

RESOLUTION 2015-13

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF FOUNTAIN HILLS, ARIZONA, ADOPTING THE TENTATIVE BUDGET AS THE 2015-2016 FISCAL YEAR BUDGET FOR THE TOWN OF FOUNTAIN HILLS.

WHEREAS, in accordance with the provisions of Title 42, Chapter 17, Arizona Revised Statutes (the “Applicable Law”), the Mayor and Council of the Town of Fountain Hills (the “Town Council”) did, on May 7, 2015, prepare (i) a full and complete statement of the Town’s financial affairs for the preceding fiscal year, (ii) an estimate of the different amounts that will be required to meet the Town’s public expense for the current fiscal year, including all of the items prescribed by ARIZ. REV. STAT. § 42-17102 and (iii) a summary schedule of estimated expenditures and revenues, which was prepared according to forms supplied by the Auditor General and entered in the Town Council’s minutes; and

WHEREAS, in accordance with the Applicable Law, and following due public notice, the Town Council met on May 7, 2015, 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, Resolution EMCFD 2015-04 authorized the issuance and sale of the Eagle Mountain Community Facilities District General Obligation Refunding Bonds, Series 2015, causing modifications to the District budget. Accordingly, the statements and schedules adopted as the tentative budget on May 7, 2015, have been revised; and

WHEREAS, publication has been duly made as required by law, of said estimates together with a notice that the Town Council would meet on June 4, 2015, 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 revised 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, 2015 through June 30, 2016.

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.

PASSED AND ADOPTED by the Mayor and Council of the Town of Fountain Hills,
Arizona, June 4, 2015.

FOR THE TOWN OF FOUNTAIN HILLS:

ATTESTED TO:


Linda M. Kavanagh, Mayor


Bevelyn J. Bender, Town Clerk

REVIEWED BY:

APPROVED AS TO FORM:


Kenneth W. Buchanan, Town Manager


Andrew J. McGuire, Town Attorney

EXHIBIT A
TO
RESOLUTION 2015-13

[Budget Statements and Schedules]

See following pages.

TOWN OF FOUNTAIN HILLS
Summary Schedule of Estimated Revenues and Expenditures/Expenses
Fiscal Year 2016

Fiscal Year	S c h	FUNDS							
		General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Permanent Fund	Enterprise Funds Available	Internal Service Funds	Total All Funds
2015 Adopted/Adjusted Budgeted Expenditures/Expenses*	E	13,220,510	4,142,953	2,008,335	22,353,852	0	0	90,146	41,815,796
2015 Actual Expenditures/Expenses**	E	13,220,510	4,142,953	2,008,335	22,353,852	0	0	90,146	41,815,796
2016 Fund Balance/Net Position at July 1***		7,872,471	2,993,370	173,442	12,794,907			431,885	24,266,075
2016 Primary Property Tax Levy	B	0							0
2016 Secondary Property Tax Levy	B			2,109,477					2,109,477
2016 Estimated Revenues Other than Property Taxes	C	13,901,466	4,900,861	1,082,170	2,398,757	0	0	275,017	22,558,271
2016 Other Financing Sources	D	0	0	0	0	0	0	0	0
2016 Other Financing (Uses)	D	0	0	0	0	0	0	0	0
2016 Interfund Transfers In	D	2,000	411,579	0	827,401	0	0	0	1,240,980
2016 Interfund Transfers (Out)	D	309,194	661,100	0	270,686	0	0	0	1,240,980
2016 Reduction for Amounts Not Available:									
LESS: Amounts for Future Debt Retirement				173,442					173,442
Rainy Day Fund		2,633,811							2,633,811
									0
									0
2016 Total Financial Resources Available		18,832,932	7,644,710	3,191,647	15,750,379	0	0	706,902	46,126,570
2016 Budgeted Expenditures/Expenses	E	13,594,272	5,591,732	3,027,313	14,393,420	0	0	99,555	36,706,292

EXPENDITURE LIMITATION COMPARISON

1. Budgeted expenditures/expenses
2. Add/subtract: estimated net reconciling items
3. Budgeted expenditures/expenses adjusted for reconciling items
4. Less: estimated exclusions
5. Amount subject to the expenditure limitation
6. EEC expenditure limitation

2015	2016
\$ 41,815,796	\$ 36,706,292
(1,539,835)	(936,634)
40,275,961	35,769,658
15,813,576	12,552,089
\$ 24,462,386	\$ 23,217,569
\$ 26,097,167	\$ 26,804,069

