

Fiscal Year 2014-2015 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, 2013.

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.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

Town of Fountain Hills

Arizona

For the Fiscal Year Beginning

July 1, 2013

Jeffrey R. Egan

Executive Director

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BUDGET MESSAGE

June 5, 2014

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, 2014, and ending June 30, 2015 (FY14-15). This budget is balanced and designed to convey to the public a budget message that articulates priorities and issues for the upcoming fiscal year. The budget also highlights any issues facing the staff in developing the budget, as well as short-term financial and operational policies that were instrumental in guiding the development of the annual budget. Although each fund should be viewed individually, the Town's proposed total budget, including all funds, is estimated at \$44.8 million in expenditures, with projected revenues of \$35.2 million. It is important to note that the budget includes the use of one-time resources such as one-time accumulated reserves and grant funds as well. These funds cannot be relied upon for on-going operations of the Town.

The budget process involves participation of members of the Executive Budget Committee consisting of Department Directors, Finance staff, and the Town Manager. The Committee was assigned the task of prioritizing expenditure requests to meet the Council goals and provide a sustainable level of service with the resources available. This budget is the product of that process and accomplishes that goal. The primary focus of the proposed budget is usually the operating fund, or General Fund, the Town's largest fund, which supports basic services. With the economic downturn came declining revenues. Developing the proposed budget, therefore, required making choices to achieve a budget that balances the available resources with the Council goals, while maintaining a level of service to support a high quality of life in Fountain Hills.

Long-Term Concerns and Issues

The primary long-term issues that the Town of Fountain Hills is facing are:

- Aging infrastructure
- Decreased proportionate share of State Shared revenues due to increased population of surrounding communities
- Lack of sustainable or diversified revenue base
- Dependence upon State Shared revenues
- Living Wage Job Creation through business attraction and retention
- Unknown legislation impacting revenues

Strategic Goals and Priorities

Fountain Hills developed its first Strategic Plan in 2005 through a citizen-driven planning process. *Strategic Plan 2006-2010* outlined strategic priorities for implementation through 2010. *Strategic Plan 2006-2010* also established the Strategic Planning Advisory Commission (SPAC), a Council-appointed body intended to foster implementation of the Strategic Plan.

At the beginning of 2009, SPAC recognized the need to update the Strategic Plan. Subsequently, Strategic Plan 2010 is built upon the foundation of a clearly defined vision statement and eight key values, with specific indicators to evaluate Council and staff priorities. Based on citizen input, the Strategic Plan is designed to guide our future decisions grounded on these common values:

- ☐ Civility
- ☐ Civic Responsibility
- ☐ Environmental Stewardship
- ☐ Economic Vitality
- ☐ Education, Learning and Culture
- ☐ Maintain and Improve Community Infrastructure
- ☐ Public Safety, Health and Welfare
- ☐ Recreational Opportunities and Amenities

Strategic Plan 2010 honors and continues the Fountain Hills tradition of citizen-driven planning. Some of the goals will span decades, so it is essential that the updated Plan provides both long-range direction to achieve our vision yet have the flexibility to implement the latest and best technologies and strategies as opportunities arise.



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.

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.aspx



Action Plans

In order to achieve the broad set of strategic goals, the Town Council held a planning retreat in January 2014 to determine the most important priorities facing the Town of Fountain Hills. Five (5) operational priorities were established as the most important issues that are in need of being addressed by the organization. The nine (9) Strategic Goals were ratified as a guide to further address community-wide priorities. The budget retreat culminated with many of the priorities and goals established earlier and in the Strategic Plan. The Operational Priorities and Strategic Goals addressed in FY14-15 are listed below.



Operational Priorities



FY 14/15 Operational Priorities:

1. Pavement Management Program
2. Economic Development Plan
3. Fountain Lake IGA
4. Fire Station #2
5. Facilities Replacement Fund

The FY14-15 Annual Budget is proposed at \$44,807,389 which is approximately \$3.2 million more than the previous FY13-14 Annual Budget of \$41,655,378. The primary reason for the increase is a renewed investment in capital projects that have been planned over the past five years - \$22.2M of the total.

The Strategic Plan Goals established as priorities in the FY14-15 Annual Budget and their current status are:

1. C 3 - Solicit Public/Stakeholder Feedback as part of the decision-making process.

Every effort has been made with existing personnel and current technology to solicit public/stakeholder feedback as part of the decision-making process. Citizen advisory commissions have contributed input regarding a number of projects, e.g., PSAC for Fire Station relocation; SPAC for the Economic Development Plan; MMPC for trails; and CCAC for review of center rules.

2. CR 4 - Implement a comprehensive communications plan to encourage informed citizen participation in civic life.

Website enhancements are in progress.

3. CR 6 - Evaluate customer satisfaction with Town services on a regular basis and implement appropriate service improvements.

On a citizen and stakeholder complaint basis, service is frequently reviewed and improvements implemented.

4. 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.

Town staff has acted as a "Speakers Bureau" at many of the social and fraternal organizations discussing the "state of the town." The Citizens' Academy allows residents to learn about local government.

5. EV 1 - Develop a comprehensive economic development strategy for the town's future and work with partners to forward economic growth and awareness.

Implementation of the strategies set forth in the Economic Development Plan that was adopted in 2013 is moving forward. Our economic development partners include the Arizona Association for Economic Development and the Greater Phoenix Economic Council.

6. 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).

Potential development is viewed with respect to the concepts adopted by Council in the Downtown Area Specific Plan.

7. EV 4 – Promote Retention, expansion and relocation of quality businesses.

Short-term priorities have been identified in two targeted industry sectors (NAICS 62 and 54). The Town's Economic Development Specialist is focusing on (1) identifying companies with plans to expand and (2) identifying companies with risk of leaving or downsizing.

8. I 2 – Lower the reliance on state revenues by developing a locally controlled, reliable funding source for infrastructure maintenance.

Vehicle License Tax (VLT) funds are placed in a dedicated fund for pavement maintenance.

9. I 3 – Maintain a current condition assessment of all roadways and sidewalks and prioritize and implement maintenance efforts to minimize costly reconstruction.

The 2009 road condition Stantec Report remains valid. The Pavement Management Plan adopted by Council is being implemented. A Pavement Replacement Plan is yet to be programmed and should identify an adequate and dedicated funding source.

Core Services

The Town of Fountain Hills provides the following core services to its citizens and their funding source:

<u>Core Service</u>	<u>Amount</u>	<u>Fund</u>
• Public Safety	\$ 6,826,729	General Fund
• Administration	\$ 2,450,028	General Fund
• Downtown Excise Fund/ED	\$ 2,218,995	Excise Tax
• Development Services	\$ 4,405,310	General Fund
• Community Services	\$ 2,387,521	General Fund
• Debt Service	\$ 2,008,335	Debt Service
• Special Revenue Funds	\$ 1,661,747	Special Revenue
• Capital (includes \$50k DIF Study Fee)	\$ 22,775,330	CIP Fund
• Internal	\$ 73,394	General Fund
Total	\$ 44,807,389	

Funding levels for the core services were affected by the prolonged recession resulting in lower budgets levels, except in Public Safety. The core services of Administration, Development Services and Community Services have been reduced by a total of five (5) employee positions as well as program and operational budget cuts – total full time equivalent employees (FTE's) have been reduced from 88 FTE's in FY07-08 to 51 FTE's in the upcoming fiscal year.

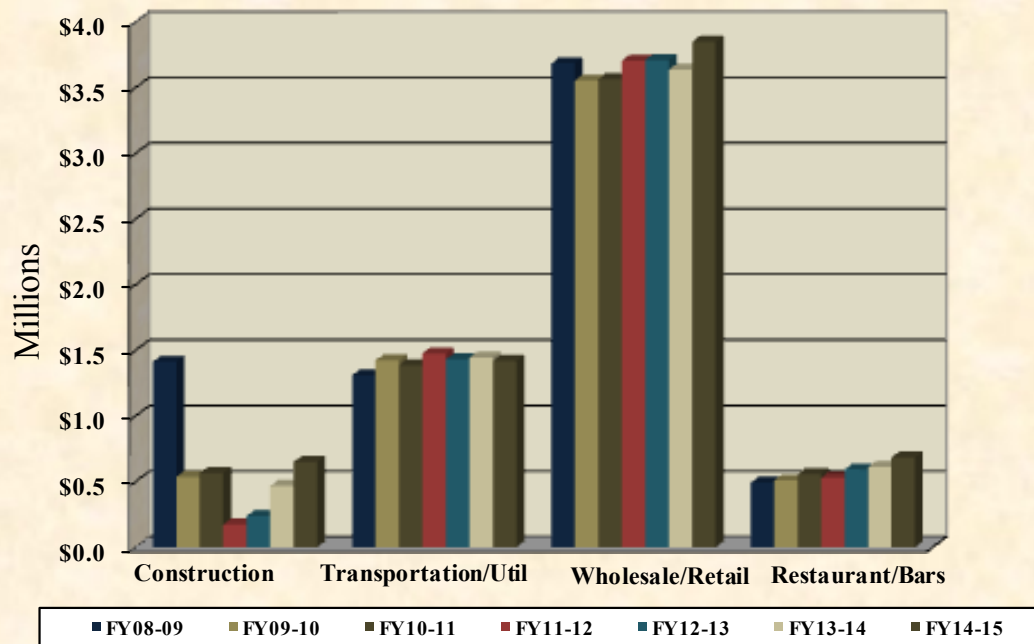
Short Term Goals and Initiatives

During the recession, staff had taken a very conservative outlook when projecting revenues for fiscal years 2009 through 2015 and made deep cuts in expenditures while trying to accomplish the Council's goals. Under the proposed budget, operating revenues for FY14-15 are projected to increase slightly compared to the past three years primarily due to a cautiously optimistic economic forecast in sales tax revenues. The Town relies on primarily two main sources of revenue for operations – State Shared revenues (sales, income and vehicle license taxes from the State) and the local sales tax; combined these two sources contribute almost 90% of the General Fund operating budget (34% and 56% respectively). Shared revenues are shared among cities and towns based on population and based on sales, corporate and personal income tax and are subject to State appropriation. The State has projected that this category of revenues will exceed the prior year by a modest 3% which is reflected in the local revenues. Each year, there is pressure on the State legislature from outside sources to change the allocation formula which threatens to reduce the Town's proportionate share.

Local revenues from construction related permits are beginning to show signs of a moderate recovery – building permits have increased from single family residential permits as shown in the chart below. The local economy also shows some signs of recovery although not in all categories as another chart below summarize the local sales activity both in the past and the future.

By addressing our problems early, and by observing prudent fiscal practices, the Town has minimized our financial exposure going forward. Nevertheless, the General Fund budget process has been challenging for the staff and Council to accommodate the decrease in available resources. In order to balance the budget, not only for the upcoming fiscal year but for the foreseeable future, the Council and staff worked together with a plan that maintains as much of the service level as possible with minimized impact on citizens.

Fountain Hills 2.6% Sales Tax Activity by Sector - FY08-09 thru FY14-15



Building Safety Division

Historical Building Permit Activity

YEAR	Single Family	Duplex		Multi-Family		Total Dwelling Units	Commercial
		Bldg.	Total Units	Bldg.	Total Units		
2003	124	10	20	10	28	172	14
2004	143	7	14	64	154	311	14
2005	165	13	26	187	287	478	9
2006	95	3	6	102	137	238	19
2007	63	0	0	9	18	81	7
2008	25	1	2	2	2	29	7
2009	5	1	2	0	0	7	2
2010	11	0	0	0	0	11	0
2011	7	0	0	0	0	7	0
2012	6	0	0	0	0	6	0
2013	14	0	0	0	0	14	0

Priorities and Issues for FY14-15

To frame the many decisions that have laid the foundation for projections contained in the FY14-15 budget, it is necessary to reflect briefly on the past fiscal year. For Fountain Hills, 2014 began with no expectation of an economic recovery but rather a further decline in revenues; however, the local economy is showing signs of a sustained recovery. The local retail sales tax receipts are maintaining a 6% increase over the prior year and restaurant/bar sales tax receipts are at a level that has previously never been reached. In developing the proposed budget, Town staff follows a zero-based approach, leading to a focused review of services delivered by the Town, increased scrutiny of expenditures, and prioritization of programs to be funded using limited resources. This analysis is made more effective with the introduction, in FY08-09, of new computer software to implement program budgeting. Additionally, the Town remains committed to funding one-time capital projects with one-time revenue sources, such as construction related revenues and surplus General Fund revenues. Ongoing operating costs should be funded with stable and reliable revenue sources.

The principal issues facing the Town Council in developing the FY14-15 budget are:

- Identifying pavement management as a priority on par with public safety
- Allocating resources for pavement replacement
- Allocating resources to maintain the Town's aging infrastructure (roads)
- Establishing resources to fund operational capital maintenance such as facilities
- Threats to the Town's revenue by legislative actions
- Human resource capital to maintain current level of service
- Managing water quality at Fountain Lake
- Local business failures

Steps that the Town has or is taking to deal with the fiscal issues are:

- Established pavement management as a high priority along with public safety
- Allocated resources for annual pavement maintenance of Town roads
- Creating a policy and funding source for maintenance capital expenditures
- Utilizing voter approved bonds in the amount of \$8.2M to reconstruct a major Town road (Saguaro Boulevard)
- Implement the Economic Development Plan
- Working with the Fountain Hills Sanitary District on a joint proposal to manage the water quality at Fountain Lake

Budget Assumptions:

- The local economy appears to have stabilized with razor-thin available funds for the foreseeable future
- Revenue projections are determined using both a trend analysis formula, as well as a flat percentage increase (2%), but are estimates
- Little or no change in the distribution of State Shared revenues
- Maintaining existing level of service (no new programs)

Long Term

The Town's General Fund, as the main operating fund, is projected to remain level over the next five years with no plans for new revenue sources. An annexed parcel of 1,300 acres was previously projected to begin development in FY14-15, however, there have been no indications that the project is moving forward in the near future. The Town has not included any revenue from any new major development within the next five years; new expenditure proposals must consider where the resources to pay for the program will come from, particularly as expenditures begin to outpace revenues in FY17-18. The future projections are based on the following assumptions:

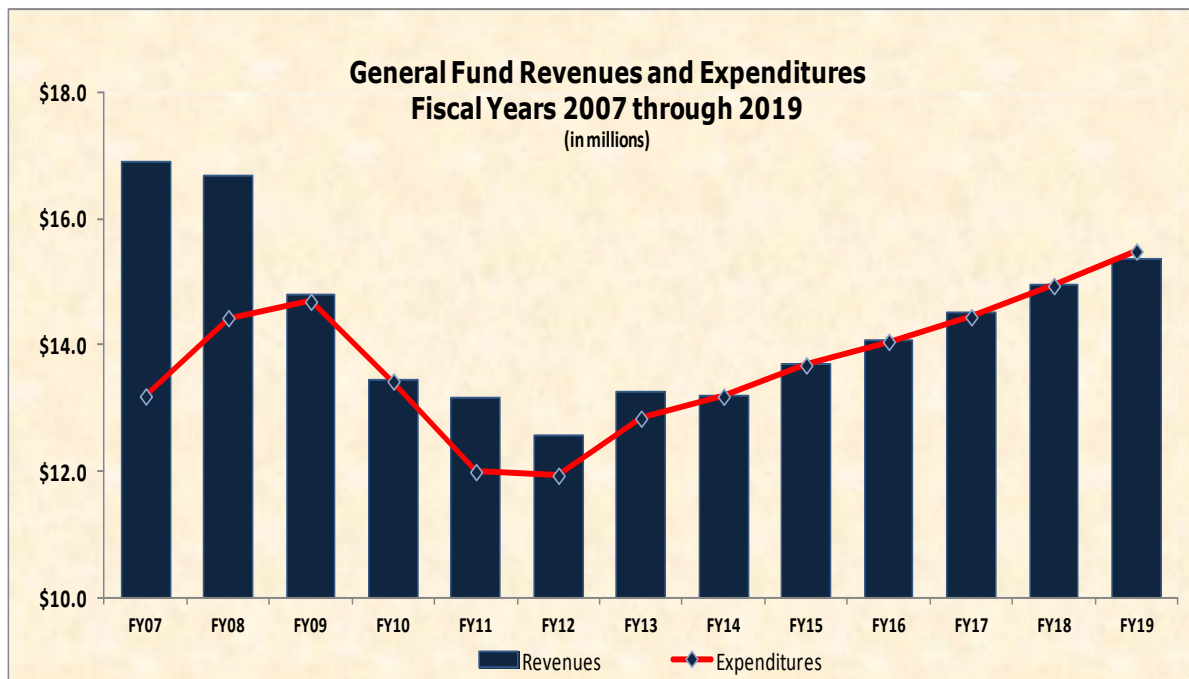
- The annexed Ellman property is not included in the five year future revenue estimates.
- An inflation factor of 2% for Administration, Development Services and Community Services departments has been added to the existing budgets; public safety contracts for Maricopa County Sheriff's Office has been projected at a 4.5% increase and the emergency medical services contract with Rural Metro Corporation is projected at 3% increase for FY14-15 and beyond.
- No increase in staffing levels is projected in the future budget estimates.
- Annual debt service payment for the Community Center bonds is eliminated in FY15-16.
- Transaction Privilege Tax revenue on construction is included in projections; however, should the State TPT Construction Sales Tax laws change, there will be a significant impact to the General Fund and in these estimates as 50% of the construction sales tax is used to fund the capital improvement projects and the other 50% is placed in the General Fund as a revenue source. Reduction in service levels will be affected.

General Fund projections through FY18-19 are shown below:

REVENUES	FY13-14 Estimate	FY14-15 Estimate	FY15-16 Estimate	FY16-17 Estimate	FY17-18 Estimate	FY18-19 Estimate
Intergovernmental	\$4,555,649	\$4,806,008	\$4,936,577	\$5,146,084	\$5,319,292	\$5,336,645
Permits, Licenses, Fees	\$1,008,508	\$932,836	\$947,900	\$966,192	\$986,318	\$1,007,335
Building Revenue	\$299,020	\$390,900	\$544,900	\$571,600	\$595,600	\$661,080
Local Taxes	\$7,319,880	\$7,549,040	\$7,630,635	\$7,831,829	\$8,049,587	\$8,344,565
Total Revenues	\$13,183,057	\$13,678,784	\$14,060,012	\$14,515,705	\$14,950,797	\$15,349,625

EXPENDITURES	FY13-14 Estimate	FY14-15 Estimate	FY15-16 Estimate	FY16-17 Estimate	FY17-18 Estimate	FY18-19 Estimate
Town Council	\$79,702	\$80,318	\$82,326	\$84,384	\$86,494	\$89,089
Administration	\$2,099,420	\$2,094,545	\$2,249,491	\$2,256,103	\$2,352,881	\$2,404,002
Municipal Court	\$362,401	\$275,165	\$282,044	\$289,095	\$296,322	\$305,212
Development Services	\$1,849,107	\$2,014,506	\$2,104,868	\$2,157,490	\$2,211,428	\$2,339,066
Community Services	\$2,252,884	\$2,387,521	\$2,250,303	\$2,306,561	\$2,364,225	\$2,435,151
Public Safety (Police & Fire)	\$6,539,543	\$6,826,729	\$7,082,225	\$7,347,667	\$7,623,457	\$7,910,011
Total Expenditures	\$13,183,057	\$13,678,784	\$14,051,257	\$14,441,300	\$14,934,807	\$15,482,531
Surplus/(Deficit)	\$0	\$0	\$8,755	\$74,405	\$15,990	(\$132,906)

During the slowdown, the Town used the opportunity to restructure the organization for more efficiency, evaluate core services and better connect with our neighborhoods and citizens by concentrating on our core missions as defined by the Mayor and Town Council. The chart below is a historical look at past and future years' General Fund revenues and expenditures. Even though the forecast is cautiously optimistic, the Town remains a long way from returning to revenues of five years ago.



Change in priorities

The challenges of prior years were related to the national economy; however, the economy has experienced a modest recovery since FY11-12. The loss of population created an unanticipated decrease in operating revenue in FY11-12 that will not be recovered without an increase in population with the next census.

The FY14-15 budget continues the Council's priority of infrastructure maintenance, specifically roads and Town-owned facilities. Staff was given direction to identify and allocate resources towards a program that sets aside funding on an annual basis to be used to maintain the Town's assets, such as building, parks and the fountain.

The five-year capital improvement program totals \$22.9 million, a 5.2% decrease from last year's program which had reflected the renewed objective of capitalizing on grant and other funding opportunities to complete projects. This program represents an investment in public facilities and infrastructure over the next five years.

Economic Factors

There are indications that the decline in the local economy has leveled off and has seen slight increases over the past two fiscal years. Other local activity such as restaurants and telecommunications have seen significant and sustained increases which provide signs of optimism. Another sign of recovery is the local construction industry evidenced by increased building permit activity.

The Town's goals are long-term and address the entire organization, such as the long-term impacts of revenue shortfalls related to the decline of construction related activity revenue due to build-out and the continued threat of legislative policies that impact State Shared revenues. The long and short-term forecasts show that the Town's operating costs over the next four years can be sustained provided that there are no increased demands on level of service. However, beginning in the fifth year, projected expenditures will begin to outpace revenues. Given the cyclical nature of the economy, it is difficult to project revenues two or more years into the future with any degree of certainty. However, the long-range forecasts serve as an early warning that the Town must continue to exercise restraint in its long-term fiscal planning. The Town is past its highest historic period of expansion with an economy that is maturing and moving to a slower – and more sustainable level of growth.

Maintenance of the Reserve Fund

During FY11-12, the Town amended the existing financial policy on the classification of fund balance in the annual financial reports; the Resolution created five new classifications of governmental fund balances as required by the Governmental Accounting Standards Board (GASB) Statement No. 54. GASB has found that the usefulness and value of fund balance information that was provided is signifi-

cantly reduced by misunderstandings regarding the message that it conveys, and the inconsistent treatment and financial reporting practices of governments. In order to improve how fund balance information is reported and enhance its decision-usefulness, GASB issued Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions.

The overall principal and goal of GASB Statement No. 54 is to report governmental fund balances based on a hierarchy that shows, from the highest to the lowest, the level or form of constraints on fund balance, and accordingly, the extent to which governments are bound to honor them:

- **Non-spendable** – The initial distinction that is made in reporting fund balance information is identifying amounts that are considered non-spendable, such as fund balance associated with inventories or fixed assets. In Fountain Hills this classification would apply to our fuel inventory, fixed assets, and prepaid items.
- **Restricted** – The restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external reporting providers, or through enabling legislation. In Fountain Hills this classification would apply to Highway User Revenue Fund (HURF), Development Fees, the Special Revenue/Grants Fund, the Court Enhancement Fund, Cottonwoods Maintenance District Fund, and the Debt Service Funds.
- **Committed** – The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. In Fountain Hills this classification would apply to the Rainy Day Fund, Downtown Strategy Fund, Economic Development Fund, Tourism Fund and any General Fund surplus.
- **Assigned** – Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. In Fountain Hills this classification would apply to the Public Art Fund and the Internal Service Funds.
- **Unassigned** – The unassigned fund balance is the residual classification for the government's General Fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classification should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned. In Fountain Hills this classification would be any residual balance of monies not contained in any of the other classifications.

The requirements in GASB Statement No. 54 are intended to improve financial reporting by providing fund balance categories and classifications that will be more easily understood. Elimination of the reserved component of fund balance in favor of a restricted classification will enhance the consistency between information reported in the government-wide statements and information in the governmental fund financial statements and avoid confusion about the relationship between reserved fund balance and restricted net assets.

The fund balance classification approach now requires governments to classify amounts consistently, regardless of the fund type or column in which they are presented. As a result, an amount cannot be classified as restricted in one fund but unrestricted in another. The fund balance disclosure will give users information necessary to understand the processes under which constraints are imposed upon the use of resources and how those constraints may be modified or eliminated. The clarifications of the governmental fund type definitions will reduce uncertainty about which resources can or should be reported in the respective fund types.

Award Program

For the past twelve 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 included in the FY14-15 Fountain Hills budget, its processes, issues and anticipated outcomes. Document sections are cited in order to guide the reader to more in-depth information and explanation of the drivers of Fountain Hills operating budget and capital improvement program.

A Debt of Gratitude

I would like to offer my special thanks to the Fountain Hills Mayor, Town Council members, the numerous Commission Members and our Town Volunteers for their many hours of volunteer service without which the Town could not function in the fine manner that it has over the years. This volunteer core of more than 700 citizens offers Town staff a vast bank of knowledge about subjects that contribute not only to planning for the present, but also for the future of Fountain Hills. I would also like to thank the Town of Fountain Hills Department Directors and their supervisors for their diligence and great effort in preparing their departmental budgets. The Directors and their staff attended several sessions with the Finance Division and Town Manager to justify their programs, develop cost estimates, and answer many questions. The team's efforts have resulted in a balanced budget, which achieves the Council's current goals and assists in future planning towards the vision of Fountain Hills.

Respectfully submitted,



Ken Buchanan
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 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 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 programs that address the needs and lifestyles of active families as well as older adults. The community consists of a total of 13,006 acres of property, primarily residential and open space (9,659 acres or 74%). Of the remaining land, 2,637 acres are developable, with 86 acres being zoned commercial (approximately .7%), 8 acres zoned industrial (.1%), and 1,521 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 Arizona. 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 6.9 units per acre for multi-family housing.

At the end of the year, there were 1,031 vacant single family lots and 60 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

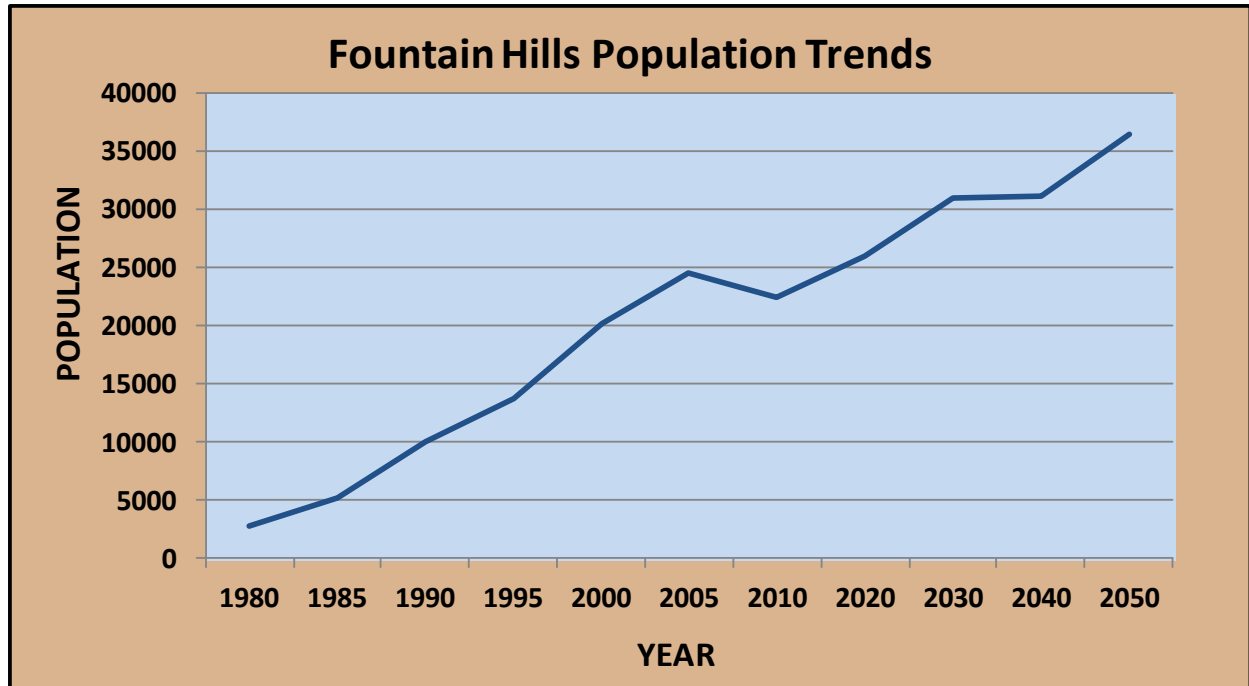
Population 2010	Population Age 0-17 Years	Population Age 18 Years & Over	Percent of Population	
			Population Age 0-17 Years	Population Age 18 Years & Over
22,489	3,230	19,259	14.4%	85.6%

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***

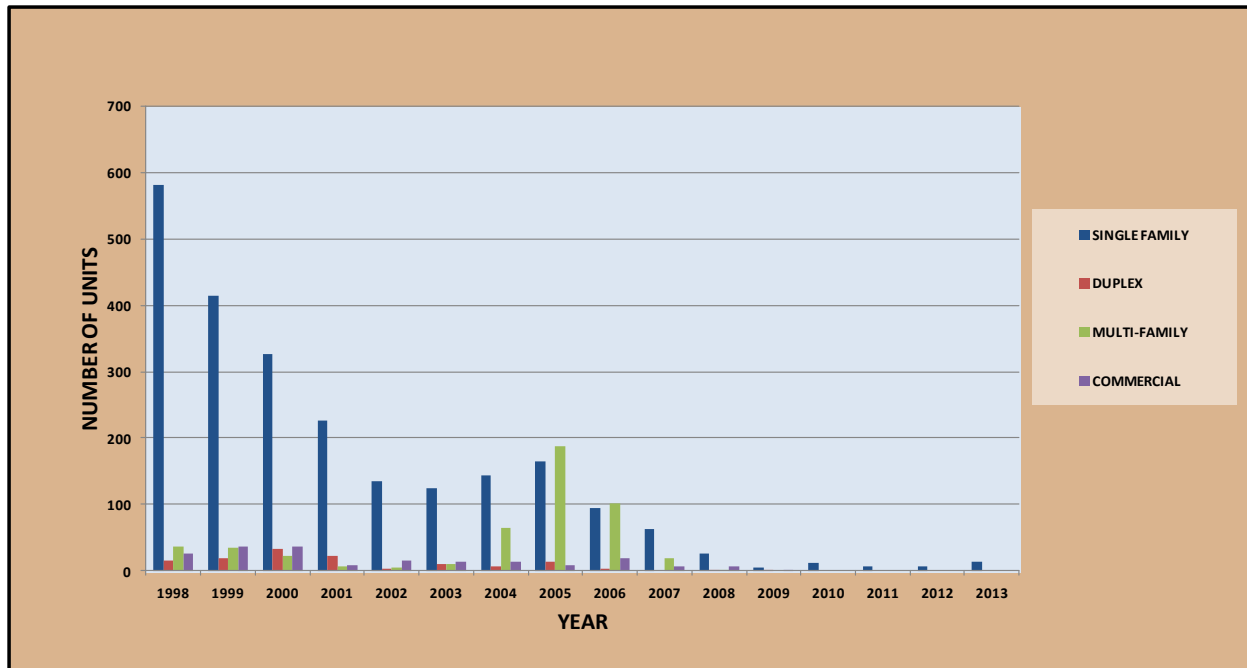
* US CENSUS

** MAG

***TOWN DEVELOPMENT SERVICES

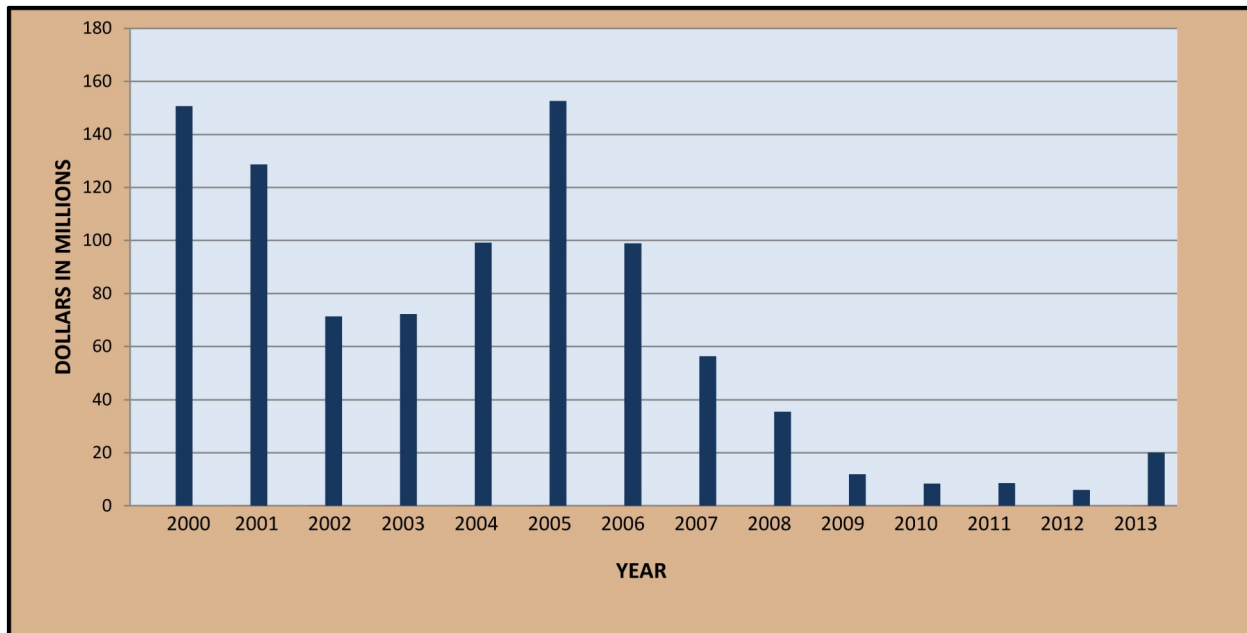


TOWN-WIDE BUILDING PERMITS ISSUED



YEAR	Single Family	Duplex		Multi-Family		Total Dwelling Units	Commercial
		Bldg.	Total Units	Bldg.	Total Units		
1998	582	16	32	36	170	784	26
1999	415	18	36	34	229	680	36
2000	326	33	66	23	97	489	37
2001	227	23	46	6	28	301	8
2002	135	3	6	4	33	174	16
2003	124	10	20	10	28	172	14
2004	143	7	14	64	154	311	14
2005	165	13	26	187	287	478	9
2006	95	3	6	102	137	238	19
2007	63	0	0	9	18	81	7
2008	25	1	2	2	2	29	7
2009	5	1	2	0	0	7	2
2010	11	0	0	0	0	11	0
2011	7	0	0	0	0	7	0
2012	6	0	0	0	0	6	0
2013	14	0	0	0	0	14	0
16 Year Total	2343	128	256	477	1183	3782	195
6 Year Average	146.4	8.0	16.0	29.8	73.9	236.4	12.2

TOWN-WIDE BUILDING PERMITS ISSUED VALUATION IN DOLLARS



COMMERCIAL BUILDING PERMITS ISSUED AND VALUATION

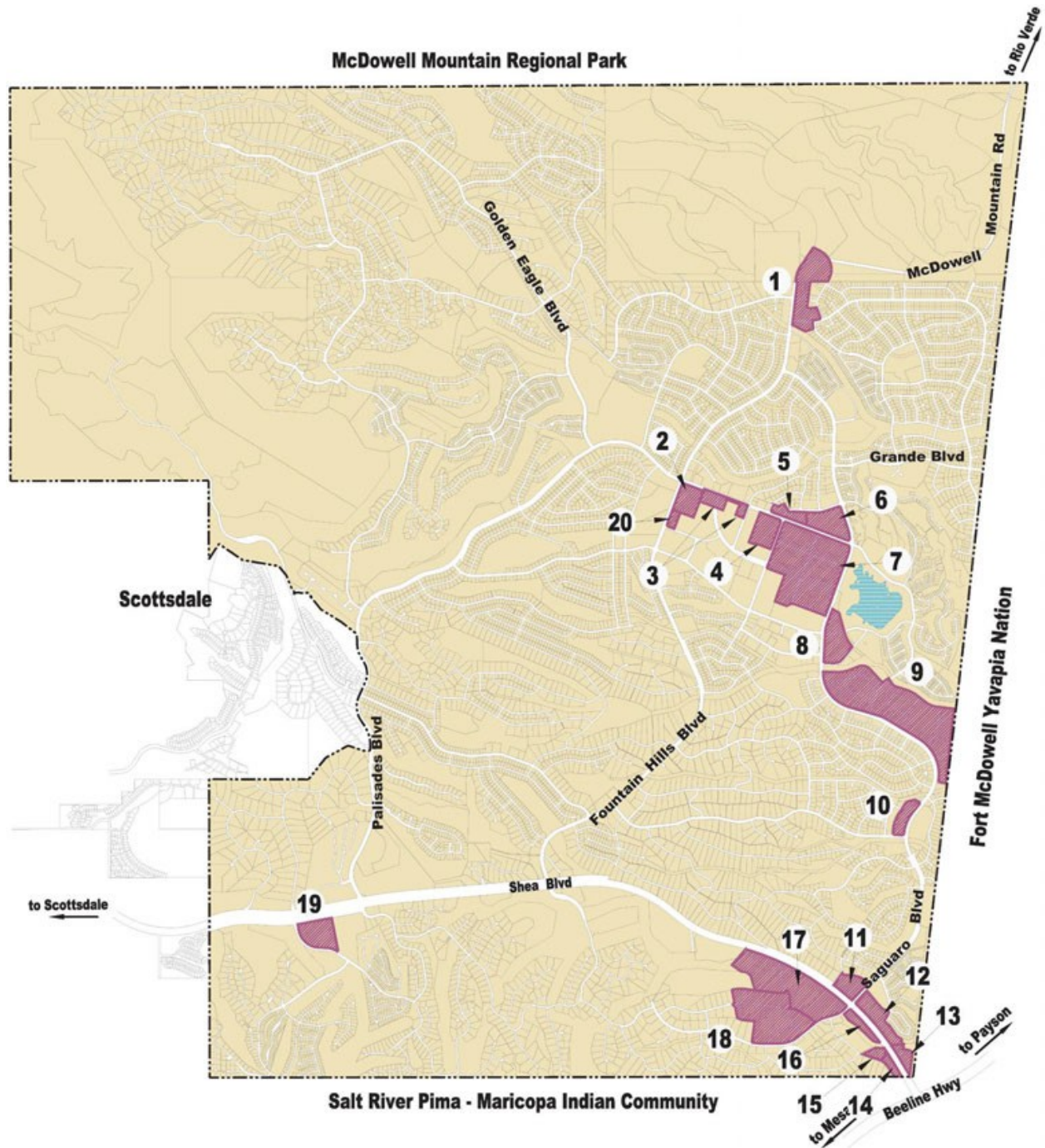
Year	Permits Issued	Valuation (\$ in Millions)
2000	45	25.869
2001	36	15.625
2002	30	16.698
2003	20	9.554
2004	55	23.021
2005	35	27.782
2006	44	15.792
2007	58	5.966
2008	62	10.701
2009	21	1.279
2010	18	0.719
2011	12	1.412
2012	21	1.296
2013	24	1.060

*2000-2013 Valuation includes commercial building permits as well as tenant improvements.

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 and Palisades Blvds (Anchored by Safeway)
3. **Town Center I** (44,010 sf) Includes all businesses bordered by Palisades Blvd, Fountain Hills Blvd, Keith McMahan Dr, and Avenue of the Fountains
4. **Fountain Hills Plaza** (140,421 sf) Located at Palisades Blvd and La Montana Drive (Anchored by Bashas)
5. **La Montana & Palisades Plaza** (42,585 sf) Located at the northeast corner of La Montana and Palisades Blvd
6. **Red Mountain Plaza** (132,192 sf) Corner of Palisades Blvd and Saguaro Blvd
7. **Downtown** (673,267 sf) Includes all businesses bordered by Saguaro Blvd, Palisades Blvd, La Montana Dr, and Avenue of the Fountains
8. **Plaza Fountainside** (87,656 sf) On the southwest side of Fountain Park
9. **Enterprise Colony District** (523,193 sf) Along Saguaro Blvd, Colony Drive, and Enterprise Drive between Rand and Colony Drives
10. **Plat 202** (53,299 sf) Located along Saguaro Blvd between Kingtree Blvd and Malta Dr
11. **Circle K Center** (11,400 sf) Located at the northeast corner of Saguaro and Shea Blvds
12. **Red Rock Business Center** (52,282 sf) Located at the southeast corner of Saguaro and Shea Blvds
13. **Crossroads Center** (19,452 sf) NW of the Beeline Highway on Shea Blvd
14. **Kern Plaza** (9,496 sf) Located between N. Firebrick Dr and E. Shea Blvd
15. **Firebrick Plaza** (18,768 sf) Located between N. Firebrick Dr and E. Shea Blvd
16. **Plat 704** (41,855 sf) Located at the southeast corner of Saguaro and Shea Blvds
17. **Four Peaks Plaza** (306,307 sf) Located on Shea Blvd just west of Saguaro Blvd (Anchored by Target)
18. **Industrial Park** Located on the northwest side of Technology Dr and Saguaro Blvd
19. **Eagle Mountain Village Plaza** (82,712 sf) On Shea Blvd at the southwest edge of Fountain Hills (Anchored by Fry's)
20. **Fountain View Plaza** (12,544 sf) Located along N. Fountain Hills Blvd between Palisades and Keith McMahan Dr

Shopping Center Location Map



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

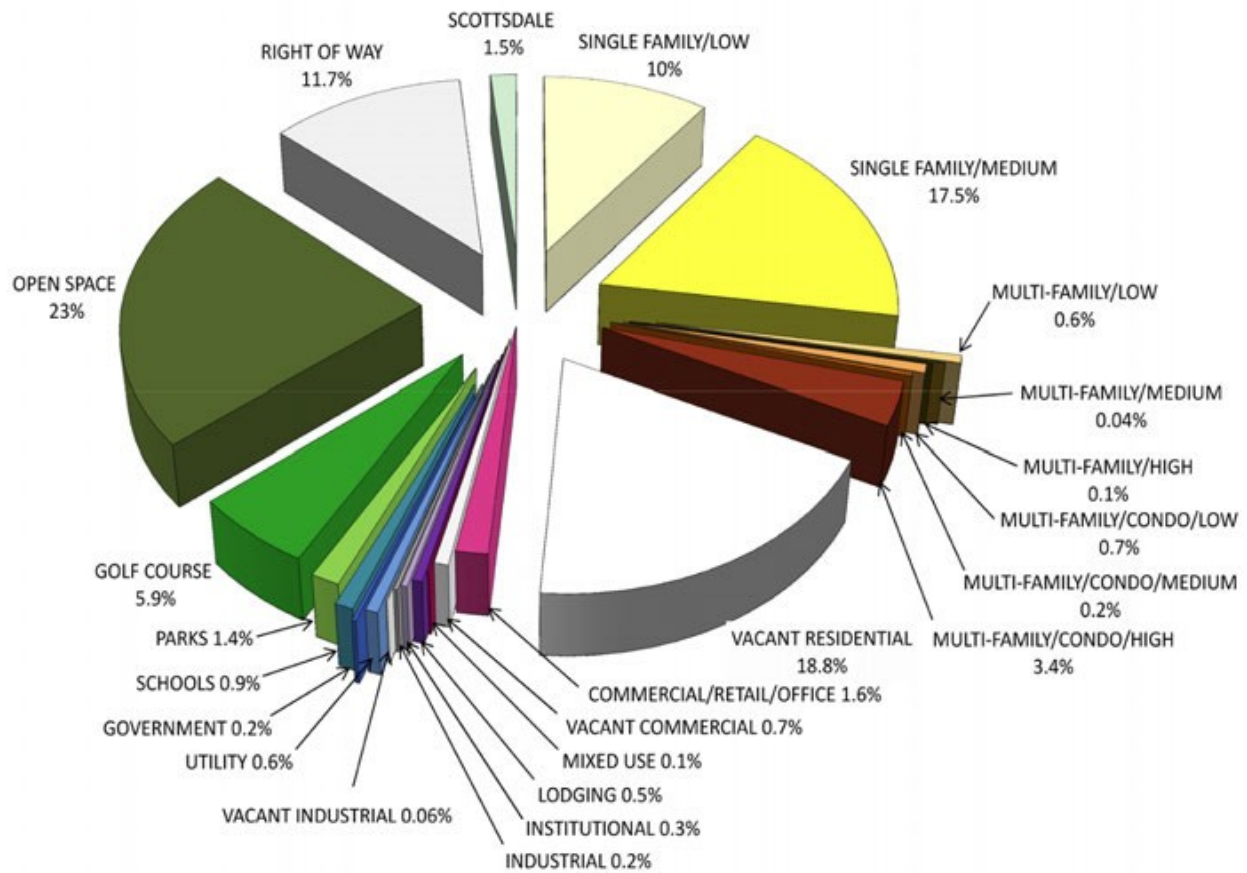


Fountain Hills Middle School and Four Peaks Elementary School

McDowell Mountain Elementary School



TOWN-WIDE LAND USE

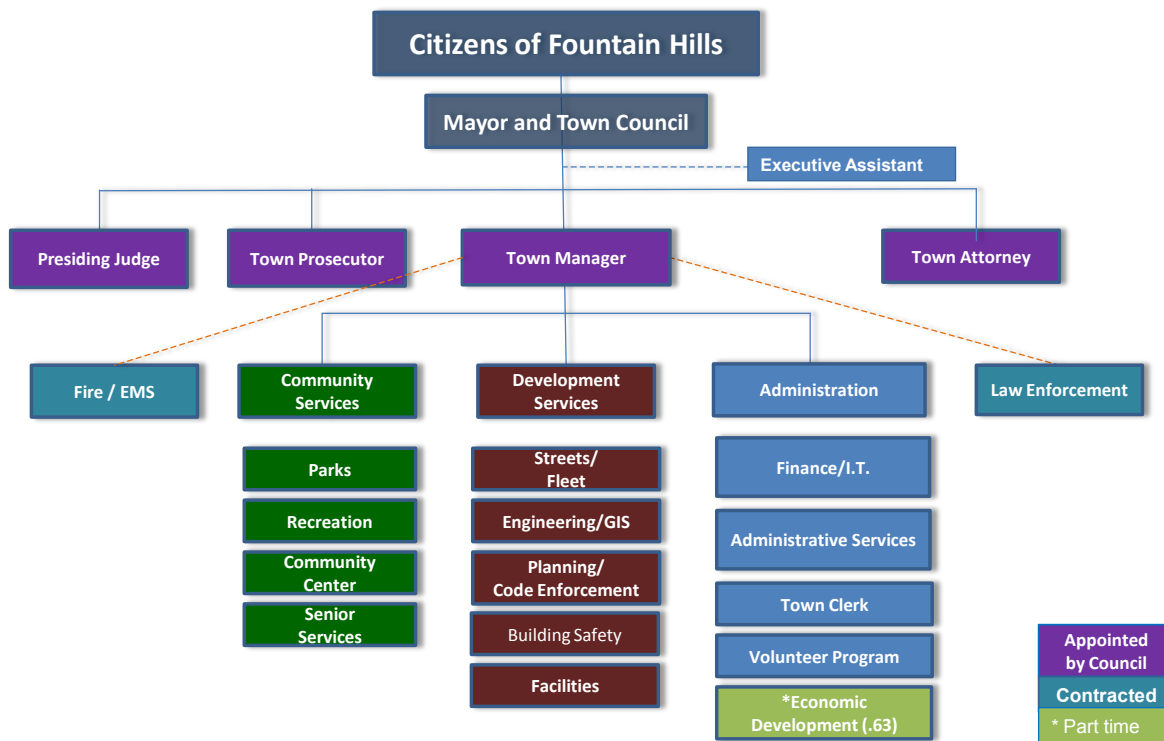


Land Use	Residential Units	Developed Acres	Undeveloped Developable Acres	Undeveloped Undevelopable Acres	Total Acres
Residential					
Single Family – L	983	1,305.6	1,492.0		
Single Family – M	7,275	2,277.0	918.3		
Multi-Family – L	440	82.9			
Multi-Family – M	30	1.2			
Multi-Family – H	150	9.1			
Multi-Family/Condo – L	557	89.2			
Multi-Family/Condo – M	207	19.8			
Multi-Family/Condo – H	3,090	435.2			
Commercial/Retail		212.0	85.5		297.5
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		76.4			76.4
Government/Town Owned		27.4			27.4
Schools		110.5			110.5
Parks		127.0	51.2		178.2
Golf Course		771.3			771.3
Open Space				2,990.9	2,990.9
Scottsdale Owned Land				199.9	199.9
Right of Way/Streets		1,521.2			1,521.2
Total	12,991	7,177.5	2,637.4	3,190.8	13,005.7

Town Council



Town of Fountain Hills Organization



FRONT ROW: Councilmember Cassie Hansen, Mayor Linda M. Kavanagh, Councilmember Ginny Dickey
 BACK ROW: Councilmember Tait D. Elkie, Vice Mayor Cecil A. Yates, Councilmember Henry Leger, Councilmember Dennis Brown



Linda M. Kavanagh moved to Fountain Hills in 1993 with her husband of 30 plus years, John, and their two children, Jonathan and Nicholas.

