

Fiscal Year 2016-2017 Adopted Budget

Town of Fountain Hills

Arizona



The Government Finance Officers Association of the United States and Canada (GFOA) presented the award of Distinguished Budget Presentation to the Town of Fountain Hills, Arizona, for its annual budget for the fiscal year beginning July 1, 2015.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a: 1) Policy Document, 2) Financial Plan, 3) Operations Guide, and 4) Communications Device.

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



TABLE OF CONTENTS	Page
INTRODUCTION	
<p>This section will give the reader a brief overview of the budget process. The budget message from the Town Manager will summarize the goals of the Town Council and how the budget will aid in the accomplishment of those goals. Also provided here is a brief overview of the Town as well as information about the Town Councilmembers.</p>	
Budget Message	7
Community Profile	21
Town Council	33
FINANCIAL OVERVIEW	
<p>This section provides a summary of the financial policies used by the Town and incorporated into the budget, budget highlights, a detailed discussion of the revenues and expenditures of the Town and ends with an overview of the budget process.</p>	
Financial Overview & Policies	43
Budget Highlights	79
Revenue Summary	95
Expenditure Summary	113
Budget Process & Schedule	121
OPERATING BUDGETS	
<p>This section begins with an organization chart of the Town and then details all departments and divisions, missions, goals, and expenditures by programs and line items. Performance measures, accomplishments, and objectives are provided within each department section.</p>	
Operating Budgets	129
Organization Chart	130
Mayor & Town Council	131
Administration	137
Town Manager	145
Town Clerk	149
Administrative Services	153
Finance	157
Information Technology	161



TABLE OF CONTENTS (cont.)		Page
Economic Development (General Fund)		165
Legal Services		166
General Government		169
Municipal Court		173
Public Works		181
Public Works		189
Facilities		193
Development Services		199
Development Services		207
Building Safety		209
Code Compliance		213
Engineering		216
Mapping & Graphics		219
Planning		222
Community Services		227
Community Services		236
Community Center		238
Parks		242
Recreation		248
Senior Services		253
Law Enforcement		257
Fire & Emergency Medical		263
SPECIAL REVENUE FUNDS		
This section presents the special revenue funds of the Town. Fund expenditures are detailed here, similar to the information presented in the Operating Budgets section.		
Special Revenue Funds		271
Streets Division-Highway User Revenue Fund		272
Excise Tax Funds		279
Downtown Strategy Fund		281
Economic Development Fund		284



TABLE OF CONTENTS (cont.)		Page
Tourism Fund		289
Special Revenue Fund		293
Court Enhancement Fund		299
Environmental Fund		303
Cottonwoods Maintenance District		307
DEBT SERVICE FUNDS		
This section presents a summary of the various debt service funds of the Town and Tax Levy and Tax Rate information.		
Debt Service Funds		311
Summary of Tax Levy and Tax Rate Information		317
CAPITAL IMPROVEMENT PROGRAM		
This section details the Town's Capital Improvement Program, definitions, a summary, and details of each project.		
Capital Improvement Program		319
Capital Projects Summary		325
Capital Projects Information Sheets		333
Facilities Replacement Fund		373
VEHICLE REPLACEMENT PROGRAM		
This section presents policy and procedures of the vehicle replacement program as well as interfund charges.		
Policy & Procedure		377
Interfund Charges		382
SCHEDULES		
This section presents information not found elsewhere in this budget document.		
Comprehensive Fee Schedule		384
Schedule of Authorized Positions		405
Pay Plan		409
Resolution 2016-07		411
Glossary		415
Acronyms		429







BUDGET MESSAGE

June 2, 2016

Honorable Mayor and Town Council:

I am pleased to submit the operating budgets for the Town of Fountain Hills for the fiscal year beginning on July 1, 2016, and ending June 30, 2017. This 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 \$34,298,778, excluding transfers. (The total budget is \$40,484,193 if transfers are included.) 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.

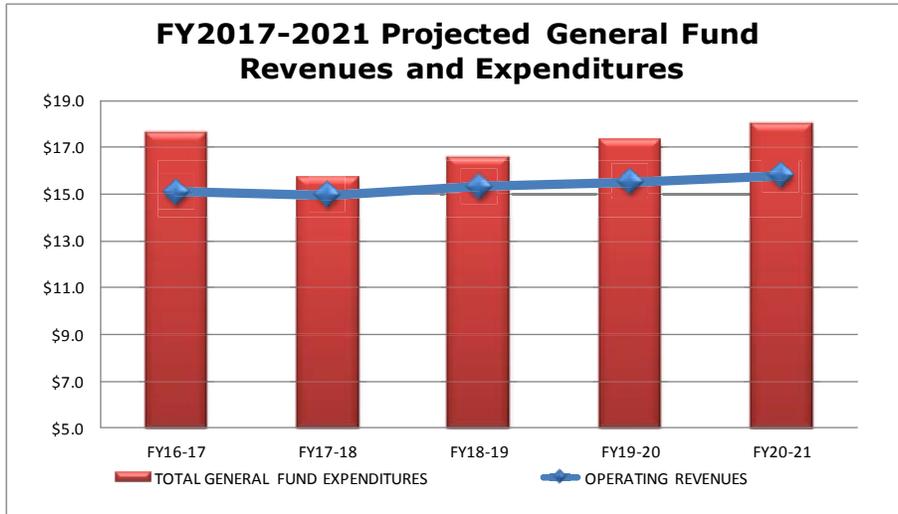
Department Directors and supervisors, Finance staff, and the Town Manager are actively involved in the annual budget process. Primary focus is placed on the General Fund (operating fund) which supports core services.

FIVE-YEAR REVENUE AND EXPENDITURE FORECAST

During the Town Council Retreat on February 11, 2016, the Finance Director outlined financial challenges the Town will be facing beginning in FY17-18. Based on a financial forecast for the next five years, the Town will be facing budget shortfalls totaling up to \$5.9 million. As was stated at the Town Council Retreat, the Town has significantly reduced staffing levels and contracted out a number of services over the years. By doing so, the Town has diligently pared down expenditures while preserving the core services and amenities that make Fountain Hills a desirable place to live. In a number of critical service areas, staff members have taken on additional responsibilities to assume the additional workload and service functions.

The Town is projected to face budget deficits over the next five years that will make that task increasingly more difficult, as depicted in the following chart:





Primary funding issues facing the Town of Fountain Hills include:

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

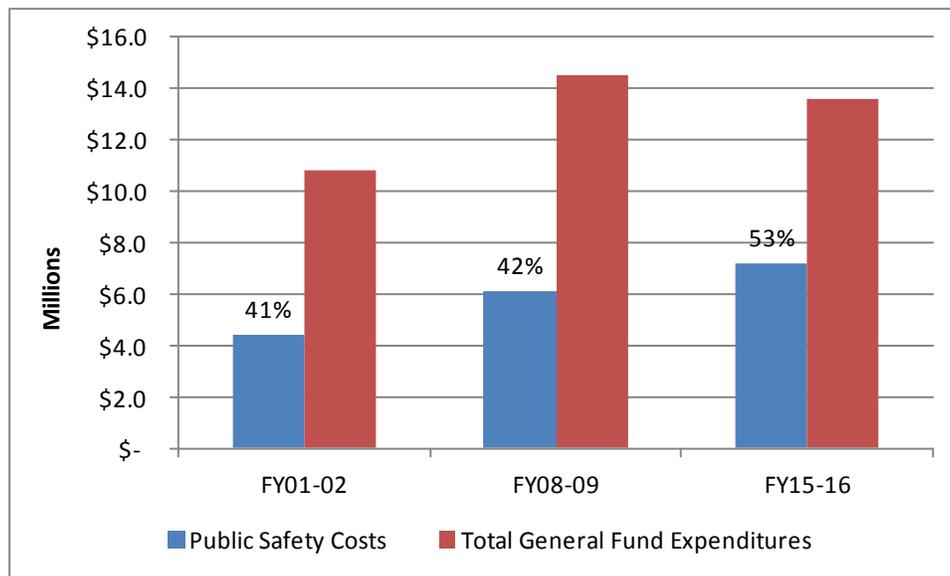
One of the chief roles of government is to provide for the safety of its citizens. The citizens of Fountain Hills receive great value from the Town’s contracts for public safety with Maricopa County Sheriff’s Office and Rural/Metro Fire Department. Town funds that are expended for public safety services 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 FY15-16, Town total General Fund expenditures increased 25.4%, while public safety costs increased 52.9%, leaving reduced funding to pay for non-public safety core services.



For example, in FY01-02 the Town's total General Fund expenditures were \$10.8M. Fourteen years later, in FY15-16, the Town's total expenditures had increased by \$2.8M, to a total of \$13.6M; public safety accounted for more than all of the \$2.8M increase. In essence, this means that by FY15-16, the revenue available for the remainder of the Town's core services had decreased by \$8,000. In FY16-17, public safety costs now represent 50.8% of the General Fund.

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



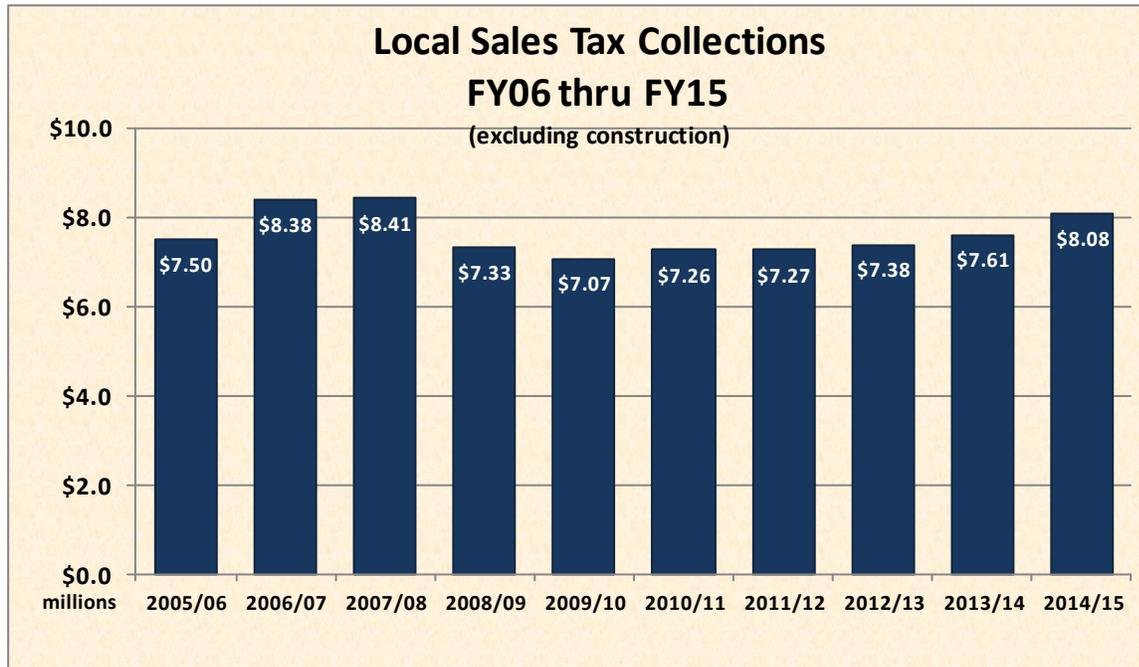
The problem lies not in total public safety costs to the Town, which are fair and reasonable, but rather in the lack of a growing, sustainable, and diversified revenue base. In order to provide the core services and amenities that the residents of Fountain Hills expect, new sources of revenue must be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

The Town relies primarily on two main sources of revenue for operations: (1) State Shared revenues (sales, income and vehicle license taxes distributed proportionately by the State based on population); and (2) local sales tax. Combined, these two sources contribute 87% of the General Fund (35% and 52% respectively).

At the time of this original budget message, the Town of Fountain Hills anticipated a reduction of its portion of this revenue source due to the impact of the high growth cities that participated in the 2015 mid-decennial census and the fact that **Fountain Hills' population growth has remained relatively flat since 2010**. Fortunately, the actual numbers were approximately \$470,000 higher than anticipated.



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



The following chart demonstrates how total building permits have declined over the past eighteen years, and is over 75% below the record number issued in 2005.

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	34	36	170	786	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	33	0	0	1	2	35	50	489
2009	5	1	2	0	0	7	20	328
2010	11	0	0	0	0	11	18	366
2011	7	0	0	0	0	7	17	319
2012	6	0	0	0	0	6	20	376
2013	14	0	0	0	0	14	18	386
2014	27	1	2	5	13	42	20	391
2015	37	0	0	5	10	47	23	347
18 Year Total	2414	129	258	492	1206	3878	372	10629
18 Year Avg	134.1	7.2	14.3	27.3	67.0	215.4	20.7	590.5

BUDGET APPROACH

In developing the proposed FY16-17 budget, each Department Director was given specific instructions to stay within the FY15-16 budget as the base budget for FY16-17. Any new budget requests would be submitted separately as supplemental budget requests. This process was designed to maintain the current level of effort for core services and streamline the process for considering supplemental requests.

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 \$172,000 in one-



time supplemental budget needs and \$380,000 in ongoing supplemental needs. The ongoing budget supplements include \$230,000 in expenditures that could easily be scaled back or eliminated, if necessary, in FY17-18.

In the past, each program and service was charged to a multitude of program budgets. This fact led to unnecessary complexity in budgeting and reporting of expenditures. By consolidating program budgets and charging to the appropriate program code, the new structure will streamline the ongoing budget, improve departmental operations, and hopefully reduce the number of budget transfers in operating departments.

Another budget approach consisted of creating a new cost center entitled General Government to identify and capture budget expenditures that are Town-wide oriented rather than department-specific. Such Town-wide expenditures as annual dues to the Arizona League of Cities and Towns, Maricopa Association of Governments, Sister Cities International, and the Town’s Community Contracts are now located in the General Government budget.

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>FY15-16</u>	<u>FY16-17</u>	<u>Funding Source</u>
Public Safety	\$ 7,185,767	\$ 7,638,828	General Fund
General Government	-	3,559,041	General Fund
Administration	2,627,269	2,798,079	General Fund
Public Works	-	830,201	General Fund
Development Services	1,841,444	927,139	General Fund
Community Services	2,359,946	2,181,309	General Fund
Excise Tax Funds -			
Downtown/ED/Tourism	1,067,567	1,548,286	Excise Tax
Special Revenue Funds	5,173,861	5,882,662	Special Revenue
Debt Service	3,027,313	2,922,266	Debt Service
Capital Funds	14,664,106	12,196,382	CIP
	<u>\$ 37,947,273</u>	<u>\$ 40,484,193</u>	

REORGANIZATION

One of the major roles of a Town Manager is to evaluate the organization and take steps to optimize its operations. While the structure and function of the Town’s organization is sound, it became apparent that when the Development Services Department was created over six years ago by combining the Public Works Department and the Planning & Zoning Department into one department, the focus was on saving money. Since that time, the Town has been fortunate to have a Depart-

ment Director with experience in planning, building safety, engineering, streets, capital projects, and right-of-way maintenance to manage the Development Services Department. With the increased importance in implementing a Facilities Replacement strategy for addressing our aging infrastructure and overseeing the Capital Improvement Program, Pavement Management Program, and the next street reconstruction bond package for 2020, it was critical to have a separate Department Director focusing on these Town needs in a new Public Works Department. In creating this new Public Works Department, I have asked Development Services Director, Paul Mood, to become the new Public Works Director as he has demonstrated considerable talents in these areas. We will begin the recruitment for a Development Services Director following the Council adoption of the FY16-17 tentative budget on May 5, 2016.

NEW STAFFING REQUESTS

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, all of the requests would have been submitted for consideration in the FY16-17 budget. Unfortunately, with limited resources, I can only recommend a new Public Works Director position, as discussed above, and a part-time Accounting Clerk in the Finance Division. The FY16-17 budget also includes \$35,000 in ongoing contractual labor for the Development Services Department which will address increased demands for inspections and/or permit counter operations.

The FY16-17 budget also reallocates salary savings in the Parks Maintenance area to restore two Groundskeepers to Park Operations Leads. Since downgrading the Park Operations Lead positions to Groundskeeper positions four years ago, the Town has experienced a difficult time in attracting and retaining skilled employees in these positions which has negatively impacted park maintenance operations.

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 long-term, in FY15-16 the Town Council reduced the funding of the community contracts by ten percent from the previous fiscal year. Based on the policy direction from last fiscal year, the funding for community contracts in FY16-17 have been reduced by another ten percent from FY15-16 funding levels.

PUBLIC ART FUND

The Town of Fountain Hills has over 100 pieces of art in the Town's public art collection. The Town is fortunate to have such an outstanding public art collection which has been donated or financed by residents. The Town also requires developers to contribute one percent of the value of development projects to a Public Art Fund or purchase an equivalent value of art work. The Public Art Committee of the



Fountain Hills Cultural and Civic Association coordinates the acquisition of public art with the Town. Beginning in FY16-17, it is recommended that the Public Art Fund provide for the annual maintenance and insurance costs of approximately \$25,000 for the municipal art collection.

FACILITIES REPLACEMENT FUND

The Town of Fountain Hills was incorporated as a municipality in 1989. Despite being a relatively new town, the Community Center, Town Hall, central plant, roads, **parks, and the Town's namesake, the Fountain, have been aging. Unfortunately,** the Town has not been setting aside sufficient resources in reserve to repair or replace major infrastructure. Thanks to the efforts of Town Council, Town Manager Ken Buchanan, and staff, a Capital Reserve Study was initiated in FY15-16 to address this issue. A Council workshop on this important topic was held on April 12, 2016. The report from the Capital Reserve Study indicates that the Town of Fountain Hills needs to appropriate approximately \$1 million annually to the Facilities Replacement Fund in order to adequately budget for our facilities. Based on the report recommendations, the FY16-17 annual budget includes a transfer of \$1 million from the General Fund reserves to the Facilities Replacement Fund. This transfer still leaves the General Fund reserves in a strong position and is consistent with the Town Council adopted financial policies.

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 capitalizes on 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 \$9,312,200 in FY16-17, down from \$14,261,200 in FY15-16 or a 35% decrease from last fiscal year. Most of this decrease is due to the completion of two major capital improvement projects: Saguro Boulevard Reconstruction and Shea Boulevard Widening.

Per the Town Council's adopted financial policies, any operating budget surplus is designated to be used for funding the Town's Capital Improvement Program. In reviewing the Town's past practices regarding this policy, it was discovered that the Town had not been consistently following this policy. As a result, the FY16-17 annual budget includes a transfer of \$1 million in excess General Fund reserves to the Capital Improvement Program Fund. The General Fund Reserves will still be sufficient per the Town's stated policy.

STRATEGIC PLANNING GOALS AND OPERATIONAL PRIORITIES

Following the discussion at the Council Retreat held on February 11, 2016, the Mayor and Town Council affirmed the following Strategic Planning Goals from the Town of Fountain Hills 2010 Strategic Plan for FY16-17:

Strategic Planning Goals FY 2016-17



The proposed FY16-17 budget provides for incremental implementation of the following Strategic Planning Goals and Operational Priorities.

Operational Priorities for FY16-17

- Stabilize Town Finances
- Create a Facilities Reserve Fund
- Pavement Management Program
- Plan and Build Fire Station No. 2
- Work with the State Land Department on Future Development of State Lands
- **Continue to Implement the Town's Economic Development Plan**
- Develop methods to Improve the Water Quality of Fountain Lake
- Conduct Traffic Studies to focus on pedestrian and vehicular safety at key locations



Quick Guide to Strategic Plan 2010



What is a Strategic Plan and how will it be used?

A successful strategic plan is one that is integrated into the daily operations of an organization. In a municipal setting, staff and partner organizations use the strategic plan to develop proposals and initiatives that implement elements of the strategic plan; Council uses the strategic plan to evaluate all proposals.

While a full update of a Strategic Plan is recommended periodically (every five years), the Strategic Plan should be reviewed annually and adjustments made as necessary. The cycle (right) outlines the annual use of the Strategic Plan.

Our Vision

Fountain Hills is a distinctive community designed to invigorate the body, mind and spirit, and strives to:

- Be stewards of this unique enclave, dedicated to preserving the environment and visual aesthetic and to living in balance with the Sonoran Desert;
- Champion the diversity of experiences our residents bring to our community and rely on this depth of experience to innovatively address our challenges;
- Be economically sustainable and anchor our vitality in an active, vibrant town core that serves us culturally, socially and economically; and,
- Be civic-minded and friendly, taking responsibility for our Town's success by building partnerships and investing our talent and resources.

Civility

Our Pledge Build a community in which all can feel valued, welcome and as though they belong.

Strategic Directions

- C 1 Practice the art of civility in all public settings and encourage those around you to do the same.
- C 2 Support community events and activities that create opportunities to build community and friendship.
- C 3 Genuinely solicit and consider public and stakeholder feedback as part of the decision-making process.
- C 4 Be the friendliest place in the Valley.

Environmental Stewardship

Our Pledge Preserve the natural beauty that surrounds us and protect it so future generations can enjoy it.

Strategic Directions

- ES 1 Educate residents about our environment to increase awareness and promote stewardship.
- ES 2 Protect and enhance natural infrastructure, including native vegetation, terrain and open space.
- ES 3 Explore and implement new technologies and opportunities that will minimize noise, air and light pollution and reduce energy consumption.
- ES 4 Promote water conservation and identify ways to use of this precious desert resource wisely.
- ES 5 Protect selected view sheds from development and other manmade obstructions.
- ES 6 Improve access to the Sonoran Desert experience.

Civic Responsibility

Our Pledge Take responsibility for our community's future and foster opportunities for all residents to participate fully in our community through accessible, responsive leadership.

Strategic Directions

- CR 1 Foster an environment of accessible, responsive governance.
- CR 2 Discover, recognize and utilize the talents of our citizens and use these assets to address community needs.
- CR 3 Foster a culture of public service and volunteerism.
- CR 4 Implement a comprehensive communications plan to encourage informed citizen participation in civic life.
- CR 5 Support and develop programs that educate and involve our youth in community governance.
- CR 6 Evaluate customer satisfaction with Town services on a regular basis and implement appropriate service improvements.
- CR 7 Communicate the role of local government and clearly define the trade-offs between service levels and amenities and the associated costs so residents can make informed choices.
- CR 8 Foster a dialogue with residents and businesses regarding the importance of investing in the community's infrastructure maintenance to protect property values and enhance the business climate.

Education, Learning and Culture

Our Pledge Support quality, lifelong learning opportunities and cultural assets that enrich our lives.

Strategic Directions

- ELC 1 Partner with Fountain Hills' schools and other institutions to develop quality educational programming and opportunities.
- ELC 2 Support partners in providing arts and cultural opportunities and amenities.
- ELC 3 Promote and celebrate cultural diversity.
- ELC 4 Position the community's arts and cultural businesses, venues and amenities as economic drivers integrated into the Town's comprehensive economic strategy.
- ELC 5 Encourage access to higher learning opportunities or the establishment of an educational or training campus within our community.



Economic Vitality

Our Pledge Maintain a strong commitment to financial stability and local control, and will promote economic growth that leverages Fountain Hills' assets by building a dynamic, diverse economy that supports our community's needs and promotes successful businesses.

Strategic Directions

- EV 1 Develop a comprehensive economic development strategy for the Town's future and work with our partners to forward economic growth and awareness.
- EV 2 Develop and maintain a balanced, equitable, sustainable and local financing structure to support the Town's core government services at desired service levels.
- EV 3 Promote a mixed use core where residents can live, work, learn and play in an urban village setting, as depicted in the Downtown Area Specific Plan (Downtown Vision Master Plan).
- EV 4 Promote retention, expansion and relocation of quality businesses.
- EV 5 Promote Fountain Hills as a visitor destination.
- EV 6 Identify a slate of economic development tools and strategies (including tax incentives, fee abatements, etc.) to stimulate economic growth.
- EV 7 Identify areas for redevelopment, revitalization or reuse.
- EV 8 Promote unique and vibrant neighborhood and business districts.
- EV 9 Promote the maintenance of an age-balanced population that will support the long-term sustainability of our community.
- EV 10 Define Fountain Hills' market niche and actively pursue opportunities that attract and retain high quality employment opportunities.

Recreational Opportunities and Amenities

Our Pledge Make Fountain Hills a pedestrian- and bicycle-friendly community by contributing to healthy lifestyles, providing recreational and physical exercise opportunities to citizens, and taking advantage of Fountain Hills' closeness to the Sonoran Desert.

Strategic Directions

- R 1 Offer a wide range of cost-effective and accessible programs and services for all ages to promote a healthy and active community.
- R 2 Provide an interconnected, multi-use trail and bicycle system that promotes active living, physical activity, education and appreciation of our parks and natural resources.
- R 3 Support local organizations in providing affordable quality programs to promote recreational, sports, fitness and wellness programs for all ages.
- R 4 Support community events and activities that create opportunities to build community and neighborhood identity.

Fountain Hills Strategic Plan 2010—Updated January 17, 2013

Maintain and Improve Community Infrastructure

Our Pledge Maintain and improve our infrastructure to ensure a high quality living experience, enhance economic opportunities, and support and protect property values and community investments.

Strategic Directions

- I 1 Maintain a 5-year capital improvements plan that includes programmed maintenance projects.
- I 2 Lower the reliance on state revenues by developing a locally controlled, reliable funding source for infrastructure maintenance.
- I 3 Maintain a current condition assessment of all roadways and sidewalks and prioritize and implement maintenance efforts to minimize costly reconstruction.
- I 4 Partner with local civic and social organizations to assist in amenity upkeep and maintenance.
- I 5 Explore ways to reduce wear and tear on the transportation system including transit options and limiting of truck traffic.
- I 6 Coordinate closely with downtown development efforts to ensure adequate infrastructure is planned and amenities identified and programmed.
- I 7 Maintain an up-to-date impact fee structure and equitable development agreements to ensure new growth is not a burden on existing residents and businesses.
- I 8 Periodically meet with other community service providers to do joint planning and ensure that service providers can accommodate new customers resulting from growth without compromising service levels to existing residents and businesses.
- I 9 Build a protected fund to finance the major periodic maintenance of community facilities.

Public Safety, Health and Welfare

Our Pledge Protect the health and safety of our community and promote a high quality life.

Strategic Directions

- P 1 Promote and enhance community-based partnerships in crime prevention, fire and emergency preparedness.
- P 2 Reduce risk and increase safety through "community policing" and community-based fire prevention programs.
- P 3 Ensure appropriate service levels for public safety.
- P 4 Explore health and welfare opportunities, including the creation of a small hospital or a niche health-related service cluster.
- P 5 Support health and wellness instruction throughout the community.

Idea Box

While the Strategic Plan itself is intended to provide broad strategic guidance, each year Council will provide more specific direction on its annual course which will be used by staff to develop an action plan. The Idea Box section of the plan is a collection of specific ideas offered by residents and stakeholders. The ideas are presented neither with endorsement nor evaluation by the Town. The Idea Box is intended to serve as a repository of tools and activities that can be considered to build the Town's annual action plan. If you have some ideas you'd like included in the Idea Box, please provide them by visiting the Strategic Plan's Web site at: www.fh.az.gov/strategic-plan



BUDGET ASSUMPTIONS FOR FY16-17 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
- A transfer of \$1 million from General Fund reserves to fund a Facilities Replacement Fund as recommended by the 2016 Capital Reserve Study
- A transfer of \$1 million from General Fund reserves to the Capital Projects Fund
- Annual debt service payment for McDowell Mountain Preserve bonds will be eliminated after July 1, 2016
- A cost of living adjustment of 3.5% will go into effect July 1, 2016, for all full-time and part-time employees
- An inflation factor of 2.5% to 3.5% has been added to existing budgets for departments in future years
- **The law enforcement contract with Maricopa County Sheriff’s Office has been budgeted at an increase of 7%**
- The fire services contract with Rural/Metro Corporation is projected at 3% increase for FY16-17 and beyond.

The following chart provides General Fund projections through FY20-21:

Five-year Budget Projection					
	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21
REVENUES					
Intergovernmental	\$ 5,213,309	\$ 5,340,454	\$ 5,470,827	\$ 5,604,516	\$ 5,741,606
Permits, Licenses, Fees	801,653	1,154,665	1,181,707	1,207,842	1,230,272
Building Revenue	1,143,855	774,164	828,314	699,397	692,374
Local Taxes	7,883,475	7,685,740	7,837,691	7,989,782	8,142,016
Total Revenues	\$ 15,042,292	\$ 14,955,023	\$ 15,318,539	\$ 15,501,537	\$ 15,806,268
EXPENDITURES					
Mayor & Town Council	\$ 72,545	\$ 74,359	\$ 76,962	\$ 79,656	\$ 82,444
General government	980,986	1,005,511	1,040,704	1,077,129	1,114,829
Administration	2,092,500	2,099,813	2,218,307	2,250,948	2,374,731
Municipal Court	321,254	329,285	340,810	352,738	365,084
Public Works	1,059,334	1,085,817	1,123,820	1,163,154	1,203,865
Development Services	698,006	715,457	740,498	766,414	793,239
Community Services	2,178,839	2,204,349	2,276,217	2,271,184	2,026,875
Public Safety (Police & Fire)	7,638,828	8,161,644	8,728,304	9,342,897	10,009,912
Total Expenditures	15,042,292	15,676,235	16,545,622	17,304,120	17,970,979
Surplus/(Deficit)	\$ -	\$ (721,212)	\$ (1,227,083)	\$ (1,802,583)	\$ (2,164,711)



DISTINGUISHED BUDGET PRESENTATION AWARD

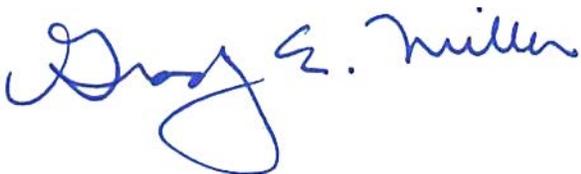
For the past 14 years the Town of Fountain Hills has been awarded the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award. This award is presented to government entities that meet certain criteria in the presentation of their budget. This Budget Message section is designed to provide the lay person with a broad view of the contents of the FY16-17 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 750 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 Division Supervisors 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.

Respectfully submitted,



Grady E. Miller
Town Manager





Community Profile



COMMUNITY PROFILE

The Town of Fountain Hills 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 centerpiece of Fountain Hills is our beautiful fountain; 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, driven by three 600 horsepower (450kW) turbine pumps, sprays water at a rate of 7,000 gallons per minute through an 18-inch nozzle. With all three pumps and under ideal conditions, the fountain reaches 560 feet (171m) in height, though in normal operation only two of the pumps are used, with a fountain height of around 330 feet (101m). When built, it was the world's tallest fountain and held that record for over a decade.



Fountain Hills is home to over 100 pieces of publicly displayed artwork throughout its downtown and at public buildings. Art is a significant part of the Town's heritage. The many original fountains along the Avenue of the Fountains were the beginning of the public art collection.

Bronze sculptures and fountains with community profile themes, ranging from the whimsical to the serious, dot the streets and adorn the public buildings, plazas, and parks. The collection also contains a wide variety of other

art types and media, including paintings, stone, photography, and metals. Residents and visitors are invited to **wander the streets or take the "Art Walk" guided tour.**

Located on 13,006 acres of land, Fountain Hills is surrounded by the 3,500-foot 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, 3,000 feet on Golden Eagle Boulevard, and is 500 feet above Phoenix.

Over the past twenty plus years, Fountain Hills has grown from 10,190 residents to a town of 22,489 in 2010. Although the rate of growth has slowed due to the lack of available land on which to build, the Town continues to attract residents who are building large custom homes to take advantage of the scenic vistas surrounding our mountain community.

The Town offers a wide range of living accommodations, from small condominium complexes to large custom homes. Fountain Hills also offers recreational, cultural and retirement pro-



grams that address the needs and lifestyles of active families as well as older adults. The community consists of primarily residential property and open space (9,661 acres or 74%). Of the remaining land, 2,488 acres are developable, with 72 acres being zoned commercial (approximately .6%), 8 acres zoned industrial (.1%), and 1,528 acres are right-of-way/streets (12%).

In 2006, Fountain Hills was named by Phoenix Magazine as the best place to live and was cited as "a welcome oasis on the outskirts of a metropolis." The magazine measured the quality of life in 22 Valley communities, including a statistical analysis of each community's population, income, home price, crime rate, miles to Sky Harbor Airport, and square feet of retail. The criteria used by the magazine in this ranking are similar to the priorities established in the Town's Strategic Plan. The volunteer spirit and high level of involvement of the citizens and business representatives were highlighted.

Fountain Hills has also earned a top accolade from Business Week magazine. In its February, 2009 online edition, Fountain Hills was named the **"Best Affordable Suburb" in all of Ari-**



zona. The magazine evaluated suburbs on a variety of factors but weighted affordability most heavily. They also considered lifestyle (short commutes, clean air, low crime, good weather, and green space), the quality of schools, and the strength of the local economy.

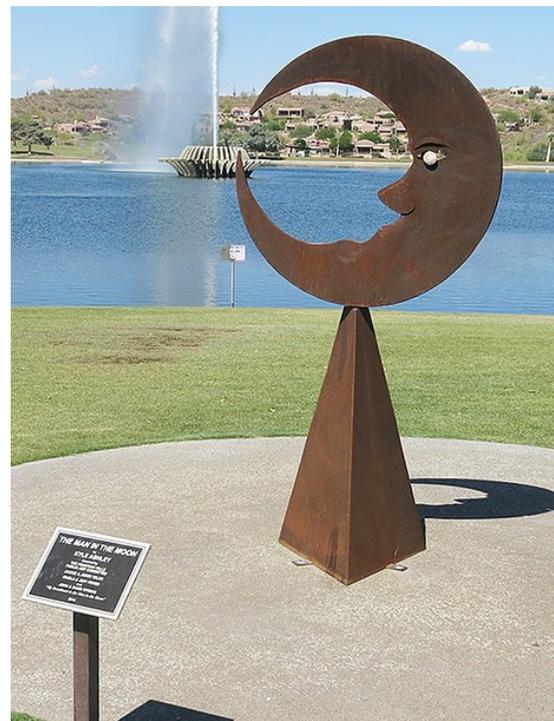
None of the places evaluated had populations of more than 60,000 or less than 5,000. Only one suburb per state was selected.

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

Fountain Hills’ land is currently developed at an average density of 1.4 dwelling units per acre for single family homes and 7.0 units per acre for multi-family housing.

At the end of the year, there were 1,043 vacant single family lots and 100 vacant multi-family lots.

Based upon 2010 population, Fountain Hills has an average of 1,106.7 people per square mile, or 1.73 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%

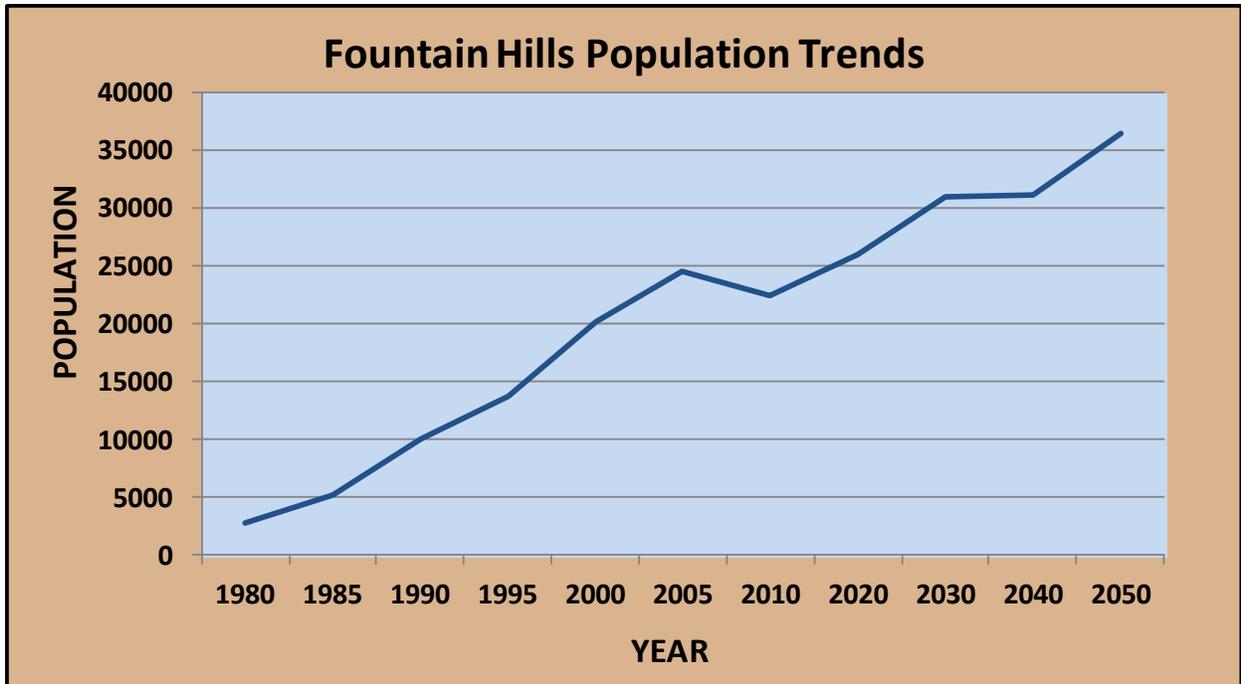
Population Trends	
Year	Fountain Hills Population
1980	2,772*
1985	5,200**
1990	10,030*
1995	13,745**
2000	20,235*
2005	24,492*
2010	22,489*
2020	25,929**
2030	31,042**
2040	31,181**
Estimated Buildout ~2050	36,540***

* US CENSUS

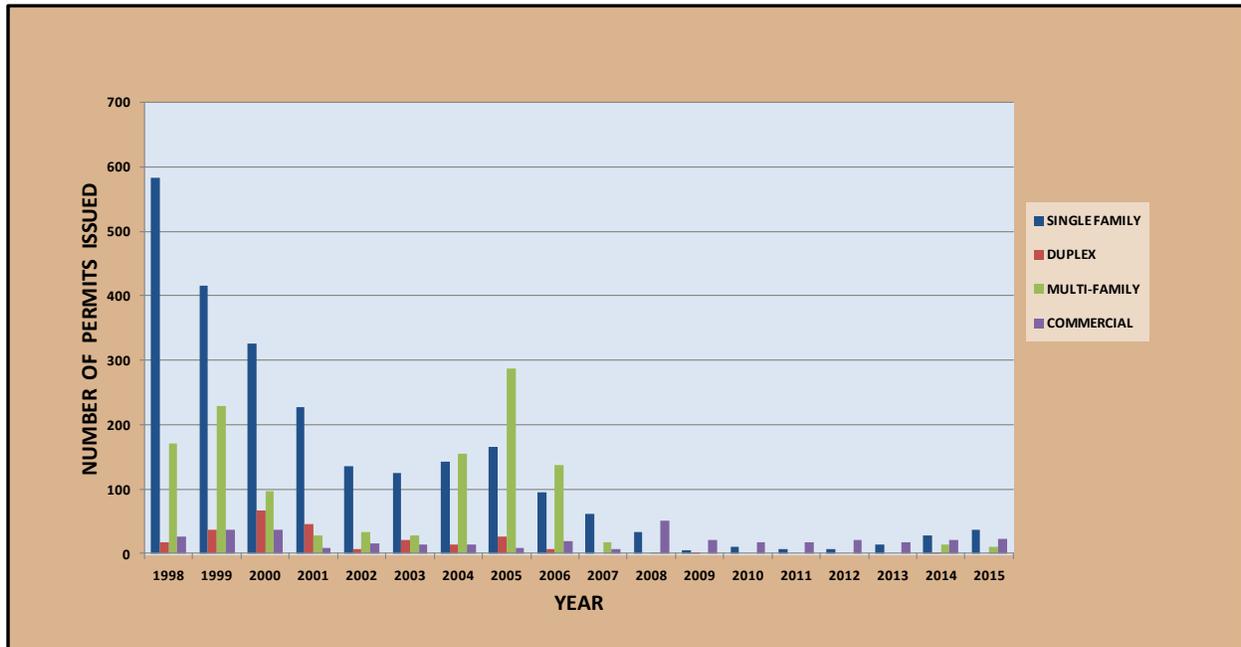
** MAG

***TOWN DEVELOPMENT SERVICES





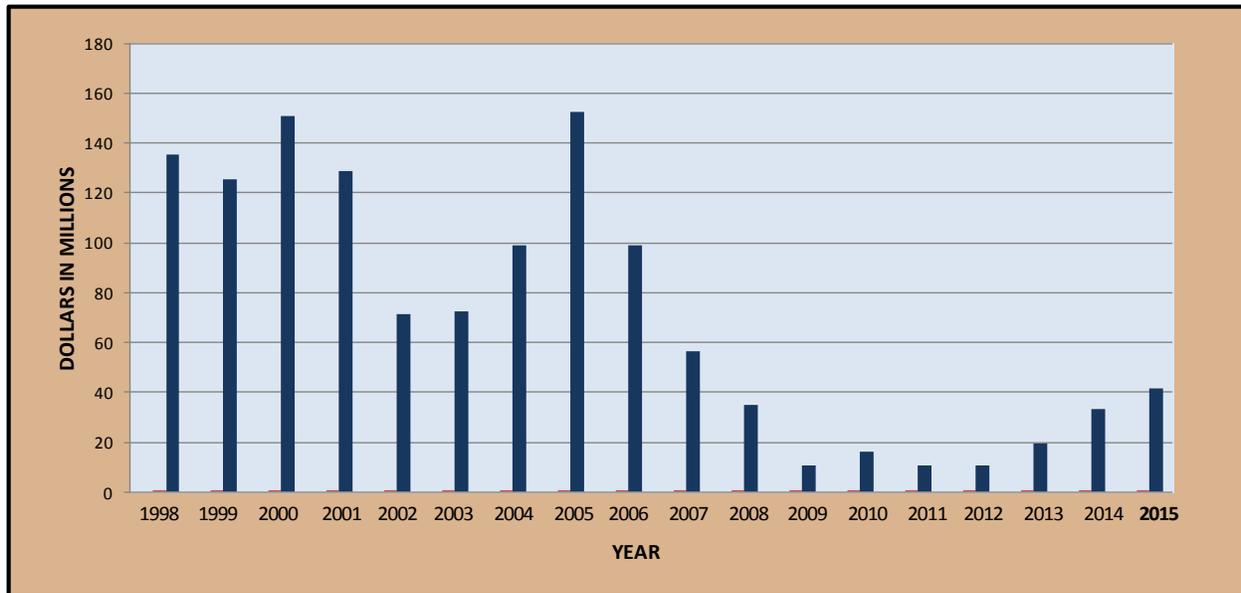
TOWN-WIDE BUILDING PERMITS ISSUED



YEAR	Single Family	Duplex		Multi-Family		Total Dwelling Units	Commercial	Other
		Bldg.	Total Units	Bldg.	Total Units			
1998	582	17	34	36	170	786	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	33	0	0	1	2	35	50	489
2009	5	1	2	0	0	7	20	328
2010	11	0	0	0	0	11	18	366
2011	7	0	0	0	0	7	17	319
2012	6	0	0	0	0	6	20	376
2013	14	0	0	0	0	14	18	386
2014	27	1	2	5	13	42	20	391
2015	37	0	0	5	10	47	23	347
18 Year Total	2414	129	258	492	1206	3878	372	10629
18 Year Avg	134.1	7.2	14.3	27.3	67.0	215.4	20.7	590.5



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	50	10.004
2009	21	0.944
2010	18	0.719
2011	17	2.311
2012	20	1.012
2013	18	1.060
2014	20	1.936
2015	23	12.730

*1998-2015 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 and Four Peaks Elementary School
3. McDowell Mountain Elementary School

Address

- 16100 E. Palisades Blvd
 15414 N. McDowell Mountain Rd
 14825 N. Fayette Drive

Preschools

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

Address

- 14825 N. Fayette Drive
 17150 E. Amhurst Drive
 16901 E. Palisades Blvd
 15249 N. Fountain Hills Blvd
 16751 E. Glenbrook Blvd
 15555 E. Bainbridge Ave
 15055 N. Fountain Hills Blvd

Charter School

11. Fountain Hills Charter School

Address

- 16751 E. Glenbrook Blvd



Fountain Hills High School



Fountain Hills Middle School and Four Peaks Elementary School

McDowell Mountain Elementary School

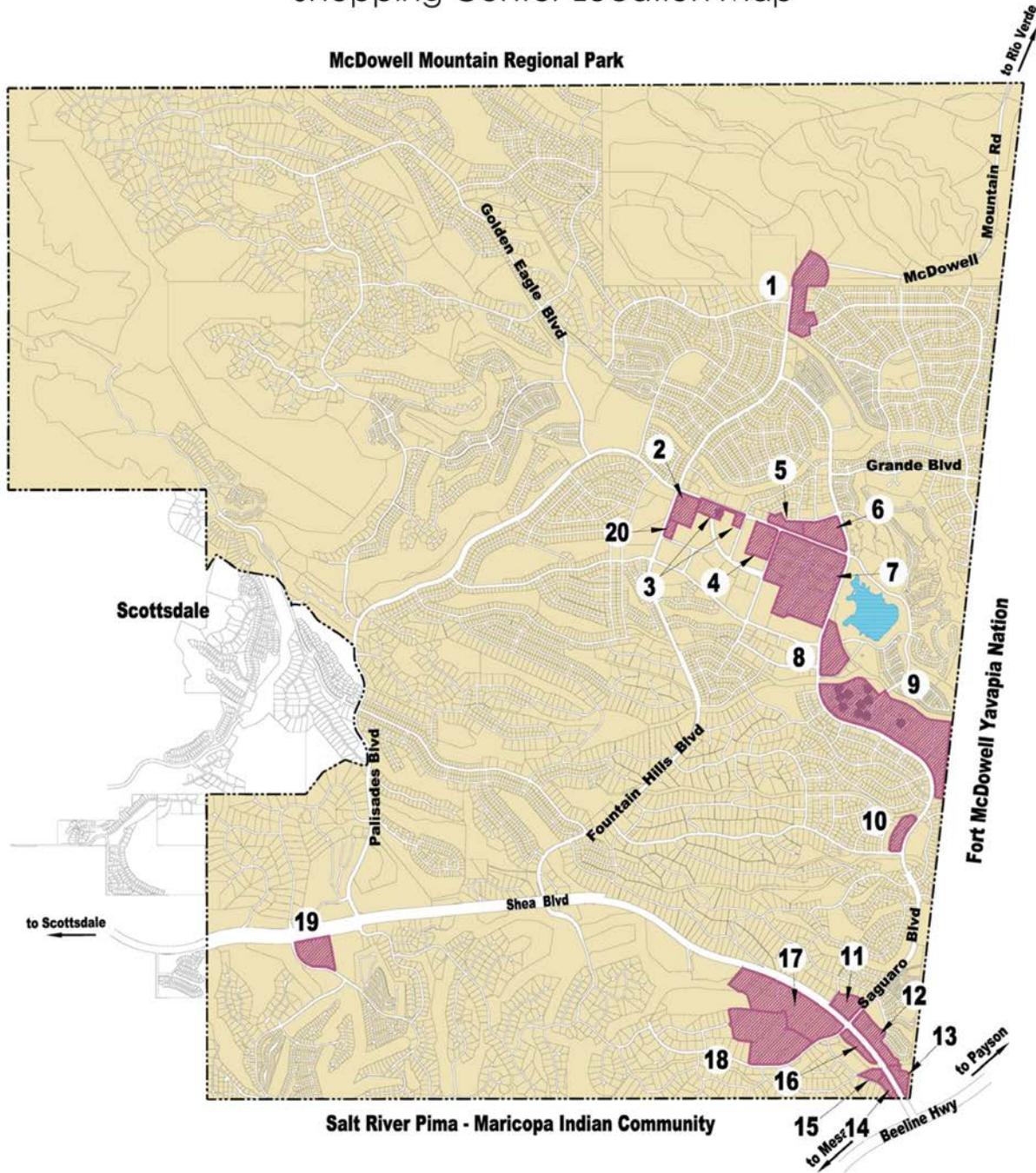


shopping centers (and other non-residential developments)

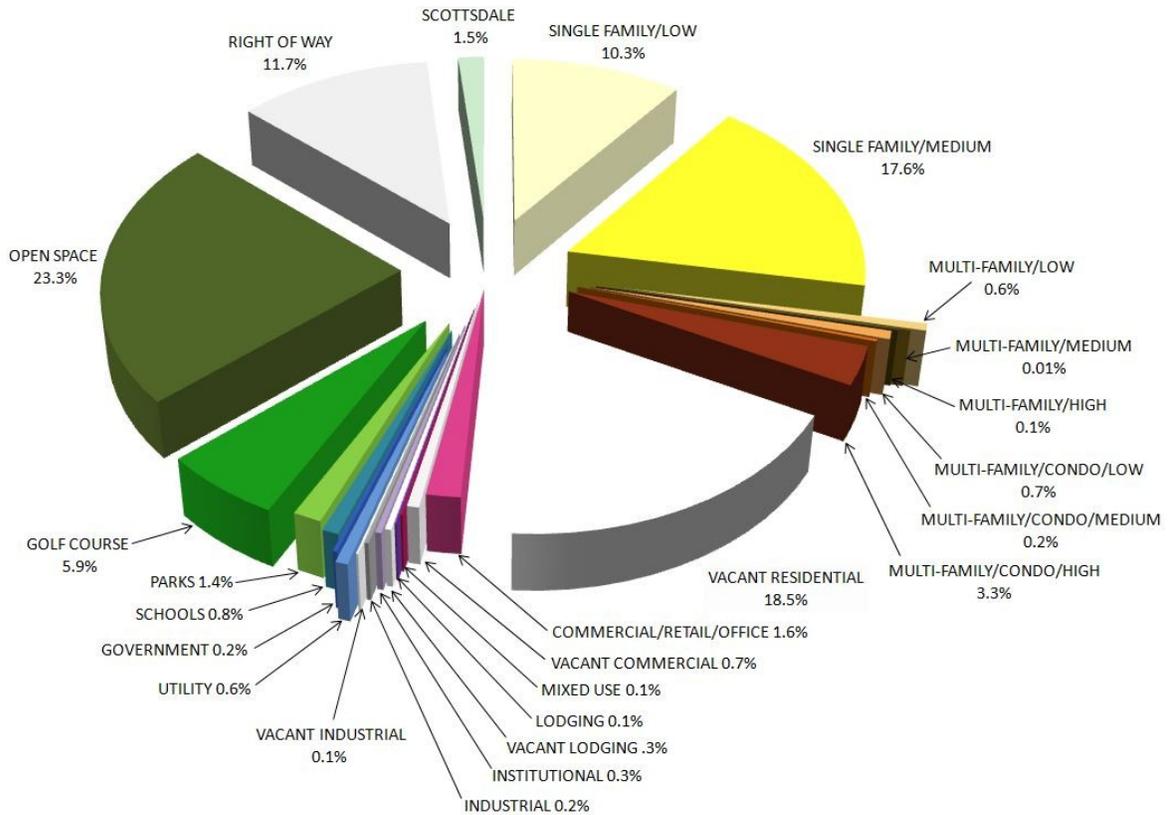
1. **Northside Business District** (36,900 sf) Along the east side of Fountain Hills Blvd in the north part of town
2. **Palisades Plaza** (91,445 sf) Located at Fountain Hills Blvd and Palisades Blvd (Anchored by Safeway)
3. **Town Center I** (44,010 sf) Includes all businesses at the southwest and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



Shopping Center Location Map



TOWN-WIDE LAND USE



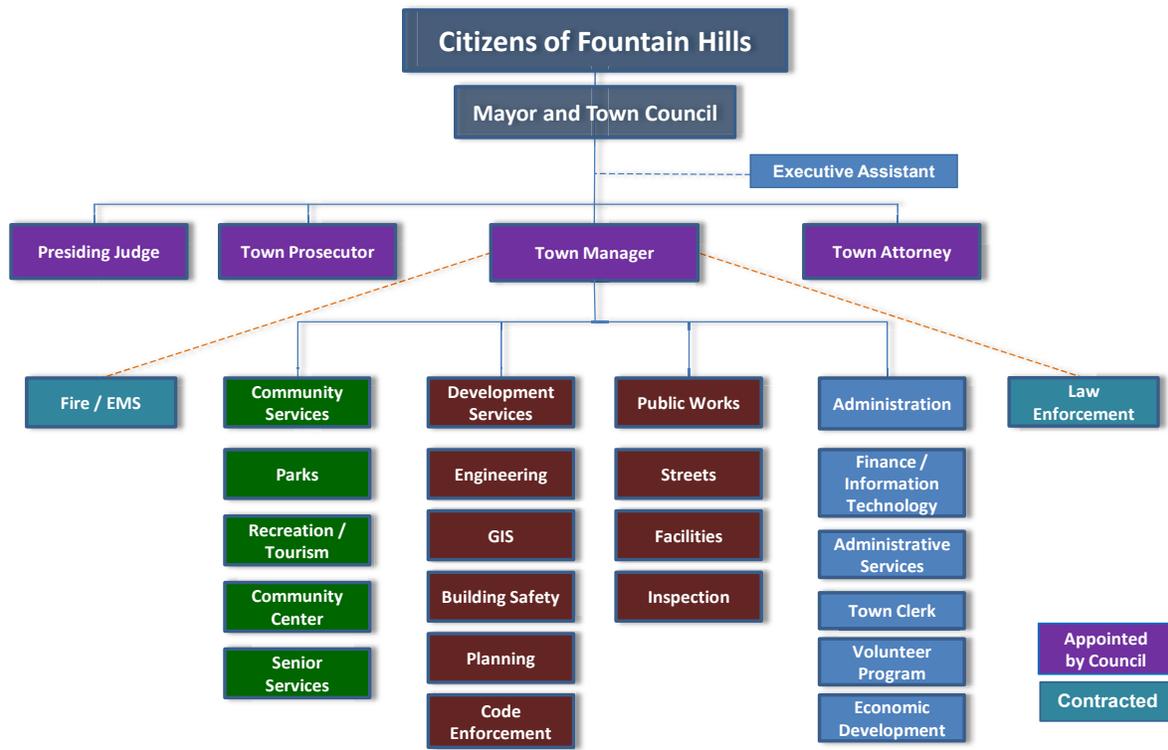
Land Use	Residential Units	Developed Acres	Undeveloped Developable Acres	Undeveloped Undevelopable Acres	Total Acres
Residential					
Single Family – L	1,003	1,336.5	1,352.3		
Single Family – M	7,299	2,291.9	935.1		
Multi-Family – L	442	83.3			
Multi-Family – M	30	1.2			
Multi-Family – H	150	9.1			
Multi-Family/Condo – L	561	89.7			
Multi-Family/Condo – M	207	19.8			
Multi-Family/Condo – H	3,051	435.2			
Commercial/Retail		216.4	72.0		288.4
Mixed Use	259	17.2			17.2
Lodging		18.7	44.2		62.9
Institutional		44.5			44.5
Industrial		31.3	8.4		39.7
Utility		71.8			71.8
Government/Town Owned		28.7			28.7
Schools		110.5			110.5
Parks		182.4			182.4
Golf Course		770.6			770.6
Open Space				3,031.3	3,031.3
Scottsdale Owned Land				199.9	199.9
Right of Way/Streets		1,527.7			1,527.7
Total	13,002	7,286.5	2,488.0	3,231.2	13,005.7



Town Council



Town of Fountain Hills Organization



FRONT ROW: Councilmember Cassie Hansen, Mayor Linda M. Kavanagh, Councilmember Cecil A. Yates
 BACK ROW: Councilmember Alan Magazine, Vice Mayor Henry Leger, Councilmember Dennis Brown, Councilmember Nick DePorter





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

Upon moving to Arizona with her husband and two sons, she became immersed in business and community service activities in her new hometown of Fountain Hills. Mayor Kavanagh was and is a member of many civic organizations including the American Legion Auxiliary, Cultural & Civic Association, ADOG, Fountain Hills Republican Club, Falcon Boosters, PTO, Sister Cities Foundation, Arizona Latino Republican Association, Library Association, Friend of the Chamber (past chair), McDowell Park Association, Historical Society (past board member), and Chamber Ambassadors (past chair). She served on the Public Art Committee and created the Fountain Hills Docent-Guided Art Walk to showcase

the town's world-renowned art collection. She was also very active with the Visitor's Bureau to spur tourism for the town.

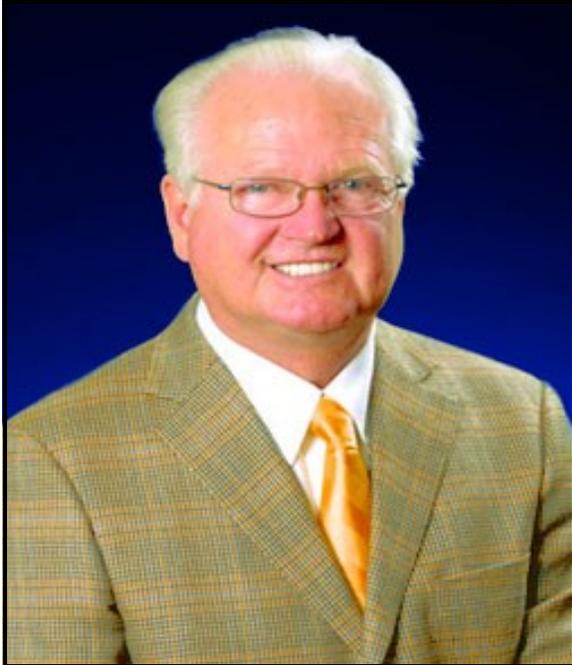
Mayor Kavanagh is an honorary Captain with the Maricopa County Sheriffs' Department, was named Business Advocate of the Year by the Fountain Hills Chamber of Commerce and also served as its Board of Directors Chair. She was also named Fountain Hills Parks & Recreation Outstanding Volunteer of the Year, Community Center Volunteer of the Year, and received the River of Time Museum Hero Award.

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

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

Mayor Kavanagh was reelected to her second term of office in 2014.





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

Councilmember Brown and his wife have supported Little League baseball and football, the Fountain Hills Com-



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

Councilmember **Nick DePorter's** professional experience includes community relations, business development, strategic planning, and higher education leadership. Nick currently works at LinkedIn serving as the Senior Field Organizer on the Policy and Government Relations team. Nick is responsible for partnering with companies, non-profits, education providers, and governments to create economic opportunity for every member of the workforce.

Councilmember DePorter previously served on the Fountain Hills Strategic Planning Advisory Commission for three years, holding the positions of Chair and Vice-Chair. He also served as a Board Member for the Fountain Hills Cultural and Civic Association for two years. He currently serves on the Health & Human Services Board for Chicanos Por La Causa and the Phoenix Business and Workforce Development Board for the City of Phoenix.

Councilmember DePorter has enjoyed living in Arizona for 20 years and





Councilmember **Cassie Hansen** has called Fountain Hills home since 1989. She became the first town employee as Town Clerk for 13 years. Her areas of responsibility included human resources, facilities, finance, IT, and administrative support. Councilmember Hansen was the liaison with many community groups including the design and construction of the library/museum and community center and the relocation of the Senior Center to Building C of the old Town Hall complex.

Councilmember Hansen has been an ongoing participant in the community and has participated in the following:

- Civic Association
- Community Chorus
- Arts Council and Public Art Committee
- Fountain Hills Community Theater
- Chamber Players
- Sunridge Foundation
- Fountain Hills Chamber of Commerce (1998 Business Person of

the Year)

- Fountain Lake Republican **Women's Club**
- Fountain Hills Republican Club
- Library Association
- Historical Society (2004 First Hall of Fame)
- Boys & Girls Club
- Cattleguard
- PTO
- Mentor/director of various third grade musical programs

Councilmember Hansen is originally from Illinois but moved to Arizona in 1977. She received her BA in Sociology from Luther College. After returning to Arizona, she met her husband, Bruce. Together they began a telecommunications business in 1983. Her husband is a long time member of the FH Sanitary District and was actively involved in solving **the town's effluent problem.**





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

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

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

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

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

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





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

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

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

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



Councilmember **Cecil A. Yates** was born in New York City, but grew up in Bay Village, Ohio (a suburb of Cleveland). He graduated from Bay High School in 1985. He has earned two undergraduate degrees; one in Marketing and the other in Management from the University of Cincinnati in 1990 and has recently completed his MBA in Strategic Management from Patten University in California. He and his family moved to Fountain Hills in 2005.

Councilmember Yates has served on the Planning and Zoning committee for five years and two years as its Vice Chairman. He has chaired the General Plan update committee, the economic and development committee with BVAC, co-chaired the sign committee, and was treasurer of Sunridge Canyon HOA. He presently sits on the Maricopa Association of Governments, Domestic Violence Committee. In his spare time, Councilmember Yates coaches soccer and is active in his church.

Councilmember Yates is an award winning Commercial Real Estate Developer. He is presently the Executive Director of Property Management for Commercial Properties, Inc. (CPI) and operates over 6,000,000 square feet of office, retail and industrial space throughout Arizona. He has owned and operated several restaurants including Panini's Bar & Grill (as seen on "Man vs. Food") and Zeppes Pizzeria.

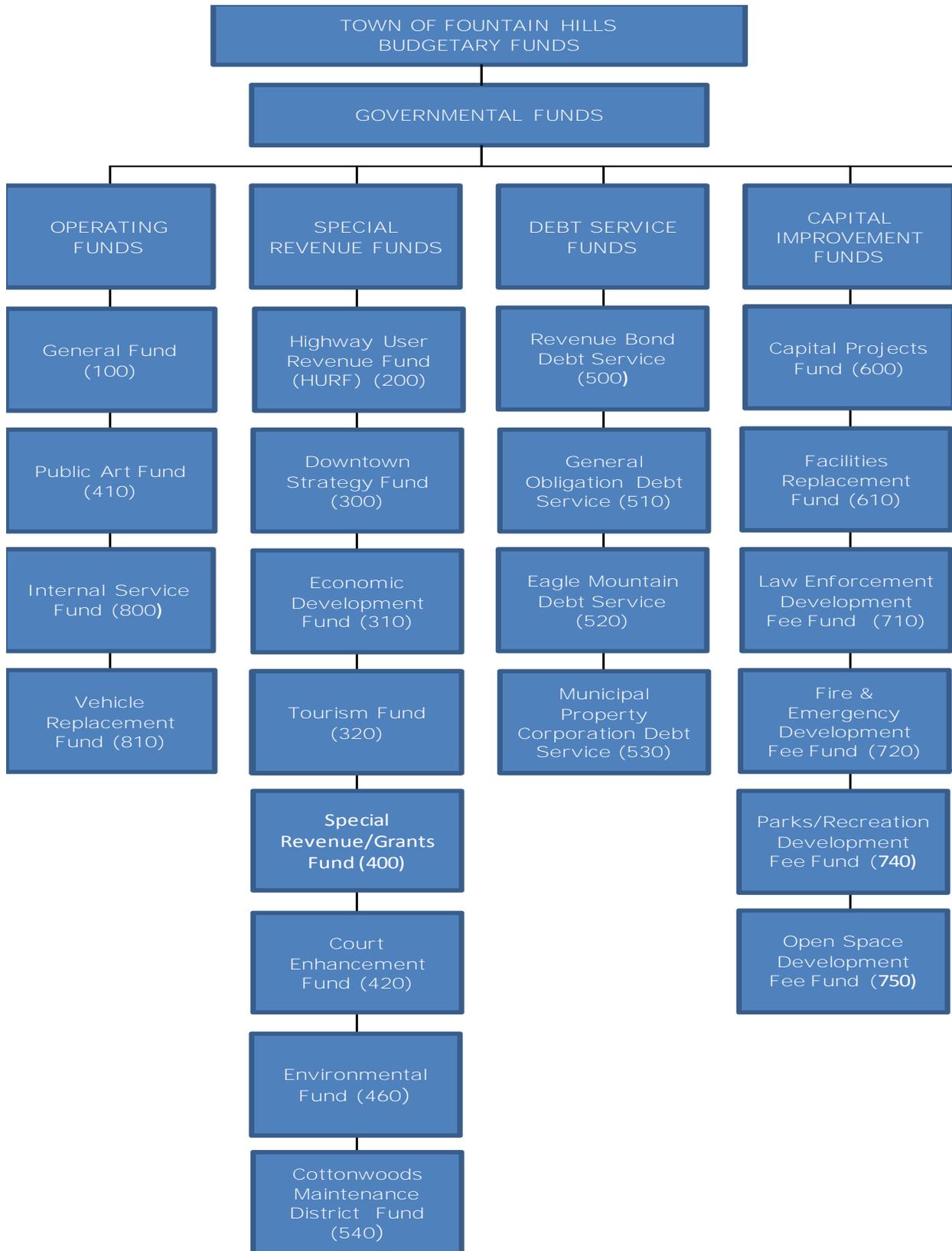
Councilmember Yates and his wife; Nancy, have been married since 1995 and are the proud parents of two children, Sophia, 17; and Mason, 14 (not to mention their black lab, Wizard; German Shepherd, Gracie; their cat, Simba; and whatever other crawling creatures their kids adopt!)



Financial Overview & Policies



FUND STRUCTURE



FUND/DEPARTMENT STRUCTURE
Governmental Funds

		Fund Statement	Department Summary	Total Proposed Budget
Fund Type	Fund	Department	Page Number	Amount
Operating		Total		\$ 17,934,597
	General Fund	Mayor & Town Council	115 131-136	72,545
	General Fund	Administration	115 137-172	2,092,500
	General Fund	General Government	115 169-172	3,559,040
	General Fund	Municipal Court	115 173-180	321,254
	General Fund	Public Works	115 181-198	830,201
	General Fund	Development Services	115 199-226	927,139
	General Fund	Community Services	115 227-256	2,181,310
	General Fund	Law Enforcement	115 257-262	3,930,111
	General Fund	Fire & Emergency Medical	115 263-270	3,708,717
	Public Art Fund	Community Services	116 116	39,000
	Internal Service Fund	Administration	116 116	71,780
	Vehicle Replacement Fund	Administration	116 377-383	201,000
Special Revenue		Total		\$ 7,430,948
	Highway User Revenue Fund	Development Services	116 272-278	3,594,696
	Downtown Strategy Fund	Administration	116 281-283	1,021,655
	Economic Development Fund	Administration	116 284-288	318,411
	Tourism Fund	Community Services	116 289-292	208,220
	Special Revenue Fund	Administration	116 293-298	1,655,000
	Court Enhancement Fund	Municipal Court	116 299-302	88,115
	Environmental Fund	Development Services	116 303-306	540,586
	Cottonwoods Maintenance District Fund	Administration	116 307-310	4,265
Debt Service		Total		\$ 2,922,266
	General Obligation Bond Fund	Administration	116 312-313	2,119,350
	Eagle Mountain CFD Fund	Development Services	116 313	409,226
	Municipal Property Corporation Fund	Administration	116 313-314	393,690
Capital Projects		Total		\$ 12,196,382
	Capital Projects Fund	Administration, Community Services, Development Services, Fire & Emergency Medical	117 325-372	9,692,885
	Facilities Replacement Fund	Development Services	117 373-376	431,000
	Development Fees Funds	Community Services, Development Services, Law Enforcement, Fire & Emergency Medical, Parks/Recreation, Open Space	117 117	2,072,497
GRAND TOTAL ALL FUNDS - includes transfers				\$ 40,484,193

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

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

«The **Internal Service Funds (Funds 800 and 810)** are used to account for the Town's business-type activities. These funds are considered self-supporting in that the services rendered are financed through user charges or are on a cost reimbursement basis. These funds are classified as having assigned fund balances. Internal Service Funds include:

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

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

«The **Highway User Revenue Fund (HURF) (Fund 200)** is funded by 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% (previously 40%) of the .1% of local sales tax collections that have been dedicated for this purpose.

«The **Economic Development Fund (Fund 310)** is a committed fund which may only be used for economic development. Revenue for this fund comes from the 80% (previously 60%) of the .1% of local sales tax collections that have been dedicated for this purpose.

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

«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 ARRA Funds or other 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 a restricted 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 and no more than 2% greater than the annual delinquency factor based on the past five years delinquency amounts, categorized as restricted.



Debt Service funds include:

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

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

«The **Capital Projects Fund (Fund 600)** revenues are assigned 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 a transfer 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 710-760)** 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). Funds 710, 730, 750 and 760 will be eliminated when all remaining funds have been expended. Development Fee funds currently include:

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

BUDGETARY AND ACCOUNTING BASIS

The budget is prepared on a budgetary basis of accounting for all fund types. Expenditures are recorded when the related fund liability is incurred, and revenues are recognized only when they are measurable and available. In all cases, when goods and services are not received by year-end, the encumbrances lapse. This basis means certain transactions are recognized in the budget on a basis other than Generally Accepted Accounting Principles (GAAP), which is the basis used to prepare the Town's Comprehensive Annual Financial Report (CAFR). The major differences between the budgetary and GAAP basis are:

- Certain revenues, expenditures and transfers are not included on a budgetary basis, but are accrued and reported on a GAAP basis. For example, increases or decreases in compensated absences are not reported for budgetary purposes, but are presented as revenues or expenditures on a GAAP basis.
- Depreciation is not budgeted as an expense in budgetary accounting.
- Capital outlays are an expenditure in budgetary accounting and an asset in GAAP.
- Certain debt service principal and interest payments are accounted for as expenditures in the General Fund on a budgetary basis, but are reported as expenses in the Debt Service Fund on the GAAP basis.

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

Operating and Capital Budget Relationship

Included within the annual budget is a Capital Improvement Program presented on a budgetary basis. Capital project budget funding sources are matched with budgeted expenditures. Governmental accounting procedures do not require adequate budget to pay for an entire contract to be available and appropriated in the period in which a contract is entered. Therefore, expenditures are presented on a budgetary basis which is a cash flow model.

For example, a 180 day construction contract entered into in May of fiscal year one would have cash expenditures from May of fiscal year one through October of fiscal year two; however, the entire budget for this project would not be appropriated in fiscal year one, the year in which the contract was entered. Any unspent funds at fiscal year-end are carried forward and budgeted again in year two.



TOWN OF FOUNTAIN HILLS FINANCIAL POLICIES

I. INTRODUCTION

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

II. OVERALL GOALS

The overall financial goals underlying these principles are:

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

- 2.4 Delivering Quality Services. To deliver quality services in an affordable, efficient and cost-effective basis providing full value for each tax dollar.

III. FUND BALANCE

Fund balance is defined as the cumulative difference of all revenues and expenditures, also considered the difference between a fund's assets and deferred outflows of resources and its liabilities and deferred inflows of resources. The purpose of this policy is to establish a key element of the financial stability of the Town by setting guidelines for fund balance. It is essential that the Town maintain adequate levels of fund balance to mitigate financial risk that can occur from unforeseen revenue fluctuations, unanticipated expenditures and similar circumstances. **The fund balance also provides cash flow liquidity for the Town's general operations. Fund balance is an important indicator of the Town's financial position and adequate reserves must be maintained to allow the Town to continue providing services to the community during periods of economic downturns and/or unexpected emergencies or requirements.**

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

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

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

1. Credit reviews performed by municipal bond analysts.
2. Preserving or improving the Aa3 bond rating.
3. Maintaining a positive trend to historical fund balances.
4. Maintaining a rating equal to or better than surrounding communities.

The Governmental Accounting Standards Board ("GASB") has found that usefulness and value of fund balance information provided is significantly reduced by



misunderstandings regarding the message that it conveys and the inconsistent treatment and financial reporting practices of governments. GASB issued a pronouncement, **GASB Statement No. 54 (“GASB 54”), which applies to all financial reports of all state and local governmental entities; GASB 54 intended to improve financial reporting by providing fund balance categories and classifications that will be more easily understood.**

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

- (A) **Nonspendable fund balance**—Includes amounts either not in spendable form or legally or contractually required to be maintained intact. This amount includes inventory, prepaids, and non-current receivables such as long-term loan and notes receivable and property held for resale (unless the proceeds are restricted, committed or assigned).
- (B) **Restricted fund balance**— Includes amounts that are either (1) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or (2) imposed by law through constitutional provisions or enabling legislation. **Restricted fund balance means “restricted net assets” as defined in the government-wide Statement of Net Assets, GASB Statement No. 34, as amended by GASB Statement No. 46.**
- (C) **Committed fund balance**—Includes amounts that are committed for specific purposes by formal action of the Town Council. Amounts classified as **“committed” are not subject to legal enforceability like restricted fund balance**; however, those committed amounts cannot be used for any other purpose unless the Town Council removes or changes the limitation by taking the same form of action it employed to previously impose the limitation. The action to commit fund balances must occur prior to year end; however, actual amounts can be determined in the subsequent period.
- (D) **Assigned fund balance**—Includes amounts that are intended by the Town to be used for specific purposes, but are neither restricted nor committed. Intent should be expressed by the Town Council itself or a subordinate high-level body or official possessing the authority to assign amounts to be used for specific purposes in accordance with policy established by the Town Council. This assignment would include any activity reported in a fund other than the General Fund that is not otherwise restricted more narrowly by the above definitions. The Town is not allowed to assign balances that result in a residual deficit.

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

- A. Committed Fund Balance. The Town will maintain a committed fund balance in the General Fund of 20% of the average actual General Fund revenues for the preceding five fiscal years, indicating stable fiscal policies. The maintenance of this fiscal 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 contingency 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 replacement expenditures, (2) vehicle or equipment replacement, (3) capital projects, (4) prepaying or defeasing existing Town debt or (5)**

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) used to supplement "pay as you go" capital replacement expenditures in the Capital Projects Fund or (3) used to prepay or defease existing Town debt.** These funds may not be used to establish or support costs that are recurring in nature. 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.

These guidelines will be reviewed by the Town Manager periodically following adoption (or sooner at the direction of the Town Council).

3.3 Special Revenue Funds.

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



3.4 Debt Service Funds.

The Debt Service Fund is established for the payment of principal and interest on bonded indebtedness and as such is a restricted fund. Revenues are derived from a property tax levy, pledged excise taxes, municipal property lease payments and shared revenues. Revenues are received in amounts sufficient to pay the annual debt service payment; therefore, the restricted fund balance will be no less than the annual debt service payment due on July 1 of the new fiscal year and no more than the annual debt service payment due on July 1 plus an amount equal to the average annual delinquency **factor based on the prior three years' delinquency rates.**

3.5 Capital Projects Fund.

A Capital Projects Fund has been established to allow the Town to accumulate monies for (1) purchase of land or buildings, (2) improvements to Town-owned properties, (3) grant matches associated with capital improvements, (4) public safety projects and equipment purchases, (5) economic development projects and (6) such other capital projects as determined by the Town Council. The Capital Projects Fund will be funded by: (A) sales of real and personal property belonging to the Town; (B) General Fund transfer of any excess revenues 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.**

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- 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, and the Town Manager shall execute the Town Council policies as set forth in the finally adopted budget.
- 4.2 Budget Preparation. The Town Manager or authorized designee will prepare a budget in accordance with the guidelines established by the Government Finance Officers Association in its Distinguished Budget Award Program. The proposed budget will contain the following:
- A. Revenue estimates by major category, by major fund.
 - B. Expenditure estimates by department levels and major expenditure category, by fund.
 - C. Estimated fund balance by fund.
 - D. Debt service by issue detailing principal and interest amounts by fund.
 - E. Proposed personnel staffing levels.
 - F. A detailed schedule of capital projects, including a capital improvement program.
 - G. Any additional information, data, or analysis requested of management by the Town Council.
- 4.3 Operating Budget. The operating budget will be based on the principle that current operating expenditures, including debt service, will be funded with current revenues, creating a balanced budget. The Town will not balance the **current budget at the expense of meeting future years' expenditures; for example, accruing future years' revenues or rolling over short-term debt** to avoid planned debt retirement.
- 4.4 Revenue Sources. Ongoing operating costs should be supported by ongoing, stable revenue sources. This policy protects the Town from fluctuating service levels and avoids crises when one-time revenues are reduced or removed. Revenues from growth or development should be targeted to costs related to development, or invested in improvements that will benefit future residents or make future service provision efficient.
- 4.5 Revenue Estimate. The Town Manager will provide an estimate of the **Town's revenues annually for each fiscal year, as well as estimates of special (grant, excise tax, etc.) revenues and interfund transfers.**
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- 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. In addition, the quarterly report shall include revenue and expenditure projections through the end of the fiscal year.
- 4.12 Deficit. If a deficit is projected during any fiscal year, the Town will take steps to reduce expenditures, increase revenues or, if a deficit is caused by an emergency, consider using the Rainy Day Fund, to the extent necessary to ensure a balanced budget at the close of the fiscal year. The Town Manager may institute a cessation during the fiscal year on hirings, promotions, transfers and capital equipment purchases. Such action will not be taken arbitrarily or without knowledge and support of the Town Council.

V. EXPENDITURE CONTROL

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

- 5.1 Budgeted Expenditures. Expenditures will be controlled by an annual budget at the departmental level. The Town Council shall adopt appropriations through the budget process. Written procedures will be maintained for administrative approval and processing of certain budget transfers within funds.
- 5.2 Purchasing System and Policies. The Town will maintain a purchasing system that provides needed materials in a timely manner to avoid interruptions in the delivery of services. All purchases shall be made in accordance **with the Town’s purchasing policies, guidelines and procedures and applicable State and Federal laws**. The Town will endeavor to obtain supplies, equipment and services as economically as possible.
- 5.3 Internal Controls. Expenditures will be controlled through appropriate internal controls and procedures in processing invoices for payment.
- 5.4 State Expenditure Limit. The State of Arizona sets a limit on the expenditures of local jurisdictions. The Town will comply with these expenditure limitations and will submit an audited expenditure limitation report, audited financial statements and audited reconciliation report as defined by the Uniform Expenditure Reporting System (ARIZ. REV. STAT. § 41-1279.07) to the State Auditor General each year.
- 5.5 Capitalized Assets. All assets of \$10,000 or more will be capitalized and recorded in the Town of Fountain Hills Summary of Capital Assets.

VI. REVENUES AND COLLECTIONS

All government employees are considered stewards of public funds. In order to provide funding for service delivery, the Town must have reliable revenue sources. These diverse revenues must be collected equitably, timely and efficiently.

- 6.1 Balanced Revenue Base. **The Town’s goal is a General Fund revenue base** that is equally balanced between sales taxes, State shared revenues, property tax, service fees and other revenue sources.
- 6.2 Stable Revenue Base. The Town will strive for a diversified and stable revenue base to shelter it from economic changes or short-term fluctuations and in any one revenue source by doing the following:
 - A. Establishing new charges and fees as needed and as permitted by law at reasonable levels.
 - B. Pursuing legislative change, when necessary, to permit changes or establishment of user charges and fees.
 - C. Aggressively collecting all revenues, late penalties, outstanding taxes owed and related interest as authorized by law.



