

RESOLUTION NO. 2011-20

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF FOUNTAIN HILLS, ARIZONA, ADOPTING THE TENTATIVE BUDGET AS THE 2011-2012 FISCAL YEAR BUDGET FOR THE TOWN OF FOUNTAIN HILLS.

WHEREAS, in accordance with the provisions of Title 42, Chapter 17, Articles 1-5, Arizona Revised Statutes, the Mayor and Council of the Town of Fountain Hills (the "Town Council") did, on May 25, 2011, make an estimate of the different amounts required to meet the public expenditures/expenses for the ensuing year, also an estimate of revenues from sources other than direct taxation, and the amount to be raised by taxation upon real and personal property of the Town of Fountain Hills, Arizona; and

WHEREAS, in accordance with said chapter of said title, and following due public notice, the Town Council met on May 25, 2011, at which meeting any taxpayer was privileged to appear and be heard in favor of or against any of the proposed expenditures/expenses or tax levies; and

WHEREAS, publication has been duly made as required by law, of said estimates together with a notice that the Town Council would meet on June 16, 2011, at the Fountain Hills Town Council Chambers for the purpose of hearing taxpayers and with respect to said estimates or any of the proposed expenditures/expenses or tax levies; and

WHEREAS, it appears that the sums to be raised by taxation, as specified therein, do not in the aggregate exceed that amount as computed in ARIZ. REV. STAT. § 42-17051(A).

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

SECTION 1. The statements and schedules attached hereto as Exhibit A and incorporated herein by reference, are hereby adopted as the budget of the Town of Fountain Hills, Arizona, for the fiscal year July 1, 2011 through June 30, 2012.

PASSED AND ADOPTED by the Mayor and Council of the Town of Fountain Hills, June 16, 2011.

FOR THE TOWN OF FOUNTAIN HILLS:

ATTESTED TO:



Jay T. Schlum, Mayor



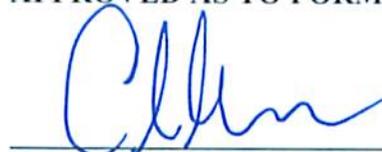
Bevelyn J. Bender, Town Clerk

REVIEWED BY:

APPROVED AS TO FORM:



Richard L. Davis, Town Manager



Andrew J. McGuire, Town Attorney

EXHIBIT A
TO
RESOLUTION NO. 2011-20

[Budget Statements and Schedules]

See following pages.

TOWN OF FOUNTAIN HILLS, ARIZONA
Summary Schedule of Estimated Revenues and Expenditures/Expenses
Fiscal Year 2011-12

FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2010-11*	ACTUAL EXPENDITURES/ EXPENSES 2010-11**	FUND BALANCE/ NET ASSETS*** July 1, 2011**	DIRECT PROPERTY TAX REVENUES 2011-12	ESTIMATED REVENUES OTHER THAN PROPERTY TAXES 2011-12	OTHER FINANCING 2011-12		INTERFUND TRANSFERS 2010-11		TOTAL FINANCIAL RESOURCES AVAILABLE 2011-12	BUDGETED EXPENDITURES/ EXPENSES 2011-12
						SOURCES	<USES>	IN	<OUT>		
1. General Fund	\$ 12,634,425	\$ 12,237,385	\$ 7,082,200	\$	\$ 12,645,463	\$	\$ 1,402,697	\$	\$ (337,354)	\$ 10,905,412	\$ 12,640,890
2. Special Revenue Funds	7,403,761	1,956,711	2,194,673	1,007,500	2,949,410	4,268,100	4,268,100	750	(20,494)	\$ 3,937,166	3,066,360
3. Debt Service Funds Available	2,868,801	2,868,801	920,356		2,268,699	2,432,697	2,932,697	193,500		2,882,555	5,456,285
Less: Designation for Future 4. Debt Retirement											
5. Total Debt Service Funds	2,868,801	2,868,801	920,356		2,268,699	2,432,697	2,932,697	193,500		2,882,555	5,456,285
6. Capital Projects Funds	6,446,116	1,200,000	11,475,359		14,164,779	8,995,911	10,025,911			24,610,138	17,210,139
7. Permanent Funds											
8. Enterprise Funds Available											
Less: Designation for Future 9. Debt Retirement											
10. Total Enterprise Funds											
11. Internal Service Funds	123,567	123,567	650,400					163,598		813,998	102,370
12. TOTAL ALL FUNDS	\$ 29,476,670	\$ 18,386,464	\$ 22,322,988	\$ 1,007,500	\$ 32,028,351	\$ 15,696,708	\$ 18,629,405	\$ 357,848	\$ (357,848)	\$ 43,149,269	\$ 38,476,044