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

- * Includes Expenditure/Expense Adjustments Approved in the current year from Schedule E.
- ** Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.
- *** Amounts on this line represent Fund Balance/Net Position amounts except for amounts not in spendable form (e.g., prepaids and inventories) or legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

TOWN OF FOUNTAIN HILLS
Tax Levy and Tax Rate Information
Fiscal Year 2016

	<u>2015</u>	<u>2016</u>
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ <u> </u>	\$ <u> </u>
2. Amount received from primary property taxation in the current year in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18)	\$ <u> </u>	
3. Property tax levy amounts		
A. Primary property taxes	\$ <u> </u>	\$ <u> </u>
B. Secondary property taxes	463,622	2,109,477
C. Total property tax levy amounts	\$ <u>463,622</u>	\$ <u>2,109,477</u>
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$ <u> </u>	
(2) Prior years' levies	<u> </u>	
(3) Total primary property taxes	\$ <u> </u>	
B. Secondary property taxes		
(1) Current year's levy	\$ <u>463,622</u>	
(2) Prior years' levies	<u> </u>	
(3) Total secondary property taxes	\$ <u>463,622</u>	
C. Total property taxes collected	\$ <u>463,622</u>	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	<u> </u>	<u> </u>
(2) Secondary property tax rate	0.1151	0.5246
(3) Total city/town tax rate	<u>0.1151</u>	<u>0.5246</u>
B. Special assessment district tax rates		
Secondary property tax rates - As of the date the proposed budget was prepared, the city/town was operating <u>two (2)</u> 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.

TOWN OF FOUNTAIN HILLS
Revenues Other Than Property Taxes
Fiscal Year 2016

SOURCE OF REVENUES	ESTIMATED REVENUES 2015	ACTUAL REVENUES* 2015	ESTIMATED REVENUES 2016
GENERAL FUND			
Local taxes			
Local Sales Tax	\$ 7,232,640	\$ 7,232,640	\$ 7,317,367
Franchise Tax	316,400	316,400	324,310
Licenses and permits			
Animal License Fees	41,006	41,006	41,832
Business License Fees	111,305	111,305	109,575
Liquor License Fees	1,500	1,500	1,500
Building Permit Fees	390,900	390,900	257,755
Sign Permits	3,350	3,350	3,350
Landscape Permit Fees	1,348	1,348	2,100
Subdivision Fees	21,000	21,000	21,000
Special Event Permits	2,500	2,500	2,500
Engineering Fees	2,500	2,500	2,500
Planning & Zoning Fees	10,000	10,000	10,000
Improvement Plan Review Fees	50,000	50,000	193,316
Intergovernmental			
State Sales Tax	2,048,760	2,048,760	2,148,444
Fire Insurance Premium Tax	35,000	35,000	36,050
Shared Income Tax	2,722,248	2,722,248	2,707,673
Charges for services			
Parks & Rec User Fees	124,850	124,850	135,200
Encroachment Fees	35,000	35,000	20,000
Variances	4,000	4,000	4,000
Inspection Fees	17,000	17,000	17,000
Community Center Rental Fees	101,350	101,350	81,300
Leases & Rents	140,412	140,412	199,531
Fines and forfeits			
Court Fines	150,011	150,011	147,011
Interest on investments			
Interest on Investments	62,424	62,424	50,000
In-lieu property taxes			
Contributions			
Voluntary contributions			
Miscellaneous			
Miscellaneous	53,280	53,280	68,152
Total General Fund	\$ 13,678,784	\$ 13,678,784	\$ 13,901,466

