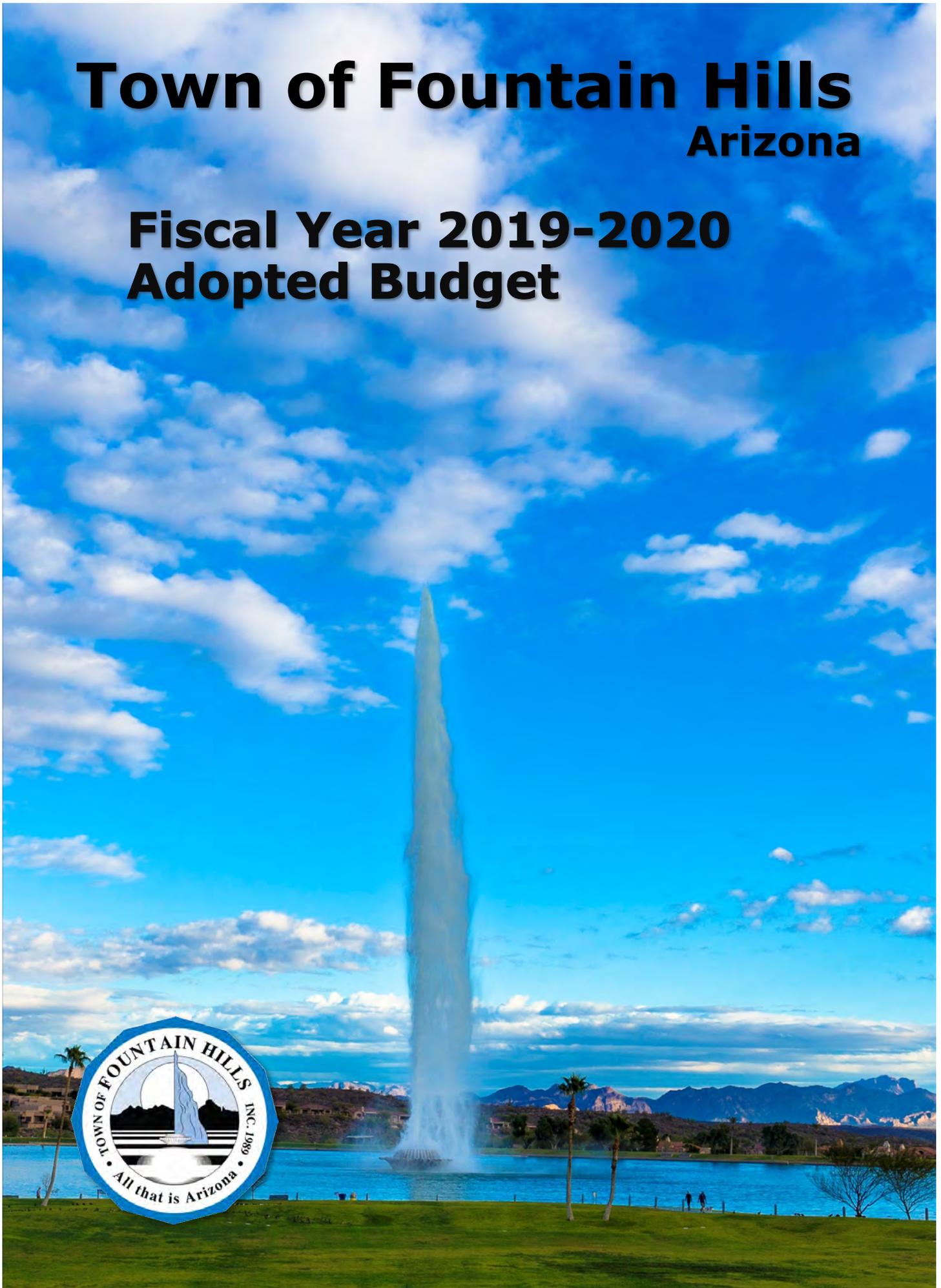


Town of Fountain Hills

Arizona

Fiscal Year 2019-2020 Adopted Budget



The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the Town of Fountain Hills, Arizona, for its Annual Budget for the fiscal year beginning July 1, 2018. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device.

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

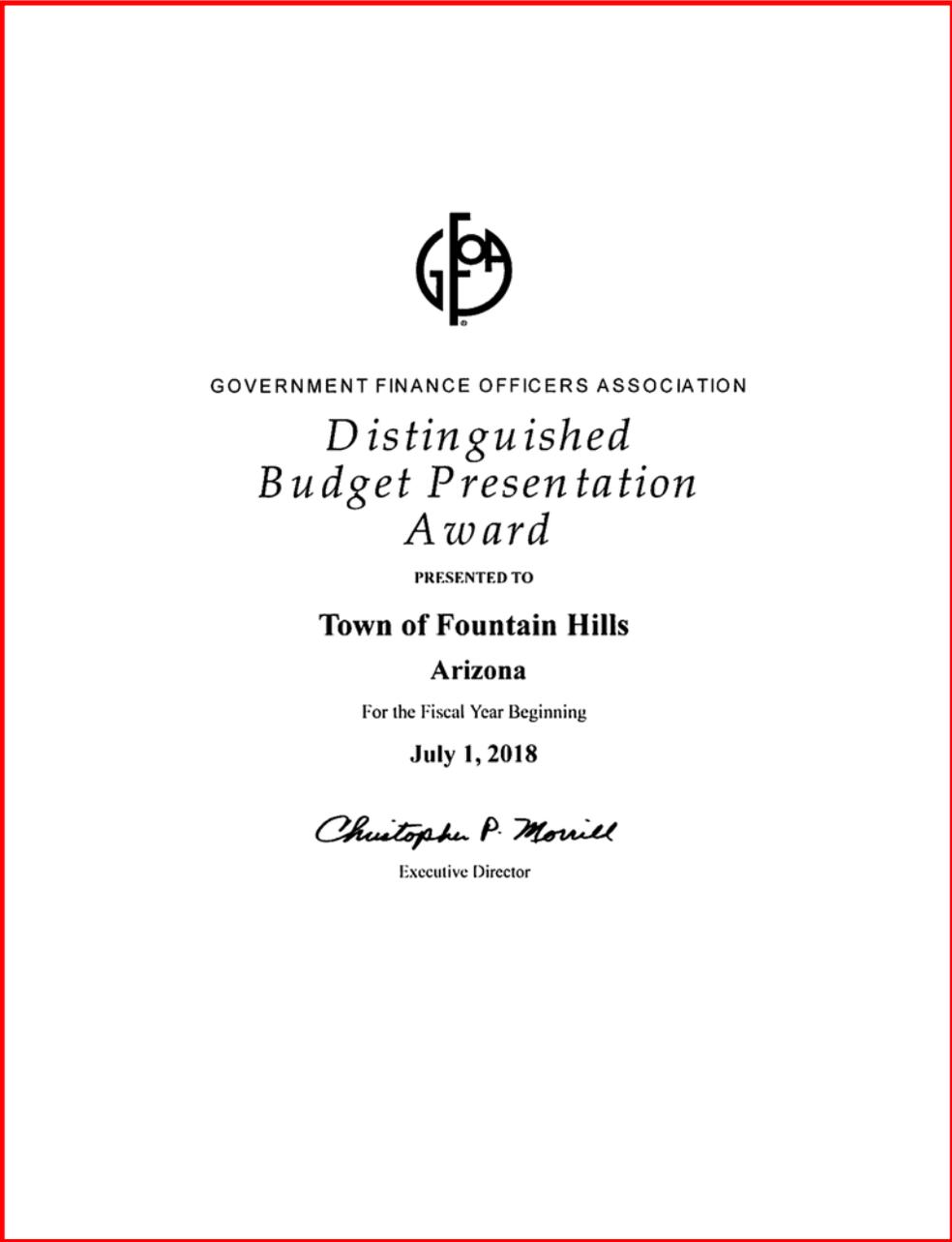


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**BUDGET MESSAGE****June 4, 2019****HONORABLE MAYOR AND TOWN COUNCIL:**

I am pleased to submit the proposed operating budget for the Town of Fountain Hills for the fiscal year beginning on July 1, 2019, and ending June 30, 2020. 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 \$32,562,699. 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 three years, the Town Council has discussed concerns about the future of the Town's finances. In May of 2017, the Finance Director identified a cumulative budget deficit of \$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.

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 workload and responsibilities to help keep costs down.

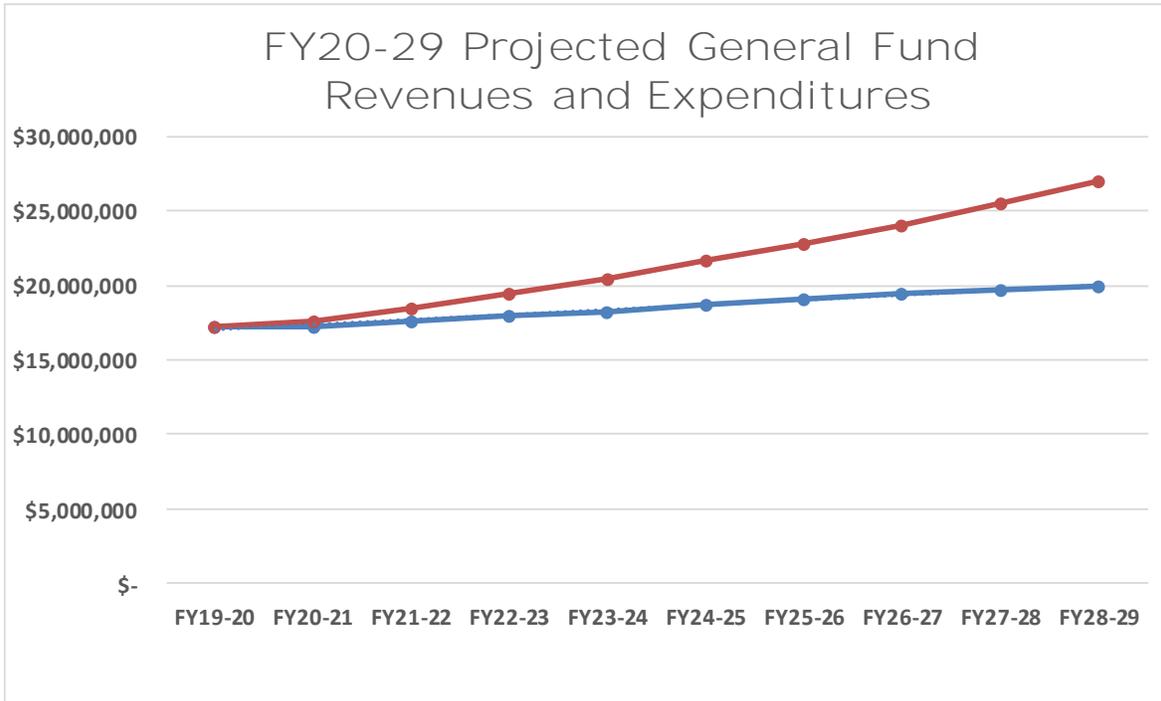
The primary funding issues facing the Town of Fountain Hills include:

- 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 (i.e., sweeping of State-shared revenue or unfunded mandates)
- Retaining adequate staffing levels to maintain current service levels
- Public safety costs as an increasing proportion of total expenditures, resulting in less funding for other core services

The chart below depicts the current ten-year forecast:



REVENUE 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 a number of revenue options in 2017 and 2018, 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. By nearly a 2 to 1 margin, voters turned down the primary property tax question. As a result, the Town Council is now tasked with evaluating and taking additional action on other revenue options to fund core services of the Town. On April 23, 2019, the Town Council met and discussed the possibility of a public safety fee and raising the local sales tax rate from 2.6 percent to 3.0 percent. The Town Council will be considering these proposals at a public meeting before taking action at the August 13, 2019 Town Council meeting. I am confident that the Town Council will approve one or more revenue options to help fund Town operations and avoid a future revenue shortfall.



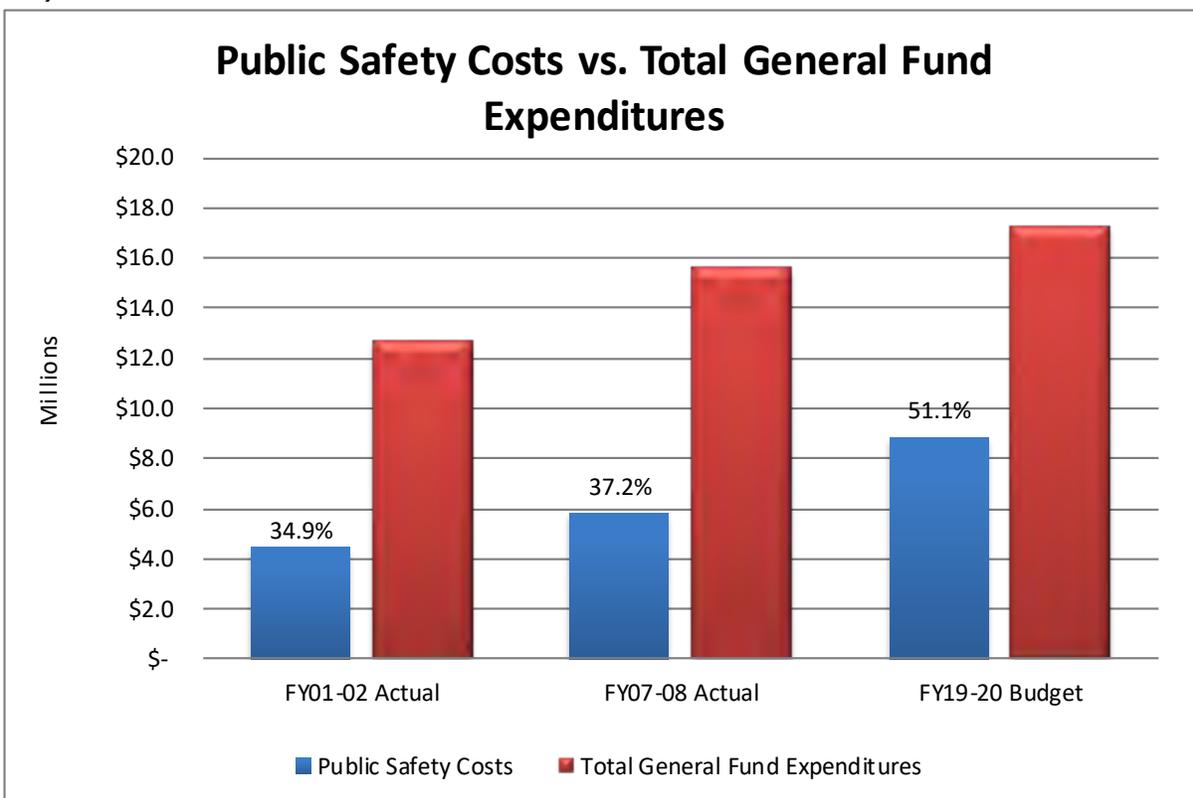
Vehicle License Tax (VLT) is distributed to cities and towns as part of State-shared revenues. In 2013, the Council adopted a resolution to allocate the Town’s portion of VLT to the pavement management program. Most cities earmark VLT as unrestricted General Fund revenue to support a variety of other municipal programs and services. It is recommended in future years that the Streets Fund receive 70 percent of VLT and the General Fund receive 30 percent. In order to submit a balanced FY19-20 budget to the Council, it was necessary to utilize \$336,749 or 30 percent of the annual allocation of the VLT.

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. Town funds that are expended for public safety services provided under these contracts are undeniably high-quality and cost-efficient.

However, the fact remains that public safety costs, while essential, represent an ever-increasing proportion of the Town’s total expenditures. During the period from FY01-02 through FY19-20, the Town’s total General Fund expenditures increased 35.8% while public safety costs increased 99.0% leaving reduced funding to pay for non-public safety core services. For FY19-20, public safety costs will go up by approximately \$700,000, nearly \$600,000 alone for law enforcement services from Maricopa County Sheriff’s Office. Public safety costs will represent about 51% of the General Fund’s budget.

The chart below demonstrates the proportion of total Town expenditures relative to public safety costs. (Note: Town General Fund expenditures peaked in FY08-09.)

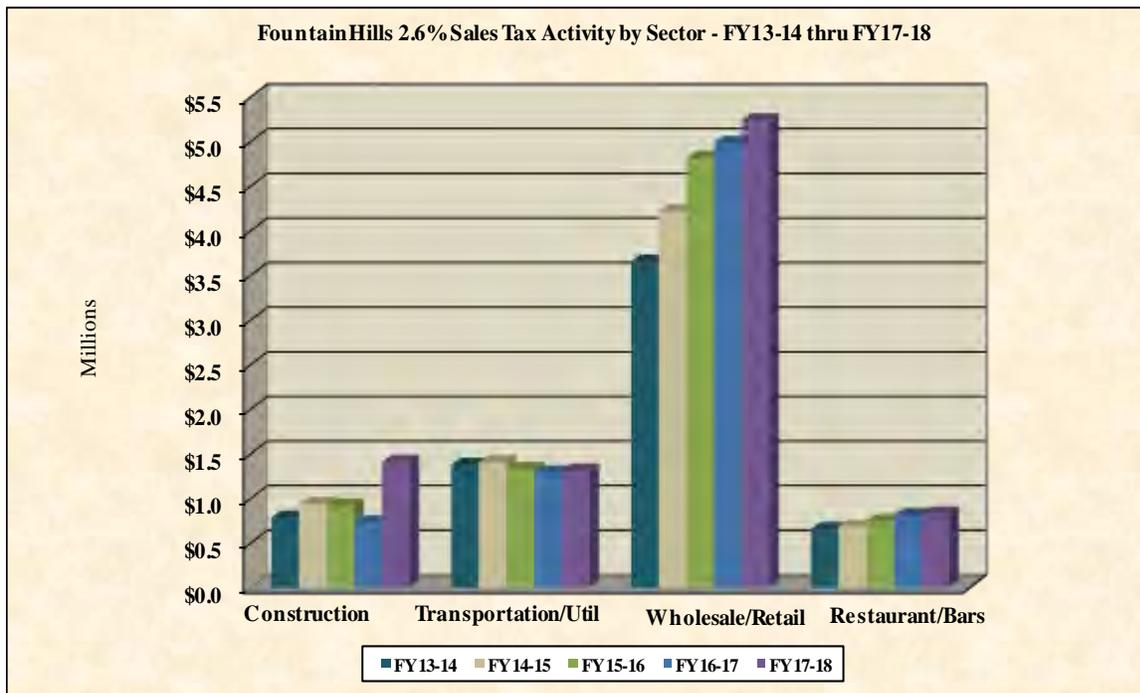


In order to provide the core services and amenities that the residents of Fountain Hills expect, new sources of revenue must be found in the near future.

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 sales tax. Combined, these two sources contribute 90% of the General Fund (37% and 53% 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 2019, particularly with large scale commercial, multi-family 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
2017	63	1	2	14	14	79	15	370
2018	54	2	4	34	34	92	25	494
21 Year Total	2569	135	268	569	1282	4119	423	11908
21 Year Avg	122.3	6.4	12.8	27.1	61.0	196.1	20.1	567.0

BUDGET APPROACH

In developing the proposed FY19-20 budget, each Department Director was given specific instructions to stay within the FY18-19 budget as the base budget for FY19-20. New budget requests were 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 \$260,500 in one-time supplemental budget needs and \$86,000 in ongoing supplemental needs.



CORE SERVICES BUDGET

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

	<u>FY18-19</u>	<u>FY19-20</u>	Funding Source
Public Safety	\$8,129,715	\$8,807,219	General Fund
General Government	794,179	1,489,511	General Fund
Administration	2,917,499	2,686,126	General Fund
Public Works	1,035,577	1,100,934	General Fund
Development Services	1,105,398	1,100,290	General Fund
Community Services	2,520,780	2,595,839	General Fund
Excise Tax Funds -			
Downtown/ED/Tourism	544,955	582,985	Excise Tax
Special Revenue Funds	6,169,638	7,751,739	Special Revenue
Debt Service	2,760,682	2,378,862	Debt Service
Capital Funds	<u>6,436,443</u>	<u>4,069,194</u>	CIP
	<u>\$32,414,866</u>	<u>\$32,562,699</u>	

PUBLIC SAFETY

Public Safety expenditures continue to consume a growing proportion of the overall operating budget. In FY19-20, the overall public safety costs are up nearly \$700,000.

Two years ago, staff negotiated a new contract with Rural/Metro Fire 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 Fire that caps future contractual increases to three percent annually.

The intergovernmental agreement for law enforcement services with the Maricopa County Sheriff’s Office (MCSO) is based on the actual cost of services from the prior fiscal year. For FY19-20, the agency increased the cost of law enforcement services by 14 percent. The Town of Fountain Hills is predicting that the Town’s law enforcement services budget will continue to escalate at an annual 10 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 (PSPRS), the pension plan primarily for police and fire. Due to a variety of factors, nearly all of the municipalities and local governments that participate in PSPRS 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 FY19-20 budget includes four new full-time positions and one part-time position. With limited resources and existing budget offsets, the following positions are recommended: a Code Enforcement Officer, a Procurement Officer, a Senior Building Inspector, a Street Technician, and a part-time Accounting Clerk.



There are existing departmental budget savings to fully offset the cost of the part-time Accounting Clerk and the Senior Building Inspector. The Street Technician position is offset by the use of funds provided by the Streets (HURF) Fund. During the Council planning retreat last February, the Mayor and Council emphasized the importance of having an additional Code Enforcement Officer to be proactively working on weekends and staying on top of code complaints from residents.

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 FY19-20 budget.

The FY19-20 budget also includes minor reclassifications of positions. After reviewing the Town's classifications, I am recommending that the following positions be reclassified:

- Senior Services Activities Assistant to Activities Coordinator
- Home Delivered Meals Coordinator to Activities Coordinator
- Groundskeeper II to Park Operations Lead (Golden Eagle Park)
- Administrative Services Director to Deputy Town Manager/
Administrative Services Director
- Civil Plans Examiner to Assistant Town Engineer

MODEST INCREASE IN EMPLOYEE BENEFITS

In the proposed FY19-20 budget, there was no recommended salary and wage adjustment for employees. At the Town Council budget workshop held last April, the Town Council directed me to include a three and one-half percent increase in employee wages and salaries. Based on this direction, employees will receive a two percent increase after July 1, 2019, and a one and one-half percent increase after January 1, 2020. The cost for the salary adjustments is \$132,142.

In FY19-20, we are projecting that the Town's portion of the premiums for employee medical, dental, vision and related benefits will increase modestly, by approximately 3% per covered employee.

MINOR REORGANIZATION

Under the Town Code, the Town Manager serves as the Chief Procurement Officer of the Town. Over the past several years, Town Managers have delegated this responsibility to the Finance Director. In order to ensure that the new Finance Director focuses his or her attention on critical budget and financial planning activities starting in FY19-20, it was important to take this distraction away from the position. It is also essential that, as part of our checks and balances in the organization, the person responsible for controlling budget resources is different from the person responsible for purchasing activities in the organization.

The Administrative Services Director currently is responsible for Human Resources, Risk Management, Payroll, Transit, and Special Projects. Since administrative services are internal support functions for the organization, it makes sense to transfer procurement activities to the Administrative Services Director. In addition to transferring procurement to this division, I am recommending that the Information and Technology Division be under the Administrative Services Director.



For the past three years, I have utilized the Administrative Services Director as my designated acting Town Manager when I am on vacation or out-of-town for conferences and other occasions. I am requesting that this position be reclassified to Deputy Town Manager/Administrative Services Director through the FY19-20 budget process.

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 has reduced funding levels again. 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 \$3,197,250 in FY19-20, down from \$5,398,672 in FY18-19 or a 40.8% decrease from previous fiscal year. The Town Council previewed the proposed Five-Year Capital Improvement Program at a special session on March 26, 2019, and provided direction and prioritization of the proposed projects contained in the program.

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 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*

In 2019, the Strategic Planning Advisory Commission reprioritized the tasks tied to the goals and objectives in the 2017 Strategic Plan based on the Town's financial resources. While the Plan remained unchanged, the reprioritization of the tasks placed higher emphasis on those tasks tied to the Town's finances. The Town Council approved the reprioritized Plan in March of 2019.

BUDGET ASSUMPTIONS FOR FY19-20 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
- A reduction in the distribution of State-shared revenues
- Existing levels of service are maintained
- An inflation factor of three 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 ten percent
- The fire services contract with Rural/Metro Corporation is projected at a three percent increase for FY18-19 and beyond.

The following chart provides General Fund projections through FY23-24:

Five-year Budget Projection					
	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24
REVENUES					
Intergovernmental	\$ 6,220,134	\$ 6,251,977	\$ 6,290,174	\$ 6,329,033	\$ 6,368,936
Permits, Licenses, Fees	1,124,725	1,122,210	1,117,128	1,140,682	1,144,311
Building Revenue	566,341	545,763	533,907	529,724	418,721
Local Taxes	9,313,230	9,304,255	9,635,282	9,966,307	10,297,333
Total Revenues	<u>\$ 17,224,430</u>	<u>\$ 17,224,205</u>	<u>\$ 17,576,491</u>	<u>\$ 17,965,746</u>	<u>\$ 18,229,301</u>
EXPENDITURES					
Mayor & Town Council	\$ 98,544	\$ 101,500	\$ 104,545	\$ 107,681	\$ 110,911
General government	1,073,362	634,077	653,099	672,692	692,873
Administration	2,050,966	2,142,494	2,178,970	2,269,338	2,314,618
Municipal Court	397,276	409,194	421,470	434,114	447,137
Public Works	1,100,934	1,133,961	1,167,979	1,203,018	1,239,108
Development Services	1,100,290	1,133,299	1,167,299	1,202,318	1,238,388
Community Services	2,595,839	2,673,715	2,753,927	2,836,544	2,921,641
Public Safety (Police & Fire)	8,807,219	9,406,450	10,057,159	10,764,241	11,533,072
Total Expenditures	<u>17,224,430</u>	<u>17,634,690</u>	<u>18,504,448</u>	<u>19,489,946</u>	<u>20,497,748</u>
Surplus/(Deficit)	<u>\$ -</u>	<u>\$ (410,485)</u>	<u>\$ (927,957)</u>	<u>\$ (1,524,200)</u>	<u>\$ (2,268,447)</u>



DISTINGUISHED BUDGET PRESENTATION AWARD

For the past seventeen 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 citizen with a broad view of the contents of the FY19-20 annual budget, its processes, issues and anticipated outcomes.

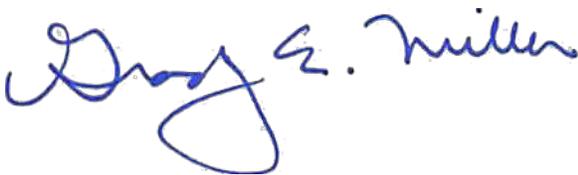
A DEBT OF GRATITUDE

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 the former Finance Director Craig Rudolphy and Accountant Beata Bogdan for their countless hours working evenings and weekends in preparing and finalizing the FY19-20 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, 2,460 feet at the Adero Canyon Trailhead, and is approximately 500 feet above Phoenix.

Over the past twenty-five plus years, Fountain Hills has grown from 10,190 residents to a Town of 23,899 in 2015. On June 5, 2006, the Town of Fountain Hills became twenty square miles and about ten percent larger by annexing 1,300 acres of State Trust



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

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

The Town provides or administers a full range of services including public safety (law enforcement, fire and emergency services); development services (code enforcement, mapping and graphics, planning and zoning); public works (including construction and maintenance of streets and infrastructure); municipal court; recreational activities; community center; senior services and cultural events. The Town does not maintain utility or other operations that require the establishment of enterprise funds.

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

The International Festival and Events Association (IFE) honored the Town of Fountain Hills with three awards in 2018. This association highlights events from around the world with budgets ranging from less than \$250,000 to well over \$3 million. This year, Fountain Hills was highlighted



as the GOLD winner for two separate categories: Best Single Digital/Social Advertisement and Best Emergency Preparedness and Management Plan. The Town also garnered a SILVER award for Best Single Magazine Display Ad. These awards recognize the high quality marketing efforts Town staff produce to promote our many events.

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

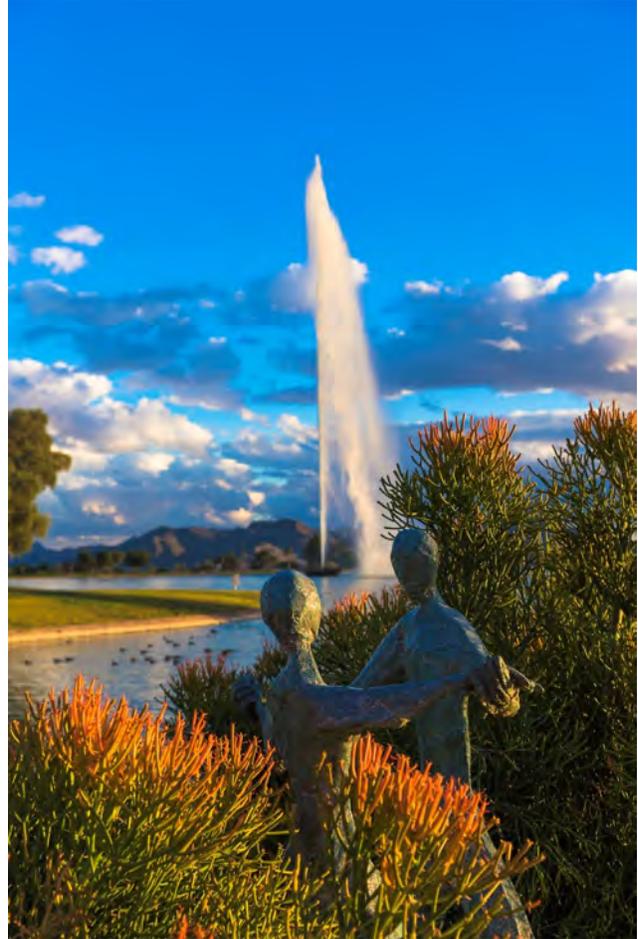
On January 8, 2018 the Town of Fountain Hills, Arizona was awarded the rare distinction of being designated an International Dark Sky Community by the International Dark Sky Association (IDA). It is one of only two International Dark Sky Communities located near a major metropolitan area. In total, only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

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

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

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

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



Demographics

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*
2010	22,489*
July 1, 2015	23,899***
July 1, 2016	24,482***
July 1, 2017	24,583***
2020	25,900**
2030	31,000**
Estimated Buildout ~2040	34,700****

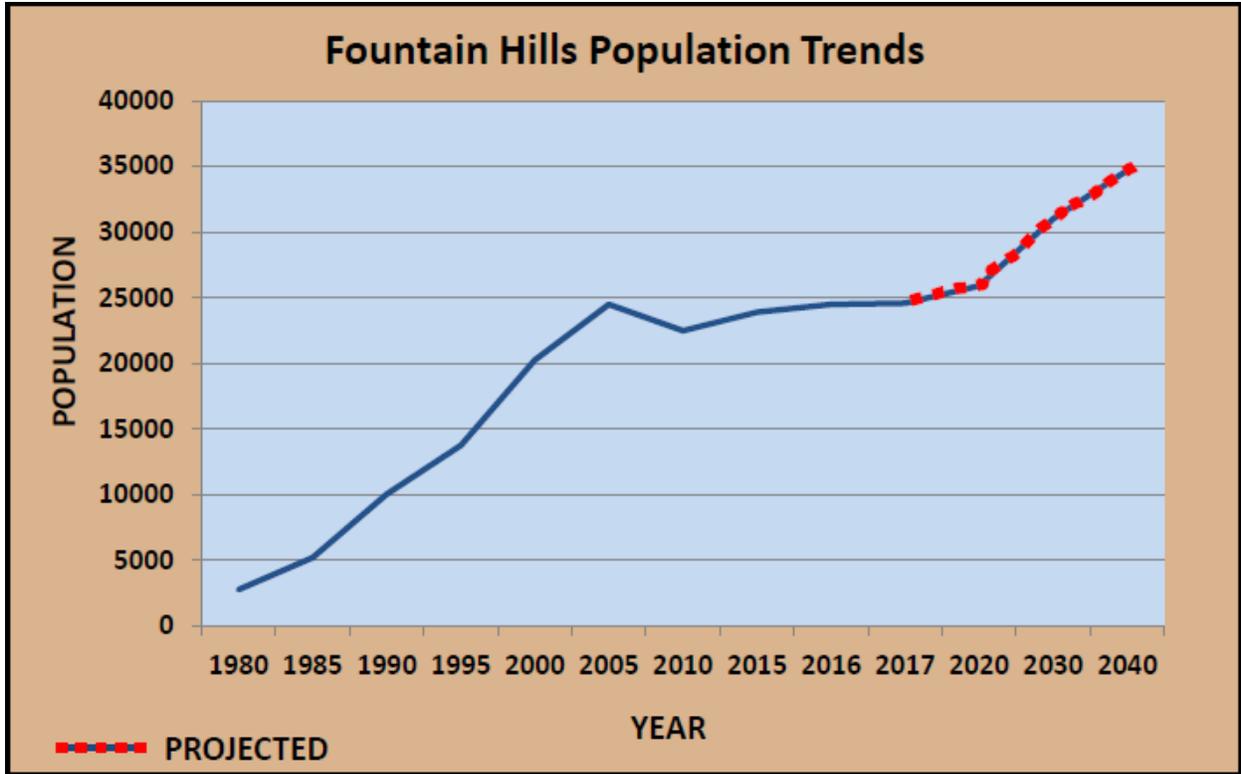
* US CENSUS

** MAG

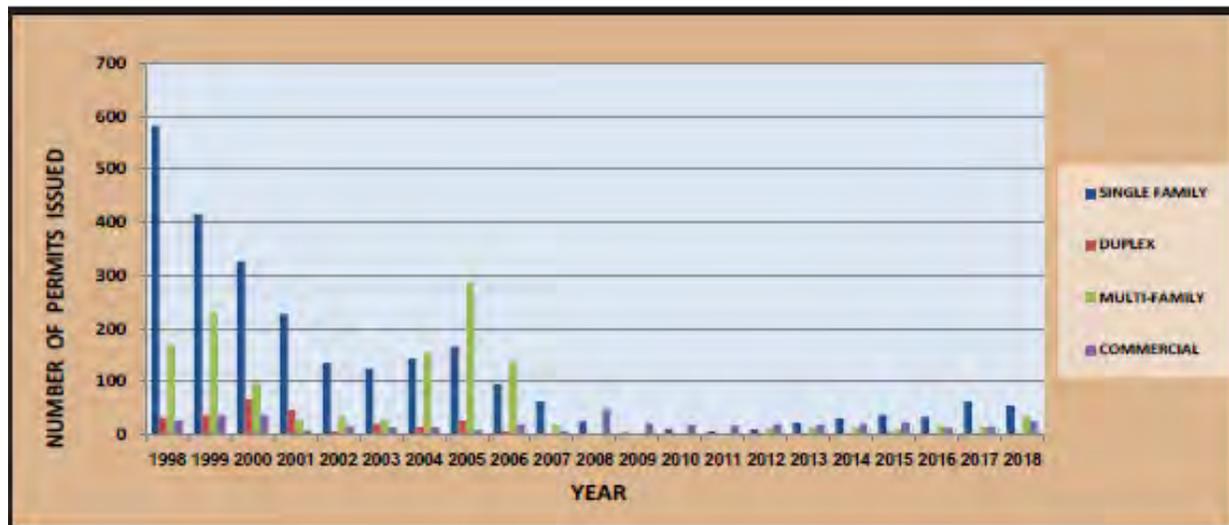
***US CENSUS, AMERICAN COMMUNITY SURVEY

****TOWN DEVELOPMENT SERVICES





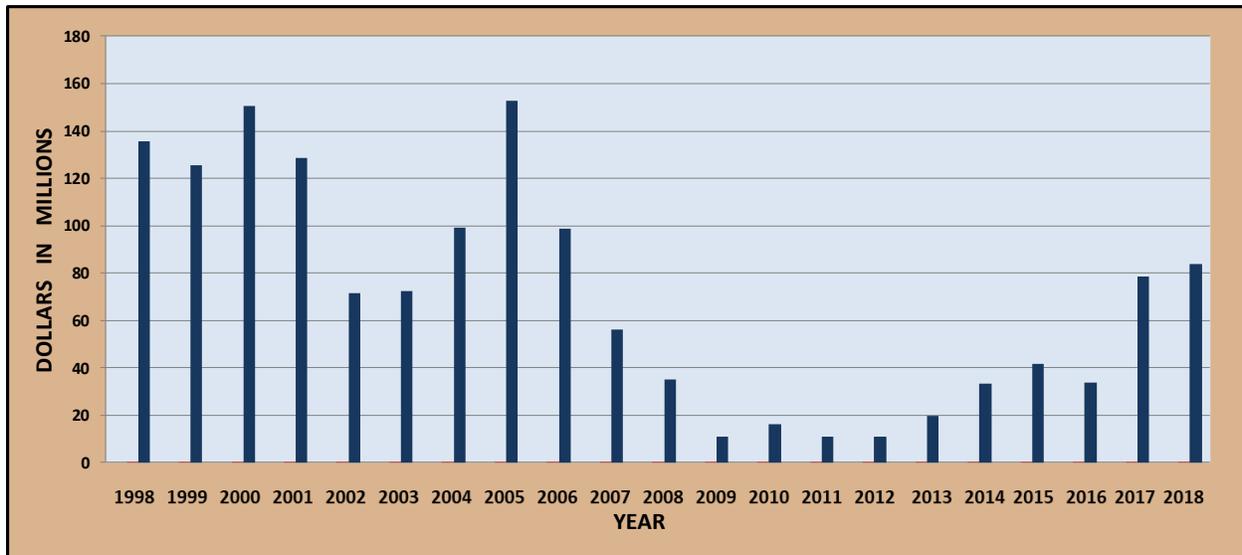
TOWN-WIDE BUILDING PERMITS ISSUED



YEAR	Single Family	Duplex		Multi-Family		Total Dwelling Units	Commercial	Other
		Bldg.	Total Units	Bldg.	Total Units			
1998	582	17	32	36	170	784	26	995
1999	415	18	36	34	229	680	36	947
2000	326	33	66	23	97	489	37	892
2001	227	23	46	6	28	301	8	707
2002	135	3	6	4	33	174	16	622
2003	124	10	20	10	28	172	14	689
2004	143	7	14	64	154	311	14	664
2005	165	13	26	184	287	478	9	777
2006	95	3	6	102	137	238	19	745
2007	62	0	0	18	18	80	7	589
2008	25	1	2	2	2	29	48	489
2009	4	1	2	0	0	6	21	328
2010	11	0	0	0	0	11	18	366
2011	6	0	0	0	0	6	17	319
2012	10	0	0	0	0	10	19	376
2013	22	0	0	12	12	34	18	386
2014	30	1	2	13	13	45	20	391
2015	37	2	4	5	10	51	23	347
2016	33	0	0	8	16	49	13	415
2017	63	1	2	14	14	79	15	370
2018	54	2	4	34	34	92	25	494
21 Year Total	2569	135	268	569	1282	4119	423	11908
21 Year Avg	122.3	6.4	12.8	27.1	61.0	196.1	20.1	567.0



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
2017	15	13.619
2018	25	37.552

*1998-2018 Valuation includes commercial building permits as well as tenant improvements.



Fountain Hills Schools

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

Public Schools

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

Address

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

Preschools

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

Address

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

Charter School

9. Fountain Hills Charter School

Address

16751 E. Glenbrook Boulevard

East Valley Institute of Technology

10. EVIT—Fountain Hills Vocational Center

Address

17300 E. Calaveras Avenue



McDowell Mountain Elementary School



Fountain Hills Middle School

Fountain Hills High School

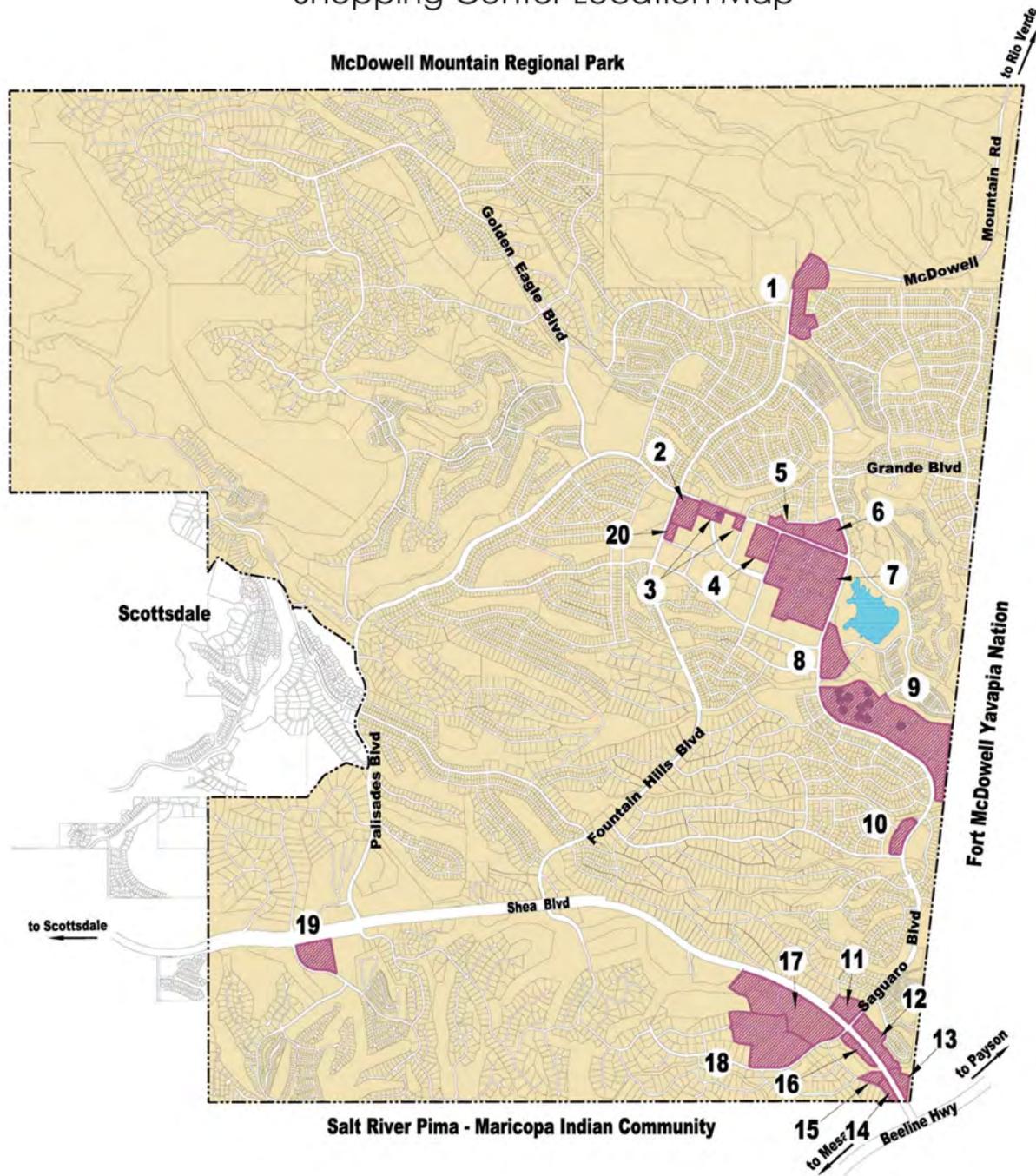


shopping centers (and other non-residential developments)

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

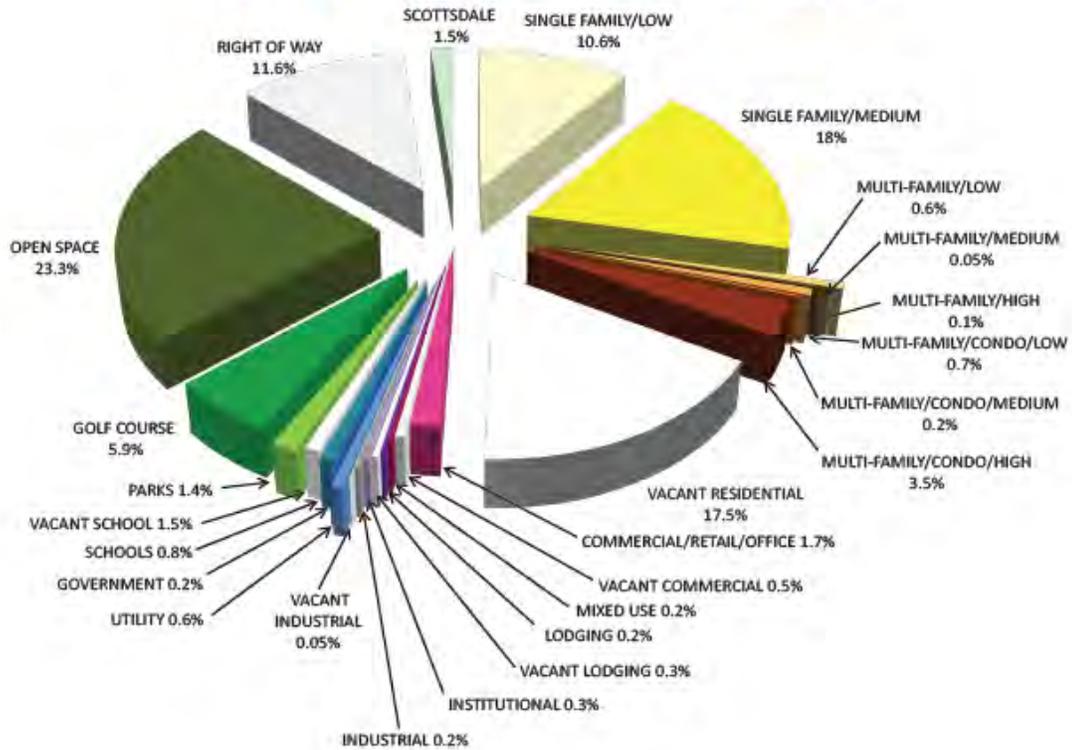


Shopping Center Location Map



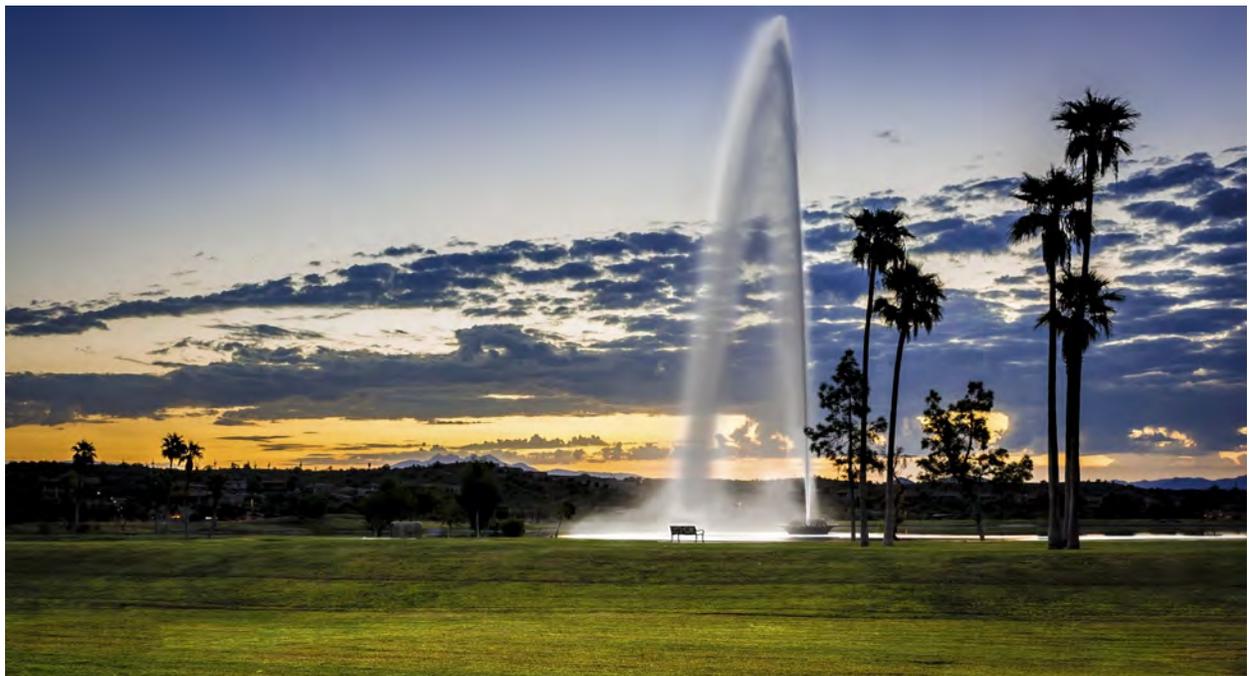
TOWN-WIDE LAND USE

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		6,626.6
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
Total	13,176	7,386.2	2,393.5	3,226.0	13,005.7

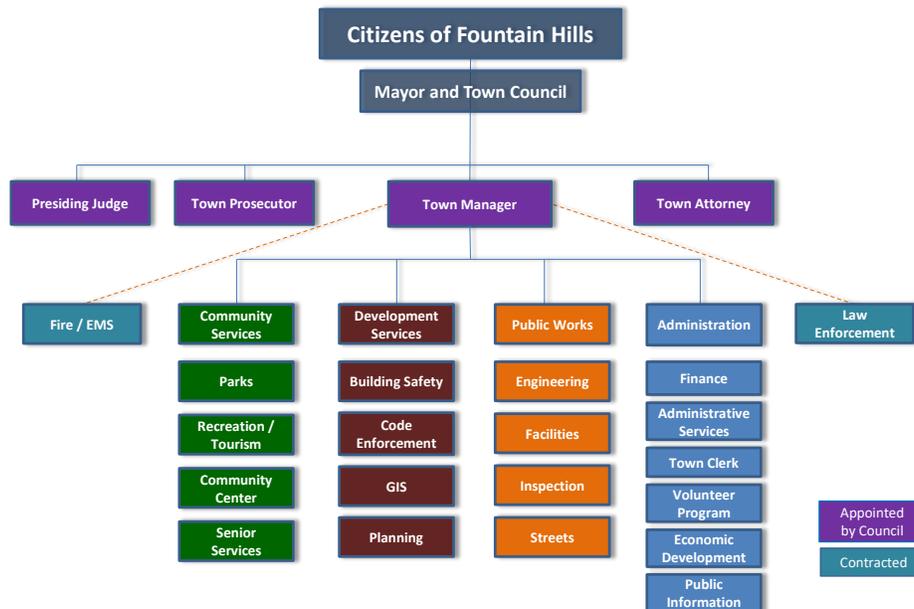




Town Council



Town of Fountain Hills Organization



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





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

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

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

In the Valley, she was a member of Business and Professional Women (Woman of

the Year) and the Public Policy Chair for the American Association of University Women. Active in several statewide groups, she was an organizer for the Arizona Women's Hall of Fame at the Carnegie Library.

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

Other activities include:

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

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





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

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

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





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

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

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

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





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

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

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

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



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

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

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

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

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





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

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

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

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





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

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

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



Elected Officials' Terms of Office

Mayor:

Ginny Dickey

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

Vice Mayor:

Art Tolis

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

Councilmembers:

Dennis Brown

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

Sherry Leckrone

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

Alan Magazine

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

Mike Scharnow

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

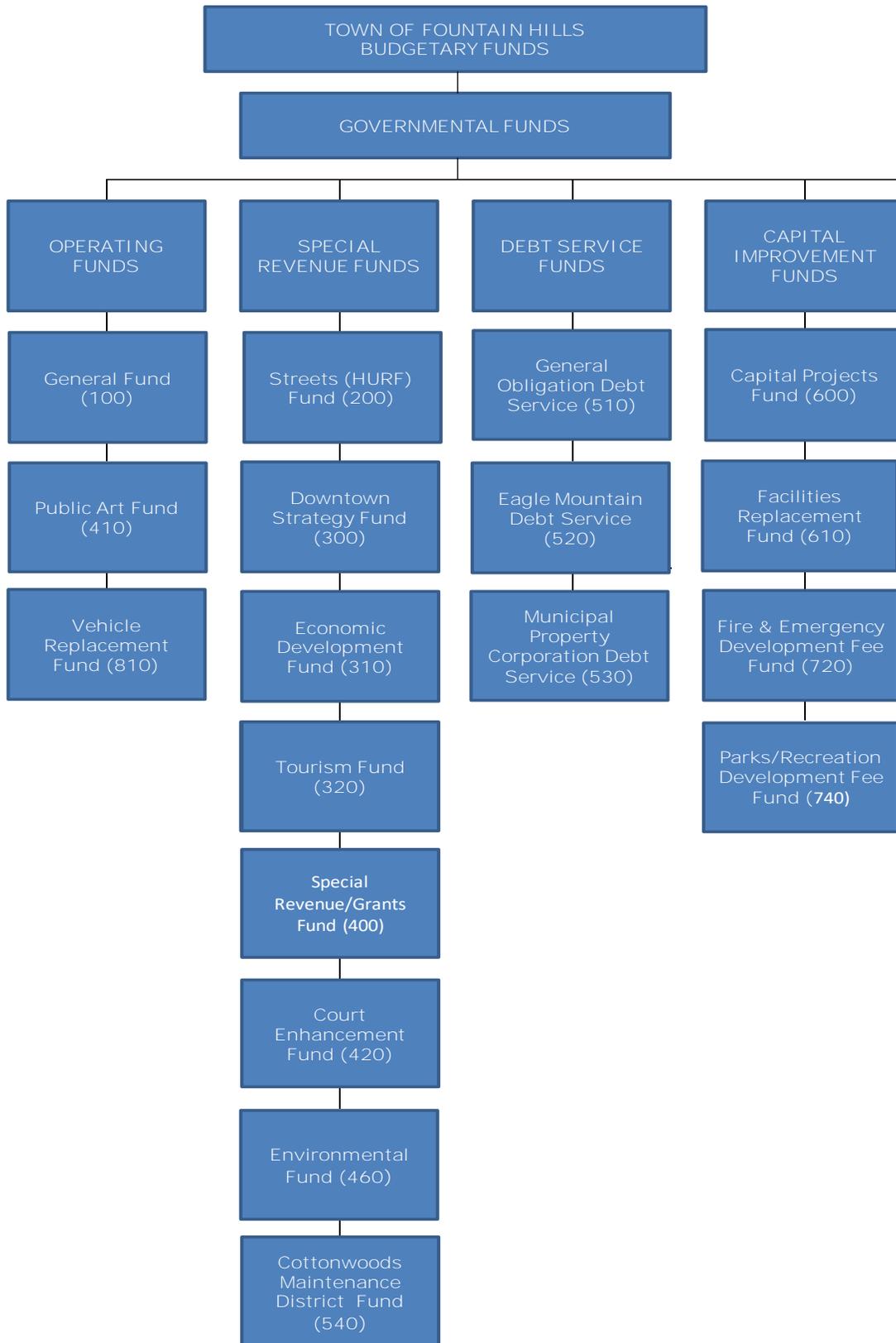
David Spelich

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

Financial Overview & Policies



FUND STRUCTURE



FUND/DEPARTMENT STRUCTURE
Governmental Funds

Fund Type	Fund	Department	Fund Statement		Department Summary	Total Proposed Budget
			Page Number	Page Number	Amount	
<i>Operating</i>						
		<i>Total</i>				\$ 17,779,919
	General Fund	Mayor & Town Council	102	139-144		98,544
	General Fund	Administration	102	145-180		2,050,966
	General Fund	General Government	102	181-184		1,073,362
	General Fund	Municipal Court	102	185-192		397,275
	General Fund	Public Works	102	193-212		1,100,934
	General Fund	Development Services	102	213-238		1,100,291
	General Fund	Community Services	102	239-268		2,595,839
	General Fund	Law Enforcement	102	269-274		4,785,920
	General Fund	Fire & Emergency Medical	102	275-282		4,021,299
	Public Art Fund	Community Services	102	123		139,340
	Vehicle Replacement Fund	Administration	102	409-414		416,149
<i>Special Revenue</i>						
		<i>Total</i>				\$ 8,334,724
	Highway User Revenue Fund	Public Works	102	284-290		5,194,059
	Downtown Strategy Fund	Administration	102	291-294		38,400
	Economic Development Fund	Administration	102	295-298		285,482
	Tourism Fund	Community Services	102	299-306		259,103
	Special Revenue Fund	Administration	102	307-312		1,662,525
	Court Enhancement Fund	Municipal Court	102	313-316		154,800
	Environmental Fund	Public Works	102	317-322		735,254
	Cottonwoods Maintenance District Fund	Public Works	102	323-326		5,101
<i>Debt Service</i>						
		<i>Total</i>				\$ 2,378,862
	General Obligation Bond Fund	Administration	103	328		1,663,800
	Eagle Mountain CFD Fund	Administration	103	329		409,192
	Municipal Property Corporation Fund	Administration	103	330		305,870
<i>Capital Projects</i>						
		<i>Total</i>				\$ 4,069,194
	Capital Projects Fund	Administration, Community Services, Public Works, Development Services, Fire & Emergency Medical				
			103	335-404		3,200,050
	Facilities Replacement Fund	Public Works	103	405-408		819,144
	Development Fees Funds	Community Services, Fire & Emergency Medical	103	103, 125		50,000
GRAND TOTAL ALL FUNDS						\$ 32,562,699

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/building safety/code enforcement/GIS), public works (facilities/engineering/outside inspections), community services (parks and recreation/community center/senior services), general administration, and any other activity for which a special fund has not been created. Governmental accounting requires the General Fund be used for all financial resources, except those required to be accounted for in another fund, and have designations of non-spendable, restricted, committed, assigned or unassigned.

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

«The **Vehicle Replacement Fund (Fund 810)** is an internal service fund and is used to account for the Town's business-type activities. This fund is considered self-supporting in that the services rendered are financed through user charges or are on a cost reimbursement basis. This fund is classified as having assigned fund balances.

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

«The **Streets (HURF) Fund (Fund 200)** is funded by 0.2% 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 0.1% 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 0.1% 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:

- **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 fiscal year two.



TOWN OF FOUNTAIN HILLS FINANCIAL POLICIES

I. INTRODUCTION

The Mayor and Town Council (the "Town Council") of the Town of Fountain Hills (the "Town") understands that principles of sound financial management establish the framework for overall fiscal planning and management. The principles set forth guidelines for both current activities and long range planning. Following these principles will enhance the Town's financial health as well as its image and credibility with its citizens, the public in general, bond rating agencies and investors. The policies will be reviewed periodically to assure the highest standards of fiscal management. Policy changes will be needed as the Town continues to grow and becomes more diverse and complex in the services it provides, as well as the organization under which it operates, to provide these services to its citizens. The Town Manager and staff have the primary role of reviewing and providing guidance in the financial area to the Town Council.

II. OVERALL GOALS

The overall financial goals underlying these principles are:

- 2.1 Fiscal Conservatism. To ensure that the Town is, at all times, in a solid financial condition, defined as:
 - A. Cash solvency – the ability to pay bills.
 - B. Budgetary solvency – the ability to balance the budget.
 - C. Long run solvency – the ability to pay future costs.
 - D. Service level solvency – the ability to provide needed and desired services.
 - E. Adhering to the highest accounting and management practices as well as the financial reporting and budgeting standards established by the Government Finance Officers Association, by the Governmental Accounting Standards Board (GASB) and by other professional organizations.
- 2.2 Maintaining Bond Rating. To maintain an Aa3 or better bond rating in the financial community to assure the Town taxpayers that the Town government is well-managed and financially sound.
- 2.3 Stability. To have the ability to withstand local and regional economic fluctuations, to adjust to changes in the service requirements of our community, and to respond to changes in Federal and State priorities and funding as they affect the Town's residents.
- 2.4 Delivering Quality Services. To deliver quality services in an affordable, efficient and cost-effective basis providing full value for each tax dollar.

III. FUND BALANCE

Fund balance is defined as the cumulative difference 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 non-spendable. These portions are broken into five categories:

- (A) ***Non-spendable fund balance***—Includes amounts either not in spendable form or legally or contractually required to be maintained intact. This amount includes inventory, 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 non-spendable, 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 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) prepaying 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. Streets Fund. The Streets (HURF) Fund 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 it is received – count the cash in front of customer.
 - (2) Keep cash received in view of the customer until the transaction is complete.
 - (3) If change is required, count all cash and change in front of customer.
 - (4) Reconcile the funds received to the computerized accounting system cash report or to the total of the temporary receipts at the end of the day or at the end of each shift and balance the receipts as set forth in Subsection 8.9.
 - (5) Immediately place all cash in a cash drawer, safe or other secure place until deposited. A secure area for processing and safeguarding funds received should be provided and restricted to authorized personnel.
 - (6) Personal transactions with Town cash funds are prohibited. Monies may never be borrowed nor loaned from cash funds, nor may personal checks be cashed from receipts.
 - (7) All employees paying for Town services (rentals, movie tickets, animal license, business license, etc.) must be rung up by a different employee under a separate user ID.
 - (8) Deposit all cash intact and not intermingled or substituted with other cash.
 - (9) Pay refunds or expenditures through the appropriate Town bank account on a Town-generated check from the main accounts payable account for the smaller accounts. If the original payment was made using credit/debit card, then whenever possible refunds will be issued through the credit card per credit card regulations.



- (10) Provide printed receipts generated by the financial system for every transaction involving money.
 - (11) Voided cash receipts must be approved and initialed by a supervisor before the daily deposit is done, noting the reason for voiding the transaction.
 - (12) Deposit daily cash report and cash promptly at the end of each day into the Finance Division safe.
 - (13) Place cash in amounts over \$500.00 in the Finance Division safe immediately following the transaction until the end of day close out.
 - (14) Cashiers should enter transactions using their personal logins (switch user) during a single shift.
 - (15) All packaged coin or strapped currency received as payment should be removed from the package or straps and verified.
- H. Cashing checks from Town deposits, borrowing cash for personal use, lapping receipts to cover shortages in cash receipts, withholding checks for deposit in order to float checks, commingling personal and Town funds and modifying cash records are all serious offenses and may result in discipline up to and including immediate discharge from employment.

8.6 Cash Received Through the Mail.

- A. When mail is opened, if the cash received is not credited directly into the appropriate Town account or issued a receipt through a computerized accounting system, a log of the checks, credit card 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 (i.e., 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 (i.e., 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 10.3. 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.

- 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 (i.e., "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 (i.e., 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, i.e., 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)



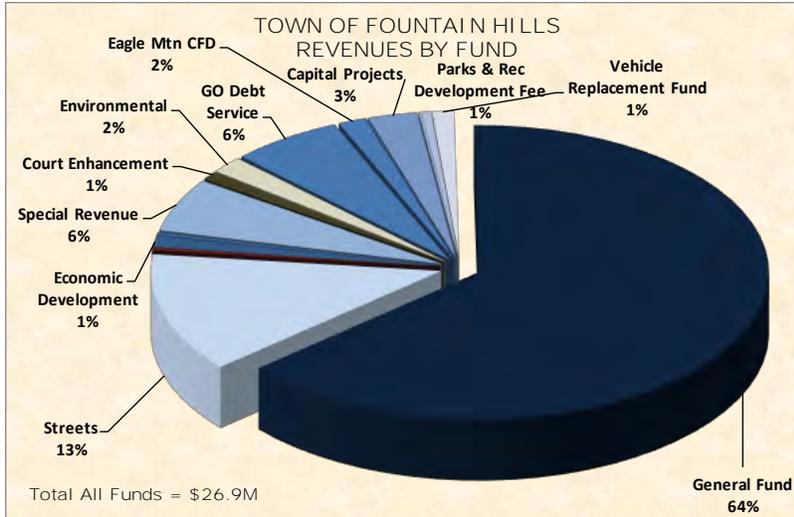


Budget Highlights

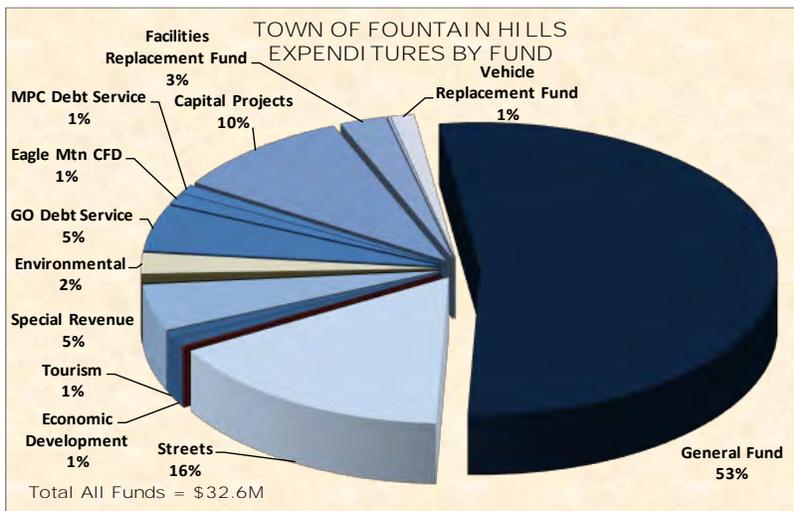


Budget Introduction

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. For a summary of all Town programs, please see pages 123-125.



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 \$26.9M with expenditures of \$32.6M with some funds utilizing reserves for projects.



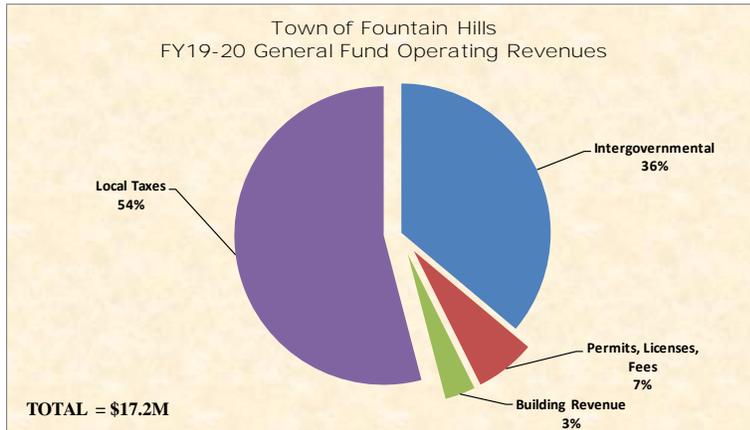
It should be noted that the State-shared sources of revenue are very sensitive to the fluctuations of the economy as well as to annual legislative appropriations. Additionally, these revenues are distributed to cities and towns based on each municipality's population compared to that of the entire State. 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.

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

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

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. In FY19-20, 30% of the Vehicle License Tax revenue will be reallocated again to the General Fund.



In FY14-15, the Town Council directed staff to develop a new program for funding the maintenance of 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.

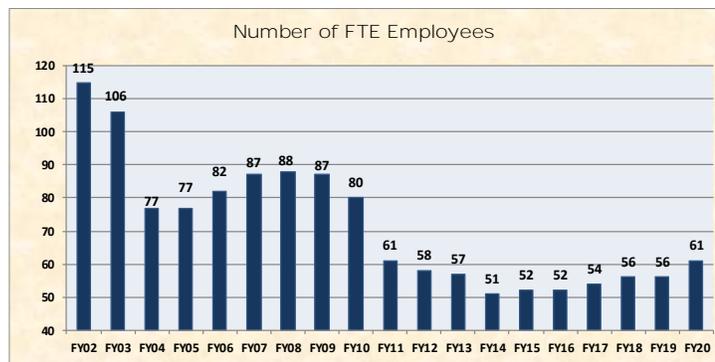


Following is a brief summary of what is included in the proposed General Fund budget for FY19-20:

Salaries and Benefits - For FY19-20, additional staffing is proposed, totaling 4.63 FTEs; a Code Enforcement Officer requested by Council, a Senior Building Inspector, a Procurement Officer, a Streets Maintenance Technician, a part-time Account Clerk, and an increase in hours for the Civil Plans Examiner. Most Town employees' salaries and benefits are funded through the General Fund; salaries normally include overtime, sick leave, and vacation. The Town Manager, with Council direction, has put in a cost of living increase of 3.5%, with a 2% increase beginning in July and the remaining 1.5% effective in January. Because local governments are primarily a service industry, salaries and benefits comprise a major portion of expenditures. For Fountain Hills, salaries and benefits represent 25% of the proposed General Fund budget in FY19-20 and 16% of the total budget.

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

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



Contractual Services - The Town contracts with outside professionals for a number of services which represents 36% of the total budget (61% of the General Fund). Two major contracts included in this category are:

1. Fire protection and emergency medical services (\$3,721,695), currently under contract with Rural/Metro Corporation – 3% increase; and
2. Police protection (\$4,675,701), currently provided through the Maricopa County Sheriff's Office – 14.3% increase.

These two contracts alone represent 51% of the General Fund budget in FY19-20.

Contractual Services also include 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 previously been deferred (\$1,000,000 in funding annually).



Maintenance/Utilities - In FY19-20, 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 funding to maintain standards.

Supplies and Services - Supplies and Services include operational costs such as operating supplies, 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 operational 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.

Streets (HURF) Fund Overview

The Streets (HURF) Fund is a fund restricted to streets and transportation related purposes. With an operational priority for pavement management, the revenue from Vehicle License Taxes (VLT) was appropriated within the Streets fund to be used for pavement maintenance (not reconstruction). The available resources in Streets are anticipated at \$4.9M in FY19-20 including \$773,173 from VLT. Road maintenance has not been adequately funded for several years which has resulted in serious degradation of the Town’s 163 miles of streets. The FY19-20 Streets’ budget will continue to focus on resolving the long-term fiscal needs for road maintenance.

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

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

Excise Tax Funds Overview

The Excise Tax/Downtown Fund was created in FY00-01 designating 0.1% of the Town’s 2.6% 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 0.1% 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 0.1% local sales tax to be available for any economic development purpose. The Economic Development budget also included a proposal to create a new fund for Tourism in the amount of \$103,000 as well as implementation of the Economic Development Plan adopted by the Council in March 2013. A resolution (2014-50) was passed on December 4, 2014, changing the allocations to 80% to the Economic Development Fund and 20% to the Downtown Strategy Fund effective January 1, 2015.

Special Revenue Funds Overview

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

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

Included in the FY19-20 budget is an appropriation in the event that unanticipated grants become available. These funds are committed/assigned/restricted for specific purpose and not available for general operations. The following is a summary of the funds classified a special revenue funds:

- Special Revenue Fund
- Court Enhancement Fund
- Environmental Fund
- Cottonwoods Maintenance District Fund

Debt Service Funds Overview

Total debt service revenues for FY19-20 are budgeted at \$2.1 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 FY19-20:

- General Obligation Bonds (property taxes) \$1.7 million
- Municipal Property Corporation (excise taxes) \$0.3 million
- Eagle Mountain Facilities District (property taxes) \$0.4 million



Development Fee Funds Overview

With limited funds from development anticipated, there are no capital projects budgeted to be funded from development fees in the next fiscal year. However, prior legislation required that the Town update the Infrastructure Improvement Plan (IIP) and 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 FY19-20 expenditures to be used towards programs or projects that will be included in a new IIP. A new Land Use Assumptions and IIP will be considered by Council in early FY19-20.

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 FY19-20 with total expenditures for capital projects budgeted at \$3.2M which include:

- \$0.5M for Golden Eagle Impoundment Area improvements
- \$0.3M in Four Peaks Park improvements
- \$0.3M in unpaved alley paving projects
- \$1.0M for intersection improvements
- \$0.2M for the Sidewalk Infill program

The complete list of projects is shown on page 342 and 346.



