

RESOLUTION NO. 2012-11

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF FOUNTAIN HILLS, ARIZONA, ADOPTING THE TENTATIVE BUDGET AS THE 2012-2013 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 "Applicable Law"), the Mayor and Council of the Town of Fountain Hills (the "Town Council") did, on May 3, 2012, make an estimate of (i) the different amounts required to meet the public expenditures/expenses for the ensuing year, (ii) revenues from sources other than direct taxation and (iii) the amount to be raised by taxation upon real and personal property of the Town of Fountain Hills, Arizona; and

WHEREAS, in accordance with the Applicable Law, and following due public notice, the Town Council met on May 3, 2012, 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 7, 2012, 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, 2012 through June 30, 2013.

PASSED AND ADOPTED by the Mayor and Council of the Town of Fountain Hills, June 12, 2012.

FOR THE TOWN OF FOUNTAIN HILLS:

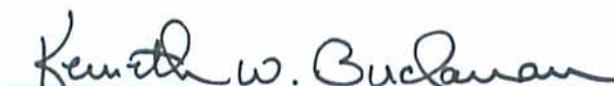
ATTESTED TO:


Linda M. Kavanagh, Mayor


Bevelyn J. Bender, Town Clerk

REVIEWED BY:

APPROVED AS TO FORM:


Kenneth W. Buchanan, Town Manager


Andrew J. McGuire, Town Attorney

EXHIBIT A
TO
RESOLUTION NO. 2012-11

[Budget Statements and Schedules]

See following pages.

Fountain Hills
Summary Schedule of Estimated Revenues and Expenditures/Expenses
Fiscal Year 2013

FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES* 2012	ACTUAL EXPENDITURES/ EXPENSES ** 2012	FUND BALANCE/ NET ASSETS*** July 1, 2012**	PROPERTY TAX REVENUES 2013	ESTIMATED REVENUES OTHER THAN PROPERTY TAXES 2013	OTHER FINANCING 2013		INTERFUND TRANSFERS 2013		TOTAL FINANCIAL RESOURCES AVAILABLE 2013	BUDGETED EXPENDITURES/ EXPENSES 2013
						SOURCES	<USES>	IN	<OUT>		
1. General Fund	\$ 12,606,201	\$ 12,606,201	\$ 6,713,894	Primary: \$	\$ 13,654,389	\$	\$	\$	\$ 594,500	\$ 13,059,889	\$ 13,548,619
2. Special Revenue Funds	3,026,738	1,736,738	2,792,565	Secondary:	3,594,990					3,594,990	3,516,098
3. Debt Service Funds Available	5,456,285	5,456,286	612,438	1,000,800	1,212,335			193,500		2,406,635	2,519,038
4. Less: Amounts for Future Debt Retirement											
5. Total Debt Service Funds	5,456,285	5,456,286	612,438	1,000,800	1,212,335			193,500		2,406,635	2,519,038
6. Capital Projects Funds	17,210,139	1,200,000	11,566,316		7,340,732					7,340,732	11,337,280
7. Permanent Funds											
8. Enterprise Funds Available											
9. Less: Amounts for Future Debt Retirement											
10. Total Enterprise Funds											
11. Internal Service Funds	102,370	104,823	701,335		166,870			401,000		567,870	401,000
12. TOTAL ALL FUNDS	\$ 38,401,733	\$ 21,104,048	\$ 22,386,548	\$ 1,000,800	\$ 25,969,316	\$	\$	\$ 594,500	\$ 594,500	\$ 26,970,116	\$ 31,322,035

EXPENDITURE LIMITATION COMPARISON

	2012	2013
1. Budgeted expenditures/expenses	\$ 38,401,733	\$ 31,322,035
2. Add/subtract: estimated net reconciling items		
3. Budgeted expenditures/expenses adjusted for reconciling items	38,401,733	31,322,035
4. Less: estimated exclusions	22,591,807	14,169,117
5. Amount subject to the expenditure limitation	\$ 15,809,826	\$ 17,152,918
6. EEC or voter-approved alternative expenditure limitation	\$ 24,781,571	\$ 25,503,864

The city/town does not levy property taxes and does not have special assessment districts for which property taxes are levied. Therefore, Schedule B has been omitted.