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was

TOWN OF FOUNTAIN HILLS
Revenues Other Than Property Taxes
Fiscal Year 2016

SOURCE OF REVENUES	ESTIMATED REVENUES 2015	ACTUAL REVENUES* 2015	ESTIMATED REVENUES 2016
SPECIAL REVENUE FUNDS			
Highway User Revenue Fund			
Highway User Tax	\$ 1,194,094	\$ 1,194,094	\$ 1,403,324
Vehicle License Tax	867,000	867,000	888,838
In-Lieu Fees	12,000	12,000	12,000
Interest	1,200	1,200	300
Miscellaneous	6,300	6,300	6,000
	<u>\$ 2,080,594</u>	<u>\$ 2,080,594</u>	<u>\$ 2,310,462</u>
Downtown Strategy Fund			
Sales-Excise Tax	\$ 117,540	\$ 117,540	\$ 66,517
Interest			6,000
	<u>\$ 117,540</u>	<u>\$ 117,540</u>	<u>\$ 72,517</u>
Economic Development Fund			
Sales-Excise Tax	\$ 176,400	\$ 160,300	\$ 266,066
	<u>\$ 176,400</u>	<u>\$ 160,300</u>	<u>\$ 266,066</u>
Grants			
Miscellaneous	\$ 1,566,132	\$ 1,433,211	\$ 1,655,000
	<u>\$ 1,566,132</u>	<u>\$ 1,433,211</u>	<u>\$ 1,655,000</u>
Public Art			
Public Art	\$ 15,000	\$ 15,000	\$ 15,000
	<u>\$ 15,000</u>	<u>\$ 15,000</u>	<u>\$ 15,000</u>
Court Enhancement Fund			
Court Enhancement Fund	\$ 14,550	\$ 14,550	\$ 16,450
	<u>\$ 14,550</u>	<u>\$ 14,550</u>	<u>\$ 16,450</u>
Cottonwoods Maintenance District			
Cottonwoods Maintenance District	\$ 4,823	\$ 4,823	\$ 5,366
	<u>\$ 4,823</u>	<u>\$ 4,823</u>	<u>\$ 5,366</u>
Tourism Fund			
Grants	\$	\$	\$ 20,000
			<u>\$ 20,000</u>
Environmental Fund			
Environmental Fee	\$	\$	\$ 540,000
			<u>\$ 540,000</u>
Total Special Revenue Funds	<u>\$ 3,975,039</u>	<u>\$ 3,826,018</u>	<u>\$ 4,900,861</u>

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was

TOWN OF FOUNTAIN HILLS
Revenues Other Than Property Taxes
Fiscal Year 2016

SOURCE OF REVENUES	ESTIMATED REVENUES 2015	ACTUAL REVENUES* 2015	ESTIMATED REVENUES 2016
DEBT SERVICE FUNDS			
General Obligation Debt Service			
Interest Income	210	210	210
	\$ 210	\$ 210	\$ 210
Eagle Mountain CFD	\$ 430,848	\$ 430,848	\$ 416,695
Municipal Property Corp	620,300	620,300	665,265
	\$ 1,051,148	\$ 1,051,148	\$ 1,081,960
Total Debt Service Funds	\$ 1,051,358	\$ 1,051,358	\$ 1,082,170
CAPITAL PROJECTS FUNDS			
Sales Tax-Local	\$ 324,600	\$ 324,600	\$ 332,035
Grants	4,314,000	4,214,000	1,790,000
Interest			12,000
Miscellaneous	8,219,800	8,400,000	154,082
	\$ 12,858,400	\$ 12,938,600	\$ 2,288,117
Law Enforcement Development Fees	\$ 100	\$ 100	\$
Fire/Emergency Development Fees	4,990	4,990	26,580
Parks & Recreation Development Fees	7,500	7,500	78,060
Open Space Development Fees-Interest Only			6,000
	\$ 12,590	\$ 12,590	\$ 110,640
Total Capital Projects Funds	\$ 12,870,990	\$ 12,951,190	\$ 2,398,757
PERMANENT FUNDS			
	\$	\$	\$
	\$	\$	\$
Total Permanent Funds	\$	\$	\$
ENTERPRISE FUNDS			
	\$	\$	\$
Total Enterprise Funds	\$	\$	\$
INTERNAL SERVICE FUNDS			
Internal Service Fund	\$ 62,246	\$ 62,246	\$ 68,555
Vehicle Replacement Fund	168,973	168,973	206,462
	\$ 231,219	\$ 231,219	\$ 275,017
Total Internal Service Funds	\$ 231,219	\$ 231,219	\$ 275,017
TOTAL ALL FUNDS	\$ 31,807,390	\$ 31,738,569	\$ 22,558,271

* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was

TOWN OF FOUNTAIN HILLS
Other Financing Sources/<Uses> and Interfund Transfers
Fiscal Year 2016