- 6.3 Monitoring Collection. The Town Manager or authorized designee will monitor all taxes to ensure they are equitably administered and collections are timely and accurate. Fees and charges should be based on benefits and/or privileges granted by the Town, or based on costs of a particular service.
- 6.4 Intergovernmental Aid. The Town Manager or authorized designee should pursue intergovernmental aid for those programs and activities that address **a recognized need and are consistent with the Town's long-range objectives**. Any decision to pursue intergovernmental aid should include the consideration of the following:
- A. Present and future funding requirements.
 - B. Cost of administering the funds.
 - C. Costs associated with special conditions or regulations attached to the grant award.
- 6.5 Cost Recovery. The Town will attempt to recover all allowable costs (both direct and indirect) associated with the administration and implementation of programs funded through intergovernmental aid. In the case of the Fountain Hills Unified School District, the Town may determine to recover less than full cost of services provided. In the case of State and Federally mandated programs, the Town will attempt to obtain full funding for the service from the governmental entity requiring the service be provided. Allowable **costs will be determined based upon a "Cost Allocation Study" prepared periodically**.
- 6.6 Growth Revenues. Local sales tax revenues are derived from several sources with a significant portion from construction related activity. To ensure that the revenues from growth or development are targeted to costs related to development, or invested in improvements that will benefit future residents or make future service provision efficient, the Town will designate 50% of those one-time revenues to the Capital Projects Fund. Monthly, these revenues will be transferred from the General Fund to the Capital Projects Fund for future appropriation.

VII. USER FEE COST RECOVERY

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

- 7.1 Establishing Fees. The Town may establish user fees and charges for certain services provided to users receiving a specific benefit. User fees and charges will be established to recover as much as possible the direct and indirect costs of the program or service, unless the percentage of full cost recovery has been mandated by specific action of the Town Council. It is recognized

that occasionally competing policy objectives may result in reduced user fees and charges that recover a smaller portion of service costs.

- 7.2 Recalculation. Periodically, the Town will recalculate the full costs of activities supported by user fees to identify the impact of inflation and other attendant costs.

VIII. CASH HANDLING POLICY

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

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

- 8.1 Individual Responsibilities. All cash transactions are to be processed by Town staff (including cash, credit cards, checks, etc.) and not volunteers. Any Department Director or manager with responsibilities for managing Town cash receipts and those employees who are entrusted with the receipt, deposit and reconciliation of cash for Town-related activities shall be responsible for knowledge of and compliance with this Section VIII. A reference to this Section should be included as part of all departmental policies and procedures.
- 8.2 Establishing Cash Handling Sites. Ideally, from a control perspective, 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 (coin and currency).
 - (2) Checks (made payable to the Town, no third party checks).
 - (3) Credit Cards (MasterCard, Visa, Discover, American Express-ACTIVE Net only).
 - (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.

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- 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 re-



deem 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 (MUNIS and/or ACTIVE Net) with computer-generated official Town cash receipts. When a cash handling site with a computerized accounting system has to use temporary cash receipts, those temporary receipts must be converted over to computerized receipts as soon as possible. If the conversion cannot be accomplished within 48 hours, the cash should be deposited into the **Department's safe and tracked in detail until it is recorded on the computerized accounting system.**
- E. The customer must be presented an official Town receipt form with a duplicate record being retained by the receiving Department. All numbered receipts must be accounted for, including the original of voided receipts.
- F. The cash handling site must maintain a clear separation of duties. An individual should not have responsibility for more than one of the cash handling components: collecting, depositing, disbursement and reconciling.
- G. The procedures below are to be followed to safeguard the employee and the cash:
 - (1) Account for cash as soon as is it received – count the cash in front of customer.
 - (2) Keep cash received in view of the customer until the transaction is complete.
 - (3) If change is required, count all cash and change in front of customer.
 - (4) Reconcile the funds received to the computerized accounting system cash report or to the total of the temporary receipts at the end of the day or at the end of each shift and balance the receipts as set forth in Subsection 8.9.



- (5) Immediately place all cash in a cash drawer, safe or other secure place until deposited. A secure area for processing and safeguarding funds received should be provided and restricted to authorized personnel.
 - (6) Personal transactions with Town cash funds are prohibited. Monies may never be borrowed nor loaned from cash funds, nor may personal checks be cashed from receipts.
 - (7) All employees paying for Town services (rentals, movie tickets, animal license, business license, etc.) must be rung up by a different employee under a separate user ID.
 - (8) Deposit all cash intact and not intermingled or substituted with other cash.
 - (9) Pay refunds or expenditures through the appropriate Town bank account on a Town-generated check from the main accounts payable account or petty cash for the smaller accounts. If the original payment was made using credit/debit card, then refunds will be issued through the credit card per credit card regulations.
 - (10) Provide printed receipts generated by the point of sale (POS) program 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 (ACTIVE Net only).
- 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 by ACTIVE Net or Class software programs.
 - (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 into the ACTIVE Net or Class program – 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 mem-



ber. 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 submitting to the Finance Division.
 - (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 Direc-



tor. 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 appropriate each year a percentage of current revenues to maintain a minimum 10% of average actual General Fund revenues for the preceding five fiscal years in the assigned fund balance.

9.2 Capital Improvement Plan.

- A. As part of the budget process each year, the Town Manager or authorized designee will prepare a capital spending plan that provides a detailed summary of specific capital projects for the five fiscal years subsequent to the fiscal year presented. The plan will include the name of the project, project schedule, capital cost by fiscal year and a recommended specific funding source. The five year capital improvement plan will be developed within the constraints of the Town’s ability to finance the plan.
- B. The Town Manager and Department Directors will develop formal ranking criteria that will be used in the evaluation of all capital projects. The ranking criteria will give greatest weight to those projects that protect the health and safety of its citizens. “Pay-as-you-go” project financing shall be given the highest priority. Capital improvements that must rely upon debt financing shall be accorded a lower priority and projects with a useful life of less than ten years shall not be eligible for inclusion in bond issues except in extraordinary circumstances.
- C. Lease-purchase financing shall be undertaken only when the project is considered essential to the efficient operation of the Town or to remove expenditures that would exceed the State-imposed expenditure limitation. The Town Manager or authorized designee shall be responsible for ensuring that “pay-as-you-go” expenditures do not cause the State-imposed expenditure limitation to be exceeded in any fiscal year.
- D. All capital project requests will be accompanied by a description of the sources of funding to cover project costs. Where borrowing is recommended, a dedicated source of funds to cover debt service requirements must be identified. All capital project requests will be required to identify any impact the project may have on future operating costs of the Town. The Town will seek grants to finance capital improvements and will favor those projects that are likely to receive grant money.
- E. All capital project appropriations and amendments to the capital improvement plan must be approved by the Town Council.



- F. The capital plan will include all equipment and facilities with a useful life of greater than ten years and a cost greater than \$50,000. Debt financing shall not exceed the useful life of the infrastructure improvement or asset.

- G. The following steps shall be used to prepare the Capital Improvement Program (“CIP”):
 - (1) Establish Capital Improvement policies, including:
 - (a) Time period the CIP will cover.
 - (b) Facilities/equipment that will be included in the CIP.
 - (c) How acquisition of multiple items (e.g., computers) will be treated.
 - (d) Identification of projects that are expected to be undertaken, but fall outside the time horizon of the plan.

 - (2) Adopt standards to rank project requests.
 - (a) Projects that address a public health or safety concern are given top priority.
 - (b) Projects mandated by a court of competent jurisdiction or a government with authority over the Town are equal with public health or safety.
 - (c) Major maintenance (preservation of assets).
 - (d) Replacement of obsolete equipment (improving efficiency).
 - (e) Expansion to meet demand caused by growth.
 - (f) Coordination of projects to achieve cost savings.
 - (g) Availability of cash to finance improvements from current revenues.
 - (h) Acquisition of open space.

 - (3) Perform and maintain a capital inventory and identify useful life.



-
- (4) Identify projects.
 - (a) Status review of previously approved projects.
 - (b) Identification of new projects.
 - (c) Assess capital project alternatives.
 - (d) Complete project request forms.
 - (5) Assess funding sources.
 - (a) Available grants.
 - (b) Development fees shall be utilized to fund capital **projects before "pay-as-you-go" and bond issuance financing.**
 - (c) Developer contributions.
 - (d) Private contributions.
 - (e) Issuance of securities.
 - (f) Capital leases.
 - (6) Approve the CIP and Budget.
 - (a) Town Council review.
 - (b) Public hearing.
 - (c) Adoption of the CIP and capital budget.

All capital project requests will be accompanied by a description of the sources of funding to cover project costs. Where borrowing is recommended, the source of funds to cover debt service requirements must be identified. All capital project requests will be required to identify any impact the project may have on future operating costs of the Town.

Department Directors will submit detailed descriptions of the useful life of capital **projects submitted in conjunction with the preparation of the Town's CIP. The** Town Manager shall incorporate an estimate of the useful life of proposal 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 ex-

isting debt structure to the benefit of the Town. Refinancings undertaken for other reasons should proceed only when the advantages have been clearly shown in a cost/benefit analysis of the transaction.

- F. The Town will seek to maintain and, if possible, improve the current bond rating in order to minimize borrowing costs and preserve access to credit.
- G. An analysis showing how a new issue combined with current debt impacts the Town's debt capacity and conformance with Town debt policies will accompany every future bond issue proposal. The debt capacity analysis should reflect a positive trend and include:
 - (1) Percent of debt outstanding as a percent of the legal debt limit.
 - (2) Measures of the tax and revenue base.
 - (3) Evaluation of trends relating to expenditures and fund balance.
 - (4) Debt service as a percentage of assessed valuation.
 - (5) Measures of debt burden on the community.
 - (6) Tax-exempt market factors affecting interest costs.
 - (7) Debt ratios.
- H. MPC and contractual debt, which is non-voter approved, will be utilized only when a dedicated revenue source (e.g., excise taxes) can be identified to pay debt service expenses. The project to be financed will generate net positive revenues (i.e., the additional revenues generated by the project will be greater than the debt service requirements).
- I. **The Town's privilege/excise tax to debt service goal will be a ratio of at least 2.5:1 to ensure the Town's ability to pay for long-term debt from this elastic revenue source.**

9.4 Issuance of Obligations.

- A. The Town shall select the underwriter and the paying agent/registrar for each debt issuance based on competitive bid. The underwriter must be a firm with an office in the Phoenix area and a record of prior working relationships.
- B. The request for proposals process will be designed to select the service providers that offer the Town the best combination of expertise and price. The Town is not required to select the firm offering the



lowest price, but a report must be prepared by the Town Manager providing justification to the Town Council for a recommendation when other than the lowest bidder is chosen. The review of all proposals submitted shall be the responsibility of the Town Manager.

- C. The Town will sell bonds through public sale, online bidding process or an accelerated bidding process unless the Town Council authorizes the bond to be sold by negotiated sale or private placement.
- D. The Town Manager or designee and Town Attorney will coordinate their activities to ensure that all securities are issued in the most efficient and cost-effective manner and in compliance with the governing statutes and regulations. The Town Manager and the Town Attorney shall consult and jointly select the bond counsel for a bond issue.
- E. The Town Manager or authorized designee will seek a rating on all new issues which are being sold in the public market if economically feasible.
- F. The Town will report all financial information on an annual basis and notices of listed events in a timely manner, not in excess of ten business days after the occurrence of event, to the rating agencies and **the Municipal Securities Rulemaking Board's ("MSRB's") 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.

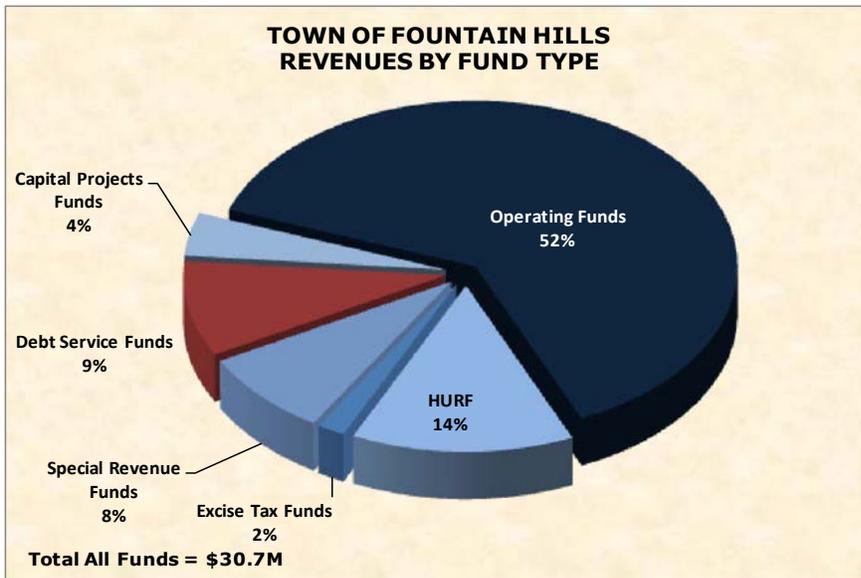


Budget Highlights

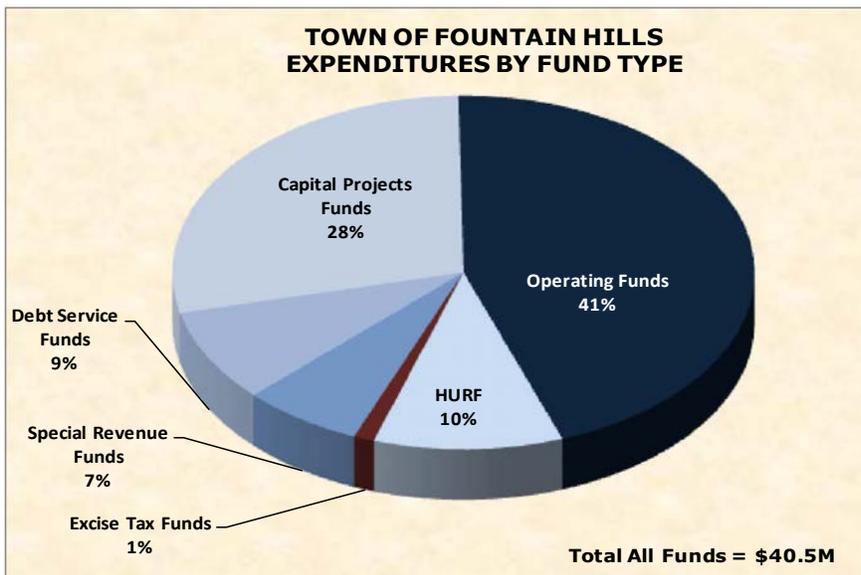


Budget Introduction

In FY09-10, the Town introduced program budgeting. Program budgeting is a method of budgeting expenditures to meet programmatic objectives rather than budgeting on a line-item basis. In program budgeting, specific performance objectives or outcomes are defined and the costs to produce those outcomes are enumerated in the budget. In FY16-17, although the budget document continues with Department level, Division level and Program level budgets, many programs were combined for more efficient managing and reporting purposes. There were also two new Departments created. The new General Government Department was created for all non-departmental, Town-wide items and the Public Works Department was created out of the Development Services Department to oversee the Streets and Facilities Divisions, as well as the Outside Inspections program that was previously reported under Engineering. For a summary of all Town programs, please see pages 115-117.



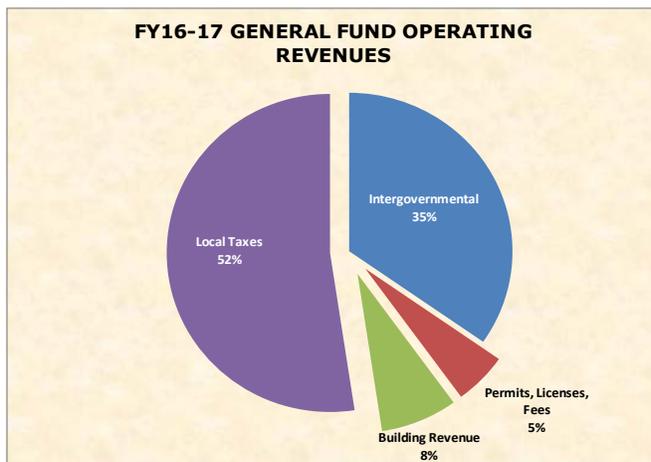
The proposed budget is based on revenue projections that are conservative and based on the expectation that the local and national economy will continue at its existing pace of moderate growth in revenues next fiscal year. Revenues for all funds are \$30.7M (excluding reserves) with expenditures of \$40.5M (including transfers) 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.

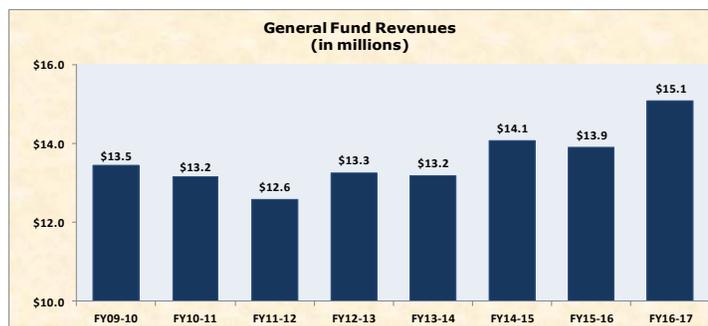
General Fund Budget Overview

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.



Almost 87% of the Town’s General Fund resources are derived from the local sales tax and State Shared revenues.

In FY08-09, the Town received \$14.8M in General Fund revenues but dropped over \$2M by FY12 to \$12.6M. The economic recovery saw a return to a revenue stream of \$13.9M. The drop in FY13-14 reflects the reallocation of the Vehicle License Tax revenue (historically available for General Fund expenditures) to the Highway User Revenue Fund (HURF) for pavement management.



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

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

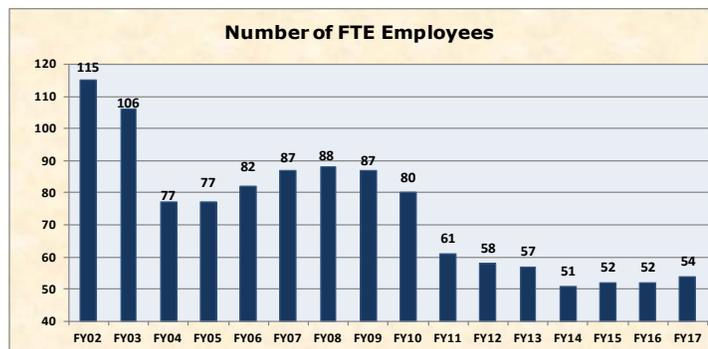
In FY14-15 , the Town Council directed staff to develop a new program for funding maintenance capital – those projects that are necessary to maintain the Town’s infrastructure but are not considered a capital improvement program (i.e., under the \$50,000 threshold for capital). In FY15-16, the Town had a Capital Reserve Study performed to identify those items. During the upcoming year, a transfer of General Fund reserves in the amount of \$1 million 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 FY16-17:

Salaries and Benefits - For FY16-17, additional staffing is proposed, totaling 1.63 FTEs; a full-time director of Development Services and a part-time accounting clerk in Finance. Most Town employees’ salaries and benefits are funded through the General Fund; salaries normally include overtime, sick leave, vacation and a set aside for merit increases. Staff is proposing a cost of living increase based on an updated market analysis with a 3.5% adjustment being proposed for FY16-17. The market analysis will result in a 5% adjustment to pay ranges (see pay plan on page 410. Because local governments are primarily a service industry, salaries and benefits comprise a major portion of expenditures. For Fountain Hills, salaries and benefits represent 22% of the proposed General Fund budget in FY16-17 and 10% of the total budget.

Employee benefits include health, vision and dental insurance, employer taxes, disability, workers’ compensation insurance, and employer match of retirement

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



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).

Contractual Services - The Town contracts with outside professionals for a number of services which represents 24% of the total budget (51% of the General Fund). Two major contracts included in this category are:

1. Fire protection and emergency medical services (\$3,406,877), currently under contract with Rural/Metro Corporation – 3% increase; and
2. Police protection (\$3,814,531), currently provided through the Maricopa County Sheriff's Office – 7% increase.

These two contracts alone represent 51% of the General Fund budget in FY16-17.

Contractual Services also includes annual landscape maintenance contracts, equipment and vehicle repairs, and facilities maintenance (janitorial, building maintenance, etc.). **Maintenance of the Town's 119 acres of parks, Town medians, dams, and washes** are provided by independent contractors. These contracts are solicited through a bid process to obtain the most competitive price for the Town. With pavement management a high priority, the Town is placing a priority on infrastructure maintenance that has been deferred (\$1,000,000 in the HURF fund annually).

Maintenance/Utilities - In FY16-17, maintenance/utilities represent 7% of the total General Fund budget. The Town owns ten buildings that require maintenance on HVAC equipment, interior and exterior surfaces, electric and plumbing, fire systems, irrigation, etc. Town staff has been unable to dedicate the resources necessary to maintain the buildings in an optimum condition; consequently future budgets will require increasing amounts of maintenance funding to bring the buildings up to standards.

Supplies and Services - Supplies and Services include operational costs such as insurance, office supplies, etc. for Town Hall and other Town-owned buildings and accounts for 4% of the operating budget. The Town owns the Library, the Museum, the Community Center, two fire stations, a vehicle maintenance facility, the Kiwanis building, and the Community Theater building. Other items in this category are postage and travel.

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 Town began, with the FY10-11 budget, the inclusion of vehicle replacement charges to each department based on replacement cost to be transferred and expended within a Vehicle Replacement Fund.



HURF/Streets Fund Overview

The HURF/Streets Fund is a fund restricted to streets and transportation related purposes. With an operational priority for pavement management, the revenue from Vehicle License Taxes (VLT) will be appropriated within the HURF fund to be used for pavement maintenance (not reconstruction). The available resources in HURF are anticipated at \$3.5M in FY16-17 which includes \$929,081 from VLT. Road maintenance has not been adequately funded for several years which has **resulted in serious degradation of the Town's 186 miles of arterial and collector streets**. The FY16-17 program of work will continue to focus on resolving the long-term fiscal needs for road maintenance.

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

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

Excise Tax Funds Overview

The Excise Tax/Downtown Fund was created in FY00-01 designating .1% of the **Town's 2.6% local sales tax to downtown development**. **Subsequently, on April 18, 2013**, the Town Council established an additional fund by splitting the original Excise Tax/Downtown Fund into two separate funds:

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

Both funds were funded originally through the dedicated .1% of local sales tax with a 60/40 split—60% of sales tax revenues allocated to the new Economic Development Fund and 40% of sales tax revenues allocated to the Downtown Strategy Fund. The residual fund balance of the Excise Tax/Downtown Fund as of June 30, 2013, was included with any new revenue in the Downtown Strategy Fund to be used towards Town Center infrastructure improvement and development.

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

Special Revenue Fund Overview

All special revenues (grants, etc) are received in the Special Revenue Fund. Operating expenses are also recorded in the Special Revenue Fund unless the projects supported are in the Capital Improvement Program or the funds are in support of ongoing Town services. In these cases, funds are transferred from the Special Revenue Fund to either the Capital Projects Fund or the General Fund.

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 that will bring visitors and workers into Town. The study was conducted throughout the community to get a wide response as to the transportation needs; as a result, the Town created a Ride Choice program. Grant funds will be used for that program as long as they are available.

Included in the FY16-17 budget is an appropriation in the event that unanticipated grants become available. Other revenues in the Special Revenue Funds are the Court Enhancement Fund, the Environmental Fund, and the Cottonwoods Maintenance District Fund – these funds will be committed/assigned/restricted for specific purpose and not available for general operations.

Debt Service Funds Overview

Total debt service revenues for FY16-17 are budgeted at \$2.9 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 FY16-17:

- | | |
|-------------------------------------------------------|---------------|
| • General Obligation Bonds (property taxes) | \$2.1 million |
| • Municipal Property Corporation (excise taxes) | \$0.4 million |
| • Eagle Mountain Facilities District (property taxes) | \$0.4 million |

Development Fees Fund Overview

With limited funds from development anticipated, there are few capital projects budgeted to be funded from Development Fees in the next fiscal year. However, new 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 new fees. The study was approved and reduced the number of fee categories from five to two:

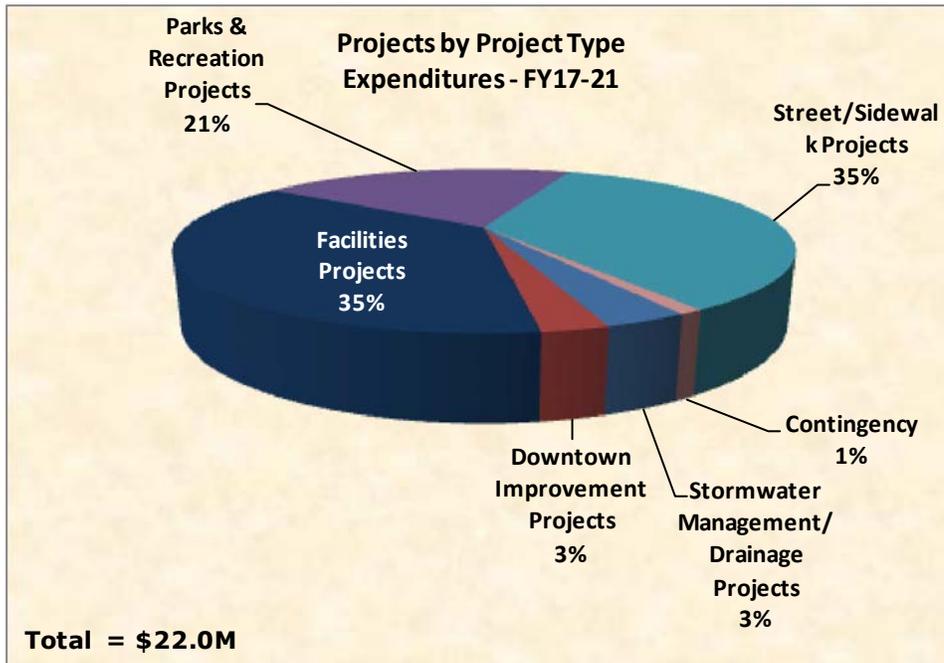
- Law Enforcement, Streets, and Library/Museum were eliminated
- Fire & Emergency and Parks/Recreation will remain



The fund balances remaining in the eliminated categories are included in the FY16-17 expenditures to be used towards programs or projects that were included in the original IIP.

Capital Projects Fund Overview

The Capital Projects Fund resources are derived from one time construction sales tax (50% of revenues – the other 50% funds operations in the General Fund) as well as bond proceeds or other revenue sources. During the building boom prior to 2008, the Town accumulated approximately \$10M in the Capital Projects Fund and has been cautious about moving forward with projects during the recession.

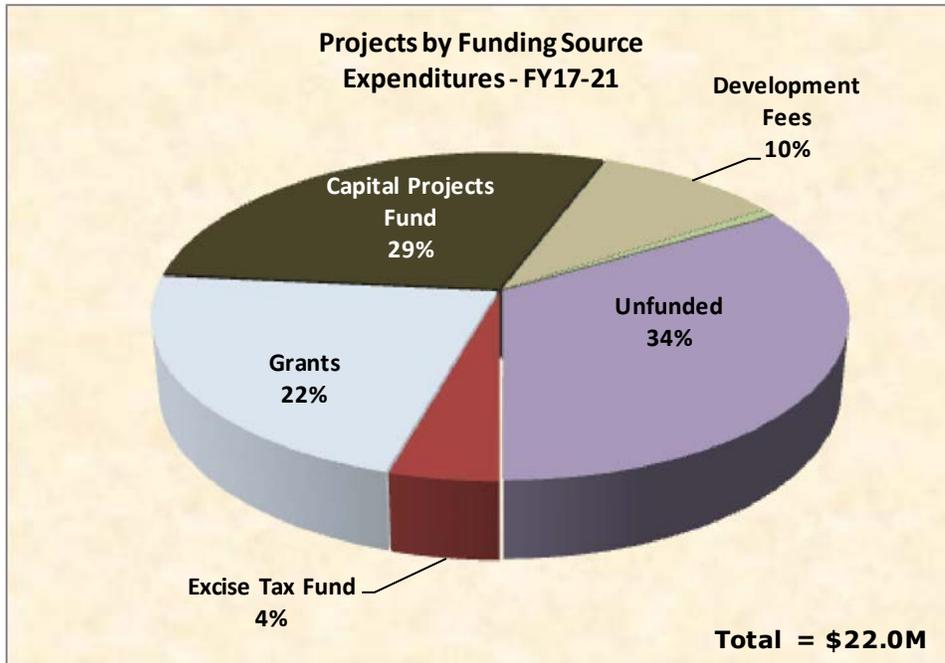


The following project areas and funding source are programmed for FY16-17 with total expenditures for capital projects budgeted at \$9.3M which include:

- \$3.8M for a new fire station relocation project, funded with CIP reserves
- \$2.3M in park improvements, funded with Development Fees and CIP reserves
- \$.7M in wash channelization project

The complete list of projects is shown on page 326 and 330.

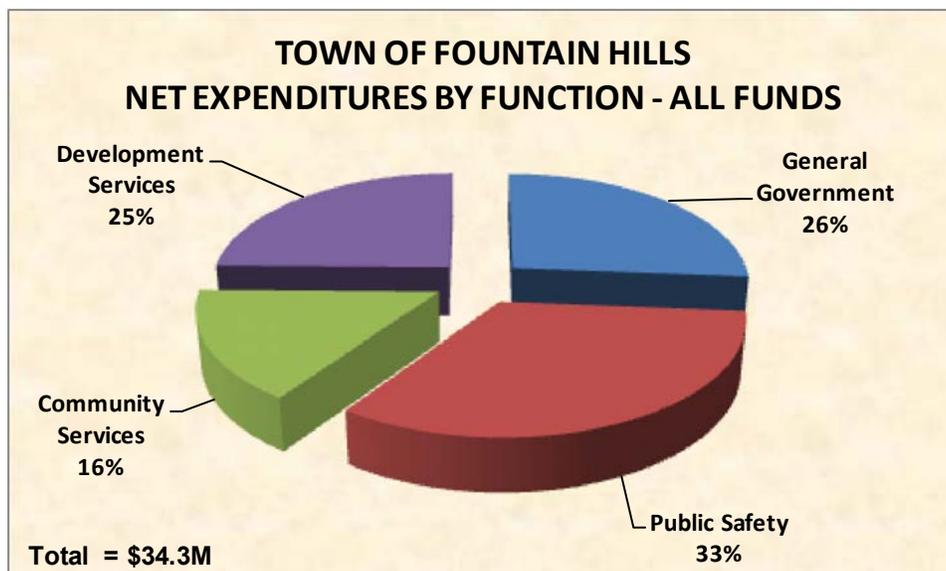
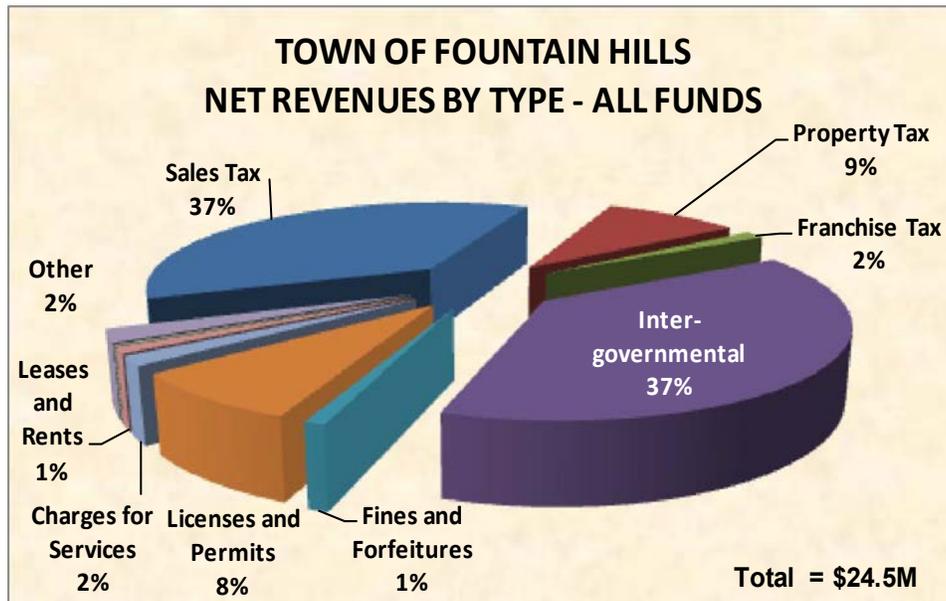




FY16-17 Summary of Proposed Budget Revenues and Expenditures - All Funds

	Operating Funds	Debt Service Funds	Capital Projects Funds	Non-Major Funds	Total
Revenues:					
Sales Tax	\$ 7,551,057	\$ -	\$ 433,023	\$ 1,039,167	\$ 9,023,247
Property Tax	-	2,272,976	-	5,588	2,278,564
Franchise Tax	332,418	-	-	-	332,418
Intergovernmental	5,213,309	-	255,000	3,909,986	9,378,295
Fines and Forfeitures	210,685	-	-	16,350	227,035
Licenses and Permits	1,292,775	-	180,571	540,000	2,013,346
Charges for Services	139,050	-	-	262,000	401,050
Leases and Rents	254,691	-	-	-	254,691
Investment Earnings	30,612	660	12,264	3,532	47,068
Other	374,637	-	150,000	35,000	559,637
Sub total Revenues	15,399,234	2,273,636	1,030,858	5,811,623	24,515,351
Transfers In	78,828	249,055	5,046,962	810,570	6,185,415
Sub total	15,478,062	2,522,691	6,077,820	6,622,193	30,700,766
Use/(Source) of Reserves	2,456,535	399,575	6,118,562	808,755	9,783,427
Total Revenues	<u>\$ 17,934,597</u>	<u>\$ 2,922,266</u>	<u>\$ 12,196,382</u>	<u>\$ 7,430,948</u>	<u>\$ 40,484,193</u>
Expenditures:					
Current:					
General Government:					
Mayor and Council	\$ 72,545	\$ -	\$ -	\$ -	\$ 72,545
Administration	2,275,280	2,922,266	693,885	1,659,265	7,550,696
General Government	980,986	-	-	-	980,986
Municipal Court	321,254	-	-	88,115	409,369
Total General Government	<u>3,650,065</u>	<u>2,922,266</u>	<u>693,885</u>	<u>1,747,380</u>	<u>9,013,596</u>
Public Safety:					
Fire & Emergency Medical	3,708,717	-	3,800,000	-	7,508,717
Law Enforcement	3,930,111	-	-	-	3,930,111
Total Public Service	<u>7,638,828</u>	<u>-</u>	<u>3,800,000</u>	<u>-</u>	<u>11,438,828</u>
Community Services	2,217,839	-	2,940,535	208,220	5,366,594
Development Services:					
Public Works	920,201	-	2,311,000	4,135,282	7,366,483
Development Services	927,139	-	-	186,138	1,113,277
Total Development Services	<u>1,847,340</u>	<u>-</u>	<u>2,311,000</u>	<u>4,321,420</u>	<u>8,479,760</u>
Sub total	15,354,072	2,922,266	9,745,420	6,277,020	34,298,778
Transfers Out	2,580,525	-	2,450,962	1,153,928	6,185,415
Total Expenditures	<u>\$ 17,934,597</u>	<u>\$ 2,922,266</u>	<u>\$ 12,196,382</u>	<u>\$ 7,430,948</u>	<u>\$ 40,484,193</u>

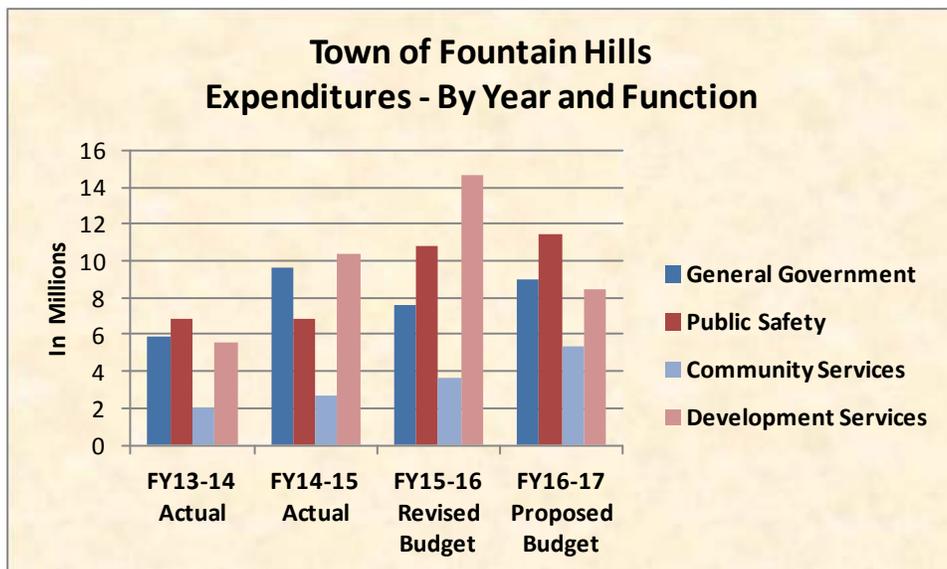
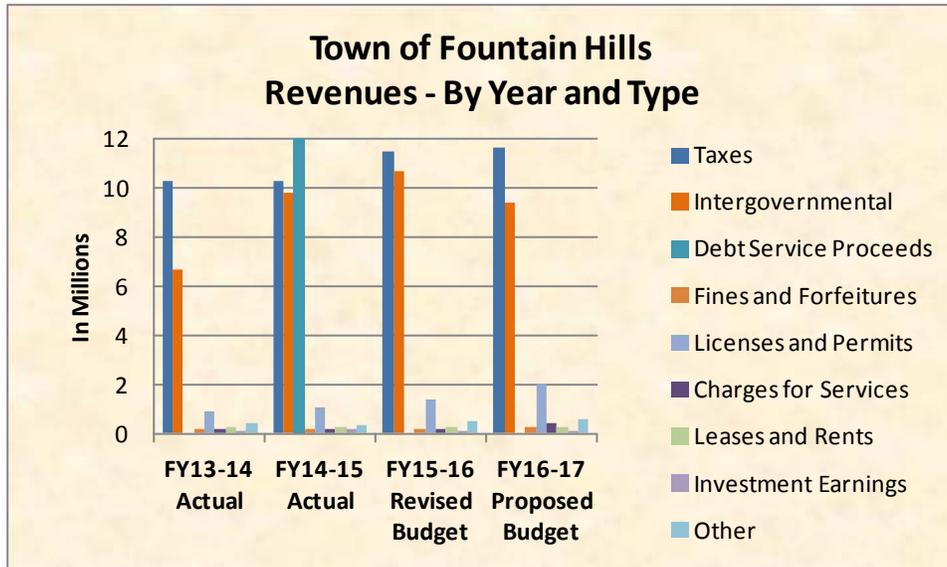




Historical Summary of Revenues and Expenditures - All Funds

	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Revenues:				
Taxes:				
Sales Tax	\$ 8,459,268	\$ 8,983,050	\$ 8,647,150	\$ 9,023,247
Property Tax	1,463,056	904,661	2,531,529	2,278,564
Franchise Tax	349,414	352,673	324,310	332,418
Intergovernmental	6,677,517	9,746,473	10,647,829	9,378,295
Debt Service Proceeds	-	12,087,086	-	-
Fines and Forfeitures	170,995	186,456	163,361	227,035
Licenses and Permits	891,783	1,043,382	1,332,338	2,013,346
Charges for Services	161,376	176,541	163,700	401,050
Leases and Rents	252,585	269,754	279,561	254,691
Investment Earnings	81,138	135,541	74,719	47,068
Other	384,836	362,785	503,251	559,637
Sub total Revenues	18,891,968	34,248,402	24,667,748	24,515,351
Transfers In	1,838,453	2,782,646	1,240,980	6,185,415
Sub total	20,730,421	37,031,048	25,908,728	30,700,766
Use/(Source) of Reserves	1,494,623	(4,668,563)	12,038,545	9,783,427
Total Revenues	<u>\$ 22,225,044</u>	<u>\$ 32,362,485</u>	<u>\$ 37,947,273</u>	<u>\$ 40,484,193</u>
Expenditures:				
Current:				
General Government:				
Mayor and Council	\$ 76,799	\$ 82,680	\$ 80,084	\$ 72,545
Administration	5,494,282	9,276,154	7,197,295	7,550,696
General Government	-	-	-	980,986
Municipal Court	296,384	298,501	357,722	409,369
Total General Government	<u>5,867,465</u>	<u>9,657,335</u>	<u>7,635,101</u>	<u>9,013,596</u>
Public Safety:				
Fire & Emergency Medical	3,821,720	3,534,617	7,151,797	7,508,717
Law Enforcement	3,067,013	3,353,581	3,683,970	3,930,111
Total Public Service	<u>6,888,733</u>	<u>6,888,198</u>	<u>10,835,767</u>	<u>11,438,828</u>
Community Services	2,042,598	2,646,343	3,606,803	5,366,594
Development Services:				
Public Works	-	-	-	7,366,483
Development Services	5,587,795	10,387,963	14,635,622	1,113,277
Total Development Services	<u>5,587,795</u>	<u>10,387,963</u>	<u>14,635,622</u>	<u>8,479,760</u>
Sub total Expenditures	20,386,591	29,579,839	36,713,293	34,298,778
Transfers Out	1,838,453	2,782,646	1,233,980	6,185,415
Total Expenditures	<u>\$ 22,225,044</u>	<u>\$ 32,362,485</u>	<u>\$ 37,947,273</u>	<u>\$ 40,484,193</u>





**FY16-17 Proposed Budget
Summary of Expenditures - includes transfers**

Fund/Department	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Operating Funds				
Mayor & Council	\$ 76,799	\$ 82,680	\$ 80,084	\$ 72,545
Administration	1,958,224	2,202,263	2,155,523	2,092,500
General Government	-	-	-	3,559,040
Municipal Court	292,490	297,656	277,107	321,254
Public Works	-	-	1,841,444	830,201
Development Services	1,609,961	1,891,781	-	927,139
Community Services	2,120,860	2,178,290	2,359,946	2,181,310
Fire & Emergency Medical	3,385,588	3,415,299	3,501,797	3,708,717
Law Enforcement	3,064,707	3,353,581	3,683,970	3,930,111
Total General Fund	<u>12,508,629</u>	<u>13,421,550</u>	<u>13,899,871</u>	<u>17,622,817</u>
Community Services	1,234	7,185	15,000	39,000
Total Public Art Fund	<u>1,234</u>	<u>7,185</u>	<u>15,000</u>	<u>39,000</u>
Administration	64,560	60,203	68,555	71,780
Total Internal Service Fund	<u>64,560</u>	<u>60,203</u>	<u>68,555</u>	<u>71,780</u>
Administration	550,581	23,954	31,000	111,000
Public Works	134,091	-	-	90,000
Total Vehicle/Equip Repl Fund	<u>684,672</u>	<u>23,954</u>	<u>31,000</u>	<u>201,000</u>
Total Operating Funds	<u>\$ 13,259,095</u>	<u>\$ 13,512,892</u>	<u>\$ 14,014,426</u>	<u>\$ 17,934,597</u>
Special Revenue Funds				
Public Works	\$ 3,146,310	\$ 1,312,001	\$ 2,848,121	\$ 3,594,696
Total Highway User Revenue Fund	<u>3,146,310</u>	<u>1,312,001</u>	<u>2,848,121</u>	<u>3,594,696</u>
Administration	272,730	1,194,160	557,886	1,021,655
Total Downtown Strategy Fund	<u>272,730</u>	<u>1,194,160</u>	<u>557,886</u>	<u>1,021,655</u>
Administration	147,581	264,396	321,101	318,411
Total Economic Development Fund	<u>147,581</u>	<u>264,396</u>	<u>321,101</u>	<u>318,411</u>
Community Services	-	118,120	188,580	208,220
Total Tourism Fund	<u>-</u>	<u>118,120</u>	<u>188,580</u>	<u>208,220</u>
Administration	61,667	102,364	1,601,841	1,655,000
Total Special Revenue Fund	<u>61,667</u>	<u>102,364</u>	<u>1,601,841</u>	<u>1,655,000</u>
Municipal Court	3,894	845	80,615	88,115
Total Court Enhancement Fund	<u>3,894</u>	<u>845</u>	<u>80,615</u>	<u>88,115</u>
Public Works	-	-	639,241	540,586
Total Environmental Fund	<u>-</u>	<u>-</u>	<u>639,241</u>	<u>540,586</u>
Administration	3,363	3,235	4,043	4,265
Total Cottonwoods Maint District	<u>3,363</u>	<u>3,235</u>	<u>4,043</u>	<u>4,265</u>
Total Special Revenue Funds	<u>\$ 3,635,545</u>	<u>\$ 2,995,121</u>	<u>\$ 6,241,428</u>	<u>\$ 7,430,948</u>



**FY16-17 Proposed Budget
Summary of Expenditures - includes transfers**

Fund/Department	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Debt Service Funds				
Administration	\$ 1,014,000	\$ 561,022	\$ 2,094,722	\$ 2,119,350
Total Gen Oblig Debt Service	<u>1,014,000</u>	<u>561,022</u>	<u>2,094,722</u>	<u>2,119,350</u>
Development Services	<u>425,313</u>	<u>2,669,113</u>	<u>411,851</u>	<u>409,226</u>
Total Eagle Mtn CFD Debt Service	<u>425,313</u>	<u>2,669,113</u>	<u>411,851</u>	<u>409,226</u>
Administration	<u>1,108,910</u>	<u>2,954,713</u>	<u>520,740</u>	<u>393,690</u>
Total Munic Prop Corp Debt Service	<u>1,108,910</u>	<u>2,954,713</u>	<u>520,740</u>	<u>393,690</u>
Total Debt Service Funds	<u>\$ 2,548,223</u>	<u>\$ 6,184,848</u>	<u>\$ 3,027,313</u>	<u>\$ 2,922,266</u>
Capital Projects Funds				
Administration	\$ 539,410	\$ 1,099,020	\$ 324,771	\$ 1,072,885
Public Works	1,678,516	7,422,660	9,140,000	1,880,000
Community Services	92,712	535,714	1,148,114	2,940,000
Fire & Emergency Medical	<u>433,826</u>	<u>119,319</u>	<u>3,650,000</u>	<u>3,800,000</u>
Total Capital Projects Fund	<u>2,744,464</u>	<u>9,176,713</u>	<u>14,262,885</u>	<u>9,692,885</u>
Public Works	-	41,010	130,000	431,000
Total Facilities Replacement Fund	-	<u>41,010</u>	<u>130,000</u>	<u>431,000</u>
Law Enforcement	<u>2,306</u>	-	<u>203,484</u>	<u>203,484</u>
Total Law Enforcement Dev Fee	<u>2,306</u>	-	<u>203,484</u>	<u>203,484</u>
Fire & Emergency Medical	<u>2,306</u>	-	<u>67,202</u>	<u>51,822</u>
Total Fire/Emergency Dev Fee	<u>2,306</u>	-	<u>67,202</u>	<u>51,822</u>
Public Works	<u>11,813</u>	<u>407,921</u>	-	-
Total Streets Dev Fee	<u>11,813</u>	<u>407,921</u>	-	-
Community Services	<u>9,217</u>	-	-	<u>144,987</u>
Total Park/Rec Dev Fee	<u>9,217</u>	-	-	<u>144,987</u>
Community Services	<u>9,769</u>	<u>535</u>	<u>535</u>	<u>1,672,204</u>
Total Open Space Dev Fee	<u>9,769</u>	<u>535</u>	<u>535</u>	<u>1,672,204</u>
Community Services	<u>2,306</u>	<u>43,445</u>	-	-
Total Library/Museum Dev Fee	<u>2,306</u>	<u>43,445</u>	-	-
Total Capital Projects Funds	<u>\$ 2,782,181</u>	<u>\$ 9,669,624</u>	<u>\$ 14,664,106</u>	<u>\$ 12,196,382</u>
Grand Total of All Funds, including Transfers Out	<u>\$ 22,225,044</u>	<u>\$ 32,362,485</u>	<u>\$ 37,947,273</u>	<u>\$ 40,484,193</u>
Less: Transfers Out	<u>1,838,453</u>	<u>2,782,646</u>	<u>1,240,981</u>	<u>6,185,415</u>
Net Expenditures - Total of All Funds	<u>\$ 20,386,591</u>	<u>\$ 29,579,839</u>	<u>\$ 36,706,292</u>	<u>\$ 34,298,778</u>



FY16-17 Projected Changes in Fund Balances

	Operating Funds	Debt Service Funds	Capital Projects Funds	Non-Major Funds	Total
Revenues:					
Sales Tax	\$ 7,551,057	\$ -	\$ 433,023	\$ 1,039,167	\$ 9,023,247
Property Tax	-	2,272,976	-	5,588	2,278,564
Franchise Tax	332,418	-	-	-	332,418
Intergovernmental	5,213,309	-	255,000	3,909,986	9,378,295
Fines and Forfeitures	210,685	-	-	16,350	227,035
Licenses and Permits	1,292,775	-	180,571	540,000	2,013,346
Charges for Services	139,050	-	-	262,000	401,050
Leases and Rents	254,691	-	-	-	254,691
Investment Earnings	30,612	660	12,264	3,532	47,068
Other	374,637	-	150,000	35,000	559,637
Sub total	15,399,234	2,273,636	1,030,858	5,811,623	24,515,351
Transfers In	78,828	249,055	5,046,962	810,570	6,185,415
Total Revenues	15,478,062	2,522,691	6,077,820	6,622,193	30,700,766
Expenditures:					
General Government:					
Mayor and Council Administration	72,545	-	-	-	72,545
General Government	2,275,280	2,922,266	693,885	1,659,265	7,550,696
Municipal Court	980,986	-	-	-	980,986
Municipal Court	321,254	-	-	88,115	409,369
Total General Government	3,650,065	2,922,266	693,885	1,747,380	9,013,596
Public Safety:					
Fire & Emergency Medical	3,708,717	-	3,800,000	-	7,508,717
Law Enforcement	3,930,111	-	-	-	3,930,111
Total Public Service	7,638,828	-	3,800,000	-	11,438,828
Community Services	2,217,839	-	2,940,535	208,220	5,366,594
Development Services:					
Public Works	920,201	-	2,311,000	4,135,282	7,366,483
Development Services	927,139	-	-	186,138	1,113,277
Total Development Services	1,847,340	-	2,311,000	4,321,420	8,479,760
Sub total	15,354,072	2,922,266	9,745,420	6,277,020	34,298,778
Transfers Out	2,580,525	-	2,450,962	1,153,928	6,185,415
Total Expenditures	17,934,597	2,922,266	12,196,382	7,430,948	40,484,193
Net Change in Fund Balance	(2,456,535)	(399,575)	(6,118,562)	(808,755)	(9,783,427)
Fund Balance					
Beginning of Year - estimated	10,383,176	1,053,522	8,060,487	2,677,101	22,174,286
End of Year	\$ 7,926,641	\$ 653,947	\$ 1,941,925	\$ 1,868,346	\$ 12,390,859
Fund Balance Percentage Change	(24%)	(38%)	(76%)	(30%)	(44%)

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

Operating funds included in this table are the General Fund, Public Art and Internal Service Funds. The reduction in fund balance is the result of transfers out to fund one time capital expenditures in other funds. The Debt Service Fund decreased because of the use of accumulated reserves. The Capital Projects and Non-Major funds will also be utilizing accumulated reserves, as well as funds transferred into the funds, for one time capital expenditures.

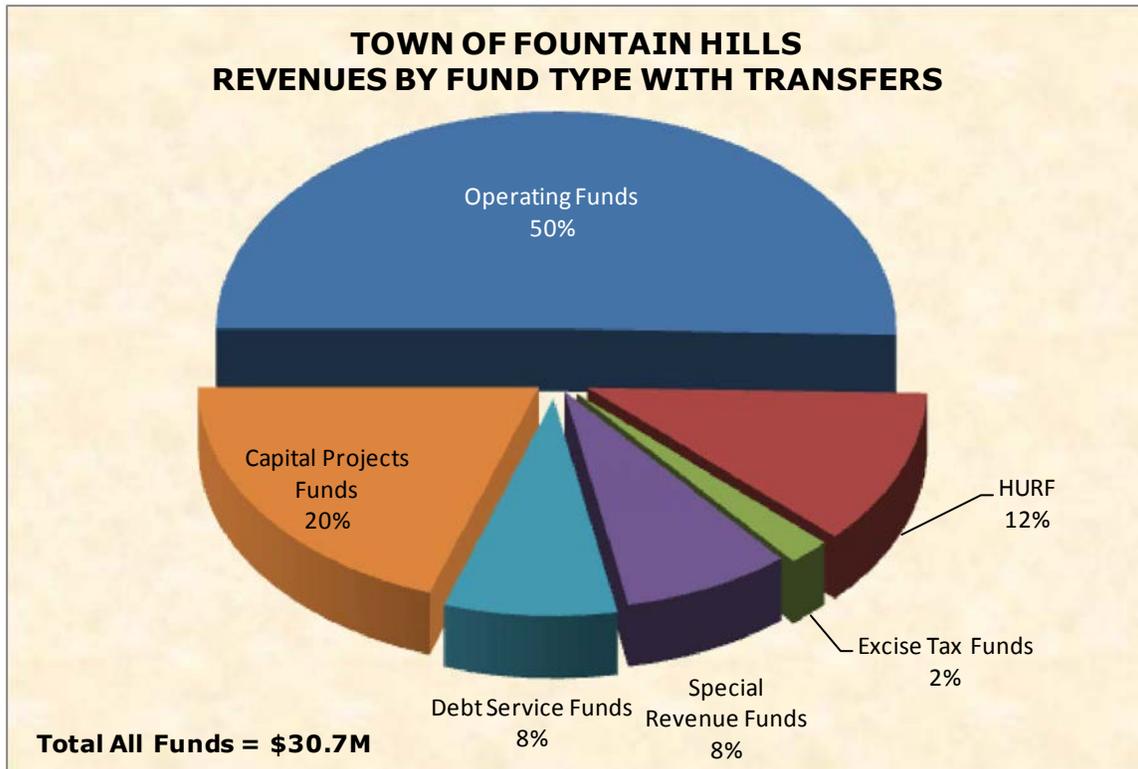


Revenue Summary



Revenue

This section provides a broad overview of the revenues included in the FY16-17 budget. Information is presented for each fund.



Total revenues for all funds are estimated at \$30,700,766. The Operating Funds portion represents approximately 50% of the total. HURF/Streets funds represent 12% of the total. Special Revenue funds represent another 8% of the budget. Debt Service represents 8% and Capital Projects represent 20%.

**FY16-17 Proposed Budget
Summary of Revenues - includes transfers**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Operating Funds				
Sales Tax-Local	\$ 7,100,383	\$ 7,504,014	\$ 7,317,367	\$ 7,551,057
Franchise Fees	349,414	352,673	324,310	332,418
Liquor License Fees	4,400	4,550	1,500	1,500
Business License	103,640	128,377	109,575	103,500
Animal License	44,426	41,261	41,832	40,320
Building Permit	137,133	171,307	257,755	556,512
Sign Permits	8,540	7,145	3,350	6,200
Planning & Zoning Fees	40,278	34,346	10,000	16,059
Landscape Permits	-	840	2,100	25,200
Encroachment Permits	19,921	38,709	20,000	35,000
Variances	3,225	5,000	4,000	9,000
Subdivision Fees	34,755	78,835	21,000	44,500
Special Event Permit	5,350	6,925	2,500	2,500
Engineering Fees	3,850	5,100	2,500	3,500
Plan Review	131,005	172,778	193,316	430,884
Inspection Fees	18,168	24,204	17,000	17,000
Alcohol Permits	-	20	1,270	1,100
Rental Fees	98,793	116,736	124,840	134,210
Non-Taxable Rental	12,215	10,229	12,509	11,209
Cell Tower Lease	141,576	142,789	142,212	109,272
Sales Tax-State	1,957,505	2,055,241	2,148,444	2,250,724
Income Tax-State	2,506,685	2,722,433	2,707,673	2,925,453
Fire Insurance Prem Tax	39,174	38,211	36,050	37,132
Program Fees	138,089	156,839	135,200	139,050
Non-Taxable Fees	381	500	1,500	-
Sponsorships	9,469	9,860	11,750	10,200
Donations	36,208	2,484	20,260	105
Reimbursements/Refunds	-	-	1,000	1,000
Auction/Recycle Proceeds	2,516	643	1,000	1,000
Restitution/Ins Proceeds	60	9,282	1,000	1,000
Miscellaneous Revenue	13,583	2,543	20,822	10,150
Taxable Sales	7,785	6,938	6,900	6,522
Court Fines/Fees	154,024	167,491	147,011	195,685
Interest Income	56,449	55,009	50,000	30,000
Internal Service Charges	1,926	2,289	5,420	3,330
Transfer In	-	-	2,000	39,828
Total General Fund	<u>13,180,926</u>	<u>14,075,601</u>	<u>13,904,966</u>	<u>15,082,120</u>
In-Lieu Fees	750	16,180	15,000	15,000
Transfer In	-	-	-	-
Interest Income	-	6	-	12
Transfer In	-	-	-	39,000
Total Public Art Fund	<u>750</u>	<u>16,186</u>	<u>15,000</u>	<u>54,012</u>
Miscellaneous Revenue	201	-	-	-
Internal Service Charges	61,859	70,650	68,555	73,840
Total Internal Service Fund	<u>62,060</u>	<u>70,650</u>	<u>68,555</u>	<u>73,840</u>
Auction/Recycle Proceeds	54,107	239	-	-
Restitution/Ins Proceeds	-	-	-	-
Interest Income	95	293	-	600
Internal Service Charges	2,233	1,445	1,268	1,268
Vehicle Repl Charges	153,797	178,027	205,194	266,222
Transfer In	-	-	-	-
Total Vehicle/Equip Repl Fund	<u>210,232</u>	<u>180,004</u>	<u>206,462</u>	<u>268,090</u>
Total Operating Funds	<u>\$ 13,453,968</u>	<u>\$ 14,342,441</u>	<u>\$ 14,194,983</u>	<u>\$ 15,478,062</u>



**FY16-17 Proposed Budget
Summary of Revenues - includes transfers**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Special Revenue Funds				
Sales Tax-Local	\$ -	\$ -	\$ -	\$ 692,778
Vehicle License Tax	800,475	858,874	888,838	929,081
Highway User Tax	1,268,563	1,392,806	1,403,324	1,444,905
In-Lieu Fees	22,156	3,022	12,000	262,000
Reimbursements/Refunds	-	509	-	-
Auction/Recycle Proceeds	437	2,089	-	-
Restitution/Ins Proceeds	9,212	8,510	-	25,000
Miscellaneous Revenue	533	-	6,000	-
Interest Income	375	809	300	300
Transfer In	994,000	562	-	202,000
Total Highway User Revenue Fund	<u>3,095,751</u>	<u>2,267,181</u>	<u>2,310,462</u>	<u>3,556,064</u>
Sales Tax-Local	-	-	66,517	69,278
Sales-Excise Tax	129,069	100,540	-	-
Interest Income	11,878	13,225	6,000	3,036
Total Downtown Strategy Fund	<u>140,947</u>	<u>113,765</u>	<u>72,517</u>	<u>72,314</u>
Sales Tax-Local	-	-	266,066	277,111
Sales-Excise Tax	193,603	244,420	-	-
Interest Income	29	80	-	96
Transfer In	-	90,000	50,000	50,000
Total Economic Development Fund	<u>193,632</u>	<u>334,500</u>	<u>316,066</u>	<u>327,207</u>
Grants	-	-	26,659	30,000
Prop 202/Gaming Rev	-	-	25,000	30,000
Sponsorships	-	-	-	10,000
Transfer In	-	119,100	139,100	139,570
Total Tourism Fund	<u>-</u>	<u>119,100</u>	<u>190,759</u>	<u>209,570</u>
Grants	-	2,000	1,481,841	1,336,000
LTA II	31,667	9,643	65,000	65,000
Prop 202/Gaming Rev	30,000	67,044	75,000	75,000
Donations	-	23,677	-	-
Transfer In	-	1,639	-	179,000
Total Special Revenue Fund	<u>61,667</u>	<u>104,003</u>	<u>1,621,841</u>	<u>1,655,000</u>
CCEF Revenue	14,750	16,599	14,250	14,250
JCEF Revenue	2,221	2,366	2,100	2,100
Interest Income	124	64	100	100
Total Court Enhancement Fund	<u>17,095</u>	<u>19,029</u>	<u>16,450</u>	<u>16,450</u>
Environmental Fee	-	-	540,000	540,000
Transfer In	-	-	222,480	240,000
Total Environmental Fund	<u>-</u>	<u>-</u>	<u>762,480</u>	<u>780,000</u>
Property Tax-Cy	4,823	4,823	5,366	5,588
Interest Income	5	8	-	-
Total Cottonwoods Maint District	<u>4,828</u>	<u>4,831</u>	<u>5,366</u>	<u>5,588</u>
Total Special Revenue Funds	<u>\$ 3,513,920</u>	<u>\$ 2,962,409</u>	<u>\$ 5,295,941</u>	<u>\$ 6,622,193</u>



**FY16-17 Proposed Budget
Summary of Revenues - includes transfers**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Debt Service Funds				
Property Tax-Cy	\$ 1,029,428	\$ 475,285	\$ 2,109,477	\$ 1,894,584
Interest Income	178	327	210	210
Transfer In	-	362,638	-	-
Total Gen Oblig Bond Debt Service	<u>1,029,606</u>	<u>838,250</u>	<u>2,109,687</u>	<u>1,894,794</u>
Property Tax-Cy	428,805	424,552	416,686	378,392
Debt Service/Bond Proceeds	-	2,300,000	-	-
Interest Income	77	166	9	150
Total Eagle Mtn CFD Debt Service	<u>428,882</u>	<u>2,724,718</u>	<u>416,695</u>	<u>378,542</u>
Sales Tax-Local	-	-	665,165	-
Sales-Excise Tax	645,342	689,920	-	-
Debt Service/Bond Proceeds	-	1,880,000	-	-
Interest Income	107	455	100	300
Transfer In	421,884	500,000	-	249,055
Total Munic Prop Corp Debt Service	<u>1,067,333</u>	<u>3,070,375</u>	<u>665,265</u>	<u>249,355</u>
Total Debt Service Funds	<u>\$ 2,525,821</u>	<u>\$ 6,633,343</u>	<u>\$ 3,191,647</u>	<u>\$ 2,522,691</u>



**FY16-17 Proposed Budget
Summary of Revenues - includes transfers**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Capital Projects Funds				
Sales Tax-Local	\$ 390,871	\$ 444,155	\$ 332,035	\$ 433,023
Development Fees	-	200,000	-	-
Debt Service/Bond Proceeds	-	7,565,000	-	-
Premium on Bond Proceeds	-	342,086	-	-
Grants	43,449	2,600,221	1,790,000	255,000
Reimbursements/Refunds	-	11,600	154,082	150,000
Restitution/ Ins Proceeds	-	32,001	-	-
Miscellaneous/Reimbursements	-	-	-	-
Interest Income	30,814	51,587	12,000	6,000
Transfer In	421,641	1,564,936	745,686	4,046,962
Total Capital Projects Fund	<u>886,775</u>	<u>12,811,586</u>	<u>3,033,803</u>	<u>4,890,985</u>
Transfer In	-	143,772	81,715	1,000,000
Total Facilities Replacement Fund	<u>-</u>	<u>143,772</u>	<u>81,715</u>	<u>1,000,000</u>
Development Fees	3,059	672	-	-
Interest Income	105	58	-	-
Total Law Enforcement Dev Fee	<u>3,164</u>	<u>730</u>	<u>-</u>	<u>-</u>
Development Fees	9,234	20,504	26,579	58,277
Interest Income	25	45	-	144
Total Fire/Emergency Dev Fee	<u>9,259</u>	<u>20,549</u>	<u>26,579</u>	<u>58,421</u>
Development Fees	228,265	33,684	-	-
Interest Income	147	121	-	-
Total Streets Dev Fee	<u>228,412</u>	<u>33,805</u>	<u>-</u>	<u>-</u>
Development Fees	93,636	68,651	78,060	122,294
Interest Income	1	34	-	120
Total Park/Rec Dev Fee	<u>93,637</u>	<u>68,685</u>	<u>78,060</u>	<u>122,414</u>
Development Fees	-	-	-	-
Interest Income	11,622	13,241	6,000	6,000
Total Open Space Dev Fee	<u>11,622</u>	<u>13,241</u>	<u>6,000</u>	<u>6,000</u>
Development Fees	2,898	474	-	-
Interest Income	17	13	-	-
Total Library/Museum Dev Fee	<u>2,915</u>	<u>487</u>	<u>-</u>	<u>-</u>
Transfer In	928	-	-	-
Total General Govt Dev Fee	<u>928</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Capital Projects Funds	<u>\$ 1,236,712</u>	<u>\$ 13,092,855</u>	<u>\$ 3,226,157</u>	<u>\$ 6,077,820</u>
Grand Total of All Funds, including Transfers In	<u>\$ 20,730,421</u>	<u>\$ 37,031,048</u>	<u>\$ 25,908,728</u>	<u>\$ 30,700,766</u>
Less: Transfers In	1,838,453	2,782,646	1,240,980	6,185,415
Net Revenues - Total of All Funds	<u>\$ 18,891,968</u>	<u>\$ 34,248,402</u>	<u>\$ 24,667,748</u>	<u>\$ 24,515,351</u>



FY16-17 Revenues by Type

	Operating Funds	Debt Service Funds	Capital Projects Funds	Non-Major Funds	Total	% of Total
Revenues:						
Sales Tax	\$ 7,551,057	\$ -	\$ 433,023	\$ 1,039,167	\$ 9,023,247	22%
Property Tax	-	2,272,976	-	5,588	2,278,564	6%
Franchise Tax	332,418	-	-	-	332,418	1%
Intergovernmental	5,213,309	-	255,000	3,909,986	9,378,295	23%
Fines and Forfeitures	210,685	-	-	16,350	227,035	1%
Licenses and Permits	1,292,775	-	180,571	540,000	2,013,346	5%
Charges for Services	139,050	-	-	262,000	401,050	1%
Leases and Rents	254,691	-	-	-	254,691	1%
Investment Earnings	30,612	660	12,264	3,532	47,068	0%
Other	374,637	-	150,000	35,000	559,637	1%
Sub total Revenues	15,399,234	2,273,636	1,030,858	5,811,623	24,515,351	60%
Transfers In	78,828	249,055	5,046,962	810,570	6,185,415	15%
Sub total	15,478,062	2,522,691	6,077,820	6,622,193	30,700,766	76%
Use/(Source) of Reserves	2,456,535	399,575	6,118,562	808,755	9,783,427	24%
Total Revenues	<u>\$ 17,934,597</u>	<u>\$ 2,922,266</u>	<u>\$ 12,196,382</u>	<u>\$ 7,430,948</u>	<u>\$ 40,484,193</u>	<u>100%</u>

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

The use of reserves is intended to be for funding capital projects.



Revenue Summary
 State Shared Sales Tax Revenue
 General Fund

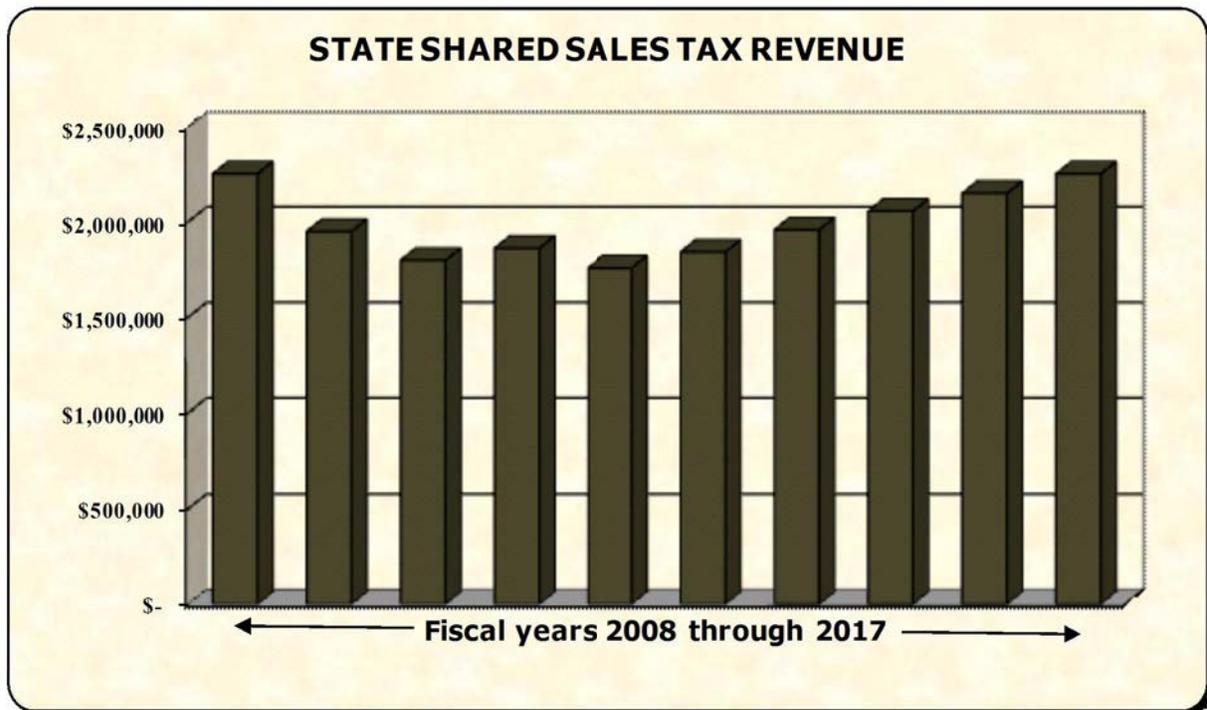
Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purposes.	2007-08	\$ 2,250,912	-3.3%
	2008-09	\$ 1,948,661	-13.4%
	2009-10	\$ 1,797,356	-7.8%
	2010-11	\$ 1,860,421	3.5%
	2011-12	\$ 1,757,297	-5.5% ¹
	2012-13	\$ 1,840,766	4.7%
	2013-14	\$ 1,957,505	6.3%
	2014-15	\$ 2,055,241	5.0%
	2015-16 (est.)	\$ 2,148,444	4.5%
	2016-17 (est.)	\$ 2,250,724	4.8% ¹

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 2010 census figures (Fountain Hills represents .4% of the State total). The FY16-17 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



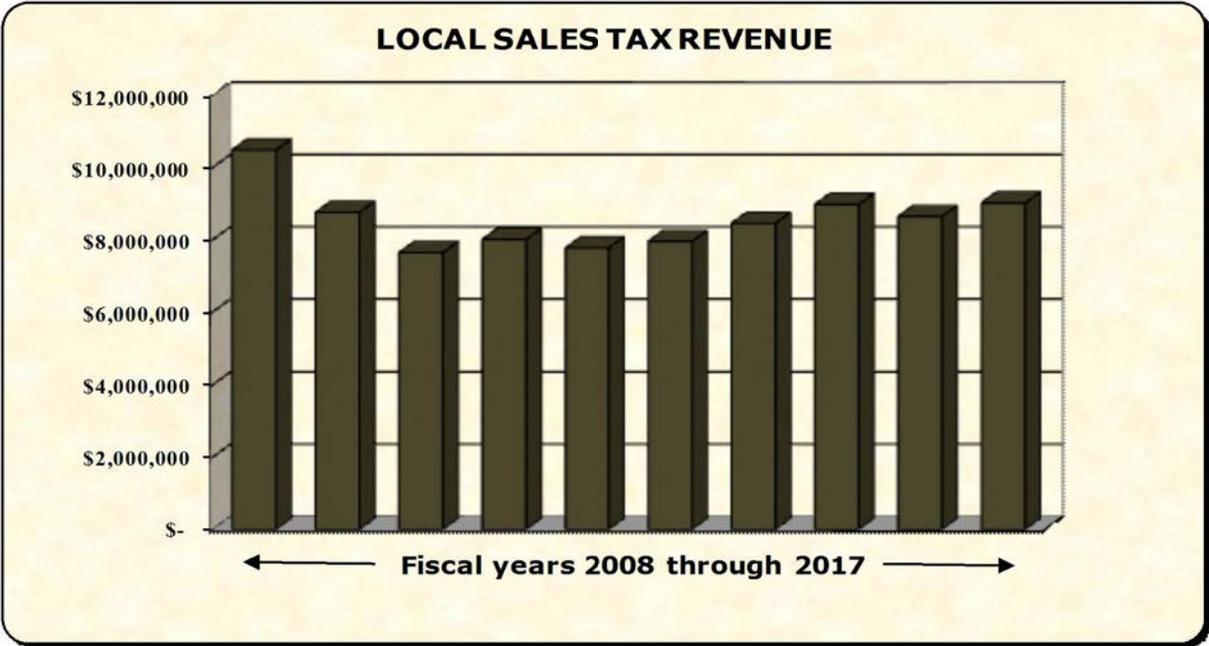
Restrictions	Fiscal Year	Amount	Percent Change
Revenues from the 2.6% local sales tax are allocated to Capital Projects, Downtown Strategy, Economic Development and General Fund. General Fund proceeds are not restricted but must be expended for public purpose.	2007-08	\$ 10,489,591	-8.1%
	2008-09	\$ 8,758,926	-16.5%
	2009-10	\$ 7,644,441	-12.7%
	2010-11	\$ 8,013,480	4.8%
	2011-12	\$ 7,779,219	-2.9%
	2012-13	\$ 7,957,162	2.3%
	2013-14	\$ 8,459,267	6.3%
	2014-15	\$ 8,983,050	6.2%
	2015-16 (est.)	\$ 8,647,150	-3.7%
	2016-17 (est.)	\$ 9,023,247	4.3%

Assumptions

The local sales tax rate in Fountain Hills is 2.6% - total receipts for FY16-17 are estimated to be \$9,023,246. 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:

<u>Dedications:</u>	
Downtown Strategy Fund	\$ 69,278
Economic Development Fund	277,111
Pavement Replacement	692,778
Capital Projects Fund	433,022
General Fund	<u>7,551,058</u>
Total Projections	<u>\$ 9,023,247</u>

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



Revenue Summary
 State Shared Income Tax Revenue
 General Fund

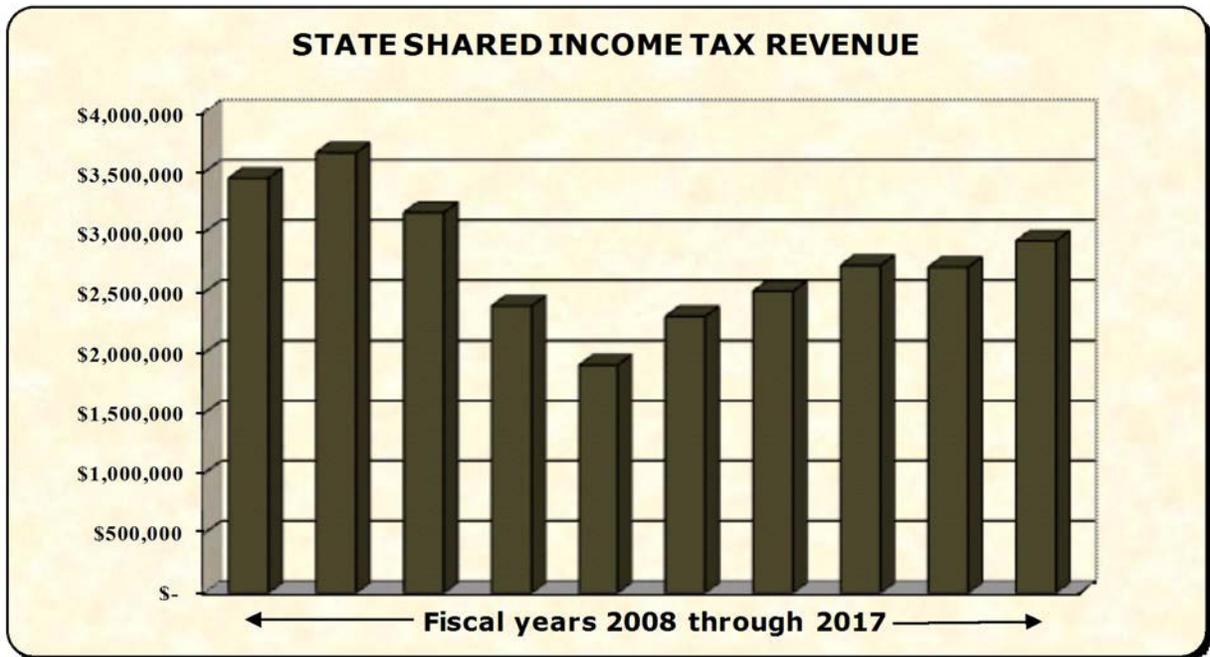
Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purposes.	2007-08	\$ 3,446,760	24.0%
	2008-09	\$ 3,659,964	6.2%
	2009-10	\$ 3,162,174	-13.6%
	2010-11	\$ 2,383,874	-24.6%
	2011-12	\$ 1,898,088	-20.4% ¹
	2012-13	\$ 2,297,203	21.0%
	2013-14	\$ 2,506,685	9.1%
	2014-15	\$ 2,722,433	8.6%
	2015-16 (est.)	\$ 2,707,673	-0.5%
	2016-17 (est.)	\$ 2,925,453	8.0% ¹

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 FY16-17 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

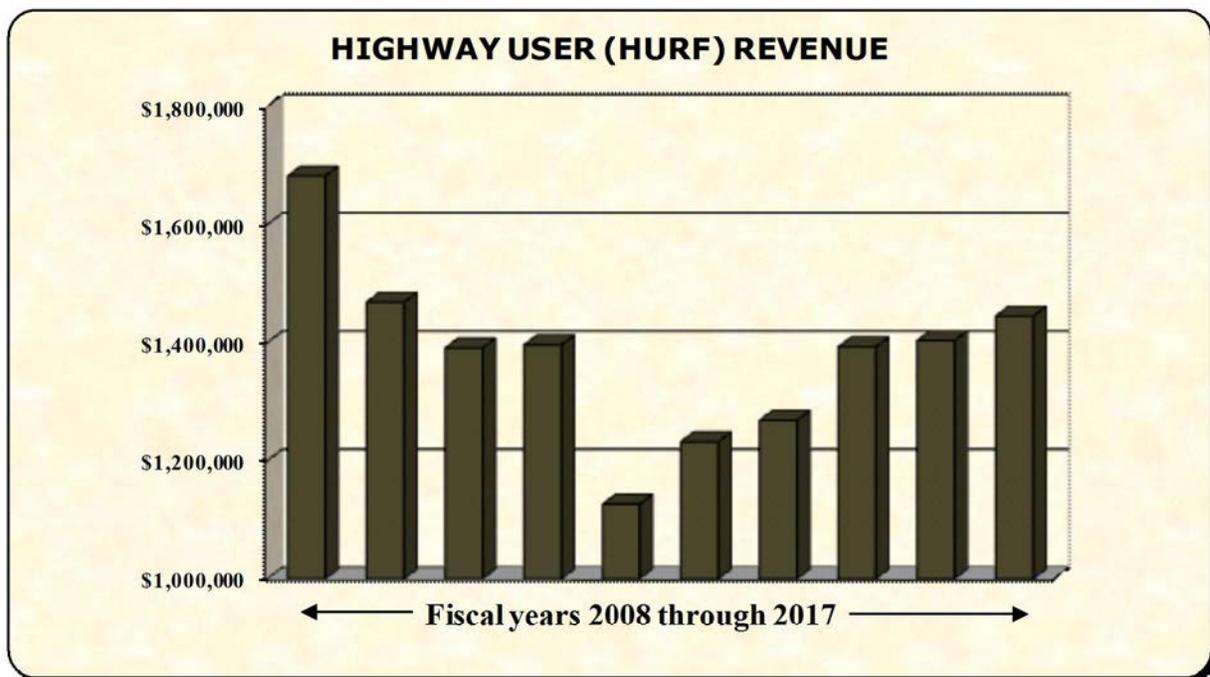


Restrictions	Fiscal Year	Amount	Percent Change
There is a State constitutional restriction on the use of these funds which requires that these funds be used solely for street and highway purposes. Payment of principal and interest on highway and street bonds are an approved use.	2007-08	\$ 1,682,055	-3.9%
	2008-09	\$ 1,468,335	-12.7%
	2009-10	\$ 1,391,100	-5.3%
	2010-11	\$ 1,396,075	0.4%
	2011-12	\$ 1,126,762	-19.3%
	2012-13	\$ 1,232,187	9.4%
	2013-14	\$ 1,268,563	3.0%
	2014-15	\$ 1,392,806	9.8%
	2015-16 (est.)	\$ 1,403,324	0.8%
	2016-17 (est.)	\$ 1,444,905	3.0%

Assumptions

Cities and towns receive 27.5% of fuel tax and transportation related fees collected by the State based on population and county of origin of gasoline sales. The increase in HURF allocations in FY06-07 was the result of the 2005 census population estimates. The revenue estimate for FY16-17 is based on estimates of revenue sharing by Arizona Department of Transportation (ADOT) in their distribution forecast for the next fiscal year.

