

# Fiscal Year 2018-2019 Adopted Budget

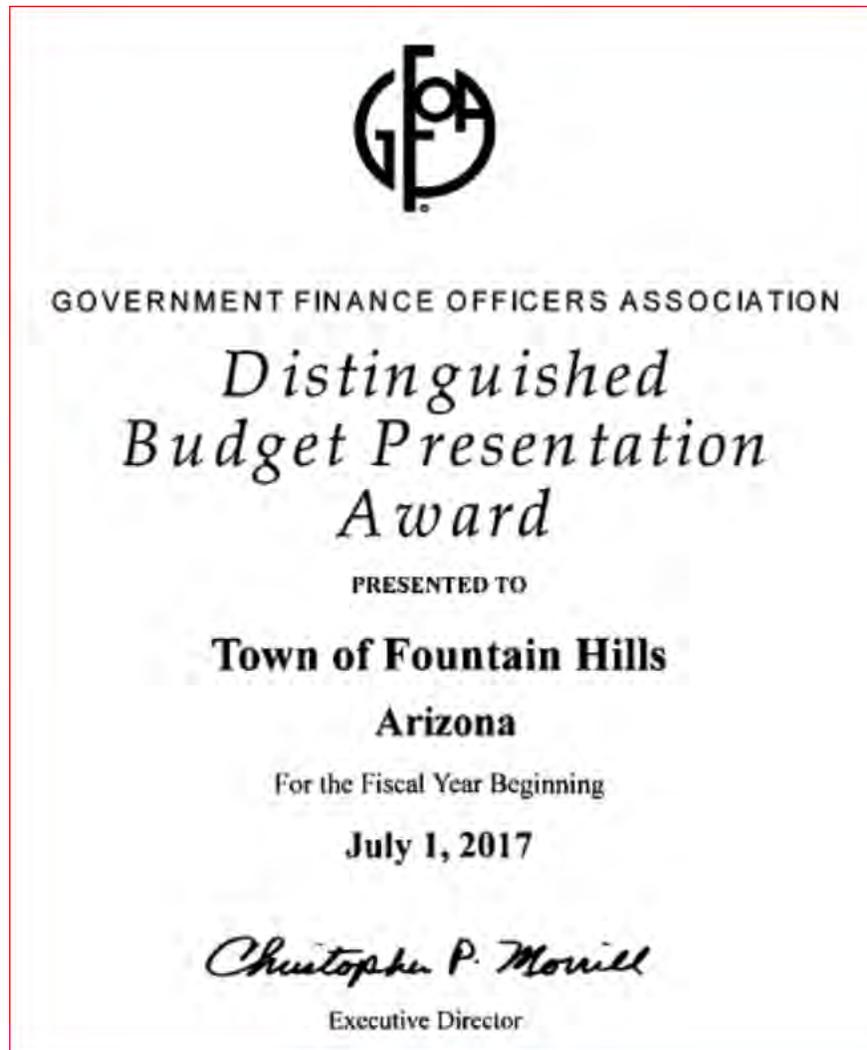
# Town of Fountain Hills Arizona



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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, 2017. 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 will submit it to GFOA to determine its eligibility for another award.



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**BUDGET MESSAGE****June 5, 2018****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, 2018, and ending June 30, 2019. 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 \$32,414,866. 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 (operating fund) which supports core services.

**TEN-YEAR REVENUE AND EXPENDITURE FORECAST**

During the past two years, the Town Council has discussed concerns about the future of the Town's finances. Last May, the Finance Director identified a cumulative budget deficit of approximately \$64 million that will occur over the next ten years. This deficit is largely due to the fact that the Town's revenues have remained relatively flat over the past ten years as the Town's expenditures have continued to grow. This issue is largely a revenue issue rather than an expenditure issue as the Town has significantly reduced staffing levels and contracted out a number of services over the years. By doing so, 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 down costs.

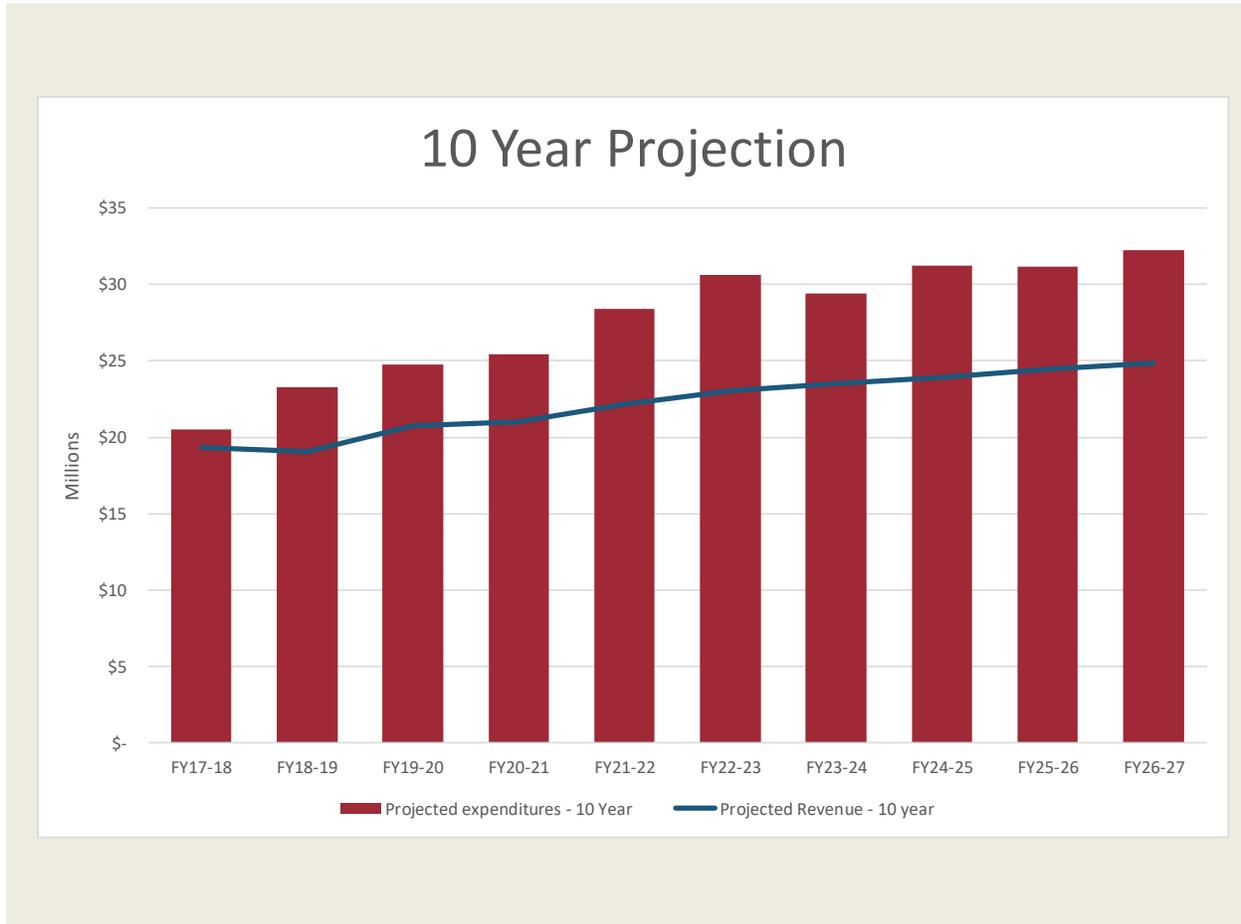
The primary funding issues facing the Town of Fountain Hills include:

- 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 growing, 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 ten-year forecast as it was developed:



### REVENUE OPTIONS – PROPOSED PRIMARY PROPERTY TAX

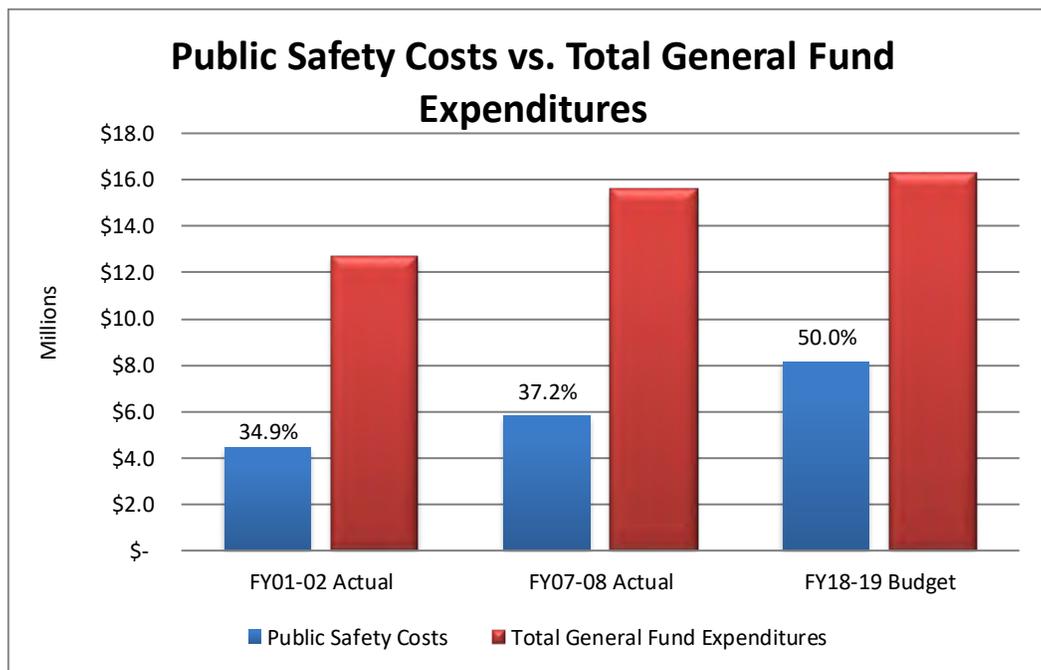
In May of 2017 and again in October of 2017, staff presented to the Town Council a budget forecast that included the projected revenues and all operating and capital expenditures over the next ten years. The expenditures included all of the deferred or underfunded programs such as pavement management, facilities replacement fund, capital improvement program, staffing, increased public safety costs, and other critical areas. The presentation also included revenue options for Town Council consideration to address the revenue shortfall such as increased sales tax, a fire district, a public safety fee, and a primary property tax. After thoroughly reviewing all of these options, the Mayor and Council on January 30, 2018, approved a resolution to refer a \$7.0 million property tax question to voters on May 15, 2018. Unfortunately, the ballot referendum failed which will require the Town Council to adopt other revenues and possible service level reductions to ensure that future budgets are balanced.

**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 FY18-19, Town total General Fund expenditures increased 28.3% while public safety costs increased 83.7% leaving reduced funding to pay for non-public safety core services. In FY18-19, public safety costs now represent 50.0% of the General Fund’s budget.

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



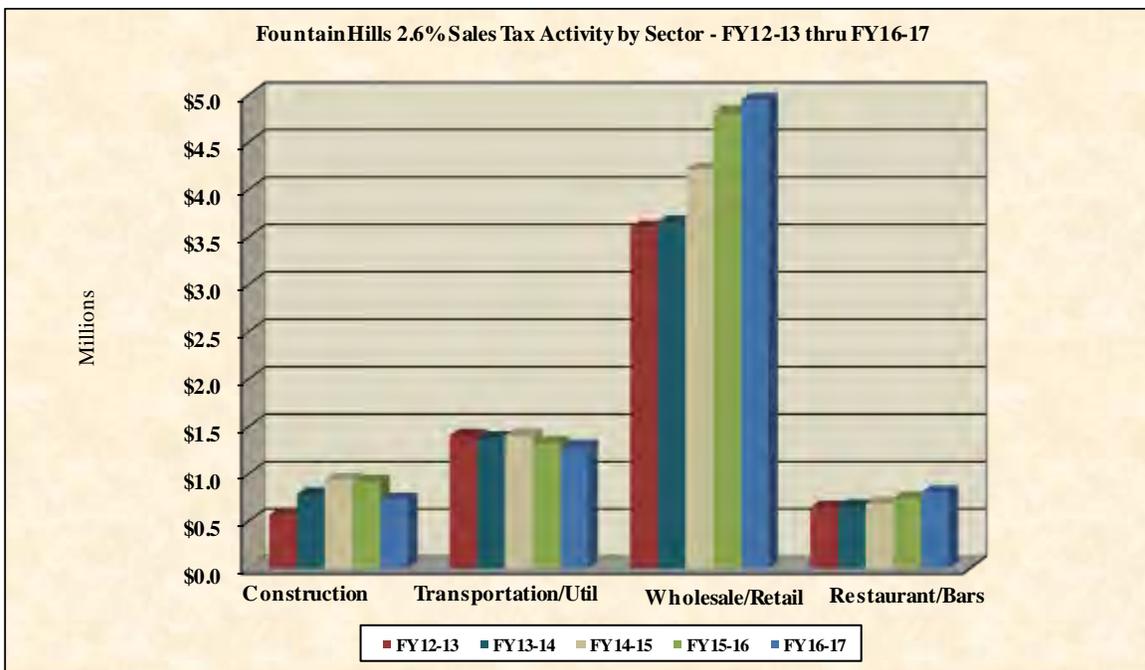
The problem lies not in total public safety costs to the Town, which are fair and reasonable, but rather in the lack of a growing, sustainable, and diversified revenue base. In order to provide the core services and amenities that the residents of Fountain Hills expect, new sources of revenue must be found in the near future.



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 taxes. Combined, these two sources contribute 90% of the General Fund (34% and 56% respectively).

At the time of this budget message, staff members have been waiting on the final State-shared revenue estimates from the State. Even though last fiscal year the Town of Fountain Hills had a modest increase in State-shared revenues, the amount of revenue received was about the same amount received as ten years ago. This important source of revenue is projected to be flat and eventually decline over time as high growth cities will receive larger allocations of State-shared revenue.

The chart below demonstrates that overall local sales tax collections now reflect a modest increase over prior years:



While building activity in Fountain Hills has been on the upswing since 2016 and continuing into 2018, particularly with large scale commercial, multifamily housing, and luxury housing construction, the total building permits issued is still below the peak in the year 2000. The following chart shows the historical building permit activity from the year 1998 forward.

### 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
<b>2017</b>	<b>63</b>	<b>1</b>	<b>2</b>	<b>14</b>	<b>14</b>	<b>79</b>	<b>15</b>	<b>370</b>
<b>20 Year Total</b>	<b>2515</b>	<b>133</b>	<b>264</b>	<b>535</b>	<b>1248</b>	<b>4027</b>	<b>398</b>	<b>11414</b>
<b>20 Year Avg</b>	<b>125.8</b>	<b>6.7</b>	<b>13.2</b>	<b>26.8</b>	<b>62.4</b>	<b>201.4</b>	<b>19.9</b>	<b>570.7</b>

### BUDGET APPROACH

In developing the proposed FY18-19 budget, each Department Director was given specific instructions to stay within the FY17-18 budget as the base budget for FY18-19. New budget requests would have 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 (offset by \$210,568 in one-time revenues) and \$77,879 in ongoing supplemental needs (offset by \$34,700 in on-going revenues).

**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>FY17-18</u>	<u>FY18-19</u>	<u>Funding Source</u>
Public Safety	\$ 7,737,459	\$ 8,129,715	General Fund
General Government	310,879	656,326	General Fund
Administration	4,126,366	2,964,752	General Fund
Public Works	836,595	1,035,577	General Fund
Development Services	1,890,482	1,065,398	General Fund
Community Services	2,392,113	2,520,780	General Fund
Excise Tax Funds -			
Downtown/ED/Tourism	522,817	544,955	Excise Tax
Special Revenue Funds	5,954,816	7,525,238	Special Revenue
Debt Service	2,906,902	2,760,682	Debt Service
Capital Funds	8,619,125	5,211,443	CIP
	<u>\$ 35,297,554</u>	<u>\$ 32,414,866</u>	

**PUBLIC SAFETY**

As mentioned earlier, Public Safety expenditures continue to consume a growing proportion of the overall operating budget.

Last year staff negotiated a new contract with Rural/Metro Corporation to better anticipate the annual cost of fire and emergency services in FY17-18 and into the future. The Town Council approved a new multi-year agreement in 2018 with Rural/Metro Corporation 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. The Town of Fountain Hills is predicting that the Town’s law enforcement services budget will continue to escalate at an annual ten percent increase due to increased costs tied to the Town’s proportionate share of MCSO’s underfunded liabilities in the Arizona Public Safety Personnel Retirement System. Due to



a variety of factors, nearly all of the municipalities and local government that participate in the Public Safety Personnel Retirement System will be experiencing unprecedented contribution increases to the retirement system on behalf of their public safety employees in the foreseeable future.

## **RECOMMENDED STAFFING REQUESTS AND PERSONNEL CHANGES**

The proposed FY18-19 budget includes converting two 24-hour, part-time Accounting Clerk positions into one 40 hour, full-time Financial Services Technician. In addition to saving .20 full-time equivalent employees (FTEs), the change will do a better job of meeting the Finance Division's needs than the current job share arrangement.

All of the Department Directors made compelling justifications for additional staffing as part of their supplemental budget requests. If the Town had the revenues to support these requests, nearly all of the requests would have been recommended for consideration in the FY18-19 budget. Unfortunately, with limited resources, I am recommending only one new position: an IT Support Specialist. The IT Support Specialist position is designed to provide backup to the Network and Information Technology Administrator and was identified as a concern by the Town's outside auditors.

The Development Services Department has requested to utilize a temporary part-time Building Inspector. The cost of a temporary part-time Building Inspector will be offset by a corresponding reduction in the contract with an outside company that currently provides these services; this new arrangement will cost less money and be more responsive to the Town's building inspection needs. The Building Inspector position will be evaluated next year to determine if it makes sense to add this position based on the additional building activity occurring in Fountain Hills and if the additional building permit fees will support this position. Since this position is a contract position working directly for the Town, it does not increase the Town's FTE count.

The FY18-19 budget also includes minor reclassifications of positions. With the review of the Town's classifications, the Administrative Services Director has recommended that the following positions be reclassified:

- Court Clerk to Senior Court Clerk
- CSR I to CSR II (affects part-time Community Center employees)
- Parks Supervisor to Parks Superintendent
- Operations Support Worker to Lead Operations Support Worker – Utilizing existing budgeted hours, two part-time positions (Part-time – Community Center – one would be reclassified, and one would be open for internal recruitment)

## **MODEST INCREASE IN EMPLOYEE SALARY AND BENEFITS**

In FY18-19, there is a recommendation to include an increase of 2.5 percent to the salaries and wages of all existing employees on July 1, 2018, and another 2.5 percent on January 1, 2019. This recommended adjustment will be for one year only with no other adjustment being recommended the following year in FY19-20. The cost of implementing the adjustment to salaries and wages is approximately \$130,000. Unlike a number of other municipalities, the Town of Fountain Hills does



not fund a merit system to provide regular increases to salaries and wages. The Town's previous merit system was discontinued several years ago as a cost savings due to the Town's inability to fund it on an ongoing basis.

In 2016, the Town of Fountain Hills joined a new employee health insurance pool, Arizona Metropolitan Trust (AzMT), in order to lower the Town's cost of providing health insurance, dental insurance, life insurance, vision, flexible benefits program, long-term disability, and a health and wellness program. Joining AzMT allowed Fountain Hills to be in a group that focuses on providing benefits to local government members, which saved the Town over \$100,000 in premiums. The new group offers overall improved benefit coverage through such providers as Blue Cross/Blue Shield and Delta Dental. One of the major benefits of belonging to this new group is that the Town of Fountain Hills has a seat on the Board of Directors and has equal standing in determining plan design and setting future premiums. The group also provides additional administrative support to the Town, which saves considerable time and effort on the part of the Administrative Services Director.

In FY18-19 the Town's portion of increased costs for employee medical, dental, vision, and other health-related benefits is projected to increase modestly by \$12,000. The medical insurance is only being increased by .06 percent.

## **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 from the previous fiscal year. Based on the policy direction from last fiscal year, the funding for community contracts in FY18-19 has again been reduced from FY17-18 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 \$4,132,349 in FY18-19, down from \$7,049,800 in FY17-18 or a 41.4 percent decrease from previous fiscal year. The Town Council previewed the proposed Five Year Capital Improvement Program at a special session on March 13, 2018, and provided direction and prioritization of the proposed projects contained in the program. The two major projects in the FY18-19 capital improvement budget for next year include the new Fire Station No. 2 on Fountain Hills Boulevard and the Adero Canyon Trailhead. These two projects constitute approximately 64.4 percent of the overall capital improvement budget in FY18-19.

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## STRATEGIC PLAN

The Strategic Planning Advisory Commission (SPAC) submitted for Council adoption the 2017 Strategic Plan for the Town of Fountain Hills. The 2017 Strategic Plan is designed to provide guidance to the Town and impacts a variety of Town activities, including policy recommendations, Town operations, and even capital improvement projects.

The 2017 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 and Physical Environment in Fountain Hills are 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*

## BUDGET ASSUMPTIONS FOR FY18-19 AND BEYOND

- 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
- Existing levels of service are maintained
- A cost of living adjustment of 2.5 percent is recommended to go in effect on July 1, 2018, for all full-time and part-time employees and another 2.5 percent adjustment on January 1, 2019; since no adjustments will be recommended in FY19-20, the net impact over two years will be an average of 2.5 percent a year which is consistent with annual cost of living adjustment increases granted in past years
- An inflation factor of 3.0 percent 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 10.11 percent
- The fire services contract with Rural/Metro Corporation is projected at a 3 percent increase for FY18-19 and beyond



The following chart provides General Fund projections through FY 22-23:

Five-year Budget Projection					
	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23
<b>REVENUES</b>					
Intergovernmental	\$ 5,485,747	\$ 5,510,550	\$ 5,535,601	\$ 5,560,903	\$ 5,586,457
Permits, Licenses, Fees	1,161,061	1,080,158	1,122,024	1,116,202	1,153,139
Building Revenue	556,662	588,802	554,104	576,366	793,042
Local Taxes	9,067,725	9,103,363	9,442,027	9,758,534	10,097,493
<b>Total Revenues</b>	<b>\$ 16,271,195</b>	<b>\$ 16,282,873</b>	<b>\$ 16,653,756</b>	<b>\$ 17,012,005</b>	<b>\$ 17,630,131</b>
<b>EXPENDITURES</b>					
Mayor & Town Council	\$ 82,592	\$ 85,070	\$ 87,622	\$ 90,251	\$ 92,959
General government	656,326	366,327	377,317	388,637	400,296
Administration	2,438,780	2,466,944	2,585,953	2,618,531	2,742,088
Municipal Court	342,027	352,288	362,857	373,743	384,955
Public Works	839,254	864,432	890,365	917,076	944,588
Development Services	1,261,720	1,299,572	1,338,559	1,378,715	1,420,078
Community Services	2,520,781	2,596,404	2,674,296	2,754,525	2,837,161
Public Safety (Police & Fire)	8,129,715	8,668,411	9,252,748	9,887,043	10,576,039
<b>Total Expenditures</b>	<b>16,271,195</b>	<b>16,699,448</b>	<b>17,569,717</b>	<b>18,408,521</b>	<b>19,398,164</b>
Surplus/(Deficit)	\$ -	\$ (416,575)	\$ (915,961)	\$ (1,396,516)	\$ (1,768,033)

### DISTINGUISHED BUDGET PRESENTATION AWARD

For the past sixteen years, the Town of Fountain Hills has been awarded the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award. This award is presented to government entities that meet certain criteria in the presentation of their budget. This Budget Message section is designed to provide the layperson with a broad view of the contents of the FY18-19 annual budget, its processes, issues and anticipated outcomes.

### A DEBT OF GRATITUDE

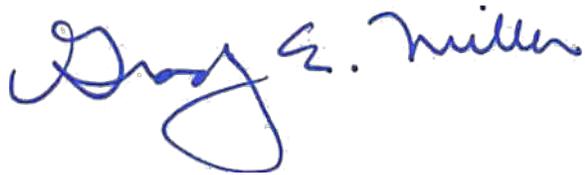
A special thank you is extended to the Mayor and Town Council, our numerous Board and Commission Members, and our Town volunteers for their many hours of volunteer service without which the Town could not function in the fine manner it does. This volunteer core of 900 plus citizens provides the Town of Fountain Hills with a vast bank of knowledge about subjects that contribute to planning for the present and future of Fountain Hills.

I would also like to thank the Town of Fountain Hills Department Directors and their staff members for their diligence in preparing their budgets. 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 Council’s current goals and assists in planning for the future of Fountain Hills.



Finally, I am extremely grateful to Finance Director Craig Rudolphy and Accountant Beata Bogdan for their countless hours working evenings and weekends in preparing and finalizing the FY18-19 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, 2,488 acres are developable, with 72 acres being zoned commercial (approximately 0.6%), 8 acres zoned industrial (0.1%), and 1,528 acres are right-of-way/streets (12%).



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.

APRA (Arizona Parks and Recreation Association) bestowed a Sports Program Award on the Town for Nerf Wars, and a Facility Award for the Musical Instrument Park. IFEA/Haas & Wilkerson (International Festivals & Events Association) awarded six of their coveted Pinnacle Awards to the Town. Also, the Fountain Hills Thea-



ter was presented with quite a number of ariZoni awards. These honors make us proud, and we continually strive to make our community an even better place to live.

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.

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 1.4 dwelling units per acre for single family homes and 6.9 units per acre for multi-family housing.

At the end of 2017, there were 977 vacant single family lots and 96 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

2010		2000		Percent Change 2000-2010		2010	
Population	Housing Units	Population	Housing Units	Population	Housing Units	Occupied	Vacant
22,489	13,167	20,235	10,491	11.1%	25.5%	10,339	2,828

Population 2010	Population Age 0-17 Years	Population Age 18 Years & Over	Percent of Population	
			Population Age 0-17 Years	Population Age 18 Years & Over
22,489	3,230	19,259	14.4%	85.6%

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

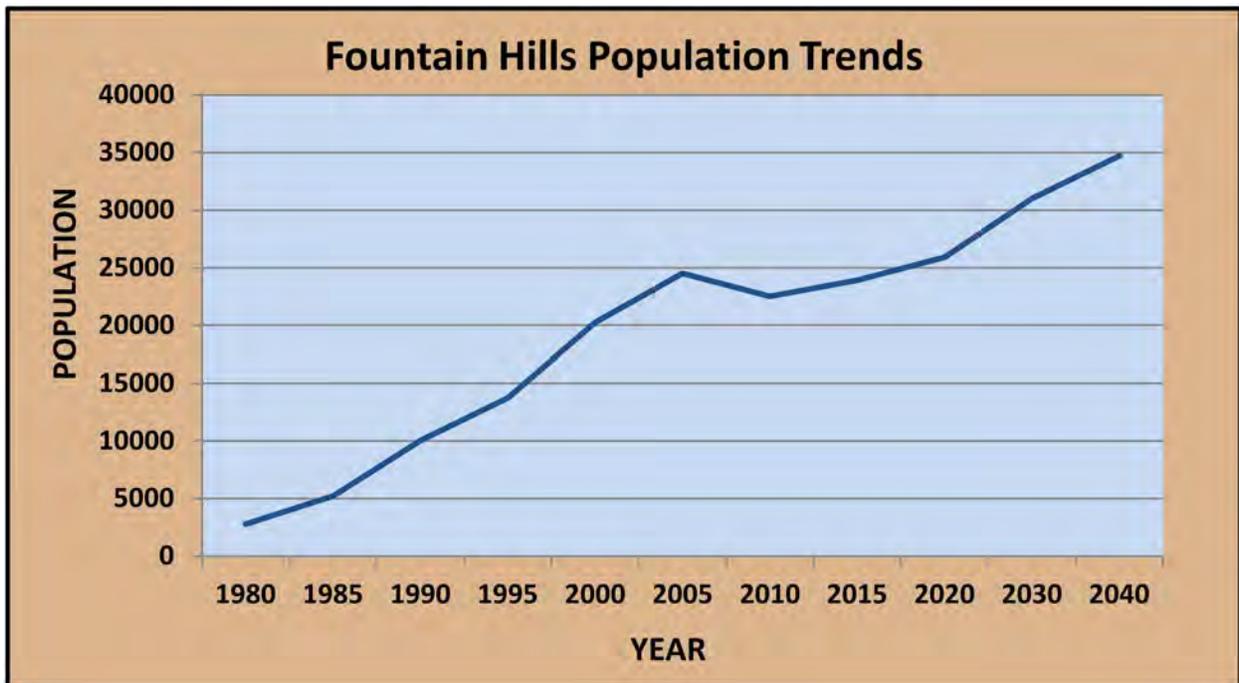
\* US CENSUS

\*\* MAG

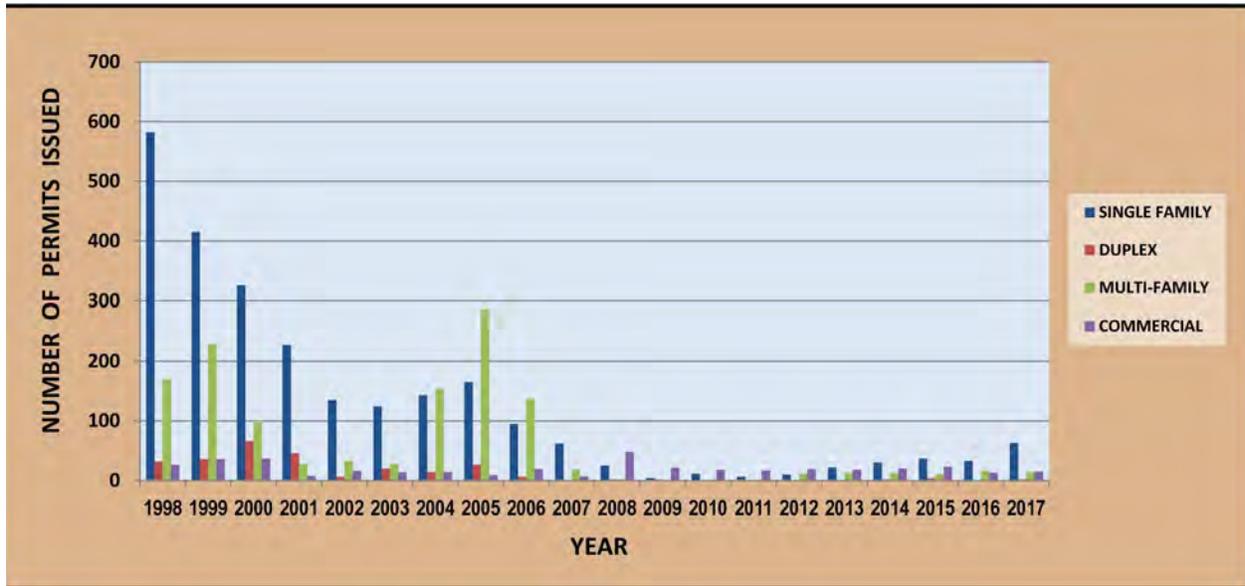
\*\*\*US CENSUS, AMERICAN COMMUNITY SURVEY

\*\*\*\*TOWN DEVELOPMENT SERVICES





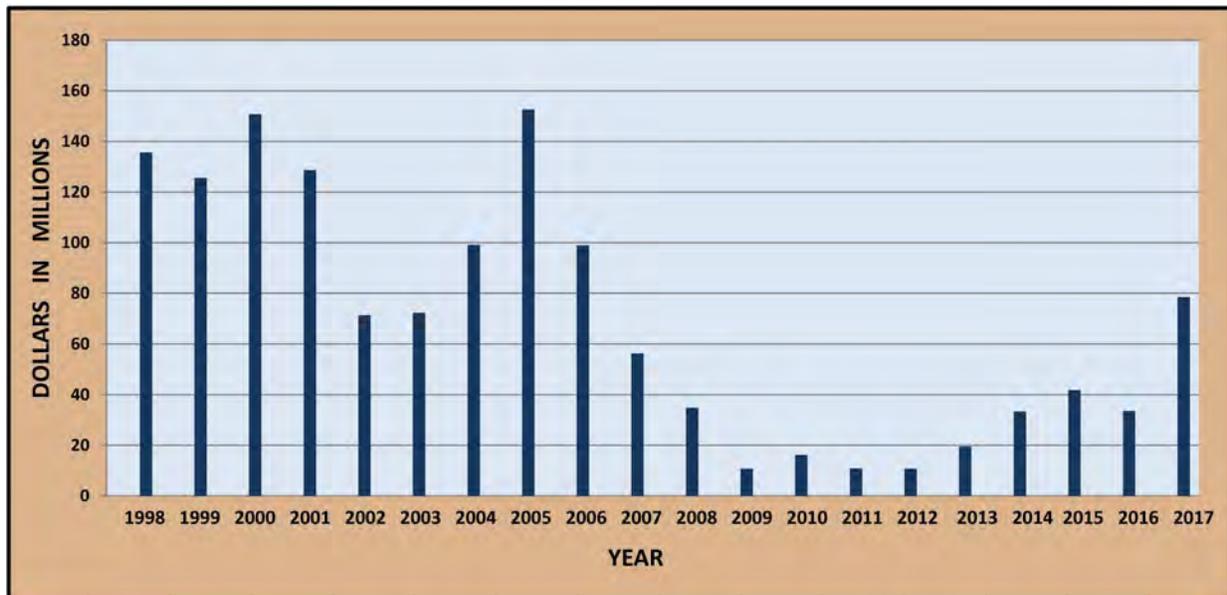
## TOWN-WIDE BUILDING PERMITS ISSUED



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
<b>2017</b>	<b>63</b>	<b>1</b>	<b>2</b>	<b>14</b>	<b>14</b>	<b>79</b>	<b>15</b>	<b>370</b>
<b>20 Year Total</b>	<b>2515</b>	<b>133</b>	<b>264</b>	<b>535</b>	<b>1248</b>	<b>4027</b>	<b>398</b>	<b>11414</b>
<b>20 Year Avg</b>	<b>125.8</b>	<b>6.7</b>	<b>13.2</b>	<b>26.8</b>	<b>62.4</b>	<b>201.4</b>	<b>19.9</b>	<b>570.7</b>



## TOWN-WIDE BUILDING PERMITS ISSUED VALUATION IN DOLLARS



## 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
<b>2017</b>	<b>15</b>	<b>13.619</b>

\*1998-2017 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](http://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. Maria Montessori Preschool
9. Promiseland Christian Preschool
10. Sunflower Preschool

### Address

14825 N. Fayette Drive  
17150 E. Amhurst Drive  
16901 E. Palisades Boulevard  
15249 N. Fountain Hills Boulevard  
16751 E. Glenbrook Boulevard  
15555 E. Bainbridge Avenue  
15055 N. Fountain Hills Boulevard

### Charter School

11. Fountain Hills Charter School

### Address

16751 E. Glenbrook Boulevard

### East Valley Institute of Technology

12. EVIT—Fountain Hills Vocational Center

### Address

17300 E. Calaveras Avenue



McDowell Mountain Elementary School



Fountain Hills Middle School

Fountain Hills High School

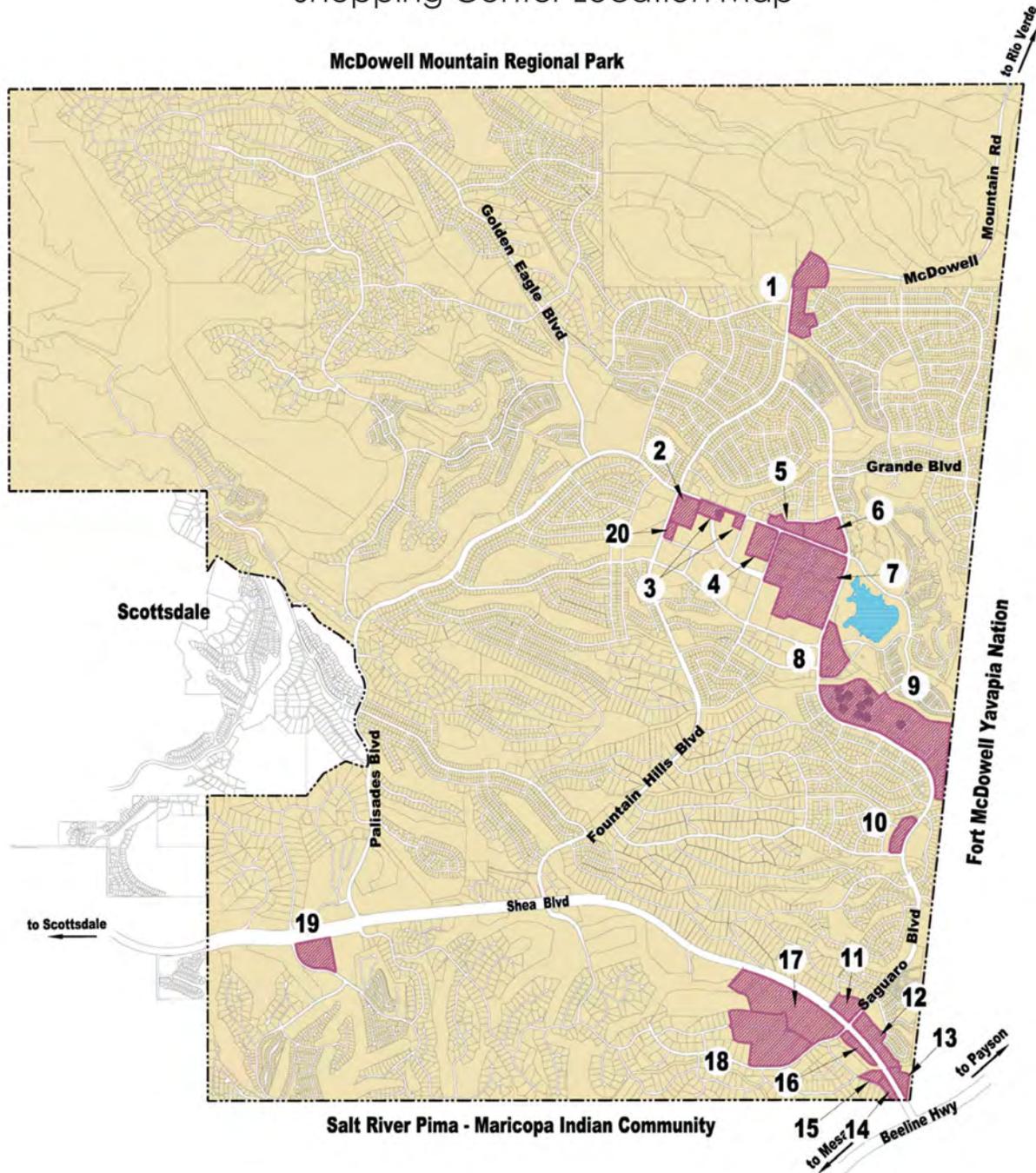


## shopping centers (and other non-residential developments)

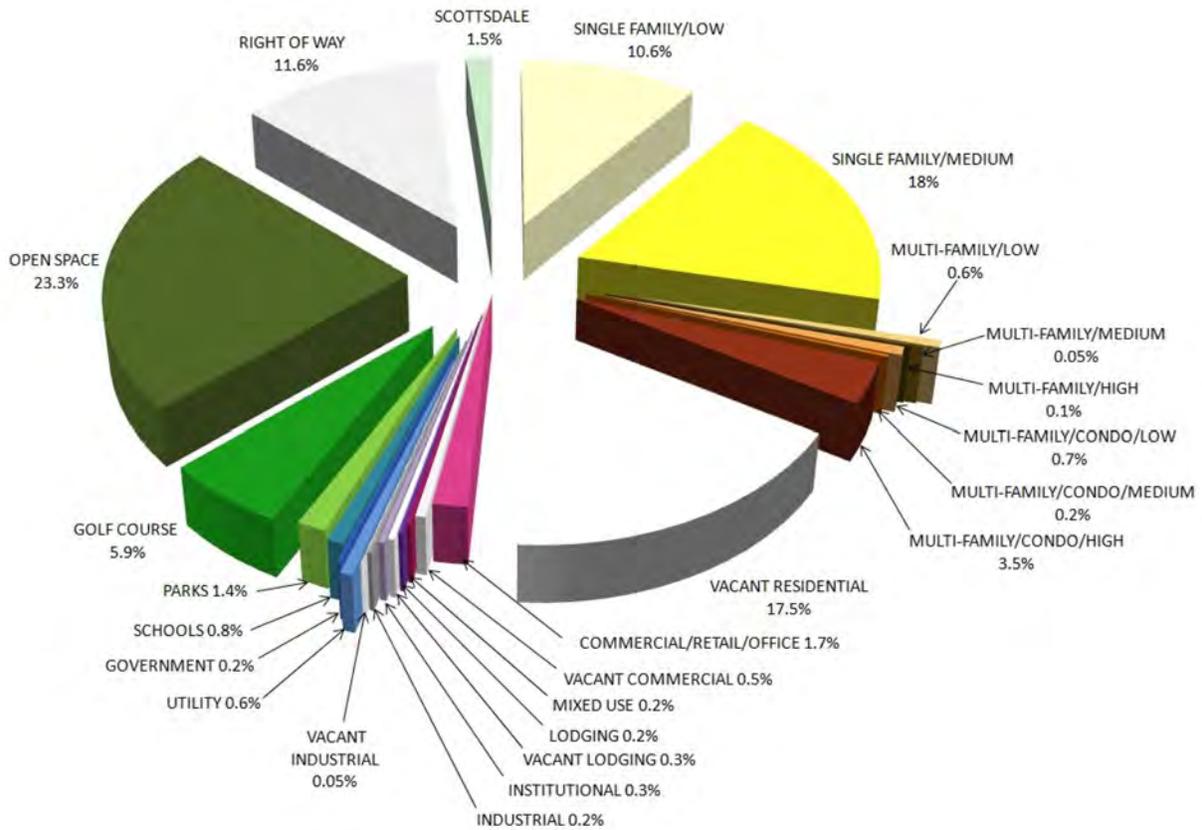
- |  |   |
|--|---|
| 1. <b>Northside Business District</b> (36,900 sf)      | Along the east side of Fountain Hills Blvd in the north part of town  |
| 2. <b>Palisades Plaza</b> (91,445 sf)                  | Located at Fountain Hills Blvd and Palisades Blvd (Anchored by Safeway)   |
| 3. <b>Town Center I</b> (44,010 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. <b>Fountain Hills Plaza</b> (140,421 sf)            | Located at the southwest corner of Palisades Blvd and La Montana Drive (Anchored by Bashas)   |
| 5. <b>La Montana &amp; Palisades Plaza</b> (42,585 sf) | Located at the northeast and northwest corner of La Montana Dr and Palisades Blvd   |
| 6. <b>Red Mountain Plaza</b> (132,192 sf)              | Northwest corner of Palisades Blvd and Saguaro Blvd   |
| 7. <b>Downtown</b> (673,267 sf)                        | Includes all businesses bordered by Saguaro Blvd, Palisades Blvd, La Montana Dr, Avenue of the Fountains and Paul Nordin Pkwy                                   |
| 8. <b>Plaza Fountainside</b> (87,656 sf)               | On the southwest side of Fountain Park  |
| 9. <b>Enterprise Colony District</b> (523,193 sf)      | Along Saguaro Blvd, between Colony Dr to the north and Rand Dr to the south   |
| 10. <b>Plat 202</b> (53,299 sf)                        | Located along Saguaro Blvd between Kingstree Blvd and Malta Dr  |
| 11. <b>Circle K Center</b> (11,400 sf)                 | Located at the northwest corner of Saguaro Blvd and Shea Blvd   |
| 12. <b>Red Rock Business Center</b> (52,282 sf)        | Located at the northeast corner of Saguaro Blvd and Shea Blvd   |
| 13. <b>Crossroads Center</b> (19,452 sf)               | West of the Beeline Highway north side on Shea Blvd   |
| 14. <b>Shea East Plaza</b> (9,496 sf)                  | West of the Beeline Highway south side on Shea Blvd   |
| 15. <b>Firebrick Plaza</b> (18,768 sf)                 | Located between Firebrick Dr and Shea Blvd  |
| 16. <b>Plat 704</b> (41,855 sf)                        | Southeast corner of Saguaro Blvd and Shea Blvd  |
| 17. <b>Four Peaks Plaza</b> (306,307 sf)               | Southwest corner of Shea Blvd west of Saguaro Blvd (Anchored by Target)   |
| 18. <b>Industrial Park</b> (321,220 sf)                | Northwest side of Technology Dr and Saguaro Blvd  |
| 19. <b>Eagle Mountain Village Plaza</b> (82,712 sf)    | Southeast corner of Shea Blvd and Eagle Mountain Pkwy (Anchored by Fry's)   |
| 20. <b>Fountain View Plaza</b> (12,544 sf)             | Located along Fountain Hills Blvd between Palisades and Keith McMahan Dr  |



# Shopping Center Location Map



### TOWN-WIDE LAND USE



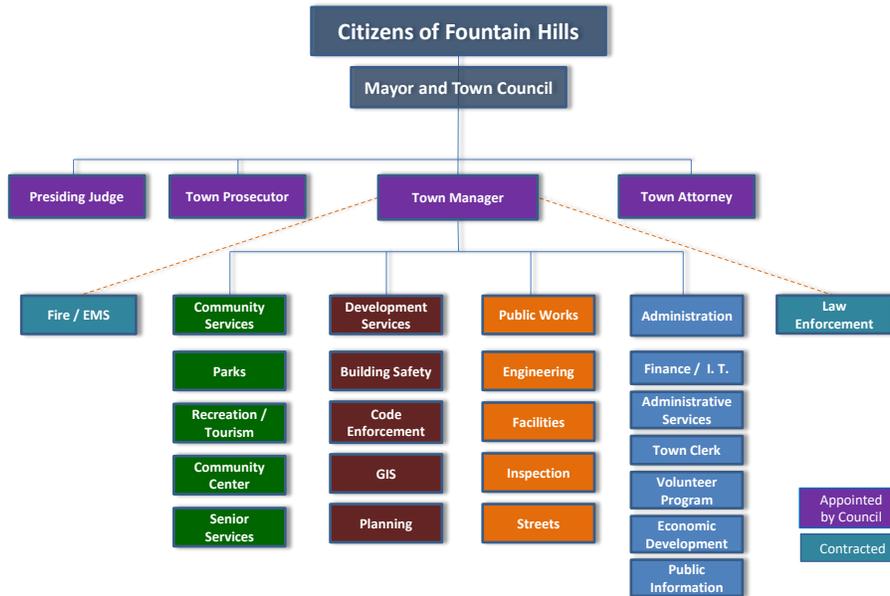
Land Use	Residential Units	Developed Acres	Undeveloped Developable Acres	Undeveloped Undevelopable Acres	Total Acres
Residential					
Single Family – L	1,029	1,379.3	1,312.7		
Single Family – M	7,342	2,315.3	911.5		
Multi-Family – L	438	82.6			
Multi-Family – M	30	1.2			
Multi-Family – H	150	9.1			
Multi-Family/Condo – L	573	91.5	53.4		
Multi-Family/Condo – M	209	20.2			
Multi-Family/Condo – H	3,055	449.8			
Commercial/Retail		220.7	68.7		289.4
Mixed Use	350	20.5			20.5
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		110.5			110.5
Parks		182.4			182.4
Golf Course		769.7			769.7
Open Space				3,026.1	3,026.1
Scottsdale Owned Land				199.9	199.9
Right of Way/Streets		1,532.1			1,532.1
<b>Total</b>	<b>13,176</b>	<b>7,386.2</b>	<b>2,393.5</b>	<b>3,226.0</b>	<b>13,005.7</b>



# Town Council



### Town of Fountain Hills Organization



FRONT ROW: Vice Mayor Dennis Brown, Mayor Linda M. Kavanagh, Councilmember Art Tolis  
 BACK ROW: Councilmember Cecil Yates (resigned May 29, 2018), Councilmember Alan Magazine, Councilmember Nick DePorter, Councilmember Henry Leger





Mayor **Linda M. Kavanagh's** business career began as second in command at a book and magazine import company in New York City, which catered to specialized markets. She then went on to manage a salon and also became a published author.

Upon moving to Arizona with her husband and two sons, she became immersed in business and community service activities in her new hometown of Fountain Hills. Mayor Kavanagh was and is a member of many civic organizations including the Cultural & Civic Association, Fearless Kitty Rescue, ADOG, Fountain Hills Republican Club, Falcon Boosters, American Legion Auxiliary, PTO, Sister Cities Foundation, Arizona Latino Republican Association, Library Association, Friend of the Chamber (past chair), Fountain Hills Coalition (sector leader), McDowell Park Association, Historical Society (past board member), and Chamber Ambassadors (past chair).

Mayor Kavanagh served on the Public Art Committee and created the Fountain Hills Docent-Guided Art Walk to showcase the Town's world-renowned art collection. Mayor Kavanagh was also very active with the Visitors Bureau to spur tourism and economic development for the Town.

Mayor Kavanagh is an honorary Captain with the Maricopa County Sheriff's Department, was named Business Advocate of the Year by the Fountain Hills Chamber of Commerce and also served as its Board of Directors' Chair. She was also named Fountain Hills Parks & Recreation Outstanding Volunteer of the Year, Community Center Volunteer of the Year, and received the River of Time Museum Hero Award. Mayor Kavanagh has been the Eggstravaganza's Hoppy Bunny for the past 20 years. Mayor Kavanagh leads an active Mayor's Youth Council, made up of freshmen to senior high school students.

Mayor Kavanagh was inducted into the Lower Verde River Valley Hall of Fame in 2009, as a tribute to her many years of active involvement with the Town's civic, cultural, service, religious, and business communities.

During Mayor Kavanagh's six years in office, she sat on the Maricopa Association of Government's Regional Council, the Greater Phoenix Economic Council Board of Directors, and the Greater Phoenix Economic Council Mayors and Supervisors Council. In addition, she was elected to the Maricopa Association of Government's Economic Development Committee to represent the East Valley. Mayor Kavanagh represents Fountain Hills as a member of the Arizona League of Cities and Towns and was elected to sit on that board's Executive Committee. She also chairs the League's Neighborhoods, Quality of Life, and Sustainability Policy Committee.

Mayor Linda Kavanagh earned a BA degree in English and Education from Queens College in New York City and is an A+ certified computer repair technician, graphic designer, and unpaid Director of Constituent Services for her husband, State Senator John Kavanagh. She and her husband have two sons and one grandson.

Mayor Kavanagh was re-elected to her third term of office in 2016.





Vice Mayor 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.

Vice Mayor **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.

Vice Mayor 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 rewrote the Town's sign ordinance, passed the Saguaro protection ordinance, and wrote the Commercial Architectural Guidelines.



served as a Board Member for the Fountain Hills Cultural and Civic Association for two years.

Councilmember DePorter has enjoyed living in Arizona for 22 years and moved to Fountain Hills in 2010. He was born in Long Beach, California and primarily raised in Las Vegas, Nevada. Nick holds a BA in Political Science and a Master of Public Administration (MPA) from Arizona State University. He enjoys traveling and spending time with his wife, Adrienne, and children, Jack and Abbie. Nick is proud that his family, parents, and in-laws all call Fountain Hills home.

Councilmember **Nick DePorter's** professional experience includes community relations, business development, strategic planning, and higher education leadership. Nick is the Senior U.S. Public Policy and Government Affairs Manager at LinkedIn. He is responsible for partnering with government officials, business leaders, education providers, and other community stakeholders to create economic opportunity for every member of the workforce.

Councilmember DePorter currently represents the Town of Fountain Hills as a Regional Council Member for the Maricopa Association of Governments in addition to serving on the Chicanos Por La Causa – Integrated Health & Human Services Board, the City of Phoenix Business and Workforce Development Board, the Maricopa County Workforce Development Board, and the Arizona State University – Career and Professional Development Services Board. Nick previously served on the Fountain Hills Strategic Planning Advisory Commission for three years, holding the positions of Chair and Vice-Chair. He also





As a resident of Fountain Hills for over 25 years, Councilmember **Henry Leger** is currently serving his third term on Town Council. He has served the Town in this capacity since June of 2006. In addition to his Town Council position, Henry is currently a member of several community organizations, including the Fountain Hills Cultural and Civic Association and Chamber of Commerce.

Originally from Massachusetts, Henry moved to Arizona in 1970 to attend the University of Arizona where he received his Master's Degree in Educational Psychology. Henry worked as a professional in the field of leadership and organizational development for 30 years. Throughout his career, he held a number of leadership positions in education and government work settings and worked as an internal consultant for several Fortune 500 companies. He is now retired from that field.

Prior to his position on Town Council, he volunteered his time on numerous community initiatives and activities, these include:

- Serving on the Chamber's Business Vitality Advisory Committee
- Serving on the Executive committee for the Downtown Visioning project
- Member of the Technical Advisory Committee for our Town's citizen-driven strategic planning initiative
- Co-chair of the Youth Visioning Institute
- Co-Chair for the community survey team
- Board member, treasurer and member of the Committee of Architecture for the Firerock Ridge neighborhood property owners' association
- Classroom volunteer in the Fountain Hills School District
- President and Vice President of the Church Council at Shepherd of the Hills Lutheran Church - Fountain Hills

Henry is passionate about living in Fountain Hills and contributing to its quality of life. He cherishes spending time with his family and friends and enjoys hiking, golf, and the arts.

Henry and his wife Janet, have two daughters, Kristin and Marisa. Marisa a graduate of Fountain Hills High School and is enrolled at the University of Arizona. Kristin, a graduate of Fountain Hills High School and the University of Arizona, recently completed service in the Peace Corps as an Environmental Specialist. Janet is an active volunteer in the community and enjoys her long-standing professional career at CVS Health.



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.





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.

Councilmember **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:

#### **Linda M. Kavanagh**

Term of Office:      First term:      June, 2012 - November, 2014  
                                 Second term:      December, 2014 - November, 2016  
                                 Third term:      December, 2016 - November, 2018

### Vice Mayor:

#### **Dennis Brown**

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

### Councilmembers:

#### **Nick DePorter**

Term of Office:      First term:      December, 2014 - November, 2018

#### **Henry Leger**

Term of Office:      First term:      June, 2006 - May, 2010  
                                 Second term:      June, 2010 - November, 2014  
                                 Third term:      December, 2014 - November, 2018

#### **Alan Magazine**

Term of Office:      First term:      December, 2014 - November, 2018

#### **Art Tolis**

Term of Office:      First term:      December, 2016 - November, 2020

#### **Cecil Yates (resigned May 29, 2018)**

Term of Office:      First term:      June, 2012 - November, 2016  
                                 Second term:      December, 2016 - May 29, 2018

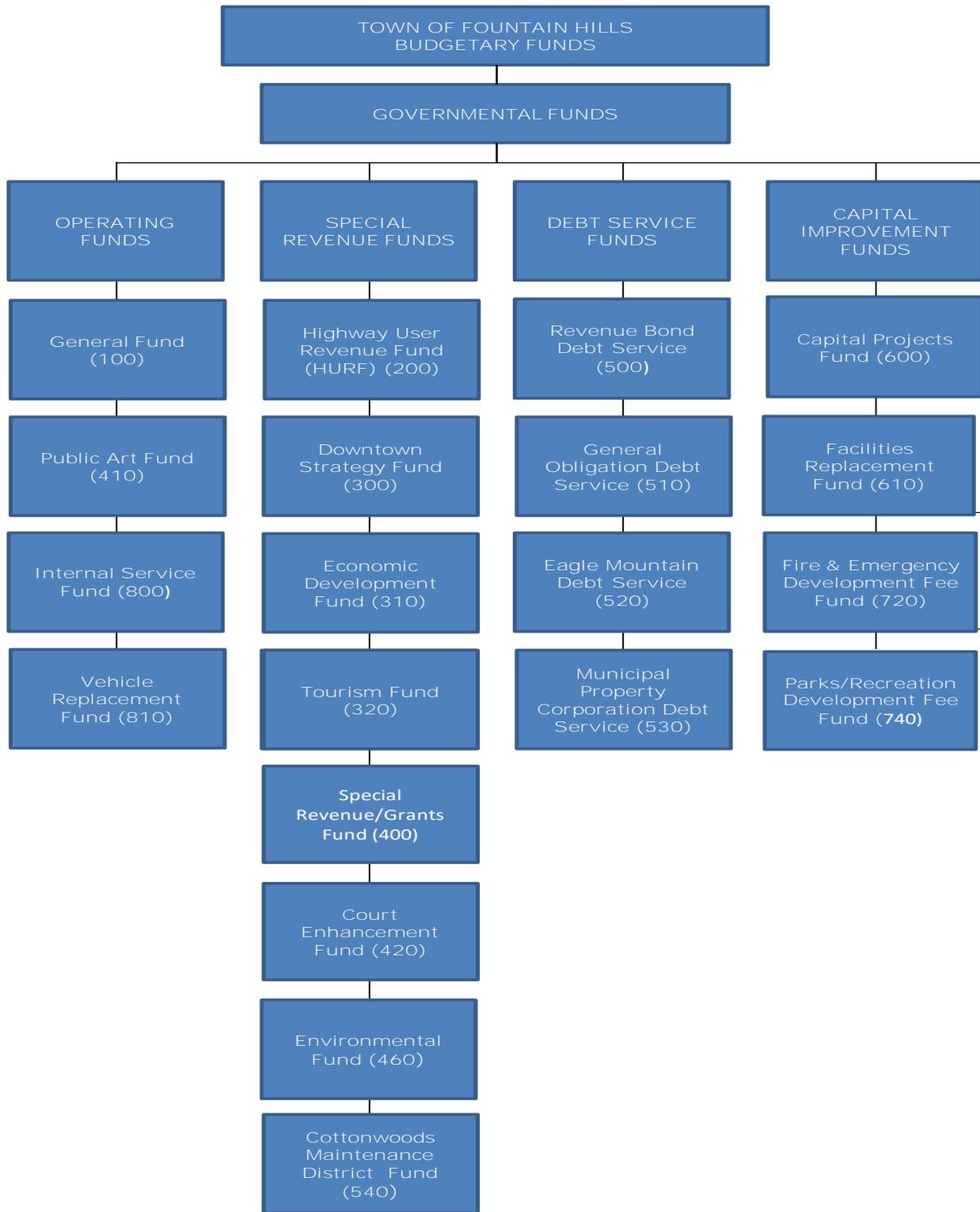




# Financial Overview & Policies



### FUND STRUCTURE



FUND/DEPARTMENT STRUCTURE  
Governmental Funds

Fund Type	Fund	Department	Fund Statement	Department Summary	Total Proposed Budget
			Page Number		Amount
<i>Operating</i>		<i>Total</i>			\$ 16,372,548
	General Fund	Mayor & Town Council	104	143-148	82,592
	General Fund	Administration	104	149-178	2,438,780
	General Fund	General Government	104	179-182	656,326
	General Fund	Municipal Court	104	183-190	342,028
	General Fund	Public Works	104	191-210	1,035,577
	General Fund	Development Services	104	211-234	1,065,397
	General Fund	Community Services	104	235-264	2,520,780
	General Fund	Law Enforcement	104	265-270	4,211,488
	General Fund	Fire & Emergency Medical	104	271-278	3,918,227
	Public Art Fund	Community Services	104	128	54,100
	Internal Service Fund	Administration	104	128	-
	Vehicle Replacement Fund	Administration	104	403-408	47,253
Fund Type	Fund	Department	Page Number		Amount
<i>Special Revenue</i>		<i>Total</i>			\$ 8,070,193
	Highway User Revenue Fund	Public Works	104	279-286	5,541,496
	Downtown Strategy Fund	Administration	104	287-290	40,885
	Economic Development Fund	Administration	104	291-295	278,312
	Tourism Fund	Community Services	104	296-302	225,758
	Special Revenue Fund	Administration	104	303-308	1,188,800
	Court Enhancement Fund	Municipal Court	104	309-312	80,515
	Environmental Fund	Public Works	104	313-318	709,326
	Cottonwoods Maintenance District Fund	Public Works	104	319-322	5,101
Fund Type	Fund	Department	Page Number		Amount
<i>Debt Service</i>		<i>Total</i>			\$ 2,760,682
	General Obligation Bond Fund	Administration	105	324	1,972,850
	Eagle Mountain CFD Fund	Administration	105	325	405,968
	Municipal Property Corporation Fund	Administration	105	326	381,864
Fund Type	Fund	Department	Page Number		Amount
<i>Capital Projects</i>		<i>Total</i>			\$ 5,211,443
	Capital Projects Fund	Administration, Community Services, Public Works, Development Services, Fire & Emergency Medical	105	331-398	4,175,612
	Facilities Replacement Fund	Public Works	105	399-402	975,296
	Development Fees Funds	Community Services, Fire & Emergency Medical	105	105, 129	60,535
<b>GRAND TOTAL ALL FUNDS</b>					<b>\$ 32,414,866</b>

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.

### Operating Funds

«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/code enforcement/GIS), public works (facilities), community services (parks and recreation/community center/senior activity center), 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.

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

«The **Internal Service Funds (Funds 800 and 810)** 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:

- **General Internal Service Fund (Fund 800)**
- **Vehicle Replacement Fund (Fund 810)**

**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 **Highway User Revenue Fund (HURF) (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 **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 540)** 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** 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:

- **Revenue Bond Debt Service (Fund 500)**
- **General Obligation Debt Service (Fund 510)**
- **Eagle Mountain CFD Debt Service (Fund 520)**
- **Municipal Property Corporation Debt Service (Fund 530)**

**Capital Improvement 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 **Facilities Replacement Fund (Fund 610)** revenues are assigned and currently the result of transfers from the General Fund. The 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.

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)**
- **Parks/Recreation (Fund 740)**

## **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 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 of all revenues and expenditures, also considered the difference between a fund's assets and deferred outflows of resources and its liabilities and deferred inflows of resources. 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 and/or unexpected emergencies or requirements.

The level of fund balance is related to the degree of uncertainty that the Town faces. A prudent level of financial resources is necessary to protect against the need to reduce service levels or raise taxes and fees due to temporary revenue shortfalls or unpredicted one-time expenditures. With the Town dependency upon State-shared income and State sales tax revenues for approximately one third of the General Fund budget, there is increased opportunity for fluctuation. Additionally, a significant portion of Town revenue is received from sales taxes – both State-shared and local – which are sensitive to fluctuations in the economy. Therefore, the level of reserves needs to be sufficient to ensure stability in ongoing government operations during a slowdown in the economy or legislative changes to the revenue sharing formula.

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

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

1. Credit reviews performed by municipal bond analysts.
2. Preserving or improving the bond rating.
3. Maintaining a positive trend to historical fund balances.
4. Maintaining a rating equal to or better than surrounding communities.

The Governmental Accounting Standards Board ("GASB") has found that usefulness and value of fund balance information provided is significantly reduced by misunderstandings regarding the message that it conveys and the inconsistent treatment and financial reporting practices of governments. GASB issued a pronouncement, GASB Statement No. 54 ("GASB 54"), which applies to all financial reports of all state and local governmental entities; GASB 54 intended to improve financial reporting by providing fund balance categories and classifications that will be more easily understood.



3.1 Fund Balance Categories. An accounting distinction is made between portions of fund balance that are spendable and nonspendable. These portions are broken into five categories:

- (A) ***Nonspendable fund balance***—Includes amounts either not in spendable form or legally or contractually required to be maintained intact. This amount includes inventory, prepaids, 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 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. Restricted fund balance means “restricted net assets” as defined in the government-wide Statement of Net Assets, GASB Statement No. 34, as amended by GASB Statement No. 46.
- (C) ***Committed fund balance***—Includes amounts that are committed for specific purposes by formal action of the Town Council. Amounts classified as “committed” are not subject to legal enforceability like restricted fund balance; however, those 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 previously impose the limitation. The action to commit fund balances must occur prior to yearend; 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.
- (E) ***Unassigned fund balance***—Includes any remaining amounts after applying categories (A)-(D) above (amounts not classified as nonspendable, restricted, committed or assigned). Planned spending in the subsequent year’s budget would be included in the unassigned fund balance category. The General Fund is the only fund that will report a positive unassigned balance.

3.2 General Fund.

The fund balance of the Town General Fund may consist of up to five components, as described previously. In order to satisfy the objective of maintaining a bond rating equal to or better than surrounding peer communities, a combined General Fund operating fund balance of at least 30% of revenues is recommended.

- 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, indicating stable fiscal policies. The maintenance of this fund balance is a particularly important factor considered by credit rating agencies in their evaluation of the credit worthiness of the Town. It is of primary importance that the Town's credit rating be protected.
- (1) **Rainy Day Fund to be Maintained.** As a component of the Committed fund balance, the Town will maintain a Rainy Day Fund, separate and apart from the Unassigned General Fund, which shall be designated for use in the event of an unanticipated expenditure or loss of revenue. The Rainy Day Fund balance 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. This contingency will provide for the temporary financing of an unforeseen nature for that year. Expenditures for these emergency or unforeseen appropriations can only be undertaken with Town Manager approval and only if funds are not available in the department requesting the funding.
  - (2) **Guidelines for Rainy Day Fund.** In order to achieve the objectives of this policy, and to maintain sufficient working capital and a comfortable margin of safety to address emergencies and unexpected declines in revenue without borrowing, the following guidelines shall be adhered to by the Town Manager, Town staff and Town Council:
    - (a) **Deposit Rules.** At the end of each fiscal year, the Town Council shall transfer 5% of any surplus revenues (before transfers to the Capital Projects Fund) to the Rainy Day Fund. Deposits shall be made as set forth herein until the Rainy Day Fund balance is equal to at least 20% of the average actual General Fund revenues for the preceding five fiscal years.
    - (b) **Use Rules.** Rainy Day Funds may only be expended for any one of the following purposes or under the following circumstances:
      - (i) To replace the loss of more than 25% of the Town's local share of State-shared revenues received pursuant to ARIZ. REV. STAT. § 43-206.
      - (ii) For any event that threatens the health, safety or welfare of the Town's citizens.
      - (iii) For any event that threatens the fiscal stability of the Town.
      - (iv) To address any matter declared as an emergency by the Governor or the Mayor.



(c) Withdrawal Rules. All withdrawals from the Rainy Day Fund shall be subject to the following rules:

(i) Any appropriation shall require the approval by at least 2/3 of the entire Town Council.

(ii) The maximum amount of Rainy Day withdrawals in any fiscal year shall not exceed one-half of the total balance in the Fund.

(d) Replenishment Rules. Any amounts withdrawn from the Rainy Day Fund shall be replenished as follows (and such repayment shall be in addition to the annual deposits set forth above):

(i) All amounts shall be repaid in not more than five years, in annual installments of not less than 1% of the previous fiscal year General Fund balance.

(ii) Repayments shall be appropriated as part of the annual budget adoption.

B. **Assigned Fund Balance.** The Town will maintain an assigned fund balance in the General Fund of a minimum 10% of the average actual General Fund revenues for the preceding five fiscal years. This assigned fund balance will be assigned for (1) "pay-as-you-go" capital project expenditures, (2) vehicle or equipment replacement, (3) pre-paying or defeasing existing Town debt or (4) any other expenditure that is non-recurring in nature. The 10% is the minimum and may be increased to accelerate accumulation of funds for a large capital expenditure. To the extent these balances are expended, additional funds necessary to restore this additional 10% amount will be provided in at least approximately equal contributions during the five fiscal years following the fiscal year in which the event occurred. The assigned General Fund balance can be authorized for expenditure only in accordance with Resolution 2012-02 adopted by the Mayor and Town Council on June 7, 2012, as may be amended from time to time.

C. **Unassigned Fund Balance.** Funds in excess of the balances described in the preceding paragraphs will be unassigned General Fund balance, unless otherwise assigned in accordance with GASB 54. By Resolution, the Town Council has allocated General Fund surplus funds to be (1) transferred to the Rainy Day Fund, (2) transferred to Assigned Fund Balance, (3) used to supplement "pay as you go" capital expenditures in the Capital Projects Fund or (4) used to prepay or defease existing Town debt. These funds may not be used to establish or support costs that are recurring in nature. Any excess revenues collected over budgeted and unexpended appropriations not needed to meet fund balance requirements 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 unassigned General Fund balance. 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 policy of the Town that expenditures for which more than one category of fund balance could be used, that the order of use is: nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance and unassigned fund balance.

### 3.3 Special Revenue Funds.

- A. HURF. The Highway User Revenue Fund ("HURF") is restricted in use solely for street and highway purposes. The fund depends upon State -shared revenues for over 90% of annual revenues. The restricted fund balance will be based on the minimum requirement as specified in the schedule for projects funded with Special Revenue or grant funds. The schedule will be reviewed on an annual basis to determine the required amount to be set aside as restricted fund balance.
- B. Excise Tax Funds. The excise tax funds are committed funds that the Town Council may dedicate for specific purposes by resolution or as part of the annual budget adoption.

### 3.4 Debt Service Funds.

The Debt Service Fund is established for the payment of principal and interest on bonded indebtedness and as such is a restricted fund. Revenues are derived from a property tax levy, pledged excise taxes, municipal property lease payments, and shared revenues. Revenues are received in amounts sufficient to pay the annual debt service payment; therefore, the 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 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. 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.

#### **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.

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- 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 integrated 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
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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, collecting 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 is it 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 transactions 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.

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- 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/registrar 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 Manger 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 inter-



est 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.

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- 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 at 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 statements 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 or 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.

**U.S. 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)



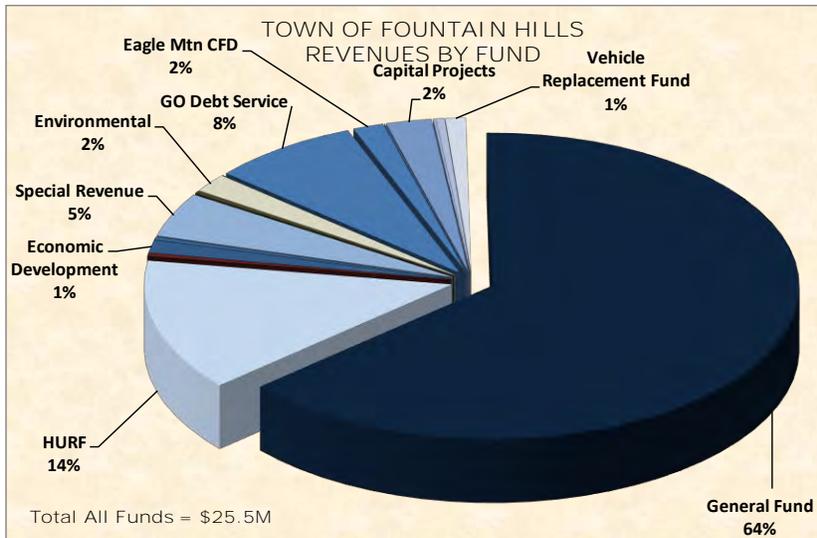


# Budget Highlights

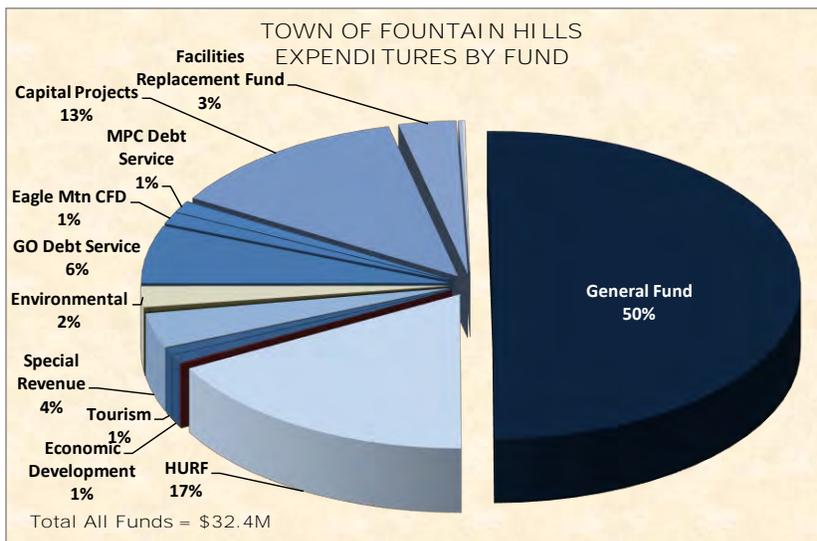


### Budget Introduction

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 HURF (Streets), Facilities, and Engineering Divisions, as well as the Outside Inspections program. For a summary of all Town programs, please see pages 127-129.



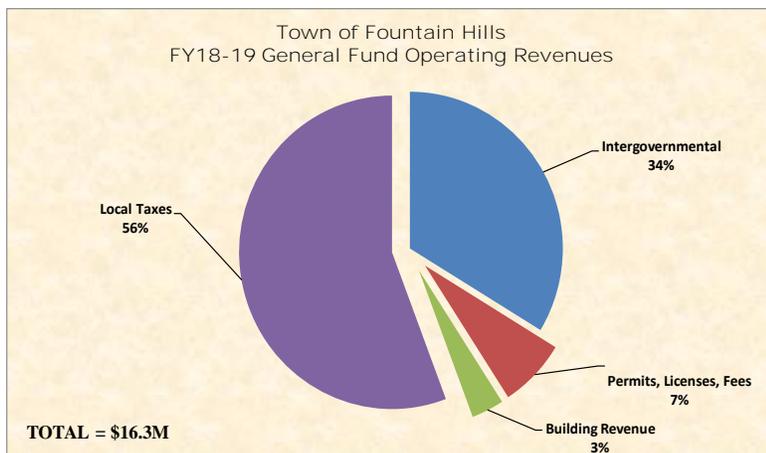
The proposed budget is based on revenue projections that are conservative and based on the expectation that the local and national economy will continue at its existing pace of moderate growth in revenues next fiscal year. Revenues for all funds are \$25.5M with expenditures of \$32.4M with some funds 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. Past efforts to diversify the Town's revenue sources by asking the voters to approve a primary property tax have been unsuccessful which has necessitated reductions in force while maintaining the existing level of service. 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.



90% of the Town's General Fund resources are derived from the local taxes and State-shared revenues.

In FY08-09, the Town received \$14.8M in General Fund revenues but dropped over \$2M by FY12 to \$12.6M. The economic recovery saw a return to an upward revenue stream. The drop in FY13-14 reflects the reallocation of the Vehicle License Tax revenue (historically available for General Fund expenditures) to the Highway User Revenue Fund (HURF) for pavement management.