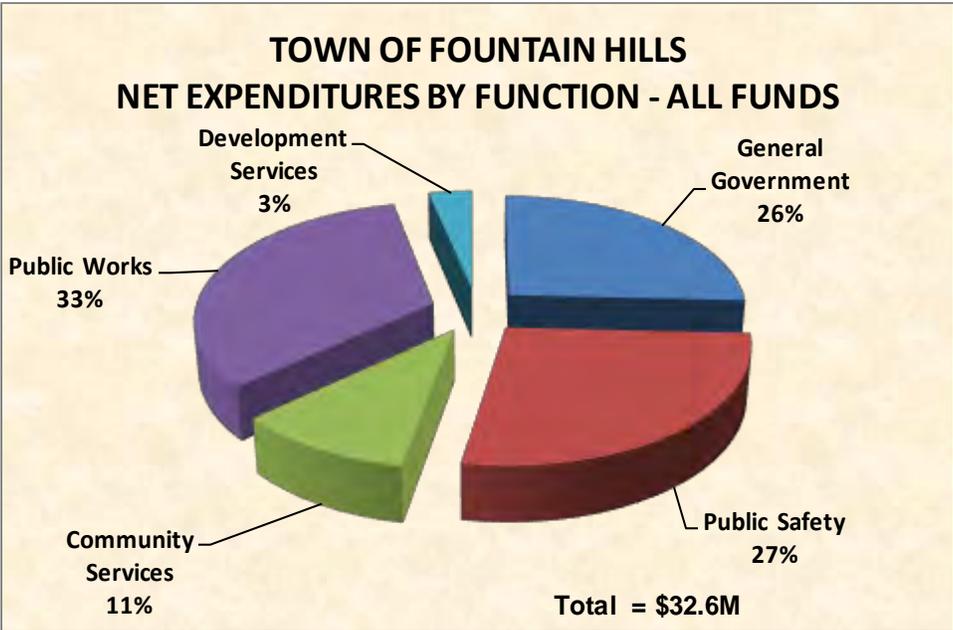
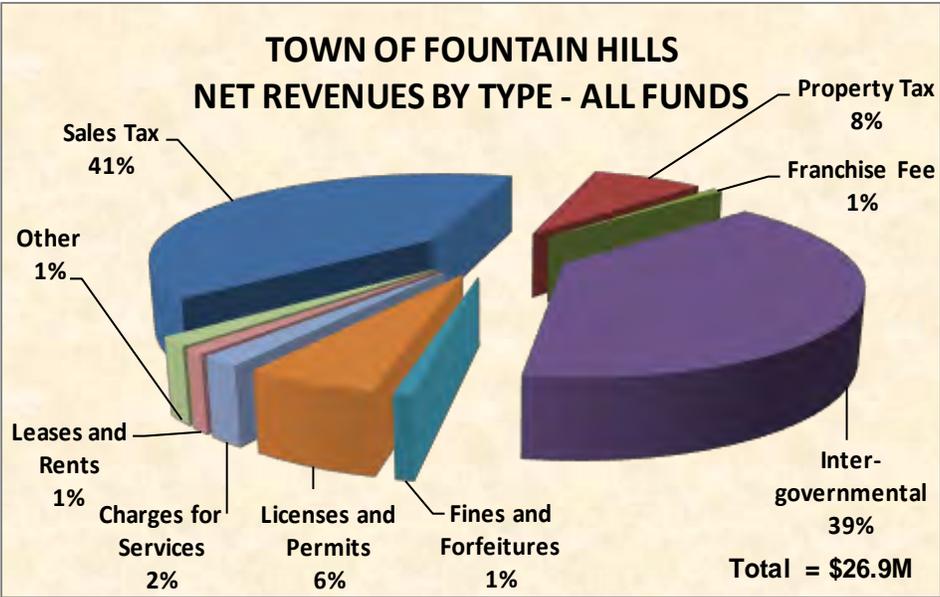
Budget Highlights

FY19-20 Summary of Proposed Budget Revenues and Expenditures - All Funds

	Operating Funds	Debt Service Funds	Capital Projects Funds	Non-Major Funds	Total
Revenues:					
Sales Tax	\$ 9,125,999	\$ -	\$ 640,293	\$ 1,229,517	\$ 10,995,809
Property Tax	-	2,087,527	-	6,642	2,094,169
Franchise Tax	187,231	-	-	-	187,231
Intergovernmental	6,220,134	-	90,000	4,224,749	10,534,883
Fines and Forfeitures	179,000	-	-	49,000	228,000
Licenses and Permits	929,417	-	164,025	491,976	1,585,418
Charges for Services	297,800	-	-	200,000	497,800
Leases and Rents	283,584	-	-	-	283,584
Investment Earnings	26,640	2,280	21,624	28,992	79,536
Other	402,449	-	-	31,000	433,449
Sub total Revenues	17,652,254	2,089,807	915,942	6,261,876	26,919,879
Transfers In	210,418	303,235	1,800,000	648,607	2,962,260
Sub total	17,862,672	2,393,042	2,715,942	6,910,483	29,882,139
Use/(Source) of Reserves	959,582	(14,180)	1,633,252	3,064,166	5,642,820
Total Revenues	<u>\$ 18,822,254</u>	<u>\$ 2,378,862</u>	<u>\$ 4,349,194</u>	<u>\$ 9,974,649</u>	<u>\$ 35,524,959</u>
Expenditures:					
Current:					
General Government:					
Mayor and Council Administration	\$ 98,544	\$ -	\$ -	\$ -	\$ 98,544
General Government	2,050,966	2,378,862	155,050	1,991,508	6,576,386
Municipal Court	1,149,769	-	-	-	1,149,769
Municipal Court	397,276	-	-	154,800	552,076
Total General Government	<u>3,696,555</u>	<u>2,378,862</u>	<u>155,050</u>	<u>2,146,308</u>	<u>8,376,775</u>
Public Safety:					
Fire & Emergency Medical	4,021,299	-	9,500	-	4,030,799
Law Enforcement	4,785,920	-	-	-	4,785,920
Total Public Service	<u>8,807,219</u>	<u>-</u>	<u>9,500</u>	<u>-</u>	<u>8,816,719</u>
Community Services	2,735,179	-	425,500	259,103	3,419,782
Public Works	1,440,676	-	3,479,144	5,929,313	10,849,133
Development Services	1,100,290	-	-	-	1,100,290
Sub total	17,779,919	2,378,862	4,069,194	8,334,724	32,562,699
Transfers Out	1,042,335	-	280,000	1,639,925	2,962,260
Total Expenditures	<u>\$ 18,822,254</u>	<u>\$ 2,378,862</u>	<u>\$ 4,349,194</u>	<u>\$ 9,974,649</u>	<u>\$ 35,524,959</u>

Note: See page 43 for a listing of the funds included in each column.

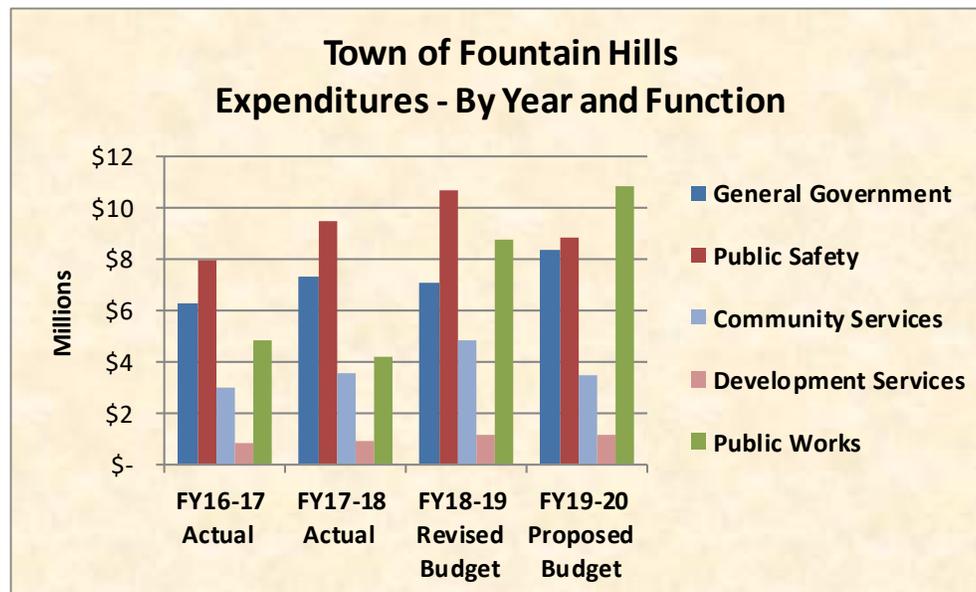
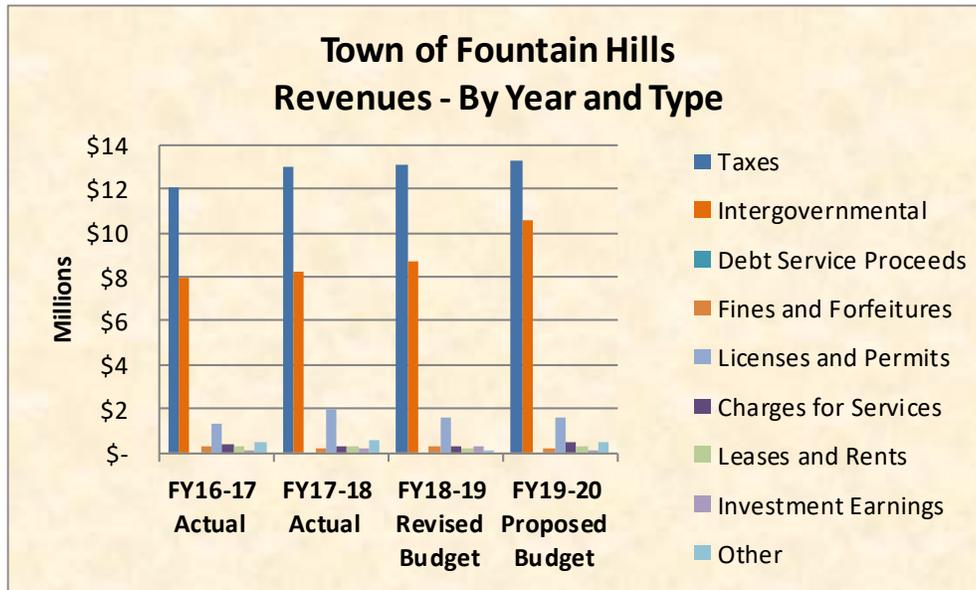




Historical Summary of Revenues and Expenditures - All Funds

	FY16-17	FY17-18	FY18-19	FY19-20
	Actual	Actual	Revised Budget	Proposed Budget
Revenues:				
Taxes:				
Sales Tax	\$ 9,419,552	\$ 10,311,578	\$ 10,348,824	\$ 10,995,809
Property Tax	2,287,444	2,286,081	2,402,801	2,094,169
Franchise Tax	367,119	421,682	374,461	187,231
Intergovernmental	7,917,650	8,266,027	8,667,542	10,534,883
Fines and Forfeitures	257,727	182,998	298,000	228,000
Licenses and Permits	1,314,481	2,004,386	1,572,121	1,585,418
Charges for Services	360,114	254,122	310,724	497,800
Leases and Rents	287,230	282,530	237,768	283,584
Investment Earnings	55,126	158,861	297,068	79,536
Other	446,300	601,425	120,159	433,449
Sub total Revenues	22,712,743	24,769,690	24,629,468	26,919,879
Transfers In	5,238,137	4,582,728	1,500,561	2,962,260
Sub total	27,950,880	29,352,418	26,130,029	29,882,139
Use/(Source) of Reserves	(4,404,648)	639,707	7,785,398	5,642,820
Total Revenues	<u>\$ 23,546,232</u>	<u>\$ 29,992,125</u>	<u>\$ 33,915,427</u>	<u>\$ 35,524,959</u>
Expenditures:				
Current:				
General Government:				
Mayor and Council Administration	\$ 71,213	\$ 77,779	\$ 82,592	\$ 98,544
General Government	5,466,577	5,443,898	5,883,922	6,576,386
Municipal Court	417,745	1,432,215	663,579	1,149,769
Municipal Court	300,637	326,699	422,543	552,076
Total General Government	6,256,172	7,280,591	7,052,636	8,376,775
Public Safety:				
Fire & Emergency Medical	4,043,063	5,703,533	6,495,801	4,030,799
Law Enforcement	3,884,593	3,792,675	4,211,488	4,785,920
Total Public Service	7,927,656	9,496,208	10,707,289	8,816,719
Community Services	2,930,692	3,549,873	4,780,935	3,419,782
Public Works	4,850,246	4,207,210	8,768,608	10,849,133
Development Services	790,733	875,515	1,105,398	1,100,290
Sub total Expenditures	22,755,499	25,409,397	32,414,866	32,562,699
Transfers Out	790,733	4,582,728	1,500,561	2,962,260
Total Expenditures	<u>\$ 23,546,232</u>	<u>\$ 29,992,125</u>	<u>\$ 33,915,427</u>	<u>\$ 35,524,959</u>





Budget Highlights

FY19-20 Proposed Budget Summary of Expenditures

Fund/Department	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Operating Funds				
Mayor & Council Administration	\$ 71,213	\$ 77,779	\$ 82,592	\$ 98,544
General Government	1,921,811	2,290,065	2,438,779	2,050,966
Municipal Court	202,454	204,809	616,326	1,073,362
Public Works	300,515	321,152	342,027	397,275
Development Services	894,827	795,607	1,035,577	1,100,934
Community Services	585,262	730,745	1,105,399	1,100,291
Fire & Emergency Medical	2,273,100	2,177,851	2,520,780	2,595,839
Law Enforcement	3,674,953	3,866,395	3,918,227	4,021,299
Total General Fund	3,884,593	3,792,675	4,211,488	4,785,920
Total Operating Funds	13,808,728	14,257,078	16,271,195	17,224,430
Community Services	50,518	29,234	54,100	139,340
Total Public Art Fund	50,518	29,234	54,100	139,340
Administration	53,368	61,229	-	-
Total Internal Service Fund	53,368	61,229	-	-
General Government	215,292	1,008,231	177,853	416,149
Total Vehicle/Equip Repl Fund	215,292	1,008,231	177,853	416,149
Total Operating Funds	\$ 14,127,906	\$ 15,355,772	\$ 16,503,148	\$ 17,779,919
Special Revenue Funds				
Public Works	\$ 2,962,316	\$ 2,611,947	\$ 5,035,896	\$ 5,194,059
Total Streets (HURF) Fund	2,962,316	2,611,947	5,035,896	5,194,059
Administration	34,056	56,044	40,885	38,400
Total Downtown Strategy Fund	34,056	56,044	40,885	38,400
Administration	134,102	183,332	264,812	285,482
Total Economic Development Fund	134,102	183,332	264,812	285,482
Community Services	198,352	206,514	239,258	259,103
Total Tourism Fund	198,352	206,514	239,258	259,103
Administration	371,069	157,945	338,800	1,662,525
Total Special Revenue Fund	371,069	157,945	338,800	1,662,525
Municipal Court	122	5,547	80,515	154,800
Total Court Enhancement Fund	122	5,547	80,515	154,800
Public Works	494,638	530,655	709,326	735,254
Total Environmental Fund	494,638	530,655	709,326	735,254
Administration	3,798	4,696	5,101	5,101
Total Cottonwoods Maint District	3,798	4,696	5,101	5,101
Total Special Revenue Funds	\$ 4,198,453	\$ 3,756,680	\$ 6,714,593	\$ 8,334,724



FY19-20 Proposed Budget
Summary of Expenditures

Fund/Department	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Debt Service Funds				
Administration	\$ 2,119,250	\$ 2,121,550	\$ 1,972,850	\$ 1,663,800
Total Gen Oblig Debt Service	<u>2,119,250</u>	<u>2,121,550</u>	<u>1,972,850</u>	<u>1,663,800</u>
Administration	<u>409,226</u>	<u>407,724</u>	<u>405,968</u>	<u>409,192</u>
Total Eagle Mtn CFD Debt Service	<u>409,226</u>	<u>407,724</u>	<u>405,968</u>	<u>409,192</u>
Administration	<u>393,690</u>	<u>377,696</u>	<u>381,864</u>	<u>305,870</u>
Total Munic Prop Corp Debt Service	<u>393,690</u>	<u>377,696</u>	<u>381,864</u>	<u>305,870</u>
Total Debt Service Funds	<u>\$ 2,922,166</u>	<u>\$ 2,906,970</u>	<u>\$ 2,760,682</u>	<u>\$ 2,378,862</u>
Capital Projects Funds				
Administration	\$ 26,207	\$ 2,791	\$ 34,863	\$ 155,050
Public Works	610,851	250,012	881,913	2,660,000
Community Services	408,187	1,135,740	1,917,506	385,000
Fire & Emergency Medical	<u>368,109</u>	<u>1,837,138</u>	<u>2,566,330</u>	<u>-</u>
Total Capital Projects Fund	<u>1,413,354</u>	<u>3,225,681</u>	<u>5,400,612</u>	<u>3,200,050</u>
Public Works	<u>93,085</u>	<u>163,759</u>	<u>975,296</u>	<u>819,144</u>
Total Facilities Replacement Fund	<u>93,085</u>	<u>163,759</u>	<u>975,296</u>	<u>819,144</u>
Fire & Emergency Medical	<u>-</u>	<u>-</u>	<u>11,244</u>	<u>9,500</u>
Total Fire/Emergency Dev Fee	<u>-</u>	<u>-</u>	<u>11,244</u>	<u>9,500</u>
Community Services	<u>-</u>	<u>-</u>	<u>48,756</u>	<u>40,500</u>
Total Park/Rec Dev Fee	<u>-</u>	<u>-</u>	<u>48,756</u>	<u>40,500</u>
Community Services	<u>535</u>	<u>535</u>	<u>535</u>	<u>-</u>
Total Open Space Dev Fee	<u>535</u>	<u>535</u>	<u>535</u>	<u>-</u>
Total Capital Projects Funds	<u>\$ 1,506,974</u>	<u>\$ 3,389,975</u>	<u>\$ 6,436,443</u>	<u>\$ 4,069,194</u>
Total Expenditures	<u>\$ 22,755,499</u>	<u>\$ 25,409,397</u>	<u>\$ 32,414,866</u>	<u>\$ 32,562,699</u>



FY19-20 Projected Changes in Fund Balances

	Operating Funds	Debt Service Funds	Capital Projects Funds	Non-Major Funds	Total
Revenues:					
Sales Tax	\$ 9,125,999	\$ -	\$ 640,293	\$ 1,229,517	\$ 10,995,809
Property Tax	-	2,087,527	-	6,642	2,094,169
Franchise Tax	187,231	-	-	-	187,231
Intergovernmental	6,220,134	-	90,000	4,224,749	10,534,883
Fines and Forfeitures	179,000	-	-	49,000	228,000
Licenses and Permits	929,417	-	164,025	491,976	1,585,418
Charges for Services	297,800	-	-	200,000	497,800
Leases and Rents	283,584	-	-	-	283,584
Investment Earnings	26,640	2,280	21,624	28,992	79,536
Other	402,449	-	-	31,000	433,449
Sub total	17,652,254	2,089,807	915,942	6,261,876	26,919,879
Transfers In	210,418	303,235	1,800,000	648,607	2,962,260
Total Revenues	17,862,672	2,393,042	2,715,942	6,910,483	29,882,139
Expenditures:					
General Government:					
Mayor and Council Administration	98,544	-	-	-	98,544
General Government	2,050,966	2,378,862	155,050	1,991,508	6,576,386
Municipal Court	1,149,769	-	-	-	1,149,769
	397,276	-	-	154,800	552,076
Total General Government	3,696,555	2,378,862	155,050	2,146,308	8,376,775
Public Safety:					
Fire & Emergency Medical	4,021,299	-	9,500	-	4,030,799
Law Enforcement	4,785,920	-	-	-	4,785,920
Total Public Service	8,807,219	-	9,500	-	8,816,719
Community Services	2,735,179	-	425,500	259,103	3,419,782
Public Works	1,440,676	-	3,479,144	5,929,313	10,849,133
Development Services	1,100,290	-	-	-	1,100,290
Sub total	17,779,919	2,378,862	4,069,194	8,334,724	32,562,699
Transfers Out	1,042,335	-	280,000	1,639,925	2,962,260
Total Expenditures	18,822,254	2,378,862	4,349,194	9,974,649	35,524,959
Net Change in Fund Balance	(959,582)	14,180	(1,633,252)	(3,064,166)	(5,642,820)
Fund Balance					
Beginning of Year - estimated	7,527,249	76,198	8,592,820	5,135,861	21,332,128
End of Year	6,567,667	90,378	6,959,568	2,071,695	15,689,308
Fund Balance Percentage Change	(13%)	19%	(19%)	(60%)	(26%)

Note: See page 43 for a listing of the funds included in each column.

Operating funds included in this table are the General Fund, Public Art and Vehicle Replacement 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.

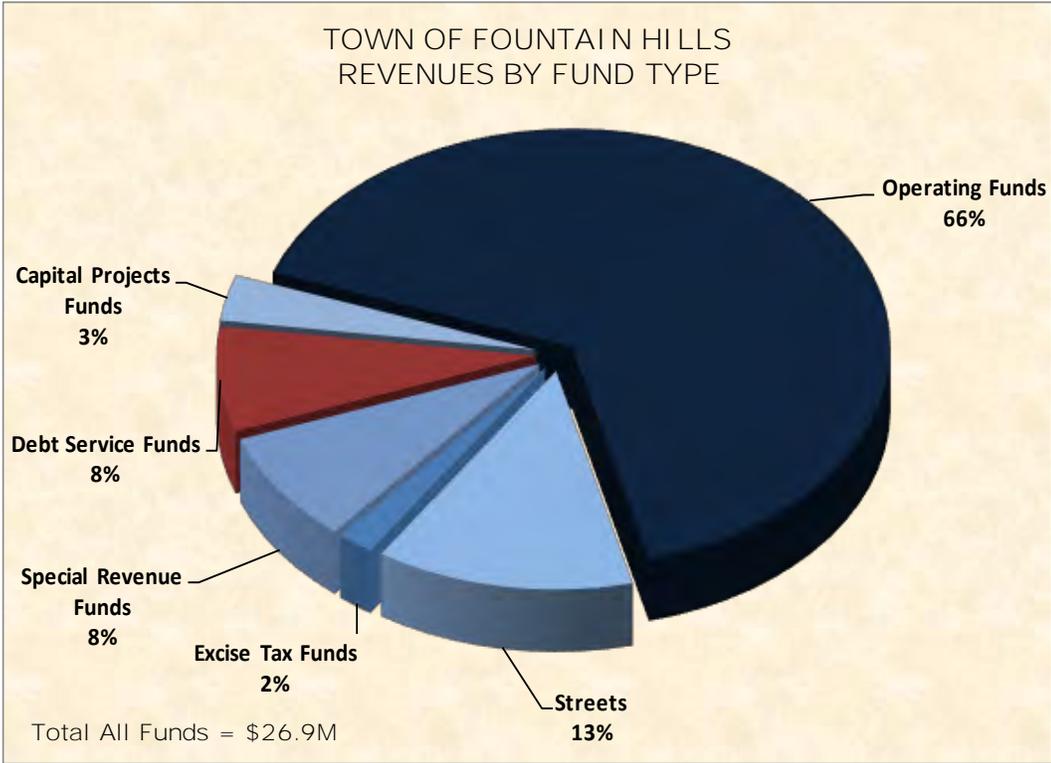


Revenue Summary



Revenue

This section provides a broad overview of the revenues included in the FY19-20 budget. Information is presented for each fund and fund type.



Total revenues for all funds are estimated at \$26,919,879 excluding transfers. The Operating Funds portion represents approximately 66% of the total. Streets (HURF) funds represent 13% of the total. Special Revenue funds represent another 8% of the budget. Debt Service represents 8%, Excise Tax is 2%, and Capital Projects represent 3%.



FY19-20 Proposed Budget
Summary of Revenues

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Operating Funds				
Sales Tax-Local	\$ 7,974,977	\$ 8,417,615	\$ 8,693,264	\$ 9,125,999
Franchise Fees	367,119	421,683	374,461	187,231
Liquor License Fees	2,550	2,600	2,000	2,000
Business License	134,864	133,280	136,365	141,696
Animal License	39,163	36,174	-	-
Building Permit	212,413	251,517	227,272	240,587
Sign Permits	8,860	6,935	8,175	6,100
Planning & Zoning Fees	4,611	6,384	17,489	16,185
Landscape Permits	23,100	23,520	23,100	16,800
Encroachment Permits	24,928	24,887	35,000	25,000
Variances	4,000	2,200	7,600	4,300
Subdivision Fees	34,950	206,768	45,250	52,250
Special Event Permit	6,850	8,800	5,225	8,750
Engineering Fees	4,050	6,600	3,950	5,900
Plan Review	135,838	185,422	176,326	185,969
Inspection Fees	65,869	35,440	12,500	13,250
Alcohol Permits	270	240	620	630
Third Party Revenues	-	-	235,000	210,000
Rental Fees	137,286	134,007	117,279	156,095
Non-Taxable Rental	11,209	7,301	300	7,300
Cell Tower Lease	138,735	141,223	120,189	120,189
Sales Tax-State	2,192,044	2,352,502	2,429,816	2,583,377
Income Tax-State	2,923,870	3,032,329	3,005,431	3,253,750
Vehicle License Tax	-	-	-	336,749
Fire Insurance Premium Tax	44,611	45,347	50,500	46,258
Program Fees	174,638	164,456	195,724	197,800
Sponsorships	7,708	5,858	10,200	5,200
Donations	28,519	37,239	61,209	32,345
Reimbursements/Refunds	12,542	328	1,000	1,260
Auction/Recycle Proceeds	78	39	640	640
Restitution/Ins Proceeds	-	712	4,500	200
Miscellaneous Revenue	5,211	5,721	5,310	5,310
Taxable Sales	12,499	34,088	10,800	30,810
Convenience Fees	4,149	5,448	1,500	1,500
Court Fines/Fees	211,190	152,161	246,000	179,000
Abatements	-	1,575	-	-
Interest Income	3,679	25,792	7,200	24,000
Internal Service Charges	2,084	-	-	-
Total General Fund	14,954,464	15,916,191	16,271,195	17,224,430
In-Lieu Fees	6,468	69,491	15,000	100,000
Donations	25	-	-	-
Restitution/Ins Proceeds	-	1,500	-	-
Interest Income	479	2,318	240	240
Total Public Art Fund	6,972	73,309	15,240	100,240
Internal Service Charges	53,368	56,129	-	-
Vehicle Replacement Charges	-	5,100	-	-
Total Internal Service Fund	53,368	61,229	-	-
Auction/Recycle Proceeds	23,467	3,839	-	25,000
Interest Income	3,221	12,830	1,200	2,400
Internal Service Charges	-	1,193	-	-
Vehicle Replacement Charges	238,583	331,305	268,472	300,184
Total Vehicle/Equip Repl Fund	265,271	349,167	269,672	327,584
Total Operating Funds	\$ 15,280,075	\$ 16,399,896	\$ 16,556,107	\$ 17,652,254



Revenue Summary

FY19-20 Proposed Budget Summary of Revenues

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Special Revenue Funds				
Sales Tax-Local	\$ 719,662	\$ 793,197	\$ 796,063	\$ 819,678
Vehicle License Tax	941,364	1,011,836	1,081,889	785,748
Highway User Tax	1,538,940	1,593,514	1,538,106	1,666,476
In-Lieu Fees	178,768	20,145	100,000	200,000
Adopt-A Street Fee	240	30	-	-
Reimbursements/Refunds	91	-	-	-
Auction/Recycle Proceeds	992	1,159	-	1,000
Restitution/Ins Proceeds	-	989	25,000	30,000
Miscellaneous Revenue	-	-	-	-
Interest Income	7,023	39,992	2,400	24,000
Internal Service Charges	2,154	-	-	-
Total Streets Fund	3,389,234	3,460,862	3,543,458	3,526,902
Sales Tax-Local	71,966	79,320	79,607	81,968
Interest Income	1,487	3,755	1,260	1,260
Total Downtown Strategy Fund	73,453	83,075	80,867	83,228
Sales Tax-Local	287,865	317,280	318,425	327,871
Prop 202/Gaming Revenue	-	-	-	-
Interest Income	482	1,150	240	240
Total Economic Development Fund	288,347	318,430	318,665	328,111
Grants	31,584	37,554	38,000	45,000
Prop 202/Gaming Rev	39,076	35,000	45,000	45,000
Donations	-	2	-	-
Taxable Sales	634	2,243	-	-
Convenience Fees	9	6	-	-
Interest Income	392	932	180	180
Total Tourism Fund	71,695	75,737	83,180	90,180
Grants	138,576	-	196,800	1,160,000
LTAI II	21,009	101,946	67,000	297,525
Prop 202/Gaming Rev	46,576	56,000	75,000	125,000
Total Special Revenue Fund	206,161	157,946	338,800	1,582,525
Grants	-	-	-	100,000
CCEF Revenue	43,494	26,924	48,500	46,500
JCEF Revenue	3,043	2,337	3,500	2,500
Interest Income	263	589	240	840
Total Court Enhancement Fund	46,800	29,850	52,240	149,840
Environmental Fee	500,731	488,474	493,668	491,976
Convenience Fees	51	75	-	-
Interest Income	2,048	7,663	1,800	2,400
Total Environmental Fund	502,830	496,212	495,468	494,376
Property Tax-Cy	5,653	5,471	6,642	6,642
Interest Income	74	197	72	72
Total Cottonwoods Maint District	5,727	5,668	6,714	6,714
Total Special Revenue Funds	\$ 4,584,247	\$ 4,627,780	\$ 4,919,392	\$ 6,261,876



FY19-20 Proposed Budget
Summary of Revenues

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Property Tax-Cy	\$ 1,902,919	\$ 1,909,924	\$ 1,986,373	\$ 1,674,485
Interest Income	4,408	8,494	1,200	1,200
Total Gen Oblig Bond Debt Service	<u>1,907,327</u>	<u>1,918,418</u>	<u>1,987,573</u>	<u>1,675,685</u>
Property Tax-Cy	378,872	370,686	409,786	413,042
Interest Income	938	2,116	240	240
Total Eagle Mtn CFD Debt Service	<u>379,810</u>	<u>372,802</u>	<u>410,026</u>	<u>413,282</u>
Interest Income	2,315	3,811	840	840
Total Munic Prop Corp Debt Service	<u>2,315</u>	<u>3,811</u>	<u>840</u>	<u>840</u>
Total Debt Service Funds	<u>\$ 2,289,452</u>	<u>\$ 2,295,031</u>	<u>\$ 2,398,439</u>	<u>\$ 2,089,807</u>
Sales Tax-Local	\$ 365,082	\$ 704,166	\$ 461,465	\$ 640,293
Grants	-	-	140,000	90,000
Reimbursements/Refunds	54,136	103,051	-	-
Interest Income	19,757	22,557	7,224	7,224
Total Capital Projects Fund	<u>438,975</u>	<u>829,774</u>	<u>608,689</u>	<u>737,517</u>
Donations	-	5,400	-	-
Interest Income	4,141	17,275	3,600	7,200
Total Facilities Replacement Fund	<u>4,141</u>	<u>22,675</u>	<u>3,600</u>	<u>7,200</u>
Development Fees	21,666	172,727	33,297	31,323
Interest Income	412	1,608	240	2,400
Total Fire/Emergency Dev Fee	<u>22,078</u>	<u>174,335</u>	<u>33,537</u>	<u>33,723</u>
Development Fees	89,769	412,417	109,284	132,702
Interest Income	1,442	5,522	420	4,800
Total Park/Rec Dev Fee	<u>91,211</u>	<u>417,939</u>	<u>109,704</u>	<u>137,502</u>
Interest Income	2,564	2,260	-	-
Total Open Space Dev Fee	<u>2,564</u>	<u>2,260</u>	<u>-</u>	<u>-</u>
Total Capital Projects Funds	<u>\$ 558,969</u>	<u>\$ 1,446,983</u>	<u>\$ 755,530</u>	<u>\$ 915,942</u>
Total Revenues	<u>\$ 22,712,743</u>	<u>\$ 24,769,690</u>	<u>\$ 24,629,468</u>	<u>\$ 26,919,879</u>



Revenue Summary

FY19-20 Revenues by Type						
	Operating Funds	Debt Service Funds	Capital Projects Funds	Non-Major Funds	Total	% of Total
Revenues:						
Sales Tax	\$ 9,125,999	\$ -	\$ 640,293	\$ 1,229,517	\$ 10,995,809	31%
Property Tax	-	2,087,527	-	6,642	2,094,169	6%
Franchise Tax	187,231	-	-	-	187,231	1%
Intergovernmental	6,220,134	-	90,000	4,224,749	10,534,883	30%
Fines and Forfeitures	179,000	-	-	49,000	228,000	1%
Licenses and Permits	929,417	-	164,025	491,976	1,585,418	4%
Charges for Services	297,800	-	-	200,000	497,800	1%
Leases and Rents	283,584	-	-	-	283,584	1%
Investment Earnings	26,640	2,280	21,624	28,992	79,536	0%
Other	402,449	-	-	31,000	433,449	1%
Subtotal Revenues	17,652,254	2,089,807	915,942	6,261,876	26,919,879	75%
Transfers In	210,418	303,235	1,800,000	648,607	2,962,260	8%
Subtotal	17,862,672	2,393,042	2,715,942	6,910,483	29,882,139	84%
Use/(Source) of Reserves	959,582	(14,180)	1,633,252	3,064,166	5,642,820	16%
Total Revenues	<u>\$ 18,822,254</u>	<u>\$ 2,378,862</u>	<u>\$ 4,349,194</u>	<u>\$ 9,974,649</u>	<u>\$ 35,524,959</u>	<u>100%</u>

Note: See page 43 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.

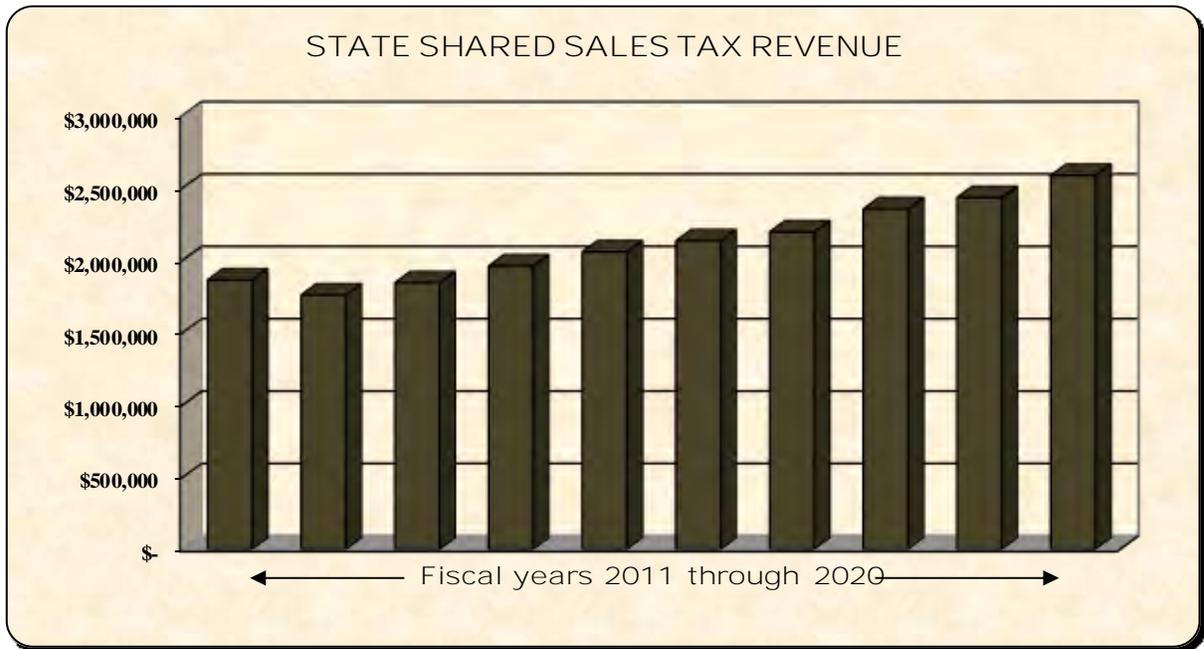
Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purposes.	2010-11	\$ 1,860,421	3.5%
	2011-12	\$ 1,757,297	-5.5% ¹
	2012-13	\$ 1,840,766	4.7%
	2013-14	\$ 1,957,505	6.3%
	2014-15	\$ 2,055,241	5.0%
	2015-16	\$ 2,131,484	3.7%
	2016-17	\$ 2,192,043	2.8% ¹
	2017-18	\$ 2,352,502	7.3%
	2018-19 (est.)	\$ 2,429,816	3.3%
	2019-20 (est.)	\$ 2,583,377	6.3%

¹ Change as a result of census population

Assumptions

The State assesses a 5.6% sales tax, of which cities and towns share in the collections based on the relation of its population to the total population of all incorporated cities and towns using the Department of Revenue census figures (Fountain Hills represents .4% of the State total). The FY19-20 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.	2010-11	\$ 7,844,332	2.6%
	2011-12	\$ 7,779,219	-0.8%
	2012-13	\$ 7,957,162	2.3%
	2013-14	\$ 8,459,267	6.3%
	2014-15	\$ 8,983,050	6.2%
	2015-16	\$ 9,391,267	4.5%
	2016-17	\$ 9,419,552	0.3%
	2017-18	\$ 10,311,578	9.5%
	2018-19 (est.)	\$ 10,348,824	0.4%
	2019-20 (est.)	\$ 10,995,809	6.3%

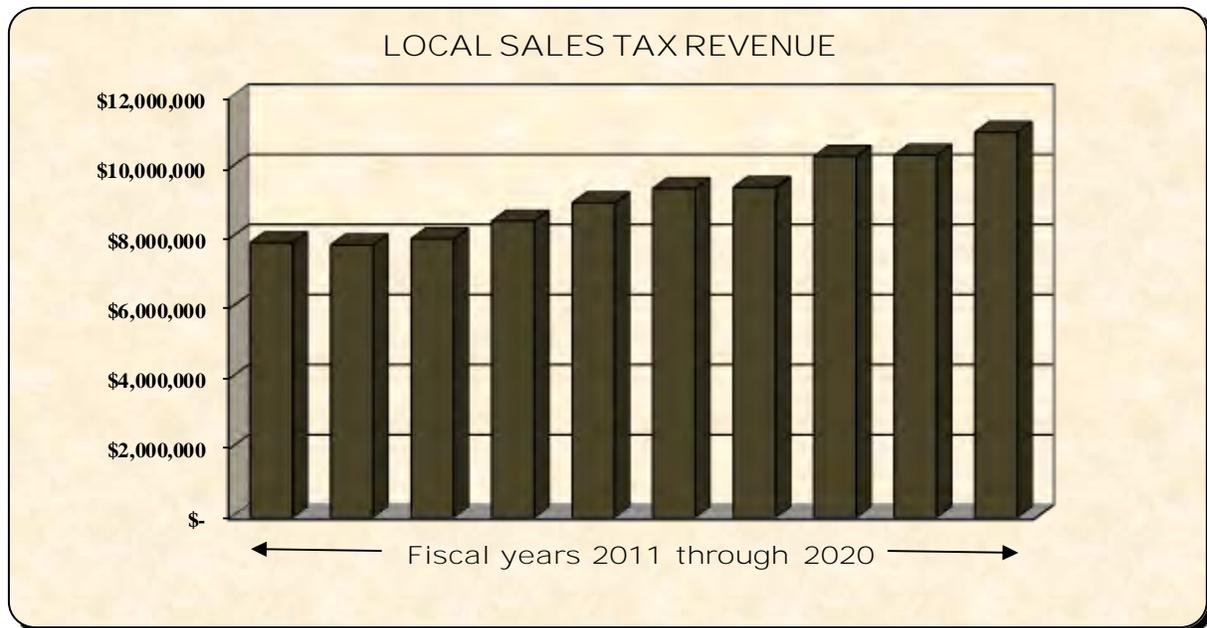
Assumptions

The local sales tax rate in Fountain Hills is 2.6% - total receipts for FY19-20 are estimated to be \$11.0M. 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	\$	81,968
Economic Development Fund		327,871
Pavement Maintenance		819,678
Capital Projects Fund		640,293
General Fund		<u>9,125,999</u>
Total Projections		<u>\$10,995,809</u>

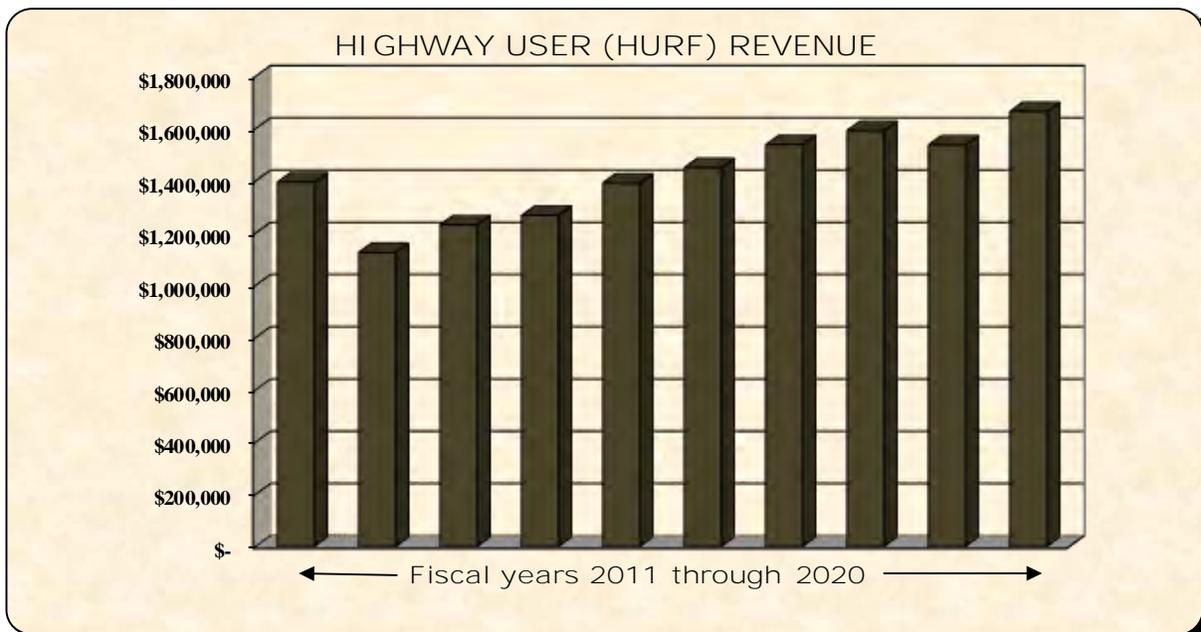
Major Influences: Economy, Construction Activity, Retail Sales, Public Policy



Restrictions	Fiscal Year	Amount	Percent Change
There is a State constitutional restriction on the use of these funds which requires that these funds be used solely for street and highway purposes. Payment of principal and interest on highway and street bonds are an approved use.	2010-11	\$ 1,396,075	0.4%
	2011-12	\$ 1,126,762	-19.3%
	2012-13	\$ 1,232,187	9.4%
	2013-14	\$ 1,268,563	3.0%
	2014-15	\$ 1,392,806	9.8%
	2015-16	\$ 1,451,431	4.2%
	2016-17	\$ 1,538,940	6.0%
	2017-18	\$ 1,593,514	3.5%
	2018-19 (est.)	\$ 1,538,106	-3.5%
	2019-20 (est.)	\$ 1,666,476	8.3%
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 FY19-20 is based on estimates of revenue sharing by Arizona Department of Transportation (ADOT) in their distribution forecast for the next fiscal year.

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



Revenue Summary
 State-shared Income Tax Revenue
 General Fund

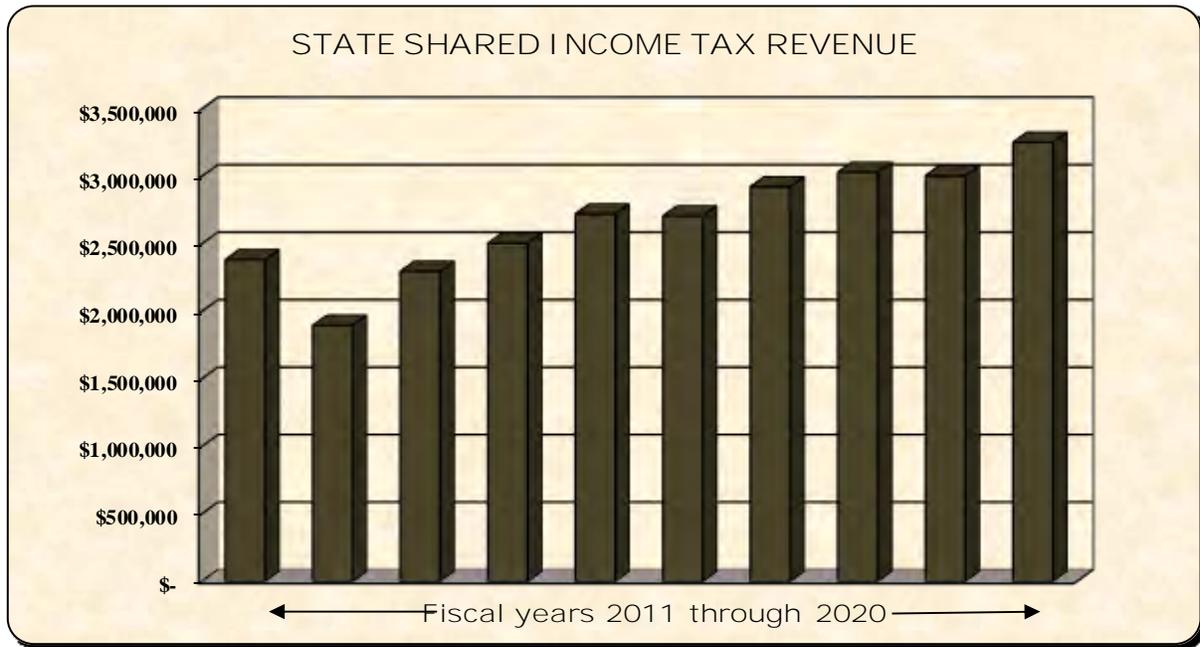
Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purposes.	2010-11	\$ 2,383,874	-24.6%
	2011-12	\$ 1,898,088	-20.4% ¹
	2012-13	\$ 2,297,203	21.0%
	2013-14	\$ 2,506,685	9.1%
	2014-15	\$ 2,722,433	8.6%
	2015-16	\$ 2,707,673	-0.5%
	2016-17	\$ 2,923,870	8.0% ¹
	2017-18	\$ 3,032,329	3.7%
	2018-19 (est.)	\$ 3,005,431	-0.9%
	2019-20 (est.)	\$ 3,253,750	8.3%

¹ Change as a result of census population

Assumptions

A 1972 citizen's initiative gave the cities and towns a percentage share of the State income tax, officially called Urban Revenue Sharing; Arizona cities and towns receive 15% of the State's income tax collections. This State-shared revenue is distributed to cities and towns based on the relation of their population to the total population of all incorporated cities and towns in the State according to the latest census. Amounts distributed are based on actual income tax collections from two years prior to the fiscal year in which the Town receives the funds. The projection for FY19-20 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

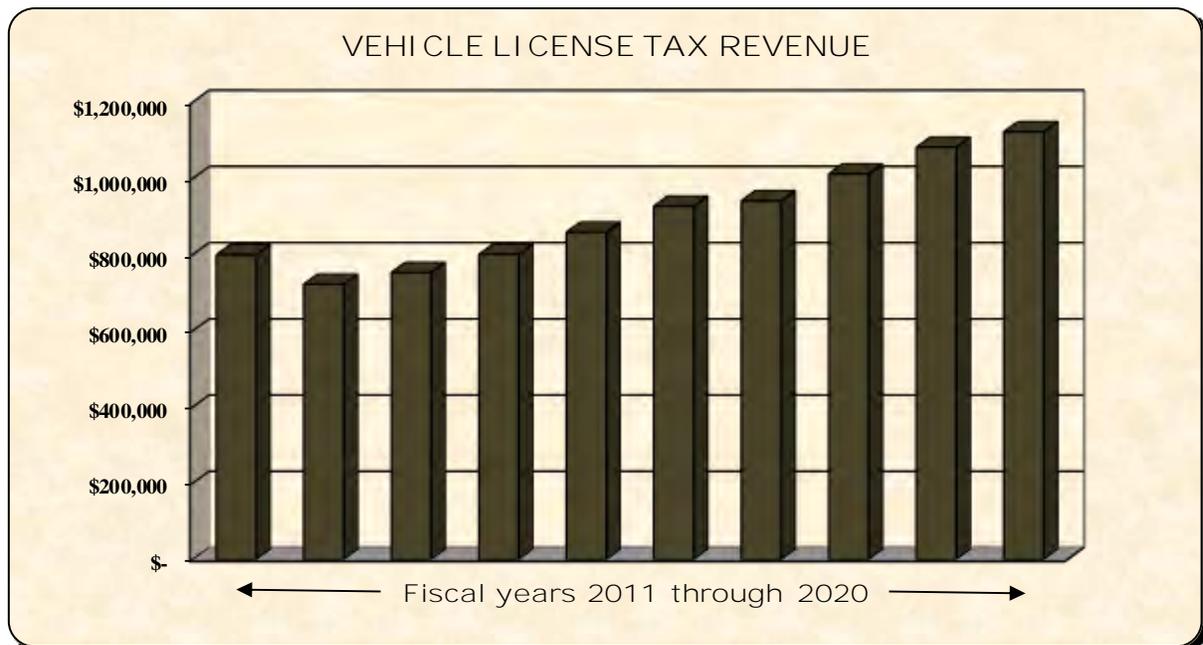


Restrictions	Fiscal Year	Amount	Percent Change
Town Council has restricted for the Pavement Management Program. (30% allocated to General Fund)	2010-11	\$ 799,551	-2.7%
	2011-12	\$ 722,126	-9.7%
	2012-13	\$ 752,949	4.3%
	2013-14	\$ 800,475	6.3%
	2014-15	\$ 858,874	7.3%
	2015-16	\$ 927,440	8.0%
	2016-17	\$ 941,364	1.5%
	2017-18	\$ 1,011,836	7.5%
	2018-19 (est.)	\$ 1,081,889	6.9%
	2019-20 (est.)	\$ 1,122,497	3.8%
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 0.4% of the State total). The remainder of the revenues collected are shared by schools, counties, and the State. The Town Council of Fountain Hills passed Resolution 2013-02 designating proceeds from the VLT to be used strictly for maintenance of Town's streets (transferred to Streets/HURF fund). Beginning in FY19-20, Town Council has reallocated the vehicle license tax as follows: 30% to the General Fund and 70% to the Streets (HURF) Fund.

General Fund	\$ 336,749
Streets (HURF) Fund	<u>785,748</u>
	<u>\$ 1,122,497</u>

Major Influences: Automobile sales, Population, and State Policy

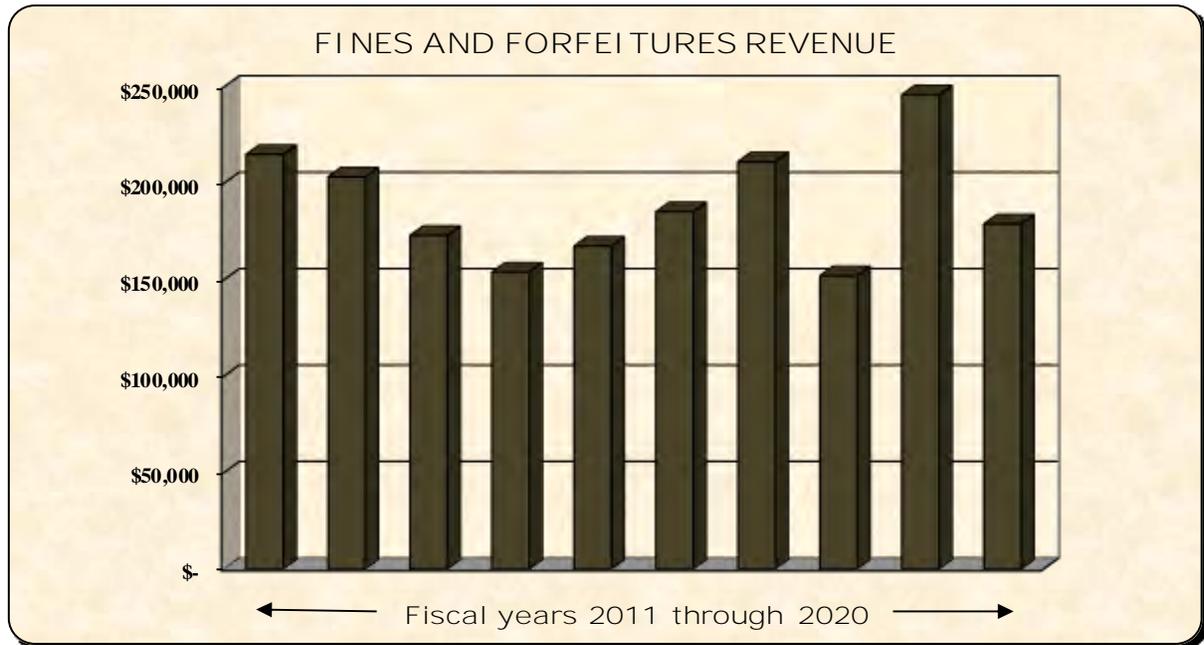


Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purpose.	2010-11	\$ 214,999	-17.2%
	2011-12	\$ 203,350	-5.4%
	2012-13	\$ 173,024	-14.9%
	2013-14	\$ 154,024	-11.0%
	2014-15	\$ 167,491	8.7%
	2015-16	\$ 185,279	10.6%
	2016-17	\$ 211,190	14.0%
	2017-18	\$ 152,161	-28.0%
	2018-19 (est.)	\$ 246,000	61.7%
	2019-20 (est.)	\$ 179,000	-27.2%

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 not seen an increase in the number of citations.

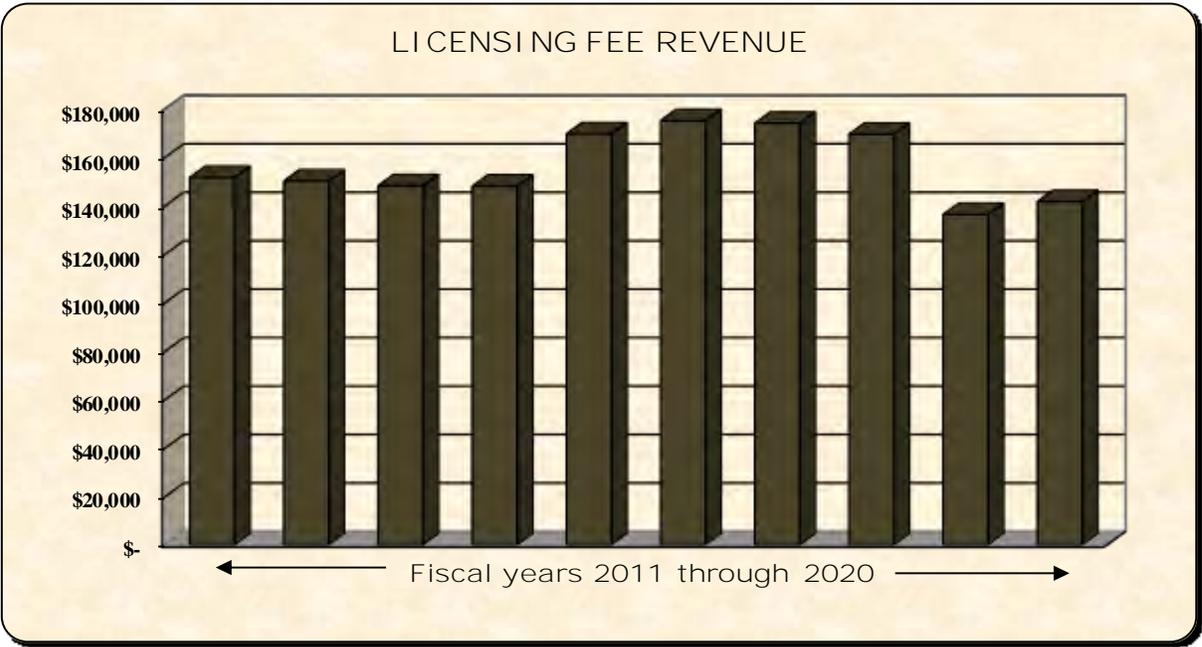
Major Influences: Population, Enforcement, Public Policy



Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purpose.	2010-11	\$ 151,637	2.0%
	2011-12	\$ 150,144	-1.0%
	2012-13	\$ 148,209	-1.3%
	2013-14	\$ 148,066	-0.1%
	2014-15	\$ 169,638	14.6%
	2015-16	\$ 175,120	3.2%
	2016-17	\$ 174,027	-0.6%
	2017-18	\$ 169,455	-2.6%
	2018-19 (est.)	\$ 136,365	-19.5%
	2019-20 (est.)	\$ 141,696	3.9%
Assumptions			

License fees are derived from fees on professions, occupations, businesses operating within the Town limits. The license fee is used primarily as a means of regulating businesses within the community. The estimate for FY19-20 is based on 3,055 active business licenses. Beginning in FY18-19, animal licensing was transferred to Maricopa County Animal Care and Control.

Major Influences: Economy, Enforcement

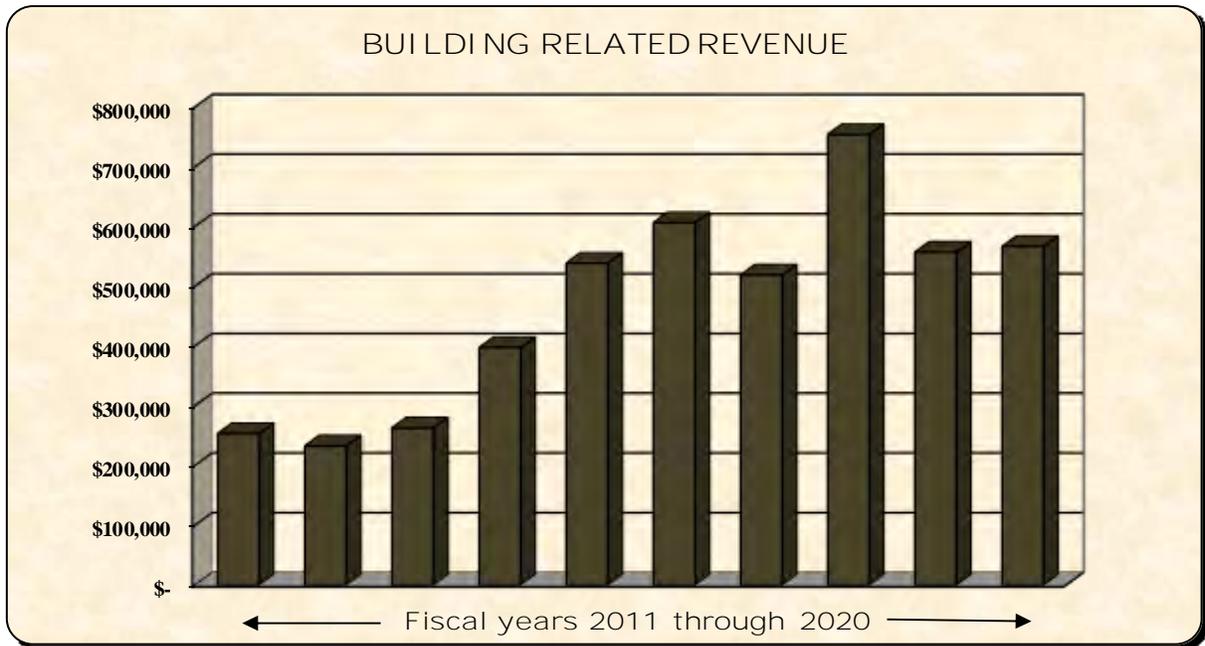


Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purpose.	2010-11	\$ 253,074	7.1%
	2011-12	\$ 232,447	-8.2%
	2012-13	\$ 262,403	12.9%
	2013-14	\$ 396,875	51.2%
	2014-15	\$ 538,264	35.6%
	2015-16	\$ 605,966	12.6%
	2016-17	\$ 518,619	-14.4%
	2017-18	\$ 753,523	45.3%
	2018-19 (est.)	\$ 556,662	-26.1%
	2019-20 (est.)	\$ 566,341	1.7%

Assumptions

Revenues from this source include the fees collected from building permits, rezoning, improvement plans, encroachment and subdivision plans. The estimates for FY19-20 are based on construction activity provided by local developers and planning staff and reflect the general economy in new home construction. The projected number of permits for next fiscal year is 64 single family, 38 multi-family unit, and 2 commercial projects.

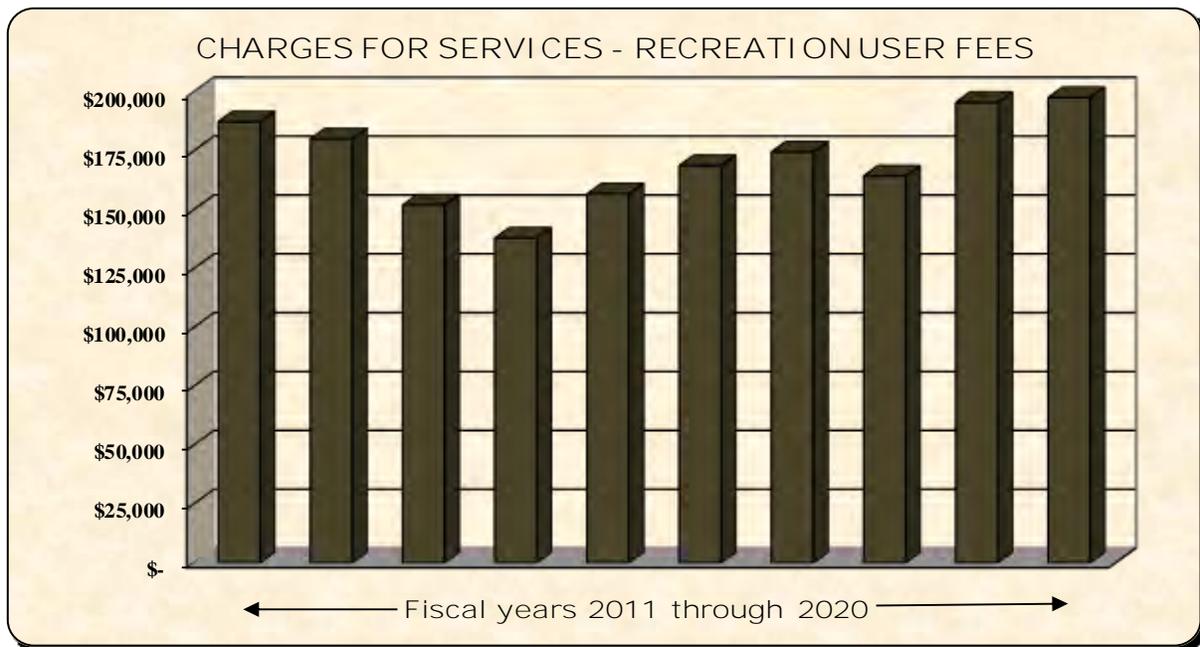
Major Influences: Population, Economy, Development, Public Policy



Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purpose.	2010-11	\$ 187,524	-2.7%
	2011-12	\$ 180,223	-3.9%
	2012-13	\$ 152,106	-15.6%
	2013-14	\$ 138,089	-9.2%
	2014-15	\$ 156,839	13.6%
	2015-16	\$ 168,895	7.7%
	2016-17	\$ 174,638	3.4%
	2017-18	\$ 164,456	-5.8%
	2018-19 (est.)	\$ 195,724	19.0%
	2019-20 (est.)	\$ 197,800	1.1%
Assumptions			

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

Major Influences: Population, Internal Policy on Rates

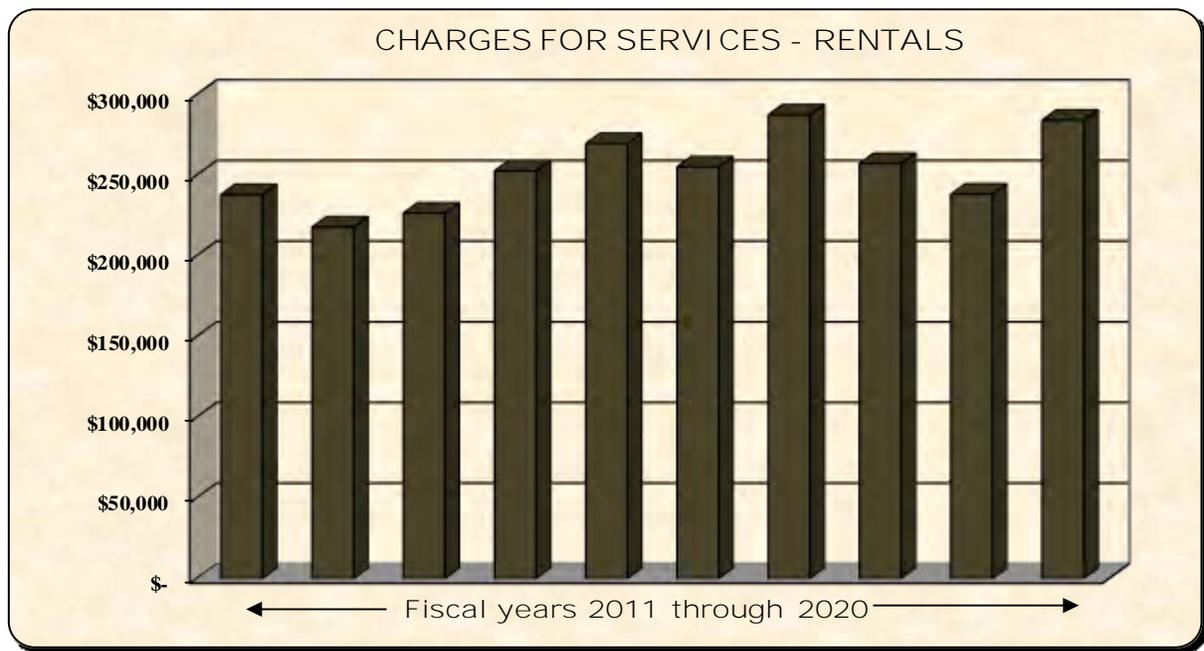


Revenue Summary
Charges For Services-Rentals
General Fund

Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purpose.	2010-11	\$ 238,104	5.2%
	2011-12	\$ 217,987	-8.4%
	2012-13	\$ 226,600	4.0%
	2013-14	\$ 252,874	11.6%
	2014-15	\$ 269,774	6.7%
	2015-16	\$ 255,204	-5.4%
	2016-17	\$ 287,500	12.7%
	2017-18	\$ 257,368	-10.5%
	2018-19 (est.)	\$ 238,388	-7.4%
	2019-20 (est.)	\$ 284,213	19.2%
Assumptions			

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

Major Influences: Population, Internal Policy on Rates



Expenditure Summary



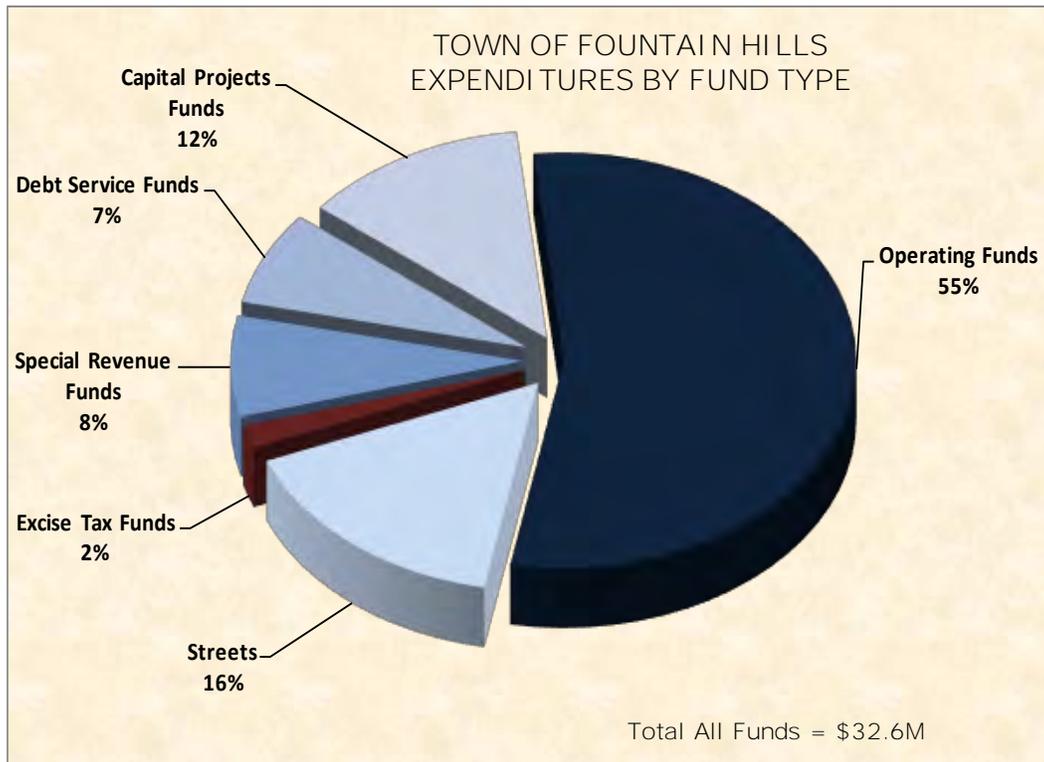
Expenditures

This section provides a broad overview of the expenditures included in the FY19-20 budget. Information is presented for each fund and fund type.

All Funds Expenditure Summary

Total expenditures for all funds are \$32,562,699, excluding transfers. The Operating Funds represent 55% of the total. Streets (HURF) Fund represents 16% of the total Town budget. Special Revenue Funds represent 8% of the budget with Debt Service representing 7%, Excise Tax 2%, and Capital Projects 12%.

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.



FY19-20 Proposed Budget
Summary of Expenditures by Fund and Program

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Operating Funds				
Accounting	\$ 158,931	\$ 164,076	\$ 192,063	\$ 308,661
Administration	6,319,610	6,186,029	7,203,837	8,499,259
Animal Control	23,576	24,319	-	-
Attorney Services	331,298	464,384	479,770	246,116
Building Inspection	204,675	299,489	632,025	536,489
Building Maintenance	440,145	99,165	151,813	174,088
Code Compliance	71,768	74,502	79,058	158,855
Community Events	92,687	165,798	180,478	173,575
Customer Service	36,980	41,261	41,406	42,984
Engineering	205,471	144,770	196,322	272,016
Fountain	232,123	150,662	175,335	175,515
Home Delivered Meals	48,934	45,606	61,570	67,010
Legislation	13,643	13,138	4,463	-
Licensing	46,770	55,163	61,369	-
Mapping & Graphics	99,727	96,039	110,363	113,328
Media Relations	-	36,012	35,095	35,426
Open Space	48,696	11,172	37,158	45,330
Operations	4,737,077	5,525,164	5,848,922	6,015,755
Outside Inspections	52,127	53,702	64,139	56,703
Planning & Zoning	81,569	98,097	109,814	111,481
Purchasing	57,922	61,342	62,526	-
Risk Management	274,396	285,141	357,246	-
Senior Memberships/Activities	66,741	-	-	-
Special Interest Programs	17,025	16,087	15,821	15,878
Sports Activities	48,863	39,293	52,170	52,520
Volunteers	76,269	85,739	88,517	93,501
Youth & Teen Programs	21,705	20,928	29,915	29,940
Total General Fund	\$ 13,808,728	\$ 14,257,078	\$ 16,271,195	\$ 17,224,430
Operating Funds - continued				
Art & Culture	\$ 50,518	\$ 29,234	\$ 54,100	\$ 139,340
Total Public Art Fund	50,518	29,234	54,100	139,340
Operational Support	53,368	61,229	-	-
Total Internal Service Fund	53,368	61,229	-	-
Vehicle Replacement	215,292	1,008,231	177,853	416,149
Total Vehicle Replacement Fund	215,292	1,008,231	177,853	416,149
Total Operating Funds	\$ 14,127,906	\$ 15,355,772	\$ 16,503,148	\$ 17,779,919



Expenditure Summary

FY19-20 Proposed Budget Summary of Expenditures by Fund and Program

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Special Revenue Funds				
Administration	\$ 290,357	\$ 314,509	\$ 508,673	\$ 529,357
Adopt A Street	1	-	-	-
Open Space	383,541	255,891	374,282	409,434
Pavement Management	2,052,176	1,748,607	3,926,934	4,036,852
Street Signs	66,091	46,003	146,811	153,220
Traffic Signals	110,664	188,049	-	-
Vehicle Maintenance	59,486	58,888	79,196	65,196
Total Streets Fund	<u>2,962,316</u>	<u>2,611,947</u>	<u>5,035,896</u>	<u>5,194,059</u>
Administration	34,056	56,044	40,885	38,400
Total Downtown Strategy Fund	<u>34,056</u>	<u>56,044</u>	<u>40,885</u>	<u>38,400</u>
Administration	134,102	183,332	264,812	285,482
Total Economic Development Fund	<u>134,102</u>	<u>183,332</u>	<u>264,812</u>	<u>285,482</u>
Administration	198,352	206,513	239,258	259,103
Total Tourism Fund	<u>198,352</u>	<u>206,513</u>	<u>239,258</u>	<u>259,103</u>
Grants Admin	371,069	157,945	338,800	1,662,525
Total Special Revenue Fund	<u>371,069</u>	<u>157,945</u>	<u>338,800</u>	<u>1,662,525</u>
Court Enhancement	122	5,547	50,515	124,800
Judicial Court Enhancement	-	-	30,000	30,000
Total Court Enhancement Fund	<u>122</u>	<u>5,547</u>	<u>80,515</u>	<u>154,800</u>
Administration	494,638	530,655	709,326	735,254
Total Environmental Fund	<u>494,638</u>	<u>530,655</u>	<u>709,326</u>	<u>735,254</u>
Cottonwoods Maintenance District	3,798	4,696	5,101	5,101
Total Cottonwoods Maint District	<u>3,798</u>	<u>4,696</u>	<u>5,101</u>	<u>5,101</u>
Total Special Revenue Funds	<u>\$ 4,198,453</u>	<u>\$ 3,756,679</u>	<u>\$ 6,714,593</u>	<u>\$ 8,334,724</u>
Debt Service Funds				
Gen Oblig Bond Debt Service	\$ 2,119,250	\$ 2,121,550	\$ 1,972,850	\$ 1,663,800
Eagle Mtn CFD Debt Service	409,226	407,724	405,968	409,192
Munic Prop Corp Debt Service	393,690	377,696	381,864	305,870
Total Debt Service Funds	<u>\$ 2,922,166</u>	<u>\$ 2,906,970</u>	<u>\$ 2,760,682</u>	<u>\$ 2,378,862</u>



FY19-20 Proposed Budget
Summary of Expenditures by Fund and Program

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Capital Projects Funds				
Administration	\$ 2,207	\$ 2,791	\$ 34,863	\$ 155,050
Downtown Development	24,000	-	-	-
Fire Suppression	368,109	1,837,138	2,566,330	-
General Govt Projects	321,873	25,482	-	350,000
Park Development	408,187	1,135,741	1,917,506	385,000
Pavement Management	107,440	224,530	831,913	1,635,000
Stormwater Management	181,538	-	50,000	675,000
Total Capital Projects Fund	1,413,354	3,225,682	5,400,612	3,200,050
Administration	93,085	163,759	975,296	819,144
Total Facilities Replacement Fund	93,085	163,759	975,296	819,144
Fire/Emergency Dev Fee	-	-	11,244	9,500
Park/Rec Dev Fee	-	-	48,756	40,500
Open Space Dev Fee	535	535	535	-
Total Development Fee Funds	535	535	60,535	50,000
Total Capital Projects Funds	\$ 1,506,974	\$ 3,389,976	\$ 6,436,443	\$ 4,069,194
Total Expenditures	\$ 22,755,499	\$ 25,409,397	\$ 32,414,866	\$ 32,562,699



Expenditure Summary

FY19-20 Expenditures by Function

	Operating Funds	Debt Service Funds	Capital Projects Funds	Non-Major Funds	Total	% of Total
Expenditures:						
General Government	\$ 3,696,555	\$ 2,378,862	\$ 155,050	\$ 2,146,308	\$ 8,376,775	24%
Public Safety	8,807,219	-	9,500	-	8,816,719	25%
Community Services	2,735,179	-	425,500	259,103	3,419,782	10%
Public Works	1,440,676	-	3,479,144	5,929,313	10,849,133	30%
Development Services	1,100,290	-	-	-	1,100,290	3%
Subtotal Expenditures	17,779,919	2,378,862	4,069,194	8,334,724	32,562,699	92%
Transfers Out	1,042,335	-	280,000	1,639,925	2,962,260	8%
Total Expenditures	<u>\$ 18,822,254</u>	<u>\$ 2,378,862</u>	<u>\$ 4,349,194</u>	<u>\$ 9,974,649</u>	<u>\$ 35,524,959</u>	<u>100%</u>

Note: See page 43 for a listing of the funds included in each column.