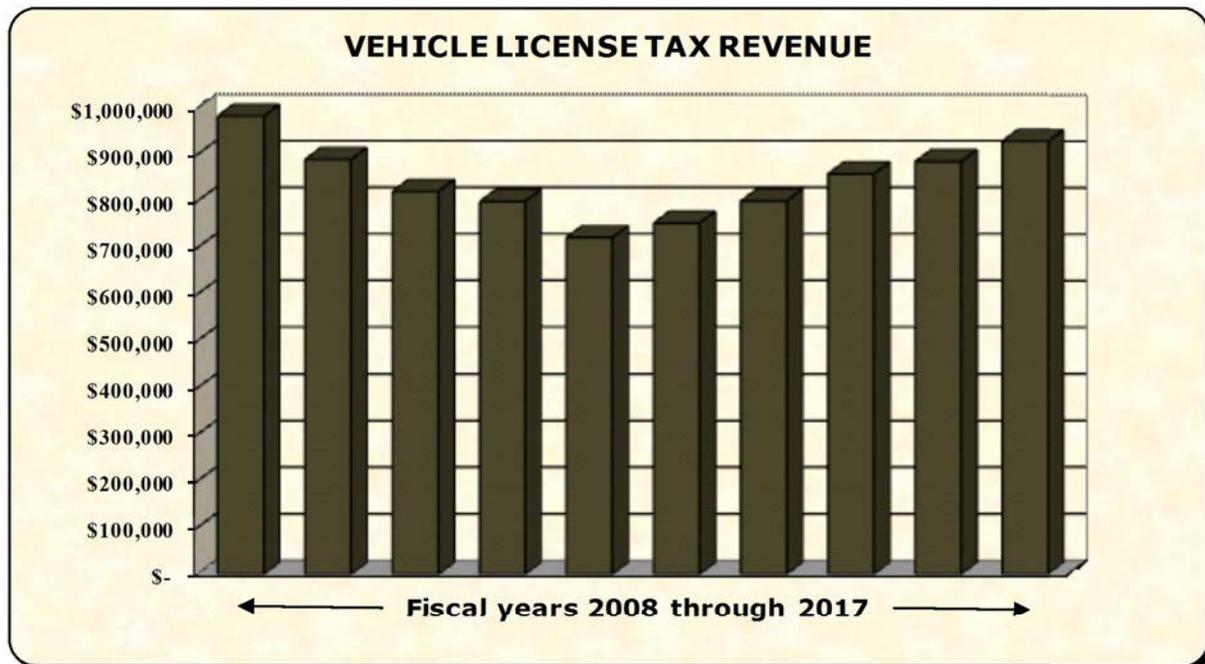
Major Influences: Gasoline sales, Population, Economy and State Policy



Restrictions	Fiscal Year	Amount	Percent Change
Town Council has restricted for the Pavement Management Program.	2007-08	\$ 982,943	-3.1%
	2008-09	\$ 889,826	-9.5%
	2009-10	\$ 821,321	-7.7%
	2010-11	\$ 799,551	-2.7%
	2011-12	\$ 722,126	-9.7%
	2012-13	\$ 752,949	4.3%
	2013-14	\$ 800,475	6.3%
	2014-15	\$ 858,874	7.3%
	2015-16 (est.)	\$ 885,292	3.1%
	2016-17 (est.)	\$ 929,081	4.9%
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 (.4%). 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 street (transferred to HURF fund).

Major Influences: Automobile sales, Population, and State Policy

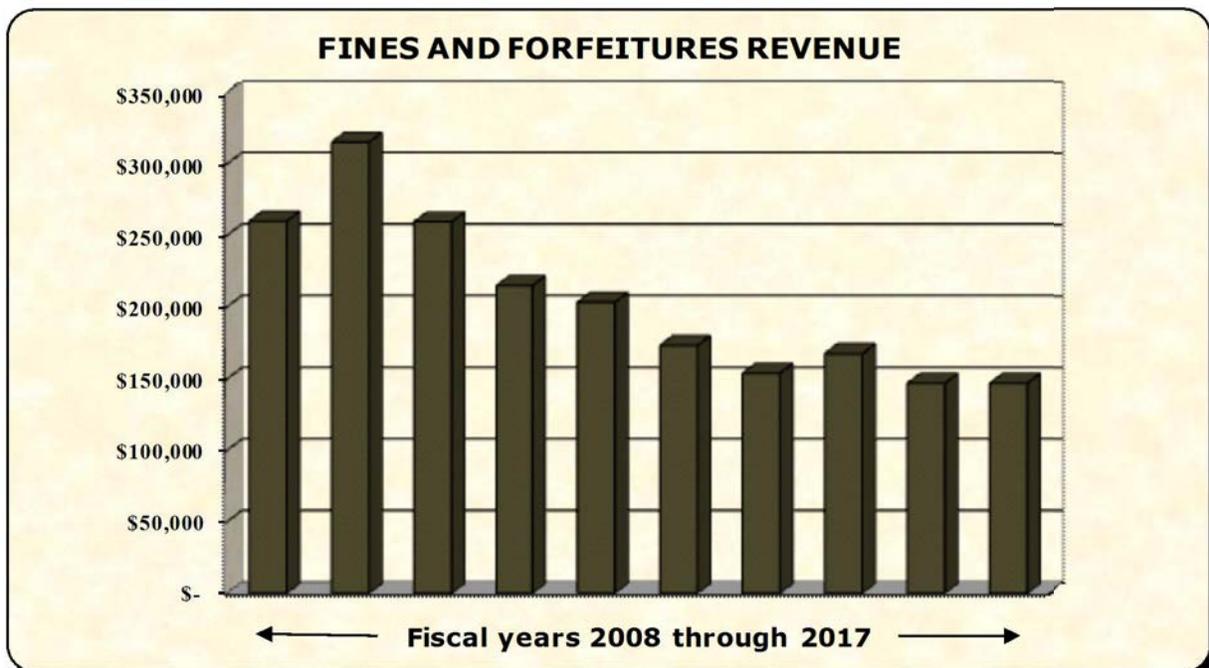


Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purpose.	2007-08	\$ 260,044	-7.5%
	2008-09	\$ 315,274	21.2%
	2009-10	\$ 259,571	-17.7%
	2010-11	\$ 214,999	-17.2%
	2011-12	\$ 203,350	-5.4%
	2012-13	\$ 173,024	-14.9%
	2013-14	\$ 154,024	-11.0%
	2014-15	\$ 167,491	8.7%
	2015-16 (est.)	\$ 147,011	-12.2%
	2016-17 (est.)	\$ 147,011	0.0%

Assumptions

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

Major Influences: Population, Enforcement, Public Policy

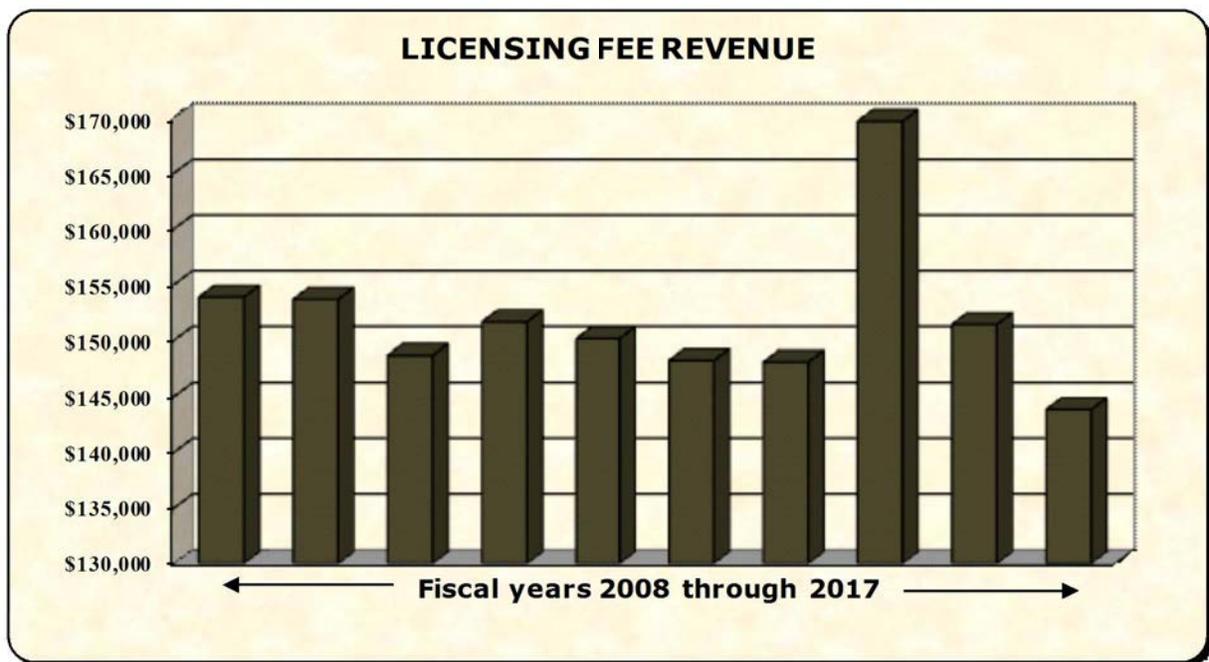


Revenue Summary
 Licensing Fee Revenue
 General Fund

Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purpose.	2007-08	\$ 153,858	-0.4%
	2008-09	\$ 153,663	-0.1%
	2009-10	\$ 148,657	-3.3%
	2010-11	\$ 151,637	2.0%
	2011-12	\$ 150,144	-1.0%
	2012-13	\$ 148,209	-1.3%
	2013-14	\$ 148,066	-0.1%
	2014-15	\$ 169,638	14.6%
	2015-16 (est.)	\$ 151,407	-10.7%
	2016-17 (est.)	\$ 143,820	-5.0%
Assumptions			

License fees are derived from fees on professions, occupations, businesses (\$103,500) and animals (\$40,320) within the Town. The license fee is used primarily as a means of regulating businesses and animal control within the community. The estimate for FY16-17 is based on 2,521 active business licenses and 2,905 animal licenses.

Major Influences: Economy, Enforcement

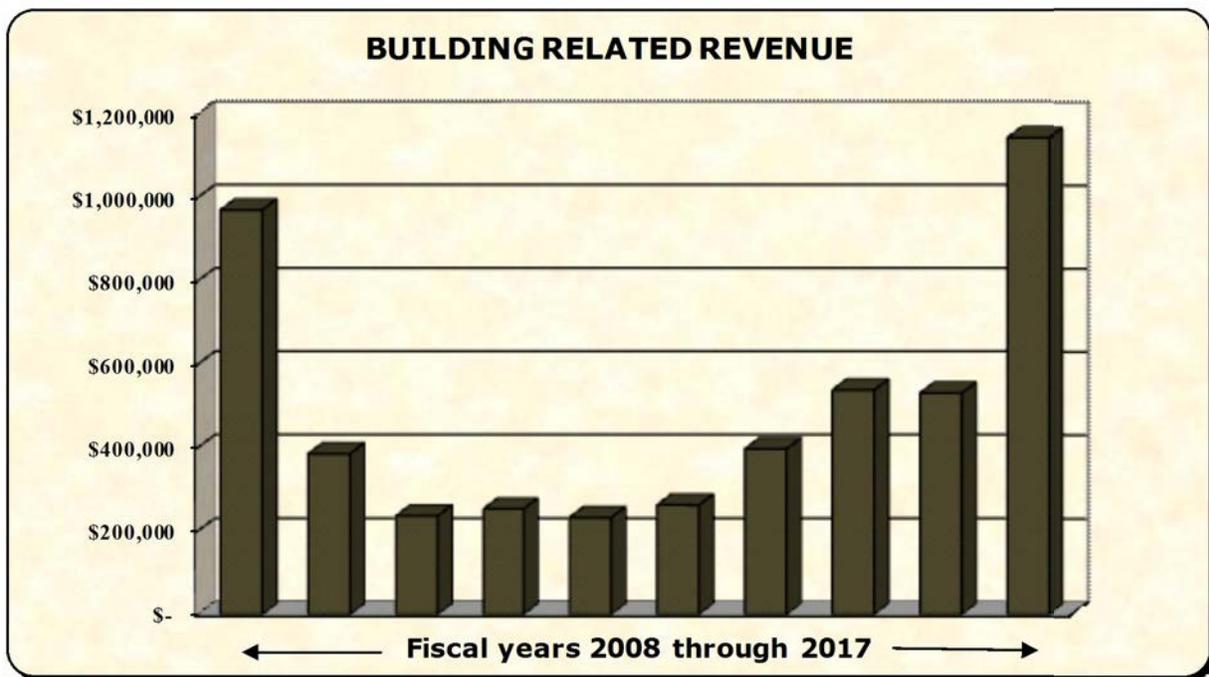


Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purpose.	2007-08	\$ 970,446	-10.5%
	2008-09	\$ 385,514	-60.3%
	2009-10	\$ 236,343	-38.7%
	2010-11	\$ 253,074	7.1%
	2011-12	\$ 232,447	-8.2%
	2012-13	\$ 262,403	12.9%
	2013-14	\$ 396,875	51.2%
	2014-15	\$ 538,264	35.6%
	2015-16 (est.)	\$ 531,021	-1.3%
	2016-17 (est.)	\$ 1,143,855	115.4%

Assumptions

Revenues from this source include the fees collected from building permits, rezoning, improvement plans, encroachment and subdivision plans. The estimates for FY16-17 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 47 single family, 42 multi-family unit, and 7 commercial projects.

Major Influences: Population, Economy, Development, Public Policy

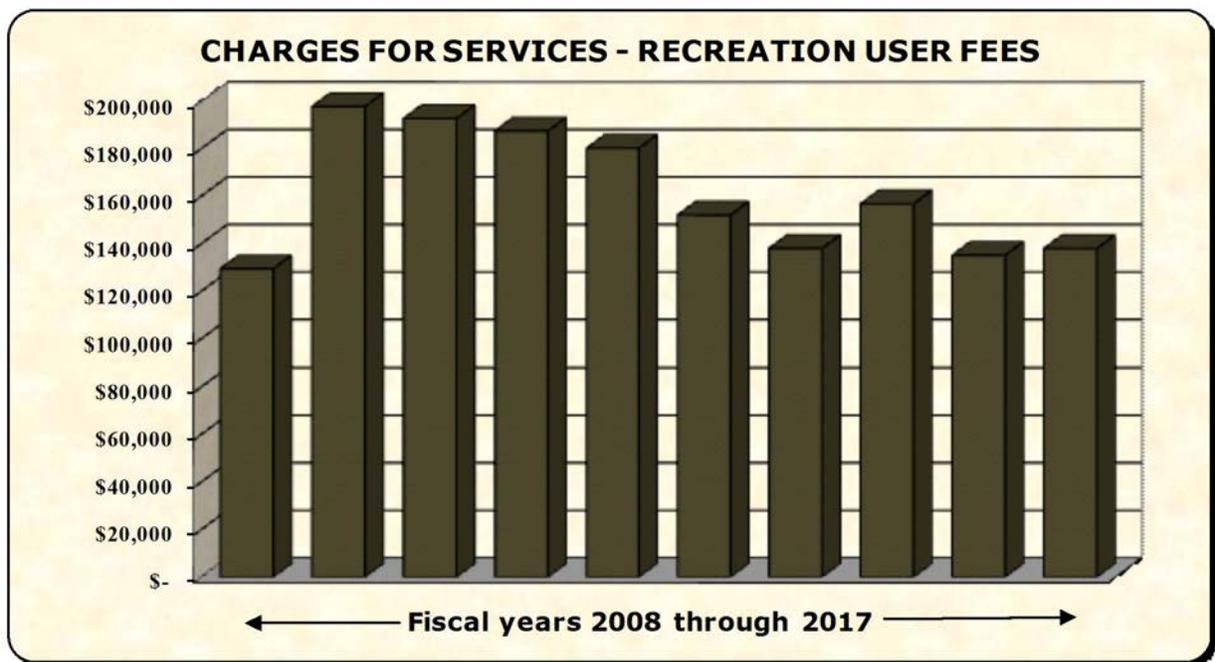


Revenue Summary
 Charges For Services-Recreation User Fees
 General Fund

Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purpose.	2007-08	\$ 129,522	-15.5%
	2008-09	\$ 197,717	52.7%
	2009-10	\$ 192,728	-2.5%
	2010-11	\$ 187,524	-2.7%
	2011-12	\$ 180,223	-3.9%
	2012-13	\$ 152,106	-15.6%
	2013-14	\$ 138,089	-9.2%
	2014-15	\$ 156,839	13.6%
	2015-16 (est.)	\$ 135,200	-13.8%
	2016-17 (est.)	\$ 138,000	2.1%
Assumptions			

Charges for services are collected from recreation programs for youths to seniors. The Senior Center offers programs for senior citizens including home delivered meals, fitness programs, special interest classes, as well as social events. The decreases reflects a general decline in the number of participants in recreation programs as well as a reduction in fees.

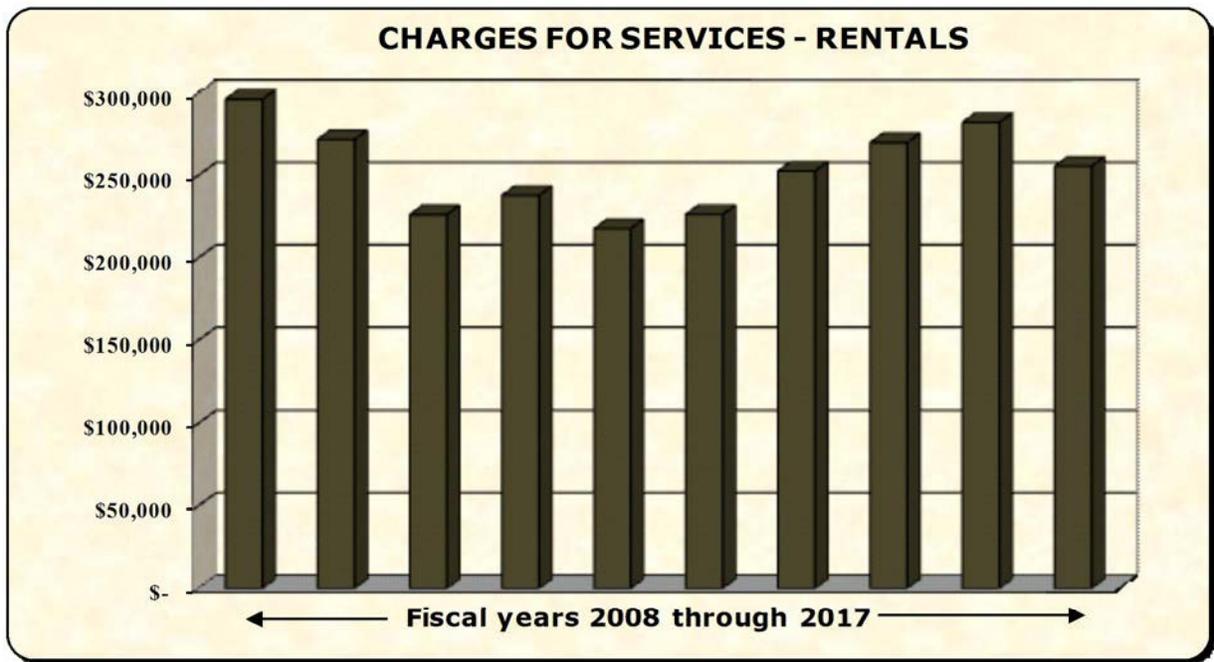
Major Influences: Population, Internal Policy on Rates



Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purpose.	2007-08	\$ 296,434	10.9%
	2008-09	\$ 271,987	-8.2%
	2009-10	\$ 226,429	-16.8%
	2010-11	\$ 238,104	5.2%
	2011-12	\$ 217,987	-8.4%
	2012-13	\$ 226,600	4.0%
	2013-14	\$ 252,874	11.6%
	2014-15	\$ 270,084	6.8%
	2015-16 (est.)	\$ 282,331	4.5%
	2016-17 (est.)	\$ 255,791	-9.4%
Assumptions			

The Community Center provides meeting space for the Senior Activity Center, local organizations such as weddings, the photography club, Community Chorus, Fountain Hills Realtors and various homeowners associations. Park rentals include the Plaza and ramada rentals. Additional rental charges are collected from cellular providers for use of town property for their towers.

Major Influences: Population, Internal Policy on Rates





Expenditure Summary



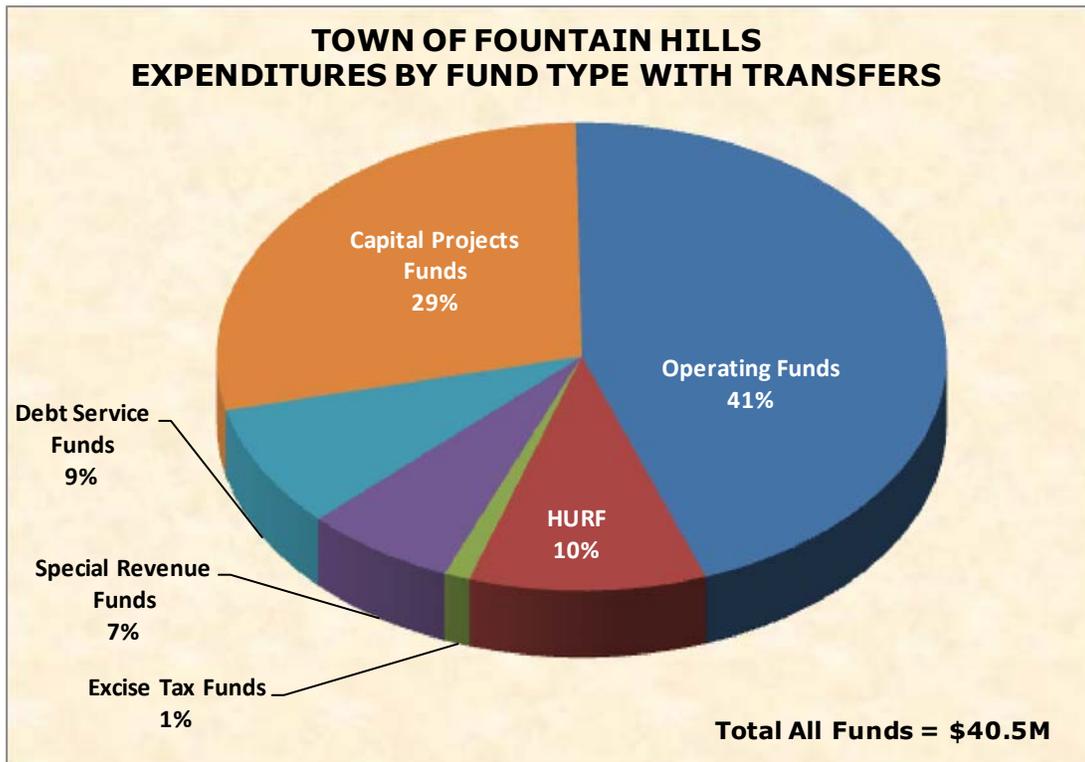
Expenditures

This section provides a broad overview of the expenditures included in the FY16-17 budget. Information is presented for each fund.

All Funds Expenditure Summary

Total expenditures for all funds are \$40,484,193, including transfers. The Operating Funds represent 41% of the total. HURF/Streets Fund represents 10% of the total Town budget. Special Revenue Funds represent 7% of the budget with Debt Service representing 9%, and Capital Projects representing 29%.

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.



**FY16-17 Proposed Budget
Summary of Expenditures by Fund and Program**

Description	FY13-14	FY14-15	FY15-16	FY16-17
	Actual	Actual	Revised Budget	Proposed Budget
Operating Funds				
Accounting	\$ 38,113	\$ 33,003	\$ 116,656	\$ 199,347
Administration	1,699,275	2,001,704	1,490,318	9,796,494
Amenities	190,310	234,832	437,447	-
Animal Control	37,705	31,817	40,320	33,244
Art & Culture	48,127	38,857	41,713	-
Attorney Services	205,137	257,683	293,454	396,950
Audit Services	68,946	96,157	98,020	-
Boards & Commissions	56,217	53,865	48,691	-
Budget	56,545	50,268	51,951	-
Building Inspection	234,543	245,262	274,972	224,508
Building Maintenance	593,143	653,723	648,374	557,159
Capital Improvement Prog	89,718	91,417	93,274	-
Civil Cases	31,909	32,924	31,505	-
Code Compliance	93,627	96,965	99,979	77,980
Community Events	94,842	102,117	113,380	77,729
Criminal Cases	51,224	51,980	48,866	-
Current Planning	97,300	101,425	107,623	-
Customer Service	32,151	19,297	18,762	36,264
Elections	57,432	41,316	34,840	-
Emergency Medical	1,420,228	1,464,522	1,513,136	-
Engineering	136,475	142,668	212,854	229,133
Environmental Service	32,611	32,419	30,747	-
Event Planning	61,195	54,514	57,862	-
Field Prep/Maint	170,384	171,716	180,893	-
Fire Suppression	1,624,954	1,606,250	1,661,464	-
Fountain	223,119	196,149	214,871	212,375
Home Delivered Meals	60,983	56,661	73,522	63,464
Incarceration/Transport	56,302	56,703	67,500	-
Juvenile	8,691	9,448	8,286	-
Landscape Maintenance	162,852	184,317	226,638	-
Legislation	38,488	41,443	46,655	14,090
Licensing	45,436	49,243	49,277	51,388
Long Range Planning	26,790	27,130	29,278	-
Mapping & Graphics	72,239	70,893	68,865	106,351
Network Administration	145,728	132,268	159,391	-
Open Space	31,494	37,249	29,058	21,058
Operations	115,620	121,833	116,568	4,765,260
Outside Inspections	-	-	-	60,647
Patrol	2,946,797	3,249,272	3,554,666	-
Payroll	16,291	22,139	23,668	-
Permitting	114,359	117,510	126,218	-
Planning & Zoning	-	-	-	121,314
Public Defender	3,750	6,750	4,800	-
Prosecutor	91,667	90,000	90,000	-
Purchasing	28,341	46,269	48,247	57,544
Records Management	15,550	15,968	16,206	-
Recruitment	21,110	29,209	30,152	-
Risk Management	243,193	257,612	276,779	301,272
Senior Memberships	86,956	93,129	105,841	68,382
Social/Community Services	129,103	133,991	115,197	-
Support	54,487	41,883	42,451	-
Special Events	27,073	23,450	26,769	-
Special Interest Programs	24,407	30,697	38,590	16,007
Sports Activities	55,629	61,520	82,551	26,602
Stormwater Management	205,650	246,430	148,939	-
Strategic Planning	22,040	16,114	57,259	-
Training & Development	4,389	2,536	17,500	-
Treasury	41,053	41,702	42,902	-
Video Services	17,188	11,580	13,233	-
Volunteers	44,024	66,315	75,435	80,424
Web Site	10,948	40,227	39,927	-
Youth & Teen Programs	94,771	87,208	85,531	27,831
Total General Fund	12,508,629	13,421,550	13,899,871	17,622,817



**FY16-17 Proposed Budget
Summary of Expenditures by Fund and Program**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Operating Funds - continued				
Art & Culture	1,234	7,185	15,000	39,000
Total Public Art Fund	<u>1,234</u>	<u>7,185</u>	<u>15,000</u>	<u>39,000</u>
Operational Support	64,560	60,203	68,555	71,780
Vehicle Replacement	<u>684,672</u>	<u>23,954</u>	<u>31,000</u>	<u>201,000</u>
Total Internal Service Funds	<u>749,232</u>	<u>84,157</u>	<u>99,555</u>	<u>272,780</u>
Total Operating Funds	<u>\$ 13,259,095</u>	<u>\$ 13,512,892</u>	<u>\$ 14,014,426</u>	<u>\$ 17,934,597</u>
Special Revenue Funds				
Administration	\$ 336,496	\$ 149,690	\$ 220,860	\$ 331,598
Adopt A Street	3,585	3,220	4,227	1,010
Legal Services	25,698	28,689	32,136	-
Open Space	241,291	261,749	350,309	339,583
Pavement Management	2,205,886	504,599	1,761,276	2,618,080
Street Signs	82,757	84,970	95,098	69,767
Street Sweeping	74,772	87,908	-	-
Traffic Signals	103,333	111,358	278,145	163,483
Vehicle Maintenance	<u>72,492</u>	<u>79,818</u>	<u>106,070</u>	<u>71,175</u>
Total Highway User Revenue Fund	<u>3,146,310</u>	<u>1,312,001</u>	<u>2,848,121</u>	<u>3,594,696</u>
Administration	<u>272,730</u>	<u>1,194,160</u>	<u>557,886</u>	<u>1,021,655</u>
Total Downtown Strategy Fund	<u>272,730</u>	<u>1,194,160</u>	<u>557,886</u>	<u>1,021,655</u>
Administration	<u>147,581</u>	<u>264,396</u>	<u>321,101</u>	<u>318,411</u>
Total Economic Development Fund	<u>147,581</u>	<u>264,396</u>	<u>321,101</u>	<u>318,411</u>
Administration	-	118,121	188,580	208,220
Total Tourism Fund	-	<u>118,121</u>	<u>188,580</u>	<u>208,220</u>
Grants Admin	<u>61,667</u>	<u>102,364</u>	<u>1,601,841</u>	<u>1,655,000</u>
Total Special Revenue Fund	<u>61,667</u>	<u>102,364</u>	<u>1,601,841</u>	<u>1,655,000</u>
Administration	-	-	50,615	58,115
Equipment Replacement	<u>3,894</u>	<u>845</u>	<u>30,000</u>	<u>30,000</u>
Total Court Enhancement Fund	<u>3,894</u>	<u>845</u>	<u>80,615</u>	<u>88,115</u>
Administration	-	-	639,241	540,586
Total Environmental Fund	-	-	<u>639,241</u>	<u>540,586</u>
Cottonwoods Maintenance District	<u>3,363</u>	<u>3,235</u>	<u>4,043</u>	<u>4,265</u>
Total Cottonwoods Maint District	<u>3,363</u>	<u>3,235</u>	<u>4,043</u>	<u>4,265</u>
Total Special Revenue Funds	<u>\$ 3,635,545</u>	<u>\$ 2,995,122</u>	<u>\$ 6,241,428</u>	<u>\$ 7,430,948</u>
Debt Service Funds				
Gen Oblig Bond Debt Service	\$ 1,014,000	\$ 561,022	\$ 2,094,722	\$ 2,119,350
Eagle Mtn CFD Debt Service	425,313	2,669,113	411,851	409,226
Munic Prop Corp Debt Service	<u>1,108,910</u>	<u>2,954,713</u>	<u>520,740</u>	<u>393,690</u>
Total Debt Service Funds	<u>\$ 2,548,223</u>	<u>\$ 6,184,848</u>	<u>\$ 3,027,313</u>	<u>\$ 2,922,266</u>



**FY16-17 Proposed Budget
Summary of Expenditures by Fund and Program**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Capital Projects Funds				
Administration	\$ 1,236	\$ 2,362	\$ 124,771	\$ 472,885
Downtown Development	515,983	1,096,658	200,000	600,000
Fire Projects	433,826	119,319	3,650,000	3,800,000
General Govt Projects	220,714	486	-	300,000
Park Development	92,712	535,714	1,148,114	2,940,000
Pavement Management	1,414,200	7,338,805	6,565,000	830,000
Stormwater Management	51,814	15,177	2,195,000	750,000
Traffic Signals	13,979	68,192	380,000	-
Total Capital Projects Fund	<u>2,744,464</u>	<u>9,176,712</u>	<u>14,262,885</u>	<u>9,692,885</u>
Administration	-	41,010	130,000	431,000
Total Facilities Replacement Fund	-	41,010	130,000	431,000
Law Enforcement Dev Fee	2,306	-	203,484	203,484
Fire/Emergency Dev Fee	2,306	-	67,202	51,822
Streets Dev Fee	11,813	407,921	-	-
Park/Rec Dev Fee	9,217	-	-	144,987
Open Space Dev Fee	9,769	535	535	1,672,204
Library/Museum Dev Fee	2,306	43,445	-	-
Total Development Fee Funds	<u>37,717</u>	<u>451,901</u>	<u>271,221</u>	<u>2,072,497</u>
Total Capital Projects Funds	<u>\$ 2,782,181</u>	<u>\$ 9,669,623</u>	<u>\$ 14,664,106</u>	<u>\$ 12,196,382</u>
Grand Total of All Funds, including Transfers Out	<u>\$ 22,225,044</u>	<u>\$ 32,362,485</u>	<u>\$ 37,947,273</u>	<u>\$ 40,484,193</u>
Less: Transfers Out	<u>1,838,453</u>	<u>2,782,646</u>	<u>1,240,981</u>	<u>6,185,415</u>
Net Expenditures - Total of All Funds	<u>\$ 20,386,591</u>	<u>\$ 29,579,839</u>	<u>\$ 36,706,292</u>	<u>\$ 34,298,778</u>



FY16-17 General Fund Expenditures by Department and Division

Department	Division	Proposed Budget
Mayor & Council	Mayor & Council	\$ 72,545
Administration	Town Manager	298,057
	Town Clerk	155,603
	Administrative Services	445,951
	Finance	528,677
	Information Technology	267,262
	Legal Services	396,950
	Total Administration	2,092,500
General Government	Non-Departmental	3,559,040
Municipal Court	Municipal Court	321,254
Public Works	Public Works	191,233
	Facilities	638,968
	Total Public Works	830,201
Development Services	Development Services	167,853
	Engineering	229,133
	Planning	121,314
	Code Compliance	77,980
	Mapping & Graphics	106,351
	Building Safety	224,508
	Total Development Services	927,139
Community Services	Community Services	205,342
	Recreation	435,659
	Community Center	222,606
	Senior Services	222,475
	Parks-Administration	79,579
	Parks-Fountain Park	427,673
	Parks-Golden Eagle Park	297,936
	Parks-Desert Vista Park	108,626
	Parks-Four Peaks Park	79,757
	Parks-Open Space/Trails	21,058
	Parks-Avenue of the Fountains Plaza	80,599
	Total Community Services	2,181,310
Law Enforcement	Law Enforcement	3,930,111
Fire & Emergency Medical	Fire & Emergency Medical	3,708,717
	Total General Fund Expenditures	\$ 17,622,817



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 FY16-17 expenditure limitation for the Town of Fountain Hills is \$27,473,653 which is a 2.5% increase from the previous year. The limit applies to FY16-17 expenditures of the Town (all funds) but allows for certain exemptions and deductions. For example, bond proceeds, debt service payments, grant expenditures, and HURF and 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	\$ 34,298,778
Exclusions (Subtractions) from Revenues:	
Separate Legal Entities	807,181
Bond Proceeds, including amounts carried forward	-
Debt Service Payments	2,118,250
Dividends, Interest, Gains	47,068
Grants, Aid, Contributions from Federal Government	15,000
Grants, Aid, Contributions from Private Organizations	20,305
Amounts Received from State	1,776,000
Quasi-External interfund Transactions	345,020
Savings Reserved for Capital Purchase (voter approved)	-
Highway User Revenues Excess 1979-80	2,665,615
Contracts with Other Political Subdivisions	-
Refunds, Reimbursements	-
Voter Approved Exclusions	-
Prior Years Carry Forward	-
Total Exclusions	<u>7,794,439</u>
Expenditures subject to limitation	26,504,339
Expenditure Limitation	<u>27,473,653</u>
Under/(Over) Limitation	<u><u>\$ 969,314</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 320.
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 50.
Annual Budget Process	Town staff develops a recommended budget. Many of the decisions included in that recommendation are driven by processes noted above. A summary of 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 18.



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 month of 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 January when the Finance Division begins to review current levels of service, Council goals and objectives as identified at the annual Council retreat, proposed capital improvements, and financial forecasts.

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

Implementing, Monitoring, and Amending the Budget

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

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

The Town of Fountain Hills budget is adopted at a Department level and the Capital Improvement Program is adopted at a project level. Control of each legally adopted annual budget is at the Department level; the Town Manager may, at any time, transfer any unencumbered appropriation balance or portion thereof be-



tween 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. All transfers are reflected on the following year’s legal schedules as required by the Auditor General’s Office.

What funds are included in this budget?

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

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

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 FY16-17

Mon, November 30, 2015	5 year Revenue Forecast due to Town Manager
Mon, December 17, 2015	Staff budget “kick-off” meeting in the Council Chambers
Thu, January 14, 2016	Preliminary operating budgets entered into MUNIS; with Staffing Requirements and budget supplements due to Finance
Thu, February 4, 2016	Department/Division templates due to Finance for inclusion in budget book
Thu, February 11, 2016	Council Retreat Session – Priorities for FY15-16; Council receives preliminary CIP Budget & Strategic Plan Review Final operating budgets entered into MUNIS
Mon-Thu, February 22 - 25, 2016	Department presentations due to Town Manager
Thu, March 3, 2016	Final revenue projections entered into MUNIS
Tues, March 8, 2016	Council Special Session @ 5:30 PM – Consideration of projects listed in the CIP
Mon, March 28, 2016	Staff to publish fee and tax levy notice on website for legal compliance
Mon, April 11, 2016	Council receives proposed budget – the proposed budget is posted online & the Resolution exhibit schedules are prepared by Finance for Legal
Tues, April 19, 2016	Council Budget Special Session @ 5:30 PM
*Wed, April 20, 2016	Council Budget Special Session @ 5:30 PM, *if needed
Tues, April 26, 2016	Public Outreach/Open House (6:00 – 6:30 PM)
Thu, May 5, 2016	Town, CMD & EMCFD Meetings – Adoption of Tentative Budgets
Thu, June 2, 2016	Town, CMD & EMCFD Meetings – Adoption of Final Budget
Thu, June 16, 2016	Town, CMD & EMCFD Meetings – Adoption of Tax Levy



OPERATING BUDGETS

MAYOR & TOWN COUNCIL

ADMINISTRATION

MUNICIPAL COURT

GENERAL GOVERNMENT

PUBLIC WORKS

DEVELOPMENT SERVICES

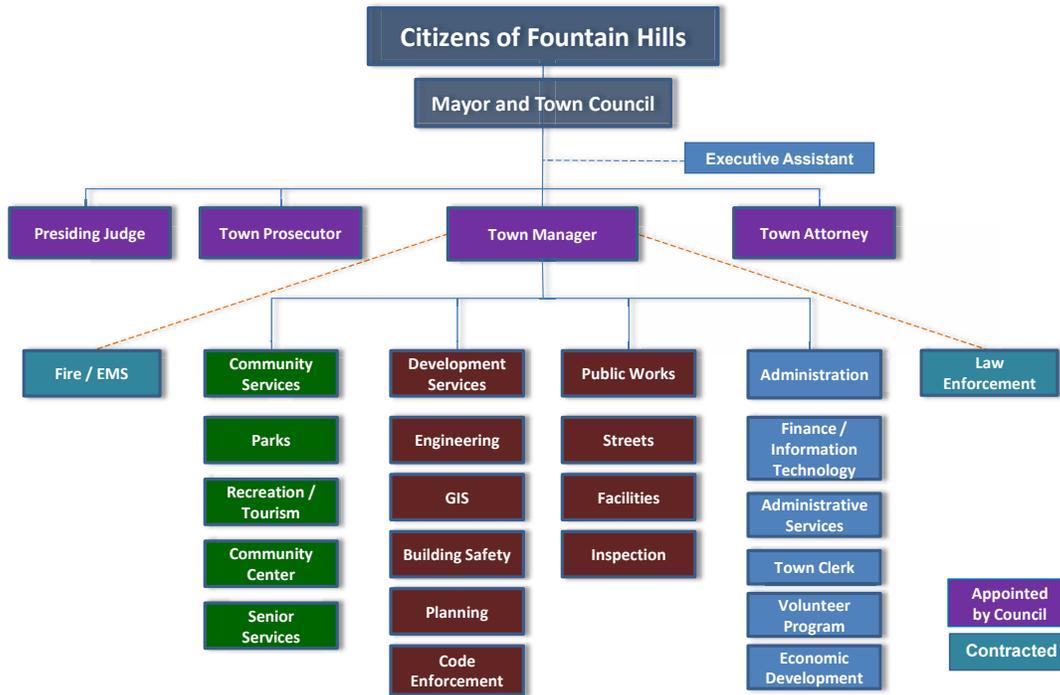
COMMUNITY SERVICES

LAW ENFORCEMENT

FIRE & EMERGENCY MEDICAL



Town of Fountain Hills Organization



Department Directors

Town Manager	Grady Miller
Finance Director	Craig Rudolphy
Presiding Judge	Robert Melton
Community Services Director	Mark Mayer
Development Services Director	Vacant
Public Works Director	Paul Mood
Fire Chief	Chief Randy Roberts, Rural/Metro Corporation
District Commander	Captain David Letourneau, Maricopa County Sheriff's Office
Town Prosecutor	Mark Iacovino The Law Office of Mark Iacovino
Town Attorney	Andrew McGuire,



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 Cassie Hansen, Mayor Linda M. Kavanagh, Councilmember Cecil A. Yates

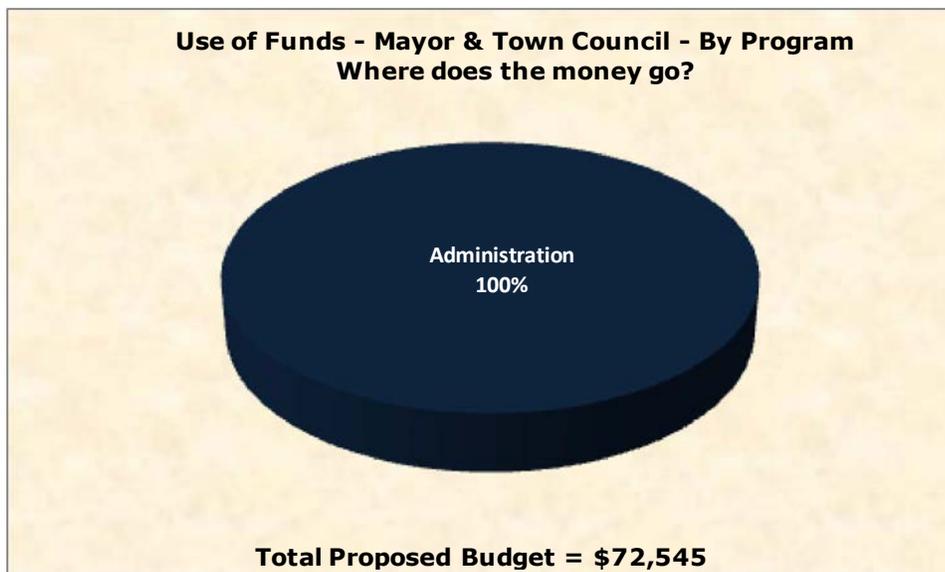
BACK ROW: Councilmember Alan Magazine, Vice Mayor Henry Leger, Councilmember Dennis Brown, Councilmember Nick DePorter



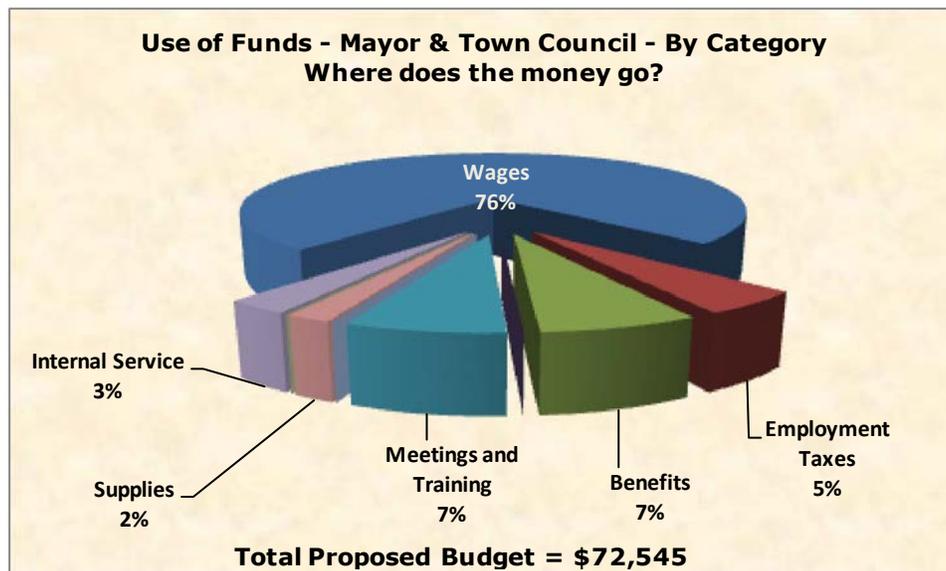
Department Overview

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			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Administration	\$ 76,799	\$ 82,680	\$ 80,084	\$ 72,545
Total	\$ 76,799	\$ 82,680	\$ 80,084	\$ 72,545



Category	Expenditures by Category			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Wages	\$ 60,144	\$ 60,143	\$ 59,703	\$ 54,652
Employment Taxes	4,386	3,892	3,730	3,577
Benefits	5,370	6,267	5,687	5,306
Dues and Memberships	360	393	360	-
Meetings and Training	2,491	1,772	5,634	5,420
Maintenance and Repair	246	99	-	-
Contractual Services	-	2,995	1,740	240
Supplies	1,396	4,746	1,200	1,200
Equipment/Improvement	127	412	-	-
Internal Service	2,279	1,961	2,030	2,150
Total	\$ 76,799	\$ 82,680	\$ 80,084	\$ 72,545



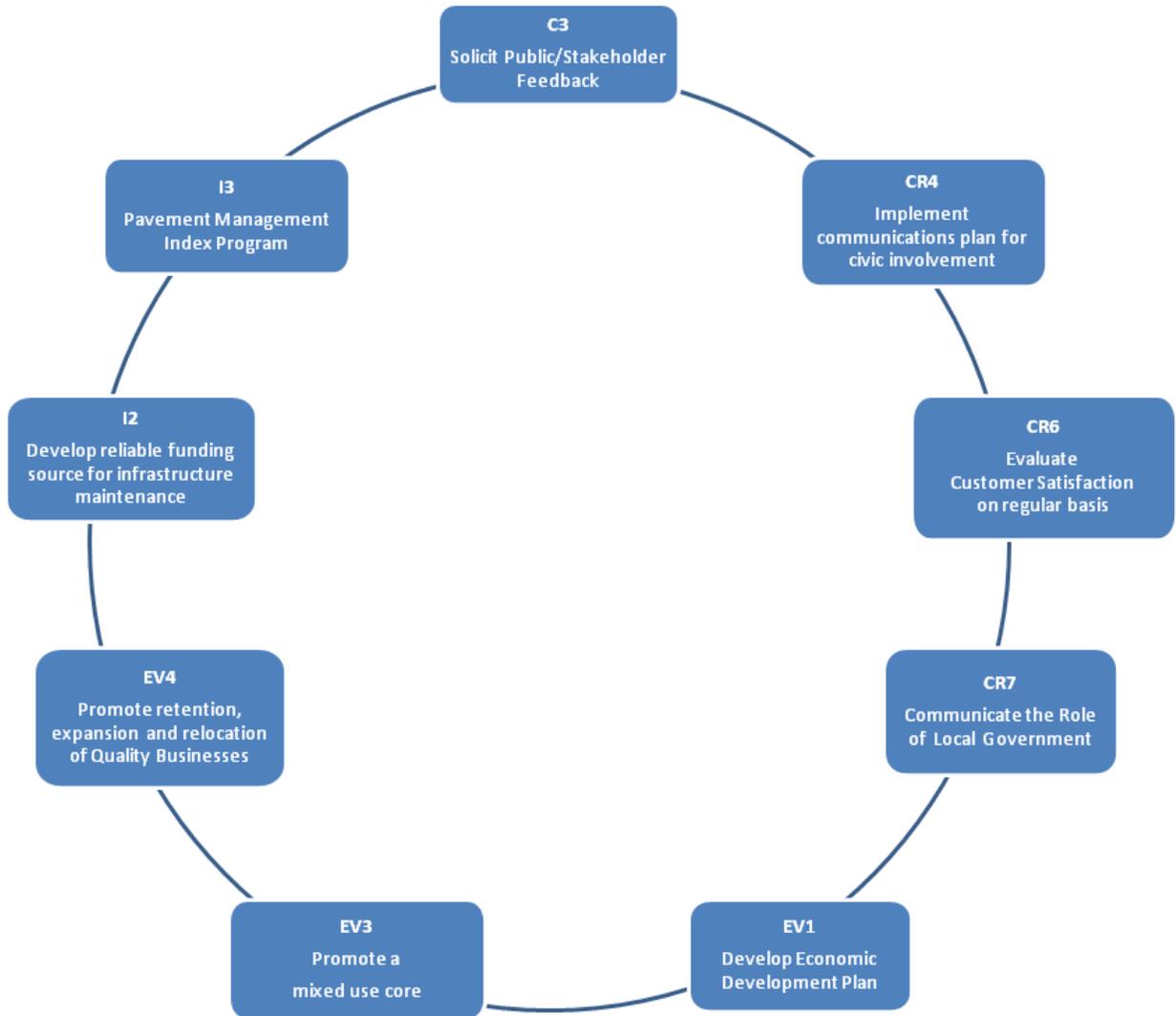
Operational Priorities for FY16-17

- Stabilize Town Finances
- Pavement Management Program
- Economic Development Plan
- Fire Station #2 Relocation
- Fountain Lake Water Quality
- Facilities Reserve Fund
- Traffic Studies
- State Land



STRATEGIC PLAN GOALS FOR FY16-17

From the Values listed in the *Strategic Plan 2010*, Council identified the following Strategic Directions as Goals for FY16-17.



**FY16-17 Proposed Budget
Summary of Expenditures
Mayor & Council**

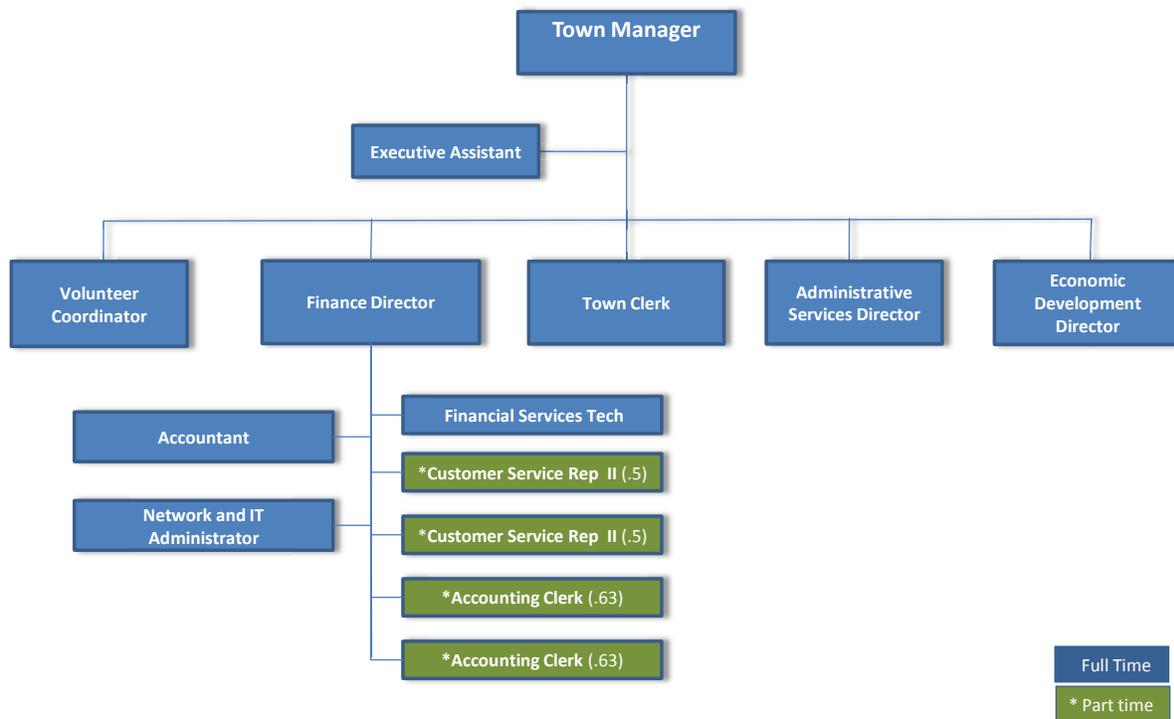
Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
General Fund				
Salaries-Full Time	\$ 27,144	\$ 23,693	\$ 23,703	\$ 18,652
Salaries-Part Time	33,000	36,450	36,000	36,000
FICA	2,251	2,260	2,232	2,232
Medicare	863	861	866	792
Workers Compensation	548	284	234	144
Unemployment Insurance	724	487	398	409
Group Health Insurance	2,438	3,305	2,738	2,877
Group Dental Insurance	152	167	153	208
Group Vision Insurance	23	28	23	29
Disability Insurance	66	86	87	79
Retirement	2,617	2,604	2,607	2,051
Life Insurance	74	75	79	62
Dues, Subscript & Publicat	360	393	360	-
Meetings & Training	2,491	1,772	5,634	5,420
Sign Repair & Replacement	246	100	-	-
Legal Fees	-	2,773	-	-
Printing Expense	-	223	240	240
Community Contracts/Events	-	315	1,500	-
Office Supplies	1,055	493	100	100
Food & Beverage Supplies	341	3,938	250	250
Program Materials	-	-	850	850
Peripherals	127	-	-	-
Furniture/Appliances	-	412	-	-
ISF-Copier Charges	199	81	200	100
ISF-Mail Service Charges	36	43	30	50
ISF-Motor Pool Charges	-	40	-	-
ISF-Telecom Charges	2,044	1,797	1,800	2,000
Sub total Expenditures	76,799	82,680	80,084	72,545
Transfers Out	-	-	-	-
Total Mayor & Council	\$ 76,799	\$ 82,680	\$ 80,084	\$ 72,545



Administration



ADMINISTRATION DEPARTMENT



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

ADMINISTRATION

Mission Statement

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

Department Overview

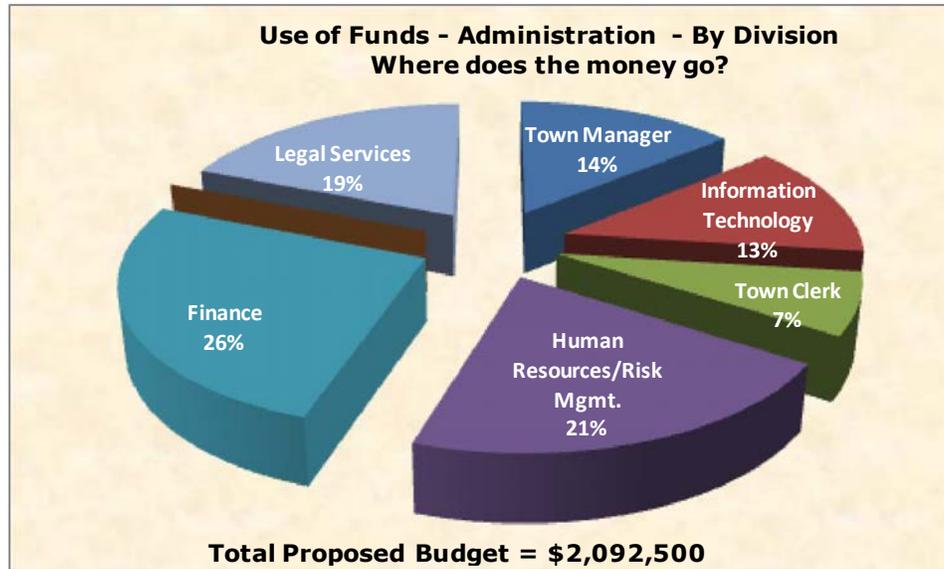
The Administration Department is made up of seven (7) Divisions and one (1) service function: Town Manager, Town Clerk, Administrative Services, Finance, Information Technology, Economic Development, Legal Services, and the Volunteer Program. The Town Manager provides direct supervision over the Town Clerk, Administrative Services, Finance, Economic Development, and the Volunteer Program. The Town Manager also administers the budget for Legal Services. The Finance Director is responsible for Finance and Information Technology. The Administrative Services Director is responsible for Human Resources and Risk Management.

Division	Expenditures by Division			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Town Manager	\$ 577,643	\$ 654,775	\$ 451,463	\$ 298,057
Information Technology	253,853	237,468	265,975	267,262
Town Clerk	141,316	132,117	130,490	155,603
Human Resources/Risk Mgmt.	321,961	360,033	401,120	445,951
Finance	362,897	373,437	518,221	528,677
Economic Development	-	90,000	-	-
Legal Services	300,554	354,434	388,254	396,950
Total	\$ 1,958,224	\$ 2,202,264	\$ 2,155,523	\$ 2,092,500

Variance Explanations:

Town Manager: Various Town-wide, non-departmental expenditures previously reported under this division have been relocated into the General Government department.





Program Name	Expenditures by Program			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Accounting	\$ 38,113	\$ 33,003	\$ 116,656	\$ 199,347
Administration	625,601	760,347	475,275	776,591
Attorney Services	205,137	257,683	293,454	396,950
Audit Services	68,946	96,157	98,020	-
Budget	56,545	50,268	51,951	-
Customer Service	32,151	19,297	18,762	36,264
Elections	57,432	41,316	34,840	-
Legislation	38,488	41,443	46,655	14,090
Licensing	45,436	49,243	49,277	51,388
Network Administration	145,728	132,268	159,391	-
Operations	-	-	-	178,630
Payroll	16,291	22,139	23,668	-
Public Defender	3,750	6,750	4,800	-
Prosecutor	91,667	90,000	90,000	-
Purchasing	28,341	46,269	48,247	57,544
Records Management	15,550	15,968	16,206	-
Recruitment	21,110	29,209	30,152	-
Risk Management	243,193	257,612	276,779	301,272
Social/Community Services	30,615	32,934	32,683	-
Support	54,487	41,883	42,451	-
Strategic Planning	22,040	16,115	57,259	-
Training & Development	4,389	2,536	17,500	-
Treasury	41,053	41,702	42,902	-
Video Services	17,188	11,580	13,233	-
Volunteers	44,024	66,315	75,435	80,424
Web Site	10,949	40,227	39,927	-
Total	\$ 1,958,224	\$ 2,202,264	\$ 2,155,523	\$ 2,092,500

Variance Explanations:

Accounting/Audit Services/Budget/Treasury: Programs were combined into Accounting for more efficient managing and reporting purposes.

Administration/Elections/Payroll/Records Management/Recruitment/Strategic Planning/Training & Development: Programs were combined into Administration for more efficient managing and reporting purposes.

Attorney Services/Public Defender/Prosecutor: Programs were combined into Attorney Services for more efficient managing and reporting purposes.

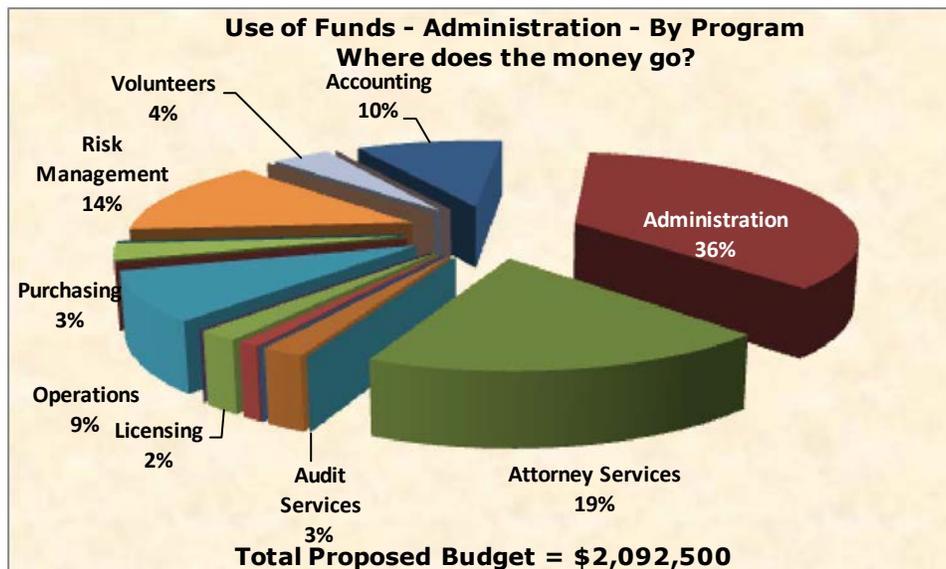
Customer Service: The increase is a result of personnel allocation changes.

Legislation: The decrease is a result of personnel allocation changes.

Network Administration/Operations/Support/Video Services/Web Site: Programs were combined into Operations for more efficient managing and reporting purposes.

Risk Management: The increase is a result of rising insurance costs.

Social/Community Services: The expenditures were relocated to the General Government department.



Note: Programs that account for 1% of the total are not shown on the chart.



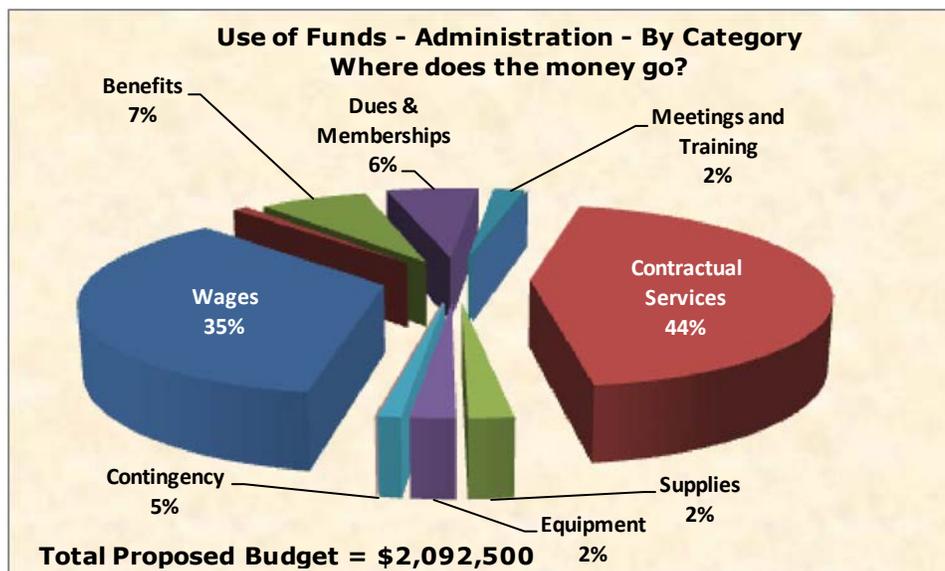
Category	Expenditures by Category			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Wages	\$ 682,418	\$ 675,705	\$ 687,792	\$ 740,897
Employment Taxes	22,671	16,034	15,357	18,076
Benefits	119,836	158,636	157,092	138,724
Dues & Memberships	126,588	118,975	138,746	128,342
Meetings and Training	10,469	10,325	28,835	38,851
Maintenance and Repair	3,369	3,736	5,050	8,000
Utilities	2,742	2,538	1,680	1,800
Contractual Services	674,579	733,108	884,736	927,404
Supplies	23,434	23,868	28,272	31,774
Equipment	43,374	16,720	36,862	32,400
Internal Service	20,360	26,625	28,975	26,232
Transfers	228,384	396,500	130,000	-
Contingency	-	-	6,351	-
Capital Expenditures	-	19,494	5,775	-
Total	\$ 1,958,224	\$ 2,202,264	\$ 2,155,523	\$ 2,092,500

Variance Explanations:

Meetings and Training: The increase is a result of two additional conferences, one each for the Town Manager and the Town Clerk.

Transfers/Contingency: The amounts were relocated in the new General Government department.

Capital Expenditures: FY15-16 budget reflected a one-time expenditure for software.



Note: Categories that account for 1% of the total are not shown on the chart.



FY15-16 Department Accomplishments

Initiative	Strategic Value
Enhanced Town Website	CR1–Civic Responsibility
Implemented an Environmental Fee	ES2–Environmental Stewardship

FY16-17 Objectives

Initiative	Strategic Value	Estimated Cost/Funding Source
Implement and Fund Infrastructure Facilities Replacement	I2–Maintain and Improve Community Infrastructure	\$1 million transfer from General Fund Reserves
Create a Communications Plan for Town of Fountain Hills	CR4, CR7–Civic Responsibility	\$10,000 one time funding from General Fund to create a communications plan
Continue investment in Pavement Management Program	I3–Maintain and Improve Community Infrastructure	\$1 million from HURF, includes Excise Tax and CIP Funds
Promote quality development and actively assist new businesses, retain current businesses	EV1, EV3, EV4–Economic Vitality	Economic Development and Development Services staff and budgets
Conduct bi-annual Citizens Academy	CR4–Civic Responsibility	This expense is in department operating budgets



**FY16-17 Proposed Budget
Summary of Expenditures
Administration Department**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
General Fund				
Salaries-Full Time	\$ 546,177	\$ 637,991	\$ 653,797	\$ 667,625
Salaries-Part Time	135,998	36,307	33,995	73,272
Overtime	243	1,406	-	-
FICA	8,423	2,251	2,108	4,543
Medicare	9,616	9,487	9,887	10,655
Workers Compensation	2,955	3,177	2,655	1,930
Unemployment Insurance	1,677	1,118	707	948
Group Health Insurance	53,481	79,982	77,134	56,913
Group Dental Insurance	3,536	4,396	3,991	4,158
Group Vision Insurance	495	648	585	409
Disability Insurance	1,364	2,007	2,368	2,781
Retirement	59,451	69,667	70,888	72,246
Life Insurance	1,509	1,935	2,126	2,217
Licenses/Filing Fees	87,794	75,786	94,720	103,955
Dues, Subscript & Publicat	38,794	43,189	44,026	24,387
Training/Cont Ed	5,550	2,385	28,835	36,726
Meetings & Training	4,919	7,940	-	2,125
Equipment Maint/Repair	1,364	1,687	5,000	5,000
Office Equip Maint/ Repair	1,901	1,694	-	3,000
Other Maint/Repair	-	134	-	-
Sign Repair & Replacement	104	221	50	-
Telecommunications	2,742	2,538	1,680	1,800
Auditing Expense	53,260	53,260	53,874	99,500
Professional Fees	20,013	40,386	86,792	52,258
Legal Fees	296,698	350,584	384,623	298,900
Management Fees	15,925	15,755	16,225	16,375
Insurance Expense	218,629	222,795	244,013	264,300
Printing Expense	8,163	2,134	4,465	1,965
Advertising/Signage	6,090	5,195	10,119	12,390
Intergovt Agreements	22,993	9,202	49,845	51,000
Constituent Communication	-	-	1,000	-
Contractual Services	-	535	-	-
Bank/Merc Acct Fees	8,608	9,064	9,220	10,320
Election Expense	-	-	-	25,236
Community Contracts/Events	24,200	24,200	24,200	-
ActiveNet Fees	-	-	360	360
Prosecutor Fees	-	-	-	90,000
Public Defender Fees	-	-	-	4,800
Office Supplies	5,211	3,535	5,741	5,791
Cleaning/Janitorial Supplies	-	39	10	10
Operating Supplies	4,384	3,069	5,780	6,690
Food & Beverage Supplies	7,000	6,886	8,620	9,400
Program Materials	6,262	9,981	7,365	9,127
Uniforms	87	45	-	-
Postage & Delivery	372	314	756	756
Miscellaneous Expense	118	-	-	-
Software	3,654	1,373	7,400	550
Hardware/Peripherals	39,358	14,632	29,325	31,850
Peripherals	362	195	-	-
Furniture/Appliances	-	-	137	-
Equipment	-	519	-	-
ISF-Copier Charges	9,713	14,044	17,245	12,955
ISF-Mail Service Charges	4,713	7,398	5,665	6,727
ISF-Motor Pool Charges	161	217	220	220
ISF-Telecom Charges	5,773	4,967	5,845	6,330
Contingency	-	-	6,351	-
Capital Expenditures	-	19,494	5,775	-
Sub total Expenditures	1,729,840	1,805,764	2,025,523	2,092,500
Transfers Out	228,384	396,500	130,000	-
Total Administration	\$ 1,958,224	\$ 2,202,264	\$ 2,155,523	\$ 2,092,500



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 fees for service contracts and administer the Volunteer Program.

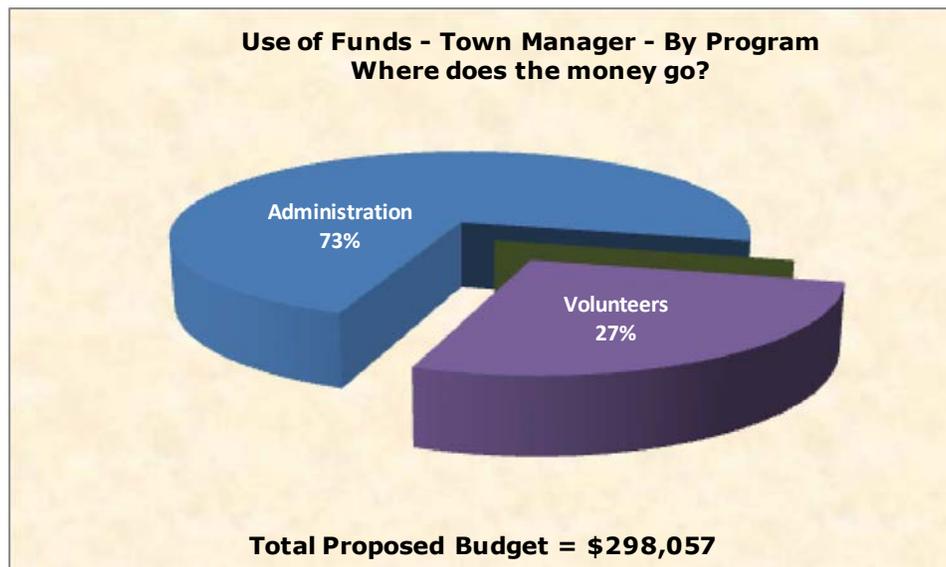
Program Name	Expenditures by Program			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Administration	\$ 480,964	\$ 539,412	\$ 286,086	\$ 217,633
Social/Community Services	30,615	32,934	32,683	-
Strategic Planning	22,040	16,114	57,259	-
Volunteers	44,024	66,315	75,435	80,424
Total	\$ 577,643	\$ 654,775	\$ 451,463	\$ 298,057

Variance Explanations:

Administration/Strategic Planning: Programs were combined into Administration for more efficient managing and reporting purposes.

Meetings and Training: The increase is a result of two additional conferences, one each for the Town Manager and the Town Clerk.

Social/Community Services: Amounts were transferred to the new General Government Department.



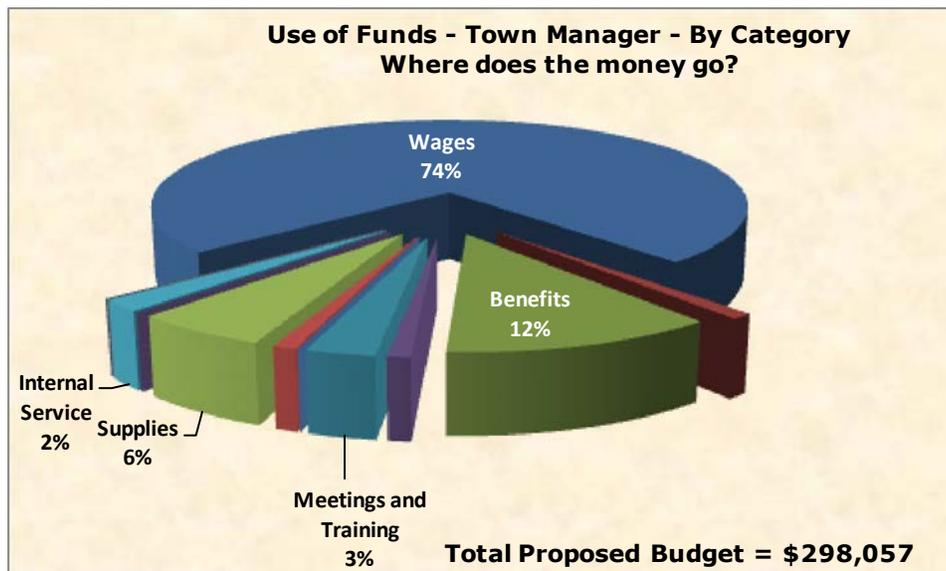
Category	Expenditures by Category			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Wages	\$ 235,065	\$ 222,387	\$ 227,258	\$ 219,352
Employment Taxes	6,976	4,481	4,267	3,855
Benefits	40,700	50,799	52,124	36,806
Dues & Memberships	18,927	19,948	21,147	2,057
Meetings and Training	1,905	2,406	3,400	9,025
Maintenance and Repair	591	864	50	-
Utilities	778	768	780	900
Contractual Services	28,124	24,922	65,719	2,840
Supplies	11,527	14,427	13,380	17,002
Equipment	-	546	137	-
Internal Service	4,666	6,727	6,850	6,220
Transfers	228,384	306,500	50,000	-
Contingency	-	-	6,351	-
Total	\$ 577,643	\$ 654,775	\$ 451,463	\$ 298,057

Variance Explanations:

Benefits: The decrease is a result of significant savings from changing health insurance carriers.

Dues & Memberships/Contractual Services/Transfers/Contingency: Amounts were transferred to the new General Government Department.

Meetings and Training: The increase is a result of two additional conferences, one each for the Town Manager and the Town Clerk.



Note: Categories that account for 1% of the total are not shown on the chart.



Activities/Results

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

The Town presently works with more than 750 volunteers and, in 2014, provided over 25,000 hours, at an overall cost savings to the Town of \$559,000! (using data collected by the U.S. Census Bureau and the Bureau of Labor Statistics; AZ hourly volunteer value was \$22.37).

- 190 Volunteers delivered 4,800 meals to homebound residents in 2014
- 42 volunteers provided over 1000 rides through the Give a Lift Program
- Over 250 volunteers helped with:
 - Teen Court - 26
 - Halloween in the Hills - 40
 - Ballet Under the Stars - 21
 - Movie in the Park - 12
 - Town Hall receptions - 11
 - Guided Hikes - 43
 - Decorating the Community Center for the Holidays and offering a Christmas party for families - 104
- 92 Volunteers helped make Turkey Trot another success this year
- 42 Volunteers provide excellent customer service and welcome residents and visitors at reception desks
- 8 Volunteers currently provide specialized support to staff in a variety of functions: procurement, accounting, special projects, archiving, and data entry throughout the town
- 300 Volunteers served during the Make a Difference Day event, making a great difference in the homes of 40 residents
- 12 Volunteers keep our public art pieces clean through the Save Our Sculptures; 5 Volunteers are ready to lead art walk tours
- **100's of Volunteers assist with special events throughout the year, such as St. Patrick's Day, the Oktoberfest, Pitch, Hit, and Run, the Eggstravaganza, and serving at the Tourism Booth at all events**
- 100 Volunteers keep the streets clean through the Adopt a Street program
- 21 Volunteers build and maintain trails
- **16 youth serve as Volunteers on the Mayor's Youth Council, a civic and service program**
- 55 Volunteers serve on Advisory Committees, Boards, and Commissions

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



**FY16-17 Proposed Budget
Summary of Expenditures
Town Manager**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
General Fund				
Salaries-Full Time	\$ 206,378	\$ 222,387	\$ 227,258	\$ 219,352
Salaries-Part Time	28,688	-	-	-
FICA	1,779	-	-	-
Medicare	3,321	3,137	3,209	3,094
Workers Compensation	1,502	1,034	863	562
Unemployment Insurance	375	310	195	199
Group Health Insurance	16,418	24,080	24,801	10,987
Group Dental Insurance	988	1,334	1,360	798
Group Vision Insurance	140	199	195	107
Disability Insurance	525	720	810	897
Retirement	22,028	23,796	24,224	23,302
Life Insurance	601	669	734	715
Dues, Subscript & Publicat	18,927	19,948	21,147	2,057
Meetings & Training	1,905	2,406	3,400	6,900
Boards & Commissions	-	-	-	2,125
Office Equip Maint/ Repair	487	508	-	-
Other Maint/Repair	-	134	-	-
Sign Repair & Replacement	104	222	50	-
Telecommunications	778	768	780	900
Professional Fees	3,750	-	40,300	800
Printing Expense	70	76	-	-
Advertising/Signage	104	111	1,219	2,040
Contractual Services	-	535	-	-
Community Contracts/Events	24,200	24,200	24,200	-
Office Supplies	1,864	1,081	1,820	2,240
Operating Supplies	2,138	1,316	2,410	3,070
Food & Beverage Supplies	5,063	5,576	6,020	6,800
Program Materials	2,035	6,123	2,795	4,557
Uniforms	87	45	-	-
Postage & Delivery	339	286	335	335
Hardware	-	546	-	-
Furniture/Appliances	-	-	137	-
ISF-Copier Charges	3,027	4,780	4,105	3,900
ISF-Mail Service Charges	396	996	1,325	1,050
ISF-Motor Pool Charges	161	-	120	120
ISF-Telecom Charges	1,081	952	1,300	1,150
Contingency	-	-	6,351	-
Sub total Expenditures	349,259	348,275	401,463	298,057
Transfers Out	228,384	306,500	50,000	-
Total Town Manager	\$ 577,643	\$ 654,775	\$ 451,463	\$ 298,057



Town Clerk Division

Service Delivery Plan

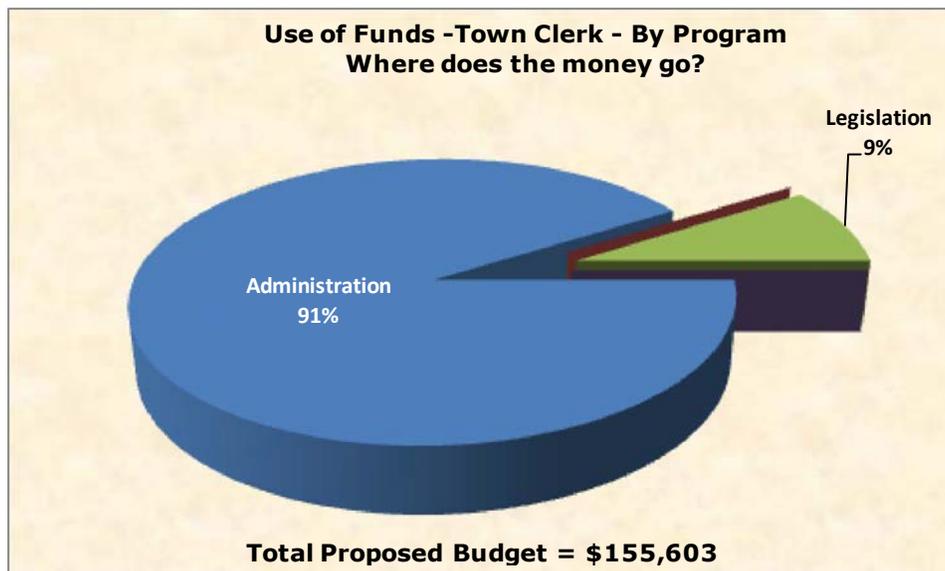
The Town Clerk serves as the Town’s custodian of records and election official who conducts municipal elections and who coordinates all related activities in the most efficient and effective manner and in full compliance with all applicable State Statutes and Town Code provisions. The Town Clerk maintains documents necessary for the effective administration and operation of municipal government and preserves the Town’s permanent records.

