering the impoundment area (this area includes the park improvement areas, the ball fields, the picnic ramada area, etc.) and requires major modifications to the drainage courses.

FUNDING PRIORITY: High - Prevents Irreparable Damage to Existing Facilities



FUNDING SOURCES

ACTIVITY	Prior Years	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Capital Projects	\$ -	\$ 500,000	\$ 500,000	\$ -	\$ -	\$ -	\$1,000,000
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ 500,000	\$ 500,000	\$ -	\$ -	\$ -	\$1,000,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design							-
Construction		500,000	500,000				1,000,000
Other Expenses							-
TOTAL	\$ -	\$ 500,000	\$ 500,000	\$ -	\$ -	\$ -	\$1,000,000

OPERATING IMPACT

ACTIVITY	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies				30,000	30,000	60,000
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ 30,000	\$ 30,000	\$ 60,000

PROJECT TITLE: Panorama Drive Storm Drain Improvements

PROJECT NUMBER: D6058

PROJECT DESCRIPTION/SCOPE:

The Panorama Drain is an existing 48" to 66" Storm Drain system underneath Panorama Drive between Saguario Blvd and El Lago Blvd and was constructed in 1988. Upstream runoff from the Town is routed downstream to Saguario Blvd and Palisades Blvd, is collected at the intersection of Panorama and Saguario Blvd and routed into the Panorama Drain. The Panorama Drain outfalls near El Lago Blvd into Panorama Wash which converges with Colony Wash.

TOWN GOALS

TIMEFRAME: FY20-21

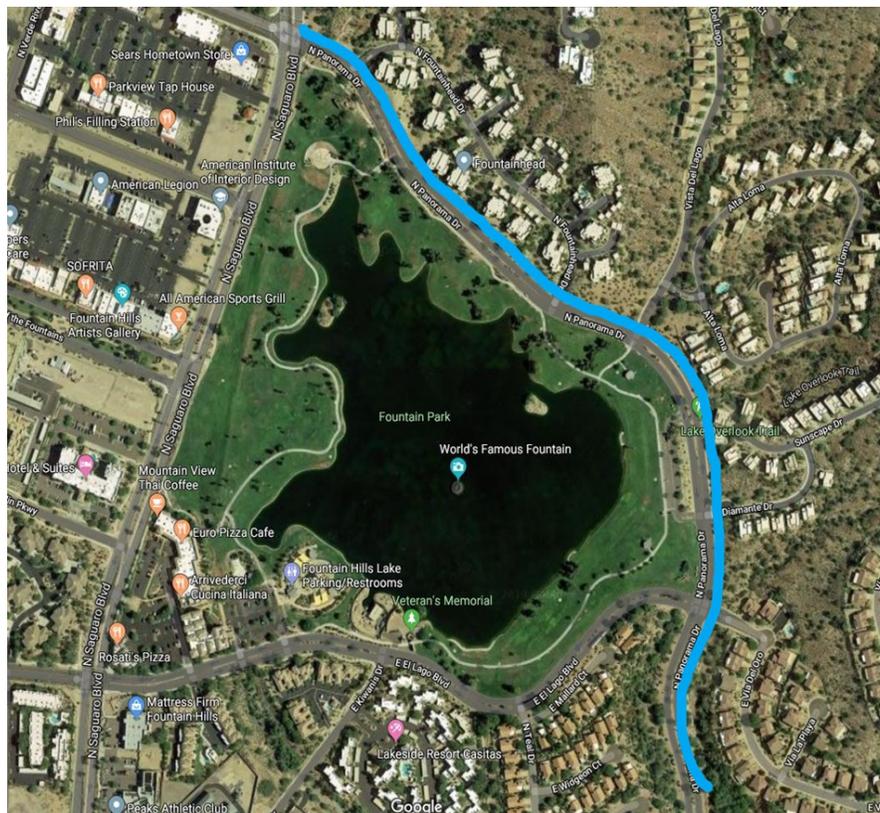
YEAR PROJECT BEGAN: FY20-21

TOTAL ESTIMATED PROJECT COST: \$2,000,000

PROJECT JUSTIFICATION:

The 31-year-old system is deteriorating and in many segments of the Storm drain system the pipes are at failure. This failure is defined as pipes being corroded to the extent that there is no longer a pipe bed in place which has caused erosion to occur beneath the pipe bedding. The original pipe material is CMP which has a life span between 20 to 35 years. It is essential for the Town's overall drainage system to implement a remediation and replacement for the Panorama Drain as delaying this remediation would cause adverse problems not only along the Panorama Drain alignment but also upstream the drain.

FUNDING PRIORITY: High - Prevents Irreparable Damage to Existing Facilities



FUNDING SOURCES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Capital Projects	\$ 98,305	\$1,001,695	\$ -	\$ -	\$ -	\$ -	\$1,100,000
Grant							-
Downtown Strategy		500,000					500,000
Development Fees							-
Bonds							-
Other Sources		400,000					400,000
Unfunded							-
TOTAL	\$ 98,305	\$1,901,695	\$ -	\$ -	\$ -	\$ -	\$2,000,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design	98,305	26,695					125,000
Construction		1,875,000					1,875,000
Other Expenses							-
TOTAL	\$ 98,305	\$1,901,695	\$ -	\$ -	\$ -	\$ -	\$2,000,000

OPERATING IMPACT

ACTIVITY	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies		5,000	5,000	5,000	5,000	20,000
Other Impact						-
TOTAL	\$ -	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 20,000

PROJECT TITLE: Pollina Brantley Detention Basin

PROJECT NUMBER: D6059

PROJECT DESCRIPTION/SCOPE:

Storm Water Detention

TOWN GOALS

TIMEFRAME: FY20-21

YEAR PROJECT BEGAN: FY20

TOTAL ESTIMATED PROJECT COST: \$100,000

PROJECT JUSTIFICATION:

This project will collect and temporarily store storm water runoff to minimize downstream flooding on neighborhood streets.

FUNDING PRIORITY: High - Leverage Local Funds



FUNDING SOURCES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Capital Projects	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design		2,500					2,500
Construction		97,500					97,500
Other Expenses							-
TOTAL	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000

OPERATING IMPACT

ACTIVITY	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies		3,000	3,000	3,000	3,000	12,000
Other Impact						-
TOTAL	\$ -	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 12,000

PROJECT TITLE: HVAC Controller Retrofit

PROJECT NUMBER: F4035

PROJECT DESCRIPTION/SCOPE:

Replacement of proprietary HVAC Metasys Johnson Controllers with non-proprietary controllers.

TOWN GOALS

TIMEFRAME: FY20-21

YEAR PROJECT BEGAN: FY20-21

TOTAL ESTIMATED PROJECT COST: \$70,000

PROJECT JUSTIFICATION:

The maker of Johnson products no longer support/manufacture the HVAC controllers currently in use at the community center. Staff replaced the HVAC controllers in the Library/Museum and Town Hall with non-proprietary controllers to give more flexibility in maintaining equipment.

FUNDING PRIORITY: High - Provides Maintenance to Existing Facilities



FUNDING SOURCES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Capital Projects	\$ -	\$ 70,000	\$ -	\$ -	\$ -	\$ -	\$ 70,000
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ 70,000	\$ -	\$ -	\$ -	\$ -	\$ 70,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Acquisition	\$ -	\$ 70,000	\$ -	\$ -	\$ -	\$ -	\$ 70,000
Planning							-
Design							-
Construction							-
Other Expenses							-
TOTAL	\$ -	\$ 70,000	\$ -	\$ -	\$ -	\$ -	\$ 70,000

OPERATING IMPACT

ACTIVITY	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT TITLE: Fire Alarm Control Panel Replacement

PROJECT NUMBER: F4036

PROJECT DESCRIPTION/SCOPE:

Replacement of two fire alarm panels, one each at the community center and library/museum .

TOWN GOALS

TIMEFRAME: FY20-21

YEAR PROJECT BEGAN: FY20-21

TOTAL ESTIMATED PROJECT COST: \$80,000

PROJECT JUSTIFICATION:

The current fire alarm panels are original to the construction of the buildings, completed in 2001. Parts for the fire alarm panels are becoming increasingly harder to find, as this particular panel, made by Simplex, is no longer in production.

FUNDING PRIORITY: High - Provides Maintenance of Existing Facilities



FUNDING SOURCES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Capital Projects	\$ -	\$ 80,000	\$ -	\$ -	\$ -	\$ -	\$ 80,000
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ 80,000	\$ -	\$ -	\$ -	\$ -	\$ 80,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Acquisition	\$ -	\$ 80,000	\$ -	\$ -	\$ -	\$ -	\$ 80,000
Planning							-
Design							-
Construction							-
Other Expenses							-
TOTAL	\$ -	\$ 80,000	\$ -	\$ -	\$ -	\$ -	\$ 80,000

OPERATING IMPACT

ACTIVITY	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT TITLE: Sport Field Lighting

PROJECT NUMBER: P3032

PROJECT DESCRIPTION/SCOPE:

Replacement of existing 1,500 watt metal halide sports field lighting assemblies at Golden Eagle Park and Four Peaks Park with LED field lighting assemblies.

TOWN GOALS

TIMEFRAME: FY21-22

YEAR PROJECT BEGAN: FY21-22

TOTAL ESTIMATED PROJECT COST: \$1,733,000

PROJECT JUSTIFICATION:

Four Peaks Parks currently has 17 field lighting poles and metal halide lighting fixtures that were installed in the 1990s. Golden Eagle Park has 20 field lighting poles and metal halide lighting fixtures installed in the 1990s. This project will leave the existing field lighting poles in place and will replace the outdated lighting fixtures with LED fixtures offering better performance while reducing maintenance and electrical costs.

FUNDING PRIORITY: Medium - Provides Maintenance of Existing Systems



FUNDING SOURCES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded			1,733,000				1,733,000
TOTAL	\$ -	\$ -	\$1,733,000	\$ -	\$ -	\$ -	\$1,733,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design							-
Construction			1,733,000				1,733,000
Other Expenses							-
TOTAL	\$ -	\$ -	\$1,733,000	\$ -	\$ -	\$ -	\$1,733,000

OPERATING IMPACT

ACTIVITY	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT TITLE: Video Surveillance Cameras

PROJECT NUMBER: P3033

PROJECT DESCRIPTION/SCOPE:

Purchase and installation of video surveillance cameras at various Town parks and facilities.

TOWN GOALS

TIMEFRAME: FY17-22

YEAR PROJECT BEGAN: FY17-18

TOTAL ESTIMATED PROJECT COST: \$200,000

PROJECT JUSTIFICATION:

The Town has seen an increase in vandalism at Town parks and facilities. Additional surveillance cameras may deter vandalism or provide video evidence should vandalism occur.

FUNDING PRIORITY: High - Protects Health & Safety of the Town



FUNDING SOURCES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Capital Projects	\$ 94,316	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ -	\$ 194,316
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ 94,316	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ -	\$ 194,316

PROJECT EXPENSES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Acquisition	\$ 94,316	\$ 50,000	\$ 50,000		\$ -	\$ -	\$ 194,316
Planning							-
Design							-
Construction							-
Other Expenses							-
TOTAL	\$ 94,316	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ -	\$ 194,316

OPERATING IMPACT

ACTIVITY	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies	5,000	5,000	5,000	5,000	5,000	25,000
Other Impact						-
TOTAL	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 25,000

PROJECT TITLE: Four Peaks Park Upgrades

PROJECT NUMBER: P3035

PROJECT DESCRIPTION/SCOPE:

Redesign existing playground space and swing structures with new layout, play equipment, and accessibility at Four Peaks Park.

TOWN GOALS

TIMEFRAME: FY18-23

YEAR PROJECT BEGAN: FY18-19

TOTAL ESTIMATED PROJECT COST: \$1,042,564

PROJECT JUSTIFICATION:

The Four Peaks Playground has a large swing structure that is underutilized and is misconfigured to the space available. The current play surface is non-ADA compliant and is a liability risk to the Town. Redevelopment of this area would enhance the park making it safer and more usable for children of all ages. Refurbishing of the infields and restrooms would also be included in this project.

FUNDING PRIORITY: High - Protects Health & Safety of the Town



FUNDING SOURCES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Capital Projects	\$ 397,564	\$ 330,000	\$ 200,000	\$ 100,000	\$ -	\$ -	\$1,027,564
Grant	15,000						15,000
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ 412,564	\$ 330,000	\$ 200,000	\$ 100,000	\$ -	\$ -	\$1,042,564

PROJECT EXPENSES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Acquisition	\$ 66,234	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ 126,234
Planning							-
Design							-
Construction	346,330	270,000	200,000	100,000			916,330
Other Expenses							-
TOTAL	\$ 412,564	\$ 330,000	\$ 200,000	\$ 100,000	\$ -	\$ -	\$1,042,564

OPERATING IMPACT

ACTIVITY	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies	8,000	10,000	10,000	10,000	10,000	48,000
Other Impact						-
TOTAL	\$ 8,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 48,000

PROJECT TITLE: Desert Vista Skate Park Lights

PROJECT NUMBER: P3036

PROJECT DESCRIPTION/SCOPE:

Installation of lights at the skate park. Grant funding will be requested, however, the grant funding is not guaranteed.

TOWN GOALS

TIMEFRAME: FY21-22

YEAR PROJECT BEGAN: FY21-22

TOTAL ESTIMATED PROJECT COST: \$75,000

PROJECT JUSTIFICATION:

The addition of lights at the skate park would allow for evening access to the facility.

FUNDING PRIORITY: Low - Provides an Expanded Level of Service



FUNDING SOURCES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Capital Projects	\$ -	\$ -	\$ 35,000	\$ -	\$ -	\$ -	\$ 35,000
Grant			40,000				40,000
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ 75,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design			5,000				5,000
Construction			70,000				70,000
Other Expenses							-
TOTAL	\$ -	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ 75,000

OPERATING IMPACT

ACTIVITY	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies		2,000	2,000	2,000	2,000	8,000
Other Impact						-
TOTAL	\$ -	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 8,000

PROJECT TITLE: Fountain Park Lake Liner Replacement

PROJECT NUMBER: P3038

PROJECT DESCRIPTION/SCOPE:

Remove existing lake liner, repair any subgrade issues or damage and install replacement liner.

TOWN GOALS

TIMEFRAME: FY21-22

YEAR PROJECT BEGAN: FY21-22

TOTAL ESTIMATED PROJECT COST: \$5,000,000

PROJECT JUSTIFICATION:

The current lake liner was installed in 2000. The life expectancy for this liner is 20 to 30 years. The current condition or amount of deterioration of the liner is unknown and, in effort to be proactive, a replacement should be considered by 2022. If the project is postponed until the liner fails, significant cleanup efforts as well as potential fines may be incurred due to ground water contamination.

FUNDING PRIORITY: High - Town Council Priority



FUNDING SOURCES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds			5,000,000				5,000,000
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ -	\$5,000,000	\$ -	\$ -	\$ -	\$5,000,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning			1,500,000				1,500,000
Design			500,000				500,000
Construction			3,000,000				3,000,000
Other Expenses							-
TOTAL	\$ -	\$ -	\$5,000,000	\$ -	\$ -	\$ -	\$5,000,000

OPERATING IMPACT

ACTIVITY	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT TITLE: Fountain Park Pump Replacements

PROJECT NUMBER: P3039

PROJECT DESCRIPTION/SCOPE:

Upgrade existing fountain pumps to a variable frequency system to allow for graduated Fountain heights to accommodate wind and other conditions.

TOWN GOALS

TIMEFRAME: FY21-22

YEAR PROJECT BEGAN: FY21-22

TOTAL ESTIMATED PROJECT COST: \$1,500,000

PROJECT JUSTIFICATION:

The current Fountain operates on three 600 horsepower pumps, allowing the Fountain to operate at three possible heights. Operating one pump allows the Fountain to run at roughly 170 feet, operating two pumps allows the Fountain to run at 330 feet, and operating all three pumps has the Fountain reaching 560 feet. These pumps operate only when certain wind conditions are met, and winds over 15 mph require the Fountain to be shut down completely. The upgrade to a variable frequency system will allow the Fountain height to adjust to real time wind conditions and operate more regularly. This project should ideally be taken on in conjunction with the lake liner replacement to minimize down time of the Fountain.

FUNDING PRIORITY: High - Town Council Priority



FUNDING SOURCES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds			1,500,000				1,500,000
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ -	\$1,500,000	\$ -	\$ -	\$ -	\$1,500,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design			500,000				500,000
Construction			1,000,000				1,000,000
Other Expenses							-
TOTAL	\$ -	\$ -	\$1,500,000	\$ -	\$ -	\$ -	\$1,500,000

OPERATING IMPACT

ACTIVITY	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT TITLE: Splash Pad Renovation

PROJECT NUMBER: P3040

PROJECT DESCRIPTION/SCOPE:

Renovate existing splash pad, repair and replace leaking fixtures, resurface the play space and add upgraded UV filtration system.

TOWN GOALS

TIMEFRAME: FY21-22

YEAR PROJECT BEGAN: FY21-22

TOTAL ESTIMATED PROJECT COST: \$550,000

PROJECT JUSTIFICATION:

The Rotary Centennial Splash Pad was installed in 2007. The features within the splash pad have exceeded their life expectancy and are now showing significant wear and tear. Many parts are leaking and beyond repair. The installation of the features is subgrade, therefore replacement requires significant excavation and removal of concrete floor. Replacement with at-grade, modular features is recommended. The addition of a UV filtration system is also recommended to ensure public health and safety.

FUNDING PRIORITY: High - Prevents Irreparable Damage to Existing Facilities



FUNDING SOURCES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds			550,000				550,000
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ -	\$ 550,000	\$ -	\$ -	\$ -	\$ 550,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design			50,000				50,000
Construction			500,000				500,000
Other Expenses							-
TOTAL	\$ -	\$ -	\$ 550,000	\$ -	\$ -	\$ -	\$ 550,000

OPERATING IMPACT

ACTIVITY	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies			7,500	7,500	7,500	22,500
Other Impact						-
TOTAL	\$ -	\$ -	\$ 7,500	\$ 7,500	\$ 7,500	\$ 22,500

PROJECT TITLE: SunRidge Park

PROJECT NUMBER: P3041

PROJECT DESCRIPTION/SCOPE:

Development of Town-owned parcel at SunRidge Canyon Drive and Desert Canyon Drive into a new park site. This project is an alternative to the proposed Fire Station #3 location in which a pocket park was included.