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, 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, Tourism, Open Space and Trails

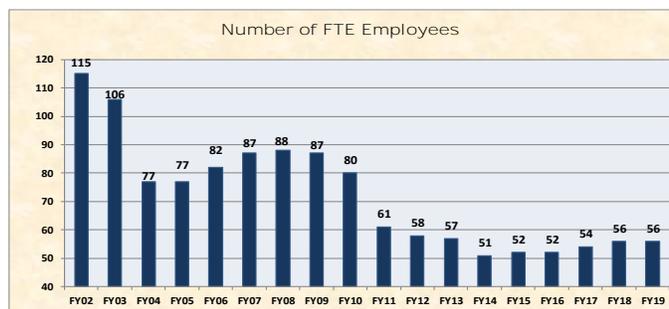
In FY14-15 , the Town Council directed staff to develop a new program for funding maintenance capital – those projects that are necessary to maintain the Town’s infrastructure but are not considered a capital improvement program (i.e., under the \$50,000 threshold for capital). In FY15-16, the Town had a Capital Reserve Study performed to identify those items. During the upcoming year, a transfer of General Fund reserves in the amount of \$500,000 is proposed into the Facilities Replacement Fund to help cover some of those projects.

Following is a brief summary of what is included in the proposed General Fund budget for FY18-19:

**Salaries and Benefits** - For FY18-19, additional staffing is proposed, totaling 0.5 FTEs; an Information Technology Support Specialist which has been highlighted by the Town’s external auditors. Most Town employees’ salaries and benefits are funded through the General Fund; salaries normally include overtime, sick leave, vacation. The Town Manager is proposing a cost of living increase based on an updated market analysis with a 2.5% adjustment being proposed on July 1 followed by an additional 2.5% on January 1, 2019. The market analysis will result in a 5% adjustment to pay ranges (see pay plan on pages 435-440). Because local governments are primarily a service industry, salaries and benefits comprise a major portion of expenditures. For Fountain Hills, salaries and benefits represent 23% of the proposed General Fund budget in FY18-19 and 14% 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 eighteen years while the level of service to the citizens has remained constant.



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**Contractual Services** - The Town contracts with outside professionals for a number of services which represents 35% of the total budget (58% of the General Fund). Two major contracts included in this category are:

1. Fire protection and emergency medical services (\$3,613,295), currently under contract with Rural/Metro Corporation – 3% increase; and
2. Police protection (\$4,090,928), currently provided through the Maricopa County Sheriff's Office – 10.1% increase.

These two contracts alone represent 44% of the General Fund budget in FY18-19.

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 a priority on infrastructure maintenance that has been deferred (\$1,000,000 in funding annually).

**Maintenance/Utilities** - In FY18-19, maintenance/utilities represent 6% of the total General Fund budget. The Town owns eight buildings that require maintenance on HVAC equipment, interior and exterior surfaces, electric and plumbing, fire systems, irrigation, etc. 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 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, the fountain, etc.

### **HURF/Streets Fund Overview**

The HURF/Streets Fund is a fund restricted to streets and transportation related purposes. With an operational priority for pavement management, the revenue from Vehicle License Taxes (VLT) will be appropriated within the HURF fund to be used for pavement maintenance (not reconstruction). The available resources in HURF are anticipated at \$6.5M in FY18-19 including \$1,081,889 from VLT. Road maintenance has not been adequately funded for several years which has resulted in serious degradation of the Town's 181 miles of arterial and collector streets. The FY18-19 program of work will continue to focus on resolving the long-term fiscal needs for road maintenance.



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

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

### **Excise Tax Funds Overview**

The Excise Tax/Downtown Fund was created in FY00-01 designating .1% of the Town's 2.6% 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 funded originally through the dedicated .1% of local sales tax with a 60/40 split—60% of sales tax revenues allocated to the new Economic Development Fund and 40% of sales tax revenues 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 .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 is being used to construct the first bus shelter in Town as part of a Park N' Ride approach near Town Hall.

Included in the FY18-19 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**

Total debt service revenues for FY18-19 are budgeted at \$2.8 million including secondary property taxes for voter approved bonds and transfers from the General Fund for the Community Center. Revenues are budgeted higher than expenditures to allow for a delinquency factor in uncollected property tax revenues. The following is a summary of the debt payments for FY18-19:

- |   |               |
|---|---------------|
| • General Obligation Bonds (property taxes)           | \$2.0 million |
| • Municipal Property Corporation (excise taxes)       | \$0.4 million |
| • Eagle Mountain Facilities District (property taxes) | \$0.4 million |

### **Development Fee Funds Overview**

With limited funds from development anticipated, there are few 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 conduct a revised development fee study prior to August 1, 2014. This study was initiated in FY12-13, completed in FY13-14 and is the basis for current fees. The study was approved and reduced the number of fee categories from five to two:

- Law Enforcement, Streets, and Library/Museum were eliminated
- Fire & Emergency and Parks/Recreation will remain

The fund balances remaining in the eliminated categories are included in the FY18-19 expenditures to be used towards programs or projects that were included in the original IIP.

### **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) as well as bond proceeds or other revenue sources. During the building boom prior to 2008, the Town accumulated approximately \$10M in the Capital Projects Fund and had been cautious about moving forward with projects during the recession.

The following project areas and funding source are programmed for FY18-19 with total expenditures for capital projects budgeted at \$4.1M which include:

- \$2.3M for a new fire station relocation project, funded with CIP reserves
- \$0.4M in park improvements, funded with Development Fees and CIP reserves

The complete list of projects is shown on page 338 and 342.



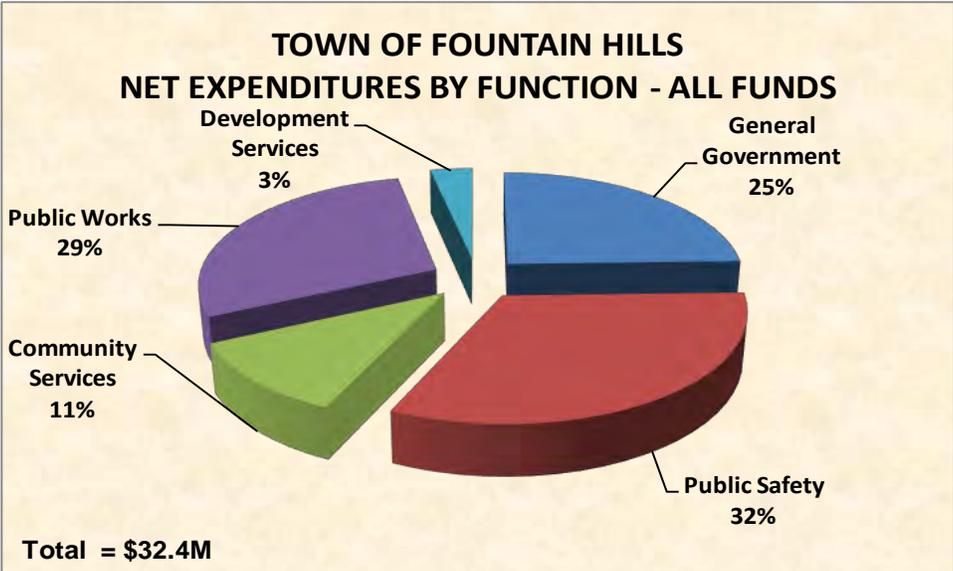
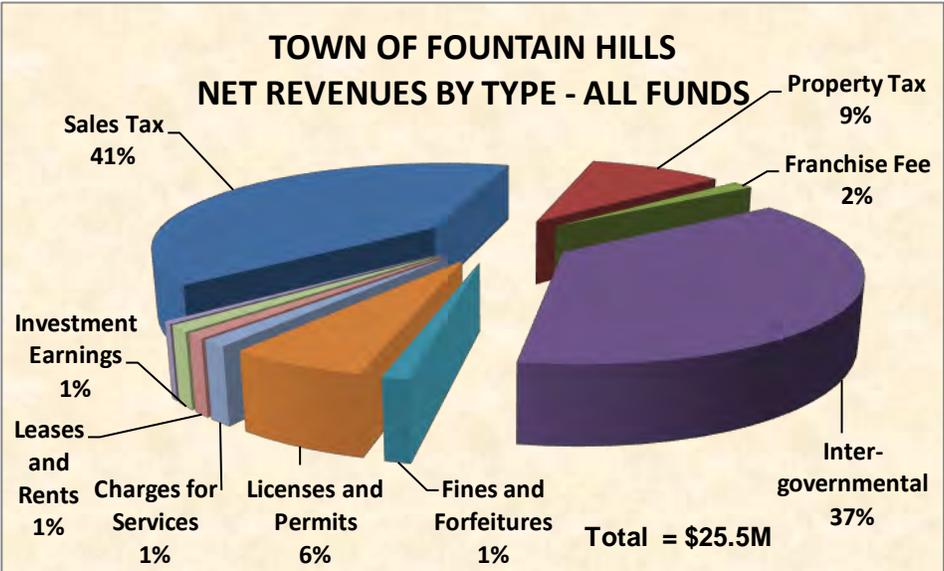
## Budget Highlights

### FY18-19 Summary of Proposed Budget Revenues and Expenditures - All Funds

	Operating Funds	Debt Service Funds	Capital Projects Funds	Non-Major Funds	Total
<b>Revenues:</b>					
Sales Tax	\$ 8,693,264	\$ -	\$ 461,465	\$ 1,194,095	\$ 10,348,824
Property Tax	-	2,396,159	-	6,642	2,402,801
Franchise Tax	374,461	-	-	-	374,461
Intergovernmental	5,485,747	-	140,000	3,891,795	9,517,542
Fines and Forfeitures	246,000	-	-	52,000	298,000
Licenses and Permits	935,872	-	142,581	493,668	1,572,121
Charges for Services	210,724	-	-	100,000	310,724
Leases and Rents	237,768	-	-	-	237,768
Investment Earnings	277,112	2,280	11,484	6,192	297,068
Other	95,159	-	-	25,000	120,159
Sub total Revenues	16,556,107	2,398,439	755,530	5,769,392	25,479,468
Transfers In	52,600	381,554	500,000	566,407	1,500,561
Sub total	16,608,707	2,779,993	1,255,530	6,335,799	26,980,029
Use/(Source) of Reserves	884,495	(19,311)	4,155,913	1,914,301	6,935,398
Total Revenues	\$ 17,493,202	\$ 2,760,682	\$ 5,411,443	\$ 8,250,100	\$ 33,915,427
<b>Expenditures:</b>					
<b>Current:</b>					
<b>General Government:</b>					
Mayor and Council	\$ 82,592	\$ -	\$ -	\$ -	\$ 82,592
Administration	2,438,779	2,760,682	43,263	1,513,098	6,755,822
General Government	703,579	-	-	-	703,579
Municipal Court	342,028	-	-	80,515	422,543
Total General Government	3,566,978	2,760,682	43,263	1,593,613	7,964,536
<b>Public Safety:</b>					
Fire & Emergency Medical	3,918,227	-	2,323,409	-	6,241,636
Law Enforcement	4,211,488	-	-	-	4,211,488
Total Public Service	8,129,715	-	2,323,409	-	10,453,124
Community Services	2,574,880	-	799,291	225,758	3,599,929
Public Works	1,035,577	-	2,045,480	6,250,822	9,331,879
Development Services	1,065,398	-	-	-	1,065,398
Sub total	16,372,548	2,760,682	5,211,443	8,070,193	32,414,866
Transfers Out	1,120,654	-	200,000	179,907	1,500,561
Total Expenditures	\$ 17,493,202	\$ 2,760,682	\$ 5,411,443	\$ 8,250,100	\$ 33,915,427

Note: See page 44 for a listing of the funds included in each column.

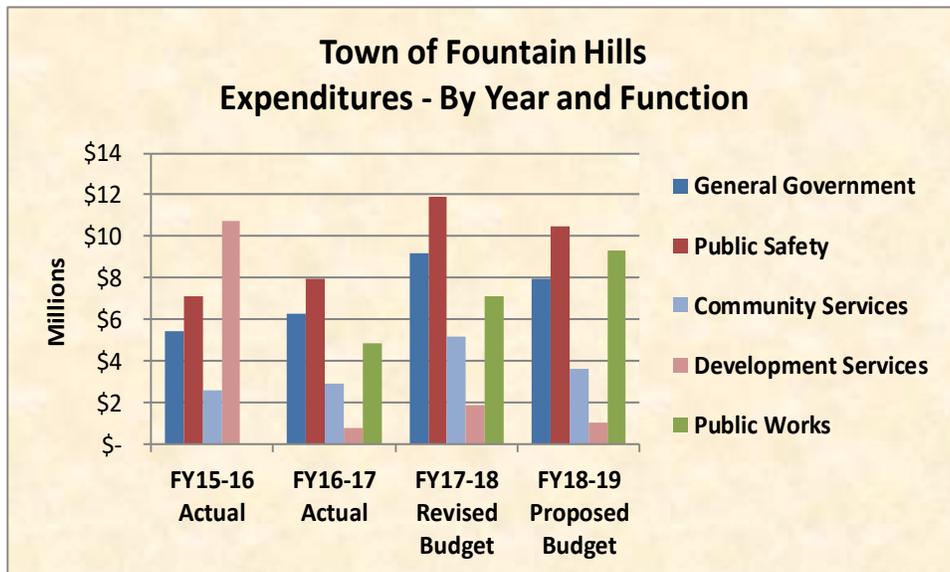
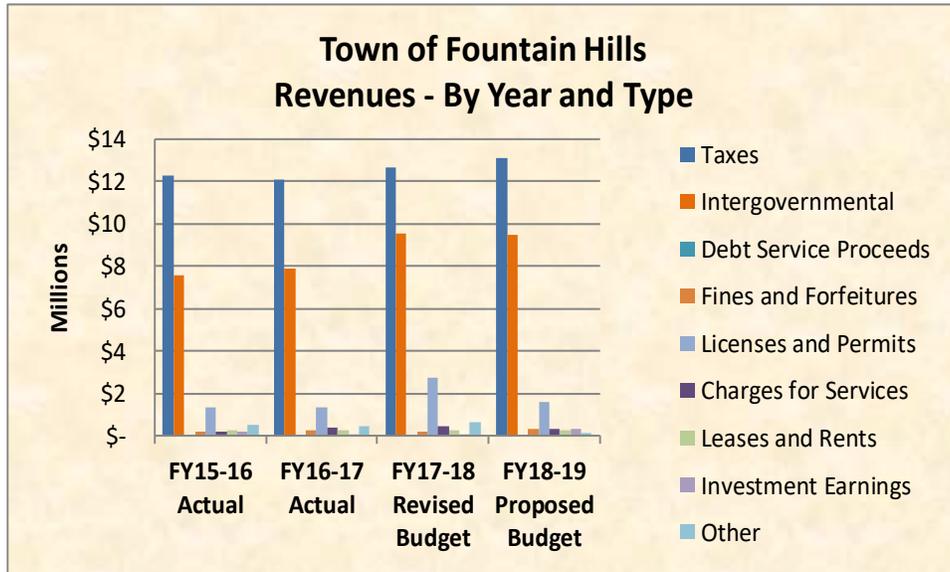




Historical Summary of Revenues and Expenditures - All Funds

	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
<b>Revenues:</b>				
<b>Taxes:</b>				
Sales Tax	\$ 9,391,267	\$ 9,419,552	\$ 10,003,680	\$ 10,348,824
Property Tax	2,543,298	2,287,444	2,271,894	2,402,801
Franchise Tax	360,319	367,119	360,000	374,461
Intergovernmental	7,559,436	7,917,650	9,554,941	9,517,542
Fines and Forfeitures	209,379	257,727	224,600	298,000
Licenses and Permits	1,368,536	1,314,481	2,740,279	1,572,121
Charges for Services	188,470	360,114	460,724	310,724
Leases and Rents	255,024	287,230	235,423	237,768
Investment Earnings	219,062	55,126	35,048	297,068
Other	499,160	446,300	668,937	120,159
Sub total Revenues	<u>22,593,951</u>	<u>22,712,743</u>	<u>26,555,526</u>	<u>25,479,468</u>
Transfers In	562,044	5,238,137	4,397,730	1,500,561
Sub total	<u>23,155,995</u>	<u>27,950,880</u>	<u>30,953,256</u>	<u>26,980,029</u>
Use/(Source) of Reserves	3,393,380	42,756	8,742,028	6,935,398
Total Revenues	<u>\$ 26,549,375</u>	<u>\$ 27,993,636</u>	<u>\$ 39,695,284</u>	<u>\$ 33,915,427</u>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>General Government:</b>				
Mayor and Council	\$ 72,094	\$ 71,213	\$ 81,849	\$ 82,592
Administration	5,086,592	5,466,577	5,763,071	6,755,822
General Government	-	417,745	2,927,081	703,579
Municipal Court	304,058	300,637	420,178	422,543
Total General Government	<u>5,462,744</u>	<u>6,256,172</u>	<u>9,192,179</u>	<u>7,964,536</u>
<b>Public Safety:</b>				
Fire & Emergency Medical	3,495,408	4,043,063	8,043,077	6,241,636
Law Enforcement	3,654,337	3,884,593	3,855,626	4,211,488
Total Public Service	<u>7,149,745</u>	<u>7,927,656</u>	<u>11,898,703</u>	<u>10,453,124</u>
Community Services	2,623,548	2,930,692	5,171,985	3,599,929
Public Works	-	4,850,246	7,144,205	9,331,879
Development Services	10,751,294	790,733	1,890,482	1,065,398
Sub total Expenditures	<u>25,987,331</u>	<u>22,755,499</u>	<u>35,297,554</u>	<u>32,414,866</u>
Transfers Out	562,044	5,238,137	4,397,730	1,500,561
Total Expenditures	<u>\$ 26,549,375</u>	<u>\$ 27,993,636</u>	<u>\$ 39,695,284</u>	<u>\$ 33,915,427</u>





## Budget Highlights

### FY18-19 Proposed Budget Summary of Expenditures

Fund/Department	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
<b>Operating Funds</b>				
Mayor & Council	\$ 72,094	\$ 71,213	\$ 81,849	\$ 82,592
Administration	1,906,679	1,921,811	2,539,519	2,438,780
General Government	-	202,454	310,879	656,326
Municipal Court	301,299	300,515	339,913	342,028
Public Works	1,506,384	689,356	836,595	1,035,577
Development Services	-	790,733	1,890,482	1,065,397
Community Services	2,120,066	2,273,100	2,392,113	2,520,780
Fire & Emergency Medical	3,481,018	3,674,953	3,881,833	3,918,227
Law Enforcement	3,654,337	3,884,593	3,855,626	4,211,488
Total General Fund	<u>13,041,877</u>	<u>13,808,728</u>	<u>16,128,809</u>	<u>16,271,195</u>
Community Services	7,920	50,518	39,383	54,100
Total Public Art Fund	<u>7,920</u>	<u>50,518</u>	<u>39,383</u>	<u>54,100</u>
Administration	66,020	53,368	63,702	-
Total Internal Service Fund	<u>66,020</u>	<u>53,368</u>	<u>63,702</u>	<u>-</u>
General Government	27,899	215,292	1,062,000	47,253
Total Vehicle/Equip Repl Fund	<u>27,899</u>	<u>215,292</u>	<u>1,062,000</u>	<u>47,253</u>
Total Operating Funds	<u>\$ 13,143,716</u>	<u>\$ 14,127,906</u>	<u>\$ 17,293,894</u>	<u>\$ 16,372,548</u>
<b>Special Revenue Funds</b>				
Public Works	\$ 2,560,815	\$ 2,962,316	\$ 3,828,714	\$ 5,541,496
Total Highway User Revenue Fund	<u>2,560,815</u>	<u>2,962,316</u>	<u>3,828,714</u>	<u>5,541,496</u>
Administration	46,932	34,056	58,796	40,885
Total Downtown Strategy Fund	<u>46,932</u>	<u>34,056</u>	<u>58,796</u>	<u>40,885</u>
Administration	174,798	134,102	252,823	278,312
Total Economic Development Fund	<u>174,798</u>	<u>134,102</u>	<u>252,823</u>	<u>278,312</u>
Community Services	194,435	198,352	211,198	225,758
Total Tourism Fund	<u>194,435</u>	<u>198,352</u>	<u>211,198</u>	<u>225,758</u>
Administration	158,947	371,069	1,329,000	1,188,800
Total Special Revenue Fund	<u>158,947</u>	<u>371,069</u>	<u>1,329,000</u>	<u>1,188,800</u>
Municipal Court	2,759	122	80,265	80,515
Total Court Enhancement Fund	<u>2,759</u>	<u>122</u>	<u>80,265</u>	<u>80,515</u>
Public Works	472,351	494,638	711,806	709,326
Total Environmental Fund	<u>472,351</u>	<u>494,638</u>	<u>711,806</u>	<u>709,326</u>
Administration	2,705	3,798	5,031	5,101
Total Cottonwoods Maint District	<u>2,705</u>	<u>3,798</u>	<u>5,031</u>	<u>5,101</u>
Total Special Revenue Funds	<u>\$ 3,613,742</u>	<u>\$ 4,198,453</u>	<u>\$ 6,477,633</u>	<u>\$ 8,070,193</u>



FY18-19 Proposed Budget  
Summary of Expenditures

Fund/Department	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Debt Service Funds				
Administration	\$ 2,002,850	\$ 2,119,250	\$ 2,121,550	\$ 1,972,850
Total Gen Oblig Debt Service	<u>2,002,850</u>	<u>2,119,250</u>	<u>2,121,550</u>	<u>1,972,850</u>
Administration	408,711	409,226	407,656	405,968
Total Eagle Mtn CFD Debt Service	<u>408,711</u>	<u>409,226</u>	<u>407,656</u>	<u>405,968</u>
Administration	513,550	393,690	377,696	381,864
Total Munic Prop Corp Debt Service	<u>513,550</u>	<u>393,690</u>	<u>377,696</u>	<u>381,864</u>
Total Debt Service Funds	<u>\$ 2,925,111</u>	<u>\$ 2,922,166</u>	<u>\$ 2,906,902</u>	<u>\$ 2,760,682</u>
Capital Projects Funds				
Administration	\$ 1,935	\$ 26,207	\$ 161,500	\$ 43,263
Public Works	5,911,111	610,851	860,240	1,070,184
Community Services	300,591	408,187	2,480,000	750,000
Fire & Emergency Medical	14,391	368,109	4,150,000	2,312,165
Total Capital Projects Fund	<u>6,228,028</u>	<u>1,413,354</u>	<u>7,651,740</u>	<u>4,175,612</u>
Public Works	76,198	93,085	906,850	975,296
Total Facilities Replacement Fund	<u>76,198</u>	<u>93,085</u>	<u>906,850</u>	<u>975,296</u>
Fire & Emergency Medical	-	-	11,244	11,244
Total Fire/Emergency Dev Fee	<u>-</u>	<u>-</u>	<u>11,244</u>	<u>11,244</u>
Community Services	-	-	48,756	48,756
Total Park/Rec Dev Fee	<u>-</u>	<u>-</u>	<u>48,756</u>	<u>48,756</u>
Community Services	536	535	535	535
Total Open Space Dev Fee	<u>536</u>	<u>535</u>	<u>535</u>	<u>535</u>
Total Capital Projects Funds	<u>\$ 6,304,762</u>	<u>\$ 1,506,974</u>	<u>\$ 8,619,125</u>	<u>\$ 5,211,443</u>
Total Expenditures	<u>\$ 25,987,331</u>	<u>\$ 22,755,499</u>	<u>\$ 35,297,554</u>	<u>\$ 32,414,866</u>



FY18-19 Projected Changes in Fund Balances

	Operating Funds	Debt Service Funds	Capital Projects Funds	Non-Major Funds	Total
<b>Revenues:</b>					
Sales Tax	\$ 8,693,264	\$ -	\$ 461,465	\$ 1,194,095	\$ 10,348,824
Property Tax	-	2,396,159	-	6,642	2,402,801
Franchise Tax	374,461	-	-	-	374,461
Intergovernmental	5,485,747	-	140,000	3,891,795	9,517,542
Fines and Forfeitures	246,000	-	-	52,000	298,000
Licenses and Permits	935,872	-	142,581	493,668	1,572,121
Charges for Services	210,724	-	-	100,000	310,724
Leases and Rents	237,768	-	-	-	237,768
Investment Earnings	277,112	2,280	11,484	6,192	297,068
Other	95,159	-	-	25,000	120,159
Sub total	16,556,107	2,398,439	755,530	5,769,392	25,479,468
Transfers In	52,600	381,554	500,000	566,407	1,500,561
Total Revenues	16,608,707	2,779,993	1,255,530	6,335,799	26,980,029
<b>Expenditures:</b>					
General Government:					
Mayor and Council	82,592	-	-	-	82,592
Administration	2,438,779	2,760,682	43,263	1,513,098	6,755,822
General Government	703,579	-	-	-	703,579
Municipal Court	342,028	-	-	80,515	422,543
Total General Government	3,566,978	2,760,682	43,263	1,593,613	7,964,536
Public Safety:					
Fire & Emergency Medical	3,918,227	-	2,323,409	-	6,241,636
Law Enforcement	4,211,488	-	-	-	4,211,488
Total Public Service	8,129,715	-	2,323,409	-	10,453,124
Community Services	2,574,880	-	799,291	225,758	3,599,929
Public Works	1,035,577	-	2,045,480	6,250,822	9,331,879
Development Services	1,065,398	-	-	-	1,065,398
Sub total	16,372,548	2,760,682	5,211,443	8,070,193	32,414,866
Transfers Out	1,120,654	-	200,000	179,907	1,500,561
Total Expenditures	17,493,202	2,760,682	5,411,443	8,250,100	33,915,427
Net Change in Fund Balance	(884,495)	19,311	(4,155,913)	(1,914,301)	(6,935,398)
<b>Fund Balance</b>					
Beginning of Year - estimated	7,390,978	531,759	6,461,637	4,931,492	19,315,866
End of Year	\$ 6,506,483	\$ 551,070	\$ 2,305,724	\$ 3,017,191	\$ 12,380,468
Fund Balance Percentage Change	(12%)	4%	(64%)	(39%)	(36%)

Note: See page 44 for a listing of the funds included in each column.

Operating funds included in this table are the General Fund, Public Art and Internal Service Funds. 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.

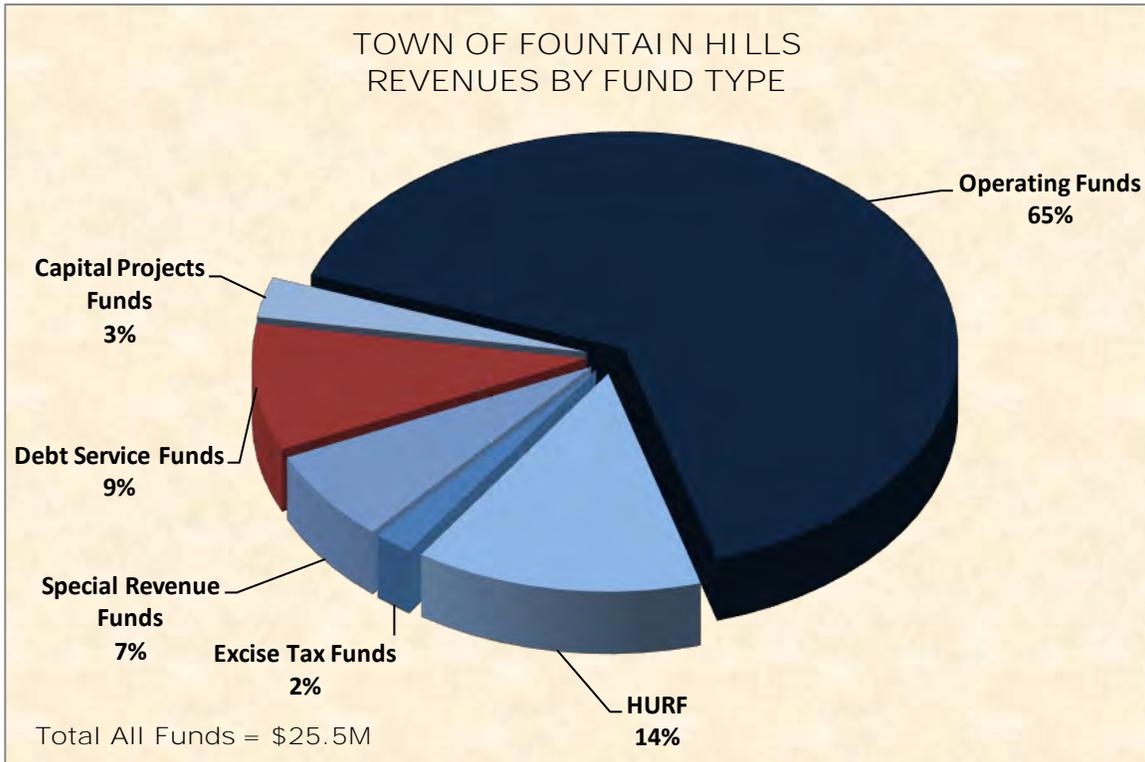


# Revenue Summary



## Revenue

This section provides a broad overview of the revenues included in the FY18-19 budget. Information is presented for each fund and fund type.



Total revenues for all funds are estimated at \$25,479,468, excluding transfers. The Operating Funds portion represents approximately 65% of the total. HURF/ Streets funds represent 14% of the total. Special Revenue funds represent another 7% of the budget. Debt Service represents 9%, Excise Tax is 2%, and Capital Projects represent 3%.

FY18-19 Proposed Budget  
Summary of Revenues

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
<b>Operating Funds</b>				
Sales Tax-Local	\$ 7,869,026	\$ 7,974,977	\$ 8,481,288	\$ 8,693,264
Franchise Fees	360,320	367,119	360,000	374,461
Liquor License Fees	4,000	2,550	1,500	2,000
Business License	134,873	134,864	131,076	136,365
Animal License	40,247	39,163	41,832	-
Building Permit	116,731	212,413	450,619	227,272
Sign Permits	8,845	8,860	7,675	8,175
Planning & Zoning Fees	7,058	4,611	16,259	17,489
Landscape Permits	16,800	23,100	28,980	23,100
Encroachment Permits	175,075	24,928	40,000	35,000
Variances	2,900	4,000	6,000	7,600
Subdivision Fees	71,460	34,950	37,750	45,250
Special Event Permit	7,555	6,850	3,500	5,225
Engineering Fees	3,150	4,050	6,250	3,950
Plan Review	188,955	135,838	349,714	176,326
Inspection Fees	14,992	65,869	17,000	12,500
Alcohol Permits	180	270	1,520	620
Third Party Revenues	-	-	950,000	235,000
Rental Fees	110,891	137,286	108,604	117,279
Non-Taxable Rental	11,209	11,209	11,209	300
Cell Tower Lease	132,924	138,735	115,610	120,189
Sales Tax-State	2,131,484	2,192,044	2,271,564	2,429,816
Income Tax-State	2,707,673	2,923,870	2,999,604	3,005,431
Fire Insurance Premium Tax	47,081	44,611	50,000	50,500
Program Fees	168,895	174,638	183,724	195,724
Sponsorships	8,590	7,708	10,200	10,200
Donations	26,230	28,519	35,085	61,209
Reimbursements/Refunds	26,375	12,542	1,000	1,000
Auction/Recycle Proceeds	74	78	1,140	640
Restitution/Ins Proceeds	100	-	4,500	4,500
Miscellaneous Revenue	2,255	5,211	5,200	5,310
Taxable Sales	10,034	12,499	7,300	10,800
Convenience Fees	-	4,149	-	1,500
Court Fines/Fees	185,279	211,190	200,000	246,000
Interest Income	93,776	3,679	12,680	7,200
Internal Service Charges	2,397	2,084	2,460	-
<b>Total General Fund</b>	<b>14,687,434</b>	<b>14,954,464</b>	<b>16,950,843</b>	<b>16,271,195</b>
<b>In-Lieu Fees</b>	<b>500</b>	<b>6,468</b>	<b>15,000</b>	<b>15,000</b>
<b>Donations</b>	<b>-</b>	<b>25</b>	<b>-</b>	<b>-</b>
<b>Interest Income</b>	<b>14</b>	<b>479</b>	<b>60</b>	<b>240</b>
<b>Total Public Art Fund</b>	<b>514</b>	<b>6,972</b>	<b>15,060</b>	<b>15,240</b>
<b>Internal Service Charges</b>	<b>66,021</b>	<b>53,368</b>	<b>60,789</b>	<b>-</b>
<b>Vehicle Replacement Charges</b>	<b>-</b>	<b>-</b>	<b>5,100</b>	<b>-</b>
<b>Total Internal Service Fund</b>	<b>66,021</b>	<b>53,368</b>	<b>65,889</b>	<b>-</b>
<b>Auction/Recycle Proceeds</b>	<b>7,422</b>	<b>23,467</b>	<b>-</b>	<b>-</b>
<b>Interest Income</b>	<b>1,331</b>	<b>3,221</b>	<b>240</b>	<b>1,200</b>
<b>Internal Service Charges</b>	<b>1,469</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Vehicle Replacement Charges</b>	<b>206,115</b>	<b>238,583</b>	<b>331,163</b>	<b>268,472</b>
<b>Total Vehicle/Equip Repl Fund</b>	<b>216,337</b>	<b>265,271</b>	<b>331,403</b>	<b>269,672</b>
<b>Total Operating Funds</b>	<b>\$ 14,970,306</b>	<b>\$ 15,280,075</b>	<b>\$ 17,363,195</b>	<b>\$ 16,556,107</b>



## Revenue Summary

FY18-19 Proposed Budget Summary of Revenues				
Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
<b>Special Revenue Funds</b>				
Sales Tax-Local	\$ -	\$ 719,662	\$ 769,512	\$ 796,063
Vehicle License Tax	927,440	941,364	1,013,279	1,081,889
Highway User Tax	1,451,431	1,538,940	1,553,494	1,538,106
In-Lieu Fees	18,985	178,768	262,000	100,000
Adopt-A Street Fee	90	240	-	-
Reimbursements/Refunds	-	91	-	-
Auction/Recycle Proceeds	1,301	992	-	-
Restitution/Ins Proceeds	20,974	-	25,000	25,000
Miscellaneous Revenue	395	-	-	-
Interest Income	2,411	7,023	2,340	2,400
Internal Service Charges	-	2,154	-	-
Total Highway User Revenue Fund	<u>2,423,027</u>	<u>3,389,234</u>	<u>3,625,625</u>	<u>3,543,458</u>
Sales Tax-Local	70,878	71,966	76,956	79,607
Interest Income	11,784	1,487	3,060	1,260
Total Downtown Strategy Fund	<u>82,662</u>	<u>73,453</u>	<u>80,016</u>	<u>80,867</u>
Sales Tax-Local	283,511	287,865	307,800	318,425
Prop 202/Gaming Revenue	-	-	-	10,000
Interest Income	215	482	48	240
Total Economic Development Fund	<u>283,726</u>	<u>288,347</u>	<u>307,848</u>	<u>328,665</u>
Grants	28,347	31,584	38,000	38,000
Prop 202/Gaming Rev	25,000	39,076	45,000	35,000
Sponsorships	-	-	10,000	-
Taxable Sales	-	634	-	-
Convenience Fees	-	9	-	-
Interest Income	148	392	180	180
Total Tourism Fund	<u>53,495</u>	<u>71,695</u>	<u>93,180</u>	<u>73,180</u>
Grants	72,624	138,576	1,000,000	1,046,800
LTA II	-	21,009	254,000	67,000
Prop 202/Gaming Rev	50,000	46,576	75,000	75,000
Total Special Revenue Fund	<u>122,624</u>	<u>206,161</u>	<u>1,329,000</u>	<u>1,188,800</u>
CCEF Revenue	21,526	43,494	22,000	48,500
JCEF Revenue	2,574	3,043	2,600	3,500
Interest Income	129	263	180	240
Total Court Enhancement Fund	<u>24,229</u>	<u>46,800</u>	<u>24,780</u>	<u>52,240</u>
Environmental Fee	486,751	500,731	492,444	493,668
Convenience Fees	-	51	-	-
Interest Income	410	2,048	540	1,800
Total Environmental Fund	<u>487,161</u>	<u>502,830</u>	<u>492,984</u>	<u>495,468</u>
Property Tax-Cy	5,430	5,653	5,454	6,642
Interest Income	30	74	36	72
Total Cottonwoods Maint District	<u>5,460</u>	<u>5,727</u>	<u>5,490</u>	<u>6,714</u>
Total Special Revenue Funds	<u>\$ 3,482,384</u>	<u>\$ 4,584,247</u>	<u>\$ 5,958,923</u>	<u>\$ 5,769,392</u>



FY18-19 Proposed Budget  
Summary of Revenues

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
<b>Debt Service Funds</b>				
Property Tax-Cy	\$ 2,119,611	\$ 1,902,919	\$ 1,893,694	\$ 1,986,373
Interest Income	2,514	4,408	720	1,200
Total Gen Oblig Bond Debt Service	<u>2,122,125</u>	<u>1,907,327</u>	<u>1,894,414</u>	<u>1,987,573</u>
Property Tax-Cy	418,257	378,872	372,746	409,786
Interest Income	472	938	120	240
Total Eagle Mtn CFD Debt Service	<u>418,729</u>	<u>379,810</u>	<u>372,866</u>	<u>410,026</u>
Sales Tax-Local	708,777	-	-	-
Interest Income	994	2,315	840	840
Total Munic Prop Corp Debt Service	<u>709,771</u>	<u>2,315</u>	<u>840</u>	<u>840</u>
<b>Total Debt Service Funds</b>	<b>\$ 3,250,625</b>	<b>\$ 2,289,452</b>	<b>\$ 2,268,120</b>	<b>\$ 2,398,439</b>



## Revenue Summary

Description	FY18-19 Proposed Budget Summary of Revenues			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
<b>Capital Projects Funds</b>				
Sales Tax-Local	\$ 459,075	\$ 365,082	\$ 368,124	\$ 461,465
Grants	118,356	-	255,000	140,000
Donations	-	-	20,000	-
Reimbursements/Refunds	119,407	54,136	150,000	-
Interest Income	82,141	19,757	6,024	7,224
Total Capital Projects Fund	<u>778,979</u>	<u>438,975</u>	<u>799,148</u>	<u>608,689</u>
Interest Income	192	4,141	1,440	3,600
Total Facilities Replacement Fund	<u>192</u>	<u>4,141</u>	<u>1,440</u>	<u>3,600</u>
Development Fees	33,021	21,666	35,866	33,297
Interest Income	216	412	120	240
Total Fire/Emergency Dev Fee	<u>33,237</u>	<u>22,078</u>	<u>35,986</u>	<u>33,537</u>
Development Fees	55,943	89,769	122,294	109,284
Interest Income	427	1,442	420	420
Total Park/Rec Dev Fee	<u>56,370</u>	<u>91,211</u>	<u>122,714</u>	<u>109,704</u>
Interest Income	21,858	2,564	6,000	-
Total Open Space Dev Fee	<u>21,858</u>	<u>2,564</u>	<u>6,000</u>	<u>-</u>
Total Capital Projects Funds	<u>\$ 890,636</u>	<u>\$ 558,969</u>	<u>\$ 965,288</u>	<u>\$ 755,530</u>
Total Revenues	<u>\$ 22,593,951</u>	<u>\$ 22,712,743</u>	<u>\$ 26,555,526</u>	<u>\$ 25,479,468</u>



FY18-19 Revenues by Type

	Operating Funds	Debt Service Funds	Capital Projects Funds	Non-Major Funds	Total	% of Total
Revenues:						
Sales Tax	\$ 8,693,264	\$ -	\$ 461,465	\$ 1,194,095	\$ 10,348,824	31%
Property Tax	-	2,396,159	-	6,642	2,402,801	7%
Franchise Tax	374,461	-	-	-	374,461	1%
Intergovernmental	5,485,747	-	140,000	3,891,795	9,517,542	28%
Fines and Forfeitures	246,000	-	-	52,000	298,000	1%
Licenses and Permits	935,872	-	142,581	493,668	1,572,121	5%
Charges for Services	210,724	-	-	100,000	310,724	1%
Leases and Rents	237,768	-	-	-	237,768	1%
Investment Earnings	277,112	2,280	11,484	6,192	297,068	1%
Other	95,159	-	-	25,000	120,159	0%
Sub total Revenues	16,556,107	2,398,439	755,530	5,769,392	25,479,468	75%
Transfers In	52,600	381,554	500,000	566,407	1,500,561	4%
Sub total	16,608,707	2,779,993	1,255,530	6,335,799	26,980,029	80%
Use/(Source) of Reserves	884,495	(19,311)	4,155,913	1,914,301	6,935,398	20%
Total Revenues	<u>\$ 17,493,202</u>	<u>\$ 2,760,682</u>	<u>\$ 5,411,443</u>	<u>\$ 8,250,100</u>	<u>\$ 33,915,427</u>	<u>100%</u>

Note: See page 44 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 be for funding capital projects.



Revenue Summary  
 State-shared Sales Tax Revenue  
 General Fund

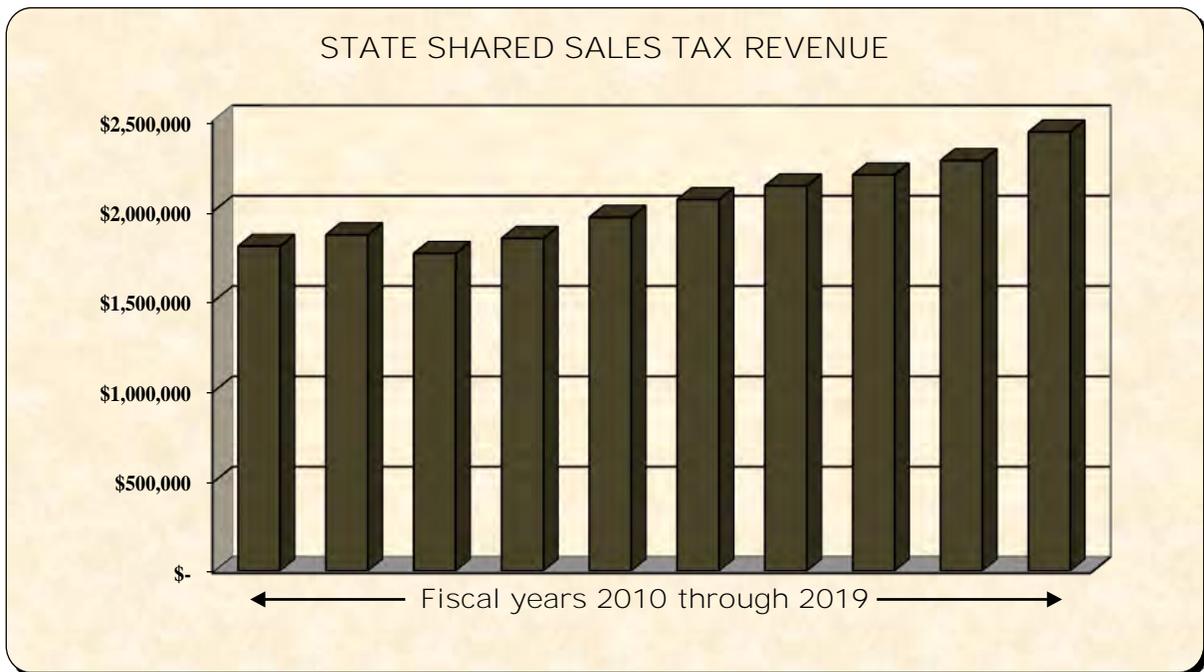
Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purposes.	2009-10	\$ 1,797,356	-7.8%
	2010-11	\$ 1,860,421	3.5%
	2011-12	\$ 1,757,297	-5.5% <sup>1</sup>
	2012-13	\$ 1,840,766	4.7%
	2013-14	\$ 1,957,505	6.3%
	2014-15	\$ 2,055,241	5.0%
	2015-16	\$ 2,131,484	3.7%
	2016-17	\$ 2,192,043	2.8% <sup>1</sup>
	2017-18 (est.)	\$ 2,271,564	3.6%
	2018-19 (est.)	\$ 2,429,816	7.0%

<sup>1</sup> 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 .4% of the State total). The FY18-19 revenue projection is based on the League of Arizona Cities and Towns bulletin and by the Arizona Department of Revenue forecast for Sales and Use Tax.

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



Restrictions	Fiscal Year	Amount	Percent Change
Revenues from the 2.6% 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.	2009-10	\$ 7,644,441	-14.4%
	2010-11	\$ 7,844,332	2.6%
	2011-12	\$ 7,779,219	-0.8%
	2012-13	\$ 7,957,162	2.3%
	2013-14	\$ 8,454,297	6.2%
	2014-15	\$ 8,983,050	6.3%
	2015-16	\$ 9,391,267	4.5%
	2016-17	\$ 9,419,552	0.3%
	2017-18 (est.)	\$ 10,003,682	6.2%
	2018-19 (est.)	\$ 10,348,824	3.5%

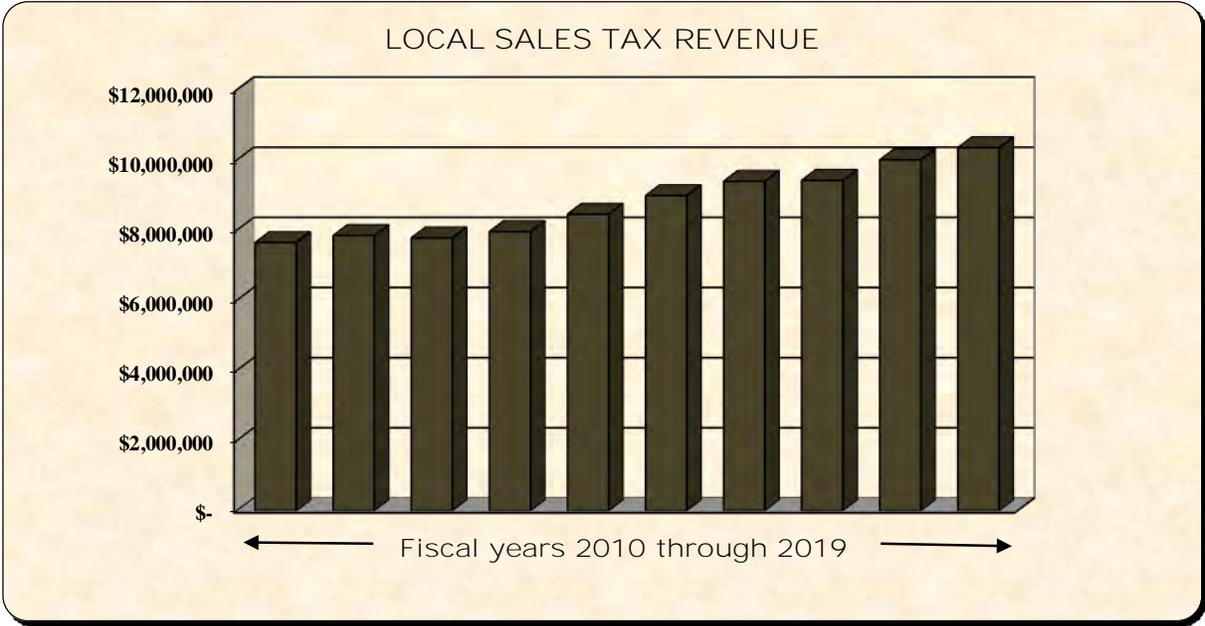
Assumptions

The local sales tax rate in Fountain Hills is 2.6% - total receipts for FY18-19 are estimated to be \$10,348,824. 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	\$	79,607
Economic Development Fund		318,425
Pavement Maintenance		796,063
Capital Projects Fund		461,465
General Fund		<u>8,693,264</u>
Total Projections	\$	<u>10,348,824</u>

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



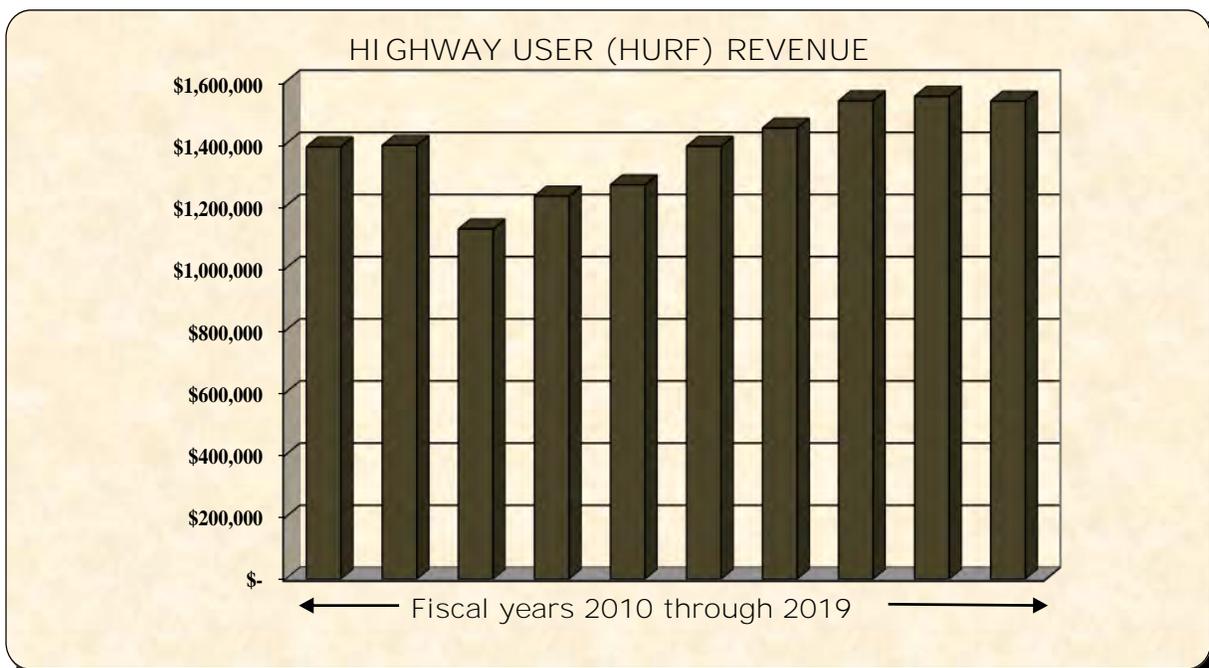
Revenue Summary  
 Highway User Revenue  
 Highway User Revenue Fund

Restrictions	Fiscal Year	Amount	Percent Change
There is a State constitutional restriction on the use of these funds which requires that these funds be used solely for street and highway purposes. Payment of principal and interest on highway and street bonds are an approved use.	2009-10	\$ 1,391,100	-5.3%
	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 (est.)	\$ 1,553,494	0.9%
	2018-19 (est.)	\$ 1,538,106	-1.0%

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 FY18-19 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



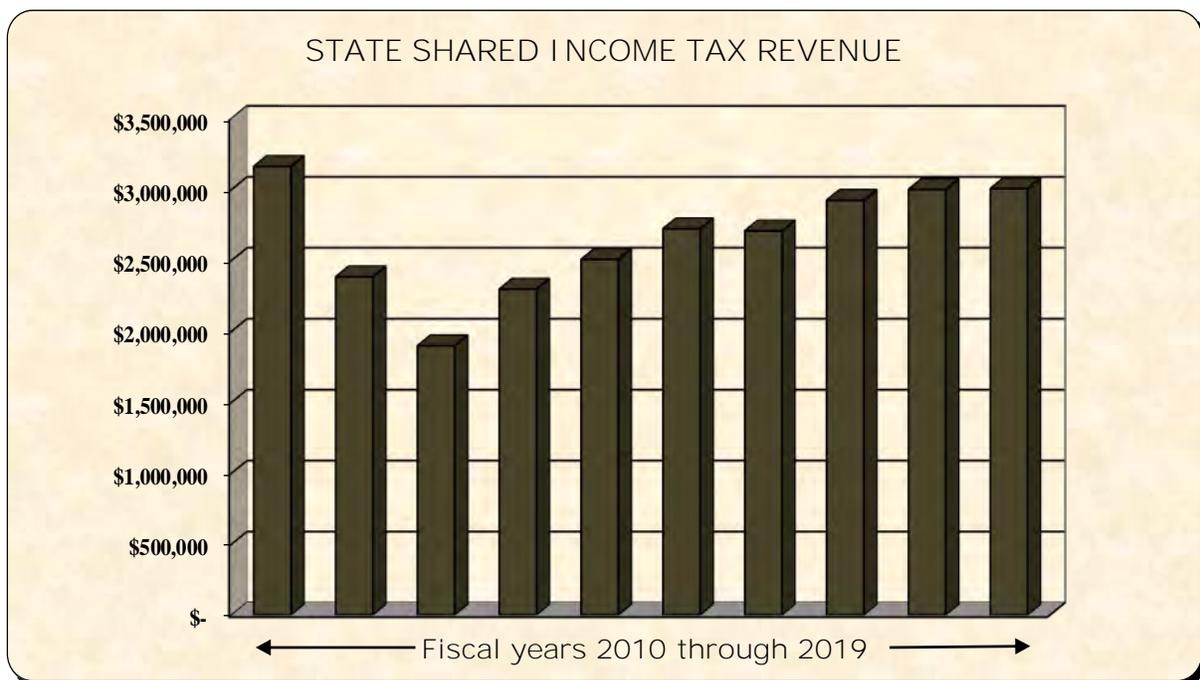
Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purposes.	2009-10	\$ 3,162,174	-13.6%
	2010-11	\$ 2,383,874	-24.6%
	2011-12	\$ 1,898,088	-20.4% <sup>1</sup>
	2012-13	\$ 2,297,203	21.0%
	2013-14	\$ 2,506,685	9.1%
	2014-15	\$ 2,722,433	8.6%
	2015-16	\$ 2,707,673	-0.5%
	2016-17	\$ 2,923,870	8.0% <sup>1</sup>
	2017-18 (est.)	\$ 2,999,604	2.6%
	2018-19 (est.)	\$ 3,005,431	0.2%

<sup>1</sup> 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 projection for FY18-19 is provided by the League of Arizona Cities and Towns and the State's Joint Legislative Budget Committee (JLBC).

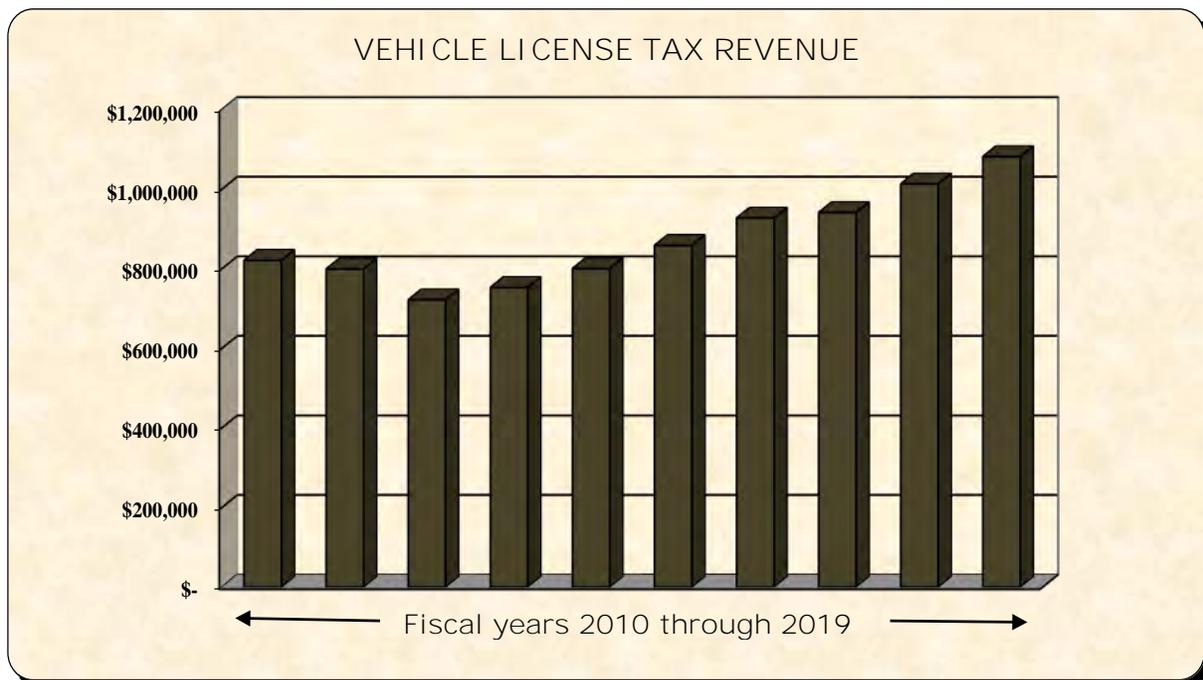
Major Influences: Personal Income, Corporate Net Profits, Population and State Policy



Restrictions	Fiscal Year	Amount	Percent Change
Town Council has restricted for the Pavement Management Program.	2009-10	\$ 821,321	-7.7%
	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 (est.)	\$ 1,013,279	7.6%
	2018-19 (est.)	\$ 1,081,889	6.8%
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 .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 HURF fund).

Major Influences: Automobile sales, Population, and State Policy

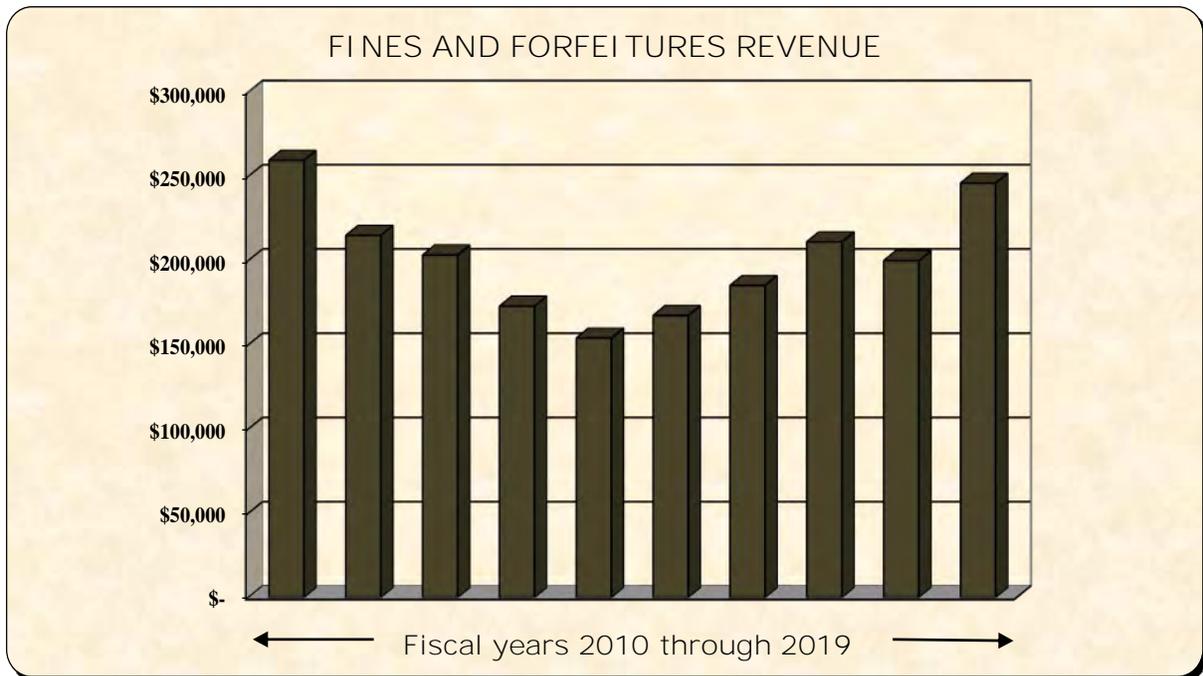


Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purpose.	2009-10	\$ 259,571	-17.7%
	2010-11	\$ 214,999	-17.2%
	2011-12	\$ 203,350	-5.4%
	2012-13	\$ 173,024	-14.9%
	2013-14	\$ 154,024	-11.0%
	2014-15	\$ 167,491	8.7%
	2015-16	\$ 185,279	10.6%
	2016-17	\$ 211,190	14.0%
	2017-18 (est.)	\$ 200,000	-5.3%
	2018-19 (est.)	\$ 246,000	23.0%

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 an increase in the number of citations.

Major Influences: Population, Enforcement, Public Policy

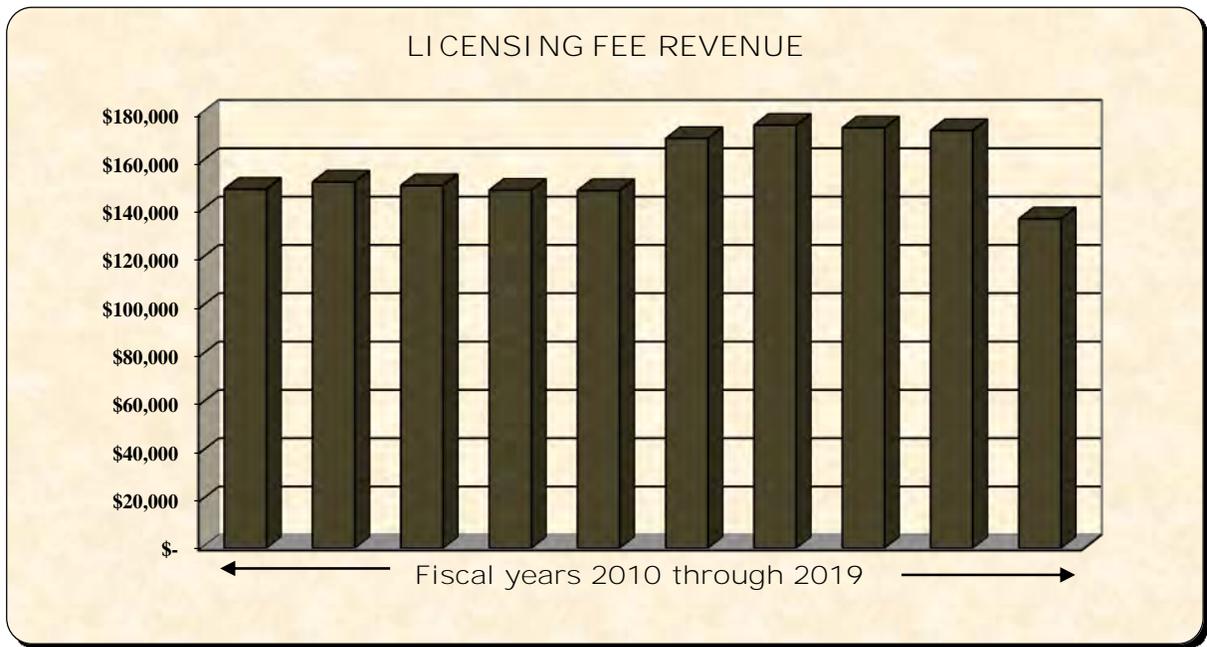


Revenue Summary  
 Licensing Fee Revenue  
 General Fund

Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purpose.	2009-10	\$ 148,657	-3.3%
	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 (est.)	\$ 172,908	-0.6%
	2018-19 (est.)	\$ 136,365	-21.1%
Assumptions			

License fees are derived from fees on professions, occupations, businesses (\$131,076) within the Town. The license fee is used primarily as a means of regulating businesses within the community. The estimate for FY18-19 is based on 3,146 active business licenses. Beginning in FY18-19, animal licensing has been transferred to Maricopa County Animal Care and Control.

Major Influences: Economy, Enforcement

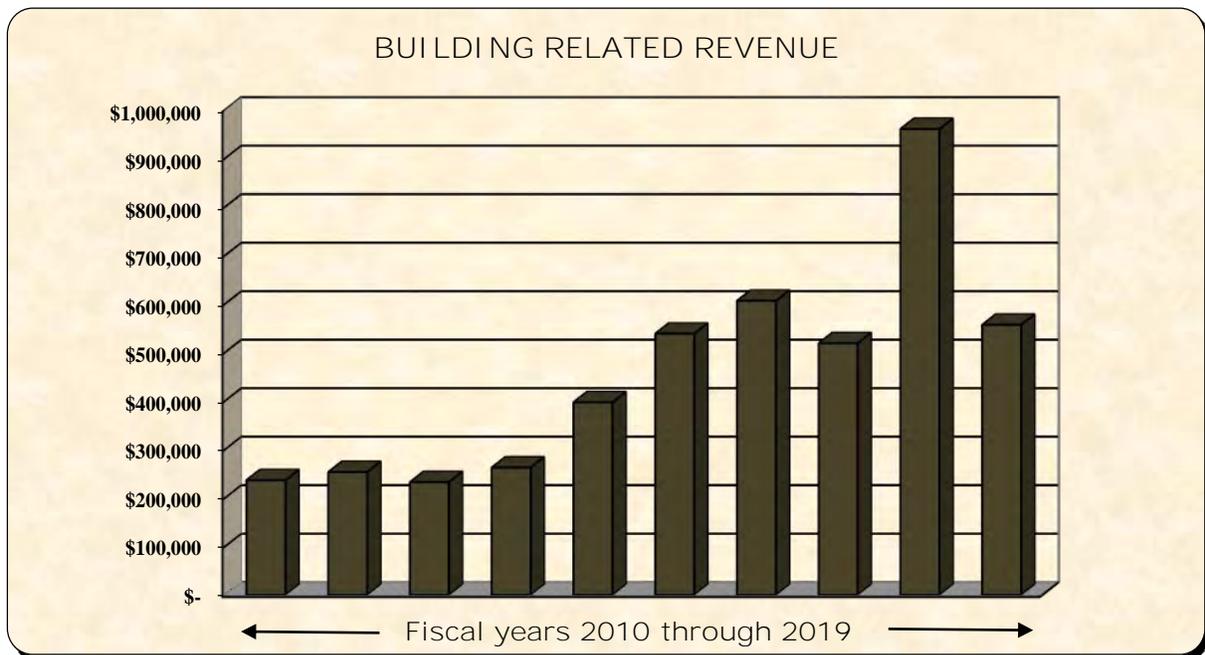


Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purpose.	2009-10	\$ 236,343	-38.7%
	2010-11	\$ 253,074	7.1%
	2011-12	\$ 232,447	-8.2%
	2012-13	\$ 262,403	12.9%
	2013-14	\$ 396,875	51.2%
	2014-15	\$ 538,264	35.6%
	2015-16	\$ 605,966	12.6%
	2016-17	\$ 518,619	-14.4%
	2017-18 (est.)	\$ 960,247	85.2%
	2018-19 (est.)	\$ 556,662	-42.0%

Assumptions

Revenues from this source include the fees collected from building permits, rezoning, improvement plans, encroachment and subdivision plans. The estimates for FY18-19 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 55 single family, 29 multi-family unit, and 7 commercial projects.

Major Influences: Population, Economy, Development, Public Policy

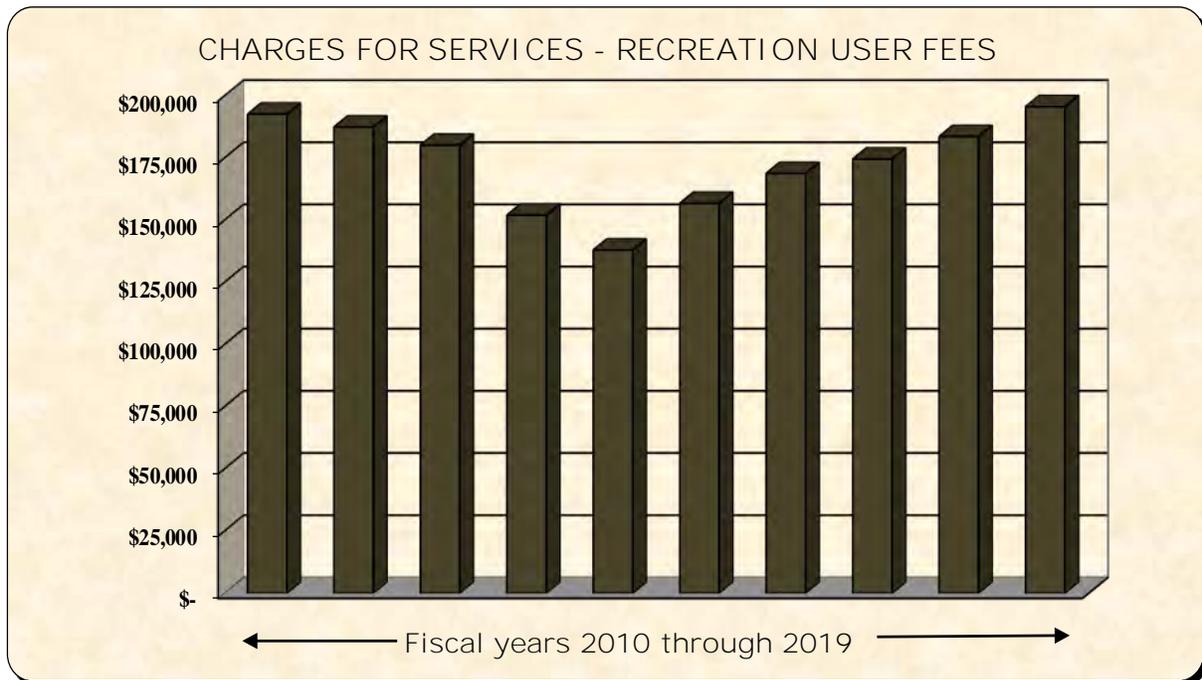


Revenue Summary  
Charges For Services-Recreation User Fees  
General Fund

Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purpose.	2009-10	\$ 192,728	-2.5%
	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 (est.)	\$ 183,724	5.2%
	2018-19 (est.)	\$ 195,724	6.5%
Assumptions			

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

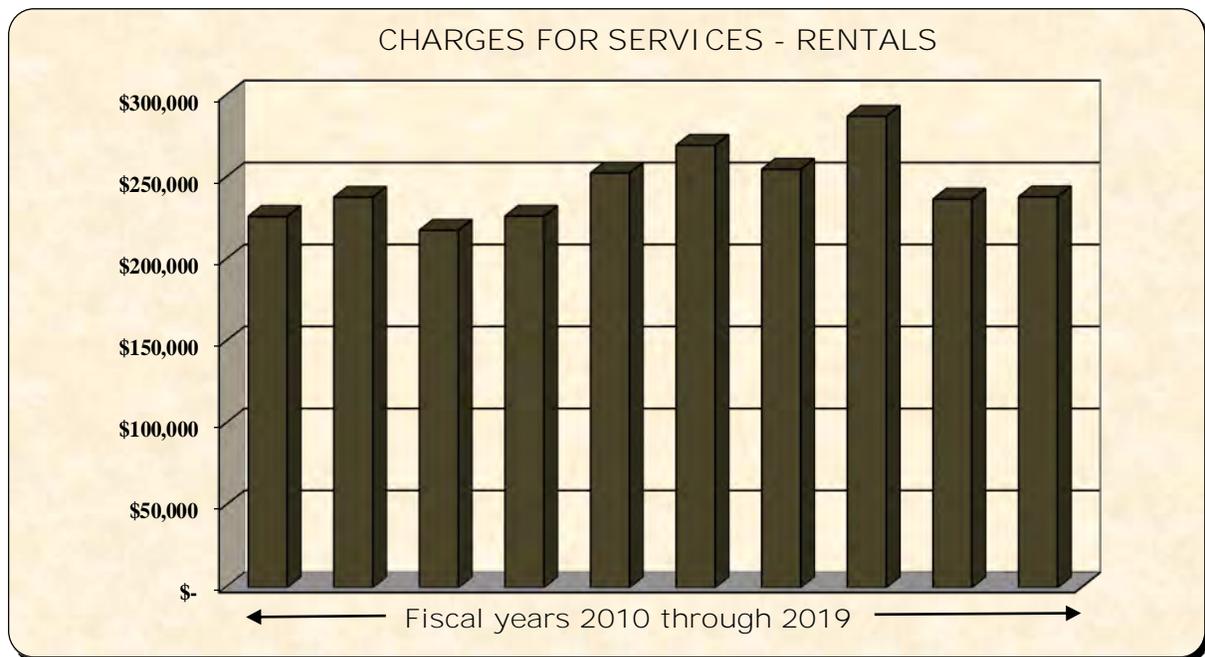
Major Influences: Population, Internal Policy on Rates



Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purpose.	2009-10	\$ 226,429	-16.8%
	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 (est.)	\$ 236,943	-17.6%
	2018-19 (est.)	\$ 238,388	0.6%
Assumptions			

The Community Center provides meeting space for the Senior Activity Center, local organizations such as weddings, the photography club, Community Chorus, Fountain Hills Realtors and various homeowners associations. 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



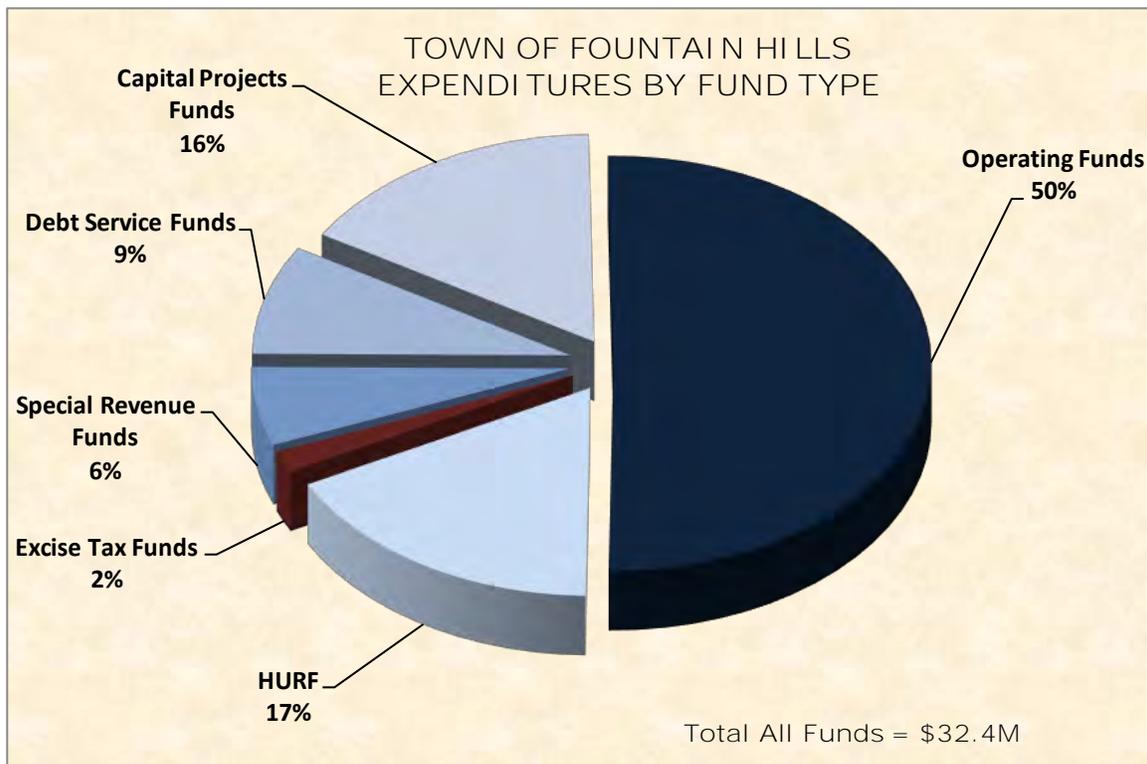
### Expenditures

This section provides a broad overview of the expenditures included in the FY18-19 budget. Information is presented for each fund and fund type.