FY19-20 General Fund Expenditures by Department and Division

Department	Division	Proposed Budget
Mayor & Council	Mayor & Council	\$ 98,544
Administration	Town Manager	371,637
	Town Clerk	187,711
	Administrative Services	221,414
	Purchasing	85,194
	Finance	628,238
	Information Technology	310,656
	Legal Services	246,116
	Total Administration	<u>2,050,966</u>
General Government	Non-Departmental	1,073,362
Municipal Court	Municipal Court	397,275
Public Works	Public Works	147,002
	Engineering	272,016
	Facilities	681,916
	Total Public Works	<u>1,100,934</u>
Development Services	Development Services	180,138
	Planning & Zoning	111,481
	Code Compliance	158,855
	Mapping & Graphics	113,328
	Building Safety	536,489
	Total Development Services	<u>1,100,291</u>
Community Services	Community Services	234,329
	Recreation	635,552
	Community Center	286,622
	Senior Services	212,946
	Parks-Town Hall	99,632
	Parks-Fountain Park	443,045
	Parks-Golden Eagle Park	294,371
	Parks-Four Peaks Park	128,328
	Parks-Desert Vista Park	91,624
	Parks-Open Space/Trails	45,330
	Parks-Avenue of the Fountains Plaza	124,060
	Total Community Services	<u>2,595,839</u>
	Law Enforcement	Law Enforcement
Fire & Emergency Medical	Fire & Emergency Medical	<u>4,021,299</u>
<i>Total General Fund Expenditures</i>		<u><u>\$ 17,224,430</u></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 FY19-20 expenditure limitation for the Town of Fountain Hills is \$29,854,752 which is a 3.1% increase from the previous year. The limit applies to FY19-20 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	\$ 32,562,699
Exclusions (Subtractions) from Revenues:	
Separate Legal Entities	720,163
Required fees paid to the Arizona Department of Revenue	65,000
Debt Service Payments	1,663,800
Dividends, Interest, Gains	138,390
Grants, Aid, Contributions from Federal Government	-
Grants, Aid, Contributions from Private Organizations	37,545
Amounts Received from State	1,862,525
Quasi-External interfund Transactions	8,460
Savings Reserved for Capital Purchase (voter approved)	-
Highway User Revenues Excess 1979-80	4,267,009
Contracts with Other Political Subdivisions	-
Refunds, Reimbursements	1,260
Voter Approved Exclusions	-
Prior Years Carry Forward	-
Total Exclusions	<u>8,764,152</u>
Expenditures subject to limitation	23,798,547
Expenditure Limitation	<u>29,854,752</u>
Under/(Over) Limitation	<u><u>\$ 6,056,205</u></u>



Budget Process & Schedule



Planning Process

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

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



Mission of the Budget Process

Communication and involvement with citizens and other stakeholders is stressed. The broad nature of the budget mission allows issues to be addressed that have limited the success of budgeting in the past. Apathy is a serious illness of government; it is in the best interests of government to have involved stakeholders.

The term stakeholder refers to anyone affected by or who has a stake in government. This term stakeholder includes, but is not limited to, citizens, customers, elected officials, management, employees and their representatives, businesses, vendors, other governments, and the media. It is vital that the budget processes include diverse stakeholders.

Each year, the Town of Fountain Hills' budget is developed from the Town Council's priorities by the Finance Division with the individual Departments and the Town Manager. Meetings with each Department, the Town Manager and the Finance Division are held during the months of February/March. After these meetings are completed, a proposed Town-wide balanced budget is prepared for submittal to the full Town Council and public in April/May.

Recommended Budget Practices

The Town of Fountain Hills' budget process is designed to meet citizens' needs for information and input; decision makers' needs for information and advice from citizens on their desired blend of services; and the time line set by the State of Arizona through the Arizona Budget Law.

The Town of Fountain Hills' budget process incorporates the recommended practices promulgated by the National Advisory Council on State and Local Budgeting (NACSLB) and the Government Finance Officers Association (GFOA). Concurrently, Town staff apply diligent effort into improving the processes, decisions and outcomes with each new budget year. The NACSLB's practices encourage governments to consider the long-term consequences of actions to ensure that impacts of budget decisions are understood over a multi-year planning horizon and to assess whether program and service levels can be sustained.

Budget Definition

All cities and towns in Arizona are required to adopt an annual budget. State law dictates that fiscal years begin on July 1 and end on June 30. Certain parts of the budget document, such as summaries of revenues and expenditures showing two years of spending history, are required by State law.

A good budget process is characterized by several essential features:

- Incorporates a long-term perspective
- Establishes linkages to broad goals
- Focuses budget decisions on results and outcomes
- Involves and promotes effective communication with stakeholders
- Provides incentives to government management and employees



These key characteristics of good budgeting make clear that the budget process is not simply an exercise in balancing revenues and expenditures one year at a time, but is strategic in nature, encompassing a multi-year financial and operating plan that allocates resources on the basis of identified goals. A good budget process moves beyond the traditional concept of line-item expenditure control, providing incentives and flexibility to managers that can lead to improved program efficiency and effectiveness.

Principles and Elements of the Budget Process

The budget process consists of four broad principles that stem from the definition and mission previously described. These principles are as follows:

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

These principles encompass many functions that spread across a governmental organization. They reflect the fact that development of a balanced budget is a political and managerial process that also has financial and technical dimensions. Each of the principles of the budget process incorporates components or elements that represent achievable results. These elements help translate the guiding principles into action components. Individual budgetary practices are derived from these elements. The principles and elements provide a structure to categorize budgetary practices.

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

- Assess community needs, priorities, challenges and opportunities
- Identify opportunities and challenges for governmental services, capital assets, and management
- Develop and disseminate broad goals
- Develop approaches to achieve goals – a government should have specific policies, plans, programs, and management strategies to define how it will achieve its long-term goals
- Adopt financial policies
- Develop programmatic, operating, and capital policies and plans
- Develop programs and services that are consistent with policies and plans
- Develop management strategies
- Develop a budget consistent with approaches to achieve goals – a financial plan and budget that moves toward achievement of goals, within the constraints of available resources, should be prepared and adopted
- Develop a process for preparing and adopting a budget
- Develop and evaluate financial options
- Make choices necessary to adopt a budget

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

When does the “budget season” start?

The budget process typically begins in December or January when the Finance Division begins to review current levels of service, Council goals and objectives as identified at the annual Council retreat, proposed capital improvements, and financial forecasts.

In reality, the budget process for the Town is actually an ongoing process. Throughout the fiscal year, citizens and staff submit suggestions for new services, regulations, funding sources, and improved service delivery, as well as concerns to the Town Council and Commissions for discussion, study, and/or implementation. Commissions develop plans for new or enhanced programs to be included in the following year’s budget proposal.

Implementing, Monitoring, and Amending the Budget

A budget is an annual planning tool — it identifies the Town’s work plan and matches the financial, material, and human resources available with the requirements to complete the work plan. The budget includes information about the organization and identifies the Council policy that directed the budget preparation. Although a budget is often discussed as a financial document, the financial portion means very little without the policy and administrative information that explains what the organization intends to do with the financial resources.

In July, the Town staff begins the process of implementing the newly adopted budget and is accountable for budgetary control throughout the fiscal year. Revenue and expenditure patterns are examined, compared to budget plans, and corrective action, if necessary, is taken during the fiscal year. Town management has access to a monthly budget and activity report; the Town Council is provided a summary budget report at the end of each quarter disclosing actual revenue, expenditure, and fund balance performance as compared to the budget.

The Town of Fountain Hills’ budget is adopted at a Department level and the Capital Improvement Program is adopted at a project level. Control of each legally adopted annual budget is at the Department level; the Town Manager may, at any time, transfer any unencumbered appropriation balance or portion thereof between general classifications of expenditure (line items) within a Department. The items are reduced by a like amount. At the request of the Town Manager, the Council may transfer any unencumbered appropriation balance or portion thereof between one Department to another.

Pursuant to Arizona Revised Statutes, “No expenditure shall be made for a purpose not included in such budget...”. Thus, a contingency line item is included within the General Fund to accommodate most unplanned expenditures. The other option in amending the budget, according to State law, is for the Council to declare an emergency and then transfer the monies from one line item or Department to another. In essence, any approved Council transfers do amend the budget although the budget is never reprinted.



What funds are included in this budget?

The accounts of the Town are organized on the basis of funds, each of which is considered a separate accounting entity. Government resources are allocated to and accounted for in individual funds based on the purposes for which they are to be spent and the means by which spending activities are controlled. The Town of Fountain Hills appropriates all funds in its budget process:

- General Fund – revenues and expenditures to carry out basic governmental activities such as police and fire, recreation, planning, legal services, administrative services, etc. (unrestricted).
- Special Revenue Funds – revenues derived from specific taxes or other earmarked revenue sources, usually required by statute or ordinance to finance particular activities. Streets (HURF) Fund, grants, and the Excise Tax Funds are examples of special revenue funds.
- Debt Service Funds – established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. Municipal Property Corporation (MPC) and Community Facilities District (CFD) funds are included within the debt service funds.
- Capital Projects Funds – to account for the purchase or construction of major capital facilities, heavy equipment, park improvements and major road improvements. The Capital Projects Fund revenues are derived from excess General Fund revenues and 50% of the construction related local sales tax. These funds also include the Facilities Replacement Fund and the Development Fee Funds.

When can a citizen have input into the budget process?

Town staff welcomes comments and suggestions throughout the year. The first opportunity for the Town Council to contribute to the budget is during the annual goal setting retreat which is typically held around the beginning of the calendar year. The proposed budget is presented to the public and Town Council in April/May at which time a public hearing is held to receive input. This hearing is the opportunity to increase the budget for the next fiscal year before the maximum spending amount is established. Once the maximum spending amount is adopted as the tentative budget, line items can only be exchanged or decreased prior to the budget's final adoption.

Budget Schedule FY19-20

Wed, November 14, 2018	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
Thu, December 13, 2018	DEADLINE for preliminary operating budgets entered into MUNIS Staffing requirements and budget supplements due to Finance CIP project requests and funding sources due to Finance Revenue projections from individual departments New or changes to existing fees on Fee Schedule due
Mon, January 14, 2019	5 year Revenue Forecast due to Town Manager from Finance; Final reconciliation of revenues vs. expenditures (Finance staff)
Thu, January 17, 2019	Mayor’s State of the Town Address
Tues - Thu, January 22 - 24, 2019	Departmental presentations for Town Manager
Thu, February 7, 2019	Council Retreat Session - Priorities for FY19-20 with Council receiving preliminary CIP Budget & Strategic Plan Review
Thu, February 14, 2019	Staff meeting to debrief Council Retreat Department/Division templates due to Finance
Mon, February 18, 2019	Final operating budgets entered into MUNIS based on proposed changes from Retreat
Tues, February 19, 2019	Staff to review proposed budget dates with Town Attorney for statute compliance
Tues, March 26, 2019	Council Special Session @ 5:30 PM – Consideration of CIP projects and possible discussion of proposed or changes to Fees
Mon, April 1, 2019	A.R.S. §9-499.15(B)(1)-(3) : 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.
Mon, April 8, 2019	Council receives proposed budget , posted online Budget Schedules prepared for Legal
Mon, April 15, 2019	Final revenue projections entered into MUNIS
Mon, April 15, 2019	Public Outreach/Open House (5:30 – 6:30 PM)
Tues, April 23, 2019	Council Budget Workshop - Special Session @ 5:00 PM
Tues, May 7, 2019	Town, CMD & EMCFD Meetings - Adoption of Tentative Budgets with notice of hearing dates; notices sent to Cottonwood Homeowners the next day - <i>CMD requires 20 days between the date of the published notice and the final budget hearing, which (due to advertising date limitations creates a 29-day window between the tentative budget adoption and the final budget adoption; EMCFD requires 10 days between the date of the published notice and the final budget hearing, which would allow the EMCFD budget to be adopted with a 21-day gap between the tentative budget adoption and the final; however, it is aligned with the CMD to avoid confusion</i>
Wed, May 15, 2019	A.R.S. §9-499.15(B)(4) : 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.
Wednesdays, May 15 & 22, 2019	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 4, 2019	Town, CMD & EMCFD Meetings – Public Hearing held in Regular Session (required to be held on or before the 14th day before the day on which it levies taxes); Council convenes in Special Session & adopts Town’s Final Budget (A.R.S. §42-17104) and reconvenes the Regular Session [14 days - June 19, 2019]
Tues, June 18, 2019	Town, CMD & EMCFD Meetings - Adoption of Tax Levy occurs on or before the 3 rd Monday in August [A.R.S. §42-17151]; Forward certified copy of approved tax levy ordinance(s) to County Board of Supervisors the next business day
Tues, June 25, 2019	Post Final Budget(s) on website within 7 days of adoption [A.R.S. §42-17105 - for 60 months]
July through August 12, 2019	Council Summer Hiatus
Tues, August 13, 2019	1 st meeting of the new fiscal year





OPERATING BUDGETS

MAYOR & TOWN COUNCIL

ADMINISTRATION

MUNICIPAL COURT

GENERAL GOVERNMENT

PUBLIC WORKS

DEVELOPMENT SERVICES

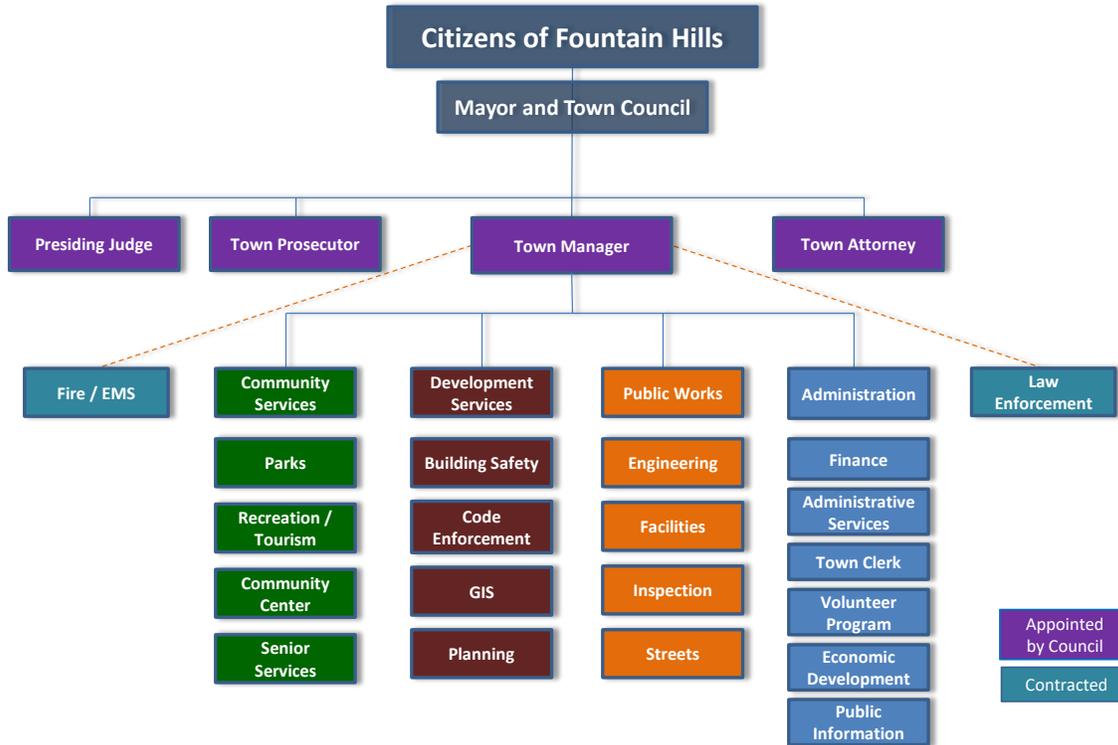
COMMUNITY SERVICES

LAW ENFORCEMENT

FIRE & EMERGENCY MEDICAL



Town of Fountain Hills Organization



Department Directors

Town Manager	Grady Miller
Finance Director	David Pock
Presiding Judge	Robert Melton
Economic Development Director	James Smith
Community Services Director	Rachael Goodwin
Development Services Director	John Wesley
Public Works Director	Justin Weldy
Fire Chief	Chief Dave Ott, Rural/Metro Corporation
District Commander	Captain Larry Kratzer, Maricopa County Sheriff's Office
Town Prosecutor	Mark Iacovino, The Law Office of Mark Iacovino
Town Attorney	Aaron Arnson, Pierce Coleman 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: Councilmember Dennis Brown, Mayor Ginny Dickey, Councilmember Alan Magazine
BACK ROW: Vice Mayor Art Tolis, Councilmember Sherry Leckrone, Councilmember Mike Scharnow, Councilmember David Spelich

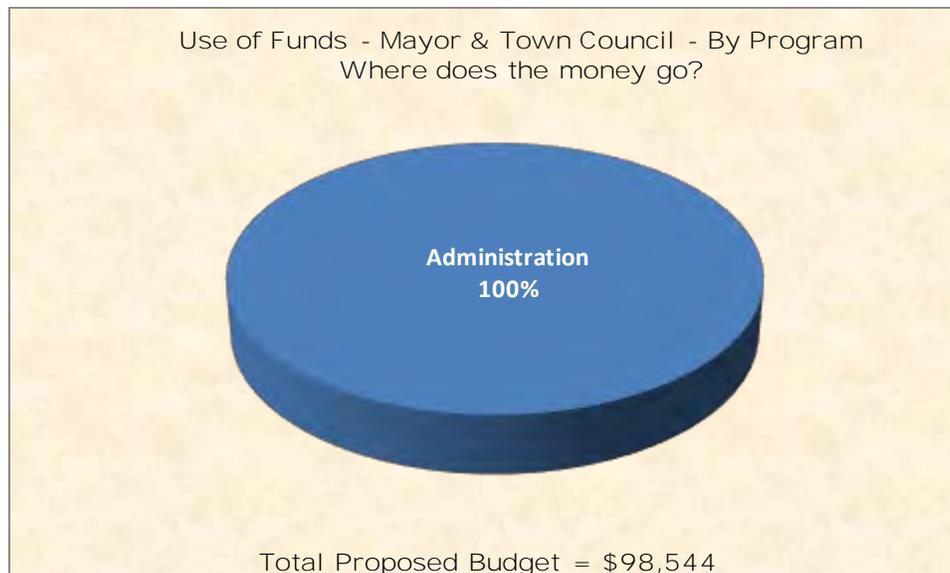
Department Overview

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			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Administration	\$ 71,213	\$ 77,779	\$ 82,592	\$ 98,544
Total	\$ 71,213	\$ 77,779	\$ 82,592	\$ 98,544

Variance Explanations:

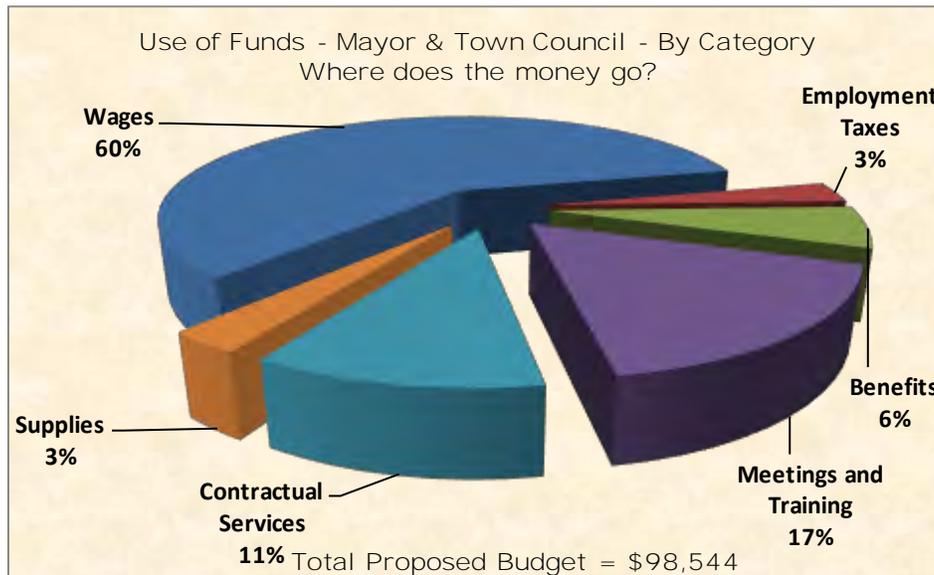
Administration: Budgeted amounts were increased for Councilmembers to go to meetings and training.



Category	Expenditures by Category			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Wages	\$ 54,652	\$ 55,408	\$ 56,074	\$ 58,822
Employment Taxes	3,471	3,283	3,281	3,325
Benefits	5,269	5,559	5,604	6,282
Meetings and Training	2,696	685	4,810	16,665
Maintenance and Repair	95	-	-	-
Contractual Services	159	10,890	10,240	10,240
Supplies	2,717	1,253	2,503	3,110
Internal Service	2,154	701	80	100
Total	\$ 71,213	\$ 77,779	\$ 82,592	\$ 98,544

Variance Explanations:

Meetings and Training: Budgeted amounts were increased for Councilmembers.



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

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



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

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



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>VISION Fountain Hills is a distinctive community with long term economic sustainability and vitality anchored with an active and vibrant town citizenship that serves to invigorate a rich cultural, social, and economic quality of life.</p> <p>VALUES 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>	STRATEGIC OBJECTIVES AND TASKS				
	<p>1.1 Market Fountain Hills</p> <p>1.1a Develop a community brand/vision/ marketing plan</p> <p>1.1b Develop a new business resource package</p> <p>1.1c Increase funding for business accelerator programs</p> <p>1.2 Sustain Commercial Businesses</p> <p>1.2a Rezone undeveloped commercial property to residential where feasible</p> <p>1.2b Adopt a 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>1.3 Promote Tourism</p> <p>1.3a Create and expand destination events</p> <p>1.4 Higher Education</p> <p>1.4a Explore higher education options and opportunities in Fountain Hills</p>	<p>2.1 Invest in Fountain Hills</p> <p>2.1a Develop and implement an investment plan to bring streets, buildings, and 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>2.2 Promote Environmentally friendly initiatives</p> <p>2.2a Develop and adopt a comprehensive environmental plan</p> <p>2.2b Research and report on economic and logistic feasibility of electric car charging stations</p>	<p>3.1 Attract Demographic</p> <p>3.1a Work with State Land Trust to increase residential density</p> <p>3.2 Market and Promote</p> <p>3.2a Distribute Town's marketing plan to local businesses</p> <p>3.2b Expand use of social media and on-line messaging</p> <p>3.2c Include family branding in marketing plan</p> <p>3.2d Organize a young professionals group or organization</p> <p>3.2e Organize specialty youth camps</p> <p>3.2f Support youth club sports</p>	<p>4.1 Identify Sources of New Revenue</p> <p>4.1a Adequately fund all identified reserve funds</p> <p>4.1b Identify revenue options</p> <p>4.1c Increase revenues to meet community needs including addressing projected operating shortfall</p>	<p>5.1 Promote Education System</p> <p>5.1a Include local school strengths in marketing plan</p> <p>5.1b Work with PHHSO to maximize property value</p> <p>5.1c Explore selling/leasing unused properties</p> <p>5.2 Utilize Intergovernmental Relations to Achieve Priorities</p> <p>5.2a Increase community efforts to lobby for municipal issues</p> <p>5.3 Leverage the Talents of Residents to the Town's Advantage</p> <p>5.3a Utilize effective volunteer skills and talents</p>



FY19-20 Proposed Budget
Summary of Expenditures
Mayor & Council

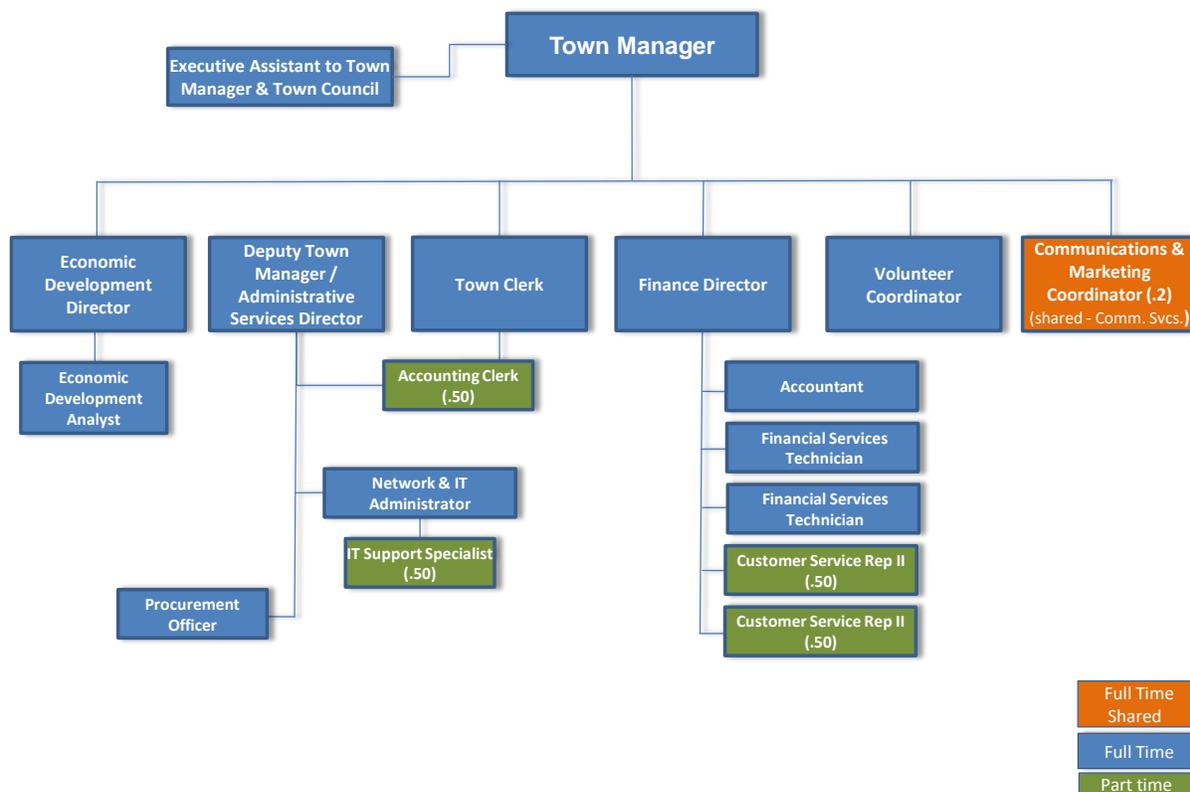
Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
General Fund				
Salaries-Full Time	\$ 18,652	\$ 19,408	\$ 20,074	\$ 22,822
Salaries-Part Time	36,000	36,000	36,000	36,000
FICA	2,232	2,207	2,232	2,232
Medicare	759	781	813	853
Workers Compensation	130	86	101	105
Unemployment Insurance	350	209	135	135
Group Health Insurance	2,872	3,008	3,010	3,040
Group Dental Insurance	208	215	218	232
Group Vision Insurance	28	43	46	46
Disability Insurance	76	76	85	96
Retirement	2,052	2,179	2,208	2,511
Life Insurance	19	20	20	25
Bonus	14	18	17	17
Allowance/Stipend	-	-	-	315
Meetings & Training	2,696	685	4,810	15,575
Boards & Commission	-	-	-	1,090
Sign Repair & Replacement	95	-	-	-
Legal Fees	-	10,890	10,000	10,000
Printing Expense	159	-	240	240
Office Supplies	414	114	600	600
Food & Beverage Supplies	265	242	800	1,200
Program Materials	1,737	897	900	900
Uniforms	301	-	200	400
Postage & Delivery	-	-	3	10
ISF-Copier Charges	187	97	80	100
ISF-Mail Service Charges	19	6	-	-
ISF-Telecom Charges	1,948	598	-	-
Total Mayor & Council	\$ 71,213	\$ 77,779	\$ 82,592	\$ 98,544



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, 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 Customer Service. The Administrative Services Director is responsible for Human Resources, Risk Management, Information Technology and Purchasing.

Division	Expenditures by Division			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Town Manager	\$ 292,381	\$ 348,446	\$ 353,484	\$ 371,637
Information Technology	279,579	285,227	300,502	310,656
Town Clerk	134,820	217,660	178,897	187,711
Administrative Services	399,344	416,010	533,399	221,414
Finance	484,389	558,338	592,728	628,238
Legal Services	331,298	464,384	479,770	246,116
Purchasing	-	-	-	85,194
Total	\$ 1,921,811	\$ 2,290,065	\$ 2,438,780	\$ 2,050,966

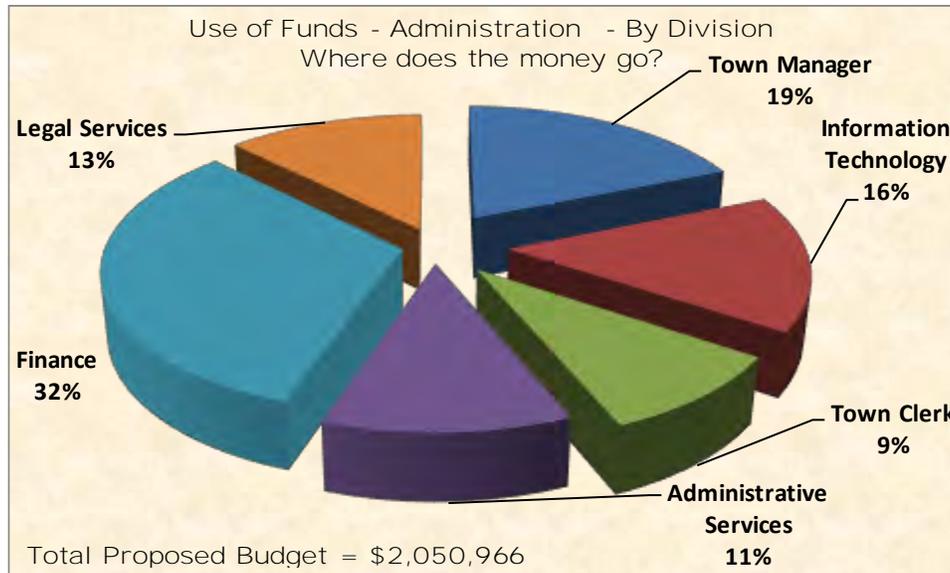
Variance Explanations:

Administrative Services: The decrease reflects movement of the Town liability insurance to General Government.

Legal Services: The decrease is a result of reduced Town attorney fees.

Purchasing: Purchasing is a new division that was added which includes a new position.





Program Name	Expenditures by Program			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Accounting	\$ 158,931	\$ 164,076	\$ 192,062	\$ 308,661
Administration	742,867	897,836	919,710	1,121,882
Attorney Services	331,298	464,384	479,770	246,116
Customer Service	36,980	41,261	41,406	42,984
Legislation	13,642	13,138	4,463	-
Licensing	46,769	55,163	61,369	-
Media Relations	-	36,012	35,095	35,426
Operations	182,737	185,972	196,616	202,396
Purchasing	57,922	61,343	62,526	-
Risk Management	274,396	285,141	357,246	-
Volunteers	76,269	85,739	88,517	93,501
Total	\$ 1,921,811	\$ 2,290,065	\$ 2,438,780	\$ 2,050,966

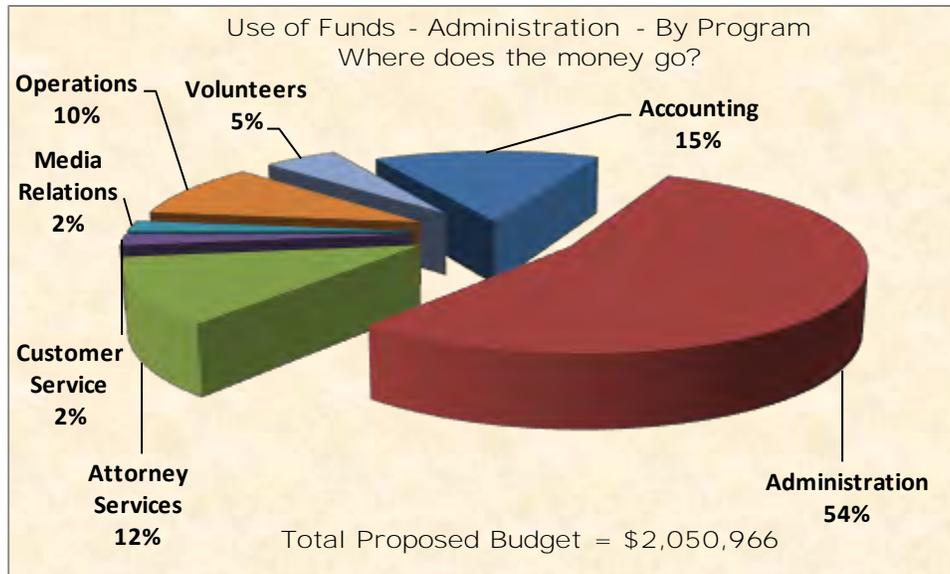
Variance Explanations:

Accounting/Licensing/Purchasing(AP): Programs were combined into Accounting for more efficient managing and reporting purposes. A new purchasing division was created and moved into Administration.

Attorney Services: The decrease is a result of reduced Town attorney fees.

Risk Management: The decrease reflects reallocation of the Town liability insurance into General Government.



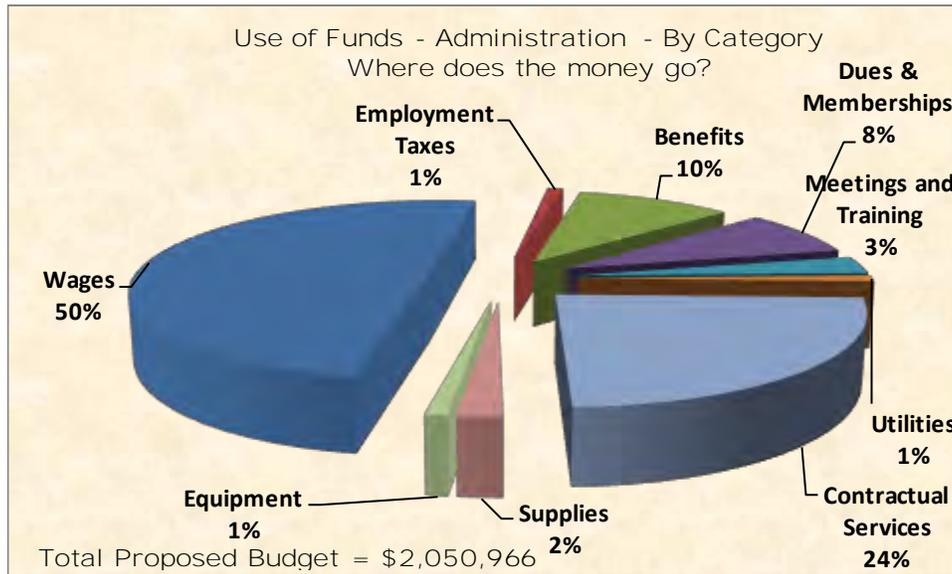


Category	Expenditures by Category			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Wages	\$ 745,749	\$ 814,548	\$ 852,967	\$ 996,697
Employment Taxes	17,410	18,061	18,078	22,257
Benefits	146,233	167,489	175,463	210,446
Dues & Memberships	126,751	136,576	144,197	156,039
Meetings and Training	18,470	20,564	57,902	56,462
Maintenance and Repair	3,173	4,035	11,000	11,000
Utilities	3,486	1,280	13,000	13,700
Contractual Services	771,275	1,005,861	1,108,596	522,888
Supplies	22,757	31,205	37,445	41,721
Equipment	50,114	71,419	13,950	13,800
Internal Service	16,393	19,027	6,182	5,956
Total	\$ 1,921,811	\$ 2,290,065	\$ 2,438,780	\$ 2,050,966

Variance Explanations:

Contractual Services: The decrease reflects reallocation of the Town liability insurance to General Government.





FY18-19 Department Accomplishments

Initiative	Strategic Value
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
Oversaw and provided direction to staff on completing major capital projects, i.e. Fire Station #2 and Adero Canyon Trailhead	N/A
Implemented Pavement Analysis recommendations	Goal #2, Objective #1
Increased funding for business accelerator	Goal #1, Objective #1

FY19-20 Objectives

Initiative	Strategic Value	Estimated Cost/Funding Source
Oversee and implement the 2017 Strategic Plan		\$0
Oversee and provide direction to staff on completing major capital projects, i.e. La Montana/Avenue of the Fountains roundabout improvements and improvements to increase pedestrian safety.	N/A	\$950,000/Downtown Strategy Fund
Implement Council approved revenue options for FY 19-20	Goal #4, Objective #1	\$80,000
Identify possible pavement management projects to refer to voters in 2020	Goal #2, Objective #1	TBD



FY19-20 Proposed Budget
Summary of Expenditures
Administration Department

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
General Fund				
Salaries-Full Time	\$ 676,670	\$ 737,079	\$ 776,853	\$ 907,173
Salaries-Part Time	68,765	77,277	76,114	89,524
Overtime	313	193	-	-
FICA	4,274	4,855	3,945	5,508
Medicare	10,599	11,637	12,276	14,570
Workers Compensation	1,800	1,237	1,537	1,808
Unemployment Insurance	737	332	320	371
Group Health Insurance	62,508	63,680	68,332	82,678
Group Dental Insurance	4,750	4,955	5,886	6,834
Group Vision Insurance	544	797	992	1,053
Disability Insurance	2,636	2,671	3,266	3,814
Retirement	74,577	81,813	84,900	99,150
Life Insurance	694	727	764	1,009
Bonus	524	666	643	743
Allowance/Stipend	-	12,180	10,680	15,165
Licenses/Filing Fees	81,231	89,028	100,944	99,445
Dues, Subscript & Publicat	45,520	47,548	43,252	56,594
Education/Tuition Reimb	-	-	15,179	15,179
Meetings & Training	18,294	20,378	41,633	41,283
Boards & Commissions	176	185	1,090	-
Equipment Maint/Repair	1,574	1,403	5,000	5,000
Office Equip Maint/ Repair	1,599	2,632	6,000	6,000
Telecommunications	3,486	1,280	13,000	13,700
Auditing Expense	65,250	74,970	83,681	68,740
Professional Fees	46,112	67,674	77,157	72,783
Legal Fees	225,294	351,031	361,000	132,000
Management Fees	15,986	14,754	17,825	13,025
Insurance Expense	237,830	247,437	320,003	4,000
Rentals & Leases	809	1,214	1,140	1,224
Printing Expense	3,751	20,562	5,485	7,490
Advertising/Signage	6,055	4,685	8,425	10,010
Intergovt Agreements	49,710	50,606	66,000	66,000
Contractual Services	300	1,858	-	4,000
Constituent Communication	3,079	5,628	1,500	20,100
Bank/Merc Acct Fees	6,343	3,609	11,580	3,600
Election Expense	9,112	53,333	35,550	-
Community Contracts/Events	-	-	4,200	4,800
Prosecutor Fees	100,000	105,000	110,250	110,316
Public Defender Fees	1,644	3,500	4,800	4,800
Office Supplies	2,711	2,475	6,286	6,934
Cleaning/Janitorial Supplies	-	39	10	10
Operating Supplies	1,480	4,976	4,285	4,085
Food & Beverage Supplies	8,322	10,699	11,310	13,141
Program Materials	9,670	12,108	9,987	11,750
Uniforms	221	-	-	-
Postage & Delivery	353	511	5,567	5,801
Miscellaneous Expense	-	397	-	-
Small Tools	1,056	-	-	-



FY19-20 Proposed Budget
Summary of Expenditures
Administration Department

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
General Fund-continued				
Software	\$ 1,961	\$ 37,845	\$ 550	\$ 550
Hardware/Peripherals	46,623	29,121	13,400	13,250
Furniture/Appliances	-	-	-	-
Equipment	475	4,453	-	-
ISF-Copier Charges	4,502	4,947	4,355	3,549
ISF-Mail Service Charges	5,019	6,098	-	-
ISF-Vehicle Replacement Charge	-	828	1,353	1,835
ISF-Motor Pool Charges	1,029	817	475	572
ISF-Telecom Charges	5,843	6,337	-	-
Contingency	-	-	-	-
Total Administration	<u>\$ 1,921,811</u>	<u>\$ 2,290,065</u>	<u>\$ 2,438,780</u>	<u>\$ 2,050,966</u>

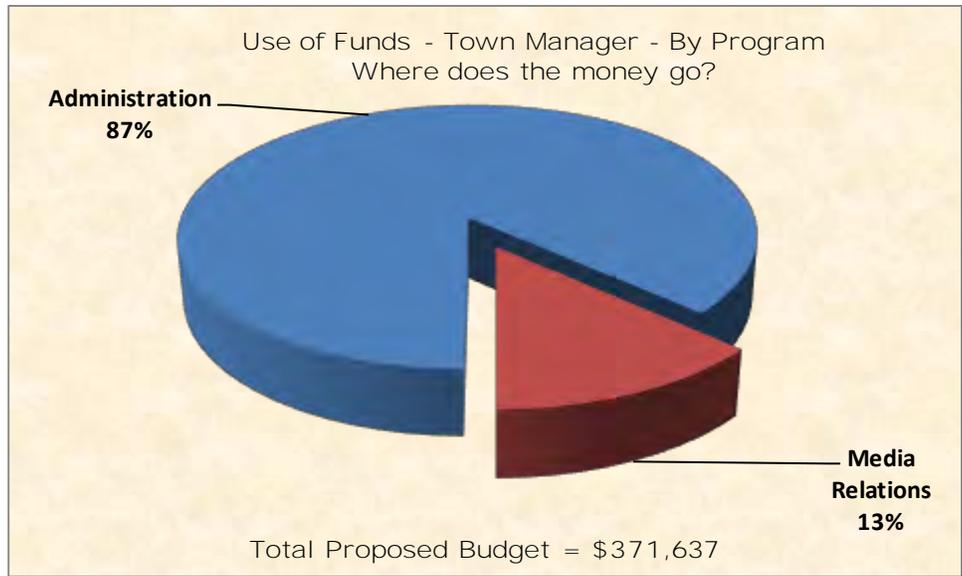


Town Manager Division

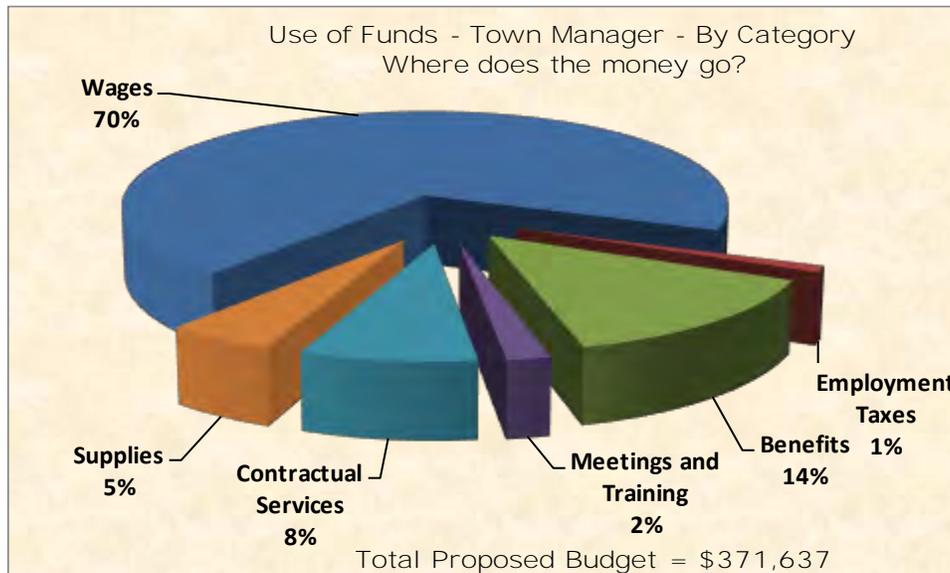
Service Delivery Plan

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, distribute information to the public and administer the Volunteer Program.

Program Name	Expenditures by Program			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Administration	\$ 216,112	\$ 226,695	\$ 229,872	\$ 242,710
Media Relations	-	36,012	35,095	35,426
Volunteers	76,269	85,739	88,517	93,501
Total	\$ 292,381	\$ 348,446	\$ 353,484	\$ 371,637



Category	Expenditures by Category			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Wages	\$ 220,308	\$ 233,579	\$ 244,344	\$ 256,824
Employment Taxes	3,903	3,995	4,081	4,286
Benefits	43,227	56,541	49,916	53,358
Dues & Memberships	1,440	1,979	2,057	2,512
Meetings and Training	1,806	3,894	9,580	8,490
Utilities	938	-	-	-
Contractual Services	1,745	27,527	25,975	26,655
Supplies	16,208	18,870	16,464	18,700
Equipment	515	11	-	-
Internal Service	2,291	2,050	1,067	812
Total	\$ 292,381	\$ 348,446	\$ 353,484	\$ 371,637



Activities/Results

VOLUNTEER PROGRAM

Over 900 volunteers from the Town of Fountain Hills bring energy, skill, enthusiasm, vision, and support to our Town. Volunteers enable the Town to improve the lives of its citizens by providing essential services and desired amenities as well as foster civic engagement through service.

Picture yourself volunteering with: the Home Delivered Meal Program, Crisis Response Team, Give a Lift Program, Teen Court Program, or at one of the many special events led by Community Services such as the Turkey Trot or the Irish Fest, 4th at the Fountain, Music Fest or in the Adopt - A - Street Program, the Senior Activity Center, Front Desk attendants at the Community Center and Town Hall, Boards and Commissions, and many more opportunities. All of these volunteer opportunities directly work with residents and visitors to Fountain Hills.

The presence of volunteers in the Town Hall, Community Services, Fire Department or Senior Activity Center is crucial to a vision that is focused on expanding and enhancing the services the Town is able to provide the community.

Everyone can serve....everyone can make a difference!

MEDIA RELATIONS

The mission of the Public Information Office is to accurately communicate news and information to Fountain Hills' customers, citizens, news media, elected officials, and employees via internal and external communication sources. In fiscal year 18-19, the Public Information Office distributed three issues of the Fountain Hills First informational newsletter. This publication reaches approximately 13,127 residential homes in Town. The Fountain Hills First publication boasts a wealth of information including, but not limited, to information regarding street maintenance work, business licensing, tax and fee information, Town aid programs and the special events calendar. In addition to this publication the Public Information Office also manages the Town's six social media pages, municipal website information releases and news releases.

FY19-20 Proposed Budget
Summary of Expenditures
Town Manager

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
General Fund				
Salaries-Full Time	\$ 220,308	\$ 233,579	\$ 244,344	\$ 256,824
Medicare	3,217	3,539	3,573	3,755
Workers Compensation	541	386	437	460
Unemployment Insurance	145	70	71	71
Group Health Insurance	16,835	18,580	12,540	12,665
Group Dental Insurance	798	911	921	982
Group Vision Insurance	107	170	179	181
Disability Insurance	817	852	1,034	1,087
Retirement	24,342	26,462	26,879	28,250
Life Insurance	221	241	240	285
Bonus	108	145	143	143
Allowance/Stipend	-	9,180	7,980	9,765
Dues, Subscript & Publicat	1,440	1,979	2,057	2,512
Meetings & Training	1,631	3,709	8,490	8,490
Boards & Commissions	175	185	1,090	-
Telecommunications	938	-	-	-
Professional Fees	608	2,426	18,920	400
Printing Expense	99	19,473	155	155
Advertising/Signage	-	-	1,200	1,200
Contractual Services	300	-	-	-
Constituent Communication	738	5,628	1,500	20,100
Community Contracts/Events	-	-	4,200	4,800
Office Supplies	728	515	2,300	2,300
Cleaning/Janitorial Supplie	-	29	-	-
Operating Supplies	45	2,349	830	860
Food & Beverage Supplies	6,694	8,117	7,210	7,700
Program Materials	8,190	7,465	5,517	7,300
Uniforms	221	-	-	-
Postage & Delivery	329	395	607	540
Software	-	11	-	-
Hardware	40	-	-	-
Equipment	475	-	-	-
ISF-Copier Charges	954	491	750	665
ISF-Mail Service Charges	267	170	-	-
ISF-Vehicle Replacement Charges	-	313	235	112
ISF-Motor Pool Charges	39	-	82	35
ISF-Telecom Charges	1,031	1,076	-	-
Total Town Manager	<u>\$ 292,381</u>	<u>\$ 348,446</u>	<u>\$ 353,484</u>	<u>\$ 371,637</u>

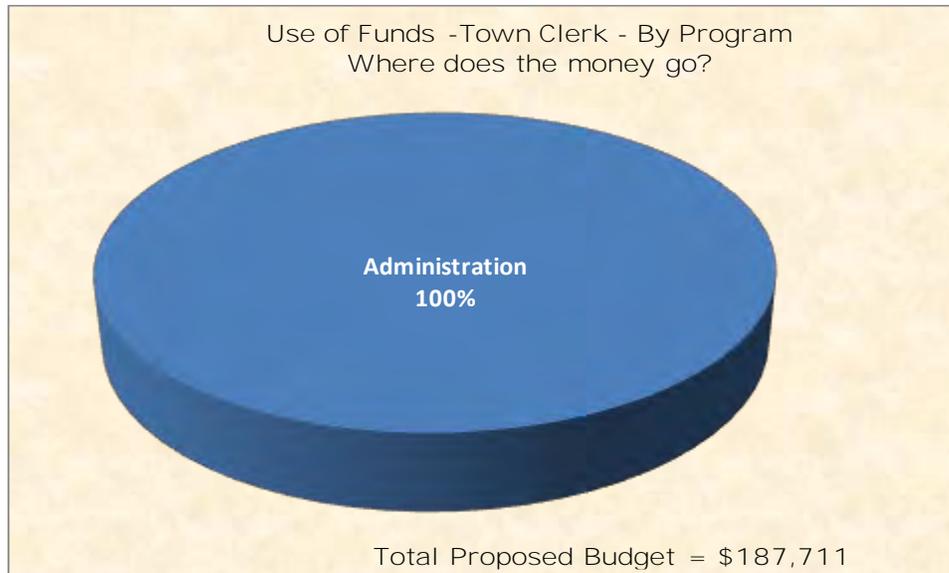


Town Clerk Division

Service Delivery Plan

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

Program Name	Expenditures by Program			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Administration	\$ 121,178	\$ 204,522	\$ 174,435	\$ 187,711
Legislation	13,642	13,138	4,462	-
Total	\$ 134,820	\$ 217,660	\$ 178,897	\$ 187,711



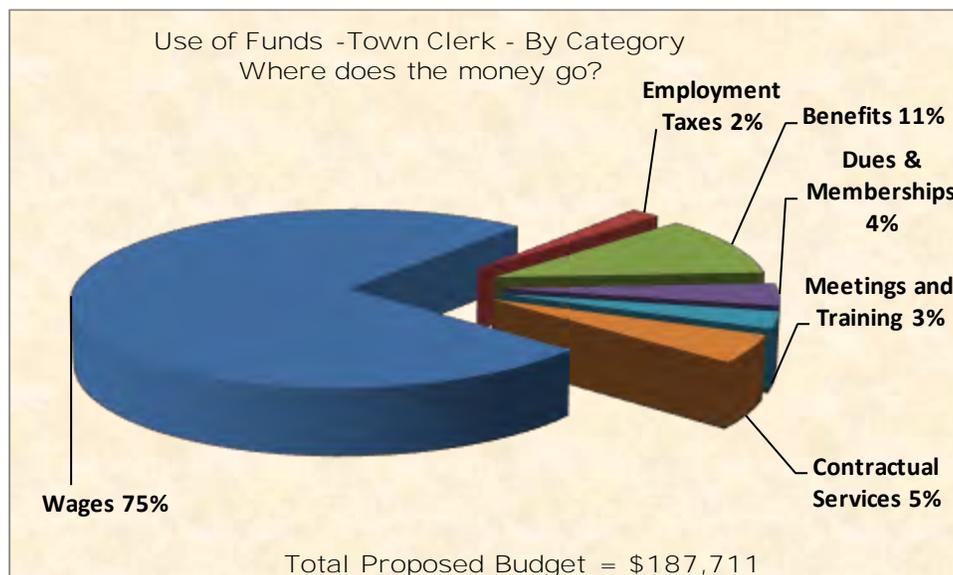
Category	Expenditures by Category			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Wages	\$ 88,388	\$ 125,270	\$ 111,578	\$ 140,584
Employment Taxes	1,516	1,887	1,650	3,506
Benefits	16,511	21,143	18,087	21,460
Dues & Memberships	375	380	720	6,720
Meetings and Training	2,474	50	4,824	4,824
Contractual Services	22,755	66,503	40,012	9,080
Supplies	196	423	670	695
Equipment	1,056	-	50	50
Internal Service	1,549	2,004	1,306	792
Total	\$ 134,820	\$ 217,660	\$ 178,897	\$ 187,711

Variance Explanations:

Wages: An amount was added for a new part-time account clerk position.

Dues & Memberships: The increase is a result of a new subscription to agenda management software.

Contractual Services: Amount was removed for elections as none are anticipated in this coming fiscal year.



Activities/Results

Performance Measures

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Registered Voters:				
Special (05/15/18)	N/A	16,991	N/A	N/A
Primary (08/30/16 and 08/28/18)	16,387	N/A	16,775	N/A
Voter Turnout %:				
Special (05/15/18)	N/A	40%	N/A	N/A
Primary (08/30/16 and 08/28/18)	41%	N/A	51%	N/A

Quality

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Percentage of contracts processed within five business days after approval	100%	100%	98%	100%
Percentage of agenda and meeting notices posted in compliance with legal requirements	100%	100%	100%	100%

Productivity

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Town Council Agenda/Meeting notices posted	42/24	36/28	36/25	36/25
Requests for Public Information processed	165	205	150	150



FY19-20 Proposed Budget
Summary of Expenditures
Town Clerk

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
General Fund				
Salaries-Full Time	\$ 88,388	\$ 125,270	\$ 99,750	\$ 122,006
Salaries-Part Time	-	-	11,828	18,578
FICA	-	-	-	1,152
Medicare	1,250	1,722	1,447	2,053
Workers Compensation	211	141	178	251
Unemployment Insurance	55	24	25	50
Group Health Insurance	5,622	5,788	5,792	5,849
Group Dental Insurance	594	614	621	459
Group Vision Insurance	82	124	131	79
Disability Insurance	359	359	422	516
Retirement	9,723	13,813	10,973	13,421
Life Insurance	92	94	98	136
Bonus	40	51	50	100
Allowance/Stipend	-	300	-	900
Licenses/Filing Fees	-	-	70	70
Dues, Subscript & Publicat	375	380	650	6,650
Meetings & Training	2,474	50	4,824	4,824
Professional Fees	10,095	10,068	383	-
Printing Expense	-	-	80	80
Advertising/Signage	3,547	3,070	4,000	5,000
Bank/Merc Account Fees	-	32	-	-
Contractual Services	-	-	-	4,000
Election Expense	9,112	53,333	35,550	-
Office Supplies	196	423	470	470
Postage & Delivery	-	-	200	225
Small Tools	1,056	-	-	-
Software	-	-	50	50
ISF-Copier Charges	1,093	1,585	1,099	421
ISF-Mail Service Charges	15	39	-	-
ISF-Vehicle Replacement Charges	-	-	153	283
ISF-Motor Pool Charges	211	141	53	88
ISF-Telecom Charges	230	239	-	-
Total Town Clerk	\$ 134,820	\$ 217,660	\$ 178,897	\$ 187,711



Administrative Services Division

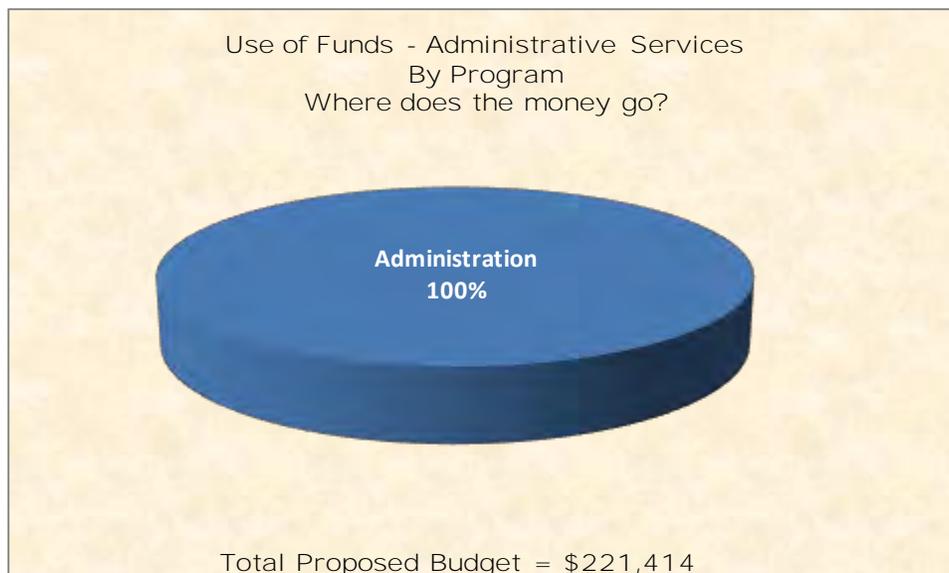
Service Delivery Plan

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			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Administration	\$ 124,948	\$ 130,869	\$ 176,153	\$ 221,414
Risk Management	274,396	285,141	357,246	-
Total	\$ 399,344	\$ 416,010	\$ 533,399	\$ 221,414

Variance Explanations:

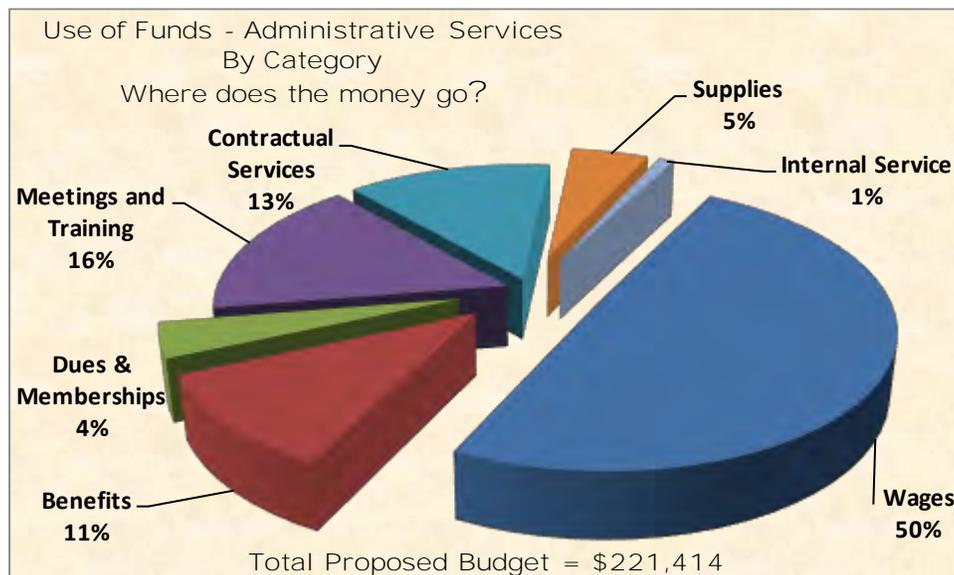
Administration/Risk Management: Programs were combined into Administration for more efficient managing and reporting purposes and the Town’s liability insurance was reallocated to General Government.



Category	Expenditures by Category			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Wages	\$ 98,325	\$ 100,736	\$ 105,822	\$ 109,591
Employment Taxes	1,626	1,503	1,762	1,824
Benefits	22,609	24,343	24,392	25,161
Dues & Memberships	7,994	9,175	8,525	9,017
Meetings and Training	10,918	13,457	36,854	36,205
Utilities	750	-	-	-
Contractual Services	252,022	260,745	346,092	28,043
Supplies	3,629	4,635	9,040	10,271
Equipment/Improvements	-	26	-	-
Internal Service	1,471	1,390	912	1,302
Total	\$ 399,344	\$ 416,010	\$ 533,399	\$ 221,414

Variance Explanations:

Contractual Services: The decrease reflects reallocation of the Town liability insurance to General Government.



Activities/Results

Performance Measures

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Increase the percentage of employee performance reviews completed on schedule	97%	88%	91%	97%
Increase or maintain the number of applications received per recruitment for non-exempt positions	26	N/A	31	25
Increase or maintain the number of applications received per recruitment for exempt positions	28	29	33	30

Quality

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Decrease the number of days lost to injury per worker's compensation claim	2	34	0	0
Maintain the turnover rate of full-time employees at an acceptable rate	12%	7%	11%	6%

Productivity

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Number of full-time employees departed from Town service	5	3	5	1
Number of exit interviews conducted	5	3	5	1
Ensure supervisors receive performance evaluation documentation four weeks in advance	92%	75%	75%	100%
Quarterly track and analyze performance evaluation trends, including number of performance evaluations that were late, type of increases each employee received, etc.	92%	100%	100%	100%
Number of exempt recruitments conducted	3	7	4	1
Number of full-time non-exempt recruitments conducted	2	1	5	0
Average number of days to fill a vacancy	65	60	80	60
Number of workers' compensation claims due to injury	3	3	3	0



FY19-20 Proposed Budget
Summary of Expenditures
Administrative Services

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
General Fund				
Salaries-Full Time	\$ 98,325	\$ 100,736	\$ 105,822.00	\$ 109,591.00
Medicare	1,335	1,321	1,549	1,603
Workers Compensation	236	158	189	196
Unemployment Insurance	55	25	24	25
Group Health Insurance	10,346	10,868	10,874	10,983
Group Dental Insurance	852	865	874	932
Group Vision Insurance	53	74	77	79
Disability Insurance	399	399	427	448
Retirement	10,816	11,081	11,086	11,647
Life Insurance	102	104	104	122
Bonus	41	51	50	50
Allowance/Stipend	-	900	900	900
Dues, Subscript & Publicat	7,994	9,175	8,525	9,017
Training/Cont Ed	-	-	15,179	15,179
Meetings & Training	10,917	13,457	21,675	21,025
Telecommunications	750	-	-	-
Professional Fees	13,142	13,308	23,214	21,083
Legal Fees	-	-	1,000	1,000
Insurance Expense	237,830	247,437	320,003	4,000
Printing Expense	-	-	150	150
Advertising/Signage	1,050	-	1,725	1,810
Office Supplies	570	192	830	830
Cleaning/Janitorial Supplies	-	-	10	10
Operating Supplies	248	82	-	-
Food & Beverage Supplies	1,628	2,582	4,100	5,441
Program Materials	1,162	1,349	3,940	3,830
Postage & Delivery	21	34	160	160
Miscellaneous Expense	-	397	-	-
Hardware/Peripherals	-	26	-	-
ISF-Copier Charges	454	439	400	420
ISF-Mail Service Charges	66	72	-	-
ISF-Vehicle Replacement Charges	-	89	379	673
ISF- Motor Pool Charges	495	311	133	210
ISF-Telecom Charges	457	478	-	-
Total Administrative Services	<u>\$ 399,344</u>	<u>\$ 416,010</u>	<u>\$ 533,399</u>	<u>\$ 221,414</u>



Purchasing Division

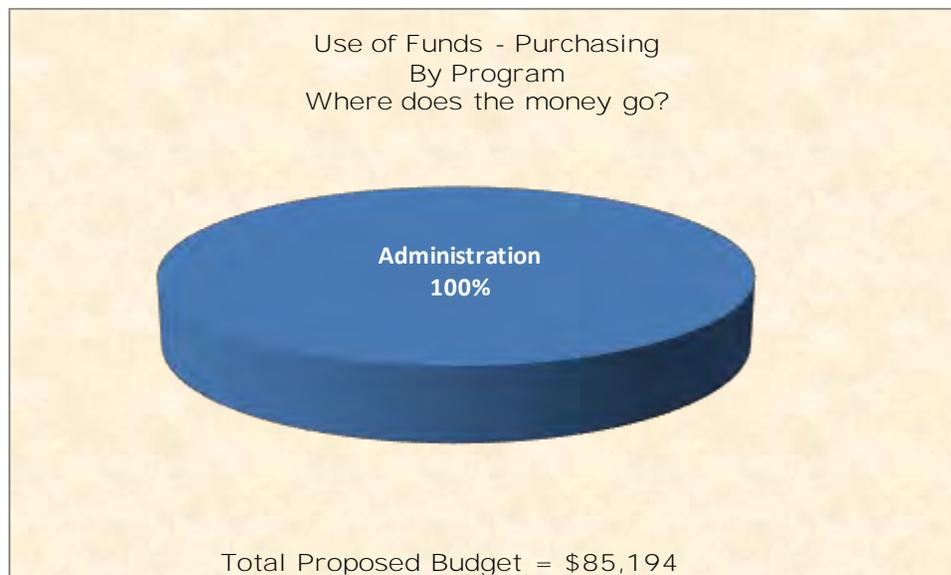
Service Delivery Plan

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

Program Name	Expenditures by Program			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Administration	\$ -	\$ -	\$ -	\$ 85,194
Total	\$ -	\$ -	\$ -	\$ 85,194

Variance Explanations:

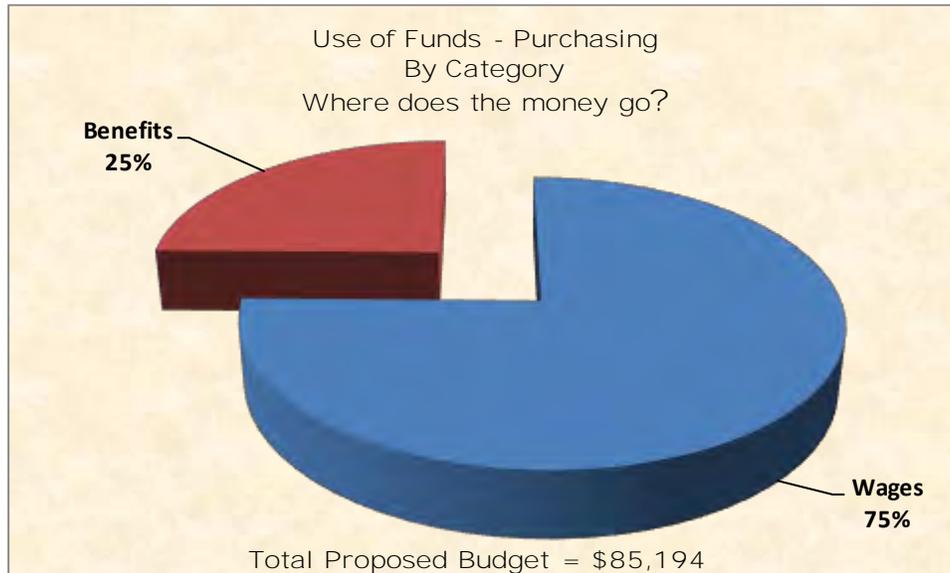
Administration: This is a new division that was added which includes a new position.



Category	Expenditures by Category			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Wages	\$ -	\$ -	\$ -	\$ 62,100
Employment Taxes	-	-	-	1,050
Benefits	-	-	-	19,944
Meetings & Training	-	-	-	200
Supplies	-	-	-	150
Equipment/Improvement	-	-	-	1,750
Total	\$ -	\$ -	\$ -	\$ 85,194

Variance Explanations:

Wages: Amount was added for a new position.



Activities/Results

Performance Measures

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Requisitions Processed within 60 business hours.	N/A	N/A	N/A	95%
Excellent / Good customer survey results.	N/A	N/A	N/A	85%

Quality

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Requisitions processed	N/A	N/A	N/A	900
Number of procurement contracts approved by Council	N/A	N/A	N/A	24

Productivity

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Number of P-Card Transactions	N/A	N/A	N/A	1,200
Number of competitive formal solicitations conducted	N/A	N/A	N/A	20



FY19-20 Proposed Budget
Summary of Expenditures
Purchasing

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
General Fund				
Salaries-Full Time	\$ -	\$ -	\$ -	\$ 62,100
Medicare	-	-	-	914
Workers Compensation	-	-	-	111
Unemployment Insurance	-	-	-	25
Group Health Insurance	-	-	-	10,983
Group Dental Insurance	-	-	-	932
Group Vision Insurance	-	-	-	156
Disability Insurance	-	-	-	254
Retirement	-	-	-	6,600
Life Insurance	-	-	-	69
Bonus	-	-	-	50
Allowance/Stipend	-	-	-	900
Meetings & Training	-	-	-	200
Office Supplies	-	-	-	150
Hardware/Peripherals	-	-	-	1,750
Total Procurement	\$ -	\$ -	\$ -	\$ 85,194



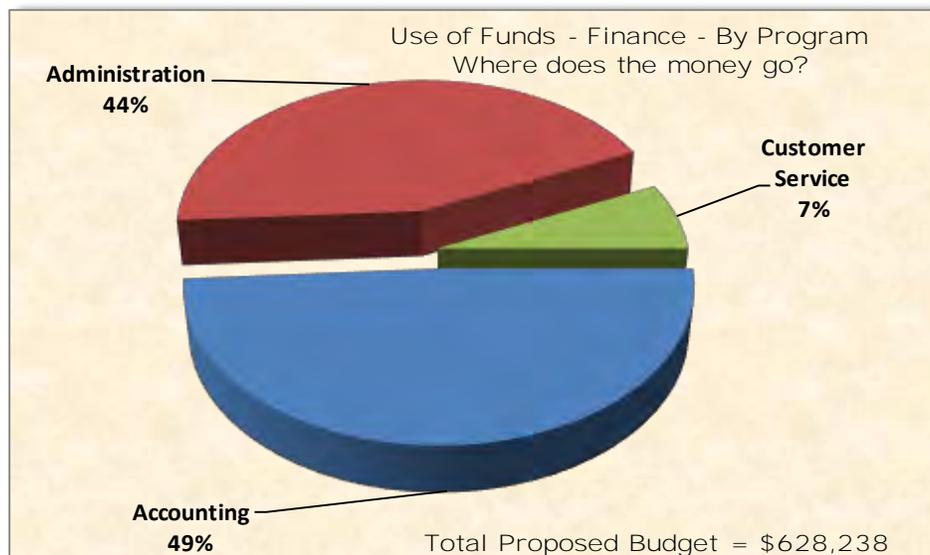
Service Delivery Plan

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.

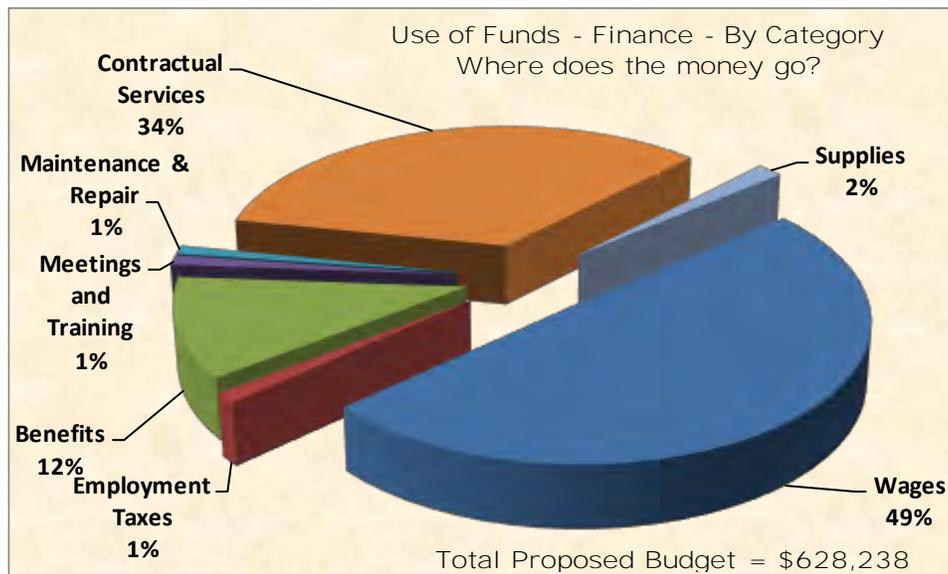
Program Name	Expenditures by Program			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Accounting	\$ 158,931	\$ 164,076	\$ 192,062	\$ 308,660
Administration	183,787	236,495	235,364	276,594
Customer Service	36,980	41,261	41,406	42,984
Licensing	46,769	55,163	61,369	-
Purchasing	57,922	61,343	62,527	-
Total	\$ 484,389	\$ 558,338	\$ 592,728	\$ 628,238

Variance Explanations:

Accounting/Licensing/Purchasing(AP): Programs were combined into Accounting for more efficient managing and reporting purposes. A new purchasing division was created and moved into Administration.