TOWN GOALS

TIMEFRAME: FY22-25

YEAR PROJECT BEGAN: FY22-23

TOTAL ESTIMATED PROJECT COST: \$3,500,000

PROJECT JUSTIFICATION:

The Town's General Plan recommends the addition of park space within our community, particularly in areas where our current parks do not serve. Areas in the northwest and southwest quadrants of the Town do not have any park amenities within a walkable distance. The addition of SunRidge Park would be a vital component to enhancing our community and creating a better quality of life for all residents.

FUNDING PRIORITY: Low - Provides an Expanded Level of Service



FUNDING SOURCES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees				200,000	500,000		700,000
Bonds							-
Other Sources							-
Unfunded						3,000,000	3,000,000
TOTAL	\$ -	\$ -	\$ -	\$ 200,000	\$ 500,000	\$3,000,000	\$3,700,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design				200,000			200,000
Construction					3,300,000		3,300,000
Other Expenses							-
TOTAL	\$ -	\$ -	\$ -	\$ 200,000	\$3,300,000	\$ -	\$3,500,000

OPERATING IMPACT

ACTIVITY	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ 60,000	\$ 60,000	\$ 120,000
Services & Supplies				100,000	100,000	200,000
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ 160,000	\$ 160,000	\$ 320,000

PROJECT TITLE: Fountain Lighting Replacement

PROJECT NUMBER: P3042

PROJECT DESCRIPTION/SCOPE:

Replace existing fountain lighting that has surpassed its expected life cycle. Upgrade both the fountain and shoreline lights with LED fixtures and repair/replace surrounding enclosures including the trusses and supporting elements on the fountain.

TOWN GOALS

TIMEFRAME: FY20-21

YEAR PROJECT BEGAN: FY20-21

TOTAL ESTIMATED PROJECT COST: \$150,000

PROJECT JUSTIFICATION:

The existing lights are failing fixture by fixture. Only three of six shoreline lights are currently operable and five of 12 fountain lights currently operate. They are subjected to a very harsh environment including high water pressures and extreme salinity. Replacement is needed and upgrading to more current electrical technology, including LED fixtures, is prudent for longevity and financial purposes.

FUNDING PRIORITY: Low - Provides an Expanded Level of Service



FUNDING SOURCES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Capital Projects	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ 150,000
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ 150,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Acquisition	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 75,000
Planning							-
Design							-
Construction		75,000					75,000
Other Expenses							-
TOTAL	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ 150,000

OPERATING IMPACT

ACTIVITY	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT TITLE: Sierra Madre Park

PROJECT NUMBER: P3044

PROJECT DESCRIPTION/SCOPE:

Development of Town-owned parcel at Sierra Madre and Golden Eagle Blvd into an active park space.

TOWN GOALS

TIMEFRAME: FY22-30

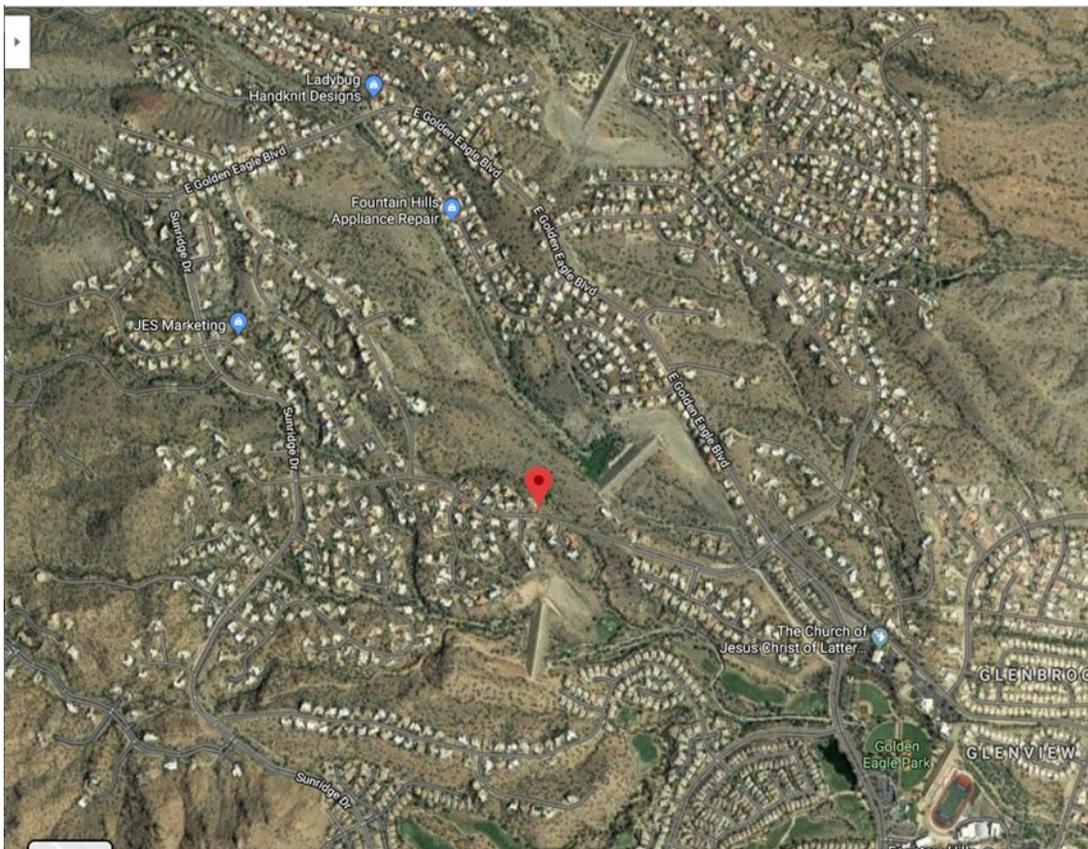
YEAR PROJECT BEGAN: FY22-23

TOTAL ESTIMATED PROJECT COST: \$10,500,000

PROJECT JUSTIFICATION:

The Town's General Plan recommends the addition of park space within our community. The community has minimal Town-owned property available for park use however, this open parcel is almost 20 acres and makes an idea park location. Additionally, it is adjacent to a school-owned site and is consistent with the surrounding potential land use. The addition of Sierra Madre Park would be a vital component to enhancing our community and creating a better quality of life for all residents.

FUNDING PRIORITY: Low - Provides an Expanded Level of Service



FUNDING SOURCES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees				100,000			100,000
Bonds							-
Other Sources							-
Unfunded					2,500,000	2,500,000	5,000,000
TOTAL	\$ -	\$ -	\$ -	\$ 100,000	\$2,500,000	\$2,500,000	\$5,100,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design				100,000			100,000
Construction		-			2,500,000	2,500,000	5,000,000
Other Expenses							-
TOTAL	\$ -	\$ -	\$ -	\$ 100,000	\$2,500,000	\$2,500,000	\$5,100,000

OPERATING IMPACT

ACTIVITY	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT TITLE: Four Peaks Park Playground Parking Lot Improvements

PROJECT NUMBER: P3045

PROJECT DESCRIPTION/SCOPE:

Pave the south side parking lot and seal the entry driveway.

TOWN GOALS

TIMEFRAME: FY20-21

YEAR PROJECT BEGAN: FY20-21

TOTAL ESTIMATED PROJECT COST: \$65,000

PROJECT JUSTIFICATION:

The south side of the playground parking area is currently an unimproved dirt lot. Paving this area will provide for a safer environment for park users.

FUNDING PRIORITY: High - Finishes a Partially Completed Project



FUNDING SOURCES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Capital Projects	\$ -	\$ 65,000	\$ -	\$ -	\$ -	\$ -	\$ 65,000
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ 65,000	\$ -	\$ -	\$ -	\$ -	\$ 65,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design		3,000					3,000
Construction		62,000					62,000
Other Expenses							-
TOTAL	\$ -	\$ 65,000	\$ -	\$ -	\$ -	\$ -	\$ 65,000

OPERATING IMPACT

ACTIVITY	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT TITLE: Unpaved Alley Paving Projects
PROJECT NUMBER: S6003

PROJECT DESCRIPTION/SCOPE:

This project involves paving a number of unpaved alleys throughout the Town. The paving project is divided into five phases as follows:

- Phase I: 1,400 LF from Panorama to Colony - Completed
- Phase II: 870 LF from Tower to Panorama - Completed
- Phase III: 890 LF from Panorama to Enterprise - Completed
- Phase IV: 1,150 LF adjacent to Colony Wash and 770 linear feet from Fountain Hills Boulevard to Glenbrook
- Phase V: 770 feet from Fountain Hills Boulevard to Glenbrook

TOWN GOALS

TIMEFRAME: FY09-21

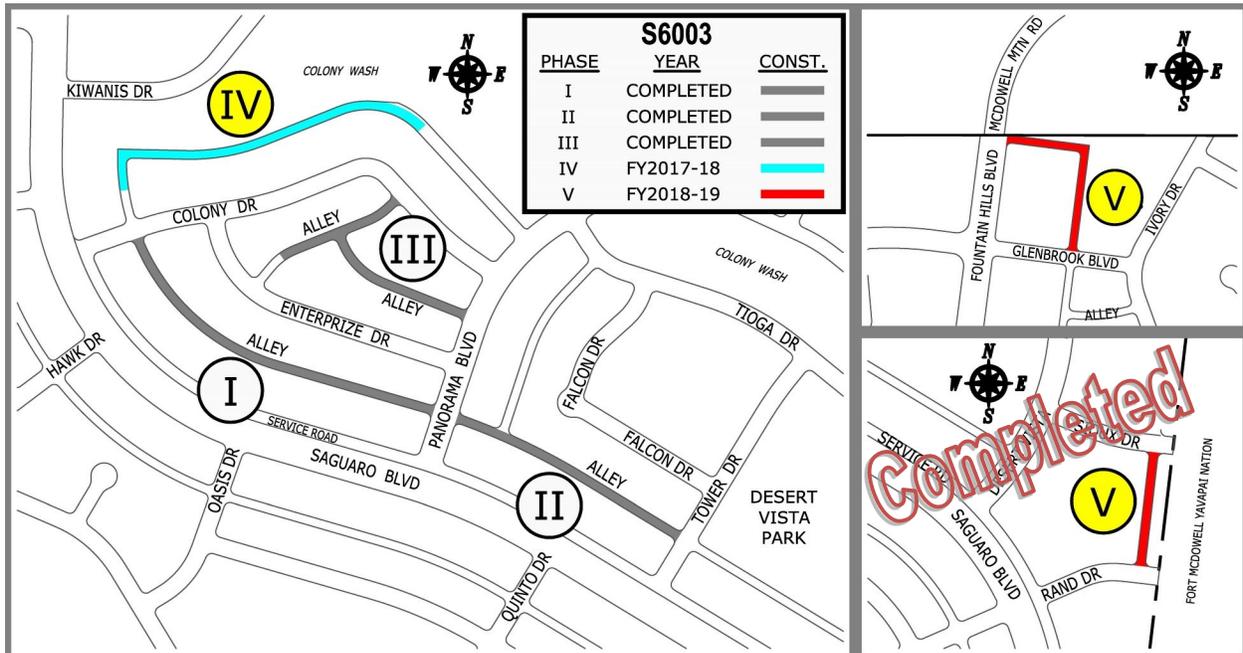
YEAR PROJECT BEGAN: FY08-09

TOTAL ESTIMATED PROJECT COST: \$716,637

PROJECT JUSTIFICATION:

Maricopa County has mandated that all municipalities stabilize unpaved alleys to mitigate air pollution. The Town of Fountain Hills has entered into an IGA with Maricopa County requiring the unpaved alleys to be stabilized.

FUNDING PRIORITY: High - Federal, State or Local Mandate



FUNDING SOURCES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Capital Projects	\$ 408,637	\$ 308,000		\$ -	\$ -	\$ -	\$ 716,637
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ 408,637	\$ 308,000	\$ -	\$ -	\$ -	\$ -	\$ 716,637

PROJECT EXPENSES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design	42,815	45,000					87,815
Construction	365,049	263,000					628,049
Other Expenses	773						773
TOTAL	\$ 408,637	\$ 308,000	\$ -	\$ -	\$ -	\$ -	\$ 716,637

OPERATING IMPACT

ACTIVITY	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact	2,000	2,000	2,000	2,000	2,000	10,000
TOTAL	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 10,000

PROJECT TITLE: Avenue of the Fountains/La Montana Intersection Improvements

PROJECT NUMBER: S6051

PROJECT DESCRIPTION/SCOPE:

Construct a roundabout to improve traffic/pedestrian safety.

TOWN GOALS

TIMEFRAME: FY18-21

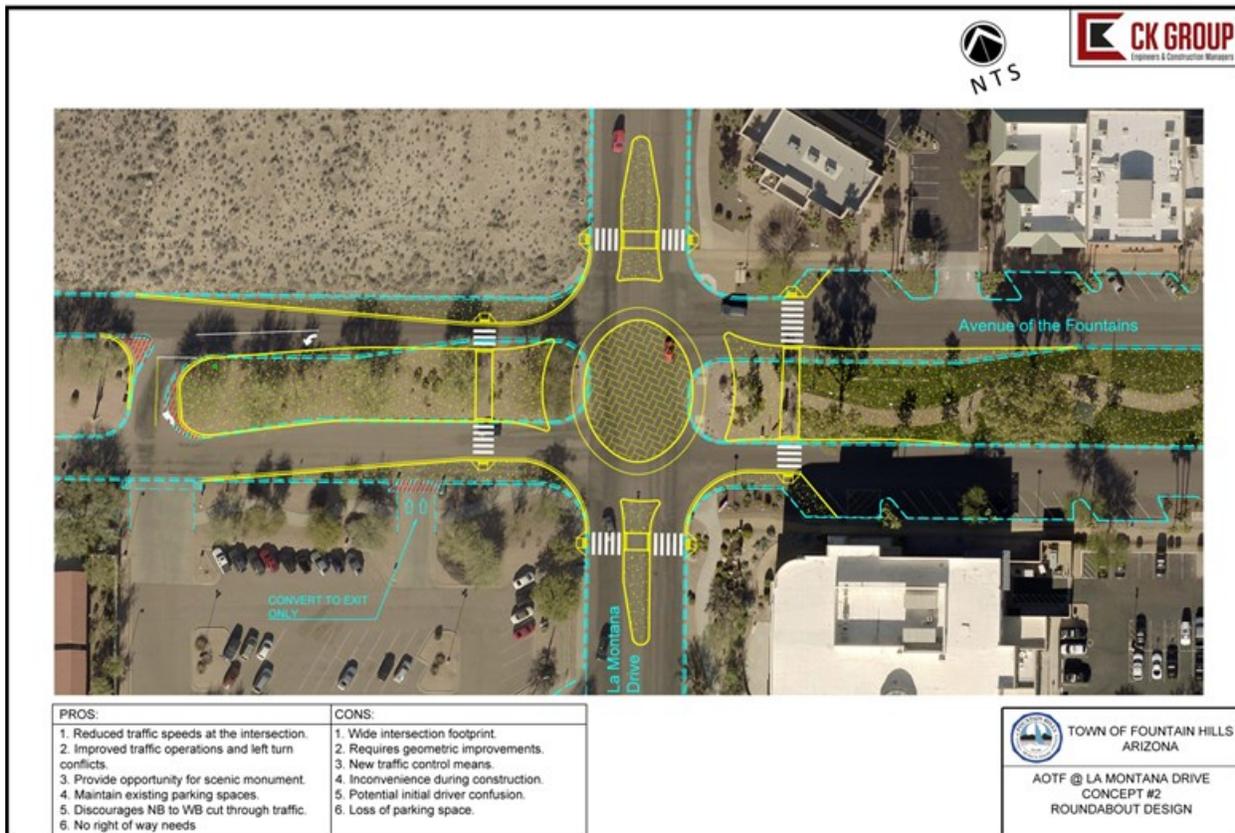
YEAR PROJECT BEGAN: FY18-19

TOTAL ESTIMATED PROJECT COST: \$700,000

PROJECT JUSTIFICATION:

Traffic, bike, and pedestrian movements at the AOTF/La Montana intersection have been an on-going issue since the Town's incorporation, primarily due to the existing, wide AOTF median. This project will improve intersection traffic operations by constructing a roundabout.

FUNDING PRIORITY: High - Protects Health & Safety of the Town



FUNDING SOURCES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Capital Projects		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant							-
Downtown Strategy	391,249	300,000					691,249
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ 391,249	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ 691,249

PROJECT EXPENSES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design	91,249						91,249
Construction	300,000	300,000					600,000
Other Expenses							-
TOTAL	\$ 391,249	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ 691,249

OPERATING IMPACT

ACTIVITY	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies		1,500	1,500	1,500	1,500	6,000
Other Impact						-
TOTAL	\$ -	\$ 1,500	\$ 1,500	\$ 1,500	\$ 1,500	\$ 6,000

PROJECT TITLE: Fountain Hills Boulevard Shoulder Paving

PROJECT NUMBER: S6053

PROJECT DESCRIPTION/SCOPE:

This project will pave the dirt shoulders along Fountain Hills Boulevard from Pinto Drive to Segundo Drive providing dust mitigation and erosion control.