Program Name	Expenditures by Program			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Administration	\$ 29,846	\$ 33,390	\$ 32,789	\$ 141,513
Elections	57,432	41,316	34,840	-
Legislation	38,488	41,443	46,655	14,090
Records Management	15,550	15,968	16,206	-
Total	\$ 141,316	\$ 132,117	\$ 130,490	\$ 155,603

Variance Explanations:

Administration/Elections/Records Management: Programs were combined into Administration for more efficient managing and reporting purposes.

Legislation: The decrease is a result of personnel allocation changes.

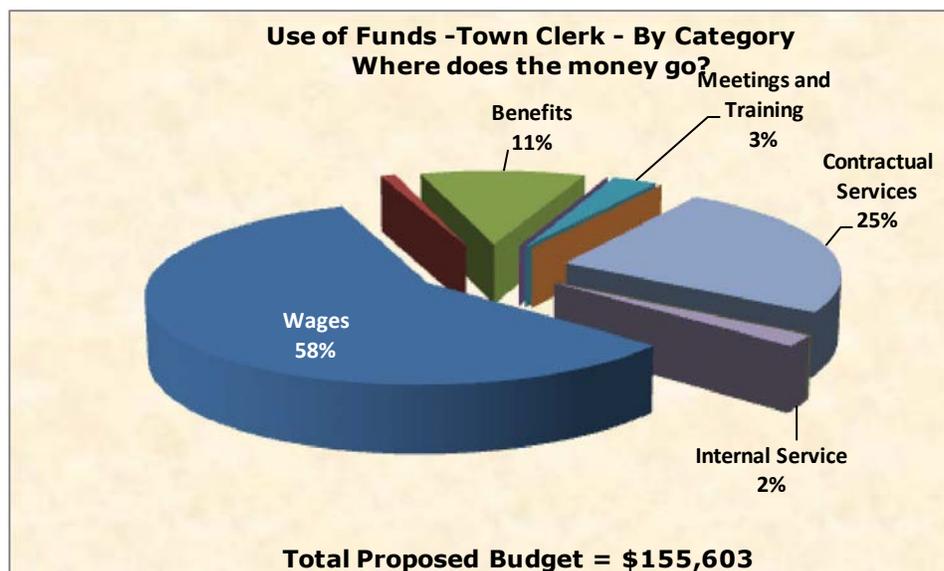


Category	Expenditures by Category			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Wages	\$ 80,988	\$ 83,206	\$ 84,137	\$ 88,388
Employment Taxes	1,471	1,594	1,620	1,589
Benefits	21,051	21,395	22,290	16,712
Dues & Memberships	354	467	870	720
Meetings and Training	983	2,657	2,304	4,967
Maintenance and Repair	487	508	-	-
Contractual Services	33,066	18,738	15,140	39,326
Supplies	468	264	1,001	551
Equipment	-	-	50	50
Internal Service	2,448	3,288	3,078	3,300
Total	\$ 141,316	\$ 132,117	\$ 130,490	\$ 155,603

Variance Explanations:

Benefits: The decrease is a result of significant savings from changing health insurance carriers.

Contractual Services: FY15-16 is an election year for the Town’s Mayor and Council elections; therefore, a Primary and General Election were included in the budget. The General Election funding will only be expended if a “run-off” election is required to be held in November. Election costs are based on the consolidate ballot rate of \$.50 per registered voter as local Town candidates are on the same ballot as County, State, Federal and Presidential candidates. Election costs also include the cost of election notice publication and the Spanish translation of election notices that are required to be prepared for the Mayor and Council Candidate elections. Reminder: Spanish translation of voter information is required by Federal law.



Note: Categories that account for 1% of the total are not shown on the chart.



Activities/Results

Performance Measures

		FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Registered Voters:	Bond Election (Nov) Primary (Mar) General (May) Primary (Aug) General (Nov)	N/A 16,043 16,074	16,031	16,213 Not Town Election	17,000 18,500
Voter Turnout %	Bond Election (Nov) Primary (Mar) General (May) Primary (Aug) General (Nov)	N/A 39% 34%	43%	38% Not Town Election	41% 45%

Quality

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Percentage of contracts processed within 5 business days after approval	100%	100%	100%	100%
Percentage of agenda and meeting notices posted in compliance legal requirements	100%	100%	100%	100%

Productivity

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Town Council Agenda /Meeting notices posted	30/19	36/18	38/20	30/20
Requests for Public Information processed	149	148	175	150



**FY16-17 Proposed Budget
Summary of Expenditures
Town Clerk**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
General Fund				
Salaries-Full Time	\$ 80,988	\$ 83,206	\$ 84,137	\$ 88,388
Medicare	1,084	1,117	1,220	1,281
Workers Compensation	259	394	327	233
Unemployment Insurance	129	83	73	75
Group Health Insurance	10,912	10,968	11,736	5,643
Group Dental Insurance	648	633	629	594
Group Vision Insurance	90	90	89	82
Disability Insurance	241	289	307	374
Retirement	8,908	9,153	9,255	9,723
Life Insurance	251	262	274	296
Licenses/Filing Fees	7	-	70	70
Dues, Subscript & Publicat	347	467	800	650
Training/Cont Ed	271	-	-	-
Meetings & Training	712	2,657	2,304	4,967
Office Equip Maint/Repair	487	508	-	-
Professional Fees	5,841	8,065	10,740	10,290
Printing Expense	6,457	-	-	-
Advertising/Signage	3,775	2,472	4,400	3,800
Election Expense	-	-	-	25,236
Intergovt Agreements	16,993	8,201	-	-
Office Supplies	468	264	801	351
Postage & Delivery	-	-	200	200
Software	-	-	50	50
ISF-Copier Charges	2,176	3,043	2,750	3,000
ISF-Mail Service Charges	32	34	98	50
ISF-Telecom Charges	240	211	230	250
Sub total Expenditures	141,316	132,117	130,490	155,603
Transfer Out	-	-	-	-
Total Town Clerk	\$ 141,316	\$ 132,117	\$ 130,490	\$ 155,603



Administrative Services Division

Service Delivery Plan

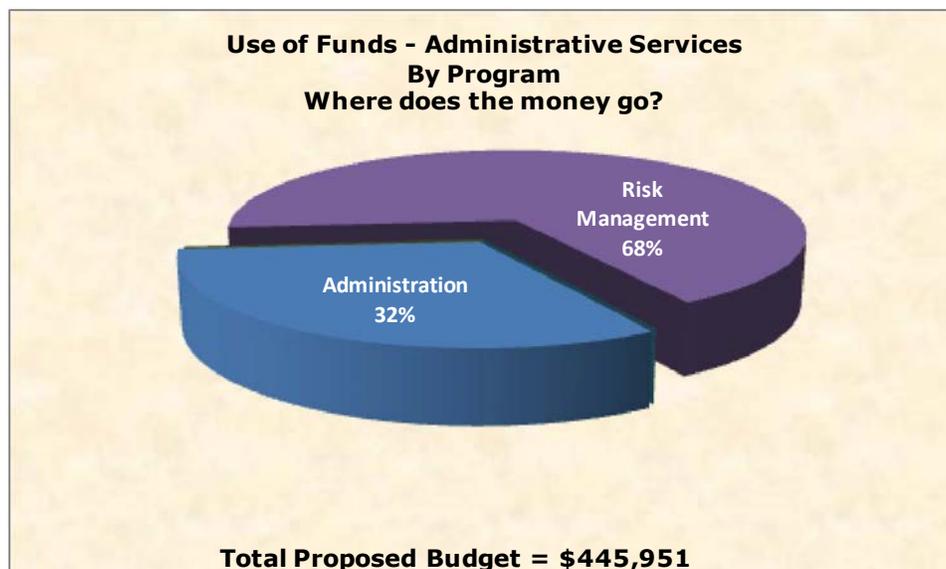
Lead the organization in the acquisition, maintenance, development, supervision and measurement of the human assets and the results of their work (quality, productivity and service). Protect the Town’s assets from loss and minimize employee injuries on the job.

Program Name	Expenditures by Program			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Administration	\$ 36,978	\$ 48,537	\$ 53,020	\$ 144,679
Payroll	16,291	22,139	23,668	-
Recruitment	21,110	29,209	30,153	-
Risk Management	243,193	257,612	276,779	301,272
Training & Development	4,389	2,536	17,500	-
Total	\$ 321,961	\$ 360,033	\$ 401,120	\$ 445,951

Variance Explanations:

Administration/Payroll/Recruitment/Training & Development: Programs were combined into Administration for more efficient managing and reporting purposes.

Risk Management: The increase is a result of rising insurance costs.

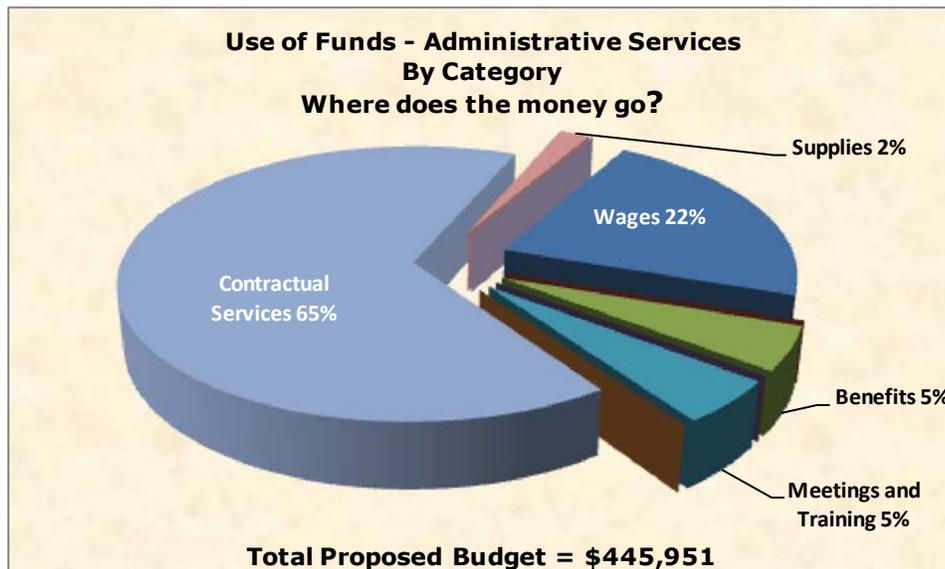


Category	Expenditures by Category			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Wages	\$ 72,114	\$ 94,927	\$ 95,692	\$ 98,326
Employment Taxes	6,012	2,174	1,831	1,758
Benefits	66	18,195	10,925	22,423
Dues & Memberships	762	546	1,774	1,530
Meetings and Training	4,389	2,277	18,500	21,000
Maintenance & Repair	163	169	-	-
Contractual Services	230,121	235,517	262,514	291,418
Supplies	6,886	5,161	7,866	8,266
Equipment	-	206	-	-
Internal Service	1,448	861	2,018	1,230
Total	\$ 321,961	\$ 360,033	\$ 401,120	\$ 445,951

Variance Explanations:

Benefits: The increase is a result of change in the election of benefits.

Contractual Services: The increase is a result of rising insurance costs.



Activities/Results

Performance Measures

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Increase the percentage of employee performance reviews completed on schedule	90%	90%	80%	97%
Increase or maintain the number of applications received per recruitment for non-exempt positions	22	20	23	25
Increase or maintain the number of applications received per recruitment for exempt positions	20	18	40	40

Quality

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Decrease the number of days lost to injury per workers' compensation claim	49	0	14	0
Maintain the turnover rate of full-time employees at an acceptable rate	13%	4%	17%	6%

Productivity

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Number of full-time employees departed from Town service	6	3	6	0
Number of exit interviews conducted	3	1	6	0
Ensure supervisors receive performance evaluation documentation four weeks in advance	100%	95%	95%	100%
Quarterly track and analyze performance evaluation trends, including number of performance evaluations that were late, type of increases each employee received, etc.	100%	100%	100%	100%
Number of exempt recruitments conducted	6	2	2	1
Number of full-time non-exempt recruitments conducted	1	2	2	2
Average number of days to fill a vacancy	30	35	37	30
Number of workers' compensation claims due to injury	1	3	1	0



**FY16-17 Proposed Budget
Summary of Expenditures
Administrative Services**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
General Fund				
Salaries-Full Time	\$ 716	\$ 92,315	\$ 95,692	\$ 98,326
Salaries-Part Time	71,398	2,612	-	-
FICA	4,417	162	-	-
Medicare	1,044	1,372	1,386	1,425
Workers Compensation	262	455	373	259
Unemployment Insurance	290	184	72	74
Group Health Insurance	-	7,004	-	10,388
Group Dental Insurance	-	398	-	853
Group Vision Insurance	-	59	-	-
Disability Insurance	(13)	308	343	402
Retirement	79	10,155	10,270	10,450
Life Insurance	-	271	312	330
Licenses/Filing Fees	-	125	125	125
Dues, Subscript & Publicat	762	421	1,649	1,405
Training/Cont Ed	4,389	2,015	-	-
Meetings & Training	-	262	18,500	21,000
Office Equip Maint/Repair	162	170	-	-
Professional Fees	10,171	11,321	15,252	20,668
Legal Fees	-	-	600	1,000
Insurance Expense	218,629	222,795	244,013	264,300
Printing Expense	-	132	150	150
Advertising/Signage	1,320	1,268	2,500	5,300
Office Supplies	445	204	500	900
Cleaning/Janitorial Supplies	-	-	10	10
Operating Supplies	314	-	400	400
Food & Beverage Supplies	1,938	1,311	2,600	2,600
Program Materials	4,082	3,638	4,240	4,240
Postage & Delivery	8	8	116	116
Small Tools	100	-	-	-
Hardware/Peripherals	-	206	-	-
ISF-Copier Charges	837	215	1,135	310
ISF-Mail Service Charges	130	193	427	420
ISF- Motor Pool Charges	-	30	-	-
ISF-Telecom Charges	481	424	455	500
Sub total Expenditures	321,961	360,033	401,120	445,951
Transfers Out	-	-	-	-
Total Administrative Services	\$ 321,961	\$ 360,033	\$ 401,120	\$ 445,951



Finance Division

Service Delivery Plan

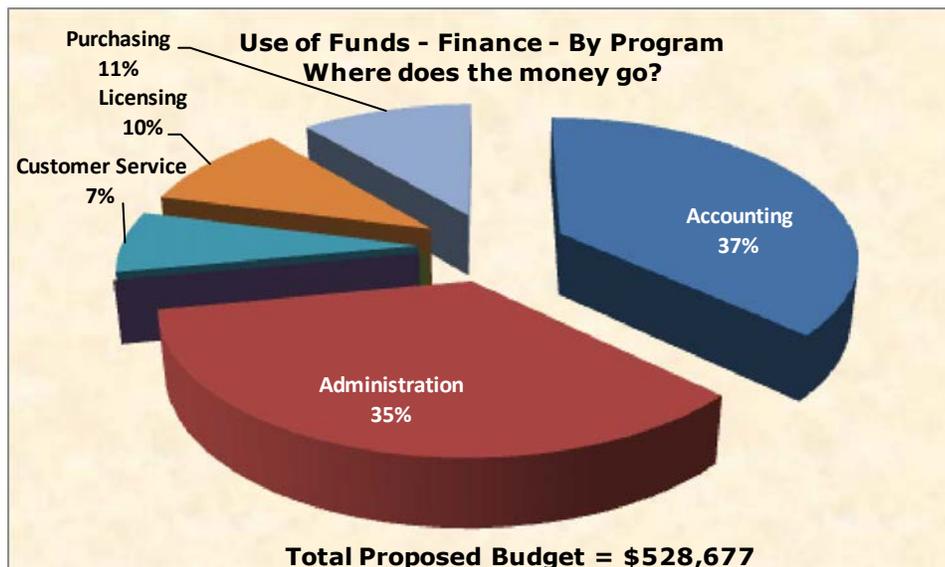
Provide efficient and cost effective financial oversight of both the short and long-term components of the Town’s functions. Provide safe, secure and effective cash, banking, merchant service, tax service and debt service administration for the Town.

Program Name	Expenditures by Program			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Accounting	\$ 38,113	\$ 33,004	\$ 116,656	\$ 199,347
Administration	52,312	37,497	92,406	184,134
Audit Services	68,946	96,157	98,020	-
Budget	56,545	50,268	51,951	-
Customer Service	32,152	19,297	18,762	36,264
Licensing	45,436	49,243	49,277	51,388
Purchasing	28,341	46,269	48,247	57,544
Treasury	41,052	41,702	42,902	-
Total	\$ 362,897	\$ 373,437	\$ 518,221	\$ 528,677

Variance Explanations:

Accounting/Audit Services/Budget/Treasury: Programs were combined into Accounting for more efficient managing and reporting purposes.

Administration/Customer Service/Purchasing: The increase is a result of personnel allocation changes.



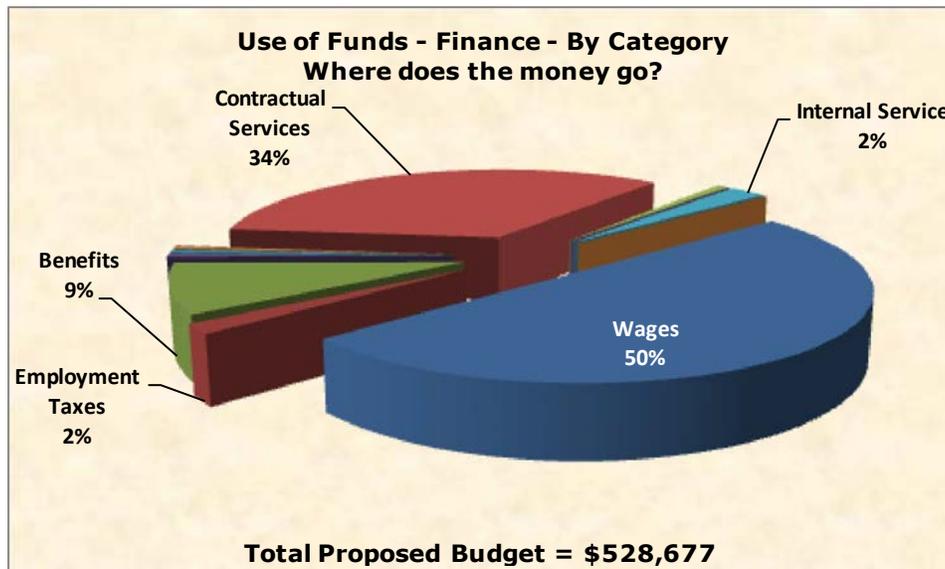
Category	Expenditures by Category			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Wages	\$ 213,445	\$ 209,382	\$ 213,825	\$ 264,571
Employment Taxes	6,611	6,436	6,334	9,596
Benefits	37,222	52,765	55,603	48,414
Dues & Memberships	3,037	2,928	3,105	2,785
Meetings and Training	3,192	2,949	4,631	3,859
Maintenance & Repair	487	508	-	3,000
Utilities	690	-	-	-
Contractual Services	85,571	81,834	135,839	179,620
Supplies	2,586	3,272	4,325	4,055
Equipment	824	-	-	-
Internal Service	9,232	13,363	14,559	12,777
Transfers	-	-	80,000	-
Total	\$ 362,897	\$ 373,437	\$ 518,221	\$ 528,677

Variance Explanations:

Wages: The increase is a result of personnel allocation changes and an amount was added for a new part-time accounting clerk position.

Contractual Services: Amounts were added for additional audit services.

Transfers: FY15-16 reflected a one-time transfer to the new Environmental Fund.



Note: Categories that account for 1% of the total are not shown on the chart.



Activities/Results

Performance Measures

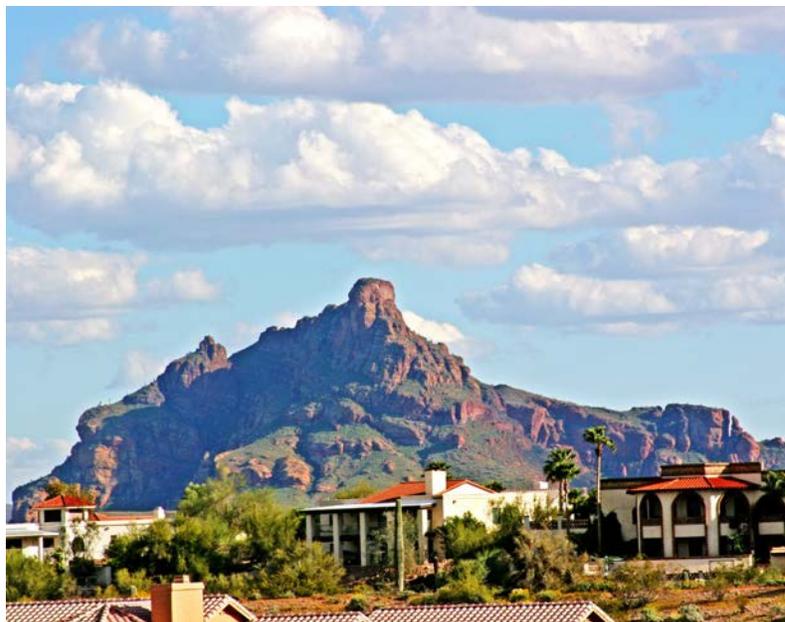
	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Consecutive years for GFOA annual Certificate of Achievement for Excellence in Financial Reporting award	18	19	20	21
Consecutive years for GFOA annual Distinguished Budget Presentation award	12	13	14	15

Quality

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Actual revenue versus forecast	99%	99%	97%	100%
Unqualified audit opinion	Yes	Yes	Yes	Yes

Productivity

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Accounts payable checks issued	1,667	1,703	1,500	1,500
Purchase orders processed	1,152	1,019	1,150	1,140
Local tax revenues from audits	\$66,889	\$73,750	\$30,000	\$20,000
Business licenses processed	2,298	2,723	2,500	2,500



**FY16-17 Proposed Budget
Summary of Expenditures
Finance**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
General Fund				
Salaries-Full Time	\$ 177,289	\$ 174,281	\$ 179,830	\$ 191,299
Salaries-Part Time	35,912	33,695	33,995	73,272
Overtime	243	1,406	-	-
FICA	2,227	2,089	2,108	4,543
Medicare	3,007	2,906	3,101	3,837
Workers Compensation	680	983	831	691
Unemployment Insurance	696	458	294	525
Group Health Insurance	15,597	30,621	32,773	24,252
Group Dental Insurance	1,100	1,595	1,564	1,501
Group Vision Insurance	128	236	237	166
Disability Insurance	358	460	661	811
Retirement	19,645	19,326	19,781	21,043
Life Insurance	394	527	587	641
Licenses/Filing Fees	851	1,095	1,325	1,460
Dues, Subscript & Publicat	2,187	1,833	1,780	1,325
Training/Cont Ed	890	370	-	-
Meetings & Training	2,302	2,579	4,631	3,859
Office Equip Maint/Repair	488	508	-	3,000
Telecommunications	690	-	-	-
Auditing Expense	53,260	53,260	53,874	99,500
Professional Fees	250	485	-	-
Management Fees	15,925	15,754	16,225	16,375
Printing Expense	1,635	1,926	4,315	1,815
Advertising/Signage	892	1,344	2,000	1,250
Intergovt Agreements	5,000	-	48,845	50,000
Constituent Communication	-	-	1,000	-
Bank/Merc Acct Fees	8,608	9,064	9,220	10,320
ActiveNet Fees	-	-	360	360
Office Supplies	1,355	1,476	2,120	1,800
Cleaning/Janitorial Supplies	-	39	-	-
Operating Supplies	1,068	1,535	1,870	1,920
Program Materials	145	220	330	330
Postage & Delivery	1	3	5	5
Miscellaneous Expense	18	-	-	-
Hardware/Peripherals	824	-	-	-
ISF-Copier Charges	3,524	5,743	9,055	5,480
ISF-Mail Service Charges	4,153	6,164	3,804	5,197
ISF-Motor Pool Charges	-	187	100	100
ISF-Telecom Charges	1,555	1,269	1,600	2,000
Sub total Expenditures	362,897	373,437	438,221	528,677
Transfers Out	-	-	80,000	-
Total Finance	\$ 362,897	\$ 373,437	\$ 518,221	\$ 528,677



Information Technology Division

Service Delivery Plan

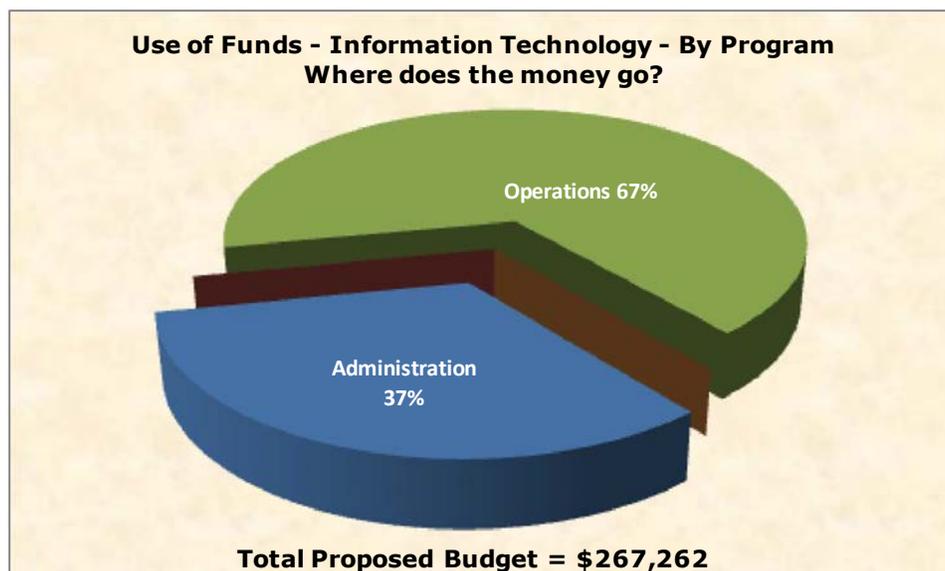
The Information Technology Division is dedicated to providing professional support in a timely and responsive manner while focusing on high availability and reliable technology. The Division also endeavors to implement alternative technologies to reduce operating and maintenance costs.

Program Name	Expenditures by Program			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Administration	\$ 25,502	\$ 11,510	\$ 10,973	\$ 88,632
Network Administration	145,728	132,268	159,391	-
Operations	-	-	-	178,630
Support	54,487	41,883	42,451	-
Video Services	17,188	11,580	13,233	-
Web Site	10,948	40,227	39,927	-
Total	\$ 253,853	\$ 237,468	\$ 265,975	\$ 267,262

Variance Explanations:

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

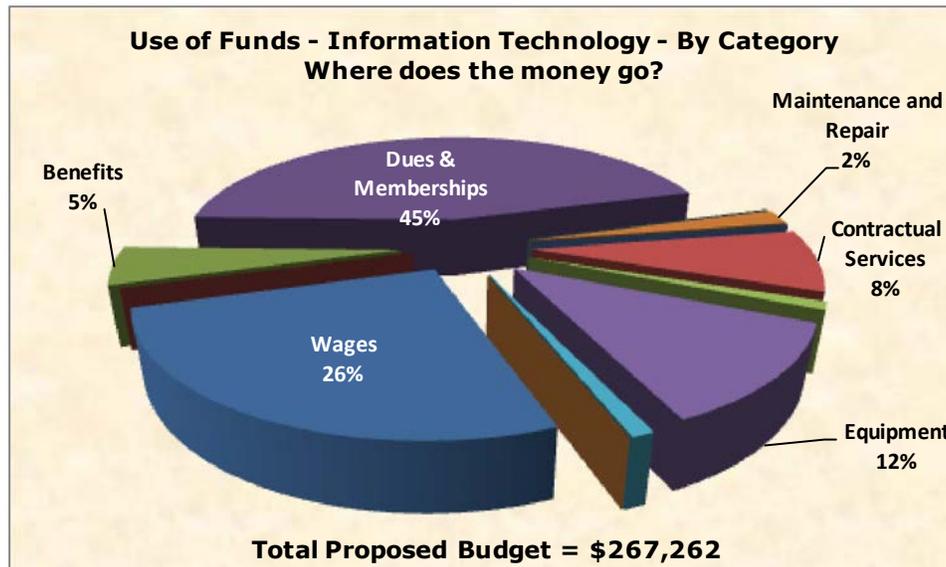
Network Administration/Operations/Support/Video Services/Web Site: Programs were combined into Operations for more efficient managing and reporting purposes.



Category	Expenditures by Category			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Wages	\$ 80,806	\$ 65,802	\$ 66,880	\$ 70,260
Employment Taxes	1,600	1,349	1,305	1,278
Benefits	20,796	15,482	16,150	14,369
Dues & Memberships	99,892	91,446	107,850	117,250
Meetings and Training	-	36	-	-
Maintenance and Repair	1,641	1,686	5,000	5,000
Utilities	1,274	1,771	900	900
Contractual Services	1,000	21,514	21,500	21,500
Supplies	1,968	744	1,700	1,900
Equipment	42,550	15,968	36,675	32,350
Internal Service	2,326	2,176	2,240	2,455
Capital Expenditures	-	19,494	5,775	-
Total	\$ 253,853	\$ 237,468	\$ 265,975	\$ 267,262

Variance Explanations:

Capital Expenditures: FY15-16 budget reflected a one-time expenditure for new software.



Note: Categories that account for 1% of the total are not shown on the chart.



Activities/Results

Performance Measures

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Percentage of emergency related helpdesk tickets resolved within two business hours	97%	95.5%	95%	98%
Percentage of high priority helpdesk tickets resolved within four hours	99%	98.5%	99%	99%
Percentage of helpdesk tickets resolved within twelve hours	98%	95%	95%	98%

Quality

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Total number of tickets opened	818	612	400	500
Total number of tickets closed without resolution	0	0	0	0
Total number of tickets resolved within established timeframe	818	612	400	500
Number of issues resolved during initial contact	613	520	375	450

Productivity

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Average cost involved for support per FTE	\$4,477	\$4,345	\$5,096	\$3,308
Availability of computer system up-time	98%	99%	99%	99%



**FY16-17 Proposed Budget
Summary of Expenditures
Information Technology**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
General Fund				
Salaries-Full Time	\$ 80,806	\$ 65,802	\$ 66,880	\$ 70,260
Medicare	1,160	954	971	1,018
Workers Compensation	252	311	261	185
Unemployment Insurance	187	83	73	75
Group Health Insurance	10,553	7,308	7,824	5,643
Group Dental Insurance	801	435	438	412
Group Vision Insurance	137	64	64	54
Disability Insurance	252	230	247	297
Retirement	8,791	7,238	7,358	7,728
Life Insurance	263	206	219	235
Licenses/Filing Fees	86,937	74,566	93,200	102,300
Dues, Subscript & Publicat	12,955	16,881	14,650	14,950
Meetings & Training	-	36	-	-
Equipment Maint/Repair	1,364	1,687	5,000	5,000
Office Equip Maint/Repair	276	-	-	-
Telecommunications	1,274	1,771	900	900
Professional Fees	-	20,514	20,500	20,500
Intergovt Agreements	1,000	1,000	1,000	1,000
Office Supplies	1,080	510	500	500
Operating Supplies	864	218	1,100	1,300
Postage & Delivery	24	17	100	100
Software	3,654	1,373	7,350	500
Hardware	38,534	13,880	29,325	31,850
Peripherals	362	195	-	-
Equipment	-	519	-	-
ISF-Copier Charges	149	263	200	265
ISF-Mail Service Charges	1	12	10	10
ISF-Telecom Charges	2,177	1,901	2,030	2,180
Capital Expenditures	-	19,494	5,775	-
Sub total Expenditures	253,853	237,468	265,975	267,262
Transfers Out	-	-	-	-
Total Information Technology	\$ 253,853	\$ 237,468	\$ 265,975	\$ 267,262



**Economic Development Division –
(General Fund)**

Service Delivery Plan

Economic Development remains in its own fund and is no longer part of the General Fund.

Program Name	Expenditures by Program			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Administration	\$ -	\$ 90,000	\$ -	\$ -
Total	\$ -	\$ 90,000	\$ -	\$ -

Category	Expenditures by Category			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Transfers	\$ -	\$ 90,000	\$ -	\$ -
Total	\$ -	\$ 90,000	\$ -	\$ -

**FY16-17 Proposed Budget
Summary of Expenditures
Economic Development**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
General Fund				
Transfers Out	\$ -	\$ 90,000	\$ -	\$ -
Total Economic Development	\$ -	\$ 90,000	\$ -	\$ -



Legal Services Division

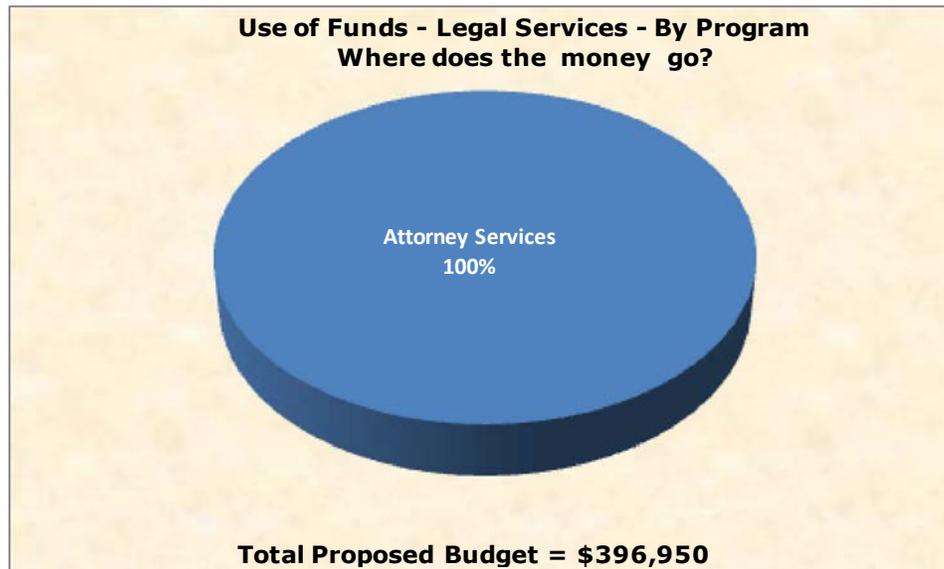
Service Delivery Plan

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			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Attorney Services	\$ 205,137	\$ 257,683	\$ 293,454	\$ 396,950
Public Defender	3,750	6,750	4,800	-
Prosecutor	91,667	90,000	90,000	-
Total	\$ 300,554	\$ 354,433	\$ 388,254	\$ 396,950

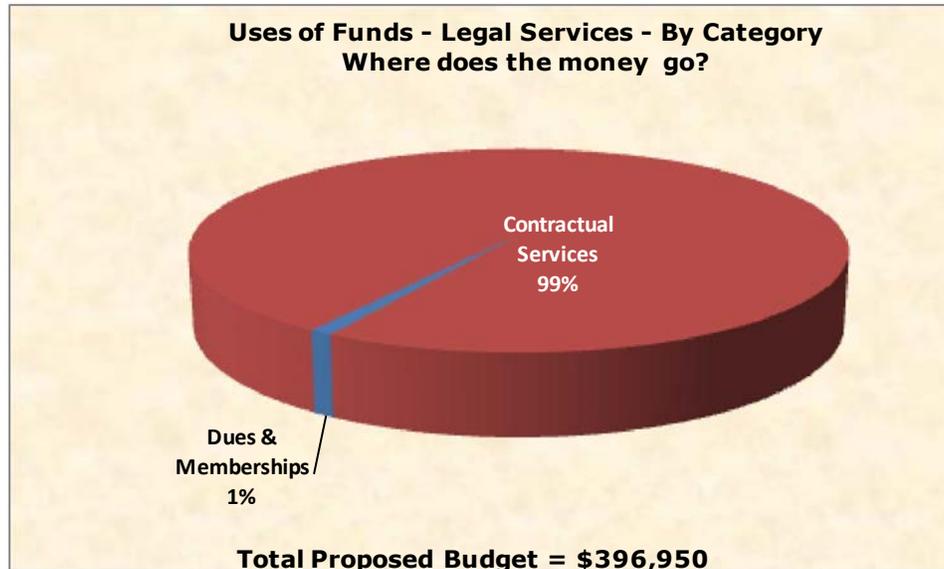
Variance Explanations:

Attorney Services/Public Defender/Prosecutor: Programs were combined into Attorney Services for more efficient managing and reporting purposes.



Category	Expenditures by Category			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Dues & Memberships	\$ 3,616	\$ 3,639	\$ 4,000	\$ 4,000
Contractual Services	296,698	350,584	384,024	392,700
Internal Service	240	210	230	250
Total	\$ 300,554	\$ 354,433	\$ 388,254	\$ 396,950





Activities/Results

Productivity

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Ordinances processed	6	11	9	10
Resolutions processed	57	41	40	35
Contracts and Agreements processed	51	40	200	280

FY16-17 Proposed Budget Summary of Expenditures Legal Services

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
General Fund				
Dues, Subscript & Publicat	\$ 3,616	\$ 3,639	\$ 4,000	\$ 4,000
Legal Fees	296,698	350,584	384,024	297,900
Prosecutor Fees	-	-	-	90,000
Public Defender Fees	-	-	-	4,800
ISF-Telecom Charges	240	210	230	250
Sub total Expenditures	300,554	354,433	388,254	396,950
Transfers Out	-	-	-	-
Total Legal Services	\$ 300,554	\$ 354,433	\$ 388,254	\$ 396,950





General Government



GENERAL GOVERNMENT

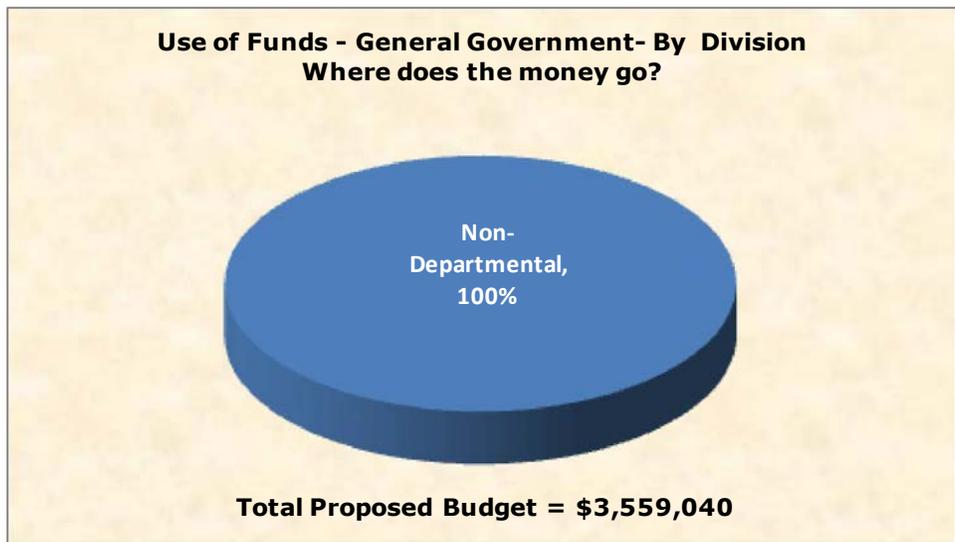
Mission Statement

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

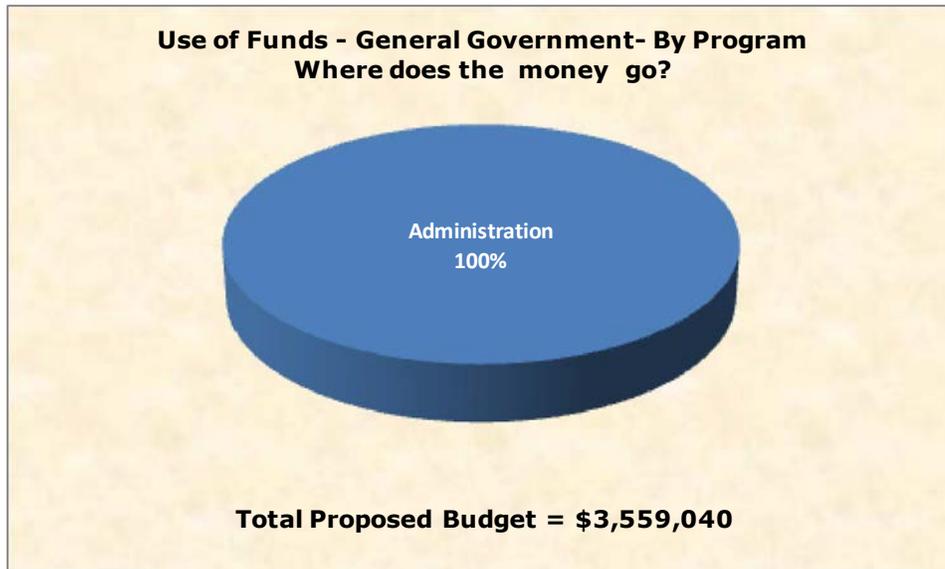
Department Overview

The purpose of the General Government Department is to locate expenditures that are Town-wide and do not belong to any one department. Such expenditures as the Community Contracts, Town’s membership dues in the Arizona League of Cities and Town, Maricopa Association of Governments, East Valley Partnership, and other Town-wide expenditures are located in the General Government Department. Transfers for 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			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Non-Departmental	\$ -	\$ -	\$ -	\$ 3,559,040
Total	\$ -	\$ -	\$ -	\$ 3,559,040



Program Name	Expenditures by Program			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Administration	\$ -	\$ -	\$ -	\$ 3,559,040
Total	\$ -	\$ -	\$ -	\$ 3,559,040



Variance Explanations:

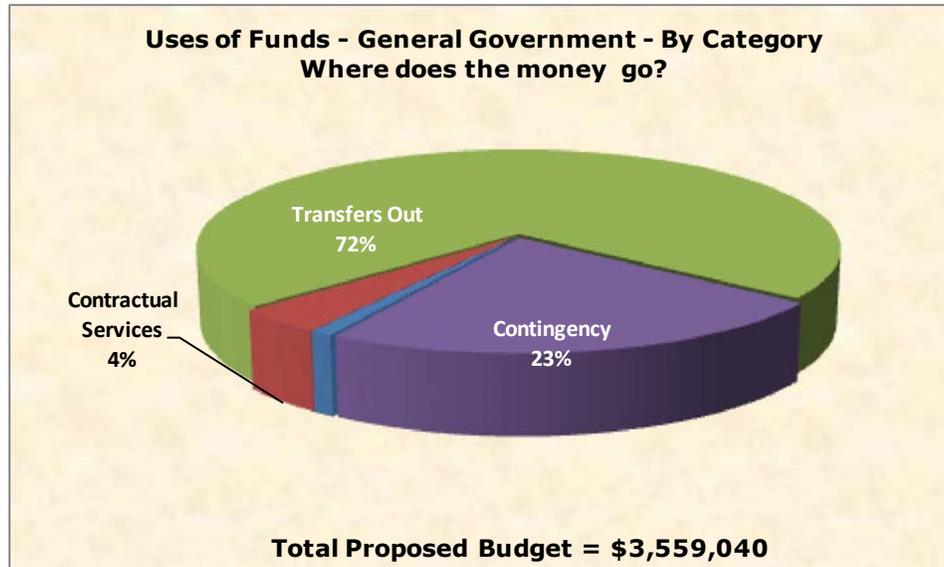
Administration: New program that encompasses all Town-wide, non-departmental expenditures.

Category	Expenditures by Category			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Dues & Memberships	\$ -	\$ -	\$ -	\$ 32,695
Contractual Services	-	-	-	137,021
Transfers Out	-	-	-	2,578,055
Contingency	-	-	-	811,269
Total	\$ -	\$ -	\$ -	\$ 3,559,040

Variance Explanations:

As a new department created for the purpose of keeping Town-wide expenditures in one, easy to find cost center for FY 16-17, there are no variances in General Government from previous years. Please note that other departments will have variances to account for transferring expenditures previously located in their departments to General Government.





Note: Categories that account for 1% of the total are not shown on the chart.

FY16-17 Proposed Budget
Summary of Expenditures
General Government

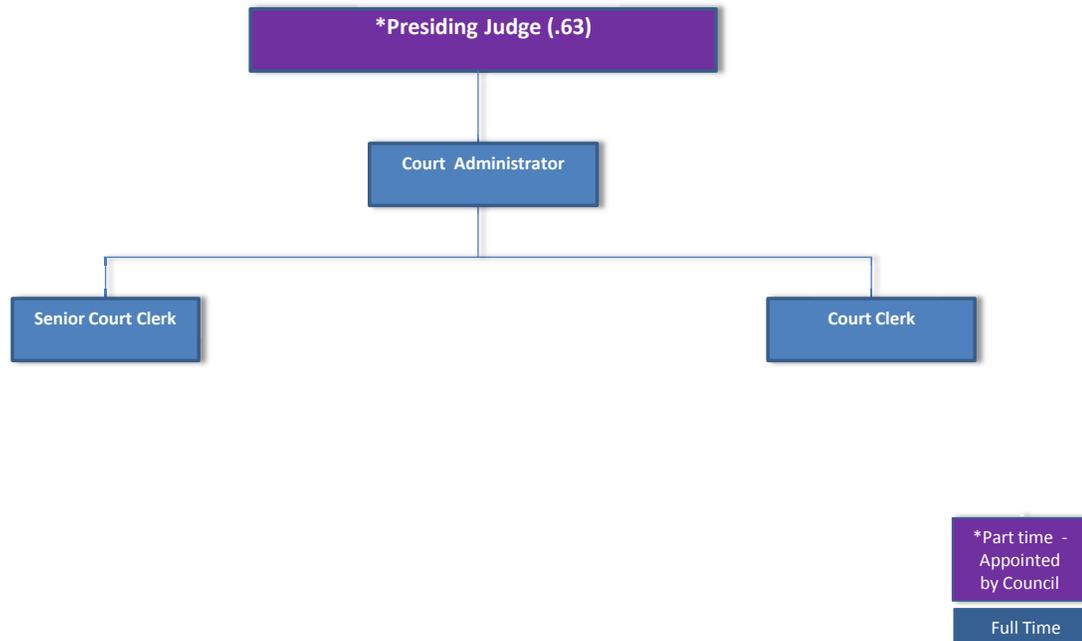
Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
General Fund				
Dues, Subscript & Publicat	\$ -	\$ -	\$ -	\$ 32,695
Constituent Communication	-	-	-	10,000
Community Contracts/Events	-	-	-	127,021
Contingency	-	-	-	811,269
Sub total Expenditures	-	-	-	980,985
Transfers Out	-	-	-	2,578,055
Total General Government	\$ -	\$ -	\$ -	\$ 3,559,040



Municipal Court



MUNICIPAL COURT



MUNICIPAL COURT

Mission Statement

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

Department Overview

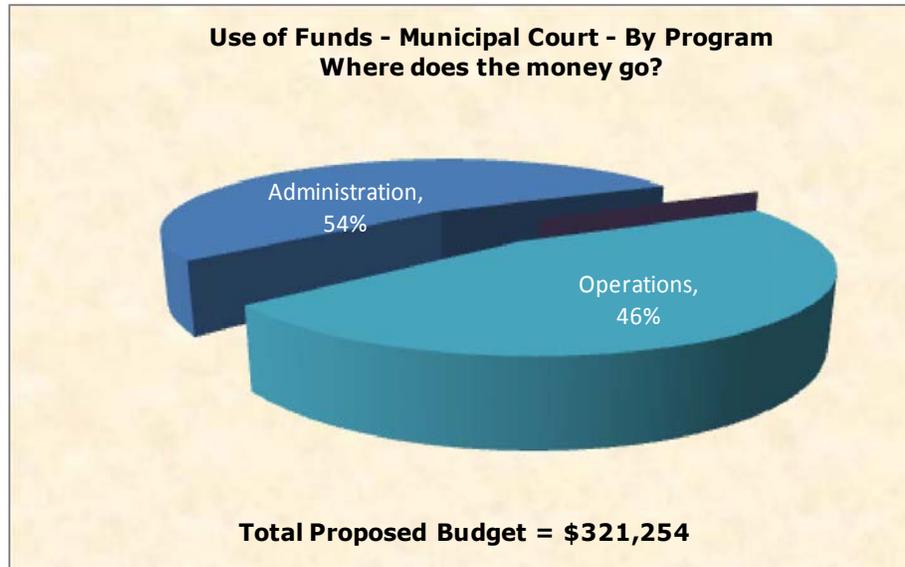
The Fountain Hills Municipal Court is the judicial branch of the Fountain Hills government. Pursuant to State law and the Town Code, decisions regarding the overall function of the Court are the sole responsibility of the Presiding Judge, who also has exclusive supervisory authority over all court personnel. The Court has jurisdiction over civil traffic, criminal traffic and criminal misdemeanor offenses and violations of our Town Code and ordinances. The Court also has authority over specified juvenile offenses. In addition, the Municipal Court Presiding Judge has authority to issue arrest/search warrants, civil orders of protection, and injunctions against harassment. As part of the Arizona State Court System, the Fountain Hills Municipal Court is subject to the authority and administrative supervision of the Arizona Supreme Court. The Fountain Hills Municipal Court has legal obligations and reporting responsibilities to the State as well as to the Town of Fountain Hills. The Court must comply with constantly changing federal, state, and local laws and administrative rules, including those relating to crimes and criminal procedure, victims' rights, record keeping, ADA, minimum accounting standards and judicial ethics.

Program Name	Expenditures by Program			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Administration	\$ 200,666	\$ 203,304	\$ 188,450	\$ 174,232
Civil Cases	31,909	32,924	31,505	-
Criminal Cases	51,224	51,980	48,866	-
Juvenile	8,691	9,448	8,286	-
Operations	-	-	-	147,022
Total	\$ 292,490	\$ 297,656	\$ 277,107	\$ 321,254

Variance Explanations:

Civil Cases/Criminal Cases/Juvenile/Operations: Programs were combined into Operations for more efficient managing and reporting purposes.



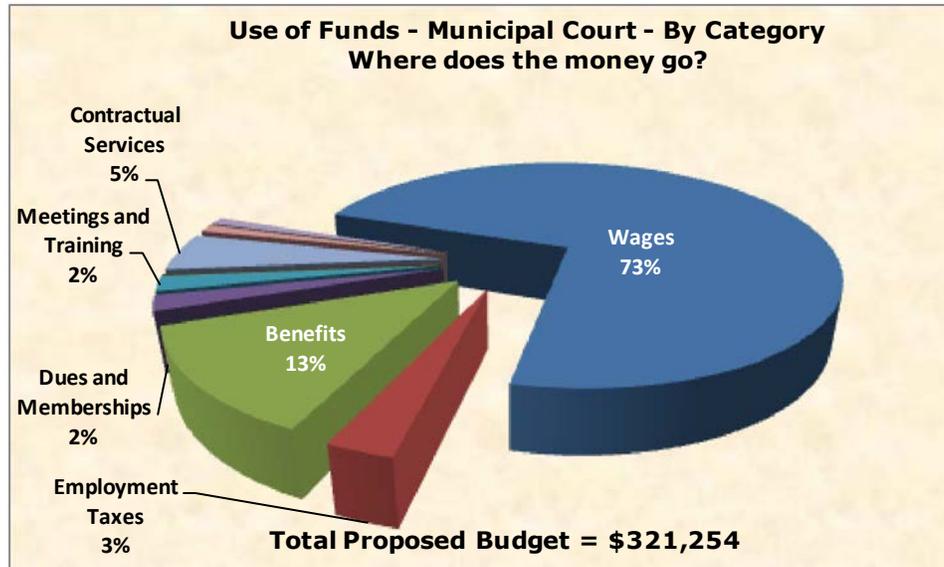


Category	Expenditures by Category			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Wages	\$ 222,774	\$ 223,506	\$ 200,111	\$ 234,633
Employment Taxes	5,406	8,724	6,480	8,740
Benefits	35,705	36,952	38,470	42,384
Dues and Memberships	4,323	3,774	5,001	5,101
Meetings and Training	1,288	439	4,600	6,600
Maintenance and Repair	478	521	800	800
Contractual Services	14,293	14,490	14,090	15,090
Supplies	3,041	2,532	3,800	3,800
Equipment	1,234	2,942	-	-
Internal Service	3,948	3,776	3,755	4,106
Total	\$ 292,490	\$ 297,656	\$ 277,107	\$ 321,254

Variance Explanations:

Wages: Budgeted salaries were corrected to reflect actual costs.





Note: Categories that account for 1% of the total are not shown on the chart.

FY15-16 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.	CR6, CR7-Civic Responsibility
Provided community outreach through informing the public and Fountain Hills High School about Teen Court and the justice system.	CR4, CR7-Civic Responsibility
Effectively and efficiently monitored and enforced timely compliance with Court ordered sentencing and diversion programs while holding defendants accountable for their actions and obligations.	CR3, CR7-Civic Responsibility
Complied with recognized Supreme Court/AOC guidelines for timely case processing, management and finances.	CR1-Civic Responsibility

FY16-17 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.	CR6, CR7-Civic Responsibility	\$0
Provide community outreach and garner support through informing the public and Fountain Hills High School about Teen Court and the justice system.	CR4, CR7-Civic Responsibility	\$0
Transition to the new case management system provided by the Arizona Supreme Court to provide better access to justice.	CR3, CR6-Civic Responsibility	\$0
Eliminate paper files by transitioning to scanning of active case records to improve case processing.	CR3, CR6-Civic Responsibility	\$0
Comply with recognized Arizona Supreme Court/AOC standards for timely case processing, management, and finances.	CR1-Civic Responsibility	\$0
Comply with standard court security standards as defined and mandated by the Arizona Supreme Court/AOC.	CR1, CR6-Civic Responsibility	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.	CR3, C6, C7-Civic Responsibility	\$0



Activities/Results

Performance Measures

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Estimate
Cases Filed	1,649	1,738	2,000	2,050
Cases Terminated	1,875	1,833	2,200	2,250
Hearings/Trials Held	1,665	1,585	1,900	1,950



**FY16-17 Proposed Budget
Summary of Expenditures
Municipal Court**

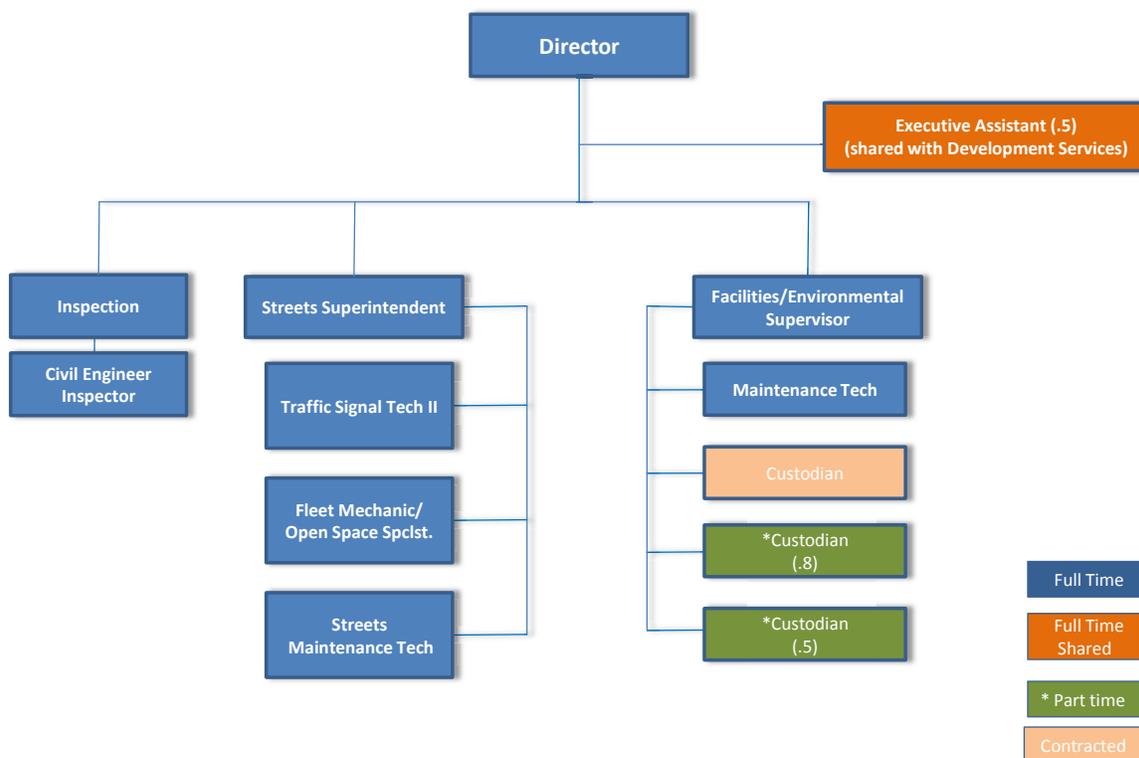
Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
General Fund				
Salaries-Full Time	\$ 207,049	\$ 154,523	\$ 156,844	\$ 162,473
Salaries-Part Time	15,719	68,965	43,267	72,160
Overtime	6	18	-	-
FICA	975	4,292	2,617	4,474
Medicare	3,147	3,162	2,885	3,404
Workers Compensation	650	967	712	562
Unemployment Insurance	635	304	266	300
Group Health Insurance	18,463	17,022	18,217	13,719
Group Dental Insurance	2,134	1,736	1,720	1,655
Group Vision Insurance	198	193	193	162
Disability Insurance	560	545	577	688
Retirement	13,776	16,971	17,253	25,616
Life Insurance	572	485	510	544
Dues, Subscript & Publicat	4,323	3,774	5,001	5,101
Training/Cont Ed	375	50	-	-
Meetings & Training	913	389	4,600	6,600
Office Equip Maint/ Repair	478	521	800	800
Auditing Expense	-	3,500	-	-
Professional Fees	526	848	150	150
Legal Fees	6,800	100	2,000	2,000
Printing Expense	612	1,261	2,000	2,000
Advertising/Signage	-	-	150	150
Intergovt Agreements	4,501	4,750	7,600	8,600
Bank/Merc Acct Fees	1,854	4,031	1,950	1,950
ActiveNet Fees	-	-	240	240
Office Supplies	1,861	1,764	3,300	3,300
Cleaning/Janitorial Supplies	75	139	-	-
Safety Supplies	26	11	-	-
Food & Beverage Supplies	471	593	500	500
Uniforms	609	25	-	-
Small Tools	-	54	-	-
Hardware/Peripherals	1,234	2,453	-	-
Furniture/Appliances	-	435	-	-
ISF-Copier Charges	4	11	5	6
ISF-Mail Service Charges	1,327	1,699	1,200	1,700
ISF-Motor Pool Charges	403	162	250	250
ISF-Telecom Charges	2,214	1,903	2,300	2,150
Sub total Expenditures	292,490	297,656	277,107	321,254
Transfers Out	-	-	-	-
Total Municipal Court	\$ 292,490	\$ 297,656	\$ 277,107	\$ 321,254



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.

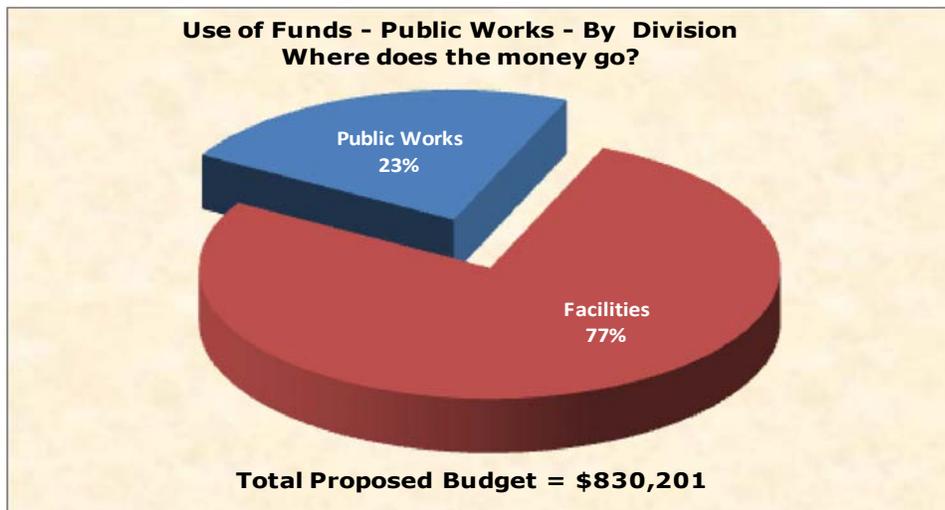
Department Overview

The Public Works Department is made up of four (4) Divisions: Public Works, Streets, Facilities and Environmental Services. Public Works and Facilities are part of the General Fund. The Streets Division is funded through the Highway Users Revenue Fund (HURF) and the Environmental Services Division is funded through the environmental fee. The Public Works Director provides direct supervision over Division heads and the executive management assistant.

Division	Expenditures by Division			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Public Works	\$ 355,958	\$ 399,712	\$ 308,140	\$ 191,233
Facilities	600,513	812,836	744,561	638,968
Total	\$ 956,471	\$ 1,212,548	\$ 1,052,701	\$ 830,201

Variance Explanations:

Public Works: The decrease is due to the reorganization of the Development Services Department in which the Engineering Division was separated from Public Works.

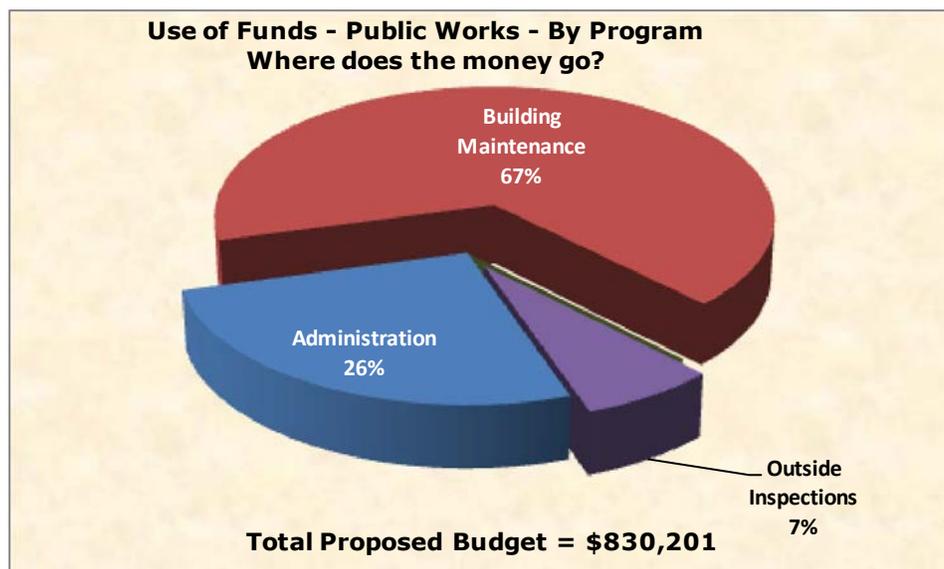


Program Name	Expenditures by Program			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Administration	\$ 67,959	\$ 220,977	\$ 162,113	\$ 212,395
Building Maintenance	593,144	653,724	648,374	557,159
Capital Improvement Projects	89,718	91,417	93,274	-
Outside Inspections	-	-	-	60,647
Stormwater Management	205,650	246,430	148,940	-
Total	\$ 956,471	\$ 1,212,548	\$ 1,052,701	\$ 830,201

Variance Explanations:

Administration/Capital Improvement Projects/Stormwater Management: Programs were combined into Administration for more efficient managing and reporting purposes and there were personnel allocation changes.

Outside Inspections: A new program for FY16-17 representing the portion previously combined with the Engineering Division.

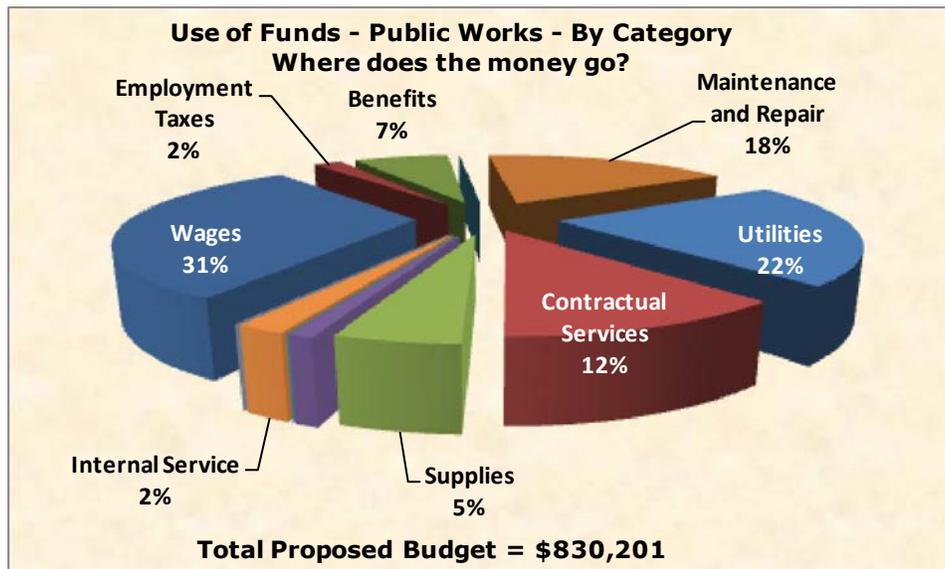


Category	Expenditures by Category			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Wages	\$ 246,640	\$ 262,093	\$ 254,406	\$ 262,129
Employment Taxes	15,092	20,513	16,624	14,011
Benefits	54,558	58,864	63,794	54,000
Dues & Memberships	15,383	7,132	6,859	1,665
Meetings and Training	95	-	1,740	2,240
Maintenance and Repair	346,800	426,221	175,616	150,240
Utilities	169,102	178,427	189,918	188,138
Contractual Services	54,239	46,409	106,320	97,623
Supplies	27,950	33,239	41,535	40,022
Equipment	19,379	14,890	5,635	5,950
Damages/Vandalism	-	9,510	250	900
Internal Service	7,233	11,478	10,809	13,283
Transfers	-	143,772	179,195	-
Total	\$ 956,471	\$ 1,212,548	\$ 1,052,701	\$ 830,201

Variance Explanations:

Dues & Memberships: Environmental-related costs were moved to the Environmental Fund.

Building Maintenance: Maintenance costs of the fire stations were moved to the Fire Department's budget.



Note: Categories that account for 1% of the total are not shown on the chart.



**FY16-17 Proposed Budget
Summary of Expenditures
Public Works Department**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
General Fund				
Salaries-Full Time	\$ 207,271	\$ 217,630	\$ 211,752	\$ 217,585
Salaries-Part Time	38,758	44,180	42,654	44,545
Overtime	611	283	-	-
FICA	2,418	2,733	2,645	2,763
Medicare	3,479	3,703	3,689	3,804
Workers Compensation	8,544	13,693	9,963	7,033
Unemployment Insurance	652	384	327	411
Group Health Insurance	28,397	31,462	37,135	26,681
Group Dental Insurance	1,755	1,728	1,659	1,533
Group Vision Insurance	253	253	238	201
Disability Insurance	631	762	777	922
Retirement	22,864	23,981	23,291	23,934
Life Insurance	658	678	694	729
Licenses/Filing Fees	5,026	5,000	5,100	460
Dues, Subscript & Publicat	10,357	2,132	1,759	1,205
Meetings & Training	95	-	1,740	2,240
Building Maint/Repair	35,386	80,405	74,586	63,800
HVAC Repair	56,028	106,417	66,640	53,180
Plumbing Repair	12,394	6,240	11,300	6,100
Electrical Repair/Maint	2,089	159	3,995	5,140
Fire Protection Systems	8,712	6,352	6,105	5,645
Grounds Maint/Repair	350	5,694	-	-
Irrigation Repair	-	-	4,200	2,650
Backflow Testing & Maintenance	30	824	1,185	810
Wash Maintenance	147,968	163,160	-	-
Dam Inspection And Maint	18,314	42,858	-	-
Storm Damage Cleanup	-	3,033	-	-
Equipment Maint/Repair	5,924	8,370	3,905	7,550
Vehicle Maint/Repair	-	513	800	1,360
Office Equip Maint/ Repair	442	822	200	200
Other Maint/Repair	2,068	807	1,200	1,500
Sidewalk/Pathway Repair	26,411	-	-	-
Sign Repair & Replacement	1,610	566	1,205	1,205
Painting	29,072	-	295	100
Lighting Repair	-	-	-	1,000
Electricity Expense	146,777	147,467	157,040	152,039
Refuse/Recycling	2,006	2,423	1,703	1,703
Telecommunications	1,343	1,234	1,740	3,060
Water/Sewer	17,433	26,142	26,985	26,985
Gas & Oil	1,544	1,161	2,450	4,350
Professional Fees	25,989	18,016	38,490	36,160
Instructor Fees	10	-	-	-
Rentals & Leases	-	-	400	750
Printing Expense	54	65	130	213
Advertising/Signage	64	-	-	-
Contractual Services	-	-	25,000	25,000
Bank/Merc Acct Fees	-	-	-	1,500
Landscape Contracts	28,121	28,329	42,300	34,000



**FY16-17 Proposed Budget
Summary of Expenditures
Public Works Department**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
General Fund-continued				
Office Supplies	\$ 1,231	\$ 1,426	\$ 2,310	\$ 2,372
Cleaning/Janitorial Supplies	8,773	11,563	14,150	10,500
Safety Supplies	765	378	670	725
Operating Supplies	14,189	16,992	20,905	22,625
Food & Beverage Supplies	1,619	1,322	2,000	2,000
Program Materials	33	-	-	-
Uniforms	1,315	1,461	1,500	1,800
Postage & Delivery	25	97	-	-
Small Tools	371	259	490	950
Hardware/Peripherals	320	-	600	-
Furniture/Appliances	6,200	13,321	2,200	600
Equipment	12,488	1,310	2,345	2,500
Damages/Vandalism	-	9,510	250	1,900
ISF-Copier Charges	1,403	3,250	2,005	900
ISF-Mail Service Charges	52	35	35	1,075
ISF-Vehicle Replacement Charge	1,790	5,160	5,263	17
ISF-Motor Pool Charges	500	29	171	8,320
ISF-Telecom Charges	3,489	3,004	3,335	171
Sub total Expenditures	956,471	1,068,776	873,506	826,501
Transfers Out	-	143,772	179,195	3,700
Total Public Works	\$ 956,471	\$ 1,212,548	\$ 1,052,701	\$ 830,201



FY15-16 Department Accomplishments

Initiative	Strategic Value
Completed Town-owned wash and ADWR jurisdictional dam maintenance	ES2-Environmental Stewardship
Completed Zone 1 Pavement Management	I3-Maintain and improve Community infrastructure
Completed Saguaro Blvd. Reconstruction	I3-Maintain and Improve Community Infrastructure
Completed Shea Widening Project (SR87 to Technology Drive)	I3-Maintain and Improve Community Infrastructure
Completed Unpaved Alley Paving – Phase III	I3-Maintain and Improve Community Infrastructure

FY16-17 Objectives

Initiative	Strategic Value	Estimated Cost/Funding Source
Foster a culture of public service and volunteerism	CR1-Civic Responsibility	\$0/General Fund
Compete Town Owned wash and ADWR jurisdictional dam maintenance	ES2-Environmental Stewardship	\$170,000/Environmental Fund



Public Works Division

Service Delivery Plan

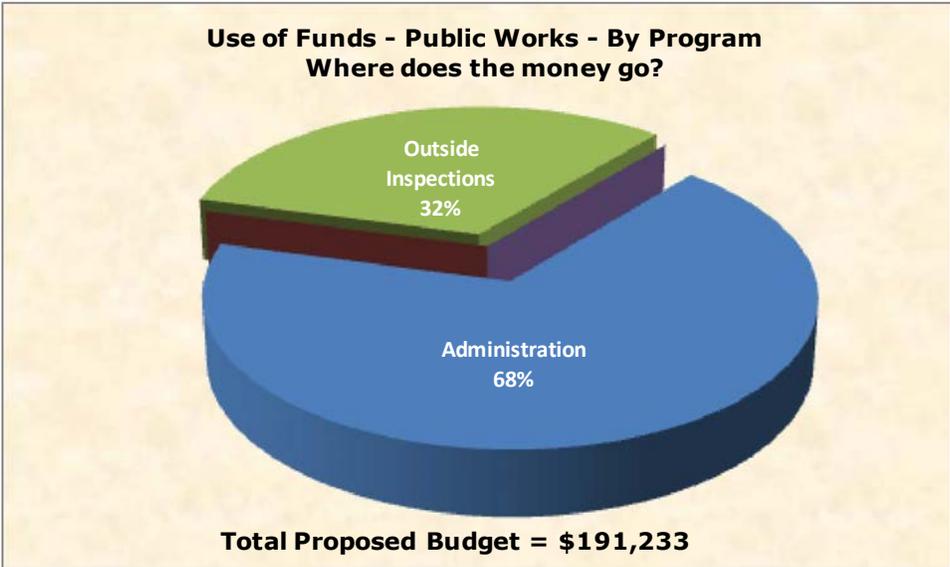
The Public Works Division, through its administrative direction, is responsible for the general oversight of capital projects and review, approval and inspections related to encroachment permits.

Program Name	Expenditures by Program			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Administration	\$ 60,589	\$ 61,864	\$ 65,926	\$ 130,586
Capital Improvement Program	89,719	91,417	93,274	-
Outside Inspections	-	-	-	60,647
Stormwater Management	205,650	246,430	148,940	-
Total	\$ 355,958	\$ 399,711	\$ 308,140	\$ 191,233

Variance Explanations:

Administration/Capital Improvement Projects/Stormwater Management: Programs were combined into Administration for more efficient managing and reporting purposes and there were personnel allocation changes.

Outside Inspections: A new program for FY16-17 representing the portion previously combined with Engineering Division.



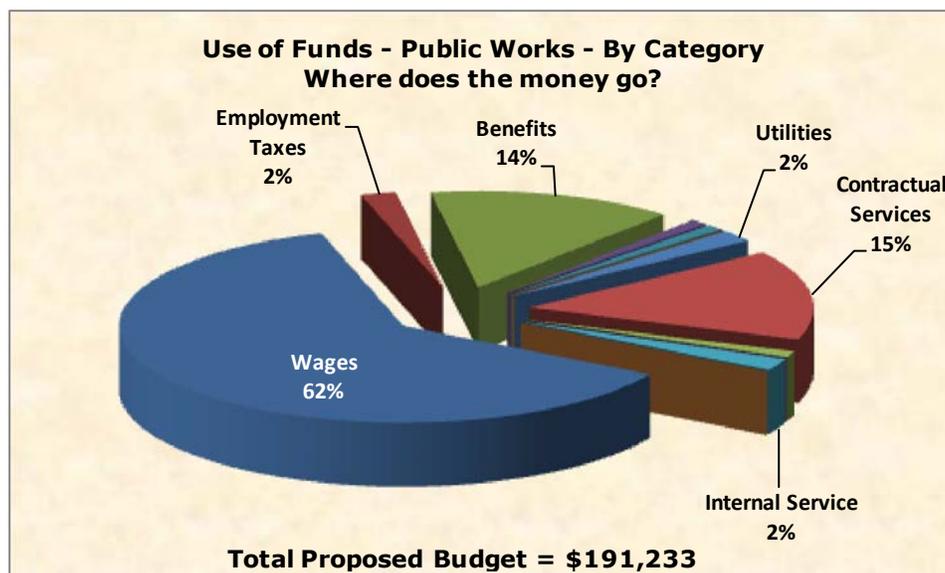
Category	Expenditures by Category			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Wages	\$ 136,930	\$ 139,372	\$ 131,707	\$ 118,863
Employment Taxes	5,347	7,200	5,702	3,784
Benefits	34,457	34,751	33,861	26,058
Dues & Memberships	6,703	6,496	6,364	1,170
Meetings and Training	95	-	1,740	2,240
Maintenance and Repair	166,629	206,841	-	560
Utilities	277	228	440	3,660
Contractual Services	1,519	-	26,400	27,983
Supplies	1,339	1,400	1,935	1,860
Equipment	320	-	-	450
Internal Service	2,342	3,423	2,511	4,605
Transfers	-	-	97,480	-
Total	\$ 355,958	\$ 399,711	\$ 308,140	\$ 191,233

Variance Explanations:

Benefits: The decrease is a result of significant savings from changing health insurance carriers.

Dues & Memberships: The decrease reflects an alternative basis for collection of the environmental fee.

Transfers: The amount of funding to the Environmental Fund was eliminated.



Note: Categories that account for 1% of the total are not shown on the chart.