* Includes Expenditure/Expense Adjustments Approved in current year 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 not in spendable form (e.g., prepaids and inventories) or legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

Fountain Hills
Summary of Tax Levy and Tax Rate Information
Fiscal Year 2013

	2012	2013
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ _____	\$ _____
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. A.R.S. §42-17102(A)(18)	\$ _____	
3. Property tax levy amounts		
A. Primary property taxes	\$ _____	\$ _____
B. Secondary property taxes	<u>1,007,500</u>	<u>1,000,850</u>
C. Total property tax levy amounts	<u>\$ 1,007,500</u>	<u>\$ 1,000,850</u>
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ _____	
(2) Prior years' levies	_____	
(3) Total primary property taxes	\$ _____	
B. Secondary property taxes		
(1) Current year's levy	\$ <u>1,007,500</u>	
(2) Prior years' levies	_____	
(3) Total secondary property taxes	\$ <u>1,007,500</u>	
C. Total property taxes collected	\$ <u>1,007,500</u>	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	_____	_____
(2) Secondary property tax rate	<u>0.2230</u>	<u>0.2651</u>
(3) Total city/town tax rate	<u>0.2230</u>	<u>0.2651</u>

B. Special assessment district tax rates
 Secondary property tax rates - As of the date the proposed budget was prepared, the city/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 city/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.

Fountain Hills
Summary by Fund Type of Revenues Other Than Property Taxes
Fiscal Year 2013

SOURCE OF REVENUES	ESTIMATED REVENUES 2012	ACTUAL REVENUES* 2012	ESTIMATED REVENUES 2013
GENERAL FUND			
Local taxes			
Local Sales Tax	\$ 6,611,688	\$ 6,561,605	\$ 6,765,120
Franchise Tax	303,000	322,265	603,000
Licenses and permits			
Animal License Fees	46,896	44,091	47,365
Business License Fees	113,544	97,610	114,679
Liquor License Fees	-	1,575	1,500
Building Permit Fees	211,546	66,453	109,000
Landscape Permit Fees	1,040	2,689	1,260
Planning & Zoning Fees	10,000	4,731	10,000
Improvement Plan Review Fees	-	77,184	94,650
Intergovernmental			
State Sales Tax	1,701,480	1,745,121	1,880,400
Fire Insurance Premium Tax	124,230	115,000	116,776
Shared Income Tax	1,898,160	1,898,089	2,259,840
Vehicle License Tax	758,400	714,915	758,400
Charges for services			
Parks & Rec User Fees	216,341	154,735	204,414
Encroachment Fees	28,000	42,492	56,325
Variances	5,000	4,500	4,000
Community Center Rental Fees	87,564	99,096	92,768
Leases & Rents	145,464	116,239	135,456
Fines and forfeits			
Court Fines	260,160	197,909	289,800
Interest on investments			
Interest on Investments	60,000	36,169	60,000
Miscellaneous			
Miscellaneous	67,058	47,614	49,636
Total General Fund	\$ 12,649,571	\$ 12,350,082	\$ 13,654,389

* 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.

SPECIAL REVENUE FUNDS

HIGHWAY USER REVENUE FUND

Highway User Tax	\$ 1,132,332	\$ 1,061,767	\$ 1,265,640
In-Lieu Fees	25,200	45,467	50,000
Interest	120	253	1,200
Miscellaneous	4,800	15,107	5,040
Total Highway User Revenue Fund	\$ 1,162,452	\$ 1,122,594	\$ 1,321,880

EXCISE TAX FUND

Sales-Excise Tax	\$ 272,136	\$ 229,007	\$ 295,560
Total Excise Tax Fund	\$ 272,136	\$ 229,007	\$ 295,560

GRANTS

Community Grants	\$ -	\$ 138,000	\$ 150,000
LTA/II	-	-	63,000
Miscellaneous	1,438,435	30,627	1,540,000

Fountain Hills
Summary by Fund Type of Revenues Other Than Property Taxes
Fiscal Year 2013

SOURCE OF REVENUES	ESTIMATED REVENUES 2012	ACTUAL REVENUES* 2012	ESTIMATED REVENUES 2013
Total Grants	\$ 1,438,435	\$ 168,627	\$ 1,753,000
PUBLIC ART FUND			
Public Art	\$ 10,000	\$ 7,970	\$ 210,000
Total Public Art Fund	\$ 10,000	\$ 7,970	\$ 210,000
COURT ENHANCEMENT FUND			
Court Enhancement Fund	\$ 14,820	\$ 17,880	\$ 14,550
Total Court Enhancement Fund	\$ 14,820	\$ 17,880	\$ 14,550
Total Special Revenue Funds	\$ 2,897,843	\$ 1,546,078	\$ 3,594,990

* 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.