FUND	OTHER FINANCING 2016		INTERFUND TRANSFERS 2016	
	SOURCES	<USES>	IN	<OUT>
GENERAL FUND				
Economic Development fund	\$	\$	\$	\$ 50,000
Facilities Replacement fund				81,715
Excise Tax			2,000	
Environmental Fund				177,479
Total General Fund	\$	\$	\$ 2,000	\$ 309,194
SPECIAL REVENUE FUNDS				
Economic Development Fund	\$	\$	\$ 50,000	\$ 139,100
Tourism Fund			139,100	
HURF-Environmental Fund				45,000
Excise Tax-General Fund				2,000
Excise Tax-Project S6010				275,000
Excise Tax-Project E8502				200,000
Environmental Fund			222,479	
Total Special Revenue Funds	\$	\$	\$ 411,579	\$ 661,100
DEBT SERVICE FUNDS				
Annual Debt Pmt for Community Center	\$	\$	\$	\$
Total Debt Service Funds	\$	\$	\$	\$
CAPITAL PROJECTS FUNDS				
Facilities Replacement Fund	\$	\$	\$ 81,715	\$
Project S6010			275,000	
Project F4005			270,686	
Development Fees-Project F4005				270,686
Project E8502			200,000	
Total Capital Projects Funds	\$	\$	\$ 827,401	\$ 270,686
PERMANENT FUNDS				
Total Permanent Funds	\$	\$	\$	\$
ENTERPRISE FUNDS				
Total Enterprise Funds	\$	\$	\$	\$
INTERNAL SERVICE FUNDS				
Total Internal Service Funds	\$	\$	\$	\$
TOTAL ALL FUNDS	\$	\$	\$ 1,240,980	\$ 1,240,980

TOWN OF FOUNTAIN HILLS
Expenditures/Expenses by Fund
Fiscal Year 2016

FUND/DEPARTMENT	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2015	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2015	ACTUAL EXPENDITURES/ EXPENSES* 2015	BUDGETED EXPENDITURES/ EXPENSES 2016
GENERAL FUND				
Mayor & Town Council	\$ 80,318	\$	\$ 80,318	\$ 80,084
Municipal Court	275,165		275,165	277,107
Administration	2,004,545		2,004,545	2,166,210
Development Services	1,870,734		1,870,734	1,624,530
Community Services	2,194,021	(19,002)	2,175,019	2,260,574
Law Enforcement	3,379,630		3,379,630	3,683,970
Fire & Emergency Medical	3,435,099		3,435,099	3,501,797
Total General Fund	\$ 13,239,512	\$ (19,002)	\$ 13,220,510	\$ 13,594,272
SPECIAL REVENUE FUNDS				
Highway User Revenue Fund	\$ 2,387,204	\$	\$ 2,387,204	\$ 2,798,025
Downtown Strategy Fund	114,079		114,079	80,886
Economic Development Fund	126,741		126,741	182,001
Tourism Fund	110,175	16,100	126,275	136,921
Public Art Fund	15,000		15,000	15,000
Court Enhancement Fund	80,615		80,615	80,615
Grants Fund	1,566,132	(276,693)	1,289,439	1,655,000
Cottonwoods Maint District	3,600		3,600	4,043
Environmental Fund				639,241
Total Special Revenue Funds	\$ 4,403,546	\$ (260,593)	\$ 4,142,953	\$ 5,591,732
DEBT SERVICE FUNDS				
General Obligation Bonds	\$ 472,100	\$	\$ 472,100	\$ 2,094,722
Eagle Mountain CFD	423,035		423,035	411,851
Municipal Property Corp	1,113,200		1,113,200	520,740
Total Debt Service Funds	\$ 2,008,335	\$	\$ 2,008,335	\$ 3,027,313
CAPITAL PROJECTS FUNDS				
Capital Projects	\$ 22,207,830	\$ 2,250	\$ 22,210,080	\$ 14,262,885
Law Enforcement Dev Fee				
Fire/Emergency Dev Fee				
Streets Dev Fee				
Open Space Dev Fee				535
Library/Museum Dev Fee				
Facilities Replacement Fund		143,772	143,772	130,000
Total Capital Projects Funds	\$ 22,207,830	\$ 146,022	\$ 22,353,852	\$ 14,393,420
PERMANENT FUNDS				
Total Permanent Funds	\$	\$	\$	\$
ENTERPRISE FUNDS				
Total Enterprise Funds	\$	\$	\$	\$
INTERNAL SERVICE FUNDS				
Internal Service	\$ 72,394	\$	\$ 72,394	\$ 68,555
Vehicle Replacement	1,000	16,752	17,752	31,000
Total Internal Service Funds	\$ 73,394	\$ 16,752	\$ 90,146	\$ 99,555
TOTAL ALL FUNDS	\$ 41,932,617	\$ (116,821)	\$ 41,815,796	\$ 36,706,292

* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget

TOWN OF FOUNTAIN HILLS
Expenditures/Expenses by Department
Fiscal Year 2016

DEPARTMENT/FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2015	EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2015	ACTUAL EXPENDITURES/ EXPENSES* 2015	BUDGETED EXPENDITURES/ EXPENSES 2016
Mayor & Council				
General Fund	\$ 80,318	\$	\$ 80,318	\$ 80,084
Mayor & Council Total	\$ 80,318	\$	\$ 80,318	\$ 80,084
Administration				
General Fund	\$ 2,004,545	\$	\$ 2,004,545	\$ 2,166,210
Downtown Strategy Fund	114,079		114,079	80,886
Economic Development Fund	126,741		126,741	182,001
Special Revenue Fund	1,566,132	(276,693)	1,289,439	1,655,000
General Obligation Debt	472,100		472,100	2,094,722
Municipal Property Corp	1,113,200		1,113,200	520,740
Cottonwoods Maint District	3,600		3,600	4,043
Capital Projects	2,055,080		2,055,080	342,885
Internal Service	72,394		72,394	68,555
Vehicle Replacement	1,000	16,752	17,752	31,000
Administration Total	\$ 7,528,871	\$ (259,941)	\$ 7,268,930	\$ 7,146,042
Municipal Court				
General Fund	\$ 275,165	\$	\$ 275,165	\$ 277,107
Court Enhancement Fund	80,615		80,615	80,615
Municipal Court Total	\$ 355,780	\$	\$ 355,780	\$ 357,722
Development Services				
General Fund	\$ 1,870,734	\$	\$ 1,870,734	\$ 1,624,530
Highway User Revenue Fund	2,387,204		2,387,204	2,798,025
Environmental Fund				639,241
Eagle Mountain CFD	423,035		423,035	411,851
Capital Projects	15,808,000		15,808,000	9,140,000
Streets Development Fee				
Facilities Replacement Fund		143,772	143,772	130,000
Development Services Total	\$ 20,488,973	\$ 143,772	\$ 20,632,745	\$ 14,743,647
Community Services				
General Fund	\$ 2,194,021	\$ (19,002)	\$ 2,175,019	\$ 2,260,574
Tourism Fund	110,175	16,100	126,275	136,921
Public Art Fund	15,000		15,000	15,000
Capital Projects	1,714,750	2,250	1,717,000	1,130,000
Open Space Development Fee				535
Library/Museum Dev Fee				
Community Services Total	\$ 4,033,946	\$ (652)	\$ 4,033,294	\$ 3,543,030
Fire & Emergency Medical				
General Fund	\$ 3,435,099	\$	\$ 3,435,099	\$ 3,501,797
Capital Projects	2,630,000		2,630,000	3,650,000
Fire/Emergency Dev Fee				
Fire & Emergency Medical Total	\$ 6,065,099	\$	\$ 6,065,099	\$ 7,151,797
Law Enforcement				
General Fund	\$ 3,379,630	\$	\$ 3,379,630	\$ 3,683,970
Law Enforcement Dev Fee				
Law Enforcement Total	\$ 3,379,630	\$	\$ 3,379,630	\$ 3,683,970

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

TOWN OF FOUNTAIN HILLS
Full-Time Employees and Personnel Compensation
Fiscal Year 2016

FUND	Full-Time Equivalent (FTE) 2016	Employee Salaries and Hourly Costs 2016	Retirement Costs 2016	Healthcare Costs 2016	Other Benefit Costs 2016	Total Estimated Personnel Compensation 2016
GENERAL FUND	45.47	\$ 2,542,462	\$ 238,168	\$ 349,124	\$	\$ 3,129,754
SPECIAL REVENUE FUNDS						
Highway User Revenue Fund	4.50	\$ 268,815	\$ 29,570	\$ 55,465	\$	\$ 353,850
Economic Development Fund	1.00	80,866	8,895	12,296		102,057
Tourism Fund	1.10	47,303	5,203	10,137		62,643
Environmental Fund	0.25	17,665	1,943	2,204		21,812
Total Special Revenue Funds	6.85	\$ 414,649	\$ 45,611	\$ 80,102	\$	\$ 540,362
DEBT SERVICE FUNDS						
		\$	\$	\$	\$	\$
Total Debt Service Funds		\$	\$	\$	\$	\$
CAPITAL PROJECTS FUNDS						
		\$	\$	\$	\$	\$
Total Capital Projects Funds		\$	\$	\$	\$	\$
PERMANENT FUNDS						
		\$	\$	\$	\$	\$
Total Permanent Funds		\$	\$	\$	\$	\$
ENTERPRISE FUNDS						
		\$	\$	\$	\$	\$
Total Enterprise Funds		\$	\$	\$	\$	\$
INTERNAL SERVICE FUND						
		\$	\$	\$	\$	\$
Total Internal Service Fund		\$	\$	\$	\$	\$
TOTAL ALL FUNDS	52.32	\$ 2,957,111	\$ 283,779	\$ 429,226	\$	\$ 3,670,116