Activities/Results

Performance Measures

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Percentage of inspections completed within 24 hours of notice	95%	100%	98%	99%

Quality

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Number of right-of-way and encroachment permits issued	229	285	325	325
Total number of inspections (includes multiple inspection totals for residential, commercial & encroachment permits)	321	350	300	350
Number of Capital improvement (CIP) projects completed	3	2	3	4

Productivity

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Expenditure per right-of-way and encroachment permits issued	\$264.58	\$217.07	\$202.85	\$185.23
Expenditure per inspection (includes multiple inspection totals for residential, commercial & encroachment permits)	\$188.75	\$176.75	\$219.75	\$172.00



**FY16-17 Proposed Budget
Summary of Expenditures
Public Works Division**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
General Fund				
Salaries-Full Time	\$ 136,557	\$ 139,097	\$ 131,707	\$ 118,863
Overtime	373	275	-	-
Medicare	1,906	1,949	1,910	1,725
Workers Compensation	3,216	5,112	3,674	1,929
Unemployment Insurance	225	140	118	130
Group Health Insurance	17,304	17,297	17,338	11,163
Group Dental Insurance	1,081	1,054	980	812
Group Vision Insurance	153	153	142	108
Disability Insurance	409	486	484	503
Retirement	15,088	15,330	14,487	13,074
Life Insurance	422	432	430	398
Licenses/Filing Fees	5,017	5,000	5,100	460
Dues, Subscriptions & Publications	1,686	1,496	1,264	710
Meetings & Training	95	-	1,740	2,240
Wash Maintenance	147,968	163,160	-	-
Dam Inspection and Maint	18,314	42,859	-	-
Vehicle Maint/Repair	-	-	-	560
Office Equipment Maint/Repair	348	822	-	-
Telecommunications	277	227	240	1,560
Gas & Oil	-	-	200	2,100
Professional Fees	1,400	-	1,400	1,400
Printing Expense	54	-	-	83
Advertising/Signage	64	-	-	-
Contractual Services	-	-	25,000	25,000
Bank/Merc Acct Fees	-	-	-	1,500
Office Supplies	986	1,302	1,935	1,285
Safety Supplies	-	-	-	100
Food & Beverage Supplies	45	-	-	-
Program Materials	33	-	-	-
Uniforms	275	97	-	475
Small Tools	-	-	-	450
Hardware/Peripherals	320	-	-	-
ISF-Copier Charges	1,391	3,044	1,955	875
ISF-Mail Service Charges	44	33	25	13
ISF-Vehicle Replacement Charge	-	-	-	2,896
ISF-Motor Pool Charges	486	29	171	171
ISF-Telecom Charges	421	317	360	650
Sub total Expenditures	355,958	399,711	210,660	191,233
Transfers Out	-	-	97,480	-
Total Public Works	\$ 355,958	\$ 399,711	\$ 308,140	\$ 191,233



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, Kiwanis Building and the Fountain Hills Theatre.

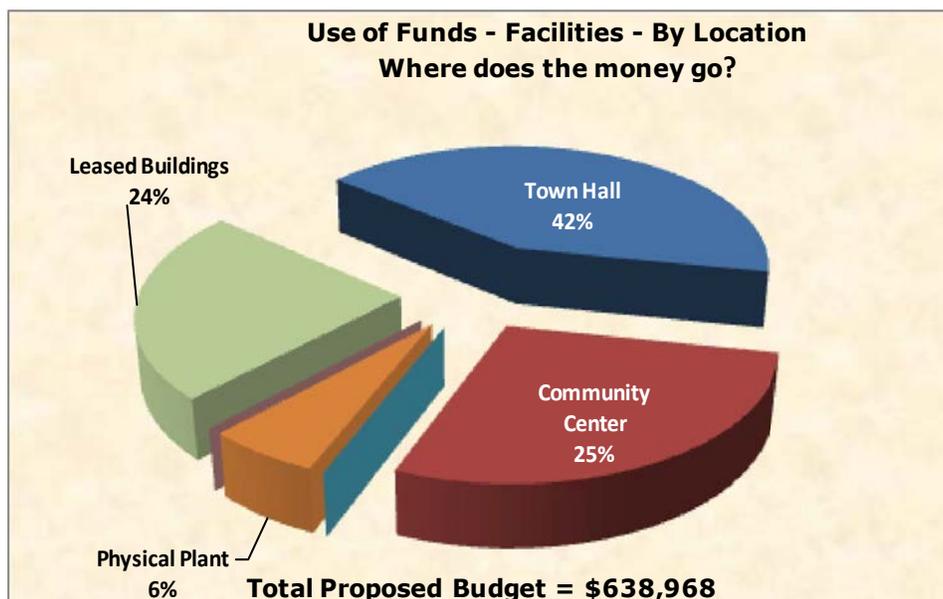
Location	Expenditures by Location			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Town Hall	\$ 169,944	\$ 378,223	\$ 265,756	\$ 273,159
Community Center	164,255	151,405	168,075	176,734
Library/Museum	134,477	136,020	143,865	-
Community Theater	5,004	16,507	26,729	-
Kiwanis Building	9,544	5,969	9,446	-
Physical Plant	44,146	46,542	57,516	36,203
Fire Station #1	53,661	59,777	53,757	-
Fire Station #2	19,482	18,393	19,417	-
Leased Buildings	-	-	-	152,872
Total	\$ 600,513	\$ 812,836	\$ 744,561	\$ 638,968

Variance Explanations:

Library/Museum/Community Theater/Kiwanis Building/Leased Buildings: These locations were consolidated into Leased Buildings for more efficient managing and reporting purposes.

Physical Plant: A budget supplement was included to replace the economizer valve.

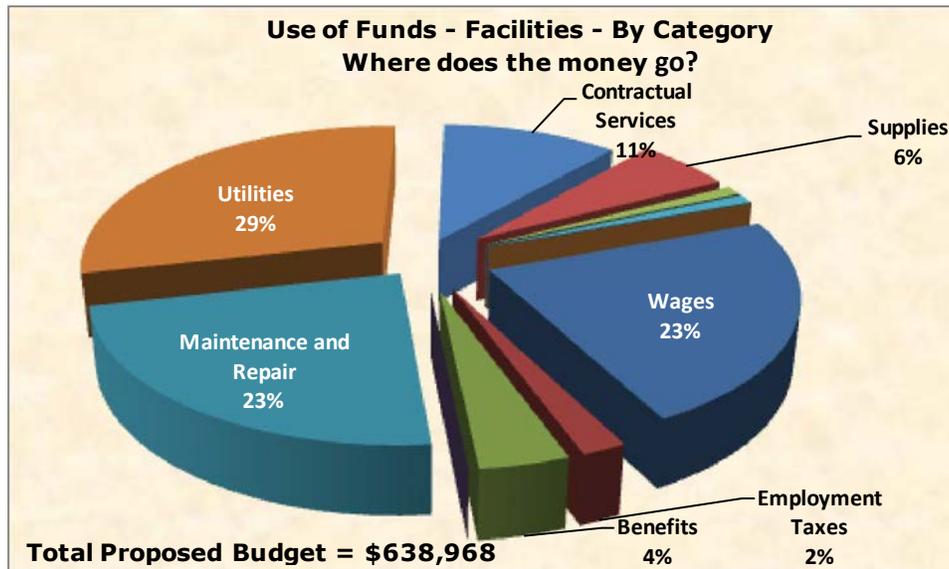
Fire Station #1/Fire Station #2: Amounts were relocated to the Fire Department budget.



Category	Expenditures by Category			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Wages	\$ 109,711	\$ 122,721	\$ 122,699	\$ 143,267
Employment Taxes	9,745	13,312	10,922	10,227
Benefits	20,101	24,113	29,933	27,941
Dues & Memberships	8,680	636	495	495
Maintenance and Repair	180,169	219,379	175,616	149,680
Utilities	168,825	178,200	189,478	184,478
Contractual Services	52,720	46,409	79,920	69,640
Supplies	26,612	31,839	39,600	38,162
Equipment	19,059	14,890	5,635	5,500
Damages/Vandalism	-	9,510	250	900
Internal Service	4,891	8,055	8,298	8,678
Transfers Out	-	143,772	81,715	-
Total	\$ 600,513	\$ 812,836	\$ 744,561	\$ 638,968

Variance Explanations:

Transfers Out: The amount transferred to Facilities Replacement Fund was eliminated from this Division.



Note: Categories that account for 1% of the total are not shown on the chart.



Activities/Results

Performance Measures

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Percentage of maintenance requests resolved within 24 hours	79%	79	79	79
Percentage of maintenance requests resolved within 48 hours	92%	92	92	92
Percentage of trade related work orders completed in house versus contracts	70%	70	70	70

Quality

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Square footage of buildings maintained by staff	117,387	117,387	117,387	117,387
Square footage of buildings cleaned by staff	23,500	23,500	23,500	23,500
Number of annual maintenance requests	1,625	350	350	350
Number of Custodial Staff	1.25	1.25	1.25	1.25
Library/Museum Custodial Staff	.5	.5	.5	.5
Town Hall Custodial Staff	.75	.75	.75	.75
*Number of paper shedding events held	2	2	2	2
Hazardous Waste	1	1	1	1
Number of recycling events held (*Electronic)	1	1	1	1
CFL/Florescent bulb recycling	0	0	0	0

Productivity

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Civic Center utility costs per square foot (water, sewer, electric – includes parking lot lighting and landscape irrigation)	\$1.80	\$1.90	\$2.02	\$1.96



**FY16-17 Proposed Budget
Summary of Expenditures
Facilities**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
General Fund				
Salaries-Full Time	\$ 70,714	\$ 78,533	\$ 80,045	\$ 98,722
Salaries-Part Time	38,758	44,180	42,654	44,545
Overtime	239	8	-	-
FICA	2,418	2,733	2,645	2,763
Medicare	1,573	1,754	1,779	2,079
Workers Compensation	5,328	8,581	6,289	5,104
Unemployment Insurance	427	245	209	281
Group Health Insurance	11,092	14,165	19,797	15,518
Group Dental Insurance	674	674	679	721
Group Vision Insurance	100	100	96	93
Disability Insurance	222	277	293	419
Retirement	7,776	8,651	8,804	10,859
Life Insurance	236	245	264	331
Licenses/Filing Fees	9	-	-	-
Dues, Subscript & Publicat	8,671	636	495	495
Building Main/Repair	35,386	80,405	74,286	63,800
HVAC Repair	56,028	106,417	68,640	53,180
Plumbing Repair	12,394	6,240	7,500	6,100
Electrical Repair/Maint	2,089	159	3,995	5,140
Fire Protection Systems	8,712	6,352	6,105	5,645
Grounds Maint/Repair	350	5,694	-	-
Irrigation Repair	-	-	4,200	2,650
Backflow Testing & Maintenance	30	824	1,185	810
Storm Damage Cleanup	-	3,033	-	-
Equipment Maint/Repair	5,924	8,370	3,905	7,550
Vehicle Maint/Repair	-	513	800	800
Office Equip Maint/ Repair	94	-	200	200
Other Maint/Repair	2,068	807	1,200	1,500
Sidewalk/Pathway Repair	26,411	-	2,100	-
Sign Repair & Replacement	1,610	566	1,205	1,205
Painting	29,072	-	295	100
Lighting Repair	-	-	-	1,000
Electricity Expense	146,777	147,466	157,040	152,040
Refuse/Recycling	2,006	2,423	1,703	1,703
Telecommunications	1,066	1,006	1,500	1,500
Water/Sewer	17,433	26,142	26,985	26,985
Gas & Oil	1,544	1,161	2,250	2,250
Professional Fees	24,589	18,016	37,090	34,760
Instructor Fees	10	-	-	-
Rentals & Leases	-	-	400	750
Printing Expense	-	65	130	130
Landscape Contracts	28,121	28,329	42,300	34,000
Office Supplies	246	123	375	1,087



**FY16-17 Proposed Budget
Summary of Expenditures
Facilities**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
General Fund-continued				
Cleaning/Janitorial Supplies	\$ 8,773	\$ 11,563	\$ 14,150	\$ 10,500
Safety Supplies	765	378	670	625
Operating Supplies	14,189	16,992	20,905	22,625
Food & Beverage Supplies	1,574	1,322	2,000	2,000
Uniforms	1,040	1,364	1,500	1,325
Postage & Delivery	25	97	-	-
Small Tools	371	259	490	500
Hardware/Peripherals	-	-	600	600
Furniture/Appliances	6,200	13,321	2,200	2,500
Equipment	12,488	1,310	2,345	1,900
Damages/Vandalism	-	9,510	250	900
ISF-Copier Charges	11	206	50	200
ISF-Mail Service Charges	8	2	10	4
ISF-Vehicle Replacement Charge	1,790	5,160	5,263	5,424
ISF-Motor Pool Charges	14	-	-	-
ISF-Telecom Charges	3,068	2,687	2,975	3,050
Sub total Expenditures	600,513	669,064	662,846	638,968
Transfers Out	-	143,772	81,715	-
Total Facilities	\$ 600,513	\$ 812,836	\$ 744,561	\$ 638,968

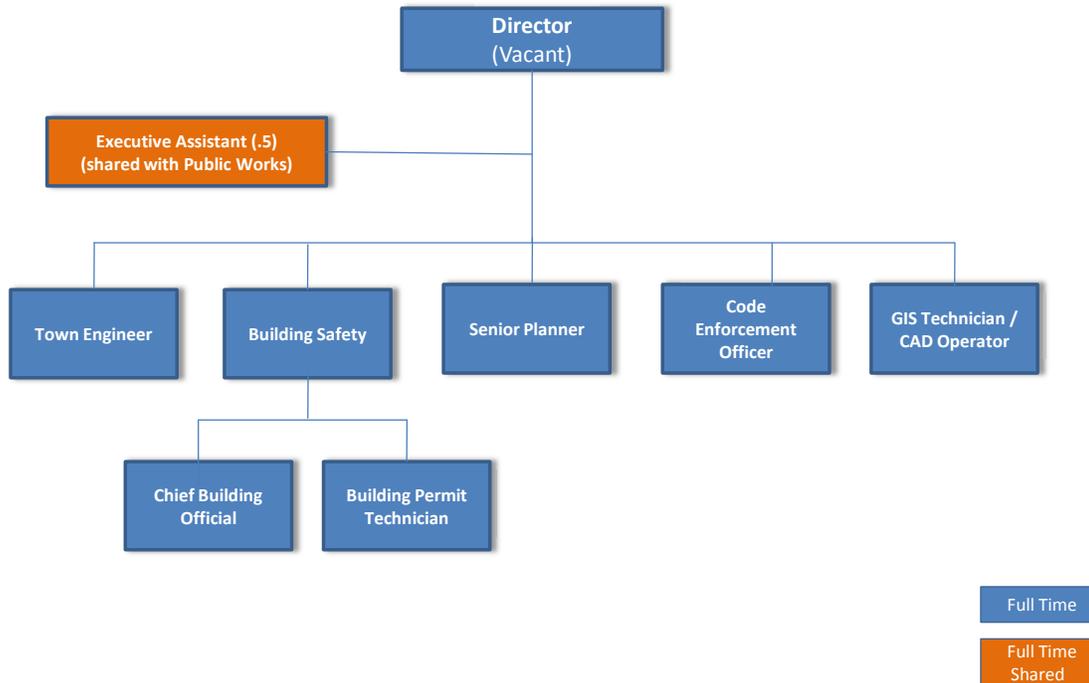




Development Services



DEVELOPMENT SERVICES DEPARTMENT



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, enforcement of Town codes, 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: Building Safety, Code Compliance, Engineering, Mapping & Graphics and Planning in the General Fund. The Development Services Director provides direct supervision over Division heads and the executive management assistant.

Division	Expenditures by Division			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Development Services	\$ -	\$ -	\$ -	\$ 167,853
Engineering	136,475	142,668	212,854	229,133
Planning	156,701	160,973	167,649	121,314
Building Safety	194,449	207,734	239,397	224,508
Code Compliance	93,627	96,965	99,979	77,980
Mapping & Graphics	72,239	70,893	68,865	106,351
Total	\$ 653,491	\$ 679,233	\$ 788,744	\$ 927,139

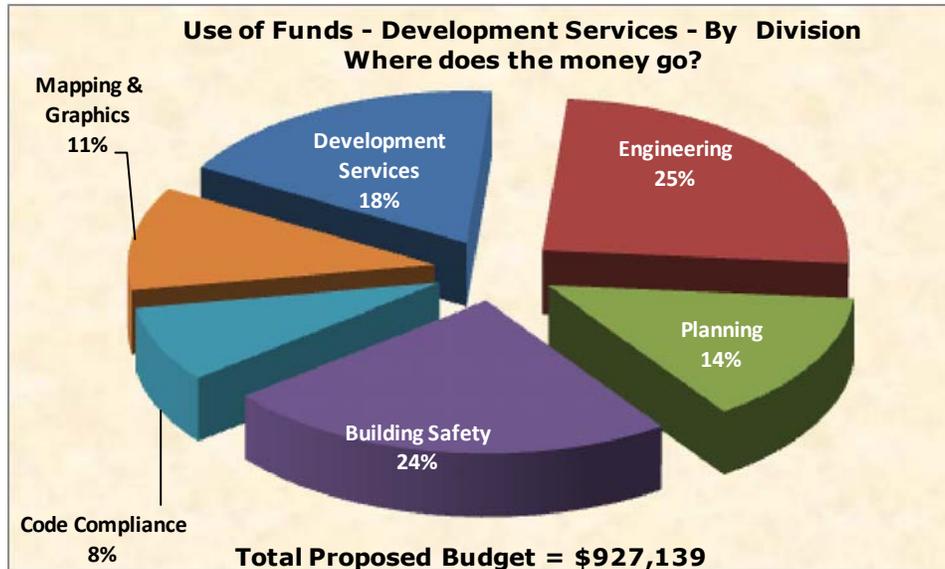
Variance Explanations:

Development Services: New Division created for the new position requested.

Planning/Code Compliance: The decrease is a result of personnel allocation changes and significant savings from changing health insurance carriers.

Mapping & Graphics: The increase is a result of personnel allocation changes.





Program Name	Expenditures by Program			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Administration	\$ -	\$ -	\$ -	\$ 167,853
Building Inspection	80,090	90,224	113,179	224,508
Code Compliance	93,627	96,965	99,979	77,980
Current Planning	97,300	101,425	107,623	-
Engineering	136,475	142,668	212,854	229,133
Environmental Service	32,611	32,419	30,748	-
Long Range Planning	26,790	27,130	29,278	-
Mapping & Graphics	72,239	70,893	68,865	106,351
Permitting	114,359	117,510	126,218	-
Planning & Zoning	-	-	-	121,314
Total	\$ 653,491	\$ 679,234	\$ 788,744	\$ 927,139

Variance Explanations:

Administration: Amounts reflect the reorganization of the Department and a new position request.

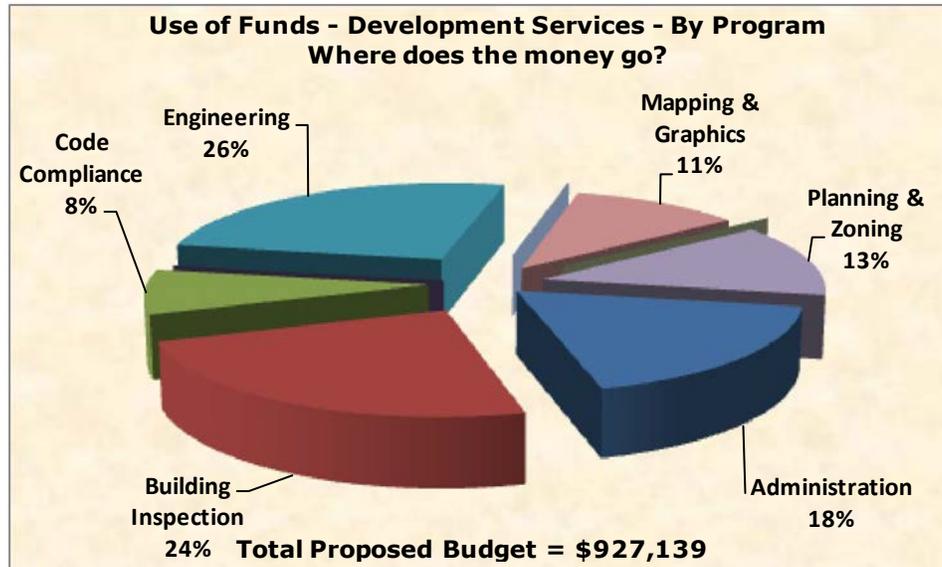
Building Inspection/Permitting: Permitting was merged into Building Inspection for more efficient managing and reporting purposes.

Current Planning/Long Range Planning/Planning & Zoning: These programs were consolidated into Planning & Zoning for more efficient managing and reporting purposes.

Code Compliance: The decrease is a result of personnel allocation changes and significant savings from changing health insurance carriers.

Environmental Service: Expenses were moved into the Environmental Fund.

Mapping & Graphics: The increase is a result of personnel allocation changes.



Category	Expenditures by Category			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Wages	\$ 456,654	\$ 457,158	\$ 466,099	\$ 556,535
Employment Taxes	15,088	19,371	17,513	16,995
Benefits	111,928	113,670	120,755	120,365
Dues & Memberships	8,587	7,292	13,238	5,442
Meetings and Training	1,026	1,313	7,940	11,650
Maintenance and Repair	2,261	1,115	5,188	4,220
Utilities	6,618	6,689	8,348	5,120
Contractual Services	26,358	50,946	117,256	172,919
Supplies	7,965	4,244	10,842	10,065
Equipment	1,801	445	5,700	5,250
Internal Service	14,278	15,351	15,865	18,578
Transfers	928	1,639	-	-
Total	\$ 653,492	\$ 679,233	\$ 788,744	\$ 927,139

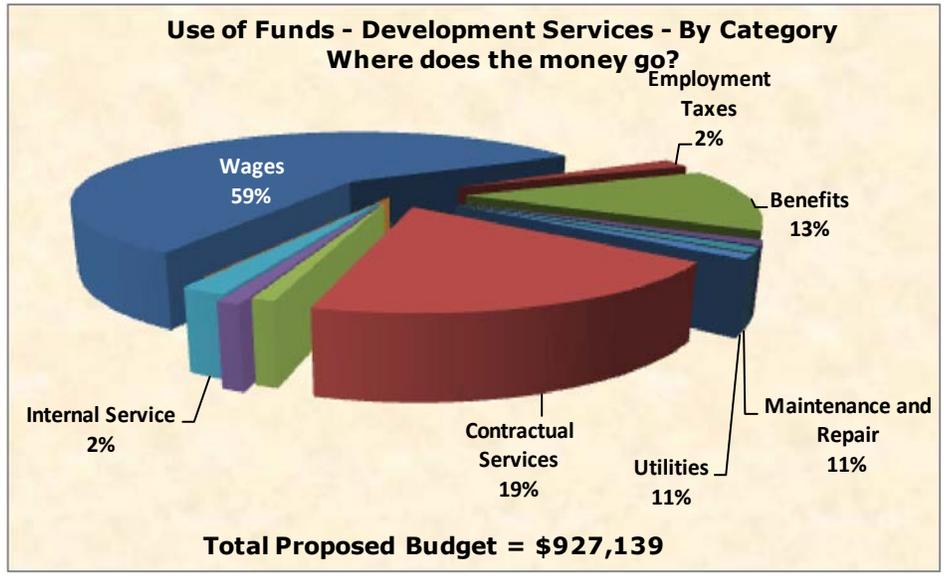
Variance Explanations:

Dues & Memberships: The decrease reflects movement of the environmental fee out of this Department.

Contractual Services: Budget supplements were included for engineering studies & surveys and amounts were increased for contracted inspections and plan reviews.

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





Note: Categories that account for 1% of the total are not shown on the chart.

FY15-16 Department Accomplishments

Initiative	Strategic Value
Completed the 2015 edition of the "Land Use Analysis and Statistical Report"	EV1-Economic Vitality
Revised Planned Area Development (P.A.D.) Ordinance	EV3-Economic Vitality
Revised Outdoor Lighting Ordinance	ES3-Environmental Stewardship

FY16-17 Objectives

Initiative	Strategic Value	Estimated Cost/Funding Source
Foster a culture of public service and volunteerism	CR2-Civic Responsibility	\$0/General Funds
Complete 2015 edition of "Land Use Analysis and Statistical Report"	EV1-Economic Vitality	\$1,000/General Fund

**FY16-17 Proposed Budget
Summary of Expenditures
Development Services Department**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
General Fund				
Salaries-Full Time	\$ 453,011	\$ 456,844	\$ 466,099	\$ 556,535
Salaries-Part time	3,270	-	-	-
Overtime	373	314	-	-
Fica	203	-	-	-
Medicare	6,436	6,453	6,761	8,072
Workers Compensation	7,570	12,373	10,239	8,369
Unemployment Insurance	879	545	513	554
Group Health Insurance	54,988	56,069	61,844	50,358
Group Dental Insurance	3,863	3,757	3,867	4,072
Group Vision Insurance	514	514	532	493
Disability Insurance	1,333	1,608	1,711	2,355
Retirement	49,853	50,288	51,273	61,221
Life Insurance	1,377	1,433	1,528	1,866
Licenses/Filing Fees	4,689	791	10,310	1,850
Dues, Subscript & Publicat	3,899	6,501	2,928	3,592
Meetings & Training	1,026	1,313	7,940	11,650
Equipment Maint/Repair	770	976	3,425	3,100
Vehicle Maint/Repair	1,383	-	1,763	1,120
Office Equip Maint/Repair	108	140	-	-
Telecommunications	3,128	3,692	3,648	3,120
Gas & Oil	3,491	2,997	4,700	2,000
Professional Fees	9,812	16,609	28,000	78,500
Printing Expense	162	65	1,416	1,499
Advertising/Signage	941	1,388	2,500	2,500
Contractual Services	11,315	30,000	80,920	87,500
Bank/Merc Acct Fees	4,127	2,883	4,300	2,800
ActiveNet Fees	-	-	120	120
Office Supplies	6,153	2,839	8,062	8,585
Operating Supplies	-	451	-	-
Program Materials	842	80	925	-
Safety Supplies	-	-	200	100
Uniforms	950	874	1,505	1,230
Postage & Delivery	20	-	150	150
Small Tools	-	44	700	250
Software	-	76	5,000	-
Hardware/Peripherals	1,801	324	-	5,000
ISF-Copier Charges	1,669	2,957	2,535	3,715
ISF-Mail Service Charges	302	449	840	358
ISF-Vehicle Replacement Charge	8,023	8,183	8,593	11,461
ISF-Motor Pool Charges	1,125	907	727	694
ISF-Telecom Charges	<u>3,159</u>	<u>2,855</u>	<u>3,170</u>	<u>2,350</u>
Sub total Expenditures	652,565	677,592	788,744	927,139
Transfers Out	<u>928</u>	<u>1,639</u>	<u>-</u>	<u>-</u>
Total Development Services	<u>\$ 653,493</u>	<u>\$ 679,231</u>	<u>\$ 788,744</u>	<u>\$ 927,139</u>





Development Services Division

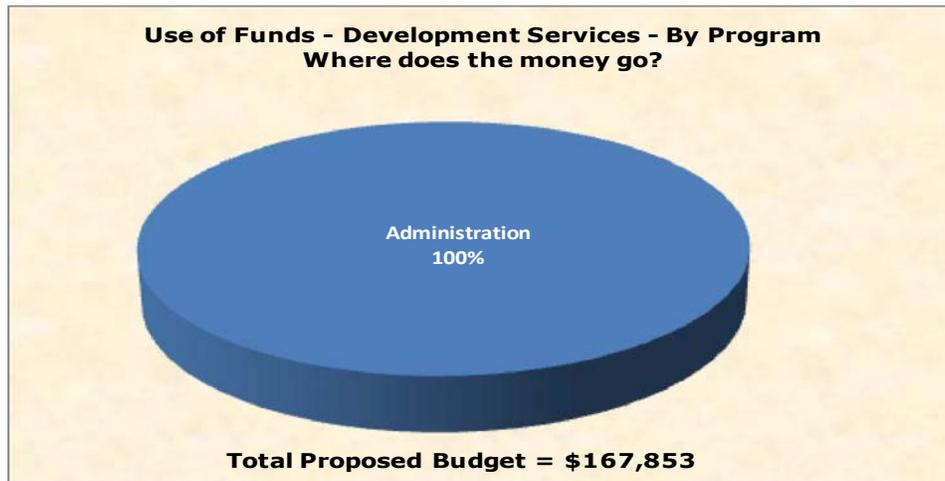
Service Delivery Plan

Development Services 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			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Administration	\$ -	\$ -	\$ -	\$ 167,853
Total	\$ -	\$ -	\$ -	\$ 167,853

Variance Explanations:

Administration: New program created as a result of the reorganization of the Department and personnel allocation changes.

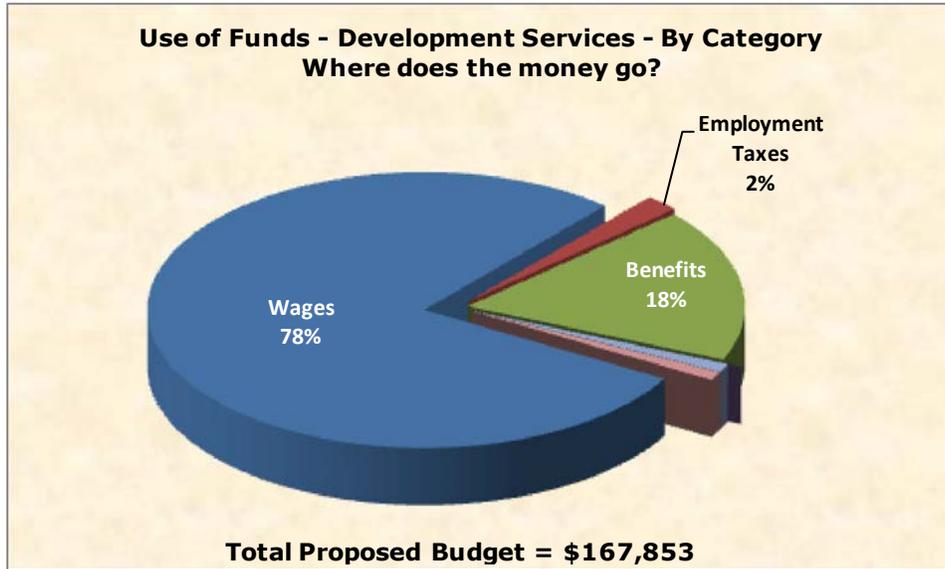


Category	Expenditures by Category			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Wages	\$ -	\$ -	\$ -	\$ 130,773
Employment Taxes	-	-	-	4,166
Benefits	-	-	-	29,764
Dues & Memberships	-	-	-	94
Education and Training	-	-	-	400
Contractual Services	-	-	-	83
Supplies	-	-	-	1,285
Internal Service	-	-	-	1,288
Total	\$ -	\$ -	\$ -	\$ 167,853



Variance Explanations:

Wages/Benefits: The increase is due to the reorganization of the Development Services Department which includes personnel allocation changes.



Note: Categories that account for 1% of the total are not shown on the chart.

FY16-17 Proposed Budget
Summary of Expenditures
Development Services Division

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
General Fund				
Salaries-Full Time	\$ -	\$ -	\$ -	\$ 130,773
Medicare	-	-	-	1,897
Workers Compensation	-	-	-	2,157
Unemployment Insurance	-	-	-	112
Group Health Insurance	-	-	-	13,209
Group Dental Insurance	-	-	-	1,058
Group Vision Insurance	-	-	-	122
Disability Insurance	-	-	-	553
Retirement	-	-	-	14,384
Life Insurance	-	-	-	438
Dues, Subscript & Publicat	-	-	-	94
Meetings & Training	-	-	-	400
Printing Expense	-	-	-	83
Office Supplies	-	-	-	1,185
Uniforms	-	-	-	100
ISF-Copier Charges	-	-	-	875
ISF-Mail Service Charges	-	-	-	13
ISF-Telecom Charges	-	-	-	400
Sub total Expenditures	-	-	\$ -	\$ 167,853
Transfers Out	-	-	-	-
Total Development Services	\$ -	\$ -	\$ -	\$ 167,853



Building Safety Division

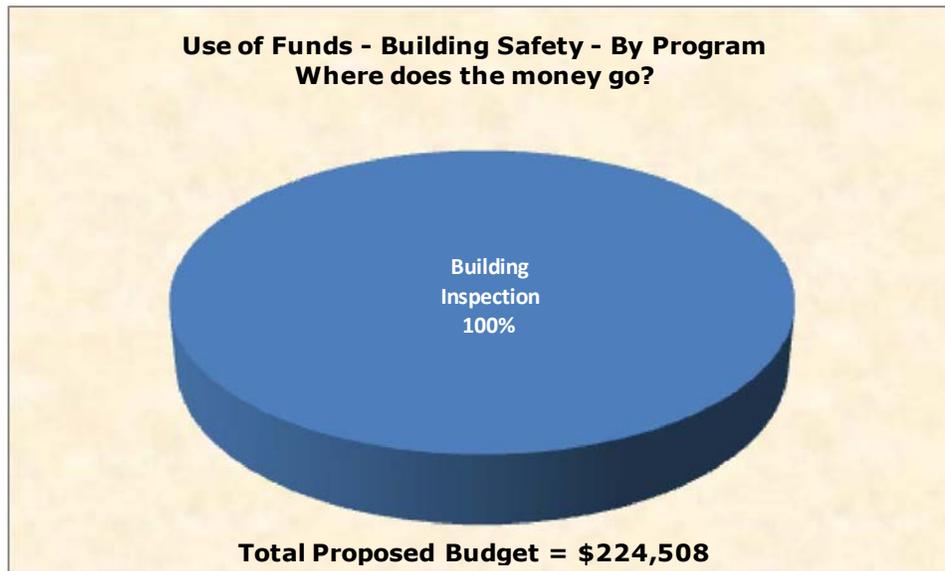
Service Delivery Plan

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

Program Name	Expenditures by Program			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Building Inspection	\$ 80,090	\$ 90,224	\$ 113,180	\$ 224,508
Permitting	114,359	117,510	126,218	-
Total	\$ 194,449	\$ 207,734	\$ 239,398	\$ 224,508

Variance Explanations:

Building Inspection/Permitting: Permitting was merged into Building Inspection for more efficient managing and reporting purposes.



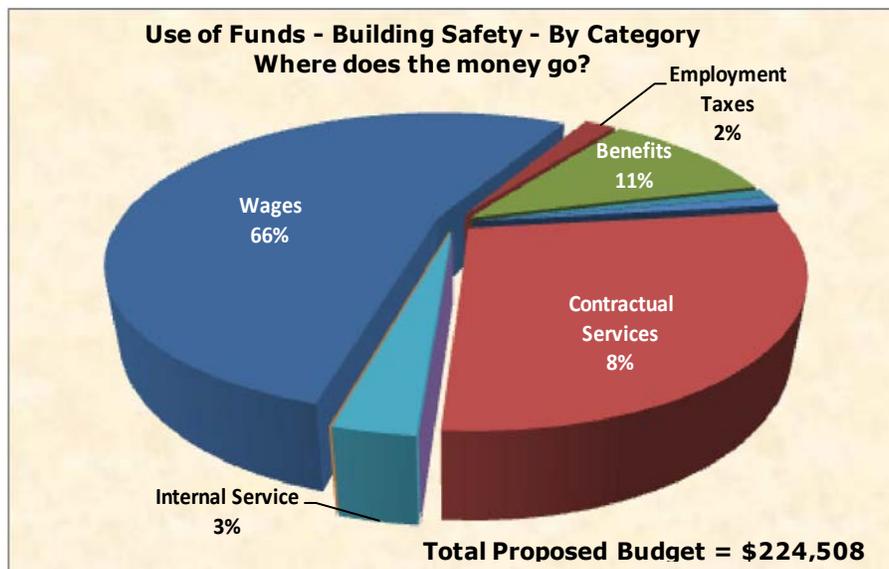
Category	Expenditures by Category			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Wages	\$ 136,911	\$ 131,170	\$ 133,923	\$ 119,511
Employment Taxes	4,456	5,226	4,798	3,388
Benefits	30,229	31,074	32,445	25,584
Dues & Memberships	509	439	710	650
Meetings and Training	789	307	2,260	2,360
Maintenance and Repair	589	173	685	760
Utilities	1,496	1,606	1,768	1,780
Contractual Services	13,292	32,292	52,240	62,320
Supplies	853	642	1,100	1,050
Equipment	222	325	5,150	150
Internal Service	4,175	4,480	4,319	6,955
Transfers	928	-	-	-
Total	\$ 194,449	\$ 207,734	\$ 239,398	\$ 224,508

Variance Explanations:

Benefits: The decrease is a result of significant savings from changing health insurance carriers.

Contractual Services: A budget supplement was included for additional contracted inspections.

Equipment: FY15-16 included a one-time expenditure for software updates.



Note: Categories that account for 1% of the total are not shown on the chart.



Activities/Results

Performance Measures

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Percentage of all residential building plan reviews completed within established turn-around times	100%	97%	100%	97%
Percentage of all commercial building plan reviews completed within established turn-around times	100%	100%	100%	100%

Quality

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Number of building plan reviews conducted (multiple reviews possible)	452	462	510	550
Number of residential plan reviews conducted (multiple reviews possible)	125	125	400	500
Number of commercial plan reviews conducted (multiple reviews possible)	250	70	50	65
Number of building inspection FTE's	1	1	1*	1*
Total number of permits	445	443	550	500
Total number of inspections (all inspections)	2,131	2,448	2,200	2,200

*Building Inspections are performed by Building Official and 3rd party Inspectors

Productivity

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Average expenditure per inspection during the reporting period (includes all inspections)	\$436.96	\$436.96	\$436.96	\$436.96
Average processing cost per permit	\$91.25	\$84.86	\$108.40	\$101.46



**FY16-17 Proposed Budget
Summary of Expenditures
Building Safety**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
General Fund				
Salaries-Full Time	\$ 133,642	\$ 131,162	\$ 133,923	\$ 119,511
Salaries-Part Time	3,270	-	-	-
Overtime	-	8	-	-
FICA	203	-	-	-
Medicare	1,902	1,807	1,943	1,734
Workers Compensation	2,075	3,252	2,695	1,504
Unemployment Insurance	276	167	160	150
Group Health Insurance	13,408	14,442	15,457	10,388
Group Dental Insurance	1,181	1,166	1,162	1,006
Group Vision Insurance	168	168	166	136
Disability Insurance	380	458	491	506
Retirement	14,699	14,429	14,731	13,147
Life Insurance	393	411	438	401
Dues, Subscript & Publicat	509	439	710	650
Training/Cont Ed	100	-	-	-
Meetings & Training	689	307	2,260	2,360
Equipment Maint/Repair	-	-	125	200
Vehicle Maint/Repair	589	173	560	560
Telecommunications	740	758	768	780
Gas & Oil	755	848	1,000	1,000
Printing Expense	108	-	200	200
Contractual Services	11,315	30,000	49,920	60,000
Bank/Merc Acct Fees	1,869	2,292	2,000	2,000
ActiveNet Fees	-	-	120	120
Office Supplies	532	117	550	550
Operating Supplies	-	69	-	-
Uniforms	321	456	550	500
Small Tools	-	-	150	150
Software	-	-	5,000	-
Hardware/Peripherals	222	324	-	-
ISF-Copier Charges	247	487	340	500
ISF-Mail Service Charges	26	51	25	25
ISF-Vehicle Replacement Charge	2,647	2,700	2,754	5,480
ISF-Motor Pool Charges	53	187	-	-
ISF-Telecom Charges	1,202	1,056	1,200	950
Sub total Expenditures	193,521	207,734	239,398	224,508
Transfers Out	928	-	-	-
Total Building Safety	\$ 194,449	\$ 207,734	\$ 239,398	\$ 224,508

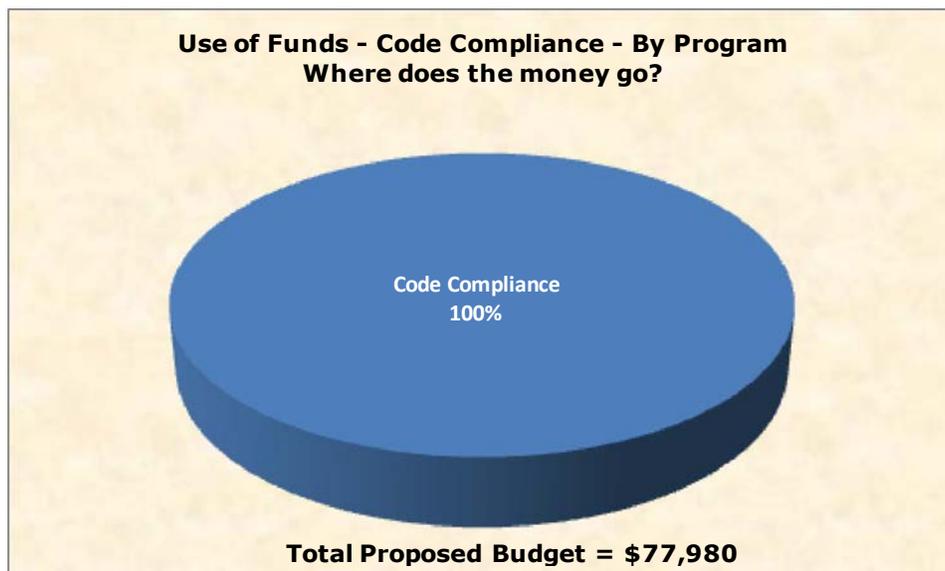


Code Compliance Division

Service Delivery Plan

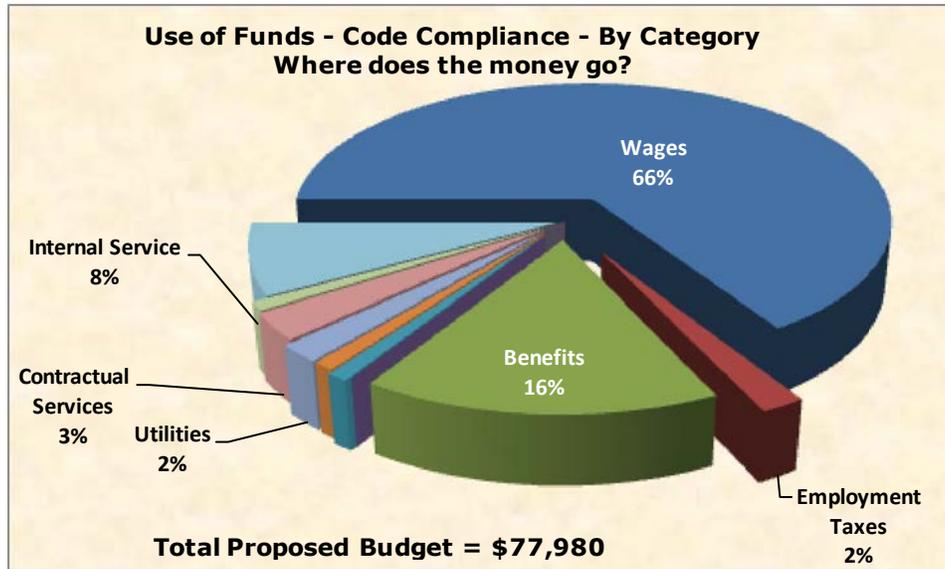
The Code Compliance Division is actively involved in maintaining an excellent quality of life by addressing community issues such as abandoned vehicles, property maintenance, improperly maintained pools, illegal signs, improper parking on private property, and dumping or other destruction in Town-owned 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			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Code Compliance	\$ 93,627	\$ 96,965	\$ 99,979	\$ 77,980
Total	\$ 93,627	\$ 96,965	\$ 99,979	\$ 77,980



Category	Expenditures by Category			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Wages	\$ 67,750	\$ 69,579	\$ 70,465	\$ 51,215
Employment Taxes	2,602	3,497	3,121	1,801
Benefits	17,630	18,068	18,853	12,131
Dues & Memberships	35	-	150	150
Meetings and Training	80	376	900	900
Maintenance and Repair	755	642	560	560
Utilities	1,277	1,226	1,768	1,780
Contractual Services	-	-	72	2,572
Supplies	296	356	580	580
Equipment	286	-	-	-
Internal Service	2,916	3,221	3,510	6,291
Total	\$ 93,627	\$ 96,965	\$ 99,979	\$ 77,980





Note: Categories that account for 1% of the total are not shown on the chart.

Variance Explanations:

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

Benefits: The decrease is a result of significant savings from changing health insurance carriers.

Activities/Results

Performance Measures

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Percentage of code violations brought into voluntary compliance prior to initiation of administrative or judicial action	99%	99%	99%	99%

Quality

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Number of Code Enforcement Officers	1	1	1	1
Number of code violation cases	730	752	775	725
Number of code violation cases reviewed in court proceedings (does not include barking dog cases)	2	4	2	2

Productivity

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Average cost per code violation case	\$128.26	\$128.94	\$129.01	\$106.78



**FY16-17 Proposed Budget
Summary of Expenditures
Code Compliance**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
General Fund				
Salaries-Full Time	\$ 67,750	\$ 69,579	\$ 70,465	\$ 51,215
Medicare	971	1,006	1,022	743
Workers Compensation	1,475	2,396	2,007	983
Unemployment Insurance	156	95	92	75
Group Health Insurance	9,135	9,318	9,976	5,643
Group Dental Insurance	554	554	555	412
Group Vision Insurance	82	81	81	54
Disability Insurance	201	244	259	216
Retirement	7,450	7,654	7,752	5,634
Life Insurance	208	217	230	172
Licenses/Filing Fees	-	-	100	100
Dues, Subscript & Publicat	35	-	50	50
Training/Cont Ed	-	341	-	-
Meetings & Training	80	35	900	900
Vehicle Maint/Repair	755	642	560	560
Telecommunications	749	758	768	780
Gas & Oil	528	468	1,000	1,000
Printing Expense	-	-	72	72
Contractual Services	-	-	-	2,500
Office Supplies	99	48	450	450
Operating Supplies	-	232	-	-
Uniforms	198	75	130	130
Hardware/Peripherals	286	-	-	-
ISF-Copier Charges	27	81	40	40
ISF-Mail Service Charges	13	7	15	20
ISF-Vehicle Replacement Charge	2,647	2,700	3,000	5,981
ISF-Motor Pool Charges	-	10	-	-
ISF-Telecom Charges	228	424	455	250
Sub total Expenditures	93,627	96,965	99,979	77,980
Transfers Out	-	-	-	-
Total Code Compliance	\$ 93,627	\$ 96,965	\$ 99,979	\$ 77,980

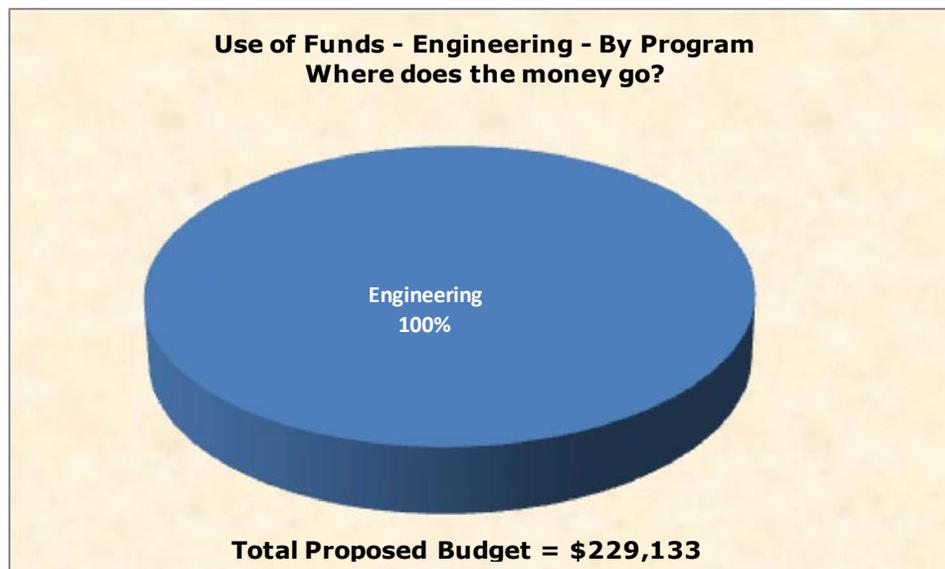


Engineering Division

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			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Engineering	\$ 136,475	\$ 142,668	\$ 212,854	\$ 229,133
Total	\$ 136,475	\$ 142,668	\$ 212,854	\$ 229,133



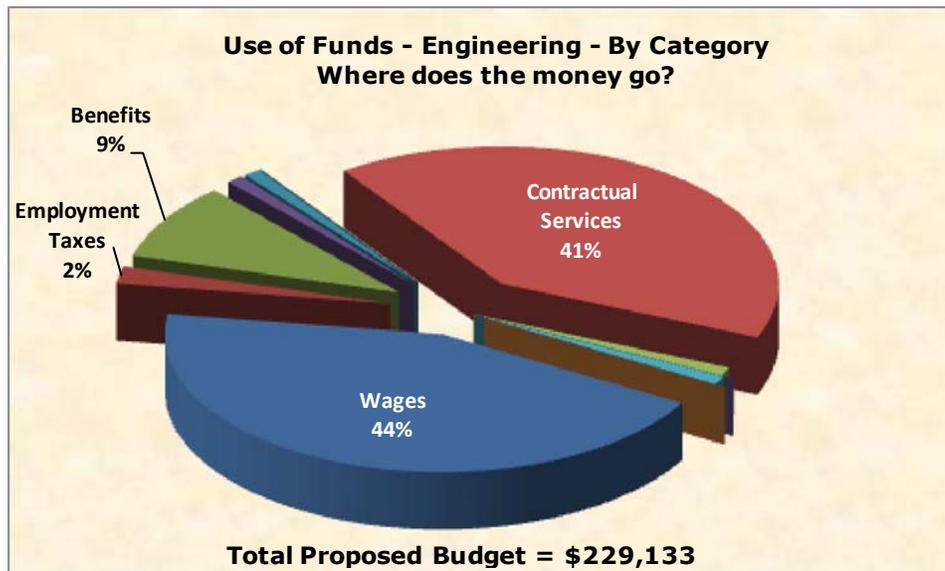
Category	Expenditures by Category			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Wages	\$ 89,713	\$ 90,900	\$ 105,925	\$ 101,435
Employment Taxes	3,069	3,908	4,175	3,486
Benefits	23,750	23,787	30,134	19,935
Dues & Memberships	791	1,528	1,965	1,595
Meetings & Training	135	629	1,840	2,240
Maintenance and Repair	39	230	560	-
Utilities	3,661	3,251	3,648	780
Contractual Services	9,336	12,893	57,022	96,822
Supplies	1,071	597	2,025	1,200
Equipment	-	44	450	-
Internal Service	4,910	4,901	5,110	1,640
Transfers	-	-	-	-
Total	\$ 136,475	\$ 142,668	\$ 212,854	\$ 229,133



Variance Explanations:

Benefits: The decrease is a result of significant savings from changing health insurance carriers.

Contractual Services: Budget supplements were included for engineering studies & surveys.



Note: Categories that account for 1% of the total are not shown on the chart.

Activities/Results

Performance Measures

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Percentage of reviews of final plats, site plans and commercial plans completed within established turn-around time.	95%	95%	95%	95%

Quality

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Number of easements released or acquired	27	27	15	25



**FY16-17 Proposed Budget
Summary of Expenditures
Engineering**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
General Fund				
Salaries-Full Time	\$ 89,340	\$ 90,657	\$ 105,925	\$ 101,435
Overtime	373	243	-	-
Medicare	1,240	1,261	1,537	1,471
Workers Compensation	1,682	2,555	2,536	1,948
Unemployment Insurance	148	92	102	67
Group Health Insurance	12,440	12,295	16,607	7,399
Group Dental Insurance	815	779	998	535
Group Vision Insurance	106	107	142	73
Disability Insurance	266	321	389	430
Retirement	9,847	9,999	11,652	11,158
Life Insurance	275	285	346	340
Licenses/Filing Fees	346	271	500	500
Dues, Subscript & Publicat	445	1,258	1,465	1,095
Meetings & Training	135	629	1,840	2,240
Vehicle Maint/Repair	39	160	560	-
Office Equip Maint/ Repair	-	70	-	-
Telecommunications	1,454	1,569	1,548	780
Gas & Oil	2,207	1,682	2,100	-
Professional Fees	7,807	12,455	24,200	71,500
Engineering Fees	-	-	-	-
Printing Expense	54	65	322	322
Contractual Services	-	-	31,000	25,000
Bank/Merc Acct Fees	1,475	373	1,500	-
Office Supplies	767	202	850	750
Safety Supplies	-	-	200	100
Operating Supplies	-	150	-	-
Uniforms	304	245	825	200
Postage & Delivery	-	-	150	150
Small Tools	-	44	450	-
ISF-Copier Charges	432	796	600	800
ISF-Mail Service Charges	130	88	400	50
ISF-Vehicle Replacement Charge	2,729	2,784	2,840	-
ISF-Motor Pool Charges	899	599	570	540
ISF-Telecom Charges	720	634	700	250
Sub total Expenditures	136,475	142,668	212,854	229,133
Transfers Out	-	-	-	-
Total Engineering	\$ 136,475	\$ 142,668	\$ 212,854	\$ 229,133



Mapping & Graphics Division

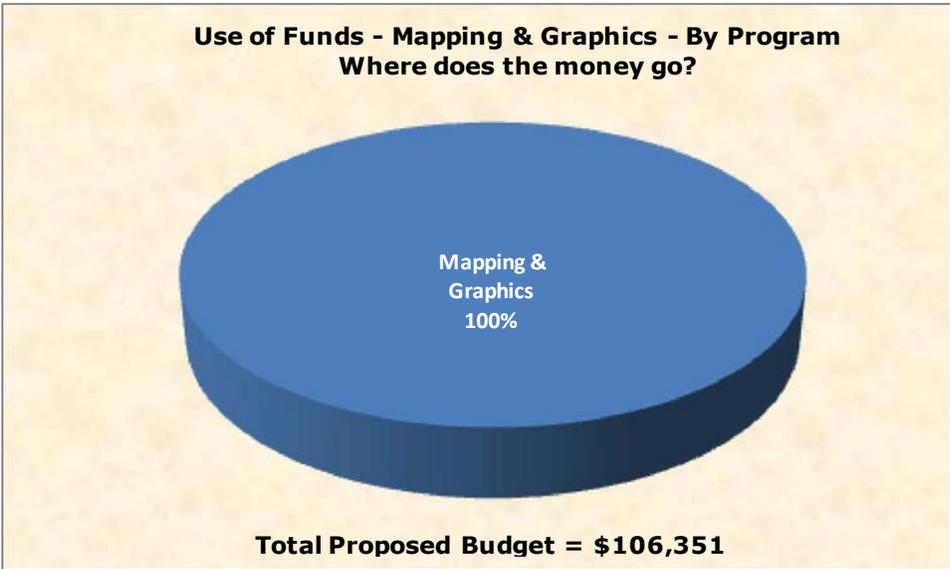
Service Delivery Plan

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			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Mapping & Graphics	\$ 72,239	\$ 70,893	\$ 68,865	\$ 106,351
Total	\$ 72,239	\$ 70,893	\$ 68,865	\$ 106,351

Variance Explanations:

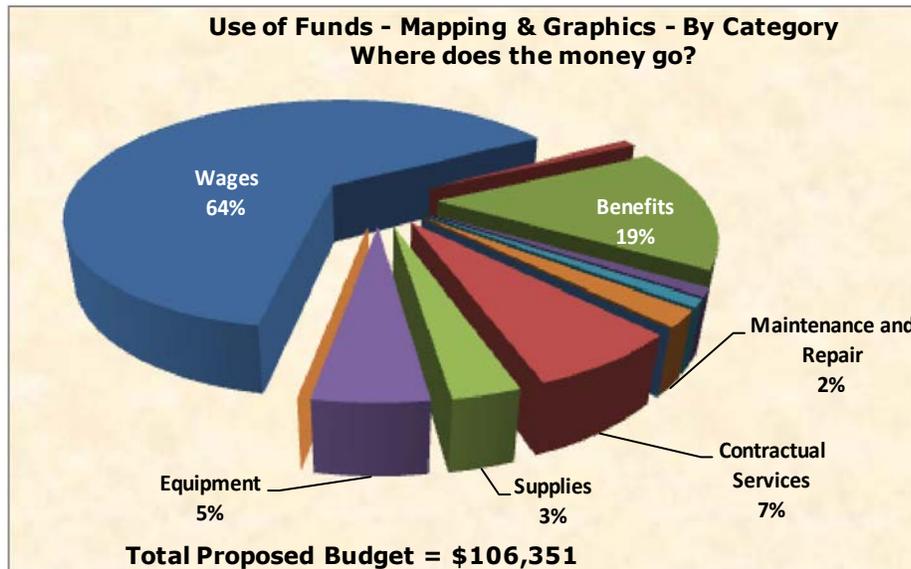
Mapping & Graphics: The increase is a result of personnel allocation changes.



Category	Expenditures by Category			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Wages	\$ 48,137	\$ 49,045	\$ 44,182	\$ 67,899
Employment Taxes	1,041	1,156	991	1,238
Benefits	13,544	13,489	12,542	16,764
Dues & Memberships	2,015	3	-	1,000
Meetings and Training	21	-	1,000	1,000
Maintenance and Repair	770	-	2,500	2,500
Utilities	2,006	3,937	-	-
Contractual Services	3,352	1,412	3,800	7,000
Supplies	1,061	-	3,500	3,600
Equipment	-	-	-	5,000
Internal Service	292	212	350	350
Transfers Out	-	1,639	-	-
Total	\$ 72,239	\$ 70,893	\$ 68,865	\$ 106,351

Variance Explanations:

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



Note: Categories that account for 1% of the total are not shown on the chart.



Activities/Results

Performance Measures

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Work order survey satisfaction rating	95%	96%	95%	95%

Quality

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target t
Number of internal customer requests processed	280	300	250	250
Number of aerial site plans completed	65	100	75	100
Number of external customer requests processed	110	80	75	100
GIS database maintenance in hours	80	60	80	80

FY16-17 Proposed Budget Summary of Expenditures Mapping & Graphics

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
General Fund				
Salaries-Full Time	\$ 48,137	\$ 49,037	\$ 44,182	\$ 67,899
Overtime	-	8	-	-
Medicare	691	705	641	984
Workers Compensation	255	389	301	179
Unemployment Insurance	95	62	49	75
Group Health Insurance	7,376	7,228	6,901	8,076
Group Dental Insurance	530	487	426	649
Group Vision Insurance	50	50	44	54
Disability Insurance	145	175	162	288
Retirement	5,295	5,395	4,861	7,469
Life Insurance	148	154	148	228
Dues, Subscript & Publicat	-	-	-	1,000
Licenses/Filing Fees	2,015	3	-	-
Meetings & Training	21	-	1,000	1,000
Equipment Maint/Repair	770	-	2,500	2,500
Professional Fees	2,006	3,937	3,800	7,000
Office Supplies	3,352	1,412	3,500	3,500
Uniforms	-	-	-	100
Hardware/Peripherals	1,061	-	-	5,000
ISF-Copier Charges	12	-	20	-
ISF-Motor Pool Charges	40	1	100	100
ISF-Telecom Charges	240	211	230	250
Sub total Expenditures	<u>72,239</u>	<u>69,254</u>	<u>68,865</u>	<u>106,351</u>
Transfers Out	-	1,639	-	-
Total Mapping & Graphics	<u>\$ 72,239</u>	<u>\$ 70,893</u>	<u>\$ 68,865</u>	<u>\$ 106,351</u>



Planning Division

Service Delivery Plan

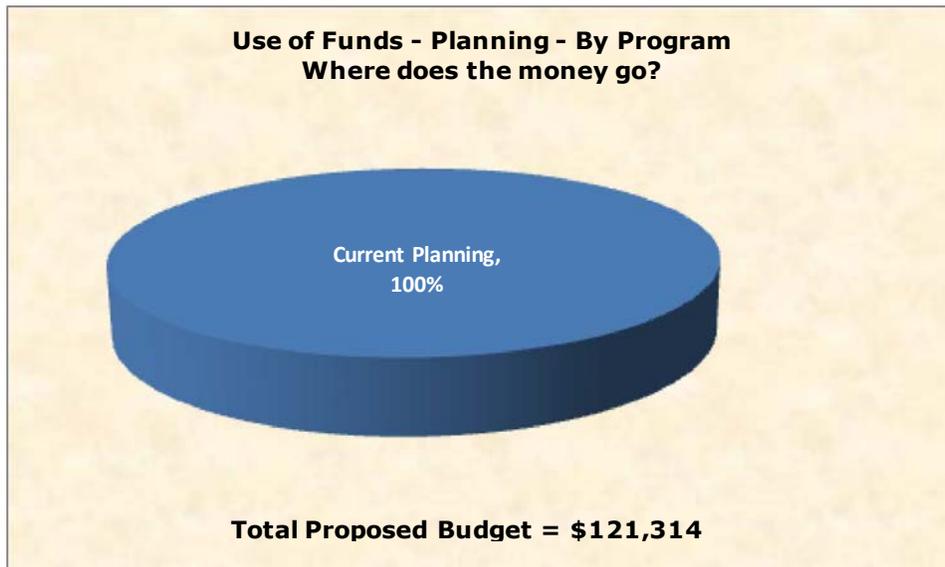
The Planning Division is dedicated to enhancing the quality of life in Fountain Hills through innovative, proven planning techniques, and providing excellent customer service in a professional and timely manner. The Division implements land use planning related goals, policies and programs as approved 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, Concept Plans (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, Sub-Division Ordinance and Town Code.

Program Name	Expenditures by Program			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Current Planning	97,300	101,425	107,623	-
Environmental Service	32,611	32,419	30,748	-
Long Range Planning	26,790	27,129	29,278	-
Planning & Zoning	-	-	-	121,314
Total	\$ 156,701	\$ 160,973	\$ 167,649	\$ 121,314

Variance Explanations:

Current Planning/Long Range Planning/Planning & Zoning: These programs were consolidated into Planning & Zoning for more efficient managing and reporting purposes.

Environmental Service: Costs were moved into the Environmental Fund.

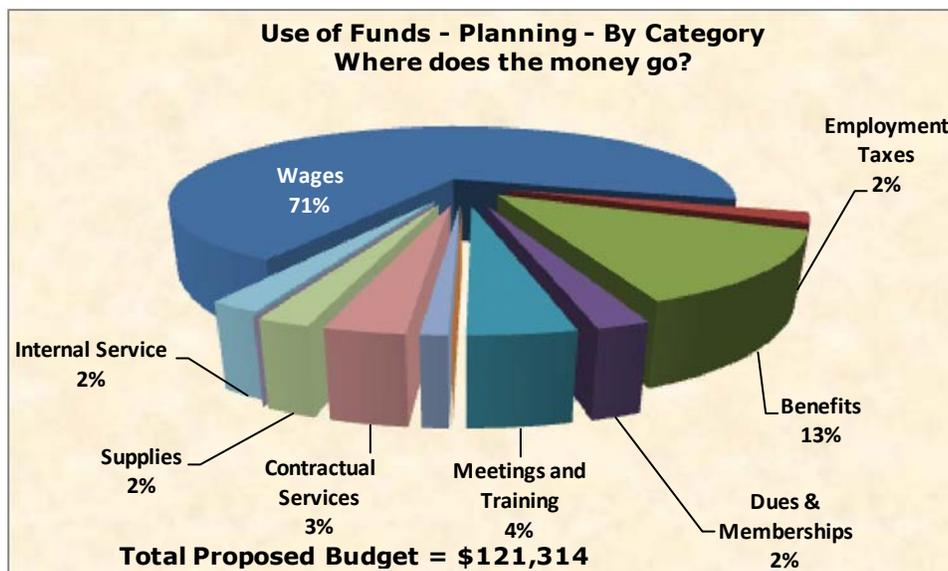


Category	Expenditures by Category			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Wages	\$ 114,143	\$ 116,465	\$ 111,604	\$ 85,703
Employment Taxes	3,921	5,583	4,428	2,916
Benefits	26,774	27,253	26,781	16,186
Dues & Memberships	5,237	5,323	10,413	1,953
Meetings and Training	-	-	1,940	4,750
Maintenance and Repair	108	70	883	400
Utilities	185	605	1,164	780
Contractual Services	1,724	1,824	4,122	4,122
Supplies	2,393	1,238	3,637	2,350
Equipment	232	76	100	100
Internal Service	1,984	2,536	2,577	2,054
Total	\$ 156,701	\$ 160,973	\$ 167,649	\$ 121,314

Variance Explanations:

Wages/Benefits: The decrease is a result of personnel allocation changes and the significant savings from changing health insurance carriers.

Dues & Memberships: The decrease reflects an alternative basis for collection of the environmental fee.



Note: Categories that account for 1% of the total are not shown on the chart.



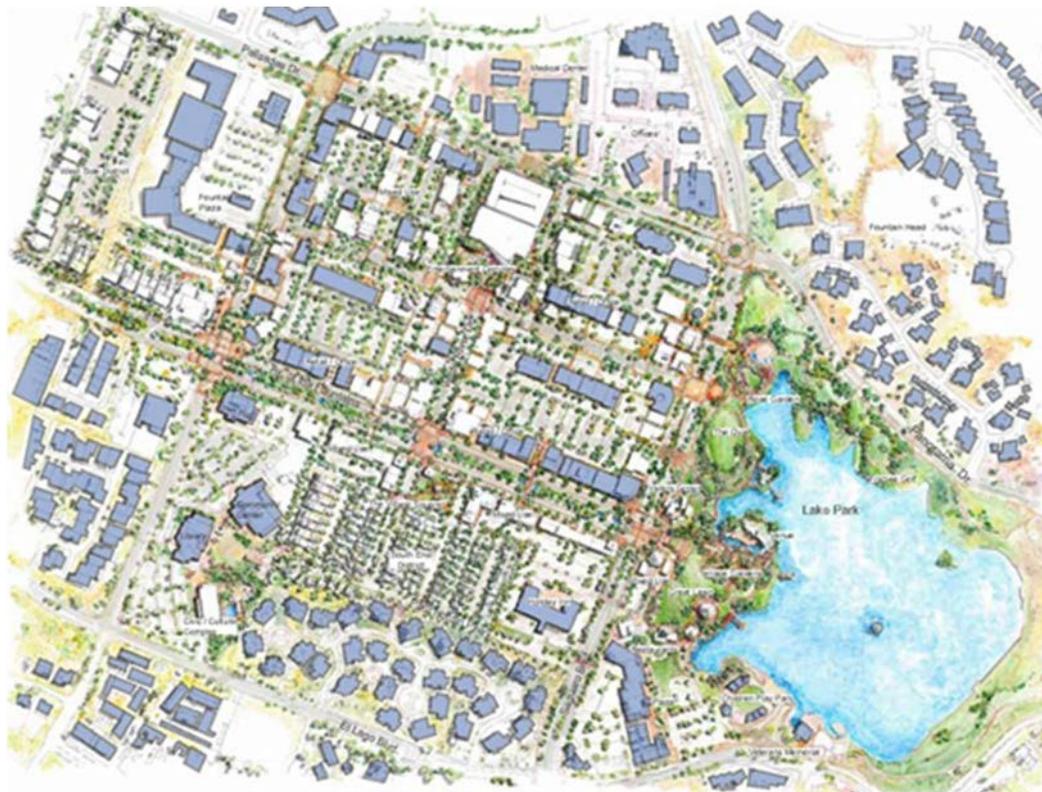
Activities/Results

Performance Measures

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Percentage of first reviews of plans completed within the established Department turnaround time	100%	100%	100%	100%

Quality

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Number of temporary use permits completed	2	0	N/A	2
Number of ordinance/code changes processed	4	4	4	4
Number of zoning cases	15	6	8	8
Number of concept plans reviewed	8	6	12	4



**FY16-17 Proposed Budget
Summary of Expenditures
Planning**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
General Fund				
Salaries-Full Time	\$ 114,143	\$ 116,409	\$ 111,604	\$ 85,703
Overtime	-	55	-	-
Medicare	1,633	1,673	1,618	1,243
Workers Compensation	2,084	3,781	2,700	1,598
Unemployment Insurance	204	129	110	75
Group Health Insurance	12,629	12,786	12,903	5,643
Group Dental Insurance	783	771	726	412
Group Vision Insurance	108	108	99	54
Disability Insurance	340	411	410	362
Retirement	12,561	12,812	12,277	9,428
Life Insurance	352	366	366	287
Licenses/Filing Fees	2,328	518	9,710	1,250
Dues, Subscript & Publicat	2,910	4,805	703	703
Meetings & Training	-	-	1,940	4,750
Equipment Maint/Repair	-	-	800	400
Vehicle Maint/Repair	-	-	83	-
Office Equip Maint/ Repair	108	70	-	-
Telecommunications	185	605	564	780
Gas & Oil	-	-	600	-
Professional Fees	-	218	-	-
Printing Expense	-	-	822	822
Advertising/Signage	941	1,388	2,500	2,500
Bank/Merc Acct Fees	783	218	800	800
Office Supplies	1,403	1,060	2,712	2,150
Program Materials	842	80	925	-
Uniforms	127	97	-	200
Postage & Delivery	20	-	-	-
Small Tools	-	-	100	100
Software	-	76	-	-
Hardware/Peripherals	232	-	-	-
ISF-Copier Charges	951	1,593	1,535	1,500
ISF-Mail Service Charges	133	304	400	250
ISF-Motor Pool Charges	132	110	57	54
ISF-Telecom Charges	769	530	585	250
Subtotal Expenditures	156,701	160,973	167,649	121,314
Transfers Out	-	-	-	-
Total Planning	\$ 156,701	\$ 160,973	\$ 167,649	\$ 121,314

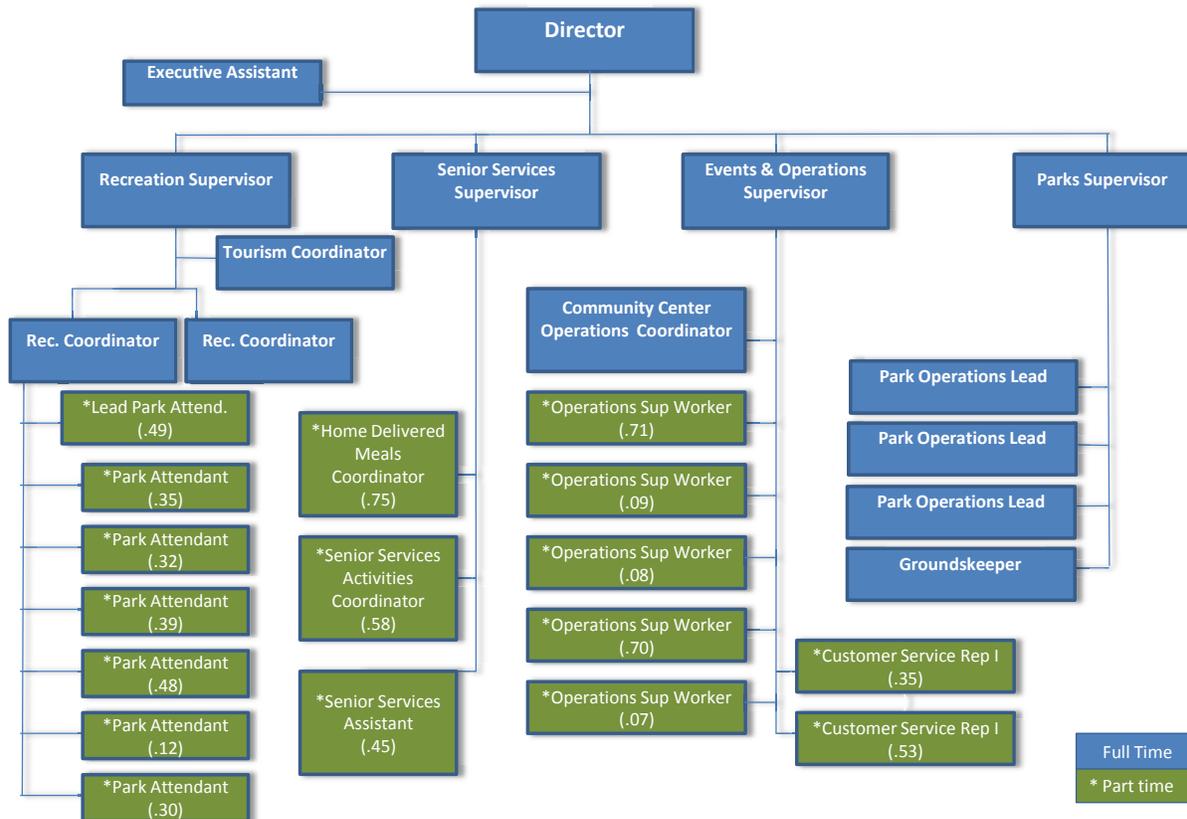




Community Services



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

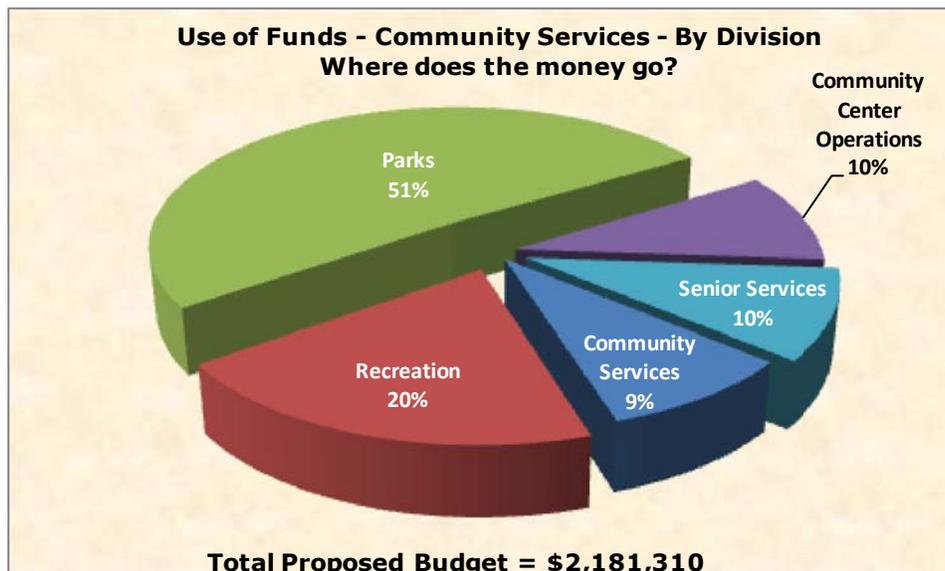
Management and operations of Parks, Recreation, Community Center, Senior Services, McDowell Mountain Preserve, Desert Botanical Garden, a growing public trails system, public art, tourism, and the Avenue of the Fountains Plaza.

Division	Expenditures by Division			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Community Services	\$ -	\$ -	\$ -	\$ 205,342
Recreation	532,018	527,535	615,767	435,659
Parks	947,624	1,005,310	1,284,510	1,095,228
Community Center Operations	433,194	430,739	227,823	222,606
Senior Services	208,024	214,706	231,846	222,475
Total	\$ 2,120,860	\$ 2,178,290	\$ 2,359,946	\$ 2,181,310

Variance Explanations:

Community Services: New Division to house all administrative costs.

Recreation: Administrative costs were moved into the new Division.



Program Name	Expenditures by Program			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Administration	\$ 546,422	\$ 557,661	\$ 397,508	\$ 768,406
Amenities	190,310	234,832	437,447	-
Art & Culture	48,127	38,857	41,713	-
Boards & Commissions	56,217	53,865	48,691	-
Community Events	94,842	102,117	113,380	77,729
Event Planning	61,195	54,514	57,862	-
Field Prep/Maintenance	170,384	171,716	180,892	-
Fountain	223,119	196,149	214,871	212,375
Home Delivered Meals	60,983	56,661	73,522	63,464
Landscape Maintenance	162,852	184,317	226,638	-
Open Space	31,494	37,249	29,058	21,058
Operations	115,620	121,833	116,568	899,456
Senior Membership	86,956	93,129	105,841	68,382
Social/Community Services	70,459	72,515	82,514	-
Special Events	27,073	23,450	26,769	-
Special Interest Programs	24,407	30,697	38,590	16,007
Sports Activities	55,629	61,520	82,551	26,602
Youth & Teen Programs	94,771	87,208	85,531	27,831
Total	\$ 2,120,860	\$ 2,178,290	\$ 2,359,946	\$ 2,181,310

Variance Explanations:

Administration: The increase is the result of the consolidation of several programs and personnel allocation changes.

Amenities/Field Prep/Maintenance/Landscape Maintenance/Operations: These programs were consolidated into Operations for more efficient managing and reporting purposes.

Art & Culture: Amounts were relocated into the General Government Department, and the Tourism and Public Art Funds.

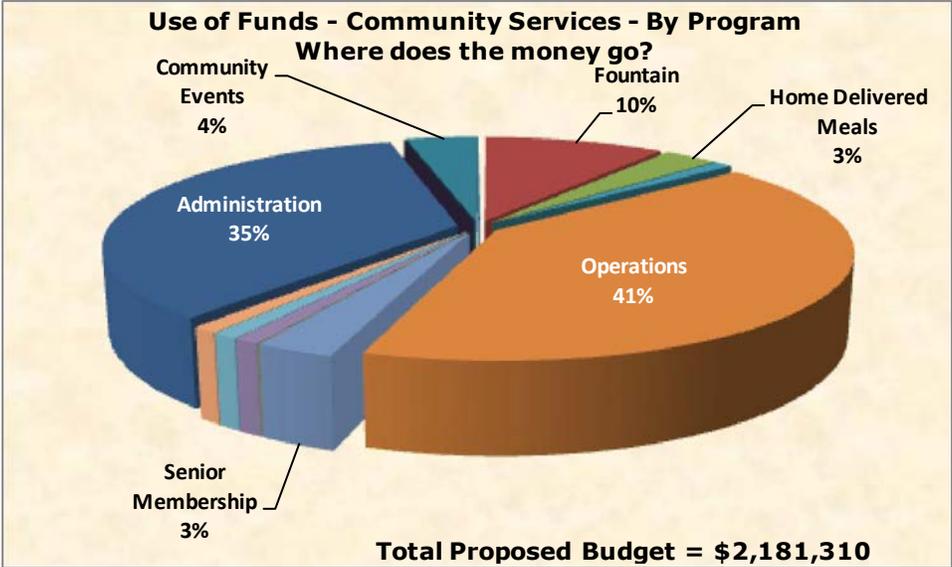
Boards & Commissions/Event Planning: These programs were consolidated into Administration for more efficient managing and reporting purposes.

Community Events/Social/Community Services/Special Events: These programs were consolidated into Community Events for more efficient managing and reporting purposes.

Open Space/Senior Membership/Special Interest Programs/Sports Activities: The decrease is a result of personnel allocation changes.

Youth & Teen Programs: The decrease is a result of personnel allocation changes and moving the community contract previously reported here into the new General Government Department.





Note: Programs that account for 1% of the total are not shown on the chart.