Mayor Kavanagh is a published author, A+ certified computer repair technician, graphic designer and unpaid Director of Constituent Services for her husband, State Representative John Kavanagh. Prior to her marriage, she helped run a book import company and managed a salon in New York City. She also earned a BA in English and Education from Queens College of the City of New York.

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 was made a Special Deputy with the Maricopa County

Sheriffs' Department, was named Business Advocate of the Year by the Chamber of Commerce and also served as its Board of Directors Chair. She was also named Parks & Recreation Outstanding Volunteer of the Year, Community Center Volunteer of the Year and received the River of Time Hero Award.

Mayor Kavanagh is a member of many civic organizations including the American Legion Auxiliary, Cultural & Civic Association, ADOG, Fountain Hills Republican Club, Falcon Boosters, Sister Cities Foundation, Arizona Latino Republican Association, Library Association, Friend of the Chamber (past chair), McDowell Park Association and Chamber Ambassadors (past chair). She served on the Public Art Committee and created the Fountain Hills Docent-Guided Art Walk. She is also active with the Visitor's Bureau and Business Vitality Committee.

Mayor Kavanagh has helped raise money for many local organizations including the Maricopa County Sheriff's Posse, Falcon Athletics, Team Rychard, and the L. Alan Cruikshank River of Time Museum.



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-



A resident of Fountain Hills since 1983, Councilmember **Ginny Dickey** has been very involved in the community and was inducted into the Lower Verde River Valley Hall of Fame in 2010. She served on the Fountain Hills Unified School District Board from 1994 to 2002, twice as President, and was elected to the Town Council during the 2006 March Election and to her second term in the 2010 Primary.

A Charter Member of the Fountain Hills Cultural Council Board for seven years, Councilmember Dickey also served nine years on the Fountain Hills Theater Board, earning their Founders Award in 2009. She is a member of Metropolitan Business and Professional Women (2007 Woman of the Year), the American Association of University Women, the League of Conservation Voters and the Sierra Club. She participated in all of the Fountain Hills Town Hall planning sessions, starting in 1984.

Retired, Councilmember Dickey was Assistant Director of Legislative Affairs for the Arizona Department of Environmental Quality and previously employed at the Arizona State Senate and the U.S. Attorney's Office.

Born and raised in New York, she lived in Vermont and New Hampshire before following her parents and family members to Fountain Hills. She has a Bachelor of Science degree in Mathematics from Tufts University.

Councilmember Dickey's family includes husband Jim, sons, Mike, Brian and Frank Chin, daughter-in-law Jessie and grandchildren Amelia, Colin and Jack.



Hills, and became an active member of the Fountain Hills Chamber of Commerce. Prior to becoming an attorney, Councilmember Elkie served in the United States Marine Corps for four years, attained the rank of Sergeant, and was honorably discharged in 1993. While in the Marines, Councilmember Elkie served during the first Gulf War in 1991, and also participated in Operation Restore Hope in Somalia in 1993.

Councilmember Elkie and his wife, Michele, have been married since 2008, and are very happy to call Fountain Hills their home.

Councilmember **Tait D. Elkie** has lived in Arizona for over 25 years, and moved to Fountain Hills in 2006. His volunteer activities include serving as Judge Advocate and Color Guard member for the Veterans of Foreign Wars (Post #7507), member of the American Legion (Post #58), President of Sunset Kiwanis, Mentor for the Fountain Hills Teen Court, Treasurer for the Fountain Hills Republican Club, and as a Director for the Fountain Hills Community Foundation. Councilmember Elkie is also a supporter of the Golden Eagle Foundation, Fountain Hills High School (Falcon Fiesta), and the Fountain Hills Theater.

Councilmember Elkie earned his Bachelor of Science in Justice Studies at Arizona State University, and his Juris Doctor at California Western School of Law in 2002. Councilmember Elkie has been a licensed and practicing attorney in Arizona since 2002. In 2008, Councilmember Elkie opened his own practice in Fountain



Councilmember **Cassie Hansen** moved to Arizona from Aurora, Illinois, in 1977, and spent the summer living in a spec home built by her parents in Fountain Hills.

In 1980, she met husband Bruce in Phoenix where they began their telecommunications business in 1983. Moving to Fountain Hills in 1989, they worked on the successful incorporation effort. Appointed by the interim Council to serve as Town Clerk, Hansen became the first Town employee.

Serving as Town Clerk and Director of Administration for thirteen years, her areas of responsibility included human resources, facilities, finance, information technology, and administrative support. She was the liaison with many community groups including the design and construction of the library/museum and community center, and the re-location of Senior Services to Building C of the old Town Hall complex.

Cassie has been an ongoing participant in the community since 1989, having actively supported and/or participated in the Civic Association, the Community Chorus, the Arts Council and Public Art Committee, the Fountain Hills Theater, the Chamber Players, Sunridge Foundation, Fountain Hills Chamber of Commerce (1998 Business Person of the Year), Fountain Lake Republican Women's Club, the Fountain Hills Republican Club, the Library Association, Lower Verde River Valley Hall of Fame in 2004, Boys & Girls Club, Cattleguard, PTO, and mentor/director of various third grade musical programs.



Originally from Massachusetts, Councilmember **Henry Leger** moved to Arizona in 1970 to attend the University of Arizona. Henry and his wife, Janet, were attracted to Fountain Hills because of its natural beauty, small town character and because it is a safe place to live and raise a family. Henry holds a Master's Degree in Educational Psychology from the University of Arizona and has worked as a professional in the field of leadership and organizational development for the past 25 years. Throughout his career, he has held a number of leadership positions in education and government and has worked as an internal consultant for several Fortune 500 companies.

As a long time resident, Henry immersed himself into Fountain Hills society by volunteering much of his time on community activities and initiatives. He has been very active in his neighborhood property owners' association, serving as a board member, treasurer and member of the as-

sociation's Committee of Architecture.

Henry served as President and Vice President of the Church Council at Shepherd of the Hills Lutheran Church in Fountain Hills and has been involved in his children's education as a teacher's aide and parent volunteer. Henry served as a member of the Technical Advisory Committee, Co-chair of the Youth Visioning Institute, and member of the survey team for the town's citizen-driven strategic planning initiative.



Vice Mayor **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 and went on to earn two degrees; one in Marketing and the other in Management from the University of Cincinnati in 1990. 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. In his spare time, Councilmember Yates coaches soccer and is active on his church council.

Councilmember Yates is an award winning Commercial Real Estate Developer. He is presently the Director

of Commercial Property for Tiempo, Inc. and operates over 400,000 square feet of office and retail 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 Yates, have been married since 1995 and are the proud parents of two children, Sophia and Mason (not to mention their black lab, Wizard, German Shepherd, Gracie, their cat, Simba, and whatever other crawling creatures their kids adopt!).

Mayor:

Term of Office: First term: June, 2012 - November, 2014

Term of Office: First term: June, 2012 – November, 2016

Term of Office: Partial term: May, 2009 – May, 2012
Second term: June, 2012 – November, 2016

Term of Office:	Partial term:	April, 2006 – May, 2006
	First term:	June, 2006 – May, 2010
	Second term:	June, 2010 – November, 2014

Term of Office: First term: June, 2010 – November, 2014

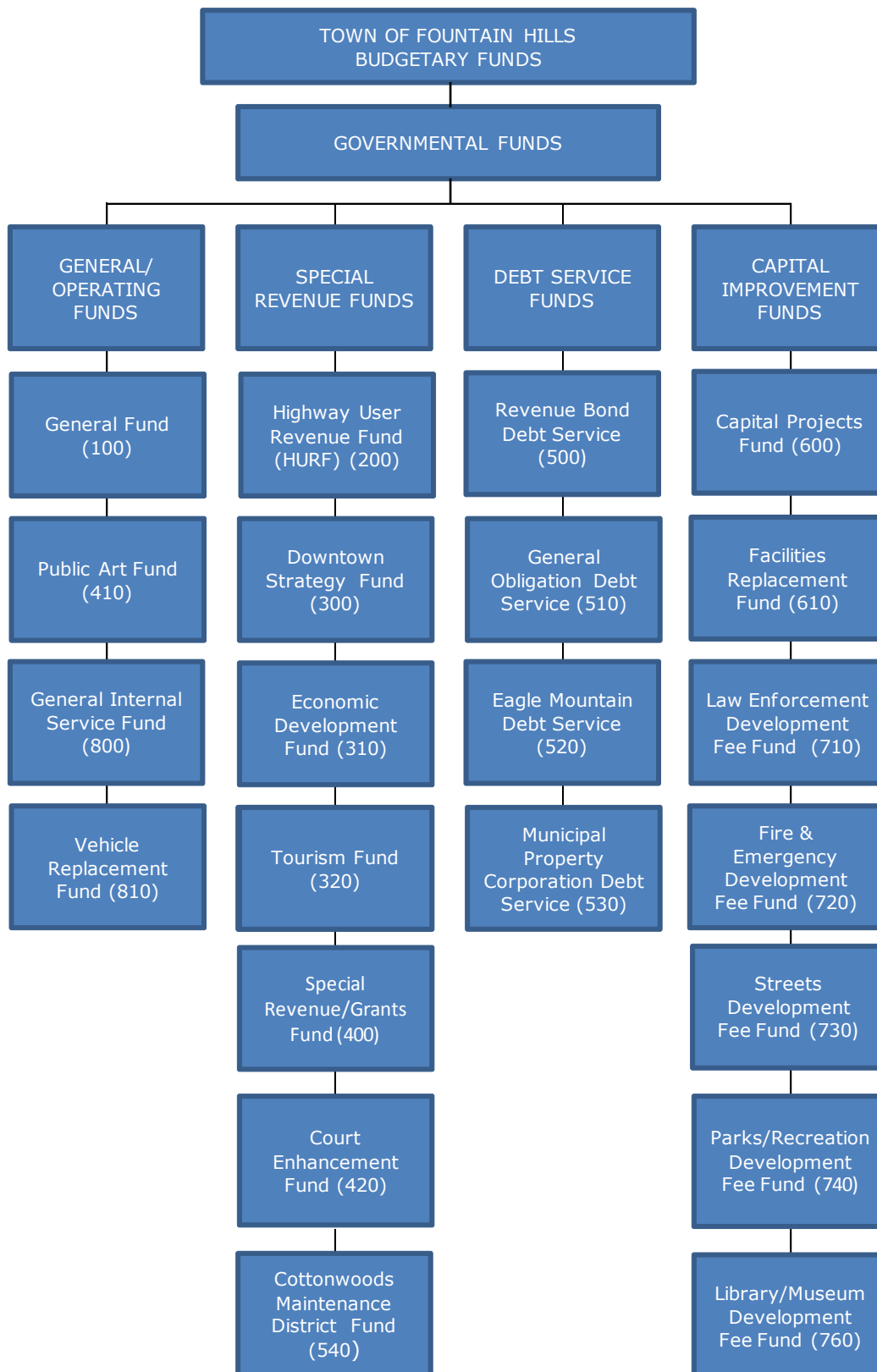
Term of Office:

First term:	June, 2008 – May, 2012
Second term:	June, 2012 – November, 2016

Term of Office: First term: June, 2006 – May, 2010
Second term: June, 2010 – November, 2014



FUND STRUCTURE



FUND/DEPARTMENT STRUCTURE
Governmental Funds

		Fund Statement		Department Summary	Total Proposed Budget
Fund Type	Fund	Department	Page Number		Amount
Operating Funds		Total			\$ 13,767,178
	General	Mayor & Town Council	106	121-127	80,318
	General	Municipal Court	106	128-135	275,165
	General	Administration	106	136-174	2,094,545
	General	Community Services	106	210-239	2,387,521
	General	Development Services	106	175-209	2,014,506
	General	Law Enforcement	106	240-247	3,379,630
	General	Fire & Emergency Medical	106	248-254	3,447,099
	Public Art Fund	Community Services	107	N/A	15,000
	Internal Service	Administration	108	N/A	72,394
	Vehicle Replacement Fund	Administration	108	344-350	1,000
Fund Type	Fund	Department	Page Number		Amount
Special Revenue		Total			\$ 6,256,546
	Highway User Revenue Fund	Development Services	107	255-263	2,387,204
	Downtown Strategy Fund	Administration	107	266-269	1,879,079
	Economic Development Fund	Administration	107	270-273	229,741
	Tourism Fund	Community Services	107	274-278	110,175
	Special Revenue Fund	Administration	107	N/A	1,566,132
	Court Enhancement Fund	Municipal Court	107	N/A	80,615
	Cottonwoods Maintenance District	Administration	107	279-281	3,600
Fund Type	Fund	Department	Page Number		Amount
Debt Service		Total			\$ 2,008,335
	General Obligation Bond	Administration	107	283	472,100
	Eagle Mountain CFD	Development Services	107	284	423,035
	Municipal Property Corporation	Administration	107	284-285	1,113,200
Fund Type	Fund	Department	Page Number		Amount
Capital Projects		Total			\$ 22,775,330
	Capital Projects Fund	Administration, Community Services, Development Services, Fire & Emergency Medical	108	297-343	22,207,830
	Facilities Replacement Fund	Development Services	N/A	N/A	-
	Development Fees	Community Services, Development Services, Fire & Emergency Medical, Law Enforcement	108	N/A	567,500
GRAND TOTAL ALL FUNDS					\$ 44,807,389

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.

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), 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. Maintenance of the art is provided through the General Fund. This fund has an assigned fund balance.

«The **Internal Service Funds (Fund 800-810)** 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. 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 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 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 comes from 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. 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 **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, pledged excise taxes, municipal property lease payments and State Shared revenues. 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 rates, 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 currently the result of a transfer from the General Fund. A policy for this fund will be developed during FY14-15.

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).

Development Fee funds include:

Law Enforcement (Fund 710)- to be eliminated
Fire & Emergency (Fund 720)
Streets (Fund 730) - to be eliminated
Parks/Recreation (Fund 740)
Library/Museum (Fund 760) - to be eliminated

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

Introduction

The 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 annually 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.

Overall Goals

The overall financial goal is fiscal conservatism and underlying these principles are:

- 1) To ensure that the Town is at all times in a solid financial condition, defined as:
 - Cash solvency – the ability to pay bills
 - Budgetary solvency – the ability to balance the budget
 - Long run solvency – the ability to pay future costs
 - Service level solvency – the ability to provide needed and desired services
 - Professionalism—Adhering to the highest accounting and management practices for financial reporting and budgeting as set forth by the Government Finance Officers' Association, the Governmental Accounting Standards Board (GASB) and other professional organizations.
- 2) 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.
- 3) 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.
- 4) To deliver quality services in an affordable, efficient and cost-effective basis providing full value for each tax dollar.

Fund Balance

Fund balance is defined as the cumulative difference of all revenues and expenditures, also considered the difference between fund assets and fund liabilities, known as fund equity. 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 Shared Sales Tax revenues for 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 on-going 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. Undergoing 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.
5. Maintaining ratios consistent with desired outcomes of ten key ratios of financial condition (Government Finance Review, Dec. 1993).

The Governmental Accounting Standards Board (GASB) has found that the 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 has issued a pronouncement, GASB Statement 54 (GASB 54), that 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.

Definitions:

Fund Equity – a fund's equity is generally the difference between its assets and its liabilities.

Fund Balance – an accounting distinction is made between portions of fund equity that are spendable and nonspendable. These portions are broken into five categories:

- **Nonspendable fund balance**—Includes amounts either not in spendable form or legally or contractually required to be maintained intact, such as the principal balance of an endowment or permanent fund. This amount would include 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).
- **Restricted fund balance**—Reflects the same definition as restricted net assets on the government-wide Statement of Net Position; constraints placed on the use of amounts 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.
- **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.
- **Assigned fund balance**—Amounts that are intended by the Town to be used for specific purposes, but are neither restricted nor committed, should be reported as assigned fund balance. 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.
- **Unassigned fund balance**—Includes any remaining amounts after applying the above definitions (amounts not classified as nonspendable, restricted, committed or assigned). Planned spending in the subsequent year’s budget would be included in the unassigned fund balance category. The General Fund is the only fund that will report a positive unassigned balance.

General Fund

The Town’s fund balance may consist of up to five (5) components, as described above. 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.

Committed Fund Balance. The Town will maintain a committed fund balance in the General Fund of 20% of the average actual General Fund revenues for the preceding five fiscal years, indicating stable fiscal policies. The maintenance of this fund balance is a particularly important factor considered by credit rating agencies in their evaluation of the credit worthiness of the Town. It is of primary importance that the Town's credit rating be protected.

1. Rainy Day Fund to be Maintained. As a component of the committed fund balance, the Town will maintain a Rainy Day Fund, separate and apart from the Unassigned General Fund, which shall be designated for use in the event of an unanticipated expenditure or loss of revenue. The Rainy Day Fund balance at the end of any fiscal year will be equal to no less than 30 days of operating expenditures for the upcoming fiscal year. 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.

1. The initial Rainy Day Fund deposit was made by transferring the total amount of the "undesignated, unreserved fund balance" from the General Fund to the Rainy Day Fund.
2. 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 10% of the average of the General Fund revenues for the immediately preceding five years.

B. Use Rules. Rainy Day Funds may only be expended for any one of the following purposes or under the following circumstances:

1. To replace the loss of more than 25% of the Town's local share of State Shared revenues received pursuant to ARS § 43-206.
2. For any event that threatens the health, safety or welfare of the Town's citizens.
3. For any event that threatens the fiscal stability of the Town.
4. 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:

1. Any appropriation shall require the approval by at least 2/3 of the entire Town Council.
2. The maximum amount of Rainy Day Fund 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):

1. All amounts shall be repaid in not more than five years, in equal annual installments of not less than 1% of the previous fiscal year's General Fund balance.
2. Repayments shall be appropriated as part of the annual budget adoption.

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 fund balance will be assigned for (1) "pay-as-you-go" capital replacement expenditures, (2) equipment replacement, (3) capital projects, (4) prepaying existing Town debt, or (5) any other expenditure that is non-recurring in nature. The 10% is the minimum and is based on the Equipment Replacement Schedule which 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 only be authorized for expenditure upon recommendation of the Town Manager and vote of the Town Council.

Unassigned Fund Balance. Funds in excess of the balances described in the paragraphs above 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 outlay expenditures in the Capital Projects Fund, or (3) used to prepay 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 a 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, 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 every three years following adoption (or sooner at the direction of the Town Council).

Special Revenue Funds

1. HURF. The Highway User Revenue Fund ("HURF") is required to be used 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 revenue amount to be set aside as unassigned fund balance.

2. Downtown Strategy Fund. The Downtown Strategy Fund is a committed fund which may only be used for development of the downtown. Revenue for this fund comes from the 40% of the .1% of local sales tax collections that have been dedicated for this purpose.

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

4. Tourism Fund. The Tourism Fund is a committed fund which may only be used for tourism. Revenue for this fund comes from a transfer from the Economic Development Fund.

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 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 rates.

Capital Projects Funds

A Capital Projects Fund has been established as an assigned fund 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 ARS § 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 Improvement 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 has approved the uses of the Capital Projects Fund as a part of its annual budget or by motion and affirmative vote at a time the expenditures are approved.

During FY14-15, the Town intends to establish the Facilities Replacement Fund. Revenues for this fund will come from transfers from the General Fund.

FINANCIAL PLANNING

Fiscal 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 analysis of the Town's budget. It is increasingly important to monitor the performance of the programs competing to receive funding.

1. The Town Manager shall submit to the Town Council a proposed annual budget, which shall be submitted to the Town Council and the public for review in accordance with ARS § 42-17001, *et seq.* The Town will budget revenues and expenditures on the basis of a fiscal year which begins July 1 and ends on 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.
2. 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 major fund.
 - C. Estimated fund balance by major 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.
3. 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. 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.
5. The Town Manager will provide an estimate of the Town's revenues annually for each fiscal year. The estimates of special revenues (grant, excise tax, etc.) and interfund transfers will also be provided by the Town Manager.
6. 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.
7. The Town Manager shall provide, annually, 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.
8. Performance measurement indicators will be integrated into the budget process as appropriate.
9. 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.

10. Department Directors are required to monitor revenues and control expenditures to prevent exceeding their total departmental expenditure budget. It is the responsibility of these Department Directors to immediately notify the Town Manager of any exceptional circumstances that could result in a departmental expenditure budget to be exceeded.

11. 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.

12. 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 and without knowledge and support of the Town Council.

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.

1. 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.

2. 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.

3. Expenditures will be controlled through appropriate internal controls and procedures in processing invoices for payment.

4. 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 (ARS § 41-1279.07) to the State Auditor General each year.

5. Assets will be capitalized at \$10,000 and will be recorded in the Town of Fountain Hills' Summary of General Fixed Assets.

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.

1. 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.
2. 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.
3. 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.
4. 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.
5. 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. Local sales tax revenues are derived from several sources with, historically, 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. At the end of each fiscal year, these revenues will be transferred from the General Fund to the Capital Projects Fund for future appropriation.

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.

1. The Town may establish user fees and charges for certain services provided to users receiving a specific benefit.
2. 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.
3. Periodically, the Town will recalculate the full costs of activities supported by user fees to identify the impact of inflation and other attendant costs.

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. The Arizona Constitution limits a city or town's bonded debt capacity (outstanding principal) to certain percentages of the Town's secondary assessed valuation by the type of project to be constructed. There is a limit of 20% of secondary assessed valuation 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. There is a limit of 6% of secondary assessed valuation for any other general-purpose project.

1. General.

A. The Town will (a) use current revenues to pay for short-term capital projects, repair and maintenance items and (b) 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 "inter-generational 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.

2. Capital Improvement Program.

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 Program will be developed within the constraints of the Town's ability to finance the program.

B. The Town Manager and Department Directors will develop formal ranking criteria that will be used in the evaluation of all capital projects. The program ranking criteria will give greatest weight to those projects which 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.

C. Lease purchase financing shall only be undertaken 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 which are likely to receive grant money.

E. All capital project appropriations and amendments to the Capital Improvement Program must be approved by the Town Council.

F. The Capital Improvement Program 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. Six steps in preparation of Capital Improvement Program:

- (1) Establish capital improvement policies.
 - (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) Public/Private partnerships.
 - (e) Issuance of securities.
 - (f) Capital leases.
- (6) Approve the CIP and budget.
 - (a) Legislative review.
 - (b) Public hearing.
 - (c) Adoption of the CIP and capital budget.

The Town of Fountain Hills Capital Improvement Program ranking criteria will give greatest weight to those projects which 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. 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 a detailed description of the useful life of capital projects submitted in conjunction with the preparation of the Town's CIP. Projects with a useful life of less than ten years shall not be eligible for inclusion in bond issues except in extraordinary circumstances. 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.

3. Financing Alternatives.

- A. Financing alternatives include, but are not limited to:
 - (1) Grants.
 - (2) Developer contributions.
 - (3) General Obligation (GO) Bonds – requires voter approval, supported by an ad valorem (property) tax.
 - (4) Revenue Bonds – repaid with dedicated revenue stream (HURF, revenue generated by project).
 - (5) Municipal Property Corporation (MPC) Bonds – repaid with a dedicated revenue source.

- (6) CFD or Special District Bonds – supported by an ad valorem (property) tax.
- (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, Revenue Bonds, MPC, Leases) shall not exceed 20% of the Town's operating revenue in order to control fixed costs and ensure expenditure flexibility. Improvement District (ID), Community Facility 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 have been established and included within the Town's CFD policy.

C. In accordance with requirements of the State of Arizona Constitution, total bonded indebtedness shall not exceed 20% of the Town's total secondary assessed valuation of taxable property in the Town for water, sewer, artificial lighting, parks, open space, public safety, law enforcement, fire and emergency facilities, street and transportation facilities, and recreational facility improvements and 6% of the total secondary assessed valuation of taxable property in the Town for all other general purpose project.

D. The Town shall comply with all U.S. Internal Revenue Service arbitrage rebate requirements for bonded indebtedness.

E. Where applicable, the Town will structure General Obligation 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.

F. Refunding bonds will be measured against a standard of the net present value debt service savings exceeding 3% of the principal amount of the bonds being refunded, or if savings exceed \$750,000, or for the purposes of modifying restrictive covenants or to modify the existing debt structure to the benefit of the Town. Refinancings undertaken for other reasons should proceed only when the advantages have been clearly shown in a cost/benefit analysis of the transaction.

G. 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.

H. 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.

I. Municipal Property Corporation 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).

J. The Town's privilege/excise tax to debt service goal will be a ratio of at least 3.5:1 to ensure the Town's ability to pay for long-term debt from this elastic revenue source.

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 domiciled in Arizona 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 of Fountain Hills will use competitive sales as the primary means of selling new General Obligation or Revenue bonds that are repaid through ad valorem (property) taxes. Negotiated sales will be permitted for all other debt issues when it is expected to result in a lower true interest cost than would a competitive sale of that same date and structure or there is evidence of volatile market conditions, complex security features, or another overriding factor.

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. The Town

Attorney will review all documents related to the issuance of securities by the jurisdiction.

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, on an annual basis, all financial information and/or notices of material events to the rating agencies and Electronic Municipal Market Access (EMMA). The annual report will include, but not be limited to, the Town's Comprehensive Annual Financial Report (CAFR).

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.

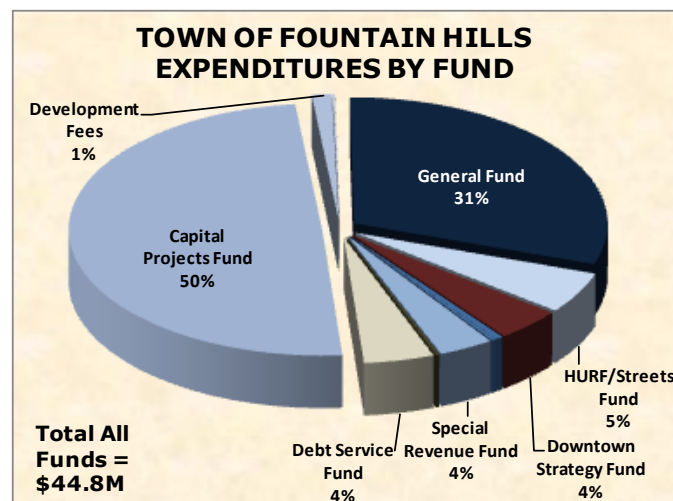
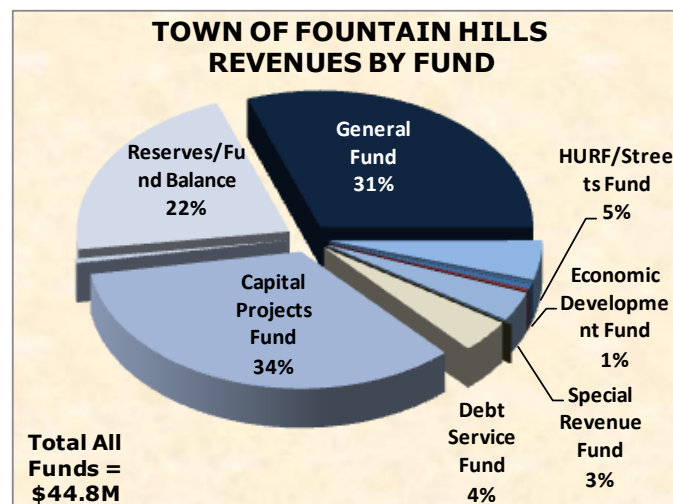
I. The Town acknowledges the responsibilities of the underwriting community and pledges to make all reasonable efforts to assist underwriters in their efforts to comply with SEC Rule 15c2-12 and MSRB Rule G-36.



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. With each year's budget, we have moved closer to producing a true Program Budget. In FY14-15, the budget document continues with Department level, Division level and Program level budgets. We believe program budgeting will provide the citizens with a much better picture of the true cost of providing Town services. For a summary of all Town programs, please see pages 106-108.

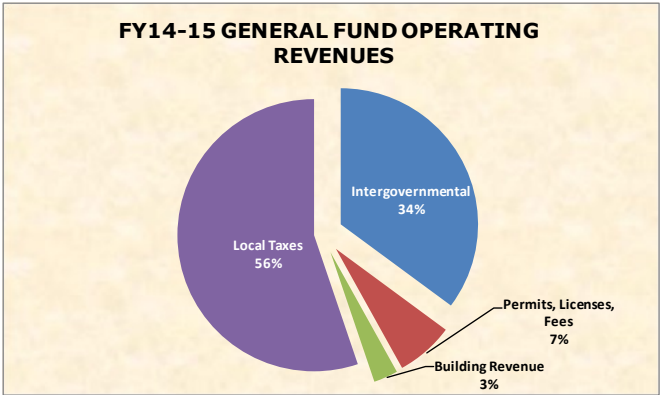
The proposed budget is based on revenue projections that are conservative and based on the expectation that the local and national economy will continue at its existing pace of moderate growth in revenues next fiscal year. Revenues for all funds are \$35.2M (excluding reserves) with expenditures of \$44.8M with some funds utilizing reserves for projects.



It should be noted that 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.

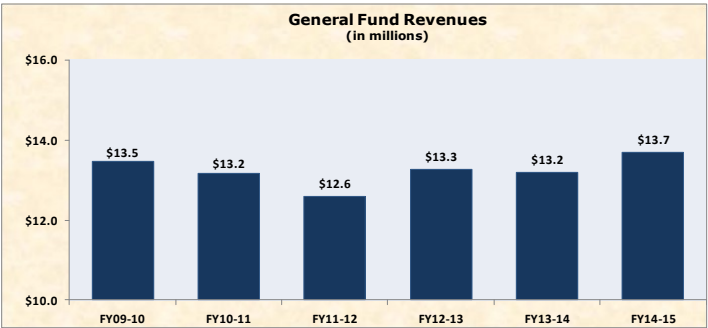
General Fund Budget Overview

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 90% 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 more sustainable revenue stream to \$13.6M. The drop by 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
- Development Services – Building Safety, Engineering, Planning, Code Enforcement, Streets, Stormwater/Environmental Services, Facilities, Mapping & Graphics
- Community Services – Parks, Recreation, Senior Services, Community Center, Open Space and Trails

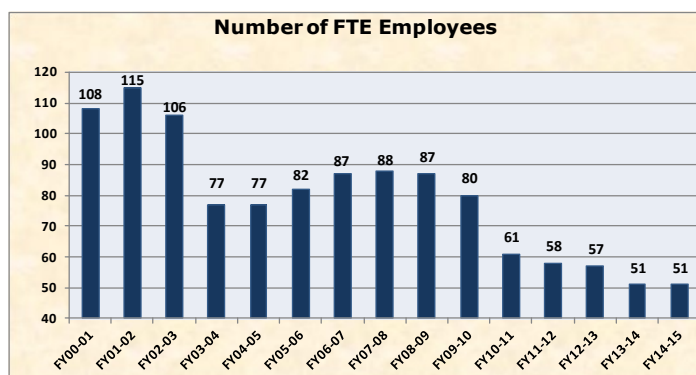
In addition to the focus on core services, the Town Council directed staff to develop a new program in FY14-15 for funding maintenance capital – those projects that are necessary to maintain the Town’s infrastructure but are not considered a capital improvement program (i.e., under the \$50,000 threshold for capital). During the upcoming year, staff will create a maintenance capital policy, identify the projects that would fall under the new program and also identify a sustainable funding source for those projects.

A longer term goal is to identify resources to create a pavement replacement program; this program would ensure that a sustainable and standardized program would be appropriated annually for the Town’s 390 lane miles of roads.

Following is a brief summary of what is included in the proposed General Fund budget for FY14-15:

Salaries and Benefits - After the staff reductions made between FY09-10 and FY12-13, there remains a total of 51 full time equivalent employees (FTE) proposed for FY14-15, compared to 115 FTE in FY01-02, and 80 FTE in FY09-10. 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. The Town Council has historically preferred merit increases based on performance and market as opposed to across the board cost of living increases. Staff is proposing a merit based compensation adjustment based on an updated market analysis with a 2.5% adjustment being proposed for FY14-15. The market analysis may result in adjustments to pay ranges (see pay plan on page 379). Because lo-

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



cal governments are primarily a service industry, salaries and benefits comprise a major portion of expenditures. For Fountain Hills, salaries & benefits represent 24% of the proposed General Fund budget in FY14-15.

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

Contractual Services - The Town contracts with outside professionals for a number of services which represents 19% of the total budget (58% of the General Fund). Two major contracts included in this category are:

1. Fire protection and emergency medical services (\$3,232,828), currently under contract with Rural Metro Corporation – 3% increase; and
2. Police protection (\$3,373,500), currently provided through the Maricopa County Sheriff's Office – 8% increase.

These two contracts alone represent 48% of the General Fund budget in FY14-15.

Contractual Services also includes annual landscape maintenance contracts, equipment and vehicle repairs, and facilities maintenance (janitorial, building maintenance, etc.). Maintenance of the Town's 116 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).

Repairs and Maintenance - In FY14-15, Repairs and Maintenance represents 4% of the total General Fund budget. The Town owns nine 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 utilities, insurance, office supplies, etc. for Town Hall and other Town-owned buildings and accounts for 6% 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 gas and oil, postage, travel, and communications.

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

equipment replacement charges to each department based on depreciation 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 to remain at \$2.1M in FY14-15 which includes approximately \$867,000 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 FY14-15 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
- Adopt-A-Street
- Legal Services
- Open Space
- Pavement Management
- Street Signs
- Street Sweepers
- Traffic Signals
- Vehicle Maintenance

Excise Tax Funds

The Excise Tax/Downtown Fund was created in FY00-01 designating 4% of the Town's 2.6% local sales tax to downtown development. Subsequently, the Town Council created a second restricted fund for Economic Development by splitting the portion of local sales tax 70/30 with 70% for Excise Tax/Downtown Fund and 30% for economic development. 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 are 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.

The new fund, Economic Development Fund, will be funded with 60% of the .1% local sales tax and will be available for any economic development purpose. The proposed Downtown Strategy budget includes an expenditure of \$1.5M for improvements to the downtown medians that will be transferred to the Capital Projects Fund. The Economic Development budget also includes 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.

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.

With proceeds from a \$63,000 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; depending on the results, grant funds will be used for that program as long as they are available.

Included in the FY14-15 budget is an appropriation of \$1.5M in the event that an unanticipated grant becomes available. Other revenues in the Special Revenue Fund are the Public Art Fund, the Court Enhancement Fund, and the Cottonwoods Maintenance District Fund – these funds will be assigned/restricted for specific purpose and not available for general operations.

Debt Service Funds Overview

Total debt service revenues for FY14-15 are budgeted at \$1.7 million including secondary property taxes for voter approved bonds, transfers from the General Fund for the Community Center and excise taxes to pay for Municipal Property Corporation (MPC) debt (mountain bonds). The following is a summary of the debt payments for FY14-15:

- General Obligation Bonds (property taxes) \$0.5 million
- Municipal Property Corporation (excise taxes) \$1.1 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 requires 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 pro-

posed new fees. If approved, the number of fee categories is being reduced from five to two:

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

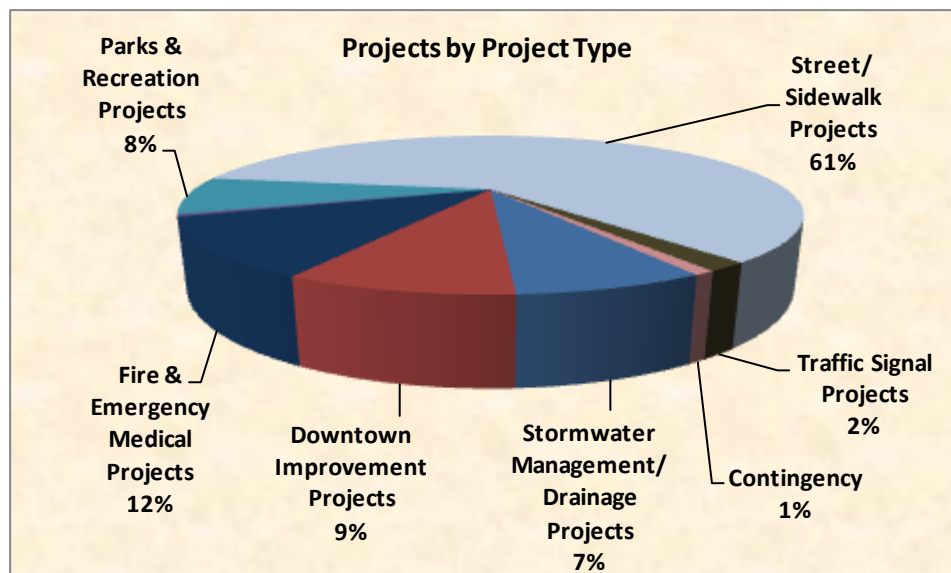
The fund balances remaining in the eliminated categories are included in the FY14-15 expenditures to be used towards programs or projects that were included in the original IIP.

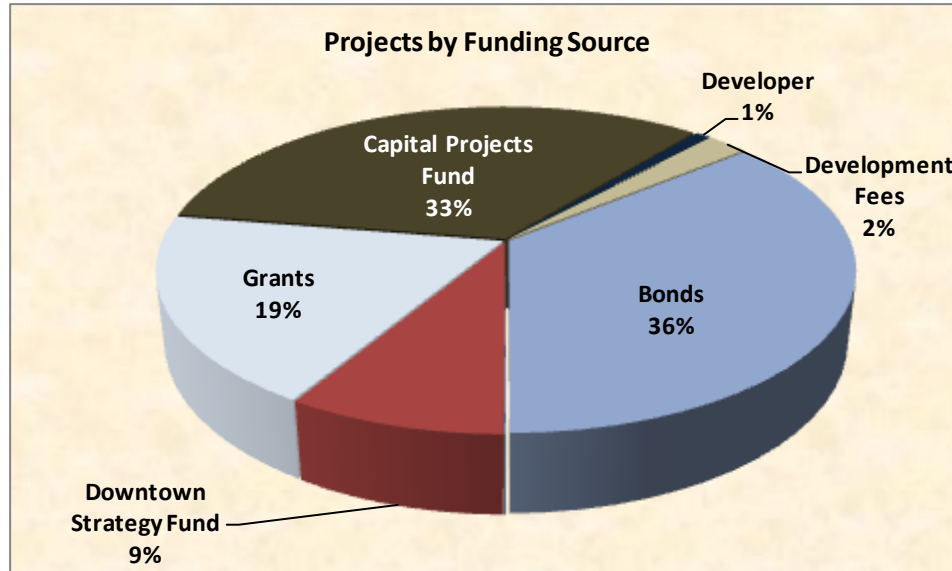
Capital Projects Fund Overview

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.

Any proposed capital funding policy should include prioritization of projects based on strategic plans, need, cost, life expectancy, etc. A revised policy will be presented to the Town Council late in FY14-15.

The following project areas and funding source are programmed for FY14-15:





Total expenditures for capital projects are \$22.2M which includes:

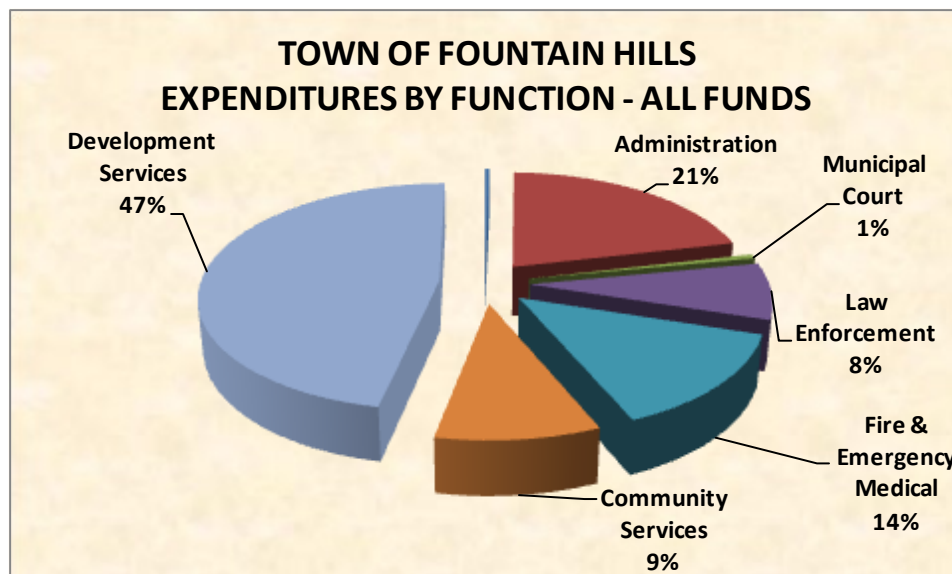
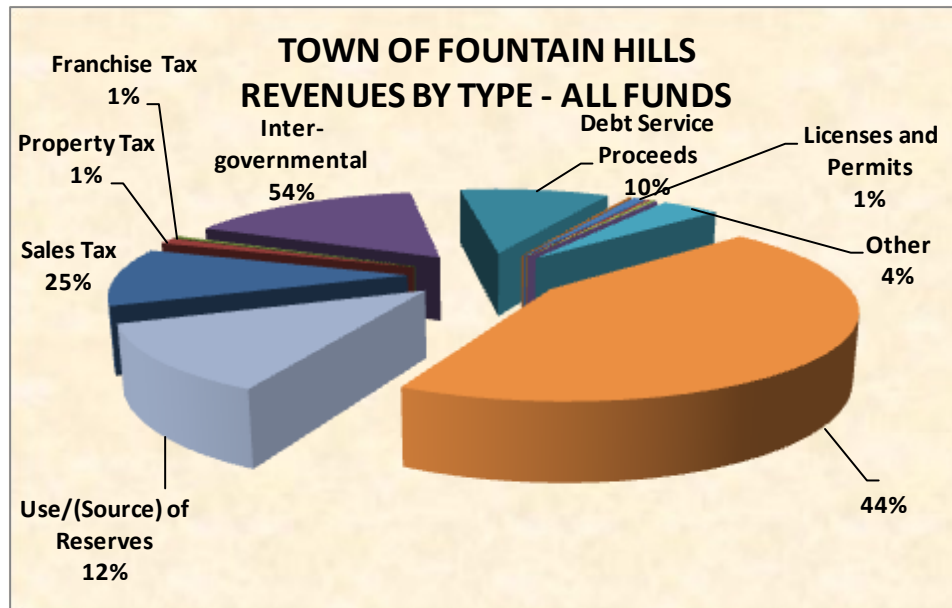
- \$8.2M in bonds to reconstruct Saguaro Boulevard
- \$4.4M for Shea Boulevard widening, mostly grant funded
- \$2.5M for a new fire station relocation project with CIP reserves
- \$1.5M in park improvements funded with CIP reserves
- \$1.6M in wash channelization project, mostly grant funded
- \$1.5M for the downtown median project funded through excise taxes

The complete list of projects is shown on page 298.