#### All Funds Expenditure Summary

Total expenditures for all funds are \$32,414,866, excluding transfers. The Operating Funds represent 50% of the total. HURF/Streets Fund represents 17% of the total Town budget. Special Revenue Funds represent 6% of the budget with Debt Service representing 9%, Excise Tax 2%, and Capital Projects 16%.

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 next pages.



FY18-19 Proposed Budget  
Summary of Expenditures by Fund and Program

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Operating Funds				
Accounting	\$ 35,050	\$ 158,931	\$ 193,745	\$ 217,063
Administration	1,359,038	6,319,610	6,471,566	7,176,826
Amenities	328,783	-	-	-
Animal Control	31,613	23,576	32,324	31,724
Art & Culture	36,372	-	-	-
Attorney Services	269,919	331,298	565,605	479,770
Audit Services	97,477	-	-	-
Boards & Commissions	46,357	-	-	-
Budget	52,386	-	-	-
Building Inspection	277,080	204,675	1,245,056	592,025
Building Maintenance	555,577	440,145	148,565	151,813
Capital Improvement Prog	79,036	-	-	-
Civil Cases	33,877	-	-	-
Code Compliance	101,141	71,768	75,964	79,058
Community Events	109,497	92,687	161,778	180,478
Criminal Cases	52,691	-	-	-
Current Planning	104,017	-	-	-
Customer Service	19,284	36,980	40,698	41,406
Elections	33,106	-	-	-
Emergency Medical	1,507,914	-	-	-
Engineering	209,890	205,471	191,642	196,322
Environmental Service	28,742	-	-	-
Event Planning	54,563	-	-	-
Field Prep/Maint	171,163	-	-	-
Fire Suppression	1,648,174	-	-	-
Fountain	195,730	232,123	177,755	205,335
Home Delivered Meals	51,965	48,934	61,637	61,570
Incarceration/Transport	48,592	-	-	-
Juvenile	9,468	-	-	-
Landscape Maintenance	183,682	-	-	-
Legislation	43,022	13,643	16,070	16,290
Licensing	50,534	46,770	56,029	61,369
Long Range Planning	29,164	-	-	-
Mapping & Graphics	69,801	99,727	104,869	110,363
Media Relations	-	-	35,459	35,095
Network Administration	141,727	-	-	-
Open Space	26,436	48,696	25,158	37,158
Operations	109,779	4,737,077	5,778,546	5,817,182
Outside Inspections	-	52,127	61,938	64,139
Patrol	3,554,666	-	-	-
Payroll	21,824	-	-	-
Permitting	114,556	-	-	-
Planning & Zoning	-	81,569	105,554	109,814
Public Defender	4,250	-	-	-
Prosecutor	100,000	-	-	-
Purchasing	48,859	57,922	59,704	62,526
Records Management	15,982	-	-	-
Recruitment	31,328	-	-	-
Risk Management	262,051	274,396	351,385	357,246
Senior Memberships/Activities	98,185	66,741	-	-
Social/Community Services	104,426	-	-	-
Support	42,632	-	-	-
Special Events	25,737	-	-	-
Special Interest Programs	32,806	17,025	15,847	15,821
Sports Activities	85,511	48,863	42,136	52,370
Stormwater Management	21,733	-	-	-
Strategic Planning	17,774	-	-	-
Training & Development	8,086	-	-	-
Treasury	41,487	-	-	-
Video Services	12,925	-	-	-
Volunteers	76,242	76,269	86,314	88,517
Web Site	35,822	-	-	-
Youth & Teen Programs	82,347	21,705	23,465	29,915
Total General Fund	\$ 13,041,876	\$ 13,808,728	\$ 16,128,809	\$ 16,271,195



## Expenditure Summary

### FY18-19 Proposed Budget Summary of Expenditures by Fund and Program

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Operating Funds - continued				
Art & Culture	\$ 7,920	\$ 50,518	\$ 39,383	\$ 54,100
Total Public Art Fund	7,920	50,518	39,383	54,100
Operational Support	66,021	53,368	63,702	-
Total Internal Service Fund	66,021	53,368	63,702	-
Vehicle Replacement	27,899	215,292	1,062,000	47,253
Total Vehicle Replacement Fund	27,899	215,292	1,062,000	47,253
<b>Total Operating Funds</b>	<b>\$ 13,143,716</b>	<b>\$ 14,127,906</b>	<b>\$ 17,293,894</b>	<b>\$ 16,372,548</b>
Special Revenue Funds				
Administration	\$ 171,026	\$ 290,357	\$ 406,425	\$ 380,678
Adopt A Street	3,164	1	1,005	995
Legal Services	29,455	-	-	-
Open Space	294,114	383,541	374,582	399,282
Pavement Management	1,639,467	2,052,176	2,674,440	4,487,534
Street Signs	75,508	66,091	80,139	66,811
Traffic Signals	254,935	110,664	215,074	127,000
Vehicle Maintenance	93,146	59,486	77,049	79,196
Total Highway User Revenue Fund	2,560,815	2,962,316	3,828,714	5,541,496
Administration	46,932	34,056	58,796	40,885
Total Downtown Strategy Fund	46,932	34,056	58,796	40,885
Administration	174,798	134,102	252,823	278,312
Total Economic Development Fund	174,798	134,102	252,823	278,312
Administration	194,435	198,352	211,198	225,758
Total Tourism Fund	194,435	198,352	211,198	225,758
Grants Admin	158,947	371,069	1,329,000	1,188,800
Total Special Revenue Fund	158,947	371,069	1,329,000	1,188,800
Court Enhancement	2,759	122	50,265	50,515
Judicial Court Enhancement	-	-	30,000	30,000
Total Court Enhancement Fund	2,759	122	80,265	80,515
Administration	472,351	494,638	711,806	709,326
Total Environmental Fund	472,351	494,638	711,806	709,326
Cottonwoods Maintenance District	2,705	3,798	5,031	5,101
Total Cottonwoods Maint District	2,705	3,798	5,031	5,101
<b>Total Special Revenue Funds</b>	<b>\$ 3,613,742</b>	<b>\$ 4,198,453</b>	<b>\$ 6,477,633</b>	<b>\$ 8,070,193</b>



FY18-19 Proposed Budget  
Summary of Expenditures by Fund and Program

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
<b>Debt Service Funds</b>				
Gen Oblig Bond Debt Service	\$ 2,002,850	\$ 2,119,250	\$ 2,121,550	\$ 1,972,850
Eagle Mtn CFD Debt Service	408,711	409,226	407,656	405,968
Munic Prop Corp Debt Service	513,550	393,690	377,696	381,864
<b>Total Debt Service Funds</b>	<b>\$ 2,925,111</b>	<b>\$ 2,922,166</b>	<b>\$ 2,906,902</b>	<b>\$ 2,760,682</b>
<b>Capital Projects Funds</b>				
Administration	\$ 1,935	\$ 2,207	\$ 61,500	\$ 43,263
Downtown Development	-	24,000	100,000	-
Fire Suppression	14,391	368,109	4,150,000	2,312,165
General Govt Projects	-	321,873	60,240	150,000
Park Development	300,591	408,187	2,480,000	750,000
Pavement Management	4,448,978	107,440	750,000	820,184
Stormwater Management	1,187,102	181,538	50,000	100,000
Traffic Signals	275,031	-	-	-
<b>Total Capital Projects Fund</b>	<b>6,228,028</b>	<b>1,413,354</b>	<b>\$ 7,651,740</b>	<b>\$ 4,175,612</b>
Administration	76,198	93,085	906,850	975,296
<b>Total Facilities Replacement Fund</b>	<b>76,198</b>	<b>93,085</b>	<b>906,850</b>	<b>975,296</b>
Fire/Emergency Dev Fee	-	-	11,244	11,244
Park/Rec Dev Fee	-	-	48,756	48,756
Open Space Dev Fee	536	535	535	535
<b>Total Development Fee Funds</b>	<b>536</b>	<b>535</b>	<b>60,535</b>	<b>60,535</b>
<b>Total Capital Projects Funds</b>	<b>\$ 6,304,762</b>	<b>\$ 1,506,974</b>	<b>\$ 8,619,125</b>	<b>\$ 5,211,443</b>
<b>Total Expenditures</b>	<b>\$ 25,987,331</b>	<b>\$ 22,755,499</b>	<b>\$ 35,297,554</b>	<b>\$ 32,414,866</b>



## Expenditure Summary

### FY18-19 Expenses by Function

	Operating Funds	Debt Service Funds	Capital Projects Funds	Non-Major Funds	Total	% of Total
Expenditures:						
General Government	\$ 3,566,978	\$ 2,760,682	\$ 43,263	\$ 1,593,613	\$ 7,964,536	23%
Public Safety	8,129,715	-	2,323,409	-	10,453,124	31%
Community Services	2,574,880	-	799,291	225,758	3,599,929	11%
Public Works	1,035,577	-	2,045,480	6,250,822	9,331,879	28%
Development Services	1,065,398	-	-	-	1,065,398	3%
Sub total Expenditures	16,372,548	2,760,682	5,211,443	8,070,193	32,414,866	96%
Transfers Out	1,120,654	-	200,000	179,907	1,500,561	4%
Total Expenditures	<u>\$ 17,493,202</u>	<u>\$ 2,760,682</u>	<u>\$ 5,411,443</u>	<u>\$ 8,250,100</u>	<u>\$ 33,915,427</u>	<u>100%</u>

Note: See page 44 for a listing of the funds included in each column.



## FY18-19 General Fund Expenditures by Department and Division

Department	Division	Proposed Budget
Mayor & Council	Mayor & Council	\$ 82,592
Administration	Town Manager	353,484
	Town Clerk	178,897
	Administrative Services	533,399
	Finance	592,728
	Information Technology	300,502
	Legal Services	479,770
	Total Administration	<u>2,438,780</u>
	General Government	Non-Departmental
Municipal Court	Municipal Court	342,028
Public Works	Public Works	179,521
	Engineering	196,323
	Facilities	659,733
	Total Public Works	<u>1,035,577</u>
Development Services	Development Services	174,138
	Planning & Zoning	109,814
	Code Compliance	79,058
	Mapping & Graphics	110,362
	Building Safety	592,025
	Total Development Services	<u>1,065,397</u>
Community Services	Community Services	194,177
	Recreation	617,498
	Community Center	293,198
	Senior Services	197,875
	Parks-Town Hall	95,157
	Parks-Fountain Park	448,437
	Parks-Golden Eagle Park	321,351
	Parks-Four Peaks Park	112,308
	Parks-Desert Vista Park	89,365
	Parks-Open Space/Trails	37,158
	Parks-Avenue of the Fountains Plaza	114,256
	Total Community Services	<u>2,520,780</u>
	Law Enforcement	Law Enforcement
Fire & Emergency Medical	Fire & Emergency Medical	<u>3,918,227</u>
<i>Total General Fund Expenditures</i>		<u>\$ 16,271,195</u>



**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 FY18-19 expenditure limitation for the Town of Fountain Hills is \$28,954,251 which is a 2.7% increase from the previous year. The limit applies to FY18-19 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	\$ 32,414,866
Exclusions (Subtractions) from Revenues:	
Separate Legal Entities	792,933
Required fees paid to the Arizona Department of Revenue	65,000
Debt Service Payments	1,972,850
Dividends, Interest, Gains	66,331
Grants, Aid, Contributions from Federal Government	46,800
Grants, Aid, Contributions from Private Organizations	71,409
Amounts Received from State	1,365,000
Quasi-External interfund Transactions	8,460
Savings Reserved for Capital Purchase (voter approved)	-
Highway User Revenues Excess 1979-80	5,779,774
Contracts with Other Political Subdivisions	-
Refunds, Reimbursements	1,000
Voter Approved Exclusions	-
Prior Years Carry Forward	-
Total Exclusions	10,169,557
Expenditures subject to limitation	22,245,309
Expenditure Limitation	28,954,251
Under/(Over) Limitation	\$ 6,708,942



# 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 <b>planning for the Town’s capital needs</b> . Details of the adopted Capital Improvement Plan are found beginning on page 331.
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 <b>Town’s policies</b> can be found beginning on page 50.
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 <b>the Town’s budget process</b> 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.



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## 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. Advisory Boards and Commissions develop plans for new or enhanced programs to be included in the following year’s budget proposal.

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

A budget is an annual planning tool — it identifies the Town’s work plan and matches the financial, material, and human resources available with the requirements to complete the work plan. 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. Highway User Revenue Fund (HURF), 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 FY18-19

Wed, November 15, 2017	Staff budget “kick-off” meeting in the Council Chambers and submission deadline for pictures and text to Nancy for Mayor’s State of Town Address (see below*)
Thu, December 14, 2017	<u>DEADLINE</u> for preliminary operating budgets entered into MUNIS Staffing requirements and <u>budget supplements</u> due to Finance CIP project requests and funding sources due to Finance New or changes to existing fees on Fee Schedule due
Thu, January 11, 2018	5 year Revenue Forecast due to Town Manager from Finance; Final reconciliation of revenues vs. expenditures (Finance staff)
Thu, January 18, 2018	Mayor’s State of the Town Address
Mon - Thu, January 22 - 25, 2018	Departmental presentations for Town Manager
Mon, February 5, 2018	Department/Division templates due to Finance
Thu, February 8, 2018	<b>Council Retreat Session</b> - Priorities for FY17-18 with Council receiving preliminary CIP Budget & Strategic Plan Review
Tues, February 20, 2018	Staff meeting to debrief Council Retreat
Mon, February 26, 2018	Final operating budgets entered into MUNIS based on proposed changes from Retreat
Mon, February 26, 2018	Staff to review proposed budget dates with Town Attorney for statute compliance
Fri, March 2, 2018	<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.
Tues, March 13, 2018	<b>Council Special Session @ 5:30 PM</b> – Consideration of CIP projects and possible discussion of proposed or changes to Fees
Mon, April 9, 2018	<b>Council receives proposed budget</b> , posted online; Budget Schedules prepared for Legal
Mon, April 16, 2018	Final revenue projections entered into MUNIS
Wed, April 16, 2018	<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.
Mon, April 16, 2018	Public Outreach/Open House (5:30 – 6:30 PM)
Mon, April 23, 2018	<b>Council Budget Work-Shop - Special Session @ 5:00 PM</b>
Tues, May 1, 2018	<b>Town, CMD &amp; EMCFD Meetings</b> - Adoption of <b>Tentative Budgets</b> 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 9 & 16, 2018	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]
Tues, June 5, 2018	<b>Town, CMD &amp; EMCFD Meetings</b> – Public Hearing held in Regular Session ( <u>required to be held on or before the 14<sup>th</sup> day before the day on which it levies taxes</u> ); Council convenes in <b>Special Session</b> & adopts Town’s <b>Final Budget</b> (A.R.S. §42-17104) and reconvenes the Regular Session [ <u>14 days - June 19, 2018</u> ]
Tues, June 19, 2018	<b>Town, CMD &amp; EMCFD Meetings</b> - Adoption of <b>Tax Levy</b> occurs on or before the 3 <sup>rd</sup> 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
Thu, June 26, 2018	Post Final Budget(s) on website within 7 days of adoption [A.R.S. §42-17105 - for 60 months]





# OPERATING BUDGETS

**MAYOR & TOWN COUNCIL**

**ADMINISTRATION**

**MUNICIPAL COURT**

**GENERAL GOVERNMENT**

**PUBLIC WORKS**

**DEVELOPMENT SERVICES**

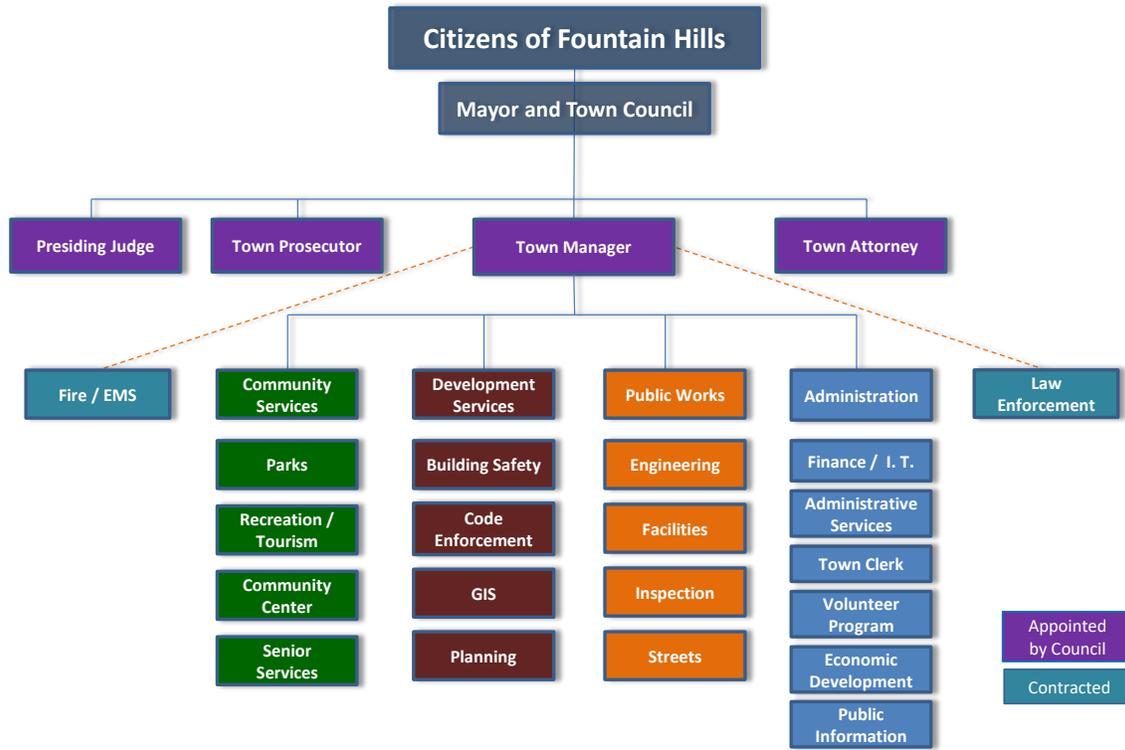
**COMMUNITY SERVICES**

**LAW ENFORCEMENT**

**FIRE & EMERGENCY MEDICAL**



## Town of Fountain Hills Organization



### Department Directors

Town Manager	Grady Miller
Finance Director	Craig Rudolph
Presiding Judge	Robert Melton
Community Services Director	Rachel Goodwin
Development Services Director	Robert Rodgers
Public Works Director	Justin Weldy
Fire Chief	Chief Dave Ott, Rural/Metro Corporation
District Commander	Captain Hank Brandimarte, Maricopa County Sheriff's Office
Town Prosecutor	Mark Iacovino, The Law Office of Mark Iacovino
Town Attorney—Interim	Mitesh Patel, Dickenson Wright PLLC



# Mayor & Town Council



## **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.

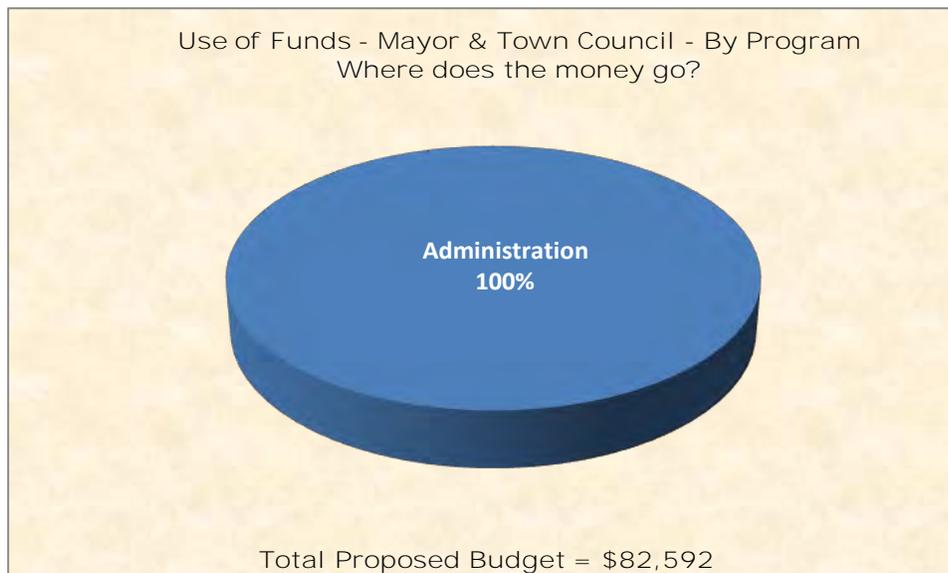


FRONT ROW: Vice Mayor Dennis Brown, Mayor Linda M. Kavanagh, Councilmember Art Tolis  
BACK ROW: Councilmember Cecil Yates (resigned May 29, 2018), Councilmember Alan Magazine, Councilmember Nick DePorter, Councilmember Henry Leger

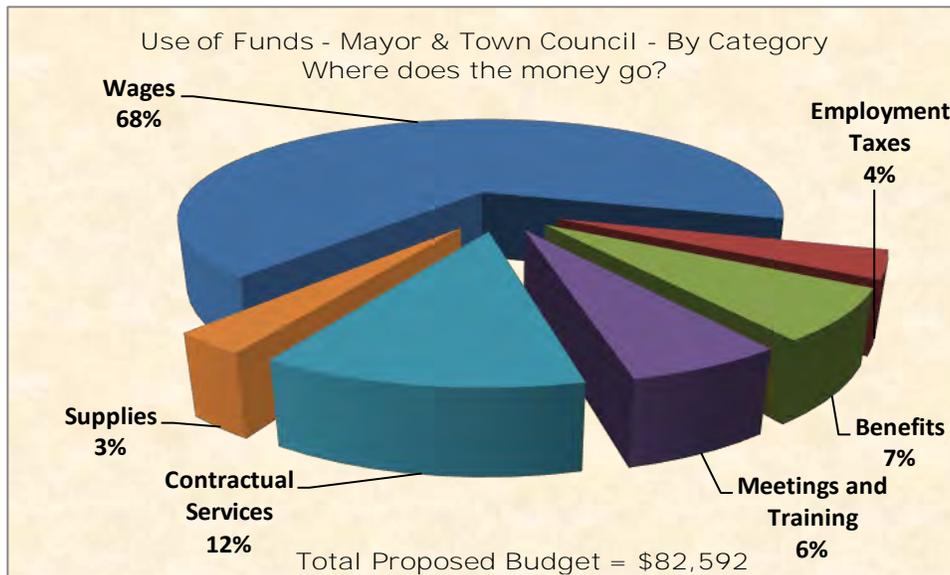
## Department Overview

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			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Administration	\$ 72,094	\$ 71,213	\$ 81,849	\$ 82,592
Total	\$ 72,094	\$ 71,213	\$ 81,849	\$ 82,592



Category	Expenditures by Category			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Wages	\$ 51,726	\$ 54,652	\$ 55,118	\$ 56,074
Employment Taxes	3,505	3,471	3,425	3,281
Benefits	6,366	5,269	5,483	5,604
Dues and Memberships	469	-	-	-
Meetings and Training	3,109	2,696	4,810	4,810
Maintenance and Repair	27	95	-	-
Contractual Services	3,567	159	10,240	10,240
Supplies	1,131	2,717	2,100	2,503
Equipment/Improvement	216	-	-	-
Internal Service	1,978	2,154	673	80
<b>Total</b>	<b>\$ 72,094</b>	<b>\$ 71,213</b>	<b>\$ 81,849</b>	<b>\$ 82,592</b>



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 and Physical Environment in Fountain Hills are 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*



## 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
<p><b>VISION</b> 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.</p> <p><b>VALUES</b> Preserve the health, well being, and safety of all residents and visitors.</p> <p>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.</p> <p>Take responsibility for our Town's success by building partnerships and investing in our talent and resources.</p> <p>Steward this unique enclave, dedicated to preserving the environment and visual aesthetic and to living in balance with the Sonoran Desert.</p> <p>Encourage a strong community that meets the needs of a growing, balanced demographic.</p>	<b>STRATEGIC OBJECTIVES AND TASKS</b>				
	<p><b>1.1 Market Fountain Hills</b></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><b>1.2 Sustain Commercial Businesses</b></p> <p>1.2a Rezone undeveloped commercial property to residential where feasible</p> <p>1.2b Adopt a test amendment that allows residential uses on commercially zoned properties</p> <p>1.2c Rezone un-platted land for greater density and affordable family homes</p> <p><b>1.3 Promote Tourism</b></p> <p>1.3a Create and expand destination events</p> <p><b>1.4 Higher Education</b></p> <p>1.4a Explore higher education options and opportunities in Fountain Hills</p>	<p><b>2.1 Invest in Fountain Hills</b></p> <p>2.1a Develop and implement an investment plan to bring streets, buildings, and perks 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><b>2.2 Promote Environmentally friendly initiatives</b></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><b>3.1 Attract Demographic</b></p> <p>3.1a Work with State Land Trust to increase residential density</p> <p><b>3.2 Market and Promote</b></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><b>4.1 Identify Sources of New Revenue</b></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><b>5.1 Promote Education System</b></p> <p>5.1a Include local school strengths in marketing plan</p> <p>5.1b Work with PHUSD to maximize property value</p> <p>5.1c Explore selling/leasing unused properties</p> <p><b>5.2 Utilize Intergovernmental Relations to Achieve Priorities</b></p> <p>5.2a Increase community efforts to lobby for municipal issues</p> <p><b>5.3 Leverage the Talents of Residents to the Town's Advantage</b></p> <p>5.3a Utilize effective volunteer skills and talents</p>

The Height of Desert Living

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FY18-19 Proposed Budget  
Summary of Expenditures  
Mayor & Council

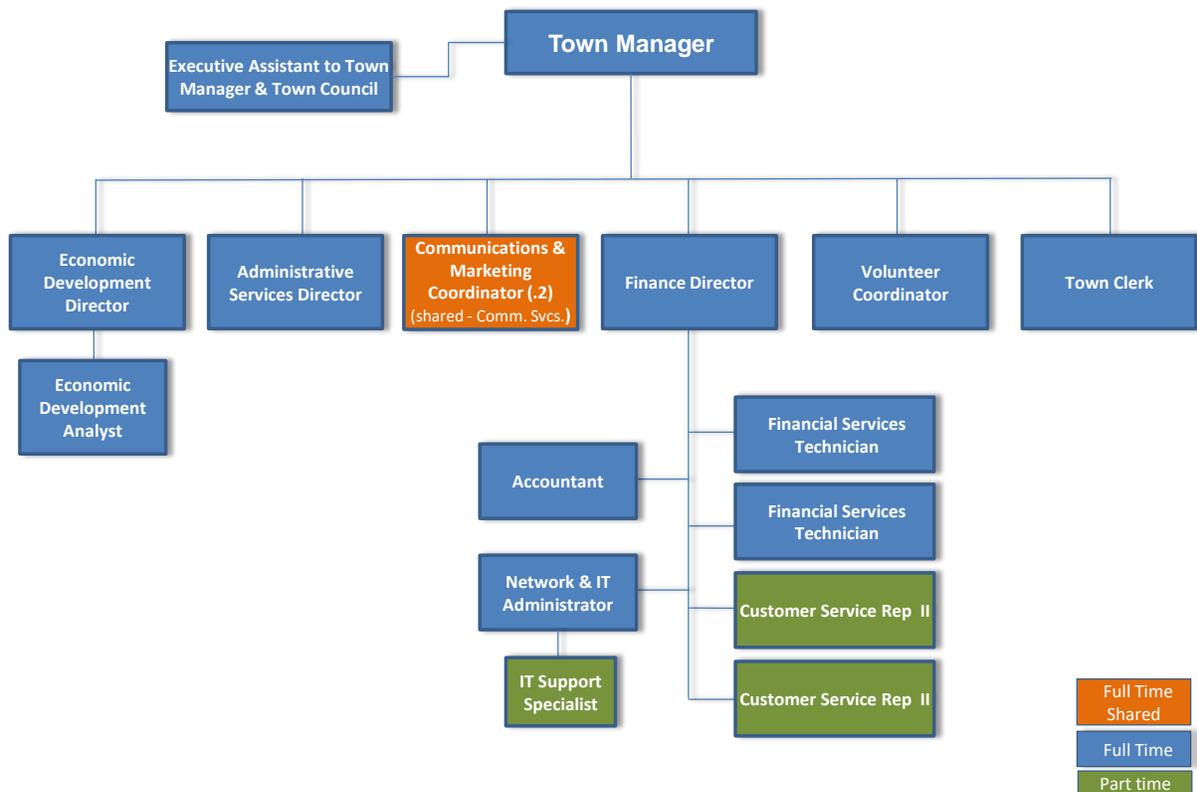
Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
General Fund				
Salaries-Full Time	\$ 16,476	\$ 18,652	\$ 19,118	\$ 20,074
Salaries-Part Time	35,250	36,000	36,000	36,000
FICA	2,186	2,232	2,232	2,232
Medicare	736	759	800	813
Workers Compensation	188	130	94	101
Unemployment Insurance	396	350	299	135
Group Health Insurance	4,099	2,872	3,008	3,010
Group Dental Insurance	224	208	215	218
Group Vision Insurance	32	28	43	46
Disability Insurance	58	76	81	85
Retirement	1,889	2,052	2,103	2,208
Life Insurance	65	19	19	20
Bonus	-	14	14	17
Dues, Subscript & Publicat	469	-	-	-
Meetings & Training	3,108	2,696	4,810	4,810
Sign Repair & Replacement	27	95	-	-
Legal Fees	3,492	-	10,000	10,000
Printing Expense	74	159	240	240
Office Supplies	-	414	600	600
Food & Beverage Supplies	234	265	400	800
Program Materials	898	1,737	900	900
Uniforms	-	301	200	200
Postage & Delivery	-	-	-	3
Furniture/Appliances	216	-	-	-
ISF-Copier Charges	34	187	20	80
ISF-Mail Service Charges	42	19	38	-
ISF-Telecom Charges	1,901	1,948	615	-
Total Mayor & Council	\$ 72,094	\$ 71,213	\$ 81,849	\$ 82,592



# Administration



## ADMINISTRATION DEPARTMENT



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

**ADMINISTRATION**

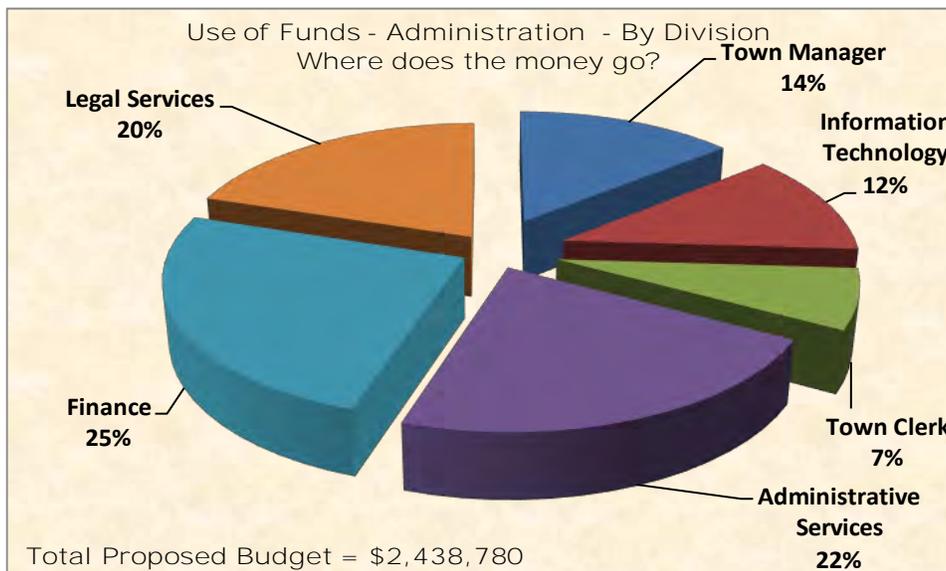
**Mission Statement**

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.

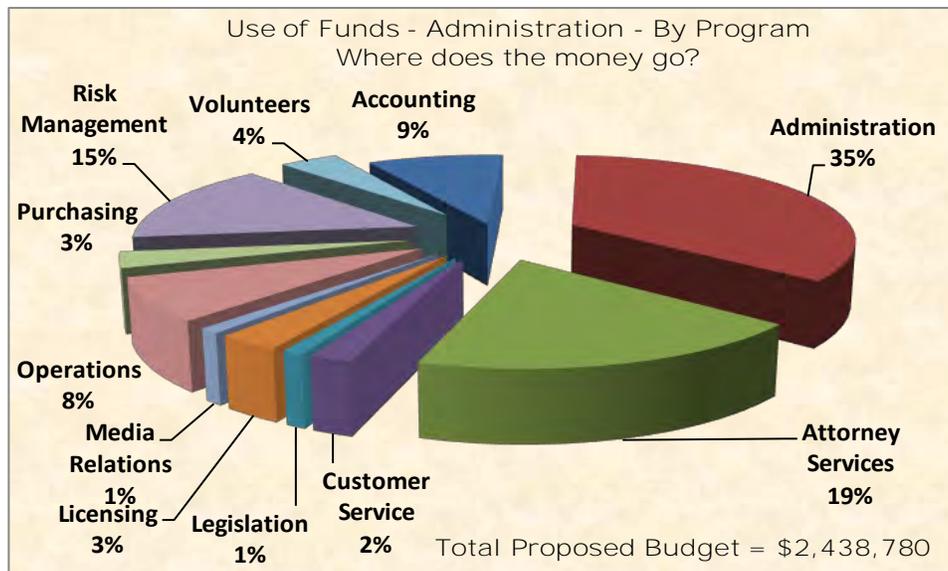
**Department Overview**

The Administration Department is made up of six (6) Divisions and two (2) service functions: Town Manager, Town Clerk, Administrative Services, Finance, Information Technology, Legal Services, Media Relations service and the Volunteer Program. The Town Manager provides direct supervision over the Town Clerk, Administrative Services, Finance, Economic Development, Media Relations service and the Volunteer Program. The Town Manager also administers the budget for Legal Services. The Finance Director is responsible for Finance and Information Technology. The Administrative Services Director is responsible for Human Resources and Risk Management.

Division	Expenditures by Division			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Town Manager	\$ 354,404	\$ 292,381	\$ 342,920	\$ 353,484
Information Technology	246,529	279,579	332,466	300,502
Town Clerk	125,043	134,820	192,852	178,897
Administrative Services	369,728	399,344	518,073	533,399
Finance	436,806	484,389	587,603	592,728
Legal Services	374,169	331,298	565,605	479,770
<b>Total</b>	<b>\$ 1,906,679</b>	<b>\$ 1,921,811</b>	<b>\$ 2,539,519</b>	<b>\$ 2,438,780</b>



Program Name	Expenditures by Program			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Accounting	\$ 35,050	\$ 158,931	\$ 193,745	\$ 217,063
Administration	412,144	742,867	901,692	882,882
Attorney Services	269,919	331,298	565,605	479,770
Audit Services	97,477	-	-	-
Budget	52,386	-	-	-
Customer Service	19,284	36,980	40,698	41,406
Elections	33,106	-	-	-
Legislation	43,022	13,642	16,070	16,290
Licensing	50,534	46,769	56,029	61,369
Media Relations	-	-	35,459	35,095
Network Administration	141,727	-	-	-
Operations	-	182,737	232,818	196,616
Payroll	21,824	-	-	-
Public Defender	4,250	-	-	-
Prosecutor	100,000	-	-	-
Purchasing	48,859	57,922	59,704	62,526
Records Management	15,981	-	-	-
Recruitment	31,328	-	-	-
Risk Management	262,051	274,396	351,385	357,246
Social/Community Services	32,769	-	-	-
Support	42,632	-	-	-
Strategic Planning	17,774	-	-	-
Training & Development	8,086	-	-	-
Treasury	41,487	-	-	-
Video Services	12,925	-	-	-
Volunteers	76,242	76,269	86,314	88,517
Web Site	35,822	-	-	-
<b>Total</b>	<b>\$ 1,906,679</b>	<b>\$ 1,921,811</b>	<b>\$ 2,539,519</b>	<b>\$ 2,438,780</b>



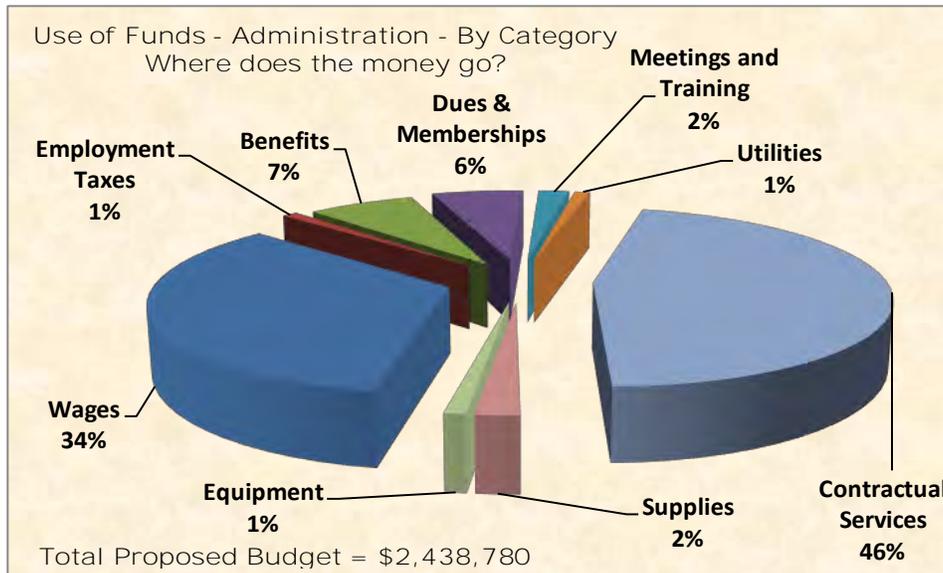
Category	Expenditures by Category			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Wages	\$ 672,942	\$ 745,749	\$ 781,412	\$ 841,139
Employment Taxes	15,053	17,410	18,327	18,078
Benefits	163,249	146,233	156,873	175,463
Dues & Memberships	131,594	126,751	145,122	144,197
Meetings and Training	20,164	18,470	40,588	57,902
Maintenance and Repair	602	3,173	6,200	11,000
Utilities	2,208	3,486	13,000	13,000
Contractual Services	809,599	771,275	1,247,748	1,120,423
Supplies	29,603	22,757	35,337	37,445
Equipment	33,508	50,114	75,475	13,950
Internal Service	23,257	16,393	19,437	6,183
Contingency	4,900	-	-	-
Total	\$ 1,906,679	\$ 1,921,811	\$ 2,539,519	\$ 2,438,780

**Variance Explanations:**

Meetings and Training: A budget supplement was added for employee education assistance.

Equipment: No budget supplements were included in this budget year.

Internal Service: Some of these expenses were moved into General Government for more efficient managing and for accounting purposes.



FY18-19 Proposed Budget  
Summary of Expenditures  
Administration Department

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
General Fund				
Salaries-Full Time	\$ 637,079	\$ 676,670	\$ 701,688	\$ 776,853
Salaries-Part Time	35,341	68,765	79,724	64,286
Overtime	522	313	-	-
FICA	2,209	4,274	4,902	3,945
Medicare	9,571	10,599	11,384	12,276
Workers Compensation	2,389	1,800	1,336	1,537
Unemployment Insurance	883	737	705	320
Group Health Insurance	83,796	62,508	60,228	68,332
Group Dental Insurance	4,225	4,750	4,953	5,886
Group Vision Insurance	521	544	820	992
Disability Insurance	2,238	2,636	2,957	3,266
Retirement	70,341	74,577	76,916	84,900
Life Insurance	2,128	694	705	764
Bonus	-	524	514	643
Allowance/Stipend	-	-	9,780	10,680
Licenses/Filing Fees	86,734	81,231	100,380	100,946
Dues, Subscript & Publicat	44,861	45,520	44,742	43,252
Education/Tuition Reimb	-	-	-	15,179
Meetings & Training	20,164	18,294	39,498	41,633
Boards & Commissions	-	176	1,090	1,090
Equipment Maint/Repair	602	1,574	5,000	5,000
Office Equip Maint/ Repair	-	1,599	1,200	6,000
Telecommunications	2,208	3,486	13,000	13,000
Auditing Expense	53,840	65,250	91,512	108,681
Professional Fees	42,596	46,112	76,810	63,984
Legal Fees	370,084	225,294	451,840	361,000
Management Fees	16,090	15,986	17,825	17,825
Insurance Expense	231,353	237,830	316,101	320,003
Rentals & Leases	-	809	1,140	1,140
Printing Expense	6,168	3,751	4,050	5,485
Advertising/Signage	5,363	6,055	7,890	8,425
Intergovt Agreements	49,845	49,710	56,000	66,000
Contractual Services	-	300	40,000	-
Constituent Communication	1,985	3,079	3,500	1,500
Bank/Merc Acct Fees	8,075	6,343	11,280	11,580
Election Expense	-	9,112	60,000	35,550
Community Contracts/Events	24,200	-	-	4,200
Prosecutor Fees	-	100,000	105,000	110,250
Public Defender Fees	-	1,644	4,800	4,800
Office Supplies	4,332	2,711	5,747	6,286
Cleaning/Janitorial Supplies	8	-	10	10
Operating Supplies	2,506	1,480	6,850	4,285
Food & Beverage Supplies	7,239	8,322	10,210	11,310
Program Materials	11,125	9,670	11,714	9,987
Uniforms	-	221	-	-
Postage & Delivery	482	353	806	5,567
Miscellaneous Expense	3,911	-	-	-
Small Tools	139	1,056	-	-



FY18-19 Proposed Budget  
Summary of Expenditures  
Administration Department

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
General Fund-continued				
Software	\$ 1,548	\$ 1,961	\$ 54,050	\$ 550
Hardware/Peripherals	31,591	46,623	21,425	13,400
Furniture/Appliances	230	-	-	-
Equipment	-	475	-	-
ISF-Copier Charges	11,978	4,502	6,380	4,355
ISF-Mail Service Charges	5,486	5,019	5,708	-
ISF-Vehicle Replacement Charge	-	-	694	1,353
ISF-Motor Pool Charges	71	1,029	390	474
ISF-Telecom Charges	5,722	5,843	6,265	-
Contingency	4,900	-	-	-
<b>Total Administration</b>	<b>\$ 1,906,679</b>	<b>\$ 1,921,811</b>	<b>\$ 2,539,519</b>	<b>\$ 2,438,780</b>

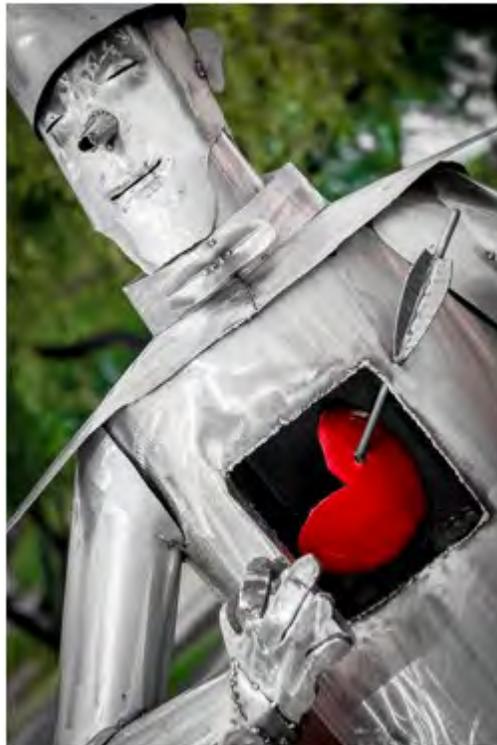


**FY17 - 18 Department Accomplishments**

Initiative	Strategic Value
Created a Communications Plan for Town of Fountain Hills	N/A
Published Fountain Hills First to improve communications	Goal # 3, Objective #2
Provided direction to Council on revenue options	Goal #4, Objective #1
Achieved Dark Skies Community Designation	Goal #3, Objective #2

**FY18 - 19 Objectives**

Initiative	Strategic Value	Estimated Cost/ Funding Source
Oversee and implement the 2017 Strategic Plan	N/A	\$0
Implement Pavement Analysis recommendations	Goal #2, Objective #1	\$69,995/Streets Fund
Increase funding for business accelerator	Goal #1, Objective #1	\$10,000/General Fund
Oversee and provide direction to staff on completing major capital projects, i.e. Fire Station #2 and Adero Canyon trailhead	N/A	\$0

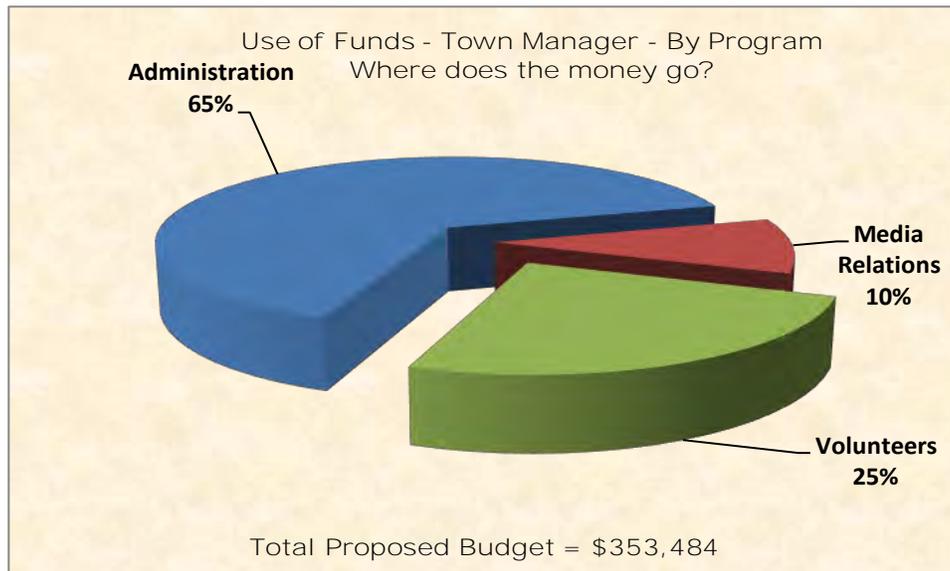


**Town Manager Division**

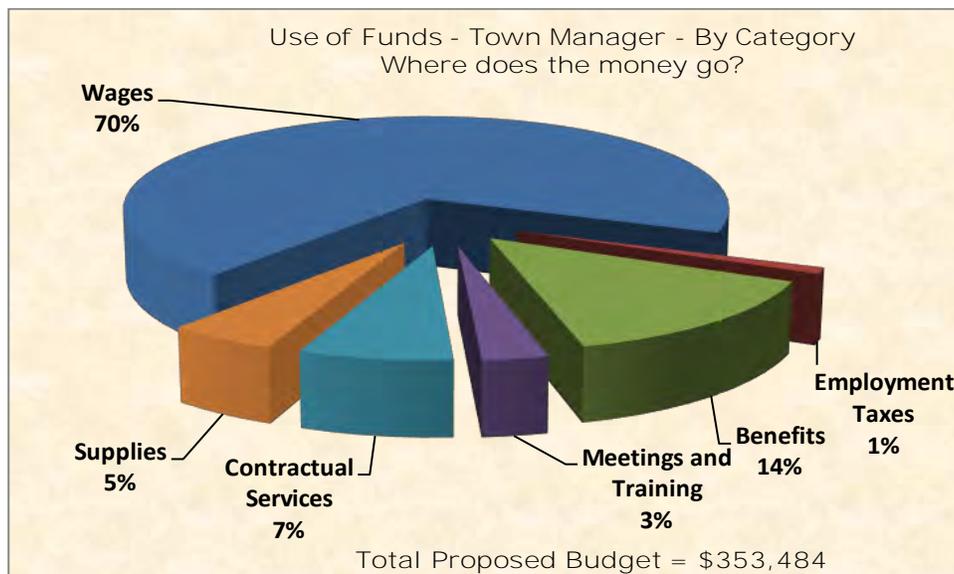
**Service Delivery Plan**

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 administer the Volunteer Program.

Program Name	Expenditures by Program			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Administration	\$ 227,620	\$ 216,112	\$ 221,148	\$ 229,872
Media Relations	-	-	35,458	35,095
Social/Community Services	32,769	-	-	-
Strategic Planning	17,774	-	-	-
Volunteers	76,241	76,269	86,314	88,517
<b>Total</b>	<b>\$ 354,404</b>	<b>\$ 292,381</b>	<b>\$ 342,920</b>	<b>\$ 353,484</b>



Category	Expenditures by Category			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Wages	\$ 219,687	\$ 220,308	\$ 234,204	\$ 244,344
Employment Taxes	4,298	3,903	3,969	4,081
Benefits	50,036	43,227	47,797	49,916
Dues & Memberships	20,675	1,440	2,057	2,057
Meetings and Training	6,712	1,806	9,580	9,580
Utilities	1,009	938	-	-
Contractual Services	25,937	1,745	21,635	25,975
Supplies	16,560	16,208	19,691	16,464
Equipment	274	515	-	-
Internal Service	4,316	2,291	3,987	1,067
Contingency	4,900	-	-	-
Total	\$ 354,404	\$ 292,381	\$ 342,920	\$ 353,484



## Activities/Results

The Town Volunteer Program presents an avenue in which the Town and its residents can work together to provide enhanced services to the community, personnel cost savings, as well as opportunities for volunteers to utilize their many talents. The volunteers enable new and innovative programs, such as the Art Docent Walk and Save Our Sculpture Program as well as the Give a Lift transportation program that could not otherwise be offered, as well as supplement and complement existing programs and services.

The Town presently works with more than 922 volunteers and in 2017, provided over 22,000 hours, at an overall cost savings to the Town of \$518,540 (using data collected by the U.S. Census Bureau and the Bureau of Labor Statistics; AZ hourly volunteer value was \$23.57).

- 175 Volunteers delivered 3,919 meals to homebound residents in 2017
- 28 volunteers provided over 238 rides through the Give a Lift Program
- Over 300 volunteers helped with:
  - Teen Court - 3
  - Halloween in the Hills - 60
  - Ballet Under the Stars - 10
  - Movie in the Park - 6
  - Town Hall receptions - 8
  - Guided Hikes - 66
  - Decorating the Community Center for the Holidays - 168
  - Hosting a Family Christmas party - 38
  - Volunteer Expo - 120
- Over 116 volunteers helped make the Turkey Trot another success this year
- 32 volunteers provide excellent customer service and welcome to residents and visitors at reception desks
- 8 volunteers currently provide specialize support to staff in a variety of functions: accounting, special projects, archiving, filing, data entry, writing press releases, maintaining the kiosks & more
- 403 volunteers served residents who for the most part are facing physical and/or emotional, financial and transportation challenges - this program made a difference in lives of 41 residents
- 3 volunteers keep our public art pieces clean through the Save Our Sculptures program (SOS); 5 volunteers are ready to lead art walk tours
- 100's of volunteers assist with special events throughout the year, such as Concours in the Hills, the Great Fair, Music Festival, Oktoberfest, Pitch, Hit, and Run, Eggstravaganza as well as serving at the Tourism Booth at all events
- 18 volunteers served on the Fountain Hills Crisis Team
- 50 volunteers build and maintain trails
- 23 youth serve as volunteers on the Mayor's Youth Council, a civic and service program
- 60+ Volunteers serve on Advisory Committees, Boards, and Commissions

Our Town relies today, more than ever, upon the volunteer service of our residents and is grateful for the incredible value and enhanced services that they bring to Fountain Hills.



FY18-19 Proposed Budget  
Summary of Expenditures  
Town Manager

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
<b>General Fund</b>				
Salaries-Full Time	\$ 219,687	\$ 220,308	\$ 234,204	\$ 244,344
Medicare	3,270	3,217	3,413	3,573
Workers Compensation	829	541	400	437
Unemployment Insurance	199	145	156	71
Group Health Insurance	23,169	16,835	12,533	12,540
Group Dental Insurance	911	798	910	921
Group Vision Insurance	131	107	171	179
Disability Insurance	686	817	991	1,034
Retirement	24,402	24,342	25,763	26,879
Life Insurance	737	221	235	240
Bonus	-	108	114	143
Allowance/Stipend	-	-	7,080	7,980
Licenses/Filing Fees	30	-	-	-
Dues, Subscript & Publicat	20,645	1,440	2,057	2,057
Meetings & Training	6,712	1,631	8,490	8,490
Boards & Commissions	-	175	1,090	1,090
Telecommunications	1,009	938	-	-
Professional Fees	112	608	18,920	18,920
Printing Expense	459	99	75	155
Advertising/Signage	167	-	1,140	1,200
Contractual Services	-	300	-	-
Constituent Communication	999	738	1,500	1,500
Community Contracts/Events	24,200	-	-	4,200
Office Supplies	1,377	728	2,300	2,300
Operating Supplies	1,104	45	3,430	830
Food & Beverage Supplies	6,145	6,694	7,610	7,210
Program Materials	7,514	8,190	5,967	5,517
Uniforms	-	221	-	-
Postage & Delivery	420	329	384	607
Hardware	44	40	-	-
Furniture/Appliances	230	-	-	-
Equipment	-	475	-	-
ISF-Copier Charges	2,633	954	2,125	750
ISF-Mail Service Charges	454	267	430	-
ISF-Vehicle Replacement Charges	-	-	179	235
ISF-Motor Pool Charges	-	39	147	82
ISF-Telecom Charges	1,229	1,031	1,106	-
Contingency	4,900	-	-	-
<b>Total Town Manager</b>	<b>\$ 354,404</b>	<b>\$ 292,381</b>	<b>\$ 342,920</b>	<b>\$ 353,484</b>

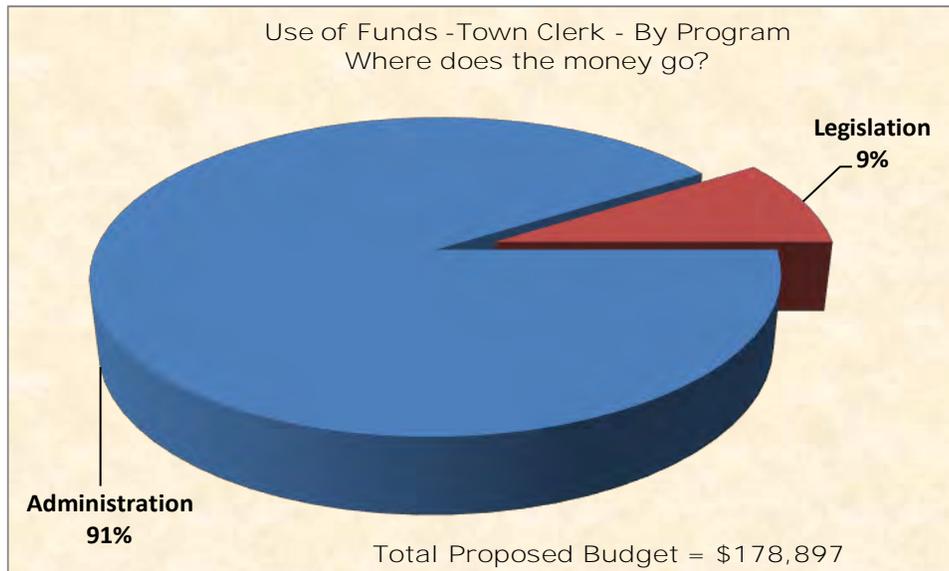


**Town Clerk Division**

**Service Delivery Plan**

The Town Clerk serves as the Town’s custodian of records for maintenance of documents necessary for the effective administration and operation of municipal government, as well as providing for the preservation of the Town’s permanent records. The Town Clerk also serves as the Town’s election official who conducts municipal elections and all election related activities in the most efficient and effective manner and in full compliance with applicable State statutes and Town Code provisions.

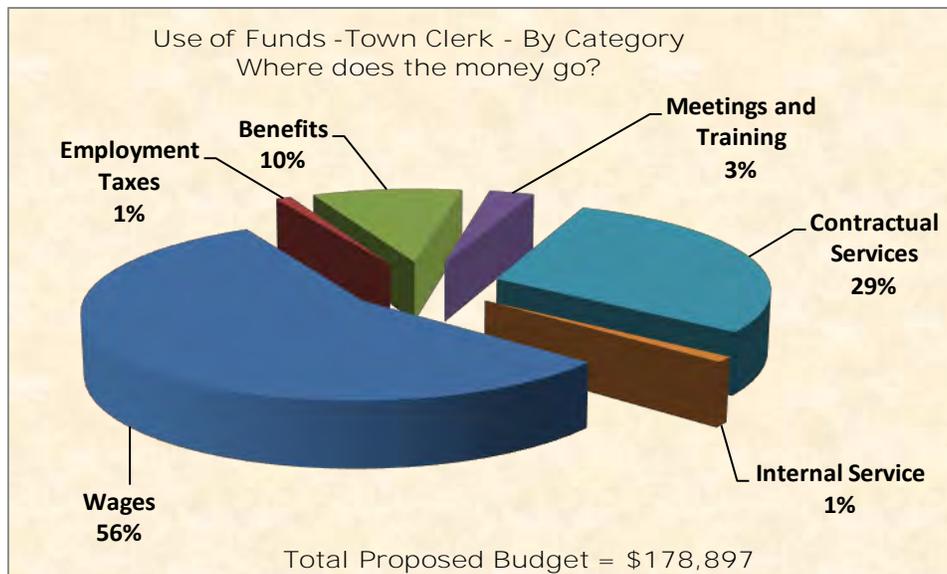
Program Name	Expenditures by Program			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Administration	\$ 32,934	\$ 121,178	\$ 176,782	\$ 162,607
Elections	33,106	-	-	-
Legislation	43,022	13,642	16,070	16,290
Records Management	15,981	-	-	-
Total	\$ 125,043	\$ 134,820	\$ 192,852	\$ 178,897



Category	Expenditures by Category			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Wages	\$ 86,220	\$ 88,388	\$ 90,598	\$ 99,750
Employment Taxes	1,570	1,516	1,524	1,650
Benefits	20,597	16,511	17,006	18,087
Dues & Memberships	434	375	720	720
Meetings and Training	221	2,474	4,724	4,824
Contractual Services	11,981	22,755	76,070	51,840
Supplies	735	196	551	670
Equipment	86	1,056	50	50
Internal Service	3,199	1,549	1,609	1,306
<b>Total</b>	<b>\$ 125,043</b>	<b>\$ 134,820</b>	<b>\$ 192,852</b>	<b>\$ 178,897</b>

**Variance Explanations:**

Contractual Services: The decrease is the result of lower costs associated with a consolidated election as opposed to the all-mail ballot election which was held in FY17-18.



## Activities/Results

### Performance Measures

		<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Registered Voters:	Special (May 15, 2018) Primary (Aug) General (Nov – run-off)	NA NA	16,387 Not a Town election	16,991 NA NA	17,500
Voter Turnout %	Special (May 15, 2018) Primary (Aug) General (Nov – run-off)	NA NA	41% Not a Town election	40% NA NA	40%

### Quality

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Percentage of contracts processed within five business days after approval	100%	100%	100%	100%
Percentage of agenda and meeting notices posted in compliance legal requirements	100%	100%	100%	100%

### Productivity

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Town Council Agenda/Meeting notices posted	33/23	39/42	34/25	34/25
Requests for Public Information processed	134	165	125	150



FY18-19 Proposed Budget  
Summary of Expenditures  
Town Clerk

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
General Fund				
Salaries-Full Time	\$ 86,220	\$ 88,388	\$ 90,598	\$ 99,750
Medicare	1,195	1,250	1,314	1,447
Workers Compensation	300	211	155	178
Unemployment Insurance	75	55	55	25
Group Health Insurance	9,774	5,622	5,788	5,792
Group Dental Insurance	629	594	614	621
Group Vision Insurance	90	82	124	131
Disability Insurance	331	359	383	422
Retirement	9,484	9,723	9,966	10,973
Life Insurance	289	92	91	98
Bonus	-	40	40	50
Licenses/Filing Fees	-	-	70	70
Dues, Subscript & Publicat	434	375	650	650
Meetings & Training	221	2,474	4,724	4,824
Professional Fees	9,447	10,095	11,470	12,210
Printing Expense	-	-	-	80
Advertising/Signage	2,534	3,547	4,600	4,000
Election Expense	-	9,112	60,000	35,550
Office Supplies	725	196	351	470
Postage & Delivery	10	-	200	200
Small Tools	-	1,056	-	-
Software	-	-	50	50
Hardware/Peripherals	86	-	-	-
ISF-Copier Charges	2,968	1,093	1,350	1,100
ISF-Mail Service Charges	8	15	14	-
ISF-Vehicle Replacement Charges	-	-	-	153
ISF-Motor Pool Charges	-	211	-	53
ISF-Telecom Charges	223	230	245	-
Total Town Clerk	<u>\$ 125,043</u>	<u>\$ 134,820</u>	<u>\$ 192,852</u>	<u>\$ 178,897</u>

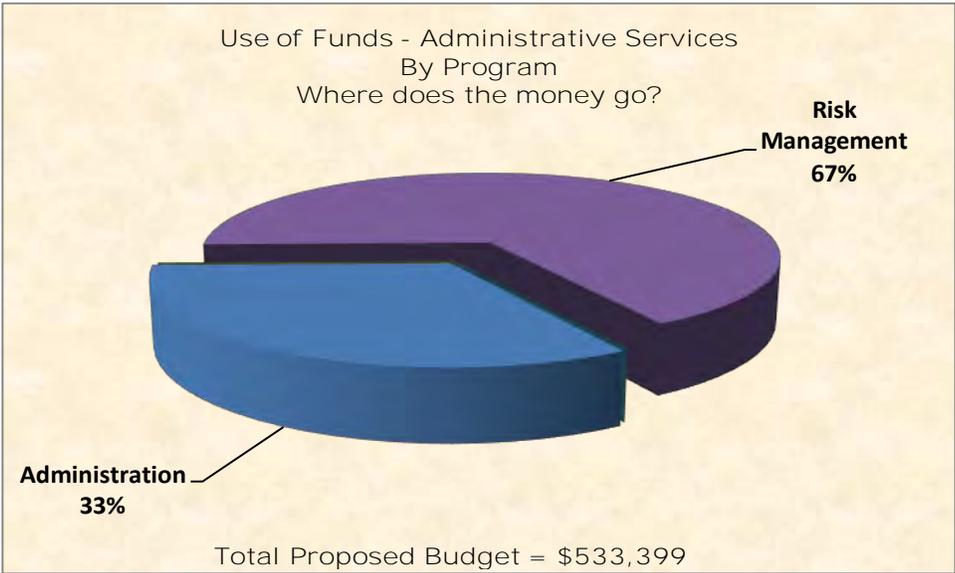


**Administrative Services Division**

**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.

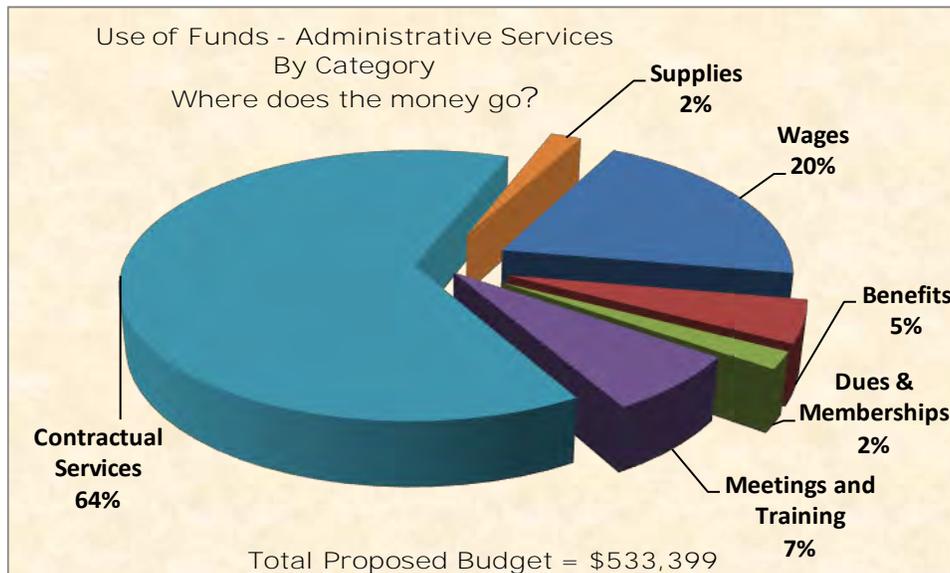
Program Name	Expenditures by Program			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Administration	\$ 46,439	\$ 124,948	\$ 166,688	\$ 176,153
Payroll	21,824	-	-	-
Recruitment	31,328	-	-	-
Risk Management	262,051	274,396	351,385	357,246
Training & Development	8,086	-	-	-
<b>Total</b>	<b>\$ 369,728</b>	<b>\$ 399,344</b>	<b>\$ 518,073</b>	<b>\$ 533,399</b>



Category	Expenditures by Category			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Wages	\$ 80,385	\$ 98,325	\$ 100,784	\$ 105,822
Employment Taxes	1,509	1,626	1,703	1,762
Benefits	20,421	22,609	24,079	24,392
Dues & Memberships	4,121	7,994	9,790	8,525
Meetings and Training	8,012	10,918	21,340	36,854
Utilities	-	750	-	-
Contractual Services	244,863	252,022	353,751	346,092
Supplies	9,241	3,629	5,596	9,040
Internal Service	1,176	1,471	1,030	912
<b>Total</b>	<b>\$ 369,728</b>	<b>\$ 399,344</b>	<b>\$ 518,073</b>	<b>\$ 533,399</b>

**Variance Explanations:**

Meetings and Training: A budget supplement was added for employee education assistance.



## Activities/Results

### Performance Measures

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Increase the percentage of employee performance reviews completed on schedule	92%	97%	97%	97%
Increase or maintain the number of applications received per recruitment for non-exempt positions	23	26	25	25
Increase or maintain the number of applications received per recruitment for exempt positions	29	28	30	30

### Quality

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Decrease the number of days lost to injury per workers' compensation claim	2	34	0	0
Maintain the turnover rate of full-time employees at an acceptable rate	12%	6%	6%	6%

### Productivity

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Number of full-time employees departed from Town service	5	5	3	1
Number of exit interviews conducted	5	5	3	1
Ensure supervisors receive performance evaluation documentation four weeks in advance	95%	92%	100%	100%
Quarterly track and analyze performance evaluation trends, including number of performance evaluations that were late, type of increases each employee received, etc.	100%	92%	100%	100%
Number of exempt recruitments conducted	2	3	1	1
Number of full-time non-exempt recruitments conducted	2	2	2	0
Average number of days to fill a vacancy	43	65	60	60
Number of workers' compensation claims due to injury	1	3	0	0



FY18-19 Proposed Budget  
Summary of Expenditures  
Administrative Services

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
<b>General Fund</b>				
Salaries-Full Time	\$ 80,385	\$ 98,325	\$ 100,784	\$ 105,822
Medicare	1,095	1,335	1,476	1,549
Workers Compensation	266	236	173	189
Unemployment Insurance	148	55	54	24
Group Health Insurance	10,279	10,346	10,868	10,874
Group Dental Insurance	683	852	864	874
Group Vision Insurance	-	53	74	77
Disability Insurance	352	399	416	427
Retirement	8,842	10,816	10,816	11,086
Life Insurance	264	102	101	104
Bonus	-	41	40	50
Allowance/Stipend	-	-	900	900
Dues, Subscript & Publicat	4,121	7,994	9,790	8,525
Training/Cont Ed	-	-	-	15,179
Meetings & Training	8,012	10,917	21,340	21,675
Telecommunications	-	750	-	-
Professional Fees	12,294	13,142	35,600	23,214
Legal Fees	-	-	1,000	1,000
Insurance Expense	231,353	237,830	316,101	320,003
Printing Expense	76	-	150	150
Advertising/Signage	1,141	1,050	900	1,725
Office Supplies	538	570	830	830
Cleaning/Janitorial Supplies	-	-	10	10
Operating Supplies	87	248	-	-
Food & Beverage Supplies	1,094	1,628	2,600	4,100
Program Materials	3,611	1,162	2,040	3,940
Postage & Delivery	11	21	116	160
Miscellaneous Expense	3,900	-	-	-
ISF-Copier Charges	605	454	300	400
ISF-Mail Service Charges	124	66	107	-
ISF-Vehicle Replacement Charges	-	-	89	379
ISF- Motor Pool Charges	-	495	42	133
ISF-Telecom Charges	447	457	492	-
<b>Total Administrative Services</b>	<b>\$ 369,728</b>	<b>\$ 399,344</b>	<b>\$ 518,073</b>	<b>\$ 533,399</b>

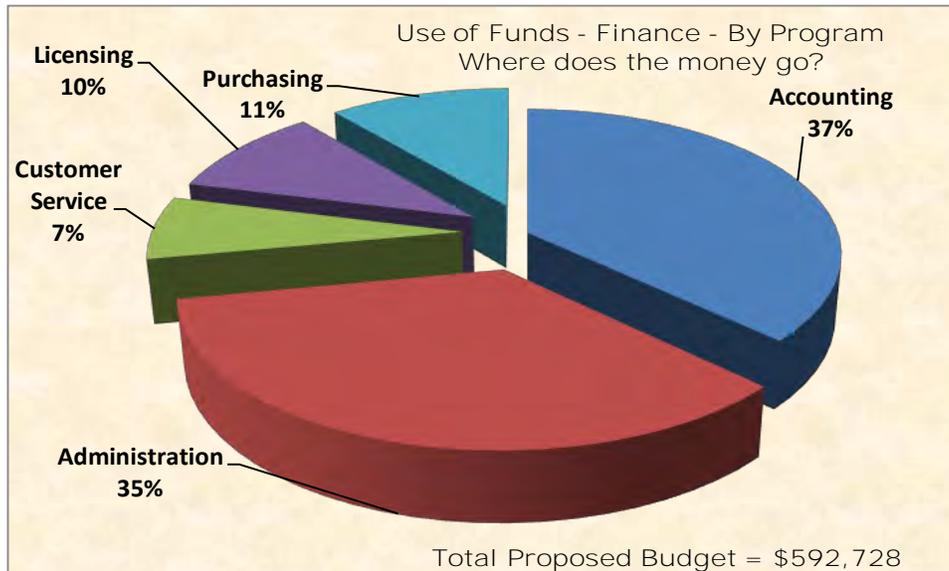


**Finance Division**

**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			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Accounting	\$ 35,050	\$ 158,931	\$ 193,745	\$ 217,062
Administration	91,729	183,787	237,426	210,365
Audit Services	97,477	-	-	-
Budget	52,386	-	-	-
Customer Service	19,284	36,980	40,698	41,406
Licensing	50,534	46,769	56,029	61,369
Purchasing	48,859	57,922	59,705	62,526
Treasury	41,487	-	-	-
<b>Total</b>	<b>\$ 436,806</b>	<b>\$ 484,389</b>	<b>\$ 587,603</b>	<b>\$ 592,728</b>

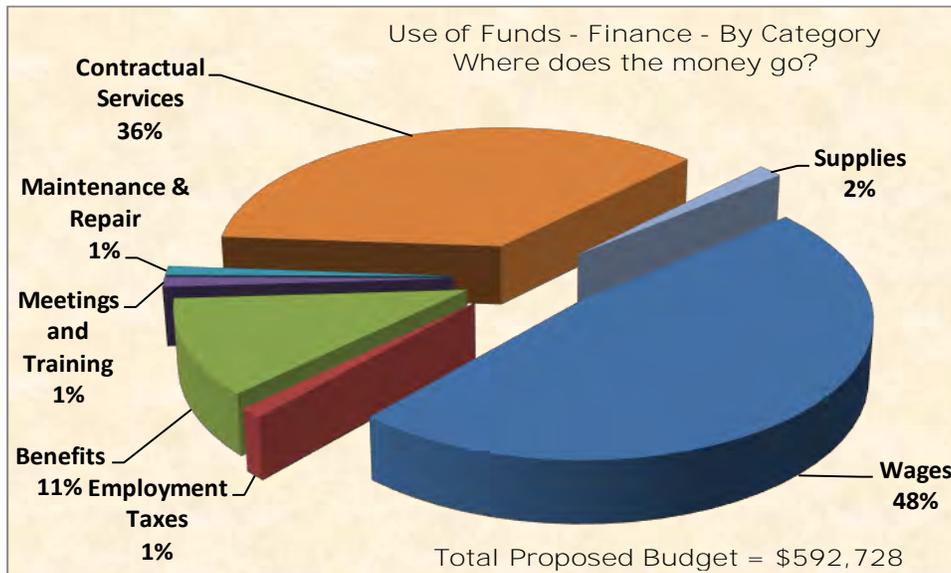


Category	Expenditures by Category			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Wages	\$ 218,113	\$ 260,665	\$ 275,812	\$ 279,418
Employment Taxes	6,368	8,978	9,765	6,943
Benefits	55,840	48,850	51,541	66,087
Dues & Memberships	2,575	3,138	5,385	2,935
Meetings and Training	4,851	3,139	4,944	6,644
Maintenance & Repair	-	1,558	1,200	6,000
Utilities	-	750	-	-
Contractual Services	135,203	145,997	224,653	211,966
Supplies	1,782	2,264	4,072	9,021
Equipment	-	343	-	900
Internal Service	12,074	8,707	10,231	2,814
<b>Total</b>	<b>\$ 436,806</b>	<b>\$ 484,389</b>	<b>\$ 587,603</b>	<b>\$ 592,728</b>

**Variance Explanations:**

**Benefits:** The increase is a result of combining two part-time accounting clerks into one full-time financial services technician position.

**Internal Service:** Some of these expenses were moved into General Government for more efficient managing and for accounting purposes.