TOWN GOALS

TIMEFRAME: FY12-21

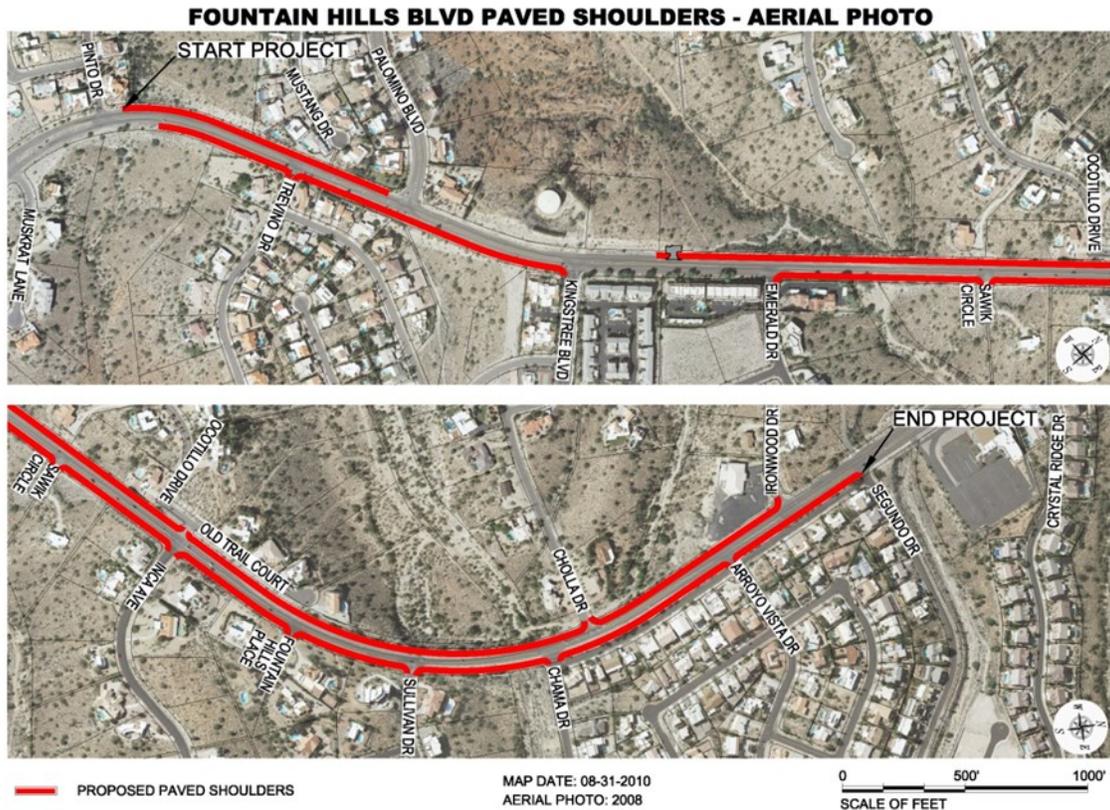
YEAR PROJECT BEGAN: FY19-20

TOTAL ESTIMATED PROJECT COST: \$2,273,781

PROJECT JUSTIFICATION:

The Town recently completed the southbound section of Fountain Hills Boulevard from Segundo Drive to Pinto Drive utilizing both grant and local matched funding. This project will provide dust mitigation, erosion control, run-off-the-road hazard mitigation, potential future use by bicycles for the northbound section from Pinto Drive to Segundo Drive.

FUNDING PRIORITY: High - Finishes a Partially Completed Project



FUNDING SOURCES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant	880,550						880,550
Downtown Strategy	693,231	700,000					1,393,231
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$1,573,781	\$ 700,000	\$ -	\$ -	\$ -	\$ -	\$2,273,781

PROJECT EXPENSES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design	349,399						349,399
Construction	1,224,382	700,000					1,924,382
Other Expenses							-
TOTAL	\$1,573,781	\$ 700,000	\$ -	\$ -	\$ -	\$ -	\$2,273,781

OPERATING IMPACT

ACTIVITY	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -					

PROJECT TITLE: Shea Boulevard Widening - Palisades Boulevard to Technology Drive

PROJECT NUMBER: S6058

PROJECT DESCRIPTION/SCOPE:

Design Concept Report for the design and widening of Shea Boulevard to six lanes from Palisades Boulevard to Technology Drive.

TOWN GOALS

TIMEFRAME: FY19-21

YEAR PROJECT BEGAN: FY18-19

TOTAL ESTIMATED PROJECT COST: \$130,000

PROJECT JUSTIFICATION:

Shea Boulevard is a road of regional significance and has an average daily traffic volume of 26,000 vehicles at Palisades Boulevard. This project is a MAG Proposition 400 project which will provide for 70% of the project funding with a 30% match from the Town. The Design Concept Report will provide for an updated scope of work and cost estimate.

FUNDING PRIORITY: High - Leverage Local Funds



FUNDING SOURCES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Capital Projects	\$ 31,500	\$ 7,500	\$ -	\$ -	\$ -	\$ -	\$ 39,000
Grant	73,500	17,500					91,000
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ 105,000	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ 130,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning	105,000	25,000					130,000
Design							-
Construction							-
Other Expenses							-
TOTAL	\$ 105,000	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ 130,000

OPERATING IMPACT

ACTIVITY	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT TITLE: Sidewalk Infill Program

PROJECT NUMBER: S6061

PROJECT DESCRIPTION/SCOPE:

Construct sidewalks to infill gaps between existing sidewalks; complete full street block sidewalk lengths; connect to existing pedestrian generators (including schools, parks, churches, and commercial areas), and for pedestrian safety (hazard removal, handicap accessibility, curb ramp upgrades, and along arterial streets). Specific project locations will be submitted annually by staff for Town Council consideration.

TOWN GOALS

TIMEFRAME: FY18-24

YEAR PROJECT BEGAN: FY18-19

TOTAL ESTIMATED PROJECT COST: \$1,000,000

PROJECT JUSTIFICATION:

Most pre-incorporation areas within the Town were constructed without any sidewalks, requiring pedestrians to walk in the street. Increased roadway traffic has created safety hazards; and increased pedestrian usage has intensified the hazards. Town funds may be used as matching funds for future sidewalk grant application(s), when available. Some of the funds may be utilized for survey and/or design work, when needed.

FUNDING PRIORITY: High - Finishes a Partially Completed Project



FUNDING SOURCES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Capital Projects	\$ 97,036	\$ 200,000	\$ 200,000	\$ 200,000	\$ 150,000	\$ -	\$ 847,036
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources	150,103						150,103
Unfunded							-
TOTAL	\$ 247,139	\$ 200,000	\$ 200,000	\$ 200,000	\$ 150,000	\$ -	\$ 997,139

PROJECT EXPENSES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning			-				-
Design							-
Construction	247,139	200,000	200,000	200,000	150,000		997,139
Other Expenses							-
TOTAL	\$ 247,139	\$ 200,000	\$ 200,000	\$ 200,000	\$ 150,000	\$ -	\$ 997,139

OPERATING IMPACT

ACTIVITY	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies	2,000	2,000	2,000	2,000	2,000	10,000
Other Impact						-
TOTAL	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 10,000

PROJECT TITLE: Avenue of the Fountains/Verde River Intersection Improvements

PROJECT NUMBER: S6062

PROJECT DESCRIPTION/SCOPE:

Install curbing and landscape improvements.

TOWN GOALS

TIMEFRAME: FY19-21

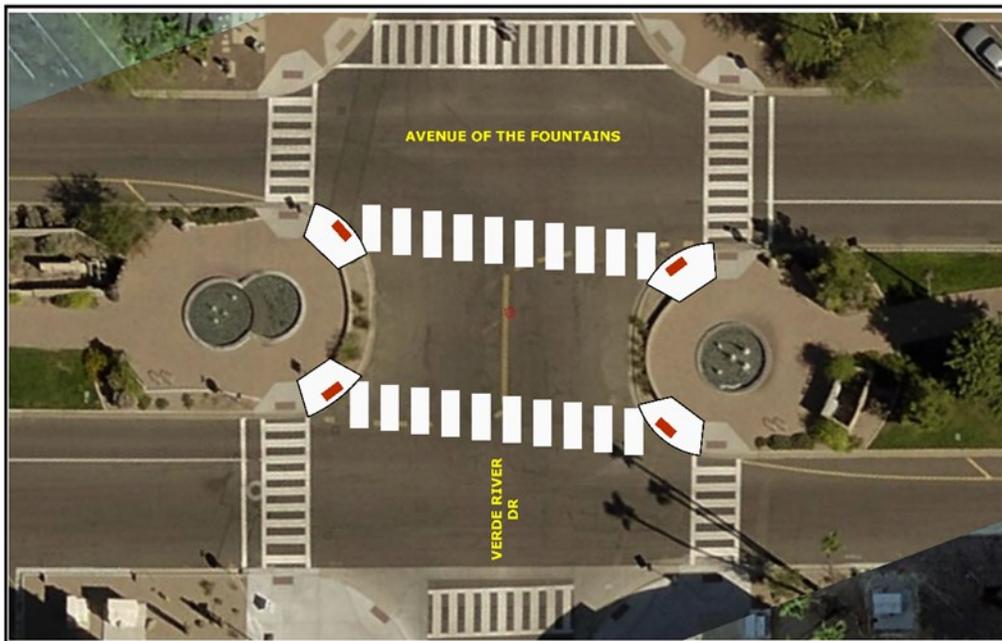
YEAR PROJECT BEGAN: FY19-20

TOTAL ESTIMATED PROJECT COST: \$82,630

PROJECT JUSTIFICATION:

The AOTF and Verde River Intersection has seen an increase in vehicle and pedestrian traffic. A traffic engineering study determined an all way Stop-using LED flashing Stop signs and adding crosswalks to connect the East and West segments of the Park would provide additional safety measures for pedestrian and vehicle traffic.

FUNDING PRIORITY: High - Protects Health & Safety of the Town



FUNDING SOURCES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant							-
Downtown Strategy	7,630	75,000					82,630
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ 7,630	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 82,630

PROJECT EXPENSES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning			-				-
Design	7,630						7,630
Construction		75,000					75,000
Other Expenses							-
TOTAL	\$ 7,630	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 82,630

OPERATING IMPACT

ACTIVITY	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies		2,500	2,500	2,500	2,500	10,000
Other Impact						-
TOTAL	\$ -	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 10,000

PROJECT TITLE: Palisades Median Landscape Improvements

PROJECT NUMBER: S6063

PROJECT DESCRIPTION/SCOPE:

This project will provide the reconstruction of the medians on Palisades Blvd from Golden Eagle to Shea Blvd. New irrigation lines, line of sight issues and the removal/installation of new ground cover will enhance the look from the current natural state to a maintained appearance.

TOWN GOALS

TIMEFRAME: FY20-22

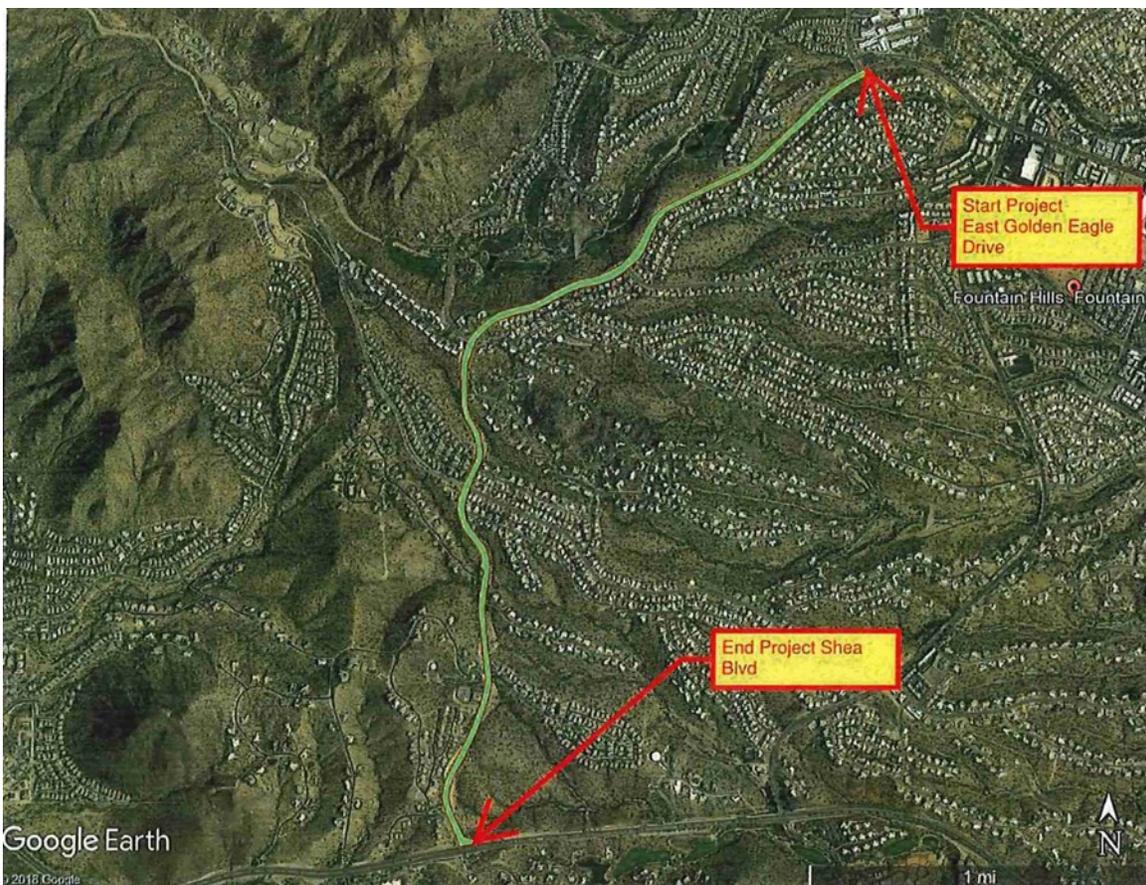
YEAR PROJECT BEGAN: FY20-21

TOTAL ESTIMATED PROJECT COST: \$300,000

PROJECT JUSTIFICATION:

The current condition of the medians in this section are in a natural state leaving broken irrigation lines, line of sight issues for motorists and unsightly sporadic over-sized landscape rock throughout these sections of medians.

FUNDING PRIORITY: Low - Provides an Expanded Level of Service



FUNDING SOURCES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded		150,000	150,000				300,000
TOTAL	\$ -	\$ 150,000	\$ 150,000	\$ -	\$ -	\$ -	\$ 300,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning			-				-
Design		20,000					20,000
Construction		130,000	150,000				280,000
Other Expenses							-
TOTAL	\$ -	\$ 150,000	\$ 150,000	\$ -	\$ -	\$ -	\$ 300,000

OPERATING IMPACT

ACTIVITY	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies		7,000	7,000	7,000	7,000	28,000
Other Impact						-
TOTAL	\$ -	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 28,000

PROJECT TITLE: Desert Vista Park Crosswalk

PROJECT NUMBER: S6064

PROJECT DESCRIPTION/SCOPE:

Installation of a crosswalk across Saguario Blvd to allow for pedestrian access to Desert Vista Park.

TOWN GOALS

TIMEFRAME: FY20-22

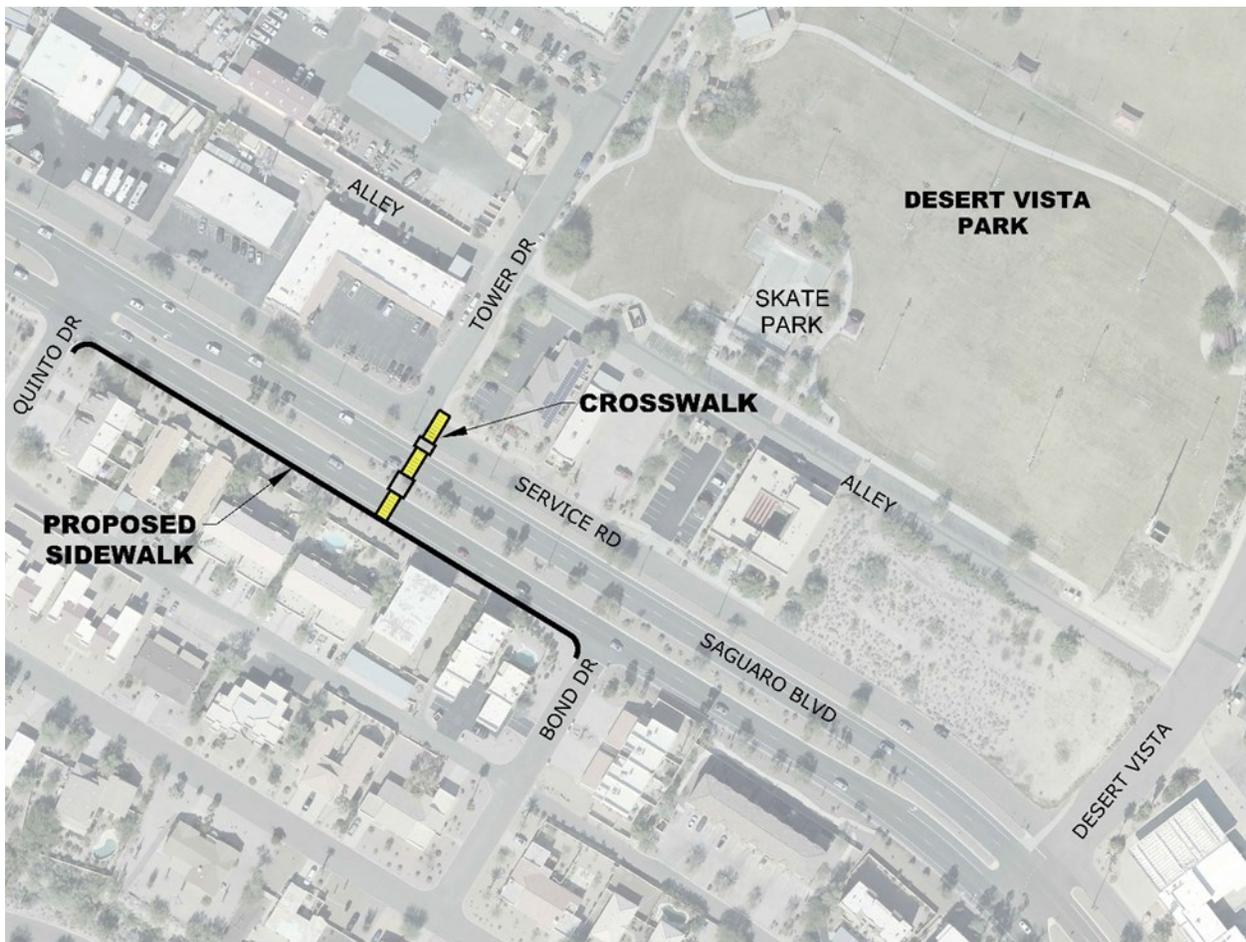
YEAR PROJECT BEGAN: FY20-21

TOTAL ESTIMATED PROJECT COST: \$280,000

PROJECT JUSTIFICATION:

Desert Vista Park currently has no pedestrian access. As it is located in an industrial area, there are very few homes that can access the park without a vehicle. Currently there are no crosswalks between Shea Blvd and El Lago Blvd to allow residents west of Saguario to access the park. (Roughly three miles) An added crosswalk would allow for increased usage for all ages as well as provide a safe crossing point.

FUNDING PRIORITY: Medium - Results in Increased Efficiency



FUNDING SOURCES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Capital Projects	\$ -	\$ 100,000	\$ 180,000	\$ -	\$ -	\$ -	\$ 280,000
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ 100,000	\$ 180,000	\$ -	\$ -	\$ -	\$ 280,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning			-				-
Design		50,000					50,000
Construction		50,000	180,000				230,000
Other Expenses							-
TOTAL	\$ -	\$ 100,000	\$ 180,000	\$ -	\$ -	\$ -	\$ 280,000

OPERATING IMPACT

ACTIVITY	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT TITLE: Palisades Boulevard and Eagle Ridge/Palomino Drive
Traffic Signal

PROJECT NUMBER: T5005

PROJECT DESCRIPTION/SCOPE:

Provide for design and construction of a traffic signal at the intersection of Palisades Boulevard and Eagle Ridge Drive/Palomino Drive.