The annual impact on the FY14-15 operating budget as a result of the proposed capital improvement projects is expected to decrease maintenance costs although the amount is unknown at this time. The projects are replacing existing roads, facilities and open space that require high maintenance due to their age. No ongoing personnel related costs are anticipated from the completion of these projects. The park improvements include renovation of the east parking lot with lights, low level lighting of interior and exterior sidewalks, signage and area lighting.

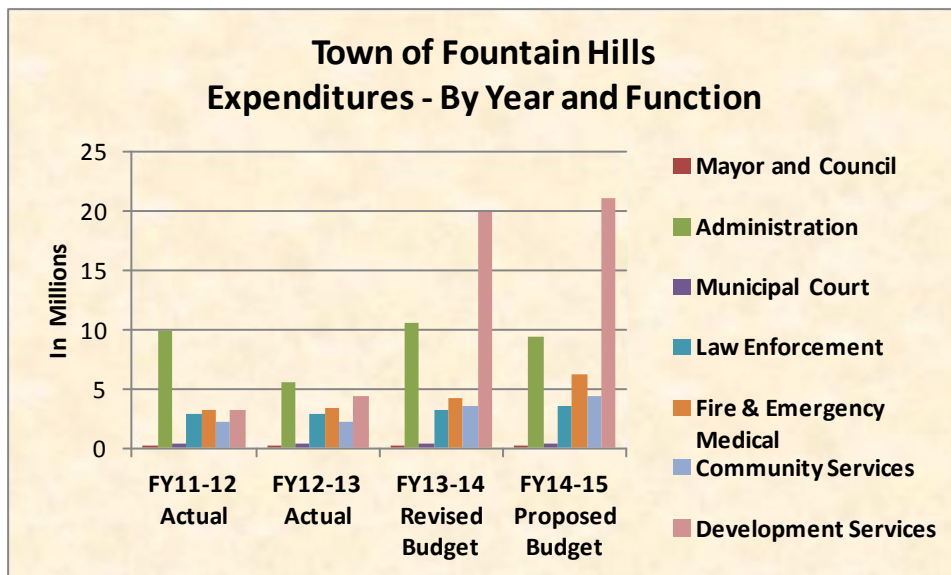
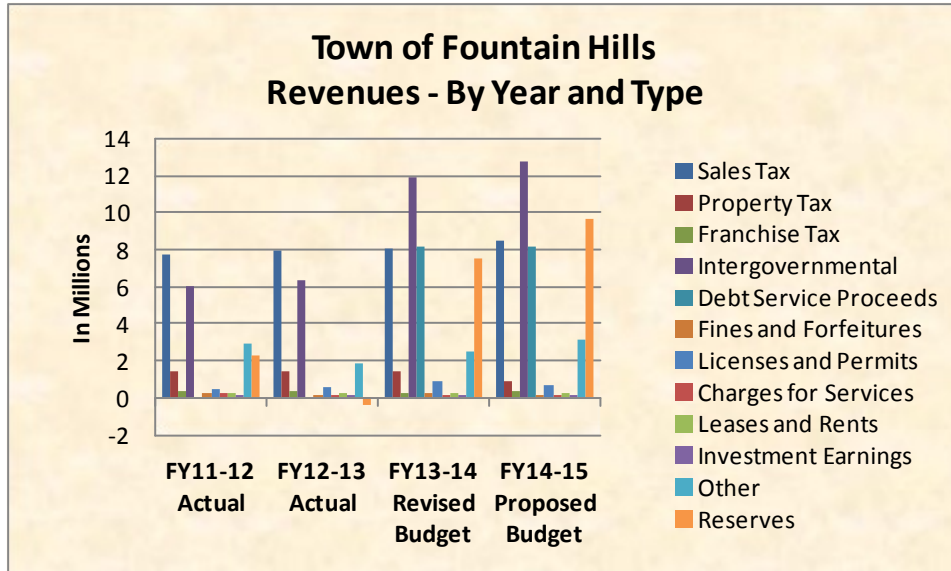
FY14-15 Summary of Proposed Budget Revenues and Expenditures - All Funds

	Operating Funds	Debt Service Funds	Capital Projects Funds	Non-Major Funds	Total
Revenues:					
Sales Tax	\$ 7,232,640	\$ 619,800	\$ 324,600	\$ 293,940	\$ 8,470,980
Property Tax	-	904,248	-	4,823	909,071
Franchise Tax	316,400	-	-	-	316,400
Intergovernmental	4,806,008	-	4,314,000	3,627,226	12,747,234
Debt Service Proceeds	-	-	8,200,000	-	8,200,000
Fines and Forfeitures	150,011	-	-	14,250	164,261
Licenses and Permits	691,409	-	12,490	-	703,899
Charges for Services	141,350	-	-	12,240	153,590
Leases and Rents	241,762	-	-	-	241,762
Investment Earnings	62,424	1,310	19,900	1,500	85,134
Other	282,999	236,000	2,445,772	199,060	3,163,831
Sub total	13,925,003	1,761,358	15,316,762	4,153,039	35,156,162
Use/(Source) of Reserves	(157,825)	246,977	7,458,568	2,103,507	9,651,227
Total Revenues	<u>\$ 13,767,178</u>	<u>\$ 2,008,335</u>	<u>\$ 22,775,330</u>	<u>\$ 6,256,546</u>	<u>\$ 44,807,389</u>
Expenditures:					
Current:					
General Government:					
Mayor and Council	\$ 80,318	\$ -	\$ -	\$ 80,615	\$ 160,933
Administration	2,077,939	1,585,300	2,055,080	3,678,552	9,396,871
Municipal Court	275,165	-	-	-	275,165
Total General Government	<u>2,433,422</u>	<u>1,585,300</u>	<u>2,055,080</u>	<u>3,759,167</u>	<u>9,832,969</u>
Public Safety:					
Law Enforcement	3,379,630	-	203,000	-	3,582,630
Fire & Emergency Medical	<u>3,447,099</u>	-	2,677,000	-	<u>6,124,099</u>
Total Public Service	<u>6,826,729</u>	-	<u>2,880,000</u>	-	<u>9,706,729</u>
Community Services	2,402,521	-	1,757,250	110,175	4,269,946
Development Services	<u>2,104,506</u>	<u>423,035</u>	<u>16,083,000</u>	<u>2,387,204</u>	<u>20,997,745</u>
Total Expenditures	<u>\$ 13,767,178</u>	<u>\$ 2,008,335</u>	<u>\$ 22,775,330</u>	<u>\$ 6,256,546</u>	<u>\$ 44,807,389</u>



Historical Summary of Revenues and Expenditures - All Funds

	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Revenues:				
Taxes:				
Sales Tax	\$ 7,779,219	\$ 7,957,163	\$ 8,016,083	\$ 8,470,980
Property Tax	1,457,702	1,421,614	1,448,111	909,071
Franchise Tax	332,130	334,668	303,000	316,400
Intergovernmental	5,995,694	6,323,048	11,950,644	12,747,234
Debt Service Proceeds	-	-	8,200,000	8,200,000
Fines and Forfeitures	223,673	187,251	260,670	164,261
Licenses and Permits	427,862	570,904	933,412	703,899
Charges for Services	258,999	162,085	167,288	153,590
Leases and Rents	206,018	213,870	224,544	241,762
Investment Earnings	88,881	56,665	64,110	85,134
Other	2,894,147	1,817,132	2,522,207	3,163,831
Sub total	19,664,325	19,044,400	34,090,069	35,156,162
Use/(Source) of Reserves	2,232,341	(348,591)	7,565,309	9,651,227
Total Revenues	<u>\$ 21,896,666</u>	<u>\$ 18,695,809</u>	<u>\$ 41,655,378</u>	<u>\$ 44,807,389</u>
Expenditures:				
Current:				
General Government:				
Mayor and Council	\$ 68,444	\$ 76,004	\$ 79,702	\$ 160,933
Administration	9,943,023	5,479,159	10,523,637	9,396,871
Municipal Court	391,029	385,252	411,276	275,165
Total General Government	<u>10,402,496</u>	<u>5,940,415</u>	<u>11,014,615</u>	<u>9,832,969</u>
Public Safety:				
Law Enforcement	2,829,196	2,891,378	3,126,325	3,582,630
Fire & Emergency Medical	3,186,970	3,317,115	4,123,218	6,124,099
Total Public Service	<u>6,016,166</u>	<u>6,208,493</u>	<u>7,249,543</u>	<u>9,706,729</u>
Community Services	2,235,516	2,132,341	3,432,884	4,269,946
Development Services	3,242,488	4,414,560	19,958,336	20,997,745
Total Expenditures	<u>\$ 21,896,666</u>	<u>\$ 18,695,809</u>	<u>\$ 41,655,378</u>	<u>\$ 44,807,389</u>



FY14-15 Projected Changes in Fund Balances

	Operating Funds	Debt Service Funds	Capital Projects Funds	Non-Major Funds	Total
Revenues:					
Sales Tax	\$ 7,232,640	\$ 619,800	\$ 324,600	\$ 293,940	\$ 8,470,980
Property Tax	-	904,248	-	4,823	909,071
Franchise Tax	316,400	-	-	-	316,400
Intergovernmental	4,806,008	-	4,314,000	3,627,226	12,747,234
Debt Service Proceeds	-	-	8,200,000	-	8,200,000
Fines and Forfeitures	150,011	-	-	14,250	164,261
Licenses and Permits	691,409	-	12,490	-	703,899
Charges for Services	141,350	-	-	12,240	153,590
Leases and Rents	241,762	-	-	-	241,762
Investment Earnings	62,424	1,310	19,900	1,500	85,134
Other	282,999	236,000	2,445,772	199,060	3,163,831
Total Revenues	<u>13,925,003</u>	<u>1,761,358</u>	<u>15,316,762</u>	<u>4,153,039</u>	<u>35,156,162</u>
Expenditures:					
General Government:					
Mayor and Council	80,318	-	-	80,615	160,933
Administration	2,077,939	1,585,300	2,055,080	3,678,552	9,396,871
Municipal Court	275,165	-	-	-	275,165
Total General Government	<u>2,433,422</u>	<u>1,585,300</u>	<u>2,055,080</u>	<u>3,759,167</u>	<u>9,832,969</u>
Public Safety:					
Law Enforcement	3,379,630	-	203,000	-	3,582,630
Fire & Emergency Medical	3,447,099	-	2,677,000	-	6,124,099
Total Public Service	<u>6,826,729</u>	<u>-</u>	<u>2,880,000</u>	<u>-</u>	<u>9,706,729</u>
Community Services	2,402,521	-	1,757,250	110,175	4,269,946
Development Services	2,104,506	423,035	16,083,000	2,387,204	20,997,745
Total Expenditures	<u>13,767,178</u>	<u>2,008,335</u>	<u>22,775,330</u>	<u>6,256,546</u>	<u>44,807,389</u>
Net Change in Fund Balance	157,825	(246,977)	(7,458,568)	(2,103,507)	(9,651,227)
Fund Balance					
Beginning of Year - estimated	<u>6,951,041</u>	<u>(16,587)</u>	<u>7,832,581</u>	<u>135,516</u>	<u>14,902,551</u>
End of Year	<u>\$ 7,108,866</u>	<u>\$ (263,564)</u>	<u>\$ 374,013</u>	<u>\$ (1,967,991)</u>	<u>\$ 5,251,324</u>
Fund Balance Percentage Change	2%	1489%	(95%)	(1552%)	(65%)

Note: See page 46 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. Debt Service Funds reflect the prior repayment of bonds with the local sales tax. The Capital Projects and Non-Major funds will be utilizing accumulated reserves for one time capital expenditures.

**FY14-15 Proposed Budget
Summary of Expenditures**

Fund/Department	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
General Fund				
Mayor & Council	\$ 68,444	\$ 76,004	\$ 79,702	\$ 80,318
Administration	3,813,990	2,720,606	2,099,421	2,094,545
Municipal Court	385,931	373,952	362,401	275,165
Development Services	1,429,798	1,534,135	1,849,107	2,014,506
Community Services	1,992,532	1,987,467	2,252,883	2,387,521
Fire & Emergency Medical	3,156,440	3,253,049	3,418,218	3,447,099
Law Enforcement	<u>2,828,129</u>	<u>2,890,427</u>	<u>3,121,325</u>	<u>3,379,630</u>
Total General Fund	<u>\$ 13,675,264</u>	<u>\$ 12,835,640</u>	<u>\$ 13,183,057</u>	<u>\$ 13,678,784</u>
Special Revenue Funds				
Development Services	\$ 1,049,128	\$ 2,049,424	\$ 3,316,318	\$ 2,387,204
Highway User Revenue Fund	<u>1,049,128</u>	<u>2,049,424</u>	<u>3,316,318</u>	<u>2,387,204</u>
Administration	<u>119,121</u>	<u>176,322</u>	<u>1,954,079</u>	<u>1,879,079</u>
Downtown Strategy Fund	<u>119,121</u>	<u>176,322</u>	<u>1,954,079</u>	<u>1,879,079</u>
Administration	-	-	171,119	229,741
Economic Development Fund	-	-	<u>171,119</u>	<u>229,741</u>
Community Services	-	-	-	110,175
Tourism Fund	-	-	-	<u>110,175</u>
Administration	<u>168,305</u>	<u>125,222</u>	<u>1,297,964</u>	<u>1,566,132</u>
Special Revenue Fund	<u>168,305</u>	<u>125,222</u>	<u>1,297,964</u>	<u>1,566,132</u>
Community Services	<u>8,440</u>	<u>3,680</u>	<u>15,000</u>	<u>15,000</u>
Public Art Fund	<u>8,440</u>	<u>3,680</u>	<u>15,000</u>	<u>15,000</u>
Municipal Court	<u>5,098</u>	<u>11,300</u>	<u>48,875</u>	<u>80,615</u>
Court Enhancement Fund	<u>5,098</u>	<u>11,300</u>	<u>48,875</u>	<u>80,615</u>
Administration	-	11,033	3,500	3,600
Cottonwoods Maint District	-	<u>11,033</u>	<u>3,500</u>	<u>3,600</u>
Total Special Revenue Funds	<u>\$ 1,350,092</u>	<u>\$ 2,376,981</u>	<u>\$ 6,806,855</u>	<u>\$ 6,271,546</u>

FY14-15 Proposed Budget Summary of Expenditures				
Fund/Department	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Debt Service Funds				
Development Services	\$ -	\$ -	\$ -	\$ -
Revenue Bond Debt Service	-	-	-	-
Administration	1,017,562	1,001,062	1,015,850	472,100
Gen Oblig Debt Service	1,017,562	1,001,062	1,015,850	472,100
Development Services	421,610	421,193	425,235	423,035
Eagle Mtn CFD Debt Service	421,610	421,193	425,235	423,035
Administration	3,844,609	1,089,175	1,111,400	1,113,200
Munic Prop Corp Debt Service	3,844,609	1,089,175	1,111,400	1,113,200
Total Debt Service Funds	\$ 5,283,781	\$ 2,511,430	\$ 2,552,485	\$ 2,008,335
Capital Projects Fund				
Administration	\$ 277,207	\$ 176,217	\$ 2,110,080	\$ 2,055,080
Development Services	338,330	399,066	14,229,000	15,808,000
Community Services	217,819	131,978	1,145,000	1,714,750
Fire & Emergency Medical	30,063	63,115	720,000	2,630,000
Total Capital Projects Fund	\$ 863,419	\$ 770,376	\$ 18,204,080	\$ 22,207,830
Development Fees				
Law Enforcement	\$ 1,067	\$ 951	\$ 5,000	\$ 203,000
Law Enforcement Dev Fee	1,067	951	5,000	203,000
Fire & Emergency Medical	467	951	5,000	47,000
Fire/Emergency Dev Fee	467	951	5,000	47,000
Development Services	3,622	4,315	20,000	275,000
Streets Dev Fee	3,622	4,315	20,000	275,000
Community Services	3,495	3,795	15,000	-
Park/Rec Dev Fee	3,495	3,795	15,000	-
Community Services	12,677	4,470	-	-
Open Space Dev Fee	12,677	4,470	-	-
Community Services	553	951	5,000	42,500
Library/Museum Dev Fee	553	951	5,000	42,500
Administration	527,487	-	-	-
General Govt Dev Fee	527,487	-	-	-
Total Development Fees	\$ 549,368	\$ 15,433	\$ 50,000	\$ 567,500

**FY14-15 Proposed Budget
Summary of Expenditures**

Fund/Department	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Internal Service				
Administration	\$ 68,658	\$ 63,186	\$ 71,010	\$ 72,394
Internal Service Fund	<u>68,658</u>	<u>63,186</u>	<u>71,010</u>	<u>72,394</u>
Administration	106,084	116,336	669,214	1,000
Development Services	-	6,427	118,677	-
Vehicle/Equip Repl Fund	<u>106,084</u>	<u>122,763</u>	<u>787,891</u>	<u>1,000</u>
Total Internal Service	<u>\$ 174,742</u>	<u>\$ 185,949</u>	<u>\$ 858,901</u>	<u>\$ 73,394</u>
 Grand Total of All Funds	 <u>\$ 21,896,666</u>	 <u>\$ 18,695,809</u>	 <u>\$ 41,655,378</u>	 <u>\$ 44,807,389</u>

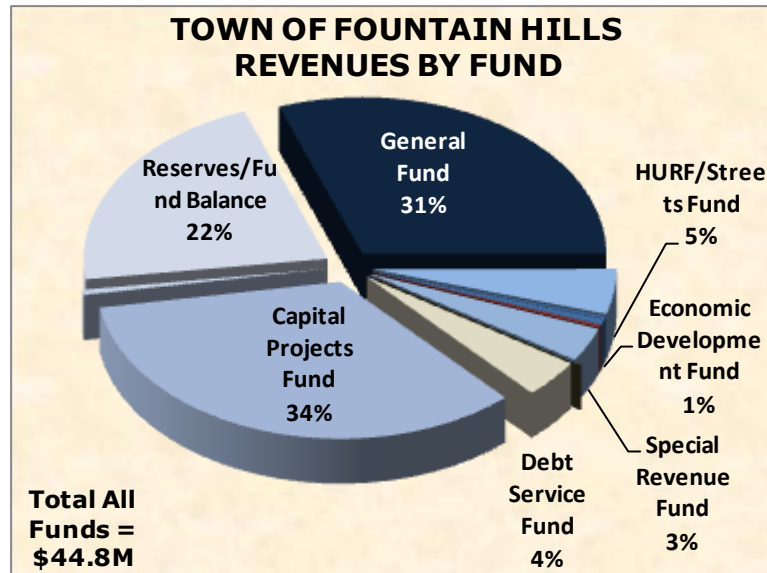


Revenue Summary



Revenue

This section provides a broad overview of the revenues included in the FY14-15 budget. Information is presented for each fund.



Total revenues for all funds are estimated at \$44,807,389. The General Fund portion represents approximately 31% of the total. HURF/Streets funds represent 5% of the total. Special Revenue funds represent another 3% of the budget. Debt Service represents 4%, Capital Projects represent 34% and Reserves/Fund Balance represents the remaining 22% of the total revenues.

**FY14-15 Proposed Budget
Summary of Revenues**

Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
General Fund				
Sales Tax-Local	\$ 6,571,198	\$ 6,758,279	\$ 7,016,880	\$ 7,232,640
Franchise Fees	332,130	334,668	303,000	316,400
Liquor License Fees	1,725	2,150	1,500	1,500
Business License	103,648	102,614	108,960	111,305
Animal License	46,496	45,595	47,365	41,006
Building Permit	58,897	86,420	299,020	390,900
Sign Permits	5,735	11,240	3,350	3,350
Planning & Zoning Fees	7,916	9,090	10,000	10,000
Landscape Permits	2,689	420	1,260	1,348
Encroachment Permits	33,262	41,025	35,000	35,000
Variances	4,700	4,200	4,000	4,000
Subdivision Fees	11,600	7,100	21,000	21,000
Special Event Permit	3,425	3,675	1,825	2,500
Engineering Fees	2,800	4,550	2,500	2,500
Plan Review	89,508	86,144	50,000	50,000
Inspection Fees	15,340	12,214	17,000	17,000
Rental Fees	94,898	83,003	82,588	94,850
Non-Taxable Rental	5,443	3,472	6,500	6,500
Cell Tower Lease	105,677	127,395	135,456	140,412
Sales Tax-State	1,757,297	1,840,766	1,936,920	2,048,760
Income Tax-State	1,898,088	2,297,203	2,508,960	2,722,248
Vehicle License Tax	722,126	752,949	-	-
Fire Insurance Prem Tax	119,141	34,719	109,769	35,000
Program Fees	180,223	152,106	124,848	124,850
Non-Taxable Fees	1,510	1,650	2,200	1,500
Sponsorships	7,641	8,845	10,200	10,200
Donations	940	439	300	300
Reimbursements/Refunds	527	170,853	-	1,000
Auction/Recycle Proceeds	1,127	623	1,150	1,150
Restitution/Ins Proceeds	7,021	6,533	-	1,000
Miscellaneous Revenue	135,470	59,869	18,886	19,830
Taxable Sales	8,270	7,241	15,000	15,000
Court Fines/Fees	203,350	173,024	246,420	150,011
Abatements	-	-	-	-
Interest Income	38,493	22,611	61,200	62,424
Internal Service Charges	-	253	-	3,300
Total General Fund	\$ 12,578,311	\$ 13,252,938	\$ 13,183,057	\$ 13,678,784



FY14-15 Proposed Budget Summary of Revenues				
Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Special Revenue Funds				
Vehicle License Tax	\$ -	\$ -	\$ 749,700	\$ 867,000
Highway User Tax	1,126,762	1,232,187	1,268,640	1,194,094
In-Lieu Fees	69,116	4,796	25,000	12,000
Adopt-A-Street Fee	180	120	240	240
Reimbursements/Refunds	-	-	-	-
Auction/Recycle Proceeds	3,154	1,128	-	-
Restitution/Ins Proceeds	11,825	8,112	-	-
Miscellaneous Revenue	1,220	1,000	6,060	6,060
Interest Income	448	711	1,200	1,200
Transfer In	-	767,000	-	-
Total Highway User Revenue Fund	1,212,705	2,015,054	2,050,840	2,080,594
Sales-Excise Tax	302,606	305,703	114,084	117,540
Interest Income	8,883	5,654	-	-
Total Downtown Strategy Fund	311,489	311,357	114,084	117,540
Sales-Excise Tax	-	-	171,119	176,400
Transfer In	-	-	-	90,000
Total Economic Development Fund	-	-	171,119	266,400
Transfer In	-	-	-	103,000
Total Tourism Fund	-	-	-	103,000
Grants	30,019	36,957	1,498,655	1,500,000
LTAI II	-	9,662	-	66,132
Prop 202/Gaming Rev	138,000	78,603	-	-
Donations	-	-	-	-
Transfer In	286	-	-	-
Total Special Revenue Fund	168,305	125,222	1,498,655	1,566,132
In-Lieu Fees	7,970	3,412	15,000	15,000
Transfer In	-	780	-	-
Total Public Art Fund	7,970	4,192	15,000	15,000
CCEF Revenue	17,696	12,087	14,250	14,250
JCEF Revenue	2,627	2,140	-	-
Interest Income	300	196	300	300
Total Court Enhancement Fund	20,623	14,423	14,550	14,550
Property Tax-Cy	3,335	3,339	4,823	4,823
Interest Income	12	9	-	-
Total Cottonwoods Maint District	3,347	3,348	4,823	4,823
Total Special Revenue Funds	\$ 1,724,439	\$ 2,473,596	\$ 3,869,071	\$ 4,168,039

FY14-15 Proposed Budget Summary of Revenues				
Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Debt Service Funds				
Interest Income	\$ -	\$ -	\$ -	\$ -
Transfer In	-	-	-	-
Total Revenue Bond Debt Serv	-	-	-	-
Property Tax-Cy	1,029,242	998,602	1,013,040	474,000
Interest Income	305	372	210	210
Total Gen Oblig Bd Debt Serv	1,029,547	998,974	1,013,250	474,210
Property Tax-Cy	425,125	419,673	430,248	430,248
Interest Income	98	123	600	600
Total Eagle Mtn CFD Debt Serv	425,223	419,796	430,848	430,848
Sales-Excise Tax	605,213	611,406	594,000	619,800
Interest Income	588	276	500	500
Transfer In	2,463,118	403,454	193,500	236,000
Total Munic Prop Corp Debt Serv	3,068,919	1,015,136	788,000	856,300
Total Debt Service Funds	\$ 4,523,689	\$ 2,433,906	\$ 2,232,098	\$ 1,761,358
Capital Projects Fund				
Sales Tax-Local	\$ 300,202	\$ 281,775	\$ 120,000	\$ 324,600
Development Fees	-	-	200,000	-
Debt Serv/Bond Proceeds	-	-	8,200,000	8,200,000
Grants	204,261	40,001	3,878,000	4,314,000
Miscellaneous Revenue	-	11,626	-	-
Interest Income	30,713	21,140	-	19,800
Transfer In	6,623	108,943	2,093,000	2,302,000
Total Capital Projects Fund	\$ 541,799	\$ 463,485	\$ 14,491,000	\$ 15,160,400
Facilities Replacement Fund				
Transfer In	-	-	-	143,772
Total Facilities Replacement Fund	\$ -	\$ -	\$ -	\$ 143,772

Revenue Summary

FY14-15 Proposed Budget Summary of Revenues				
Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Development Fees				
Development Fees	\$ 1,245	\$ 1,539	\$ 15,760	\$ -
Interest Income	166	207	100	100
Total Law Enforcement Dev Fee	<u>1,411</u>	<u>1,746</u>	<u>15,860</u>	<u>100</u>
Development Fees	1,045	4,376	3,540	4,990
Interest Income	33	43	-	-
Total Fire/Emergency Dev Fee	<u>1,078</u>	<u>4,419</u>	<u>3,540</u>	<u>4,990</u>
Development Fees	25,905	107,605	94,802	-
Interest Income	29	89	-	-
Total Streets Dev Fee	<u>25,934</u>	<u>107,694</u>	<u>94,802</u>	<u>-</u>
Development Fees	9,312	41,353	14,790	7,500
Interest Income	-	-	-	-
Total Park/Rec Dev Fee	<u>9,312</u>	<u>41,353</u>	<u>14,790</u>	<u>7,500</u>
Development Fees	867	(810)	-	-
Interest Income	8,635	5,192	-	-
Total Open Space Dev Fee	<u>9,502</u>	<u>4,382</u>	<u>-</u>	<u>-</u>
Development Fees	585	1,333	1,740	-
Interest Income	35	43	-	-
Total Library/Museum Dev Fee	<u>620</u>	<u>1,376</u>	<u>1,740</u>	<u>-</u>
Development Fees	1,161	(928)	-	-
Interest Income	143	-	-	-
Total General Govt Dev Fee	<u>1,304</u>	<u>(928)</u>	<u>-</u>	<u>-</u>
Total Development Fees	<u>\$ 49,161</u>	<u>\$ 160,042</u>	<u>\$ 130,732</u>	<u>\$ 12,590</u>
Internal Service				
Miscellaneous Revenue	\$ 494	\$ 169	\$ -	\$ -
Internal Service Charges	63,738	60,001	61,329	62,246
Total Internal Service	<u>64,232</u>	<u>60,170</u>	<u>61,329</u>	<u>62,246</u>
Auction/Recycle Proceeds	15,706	11,017	-	-
Restitution/Ins Proceeds	-	12,664	-	-
Internal Service Charges	3,978	1,519	1,200	1,268
Vehicle Repl Charges	163,010	173,359	121,582	167,705
Transfer In	-	1,704	-	-
Total Vehicle/Equip Repl Fund	<u>182,694</u>	<u>200,263</u>	<u>122,782</u>	<u>168,973</u>
Total Internal Service	<u>\$ 246,926</u>	<u>\$ 260,433</u>	<u>\$ 184,111</u>	<u>\$ 231,219</u>
Grand Total of All Funds	<u>\$ 19,664,325</u>	<u>\$ 19,044,400</u>	<u>\$ 34,090,069</u>	<u>\$ 35,156,162</u>



FY14-15 Revenues by Type

	Operating Funds	Debt Service Funds	Capital Projects Funds	Non-Major Funds	Total	% of Total
Revenues:						
Sales Tax	\$ 7,232,640	\$ 619,800	\$ 324,600	\$ 293,940	\$ 8,470,980	19%
Property Tax	-	904,248	-	4,823	909,071	2%
Franchise Tax	316,400	-	-	-	316,400	1%
Intergovernmental	4,806,008	-	4,314,000	3,627,226	12,747,234	28%
Debt Service Proceeds	-	-	8,200,000	-	8,200,000	18%
Fines and Forfeitures	150,011	-	-	14,250	164,261	0%
Licenses and Permits	691,409	-	12,490	-	703,899	2%
Charges for Services	141,350	-	-	12,240	153,590	0%
Leases and Rents	241,762	-	-	-	241,762	1%
Investment Earnings	62,424	1,310	19,900	1,500	85,134	0%
Other	282,999	236,000	2,445,772	199,060	3,163,831	7%
Sub total	13,925,003	1,761,358	15,316,762	4,153,039	35,156,162	78%
Use/(Source) of Reserves	(157,825)	246,977	7,458,568	2,103,507	9,651,227	22%
Total Revenues	<u>\$ 13,767,178</u>	<u>\$ 2,008,335</u>	<u>\$ 22,775,330</u>	<u>\$ 6,256,546</u>	<u>\$ 44,807,389</u>	<u>100%</u>

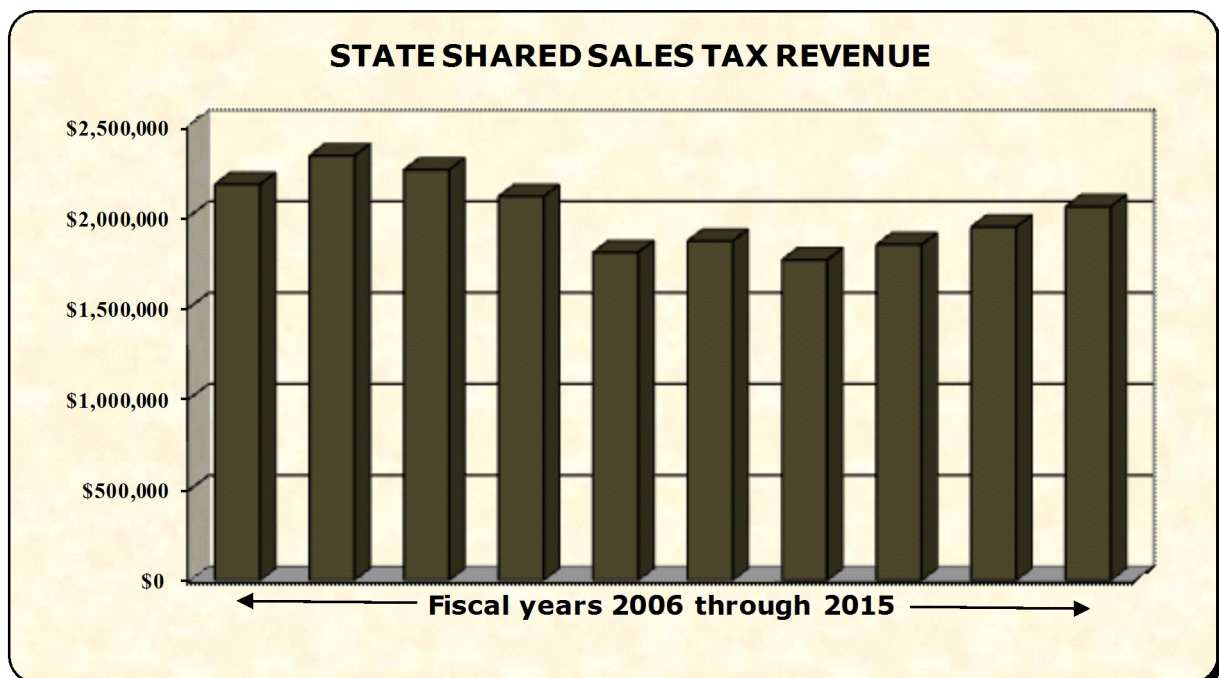
See the following pages for a discussion of the major revenue types, restrictions on use, and major influences for each type. The graphs on the following pages do not represent all of the accounts combined into the above categories.

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

Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purposes.	2005-06	\$2,170,940	15.8%
	2006-07	\$2,327,899	7.2% ¹
	2007-08	\$2,250,912	-3.3%
	2008-09	\$2,104,480	-6.5%
	2009-10	\$1,797,356	-14.6%
	2010-11	\$1,860,421	3.5%
	2011-12	\$1,757,297	-5.5% ¹
	2012-13	\$1,840,766	4.7%
	2013-14 (est.)	\$1,936,920	5.2%
	2014-15 (est.)	\$2,048,760	5.8%
¹ Change as a result of census population			
Assumptions			

The State assesses a 6.3% 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 FY14-15 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



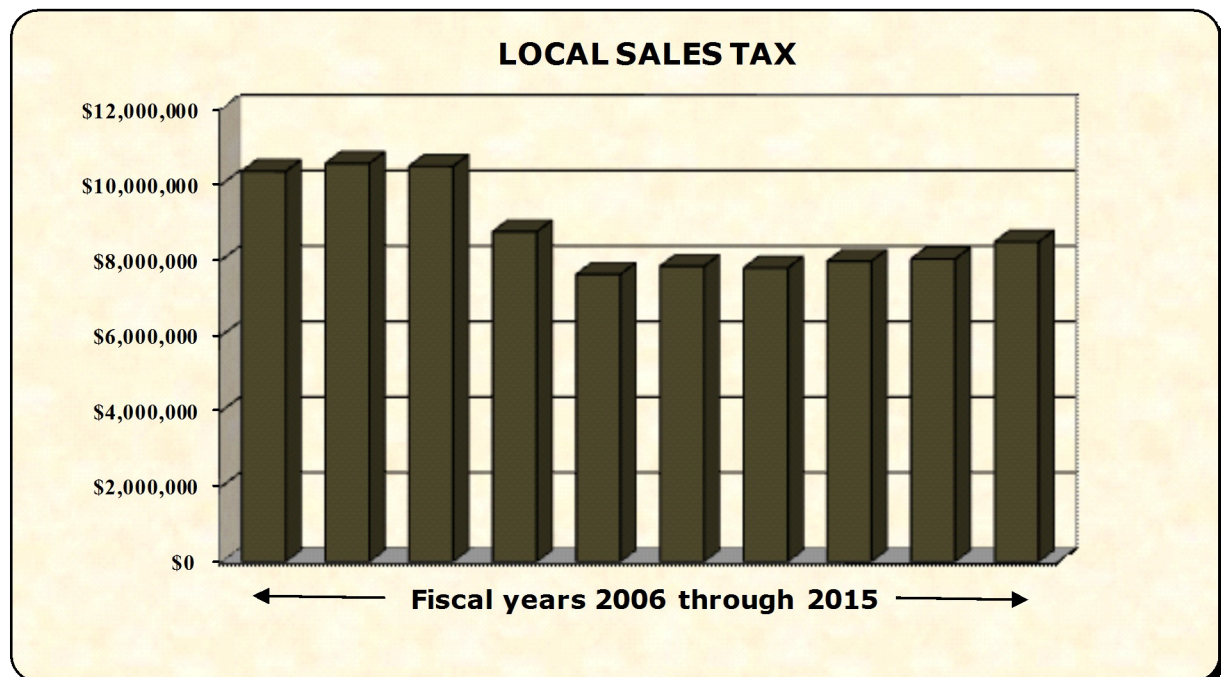
Restrictions	Fiscal Year	Amount	Percent Change
Revenues from the 2.6% local sales tax are allocated to the Capital Projects, Municipal Property Corporation, Downtown Development and General Fund. General Fund proceeds are not restricted but must be expended for public purpose.	2005-06	\$10,338,014	25.8%
	2006-07	\$10,547,205	2.0%
	2007-08	\$10,470,882	-0.7%
	2008-09	\$8,740,325	-16.5%
	2009-10	\$7,612,705	-12.9%
	2010-11	\$7,824,394	2.8%
	2011-12	\$7,779,219	-0.6%
	2012-13	\$7,957,163	2.3%
	2013-14 (est.)	\$8,016,083	0.7%
	2014-15 (est.)	\$8,470,980	5.7%
Assumptions			

The local sales tax rate in Fountain Hills is 2.6% - total receipts for FY14-15 are estimated to be \$8,470,980. 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 Municipal Property Corporation bond payments and downtown development. The following is a breakdown of the dedicated and non-dedicated (General Fund) projections:

Dedications:

Downtown Strategy Fund	\$ 117,540
Economic Development Fund	176,400
Mountain Preserve Bonds	619,800
Capital Projects	324,600
General Fund	<u>7,232,640</u>
Total Projections	<u>\$ 8,470,980</u>

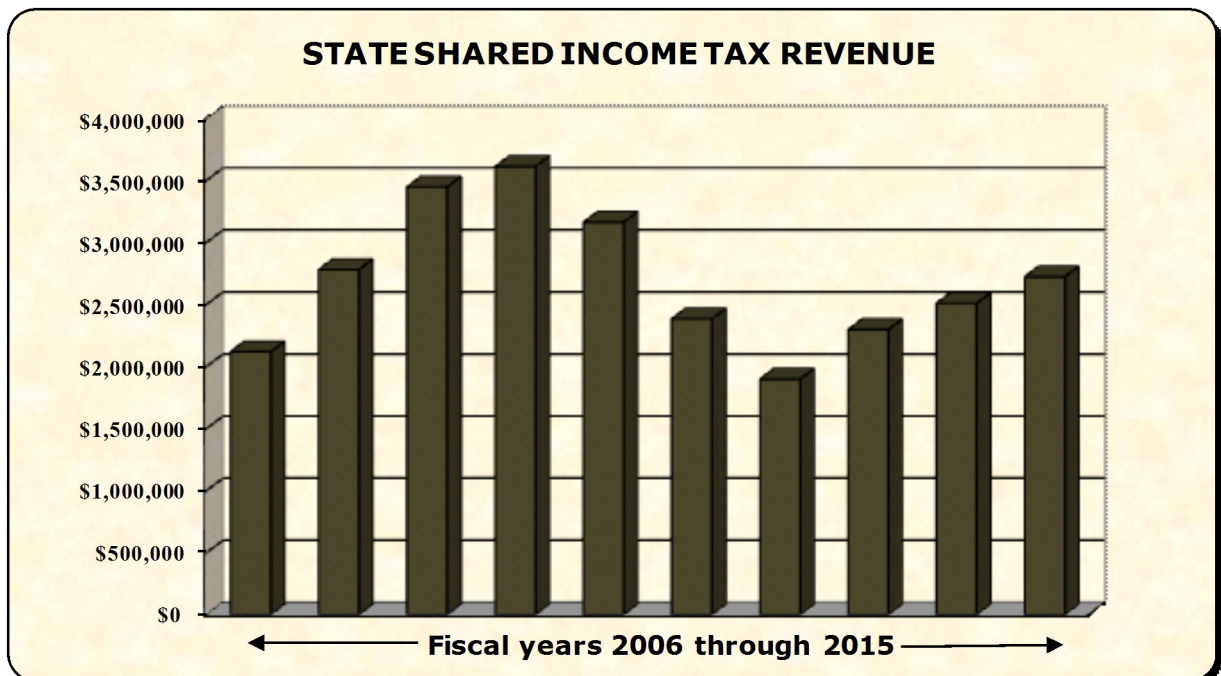
Major Influences: Economy, Construction Activity, Retail Sales, Public Policy



Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purposes.	2005-06	\$2,118,592	13.9%
	2006-07	\$2,780,715	31.3% ¹
	2007-08	\$3,446,760	24.0%
	2008-09	\$3,610,480	4.7%
	2009-10	\$3,162,174	-12.4%
	2010-11	\$2,383,874	-24.6%
	2011-12	\$1,898,088	-20.4% ¹
	2012-13	\$2,297,203	21.0%
	2013-14 (est.)	\$2,508,960	9.2%
	2014-15 (est.)	\$2,722,248	8.5%
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 FY14-15 is provided by the League of Arizona Cities and Towns and the State's Joint Legislative Budget Committee (JLBC).

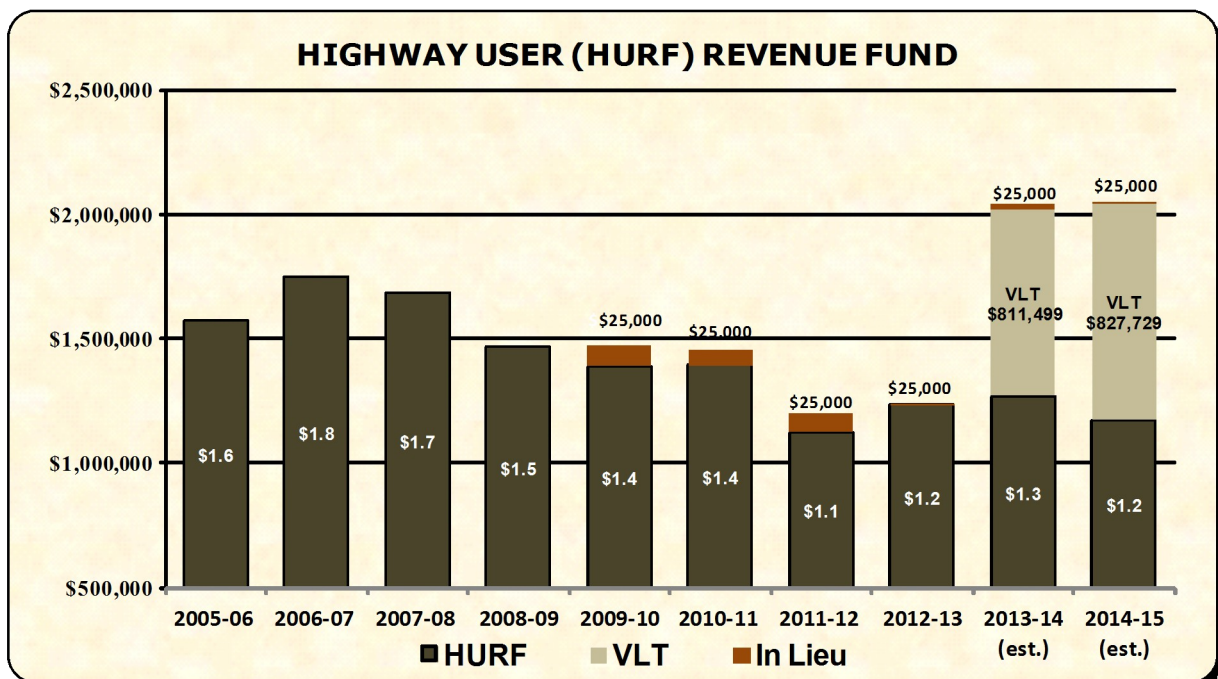
Major Influences: Personal Income, Corporate Net Profits, Population and State Policy



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.	2005-06	\$1,574,453	-0.6%
	2006-07	\$1,935,340	22.9%
	2007-08	\$1,867,348	-3.5%
	2008-09	\$1,780,982	-4.6%
	2009-10	\$1,492,525	-16.2%
	2010-11	\$1,465,834	-1.8%
	2011-12	\$1,126,762	-23.1%
	2012-13	\$1,232,187	9.4%
	2013-14 (est.)	\$1,268,640	3.0%
	2014-15 (est.)	\$1,194,094	-5.9%
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 FY14-15 is based on estimates of revenue sharing by Arizona Department of Transportation (ADOT) in their distribution forecast for FY14-15 and also includes the transfer from the General Fund of the Vehicle License Tax to be used for pavement management.

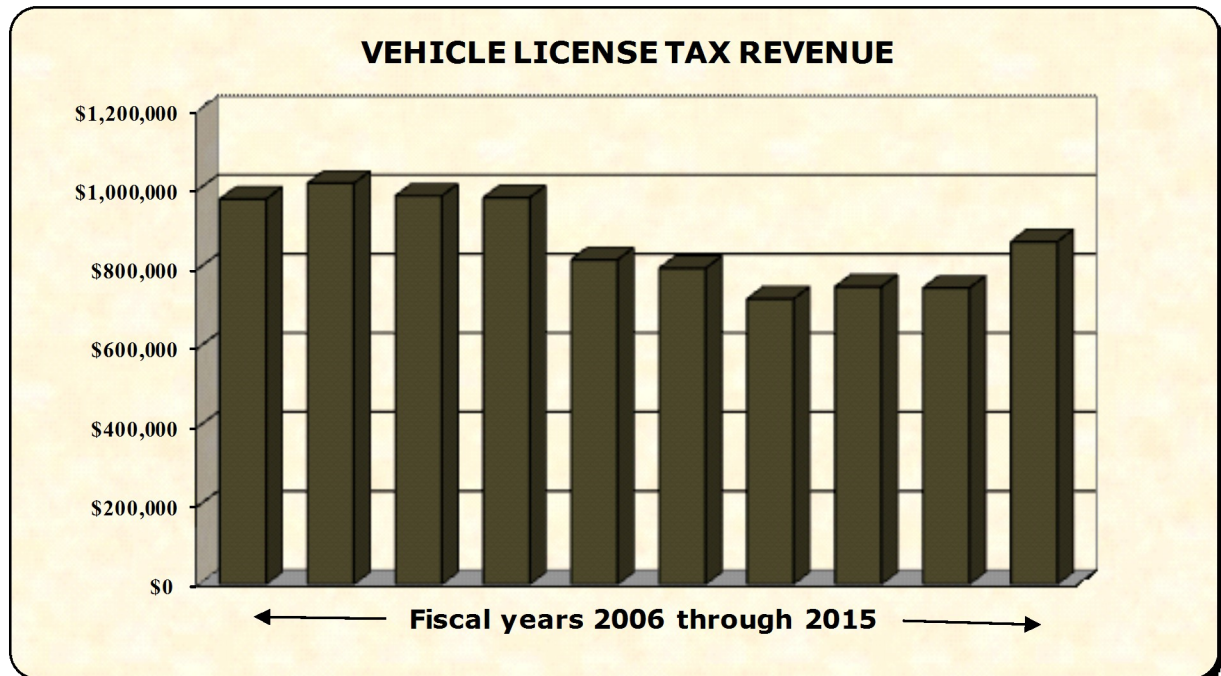
Major Influences: Gasoline sales, Population, Economy and State Policy



Restrictions	Fiscal Year	Amount	Percent Change
Restricted for the Pavement Management Program.	2005-06	\$974,452	12.5%
	2006-07	\$1,014,853	4.1%
	2007-08	\$982,943	-3.1%
	2008-09	\$978,600	-0.4%
	2009-10	\$821,321	-16.1%
	2010-11	\$799,551	-2.7%
	2011-12	\$722,126	-9.7%
	2012-13	\$752,949	4.3%
	2013-14 (est.)	\$749,700	-0.4%
	2014-15 (est.)	\$867,000	15.6%
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 (0.6%). 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).