## Activities/Results

### Performance Measures

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Consecutive years for GFOA annual Certificate of Achievement for Excellence in Financial Reporting award	20	21	22	23
Consecutive years for GFOA annual Distinguished Budget Presentation award	14	15	16	17

### Quality

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Actual revenue versus forecast—General Fund only (excluding transfers)	103%	106%	105%	100%
Unqualified audit opinion	Yes	Yes	Yes	Yes

### Productivity

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Accounts payable checks issued	1,570	1,437	1,500	1,500
Purchase orders processed	797	900	900	900
Local tax revenues from audits	\$181,552	\$229,297	\$50,000	\$50,000
Business licenses processed	2,874	2,889	3,000	3,000



FY18-19 Proposed Budget  
Summary of Expenditures  
Finance

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
<b>General Fund</b>				
Salaries-Full Time	\$ 182,250	\$ 191,587	\$ 196,088	\$ 242,923
Salaries-Part Time	35,341	68,765	79,724	36,495
Overtime	522	313	-	-
FICA	2,209	4,274	4,902	2,222
Medicare	3,018	3,651	4,007	4,071
Workers Compensation	755	624	471	500
Unemployment Insurance	387	429	385	150
Group Health Insurance	32,750	24,129	25,251	33,334
Group Dental Insurance	1,565	2,095	2,139	3,039
Group Vision Insurance	236	248	376	527
Disability Insurance	606	776	829	1,027
Retirement	20,073	21,109	21,569	26,721
Life Insurance	610	198	197	239
Bonus	-	295	280	300
Allowance/Stipend	-	-	900	900
Licenses/Filing Fees	1,140	976	1,560	1,425
Dues, Subscript & Publicat	1,435	2,162	3,825	1,510
Meetings & Training	4,851	3,139	4,944	6,644
Office Equip Maint/Repair	-	1,557	1,200	6,000
Telecommunications	-	750	-	-
Auditing Expense	53,840	65,250	91,513	108,681
Professional Fees	213	1,597	820	1,140
Management Fees	16,090	15,986	17,825	17,825
Rentals & Leases	-	809	1,140	1,140
Printing Expense	5,633	3,652	3,825	5,100
Advertising/Signage	1,520	1,458	1,250	1,500
Intergovt Agreements	48,845	48,710	55,000	65,000
Constituent Communication	986	2,341	40,000	-
Contractual Services	-	-	2,000	-
Bank/Merc Acct Fees	8,075	6,194	11,280	11,580
Office Supplies	1,337	1,162	1,766	2,186
Operating Supplies	417	783	1,770	1,805
Program Materials	-	318	530	530
Postage & Delivery	16	2	6	4,500
Miscellaneous Expense	11	-	-	-
Hardware/Peripherals	-	343	-	900
ISF-Copier Charges	5,550	1,977	2,505	2,055
ISF-Mail Service Charges	4,891	4,647	5,134	-
ISF-Vehicle Replacement Charges	-	-	426	562
ISF-Motor Pool Charges	71	250	200	197
ISF-Telecom Charges	1,563	1,833	1,966	-
<b>Total Finance</b>	<b>\$ 436,806</b>	<b>\$ 484,389</b>	<b>\$ 587,603</b>	<b>\$ 592,728</b>

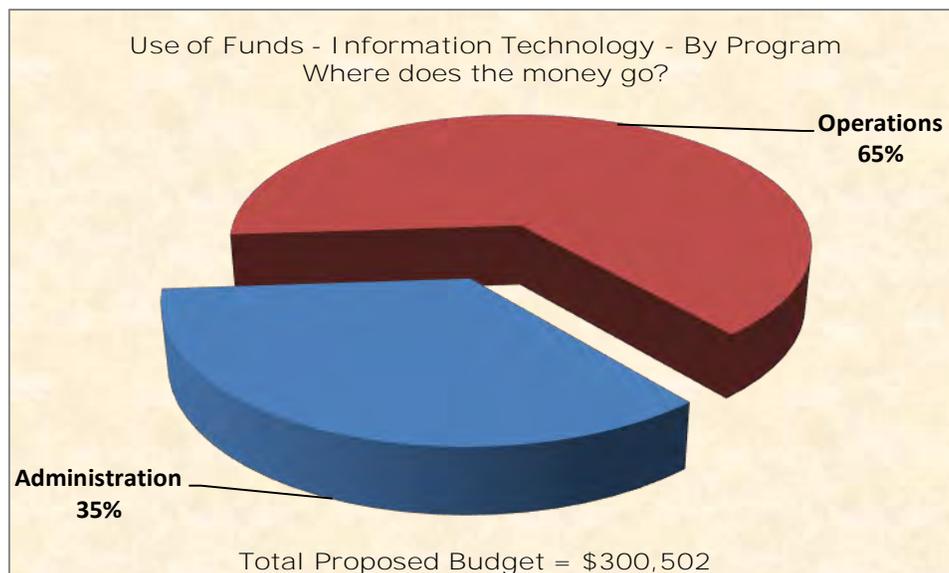


**Information Technology Division**

**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			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Administration	\$ 13,423	\$ 96,842	\$ 99,648	\$ 103,886
Network Administration	141,727	-	-	-
Operations	-	182,737	232,818	196,616
Support	42,632	-	-	-
Video Services	12,925	-	-	-
Web Site	35,822	-	-	-
<b>Total</b>	<b>\$ 246,529</b>	<b>\$ 279,579</b>	<b>\$ 332,466</b>	<b>\$ 300,502</b>

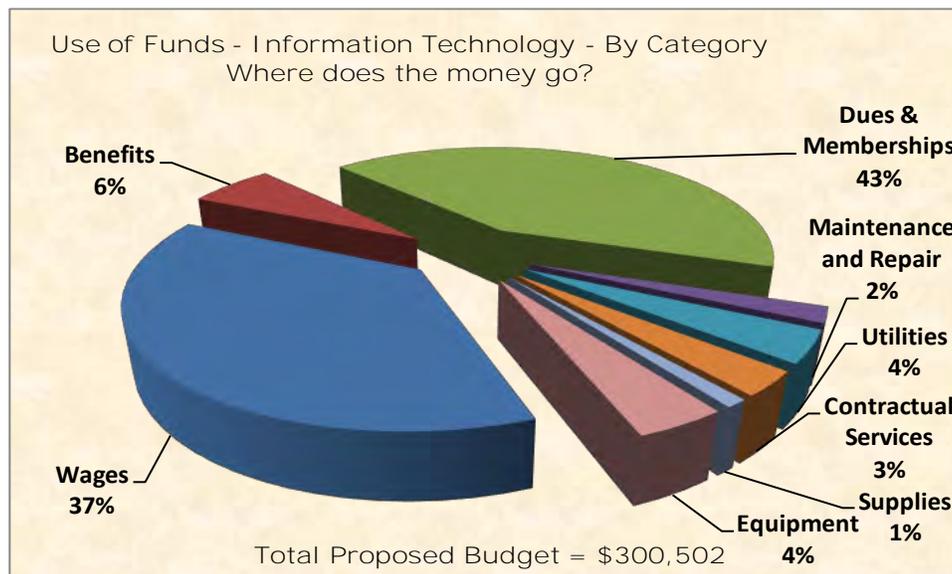


Category	Expenditures by Category			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Wages	\$ 68,537	\$ 78,062	\$ 80,014	\$ 111,805
Employment Taxes	1,308	1,387	1,366	3,642
Benefits	16,355	15,035	16,450	16,981
Dues & Memberships	99,927	109,672	122,450	125,240
Meetings and Training	368	133	-	-
Maintenance and Repair	602	1,616	5,000	5,000
Utilities	1,198	1,049	13,000	13,000
Contractual Services	21,532	21,819	11,000	9,500
Supplies	1,285	460	5,427	2,250
Equipment	33,148	48,201	75,425	13,000
Internal Service	2,269	2,145	2,334	84
Total	\$ 246,529	\$ 279,579	\$ 332,466	\$ 300,502

**Variance Explanations:**

**Wages:** Amounts were added to reflect a new part-time IT Support Specialist position.

**Equipment:** No budget supplements were included in this budget year.



## Activities/Results

### Performance Measures

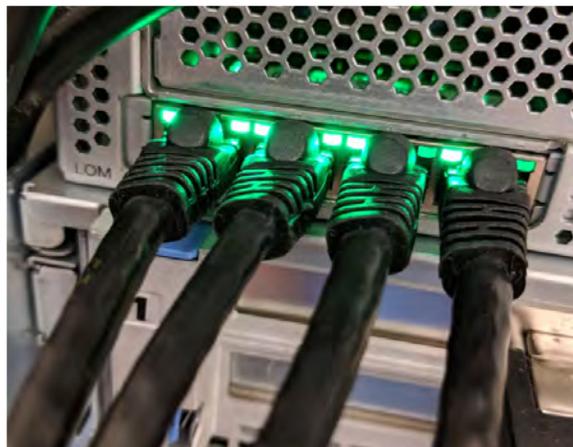
	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Percentage of emergency related helpdesk tickets resolved within two business hours	95%	95%	95%	98%
Percentage of high priority helpdesk tickets resolved within four hours	98%	98%	98%	99%
Percentage of helpdesk tickets resolved within twelve hours	95%	95%	95%	98%

### Quality

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Total number of tickets opened	450	401	350	400
Total number of tickets closed without resolution	0	0	0	0
Total number of tickets resolved within established timeframe	450	401	350	400
Number of issues resolved during initial contact	400	360	300	375
Online Payments Processed (Website)	N/A	659	1250	1500

### Productivity

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Availability of computer system up-time	99%	99%	99.9%	100%
Number of Public Meetings Recorded (Video)	24	25	25	25
Average cost involved for support per FTE	\$4,483	\$3,384	\$4,157	\$4,059



FY18-19 Proposed Budget  
Summary of Expenditures  
Information Technology

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
General Fund				
Salaries-Full Time	\$ 68,537	\$ 78,062	\$ 80,014	\$ 84,014
Salaries-Part Time	-	-	-	27,791
FICA	-	-	-	1,723
Medicare	994	1,145	1,174	1,636
Workers Compensation	239	187	137	233
Unemployment Insurance	75	55	55	50
Group Health Insurance	7,824	5,576	5,788	5,792
Group Dental Insurance	437	412	426	431
Group Vision Insurance	64	53	75	78
Disability Insurance	263	285	338	356
Retirement	7,539	8,587	8,802	9,241
Life Insurance	228	81	81	83
Bonus	-	41	40	100
Allowance/Stipend	-	-	900	900
Licenses/Filing Fees	85,564	80,255	98,750	99,450
Dues, Subscript & Publicat	14,363	29,417	23,700	25,790
Meetings & Training	368	133	-	-
Equipment Maint/Repair	602	1,574	5,000	5,000
Office Equip Maint/Repair	-	42	-	-
Telecommunications	1,198	1,048	13,000	13,000
Professional Fees	20,530	20,670	10,000	8,500
Advertising/Signage	1	-	-	-
Intergovt Agreements	1,000	1,000	1,000	1,000
Bank/Merc Acct Fees	-	149	-	-
Office Supplies	355	55	500	500
Cleaning/Janitorial Supplies	8	-	-	-
Operating Supplies	898	405	1,650	1,650
Program Materials	-	-	3,177	-
Postage & Delivery	25	-	100	100
Small Tools	139	-	-	-
Software	1,548	1,961	54,000	500
Hardware/Peripherals	31,461	46,240	21,425	12,500
Peripherals	-	-	-	-
Equipment	-	-	-	-
ISF-Copier Charges	221	25	100	50
ISF-Mail Service Charges	10	24	23	-
ISF-Vehicle Replacement Charges	-	-	-	25
ISF-Motor Pool Charges	-	34	-	9
ISF-Telecom Charges	2,038	2,063	2,211	-
Capital Expenditures	-	-	-	-
Total Information Technology	<u>\$ 246,529</u>	<u>\$ 279,579</u>	<u>\$ 332,466</u>	<u>\$ 300,502</u>

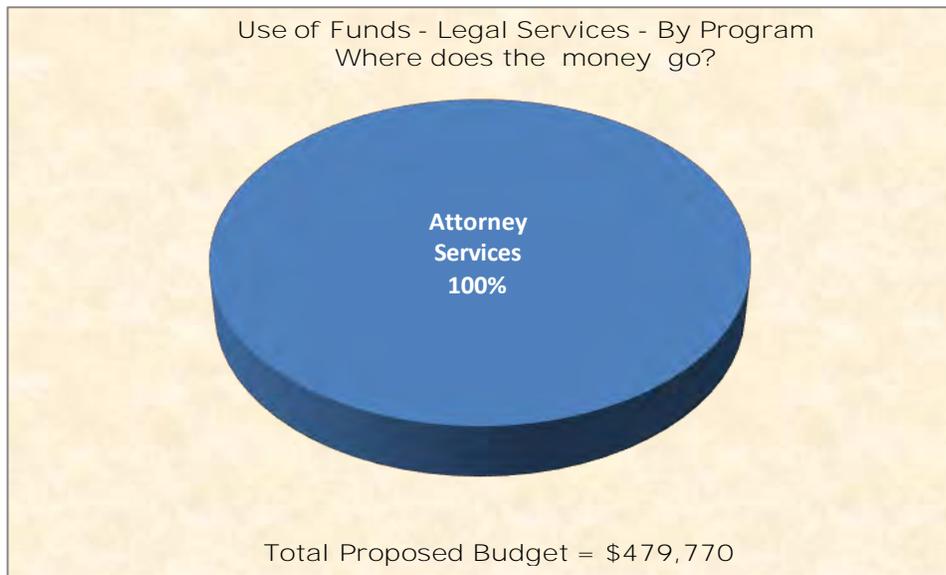


**Legal Services Division**

**Service Delivery Plan**

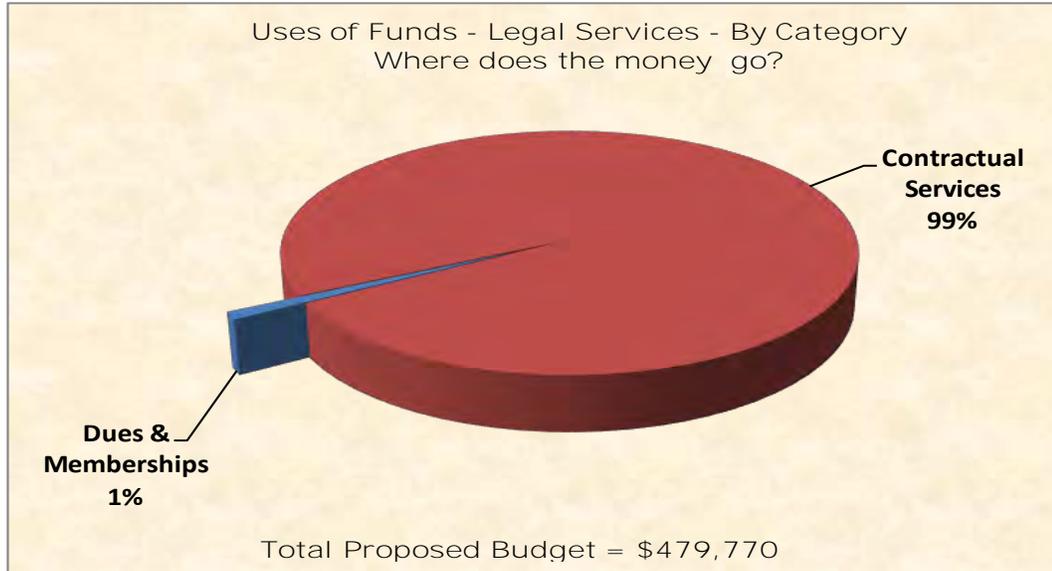
The Town Attorney and Town Prosecutor are appointed by the Town Council to serve as general counsel for the Town in addition to responsibility for the efficient disposition of criminal cases prosecuted in the Municipal Court.

Program Name	Expenditures by Program			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Attorney Services	\$ 269,919	\$ 331,298	\$ 565,605	\$ 479,770
Public Defender	4,250	-	-	-
Prosecutor	100,000	-	-	-
<b>Total</b>	<b>\$ 374,169</b>	<b>\$ 331,298</b>	<b>\$ 565,605</b>	<b>\$ 479,770</b>



Category	Expenditures by Category			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Dues & Memberships	\$ 3,863	\$ 4,130	\$ 4,720	\$ 4,720
Contractual Services	370,084	326,938	560,640	475,050
Internal Service	222	230	245	-
<b>Total</b>	<b>\$ 374,169</b>	<b>\$ 331,298</b>	<b>\$ 565,605</b>	<b>\$ 479,770</b>





**Activities/Results**

**Productivity**

	FY14-15 Actual	FY15-16 Actual	FY16-17 Estimate	FY17-18 Target
Ordinances processed	11	6	16	8
Resolutions processed	41	31	40	30
Contracts and Agreements processed	40	111	132	150

FY18-19 Proposed Budget  
 Summary of Expenditures  
 Legal Services

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
General Fund				
Dues, Subscript & Publicat	\$ 3,863	\$ 4,130	\$ 4,720	\$ 4,720
Legal Fees	370,084	225,294	450,840	360,000
Prosecutor Fees	-	100,000	105,000	110,250
Public Defender Fees	-	1,644	4,800	4,800
ISF-Telecom Charges	222	230	245	-
<b>Total Legal Services</b>	<b>\$ 374,169</b>	<b>\$ 331,298</b>	<b>\$ 565,605</b>	<b>\$ 479,770</b>



# General Government



**GENERAL GOVERNMENT**

**Mission Statement**

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

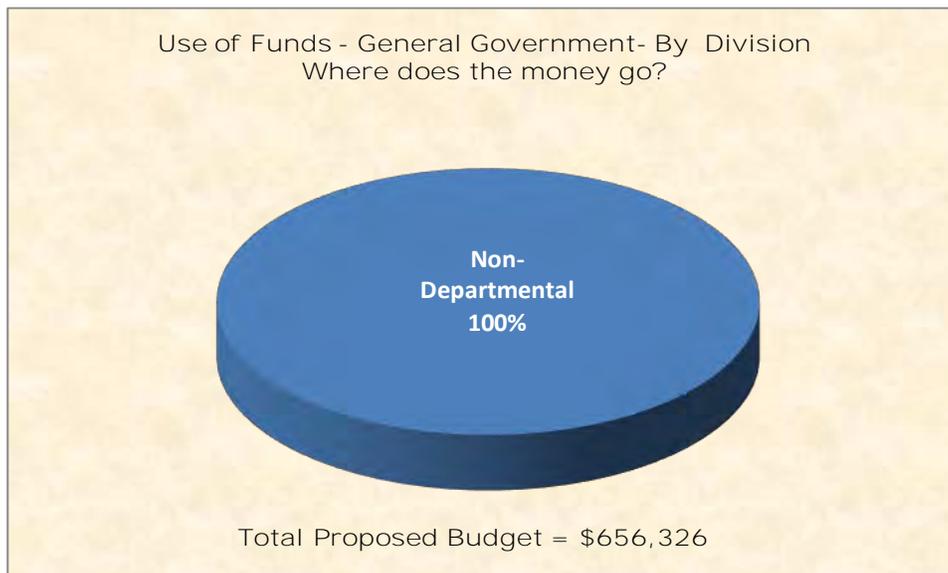
**Department Overview**

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 or Non-Departmental to describe the cost center is a common approach in municipal budgeting.

Division	Expenditures by Division			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Non-Departmental	\$ -	\$ 202,454	\$ 310,879	\$ 656,326
Total	\$ -	\$ 202,454	\$ 310,879	\$ 656,326

**Variance Explanations:**

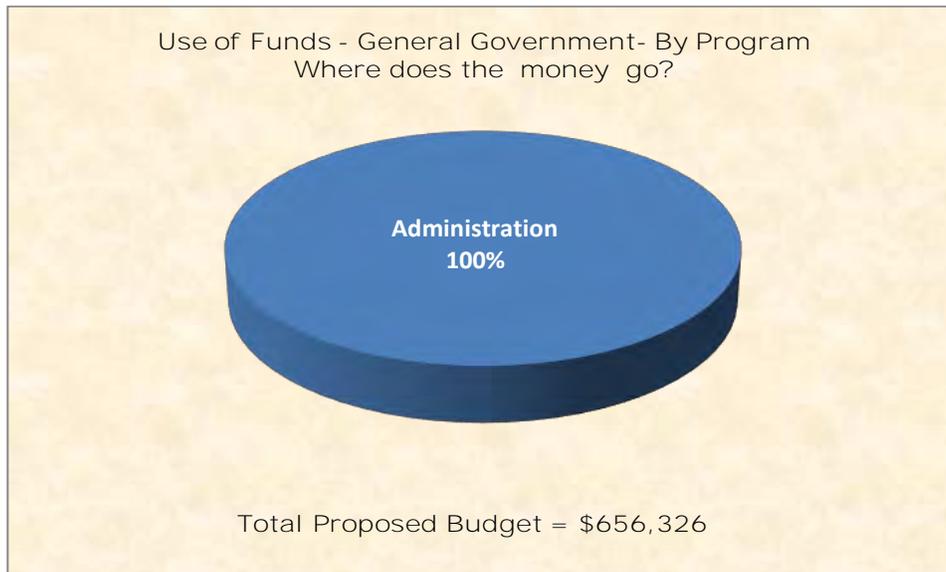
Non-Departmental: The increase will be re-allocated as the need for use of contingency funding is approved.



Program Name	Expenditures by Program			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Administration	\$ -	\$ 202,454	\$ 310,879	\$ 656,326
Total	\$ -	\$ 202,454	\$ 310,879	\$ 656,326

**Variance Explanations:**

Administration: The increase will be re-allocated as the need for use of contingency funding is approved.



Category	Expenditures by Category			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Dues & Memberships	\$ -	\$ 32,696	\$ 33,932	\$ 36,367
Meetings & Training	-	382	10,000	-
Maintenance & Repair	-	-	-	7,800
Utilities	-	-	-	25,500
Contractual Services	-	142,063	265,536	231,745
Supplies	-	610	1,000	6,076
Internal Service	-	-	-	(10,204)
Contingency	-	26,703	411	359,042
Total	\$ -	\$ 202,454	\$ 310,879	\$ 656,326

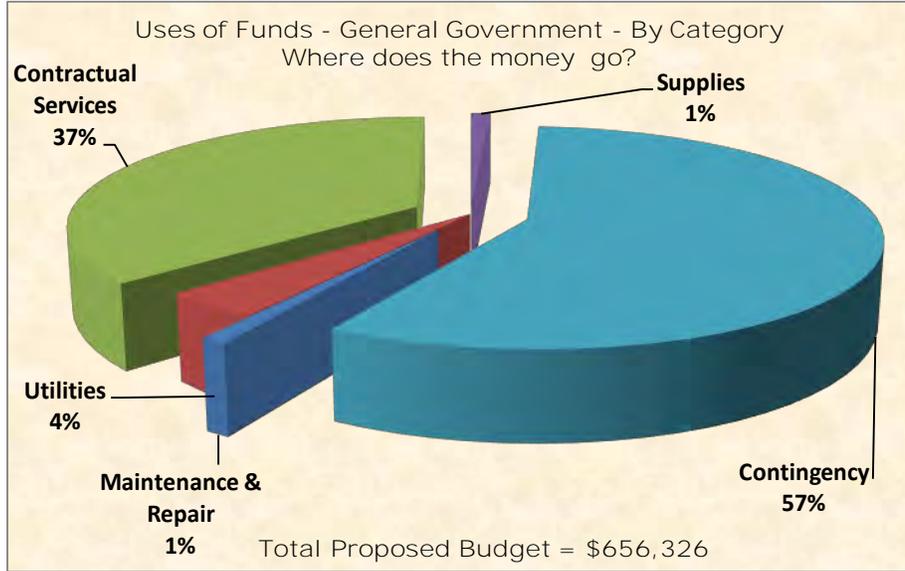
**Variance Explanations:**

Meetings & Training: Cuts were made to expenses related to the Sister Cities Inc.

Utilities/Supplies/Internal Service: Expenses were moved into General Government for more efficient managing and accounting purposes.

Contingency: The increase will be re-allocated as the need for use of contingency funding is approved.





FY18-19 Proposed Budget  
Summary of Expenditures  
General Government

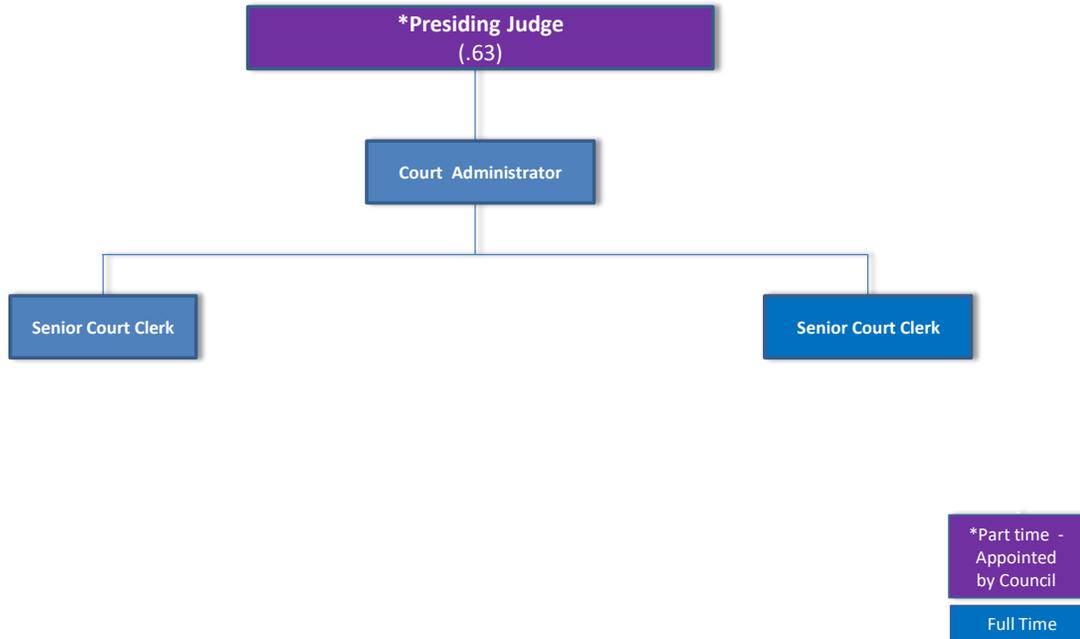
Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
General Fund				
Dues, Subscript & Publicat	\$ -	\$ 32,696	\$ 33,933	\$ 36,367
Meetings & Training	-	358	10,000	-
Boards & Commissions	-	24	-	7,800
Office Equipment Maint/Repair	-	-	-	25,500
Telecommunications	-	-	138,800	100,000
Professional Fees	-	-	-	10,000
Contractual Services	-	12,758	13,000	-
Constituent Communication	-	3,695	-	-
Community Contracts/Events	-	125,050	110,889	118,515
Holiday Lighting	-	560	2,846	3,000
Interest Expense	-	-	-	230
Office Supplies	-	-	-	3,000
Program Materials	-	610	1,000	1,000
Postage & Delivery	-	-	-	2,076
ISF-Copier Charges	-	-	-	(8,380)
ISF-Motor Pool Charges	-	-	-	(1,825)
Contingency	-	26,703	411	359,043
<b>Total General Government</b>	<b>\$ -</b>	<b>\$ 202,454</b>	<b>\$ 310,879</b>	<b>\$ 656,326</b>



# Municipal Court



## MUNICIPAL COURT



**MUNICIPAL COURT**

**Mission Statement**

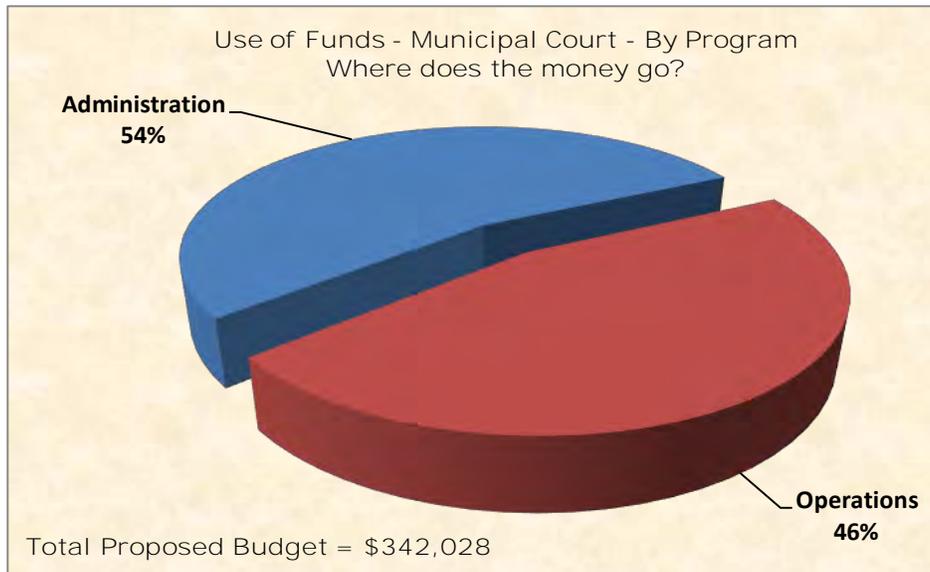
The Fountain Hills Municipal Court is committed to professionally serving the citizens of Fountain Hills by administering justice in a fair, efficient and respectful manner, so as to enhance public trust and community confidence in our court system.

**Department Overview**

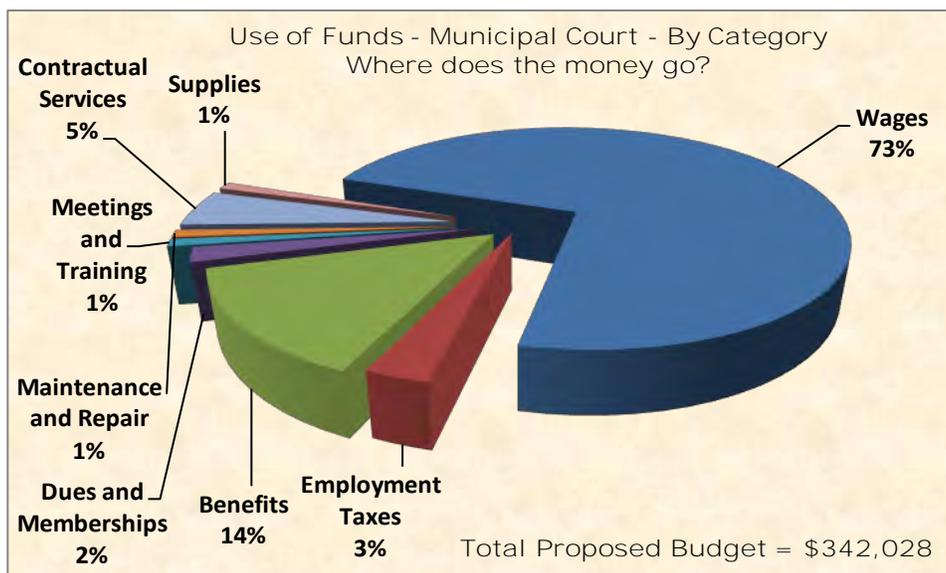
The Fountain Hills Municipal Court is the judicial branch of the Fountain Hills government. Pursuant to State law and the Town Code, decisions regarding the overall function of the Court are the sole responsibility of the Presiding Judge, who also has exclusive supervisory authority over all court personnel. 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			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Administration	\$ 205,262	\$ 169,486	\$ 188,172	\$ 186,271
Civil Cases	33,878	-	-	-
Criminal Cases	52,691	-	-	-
Juvenile	9,468	-	-	-
Operations	-	131,029	151,741	155,757
Total	\$ 301,299	\$ 300,515	\$ 339,913	\$ 342,028





Category	Expenditures by Category			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Wages	\$ 229,590	\$ 231,893	\$ 243,376	\$ 249,800
Employment Taxes	8,673	9,107	8,834	8,834
Benefits	39,620	41,584	46,458	47,244
Dues and Memberships	1,710	4,362	8,287	7,663
Meetings and Training	3,158	409	3,665	3,465
Maintenance and Repair	1,107	635	3,159	3,159
Contractual Services	10,389	6,551	18,440	16,096
Supplies	1,854	2,408	2,860	4,272
Equipment	1,401	187	105	395
Internal Service	3,797	3,379	4,729	1,100
<b>Total</b>	<b>\$ 301,299</b>	<b>\$ 300,515</b>	<b>\$ 339,913</b>	<b>\$ 342,028</b>



**FY17-18 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
Transition to the new case management system provided by the Arizona Supreme Court to provide better access to justice.	Goal #5 Objective #2



**FY18-19 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	\$10,000/Court Enhancement Funds
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	\$13,155/Court Enhancement Funds
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	\$30,000/Judicial Collection Enhancement Funds
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**

	<b>FY14 -15 Actual</b>	<b>FY15 -16 Actual</b>	<b>FY16 -17 Estimate</b>	<b>FY17 -18 Target</b>
Cases Filed	1,738	1,611	2,000	2,050
Cases Terminated	1,833	1,641	2,200	2,250
Hearings/Trials Held	1,585	1,070	1,900	1,950



FY18-19 Proposed Budget  
Summary of Expenditures  
Municipal Court

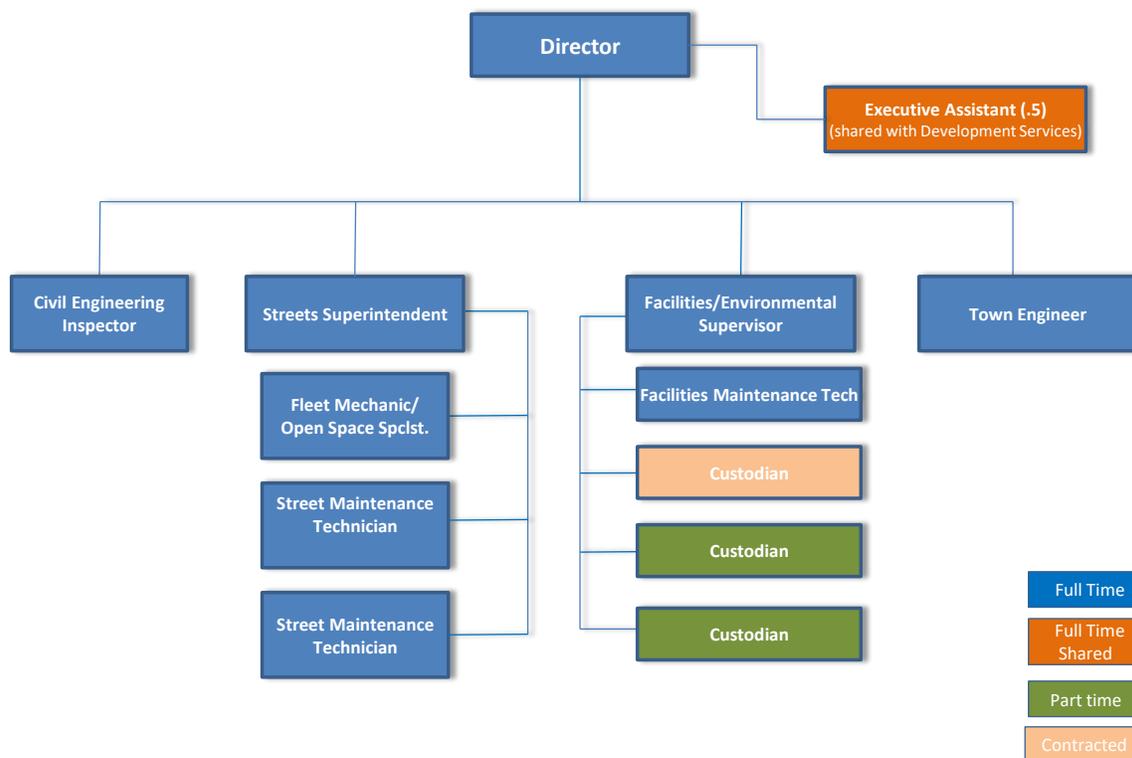
Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
<b>General Fund</b>				
Salaries-Full Time	\$ 158,488	\$ 157,722	\$ 167,563	\$ 173,987
Salaries-Part Time	71,102	72,126	75,813	75,813
Overtime	-	2,045	-	-
FICA	4,372	4,912	4,701	4,701
Medicare	3,265	3,385	3,531	3,624
Workers Compensation	736	517	382	409
Unemployment Insurance	300	293	220	100
Group Health Insurance	18,228	16,874	20,021	20,034
Group Dental Insurance	1,720	1,400	1,512	1,530
Group Vision Insurance	193	165	256	234
Disability Insurance	615	585	708	737
Retirement	18,332	22,246	23,632	24,338
Life Insurance	533	148	169	171
Bonus	-	165	160	200
Dues, Subscript & Publicat	1,710	4,362	8,287	7,663
Meetings & Training	3,158	409	3,665	3,465
Office Equip Maint/ Repair	1,107	635	3,159	3,159
Auditing Expense	-	-	3,750	-
Professional Fees	216	555	2,150	2,956
Legal Fees	-	-	1,400	1,400
Printing Expense	480	633	2,000	2,000
Intergovt Agreements	5,470	5,000	8,600	9,200
Bank/Merc Acct Fees	4,223	363	540	540
Office Supplies	1,106	1,035	2,200	2,443
Cleaning/Janitorial Supplies	92	5	-	32
Safety Supplies	-	16	-	-
Operating Supplies	28	6	-	-
Food & Beverage Supplies	558	429	660	660
Uniforms	-	917	-	-
Postage & Delivery	-	-	-	1,137
Miscellaneous Expense	70	-	-	-
Software	-	103	-	-
Hardware/Peripherals	1,308	84	-	395
Furniture/Appliances	92	-	-	-
Equipment	-	-	105	-
ISF-Copier Charges	7	2	5	5
ISF-Mail Service Charges	1,398	978	1,400	-
ISF-Vehicle Replacement Charge	-	-	756	810
ISF-Motor Pool Charges	154	340	356	285
ISF-Telecom Charges	2,238	2,060	2,212	-
<b>Total Municipal Court</b>	<b>\$ 301,299</b>	<b>\$ 300,515</b>	<b>\$ 339,913</b>	<b>\$ 342,028</b>



# Public Works



## PUBLIC WORKS DEPARTMENT



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

**PUBLIC WORKS**

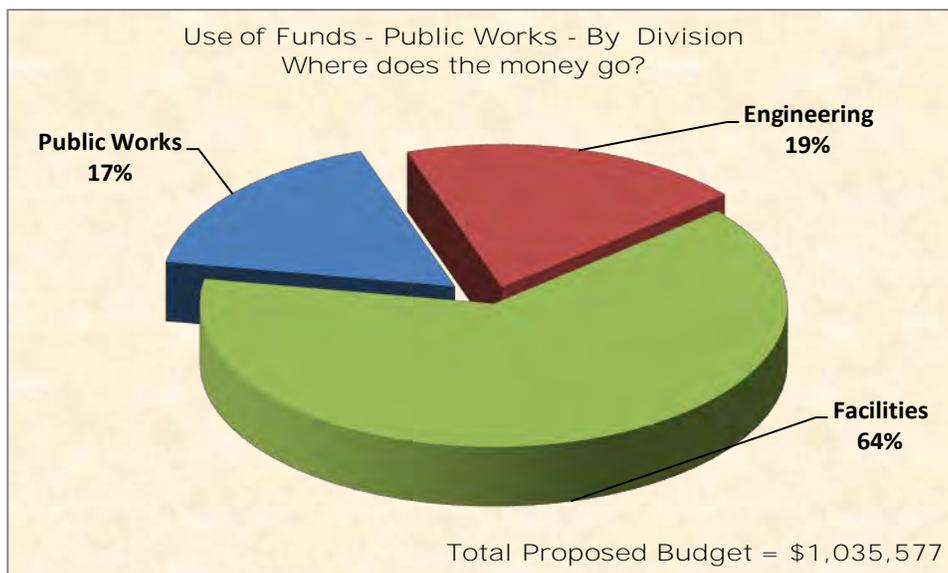
**Mission Statement**

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.

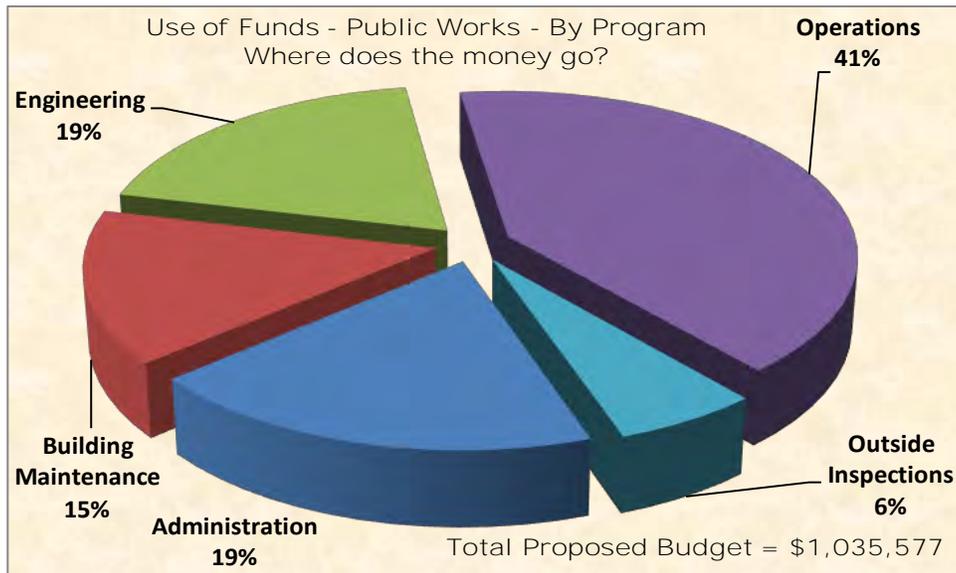
**Department Overview**

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.

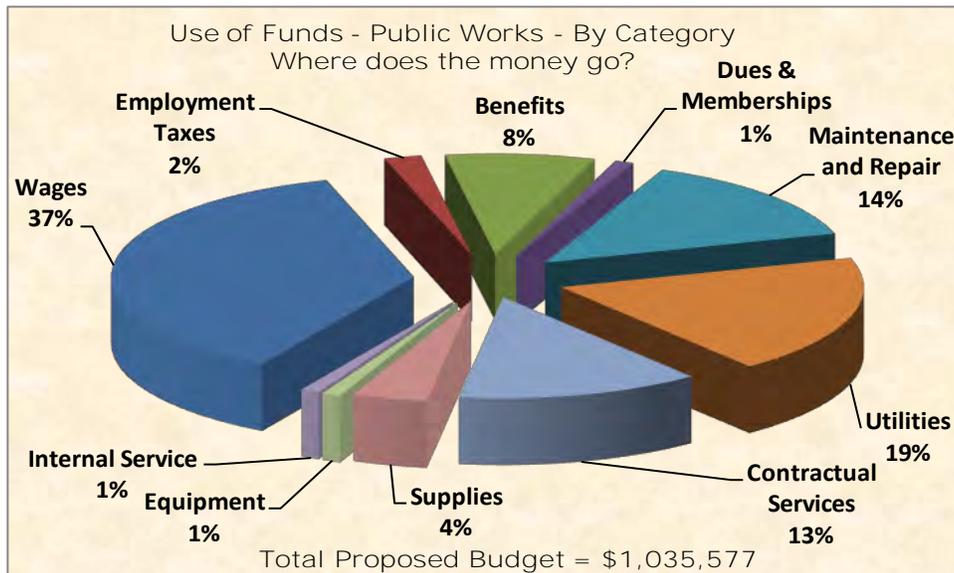
Division	Expenditures by Division			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Public Works	\$ 162,573	\$ 172,490	\$ 179,824	\$ 179,521
Engineering	209,890	205,471	191,642	196,323
Facilities	569,339	516,866	656,771	659,733
Total	\$ 941,802	\$ 894,827	\$ 1,028,237	\$ 1,035,577



Program Name	Expenditures by Program			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Administration	\$ 75,566	\$ 197,084	\$ 200,710	\$ 201,108
Building Maintenance	555,577	440,145	148,565	151,813
Capital Improvement Projects	79,036	-	-	-
Engineering	209,890	205,471	191,642	196,323
Operations	-	-	425,382	422,194
Outside Inspections	-	52,127	61,938	64,139
Stormwater Management	21,733	-	-	-
<b>Total</b>	<b>\$ 941,802</b>	<b>\$ 894,827</b>	<b>\$ 1,028,237</b>	<b>\$ 1,035,577</b>



Category	Expenditures by Category			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Wages	\$ 372,421	\$ 363,022	\$ 372,640	\$ 383,024
Employment Taxes	20,445	16,576	14,621	18,222
Benefits	88,267	71,849	75,865	77,849
Dues & Memberships	1,137	9,822	13,095	11,215
Meetings and Training	1,074	525	3,580	3,260
Maintenance and Repair	119,769	89,412	158,382	152,383
Utilities	183,021	261,020	192,540	195,240
Contractual Services	97,182	35,261	123,980	131,886
Supplies	33,110	26,236	43,060	40,504
Equipment	10,094	760	10,350	5,950
Damages/Vandalism	-	-	900	900
Internal Service	15,282	18,372	19,224	15,144
Capital Expenditures	-	1,972	-	-
<b>Total</b>	<b>\$ 941,802</b>	<b>\$ 894,827</b>	<b>\$ 1,028,237</b>	<b>\$ 1,035,577</b>



FY18-19 Proposed Budget  
Summary of Expenditures  
Public Works Department

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
<b>General Fund</b>				
Salaries-Full Time	\$ 327,284	\$ 318,443	\$ 326,985	\$ 335,078
Salaries-Part Time	45,091	44,389	45,655	47,947
Overtime	46	190	-	-
FICA	2,735	2,731	2,831	2,973
Medicare	5,281	5,159	5,416	5,560
Workers Compensation	11,807	8,340	6,024	9,532
Unemployment Insurance	622	345	350	157
Group Health Insurance	47,529	33,429	34,939	36,345
Group Dental Insurance	2,218	2,042	2,139	2,186
Group Vision Insurance	317	272	398	390
Disability Insurance	1,186	1,275	1,385	1,419
Retirement	36,001	34,243	35,968	36,859
Life Insurance	1,016	326	330	329
Bonus	-	262	256	321
Allowance/Stipend	-	-	450	-
Licenses/Filing Fees	86	8,587	10,940	9,060
Dues, Subscript & Publicat	1,051	1,235	2,155	2,155
Meetings & Training	1,074	525	3,580	3,260
Building Maint/Repair	45,700	16,085	56,300	56,300
HVAC Repair	55,388	55,640	59,180	61,180
Plumbing Repair	2,565	165	13,900	6,100
Electrical Repair/Maint	2,311	-	5,140	5,140
Fire Protection Systems	1,509	6,504	6,745	7,045
Irrigation Repair	1,131	356	2,450	2,450
Backflow Testing & Maintenance	1,499	1,226	810	810
Drainage Maint/Repair	-	-	500	-
Equipment Maint/Repair	5,030	3,369	7,550	7,550
Vehicle Maint/Repair	2,107	399	2,160	2,160
Other Maint/Repair	-	3,265	-	-
Art Maint/Repair/Install	25	-	-	-
Sidewalk/Pathway Repair	1,724	-	-	-
Sign Repair & Replacement	780	1,023	2,548	2,548
Painting	-	675	100	100
Lighting Repair	-	-	1,000	1,000
Electricity Expense	152,475	150,662	155,942	155,942
Refuse/Recycling	1,704	2,215	1,703	1,703
Telecommunications	2,782	3,034	3,060	5,760
Water/Sewer	23,037	24,426	26,985	26,985
Gas & Oil	3,022	2,926	4,850	4,850
Professional Fees	46,482	80,359	66,979	74,985
Rentals & Leases	397	30	750	750
Printing Expense	403	54	750	650
Advertising/Signage	199	65	-	-
Contractual Services	23,846	19,889	25,000	25,000
Bank/Merc Acct Fees	459	446	1,500	1,500
Landscape Contracts	25,397	12,788	29,000	29,000



FY18-19 Proposed Budget  
Summary of Expenditures  
Public Works Department

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
General Fund-continued				
Office Supplies	\$ 3,286	\$ 742	\$ 1,860	\$ 1,860
Cleaning/Janitorial Supplies	14,254	11,982	10,500	14,500
Safety Supplies	249	91	825	825
Operating Supplies	11,850	9,698	25,625	19,025
Food & Beverage Supplies	2,145	1,826	2,000	2,000
Uniforms	1,310	1,226	2,100	2,100
Postage & Delivery	16	59	150	194
Small Tools	1,268	25	950	950
Hardware/Peripherals	664	32	2,000	600
Furniture/Appliances	7,408	-	2,900	2,900
Equipment	754	703	1,500	1,500
Building Improvements Exp	-	-	3,000	-
Damages/Vandalism	-	-	900	900
ISF-Copier Charges	2,725	361	430	380
ISF-Mail Service Charges	52	89	56	-
ISF-Vehicle Replacement Charge	8,102	14,578	14,350	14,280
ISF-Motor Pool Charges	492	220	793	484
ISF-Telecom Charges	3,911	3,829	3,595	-
Vehicles	-	1,972	-	-
<b>Total Public Works</b>	<b>\$ 941,802</b>	<b>\$ 894,827</b>	<b>\$ 1,028,237</b>	<b>\$ 1,035,577</b>



**FY17-18 Department Accomplishments**

Initiative	Strategic Value
Foster a culture of public service and volunteerism	Goal #5, Objective #3

**FY18-19 Objectives**

Initiative	Strategic Value	Estimated Cost/Funding Source
Commission a study to identify gap between actual and subdivision ordinance specifications and determine cost of meeting ordinance specifications	Goal #2, Objective #1	\$0/General Fund
Develop and adopt a comprehensive environmental plan for Fountain Hills	Goal #2, Objective #2	\$750,000/Environmental Fund
Research and report on economic and logistic feasibility of electric car charging stations	Goal #3, Objective #2	\$6,000/General Fund

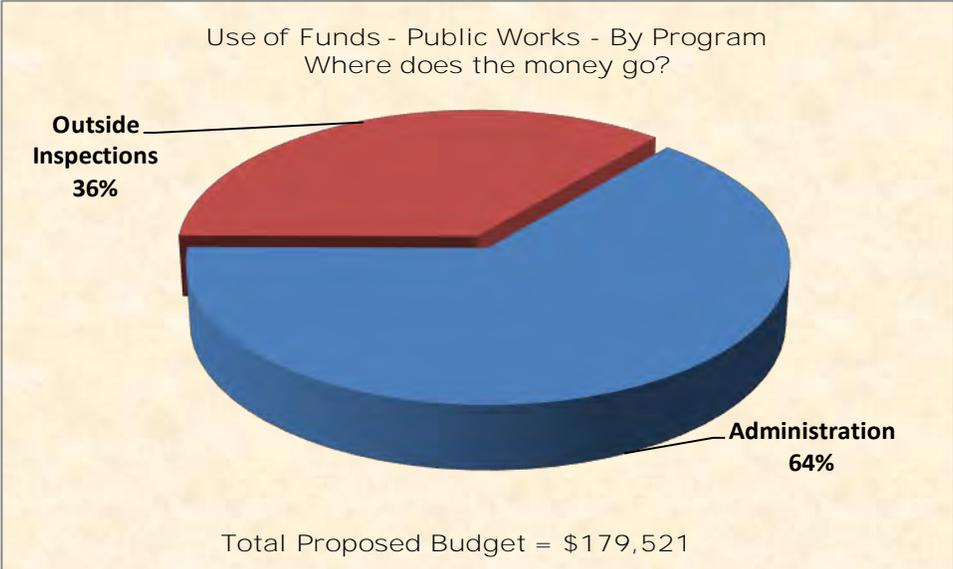


**Public Works Division**

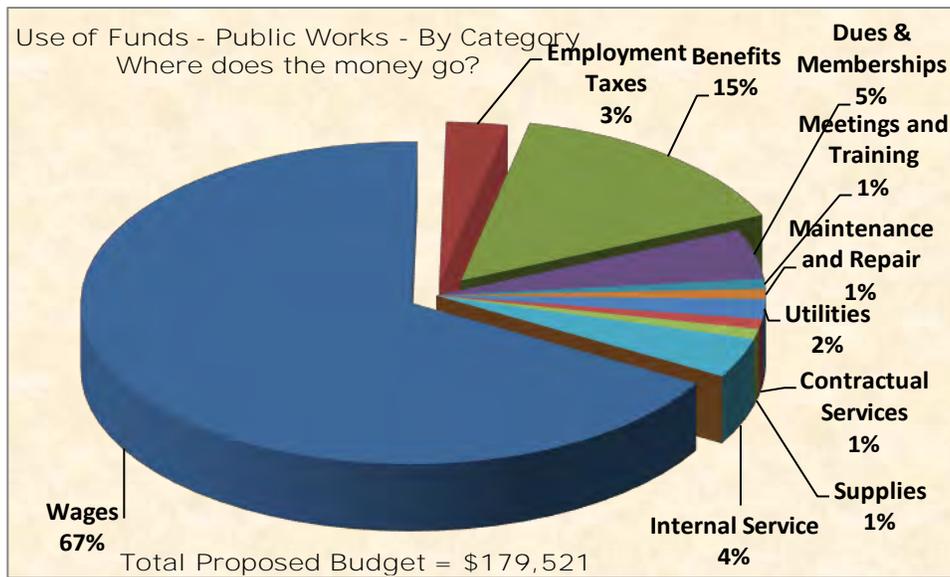
**Service Delivery Plan**

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			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Administration	\$ 61,804	\$ 120,363	\$ 117,886	\$ 115,382
Capital Improvement Program	79,036	-	-	-
Outside Inspections	-	52,127	61,938	64,139
Stormwater Management	21,733	-	-	-
<b>Total</b>	<b>\$ 162,573</b>	<b>\$ 172,490</b>	<b>\$ 179,824</b>	<b>\$ 179,521</b>



Category	Expenditures by Category			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Wages	\$ 119,432	\$ 118,292	\$ 121,830	\$ 119,658
Employment Taxes	5,043	3,483	3,155	5,724
Benefits	30,142	24,477	27,088	27,562
Dues & Memberships	501	9,213	9,225	9,045
Meetings and Training	824	-	2,040	2,040
Maintenance and Repair	-	364	1,360	1,360
Utilities	232	3,219	3,380	3,380
Contractual Services	254	703	2,200	1,700
Supplies	3,324	943	1,960	1,960
Equipment	-	-	450	450
Internal Service	2,821	9,824	7,136	6,642
Capital Expenditures	-	1,972	-	-
<b>Total</b>	<b>\$ 162,573</b>	<b>\$ 172,490</b>	<b>\$ 179,824</b>	<b>\$ 179,521</b>



## Activities/Results

### Performance Measures

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Percentage of inspections completed within 24 hours of notice	99%	99%	99%	99%

### Quality

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Number of right-of-way and encroachment permits issued	271	229	300	300
Total number of inspections (includes multiple inspection totals for residential, commercial & encroachment permits)	410	360	350	350
Number of Capital improvement (CIP) projects completed	3	3	5	4

### Productivity

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Expenditure per right-of-way and encroachment permits issued	\$228.06	\$525.60	\$206.46	\$214.22
Expenditure per inspection (includes multiple inspection totals for residential, commercial & encroachment permits)	\$150.74	\$334.34	\$176.97	\$183.61



FY18-19 Proposed Budget  
Summary of Expenditures  
Public Works Division

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
General Fund				
Salaries-Full Time	\$ 119,432	\$ 118,292	121,830	119,658
Overtime	-	-	-	-
Medicare	1,679	1,676	1,775	1,737
Workers Compensation	3,238	1,716	1,285	3,945
Unemployment Insurance	126	91	95	42
Group Health Insurance	15,138	10,730	11,533	12,677
Group Dental Insurance	835	787	840	873
Group Vision Insurance	121	104	155	136
Disability Insurance	491	463	516	507
Retirement	13,138	12,206	13,401	13,163
Life Insurance	418	118	123	118
Bonus	-	68	70	88
Allowance/Stipend	-	-	450	-
Licenses/Filing Fees	-	8,503	8,740	8,560
Dues, Subscriptions & Publications	501	710	485	485
Meetings & Training	824	-	2,040	2,040
Vehicle Maint/Repair	-	364	1,360	1,360
Telecommunications	232	940	780	780
Gas & Oil	-	2,279	2,600	2,600
Professional Fees	-	211	500	-
Printing Expense	254	54	200	200
Bank/Merc Acct Fees	-	438	1,500	1,500
Office Supplies	3,154	614	1,285	1,285
Cleaning/Janitorial Supplies	5	-	-	-
Safety Supplies	-	-	100	100
Operating Supplies	10	-	-	-
Uniforms	155	329	575	575
Small Tools	-	-	450	450
ISF-Copier Charges	2,167	52	100	100
ISF-Mail Service Charges	15	45	10	-
ISF-Vehicle Replacement Charge	-	9,154	6,384	6,518
ISF-Motor Pool Charges	306	-	28	24
ISF-Telecom Charges	334	574	614	-
Vehicles	-	1,972	-	-
Total Public Works	<u>\$ 162,573</u>	<u>\$ 172,490</u>	<u>\$ 179,824</u>	<u>\$ 179,521</u>

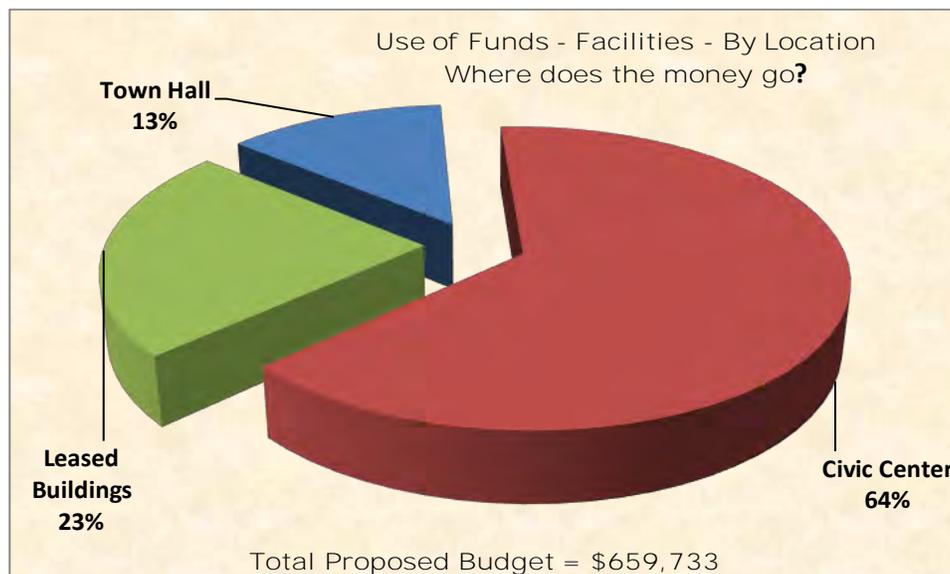


**Facilities Division**

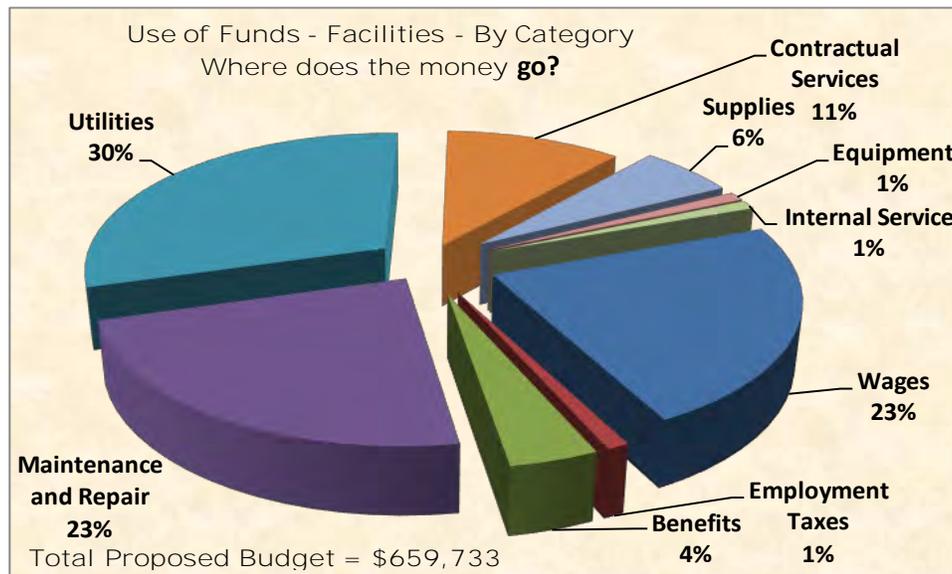
**Service Delivery Plan**

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			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Town Hall	\$ 163,588	\$ 248,658	\$ 82,824	\$ 85,726
Civic Center	-	124,932	425,382	422,194
Community Center	129,801	-	-	-
Library/Museum	118,801	-	-	-
Community Theater	22,335	-	-	-
Kiwanis Building	9,787	-	-	-
Physical Plant	55,414	35,960	-	-
Fire Station #1	53,856	-	-	-
Fire Station #2	15,757	-	-	-
Leased Buildings	-	107,316	148,565	151,813
<b>Total</b>	<b>\$ 569,339</b>	<b>\$ 516,866</b>	<b>\$ 656,771</b>	<b>\$ 659,733</b>



Category	Expenditures by Category			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Wages	\$ 126,020	\$ 143,295	\$ 146,839	\$ 154,197
Employment Taxes	11,196	9,828	8,610	9,469
Benefits	30,183	27,689	28,358	29,247
Dues & Memberships	-	14	300	300
Maintenance and Repair	119,048	88,342	157,023	151,023
Utilities	179,857	179,338	188,380	191,080
Contractual Services	56,004	34,465	68,029	73,434
Supplies	29,415	24,588	40,650	38,053
Equipment	9,315	760	8,500	5,500
Damages/Vandalism	-	-	900	900
Internal Service	8,301	8,547	9,182	6,530
<b>Total</b>	<b>\$ 569,339</b>	<b>\$ 516,866</b>	<b>\$ 656,771</b>	<b>\$ 659,733</b>



## Activities/Results

### Performance Measures

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Percentage of maintenance requests resolved within 24 hours	80%	80%	80%	80%
Percentage of maintenance requests resolved within 48 hours	92%	95%	95%	95%
Percentage of trade related work orders completed in house versus contracts	70%	70%	70%	70%

### Quality

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Square footage of buildings maintained by staff	117,387	117,387	107,507	107,507
Square footage of buildings cleaned by staff	23,500	23,500	23,500	23,500
Number of annual maintenance requests	350	350	350	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

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Civic Center utility costs per square foot (water, sewer, electric – includes parking lot lighting and landscape irrigation)	\$1.92	\$1.92	\$2.00	\$2.00



FY18-19 Proposed Budget  
Summary of Expenditures  
Facilities

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
General Fund				
Salaries-Full Time	\$ 80,882	\$ 98,716	\$ 101,184	\$ 106,250
Salaries-Part Time	45,091	44,389	45,655	47,947
Overtime	46	190	-	-
FICA	2,735	2,731	2,831	2,973
Medicare	1,796	2,042	2,133	2,240
Workers Compensation	6,396	4,849	3,440	4,163
Unemployment Insurance	269	205	206	93
Group Health Insurance	19,930	15,334	15,670	15,928
Group Dental Insurance	677	720	746	754
Group Vision Insurance	100	94	131	136
Disability Insurance	310	401	429	450
Retirement	8,897	10,880	11,130	11,687
Life Insurance	270	103	102	104
Bonus	-	158	150	188
Licenses/Filing Fees	-	14	-	-
Dues, Subscript & Publicat	-	-	300	300
Building Main/Repair	45,700	16,085	56,300	56,300
HVAC Repair	55,388	55,640	59,180	61,180
Plumbing Repair	2,565	165	13,900	6,100
Electrical Repair/Maint	2,311	-	5,140	5,140
Fire Protection Systems	1,509	6,504	6,745	7,045
Grounds Maint/Repair	-	-	-	-
Irrigation Repair	1,131	356	2,450	2,450
Backflow Testing & Maintenance	1,498	1,226	810	810
Drainage Maint/Repair	-	-	500	-
Equipment Maint/Repair	5,030	3,369	7,550	7,550
Vehicle Maint/Repair	1,386	35	800	800
Other Maint/Repair	-	3,265	-	-
Art Maint/Repair/Install	25	-	-	-
Sidewalk/Pathway Repair	1,724	-	-	-
Sign Repair & Replacement	780	1,023	2,547	2,547
Painting	-	675	100	100
Lighting Repair	-	-	1,000	1,000
Electricity Expense	152,475	150,662	155,942	155,942
Refuse/Recycling	1,704	2,215	1,703	1,703
Telecommunications	1,000	1,388	1,500	4,200
Water/Sewer	23,037	24,426	26,985	26,985
Gas & Oil	1,642	647	2,250	2,250
Professional Fees	30,011	21,582	38,080	43,485
Rentals & Leases	397	30	750	750
Printing Expense	-	-	200	200
Advertising/Signage	199	65	-	-
Landscape Contracts	25,397	12,788	29,000	29,000
Office Supplies	33	34	575	575
Cleaning/Janitorial Supplies	14,250	11,982	10,500	14,500
Safety Supplies	207	91	625	625
Operating Supplies	11,816	9,698	25,625	19,025
Food & Beverage Supplies	2,145	1,826	2,000	2,000
Uniforms	948	897	1,325	1,325



FY18-19 Proposed Budget  
Summary of Expenditures  
Facilities

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
General Fund-continued				
Postage & Delivery	\$ 16	\$ 59	\$ -	\$ 3
Small Tools	1,129	25	500	500
Hardware/Peripherals	355	32	600	600
Furniture/Appliances	7,408	-	2,900	2,900
Equipment	423	703	1,500	1,500
Building Improvements Exp	-	-	3,000	-
Damages/Vandalism	-	-	900	900
ISF-Copier Charges	129	90	100	80
ISF-Mail Service Charges	-	4	4	-
ISF-Vehicle Replacement Charge	5,263	5,424	6,342	6,450
ISF-Motor Pool Charges	2	4	-	-
ISF-Telecom Charges	2,907	3,025	2,736	-
<b>Total Facilities</b>	<b>\$ 569,339</b>	<b>\$ 516,866</b>	<b>\$ 656,771</b>	<b>\$ 659,733</b>

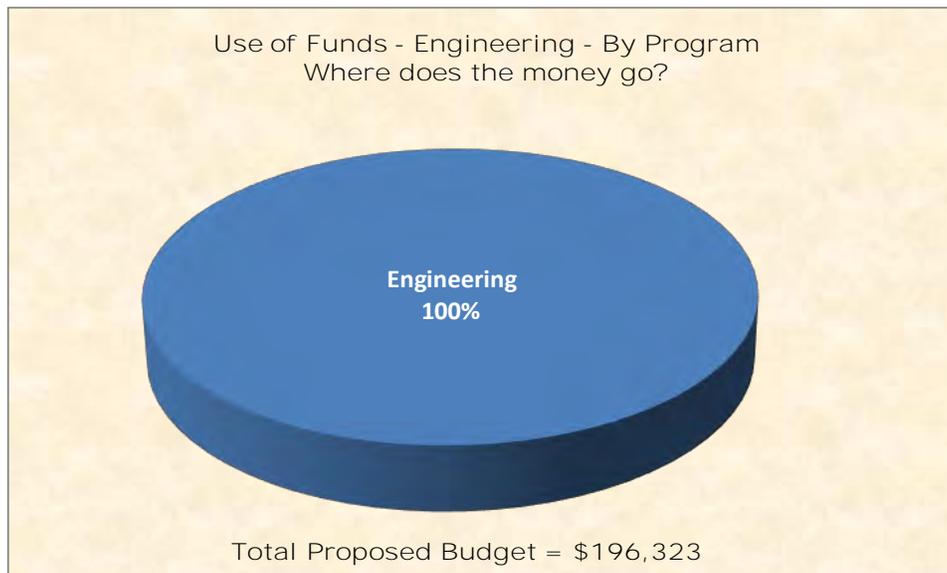


**Engineering Division**

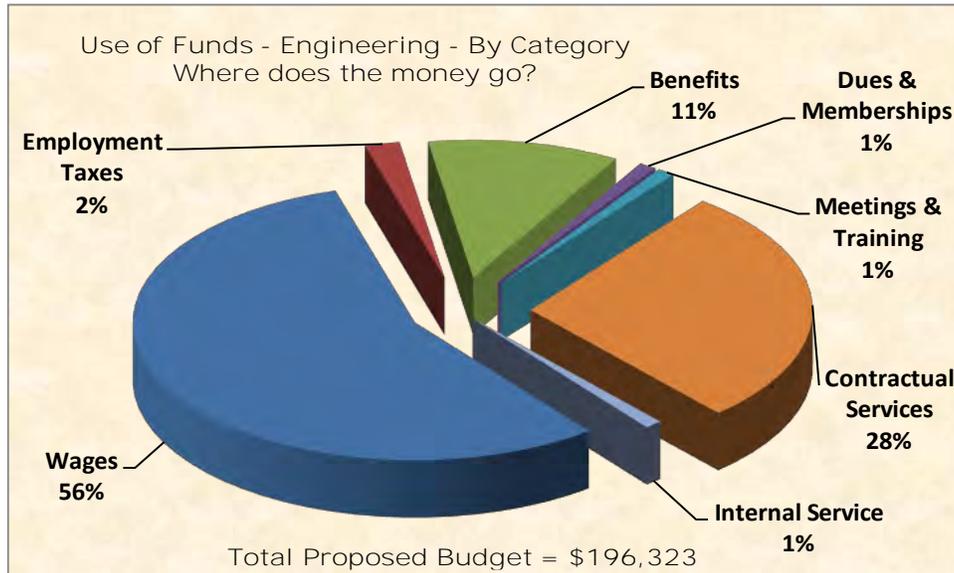
**Service Delivery Plan**

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

Program Name	Expenditures by Program			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Engineering	\$ 209,890	\$ 205,471	\$ 191,642	\$ 196,323
Total	\$ 209,890	\$ 205,471	\$ 191,642	\$ 196,323



Category	Expenditures by Category			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Wages	\$ 126,970	\$ 101,435	\$ 103,971	\$ 109,170
Employment Taxes	4,206	3,265	2,856	3,029
Benefits	27,943	19,683	20,419	21,040
Dues & Memberships	636	595	3,570	1,870
Meetings & Training	250	525	1,540	1,220
Maintenance and Repair	720	-	-	-
Utilities	2,931	706	780	780
Contractual Services	40,924	78,462	53,750	56,750
Supplies	371	94	450	491
Equipment	779	-	1,400	-
Internal Service	4,160	706	2,906	1,973
Total	\$ 209,890	\$ 205,471	\$ 191,642	\$ 196,323



## Activities/Results

### Performance Measures

	FY15-16 Actual	FY16-17 Actual	FY17-18 Estimate	FY18-19 Target
Percentage of reviews of final plats, site plans and commercial plans completed within established turn-around time.	95%	95%	95%	99%

### Quality

	FY15-16 Actual	FY16-17 Actual	FY17-18 Estimate	FY18-19 Target
Number of easements released or acquired	27	15	25	25



FY18-19 Proposed Budget  
Summary of Expenditures  
Engineering

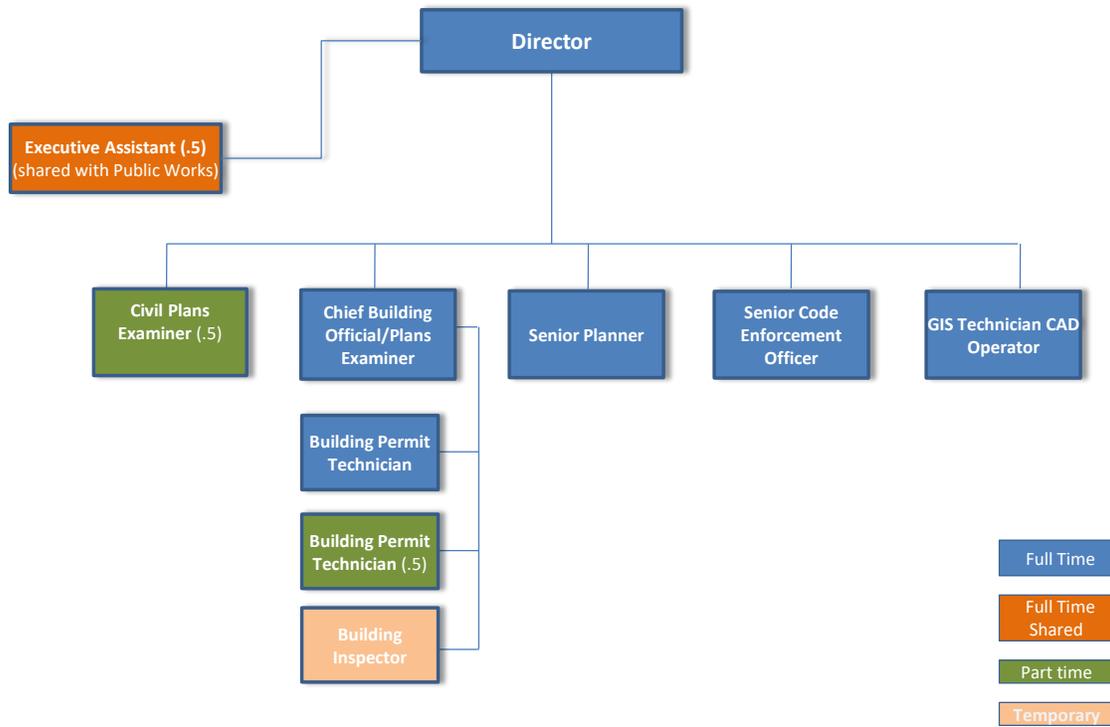
Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
General Fund				
Salaries-Full Time	\$ 126,970	\$ 101,435	\$ 103,971	\$ 109,170
Overtime	-	-	-	-
Medicare	1,806	1,441	1,508	1,583
Workers Compensation	2,174	1,775	1,299	1,424
Unemployment Insurance	226	49	49	22
Group Health Insurance	12,461	7,364	7,736	7,740
Group Dental Insurance	706	534	553	559
Group Vision Insurance	96	73	112	118
Disability Insurance	385	412	440	462
Retirement	13,966	11,158	11,437	12,009
Life Insurance	328	105	105	107
Bonus	-	37	36	45
Licenses/Filing Fees	86	70	2,200	500
Dues, Subscript & Publicat	550	525	1,370	1,370
Meetings & Training	250	525	1,540	1,220
Vehicle Maint/Repair	720	-	-	-
Office Equip Maint/ Repair	-	-	-	-
Telecommunications	1,550	706	780	780
Gas & Oil	1,381	-	-	-
Professional Fees	16,470	58,565	28,400	31,500
Printing Expense	149	-	350	250
Contractual Services	23,846	19,889	25,000	25,000
Bank/Merc Acct Fees	460	8	-	-
Office Supplies	99	94	-	-
Safety Supplies	42	-	100	100
Operating Supplies	23	-	-	-
Uniforms	206	-	200	200
Postage & Delivery	-	-	150	191
Small Tools	139	-	-	-
Hardware/Peripherals	309	-	1,400	-
Equipment	331	-	-	-
ISF-Copier Charges	430	220	230	200
ISF-Mail Service Charges	37	41	42	-
ISF-Vehicle Replacement Charge	2,840	-	1,625	1,312
ISF-Motor Pool Charges	184	215	764	461
ISF-Telecom Charges	670	230	245	-
Total Engineering	<u>\$ 209,890</u>	<u>\$ 205,471</u>	<u>\$ 191,642</u>	<u>\$ 196,323</u>



# 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, GIS 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.

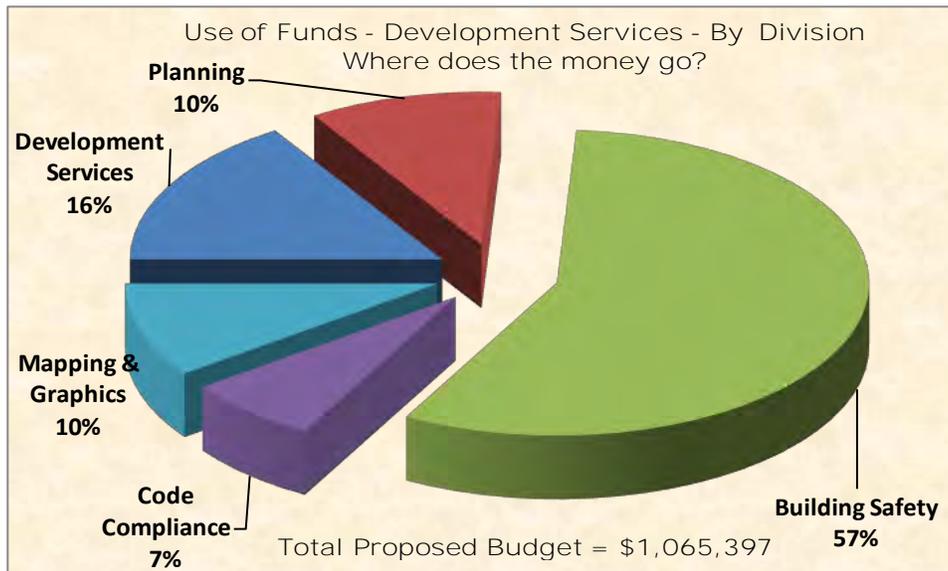
**Department Overview**

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			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Development Services	\$ -	\$ 127,522	\$ 167,398	\$ 174,138
Planning	161,923	81,569	105,554	109,814
Building Safety	231,716	204,675	1,245,056	592,025
Code Compliance	101,141	71,768	75,964	79,058
Mapping & Graphics	69,801	99,727	104,868	110,362
Total	\$ 564,581	\$ 585,261	\$ 1,698,840	\$ 1,065,397

**Variance Explanations:**

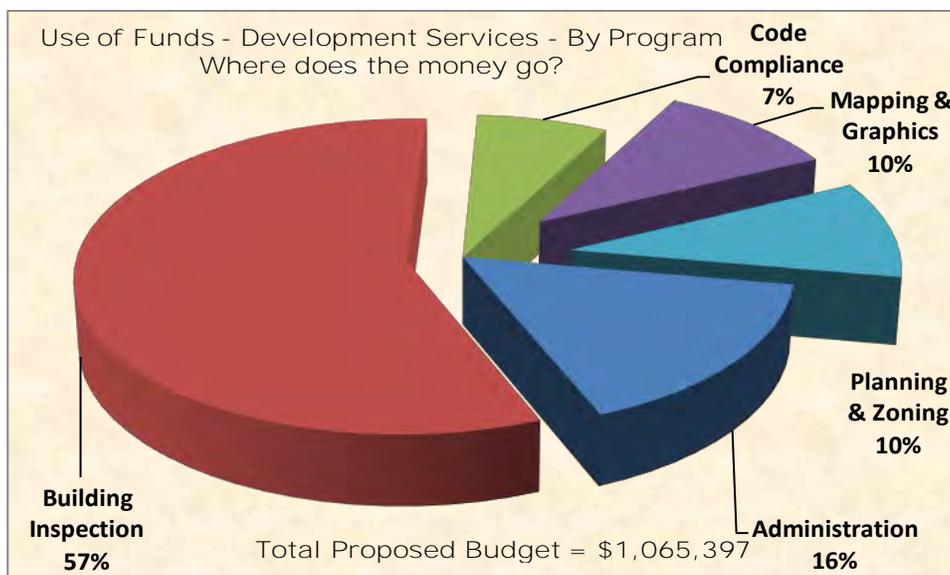
Building Safety: Amounts were lowered for third-party inspections and plan reviews.