TOWN GOALS

TIMEFRAME: FY21-22

YEAR PROJECT BEGAN: FY19-20

TOTAL ESTIMATED PROJECT COST: \$550,000

PROJECT JUSTIFICATION:

With the Adero Canyon development and anticipated expansion of the CopperWynd Resort on Eagle Ridge Drive, traffic signal warrants at the intersection of Palisades Boulevard and Eagle Ridge Drive/Palomino Drive are anticipated to be met based on the CopperWynd Resort traffic study. Once traffic signal warrants are met, the design and construction of a traffic signal at the intersection will provide for a more efficient flow of traffic.

FUNDING PRIORITY: Medium - Results in Increased Efficiency



FUNDING SOURCES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Capital Projects	\$ -	\$ 50,000		\$ -	\$ -	\$ -	\$ 50,000
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded			500,000				500,000
TOTAL	\$ -	\$ 50,000	\$ 500,000	\$ -	\$ -	\$ -	\$ 550,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design		50,000					50,000
Construction			500,000				500,000
Other Expenses							-
TOTAL	\$ -	\$ 50,000	\$ 500,000	\$ -	\$ -	\$ -	\$ 550,000

OPERATING IMPACT

ACTIVITY	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies		5,000	5,000	5,000	5,000	20,000
Other Impact						-
TOTAL	\$ -	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 20,000



Internal Service Funds

Facilities Replacement Fund
Technology Replacement Fund
Vehicle Replacement Fund

Facilities Replacement Fund

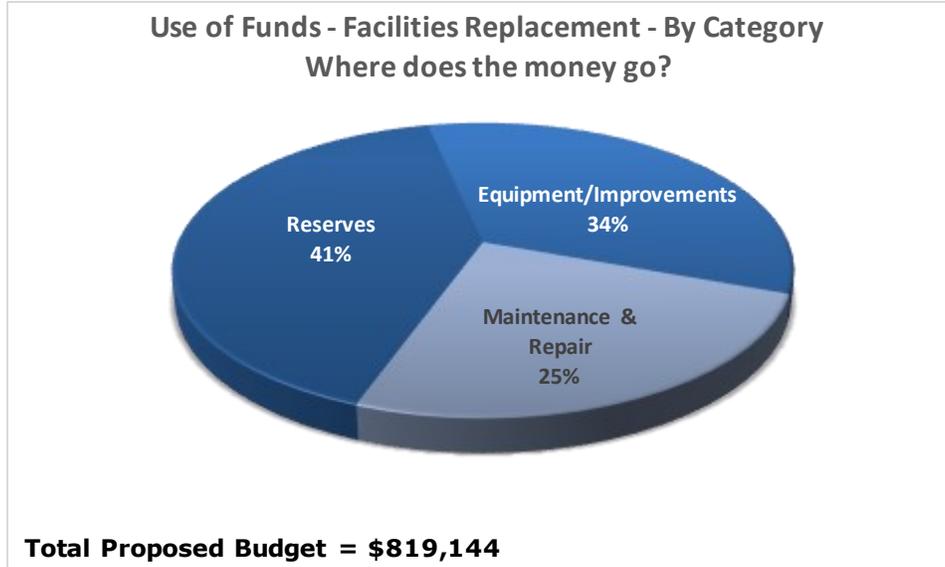
Service Delivery Plan

The Facilities Replacement Fund has been established to cover replacement costs for large scale items that cannot be absorbed in annual operating budgets. These items include, but are not limited to, roofing, interior and exterior building painting, carpet replacement, physical plant mechanical equipment, Fire Department equipment and parks and recreation structures.

Program Name	Expenditures by Program			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Administration	\$ 163,759	\$ 437,028	\$ 819,144	\$ 819,144
Total	\$ 163,759	\$ 437,028	\$ 819,144	\$ 819,144

Category	Expenditures by Category			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Maintenance & Repair	\$ -	\$ -	\$ 206,690	\$ 206,690
Equipment/Improvements	163,759	437,028	278,243	278,243
Reserves	-	-	334,211	334,211
Total	\$ 163,759	\$ 437,028	\$ 819,144	\$ 819,144

Program Name	Operating Results			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Total Revenues	\$ 22,675	\$ 48,011	\$ 7,200	\$ 7,200
Total Expenses	163,759	437,028	819,144	819,144
Total	\$ (141,084)	\$ (389,017)	\$ (811,944)	\$ (811,944)



**FY20-21 Proposed Budget
Summary of Expenditures
Facilities Replacement Fund**

Description	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Facilities Replacement Fund				
HVAC Repair	\$ -	\$ -	\$ 10,000	\$ 10,000
Painting	-	-	196,690	196,690
Equipment	-	195,956	41,200	41,200
Park Improvements	163,759	241,072	237,043	237,043
Reserves	-	-	334,211	334,211
Total Facilities Replacement Fund	<u>\$ 163,759</u>	<u>\$ 437,028</u>	<u>\$ 819,144</u>	<u>\$ 819,144</u>

Technology Replacement Fund

Service Delivery Plan

The Technology Replacement Fund has been established to cover replacement costs for large scale items that cannot be absorbed in annual operating budgets. These items include, but are not limited to, printers, servers, plotters, workstations, phones and phone system, and audio video equipment.

Program Name	Expenditures by Program			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Operational Support	\$ -	\$ -	\$ -	\$ 25,000
Total	\$ -	\$ -	\$ -	\$ 25,000

Category	Expenditures by Category			
	FY17-18 Actual	FY18-19 Actual	FY19-20 Revised Budget	FY20-21 Proposed Budget
Equipment/Improvements	\$ -	\$ -	\$ -	\$ 20,000
Reserves	-	-	-	5,000
Total	\$ -	\$ -	\$ -	\$ 25,000

Vehicle Replacement Program

Vehicle Replacement Program (VRP) Policy and Procedures

Objective

To provide a policy and procedures for the development and implementation of the Town of Fountain Hills' multi-year Vehicle Replacement Program (VRP).

Scope

This policy applies to all vehicles owned by the Town of Fountain Hills that meet the definition detailed in the Definitions section.

Policy

The purpose of the Vehicle Replacement Program is to provide an authoritative decision-making process for the evaluation, selection, and multi-year scheduling of vehicle replacements based on a projection of available fiscal resources and the vehicle's age, mileage, engine hours and repair costs. The objectives of the program are to:

- a) Ensure the timely purchase, repair and replacement of the Town's vehicles;
- b) Serve as a link in the Town's planning between the Town's operating and capital budgets;
- c) Maintain control over the Town's long-term cash flow in relation to the Town's financial capacity; and
- d) Ensure efficient, effective and coordinated vehicle acquisition and replacement.

Definitions

The following words, when used in connection with this policy, shall have the following meanings:

VEHICLE REPLACEMENT PROGRAM: A multi-year planning document that is the product of a systematic evaluation of vehicle utilization, repair and maintenance. This plan serves as a guide for the efficient and effective replacement of vehicles, outlining a detailed timeline and financing schedule of vehicle replacement.

VEHICLE: A vehicle is defined in financial terms as a piece of rolling stock with a projected final cost of at least \$10,000, or \$1,000 if maintained as a stewardship item, and a useful life of at least 7 years. Vehicles shall be subdivided into various classifications, using gross vehicle weight rating standards (GVWR) when appropriate, as follows (listed alphabetically):

- Gator or Similar
- Heavy Duty Trucks (commercial truck classes 7 and 8: over 26,000 GVWR (includes Dump Trucks)
- Ladder Trucks
- Light Duty Trucks (commercial truck classes 1, 2 and 3: 0 – 14,000 lb. GVWR)
- Medium Duty Trucks (commercial truck classes 4, 5 and 6: 14,001 – 26,000 GVWR)
- Pumper Trucks
- Sedans

- Small Utility Equipment (includes Bunker Rakes)
- Street Sweepers
- SUV (Sports Utility Vehicles)
- Tractors/Loaders (includes Backhoes and Graders)
- Trailers

Process

A. Schedule: Annually, the Public Works Director and Finance Director will submit an updated VRP to the Town Manager for review in each fiscal year. The Town Manager will review the proposal and forward the approved VRP to the Finance Director for inclusion in the Town's budget proposal.

B. Format: The Public Works Director will utilize the previous year's approved VRP as the base for developing recommended additions, deletions, or changes for incorporation in the updated VRP for the coming year. All new (not replacement) vehicle requests will also include a comprehensive estimate of the impact of the new vehicle on the Town's annual operating budget; e.g., fuel, maintenance requirements, etc.

C. Finance Review: The Finance Director will assist the Public Works Director as necessary in all facets of the Vehicle Replacement Program development and review including production of cost estimates, as well as an overall financial analysis of the proposed program. Additional assistance may be requested to help produce draft documents, etc.

D. Town Manager Review: The Public Works Director will provide a copy of the proposed VRP document to the Finance Director and Town Manager for review and comment. Following approval by the Town Manager the VRP will be incorporated into the budget proposal for the coming year.

E. Implementation: Upon adoption of the VRP in the operating budget, vehicles included within the applicable budget year may be purchased by the Public Works Director, or his/her designee, in compliance with the Town's Procurement Policy.

F. Amendments: The adopted VRP may be amended upon recommendation of the Public Works Director and approval of the Town Manager and Town Council.

Procedure

A. Form: A New Vehicle Request form shall be utilized to request inclusion of a new (not replacement) vehicle in the Vehicle Replacement Program. Department Directors may request the addition of a new vehicle or transfer between departments to the VRP by submitting their request to the Public Works Director as part of the budget process.

The Public Works Director shall include these requests in the VRP that is submitted to the Finance Director and Town Manager.

B. Funding Prioritization: As part of the VRP development process, the Public Works Director shall create vehicle replacement priorities to help determine the vehicle replacement schedule which will be incorporated in the upcoming fiscal year budget.

The following guidelines shall be utilized (listed alphabetically):

- Gator or Similar 7 years/15,000 hours
- Heavy Duty Trucks 15 years/125,000 miles
- Ladder Trucks 15 years/120,000 miles
- Light Duty Trucks 10 years/100,000 miles
- Medium Duty Trucks 12 years/125,000 miles
- Pumper Trucks 15 years/120,000 miles
- Sedans 10 years/100,000 miles
- Small Utility Equipment 7 years/15,000 engine hours
- Sweepers 8 years/75,000 miles
- SUV (Sports Utility Vehicles) 10 years/100,000 miles
- Tractors/Loaders 20 years/15,000 engine hours
- Trailers 10 years

In addition to the factors listed previously, the Public Works Director, or his/her designee, shall also review the utilization, maintenance records of the vehicles, downtime and the overall condition of the vehicles when making recommendations for replacement.

C. Funding Sources: The primary funding sources for the VRP are the General Fund and Streets (HURF) Fund. Revenues for the Vehicle Replacement Fund will also be generated from charges within the operating funds that support the departments that utilize the subject vehicles; charges will be calculated based on replacement cost and updated annually. Vehicles will be replaced according to the schedule and based on model year. Surplus sale proceeds and insurance claim proceeds will also be deposited to the Vehicle Replacement Fund to help offset future vehicle costs.

D. Vehicle Disposal: At least once annually, the Public Works Director, or his/her designee, shall prepare a list of vehicles to be retired from the Town's fleet based on the replacement schedule. At the discretion of the Public Works Director and based on a recommendation from the fleet mechanic, early retirement of a vehicle with excessive maintenance may be recommended. Excessive maintenance is defined as repair costs that exceed 40% of the vehicle value in a twelve-month period.

The Town Manager shall authorize the sales of these vehicles at auction by signing over the vehicle title(s). The Public Works Director, or his/her designee, shall then transport the vehicles to the auctioneer and shall be responsible to insure that the auction proceeds are submitted to the Finance Division for deposit to the Vehicle Replacement Fund.

Responsibility for Enforcement

The Town Manager, Finance Director and Public Works Director will be responsible for ensuring that this policy is followed and/or updated as necessary.

Fiscal Year 20-21 Vehicle Replacement Recommendation

During FY12-13, the Vehicle Replacement Program was updated with changes to the life of some vehicles and elimination of vehicles no longer utilized; the revised Program was presented and approved by the Town Council. Therefore, for FY20-21, one new vehicle is budgeted for vehicle replacement incorporating the revised schedules.

Attachment A



New Vehicle Request Form

Information

Employee Name: _____
Department/Division: _____
Total Purchase Price: _____

Type of Vehicle Requested:

<input type="checkbox"/> Sedan/SUV	<input type="checkbox"/> Loader/Grader/Tractor Utility Vehicle	<input type="checkbox"/> Medium/Heavy Duty Truck	<input type="checkbox"/> Ladder/Pumper Truck
<input type="checkbox"/> Light Duty Truck	<input type="checkbox"/> /Bunker Rake	<input type="checkbox"/> Dump Truck	<input type="checkbox"/> Other _____

Date Needed by: _____ Budgeted: _____ Account Code: _____
ORG Object

Reason for Purchase:

Department Director Signature *Date*

Finance Approval

- Approved
- Rejected

Comments:

Finance Director/Procurement Agent Signature *Date*

Vehicle Replacement Interfund Charges

ORG	Vehicle No.	Description	Mod Year	Replacement Cost	FY20-21
DVSBS	164	Chevy Equinox	2017	\$30,624	\$3,062
DVSCODE	160	Ford F-150	2017	\$34,828	\$3,483
DVSCODE	157	Ford F-250 Supercab W/Lights	2014	\$32,230	\$3,223
FDOP	172-(E822)	Spartan	2014	\$665,724	\$44,382
FDOP	173-(E823)	Crimson	2008	\$496,928	\$33,129
FDOP	180-(E823)	Rosenbauer Pumper	2020	\$691,660	\$46,111
FDOP	175-(S822)	Ford F550 4x4 (V0822)	2012	\$121,640	\$10,137
FDOP	171-(L822)	Rosenbauer	2018	\$1,266,278	\$84,419
FDOP	174-(S823)	Ford F550 4x4	2013	\$48,418	\$4,035
FDAD	176-(DC823)	Ford F150 Supercab	2011	\$35,142	\$3,514
FDAD	177-(DC822)	Ford F150 Supercab	2019	\$69,240	\$6,924
FPOP	21	Bobcat	2016	\$14,858	\$2,123
FPOP	162	Ford F-250 Pickup	2017	\$36,373	\$3,637
DVOP	25	Toro Workman GTX 07042	2019	\$10,435	\$1,491
DVOP	168	Ford F-150 Pickup	2018	\$33,177	\$3,318
4POP	23	Toro Workman GTX 07042	2019	\$10,435	\$1,491
4POP	SS1	Tenant Sweeper	2013	\$51,989	\$6,499
GEPOP	26	Sand Pro 3040	2019	\$21,475	\$3,068
GEPOP	22	Toro Workman HDX	2019	\$34,606	\$4,944
GEPOP	24	Toro Workman GTX 07042	2019	\$10,435	\$1,491
GEPOP	14	Kubota KU	2007	\$40,416	\$2,021
GEPOP	159	Ford F-150	2016	\$33,649	\$3,365
GEPOP	M-1	Kubota	2014	\$19,243	\$2,749
PKAD	169	Ford F-150	2018	\$33,177	\$3,318
CSAD	165	Chevy Equinox	2017	\$30,624	\$3,062
FACAD	158	Ford F-250 Pickup W/Liftgate	2014	\$29,366	\$2,937
PWADMIN	163	Chevy Colorado	2017	\$34,485	\$3,448
PWINSP	154	Ford F-150 Pickup W/Lights	2013	\$33,270	\$3,327
STAD	155	Ford F-250 Pickup W/Lights	2014	\$29,314	\$2,931
STOPEN	161	Ford F-150	2017	\$38,728	\$3,873
STPAVE	420F	Caterpillar 420F Backhoe Loader	2019	\$194,058	\$9,703
STPAVE	179	Ford F-750 Dump Truck	2019	\$112,805	\$7,520
STSIGN	178	Ford F-250 w/Utility Bed	2019	\$58,518	\$4,877
STPAVE	27	Caterpillar Loader with Gannon	2020	\$143,124	\$7,156
STPAVE	28	Broce Broom	2020	\$85,951	\$10,744
STPAVE	156	Ford F-250 Pickup W/Lights	2014	\$29,314	\$2,931
STPAVE	(5085M)	John Deere 5085M Tractor	2013	\$88,496	\$4,425
STVEH	20	Bobcat	2013	\$9,124	\$0
GENAD	167	Chevy Impala	2017	\$26,157	\$2,616
GENAD	166	Chevy Equinox	2017	\$30,624	\$3,062
TOTAL					\$354,542

Schedules

Comprehensive Fee Schedule Effective July 1, 2020

Description	Proposed Fee FY20-21
MISCELLANEOUS FEES	
Services	
Notarization	\$2.00 per signature
Affix Town Seal	\$2.00 each
Faxing Service - Local Only	\$2.00 First Page, \$.50 Each Additional Page
Faxing Service - Long Distance	\$3.00 First Page, \$.50 Each Additional Page
Email Document Service	\$0.00
Returned Check Fee	\$30.00
Incoming Wire Transfer Fee	\$35.00
ActiveNet Transaction Fee	\$2.50 per transaction
Convenience Fee - credit card payment	\$3.00 per transaction
Art Commission	20% of selling price
Campaign Fees	
Pro/Con Argument Fee	\$100.00
Campaign Finance - Late Filing Fee	\$10.00 per business day (per ARS 16-918)
Copies - Non - Commercial	
Photocopies (B&W) 8 1/2 x 11	\$.25 per page
Photocopies (B&W) 8 1/2 x 14	\$.30 per page
Photocopies (B&W) 11 x 17	\$.40 per page
Photocopies (Color) 8 1/2 x 11	\$.50 per page
Photocopies (Color) 8 1/2 x 14	\$.60 per page
Photocopies (Color) 11 x 17	\$.70 per page
Copies - Commercial	
Photocopies (B&W) 8 1/2 x 11	\$.50 per page
Photocopies (B&W) 8 1/2 x 14	\$.60 per page
Photocopies (B&W) 11 x 17	\$.80 per page
Photocopies (Color) 8 1/2 x 11	\$1.00 per page
Photocopies (Color) 8 1/2 x 14	\$1.20 per page
Photocopies (Color) 11 x 17	\$1.40 per page
Documents (CD Only)	
Town Code	\$25.00 each
Zoning Ordinances	\$25.00 each
Subdivision Code	\$25.00 each
CAFR (Annual Financial Report)	\$25.00 each
Annual Budget	\$25.00 each
Land Use Analysis	\$25.00 each
Council Meeting	\$25.00 each
Other Materials	\$25.00 each
Reports	
License Report (Non - Commercial Use)	\$25.00 (CD or hard copy)
License Report (Commercial Use)	\$50.00 (CD or hard copy)
Adopt A Street	
Fee, per sign	\$30.00