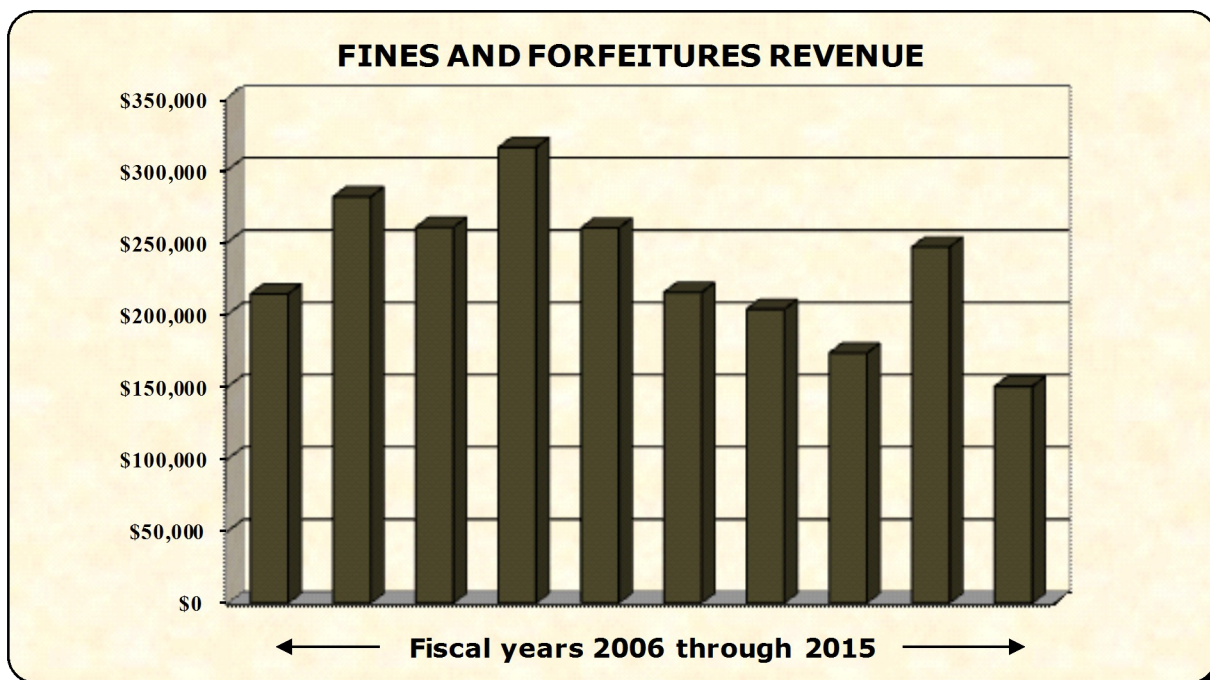
Major Influences: Automobile sales, Population, and State Policy



Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purpose.	2005-06	\$214,008	-3.8%
	2006-07	\$281,173	31.4%
	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 (est.)	\$246,420	42.4%
	2014-15 (est.)	\$150,011	-39.1%
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.

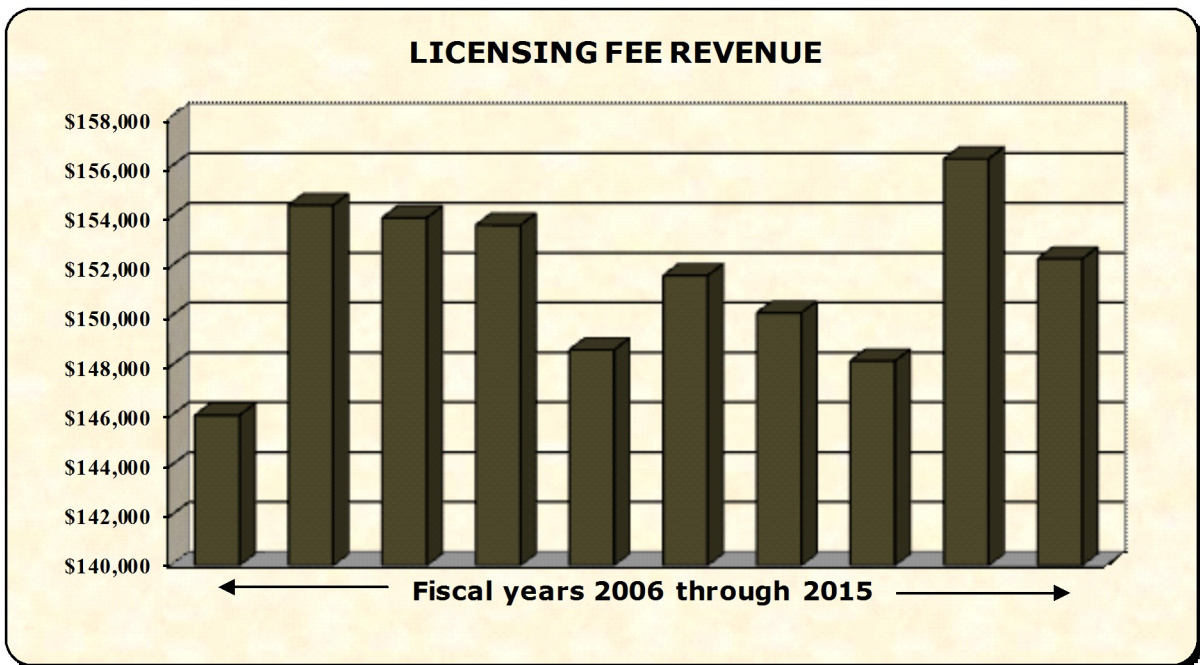
Major Influences: Population, Enforcement, Public Policy



Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purpose.	2005-06	\$146,033	0.9%
	2006-07	\$154,464	5.8%
	2007-08	\$153,958	-0.3%
	2008-09	\$153,663	-0.2%
	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 (est.)	\$156,325	5.5%
	2014-15 (est.)	\$152,311	-2.6%
Assumptions			

License fees are derived from a license tax on professions, occupations, businesses (\$111,305) and animals (\$41,006) within the Town. The license fee is used primarily as a means of regulating businesses and animal control within the community. The estimate for FY14-15 is based on 2,559 active business licenses and 2,888 animal licenses.

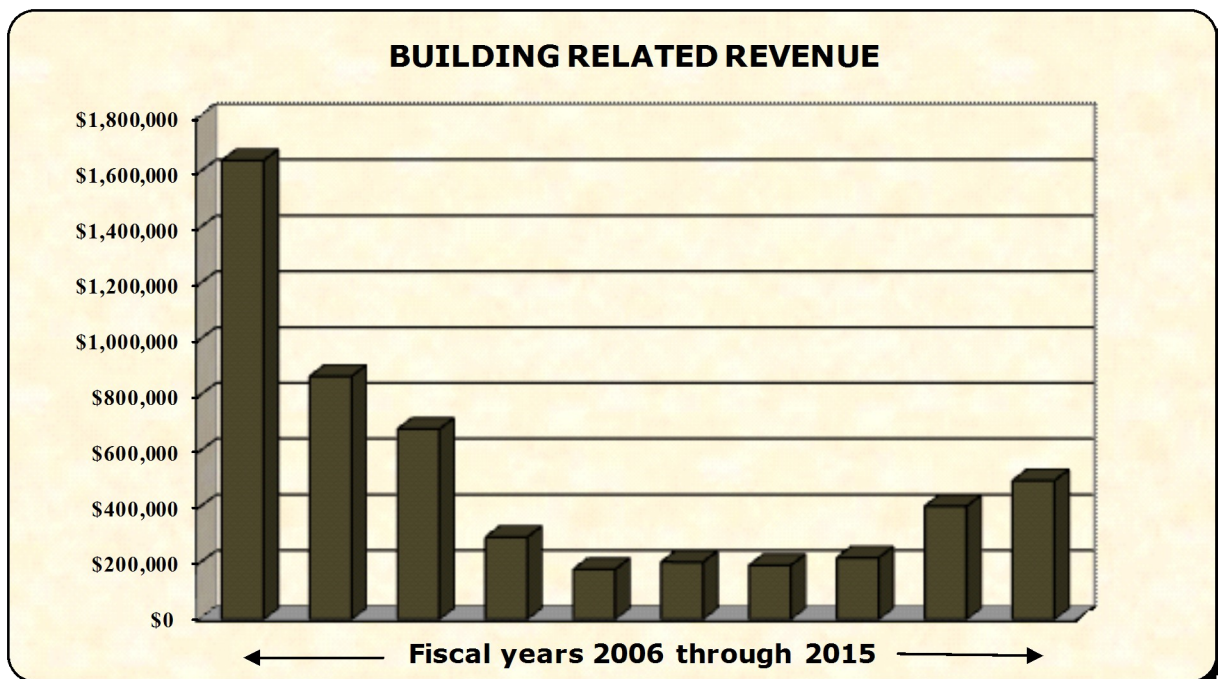
Major Influences: Economy, Enforcement



Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purpose.	2005-06	\$1,643,454	-22.0%
	2006-07	\$870,386	-47.0%
	2007-08	\$681,445	-21.7%
	2008-09	\$294,356	-56.8%
	2009-10	\$178,945	-39.2%
	2010-11	\$205,131	14.6%
	2011-12	\$193,267	-5.8%
	2012-13	\$220,689	14.2%
	2013-14 (est.)	\$405,020	83.5%
	2014-15 (est.)	\$496,900	22.7%
Assumptions			

Revenues from this source include the fees collected from building permits, rezoning, improvement plans, encroachment and subdivision plans. The estimates for FY14-15 are based on construction activity provided by the local developer and planning staff and reflect the general economic slowdown in new home construction. The projected number of permits for next fiscal year is 25 single family, 35 multi-family unit, and 5 commercial projects.

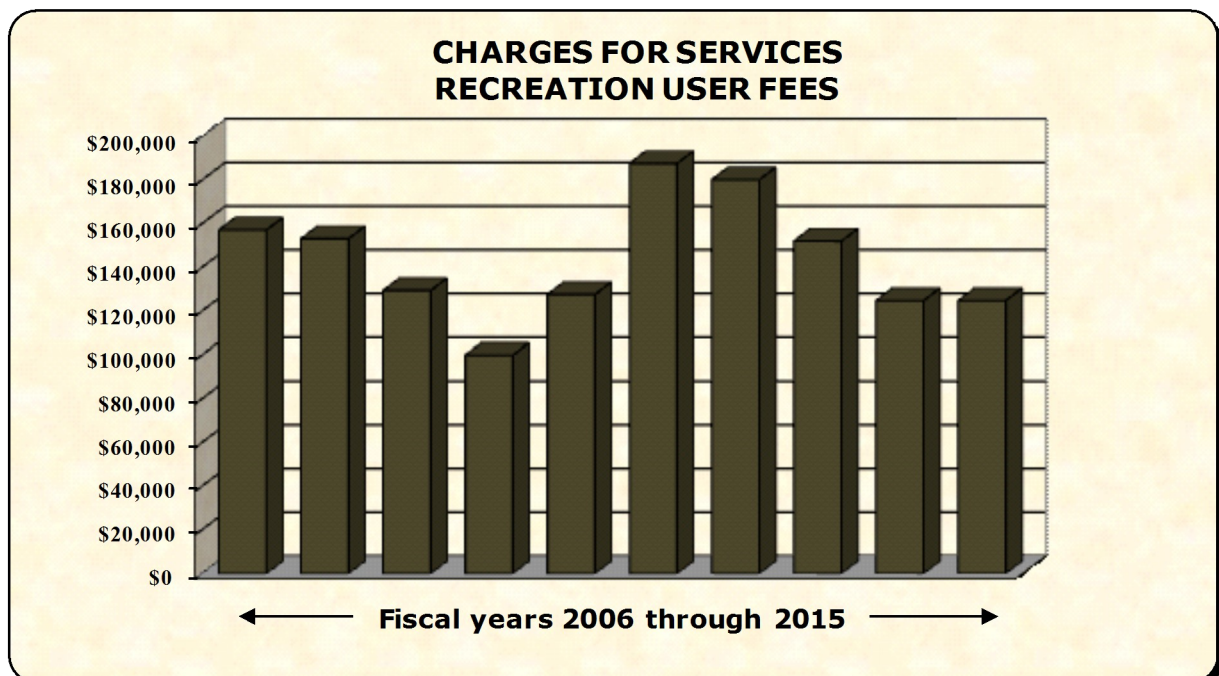
Major Influences: Population, Economy, Development, Public Policy



Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purpose.	2005-06	\$157,193	-7.9%
	2006-07	\$153,219	-2.5%
	2007-08	\$129,482	-15.5%
	2008-09	\$100,000	-22.8%
	2009-10	\$127,687	27.7%
	2010-11	\$187,724	47.0%
	2011-12	\$180,223	-4.0%
	2012-13	\$152,106	-15.6%
	2013-14 (est.)	\$124,848	-17.9%
	2014-15 (est.)	\$124,850	0.0%
Assumptions			

Charges for services are collected from users of Town facilities (parks) and recreation programs for youths to seniors. Senior Services offers programs for senior citizens including home delivered meals, fitness programs, special interest classes and trips, as well as social events. The decrease for FY13-14 reflects a general decline in the number of participants in recreation programs as well as a reduction in fees.

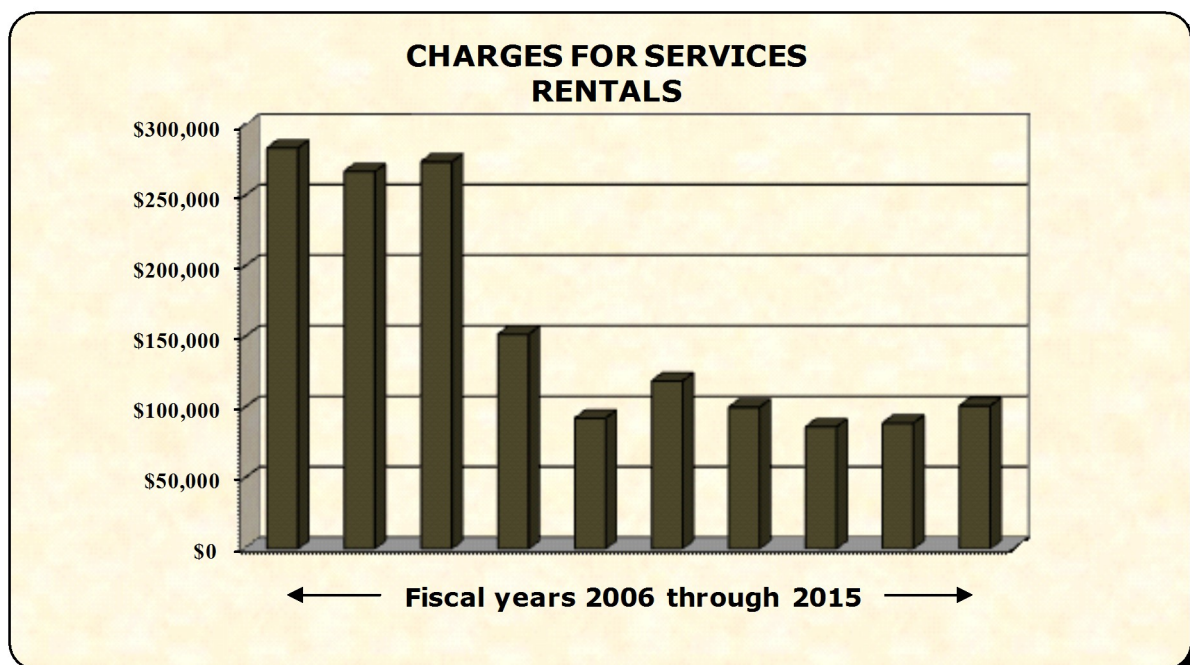
Major Influences: Population, Internal Policy on Rates



Restrictions	Fiscal Year	Amount	Percent Change
No restrictions on usage. Must be expended for public purpose.	2005-06	\$284,075	13.3%
	2006-07	\$267,350	-5.9%
	2007-08	\$274,244	2.6%
	2008-09	\$152,064	-44.6%
	2009-10	\$92,602	-39.1%
	2010-11	\$119,000	28.5%
	2011-12	\$100,341	-15.7%
	2012-13	\$86,475	-13.8%
	2013-14 (est.)	\$89,088	3.0%
	2014-15 (est.)	\$101,350	13.8%
Assumptions			

Charges for services are collected from users of Town facilities (parks) and recreation programs for youths to seniors. Senior Services offers programs for senior citizens including home delivered meals, fitness programs, special interest classes and trips, as well as social events. The decrease for FY13-14 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



Expenditure Summary

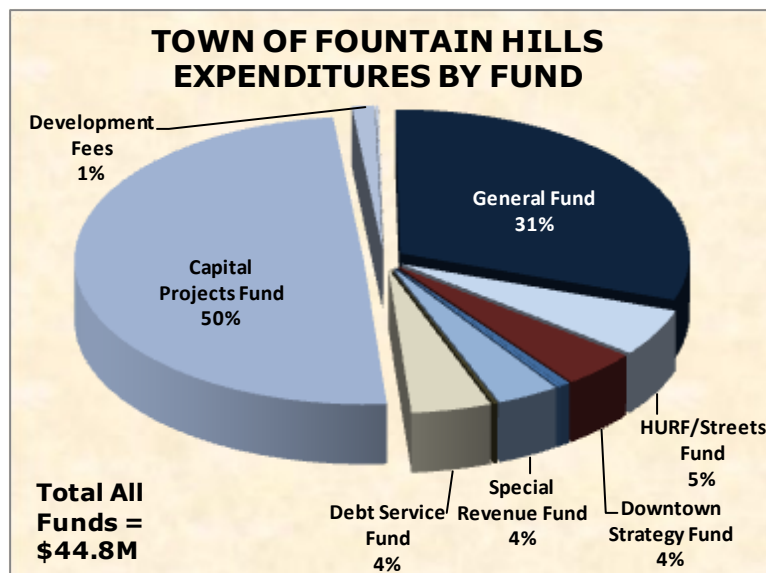
Expenditures

This section provides a broad overview of the expenditures included in the FY14-15 budget. Information is presented for each fund.

All Funds Expenditure Summary

Total expenditures for all funds are \$44,807,389 including transfers. The General Fund represents 31% of the total. HURF/Streets Fund represents 5% of the total Town budget. The Downtown Strategy Fund represents 4% of the total. other Special Revenue Funds represent 4% of the budget, Development Fees 1%, with Debt Service representing 4%, and Capital Projects representing 50%.

With the introduction of program budgeting, all expenditures are categorized by line item or program. A summary of all programs and proposed costs are shown on the next pages.



**FY14-15 Proposed Budget
Summary of Expenditures by Fund and Program**

Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
General Fund				
Accounting	\$ 50,894	\$ 51,450	\$ 40,021	\$ 50,596
Administration	3,222,709	2,182,194	1,803,861	1,856,548
Amenities	174,517	218,515	189,155	232,996
Animal Control	36,675	37,880	67,399	39,825
Art & Culture	6,328	7,767	48,159	42,021
Attorney Services	234,427	236,759	198,840	232,430
Audit Services	65,836	65,925	68,723	68,279
Boards & Commissions	41,059	43,473	58,600	60,627
Budget	42,273	39,636	46,067	45,514
Building Inspection	179,693	209,033	228,237	236,190
Building Maintenance	554,740	655,717	795,964	760,192
Capital Improvement Prog	85,486	87,949	90,157	96,002
Civil Cases	41,862	40,347	40,080	30,999
Code Compliance	126,190	91,185	101,215	104,546
Community Events	98,436	99,135	99,526	106,480
Criminal Cases	83,948	75,831	62,954	48,996
Current Planning	92,696	94,363	101,860	106,782
Customer Service	26,817	31,974	31,816	30,416
Elections	142,014	29,979	85,950	58,917
Emergency Medical	1,358,688	1,377,727	1,420,416	1,468,591
Engineering	127,088	124,254	151,621	159,813
Environmental Service	65,606	29,398	31,997	35,215
Event Planning	50,785	54,013	58,156	60,394
Field Prep/Maint	172,747	152,826	186,387	207,282
Fire Projects	1,510,388	1,550,938	1,659,508	1,628,240
Fountain	189,489	188,860	218,236	224,165
Home Delivered Meals	94,727	74,521	68,140	65,266
Incarceration/Transport	54,106	66,434	84,000	67,500
Juvenile	17,758	15,467	11,608	8,292
Landscape Maintenance	185,482	176,540	197,547	233,369
Legislation	39,179	42,081	46,668	48,183
Licensing	39,355	35,877	38,365	37,202
Long Range Planning	25,573	25,972	28,249	29,315
Mapping & Graphics	71,867	86,156	76,112	76,812
Network Administration	151,979	193,367	164,675	151,955
Open Space	36,673	31,762	40,790	39,581
Operations	-	-	124,228	137,406
Patrol	2,729,379	2,762,382	2,946,840	3,249,300
Payroll	14,515	15,255	16,696	22,060
Permitting	92,960	108,205	113,234	122,699
Public Defender	1,500	2,750	4,800	4,800
Prosecutor	110,000	110,000	110,001	90,000
Purchasing	16,844	17,157	25,452	40,380
Records Management	14,953	16,223	15,979	16,735
Recruitment	27,865	7,405	20,913	32,575
Risk Management	200,464	254,571	280,811	281,456
Senior Memberships	55,985	80,550	94,631	99,108
Social/Community Services	377,015	386,637	140,326	140,772
Support	45,173	45,881	59,338	41,974
Special Events	26,889	27,364	28,245	25,864
Special Interest Programs	27,979	26,889	36,315	43,025
Sports Activities	58,715	56,901	67,088	78,819
Stormwater Management	190,547	193,225	210,401	216,905
Strategic Planning	14,736	21,330	21,751	21,848
Training & Development	486	3,315	3,000	7,000
Treasury	38,564	44,091	44,293	46,808
Video Services	36,189	20,593	15,333	10,529
Volunteers	53,639	55,471	43,310	69,565
Web Site	11,096	15,139	21,966	38,393
Youth & Teen Programs	31,681	39,001	97,047	91,232
Total General Fund	\$ 13,675,264	\$ 12,835,640	\$ 13,183,057	\$ 13,678,784

**FY14-15 Proposed Budget
Summary of Expenditures by Fund and Program**

Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Highway User Revenue Fund				
Administration	\$ 119,299	\$ 140,481	\$ 392,726	\$ 170,717
Adopt A Street	3,481	3,164	3,796	4,804
Legal Services	26,247	25,696	21,600	24,000
Open Space	262,956	263,788	272,548	275,863
Pavement Management	139,125	1,225,433	2,218,995	1,493,250
Street Signs	55,452	75,621	83,042	86,798
Street Sweeping	128,883	133,990	81,769	92,563
Traffic Mgmt	93,761	-	-	-
Traffic Signals	144,367	106,317	157,572	152,034
Vehicle Maintenance	75,557	74,934	84,270	87,175
Total Highway User Revenue Fund	\$ 1,049,128	\$ 2,049,424	\$ 3,316,318	\$ 2,387,204
Downtown Strategy Fund				
Administration	\$ 119,121	\$ 176,322	\$ 1,954,079	\$ 1,879,079
Total Downtown Strategy Fund	\$ 119,121	\$ 176,322	\$ 1,954,079	\$ 1,879,079
Economic Development Fund				
Administration	\$ -	\$ -	\$ 171,119	\$ 229,741
Total Economic Development Fund	\$ -	\$ -	\$ 171,119	\$ 229,741
Tourism Fund				
Administration	\$ -	\$ -	\$ -	\$ 110,175
Total Tourism Fund	\$ -	\$ -	\$ -	\$ 110,175
Special Revenue Funds				
Environmental Service	\$ -	\$ -	\$ -	\$ -
Grants Admin	168,305	125,222	1,297,964	1,566,132
Transportation	-	-	-	-
Total Special Revenue Fund	168,305	125,222	1,297,964	1,566,132
Art & Culture	8,440	3,680	15,000	15,000
Total Public Art Fund	8,440	3,680	15,000	15,000
Administration	-	-	-	30,000
Equipment Replacement	5,098	11,300	48,875	50,615
Total Court Enhancement Fund	5,098	11,300	48,875	80,615
Cottonwoods Maintenance District	-	11,033	3,500	3,600
Total Cottonwoods Maint District	-	11,033	3,500	3,600
Total Special Revenue Funds	\$ 181,843	\$ 151,235	\$ 1,365,339	\$ 1,665,347
Debt Service Funds				
Revenue Bond Debt Service	\$ -	\$ -	\$ -	\$ -
Gen Oblig Bd Debt Service	1,017,562	1,001,062	1,015,850	472,100
Eagle Mtn CFD Debt Service	421,610	421,193	425,235	423,035
Munic Prop Corp Debt Service	3,844,609	1,089,175	1,111,400	1,113,200
Total Debt Service Funds	\$ 5,283,781	\$ 2,511,430	\$ 2,552,485	\$ 2,008,335

FY14-15 Proposed Budget Summary of Expenditures by Fund and Program

Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Capital Projects Fund				
Administration	\$ 35,306	\$ 2,805	\$ 160,830	\$ 190,080
Downtown Development	13,247	145,306	1,940,000	1,865,000
Fire Projects	30,063	63,115	720,000	2,630,000
General Govt Projects	228,655	28,106	234,250	100,000
Library/Museum Project	109,128	38,000	-	-
Open Space	-	16,212	-	-
Park Development	108,690	77,766	1,145,000	1,714,750
Pavement Management	257,966	391,900	13,478,000	13,618,000
Stormwater Management	20,351	7,166	126,000	1,690,000
Traffic Signals	60,013	-	400,000	400,000
Total Capital Projects Fund	\$ 863,419	\$ 770,376	\$ 18,204,080	\$ 22,207,830
Development Fees				
Law Enforcement Dev Fee	\$ 1,067	\$ 951	\$ 5,000	\$ 203,000
Fire/Emergency Dev Fee	467	951	5,000	47,000
Streets Dev Fee	3,622	4,315	20,000	275,000
Park/Rec Dev Fee	3,495	3,795	15,000	-
Open Space Dev Fee	12,677	4,470	-	-
Library/Museum Dev Fee	553	951	5,000	42,500
General Govt Dev Fee	527,487	-	-	-
Total Development Fees	\$ 549,368	\$ 15,433	\$ 50,000	\$ 567,500
Internal Service				
Operational Support	\$ 68,658	\$ 63,186	\$ 71,010	\$ 72,394
Equipment Replacement	-	-	-	-
Vehicle Replacement	106,084	122,763	787,891	1,000
Total Internal Service	\$ 174,742	\$ 185,949	\$ 858,901	\$ 73,394
Grand Total of All Funds	\$ 21,896,666	\$ 18,695,809	\$ 41,655,378	\$ 44,807,389

FY14-15 Operating Expenditures by Department and Division

Department	Division	Proposed Budget
General Fund Operations		
Mayor & Council	Mayor & Council	\$ 80,318
Municipal Court	Municipal Court	275,165
Administration	Town Manager	501,393
	Town Clerk	159,247
	Human Resources/Risk Management	400,557
	Finance	362,738
	Information Technology	253,380
	Legal Services	327,230
	Economic Development	90,000
	Total Administration	2,094,545
Development Services	Engineering	537,899
	Facilities	922,690
	Planning	171,311
	Code Compliance	104,546
	Mapping & Graphics	76,812
	Building Safety	201,248
	Total Development Services	2,014,506
Community Services	Recreation	585,347
	Community Center	457,104
	Senior Services	230,025
	Parks-Fountain Park	446,680
	Parks-Golden Eagle Park	363,049
	Parks-Desert Vista Park	114,808
	Parks-Four Peaks Park	150,927
	Parks-Open Space/Trails	39,581
	Total Community Services	2,387,521
Law Enforcement	Law Enforcement	3,379,630
Fire & Emergency Medical	Fire & Emergency Medical	3,447,099
Total General Fund Operations		13,678,784
Special Revenue Fund Operations		
Development Services	Streets/HURF	2,387,204
Administration	Downtown Strategy Fund	1,879,079
Administration	Economic Development Fund	229,741
Administration	Tourism Fund	110,175
Total Special Revenue Fund Operations		4,606,199
All Operating Fund Expenditures		\$ 18,284,983



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 preliminary FY14-15 expenditure limitation for the Town of Fountain Hills is \$26,068,452 which is a .1% decrease from the previous year. The limit applies to FY14-15 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	\$ 44,807,389
Exclusions from Revenues:	
Bond Proceeds carried forward	-
Bond Proceeds	8,200,000
Debt Service Payments	1,540,135
Dividends, Interest, Gains	64,110
Grants	5,376,655
Received from State(LTAF, GETUM Grants)	4,806,008
Contributions from private organization	-
Highway User Revenues excess 1979-80	1,268,640
Savings Reserved for Capital Purchase (voter approved)	-
Contracts with Other Political Subdivisions	10,909
Refunds, Reimbursements	-
Voter Approved Exclusions	-
Prior Years Carryforward	-
Total Exclusions	<u>21,266,457</u>
Expenditures subject to limitation	23,540,932
Expenditure Limitation (estimated)	<u>26,068,452</u>
Under/(Over) Limitation	<u>\$ 2,527,520</u>

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 committee. 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 Plan	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 291.
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 45.
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 pages 17-18.

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 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 is provided with 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 Economic Development 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 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 FY14-15

Thu, October 31, 2013	5 yr Revenue Forecast due to Town Manager
Tues, November 5, 2013	Bond Election held
Wed, November 13, 2013	Department Directors review and prioritize the proposed CIP projects
Tues, December 31, 2013	Preliminary operating budgets entered into MUNIS Staffing Requirements due to Finance
Mon, January 6, 2014	Staff to publish fee and tax levy notice on website for legal compliance
Wed, Jan 8 and Thu, Jan 9, 2014	Council Retreat Session - Priorities for FY14-15; Council receives preliminary CIP Budget & Strategic Plan Review
Thu, January 16, 2014	Final operating budgets entered into MUNIS
Thu, February 6, 2014	Department/Division templates due to Finance for inclusion in budget book
Thu, March 6, 2014	Final revenue projections entered into MUNIS
Mon-Thu, March 10-13, 2014	Department presentations due to Town Manager
Mon, March 31, 2014	Council receives proposed budget
Thu, April 17, 2014	Public Outreach/Open House held prior to the Council meeting (5:30 PM – 6:30 PM)
Mon, April 28, 2014	Council Budget Work Study Session
Tues, April 29, 2014	Council Budget Work Study Session (if needed)
Wed, April 30, 2014	Council Budget Work Study Session (if needed)
Thu, May 1, 2014	Town, CMD & EMCFD Meetings - Adoption of Tentative Budgets
Thu, June 5, 2014	Town, CMD & EMCFD Meetings – Regular Session Public Hearing
Thu, June 19, 2014	Town, CMD & EMCFD Meetings - Adoption of Tax Levy

OPERATING BUDGETS

MAYOR & TOWN COUNCIL

MUNICIPAL COURT

ADMINISTRATION

DEVELOPMENT SERVICES

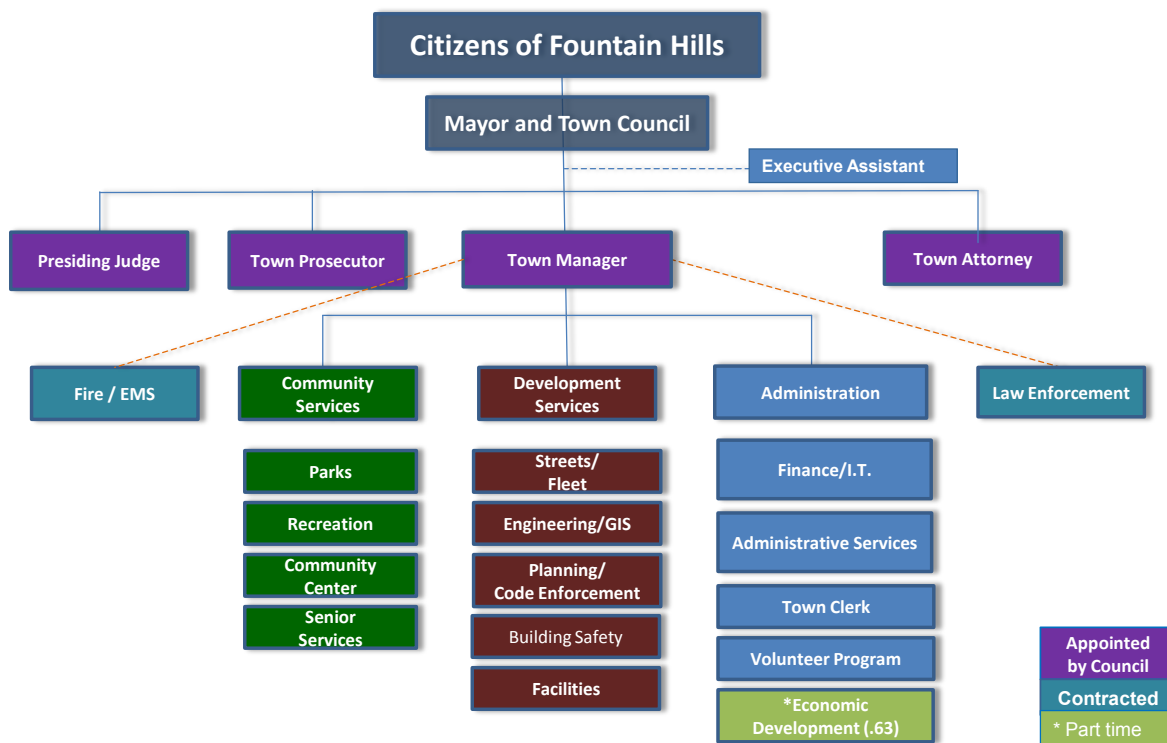
COMMUNITY SERVICES

LAW ENFORCEMENT

FIRE & EMERGENCY MEDICAL



Town of Fountain Hills Organization



Department Directors

Town Manager	Ken Buchanan
Finance Director	Craig Rudolphy
Presiding Judge	Robert Melton
Community Services Director	Mark Mayer
Development Services Director	Paul Mood
Fire Chief	Randy Roberts, Rural Metro Corporation
District Commander	Captain Joe Rodriquez, Maricopa County Sheriff's Office
Town Prosecutor	Mark Iacovino The Law Office of Mark Iacovino
Town Attorney	Andrew McGuire, Gust Rosenfeld, P.L.C.

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.

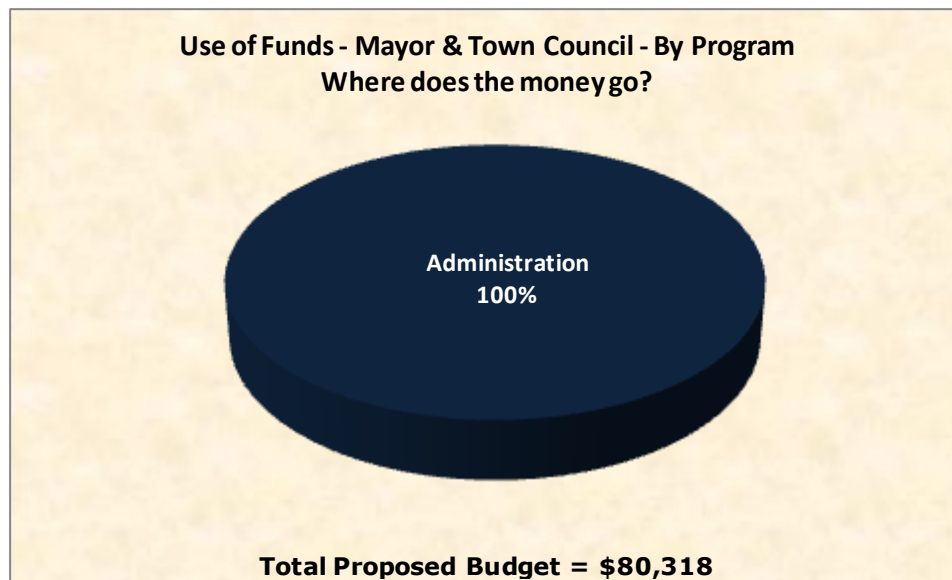


FRONT ROW: Councilmember Cassie Hansen, Mayor Linda M. Kavanagh, Councilmember Ginny Dickey
BACK ROW: Councilmember Tait D. Elkie, Vice Mayor Cecil A. Yates, Councilmember Henry Leger, Councilmember Dennis Brown

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.

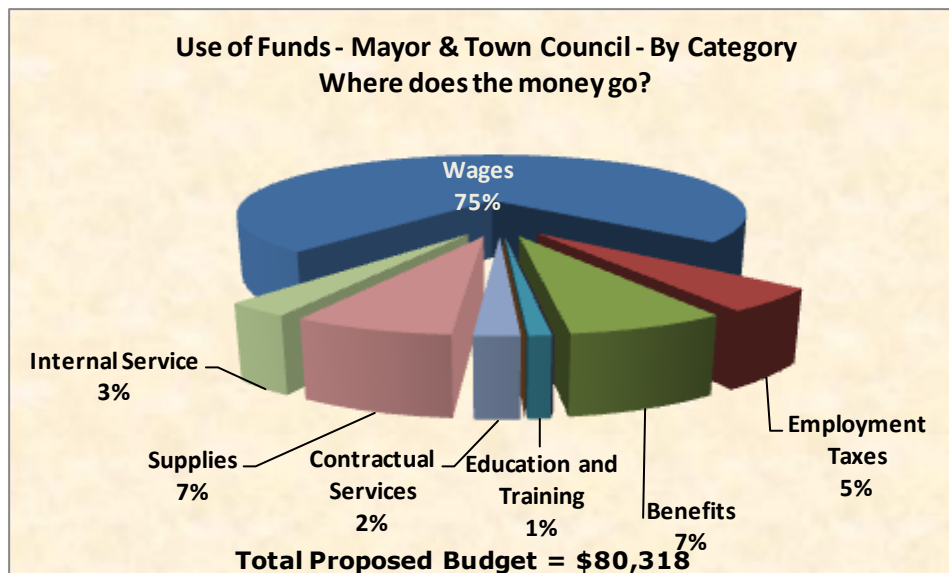
Program Name	Expenditures by Program			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Administration	\$ 68,444	\$ 76,004	\$ 79,702	\$ 80,318
Total	\$ 68,444	\$ 76,004	\$ 79,702	\$ 80,318



Category	Expenditures by Category			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Wages	\$ 52,518	\$ 59,753	\$ 59,704	\$ 59,703
Employment Taxes	4,771	4,812	4,927	4,269
Benefits	3,849	5,492	5,711	5,528
Dues and Memberships	360	650	360	360
Education and Training	3,153	3,059	4,575	900
Maintenance and Repair	74	219	-	-
Contractual Services	148	70	1,900	1,990
Supplies	2,544	342	350	5,493
Internal Service	1,027	1,607	2,175	2,075
Total	\$ 68,444	\$ 76,004	\$ 79,702	\$ 80,318

Variance Explanations:

Supplies: Includes the purchase of 20th anniversary pins as well as supplies in anticipation of the 25th anniversary celebration.



Operational Priorities for FY14-15

- Pavement Management Program
- Economic Development Plan
- Fountain Lake IGA with Sanitary District
- Fire Station #2 Relocation
- Facilities Replacement Fund

STRATEGIC PLAN GOALS FOR FY14-15

From the Values listed in the *Strategic Plan 2010*, Council identified the following Strategic Directions as Goals for FY14-15.

Civility

- C 3** Genuinely solicit and consider public and stakeholder feedback as part of the decision-making process.

Maintain and Improve Community Infrastructure

- 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.

Economic Vitality

- 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 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.

Civic Responsibility

- CR 4** Implement a comprehensive communications plan to encourage informed citizen participation in civic life.
- 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.

**FY14-15 Proposed Budget
Summary of Expenditures
Mayor & Council**

Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
General Fund				
Salaries-Full Time	\$ 52,517	\$ 59,752	\$ 23,704	\$ 23,703
Salaries-Part Time	-	-	36,000	36,000
FICA	2,232	2,232	2,232	2,232
Medicare	753	854	866	866
Workers Compensation	631	672	727	332
Unemployment Insurance	1,155	1,054	1,102	839
Group Health Insurance	1,805	2,588	2,766	2,583
Group Dental Insurance	101	154	161	157
Group Vision Insurance	16	23	23	23
Disability Insurance	62	51	83	83
Retirement	1,817	2,607	2,608	2,607
Life Insurance	48	70	70	75
Dues, Subscript & Publicat	360	650	360	360
Training/Cont Ed	495	-	-	-
Meetings & Conferences	2,658	3,060	4,575	900
Sign Repair & Replacement	74	219	-	-
Professional Fees	-	-	-	-
Printing Expense	149	70	400	490
Community Contracts/Events	-	-	1,500	1,500
Office Supplies	1,611	342	350	100
Food & Beverage Supplies	933	-	-	250
Miscellaneous Expense	-	-	-	5,143
ISF-Copier Charges	41	83	100	100
ISF-Mail Service Charges	13	12	25	25
ISF-Telecom Charges	973	1,511	2,050	1,950
Total Mayor & Council	\$ 68,444	\$ 76,004	\$ 79,702	\$ 80,318

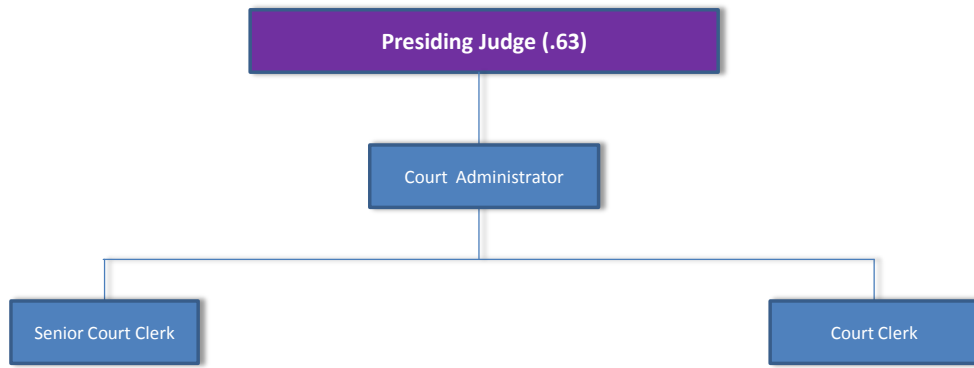




Municipal Court



MUNICIPAL COURT



*Part time -
Appointed
by Council

Full Time

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

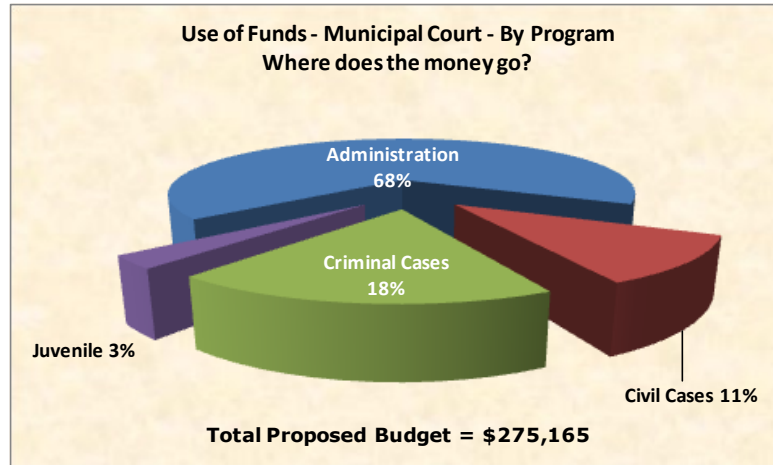
The Fountain Hills Municipal Court is the judicial branch of the Fountain Hills government. Pursuant to State law and the Town Code, decisions regarding the overall function of the Court are the sole responsibility of the Presiding Judge, who also has exclusive supervisory authority over all court personnel. 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 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			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Administration	\$ 242,363	\$ 242,308	\$ 247,759	\$ 186,878
Civil Cases	41,862	40,347	40,080	30,999
Criminal Cases	83,948	75,831	62,954	48,996
Juvenile	17,758	15,467	11,608	8,292
Total	\$ 385,931	\$ 373,953	\$ 362,401	\$ 275,165

Variance Explanations:

Administration: A decrease is due to the reduction in salary and elimination of benefits for the Presiding Judge position as it transitioned from full-time to part-time in FY 2013-2014. This decrease also includes a reduction in the Court Administrator's salary as a new Court Administrator replaced a Court Administrator that retired in FY 13-14.