DEBT SERVICE FUNDS

Secondary Property Tax	\$ 1,020,000	\$ 1,020,000	\$ 1,000,800
Interest Income	102	134	1,200
	\$ 1,020,102	\$ 1,020,134	\$ 1,002,000
Eagle Mountain CFD	\$ 420,084	\$ 420,084	\$ 422,700
Cottonwoods Maint Dists	3,315	3,315	3,315
Municipal Prop Corp	825,204	595,000	785,120
	\$ 1,248,603	\$ 1,018,399	\$ 1,211,135
Total Debt Service Funds	\$ 2,268,705	\$ 2,038,533	\$ 2,213,135

CAPITAL PROJECTS FUNDS

Sales Tax-Local	\$ 104,580	\$ 305,000	\$ 120,000
Grants	4,413,165	121,924	5,794,000
Transfers	9,554,646		1,281,000
Miscellaneous		219,727	15,000
	\$ 14,072,391	\$ 646,651	\$ 7,210,000

DEVELOPMENT FEES

Law Enforcement Development Fees	\$ 8,376	\$ 570	\$ 15,860
Fire/Emergency Development Fees	1,878	125	3,540
Streets Development Fees	49,344	1,397	94,802
Parks & Recreation Development Fees	8,874	1,479	14,790
Open Space Development Fees	5,400	6,473	
Library/Museum Development Fees	1,044	194	1,740
General Government Development Fees	17,772	1,136	
	\$ 92,688	\$ 11,374	\$ 130,732
Total Capital Projects Funds	\$ 14,165,079	\$ 658,025	\$ 7,340,732

* 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.

**Fountain Hills
Summary by Fund Type of Revenues Other Than Property Taxes
Fiscal Year 2013**

<u>SOURCE OF REVENUES</u>	<u>ESTIMATED REVENUES 2012</u>	<u>ACTUAL REVENUES* 2012</u>	<u>ESTIMATED REVENUES 2013</u>
INTERNAL SERVICE FUNDS			
<u>Vehicle Replacement</u>	\$ <u>5,225</u>	\$ <u>47,713</u>	\$ <u>166,870</u>
	\$ <u>5,225</u>	\$ <u>47,713</u>	\$ <u>166,870</u>
Total Internal Service Funds	\$ <u>5,225</u>	\$ <u>47,713</u>	\$ <u>166,870</u>
TOTAL ALL FUNDS	\$ <u>31,986,423</u>	\$ <u>16,640,431</u>	\$ <u>26,970,116</u>

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

Fountain Hills
Summary by Fund Type of Other Financing Sources/<Uses> and Interfund Transfers
Fiscal Year 2013

FUND	OTHER FINANCING 2013		INTERFUND TRANSFERS 2013	
	SOURCES	<USES>	IN	<OUT>
GENERAL FUND				
Annual Debt Pmt for Community Center	\$	\$	\$	\$ 193,500
Interfund Charge for Vehicle Replacement				401,000
Total General Fund	\$	\$	\$	\$ 594,500
SPECIAL REVENUE FUNDS				
	\$	\$	\$	\$
Total Special Revenue Funds	\$	\$	\$	\$
DEBT SERVICE FUNDS				
Annual Debt Pmt for Community Center	\$	\$	\$ 193,500	\$
Total Debt Service Funds	\$	\$	\$ 193,500	\$
CAPITAL PROJECTS FUNDS				
	\$	\$	\$	\$
Total Capital Projects Funds	\$	\$	\$	\$
PERMANENT FUNDS				
	\$	\$	\$	\$
Total Permanent Funds	\$	\$	\$	\$
ENTERPRISE FUNDS				
	\$	\$	\$	\$
Total Enterprise Funds	\$	\$	\$	\$
INTERNAL SERVICE FUNDS				
Interfund Charge for Vehicle Replacemen	\$	\$	\$ 401,000	\$
Total Internal Service Funds	\$	\$	\$ 401,000	\$
TOTAL ALL FUNDS	\$	\$	\$ 594,500	\$ 594,500

Fountain Hills
Summary by Department of Expenditures/Expenses Within Each Fund Type
Fiscal Year 2013