Category	Expenditures by Category			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Wages	\$ 260,665	\$ 274,987	\$ 279,418	\$ 307,493
Employment Taxes	8,978	9,352	6,943	7,478
Benefits	48,850	49,057	66,087	72,200
Dues & Memberships	3,138	10,724	2,935	3,350
Meetings and Training	3,139	3,162	6,644	6,744
Maintenance & Repair	1,558	2,615	6,000	6,000
Utilities	750	-	-	-
Contractual Services	145,997	183,127	211,966	211,994
Supplies	2,264	3,144	9,021	10,055
Equipment	343	11,270	900	-
Internal Service	8,707	10,900	2,814	2,924
Total	\$ 484,389	\$ 558,338	\$ 592,728	\$ 628,238



Activities/Results

Performance Measures

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Consecutive years for GFOA annual Certificate of Achievement for Excellence in Financial Reporting award	21	22	23	24
Consecutive years for GFOA annual Distinguished Budget Presentation award	16	17	18	19
Consecutive years of GFOA annual Popular Reporting Award	5	6	7	8

Quality

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Actual revenue versus forecast—General Fund only (excluding transfers)	99%	94%	100%	100%
Unmodified audit opinion	Yes	Yes	Yes	Yes

Productivity

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Accounts payable checks issued	1,434	1,477	1,500	1,500
Local tax revenues from audits	\$229,297	\$171,149	\$50,000	\$50,000
Business licenses processed	2,767	2,874	2,900	2,900



FY19-20 Proposed Budget
Summary of Expenditures
Finance

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
General Fund				
Salaries-Full Time	\$ 191,587	\$ 197,518	\$ 242,923	\$ 269,646
Salaries-Part Time	68,765	77,277	36,495	37,847
Overtime	313	193	-	-
FICA	4,274	4,855	2,222	2,304
Medicare	3,651	3,881	4,071	4,476
Workers Compensation	624	428	500	548
Unemployment Insurance	429	189	150	150
Group Health Insurance	24,129	22,655	33,334	36,349
Group Dental Insurance	2,095	2,140	3,039	3,070
Group Vision Insurance	248	354	527	479
Disability Insurance	776	776	1,027	1,141
Retirement	21,109	21,659	26,721	29,661
Life Insurance	198	204	239	300
Bonus	295	369	300	300
Allowance/Stipend	-	900	900	900
Licenses/Filing Fees	976	876	1,425	1,425
Dues, Subscript & Publicat	2,162	9,848	1,510	1,925
Meetings & Training	3,139	3,162	6,644	6,744
Office Equip Maint/Repair	1,557	2,615	6,000	6,000
Telecommunications	750	-	-	-
Auditing Expense	65,250	74,970	83,681	68,740
Professional Fees	1,597	34,627	26,140	51,300
Management Fees	15,986	14,754	17,825	13,025
Rentals & Leases	809	1,214	1,140	1,224
Printing Expense	3,652	1,089	5,100	7,105
Advertising/Signage	1,458	1,433	1,500	2,000
Intergovt Agreements	48,710	49,606	65,000	65,000
Constituent Communication	2,341	-	-	-
Contractual Services	-	1,858	-	-
Bank/Merc Acct Fees	6,194	3,577	11,580	3,600
Office Supplies	1,162	1,231	2,186	2,684
Cleaning/Janitorial Supplies	-	10	-	-
Operating Supplies	783	1,722	1,805	1,975
Program Materials	318	116	530	620
Postage & Delivery	2	63	4,500	4,776
Software	-	6,790	-	-
Hardware/Peripherals	343	87	900	-
Equipment	-	4,393	-	-
ISF-Copier Charges	1,977	2,418	2,055	1,993
ISF-Mail Service Charges	4,647	5,814	-	-
ISF-Vehicle Replacement Charges	-	426	562	710
ISF-Motor Pool Charges	250	327	197	221
ISF-Telecom Charges	1,833	1,914	-	-
Total Finance	<u>\$ 484,389</u>	<u>\$ 558,338</u>	<u>\$ 592,728</u>	<u>\$ 628,238</u>

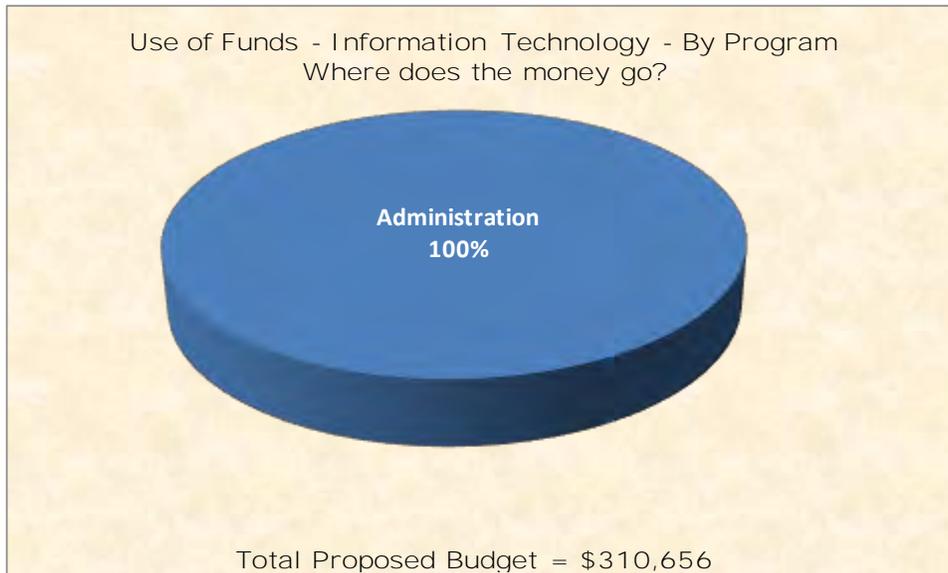


Information Technology Division

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.

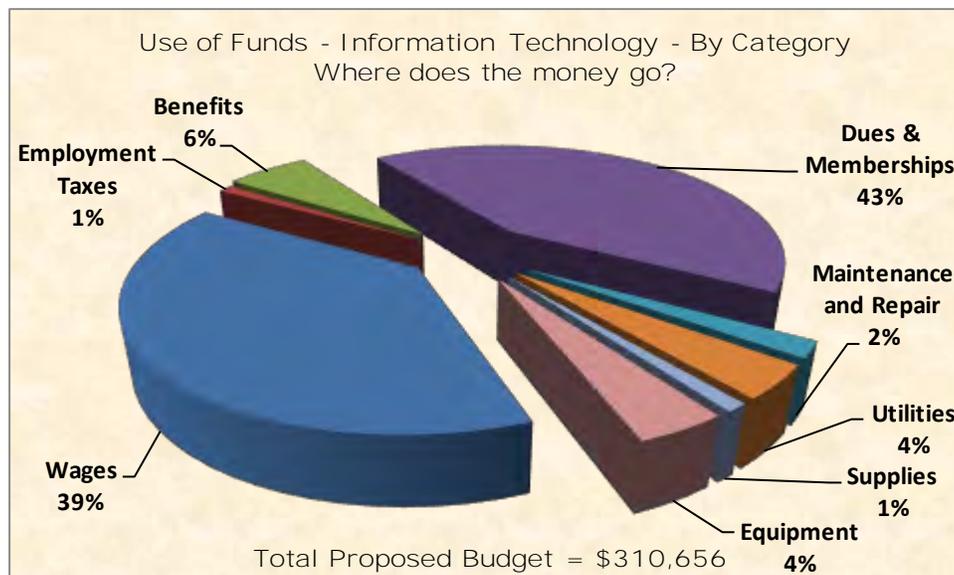
Program Name	Expenditures by Program			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Administration	\$ 96,842	\$ 99,255	\$ 103,886	\$ 108,260
Operations	182,737	185,972	196,616	202,396
Total	\$ 279,579	\$ 285,227	\$ 300,502	\$ 310,656



Category	Expenditures by Category			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Wages	\$ 78,062	\$ 79,976	\$ 111,805	\$ 120,105
Employment Taxes	1,387	1,324	3,642	4,113
Benefits	15,035	16,406	16,981	18,323
Dues & Memberships	109,672	109,886	125,240	134,440
Meetings and Training	133	-	-	-
Maintenance and Repair	1,616	1,420	5,000	5,000
Utilities	1,049	1,280	13,000	13,700
Contractual Services	21,819	8,245	9,500	1,000
Supplies	460	4,133	2,250	1,850
Equipment	48,201	60,113	13,000	12,000
Internal Service	2,145	2,444	84	125
Total	\$ 279,579	\$ 285,227	\$ 300,502	\$ 310,656

Variance Explanations:

Contractual Services: An item budget was moved to Dues & Memberships for a more accurate classification of the expense.



Activities/Results

Performance Measures

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Percentage of emergency related helpdesk tickets resolved within two business hours	95%	95%	99%	99%
Percentage of high priority helpdesk tickets resolved within four hours	98%	98%	98%	100%
Percentage of helpdesk tickets resolved within twelve hours	95%	98%	98%	100%

Quality

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Total number of tickets opened	401	294	344	350
Total number of tickets closed without resolution	0	0	0	0
Total number of tickets resolved within established timeframe	401	294	344	350
Number of issues resolved during initial contact	360	235	292	315
Online Payments Processed (Website)	659	1111	957	1000

Productivity

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Availability of computer system up-time	99%	99%	98%	100%
Number of Public Meetings Recorded (Video)	24	25	25	25



FY19-20 Proposed Budget
Summary of Expenditures
Information Technology

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
General Fund				
Salaries-Full Time	\$ 78,062	\$ 79,976	\$ 84,014	\$ 87,006
Salaries-Part Time	-	-	27,791	33,099
FICA	-	-	1,723	2,052
Medicare	1,145	1,174	1,636	1,769
Workers Compensation	187	125	233	242
Unemployment Insurance	55	24	50	50
Group Health Insurance	5,576	5,788	5,792	5,849
Group Dental Insurance	412	426	431	459
Group Vision Insurance	53	75	78	79
Disability Insurance	285	285	356	368
Retirement	8,587	8,798	9,241	9,571
Life Insurance	81	84	83	97
Bonus	41	51	100	100
Allowance/Stipend	-	900	900	1,800
Licenses/Filing Fees	80,255	88,152	99,450	97,950
Dues, Subscript & Publicat	29,417	21,734	25,790	36,490
Meetings & Training	133	-	-	-
Equipment Maint/Repair	1,574	1,403	5,000	5,000
Office Equip Maint/Repair	42	17	-	-
Telecommunications	1,048	1,280	13,000	13,700
Professional Fees	20,670	7,245	8,500	-
Intergovt Agreements	1,000	1,000	1,000	1,000
Bank/Merc Acct Fees	149	-	-	-
Office Supplies	55	114	500	500
Operating Supplies	405	823	1,650	1,250
Program Materials	-	3,177	100	100
Postage & Delivery	-	19	-	-
Software	1,961	31,045	500	500
Hardware/Peripherals	46,240	29,007	12,500	11,500
Equipment	-	60	-	-
ISF-Copier Charges	25	14	50	50
ISF-Mail Service Charges	24	3	-	-
ISF-Vehicle Replacement Charges	-	-	25	57
ISF-Motor Pool Charges	34	38	9	18
ISF-Telecom Charges	2,063	2,390	-	-
Total Information Technology	\$ 279,579	\$ 285,227	\$ 300,502	\$ 310,656



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			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Attorney Services	\$ 331,298	\$ 464,384	\$ 479,770	\$ 246,116
Total	\$ 331,298	\$ 464,384	\$ 479,770	\$ 246,116

Variance Explanations:

Attorney Services: The decrease is a result of reduced Town attorney fees.

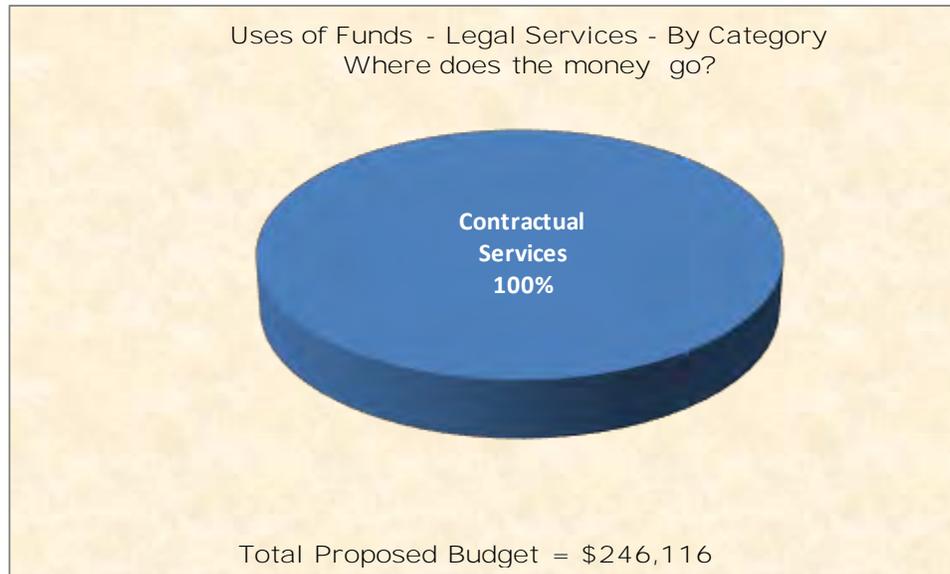


Category	Expenditures by Category			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Dues & Memberships	\$ 4,130	\$ 4,432	\$ 4,720	\$ -
Contractual Services	326,938	459,713	475,050	246,116
Internal Service	230	239	-	-
Total	\$ 331,298	\$ 464,384	\$ 479,770	\$ 246,116



Variance Explanations:

Contractual Services: The decrease is a result of reduced Town attorney fees.



Activities/Results

Productivity

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Ordinances processed	14	16	12	15
Resolutions processed	57	89	70	75
Contracts and Agreements processed	249	171	250	250

FY19-20 Proposed Budget
Summary of Expenditures
Legal Services

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
General Fund				
Dues, Subscript & Publicat	\$ 4,130	\$ 4,432	\$ 4,720	\$ -
Legal Fees	225,294	351,031	360,000	131,000
Advertising/Signage	-	182	-	-
Prosecutor Fees	100,000	105,000	110,250	110,316
Public Defender Fees	1,644	3,500	4,800	4,800
ISF-Telecom Charges	230	239	-	-
Total Legal Services	<u>\$ 331,298</u>	<u>\$ 464,384</u>	<u>\$ 479,770</u>	<u>\$ 246,116</u>





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.

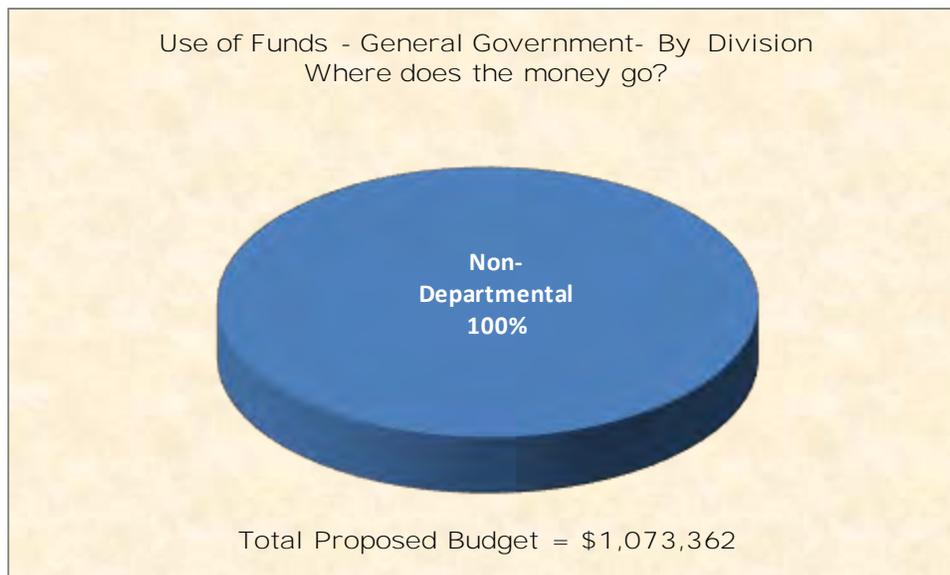
Department Overview

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 Towns, Maricopa Association of Governments, East Valley Partnership, and other Town-wide expenditures, now including liability insurance, 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			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Non-Departmental	\$ 202,454	\$ 204,809	\$ 616,326	\$ 1,073,362
Total	\$ 202,454	\$ 204,809	\$ 616,326	\$ 1,073,362

Variance Explanations:

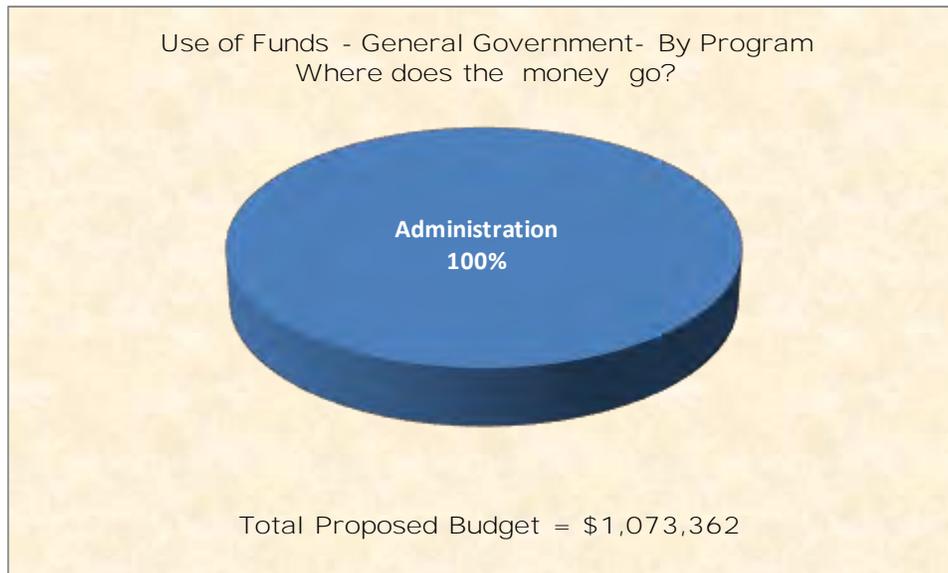
Non-Departmental: The increase reflects reallocation of the Town liability insurance from Administrative Services.



Program Name	Expenditures by Program			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Administration	\$ 202,454	\$ 204,809	\$ 616,326	\$ 1,073,362
Total	\$ 202,454	\$ 204,809	\$ 616,326	\$ 1,073,362

Variance Explanations:

Administration: The increase reflects reallocation of the Town liability insurance from Administrative Services.



Category	Expenditures by Category			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Dues & Memberships	\$ 32,696	\$ 34,163	\$ 36,367	\$ 40,930
Meetings & Training	382	3,694	-	650
Maintenance & Repair	-	84	7,800	6,300
Utilities	-	-	25,500	24,120
Contractual Services	142,063	166,787	231,745	527,457
Supplies	610	81	6,076	26,305
Internal Service	-	-	(10,205)	(10,153)
Contingency	26,703	-	319,043	457,753
Total	\$ 202,454	\$ 204,809	\$ 616,326	\$ 1,073,362

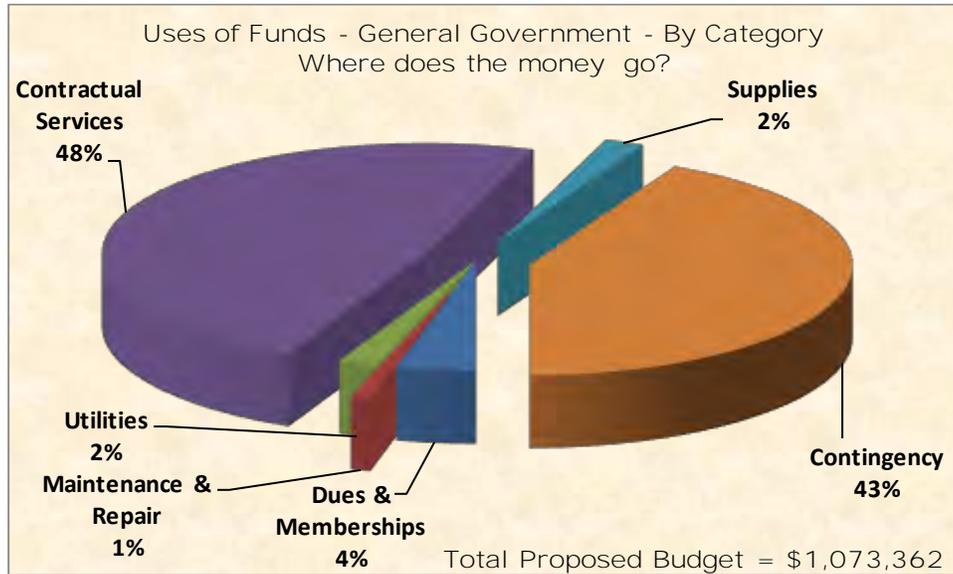
Variance Explanations:

Contractual Services: The increase reflects reallocation of the Town liability insurance from Administrative Services.



Supplies: A budget supplement was added for the 50th Anniversary Celebration.

Contingency: The increase will be reallocated as the need for contingency funding is approved.



FY19-20 Proposed Budget
Summary of Expenditures
General Government

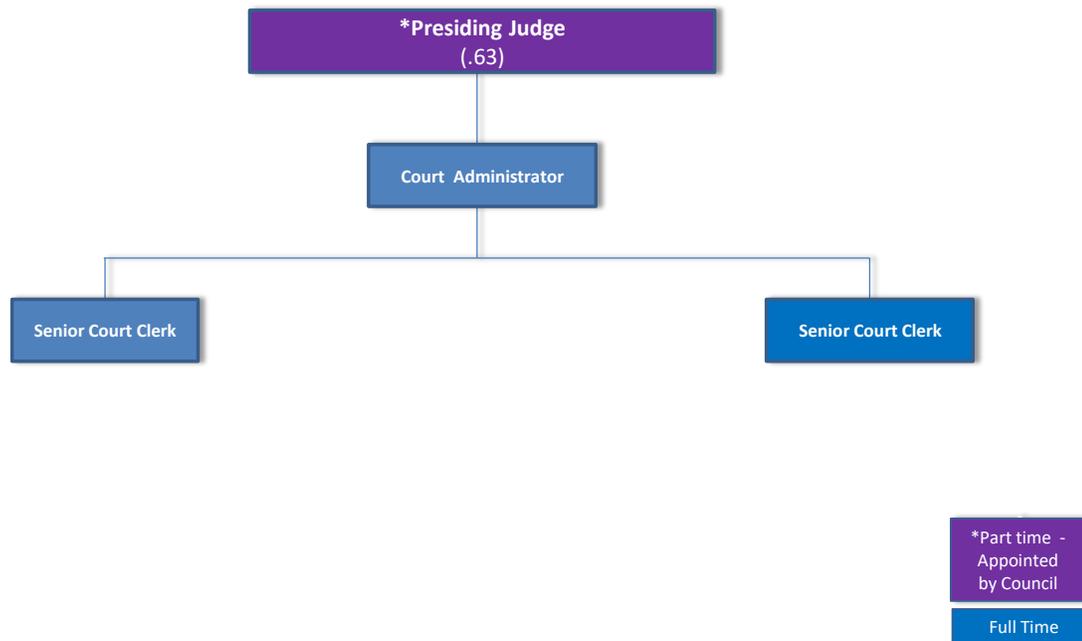
Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
General Fund				
Dues, Subscript & Publicat	\$ 32,696	\$ 34,163	\$ 36,367	\$ 40,930
Meetings & Training	358	-	-	650
Boards & Commissions	24	3,694	-	-
Office Equipment Maint/Repair	-	-	7,800	6,300
Sign Repair & Replacement	-	84	-	-
Telecommunications	-	-	25,500	24,120
Professional Fees	-	39,200	100,000	116,000
Legal Fees	-	365	-	-
Insurance Expense	-	-	-	298,582
Advertising/Signage	-	728	10,000	10,000
Contractual Services	12,758	12,758	-	-
Constituent Communication	3,695	-	-	-
Community Contracts/Events	125,050	110,890	118,515	102,794
Holiday Lighting	560	2,846	3,000	-
Interest Expense	-	-	230	81
Office Supplies	-	-	3,000	3,000
Program Materials	610	-	1,000	21,000
Postage & Delivery	-	81	2,076	2,305
ISF-Copier Charges	-	-	(8,380)	(8,500)
ISF-Motor Pool Charges	-	-	(1,824)	(1,653)
Contingency	26,703	-	319,042	457,753
Total General Government	\$ 202,454	\$ 204,809	\$ 616,326	\$ 1,073,362



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

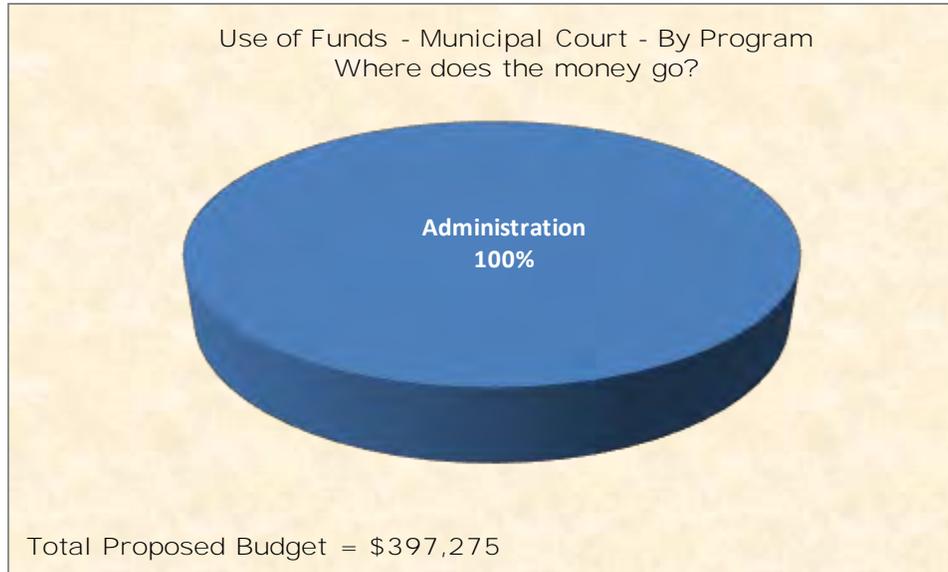
The Fountain Hills Municipal Court is the judicial branch of the Fountain Hills government. Pursuant to State law and the Town Code, decisions regarding the overall function of the Court are the sole responsibility of the Presiding Judge, who also has exclusive supervisory authority over all court personnel. 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 and County 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			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Administration	\$ 169,486	\$ 185,639	\$ 186,270	\$ 193,946
Operations	131,029	135,513	155,757	203,329
Total	\$ 300,515	\$ 321,152	\$ 342,027	\$ 397,275

Variance Explanations:

Operations: A budget supplement was added for the collection of unpaid fines.



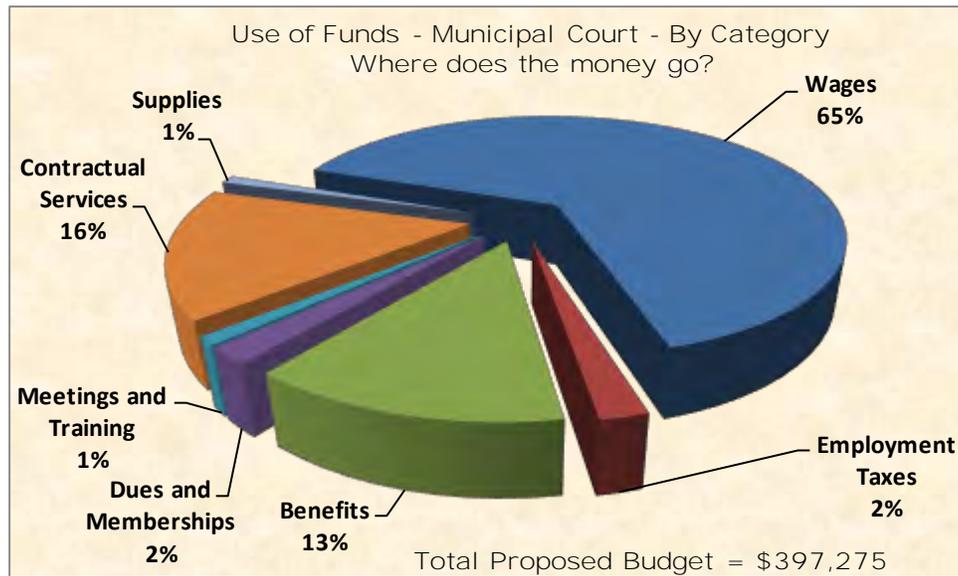


Category	Expenditures by Category			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Wages	\$ 231,893	\$ 239,521	\$ 249,800	\$ 260,083
Employment Taxes	9,107	9,064	8,834	9,118
Benefits	41,584	49,053	47,244	51,566
Dues and Memberships	4,362	3,422	7,663	8,863
Meetings and Training	409	1,649	3,465	3,405
Maintenance and Repair	635	690	3,159	804
Contractual Services	6,551	11,720	16,095	58,500
Supplies	2,408	1,956	4,272	3,935
Equipment	187	57	395	260
Internal Service	3,379	4,020	1,100	741
Total	\$ 300,515	\$ 321,152	\$ 342,027	\$ 397,275

Variance Explanations:

Contractual Services: A budget supplement was added for the collection of unpaid fines.





FY18-19 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
Obtain new case management system provided by the Arizona Supreme Court to provide better access to justice.	Goal #5, Objective #2



FY19-20 Objectives

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



Activities/Results

Performance Measures

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Cases Filed	1,913	1,268	1,050	1,500
Cases Terminated	2,072	1,217	1,000	2,000
Hearings/Trial Held	1,848	618	1,000	1,100

Quality

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Achieve a better understanding of how many arraignments the court conducts.	Approximately 1441	217 Estimated Minimum	1,000	1,950

Productivity

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Telephone	871	682	1,800	2,000
Appearance	889	776	950	1,500
Acceptance of plea agreement	140	140	195	220
Defensive Driving School (DDS) Completed	527	210	330	360



FY19-20 Proposed Budget
Summary of Expenditures
Municipal Court

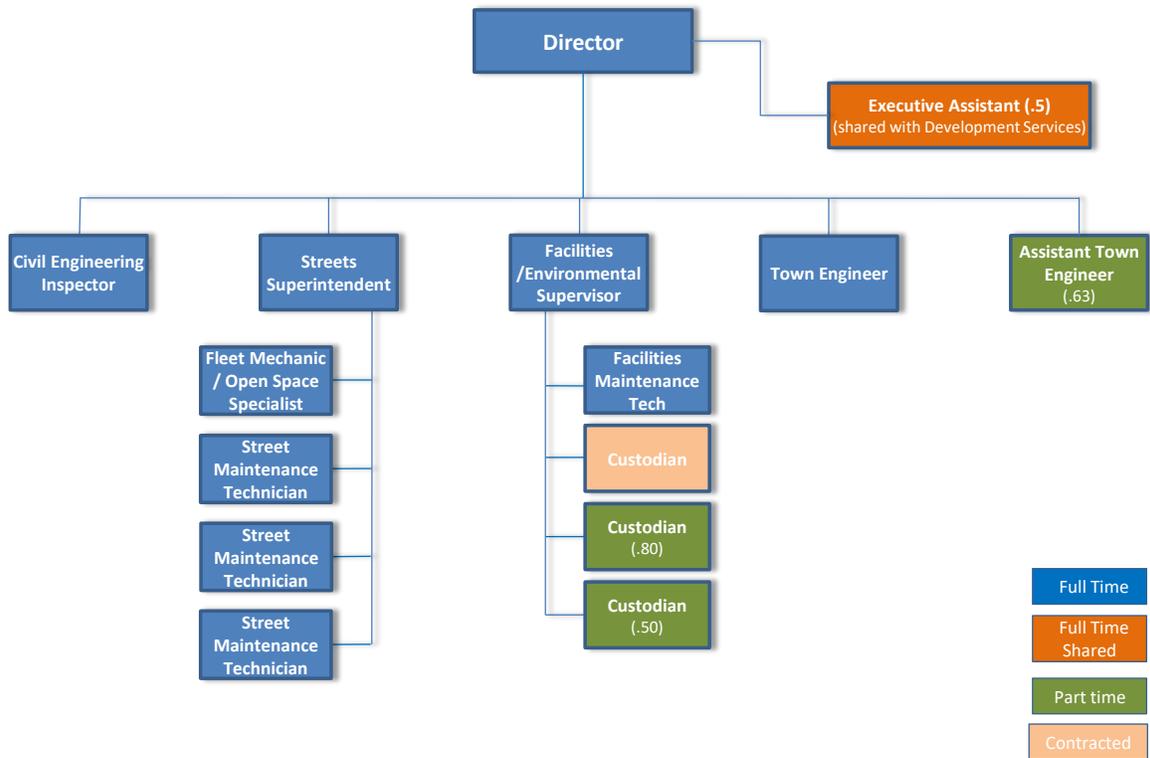
Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
General Fund				
Salaries-Full Time	\$ 157,722	\$ 165,592	\$ 173,987	\$ 182,375
Salaries-Part Time	72,126	73,929	75,813	77,708
Overtime	2,045	-	-	-
FICA	4,912	5,090	4,701	4,817
Medicare	3,385	3,524	3,624	3,775
Workers Compensation	517	352	409	426
Unemployment Insurance	293	98	100	100
Group Health Insurance	16,874	19,879	20,034	20,232
Group Dental Insurance	1,400	1,512	1,530	1,521
Group Vision Insurance	165	224	234	237
Disability Insurance	585	659	737	772
Retirement	22,246	26,324	24,338	28,401
Life Insurance	148	172	171	203
Bonus	165	206	200	200
Allowance/Stipend	-	75	-	-
Dues, Subscript & Publicat	4,362	3,422	7,663	8,863
Meetings & Training	409	1,649	3,465	3,405
Office Equip Maint/ Repair	635	690	3,159	804
Auditing Expense	-	3,750	-	-
Professional Fees	555	746	2,956	2,956
Legal Fees	-	400	1,400	1,400
Printing Expense	633	1,283	2,000	2,000
Intergovt Agreements	5,000	5,157	9,200	11,605
Contractual Services	-	-	-	40,000
Bank/Merc Acct Fees	363	385	540	540
Office Supplies	1,035	1,370	2,443	2,443
Cleaning/Janitorial Supplies	5	39	32	32
Safety Supplies	16	42	-	-
Operating Supplies	6	28	-	-
Food & Beverage Supplies	429	477	660	660
Uniforms	917	-	-	-
Postage & Delivery	-	-	1,137	800
Software	103	-	-	-
Hardware/Peripherals	84	58	395	260
ISF-Copier Charges	2	9	5	5
ISF-Mail Service Charges	978	1,049	-	-
ISF-Vehicle Replacement Charge	-	756	810	561
ISF-Motor Pool Charges	340	54	284	174
ISF-Telecom Charges	2,060	2,152	-	-
Total Municipal Court	\$ 300,515	\$ 321,152	\$ 342,027	\$ 397,275



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.

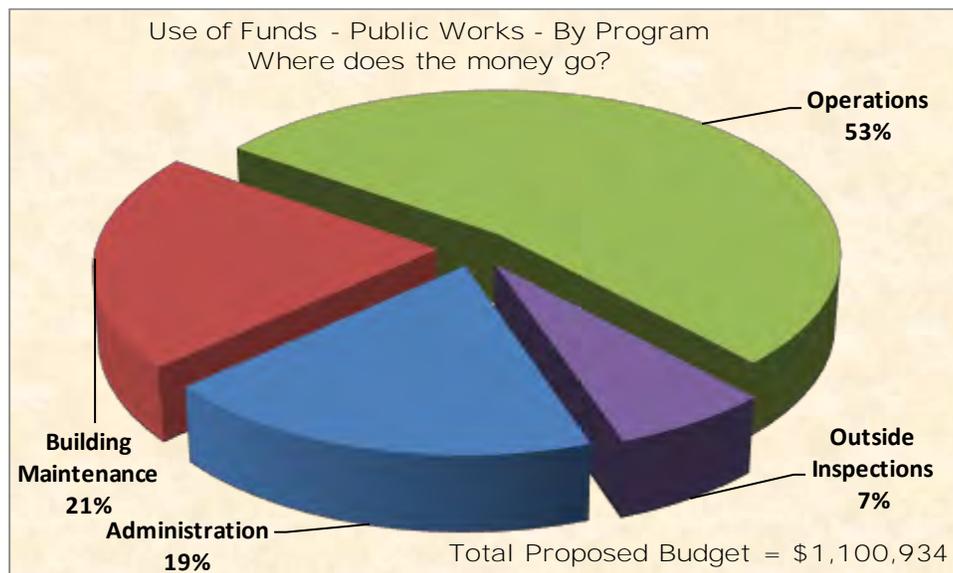
Department Overview

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			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Public Works	\$ 172,490	\$ 159,995	\$ 179,521	\$ 147,002
Engineering	205,471	144,770	196,323	272,016
Facilities	516,866	490,843	659,733	681,916
Total	\$ 894,827	\$ 795,608	\$ 1,035,577	\$ 1,100,934

Variance Explanations:

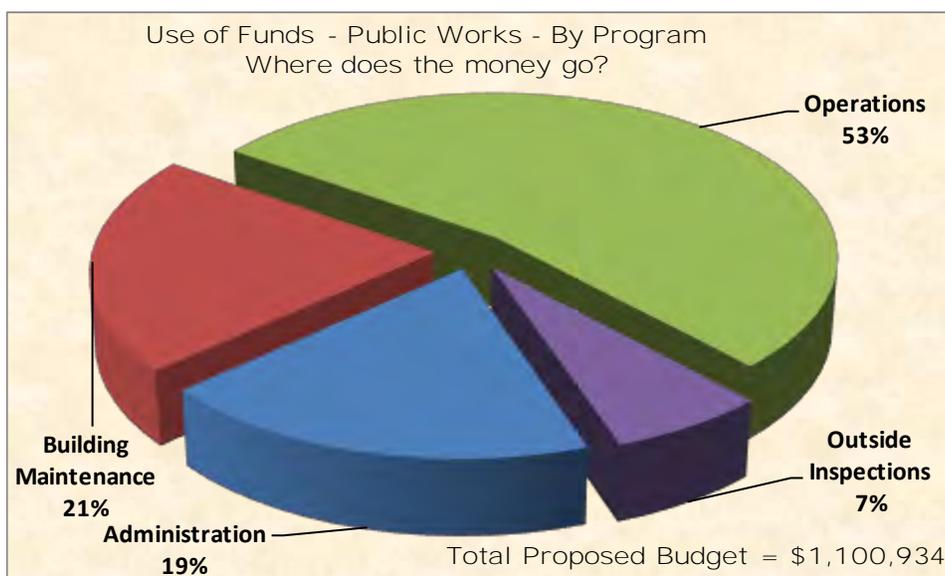
Public Works: The decrease is a result of changing the allocation between General Fund and the Street Fund from 75/25 split to 70/30 split.



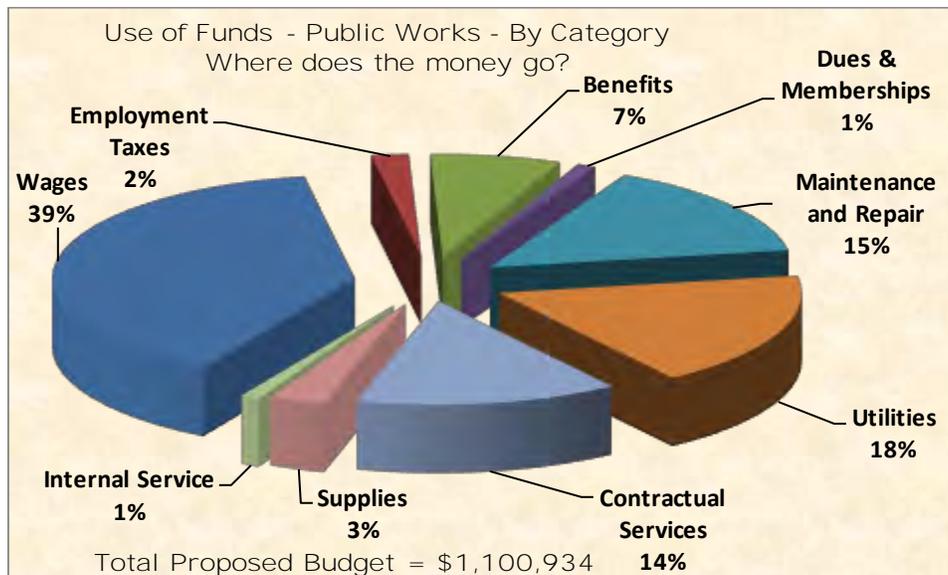
Program Name	Expenditures by Program			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Administration	\$ 197,084	\$ 184,998	\$ 201,108	\$ 158,637
Building Maintenance	440,145	99,164	151,813	174,088
Engineering	205,471	144,770	196,322	272,017
Operations	-	312,973	422,194	439,489
Outside Inspections	52,127	53,703	64,140	56,703
Total	\$ 894,827	\$ 795,608	\$ 1,035,577	\$ 1,100,934

Variance Explanations:

Administration: The decrease is a result of changing the allocation between General Fund and the Street Fund from 75/25 split to 70/30 split.



Category	Expenditures by Category			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Wages	\$ 363,022	\$ 353,971	\$ 383,025	\$ 432,033
Employment Taxes	16,576	15,178	18,222	22,873
Benefits	71,849	73,237	77,849	76,981
Dues & Memberships	9,822	11,797	11,215	11,240
Meetings and Training	525	685	3,260	3,285
Maintenance and Repair	89,412	79,270	152,383	163,790
Utilities	261,020	170,463	195,240	195,416
Contractual Services	35,261	38,167	131,885	140,941
Supplies	26,236	25,343	40,504	36,508
Equipment	760	5,756	5,950	5,350
Damages/Vandalism	-	2,779	900	900
Internal Service	18,372	18,962	15,144	11,617
Capital Expenditures	1,972	-	-	-
Total	\$ 894,827	\$ 795,608	\$ 1,035,577	\$ 1,100,934



FY19-20 Proposed Budget
Summary of Expenditures

Fund/Department	FY16-17	FY17-18	FY18-19	FY19-20
	Actual	Actual	Revised Budget	Proposed Budget
General Fund				
Salaries-Full Time	\$ 318,443	\$ 305,460	\$ 335,078	\$ 316,865
Salaries-Part Time	44,389	48,430	47,947	115,169
Overtime	190	81	-	-
FICA	2,731	3,009	2,973	7,140
Medicare	5,159	4,999	5,560	6,282
Workers Compensation	8,340	7,015	9,532	9,277
Unemployment Insurance	345	155	157	174
Group Health Insurance	33,429	35,311	36,345	36,317
Group Dental Insurance	2,042	2,106	2,186	2,442
Group Vision Insurance	272	366	390	420
Disability Insurance	1,275	1,188	1,419	1,340
Retirement	34,243	33,609	36,859	34,857
Life Insurance	326	325	329	352
Bonus	262	332	321	353
Allowance/Stipend	-	-	-	900
Licenses/Filing Fees	8,587	10,286	9,060	9,060
Dues, Subscript & Publicat	1,235	1,511	2,155	2,180
Meetings & Training	525	685	3,260	3,285
Building Maint/Repair	16,085	11,164	56,300	44,900
HVAC Repair	55,640	52,069	61,180	78,080
Plumbing Repair	165	5,216	6,100	8,100
Electrical Repair/Maint	-	-	5,140	5,140
Fire Protection Systems	6,504	6,504	7,045	7,960
Irrigation Repair	356	460	2,450	2,850
Backflow Testing & Maintenance	1,226	250	810	1,235
Equipment Maint/Repair	3,369	1,232	7,550	7,850
Vehicle Maint/Repair	399	1,846	2,160	2,160
Other Maint/Repair	3,265	-	-	2,400
Sign Repair & Replacement	1,023	530	2,548	2,015
Painting	675	-	100	100
Lighting Repair	-	-	1,000	1,000
Electricity Expense	150,662	139,636	155,942	155,942
Refuse/Recycling	2,215	1,704	1,703	1,703
Telecommunications	3,034	3,006	5,760	5,736
Water/Sewer	24,426	22,602	26,985	26,985
Gas & Oil	2,926	3,514	4,850	5,050
Professional Fees	80,359	29,888	74,985	76,590
Rentals & Leases	30	-	750	750
Printing Expense	54	148	650	650
Advertising/Signage	65	196	-	-
Contractual Services	19,889	988	25,000	25,000
Bank/Merc Acct Fees	446	289	1,500	500
Landscape Contracts	12,788	6,656	29,000	37,450



FY19-20 Proposed Budget
Summary of Expenditures

Fund/Department	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
General Fund-continued				
Office Supplies	\$ 742	\$ 587	\$ 1,860	\$ 1,075
Cleaning/Janitorial Supplies	11,982	9,631	14,500	14,500
Safety Supplies	91	2,091	825	825
Operating Supplies	9,698	10,468	19,025	15,833
Food & Beverage Supplies	1,826	1,547	2,000	2,000
Uniforms	1,226	1,021	2,100	2,100
Postage & Delivery	59	-	194	175
Small Tools	25	25	950	950
Hardware/Peripherals	32	1,394	600	-
Furniture/Appliances	-	1,152	2,900	2,900
Equipment	703	806	1,500	1,500
Building Improvements Exp	-	2,380	-	-
Damages/Vandalism	-	2,779	900	900
ISF-Copier Charges	361	149	380	287
ISF-Mail Service Charges	89	62	-	-
ISF-Vehicle Replacement Charge	14,578	14,350	14,280	10,983
ISF-Motor Pool Charges	220	386	484	347
ISF-Telecom Charges	3,829	4,014	-	-
Vehicles	1,972	-	-	-
Total Public Works	\$ 894,827	\$ 795,608	\$ 1,035,577	\$ 1,100,934



FY18-19 Department Accomplishments

Initiative	Strategic Value
Completed a study to identify gap between actual and subdivision ordinance specifications and determine cost of meeting ordinance specifications	Goal #1, Objective #1
Completed a comprehensive environmental plan for Fountain Hills	Goal #2, Objective #2
Implementation of safety measures to minimize street flooding	Goal #2, Objective #1
Restart long-range sidewalk infill program	Goal #2, Objective #1

FY19-20 Objectives

Initiative	Strategic Value	Estimated Cost/Funding Source
Foster a culture of public service and volunteerism	Goal #5, Objective #3	\$0
Develop and implement an investment plan to bring additional streets up to established standards	Goal #2, Objective #1	\$10,000,000 –\$12,000,000 Bond/General Fund
Design and construct drainage improvements to minimize Golden Eagle Park flooding	Goals #2, Objective #1	\$500,000 General Fund



Public Works Division

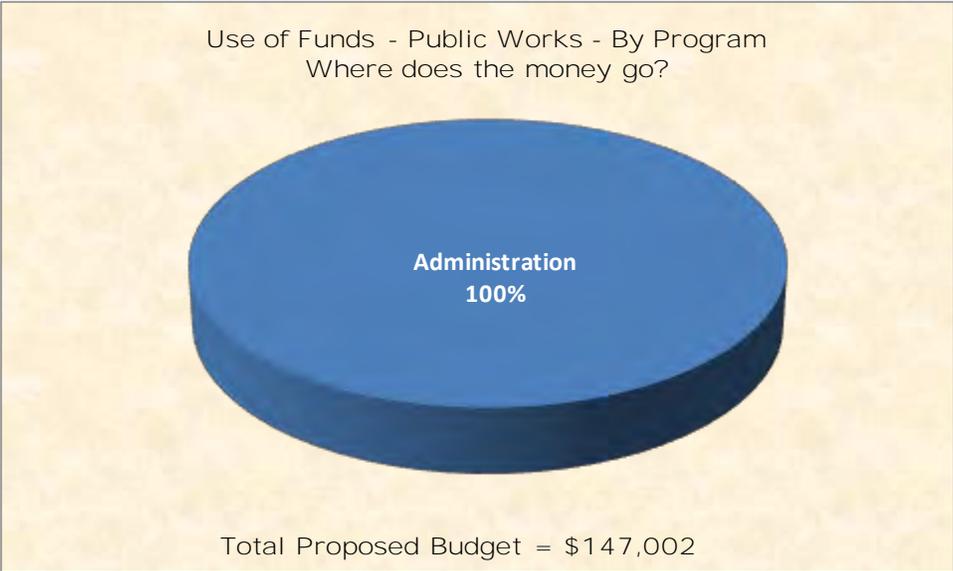
Service Delivery Plan

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			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Administration	\$ 120,363	\$ 106,293	\$ 115,382	\$ 90,299
Outside Inspections	52,127	53,702	64,139	56,703
Total	\$ 172,490	\$ 159,995	\$ 179,521	\$ 147,002

Variance Explanations:

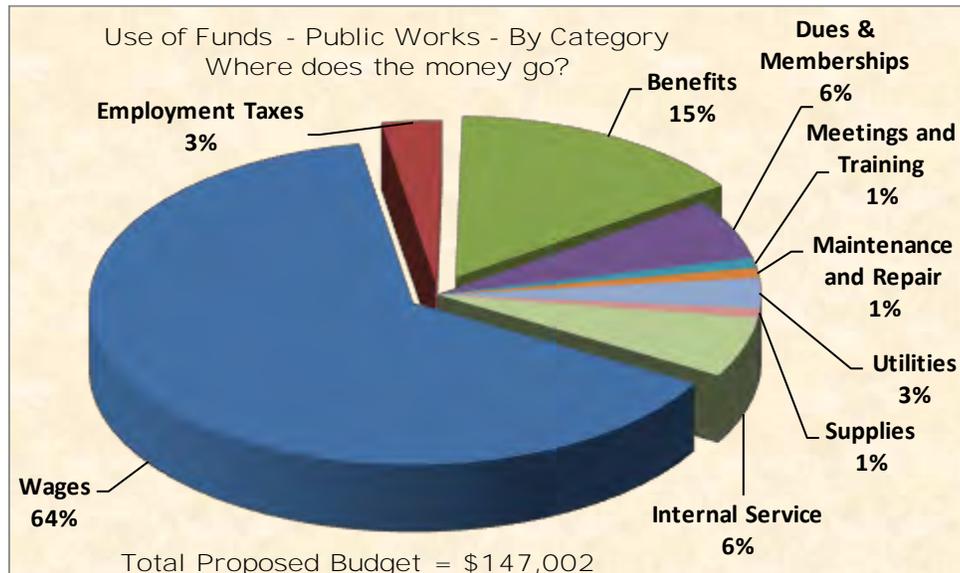
Administration: The decrease is a result of changing the allocation between General Fund and the Street Fund from 75/25 split to 70/30 split.



Category	Expenditures by Category			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Wages	\$ 118,292	\$ 108,904	\$ 119,658	\$ 94,752
Employment Taxes	3,483	4,284	5,724	4,045
Benefits	24,477	25,183	27,562	22,643
Dues & Memberships	9,213	8,460	9,045	9,045
Meetings and Training	-	-	2,040	2,040
Maintenance and Repair	364	799	1,360	1,360
Utilities	3,219	3,633	3,380	3,716
Contractual Services	703	553	1,700	700
Supplies	943	1,141	1,960	1,575
Equipment	-	-	450	450
Internal Service	9,824	7,038	6,642	6,676
Capital Expenditures	1,972	-	-	-
Total	\$ 172,490	\$ 159,995	\$ 179,521	\$ 147,002

Variance Explanations:

Wages: The decrease is a result of changing the allocation between General Fund and the Street Fund from 75/25 split to 70/30 split.



Activities/Results

Performance Measures

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Percentage of inspections completed within 24-hours of notice	99%	99%	99%	99%

Quality

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Number of right-of-way and encroachment permits issued	229	210	300	300
Total number of inspections (includes multiple inspection totals for residential, commercial & encroachment permits)	360	N/A	350	350
Number of Capital improvement (CIP) projects completed	3	1	4	3

Productivity

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Expenditure per right-of-way and encroachment permits issued	\$227.63	\$253.31	\$213.80	\$184.19
Expenditure per inspection (includes multiple inspection totals for residential, commercial & encroachment permits)	\$144.80	N/A	\$183.25	\$157.87



FY19-20 Proposed Budget
Summary of Expenditures
Public Works Division

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
General Fund				
Salaries-Full Time	\$ 118,292	\$ 108,888	\$ 119,658	\$ 94,752
Overtime	-	16	-	-
Medicare	1,676	1,545	1,737	1,375
Workers Compensation	1,716	2,697	3,945	2,633
Unemployment Insurance	91	41	42	37
Group Health Insurance	10,730	11,705	12,677	10,607
Group Dental Insurance	787	808	873	908
Group Vision Insurance	104	124	136	122
Disability Insurance	463	366	507	400
Retirement	12,206	11,979	13,163	10,423
Life Insurance	118	113	118	105
Bonus	68	89	88	78
Licenses/Filing Fees	8,503	8,460	8,560	8,560
Dues, Subscriptions & Publications	710	-	485	485
Meetings & Training	-	-	2,040	2,040
Vehicle Maint/Repair	364	799	1,360	1,360
Telecommunications	940	803	780	1,116
Gas & Oil	2,279	2,830	2,600	2,600
Professional Fees	211	-	-	-
Printing Expense	54	67	200	200
Advertising/Signage	-	196	-	-
Bank/Merc Acct Fees	438	289	1,500	500
Office Supplies	614	587	1,285	900
Safety Supplies	-	22	100	100
Uniforms	329	533	575	575
Small Tools	-	-	450	450
ISF-Copier Charges	52	11	100	30
ISF-Mail Service Charges	45	24	-	-
ISF-Vehicle Replacement Charge	9,154	6,384	6,518	6,630
ISF-Motor Pool Charges	-	21	24	16
ISF-Telecom Charges	574	598	-	-
Vehicles	1,972	-	-	-
Total Public Works	\$ 172,490	\$ 159,995	\$ 179,521	\$ 147,002



Facilities Division

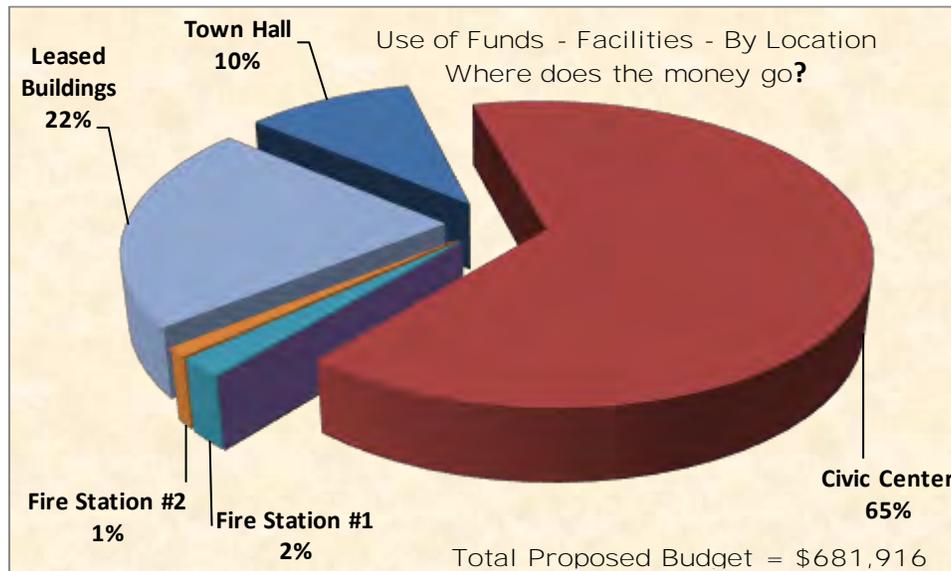
Service Delivery Plan

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.

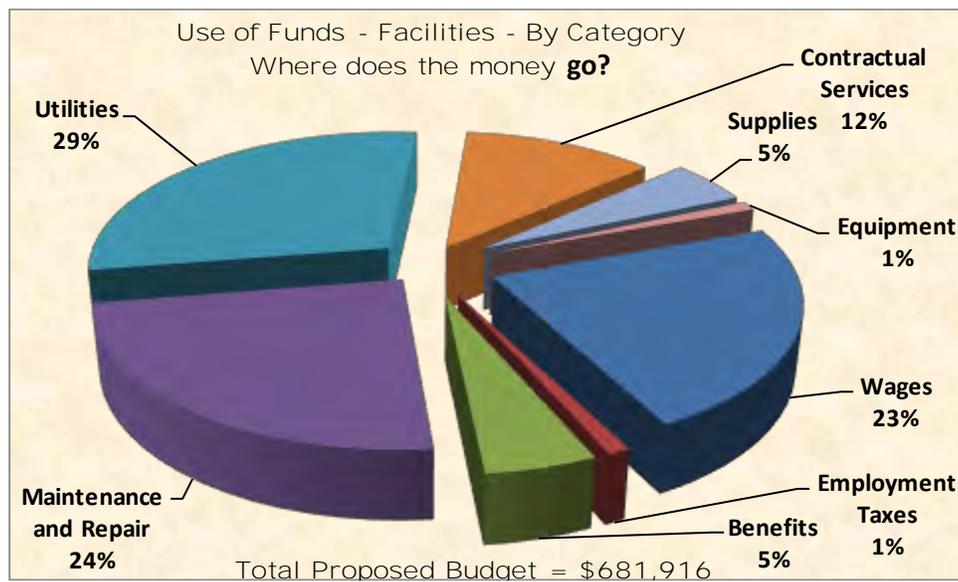
Location	Expenditures by Location			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Town Hall	\$ 248,658	\$ 78,705	\$ 85,726	\$ 68,338
Civic Center	-	312,973	422,194	439,490
Community Center	124,932	-	-	-
Physical Plant	35,960	-	-	-
Fire Station #1	-	-	-	12,105
Fire Station #2	-	-	-	9,295
Leased Buildings	107,316	99,165	151,813	152,688
Total	\$ 516,866	\$ 490,843	\$ 659,733	\$ 681,916

Variance Explanations:

Town Hall: The decrease is a result of personnel allocation changes.



Category	Expenditures by Category			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Wages	\$ 143,295	\$ 141,145	\$ 154,197	\$ 158,726
Employment Taxes	9,828	8,215	9,469	9,769
Benefits	27,689	27,658	29,247	32,670
Dues & Memberships	14	-	300	300
Maintenance and Repair	88,342	78,471	151,023	162,430
Utilities	179,338	166,106	191,080	190,920
Contractual Services	34,465	28,596	73,434	83,491
Supplies	24,588	24,203	38,053	34,463
Equipment	760	4,363	5,500	4,900
Damages/Vandalism	-	2,779	900	900
Internal Service	8,547	9,307	6,530	3,347
Total	\$ 516,866	\$ 490,843	\$ 659,733	\$ 681,916



Activities/Results

Performance Measures

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Percentage of maintenance requests resolved within 24 hours	80	80	80	80
Percentage of maintenance requests resolved within 48 hours	95	95	95	95
Percentage of trade related work orders completed in-house versus contracts	70	70	70	70

Quality

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Square footage of buildings maintained by staff	117,387	107,507	107,507	122,003
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

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Civic Center utility costs per square foot (water, sewer and electricity)	\$1.92	\$1.81	\$2.00	\$2.00



FY19-20 Proposed Budget
Summary of Expenditures
Facilities

Description	FY16-17	FY17-18	FY18-19	FY19-20
	Actual	Actual	Revised Budget	Proposed Budget
General Fund				
Salaries-Full Time	\$ 98,716	\$ 92,651	\$ 106,250	\$ 109,056
Salaries-Part Time	44,389	48,430	47,947	49,670
Overtime	190	65	-	-
FICA	2,731	3,009	2,973	3,079
Medicare	2,042	1,981	2,240	2,317
Workers Compensation	4,849	3,133	4,163	4,283
Unemployment Insurance	205	92	93	90
Group Health Insurance	15,334	15,871	15,928	17,893
Group Dental Insurance	720	746	754	938
Group Vision Insurance	94	130	136	179
Disability Insurance	401	411	450	462
Retirement	10,880	10,199	11,687	11,997
Life Insurance	103	105	104	121
Bonus	158	197	188	180
Allowance/Stipend	-	-	-	900
Licenses/Filing Fees	14	-	-	-
Dues, Subscript & Publicat	-	-	300	300
Building Maint/Repair	16,085	11,164	56,300	44,900
HVAC Repair	55,640	52,069	61,180	78,080
Plumbing Repair	165	5,216	6,100	8,100
Electrical Repair/Maint	-	-	5,140	5,140
Fire Protection Systems	6,504	6,504	7,045	7,960
Irrigation Repair	356	460	2,450	2,850
Backflow Testing & Maintenance	1,226	250	810	1,235
Equipment Maint/Repair	3,369	1,232	7,550	7,850
Vehicle Maint/Repair	35	1,047	800	800
Other Maint/Repair	3,265	-	-	2,400
Sign Repair & Replacement	1,023	530	2,547	2,015
Painting	675	-	100	100
Lighting Repair	-	-	1,000	1,000
Electricity Expense	150,662	139,636	155,942	155,942
Refuse/Recycling	2,215	1,704	1,703	1,703
Telecommunications	1,388	1,479	4,200	3,840
Water/Sewer	24,426	22,602	26,985	26,985
Gas & Oil	647	684	2,250	2,450
Professional Fees	21,582	21,939	43,485	45,091
Rentals & Leases	30	-	750	750
Printing Expense	-	-	200	200
Advertising/Signage	65	-	-	-
Landscape Contracts	12,788	6,656	29,000	37,450
Office Supplies	34	-	575	175
Cleaning/Janitorial Supplies	11,982	9,631	14,500	14,500
Safety Supplies	91	2,069	625	625
Operating Supplies	9,698	10,468	19,025	15,833
Food & Beverage Supplies	1,826	1,547	2,000	2,000
Uniforms	897	488	1,325	1,325



FY19-20 Proposed Budget
Summary of Expenditures
Facilities

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
General Fund-continued				
Postage & Delivery	\$ 59	\$ -	\$ 3	\$ 5
Small Tools	25	25	500	500
Hardware/Peripherals	32	-	600	-
Furniture/Appliances	-	1,152	2,900	2,900
Equipment	703	806	1,500	1,500
Building Improvements Exp	-	2,379	-	-
Damages/Vandalism	-	2,779	900	900
ISF-Copier Charges	90	24	80	57
ISF-Mail Service Charges	4	3	-	-
ISF-Vehicle Replacement Charge	5,424	6,342	6,450	3,290
ISF-Motor Pool Charges	4	-	-	-
ISF-Telecom Charges	3,025	2,938	-	-
Total Facilities	\$ 516,866	\$ 490,843	\$ 659,733	\$ 681,916



Engineering Division

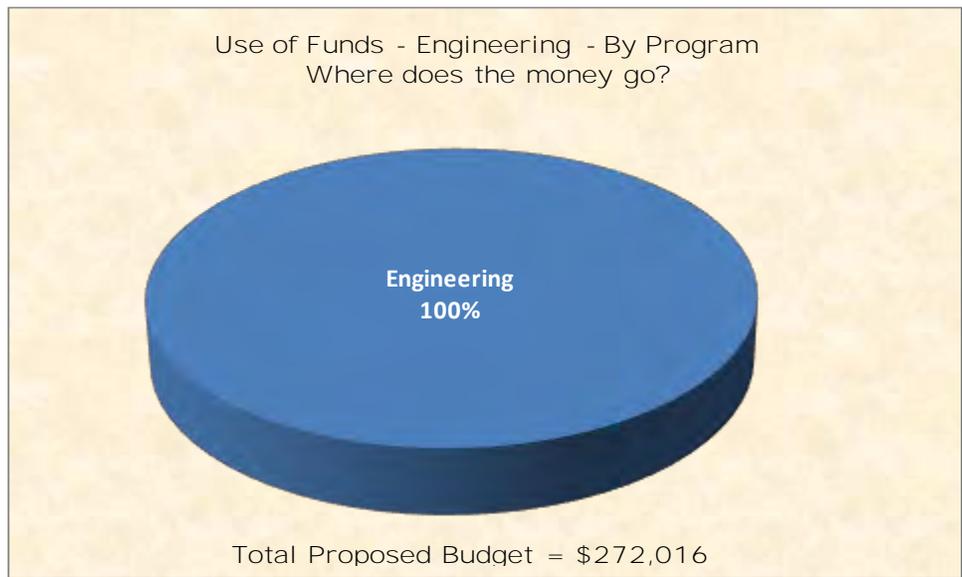
Service Delivery Plan

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			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Engineering	\$ 205,471	\$ 144,770	\$ 196,323	\$ 272,016
Total	\$ 205,471	\$ 144,770	\$ 196,323	\$ 272,016

Variance Explanations:

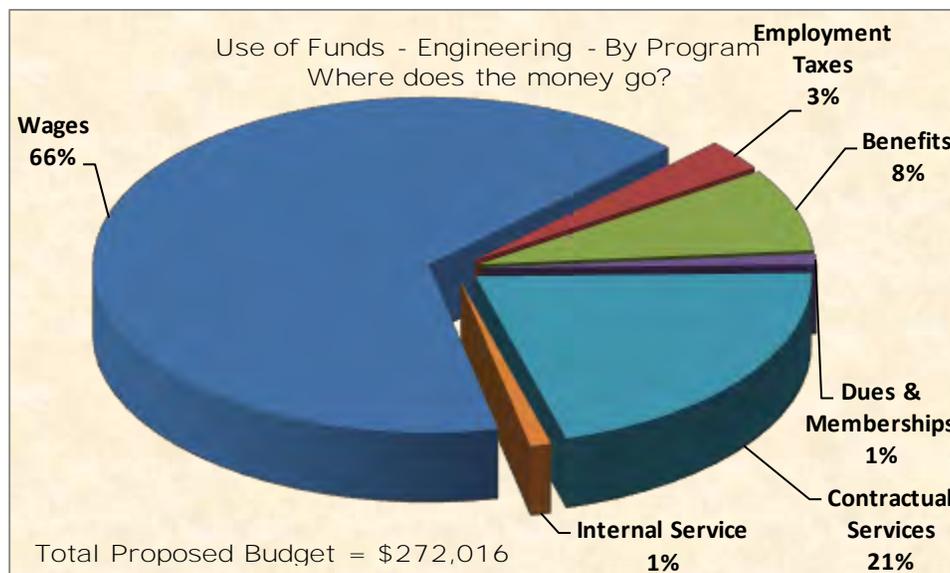
Engineering: The increase is due to the reclassification of the civil plans examiner to the assistant town engineer.



Category	Expenditures by Category			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Wages	\$ 101,435	\$ 103,922	\$ 109,170	\$ 178,556
Employment Taxes	3,265	2,679	3,029	9,059
Benefits	19,683	20,397	21,040	21,668
Dues & Memberships	595	3,337	1,870	1,895
Meetings & Training	525	684	1,220	1,245
Utilities	706	723	780	780
Contractual Services	78,462	9,018	56,751	56,750
Supplies	94	-	491	470
Equipment	-	1,394	-	-
Internal Service	706	2,616	1,972	1,593
Total	\$ 205,471	\$ 144,770	\$ 196,323	\$ 272,016

Variance Explanations:

Wages/Employment Taxes/Benefits: The increase is due to the reclassification of the civil plans examiner to the assistant town engineer.



Activities/Results

Performance Measures

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Percentage of reviews of final plats, site plans and commercial plans completed within established turn-around time	95%	95%	95%	99%

Quality

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Number of easements released or acquired	15	18	25	35



FY19-20 Proposed Budget
Summary of Expenditures
Engineering

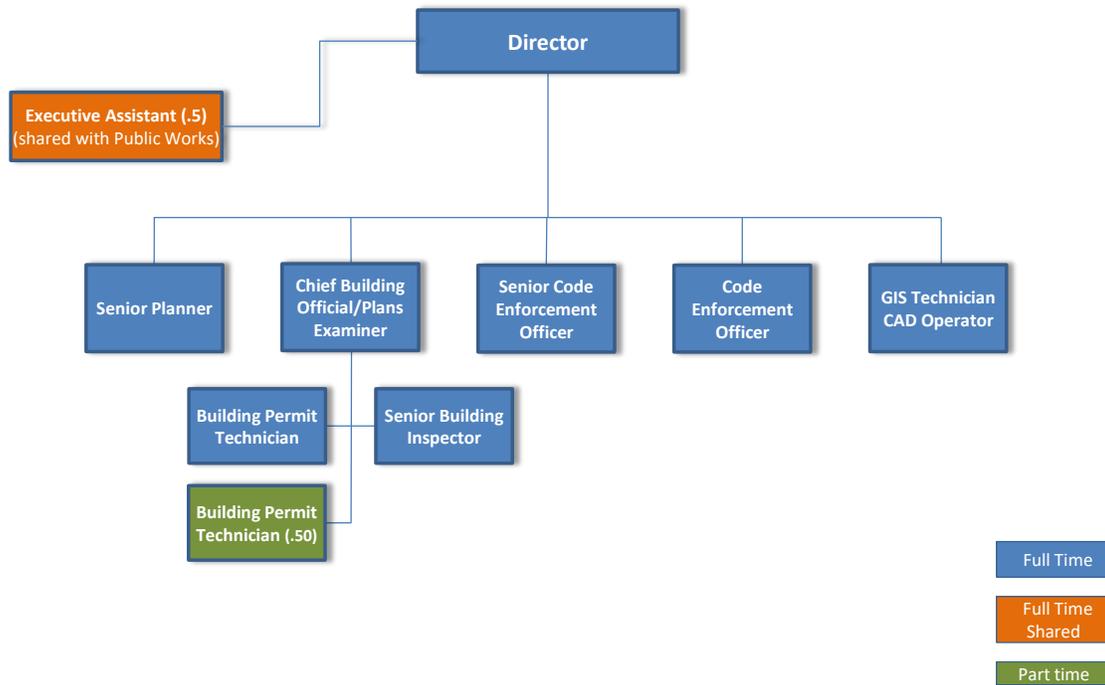
Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
General Fund				
Salaries-Full Time	\$ 101,435	\$ 103,922	\$ 109,170	\$ 113,057
Salaries-Part Time	-	-	-	65,499
FICA	-	-	-	4,061
Medicare	1,441	1,473	1,583	2,590
Workers Compensation	1,775	1,184	1,424	2,361
Unemployment Insurance	49	22	22	47
Group Health Insurance	7,364	7,736	7,740	7,817
Group Dental Insurance	534	553	559	596
Group Vision Insurance	73	112	118	119
Disability Insurance	412	412	462	478
Retirement	11,158	11,431	12,009	12,437
Life Insurance	105	108	107	126
Bonus	37	46	45	95
Licenses/Filing Fees	70	1,826	500	500
Dues, Subscript & Publicat	525	1,511	1,370	1,395
Meetings & Training	525	684	1,220	1,245
Telecommunications	706	723	780	780
Professional Fees	58,565	7,950	31,500	31,500
Printing Expense	-	80	250	250
Contractual Services	19,889	987	25,000	25,000
Bank/Merc Acct Fees	8	-	-	-
Office Supplies	94	-	-	-
Safety Supplies	-	-	100	100
Uniforms	-	-	200	200
Postage & Delivery	-	-	191	170
Hardware/Peripherals	-	1,394	-	-
ISF-Copier Charges	220	113	200	200
ISF-Mail Service Charges	41	36	-	-
ISF-Vehicle Replacement Charge	-	1,624	1,312	1,062
ISF-Motor Pool Charges	215	365	461	331
ISF-Telecom Charges	230	478	-	-
Total Engineering	<u>\$ 205,471</u>	<u>\$ 144,770</u>	<u>\$ 196,323</u>	<u>\$ 272,016</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.