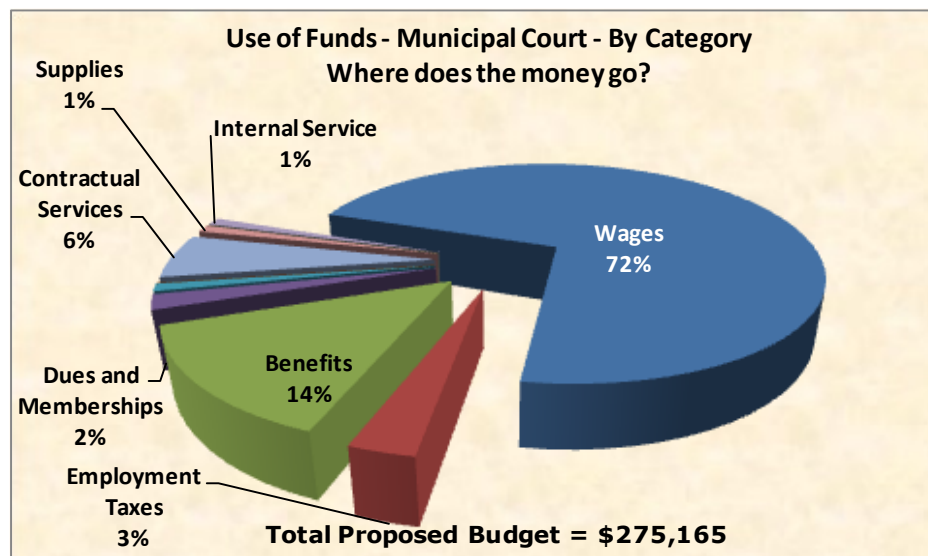
Civil/Criminal Cases: A slight decrease is due to a reduction in the number of civil and criminal complaints projected to be filed with the court by law enforcement. The Municipal Court does not have control over the number of complaints filed.



Category	Expenditures by Category			
	FY 11-12 Actual	FY 12-13 Actual	FY 13-14 Revised Budget	FY 14-15 Proposed Budget
Wages	\$ 287,222	\$ 281,915	\$ 259,834	\$ 197,340
Employment Taxes	5,891	5,406	5,063	6,896
Benefits	71,942	67,108	64,596	39,666
Dues and Memberships	4,987	4,116	4,341	4,441
Education and Training	754	25	700	2,100
Maintenance and Repair	553	470	800	320
Contractual Services	7,603	8,177	19,590	17,070
Supplies	1,505	2,266	3,600	3,800
Equipment	-	427	-	-
Internal Service	5,474	4,043	3,877	3,532
Total	\$ 385,931	\$ 373,953	\$ 362,401	\$ 275,165

Variance Explanations:

Wages/Benefits: A decrease is due to the reduction in salary and elimination of benefits for the Presiding Judge position as it will transition from full-time to part-time.



FY13-14 Department Accomplishments

Initiative	Strategic Value
Complied with recognized Supreme Court/AOC guidelines for timely case processing, management and finances.	CR1-Foster an environment of accessible, responsive governance.
Continued the Fountain Hills Community Teen Court which includes students from Fountain Hills and the surrounding communities through a partnership with Fountain Hills High School and Juvenile Court of Maricopa County.	CR1-Foster an environment of accessible, responsive governance; CR2-Discover, recognize and utilize the talents of our citizens and use these assets to address community needs; CR3-Foster a culture of public service and volunteerism; and C2-Support community events and activities that create opportunities to build community and friendship.
Continued community outreach through informing the public and Fountain Hills High School about Teen Court and the justice system.	CR1-Foster an environment of accessible, responsive governance.
Successfully hired a new Court Administrator.	CR1-Foster an environment of accessible, responsive governance.
Court staff completed all training required by the Supreme Court.	CR1-Foster an environment of accessible, responsive governance.



FY14-15 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-Evaluate customer satisfaction with Town services on a regular basis and implement appropriate service improvements and CR7-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.	\$0
Provide community outreach through informing the public and Fountain Hills High School about Teen Court and the justice system.	CR4-Implement a comprehensive communications plan to encourage informed citizen participation in civic life.	\$0
Effectively and efficiently monitor and enforce timely compliance with Court ordered sentencing and diversion programs while holding defendants accountable for their actions and obligations.	CR6-Evaluate customer satisfaction with Town services on a regular basis and implement appropriate service improvements and CR7-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.	\$0
Enhance the court's audiovisual conferencing capabilities to accommodate more hearings for in-custody defendants and to allow remote access by litigants.	CR6-Evaluate customer satisfaction with Town services on a regular basis and implement appropriate service improvements.	\$30,000/Judicial Court Enhancement Fund
Transition to the new case management system provided by the Arizona Supreme Court to provide better access to justice.	CR6-Evaluate customer satisfaction with Town services on a regular basis and implement appropriate service improvements.	\$0
Process cases more efficiently by transitioning to e-Citations-electronic filing of law enforcement citations.	CR6-Evaluate customer satisfaction with Town services on a regular basis and implement appropriate service improvements.	\$0
Eliminate paper files by transitioning to disconnected scanning of active case records to improve case processing.	CR6-Evaluate customer satisfaction with Town services on a regular basis and implement appropriate service improvements.	\$0

Activities/Results

Performance Measures

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Cases Filed	2,173	1,740	1,841	1,800
Cases Terminated	2,497	2,008	2,063	2,000
Hearings/Trials Held	731	703	1,788	1,700

**FY14-15 Proposed Budget
Summary of Expenditures
Municipal Court**

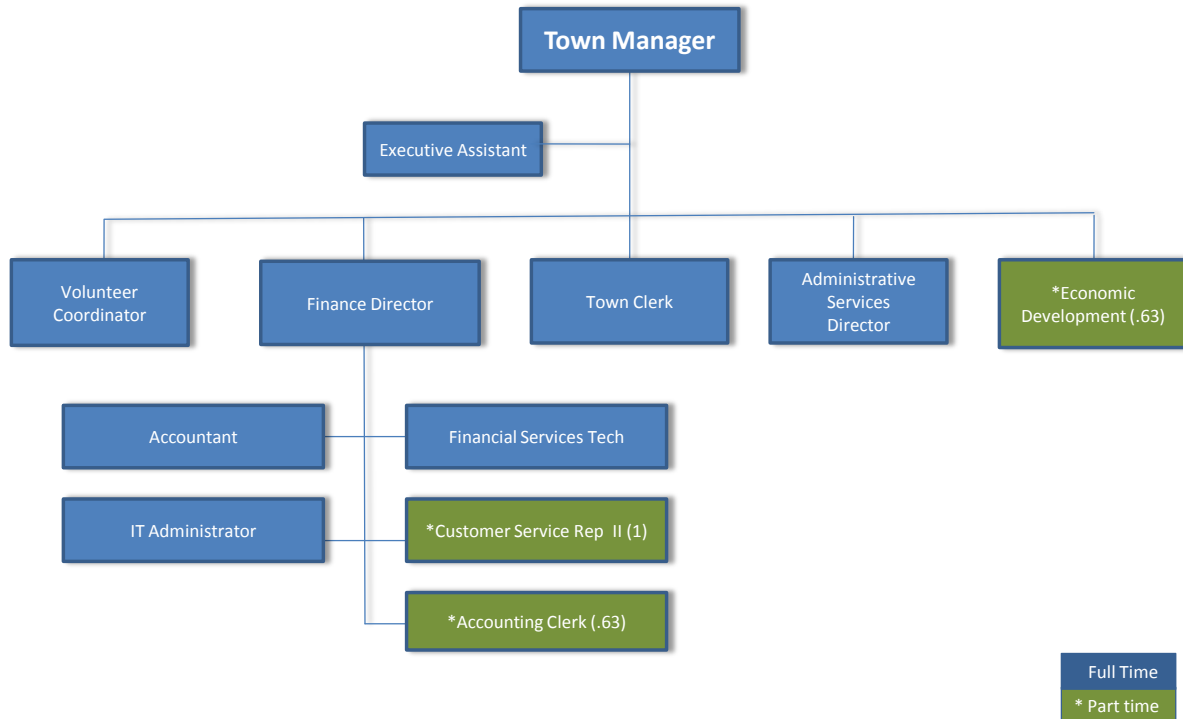
Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
General Fund				
Salaries-Full Time	\$ 287,221	\$ 281,914	\$ 259,834	\$ 197,340
Overtime	-	-	-	-
FICA	-	-	-	2,620
Medicare	4,054	3,997	3,844	2,859
Workers Compensation	510	609	618	1,004
Unemployment Insurance	1,327	800	601	413
Group Health Insurance	36,096	31,699	31,608	19,616
Group Dental Insurance	2,129	2,781	1,924	1,822
Group Vision Insurance	283	243	220	193
Disability Insurance	1,078	640	930	542
Retirement	31,594	31,011	29,145	17,013
Life Insurance	761	735	769	480
License/Filing Fees	-	10	-	-
Dues, Subscript & Publicat	4,987	4,107	4,341	4,441
Training/Cont Ed	632	25	300	700
Meetings & Conferences	123	-	400	1,400
Office Equip Maint/ Repair	553	469	800	320
Sign Repair & Replacement	-	-	-	-
Auditing Expense	-	-	2,500	2,500
Professional Fees	15	30	150	150
Legal Fees	140	125	8,000	2,000
Rentals & Leases	-	-	-	480
Printing Expense	1,183	2,076	2,000	2,000
Advertising/Signage	-	-	150	150
Intergovt Agreements	4,519	4,503	4,600	7,600
Bank/Merc Acct Fees	1,747	1,443	1,950	1,950
ActiveNet Fees	-	-	240	240
Office Supplies	1,165	1,498	3,300	3,300
Safety Supplies	10	-	-	-
Food & Beverage Supplies	330	768	300	500
Peripherals	-	317	-	-
Furniture/Appliances	-	110	-	-
ISF-Copier Charges	12	2	32	32
ISF-Mail Service Charges	1,188	1,008	1,200	1,200
ISF-Motor Pool Charges	335	279	250	250
ISF-Telecom Charges	3,939	2,754	2,395	2,050
Total Municipal Court	\$ 385,931	\$ 373,953	\$ 362,401	\$ 275,165



Administration



ADMINISTRATION DEPARTMENT



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

ADMINISTRATION

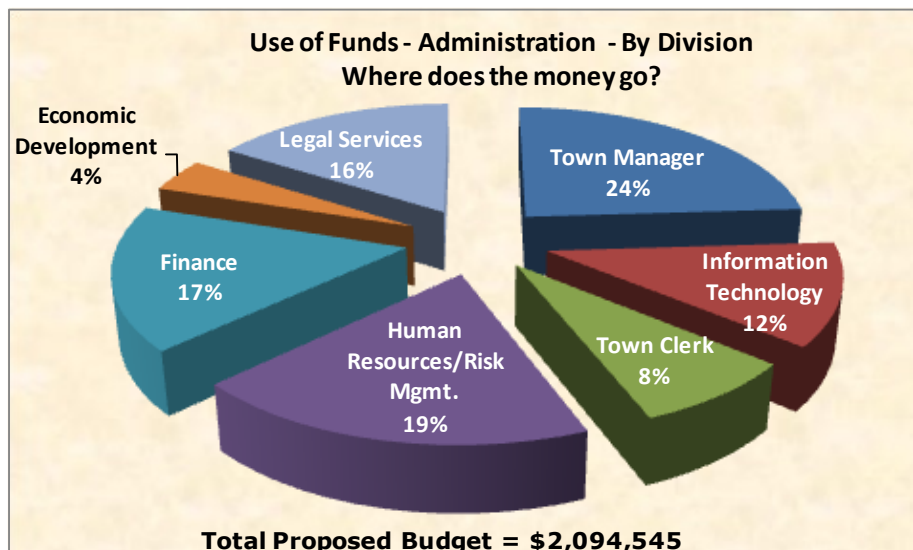
Mission Statement

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: Town Manager, Town Clerk, Human Resources/Risk Management, Finance, Information Technology, Economic Development, and Legal Services. The Town Manager provides direct supervision over the Town Clerk, Human Resources/Risk Management, Finance, and Economic Development. The Town Manager also administers the budget for Legal Services. The Finance Director is responsible for Finance and Information Technology.

Division	Expenditures by Division			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Town Manager	\$ 482,023	\$ 1,207,682	\$ 541,923	\$ 501,393
Information Technology	275,015	309,022	276,804	253,380
Town Clerk	223,468	117,554	179,210	159,247
Human Resources/Risk Mgmt.	356,085	401,131	360,754	400,557
Finance	2,062,653	321,485	336,849	362,738
Economic Development	68,819	14,223	90,240	90,000
Legal Services	345,927	349,509	313,641	327,230
Total	\$ 3,813,990	\$ 2,720,606	\$ 2,099,421	\$ 2,094,545



Program Name	Expenditures by Program			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Accounting	\$ 50,894	\$ 51,450	\$ 40,021	\$ 50,596
Administration	2,143,314	1,072,982	664,334	616,684
Attorney Services	234,427	236,759	198,840	232,430
Audit Services	65,836	65,925	68,723	68,279
Boards & Commissions	4	-	-	-
Budget	42,273	39,636	46,067	45,514
Customer Service	26,817	31,974	31,816	30,416
Elections	142,014	29,979	85,950	58,917
Legislation	39,179	42,081	46,668	48,183
Licensing	39,355	35,877	38,365	37,202
Network Administration	151,979	193,367	164,675	151,955
Payroll	14,515	15,255	16,696	22,060
Public Defender	1,500	2,750	4,800	4,800
Prosecutor	110,000	110,000	110,001	90,000
Purchasing	16,844	17,157	25,452	40,380
Records Management	14,953	16,223	15,979	16,735
Recruitment	27,865	7,405	20,914	32,576
Risk Management	200,464	254,571	280,811	281,456
Social/Community Services	291,875	291,395	30,318	30,245
Support	45,172	45,881	59,338	41,974
Strategic Planning	14,736	21,330	21,751	21,848
Training & Development	486	3,315	3,000	7,000
Treasury	38,564	44,091	44,293	46,808
Video Services	36,189	20,593	15,333	10,529
Volunteers	53,639	55,471	43,310	69,565
Web Site	11,096	15,139	21,966	38,393
Total	\$ 3,813,990	\$ 2,720,606	\$ 2,099,421	\$ 2,094,545

Variance Explanations:

Accounting: Due to a reorganization of the Finance Division, there were personnel allocation changes that affected the program costs; increased staff time is allocated to the purchasing program with a decrease of staff time for the support and network administration programs.

Elections: The costs for two mail ballot elections are included in the Town Clerk's FY14-15 budget. The Primary Election will be held August 26, 2014; the General Election will be held November 4, 2014, so that qualified electors may determine who will fill the one seat for Mayor and the three seats for Councilmember. The cost for the Maricopa County Elections election services have been budgeted at a reduced rate of \$0.50 per registered voter as the Town's election is on the State's consolidated ballot. The total number of registered voters will be determined by each election's registration deadline. The overall contractual services cost was reduced as a result of the reduced per registered voter rate for the Town's 2014 election services with Maricopa County Elections (i.e. rate at \$0.50 per registered voter vs. the mail ballot election rate of \$2.12). Costs also include publication of various election notices for both elections and the Spanish translation of voter information and election notices.

Variance Explanations (cont.):

Payroll: The Volunteer Coordinator position was changed to be a full-time position.

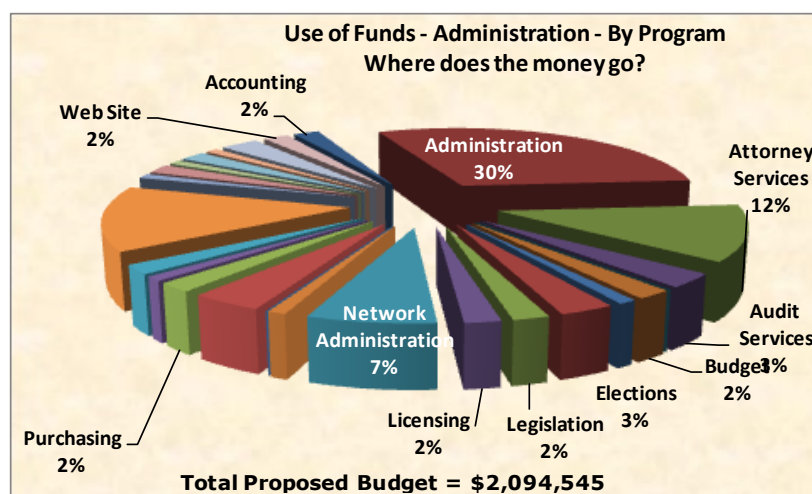
Purchasing: Due to a reorganization of the Finance Division, there were personnel allocation changes that affected the program costs; increased staff time is allocated to the purchasing program with a decrease of staff time for the support and network administration programs.

Recruitment: The improving local economy means many other cities/towns are recruiting for new positions. The Town anticipates that these opportunities may attract Fountain Hills employees which would mean additional recruitment efforts to replace them.

Support: Due to a reorganization of the Finance Division, there were personnel allocation changes that affected the program costs; increased staff time is allocated to the purchasing program with a decrease of staff time for the support and network administration programs.

Volunteers: The Volunteer Coordinator position was changed to be a full-time position.

Web Site: One of the goals of the Strategic Plan and the Town Council is to develop an economic development plan. That plan was adopted by the Town Council in March 2013 and an Economic Development Administrator was hired. The objective in FY14-15 is to further the program by investing in an Economic Development website to enhance those efforts through data resources.



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

Category	Expenditures by Category			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Wages	\$ 646,682	\$ 697,533	\$ 658,529	\$ 672,493
Employment Taxes	19,135	20,277	20,957	16,545
Benefits	130,820	140,017	125,157	190,640
Dues & Memberships	153,055	132,994	125,824	133,096
Education and Training	9,647	8,403	13,408	23,496
Maintenance and Repair	1,479	1,138	9,020	6,970
Utilities	2,847	2,639	3,086	2,460
Contractual Services	1,027,682	947,699	877,484	780,579
Supplies	25,413	24,352	28,531	24,646
Equipment	31,549	82,477	51,780	34,600
Internal Service	22,007	20,123	17,245	19,020
Transfers	1,743,674	642,954	-	90,000
Contingency	-	-	168,400	100,000
Total	\$ 3,813,990	\$ 2,720,606	\$ 2,099,421	\$ 2,094,545

Variance Explanations:

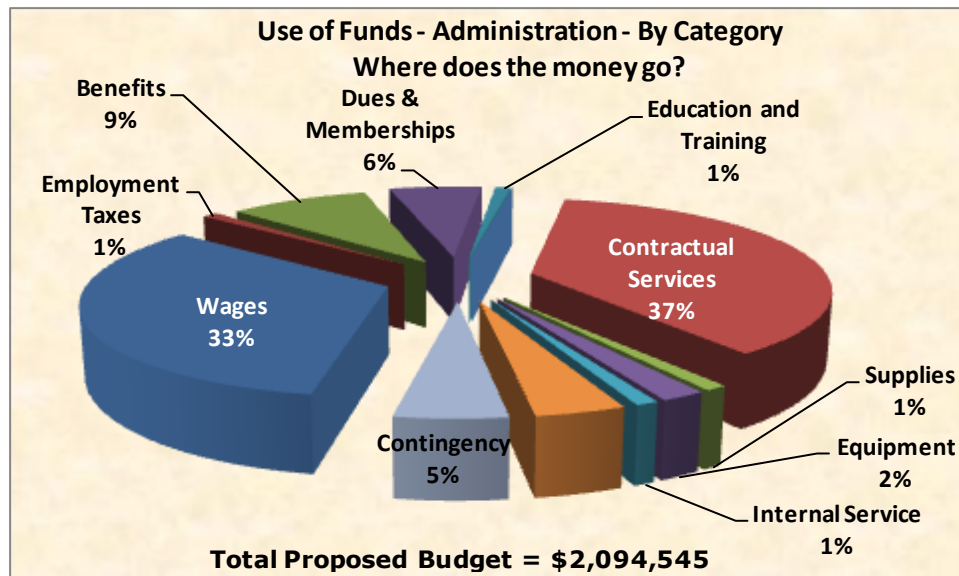
Benefits: The passage of the Affordable Care Act (ACA) impacted the Administration Department by providing benefits to two part-time employees who work over 30 hours per week – these costs are included in the FY14-15 budget.

Education and Training: The Human Resources and Town Clerk divisions have increased their budgets for continuing education and training. The Town Clerk will be attending the National Clerk's Association conference out of state for the first time. The budget anticipates additional training for employees to update their skills and knowledge that has been deferred due to budget constraints.

Equipment: The decrease in expenditures for equipment is related to one time purchases in computer equipment by Information Technology that will not be repeated in FY14-15. Included in the IT budget is the purchase of new software for a citizen web portal that enables citizens to access Town records through the internet.

Transfers: Amount was transferred to the Economic Development Fund for activities instead of using Contractual Services as in the past.

Contingency: Amount was reduced to provide funding for the new Facilities Replacement Fund.



FY13-14 Department Accomplishments

Initiative	Strategic Value
Voter approval for \$8.2M in bonds for reconstruction of Saguaro Boulevard	I3-Pavement Management
Conducted second bi-annual Citizens Academy	CR4-Implement communications plan for civic involvement
Transitioned Tourism program from Chamber of Commerce to Town program	EV5-Promote Fountain Hills as a visitor destination
Developed a plan for sustainable maintenance of Town owned facilities/property	I9-Build a protected fund to finance the major periodic maintenance of community facilities
Expanded Mayor's Youth Council program	CR5-Support and develop programs that educate and involve our youth in community governance
Supported Town's first Chinese Festival of Lights	C2-Support community events and activities that create opportunities to build community and friendship

FY14-15 Objectives

Initiative	Strategic Value	Estimated Cost/Funding Source
Enhance Town website through a web portal	CR1-Foster an environment of accessible, responsive governance	\$20,000/General Fund
Develop a funding source and program for pavement replacement	I3-Maintain a current condition assessment of all roadways and sidewalks and prioritize and implement maintenance efforts to minimize costly reconstruction	\$15,000/General Fund
Conduct a survey of citizens	CR6-Evaluate customer satisfaction with Town services on a regular basis and implement appropriate service improvements	\$25,000/General Fund

**FY14-15 Proposed Budget
Summary of Expenditures
Administration**

Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
General Fund				
Salaries-Full Time	\$ 571,314	\$ 614,201	\$ 520,975	\$ 638,948
Salaries-Part Time	75,365	80,169	\$ 137,554	\$ 33,545
Overtime	-	1,082	-	-
Severance	-	2,081	-	-
FICA	4,708	4,904	8,422	2,079
Medicare	9,124	9,837	9,438	9,666
Workers Compensation	2,049	3,698	1,706	3,700
Unemployment Insurance	3,254	1,839	1,391	1,100
Group Health Insurance	60,315	64,692	59,921	111,110
Group Dental Insurance	3,872	4,317	4,647	5,013
Group Vision Insurance	570	597	544	1,053
Disability Insurance	1,989	1,279	2,243	2,210
Retirement	62,524	67,376	56,222	69,279
Life Insurance	1,550	1,756	1,580	1,975
Licenses/Filing Fees	113,391	92,964	89,179	91,416
Dues, Subscript & Publicat	39,665	40,030	36,645	41,680
Training/Cont Ed	1,900	4,733	4,530	10,160
Meetings & Conferences	7,747	3,670	8,878	13,336
Equipment Maint/Repair	1,178	1,075	7,400	5,000
Office Equip Maint/ Repair	-	-	1,500	1,800
Sign Repair & Replacement	301	63	120	170
Telecommunications	2,736	2,639	3,086	2,460
Gas & Oil	111	-	-	-
Auditing Expense	50,700	52,706	55,000	55,000
Professional Fees	53,036	20,631	50,531	69,040
Legal Fees	342,181	345,304	309,701	323,200
Management Fees	10,625	15,819	18,950	18,950
Insurance Expense	161,396	210,245	256,840	243,800
Printing Expense	4,930	1,706	10,490	1,565
Advertising/Signage	5,621	5,420	9,360	10,340
Intergovt Agreements	104,458	-	42,032	24,104
Contractual Services	-	445	90,000	-
Bank/Merc Acct Fees	9,046	9,733	10,020	10,020
Community Contracts/Events	182,490	182,490	24,200	24,200
Tourism	103,200	103,200	-	-
ActiveNet Fees	-	-	360	360
Office Supplies	4,488	5,166	5,460	3,970
Cleaning/Janitorial Supplies	-	-	15	10
Operating Supplies	4,749	5,038	6,910	5,955
Food & Beverage Supplies	5,614	5,189	6,615	8,510
Program Materials	7,293	8,275	5,181	5,691
Postage & Delivery	2,499	580	4,350	510
Miscellaneous Expense	770	104	-	-
Small Tools	67	-	-	-
Software	563	8,921	15,180	20,600
Hardware	27,627	72,197	35,600	13,000
Peripherals	2,667	968	1,000	1,000
Furniture/Appliances	625	391	-	-
Equipment	-	-	-	-



**FY14-15 Proposed Budget
Summary of Expenditures
Administration**

Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
General Fund-continued				
ISF-Copier Charges	\$ 4,809	\$ 8,230	\$ 5,566	\$ 8,867
ISF-Mail Service Charges	4,280	3,766	4,028	4,588
ISF-Vehicle Replacement Charge	-	-	-	-
ISF-Motor Pool Charges	698	102	50	120
ISF-Telecom Charges	12,221	8,024	7,601	5,445
Transfer Out	1,743,674	642,954	-	90,000
Contingency	-	-	168,400	100,000
Total Administration	<u>\$ 3,813,990</u>	<u>\$ 2,720,606</u>	<u>\$ 2,099,421</u>	<u>\$ 2,094,545</u>



Town Manager Division

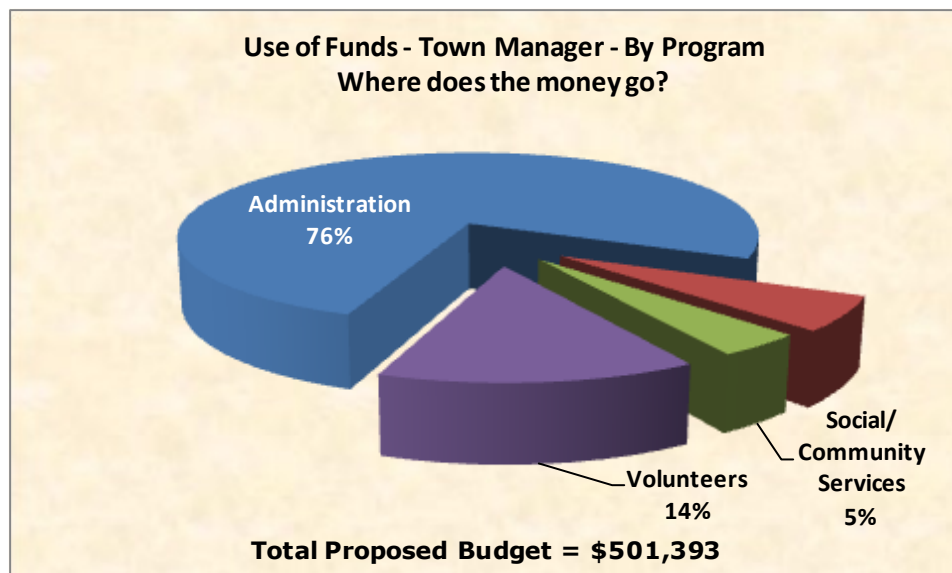
Service Delivery Plan

Provide leadership to ensure a high quality of life for the citizens of Fountain Hills by utilizing Town resources to the greatest extent possible and offering superior service. Work in conjunction with the Town Council and the Strategic Planning Advisory Commission (SPAC) for successful implementation of Operational Priorities and Strategic Plan Goals. Per direction and approval of the Town Council, administer fees for service contracts.

Program Name	Expenditures by Program			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Administration	\$ 175,412	\$ 894,956	\$ 446,544	\$ 379,735
Social/Community Services	291,875	291,395	30,318	30,245
Strategic Planning	14,736	21,330	21,751	21,848
Volunteers	-	-	43,310	69,565
Total	\$ 482,023	\$ 1,207,681	\$ 541,923	\$ 501,393

Variance Explanations:

Volunteers: The Volunteer Coordinator position was changed to be a full-time position.

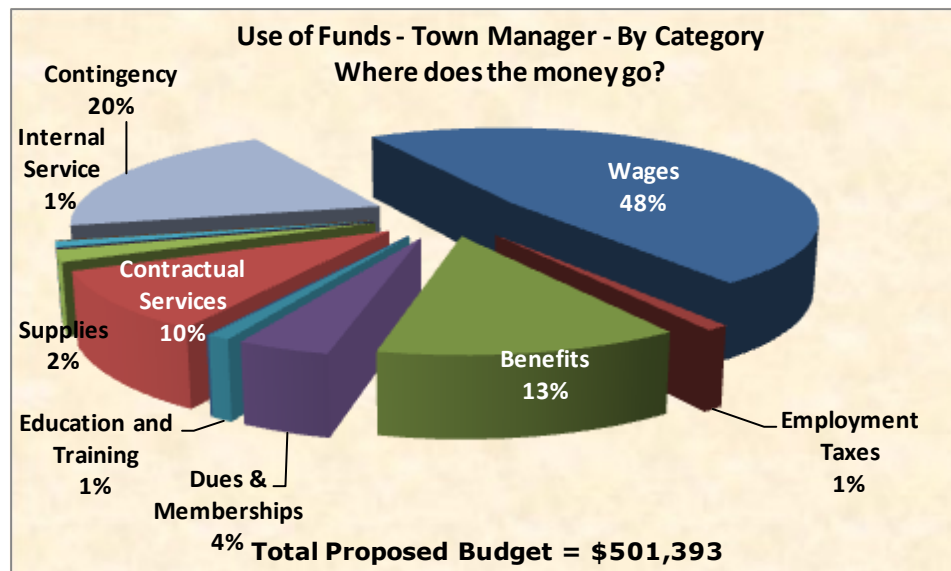


Category	Expenditures by Category			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Wages	\$ 134,555	\$ 202,348	\$ 234,493	\$ 238,159
Employment Taxes	3,330	5,707	6,200	4,982
Benefits	25,143	41,365	43,003	65,882
Dues & Memberships	19,615	19,391	19,090	19,090
Education and Training	3,996	2,501	5,435	5,275
Maintenance and Repair	277	10	1,500	500
Utilities	882	927	-	780
Contractual Services	289,682	285,888	49,610	49,440
Supplies	2,221	2,707	10,935	11,665
Equipment	400	554	-	-
Internal Service	1,922	3,329	3,257	5,620
Transfers	-	642,954	-	-
Contingency	-	-	168,400	100,000
Total	\$ 482,023	\$ 1,207,681	\$ 541,923	\$ 501,393

Variance Explanations:

Benefits: The increase is attributable to making the Volunteer Coordinator a full-time position.

Contingency: Amount was reduced to provide funding for the new Facilities Replacement Fund.



Activities/Results

Performance Measures

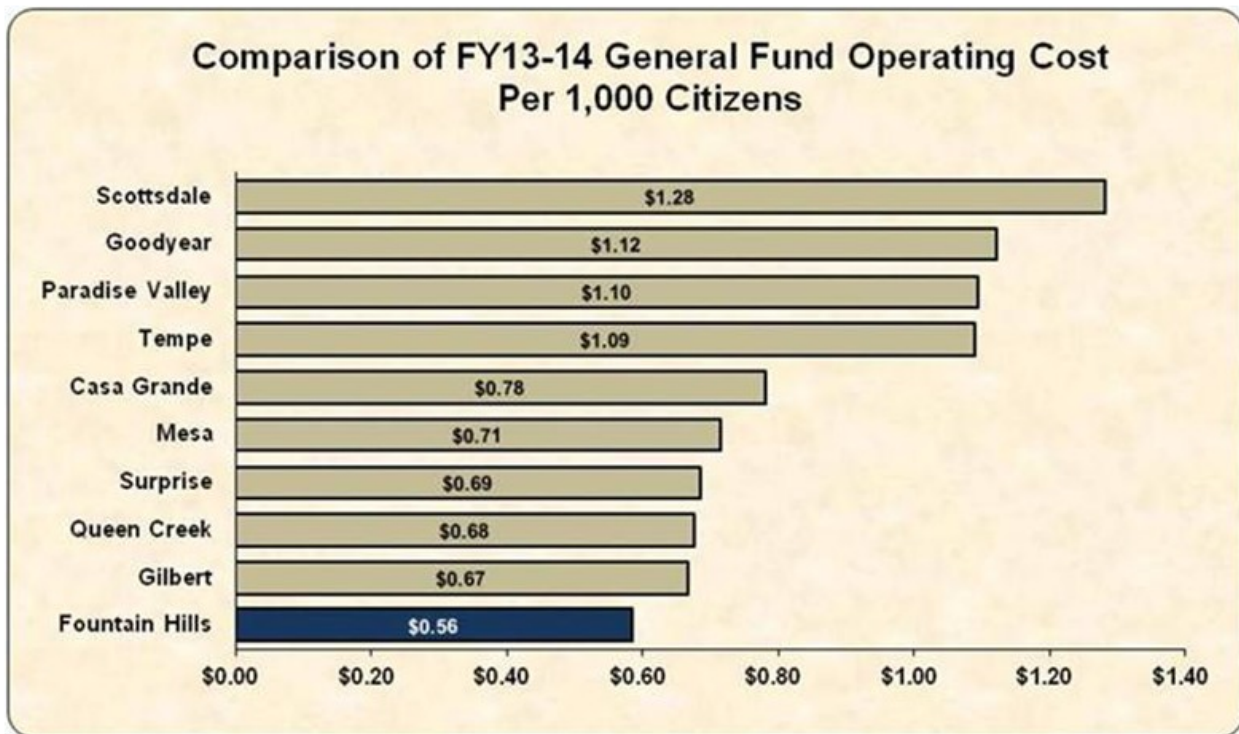
	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Town-wide Full-Time Equivalents (FTE's)	58	57	51	52
Town-wide Full-Time Equivalents per 1,000 residents	2.6	2.5	2.3	2.3

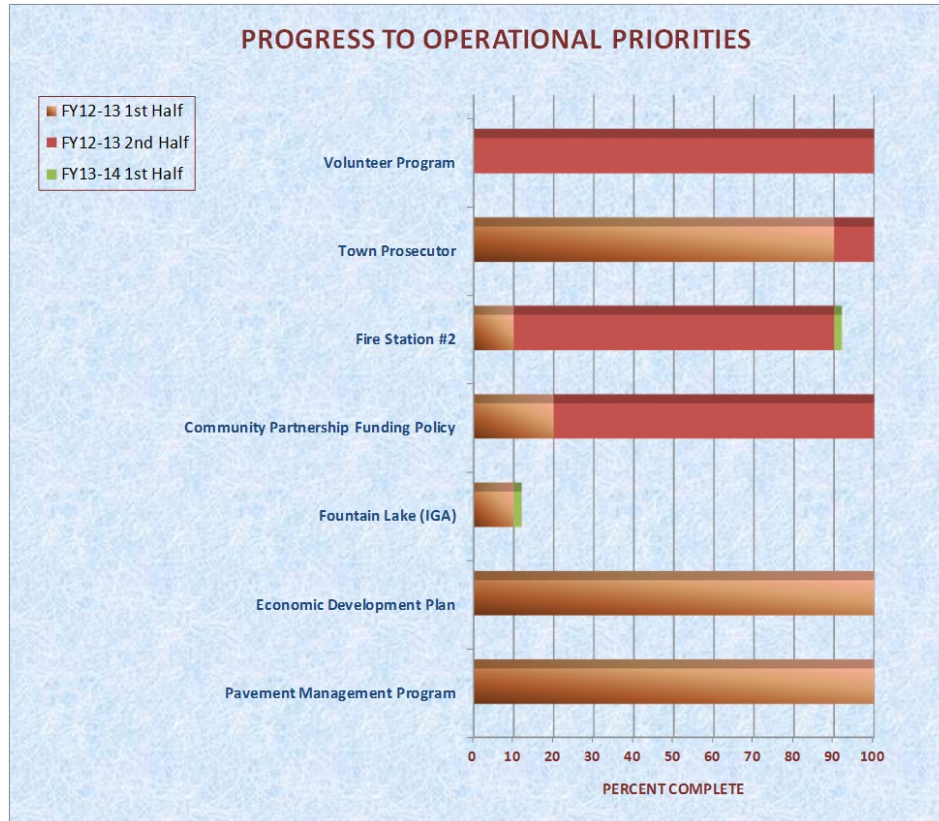
Quality

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Citizen Survey	0	0	0	\$24,000
Sales Tax per Capita	\$305	\$322	\$328	\$342

Productivity

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Personnel Costs per Full Time Equivalent	\$62,708	\$67,989	\$70,631	\$71,182
Program Operating Costs (All Funds)	\$12.1M	\$15.2M	\$15.5M	\$16.5M
Program Operating Budget Expense per resident	\$553	\$661	\$676	\$680





**FY14-15 Proposed Budget
Summary of Expenditures
Town Manager**

Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
General Fund				
Salaries-Full Time	\$ 134,553	\$ 202,349	\$ 203,723	\$ 238,159
Salaries-Part Time	-	-	30,770	-
FICA	-	-	1,908	-
Medicare	1,919	2,853	3,305	3,368
Workers Compensation	888	2,561	580	1,291
Unemployment Insurance	523	293	407	323
Group Health Insurance	9,280	17,638	18,807	37,116
Group Dental Insurance	555	1,008	1,022	1,564
Group Vision Insurance	88	143	145	219
Disability Insurance	367	402	694	809
Retirement	14,554	21,596	21,751	25,442
Life Insurance	299	577	584	732
Dues, Subscript & Publicat	19,616	19,391	19,090	19,090
Training/Cont Ed	-	25	-	-
Meetings & Conferences	3,996	2,476	5,435	5,275
Office Equip Maint/ Repair	-	-	1,500	450
Sign Repair & Replacement	277	10	-	50
Telecommunications	796	927	-	780
Gas & Oil	86	-	-	-
Professional Fees	3,750	-	25,300	25,100
Printing Expense	95	140	-	-
Advertising/Signage	148	58	110	140
Bank/Merc Acct Fees	-	-	-	-
Community Contracts/Events	182,490	182,490	24,200	24,200
Tourism	103,200	103,200	-	-
Office Supplies	1,868	2,547	2,890	1,700
Operating Supplies	-	-	2,655	2,700
Food & Beverage Supplies	331	70	4,415	5,910
Program Materials	-	-	925	1,145
Postage & Delivery	21	90	50	210
Small Tools	67	-	-	-
Software	-	30	-	-
Hardware	-	98	-	-
Peripherals	333	301	-	-
Furniture/Appliances	-	125	-	-
ISF-Copier Charges	927	2,800	2,169	3,800
ISF-Mail Service Charges	23	18	238	650
ISF-Vehicle Replacement Charge	-	-	-	-
ISF-Motor Pool Charges	-	-	-	120
ISF-Telecom Charges	973	511	850	1,050
Transfer Out	-	642,954	-	-
Contingency	-	-	168,400	100,000
Total Town Manager	\$ 482,023	\$ 1,207,681	\$ 541,923	\$ 501,393



Town Clerk Division

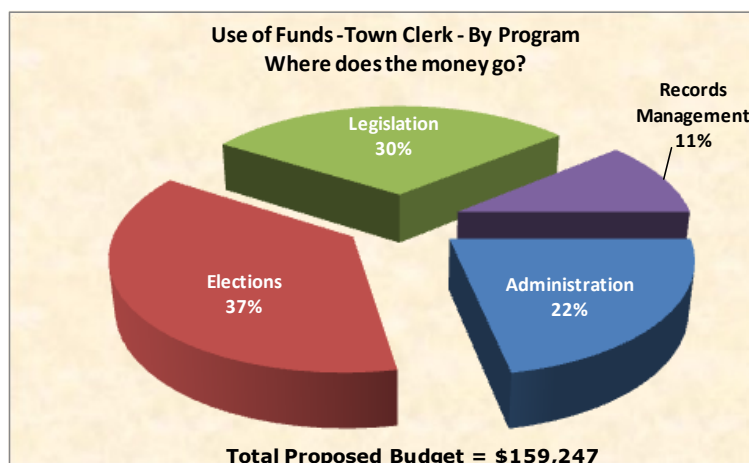
Service Delivery Plan

The Town Clerk serves as the Town's election official and custodian of records and conducts municipal elections and all related activities in the most efficient and effective manner 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			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Administration	\$ 27,322	\$ 29,271	\$ 30,613	\$ 35,412
Elections	142,014	29,979	85,950	58,917
Legislation	39,179	42,081	46,668	48,183
Records Management	14,953	16,223	15,979	16,735
Total	\$ 223,468	\$ 117,554	\$ 179,210	\$ 159,247

Variance Explanations:

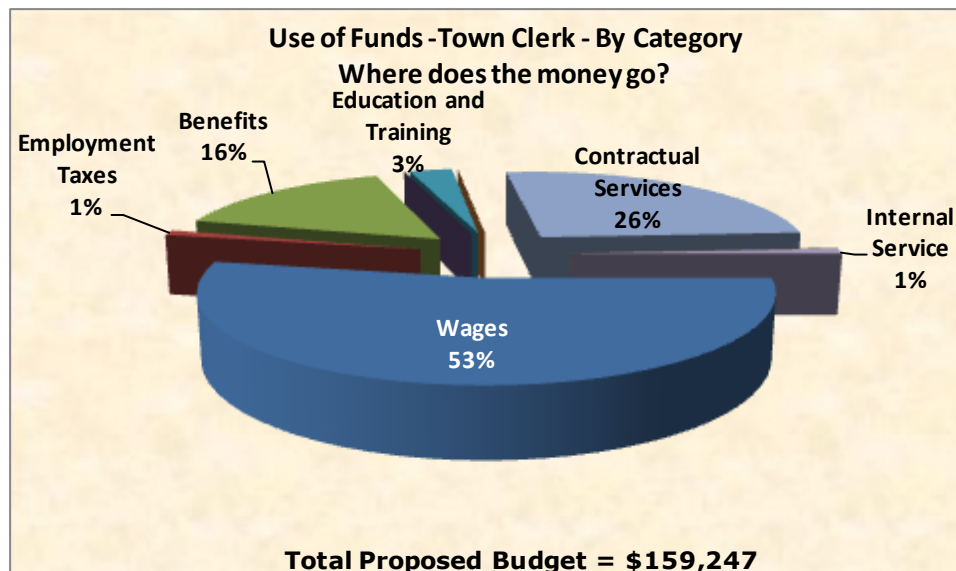
Elections: The costs for two mail ballot elections are included in the Town Clerk's FY14-15 budget. The Primary Election will be held August 26, 2014; the General Election will be held November 4, 2014, so that qualified electors may determine who will fill the one seat for Mayor and the three seats for Councilmember. The cost for the Maricopa County Elections election services have been budgeted at a reduced rate of \$0.50 per registered voter as the Town's election is on the State's consolidated ballot. The total number of registered voters will be determined by each election's registration deadline. The overall contractual services cost was reduced as a result of the reduced per registered voter rate for the Town's 2014 election services with Maricopa County Elections (i.e. rate at \$0.50 per registered voter vs. the mail ballot election rate of \$2.12). Costs also include publication of various election notices for both elections and the Spanish translation of voter information and election notices.



Category	Expenditures by Category			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Wages	\$ 77,345	\$ 79,278	\$ 81,264	\$ 83,306
Employment Taxes	1,466	1,407	1,538	1,787
Benefits	20,868	21,274	22,446	25,201
Dues & Memberships	436	265	670	670
Education and Training	465	905	2,386	5,365
Maintenance and Repair	24	-	120	570
Contractual Services	119,001	11,548	64,252	39,799
Supplies	2,461	231	4,600	625
Equipment	-	896	100	100
Internal Service	1,402	1,750	1,834	1,824
Total	\$ 223,468	\$ 117,554	\$ 179,210	\$ 159,247

Variance Explanations:

Contractual Services: The costs for two mail ballot elections are included in the Town Clerk's FY14-15 budget. The Primary Election will be held August 26, 2014; the General Election will be held November 4, 2014, so that qualified electors may determine who will fill the one seat for Mayor and the three seats for Councilmember. The cost for the Maricopa County Elections election services have been budgeted at a reduced rate of \$0.50 per registered voter as the Town's election is on the State's consolidated ballot. The total number of registered voters will be determined by each election's registration deadline. The overall contractual services cost was reduced as a result of the reduced per registered voter rate for the Town's 2014 election services with Maricopa County Elections (i.e. rate at \$0.50 per registered voter vs. the mail ballot election rate of \$2.12). Costs also include publication of various election notices for both elections and the Spanish translation of voter information and election notices.