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2012	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2012	ACTUAL EXPENDITURES/ EXPENSES* 2012	BUDGETED EXPENDITURES/ EXPENSES 2013
GENERAL FUND				
Mayor and Town Council	\$ 75,745	\$	\$ 75,745	\$ 82,811
Municipal Court	432,844		432,844	402,933
Administration	2,241,390	13,343	2,254,733	2,585,022
Development Services	1,600,490		1,600,490	2,042,578
Community Services	2,189,948	(3,293)	2,186,655	2,233,838
Law Enforcement	2,899,522		2,899,522	2,946,102
Fire Department	3,156,212		3,156,212	3,255,335
Total General Fund	\$ 12,596,151	\$ 10,050	\$ 12,606,201	\$ 13,548,619
SPECIAL REVENUE FUNDS				
Highway User Revenue Fund	\$ 1,278,299	\$	\$ 1,278,299	\$ 1,321,880
Excise Tax	211,364		211,364	183,968
Public Art	3,825		13,825	210,000
Court Enhancement Fund	33,250		33,250	47,250
Grants	1,500,000		200,000	1,753,000
Total Special Revenue Funds	\$ 3,026,738	\$	\$ 1,736,738	\$ 3,516,098
DEBT SERVICE FUNDS				
General Obligation Bonds	\$ 1,019,413	\$	\$ 1,019,413	\$ 1,002,913
Eagle Mountain CFD	421,610		421,610	421,110
Municipal Property Corp	4,011,947		4,011,948	1,076,700
Cottonwoods Maint Dist	3,315		3,315	18,315
Total Debt Service Funds	\$ 5,456,285	\$	\$ 5,456,286	\$ 2,519,038
CAPITAL PROJECTS FUNDS				
Capital Projects	\$ 17,140,139	\$	\$ 1,200,000	\$ 11,287,280
Law Enforcement Dev Fee	5,000	\$	\$	\$ 5,000
Fire/Emergency Dev Fee	5,000			5,000
Streets Dev Fee	20,000			20,000
Parks & Recreation Dev Fee	15,000			15,000
Open Space Dev Fee	15,000			
Library/General Gov Fee	5,000			5,000
General Gov Fee	5,000			
Total Capital Projects	\$ 17,210,139	\$	\$ 1,200,000	\$ 11,337,280
INTERNAL SERVICE FUNDS				
Vehicle Replacement	\$ 102,370	\$	\$ 104,823	\$ 401,000
Total Internal Service Funds	\$ 102,370	\$	\$ 104,823	\$ 401,000
TOTAL ALL FUNDS	\$ 38,391,683	\$ 10,050	\$ 21,104,048	\$ 31,322,035

* 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.

**Fountain Hills
Summary by Department of Expenditures/Expenses
Fiscal Year 2013**

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2012	EXPENDITURE/ ADJUSTMENTS APPROVED 2012	ACTUAL EXPENDITURES/ EXPENSES * 2012	BUDGETED EXPENDITURES/ EXPENSES 2013
Mayor & Town Council				
General Fund	\$ 75,745	\$	\$ 75,745	\$ 82,811
Department Total	\$ 75,745	\$ 0	\$ 75,745	\$ 82,811
List Department: Administration				
General Fund	\$ 2,241,390	\$ 13,343	\$ 2,254,733	\$ 2,585,022
Excise Tax Fund	211,363		211,364	183,968
Special Revenue Fund	1,500,000		200,000	1,753,000
General Obligations Bonds	1,019,413		1,019,413	1,002,913
Municipal Property Corp	4,011,948		4,011,948	1,076,700
Cottonwoods Maint Dist	3,315		3,315	18,315
Capital Projects Fund	1,189,445			2,337,280
General Gov't Dev Fee	5,000			
Vehicle Replacement Fund	100,000		104,823	401,000
Department Total	\$ 10,281,874	\$ 13,343	\$ 7,805,596	\$ 9,358,198
List Department: Municipal Court				
General Fund	\$ 432,844	\$	\$ 432,844	\$ 402,933
Court Enhancement Fund	33,250		33,250	47,250
Department Total	\$ 466,094	0	\$ 466,094	0 450,183
List Department: Development Services				
General Fund	\$ 1,600,490		1,600,490	2,042,578
Highway Users Fund	1,278,299		1,278,299	1,321,880
Eagle Mountain CFD	421,610		421,610	421,110
Capital Projects Fund	15,350,886		1,200,000	5,592,000
Streets Development Fee	20,000			20,000
Department Total	\$ 18,671,285	\$ 0	\$ 4,500,399	\$ 9,397,568
List Department: Community Services				
General Fund	\$ 2,189,948	(3,293)	2,186,655	2,233,838
Public Art Fund	3,825		13,825	210,000
Capital Projects Fund	262,068			398,000
Park/Rec Development Fee	15,000			15,000
Library/Museum Dev Fee	5,000			5,000
Department Total	\$ 2,475,841	\$ (3,293)	\$ 2,200,480	\$ 2,861,838
List Department: Fire & Emergency Medical				
General Fund	\$ 3,156,212		3,156,212	3,255,335
Capital Projects Fund	355,110			2,960,000
Fire/Emergency Dev Fee	5,000			5,000
Department Total	\$ 3,516,322	\$ 0	\$ 3,156,212	\$ 6,220,335
List Department: Law Enforcement				
General Fund	\$ 2,899,522		\$ 2,899,522	\$ 2,946,102
Law Enforcement Dev Fee	5,000			5,000
Department Total	\$ 2,904,522	\$ 0	\$ 2,899,522	\$ 2,951,102
TOTAL ALL FUNDS	38,391,683	10,050	21,104,048	31,322,035

* 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.