EXPENDITURE LIMITATION COMPARISON

1. Budgeted expenditures/expenses	\$ 36,411,805
2. Add/subtract: estimated net reconciling items	
3. Budgeted expenditures/expenses adjusted for reconciling items	36,411,805
4. Less: estimated exclusions	20,001,108
5. Amount subject to the expenditure limitation	\$ 16,410,697
6. EEC or voter-approved alternative expenditure limitation	\$ 28,591,378

	2010-11	2010-11
	\$ 36,411,805	\$ 38,476,044
	36,411,805	38,476,044
	20,001,108	22,591,907
	\$ 16,410,697	\$ 15,884,137
	\$ 28,591,378	\$ 24,781,571

* Includes Expenditure/Expense Adjustments Approved in 2010-11 from Schedule E.

** Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.

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

TOWN OF FOUNTAIN HILLS, ARIZONA
Summary of Tax Levy and Tax Rate Information
Fiscal Year 2011-12

	<u>2010-11</u> <u>FISCAL YEAR</u>	<u>2011-12</u> <u>FISCAL YEAR</u>
1. Maximum allowable primary property tax levy A.R.S. §42-17051(A).	\$ <u>0</u>	\$ <u>0</u>
2. Amount received from primary property taxation in the fiscal year 2010-11 in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18).	\$ 0	0
3. Property tax levy amounts		
A. Primary property taxes	\$ 0	\$ 0
B. Secondary property taxes	<u>1,020,000</u>	<u>1,007,500</u>
C. Total property tax levy amounts	<u>\$ 1,020,000</u>	<u>\$ 1,007,500</u>
4. Property taxes collected*		
A. Primary property taxes		
(1) 2010-11 levy	\$ 0	0
(2) Prior years' levy	0	0
(3) Total primary property taxes	\$ 0	0
B. Secondary property taxes		
(1) 2010-11 levy	\$ <u>1,020,000</u>	<u>1,007,500</u>
(2) Prior years' levy	\$ 0	0
(3) Total secondary property taxes	\$ 1,020,000	1,007,500
C. Total property taxes collected	\$ 1,020,000	1,007,500
5. Property tax rates		
A. Town tax rate		
(1) Primary property tax rate	<u>0.0000</u>	<u>0.0000</u>
(2) Secondary property tax rate (estimate)	<u>0.1836</u>	<u>0.2230</u>
(3) Total city/town tax rate	<u>0.1836</u>	<u>0.2230</u>
B. Special assessment district tax rates		

Secondary property tax rates - As of the date the proposed budget was prepared, the town was operating two (2) special assessment districts for which secondary property taxes are levied. For information pertaining to these special assessment districts and their tax rates, please contact the town.

*Includes actual property taxes collected as of the date the proposed budget was prepared plus estimated property tax collections for the remainder of the fiscal year.

TOWN OF FOUNTAIN HILLS, ARIZONA
Summary by Fund Type of Revenues Other Than Property Taxes
Fiscal Year 2011-12