Activities/Results

Performance Measures

		FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Registered Voters:	Bond Election		N/A	16,031	
	Primary	16,043	N/A		17,000
	General	16,074	N/A		17,250
Voter Turnout %	Bond Election		N/A	43%	
	Primary	39%	N/A		41%
	General	34%	N/A		37%

Quality

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Percentage of contracts processed within 5 business days after approval	100%	100%	100%	100%
Percentage of agenda meeting notices posted in compliance with State Law and Town Policy	100%	100%	100%	100%

Productivity

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Town Council Agenda /Meeting notices posted	58/31	51/32	40/20	43/25
Ordinances processed	6	13	10	10
Resolutions processed	42	39	35	35
Contract and Agreements processed	40	42	25	25
Requests for Public Information processed	170	125	120	120



**FY 14-15 Proposed Budget
Summary of Expenditures
Town Clerk**

Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
General Fund				
Salaries-Full Time	\$ 77,345	\$ 79,278	\$ 81,264	\$ 83,306
Medicare	1,025	1,054	1,180	1,209
Workers Compensation	176	184	207	464
Unemployment Insurance	265	169	151	114
Group Health Insurance	11,161	11,416	12,250	14,757
Group Dental Insurance	593	643	644	640
Group Vision Insurance	90	90	91	89
Disability Insurance	290	172	287	291
Retirement	8,508	8,721	8,940	9,164
Life Insurance	226	232	234	260
Licenses/Filing Fees	21	10	70	70
Dues, Subscript & Publicat	415	255	600	600
Training/Cont Ed	355	483	970	800
Meetings & Conferences	110	422	1,416	4,565
Office Equip Maint/Repair	-	-	-	450
Sign Repair & Replacement	24	-	120	120
Professional Fees	8,565	9,478	11,695	12,295
Printing Expense	3,485	69	9,075	-
Advertising/Signage	2,493	2,001	6,450	6,900
Intergovt Agreements	104,458	-	37,032	20,604
Office Supplies	311	199	400	425
Postage & Delivery	2,151	32	4,200	200
Software	-	11	100	100
Hardware	-	885	-	-
ISF-Copier Charges	927	1,434	1,500	1,500
ISF-Mail Service Charges	85	42	94	94
ISF-Motor Pool Charges	-	12	-	-
ISF-Telecom Charges	389	262	240	230
Total Town Clerk	\$ 223,468	\$ 117,554	\$ 179,210	\$ 159,247



Human Resources/Risk Management 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			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Administration	\$ 59,115	\$ 65,114	\$ 39,333	\$ 57,466
Payroll	14,515	15,255	16,696	22,060
Recruitment	27,865	7,405	20,914	32,576
Risk Management	200,464	254,571	280,811	281,455
Training & Development	486	3,315	3,000	7,000
Volunteers	53,640	55,471	-	-
Total	\$ 356,085	\$ 401,131	\$ 360,754	\$ 400,557

Variance Explanations:

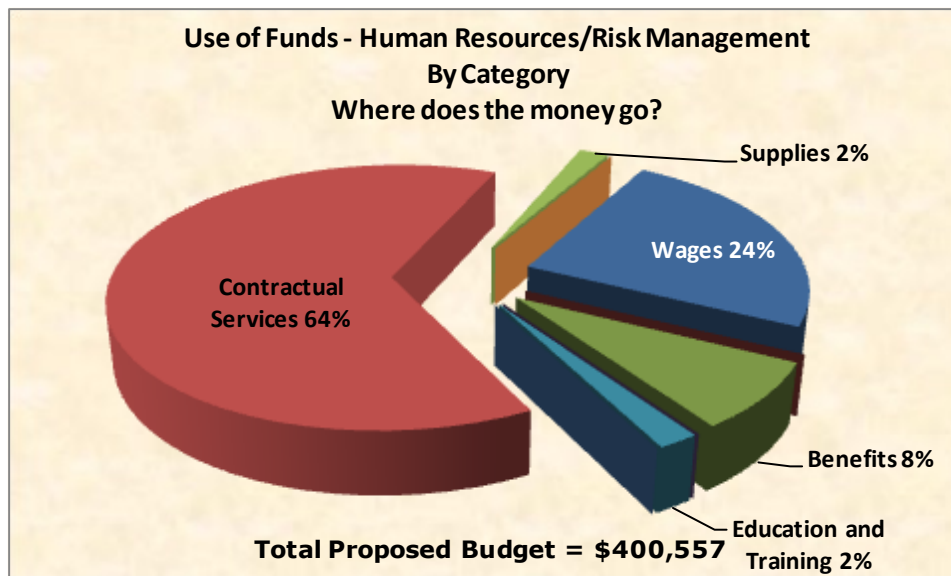
Administration/Payroll/Recruitment: Increases due to returning the Human Resources position to a full-time position.



Category	Expenditures by Category			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Wages	\$ 119,796	\$ 132,479	\$ 71,707	\$ 92,250
Employment Taxes	4,300	4,257	5,649	1,965
Benefits	18,318	19,867	-	30,635
Dues & Memberships	1,667	2,097	1,740	765
Education and Training	486	3,315	3,000	7,500
Maintenance & Repair	-	-	-	450
Utilities	25	-	-	-
Contractual Services	192,587	221,159	270,176	257,645
Supplies	15,806	15,243	7,561	7,471
Equipment	874	117	-	-
Internal Service	2,226	2,597	921	1,876
Transfers	-	-	-	-
Total	\$ 356,085	\$ 401,131	\$ 360,754	\$ 400,557

Variance Explanations:

Wages/Benefits: Increase due to returning the Human Resources position to a full-time position.



Activities/Results

Performance Measures

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Increase the percentage of employee performance reviews completed on schedule	90%	90%	95%	96%
Increase or maintain the number of applications received per recruitment for non-exempt positions	45	N/A	N/A	20
Increase or maintain the number of applications received per recruitment for exempt positions	43	N/A	18	20

Quality

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Decrease the number of days lost to injury per workers' compensation claim	2	128	0	0
Maintain the turnover rate of full-time employees at an acceptable rate	8%	8%	11.6%	6%

Productivity

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Number of full-time employees departed from Town service	5	5	7	4
Number of exit interviews conducted	4	5	3	4
Ensure supervisors receive performance evaluation documentation four weeks in advance	100%	95%	100%	100%
Quarterly track and analyze performance evaluation trends, including number of performance evaluations that were late, type of increases each employee received, etc.	100%	100%	100%	100%
Number of exempt recruitments conducted	1	0	6	2
Number of full-time non-exempt recruitments conducted	1	1	1	1
Average number of days to fill a vacancy	35	14	30	35
Number of workers' compensation claims due to injury	1	1	1	0



**FY14-15 Proposed Budget
Summary of Expenditures
Human Resources/Risk Management**

Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
General Fund				
Salaries-Full Time	\$ 90,999	\$ 104,037	\$ -	\$ 92,250
Salaries-Part Time	28,796	27,359	71,707	-
Overtime	-	1,082	-	-
FICA	1,785	1,763	4,339	-
Medicare	1,702	1,878	1,017	1,339
Workers Compensation	271	285	179	513
Unemployment Insurance	542	331	114	113
Group Health Insurance	7,219	7,445	-	18,651
Group Dental Insurance	405	439	-	988
Group Vision Insurance	64	64	-	493
Disability Insurance	363	202	-	316
Retirement	10,000	11,444	-	9,900
Life Insurance	267	273	-	287
Dues, Subscript & Publicat	1,667	2,097	1,740	765
Training/Cont Ed	486	3,315	3,000	7,300
Meetings & Conferences	-	-	-	200
Gas & Oil	25	-	-	-
Office Equip Maint/Repair	-	-	-	450
Professional Fees	30,340	9,885	11,536	11,645
Legal Fees	-	168	500	400
Management Fees	-	150	-	-
Insurance Expense	161,396	210,245	256,840	243,800
Printing Expense	-	66	-	-
Advertising/Signage	852	646	1,300	1,800
Community Contracts/Events	-	-	-	-
Office Supplies	889	533	590	245
Cleaning/Janitorial Supplies	-	-	15	10
Operating Supplies	2,162	1,589	500	400
Food & Beverage Supplies	4,838	4,895	2,200	2,600
Program Materials	6,905	7,784	4,256	4,216
Postage & Delivery	242	442	-	-
Miscellaneous Expense	770	-	-	-
Small Tools	-	-	-	-
Hardware	249	-	-	-
Peripherals	-	117	-	-
Furniture/Appliances	625	-	-	-
ISF-Copier Charges	106	1,135	116	1,113
ISF-Mail Service Charges	450	417	270	298
ISF-Motor Pool Charges	113	-	50	-
ISF-Telecom Charges	1,557	1,045	485	465
Transfer Out	-	-	-	-
Total Human Resources/Risk Management	\$ 356,085	\$ 401,131	\$ 360,754	\$ 400,557

Finance Division

Service Delivery Plan

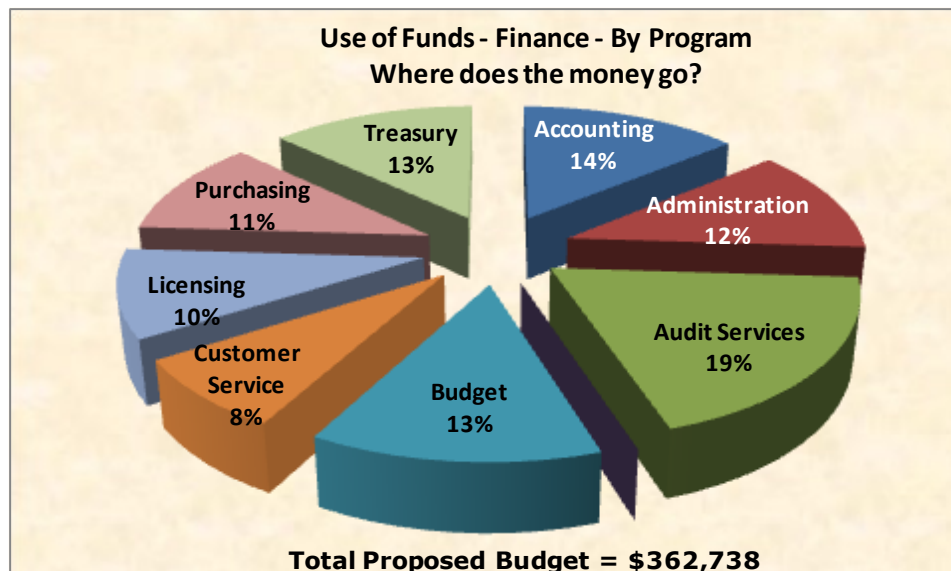
Provide efficient and cost effective financial oversight of both the short and long-term components of the Town's functions. Provide safe, secure and effective cash, banking, merchant service, tax service and debt service administration for the Town.

Program Name	Expenditures by Program			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Accounting	\$ 50,894	\$ 51,450	\$ 40,021	\$ 50,596
Administration	1,782,067	35,376	42,112	43,543
Audit Services	65,836	65,924	68,723	68,279
Boards & Commissions	4	-	-	-
Budget	42,273	39,636	46,067	45,514
Customer Service	26,816	31,974	31,816	30,416
Licensing	39,355	35,877	38,365	37,202
Purchasing	16,844	17,157	25,452	40,380
Treasury	38,564	44,091	44,293	46,808
Total	\$ 2,062,653	\$ 321,485	\$ 336,849	\$ 362,738

Variance Explanations:

Accounting: Due to a reorganization of the Finance Division, there were personnel allocation changes that affected the program costs; increased staff time is allocated to the purchasing program with a decrease of staff time for the support and network administration programs.

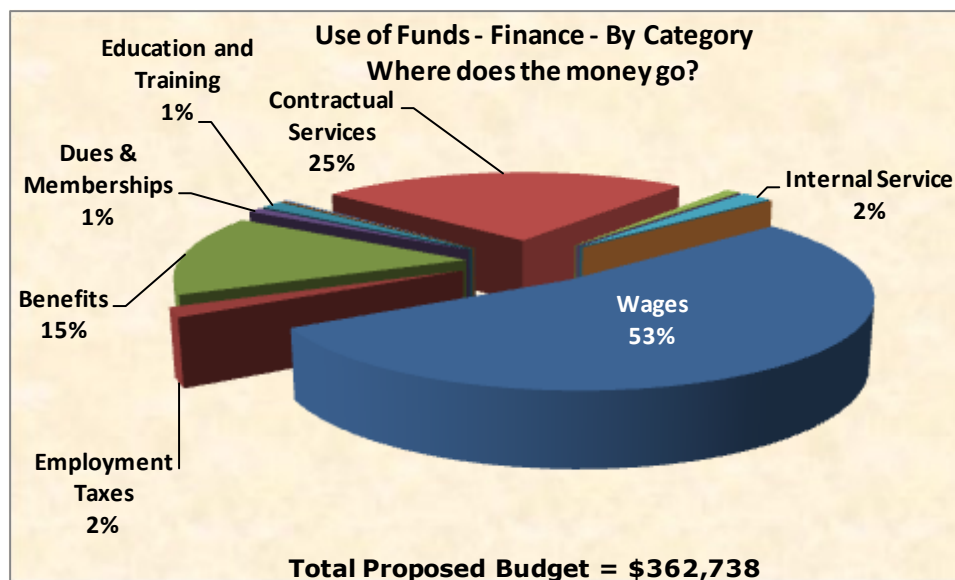
Purchasing: Due to a reorganization of the Finance Division, there were personnel allocation changes that affected the program costs; increased staff time is allocated to the purchasing program with a decrease of staff time for the support and network administration programs.



Category	Expenditures by Category			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Wages	\$ 187,078	\$ 184,400	\$ 185,877	\$ 192,558
Employment Taxes	7,354	6,976	5,844	6,367
Benefits	31,933	31,545	36,944	53,306
Dues & Memberships	2,187	1,757	2,004	3,321
Education and Training	1,655	1,682	2,587	5,356
Maintenance & Repair	-	-	-	450
Utilities	878	1,056	780	780
Contractual Services	74,701	81,508	92,245	89,895
Supplies	2,947	4,033	3,315	3,435
Equipment	-	31	-	-
Internal Service	10,246	8,497	7,253	7,270
Transfers	1,743,674	-	-	-
Total	\$ 2,062,653	\$ 321,485	\$ 336,849	\$ 362,738

Variance Explanations:

Benefits: The increase is the result of a reallocation of FTEs and the corresponding benefits.



Activities/Results

Performance Measures

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Consecutive years for GFOA annual Certificate of Achievement for Excellence in Financial Reporting award	17	18	19	20
Consecutive years for GFOA annual Distinguished Budget Presentation award	10	11	12	13

Quality

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Actual revenue versus forecast	104%	97%	96%	97%
Unqualified audit opinion	Yes	Yes	Yes	Yes

Productivity

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Accounts payable checks issued	1,569	1,538	1,525	1,500
Purchase orders processed	1,163	1,137	1,065	1,160
Local tax revenues from audits	\$80,601	\$30,000	\$73,750	\$30,000
Business licenses processed	2,248	2,230	2,475	2,560

**FY14-15 Proposed Budget
Summary of Expenditures
Finance**

Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
General Fund				
Salaries-Full Time	\$ 140,508	\$ 133,746	\$ 150,800	\$ 159,013
Salaries-Part Time	46,569	48,573	35,077	33,545
Severance	-	2,081	-	-
FICA	2,923	3,140	2,175	2,079
Medicare	2,681	2,644	2,699	2,788
Workers Compensation	421	431	473	1,063
Unemployment Insurance	1,329	760	497	437
Group Health Insurance	14,440	14,812	17,783	33,207
Group Dental Insurance	1,073	1,170	1,402	1,374
Group Vision Insurance	159	161	191	188
Disability Insurance	487	289	531	560
Retirement	15,392	14,722	16,592	17,487
Life Insurance	382	392	445	490
Licenses/Filing Fees	853	719	1,139	1,396
Dues, Subscript & Publicat	1,334	1,038	865	1,925
Training/Cont Ed	588	910	560	2,060
Meetings & Conferences	1,067	772	2,027	3,296
Office Equip Maint/Repair	-	-	-	450
Grounds Maint/Repair	-	-	-	-
Telecommunications	878	1,056	780	780
Auditing Expense	50,700	52,706	55,000	55,000
Professional Fees	2,033	-	-	-
Management Fees	10,625	15,669	18,950	18,950
Printing Expense	1,350	1,366	1,415	1,565
Advertising/Signage	960	1,590	1,500	1,500
Intergovt Agreements	-	-	5,000	2,500
Contractual Services	-	445	-	-
Bank/Merc Acct Fees	9,034	9,733	10,020	10,020
ActiveNet Fees	-	-	360	360
Office Supplies	1,154	1,464	1,330	1,350
Operating Supplies	1,403	1,749	1,985	1,755
Food & Beverage Supplies	-	223	-	-
Program Materials	388	491	-	330
Postage & Delivery	2	1	-	-
Miscellaneous Expense	-	104	-	-
Software	-	11	-	-
Hardware	-	-	-	-
Peripherals	-	20	-	-
Equipment	-	-	-	-
ISF-Copier Charges	2,346	2,668	1,681	2,354
ISF-Mail Service Charges	3,641	3,279	3,406	3,526
ISF-Motor Pool Charges	18	12	-	-
ISF-Telecom Charges	4,241	2,538	2,166	1,390
Transfer Out	1,743,674	-	-	-
Total Finance	\$ 2,062,653	\$ 321,485	\$ 336,849	\$ 362,738

Information Technology Division

Service Delivery Plan

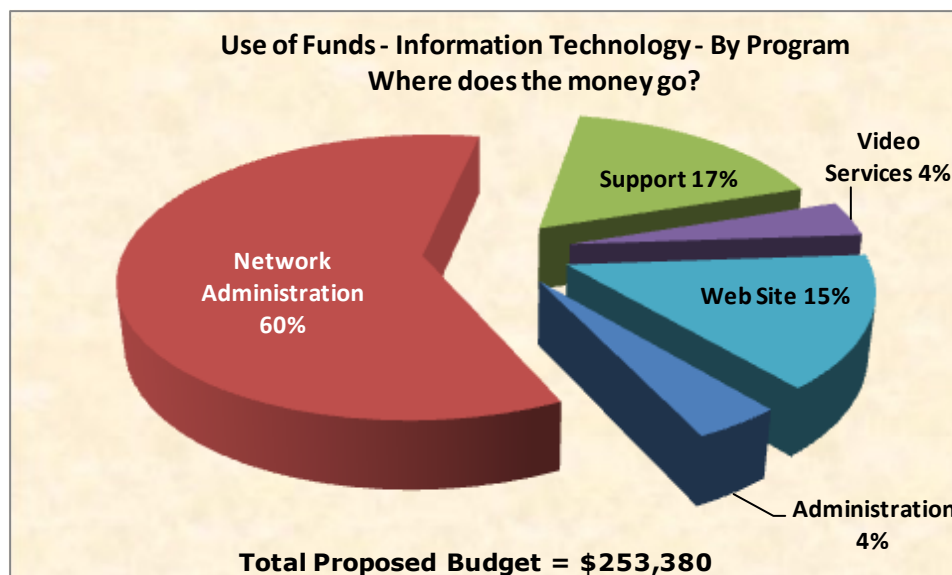
The Information Technology Division is dedicated to providing professional support in a timely and responsive manner while focusing on high availability and reliable technology. The Division also endeavors to implement alternative technologies to reduce operating and maintenance costs.

Program Name	Expenditures by Program			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Administration	\$ 30,579	\$ 34,042	\$ 15,492	\$ 10,529
Network Administration	151,979	193,367	164,675	151,955
Support	45,172	45,881	59,338	41,974
Video Services	36,189	20,593	15,333	10,529
Web Site	11,096	15,139	21,966	38,393
Total	\$ 275,015	\$ 309,022	\$ 276,804	\$ 253,380

Variance Explanations:

Support: Proposed in FY14-15, Information Technology FTE's have been reduced from 1.75 to 1. This reduction in staffing reduces support (ITSUP) expenses by \$17,415. There are also corresponding wage and benefit reductions totaling \$26,116 with the reduction in FTEs.

Web Site: This fiscal year, \$20,000 is budgeted to redesign the Town's website. This expense will be the first year of a three year commitment to create the new, user-friendly and modern website. The complete project cost is \$60,000.



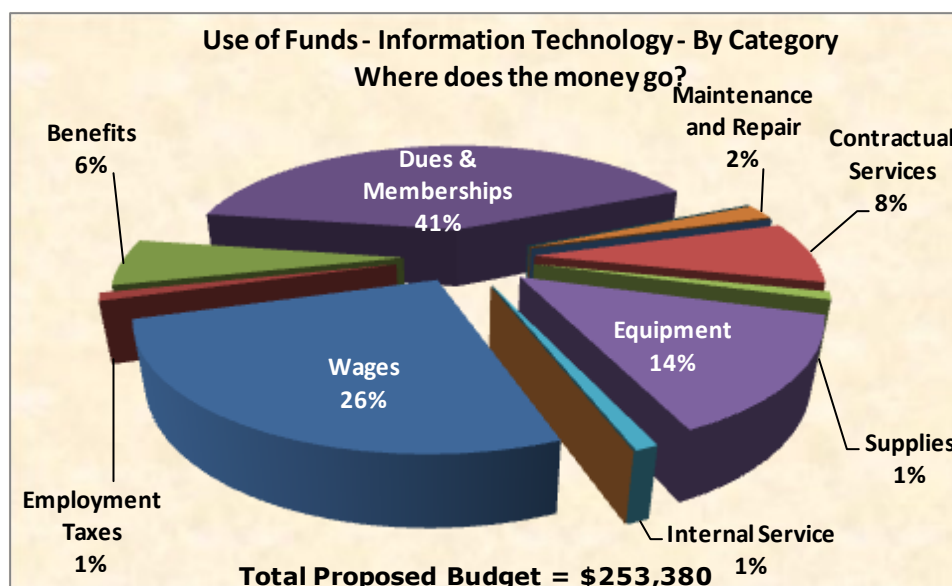
Category	Expenditures by Category			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Wages	\$ 90,034	\$ 93,298	\$ 85,188	\$ 66,220
Employment Taxes	1,953	1,832	1,726	1,444
Benefits	24,230	24,833	22,764	15,616
Dues & Memberships	120,522	100,681	98,120	105,050
Education and Training	81	-	-	-
Maintenance and Repair	1,178	1,128	7,400	5,000
Utilities	654	649	2,306	900
Contractual Services	285	209	2,000	21,000
Supplies	1,445	2,138	2,120	1,450
Equipment	30,275	80,879	51,680	34,500
Internal Service	4,358	3,375	3,500	2,200
Transfers	-	-	-	-
Total	\$ 275,015	\$ 309,022	\$ 276,804	\$ 253,380

Variance Explanations:

Wages/Benefits: Proposed in FY14-15, Information Technology FTE's have been reduced from 1.75 to 1. This reduction in staffing reduces the corresponding wage and benefit reductions totaling \$26,116 with the reduction in FTEs.

Contractual Service: The Civics Plus website redesign project is a three year contract to redevelop and host a new Town website.

Equipment: Equipment costs have been reduced from the previous fiscal year by the elimination of in-house video streaming servers and associated hardware. The Town now utilizes Ustream for Internet broadcasting of Town Council meetings and YouTube for storage/archiving.



Activities/Results

Performance Measures

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Percentage of emergency related helpdesk tickets resolved within two business hours	95%	95%	95%	95%
Percentage of high priority helpdesk tickets resolved within four hours	98%	99%	99%	99%
Percentage of helpdesk tickets resolved within twelve hours	95%	95%	95%	95%

Quality

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Total number of tickets opened	1,205	900	850	800
Total number of tickets closed without resolution	0	0	0	0
Total number of tickets resolved within established timeframe	1,180	750	850	800
Number of issues resolved during initial contact	639	550	750	750

Productivity

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Employee cost involved for support	\$43,619	\$44,476	\$45,805	\$37,423
Availability of computer system up-time	95%	98.5%	99.25%	99.9%



**FY14-15 Proposed Budget
Summary of Expenditures
Information Technology**

Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
General Fund				
Salaries-Full Time	\$ 90,033	\$ 93,298	\$ 85,188	\$ 66,220
Medicare	1,280	1,326	1,237	962
Workers Compensation	207	219	267	369
Unemployment Insurance	466	286	222	113
Group Health Insurance	12,634	12,927	11,081	7,379
Group Dental Insurance	950	1,032	1,579	447
Group Vision Insurance	137	137	117	64
Disability Insurance	341	202	731	234
Retirement	9,904	10,263	8,939	7,286
Life Insurance	265	273	317	206
Licenses/Filing Fees	112,517	92,235	87,970	89,950
Dues, Subscript & Publicat	8,005	8,446	10,150	15,100
Training/Cont Ed	81	-	-	-
Meetings & Conferences	-	-	-	-
Equipment Maint/Repair	1,178	1,075	7,400	5,000
Sign Repair & Replacement	-	53	-	-
Telecommunications	654	649	2,306	900
Professional Fees	285	144	2,000	20,000
Printing Expense	-	65	-	-
Intergovt Agreements	-	-	-	1,000
Office Supplies	210	422	250	250
Operating Supplies	1,184	1,701	1,770	1,100
Postage & Delivery	51	15	100	100
Software	563	8,869	15,080	20,500
Hardware	27,378	71,215	35,600	13,000
Peripherals	2,334	530	1,000	1,000
Furniture/Appliances	-	266	-	-
ISF-Copier Charges	75	187	100	100
ISF-Mail Service Charges	1	6	20	20
ISF-Motor Pool Charges	-	37	-	-
ISF-Telecom Charges	4,282	3,144	3,380	2,080
Total Information Technology	\$ 275,015	\$ 309,022	\$ 276,804	\$ 253,380



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

Service Delivery Plan

In FY13-14, the Town's Economic Development duties were budgeted to be carried out by a contracted position. Based upon the responses to an issued Request for Proposals (RFP), it was deemed too expensive to pursue. An alternative solution was taken to hire a part-time Economic Development specialist position. This position will focus on the recently adopted Economic Development Plan and will function under the Administration Department.

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

The Economic Development Plan is based on expanding the local economy and improving the standard of living within the Fountain Hills area. Following is a list of success objectives that will assist in implementation. Many of these objectives are similar to The Ahwahnee Principles for Smart Economic Development created by the Center for Livable Communities in Sacramento, California.

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.

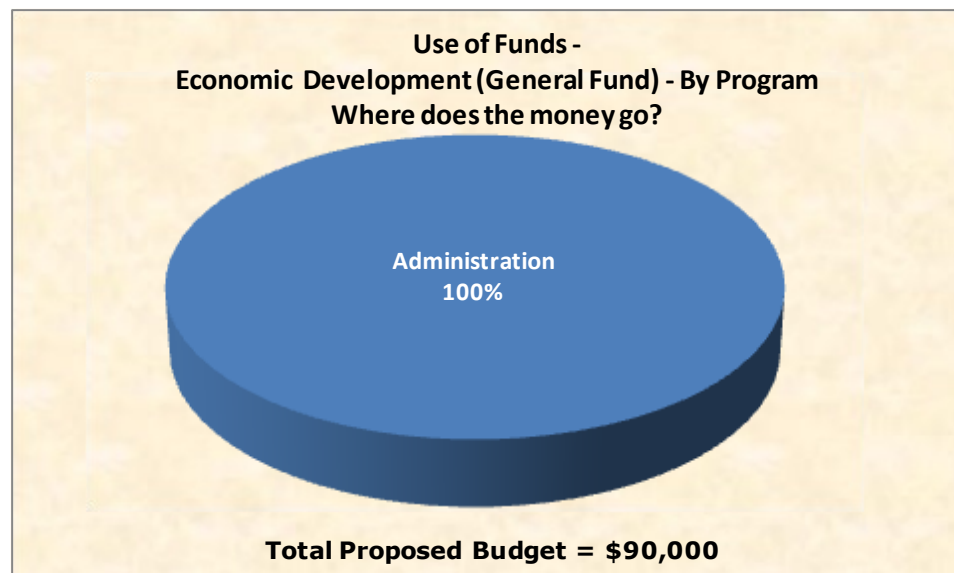
Existing Business Support: The Town's focus is on supporting existing enterprises, while looking at diversifying the economic base is important. Existing businesses are Fountain Hills' most valuable assets because they are already contributing to the local economy and quality of life. They are also the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

Service Delivery Plan (cont.)

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.

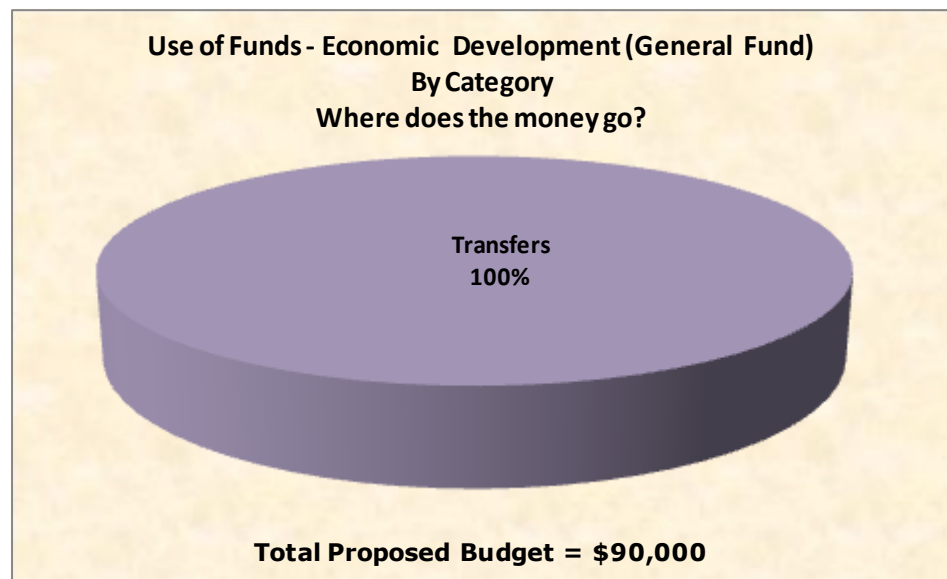
Program Name	Expenditures by Program			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Administration	\$ 68,819	\$ 14,223	\$ 90,240	\$ 90,000
Total	\$ 68,819	\$ 14,223	\$ 90,240	\$ 90,000



Category	Expenditures by Category			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Wages	\$ 37,875	\$ 5,730	\$ -	\$ -
Employment Taxes	733	98	-	-
Benefits	10,327	1,133	-	-
Dues & Memberships	5,303	4,692	-	-
Education and Training	2,963	-	-	-
Utilities	409	7	-	-
Contractual Services	9,244	2,250	90,000	-
Supplies	501	-	-	-
Internal Service	1,464	313	240	-
Transfers	-	-	-	90,000
Total	\$ 68,819	\$ 14,223	\$ 90,240	\$ 90,000

Variance Explanations:

Contractual Services/Transfers: Amount was transferred from the Economic Development Fund for activities instead of using Contractual Services as in the past



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.

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

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

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

**FY 14-15 Proposed Budget
Summary of Expenditures
Economic Development**

Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
General Fund				
Salaries-Full Time	\$ 37,875	\$ 1,493	\$ -	\$ -
Salaries-Part Time	-	4,237	-	-
Medicare	518	81	-	-
Workers Compensation	86	17	-	-
Unemployment Insurance	129	-	-	-
Group Health Insurance	5,581	454	-	-
Group Dental Insurance	296	25	-	-
Group Vision Insurance	32	3	-	-
Disability Insurance	142	12	-	-
Retirement	4,166	630	-	-
Life Insurance	110	9	-	-
Dues, Subscript & Publicat	5,302	4,693	-	-
Training/Cont Ed	390	-	-	-
Meetings & Conferences	2,574	-	-	-
Telecommunications	409	7	-	-
Professional Fees	8,063	1,125	-	-
Printing Expense	-	-	-	-
Advertising/Signage	1,169	1,125	-	-
Contractual Services	-	-	90,000	-
Bank/Merc Acct Fees	13	-	-	-
Office Supplies	56	-	-	-
Food & Beverage Supplies	445	-	-	-
Postage & Delivery	-	-	-	-
ISF-Copier Charges	428	6	-	-
ISF-Mail Service Charges	79	4	-	-
ISF-Motor Pool Charges	567	40	-	-
ISF-Telecom Charges	389	262	240	-
Transfer Out	-	-	-	90,000
Total Economic Development	\$ 68,819	\$ 14,223	\$ 90,240	\$ 90,000

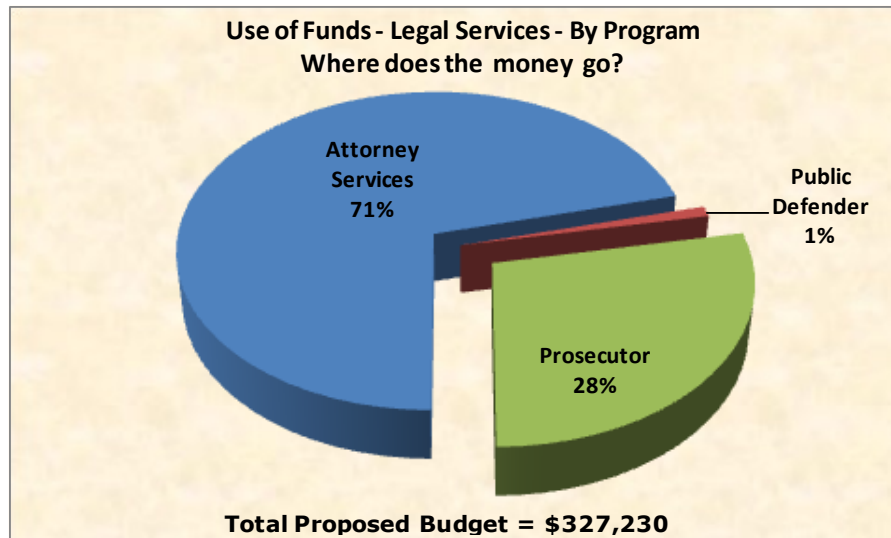


Legal Services Division

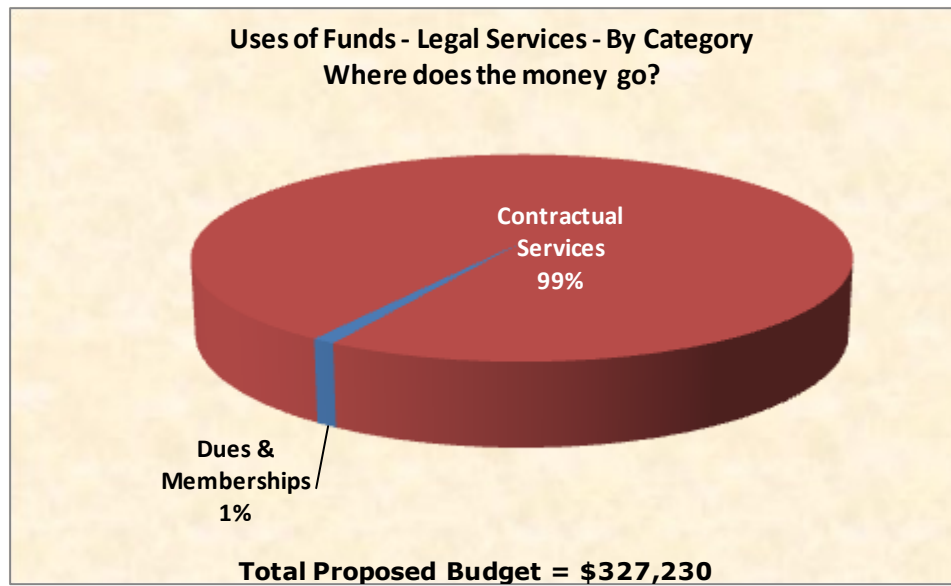
Service Delivery Plan

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			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Attorney Services	\$ 234,427	\$ 236,759	\$ 198,840	\$ 232,430
Public Defender	1,500	2,750	4,800	4,800
Prosecutor	110,000	110,000	110,001	90,000
Total	\$ 345,927	\$ 349,509	\$ 313,641	\$ 327,230



Category	Expenditures by Category			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Dues & Memberships	\$ 3,325	\$ 4,110	\$ 4,200	\$ 4,200
Contractual Services	342,181	345,137	309,201	322,800
Supplies	32	-	-	-
Internal Service	389	262	240	230
Total	\$ 345,927	\$ 349,509	\$ 313,641	\$ 327,230



Activities/Results

Productivity

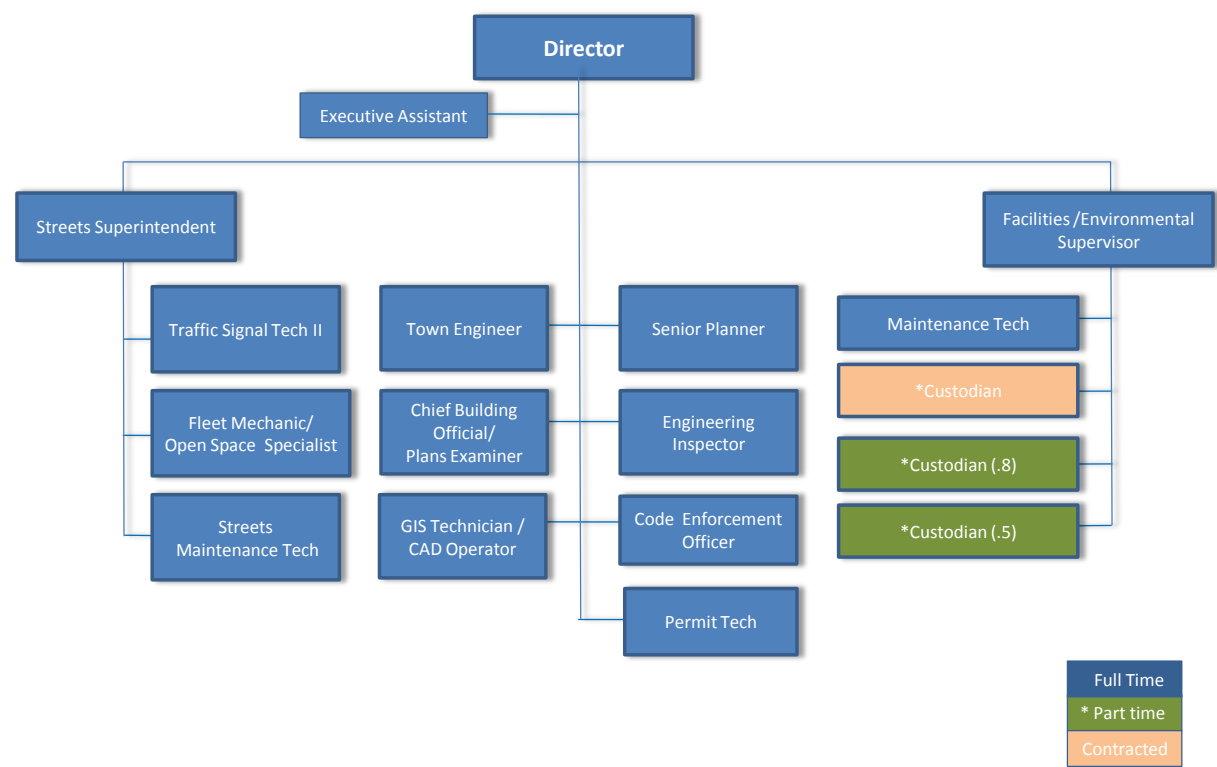
	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Number of Resolutions prepared	42	40	35	35
Number of Ordinances prepared	6	10	10	10
Number of Contracts and Agreements prepared	40	42	25	25

FY14-15 Proposed Budget Summary of Expenditures Legal Services

Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
General Fund				
Dues, Subscript & Publicat	\$ 3,325	\$ 4,111	\$ 4,200	\$ 4,200
Legal Fees	342,181	345,136	309,201	322,800
Postage & Delivery	32	-	-	-
ISF-Copier Charges	-	-	-	-
ISF-Mail Service Charges	-	-	-	-
ISF-Telecom Charges	389	262	240	230
Total Legal Services	\$ 345,927	\$ 349,509	\$ 313,641	\$ 327,230



DEVELOPMENT SERVICES DEPARTMENT



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

DEVELOPMENT SERVICES

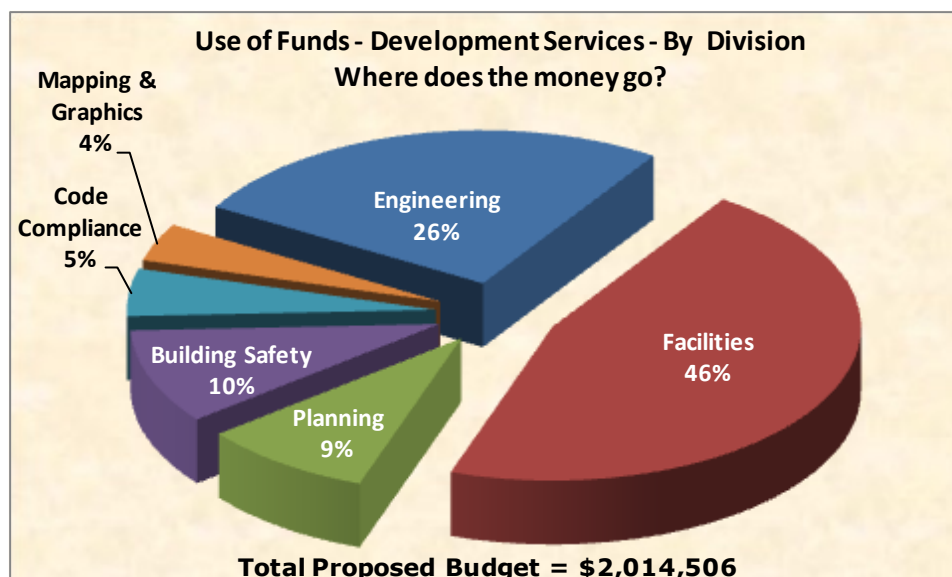
Mission Statement

The Development Services Department is dedicated to enhancing the quality of life in Fountain Hills by ensuring the construction of quality infrastructure; maintenance of roadways and traffic control devices; maintenance of Town-owned washes, dams, medians and open space; maintenance of public facilities; plan review, construction permitting, and building inspections; environmental compliance, enforcement of Town codes, improved environmental quality 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 seven (7) Divisions: Building Safety, Code Compliance, Engineering, Facilities, Mapping & Graphics and Planning in the General Fund. The Streets Division is funded through the Highway Users Revenue Fund (HURF). The Development Services Director provides direct supervision over Division heads and the executive management assistant.

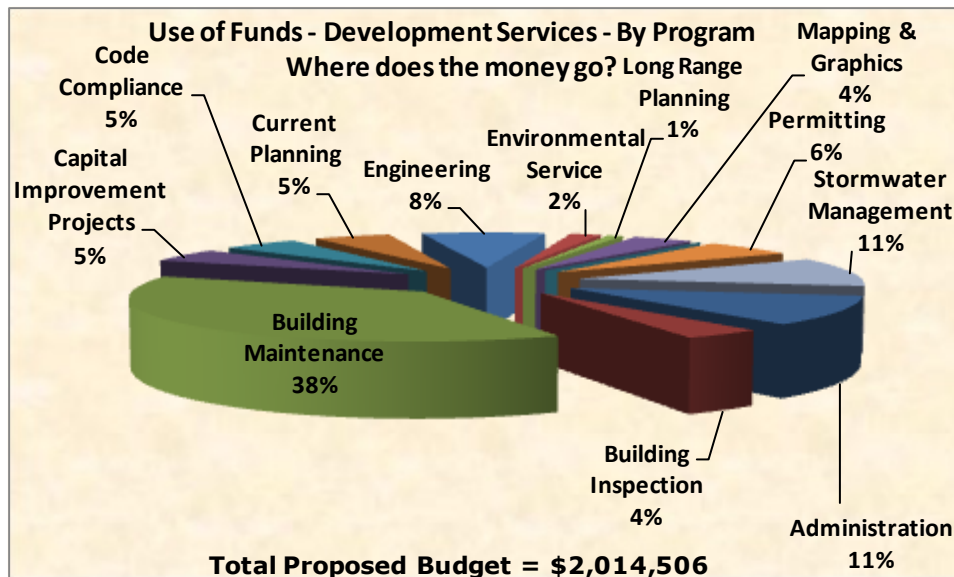
Division	Expenditures by Division			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Engineering	\$ 458,132	\$ 462,357	\$ 515,111	\$ 537,899
Facilities	459,874	574,001	805,973	922,690
Planning	183,875	149,733	162,106	171,311
Building Safety	129,860	170,703	188,590	201,248
Code Compliance	126,190	91,185	101,215	104,546
Mapping & Graphics	71,867	86,156	76,112	76,812
Total	\$ 1,429,798	\$ 1,534,135	\$ 1,849,107	\$ 2,014,506



Program Name	Expenditures by Program			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Administration	\$ 58,475	\$ 63,362	\$ 72,941	\$ 227,677
Building Inspection	36,900	62,498	75,356	78,549
Building Maintenance	456,404	567,569	795,964	760,192
Capital Improvement Projects	85,486	87,949	90,157	96,002
Code Compliance	126,190	91,185	101,215	104,546
Current Planning	92,696	94,363	101,860	106,782
Engineering	127,088	124,254	151,621	159,813
Environmental Service	65,606	29,398	31,997	35,214
Long Range Planning	25,573	25,972	28,249	29,315
Mapping & Graphics	71,867	86,156	76,112	76,812
Open Space	6	-	-	-
Permitting	92,960	108,204	113,234	122,699
Stormwater Management	190,547	193,225	210,401	216,905
Total	\$ 1,429,798	\$ 1,534,135	\$ 1,849,107	\$ 2,014,506

Variance Explanations:

Administration: The amount includes the transfer to the new Facilities Replacement Fund.