Comprehensive Fee Schedule
Effective July 1, 2020

Description	Proposed Fee FY20-21
MISCELLANEOUS FEES (CONT.)	
Maps	
8 1/2" x 11" (B&W)	\$0.50
8 1/2" x 11" (Color)	\$2.00
8 1/2" x 11" (Photo)	\$3.00
11" x 17" Street/Index Map "Typical" (B&W)	\$6.00
11" x 17" Street/Index Map "Typical" (Color)	\$8.00
11" x 17" Aerial Site Plan (Photo)	\$20.00
24" x 36" Custom Map (B&W)	\$20.00
24" x 36" Custom Map (Color)	\$30.00
36" x 36" Bldg/Plat/Zoning Map (B&W)	\$30.00
36" x 36" Bldg/Plat/Zoning Map (Color)	\$40.00
60" x 60" Street/Bldg/Develop/Plat/Plot (B&W)	\$50.00
60" x 60" Street/Bldg/Develop/Plat/Plot (Color)	\$80.00
Map Book	\$25.00
DOG LICENSE	
Non - neutered dog	\$0.00
Spayed/Neutered dog	\$0.00
Over 65 with neutered dog	\$0.00
Service Dog	\$0.00
Replacement Dog Tag	\$0.00
Late fee neutered dog (per month)	\$0.00
Late fee non - neutered dog (per month)	\$0.00
BUSINESS LICENSE FEES	
Providers of services, wholesalers and manufacturers with a fixed place of business within the town limits	\$50.00/application and first year fee - non-refundable
Retail merchants, restaurants, bars, contractors and renters of real and personal property with a fixed place of business within the town limits and persons engaging in the sale of real estate	\$50.00/application and first year fee - non-refundable
Wholesalers, manufacturers and providers of services without a fixed place of business within	\$50.00/application and first year fee - non-refundable
Retail merchants, etc. (as above) without a fixed place of business within the town limits	\$50.00/application and first year fee - non-refundable
Annual renewal fee for business within the town limits	\$35.00 - non-refundable
Annual renewal fee for business without a fixed place of business within the town limits	\$50.00 - non-refundable
Late fee for renewal of business license fee	25% of renewal fee
Penalty for operating a business without a license	\$100.00

Description	Proposed Fee FY20-21
BUSINESS LICENSE FEES (CONT.)	
Peddlers, solicitors and mobile merchants	\$250.00/calendar quarter or fraction thereof - non-refundable
Peddler investigation fee (per person)	\$41.00 - non-refundable
Promoters of entertainments, circuses, bazaars, etc., who receive a percentage of receipts or other consideration for their services. Each such promoter shall also obtain liability insurance of a minimum of \$1 million naming the Town as insured.	\$100.00/week
Animal Show	\$100.00/week
Circus Parade Only	\$50.00/day
Handbill Distributor	\$10.00/day
Amusement Company, such as ferris wheel, merry - go - round, etc., not part of a circus. Tent Show. Wrestling Exhibition. Road Show, Carnival or Circus.	\$100.00/day
Practice of palmistry, phrenology, astrology, fortune telling, mind reading, clairvoyancy, magic or any healing practices not licensed by the State of Arizona, or any similar calling	\$50.00/day
Duplicate Business License	\$10.00 - non-refundable
Verification of License Letter	\$10.00 - non-refundable
FALSE ALARM SERVICE CHARGES (PER CALENDAR YEAR)	
First and second	None
Third	\$50.00
Fourth	\$75.00
Fifth and Sixth	\$100.00
Seventh or more	\$200.00 each
ALARM SYSTEM LICENSE PERMIT	
License fee	\$25.00/annually - non-refundable
WIRELESS COMMUNICATIONS (CELL TOWER ON TOWN PROPERTY)	
Lease Agreement Application Fee, each location	\$250.00, per location - non-refundable
Amendments to Cell Tower Lease Agreements	\$250.00, per location - non-refundable
Small Cell Wireless Facilities: (all fees are non-refundable)	
ROW Use Fee	\$50.00/year x number of small wireless facilities
Authority utility pole attachment	\$50.00/year per utility pole attachment
Small Wireless Facilities (SWF) collocation	\$100.00 per SWF up to five
Small Wireless Facilities (SWF) collocation	\$50.00 for SWF over five
Batched applications for up to 25 SWF's	\$100.00 per SWF up to five (at \$100 each) (\$500 maximum fee)
Batched applications for up to 25 SWF's	\$50.00 per SWF 6 - 20 sites (\$1,000 maximum fee)
Applications for new, replacement or modified utility poles NOT subject to zoning review	Not to Exceed \$750.00
Applications for new, replacement or modified utility poles and collocation of wireless facilities subject to zoning review	Not to Exceed \$1,000.00

Comprehensive Fee Schedule
Effective July 1, 2020

Description	Proposed Fee FY20-21
SPECIAL EVENT PERMITS	
Special Event Permits - Food/Event Vendors	
Application Fee - Local (Fountain Hills) Business	\$100.00 - non-refundable
Application Fee - Non-Local Business	\$350.00 - non-refundable
Special Event Permits - Business	
Application Fee - Business (If submitted at least 60 days prior to the event date)	\$100.00 - non-refundable
Application Fee - If submitted 59 days or less prior to the event date	\$300.00 - non-refundable
Permit Fee	\$50.00 per day (not to exceed \$400.00)
Special Event Permits - Non-Profit	
Application Fee - Charitable Organization (If submitted at least 60 days prior to the event date)	\$50.00 - non-refundable
Application Fee - If submitted 59 days or less prior to the event date	\$200.00 - non-refundable
Permit Fee	\$25.00 per day (not to exceed \$200.00)
Special Event Permits - Extra Fees	
Special Event Liquor Application Fee	See alcohol license application fees - non-refundable
Utility Fees	Actual cost of usage
Park/Open Space Fees, including Amphitheater, Avenue of the Fountains Plaza, Great Lawn, Centennial Circle and other lawns - Event with less than 5,000 attendance	\$2,500.00/day
Park/Open Space Fees, including Amphitheater, Avenue of the Fountains Plaza, Great Lawn, Centennial Circle and other lawns - Event with more than 5,000 attendance	\$3,500.00/day
Special Event Permits - Deposit Fees	
Events with less than 1,000 attendance	\$500.00
Events with 1,000 - 1,999 attendance	\$1,000.00
Events with 2,000 - 5,000 attendance	\$2,500.00
Events with over 5,000 attendance	\$5,000.00
Special Event Permit Fees - Road Closure Admin Fees	
Events with less than 1,000 attendance	\$500.00
Events with 1,000 - 1,999 attendance	\$750.00
Events with 2,000 - 5,000 attendance	\$1,000.00
Events with over 5,000 attendance	\$1,500.00
Special Event Permit Fees - Vendor Compliance Fine	
First time penalty	\$250.00
Recurring penalty	\$750.00
Film permit application	\$50.00 non-refundable

Description	Proposed Fee FY20-21
ALCOHOL LICENSE APPLICATION	
Person Transfer Fee	\$150.00 - non-refundable
Location Transfer Fee	\$150.00 - non-refundable
Probate/Will Assignment/Divorce Decree	\$150.00 - non-refundable
Extension of Premise	\$50.00 - non-refundable
Sampling Permit	\$50.00 - non-refundable
Acquisition of Control/Restructure/Agent Change	\$100.00 - non-refundable
Initial/Interim Application Fee	
01 - In State Producer	\$500.00 - non-refundable
02 - Out of State Producer	\$500.00 - non-refundable
03 - Domestic Microbrewery	\$500.00 - non-refundable
04 - In State Wholesaler	\$500.00 - non-refundable
05 - Government	\$500.00 - non-refundable
06 - Bar, All Spirituous Liquors	\$500.00 - non-refundable
07 - Beer & Wine Bar	\$500.00 - non-refundable
08 - Conveyance	\$500.00 - non-refundable
09 - Liquor Store	\$500.00 - non-refundable
10 - Beer & Wine Store	\$500.00 - non-refundable
11 - Hotel/Motel	\$500.00 - non-refundable
12 - Restaurant	\$500.00 - non-refundable
13 - Domestic Farm Winery	\$500.00 - non-refundable
14 - Private Club	
15 - Special Event	\$25.00 - non-refundable
16 - Wine Festival/Wine Fair	\$25.00 - non-refundable
ADULT ORIENTED BUSINESS LICENSE	
Application Fee - Business	\$500.00 - non-refundable
Application Fee - Provider	\$100.00 - non-refundable
Application Fee - Manager	\$100.00 - non-refundable
Application Fee - Employee (per person)	\$50.00 - non-refundable
License Fee - annual - Business	\$200.00 - non-refundable
License Fee - annual - Provider	\$100.00 - non-refundable
License Fee - annual - Manager	\$100.00 - non-refundable
CABLE LICENSE	
Initial License Application	\$2,500.00 - non-refundable
Transfer of ownership	\$2,000.00 - non-refundable
License modification, pursuant to 47 USC Sec 545	\$2,500.00 - non-refundable
Other License modification	up to \$2000.00 - non-refundable
License fee - quarterly	5% of gross receipts
Late fee (after 30 days)	5% plus interest of 1 1/2% per month

Comprehensive Fee Schedule
Effective July 1, 2020

Description	Proposed Fee FY20-21
EXCAVATIONS/IN - LIEU FEES	
Base fee (per excavation)	\$250.00 plus:
Trench cut fees:	
Newly paved or overlaid 0 - 1 yrs.	\$55.00 per lineal feet
Newly paved or overlaid 1 - 2 yrs.	\$45.00 per lineal feet
Newly paved or overlaid 2 - 3 yrs.	\$35.00 per lineal feet
Newly paved or overlaid 3 - 4 yrs.	\$25.00 per lineal feet
Newly paved or overlaid 4 - 5 yrs.	\$15.00 per lineal feet
Newly paved or overlaid 5 - 6 yrs.	\$10.00 per lineal feet
Slurry or chip sealed 0 - 2 years	\$4.00 per lineal feet
Pavement replacement greater than 300 feet in length	\$2.50 per square yard
Utility Pit fees:	
Newly paved or overlaid 0 - 1 yrs.	\$5.00 per square feet
Newly paved or overlaid 1 - 2 yrs.	\$4.50 per square feet
Newly paved or overlaid 2 - 3 yrs.	\$3.50 per square feet
Newly paved or overlaid 3 - 4 yrs.	\$2.50 per square feet
Newly paved or overlaid 4 - 5 yrs.	\$1.50 per square feet
Newly paved or overlaid 5 - 6 yrs.	\$1.00 per square feet
Slurry or chip sealed 0 - 2 years	\$5.00 per square feet
Adjustment (MH, valve, monument, etc.)	\$500.00 each
Striping	\$.55 per linear feet
Lane Markers	\$150.00 each
Stop Bars	\$2.50 per square feet
Crosswalks	\$.79 per square feet
RPMs	\$7.00 each
Seal-Coat	\$2.00 per square yard
ENCROACHMENT/ENGINEERING PERMITS	
Base Permit Fee	\$70.00 - non-refundable
2"/6" Paving A.C.	\$.35 per square yard
1" Paving - Overlay or Top Course	\$.15 per square yard
1" ABC or Select Subbase	\$.05 per square yard
Permanent Barricading	\$25.00 each
Guard Rail/Hand Rail	\$.20 per linear feet
Survey Monuments	\$10.00 each
Concrete Aprons	\$15.00 each
Scuppers	\$15.00 each
Review for Adjustments MH, etc.	\$10.00 each
4" Paving - PC Concrete	\$.22 per square yard
Decorative Sidewalk or Paving	\$.30 per linear feet
Sidewalk & Bike path	\$.30 per linear feet
Curb & Gutter	\$.20 per linear feet
Valley Gutter	\$.50 per linear feet
Sign (regulator, street etc.)	\$5.00 each
Pavement Cuts	\$2.00 per linear feet
Driveway/Driveway Modifications	\$30.00 each
Utility, Water Line, Sewer Line Trench	\$.15 per linear feet
Drywells (maxwell or similar)	\$100.00 each
Storm Drain Pipe	\$2.00 per linear feet
Catch Basins, Headwells	\$50.00 each

Description	Proposed Fee FY20-21
ENCROACHMENT/ENGINEERING PERMITS (CONT.)	
Cutoff Walls	\$.35 per linear feet
Slope Protection	\$.30 per square yard
Rip Rap	\$.90 square feet
Retaining Wall	\$1.53 per linear feet
Cut/Fill (Materials Moved)	\$.40 per cubic yard
Box Culverts	5% of attached estimate
Miscellaneous	5% of attached estimate
Landscaping	5% of attached estimate
Irrigation	5% of attached estimate
Lighting	5% of attached estimate
Grading	5% of attached estimate
Utility Splice/Repair Pits (outside pvmt)	\$2.00 square feet (minimum \$50.00)
Other	5% of attached estimate
In Lieu Payments	Calculated for cuts greater than 300 feet in length - per MAG section 336
Traffic Control Plan Review	\$200.00
Engineering Plan Review Fee	\$350.00 per sheet
Failure to obtain an Encroachment Permit	\$200.00
Failure to obtain a Final Inspection	\$100.00
Reinspection Fee	\$150.00
Investigation Fee for Work Done Without Permit	\$250.00 or the permit fee, whichever is greater, but not to exceed \$2,500.00 for every day or a portion of a day from the time unpermitted work began until a permit is obtained.
Oversize/Overweight Vehicle Permit	\$210.00
Haul Route Permit (greater than or equal to 500 cubic yards)	\$210.00
Failure to barricade or improper barricading	Up to \$1,000.00
Permit Extension	\$50.00
Penalty for work w/o permit	50% of Permit Fee
Minimum Plan Review	\$70.00 per hour (1 - hour Minimum)
ENVIRONMENTAL FEE	
Environmental fee:	
per residential solid waste account	\$3.00 per month per parcel; billed \$36.00 annually
per multifamily solid waste account (with a range for number of units)	to be determined
commercial solid waste accounts (license fee and/or cost per commercial account)	to be determined
late fee for paying the environmental fee	\$5.00 per month up to a maximum of \$35.

Comprehensive Fee Schedule
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Description	Proposed Fee FY20-21
DEVELOPMENT SERVICES FEES	
Easement or Right-of-Way Abandonment	\$350.00
Hillside Protection Reconfiguration and/or Replacement of Hillside Protection Easement	\$350.00
Revocation Administrative Fee	\$300.00
Engineering Plan Review Fee	\$350.00 per sheet
Final Plat Improvement: Plan Checking	\$350.00 per sheet (includes 2nd and 3rd reviews)
Except water and sewer plans	\$175.00 per sheet (includes 2nd and 3rd reviews)
Water and sewer plans only	\$200.00 per sheet with corrections (4th+ reviews); \$75.00 per sheet for addendums (changes made afeeter approval).
Engineering Report/Calculations Review Fee (Drainage, Environmental, Traffic, Structural, Water, Sewer, etc.)	\$350.00 per report
New/Address Change	\$25.00
DEVELOPMENT FEES	
Single Family Residential	\$3,974.00
Multi - Family Residential	\$2537.00/dwelling
Commercial	\$3.82/square feet
Office	\$2.45/square feet
Institutional	\$2.86/square feet
Industrial	\$1.29/square feet
Fee Detail (From Above)	
Park & Recreation	
Single Family	\$1,916.00
Multi - Family	\$1,479.00
Commercial	\$0.81/square feet
Office	\$1.03/square feet
Institutional	\$0.32/square feet
Industrial	\$0.56/square feet
Fire and Emergency	
Single Family	\$122.00
Multi - Family	\$94.00
Commercial	\$0.14/square feet
Office	\$0.18/square feet
Institutional	\$0.06/square feet
Industrial	\$0.10/square feet
Streets	
Single Family	\$1,935.00
Multi - Family	\$964.00
Commercial	\$2.86/square feet
Office	\$1.24/square feet
Institutional	\$2.48/square feet
Industrial	\$0.63/square feet

Description	Proposed Fee FY20-21
PLANNING & ZONING FEES	
Administrative Use Permit/Grand Opening Sign	\$25.00
Appeal of a Decision by the Zoning Administrator	\$1,000.00 plus notification *^
Area Specific Plans and amendments	\$3,000.00 plus \$ 100.00 per acre ^
Comprehensive Sign Plans and amendments	\$200.00
Commercial/Industrial/Multi-Family Site Plan Review	\$500.00 plus \$200.00 for every 5,000 square feet or portion thereof ^
Condominium Plats	\$1,500.00 plus \$50.00 per unit ^
Continuance at Applicant Request	\$250.00
Cut & Fill Waiver	\$300.00
Development Agreements	\$5,000.00 plus \$100 per acre or portion thereof
Development Agreements - Amendment	\$5,000.00
Final Plats	\$1,500.00 plus \$ 50.00 per lot, unit or tract ^
General Plan Amendments	Minor \$ 3,000.00 plus \$ 100.00 per acre ^ Major \$ 5,000.00 plus \$ 100.00 per acre ^
Hillside Protection Easement (HPE)	\$20.00 + applicable recording fees
Land Disturbance Fee	\$10.00 per square feet plus revegetation
Landscape Plan Review	\$420.00 plus \$ 2,500.00 refundable deposit **
Public notice in Newspaper	actual newspaper posting cost plus \$10.00 processing
Notification fee	\$5.00 per mailing label plus actual newspaper posting cost plus \$10.00 processing.
Ordinances (Text Amendments)	\$2,000.00 plus notification *
Planned Area Developments (PAD)	\$2,000.00 plus \$100.00 per acre or portion thereof plus notification *
Planned Area Developments (PAD) - Amendment	\$2,000.00
Planned Unit Developments (PUD)	\$2,000.00 plus \$100.00 per acre or portion thereof plus notification *
Planned Unit Developments (PUD) - Amendment	\$2,000.00
Plat Abandonments	\$500.00 ^
Preliminary Plats	\$2,000.00 plus \$50.00 per lot, unit or tract^
Recording Fees (<i>subject to change without notice</i>)	\$10.00 plus actual cost
Replats (lot joins, lot divisions, lot line adjustments)	\$500.00 up to three lots, more than 3 lots use Final Plat fees ^
Rezoning (Map)	\$2,000.00 plus \$100.00 per acre or portion thereof plus notification *^
Saguaro Cactus Permit	\$90.00
Special Use Permits and amendments	\$500.00 plus notification *^ - non-refundable
Temporary Use Permits	\$200.00 plus notification * - non-refundable
Temporary Visitor Permit (RV Parking):	\$25.00
Time Extension Fee	\$100.00
Tract Housing	\$500.00 per Standard Plan + \$100 per
Variances	\$1,000.00 plus \$300.00 for each additional variance
Zoning Verification Letter	\$200.00
*\$5.00 per mailing label plus actual newspaper posting cost plus \$10.00 processing.	
**Deposit required for Certificate of Occupancy (C of O) if landscaping is not installed; refundable upon landscaping approval by Town within six (6) months.	
^All fees include up to 3 reviews by staff. Any additional reviews will be subject to an additional fee equal to 25% of the original fee. The "recording fee" is per Maricopa County's Fee Schedule and is, therefore, subject to change.	