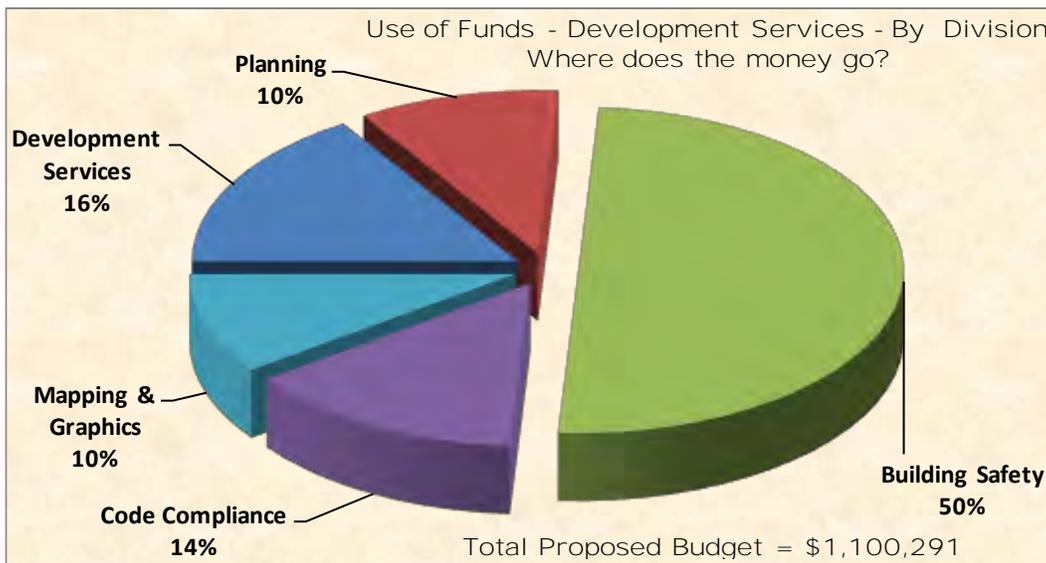
Department Overview

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			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Development Services	\$ 127,522	\$ 162,618	\$ 174,138	\$ 180,138
Planning	81,569	98,097	109,814	111,481
Building Safety	204,675	299,489	632,025	536,489
Code Compliance	71,768	74,502	79,058	158,855
Mapping & Graphics	99,727	96,039	110,363	113,328
Total	\$ 585,261	\$ 730,745	\$ 1,105,398	\$ 1,100,291

Variance Explanations:

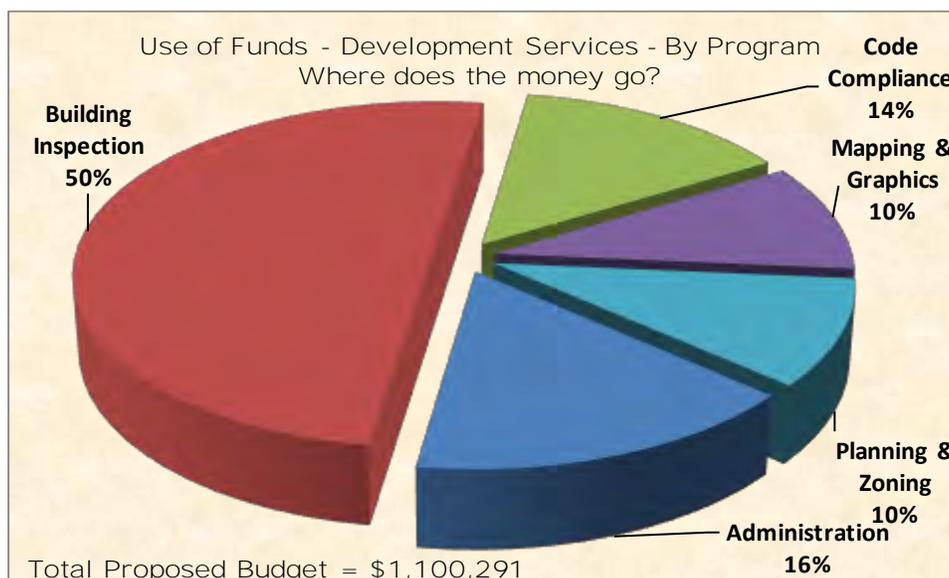
Code Compliance: An amount was added for a new full-time code enforcement officer position.



Program Name	Expenditures by Program			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Administration	\$ 127,522	\$ 162,618	\$ 174,138	\$ 180,138
Building Inspection	204,675	299,489	632,026	536,490
Code Compliance	71,768	74,502	79,058	158,855
Mapping & Graphics	99,727	96,039	110,362	113,327
Planning & Zoning	81,569	98,097	109,814	111,481
Total	\$ 585,261	\$ 730,745	\$ 1,105,398	\$ 1,100,291

Variance Explanations:

Code Compliance: An amount was added for a new full-time code enforcement officer position.



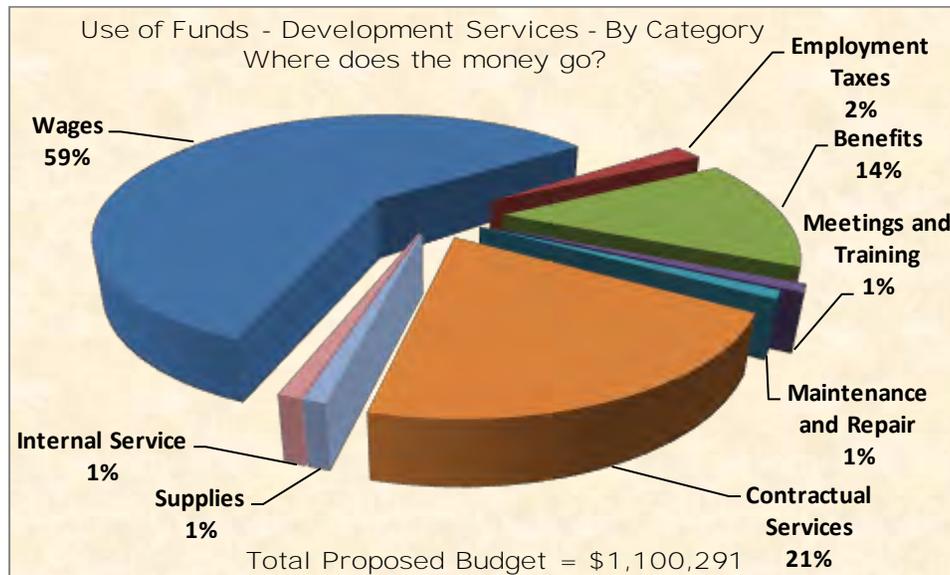
Category	Expenditures by Category			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Wages	\$ 390,414	\$ 507,021	\$ 535,128	\$ 645,560
Employment Taxes	10,803	14,316	16,171	17,326
Benefits	78,519	104,205	107,156	149,139
Dues & Memberships	3,476	4,452	4,078	4,146
Meetings and Training	489	2,244	11,710	12,390
Maintenance and Repair	1,038	2,093	5,152	5,552
Utilities	4,331	2,849	4,860	5,340
Contractual Services	68,648	76,105	398,477	228,665
Supplies	5,818	4,412	13,595	12,360
Equipment	7,618	1,841	300	3,800
Internal Service	14,107	11,207	8,771	16,013
Total	\$ 585,261	\$ 730,745	\$ 1,105,398	\$ 1,100,291

Variance Explanations:

Wages/Benefits: Amounts were added for a new full-time code enforcement officer position and full-time senior building inspector.

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

Internal Service: Vehicle usage charges were added for the new positions.



FY18-19 Department Accomplishments

Initiative	Strategic Plan Value
Completed the 2018 edition of the "Land Use Analysis and Statistical Report"	Goal #1, Objective #1
Adopted Cantilever Development Ordinance	Goal #1, Objective #2 Goal #3, Objective #1
Adopted Revised A-Frame Signs & Banners Ordinance	Goal #2, Objective #2
Adopted Revised Residential Landscaping Ordinance	Goal #3, Objective #1
Adopted Large Accessory Structure Ordinance	Goal #3, Objective #1
Adopted Revised Noise Ordinance	Goal #3, Objective #2
Permitted Adero Canyon Phase II	Goal #1, Objective #2
Updated the Sanitary District Sewer Atlas	Goal #5, Objective #2
Permitted Copperwynd Resort Expansion	Goal #1, Objective #2 Goal #1, Objective #3
Completed Wayfinding Sign Design	Goal #1, Objective #2

FY19-20 Objectives

Initiative	Strategic Plan Value	Estimated Cost/Funding Source
Complete the 2020 General Plan Update	Goal #1, Goal #2, Goal #3, Goal #4	\$100,000 General Fund
Complete 2019 edition of "Land Use Analysis and Statistical Report"	Goal #1, Objective #1	\$1,000 General Fund
Continue public outreach and advertising for the 2020 Census update	Goal #5, Objective #2	\$5,000 General Fund



FY19-20 Proposed Budget
Summary of Expenditures
Development Services Department

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
General Fund				
Salaries-Full Time	\$ 390,414	\$ 461,933	\$ 483,899	\$ 624,937
Salaries-Part Time	-	45,071	51,229	20,623
Overtime	-	16	-	-
FICA	-	2,822	3,175	1,278
Medicare	5,622	7,231	7,792	9,406
Workers Compensation	4,744	3,957	4,992	6,405
Unemployment Insurance	436	306	212	237
Group Health Insurance	30,974	45,195	45,389	67,804
Group Dental Insurance	2,328	3,192	3,229	5,195
Group Vision Insurance	330	534	560	878
Disability Insurance	1,441	1,790	2,048	2,645
Retirement	42,794	50,778	53,230	68,745
Life Insurance	368	479	475	697
Bonus	284	438	425	475
Allowance/Stipend	-	1,800	1,800	2,700
Licenses/Filing Fees	1,272	1,278	1,350	1,420
Dues, Subscript & Publicat	2,204	3,174	2,728	2,726
Meetings & Training	489	2,244	11,710	12,390
Equipment Maint/Repair	-	393	2,700	2,500
Vehicle Maint/Repair	263	199	1,252	1,252
Office Equip Maint/Repair	775	1,501	1,200	1,800
Telecommunications	3,161	1,627	2,860	2,340
Gas & Oil	1,170	1,222	2,000	3,000
Professional Fees	4,537	3,937	7,000	7,000
Rentals & Leases	708	1,214	1,214	1,214
Printing Expense	647	1,312	1,950	4,850
Advertising/Signage	1,757	1,350	3,000	3,000
Contractual Services	56,090	64,690	146,913	2,500
Bank/Merc Acct Fees	4,908	3,602	3,400	100
Third Party Fees	-	-	235,000	210,000
Office Supplies	5,325	3,670	11,750	10,250
Cleaning Supplies	-	33	-	-
Operating Supplies	173	91	-	-
Food & Beverage Supplies	-	17	-	-
Uniforms	320	531	1,430	1,830
Postage & Delivery	-	69	415	280
Small Tools	-	159	300	300
Hardware/Peripherals	5,526	1,682	-	3,500
Furniture/Appliances	196	-	-	-
Equipment	1,897	-	-	-
ISF-Copier Charges	1,439	1,288	1,130	1,415
ISF-Mail Service Charges	215	361	-	-
ISF-Vehicle Replacement Charge	10,224	7,297	7,251	10,731
ISF-Motor Pool Charges	280	230	390	3,868
ISF-Telecom Charges	1,950	2,032	-	-
Total Development Services	<u>\$ 585,261</u>	<u>\$ 730,745</u>	<u>\$ 1,105,398</u>	<u>\$ 1,100,291</u>

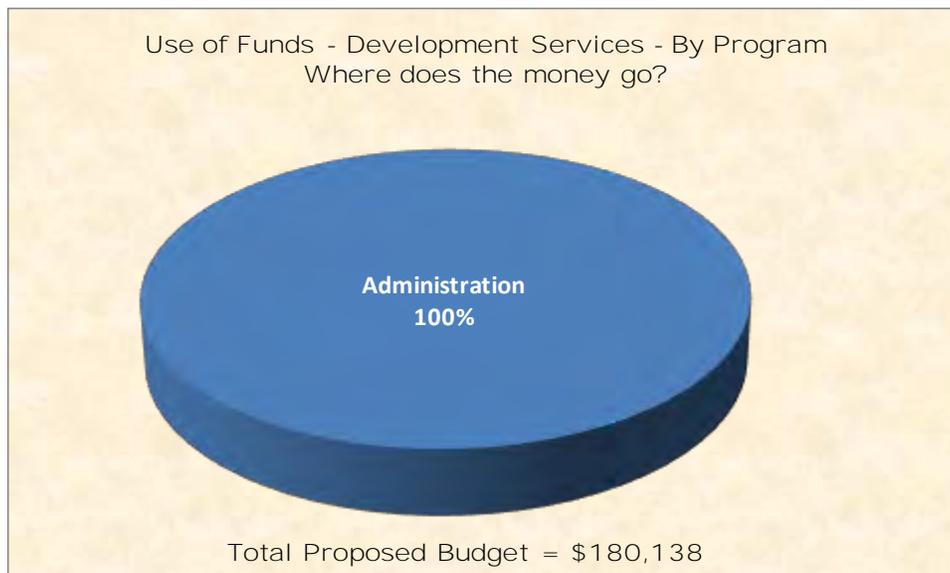


Development Services Division

Service Delivery Plan

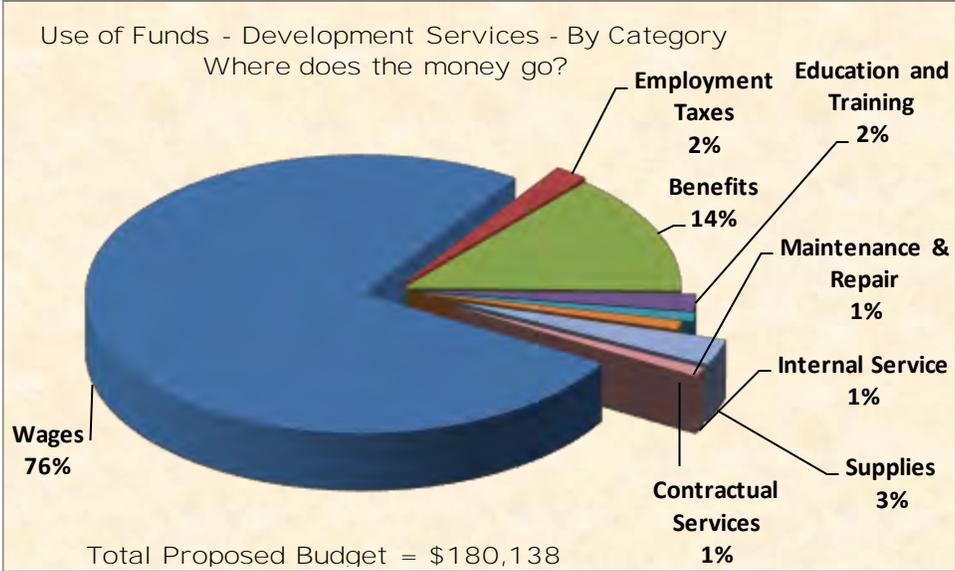
The Development Services Division, through its administrative services, provides direction to and clerical support for the Department by the Development Services Director and executive assistant.

Program Name	Expenditures by Program			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Administration	\$ 127,522	\$ 162,618	\$ 174,138	\$ 180,138
Total	\$ 127,522	\$ 162,618	\$ 174,138	\$ 180,138



Category	Expenditures by Category			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Wages	\$ 100,946	\$ 125,098	\$ 131,409	\$ 136,098
Employment Taxes	2,945	3,051	3,404	3,520
Benefits	18,095	23,767	24,667	25,354
Dues & Memberships	42	791	644	662
Education and Training	138	305	4,100	4,100
Maintenance & Repair	775	1,501	1,200	1,800
Utilities	1,026	841	1,180	780
Contractual Services	1,117	1,350	1,514	1,514
Supplies	1,119	2,571	5,302	5,305
Equipment	375	1,639	-	-
Internal Service	944	1,704	718	1,005
Total	\$ 127,522	\$ 162,618	\$ 174,138	\$ 180,138





Activities/Results

Performance Measures

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Continue to serve as staff liaison to the Planning & Zoning Commission, Zoning Board of Adjustment, and Building Board of Appeals.	16	15	18	20
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.	32	30	32	34
Prepare Commission and Board meeting minutes and post approved meeting minutes.	24	25	24	26

Quality

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Continue to draft, propose and update various improvements to the Zoning Ordinance, Subdivision Ordinance, and Town Code.	Yes	Yes	Yes	Yes
Publish the annual Land Use Analysis and Statistical Report	Yes	Yes	Yes	Yes
Administer contracts for plan review and inspection consulting services.	2	2	2	4

Productivity

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Process payroll for department	Bi-weekly	Bi-weekly	Bi-weekly	Bi-weekly



FY19-20 Proposed Budget
Summary of Expenditures
Development Services Division

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
General Fund				
Salaries-Full Time	\$ 100,946	\$ 125,082	\$ 131,409	\$ 136,098
Overtime	-	16	1,907	1,975
Medicare	1,469	1,819	1,460	1,508
Workers Compensation	1,393	1,195	37	37
Unemployment Insurance	82	37	8,688	8,774
Group Health Insurance	6,038	8,612	647	689
Group Dental Insurance	446	639	117	118
Group Vision Insurance	58	112	556	576
Disability Insurance	293	438	14,455	14,971
Retirement	11,104	13,761	129	151
Life Insurance	75	130	75	75
Bonus	81	76	-	70
Dues, Subscript & Publicat	42	791	644	593
Meetings & Training	138	305	4,100	4,100
Office Equip Maint/Repair	775	1,501	1,200	1,800
Telecommunications	1,026	841	1,180	780
Rentals & Leases	708	1,214	1,214	1,214
Printing Expense	409	136	300	300
Office Supplies	1,101	2,205	5,000	5,000
Cleaning/Janitorial Supplies	-	33	-	-
Operating Supplies	-	91	-	-
Food & Beverage Supplies	-	17	-	-
Uniforms	18	155	300	300
Postage & Delivery	-	69	2	5
Hardware/Peripherals	44	1,639	-	-
Furniture/Appliances	196	-	-	-
Equipment	136	-	-	-
ISF-Copier Charges	490	708	320	650
ISF-Mail Service Charges	21	7	-	-
ISF-Vehicle Replacement Charges	-	325	295	270
ISF-Motor Pool Charges	88	66	103	84
ISF-Telecom Charges	345	598	-	-
Total Development Services	\$ 127,522	\$ 162,618	\$ 174,138	\$ 180,138



Building Safety Division

Service Delivery Plan

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

Program Name	Expenditures by Program			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Building Inspection	\$ 204,675	\$ 299,489	\$ 632,025	\$ 536,489
Total	\$ 204,675	\$ 299,489	\$ 632,025	\$ 536,489

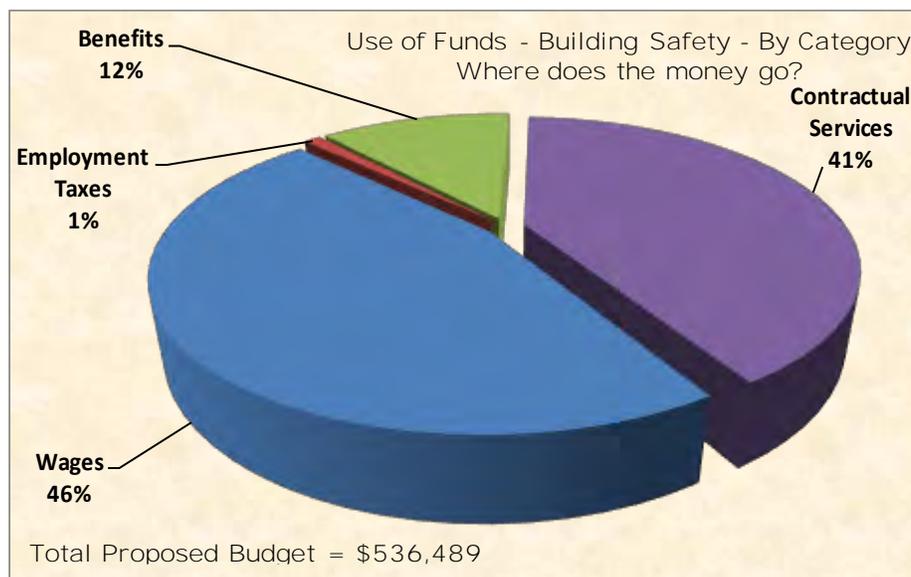


Category	Expenditures by Category			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Wages	\$ 110,405	\$ 183,105	\$ 195,884	\$ 243,450
Employment Taxes	3,007	6,804	7,816	7,245
Benefits	20,004	34,710	35,641	57,883
Dues & Memberships	317	367	530	530
Meetings and Training	74	1,439	2,310	3,990
Maintenance and Repair	263	101	892	692
Utilities	1,317	636	1,000	1,000
Contractual Services	60,613	67,812	382,913	211,000
Supplies	953	60	1,271	1,630
Equipment	1,144	202	200	1,950
Internal Service	6,578	4,253	3,568	7,119
Total	\$ 204,675	\$ 299,489	\$ 632,025	\$ 536,489

Variance Explanations:

Wages/Benefits: An amount was added for a new full-time senior building inspector.

Contractual Services: Budget for contracted plan reviews was eliminated.



Activities/Results

Performance Measures

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Percentage of all Residential building plan reviews completed within established times	97%	100%	96%	100%
Percentage of all Commercial building plan reviews completed within established times	100%	100%	100%	100%

Quality

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
All building plan reviews	456	485	700	800
Number of residential plan reviews (Multiple reviews possible)	167	146	60	675
Number of commercial plan reviews (Multiple reviews possible)	18	25	10	80
Number of Inspectors	*1	*1	*1	2
Total number of permits issued	509	485	550	734
Number of inspections conducted	2,646	3,602	5,500	4,600

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

Productivity

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Average expenditure per inspection during the reporting period	77.35	83.15	89.26	80.88
Average cost per permit	\$402.11	\$623.94	\$542.59	\$506.90



FY19-20 Proposed Budget
Summary of Expenditures
Building Safety

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
General Fund				
Salaries-Full Time	\$ 110,405	\$ 138,034	\$ 144,655	\$ 222,827
Salaries-Part Time	-	45,071	51,229	20,623
FICA	-	2,822	3,175	1,278
Medicare	1,597	2,602	2,856	3,558
Workers Compensation	1,247	1,184	1,685	2,309
Unemployment Insurance	164	196	100	100
Group Health Insurance	6,631	16,562	16,667	27,815
Group Dental Insurance	715	1,041	1,052	2,053
Group Vision Insurance	92	149	156	314
Disability Insurance	391	558	612	942
Retirement	11,993	15,147	15,912	24,511
Life Insurance	100	143	142	248
Bonus	81	210	200	200
Allowance/Stipend	-	900	900	1,800
Licenses/Filing Fees	101	12	-	-
Dues, Subscript & Publicat	215	355	530	530
Meetings & Training	74	1,439	2,310	3,990
Equipment Maint/Repair	-	-	200	-
Vehicle Maint/Repair	263	101	692	692
Telecommunications	799	-	-	-
Gas & Oil	518	636	1,000	1,000
Printing Expense	160	1,176	1,000	1,000
Advertising/Signage	22	-	-	-
Contractual Services	56,090	63,190	144,413	-
Bank/Merc Acct Fees	4,342	3,447	2,500	-
Third Party Fees	-	-	235,000	210,000
Office Supplies	697	-	550	700
Uniforms	257	60	700	900
Postage & Delivery	-	-	21	30
Small Tools	-	159	200	200
Hardware/Peripherals	1,144	43	-	1,750
ISF-Copier Charges	138	118	150	150
ISF-Mail Service Charges	28	49	-	-
ISF-Vehicle Replacement Charge	5,480	3,366	3,287	3,351
ISF-Motor Pool Charges	15	3	131	3,618
ISF-Telecom Charges	916	716	-	-
Total Building Safety	\$ 204,675	\$ 299,489	\$ 632,025	\$ 536,489



Code Compliance Division

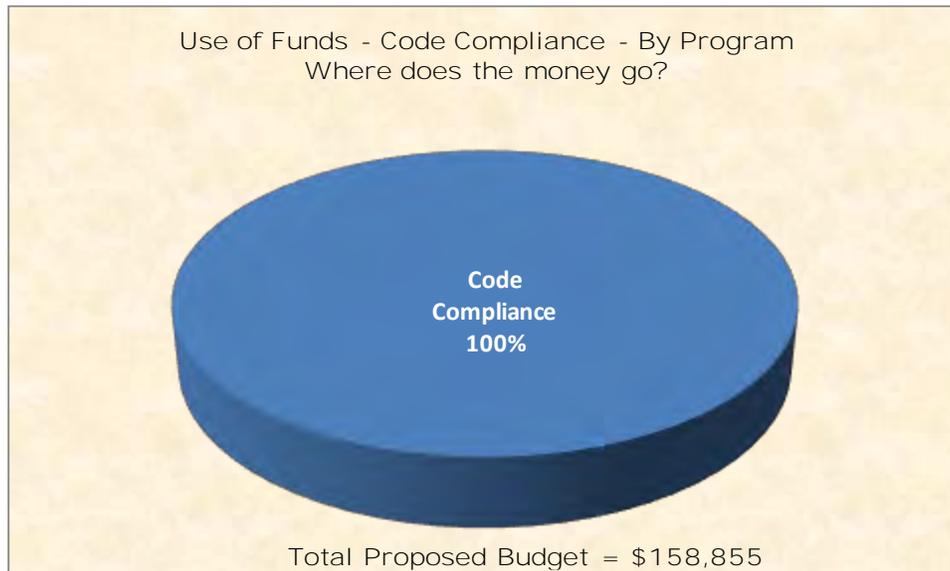
Service Delivery Plan

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			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Code Compliance	\$ 71,768	\$ 74,502	\$ 79,058	\$ 158,855
Total	\$ 71,768	\$ 74,502	\$ 79,058	\$ 158,855

Variance Explanations:

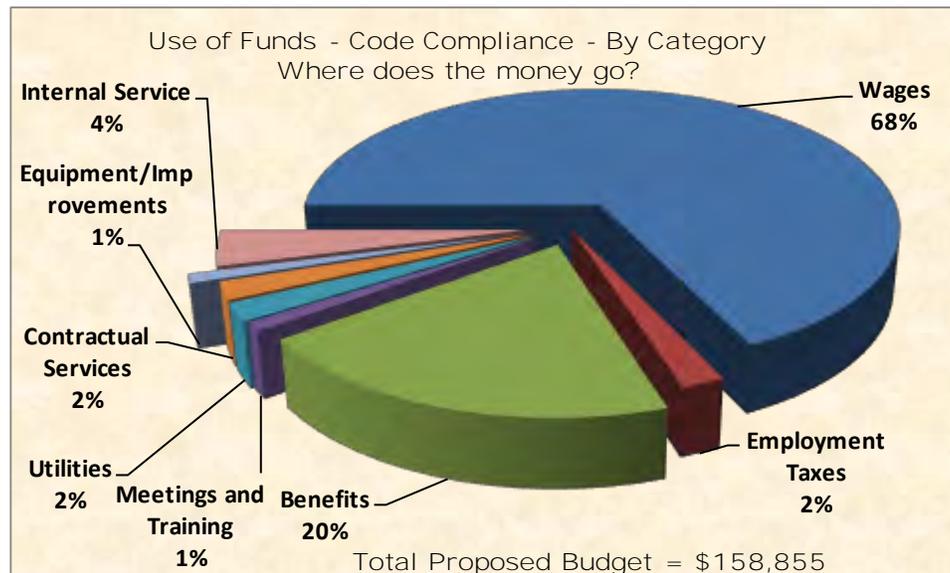
Code Compliance: An amount was added for a new full-time code enforcement officer position.



Category	Expenditures by Category			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Wages	\$ 51,222	\$ 53,439	\$ 55,115	\$ 107,839
Employment Taxes	1,676	1,373	1,544	3,023
Benefits	12,006	12,530	12,754	31,053
Dues & Memberships	14	70	150	200
Meetings and Training	138	500	900	900
Maintenance and Repair	-	99	560	560
Utilities	1,538	1,372	1,780	3,560
Contractual Services	-	1,500	2,700	2,800
Supplies	173	141	320	580
Equipment/Improvements	-	-	-	1,750
Internal Service	5,001	3,478	3,235	6,590
Total	\$ 71,768	\$ 74,502	\$ 79,058	\$ 158,855

Variance Explanations:

Wages/Benefits: An amount was added for a new full-time code enforcement officer position.



Activities/Results

Performance Measures

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Percentage of code violations brought into voluntary compliance prior to initiation of administrative or judicial action	99%	99%	99%	99%

Quality

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Number of Code Enforcement Officers	1	1	1	2
Number of code violation cases**	669	653	620	650
Number of code violation cases reviewed in court proceedings (does not include barking dog cases)	7	8	7	8

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

Productivity

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Average cost per code violation case	\$107.28	\$114.09	\$127.51	\$240.68



FY19-20 Proposed Budget
Summary of Expenditures
Code Compliance

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
General Fund				
Salaries-Full Time	\$ 51,222	\$ 53,439	\$ 55,115	\$ 107,839
Medicare	732	745	800	1,566
Workers Compensation	889	603	719	1,407
Unemployment Insurance	55	25	25	50
Group Health Insurance	5,576	5,788	5,792	16,832
Group Dental Insurance	412	426	431	1,391
Group Vision Insurance	82	124	131	288
Disability Insurance	208	208	233	457
Retirement	5,635	5,878	6,063	11,863
Life Insurance	54	55	54	122
Bonus	40	51	50	100
Licenses/Filing Fees	14	-	100	100
Dues, Subscript & Publicat	-	70	50	100
Meetings & Training	138	500	900	900
Vehicle Maint/Repair	-	99	560	560
Telecommunications	886	786	780	1,560
Gas & Oil	652	586	1,000	2,000
Printing Expense	-	-	200	300
Contractual Services	-	1,500	2,500	2,500
Office Supplies	173	-	-	150
Operating Supplies	-	141	-	-
Uniforms	-	-	130	330
Postage & Delivery	-	-	190	100
Hardware/Peripherals	-	-	-	1,750
ISF-Copier Charges	2	5	10	10
ISF-Mail Service Charges	26	72	-	-
ISF-Vehicle Replacement Charge	4,743	3,162	3,225	6,580
ISF-Telecom Charges	229	239	-	-
Total Code Compliance	\$ 71,768	\$ 74,502	\$ 79,058	\$ 158,855

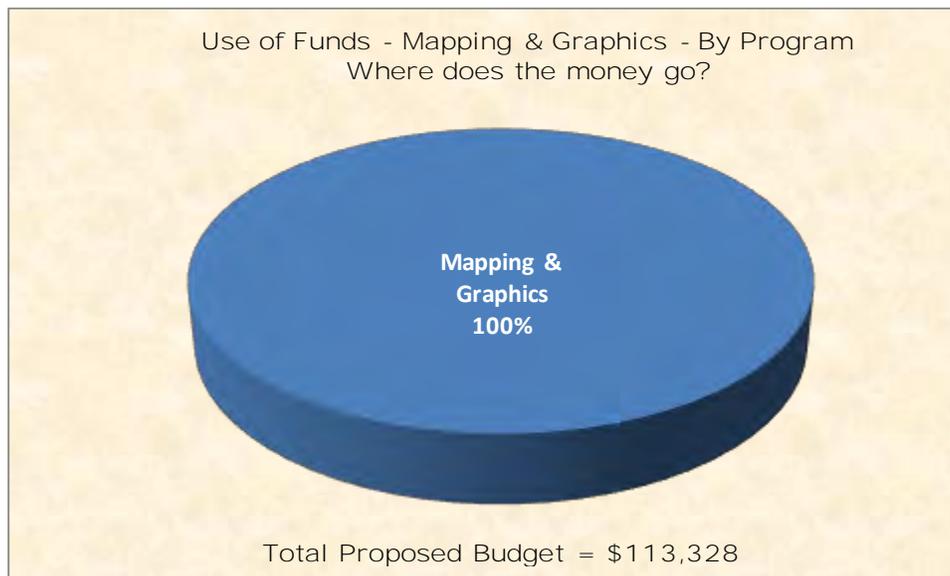


Mapping & Graphics Division

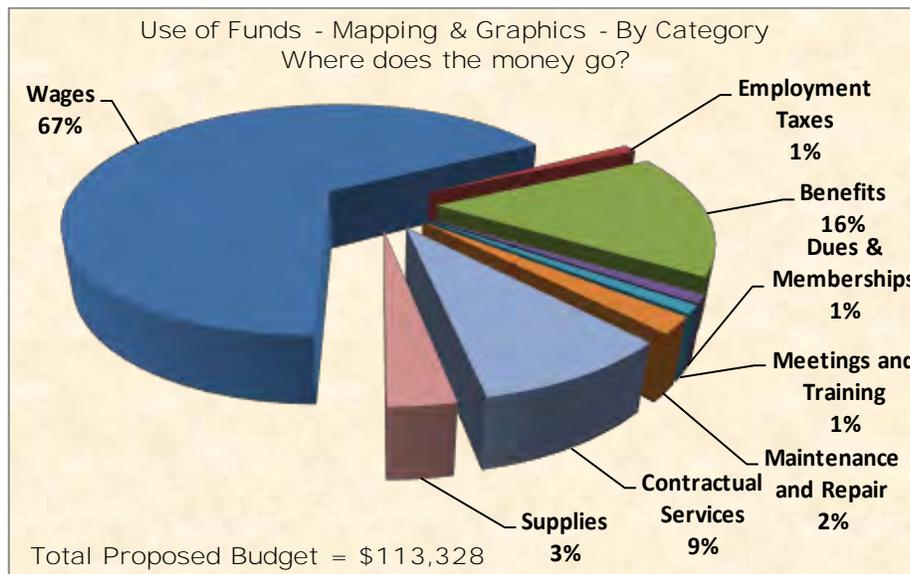
Service Delivery Plan

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			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Mapping & Graphics	\$ 99,727	\$ 96,039	\$ 110,363	\$ 113,328
Total	\$ 99,727	\$ 96,039	\$ 110,363	\$ 113,328



Category	Expenditures by Category			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Wages	\$ 67,891	\$ 69,564	\$ 73,077	\$ 75,693
Employment Taxes	1,170	1,103	1,216	1,259
Benefits	16,384	17,230	17,667	17,998
Dues & Memberships	1,569	1,883	1,000	1,000
Meetings and Training	-	-	2,000	1,000
Maintenance and Repair	-	393	2,500	2,500
Contractual Services	4,568	3,959	7,200	10,000
Supplies	3,342	1,465	5,400	3,600
Equipment	4,338	-	-	-
Internal Service	465	442	303	278
Total	\$ 99,727	\$ 96,039	\$ 110,363	\$ 113,328



Activities/Results

Performance Measures

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Work order satisfaction rating	95%	95%	95%	95%

Quality

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Number of internal customer requests processed	250	200	200	200
Number of aerial site plans completed	100	150	150	150
Number of external customer request processed	100	175	175	175
GIS database maintenance in hours	80	80	80	80

FY19-20 Proposed Budget
Summary of Expenditures
Mapping & Graphics

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
General Fund				
Salaries-Full Time	\$ 67,891	\$ 69,564	\$ 73,077	\$ 75,693
Medicare	954	971	1,060	1,098
Workers Compensation	162	108	131	136
Unemployment Insurance	54	24	25	25
Group Health Insurance	8,064	8,445	8,450	8,534
Group Dental Insurance	412	660	668	603
Group Vision Insurance	54	75	78	79
Disability Insurance	276	276	310	321
Retirement	7,468	7,652	8,039	8,327
Life Insurance	70	72	72	84
Bonus	41	51	50	50
Dues, Subscript & Publicat	569	1,000	1,000	1,000
Licenses/Filing Fees	1,000	883	-	-
Meetings & Training	-	-	2,000	1,000
Equipment Maint/Repair	-	393	2,500	2,500
Professional Fees	4,537	3,937	7,000	7,000
Printing Expense	-	-	100	2,900
Bank/Merc Acct Fees	30	22	100	100
Office Supplies	3,342	1,465	5,300	3,500
Uniforms	-	-	100	100
Hardware/Peripherals	4,338	-	-	-
ISF-Copier Charges	188	70	150	130
ISF-Vehicle Replacement Charges	-	110	113	113
ISF-Motor Pool Charges	47	22	40	35
ISF-Telecom Charges	230	239	-	-
Total Mapping & Graphics	<u>\$ 99,727</u>	<u>\$ 96,039</u>	<u>\$ 110,363</u>	<u>\$ 113,328</u>

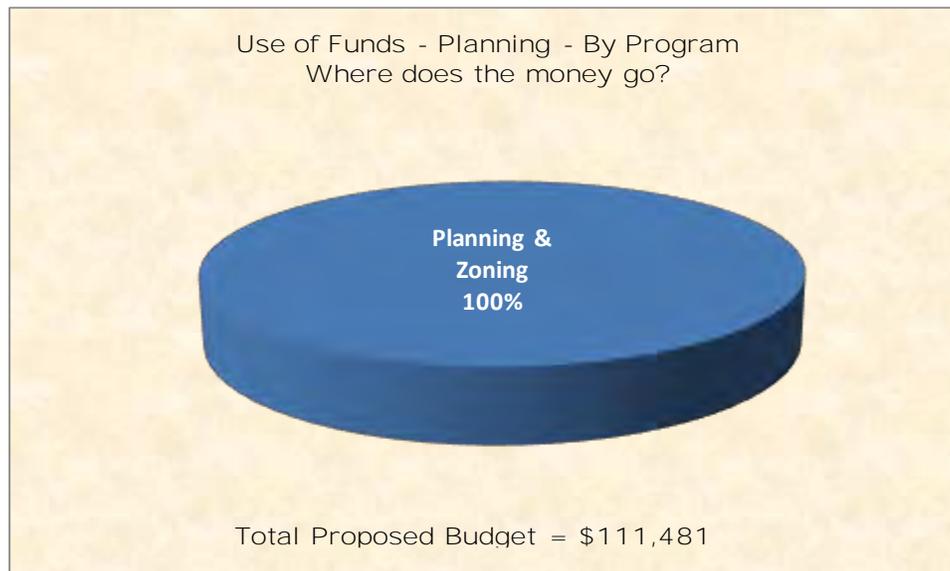


Planning & Zoning Division

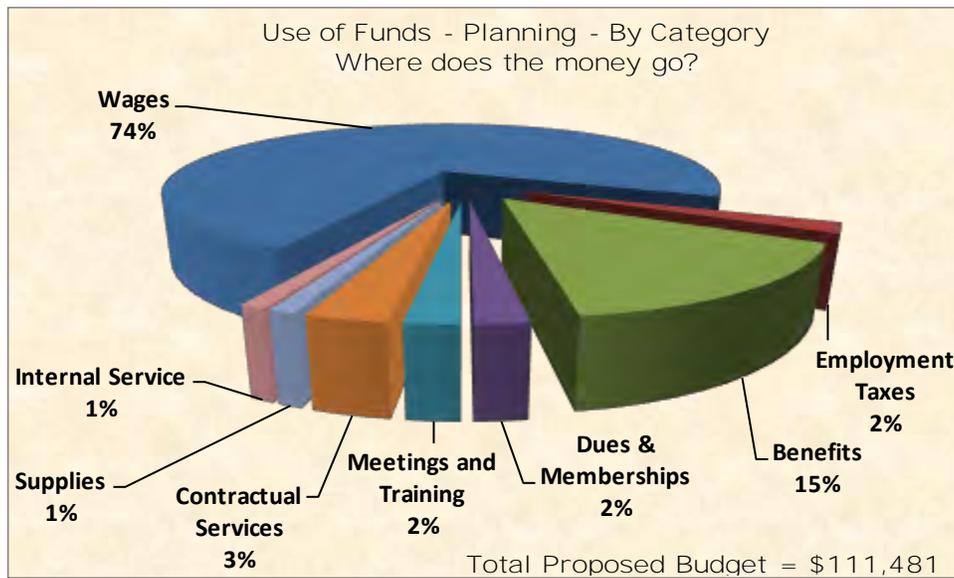
Service Delivery Plan

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			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Long Range Planning	81,569	98,097	-	-
Planning & Zoning	-	-	109,814	111,481
Total	\$ 81,569	\$ 98,097	\$ 109,814	\$ 111,481



Category	Expenditures by Category			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Wages	\$ 59,949	\$ 75,814	\$ 79,643	\$ 82,480
Employment Taxes	2,005	1,985	2,191	2,279
Benefits	12,031	15,968	16,427	16,851
Dues & Memberships	1,535	1,340	1,754	1,754
Meetings and Training	138	-	2,400	2,400
Utilities	450	-	900	-
Contractual Services	2,349	1,484	4,150	3,350
Supplies	231	175	1,302	1,245
Equipment	1,761	-	100	100
Internal Service	1,120	1,331	947	1,022
Total	\$ 81,569	\$ 98,097	\$ 109,814	\$ 111,481



Activities/Results

Performance Measures

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Number of Long-Range Planning Projects	N/A	7	(4) 8	6
Number of Subdivision Ordinance Projects	N/A	19	(33) 50	45
Number of Zoning Cases	N/A	48	(30) 40	35
Number of Building Permit Reviews	527	623	(211) 658	600

Quality

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Percentage of first reviews of plans completed within the established department turn-around time	100%	100%	100%	100%
Staff Training (1 time/year)	100%	100%	100%	100%



FY19-20 Proposed Budget
Summary of Expenditures
Planning & Zoning

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
General Fund				
Salaries-Full Time	\$ 59,949	\$ 75,814	\$ 79,643	\$ 82,480
Medicare	871	1,093	1,169	1,209
Workers Compensation	1,053	867	997	1,045
Unemployment Insurance	81	24	25	25
Group Health Insurance	4,665	5,788	5,792	5,849
Group Dental Insurance	343	426	431	459
Group Vision Insurance	45	75	78	79
Disability Insurance	274	311	337	349
Retirement	6,594	8,339	8,761	9,073
Life Insurance	69	78	78	92
Bonus	41	51	50	50
Allowance/Stipend	-	900	900	900
Licenses/Filing Fees	587	266	1,250	1,250
Dues, Subscript & Publicat	947	1,074	504	504
Meetings & Training	138	-	2,400	2,400
Telecommunications	450	-	900	-
Printing Expense	78	-	350	350
Advertising/Signage	1,735	1,350	3,000	3,000
Bank/Merc Acct Fees	536	134	800	-
Office Supplies	186	-	900	900
Program Materials	-	-	-	-
Uniforms	45	175	200	200
Postage & Delivery	-	-	202	145
Small Tools	-	-	100	100
Equipment	1,761	-	-	-
ISF-Copier Charges	621	387	500	475
ISF-Mail Service Charges	140	234	-	-
ISF-Vehicle Replacement Charge	-	333	331	417
ISF-Motor Pool Charges	130	139	116	130
ISF-Telecom Charges	230	239	-	-
Total Planning	\$ 81,569	\$ 98,097	\$ 109,814	\$ 111,481

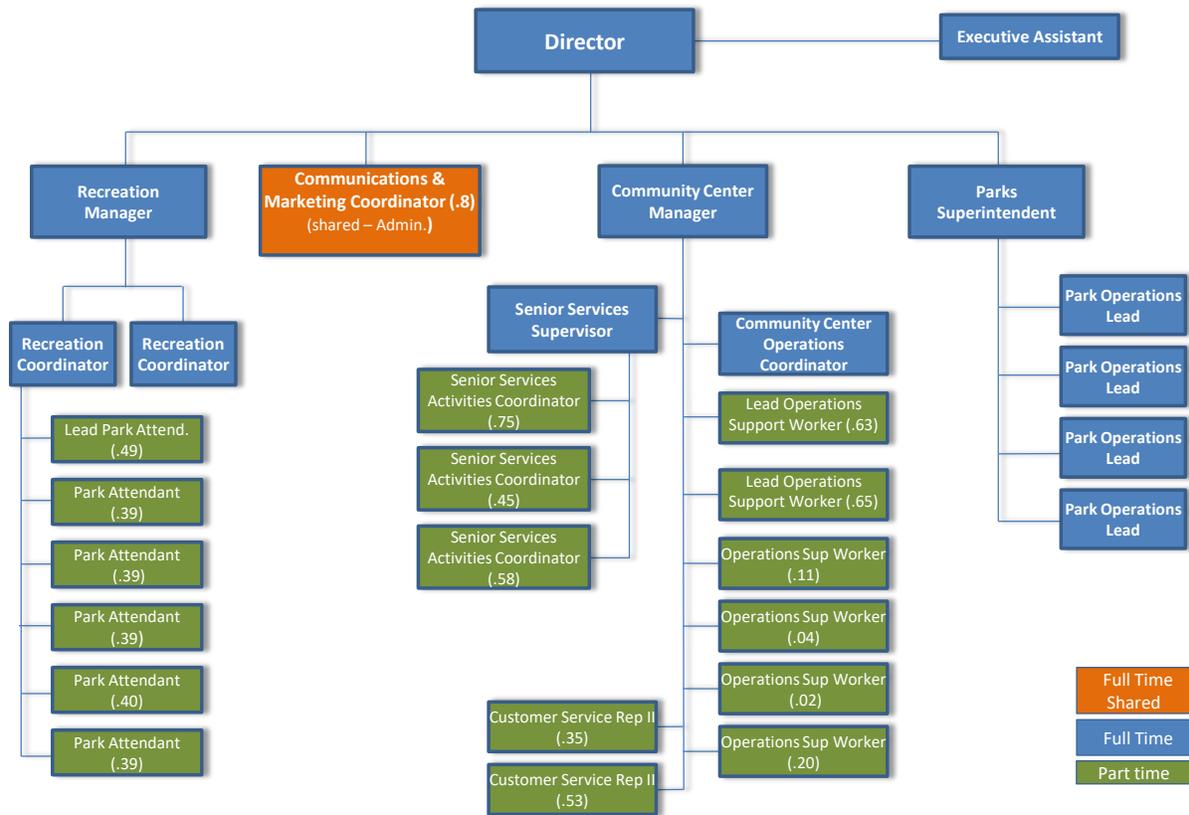




Community Services



COMMUNITY SERVICES DEPARTMENT



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

COMMUNITY SERVICES

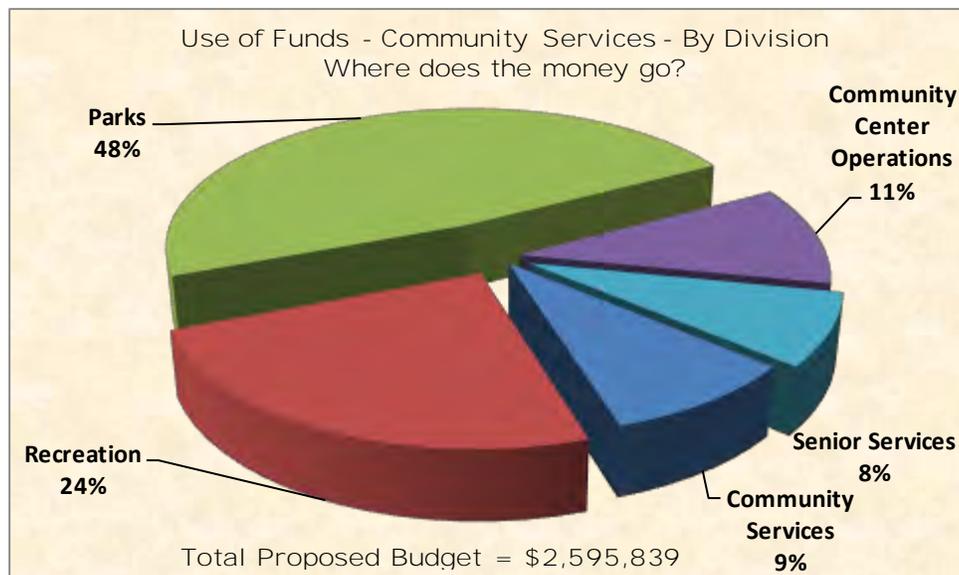
Mission Statement

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.

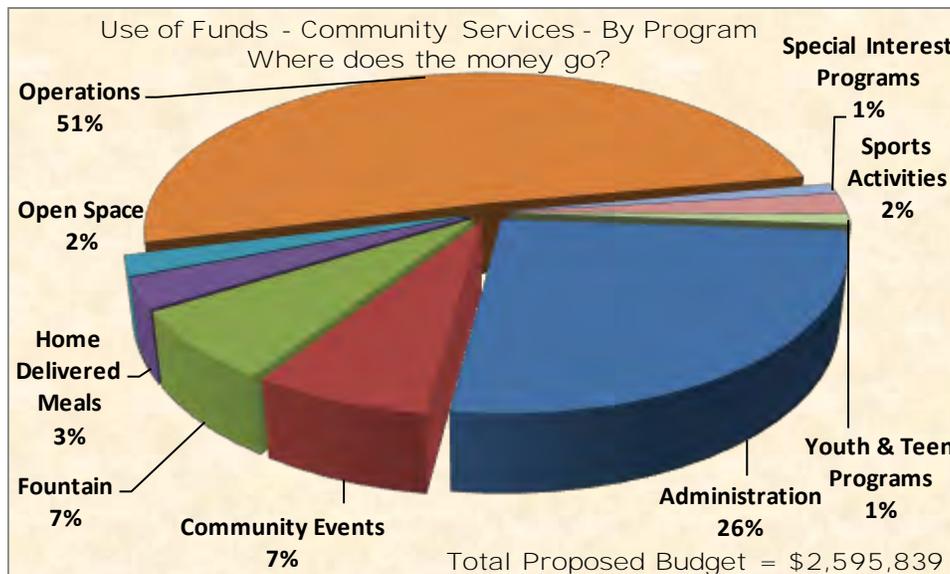
Division	Expenditures by Division			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Community Services	\$ 236,916	\$ 185,182	\$ 198,127	\$ 234,329
Recreation	447,385	501,645	616,098	635,552
Parks	1,169,341	1,055,043	1,215,482	1,226,390
Community Center Operations	216,560	240,316	293,198	286,622
Senior Services	202,898	195,665	197,875	212,946
Total	\$ 2,273,100	\$ 2,177,851	\$ 2,520,780	\$ 2,595,839



Program Name	Expenditures by Program			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Administration	\$ 771,273	\$ 527,950	\$ 631,448	\$ 697,600
Community Events	92,687	165,798	180,478	173,575
Fountain	232,123	150,662	175,335	175,515
Home Delivered Meals	48,935	45,606	61,570	67,010
Open Space	48,696	11,172	37,158	45,330
Operations	925,052	1,200,355	1,336,885	1,338,471
Senior Membership	66,741	-	-	-
Special Interest Programs	17,025	16,087	15,821	15,878
Sports Activities	48,863	39,293	52,170	52,520
Youth & Teen Programs	21,705	20,928	29,915	29,940
Total	\$ 2,273,100	\$ 2,177,851	\$ 2,520,780	\$ 2,595,839

Variance Explanations:

Open Space: The increase is a result of additional expenses for the new Adero Canyon trailhead.

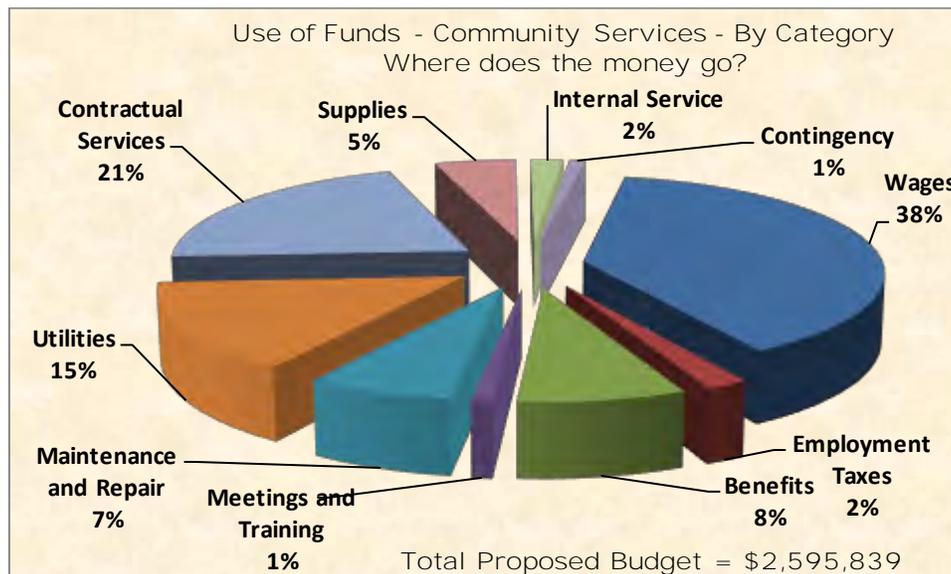


Category	Expenditures by Category			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Wages	\$ 876,851	\$ 876,978	\$ 970,566	\$ 1,017,639
Employment Taxes	40,892	37,198	43,436	45,447
Benefits	159,107	176,840	190,341	213,083
Dues & Memberships	6,284	6,681	6,149	7,109
Meetings and Training	10,615	7,476	17,990	17,790
Maintenance and Repair	287,731	181,623	210,672	172,972
Utilities	347,760	324,420	375,590	377,186
Contractual Services	365,594	383,122	494,975	516,847
Supplies	83,829	87,746	119,517	138,556
Equipment	46,996	47,386	24,500	9,700
Damages/Vandalism	132	1,983	2,100	2,100
Internal Service	47,309	46,398	39,944	52,410
Contingency	-	-	25,000	25,000
Total	\$ 2,273,100	\$ 2,177,851	\$ 2,520,780	\$ 2,595,839

Variance Explanations:

Equipment: FY18-19 included one-time budget supplements for chairs and tables for the Community Center.

Internal Service: Additional amounts were included for the replacement equipment and vehicles to be purchased.



FY19-20 Proposed Budget
Summary of Expenditures
Community Services Department

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
General Fund				
Salaries-Full Time	\$ 694,460	\$ 681,554	\$ 746,187	\$ 783,934
Salaries-Part Time	181,248	194,191	224,379	233,705
Overtime	1,144	1,233	-	-
FICA	11,349	12,101	13,730	14,301
Medicare	12,425	12,441	14,214	14,906
Workers Compensation	15,387	11,856	14,795	15,540
Unemployment Insurance	1,731	800	697	700
Group Health Insurance	76,199	83,650	86,856	103,987
Group Dental Insurance	6,233	6,495	6,831	7,904
Group Vision Insurance	718	1,031	1,126	1,217
Disability Insurance	2,469	2,291	3,157	3,319
Retirement	71,391	75,093	82,083	86,231
Life Insurance	661	684	733	870
Bonus	1,436	1,521	1,545	1,545
Allowance/Stipend	-	6,075	8,010	8,010
Licenses/Filing Fees	3,717	2,136	1,940	2,240
Dues, Subscript & Publicat	2,567	4,545	4,209	4,869
Meetings & Training	10,420	7,281	17,415	17,215
Boards & Commissions	195	195	575	575
Building Maint/Repair	1,706	2,749	1,300	1,300
HVAC Repair	230	150	1,400	1,400
Plumbing Repair	3,741	2,118	2,700	2,700
Electrical Repair/Maint	6,269	20,650	5,950	5,950
Fire Protection Systems	1,221	1,221	2,440	2,440
Grounds Maint/Repair	94,133	12,534	50,600	27,600
Irrigation Repair	22,819	25,460	20,400	15,400
Backflow Testing & Maintenance	296	672	2,450	2,450
Equipment Maint/Repair	94,393	20,465	31,790	31,790
Vehicle Maint/Repair	5,013	10,025	11,010	11,010
Office Equip Maint/ Repair	3,728	3,444	6,324	6,624
Other Maint/Repair	22,674	28,681	37,800	30,800
Striping	379	1,302	2,380	2,380
Sidewalk/Pathway Repair	7,525	8,857	6,575	6,575
Sign Repair & Replacement	5,544	5,369	9,850	6,850
Painting	6,443	5,978	1,803	1,803
Lighting Repair	11,616	31,947	15,900	15,900
Electricity Expense	228,488	196,266	232,940	232,940
Refuse/Recycling	5,259	5,124	6,380	6,380
Telecommunications	10,867	5,916	9,942	5,754
Water/Sewer	92,543	105,959	111,516	112,500
Gas & Oil	10,604	11,155	14,812	19,612
Professional Fees	30,453	24,742	33,088	58,340
Instructor Fees	50,215	36,499	50,340	49,365
Rentals & Leases	29,253	31,264	60,221	54,677
Printing Expense	2,257	2,861	5,205	4,280



FY19-20 Proposed Budget
Summary of Expenditures
Community Services Department

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
General Fund-continued				
Advertising/Signage	\$ 2,691	\$ 1,763	\$ 3,250	\$ 3,900
Contractual Services	45,269	37,001	54,924	61,000
Constituent Communication	28,822	27,956	33,990	32,490
Bank/Merc Acct Fees	5,815	6,001	6,704	6,704
Community Contracts/Events	57,184	90,626	97,500	91,000
Landscape Contracts	104,875	116,316	138,427	145,007
ActiveNet Fees	8,760	8,095	11,326	10,083
Office Supplies	3,320	2,332	3,700	3,700
Cleaning/Janitorial Supplies	12,563	15,460	13,279	13,429
Safety Supplies	415	540	1,100	1,100
Operating Supplies	27,615	28,379	63,728	75,678
Food & Beverage Supplies	3,719	3,572	3,120	3,120
Program Materials	32,510	33,710	30,610	37,610
Uniforms	3,663	3,728	3,729	3,679
Postage & Delivery	24	25	251	240
Small Tools	3,635	4,654	4,500	4,500
Software	212	-	-	-
Hardware/Peripherals	847	1,317	-	-
Furniture/Appliances	15,212	14,433	15,000	-
Equipment	6,999	26,981	5,000	5,200
Park Improvements Exp	20,091	-	-	-
Damages/Vandalism	132	1,983	2,100	2,100
ISF-Copier Charges	3,107	1,582	875	1,372
ISF-Mail Service Charges	238	280	-	-
ISF-Vehicle Replacement Charge	37,565	38,375	38,948	50,927
ISF-Motor Pool Charges	4	52	121	112
ISF-Telecom Charges	6,394	6,109	-	-
Contingency	-	-	25,000	25,000
Park Improvements	-	-	-	-
Total Community Services	<u>\$ 2,273,100</u>	<u>\$ 2,177,851</u>	<u>\$ 2,520,780</u>	<u>\$ 2,595,839</u>



FY18-19 Department Accomplishments

Initiative	Strategic Value
Expanded annual summer camp to two weeks	Goal #3, Objective #2
Received two playground grants to develop two new play spaces within Four Peaks Park	Goal #1, Objective #3; Goal #3, Objective #2
Two grants awarded to Tourism Division	Goal #1, Objective #3
Produced the first Irish Fountain Fest event	Goal #1, Objective #3; Goal #3, Objective #2
Introduced new programs: Melt, Meditation, Noon Year's Eve, Community Center Takeover	Goal #3, Objective #2; Goal #5, Objective #1
Reconstruction of three ballfields at Golden Eagle Park	Goal #2, Objective #1; Goal #3, Objective #2
Hosted a number of new special events on the Avenue of the Fountains Plaza and Fountain Park	Goal #1, Objective #3; Goal #3, Objective #2
Completed the Adero Canyon Trailhead	Goal #1, Objective #3
Completed second Tourism promotional video	Goal #1, Objective #3; Goal #3, Objective #2

FY19-20 Objectives

Initiative	Strategic Value	Estimated Cost/Funding Source
Continue Four Peaks Park Renovation	Goal #1, Objective #3; Goal #3, Objective #2; Goal #2, Objective #1	\$700,000 CIP
Evaluate Community Center space for most efficient use	Goal #1, Objective #3; Goal #3, Objective #2	To be Determined/General Fund/ Facility Replacement Fund
Continue to increase the number of special events	Goal #1, Objective #3	To be Determined/General Fund
Organize specialty youth programs	Goal #3, Objective #2	To be Determined/General Fund
Continue to participate in the Youth Coalition	Goal #5, Objective #1	\$0
Continue to Support Youth Sports Club	Goal #3, Objective #2	\$0
Expand the use of social media to promote activities and events	Goal #3, Objective #2	To be Determined/General Fund

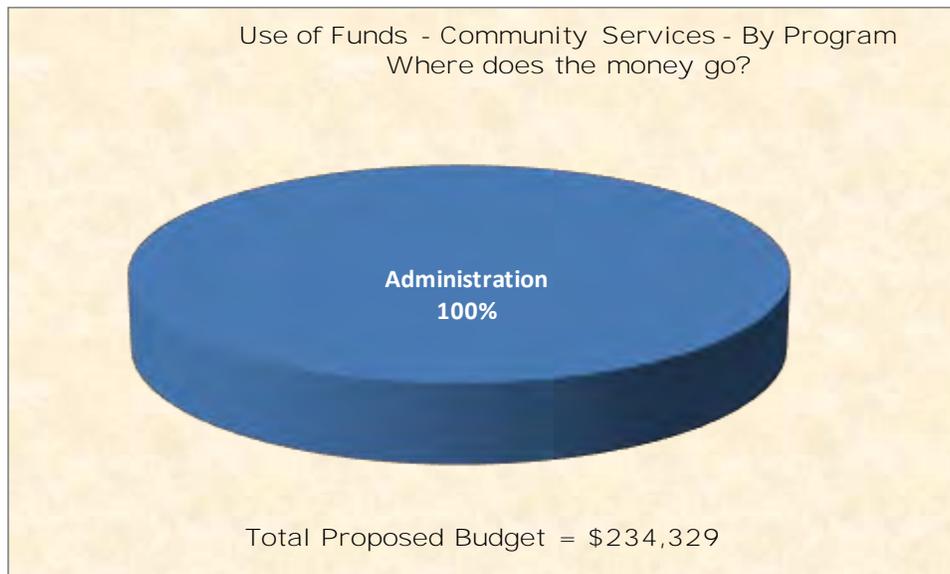


Community Services Division

Service Delivery Plan

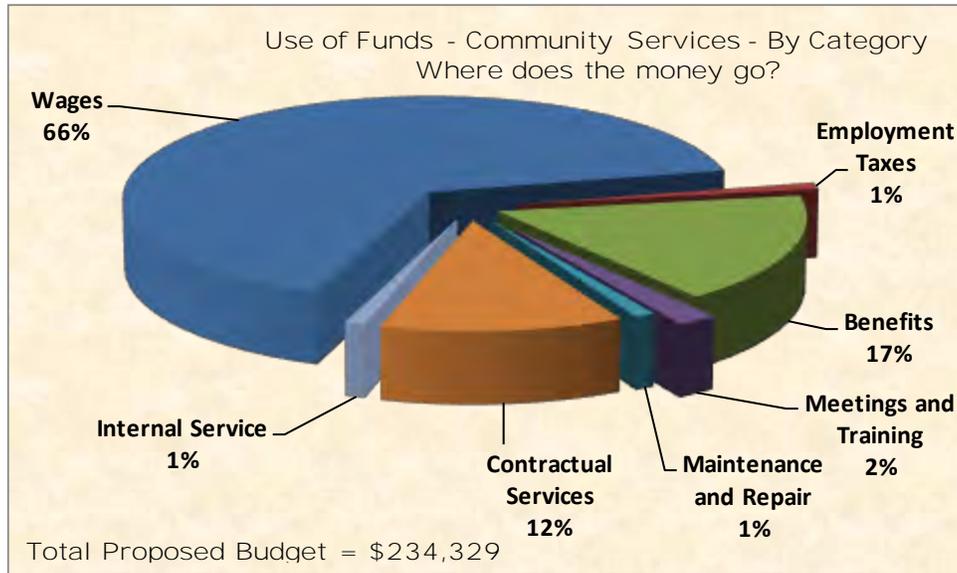
The Community Services Division, through its administrative services, provides direction to and clerical support for the Department by the Community Services Director and executive assistant.

Program Name	Expenditures by Program			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Administration	\$ 236,916	\$ 185,182	\$ 198,127	\$ 234,329
Total	\$ 236,916	\$ 185,182	\$ 198,127	\$ 234,329



Category	Expenditures by Category			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Wages	\$ 186,018	\$ 131,839	\$ 139,774	\$ 153,838
Employment Taxes	3,115	1,927	2,337	2,578
Benefits	33,245	37,926	39,626	38,941
Dues & Memberships	398	60	-	-
Meetings and Training	532	2,442	6,100	3,600
Maintenance and Repair	2,282	2,193	2,720	2,720
Utilities	973	1,062	600	600
Contractual Services	3,347	3,837	3,600	28,600
Supplies	767	480	452	470
Equipment/Improvements	-	40	-	-
Internal Service	6,239	3,376	2,918	2,982
Total	\$ 236,916	\$ 185,182	\$ 198,127	\$ 234,329





Variance Explanations:

Contractual Services: A budget supplement was added for a parks/programs/facilities study.

Activities/Results

Performance Measures

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 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

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 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

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Monitor number of trail users	13,500+	15,000+	20,000+	25,000+



FY19-20 Proposed Budget
Summary of Expenditures
Community Services Division

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
General Fund				
Salaries-Full Time	\$ 186,018	\$ 131,836	\$ 139,774	\$ 153,838
Medicare	2,581	1,676	2,040	2,256
Workers Compensation	425	204	250	275
Unemployment Insurance	109	47	47	47
Group Health Insurance	15,039	20,852	20,662	18,571
Group Dental Insurance	1,195	1,658	1,662	1,501
Group Vision Insurance	140	280	293	220
Disability Insurance	539	404	591	651
Retirement	15,811	14,502	15,375	16,922
Life Insurance	139	134	138	171
Bonus	381	96	95	95
Allowance/Stipend	-	-	810	810
Licenses/Filing Fees	356	-	-	-
Dues, Subscript & Publicat	42	60	-	-
Meetings & Training	337	2,247	5,525	3,025
Boards & Commissions	195	195	575	575
Vehicle Maint/Repair	85	29	500	500
Office Equip Maint/Repair	2,197	2,164	2,220	2,220
Telecommunications	778	784	-	-
Gas & Oil	195	279	600	600
Professional Fees	-	-	-	25,000
Rentals & Leases	3,293	3,368	3,600	3,600
Printing Expense	54	470	-	-
Office Supplies	702	467	450	450
Cleaning/Janitorial Supplies	8	13	-	-
Operating Supplies	58	-	-	-
Postage & Delivery	-	40	2	20
ISF-Copier Charges	6	16	5	10
ISF-Mail Service Charges	19	27	-	-
ISF-Vehicle Replacement Charge	5,757	2,856	2,913	2,972
ISF-Telecom Charges	457	478	-	-
Total Community Services	\$ 236,916	\$ 185,182	\$ 198,127	\$ 234,329

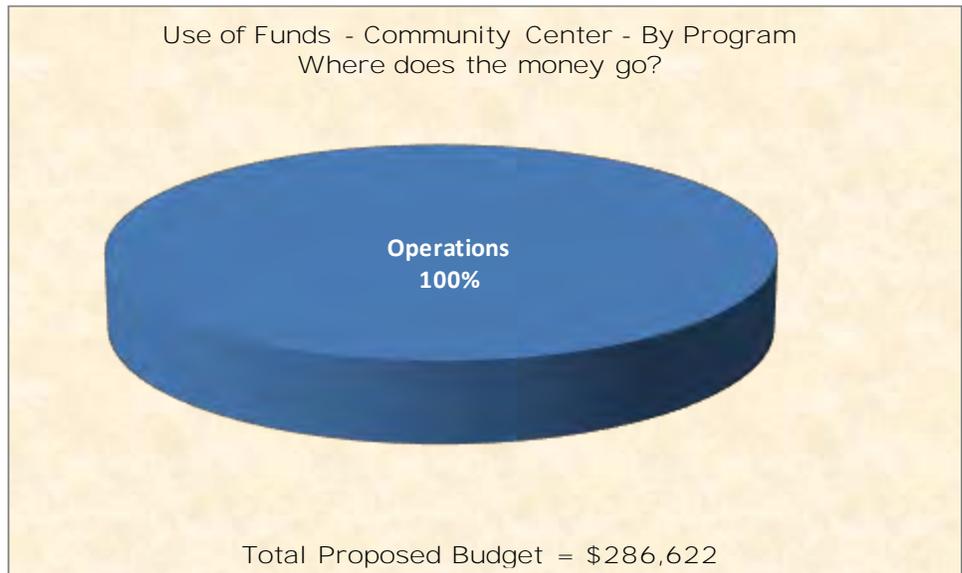


Community Center Division

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.

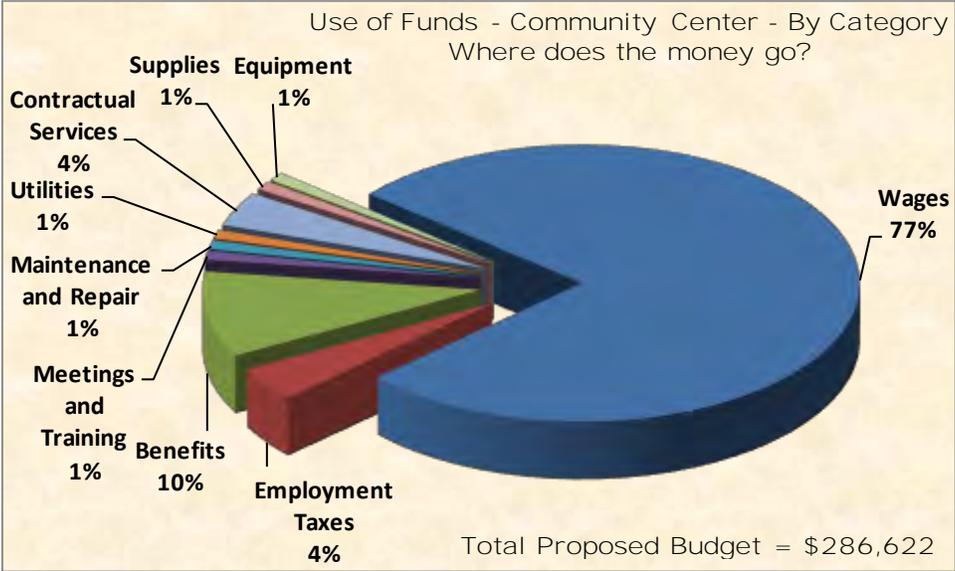
Program Name	Expenditures by Program			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Administration	\$ 95,287	\$ -	\$ -	\$ -
Operations	121,273	240,316	293,198	286,622
Total	\$ 216,560	\$ 240,316	\$ 293,198	\$ 286,622



Category	Expenditures by Category			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Wages	\$ 151,895	\$ 175,708	\$ 208,868	\$ 219,939
Employment Taxes	9,580	9,505	11,726	12,306
Benefits	22,073	24,004	26,725	27,685
Dues & Memberships	853	902	1,092	852
Meetings and Training	-	-	2,000	2,000
Maintenance and Repair	1,531	(83)	2,004	2,304
Utilities	1,083	1,138	6,108	2,064
Contractual Services	8,155	7,150	12,133	11,806
Supplies	3,438	1,930	3,650	3,600
Equipment	15,522	17,838	18,800	4,000
Internal Service	2,430	2,224	92	66
Total	\$ 216,560	\$ 240,316	\$ 293,198	\$ 286,622

Variance Explanations:

Equipment: FY18-19 included one-time budget supplements for chairs and tables for the Community Center.



Activities/Results

Performance Measures

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
To attain a high overall satisfaction rating (good or better) with quality on rental evaluations	N/A	N/A	N/A	Good

Quality

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Number of bookings	3,764	4,295	4,350	4,350
Number of patrons served	73,010	81,826	84,000	84,000

Productivity

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Net operating costs of facility per capita*	\$8.85	\$9.82	\$11.98	\$11.37

*Population based on the U.S. Census 2016 estimate



FY19-20 Proposed Budget
Summary of Expenditures
Community Center

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
General Fund				
Salaries-Full Time	\$ 91,699	\$ 104,990	\$ 118,235	\$ 124,935
Salaries-Part Time	60,196	70,718	90,633	95,004
FICA	3,781	4,411	5,519	5,784
Medicare	2,201	2,556	3,037	3,197
Workers Compensation	3,141	2,368	2,981	3,134
Unemployment Insurance	456	169	189	191
Group Health Insurance	10,311	10,621	11,584	11,698
Group Dental Insurance	762	788	862	918
Group Vision Insurance	99	138	156	158
Disability Insurance	361	361	501	529
Retirement	10,087	11,549	13,006	13,743
Life Insurance	93	109	116	139
Bonus	360	439	500	500
Licenses/Filing Fees	746	575	600	700
Dues, Subscript & Publicat	107	327	492	152
Meetings & Training	-	-	2,000	2,000
Office Equip Maint/ Repair	1,532	(83)	2,004	2,304
Telecommunications	1,083	1,138	6,108	2,064
Professional Fees	-	-	300	300
Rentals & Leases	3,477	3,534	3,600	4,056
Printing Expense	62	62	130	130
Advertising/Signage	2,505	1,281	2,850	3,500
Constituent Communication	-	-	3,000	1,500
Bank/Merc Acct Fees	1,288	1,283	1,320	1,320
ActiveNet Fees	823	990	933	1,000
Office Supplies	675	264	450	450
Cleaning/Janitorial Supplies	11	42	-	-
Operating Supplies	498	252	1,000	1,000
Food & Beverage Supplies	719	351	550	550
Program Materials	952	565	1,000	1,000
Uniforms	583	455	650	600
Furniture/Appliances	-	-	15,000	-
Small Tools	-	869	-	-
Hardware/Peripherals	523	754	-	-
Furniture/Appliances	12,771	13,792	-	-
Equipment	2,228	2,424	3,800	4,000
ISF-Copier Charges	268	-	-	-
ISF-Mail Service Charges	2	-	-	-
ISF-Vehicle Replacement Charges	-	60	68	50
ISF-Motor Pool Charges	-	-	24	16
ISF-Telecom Charges	2,160	2,164	-	-
Total Community Center	<u>\$ 216,560</u>	<u>\$ 240,316</u>	<u>\$ 293,198</u>	<u>\$ 286,622</u>



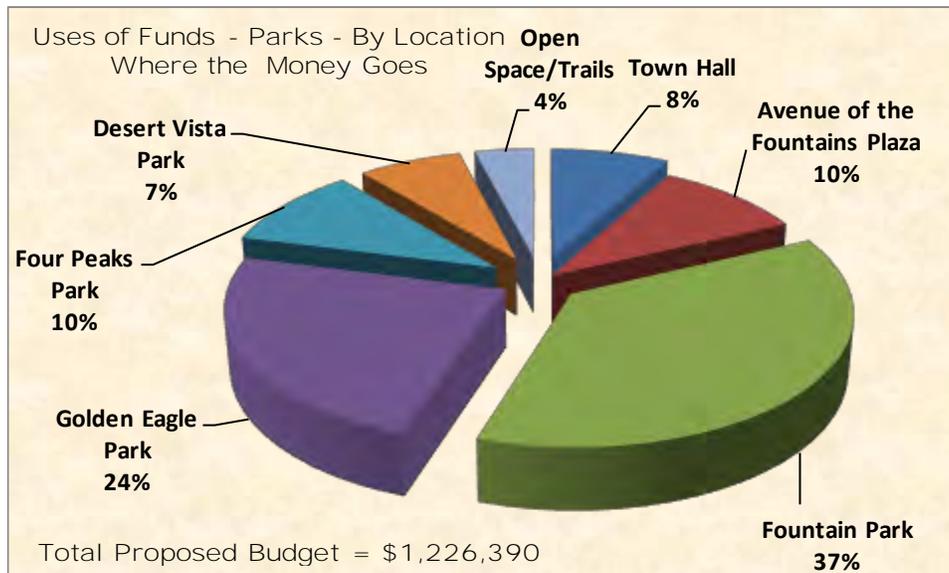
Service Delivery Plan

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			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Town Hall	\$ 79,212	\$ 83,229	\$ 95,607	\$ 99,632
Avenue of the Fountains Plaza	78,400	84,162	114,257	124,060
Fountain Park	466,587	367,700	416,436	443,045
Golden Eagle Park	228,978	290,389	321,351	294,371
Four Peaks Park	95,972	113,522	141,308	128,328
Desert Vista Park	171,496	104,869	89,365	91,624
Open Space/Trails	48,696	11,172	37,158	45,330
Total	\$ 1,169,341	\$ 1,055,043	\$ 1,215,482	\$ 1,226,390

Variance Explanations:

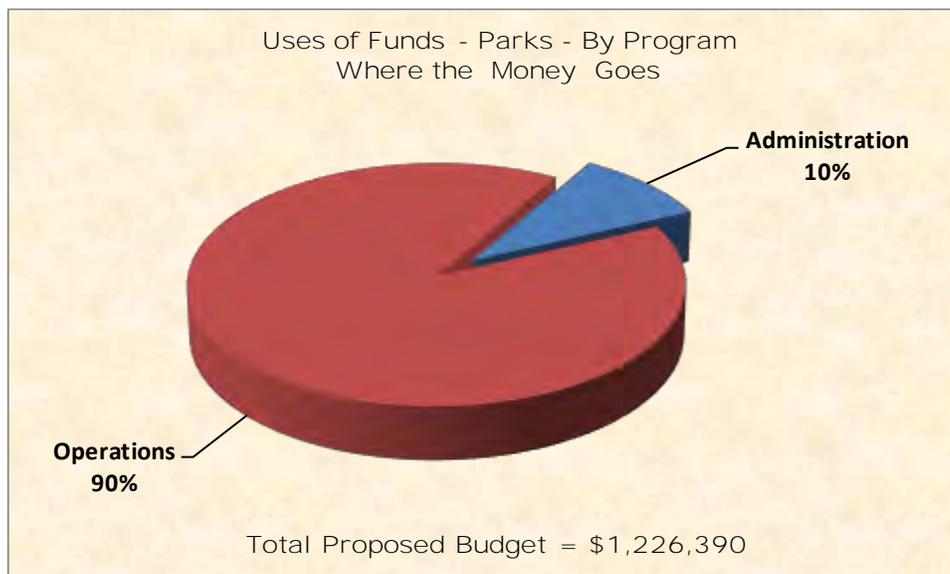
Open Space/Trails: The increase is a result of additional expenses for the new Adero Canyon trailhead.