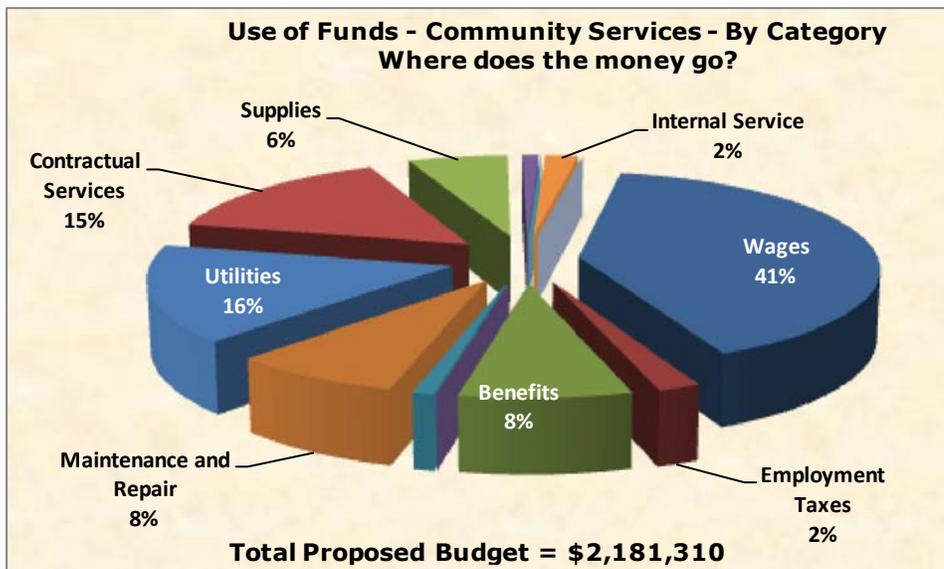
Category	Expenditures by Category			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Wages	\$ 824,172	\$ 810,544	\$ 860,753	\$ 879,464
Employment Taxes	44,449	53,740	51,352	44,770
Benefits	165,368	175,507	200,023	170,779
Dues & Memberships	4,940	4,621	4,642	5,092
Meetings and Training	9,138	11,284	11,655	12,425
Maintenance and Repair	141,825	167,243	310,355	173,848
Utilities	280,071	280,115	336,528	354,830
Contractual Services	279,706	304,634	417,591	331,245
Supplies	116,243	112,512	103,914	122,864
Equipment	20,296	21,524	8,235	27,120
Damages/Vandalism	1,080	1,226	7,100	2,100
Internal Service	40,072	41,840	47,798	54,303
Transfers	193,500	193,500	-	2,470
Total	\$ 2,120,860	\$ 2,178,290	\$ 2,359,946	\$ 2,181,310

Variance Explanations:

Maintenance and Repair: FY15-16 included a one-time expenditure for a new playground at Golden Eagle Park.

Contractual Services: Community Contracts were moved to the new General Government Department.

Equipment: Budget supplements are included to replace a portion of the chairs and tables in the ballrooms at the Community Center and audio-video equipment for Senior Services.



Note: Categories that account for 1% of the total are not shown on the chart.



FY15-16 Department Accomplishments

Initiative	Strategic Value
Provide over 3,000 meals under the Home Delivered Meals program.	P4-Public Safety, Health & Welfare
Transitioned to a lower cost/coverage for background checks.	R1-Recreational opportunities and amenities
Named Playful City—5th straight year	R1-Recreational opportunities and amenities
Successfully transitioned the Technology Learning Center (TLC) lease to a rental status.	R1-Recreational opportunities and amenities
Greater utilization of TLC space by Senior Activities/Community Center	R1-Recreational opportunities and amenities
Won several awards and grants for Tourism and Special Events	R1-Recreational opportunities and amenities

FY16-17 Objectives

Initiative	Strategic Value	Estimated Cost/Funding Source
To increase, to the extent possible, both internal (Town) and external (Others) special events in the Community	C2-Civility and R1, R2 and R3-Recreational Opportunities and Amenities	TBD/General Fund
To continue to participate/provide input to the Youth Coalition and the School Health Committee	P5-Public Safety, Health and Welfare	\$0
To again be designated as a Playful City USA for the 6th consecutive year	R1 and R4-Recreational Opportunities and Amenities	\$0
Begin construction on the Adero Canyon Trailhead	R1, R2 and R3-Recreational Opportunities and Amenities	\$2.2 million/CIP Fund & development fees



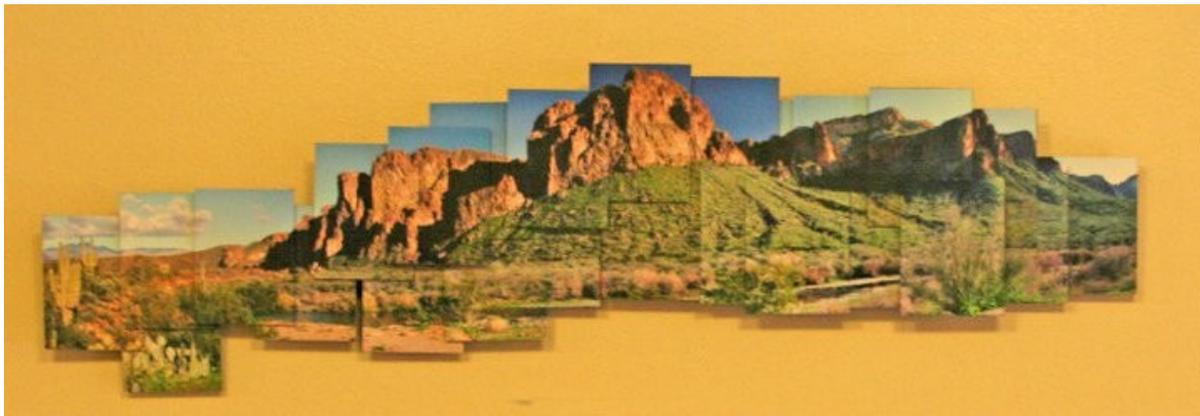
**FY16-17 Proposed Budget
Summary of Expenditures
Community Services Department**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
General Fund				
Salaries-Full Time	\$ 654,805	\$ 622,757	\$ 656,237	\$ 678,279
Salaries-Part Time	168,884	186,762	202,516	201,184
Overtime	484	1,024	2,000	-
FICA	10,533	11,270	12,454	12,473
Medicare	11,748	11,514	12,437	12,754
Workers Compensation	18,670	28,378	24,997	17,498
Unemployment Insurance	3,498	2,580	1,464	2,045
Group Health Insurance	80,901	95,269	115,371	83,343
Group Dental Insurance	7,747	6,611	6,919	6,828
Group Vision Insurance	956	968	1,006	851
Disability Insurance	1,828	2,145	2,405	2,873
Retirement	71,990	68,602	72,181	74,611
Life Insurance	1,946	1,912	2,141	2,273
Licenses/Filing Fees	2,394	1,756	1,710	1,710
Dues, Subscript & Publicat	2,545	2,865	2,932	3,382
Training/Cont Ed	2,267	4,378	-	-
Meetings & Training	6,871	6,906	11,655	11,275
Boards & Commissions	-	-	-	1,150
Building Maint/Repair	1,102	915	1,000	1,000
HVAC Repair	1,018	-	1,400	1,400
Plumbing Repair	3,940	1,043	2,650	2,650
Electrical Repair/Maint	8,758	6,593	5,750	5,750
Fire Protection Systems	2,712	640	1,200	2,200
Grounds Maint/Repair	6,098	6,026	102,372	23,300
Irrigation Repair	15,836	14,296	17,450	15,400
Backflow Testing & Maintenance	70	495	3,690	2,450
Storm Damage Cleanup	-	2,006	-	-
Equipment Maint/Repair	59,088	34,749	88,590	40,090
Vehicle Maint/Repair	4,388	17,320	13,300	13,100
Office Equip Maint/ Repair	1,792	2,860	1,080	2,000
Other Maint/Repair	10,865	39,470	24,200	31,600
Art Maint/Repair/Install	9,525	6,600	7,500	-
Parking Lot Repair	-	1,269	1,300	-
Striping	820	927	2,380	2,380
Sidewalk/Pathway Repair	1,765	1,249	8,200	1,600
Sign Repair & Replacement	1,583	3,124	8,190	7,825
Painting	676	1,464	1,803	1,803
Lighting Repair	11,789	26,196	18,300	19,300
Electricity Expense	211,224	207,542	237,540	248,100
Refuse/Recycling	5,955	4,962	6,080	6,380
Telecommunications	6,900	9,218	7,492	7,514
Water/Sewer	41,868	46,682	70,604	78,024
Gas & Oil	14,124	11,711	14,812	14,812
Professional Fees	17,610	22,312	29,905	25,500
Instructor Fees	8,267	14,509	27,104	21,229
Rentals & Leases	32,914	35,309	36,491	41,001
Printing Expense	4,535	2,564	5,320	5,270



**FY16-17 Proposed Budget
Summary of Expenditures
Community Services Department**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
General Fund-continued				
Advertising/Signage	\$ 7,151	\$ 4,501	\$ 5,470	\$ 3,250
Contractual Services	45,804	43,295	56,320	54,200
Constituent Communication	-	25,050	28,200	31,890
Bank/Merc Acct Fees	4,016	4,364	9,950	8,000
Community Contracts/Events	99,120	79,296	74,176	-
Landscape Contracts	53,079	65,544	134,070	130,320
ActiveNet Fees	7,211	7,890	10,585	10,585
Office Supplies	9,391	2,985	7,750	7,550
Cleaning/Janitorial Supplies	11,335	10,924	12,353	12,153
Safety Supplies	810	867	1,100	1,100
Operating Supplies	65,939	61,387	46,033	58,593
Food & Beverage Supplies	2,397	2,830	1,870	2,070
Program Materials	23,703	26,597	30,315	36,905
Uniforms	2,460	2,695	3,593	3,593
Postage & Delivery	83	4,227	900	900
Miscellaneous Expense	125	-	-	-
Small Tools	3,443	5,844	8,235	7,120
Hardware/Peripherals	969	886	-	5,000
Peripherals	421	-	-	-
Furniture/Appliances	13,224	10,335	-	15,000
Equipment	2,239	4,459	-	-
Damages/Vandalism	1,080	1,226	7,100	2,100
ISF-Copier Charges	6,526	6,318	11,160	7,752
ISF-Mail Service Charges	743	479	453	466
ISF-Vehicle Replacement Charge	26,022	29,108	29,691	39,296
ISF-Motor Pool Charges	22	83	-	-
ISF-Telecom Charges	6,758	5,852	6,494	6,790
Sub total Expenditures	1,927,360	1,984,790	2,359,946	2,178,840
Transfers Out	193,500	193,500	-	2,470
Total Community Services	\$ 2,120,860	\$ 2,178,290	\$ 2,359,946	\$ 2,181,310



Community Services Division

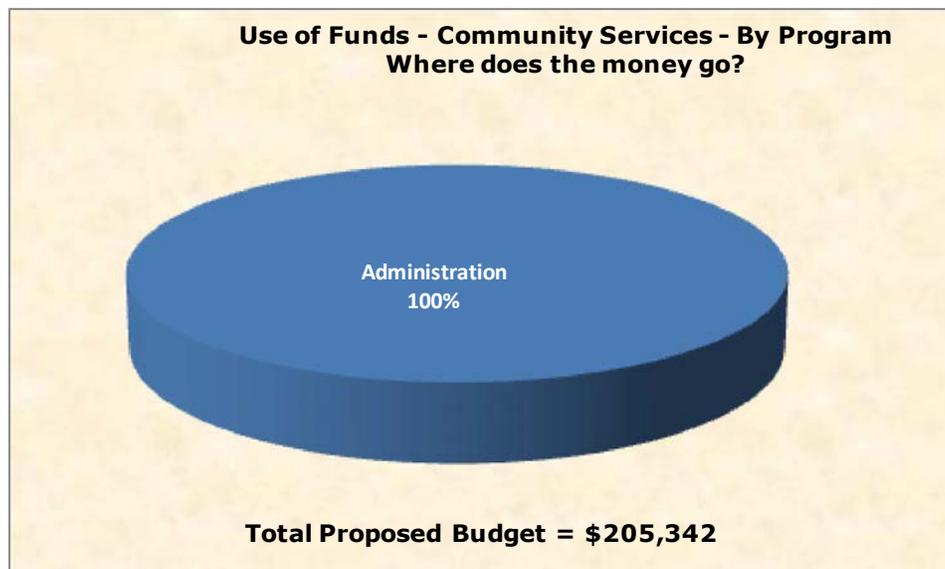
Service Delivery Plan

The Community Services 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			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Administration	\$ -	\$ -	\$ -	\$ 205,342
Total	\$ -	\$ -	\$ -	\$ 205,342

Variance Explanations:

Administration: New program created to house all administrative costs.

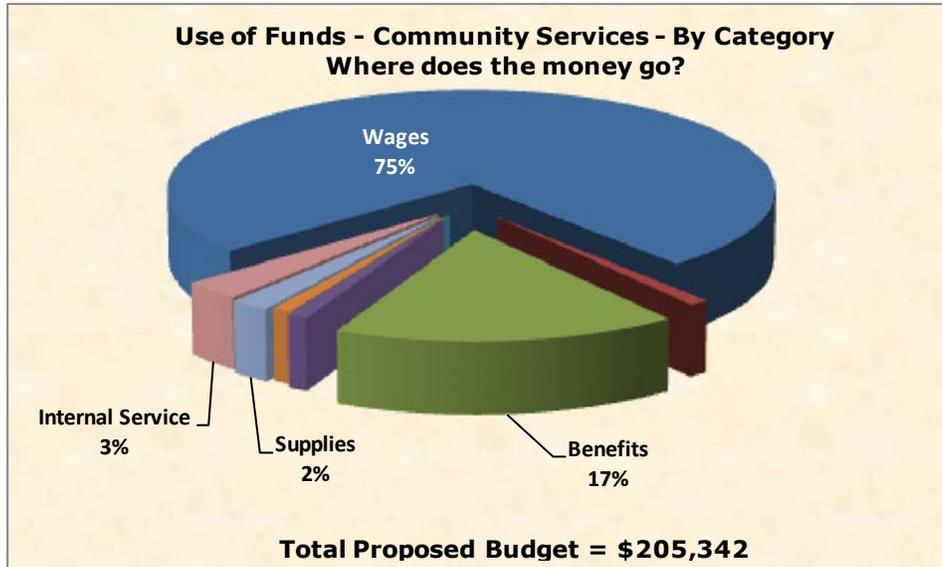


Category	Expenditures by Category			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Wages	\$ -	\$ -	\$ -	\$ 153,418
Employment Taxes	-	-	-	2,864
Benefits	-	-	-	35,485
Meetings and Training	-	-	-	1,150
Maintenance and Repair	-	-	-	500
Utilities	-	-	-	1,140
Supplies	-	-	-	4,500
Internal Service	-	-	-	6,285
Total	\$ -	\$ -	\$ -	\$ 205,342



Variance Explanations:

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



Note: Categories that account for 1% of the total are not shown on the chart.

**FY16-17 Proposed Budget
Summary of Expenditures
Community Services Division**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
General Fund				
Salaries-Full Time	\$ -	\$ -	\$ -	\$ 153,418
Medicare	-	-	-	2,224
Workers Compensation	-	-	-	490
Unemployment Insurance	-	-	-	150
Group Health Insurance	-	-	-	16,031
Group Dental Insurance	-	-	-	1,264
Group Vision Insurance	-	-	-	149
Disability Insurance	-	-	-	650
Retirement	-	-	-	16,877
Life Insurance	-	-	-	514
Boards & Commissions	-	-	-	1,150
Vehicle Maint/Repair	-	-	-	500
Telecommunications	-	-	-	540
Gas & Oil	-	-	-	600
Office Supplies	-	-	-	4,500
ISF-Copier Charges	-	-	-	10
ISF-Mail Service Charges	-	-	-	30
ISF-Vehicle Replacement Charge	-	-	-	5,745
ISF-Telecom Charges	-	-	-	500
Sub total Expenditures	-	-	\$ -	\$ 205,342
Transfers Out	-	-	-	-
Total Community Services	\$ -	\$ -	\$ -	\$ 205,342



Community Center Division

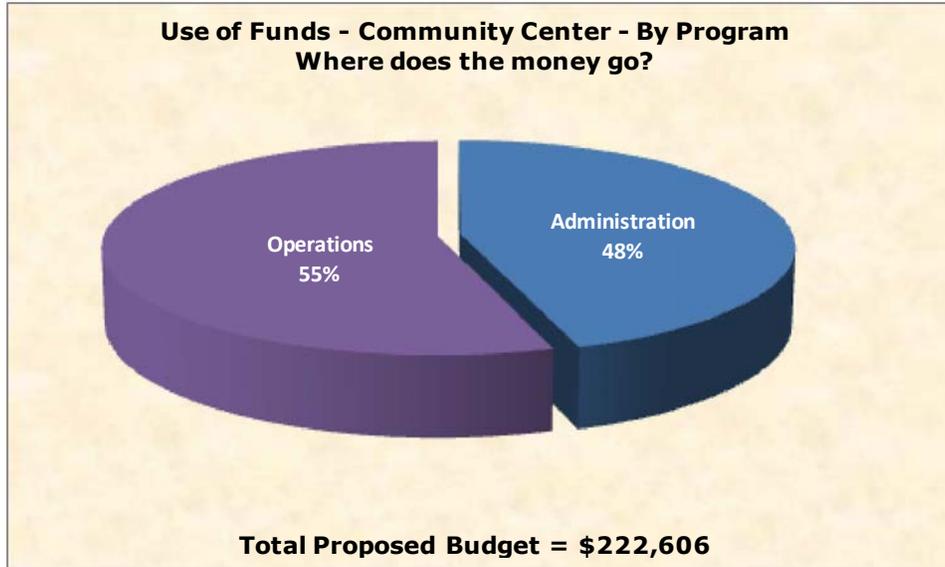
Service Delivery Plan

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			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Administration	\$ 244,233	\$ 242,164	\$ 53,393	\$ 100,587
Boards & Commissions	12,146	12,228	-	-
Event Planning	61,195	54,514	57,862	-
Operations	115,620	121,833	116,568	122,019
Total	\$ 433,194	\$ 430,739	\$ 227,823	\$ 222,606

Variance Explanations:

Administration/Event Planning: These programs were consolidated into Administration for more efficient managing and reporting purposes.

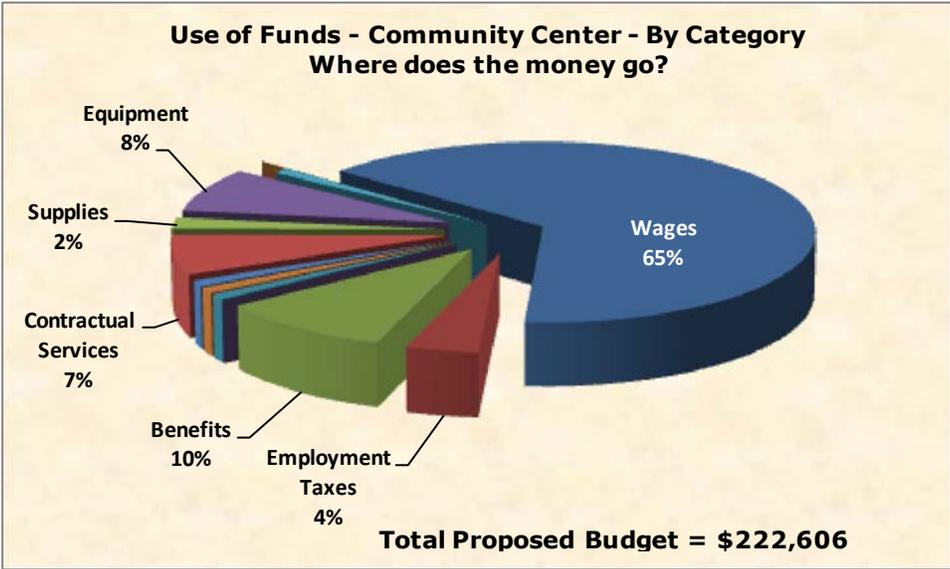


Category	Expenditures by Category			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Wages	\$ 164,593	\$ 163,934	\$ 156,129	\$ 146,139
Employment Taxes	9,624	11,977	10,664	9,286
Benefits	30,264	30,654	29,097	21,770
Dues & Memberships	1,270	642	870	870
Meetings and Training	268	146	-	2,000
Maintenance and Repair	1,751	2,626	1,080	2,000
Utilities	1,387	1,453	1,320	1,140
Contractual Services	9,463	9,354	18,314	14,654
Supplies	2,615	3,007	3,650	3,650
Equipment	14,930	10,867	2,950	18,020
Internal Service	3,529	2,579	3,749	3,077
Transfers	193,500	193,500	-	-
Total	\$ 433,194	\$ 430,739	\$ 227,823	\$ 222,606

Variance Explanations:

Benefits: The decrease is a result of significant savings from changing health insurance carriers.

Equipment: A budget supplement is included to replace a portion of the chairs and tables in the ballrooms.



Note: Categories that account for 1% of the total are not shown on the chart.



Activities/Results

Performance Measures

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
To attain a high overall satisfaction rating (good or better) with quality on rental evaluations	N/A	N/A	Good	Good
To achieve a high return rate on rental surveys	N/A	N/A	50%	50%

Quality

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Number of bookings	3,220	3,946	4,065	4,187
Number of patrons served	69,400	78,600	80,100	81,700
Number of hours worked by volunteer staff in support of facility operations	875	884	884	892

Productivity

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Net operating costs of facility per capita ¹	\$11.34	\$10.64	\$9.66	\$9.66

¹ Population for FY13-14 - FY16-17 is based on the 2010 U.S. Census.



**FY16-17 Proposed Budget
Summary of Expenditures
Community Center**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
General Fund				
Salaries-Full Time	\$ 112,449	\$ 108,109	\$ 99,822	\$ 88,901
Salaries-Part Time	52,145	55,755	56,307	57,238
Overtime	-	70	-	-
FICA	3,233	3,459	3,427	3,548
Medicare	2,374	2,365	2,250	2,120
Workers Compensation	3,220	5,695	4,696	3,200
Unemployment Insurance	796	456	291	418
Group Health Insurance	15,909	16,810	16,352	10,439
Group Dental Insurance	1,216	1,056	911	762
Group Vision Insurance	169	174	161	115
Disability Insurance	291	379	366	377
Retirement	12,362	11,896	10,981	9,779
Life Insurance	318	340	326	298
Licenses/Filing Fees	1,178	568	600	600
Dues, Subscript & Publicat	92	75	270	270
Meetings & Training	268	146	-	2,000
Equipment Maint/Repair	-	580	-	-
Office Equip Maint/ Repair	1,751	1,921	1,080	2,000
Other Maint/Repair	-	125	-	-
Telecommunications	1,387	1,453	1,320	1,140
Professional Fees	-	-	300	300
Rentals & Leases	1,689	3,098	3,120	3,480
Printing Expense	455	-	1,130	1,130
Advertising/Signage	5,819	3,913	4,920	2,850
Constituent Communication	-	699	3,000	3,000
Bank/Merc Acct Fees	1,166	1,091	4,911	2,961
ActiveNet Fees	334	553	933	933
Office Supplies	913	466	450	450
Operating Supplies	188	792	1,000	1,000
Food & Beverage Supplies	380	328	550	550
Program Materials	652	842	1,000	1,000
Uniforms	482	454	650	650
Postage & Delivery	-	126	-	-
Small Tools	808	531	2,950	3,020
Furniture/Appliances	-	-	-	15,000
Hardware/Peripherals	969	-	-	-
Peripherals	317	-	-	-
Furniture/Appliances	11,304	10,335	-	-
Equipment	1,531	-	-	-
ISF-Copier Charges	913	422	1,370	820
ISF-Mail Service Charges	13	5	10	7
ISF-Telecom Charges	2,603	2,152	2,369	2,250
Sub total Expenditures	239,694	237,239	227,823	222,606
Transfers Out	193,500	193,500	-	-
Total Community Center	\$ 433,194	\$ 430,739	\$ 227,823	\$ 222,606



Parks Division

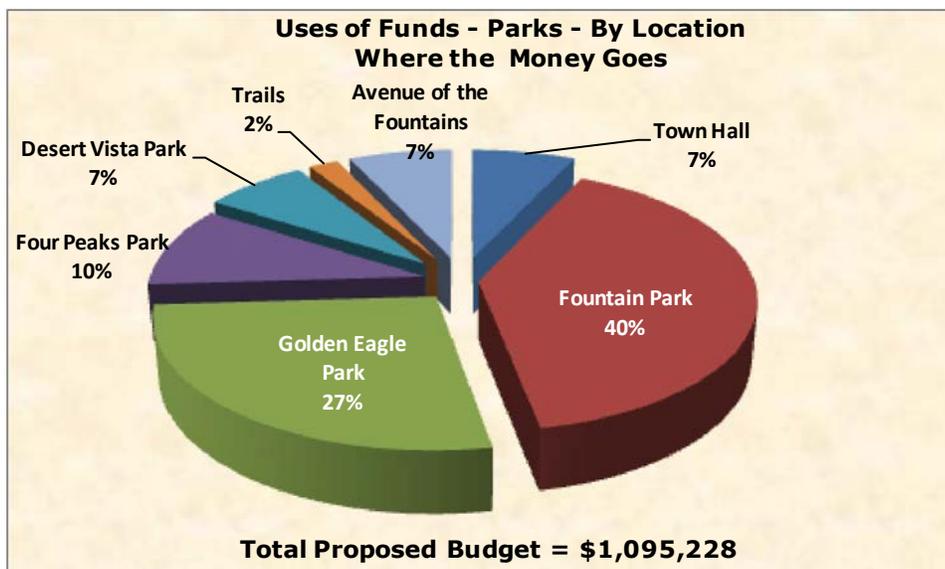
Service Delivery Plan

The Parks Division staff is dedicated to providing safe, clean and green parks that will meet the intellectual, social, cultural, and leisure needs of all park patrons. The Town’s park system has been developed to enhance the quality of life of Fountain Hills residents with hiking trails and park facilities for Youth and Adult Sports Programs, Youth and Teen Programs, Special Events, and Facility Rentals. Each year, our experienced staff works to meet the goals through efficient park maintenance and operations methods.

Location Name	Expenditures by Location			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Town Hall	\$ -	\$ -	\$ -	\$ 79,579
Fountain Park	411,288	396,811	446,867	427,673
Golden Eagle Park	296,590	327,719	374,239	297,936
Four Peaks Park	115,257	141,793	145,963	108,626
Desert Vista Park	92,995	101,738	201,563	79,757
Trails	31,494	37,249	29,058	21,058
Avenue of the Fountains	-	-	86,821	80,599
Total	\$ 947,624	\$ 1,005,310	\$ 1,284,511	\$ 1,095,228

Variance Explanations:

Town Hall/Golden Eagle Park/Four Peaks Park/Desert Vista Park/Trails: Personnel allocation changes for administrative costs were moved out of the parks and into Town Hall.



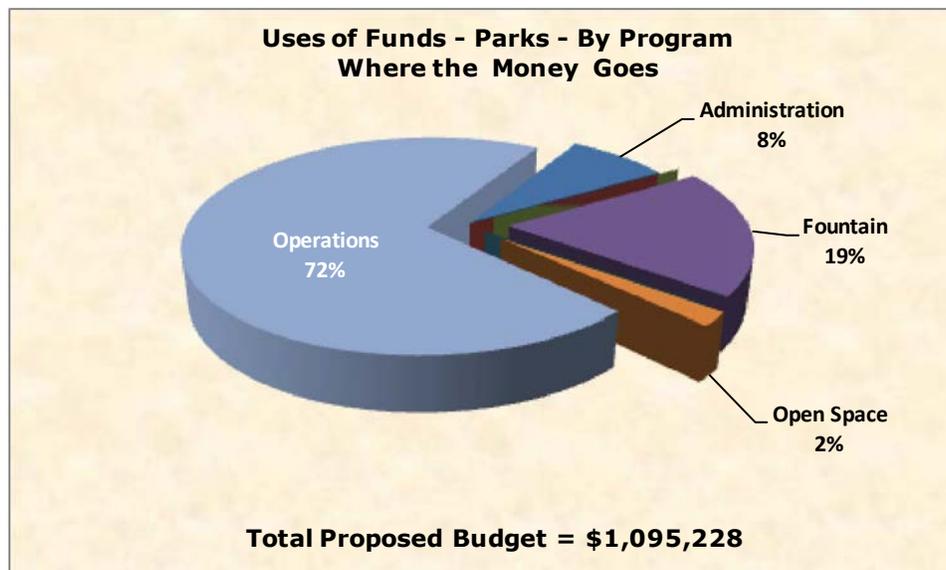
Program Name	Expenditures by Program			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Administration	\$ 169,465	\$ 181,047	\$ 195,604	\$ 84,358
Amenities	190,310	234,832	437,447	-
Field Prep/Maintenance	170,384	171,716	180,893	-
Fountain	223,119	196,149	214,871	212,375
Landscape Maintenance	162,852	184,317	226,638	-
Open Space	31,494	37,249	29,058	21,058
Operations	-	-	-	777,437
Total	\$ 947,624	\$ 1,005,310	\$ 1,284,511	\$ 1,095,228

Variance Explanations:

Administration: Non-administrative costs were relocated into Operations.

Amenities/Field Prep/Maintenance/Landscape Maintenance/Operations: These programs were consolidated into Operations for more efficient managing and reporting purposes.

Open Space: The decrease is the result of personnel allocation changes.



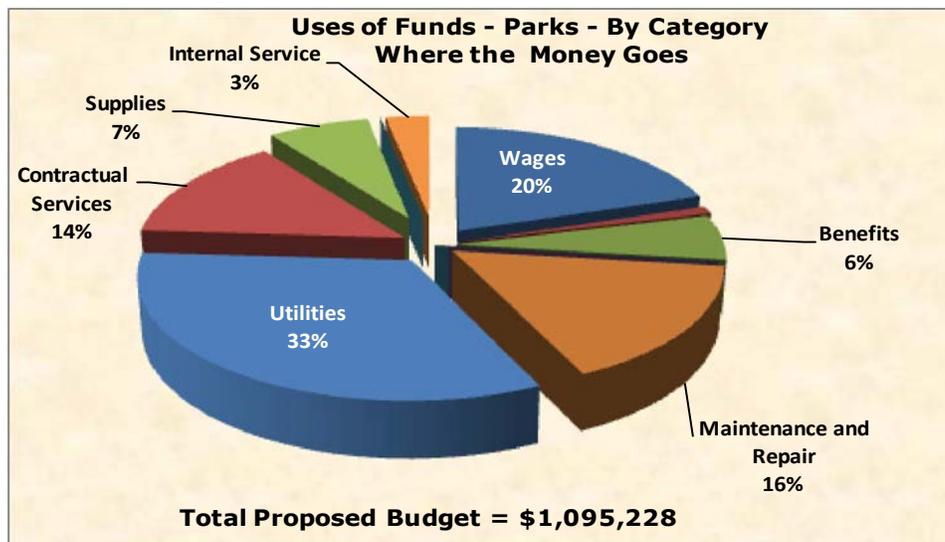
Category	Expenditures by Category			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Wages	\$ 271,388	\$ 278,316	\$ 280,594	\$ 219,575
Employment Taxes	13,538	17,526	15,450	11,000
Benefits	73,369	82,225	92,257	64,273
Dues & Memberships	840	747	1,035	885
Meetings and Training	2,299	1,144	3,905	1,875
Maintenance and Repair	130,250	154,141	299,226	171,298
Utilities	276,638	274,805	332,520	350,822
Contractual Services	73,761	84,964	159,172	153,822
Supplies	76,535	72,924	59,770	78,470
Equipment	3,472	9,598	5,285	4,100
Damages/Vandalism	1,067	1,226	7,100	2,100
Internal Service	24,467	27,694	28,197	35,008
Transfers	-	-	-	2,000
Total	\$ 947,624	\$ 1,005,310	\$ 1,284,511	\$ 1,095,228

Variance Explanations:

Wages/Benefits: The decrease is a result of personnel allocation changes.

Internal Service: The increase is a result of a increased vehicle replacement charges.

Supplies: The increase includes a budget supplement for miscellaneous items requested by the MMPC and FY15-16 revised budget reflects budget transfers made to other categories in this division, including Contractual Services and Maintenance and Repair.



Note: Categories that account for 1% of the total are not shown on the chart.



Activities/Results

Performance Measures

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Maintain a high overall satisfaction rating (good or better) of maintenance/operations	Good	Good	Good	Good
Number of Special Events hosted in parks	25	30	45	50
Appearance/availability	Good	Good	Good	Good

Quality

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Restroom serviced and cleaned	365 days	365 days	365 days	365 days
Ramadas serviced and cleaned	365	365	365	365
Trails maintained and ready for use daily	365	365	365	365
Trailhead promotions with brochures, maps and Town website	365	365	365	365

Productivity

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Net expenditures for park operations per capita*	\$34.60	\$36.65	\$44.29	\$44.87
Park rentals/ Revenue	292/ \$21,500	294/ \$23,700	320/ \$17,670	325/ \$25,000
Fountain Hills Hiking Trail visitors	1000+	1000+	1000+	1000+

* Population for FY13-14 - FY16-17 is based on the 2010 U.S. Census.

Fountain Hills Park Statistics:

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



**FY16-17 Proposed Budget
Summary of Expenditures
Parks**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
General Fund				
Salaries-Full Time	\$ 270,929	\$ 277,498	\$ 278,594	\$ 219,574
Overtime	459	818	2,000	-
Medicare	3,874	3,974	4,039	3,185
Workers Compensation	8,901	13,006	10,982	7,441
Unemployment Insurance	762	546	429	374
Group Health Insurance	37,902	46,672	56,387	35,392
Group Dental Insurance	3,502	2,736	2,879	2,737
Group Vision Insurance	480	425	416	328
Disability Insurance	811	941	1,022	930
Retirement	29,832	30,614	30,642	24,151
Life Insurance	843	837	911	735
Licenses/Filing Fees	590	552	440	440
Dues, Subscript & Publicat	250	195	595	445
Training/Cont Ed	2,079	889	-	-
Meetings & Training	220	255	3,905	1,875
Building Main/Repair	1,102	915	1,000	1,000
HVAC Repair	1,018	-	1,400	1,400
Plumbing Repair	3,940	1,043	2,650	2,650
Electrical Repair/Maint	8,758	6,593	5,750	5,750
Fire Protection Systems	2,712	640	1,200	2,200
Grounds Maint/Repair	6,098	6,026	102,372	23,300
Irrigation Repair	15,836	14,296	17,450	15,400
Backflow Testing & Maintenance	70	495	3,690	2,450
Storm Damage Cleanup	-	2,006	-	-
Equipment Maint/Repair	59,088	34,169	88,590	40,090
Vehicle Maint/Repair	4,261	16,065	12,800	12,600
Other Maint/Repair	10,865	39,345	22,200	31,600
Parking Lot Repair	-	1,269	1,300	-
Striping	820	927	2,380	2,380
Sidewalk/Pathway Repair	1,765	1,249	8,200	1,600
Sign Repair & Replacement	1,452	1,442	8,140	7,775
Painting	676	1,465	1,804	1,804
Lighting Repair	11,789	26,196	18,300	19,300
Electricity Expense	211,224	207,542	237,540	248,100
Refuse/Recycling	5,955	4,962	6,080	6,380
Telecommunications	3,868	4,118	4,084	4,106
Water/Sewer	41,868	46,682	70,604	78,024
Gas & Oil	13,723	11,501	14,212	14,212
Professional Fees	7,700	10,049	14,200	12,000
Rentals & Leases	9,917	6,413	7,380	7,380
Printing Expense	1,986	2,099	2,300	2,900
Bank/Merc Acct Fees	550	385	551	551
Landscape Contracts	53,079	65,544	134,070	130,320



**FY16-17 Proposed Budget
Summary of Expenditures
Parks**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
General Fund-continued				
ActiveNet Fees	\$ 529	\$ 475	\$ 671	\$ 671
Office Supplies	-	23	200	100
Cleaning/Janitorial Supplies	11,335	10,824	12,153	12,153
Safety Supplies	810	867	1,100	1,100
Operating Supplies	62,926	58,222	42,733	55,083
Food & Beverage Supplies	-	-	120	120
Program Materials	-	1,119	1,350	7,800
Uniforms	1,464	1,869	2,114	2,114
Small Tools	2,546	5,139	5,285	4,100
Furniture/Appliances	307	-	-	-
Equipment	620	4,459	-	-
Damages/Vandalism	1,067	1,226	7,100	2,100
ISF-Copier Charges	360	601	580	451
ISF-Mail Service Charges	5	77	9	6
ISF-Vehicle Replacement Charge	23,141	26,170	26,693	33,551
ISF-Telecom Charges	960	845	915	1,000
Sub total Expenditures	947,624	1,005,310	1,284,511	1,093,228
Transfers Out	-	-	-	2,000
Total Parks	\$ 947,624	\$ 1,005,310	\$ 1,284,511	\$ 1,095,228



Recreation Division

Service Delivery Plan

The Recreation Division strives to enhance the quality of life of 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			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Administration	\$ 87,388	\$ 82,090	\$ 96,028	\$ 287,490
Art & Culture	48,127	38,857	41,713	-
Boards & Commissions	29,322	29,081	48,691	-
Community Events	94,842	102,117	113,380	77,729
Social/Community Service	70,459	72,515	82,514	-
Special Events	27,073	23,450	26,769	-
Special Interest Programs	24,407	30,696	38,590	16,007
Sports Activities	55,629	61,520	82,551	26,602
Youth & Teen Programs	94,771	87,208	85,531	27,831
Total	\$ 532,018	\$ 527,534	\$ 615,767	\$ 435,659

Variance Explanations:

Administration/Boards and Commissions: The increase is a result of personnel allocation changes and the consolidation of these two programs for more efficient managing and reporting purposes.

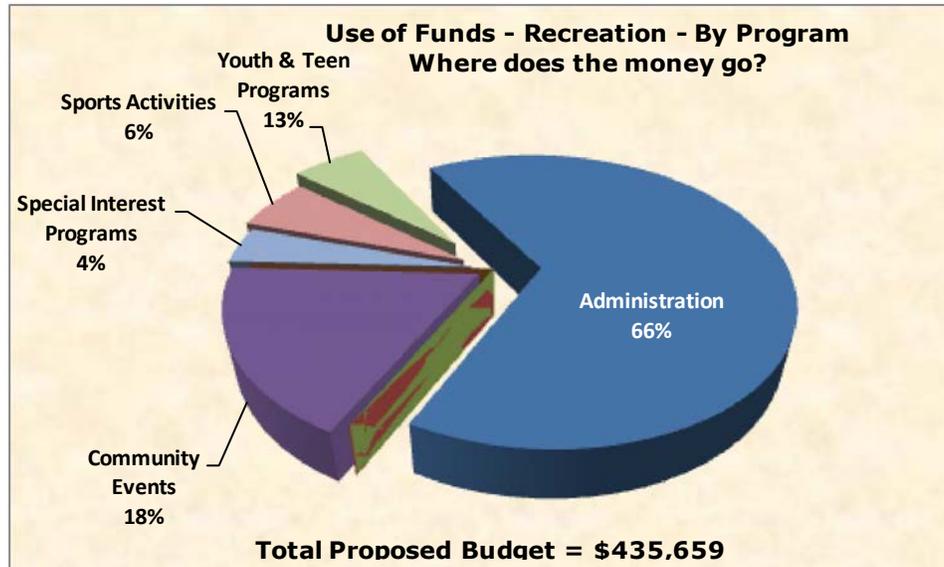
Art & Culture: Amounts were relocated into the General Government Department, and the Tourism and Public Art Funds.

Community Events/Social/Community Services/Special Events: These programs were consolidated into Community Events for more efficient managing and reporting purposes.

Special Interest Programs/Sports Activities: The decrease is a result of personnel allocation changes.

Youth & Teen Programs: The decrease is a result of personnel allocation changes and that Community Contracts were moved to the new General Government Department.





Category	Expenditures by Category			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Wages	\$ 252,513	\$ 226,634	\$ 277,991	\$ 219,698
Employment Taxes	14,165	17,128	17,284	13,713
Benefits	48,792	49,633	66,586	40,223
Dues & Memberships	1,968	2,286	2,417	2,417
Meetings and Training	6,535	9,845	7,750	7,200
Maintenance and Repair	9,824	10,476	10,000	-
Utilities	1,709	2,779	1,908	948
Contractual Services	157,189	170,992	186,449	115,323
Supplies	30,137	29,731	34,844	30,184
Equipment	90	-	-	-
Damages/Vandalism	13	-	-	-
Internal Service	9,083	8,030	10,538	5,483
Transfers	-	-	-	470
Total	\$ 532,018	\$ 527,534	\$ 615,767	\$ 435,659

Variance Explanations:

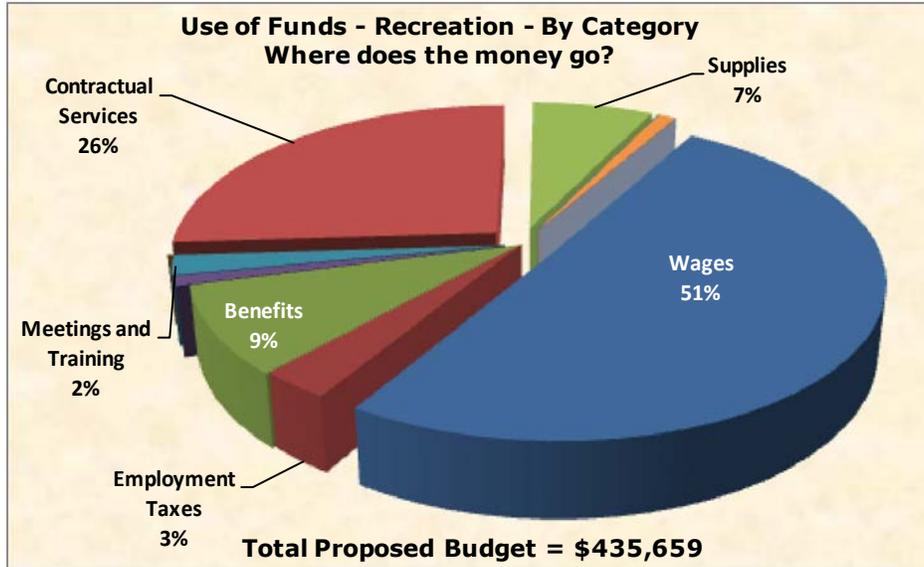
Wages/Benefits: The decrease is a result of personnel allocation changes and the significant savings from changing health insurance carriers.

Maintenance and Repair: The art maintenance costs were moved into the Public Art fund.

Contractual Services: Community Contracts were moved to the new General Government Department.

Internal Service: Vehicle replacement charges were moved into the new Community Services Division.





Note: Categories that account for 1% of the total are not shown on the chart.

Activities/Results

Performance Measures

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
To attain a high overall satisfaction rating (good or better) with the quality of Town recreation programs on program evaluations	80%	82%	80%	85%
To achieve a high return rate on recreation program surveys	25%	26%	35%	35%

Quality

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Number of individual program participants ¹	2,234	2,470	2,450	2,650
Number of team sports program participants	602	615	600	600
Number of teen trip/teen activity participants	untracked	160	400	450
Number of volunteer hours in support of Town recreation programs ²	1,000	998	1,000	1,100
Number of youth sport, Boys and Girls Club, and FHUSD facility bookings	1,761	1,871	1,800	1,800

Productivity

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Net operating costs of recreation programs per capita ³	22.57	24.83	26.05	26.50

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

²Volunteer hours are estimated

³Population based on U.S Census 2014 estimates



**FY16-17 Proposed Budget
Summary of Expenditures
Recreation**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
General Fund				
Salaries-Full Time	\$ 194,206	\$ 158,369	\$ 203,714	\$ 151,393
Salaries-Part Time	58,282	68,205	74,277	68,305
Overtime	25	60	-	-
FICA	3,662	4,549	4,575	4,235
Medicare	3,547	3,130	4,030	3,184
Workers Compensation	5,672	8,331	8,203	5,593
Unemployment Insurance	1,284	1,118	476	701
Group Health Insurance	24,356	29,046	40,089	20,635
Group Dental Insurance	1,832	1,846	2,340	1,591
Group Vision Insurance	215	276	342	194
Disability Insurance	508	550	744	641
Retirement	21,334	17,426	22,408	16,654
Life Insurance	548	490	663	508
Licenses/Filing Fees	330	335	350	350
Dues, Subscript & Publicat	1,638	1,951	2,067	2,067
Training/Cont Ed	152	3,340	-	-
Meetings & Training	6,383	6,505	7,750	7,200
Vehicle Maint/Repair	127	1,255	500	-
Office Equip Maint/ Repair	41	939	-	-
Other Maint/Repair	-	-	2,000	-
Art Maint/Repair/Install	9,525	6,600	7,500	-
Sign Repair & Replacement	131	1,683	-	-
Telecommunications	1,308	2,570	1,308	948
Gas & Oil	401	209	600	-
Professional Fees	8,810	10,559	13,705	12,880
Instructor Fees	7,817	14,059	25,334	20,359
Rentals & Leases	21,137	25,643	25,835	29,985
Printing Expense	2,045	465	1,750	1,100
Advertising/Signage	1,332	588	550	400
Contractual Services	12,540	13,940	15,100	17,300
Constituent Communication	-	21,347	22,200	25,500
Bank/Merc Acct Fees	1,835	2,340	2,868	2,868
Community Contracts/Events	99,120	79,296	74,176	-
ActiveNet Fees	2,552	2,754	4,931	4,931
Office Supplies	6,335	742	5,300	700
Cleaning/Janitorial Supplies	-	-	200	-
Operating Supplies	337	-	-	-
Food & Beverage Supplies	403	450	550	550
Program Materials	22,501	24,609	27,965	28,105
Uniforms	514	372	829	829
Postage & Delivery	46	3,557	-	-
Small Tools	90	-	-	-
Damages/Vandalism	13	-	-	-
ISF-Copier Charges	4,101	3,381	5,625	3,850
ISF-Mail Service Charges	478	147	215	193
ISF-Vehicle Replacement Charge	2,881	2,939	2,998	-
ISF-Motor Pool Charges	22	83	-	-
ISF-Telecom Charges	1,602	1,480	1,700	1,440
Sub total Expenditures	532,018	527,534	615,767	435,189
Transfers Out	-	-	-	470
Total Recreation	\$ 532,018	\$ 527,534	\$ 615,767	\$ 435,659





Senior Services Division

Service Delivery Plan

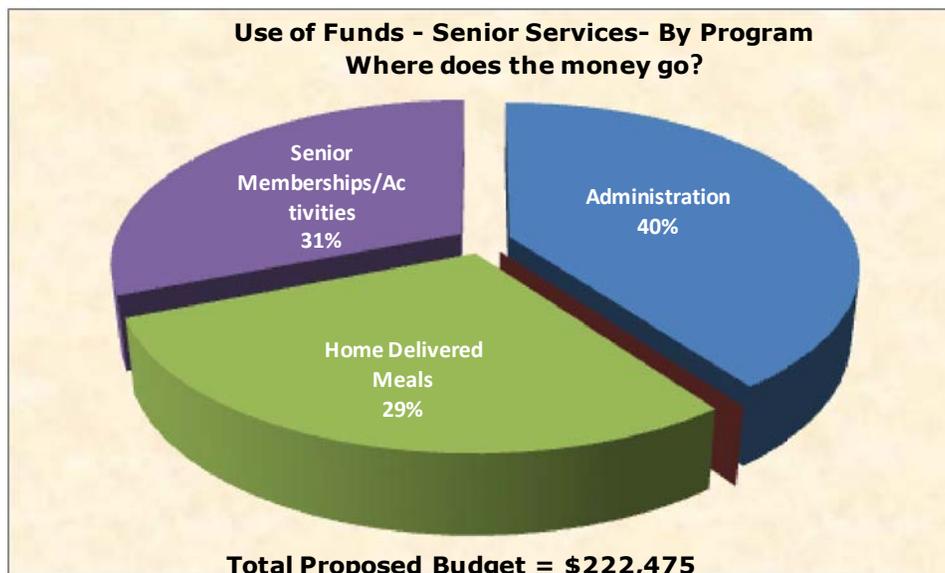
Provide meeting space to members for programs and presentations. Coordinate meeting schedule with support groups and offer social services for the community. Deliver a quality noon-time meal to Town residents who require assistance in obtaining nutritional meals.

Program Name	Expenditures by Program			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Administration	\$ 45,335	\$ 52,360	\$ 52,483	\$ 90,629
Boards & Commissions	14,750	12,556	-	-
Home Delivered Meals	60,983	56,661	73,522	63,464
Senior Memberships/Activities	86,956	93,129	105,841	68,382
Total	\$ 208,024	\$ 214,706	\$ 231,846	\$ 222,475

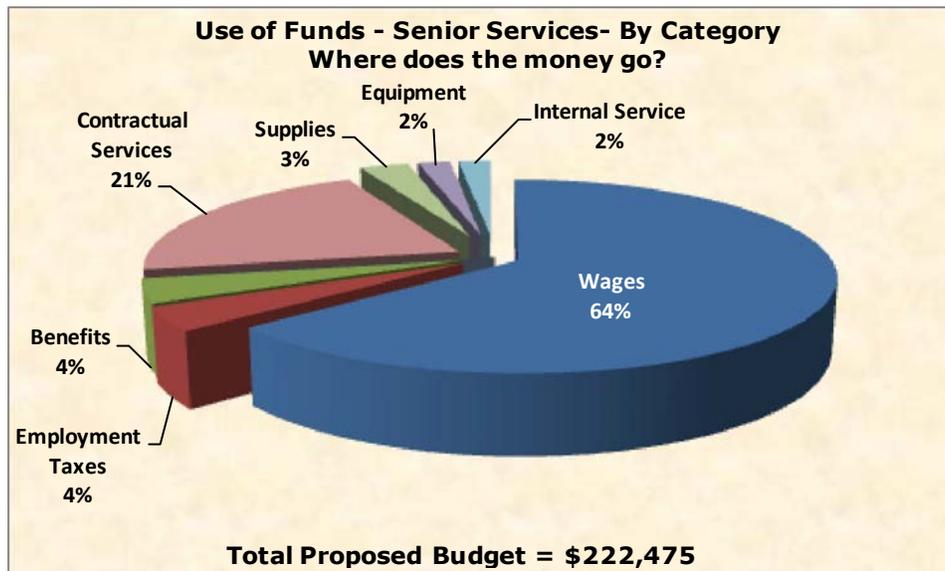
Variance Explanations:

Administration: The increase is a result of personnel allocation changes and a budget supplement for replacement audio-video equipment.

Senior Membership/Activities: The decrease is a result of personnel allocation changes.



Category	Expenditures by Category			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Wages	\$ 135,678	\$ 141,660	\$ 146,039	\$ 140,634
Employment Taxes	7,122	7,109	7,954	7,907
Benefits	12,943	12,995	12,083	9,028
Dues & Memberships	862	946	320	920
Meetings and Training	36	149	-	200
Maintenance and Repair	-	-	50	50
Utilities	338	1,077	780	780
Contractual Services	39,294	39,323	53,656	47,446
Supplies	6,956	6,850	5,650	6,060
Equipment	1,803	1,059	-	5,000
Internal Service	2,992	3,538	5,314	4,450
Total	\$ 208,024	\$ 214,706	\$ 231,846	\$ 222,475



Activities/Results

Performance Measures

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Number of members	1,199	1,298	1,298	1,300
Maintain a high overall satisfaction rating (good or better) of meal quality	Good	Good	Good	Good

Quality

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Number of attendees to senior programs and presentations	22,228	21,841	22,000	22,000
Number of days per year meals delivered	365	365	365	365

Productivity

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Number of senior programs offered	63	55	64	55
Number of special presentations offered	44	33	48	35
Number of socialization activities/special events offered	8	8	8	8
Number of attendees at Activities EXPO	12	12	14	14
Number of meals delivered annually	4,799	4,035	5,000	5,000
Number of clients participating in HDM program	57	61	60	60



**FY16-17 Proposed Budget
Summary of Expenditures
Senior Services**

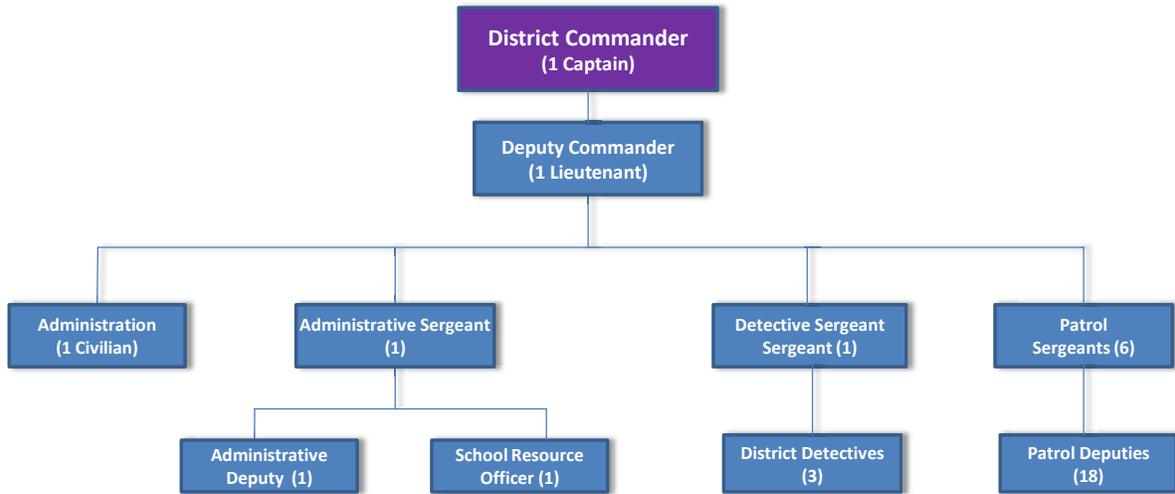
Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
General Fund				
Salaries-Full Time	\$ 77,221	\$ 78,782	\$ 74,107	\$ 64,993
Salaries-Part Time	58,457	62,802	71,932	75,641
Overtime	-	76	-	-
FICA	3,638	3,262	4,452	4,690
Medicare	1,952	2,043	2,118	2,041
Workers Compensation	877	1,346	1,116	774
Unemployment Insurance	655	459	268	402
Group Health Insurance	2,735	2,741	2,543	846
Group Dental Insurance	1,197	973	789	474
Group Vision Insurance	93	93	87	65
Disability Insurance	218	275	273	275
Retirement	8,462	8,667	8,150	7,150
Life Insurance	238	246	241	218
Licenses/Filing Fees	296	301	320	320
Dues, Subscript & Publicat	565	645	-	600
Training/Cont Ed	36	149	-	-
Meetings & Training	-	-	-	200
Sign Repair & Replacement	-	-	50	50
Telecommunications	338	1,077	780	780
Professional Fees	1,100	1,703	1,700	320
Instructor Fees	450	450	1,770	870
Rentals & Leases	171	156	156	156
Printing Expense	49	-	140	140
Contractual Services	33,264	29,355	41,220	36,900
Constituent Communication	-	3,003	3,000	3,390
Bank/Merc Acct Fees	464	548	1,620	1,620
ActiveNet Fees	3,796	4,108	4,050	4,050
Office Supplies	2,143	1,753	1,800	1,800
Cleaning/Janitorial Supplies	-	99	-	-
Operating Supplies	2,488	2,374	2,300	2,510
Food & Beverage Supplies	1,614	2,053	650	850
Program Materials	550	27	-	-
Postage & Delivery	37	544	900	900
Miscellaneous Expense	125	-	-	-
Small Tools	-	173	-	-
Hardware/Peripherals	-	886	-	5,000
Peripherals	103	-	-	-
Furniture/Appliances	1,613	-	-	-
Equipment	87	-	-	-
ISF-Copier Charges	1,152	1,913	3,585	2,620
ISF-Mail Service Charges	247	249	219	230
ISF-Telecom Charges	1,593	1,375	1,510	1,600
Sub total Expenditures	208,024	214,706	231,846	222,475
Transfers Out	-	-	-	-
Total Senior Services	\$ 208,024	\$ 214,706	\$ 231,846	\$ 222,475



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.

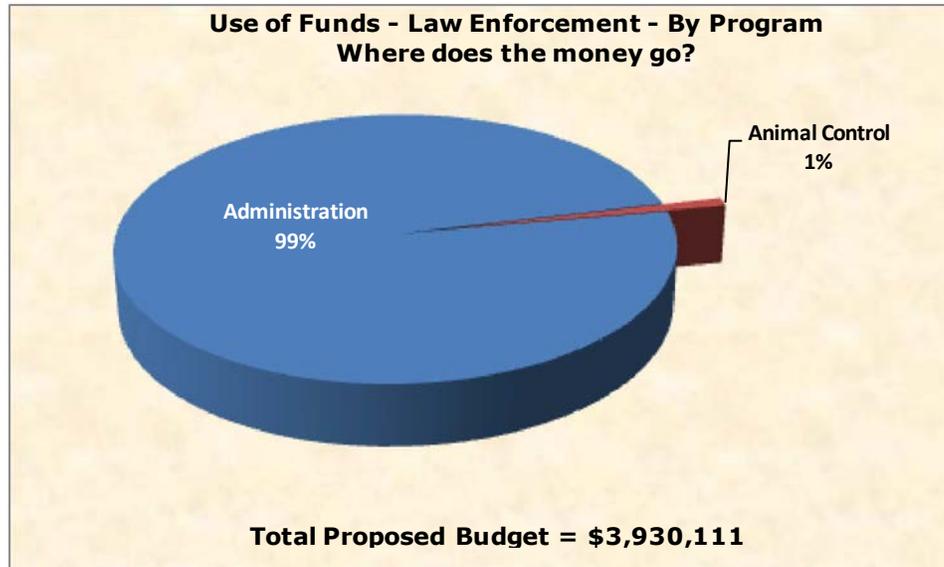
Under the command of Captain David Letourneau, twenty deputies are assigned full-time to the Town of Fountain Hills. Of these, nineteen deputies and four sergeants are assigned to patrol. One deputy is assigned to the Schools and Community Services Department to address quality of life issues, court 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			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Administration	\$ 23,903	\$ 15,789	\$ 21,484	\$ 3,896,867
Animal Control	37,705	31,817	40,320	33,244
Incarceration/Transport	56,302	56,703	67,500	-
Patrol	2,946,797	3,249,272	3,554,666	-
Total	\$ 3,064,707	\$ 3,353,581	\$ 3,683,970	\$ 3,930,111

Variance Explanations:

Administration/Incarceration/Transport/Patrol: Programs were combined into Administration for more efficient managing and reporting purposes.

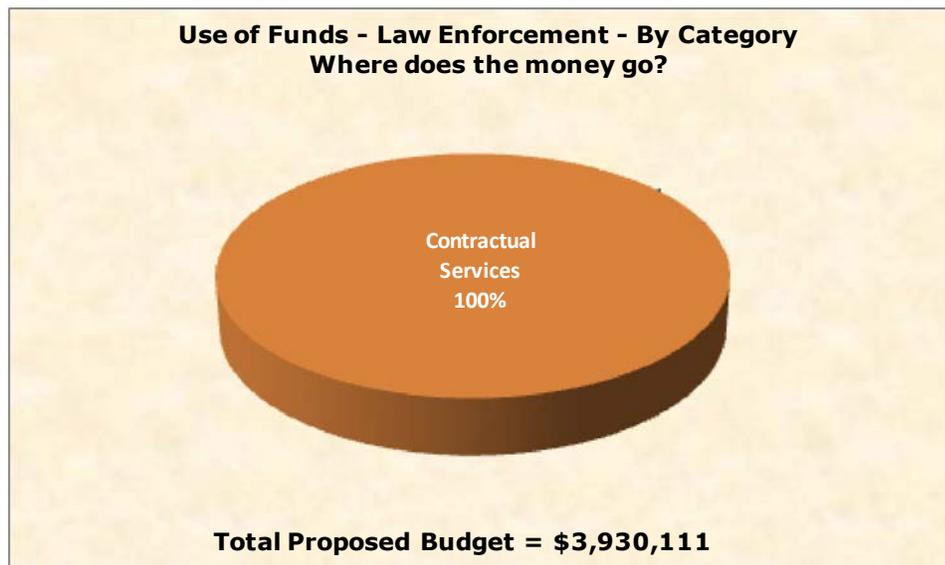




Category	Expenditures by Category			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Wages	\$ 15,659	\$ 13,785	\$ 13,598	\$ -
Employment Taxes	818	830	736	-
Benefits	1,348	1,443	1,471	-
Dues & Memberships	1,200	1,296	-	1,296
Maintenance & Repair	-	-	-	-
Contractual Services	3,042,459	3,332,673	3,663,710	3,924,305
Supplies	602	766	1,845	1,845
Internal Service	2,621	2,788	2,610	2,665
Total	\$ 3,064,707	\$ 3,353,581	\$ 3,683,970	\$ 3,930,111

Variance Explanations:

Wages: The decrease is a result of personnel allocation.



For the six month period ending December 31:

Description	July '14 to Dec. '14	July '15 to Dec. '15
Criminal Arrests	155	78
Criminal Citations Issued	96	46
Driving Under Influence (DUI) Arrests	39	9
Interviews	916	1208
Juvenile Referrals	10	2
Traffic Arrests	50	31
Traffic Violations	756	603
Traffic Warnings	494	441
Barking Dog Warnings Issued	4	15
False Alarm Warnings Issued	2	27

**FY16-17 Proposed Budget
Summary of Expenditures
Law Enforcement**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
General Fund				
Salaries-Full Time	\$ 8,014	\$ 5,960	\$ 6,135	\$ -
Salaries-Part Time	7,637	7,825	7,463	-
Overtime	8	-	-	-
FICA	474	485	463	-
Medicare	222	195	199	-
Workers Compensation	49	67	51	-
Unemployment Insurance	72	82	23	-
Group Health Insurance	413	737	743	-
Group Dental Insurance	25	10	9	-
Group Vision Insurance	4	2	1	-
Disability Insurance	13	15	22	-
Retirement	877	661	675	-
Life Insurance	16	19	21	-
Dues, Subscript & Publicat	1,200	1,296	-	1,296
Printing Expense	569	-	-	150
Advertising/Signage	46	-	220	-
Intergovt Agreements	3,028,698	3,325,439	3,649,630	28,024
Contractual Services	13,147	6,973	13,500	13,500
Bank/Merc Acct Fees	-	261	-	240
ActiveNet Fees	-	-	360	360
Law Patrol	-	-	-	3,814,531
Jail Fees	-	-	-	67,500
Office Supplies	-	-	40	40
Operating Supplies	-	128	1,205	1,205
Program Materials	602	638	600	600
ISF-Copier Charges	71	155	110	165
ISF-Mail Service Charges	2,550	2,633	2,500	2,500
Sub total Expenditures	3,064,707	3,353,581	3,683,970	3,930,111
Transfers Out	-	-	-	-
Total Law Enforcement	\$ 3,064,707	\$ 3,353,581	\$ 3,683,970	\$ 3,930,111

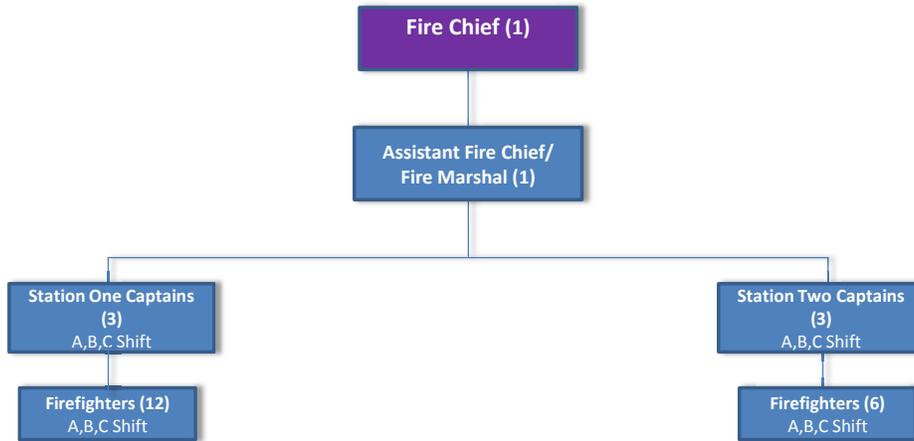




Fire & Emergency Medical



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 pro-active approach to fire prevention and public safety education.

Department Overview

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

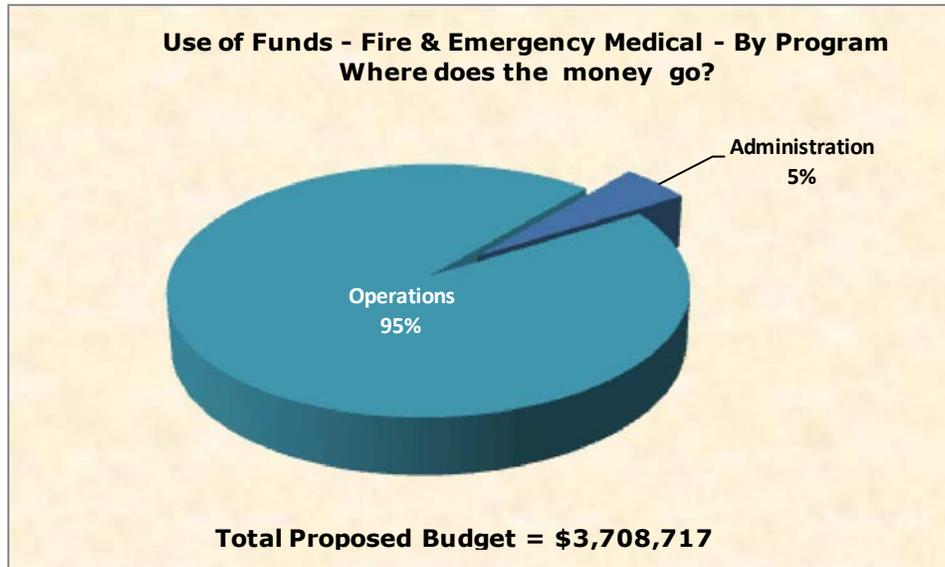
The Fire Department is responsible for EMS delivery and fire suppression within the Town limits. The Fire Department is also responsible for fire prevention that includes plan review and building inspections. The Fire Department takes the lead role in emergency management at large scale disasters. The Fire Department also provides other community services such as public education, youth career oriented Explorer Post, child car seat installations and other safety programs.

Program Name	Expenditures by Program			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Administration	\$ 157,925	\$ 160,946	\$ 165,404	\$ 168,564
FD Safety	154,452	155,038	161,793	-
FD EMS	1,420,228	1,464,522	1,513,136	-
FD Suppression	1,624,954	1,606,250	1,661,464	-
Operations	-	-	-	3,540,153
FD Care	28,029	28,543	-	-
Total	\$ 3,385,588	\$ 3,415,299	\$ 3,501,797	\$ 3,708,717

Variance Explanations:

FD Safety/FD EMS/FD Suppression/Operations: These programs were consolidated into Operations for more efficient managing and reporting purposes, including facility maintenance costs.





Category	Expenditures by Category			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Dues & Memberships	\$ 183	\$ 680	\$ 750	\$ 750
Maintenance and Repair	31,771	30,427	39,015	77,055
Utilities	24,291	23,129	22,300	20,000
Contractual Services	3,143,756	3,231,489	3,309,491	3,415,688
Supplies	81,946	2,843	7,150	4,360
Equipment	5,649	20,141	16,500	44,000
Internal Service	97,992	106,590	106,591	146,864
Total	\$ 3,385,588	\$ 3,415,299	\$ 3,501,797	\$ 3,708,717

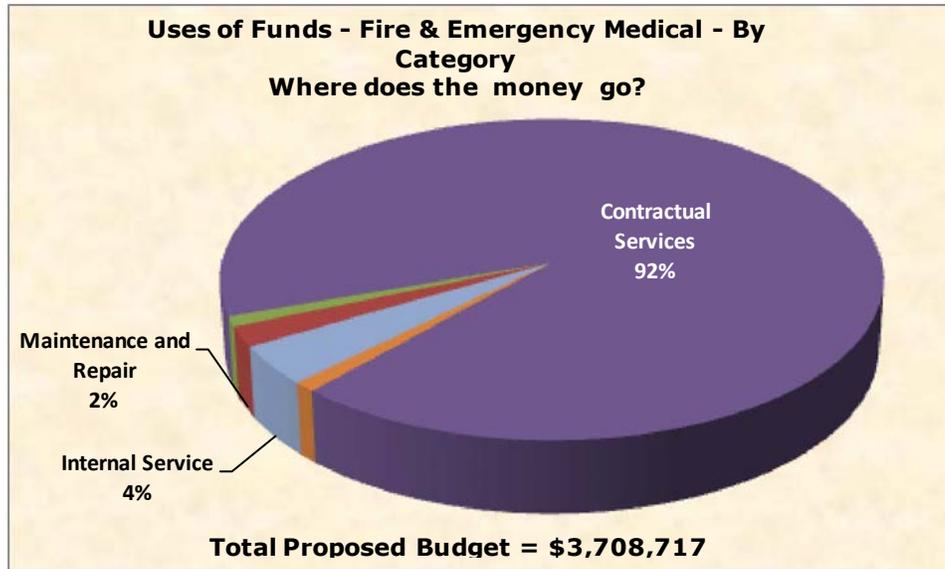
Variance Explanations:

Maintenance and Repair: Facility maintenance costs are now being reported in the Fire Department's budget to show the true cost of operating the fire stations.

Equipment: Budget supplements were added to purchase one fire defibulator and replace AED units.

Internal Service: Vehicle replacement charge calculations were adjusted to reflect estimated replacement costs of the a new ladder truck.





Note: Categories that account for 1% of the total are not shown on the chart.

FY15-16 Department Accomplishments

Initiative	Strategic Value
Initiate Relocation of Fire Station Two	P3-Public Safety, Health and Welfare
Remodel Training Room and Chief's Office	P3-Public Safety, Health and Welfare

FY16-17 Objectives

Initiative	Strategic Value	Estimated Cost/Funding Source
Relocate Fire Station Two	P3-Public Safety, Health and Welfare	\$3,650,000/Capital Projects
Remodel Storage area at Fire Station One	P3-Public Safety, Health and Welfare	\$10,000/General Fund



Activities/Results

Performance Measures

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Complete Annual Minimum Company Standards	100%	100%	100%	100%
Emergency Response Times (5 minutes)	84%	80%	85%	85%

Quality

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Child Car Seat installations	103	104	100	100
Public Education Activities	49	54	70	60

Productivity

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Fire Prevention Inspections	518	549	400	500
Plan Reviews	213	250	300	300



**FY16-17 Proposed Budget
Summary of Expenditures
Fire & Emergency Medical**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
General Fund				
Licenses/Filing Fees	\$ 18	\$ -	\$ -	\$ -
Dues, Subscript & Publicat	165	680	750	750
Building Maint/Repair	-	-	-	23,000
HVAC Repair	-	-	-	2,500
Plumbing Repair	-	-	-	2,000
Fire Protection Systems	-	-	-	915
Irrigation Repair	-	-	-	525
Backflow Testing & Maintenance	-	-	-	300
Equipment Maint/Repair	6,204	14,612	9,765	16,165
Vehicle Maint/Repair	25,567	15,814	29,000	29,000
Office Equip Maint/ Repair	-	-	150	150
Other Maint/Repair	-	-	-	2,400
Sign Repair & Replacement	-	-	100	100
Telecommunications	98	-	100	-
Gas & Oil	24,193	23,129	22,200	20,000
Printing Expense	345	141	800	800
Intergovt Agreements	1,831	1,887	2,011	2,011
Contractual Services	3,141,580	3,229,462	3,306,680	3,405,877
Landscape Contracts	-	-	-	7,000
Office Supplies	811	671	550	550
Cleaning/Janitorial Supplies	-	-	-	50
Safety Supplies	79,669	-	-	-
Operating Supplies	919	1,719	5,600	2,760
Program Materials	507	453	1,000	1,000
Postage & Delivery	40	-	-	-
Small Tools	-	1,741	6,500	6,500
Hardware/Peripherals	746	-	-	-
Furniture/Appliances	-	39	-	-
Equipment	4,902	18,361	10,000	37,500
ISF-Copier Charges	30	124	100	100
ISF-Mail Service Charges	123	44	85	100
ISF-Vehicle Replacement Charge	90,104	99,839	99,546	139,514
ISF-Telecom Charges	7,736	6,583	6,860	7,150
Sub total Expenditures	3,385,588	3,415,299	3,501,797	3,708,717
Transfers Out	-	-	-	-
Total Fire & Emergency Medical	\$ 3,385,588	\$ 3,415,299	\$ 3,501,797	\$ 3,708,717





Special Revenue Funds



Development Services Streets Division Highway User Revenue Fund (HURF)



Streets Division

Service Delivery Plan

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

Program Name	Expenditures by Program			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Administration	\$ 336,496	\$ 149,690	\$ 220,860	\$ 331,598
Adopt A Street	3,585	3,220	4,227	1,010
Legal Services	25,698	28,689	32,136	-
Open Space	241,291	261,749	350,309	339,583
Pavement Management	2,205,885	504,599	1,761,276	2,618,080
Street Signs	82,757	84,970	95,098	69,767
Street Sweepers	74,772	87,908	-	-
Traffic Signals	103,333	111,358	278,145	163,483
Vehicle Maintenance	72,493	79,818	106,070	71,175
Total	\$ 3,146,310	\$ 1,312,001	\$ 2,848,121	\$ 3,594,696

Variance Explanations:

Administration: The increase is a result of personnel allocation changes and increased insurance liability and legal expenses.

Legal Services: Program was combined into Administration for more efficient managing and reporting purposes.

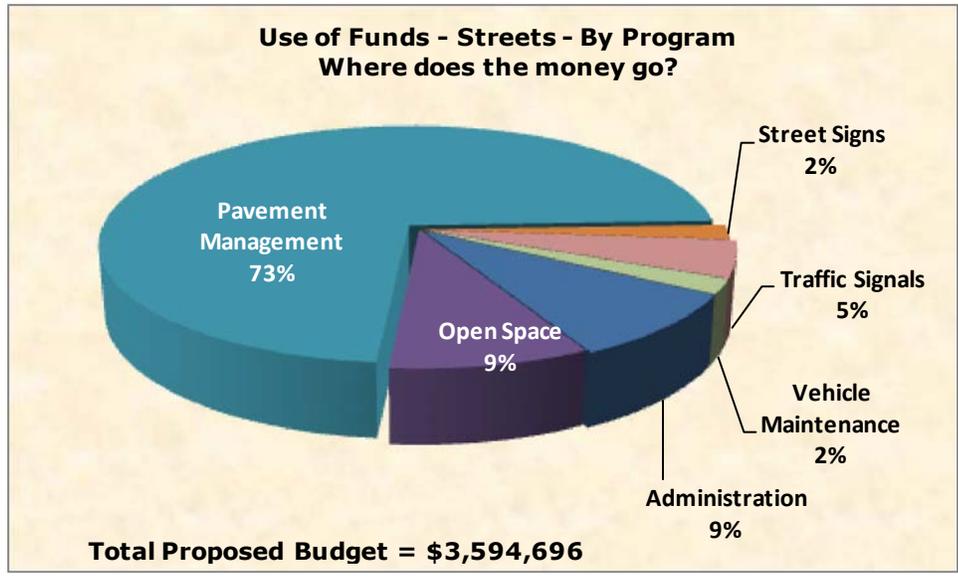
Pavement Management: Additional monies were budgeted for pavement maintenance, including a contingency of \$250,000.

Street Signs: The decrease is a result of personnel allocation changes.

Traffic Signals: FY15-16 included a one-time expenditure to replace the existing deteriorating conduit for the traffic signal located at the intersections of Palisades and Fountain Hills Boulevards.

Vehicle Maintenance: FY15-16 included a one-time expenditure to replace the sprinkler/EVAP cooler at the Street Yard and decreased vehicle replacement charges.





Category	Expenditures by Category			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Wages	\$ 265,179	\$ 294,027	\$ 268,815	\$ 300,647
Employment Taxes	24,739	39,244	31,276	22,381
Benefits	82,065	87,518	85,035	82,207
Dues & Memberships	786	1,463	2,540	2,940
Meetings and Training	-	-	1,300	1,300
Maintenance and Repair	2,097,342	284,462	1,806,580	2,283,361
Utilities	129,377	131,136	152,133	157,145
Contractual Services	285,478	371,911	337,715	346,408
Supplies	24,823	28,395	29,036	29,090
Equipment	26,399	4,942	9,000	9,000
Damages/Vandalism	805	30,539	15,000	40,000
Internal Service	30,521	37,878	64,691	70,217
Transfers	178,796	486	45,000	-
Contingency	-	-	-	250,000
Total	\$ 3,146,310	\$ 1,312,001	\$ 2,848,121	\$ 3,594,696

Variance Explanations:

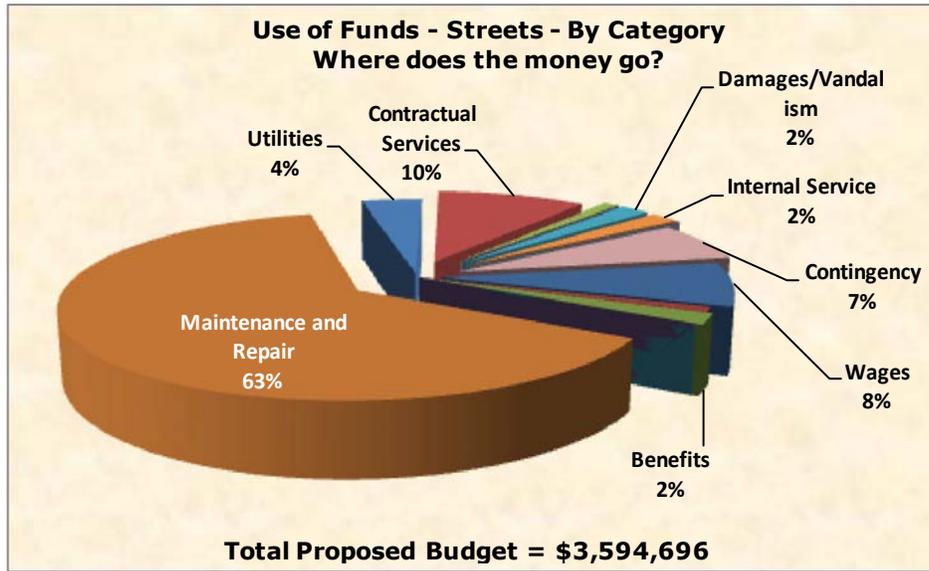
Employment Taxes: The decrease is a result of more favorable workers' compensation rates.

Maintenance and Repair: Additional monies were budgeted for pavement maintenance.

Damages/Vandalism: Additional monies were budgeted for insurance expenditures.

Transfers: FY15-16 included a one-time transfer to the Environmental Fund.

Contingency: Monies were budgeted for unforeseen expenditures that may arise.



Note: Categories that account for 1% of the total are not shown on the chart.