Comprehensive Fee Schedule
Effective July 1, 2020

Description	Proposed Fee FY20-21
BUILDING PERMIT/PLAN CHECK – SINGLE FAMILY RESIDENTIAL	
Single Family Homes (Includes Permit and Plan Review)	
Livable Area with A/C	\$.75 square feet
Covered Area: Garage and/or Patio (non A/C)	\$.45 square feet
Single Family Addition	\$.75 square feet
Area non A/C	\$.45 square feet
Single Family Remodel	\$.23 square feet
Area non A/C	\$.14 square feet
Specialized Permits (Includes Permit and Plan Review)	
Solar Photovoltaic	\$140.00
Fence Walls	\$70.00 plus \$.15 LF (Linear Footage)
Retaining Walls	\$70.00 plus \$1.53 LF (Linear Footage)
Pools & Spas Attached	\$290.00 plus \$.90 square feet
Stand Alone Spas	\$235.00
Landscape Plan Review	\$420.00 plus \$ 2,500.00 refundable deposit **
Miscellaneous Permits (Plan Review Fee Extra)	
One Discipline Permit	\$70.00 (building, plumbing, electrical or mechanical)
Combination Permit	\$210.00
Miscellaneous Plan Review	
Minimum Plan Review	\$70.00 per hour (1 - hour Minimum)
Revisions to Approved Plans	\$70.00 per hour (1 - hour Minimum)
Over the Counter Permits (No Plan Review Fee Required)	
Plumbing - Water heater replacement/solar (minor)	\$70.00
Mechanical - HVAC replacement (minor)	\$70.00
Electrical - panel repair (minor)	\$70.00
Demolition (minor)	\$120.00
Plan Review Add On (Afeeter 3rd Review)	50% of Bldg Permit/Plan Review Fee
Reinspection Fee	\$150.00 per Trip
Plan copies 24x36	\$3.00 per page - B&W \$5.00 per page - Color
Permit Extensions - Residential new	\$400.00
Permit Extensions - Residential remodel only (If Town has all records and within current Code cycle)	\$100.00
Refund for cancelled Single Family Home permit	35% of building permit fee paid - request must be made within 180 days of original payment
Penalty for failure to obtain a building permit	50% of Bldg Permit/Plan Review Fee

Description	Proposed Fee FY20-21
BUILDING PERMIT/PLAN CHECK - COMMERCIAL	
Commercial Building Permit (Includes Permit and Plan Review)	
Area with A/C	\$.75 square feet
Covered Area (non A/C)	\$.45 square feet
Commercial Building Addition	
Area with A/C	\$.75 square feet
Covered Area (non - A/C)	\$.45 square feet
Commercial Remodel (Existing)	
Area with A/C	\$145.00 plus \$.23 square feet
Covered Area (non - A/C)	\$145.00 plus \$.14 square feet
Shell Only for Commercial & Multi - Family	
Area with A/C	\$205.00 plus \$.50 square feet
Covered Area (non - A/C)	\$70.00 plus \$.45 square feet
Commercial Tenant Improvement	
Area with A/C	\$145.00 plus \$.23 square feet
Covered Area (non - A/C)	\$145.00 plus \$.14 square feet
Apartments/Condominiums	
Livable Area with A/C	\$.75 square feet
Covered Area (non - A/C)	\$.45 square feet
Apartments/Condominiums with 4 or more units & recurring floor plans (0 - 100,000 livable square feet)	
Livable Area with A/C	\$.60 square feet
Covered Area (non - A/C)	\$.37 square feet
Apartments/Condominiums with 4 or more units & recurring floor plans (Over 100,000 livable square feet)	
Livable Area with A/C	\$.53 square feet
Covered Area (non - A/C)	\$.33 square feet
Specialized Permits (Includes Permit and Plan Review)	
Solar Photovoltaic	\$140.00
Fence Walls	\$70.00 plus \$.15 Lf (Linear Footage)
Retaining Walls	\$70.00 plus \$1.53 LF (Linear Footage)
Pools & Spas Attached	\$290.00 plus \$.90 square feet
Stand Alone Spas	\$235.00
Landscape Plan Review	\$420.00 plus \$ 2,500.00 refundable deposit **
**Deposit required for Certificate of Occupancy (C of O) if landscaping is not installed; refundable upon landscaping approval by Town within six (6) months.	

Comprehensive Fee Schedule
Effective July 1, 2020

Description	Proposed Fee FY20-21
<i>BUILDING PERMIT/PLAN CHECK – COMMERCIAL (CONT.)</i>	
Miscellaneous Permits (Plan Review Fee is Separate)	
Minimum Permit (one discipline)	\$70.00 (or \$210.00 for building, plumbing, electrical and mechanical)
Minimum Combination (all disciplines)	\$210.00
Sign Permit, less than 32 square feet (Face)	\$50.00 per sign
Sign Permit, greater than 32 square feet (Face Replacement Only)	\$100.00 per sign
Sign Permit, less than 32 square feet (New)	\$190.00 per sign
Sign Permit, greater than 32 square feet (New)	\$240.00 per sign
Miscellaneous Plan Review	
Minimum Plan Review	\$70.00 per hour (1 - hour Minimum)
Revisions to Approved Plans	\$70.00 per hour (1 - hour Minimum)
Over the Counter Permits (No Plan Review Fee Required)	
Plumbing - Water heater replacement/solar (minor)	\$70.00
Mechanical - HVAC replacement (minor)	\$70.00
Electrical - panel repair (minor)	\$70.00
Demolition (minor)	\$120.00
Plan Review Add On (Afeeter 3rd Review)	50% of Bldg Permit/Plan Review Fee
Reinspection Fee	
	\$150.00 per trip
Permit Extensions - Commercial new construction only (If Town has all records and within current Code cycle)	
	\$400.00
Permit Extensions - Commercial remodel only (If Town has all records and within current Code cycle)	
	\$100.00
Penalty for failure to obtain a building permit	
	50% of Bldg Permit/Plan Review Fee
Refund for cancelled Commercial Building permit (must be done in writing)	
	35% of building permit fee paid - request must be made within 180 days of original payment
Appeal of Decision by Building Official/Fire Marshall	
	\$1,000.00 plus notification *^
*\$5.00 per mailing label plus actual newspaper posting cost plus \$10.00 processing.	
^All fees include up to 3 reviews by staff. Any additional reviews will be subject to an additional fee equal to 25% of the original fee. The "recording fee" is per Maricopa County's Fee Schedule and is, therefore, subject to change.	

Description	Proposed Fee FY20-21
<i>FIRE SAFETY FEES</i>	
Residential Automatic Sprinkler System Plan Review/Inspection	\$.05 square feet (minimum \$25.00)
Commercial Automatic Sprinkler System Plan Review/Inspection	\$.10 square feet (minimum \$50.00)
Commercial Auto Sprinkler System Modification Plan Review/Inspection	\$75.00
Commercial Hood System Plan Review/Inspection	\$100.00
Commercial Fire Alarm System Plan Review/Inspection	\$100.00
Commercial Fire Alarm System Modification Plan Review/Inspection	\$50.00
Residential LPG Installation Review/Inspection	\$50.00
Annual Adult Residential Group Care Inspection	\$100.00 per year
Annual Commercial Fire Inspection Fee	\$0.00
Tent Permit Fee (any tent over 200 square feet & any canopy over 400 square feet)	\$100.00
Reinspection Fee (beyond one re-check)	\$150.00 per trip
<i>ABATEMENT FEES</i>	
Inspection fee	\$70.00 per hour (1 - hour minimum)
Reinspection fee	\$150.00 per trip
<i>PARK FACILITY RENTALS</i>	
Park Rental Fees - Resident/Organization ⁽¹⁾	Per Hour
Small Ramada - 2 hour minimum	\$10.00
Medium Ramada - 2 hour minimum	\$15.00
Large Ramada - 2 hour minimum	\$20.00
Meeting Rooms 2 hour minimum	\$10.00
Multi-Purpose Fields - 2 hour minimum	\$15.00
Tennis Courts - 90 minute reservation	\$5.00 without lighting
Tennis Courts - 90 minute reservation	\$7.00 with lighting
Open Park space, including Amphitheater, Avenue of the Fountains Plaza, Great Lawn, Centennial Circle and other lawns	\$400.00/half day (4 hours or less) \$750.00/full day (over 4 hours)
⁽¹⁾ 10% wedding discount when combined with Community Center Rental	

Comprehensive Fee Schedule
Effective July 1, 2020

Description	Proposed Fee FY20-21
<i>PARK FACILITY RENTALS (CONT.)</i>	
Park Rental Fee Extras	
Power Distribution Box Rental Fee & Deposit	\$15.00/box per day; \$100.00 deposit per box and power cable
Athletic Field Lights (2 hour minimum)	\$10.00 per hour
Athletic Field – Prep & Bases	\$25.00 per field
Alcohol Permit with Park Reservation	\$10.00 for 50 Consuming Adults - non-refundable
Fountain Operation	\$265.00 Per Half - Hour
Staff (2 hour minimum)	\$21.00 - \$38.00 Per Hour
Park Rental Fees - Non-Resident/ Commercial ⁽¹⁾	Per Hour
Small Ramada - 2 hour minimum	\$15.00
Medium Ramada - 2 hour minimum	\$22.50
Large Ramada - 2 hour minimum	\$30.00
Meeting Rooms - 2 hour minimum	\$15.00
Multi-Purpose Fields - 2 hour minimum	\$22.50
Tennis Courts - 90 minute reservation	\$10.00 without lights
Tennis Courts - 90 minute reservation	\$14.00 with lights
Open Park space, including Amphitheater, Avenue of the Fountains Plaza, Great Lawn, Centennial Circle and other lawns	\$750.00/half day (4 hours or less) \$1,400.00/full day (over 4 hours)
⁽¹⁾ 10% wedding discount when combined with Community Center Rental	
Park Rental Fee Extras	
Power Distribution Box Rental Fee & Deposit	\$15.00/box per day; \$100.00 deposit per box and power cable
Athletic Field Lights - 2 hour minimum	\$10.00 per hour
Athletic Field – Prep & Bases	\$25.00 per field
Alcohol Permit with Park Reservation	\$10.00 for 50 Consuming Adults - non-refundable
Fountain Operation	\$265.00 Per Half - Hour
Staff - 2 hour minimum	\$21.00 - \$38.00 Per Hour
Recreation Fees	
Program Cancellation Fee	\$10.00

Description	Proposed Fee FY20-21
COMMUNITY CENTER RENTALS	
Community Center Rental - Resident/ Organization (Tier 2) ⁽²⁾	Per Hour
Any Meeting Room - 2 hour minimum	\$17.00
One Ballroom (30 - 90 people) Minimum 4 hours	\$36.00
Two Ballrooms *(91 - 160 people) Minimum 4 hours	\$72.00
Three Ballrooms*(161 - 250 people) Minimum 4 hours	\$108.00
Grand Ballroom *(251 - 450 people) Minimum 4 hours	\$144.00
Lobby ⁽²⁾	Per Hour
4 hour minimum	\$34.00
Grand Ballroom & Lobby ⁽²⁾	
All Day Rate (Monday - Thursday 7:00 am to Midnight)	\$1,760.00
All Day Rate (Friday - Saturday 7:00 am to Midnight)	\$2,200.00
Weekend Rates: Friday & Saturday ⁽²⁾	Weekend Rates: Friday-Sunday
Ballroom 3 (includes patio access and views)*	Per Hour
4 hour minimum	\$41.00
Ballroom 4 (includes patio access and views) 4 hour minimum	\$41.00
Tier 2 Groups meeting 6 or More Times per Year:	
4 hour minimum with contract	50% of Resident/Non-Profit rate
*Ballroom 3 not available as a standalone rental	
⁽²⁾ 10% wedding discount when combined with a Park Rental	

Comprehensive Fee Schedule
Effective July 1, 2020

Description	Proposed Fee FY20-21
COMMUNITY CENTER RENTALS (CONT.)	
Community Center Rental - Non-Resident/ Commercial (Tier 3) ⁽²⁾	Per Hour
Any Meeting Room	\$39.00
One Ballroom (30-90 people) 4 hour minimum	\$83.00
Two Ballrooms *(91 - 160 people) 4 hour minimum	\$166.00
Three Ballrooms*(161 - 250 people) 4 hour minimum	\$249.00
Grand Ballroom *(251 - 450 people) 4 hour minimum	\$332.00
Lobby ⁽²⁾	
4 hour minimum	\$69.00
Grand Ballroom & Lobby ⁽²⁾	
All Day Rate (Monday - Thursday 7:00 am to	\$4,400.00
All Day Rate (Friday - Saturday 7:00 am to Midnight)	\$5,500.00
Weekend Rates: Friday & Saturday ⁽²⁾	Weekend Rates: Friday-Sunday
Ballroom 3 (includes patio access and views)*	Per Hour
4 hour minimum	\$124.00
Ballroom 4 (includes patio access and views) 4 hour minimum	\$124.00
Tier 3 Groups meeting 6 or More Times per Year:	
4 hour minimum with contract	50% of Non-Resident/Commercial Rate
*Ballroom 3 not available as a standalone rental	
⁽²⁾ 10% wedding discount when combined with a Park Rental	

Description	Proposed Fee FY20-21
COMMUNITY CENTER RENTALS (CONT.)	
Community Center Extra Service Fees - Resident/Non-Profit	
Video Projector - Note Vission 3,000 Lumens	\$40.00
Overhead Projector	\$15.00
Slide Projector	\$15.00
27" TV	\$15.00
Flat Screen TV	\$25.00
TV/VCR (or DVD)	\$0.00
VCR or DVD Player	\$10.00
Small Screen	\$5.00
Large Screen (8' x 10')	\$10.00
Large Screen Border	\$15.00
Ping Pong Table	\$15.00 per rental
Internet Access	
Hard Wire	\$125 per day
Sound Reinforcement	
Wireless Microphones	\$5.00
Speaker Table (Includes Mixing Board)	\$15.00 each
Conference Phone	\$10.00
Portable Sound System (Includes Mixing Board and/or Portable Speaker)	\$25.00
CD Player	\$10.00
Electricity (per booth)	
110 V	\$15.00
220 V	\$40.00
Other	
Easel	\$5.00
Papers & Markers	\$10.00
Portable White Board	\$5.00
Walker Display Board	\$5.00
Items for Sale	
25' Extension Cord	\$15.00 each
Power Strip	\$15.00 each
Masking Tape	\$5.00 per roll
Miscellaneous	
Dance Floor - per 3' x 3' parquet square	\$3.00
Staging 6' x 8" section	\$5.00
Piano - Tuning Extra	
Upright	\$25.00
Grand	\$50.00
Coffee Service	\$5.00 per 8 cup pack

Comprehensive Fee Schedule
Effective July 1, 2020

Description	Proposed Fee FY20-21
COMMUNITY CENTER RENTALS (CONT.)	
Community Center Extra Service Fees - Non - Resident/Commercial	
Video Projector - Note Vission 3,000 Lumens	\$75.00
Overhead Projector	\$30.00
Slide Projector	\$30.00
27" TV	\$30.00
Large Flat Panel Monitor	\$50.00
Flat Screen TV	\$50.00
VCR or DVD Player	\$20.00
Small Screen	\$10.00
Large Screen (8' x 10')	\$20.00
Large Screen Border	\$30.00
Ping Pong Table	\$30.00 per rental
Internet Access	
Hard Wire	\$125.00 per day
Sound Reinforcement	
Wireless Microphones	\$15.00
Speaker Table (Includes Mixing Board)	\$15.00 each
Conference Phone	\$20.00
Portable Sound System (Includes Mixing	\$50.00
CD Player	\$20.00
Electricity (per booth)	
110 V	\$25.00
220 V	\$75.00
Other	
Easel	\$10.00
Papers & Markers	\$20.00
Portable White Board	\$10.00
Walker Display Board	\$10.00
Items for Sale	
25' Extension Cord	\$15.00 each
Power Strip	\$15.00 each
Masking Tape	\$5.00 each
Miscellaneous	
Dance Floor - Per 3' x 3' parquet square	\$5.00
Staging 6' x 8" section	\$10.00
Piano - Tuning Extra	
Upright	\$50.00
Grand	\$100.00
Coffee Service	\$5.00 per (10) 8oz cup pack
Portable Bar	\$50.00
Labor Charges	\$25/hour
NOTE: All Rentals Are Subject To Applicable Arizona Sales Taxes	

Description	Proposed Fee FY20-21
SENIOR SERVICES ANNUAL MEMBERSHIP FEES (CALENDAR YEAR)	
Resident	\$20.00
Non - Resident	\$30.00
COURT FEES	
Non-Sufficient Funds (checks returned to Court)	\$30.00 per check
Public Defender	Actual costs for appointed attorney
Jail Reimbursement	Actual costs billed by County for jail time served
Jury Costs (assessed if jury trial canceled within five days of trial)	Actual administrative costs
Civil Traffic Default	\$50.00 per defaulted charge
Warrant	\$50.00 per warrant issued
Diversion Program Rescheduling	\$25.00
Court Clerk	\$17.00
Court User	\$30.00 per charge, plus surcharges
Public Records Search	\$2.00 per name
Copies	\$0.50 per page
Certified Copies	\$17.00
Copies of CDs	\$17.00
NOTE: Court fees are subject to change throughout the fiscal year in accordance with State Law and Arizona Supreme Court Rules.	