Program Name	Expenditures by Program			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Administration	\$ 84,742	\$ 83,229	\$ 95,607	\$ 99,632
Fountain	232,123	150,662	175,335	175,515
Open Space	48,696	11,171	37,158	45,330
Operations	803,780	809,981	907,382	905,913
Total	\$ 1,169,341	\$ 1,055,043	\$ 1,215,482	\$ 1,226,390

Variance Explanations:

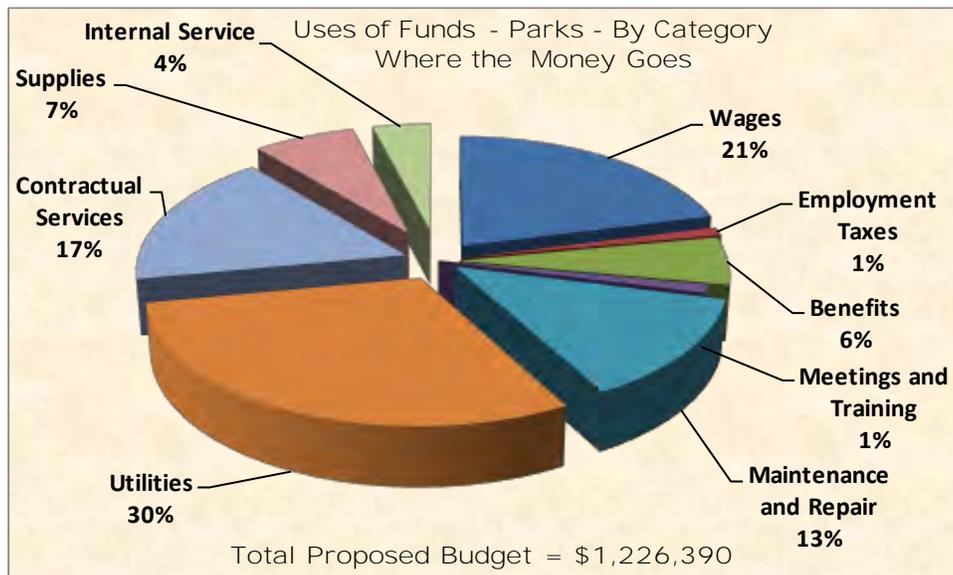
Open Space: The increase is a result of additional expenses for the new Adero Canyon trailhead.



Category	Expenditures by Category			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Wages	\$ 204,042	\$ 233,687	\$ 252,164	\$ 262,047
Employment Taxes	9,446	8,187	9,630	10,011
Benefits	56,020	69,204	73,163	77,547
Dues & Memberships	2,324	1,125	1,040	1,040
Meetings and Training	1,560	3,413	8,390	8,390
Maintenance and Repair	281,459	176,890	202,298	164,298
Utilities	341,865	317,089	364,258	368,882
Contractual Services	172,653	137,289	184,583	190,154
Supplies	41,701	45,972	77,504	89,507
Equipment	25,196	24,213	4,500	4,500
Damages/Vandalism	132	1,983	2,100	2,100
Internal Service	32,943	35,991	35,852	47,914
Total	\$ 1,169,341	\$ 1,055,043	\$ 1,215,482	\$ 1,226,390

Variance Explanations:

Internal Service: Additional amounts were included for the replacement equipment and vehicles to be purchased.



FY19-20 Proposed Budget
Summary of Expenditures
Parks

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
General Fund				
Salaries-Full Time	\$ 203,016	\$ 232,572	\$ 252,164	\$ 262,047
Overtime	1,026	1,115	-	-
FICA	-	-	-	-
Medicare	2,884	3,306	3,712	3,855
Workers Compensation	6,265	4,728	5,794	6,032
Unemployment Insurance	297	153	124	124
Group Health Insurance	29,971	36,262	37,234	40,054
Group Dental Insurance	2,247	2,518	2,583	2,973
Group Vision Insurance	282	416	443	446
Disability Insurance	704	809	1,066	1,110
Retirement	22,445	25,706	27,739	28,824
Life Insurance	208	240	248	290
Bonus	162	254	250	250
Allowance/Stipend	-	3,000	3,600	3,600
Licenses/Filing Fees	2,109	795	590	590
Dues, Subscript & Publicat	215	330	450	450
Meetings & Training	1,560	3,413	8,390	8,390
Building Main/Repair	1,706	2,749	1,300	1,300
HVAC Repair	230	150	1,400	1,400
Plumbing Repair	3,741	2,118	2,700	2,700
Electrical Repair/Maint	6,269	20,650	5,950	5,950
Fire Protection Systems	1,221	1,221	2,440	2,440
Grounds Maint/Repair	94,133	12,534	50,600	27,600
Irrigation Repair	22,819	25,460	20,400	15,400
Backflow Testing & Maintenance	296	672	2,450	2,450
Equipment Maint/Repair	94,393	20,465	30,290	30,290
Vehicle Maint/Repair	4,928	8,906	10,510	10,510
Other Maint/Repair	22,674	28,681	37,800	30,800
Striping	379	1,302	2,380	2,380
Sidewalk/Pathway Repair	7,525	8,857	6,575	6,575
Sign Repair & Replacement	3,085	5,199	9,800	6,800
Painting	6,443	5,978	1,803	1,803
Lighting Repair	11,616	31,947	15,900	15,900
Electricity Expense	228,488	196,266	232,940	232,940
Refuse/Recycling	5,259	4,920	6,380	6,380
Telecommunications	5,167	2,869	3,210	2,851
Water/Sewer	92,543	105,959	111,516	112,500
Gas & Oil	10,409	7,075	10,212	14,212
Professional Fees	18,523	10,765	13,900	13,900
Rentals & Leases	5,000	6,445	20,380	20,380
Printing Expense	2,040	1,937	3,900	2,900
Advertising/Signage	88	-	-	-
Contractual Services	-	-	6,500	6,500
Bank/Merc Acct Fees	655	1,112	771	771
Community Contracts/Events	40,925	66	-	-



FY19-20 Proposed Budget
Summary of Expenditures
Parks

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
General Fund-continued				
Landscape Contracts	\$ 104,875	\$ 116,316	\$ 138,427	\$ 145,007
ActiveNet Fees	545	649	705	695
Office Supplies	156	262	100	100
Cleaning/Janitorial Supplies	12,530	15,405	13,279	13,279
Safety Supplies	415	540	1,100	1,100
Operating Supplies	25,720	27,701	60,353	72,353
Food & Beverage Supplies	-	-	120	120
Program Materials	728	117	300	300
Uniforms	2,154	1,921	2,250	2,250
Postage & Delivery	-	25	2	5
Small Tools	3,502	3,758	4,500	4,500
Hardware/Peripherals	-	46	-	-
Furniture/Appliances	-	(245)	-	-
Equipment	1,603	20,653	-	-
Park Improvements Exp	20,091	-	-	-
Damages/Vandalism	132	1,983	2,100	2,100
ISF-Copier Charges	215	399	160	315
ISF-Mail Service Charges	2	1	-	-
ISF-Vehicle Replacement Charge	31,808	35,114	35,692	47,599
ISF-Motor Pool Charges	-	-	-	-
ISF-Telecom Charges	919	478	-	-
Park Improvements	-	-	-	-
Total Parks	\$ 1,169,341	\$ 1,055,043	\$ 1,215,482	\$ 1,226,390



Activities/Results

Performance Measures

Fountain Hills Park Systems	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Maintain a high overall satisfaction rating (good or better) of maintenance/operations	Good	Good	Good	Good
Number of Special Events hosted in parks	50	35	33	35
Appearance/availability	Good	Good	Good	Good

Quality

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Restrooms serviced and cleaned	365 days	365 days	365 days	365 days
Ramadas cleaned and serviced	365	365	365	365
Trails maintained and ready for use daily	365	365	365	365
Trailhead promotions with brochures, maps and Town website	365	365	365	365

Productivity

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Net expenditures for park operation per capita*	\$44.30	\$39.70	\$43.40	\$45.72
Park rental/revenue	203/36,269	319/55,691	225/30,260	325/60,000
Fountain Hills Hiking Trail visitors	24,000+	50,000+	30,000+	55,000+

*Population based on the U.S. Census 2016 estimate

Fountain Hills Recreation Statistics:

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

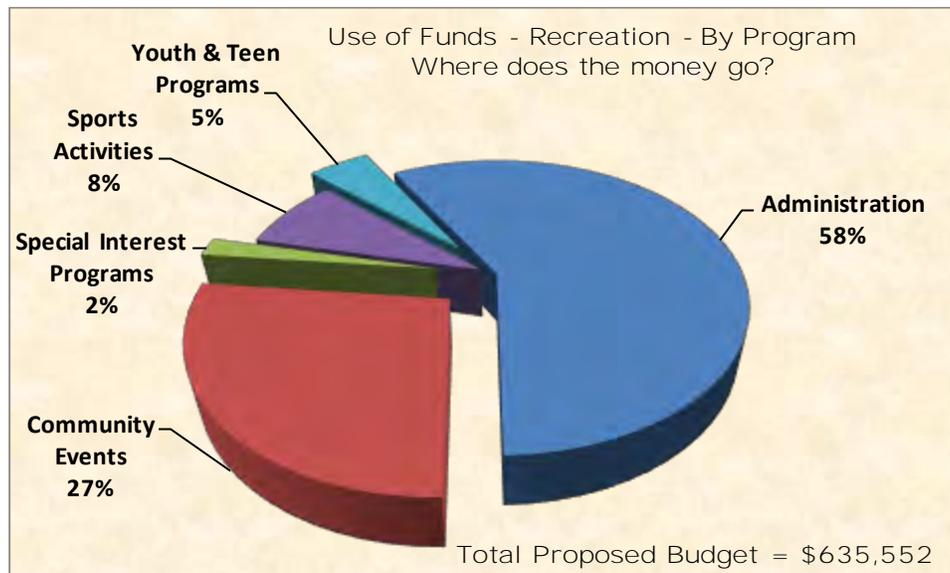


Recreation Division

Service Delivery Plan

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

Program Name	Expenditures by Program			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Administration	\$ 267,105	\$ 259,539	\$ 337,714	\$ 363,639
Community Events	92,687	165,799	180,478	173,575
Special Interest Programs	17,025	16,087	15,821	15,878
Sports Activities	48,863	39,293	52,170	52,520
Youth & Teen Programs	21,705	20,927	29,915	29,940
Total	\$ 447,385	\$ 501,645	\$ 616,098	\$ 635,552

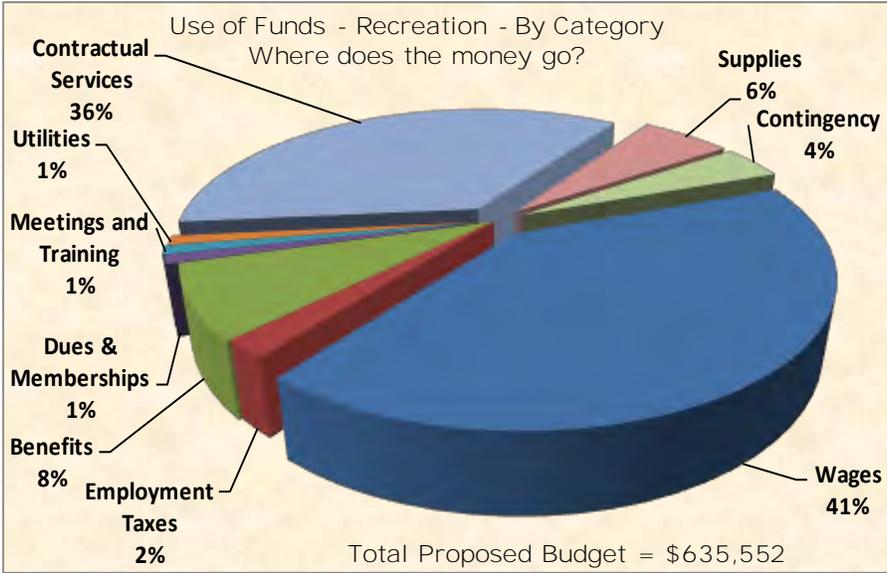


Category	Expenditures by Category			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Wages	\$ 201,462	\$ 199,012	\$ 244,958	\$ 257,987
Employment Taxes	11,504	10,677	13,767	14,409
Benefits	38,661	35,480	42,033	48,917
Dues & Memberships	1,549	3,373	2,567	4,567
Meetings and Training	8,044	1,597	1,300	3,600
Maintenance and Repair	2,459	1,260	1,500	1,500
Utilities	2,981	5,131	4,624	5,640
Contractual Services	143,403	203,684	248,596	234,796
Supplies	31,761	35,609	30,763	37,754
Equipment	3,405	2,811	-	-
Internal Service	2,156	3,011	990	1,382
Contingency	-	-	25,000	25,000
Total	\$ 447,385	\$ 501,645	\$ 616,098	\$ 635,552

Variance Explanations:

Utilities: Budget was increased for fuel for the park attendants.

Supplies: Budget was increased for youth and teen program materials in anticipation of additional teen trip programming.



Activities/Results

Performance Measures

	FY16 - 17 Actual	FY17 - 18 Actual	FY18 - 19 Estimate	FY19 - 20 Target
To attain a High overall satisfaction rating (good or better) with the quality of Town recreation programs in post-program evaluations	85%	88%	90%	92%
To achieve a high return rate on recreation program surveys	30%	38%	40%	40%

Quality

	FY16 - 17 Actual	FY17 - 18 Actual	FY18 - 19 Estimate	FY19 - 20 Target
Number of individual program participants ¹	2,737	2,766	2,850	2,900
Number of team sport participants	345	315	600	650
Number of teen trip/teen activity participants	378	492	500	550
Number of volunteer hours in support of Town recreation programs ²	826	1,120	1,000	1,050
Number of youth sport, Boys and Girls Club, and FHUSD facility bookings	1,397	1,771	1,700	1,750

Productivity

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Net operating costs of recreation programs per capita ³	\$7.36	\$9.89	\$11.38	\$11.11

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

²Volunteer hours are estimated

³Population based on U.S. Census 2016 estimate



FY19-20 Proposed Budget
Summary of Expenditures
Recreation

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
General Fund				
Salaries-Full Time	\$ 148,068	\$ 143,140	\$ 172,978	\$ 183,971
Salaries-Part Time	53,276	55,754	71,980	74,016
Overtime	118	118	-	-
FICA	3,353	3,481	4,382	4,506
Medicare	2,814	2,909	3,600	3,787
Workers Compensation	4,793	4,006	5,548	5,878
Unemployment Insurance	544	281	237	238
Group Health Insurance	20,041	15,054	17,376	22,681
Group Dental Insurance	1,556	1,112	1,293	1,580
Group Vision Insurance	188	186	234	237
Disability Insurance	601	493	732	779
Retirement	15,826	15,745	19,029	20,236
Life Insurance	155	141	169	204
Bonus	294	423	500	500
Allowance/Stipend	-	2,325	2,700	2,700
Licenses/Filing Fees	194	454	400	400
Dues, Subscript & Publicat	1,355	2,919	2,167	4,167
Meetings & Training	8,044	1,597	1,300	3,600
Vehicle Maint/Repair	-	1,090	-	-
Sign Repair & Replacement	2,459	170	-	-
Equipment Maint/Repair	-	204	1,500	1,500
Telecommunications	2,982	1,126	624	840
Gas & Oil	-	3,801	4,000	4,800
Professional Fees	11,674	13,161	17,880	17,880
Instructor Fees	50,215	36,499	47,800	46,800
Rentals & Leases	17,327	17,792	32,485	26,485
Printing Expense	122	312	1,100	1,100
Advertising/Signage	98	482	400	400
Contractual Services	17,070	14,700	15,800	16,800
Constituent Communication	24,018	24,340	26,700	26,700
Bank/Merc Acct Fees	3,176	2,912	3,423	3,423
Community Contracts/Events	16,259	90,561	97,500	91,000
ActiveNet Fees	3,444	2,925	5,508	4,208
Office Supplies	254	259	700	700
Operating Supplies	7	34	-	-
Food & Beverage Supplies	1,098	1,656	550	550
Program Materials	29,452	32,309	28,595	35,595
Uniforms	926	1,352	829	829
Postage & Delivery	24	-	89	80
Small Tools	-	27	-	-
Software	212	-	-	-
Hardware/Peripherals	24	450	-	-
Furniture/Appliances	-	777	-	-
Equipment	3,168	1,557	-	-
ISF-Copier Charges	732	1,168	710	1,047
ISF-Mail Service Charges	47	69	-	-
ISF-Vehicle Replacement Charge	-	286	207	255
ISF-Motor Pool Charges	4	52	73	80
ISF-Telecom Charges	1,373	1,436	-	-
Contingency	-	-	25,000	25,000
Total Recreation	\$ 447,385	\$ 501,645	\$ 616,098	\$ 635,552

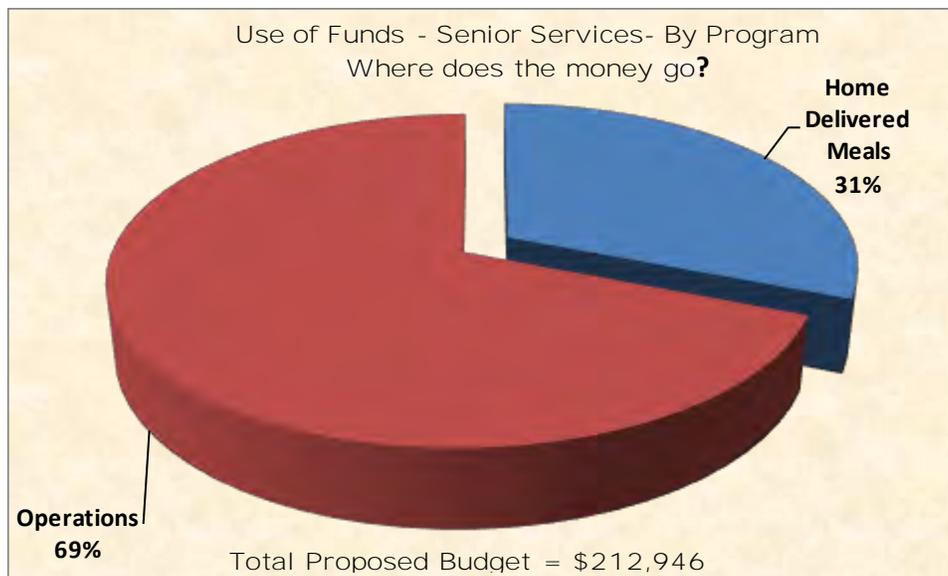


Senior Services Division

Service Delivery Plan

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

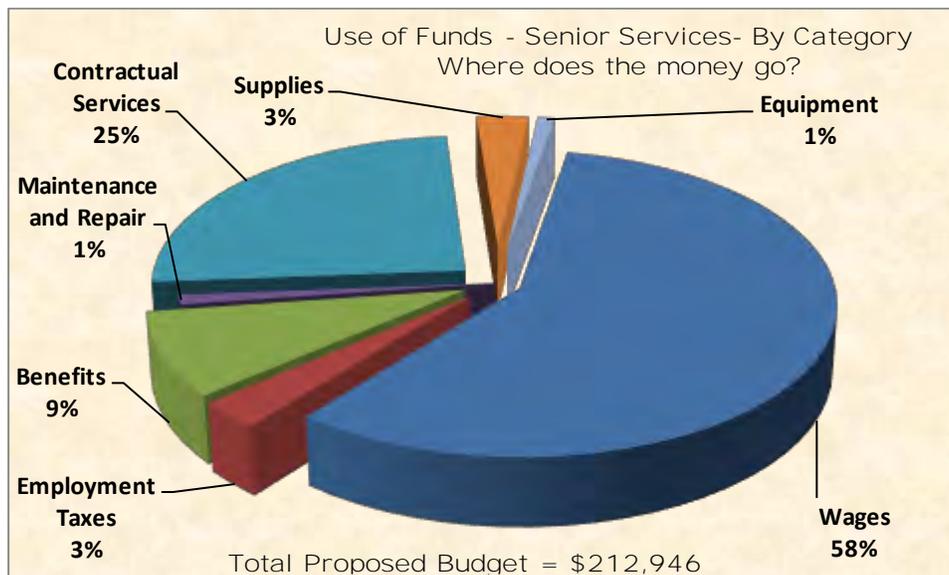
Program Name	Expenditures by Program			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Administration	\$ 87,223	\$ -	\$ -	\$ -
Home Delivered Meals	48,934	45,606	61,570	67,010
Operations	-	150,059	136,305	145,936
Senior Memberships/Activities	66,741	-	-	-
Total	\$ 202,898	\$ 195,665	\$ 197,875	\$ 212,946



Category	Expenditures by Category			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Wages	\$ 133,434	\$ 136,731	\$ 124,802	\$ 123,828
Employment Taxes	7,247	6,903	5,976	6,143
Benefits	9,109	10,226	8,794	19,993
Dues & Memberships	1,160	1,221	1,450	650
Meetings and Training	479	25	200	200
Maintenance and Repair	-	1,364	2,150	2,150
Utilities	858	-	-	-
Contractual Services	38,037	31,162	46,063	51,491
Supplies	6,160	3,755	7,148	7,225
Equipment	2,874	2,483	1,200	1,200
Internal Service	3,540	1,795	92	66
Total	\$ 202,898	\$ 195,665	\$ 197,875	\$ 212,946

Variance Explanations:

Benefits: Budget was increased as a result of staff changes.



Activities/Results

Performance Measures

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Number of members	1,335	1,254	1,350	1,350
Maintain a high overall satisfaction rating (good or better) of meal quality	Good	Good	Good	Good

Quality

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Number of attendees to senior programs And presentations	25,126	22,314	25,000	25,000
Number of days per year meals delivered	365	365	365	365

Productivity

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Number of senior programs offered	61	63	65	65
Number of special guest speaker presentations offered	37	36	35	35
Number of socialization activities/special events offered	6	6	6	5
Number of support groups & social services offered	15	15	15	14
Number of meals delivered annually	3,920	3,093	4,400	4,100
Number of clients participating in HDM program	59	38	50	65
Number of pieces of medical equipment loaned out	N/A	N/A	100	125



FY19-20 Proposed Budget
Summary of Expenditures
Senior Services

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
General Fund				
Salaries-Full Time	\$ 65,659	\$ 69,013	\$ 63,036	\$ 59,143
Salaries-Part Time	67,775	67,718	61,766	64,685
FICA	4,214	4,208	3,829	4,011
Medicare	1,945	1,995	1,825	1,811
Workers Compensation	763	550	222	221
Unemployment Insurance	325	150	100	100
Group Health Insurance	836	861	-	10,983
Group Dental Insurance	474	419	431	932
Group Vision Insurance	8	11	-	156
Disability Insurance	264	224	267	250
Retirement	7,223	7,592	6,934	6,506
Life Insurance	67	60	62	66
Bonus	238	309	200	200
Allowance/Stipend	-	750	900	900
Licenses/Filing Fees	312	312	350	550
Dues, Subscript & Publicat	848	909	1,100	100
Meetings & Training	479	25	200	200
Office Equip Maint/Repair	-	1,364	2,100	2,100
Sign Repair & Replacement	-	-	50	50
Telecommunications	858	-	-	-
Professional Fees	256	816	1,008	1,260
Instructor Fees	-	-	2,540	2,565
Rentals & Leases	156	125	156	156
Printing Expense	(22)	80	75	150
Contractual Services	28,199	22,301	32,624	37,700
Constituent Communication	4,803	3,616	4,290	4,290
Bank/Merc Acct Fees	697	694	1,190	1,190
ActiveNet Fees	3,947	3,530	4,180	4,180
Office Supplies	1,533	1,079	2,000	2,000
Cleaning/Janitorial Supplies	14	-	-	150
Operating Supplies	1,333	391	2,375	2,325
Food & Beverage Supplies	1,902	1,565	1,900	1,900
Program Materials	1,378	719	715	715
Postage & Delivery	-	-	158	135
Small Tools	133	-	-	-
Hardware/Peripherals	300	27	-	-
Furniture/Appliances	2,441	109	-	-
Equipment	-	2,347	1,200	1,200
ISF-Copier Charges	1,886	-	-	-
ISF-Mail Service Charges	168	182	-	-
ISF-Vehicle Replacement Charges	-	60	68	50
ISF-Motor Pool Charges	-	-	24	16
ISF-Telecom Charges	1,486	1,554	-	-
Total Senior Services	\$ 202,898	\$ 195,665	\$ 197,875	\$ 212,946

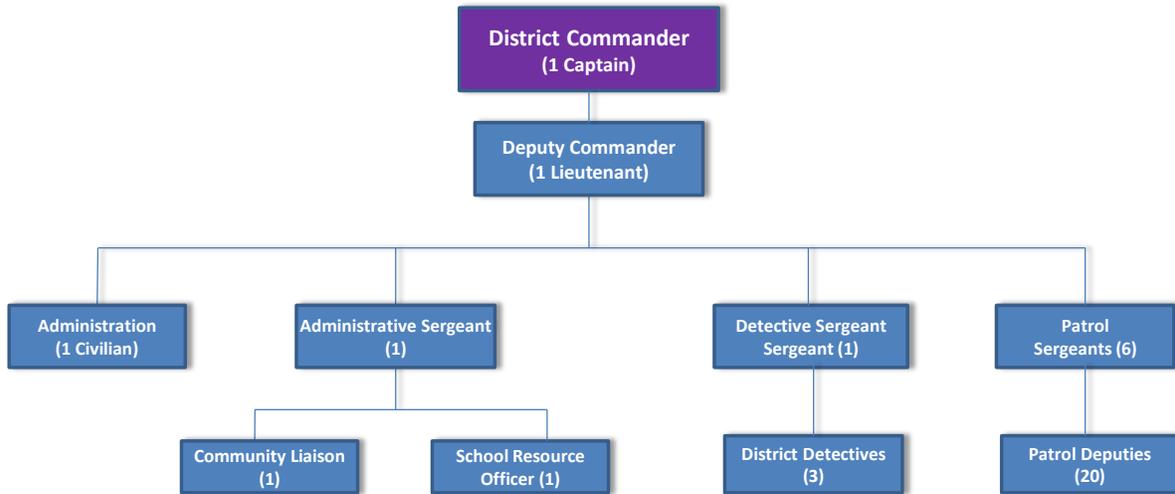




Law Enforcement



LAW ENFORCEMENT



LAW ENFORCEMENT

Mission Statement

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

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

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

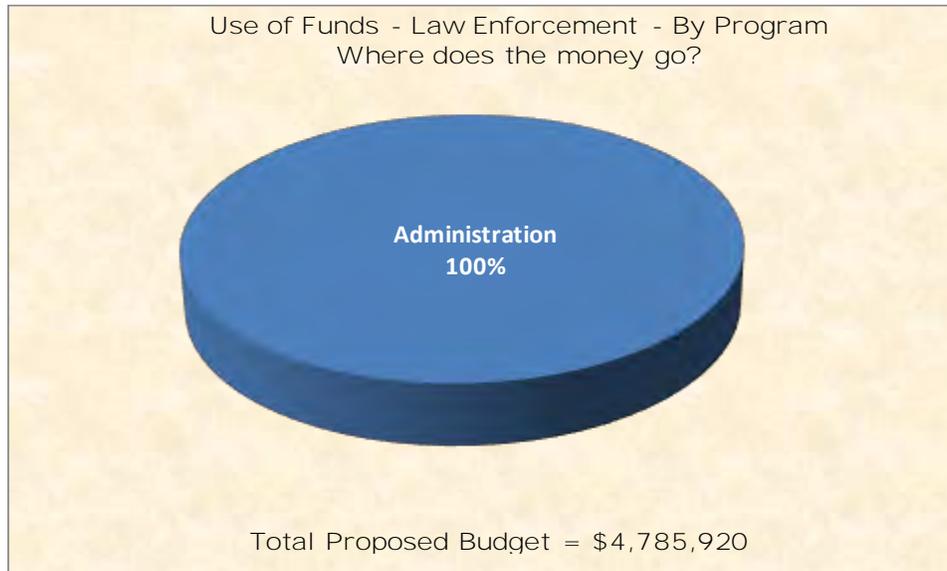
Department Overview

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

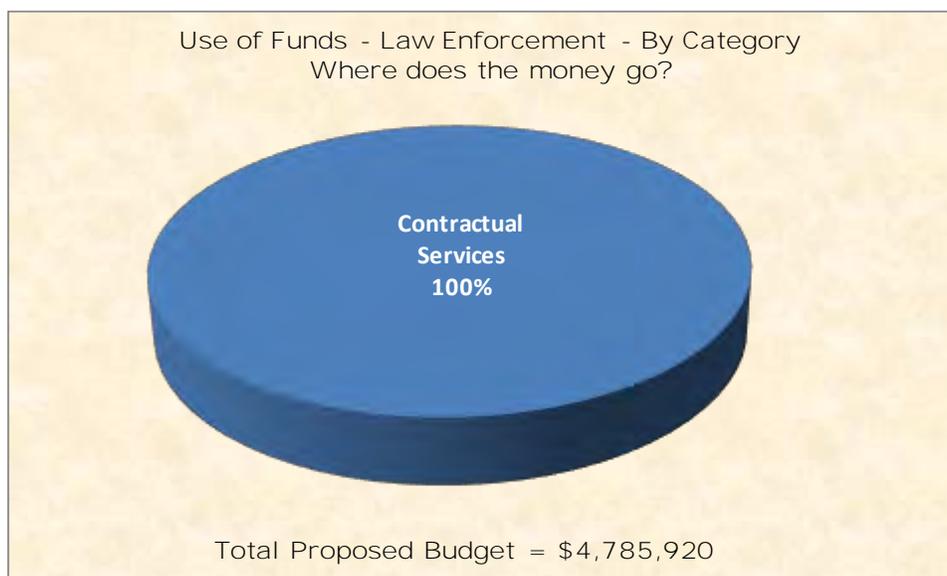
Under the command of Captain Larry Kratzer, twenty two deputies are assigned to the Town of Fountain Hills. Of these, twenty deputies and six sergeants are assigned to patrol. In addition, one deputy is assigned as the School Resource Officer and one deputy is assigned as the Community Liaison to address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

Program Name	Expenditures by Program			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Administration	\$ 3,861,018	\$ 3,768,356	\$ 4,211,488	\$ 4,785,920
Animal Control	23,575	24,319	-	-
Total	\$ 3,884,593	\$ 3,792,675	\$ 4,211,488	\$ 4,785,920





Category	Expenditures by Category			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Dues & Memberships	\$ 1,295	\$ 1,295	\$ 1,296	\$ 1,296
Contractual Services	3,880,125	3,769,827	4,200,152	4,774,584
Supplies	650	652	40	40
Damages/Vandalism	-	-	10,000	10,000
Internal Service	2,523	3,500	-	-
Capital Expenditures	-	17,401	-	-
Total	\$ 3,884,593	\$ 3,792,675	\$ 4,211,488	\$ 4,785,920



FY19-20 Proposed Budget
Summary of Expenditures
Law Enforcement

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
General Fund				
Dues, Subscript & Publicat	\$ 1,295	\$ 1,295	\$ 1,296	\$ 1,296
Printing Expense	-	-	-	700
Advertising/Signage	644	809	-	-
Intergovt Agreements	19,464	19,464	-	-
Contractual Services	2,808	-	10,000	10,000
Bank/Merc Acct Fees	320	305	-	-
Law Patrol	3,814,531	3,715,447	4,090,928	4,675,701
Jail Fees	42,358	33,802	67,500	67,500
Animal Control	-	-	31,724	20,683
Office Supplies	-	-	40	40
Program Materials	650	652	-	-
Rewards Program	-	-	10,000	10,000
ISF-Copier Charges	172	362	-	-
ISF-Mail Service Charges	2,351	3,138	-	-
Furniture/Equipment	-	17,401	-	-
Total Law Enforcement	\$ 3,884,593	\$ 3,792,675	\$ 4,211,488	\$ 4,785,920



Event Category	Top 20 Calls for Service		Event Category	Top 20 Deputy Initiated Activities	
	2017	2018		2017	2018
False Burglar Alarm	791	735	Patrol/Vacation Watch	3,762	4,892
Welfare Check	634	745	Traffic Violation	1,885	791
Citizen/Motorist Assist	174	251	Speeders	1,128	691
Suspicious Activity	181	192	Follow Up	836	565
Suspicious Person	195	172	Traffic Control	384	514
Civil Action	143	205	School Programs/Community Service	265	343
Traffic Hazard	159	177	Citizen/Motorist Assist	208	184
Vehicle Crash (no injuries)	166	160	Community Policing	112	269
Animal Noise Problem	186	115	Special Detail	201	105
Audible Burglar Alarm	118	157	Welfare Check	97	114
Suspicious Person and Vehicle	142	133	Found Property	58	47
Theft	109	123	Civil Action	47	47
Loud Neighbors Disturbing	106	117	Suspicious Person and Vehicle	52	37
Follow Up	59	146	Suspicious Vehicle	65	24
Criminal Damage	121	73	Suspicious Activity	39	46
Attempt to Locate	82	82	Traffic Hazard	45	32
Injured/Sick Person	71	88	Orders of Protection - Civil Use Only	22	34
Abandoned Vehicle	68	80	Criminal Subpoena - Civil Use	23	31
Animal Problem	63	79	Civil Summons - Civil Use Only	28	25
Illegal Parking	64	76	Suspicious Person	36	17
Total	3,632	3,906	Total	9,293	8,808

Calls for Service - occurs when a resident contacts the Office, typically by phone, and a deputy is dispatched to handle the call. The calls include calls to '911' for emergency assistance along with non-emergency numbers.

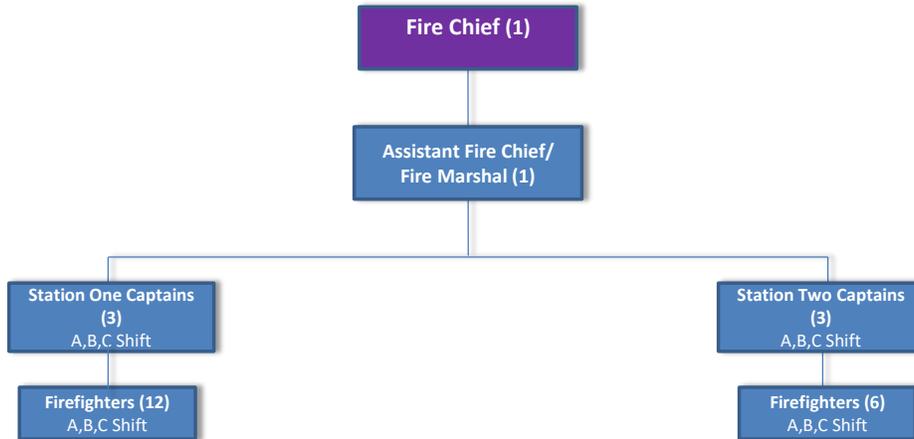
Deputy Initiated Activities - occurs when a deputy initiates the dispatch by conducting a traffic stop or other proactive policing event.



Fire & Emergency Medical



FIRE DEPARTMENT



FIRE & EMERGENCY MEDICAL

Mission Statement

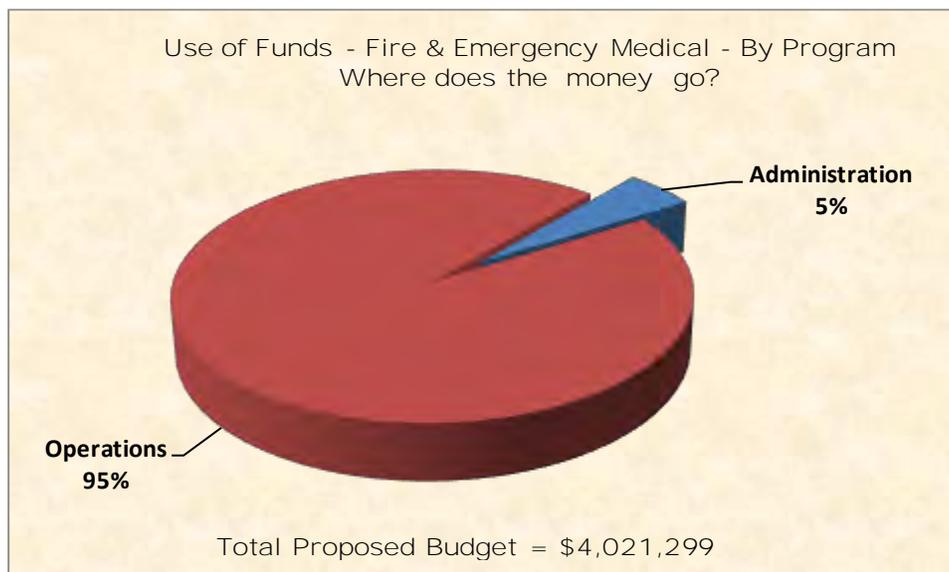
The mission of the Fire Department is to protect the safety and quality of life of residents, visitors and businesses in Fountain Hills. This mission is achieved by a commitment to exceptional service delivery in fire suppression, emergency medicine and rescue, as well as a proactive approach to fire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

Department Overview

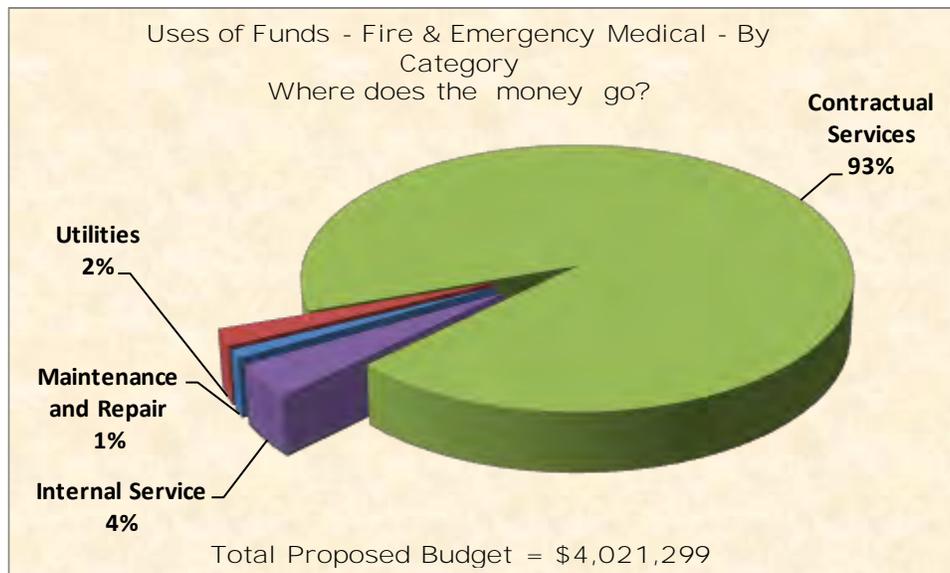
Fire protection and Emergency Medical Service (EMS) are provided by a public/private partnership between the Town and Rural Metro Corporation. The Town owns the equipment and facilities and Rural Metro supplies the personnel through a contract.

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

Program Name	Expenditures by Program			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Administration	\$ 176,695	\$ 176,043	\$ 180,757	\$ 189,231
Operations	3,498,258	3,690,352	3,737,470	3,832,068
Total	\$ 3,674,953	\$ 3,866,395	\$ 3,918,227	\$ 4,021,299



Category	Expenditures by Category			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Dues & Memberships	\$ 500	\$ 3,959	\$ 3,360	\$ 3,360
Meeting & Training	-	-	2,200	2,200
Maintenance and Repair	53,308	46,257	55,990	55,250
Utilities	19,547	21,691	30,320	35,820
Contractual Services	3,409,898	3,512,228	3,624,060	3,725,735
Supplies	4,953	7,641	12,000	11,975
Equipment	38,237	27,265	16,500	16,500
Internal Service	148,510	247,354	173,797	170,459
Total	\$ 3,674,953	\$ 3,866,395	\$ 3,918,227	\$ 4,021,299



FY18- 19 Department Accomplishments

Initiative	Strategic Value
Relocation of Station 2	Goal # 2, Objective #1
Adopt a revised Emergency Operations Plan	N/A
Work on a more balanced call volume between both stations	N/A
Replaced 10 AED's	N/A

FY19- 20 Objectives

Initiative	Strategic Value	Estimated Cost/Funding Source
Upgrade the cardiac defibrillators	N/A	\$95,000/Facilities Replacement Fund
Replace staff vehicle	Goal #2, Objective #1	\$54,000/Vehicle Replacement Fund
Upgrade mobile radios	Goal #2, Objective #1	\$46,000/Facilities Replacement Fund
Preliminary Design of Station 3	Goal #2, Objective #1	\$150,000 CIP



Activities/Results

Performance Measures

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Complete Annual Minimum Company Standards Training	100%	100%	100%	100%
Emergency Response Times (5 Minutes)	84%	86%	88%	90%

Quality

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Child Safety Seat Checks	84	58	40	60
Public Education Activities	83	133	90	100

Productivity

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Fire Prevention Inspections	723	841	850	850
Plan Reviews	228	193	200	200



FY19-20 Proposed Budget
Summary of Expenditures
Fire & Emergency Medical

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
General Fund				
Dues, Subscript & Publicat	\$ 500	\$ 3,959	\$ 3,360	\$ 3,360
Meetings & Training	-	-	2,200	2,200
Building Maint/Repair	12,154	1,081	3,000	-
HVAC Repair	2,555	-	2,500	-
Plumbing Repair	735	374	2,000	-
Fire Protection Systems	814	814	915	-
Irrigation Repair	-	-	400	-
Backflow Testing & Maintenance	-	-	575	150
Equipment Maint/Repair	18,517	9,234	14,850	14,050
Vehicle Maint/Repair	18,533	34,542	29,000	40,900
Office Equip Maint/ Repair	-	-	150	150
Other Maint/Repair	-	-	2,400	-
Sign Repair & Replacement	-	192	200	-
Lighting Repair	-	19	-	-
Electricity Expense	-	-	3,000	3,000
Refuse/Recycling	-	-	1,080	1,080
Telecommunications	-	-	4,740	5,040
Water/Sewer	-	-	1,500	1,500
Gas & Oil	19,548	21,691	20,000	25,200
Professional Fees	392	304	640	640
Printing Expense	-	274	900	900
Intergovt Agreements	2,089	2,004	2,225	2,500
Contractual Services	3,405,877	3,508,053	3,613,295	3,721,695
Bank/Merc Acct Fees	-	4	-	-
Landscape Contracts	1,540	1,589	7,000	-
Office Supplies	87	-	550	550
Cleaning/Janitorial Supplies	-	-	50	50
Operating Supplies	1,764	3,473	6,760	6,760
Food & Beverage Supplies	-	2	-	-
Program Materials	1,048	711	1,000	1,000
Uniforms	2,053	3,456	3,600	3,600
Postage	-	-	40	15
Small Tools	3,667	5,776	6,500	6,500
Hardware/Peripherals	315	413	-	-
Furniture/Appliances	1,884	651	-	-
Equipment	32,371	20,425	10,000	10,000
ISF-Copier Charges	282	292	250	269
ISF-Mail Service Charges	53	27	-	-
ISF-Vehicle Replacement Charge	139,514	238,102	173,547	170,190
ISF-Telecom Charges	8,661	8,933	-	-
Total Fire & Emergency Medical	<u>\$ 3,674,953</u>	<u>\$ 3,866,395</u>	<u>\$ 3,918,227</u>	<u>\$ 4,021,299</u>





Special Revenue Funds



Public Works Streets Division Streets Fund (HURF)



Streets Division

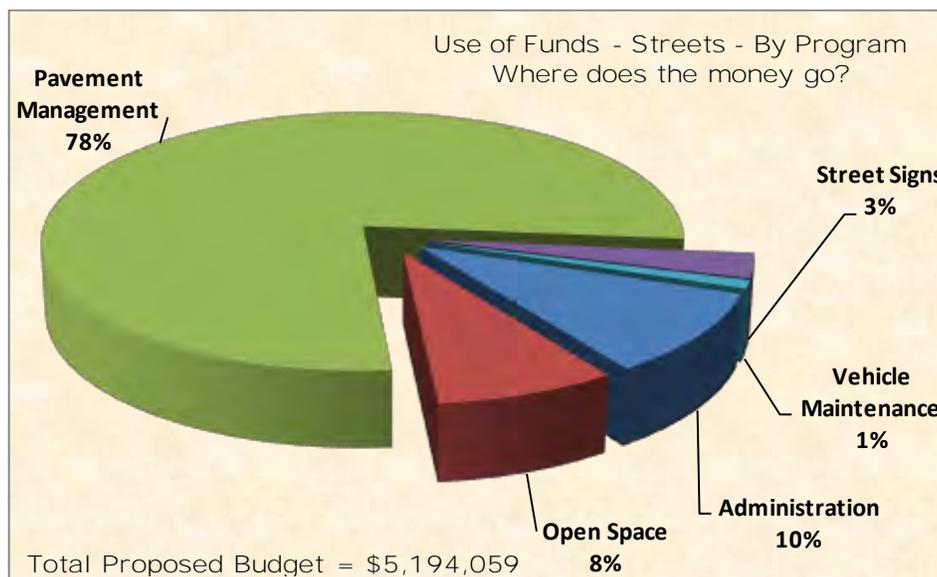
Service Delivery Plan

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 Streets (HURF) Fund, 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			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Administration	\$ 290,357	\$ 314,509	\$ 508,673	\$ 529,357
Open Space	383,541	255,891	374,282	409,434
Pavement Management	2,052,177	1,748,607	3,926,934	4,036,852
Street Signs	66,091	46,003	146,811	153,220
Traffic Signals	110,664	188,049	-	-
Vehicle Maintenance	59,486	58,888	79,196	65,196
Total	\$ 2,962,316	\$ 2,611,947	\$ 5,035,896	\$ 5,194,059

Variance Explanations:

Street Signs: The increase is the result of personnel allocation changes and the new full-time street maintenance technician position.



Category	Expenditures by Category			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Wages	\$ 303,776	\$ 277,807	\$ 310,237	\$ 396,049
Employment Taxes	20,318	15,872	21,138	27,965
Benefits	79,936	74,524	89,874	112,380
Dues & Memberships	4,056	2,003	11,750	11,750
Meetings and Training	-	300	-	-
Maintenance and Repair	2,074,883	1,748,410	3,817,420	3,734,309
Utilities	116,735	104,491	143,430	145,086
Contractual Services	298,333	302,896	428,394	436,552
Supplies	12,721	10,197	21,320	20,700
Equipment	3,200	13,731	20,250	14,500
Damages/Vandalism	8,633	2,280	40,000	40,000
Internal Service	39,725	34,501	32,083	54,768
Contingency	-	-	100,000	200,000
Capital Expenditures	-	24,935	-	-
Total	\$ 2,962,316	\$ 2,611,947	\$ 5,035,896	\$ 5,194,059

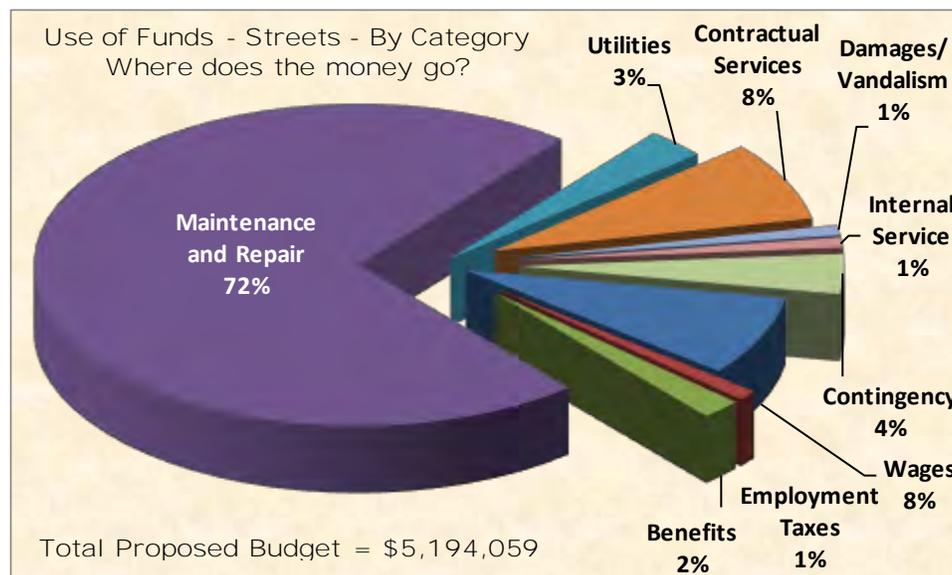
Variance Explanations:

Wages/Employment Taxes/Benefits: The increase is the result of personnel allocation changes and the new full-time street maintenance technician position.

Equipment: The budget was moved to a different category.

Internal Service: The increase is a result of additional vehicle usage charges from the new equipment and vehicles added to the fleet.

Contingency: Anticipated In-Lieu revenues are estimated to increase resulting in an increased contingency amount.



Activities/Results

Performance Measures

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Pothole repair requests completed within two business days.	95%	95%	95%	95%

Quality

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Total residential lane miles	265	265	265	265
Total arterial lane miles	79	79	79	79
Number of vehicles in fleet	40	40	40	42
Acreage of medians maintained	56	56	56	56
Number of Adopt-a-Street active participants	65	60	60	55

Productivity

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Net Expenditures per capita*	\$121.00	\$106.69	\$211.03	\$312.06

*Population based on the U.S. Census 2016 estimate



FY19-20 Proposed Budget
Summary of Expenditures
Streets Fund

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Streets Fund				
Salaries-Full Time	\$ 291,779	\$ 263,018	\$ 304,546	\$ 389,325
Overtime	2,411	3,022	-	-
On Call Pay	9,587	11,767	5,691	6,724
Medicare	4,148	3,840	4,516	5,761
Workers Compensation	15,900	11,860	16,505	22,057
Unemployment Insurance	269	171	117	147
Group Health Insurance	42,556	38,752	48,818	60,189
Group Dental Insurance	2,759	2,589	3,558	4,572
Group Vision Insurance	333	424	611	766
Disability Insurance	1,157	1,083	1,314	1,673
Retirement	32,655	30,559	34,128	43,541
Life Insurance	297	271	303	437
Bonus	180	246	242	302
Allowance/Stipend	-	600	900	900
Licenses/Filing Fees	385	434	-	-
Dues, Subscript & Publicat	3,671	1,569	11,750	11,750
Meetings & Training	-	300	-	-
Building Maint/Repair	1,027	21	15,000	15,000
HVAC Repair	95	310	-	-
Plumbing Repair	177	43	-	-
Electrical Repair/Maint	9,864	1,130	3,000	3,000
Fire Protection Systems	509	509	2,000	2,000
Grounds Maint/Repair	6,952	14,406	-	50,000
Irrigation Repair	2,643	1,993	2,500	2,500
Backflow Testing & Maintenance	2,498	1,451	6,110	6,110
Drainage Maint/Repair	-	2,757	10,000	10,000
Equipment Maint/Repair	256	1,647	5,300	16,300
Vehicle Maint/Repair	6,731	7,170	63,200	-
Office Equip Maint/ Repair	-	-	22,625	22,625
Other Maint/Repair	108,978	3,336	750	750
Road Repair	-	-	1,800	1,800
Striping	500	12,326	50,000	50,000
Sidewalk/Pathway Repair	52,273	48,900	70,000	70,000
Other Road Related Repair	16,724	-	-	-
Sign Repair & Replacement	22,315	14,483	112,000	32,000
Pavement Management	1,841,942	1,530,595	3,453,135	3,452,224
Painting	1,350	-	-	-
Lighting Repair	48	107,333	-	-
Electricity Expense	32,140	30,996	32,720	33,620
Refuse/Recycling	3,812	3,316	16,200	16,200
Telecommunications	4,114	3,703	4,200	4,956
Water/Sewer	64,467	57,564	75,910	75,910
Gas & Oil	12,201	8,913	14,400	14,400
Auditing Expense	7,750	8,530	9,694	11,460



FY19-20 Proposed Budget
Summary of Expenditures
Streets Fund

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Streets Fund-continued				
Professional Fees	\$ 4,900	\$ 3,966	\$ 30,600	\$ 30,600
Legal Fees	25,033	39,003	40,000	54,000
Insurance Expense	76,145	80,398	87,000	104,392
Rentals & Leases	50	1,304	5,000	-
Printing Expense	-	81	-	-
Advertising/signage	-	45	-	-
Contractual Services	32,829	34,560	13,500	13,500
Landscape Contracts	151,627	135,009	200,000	175,000
Traffic Signals	-	-	42,600	47,600
Office Supplies	1,959	34	2,075	2,075
Cleaning/Janitorial Supplies	75	291	500	500
Safety Supplies	19	1,440	150	150
Operating Supplies	8,833	6,123	15,600	15,600
Food & Beverage Supplies	431	752	500	500
Program Materials	-	-	995	-
Uniforms	1,279	1,161	1,500	1,875
Postage & Delivery	125	156	-	-
Miscellaneous Expense	-	241	-	-
Small Tools	1,556	1,048	5,250	5,250
Software	-	-	7,500	7,500
Hardware/Peripherals	-	6,606	-	1,750
Furniture/Appliances	845	-	-	-
Equipment	800	6,076	7,500	-
Damages/Vandalism	8,633	2,280	40,000	40,000
ISF-Copier Charges	9	1	5	5
ISF-Mail Service Charges	1	-	-	-
ISF-Vehicle Replacement Charge	36,703	31,450	32,078	54,747
ISF-Motor Pool Charges	28	20	-	16
ISF-Telecom Charges	2,983	3,030	-	-
Contingency	-	-	100,000	200,000
Furniture/Equipment	-	24,935	-	-
Total Streets	\$ 2,962,316	\$ 2,611,947	\$ 5,035,896	\$ 5,194,059





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



Downtown Strategy Fund

Service Delivery Plan

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

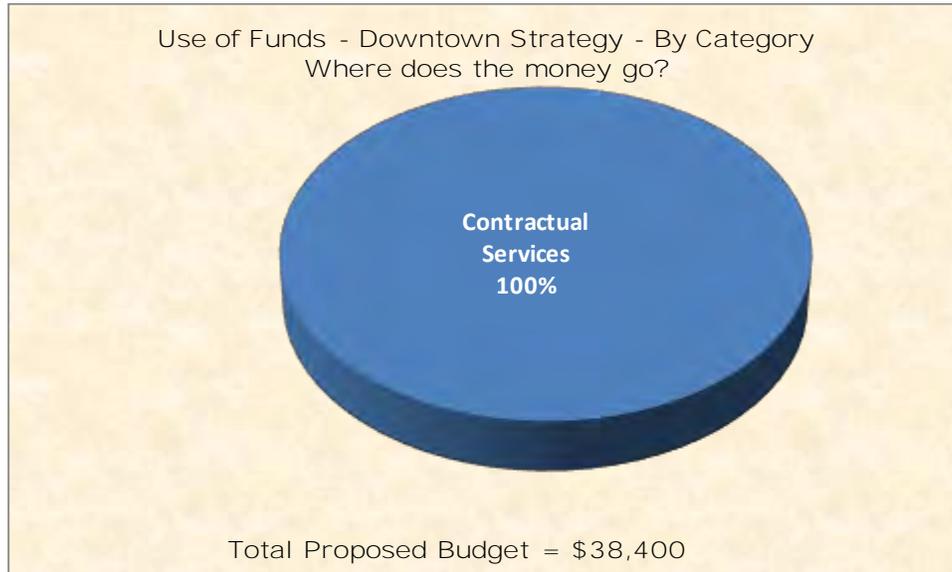
Program Name	Expenditures by Program			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Administration	\$ 34,056	\$ 56,044	\$ 40,885	\$ 38,400
Total	\$ 34,056	\$ 56,044	\$ 40,885	\$ 38,400



Category	Expenditures by Category			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Maintenance and Repair	\$ -	\$ 12,981	\$ 10,000	\$ -
Contractual Services	34,056	43,063	30,885	38,400
Total	\$ 34,056	\$ 56,044	\$ 40,885	\$ 38,400

Variance Explanations:

Maintenance and Repair/Contractual Service: Budgets were moved for more accurate reporting purposes.



FY19-20 Proposed Budget
Summary of Expenditures
Downtown Strategy Fund

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Downtown Strategy Fund				
Sign Repair & Replacement	\$ -	\$ 12,981	\$ -	\$ -
Lighting Repair	-	-	10,000	-
Management Fees	291	313	535	400
Advertising/Signage	-	29	-	-
Holiday Lighting	33,765	42,721	30,350	38,000
Total Downtown Strategy Fund	\$ 34,056	\$ 56,044	\$ 40,885	\$ 38,400



Economic Development Fund

Service Delivery Plan

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

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

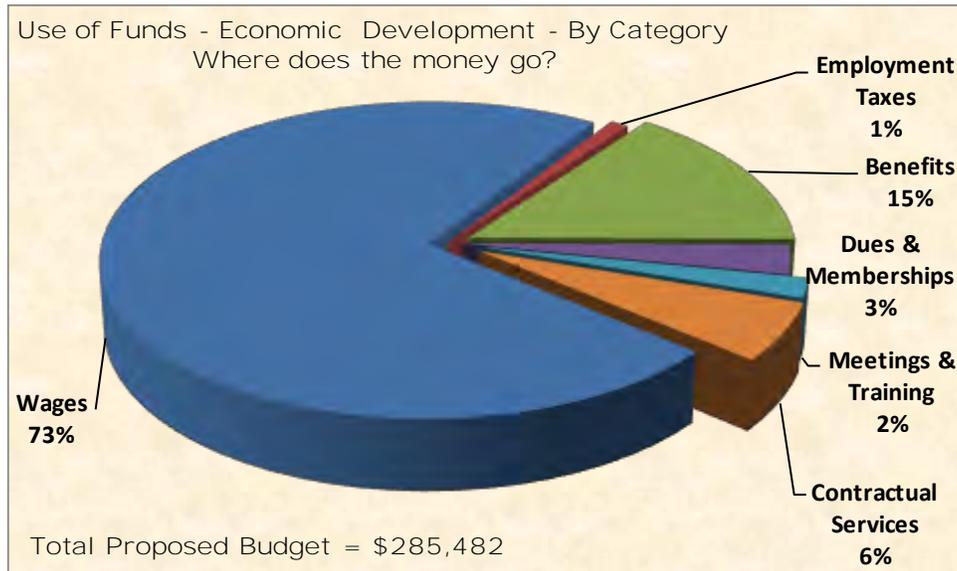
Program Name	Expenditures by Program			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Administration	\$ 134,102	\$ 183,332	\$ 264,812	\$ 285,482
Total	\$ 134,102	\$ 183,332	\$ 264,812	\$ 285,482



Category	Expenditures by Category			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Wages	\$ 83,697	\$ 85,749	\$ 145,614	\$ 208,941
Employment Taxes	1,441	1,372	2,449	3,481
Benefits	18,484	20,098	39,933	41,867
Dues & Memberships	8,755	8,968	8,606	9,504
Meetings & Training	4,074	3,539	6,915	6,320
Utilities	919	-	-	-
Contractual Services	16,253	63,125	59,034	15,100
Supplies	164	52	200	200
Equipment/Improvements	31	-	2,000	-
Internal Service	284	429	61	69
Total	\$ 134,102	\$ 183,332	\$ 264,812	\$ 285,482

Variance Explanations:

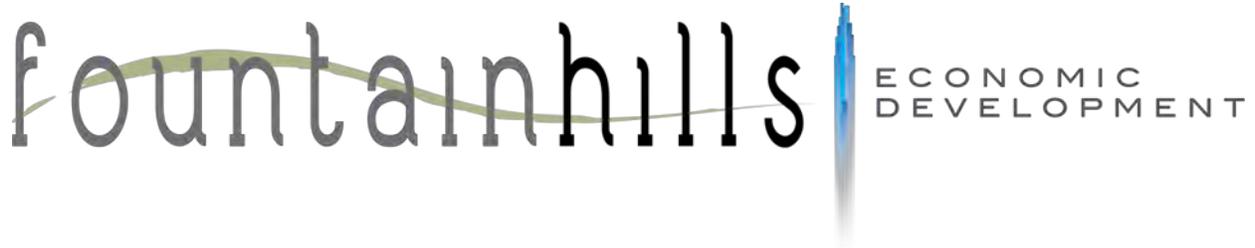
Contractual Services: FY18-19 included a budget supplement for marketing assistance for retail recruitment.



Activities/Results

Performance Measures

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Facilitate and/or recruit new base sector employment opportunities	20 jobs \$500K Capital Expendi- tures	30 jobs \$1M Capi- tal Ex- penditures	25 jobs \$1.5M Capi- tal Expendi- tures	40 jobs \$40 M Capital Expendi- tures
Facilitate expansion of targeted existing business	20 jobs \$50K Cap- ital Ex- penditures	15 jobs	62 jobs \$100K Cap- ital Expendi- tures	30 jobs \$1M Capi- tal Ex- penditure s
Support and structure assistance for entre- preneurial growth	1 through JumpStart Biz	2 through JumpStart Biz	2 through JumpStart- Biz	3 through JumpStar tBiz



FY19-20 Proposed Budget
Summary of Expenditures
Economic Development Fund

Description	FY16-17	FY17-18	FY18-19	FY19-20
	Actual	Actual	Revised Budget	Proposed Budget
Economic Development Fund				
Salaries-Full Time	\$ 83,697	\$ 85,749	\$ 145,614	\$ 208,941
Medicare	1,185	1,213	2,139	3,056
Workers Compensation	201	134	260	375
Unemployment Insurance	54	24	50	50
Group Health Insurance	8,135	8,548	19,475	14,535
Group Dental Insurance	594	614	1,496	1,121
Group Vision Insurance	82	124	285	211
Disability Insurance	340	340	616	884
Retirement	9,207	9,433	16,018	22,983
Life Insurance	87	89	143	233
Bonus	40	51	100	100
Allowance/Stipend	-	900	1,800	1,800
Dues, Subscript & Publicat	8,755	8,968	8,606	9,504
Meetings & Training	4,074	3,539	6,915	6,320
Telecommunications	919	-	-	-
Professional Fees	10,659	-	-	-
Printing Expense	76	-	100	100
Advertising/Signage	518	475	-	-
Community Contracts/Events	5,000	-	-	-
Marketing	-	62,650	58,934	15,000
Office Supplies	-	52	200	200
Uniforms	164	-	-	-
Hardware/Peripherals	31	-	2,000	-
Equipment	-	-	-	-
ISF-Copier Charges	54	109	40	69
ISF-Mail Service Charges	-	-	-	-
ISF-Vehicle Replacement Charge	-	81	16	-
ISF-Motor Pool Charges	-	-	5	-
ISF-Telecom Charges	230	239	-	-
Total Economic Development Fund	\$ 134,102	\$ 183,332	\$ 264,812	\$ 285,482



Tourism Fund

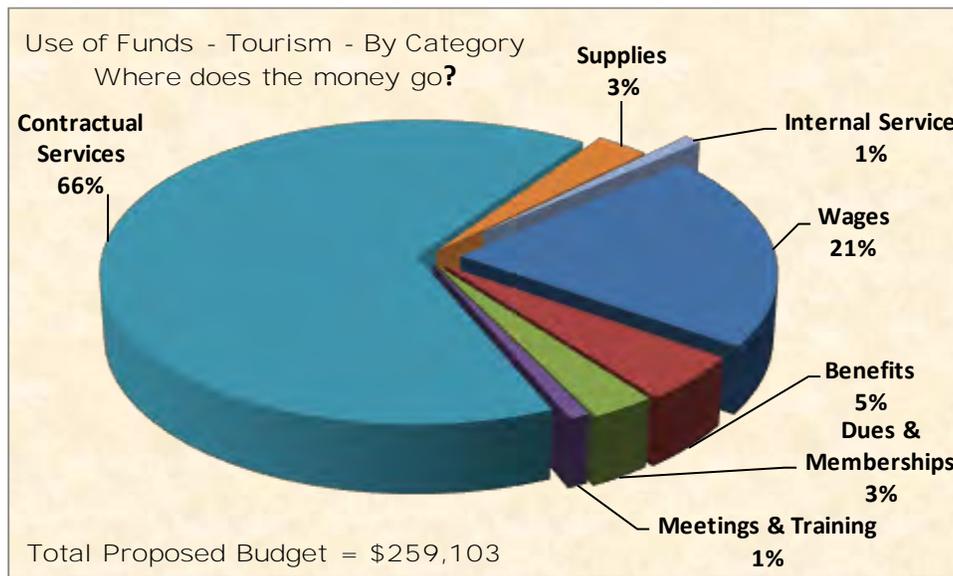
Service Delivery Plan

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			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Administration	\$ 198,352	\$ 206,513	\$ 239,258	\$ 259,103
Total	\$ 198,352	\$ 206,513	\$ 239,258	\$ 259,103



Category	Expenditures by Category			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Wages	\$ 51,417	\$ 49,343	\$ 52,374	\$ 54,240
Employment Taxes	929	812	915	940
Benefits	13,128	12,511	13,118	13,427
Dues & Memberships	2,993	8,583	8,383	8,383
Meetings & Training	3,668	1,108	3,500	3,500
Maintenance & Repair	800	-	-	-
Utilities	1,130	506	498	480
Contractual Services	102,659	121,916	150,291	167,638
Supplies	17,807	8,327	7,880	7,880
Equipment/Improvement	1,180	919	1,000	1,000
Internal Service	2,641	2,488	1,299	1,615
Total	\$ 198,352	\$ 206,513	\$ 239,258	\$ 259,103



Performance Measures

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

Quality

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

Productivity

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



FY19-20 Proposed Budget
Summary of Expenditures
Tourism Fund

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Tourism Fund				
Salaries-Full Time	\$ 51,417	\$ 49,343	\$ 52,374	\$ 54,240
Medicare	743	712	771	800
Workers Compensation	126	78	122	118
Unemployment Insurance	60	22	22	22
Group Health Insurance	6,616	5,538	5,720	5,777
Group Dental Insurance	497	413	432	460
Group Vision Insurance	63	72	77	79
Disability Insurance	199	162	222	229
Retirement	5,656	5,434	5,761	5,967
Life Insurance	52	51	51	60
Bonus	45	46	45	45
Allowance/Stipend	-	795	810	810
Dues, Subscript & Publicat	2,993	8,583	8,383	8,383
Meetings & Training	3,668	1,108	3,500	3,500
Sign Repair & Replacement	800	-	-	-
Telecommunications	1,130	506	498	480
Professional Fees	17,743	33,563	56,141	66,141
Rentals & Leases	6,275	3,250	3,550	3,550
Printing Expense	79	4,100	-	-
Advertising/Signage	76,468	80,104	89,100	96,447
Constituent Communication	2,095	897	1,500	1,500
Bank/Merc Acct Fees	-	2	-	-
Office Supplies	487	567	-	-
Cleaning/Janitorial Supplies	-	-	700	700
Food & Beverage Supplies	5	-	500	500
Program Materials	16,964	7,476	4,086	4,086
Uniforms	251	156	1,000	1,000
Postage & Delivery	99	128	1,594	1,594
Software	198	-	-	-
Hardware/Peripherals	32	919	-	-
Equipment	951	-	1,000	1,000
ISF-Copier Charges	1,173	1,409	1,100	1,400
ISF-Mail Service Charges	1,039	774	-	-
ISF-Vehicle Replacement Charge	-	66	147	164
ISF-Motor Pool Charges	199	-	52	51
ISF-Telecom Charges	229	239	-	-
Total Tourism Fund	<u>\$ 198,352</u>	<u>\$ 206,513</u>	<u>\$ 239,258</u>	<u>\$ 259,103</u>



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

GRANT NUMBER: G5201

GRANT AMOUNT AWARDED: \$45,000

TOWN'S MATCH AMOUNT: \$ 0

TOTAL ESTIMATED PROJECT COST: \$45,000

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

TIMEFRAME: FY19-20

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: FY19-20

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

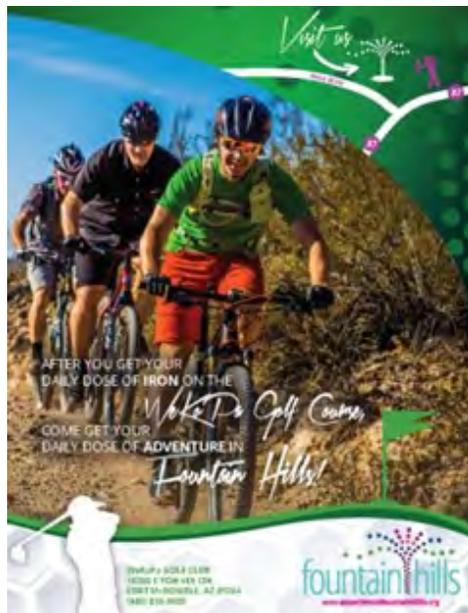
TOTAL ESTIMATED PROJECT COST: \$10,000

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

TIMEFRAME: FY19-20

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

FUNDING PRIORITY: High - Leverage Local Funds





Administration Special Revenue Fund



Special Revenue Fund

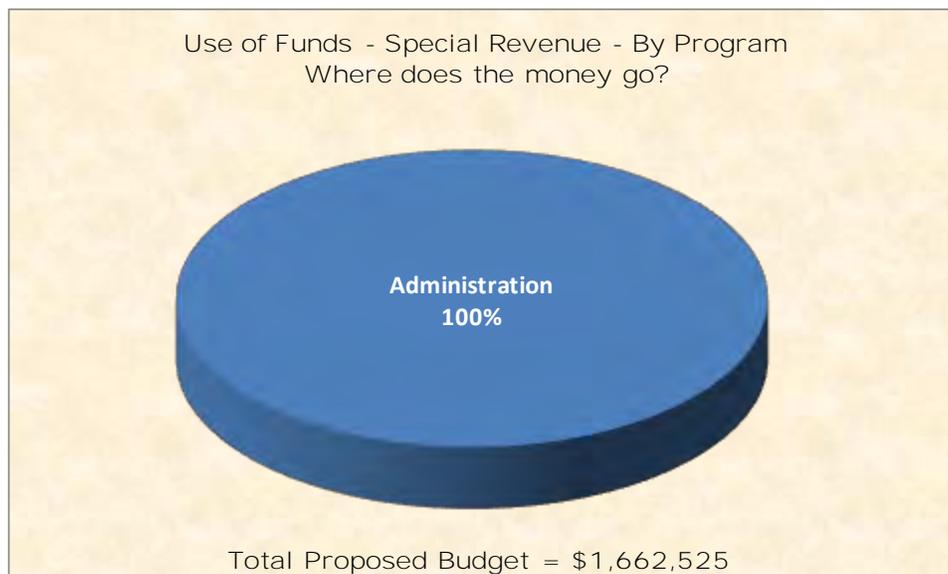
Service Delivery Plan

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			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Administration	\$ 371,069	\$ 157,946	\$ 338,800	\$ 1,662,525
Total	\$ 371,069	\$ 157,946	\$ 338,800	\$ 1,662,525

Variance Explanations:

Administration: FY18-19 budget was reallocated to other funds.