Category	Expenditures by Category			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Wages	\$ 698,381	\$ 691,040	\$ 704,017	\$ 719,809
Employment Taxes	27,276	24,178	26,266	43,626
Benefits	166,861	166,019	172,826	195,780
Dues & Memberships	10,760	12,032	14,167	21,372
Education and Training	2,452	1,230	9,550	9,105
Maintenance and Repair	232,112	352,736	484,811	447,861
Utilities	219,593	185,404	233,600	226,597
Contractual Services	21,393	24,370	107,641	109,910
Supplies	21,015	31,287	57,699	61,710
Equipment	5,826	29,584	14,250	8,715
Damages/Vandalism	1,437	-	250	250
Internal Service	22,692	16,255	24,030	25,999
Transfers	-	-	-	143,772
Total	\$ 1,429,798	\$ 1,534,135	\$ 1,849,107	\$ 2,014,506

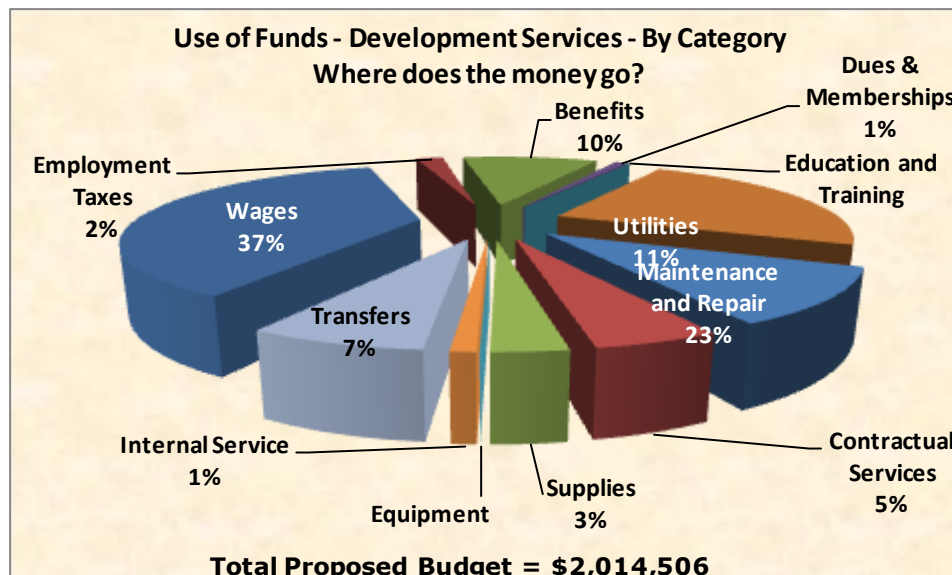
Variance Explanations:

Employment Taxes: The increase is due primarily to higher Workers' Compensation rates.

Dues & Memberships: The increase includes a new Environmental Protection Agency (EPA)/Arizona Department of Environmental Quality (ADEQ) permit review fee.

Equipment: The primary cause for the decrease was the one-time purchase of furniture for Fire Station #1.

Transfers: This amount is being transferred as the initial funding for the Facilities Replacement Fund.



FY13-14 Department Accomplishments

Initiative	Strategic Value
Completed Town-owned wash and ADWR jurisdictional dam maintenance	ES2-Maintain and improve Community infrastructure
Completed the 2013 edition of the "Land Use Analysis and Statistical Report"	EV1-Economic Vitality
Completed Fire Station No. 1 Renovation	P3-Public Safety, Health, and Welfare
Organized florescent light bulb and electronics recycling events	ES1-Environmental Stewardship
Completed Zone 7 Pavement Management Program	I3-Maintain and Improve Community Infrastructure

FY14-15 Objectives

Initiative	Strategic Value	Estimated Cost/Funding Source
Foster a culture of public service and volunteerism	CR3-Foster a culture of public service and volunteerism	\$0
Complete Town-owned wash and ADWR jurisdictional dam maintenance	ES2-Maintain & improve community infrastructure	\$150,000/General Fund
Complete 2014 edition of "Land Use Analysis and Statistical Report"	EV1-Economic Vitality	\$1,000/General Fund



**FY14-15 Proposed Budget
Summary of Expenditures
Development Services**

Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
General Fund				
Salaries-Full Time	\$ 657,927	\$ 649,758	\$ 664,439	\$ 677,834
Salaries-Part Time	40,037	40,261	39,577	41,974
Overtime	416	1,022	-	-
FICA	2,501	2,516	2,456	2,602
Medicare	10,045	9,763	10,219	10,441
Workers Compensation	11,131	10,021	11,860	29,265
Unemployment Insurance	3,599	1,879	1,731	1,318
Group Health Insurance	82,725	84,842	88,863	110,126
Group Dental Insurance	5,420	5,606	5,678	5,670
Group Vision Insurance	804	756	933	933
Disability Insurance	2,402	1,358	2,336	2,378
Retirement	73,587	71,553	73,097	74,561
Life Insurance	1,923	1,904	1,919	2,112
Licenses/Filing Fees	5,855	5,399	7,700	12,700
Dues, Subscript & Publicat	4,906	6,633	6,467	8,672
Training/Cont Ed	1,652	15	1,575	2,010
Meetings & Conferences	800	1,215	7,975	7,095
Building Main/Repair	16,046	91,621	65,028	92,693
HVAC Repair	45,934	41,776	90,633	118,435
Plumbing Repair	4,921	2,123	25,914	20,844
Electrical Repair/Maint	3,129	2,729	6,080	4,955
Fire Protection Systems	8,420	10,068	9,385	10,485
Grounds Maint/Repair	2,892	-	1,110	405
Irrigation Repair	10	-	-	-
Backflow Testing & Maintenance	511	1,502	1,185	1,185
Wash Maintenance	113,998	141,626	150,000	150,000
Dam Inspection And Maint	17,348	13,400	20,400	20,400
Equipment Maint/Repair	3,903	6,006	13,153	10,105
Vehicle Maint/Repair	2,654	910	3,288	2,563
Office Equip Maint/ Repair	1,815	349	1,521	2,462
Other Maint/Repair	1,816	7,695	5,445	2,825
Parking Lot Repair	-	22,954	-	-
Striping	-	-	-	2,400
Sidewalk/Pathway Repair	-	-	41,000	-
Sign Repair & Replacement	236	2,009	-	1,345
Painting	535	7,967	44,390	5,435
Lighting Repair	7,943	-	6,280	1,325
Electricity Expense	151,006	148,445	183,155	183,155
Refuse/Recycling	2,739	2,351	6,350	1,703
Telecommunications	3,006	3,436	5,240	5,004
Water/Sewer	29,985	26,513	31,605	29,585
Gas & Oil	4,841	4,660	7,250	7,150
AZDWR Fees	28,017	-	-	-



**FY14-15 Proposed Budget
Summary of Expenditures
Development Services**

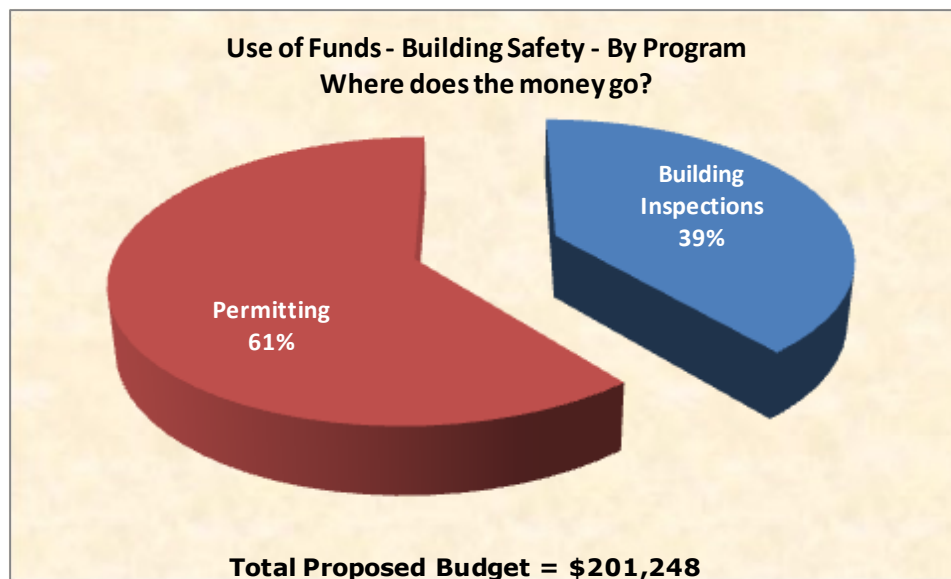
Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
General Fund-continued				
Professional Fees	\$ 10,699	\$ 18,172	\$ 26,170	\$ 27,306
Engineering Fees	4,200	-	13,600	15,000
Rentals & Leases	661	-	2,050	400
Printing Expense	463	945	2,165	1,796
Advertising/Signage	997	867	2,500	2,500
Contractual Services	4,348	4,360	25,000	25,000
Bank/Merc Acct Fees	25	25	-	-
Landscape Contracts	-	-	36,036	37,788
ActiveNet Fees	-	-	120	120
Office Supplies	4,448	5,781	8,676	7,960
Cleaning/Janitorial Supplies	12,257	11,228	22,325	19,130
Safety Supplies	313	137	1,025	1,025
Operating Supplies	-	10,328	20,990	19,790
Food & Beverage Supplies	2,430	1,513	1,800	2,000
Program Materials	815	858	850	925
Uniforms	715	1,403	1,883	2,730
Postage & Delivery	37	39	150	150
Miscellaneous Expense	-	-	-	8,000
Small Tools	949	487	2,315	2,315
Software	1,269	4,984	600	-
Hardware	193	6,343	-	-
Peripherals	187	65	-	-
Furniture/Appliances	2,579	10,022	7,200	2,200
Equipment	650	7,683	4,135	4,200
Damages/Vandalism	1,437	-	250	250
ISF-Copier Charges	3,962	3,524	3,275	4,348
ISF-Mail Service Charges	378	267	958	1,016
ISF-Vehicle Replacement Charge	8,014	5,189	12,629	13,342
ISF-Motor Pool Charges	2,647	1,000	900	898
ISF-Telecom Charges	7,692	6,274	6,268	6,395
Transfer Out	-	-	-	143,772
Total Development Services	\$ 1,429,798	\$ 1,534,135	\$ 1,849,107	\$ 2,014,506

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.

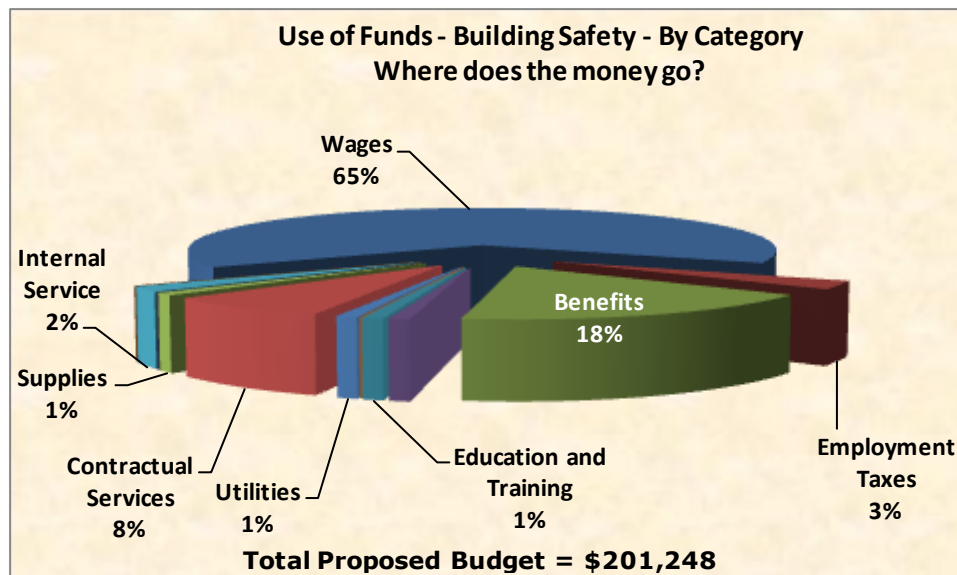
Program Name	Expenditures by Program			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Building Inspections	\$ 36,900	\$ 62,498	\$ 75,356	\$ 78,549
Permitting	92,960	108,205	113,234	122,699
Total	\$ 129,860	\$ 170,703	\$ 188,590	\$ 201,248



Category	Expenditures by Category			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Wages	\$ 89,610	\$ 125,231	\$ 128,301	\$ 131,525
Employment Taxes	2,678	3,513	3,743	5,914
Benefits	25,546	28,723	29,893	36,996
Dues & Memberships	278	1,778	890	1,305
Education and Training	1,279	1,045	1,700	1,710
Maintenance and Repair	169	27	1,069	935
Utilities	1,013	1,245	1,720	1,768
Contractual Services	4,378	4,635	15,320	15,320
Supplies	645	525	1,350	1,100
Equipment	-	-	150	150
Internal Service	4,264	3,981	4,454	4,525
Transfers	-	-	-	-
Total	\$ 129,860	\$ 170,703	\$ 188,590	\$ 201,248

Variance Explanations:

Benefits: The increase is a result of changes in coverage for an employee.



Activities/Results

Performance Measures

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Percentage of all residential building plan reviews completed within established turn-around times	97%	97%	100%	97%
Percentage of all commercial building plan reviews completed within established turn-around times	97%	97%	100%	97%

Quality

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Number of building plan reviews conducted (multiple reviews possible)	375	420	420	420
Number of residential plan reviews conducted (multiple reviews possible)	100	125	125	125
Number of commercial plan reviews conducted (multiple reviews possible)	250	250	250	235
Number of building inspection FTE's	2	2	2	2
Total number of permits	400	425	450	525
Total number of inspections (all inspections)	1,800	2,000	2,100	2,250

Productivity

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Average expenditure per inspection during the reporting period (includes all inspections)	\$20.50	\$31.25	\$35.88	\$34.91
Average cost per permit	\$232.40	\$254.60	\$251.63	\$233.71

**FY 14-15 Proposed Budget
Summary of Expenditures
Building Safety**

Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
General Fund				
Salaries-Full Time	\$ 89,610	\$ 125,231	\$ 128,301	\$ 131,525
Salaries-Part Time	-	-	-	-
FICA	-	-	-	-
Medicare	1,230	1,744	1,861	1,906
Workers Compensation	952	1,426	1,551	3,757
Unemployment Insurance	496	343	331	251
Group Health Insurance	14,017	13,004	13,611	20,302
Group Dental Insurance	866	1,170	1,182	1,188
Group Vision Insurance	134	167	167	166
Disability Insurance	312	243	450	462
Retirement	9,857	13,769	14,114	14,469
Life Insurance	360	369	369	409
Licenses/Filing Fees	-	-	-	-
Dues, Subscript & Publicat	278	1,778	890	1,305
Training/Cont Ed	1,279	-	-	60
Meetings & Conferences	-	1,045	1,700	1,650
Equipment Maint/Repair	-	-	287	125
Vehicle Maint/Repair	168	27	782	560
Office Equip Maint/Repair	-	-	-	250
Telecommunications	314	526	720	768
Gas & Oil	699	719	1,000	1,000
Printing Expense	6	250	200	200
Contractual Services	4,348	4,361	15,000	15,000
Bank/Merc Acct Fees	25	25	-	-
ActiveNet Fees	-	-	120	120
Office Supplies	214	114	800	550
Uniforms	431	411	550	550
Small Tools	-	-	150	150
ISF-Copier Charges	73	160	537	600
ISF-Mail Service Charges	5	23	70	75
ISF-Vehicle Replacement Charge	2,595	2,595	2,647	2,700
ISF-Motor Pool Charges	34	16	-	-
ISF-Telecom Charges	1,557	1,187	1,200	1,150
Total Building Safety	\$ 129,860	\$ 170,703	\$ 188,590	\$ 201,248

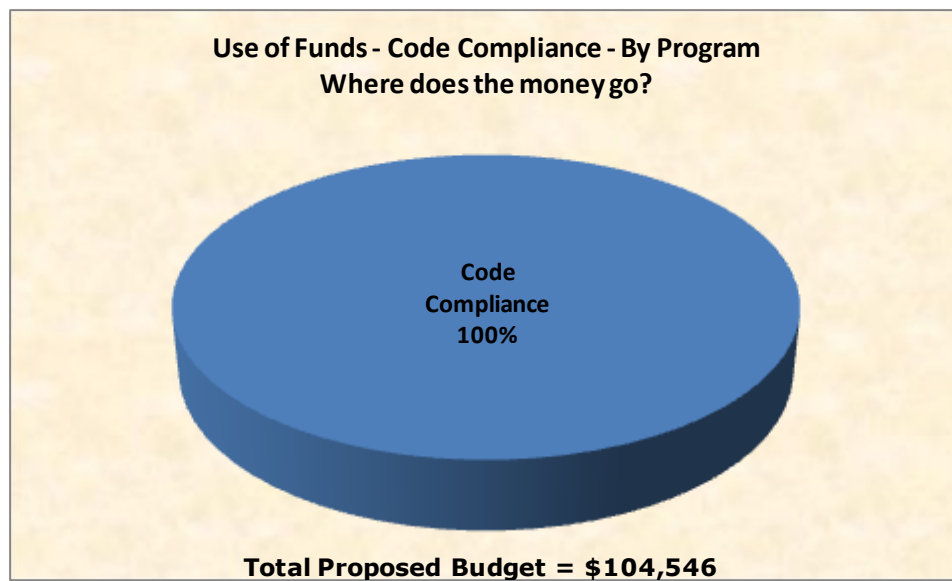


Code Compliance Division

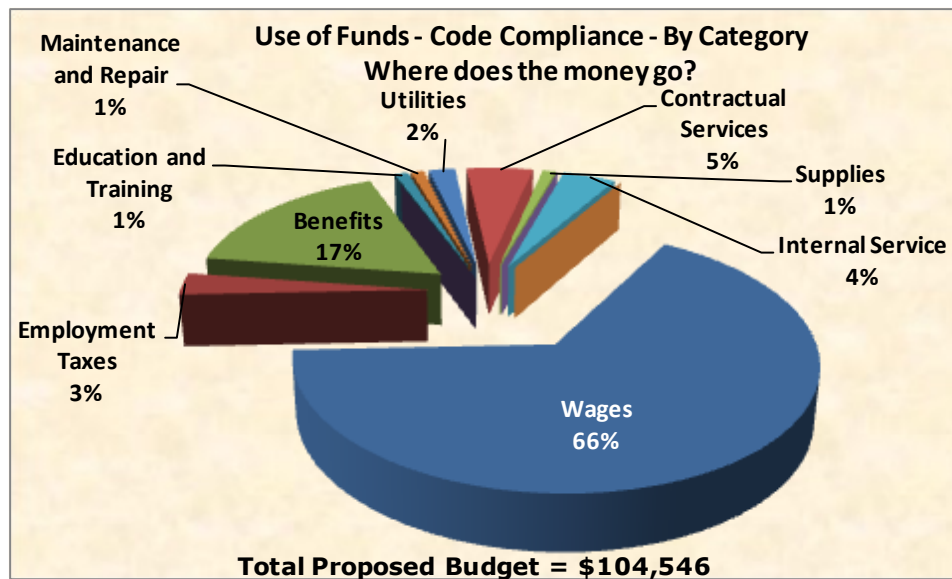
Service Delivery Plan

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			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Code Compliance	\$ 126,190	\$ 91,185	\$ 101,215	\$ 104,546
Total	\$ 126,190	\$ 91,185	\$ 101,215	\$ 104,546



Category	Expenditures by Category			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Wages	\$ 97,277	\$ 66,417	\$ 68,060	\$ 69,780
Employment Taxes	3,242	2,042	2,189	3,983
Benefits	21,089	17,614	18,452	18,378
Dues & Memberships	35	35	135	135
Education and Training	50	90	625	625
Maintenance and Repair	20	73	780	560
Utilities	910	1,093	1,720	1,768
Contractual Services	-	445	5,270	5,072
Supplies	315	301	580	580
Equipment	187	-	-	-
Internal Service	3,065	3,075	3,404	3,665
Transfers	-	-	-	-
Total	\$ 126,190	\$ 91,185	\$ 101,215	\$ 104,546



Activities/Results

Performance Measures

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Percentage of code violations brought into voluntary compliance prior to initiation of administrative or judicial action	99%	99%	98%	99%

Quality

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Number of Code Enforcement Officers	1	1	1	1
Number of code violation cases	840	800	800	775
Number of code violation cases reviewed in court proceedings (does not include barking dog cases)	2	1	10	5

Productivity

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Average cost per code violation case	\$150.23	\$113.98	\$126.52	\$134.90



**FY14-15 Proposed Budget
Summary of Expenditures
Code Compliance**

Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
General Fund				
Salaries-Full Time	\$ 97,275	\$ 66,416	\$ 68,060	\$ 69,780
Medicare	1,391	942	987	1,012
Workers Compensation	1,388	908	1,014	2,828
Unemployment Insurance	464	192	188	143
Group Health Insurance	9,037	9,337	9,877	9,593
Group Dental Insurance	708	554	572	568
Group Vision Insurance	113	81	81	81
Disability Insurance	341	144	239	244
Retirement	10,700	7,304	7,487	7,675
Life Insurance	191	195	196	217
Licenses/Filing Fees	-	-	100	100
Dues, Subscript & Publicat	35	35	35	35
Training/Cont Ed	25	15	400	450
Meetings & Conferences	25	75	225	175
Vehicle Maint/Repair	20	73	780	560
Telecommunications	349	527	720	768
Gas & Oil	561	566	1,000	1,000
Printing Expense	-	445	270	72
Contractual Services	-	-	5,000	5,000
Office Supplies	176	301	450	450
Program Materials	-	-	-	-
Uniforms	139	-	130	130
Postage & Delivery	-	-	-	-
Small Tools	165	-	-	-
Peripherals	22	-	-	-
Equipment	-	-	-	-
ISF-Copier Charges	45	28	200	400
ISF-Mail Service Charges	19	25	72	100
ISF-Vehicle Replacement Charge	2,595	2,595	2,647	2,700
ISF-Motor Pool Charges	17	23	-	-
ISF-Telecom Charges	389	404	485	465
Total Code Compliance	\$ 126,190	\$ 91,185	\$ 101,215	\$ 104,546

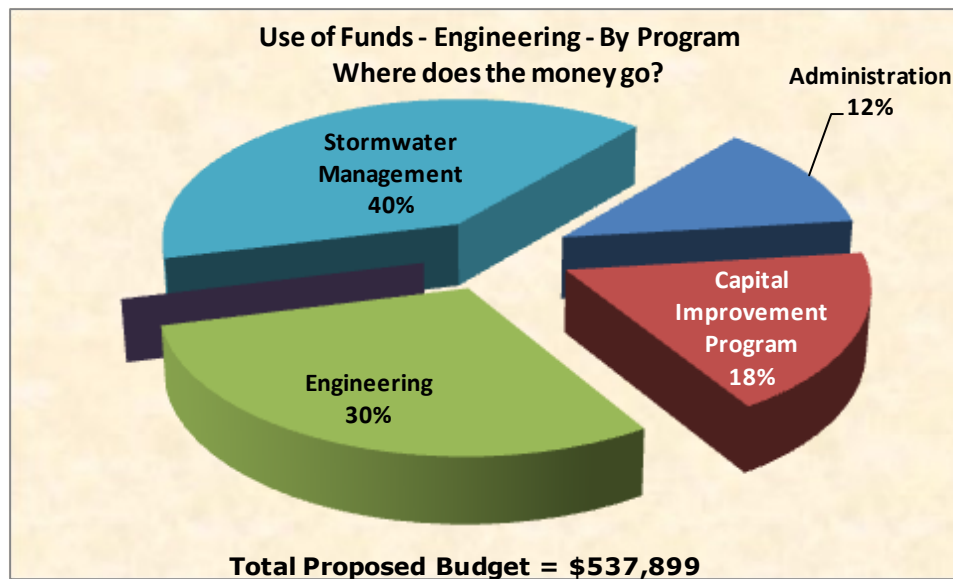


Engineering Division

Service Delivery Plan

The Engineering Division is responsible for design, contract administration and construction oversight for capital projects. The Division is also responsible for the review of commercial and residential plans, utility plans, encroachment permits as well as the maintenance of Town-owned washes and six ADWR jurisdictional dams.

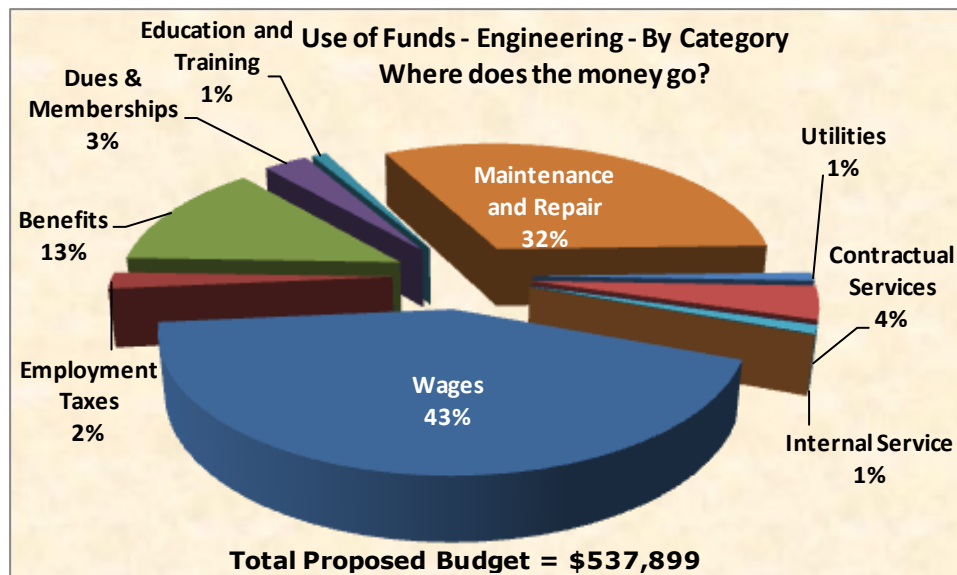
Program Name	Expenditures by Program			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Administration	\$ 55,005	\$ 56,930	\$ 62,932	\$ 65,179
Capital Improvement Program	85,486	87,949	90,157	96,002
Engineering	127,088	124,254	151,621	159,813
Open Space	6	-	-	-
Stormwater Management	190,547	193,224	210,401	216,905
Total	\$ 458,132	\$ 462,357	\$ 515,111	\$ 537,899



Category	Expenditures by Category			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Wages	\$ 232,889	\$ 222,614	\$ 227,564	\$ 232,452
Employment Taxes	7,439	6,835	7,802	12,774
Benefits	60,296	58,256	60,460	67,776
Dues & Memberships	7,522	6,989	8,940	13,979
Education and Training	55	95	4,285	3,680
Maintenance and Repair	133,482	156,048	171,702	172,610
Utilities	2,399	3,619	4,640	4,088
Contractual Services	4,715	2,893	20,500	21,972
Supplies	1,014	444	2,226	2,035
Equipment	-	1,750	1,050	450
Internal Service	8,321	2,814	5,942	6,083
Transfers	-	-	-	-
Total	\$ 458,132	\$ 462,357	\$ 515,111	\$ 537,899

Variance Explanations:

Dues & Memberships: A new \$5,000 Arizona Department of Environmental Quality (ADEQ) permit fee is required.



Activities/Results

Performance Measures

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Percentage of reviews of final plats, site plans and commercial plans completed within established turn-around time.	95%	95%	95%	95%
Percentage of inspections completed within 24 hours of notice	95%	95%	100%	97%

Quality

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Acres of Town-owned washes maintained*	70	75	75	75
Number of right-of-way and encroachment permits issued	300	300	300	300
Number of easements released or acquired	21	20	20	22
Number of capital improvement projects (CIP) completed	2	2	3	4
Total number of inspections (includes multiple inspection totals for residential, commercial & CIP projects)	250	275	300	375

Productivity

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Expenditure per inspection (includes multiple inspection totals for residential, commercial & CIP projects)	\$850.30	\$771.65	\$805.93	\$682.17

*658 acres of Town-owned washes

**FY14-15 Proposed Budget
Summary of Expenditures
Engineering**

Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
General Fund				
Salaries-Full Time	\$ 232,889	\$ 222,297	\$ 227,564	\$ 232,452
Overtime	-	318	-	-
Medicare	3,252	3,090	3,303	3,372
Workers Compensation	3,357	3,299	4,062	9,071
Unemployment Insurance	831	446	437	331
Group Health Insurance	31,075	30,525	31,706	38,339
Group Dental Insurance	1,793	1,862	1,840	1,895
Group Vision Insurance	271	254	427	435
Disability Insurance	863	475	798	815
Retirement	25,618	24,490	25,034	25,569
Life Insurance	676	650	655	723
Licenses/Filing Fees	5,779	5,188	6,350	11,350
Dues, Subscript & Publicat	1,743	1,801	2,590	2,629
Training/Cont Ed	-	-	175	500
Meetings & Conferences	55	95	4,110	3,180
Wash Maintenance	113,998	141,626	150,000	150,000
Dam Inspection And Maint	17,348	13,400	20,400	20,400
Vehicle Maint/Repair	2,136	672	343	560
Office Equip Maint/ Repair	-	349	959	1,650
Telecommunications	1,279	1,551	2,340	1,788
Gas & Oil	1,120	2,068	2,300	2,300
Professional Fees	-	2,555	1,400	1,400
Engineering Fees	4,200	-	13,600	15,000
Printing Expense	386	184	500	572
Advertising/Signage	129	154	-	-
Contractual Services	-	-	5,000	5,000
Office Supplies	968	300	1,601	1,135
Safety Supplies	9	-	200	200
Operating Supplies	-	19	-	-
Food & Beverage Supplies	-	-	-	-
Uniforms	-	125	275	550
Postage & Delivery	37	-	150	150
Small Tools	-	357	450	450
Software	-	641	600	-
Hardware	-	706	-	-
Peripherals	-	46	-	-
Equipment	-	-	-	-
ISF-Copier Charges	2,127	901	1,043	1,083
ISF-Mail Service Charges	96	87	400	425
ISF-Vehicle Replacement Charge	2,825	-	2,735	2,784
ISF-Motor Pool Charges	1,910	766	741	741
ISF-Telecom Charges	1,362	1,060	1,023	1,050
Transfer Out	-	-	-	-
Total Engineering	\$ 458,132	\$ 462,357	\$ 515,111	\$ 537,899



Facilities Division

Service Delivery Plan

The Facilities Division is dedicated to maintaining a safe and clean environment in Town-owned buildings for citizens and employees to enjoy. The Facilities Division maintains Town Hall, Community Center, Library/Museum, Fire Stations #1 and #2, Kiwanis Building and the Fountain Hills Theatre.

Location	Expenditures by Location			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Town Hall	\$ 146,366	\$ 179,084	\$ 207,816	\$ 427,004
Community Center	103,430	155,505	233,098	185,311
Library/Museum	110,319	135,858	204,855	174,247
Community Theater	8,458	17,668	8,755	9,450
Kiwanis Building	3,177	3,171	13,817	8,655
Physical Plant	60,141	46,762	51,694	48,740
Fire Station #1	26,119	23,768	62,034	49,929
Fire Station #2	1,864	12,185	23,904	19,354
Total	\$ 459,874	\$ 574,001	\$ 805,973	\$ 922,690

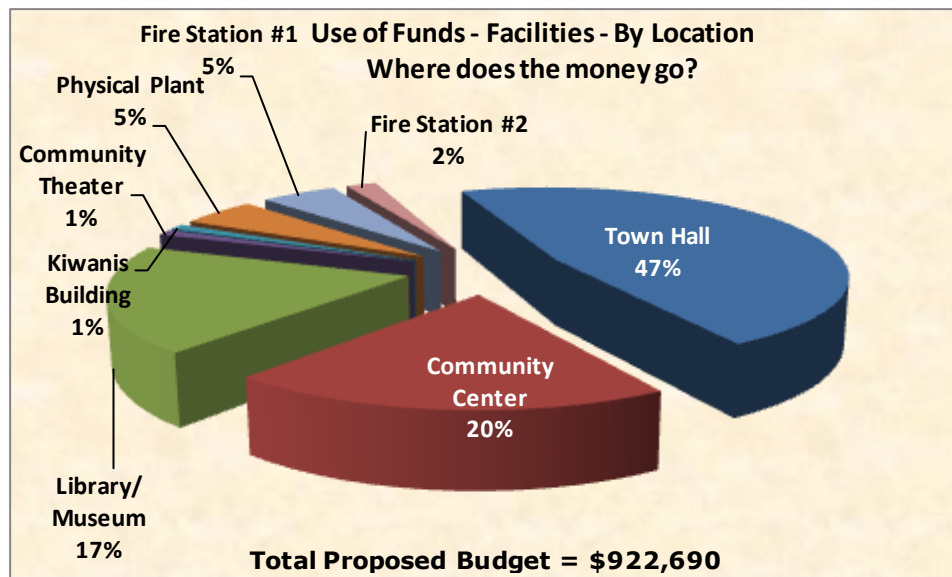
Variance Explanations:

Town Hall: The HVAC controllers will be replaced in FY14-15.

Community Center: The concrete replacement that was included in the FY13-14 budget has been moved to the Capital Improvement Fund.

Kiwanis Building: Items not considered to be major repairs were removed from the budget.

Fire Station #1:

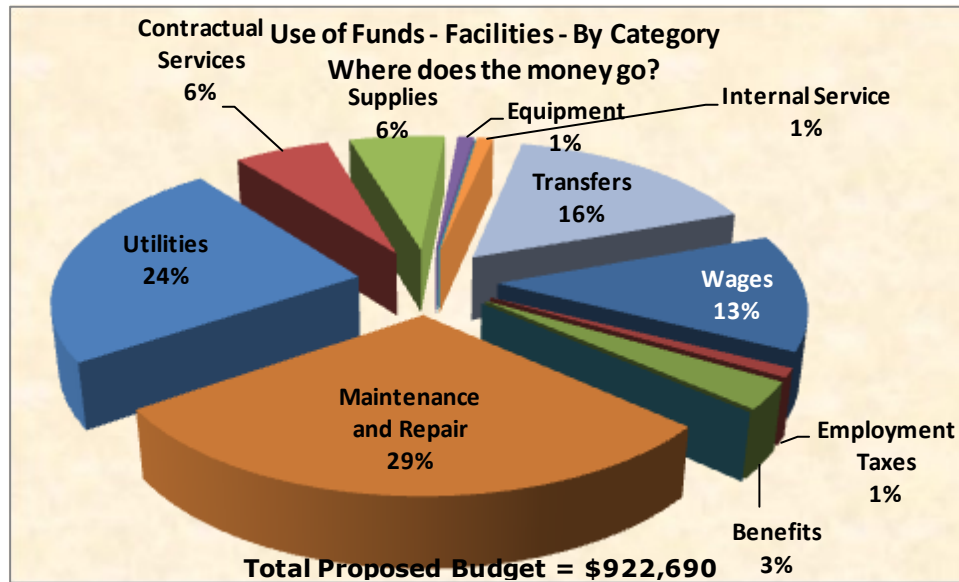


Category	Expenditures by Category			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Wages	\$ 117,198	\$ 116,766	\$ 117,224	\$ 120,694
Employment Taxes	9,731	8,154	8,515	13,480
Benefits	18,026	20,972	22,118	28,790
Dues & Memberships	146	273	-	-
Education and Training	348	-	-	-
Maintenance and Repair	97,216	195,736	307,206	270,212
Utilities	187,115	179,386	224,740	218,193
Contractual Services	4,647	11,196	58,486	59,724
Supplies	15,329	24,233	47,043	51,420
Equipment	5,639	14,515	12,950	8,015
Damages/Vandalism	1,437	-	250	250
Internal Service	3,042	2,770	7,441	8,140
Transfers	-	-	-	143,772
Total	\$ 459,874	\$ 574,001	\$ 805,973	\$ 922,690

Variance Explanations:

Benefits: Increase is the result of adding insurance coverage under the Affordable Care Act (ACA).

Transfers: Amount represents the initial funding for the new Facilities Replacement Fund.



Activities/Results

Performance Measures

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Percentage of maintenance requests resolved within 24 hours	95%	80%	79%	80%
Percentage of maintenance requests resolved within 48 hours	96%	94%	92%	92%
Percentage of trade related work orders completed in house versus contracts	85%	70%	70%	70%

Quality

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 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	1,200	1,470	1,625	1,625
Number of custodial staff	1.25	1.25	1.25	1.25
Community Center custodial staff	.10	.10	.10	.10
Library/Museum custodial staff	.40	.40	.40	.40
Town Hall custodial staff	.75	.75	.75	.75

Productivity

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Civic Center utility costs per square foot (water, sewer, electric – includes parking lot lighting and landscape irrigation)	\$.49	\$.47	\$.47	\$.39



**FY14-15 Proposed Budget
Summary of Expenditures
Facilities**

Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
General Fund				
Salaries-Full Time	\$ 76,745	\$ 75,801	\$ 77,647	\$ 78,720
Salaries-Part Time	40,037	40,261	39,577	41,974
Overtime	416	704	-	-
FICA	2,501	2,516	2,456	2,602
Medicare	1,760	1,686	1,704	1,753
Workers Compensation	4,370	3,439	3,933	8,800
Unemployment Insurance	1,100	512	422	325
Group Health Insurance	7,610	11,439	12,253	18,819
Group Dental Insurance	762	681	713	692
Group Vision Insurance	120	100	104	96
Disability Insurance	267	153	276	277
Retirement	9,055	8,378	8,545	8,661
Life Insurance	210	221	227	245
Licenses/Filing Fees	-	144	-	-
Dues, Subscript & Publicat	146	129	-	-
Training/Cont Ed	348	-	-	-
Building Main/Repair	16,046	91,621	65,027	92,692
HVAC Repair	45,934	41,776	90,633	118,435
Plumbing Repair	4,921	2,123	25,914	20,844
Electrical Repair/Maint	3,129	2,729	6,080	4,955
Fire Protection Systems	8,420	10,068	9,385	10,485
Grounds Maint/Repair	2,892	-	1,110	405
Irrigation Repair	10	-	-	-
Backflow Testing & Maintenance	511	1,502	1,185	1,185
Equipment Maint/Repair	3,903	5,154	9,056	6,680
Vehicle Maint/Repair	330	138	1,300	800
Office Equip Maint/ Repair	615	-	400	400
Other Maint/Repair	1,816	7,695	5,445	2,825
Parking Lot Repair	-	22,954	-	-
Striping	-	-	-	2,400
Sidewalk/Pathway Repair	-	-	41,000	-
Sign Repair & Replacement	212	2,009	-	1,345
Painting	535	7,967	44,390	5,435
Lighting Repair	7,943	-	6,280	1,325
Electricity Expense	151,006	148,445	183,155	183,155
Refuse/Recycling	2,739	2,351	6,350	1,703
Telecommunications	925	771	1,280	1,500
Water/Sewer	29,985	26,513	31,605	29,585
Gas & Oil	2,460	1,307	2,350	2,250
Professional Fees	3,915	11,196	20,270	21,406
Rentals & Leases	661	-	2,050	400
Printing Expense	71	-	130	130
Bank/Merc Acct Fees	-	-	-	-
Landscape Contracts	-	-	36,036	37,788
Office Supplies	194	141	175	175



**FY14-15 Proposed Budget
Summary of Expenditures
Facilities**

Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
General Fund-continued				
Cleaning/Janitorial Supplies	\$ 12,257	\$ 11,228	\$ 22,325	\$ 19,130
Safety Supplies	304	137	825	825
Operating Supplies	-	10,309	20,990	19,790
Food & Beverage Supplies	2,430	1,513	1,800	2,000
Uniforms	144	867	928	1,500
Postage & Delivery	-	39	-	-
Miscellaneous Expense	-	-	-	8,000
Small Tools	784	130	1,615	1,615
Software	1,269	4,342	-	-
Hardware	193	-	-	-
Peripherals	165	20	-	-
Furniture/Appliances	2,579	10,022	7,200	2,200
Equipment	650	-	4,135	4,200
Damages/Vandalism	1,437	-	250	250
ISF-Copier Charges	19	38	50	50
ISF-Mail Service Charges	2	8	16	16
ISF-Vehicle Replacement Charge	-	-	4,601	5,160
ISF-Motor Pool Charges	-	17	-	-
ISF-Telecom Charges	3,021	2,707	2,775	2,915
Transfer Out	-	-	-	143,772
Total Facilities	\$ 459,874	\$ 574,001	\$ 805,973	\$ 922,690

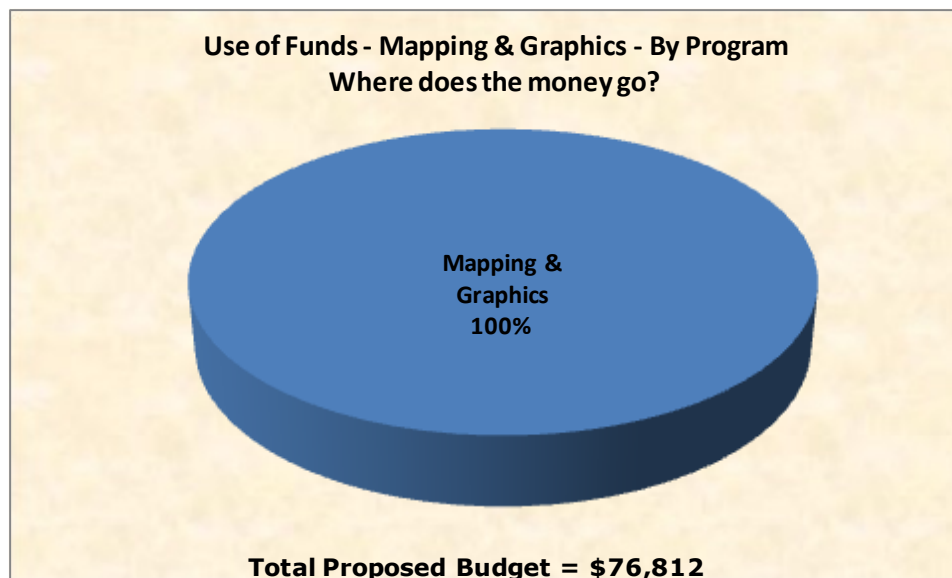


Mapping & Graphics Division

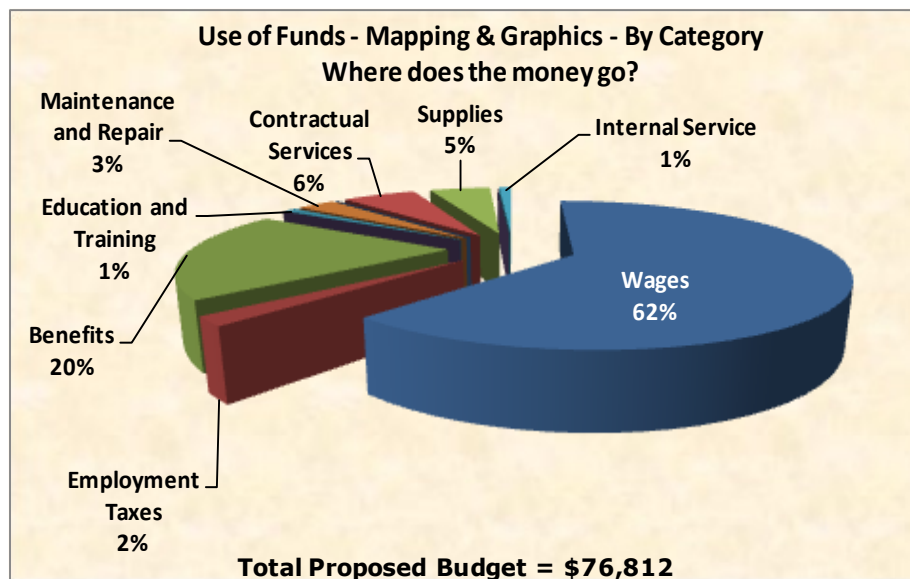
Service Delivery Plan

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			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Mapping & Graphics	\$ 71,867	\$ 86,156	\$ 76,112	\$ 76,812
Total	\$ 71,867	\$ 86,156	\$ 76,112	\$ 76,812



Category	Expenditures by Category			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Wages	\$ 46,679	\$ 47,860	\$ 48,025	\$ 48,211
Employment Taxes	1,055	998	1,013	1,235
Benefits	13,517	13,893	14,462	15,266
Dues & Memberships	-	-	150	-
Education and Training	-	-	1,000	1,150
Maintenance and Repair	1,200	853	3,000	2,500
Utilities	-	4,421	-	-
Contractual Services	6,784	4,493	4,500	4,500
Supplies	2,233	13,319	3,500	3,500
Equipment	-	-	-	-
Internal Service	399	319	462	450
Transfers	-	-	-	-
Total	\$ 71,867	\$ 86,156	\$ 76,112	\$ 76,812



Activities/Results

Performance Measures

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
eFountain work order survey satisfaction rating	95%	95%	95%	95%

Quality

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Number of internal customer requests processed	316	200	200	200
Number of aerial site plans completed	74	75	75	82
Number of external customer requests processed	96	50	50	60
GIS database maintenance in hours	40	100	100	75



**FY14-15 Proposed Budget
Summary of Expenditures
Mapping & Graphics**

Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
General Fund				
Salaries-Full Time	\$ 46,678	\$ 47,859	\$ 48,025	\$ 48,211
Medicare	672	687	697	700
Workers Compensation	176	187	203	449
Unemployment Insurance	206	124	113	86
Group Health Insurance	7,509	7,776	8,238	9,061
Group Dental Insurance	514	563	582	531
Group Vision Insurance	49	49	49	49
Disability Insurance	175	104	169	169
Retirement	5,134	5,263	5,283	5,303
Life Insurance	137	140	141	153
Dues, Subscript & Publicat	-	-	150	-
Training/Cont Ed	-	-	1,000	1,000
Meetings & Conferences	-	-	-	150
Equipment Maint/Repair	-	852	3,000	2,500
Office Equip Maint/ Repair	1,200	-	-	-
Professional Fees	6,784	4,421	4,500	4,500
Printing Expense	-	-	-	-
Office Supplies	2,233	4,493	3,500	3,500
Hardware	-	5,636	-	-
Equipment	-	7,683	-	-
ISF-Copier Charges	4	11	120	120
ISF-Motor Pool Charges	7	46	102	100
ISF-Telecom Charges	389	262	240	230
Total Mapping & Graphics	\$ 71,867	\$ 86,156	\$ 76,112	\$ 76,812



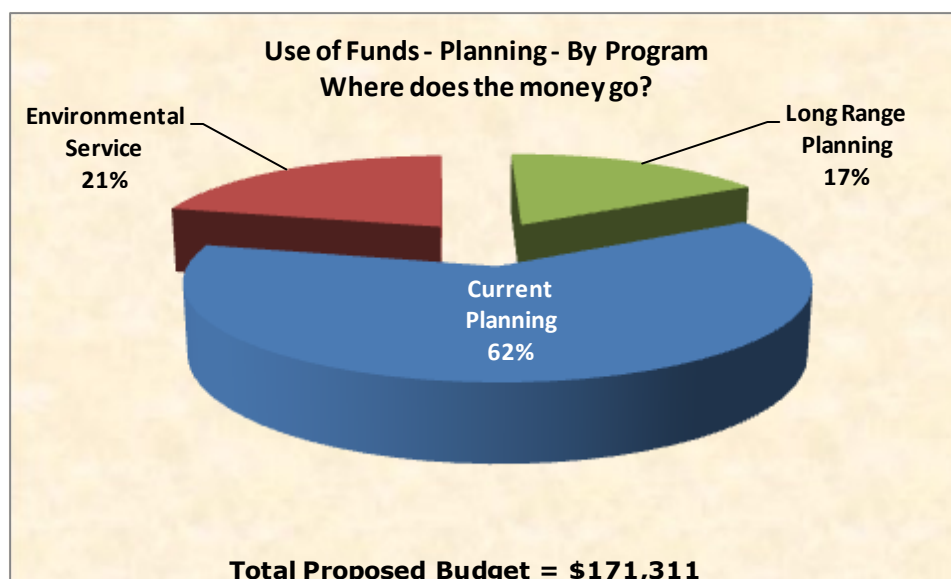
Planning Division

Service Delivery Plan

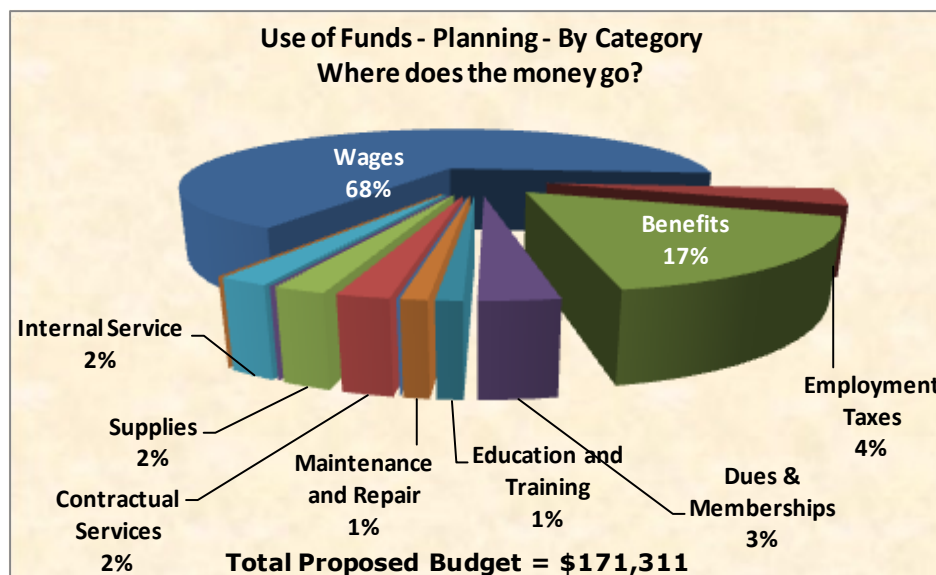
The Planning Division is dedicated to enhancing the quality of life in Fountain Hills through innovative, proven planning techniques, and providing excellent customer service in a professional and timely manner. The Division implements land use planning related goals, policies and programs as approved by the Town Council. The Division processes applications for zoning interpretations and verifications, preliminary and final subdivision 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, Subdivision Ordinance and Town Code.