Schedule of Authorized Positions

Schedule of Authorized Positions

Position Title	FY 16-17 Authorized FTE	FY 17-18 Authorized FTE	FY 18-19 Authorized FTE	FY 19-20 Authorized FTE	FY 20-21 Proposed FTE
<u>Municipal Court</u>					
Presiding Judge	0.63	0.63	0.63	0.63	0.63
Court Administrator	1.00	1.00	1.00	1.00	1.00
Senior Court Clerk	1.00	1.00	2.00	2.00	2.00
Court Clerk	1.00	1.00	-	-	-
Authorized FTE	3.63	3.63	3.63	3.63	3.63
<u>Administration</u>					
Town Manager	1.00	1.00	1.00	1.00	1.00
Deputy Town Manager/Administrative Services Dir.	-	-	-	1.00	1.00
Administrative Services Director	1.00	1.00	1.00	-	-
Executive Asst to Town Mgr/Council	1.00	1.00	1.00	1.00	1.00
Town Clerk	1.00	1.00	1.00	1.00	1.00
Volunteer Coordinator	1.00	1.00	1.00	-	-
Economic Development Analyst	-	1.00	1.00	1.00	-
Economic Development and Tourism Specialist	-	-	-	-	1.00
Economic Development Director	1.00	1.00	1.00	1.00	1.00
Communications and Marketing Coordinator	0.20	0.20	0.20	1.00	-
Community Relations Manager	-	-	-	-	1.00
Network & Information Technology Administrator	1.00	1.00	1.00	1.00	1.00
Information Technology Support Specialist	-	-	0.50	0.50	0.50
Finance Director	1.00	1.00	1.00	1.00	1.00
Accountant	1.00	1.00	1.00	1.00	1.00
Financial Services Technician	1.00	1.00	2.00	2.00	2.00
Procurement Officer	-	-	-	1.00	1.00
Accounting Clerk	1.26	1.25	-	0.50	0.50
Customer Service Representative II	1.00	1.00	1.00	1.00	1.00
Authorized FTE	12.46	13.45	13.70	15.00	15.00
<u>Public Works</u>					
Public Works Director	1.00	1.00	1.00	1.00	1.00
Civil Engineering Inspector	1.00	1.00	1.00	1.00	1.00
Executive Assistant	0.50	0.50	0.50	0.50	0.50
Town Engineer	-	-	1.00	1.00	1.00
Assistant Town Engineer	-	-	-	0.63	0.63
Facilities Supervisor	-	-	-	-	1.00
Facilities/Environmental Supervisor	1.00	1.00	1.00	1.00	-
Facilities Maintenance Tech	1.00	1.00	1.00	1.00	1.00
Custodian	1.30	1.30	1.30	1.30	1.30
Streets Superintendent	1.00	1.00	1.00	1.00	1.00
Fleet Mechanic/Open Space-Landscape Spec	1.00	1.00	1.00	1.00	-
Senior Maintenance Technician	-	-	-	-	1.00
Traffic Signal Technician II	1.00	1.00	-	-	-
Street Maintenance Technician	1.00	1.00	2.00	3.00	3.00
Authorized FTE	9.80	9.80	10.80	12.43	12.43

Schedule of Authorized Positions (continued)

Position – Title	FY 16-17 Authorized FTE	FY 17-18 Authorized FTE	FY 18-19 Authorized FTE	FY 19-20 Authorized FTE	FY 20-21 Proposed FTE
<u>Development Services</u>					
Development Services Director	1.00	1.00	1.00	1.00	1.00
Executive Assistant	0.50	0.50	0.50	0.50	0.50
Town Engineer	1.00	1.00	-	-	-
Senior Planner	1.00	1.00	1.00	1.00	1.00
GIS Technician/CAD Operator	1.00	1.00	1.00	1.00	1.00
Senior Code Enforcement Officer	-	1.00	1.00	1.00	1.00
Code Enforcement Officer	1.00	-	-	1.00	1.00
Chief Building Official/Plans Examiner	1.00	1.00	1.00	1.00	1.00
Senior Building Inspector	-	-	-	1.00	1.00
Civil Plans Examiner	-	0.50	0.50	-	-
Building Permit Technician	1.00	1.50	1.50	1.50	1.50
Authorized FTE	7.50	8.50	7.50	9.00	9.00
<u>Community Services</u>					
Community Services Director	1.00	1.00	1.00	1.00	1.00
Recreation Manager	-	1.00	1.00	1.00	1.00
Recreation Supervisor	1.00	-	-	-	-
Recreation Program Coordinator	2.00	2.00	2.00	2.00	2.00
Communications and Marketing Coordinator	0.80	0.80	0.80	-	-
Executive Assistant	1.00	1.00	1.00	1.00	1.00
Parks Supervisor	1.00	1.00	-	-	-
Parks Superintendent	-	-	1.00	1.00	1.00
Park Operations Lead	3.00	3.00	3.00	4.00	4.00
Lead Park Attendant	0.49	0.49	0.49	0.49	0.49
Park Attendant	1.96	1.96	1.96	1.96	1.96
Groundskeeper II	-	1.00	1.00	-	1.00
Customer Service Representative II	-	-	0.88	0.88	1.13
Customer Service Representative I	0.88	0.88	-	-	-
Community Center Manager	-	1.00	1.00	1.00	1.00
Events & Operations Supervisor - CC	1.00	-	-	-	-
Operations Coordinator - Community Center	1.00	1.00	1.00	1.00	1.00
Operations Support Worker	1.65	1.65	0.37	0.37	0.37
Lead Operations Support Worker	-	-	1.28	1.28	1.28
Senior Services Supervisor	1.00	1.00	1.00	1.00	1.00
Senior Services Activities Coordinator	0.58	0.58	0.58	1.78	1.78
Home Delivered Meals Coordinator	0.75	0.75	0.75	-	-
Volunteer Coordinator	-	-	-	1.00	1.00
Senior Services Activities Assistant	0.45	0.45	0.45	-	-
Authorized FTE	20.56	20.56	20.56	20.76	22.01
Total Authorized FTE	<u>53.95</u>	<u>55.94</u>	<u>56.19</u>	<u>60.82</u>	<u>62.07</u>

Compared to the high of 115 FTEs in FY01-02, the current level of 62 FTEs represents a total decrease of almost 50% over a nineteen year period. The reduction in authorized FTEs is a result of the economic downturn and the need to reduce Town expenditures, resulting in the consolidation of positions as well as actual staff layoffs.

Pay Plan

FY20-21 PAY PLAN—effective July 1, 2020
Exempt Positions

<u>Position Title</u>	<u>Minimum</u>	<u>Maximum</u>
Deputy Town Manager/Administrative Services Director	\$ 108,707	\$ 155,451
Public Works Director	103,530	148,048
Finance Director	103,530	148,048
Development Services Director	103,530	148,048
Town Clerk	98,354	140,646
Economic Development Director	98,354	140,646
Community Services Director	98,354	140,646
Town Engineer	96,947	138,634
Assistant Town Engineer	82,410	117,846
Court Administrator	80,959	115,771
Network and Information Technology Administrator	80,959	115,771
Chief Building Official/Plans Examiner	71,618	102,414
Recreation Manager	70,748	101,170
Parks Superintendent	70,748	101,170
Community Center Manager	70,748	101,170
Community Relations Manager	70,748	101,170
Streets Superintendent	70,116	100,266
Senior Planner	69,828	99,854
Procurement Officer	62,057	88,742
Facilities Supervisor	61,084	87,350
Events and Operations Supervisor	59,396	84,936
Senior Services Supervisor	59,160	84,599
Executive Assistant to Town Manager/Council	58,744	84,004
Civil Plans Examiner	58,595	83,791
Economic Development Specialist	58,595	83,791
Accountant	54,224	77,540
Operations Coordinator - Community Center	54,224	77,540
Recreation Program Coordinator	54,224	77,540
Senior Code Enforcement Officer	54,224	77,540
Volunteer Coordinator	54,224	77,540

FY20-21 PAY PLAN—effective July 1, 2020
Non-Exempt Positions

<u>Position Title</u>	<u>Minimum</u>	<u>Maximum</u>
Senior Building Inspector	\$ 29.01	\$ 41.48
Information Technology Support Specialist	28.36	40.55
GIS Technician/CAD Operator	27.68	39.58
Civil Engineer Inspector	24.04	34.38
Executive Assistant	22.56	32.26
Code Enforcement Officer	22.56	32.26
Senior Maintenance Technician	22.01	31.47
Park Operations Lead	22.01	31.47
Facilities Maintenance Technician	20.36	29.11
Building Permit Technician	19.83	28.36
Senior Court Clerk	19.31	27.61
Street Maintenance Technician	19.31	27.61
Court Clerk	18.45	26.38
Financial Services Technician	18.45	26.38
Groundskeeper II	18.45	26.38
Accounting Clerk	17.87	25.55
Customer Service Representative II	17.87	25.55
Senior Services Activities Coordinator	17.48	25.00
Lead Park Attendant	17.48	25.00
Lead Operations Support Worker	17.48	25.00
Customer Service Representative I	15.92	22.77
Operations Support Worker	15.56	22.25
Custodian	14.38	20.56
Park Attendant	14.38	20.56

FY20-21 PAY PLAN—effective January 1, 2021
Exempt Positions

Position Title	Minimum	Maximum
Deputy Town Manager/Administrative Services Director	\$ 111,425	\$ 159,338
Public Works Director	106,118	151,749
Finance Director	106,118	151,749
Development Services Director	106,118	151,749
Town Clerk	100,813	144,163
Economic Development Director	100,813	144,163
Community Services Director	100,813	144,163
Town Engineer	99,371	142,101
Assistant Town Engineer	84,470	120,792
Court Administrator	82,983	118,666
Network and Information Technology Administrator	82,983	118,666
Chief Building Official/Plans Examiner	73,408	104,973
Recreation Manager	72,517	103,699
Parks Superintendent	72,517	103,699
Community Center Manager	72,517	103,699
Community Relations Manager	72,517	103,699
Streets Superintendent	71,869	102,773
Senior Planner	71,574	102,351
Procurement Officer	63,608	90,959
Facilities Supervisor	62,611	89,534
Events and Operations Supervisor	60,881	87,060
Senior Services Supervisor	60,639	86,714
Executive Assistant to Town Manager/Council	60,213	86,105
Civil Plans Examiner	60,060	85,886
Economic Development and Tourism Specialist	60,060	85,886
Accountant	55,580	79,479
Operations Coordinator - Community Center	55,580	79,479
Recreation Program Coordinator	55,580	79,479
Senior Code Enforcement Officer	55,580	79,479
Volunteer Coordinator	55,580	79,479

FY20-21 PAY PLAN—effective January 1, 2021
Non-Exempt Positions

<u>Position Title</u>	<u>Minimum</u>	<u>Maximum</u>
Senior Building Inspector	\$ 29.74	\$ 42.53
Information Technology Support Specialist	29.07	41.57
GIS Technician/CAD Operator	28.37	40.57
Civil Engineer Inspector	24.64	35.24
Executive Assistant	23.12	33.06
Code Enforcement Officer	23.12	33.06
Senior Maintenance Technician	22.56	32.26
Park Operations Lead	22.56	32.26
Facilities Maintenance Technician	20.87	29.84
Building Permit Technician	20.33	29.07
Senior Court Clerk	19.79	28.30
Street Maintenance Technician	19.79	28.30
Court Clerk	18.91	27.04
Financial Services Technician	18.91	27.04
Groundskeeper II	18.91	27.04
Accounting Clerk	18.32	26.20
Customer Service Representative II	18.32	26.20
Senior Services Activities Coordinator	17.92	25.63
Lead Park Attendant	17.92	25.63
Lead Operations Support Worker	17.92	25.63
Customer Service Representative I	16.32	23.34
Operations Support Worker	15.95	22.81
Custodian	14.74	21.08
Park Attendant	14.74	21.08

Resolution 2020-23

RESOLUTION 2020-23

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF FOUNTAIN HILLS, ARIZONA, APPROVING THE FINAL BUDGET FOR THE TOWN OF FOUNTAIN HILLS FOR THE FISCAL YEAR BEGINNING JULY 1, 2020, AND ENDING JUNE 30, 2021

RECITALS:

WHEREAS, in accordance with the provisions of Title 42, Chapter 17, Arizona Revised Statutes (the "Applicable Law"), the Mayor and Council of the Town of Fountain Hills (the "Town Council") did, on May 5, 2020, prepare (i) a full and complete statement of the Town's financial affairs for the preceding fiscal year, (ii) an estimate of the different amounts that will be required to meet the Town's public expense for the current fiscal year, including all of the items prescribed by ARIZ. REV. STAT. § 42-17102 and (iii) a summary schedule of estimated expenditures and revenues, which was prepared according to forms supplied by the Auditor General and entered in the Town Council's minutes; and

WHEREAS, in accordance with the Applicable Law, and following due public notice, the Town Council met on May 5, 2020, at which meeting any taxpayer was provided the opportunity to appear and be heard in favor of or against any proposed expenditure or tax levy; and

WHEREAS, publication has been duly made as required by law, of said estimates together with a notice that the Town Council would meet on June 2, 2020, at the Fountain Hills Town Council Chambers, for the purpose of hearing taxpayers and with respect to said estimate or any proposed expenditure or tax levy.

ENACTMENTS:

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

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

SECTION 2. The statements and schedules attached hereto as Exhibit A and incorporated herein by reference, are hereby adopted as the budget of the Town of Fountain Hills, Arizona, for the fiscal year beginning July 1, 2020, and ending June 30, 2021.

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

RESOLUTION 2020-23

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PASSED AND ADOPTED by the Mayor and Council of the Town of Fountain Hills, Arizona, June 2, 2020.

FOR THE TOWN OF FOUNTAIN HILLS:

ATTESTED TO:



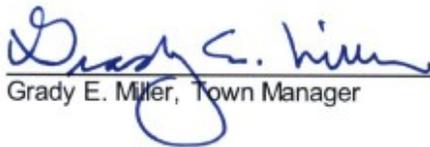
Ginny Dickey, Mayor



Elizabeth A. Burke, Town Clerk

REVIEWED BY:

APPROVED AS TO FORM:



Grady E. Miller, Town Manager



Aaron D. Arnson, Pierce Coleman PLLC
Town Attorney

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 of accounts 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 of Accounting

The basis of accounting under which transactions are recognized at the time they are incurred, as opposed to when cash is received or sent. Expenses are recorded at the time liabilities are incurred and revenues are recorded when earned. Unbilled services are recorded as receivables at year end.

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.

Adopted Budget

Used in fund summaries and department and division summaries within the budget document. Represents the annual budget as approved by formal action of the Town Council, which sets the spending limits for the fiscal year.

Adoption

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

Allocation

A part of a lump sum appropriation which is designated for expenditure by specific organization units and/or for special purposes, activities, or subjects.

Appropriation

Specific amount of monies authorized by the Town Council for the purpose of incurring obligations and acquiring goods and services. An appropriation is limited in amount and time when it may be used unless it is for capital projects such as constructing roads and buildings.

Arbitrage

The ability to use tax exempt proceeds and, by investing those funds in higher yielding taxable securities, generate a profit to the issuer.

Assessed Valuation

A value that is established for real and personal property for use as a basis for levying property taxes. Property values are established by the County Assessor and the State as a basis for levying taxes.

Asset

Resources and property of the Town that can be used or applied to cover liabilities. Alternatively, any owned physical object (tangible) or right (intangible) having a monetary value or an item or source of wealth expressed in terms of any cost benefiting a future period.

Attrition

A method of achieving a reduction in personnel by not refilling the positions vacated through resignation, reassignment, transfer, or retirement.

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.

Authorized Positions

Employee positions which are authorized in the adopted budget.

Available (Unassigned) Fund Balance

Funds remaining from the prior year which are available for appropriation and expenditure in the current year.

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 Town Council.

Basis of Accounting

Defined by the Government Accounting Standards Board by Fund type as the method of accounting for various activities. The basis is determined when a transaction or event is recognized in the fund's operating statement..

Beginning Balance

The residual funds brought forward from the previous fiscal year (ending balance).

Bond

A written promise to pay a specified sum of money (called the face value or 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.

Bond Rating

The measure of the quality and safety of a bond. The rating indicates the likelihood that a debt issuer will be able to meet scheduled repayments and dictates the interest rate paid.

Bond Refinancing

The payoff and re-issuance of bonds to obtain better interest rates and/or bond conditions.

Budget

A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. This official public document reflects decisions, assesses service needs, establishes allocation of resources, and is the monetary plan for achieving Town goals and objectives.

Budget Amendment

A change of budget appropriation between expenditure accounts that is different from the original adopted budget. Budget amendments do not change the legal spending limit adopted by the Town Council.

Budget Calendar

The schedule of key dates which a government follows in the preparation and adoption of the budget.

Budget Document

The instrument used by the budget-making authority to present a comprehensive financial program to the Town Council.

Budget Message

The opening section of the budget document which provides the Town Council and the public with a general summary of the most important aspects of the budget, changes from the previous fiscal year, and recommendations regarding the financial policy for the upcoming period.

Budgetary Basis of Accounting

The basis of accounting used to estimate financing sources and uses in the budget. The method used to determine when revenues and expenditures are recognized for budgetary purposes. This basis generally takes one of three forms: GAAP, cash, or modified accrual.

Budgetary Control

The control or management of a government in accordance with the approved budget for the purpose of keeping expenditures within the limitations of available appropriations and resources.

Capital Assets

Assets of significant value and having a useful life of several years. Capital assets are also called fixed assets.

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. Alternatively, two separate documents may be prepared – one for the capital budget and one for the operating budget.

Capital Expenditure

A capital expenditure is made when purchasing a fixed asset having a value of \$10,000 or more and a useful life of more than one year.

Capital Improvement Program

The Capital Improvement Plan (CIP) is a comprehensive projection of capital investment projects, which identifies priorities as to need, method of financing, and project costs and revenues that will result during a five-year period. The plan is a guide for identifying current and future fiscal year requirements and becomes the basis for determining the annual capital budget. The capital plan for the ensuing year must be formally adopted during the budget process.

Capital Improvement Project

Expenditures for the construction, purchase or renovation of Town facilities or property that have a value greater than \$50,000.