Category	Expenditures by Category			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Contractual Services	\$ 47,068	\$ 56,000	\$ 77,000	\$ 127,000
Equipment/Improvements	-	-	46,800	-
Contingency	-	-	150,000	1,230,525
Capital Expenditures	324,001	101,946	65,000	305,000
Total	\$ 371,069	\$ 157,946	\$ 338,800	\$ 1,662,525

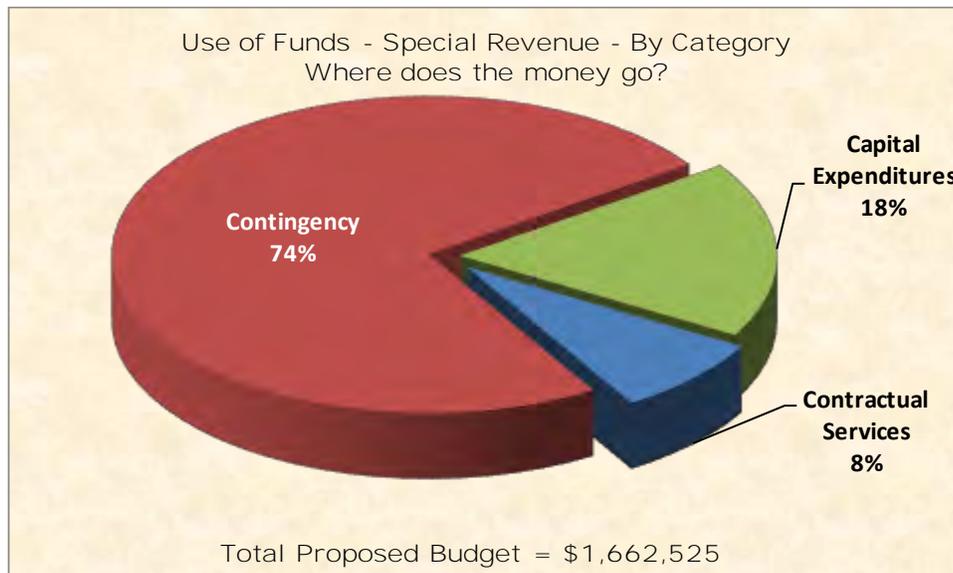
Variance Explanations:

Contractual Services: Amounts were increased in anticipation of increased Prop 202 funding pass thru.

Equipment/Improvements: The grant associated with this expense has expired.

Contingency: FY18-19 budget was reallocated to other funds.

Capital Expenditures: An amount was included in anticipation of a youth sports grant.



FY19-20 Proposed Budget
Summary of Expenditures
Special Revenue Fund

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Special Revenue Fund				
Advertising/Signage	\$ -	\$ -	\$ 2,000	\$ 2,000
Intergovt Agreements	46,576	56,000	75,000	125,000
Contractual Agreements	-	-	-	-
Constituent Communication	492	-	-	-
Street Improvements	-	-	46,800	-
Contingency	-	-	150,000	1,230,525
Park Improvements	303,484	-	-	240,000
Other Infrastructure	20,517	101,946	65,000	65,000
Total Special Revenue Fund	\$ 371,069	\$ 157,946	\$ 338,800	\$ 1,662,525



PROJECT TITLE: Civic Center Bus Stop Improvements
GRANT NUMBER: G4101
GRANT AMOUNT AWARDED: \$611,316
TOWN'S MATCH AMOUNT: \$ 0
TOTAL ESTIMATED PROJECT COST: \$611,316

PROJECT DESCRIPTION/SCOPE:

Phase one of this project relocated 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 provided a bus shelter, parking and is ADA accessible. Additional funding will be utilized for future bus stop improvements Town-wide.

TIMEFRAME: FY17-24

PROJECT JUSTIFICATION:

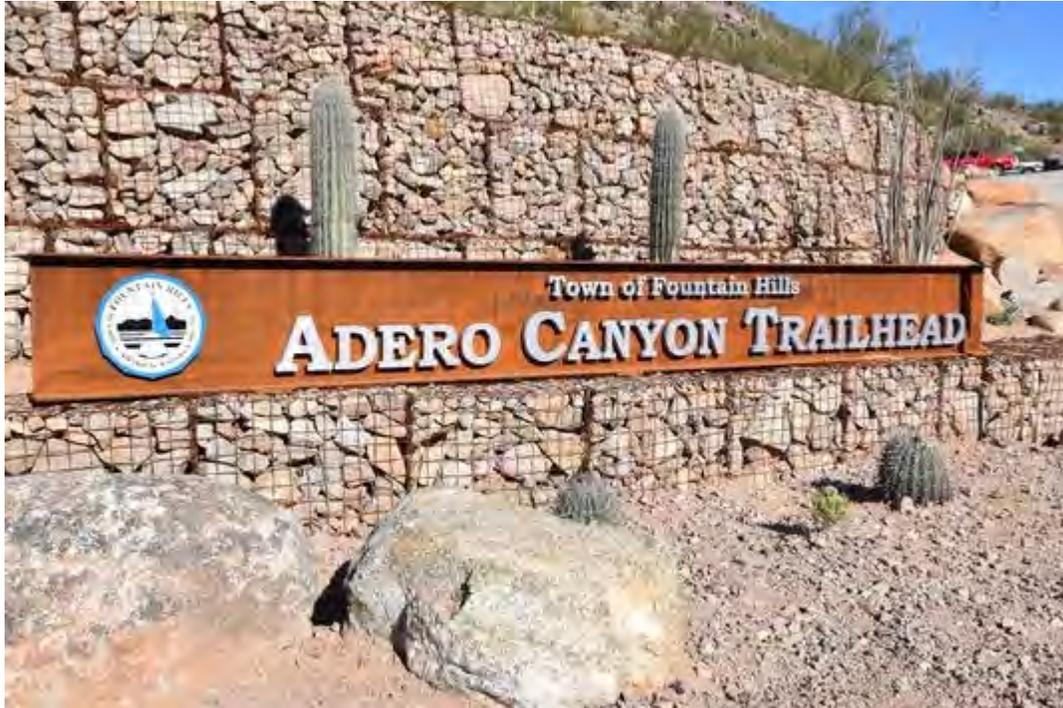
Phase one of this project provided a centralized bus stop location for the 514 Express Route at the Town's Civic Center and near higher density apartments and housing. Future projects will include additional bus shelter improvements Town-wide. Funding for the project is provided by Local Transportation Assistance Funds (LTAF II).

FUNDING PRIORITY: High - Leverage Local Funds



PROJECT TITLE: Arizona Sports and Tourism Grant
GRANT NUMBER: G5102
GRANT AMOUNT AWARDED: \$160,000
TOWN'S MATCH AMOUNT: \$80,000
TOTAL ESTIMATED PROJECT COST: \$240,000
PROJECT DESCRIPTION/SCOPE:
Youth sports project: basketball court at Four Peaks Park.
TIMEFRAME: FY17-24
PROJECT JUSTIFICATION:
Grant funded.
FUNDING PRIORITY: High - Leverage Local Funds





Municipal Court Court Enhancement Fund



Court Enhancement Fund

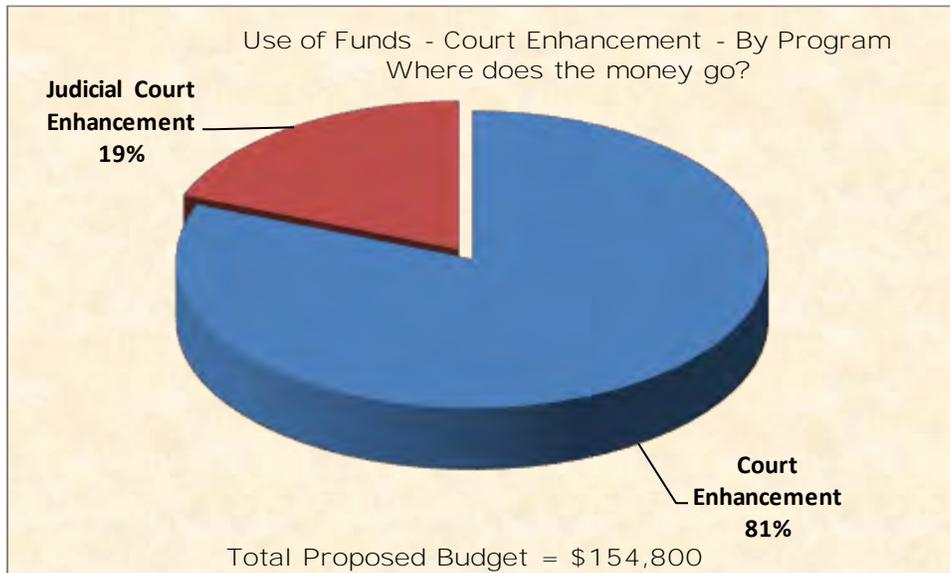
Service Delivery Plan

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			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Court Enhancement	\$ 122	\$ 5,547	\$ 50,515	\$ 124,800
Judicial Court Enhancement	-	-	30,000	30,000
Total	\$ 122	\$ 5,547	\$ 80,515	\$ 154,800

Variance Explanations:

Court Enhancement: A budget supplement was included for security updates for the Court.

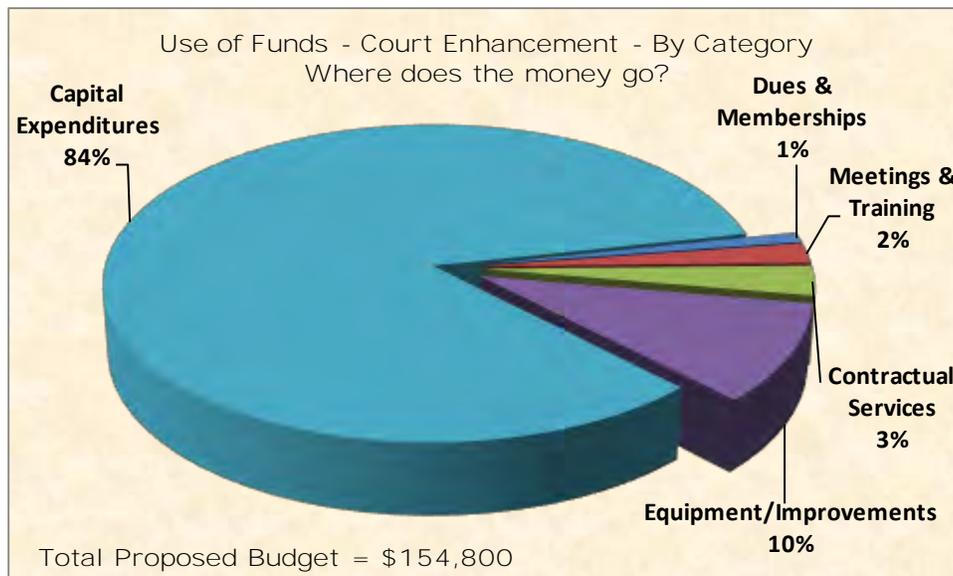


Category	Expenditures by Category			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Dues & Memberships	\$ -	\$ -	\$ 1,500	\$ 1,500
Meetings & Training	-	2,478	2,500	2,500
Maintenance & Repair	-	-	4,500	500
Contractual Services	-	-	5,300	4,800
Supplies	-	-	500	-
Equipment/Improvements	122	3,069	36,215	15,500
Capital Expenditures	-	-	30,000	130,000
Total	\$ 122	\$ 5,547	\$ 80,515	\$ 154,800

Variance Explanations:

Equipment/Improvements: FY18-19 include budget supplements for replacing the benches in the courtroom and purchasing new technology equipment.

Capital Expenditures: A budget supplement was included for security updates for the Court.



FY19-20 Proposed Budget
Summary of Expenditures
Court Enhancement Fund

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Court Enhancement Fund				
Dues, Subscript & Publicat	\$ -	\$ -	\$ 1,500	\$ 1,500
Meetings & Training	-	2,478	2,500	2,500
Office Equip Maint/Repair	-	-	4,500	-
Other Maint/Repair	-	-	-	500
Rentals & Leases	-	-	2,800	2,800
Printing Expense	-	-	2,000	2,000
Advertising/Signage	-	-	500	-
Office Supplies	-	-	500	-
Software	-	-	510	-
Hardware/Peripherals	122	-	18,155	5,500
Furniture/Appliances	-	3,069	17,550	10,000
Computer Hardware	-	-	30,000	130,000
Total Court Enhancement Fund	\$ 122	\$ 5,547	\$ 80,515	\$ 154,800



Administration Environmental Fund



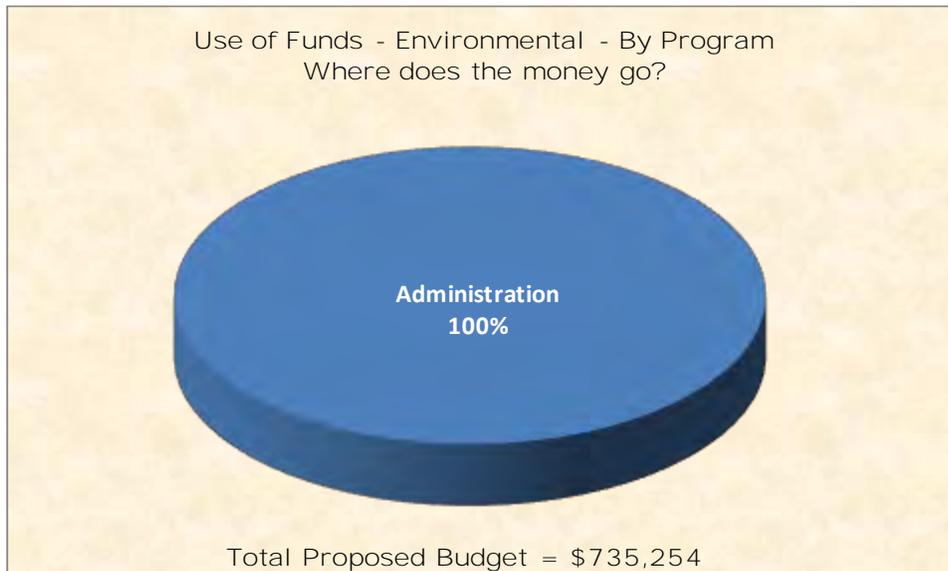
Environmental Fund

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, and storm drain cleaning. The Environmental Division provides environmental regulatory compliance oversight to Fountain Hills operations and facilities and the management of the EPA’s Stormwater Pollution Prevention Plan (SWPPP), Phase II Permit. This management includes oversight of staff training, field inspections, implementing the best management practices outlined in the permit, and drafting and submitting the annual reports required by the Arizona Department of Environmental Quality. This permit is a State-mandated, unfunded requirement.

The Environmental Division is also responsible for coordinating recycling programs, establishing energy efficiency activities and helping promote and implement sustainable activities within the Town. This Division maintains environmental permits and files for the Town of Fountain Hills.

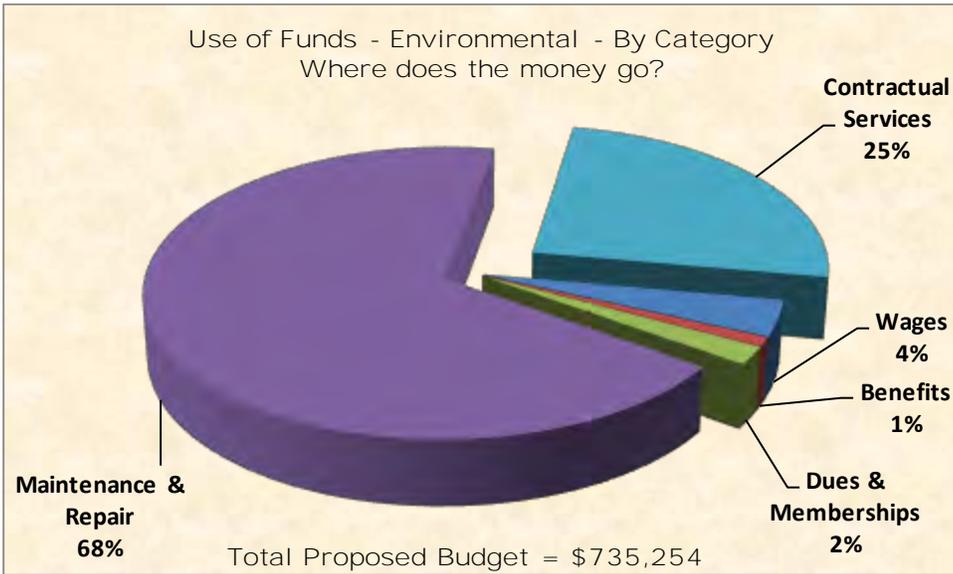
Program Name	Expenditures by Program			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Administration	\$ 494,638	\$ 530,655	\$ 709,326	\$ 735,254
Total	\$ 494,638	\$ 530,655	\$ 709,326	\$ 735,254



Category	Expenditures by Category			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Wages	\$ 18,283	\$ 18,731	\$ 19,677	\$ 32,605
Employment Taxes	842	644	823	1,363
Benefits	3,625	3,739	3,853	6,334
Dues & Memberships	8,000	8,000	11,215	11,215
Meetings and Training	-	-	300	300
Maintenance & Repair	320,286	295,610	445,400	495,400
Utilities	-	750	-	-
Contractual Services	142,448	202,812	225,945	185,945
Supplies	1,069	330	2,000	2,000
Internal Service	85	39	113	92
Total	\$ 494,638	\$ 530,655	\$ 709,326	\$ 735,254

Variance Explanations:

Wages: The increase is a result of personnel allocation changes.



Activities/Results

Performance Measures

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19- 20 Target
Percentage of residential sweeping completed within specified cycle	100%	100%	100%	100%
Percentage of arterial sweeping completed within specified cycle	100%	100%	100%	100%
Completion of Annual permit requirements	100%	100%	100%	100%

Quality

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19- 20 Target
Total curb miles on sweeping schedule	316	360.4	360.4	360.4
Total lane miles swept annually	2,682	3,063.8	3063.8	3,063.8
Acres of Town-owned washes maintained	65	65	0	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	1	1	1

*Friends of the Library event

Productivity

	FY16-17 Actual	FY17-18 Actual	FY18-19 Estimate	FY19-20 Target
Expenditure of street sweeping	\$65,127	\$71,860	\$75,000	\$75,000
Expenditure per curb mile of streets swept	\$24.28	\$24.45	\$24.48	\$24.48



FY19-20 Proposed Budget
Summary of Expenditures
Environmental Fund

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Environmental Fund				
Salaries-Full Time	\$ 18,283	\$ 18,731	\$ 19,677	\$ 32,605
Medicare	265	262	286	473
Workers Compensation	564	375	531	880
Unemployment Insurance	14	6	6	10
Group Health Insurance	1,394	1,447	1,448	2,340
Group Dental Insurance	103	107	108	184
Group Health Vision	13	19	19	31
Disability Insurance	74	74	83	138
Retirement	2,011	2,061	2,164	3,586
Life Insurance	19	19	19	36
Bonus	10	13	12	19
Licenses/Filing Fees	5,000	5,000	7,715	7,715
Dues, Subscript & Publicat	3,000	3,000	3,500	3,500
Meetings & Training	-	-	300	300
Grounds Maint/Repair	-	-	5,000	5,000
Wash Maintenance	135,958	152,549	210,000	210,000
Dam Inspection and Maint	16,024	19,070	20,400	20,400
Drainage Maint/Repair	140,842	111,485	180,000	180,000
Storm Damage Cleanup	27,462	12,506	30,000	80,000
Refuse/Recycling	-	-	-	-
Refuse/Recycling	-	750	-	-
Professional Fees	68,087	47,289	40,000	50,000
Advertising/Signage	-	189	-	-
Contractual Services	74,332	115,978	135,920	135,920
Bank/Merc Acct Fees	29	51	25	25
Community Contracts/Events	-	39,305	50,000	-
Program Materials	1,069	330	2,000	2,000
ISF-Copier Charges	30	35	60	30
ISF-Vehicle Replacement Charge	-	-	39	47
ISF-Motor Pool Charges	55	4	14	15
Total Environmental Fund	\$ 494,638	\$ 530,655	\$ 709,326	\$ 735,254





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 FY19-20 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	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Revenues				
Property Tax	\$ 5,653	\$ 5,471	\$ 6,642	\$ 6,642
Interest Income	<u>74</u>	<u>197</u>	<u>72</u>	<u>72</u>
Total Revenues	<u>\$ 5,727</u>	<u>\$ 5,668</u>	<u>\$ 6,714</u>	<u>\$ 6,714</u>
Expenditures				
Grounds Maint/Repair	\$ (3,600)	\$ (4,500)	\$ (4,851)	\$ (4,851)
Advertising/Signage	(195)	(195)	(250)	(250)
ISF-Mail Service Charges	<u>(3)</u>	<u>(1)</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>\$ (3,798)</u>	<u>\$ (4,696)</u>	<u>\$ (5,101)</u>	<u>\$ (5,101)</u>



Cottonwoods Maintenance District
Summary of Tax Levy and Tax Rate Information
Fiscal Year 19-20

	FY18-19	FY19-20
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ <u> -</u>	\$ <u> -</u>
2. Amount received from primary property taxation in the current year in excess of the sum of that year's maximum allowable primary property tax levy.	\$ <u> -</u>	
3. Property tax levy amounts		
A. Primary property taxes	\$ -	\$ -
B. Secondary property taxes	<u> 6,642</u>	<u> 6,642</u>
C. Total property tax levy amounts	<u>\$ 6,642</u>	<u>\$ 6,642</u>
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ -	-
(2) Prior years' levies	<u> -</u>	<u> -</u>
(3) Total primary property taxes	<u> -</u>	<u> -</u>
B. Secondary property taxes		
(1) Current year's levy	6,642	-
(2) Prior years' levies	<u> -</u>	<u> -</u>
(3) Total secondary property taxes	<u> 6,642</u>	<u> 6,642</u>
C. Total property taxes collected	<u>\$ 6,642</u>	<u> -</u>
5. Property tax rates		
A. Town tax rate		
(1) Primary property tax rate	\$ -	\$ -
(2) Secondary property tax rate	<u> 114.5200</u>	<u> 114.5200</u>
(3) Total town tax rate	<u>\$ 114.5200</u>	<u>\$ 114.5200</u>

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





Debt Service Funds



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 FY19-20 is estimated to be \$495,142,179 for the upcoming year (a 6.1% increase from the prior year). The estimated levy, is \$0.3382 per \$100 of assessed value. The levy is \$0.0875 lower than last year.

GENERAL OBLIGATION DEBT SERVICE

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Revenues				
Secondary Property Tax	\$ 1,902,919	\$ 1,909,924	\$ 1,986,373	\$ 1,674,485
Interest Income	4,408	8,495	1,200	1,200
Total Revenues	\$ 1,907,327	\$ 1,918,418	\$ 1,987,573	\$ 1,675,685
Expenditures				
Principal Payments	\$ (1,930,000)	\$ (1,980,000)	\$ (1,880,000)	\$ (1,615,000)
Interest Payments	(188,250)	(140,950)	(92,250)	(48,450)
Administrative/Trustee Fees	(1,000)	(600)	(600)	(350)
Total Expenditures	\$ (2,119,250)	\$ (2,121,550)	\$ (1,972,850)	\$ (1,663,800)



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 \$30,502,953 (an increase of 2.2% from the prior year) is \$1.3541 per \$100 of assessed valuation compared to \$1.3723 in the prior year.

EAGLE MOUNTAIN COMMUNITY FACILITIES DISTRICT DEBT SERVICE

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Revenues				
Property Tax	\$ 378,872	\$ 370,686	\$ 409,786	\$ 413,042
Interest Income	938	2,116	240	240
Total Revenues	\$ 379,810	\$ 372,802	\$ 410,026	\$ 413,282
Expenditures				
Advertising/Signage	\$ (170)	\$ (195)	\$ (200)	\$ (200)
Principal Payments	(375,000)	(380,000)	(385,000)	(395,000)
Interest Payments	(34,056)	(27,529)	(20,768)	(13,992)
Total Expenditures	\$ (409,226)	\$ (407,724)	\$ (405,968)	\$ (409,192)



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 is being used to fund the pavement replacement program.

MUNICIPAL PROPERTY CORPORATION DEBT SERVICE

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Revenues				
Interest Income	\$ 2,315	\$ 3,811	\$ 840	\$ 840
Transfer In	<u>249,055</u>	<u>249,055</u>	<u>209,838</u>	<u>303,235</u>
Total Revenues	<u>\$ 251,370</u>	<u>\$ 252,866</u>	<u>\$ 210,678</u>	<u>\$ 304,075</u>
Expenditures				
License/Filing Fees	\$ (10)	\$ (10)	\$ (10)	\$ (10)
Principal Payments	(370,000)	(360,000)	(370,000)	(300,000)
Interest Payments	(22,680)	(16,686)	(10,854)	(4,860)
Administrative/Trustee Fe	<u>(1,000)</u>	<u>(1,000)</u>	<u>(1,000)</u>	<u>(1,000)</u>
Total Expenditures	<u>\$ (393,690)</u>	<u>\$ (377,696)</u>	<u>\$ (381,864)</u>	<u>\$ (305,870)</u>



Outstanding Debt

The Schedule below includes an itemization of the outstanding debt as of June 30, 2019, after the scheduled principal and interest payment due July 1, 2019.

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	\$ 7,225,000	\$ -
GO	Road Construction	12/18/2014	2.00-3.00	7/1/2020	<u>7,565,000</u>	<u>5,950,000</u>	<u>1,615,000</u>
	Total GO				<u>14,790,000</u>	<u>13,175,000</u>	<u>1,615,000</u>
Rev	Refunding	6/4/2015	1.62	7/1/2020	<u>1,880,000</u>	<u>1,580,000</u>	<u>300,000</u>
	Total Rev				<u>1,880,000</u>	<u>1,580,000</u>	<u>300,000</u>
GO	Eagle Mtn	6/4/2015	1.76	7/1/2021	<u>2,300,000</u>	<u>1,505,000</u>	<u>795,000</u>
	Total GO - Eagle Mtn				<u>2,300,000</u>	<u>1,505,000</u>	<u>795,000</u>
	Grand Total				<u>\$ 18,970,000</u>	<u>\$ 16,260,000</u>	<u>\$ 2,710,000</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.

The basis for determining the legal debt margin is the net full cash assessed value.

Town of Fountain Hills, Arizona Legal Debt Margin Information				
	<u>FY16-17</u>	<u>FY17-18</u>	<u>FY18-19</u>	<u>FY19-20</u>
6% Debt Limit				
Debt limit	\$ 30,651,618	\$ 31,468,771	\$ 32,385,629	\$ 33,951,090
Total applicable to limit	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal debt margin	<u>\$ 25,419,147</u>	<u>\$ 26,678,977</u>	<u>\$ 27,998,343</u>	<u>\$ 33,951,090</u>
Total net debt applicable to the limit as a percentage of debt limit	-	-	-	-
20% Debt Limit				
Debt limit	\$ 102,172,060	\$ 104,895,902	\$ 107,952,098	\$ 113,170,302
Total applicable to limit	<u>7,405,000</u>	<u>5,475,000</u>	<u>3,495,000</u>	<u>1,615,000</u>
Legal debt margin	<u>\$ 77,325,489</u>	<u>\$ 83,454,923</u>	<u>\$ 89,832,809</u>	<u>\$ 111,555,302</u>
Total net debt applicable to the limit as a percentage of debt limit	7%	5%	3%	1%
Net Full Cash Assessed Value	\$ 510,860,302	\$ 524,479,512	\$ 539,760,488	\$ 565,851,508



Town of Fountain Hills
Summary of Tax Levy and Tax Rate Information
Fiscal Year 19-20

	FY18-19	FY19-20
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ <u> -</u>	\$ <u> -</u>
2. Amount received from primary property taxation in the current year in excess of the sum of that year's maximum allowable primary property tax levy.	\$ <u> -</u>	
3. Property tax levy amounts		
A. Primary property taxes	\$ -	\$ -
B. Secondary property taxes	<u>1,986,373</u>	<u>1,674,485</u>
C. Total property tax levy amounts	<u>\$ 1,986,373</u>	<u>\$ 1,674,485</u>
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ -	
(2) Prior years' levies	<u> -</u>	
(3) Total primary property taxes	<u> -</u>	
B. Secondary property taxes		
(1) Current year's levy	1,986,373	
(2) Prior years' levies	<u> -</u>	
(3) Total secondary property taxes	<u>1,986,373</u>	
C. Total property taxes collected	<u>\$ 1,986,373</u>	
5. Property tax rates		
A. Town tax rate		
(1) Primary property tax rate	\$ -	\$ -
(2) Secondary property tax rate	<u> 0.4257</u>	<u> 0.3382</u>
(3) Total town tax rate	<u>\$ 0.4257</u>	<u>\$ 0.3382</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 19-20

	FY18-19	FY19-20
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ <u> -</u>	\$ <u> -</u>
2. Amount received from primary property taxation in the current year in excess of the sum of that year's maximum allowable primary property tax levy.	\$ <u> -</u>	
3. Property tax levy amounts		
A. Primary property taxes	\$ -	\$ -
B. Secondary property taxes	<u> 410,026</u>	<u> 413,042</u>
C. Total property tax levy amounts	<u>\$ 410,026</u>	<u>\$ 413,042</u>
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ -	-
(2) Prior years' levies	<u> -</u>	<u> -</u>
(3) Total primary property taxes	<u> -</u>	<u> -</u>
B. Secondary property taxes		
(1) Current year's levy	410,026	-
(2) Prior years' levies	<u> -</u>	<u> -</u>
(3) Total secondary property taxes	<u> 410,026</u>	<u> -</u>
C. Total property taxes collected	<u>\$ 410,026</u>	<u> -</u>
5. Property tax rates		
A. CFD tax rate		
(1) Primary property tax rate	\$ -	\$ -
(2) Secondary property tax rate	<u> 1.3723</u>	<u> 1.3541</u>
(3) Total CFD tax rate	<u>\$ 1.3723</u>	<u>\$ 1.3541</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; i.e., 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 2019-21

YEAR PROJECT BEGAN: [Click here to enter text.](#) Example FY 2019-20

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 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	Total
Capital Projects							
Grant							
Downtown Strategy							
General							
Developer							
Development Fees							
Bonds							
Other Sources							
Unfunded							
Total	\$0	\$0	\$0	\$0	\$0	\$0	

Project Expenses							
Fund Type	Prior Years	FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	Total
Acquisition							
Planning							
Design							
Construction							
Other Expenses							
Total	\$0	\$0	\$0	\$0	\$0	\$0	

Operating Impact							
Fund Type		FY 19-20	FY 20-21	FY 21-22	FY 22-23	FY 23-24	Total
Salaries & Benefits							
Services & Supplies							
Other Impact							
Total		\$0	\$0	\$0	\$0	\$0	



Capital Projects Summary



**PROPOSED CAPITAL PROJECTS
FY19-20 THROUGH FY23-24
PROJECTS BY YEAR**

Project No.	Project Title	Prior Years' Costs	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	Five Year Total (excludes Prior Years' Costs)
<u>Stormwater Management/Drainage Projects</u>								
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
D6056	Drainage-Eagle Mountain Parkway Improvements	-	75,000	-	-	-	-	75,000
D6057	Golden Eagle Impoundment Area Improvements	-	500,000	500,000	-	-	-	1,000,000
TOTAL		\$ 100,299	\$ 675,000	\$ 550,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 1,375,000
<u>Facilities Projects</u>								
F4013	Fire Station #3 Construction	\$ -	\$ -	\$ 381,000	\$ -	\$ 4,000,000	\$ -	\$ 4,381,000
F4014	Fire Station #3 Vehicles & Equipment	-	-	-	-	1,247,000	-	1,247,000
F4029	Civic Center Improvements	-	150,000	-	-	-	-	150,000
F4033	Street Yard Sign Shop Building	-	150,000	-	-	-	-	150,000
F4034	Solar Power Generating System	-	50,000	-	-	2,000,000	-	2,050,000
TOTAL		\$ -	\$ 350,000	\$ 381,000	\$ -	\$ 7,247,000	\$ -	\$ 7,978,000
<u>Parks & Recreation Projects</u>								
Fountain Lake Water Quality Improvements - Phase II								
P3031	Phase II	\$ -	\$ -	\$ -	\$ 2,622,400	\$ -	\$ -	\$ 2,622,400
P3032	Sport Field Lighting	-	-	1,733,000	-	-	-	1,733,000
P3033	Video Surveillance Cameras	44,316	50,000	50,000	50,000	-	-	150,000
P3035	Four Peaks Park Upgrades	-	335,000	150,000	150,000	-	-	635,000
P3036	Desert Vista Skate Park Lights	-	-	75,000	-	-	-	75,000
P3038	Fountain Park Lake Liner	-	-	-	3,500,000	-	-	3,500,000
P3039	Fountain Park Pump Replacements	-	-	-	1,500,000	-	-	1,500,000
P3040	Splash Pad Renovation	-	-	-	550,000	-	-	550,000
P3041	SunRidge Park	-	-	-	-	-	3,500,000	3,500,000
TOTAL		\$ 44,316	\$ 385,000	\$ 2,008,000	\$ 8,372,400	\$ -	\$ 3,500,000	\$ 14,265,400
<u>Street/Sidewalk Projects</u>								
S6003	Unpaved Alley Paving Projects	\$ 380,479	\$ 255,000	\$ 308,000	\$ -	\$ -	\$ -	\$ 563,000
Fountain Hills Blvd Widening - Shea Boulevard to Segundo								
S6015	to Segundo	-	100,000	-	-	-	-	100,000
S6051	AOTF/La Montana Intersection Improvements	-	600,000	-	-	-	-	600,000
Shea Blvd. Widening - Palisades Blvd. to Technology Dr.								
S6058	Technology Dr.	-	130,000	-	-	-	-	130,000
S6059	Wayfinding Signs	80,802	-	-	-	150,000	-	150,000
S6060	Monument Signs	-	-	-	-	150,000	-	150,000
S6061	Sidewalk Infill Program	-	200,000	200,000	200,000	200,000	200,000	1,000,000
S6062	AOTF/Verde River Intersection Improvements	-	350,000	-	-	-	-	350,000
TOTAL		\$ 461,281	\$ 1,635,000	\$ 508,000	\$ 200,000	\$ 500,000	\$ 200,000	\$ 3,043,000
<u>Traffic Signal Projects</u>								
T5005	Traffic Signal-Palisades & Eagle Ridge/Palomino	\$ -	\$ -	\$ 50,000	\$ 500,000	\$ -	\$ -	\$ 550,000
TOTAL		\$ -	\$ -	\$ 50,000	\$ 500,000	\$ -	\$ -	\$ 550,000
<u>Vehicle Replacement Program</u>								
Vehicle Replacement Per Schedule			\$ 416,149	\$ 48,709	\$ 24,290	\$ 675,697	\$ 123,045	\$ 1,287,890
<u>Contingency</u>			\$ 152,250	\$ 174,850	\$ 456,120	\$ 389,850	\$ 187,500	\$ 1,360,570
TOTAL PROPOSED CAPITAL PROJECTS		\$ 605,896	\$ 3,197,250	\$ 3,671,850	\$ 9,578,520	\$ 8,186,850	\$ 3,937,500	\$ 28,571,970
(excludes Vehicle Replacement Program)								



FY19-20 Proposed Budget
Summary of Expenditures
Capital Projects Fund

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Capital Projects Fund				
Management Fees	\$ 2,207	\$ 2,791	\$ 1,940	\$ 2,800
Building Improvement Expenses	-	-	-	150,000
Street Improvement Expenses	64,387	49,099	33,400	-
Park Improvement Expenses	48,680	-	455,000	-
Other Infrastructure Expenses	97,144	9,090	-	-
Stormwater/Drainage Expenses	48,937	-	50,000	50,000
Furniture/Equipment	224,729	16,392	-	-
Building Improvements	368,109	1,837,138	2,566,330	150,000
Street Improvements	43,053	175,431	798,513	1,635,000
Park Improvements	359,507	1,135,740	1,462,506	385,000
Other Infrastructure	24,000	-	-	50,000
Stormwater/Drainage Improvements	132,601	-	-	625,000
Contingency	-	-	32,923	152,250
Total Capital Projects Fund	\$ 1,413,354	\$ 3,225,681	\$ 5,400,612	\$ 3,200,050



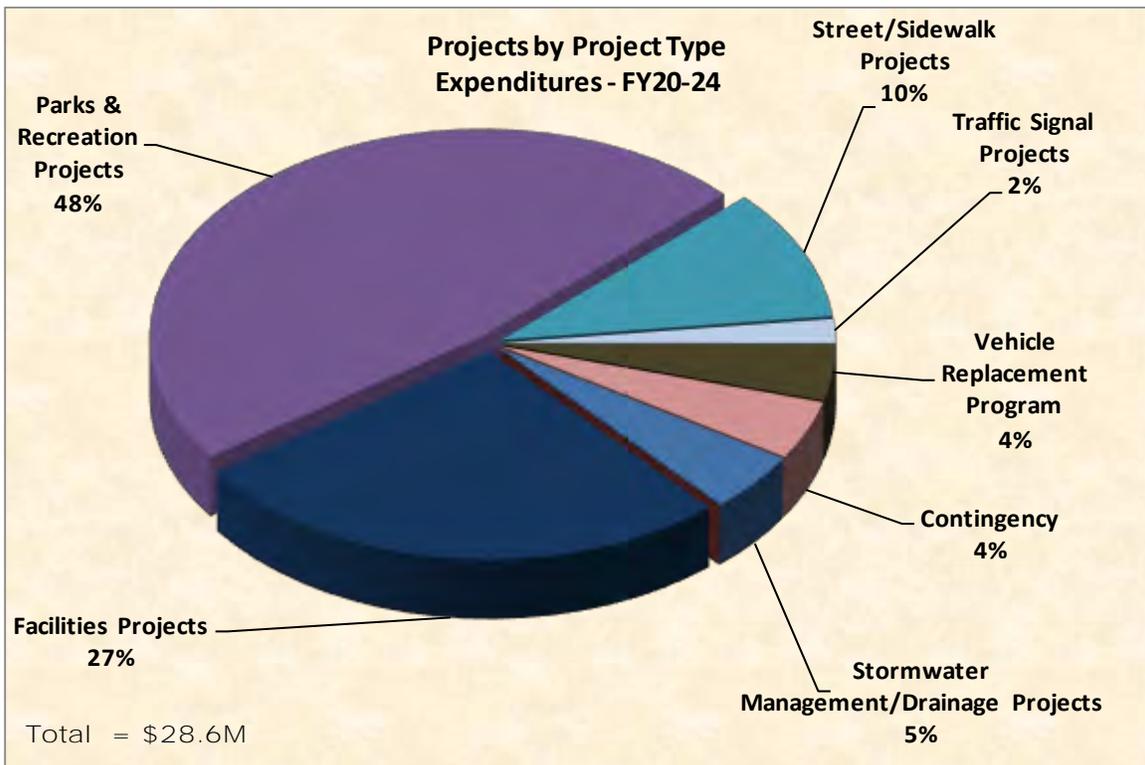
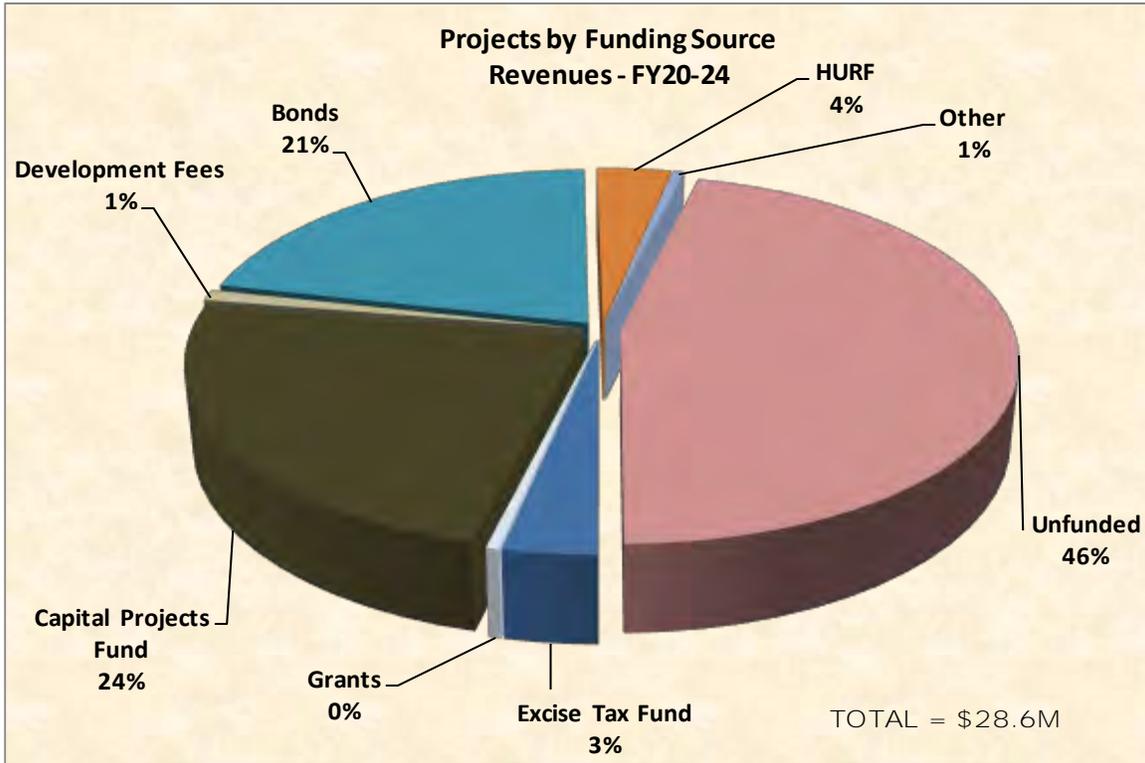
**CAPITAL PROJECTS FIVE-YEAR PROJECTION
REVENUES & PROJECT COSTS**

REVENUES BY SOURCE	FIVE-YEAR						TOTAL FIVE-	SURPLUS/ (DEFICIT)
	AVAILABLE FUNDS	FY19-20 Requested	FY20-21 Requested	FY21-22 Requested	FY22-23 Requested	FY23-24 Requested	YEAR PROJECTION	
General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highway User Fund	1,000,000	350,000	200,000	200,000	200,000	200,000	1,150,000	(150,000)
Downtown Strategy Fund	1,430,827	950,000	-	-	-	-	950,000	480,827
Grants	130,000	90,000	40,000	-	-	-	130,000	-
Capital Projects Fund	7,763,676	1,807,250	1,317,850	706,120	2,739,850	237,500	6,808,570	955,106
Development Fees								
Fire & Emergency Medical	383,678	-	199,366	-	71,882	-	271,248	112,430
Parks & Recreation	1,182,318	-	-	-	-	-	-	1,182,318
Bonds	6,050,000	-	-	5,550,000	-	500,000	6,050,000	-
Developers	-	-	-	-	-	-	-	-
Total Revenues By Source	\$ 17,940,499	\$ 3,197,250	\$ 1,757,216	\$ 6,456,120	\$ 3,011,732	\$ 937,500	\$ 15,359,818	\$ 2,580,681
Unfunded	13,212,152	-	1,914,634	3,122,400	5,175,118	3,000,000	13,212,152	(13,212,152)
Total Revenues Required	\$ 31,152,651	\$ 3,197,250	\$ 3,671,850	\$ 9,578,520	\$ 8,186,850	\$ 3,937,500	\$ 28,571,970	\$ (10,631,471)

EXPENDITURES BY PROJECT TYPE & COSTS	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL FIVE-
	Requested	Requested	Requested	Requested	Requested	YEAR PROJECTION
Stormwater Management/Drainage Projects	\$ 675,000	\$ 550,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 1,375,000
Downtown Improvement Projects	-	-	-	-	-	-
Facilities Projects	350,000	381,000	-	7,247,000	-	7,978,000
Parks & Recreation Projects	385,000	2,008,000	8,372,400	-	3,500,000	14,265,400
Street/Sidewalk Projects	1,635,000	508,000	200,000	500,000	200,000	3,043,000
Traffic Signal Projects	-	50,000	500,000	-	-	550,000
Contingency	152,250	174,850	456,120	389,850	187,500	1,360,570
Total Project Costs	\$ 3,197,250	\$ 3,671,850	\$ 9,578,520	\$ 8,186,850	\$ 3,937,500	\$ 28,571,970



CAPITAL PROJECTS FIVE-YEAR PROJECTION



**PROPOSED CAPITAL PROJECTS
FY19-20 THROUGH FY23-24
BY YEAR AND FUNDING SOURCE**

Project No.	Project Title/ <i>Funding Source</i>	Prior Years' Costs	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	Five Year Source Total	Project Total
D6047	Drainage-Miscellaneous								\$ 350,299
	<i>Capital Projects Fund</i>	\$ 100,299	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 250,000	
D6055	Drainage-Civic Center Improvements								50,000
	<i>Capital Projects Fund</i>	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000	
D6056	Drainage-Eagle Mountain Parkway Improvements								75,000
	<i>Capital Projects Fund</i>	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 75,000	
D6057	Golden Eagle Impoundment Area Improvements								1,000,000
	<i>Capital Projects Fund</i>	\$ -	\$ 500,000	\$ 500,000	\$ -	\$ -	\$ -	\$ 1,000,000	
F4013	Fire Station #3 Construction								4,381,000
	<i>Development Fees</i>	-	-	199,366	-	71,882	-	271,248	
	<i>Unfunded</i>	-	-	181,634	-	3,928,118	-	4,109,752	
F4014	Fire Station #3 Vehicles & Equipment								1,247,000
	<i>Unfunded</i>	-	-	-	-	1,247,000	-	1,247,000	
F4029	Civic Center Improvements								150,000
	<i>Capital Projects Fund</i>	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ 150,000	
F4033	Street Yard Sign Shop Building								150,000
	<i>Other</i>	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ 150,000	
F4034	Solar Power Generating System								2,050,000
	<i>Capital Projects Fund</i>	\$ -	\$ 50,000	\$ -	\$ -	\$ 2,000,000	\$ -	\$ 2,050,000	
P3031	Fountain Lake Water Quality Improvments - Phase II								2,622,400
	<i>Unfunded</i>	-	-	-	2,622,400	-	-	2,622,400	
P3032	Sport Field Lighting								1,733,000
	<i>Unfunded</i>	-	-	1,733,000	-	-	-	1,733,000	
P3033	Video Surveillance Cameras								194,316
	<i>Capital Projects Fund</i>	\$ 44,316	\$ 50,000	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ 150,000	
P3035	Four Peaks Park Upgrades								635,000
	<i>Capital Projects Fund</i>	\$ -	\$ 335,000	\$ 150,000	\$ 150,000	\$ -	\$ -	\$ 635,000	
P3036	Desert Vista Skate Park Lights								75,000
	<i>Capital Projects Fund</i>	\$ -	\$ -	\$ 35,000	\$ -	\$ -	\$ -	\$ 35,000	
	<i>Grants</i>	-	-	40,000	-	-	-	40,000	
P3038	Fountain Park Lake Liner								3,500,000
	<i>Bonds</i>	-	-	-	3,500,000	-	-	3,500,000	
P3039	Fountain Park Pump Replacements								1,500,000
	<i>Bonds</i>	-	-	-	1,500,000	-	-	1,500,000	
P3040	Splash Pad Renovation								550,000
	<i>Bonds</i>	-	-	-	550,000	-	-	550,000	
P3041	SunRidge Park								3,500,000
	<i>Bonds</i>	-	-	-	-	-	500,000	500,000	
	<i>Unfunded</i>	-	-	-	-	-	3,000,000	3,000,000	
S6003	Unpaved Alley Paving Projects								943,479
	<i>Capital Projects Fund</i>	\$ 380,479	\$ 255,000	\$ 308,000	\$ -	\$ -	\$ -	\$ 563,000	
S6015	Fountain Hills Blvd Widening - Shea Boulevard to Segundo								100,000
	<i>Capital Projects Fund</i>	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000	
S6051	AOTE/La Montana Intersection Improvements								600,000
	<i>Downtown Strategy</i>	-	600,000	-	-	-	-	600,000	
S6058	Shea Blvd. Widening - Palisades Blvd. to Technology Dr.								130,000
	<i>Capital Projects Fund</i>	\$ -	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ 40,000	
	<i>Grants</i>	-	90,000	-	-	-	-	90,000	
S6059	Wayfinding Signs								245,000
	<i>Capital Projects Fund</i>	\$ 95,000	\$ -	\$ -	\$ -	\$ 150,000	\$ -	\$ 150,000	
S6060	Monument Signs								150,000
	<i>Capital Projects Fund</i>	\$ -	\$ -	\$ -	\$ -	\$ 150,000	\$ -	\$ 150,000	
S6061	Sidewalk Infill Program								1,000,000
	<i>Capital Projects Fund</i>	\$ -	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 1,000,000	
S6062	AOTE/Verde River Intersection Improvements								350,000
	<i>Downtown Strategy</i>	-	350,000	-	-	-	-	350,000	
T5005	Traffic Signal-Palisades & Eagle Ridge/Palomino								550,000
	<i>Capital Projects Fund</i>	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000	
	<i>Unfunded</i>	-	-	-	500,000	-	-	500,000	
	Contingency								1,360,570
	<i>Capital Projects Fund</i>		\$ 152,250	\$ 174,850	\$ 456,120	\$ 389,850	\$ 187,500	\$ 1,360,570	
TOTAL PROPOSED CAPITAL PROJECTS		\$ 620,094	\$ 3,197,250	\$ 3,671,850	\$ 9,578,520	\$ 8,186,850	\$ 3,937,500	\$ 28,571,970	\$ 29,192,064

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



**PROPOED CAPITAL PROJECTS
FY19-20 THROUGH FY23-24
BY YEAR AND FUNDING SOURCE
TOTALS**

REVENUE SUMMARY TOTALS - BY FUNDING SOURCE

Source	Prior Years'						Total	
	Costs	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	FY19-20 to FY23-24	Project Total
Capital Projects Fund	\$ 620,094	\$ 2,007,250	\$ 1,517,850	\$ 906,120	\$ 2,939,850	\$ 437,500	\$ 7,808,570	\$ 8,428,664
Grants	-	90,000	40,000	-	-	-	130,000	130,000
Downtown Strategy	-	950,000	-	-	-	-	950,000	950,000
General Fund	-	-	-	-	-	-	-	-
Development Fees	-	-	199,366	-	71,882	-	271,248	271,248
Reimbursements from Developers	-	-	-	-	-	-	-	-
Bonds	-	-	-	5,550,000	-	500,000	6,050,000	6,050,000
HURF	-	-	-	-	-	-	-	-
Other	-	150,000	-	-	-	-	150,000	150,000
Funding Source Totals	620,094	3,197,250	1,757,216	6,456,120	3,011,732	937,500	15,359,818	15,979,912
Unfunded	-	-	1,914,634	3,122,400	5,175,118	3,000,000	13,212,152	13,212,152
Total Revenue Summary	\$ 620,094	\$ 3,197,250	\$ 3,671,850	\$ 9,578,520	\$ 8,186,850	\$ 3,937,500	\$ 28,571,970	\$ 29,192,064

EXPENDITURE SUMMARY TOTALS - BY PROJECT PHASE

Activity	Prior Years'						Total	
	Costs	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	FY19-20 to FY23-24	Project Total
Acquisition	\$ -	\$ 95,000	\$ 45,000	\$ 45,000	\$ 1,247,000	\$ -	\$ 1,432,000	\$ 1,432,000
Planning	-	230,000	-	-	-	-	230,000	230,000
Design	139,776	110,000	486,000	1,293,400	-	750,000	2,639,400	2,779,176
Construction	467,873	2,610,000	2,966,000	7,784,000	6,550,000	3,000,000	22,910,000	23,377,873
Other Expenses	773	152,250	174,850	456,120	389,850	187,500	1,360,570	1,361,343
Total Expenditure Summary	\$ 608,422	\$ 3,197,250	\$ 3,671,850	\$ 9,578,520	\$ 8,186,850	\$ 3,937,500	\$ 28,571,970	\$ 29,180,392





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: FY15-24

YEAR PROJECT BEGAN: FY14-15

TOTAL ESTIMATED PROJECT COST: \$352,825

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	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Capital Projects	\$ 102,825	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 352,825
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ 102,825	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 352,825

PROJECT EXPENSES

ACTIVITY	Prior Years	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design							-
Construction	102,825	50,000	50,000	50,000	50,000	50,000	352,825
Other Expenses							-
TOTAL	\$ 102,825	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 352,825

OPERATING IMPACT

ACTIVITY	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	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 outlet into a Maxwell drywell (French Drain) at the eastern limits of the Civic Center Complex to provide for adequate drainage.

TOWN GOALS

TIMEFRAME: FY19-20

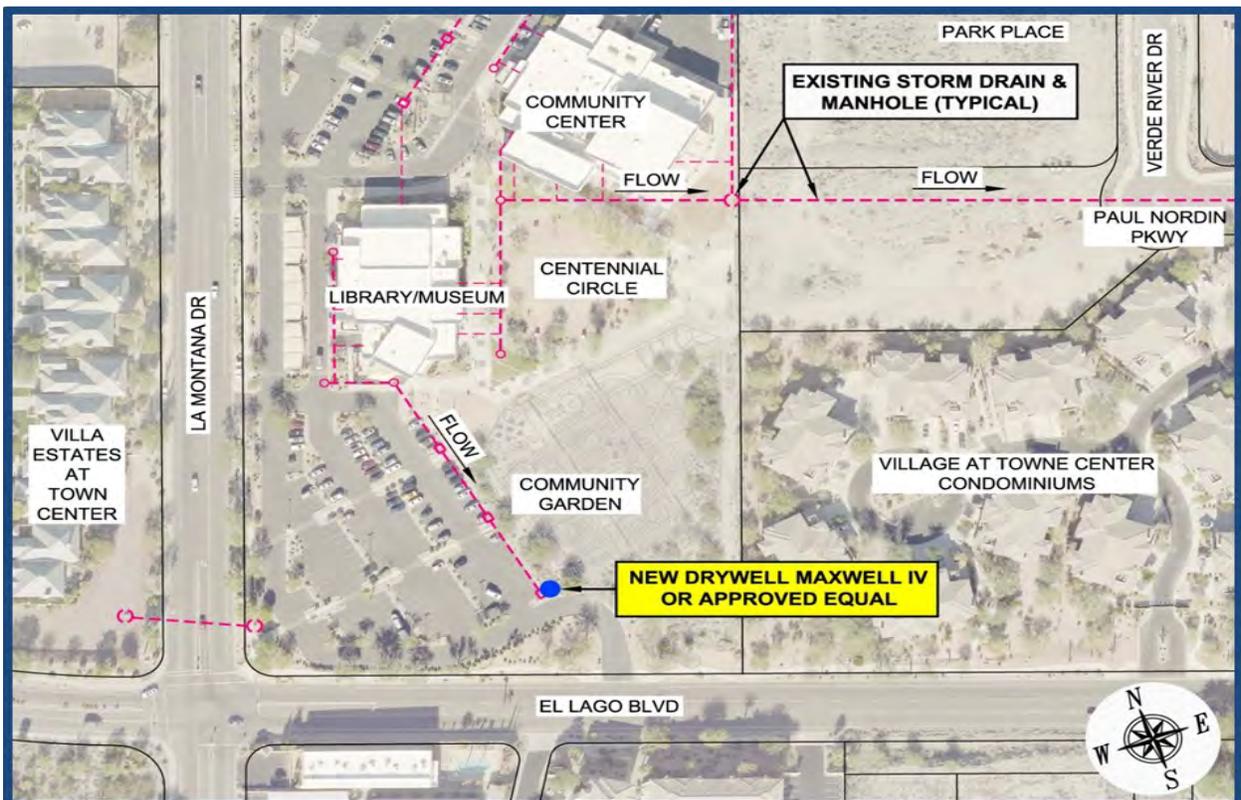
YEAR PROJECT BEGAN: FY19-20

TOTAL ESTIMATED PROJECT COST: \$50,000

PROJECT JUSTIFICATION:

The storm drain system for the Library parking lot and 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	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	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	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design							-
Construction		50,000					50,000
Other Expenses							-
TOTAL	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000

OPERATING IMPACT

ACTIVITY	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies		750	750	750	750	3,000
Other Impact						-
TOTAL	\$ -	\$ 750	\$ 750	\$ 750	\$ 750	\$ 3,000



PROJECT TITLE: Eagle Mountain Parkway Improvements

PROJECT NUMBER: D6056

PROJECT DESCRIPTION/SCOPE:

Repair drainage structures. Install drainage pipe.

TOWN GOALS

TIMEFRAME: FY18-20

YEAR PROJECT BEGAN: FY18-19

TOTAL ESTIMATED PROJECT COST: \$75,000

PROJECT JUSTIFICATION:

The storm drain structure constructed to drain the southern portion of Eagle Mountain Parkway was never completed and, as a result, storm runoff is ponding on the road and creating unsafe driving conditions.

FUNDING PRIORITY: High - Finishes a Partially Completed Project



FUNDING SOURCES

ACTIVITY	Prior Years	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Capital Projects	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 75,000
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 75,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design							-
Construction		75,000					75,000
Other Expenses							-
TOTAL	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 75,000

OPERATING IMPACT

ACTIVITY	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies		2,500	2,500	2,500	2,500	10,000
Other Impact						-
TOTAL	\$ -	\$ 2,500	\$ 2,500	\$ 2,500	\$ 2,500	\$ 10,000



PROJECT TITLE: Golden Eagle Impoundment Area Improvements

PROJECT NUMBER: D6057

PROJECT DESCRIPTION/SCOPE:

Drainage channel improvements. Modify trash racks on Golden Eagle dam inlets. Construct flood walls, sediment drop basins, grouted rip-rap.

TOWN GOALS

TIMEFRAME: FY19-21

YEAR PROJECT BEGAN: FY19-20

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

PROJECT JUSTIFICATION:

Golden Eagle impoundment area receives storm runoff from three washes: Ashbrook wash, Bristol wash and Cloudburst wash. The 100-year storm rainfall intensity values have increased in the north-eastern area of Maricopa County. Runoff values have increased due to increased upstream development. Runoff time of concentration has also accelerated due to increased upstream development. The net change as a result of the items noted have increased the amount of flow entering the impoundment area (this area includes the park improvement areas, the ball fields, the picnic ramada area, etc.) and requires major modifications to the drainage courses.

FUNDING PRIORITY: High - Prevents Irreparable Damage to Existing Facilities



FUNDING SOURCES

ACTIVITY	Prior Years	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Capital Projects	\$ -	\$ 500,000	\$ 500,000	\$ -	\$ -	\$ -	\$1,000,000
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ 500,000	\$ 500,000	\$ -	\$ -	\$ -	\$1,000,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design							-
Construction		500,000	500,000				1,000,000
Other Expenses							-
TOTAL	\$ -	\$ 500,000	\$ 500,000	\$ -	\$ -	\$ -	\$1,000,000

OPERATING IMPACT

ACTIVITY	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies				30,000	30,000	60,000
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ 30,000	\$ 30,000	\$ 60,000



PROJECT TITLE: 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: \$4,381,000

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	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees			199,366		71,882		271,248
Bonds							-
Other Sources							-
Unfunded			181,634		3,928,118		4,109,752
TOTAL	\$ -	\$ -	\$ 381,000	\$ -	\$4,000,000	\$ -	\$4,381,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design			381,000				381,000
Construction					4,000,000		4,000,000
Other Expenses							-
TOTAL	\$ -	\$ -	\$ 381,000	\$ -	\$4,000,000	\$ -	\$4,381,000

OPERATING IMPACT

ACTIVITY	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$1,322,750	\$1,391,130	\$2,713,880
Services & Supplies				370,000		370,000
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$1,692,750	\$1,391,130	\$3,083,880



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: \$1,247,000

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	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded					1,247,000		1,247,000
TOTAL	\$ -	\$ -	\$ -	\$ -	\$1,247,000	\$ -	\$1,247,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$1,247,000	\$ -	\$1,247,000
Planning							-
Design							-
Construction							-
Other Expenses							-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$1,247,000	\$ -	\$1,247,000

OPERATING IMPACT

ACTIVITY	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies				6,928	6,928	13,856
Other Impact				83,000	83,000	166,000
TOTAL	\$ -	\$ -	\$ -	\$ 89,928	\$ 89,928	\$ 179,856



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: FY19-20

YEAR PROJECT BEGAN: FY19-20

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 Facilities



FUNDING SOURCES

ACTIVITY	Prior Years	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	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	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design							-
Construction		150,000					150,000
Other Expenses							-
TOTAL	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ 150,000

OPERATING IMPACT

ACTIVITY	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact			2,000	2,000	2,000	6,000
TOTAL	\$ -	\$ -	\$ 2,000	\$ 2,000	\$ 2,000	\$ 6,000



PROJECT TITLE: Street Yard Sign Shop Building

PROJECT NUMBER: F4033

PROJECT DESCRIPTION/SCOPE:

Construction of a new building to house the Town's inventory of MUTCD signage, hardware and equipment that is used in the day-to-day operations of the Public Works department.

TOWN GOALS

TIMEFRAME: FY19-20

YEAR PROJECT BEGAN: FY19-20

TOTAL ESTIMATED PROJECT COST: \$150,000

PROJECT JUSTIFICATION:

Currently, the sign materials have been stored in shipping containers for the last twenty years and have created an unsafe working condition. The materials are also subjected to the elements resulting in loss of inventory.

FUNDING PRIORITY: High - Prevents Irreparable Damage to Facilities



FUNDING SOURCES

ACTIVITY	Prior Years	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources		150,000					150,000
Unfunded							-
TOTAL	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ 150,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design		30,000					30,000
Construction		120,000					120,000
Other Expenses							-
TOTAL	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ 150,000

OPERATING IMPACT

ACTIVITY	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies			2,000	2,000	2,000	6,000
Other Impact						-
TOTAL	\$ -	\$ -	\$ 2,000	\$ 2,000	\$ 2,000	\$ 6,000



PROJECT TITLE: Solar Power Generating System

PROJECT NUMBER: F4034

PROJECT DESCRIPTION/SCOPE:

Solar Power Generating System on constructed parking structures in the Town Center complex

TOWN GOALS

TIMEFRAME: FY19-23

YEAR PROJECT BEGAN: FY19-20

TOTAL ESTIMATED PROJECT COST: \$2,050,000

PROJECT JUSTIFICATION:

Offset the cost of electricity.

FUNDING PRIORITY: Medium - Reduces Operational Costs



FUNDING SOURCES

ACTIVITY	Prior Years	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Capital Projects	\$ -	\$ 50,000	\$ -	\$ -	\$2,000,000	\$ -	\$2,050,000
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ 50,000	\$ -	\$ -	\$2,000,000	\$ -	\$2,050,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning		50,000					50,000
Design							-
Construction					2,000,000		2,000,000
Other Expenses							-
TOTAL	\$ -	\$ 50,000	\$ -	\$ -	\$2,000,000	\$ -	\$2,050,000

OPERATING IMPACT

ACTIVITY	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies		1,200	1,200	1,200	1,200	4,800
Other Impact						-
TOTAL	\$ -	\$ 1,200	\$ 1,200	\$ 1,200	\$ 1,200	\$ 4,800



PROJECT TITLE: Fountain Lake Water Quality Improvements – Phase II

PROJECT NUMBER: P3031

PROJECT DESCRIPTION/SCOPE:

Phase I began in FY17-18 with aeration improvements. In future years, this 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: FY21-22

YEAR PROJECT BEGAN: FY21-22

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	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	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	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	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	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	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: FY20-21

YEAR PROJECT BEGAN: FY20-21

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	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	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	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design							-
Construction			1,733,000				1,733,000
Other Expenses							-
TOTAL	\$ -	\$ -	\$1,733,000	\$ -	\$ -	\$ -	\$1,733,000

OPERATING IMPACT

ACTIVITY	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



PROJECT TITLE: Video Surveillance Cameras

PROJECT NUMBER: P3033

PROJECT DESCRIPTION/SCOPE:

Purchase and installation of video surveillance cameras at various Town parks and facilities.

TOWN GOALS

TIMEFRAME: FY17-22

YEAR PROJECT BEGAN: FY17-18

TOTAL ESTIMATED PROJECT COST: \$194,316

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	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Capital Projects	\$ 44,316	\$ 50,000	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ 194,316
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ 44,316	\$ 50,000	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ 194,316

PROJECT EXPENSES

ACTIVITY	Prior Years	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Acquisition	\$ 44,316	\$ 45,000	\$ 45,000	\$ 45,000	\$ -	\$ -	\$ 179,316
Planning							-
Design		5,000	5,000	5,000			15,000
Construction							-
Other Expenses							-
TOTAL	\$ 44,316	\$ 50,000	\$ 50,000	\$ 50,000	\$ -	\$ -	\$ 194,316

OPERATING IMPACT

ACTIVITY	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies	5,000	5,000	5,000	5,000	5,000	25,000
Other Impact						-
TOTAL	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 25,000



PROJECT TITLE: Four Peaks Park Upgrades

PROJECT NUMBER: P3035

PROJECT DESCRIPTION/SCOPE:

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

TOWN GOALS

TIMEFRAME: FY18-22

YEAR PROJECT BEGAN: FY18-19

TOTAL ESTIMATED PROJECT COST: \$635,000

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. Refurbishing of the infields and restrooms would also be included in this project.

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



FUNDING SOURCES

ACTIVITY	Prior Years	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Capital Projects	\$ -	\$ 335,000	\$ 150,000	\$ 150,000	\$ -	\$ -	\$ 635,000
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ 335,000	\$ 150,000	\$ 150,000	\$ -	\$ -	\$ 635,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Acquisition	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000
Planning							-
Design							-
Construction		285,000	150,000	150,000			585,000
Other Expenses							-
TOTAL	\$ -	\$ 335,000	\$ 150,000	\$ 150,000	\$ -	\$ -	\$ 635,000

OPERATING IMPACT

ACTIVITY	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies	8,000	8,000	10,000	10,000	10,000	46,000
Other Impact						-
TOTAL	\$ 8,000	\$ 8,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 46,000



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: FY20-21

YEAR PROJECT BEGAN: FY20-21

TOTAL ESTIMATED PROJECT COST: \$75,000

PROJECT JUSTIFICATION:

The addition of lights at the skate park would allow for evening access to the facility.

FUNDING PRIORITY: Low - Provides an Expanded Level of Service



FUNDING SOURCES

ACTIVITY	Prior Years	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Capital Projects	\$ -	\$ -	\$ 35,000	\$ -	\$ -	\$ -	\$ 35,000
Grant			40,000				40,000
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ 75,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design			5,000				5,000
Construction			70,000				70,000
Other Expenses							-
TOTAL	\$ -	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ 75,000

OPERATING IMPACT

ACTIVITY	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies		2,000	2,000	2,000	2,000	8,000
Other Impact						-
TOTAL	\$ -	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 8,000



PROJECT TITLE: Fountain Park Lake Liner Replacement

PROJECT NUMBER: P3038

PROJECT DESCRIPTION/SCOPE:

Remove existing lake liner, repair any subgrade issues or damage and install replacement liner.

TOWN GOALS

TIMEFRAME: FY21-22

YEAR PROJECT BEGAN: FY21-22

TOTAL ESTIMATED PROJECT COST: \$3,500,000

PROJECT JUSTIFICATION:

The current lake liner was installed in 2000. The life expectancy for this liner is 20 to 30 years. The current condition or amount of deterioration of the liner is unknown and, in effort to be proactive, a replacement should be considered by 2022. If the project is postponed until the liner fails, significant cleanup efforts as well as potential fines may be incurred due to ground water contamination.

FUNDING PRIORITY: High - Town Council Priority



FUNDING SOURCES

ACTIVITY	Prior Years	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds				3,500,000			3,500,000
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ -	\$ -	\$3,500,000	\$ -	\$ -	\$3,500,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design				500,000			500,000
Construction				3,000,000			3,000,000
Other Expenses							-
TOTAL	\$ -	\$ -	\$ -	\$3,500,000	\$ -	\$ -	\$3,500,000

OPERATING IMPACT

ACTIVITY	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



PROJECT TITLE: Fountain Park Pump Replacements

PROJECT NUMBER: P3039

PROJECT DESCRIPTION/SCOPE:

Upgrade existing fountain pumps to a variable frequency system to allow for graduated Fountain heights to accommodate wind and other conditions.

TOWN GOALS

TIMEFRAME: FY21-22

YEAR PROJECT BEGAN: FY21-22

TOTAL ESTIMATED PROJECT COST: \$1,500,000

PROJECT JUSTIFICATION:

The current Fountain operates on three 600 horsepower pumps, allowing the Fountain to operate at three possible heights. Operating one pump allows the Fountain to run at roughly 170 feet, operating two pumps allows the Fountain to run at 330 feet, and operating all three pumps has the Fountain reaching 560 feet. These pumps operate only when certain wind conditions are met, and winds over 15 mph require the Fountain to be shut down completely. The upgrade to a variable frequency system will allow the Fountain height to adjust to real time wind conditions and operate more regularly. This project should ideally be taken on in conjunction with the lake liner replacement to minimize down time of the Fountain.

FUNDING PRIORITY: High - Town Council Priority



FUNDING SOURCES

ACTIVITY	Prior Years	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds				1,500,000			1,500,000
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ -	\$ -	\$1,500,000	\$ -	\$ -	\$1,500,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design				500,000			500,000
Construction				1,000,000			1,000,000
Other Expenses							-
TOTAL	\$ -	\$ -	\$ -	\$1,500,000	\$ -	\$ -	\$1,500,000

OPERATING IMPACT

ACTIVITY	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



PROJECT TITLE: Splash Pad Renovation

PROJECT NUMBER: P3040

PROJECT DESCRIPTION/SCOPE:

Renovate existing splash pad, repair and replace leaking fixtures, resurface the play space and add upgraded UV filtration system.

TOWN GOALS

TIMEFRAME: FY21-22

YEAR PROJECT BEGAN: FY21-22

TOTAL ESTIMATED PROJECT COST: \$550,000

PROJECT JUSTIFICATION:

The Rotary Centennial Splash Pad was installed in 2007. The features within the splash pad have exceeded their life expectancy and are now showing significant wear and tear. Many parts are leaking and beyond repair. The installation of the features is subgrade, therefore replacement requires significant excavation and removal of concrete floor. Replacement with at-grade, modular features is recommended. The addition of a UV filtration system is also recommended to ensure public health and safety.

FUNDING PRIORITY: High - Prevents Irreparable Damage to Existing Facilities



FUNDING SOURCES

ACTIVITY	Prior Years	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds				550,000			550,000
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ -	\$ -	\$ 550,000	\$ -	\$ -	\$ 550,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design				50,000			50,000
Construction				500,000			500,000
Other Expenses							-
TOTAL	\$ -	\$ -	\$ -	\$ 550,000	\$ -	\$ -	\$ 550,000

OPERATING IMPACT

ACTIVITY	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies				7,500	7,500	15,000
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ 7,500	\$ 7,500	\$ 15,000



PROJECT TITLE: SunRidge Park

PROJECT NUMBER: P3041

PROJECT DESCRIPTION/SCOPE:

Development of Town-owned parcel at SunRidge Canyon Drive and Desert Canyon Drive into a new park site. This project is an alternative to the proposed Fire Station #3 location in which a pocket park was included.

TOWN GOALS

TIMEFRAME: FY23-24

YEAR PROJECT BEGAN: FY23-24

TOTAL ESTIMATED PROJECT COST: \$3,500,000

PROJECT JUSTIFICATION:

The Town's General Plan recommends the addition of park space within our community, particularly in areas where our current parks do not serve. Areas in the northwest and southwest quadrants of the Town do not have any park amenities within a walkable distance. The addition of SunRidge Park would be a vital component to enhancing our community and creating a better quality of life for all residents.