SOURCES OF REVENUES	ESTIMATED REVENUES 2010-11	ACTUAL REVENUES 2010-11*	ESTIMATED REVENUES 2011-12
GENERAL FUND			
Local Taxes			
Local Sales Tax	\$ 6,020,520	\$ 6,641,684	\$ 6,611,688
Franchise Tax	\$ 300,000	\$ 300,000	\$ 303,000
Permits			
Animal License Fees	\$ 45,088	45,088	46,892
Business License Fees	\$ 109,180	109,180	113,547
Building Permit Fees	\$ 155,140	55,000	199,550
Landscape Permit Fees	\$ 0	1,000	1,040
Planning & Zoning Fees	\$ 15,000	44,400	22,000
Improvement Plan Review Fee	\$ 8,506	55,000	21,000
Intergovernmental			
State Sales Tax	\$ 1,765,065	1,765,065	1,701,437
Fire Insurance Premium Tax	\$ 119,452	119,452	124,230
Shared Income Tax	\$ 2,384,218	2,384,218	1,898,167
Vehicle License Tax	\$ 850,000	850,000	758,394
User Fees			
Parks & Rec User Fees	\$ 245,941	180,000	218,091
Encroachment Fees	\$ 17,000	24,000	28,000
Variances	\$ 10,000	600	5,000
Fines and forfeitures			
Court Fines	\$ 255,078	200,000	260,180
Interest on investments			
Interest on Investments	\$ 10,800	10,800	60,000
Rentals			
Community Center Rental Fees	\$ 102,328	116,800	87,564
Leases & Rents	\$ 100,464	141,264	145,464
Miscellaneous			
Miscellaneous	\$ 128,487	31,166	40,220
Total General Fund	\$ 12,642,267	\$ 13,074,717	\$ 12,645,469
SPECIAL REVENUE FUNDS			
Highway User Revenue Fund			
Highway Users	\$ 1,315,800	\$ 1,315,800	\$ 1,132,332
Total Highway User Revenue Fund	\$ 1,315,800	\$ 1,315,800	\$ 1,132,332
Local Transportation Assistance Fund			
Local Transportation (LTAF)	\$ 0	\$ 0	\$ 0
Total Local Transportation Assistance Fund	\$ 0	\$ 0	\$ 0
In Lieu Payments	\$ 15,068	\$ 15,068	\$ 25,200
Interest	\$ 120	\$ 120	\$ 120
Miscellaneous	\$ 7,602	\$ 7,602	\$ 4,800
	\$ 1,338,590	\$ 1,338,590	\$ 1,162,452
* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.			
Excise Taxes			
Local Sales Tax Transfer	\$ 270,629	\$ 301,900	\$ 272,138
	\$ 270,629	\$ 301,900	\$ 272,138
Court Enhancement Fund			

TOWN OF FOUNTAIN HILLS, ARIZONA
Summary by Fund Type of Other Financing Sources/<Uses> and Interfund Transfers
Fiscal Year 2011-12

FUND	OTHER FINANCING 2011-12		INTERFUND TRANSFERS 2011-12	
	SOURCES	<USES>	IN	<OUT>
GENERAL FUND				
Annual Debt Payment for Community Center	\$	\$	\$	\$ 193,500
Transfer to Public Art for Maintenance				750
Interfund charge for Vehicle Replacement				143,104
General Fund Reserves		1,402,697		0
Total General Fund	\$ 0	\$ 1,402,697	\$ 0	\$ 337,354
HIGHWAY USERS				
Interfund charge for Vehicle Replacement				20,494
Total Highway Users Funds	\$ 0	\$ 0	\$ 0	\$ 20,494
DEBT SERVICE FUNDS				
Annual Debt Payment for Community Center	\$	\$	\$ 193,500	\$
General Fund Reserves	1,402,697			
General Government Dev Fees	\$ 530,000	\$	\$	\$
Capital Projects Fund	500,000			
Series 2004 MPC Bonds Payoff		2,932,697		
Total Debt Service Funds	\$ 2,432,697	\$ 2,932,697	\$ 193,500	\$ 0
CAPITAL PROJECTS FUNDS				
Bond Proceeds	8,995,911		0	
Road Projects		8,995,911	0	
CIP Reserves		500,000	0	
Total Capital Projects Funds	\$ 8,995,911	\$ 9,495,911	\$ 0	\$ 0
SPECIAL REVENUE FUNDS				
MAG Grant	4,253,100			
Shea Boulevard		4,253,100		0
City of Scottsdale - Shea/Eagle Mountain	15,000	15,000		0
Public Art Fund			750	
Total Special Revenue Funds	\$ 4,268,100	\$ 4,268,100	\$ 750	\$ 0
DEVELOPMENT FEES				
General Government Dev Fees	\$	\$ 530,000	\$	\$
Total Development Fee Funds	\$ 0	\$ 530,000	\$ 0	\$ 0
INTERNAL SERVICE FUNDS				
	\$	\$	\$	\$
Interfund charge for Vehicle Replacement			0	
Interfund charge for Vehicle Replacement			163,598	
Total Internal Service Funds	\$ 0	\$ 0	\$ 163,598	\$ 0
TOTAL ALL FUNDS	\$ 15,696,708	\$ 18,629,405	\$ 357,848	\$ 357,848