Program Name	Expenditures by Program			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Administration	\$ -	\$ 127,522	\$ 167,398	\$ 174,138
Building Inspection	117,162	204,675	1,245,056	592,025
Code Compliance	101,141	71,768	75,964	79,058
Current Planning	104,017	-	-	-
Environmental Service	28,742	-	-	-
Long Range Planning	29,164	-	-	-
Mapping & Graphics	69,801	99,727	104,868	110,362
Permitting	114,554	-	-	-
Planning & Zoning	-	81,569	105,554	109,814
Total	\$ 564,581	\$ 585,261	\$ 1,698,840	\$ 1,065,397

**Variance Explanations:**

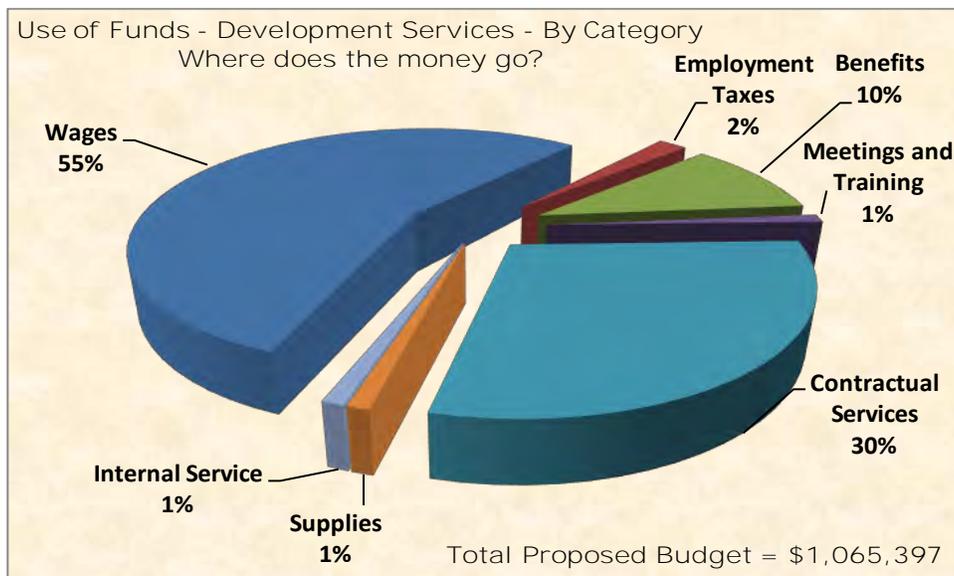
Building Inspection: Amounts were lowered for third-party inspections and plan reviews.



Category	Expenditures by Category			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Wages	\$ 359,770	\$ 390,414	\$ 502,429	\$ 575,821
Employment Taxes	12,452	10,803	14,896	19,840
Benefits	89,991	78,519	104,656	107,206
Dues & Memberships	11,740	3,476	4,018	4,078
Meetings and Training	2,722	489	10,620	11,710
Maintenance and Repair	6,983	1,038	5,020	5,152
Utilities	3,196	4,331	3,560	4,860
Contractual Services	61,852	68,648	1,030,364	314,064
Supplies	5,554	5,818	11,575	13,595
Equipment	153	7,618	250	300
Internal Service	10,168	14,107	11,452	8,771
Total	\$ 564,581	\$ 585,261	\$ 1,698,840	\$ 1,065,397

**Variance Explanations:**

Contractual Services: Amounts were lowered for third-party inspections and plan reviews.



**FY17-18 Department Accomplishments**

Initiative	Strategic Value
Completed the 2017 edition of the "Land Use Analysis and Statistical Report"	Goal #1, Objective #1
Adopted Canyonside Development Ordinance	Goal #1, Objective #2 Goal #3, Objective #1
Awarded "Dark Sky Community" designation	Goal #1, Objective #3 Goal #2, Objective #2
Permitted Adero Canyon Phase II	Goal #1, Objective #2
Updated the Sanitary District Sewer Atlas	Goal #5, Objective #2
Approved CopperWynd Resort Expansion	Goal #1, Objective #2 Goal #1, Objective #3
Initiated Wayfinding Sign Program	Goal #1, Objective #2

**FY18-19 Objectives**

Initiative	Strategic Value	Estimated Cost/Funding Source
Foster a culture of public service and volunteerism	Goal #5, Objective #3	\$0/General Fund
Complete 2018 edition of "Land Use Analysis and Statistical Report"	Goal #1, Objective #1	\$1,000/General Fund
Begin public outreach and advertising for the 2020 Census update	Goal #5, Objective #2	\$10,000/General Fund



FY18-19 Proposed Budget  
Summary of Expenditures  
Development Services Department

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
<b>General Fund</b>				
Salaries-Full Time	\$ 359,770	\$ 390,414	\$ 460,855	\$ 483,899
Salaries-Part Time	-	-	41,574	91,922
FICA	-	-	2,578	5,698
Overtime	-	-	-	-
Medicare	5,107	5,622	7,319	8,383
Workers Compensation	6,891	4,744	4,532	5,523
Unemployment Insurance	454	436	467	237
Group Health Insurance	44,546	30,974	45,359	45,389
Group Dental Insurance	2,871	2,328	3,442	3,229
Group Vision Insurance	396	330	607	560
Disability Insurance	1,396	1,441	1,949	2,048
Retirement	39,575	42,794	50,695	53,230
Life Insurance	1,207	368	464	475
Bonus	-	284	340	475
Allowance/Stipend	-	-	1,800	1,800
Licenses/Filing Fees	10,525	1,272	1,350	1,350
Dues, Subscript & Publicat	1,215	2,204	2,668	2,727
Meetings & Training	2,722	489	10,620	11,710
Equipment Maint/Repair	-	-	2,700	2,700
Vehicle Maint/Repair	6,983	263	1,120	1,252
Office Equip Maint/Repair	-	775	1,200	1,200
Telecommunications	2,485	3,161	1,560	2,860
Gas & Oil	711	1,170	2,000	2,000
Professional Fees	3,937	4,537	7,000	7,000
Rentals & Leases	-	708	1,214	1,214
Printing Expense	72	647	1,250	1,950
Advertising/Signage	1,036	1,757	5,000	3,000
Contractual Services	53,980	56,090	62,500	62,500
Bank/Merc Acct Fees	2,827	4,908	3,400	3,400
ActiveNet Fees	-	-	-	-
Third Party Fees	-	-	950,000	235,000
Office Supplies	4,132	5,325	10,345	11,750
Safety Supplies	42	-	-	-
Operating Supplies	-	173	-	-
Food & Beverage Supplies	10	-	-	-
Program Materials	964	-	-	-
Uniforms	406	320	1,230	1,430
Postage & Delivery	-	-	-	415
Small Tools	126	-	250	300
Software	-	-	-	-
Hardware/Peripherals	27	5,526	-	-
Furniture/Appliances	-	196	-	-
Equipment	-	1,897	-	-
ISF-Copier Charges	1,308	1,439	1,260	1,130
ISF-Mail Service Charges	236	215	208	-
ISF-Vehicle Replacement Charge	5,754	10,224	7,296	7,251
ISF-Motor Pool Charges	524	280	602	390
ISF-Telecom Charges	2,346	1,950	2,086	-
<b>Total Development Services</b>	<b>\$ 564,581</b>	<b>\$ 585,261</b>	<b>\$ 1,698,840</b>	<b>\$ 1,065,397</b>

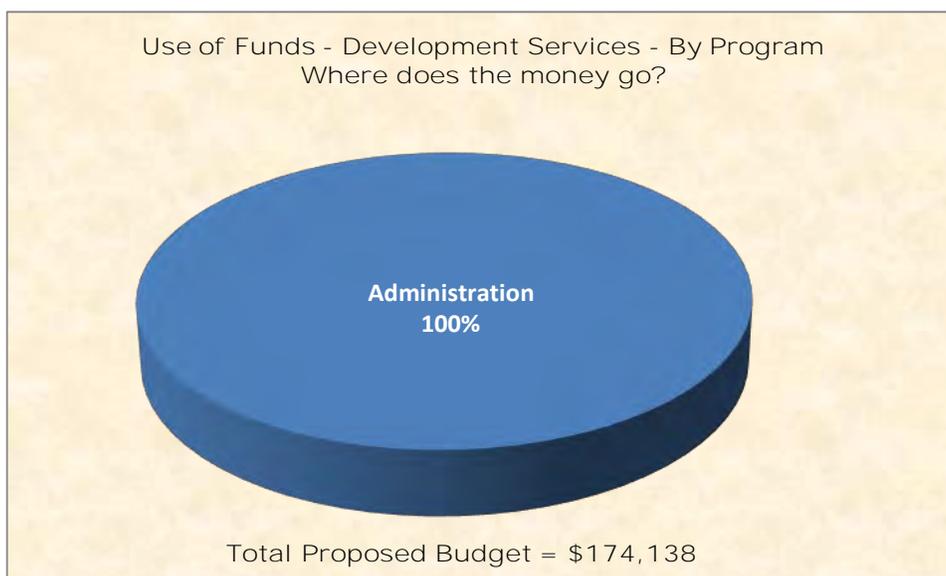


**Development Services Division**

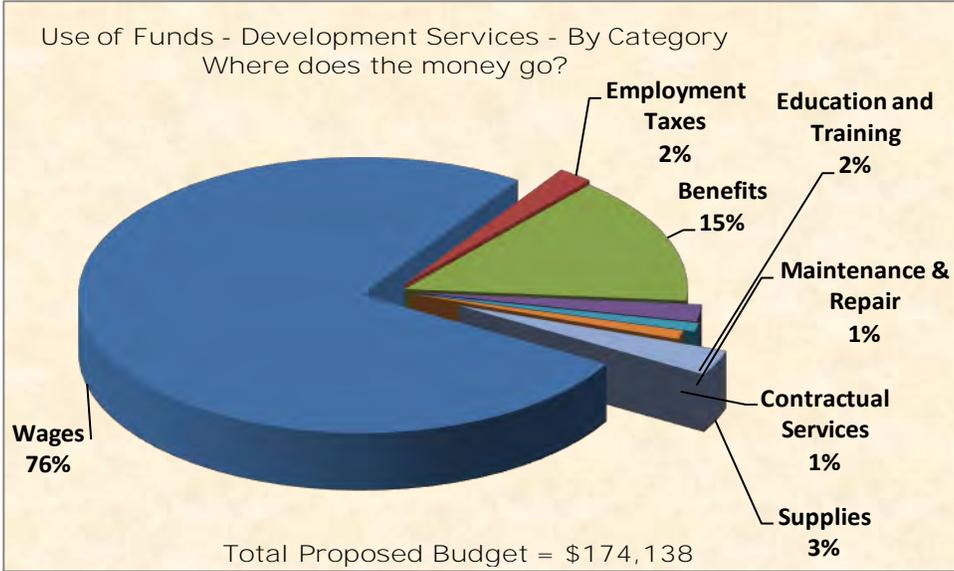
**Service Delivery Plan**

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			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Administration	\$ -	\$ 127,522	\$ 167,398	\$ 174,138
Total	\$ -	\$ 127,522	\$ 167,398	\$ 174,138



Category	Expenditures by Category			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Wages	\$ -	\$ 100,946	\$ 125,153	\$ 131,409
Employment Taxes	-	2,945	3,224	3,404
Benefits	-	18,095	23,916	24,667
Dues & Memberships	-	42	494	644
Education and Training	-	138	4,100	4,100
Maintenance & Repair	-	775	1,200	1,200
Utilities	-	1,026	780	1,180
Contractual Services	-	1,117	1,514	1,514
Supplies	-	1,119	5,695	5,302
Equipment	-	375	-	-
Internal Service	-	944	1,322	718
Total	\$ -	\$ 127,522	\$ 167,398	\$ 174,138



**Activities/Results**

**Performance Measures**

	FY15-16 Actual	FY16-17 Actual	FY17-18 Estimate	FY18-19 Target
Continue to serve as staff liaison to the Planning & Zoning Commission, Zoning Board of Adjustment, and Building Board of Appeals.	16	16	18	18
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.	33	32	36	32
Prepare Commission and Board meeting minutes and post approved meeting minutes.	22	24	26	24

**Quality**

	FY15-16 Actual	FY16-17 Actual	FY17-18 Estimate	FY18-19 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 engineering review of various project's Traffic and Parking Reports	2	2	2	1
Administer contracts for plan review and inspection consulting services.	1	2	3	2

**Productivity**

	FY15-16 Actual	FY16-17 Actual	FY17-18 Estimate	FY18-19 Target
Average processing cost per plan review	N/A	\$326.98	\$478.28	\$465.04



FY18-19 Proposed Budget  
Summary of Expenditures  
Development Services Division

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
<b>General Fund</b>				
Salaries-Full Time	\$ -	\$ 100,946	\$ 125,153	\$ 131,409
Medicare	-	1,469	1,816	1,907
Workers Compensation	-	1,393	1,326	1,460
Unemployment Insurance	-	82	82	37
Group Health Insurance	-	6,038	8,682	8,688
Group Dental Insurance	-	446	639	647
Group Vision Insurance	-	58	112	117
Disability Insurance	-	293	530	556
Retirement	-	11,104	13,767	14,455
Life Insurance	-	75	126	129
Bonus	-	81	60	75
Dues, Subscript & Publicat	-	42	494	644
Meetings & Training	-	138	4,100	4,100
Office Equip Maint/Repair	-	775	1,200	1,200
Telecommunications	-	1,026	780	1,180
Rentals & Leases	-	708	1,214	1,214
Printing Expense	-	409	300	300
Office Supplies	-	1,101	5,395	5,000
Uniforms	-	18	300	300
Postage & Delivery	-	-	-	2
Hardware/Peripherals	-	44	-	-
Furniture/Appliances	-	196	-	-
Equipment	-	136	-	-
ISF-Copier Charges	-	490	475	320
ISF-Mail Service Charges	-	21	-	-
ISF-Vehicle Replacement Charges	-	-	325	295
ISF-Motor Pool Charges	-	88	153	103
ISF-Telecom Charges	-	345	369	-
<b>Total Development Services</b>	<b>\$ -</b>	<b>\$ 127,522</b>	<b>\$ 167,398</b>	<b>\$ 174,138</b>



**Building Safety Division**

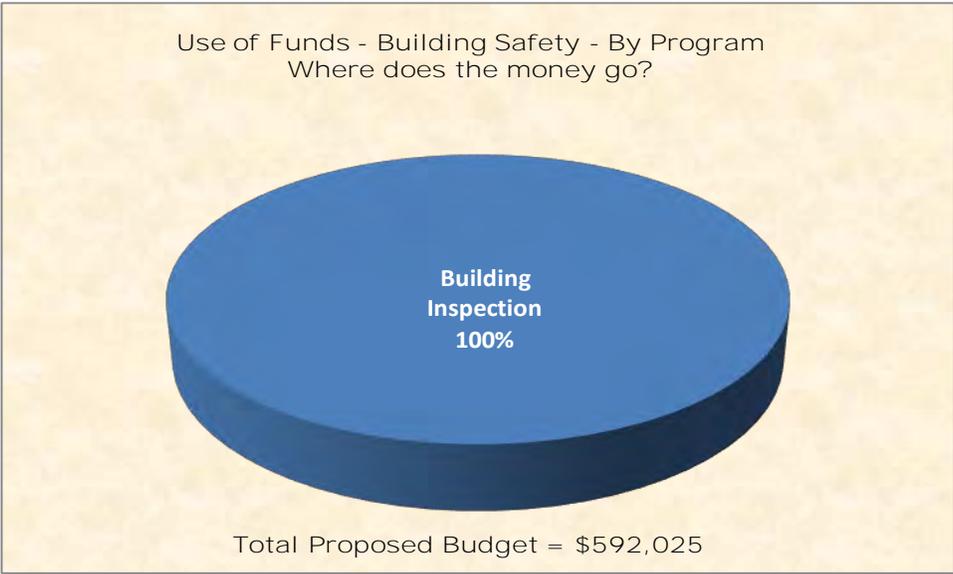
**Service Delivery Plan**

The Building Safety Division is dedicated to processing applications for permits to construct homes, commercial buildings, fences, swimming pools and other structures in a manner that is responsive and customer friendly. The Division coordinates the review of plans for the structures it permits and conducts construction inspections.

Program Name	Expenditures by Program			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Building Inspection	\$ 117,162	\$ 204,675	\$ 1,245,056	\$ 592,025
Permitting	114,554	-	-	-
Total	\$ 231,716	\$ 204,675	\$ 1,245,056	\$ 592,025

**Variance Explanations:**

Building Inspection: Amounts were lowered for third-party inspections and plan reviews.

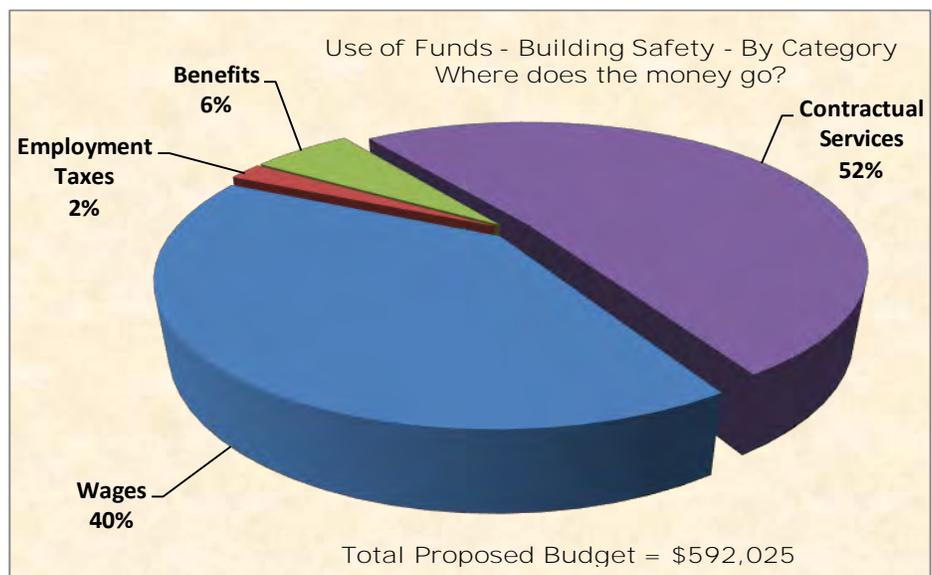


Category	Expenditures by Category			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Wages	\$ 127,435	\$ 110,405	\$ 179,348	\$ 236,577
Employment Taxes	4,213	3,007	6,918	11,486
Benefits	31,255	20,004	35,104	35,691
Dues & Memberships	487	317	620	530
Meetings and Training	1,109	74	2,420	2,310
Maintenance and Repair	4,776	263	760	892
Utilities	1,067	1,317	1,000	1,000
Contractual Services	56,381	60,613	1,012,900	298,500
Supplies	464	953	1,050	1,271
Equipment	-	1,144	150	200
Internal Service	4,529	6,578	4,786	3,568
<b>Total</b>	<b>\$ 231,716</b>	<b>\$ 204,675</b>	<b>\$ 1,245,056</b>	<b>\$ 592,025</b>

**Variance Explanations:**

**Wages:** A budget supplement for a contracted part-time building inspector position was added.

**Contractual Services:** Amounts were lowered for third-party inspections and plan reviews.



## Activities/Results

### Performance Measures

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Percentage of all residential building plan reviews completed within established turn-around times	100%	97%	97%	100%
Percentage of all commercial building plan reviews completed within established turn-around times	100%	100%	100%	100%

### Quality

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Number of building plan reviews conducted (multiple reviews possible)	459	456	600	700
Number of residential plan reviews conducted (multiple reviews possible)	142	167	700	60
Number of commercial plan reviews conducted (multiple reviews possible)	15	18	30	10
Number of building inspectors FTE's	1	1*	1*	1.725*
Total number of permits issued	410	509	500	550
Total number of inspections (all inspections)	2,112	2,672	3,000	5,500

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

### Productivity

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Average expenditure per inspection during the reporting period (includes all inspections)	\$109.71	\$76.60	\$98.35	\$124.61
Average Cost per permit	\$565.16	\$402.11	\$509.11	\$747.63



FY18-19 Proposed Budget  
Summary of Expenditures  
Building Safety

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
General Fund				
Salaries-Full Time	\$ 127,435	\$ 110,405	\$ 137,774	\$ 144,655
Salaries-Part Time	-	-	41,574	91,922
FICA	-	-	2,578	5,698
Overtime	-	-	-	-
Medicare	1,762	1,597	2,617	3,447
Workers Compensation	2,283	1,247	1,503	2,216
Unemployment Insurance	168	164	220	125
Group Health Insurance	14,933	6,631	16,656	16,667
Group Dental Insurance	1,163	715	1,291	1,052
Group Vision Insurance	168	92	221	156
Disability Insurance	520	391	582	612
Retirement	14,018	11,993	15,155	15,912
Life Insurance	453	100	139	142
Bonus	-	81	160	250
Allowance/Stipend	-	-	900	900
Licenses/Filing Fees	60	101	-	-
Dues, Subscript & Publicat	427	215	620	530
Meetings & Training	1,109	74	2,420	2,310
Equipment Maint/Repair	-	-	200	200
Vehicle Maint/Repair	4,776	263	560	692
Telecommunications	775	799	-	-
Gas & Oil	292	518	1,000	1,000
Printing Expense	-	160	400	1,000
Advertising/Signage	-	22	-	-
Contractual Services	53,980	56,090	60,000	60,000
Bank/Merc Acct Fees	2,401	4,342	2,500	2,500
Third Party Fees	-	-	950,000	235,000
Office Supplies	269	697	550	550
Safety Supplies	42	-	-	-
Operating Supplies	-	-	-	-
Uniforms	154	257	500	700
Small Tools	-	-	-	21
Hardware/Peripherals	-	1,144	150	200
ISF-Copier Charges	330	138	160	150
ISF-Mail Service Charges	32	28	38	-
ISF-Vehicle Replacement Charge	2,753	5,480	3,366	3,287
ISF-Motor Pool Charges	295	15	240	131
ISF-Telecom Charges	1,118	916	982	-
Total Building Safety	<u>\$ 231,716</u>	<u>\$ 204,675</u>	<u>\$ 1,245,056</u>	<u>\$ 592,025</u>

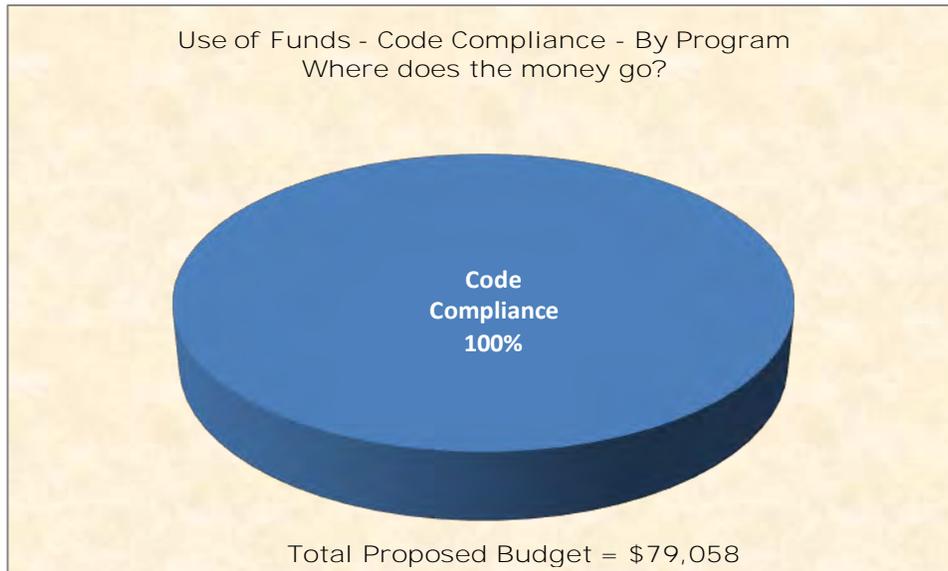


**Code Compliance Division**

**Service Delivery Plan**

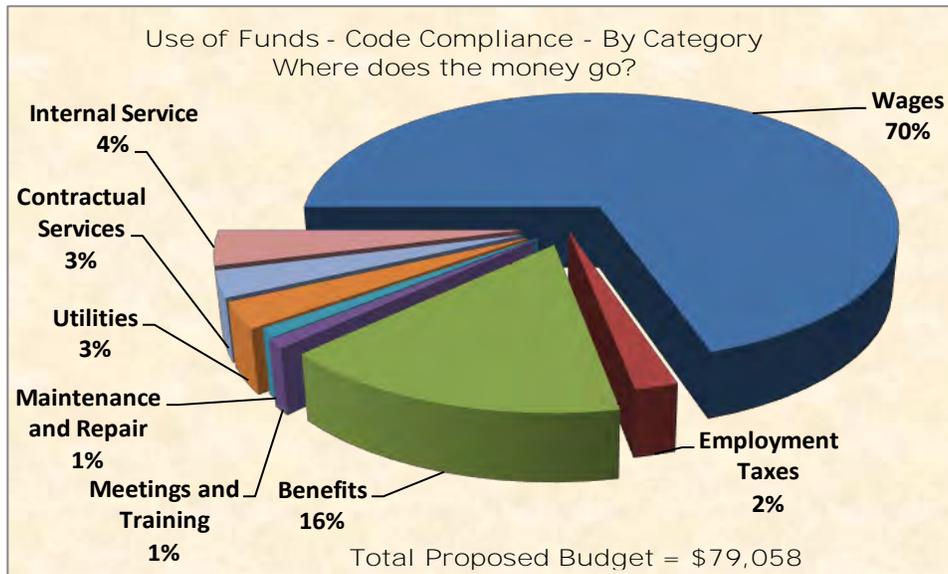
The Code Compliance Division is actively involved in maintaining an excellent quality of life by addressing community issues such as abandoned vehicles, property maintenance, improperly maintained pools, illegal signs, improper parking on private property, and dumping or other destruction in Town-owned 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			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Code Compliance	\$ 101,141	\$ 71,768	\$ 75,964	\$ 79,058
Total	\$ 101,141	\$ 71,768	\$ 75,964	\$ 79,058



Category	Expenditures by Category			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Wages	\$ 71,859	\$ 51,222	\$ 52,490	\$ 55,115
Employment Taxes	2,968	1,676	1,473	1,544
Benefits	19,033	12,006	12,427	12,754
Dues & Memberships	-	14	150	150
Meetings and Training	-	138	900	900
Maintenance and Repair	2,208	-	560	560
Utilities	1,193	1,538	1,780	1,780
Contractual Services	-	-	2,600	2,700
Supplies	235	173	130	320
Equipment	126	-	-	-
Internal Service	3,519	5,001	3,454	3,235
Total	\$ 101,141	\$ 71,768	\$ 75,964	\$ 79,058





## Activities/Results

### Performance Measures

	FY15-16 Actual	FY16-17 Actual	FY17-18 Estimate	FY18-19 Target
Percentage of code violations brought into voluntary compliance prior to initiation of administrative or judicial action	99%	99%	98%	99%

### Quality

	FY15-16 Actual	FY16-17 Actual	FY17-18 Estimate	FY18-19 Target
Number of Code Enforcement Officers	1	1	1	1
Number of code violation cases **	713	669	725	600
Number of code violation cases reviewed in court proceedings (criminal and civil)	2	7	9	7

\*\*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

	FY15-16 Actual	FY16-17 Actual	FY17-18 Estimate	FY18-19 Target
Average cost per code violation case	\$141.85	\$107.28	\$104.87	\$136.21

FY18-19 Proposed Budget  
Summary of Expenditures  
Code Compliance

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
<b>General Fund</b>				
Salaries-Full Time	\$ 71,859	\$ 51,222	\$ 52,490	\$ 55,115
Medicare	1,039	732	762	800
Workers Compensation	1,836	889	656	719
Unemployment Insurance	94	55	55	25
Group Health Insurance	9,975	5,576	5,788	5,792
Group Dental Insurance	556	412	426	431
Group Vision Insurance	81	82	124	131
Disability Insurance	277	208	222	233
Retirement	7,904	5,635	5,774	6,063
Life Insurance	240	54	53	54
Bonus	-	40	40	50
Licenses/Filing Fees	-	14	100	100
Dues, Subscript & Publicat	-	-	50	50
Meetings & Training	-	138	900	900
Vehicle Maint/Repair	2,207	-	560	560
Telecommunications	775	886	780	780
Gas & Oil	418	652	1,000	1,000
Printing Expense	-	-	100	200
Contractual Services	-	-	2,500	2,500
Office Supplies	21	173	-	-
Operating Supplies	-	-	-	-
Uniforms	213	-	130	130
Postage	-	-	-	190
Small Tools	126	-	-	-
ISF-Copier Charges	47	2	25	10
ISF-Mail Service Charges	25	26	22	-
ISF-Vehicle Replacement Charge	3,000	4,743	3,162	3,225
ISF-Telecom Charges	448	229	245	-
<b>Total Code Compliance</b>	<b>\$ 101,141</b>	<b>\$ 71,768</b>	<b>\$ 75,964</b>	<b>\$ 79,058</b>

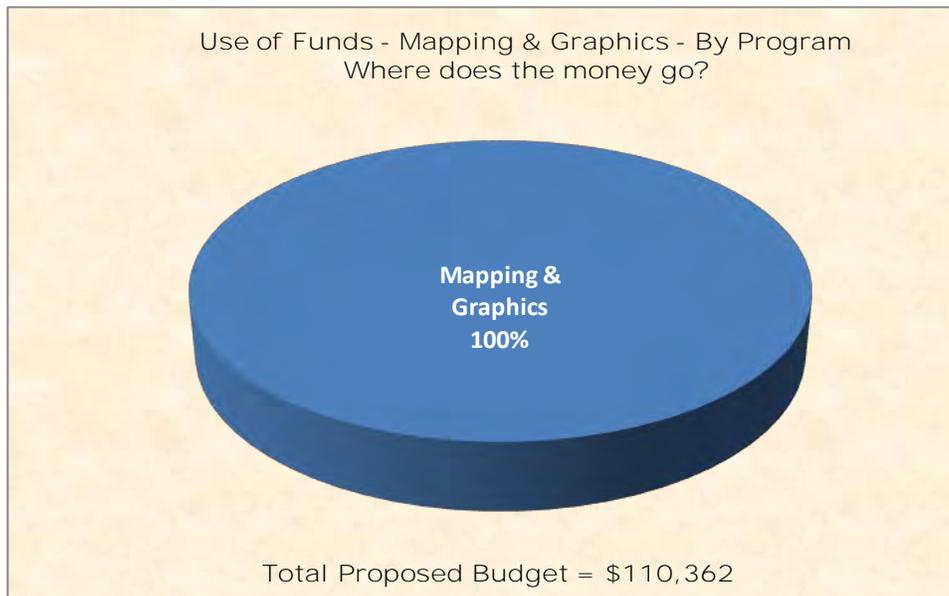


**Mapping & Graphics Division**

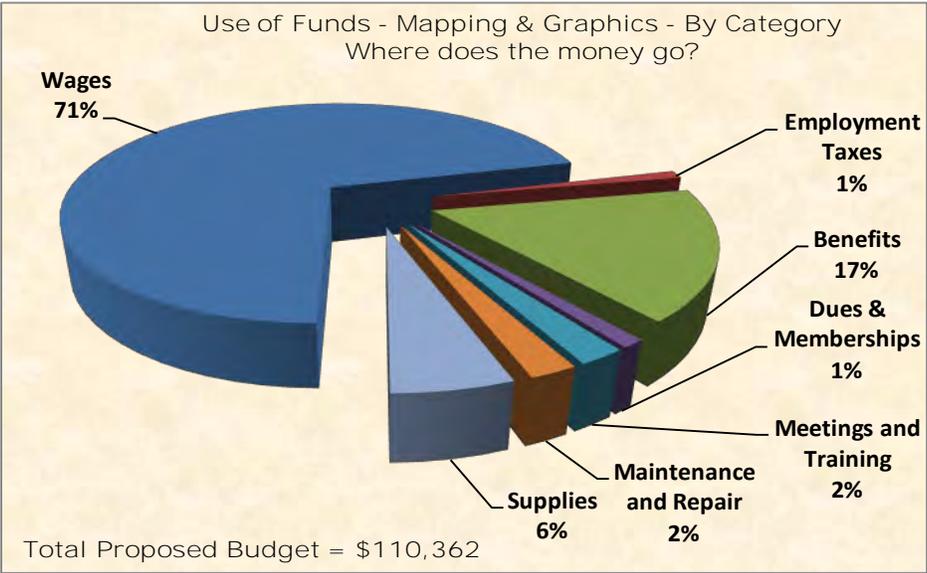
**Service Delivery Plan**

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, graphic information, and research.

Program Name	Expenditures by Program			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Mapping & Graphics	\$ 69,801	\$ 99,727	\$ 104,868	\$ 110,362
Total	\$ 69,801	\$ 99,727	\$ 104,868	\$ 110,362



Category	Expenditures by Category			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Wages	\$ 46,915	\$ 67,891	\$ 69,588	\$ 73,077
Employment Taxes	1,006	1,170	1,184	1,216
Benefits	12,843	16,384	17,239	17,667
Dues & Memberships	1,064	1,569	1,000	1,000
Meetings and Training	85	-	2,000	2,000
Maintenance and Repair	-	-	2,500	2,500
Contractual Services	3,937	4,568	7,200	7,200
Supplies	3,429	3,342	3,600	5,400
Equipment	27	4,338	-	-
Internal Service	495	465	557	302
<b>Total</b>	<b>\$ 69,801</b>	<b>\$ 99,727</b>	<b>\$ 104,868</b>	<b>\$ 110,362</b>



## Activities/Results

### Performance Measures

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Work order survey satisfaction rating	95%	95%	95%	95%

### Quality

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Number of internal customer requests processed	250	250	250	250
Number of aerial site plans completed	75	100	100	100
Number of external customer requests processed	75	100	100	100
GIS database maintenance in hours	80	80	80	80

FY18-19 Proposed Budget  
Summary of Expenditures  
Mapping & Graphics

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
<b>General Fund</b>				
Salaries-Full Time	\$ 46,915	\$ 67,891	\$ 69,588	\$ 73,077
Overtime	-	-	-	-
Medicare	673	954	1,010	1,060
Workers Compensation	279	162	119	131
Unemployment Insurance	54	54	55	25
Group Health Insurance	6,886	8,064	8,445	8,450
Group Dental Insurance	426	412	660	668
Group Vision Insurance	44	54	75	78
Disability Insurance	175	276	294	310
Retirement	5,160	7,468	7,655	8,039
Life Insurance	151	70	70	72
Bonus	-	41	40	50
Dues, Subscript & Publicat	-	569	1,000	1,000
Licenses/Filing Fees	1,064	1,000	-	-
Meetings & Training	85	-	2,000	2,000
Equipment Maint/Repair	-	-	2,500	2,500
Professional Fees	3,937	4,537	7,000	7,000
Printing Expense	-	-	100	100
Bank/Merc Acct Fees	-	30	100	100
Office Supplies	3,429	3,342	3,500	5,300
Uniforms	-	-	100	100
Hardware/Peripherals	27	4,338	-	-
ISF-Copier Charges	199	188	150	150
ISF-Vehicle Replacement Charges	-	-	110	113
ISF-Motor Pool Charges	74	47	52	39
ISF-Telecom Charges	223	230	245	-
<b>Total Mapping &amp; Graphics</b>	<b>\$ 69,801</b>	<b>\$ 99,727</b>	<b>\$ 104,868</b>	<b>\$ 110,362</b>

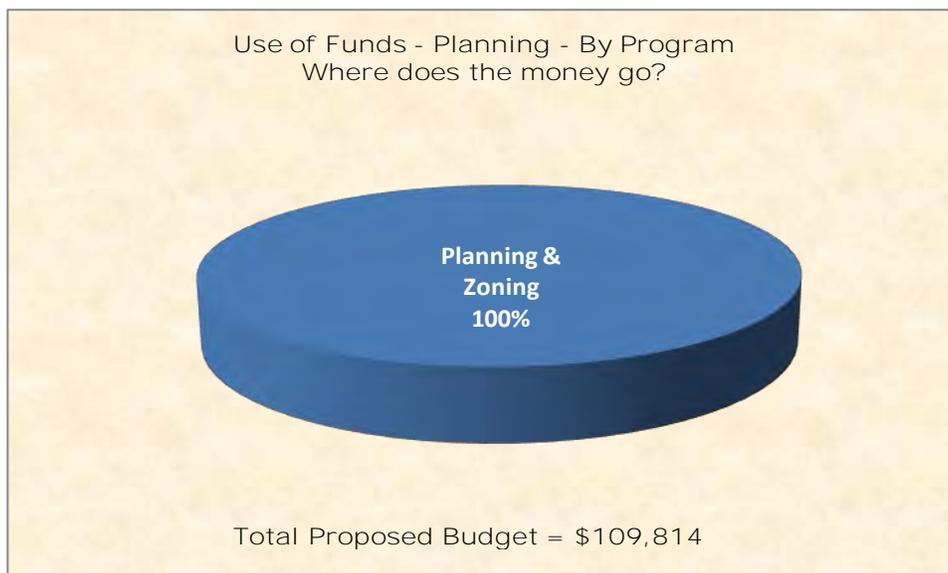


**Planning & Zoning Division**

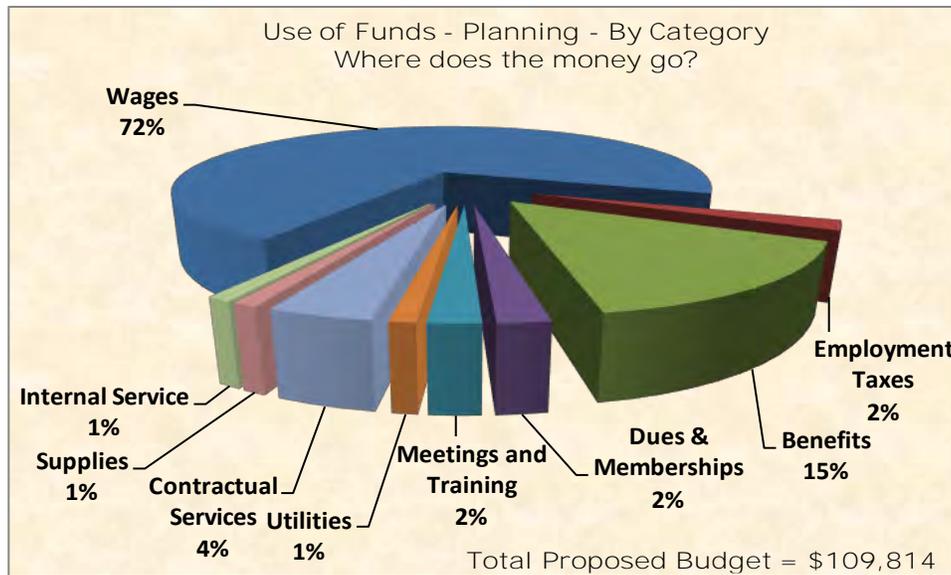
**Service Delivery Plan**

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			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Current Planning	104,017	-	\$ -	\$ -
Environmental Service	28,742	-	-	-
Long Range Planning	29,164	81,569	-	-
Planning & Zoning	-	-	105,554	109,814
<b>Total</b>	<b>\$ 161,923</b>	<b>\$ 81,569</b>	<b>\$ 105,554</b>	<b>\$ 109,814</b>



Category	Expenditures by Category			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Wages	\$ 113,562	\$ 59,949	\$ 75,850	\$ 79,643
Employment Taxes	4,265	2,005	2,097	2,191
Benefits	26,860	12,031	15,970	16,427
Dues & Memberships	10,189	1,535	1,754	1,754
Meetings and Training	1,527	138	1,200	2,400
Utilities	935	450	-	900
Contractual Services	1,535	2,349	6,150	4,150
Supplies	1,425	231	1,100	1,302
Equipment	-	1,761	100	100
Internal Service	1,625	1,120	1,333	947
<b>Total</b>	<b>\$ 161,923</b>	<b>\$ 81,569</b>	<b>\$ 105,554</b>	<b>\$ 109,814</b>



**Activities/Results**

**Performance Measures**

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Percentage of first reviews of plans completed within the established Department turnaround time	100%	100%	100%	100%

**Quality**

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Number of Administrative Use Permits	15	24	24	30
Number of ordinance/code changes processed	4	8	8	11
Number of zoning cases	8	27	27	30
Number of Site Plans reviewed	12	6	6	6
Number of Building Permits Reviewed	464	527	527	532



FY18-19 Proposed Budget  
Summary of Expenditures  
Planning & Zoning

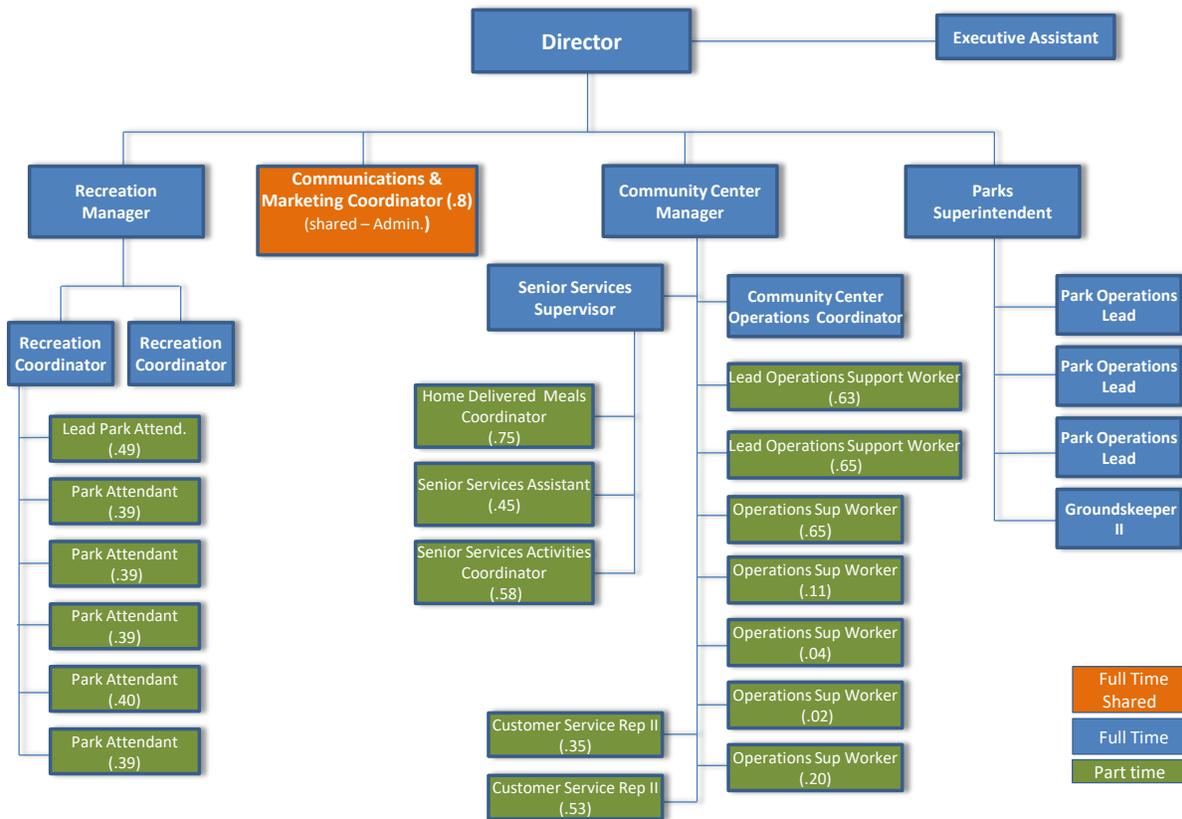
Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
General Fund				
Salaries-Full Time	\$ 113,561	\$ 59,949	\$ 75,850	\$ 79,643
Overtime	-	-	-	-
Medicare	1,634	871	1,114	1,169
Workers Compensation	2,493	1,053	928	997
Unemployment Insurance	138	81	55	25
Group Health Insurance	12,752	4,665	5,788	5,792
Group Dental Insurance	726	343	426	431
Group Vision Insurance	102	45	75	78
Disability Insurance	425	274	321	337
Retirement	12,492	6,594	8,344	8,761
Life Insurance	363	69	76	78
Bonus	-	41	40	50
Allowance/Stipend	-	-	900	900
Licenses/Filing Fees	9,401	587	1,250	1,250
Dues, Subscript & Publicat	788	947	504	504
Meetings & Training	1,527	138	1,200	2,400
Telecommunications	935	450	-	900
Printing Expense	72	78	350	350
Advertising/Signage	1,036	1,735	5,000	3,000
Bank/Merc Acct Fees	427	536	800	800
Office Supplies	412	186	900	900
Food & Beverage Supplies	10	-	-	-
Program Materials	964	-	-	-
Uniforms	39	45	200	200
Postage & Delivery	-	-	-	202
Small Tools	-	-	100	100
Equipment	-	1,761	-	-
ISF-Copier Charges	732	621	450	500
ISF-Mail Service Charges	180	140	148	-
ISF-Vehicle Replacement Charge	-	-	333	331
ISF-Motor Pool Charges	155	130	157	116
ISF-Telecom Charges	559	230	245	-
<b>Total Planning</b>	<b>\$ 161,923</b>	<b>\$ 81,569</b>	<b>\$ 105,554</b>	<b>\$ 109,814</b>



# 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.

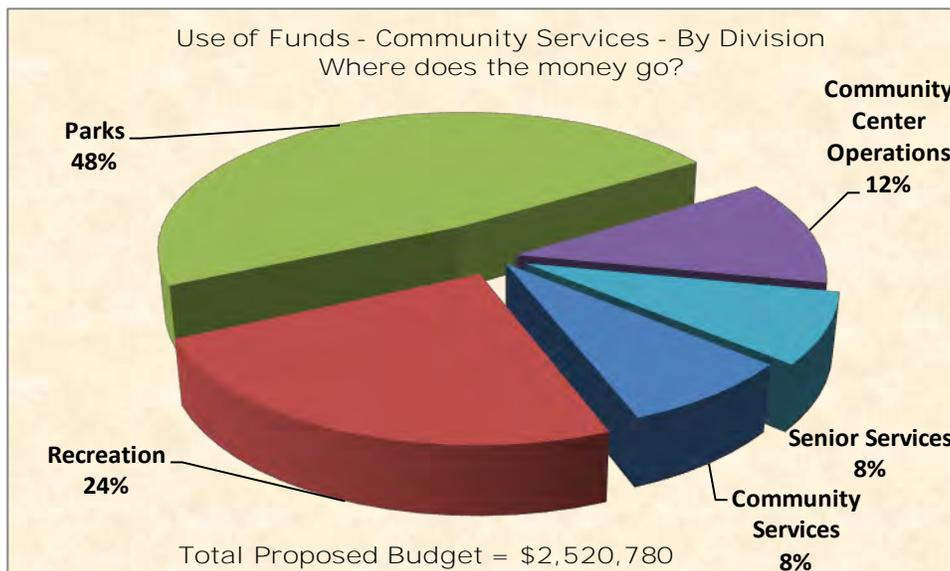
**Department Overview**

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			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Community Services	\$ -	\$ 236,916	\$ 210,345	\$ 194,177
Recreation	588,270	447,385	569,413	617,498
Parks	1,113,143	1,169,341	1,143,894	1,218,032
Community Center Operations	215,173	216,560	242,784	293,198
Senior Services	203,480	202,898	225,677	197,875
Total	\$ 2,120,066	\$ 2,273,100	\$ 2,392,113	\$ 2,520,780

**Variance Explanations:**

Community Center Operations: Increased amounts reflect changes in the Pay Plan ranges and position title changes.



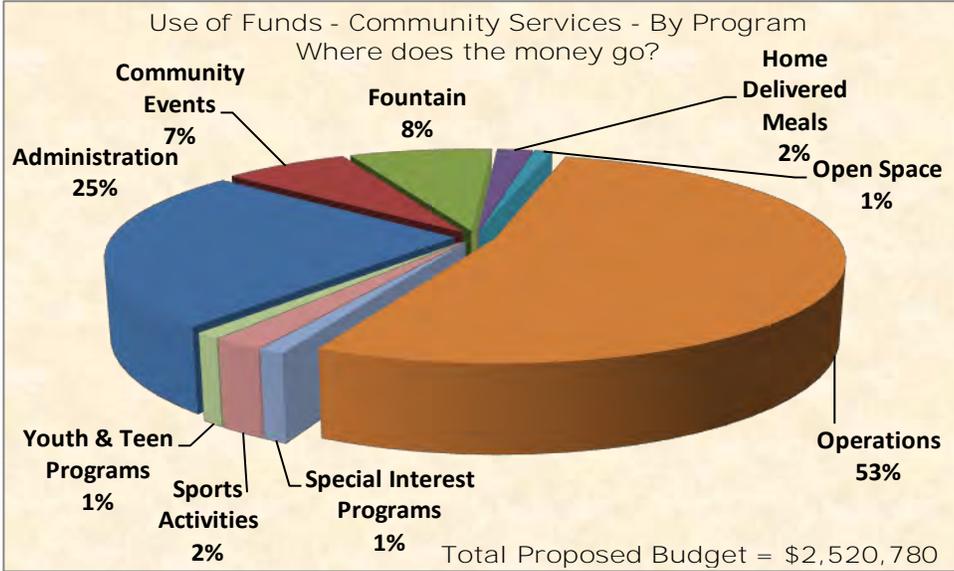
Program Name	Expenditures by Program			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Administration	\$ 409,496	\$ 771,273	\$ 621,313	\$ 628,247
Amenities	328,783	-	-	-
Art & Culture	36,372	-	-	-
Boards & Commissions	46,357	-	-	-
Community Events	109,497	92,687	161,778	180,478
Event Planning	54,562	-	-	-
Field Prep/Maintenance	171,163	-	-	-
Fountain	195,730	232,123	177,755	205,335
Home Delivered Meals	51,965	48,935	61,637	61,570
Landscape Maintenance	183,682	-	-	-
Open Space	26,436	48,696	25,158	37,158
Operations	109,780	925,052	1,263,024	1,309,886
Senior Membership	98,185	66,741	-	-
Social/Community Services	71,657	-	-	-
Special Events	25,737	-	-	-
Special Interest Programs	32,806	17,025	15,847	15,821
Sports Activities	85,511	48,863	42,136	52,370
Youth & Teen Programs	82,347	21,705	23,465	29,915
Total	\$ 2,120,066	\$ 2,273,100	\$ 2,392,113	\$ 2,520,780

**Variance Explanations:**

Open Space: Last fiscal year amounts included one-time budget supplements for the opening of the Adero Canyon trailhead.

Sports Activities: Budgeted amounts were adjusted to better reflect actual expenses.



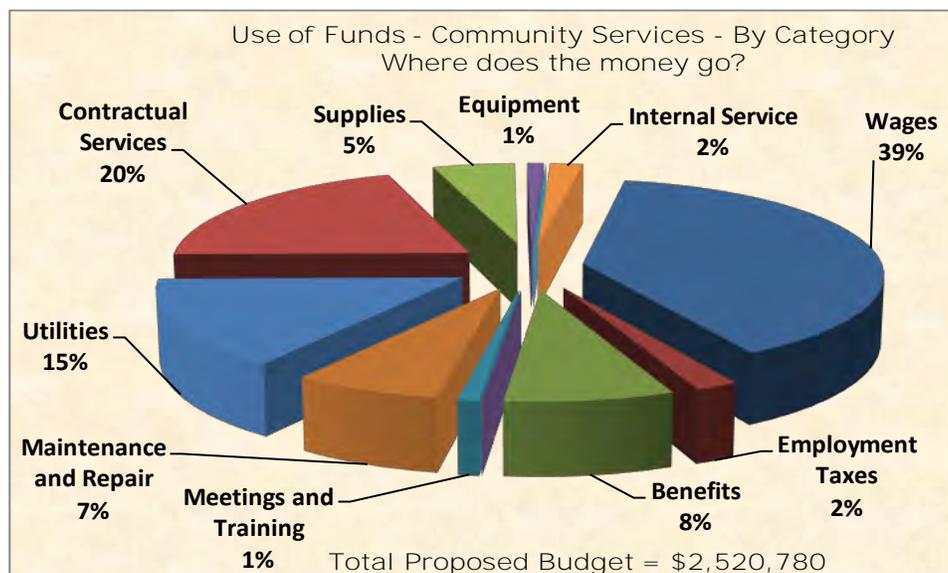


Category	Expenditures by Category			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Wages	\$ 857,996	\$ 876,851	\$ 923,441	\$ 970,566
Employment Taxes	48,395	40,892	39,989	43,436
Benefits	186,616	159,107	180,568	190,341
Dues & Memberships	4,284	6,284	6,014	6,149
Meetings and Training	7,179	10,615	15,750	17,790
Maintenance and Repair	155,096	287,731	194,602	180,672
Utilities	325,711	347,760	348,059	405,590
Contractual Services	350,553	365,594	444,418	495,175
Supplies	79,300	83,829	118,861	119,517
Equipment	9,580	46,996	43,020	24,500
Damages/Vandalism	3,863	132	2,100	2,100
Internal Service	41,489	47,309	50,291	39,944
Contingency	-	-	25,000	25,000
Capital Expenditures	50,004	-	-	-
<b>Total</b>	<b>\$ 2,120,066</b>	<b>\$ 2,273,100</b>	<b>\$ 2,392,113</b>	<b>\$ 2,520,780</b>

**Variance Explanations:**

**Equipment:** FY17-18 included the purchase of specialty equipment for the landscape maintenance for Golden Eagle Park.

**Internal Service:** Some of these expenses were moved into General Government for more efficient managing and for accounting purposes.



**FY17-18 Department Accomplishments**

Initiative	Strategic Value
Conducted 1 <sup>st</sup> annual summer camp	Goal #3, Objective #2e
Won 2 AZ Parks and Recreation Association awards and 6 Tourism awards	Goal #1, Objective #3a
2 Grants were awarded to Tourism	Goal #1, Objective #3
Completed resurfacing of basketball courts at Golden Eagle Park	Goal #2, Objective #1a; Goal #3, Objective #2f
Resurface Splash Pad at Fountain Park	Goal #1, Objective #3; Goal #2, Objective #1a; Goal #3, Objective #2c
Introduced new programs: table tennis, jewelry making, essential oils, and meditation.	Goal #3, Objective #2b; Goal #3, Objective #2c; Goal #5, Objective #1a
Upgraded lights at Tennis Courts at Golden Eagle Park	Goal #2, Objective #1a; Goal #3, Objective #2f
Hosted a number of new special events on the Avenue of the Fountains Plaza and Fountain Park	Goal #1, Objective #3a; Goal #3, Objective #2c
Named Playful City for 7 <sup>th</sup> consecutive year	Goal #3 Objective #2c; Goal #3, Objective #2f; Goal #5, Objective #1; Goal #5, Objective #1a
Improved water quality of Fountain Lake by installing aerators and water movers. Also installed a controller to regulate Fountain height during windy conditions	Goal #1, Objective #3a; Goal #2, Objective #1a

**FY18-19 Objectives**

Initiative	Strategic Value	Estimated Cost/Funding Source
Complete the Adero Canyon Trailhead	Goal #1, Objective #3a	\$2.3 million – Developmental Fees/CIP
Continue to increase the number of special events	Goal #1, Objective #3a	To be Determined/General Fund
Organize specialty youth camps	Goal #3, Objective #2e	To be Determined/General Fund
Continue to participate in the Youth Coalition	Goal #5, Objective #1a	\$0
Continue to Support Youth Sports Club	Goal #3, Objective #2f	\$0
Expand the use of social media to promote activities and events	Goal #3, Objective #2b	To be Determined/General Fund



FY18-19 Proposed Budget  
Summary of Expenditures  
Community Services Department

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
<b>General Fund</b>				
Salaries-Full Time	\$ 678,024	\$ 694,460	\$ 712,559	\$ 746,187
Salaries-Part Time	178,102	181,248	210,882	224,379
Overtime	1,869	1,144	-	-
FICA	11,184	11,349	12,902	13,730
Medicare	12,192	12,425	13,449	14,214
Workers Compensation	22,660	15,387	12,048	14,795
Unemployment Insurance	2,358	1,731	1,590	697
Group Health Insurance	103,608	76,199	83,993	86,856
Group Dental Insurance	6,438	6,233	6,751	6,831
Group Vision Insurance	987	718	1,074	1,126
Disability Insurance	2,493	2,469	3,013	3,157
Retirement	70,960	71,391	78,384	82,083
Life Insurance	2,130	661	717	733
Bonus	-	1,436	1,236	1,545
Allowance/Stipend	-	-	5,400	8,010
Licenses/Filing Fees	1,695	3,717	1,940	1,940
Dues, Subscript & Publicat	2,589	2,567	4,074	4,209
Meetings & Training	7,179	10,420	14,600	17,215
Boards & Commissions	-	195	1,150	575
Building Maint/Repair	-	1,706	1,300	1,300
HVAC Repair	685	230	1,400	1,400
Plumbing Repair	1,015	3,741	2,650	2,700
Electrical Repair/Maint	8,959	6,269	12,950	5,950
Fire Protection Systems	-	1,221	2,440	2,440
Grounds Maint/Repair	9,770	94,133	21,300	20,600
Irrigation Repair	22,456	22,819	20,400	20,400
Backflow Testing & Maintenance	392	296	2,450	2,450
Drainage Maint/Repair	1,900	-	-	-
Equipment Maint/Repair	44,872	94,393	22,090	31,790
Vehicle Maint/Repair	5,484	5,013	11,010	11,010
Office Equip Maint/ Repair	3,911	3,728	7,504	6,324
Other Maint/Repair	20,138	22,674	31,600	37,800
Art Maint/Repair/Install	5,284	-	-	-
Striping	754	379	2,380	2,380
Sidewalk/Pathway Repair	10,582	7,525	1,600	6,575
Sign Repair & Replacement	3,472	5,544	10,825	9,850
Painting	4,009	6,443	1,803	1,803
Lighting Repair	11,412	11,616	40,900	15,900
Electricity Expense	218,791	228,488	227,976	262,940
Refuse/Recycling	5,553	5,259	6,380	6,380
Telecommunications	9,029	10,867	6,467	9,942
Water/Sewer	81,801	92,543	92,424	111,516
Gas & Oil	10,537	10,604	14,812	14,812
Professional Fees	35,320	30,453	35,252	33,088
Instructor Fees	33,789	50,215	36,480	50,340
Rentals & Leases	29,721	29,253	55,001	60,221
Printing Expense	2,188	2,257	7,705	5,205



FY18-19 Proposed Budget  
Summary of Expenditures  
Community Services Department

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
General Fund-continued				
Advertising/Signage	\$ 2,637	\$ 2,691	\$ 3,250	\$ 3,250
Contractual Services	37,498	45,269	52,074	54,924
Constituent Communication	25,259	28,822	32,990	33,990
Bank/Merc Acct Fees	5,256	5,815	8,345	6,704
Community Contracts/Events	74,547	57,184	67,500	97,500
Landscape Contracts	96,162	104,875	134,294	138,427
ActiveNet Fees	8,178	8,760	11,526	11,526
Office Supplies	3,110	3,320	3,700	3,700
Cleaning/Janitorial Supplies	12,636	12,563	14,779	13,279
Safety Supplies	164	415	1,100	1,100
Operating Supplies	27,835	27,615	64,528	63,728
Food & Beverage Supplies	2,492	3,719	2,520	3,120
Program Materials	30,462	32,510	28,505	30,610
Uniforms	2,597	3,663	3,729	3,729
Postage & Delivery	4	24	-	251
Small Tools	3,686	3,635	8,900	4,500
Software	-	212	-	-
Hardware/Peripherals	1,717	847	2,000	-
Furniture/Appliances	726	15,212	16,500	15,000
Equipment	3,451	6,999	15,620	5,000
Park Improvements Exp	-	20,091	-	-
Damages/Vandalism	3,863	132	2,100	2,100
ISF-Copier Charges???	5,032	3,107	4,155	875
ISF-Mail Service Charges	325	238	299	-
ISF-Vehicle Replacement Charge	29,691	37,565	38,233	38,948
ISF-Motor Pool Charges	217	4	191	121
ISF-Telecom Charges	6,225	6,394	7,414	-
Contingency	50,004	-	25,000	25,000
Park Improvements	-	-	-	-
<b>Total Community Services</b>	<b>\$ 2,120,066</b>	<b>\$ 2,273,100</b>	<b>\$ 2,392,113</b>	<b>\$ 2,520,780</b>

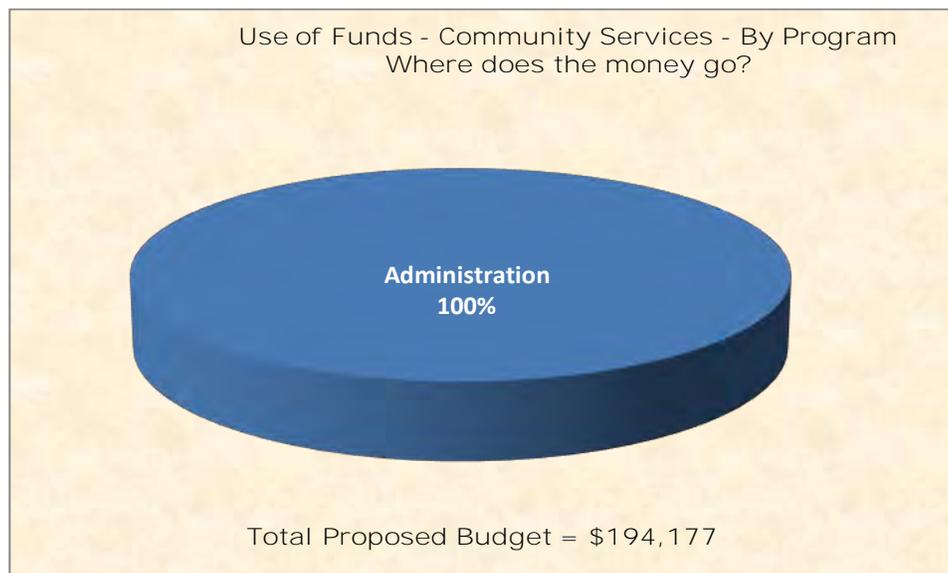


**Community Services Division**

**Service Delivery Plan**

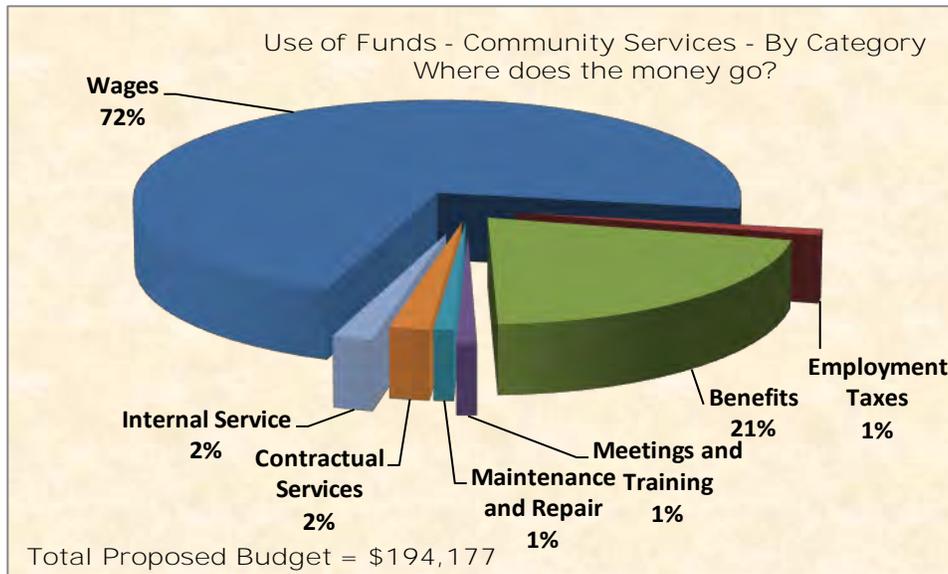
The Community Services Division, through its administrative services, provides direction to and clerical support for the Department by the Community Services Director and Executive Assistant.

Program Name	Expenditures by Program			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Administration	\$ -	\$ 236,916	\$ 210,345	\$ 194,177
Total	\$ -	\$ 236,916	\$ 210,345	\$ 194,177



Category	Expenditures by Category			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Wages	\$ -	\$ 186,018	\$ 157,891	\$ 139,774
Employment Taxes	-	3,115	2,672	2,337
Benefits	-	33,245	36,442	39,626
Dues & Memberships	-	398	-	-
Meetings and Training	-	532	2,150	2,150
Maintenance and Repair	-	2,282	6,000	2,720
Utilities	-	973	1,380	600
Contractual Services	-	3,347	-	3,600
Supplies	-	767	450	452
Internal Service	-	6,239	3,360	2,918
Total	\$ -	\$ 236,916	\$ 210,345	\$ 194,177





## Activities/Results

### Performance Measures

	FY15-16 Actual	FY16-17 Actual	FY17-18 Estimate	FY18-19 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	2	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

	FY15-16 Actual	FY16-17 Actual	FY17-18 Estimate	FY18-19 Target
Continue to provide support for various improvements to the parks.	Yes	Yes	Yes	Yes
Administer contracts for various capital projects	1	2	2	3

### Productivity

	FY15-16 Actual	FY16-17 Actual	FY17-18 Estimate	FY18-19 Target
Monitor number of trail users	N/A	13,500 +	15,000+	20,000+



FY18-19 Proposed Budget  
Summary of Expenditures  
Community Services Division

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
General Fund				
Salaries-Full Time	\$ -	\$ 186,018	\$ 157,891	\$ 139,774
Medicare	-	2,581	2,291	2,040
Workers Compensation	-	425	271	250
Unemployment Insurance	-	109	110	47
Group Health Insurance	-	15,039	16,656	20,662
Group Dental Insurance	-	1,195	1,291	1,662
Group Vision Insurance	-	140	221	293
Disability Insurance	-	539	667	591
Retirement	-	15,811	17,368	15,375
Life Insurance	-	139	159	138
Bonus	-	381	80	95
Allowance/Stipend	-	-	-	810
Licenses/Filing Fees	-	356	-	-
Dues, Subscript & Publicat	-	42	-	-
Meetings & Training	-	337	1,000	1,575
Boards & Commissions	-	195	1,150	575
Vehicle Maint/Repair	-	85	500	500
Office Equip Maint/Repair	-	2,197	5,500	2,220
Telecommunications	-	778	780	-
Gas & Oil	-	195	600	600
Rentals & Leases	-	3,293	-	3,600
Printing Expense	-	54	-	-
Office Supplies	-	702	450	450
Cleaning/Janitorial Supplies	-	8	-	-
Operating Supplies	-	58	-	-
Postage	-	-	-	2
ISF-Copier Charges	-	6	10	5
ISF-Mail Service Charges	-	19	2	-
ISF-Vehicle Replacement Charge	-	5,757	2,856	2,913
ISF-Telecom Charges	-	457	492	-
<b>Total Community Services</b>	<b>\$ -</b>	<b>\$ 236,916</b>	<b>\$ 210,345</b>	<b>\$ 194,177</b>



**Community Center Division**

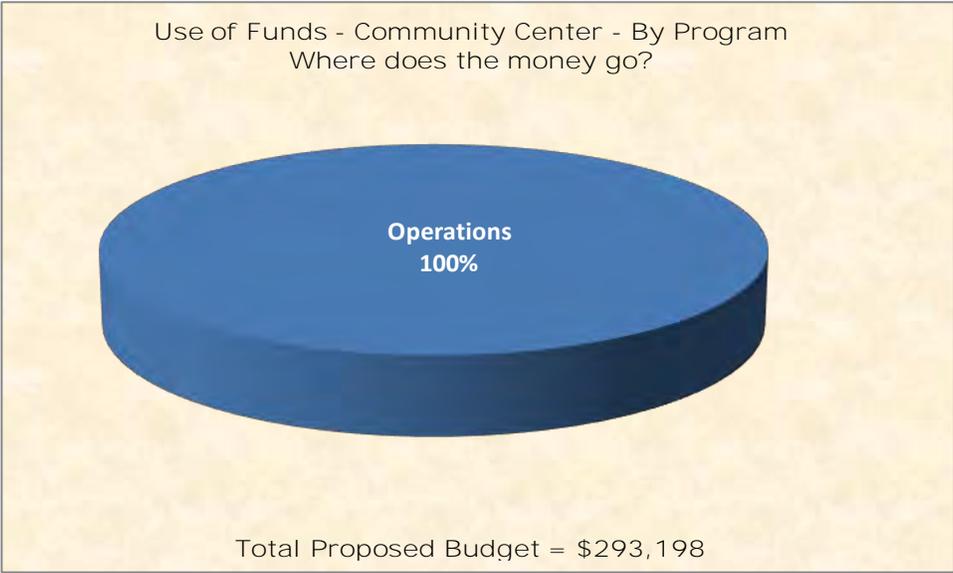
**Service Delivery Plan**

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			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Administration	\$ 50,831	\$ 95,287	\$ -	\$ -
Event Planning	54,562	-	-	-
Operations	109,780	121,273	242,784	293,198
<b>Total</b>	<b>\$ 215,173</b>	<b>\$ 216,560</b>	<b>\$ 242,784</b>	<b>\$ 293,198</b>

**Variance Explanations:**

Operations: Increased amounts reflect changes in the Pay Plan ranges and position title changes.