FUNDING PRIORITY: Low - Provides an Expanded Level of Service



FUNDING SOURCES

ACTIVITY	Prior Years	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds						500,000	500,000
Other Sources							-
Unfunded						3,000,000	3,000,000
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$3,500,000	\$3,500,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design						750,000	750,000
Construction						2,750,000	2,750,000
Other Expenses							-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$3,500,000	\$3,500,000

OPERATING IMPACT

ACTIVITY	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ 60,000	\$ 60,000
Services & Supplies					100,000	100,000
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ 160,000	\$ 160,000



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: FY09-21

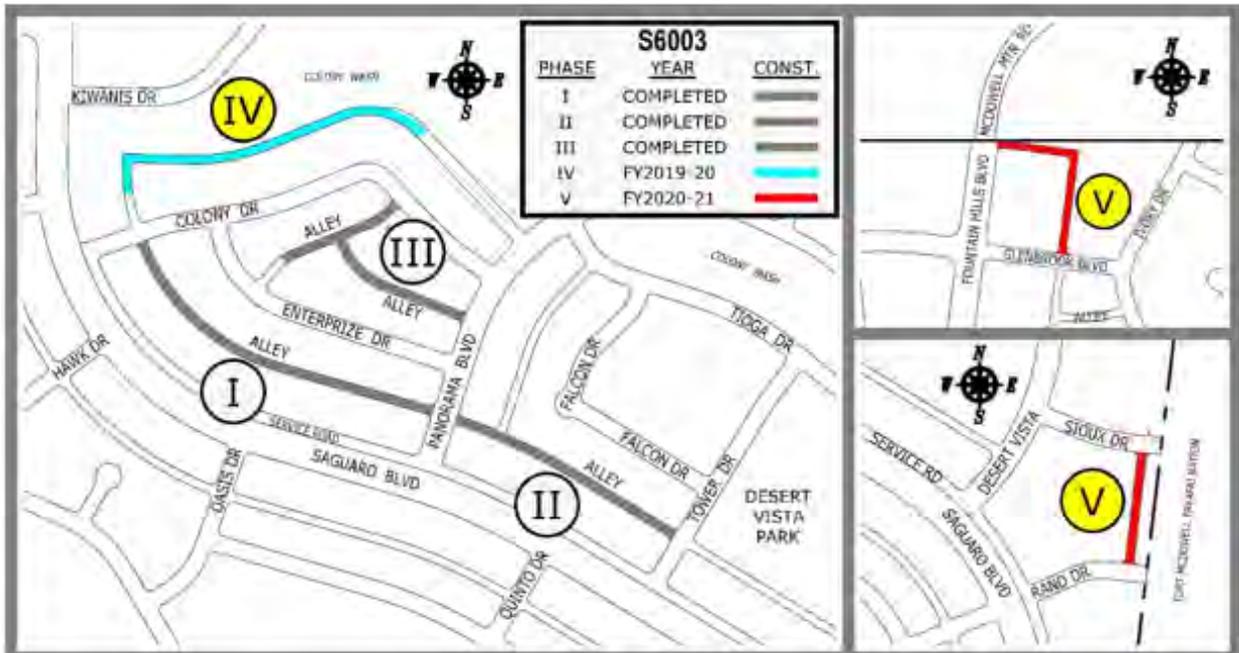
YEAR PROJECT BEGAN: FY08-09

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	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	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	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	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	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact	2,000	2,000	2,000	2,000	2,000	10,000
TOTAL	\$ 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: FY18-20

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	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	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	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning		100,000	-				100,000
Design							-
Construction							-
Other Expenses							-
TOTAL	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000

OPERATING IMPACT

ACTIVITY	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



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

PROJECT NUMBER: S6051

PROJECT DESCRIPTION/SCOPE:

Construct a roundabout to improve traffic/pedestrian safety.

TOWN GOALS

TIMEFRAME: FY18-20

YEAR PROJECT BEGAN: FY18-19

TOTAL ESTIMATED PROJECT COST: \$600,000

PROJECT JUSTIFICATION:

Traffic, bike, and pedestrian movements at the AOTF/La Montana intersection have been an on-going issue since the Town's incorporation, primarily due to the existing, wide AOTF median. This project will improve intersection traffic operations by constructing a roundabout.

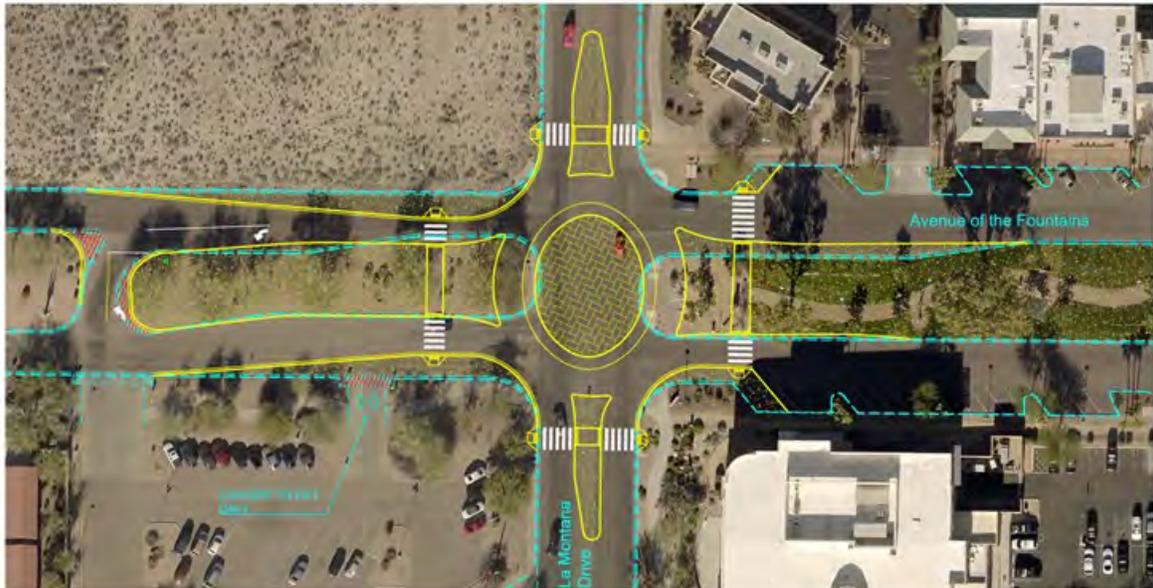
FUNDING PRIORITY: High - Protects Health & Safety of the Town



NTS



CK GROUP
Engineers & Commercial Woodworkers



<p>PROS:</p> <ol style="list-style-type: none"> 1. Reduced traffic speeds at the intersection 2. Improved traffic operations and left turn conflicts. 3. Provide opportunity for scenic monument. 4. Maintain existing parking spaces. 5. Discourages NB to WB cut through traffic. 6. No right of way needs 	<p>CONS:</p> <ol style="list-style-type: none"> 1. Wide intersection footprint. 2. Requires geometric improvements. 3. New traffic control means. 4. Inconvenience during construction. 5. Potential initial driver confusion. 6. Loss of parking space.
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TOWN OF FOUNTAIN HILLS
ARIZONA

AOTF @ LA MONTANA DRIVE
CONCEPT #2
ROUNDBOUT DESIGN



FUNDING SOURCES

ACTIVITY	Prior Years	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Capital Projects		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant							-
Downtown Strategy		600,000					600,000
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ 600,000	\$ -	\$ -	\$ -	\$ -	\$ 600,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design							-
Construction		600,000					600,000
Other Expenses							-
TOTAL	\$ -	\$ 600,000	\$ -	\$ -	\$ -	\$ -	\$ 600,000

OPERATING IMPACT

ACTIVITY	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	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: 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: FY18-20

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	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	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	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning		130,000					130,000
Design							-
Construction							-
Other Expenses							-
TOTAL	\$ -	\$ 130,000	\$ -	\$ -	\$ -	\$ -	\$ 130,000

OPERATING IMPACT

ACTIVITY	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	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: FY17-23

YEAR PROJECT BEGAN: FY17-18

TOTAL ESTIMATED PROJECT COST: \$230,802

PROJECT JUSTIFICATION:

Project will replace outdated wayfinding signage installed in 2000.

FUNDING PRIORITY: High - Town Council Priority



FUNDING SOURCES

ACTIVITY	Prior Years	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Capital Projects	\$ 80,802	\$ -	\$ -	\$ -	\$ 150,000	\$ -	\$ 230,802
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ 80,802	\$ -	\$ -	\$ -	\$ 150,000	\$ -	\$ 230,802

PROJECT EXPENSES

ACTIVITY	Prior Years	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design	80,802						80,802
Construction					150,000		150,000
Other Expenses							-
TOTAL	\$ 80,802	\$ -	\$ -	\$ -	\$ 150,000	\$ -	\$ 230,802

OPERATING IMPACT

ACTIVITY	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies					10,000	10,000
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ 10,000	\$ 10,000



PROJECT TITLE: Monument Signs

PROJECT NUMBER: S6060

PROJECT DESCRIPTION/SCOPE:

Replacement of outdated Town monument signs on Shea and Fountain Hills Boulevards with new monument signs.

TOWN GOALS

TIMEFRAME: FY22-23

YEAR PROJECT BEGAN: FY22-23

TOTAL ESTIMATED PROJECT COST: \$150,000

PROJECT JUSTIFICATION:

The current monument signs at the Town limits on Shea and Fountain Hills Boulevards 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	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	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	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design							-
Construction					150,000		150,000
Other Expenses							-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ 150,000	\$ -	\$ 150,000

OPERATING IMPACT

ACTIVITY	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies					5,000	5,000
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ 5,000



PROJECT TITLE: Sidewalk Infill Program

PROJECT NUMBER: S6061

PROJECT DESCRIPTION/SCOPE:

Construct sidewalks to infill gaps between existing sidewalks; complete full street block sidewalk lengths; connect to existing pedestrian generators (including schools, parks, churches, and commercial areas), and for pedestrian safety (hazard removal, handicap accessibility, curb ramp upgrades, and along arterial streets). Specific project locations will be submitted annually by staff for Town Council consideration.

TOWN GOALS

TIMEFRAME: FY18-24

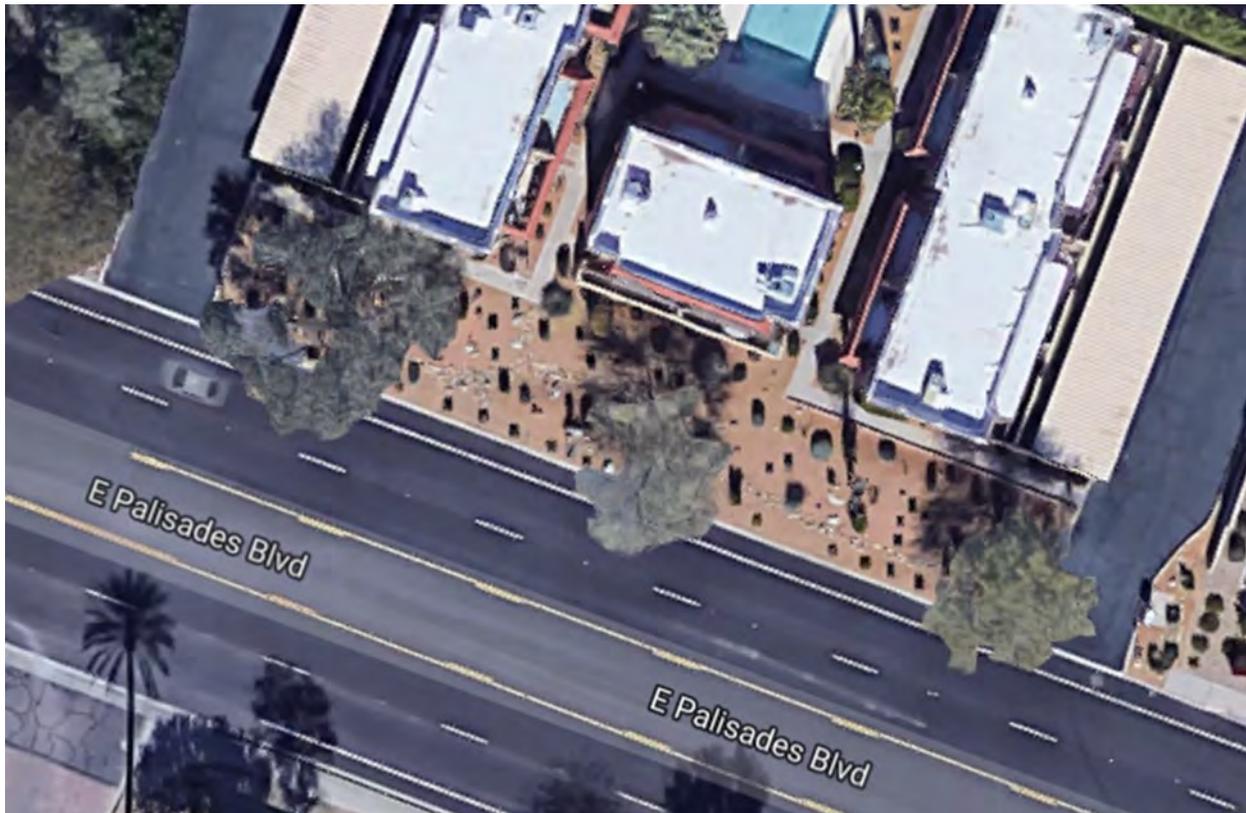
YEAR PROJECT BEGAN: FY18-19

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

PROJECT JUSTIFICATION:

Most pre-incorporation areas within the Town were constructed without any sidewalks, requiring pedestrians to walk in the street. Increased roadway traffic has created safety hazards; and increased pedestrian usage has intensified the hazards. Town funds may be used as matching funds for future sidewalk grant application(s), when available. Some of the funds may be utilized for survey and/or design work, when needed.

FUNDING PRIORITY: High - Finishes a Partially Completed Project



FUNDING SOURCES

ACTIVITY	Prior Years	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources		200,000	200,000	200,000	200,000	200,000	1,000,000
Unfunded							-
TOTAL	\$ -	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$1,000,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning			-				-
Design							-
Construction		200,000	200,000	200,000	200,000	200,000	1,000,000
Other Expenses							-
TOTAL	\$ -	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$1,000,000

OPERATING IMPACT

ACTIVITY	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies	2,000	2,000	2,000	2,000	2,000	10,000
Other Impact						-
TOTAL	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 10,000



PROJECT TITLE: Avenue of the Fountains/Verde River Intersection Improvements

PROJECT NUMBER: S6062

PROJECT DESCRIPTION/SCOPE:

Install curbing and landscape improvements.

TOWN GOALS

TIMEFRAME: FY19-20

YEAR PROJECT BEGAN: FY19-20

TOTAL ESTIMATED PROJECT COST: \$350,000

PROJECT JUSTIFICATION:

The AOTF and Verde River intersection has seen an increase in vehicle and pedestrian traffic. A traffic engineering study will be commissioned to provide alternatives to an all-way stop, including eliminating through traffic on Verde River by constructing curbing. This change would force all north and south bound Verde River traffic into right turning movements only.

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



FUNDING SOURCES

ACTIVITY	Prior Years	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant							-
Downtown Strategy		350,000					350,000
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ 350,000	\$ -	\$ -	\$ -	\$ -	\$ 350,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning			-				-
Design							-
Construction		350,000					350,000
Other Expenses							-
TOTAL	\$ -	\$ 350,000	\$ -	\$ -	\$ -	\$ -	\$ 350,000

OPERATING IMPACT

ACTIVITY	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies			1,000	1,000	1,000	3,000
Other Impact						-
TOTAL	\$ -	\$ -	\$ 1,000	\$ 1,000	\$ 1,000	\$ 3,000



PROJECT TITLE: Palisades Boulevard and Eagle Ridge/Palomino Drive Traffic Signal

PROJECT NUMBER: T5005

PROJECT DESCRIPTION/SCOPE:

Provide for design and construction of a traffic signal at the intersection of Palisades Boulevard and Eagle Ridge Drive/Palomino Drive.

TOWN GOALS

TIMEFRAME: FY21-22

YEAR PROJECT BEGAN: FY20-21

TOTAL ESTIMATED PROJECT COST: \$550,000

PROJECT JUSTIFICATION:

With the Adero Canyon development and anticipated expansion of the CopperWynd Resort on Eagle Ridge Drive, traffic signal warrants at the intersection of Palisades Boulevard and Eagle Ridge Drive/Palomino Drive are anticipated to be met based on the CopperWynd Resort traffic study. Once traffic signal warrants are met, the design and construction of a traffic signal at the intersection will provide for a more efficient flow of traffic.

FUNDING PRIORITY: Medium - Results in Increased Efficiency



FUNDING SOURCES

ACTIVITY	Prior Years	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Capital Projects	\$ -	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ 50,000
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded				500,000			500,000
TOTAL	\$ -	\$ -	\$ 50,000	\$ 500,000	\$ -	\$ -	\$ 550,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design			50,000				50,000
Construction				500,000			500,000
Other Expenses							-
TOTAL	\$ -	\$ -	\$ 50,000	\$ 500,000	\$ -	\$ -	\$ 550,000

OPERATING IMPACT

ACTIVITY	FY19-20	FY20-21	FY21-22	FY22-23	FY23-24	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

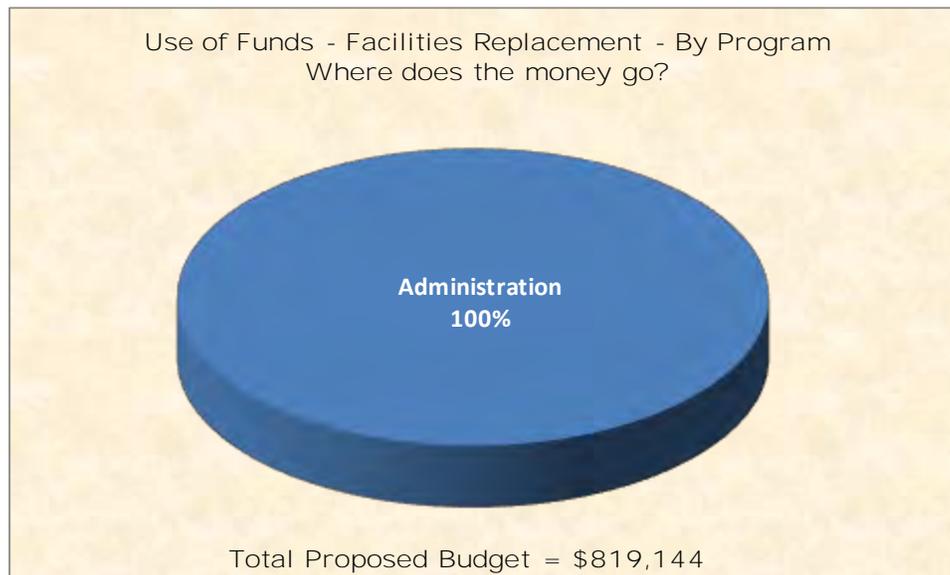


Facilities Replacement Fund

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.

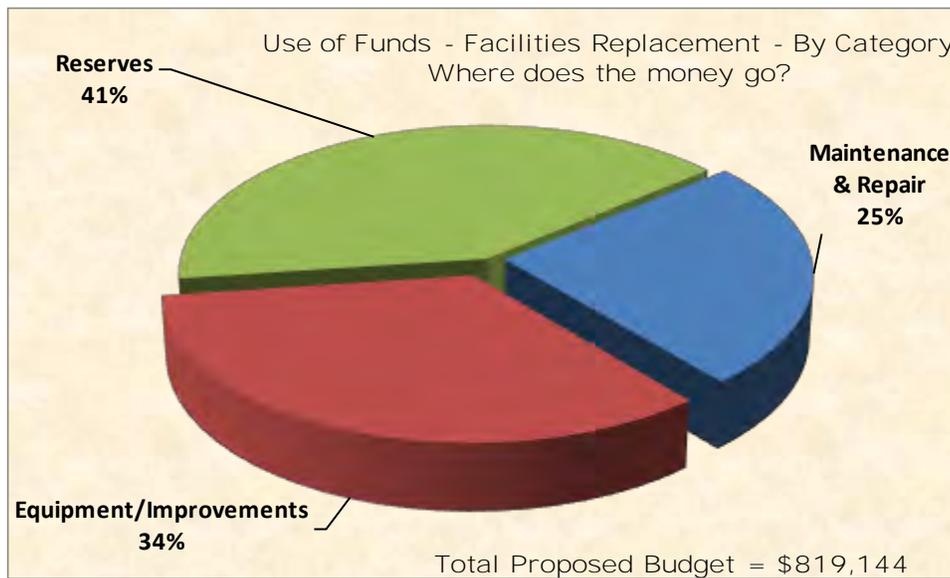
Program Name	Expenditures by Program			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Administration	\$ 93,085	\$ 163,759	\$ 975,296	\$ 819,144
Total	\$ 93,085	\$ 163,759	\$ 975,296	\$ 819,144



Category	Expenditures by Category			
	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Maintenance & Repair	\$ 93,085	\$ -	\$ 552,908	\$ 206,690
Equipment/Improvements	-	163,759	422,388	278,243
Reserves	-	-	-	334,211
Total	\$ 93,085	\$ 163,759	\$ 975,296	\$ 819,144

Variance Explanations:

Maintenance & Repair/Equipment/Improvements/Reserves: Projects were re-evaluated in order to maintain reserves.



FY19-20 Proposed Budget
Summary of Expenditures
Facilities Replacement Fund

Description	FY16-17 Actual	FY17-18 Actual	FY18-19 Revised Budget	FY19-20 Proposed Budget
Facilities Replacement Fund				
Building Maint/Repair	\$ 14,250	\$ -	\$ 320,718	\$ -
HVAC Repair	-	-	-	10,000
Parking Lot Repair	78,835	-	35,500	-
Painting	-	-	196,690	196,690
Equipment	-	-	199,000	41,200
Park Improvements	-	163,759	223,388	237,043
Reserves	-	-	-	334,211
Total Facilities Replacement Fund	\$ 93,085	\$ 163,759	\$ 975,296	\$ 819,144





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; i.e., fuel, maintenance requirements, etc.

C. Finance Review: The Finance Director will assist the Public Works Director as necessary in all facets of the Vehicle Replacement Program development and review including production of cost estimates, as well as an overall financial analysis of the proposed program. Additional assistance may be requested to help produce draft documents, etc.

D. Town Manager Review: The Public Works Director will provide a copy of the proposed VRP document to the Finance Director and Town Manager for review and comment. Following approval by the Town Manager the VRP will be incorporated into the budget proposal for the coming year.

E. Implementation: Upon adoption of the VRP in the operating budget, vehicles included within the applicable budget year may be purchased by the Public Works Director, or his/her designee, in compliance with the Town's Procurement Policy.

F. Amendments: The adopted VRP may be amended upon recommendation of the Public Works Director and approval of the Town Manager and Town Council.

Procedure

A. Form: A New Vehicle Request form shall be utilized to request inclusion of a new (not replacement) vehicle in the Vehicle Replacement Program. Department Directors may request the addition of a new vehicle or transfer between departments to the VRP by submitting their request to the Public Works Director as part of the budget process.

The Public Works Director shall include these requests in the VRP that is submitted to the Finance Director and Town Manager.

B. Funding Prioritization: As part of the VRP development process, the Public Works Director shall create vehicle replacement priorities to help determine the vehicle replacement schedule which will be incorporated in the upcoming fiscal year budget.



The following guidelines shall be utilized (listed alphabetically):

- Gator or Similar 7 years/15,000 hours
- Heavy Duty Trucks 15 years/125,000 miles
- Ladder Trucks 15 years/120,000 miles
- Light Duty Trucks 10 years/100,000 miles
- Medium Duty Trucks 12 years/125,000 miles
- Pumper Trucks 15 years/120,000 miles
- Sedans 10 years/100,000 miles
- Small Utility Equipment 7 years/15,000 engine hours
- Sweepers 8 years/75,000 miles
- SUV (Sports Utility Vehicles) 10 years/100,000 miles
- Tractors/Loaders 20 years/15,000 engine hours
- Trailers 10 years

In addition to the factors listed previously, the Public Works Director, or his/her designee, shall also review the utilization, maintenance records of the vehicles, downtime and the overall condition of the vehicles when making recommendations for replacement.

C. Funding Sources: The primary funding sources for the VRP are the General Fund and Streets (HURF) Fund. Revenues for the Vehicle Replacement Fund will also be generated from charges within the operating funds that support the departments that utilize the subject vehicles; charges will be calculated based on replacement cost and updated annually. Vehicles will be replaced according to the schedule and based on model year. Surplus sale proceeds and insurance claim proceeds will also be deposited to the Vehicle Replacement Fund to help offset future vehicle costs.

D. Vehicle Disposal: At least once annually, the Public Works Director, or his/her designee, shall prepare a list of vehicles to be retired from the Town's fleet based on the replacement schedule. At the discretion of the Public Works Director and based on a recommendation from the fleet mechanic, early retirement of a vehicle with excessive maintenance may be recommended. Excessive maintenance is defined as repair costs that exceed 40% of the vehicle value in a twelve-month period.

The Town Manager shall authorize the sales of these vehicles at auction by signing over the vehicle title(s). The Public Works Director, or his/her designee, shall then transport the vehicles to the auctioneer and shall be responsible to insure that the auction proceeds are submitted to the Finance Division for deposit to the Vehicle Replacement Fund.

Responsibility for Enforcement

The Town Manager, Finance Director and Public Works Director will be responsible for ensuring that this policy is followed and/or updated as necessary.

Fiscal Year 19-20 Vehicle Replacement Recommendation

During FY12-13, the Vehicle Replacement Program was updated with changes to the life of some vehicles and elimination of vehicles no longer utilized; the revised Program was presented and approved by the Town Council. Therefore, for FY19-20, nine new vehicles are budgeted for vehicle replacement incorporating the revised schedules.

Attachment A



New Vehicle Request Form

Information

Employee Name: _____
Department/Division: _____
Total Purchase Price: _____

Type of Vehicle Requested:

<input type="checkbox"/> Sedan/SUV	<input type="checkbox"/> Loader/Grader/Tractor Utility Vehicle	<input type="checkbox"/> Medium/Heavy Duty Truck	<input type="checkbox"/> Ladder/Pumper Truck
<input type="checkbox"/> Light Duty Truck	<input type="checkbox"/> /Bunker Rake	<input type="checkbox"/> Dump Truck	<input type="checkbox"/> Other _____

Date Needed by: _____ Budgeted: _____ Account Code: _____
ORG Object

Reason for Purchase:

Department Director Signature *Date*

Finance Approval

- Approved
- Rejected

Comments:

Finance Director/Procurement Agent Signature *Date*

Vehicle Replacement Interfund Charges

Department	Vehicle No.	Description	Type	Mod Year	Replacement Cost	FY19-20
Development Services	164	Chevy Equinox	SUV	2017	\$29,713.82	\$2,971.38
Development Services	160	Ford F-150	Light Duty Truck	2017	\$32,897.45	\$3,289.74
Public Works	161	Ford F-150	Light Duty Truck	2017	\$32,897.45	\$3,289.74
Fire	(E822)	Spartan	Pumper Truck	2014	\$636,724.80	\$42,448.32
Fire	752 (E823)	Crimson	Pumper Truck	2008	\$636,724.80	\$42,448.32
Fire	528 (E822R)	American LaFrance	Pumper Truck	1999	\$636,724.80	\$0.00
Fire	422 (S822)	Ford F550 4x4 (V0822)	Medium Duty Truck B	2012	\$101,875.97	\$8,489.66
Fire	FD21 (L822)	Rosenbauer	Ladder Truck	2018	\$959,680.53	\$63,978.70
Fire	(S823)	Ford F550 4x4	Medium Duty Truck A	2013	\$48,423.82	\$4,035.32
Fire	(D823)	Ford F150 Supercab	Light Duty Truck	2011	\$32,897.45	\$3,289.74
Fire	(D822)	NEW Ford F150	Light Duty Truck B	2019	\$55,000.00	\$5,500.00
Community Services	21	Bobcat	Bobcat or similar	2016	\$13,795.70	\$1,970.81
Community Services	162	Ford F-250	Light Duty Truck	2017	\$32,897.45	\$3,289.74
Community Services	20	Bobcat	Bobcat or similar	2013	\$13,795.70	\$1,970.81
Community Services	NEW	NEW Bobcat	Bobcat or similar	2019	\$13,795.70	\$1,970.81
Community Services	168	Ford F-150 Pickup	Light Duty Truck	2018	\$32,897.45	\$3,289.74
Community Services	17	John Deere 4x2 Gator	Gator or similar	2012	\$12,734.50	\$1,819.21
Community Services	NEW	NEW Gator	Gator or similar	2019	\$12,734.50	\$1,819.21
Community Services	SS1	Tenant Sweeper	Street Sweeper A	2013	\$47,754.36	\$5,969.30
Community Services	3	Sand Pro 3040	Small Utility Equipment	2013	\$23,346.58	\$3,335.23
Community Services	16	Bobcat	Bobcat or similar	2012	\$13,795.70	\$1,970.81
Community Services	18	Kawasaki Mule	Gator or similar	2012	\$12,734.50	\$1,819.21
Community Services	NEW	NEW Sand Pro	Small Utility Equipment	2019	\$23,346.58	\$3,335.23
Community Services	NEW	NEW Gator	Gator or similar	2019	\$12,734.50	\$1,819.21
Community Services	NEW	NEW Gator	Gator or similar	2019	\$12,734.50	\$1,819.21
Community Services	14	Kubota KU	Tractor/Loader B	2007	\$29,713.82	\$1,485.69
Community Services	159	Ford F-150	Light Duty Truck	2016	\$32,897.45	\$3,289.74
Community Services	M-1	Kubota	Small Utility Equipment	2014	\$23,346.58	\$3,335.23
Community Services	169	Ford F-150	Light Duty Truck	2018	\$32,897.45	\$3,289.74
Community Services	165	Chevy Equinox	SUV	2017	\$29,713.82	\$2,971.38
Community Services	142	Ford F-250 Pickup	Light Duty Truck	2007	\$31,000.00	\$0.00
Public Works	158	Ford F-250 Pickup W/Liftgate	Light Duty Truck	2014	\$32,897.45	\$3,289.74
Public Works	163	Chevy Colorado	Light Duty Truck	2017	\$32,897.45	\$3,289.74
Public Works	154	Ford F-150 Pickup W/Lights	Light Duty Truck	2013	\$32,897.45	\$3,289.74
Public Works	167	Chevy Impala	Sedan	2017	\$23,346.58	\$2,334.66
Public Works	166	Chevy Equinox	SUV	2017	\$29,713.82	\$2,971.38
FUND 100 TOTAL	37				\$3,813,980.43	\$245,486.56
Public Works	155	Ford F-250 Pickup W/Lights	Light Duty Truck	2014	\$32,897.45	\$3,289.74
Public Works	157	Ford F-250 Supercab W/Lights	Light Duty Truck	2014	\$32,897.45	\$3,289.74
Public Works	20	Caterpillar 426C	Tractor/Loader C	1999	\$131,000.00	\$0.00
Public Works	135	Freightliner M2106	Heavy Duty Truck	2005	\$68,978.52	\$4,598.57
Public Works	151	Ford F-450 Pickup	Medium Duty Truck A	2008	\$48,423.82	\$4,035.32
Public Works	FY2019	NEW Loader	Tractor/Loader C	2019	\$131,000.00	\$6,550.00
Public Works	NEW	NEW Freightliner	Heavy Duty Truck	2019	\$120,000.00	\$8,000.00
Public Works	NEW	NEW F-450 Pickup	Medium Duty Truck A	2019	\$48,423.82	\$4,035.32
Public Works	NEW	NEW Caterpillar Loader	Tractor/Loader D	2019	\$96,318.26	\$4,815.91
Public Works	NEW	NEW Broce Broom	Street Sweeper B	2019	\$75,000.00	\$9,375.00
Public Works	156	Ford F-250 Pickup W/Lights	Light Duty Truck	2014	\$32,897.45	\$3,289.74
Public Works	5085M	John Deere 5085M Tractor	Tractor/Loader A	2013	\$68,340.00	\$3,417.00
Public Works	145	Ford F-150 Supercab	Light Duty Truck	2007	\$32,897.45	\$0.00
FUND 200 TOTAL	13				\$919,074.21	\$54,696.35
					Fund 100	\$245,486.56
					Fund 200	\$54,696.35
					Total	\$300,182.92



Schedules



Comprehensive Fee Schedule Effective July 1, 2019



Description	Proposed Fee FY19-20
MISCELLANEOUS FEES	
Services	
Notarization	\$2.00 per signature
Affix Town Seal	\$2.00 each
Faxing Service - Local Only	\$2.00 First Page, \$.50 Each Additional Page
Faxing Service - Long Distance	\$3.00 First Page, \$.50 Each Additional Page
Email Document Service	\$0.00
Returned Check Fee	\$30.00
Incoming Wire Transfer Fee	\$35.00
ActiveNet Transaction Fee	\$2.50 per transaction
Convenience Fee - credit card payment	\$3.00 per transaction
Art Commission	20% of selling price
Campaign Fees	
Pro/Con Argument Fee	\$100.00
Campaign Finance - Late Filing Fee	\$10.00 per business day (per ARS 16-918)
Copies - Non - Commercial	
Photocopies (B&W) 8 1/2 x 11	\$.25 per page
Photocopies (B&W) 8 1/2 x 14	\$.30 per page
Photocopies (B&W) 11 x 17	\$.40 per page
Photocopies (Color) 8 1/2 x 11	\$.50 per page
Photocopies (Color) 8 1/2 x 14	\$.60 per page
Photocopies (Color) 11 x 17	\$.70 per page
Copies - Commercial	
Photocopies (B&W) 8 1/2 x 11	\$.50 per page
Photocopies (B&W) 8 1/2 x 14	\$.60 per page
Photocopies (B&W) 11 x 17	\$.80 per page
Photocopies (Color) 8 1/2 x 11	\$1.00 per page
Photocopies (Color) 8 1/2 x 14	\$1.20 per page
Photocopies (Color) 11 x 17	\$1.40 per page
Documents (CD Only)	
Town Code	\$25.00 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, 2019

Description	Proposed Fee FY19-20
<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	Proposed Fee FY19-20
BUSINESS LICENSE FEES (CONT.)	
Peddlers, solicitors and mobile merchants	\$250.00/calendar quarter or fraction thereof - non-refundable
Peddler investigation fee (per person)	\$41.00 - non-refundable
Promoters of entertainments, circuses, bazaars, etc., who receive a percentage of receipts or other consideration for their services. Each such promoter shall also obtain liability insurance of a minimum of \$1 million naming the Town as insured.	\$100.00/week
Animal Show	\$100.00/week
Circus Parade Only	\$50.00/day
Handbill Distributor	\$10.00/day
Amusement Company, such as ferris wheel, merry - go - round, etc., not part of a circus. Tent Show. Wrestling Exhibition. Road Show, Carnival or Circus.	\$100.00/day
Practice of palmistry, phrenology, astrology, fortune telling, mind reading, clairvoyancy, magic or any healing practices not licensed by the State of Arizona, or any similar calling without a fixed place of business	\$50.00/day
Duplicate Business License	\$10.00 - non-refundable
Verification of License Letter	\$10.00 - non-refundable
FALSE ALARM SERVICE CHARGES (PER CALENDAR YEAR)	
First and second	None
Third	\$50.00
Fourth	\$75.00
Fifth and Sixth	\$100.00
Seventh or more	\$200.00 each
ALARM SYSTEM LICENSE PERMIT	
License fee	\$25/annually - non-refundable
WIRELESS COMMUNICATIONS (CELL TOWER ON TOWN PROPERTY)	
Lease Agreement Application Fee, each location	\$250.00, per location - non-refundable
Amendments to Cell Tower Lease Agreements	\$250.00, per location - non-refundable
Small Cell Wireless Facilities: (all fees are non-refundable)	
ROW Use Fee	\$50/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, 2019

Description	Proposed Fee FY19-20
<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	Proposed Fee FY19-20
<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 month



Comprehensive Fee Schedule
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Description	Proposed Fee FY19-20
<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	Proposed Fee FY19-20
ENCROACHMENT/ENGINEERING PERMITS (CONT.)	
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)
ENVIRONMENTAL FEE	
Environmental fee:	
per residential solid waste account	\$3.00 per month per parcel; billed \$36.00 annually
per multifamily solid waste account (with a range for number of units)	to be determined
commercial solid waste accounts (license fee and/or cost per commercial account)	to be determined
late fee for paying the environmental fee	\$5.00 per month up to a maximum of \$35.



Comprehensive Fee Schedule
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Description	Proposed Fee FY19-20
<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	Proposed Fee FY19-20
PLANNING & ZONING FEES	
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
Variances	\$1,000.00 plus \$300.00 for each additional variance
Zoning Verification Letter	\$200.00
* \$5.00 per mailing label plus actual newspaper posting cost plus \$10 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
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Description	Proposed Fee FY19-20
BUILDING PERMIT/PLAN CHECK - SINGLE FAMILY RESIDENTIAL	
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 Area non A/C	\$.75 Sq. ft. \$.45 Sq. ft.
Single Family Remodel Area non A/C	\$.23 Sq. ft. \$.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	\$400.00
Permit Extensions - Residential remodel only (If Town has all records and within current Code cycle)	\$100.00
Refund for cancelled Single Family Home permit	35% of building permit fee paid - request must be made within 180 days of original payment
Penalty for failure to obtain a building permit	50% of Bldg Permit/Plan Review Fee



Description	Proposed Fee FY19-20
BUILDING PERMIT/PLAN CHECK - COMMERCIAL	
<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.
Covered Area (non - A/C)	\$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.)	
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.)	
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
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Description	Proposed Fee FY19-20
BUILDING PERMIT/PLAN CHECK - COMMERCIAL (CONT.)	
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)	\$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	Proposed Fee FY19-20
FIRE SAFETY FEES	
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
ABATEMENT FEES	
Inspection fee	\$70.00 per hour (1 - hour minimum)
Reinspection fee	\$150.00 per trip
PARK FACILITY RENTALS	
Park Rental Fees - Resident/Organization ⁽¹⁾	Per Hour
Small Ramada - 2 hour minimum	\$10.00
Medium Ramada - 2 hour minimum	\$15.00
Large Ramada - 2 hour minimum	\$20.00
Meeting Rooms 2 hour minimum	\$10.00
Multi-Purpose Fields - 2 hour minimum	\$15.00
Tennis Courts - 90 minute reservation	\$5.00 without lighting
Tennis Courts - 90 minute reservation	\$7.00 with lighting
Open Park space, including Amphitheater, Avenue of the Fountains Plaza, Great Lawn, Centennial Circle and other lawns	\$400/half day (4 hours or less) \$750/full day (over 4 hours)
⁽¹⁾ 10% wedding discount when combined with Community Center Rental	



Comprehensive Fee Schedule
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Description	Proposed Fee FY19-20
<i>PARK FACILITY RENTALS (CONT.)</i>	
Park Rental Fee Extras	
Power Distribution Box Rental Fee & Deposit	\$15.00/box per day; \$100.00 deposit per box and power cable
Athletic Field Lights (2 hour minimum)	\$10.00 per hour
Athletic Field – Prep & Bases	\$25.00 per field
Alcohol Permit with Park Reservation	\$10.00 for 50 Consuming Adults - non-refundable
Fountain Operation	\$265.00 Per Half - Hour
Staff (2 hour minimum)	\$21 - \$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)
⁽¹⁾ 10% wedding discount when combined with Community Center Rental	
Park Rental Fee Extras	
Power Distribution Box Rental Fee & Deposit	\$15.00/box per day; \$100.00 deposit per box and power cable
Athletic Field Lights - 2 hour minimum	\$10.00 per hour
Athletic Field – Prep & Bases	\$25.00 per field
Alcohol Permit with Park Reservation	\$10.00 for 50 Consuming Adults - non-refundable
Fountain Operation	\$265.00 Per Half - Hour
Staff - 2 hour minimum	\$21.00 - \$38.00 Per Hour
Recreation Fees	
Program Cancellation Fee	\$10.00



Description	Proposed Fee FY19-20
<i>COMMUNITY CENTER RENTALS</i>	
Community Center Rental - Resident/ Organization (Tier 2) ⁽²⁾	Per Hour
Any Meeting Room - 2 hour minimum	\$17.00
One Ballroom (30 - 90 people) Minimum 4 hours	\$36.00
Two Ballrooms *(91 - 160 people) Minimum 4 hours	\$72.00
Three Ballrooms*(161 - 250 people) Minimum 4 hours	\$108.00
Grand Ballroom *(251 - 450 people) Minimum 4 hours	\$144.00
Lobby ⁽²⁾	Per Hour
4 hour minimum	\$34.00
Grand Ballroom & Lobby ⁽²⁾	
All Day Rate (Monday - Thursday 7:00 am to Midnight)	\$1,760.00
All Day Rate (Friday - Saturday 7:00 am to Midnight)	\$2,200.00
Weekend Rates: Friday & Saturday ⁽²⁾	Weekend Rates: Friday-Sunday
Ballroom 3 (includes patio access and views)* 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	
⁽²⁾ 10% wedding discount when combined with a Park Rental	



Comprehensive Fee Schedule
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Description	Proposed Fee FY19-20
<i>COMMUNITY CENTER RENTALS (CONT.)</i>	
Community Center Rental - Non-Resident/ Commercial (Tier 3) ⁽²⁾	Per Hour
Any Meeting Room	\$39.00
One Ballroom (30-90 people) 4 hour minimum	\$83.00
Two Ballrooms *(91 - 160 people) 4 hour minimum	\$166.00
Three Ballrooms*(161 - 250 people) 4 hour minimum	\$249.00
Grand Ballroom *(251 - 450 people) 4 hour minimum	\$332.00
Lobby ⁽²⁾	
4 hour minimum	\$69.00
Grand Ballroom & Lobby ⁽²⁾	
All Day Rate (Monday - Thursday 7:00 am to Midnight)	\$4,400.00
All Day Rate (Friday - Saturday 7:00 am to Midnight)	\$5,500.00
Weekend Rates: Friday & Saturday ⁽²⁾	Weekend Rates: Friday-Sunday
Ballroom 3 (includes patio access and views)*	Per Hour
4 hour minimum	\$124.00
Ballroom 4 (includes patio access and views)	
4 hour minimum	\$124.00
Tier 3 Groups meeting 6 or More Times per Year:	
4 hour minimum with contract	50% of Non-Resident/Commercial Rate
*Ballroom 3 not available as a standalone rental	
⁽²⁾ 10% wedding discount when combined with a Park Rental	



Description	Proposed Fee FY19-20
<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, 2019

Description	Proposed Fee FY19-20
<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
NOTE: All Rentals Are Subject To Applicable Arizona Sales Taxes	



<u>Description</u>	<u>Proposed Fee FY19-20</u>
<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	FY 15-16 Authorized FTE	FY 16-17 Authorized FTE	FY 17-18 Authorized FTE	FY 18-19 Authorized FTE	FY 19-20 Proposed FTE
<u>Municipal Court</u>					
Presiding Judge	0.63	0.63	0.63	0.63	0.63
Court Administrator	1.00	1.00	1.00	1.00	1.00
Senior Court Clerk	1.00	1.00	1.00	2.00	2.00
Court Clerk	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
Deputy Town Manager/Administrative Services Dir.	-	-	-	-	1.00
Administrative Services Director	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	1.00
Economic Development Specialist	1.00	-	-	-	-
Economic Development Director	-	1.00	1.00	1.00	1.00
Communications and Marketing Coordinator	-	-	0.20	0.20	0.20
Information Technology Administrator	1.00	-	-	-	-
Network & Information Technology Administrator	-	1.00	1.00	1.00	1.00
Information Technology Support Specialist	-	-	-	0.50	0.50
Finance Director	1.00	1.00	1.00	1.00	1.00
Accountant	1.00	1.00	1.00	1.00	1.00
Financial Services Technician	1.00	1.00	1.00	2.00	2.00
Procurement Officer	-	-	-	-	1.00
Accounting Clerk	0.63	1.25	1.25	-	0.50
Customer Service Representative II	1.00	1.00	1.00	1.00	1.00
Authorized FTE	11.63	12.25	13.45	13.70	15.20
<u>Public Works</u>					
Public Works Director	-	1.00	1.00	1.00	1.00
Civil Engineering Inspector	1.00	1.00	1.00	1.00	1.00
Executive Assistant	-	0.50	0.50	0.50	0.50
Town Engineer	-	-	-	1.00	1.00
Assistant Town Engineer	-	-	-	-	0.63
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	-	-
Street Maintenance Technician	1.00	1.00	1.00	2.00	3.00
Authorized FTE	8.30	9.80	9.80	10.80	12.43



**Schedule of Authorized Positions
(continued)**

Position – Title	FY 15-16 Authorized FTE	FY 16-17 Authorized FTE	FY 17-18 Authorized FTE	FY 18-19 Authorized FTE	FY 19-20 Proposed FTE
<u>Development Services</u>					
Development Services Director	1.00	1.00	1.00	1.00	1.00
Executive Assistant	1.00	0.50	0.50	0.50	0.50
Town Engineer	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	1.00
Code Enforcement Officer	1.00	1.00	-	-	1.00
Chief Building Official/Plans Examiner	1.00	1.00	1.00	1.00	1.00
Senior Building Inspector	-	-	-	-	1.00
Civil Plans Examiner	-	-	0.50	0.50	-
Building Permit Technician	1.00	1.00	1.50	1.50	1.50
Authorized FTE	8.00	7.50	8.50	7.50	9.00
<u>Community Services</u>					
Community Services Director	1.00	1.00	1.00	1.00	1.00
Recreation Manager	-	-	1.00	1.00	1.00
Recreation Supervisor	1.00	1.00	-	-	-
Recreation Program Coordinator	2.00	2.00	2.00	2.00	2.00
Tourism Coordinator	1.00	1.00	-	-	-
Communications and Marketing Coordinator	-	-	0.80	0.80	0.80
Executive Assistant	1.00	1.00	1.00	1.00	1.00
Parks Supervisor	1.00	1.00	1.00	-	-
Parks Superintendent	-	-	-	1.00	1.00
Park Operations Lead	1.00	3.00	3.00	3.00	4.00
Lead Park Attendant	0.49	0.49	0.49	0.49	0.49
Park Attendant	1.96	1.96	1.96	1.96	1.96
Groundskeeper	3.00	1.00	-	-	-
Groundskeeper II	-	-	1.00	1.00	-
Customer Service Representative II	-	-	-	0.88	0.88
Customer Service Representative I	0.88	0.88	0.88	-	-
Community Center Manager	-	-	1.00	1.00	1.00
Events & Operations Supervisor - CC	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	0.37	0.37
Lead Operations Support Worker	-	-	-	1.28	1.28
Senior Services Supervisor	1.00	1.00	1.00	1.00	1.00
Senior Services Activities Coordinator	0.58	0.58	0.58	0.58	1.78
Home Delivered Meals Coordinator	0.75	0.75	0.75	0.75	-
Senior Services Activities Assistant	0.45	0.45	0.45	0.45	-
Authorized FTE	20.76	20.76	20.56	20.56	20.56
Total Authorized FTE	<u>52.32</u>	<u>53.94</u>	<u>55.94</u>	<u>56.19</u>	<u>60.82</u>

Compared to the high of 115 FTEs in FY01-02, the current level of 61 FTEs represents a total decrease of almost 50% over a nineteen year period. The reduction in authorized FTEs is a result of the economic downturn and the need to reduce Town expenditures, resulting in the consolidation of positions as well as actual staff layoffs.





Pay Plan



FY19-20 PAY PLAN—effective July 1, 2019

Exempt Positions		
<u>Position Title</u>	<u>Minimum</u>	<u>Maximum</u>
Deputy Town Manager/Administrative Services Director	\$ 107,100	\$ 153,153
Public Works Director	102,000	145,860
Finance Director	102,000	145,860
Development Services Director	102,000	145,860
Town Clerk	96,900	138,567
Economic Development Director	96,900	138,567
Community Services Director	96,900	138,567
Town Engineer	95,514	136,585
Assistant Town Engineer	81,192	116,105
Court Administrator	79,763	114,061
Chief Building Official/Plans Examiner	70,560	100,901
Recreation Manager	69,702	99,674
Parks Superintendent	69,702	99,674
Community Center Manager	69,702	99,674
Streets Superintendent	69,080	98,784
Senior Planner	68,796	98,378
Network and Information Technology Administrator	64,737	92,574
Procurement Officer	61,140	87,430
Facilities/Environmental Supervisor	60,181	86,059
Events and Operations Supervisor	58,518	83,681
Senior Services Supervisor	58,286	83,349
Executive Assistant to Town Manager/Council	57,876	82,763
Civil Plans Examiner	57,729	82,552
Economic Development Analyst	57,729	82,552
Volunteer Coordinator	53,423	76,395
Senior Code Enforcement Officer	53,423	76,395
Recreation Program Coordinator	53,423	76,395
Operations Coordinator - Community Center	53,423	76,395
Accountant	53,423	76,395
Communications and Marketing Coordinator	53,423	76,395



FY19-20 PAY PLAN—effective July 1, 2019

Non-Exempt Positions		
<u>Position Title</u>	<u>Minimum</u>	<u>Maximum</u>
Senior Building Inspector	\$ 28.58	\$ 40.87
Information Technology Support Specialist	27.94	39.95
GIS Technician/CAD Operator	27.27	39.00
Civil Engineer Inspector	23.68	33.86
Executive Assistant	22.23	31.79
Code Enforcement Officer	22.23	31.79
Fleet Mechanic/Open Space-Landscape Specialist	21.68	31.00
Park Operations Lead	21.68	31.00
Facilities Maintenance Technician	20.06	28.69
Building Permit Technician	19.54	27.94
Senior Court Clerk	19.02	27.20
Street Maintenance Technician	19.02	27.20
Court Clerk	18.18	26.00
Financial Services Technician	18.18	26.00
Groundskeeper II	18.18	26.00
Accounting Clerk	17.61	25.18
Customer Service Representative II	17.61	25.18
Senior Services Activities Coordinator	17.22	24.62
Lead Park Attendant	17.22	24.62
Lead Operations Support Worker	17.22	24.62
Customer Service Representative I	15.68	22.42
Operations Support Worker	15.33	21.92
Custodian	14.17	20.26
Park Attendant	14.17	20.26



FY19-20 PAY PLAN—effective January 1, 2020

Exempt Positions		
<u>Position Title</u>	<u>Minimum</u>	<u>Maximum</u>
Deputy Town Manager/Administrative Services Director	\$ 108,707	\$ 155,451
Public Works Director	103,530	148,048
Finance Director	103,530	148,048
Development Services Director	103,530	148,048
Town Clerk	98,354	140,646
Economic Development Director	98,354	140,646
Community Services Director	98,354	140,646
Town Engineer	96,947	138,634
Assistant Town Engineer	82,410	117,846
Court Administrator	80,959	115,771
Chief Building Official/Plans Examiner	71,618	102,414
Recreation Manager	70,748	101,170
Parks Superintendent	70,748	101,170
Community Center Manager	70,748	101,170
Streets Superintendent	70,116	100,266
Senior Planner	69,828	99,854
Network and Information Technology Administrator	65,708	93,962
Procurement Officer	62,057	88,742
Facilities/Environmental Supervisor	61,084	87,350
Events and Operations Supervisor	59,396	84,936
Senior Services Supervisor	59,160	84,599
Executive Assistant to Town Manager/Council	58,744	84,004
Civil Plans Examiner	58,595	83,791
Economic Development Analyst	58,595	83,791
Volunteer Coordinator	54,224	77,540
Senior Code Enforcement Officer	54,224	77,540
Recreation Program Coordinator	54,224	77,540
Operations Coordinator - Community Center	54,224	77,540
Accountant	54,224	77,540
Communications and Marketing Coordinator	54,224	77,540



FY19-20 PAY PLAN—effective January 1, 2020

Non-Exempt Positions		
<u>Position Title</u>	<u>Minimum</u>	<u>Maximum</u>
Senior Building Inspector	\$ 29.01	\$ 41.48
Information Technology Support Specialist	28.36	40.55
GIS Technician/CAD Operator	27.68	39.58
Civil Engineer Inspector	24.04	34.38
Executive Assistant	22.56	32.26
Code Enforcement Officer	22.56	32.26
Fleet Mechanic/Open Space-Landscape Specialist	22.01	31.47
Park Operations Lead	22.01	31.47
Facilities Maintenance Technician	20.36	29.11
Building Permit Technician	19.83	28.36
Senior Court Clerk	19.31	27.61
Street Maintenance Technician	19.31	27.61
Court Clerk	18.45	26.38
Financial Services Technician	18.45	26.38
Groundskeeper II	18.45	26.38
Accounting Clerk	17.87	25.55
Customer Service Representative II	17.87	25.55
Senior Services Activities Coordinator	17.48	25.00
Lead Park Attendant	17.48	25.00
Lead Operations Support Worker	17.48	25.00
Customer Service Representative I	15.92	22.77
Operations Support Worker	15.56	22.25
Custodian	14.38	20.56
Park Attendant	14.38	20.56





Resolution 2019-24



RESOLUTION 2019-24

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, 2019, AND ENDING JUNE 30, 2020.

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 7, 2019, 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 7, 2019, 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 4, 2019, 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 TOWN COUNCIL OF THE TOWN OF FOUNTAIN HILLS, as follows:

SECTION 1. The recitals above are hereby incorporated as if fully set forth herein.

SECTION 2. The statements and schedules attached hereto as Exhibit A and incorporated herein by reference, are hereby adopted as the budget of the Town of Fountain Hills, Arizona, for the fiscal year beginning July 1, 2019, and ending June 30, 2020.

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]

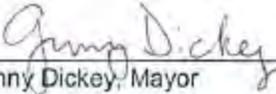
RESOLUTION 2019-24

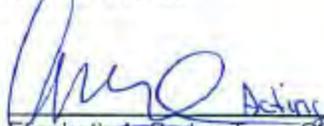
PAGE 2

PASSED AND ADOPTED by the Mayor and Council of the Town of Fountain Hills, Arizona, June 4, 2019.

FOR THE TOWN OF FOUNTAIN HILLS:

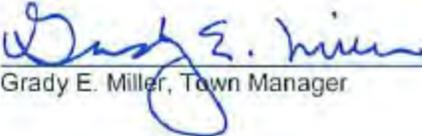
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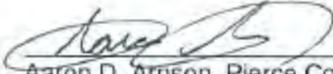

Ginny Dickey, Mayor


Elizabeth A. Burke, Town Clerk
Ansela P. Kiprute

REVIEWED BY:

APPROVED AS TO FORM:


Grady E. Miller, Town Manager


Aaron D. Arnison, Pierce Coleman PLLC
Town Attorney





Glossary



Account

A separate financial reporting unit for budgeting, management or accounting purposes. All budgetary transactions, whether revenue or expenditure, are recorded in accounts. Several related accounts may be grouped together in a fund. A list of accounts is called a chart of accounts.

Accounting Standards

The generally accepted accounting principles (GAAP) promulgated by the Governmental Accounting Standards Board (GASB) that guide the recording and reporting of financial information by state and local governments.

Accrual Basis of Accounting

The basis of accounting under which transactions are recognized at the time they are incurred, as opposed to when cash is received or sent. Expenses are recorded at the time liabilities are incurred and revenues are recorded when earned. Unbilled services are recorded as receivables at year end.

Actual vs. Budgeted

Difference between the amounts projected (budgeted) in revenues or expenditures at the beginning of the fiscal year and the actual receipts or expenses, which are incurred by the end of the fiscal year.

Adopted Budget

Used in fund summaries and department and division summaries within the budget document. Represents the annual budget as approved by formal action of the Town Council, which sets the spending limits for the fiscal year.

Adoption

Formal action by the Town Council, which sets the spending limits for the fiscal year.

Ad Valorem Taxes

Commonly referred to as property taxes. The charges levied on all real, and certain personal property, according to the property's assessed value and the tax rate. Used as a source of monies to pay general obligation debt and to support the General Fund.

Allocation

A part of a lump sum appropriation which is designated for expenditure by specific organization units and/or for special purposes, activities, or subjects.

Appropriation

Specific amount of monies authorized by the Town Council for the purpose of incurring obligations and acquiring goods and services. An appropriation is limited in amount and time when it may be used unless it is for capital projects such as constructing roads and buildings.

Arbitrage

The ability to use tax exempt proceeds and, by investing those funds in higher yielding taxable securities, generate a profit to the issuer.

Assessed Valuation

A value that is established for real and personal property for use as a basis for levying property taxes. Property values are established by the County Assessor and the State as a basis for levying taxes.

Asset

Resources and property of the Town that can be used or applied to cover liabilities. Alternatively, any owned physical object (tangible) or right (intangible) having a monetary value or an item or source of wealth expressed in terms of any cost benefiting a future period.

Attrition

A method of achieving a reduction in personnel by not refilling the positions vacated through resignation, reassignment, transfer, or retirement.

Audit Report

The report prepared by an auditor covering the audit or investigation of an entity's financial position for a given period of time, usually a year. As a general rule, the report should include: 1) a statement of the scope of the audit; 2) explanatory comments concerning exceptions from generally accepted auditing standards; 3) opinions; 4) explanatory comments concerning verification procedures; 5) financial statements and schedules; and 6) statistical tables, supplementary comments and recommendations. The auditor's signature follows 3). The Town is required to have an annual audit conducted by qualified certified public accountants.

Authorized Positions

Employee positions which are authorized in the adopted budget.

Available (Unassigned) Fund Balance

Funds remaining from the prior year which are available for appropriation and expenditure in the current year.

Balanced Budget

Arizona law (Title 42-Arizona Revised Statutes) requires the Town Council to annually adopt a balanced budget by purpose of public expense. State law defines this balanced budget as "the primary property tax levy, when added together with all other available resources, must equal these expenditures." The total of proposed expenditures will not exceed the total of estimated revenues and fund balances.

Base Budget

The ongoing expense for personnel, contractual services, commodities, and the replacement of equipment to maintain service levels previously established by the Town Council.

Basis of Accounting

Defined by the Government Accounting Standards Board by Fund type as the method of accounting for various activities. The basis is determined when a transaction or event is recognized in the fund's operating statement..

Beginning Balance

The residual funds brought forward from the previous fiscal year (ending balance).



Bond

A written promise to pay a specified sum of money (called the face value or principal amount) at a specified date or dates in the future (called the maturity dates), and carrying interest at a specified rate, usually paid periodically. The difference between a bond and a note is that a bond is issued for a longer period and requires greater legal formality.

Bonds are primarily used to finance capital projects. The most common types of bonds are:

- General Obligation (GO) Bond: This type of bond is secured by the full faith, credit, and taxing power of the municipality.
- Revenue Bond: This type of bond is secured by the revenues from a specific source such as gas taxes or water revenues.

Bond Rating

The measure of the quality and safety of a bond. The rating indicates the likelihood that a debt issuer will be able to meet scheduled repayments and dictates the interest rate paid.

Bond Refinancing

The payoff and re-issuance of bonds to obtain better interest rates and/or bond conditions.

Budget

A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. This official public document reflects decisions, assesses service needs, establishes allocation of resources, and is the monetary plan for achieving Town goals and objectives.

Budget Amendment

A change of budget appropriation between expenditure accounts that is different from the original adopted budget. Budget amendments do not change the legal spending limit adopted by the Town Council.

Budget Calendar

The schedule of key dates which a government follows in the preparation and adoption of the budget.

Budget Document

The instrument used by the budget-making authority to present a comprehensive financial program to the Town Council.

Budget Message

The opening section of the budget document which provides the Town Council and the public with a general summary of the most important aspects of the budget, changes from the previous fiscal year, and recommendations regarding the financial policy for the upcoming period.

Budgetary Basis of Accounting

The basis of accounting used to estimate financing sources and uses in the budget. The method used to determine when revenues and expenditures are recognized for budgetary purposes. This basis generally takes one of three forms: GAAP, cash, or modified accrual.

Budgetary Control

The control or management of a government in accordance with the approved budget for the purpose of keeping expenditures within the limitations of available appropriations and resources.

Capital Assets

Assets of significant value and having a useful life of several years. Capital assets are also called fixed assets.

Capital Budget

A spending plan for improvements to, or acquisition of, land, facilities and infrastructure that balances revenues and expenditures, specifies the sources of revenues, and lists each project or acquisition. Normally a capital budget must be approved by the legislative body. The capital budget and accompanying appropriation ordinance may be included in a consolidated budget document that has a section devoted to capital expenditures and another to operating expenditures. Alternatively, two separate documents may be prepared – one for the capital budget and one for the operating budget.

Capital Expenditure

A capital expenditure is made when purchasing a fixed asset having a value of \$10,000 or more and a useful life of more than one year.

Capital Improvement Program

The Capital Improvement Plan (CIP) is a comprehensive projection of capital investment projects, which identifies priorities as to need, method of financing, and project costs and revenues that will result during a five-year period. The plan is a guide for identifying current and future fiscal year requirements and becomes the basis for determining the annual capital budget. The capital plan for the ensuing year must be formally adopted during the budget process.

Capital Improvement Project

Expenditures for the construction, purchase or renovation of Town facilities or property that have a value greater than \$50,000.

Capital Outlay

Expenditures resulting in the acquisition of or addition to the Town's fixed assets with a value of \$10,000 or more and a useful economic lifetime of more than one year.

Capital Project Carryover

An approved Capital Project that was not completed in the fiscal year and, therefore, was budgeted again in the current fiscal year in order to finish the project.

Capital Projects Funds

Capital project funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.



Cash Basis of Accounting

The basis of accounting in which transactions are recognized only when cash amounts are increased or decreased.

Cash-in-lieu

Funding for capital projects the Town requires from developers in lieu of them constructing necessary off- site improvements related to their development project.

Community Facilities District (CFD)

A separate legal entity established by the Town which allows for financing of public improvements and services.

Comprehensive Annual Financial Report (CAFR)

The official annual financial report of the Town. The CAFR represents management's report to the Town Council, constituents, investors and creditors.

Contingency/Reserve

An amount, a budgetary reserve/contingency, set aside as available, with Town Council approval, to cover unforeseen expenditures, emergency expenditures, or revenue shortfalls.

Contractual Services

Services such as rentals, insurance, maintenance, etc. that are purchased by the Town.

Debt Limit

Statutory or constitutional limit on the principal amount of debt that an issuer may incur (or that it may have outstanding at any one time).

Debt Ratio

Total debt divided by total assets.

Debt Service

The cost of paying principal and interest payments on outstanding bonds according to a predetermined payment schedule.

Debt Service Fund

One or more funds established to account for revenues used to repay the principal and interest on debt.

Deficit

The excess of an entity's liabilities over its assets or the excess of expenditures or expenses over revenues during a single accounting period.

Department

A major administrative portion of the Town which indicates overall management responsibility for an operation or a group of related operations.

Depreciation

An accounting transaction which spreads the acquisition value of an asset across its useful life. Alternatively, expiration in the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence.

Development Fees

Those fees and charges generated by building, development, and growth in the Town.

Disbursement

The expenditure of money from an account.

Distinguished Budget Presentation Awards Program

A voluntary awards program administered by the Government Finance Officers Association of the United States and Canada to encourage governments to prepare effective budget documents.

Division

A grouping of related activities within a particular Department (example, Senior Services is a Division of Community Services).

Employee (or Fringe) Benefits

Contributions made by a government to meet commitments or obligations for employee-related expenses. Included is the Town's share of costs for social security, pension plans, medical and life insurance plans.

Encumbrance

The formal accounting recognition of appropriated or committed funds to be set aside for a future expenditure. To encumber funds means to set aside or commit funds for a specified future expenditure. For budgetary purposes, encumbrances are considered expenditures.

Ending Balance

The residual funds that are spendable or available for appropriation at the end of the fiscal year.

Estimated Revenue

The amount of projected revenue to be collected during the fiscal year.

Expenditure

A net decrease in financial resources. Expenditures include operating expenses which require the use of current assets. If accounts are kept on the accrual basis, this term designates total charges incurred, whether paid or unpaid. If they are kept on the cash basis, the term covers only actual disbursements for these purposes.

Expenditure Limitation

An amendment to the Arizona State Constitution that limits annual expenditures of all municipalities. The Economic Estimates Commission, based on population growth and inflation, sets the limit. All municipalities have the option of Home Rule where the voters approve a four-year expenditure limit based on revenues received.

Expenses

Charges incurred (whether paid immediately or unpaid) for operations, maintenance, interest or other costs.

Fees

Charges for specific services.



Financial Plan

A summary by fund of planned revenues, expenditures, operating transfers, reserves, and fund balances.

Fiscal Policy

A government's policies with respect to revenues, spending, and debt management as these relate to government services, programs and capital investment. Fiscal policy provides an agreed-upon set of principles for the planning and programming of government budgets and their funding.

Fiscal Year

Any period of twelve consecutive months establishing the beginning and the ending of financial transactions. For the Town of Fountain Hills, this period begins July 1 and ends June 30.

Fixed Assets

Assets of a long-term character which are intended to continue to be in use or kept for more than one year and of a monetary value greater than \$10,000.

Franchise Fees

Annual fees paid by utilities (i.e. 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 clerk 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)

Revenues consisting of state taxes collected on gasoline, vehicle licenses and other transportation related fees. These Revenues 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 (i.e. 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, i.e. city, county, state and federal.

Intergovernmental Agreement

A contract between governmental entities as authorized by State law.

Intergovernmental Revenue

Funds received from federal, state, and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes.

Journal Entry

An entry into the financial system that transfers actual amounts from one account, department, or fund to another.

Lapsing Appropriation

An appropriation made for a certain period of time, generally for the budget year. At the end of the specified period, any unexpended or unencumbered balance lapses or ends, unless otherwise provided by law.

Levy

The total amount to be raised by general property taxes for purposes specified in the property tax levy motion.

Levy Rate

The amount of tax levied for each \$100 of assessed valuation.

Liability

Indebtedness of a governmental entity, such as amounts owed to vendors for services rendered or goods received, and principal and interest owed to bondholders. These amounts are debts or legal obligations which must be paid at some future date.

Line-item Budget

A budget prepared along departmental lines that focuses on what is to be bought.

Local Transportation Assistance Fund (LTAF)

Revenues are generated by the State Lottery. Distribution of these funds is based on population. Funds must be used for public transit or streets, but a small portion may be used for cultural purposes.

Long-term Debt

Debt with a maturity of more than one year after the date of issuance.

Modified Accrual Basis of Accounting

The basis of accounting used by governmental-type funds. Under this basis, revenues are recognized when they become both "measurable" and "available" to finance expenditures of the current period.

Municipal Property Corporation (MPC) Bond

Bonds that are backed by the excise taxes of the Town including local sales tax, franchise tax, State-shared sales tax, and motor vehicle in-lieu tax. The MPC is a non-profit corporation established for the purpose of issuing debt to purchase municipal facilities, which it leases to the Town.

Object Detail

An expenditure classification, referring to the lowest and most detailed level of classification, such as electricity, office supplies, asphalt, and furniture.

Objectives

Something to be accomplished in specific, well-defined, and measurable terms and that is achievable within a specific time frame. The achievement of the objective advances an organization toward a corresponding goal.

Obligations

Amounts which a government may be legally required to meet out of its resources. They include not only actual liabilities, but also encumbrances not yet paid.

Operating Budget

Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing of acquisitions, spending, and service delivery activities of the Town are controlled.

Operating Expenses

The cost for personnel, materials, and equipment required for a department to function.

Operating Impacts

Operating impacts are the additional, incremental revenues or costs associated with the project—any new cost or revenue streams resulting from the project less existing expenditures and revenues where applicable. These impacts include maintenance expenses, utility and personnel expenses, revenues from project-specific construction spending and operating revenues.

Operating Revenue

Funds that the government receives as income to pay for ongoing operations. The revenue includes such items as taxes, fees from specific services, interest earnings, and grant revenues. Operating revenues are used to pay for day-to-day services.

Ordinance

A formal legislative enactment by the governing body of a municipality. If the ordinance is not in conflict with any higher form of law, such as a state statute or a constitutional provision, it has the full force and effect of law within the boundaries of the municipality to which it applies.

Pay-as-you-go Basis

A term used to describe a financial policy by which capital outlays are financed from current revenues rather than through borrowing.

Per Capita

A unit of measure that indicates the amount of some quantity per person in the Town.



Performance Based Budget

The Performance Based Budget is a customer based, performance driven, results oriented budget system based on Outcome Management. Outcome Management is a management approach that focuses on the results achieved when providing a service.

Performance Indicators

Specific quantitative and qualitative measures of work performed as an objective of specific departments or programs. Measurement of service performance indicators that reflect the amount of money spent on services and the resulting outcomes at a specific level of services provided.

Performance Measurement

Statistical indicators that permit program evaluation to be conducted in a budgetary context.

Performance Target

Percentage or number for each program performance measure that will be the desired level of performance for the upcoming budget period.

Personal Services

The classification of all salaries, wages, and fringe benefits expenditures. Fringe benefits include FICA, retirement contributions, medical insurance, life insurance, and workers' compensation. In some cases, benefits may also include clothing allowances and education assistance.

Policy

A plan, course of action, or guiding principle, designed to set parameters for decisions and actions. A policy could also be a more precise statement of a desired course of action.

Program

A group of related activities performed by one or more divisions or departments of the Town for the purpose of accomplishing a service the Town is responsible for delivering.

Property Tax

Total property tax levied by a municipality on the assessed value of a property within Town limits. In Arizona, the property tax system is divided into primary and secondary.

Primary Property Tax – A limited tax levy used for operations based on primary assessed valuation and primary tax rate. The tax rate is restricted to a 2% annual increase. Municipalities may use this tax for any purpose.

Secondary Property Tax – An unlimited tax levy restricted to voter-approved budget overrides. The tax is based on the secondary assessed valuation and secondary tax rate.

Reserve

An account used to segregate a portion of a fund balance to indicate that it is not available for expenditure, or it is legally set aside for a specific future use.

Resolution

A special or temporary order of the Town Council. Requires less formality than an ordinance or statute.

Resources

Total amounts available for appropriation including estimated revenues, bond/loan proceeds, fund transfers, and beginning fund balances.

Revenue

Amounts received by government from sources including taxes, fines, fees, grants, or charges for services, which can be used to finance government operations or capital assets. These amounts increase the net assets of the government. For those revenues which are recorded on an accrual basis, this term designates additions to assets which (a) do not increase any liability, (b) do not represent recovery of an expenditure, and (c) do not represent the cancellation of certain liabilities without a corresponding increase in other liabilities or a decrease in assets.

Revenue Bonds

Bonds whose principal and interest are payable exclusively from earnings of a revenue generating fund.

Secondary Property Tax Rate

Arizona statute does not limit the secondary tax levy amount and municipalities may only use this levy to retire the principal and interest or redemption charges on bonded debt.

Service Level

Services or products which comprise actual or expected output of a given program. Focus is on results, not measures of workload.

Sinking Fund

A means of repaying funds that were borrowed through a bond issue. The issuer makes periodic payments to a trustee who retires part of the issue by purchasing the bonds in the open market.

Special Revenue Fund

Created out of receipts of specific taxes or other earmarked revenues. Such funds are authorized by statutory or charter provisions to pay for specific activities with a special form of continuing revenues.

State-shared Revenue

Includes the Town's portion of State sales tax revenues, State income tax receipts, and motor vehicle in-lieu taxes.

Strategic Plan

The Strategic Plan defines the Town's strategy, or direction, and assists Town management in making decisions on the allocation of personnel and resources.

Supplemental Appropriation

An additional appropriation made by the governing body after the budget year has started.



Tax Levy

The total amount of the general property taxes collected for purposes specified in the Tax Levy Ordinance.

Tax Rate

The amount of tax levied for each \$100 of assessed valuation.

Taxes

Compulsory charges levied by a government for the purpose of financing services performed for the common benefit of the people. This term does not include specific charges made against particular persons or property for current or permanent benefit, such as special assessments.

Transfer

Movement of resources between two funds. Example: An interfund transfer would include the transfer of operating resources from the General Fund to the Streets Fund.

Unassigned Fund Balance

The portion of a fund's balance that is not restricted or committed for a specific purpose and is available for general appropriation.

Unencumbered Balance

The amount of an appropriation that is neither expended nor encumbered; essentially the amount of money still available for future purposes.

Unreserved Fund Balance

The portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.

User Fees

The fee charged for the direct receipt of a public service to the party or parties who benefit from the service.

Valley

The area represented by the Greater Phoenix Metropolitan area. Phoenix is also known as the Valley of the Sun.

Variance

Comparison of actual expenditure and revenues from one year to the next and comparison of budget-to-actual in current fiscal year.

Working Capital

A financial metric which represents the amount of day-to-day operating liquidity available. Also known as operating capital, it is calculated as current assets minus current liabilities.

Working Cash

The excess of readily available assets over current liabilities.

Acronyms



Acronyms

- ABC**-American Base Course
- AC**-Asphaltic Concrete
- ACA**-Arizona Commerce Authority
- ACMA**-Arizona City Manager's Association
- ADA**-Americans with Disabilities Act
- ADEQ**-Arizona Department of Environmental Quality
- ADOG**-Association of Dog Owners Group
- ADOT**-Arizona Department of Transportation
- ADWR**-Arizona Department of Water Resources
- AGIC**-Arizona Geographic Information Council
- AICP**-American Institute of Certified Planners
- AOC**-Administrative Office of the Courts
- APA**-American Planning Association
- APRA**-American Parks & Recreation Association
- APWA**-American Public Works Association
- ARRA**-American Recovery and Reinvestment Act of 2009
- ARS**-Arizona Revised Statutes
- ASCE**-American Society of Civil Engineers
- AZBO**-Arizona Building Officials
- AZDOR**-Arizona Department of Revenue
- AZDOT**-Arizona Department of Transportation
- AZ POST**-Arizona Peace Officer Standards and Training Board
- BGC**-Boys and Girls Club
- BRE**-Business Retention and Expansion
- BVAC**-Business Vitality Advisory Council

CAD-Computer-Aided Design

CAFR-Comprehensive Annual Financial Report

CARE-Crisis Activated Response Effort

CCEF-Court Collection Enhancement fund

CELA-Code Enforcement League of Arizona

CFD-Community Facilities District

CIP-Capital Improvement Program

CMAQ-Congestion Mitigation and Air Quality

cu. yd.-Cubic Yard

EMCFD-Eagle Mountain Community Facilities District

EMMA-Electronic Municipal Market Access

EOC-Emergency Operations Center

EPIC-TBI-Excellence in Prehospital Care-Traumatic Brain Injury

FEMA-Federal Emergency Management Administration

FHUSD-Fountain Hills Unified School District

FIT-Fountain Hills Integrated Trails

FTE-Full Time Equivalent

FY-Fiscal Year

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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