Capital Outlay

Expenditures resulting in the acquisition of or addition to the Town's fixed assets with a value of \$10,000 or more and a useful economic lifetime of more than one year.

Capital Project Carryover

An approved Capital Project that was not completed in the fiscal year and, therefore, was budgeted again in the current fiscal year in order to finish the project.

Capital Projects Funds

Capital project funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

Cash Basis of Accounting

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

Cash-in-lieu

Funding for capital projects the Town requires from developers in lieu of them constructing necessary off- site improvements related to their development project.

Community Facilities District (CFD)

A separate legal entity established by the Town which allows for financing of public improvements and services.

Comprehensive Annual Financial Report (CAFR)

The official annual financial report of the Town. The CAFR represents management's report to the Town Council, constituents, investors and creditors.

Contingency/Reserve

An amount, a budgetary reserve/contingency, set aside as available, with Town Council approval, to cover unforeseen expenditures, emergency expenditures, or revenue shortfalls.

Contractual Services

Services such as rentals, insurance, maintenance, etc. that are purchased by the Town.

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

The cost of paying principal and interest payments on outstanding bonds according to a predetermined payment schedule.

Debt Service Fund

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

Deficit

The excess of an entity's liabilities over its assets or the excess of expenditures or expenses over revenues during a single accounting period.

Department

A major administrative portion of the Town which indicates overall management responsibility for an operation or a group of related operations.

Depreciation

An accounting transaction which spreads the acquisition value of an asset across its useful life. Alternatively, expiration in the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence.

Development Fees

Those fees and charges generated by building, development, and growth in the Town.

Disbursement

The expenditure of money from an account.

Distinguished Budget Presentation Awards Program

A voluntary awards program administered by the Government Finance Officers Association of the United States and Canada to encourage governments to prepare effective budget documents.

Division

A grouping of related activities within a particular Department (example, Senior Services is a Division of Community Services).

Employee (or Fringe) Benefits

Contributions made by a government to meet commitments or obligations for employee-related expenses. Included is the Town's share of costs for social security, pension plans, medical and life insurance plans.

Encumbrance

The formal accounting recognition of appropriated or committed funds to be set aside for a future expenditure. To encumber funds means to set aside or commit funds for a specified future expenditure. For budgetary purposes, encumbrances are considered expenditures.

Ending Balance

The residual funds that are spendable or available for appropriation at the end of the fiscal year.

Estimated Revenue

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

Expenditure

A net decrease in financial resources. Expenditures include operating expenses which require the use of current assets. 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.

Expenses

Charges incurred (whether paid immediately or unpaid) for operations, maintenance, interest or other costs.

Fees

Charges for specific services.

Financial Plan

A summary by fund of planned revenues, expenditures, operating transfers, reserves, and fund balances.

Fiscal Policy

A government's policies with respect to revenues, spending, and debt management as these relate to government services, programs and capital investment. Fiscal policy provides an agreed-upon set of principles for the planning and programming of government budgets and their funding.

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.

Fixed Assets

Assets of a long-term character which are intended to continue to be in use or kept for more than one year and of a monetary value greater than \$10,000.

Franchise Fees

Annual fees paid by utilities (e.g. cable TV) for use of Town public rights-of-way. Franchise fees are typically a set percentage of gross revenue within the Town.

Full Faith and Credit

A pledge of a government's taxing power to repay debt obligations.

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

An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and changes in these assets and liabilities.

Fund Balance

Difference between assets and liabilities reported in a government fund.

Non-spendable – Portions of fund balance that include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted – Portion of fund balance that reflects constraints placed on the use of resources that are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Committed – Amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority. In the case of the Town, this would be the Council and Mayor.

Assigned – Amounts that are constrained by the government's intent to be used for specific purposes, but that are neither restricted nor committed.

Unassigned – Residual classification for the General Fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The General Fund should be the only fund that reports a positive unassigned fund balance amount.

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.

General Obligation Bonds

This type of bond is backed by the full faith, credit and taxing power of the government. Bonds that finance a variety of public projects. The repayment of these bonds is usually made from secondary property tax revenues.

General Plan

A plan approved by the Town Council that provides the fundamental policy direction and guidance on development decisions in the Town.

Generally Accepted Accounting Principles (GAAP)

Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.

Goal

The end toward which effort is directed. A goal is general and timeless.

Governmental Funds

Governmental Funds are those through which most governmental functions of the Town are recorded. Revenues are recognized as soon as they are both measurable and available. Expenditures generally are recorded when a liability is incurred except for unmatured interest on debt and certain similar obligations, which should be recognized when due.

Grants

A contribution by a government or other organization to support a particular function. Grants may be classified as either operational or capital, depending upon the grantee.

Highway User Revenue Fund (HURF)

A fund with revenues consisting of state taxes collected on gasoline, vehicle licenses and other transportation related fees. These funds must be used for street and highway purposes.

Indirect Cost

A cost necessary for the functioning of the organization as a whole, but which cannot be directly assigned to one service.

Infrastructure

The physical assets of a government (e.g. streets, public buildings, parks, etc.).

Interfund Transfers

The movement of monies between funds of the same governmental entity.

Intergovernmental

Refers to transactions between different levels of government, e.g. city, county, state and federal.

Intergovernmental Agreement

A contract between governmental entities as authorized by State law.

Intergovernmental Revenue

Funds received from federal, state, and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes.

Journal Entry

An entry into the financial system that transfers actual amounts from one account, department, or fund to another.

Lapsing Appropriation

An appropriation made for a certain period of time, generally for the budget year. At the end of the specified period, any unexpended or unencumbered balance lapses or ends, unless otherwise provided by law.

Levy

The total amount to be raised by general property taxes for purposes specified in the property tax levy motion.

Levy Rate

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

Liability

Indebtedness of a governmental entity, such as amounts owed to vendors for services rendered or goods received, and principal and interest owed to bondholders. These amounts are debts or legal obligations which must be paid at some future date.

Line-item Budget

A budget prepared along departmental lines that focuses on what is to be bought.

Local Transportation Assistance Fund (LTAF)

Revenues are generated by the State Lottery. Distribution of these funds is based on population. Funds must be used for public transit or streets, but a small portion may be used for cultural purposes.

Long-term Debt

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

Modified Accrual Basis of Accounting

The basis of accounting used by governmental-type funds. Under this basis, revenues are recognized when they become both "measurable" and "available" to finance expenditures of the current period.

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 motor vehicle in-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.

Object Detail

An expenditure classification, referring to the lowest and most detailed level of classification, such as electricity, office supplies, asphalt, and furniture.

Objectives

Something to be accomplished in specific, well-defined, and measurable terms and that is achievable within a specific time frame. The achievement of the objective advances an organization toward a corresponding goal.

Obligations

Amounts which a government may be legally required to meet out of its resources. They include not only actual liabilities, but also encumbrances not yet paid.

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 of acquisitions, spending, and service delivery activities of the Town are controlled.

Operating Expenses

The cost for personnel, materials, and equipment required for a department to function.

Operating Impacts

Operating impacts are the additional, incremental revenues or costs associated with the project—any new cost or revenue streams resulting from the project less existing expenditures and revenues where applicable. These impacts include maintenance expenses, utility and personnel expenses, revenues from project-specific construction spending and operating revenues.

Operating Revenue

Funds that the government receives as income to pay for ongoing operations. The revenue includes such items as taxes, fees from specific services, interest earnings, and grant revenues. Operating revenues are used to pay for day-to-day services.

Ordinance

A formal legislative enactment by the governing body of a municipality. If the ordinance is not in conflict with any higher form of law, such as a state statute or a constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies.

Pay-as-you-go Basis

A term used to describe a financial policy by which capital outlays are financed from current revenues rather than through borrowing.

Per Capita

A unit of measure that indicates the amount of some quantity per person in the Town.

Performance Based Budget

The Performance Based Budget is a customer based, performance driven, results oriented budget system based on Outcome Management. Outcome Management is a management approach that focuses on the results achieved when providing a service.

Performance Indicators

Specific quantitative and qualitative measures of work performed as an objective of specific departments or programs. Measurement of service performance indicators that reflect the amount of money spent on services and the resulting outcomes at a specific level of services provided.

Performance Measurement

Statistical indicators that permit program evaluation to be conducted in a budgetary context.

Performance Target

Percentage or number for each program performance measure that will be the desired level of performance for the upcoming budget period.

Personal Services

The classification of all salaries, wages, and fringe benefits expenditures. Fringe benefits include FICA, retirement contributions, medical insurance, life insurance, and workers' compensation. In some cases, benefits may also include clothing allowances and education assistance.

Policy

A plan, course of action, or guiding principle, designed to set parameters for decisions and actions. A policy could also be a more precise statement of a desired course of action.

Program

A group of related activities performed by one or more divisions or departments of the Town for the purpose of accomplishing a service the Town is responsible for delivering.

Property Tax

Total property tax levied by a municipality on the assessed value of a property within Town limits. In Arizona, the property tax system is divided into primary and secondary.

Primary Property Tax – A limited tax levy used for operations based on primary assessed valuation and primary tax rate. The tax rate is restricted to a 2% annual increase. Municipalities may use this tax for any purpose.

Secondary Property Tax – An unlimited tax levy restricted to voter-approved budget overrides. The tax is based on the secondary assessed valuation and secondary tax rate.

Reserve

An account used to segregate a portion of a fund balance to indicate that it is not available for expenditure, or it is legally set aside for a specific future use.

Resolution

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

Resources

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

Revenue

Amounts received by government from sources including taxes, fines, fees, grants, or charges for services, which can be used to finance government operations or capital assets. These amounts increase the net assets of the government. For those revenues which are recorded on an accrual basis, this term designates additions to assets which (a) do not increase any liability, (b) do not represent recovery of an expenditure, and (c) do not represent the cancellation of certain liabilities without a corresponding increase in other liabilities or a decrease in assets.

Revenue Bonds

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

Secondary Property Tax 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 bonded debt.

Service Level

Services or products which comprise actual or expected output of a given program. Focus is on results, not measures of workload.

Sinking Fund

A means of repaying funds that were borrowed through a bond issue. The issuer makes periodic payments to a trustee who retires part of the issue by purchasing the bonds in the open market.

Special Revenue Fund

Created out of receipts of specific taxes or other earmarked revenues. Such funds are authorized by statutory or charter provisions to pay for specific activities with a special form of continuing revenues.

State-shared Revenue

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

Strategic Plan

The Strategic Plan defines the Town's strategy, or direction, and assists Town management in making decisions on the allocation of personnel and resources.

Supplemental Appropriation

An additional appropriation made by the governing body after the budget year has started.

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.

Taxes

Compulsory charges levied by a government for the purpose of financing services performed for the common benefit of the people. This term does not include specific charges made against particular persons or property for current or permanent benefit, such as special assessments.

Transfer

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

Unassigned Fund Balance

The portion of a fund's balance that is not restricted or committed for a specific purpose and is available for general appropriation.

Unencumbered Balance

The amount of an appropriation that is neither expended nor encumbered; essentially the amount of money still available for future purposes.

Unreserved Fund Balance

The portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.

User Fees

The fee charged for the direct receipt of a public service to the party or parties who benefit from the service.

Valley

The area represented by the Greater Phoenix Metropolitan area. Phoenix is also known as the Valley of the Sun.

Variance

Comparison of actual expenditure and revenues from one year to the next and comparison of budget-to-actual in current fiscal year.

Working Capital

A financial metric which represents the amount of day-to-day operating liquidity available. Also known as operating capital, it is calculated as current assets minus current liabilities.

Working Cash

The excess of readily available assets over current liabilities.

Acronyms

Acronyms

ABC-American Base Course

AC-Asphaltic Concrete

ACA-Arizona Commerce Authority

ACMA-Arizona City Manager's Association

ADA-Americans with Disabilities Act

ADEQ-Arizona Department of Environmental Quality

ADOG-Association of Dog Owners Group

ADOT-Arizona Department of Transportation

ADWR-Arizona Department of Water Resources

AGIC-Arizona Geographic Information Council

AICP-American Institute of Certified Planners

AOC-Administrative Office of the Courts

APA-American Planning Association

APRA-American Parks & Recreation Association

APWA-American Public Works Association

ARRA-American Recovery and Reinvestment Act of 2009

ARS-Arizona Revised Statutes

ASCE-American Society of Civil Engineers

AZBO-Arizona Building Officials

AZDOR-Arizona Department of Revenue

AZDOT-Arizona Department of Transportation

AZ POST-Arizona Peace Officer Standards and Training Board

BGC-Boys and Girls Club

BRE-Business Retention and Expansion

BVAC-Business Vitality Advisory Council

CAD-Computer-Aided Design

CAFR-Comprehensive Annual Financial Report

CARE-Crisis Activated Response Effort

CCEF-Court Collection Enhancement fund

CELA-Code Enforcement League of Arizona

CFD-Community Facilities District

CIP-Capital Improvement Program

CMAQ-Congestion Mitigation and Air Quality

cu. yd.-Cubic Yard

EMCFD-Eagle Mountain Community Facilities District

EMMA-Electronic Municipal Market Access

EOC-Emergency Operations Center

EPIC-TBI-Excellence in Prehospital Care -Traumatic Brain Injury

FEMA-Federal Emergency Management Administration

FHUSD-Fountain Hills Unified School District

FIT-Fountain Hills Integrated Trails

FTE-Full Time Equivalent

FY -Fiscal Year	LTAP -Local Technical Assistance Program
GAAP -Generally Accepted Accounting Principles	LTAF -Local Transportation Assistance Fund
GADA -Greater Arizona Development Authority	MAG -Maricopa Association of Governments
GASB -Governmental Accounting Standards Board	MCFCD -Maricopa County Flood Control District
GFOA -Government Finance Officers Association	MCSO -Maricopa County Sheriff's Office
GIS -Geographical Information System	MH -Manhole
GO -General Obligation	MHz -Megahertz
GPEC -Greater Phoenix Economic Council	MPC -Municipal Property Corporation
HDM -Home Delivered Meals	MSRB -Municipal Securities Rulemaking Board
HPE -Hillside Protection Easement	NACSLB -National Advisory Council on State and Local Budgeting
HURF -Highway User Revenue Fund	NRPA -National Recreation and Park Association
HVAC -Heating, Cooling, and Air Conditioning	PC -Portland Cement
ICMA -International City/County Management Association	PUD -Planned Unit Developments
ICSC -International Council of Shopping Centers	PTO -Parent Teacher Organization
ID -Improvement District	RFP -Request for Proposal
IFEA -International Festivals & Events Association	RFQ -Request for Quotation
IGA -Intergovernmental Agreement	RPM -Reflective Pavement Marker
IIP -Infrastructure Improvement Plan	RPTA -Regional Public Transit Agency
ISO -International Standards Organization	SEC -Securities and Exchange Commission
IT -Information Technology	sq. ft. -Square Feet
ITS -Intelligent Transportation System	sq. yd. -Square Yard
JCEF -Judicial Court Enhancement Fund	SR -State Route
ln. ft. -Lineal (Linear) Feet	STORM -Stormwater Outreach for Regional Municipalities

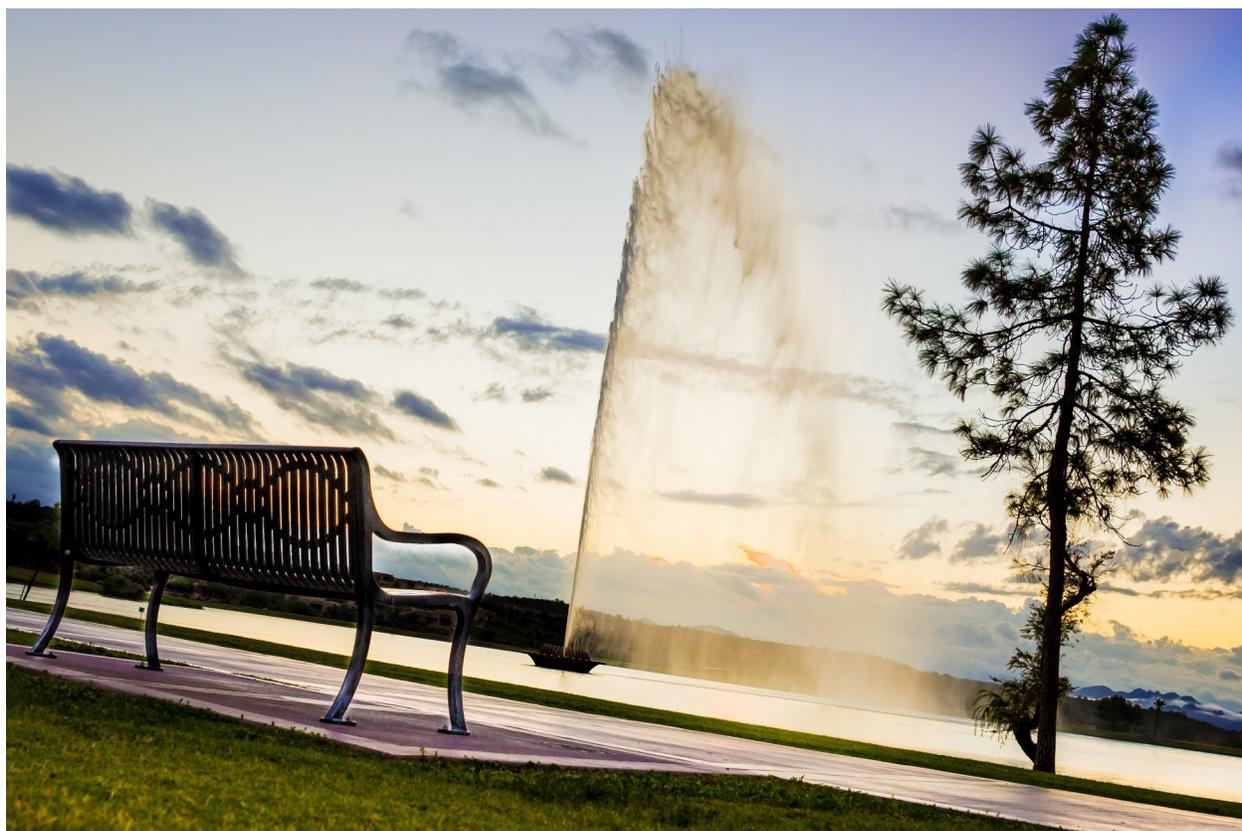
SWOT-Strengths, Weaknesses, Opportunities, Threats

V-Volt

VHF-Very High Frequency

VOIP-Voice Over Internet Protocol

VRF-Vehicle Replacement Fund



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