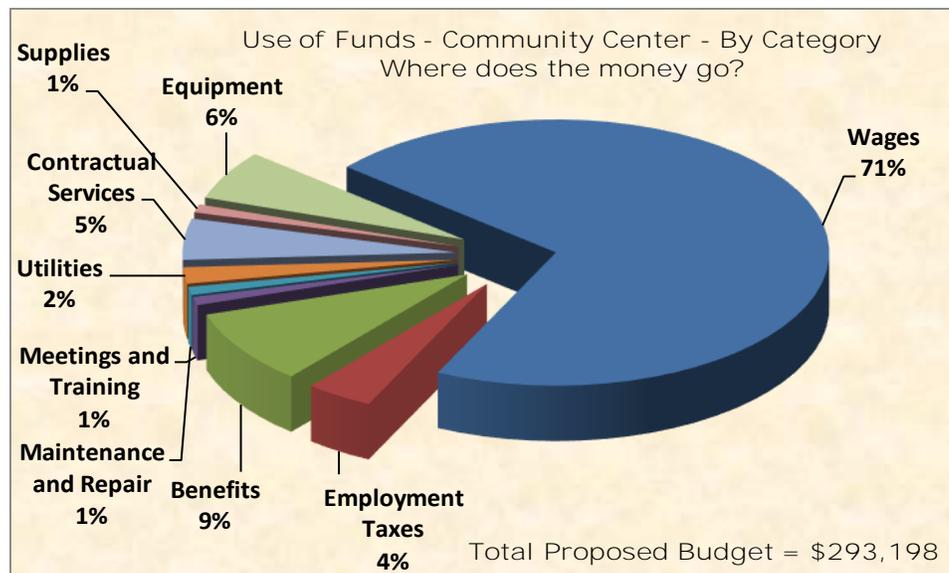


Category	Expenditures by Category			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Wages	\$ 155,700	\$ 151,895	\$ 159,993	\$ 208,868
Employment Taxes	10,233	9,580	8,734	11,726
Benefits	29,355	22,073	23,396	26,725
Dues & Memberships	779	853	1,092	1,092
Meetings and Training	-	-	2,000	2,000
Maintenance and Repair	1,868	1,531	2,004	2,004
Utilities	1,469	1,083	1,140	6,108
Contractual Services	7,515	8,155	18,654	12,133
Supplies	3,085	3,438	3,650	3,650
Equipment	2,576	15,522	18,800	18,800
Internal Service	2,593	2,430	3,321	92
Total	\$ 215,173	\$ 216,560	\$ 242,784	\$ 293,198

**Variance Explanations:**

**Wages:** Increased amounts reflect changes in the Pay Plan ranges and position title changes.

**Contractual Services:** Last fiscal year included a budget supplement for the evaluation of the sound system.



**Activities/Results**

**Performance Measures**

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
To attain a high overall satisfaction rating (good or better) with quality on rental evaluations	N/A	N/A	N/A	Good

**Quality**

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Number of bookings	3,124	3,764	3,700	3,750
Number of patrons served	68,072	73,010	69,000	73,000

**Productivity**

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Net operating costs of facility per capita	\$9.57	\$8.85	\$9.92	\$11.99



FY18-19 Proposed Budget  
Summary of Expenditures  
Community Center

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
<b>General Fund</b>				
Salaries-Full Time	\$ 103,139	\$ 91,699	\$ 99,181	\$ 118,235
Salaries-Part Time	52,434	60,196	60,812	90,633
Overtime	127	-	-	-
FICA	3,302	3,781	3,701	5,519
Medicare	2,256	2,201	2,310	3,037
Workers Compensation	4,183	3,141	2,336	2,981
Unemployment Insurance	492	456	387	189
Group Health Insurance	16,351	10,311	10,708	11,584
Group Dental Insurance	918	762	788	862
Group Vision Insurance	163	99	138	156
Disability Insurance	389	361	419	501
Retirement	11,198	10,087	10,910	13,006
Life Insurance	334	93	100	116
Bonus	-	360	333	500
Licenses/Filing Fees	613	746	600	600
Dues, Subscript & Publicat	167	107	492	492
Meetings & Training	-	-	2,000	2,000
Office Equip Maint/ Repair	1,869	1,532	2,004	2,004
Telecommunications	1,469	1,083	1,140	6,108
Professional Fees	-	-	5,300	300
Rentals & Leases	3,272	3,477	3,480	3,600
Printing Expense	-	62	130	130
Advertising/Signage	2,448	2,505	2,850	2,850
Constituent Communication	-	-	3,000	3,000
Bank/Merc Acct Fees	1,138	1,288	2,961	1,320
ActiveNet Fees	656	823	933	933
Office Supplies	501	675	450	450
Cleaning/Janitorial Supplies	8	11	-	-
Operating Supplies	200	498	1,000	1,000
Food & Beverage Supplies	697	719	550	550
Program Materials	1,118	952	1,000	1,000
Uniforms	562	583	650	650
Small Tools	301	-	3,800	-
Furniture/Appliances	-	-	15,000	15,000
Hardware/Peripherals	749	523	-	-
Furniture/Appliances	726	12,771	-	-
Equipment	800	2,228	-	3,800
ISF-Copier Charges	391	268	360	-
ISF-Mail Service Charges	3	2	4	-
ISF-Vehicle Replacement Charges	-	-	60	68
ISF-Motor Pool Charges	-	-	28	24
ISF-Telecom Charges	2,199	2,160	2,869	-
<b>Total Community Center</b>	<b>\$ 215,173</b>	<b>\$ 216,560</b>	<b>\$ 242,784</b>	<b>\$ 293,198</b>



**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.

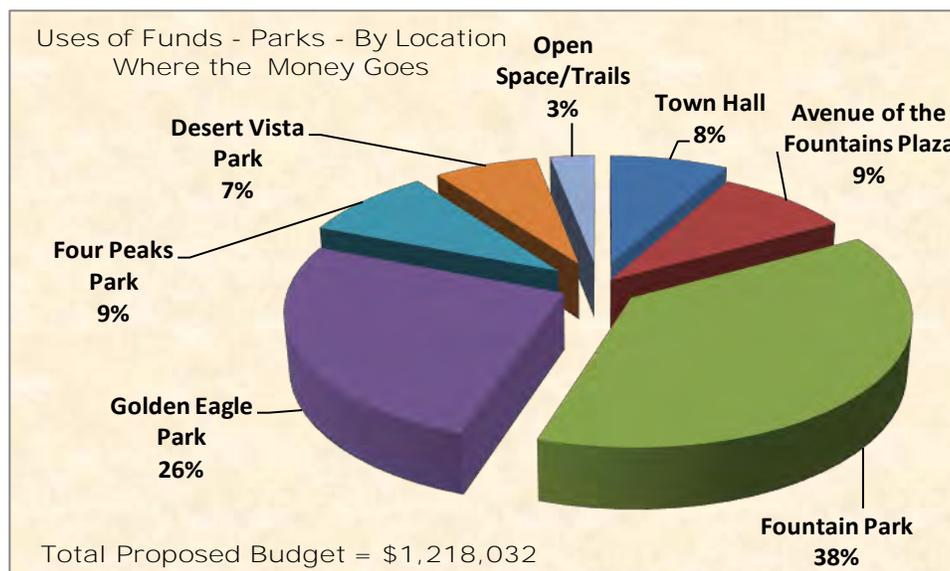
Location Name	Expenditures by Location			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Town Hall	\$ -	\$ 79,212	\$ 84,781	\$ 95,157
Avenue of the Fountains Plaza	78,242	78,400	100,124	114,256
Fountain Park	402,816	466,587	417,722	448,437
Golden Eagle Park	356,344	228,978	291,365	321,351
Four Peaks Park	137,923	95,972	111,786	112,308
Desert Vista Park	111,382	171,496	112,958	89,365
Open Space/Trails	26,436	48,696	25,158	37,158
<b>Total</b>	<b>\$ 1,113,143</b>	<b>\$ 1,169,341</b>	<b>\$ 1,143,894</b>	<b>\$ 1,218,032</b>

**Variance Explanations:**

**Avenue of the Fountains Plaza:** Budgeted amounts were adjusted to better reflect actual expenses.

**Desert Vista:** Last fiscal year included a mid-year budget transfer from Contingency to fix the dog park lighting.

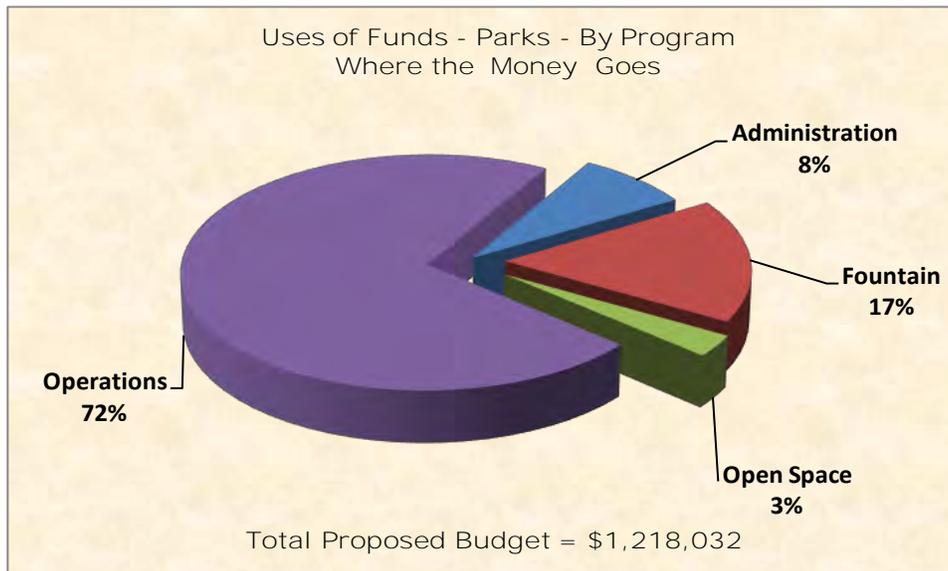
**Open Space/Trails:** Last fiscal year amounts included one-time budget supplements for the opening of the Adero Canyon trailhead.



Program Name	Expenditures by Program			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Administration	\$ 207,349	\$ 84,742	\$ 84,781	\$ 95,157
Amenities	328,783	-	-	-
Field Prep/Maintenance	171,163	-	-	-
Fountain	195,730	232,123	177,755	205,335
Landscape Maintenance	183,682	-	-	-
Open Space	26,436	48,696	25,158	37,158
Operations	-	803,780	856,200	880,382
Total	\$ 1,113,143	\$ 1,169,341	\$ 1,143,894	\$ 1,218,032

**Variance Explanations:**

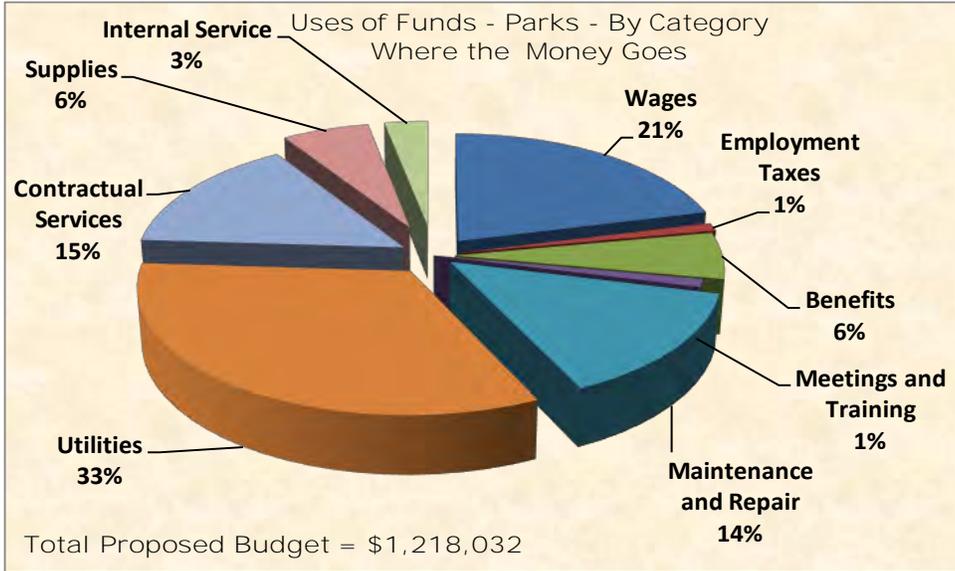
Open Space: Last fiscal year amounts included one-time budget supplements for the opening of the Adero Canyon trailhead.



Category	Expenditures by Category			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Wages	\$ 292,154	\$ 204,042	\$ 225,623	\$ 252,164
Employment Taxes	15,148	9,446	8,567	9,630
Benefits	86,061	56,020	66,279	73,163
Dues & Memberships	819	2,324	1,040	1,040
Meetings and Training	1,888	1,560	6,350	6,940
Maintenance and Repair	145,485	281,459	186,548	172,298
Utilities	320,612	341,865	344,212	398,258
Contractual Services	122,040	172,653	167,251	184,583
Supplies	42,026	41,701	79,802	77,504
Equipment	5,139	25,196	19,720	4,500
Damages/Vandalism	3,863	132	2,100	2,100
Internal Service	27,904	32,943	36,402	35,852
Capital Expenditures	50,004	-	-	-
<b>Total</b>	<b>\$ 1,113,143</b>	<b>\$ 1,169,341</b>	<b>\$ 1,143,894</b>	<b>\$ 1,218,032</b>

**Variance Explanations:**

Equipment: FY17-18 included the purchase of specialty equipment for the landscape maintenance for Golden Eagle Park.



FY18-19 Proposed Budget  
Summary of Expenditures  
Parks

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
General Fund				
Salaries-Full Time	\$ 290,782	\$ 203,016	\$ 225,623	\$ 252,164
Salaries-Part Time	136	-	-	-
Overtime	1,236	1,026	-	-
FICA	8	-	-	-
Medicare	4,130	2,884	3,314	3,712
Workers Compensation	10,425	6,265	4,979	5,794
Unemployment Insurance	584	297	274	124
Group Health Insurance	48,969	29,971	34,404	37,234
Group Dental Insurance	2,767	2,247	2,552	2,583
Group Vision Insurance	409	282	423	443
Disability Insurance	1,007	704	953	1,066
Retirement	32,060	22,445	24,819	27,739
Life Insurance	848	208	228	248
Bonus	-	162	200	250
Allowance/Stipend	-	-	2,700	3,600
Licenses/Filing Fees	440	2,109	590	590
Dues, Subscript & Publicat	379	215	450	450
Meetings & Training	1,888	1,560	6,350	6,940
Building Main/Repair	-	1,706	1,300	1,300
HVAC Repair	685	230	1,400	1,400
Plumbing Repair	1,015	3,741	2,650	2,700
Electrical Repair/Maint	8,959	6,269	12,950	9,950
Fire Protection Systems	-	1,221	2,440	2,440
Grounds Maint/Repair	9,770	94,133	21,300	20,600
Irrigation Repair	22,456	22,819	20,400	20,400
Backflow Testing & Maintenance	393	296	2,450	2,450
Drainage Maint/Repair	1,900	-	-	-
Equipment Maint/Repair	44,872	94,393	22,090	30,290
Vehicle Maint/Repair	5,432	4,928	10,510	10,510
Other Maint/Repair	20,138	22,674	31,600	37,800
Parking Lot Repair	-	-	-	-
Striping	753	379	2,380	2,380
Sidewalk/Pathway Repair	10,582	7,525	1,600	6,575
Sign Repair & Replacement	3,109	3,085	10,775	9,800
Painting	4,009	6,443	1,803	1,803
Lighting Repair	11,412	11,616	40,900	15,900
Electricity Expense	218,791	228,488	227,976	262,940
Refuse/Recycling	5,553	5,259	6,380	6,380
Telecommunications	4,183	5,167	3,221	3,210
Water/Sewer	81,801	92,543	92,424	111,516
Gas & Oil	10,284	10,409	14,212	14,212
Professional Fees	16,650	18,523	15,200	13,900
Rentals & Leases	6,060	5,000	7,380	20,380
Printing Expense	1,953	2,040	6,400	3,900
Advertising/Signage	-	88	-	-
Contractual Services	-	-	-	6,500
Bank/Merc Acct Fees	677	655	771	771
Community Contracts/Events	-	40,925	2,500	-



FY18-19 Proposed Budget  
Summary of Expenditures  
Parks

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
General Fund-continued				
Landscape Contracts	\$ 96,162	\$ 104,875	\$ 134,294	\$ 138,427
ActiveNet Fees	539	545	705	705
Office Supplies	4	156	100	100
Cleaning/Janitorial Supplies	12,610	12,530	14,779	13,279
Safety Supplies	149	415	1,100	1,100
Operating Supplies	26,404	25,720	61,153	60,353
Food & Beverage Supplies	7	-	120	120
Program Materials	1,203	728	300	300
Uniforms	1,650	2,154	2,250	2,250
Postage & Delivery	-	-	-	2
Small Tools	2,488	3,502	4,100	4,500
Equipment	2,651	1,603	-	-
Park Improvements Exp	-	20,091	15,620	-
Damages/Vandalism	3,863	132	2,100	2,100
ISF-Copier Charges	287	215	450	160
ISF-Mail Service Charges	9	2	1	-
ISF-Vehicle Replacement Charge	26,693	31,808	34,971	35,692
ISF-Motor Pool Charges	22	-	-	-
ISF-Telecom Charges	893	919	980	-
Park Improvements	50,004	-	-	-
<b>Total Parks</b>	<b>\$ 1,113,143</b>	<b>\$ 1,169,341</b>	<b>\$ 1,143,894</b>	<b>\$ 1,218,032</b>



## Activities/Results

### Performance Measures

<b>Fountain Hills Park Systems</b>	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Maintain a high overall satisfaction rating (good or better) of maintenance/operations	Good	Good	Good	Good
Number of Special Events hosted in parks	27	50	29	33
Appearance/availability	Good	Good	Good	Good

### Quality

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Restroom serviced and cleaned	365 days	365 days	365 days	365 days
Ramadas serviced and cleaned	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

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Net expenditures for park operations per capita	\$40.28	\$44.30	\$43.40	\$47.02
Park rentals/ Revenue	208/ \$56,832	203/ \$36,249	225/ \$30,260	225/ \$30,260
Fountain Hills Hiking Trail visitors	1000+	24,000+	8,000+	30,000+

### Fountain Hills Recreation Statistics:

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



**Recreation Division**

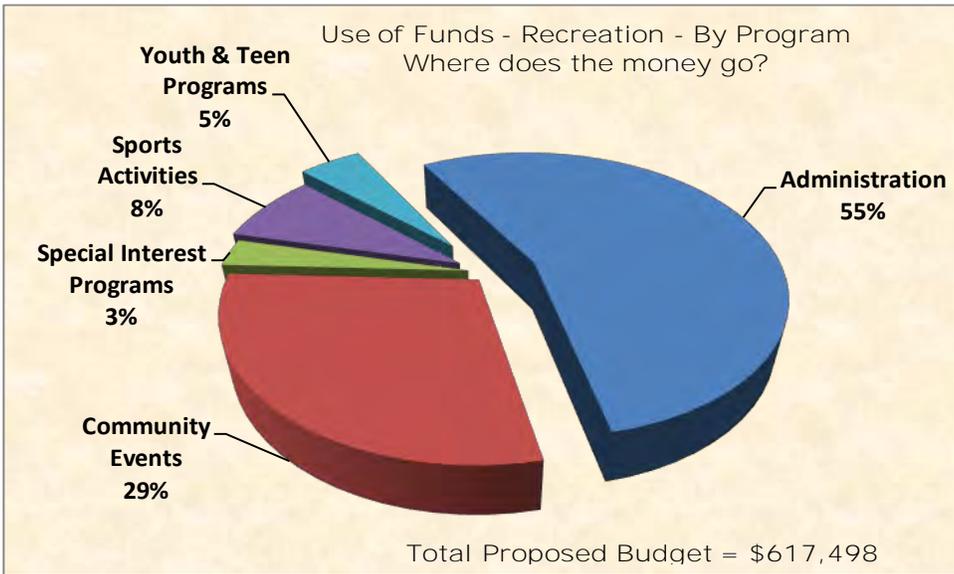
**Service Delivery Plan**

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, and special events.

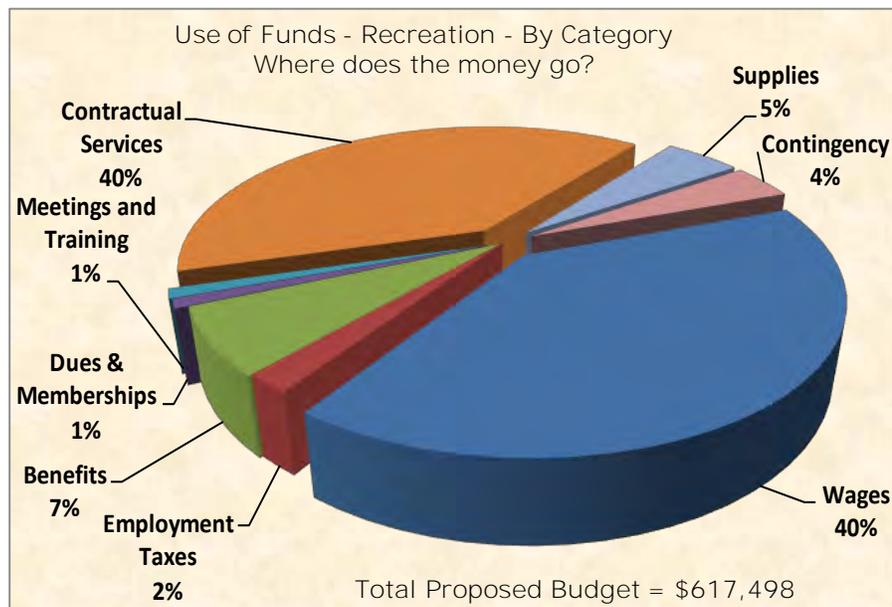
Program Name	Expenditures by Program			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Administration	\$ 97,988	\$ 267,105	\$ 326,187	\$ 338,914
Art & Culture	36,372	-	-	-
Boards & Commissions	46,355	-	-	-
Community Events	109,497	92,687	161,778	180,478
Social/Community Service	71,657	-	-	-
Special Events	25,737	-	-	-
Special Interest Programs	32,806	17,025	15,847	15,821
Sports Activities	85,511	48,863	42,136	52,370
Youth & Teen Programs	82,347	21,705	23,465	29,915
<b>Total</b>	<b>\$ 588,270</b>	<b>\$ 447,385</b>	<b>\$ 569,413</b>	<b>\$ 617,498</b>

**Variance Explanations:**

Sports Activities: Budgeted amounts were adjusted to better reflect actual costs.



Category	Expenditures by Category			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Wages	\$ 271,536	\$ 201,462	\$ 232,463	\$ 244,958
Employment Taxes	15,666	11,504	12,072	13,767
Benefits	59,221	38,661	44,152	42,033
Dues & Memberships	2,380	1,549	2,467	2,567
Meetings and Training	5,292	8,044	5,050	6,500
Maintenance and Repair	7,380	2,459	-	1,500
Utilities	2,682	2,981	1,326	624
Contractual Services	186,653	143,403	213,396	248,796
Supplies	29,296	31,761	29,284	30,763
Equipment	1,051	3,405	1,000	-
Internal Service	7,113	2,156	3,203	990
Contingency	-	-	25,000	25,000
<b>Total</b>	<b>\$ 588,270</b>	<b>\$ 447,385</b>	<b>\$ 569,413</b>	<b>\$ 617,498</b>



## Activities/Results

### Performance Measures

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
To attain a High overall satisfaction rating (good or better) with the quality of Town recreation programs in post-program evaluations	85%	85%	85%	85%
To achieve a high return rate on recreation program surveys	30%	30%	35%	38%

### Quality

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Number of individual program participants <sup>1</sup>	2,362	2,737	2,800	2,900
Number of team sports program participants	750	345	525	650
Number of teen trip/teen activity participants	535	378	600	700
Number of volunteer hours in support of Town recreation programs <sup>2</sup>	1,050	826	1,000	1,150
Number of youth sport, Boys and Girls Club, and FHUSD facility bookings	1,820	1,397	1,525	1,600

<sup>1</sup>Does not include participations at special events or teen drop in programs.

<sup>2</sup>Volunteer hours are estimated

### Productivity

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Net operating costs of recreation programs per capita	\$21.80	\$7.36	\$9.93	\$11.42



FY18-19 Proposed Budget  
Summary of Expenditures  
Recreation

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
<b>General Fund</b>				
Salaries-Full Time	\$ 208,776	\$ 148,068	\$ 162,166	\$ 172,978
Salaries-Part Time	62,463	53,276	70,297	71,980
Overtime	298	118	-	-
FICA	3,944	3,353	4,277	4,382
Medicare	3,796	2,814	3,382	3,600
Workers Compensation	7,066	4,793	3,898	5,548
Unemployment Insurance	859	544	515	237
Group Health Insurance	35,785	20,041	21,357	17,376
Group Dental Insurance	2,175	1,556	1,630	1,293
Group Vision Insurance	325	188	281	234
Disability Insurance	805	601	687	732
Retirement	19,434	15,826	17,839	19,029
Life Insurance	697	155	162	169
Bonus	-	294	396	500
Allowance/Stipend	-	-	1,800	2,700
Licenses/Filing Fees	336	194	400	400
Dues, Subscript & Publicat	2,044	1,355	2,067	2,167
Meetings & Training	5,292	8,044	5,050	6,500
Vehicle Maint/Repair	53	-	-	-
Office Equip Maint/ Repair	2,043	-	-	-
Art Maint/Repair/Install	5,284	-	-	-
Sign Repair & Replacement	-	2,459	-	-
Equipment Maint/Repair	-	-	-	1,500
Telecommunications	2,429	2,982	1,326	624
Gas & Oil	253	-	-	-
Professional Fees	18,510	11,674	12,880	17,880
Instructor Fees	33,589	50,215	35,400	47,800
Rentals & Leases	20,233	17,327	43,985	32,485
Printing Expense	135	122	1,100	1,100
Advertising/Signage	189	98	400	400
Contractual Services	11,830	17,070	19,800	15,800
Constituent Communication	21,548	24,018	25,700	26,700
Bank/Merc Acct Fees	2,863	3,176	3,423	3,423
Community Contracts/Events	74,547	16,259	65,000	97,500
ActiveNet Fees	3,209	3,444	5,708	5,708
Office Supplies	991	254	700	700
Cleaning/Janitorial Supplies	19	-	-	-
Safety Supplies	15	-	-	-
Operating Supplies	12	7	-	-
Food & Beverage Supplies	605	1,098	550	550
Program Materials	27,264	29,452	27,205	28,595
Uniforms	386	926	829	829
Postage & Delivery	4	24	-	89
Small Tools	898	-	1,000	-
Software	-	212	-	-
Hardware/Peripherals	153	24	-	-
Equipment	-	3,168	-	-
ISF-Copier Charges	2,111	732	1,185	710
ISF-Mail Service Charges	131	47	123	-
ISF-Vehicle Replacement Charge	2,998	-	286	207
ISF-Motor Pool Charges	194	4	135	73
ISF-Telecom Charges	1,679	1,373	1,474	-
Contingency	-	-	25,000	25,000
<b>Total Recreation</b>	<b>\$ 588,270</b>	<b>\$ 447,385</b>	<b>\$ 569,413</b>	<b>\$ 617,498</b>

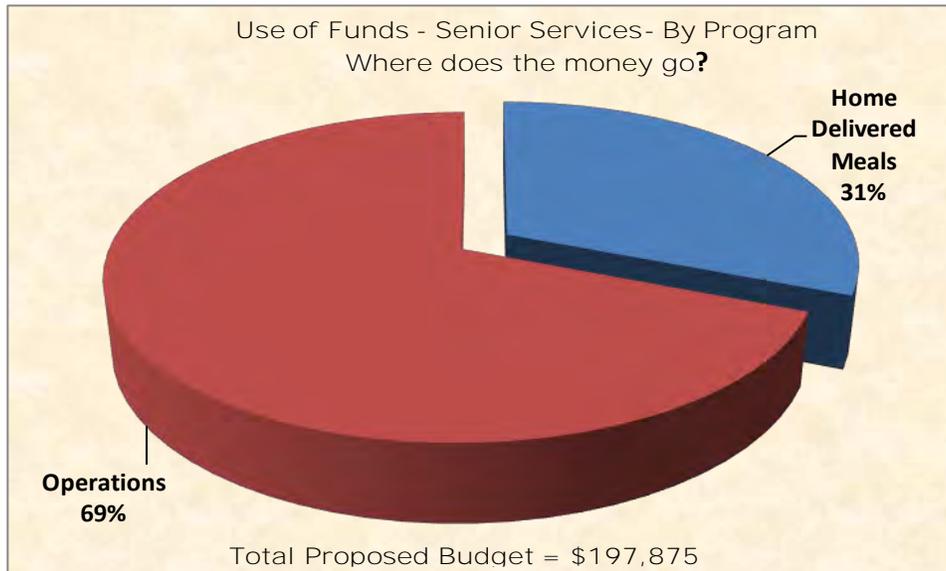


**Senior Services Division**

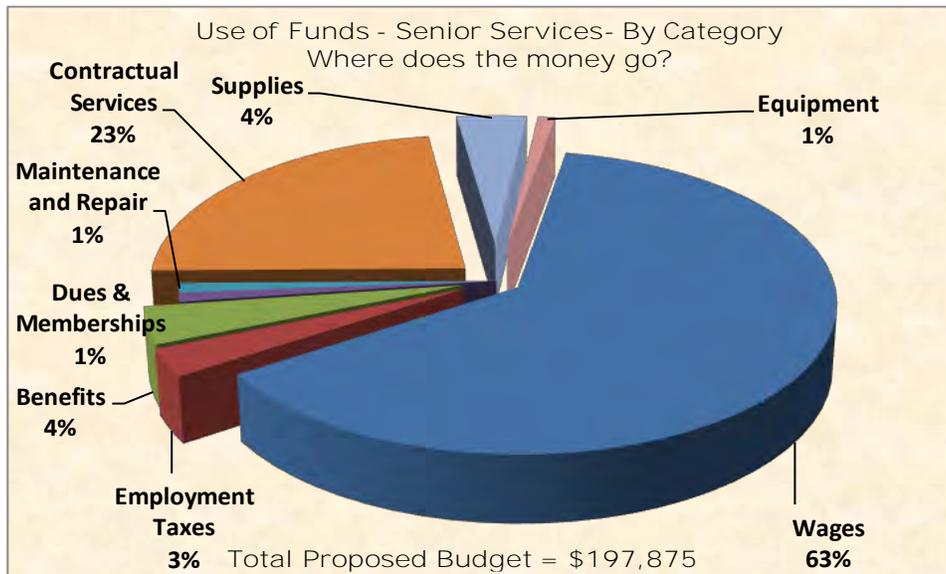
**Service Delivery Plan**

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

Program Name	Expenditures by Program			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Administration	\$ 53,328	\$ 87,223	\$ -	\$ -
Boards & Commissions	2	-	-	-
Home Delivered Meals	51,965	48,934	61,637	61,570
Operations	-	-	164,040	136,305
Senior Memberships/Activities	98,185	66,741	-	-
<b>Total</b>	<b>\$ 203,480</b>	<b>\$ 202,898</b>	<b>\$ 225,677</b>	<b>\$ 197,875</b>



Category	Expenditures by Category			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Wages	\$ 138,606	\$ 133,434	\$ 147,471	\$ 124,802
Employment Taxes	7,348	7,247	7,944	5,976
Benefits	11,979	9,109	10,299	8,794
Dues & Memberships	306	1,160	1,415	1,450
Meetings and Training	-	479	200	200
Maintenance and Repair	363	-	50	2,150
Utilities	947	858	-	-
Contractual Services	34,345	38,037	45,117	46,063
Supplies	4,893	6,160	5,675	7,148
Equipment	814	2,874	3,500	1,200
Internal Service	3,879	3,540	4,006	92
<b>Total</b>	<b>\$ 203,480</b>	<b>\$ 202,898</b>	<b>\$ 225,677</b>	<b>\$ 197,875</b>



## Activities/Results

### Performance Measures

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Number of members	1,298	1,366	1,350	1,350
Maintain a high overall satisfaction rating (good or better) of meal quality	Good	Good	Good	Good

### Quality

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Number of attendees to senior programs and presentations	21,841	25,370	25,000	25,000
Number of days per year meals delivered	365	365	365	365

### Productivity

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Number of senior programs offered	55	68	62	62
Number of special guest presentations offered	33	48	46	45
Number of socialization activities/special events offered	8	7	7	7
Number of support groups and social services offered	12	14	13	11
Number of meals delivered annually	4,035	3,497	4,000	4,400
Number of clients participating in HDM program	61	62	65	65



FY18-19 Proposed Budget  
Summary of Expenditures  
Senior Services

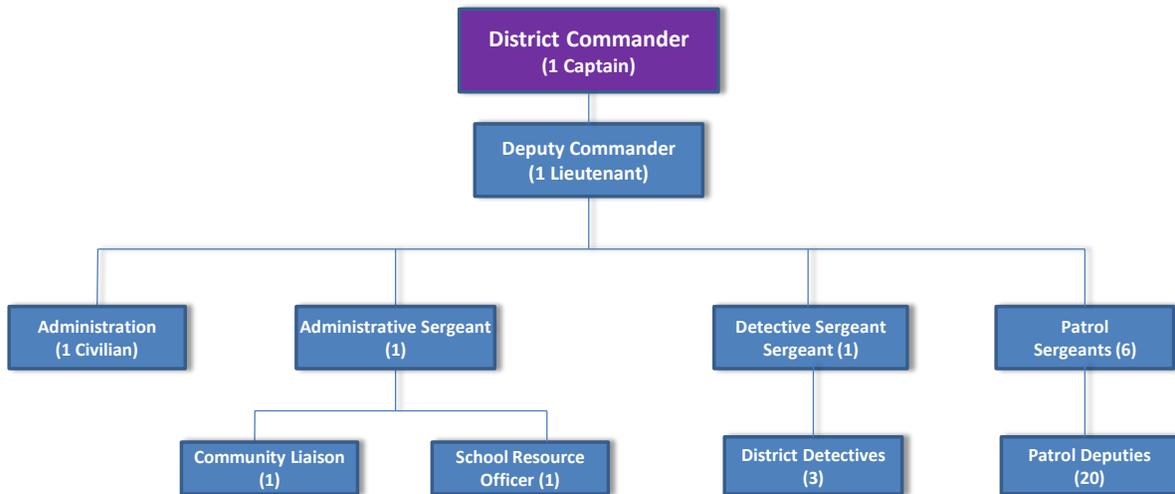
Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
General Fund				
Salaries-Full Time	\$ 75,328	\$ 65,659	\$ 67,698	\$ 63,036
Salaries-Part Time	63,070	67,775	79,773	61,766
Overtime	209	-	-	-
FICA	3,930	4,214	4,924	3,829
Medicare	2,010	1,945	2,152	1,825
Workers Compensation	985	763	564	222
Unemployment Insurance	423	325	304	100
Group Health Insurance	2,503	836	868	-
Group Dental Insurance	577	474	490	431
Group Vision Insurance	90	8	11	-
Disability Insurance	290	264	287	267
Retirement	8,268	7,223	7,448	6,934
Life Insurance	250	67	68	62
Bonus	-	238	227	200
Allowance/Stipend	-	-	900	900
Licenses/Filing Fees	306	312	350	350
Dues, Subscript & Publicat	-	848	1,065	1,100
Meetings & Training	-	479	200	200
Sign Repair & Replacement	363	-	-	2,100
Telecommunications	947	858	50	50
Professional Fees	160	256	1,872	1,008
Instructor Fees	200	-	1,080	2,540
Rentals & Leases	156	156	156	156
Printing Expense	99	(22)	75	75
Contractual Services	25,668	28,199	32,274	32,624
Constituent Communication	3,710	4,803	4,290	4,290
Bank/Merc Acct Fees	577	697	1,190	1,190
ActiveNet Fees	3,774	3,947	4,180	4,180
Office Supplies	1,614	1,533	2,000	2,000
Cleaning/Janitorial Supplies	-	14	-	-
Operating Supplies	1,219	1,333	2,375	2,375
Food & Beverage Supplies	1,183	1,902	1,300	1,900
Program Materials	877	1,378	-	715
Postage & Delivery	-	-	-	158
Small Tools	-	133	-	-
Hardware/Peripherals	815	300	2,000	-
Furniture/Appliances	-	2,441	1,500	-
Equipment	-	-	-	1,200
ISF-Copier Charges	2,243	1,886	2,150	-
ISF-Mail Service Charges	182	168	169	-
ISF-Vehicle Replacement Charges	-	-	60	68
ISF-Motor Pool Charges	-	-	28	24
ISF-Telecom Charges	1,454	1,486	1,599	-
<b>Total Senior Services</b>	<b>\$ 203,480</b>	<b>\$ 202,898</b>	<b>\$ 225,677</b>	<b>\$ 197,875</b>



# 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.

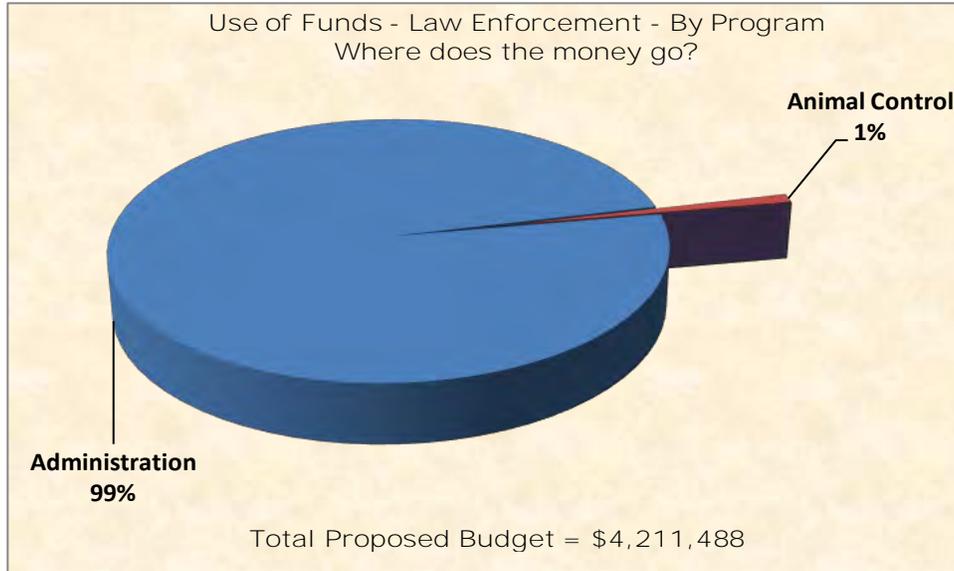
**Department Overview**

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.

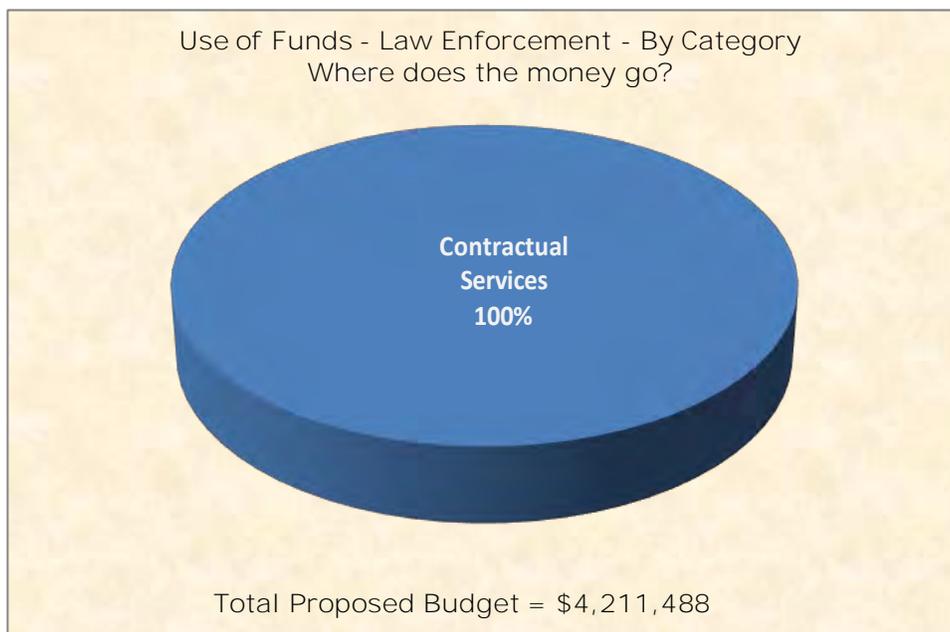
Under the command of Captain Henry Brandimarte, twenty two deputies are assigned to the Town of Fountain Hills. Of these, twenty deputies and six sergeants are assigned to patrol. In addition, one deputy is assigned as the School Resource Officer and one deputy is assigned as the Community Liaison to 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			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Administration	\$ 19,465	\$ 3,861,018	\$ 3,823,302	\$ 4,179,764
Animal Control	31,613	23,575	32,324	31,724
Incarceration/Transport	48,593	-	-	-
Patrol	3,554,666	-	-	-
Total	\$ 3,654,337	\$ 3,884,593	\$ 3,855,626	\$ 4,211,488





Category	Expenditures by Category			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Wages	\$ 13,422	\$ -	\$ -	\$ -
Employment Taxes	771	-	-	-
Benefits	1,500	-	-	-
Dues & Memberships	1,296	1,295	1,296	1,296
Contractual Services	3,634,149	3,880,125	3,821,946	4,197,427
Supplies	657	650	740	2,665
Equipment	-	-	1,955	-
Damages/Vandalism	-	-	10,000	10,000
Internal Service	2,542	2,523	2,644	100
Capital Expenditures	-	-	17,045	-
<b>Total</b>	<b>\$ 3,654,337</b>	<b>\$ 3,884,593</b>	<b>\$ 3,855,626</b>	<b>\$ 4,211,488</b>



**Variance Explanations:**

Capital Expenditures: Last year included a budget supplement to purchase a new speed trailer.

FY18-19 Proposed Budget  
Summary of Expenditures  
Law Enforcement

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
General Fund				
Salaries-Full Time	\$ 5,802	\$ -	\$ -	\$ -
Salaries-Part Time	7,618	-	-	-
Overtime	3	-	-	-
FICA	482	-	-	-
Medicare	190	-	-	-
Workers Compensation	47	-	-	-
Unemployment Insurance	53	-	-	-
Group Health Insurance	820	-	-	-
Group Dental Insurance	13	-	-	-
Group Vision Insurance	2	-	-	-
Disability Insurance	18	-	-	-
Retirement	626	-	-	-
Life Insurance	20	-	-	-
Dues, Subscript & Publicat	1,295	1,295	1,296	1,296
Printing Expense	-	-	375	375
Advertising/Signage	646	644	-	-
Intergovt Agreements	3,622,722	19,464	28,024	28,024
Contractual Services	10,515	2,808	10,000	10,000
Bank/Merc Acct Fees	266	320	600	600
Law Patrol	-	3,814,531	3,715,447	4,090,928
Jail Fees	-	42,358	67,500	67,500
Office Supplies	-	-	40	40
Program Materials	657	650	700	700
Postage & Delivery	-	-	-	1,925
Equipment	-	-	1,955	-
Rewards Program	-	-	10,000	10,000
ISF-Copier Charges	124	172	125	100
ISF-Mail Service Charges	2,418	2,351	2,519	-
Furniture/Equipment	-	-	17,045	-
Total Law Enforcement	<u>\$ 3,654,337</u>	<u>\$ 3,884,593</u>	<u>\$ 3,855,626</u>	<u>\$ 4,211,488</u>



**For the six month period ending December 31:**

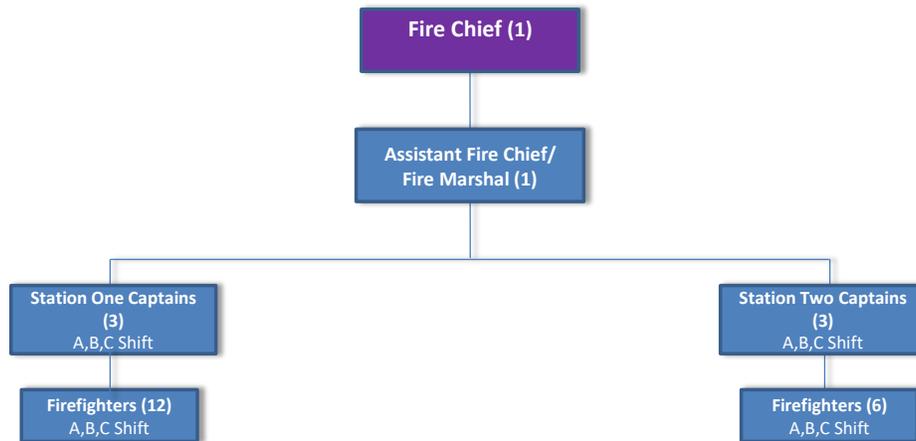
Description	July '16 to Dec. '16	July '17 to Dec. '17
Criminal Arrests	70	75
Criminal Citations Issued	56	49
Driving Under Influence (DUI) Arrests	9	6
Interviews	1,408	2,247
Juvenile Referrals	4	4
Traffic Arrests	34	25
Traffic Violations	973	678
Traffic Warnings	443	565
Barking Dog Warnings Issued	14	10
False Alarm Warnings Issued	72	31



# Fire & Emergency Medical



## FIRE DEPARTMENT



**FIRE & EMERGENCY MEDICAL**

**Mission Statement**

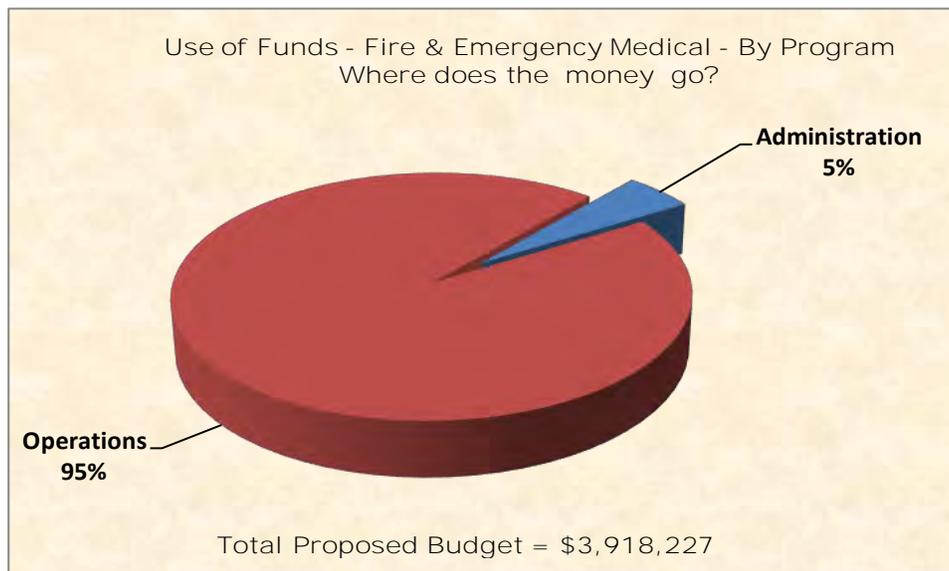
The mission of the Fire Department is to protect the safety and quality of life of residents, visitors and businesses in Fountain Hills. This mission is achieved by a commitment to exceptional service delivery in fire suppression, emergency medicine and rescue, as well as a proactive approach to fire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

**Department Overview**

Fire protection and Emergency Medical Service (EMS) are provided by a public/private combination of Town owned equipment and facilities, operated by contract personnel from the Rural/Metro Corporation.

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 at large scale disasters. The Fire Department also provides other community services such as public education, youth career oriented Explorer Post, child car seat installations and other safety programs.

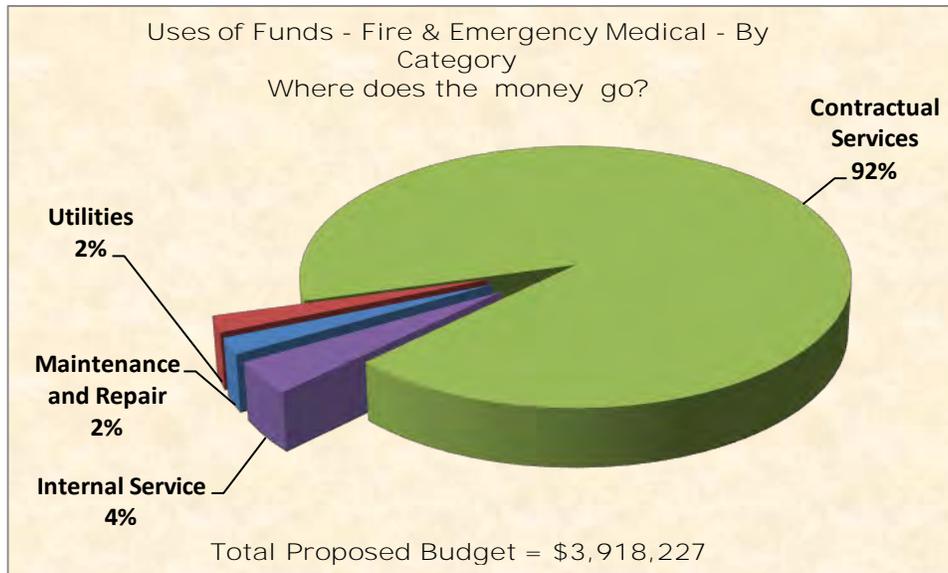
Program Name	Expenditures by Program			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Administration	\$ 165,011	\$ 176,695	\$ 176,251	\$ 185,497
FD Safety	159,918	-	-	-
FD EMS	1,507,914	-	-	-
FD Suppression	1,648,174	-	-	-
Operations	-	3,498,258	3,705,582	3,732,730
<b>Total</b>	<b>\$ 3,481,017</b>	<b>\$ 3,674,953</b>	<b>\$ 3,881,833</b>	<b>\$ 3,918,227</b>



Category	Expenditures by Category			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Dues & Memberships	\$ 480	\$ 500	\$ 3,360	\$ 3,360
Meeting & Training	-	-	2,200	2,200
Maintenance and Repair	33,566	53,308	55,990	55,990
Utilities	16,549	19,547	25,580	30,320
Contractual Services	3,308,688	3,409,898	3,518,819	3,624,060
Supplies	3,672	4,953	11,960	12,000
Equipment	9,901	38,237	16,500	16,500
Internal Service	108,161	148,510	247,424	173,797
<b>Total</b>	<b>\$ 3,481,017</b>	<b>\$ 3,674,953</b>	<b>\$ 3,881,833</b>	<b>\$ 3,918,227</b>

**Variance Explanations:**

Internal Service: Some of these expenses were moved into General Government for more efficient managing and for accounting purposes.



**FY17 - 18 Department Accomplishments**

Initiative	Strategic Value
Start building new Fire Station 2	N/A
Purchase replacement Ladder Truck	N/A

**FY18 - 19 Objectives**

Initiative	Strategic Value	Estimated Cost/Funding Source
Complete Building New Fire Station 2	N/A	\$4,255,665/Capital Projects
Complete and Adopt new Emergency Operations Plan	N/A	\$0
Improve response times and even out the call volume between stations	N/A	\$0



## Activities/Results

### Performance Measures

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Complete Annual Minimum Company Standards	100%	100%	100%	100%
Emergency Response Times (5 minutes)	84%	846	85%	90%

### Quality

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Child Car Seat installations	80	84	100	105
Public Education Activities	62	83	70	85

### Productivity

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Fire Prevention Inspections	572	723	580	780
Plan Reviews	236	228	300	240



FY18-19 Proposed Budget  
Summary of Expenditures  
Fire & Emergency Medical

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
<b>General Fund</b>				
Dues, Subscript & Publicat	\$ 480	\$ 500	\$ 3,360	\$ 3,360
Meetings & Training	-	-	2,200	2,200
Building Maint/Repair	-	12,154	3,000	3,000
HVAC Repair	-	2,555	2,500	2,500
Plumbing Repair	-	735	2,000	2,000
Fire Protection Systems	-	814	915	915
Irrigation Repair	-	-	525	400
Backflow Testing & Maintenance	-	-	450	575
Equipment Maint/Repair	9,384	18,517	14,850	14,850
Vehicle Maint/Repair	24,182	18,533	29,000	29,000
Office Equip Maint/ Repair	-	-	150	150
Other Maint/Repair	-	-	2,400	2,400
Sign Repair & Replacement	-	-	200	200
Electricity Expense	-	-	3,000	3,000
Refuse/Recycling	-	-	1,080	1,080
Telecommunications	37	-	-	4,740
Water/Sewer	-	-	1,500	1,500
Gas & Oil	16,512	19,548	20,000	20,000
Professional Fees	-	392	640	640
Printing Expense	-	-	900	900
Intergovt Agreements	2,010	2,089	2,225	2,225
Contractual Services	3,306,677	3,405,877	3,508,054	3,613,295
Landscape Contracts	-	1,540	7,000	7,000
Office Supplies	-	87	550	550
Cleaning/Janitorial Supplies	-	-	50	50
Operating Supplies	2,527	1,764	6,760	6,760
Program Materials	1,145	1,048	1,000	1,000
Uniforms	-	2,053	3,600	3,600
Postage	-	-	-	40
Small Tools	-	3,667	6,500	6,500
Hardware/Peripherals	130	315	-	-
Furniture/Appliances	-	1,884	-	-
Equipment	9,772	32,371	10,000	10,000
ISF-Copier Charges	122	282	150	250
ISF-Mail Service Charges	232	53	160	-
ISF-Vehicle Replacement Charge	100,467	139,514	238,102	173,547
ISF-Telecom Charges	7,340	8,661	9,012	-
<b>Total Fire &amp; Emergency Medical</b>	<b>\$ 3,481,017</b>	<b>\$ 3,674,953</b>	<b>\$ 3,881,833</b>	<b>\$ 3,918,227</b>





# Special Revenue Funds



# Public Works Streets Division Highway User Revenue Fund (HURF)



**Streets Division**

**Service Delivery Plan**

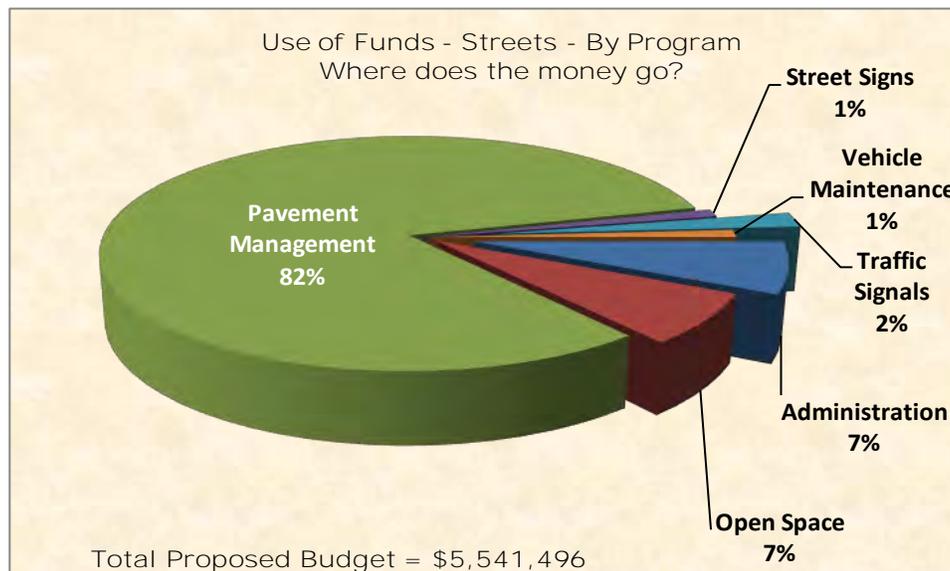
The Streets Division is responsible for the maintenance of traffic signals; regulatory signs; median landscape maintenance; storm debris clean up; street sweeping; street-related emergency responses; vehicle maintenance; contract administration as well as minor asphalt, curb and sidewalk repairs. The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

Program Name	Expenditures by Program			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Administration	\$ 171,026	\$ 290,357	\$ 406,425	\$ 380,678
Adopt A Street	3,164	-	1,005	995
Legal Services	29,455	-	-	-
Open Space	294,114	383,541	374,582	399,282
Pavement Management	1,639,467	2,052,177	2,674,440	4,487,534
Street Signs	75,508	66,091	80,139	66,811
Traffic Signals	254,935	110,664	215,074	127,000
Vehicle Maintenance	93,146	59,486	77,049	79,196
<b>Total</b>	<b>\$ 2,560,815</b>	<b>\$ 2,962,316</b>	<b>\$ 3,828,714</b>	<b>\$ 5,541,496</b>

**Variance Explanations:**

**Pavement Management:** Pavement Maintenance budget increased to include unspent fund balance from FY17-18.

**Traffic Signals:** The decrease is a result of eliminating a full-time position and contracting for the service.



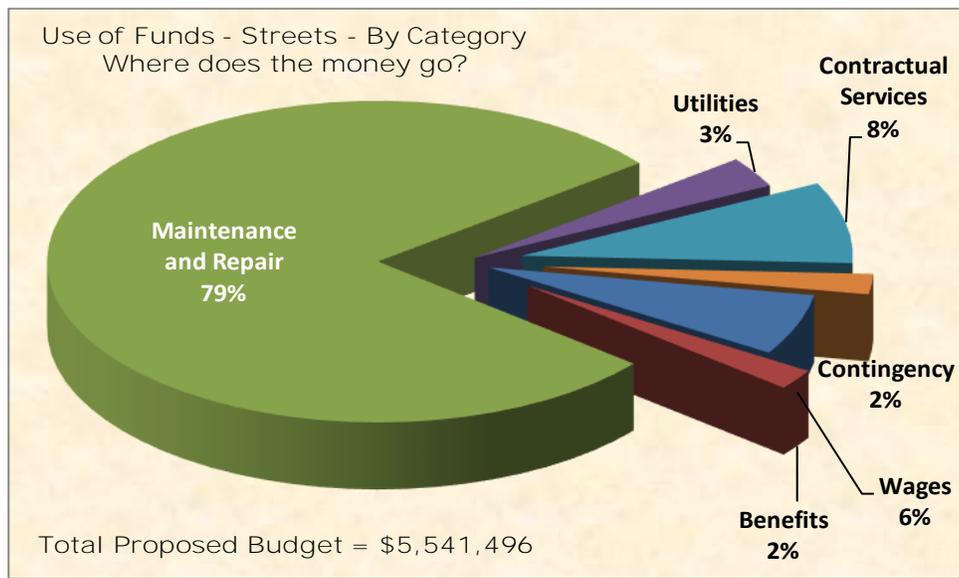
Category	Expenditures by Category			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Wages	\$ 236,206	\$ 303,776	\$ 305,410	\$ 310,237
Employment Taxes	22,681	20,318	16,383	21,138
Benefits	84,340	79,936	84,410	89,874
Dues & Memberships	2,116	4,056	12,240	11,750
Meetings and Training	9	-	1,300	-
Maintenance and Repair	1,654,617	2,074,883	2,428,845	4,323,020
Utilities	131,620	116,735	154,875	143,430
Contractual Services	312,225	298,333	448,852	428,394
Supplies	14,872	12,721	30,120	20,820
Equipment	4,375	3,200	21,750	20,750
Damages/Vandalism	33,111	8,633	40,000	40,000
Internal Service	64,643	39,725	34,529	32,083
Contingency	-	-	250,000	100,000
Total	\$ 2,560,815	\$ 2,962,316	\$ 3,828,714	\$ 5,541,496

**Variance Explanations:**

Management and Repair: Pavement Maintenance budget increased to include unspent fund balance from FY17-18.

Supplies: Amounts were eliminated for traffic signals since they will be covered under the contracted service.

Contingency: Anticipated In-Lieu revenues are estimated to be less resulting in a decreased contingency amount.



## Activities/Results

### Performance Measures

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Pothole repair requests completed within two business days.	95%	95%	95%	95%

### Quality

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Total residential lane miles	264	265	265	265
Total arterial lane miles	79	79	79	79
Number of vehicles in fleet	39	40	40	40
Acreage of medians maintained	56	56	56	56
Number of Adopt-a-Street participants	65	65	60	55

### Productivity

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Net expenditures per capita	\$113.87	\$121.00	\$156.92	\$226.61



Special Revenue Funds  
Public Works-Streets Division  
Highway User Revenue Fund

FY18-19 Proposed Budget  
Summary of Expenditures  
Highway User Revenue Fund

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Highway User Revenue Fund				
Salaries-Full Time	\$ 227,895	\$ 291,779	\$ 299,646	\$ 304,546
Overtime	1,694	2,411	-	-
On Call Pay	6,617	9,587	5,764	5,691
Medicare	3,165	4,148	4,439	4,516
Workers Compensation	19,156	15,900	11,680	16,505
Unemployment Insurance	360	269	264	117
Group Health Insurance	52,804	42,556	45,232	48,818
Group Dental Insurance	3,368	2,759	2,852	3,558
Group Vision Insurance	468	333	493	611
Disability Insurance	907	1,157	1,292	1,314
Retirement	25,996	32,655	33,594	34,128
Life Insurance	797	297	303	303
Bonus	-	180	194	242
Allowance/Stipend	-	-	450	900
Licenses/Filing Fees	9	385	-	-
Dues, Subscript & Publicat	2,107	3,671	12,240	11,750
Meetings & Training	9	-	1,300	-
Building Maint/Repair	208	1,027	28,500	15,000
HVAC Repair	11,996	95	-	-
Plumbing Repair	-	177	-	-
Electrical Repair/Maint	1,120	9,864	3,000	3,000
Fire Protection Systems	-	509	2,000	2,000
Grounds Maint/Repair	277	6,952	25,000	25,000
Irrigation Repair	4,525	2,643	2,500	2,500
Backflow Testing & Maintenance	2,502	2,498	6,110	6,110
Drainage Maint/Repair	-	-	10,000	10,000
Storm Damage Cleanup	160	-	-	-
Equipment Maint/Repair	121,165	256	68,500	68,500
Vehicle Maint/Repair	11,263	6,731	17,950	22,625
Office Equip Maint/ Repair	-	-	750	750
Other Maint/Repair	517	108,978	1,800	1,800
Road Repair	36,038	-	-	-
Striping	-	500	50,000	50,000
Sidewalk/Pathway Repair	-	52,273	70,000	70,000
Other Road Related Repair	6,349	16,724	-	-
Sign Repair & Replacement	14,172	22,315	29,000	32,000
Pavement Management	1,441,370	1,841,942	2,103,735	4,013,735
Painting	-	1,350	-	-
Lighting Repair	2,956	48	10,000	-
Electricity Expense	34,964	32,140	39,670	32,720
Refuse/Recycling	3,788	3,812	16,200	16,200
Telecommunications	3,713	4,114	3,120	4,200
Water/Sewer	77,971	64,467	76,885	75,910
Gas & Oil	11,184	12,201	19,000	14,400
Auditing Expense	7,125	7,750	12,500	9,694



FY18-19 Proposed Budget  
Summary of Expenditures  
Highway User Revenue Fund

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Highway User Revenue Fund-continued				
Professional Fees	\$ 11,047	\$ 4,900	\$ 30,600	\$ 30,600
Legal Fees	29,454	25,033	50,080	40,000
Insurance Expense	95,540	76,145	97,083	87,000
Rentals & Leases	-	50	-	5,000
Printing Expense	73	-	-	-
Intergovt Agreements	15,000	-	-	-
Contractual Services	1,361	32,829	71,500	56,100
Landscape Contracts	152,624	151,627	187,089	200,000
Office Supplies	-	1,959	2,705	2,405
Cleaning/Janitorial Supplies	238	75	500	500
Safety Supplies	7	19	650	150
Operating Supplies	13,893	8,833	24,265	15,765
Food & Beverage Supplies	516	431	500	500
Uniforms	125	1,279	1,500	1,500
Postage & Delivery	92	125	-	-
Small Tools	1,457	1,556	6,750	5,750
Software	356	-	7,500	7,500
Hardware/Peripherals	75	-	-	-
Furniture/Appliances	2,066	845	-	-
Equipment	422	800	7,500	7,500
Damages/Vandalism	33,111	8,633	40,000	40,000
ISF-Copier Charges	6	9	5	5
ISF-Mail Service Charges	7	1	11	-
ISF-Vehicle Replacement Charge	62,101	36,703	31,450	32,078
ISF-Motor Pool Charges	12	28	-	-
ISF-Telecom Charges	2,517	2,983	3,063	-
Contingency	-	-	250,000	100,000
<b>Total Streets</b>	<b>\$ 2,560,815</b>	<b>\$ 2,962,316</b>	<b>\$ 3,828,714</b>	<b>\$ 5,541,496</b>





# Administration Excise Tax Funds

## Downtown Strategy Economic Development Tourism



The Town originally established an Excise Tax/Downtown Fund on August 3, 2000, for the purpose of improving the downtown area to spur economic activity; this fund had been funded through a dedicated portion of the Town’s local sales tax (.1% of 2.6%).

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 .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 .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			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Administration	\$ 46,932	\$ 34,056	\$ 58,796	\$ 40,885
Total	\$ 46,932	\$ 34,056	\$ 58,796	\$ 40,885

**Variance Explanations:**

Administration: FY17-18 included amounts for replacement seasonal banners on the Avenue of the Fountains.

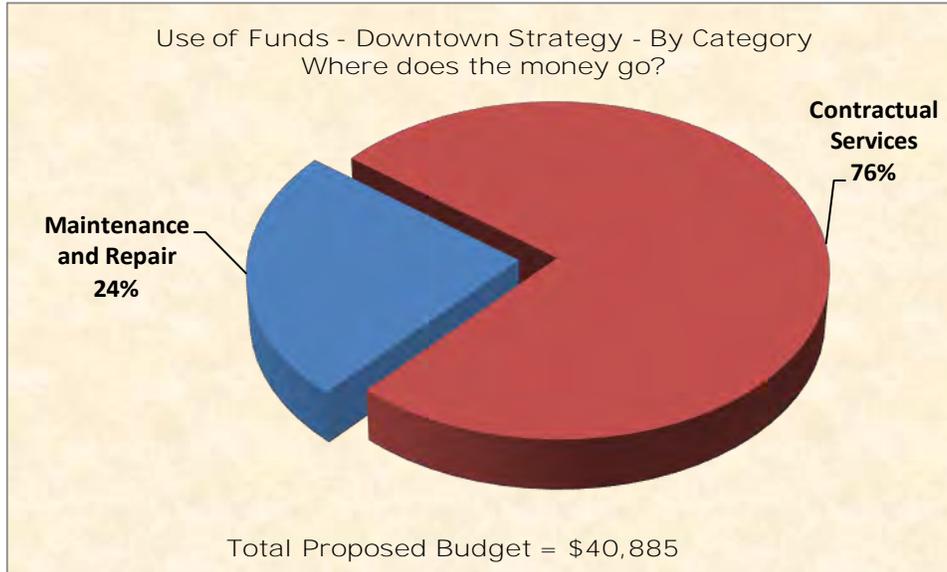


Category	Expenditures by Category			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Maintenance and Repair	\$ 18,380	\$ -	\$ 22,911	\$ 10,000
Contractual Services	28,552	34,056	35,885	30,885
Total	\$ 46,932	\$ 34,056	\$ 58,796	\$ 40,885



**Variance Explanations:**

Maintenance & Repair: FY17-18 included amounts for replacement seasonal banners on the Avenue of the Fountains.



FY18-19 Proposed Budget  
Summary of Expenditures  
Downtown Strategy Fund

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Downtown Strategy Fund				
Sign Repair & Replacement	\$ 2,853	\$ -	\$ 12,911.35	\$ -
Lighting Repair	15,527	-	10,000	10,000
Management Fees	298	291	535	535
Holiday Lighting	28,254	33,765	35,350	30,350
<b>Total Downtown Strategy Fund</b>	<b>\$ 46,932</b>	<b>\$ 34,056</b>	<b>\$ 58,796</b>	<b>\$ 40,885</b>



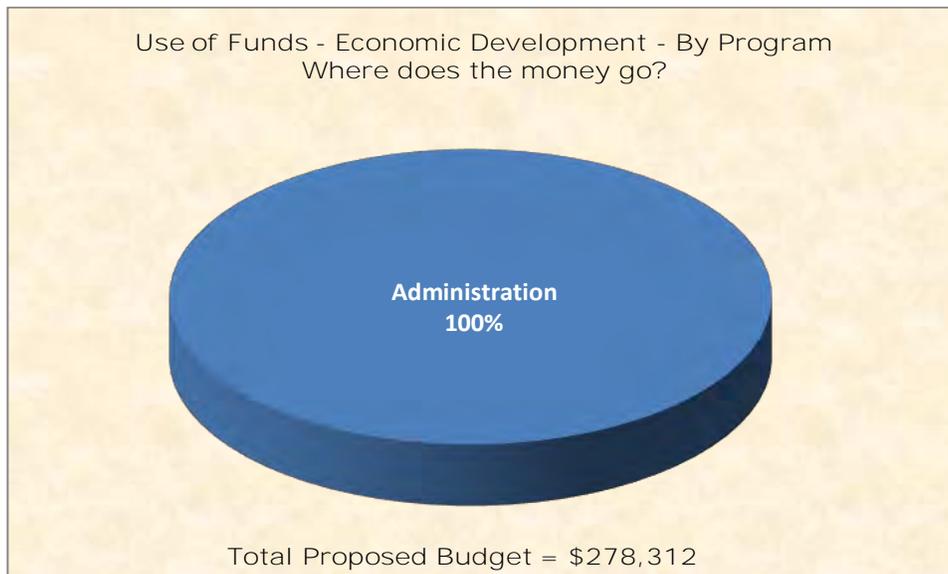
**Economic Development Fund**

**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.

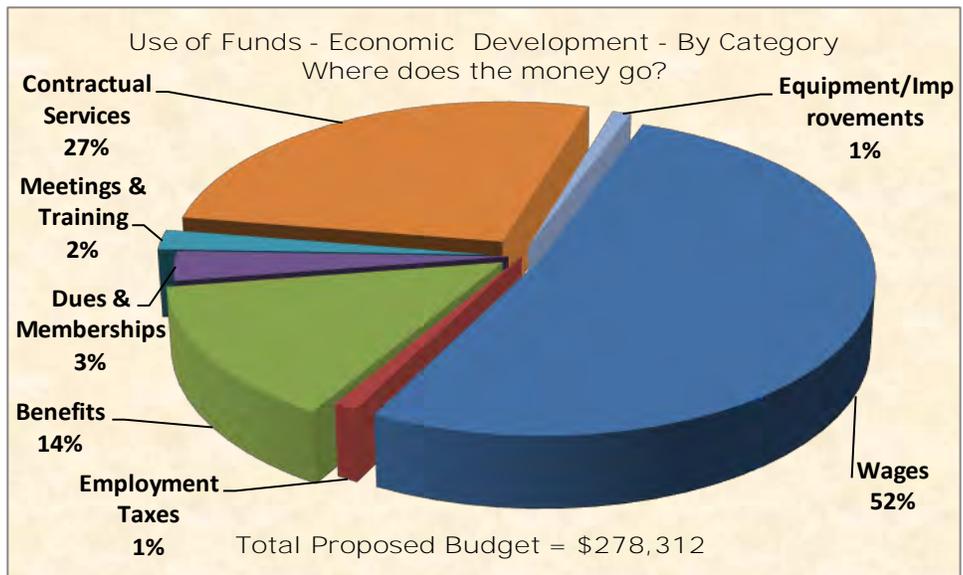
Program Name	Expenditures by Program			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Administration	\$ 174,798	\$ 134,102	\$ 252,823	\$ 278,312
Total	\$ 174,798	\$ 134,102	\$ 252,823	\$ 278,312



Category	Expenditures by Category			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Wages	\$ 81,644	\$ 83,697	\$ 135,789	\$ 145,614
Employment Taxes	1,486	1,441	2,339	2,449
Benefits	21,991	18,484	33,152	39,933
Dues & Memberships	17,877	8,755	9,456	8,606
Meetings & Training	2,339	4,074	6,915	6,915
Utilities	775	919	-	-
Contractual Services	43,649	16,253	62,534	72,534
Supplies	73	164	200	200
Equipment/Improvements	4,617	31	2,000	2,000
Internal Service	347	284	438	61
<b>Total</b>	<b>\$ 174,798</b>	<b>\$ 134,102</b>	<b>\$ 252,823</b>	<b>\$ 278,312</b>

**Variance Explanations:**

Benefits: The increase is due to changes in benefit elections.



**Activities/Results**

**Performance Measures**

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Facilitate and/or recruit new base sector employment opportunities	32 jobs \$1M CAPEX	20 jobs \$500K CAPEX	30 jobs \$1M CAPEX	20 jobs \$1M CAPEX
Facilitate expansion of targeted existing business	13 jobs \$100K CAPEX	20 jobs \$50K CAPEX	N/A	20 jobs
Support and structure assistance for entrepreneurial growth	2 through JumpStart Biz	1 through JumpStart Biz	2 through JumpStart Biz	4 through JumpStart Biz



FY18-19 Proposed Budget  
Summary of Expenditures  
Economic Development Fund

Description	FY15-16	FY16-17	FY17-18	FY18-19
	Actual	Actual	Revised Budget	Proposed Budget
Economic Development Fund				
Salaries-Full Time	\$ 81,644	\$ 83,697	\$ 135,789	\$ 145,614
Medicare	1,127	1,185	1,996	2,139
Workers Compensation	284	201	233	260
Unemployment Insurance	75	54	110	50
Group Health Insurance	11,724	8,135	14,383	19,475
Group Dental Insurance	629	594	1,040	1,496
Group Vision Insurance	64	82	199	285
Disability Insurance	321	340	575	616
Retirement	8,981	9,207	14,937	16,018
Life Insurance	272	87	138	143
Bonus	-	40	80	100
Allowance/Stipend	-	-	1,800	1,800
Dues, Subscript & Publicat	17,877	8,755	9,456	8,606
Meetings & Training	2,339	4,074	6,915	6,915
Telecommunications	775	919	-	-
Professional Fees	9,550	10,659	-	-
Printing Expense	-	76	100	100
Advertising/Signage	300	518	-	-
Community Contracts/Events	33,799	5,000	-	-
Marketing	-	-	62,434	72,434
Tourism	-	-	200	200
Office Supplies	73	-	-	-
Uniforms	-	164	2,000	2,000
Hardware/Peripherals	2,214	31	-	-
Equipment	2,403	-	60	40
ISF-Copier Charges	110	54	13	-
ISF-Mail Service Charges	14	-	82	16
ISF-Motor Pool Charges	-	-	38	5
ISF-Telecom Charges	223	230	245	-
Total Economic Development Fund	<u>\$ 174,798</u>	<u>\$ 134,102</u>	<u>\$ 252,823</u>	<u>\$ 278,312</u>



**PROJECT TITLE:** Economic Development Marketing  
**GRANT NUMBER:** G1100  
**GRANT AMOUNT AWARDED:** \$10,000  
**TOWN'S MATCH AMOUNT:** \$ 0  
**TOTAL ESTIMATED PROJECT COST:** \$10,000

**PROJECT DESCRIPTION/SCOPE:**

Prop 202 funding will be used to research, design and implement new marketing strategies to increase exposure for economic development in the Fountain Hills area. The efforts will specifically focus on marketing the area as a place to locate new business and create new employment opportunities for area residents.