**FY16-17 Proposed Budget
Summary of Expenditures
Streets**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Highway User Revenue Fund				
Salaries-Full Time	\$ 263,248	\$ 288,629	\$ 256,406	\$ 293,078
Overtime	1,797	3,785	-	2,000
On Call Pay	133	1,614	12,409	5,569
Medicare	3,574	4,011	3,899	4,331
Workers Compensation	20,574	34,846	27,048	17,689
Unemployment Insurance	590	387	329	361
Group Health Insurance	47,634	49,767	50,241	43,270
Group Dental Insurance	3,262	3,251	3,014	3,462
Group Vision Insurance	424	419	387	377
Disability Insurance	776	918	989	1,265
Retirement	29,166	32,343	29,570	32,852
Life Insurance	803	819	834	981
Licenses/Filing Fees	20	10	-	-
Dues, Subscript & Publicat	766	1,453	2,540	2,940
Meetings & Training	-	-	1,300	1,300
Building Maint/Repair	309	276	18,500	4,000
HVAC Repair	90	80	-	-
Electrical Repair/Maint	814	1,255	3,000	3,000
Fire Protection Systems	-	-	2,000	2,000
Grounds Maint/Repair	2,800	14,442	10,000	20,000
Irrigation Repair	6,618	6,215	2,500	2,500
Backflow Testing & Maintenance	425	1,605	7,410	7,410
Drainage Maint/Repair	-	5,475	10,000	10,000
Storm Damage Cleanup	-	3,114	-	-
Equipment Maint/Repair	10,644	4,322	141,500	26,500
Vehicle Maint/Repair	18,006	8,505	12,400	14,000
Office Equip Maint/ Repair	647	-	750	750
Other Maint/Repair	9,264	10,100	1,800	1,800
Road Repair	31,041	24,659	60,000	50,000
Striping	-	29,905	-	-
Sidewalk/Pathway Repair	50,589	23,022	15,000	50,000
Other Road Related Repair	2,412	397	-	-
Sign Repair & Replacement	13,863	10,091	21,720	16,625
Pavement Management	1,949,821	139,237	1,500,000	2,074,776
Painting	-	1,500	-	-
Lighting Repair	-	260	-	-
Electricity Expense	38,318	43,695	39,800	39,800
Refuse/Recycling	5,781	4,384	6,200	11,200
Telecommunications	3,414	3,654	3,228	3,240
Water/Sewer	68,156	67,019	82,105	82,105
Gas & Oil	13,708	12,385	20,800	20,800
Auditing Expense	6,950	6,950	7,741	12,500



**FY16-17 Proposed Budget
 Summary of Expenditures
 Streets**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Highway User Revenue Fund-continued				
Professional Fees	\$ 4,009	\$ 86,013	\$ 15,100	\$ 20,600
Legal Fees	25,698	28,689	32,136	33,096
Insurance Expense	72,641	74,097	76,738	82,212
Rentals & Leases	1,345	-	-	-
Printing Expense	54	-	-	-
Advertising/Signage	238	186	-	-
Intergovt Agreements	15,322	13,750	20,000	20,000
Contractual Services	65,837	76,224	11,000	3,000
Bank/Merc Acct Fees	25	-	-	-
Landscape Contracts	93,359	86,002	175,000	175,000
Office Supplies	226	508	2,225	2,225
Cleaning/Janitorial Supplies	574	441	500	500
Safety Supplies	436	131	350	400
Operating Supplies	21,717	26,001	24,265	24,265
Food & Beverage Supplies	129	224	200	200
Uniforms	1,662	1,051	1,496	1,500
Postage & Delivery	79	40	-	-
Small Tools	2,310	1,807	7,000	7,000
Software	1,660	712	2,000	2,000
Hardware/Peripherals	5,253	-	-	-
Furniture/Appliances	15,459	-	-	-
Equipment	1,719	2,423	-	-
Damages/Vandalism	805	30,539	15,000	40,000
ISF-Mail Service Charges	40	13	60	16
ISF-Vehicle Replacement Charge	27,858	35,736	62,101	67,631
ISF-Telecom Charges	2,622	2,129	2,530	2,570
Contingency	-	-	-	250,000
Sub total Expenditures	2,967,514	1,311,515	2,803,121	3,594,696
Transfers Out	178,796	486	45,000	-
Total Streets	\$ 3,146,310	\$ 1,312,001	\$ 2,848,121	\$ 3,594,696



Activities/Results

Performance Measures

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Pothole repair requests completed within two business days.	N/A	N/A	N/A	95%

Quality

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Total residential lane miles	264	264	264	264
Total arterial lane miles	79	79	79	79
Number of vehicles in fleet	39	39	39	39
Acreage of medians maintained	59	56	56	56
Number of Adopt-a-Street participants	66	65	65	65

Productivity

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Net expenditures per capita	\$139.90	\$58.34	\$126.65	\$157.16



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 has been funded through a dedicated portion of the Town’s local sales tax (.1% of 2.6%).**

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

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

Both funds were originally funded through the dedicated .1% of local sales tax with a 60/40 split—60% of sales tax revenues will be allocated to the new Economic Development Fund and 40% of sales tax revenues will 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 80/20 respectively. The Economic Development Fund is funded with 80% of the .1% local sales tax and will be available for any economic development purpose.



Downtown Strategy Fund

Service Delivery Plan

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

Program Name	Expenditures by Program			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Administration	\$ 272,730	\$ 1,194,160	\$ 557,886	\$ 1,021,655
Total	\$ 272,730	\$ 1,194,160	\$ 557,886	\$ 1,021,655

Variance Explanations:

Administration: The increase reflects transfers to the Capital Improvement Fund to fund capital projects.

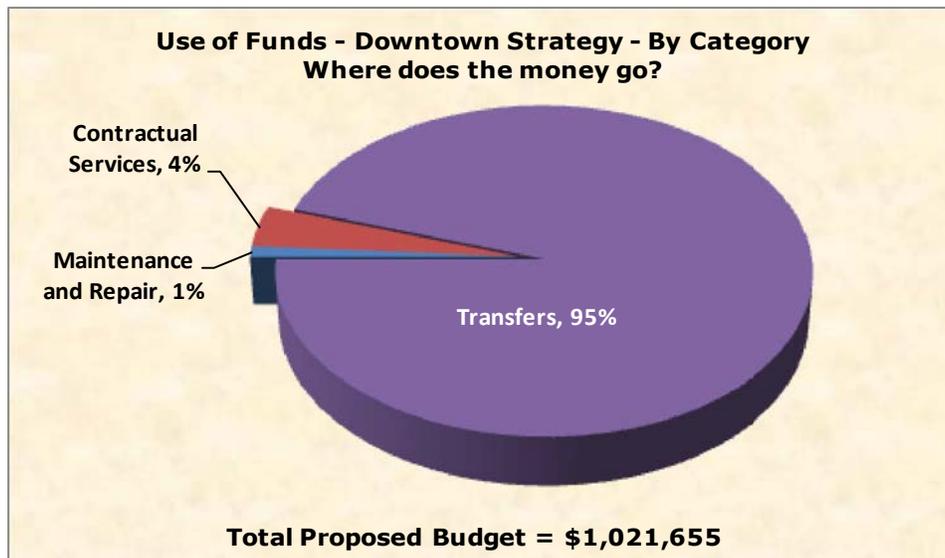


Category	Expenditures by Category			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Maintenance and Repair	\$ -	\$ 7,672	\$ 50,000	\$ 10,000
Contractual Services	29,884	29,397	30,885	36,655
Internal Service	1	-	1	-
Transfers	242,845	1,157,091	477,000	975,000
Total	\$ 272,730	\$ 1,194,160	\$ 557,886	\$ 1,021,655

Variance Explanations:

Maintenance and Repair: FY15-16 included a one-time expenditure to repair and/or replace light fixtures on both the north and south sides of the Avenue of the Fountains.

Transfers: Amount increased for additional capital projects proposed.



**FY16-17 Proposed Budget
Summary of Expenditures
Downtown Strategy Fund**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Downtown Strategy Fund				
Sign Repair & Replacement	\$ -	\$ 7,672	\$ -	\$ -
Lighting Repair	-	-	50,000	10,000
Management Fees	535	493	535	535
Advertising/Signage	380	-	-	-
Holiday Lighting	28,970	28,904	30,350	36,120
ISF-Mail Service Charges	-	-	1	-
Sub total Expenditures	29,885	37,069	80,886	46,655
Transfers Out	242,845	1,157,091	477,000	975,000
Total Downtown Strategy Fund	\$ 272,730	\$ 1,194,160	\$ 557,886	\$ 1,021,655



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 game plan is a multi-tiered approach to building a strong economic base. Create more base jobs locally to attract more year-round residents to live, work, and play in the community. Expand the market for local **businesses creating revenues that support the community's quality of life. As revenues are generated and the economic base expands, revenues are available for needed basic services such as parks, recreation, and roadway improvements.**

Coordinated Approach: All entities involved in economic development must work together to achieve mutually agreed-upon goals to ensure a sustainable effort.

Community Collaboration: A comprehensive understanding of the town and region and a commitment to collaborating with entities throughout the region (e.g., federal agencies and incorporated communities) are critical.

Smart Growth: The regional environment is a tremendous asset that should be protected for community and economic development reasons. The community must take great strides in addressing resource issues, such as water, to ensure long-term sustainability.

Long-Term Efforts: Economic development is not a one-shot activity. Success requires long-term investments (e.g., infrastructure and telecommunications) as well as continued focused effort and evaluation.

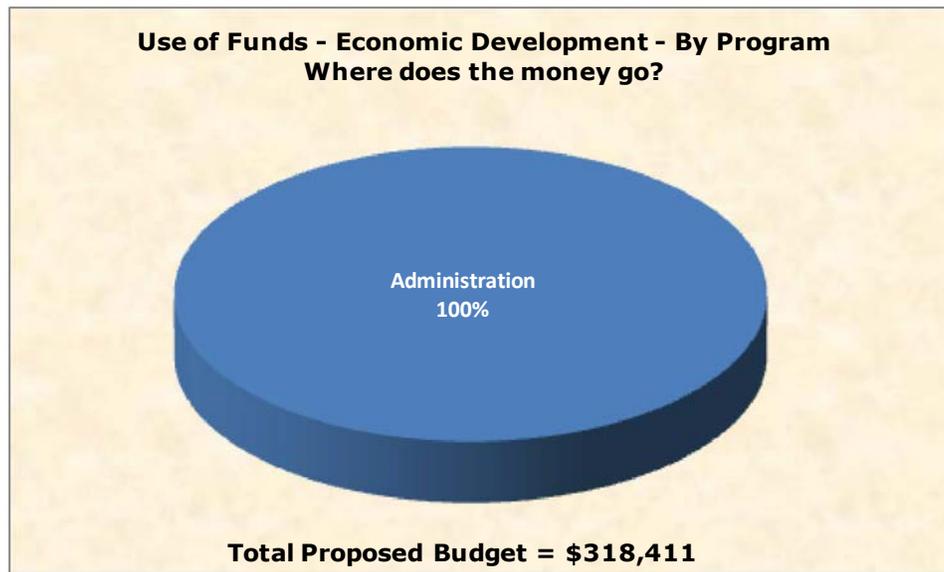
Existing Business Support: The Town's focus is on supporting existing enterprises, while looking at diversifying the economic base is important. Existing **businesses are Fountain Hills' most valuable assets because they are already contributing to the local economy and quality of life.** They are also the best source of business expansion and local job growth.

Corporate Responsibility: Fountain Hills encourages enterprises to work as civic partners, contributing to the community, protecting the natural environment, and providing workers with good pay, benefits, and opportunities for upward mobility, within a healthy working environment.

Human Investment: Human resources are so valuable in the Information Age. Fountain Hills will strive to provide life-long skills and learning opportunities by investing in excellent schools, post-secondary institutions, and opportunities for continuous education and training that are available to all.

Economic Development Fund

Program Name	Expenditures by Program			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Administration	\$ 147,581	\$ 264,396	\$321,101	\$318,411
Total	\$ 147,581	\$ 264,396	\$ 321,101	\$ 318,411



Category	Expenditures by Category			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Wages	\$ 37,673	\$ 64,690	\$ 80,866	\$ 83,697
Employment Taxes	2,958	2,984	1,670	1,614
Benefits	445	9,515	21,191	18,709
Dues & Memberships	9,817	12,600	10,811	778
Meetings & Training	757	1,796	5,715	6,915
Utilities	562	758	900	900
Contractual Services	94,806	52,469	59,053	21,405
Supplies	372	88	1,500	5,100
Equipment/Improvements	-	6	-	-
Internal Service	191	390	295	365
Transfers Out	-	119,100	139,100	178,928
Total	\$ 147,581	\$ 264,396	\$ 321,101	\$ 318,411

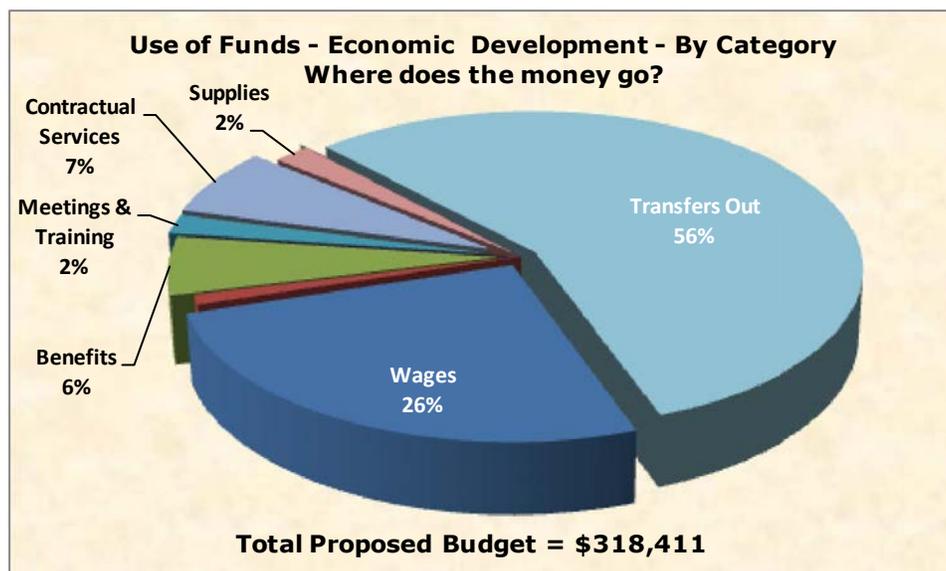


Variance Explanations:

Dues & Memberships: Annual GPEC dues were moved into the new General Government Department.

Contractual Services: Community Contracts were moved to the new General Government Department.

Transfers Out: Amounts were included to fund the expenses that were moved into the new General Government Department.



Activities/Results

Performance metrics are applied to measure a plan's activities and its overall performance. As there is always an element of uncertainty about the future, regular review to ensure that a plan is still effective and achieving desired outcomes is critical. Performance metrics should support the intended strategic outcome and typically meet six criteria: time, cost, resources, scope, quality, and actions. Performance metrics will be established with each strategic initiative to provide annual assessment of progress.

Performance Measures

Our **Economic Objectives** are the broad desired achievement that Fountain Hills will accomplish through the implementation of the Economic Development Plan. The economic objectives are:

- Grow Our Economy
- Maximize Our Talent
- Enhance Our Community

Quality

Our **Focused Approach** is how Fountain Hills is going to achieve its economic objectives. All five objectives are important and would be addressed simultaneously. The focused approach is through the following strategic initiatives:

- Business Attraction
- Business Retention and Expansion
- Entrepreneurial Development
- Foundational Maintenance
- Locational Catalysts

Productivity

Our **Targeted Industry Sectors** are the business sectors that offer Fountain Hills the most opportunity and will be pursued through our focused approach. Industry sectors help the community meet the stated economic objectives:

- Professional, Technical, and Scientific Services
- Healthcare, Medical, Biosciences, and Wellness
- Finance and Insurance
- Tourism and Recreation
- Retail
- Education Services



**FY16-17 Proposed Budget
Summary of Expenditures
Economic Development Fund**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Economic Development Fund				
Salaries-Full Time	\$ 13,330	\$ 40,225	\$ 80,866	\$ 83,697
Salaries-Part Time	24,343	24,465	-	-
FICA	2,080	1,695	-	-
Medicare	546	906	1,173	1,214
Workers Compensation	96	299	424	325
Unemployment Insurance	235	83	73	75
Group Health Insurance	-	4,570	11,736	8,221
Group Dental Insurance	-	262	-	594
Group Vision Insurance	-	27	-	54
Disability Insurance	(10)	127	297	354
Retirement	455	4,425	8,895	9,206
Life Insurance	-	105	263	280
Dues, Subscript & Publicat	9,817	12,600	10,811	778
Training/Cont Ed	95	530	-	-
Meetings & Training	663	1,266	5,715	6,915
Telecommunications	562	758	900	900
Professional Fees	4,635	9,510	4,050	-
Rentals & Leases	-	2,019	-	-
Printing Expense	1,993	-	100	100
Advertising/Signage	595	500	21,105	16,305
Contractual Services	35,121	35,440	-	-
Community Contracts/Events	-	5,000	33,798	5,000
Tourism	52,463	-	-	-
Office Supplies	247	88	200	200
Operating Supplies	125	-	1,300	4,900
Software	-	6	-	-
ISF-Copier Charges	26	179	50	100
ISF-Mail Service Charges	15	1	15	15
ISF-Motor Pool Charges	23	-	-	-
ISF-Telecom Charges	126	210	230	250
Sub total Expenditures	147,581	145,296	182,001	139,483
Transfers Out	-	119,100	139,100	178,928
Total Economic Development Fund	\$ 147,581	\$ 264,396	\$ 321,101	\$ 318,411



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 prop 302 funding dispersed through the Arizona Office of Tourism and apply annually.

Program Name	Expenditures by Program			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Administration	\$ -	\$ 118,120	\$ 188,580	\$ 208,220
Total	\$ -	\$ 118,120	\$ 188,580	\$ 208,220

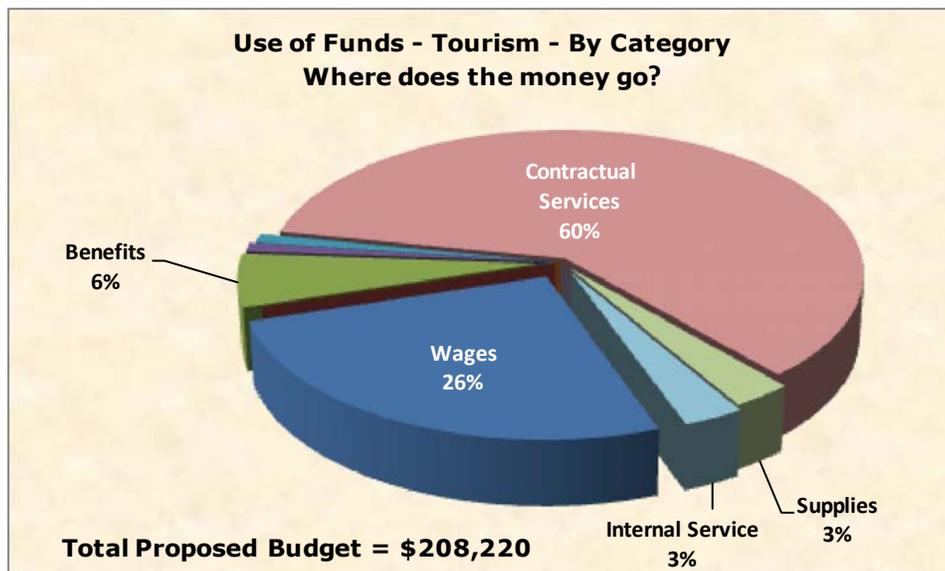


Category	Expenditures by Category			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Wages	\$ -	\$ 40,288	\$ 47,303	\$ 51,181
Employment Taxes	-	1,824	2,848	988
Benefits	-	7,606	15,340	13,262
Dues & Memberships	-	1,941	2,350	2,350
Meetings & Training	-	1,744	1,000	2,000
Maintenance & Repair	-	184	-	-
Utilities	-	272	150	420
Contractual Services	-	56,143	103,459	124,470
Supplies	-	4,166	11,700	6,649
Equipment/Improvement	-	327	3,000	1,000
Internal Service	-	3,625	1,430	5,900
Total	\$ -	\$ 118,120	\$ 188,580	\$ 208,220

Variance Explanations:

Contractual Services: Budgets were increased to spend grant monies that may be received.

Supplies: Budgeted amounts were lowered from the previous year.



Note: Categories that account for 1% of the total are not shown on the chart.



Performance Measures

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Average monthly website views	4,384*	17,670	30,000	35,000
Average monthly social media reach	2,000*	4,700	8,700	9,500
Social Media Followers	1,470*	3,273	3,750	4,500
Support overall quality of visitor experience while in Fountain Hills via visitor surveys	N/A	Good	Good	Good

*Numbers acquired during the Chamber of Commerce tenure

Quality

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Number of special events supported	16	44	48	50
Reach/maintain status of Destination Marketing Organization as determined by the Arizona Office of Tourism standards	N/A*	Reached	Maintain	Maintain

Productivity

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Total distribution of collateral (includes Visitor/ Dining Guides)	N/A*	21,727	25,000	30,000
Percentage of in/out of county distribution	N/A*	43/57	45/55	45/55



**FY16-17 Proposed Budget
Summary of Expenditures
Tourism Fund**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Tourism Fund				
Salaries-Full Time	\$ -	\$ 31,050	\$ 47,303	\$ 51,181
Salaries-Part Time	-	9,237	-	-
FICA	-	981	-	-
Medicare	-	569	687	742
Workers Compensation	-	186	2,081	164
Unemployment Insurance	-	87	80	82
Group Health Insurance	-	4,226	9,204	6,682
Group Dental Insurance	-	267	528	497
Group Vision Insurance	-	40	78	64
Disability Insurance	-	78	173	217
Retirement	-	2,923	5,203	5,630
Life Insurance	-	72	154	172
License/Filing Fee	-	60	-	-
Dues, Subscript & Publicat	-	1,881	2,350	2,350
Meetings & Training	-	1,744	1,000	2,000
Sign Repair & Replacement	-	184	-	-
Telecommunications	-	272	150	420
Professional Fees	-	9,952	15,500	28,500
Rentals & Leases	-	-	-	13,000
Printing Expense	-	285	4,300	470
Advertising/Signage	-	43,475	83,659	81,000
Contractual Services	-	2,431	-	-
Constituent Communication	-	-	-	1,500
Office Supplies	-	821	700	700
Operating Supplies	-	559	-	-
Food & Beverage Supplies	-	111	-	500
Program Materials	-	1,625	10,000	4,449
Uniforms	-	483	-	-
Postage & Delivery	-	568	1,000	1,000
Software	-	-	3,000	-
Hardware/Peripherals	-	327	-	-
Equipment	-	-	-	1,000
ISF-Copier Charges	-	3,203	900	5,400
ISF-Mail Service Charges	-	205	300	250
ISF-Motor Pool Charges	-	7	-	-
ISF-Telecom Charges	-	211	230	250
Sub total Expenditures	-	118,120	188,580	208,220
Transfers Out	-	-	-	-
Total Tourism Fund	\$ -	\$ 118,120	\$ 188,580	\$ 208,220



Administration Special Revenue Fund

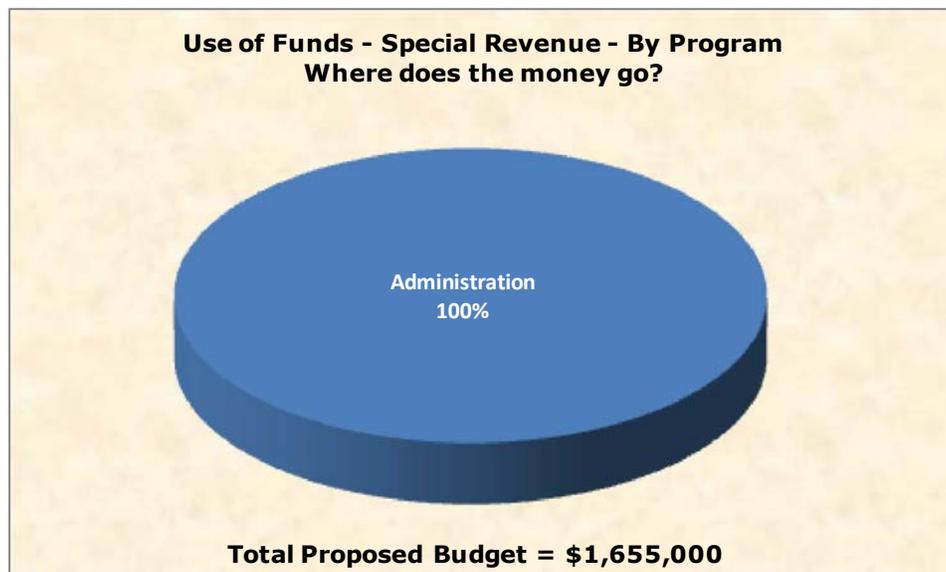


Special Revenue Fund

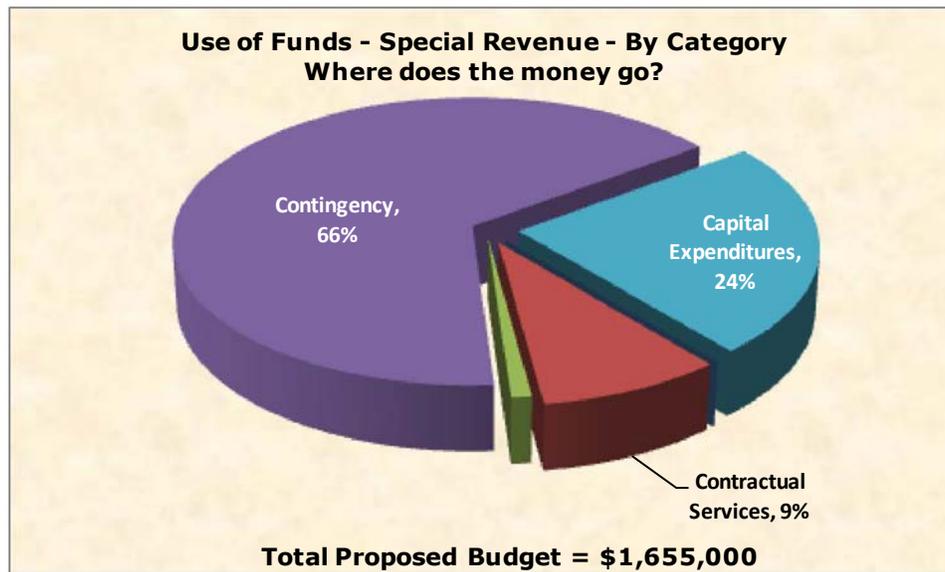
Service Delivery Plan

The Special Revenue Fund was established as a receptacle for grant monies, both anticipated and unanticipated. Any monies received will 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			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Administration	\$ 61,667	\$ 102,364	\$ 1,601,841	\$ 1,655,000
Total	\$ 61,667	\$ 102,364	\$ 1,601,841	\$ 1,655,000



Category	Expenditures by Category			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Dues & Memberships	\$ 8	\$ -	\$ -	\$ -
Contractual Services	61,659	78,687	142,000	142,000
Equipment/Improvements	-	-	15,000	15,000
Contingency	-	-	1,076,336	1,108,000
Capital Expenditures	-	23,677	368,505	390,000
Total	\$ 61,667	\$ 102,364	\$ 1,601,841	\$ 1,655,000



Note: Categories that account for 1% of the total are not shown on the chart.

**FY16-17 Proposed Budget
Summary of Expenditures
Special Revenue Fund**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Special Revenue Fund				
Licenses/Filing Fees	\$ 7	\$ -	\$ -	\$ -
Professional Fees	31,660	-	-	-
Advertising/Signage	-	-	2,000	2,000
Intergovt Agreements	30,000	76,687	140,000	140,000
Contractual Agreements	-	2,000	-	-
Street Improvements	-	-	15,000	15,000
Contingency	-	-	1,076,335	1,108,000
Capital Expenditures	-	23,677	368,505	390,000
Sub total Expenditures	61,667	102,364	1,601,840	1,655,000
Transfers Out	-	-	-	-
Total Special Revenue Fund	\$ 61,667	\$ 102,364	\$ 1,601,840	\$ 1,655,000



PROJECT TITLE: Tennis Courts Rehabilitation
GRANT NUMBER: G5203
GRANT AMOUNT AWARDED: \$211,000
TOWN'S MATCH AMOUNT: \$179,000
TOTAL ESTIMATED PROJECT COST: \$390,000

PROJECT DESCRIPTION/SCOPE:

Rehabilitation of existing tennis courts at Golden Eagle Park and Four Peaks Park.

TIMEFRAME: FY16-17

PROJECT JUSTIFICATION:

The Town operates four tennis courts at Golden Eagle Park and two tennis courts at Four Peaks Park. The existing courts have been repaired numerous times with diminishing results. The Town applied for and was awarded a grant from the Arizona Tourism and Sports Authority in the amount of \$211,000. The new courts will be designed and constructed using post-tensioned concrete to minimize cracking and provide for a longer useful life. The project, including a 10% contingency, is estimated at \$390,000 and the remaining balance would come from the Town's Capital Projects Fund in the amount of \$179,000.

FUNDING PRIORITY: High - Leverage Local Funds



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

PROJECT DESCRIPTION/SCOPE:

This project will provide improved stop signs on and intersecting with arterial streets. The project will also include the purchase of twenty traffic signal pedestrian countdown timers to be installed by the Streets Division.

TIMEFRAME:	FY16-17	FY17-18	Total
TOTAL ESTIMATED PROJECT COST:	\$15,000	\$31,800	\$46,800

PROJECT JUSTIFICATION:

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

FUNDING PRIORITY: High - Leverage Local Funds





Municipal Court Court Enhancement Fund



Court Enhancement Fund

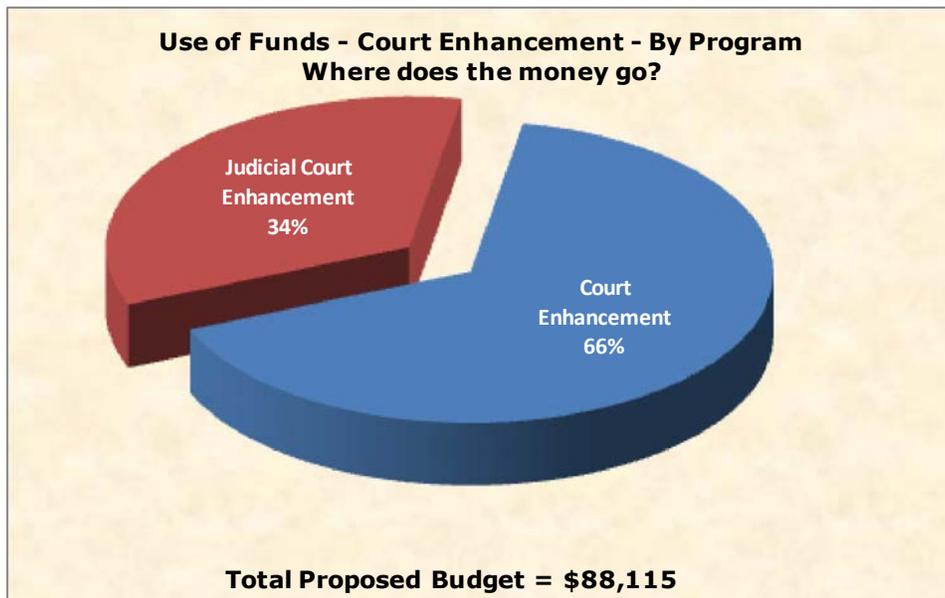
Service Delivery Plan

Pursuant to local ordinance and Arizona Revised Statutes, the court collects monies deposited into the local Court Enhancement Fund and Judicial Court Enhancement Fund to increase the effectiveness of Fountain Hills Municipal Court. 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			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Court Enhancement	\$ 3,894	\$ 845	\$ 50,615	\$ 58,115
Judicial Court Enhancement	\$ -	\$ -	30,000	30,000
Total	\$ 3,894	\$ 845	\$ 80,615	\$ 88,115

Variance Explanations:

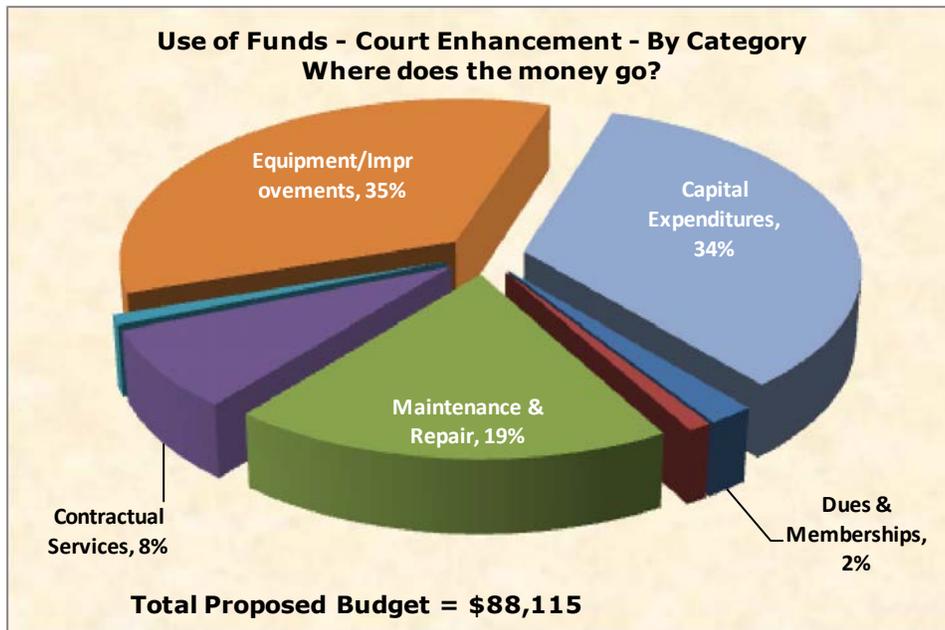
Court Enhancement: Amount was added for painting the court room.



Category	Expenditures by Category			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Dues & Memberships	\$ -	\$ -	\$ 1,500	\$ 1,500
Meetings & Training	-	-	1,000	1,000
Maintenance & Repair	1,229	534	9,500	17,000
Contractual Services	-	-	7,375	7,375
Supplies	-	-	740	740
Equipment/Improvements	2,664	311	30,500	30,500
Capital Expenditures	-	-	30,000	30,000
Total	\$ 3,893	\$ 845	\$ 80,615	\$ 88,115

Variance Explanations:

Maintenance & Repair: Amount was added for painting the court room.



Note: Categories that account for 1% of the total are not shown on the chart.



**FY16-17 Proposed Budget
Summary of Expenditures
Court Enhancement Fund**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Court Enhancement Fund				
Dues, Subscript & Publicat	\$ -	\$ -	\$ 1,500	\$ 1,500
Meetings & Training	-	-	1,000	1,000
Office Equip Maint/ Repair	1,229	534	4,500	4,500
Other Maint/Repair	-	-	5,000	12,500
Professional Fees	-	-	1,500	1,500
Printing Expense	-	-	2,000	2,000
Advertising/Signage	-	-	500	500
Intergovt Agreements	-	-	3,375	3,375
Office Supplies	-	-	500	500
Food & Beverage Supplies	-	-	240	240
Program Materials	-	-	-	-
Software	2,253	-	10,000	10,000
Hardware/Peripherals	412	311	8,000	8,000
Furniture/Appliances	-	-	12,500	12,500
Equipment	-	-	-	-
Computer Hardware	-	-	30,000	30,000
Sub total Expenditures	3,894	845	80,615	88,115
Transfers Out	-	-	-	-
Total Court Enhancement Fund	\$ 3,894	\$ 845	\$ 80,615	\$ 88,115



Administration Environmental Fund

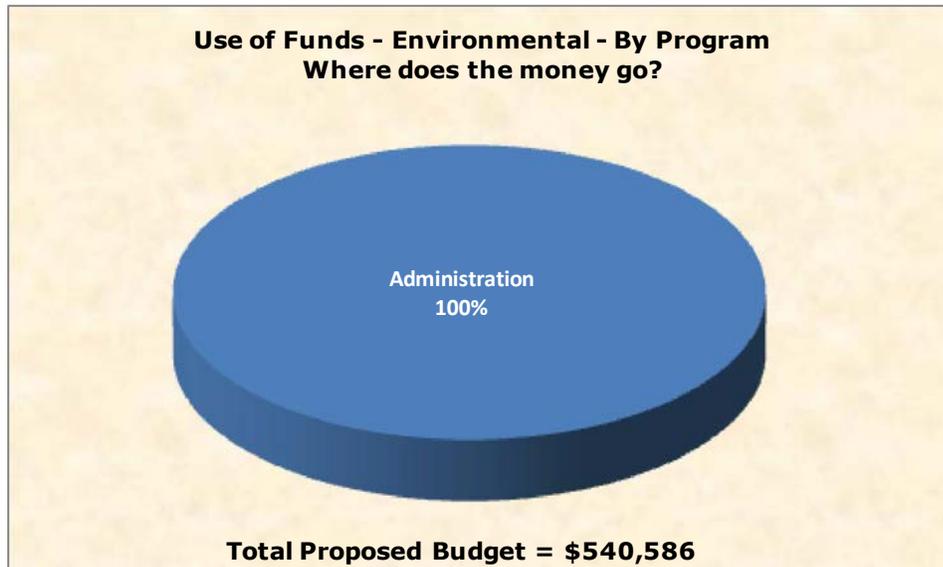


Environmental Fund

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 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.

Program Name	Expenditures by Program			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Administration	\$ -	\$ -	\$ 639,241	\$ 540,586
Total	\$ -	\$ -	\$ 639,241	\$ 540,586

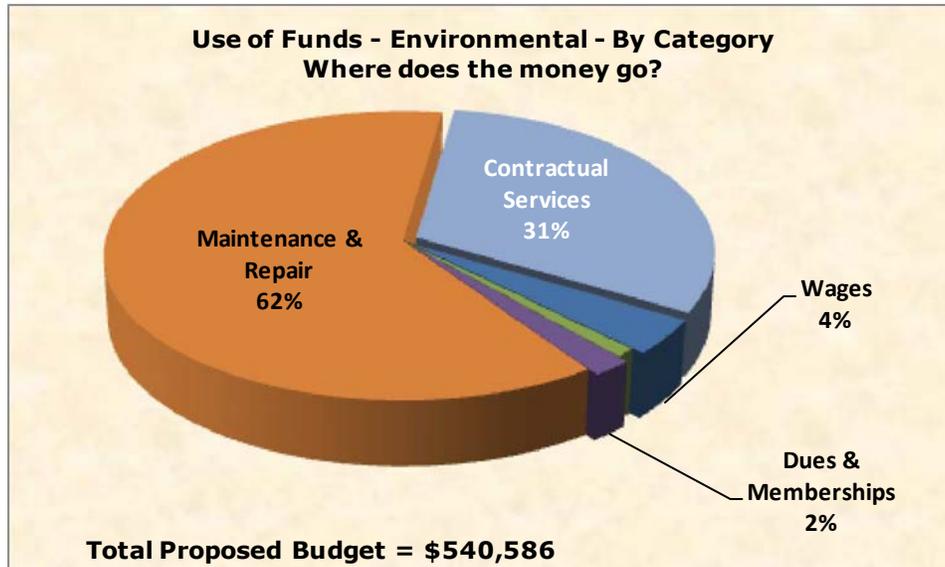


Category	Expenditures by Category			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Wages	\$ -	\$ -	\$ 17,665	\$ 18,283
Employment Taxes	-	-	1,314	1,011
Benefits	-	-	4,147	3,677
Dues & Memberships	-	-	10,715	10,715
Meetings and Training	-	-	-	300
Maintenance & Repair	-	-	335,400	335,400
Contractual Services	-	-	270,000	170,000
Supplies	-	-	-	1,200
Total	\$ -	\$ -	\$ 639,241	\$ 540,586

Variance Explanations:

Contractual Services: FY15-16 included amounts for a household hazardous waste event and removal of sediment from the dam at Golden Eagle Park.





Note: Categories that account for 1% of the total are not shown on the chart.

Activities/Results

Performance Measures

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Percentage of residential sweeping completed within specified cycle*	100%	100%	100%	100%
Percentage of arterial sweeping completed within specific cycle*	100%	100%	100%	100%
Completion of annual permit requirements	N/A	N/A	N/A	100%

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

Quality

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Total lane miles on sweeping schedule	316	316	316	316
Total lane miles swept annually	2,682	2,682	2,682	2,682
Acres of Town-owned washes maintained	75	75	75	75
Number of paper shedding events held*	2	2	2	2
Number of electronics recycling events held	1	1	1	1
Number of household hazardous waste events held	0	0	0	1

*Friends of the Library sponsored event



Productivity

	FY13-14 Actual	FY14-15 Actual	FY15-16 Estimate	FY16-17 Target
Expenditure for street sweeping*	\$74,772	\$87,908	\$90,000	\$90,000
Expenditure per lane mile of streets swept*	\$27.88	\$32.78	\$33.56	\$33.56

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

**FY16-17 Proposed Budget
Summary of Expenditures
Environmental Fund**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Environmental Fund				
Salaries-Full Time	\$ -	\$ -	\$ 17,665	\$ 18,283
Medicare	-	-	256	265
Workers Compensation	-	-	1,040	727
Unemployment Insurance	-	-	18	19
Group Health Insurance	-	-	1,956	1,411
Group Dental Insurance	-	-	109	103
Group Health Vision	-	-	16	13
Disability Insurance	-	-	65	78
Retirement	-	-	1,943	2,011
Life Insurance	-	-	58	61
Licenses/Filing Fees	-	-	7,715	7,715
Dues, Subscript & Publicat	-	-	3,000	3,000
Meetings & Training	-	-	-	300
Grounds Maint/Repair	-	-	5,000	5,000
Wash Maintenance	-	-	150,000	150,000
Dam Inspection and Maint	-	-	20,400	20,400
Drainage Maint/Repair	-	-	130,000	130,000
Storm Damage Cleanup	-	-	30,000	30,000
Professional Fees	-	-	80,000	80,000
Contractual Services	-	-	140,000	90,000
Community Contracts/Events	-	-	50,000	-
Program Materials	-	-	-	1,200
Sub total Expenditures	-	-	639,241	540,586
Transfers Out	-	-	-	-
Total Environmental Fund	\$ -	\$ -	\$ 639,241	\$ 540,586



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 FY16-17 is \$96.35 which includes the annual contract cost for landscaping as well as establishing a reserve amount for future exterior wall maintenance.

COTTONWOODS MAINTENANCE DISTRICT

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Revenues				
Property Tax	\$ 4,823	\$ 4,823	\$ 5,366	\$ 5,588
Interest Income	5	8	-	-
Total Revenues	<u>\$ 4,828</u>	<u>\$ 4,831</u>	<u>\$ 5,366</u>	<u>\$ 5,588</u>
Expenditures				
Grounds Maint/Repair	\$ (3,250)	\$ (3,000)	\$ (4,015)	\$ (4,015)
Advertising/Signage	(78)	(185)	-	(200)
ISF-Mail Service Charges	(35)	(50)	(28)	(50)
Total Expenditures	<u>\$ (3,363)</u>	<u>\$ (3,235)</u>	<u>\$ (4,043)</u>	<u>\$ (4,265)</u>



**Cottonwoods Maintenance District
Summary of Tax Levy and Tax Rate Information
Fiscal Year 16-17**

	FY15-16	FY16-17
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ _____	\$ _____
2. Amount received from primary property taxation in the current year in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18)	\$ _____	
3. Property tax levy amounts		
A. Primary property taxes	\$ _____	\$ _____
B. Secondary property taxes	5,366	5,588
C. Total property tax levy amounts	\$ 5,366	\$ 5,588
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ _____	
(2) Prior years' levies	_____	
(3) Total primary property taxes	_____	
B. Secondary property taxes		
(1) Current year's levy	5,366	
(2) Prior years' levies	_____	
(3) Total secondary property taxes	5,366	
C. Total property taxes collected	\$ 5,366	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	\$ _____	\$ _____
(2) Secondary property tax rate	92.5100	96.3500
(3) Total city/town tax rate	\$ 92.5100	\$ 96.3500

* 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, delinquencies, etc.) divided by the total secondary assessed valuation for the Town of Fountain Hills.

The Town's assessed property valuation for FY16-17 is estimated to be \$423,652,443 for the upcoming year (a 5.4% increase from the prior year) and the estimated levy is \$0.4472 per \$100 of assessed value. The levy is \$.0774 lower than last year as a result of the use of accumulated reserves.

GENERAL OBLIGATION DEBT SERVICE

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Revenues				
Secondary Property Tax	\$ 1,029,428	\$ 475,285	\$ 2,109,477	\$ 1,894,584
Interest Income	178	327	210	210
Transfer In	-	-	-	-
Total Revenues	<u>\$ 1,029,606</u>	<u>\$ 475,612</u>	<u>\$ 2,109,687</u>	<u>\$ 1,894,794</u>
Expenditures				
Principal Payments	\$ (900,000)	\$ (390,000)	\$ (1,770,000)	\$ (1,930,000)
Interest Payments	(113,750)	(169,772)	(321,622)	(188,250)
Administrative/Trustee Fees	(250)	(1,250)	(3,100)	(1,100)
Total Expenditures	<u>\$ (1,014,000)</u>	<u>\$ (561,022)</u>	<u>\$ (2,094,722)</u>	<u>\$ (2,119,350)</u>



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 \$27,691,217 (an increase of 4.5% from the prior year) is \$1.3665 per \$100 of assessed valuation compared to \$1.5729 in the prior year.

EAGLE MOUNTAIN COMMUNITY FACILITIES DISTRICT DEBT SERVICE

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Revenues				
Property Tax	\$ 428,805	\$ 424,552	\$ 416,686	\$ 378,392
Bond Proceeds	-	2,300,000	-	-
Interest Income	77	166	9	150
Total Revenues	<u>\$ 428,883</u>	<u>\$ 2,724,717</u>	<u>\$ 416,695</u>	<u>\$ 378,542</u>
Expenditures				
Advertising/Signage	\$ (78)	\$ (175)	\$ (85)	\$ (170)
Principal Payments	(305,000)	(2,495,000)	(365,000)	(375,000)
Interest Payments	(112,885)	(100,685)	(43,516)	(34,056)
Administrative/Trustee Fees	(7,350)	(1,253)	(3,250)	-
Total Expenditures	<u>\$ (425,313)</u>	<u>\$ (2,597,113)</u>	<u>\$ (411,851)</u>	<u>\$ (409,226)</u>

Municipal Property Corporation (MPC) Debt

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

The first MPC bond issue in 2000 (partially refunded in 2005) was to build the Community Center.



The second MPC issue was in 2001 (partially refunded in 2005) for the purchase of mountain preserve land.

The third MPC issue was in 2004 for the construction of the Town Hall.

Outstanding bonds were refinanced in 2015 to reduce interest costs.

One of the methods of funding major municipal projects is the use of a municipal property corporation (MPC). The Town created the Fountain Hills Municipal Property Corporation and bonds were issued in 2000 and 2001 to build the Community Center and purchase a portion of the McDowell Mountain Preserve. The MPC owns the land and buildings purchased through bond proceeds. The bonds issued for the Community Center are repaid through the General Fund within the General Government Department budget. When the bonds are retired, any assets owned by the MPC will be turned over to the Town of Fountain Hills.

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

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

MUNICIPAL PROPERTY CORPORATION DEBT SERVICE

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Revenues				
Sales-Excise Tax	\$ 645,342	\$ 689,920	\$ 665,165	\$ -
Bond Proceeds	-	1,880,000	-	-
Interest Income	107	455	100	300
Transfer In	421,884	500,000	-	249,055
Total Revenues	<u>\$ 1,067,333</u>	<u>\$ 3,070,375</u>	<u>\$ 665,265</u>	<u>\$ 249,355</u>
Expenditures				
License/Filing Fees	\$ (10)	\$ (10)	\$ (10)	\$ (10)
Principal Payments	(955,000)	(2,780,000)	(480,000)	(370,000)
Interest Payments	(149,400)	(111,200)	(32,740)	(22,680)
Administrative/Trustee Fees	(4,500)	(6,503)	(7,990)	(1,000)
Total Expenditures	<u>\$ (1,108,910)</u>	<u>\$ (2,897,713)</u>	<u>\$ (520,740)</u>	<u>\$ (393,690)</u>



Outstanding Debt

The Schedule below includes an itemization of the outstanding debt as of June 30, 2015, after the scheduled principal and interest payment due July 1.

Outstanding Debt Schedule

Bond Type	Purpose of Issue	Date of Bond Issue	Interest Rate	Date of Maturity	Original Principal Amount	Principal Amount Retired	Outstanding Principal
GO	Refunding	6/1/2005	4.00	7/1/2019	\$ 7,225,000	\$ 6,025,000	\$ 1,200,000
GO	Road Construction	12/18/2014	2.00-3.00	7/1/2020	<u>7,565,000</u>	<u>1,360,000</u>	<u>6,205,000</u>
	Total GO				<u>14,790,000</u>	<u>7,385,000</u>	<u>7,405,000</u>
Rev	Refunding	6/4/2015	1.62	7/1/2020	<u>1,880,000</u>	<u>480,000</u>	<u>1,400,000</u>
	Total Rev				<u>1,880,000</u>	<u>480,000</u>	<u>1,400,000</u>
GO	Eagle Mtn	6/4/2015	1.76	7/1/2021	<u>2,300,000</u>	<u>365,000</u>	<u>1,935,000</u>
	Total GO - Eagle Mtn				<u>2,300,000</u>	<u>365,000</u>	<u>1,935,000</u>
	Grand Total				<u>\$ 18,970,000</u>	<u>\$ 8,230,000</u>	<u>\$ 10,740,000</u>

GO General Obligation Bonds
Rev Revenue Bonds



Legal Debt Margin Information

The Total Net Debt Applicable to Limit comes from the Report of Indebtedness, Department of Revenue, and is related to those issues noted by the appropriate % debt limit.

20% limit - GO bonds for projects involving water, sewer, artificial lighting, parks, open space, public safety, law enforcement, fire and emergency facilities, street and transportation facilities and recreational facility improvements.

6% limit - GO bonds for any other general purpose improvements.

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

**Town of Fountain Hills, Arizona
 Legal Debt Margin Information**

	<u>FY13-14</u>	<u>FY14-15</u>	<u>FY15-16</u>	<u>FY16-17</u>
6% Debt Limit				
Debt limit	\$ 21,978,160	\$ 24,177,956	\$ 24,128,118	\$ 25,419,147
Total applicable to limit	-	-	-	-
Legal debt margin	<u>\$ 21,978,160</u>	<u>\$ 24,177,956</u>	<u>\$ 24,128,118</u>	<u>\$ 25,419,147</u>
Total net debt applicable to the limit as a percentage of debt limit	0%	0%	0%	0%
20% Debt Limit				
Debt limit	\$ 73,260,534	\$ 80,593,185	\$ 80,427,061	\$ 84,730,489
Total applicable to limit	<u>3,755,000</u>	<u>2,900,000</u>	<u>2,000,000</u>	<u>7,405,000</u>
Legal debt margin	<u>\$ 69,505,534</u>	<u>\$ 77,693,185</u>	<u>\$ 78,427,061</u>	<u>\$ 77,325,489</u>
Total net debt applicable to the limit as a percentage of debt limit	5%	4%	2%	9%
Net Assessed:				
Full Cash Value	\$366,302,672	\$402,965,927		
Limited Property Value			\$402,135,304	\$423,652,443



**Town of Fountain Hills
Summary of Tax Levy and Tax Rate Information
Fiscal Year 16-17**

	FY15-16	FY16-17
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ _____	\$ _____
2. Amount received from primary property taxation in the current year in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18)	\$ _____	
3. Property tax levy amounts		
A. Primary property taxes	\$ _____	\$ _____
B. Secondary property taxes	2,109,477	1,894,584
C. Total property tax levy amounts	\$ 2,109,477	\$ 1,894,584
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ _____	
(2) Prior years' levies	_____	
(3) Total primary property taxes	_____	
B. Secondary property taxes		
(1) Current year's levy	2,109,477	
(2) Prior years' levies	_____	
(3) Total secondary property taxes	2,109,477	
C. Total property taxes collected	\$ 2,109,477	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	\$ _____	\$ _____
(2) Secondary property tax rate	0.5246	0.4472
(3) Total city/town tax rate	\$ 0.5246	\$ 0.4472

B. Special assessment district tax rates

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

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



**Eagle Mountain Community Facilities District
 Summary of Tax Levy and Tax Rate Information
 Fiscal Year 16-17**

	FY15-16	FY16-17
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ _____	\$ _____
2. Amount received from primary property taxation in the current year in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18)	\$ _____	
3. Property tax levy amounts		
A. Primary property taxes	\$ _____	\$ _____
B. Secondary property taxes	416,686	378,392
C. Total property tax levy amounts	\$ 416,686	\$ 378,392
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ _____	
(2) Prior years' levies	_____	
(3) Total primary property taxes	_____	
B. Secondary property taxes		
(1) Current year's levy	416,686	
(2) Prior years' levies	_____	
(3) Total secondary property taxes	416,686	
C. Total property taxes collected	\$ 416,686	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	\$ _____	\$ _____
(2) Secondary property tax rate	1.5729	1.3665
(3) Total city/town tax rate	\$ 1.5729	\$ 1.3665

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



Capital Improvement Program



Capital Improvement Program (CIP) Policy and Procedures

Objective

To provide a policy and procedures for the development, approval, and implementation of the Town of Fountain Hills' five (5) year and twenty (20) year Capital Improvement Programs (CIP).

Scope

This policy applies to all projects undertaken by the Town of Fountain Hills that meet the definition of a capital improvement project detailed in the definitions section.

Policy

The purpose of the Capital Improvement Program is to provide an authoritative decision-making process for the evaluation, selection, and multi-year scheduling of public physical improvements based on a projection of available fiscal resources and the community's priorities.

The objectives of the Program are to:

- a) ensure the timely repair, replacement and expansion of the Town's infrastructure;
- b) serve as a link in the Town's planning between the Town's Strategic Plan and all subsidiary plans with a 5-20 year horizon and the annual budget process with a one-year horizon;
- c) maintain control over the Town's long-term cash flow in relation to the Town's financial capacity; and
- d) ensure efficient, effective and coordinated capital improvement.

Definitions

The following words, when used in connection with this policy, shall have the following meanings:

CAPITAL IMPROVEMENT PROGRAM: A multi-year planning document that is the product of a systematic evaluation of capital projects. This Program serves as a guide for the efficient and effective construction and maintenance of public facilities, outlining a detailed timeline and financing schedule of capital projects for a five (5) year period of time and a summary schedule of capital projects for a twenty (20) year period.

CAPITAL IMPROVEMENT PROJECT: A capital project is a heavy equipment acquisition, a computer/software systems acquisition, or a public improvement that involves construction of new infrastructure, additions to existing structures, renovation of existing structures, and major repairs to infrastructure of a comprehensive

and non-routine nature. A capital project is defined in financial terms as a project with a projected final cost of at least \$50,000 and is a non-recurring expense.

In addition, the capital asset(s) resulting from the project should have a useful life of at least 10 years. Studies, design and engineering fees greater than \$10,000 which are preparatory to a capital project with a projected final cost of at least \$50,000 should be included as part of the capital project cost.

INFRASTRUCTURE IMPROVEMENT PLAN (IIP): A written plan that individually or collectively identifies each public service that is proposed to be the subject of a development fee. **The Town of Fountain Hills' IIP is incorporated as part of the Town's CIP and follows the same timeline and procedure.**

Process

A. Schedule: Annually, the CIP Coordinator and Finance Director will submit a proposed CIP development calendar to the Town Manager for review. Based on this calendar, the CIP Coordinator will initiate a request to the management team for submission of updates, revisions and new projects for the five (5) year Capital Improvement Program. A further, but less detailed, review of the twenty (20) year Program will also be conducted.

B. Format: The management team will utilize the previous year's approved CIP as a base for developing recommended additions, deletions, or changes for incorporation in the updated CIP for the ensuing year. The management team will utilize the standard format provided to submit new projects or propose revisions to existing projects. All new projects will also include a comprehensive estimate of the impact of the new project on the Town's annual operating budget; e.g., salaries and benefits, supplies, utilities, fuel, maintenance requirements, etc.

C. Finance Review: The Finance Director will assist the CIP Coordinator as necessary in all facets of Capital Improvement Program development and review including production of revenue estimates and estimated growth in assessed valuation as well as overall financial analysis of the proposed program. Additional assistance may be requested to help produce draft documents, etc.

D. Town Manager Review: The CIP Coordinator will provide a copy of the proposed CIP document to the Finance Director and Town Manager for review and comment prior to distribution of the CIP document to the Town Council as part of the budget package.

E. Public Hearing: The proposed CIP will be considered at a public hearing convened by the Town Council to accept comments and input from the public on the content of the Program. Notice of said public hearing date, place, and time will be made at least 60 days in advance of the scheduled hearing. Copies of the proposed CIP will be made available to the public at least 30 days prior to the scheduled hearing date and at the hearing itself.



F. Town Council Approval: The final draft of the proposed CIP will be submitted as an agenda item for formal approval by the Town Council at the first Council Meeting in June.

G. Distribution: A copy of the approved CIP document will be published on **the Town's website**.

H. Implementation: Upon adoption of the CIP, projects included within the applicable budget year may be implemented by the appropriate management team member in compliance with the Town's procurement policy, special benefit district, or applicable procedure.

I. Amendments: The adopted CIP may be amended upon approval of the Town Council. Examples of amendments include cost increases for approved projects, the acceleration of projects to the applicable budget year from a future year, and the addition of projects not previously included in the CIP.

An amendment to the CIP will be submitted to the Town Manager for approval. Upon approval, the amendment should be prepared as an agenda item for formal approval by the Town Council at a regular or special session. Upon approval, a copy of the amended CIP document will be published on **the Town's website**.

Procedure

A. Form: The form listed as Attachment A shall be utilized to request inclusion of a project in the Capital Improvement Program.

B. Funding Prioritization: As part of the project submittal process, management team members shall identify project priorities to help determine which projects are recommended for inclusion in the five-year CIP.

The initial measure of the project's priority is first established using the following factors:

HIGH

- Project protects the health and safety of the Town, its residents, visitors and employees
- Project is mandated by Federal, State or local, regulations
- Project is a high priority of the Town Council, based on the most current Strategic Plan or other subsidiary plans. Project prevents irreparable damage to existing facilities
- Project leverages local funding with other non-local funding sources
- Project finishes a partially completed project

MEDIUM

- Project maintains existing service levels
- Project provides for the maintenance of existing systems and equipment
- Project results in increased efficiency
- Project reduces operational costs
- Project significantly reduces losses in revenue or provides for significant increased revenues

LOW

- Project provides an expanded level of service or new public facility **not included in the Town Council's priorities**
- Project is deferrable
- Project uses debt financing

C. Funding Sources: The primary funding sources for the CIP are the General Fund, grants, development fees, excise taxes, HURF, bonded indebtedness, capital leases and Capital Projects funds. All potential projects must identify the proposed sources of funding before submission of the CIP request. Projects that are funded by development fees must also identify the relationship between the IIP project and the development fee from which it is funded in the justification section of the CIP Form.

D. Project Schedule: Each Project Manager shall provide a preliminary schedule which shall detail the various phases involved in the project and their starting and ending dates. It is the responsibility of the Project Manager to maintain this schedule or to provide schedule updates to the CIP Coordinator on at least a quarterly basis.

Responsibility for Enforcement

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



Attachment A
Town of Fountain Hills
Capital Improvement Project Information

PROJECT TITLE: [Click here to enter text.](#)

PROJECT NUMBER: [Click here to enter text.](#)

PROJECT DESCRIPTION/SCOPE: [Click here to enter text.](#)

TIMEFRAME: [Click here to enter text.](#) Example FY 2017-19

YEAR PROJECT BEGAN: [Click here to enter text.](#) Example FY 2016-17

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 16-17	FY 17-18	FY 18-19	FY 19-20	FY 20-21	Total
General							\$0
Capital Projects							\$0
Excise Tax							\$0
Grant							\$0
HURF							\$0
Development Fee							\$0
Developer							\$0
Unfunded							\$0
Other							\$0
Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Project Expenses							
Fund Type	Prior Years	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FY 20-21	Total
Planning							\$0
Design							\$0
Construction							\$0
Other							\$0
Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Operating Impact							
Fund Type		FY 16-17	FY17-18	FY 18-19	FY19-20	FY20-21	Total
Salaries & Benefits							\$0
Services & Supplies							\$0
Other							\$0
Total		\$0	\$0	\$0	\$0	\$0	\$0



Capital Projects Summary



**PROPOSED CAPITAL PROJECTS
FY16-17 THROUGH FY20-21
PROJECTS BY YEAR**

Project No.	Project Title	Prior Years' Costs	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	Five Year Total (excludes Prior Years' Costs)
<u>Stormwater Management/Drainage Projects</u>								
Ashbrook Wash Channelization Improvements-								
D6030	Bayfield to Del Cambre	\$ 646,436	\$ 700,000	\$ -	\$ -	\$ -	\$ -	\$ 700,000
D6047	Drainage-Miscellaneous	51,362	50,000	-	-	-	-	50,000
TOTAL		\$ 697,798	\$ 750,000	\$ -	\$ -	\$ -	\$ -	\$ 750,000
<u>Downtown Improvement Projects</u>								
Downtown Public Improvements [formerly Downtown Vision Master Plan - Phase II								
E8502	(Avenue/Lakeside Project)]	\$ -	\$ 400,000	\$ -	\$ -	\$ -	\$ -	\$ 400,000
E8505	Downtown Lighting Improvements		200,000	-	-	-	-	200,000
TOTAL		\$ -	\$ 600,000	\$ -	\$ -	\$ -	\$ -	\$ 600,000
<u>Facilities Projects</u>								
F4005	Fire Station 2 Relocation	187,178	\$ 3,800,000	\$ -	\$ -	\$ -	\$ -	\$ 3,800,000
F4013	Fire Station 3		-	-	-	-	2,745,000	2,745,000
F4014	Fire Station 3 Vehicles & Equipment		-	-	-	-	1,122,000	1,122,000
F4029	Civic Center Improvements		-	150,000	-	-	-	150,000
F4030	Purchase and Install Chiller		300,000	-	-	-	-	300,000
TOTAL		\$ 187,178	\$ 4,100,000	\$ 150,000	\$ -	\$ -	\$ 3,867,000	\$ 8,117,000
<u>Parks & Recreation Projects</u>								
P3022	Fountain Lake Water Quality Improvements	67,106	\$ 205,000	\$ -	\$ -	\$ -	\$ -	205,000
P3023	New Pocket Park-West		-	-	-	-	903,000	903,000
P3025	Adero Canyon Trailhead	41,165	2,285,000	-	-	-	-	2,285,000
P3026	Fountain Park Access Improvements		375,000	-	-	-	-	375,000
P3027	Four Peaks Park - Phase I (bus barn)		75,000	-	-	-	-	75,000
P3028	Four Peaks Park - Phase II		-	-	-	-	800,000	800,000
TOTAL		\$ 108,271	\$ 2,940,000	\$ -	\$ -	\$ -	\$ 1,703,000	\$ 4,643,000
<u>Street/Sidewalk Projects</u>								
S6003	Unpaved Alley Paving Projects	\$ 513,755	\$ 255,000	\$ 150,000	\$ -	\$ -	\$ -	\$ 405,000
S6015	Fountain Hills Blvd Widening - Shea Boulevard to Pinto)		-	100,000	-	-	-	100,000
S6053	Fountain Hills Blvd Shoulder Paving	122,208	500,000	-	-	-	-	500,000
S6057	McDowell Mountain Road Repairs		75,000	-	-	-	-	75,000
S6058	Shea Blvd. Widening - Palisades Blvd. to Technology Dr.		-	100,000	-	1,091,000	5,389,000	6,580,000
TOTAL		\$ 635,963	\$ 830,000	\$ 350,000	\$ -	\$ 1,091,000	\$ 5,389,000	\$ 7,660,000
Contingency			\$ 92,200	\$ 5,000	\$ -	\$ 10,910	\$ 109,590	\$ 217,700
TOTAL PROPOSED CAPITAL PROJECTS		\$ 1,629,210	\$ 9,312,200	\$ 505,000	\$ -	\$ 1,101,910	\$ 11,068,590	\$ 21,987,700



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

REVENUES BY SOURCE	FIVE-YEAR AVAILABLE FUNDS						TOTAL FIVE-YEAR PROJECTION	SURPLUS/DEFICIT
	FY16-17 Requested	FY17-18 Requested	FY18-19 Requested	FY19-20 Requested	FY20-21 Requested			
General Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Highway User Fund	-	-	-	-	-	-	-	-
Downtown Strategy Fund	308,069	975,000	-	-	-	-	975,000	(666,931)
Grants	4,861,000	255,000	70,000	-	764,000	3,772,000	4,861,000	-
Capital Projects Fund	8,009,930	5,860,238	435,000	-	10,910	109,590	6,415,738	1,594,192
Development Fees:								
Streets	-	-	-	-	-	-	-	-
Law Enforcement	203,484	203,484	-	-	-	-	203,484	-
Fire & Emergency Medical	88,987	51,822	-	-	-	45,792	97,614	(8,627)
Open Space	1,671,669	1,671,669	-	-	-	-	1,671,669	-
Parks & Recreation	363,654	144,987	-	-	-	90,690	235,677	127,977
Library/Museum	-	-	-	-	-	-	-	-
Bonds	-	-	-	-	-	-	-	-
Developers	-	-	-	-	-	-	-	-
Unfunded	7,377,518	-	-	-	327,000	7,050,518	7,377,518	(7,377,518)
Other	150,000	150,000	-	-	-	-	150,000	-
Total Revenues By Source	\$ 23,034,311	\$ 9,312,200	\$ 505,000	\$ -	\$ 1,101,910	\$ 11,068,590	\$ 21,987,700	\$ (6,330,907)

EXPENDITURES BY PROJECT TYPE & COSTS	FIVE-YEAR REQUESTED					TOTAL FIVE-YEAR PROJECTION
	FY16-17 Requested	FY17-18 Requested	FY18-19 Requested	FY19-20 Requested	FY20-21 Requested	
Stormwater Management/Drainage Projects	\$ 750,000	\$ -	\$ -	\$ -	\$ -	\$ 750,000
Downtown Improvement Projects	600,000	-	-	-	-	600,000
Facilities Projects	4,100,000	150,000	-	-	3,867,000	8,117,000
Parks & Recreation Projects	2,940,000	-	-	-	1,703,000	4,643,000
Street/Sidewalk Projects	830,000	350,000	-	1,091,000	5,389,000	7,660,000
Traffic Signal Projects	-	-	-	-	-	-
Contingency	92,200	5,000	-	10,910	109,590	217,700
Total Project Costs	\$ 9,312,200	\$ 505,000	\$ -	\$ 1,101,910	\$ 11,068,590	\$ 21,987,700

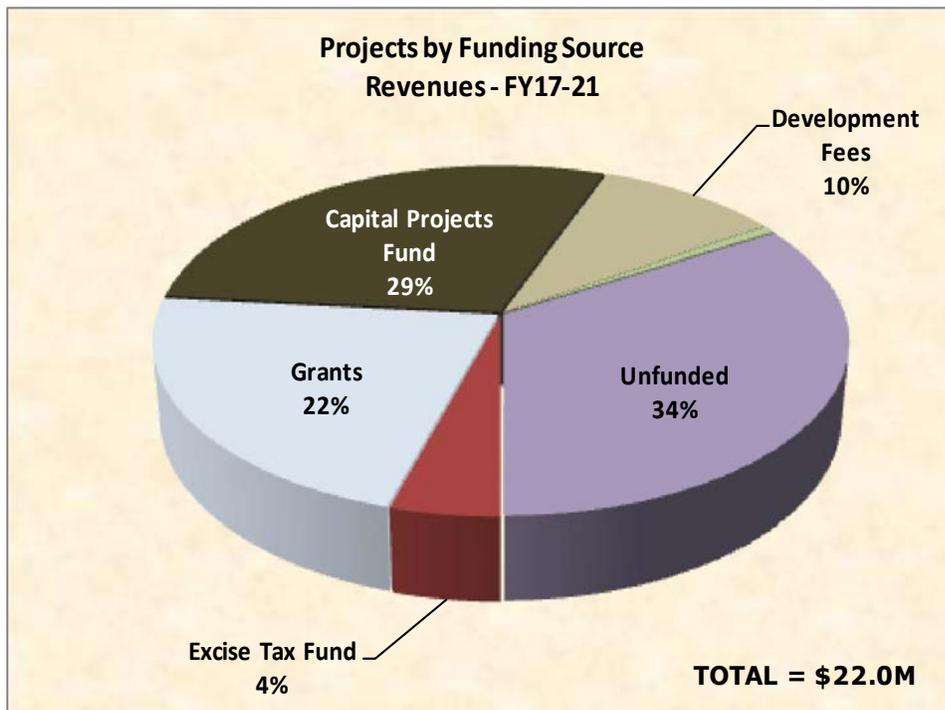
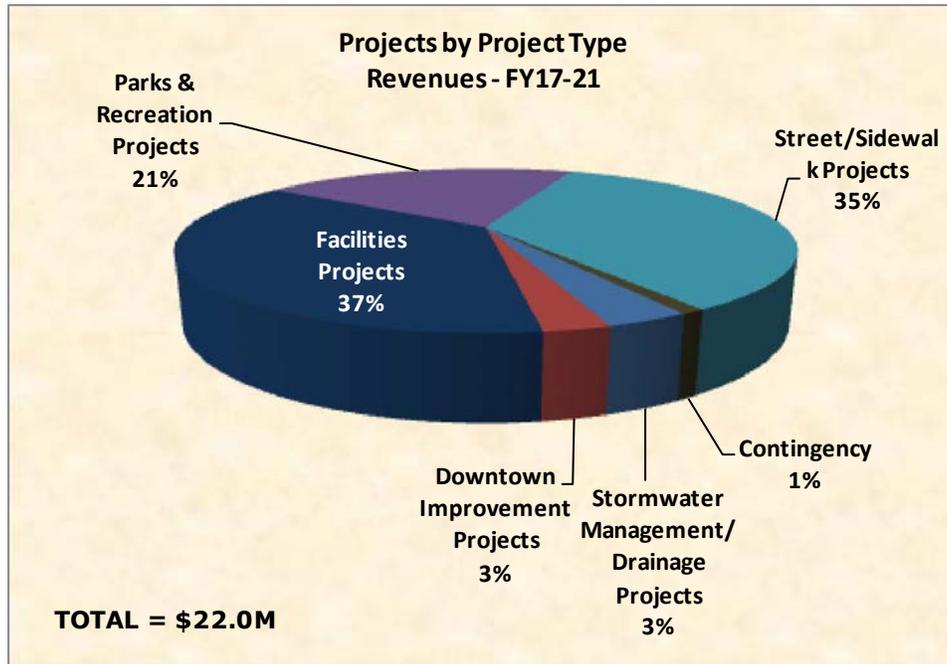


**FY16-17 Proposed Budget
Summary of Expenditures
Capital Projects Fund**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Capital Projects Fund				
Management Fees	\$ 2,805	\$ 1,650	\$ 1,685	\$ 1,685
Software	2,967	-	-	-
Hardware/Peripherals	2,483	-	-	-
Building Improvement Expenses	4,423	9,123	-	-
Street Improvement Expenses	-	2,049	65,000	75,000
Park Improvement Expenses	44,350	-	-	-
Stormwater/Drainage Expenses	7,166	13,901	50,000	50,000
Furniture/Equipment	-	-	-	300,000
Computer Hardware	18,233	-	-	-
Computer Software	-	13,068	-	-
Building Improvements	63,115	632,349	3,650,000	3,800,000
Street Improvements	57,900	386,150	6,500,000	755,000
Park Improvements	33,416	74,227	1,148,114	2,940,000
Other Infrastructure	199,518	548,447	580,000	600,000
Stormwater/Drainage Improvements	-	37,500	2,145,000	700,000
Damages/Vandalism	-	32,001	-	-
Contingency	-	-	123,086	92,200
Sub total Expenditures	436,376	1,750,465	14,262,885	9,313,885
Transfers Out	334,000	994,000	-	379,000
Total Capital Projects Fund	\$ 770,376	\$ 2,744,465	\$ 14,262,885	\$ 9,692,885



CAPITAL PROJECTS FIVE-YEAR PROJECTION



**PROPOSED CAPITAL PROJECTS
FY16-17 THROUGH FY20-21
BY YEAR AND FUNDING SOURCE**

Project No.	Project Title/ <i>Funding Source</i>	Prior Years' Costs					Five Year Source Total		Project Total
		FY16-17	FY17-18	FY18-19	FY19-20	FY20-21			
D6030	Ashbrook Wash Channelization Improvements-Bayfield to Del Cambre								\$ 1,346,436
	<i>Capital Projects Fund</i>	\$ 646,436	\$ 700,000	\$ -	\$ -	\$ -	\$ -	\$ 700,000	
	<i>Grants</i>	-	-	-	-	-	-	-	
D6047	Drainage-Miscellaneous								101,362
	<i>Capital Projects Fund</i>	\$ 51,362	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000	
E8502	Downtown Public Improvements [formerly Downtown Vision Master Plan - Phase II (Avenue/Lakeside Project)]								400,000
	<i>Downtown Strategy</i>	\$ -	\$ 400,000	\$ -	\$ -	\$ -	\$ -	\$ 400,000	
E8505	Downtown Lighting Improvements								200,000
	<i>Downtown Strategy</i>	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ 200,000	
F4005	Fire Station 2 Relocation								3,987,178
	<i>Capital Projects Fund</i>	\$ 187,178	\$ 3,394,694	\$ -	\$ -	\$ -	\$ -	\$ 3,394,694	
	<i>Development Fees</i>	-	255,306	-	-	-	-	255,306	
	<i>Other</i>	-	150,000	-	-	-	-	150,000	
F4013	Fire Station 3								2,745,000
	<i>Development Fees</i>	-	-	-	-	-	45,792	45,792	
	<i>Unfunded</i>	-	-	-	-	-	2,699,208	2,699,208	
F4014	Fire Station 3 Vehicles & Equipment								1,122,000
	<i>Unfunded</i>	-	-	-	-	-	1,122,000	1,122,000	
F4029	Civic Center Improvements								150,000
	<i>Capital Projects Fund</i>	\$ -	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ 150,000	
F4030	Purchase and Install Chiller								300,000
	<i>Capital Projects Fund</i>	\$ -	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ 300,000	
P3022	Fountain Lake Water Quality Improvements								272,106
	<i>Capital Projects Fund</i>	\$ 67,106	\$ 205,000	\$ -	\$ -	\$ -	\$ -	\$ 205,000	
P3023	New Pocket Park-West								903,000
	<i>Development Fees</i>	-	-	-	-	-	90,690	90,690	
	<i>Unfunded</i>	-	-	-	-	-	812,310	812,310	
P3025	Adero Canyon Trailhead								2,326,165
	<i>Capital Projects Fund</i>	\$ 41,165	\$ 468,344	\$ -	\$ -	\$ -	\$ -	\$ 468,344	
	<i>Development Fees</i>	-	1,816,656	-	-	-	-	1,816,656	
P3026	Fountain Park Access Improvements								375,000
	<i>Downtown Strategy</i>	-	375,000	-	-	-	-	375,000	
P3027	Four Peaks Park - Phase I (bus barn)								75,000
	<i>Capital Projects Fund</i>	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 75,000	
P3028	Four Peaks Park - Phase II								800,000
	<i>Unfunded</i>	-	-	-	-	-	800,000	800,000	
S6003	Unpaved Alley Paving Projects								918,755
	<i>Capital Projects Fund</i>	\$ 513,755	\$ 255,000	\$ 150,000	\$ -	\$ -	\$ -	\$ 405,000	
S6015	Fountain Hills Blvd Widening - Shea Boulevard to Pinto)								100,000
	<i>Capital Projects Fund</i>	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000	
S6053	Fountain Hills Blvd Shoulder Paving								622,208
	<i>Capital Projects Fund</i>	\$ 114,900	\$ 245,000	\$ -	\$ -	\$ -	\$ -	\$ 245,000	
	<i>Grants</i>	-	255,000	-	-	-	-	255,000	
	<i>Other</i>	7,308	-	-	-	-	-	-	
S6057	McDowell Mountain Road Repairs								75,000
	<i>Capital Projects Fund</i>	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 75,000	
S6058	Shea Blvd. Widening - Palisades Blvd. to Technology Dr.								6,580,000
	<i>Capital Projects Fund</i>	\$ -	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000	
	<i>Grants</i>	-	-	70,000	-	764,000	3,772,000	4,606,000	
	<i>Unfunded</i>	-	-	-	-	327,000	1,617,000	1,944,000	
	Contingency								217,700
	<i>Capital Projects Fund</i>	\$ -	\$ 92,200	\$ 5,000	\$ -	\$ 10,910	\$ 109,590	\$ 217,700	
TOTAL PROPOSED CAPITAL PROJECTS		\$ 1,629,210	\$ 9,312,200	\$ 505,000	\$ -	\$ 1,101,910	\$ 11,068,590	\$ 21,987,700	\$ 23,616,910

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



**PROPOSED CAPITAL PROJECTS
FY16-17 THROUGH FY20-21
BY YEAR AND FUNDING SOURCE
TOTALS**

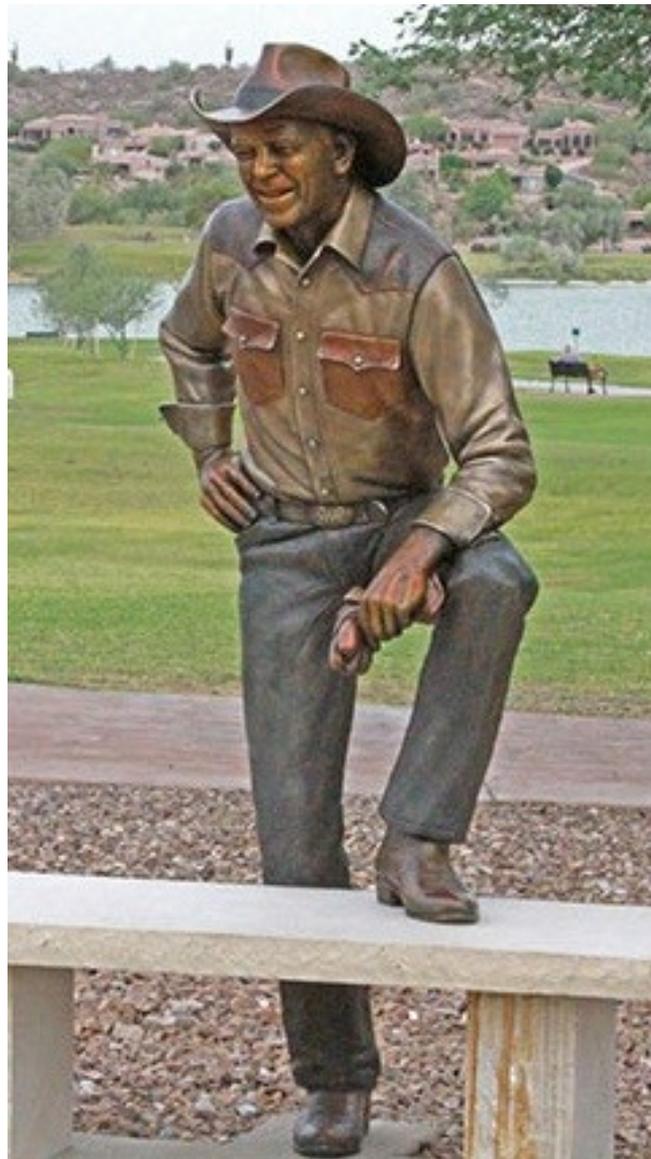
REVENUE SUMMARY TOTALS BY FUNDING SOURCE

Source	Prior Years'						Total	
	Costs	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	FY16-17 - FY20-21	Project Total
Capital Projects Fund	\$ 1,621,902	\$ 5,860,238	\$ 435,000	\$ -	\$ 10,910	\$ 109,590	\$ 6,415,738	\$ 8,037,640
Grants	-	255,000	70,000	-	764,000	3,772,000	4,861,000	4,861,000
Downtown Strategy	-	975,000	-	-	-	-	975,000	975,000
General Fund	-	-	-	-	-	-	-	-
Development Fees	-	2,071,962	-	-	-	136,482	2,208,444	2,208,444
Reimbursements from Developers	-	-	-	-	-	-	-	-
Unfunded	-	-	-	-	327,000	7,050,518	7,377,518	7,377,518
Bonds	-	-	-	-	-	-	-	-
HURF	-	-	-	-	-	-	-	-
Other	7,308	150,000	-	-	-	-	150,000	157,308
Total	\$ 1,629,210	\$ 9,312,200	\$ 505,000	\$ -	\$ 1,101,910	\$ 11,068,590	\$ 21,987,700	\$ 23,616,910

EXPENDITURE SUMMARY TOTALS BY ACTIVITY

Source	Prior Years'						Total	
	Costs	FY15-16	FY16-17	FY17-18	FY18-19	FY19-20	FY16-17 - FY20-21	Project Total
Acquisition	\$ -	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ 300,000	\$ 300,000
Planning	217,200	-	200,000	-	-	-	200,000	417,200
Design	598,918	775,000	15,000	-	1,091,000	456,000	2,337,000	2,935,918
Construction	813,092	7,837,200	290,000	-	10,910	10,612,590	18,750,700	19,563,792
Other Expenses	-	400,000	-	-	-	-	400,000	400,000
Total	\$ 1,629,210	\$ 9,312,200	\$ 505,000	\$ -	\$ 1,101,910	\$ 11,068,590	\$ 21,987,700	\$ 23,616,910





Capital Projects Information Sheets



PROJECT TITLE: Ashbrook Wash Channelization Improvements

PROJECT NUMBER: D6030

PROJECT DESCRIPTION/SCOPE:

This project will upgrade the channel and culverts along the Ashbrook Wash between Bayfield Drive and Del Cambre Avenue to carry run-off from a 100-year storm event without flooding adjacent residences.