TOWN OF FOUNTAIN HILLS, ARIZONA
Summary by Department of Expenditures/Expenses Within Each Fund Type
Fiscal Year 2011-12

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2010-11	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2010-11	EST ACTUAL EXPENDITURES/ EXPENSES 2010-11*	BUDGETED EXPENDITURES/ EXPENSES 2011-12
GENERAL FUND				
Mayor and Town Council	\$ 72,427	\$	\$ 65,000	\$ 75,907
Municipal Court	\$ 421,291	\$	\$ 375,000	\$ 432,855
Administration	\$ 2,467,142	\$ (23,200)	\$ 2,100,000	\$ 2,265,495
Development Services	\$ 1,557,237	\$ 320	\$ 1,557,557	\$ 1,618,167
Community Services	\$ 2,322,230	\$ 3,500	\$ 2,325,730	\$ 2,192,415
Law Enforcement	\$ 2,751,687	\$	\$ 2,751,687	\$ 2,899,839
Fire Department	\$ 3,042,411	\$ 20,000	\$ 3,062,411	\$ 3,156,212
Transfers	0		0	0
Total General Fund	\$ 12,634,425	\$ 620	\$ 12,237,385	\$ 12,640,890
SPECIAL REVENUE FUNDS				
Highway Users (HURF)	\$ 1,284,211	\$	\$ 1,284,211	\$ 1,297,972
Public ART	\$ 20,350	\$	\$ 10,000	\$ 758
Court Enhancement Fund	\$ 40,350	\$	\$ 12,500	\$ 33,250
Miscellaneous Grants	\$ 0	\$	\$ 0	\$ 1,500,000
Excise Tax Special Revenue	\$ 572,976	\$	\$ 150,000	\$ 234,380
Capital Project Grants	5,485,874		500,000	0
Total Special Revenue Funds	\$ 7,403,761	\$ 0	\$ 1,956,711	\$ 3,066,360
DEBT SERVICE FUNDS				
General Obligation Bonds	\$ 1,019,413	\$	\$ 1,019,413	\$ 1,019,413
Revenue Bonds	0	\$	\$ 0	\$ 0
Municipal Property Corp (MPC)	1,424,463		1,424,463	4,011,947
Cottonwood Improv Dist	3,315		3,315	3,315
Eagle Mountain CFD	421,610		421,610	421,610
Total Debt Service Funds	\$ 2,868,801	\$ 0	\$ 2,868,801	\$ 5,456,285
DEVELOPMENT FEES				
Law Enforcement Development Fees	\$ 0	\$	\$ 0	\$ 5,000
Street Department Development Fees	0		0	20,000
Parks & Recreation Development Fees	0		0	15,000
Open Space Development Fees	0		0	15,000
General Government Development Fees	0		0	5,000
Fire Development Fees	0		0	5,000
Library Development Fees	0		0	5,000
Total Development Fees	0	\$ 0	\$ 0	\$ 70,000
Capital Projects	6,446,116		1,200,000	17,140,139
Contingency	0		0	0
Total Capital Projects Funds	\$ 6,446,116	\$ 0	\$ 1,200,000	\$ 17,140,139
INTERNAL SERVICE FUNDS				
Vehicle & Equipment Replacement	\$	\$	\$ 0	\$
Vehicle & Equipment Replacement	\$ 123,567	\$	\$ 123,567	\$ 102,370
Total Internal Service Funds	123,567		123,567	102,370
TOTAL ALL FUNDS	\$ 29,476,670	\$ 620	\$ 18,386,464	\$ 38,476,044

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.