**TIMEFRAME:** FY18-20

**PROJECT JUSTIFICATION:**

With limited funds for internal and external marketing efforts, it is imperative that the Town seek outside revenue sources to achieve economic development goals.

**FUNDING PRIORITY:** High - Leverage Local Funds



**Tourism Fund**

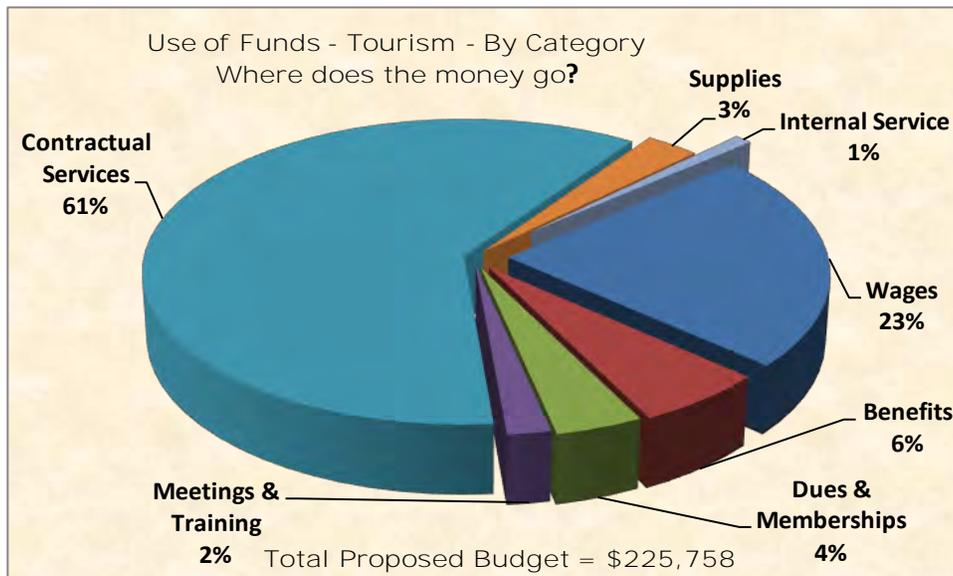
**Service Delivery Plan**

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			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Administration	\$ 194,435	\$ 198,352	\$ 211,198	\$ 225,758
Total	\$ 194,435	\$ 198,352	\$ 211,198	\$ 225,758



Category	Expenditures by Category			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Wages	\$ 47,851	\$ 51,417	\$ 47,541	\$ 52,374
Employment Taxes	930	929	842	915
Benefits	15,423	13,128	12,456	13,118
Dues & Memberships	2,704	2,993	7,750	8,383
Meetings & Training	2,270	3,668	3,500	3,500
Maintenance & Repair	1,361	800	-	-
Utilities	382	1,130	498	498
Contractual Services	108,511	102,659	127,600	136,791
Supplies	7,539	17,807	6,649	7,880
Equipment/Improvement	3,344	1,180	1,000	1,000
Internal Service	4,120	2,641	3,362	1,299
<b>Total</b>	<b>\$ 194,435</b>	<b>\$ 198,352</b>	<b>\$ 211,198</b>	<b>\$ 225,758</b>



**Performance Measures**

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Average monthly website views	26,027	30,000	40,000	40,000
Average monthly social media reach	16,737	20,000	25,000	35,000
Social Media Followers	4,271	4,570	5,000	5,200
Support overall quality of visitor experience while in Fountain Hills via visitor surveys	Good	Good	Good	Good

**Quality**

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Number of special events supported	44	48	50	55
Reach/maintain status of Destination Marketing Organization as determined by the Arizona Office of Tourism standards	Reached	Maintain	Maintain	Maintain

**Productivity**

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Total distribution of collateral (includes Visitor/ Dining Guides)	21,727	22,000	30,000	30,000
Percentage of in/out of county distribution	43/57	66/44	55/45	45/55



FY18-19 Proposed Budget  
Summary of Expenditures  
Tourism Fund

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Tourism Fund				
Salaries-Full Time	\$ 47,851	\$ 51,417	\$ 47,541	\$ 52,374
Medicare	681	743	700	771
Workers Compensation	167	126	93	122
Unemployment Insurance	82	60	49	22
Group Health Insurance	9,203	6,616	5,718	5,720
Group Dental Insurance	528	497	427	432
Group Vision Insurance	78	63	75	77
Disability Insurance	188	199	202	222
Retirement	5,264	5,656	5,230	5,761
Life Insurance	162	52	48	51
Bonus	-	45	36	45
Allowance/Stipend	-	-	720	810
License/Filing Fee	590	-	-	-
Dues, Subscript & Publicat	2,114	2,993	7,750	8,383
Meetings & Training	2,270	3,668	3,500	3,500
Sign Repair & Replacement	1,361	800	-	-
Telecommunications	382	1,130	498	498
Professional Fees	31,145	17,743	24,000	52,641
Rentals & Leases	4,706	6,275	3,000	3,550
Printing Expense	-	79	-	-
Advertising/Signage	71,123	76,468	99,100	79,100
Contractual Services	-	-	-	-
Constituent Communication	1,536	2,095	1,500	1,500
Office Supplies	714	487	700	700
Cleaning/Janitorial Supplies	4	-	-	-
Food & Beverage Supplies	302	5	500	500
Program Materials	6,161	16,964	4,449	4,086
Uniforms	-	251	1,000	1,000
Postage & Delivery	359	99	-	1,594
Software	198	198	-	-
Hardware/Peripherals	184	32	-	-
Equipment	2,962	951	1,000	1,000
ISF-Copier Charges	2,746	1,173	1,820	1,100
ISF-Mail Service Charges	1,151	1,039	1,200	-
ISF-Vehicle Replacement Charge	-	-	66	147
ISF-Motor Pool Charges	-	199	31	52
ISF-Telecom Charges	223	229	245	-
Total Tourism Fund	<u>\$ 194,435</u>	<u>\$ 198,352</u>	<u>\$ 211,198</u>	<u>\$ 225,758</u>



**PROJECT TITLE:** Proposition 302 Grant for Tourism—Arizona Office of Tourism

**GRANT NUMBER:** G5201

**GRANT AMOUNT AWARDED:** \$38,000

**TOWN'S MATCH AMOUNT:** \$ 0

**TOTAL ESTIMATED PROJECT COST:** \$38,000

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

**TIMEFRAME:** FY18-19

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

**FUNDING PRIORITY:** High - Leverage Local Funds



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

**GRANT NUMBER:** G5202

**GRANT AMOUNT AWARDED:** \$35,000

**TOWN’S MATCH AMOUNT:** \$ 0

**TOTAL ESTIMATED PROJECT COST:** \$35,000

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

**TIMEFRAME:** FY18-19

**PROJECT 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:** \$10,000

**TOWN'S MATCH AMOUNT:** \$ 0

**TOTAL ESTIMATED PROJECT COST:** \$10,000

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

**TIMEFRAME:** FY18-19

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

**FUNDING PRIORITY:** High - Leverage Local Funds



# Administration Special Revenue Fund

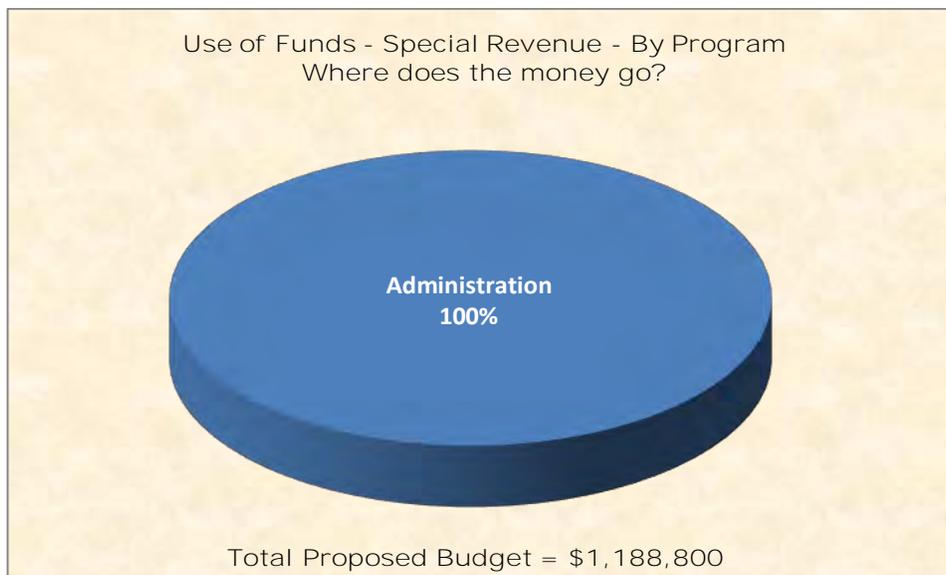


**Special Revenue Fund**

**Service Delivery Plan**

The Special Revenue Fund was established as a receptacle 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			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Administration	\$ 158,947	\$ 371,069	\$ 1,329,000	\$ 1,188,800
Total	\$ 158,947	\$ 371,069	\$ 1,329,000	\$ 1,188,800



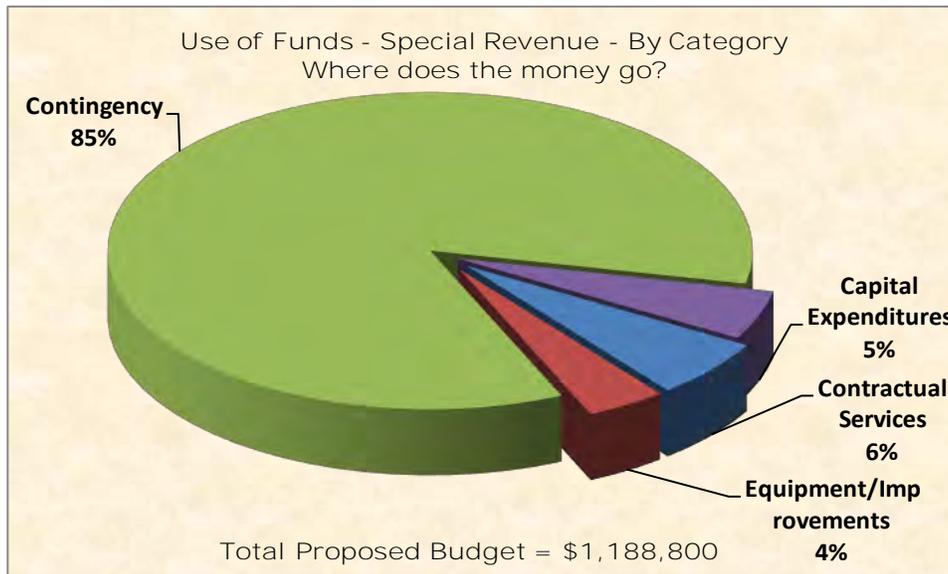
Category	Expenditures by Category			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Contractual Services	\$ 50,000	\$ 47,068	\$ 77,000	\$ 77,000
Equipment/Improvements	-	-	15,000	46,800
Contingency	-	-	985,000	1,000,000
Capital Expenditures	108,947	324,001	252,000	65,000
Total	\$ 158,947	\$ 371,069	\$ 1,329,000	\$ 1,188,800



**Variance Explanations:**

Equipment/Improvements: Budget was increased for the HSIP Grant project G3204.

Capital Expenditures: Budget was decreased for the Civic Center Bus Stop Improvements project G4101.



FY18-19 Proposed Budget  
Summary of Expenditures  
Special Revenue Fund

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Special Revenue Fund				
Advertising/Signage	\$ -	\$ -	\$ 2,000	\$ 2,000
Intergovt Agreements	50,000	46,576	75,000	75,000
Contractual Agreements	-	-	-	-
Constituent Communication	-	492	-	-
Street Improvements	-	-	15,000	46,800
Contingency	-	-	985,000	1,000,000
Park Improvements	108,947	303,484	-	-
Other Infrastructure	-	20,517	252,000	65,000
<b>Total Special Revenue Fund</b>	<b>\$ 158,947</b>	<b>\$ 371,069</b>	<b>\$ 1,329,000</b>	<b>\$ 1,188,800</b>



**PROJECT TITLE:** Highway Safety Improvement Program — Stop Signs  
**GRANT NUMBER:** G3204  
**GRANT AMOUNT AWARDED:** \$46,800  
**TOWN'S MATCH AMOUNT:** \$ 0  
**TOTAL ESTIMATED PROJECT COST:** \$46,800

**PROJECT DESCRIPTION/SCOPE:**

This project will provide improved stop signs on and intersecting with arterial streets.

**TIMEFRAME:** FY18-19

**PROJECT JUSTIFICATION:**

The Town applied for and was awarded a Highway Safety Improvement Program (HSIP) grant through the Maricopa Association of Governments for the installation of guardrail impact attenuators and traffic signal pedestrian countdown timers. The grant was revised to provide upgraded The traffic signal pedestrian countdown times have been installed. This project will provide additional safety measures for motorists and pedestrians while being funded 100% through grant funds.

**FUNDING PRIORITY:** High - Leverage Local Funds



**PROJECT TITLE:** Civic Center Bus Stop Improvements  
**GRANT NUMBER:** G4101  
**GRANT AMOUNT AWARDED:** \$654,000  
**TOWN'S MATCH AMOUNT:** \$ 0  
**TOTAL ESTIMATED PROJECT COST:** \$492,000

**PROJECT DESCRIPTION/SCOPE:**

This project will relocate the existing Valley Metro 514 Express bus route origination point from Palisades Boulevard south of La Montana Drive to a more centralized location at the Town's Civic Center. The new bus stop location will provide for a bus shelter, parking and ADA compliance. Additional funding for future bus stop improvements Town-wide is also included in the total project.

**TIMEFRAME:** FY17-19

**PROJECT JUSTIFICATION:**

This project will provide for a centralized bus stop location for the 514 Express Route at the Town's Civic Center and near higher density apartments and housing. Funding for the project is provided by Local Transportation Assistance Funds (LTAF II).

**FUNDING PRIORITY:** High - Leverage Local Funds





# Municipal Court Court Enhancement Fund

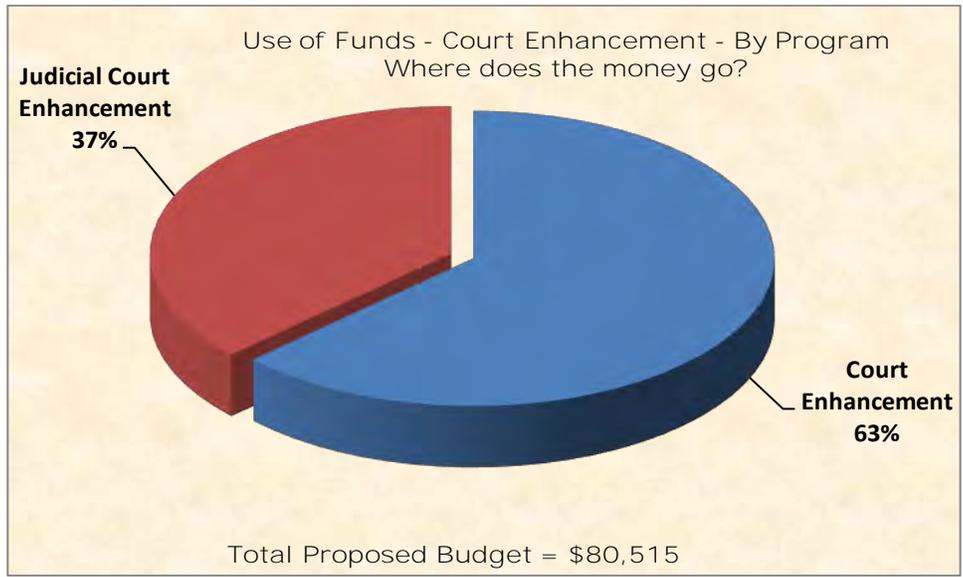


**Court Enhancement Fund**

**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.

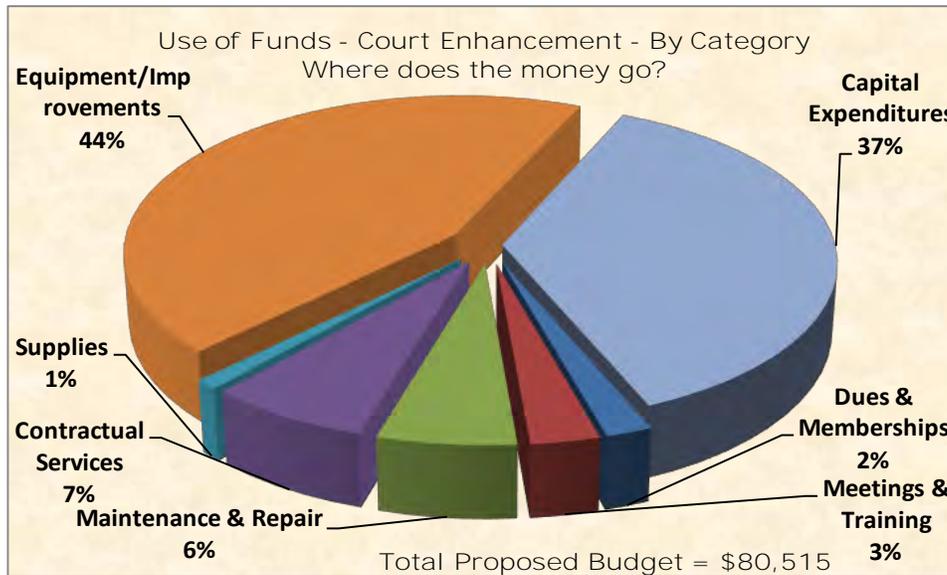
Program Name	Expenditures by Program			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Court Enhancement	\$ 2,759	\$ 122	\$ 50,265	\$ 50,515
Judicial Court Enhancement	-	-	30,000	30,000
<b>Total</b>	<b>\$ 2,759</b>	<b>\$ 122</b>	<b>\$ 80,265</b>	<b>\$ 80,515</b>



Category	Expenditures by Category			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Dues & Memberships	\$ -	\$ -	\$ 1,500	\$ 1,500
Meetings & Training	-	-	5,500	2,500
Maintenance & Repair	-	-	14,500	4,500
Contractual Services	-	-	2,500	5,300
Supplies	-	-	500	500
Equipment/Improvements	2,759	122	25,765	36,215
Capital Expenditures	-	-	30,000	30,000
Total	\$ 2,759	\$ 122	\$ 80,265	\$ 80,515

**Variance Explanations:**

Maintenance & Repair/Equipment/Improvements: It was decided that the budget supplement in FY17-18 for refinishing the court benches was to be carried over to FY18-19 as court bench replacements instead.



FY18-19 Proposed Budget  
Summary of Expenditures  
Court Enhancement Fund

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Court Enhancement Fund				
Dues, Subscript & Publicat	\$ -	\$ -	\$ 1,500	\$ 1,500
Meetings & Training	-	-	5,500	2,500
Office Equip Maint/Repair	-	-	4,500	4,500
Other Maint/Repair	-	-	10,000	-
Rentals & Leases	-	-	-	2,800
Printing Expense	-	-	2,000	2,000
Advertising/Signage	-	-	500	500
Office Supplies	-	-	500	500
Software	-	-	510	510
Hardware/Peripherals	-	122	15,155	18,155
Furniture/Appliances	2,759	-	10,100	17,550
Computer Hardware	-	-	30,000	30,000
<b>Total Court Enhancement Fund</b>	<b>\$ 2,759</b>	<b>\$ 122</b>	<b>\$ 80,265</b>	<b>\$ 80,515</b>



*Jerry Miles*



# Administration Environmental Fund



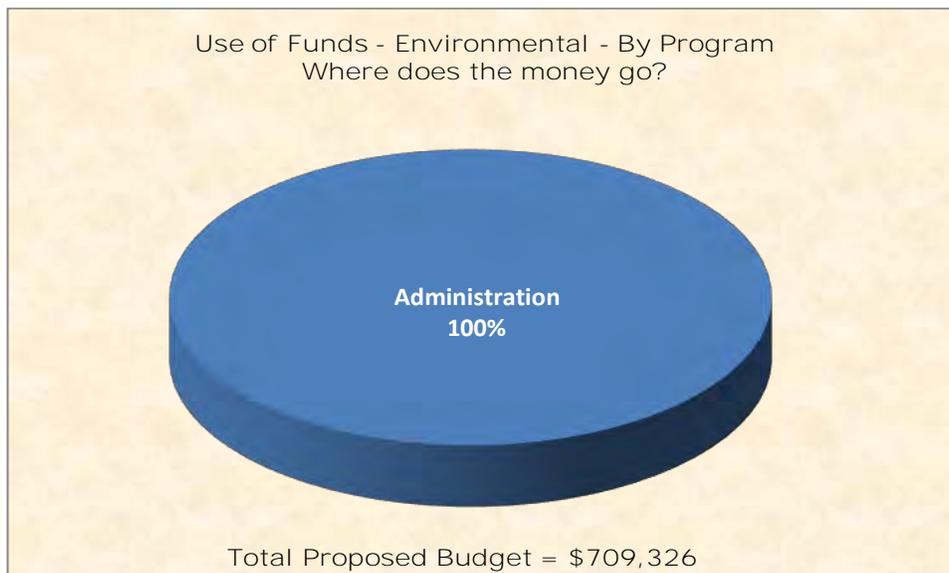
**Environmental Fund**

**Service Delivery Plan**

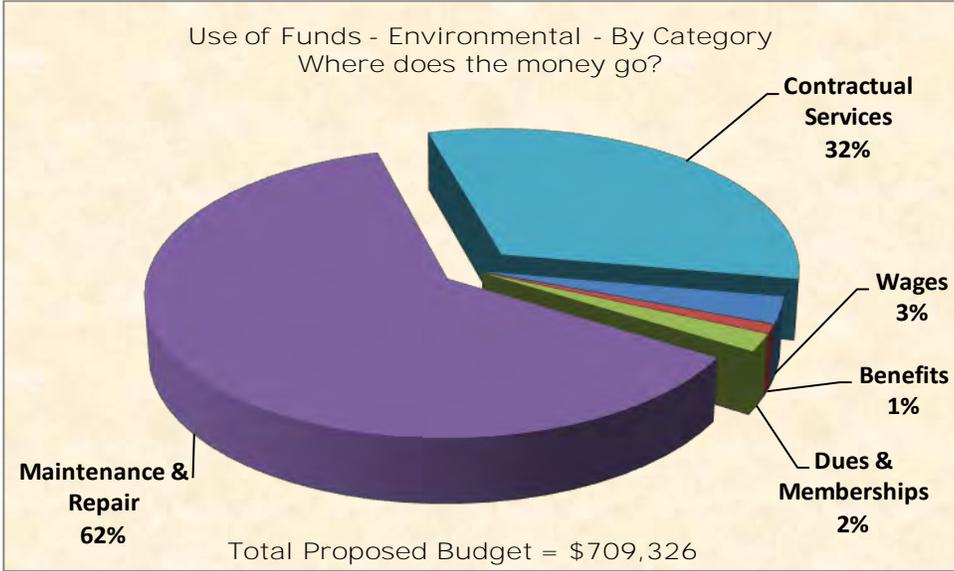
The Environment Fund was established to help offset the costs of stormwater management and air quality permit requirements as well as other environmental programs. These programs include, but are not limited to, stormwater and air quality programs, public outreach, permit fees, wash maintenance, ADWR dam inspection and maintenance, street sweeping, storm drain cleaning and household hazardous waste disposal. 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 environmental fee.

Program Name	Expenditures by Program			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Administration	\$ 472,351	\$ 494,638	\$ 711,806	\$ 709,326
Total	\$ 472,351	\$ 494,638	\$ 711,806	\$ 709,326



Category	Expenditures by Category			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Wages	\$ 18,004	\$ 18,283	\$ 18,740	\$ 19,677
Employment Taxes	1,151	842	771	823
Benefits	4,191	3,625	3,742	3,853
Dues & Memberships	10,000	8,000	10,715	11,215
Meetings and Training	-	-	300	300
Maintenance & Repair	284,039	320,286	445,400	445,400
Contractual Services	154,966	142,448	230,138	225,945
Supplies	-	1,069	2,000	2,000
Internal Service	-	85	-	113
Contingency	-	-	-	-
<b>Total</b>	<b>\$ 472,351</b>	<b>\$ 494,638</b>	<b>\$ 711,806</b>	<b>\$ 709,326</b>



## Activities/Results

### Performance Measures

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Percentage of residential sweeping completed within specified cycle*	100%	100%	100%	100%
Percentage of arterial sweeping completed within specific cycle*	100%	100%	100%	100%
Completion of annual permit requirements	N/A	N/A	100%	100%

\*Contracted street sweeping in FY13-14. Arterial street sweeping changed from once every two weeks to once every three weeks. FY14-15 actual sweeping costs were paid out of the Streets fund.

### Quality

	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Total lane miles on sweeping schedule	316	316	317	317
Total lane miles swept annually	2,682	2,682	2,695	2,695
Acres of Town-owned washes maintained	75	65	65	65
Number of paper shedding events held*	2	2	2	2
Number of electronics recycling events held	1	1	1	1
Number of household hazardous waste events held	0	0	1	1

\*Friends of the Library sponsored event

### Productivity

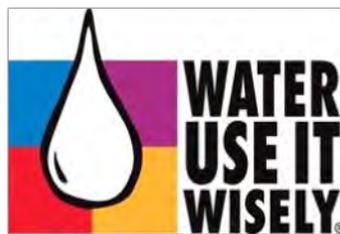
	<b>FY15-16 Actual</b>	<b>FY16-17 Actual</b>	<b>FY17-18 Estimate</b>	<b>FY18-19 Target</b>
Expenditure for street sweeping*	\$87,908	\$69,316	\$90,000	\$90,000
Expenditure per lane mile of streets swept*	\$32.78	\$25.84	\$33.40	\$33.40

\*Contracted street sweeping in FY13-14. Arterial street sweeping changed from once every two weeks to once every three weeks. FY14-15 actual sweeping costs were paid out of the Streets fund.



FY18-19 Proposed Budget  
Summary of Expenditures  
Environmental Fund

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Environmental Fund				
Salaries-Full Time	\$ 18,004	\$ 18,283	\$ 18,740	\$ 19,677
Medicare	260	265	272	286
Workers Compensation	872	564	485	531
Unemployment Insurance	19	14	14	6
Group Health Insurance	1,956	1,394	1,447	1,448
Group Dental Insurance	109	103	107	108
Group Health Vision	16	13	19	19
Disability Insurance	69	74	79	83
Retirement	1,981	2,011	2,061	2,164
Life Insurance	60	19	19	19
Bonus	-	10	10	12
Licenses/Filing Fees	7,000	5,000	7,715	7,715
Dues, Subscript & Publicat	3,000	3,000	3,000	3,500
Meetings & Training	-	-	300	300
Grounds Maint/Repair	-	-	5,000	5,000
Wash Maintenance	146,817	135,958	210,000	210,000
Dam Inspection and Maint	19,960	16,024	20,400	20,400
Drainage Maint/Repair	92,188	140,842	180,000	180,000
Storm Damage Cleanup	25,074	27,462	30,000	30,000
Professional Fees	54,242	68,087	44,193	40,000
Contractual Services	98,816	74,332	135,920	135,920
Constituent Communication	1,134	-	-	-
Bank/Merc Acct Fees	24	29	25	25
Community Contracts/Events	750	-	50,000	50,000
Program Materials	-	1,069	2,000	2,000
ISF-Copier Charges	-	30	-	60
ISF-Vehicle Replacement Charge	-	-	-	39
ISF-Motor Pool Charges	-	55	-	14
<b>Total Environmental Fund</b>	<b>\$ 472,351</b>	<b>\$ 494,638</b>	<b>\$ 711,806</b>	<b>\$ 709,326</b>





# Cottonwoods Maintenance District



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 FY18-19 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	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
<b>Revenues</b>				
Property Tax	\$ 5,430	\$ 5,653	\$ 5,454	\$ 6,642
Interest Income	30	74	36	72
<b>Total Revenues</b>	<b>\$ 5,460</b>	<b>\$ 5,727</b>	<b>\$ 5,490</b>	<b>\$ 6,714</b>
<b>Expenditures</b>				
Grounds Maint/Repair	\$ (2,500)	\$ (3,600)	\$ (4,781)	\$ (4,851)
Advertising/Signage	(195)	(195)	(200)	(250)
ISF-Mail Service Charges	(10)	(3)	(50)	-
<b>Total Expenditures</b>	<b>\$ (2,705)</b>	<b>\$ (3,798)</b>	<b>\$ (5,031)</b>	<b>\$ (5,101)</b>



**Cottonwoods Maintenance District  
Summary of Tax Levy and Tax Rate Information  
Fiscal Year 18-19**

	FY17-18	FY18-19
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ _____ -	\$ _____ -
2. Amount received from primary property taxation in the <b>current year</b> 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	_____ 5,454	_____ 6,642
C. Total property tax levy amounts	\$ _____ 5,454	\$ _____ 6,642
4. Property taxes collected*		
A. Primary property taxes		
(1) <b>Current</b> year's levy	\$ _____ -	
(2) Prior years' levies	_____ -	
(3) Total primary property taxes	_____ -	
B. Secondary property taxes		
(1) <b>Current</b> year's levy	_____ 5,454	
(2) Prior years' levies	_____ -	
(3) Total secondary property taxes	_____ 5,454	
C. Total property taxes collected	\$ _____ 5,454	
5. Property tax rates		
A. Town tax rate		
(1) Primary property tax rate	\$ _____ -	\$ _____ -
(2) Secondary property tax rate	_____ 94.0400	_____ 114.5200
(3) Total town tax rate	\$ _____ 94.0400	\$ _____ 114.5200

\* Includes actual property taxes collected as of the date the proposed budget was prepared,





# Debt Service Funds



## 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.

### General Obligation Debt

There have been four General Obligation bond issues that were approved by the voters for specific purposes:

- The first GO bond issue in 1991 (refunded in 1995) was to pave roads that remained unpaved at the time of incorporation.
- Additional GO bonds issued in 1999 and 2000 (partially refunded in 2005) were for the construction of a library/museum and acquiring land for open space preservation.
- Bonds issued in 2001 (partially refunded in 2005) were for the purchase of mountain preserve land in the McDowell mountains.
- Bonds were issued in December 2014 to pay for the Saguaro Boulevard Reconstruction Project.

The annual property tax levy is based on the total amount required for the payment (with adjustments for carry-forward and/or interest earnings, delinquencies, etc.) divided by the total assessed valuation for the Town of Fountain Hills.

The Town's assessed property valuation for FY18-19 is estimated to be \$466,639,047 for the upcoming year (a 4.9% increase from the prior year). The estimated levy, is \$0.4257 per \$100 of assessed value. The levy is \$0.0002 lower than last year.

### GENERAL OBLIGATION DEBT SERVICE

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
<b>Revenues</b>				
Secondary Property Tax	\$ 2,119,611	\$ 1,902,919	\$ 1,893,694	\$ 1,986,373
Interest Income	2,514	4,408	720	1,200
<b>Total Revenues</b>	<b>\$ 2,122,125</b>	<b>\$ 1,907,327</b>	<b>\$ 1,894,414</b>	<b>\$ 1,987,573</b>
<b>Expenditures</b>				
Principal Payments	\$ (1,770,000)	\$ (1,930,000)	\$ (1,980,000)	\$ (1,880,000)
Interest Payments	(231,850)	(188,250)	(140,950)	(92,250)
Administrative/Trustee Fees	(1,000)	(1,000)	(600)	(600)
<b>Total Expenditures</b>	<b>\$ (2,002,850)</b>	<b>\$ (2,119,250)</b>	<b>\$ (2,121,550)</b>	<b>\$ (1,972,850)</b>



Eagle Mountain Community Facilities District (CFD) Debt

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.
- CFD bonds issued in 2005 were for refunding and defeasing the 1996 issues.
- Outstanding bonds were refinanced 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 \$29,859,894 (an increase of 3.1% from the prior year) is \$1.3724 per \$100 of assessed valuation compared to \$1.2877 in the prior year.

## EAGLE MOUNTAIN COMMUNITY FACILITIES DISTRICT DEBT SERVICE

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
<b>Revenues</b>				
Property Tax	\$ 418,257	\$ 378,872	\$ 372,746	\$ 409,786
Interest Income	472	938	120	240
<b>Total Revenues</b>	<b>\$ 418,730</b>	<b>\$ 379,810</b>	<b>\$ 372,866</b>	<b>\$ 410,026</b>
<b>Expenditures</b>				
Advertising/Signage	\$ (195)	\$ (170)	\$ (200)	\$ (200)
Principal Payments	(365,000)	(375,000)	(380,000)	(385,000)
Interest Payments	(43,516)	(34,056)	(27,456)	(20,768)
<b>Total Expenditures</b>	<b>\$ (408,711)</b>	<b>\$ (409,226)</b>	<b>\$ (407,656)</b>	<b>\$ (405,968)</b>



**Municipal Property Corporation (MPC) Debt**

There have been four Municipal Property Corporation (MPC) bond issues that were approved by the voters for specific purposes:

- The first MPC bond issue in 2000 (partially refunded in 2005) was to build the Community Center.
- The second MPC issue was in 2001 (partially refunded in 2005) for the purchase of mountain preserve land.
- The third MPC issue was in 2004 for the construction of the Town Hall.
- Outstanding bonds were refinanced in 2015 to reduce interest costs.

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. The MPC owns the land and buildings purchased through bond proceeds. The bonds issued for the Community Center are repaid through the General Fund within the General Government Department budget. When the bonds are retired, any assets owned by the MPC will be turned over to the Town of Fountain Hills.

During FY11-12, the Town used surplus reserves to retire bonds that were issued in 2004 for the Civic Center (Town Hall). The payoff provided a net savings of approximately \$276,000 over the life of the bonds. The annual debt service payment savings will be available in the General Fund for ongoing operations.

Beginning in FY16-17, the local sales tax that was dedicated to paying for the mountain preserve bonds will be used to fund the pavement replacement program.

MUNICIPAL PROPERTY CORPORATION DEBT SERVICE

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
<b>Revenues</b>				
Sales-Excise Tax	\$ 708,777	\$ -	\$ -	\$ -
Interest Income	994	2,315	840	840
Transfer In	-	249,055	209,838	381,554
<b>Total Revenues</b>	<b>\$ 709,771</b>	<b>\$ 251,370</b>	<b>\$ 210,678</b>	<b>\$ 382,394</b>
<b>Expenditures</b>				
License/Filing Fees	\$ (10)	\$ (10)	\$ (10)	\$ (10)
Principal Payments	(480,000)	(370,000)	(360,000)	(370,000)
Interest Payments	(32,740)	(22,680)	(16,686)	(10,854)
Administrative/Trustee Fees	(800)	(1,000)	(1,000)	(1,000)
<b>Total Expenditures</b>	<b>\$ (513,550)</b>	<b>\$ (393,690)</b>	<b>\$ (377,696)</b>	<b>\$ (381,864)</b>



Outstanding Debt

The Schedule below includes an itemization of the outstanding debt as of June 30, 2018, after the scheduled principal and interest payment due July 1.

**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	Refunding	6/1/2005	4.00	7/1/2019	\$ 7,225,000	\$ 6,915,000	\$ 310,000
GO	Road Construction	12/18/2014	2.00-3.00	7/1/2020	<u>7,565,000</u>	<u>4,380,000</u>	<u>3,185,000</u>
	Total GO				<u>14,790,000</u>	<u>11,295,000</u>	<u>3,495,000</u>
Rev	Refunding	6/4/2015	1.62	7/1/2020	<u>1,880,000</u>	<u>1,210,000</u>	<u>670,000</u>
	Total Rev				<u>1,880,000</u>	<u>1,210,000</u>	<u>670,000</u>
GO	Eagle Mtn	6/4/2015	1.76	7/1/2021	<u>2,300,000</u>	<u>1,120,000</u>	<u>1,180,000</u>
	Total GO - Eagle Mtn				<u>2,300,000</u>	<u>1,120,000</u>	<u>1,180,000</u>
	Grand Total				<u>\$ 18,970,000</u>	<u>\$ 13,625,000</u>	<u>\$ 5,345,000</u>

GO General Obligation Bonds  
Rev Revenue Bonds



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.

Proposition 117 in FY15-16 changed the basis for assessment from full cash value to limited property value.

Town of Fountain Hills, Arizona Legal Debt Margin Information				
	<u>FY15-16</u>	<u>FY16-17</u>	<u>FY17-18</u>	<u>FY18-19</u>
6% Debt Limit				
Debt limit	\$ 24,128,118	\$ 25,419,147	\$ 26,678,977	\$ 27,998,343
Total applicable to limit	-	-	-	-
Legal debt margin	<u>\$ 24,128,118</u>	<u>\$ 25,419,147</u>	<u>\$ 26,678,977</u>	<u>\$ 27,998,343</u>
Total net debt applicable to the limit as a percentage of debt limit	0%	0%	0%	0%
20% Debt Limit				
Debt limit	\$ 80,427,061	\$ 84,730,489	\$ 88,929,923	\$ 93,327,809
Total applicable to limit	2,000,000	7,405,000	5,475,000	3,495,000
Legal debt margin	<u>\$ 78,427,061</u>	<u>\$ 77,325,489</u>	<u>\$ 83,454,923</u>	<u>\$ 89,832,809</u>
Total net debt applicable to the limit as a percentage of debt limit	2%	9%	6%	4%
Net Assessed Limited Property Value	\$ 402,135,304	\$ 423,652,443	\$ 444,649,617	\$ 466,639,047



**Town of Fountain Hills  
Summary of Tax Levy and Tax Rate Information  
Fiscal Year 18-19**

	FY17-18	FY18-19
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ _____ -	\$ _____ -
2. Amount received from primary property taxation in the <b>current year</b> 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>1,893,694</u>	<u>1,986,373</u>
C. Total property tax levy amounts	<u>\$ 1,893,694</u>	<u>\$ 1,986,373</u>
4. Property taxes collected*		
A. Primary property taxes		
(1) <b>Current</b> year's levy	\$ _____ -	
(2) Prior years' levies	<u>_____ -</u>	
(3) Total primary property taxes	<u>_____ -</u>	
B. Secondary property taxes		
(1) <b>Current</b> year's levy	1,893,694	
(2) Prior years' levies	<u>_____ -</u>	
(3) Total secondary property taxes	<u>1,893,694</u>	
C. Total property taxes collected	<u>\$ 1,893,694</u>	
5. Property tax rates		
A. Town tax rate		
(1) Primary property tax rate	\$ _____ -	\$ _____ -
(2) Secondary property tax rate	<u>0.4259</u>	<u>0.4257</u>
(3) Total town tax rate	<u>\$ 0.4259</u>	<u>\$ 0.4257</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.



**Eagle Mountain Community Facilities District  
 Summary of Tax Levy and Tax Rate Information  
 Fiscal Year 18-19**

	<b>FY17-18</b>	<b>FY18-19</b>
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 <b>current year</b> in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18)	\$ <u>          -</u>	
3. Property tax levy amounts		
A. Primary property taxes	\$           -	\$           -
B. Secondary property taxes	<u>          372,746</u>	<u>          409,786</u>
C. Total property tax levy amounts	<u>\$        372,746</u>	<u>\$        409,786</u>
4. Property taxes collected*		
A. Primary property taxes		
(1) <b>Current</b> 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) <b>Current</b> year's levy	372,746	-
(2) Prior years' levies	<u>                  -</u>	<u>                  -</u>
(3) Total secondary property taxes	<u>          372,746</u>	<u>                  -</u>
C. Total property taxes collected	<u>\$        372,746</u>	<u>                  -</u>
5. Property tax rates		
A. CFD tax rate		
(1) Primary property tax rate	\$           -	\$           -
(2) Secondary property tax rate	<u>          1.2877</u>	<u>          1.3724</u>
(3) Total CFD tax rate	<u>\$        1.2877</u>	<u>\$        1.3724</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.



# Capital Improvement Program



## 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 2018-20

YEAR PROJECT BEGAN: [Click here to enter text.](#) Example FY 2018-19

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 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Total
Capital Projects							
Grant							
Downtown Strategy							
General							
Developer							
Development Fees							
Bonds							
Other Sources							
Unfunded							
Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Project Expenses							
Fund Type	Prior Years	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Total
Acquisition							
Planning							
Design							
Construction							
Other Expenses							
Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Operating Impact							
Fund Type		FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23	Total
Salaries & Benefits							
Services & Supplies							
Other Impact							
Total		\$0	\$0	\$0	\$0	\$0	\$0



# Capital Projects Summary



**PROPOSED CAPITAL PROJECTS  
FY18-19 THROUGH FY22-23  
PROJECTS BY YEAR**

Project No.	Project Title	Prior Years' Costs	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	Five Year Total (excludes Prior Years' Costs)
<b><u>Stormwater Management/Drainage Projects</u></b>								
D6047	Drainage-Miscellaneous	\$ 100,299	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 250,000
D6055	Drainage-Civic Center Improvements	-	50,000	-	-	-	-	50,000
<b>TOTAL</b>		<b>\$ 100,299</b>	<b>\$ 100,000</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>	<b>\$ 300,000</b>
<b><u>Facilities Projects</u></b>								
F4005	Fire Station #2 Relocation	\$ 2,370,661	\$ 2,312,165	\$ -	\$ -	\$ -	\$ -	\$ 2,312,165
F4013	Fire Station #3	-	-	-	343,000	-	2,402,000	2,745,000
F4014	Fire Station #3 Vehicles & Equipment	-	-	-	-	-	1,122,000	1,122,000
F4029	Civic Center Improvements	-	150,000	-	-	-	-	150,000
<b>TOTAL</b>		<b>\$ 2,370,661</b>	<b>\$ 2,462,165</b>	<b>\$ -</b>	<b>\$ 343,000</b>	<b>\$ -</b>	<b>\$ 3,524,000</b>	<b>\$ 6,329,165</b>
<b><u>Parks &amp; Recreation Projects</u></b>								
P3023	New Pocket Park-West	\$ -	\$ -	\$ -	\$ 113,000	\$ -	\$ 790,000	\$ 903,000
P3025	Adero Canyon Trailhead	2,146,630	350,000	-	-	-	-	350,000
P3026	Fountain Park Access Improvements	-	-	834,006	-	-	-	834,006
P3028	Four Peaks Park - Phases II & III	-	-	-	-	2,000,000	3,300,000	5,300,000
P3030	Plaza Fountainside Courtyard Area Improvements	-	-	-	-	165,000	220,000	385,000
P3031	Fountain Lake Water Quality Improvements - Phase II	-	-	2,622,400	-	-	-	2,622,400
P3032	Sport Field Lighting	-	-	1,733,000	-	-	-	1,733,000
P3033	Video Surveillance Cameras	50,000	100,000	50,000	50,000	-	-	200,000
P3034	Golden Eagle Concrete Replacement	-	50,000	-	-	-	-	50,000
P3035	Four Peaks Park Playground Upgrades	-	250,000	100,000	100,000	100,000	100,000	650,000
P3036	Desert Vista Skate Park Lights	-	-	70,000	-	-	-	70,000
<b>TOTAL</b>		<b>\$ 2,196,630</b>	<b>\$ 750,000</b>	<b>\$ 5,409,406</b>	<b>\$ 263,000</b>	<b>\$ 2,265,000</b>	<b>\$ 4,410,000</b>	<b>\$ 13,097,406</b>
<b><u>Street/Sidewalk Projects</u></b>								
S6003	Unpaved Alley Paving Projects	\$ 380,479	\$ 255,000	\$ 308,000	\$ -	\$ -	\$ -	\$ 563,000
	Fountain Hills Blvd Widening - Shea Boulevard to							
S6015	Pinto	-	100,000	-	-	-	-	100,000
S6051	AOTF/La Montana Intersection Improvements	-	40,000	100,000	-	-	-	140,000
S6053	Fountain Hills Blvd Shoulder Paving	307,846	170,184	-	-	-	-	170,184
	Shea Blvd. Widening - Palisades Blvd. to							
S6058	Technology Dr.	-	130,000	-	-	-	-	130,000
S6059	Wayfinding Signs	75,500	25,000	150,000	-	-	-	175,000
S6060	Monument Signs	-	-	150,000	150,000	-	-	300,000
S6061	Sidewalk Infill Program	-	100,000	100,000	100,000	100,000	100,000	500,000
<b>TOTAL</b>		<b>\$ 763,825</b>	<b>\$ 820,184</b>	<b>\$ 808,000</b>	<b>\$ 250,000</b>	<b>\$ 100,000</b>	<b>\$ 100,000</b>	<b>\$ 2,078,184</b>
<b><u>Traffic Signal Projects</u></b>								
T5005	Traffic Signal-Palisades & Eagle Ridge/Palomino	\$ -	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ 500,000
<b>TOTAL</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ 500,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 500,000</b>
<b><u>Vehicle Replacement Program</u></b>								
	Vehicle Replacement Per Schedule		\$ 47,253	\$ 322,524	\$ 59,303	\$ 55,141	\$ 669,622	\$ 1,153,843
<b><u>Contingency</u></b>								
			\$ 41,323	\$ 67,674	\$ 9,060	\$ 24,150	\$ 80,840	\$ 223,047
<b>TOTAL PROPOSED CAPITAL PROJECTS</b>		<b>\$ 5,431,415</b>	<b>\$ 4,173,672</b>	<b>\$ 6,835,080</b>	<b>\$ 915,060</b>	<b>\$ 2,439,150</b>	<b>\$ 8,164,840</b>	<b>\$ 22,527,802</b>
(excludes Vehicle Replacement Program)								



FY18-19 Proposed Budget  
Summary of Expenditures  
Capital Projects Fund

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Capital Projects Fund				
Management Fees	\$ 1,935	\$ 2,207	\$ 1,940	\$ 1,940
Software	-	-	-	-
Hardware/Peripherals	-	-	-	-
Building Improvement Expenses	-	-	-	150,000
Street Improvement Expenses	-	64,387	100,000	25,000
Park Improvement Expenses	-	48,680	145,000	50,000
Other Infrastructure Expenses	-	97,144	10,240	-
Stormwater/Drainage Expenses	-	48,937	50,000	50,000
Furniture/Equipment	-	224,729	50,000	-
Building Improvements	14,391	368,109	4,150,000	2,312,165
Street Improvements	4,448,978	43,053	650,000	795,184
Park Improvements	300,591	359,507	2,335,000	700,000
Other Infrastructure	275,031	24,000	100,000	-
Stormwater/Drainage Improvements	1,187,102	132,601	-	50,000
Contingency	-	-	59,560	41,323
<b>Total Capital Projects Fund</b>	<b>\$ 6,228,028</b>	<b>\$ 1,413,354</b>	<b>\$ 7,651,740</b>	<b>\$ 4,175,612</b>



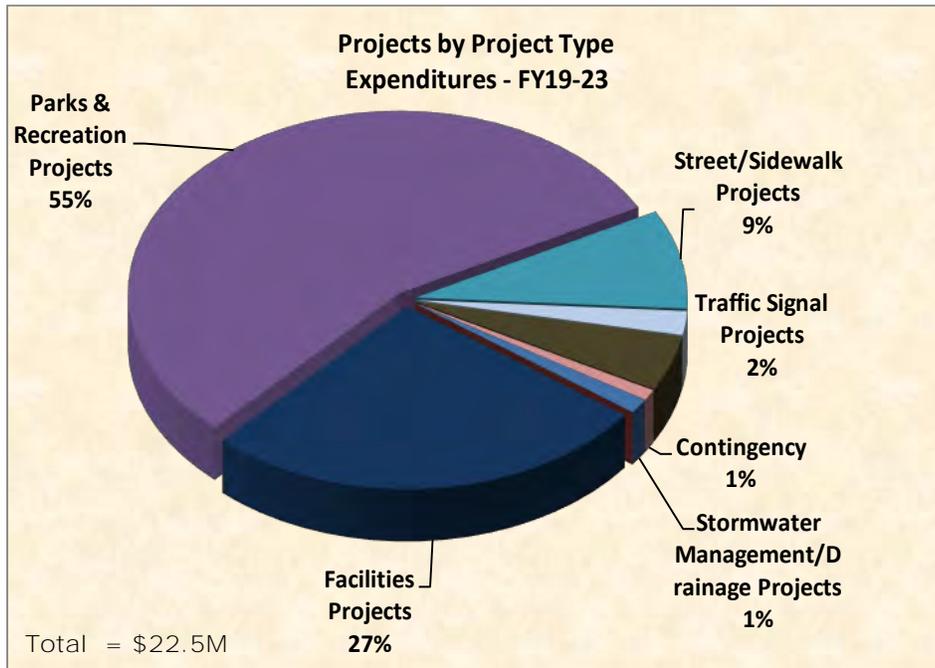
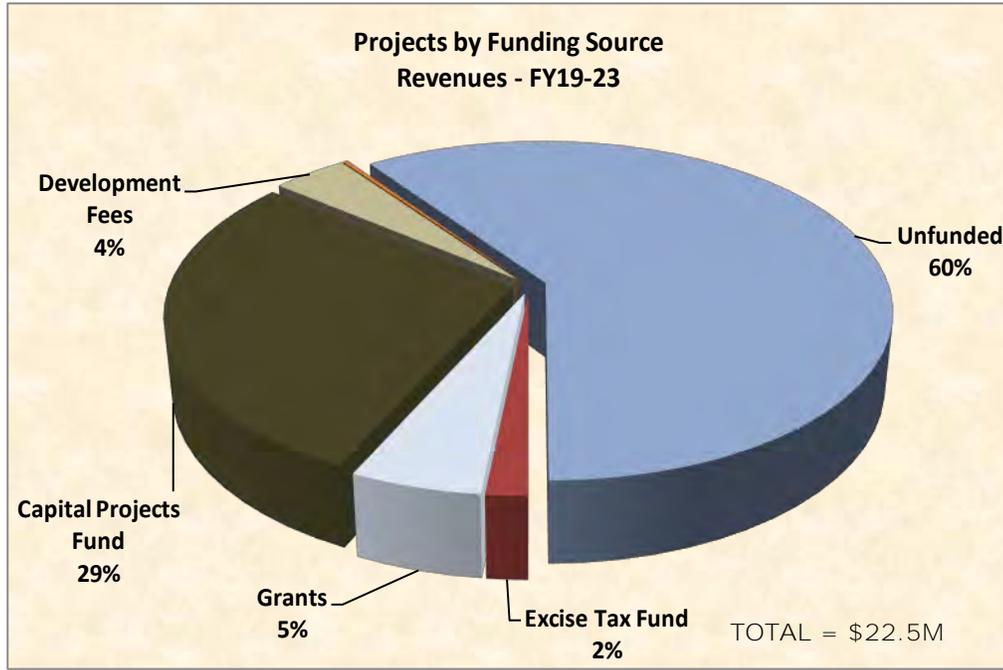
**CAPITAL PROJECTS FIVE-YEAR PROJECTION  
REVENUES & PROJECT COSTS**

REVENUES BY SOURCE	FIVE-YEAR AVAILABLE FUNDS	FY18-19 Requested	FY19-20 Requested	FY20-21 Requested	FY21-22 Requested	FY22-23 Requested	TOTAL FIVE- YEAR PROJECTION	SURPLUS/ (DEFICIT)
General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highway User Fund	-	-	-	-	-	-	-	-
Downtown Strategy Fund	417,659	-	375,000	-	-	-	375,000	42,659
Grants	1,180,000	140,000	40,000	-	500,000	500,000	1,180,000	-
Capital Projects Fund	2,291,821	4,033,672	1,105,674	459,060	399,150	530,840	6,528,396	(4,236,575)
Development Fees:								
Fire & Emergency Medical	407,012	-	-	199,366	-	25,130	224,496	182,516
Open Space	-	-	-	-	-	-	-	-
Parks & Recreation	1,161,789	-	-	113,000	-	583,728	696,728	465,061
Bonds	-	-	-	-	-	-	-	-
Developers	-	-	-	-	-	-	-	-
Other	60,000	-	-	-	40,000	20,000	60,000	-
Total Revenues By Source	\$ 5,518,281	\$ 4,173,672	\$ 1,520,674	\$ 771,426	\$ 939,150	\$ 1,659,698	\$ 9,064,620	\$ (3,546,339)
Unfunded	13,463,182	-	5,314,406	143,634	1,500,000	6,505,142	13,463,182	(13,463,182)
Total Revenues Required	\$ 18,981,463	\$ 4,173,672	\$ 6,835,080	\$ 915,060	\$ 2,439,150	\$ 8,164,840	\$ 22,527,802	\$ (17,009,521)

EXPENDITURES BY PROJECT TYPE & COSTS	FY18-19 Requested	FY19-20 Requested	FY20-21 Requested	FY21-22 Requested	FY22-23 Requested	TOTAL FIVE- YEAR PROJECTION
Stormwater Management/Drainage Projects	\$ 100,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 300,000
Downtown Improvement Projects	-	-	-	-	-	-
Facilities Projects	2,462,165	-	343,000	-	3,524,000	6,329,165
Parks & Recreation Projects	750,000	5,409,406	263,000	2,265,000	4,410,000	13,097,406
Street/Sidewalk Projects	820,184	808,000	250,000	100,000	100,000	2,078,184
Traffic Signal Projects	-	500,000	-	-	-	500,000
Contingency	41,323	67,674	9,060	24,150	80,840	223,047
Total Project Costs	\$ 4,173,672	\$ 6,835,080	\$ 915,060	\$ 2,439,150	\$ 8,164,840	\$ 22,527,802



**CAPITAL PROJECTS FIVE-YEAR PROJECTION**



**PROPOSED CAPITAL PROJECTS  
FY18-19 THROUGH FY22-23  
BY YEAR AND FUNDING SOURCE**

Project No.	Project Title/Funding Source	Prior Years' Costs	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	Five Year Source Total	Project Total
D6047	<b>Drainage-Miscellaneous</b>								\$ 350,299
	<i>Capital Projects Fund</i>	\$ 100,299	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 250,000	
D6055	<b>Drainage-Civic Center Improvements</b>								50,000
	<i>Capital Projects Fund</i>	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000	
F4005	<b>Fire Station #2 Relocation</b>								4,682,826
	<i>Capital Projects Fund</i>	\$ 1,967,719	\$ 2,312,165	\$ -	\$ -	\$ -	\$ -	\$ 2,312,165	
F4013	<b>Fire Station #3</b>								2,745,000
	<i>Development Fees</i>	-	-	-	199,366	-	25,130	224,496	
	<i>Unfunded</i>	-	-	-	143,634	-	2,376,870	2,520,504	
F4014	<b>Fire Station #3 Vehicles &amp; Equipment</b>								1,122,000
	<i>Unfunded</i>	-	-	-	-	-	1,122,000	1,122,000	
F4029	<b>Civic Center Improvements</b>								150,000
	<i>Capital Projects Fund</i>	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ 150,000	
P3023	<b>New Pocket Park-West</b>								903,000
	<i>Development Fees</i>	-	-	-	113,000	-	583,728	696,728	
	<i>Unfunded</i>	-	-	-	-	-	206,272	206,272	
P3025	<b>Adero Canyon Trailhead</b>								2,496,630
	<i>Capital Projects Fund</i>	\$ 329,974	\$ 350,000	\$ -	\$ -	\$ -	\$ -	\$ 350,000	
P3026	<b>Fountain Park Access Improvements</b>								834,006
	<i>Downtown Strategy</i>	-	-	375,000	-	-	-	375,000	
	<i>Unfunded</i>	-	-	459,006	-	-	-	459,006	
P3028	<b>Four Peaks Park - Phases II &amp; III</b>								5,300,000
	<i>Grants</i>	-	-	-	-	500,000	500,000	1,000,000	
	<i>Unfunded</i>	-	-	-	-	1,500,000	2,800,000	4,300,000	
P3030	<b>Plaza Fountainside Courtyard Area Improvements</b>								385,000
	<i>Capital Projects Fund</i>	\$ -	\$ -	\$ -	\$ -	\$ 125,000	\$ 200,000	\$ 325,000	
	<i>Other</i>	-	-	-	-	40,000	20,000	60,000	
P3031	<b>Fountain Lake Water Quality Improvments - Phase II</b>								2,622,400
	<i>Unfunded</i>	-	-	2,622,400	-	-	-	2,622,400	
P3032	<b>Sport Field Lighting</b>								1,733,000
	<i>Unfunded</i>	-	-	1,733,000	-	-	-	1,733,000	
P3033	<b>Video Surveillance Cameras</b>								250,000
	<i>Capital Projects Fund</i>	\$ 50,000	\$ 100,000	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ 200,000	
P3034	<b>Golden Eagle Concrete Replacement</b>								50,000
	<i>Capital Projects Fund</i>	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000	
P3035	<b>Four Peaks Park Playground Upgrades</b>								650,000
	<i>Capital Projects Fund</i>	\$ -	\$ 200,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 600,000	
	<i>Grants</i>	-	50,000	-	-	-	-	50,000	
P3036	<b>Desert Vista Skate Park Lights</b>								70,000
	<i>Capital Projects Fund</i>	\$ -	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000	
	<i>Grants</i>	-	-	40,000	-	-	-	40,000	
S6003	<b>Unpaved Alley Paving Projects</b>								943,479
	<i>Capital Projects Fund</i>	\$ 380,479	\$ 255,000	\$ 308,000	\$ -	\$ -	\$ -	\$ 563,000	
S6015	<b>Fountain Hills Blvd Widening - Shea Boulevard to Pinto</b>								100,000
	<i>Capital Projects Fund</i>	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000	
S6051	<b>AOTF/La Montana Intersection Improvements</b>								140,000
	<i>Capital Projects Fund</i>	\$ -	\$ 40,000	\$ 100,000	\$ -	\$ -	\$ -	\$ 140,000	
S6053	<b>Fountain Hills Blvd Shoulder Paving</b>								478,030
	<i>Capital Projects Fund</i>	\$ 307,846	\$ 170,184	\$ -	\$ -	\$ -	\$ -	\$ 170,184	
S6058	<b>Shea Blvd. Widening - Palisades Blvd. to Technology Dr.</b>								130,000
	<i>Capital Projects Fund</i>	\$ -	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ 40,000	
	<i>Grants</i>	-	90,000	-	-	-	-	90,000	
S6059	<b>Wayfinding Signs</b>								250,500
	<i>Capital Projects Fund</i>	\$ 75,500	\$ 25,000	\$ 150,000	\$ -	\$ -	\$ -	\$ 175,000	
S6060	<b>Monument Signs</b>								300,000
	<i>Capital Projects Fund</i>	\$ -	\$ -	\$ 150,000	\$ 150,000	\$ -	\$ -	\$ 300,000	
S6061	<b>Sidewalk Infill Program</b>								500,000
	<i>Capital Projects Fund</i>	\$ -	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 500,000	
T5005	<b>Traffic Signal-Palisades &amp; Eagle Ridge/Palomino</b>								500,000
	<i>Unfunded</i>	-	-	500,000	-	-	-	500,000	
	<b>Contingency</b>								223,047
	<i>Capital Projects Fund</i>		\$ 41,323	\$ 67,674	\$ 9,060	\$ 24,150	\$ 80,840	\$ 223,047	
<b>TOTAL PROPOSED CAPITAL PROJECTS</b>		<b>\$ 5,431,415</b>	<b>\$ 4,173,672</b>	<b>\$ 6,835,080</b>	<b>\$ 915,060</b>	<b>\$ 2,439,150</b>	<b>\$ 8,164,840</b>	<b>\$ 22,527,802</b>	<b>\$ 27,959,217</b>

The highlighted rows represent project funding through the Town's Capital Projects Fund.



**PROPOSED CAPITAL PROJECTS  
FY18-19 THROUGH FY22-23  
BY YEAR AND FUNDING SOURCE  
TOTALS**

**REVENUE SUMMARY TOTALS - BY FUNDING SOURCE**

Source	Prior Years' Costs	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	Total FY18-19 to FY22-23	Project Total
Capital Projects Fund	\$ 3,211,817	\$ 4,033,672	\$ 1,105,674	\$ 459,060	\$ 399,150	\$ 530,840	\$ 6,528,396	\$ 9,740,213
Grants	-	140,000	40,000	-	500,000	500,000	1,180,000	1,180,000
Downtown Strategy	-	-	375,000	-	-	-	375,000	375,000
Development Fees	2,071,962	-	-	312,366	-	608,858	921,224	2,993,186
Reimbursements from Developers	-	-	-	-	-	-	-	-
Bonds	-	-	-	-	-	-	-	-
HURF	-	-	-	-	-	-	-	-
Other	147,636	-	-	-	40,000	20,000	60,000	207,636
<b>Funding Source Totals</b>	<b>5,431,415</b>	<b>4,173,672</b>	<b>1,520,674</b>	<b>771,426</b>	<b>939,150</b>	<b>1,659,698</b>	<b>9,064,620</b>	<b>14,496,035</b>
Unfunded	-	-	5,314,406	143,634	1,500,000	6,505,142	13,463,182	13,463,182
<b>Total Revenue Summary</b>	<b>5,431,415</b>	<b>4,173,672</b>	<b>6,835,080</b>	<b>915,060</b>	<b>2,439,150</b>	<b>8,164,840</b>	<b>22,527,802</b>	<b>27,959,217</b>

**EXPENDITURE SUMMARY TOTALS - BY PROJECT PHASE**

Activity	Prior Years' Costs	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	Total FY18-19 to FY22-23	Project Total
Acquisition	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ 1,122,000	\$ 1,172,000	\$ 1,172,000
Planning	-	230,000	-	-	-	-	230,000	230,000
Design	1,052,262	147,000	436,800	461,000	585,000	3,300,000	4,929,800	5,982,062
Construction	4,378,380	3,705,349	6,330,606	445,000	1,830,000	3,662,000	15,972,955	20,351,335
Other Expenses	773	41,323	67,674	9,060	24,150	80,840	223,047	223,820
<b>Total Expenditure Summary</b>	<b>5,431,415</b>	<b>4,173,672</b>	<b>6,835,080</b>	<b>915,060</b>	<b>2,439,150</b>	<b>8,164,840</b>	<b>22,527,802</b>	<b>27,959,217</b>





# 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:** FY15-23

**YEAR PROJECT BEGAN:** FY14-15

**TOTAL ESTIMATED PROJECT COST:** \$350,299

**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	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Capital Projects	\$ 100,299	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 350,299
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ 100,299	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 350,299

PROJECT EXPENSES

ACTIVITY	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design							-
Construction	100,299	50,000	50,000	50,000	50,000	50,000	350,299
Other Expenses							-
TOTAL	\$ 100,299	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 350,299

OPERATING IMPACT

ACTIVITY	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



**PROJECT TITLE:** Civic Center Drainage Improvements

**PROJECT NUMBER:** D6055

**PROJECT DESCRIPTION/SCOPE:**

Design and installation of storm drain piping along the southern and eastern limits of the Civic Center Complex that was not completed during the initial construction of the facility or has since been modified and does not provide for adequate drainage. Design and installation of storm drain outlet into a Maxwell drywell (French Drain) at the eastern limits of the Civic Center Complex will provide for adequate drainage.

**TOWN GOALS**

**TIMEFRAME:** FY18-19

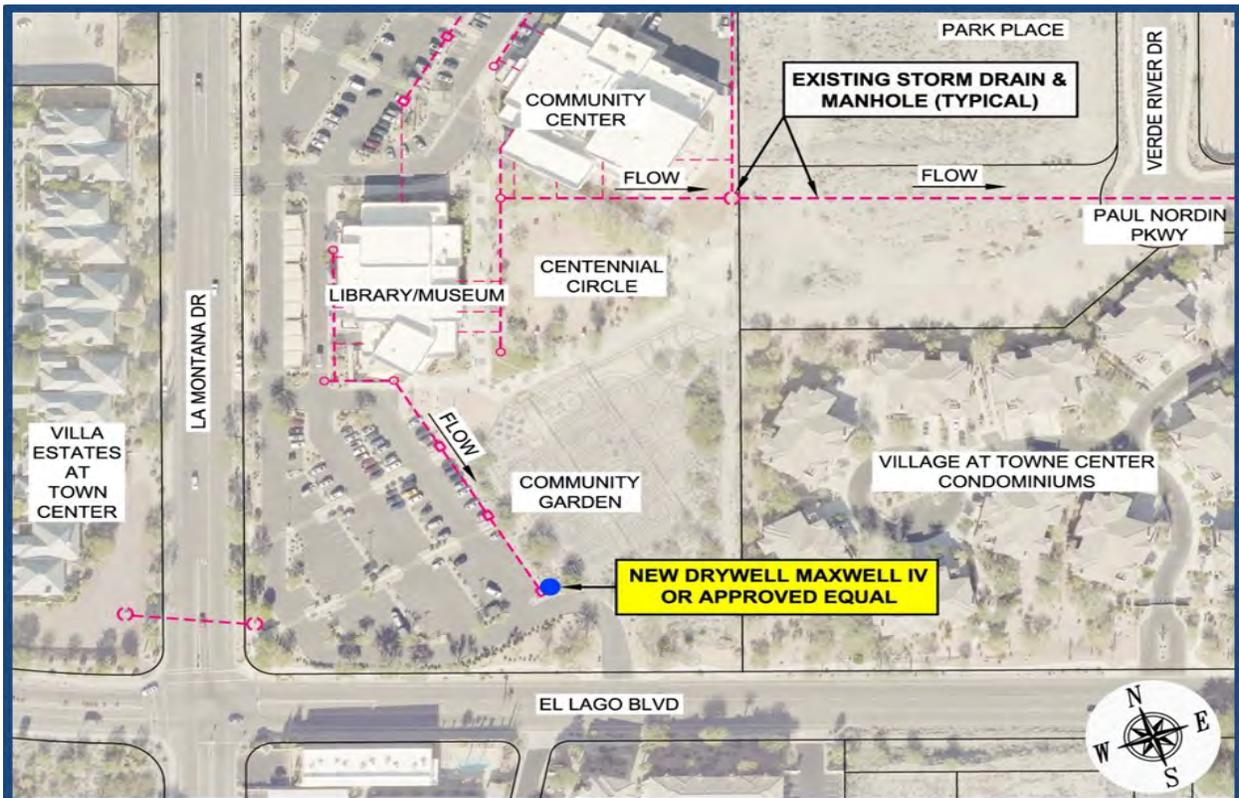
**YEAR PROJECT BEGAN:** FY18-19

**TOTAL ESTIMATED PROJECT COST:** \$50,000

**PROJECT JUSTIFICATION:**

The current storm drain manhole located at the southwest corner of the complex was never connected to the storm drain east of the Community Center and has an undersized outfall pipe onto La Montana Drive which causes the manhole to back up and spill into the parking lot. The proposed storm drain connection is shown on the original Civic Center plans as "future". Additionally, the storm drain system for the parking lot and Library roof drains runs into a storm drain along the eastern edge of the Library parking lot. This system had dumped into a detention basin on the vacant lot to the east but was previously filled in. The current storm drain system has no outlet and stagnant water remains in the piping after each rain.

**FUNDING PRIORITY:** Medium - Results in Increased Efficiency



FUNDING SOURCES

ACTIVITY	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Capital Projects	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design							-
Construction		50,000					50,000
Other Expenses							-
TOTAL	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000

OPERATING IMPACT

ACTIVITY	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



**PROJECT TITLE:** Fire Station #2 Relocation

**PROJECT NUMBER:** F4005

**PROJECT DESCRIPTION/SCOPE:**

Construction of a new 9,600 square foot Fire Station #2 to replace the existing Fire Station #2 on Saguaro Boulevard, south of Shea Boulevard. The new station location is on Fountain Hills Boulevard, north of Shea Boulevard and will provide decreased response times within the service area.

**TOWN GOALS**

**TIMEFRAME:** FY09-19

**YEAR PROJECT BEGAN:** FY08-09

**TOTAL ESTIMATED PROJECT COST:** \$4,682,826

**PROJECT JUSTIFICATION:**

The Fire Department has previously completed a study to improve response times for all areas within the Town, in particular Eagle Mountain, Crestview, CopperWynd, Adero Canyon, Fire Rock, and the Westridge developments. The criteria used included response times (5 minutes 90% of the time), secondary emergency unit coverage, balanced call volumes, Town owned property, cost and sites requiring little or no Planning & Zoning or Council action.

The new Fire Station location will afford superior overlapping coverage for both of the Town's Fire Stations, which will equitably distribute and balance call volume, thus allowing better call support for multiple calls. Relocating Fire Station #2 will allow for faster response times to the western limits of Fountain Hills.

**FUNDING PRIORITY:** High - Finishes a Partially Completed Project



FUNDING SOURCES

ACTIVITY	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Capital Projects	\$ 1,967,719	\$ 2,312,165	\$ -	\$ -	\$ -	\$ -	\$ 4,279,884
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees	255,306						255,306
Bonds							-
Other Sources	147,636						147,636
Unfunded							-
TOTAL	\$ 2,370,661	\$ 2,312,165	\$ -	\$ -	\$ -	\$ -	\$ 4,682,826

PROJECT EXPENSES

ACTIVITY	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design	435,957	27,000					462,957
Construction	1,934,704	2,285,165					4,219,869
Other Expenses							-
TOTAL	\$ 2,370,661	\$ 2,312,165	\$ -	\$ -	\$ -	\$ -	\$ 4,682,826

OPERATING IMPACT

ACTIVITY	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Salaries & Benefits	\$ 992,063	\$ 1,322,750	\$ 1,322,750	\$ 1,322,750	\$ 1,322,750	\$ 6,283,063
Services & Supplies	278,175	370,900	370,900	370,900	370,900	1,761,775
Other Impact						-
TOTAL	\$ 1,270,238	\$ 1,693,650	\$ 1,693,650	\$ 1,693,650	\$ 1,693,650	\$ 8,044,838



**PROJECT TITLE:** Fire Station #3

**PROJECT NUMBER:** F4013

**PROJECT DESCRIPTION/SCOPE:**

Design and construction of Fire Station No. 3 in the northwest portion of the Town. Due to site constraints, the fire station is anticipated to be approximately 3,000 square feet with two apparatus bays. Construction completion by FY22-23 is based on the 2014 Land Use Assumptions and Infrastructure Improvements Plan.

**TOWN GOALS**

**TIMEFRAME:** FY20-23

**YEAR PROJECT BEGAN:** FY20-21

**TOTAL ESTIMATED PROJECT COST:** \$2,745,000

**PROJECT JUSTIFICATION:**

Fire Station #3 will allow the Fire Department to meet service levels and response times due to growth in the community.

**FUNDING PRIORITY:** High - Protects Health & Safety of the Town



FUNDING SOURCES

ACTIVITY	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees				199,366		25,130	224,496
Bonds							-
Other Sources							-
Unfunded				143,634		2,376,870	2,520,504
TOTAL	\$ -	\$ -	\$ -	\$ 343,000	\$ -	\$ 2,402,000	\$ 2,745,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design				343,000			343,000
Construction						2,402,000	2,402,000
Other Expenses							-
TOTAL	\$ -	\$ -	\$ -	\$ 343,000	\$ -	\$ 2,402,000	\$ 2,745,000

OPERATING IMPACT

ACTIVITY	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ 1,322,750	\$ 1,322,750
Services & Supplies					370,000	370,000
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ 1,692,750	\$ 1,692,750



**PROJECT TITLE:** Fire Station #3 Equipment

**PROJECT NUMBER:** F4014

**PROJECT DESCRIPTION/SCOPE:**

Purchase of pumper truck, brush truck, vehicle radios, portable radios, SCBA equipment, thermal imaging camera, heart monitor/defibrillator and extrication equipment for Fire Station #3.

**TOWN GOALS**

**TIMEFRAME:** FY22-23

**YEAR PROJECT BEGAN:** FY22-23

**TOTAL ESTIMATED PROJECT COST:** \$1,122,000

**PROJECT JUSTIFICATION:**

Fire Station #3 will allow the Fire Department to meet services levels and response times due to growth in the community.

**FUNDING PRIORITY:** High - Protects Health & Safety of the Town



FUNDING SOURCES

ACTIVITY	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded						1,122,000	1,122,000
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,122,000	\$ 1,122,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,122,000	\$ 1,122,000
Planning							-
Design							-
Construction							-
Other Expenses							-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,122,000	\$ 1,122,000

OPERATING IMPACT

ACTIVITY	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies					6,928	6,928
Other Impact					83,000	83,000
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ 89,928	\$ 89,928



**PROJECT TITLE:** Civic Center Improvements

**PROJECT NUMBER:** F4029

**PROJECT DESCRIPTION/SCOPE:**

Removal and replacement of approximately 12,500 square feet of concrete between the Library and Community Center, removal of turf areas and replacement with xeriscape, tree replacement and miscellaneous improvements as needed.

**TOWN GOALS**

**TIMEFRAME:** FY18-19

**YEAR PROJECT BEGAN:** FY18-19

**TOTAL ESTIMATED PROJECT COST:** \$150,000

**PROJECT JUSTIFICATION:**

The Library and Community Center were opened in 2001 and since that time the concrete plaza has seen displacement causing tripping hazards. These trip hazards have been ground down to acceptable limits but the concrete continues to shift. The irrigation for the small turf areas surrounding the concrete plazas also run onto the concrete. Maintenance of these areas is a challenge and it is recommended to replace the turf areas with concrete curbing, decomposed granite and desert friendly plants.

**FUNDING PRIORITY:** High - Prevents Irreparable Damage to Existing Facilities



FUNDING SOURCES

ACTIVITY	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	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	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design							-
Construction		150,000					150,000
Other Expenses							-
TOTAL	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ 150,000

OPERATING IMPACT

ACTIVITY	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



**PROJECT TITLE:** Pocket Park West

**PROJECT NUMBER:** P3023

**PROJECT DESCRIPTION/SCOPE:**

Development of a proposed pocket park to serve the western portion of the community near the northeast corner of Sunridge Canyon Drive and Desert Canyon Drive. The project is adjacent to Fire Station #3 and both projects should be done concurrently.