The work is anticipated to include a new culvert at Bayfield Drive (six barrel, 8' x 5' concrete box culvert), a new culvert at Saguaro Boulevard (seven barrel, 10' x 4' concrete box culvert), grading a portion of the channel length, excess vegetation removal, and two segments of masonry floodwall.

TOWN GOALS

TIMEFRAME: FY14-17

YEAR PROJECT BEGAN: FY13-14

TOTAL ESTIMATED PROJECT COST: \$2,295,094

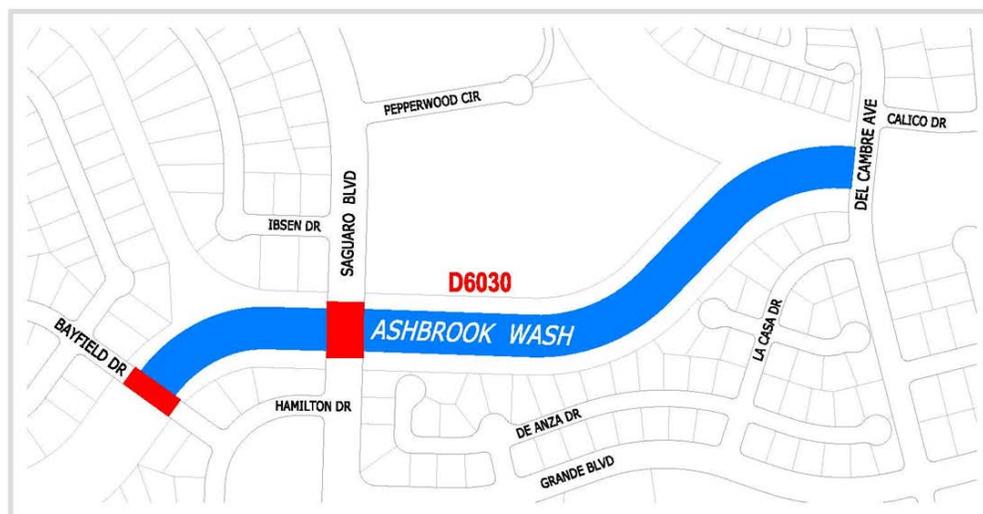
TOTAL ESTIMATED TOWN PORTION: \$1,346,436

PROJECT JUSTIFICATION:

Survey data and hydraulic calculations from the Maricopa County Flood Control District (MCFCD) show that 13 houses and duplex units are susceptible to flooding in the 100-year flood along Ashbrook Wash between Bayfield Drive and Del Cambre Avenue. The MCFCD had deferred its assessment of the Town's 2009 CIP submittal request pending confirmation of the flooding hazard.

Upon the Town's updated information and re-submittal of its Capital Improvement Program Prioritization Procedure request, MCFCD staff approved the project and are splitting the project costs equally, along with the MCFCD managing the project's design and construction.

FUNDING PRIORITY: High - Prevents Irreparable Damage to Existing Facilities



FUNDING SOURCES

ACTIVITY	Prior Years	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Capital Projects	\$ 646,436	\$ 700,000	\$ -	\$ -	\$ -	\$ -	\$1,346,436
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ 646,436	\$ 700,000	\$ -	\$ -	\$ -	\$ -	\$1,346,436

PROJECT EXPENSES

ACTIVITY	Prior Years	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning	150,094						150,094
Design							-
Construction	496,342	700,000					1,196,342
Other Expenses							-
TOTAL	\$ 646,436	\$ 700,000	\$ -	\$ -	\$ -	\$ -	\$1,346,436

OPERATING IMPACT

ACTIVITY	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



PROJECT TITLE: Miscellaneous Drainage Improvements

PROJECT NUMBER: D6047

PROJECT DESCRIPTION/SCOPE:

This project will provide for the construction of new drainage facilities or the extension of existing facilities at locations of future road widening projects where erosion occurs so that excess excavated materials may be put in place when available. The project will also provide for the revegetation of these locations.

TOWN GOALS

TIMEFRAME: FY15-17

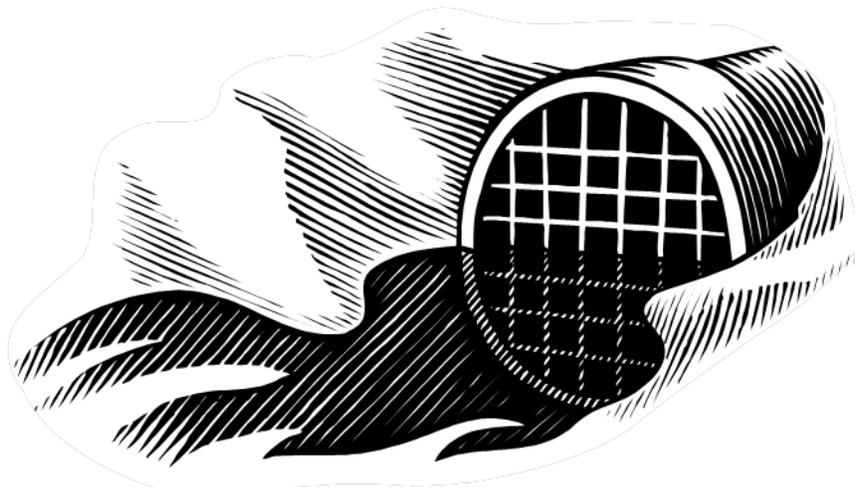
YEAR PROJECT BEGAN: FY14-15

TOTAL ESTIMATED PROJECT COST: \$101,362

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	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Capital Projects	\$ 51,362	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 101,362
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ 51,362	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 101,362

PROJECT EXPENSES

ACTIVITY	Prior Years	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design							-
Construction	51,362	50,000					101,362
Other Expenses							-
TOTAL	\$ 51,362	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 101,362

OPERATING IMPACT

ACTIVITY	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



PROJECT TITLE: Downtown Public Improvements
[formerly Downtown Vision Master Plan - Phase II
(Avenue/Lakeside Project)]

PROJECT NUMBER: E8502

PROJECT DESCRIPTION/SCOPE:

This project may be used as an inducement to reimburse a developer(s) up to \$400,000 for construction of Town approved streetscape/sidewalks/road improvements for development of a project or projects in the Lakeside District and/or The Avenue District in alignment with the Downtown Vision Master Plan adopted by Council on 9/17/09 and in alignment with the Downtown Area Specific Plan framework. It may also be used by the Town for streetscape/sidewalks/road improvements/parking studies to induce a developer(s) to develop a project or projects in the above mentioned Districts.

TOWN GOALS

TIMEFRAME: FY16-17

YEAR PROJECT BEGAN: N/A

TOTAL ESTIMATED PROJECT COST: \$400,000

PROJECT JUSTIFICATION:

In FY05-06 and FY06-07, the Town completed Phases I and II of the "Avenue of the Fountains Enhancement Project." Phase I included design of the entire project, and construction of the streetscape and sidewalks on the north side of the Avenue. Phase II included construction of the streetscape and sidewalks on the south side of the Avenue in front of Town Hall.

In January 2009, the Town of Fountain Hills and the Fountain Hills Chamber of Commerce, embarked on a journey to develop a master plan for downtown Fountain Hills. Swaback Partners was engaged to assist in this project. The process included input in structured group settings. Two different groups, inclusive of community leaders and local constituents, formally assisted in defining the vision - the Project Team and the Focus Group. In addition, the process included numerous public meetings to discuss the project progress, and receive feedback and guidance.

This project will continue the "Avenue of the Fountains Enhancement Project" in the form of an inducement up to \$400,000 to reimburse a developer or developers for developing a project(s) in the Lakeside District or The Avenue District in alignment with the Downtown Vision Master Plan. It may also be in the form of a Town project to induce a development. The Town Council would formalize the reimbursement or inducement through an adopted Development Agreement which would outline the conditions of the reimbursements or inducements.

FUNDING PRIORITY: High - Town Council Priority





FUNDING SOURCES

ACTIVITY	Prior Years	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant							-
Downtown Strategy		400,000					400,000
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ 400,000	\$ -	\$ -	\$ -	\$ -	\$ 400,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design							-
Construction							-
Other Expenses		400,000					400,000
TOTAL	\$ -	\$ 400,000	\$ -	\$ -	\$ -	\$ -	\$ 400,000

OPERATING IMPACT

ACTIVITY	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



PROJECT TITLE: Downtown Lighting Improvements

PROJECT NUMBER: E8505

PROJECT DESCRIPTION/SCOPE:

The project will provide for lighting improvements along Avenue of the Fountains from Saguaro Boulevard to La Montana Drive. The design phase will include potential lighting options and cost estimates.

TOWN GOALS

TIMEFRAME: FY16-17

YEAR PROJECT BEGAN: FY16-17

TOTAL ESTIMATED PROJECT COST: \$200,000

PROJECT JUSTIFICATION:

This project is at the request of Town Council from the March 8, 2016 Special Session.

FUNDING PRIORITY: Low - Deferrable



FUNDING SOURCES

ACTIVITY	Prior Years	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant							-
Downtown Strategy		200,000					200,000
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ 200,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design		40,000					40,000
Construction		160,000					160,000
Other Expenses							-
TOTAL	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ 200,000

OPERATING IMPACT

ACTIVITY	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



PROJECT TITLE: Fire Station #2 Relocation

PROJECT NUMBER: F4005

PROJECT DESCRIPTION/SCOPE:

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

TOWN GOALS

TIMEFRAME: FY09-17

YEAR PROJECT BEGAN: FY08-09

TOTAL ESTIMATED PROJECT COST: \$3,987,178

PROJECT JUSTIFICATION:

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

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

FUNDING PRIORITY: Medium - Results in Increased Efficiency



FUNDING SOURCES

ACTIVITY	Prior Years	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Capital Projects	\$ 187,178	\$3,394,694	\$ -	\$ -	\$ -	\$ -	\$3,581,872
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees		255,306					255,306
Bonds							-
Other Sources		150,000					150,000
Unfunded							-
TOTAL	\$ 187,178	\$3,800,000	\$ -	\$ -	\$ -	\$ -	\$3,987,178

PROJECT EXPENSES

ACTIVITY	Prior Years	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design	174,471	350,000					524,471
Construction	12,707	3,450,000					3,462,707
Other Expenses							-
TOTAL	\$ 187,178	\$3,800,000	\$ -	\$ -	\$ -	\$ -	\$3,987,178

OPERATING IMPACT

ACTIVITY	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



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: FY21-22

YEAR PROJECT BEGAN: FY20-21

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

PROJECT JUSTIFICATION:

Fire Station No. 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	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees						45,792	45,792
Bonds							-
Other Sources							-
Unfunded						2,699,208	2,699,208
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$2,745,000	\$2,745,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design						343,000	343,000
Construction						2,402,000	2,402,000
Other Expenses							-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$2,745,000	\$2,745,000

OPERATING IMPACT

ACTIVITY	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



PROJECT TITLE: Fire Station No. 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 No. 3.

TOWN GOALS

TIMEFRAME: FY21-22

YEAR PROJECT BEGAN: FY20-21

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

PROJECT JUSTIFICATION:

Fire Station No. 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	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded						1,122,000	1,122,000
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,122,000	\$ 1,122,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
Planning							-
Design							-
Construction							-
Other Expenses						1,122,000	1,122,000
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,122,000	\$ 1,122,000

OPERATING IMPACT

ACTIVITY	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



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: FY17-18

YEAR PROJECT BEGAN: FY17-18

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: Medium—Provides Maintenance of Existing Systems



FUNDING SOURCES

ACTIVITY	Prior Years	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	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	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design							-
Construction			150,000				150,000
Other Expenses							-
TOTAL	\$ -	\$ -	\$ 150,000	\$ -	\$ -	\$ -	\$ 150,000

OPERATING IMPACT

ACTIVITY	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



PROJECT TITLE: Chiller Installation

PROJECT NUMBER: F4030

PROJECT DESCRIPTION/SCOPE:

Purchase and installation of a new chiller, controllers and plumbing modifications for the Civic Center complex.

TOWN GOALS

TIMEFRAME: FY16-17

YEAR PROJECT BEGAN: FY16-17

TOTAL ESTIMATED PROJECT COST: \$300,000

PROJECT JUSTIFICATION:

When the Civic Center complex was constructed, the Physical Plant was designed for two cooling towers and three chillers to supply chilled water for the HVAC system. During the original construction, two chillers were sufficient to run the Community Center and Library/Museum. In 2005, the Town Hall building was constructed but the third chiller was not added. Two chillers are needed to run simultaneously to supply chilled water during the summer months. Without the third chiller, there is no operational redundancy and the current chillers have in excess of 42,000 hours of run time.

FUNDING PRIORITY: Medium—Provides Maintenance of Existing Systems



FUNDING SOURCES

ACTIVITY	Prior Years	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Capital Projects	\$ -	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ 300,000
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ 300,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Acquisition	\$ -	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ 300,000
Planning							-
Design							-
Construction							-
Other Expenses							-
TOTAL	\$ -	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ 300,000

OPERATING IMPACT

ACTIVITY	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



PROJECT TITLE: Fountain Lake Water Quality Improvements

PROJECT NUMBER: P3022

PROJECT DESCRIPTION/SCOPE:

This project will help improve water quality in Fountain Lake by developing a comprehensive water quality management program.

TOWN GOALS

TIMEFRAME: FY12-17

YEAR PROJECT BEGAN: FY11-12

TOTAL ESTIMATED PROJECT COST: \$272,106

PROJECT JUSTIFICATION:

Fountain Lake serves as the centerpiece of the Town activities. The total lake area is approximately 29 acres and receives reclaimed wastewater with a high nutrient concentration. Over the years, the lake has experienced episodes of low oxygen levels, occasional algae blooms, unpleasant odors, and fish die off.

Meetings are being held between the Town and the Fountain Hills Sanitary District to help determine the extent and funding levels needed to further improve the lake's water quality in the future. A comprehensive water quality management program was previously completed by a consultant. Future improvements to help aerate or "mix" the lake may be required with estimated funding shown in FY16-17.

FUNDING PRIORITY: Medium - Maintains Existing Service Level



FUNDING SOURCES

ACTIVITY	Prior Years	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Capital Projects	\$ 67,106	\$ 205,000	\$ -	\$ -	\$ -	\$ -	\$ 272,106
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ 67,106	\$ 205,000	\$ -	\$ -	\$ -	\$ -	\$ 272,106

PROJECT EXPENSES

ACTIVITY	Prior Years	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning	67,106						67,106
Design		25,000					25,000
Construction		180,000					180,000
Other Expenses							-
TOTAL	\$ 67,106	\$ 205,000	\$ -	\$ -	\$ -	\$ -	\$ 272,106

OPERATING IMPACT

ACTIVITY	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies		10,000	10,000	11,000	11,000	42,000
Other Impact						-
TOTAL	\$ -	\$ 10,000	\$ 10,000	\$ 11,000	\$ 11,000	\$ 42,000



PROJECT TITLE: Pocket Park West

PROJECT NUMBER: P3023

PROJECT DESCRIPTION/SCOPE:

Development of a proposed pocket park to serve the western portion of the community near the northeast corner of Sunridge Canyon Drive and Desert Canyon Drive. The project is adjacent to Fire Station No. 3 and both projects should be done concurrently.

TOWN GOALS

TIMEFRAME: FY21-22

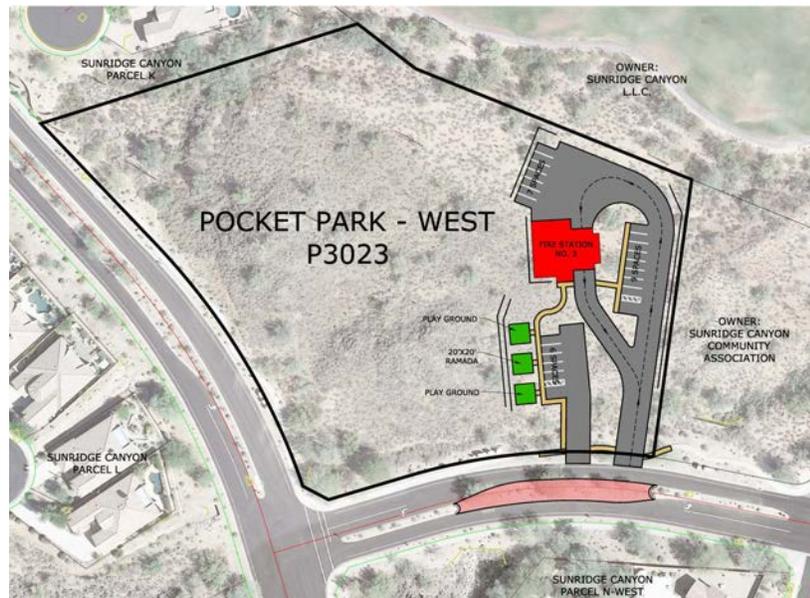
YEAR PROJECT BEGAN: FY20-21

TOTAL ESTIMATED PROJECT COST: \$903,000

PROJECT JUSTIFICATION:

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

FUNDING PRIORITY: Medium - Maintains Existing Level of Service



FUNDING SOURCES

ACTIVITY	Prior Years	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees						90,690	90,690
Bonds							-
Other Sources							-
Unfunded						812,310	812,310
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 903,000	\$ 903,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design						113,000	113,000
Construction						790,000	790,000
Other Expenses							-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 903,000	\$ 903,000

OPERATING IMPACT

ACTIVITY	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



PROJECT TITLE: Adero Canyon Trailhead

PROJECT NUMBER: P3025

PROJECT DESCRIPTION/SCOPE:

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

TOWN GOALS

TIMEFRAME: FY16-17

YEAR PROJECT BEGAN: FY15-16

TOTAL ESTIMATED PROJECT COST: \$2,326,165

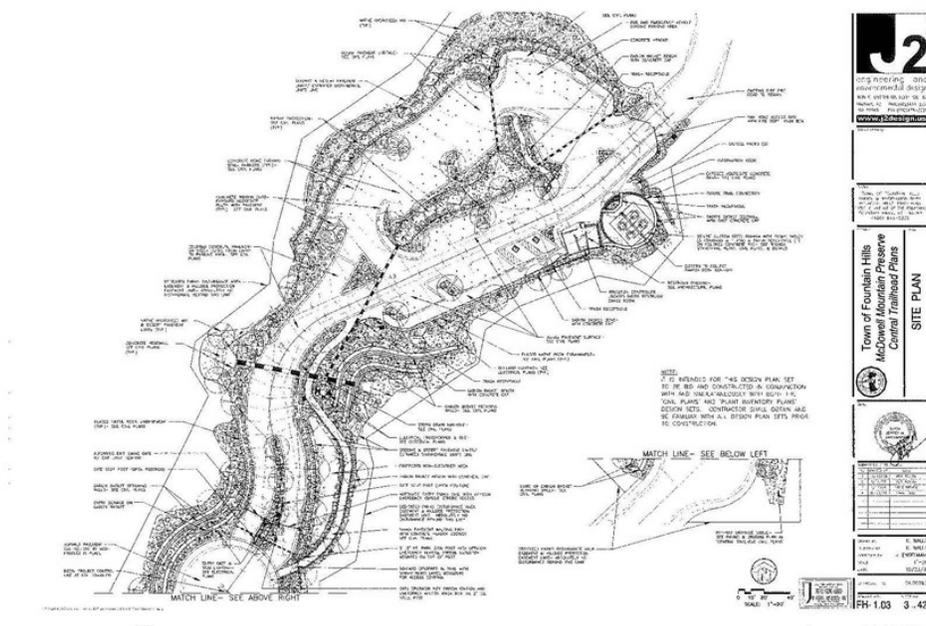
PROJECT JUSTIFICATION:

This entrance would be the sole means by which people would be able to access the McDowell Mountain Preserve from the south without walking through existing MCO private property. The site has been planned for a number of years with a master plan for development.

The timing of this project has been moved to FY16-17 to better reflect the realities of MCO's development schedule for the Adero Canyon development and the construction of the planned access road by MCO, which would serve as the means by which access to the trailhead site would be gained for the construction of the trailhead.

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

FUNDING PRIORITY: Low - Provides an Expanded Level of Service



FUNDING SOURCES

ACTIVITY	Prior Years	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Capital Projects	\$ 41,165	\$ 468,344	\$ -	\$ -	\$ -	\$ -	\$ 509,509
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees		1,816,656					1,816,656
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ 41,165	\$2,285,000	\$ -	\$ -	\$ -	\$ -	\$2,326,165

PROJECT EXPENSES

ACTIVITY	Prior Years	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design	41,165	130,000					171,165
Construction		2,155,000					2,155,000
Other Expenses							-
TOTAL	\$ 41,165	\$2,285,000	\$ -	\$ -	\$ -	\$ -	\$2,326,165

OPERATING IMPACT

ACTIVITY	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies		10,000	12,000	12,000	12,000	46,000
Other Impact						-
TOTAL	\$ -	\$ 10,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 46,000



PROJECT TITLE: Fountain Park Access Improvements

PROJECT NUMBER: P3026

PROJECT DESCRIPTION/SCOPE:

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

TOWN GOALS

TIMEFRAME: FY16-17

YEAR PROJECT BEGAN: FY16-17

TOTAL ESTIMATED PROJECT COST: \$375,000

PROJECT JUSTIFICATION:

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

FUNDING PRIORITY: Low - Provides an Expanded Level of Service



FUNDING SOURCES

ACTIVITY	Prior Years	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant							-
Downtown Strategy		375,000					375,000
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ 375,000	\$ -	\$ -	\$ -	\$ -	\$ 375,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design		125,000					125,000
Construction		250,000					250,000
Other Expenses							-
TOTAL	\$ -	\$ 375,000	\$ -	\$ -	\$ -	\$ -	\$ 375,000

OPERATING IMPACT

ACTIVITY	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



PROJECT TITLE: Four Peaks Park—Phase I of III

PROJECT NUMBER: P3027

PROJECT DESCRIPTION/SCOPE:

Phase I consists of demolition and removal of the existing bus barn, grease and oil interceptor, electrical service and restoration of the area.

TOWN GOALS

TIMEFRAME: FY16-17

YEAR PROJECT BEGAN: FY16-17

TOTAL ESTIMATED PROJECT COST: \$75,000

PROJECT JUSTIFICATION:

The Town acquired property adjacent to the Four Peaks school site approximately 15 years ago. This property included the bus barn that was used for vehicle storage and maintenance. The Town has received a number of complaints from the neighborhood regarding the unsightly condition of the bus barn and the surrounding area. The revised Four Peaks Park Master Plan shows this area be cleared, the bus barn removed and new athletic areas be constructed in the same spot. Demolition of the bus barn would be Phase I of that plan with athletic areas to be constructed in the future.

FUNDING PRIORITY: Low - Deferrable



FUNDING SOURCES

ACTIVITY	Prior Years	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	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	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design							-
Construction		75,000					75,000
Other Expenses							-
TOTAL	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 75,000

OPERATING IMPACT

ACTIVITY	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



PROJECT TITLE: Unpaved Alley Paving Projects

PROJECT NUMBER: S6003

PROJECT DESCRIPTION/SCOPE:

This project involves paving a number of unpaved alleys throughout the Town. The paving project is divided into five phases as follows:

Phase I: 1,400 LF from Panorama to Colony - Completed

Phase II: 870 LF from Tower to Panorama - Completed

Phase III: 890 LF from Panorama to Enterprise - Completed

Phase IV: 1,150 LF adjacent to Colony Wash and 770 linear feet from Fountain Hills Boulevard to Glenbrook in FY16-17

Phase V: 635 LF from Desert Vista to Saxon Dr. and 410 LF from Tioga south and east of Panorama in FY17-18

TOWN GOALS

TIMEFRAME: FY09-18

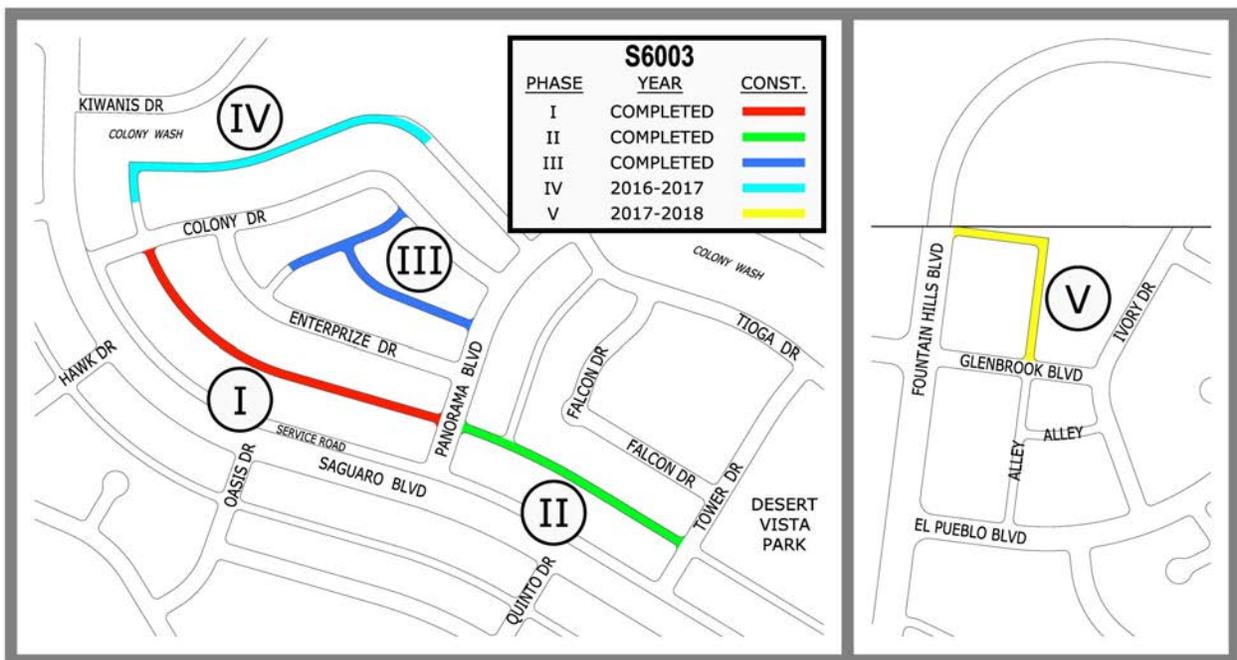
YEAR PROJECT BEGAN: FY08-09

TOTAL ESTIMATED PROJECT COST: \$918,755

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	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Capital Projects	\$ 513,755	\$ 255,000	\$ 150,000	\$ -	\$ -	\$ -	\$ 918,755
Grant							-
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ 513,755	\$ 255,000	\$ 150,000	\$ -	\$ -	\$ -	\$ 918,755

PROJECT EXPENSES

ACTIVITY	Prior Years	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design	383,282	30,000	15,000				428,282
Construction	129,780	225,000	135,000				489,780
Other Expenses	693						693
TOTAL	\$ 513,755	\$ 255,000	\$ 150,000	\$ -	\$ -	\$ -	\$ 918,755

OPERATING IMPACT

ACTIVITY	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact		2,000	2,000	2,000	2,000	8,000
TOTAL	\$ -	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 8,000



PROJECT TITLE: Fountain Hills Boulevard Widening - Shea to Segundo

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: FY18-22

YEAR PROJECT BEGAN: FY17-18

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	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	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	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning			100,000				100,000
Design							-
Construction							-
Other Expenses							-
TOTAL	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000

OPERATING IMPACT

ACTIVITY	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



PROJECT TITLE: Fountain Hills Boulevard Shoulder Paving

PROJECT NUMBER: S6053

PROJECT DESCRIPTION/SCOPE:

This project will pave the dirt shoulders along Fountain Hills Boulevard from Segundo Drive to Pinto Drive providing dust mitigation and erosion control.

TOWN GOALS

TIMEFRAME: FY12-17

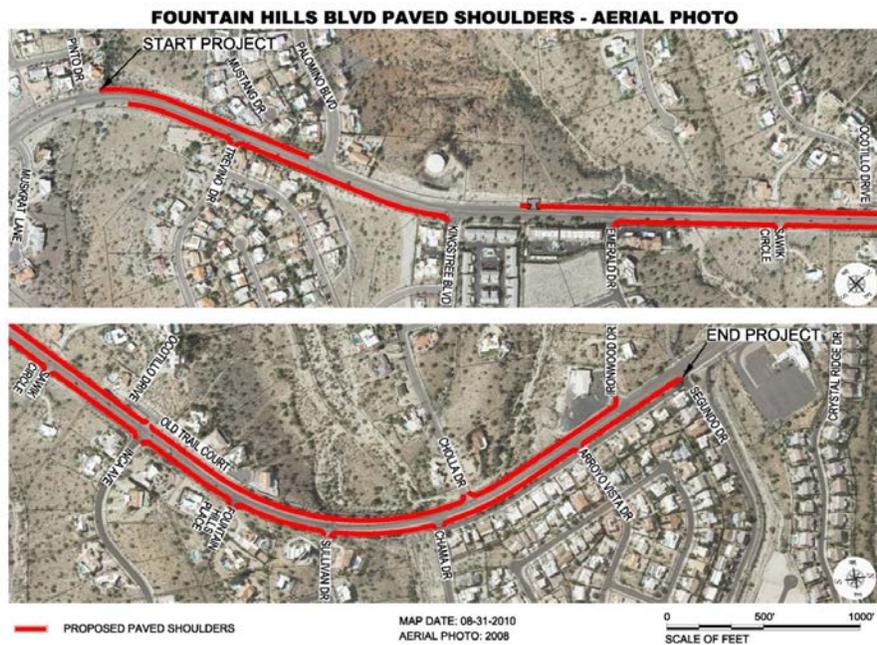
YEAR PROJECT BEGAN: FY11-12

TOTAL ESTIMATED PROJECT COST: \$622,208

PROJECT JUSTIFICATION:

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

FUNDING PRIORITY: High - Leverage Local Funds



FUNDING SOURCES

ACTIVITY	Prior Years	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Capital Projects	\$ 114,900	\$ 245,000	\$ -	\$ -	\$ -	\$ -	\$ 359,900
Grant		255,000					255,000
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources	7,308						7,308
Unfunded							-
TOTAL	\$ 122,208	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ 622,208

PROJECT EXPENSES

ACTIVITY	Prior Years	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design	122,208	75,000					197,208
Construction		425,000					425,000
Other Expenses							-
TOTAL	\$ 122,208	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ 622,208

OPERATING IMPACT

ACTIVITY	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies	1,000	1,000	1,000	1,000	1,000	5,000
Other Impact						-
TOTAL	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 5,000



PROJECT TITLE: McDowell Mountain Road Repairs

PROJECT NUMBER: S6057

PROJECT DESCRIPTION/SCOPE:

This project will repair an uneven section of McDowell Mountain Road.

TOWN GOALS

TIMEFRAME: FY16-17

YEAR PROJECT BEGAN: FY16-17

TOTAL ESTIMATED PROJECT COST: \$75,000

PROJECT JUSTIFICATION:

Repairs are required to correct an uneven section of McDowell Mountain Road.

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



FUNDING SOURCES

ACTIVITY	Prior Years	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	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	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design							-
Construction		75,000					75,000
Other Expenses							-
TOTAL	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 75,000

OPERATING IMPACT

ACTIVITY	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



PROJECT TITLE: Shea Boulevard Widening - Palisades to Technology

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: FY17-18

YEAR PROJECT BEGAN: FY17-18

TOTAL ESTIMATED PROJECT COST: \$100,000

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	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Capital Projects	\$ -	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ 30,000
Grant			70,000				70,000
Downtown Strategy							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning			100,000				100,000
Design							-
Construction							-
Other Expenses							-
TOTAL	\$ -	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000

OPERATING IMPACT

ACTIVITY	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -





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			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Administration	\$ -	\$ 41,010	\$ 130,000	\$ 431,000
Total	\$ -	\$ 41,010	\$ 130,000	\$ 431,000

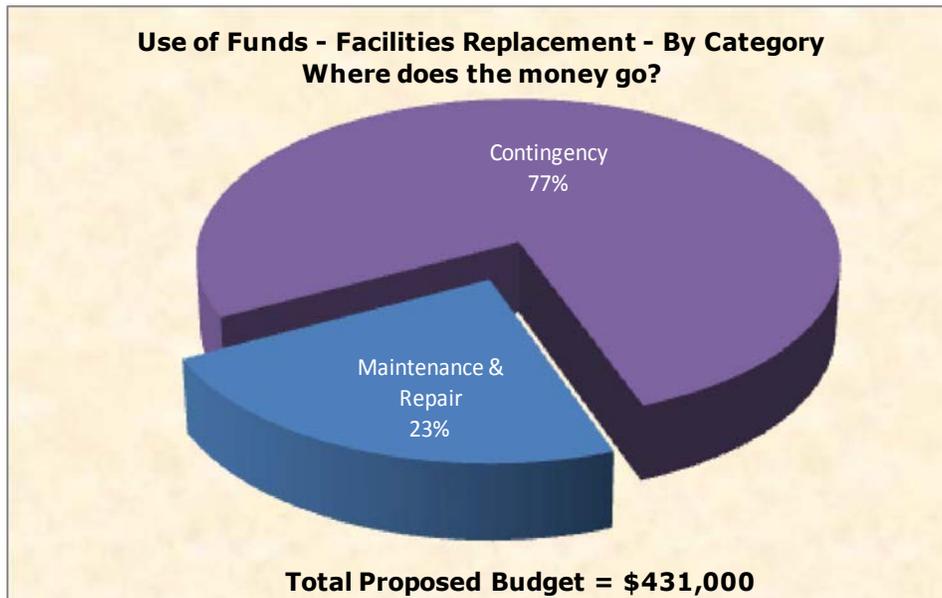


Category	Expenditures by Category			
	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Maintenance & Repair	\$ -	\$ -	\$ 100,000	\$ 100,000
Contractual Services	-	-	30,000	-
Equipment/Improvements	-	41,010	-	-
Contingency	-	-	-	331,000
Total	\$ -	\$ 41,010	\$ 130,000	\$ 431,000



Variance Explanations:

Maintenance and Repair: Amount was increased and moved from Contingency to better reflect the type of expenditures budgeted.



**FY16-17 Proposed Budget
Summary of Expenditures
Facilities Replacement Fund**

Description	FY13-14 Actual	FY14-15 Actual	FY15-16 Revised Budget	FY16-17 Proposed Budget
Facilities Replacement Fund				
Building Maint/Repair	\$ -	\$ -	\$ 100,000	\$ 100,000
Professional Fees	-	-	30,000	-
Furniture/Appliances	-	41,010	-	-
Contingency	-	-	-	331,000
Sub total Expenditures	-	41,010	130,000	431,000
Transfers Out	-	-	-	-
Total Facilities Replacement Fund	\$ -	\$ 41,010	\$ 130,000	\$ 431,000





Vehicle Replacement Program Policy & Procedure



Objective

To provide a policy and procedures for the development, approval, 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:**

- Ensure the timely purchase, repair and replacement of the Town's vehicles;
- Serve as a link in the Town's planning between the Town's operating and capital budgets;
- **Maintain control over the Town's long-term** cash flow in relation to the Town's financial capacity; and
- 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 and a useful life of at least 7 years. Vehicles shall be subdivided into various classifications, using gross vehicle weight rating standards, as follows:

- Sedans
- Sports Utility Vehicle (SUV)
- Light Duty Truck (commercial truck classes 1, 2 and 3)

- Medium Duty Truck (commercial truck classes 4, 5 and 6)
- Heavy Duty Truck (commercial truck classes 7 and 8)
- Street Sweeper
- Fire Ladder Truck
- Fire Pumper Truck
- Utility Vehicle/Bunker Rake
- Loader/Grader/Tractor
- Dump Truck
- Trailer

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 CIP budget proposal.**

B. Format: The Public Works Director will utilize the previous year's approved VRP as the basis for developing recommended additions, deletions, or changes for incorporation in the updated VRP for the ensuing year. All new (not replacement) vehicle requests will also include a comprehensive estimate of the impact of the new vehicle on the Town's annual operating budget; e.g., fuel, maintenance requirements, etc.

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

D. Town Manager Review: The Public Works Director will provide a copy of the proposed VRP document to the Finance Director and Town Manager for review and comment. Following approval by the Town Manager, the VRP will be incorporated into the CIP 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 five (5) year Capital Improvement Program included in the upcoming fiscal year budget.

The following guidelines shall be utilized:

- Sedans 10 years/100,000 miles
- Sports Utility Vehicle (SUV) 10 years/100,000 miles
- Light Duty Truck 10 years/100,000 miles
- Medium Duty Truck 12 years/125,000 miles
- Heavy Duty Truck 12 years/125,000 miles
- Street Sweeper 8 years/75,000 miles
- Fire Ladder Truck 25 years/120,000 miles
- Fire Pumper Truck 15 years/120,000 miles
- Utility Vehicle/Bunker Rake 7 years/15,000 engine hours
- Loader/Grader/Tractor 20 years/15,000 engine hours
- Dump Truck 15 years/125,000 miles
- Trailer 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 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 and equipment 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 16-17 Vehicle Replacement Recommendation

During FY12-13, the Vehicle Replacement Policy was updated with changes to the life of some vehicles and elimination of vehicles no longer utilized; the revised Policy was presented and approved by the Town Council. For FY16-17, five new vehicles are budgeted for vehicle replacement incorporating the revised schedules.



Vehicle Replacement Interfund Charges

Department	Vehicle No.	Description	Type	Mod Year	Replacement Cost	FY16-17
Development Services	148	Ford Escape Hybrid	SUV	2008	\$25,947.00	\$2,980.49
Development Services	NEW	Ford Escape	SUV	2016	\$25,000.00	\$2,500.00
Development Services	149	Ford Escape Hybrid	SUV	2008	\$25,947.00	\$2,980.49
Development Services	NEW	Ford F-150	Light Duty Truck	2016	\$30,000.00	\$3,000.00
Fire	483 (L822)	American LaFrance	Ladder Truck	1998	\$750,000.00	\$56,938.40
Fire	(E822)	Spartan	Pumper Truck	2014	\$494,642.68	\$34,140.79
Fire	752 (E823)	Crimson	Pumper Truck	2008	\$369,225.00	\$26,644.07
Fire	528 (E822R)	American LaFrance	Pumper Truck	1999	\$396,032.00	\$0.00
Fire	422 (S822)	Ford F550 4x4 (V0822)	Medium Duty Truck	2012	\$95,912.00	\$8,651.50
Fire	(S823)	Equipment on Truck	Medium Duty Truck		\$20,000.00	\$1,768.68
Fire	(S823)	Ford F550 4x4	Medium Duty Truck	2013	\$38,177.00	\$3,309.93
Fire	166 (D822)	Ford F150 Supercab	Light Duty Truck	2011	\$28,829.00	\$3,120.56
Fire	053(7 (D823))	Ford F-150 4x4 Supercab	Light Duty Truck	2009	\$43,004.00	\$4,939.81
Community Services	11	John Deere 4x2 Gator	Gator	2013	\$6,590.00	\$960.26
Community Services	141	Ford F-150	Light Duty Truck	2007	\$15,174.00	\$1,743.03
Community Services	NEW	Ford F-150	Light Duty Truck	2016	\$30,000.00	\$3,000.00
Community Services	20	Bobcat	Gator	2013	\$7,943.04	\$1,204.17
Community Services	17	John Deere 4x2 Gator	Gator	2012	\$6,248.47	\$910.49
Community Services	146	Ford F-150 Pickup	Light Duty Truck	2007	\$18,288.00	\$2,100.71
Community Services	SS1	Tenant Sweeper	Sweeper	2013	\$44,372.00	\$6,726.91
Community Services	3	Sand Pro 3040	Bunker Rake	2013	\$21,398.00	\$3,244.02
Community Services	16	Bobcat	Gator	2012	\$8,965.95	\$1,359.25
Community Services	18	Mule	Gator	2012	\$8,119.82	\$1,230.97
Community Services	14	Kubota KU	Tractor/Loader	2007	\$27,199.00	\$1,472.07
Community Services	147	Ford F-150 Pickup	Light Duty Truck	2007	\$18,288.00	\$2,100.71
Community Services	159	Ford F-150	Light Duty Truck	2016	\$27,603.91	\$2,815.60
Community Services	142	Ford F-250 Pickup	Light Duty Truck	2007	\$19,089.00	\$2,192.72
Community Services	M-1	Kubota	Mower	2014	\$16,751.82	\$2,489.80
Community Services	143	Ford Escape Hybrid	SUV	2007	\$28,247.00	\$3,244.68
Community Services	NEW	Ford Escape	SUV	2016	\$25,000.00	\$2,500.00
Development Services	145	Ford F-150 Supercab	Light Duty Truck	2007	\$25,403.00	\$2,918.01
Development Services	158	Ford F-250 Pickup W/Liftgate	Light Duty Truck	2014	\$24,090.00	\$2,506.32
Development Services	154	Ford F-150 Pickup W/Lights	Light Duty Truck	2013	\$27,293.00	\$2,896.43
FUND 100 TOTAL	32					\$198,590.87
Development Services/Streets	155	Ford F-250 Pickup W/Lights	Light Duty Truck	2014	\$24,048.00	\$2,501.95
Development Services/Streets	157	Ford F-250 Supercab W/Lights	Light Duty Truck	2014	\$26,440.00	\$2,750.83
Development Services/Streets	20	Caterpillar 426C	Backhoe	1999	\$88,393.00	\$5,076.77
Development Services/Streets	135	Freightliner M2106	Dump Truck	2005	\$63,170.00	\$7,256.24
Development Services/Streets	151	Ford F-450 Pickup	Medium Duty Truck	2008	\$52,183.00	\$5,994.18
Development Services/Streets	156	Ford F-250 Pickup W/Lights	Light Duty Truck	2014	\$24,048.00	\$2,501.95
Development Services/Streets	5085M	John Deere 5085M Tractor	Tractor/Loader	2013	\$59,555.00	\$3,098.07
Development Services/Streets	NEW	Ford F-550 Pickup-Bucket	Medium Duty Truck	2016	\$90,000.00	\$7,500.00
Development Services/Streets		BUCKET EQUIPMENT TRANSFER		2015	\$40,000.00	\$20,000.00
Development Services/Streets	134	Ford F-550 Pickup-Bucket	Medium Duty Truck	2005	\$41,994.00	\$4,019.82
Development Services/Streets	134A	Aerial Platform-2005 Ford F550	Lift	2005	\$36,597.00	\$3,503.21
Development Services/Streets	113	Ford F-150 Pickup	Light Duty Truck	2001	\$23,764.00	\$0.00
Development Services/Streets	140	Ford Escape Hybrid	SUV	2007	\$29,275.00	\$0.00
Development Services/Streets	144	Ford Escape Hybrid	SUV	2007	\$29,844.00	\$3,428.14
FUND 200 TOTAL	13					\$67,631.16
					Fund 100	\$198,590.87
					Fund 200	\$67,631.16
					Total	\$266,222.03



Schedules



Comprehensive Fee Schedule Effective July 1, 2016



Description	Fee FY16-17
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	
Town Code	\$25.00 (CD or hard copy)
Zoning Ordinances	\$25.00 (CD or hard copy)
Subdivision Code	\$25.00 (CD or hard copy)
CAFR (Annual Financial Report)	\$25.00 (CD or hard copy)
Annual Budget	\$25.00 (CD or hard copy)
Land Use Analysis	\$25.00 (CD or hard copy)
CD of Council Meeting	\$25.00 ea
Other Materials on CD	\$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)



Description	Fee FY16-17
MISCELLANEOUS FEES (CONT.)	
Maps	
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" Street/Final Plat/As Built (B&W)	\$20.00
24" x 36" Street/Final Plat/As Built (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
Adopt A Street	
Fee, per sign	\$30.00
DOG LICENSE	
Non - neutered dog	\$42.00 - non-refundable
Spayed/Neutered dog	\$17.00 - non-refundable
Over 65 with neutered dog	\$6.00 - non-refundable
Service Dog	
Replacement Dog Tag	\$4.00 - non-refundable
Late fee neutered dog (per month)	\$2.00 - non-refundable
Late fee non - neutered dog (per month)	\$4.00 - non-refundable
BUSINESS LICENSE FEES	
Providers of services, wholesalers and manufacturers with a fixed place of business within the town limits	\$50.00/application and first year fee - non-refundable
Retail merchants, restaurants, bars, contractors and renters of real and personal property with a fixed place of business within the town limits and persons engaging in the sale of real estate	\$50.00/application and first year fee - non-refundable
Wholesalers, manufacturers and providers of services without a fixed place of business within the town limits	\$50.00/application and first year fee - non-refundable
Retail merchants, etc. (as above) without a fixed place of business within the town limits	\$50.00/application and first year fee - non-refundable
Annual renewal fee for business within the town limits	\$35.00 - non-refundable
Annual renewal fee for business without a fixed place of business within the town limits	\$50.00 - non-refundable
Late fee for renewal of business license fee	25% of renewal fee
Penalty for operating a business without a license	\$100.00



Description	Fee FY16-17
<i>BUSINESS LICENSE FEES (CONT.)</i>	
Peddlers, solicitors and mobile merchants	\$250.00/calendar quarter or fraction thereof - non-refundable
Peddler investigation fee (per person)	\$25.00 - non-refundable
Promoters of entertainments, circuses, bazaars, etc., who receive a percentage of receipts or other consideration for their services. Each such promoter shall also obtain liability insurance of a minimum of \$1 million naming the Town as insured.	\$100.00/week
Animal Show	\$100.00/week
Circus Parade Only	\$50.00/day
Handbill Distributor	\$10.00/day
Amusement Company, such as ferris wheel, merry - go - round, etc., not part of a circus. Tent Show. Wrestling Exhibition. Road Show, Carnival or Circus.	\$100.00/day
Practice of palmistry, phrenology, astrology, fortune telling, mind reading, clairvoyancy, magic or any healing practices not licensed by the State of Arizona, or any similar calling without a fixed place of business	\$50.00/day
Duplicate Business License	\$10.00 - non-refundable
Verification of License Letter	\$10.00 - non-refundable
<i>FALSE ALARM SERVICE CHARGES (PER CALENDAR YEAR)</i>	
First and second	None
Third	\$50.00
Fourth	\$75.00
Fifth and Sixth	\$100.00
Seventh or more	\$200.00 each
<i>FIRE ALARM LICENSE</i>	
License fee	\$25 - non-refundable
<i>WIRELESS COMMUNICATIONS (CELL TOWER ON TOWN PROPERTY)</i>	
Lease Agreement Application Fee, each location	\$100.00, per location - non-refundable
Amendments to Cell Tower Lease Agreements	\$100.00 - non-refundable



Description	Fee FY16-17
SPECIAL EVENT PERMITS	
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- Festival Event	\$2,500/ day
Park/ Open Space Fees- Mega Event	\$3,500/ day
Special Event Permits - Deposit Fees	
Events with < 1,000 attendance	\$500
Events with 1,000 - 2000 attendance	\$1,000
Festival Events (2-5k attendance)	\$2,500
Mega Events (>5k attendance)	\$5,000
Special Event Permit Fees - Road Closure Admin Fees	
Events with < 1,000 attendance	\$500
Events with 1,000 - 2000 attendance	\$750
Festival Events (2-5k attendance)	\$1,000
Mega Events (>5k attendance)	\$1,500
Special Event Permit Fees - Vendor Compliance Fine	
First time penalty	\$250
Recurring penalty	\$750



Description	Fee FY16-17
ALCOHOL LICENSE APPLICATION	
Person Transfer Fee	\$150.00 - non-refundable
Location Transfer Fee	\$150.00 - non-refundable
Probate/Will Assignment/Divorce Decree	\$150.00 - non-refundable
Extension of Premise	\$25.00 - non-refundable
Sampling Permit	\$25.00 - non-refundable
Initial/Interim Application Fee	
01 - In State Producer	\$500.00 - non-refundable
02 - Out of State Producer	\$500.00 - non-refundable
03 - Domestic Microbrewery	\$500.00 - non-refundable
04 - In State Wholesaler	\$500.00 - non-refundable
05 - Government	\$500.00 - non-refundable
06 - Bar, All Spirituous Liquors	\$500.00 - non-refundable
07 - Beer & Wine Bar	\$500.00 - non-refundable
08 - Conveyance	\$500.00 - non-refundable
09 - Liquor Store	\$500.00 - non-refundable
10 - Beer & Wine Store	\$500.00 - non-refundable
11 - Hotel/Motel	\$500.00 - non-refundable
12 - Restaurant	\$500.00 - non-refundable
13 - Domestic Farm Winery	\$500.00 - non-refundable
14 - Private Club	
15 - Special Event	\$25.00 - non-refundable
16 - Wine Festival/Wine Fair	\$25.00 - non-refundable
ADULT ORIENTED BUSINESS LICENSE	
Application Fee - Business	\$500.00 - non-refundable
Application Fee - Provider	\$100.00 - non-refundable
Application Fee - Manager	\$100.00 - non-refundable
Application Fee - Employee (per person)	\$50.00 - non-refundable
License Fee - annual - Business	\$200.00 - non-refundable
License Fee - annual - Provider	\$100.00 - non-refundable
License Fee - annual - Manager	\$100.00 - non-refundable
CABLE LICENSE	
Initial License Application	\$2,500.00 - non-refundable
Transfer of ownership	\$2,000.00 - non-refundable
License modification, pursuant to 47 USC Sec 545	\$2,500.00 - non-refundable
Other License modification	up to \$2000 - non-refundable
License fee - quarterly	5% of gross receipts
Late fee (after 30 days)	5% plus interest of 1 1/2% per mo



Description	Fee FY16-17
EXCAVATIONS/IN - LIEU FEES	
Base fee (per excavation)	\$250.00 plus:
Trench cut fees:	
Newly paved or overlaid 0 - 1 yrs	\$55.00 per lineal 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.
ENCROACHMENT/ENGINEERING PERMITS	
Base Permit Fee	\$50.00 - non-refundable
2"/6" Paving A.C.	\$.35 per sq. yd.
1" Paving - Overlay or Top Course	\$.15 per sq. yd.
1" ABC or Select Subbase	\$.05 per sq. yd.
Permanent Barricading	\$25.00 ea.
Guard Rail/Hand Rail	\$.20 per linear ft.
Survey Monuments	\$10.00 ea.
Concrete Aprons	\$15.00 ea.
Scuppers	\$15.00 ea.
Review for Adjustments MH, etc.	\$10.00 ea.
4" Paving - PC Concrete	\$.22 per sq. yd.
Decorative Sidewalk or Paving	\$.30 per linear ft.
Sidewalk & Bike path	\$.30 per linear ft.
Curb & Gutter	\$.20 per linear ft.
Valley Gutter	\$.50 per linear ft.
Sign (regulator, street etc.)	\$5.00 ea.
Pavement Cuts	\$2.00 per linear ft.
Driveway/Driveway Modifications	\$30.00 ea.
Utility, Water Line, Sewer Line Trench	\$.15 per linear ft.
Drywells (maxwell or similar)	\$100.00 ea.
Storm Drain Pipe	\$2.00 per linear ft.
Catch Basins, Headwells	\$50.00 ea.



Description	Fee FY16-17
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
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/Haul Permit	\$210.00



Description	Fee FY16-17
DEVELOPMENT SERVICES FEES	
Easement or Right-of-Way Abandonment	\$350.00
Hillside Protection Reconfiguration and/or Replacement of Hillside Protection Easement	\$350.00
Revocation Administrative Fee	\$300.00
Engineering Plan Review Fee	\$350.00 per sheet
Final Plat Improvement:	
Plan Checking	\$350.00 per sheet (includes 2nd and 3rd reviews)
Except water and sewer plans	\$175.00 per sheet (includes 2nd and 3rd reviews)
Water and sewer plans only	\$200.00 per sheet with corrections (4th + reviews); \$75.00 per sheet for addendums (changes made after approval).
Engineering Report/Calculations Review Fee (Drainage, Environmental, Traffic, Structural, Water, Sewer, etc.)	\$350.00 per report
Failure to barricade or improper barricading	Up to \$1,000
New/Address Change	\$25.00
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
DEVELOPMENT FEES	
Single Family Residential	\$1,601
Multi - Family Residential	\$1,601/dwelling
Commercial	\$0.243/Sq. ft.
Office	\$0.243/Sq. ft.
Hotel	\$0.243/Sq. ft.
Industrial	\$0.243/Sq. ft.
Fee Detail (From Above)	
Park & Recreation	
Residential ⁽¹⁾	\$1,301/dwelling
Fire and Emergency	
Residential ⁽¹⁾	\$300/dwelling
Non - Residential ⁽²⁾	\$0.243/Sq. ft.
<i>⁽¹⁾ Residential includes single and multi - family dwelling units</i>	
<i>⁽²⁾ Non - residential includes commercial and industrial square footage</i>	



Description	Fee FY16-17
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
Concept Plans or Design Review or 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
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.
Landscape Plan Review	\$420.00 plus \$ 2,500.00 refundable deposit **
Notification fee	\$5.00 per mailing label and \$ 60.00 per newspaper posting as appropriate
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 Unit Developments (PUD)	\$2,000.00 plus \$100 per acre or portion thereof plus notification *
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>)	\$24.00 first page for plat filed for record, + \$20.00 per page for each additional copy, and; \$9.00 for each instrument, + \$1.00 for each additional page over 5 pages.
Replats (lot joins, lot divisions, lot line adjustments)	\$500.00 up to three lots, more than 3 lots use Final Plat fees ^
Rezones (Map)	\$2,000.00 plus \$100 per acre or portion thereof plus notification * ^
Saguaro Cactus Permit	\$90.00
Special Use Permits and amendments	\$500.00 plus notification * ^ - non-refundable
Temporary Use Permits	\$200.00 plus notification * - non-refundable
Temporary Visitor Permit (RV Parking):	\$25.00
Time Extension Fee	\$100.00
Tract Housing	\$500.00 per Standard Plan + \$100 per House Façade Variant
Variances	\$1,000.00 plus \$300.00 for each additional variance plus notification * ^
Zoning Verification Letter	\$200.00
*Plus a notification charge of \$5.00 per mailing label and/or \$60 per newspaper posting as appropriate.	
** Deposit refundable upon landscaping approval by Town.	
^ All fees include up to 3 reviews by staff. Any additional reviews will be subject to an additional fee equal to 25% of the original fee. The "recording fee" is per Maricopa County's Fee Schedule and is, therefore, subject to change.	



Description	Fee FY16-17
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 only (If Town has all records and within current Code cycle)	\$400.00
Permit Extensions - Residential remodel only (If Town has all records and within current Code cycle)	\$100.00
Refund for cancelled Single Family Home permit	35% of building permit fee paid - request must be made within 180 days of original payment
Penalty for failure to obtain a building permit	50% of Bldg Permit/Plan Review Fee



Description	Fee FY16-17
BUILDING PERMIT/PLAN CHECK - COMMERCIAL	
Commercial Building Permit (Includes Permit and Plan Review)	
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.) 100,000 livable Sq. ft.)	
Livable Area with A/C	\$.60 Sq. ft.
Covered Area (non - A/C)	\$.37 Sq. ft.
Apartments/Condominiums with 4 or more units & recurring floor plans (Over 100,000 livable sq. ft.) 100,000 livable Sq. ft.)	
Livable Area with A/C	\$.53 Sq. ft.
Covered Area (non - A/C)	\$.33 Sq. ft.
Specialized Permits (Includes Permit and Plan Review)	
Solar Photovoltaic	\$140.00
Fence Walls	\$70 plus \$.15 Lf (Linear Footage)
Retaining Walls	\$70 plus \$1.53 LF (Linear Footage)
Pools & Spas Attached	\$290 plus \$.90 Sq. ft.
Stand Alone Spas	\$235.00
Landscape Plan Review	\$420.00 plus \$ 2,500.00 refundable deposit **



Description	Fee FY16-17
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 Replacement Only)	\$50.00 per sign
Sign Permit, greater than 32 Sq. ft. (Face Replacement Only)	\$100.00 per sign
Sign Permit, less than 32 Sq. ft. (New)	\$190.00 per sign
Sign Permit, greater than 32 Sq. ft. (New)	\$240.00 per sign
Miscellaneous Plan Review	
Minimum Plan Review	\$70.00 per hour (1 - hour Minimum)
Revisions to Approved Plans	\$70.00 per hour (1 - hour Minimum)
Over the Counter Permits (No Plan Review Fee Required)	
Plumbing - Water heater replacement/solar (minor)	\$70.00
Mechanical - HVAC replacement (minor)	\$70.00
Electrical - panel repair (minor)	\$70.00
Demolition (minor)	\$120.00
Plan Review Add On (After 3rd Review)	50% of Bldg Permit/Plan Review Fee
Reinspection Fee	\$150.00 per trip
Permit Extensions - Commercial new construction only (If Town has all records and within current Code cycle)	\$400.00
Permit Extensions - Commercial remodel only (If Town has all records and within current Code cycle)	\$100.00
Penalty for failure to obtain a building permit	50% of Bldg Permit/Plan Review Fee
Refund for cancelled Commercial Building permit (must be done in writing)	35% of building permit fee paid - request must be made within 180 days of original payment
Appeal of Decision by Building Official/Fire Marshall	\$1,000 plus notification * ^



Description	Fee FY16-17
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	\$15.00
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
SENIOR SERVICES ANNUAL MEMBERSHIP FEES (CALENDAR YEAR)	
Resident	\$20.00
Non - Resident	\$30.00
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 and other lawns	\$400/half day \$750/ Full day
⁽¹⁾ 10% wedding discount when combined with Community Center Rental	



Description	Fee FY16-17
PARK FACILITY RENTALS (CONT.)	
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)	
Athletic Field – Prep & Bases	
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 and other lawns	\$750/half day \$1,400/ Full day
⁽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	
Athletic Field – Prep & Bases	
Alcohol Permit with Park Reservation	\$10.00 for 50 Consuming Adults - non-refundable
Fountain Operation	\$265.00 Per Half - Hour
Staff - 2 hour minimum	\$21.00 - \$38.00 Per Hour
Recreation Fees	
Program Cancellation Fee	\$10.00



Description	Fee FY16-17
COMMUNITY CENTER RENTALS	
Community Center Rental - Resident/Organization (Tier 2) ⁽²⁾	Per Hour
Any Meeting Room - 2 hour minimum	\$17.00
One Ballroom (30 - 90 people) Minimum 4 hours	\$36.00
Two Ballrooms *(91 - 160 people) Minimum 4 hours	\$72.00
Three Ballrooms*(161 - 250 people) Minimum 4 hours	\$108.00
Grand Ballroom *(251 - 450 people) Minimum 4 hours	\$144.00
Lobby ⁽²⁾	Per Hour
4 hour minimum	\$34.00
Grand Ballroom & Lobby ⁽²⁾	
All Day Rate (Monday - Thursday 7:00 am to Midnight)	\$1,760.00
All Day Rate (Friday - Saturday 7:00 am to Midnight)	\$2,200.00
Weekend Rates: Friday & Saturday ⁽²⁾ (no rentals on Sunday)	Weekend Rates: Friday-Sunday
Ballroom 3 (includes patio access and views)*	Per Hour
4 hour minimum	\$41.00
Ballroom 4 (includes patio access and views) 4 hour minimum	\$41.00
Tier 2 Groups meeting 6 or More Times per Year:	
4 hour minimum with contract	50% of Resident/Non-Profit rate
Centennial Circle - 3 hour minimum ⁽²⁾	\$75.00
*Ballroom 3 not available as a standalone rental	
⁽²⁾ 10% wedding discount when combined with a Park Rental	



Description	Fee FY16-17
COMMUNITY CENTER RENTALS (CONT.)	
Community Center Rental - Non-Resident/Commercial (Tier 3) ⁽²⁾	Per Hour
Any Meeting Room	\$39.00
One Ballroom (30-90 people) 4 hour minimum	\$83.00
Two Ballrooms *(91 - 160 people) 4 hour minimum	\$166.00
Three Ballrooms*(161 - 250 people) 4 hour minimum	\$249.00
Grand Ballroom *(251 - 450 people) 4 hour minimum	\$332.00
Lobby ⁽²⁾	
4 hour minimum	\$69.00
Grand Ballroom & Lobby ⁽²⁾	
All Day Rate (Monday - Thursday 7:00 am to Midnight)	\$4,400.00
All Day Rate (Friday - Saturday 7:00 am to Midnight)	\$5,500.00
Weekend Rates: Friday & Saturday ⁽²⁾ (no rentals on Sunday)	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
Centennial Circle - 3 hour minimum ⁽²⁾	\$112.50
*Ballroom 3 not available as a standalone rental	
⁽²⁾ 10% wedding discount when combined with a Park Rental	



Description	Fee FY16-17
COMMUNITY CENTER RENTALS (CONT.)	
Community Center Extra Service Fees - Resident/Non-Profit	
Video Projector - Note Vision 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
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



Description	Fee FY16-17
COMMUNITY CENTER RENTALS (CONT.)	
Community Center Extra Service Fees - Non - Resident/Commercial	
Video Projector - Note Vission 3,000 Lumens	\$75.00
Overhead Projector	\$30.00
Slide Projector	\$30.00
27" TV	\$30.00
Large Flat Panel Monitor	\$50.00
Flat Screen TV	\$50.00
VCR or DVD Player	\$20.00
Small Screen	\$10.00
Large Screen (8' x 10')	\$20.00
Large Screen Border	\$30.00
Internet Access	
Hard Wire	\$125.00 per day
Sound Reinforcement	
Wireless Microphones	\$15.00
Speaker Table (Includes Mixing Board)	\$15.00 each
Conference Phone	\$20.00
Portable Sound System (Includes Mixing	\$50.00
CD Player	\$20.00
Electricity (per booth)	
110 V	\$25.00
220 V	\$75.00
Other	
Easel	\$10.00
Papers & Markers	\$20.00
Portable White Board	\$10.00
Walker Display Board	\$10.00
Items for Sale	
25' Extension Cord	\$15.00 each
Power Strip	\$15.00 each
Masking Tape	\$5.00 each
Miscellaneous	
Dance Floor - Per 3' x 3' parquet square	\$5.00
Staging 6' x 8" section	\$10.00
Piano - Tuning Extra	
Upright	\$50.00
Grand	\$100.00
Coffee Service	\$5.00 per (10) 8oz cup pack
Portable Bar	\$50.00
Labor Charges	\$25/hr \$40/hr OT
NOTE: All Rentals Are Subject To Applicable Arizona Sales Taxes	
SENIOR SERVICES ANNUAL MEMBERSHIP FEES (CALENDAR YEAR)	
Resident	\$20.00
Non - Resident	\$30.00



Description	Fee FY16-17
COURT FEES	
Non - Sufficient Funds (checks returned to Court)	\$30.00 per check
Public Defender	Actual costs for appointed attorney
Jail Reimbursement	Actual costs billed by County for jail time served
Jury Costs (assessed if jury trial canceled within five days of trial)	Actual administrative costs
Civil Traffic Default	\$50.00 per defaulted charge
Warrant	\$50.00 per warrant issued
Diversion Program Rescheduling	\$25.00
Court Clerk	\$17.00
Court User	\$30.00 per charge, plus surcharges
Public Records Search	\$2.00 per name
Copies	\$0.50 per page
Certified Copies	\$17.00
Copies of CDs	\$17.00
NOTE: Court fees are subject to change throughout the fiscal year in accordance with State Law and Arizona Supreme Court Rules.	





Schedule of Authorized Positions



Schedule of Authorized Positions

<u>Position Title</u>	FY12-13 Authorized FTE	FY13-14 Authorized FTE	FY14-15 Authorized FTE	FY 15-16 Revised FTE	FY 16-17 Proposed FTE
<u>Municipal Court</u>					
Presiding Judge	1.00	1.00	0.63	0.63	0.63
Court Administrator	1.00	1.00	1.00	1.00	1.00
Senior Court Clerk	1.00	1.00	1.00	1.00	1.00
Court Clerk	2.00	1.00	1.00	1.00	1.00
Authorized FTE	5.00	4.00	3.63	3.63	3.63
<u>Administration</u>					
Town Manager	1.00	1.00	1.00	1.00	1.00
Deputy Town Manager/Finance Director	1.00	1.00			
Administrative Services Director			1.00	1.00	1.00
Executive Asst to Town Mgr/Council	1.00	1.00	1.00	1.00	1.00
Town Clerk	1.00	1.00	1.00	1.00	1.00
Human Resources Administrator/Risk Mgr.	1.00	0.75	-		
Volunteer Coordinator	0.88	0.88	1.00	1.00	1.00
Economic Development Administrator	1.00	-	-	-	
Economic Development Specialist		0.63	1.00	1.00	
Economic Development Director		-	-	-	1.00
Information Technology Coordinator	1.00	1.00	-	-	
Information Technology Administrator	-	-	1.00	1.00	
Information Technology Technician	0.75	0.50			
Network & Information Technology Administrator	-	-	-	-	1.00
Finance Director	-	-	1.00	1.00	1.00
Accounting Supervisor	1.00	1.00	-		
Accountant	-	-	1.00	1.00	1.00
Financial Services Technician	0.75	0.50	1.00	1.00	1.00
Accounting Clerk	0.50	0.50	0.63	0.63	0.63
Accounting Clerk	-	-	-	-	0.63
Customer Service Representative II	0.80	0.80	0.70	1.00	1.00
Authorized FTE	11.68	10.56	11.33	11.63	12.26
<u>Public Works</u>					
Public Works Director	-	-	-	-	1.00
Civil Engineering Inspector	1.00	1.00	1.00	1.00	1.00
Executive Assistant	1.00	1.00	1.00	1.00	1.00
Facilities/Environmental Supervisor	1.00	1.00	1.00	1.00	1.00
Facilities Maintenance Tech	1.50	1.00	1.00	1.00	1.00
Custodian	1.25	1.25	1.30	1.30	1.30
Street Superintendent	1.00	1.00	1.00	1.00	1.00
Fleet Mechanic/Open Space-Landscape Spec	1.00	1.00	1.00	1.00	1.00
Traffic Signal Technician II	1.00	1.00	1.00	1.00	1.00
Street Maintenance Technician	3.00	1.00	1.00	1.00	1.00
Authorized FTE	11.75	9.25	9.30	9.30	10.30



Schedule of Authorized Positions (continued)

<u>Position – Title</u>	FY12-13 Authorized FTE	FY13-14 Authorized FTE	FY14-15 Authorized FTE	FY 15-16 Revised FTE	FY 16-17 Proposed FTE
<u>Development Services</u>					
Development Services Director	1.00	1.00	1.00	1.00	1.00
Town Engineer	1.00	1.00	1.00	1.00	1.00
Senior Planner	1.00	1.00	1.00	1.00	1.00
GIS Technician/CAD Operator	1.00	1.00	1.00	1.00	1.00
Code Enforcement Officer	1.00	1.00	1.00	1.00	1.00
Chief Building Official/Plans Examiner	1.00	1.00	1.00	1.00	1.00
Building Permit Technician	1.00	1.00	1.00	1.00	1.00
Authorized FTE	7.00	7.00	7.00	7.00	7.00
<u>Community Services</u>					
Community Services Director	1.00	1.00	1.00	1.00	1.00
Recreation Supervisor	1.00	1.00	1.00	1.00	1.00
Recreation Program Coordinator	2.00	2.00	2.00	2.00	2.00
Tourism Coordinator	-	-	1.00	1.00	1.00
Executive Assistant	1.00	1.00	1.00	1.00	1.00
Parks Supervisor	1.00	1.00	1.00	1.00	1.00
Park Operations Lead	2.00	1.00	1.00	1.00	3.00
Lead Park Attendant	-	-	0.49	0.49	0.49
Park Attendant	-	-	1.96	1.96	1.96
Groundskeeper	3.00	3.00	3.00	3.00	1.00
Customer Service Representative II	0.30	0.30	0.30	-	-
Events & Operations Supervisor - CC			1.00	1.00	1.00
Operations Coordinator - Community Center	1.00	1.00	1.00	1.00	1.00
Operations Support Worker	1.65	1.65	1.65	1.65	1.65
Customer Service Representative I	1.00	1.00	0.88	0.88	0.88
Senior Services Supervisor	1.00	1.00	1.00	1.00	1.00
Senior Services Activities Coordinator	0.58	0.58	0.58	0.58	0.58
Home Delivered Meals Coordinator	0.75	0.75	0.75	0.75	0.75
Senior Services Assistant	0.45	0.45	0.45	0.45	0.45
Authorized FTE	21.18	20.18	21.06	20.76	20.76
Total Authorized FTE	<u>56.61</u>	<u>50.99</u>	<u>52.32</u>	<u>52.32</u>	<u>53.95</u>

Compared to the high of 115 FTEs in FY01-02, the current level of 54 FTEs represents a total decrease of 53% over a fifteen 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



FY16-17 PAY PLAN
(adjusted by 5.0%)

Exempt Positions

<u>Position Title</u>	<u>Minimum</u>	<u>Maximum</u>	<u>Previous Range</u>
Finance Director	\$ 89,676	\$ 127,529	\$ 85,406 - \$ 121,456
Public Works Director	88,300	125,571	84,095 - 119,592
Development Services Director	88,300	125,571	84,095 - 119,592
Town Engineer	84,884	120,713	80,842 - 114,965
Administrative Services Director	79,437	112,968	75,654 - 107,588
Community Services Director	79,129	112,529	75,361 - 107,171
Court Administrator	70,886	100,807	67,511 - 96,007
Town Clerk	65,165	92,671	62,062 - 88,258
Economic Development Director	63,352	90,094	60,336 - 85,804
Chief Building Official/Plans Examiner	62,706	89,174	59,720 - 84,927
Street Superintendent	61,391	87,304	58,468 - 83,147
Senior Planner	61,139	86,945	58,227 - 82,805
Network and Information Technology Administrator	57,532	85,697	51,774 - 73,628
Recreation Supervisor	56,940	80,975	54,229 - 77,119
Parks Supervisor	55,003	78,220	52,384 - 74,495
Facilities/Environmental Supervisor	53,483	76,059	50,936 - 72,437
Events and Operations Supervisor - Comm. Ctr.	49,861	70,907	47,486 - 67,530
Executive Assistant to Town Manager/Council	49,508	70,405	47,150 - 67,052
Senior Services Supervisor	47,486	67,530	45,225 - 64,315
Accountant	45,701	64,992	43,525 - 61,897
Recreation Program Coordinator	43,169	61,391	41,114 - 58,468
Tourism Coordinator	43,169	61,391	41,114 - 58,468
Volunteer Coordinator	43,169	61,391	41,114 - 58,468
Community Center Operations Coordinator	40,125	57,062	38,214 - 54,344

Non-Exempt Positions

<u>Position Title</u>	<u>Minimum</u>	<u>Maximum</u>	<u>Previous Range</u>
GIS Technician/CAD Operator	\$ 24.22	\$ 34.44	\$ 23.06 - \$ 32.80
Traffic Signal Technician II	23.62	33.60	22.50 - 32.00
Civil Engineer Inspector	21.03	29.91	20.03 - 28.48
Code Enforcement Officer	19.74	28.07	18.80 - 26.73
Executive Assistant	19.74	28.07	18.80 - 26.73
Fleet Mechanic/Open Space-Landscape Specialist	19.25	27.38	18.34 - 26.08
Park Operations Lead	19.25	27.38	18.34 - 26.08
Facilities Maintenance Technician	17.82	25.35	16.97 - 24.14
Building Permit Technician	17.36	24.69	16.53 - 23.51
Senior Court Clerk	16.89	24.01	16.08 - 22.87
Street Maintenance Technician	16.89	24.01	16.08 - 22.87
Court Clerk	16.14	22.96	15.38 - 21.86
Financial Services Technician	16.14	22.96	15.38 - 21.86
Accounting Clerk	15.62	22.21	14.87 - 21.15
Customer Service Representative II	15.62	22.21	14.87 - 21.15
Senior Services Activities Coordinator	15.28	21.73	14.56 - 20.70
Lead Park Attendant	15.28	21.73	14.56 - 20.69
Customer Service Representative I	13.92	19.79	13.25 - 18.85
Home Delivered Meals Coordinator	13.61	19.36	12.97 - 18.44
Groundskeeper	13.61	19.36	12.97 - 18.44
Operations Support Worker	13.61	19.36	12.97 - 18.44
Custodian	12.58	17.89	11.98 - 17.04
Park Attendant	12.58	17.89	11.98 - 17.04
Senior Services Assistant	12.58	17.89	11.98 - 17.04



Resolution 2016-07



RESOLUTION 2016-07

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, 2016 AND ENDING JUNE 30, 2017.

WHEREAS, in accordance with the provisions of Title 42, Chapter 17, Arizona Revised Statutes (the "Applicable Law"), the Mayor and Council of the Town of Fountain Hills (the "Town Council") did, on May 5, 2016, prepare (i) a full and complete statement of the Town's financial affairs for the preceding fiscal year, (ii) an estimate of the different amounts that will be required to meet the Town's public expense for the current fiscal year, including all of the items prescribed by ARIZ. REV. STAT. § 42-17102 and (iii) a summary schedule of estimated expenditures and revenues, which was prepared according to forms supplied by the Auditor General and entered in the Town Council's minutes; and

WHEREAS, in accordance with the Applicable Law, and following due public notice, the Town Council met on May 5, 2016, at which meeting any taxpayer was provided the opportunity to appear and be heard in favor of or against any proposed expenditure or tax levy; and

WHEREAS, publication has been duly made as required by law, of said estimates together with a notice that the Town Council would meet on June 2, 2016, at the Fountain Hills Town Council Chambers, for the purpose of hearing taxpayers and with respect to said estimate or any proposed expenditure or tax levy.

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

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

SECTION 2. The statements and schedules attached hereto as Exhibit A and incorporated herein by reference, are hereby adopted as the budget of the Town of Fountain Hills, Arizona, for the fiscal year July 1, 2016 through June 30, 2017.

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]

2074970.1



PASSED AND ADOPTED by the Mayor and Council of the Town of Fountain Hills,
Arizona, June 2, 2016.

FOR THE TOWN OF FOUNTAIN HILLS:

ATTESTED TO:



Linda M. Kavmogh, Mayor



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APPROVED AS TO FORM:



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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.

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.

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 set upon real and personal property by the Maricopa County Assessor for the purpose of levying property taxes.

Asset

The 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 benefitting 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.

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 Refinancing

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

Budget

A financial plan of estimated expenditures and anticipated resources adopted for a specific period of time outlining a plan for achieving council goals and objectives.

Budget Amendment

A change of budget appropriation between expenditure accounts which does not change the legal spending limit adopted by Town Council.

Budget Calendar

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

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

A plan for capital outlay to be incurred each year over a fixed number of years to meet capital needs arising from the Town's long-term needs.

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.

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.



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 functional group of the Town with related activities aimed at accomplishing a major Town service or program.

Depreciation

An accounting transaction which spreads the purchase cost 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.

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 fringe benefits. Included are the government's share of costs for the various retirement, 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.

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.

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.

Full Faith and Credit

A pledge of a government's taxing power to repay debt obligations.



Full-Time Equivalent Position (FTE)

A position converted to the decimal equivalent of a full-time position based on 2,080 hours per year. For example, a part-time typist working for 20 hours per week would be equivalent to a 0.5 FTE.

Fund

An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and changes in these assets and liabilities.

Fund Balance

The excess of the assets of a fund over its liabilities, reserves and carryovers. A balance or carryover that occurs when actual revenues exceed budgeted revenues and/or when actual expenditures are less than budgeted expenditures.

GAAP (Generally accepted accounting principles)

Uniform minimum standards for financial accounting and recording encompassing the conventions, rules, and procedures that define accepted accounting principles.

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.

Goal

A statement of broad direction, purpose, or intent based on the needs of the community. 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.

Indirect Cost

A cost necessary for the functioning of the organization as a whole, but which cannot be directly assigned to one service.

Infrastructure

The physical assets of a government (e.g. streets, public buildings, parks, etc.)

Interfund Transfers

The movement of monies between funds of the same governmental entity.

Intergovernmental

Refers to transactions between different levels of government, e.g. city, county, state and federal.

Intergovernmental Revenue

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

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.

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 Town Council.

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.

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.

Program

A functional grouping of departmental expenditures or activities which are directed toward a common purpose, consistent over time and meet the following criteria: comprehensive, distinctive, practical, and clear. Activities performed by one or more organizational units for the purpose of accomplishing a function for which the Town is responsible.

Property Tax

The total property tax levied by a municipality. Arizona's municipal property tax system is divided into a primary and secondary tax rate. The rate is expressed as dollars per \$100 of assessed valuation.

Primary Property Tax Rate

Arizona statute limits the primary property tax levy amount and municipalities may use this tax for any purpose.

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

Accounts for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes.

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.

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.

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
- 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
- MCFCD**-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

V-Volt

VHF-Very High Frequency

VOIP-Voice Over Internet Protocol

VRF-Vehicle Replacement Fund





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