**TOWN GOALS**

**TIMEFRAME:** FY20-23

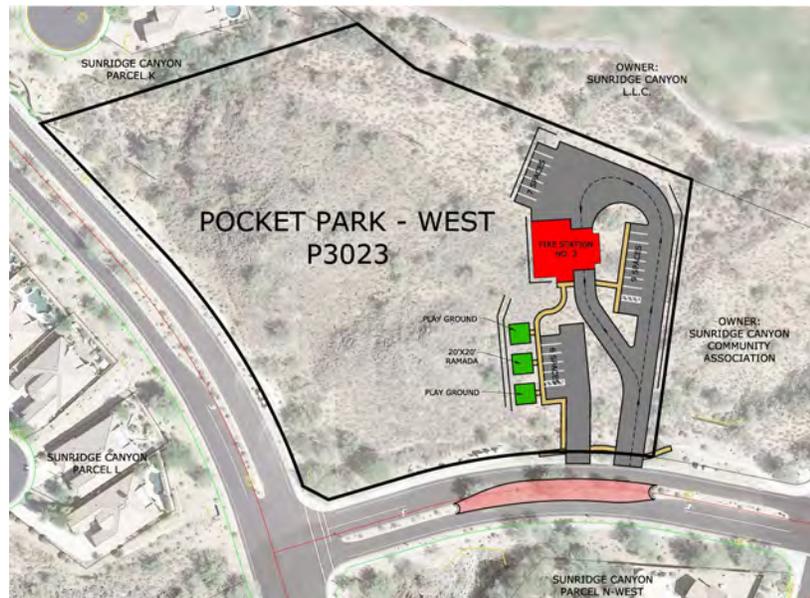
**YEAR PROJECT BEGAN:** FY20-21

**TOTAL ESTIMATED PROJECT COST:** \$903,000

**PROJECT JUSTIFICATION:**

The Town's current General Plan recommends that the community add two neighborhood parks (10-15 acres), or pocket parks (less than 5 acres), to parts of the community that are currently not being served because facilities are lacking and the distance to an existing community or neighborhood park is excessive. The General Plan indicates that one new neighborhood park should be located on existing Town owned property near the northeast corner of Sunridge Canyon Drive and Desert Canyon Drive.

**FUNDING PRIORITY:** Medium - Maintains Existing Level of Service



FUNDING SOURCES

ACTIVITY	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees				113,000		583,728	696,728
Bonds							-
Other Sources							-
Unfunded						206,272	206,272
TOTAL	\$ -	\$ -	\$ -	\$ 113,000	\$ -	\$ 790,000	\$ 903,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design				113,000			113,000
Construction						790,000	790,000
Other Expenses							-
TOTAL	\$ -	\$ -	\$ -	\$ 113,000	\$ -	\$ 790,000	\$ 903,000

OPERATING IMPACT

ACTIVITY	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact					12,000	12,000
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ 12,000	\$ 12,000



**PROJECT TITLE:** Adero Canyon Trailhead

**PROJECT NUMBER:** P3025

**PROJECT DESCRIPTION/SCOPE:**

This access and trailhead will be the main entrance into the Town's McDowell Mountain Preserve and would provide the public with a large parking area, trail access and information, restrooms, a shade ramada, and drinking water. Parking for up to two buses will be provided on the site for the potential use of the local school district to conduct on-site environmental classes. The site would be designed to meet ADA requirements.

**TOWN GOALS**

**TIMEFRAME:** FY16-19

**YEAR PROJECT BEGAN:** FY15-16

**TOTAL ESTIMATED PROJECT COST:** \$2,496,630

**PROJECT JUSTIFICATION:**

This entrance would be the sole means by which people would be able to access the McDowell Mountain Preserve from the south without walking through existing MCO private property. MCO's schedule for development of the planned access road for Adero Canyon also serves as the means by which access to the trailhead site would be gained for the construction of the trailhead. The site has been planned for a number of years with a master plan.

The trailhead site, once completed, will be ADA compliant and provide access to the complete Preserve and its trail system which has already been constructed.

**FUNDING PRIORITY:** High - Leverage Local Funds



FUNDING SOURCES

ACTIVITY	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Capital Projects	\$ 329,974	\$ 350,000	\$ -	\$ -	\$ -	\$ -	\$ 679,974
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees	1,816,656						1,816,656
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ 2,146,630	\$ 350,000	\$ -	\$ -	\$ -	\$ -	\$ 2,496,630

PROJECT EXPENSES

ACTIVITY	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design	308,427	25,000					333,427
Construction	1,838,203	325,000					2,163,203
Other Expenses							-
TOTAL	\$ 2,146,630	\$ 350,000	\$ -	\$ -	\$ -	\$ -	\$ 2,496,630

OPERATING IMPACT

ACTIVITY	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Salaries & Benefits	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 25,000
Services & Supplies	12,000	12,000	20,000	20,000	20,000	84,000
Other Impact						-
TOTAL	\$ 17,000	\$ 17,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 109,000



**PROJECT TITLE:** Fountain Park Access Improvements

**PROJECT NUMBER:** P3026

**PROJECT DESCRIPTION/SCOPE:**

Design and construction of a connection from the sidewalk along the east side of Saguaro Boulevard at the Avenue of the Fountains alignment to connect to the existing pathway around Fountain Lake. The improvements will be designed to be ADA compliant and may contain an observation area, steps, ramps, retaining walls, handrails lighting, etc.

**TOWN GOALS**

**TIMEFRAME:** FY19-20

**YEAR PROJECT BEGAN:** FY19-20

**TOTAL ESTIMATED PROJECT COST:** \$834,006

**PROJECT JUSTIFICATION:**

It has been observed that numerous pedestrians crossing Saguaro Boulevard at Avenue of the Fountains walk directly down the sloped drainage area into Fountain Park instead of utilizing the existing access points. Due to the existing change in grades from Saguaro Boulevard into Fountain Park, access is challenging down the existing steep slope. It is likely that some combination of steps, ramps and sidewalks will be required to provide a new access point into Fountain Park.

**FUNDING PRIORITY:** Low - Provides an Expanded Level of Service

**CONCEPT PLAN**



FUNDING SOURCES

ACTIVITY	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant							-
Downtown Strategy			375,000				375,000
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded			459,006				459,006
TOTAL	\$ -	\$ -	\$ 834,006	\$ -	\$ -	\$ -	\$ 834,006

PROJECT EXPENSES

ACTIVITY	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design			83,400				83,400
Construction			750,606				750,606
Other Expenses							-
TOTAL	\$ -	\$ -	\$ 834,006	\$ -	\$ -	\$ -	\$ 834,006

OPERATING IMPACT

ACTIVITY	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies		500	500	500	500	2,000
Other Impact						-
TOTAL	\$ -	\$ 500	\$ 500	\$ 500	\$ 500	\$ 2,000



**PROJECT TITLE:** Four Peaks Park—Phases II & III

**PROJECT NUMBER:** P3028

**PROJECT DESCRIPTION/SCOPE:**

This project represents improvements to Four Peaks Park based on a revised park Master Plan. Work would include new athletic field lighting, new picnic ramadas and pickleball courts.

**TOWN GOALS**

**TIMEFRAME:** FY21-23

**YEAR PROJECT BEGAN:** FY21-22

**TOTAL ESTIMATED PROJECT COST:** \$5,300,000

**PROJECT JUSTIFICATION:**

This is the Town’s original park dating back decades. A new Master Plan for the neighborhood park was developed with public input from the neighborhood.

**FUNDING PRIORITY:** Low - Deferrable



FUNDING SOURCES

ACTIVITY	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant					500,000	500,000	1,000,000
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded					1,500,000	2,800,000	4,300,000
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000	\$ 3,300,000	\$ 5,300,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design					500,000		500,000
Construction					1,500,000	3,300,000	4,800,000
Other Expenses							-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000	\$ 3,300,000	\$ 5,300,000

OPERATING IMPACT

ACTIVITY	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ 65,000	\$ 65,000	\$ 130,000
Services & Supplies				25,000	25,000	50,000
Other Impact				8,000	8,000	16,000
TOTAL	\$ -	\$ -	\$ -	\$ 98,000	\$ 98,000	\$ 196,000



**PROJECT TITLE:** Plaza Fountainside Courtyard Area Improvements

**PROJECT NUMBER:** P3030

**PROJECT DESCRIPTION/SCOPE:**

Remove existing turf and replace with pavilion area suitable for events needing a hardened surface.

**TOWN GOALS**

**TIMEFRAME:** FY21-23

**YEAR PROJECT BEGAN:** FY21-22

**TOTAL ESTIMATED PROJECT COST:** \$385,000

**PROJECT JUSTIFICATION:**

Currently, the area has not had descent turf despite repeated efforts. Space is needed, with hardened surface, for events.

**FUNDING PRIORITY:** Low—Provides an Expanded Level of Service



FUNDING SOURCES

ACTIVITY	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ 125,000	\$ 200,000	\$ 325,000
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources					40,000	20,000	60,000
Unfunded							-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ 165,000	\$ 220,000	\$ 385,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design					85,000		85,000
Construction					80,000	220,000	300,000
Other Expenses							-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ 165,000	\$ 220,000	\$ 385,000

OPERATING IMPACT

ACTIVITY	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies				2,500	2,500	5,000
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ 2,500	\$ 2,500	\$ 5,000



**PROJECT TITLE:** Fountain Lake Water Quality Improvements – Phase II

**PROJECT NUMBER:** P3031

**PROJECT DESCRIPTION/SCOPE:**

Continuation of the project which began in FY17-18 with aeration improvements. In FY18-19, project will include storage tanks to accept effluent water directly from the Sanitary District and new controls for the operation of the fountain.

**TOWN GOALS**

**TIMEFRAME:** FY19-20

**YEAR PROJECT BEGAN:** FY19-20

**TOTAL ESTIMATED PROJECT COST:** \$2,622,400

**PROJECT JUSTIFICATION:**

Project continued to include future improvements to the lake's water quality.

**FUNDING PRIORITY:** Medium - Provides Maintenance of Existing Systems



FUNDING SOURCES

ACTIVITY	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded			2,622,400				2,622,400
TOTAL	\$ -	\$ -	\$2,622,400	\$ -	\$ -	\$ -	\$2,622,400

PROJECT EXPENSES

ACTIVITY	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design			238,400				238,400
Construction			2,384,000				2,384,000
Other Expenses							-
TOTAL	\$ -	\$ -	\$2,622,400	\$ -	\$ -	\$ -	\$2,622,400

OPERATING IMPACT

ACTIVITY	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	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:** FY19-20

**YEAR PROJECT BEGAN:** FY19-20

**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	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	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	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design							-
Construction			1,733,000				1,733,000
Other Expenses							-
TOTAL	\$ -	\$ -	\$ 1,733,000	\$ -	\$ -	\$ -	\$ 1,733,000

OPERATING IMPACT

ACTIVITY	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	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:** FY17-21

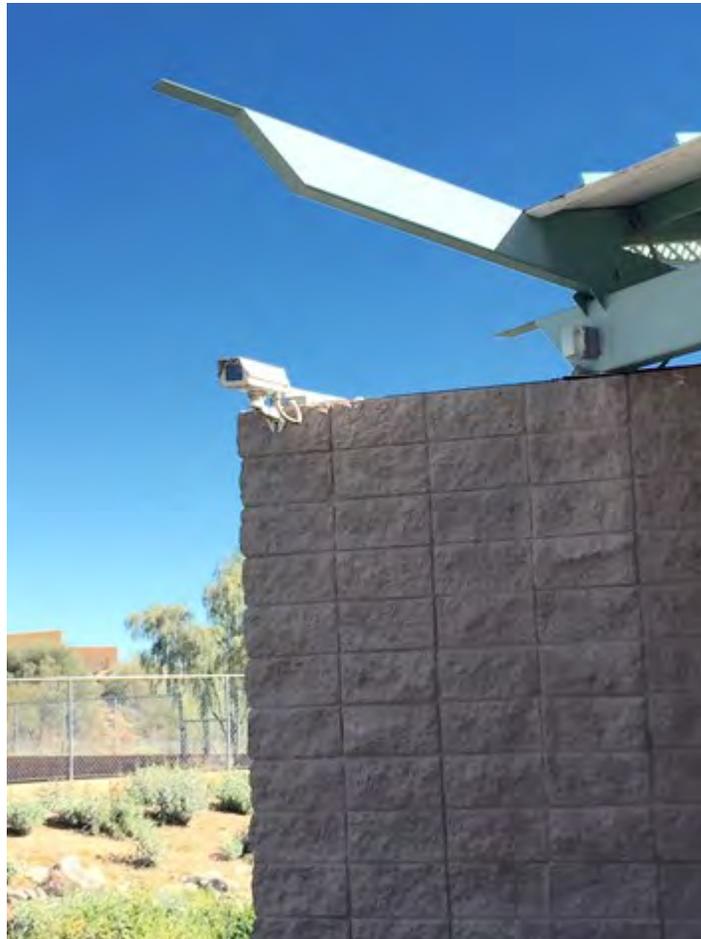
**YEAR PROJECT BEGAN:** FY17-18

**TOTAL ESTIMATED PROJECT COST:** \$250,000

**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	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Capital Projects	\$ 50,000	\$ 100,000	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ 250,000
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ 50,000	\$ 100,000	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ 250,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Acquisition	\$ 45,000	\$ 95,000	\$ 45,000	\$ 45,000	\$ -	\$ -	\$ 230,000
Planning							-
Design	5,000	5,000	5,000	5,000			20,000
Construction							-
Other Expenses							-
TOTAL	\$ 50,000	\$ 100,000	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ 250,000

OPERATING IMPACT

ACTIVITY	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	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:** Golden Eagle Concrete Replacement

**PROJECT NUMBER:** P3034

**PROJECT DESCRIPTION/SCOPE:**

Remove existing concrete, cut roots and/or remove trees, and replace concrete for level surface and accessibility.

**TOWN GOALS**

**TIMEFRAME:** FY18-19

**YEAR PROJECT BEGAN:** FY18-19

**TOTAL ESTIMATED PROJECT COST:** \$50,000

**PROJECT JUSTIFICATION:**

Golden Eagle Park has severe concrete lifting due to roots from surrounding trees. This lifting creates trip hazards and is a significant liability to the Town.

**FUNDING PRIORITY:** High - Protects Health & Safety of the Town



FUNDING SOURCES

ACTIVITY	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Capital Projects	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design							-
Construction		50,000					50,000
Other Expenses							-
TOTAL	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000

OPERATING IMPACT

ACTIVITY	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



**PROJECT TITLE:** Four Peaks Park Playground Upgrades

**PROJECT NUMBER:** P3035

**PROJECT DESCRIPTION/SCOPE:**

Redesign existing playground space and swing structures with new layout, play equipment and shade structures at Four Peaks Park.

**TOWN GOALS**

**TIMEFRAME:** FY18-23

**YEAR PROJECT BEGAN:** FY18-19

**TOTAL ESTIMATED PROJECT COST:** \$650,000

**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. The addition of a ramada and shade structure would also be included in this project.

**FUNDING PRIORITY:** High - Protects Health & Safety of the Town



FUNDING SOURCES

ACTIVITY	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Capital Projects	\$ -	\$ 200,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 600,000
Grant		50,000					50,000
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ 250,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 650,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Acquisition	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000
Planning							-
Design							-
Construction		200,000	100,000	100,000	100,000	100,000	600,000
Other Expenses							-
TOTAL	\$ -	\$ 250,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 650,000

OPERATING IMPACT

ACTIVITY	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies	8,000	8,000	8,000	10,000	10,000	44,000
Other Impact						-
TOTAL	\$ 8,000	\$ 8,000	\$ 8,000	\$ 10,000	\$ 10,000	\$ 44,000



**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:** FY19-20

**YEAR PROJECT BEGAN:** FY19-20

**TOTAL ESTIMATED PROJECT COST:** \$70,000

**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	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Capital Projects	\$ -	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000
Grant			40,000				40,000
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ -	\$ 70,000	\$ -	\$ -	\$ -	\$ 70,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design			5,000				5,000
Construction			65,000				65,000
Other Expenses							-
TOTAL	\$ -	\$ -	\$ 70,000	\$ -	\$ -	\$ -	\$ 70,000

OPERATING IMPACT

ACTIVITY	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	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:** 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 and 425 feet from Rand Drive to Sioux Drive

**TOWN GOALS**

**TIMEFRAME:** FY09-20

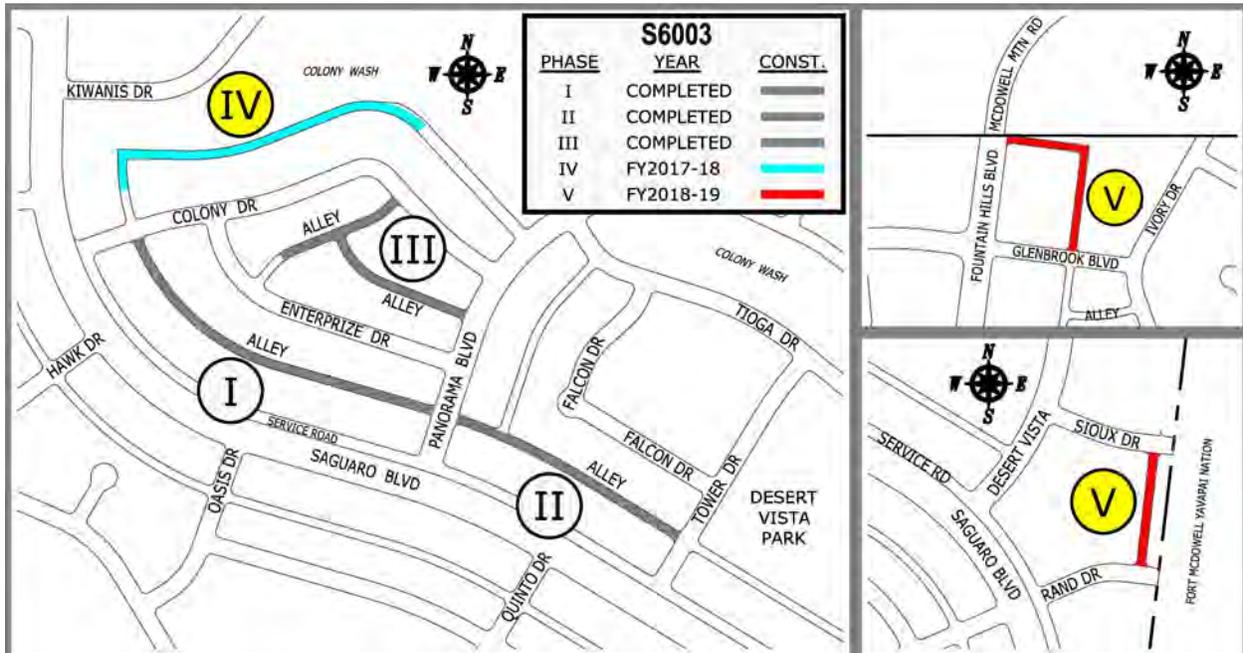
**YEAR PROJECT BEGAN:** FY08-09

**TOTAL ESTIMATED PROJECT COST:** \$943,479

**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	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Capital Projects	\$ 380,479	\$ 255,000	\$ 308,000	\$ -	\$ -	\$ -	\$ 943,479
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ 380,479	\$ 255,000	\$ 308,000	\$ -	\$ -	\$ -	\$ 943,479

PROJECT EXPENSES

ACTIVITY	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design	14,658	25,000	45,000				84,658
Construction	365,048	230,000	263,000				858,048
Other Expenses	773						773
TOTAL	\$ 380,479	\$ 255,000	\$ 308,000	\$ -	\$ -	\$ -	\$ 943,479

OPERATING IMPACT

ACTIVITY	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	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:** Fountain Hills Boulevard Widening - Shea Boulevard to Segundo Drive

**PROJECT NUMBER:** S6015

**PROJECT DESCRIPTION/SCOPE:**

Design Concept Report for the widening of Fountain Hills Boulevard to four lanes from Shea Boulevard to Segundo Drive.

**TOWN GOALS**

**TIMEFRAME:** FY18-19

**YEAR PROJECT BEGAN:** FY18-19

**TOTAL ESTIMATED PROJECT COST:** \$100,000

**PROJECT JUSTIFICATION:**

Fountain Hills Boulevard from Segundo Drive to just north of Shea Boulevard is currently one lane in each direction. The Town's General Plan identifies Fountain Hills Boulevard as a minor arterial roadway which includes four travel lanes, center turn lane/median, bike lane curb & gutter, etc. The Design Concept Report will provide a preliminary roadway layout, identify key issues, drainage improvements, etc. for the safe and efficient movement of vehicles. This information will be used for a future bond issue to fund the design and construction of the widening.

**FUNDING PRIORITY:** Medium - Results in Increased Efficiency



FUNDING SOURCES

ACTIVITY	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	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	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning		100,000	-				100,000
Design							-
Construction							-
Other Expenses							-
TOTAL	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000

OPERATING IMPACT

ACTIVITY	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



**PROJECT TITLE:** Avenue of the Fountains/La Montana Intersection Improvements

**PROJECT NUMBER:** S6051

**PROJECT DESCRIPTION/SCOPE:**

Traffic/pedestrian improvements to the Avenue of the Fountains/La Montana intersection area, including: (1) reducing pedestrian and vehicular intersection crossing lengths with interim signing and striping improvements; (2) reconfiguring the Post Office's west driveway median cut to additionally allow left turns onto Avenue of the Fountains; (3) La Montana Street Diet (Avenue of the Fountains - El Lago) - adding parallel parking at the Civic Center frontage by narrowing the striped lane widths along La Montana; and (4) working with the Post Office to move their drop-off mailboxes off-street into their parking lot.

**TOWN GOALS**

**TIMEFRAME:** FY18-20

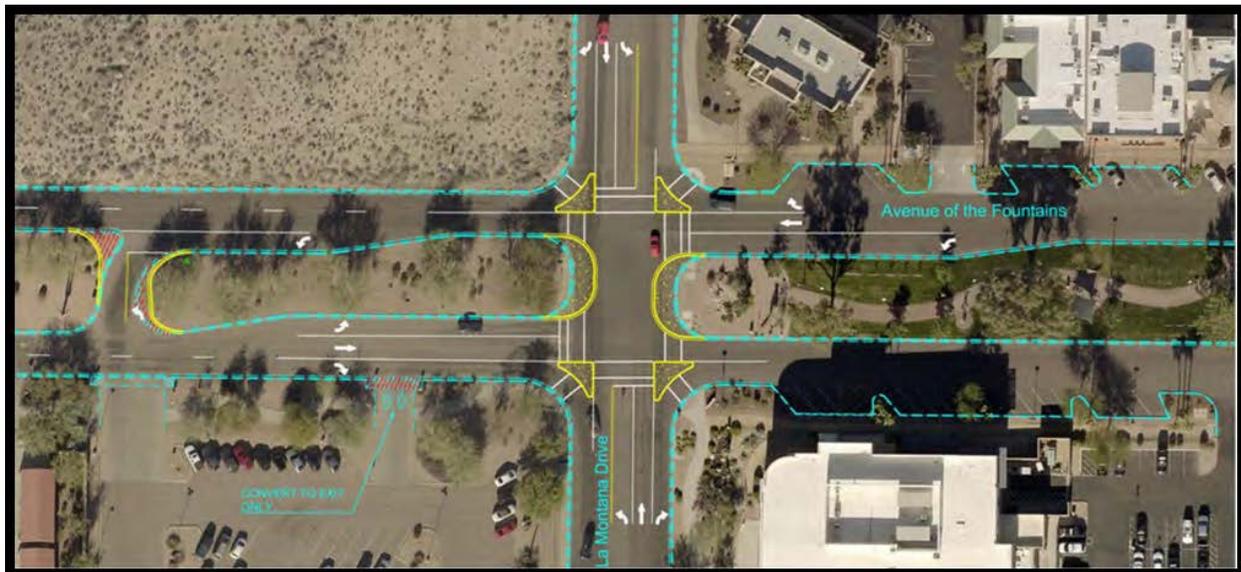
**YEAR PROJECT BEGAN:** FY18-19

**TOTAL ESTIMATED PROJECT COST:** \$140,000

**PROJECT JUSTIFICATION:**

Traffic, bike, and pedestrian movements at the Avenue of the Fountains/La Montana intersection have been an on-going issue since the Town's incorporation, primarily due to the existing wide Avenue of the Fountains median. This project will improve intersection traffic operations by reducing vehicular and pedestrian crossing lengths, reducing traffic speeds, and eliminating nearby conflicts.

**FUNDING PRIORITY:** High - Protects Health & Safety of the Town.



FUNDING SOURCES

ACTIVITY	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Capital Projects		\$ 40,000	\$ 100,000	\$ -	\$ -	\$ -	\$ 140,000
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ 40,000	\$ 100,000	\$ -	\$ -	\$ -	\$ 140,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design		40,000					40,000
Construction			100,000				100,000
Other Expenses							-
TOTAL	\$ -	\$ 40,000	\$ 100,000	\$ -	\$ -	\$ -	\$ 140,000

OPERATING IMPACT

ACTIVITY	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies		1,000	1,000	1,000	1,000	4,000
Other Impact						-
TOTAL	\$ -	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 4,000



**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 Segundo Drive to Pinto Drive providing dust mitigation and erosion control.

**TOWN GOALS**

**TIMEFRAME:** FY12-19

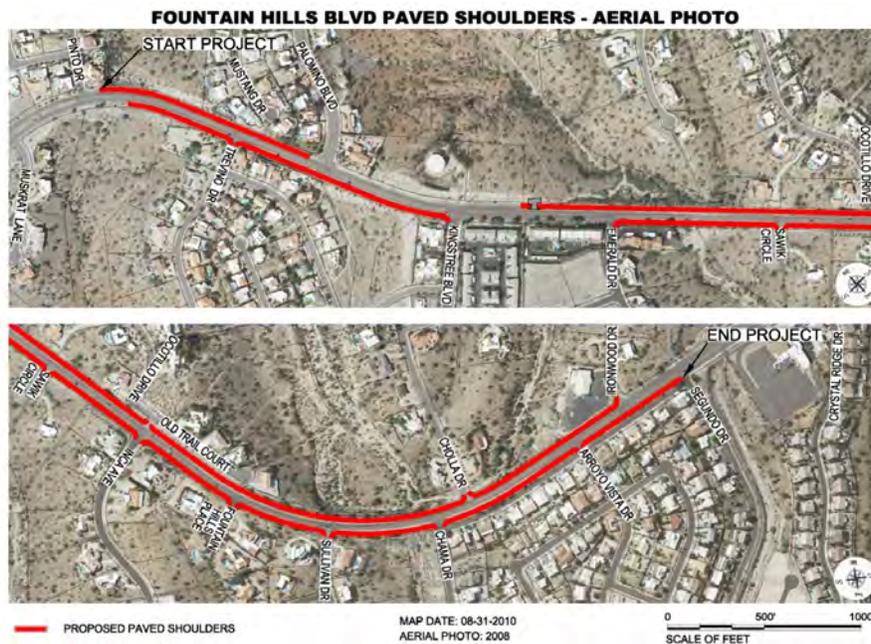
**YEAR PROJECT BEGAN:** FY11-12

**TOTAL ESTIMATED PROJECT COST:** \$1,029,568; Town portion \$478,030

**PROJECT JUSTIFICATION:**

The Town applied for and was awarded a Congestion Mitigation Air Quality (CMAQ) grant through the Maricopa Association of Governments for the paving of the dirt shoulders on Fountain Hills Boulevard. This project will provide dust mitigation, erosion control, run-off-the-road hazard mitigation, potential future use by bicycles, and will reduce maintenance costs. The project design is funded by the Town, with construction funded 94.3% through grant funds (\$551,538) with a 5.7% local match requirement.

**FUNDING PRIORITY:** High - Leverage Local Funds



FUNDING SOURCES

ACTIVITY	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Capital Projects	\$ 307,846	\$ 170,184	\$ -	\$ -	\$ -	\$ -	\$ 478,030
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ 307,846	\$ 170,184	\$ -	\$ -	\$ -	\$ -	\$ 478,030

PROJECT EXPENSES

ACTIVITY	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design	167,720						167,720
Construction	140,126	170,184					310,310
Other Expenses							-
TOTAL	\$ 307,846	\$ 170,184	\$ -	\$ -	\$ -	\$ -	\$ 478,030

OPERATING IMPACT

ACTIVITY	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies	1,000	1,000	1,000	1,000	1,000	5,000
Other Impact						-
TOTAL	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 5,000



**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:** FY18-19

**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	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Capital Projects	\$ -	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ 40,000
Grant		90,000					90,000
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ 130,000	\$ -	\$ -	\$ -	\$ -	\$ 130,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning		130,000					130,000
Design							-
Construction							-
Other Expenses							-
TOTAL	\$ -	\$ 130,000	\$ -	\$ -	\$ -	\$ -	\$ 130,000

OPERATING IMPACT

ACTIVITY	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



**PROJECT TITLE:** Wayfinding Signs

**PROJECT NUMBER:** S6059

**PROJECT DESCRIPTION/SCOPE:**

Provide wayfinding signs at strategic locations throughout the Town to help direct visitors to public amenities, parks, lodging and business areas.

**TOWN GOALS**

**TIMEFRAME:** FY17-20

**YEAR PROJECT BEGAN:** FY17-18

**TOTAL ESTIMATED PROJECT COST:** \$225,500

**PROJECT JUSTIFICATION:**

Project will replace outdated wayfinding signage installed in 2000.

**FUNDING PRIORITY:** High - Town Council Priority



FUNDING SOURCES

ACTIVITY	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Capital Projects	\$ 75,500	\$ 25,000	\$ 150,000	\$ -	\$ -	\$ -	\$ 250,500
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ 75,500	\$ 25,000	\$ 150,000	\$ -	\$ -	\$ -	\$ 250,500

PROJECT EXPENSES

ACTIVITY	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design	75,500	25,000	20,000				120,500
Construction			130,000				130,000
Other Expenses							-
TOTAL	\$ 75,500	\$ 25,000	\$ 150,000	\$ -	\$ -	\$ -	\$ 250,500

OPERATING IMPACT

ACTIVITY	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



**PROJECT TITLE:** Monument Signs

**PROJECT NUMBER:** S6060

**PROJECT DESCRIPTION/SCOPE:**

Replacement of two outdated Town monument signs on Shea Boulevard with new monument signs.

**TOWN GOALS**

**TIMEFRAME:** FY19-21

**YEAR PROJECT BEGAN:** FY19-20

**TOTAL ESTIMATED PROJECT COST:** \$300,000

**PROJECT JUSTIFICATION:**

The current monument signs at the Town limits on Shea Boulevard are outdated. Updated signage will conform to the Town's branding efforts.

**FUNDING PRIORITY:** Medium - Provides Maintenance of Existing Systems



FUNDING SOURCES

ACTIVITY	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Capital Projects	\$ -		\$ 150,000	\$ 150,000	\$ -	\$ -	\$ 300,000
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ -	\$ 150,000	\$ 150,000	\$ -	\$ -	\$ 300,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design							-
Construction			150,000	150,000			300,000
Other Expenses							-
TOTAL	\$ -	\$ -	\$ 150,000	\$ 150,000	\$ -	\$ -	\$ 300,000

OPERATING IMPACT

ACTIVITY	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



**PROJECT TITLE:** Sidewalk Completion 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:** FY18-23

**YEAR PROJECT BEGAN:** FY18-19

**TOTAL ESTIMATED PROJECT COST:** \$500,000

**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	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Capital Projects	\$ -	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 500,000
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 500,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning			-				-
Design							-
Construction		100,000	100,000	100,000	100,000	100,000	500,000
Other Expenses							-
TOTAL	\$ -	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 500,000

OPERATING IMPACT

ACTIVITY	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	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:** FY19-20

**YEAR PROJECT BEGAN:** FY19-20

**TOTAL ESTIMATED PROJECT COST:** \$500,000

**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	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded			500,000				500,000
TOTAL	\$ -	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ 500,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design			40,000				40,000
Construction			460,000				460,000
Other Expenses							-
TOTAL	\$ -	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ 500,000

OPERATING IMPACT

ACTIVITY	FY18-19	FY19-20	FY20-21	FY21-22	FY22-23	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies			5,000	5,000	5,000	15,000
Other Impact						-
TOTAL	\$ -	\$ -	\$ 5,000	\$ 5,000	\$ 5,000	\$ 15,000





# Administration Facilities Replacement Fund



**Facilities Replacement Fund**

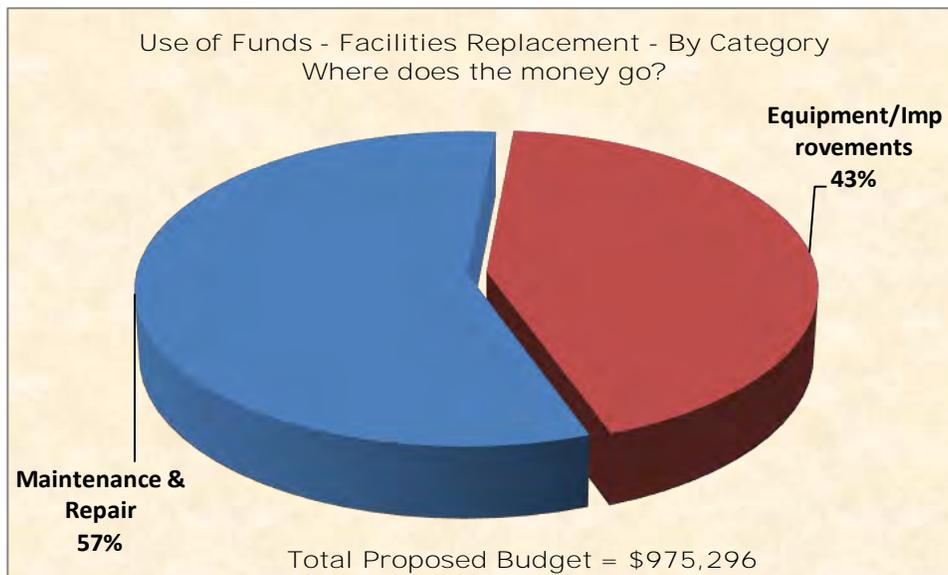
**Service Delivery Plan**

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			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Administration	\$ 76,198	\$ 93,085	\$ 906,850	\$ 975,296
Total	\$ 76,198	\$ 93,085	\$ 906,850	\$ 975,296



Category	Expenditures by Category			
	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Maintenance & Repair	\$ -	\$ 93,085	\$ 463,349	\$ 552,908
Contractual Services	28,500	-	-	-
Equipment/Improvements	47,698	-	443,501	422,388
Contingency	-	-	-	-
<b>Total</b>	<b>\$ 76,198</b>	<b>\$ 93,085</b>	<b>\$ 906,850</b>	<b>\$ 975,296</b>



FY18-19 Proposed Budget  
Summary of Expenditures  
Facilities Replacement Fund

Description	FY15-16 Actual	FY16-17 Actual	FY17-18 Revised Budget	FY18-19 Proposed Budget
Facilities Replacement Fund				
Building Maint/Repair	\$ -	\$ 14,250	\$ 432,549	\$ 320,718
HVAC Repair	-	-	30,800	-
Parking Lot Repair	-	78,835	-	35,500
Painting	-	-	-	196,690
Professional Fees	28,500	-	-	-
Furniture/Appliances	-	-	-	-
Equipment	-	-	55,208	199,000
Building Improvements Exp	47,698	-	-	-
Park Improvements Exp	-	-	388,293	223,388
<b>Total Facilities Replacement Fund</b>	<b>\$ 76,198</b>	<b>\$ 93,085</b>	<b>\$ 906,850</b>	<b>\$ 975,296</b>





# 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
- Street 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 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.



### Vehicle Replacement Interfund Charges

Department	Vehicle No.	Description	Type	Mod Year	Replacement Cost	FY18-19
Development Services	164	Equinox	SUV	2017	\$29,131.20	\$2,913.12
Development Services	160	Ford F-150	Light Duty Truck	2017	\$32,252.40	\$3,225.24
Fire	NEW (L822)	Rosenbauer	Ladder Truck	2018	\$1,040,400.00	\$69,360.00
Fire	(E822)	Spartan	Pumper Truck	2014	\$624,240.00	\$41,616.00
Fire	752 (E823)	Crimson	Pumper Truck	2008	\$624,240.00	\$41,616.00
Fire	422 (S822)	Ford F550 4x4 (V0822)	Medium Duty Truck	2012	\$99,878.40	\$8,323.20
Fire	(S823)	Ford F550 4x4	Medium Duty Truck	2013	\$56,181.60	\$4,681.80
Fire	166 (D822)	Ford F150 Supercab	Light Duty Truck	2011	\$32,252.40	\$3,225.24
Fire	053(7 (D823))	Ford F-150 4x4 Supercab	Light Duty Truck	2009	\$47,252.40	\$4,725.24
Community Services	21	Bobcat	Bobcat	2016	\$13,525.20	\$1,932.17
Community Services	162	Ford F-250	Light Duty Truck	2017	\$32,252.40	\$3,225.24
Community Services	20	Bobcat	Bobcat	2013	\$12,484.80	\$1,783.54
Community Services	17	John Deere 4x2 Gator	Gator or similar	2012	\$12,484.80	\$1,783.54
Community Services	NEW	Ford F-150 Pickup	Light Duty Truck	2018	\$31,000.00	\$3,100.00
Community Services	SS1	Tenant Sweeper	Street Sweeper	2013	\$46,818.00	\$5,852.25
Community Services	3	Sand Pro 3040	Small Utility Equipment	2013	\$22,888.80	\$3,269.83
Community Services	16	Bobcat	Gator or similar	2012	\$12,484.80	\$1,783.54
Community Services	18	Kawasaki Mule	Gator or similar	2012	\$12,484.80	\$1,783.54
Community Services	14	Kubota KU	Tractor/Loader B	2007	\$29,131.20	\$1,456.56
Community Services	NEW	Ford F-150 Pickup	Light Duty Truck		\$32,252.40	\$3,225.24
Community Services	M-1	Kubota	Small Utility Equipment	2014	\$22,888.80	\$3,269.83
Community Services	159	Ford F-150	Light Duty Truck	2016	\$32,252.40	\$3,225.24
Community Services	165	Equinox	SUV	2017	\$29,131.20	\$2,913.12
Public Works	161	Ford F-150	Light Duty Truck	2017	\$32,252.40	\$3,225.24
Public Works	158	Ford F-250 Pickup W/Liftgate	Light Duty Truck	2014	\$32,252.40	\$3,225.24
Public Works	163	Colorado	Light Duty Truck	2017	\$32,252.40	\$3,225.24
Public Works	154	Ford F-150 Pickup W/Lights	Light Duty Truck	2013	\$32,252.40	\$3,225.24
Public Works/Fleet	167	Chevy Impala	Sedan	2017	\$22,888.80	\$2,288.88
Public Works/Fleet	166	Chevy Equinox	SUV	2017	\$29,131.20	\$2,913.12
<b>FUND 100 TOTAL</b>	<b>28</b>					<b>\$236,392.44</b>
Public Works/Streets	155	Ford F-250 Pickup W/Lights	Light Duty Truck	2014	\$32,252.40	\$3,225.24
Public Works/Streets	157	Ford F-250 Supercab W/Lights	Light Duty Truck	2014	\$32,252.40	\$3,225.24
Public Works/Streets	20	Caterpillar 426C	Tractor/Loader	1999	\$163,342.80	\$8,167.14
Public Works/Streets	135	Freightliner M2106	Heavy Duty Truck	2005	\$67,626.00	\$4,508.40
Public Works/Streets	151	Ford F-450 Pickup	Medium Duty Truck	2008	\$56,181.60	\$4,681.80
Public Works/Streets	156	Ford F-250 Pickup W/Lights	Light Duty Truck	2014	\$32,252.40	\$3,225.24
Public Works/Streets	5085M	John Deere 5085M Tractor	Tractor/Loader	2013	\$100,918.80	\$5,045.94
<b>FUND 200 TOTAL</b>	<b>7</b>					<b>\$32,079.00</b>
					<b>Fund 100</b>	<b>\$236,392.44</b>
					<b>Fund 200</b>	<b>\$32,079.00</b>
					<b>Total</b>	<b>\$268,471.44</b>



# Schedules



# Comprehensive Fee Schedule Effective July 1, 2018



Description	Fee FY18-19
<b>MISCELLANEOUS FEES</b>	
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 ea
Zoning Ordinances	\$25.00 ea
Subdivision Code	\$25.00 ea
CAFR (Annual Financial Report)	\$25.00 ea
Annual Budget	\$25.00 ea
Land Use Analysis	\$25.00 ea
Council Meeting	\$25.00 ea
Other Materials	\$25.00 ea
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, 2018

Description	Fee FY18-19
<i>MISCELLANEOUS FEES (CONT.)</i>	
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
<i>DOG LICENSE</i>	
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
<i>BUSINESS LICENSE FEES</i>	
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 the town limits	\$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	Fee FY18-19
<i>BUSINESS LICENSE FEES (CONT.)</i>	
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 without a fixed place of business	\$50.00/day
Duplicate Business License	\$10.00 - non-refundable
Verification of License Letter	\$10.00 - non-refundable
<i>FALSE ALARM SERVICE CHARGES (PER CALENDAR YEAR)</i>	
First and second	None
Third	\$50.00
Fourth	\$75.00
Fifth and Sixth	\$100.00
Seventh or more	\$200.00 each
<i>ALARM SYSTEM LICENSE PERMIT</i>	
License fee	\$25/annually - non-refundable
<i>WIRELESS COMMUNICATIONS (CELL TOWER ON TOWN PROPERTY)</i>	
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/year x number of small wireless facilities (SWF)
Authority utility pole attachment	\$50/year per utility pole attachment
Small Wireless Facilities (SWF) collocation	\$100 per SWF up to five
Small Wireless Facilities (SWF) collocation	\$50 for SWF over five
Batched applications for up to 25 SWF's	\$100 per SWF up to five (at \$100 each) (\$500 maximum fee)
Batched applications for up to 25 SWF's	\$50 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, 2018

Description	Fee FY18-19
<i>SPECIAL EVENT PERMITS</i>	
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 per day (not to exceed \$400)
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 per day (not to exceed \$200)
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/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/day
Special Event Permits - Deposit Fees	
Events with less than 1,000 attendance	\$500
Events with 1,000 - 1,999 attendance	\$1,000
Events with 2,000 - 5,000 attendance	\$2,500
Events with over 5,000 attendance	\$5,000
Special Event Permit Fees - Road Closure Admin Fees	
Events with less than 1,000 attendance	\$500
Events with 1,000 - 1,999 attendance	\$750
Events with 2,000 - 5,000 attendance	\$1,000
Events with over 5,000 attendance	\$1,500
Special Event Permit Fees - Vendor Compliance Fine	
First time penalty	\$250
Recurring penalty	\$750
Film permit application	\$50.00 non-refundable



Description	Fee FY18-19
<i>ALCOHOL LICENSE APPLICATION</i>	
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
<i>ADULT ORIENTED BUSINESS LICENSE</i>	
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
<i>CABLE LICENSE</i>	
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 - non-refundable
License fee - quarterly	5% of gross receipts
Late fee (after 30 days)	5% plus interest of 1 1/2% per mo



Comprehensive Fee Schedule  
Effective July 1, 2018

Description	Fee FY18-19
<i>EXCAVATIONS/IN - LIEU FEES</i>	
Base fee (per excavation)	\$250.00 plus:
Trench cut fees:	
Newly paved or overlaid 0 - 1 yrs	\$55.00 per lineal ft.
Newly paved or overlaid 1 - 2 yrs	\$45.00 per lineal ft.
Newly paved or overlaid 2 - 3 yrs	\$35.00 per lineal ft.
Newly paved or overlaid 3 - 4 yrs	\$25.00 per lineal ft.
Newly paved or overlaid 4 - 5 yrs	\$15.00 per lineal ft.
Newly paved or overlaid 5 - 6 yrs	\$10.00 per lineal ft.
Slurry or chip sealed 0 - 2 years	\$4.00 per lineal ft.
Pavement replacement greater than 300 ft in length	\$2.50 per sq. yd.
Utility Pit fees:	
Newly paved or overlaid 0 - 1 yrs	\$5.00 per Sq. ft.
Newly paved or overlaid 1 - 2 yrs	\$4.50 per Sq. ft.
Newly paved or overlaid 2 - 3 yrs	\$3.50 per Sq. ft.
Newly paved or overlaid 3 - 4 yrs	\$2.50 per Sq. ft.
Newly paved or overlaid 4 - 5 yrs	\$1.50 per Sq. ft.
Newly paved or overlaid 5 - 6 yrs	\$1.00 per Sq. ft.
Slurry or chip sealed 0 - 2 years	\$5.00 per Sq. ft.
Adjustment (MH, valve, monument, etc)	\$500 ea.
Striping	\$.55 per linear ft.
Lane Markers	\$150.00 ea.
Stop Bars	\$2.50 per Sq. ft.
Crosswalks	\$.79 per Sq. ft.
RPMs	\$7.00 ea.
Seal-Coat	\$2.00 per Sq. yd.
<i>ENCROACHMENT/ENGINEERING PERMITS</i>	
Base Permit Fee	\$70.00 - non-refundable
2"/6" Paving A.C.	\$.35 per sq. yd.
1" Paving - Overlay or Top Course	\$.15 per sq. yd.
1" ABC or Select Subbase	\$.05 per sq. yd.
Permanent Barricading	\$25.00 ea.
Guard Rail/Hand Rail	\$.20 per linear ft.
Survey Monuments	\$10.00 ea.
Concrete Aprons	\$15.00 ea.
Scuppers	\$15.00 ea.
Review for Adjustments MH, etc.	\$10.00 ea.
4" Paving - PC Concrete	\$.22 per sq. yd.
Decorative Sidewalk or Paving	\$.30 per linear ft.
Sidewalk & Bike path	\$.30 per linear ft.
Curb & Gutter	\$.20 per linear ft.
Valley Gutter	\$.50 per linear ft.
Sign (regulator, street etc.)	\$5.00 ea.
Pavement Cuts	\$2.00 per linear ft.
Driveway/Driveway Modifications	\$30.00 ea.
Utility, Water Line, Sewer Line Trench	\$.15 per linear ft.
Drywells (maxwell or similar)	\$100.00 ea.
Storm Drain Pipe	\$2.00 per linear ft.
Catch Basins, Headwells	\$50.00 ea.



Description	Fee FY18-19
<i>ENCROACHMENT/ENGINEERING PERMITS (CONT.)</i>	
Cutoff Walls	\$.35 per linear ft.
Slope Protection	\$.30 per sq. yd.
Rip Rap	\$.90 Sq. ft.
Retaining Wall	\$1.53 per linear ft.
Cut/Fill (Materials Moved)	\$.40 per cubic yd.
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 Sq. ft. (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
Engineering Plan Review Fee	\$350 per sheet
Failure to obtain an Encroachment Permit	\$200
Failure to obtain a Final Inspection	\$100
Reinspection Fee	\$150
Investigation Fee for Work Done Without Permit	\$250 or the permit fee, whichever is greater, but not to exceed \$2,500 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
Permit Extension	\$50.00
Penalty for work w/o permit	50% of Permit Fee
Minimum Plan Review	\$70.00 per hour (1 - hour Minimum)
<i>ENVIRONMENTAL FEE</i>	
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  
Effective July 1, 2018

Description	Fee FY18-19
<i>DEVELOPMENT SERVICES FEES</i>	
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 after approval).
Engineering Report/Calculations Review Fee (Drainage, Environmental, Traffic, Structural, Water, Sewer, etc.)	\$350.00 per report
New/Address Change	\$25.00
<i>DEVELOPMENT FEES</i>	
Single Family Residential	\$1,601
Multi - Family Residential	\$1,601/dwelling
Commercial	\$0.243/Sq. ft.
Office	\$0.243/Sq. ft.
Hotel	\$0.243/Sq. ft.
Industrial	\$0.243/Sq. ft.
Fee Detail (From Above)	
Park & Recreation	
Residential (1)	\$1,301/dwelling
Fire and Emergency	
Residential (1)	\$300/dwelling
Non - Residential (2)	\$0.243/Sq. ft.
<i>(1) Residential includes single and multi - family dwelling units</i>	
<i>(2) Non - residential includes commercial and industrial square footage</i>	



Description	Fee FY18-19
<b>PLANNING &amp; ZONING FEES</b>	
Administrative Use Permit/Grand Opening Sign Permit	\$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
Development Agreements	\$5,000.00 plus \$100 per acre or portion thereof
Development Agreements - Amendment	\$5,000
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 Sq. ft. plus revegetation
Landscape Plan Review	\$420.00 plus \$ 2,500.00 refundable deposit **
Public notice in Newspaper	actual newspaper posting cost plus \$10 processing
Notification fee	\$5.00 per mailing label plus actual newspaper posting cost plus \$10 processing.
Ordinances (Text Amendments)	\$2,000.00 plus notification *
Planned Area Developments (PAD)	\$2,000.00 plus \$100 per acre or portion thereof plus notification *
Planned Area Developments (PAD) - Amendment	\$2,000
Planned Unit Developments (PUD)	\$2,000.00 plus \$100 per acre or portion thereof plus notification *
Planned Unit Developments (PUD) - Amendment	\$2,000
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 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 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 House Façade Variant
Variances	\$1,000.00 plus \$300.00 for each additional variance plus notification * ^
Zoning Verification Letter	\$200.00
*\$5.00 per mailing label plus actual newspaper posting cost plus \$10 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, 2018

Description	Fee FY18-19
<b>BUILDING PERMIT/PLAN CHECK – SINGLE FAMILY RESIDENTIAL</b>	
Single Family Homes (Includes Permit and Plan Review)	
Livable Area with A/C	\$ .75 Sq. ft.
Covered Area: Garage and/or Patio (non A/C)	\$ .45 Sq. ft.
Single Family Addition	\$ .75 Sq. ft.
Area non A/C	\$ .45 Sq. ft.
Single Family Remodel	\$ .23 Sq. ft.
Area non A/C	\$ .14 Sq. ft.
Specialized Permits (Includes Permit and Plan Review)	
Solar Photovoltaic	\$140.00
Fence Walls	\$70 plus \$.15 LF (Linear Footage)
Retaining Walls	\$70 plus \$1.53 LF (Linear Footage)
Pools & Spas Attached	\$290 plus \$.90 Sq. ft.
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 (After 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 construction only (If Town has all records and within current Code cycle)	\$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	Fee FY18-19
<b>BUILDING PERMIT/PLAN CHECK - COMMERCIAL</b>	
<i>Commercial Building Permit (Includes Permit and Plan Review)</i>	
Area with A/C	\$ .75 Sq. ft.
Covered Area (non A/C)	\$ .45 Sq. ft.
Commercial Building Addition	
Area with A/C	\$ .75 Sq. ft.
Covered Area (non - A/C)	\$ .45 Sq. ft.
Commercial Remodel (Existing)	
Area with A/C	\$145 plus \$.23 Sq. ft.
Covered Area (non - A/C)	\$145 plus \$.14 Sq. ft.
Shell Only for Commercial & Multi - Family	
Area with A/C	\$205 plus \$.50 Sq. ft.
<b>Covered Area (non - A/C)</b>	\$70 plus \$.45 Sq. ft.
Commercial Tenant Improvement	
Area with A/C	\$145 plus \$.23 Sq. ft.
Covered Area (non - A/C)	\$145 plus \$.14 Sq. ft.
Apartments/Condominiums	
Livable Area with A/C	\$ .75 Sq. ft.
Covered Area (non - A/C)	\$ .45 Sq. ft.
Apartments/Condominiums with 4 or more units & recurring floor plans (0 -100,000 livable sq. ft.) 100,000 livable Sq. ft.)	
Livable Area with A/C	\$ .60 Sq. ft.
Covered Area (non - A/C)	\$ .37 Sq. ft.
Apartments/Condominiums with 4 or more units & recurring floor plans (Over 100,000 livable sq. ft.) 100,000 livable Sq. ft.)	
Livable Area with A/C	\$ .53 Sq. ft.
Covered Area (non - A/C)	\$ .33 Sq. ft.
Specialized Permits (Includes Permit and Plan Review)	
Solar Photovoltaic	\$140.00
Fence Walls	\$70 plus \$.15 Lf (Linear Footage)
Retaining Walls	\$70 plus \$1.53 LF (Linear Footage)
Pools & Spas Attached	\$290 plus \$.90 Sq. ft.
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, 2018

Description	Fee FY18-19
<b>BUILDING PERMIT/PLAN CHECK – COMMERCIAL (CONT.)</b>	
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 Sq. ft. (Face Replacement Only)	\$50.00 per sign
Sign Permit, greater than 32 Sq. ft. (Face Replacement Only)	\$100.00 per sign
Sign Permit, less than 32 Sq. ft. (New)	\$190.00 per sign
Sign Permit, greater than 32 Sq. ft. (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 (After 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 plus notification * ^
* \$5.00 per mailing label plus actual newspaper posting cost plus \$10 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	Fee FY18-19
<b>FIRE SAFETY FEES</b>	
Residential Automatic Sprinkler System Plan Review/Inspection	0.05 Sq. ft. (minimum \$25)
Commercial Automatic Sprinkler System Plan Review/Inspection	\$.10 Sq. ft. (minimum \$50)
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 Sq. ft. & any canopy over 400 Sq. ft.)	\$100.00
Reinspection Fee (beyond one re-check)	\$150.00 per trip
<b>ABATEMENT FEES</b>	
Inspection fee	\$70.00 per hour (1 - hour minimum)
Reinspection fee	\$150.00 per trip
<b>PARK FACILITY RENTALS</b>	
Park Rental Fees - Resident/Organization <sup>(1)</sup>	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/half day (4 hours or less) \$750/full day (over 4 hours)
<sup>(1)</sup> 10% wedding discount when combined with Community Center Rental	



Comprehensive Fee Schedule  
Effective July 1, 2018

Description	Fee FY18-19
<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
<b>Athletic Field – Prep &amp; Bases</b>	\$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 - \$38 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/half day (4 hours or less) \$1,400/full day (over 4 hours)
<sup>(1)</sup> 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
<b>Athletic Field – Prep &amp; Bases</b>	\$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	Fee FY18-19
<i>COMMUNITY CENTER RENTALS</i>	
Community Center Rental - Resident/ Organization (Tier 2) <sup>(2)</sup>	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 <sup>(2)</sup>	Per Hour
4 hour minimum	\$34.00
Grand Ballroom & Lobby <sup>(2)</sup>	
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 <sup>(2)</sup> (no rentals on Sunday)	Weekend Rates: Friday-Sunday
Ballroom 3 (includes patio access and views)* 4 hour minimum	Per Hour \$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	
<sup>(2)</sup> 10% wedding discount when combined with a Park Rental	



Comprehensive Fee Schedule  
Effective July 1, 2018

<u>Description</u>	<u>Fee FY18-19</u>
<i>COMMUNITY CENTER RENTALS (CONT.)</i>	
Community Center Rental - Non-Resident/ Commercial (Tier 3) <sup>(2)</sup>	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 <sup>(2)</sup> 4 hour minimum	\$69.00
Grand Ballroom & Lobby <sup>(2)</sup> All Day Rate (Monday - Thursday 7:00 am to Midnight)	\$4,400.00
All Day Rate (Friday - Saturday 7:00 am to Midnight)	\$5,500.00
Weekend Rates: Friday & Saturday <sup>(2)</sup> (no rentals on Sunday)	Weekend Rates: Friday-Sunday
Ballroom 3 (includes patio access and views)* 4 hour minimum	Per Hour \$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	
<sup>(2)</sup> 10% wedding discount when combined with a Park Rental	



Description	Fee FY18-19
<i>COMMUNITY CENTER RENTALS (CONT.)</i>	
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, 2018

Description	Fee FY18-19
<i>COMMUNITY CENTER RENTALS (CONT.)</i>	
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/hr \$40/hr OT
NOTE: All Rentals Are Subject To Applicable Arizona Sales Taxes	



Description	Fee FY18-19
<i>SENIOR SERVICES ANNUAL MEMBERSHIP FEES (CALENDAR YEAR)</i>	
Resident	\$20.00
Non - Resident	\$30.00
<i>COURT FEES</i>	
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	FY14-15 Authorized FTE	FY 15-16 Authorized FTE	FY 16-17 Authorized FTE	FY 17-18 Authorized FTE	FY 18-19 Authorized 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	1.00	1.00	2.00
Court Clerk	1.00	1.00	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
Administrative Services Director	1.00	1.00	1.00	1.00	1.00
Executive Asst to Town Mgr/Council	1.00	1.00	1.00	1.00	1.00
Town Clerk	1.00	1.00	1.00	1.00	1.00
Volunteer Coordinator	1.00	1.00	1.00	1.00	1.00
Economic Development Analyst	-	-	-	1.00	1.00
Economic Development Specialist	1.00	1.00	-	-	-
Economic Development Director	-	-	1.00	1.00	1.00
Communications and Marketing Coordinator	-	-	-	0.20	0.20
Information Technology Administrator	1.00	1.00	-	-	-
Network & Information Technology Administrator	-	-	1.00	1.00	1.00
Information Technology Support Specialist	-	-	-	-	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	1.00	1.00	2.00
Accounting Clerk	0.63	0.63	1.25	1.25	-
Customer Service Representative II	0.70	1.00	1.00	1.00	1.00
Authorized FTE	11.33	11.63	12.25	13.45	13.70
<u>Public Works</u>					
Public Works Director	-	-	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
Town Engineer	-	-	-	-	1.00
Facilities/Environmental Supervisor	1.00	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	1.00
Traffic Signal Technician II	1.00	1.00	1.00	1.00	-
Street Maintenance Technician	1.00	1.00	1.00	1.00	2.00
Authorized FTE	8.30	8.30	9.80	9.80	10.80



**Schedule of Authorized Positions  
(continued)**

<b>Position – Title</b>	<b>FY14-15 Authorized FTE</b>	<b>FY 15-16 Authorized FTE</b>	<b>FY 16-17 Authorized FTE</b>	<b>FY 17-18 Authorized FTE</b>	<b>FY 18-19 Authorized FTE</b>
<u>Development Services</u>					
Development Services Director	1.00	1.00	1.00	1.00	1.00
Executive Assistant	1.00	1.00	0.50	0.50	0.50
Town Engineer	1.00	1.00	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
Code Enforcement Officer	1.00	1.00	1.00	-	-
Chief Building Official/Plans Examiner	1.00	1.00	1.00	1.00	1.00
Civil Plans Examiner	-	-	-	0.50	0.50
Building Permit Technician	1.00	1.00	1.00	1.50	1.50
Authorized FTE	8.00	8.00	7.50	8.50	7.50
<u>Community Services</u>					
Community Services Director	1.00	1.00	1.00	1.00	1.00
Recreation Manager	-	-	-	1.00	1.00
Recreation Supervisor	1.00	1.00	1.00	-	-
Recreation Program Coordinator	2.00	2.00	2.00	2.00	2.00
Tourism Coordinator	1.00	1.00	1.00	-	-
Communications and Marketing Coordinator	-	-	-	0.80	0.80
Executive Assistant	1.00	1.00	1.00	1.00	1.00
Parks Supervisor	1.00	1.00	1.00	1.00	-
Parks Superintendent	-	-	-	-	1.00
Park Operations Lead	1.00	1.00	3.00	3.00	3.00
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	3.00	3.00	1.00	-	-
Groundskeeper II	-	-	-	1.00	1.00
Customer Service Representative II	0.30	-	-	-	0.88
Customer Service Representative I	0.88	0.88	0.88	0.88	-
Community Center Manager	-	-	-	1.00	1.00
Events & Operations Supervisor - CC	1.00	1.00	1.00	-	-
Operations Coordinator - Community Center	1.00	1.00	1.00	1.00	1.00
Operations Support Worker	1.65	1.65	1.65	1.65	0.37
Lead Operations Support Worker	-	-	-	-	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	0.58	0.58
Home Delivered Meals Coordinator	0.75	0.75	0.75	0.75	0.75
Senior Services Activities Assistant	0.45	0.45	0.45	0.45	0.45
Authorized FTE	21.06	20.76	20.76	20.56	20.56
Total Authorized FTE	<u>52.32</u>	<u>52.32</u>	<u>53.94</u>	<u>55.94</u>	<u>56.19</u>

Compared to the high of 115 FTEs in FY01-02, the current level of 56 FTEs represents a total decrease of almost 50% over a eighteen 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



**FY18-19 PAY PLAN—effective July 1, 2018**

Position Title	Exempt Positions		Previous Range		
	Minimum	Maximum			
Public Works Director	\$ 100,000	\$ 142,000	\$ 92,715	-	\$ 131,850
Finance Director	100,000	142,000	94,160	-	133,905
Development Services Director	100,000	142,000	92,715	-	131,850
Administrative Services Director	100,000	142,000	83,409	-	118,616
Town Clerk	95,000	134,900	68,423	-	97,305
Economic Development Director	95,000	134,900	66,520	-	94,599
Community Services Director	95,000	134,900	83,085	-	118,155
Town Engineer	91,357	129,727	89,128	-	126,749
Court Administrator	76,291	108,333	74,430	-	105,847
Chief Building Official/Plans Examiner	67,488	95,833	65,841	-	93,633
Recreation Manager	66,668	94,669	65,041	-	92,506
Parks Superintendent*	66,668	94,669	57,753	-	82,131
Streets Superintendent	66,073	93,824	64,461	-	91,669
Senior Planner	65,801	93,437	64,196	-	91,292
Community Center Manager	64,324	91,340	62,755	-	89,244
Network and Information Technology Administrator	61,920	87,926	60,409	-	87,839
Facilities/Environmental Supervisor	57,561	81,737	56,157	-	79,862
Events and Operations Supervisor	55,971	79,479	54,605	-	74,327
Senior Services Supervisor	55,749	79,164	54,389	-	77,346
Executive Assistant to Town Manager/Council	55,357	78,607	54,006	-	76,801
Civil Plans Examiner	55,203	78,395	53,851	-	76,586
Economic Development Analyst	54,479	77,360	53,150	-	75,585
Volunteer Coordinator	51,097	72,558	49,850	-	70,892
Senior Code Enforcement Officer	51,097	72,558	49,850	-	70,892
Recreation Program Coordinator	51,097	72,558	49,850	-	70,892
Operations Coordinator - Community Center	51,097	72,558	49,850	-	70,892
Accountant	51,097	72,558	49,850	-	70,892
Communications and Marketing Coordinator	51,097	72,558	49,850	-	70,892

\*Note: Position was reclassified; Previous Pay Ranges reflect previous position titles.

^Note: Information Technology Support Specialist is a new position for FY 2018-19

<sup>B</sup>Note: Lead Operations Support is a new position for FY 2018-19



## FY18-19 PAY PLAN—effective July 1, 2018

### Non-Exempt Positions

Position Title	Minimum	Maximum	Previous Range		
GIS Technician/CAD Operator	\$ 26.08	\$ 37.04	\$ 25.44	-	\$ 36.17
Information Technology Support Specialist	26.72	39.85	n/a <sup>A</sup>	-	n/a <sup>A</sup>
Civil Engineering Inspector	22.65	32.17	22.09	-	31.41
Executive Assistant	21.25	30.18	20.73	-	29.48
Fleet Mechanic/Open Space-Landscape Specialist	20.73	29.44	20.22	-	28.75
Park Operations Lead	20.73	29.44	20.22	-	28.75
Facilities Maintenance Technician	19.19	27.25	18.72	-	26.62
Building Permit Technician	18.69	26.54	18.23	-	25.93
Senior Court Clerk	18.19	25.83	17.74	-	25.22
Street Maintenance Technician	18.19	25.83	17.74	-	25.22
Court Clerk	17.38	24.68	16.95	-	24.11
Financial Services Technician	17.38	24.68	16.95	-	24.11
Groundskeeper II	17.38	24.68	16.95	-	24.11
Accounting Clerk	16.83	23.90	16.41	-	23.33
Customer Service Representative II	16.83	23.90	16.41	-	23.33
Senior Services Activities Coordinator	16.46	23.38	16.05	-	22.82
Lead Park Attendant	16.46	23.38	16.05	-	22.82
Lead Operations Support Worker	16.46	23.38	n/a <sup>B</sup>	-	n/a <sup>B</sup>
Customer Service Representative I	14.99	21.29	14.62	-	20.78
Home Delivered Meals Coordinator	14.66	20.82	14.30	-	20.33
Operations Support Worker	14.66	20.82	14.30	-	20.33
Custodian	13.55	19.25	13.21	-	18.79
Park Attendant	13.55	19.25	13.21	-	18.79
Senior Services Activities Assistant	13.55	19.25	13.21	-	18.79

\*Note: Position was reclassified; Previous Pay Ranges reflect previous position titles.

<sup>A</sup>Note: Information Technology Support Specialist is a new position for FY 2018-19

<sup>B</sup>Note: Lead Operations Support is a new position for FY 2018-19



**FY18-19 PAY PLAN—effective January 1, 2019**

Position Title	Exempt Positions		Previous Range		
	Minimum	Maximum			
Public Works Director	\$ 100,000	\$ 142,000	\$ 100,000	-	\$ 142,000
Finance Director	100,000	142,000	100,000	-	142,000
Development Services Director	100,000	142,000	100,000	-	142,000
Administrative Services Director	100,000	142,000	100,000	-	142,000
Town Clerk	95,000	134,900	95,000	-	134,900
Economic Development Director	95,000	134,900	95,000	-	134,900
Community Services Director	95,000	134,900	95,000	-	134,900
Town Engineer	93,641	132,970	91,357	-	129,727
Court Administrator	78,199	111,043	76,291	-	108,333
Chief Building Official/Plans Examiner	69,176	98,230	67,488	-	95,833
Recreation Manager	68,335	97,036	66,668	-	94,669
Parks Superintendent	68,335	97,036	66,668	-	94,669
Streets Superintendent	67,725	96,170	66,073	-	93,824
Senior Planner	67,447	95,775	65,801	-	93,437
Community Center Manager	65,933	93,625	64,324	-	91,340
Network and Information Technology Administrator	63,468	90,125	61,920	-	87,926
Facilities/Environmental Supervisor	59,001	83,781	57,561	-	81,737
Events and Operations Supervisor	57,371	81,467	55,971	-	79,479
Senior Services Supervisor	57,143	81,143	55,749	-	79,164
Executive Assistant to Town Manager/Council	56,741	80,572	55,357	-	78,607
Civil Plans Examiner	56,597	80,372	55,203	-	78,395
Economic Development Analyst	55,841	79,294	54,479	-	77,360
Volunteer Coordinator	52,375	74,373	51,097	-	72,558
Senior Code Enforcement Officer	52,375	74,373	51,097	-	72,558
Recreation Program Coordinator	52,375	74,373	51,097	-	72,558
Operations Coordinator - Community Center	52,375	74,373	51,097	-	72,558
Accountant	52,375	74,373	51,097	-	72,558
Communications and Marketing Coordinator	52,375	74,373	51,097	-	72,558

Note: Director & Town Clerk positions not changed in January due to previous adjustment in July



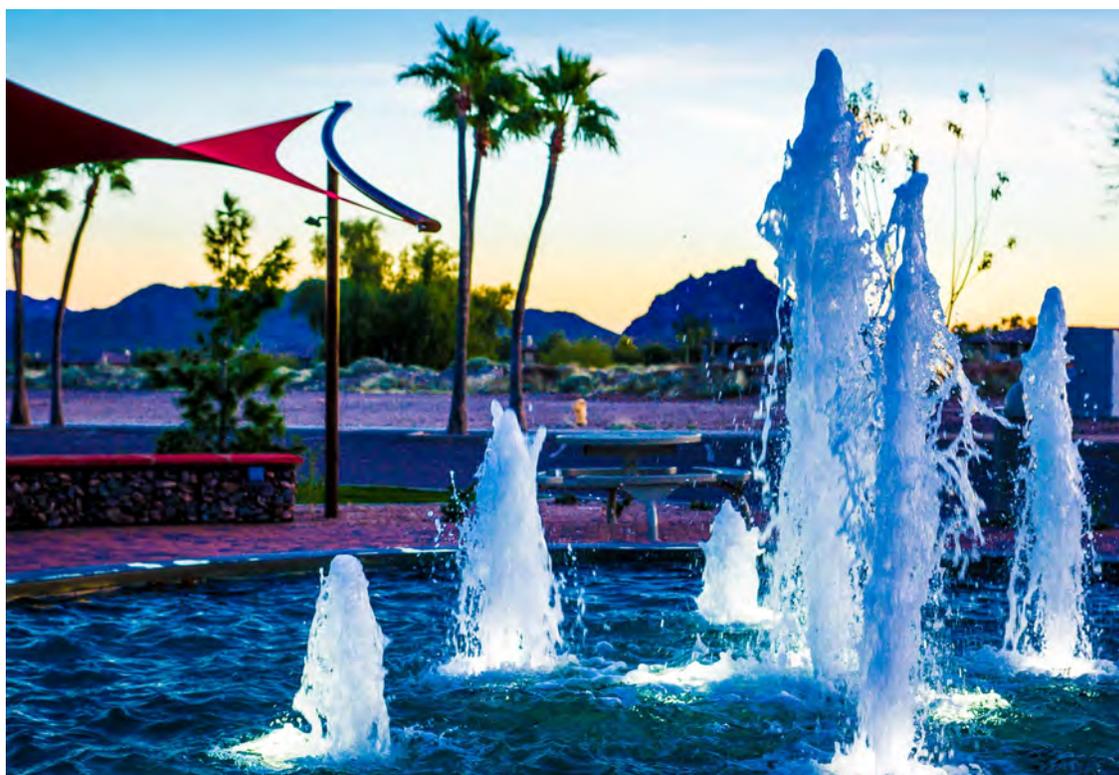
## FY18-19 PAY PLAN—effective January 1, 2019

### Non-Exempt Positions

Position Title	Minimum	Maximum	Previous Range		
GIS Technician/CAD Operator	\$ 26.74	\$ 37.98	\$ 26.08	-	\$ 37.04
Information Technology Support Specialist	27.39	38.90	26.72	-	39.85
Civil Engineer Inspector	23.22	32.98	22.65	-	32.17
Executive Assistant	21.79	30.95	21.25	-	30.18
Fleet Mechanic/Open Space-Landscape Specialist	21.25	30.18	20.73	-	29.44
Park Operations Lead	21.25	30.18	20.73	-	29.44
Facilities Maintenance Technician	19.67	27.94	19.19	-	27.25
Building Permit Technician	19.16	27.21	18.69	-	26.54
Senior Court Clerk	18.65	26.49	18.19	-	25.83
Street Maintenance Technician	18.65	26.49	18.19	-	25.83
Court Clerk	17.82	25.31	17.38	-	24.68
Financial Services Technician	17.82	25.31	17.38	-	24.68
Groundskeeper II	17.82	25.31	17.38	-	24.68
Accounting Clerk	17.26	24.51	16.83	-	23.90
Customer Service Representative II	17.26	24.51	16.83	-	23.90
Senior Services Activities Coordinator	16.88	23.97	16.46	-	23.38
Lead Park Attendant	16.88	23.97	16.46	-	23.38
Lead Operations Support Worker	16.88	23.97	16.46	-	23.38
Customer Service Representative I	15.37	21.83	14.99	-	21.29
Home Delivered Meals Coordinator	15.03	21.35	14.66	-	20.82
Operations Support Worker	15.03	21.35	14.66	-	20.82
Custodian	13.89	19.73	13.55	-	19.25
Park Attendant	13.89	19.73	13.55	-	19.25
Senior Services Activities Assistant	13.89	19.73	13.55	-	19.25

Note: Director & Town Clerk positions not changed in January due to previous adjustment in July





# Resolution 2018-27



**RESOLUTION 2018-27**

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, 2018, AND ENDING JUNE 30, 2019.

**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 1, 2018, 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 1, 2018, 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 5, 2018, 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.

**NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND 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 July 1, 2018, through June 30, 2019.

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.

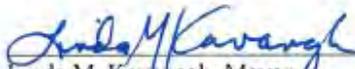
[SIGNATURES ON FOLLOWING PAGE]



**PASSED AND ADOPTED** by the Mayor and Council of the Town of Fountain Hills, Arizona, June 5, 2018.

**FOR THE TOWN OF FOUNTAIN HILLS:**

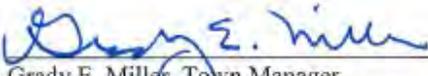
**ATTESTED TO:**

  
Linda M. Kavanaugh, Mayor

  
Bevelyn J. Bender, Town Clerk

**REVIEWED BY:**

**APPROVED AS TO FORM:**

  
Grady E. Miller, Town Manager

  
Mitesh V. Patel, Interim Town Attorney  
Dickinson Wright PLLC





# 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. Un-billed 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.

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**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.

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**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

**GAAP**-Generally Accepted Accounting Principles

**GADA**-Greater Arizona Development Authority

**GASB**-Governmental Accounting Standards Board

**GFOA**-Government Finance Officers Association

**GIS**-Geographical Information System

**GO**-General Obligation

**GPEC**-Greater Phoenix Economic Council

**HDM**-Home Delivered Meals

**HPE**-Hillside Protection Easement



**HURF**-Highway User Revenue Fund  
**HVAC**-Heating, Cooling, and Air Conditioning  
**ICMA**-International City/County Management Association  
**ICSC**-International Council of Shopping Centers  
**ID**-Improvement District  
**IFEA**-International Festivals & Events Association  
**IGA**-Intergovernmental Agreement  
**IIP**-Infrastructure Improvement Plan  
**ISO**-International Standards Organization  
**IT**-Information Technology  
**ITS**-Intelligent Transportation System  
**JCEF**-Judicial Court Enhancement Fund  
**In. ft.**-Lineal (Linear) Feet  
**LTAP**-Local Technical Assistance Program  
**LTAF**-Local Transportation Assistance Fund  
**MAG**-Maricopa Association of Governments  
**MCFC**-Maricopa County Flood Control District  
**MCSO**-Maricopa County Sheriff's Office  
**MH**-Manhole  
**MHz**-Megahertz  
**MPC**-Municipal Property Corporation  
**MSRB**-Municipal Securities Rulemaking Board  
**NACSLB**-National Advisory Council on State and Local Budgeting  
**NRPA**-National Recreation and Park Association  
**PC**-Portland Cement  
**PUD**-Planned Unit Developments  
**PTO**-Parent Teacher Organization



**RFP**-Request for Proposal

**RFQ**-Request for Quotation

**RPM**-Reflective Pavement Marker

**RPTA**-Regional Public Transit Agency

**SEC**-Securities and Exchange Commission

**sq. ft.**-Square Feet

**sq. yd.**-Square Yard

**SR**-State Route

**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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