Environmental Service provides regulatory compliance oversight to Fountain Hills' operations and facilities. These programs include, but are not limited to, Storm Water and Air Quality programs. Environmental Service is also responsible for coordinating recycling programs, energy efficiency activities to help promote and implement sustainable activities within the Town. This Division also maintains regulatory compliance permits for the Town.

Program Name	Expenditures by Program			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Administration	\$ -	\$ -	\$ -	\$ -
Current Planning	92,696	94,363	101,860	106,782
Environmental Service	65,606	29,398	31,997	35,215
Long Range Planning	25,573	25,972	28,249	29,314
Total	\$ 183,875	\$ 149,733	\$ 162,106	\$ 171,311



Category	Expenditures by Category			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Wages	\$ 114,728	\$ 112,153	\$ 114,842	\$ 117,146
Employment Taxes	3,130	2,636	3,004	6,240
Benefits	28,387	26,561	27,441	28,574
Dues & Memberships	2,780	2,957	4,052	5,953
Education and Training	720	-	1,940	1,940
Maintenance and Repair	24	-	1,055	1,044
Utilities	28,156	61	780	780
Contractual Services	868	779	3,565	3,322
Supplies	1,479	1,290	3,000	3,075
Equipment	-	-	100	100
Internal Service	3,603	3,296	2,327	3,137
Transfers	-	-	-	-
Total	\$ 183,875	\$ 149,733	\$ 162,106	\$ 171,311



Activities/Results

Performance Measures

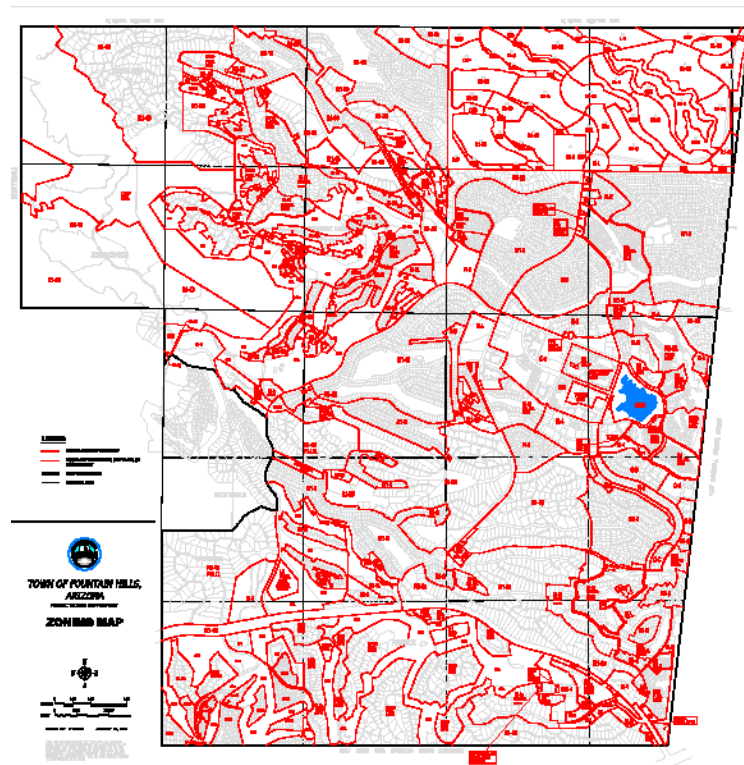
	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Percentage of first reviews of plans completed within the established Department turnaround time	100%	100%	100%	100%

Quality

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Number of temporary use permits completed	9	9	9	10
Number of ordinance/code changes processed	6	4	4	5
Number of zoning cases	16	20	15	10
Number of concept plans reviewed	6	8	8	12
Number of A-frame sign permits	50	50	50	65
Number of paper shredding events held*	2	2*	2*	2*
Number of recycling events held	2	2	1	1**
CFL/florescent bulb recycling	0	0	0	2

*Funded by the Fountain Hills Library Association.

** Electronic event



**FY14-15 Proposed Budget
Summary of Expenditures
Planning**

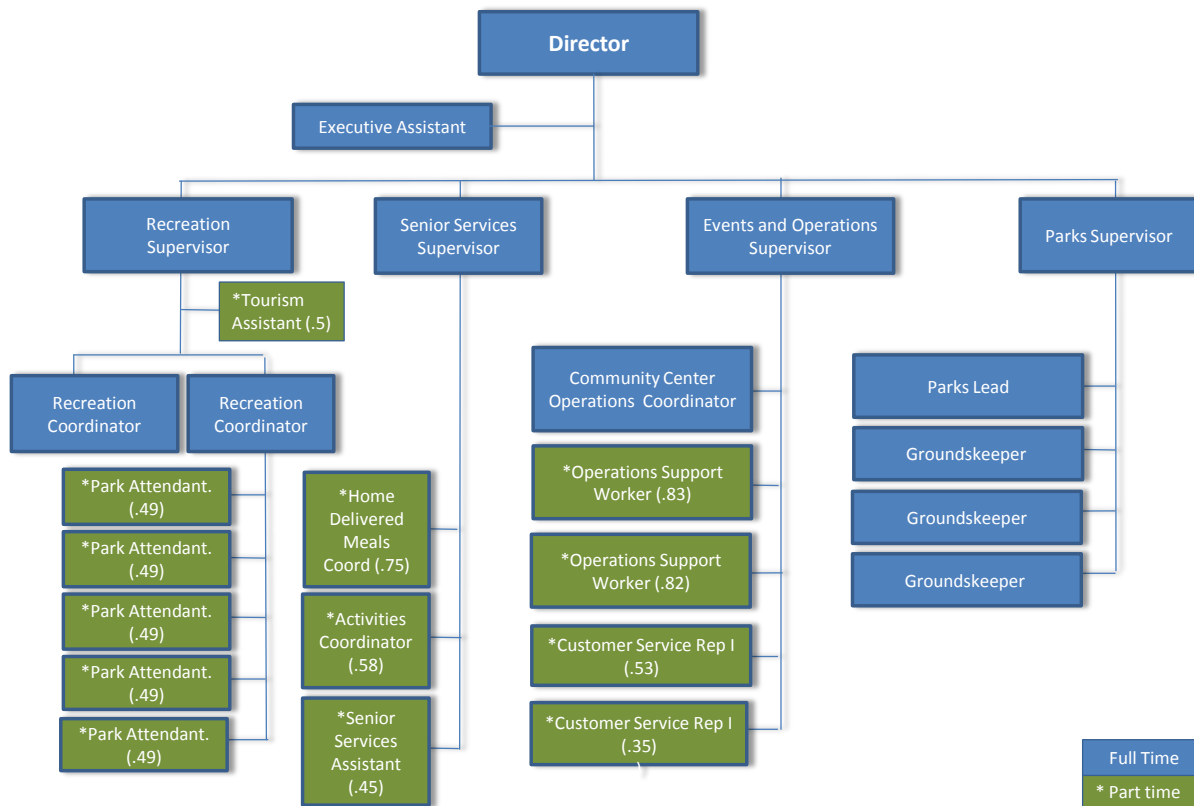
Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
General Fund				
Salaries-Full Time	\$ 114,729	\$ 112,151	\$ 114,842	\$ 117,145
Salaries-Part Time	-	-	-	-
FICA	-	-	-	-
Medicare	1,740	1,614	1,667	1,698
Workers Compensation	889	761	1,097	4,360
Unemployment Insurance	502	261	240	182
Group Health Insurance	13,478	12,762	13,178	14,012
Group Dental Insurance	777	776	789	796
Group Vision Insurance	118	105	105	106
Disability Insurance	444	239	404	411
Retirement	13,221	12,350	12,634	12,884
Life Insurance	349	329	331	365
Licenses/Filing Fees	76	68	1,250	1,250
Dues, Subscript & Publicat	2,703	2,890	2,802	4,703
Meetings & Conferences	720	-	1,940	1,940
Equipment Maint/Repair	-	-	810	800
Vehicle Maint/Repair	-	-	83	83
Office Equip Maint/ Repair	-	-	162	162
Sign Repair & Replacement	24	-	-	-
Telecommunications	139	61	180	180
Gas & Oil	-	-	600	600
AZDWR Fees	28,017	-	-	-
Printing Expense	-	66	1,065	822
Advertising/Signage	868	714	2,500	2,500
Office Supplies	664	432	2,150	2,150
Food & Beverage Supplies	-	-	-	-
Program Materials	815	858	850	925
Postage & Delivery	-	-	-	-
Small Tools	-	-	100	100
Peripherals	-	-	-	-
ISF-Copier Charges	1,693	2,386	1,325	2,095
ISF-Mail Service Charges	256	124	400	400
ISF-Motor Pool Charges	680	132	57	57
ISF-Telecom Charges	973	654	545	585
Total Planning	\$ 183,875	\$ 149,733	\$ 162,106	\$ 171,311



Community Services



COMMUNITY SERVICES DEPARTMENT



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

COMMUNITY SERVICES

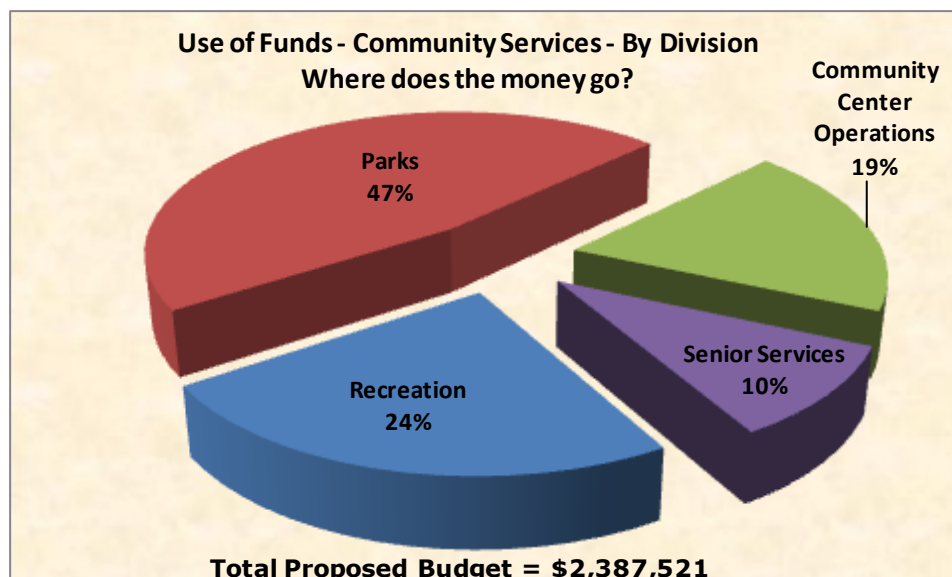
Mission Statement

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, Tourism, a growing public trails system, and public art.

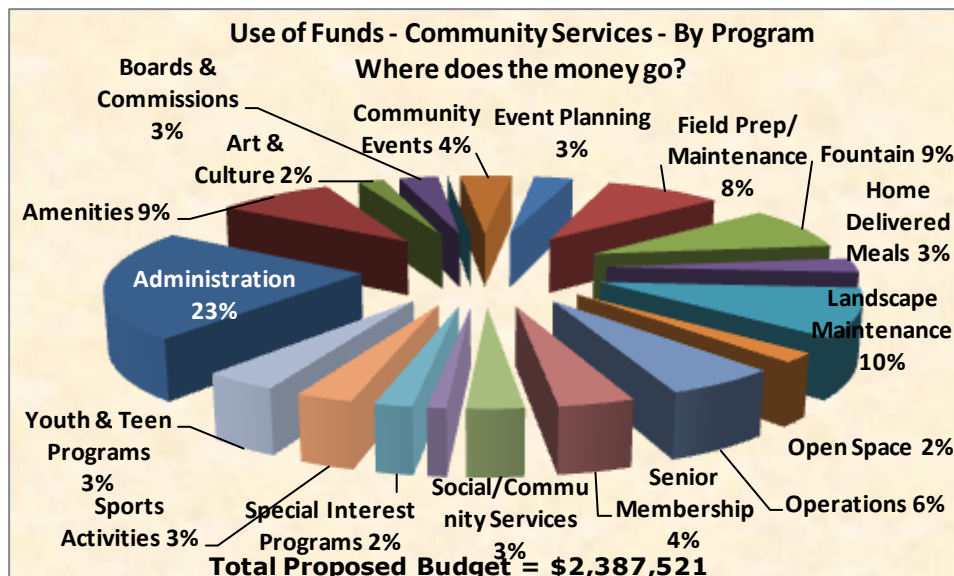
Division	Expenditures by Division			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Recreation	\$ 435,584	\$ 444,749	\$ 575,801	\$ 585,347
Parks	930,548	935,176	1,005,344	1,115,045
Community Center Operations	404,072	400,664	443,795	457,104
Senior Services	222,328	206,878	227,943	230,025
Total	\$ 1,992,532	\$ 1,987,467	\$ 2,252,883	\$ 2,387,521



Program Name	Expenditures by Program			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Administration	\$ 558,587	\$ 554,839	\$ 560,674	\$ 561,091
Amenities	174,517	218,515	189,155	232,996
Art & Culture	6,328	7,767	48,159	42,021
Boards & Commissions	41,055	43,473	58,600	60,627
Building Maintenance	98,336	88,147	-	-
Community Events	98,436	99,135	99,526	106,480
Event Planning	50,785	54,013	58,156	60,394
Field Prep/Maintenance	172,747	152,826	186,387	207,282
Fountain	189,489	188,860	218,236	224,165
Home Delivered Meals	94,727	74,521	68,140	65,266
Landscape Maintenance	185,482	176,540	197,547	233,369
Open Space	36,667	31,762	40,790	39,581
Operations	-	-	124,228	137,406
Senior Membership	55,985	80,550	94,631	99,108
Social/Community Services	84,127	66,363	79,959	78,795
Special Events	26,889	27,364	28,245	25,864
Special Interest Programs	27,979	26,890	36,315	43,025
Sports Activities	58,715	56,901	67,088	78,819
Youth & Teen Programs	31,681	39,001	97,047	91,232
Total	\$ 1,992,532	\$ 1,987,467	\$ 2,252,883	\$ 2,387,521

Variance Explanations:

Amenities: Parks included a 25% increase to proposed water rates for all parks. Tennis courts at Golden Eagle Park will be resurfaced. And a new annual payment to Buckeye (Sunridge) for an easement for water/pumping effluent.



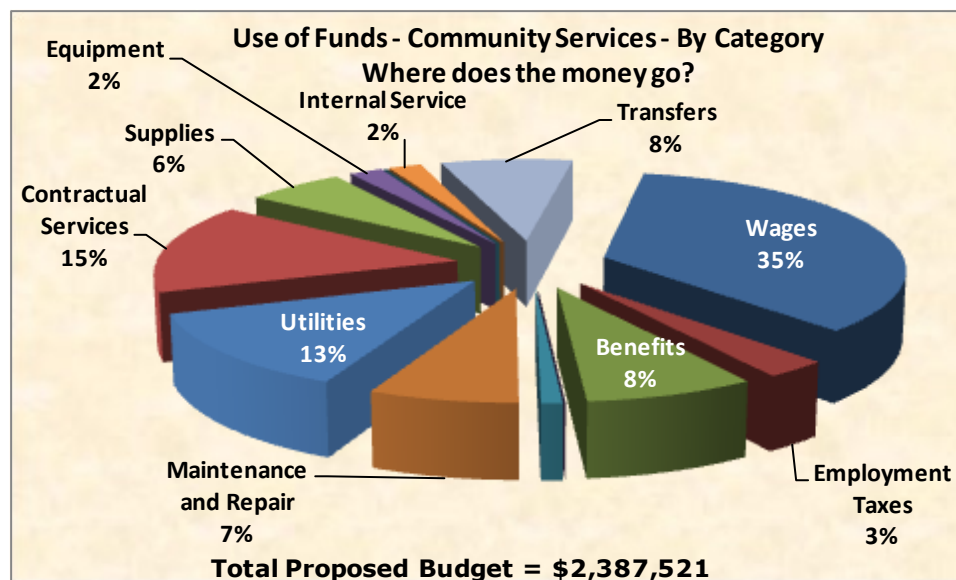
Note: Programs that account for 1% of the total are not shown on the chart.

Category	Expenditures by Category			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Wages	\$ 824,115	\$ 822,745	\$ 857,263	\$ 847,675
Employment Taxes	42,711	39,670	42,520	61,121
Benefits	172,880	171,062	181,408	193,061
Dues & Memberships	9,316	5,976	4,661	5,101
Education and Training	2,784	5,704	9,835	12,050
Maintenance and Repair	108,617	132,347	157,863	165,707
Utilities	276,771	282,686	289,726	318,061
Contractual Services	214,307	185,585	330,358	376,227
Supplies	98,540	105,585	126,902	135,495
Equipment	13,678	4,557	21,950	35,870
Damages/Vandalism	5,805	6,540	2,300	2,100
Internal Service	29,508	29,806	34,597	41,553
Transfers	193,500	195,204	193,500	193,500
Total	\$ 1,992,532	\$ 1,987,467	\$ 2,252,883	\$ 2,387,521

Variance Explanations:

Employment Taxes: The increase is due to an increase in the Workers' Compensation amount.

Equipment: Purchase a new Kubota 20331 diesel turf mower for Golden Eagle Park to use on ball fields, etc.



FY13-14 Department Accomplishments

Initiative	Strategic Value
Received 4th year recognition as Playful City USA	R3-Recreational opportunities and amenities
Expanded toddler/youth/teen offerings at Community Center	R1-Recreational opportunities and amenities
Provided over 6,000 meals under the Home Delivered Meals program	P4-Public Safety, Health and Welfare
Partnered with various travel companies for trips for seniors	R1-Recreational opportunities and amenities
Developed various Trail Programs/brochures	R2-Recreational opportunities and amenities& EV5-Economic Vitality
Completed Level 1 Background Checks - HDM	P1-Public Safety, Health and Welfare
Implemented the Urban Trail Program	R2-Recreational opportunities and amenities; ES6-Environmental Stewardship; EV5-Economic Vitality
Resurfaced parking lots for four parks	I9-Recreational opportunities and amenities
Assumed responsibility for the Town's tourism efforts	R1, R2, R3-Recreational opportunities and amenities

FY14-15 Objectives

Initiative	Strategic Value	Estimated Cost/Funding Source
Expand the Urban Trail Program—next phase	R2-Recreational opportunities and amenities	\$20,000/CIP
To increase, to the extent possible, both internal (Town) and external (Others) special events in the Community	C2-Civility-and R1, R2 R3-Recreational Opportunities and Amenities	TBD/General Fund
To continue to participate/provide input to the Fountain Hills Coalition and the School Health Committee	P5-Public Safety, Health and Welfare	\$0
To again be designated as a Playful City USA—5th year	R1, R4-Recreational Opportunities and Amenities	\$0

**FY14-15 Proposed Budget
Summary of Expenditures
Community Services**

Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
General Fund				
Salaries-Full Time	\$ 666,507	\$ 665,672	\$ 663,384	\$ 651,058
Salaries-Part Time	154,741	154,729	193,879	196,617
Overtime	2,868	2,344	-	-
FICA	9,928	9,718	12,028	11,766
Medicare	11,756	11,718	12,443	12,199
Workers Compensation	13,612	13,793	15,013	34,888
Unemployment Insurance	7,415	4,440	3,036	2,268
Group Health Insurance	87,923	85,705	94,831	107,435
Group Dental Insurance	6,594	7,652	7,936	8,344
Group Vision Insurance	946	1,010	1,394	1,365
Disability Insurance	2,466	1,505	2,340	2,272
Retirement	73,038	73,260	72,988	71,617
Life Insurance	1,912	1,930	1,919	2,028
Licenses/Filing Fees	3,181	1,508	2,060	2,140
Dues, Subscript & Publicat	6,136	4,468	2,601	2,961
Training/Cont Ed	478	1,350	2,310	4,500
Meetings & Conferences	2,306	4,354	7,525	7,550
Building Main/Repair	179	970	1,150	850
HVAC Repair	2,904	-	1,700	4,350
Plumbing Repair	1,006	1,352	2,450	2,750
Electrical Repair/Maint	1,308	4,533	4,750	5,450
Fire Protection Systems	322	479	1,000	1,200
Grounds Maint/Repair	9,323	15,773	12,294	10,300
Irrigation Repair	21,021	14,381	17,535	15,900
Backflow Testing & Maintenance	1,291	1,175	2,000	2,500
Equipment Maint/Repair	9,354	17,839	55,610	35,290
Vehicle Maint/Repair	5,911	5,793	10,300	11,100
Office Equip Maint/ Repair	2,294	2,968	1,800	600
Other Maint/Repair	8,009	17,023	11,803	34,500
Art Maint/Repair/Install	4,500	4,715	8,971	8,500
Parking Lot Repair	-	33,411	-	-
Striping	2,771	220	2,900	1,900
Sidewalk/Pathway Repair	2,132	18	200	1,550
Sign Repair & Replacement	1,767	2,520	1,050	2,600
Painting	173	658	-	4,767
Lighting Repair	34,352	8,518	22,350	21,600
Electricity Expense	198,815	211,357	211,848	235,560
Refuse/Recycling	6,116	6,375	8,076	6,020
Telecommunications	7,915	7,156	7,178	6,808
Water/Sewer	50,511	44,342	49,284	55,221
Gas & Oil	13,414	13,458	13,340	14,452
Professional Fees	32,034	19,438	26,230	35,055
Instructor Fees	11,331	9,420	17,484	21,984
Rentals & Leases	21,848	32,672	30,333	34,503
Printing Expense	1,533	583	3,820	6,740

**FY14-15 Proposed Budget
Summary of Expenditures
Community Services**

Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
General Fund-continued				
Advertising/Signage	\$ 1,768	\$ 3,228	\$ 6,610	\$ 4,710
Contractual Services	75,960	63,278	46,110	47,385
Constituent Communication	3,361	-	-	31,400
Bank/Merc Acct Fees	3,893	4,748	11,991	11,989
Community Contracts/Events	-	-	99,120	79,296
Landscape Contracts	62,580	48,803	76,890	91,990
ActiveNet Fees	-	3,416	11,770	11,175
Office Supplies	6,569	4,768	9,250	8,400
Cleaning/Janitorial Supplies	6,635	11,923	10,593	12,353
Safety Supplies	863	1,403	1,100	1,100
Operating Supplies	50,351	51,228	68,286	75,729
Food & Beverage Supplies	1,710	3,197	3,265	2,345
Program Materials	28,225	28,662	30,585	31,985
Uniforms	3,721	4,170	3,823	3,583
Postage & Delivery	267	233	-	-
Miscellaneous Expense	200	-	-	-
Small Tools	7,242	3,814	9,050	8,670
Hardware	-	-	-	-
Peripherals	162	743	-	-
Furniture/Appliances	2,855	-	12,900	11,200
Equipment	3,418	-	-	16,000
Damages/Vandalism	5,805	6,540	2,300	2,100
ISF-Copier Charges	4,722	5,754	6,561	7,726
ISF-Mail Service Charges	383	423	487	592
ISF-Vehicle Replacement Charge	13,136	15,200	19,884	26,875
ISF-Motor Pool Charges	296	136	-	-
ISF-Telecom Charges	10,971	8,293	7,665	6,360
Transfer Out	193,500	195,204	193,500	193,500
Total Community Services	\$ 1,992,532	\$ 1,987,467	\$ 2,252,883	\$ 2,387,521



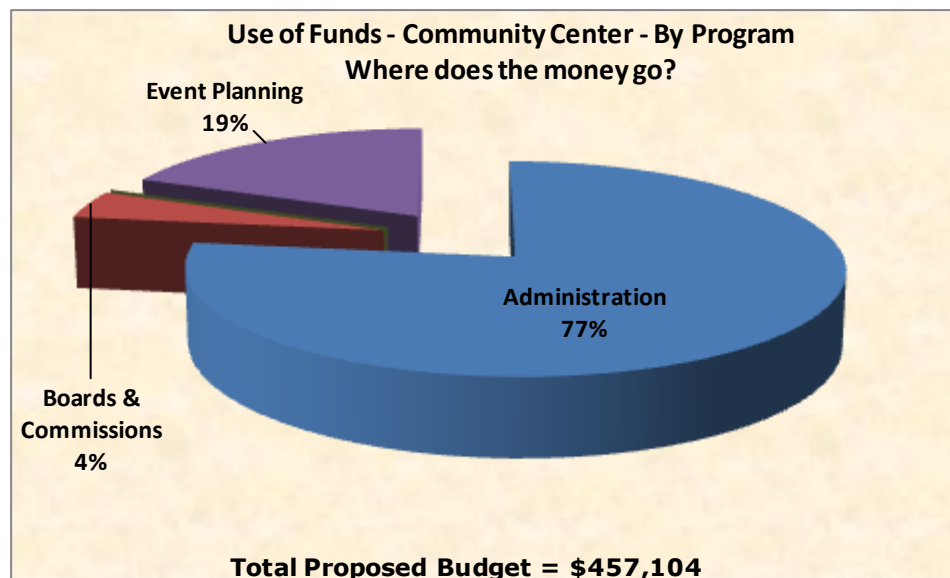


Community Center Division

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.

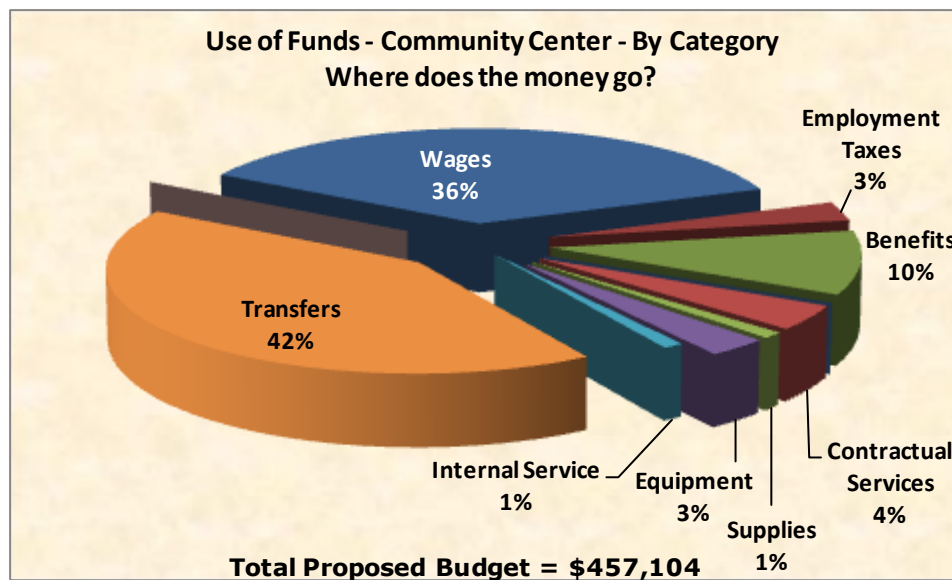
Program Name	Expenditures by Program			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Administration	\$ 243,014	\$ 246,317	\$ 249,000	\$ 246,451
Boards & Commissions	11,937	12,187	12,411	12,853
Operations	98,336	88,147	-	-
Event Planning	50,785	54,013	58,156	60,394
Operations	-	-	124,228	137,406
Total	\$ 404,072	\$ 400,664	\$ 443,795	\$ 457,104



Category	Expenditures by Category			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Wages	\$ 153,629	\$ 152,928	\$ 167,397	\$ 163,500
Employment Taxes	8,385	7,466	8,538	13,021
Benefits	30,048	30,657	32,466	46,061
Dues & Memberships	566	367	583	608
Education and Training	-	199	-	-
Maintenance and Repair	2,483	2,968	1,600	600
Utilities	1,076	1,190	1,080	1,020
Contractual Services	3,377	4,963	16,154	16,944
Supplies	2,808	2,312	3,950	3,950
Equipment	3,261	-	15,300	14,850
Internal Service	4,939	4,114	3,227	3,050
Transfers	193,500	193,500	193,500	193,500
Contingency	-	-	-	-
Capital	-	-	-	-
Total	\$ 404,072	\$ 400,664	\$ 443,795	\$ 457,104

Variance Explanations:

Benefits: Increase is the result of adding insurance coverage under the Affordable Care Act (ACA).



Activities/Results

Performance Measures

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 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

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Number of bookings	3,315	3,200	3,370	3,384
Number of patrons served	68,492	67,000	70,000	72,000
Number of hours worked by volunteer staff in support of facility operations	875	875	875	884

Productivity

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Net operating costs of facility per capita ¹	\$17.97	\$17.82	\$19.61	\$19.75

¹ Population for FY11-12 - FY14-15 is based on the 2010 U.S. Census.



**FY14-15 Proposed Budget
Summary of Expenditures
Community Center**

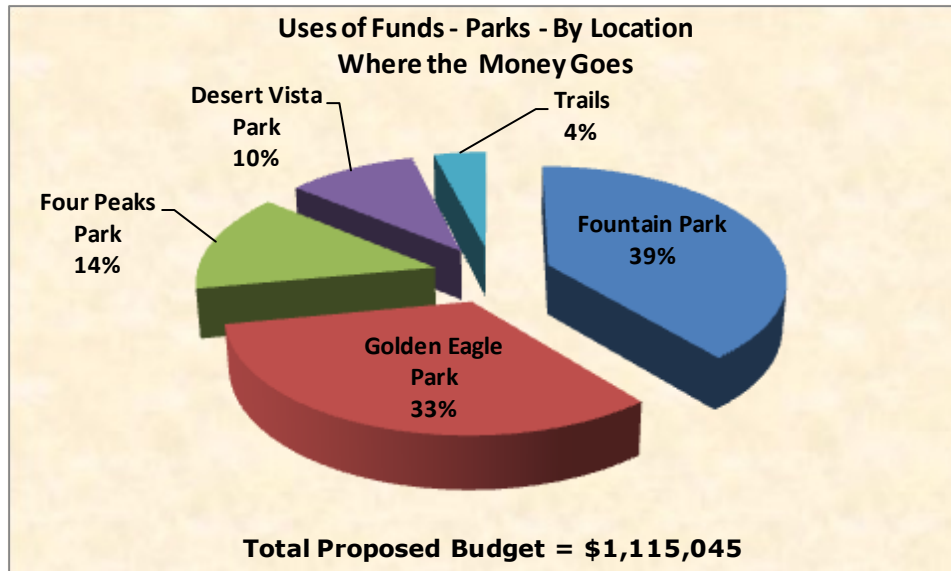
Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
General Fund				
Salaries-Full Time	\$ 104,139	\$ 105,968	\$ 108,907	\$ 107,618
Salaries-Part Time	49,467	46,899	58,490	55,882
Overtime	23	61	-	-
FICA	3,151	2,908	3,628	3,464
Medicare	2,212	2,204	2,429	2,371
Workers Compensation	1,541	1,520	1,835	6,713
Unemployment Insurance	1,480	834	646	473
Group Health Insurance	16,671	16,981	18,255	31,854
Group Dental Insurance	1,202	1,305	1,357	1,460
Group Vision Insurance	174	174	176	198
Disability Insurance	387	229	383	376
Retirement	11,308	11,656	11,981	11,839
Life Insurance	306	310	314	334
Licenses/Filing Fees	312	329	325	350
Dues, Subscript & Publicat	254	38	258	258
Meetings & Conferences	-	199	-	-
Equipment Maint/Repair	189	-	-	-
Office Equip Maint/ Repair	2,294	2,968	1,600	600
Sign Repair & Replacement	-	-	-	-
Telecommunications	1,076	1,190	1,080	1,020
Professional Fees	-	-	300	300
Rentals & Leases	-	-	2,100	3,120
Printing Expense	66	-	1,760	1,630
Advertising/Signage	1,565	3,124	6,150	4,250
Constituent Communication	-	-	-	1,800
Bank/Merc Acct Fees	1,747	1,837	4,911	4,911
ActiveNet Fees	-	2	933	933
Office Supplies	958	461	750	750
Operating Supplies	220	-	1,000	1,000
Food & Beverage Supplies	277	376	550	550
Program Materials	1,026	1,128	1,000	1,000
Uniforms	326	359	650	650
Postage & Delivery	-	(10)	-	-
Small Tools	668	-	4,100	3,650
Hardware	-	-	-	-
Peripherals	162	-	-	-
Furniture/Appliances	2,431	-	11,200	11,200
ISF-Copier Charges	185	623	322	680
ISF-Mail Service Charges	7	14	25	40
ISF-Telecom Charges	4,748	3,477	2,880	2,330
Transfer Out	193,500	193,500	193,500	193,500
Total Community Center	\$ 404,072	\$ 400,664	\$ 443,795	\$ 457,104

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.

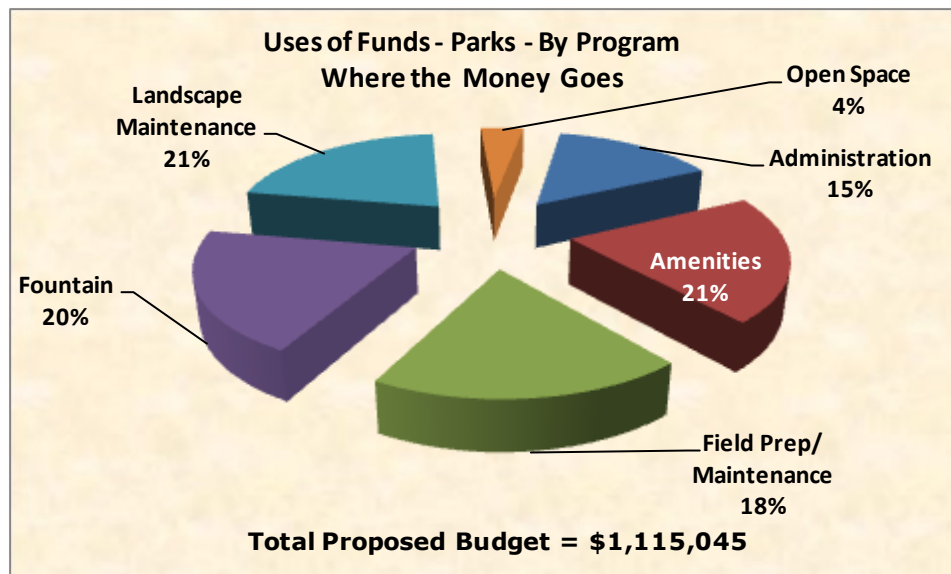
Location Name	Expenditures by Location			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Fountain Park	\$ 373,389	\$ 383,784	\$ 415,738	\$ 446,680
Golden Eagle Park	313,691	304,664	314,953	363,049
Four Peaks Park	116,549	120,065	130,183	150,927
Desert Vista Park	83,924	94,902	103,680	114,808
Trails	36,667	31,761	40,790	39,581
Total	\$ 924,220	\$ 935,176	\$ 1,005,344	\$ 1,115,045



Program Name	Expenditures by Program			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Administration	\$ 165,318	\$ 166,674	\$ 173,229	\$ 177,652
Amenities	174,517	218,515	189,155	232,996
Field Prep/Maintenance	172,747	152,826	186,387	207,282
Fountain	189,489	188,860	218,236	224,165
Landscape Maintenance	185,482	176,540	197,547	233,369
Open Space	36,667	31,761	40,790	39,581
Total	\$ 924,220	\$ 935,176	\$ 1,005,344	\$ 1,115,045

Variance Explanations:

Amenities: Fountain Park increases due to higher costs for lighting and water; Four Peaks is higher due to Musco remote link and water rates. Desert Vista is higher because of cleaning supplies and irrigation leaks; Golden Eagle is due to tennis court maintenance, Musco remote link to field #1, the annual easement fee to Buckeye West LLC and higher water rates.



Category	Expenditures by Category			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Wages	\$ 294,463	\$ 287,888	\$ 274,025	\$ 278,983
Employment Taxes	13,524	12,853	12,647	20,446
Benefits	79,200	75,552	80,723	81,271
Dues & Memberships	2,090	740	1,670	1,780
Education and Training	201	1,138	2,700	2,300
Maintenance and Repair	101,358	122,917	146,542	156,057
Utilities	272,226	279,370	285,696	314,773
Contractual Services	74,095	61,867	95,798	121,316
Supplies	62,715	66,508	79,564	89,084
Equipment	6,277	3,717	4,950	21,020
Damages/Vandalism	5,805	6,540	2,300	2,100
Internal Service	12,266	14,382	18,729	25,915
Transfers	-	1,704	-	-
Capital	-	-	-	-
Total	\$ 924,220	\$ 935,176	\$ 1,005,344	\$ 1,115,045

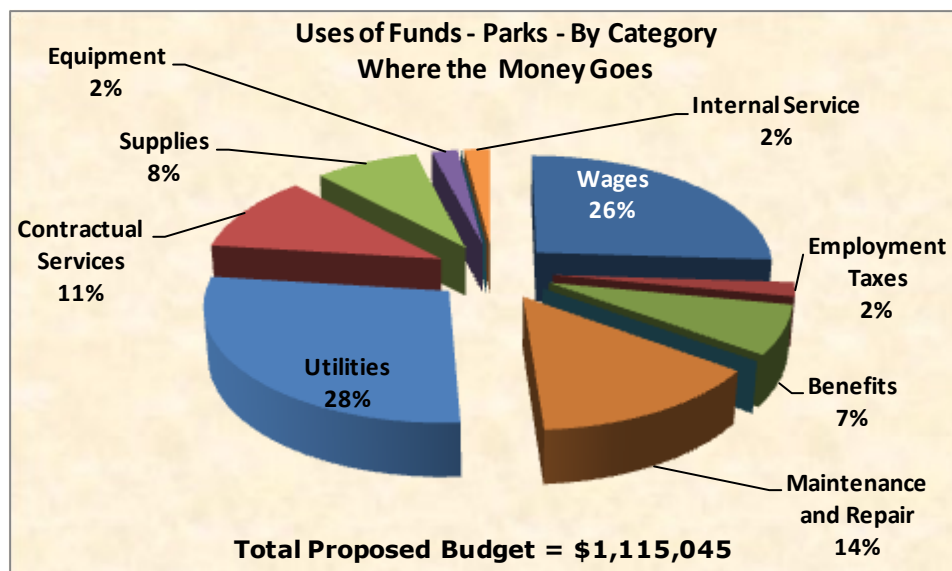
Variance Explanations:

Employment Taxes: The increase is due to an increase in the Workers' Compensation amount.

Contractual Services: Increases in the cost of landscaping for the parks, printing of trail brochures and the design of a pump station account for the change from the prior year.

Equipment: Purchase a new Kubota 20331diesel turf mower for Golden Eagle Park to use for ball fields and open turf areas.

Internal Service: Vehicle replacement fee added for the Tenant sweeper and new Kubota 20331 diesel mower.



Activities/Results

Performance Measures

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Maintain a high overall satisfaction rating (good or better) of maintenance/operations	Good	Good	Good	Good
Number of Special Events hosted in parks	23	23	25	25
Appearance/availability	Good	Good	Good	Good

Quality

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 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

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Park bookings	2,445	2,500	2,500	2,500
Park rentals/revenue	282/ \$15,549	286/ \$15,500	300/ \$16,500	300/ \$16,500
Department hosted special events	10	10	10	10
Fountain Hills Hiking Trail visitors	1000+	1000+	1000+	1000+

Fountain Hills Park Statistics:

- 116 Acres of Developed Parks
- 740 Acres of Mountain Preserve Park
- 8 Acres of Botanical Garden Preserve
- 59.2 Acres of Lake Overlook Trail Preserve
- 10.43 Miles of Trails



**FY14-15 Proposed Budget
Summary of Expenditures
Parks**

Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
General Fund				
Salaries-Full Time	\$ 294,190	\$ 287,725	\$ 274,025	\$ 278,983
Overtime	274	163	-	-
Medicare	4,175	4,101	3,978	4,052
Workers Compensation	7,302	7,654	7,782	15,725
Unemployment Insurance	2,047	1,097	887	669
Group Health Insurance	41,667	38,373	44,234	44,340
Group Dental Insurance	2,784	3,515	3,686	3,548
Group Vision Insurance	442	507	883	850
Disability Insurance	1,085	686	969	972
Retirement	32,391	31,648	30,152	30,690
Life Insurance	831	824	799	871
Licenses/Filing Fees	1,790	390	1,090	1,140
Dues, Subscript & Publicat	300	350	580	640
Training/Cont Ed	190	790	2,275	1,800
Meetings & Conferences	11	348	425	500
Building Main/Repair	179	970	1,150	850
HVAC Repair	2,904	-	1,700	4,350
Plumbing Repair	1,006	1,352	2,450	2,750
Electrical Repair/Maint	1,308	4,533	4,750	5,450
Fire Protection Systems	322	479	1,000	1,200
Grounds Maint/Repair	9,323	15,773	12,294	10,300
Irrigation Repair	21,021	14,381	17,535	15,900
Backflow Testing & Maintenance	1,291	1,175	2,000	2,500
Equipment Maint/Repair	9,165	17,839	55,610	35,290
Vehicle Maint/Repair	5,787	5,358	9,800	10,600
Other Maint/Repair	8,009	17,023	11,803	34,500
Parking Lot Repair	-	33,411	-	-
Striping	2,771	220	2,900	1,900
Sidewalk/Pathway Repair	2,132	18	200	1,550
Sign Repair & Replacement	1,615	1,208	1,000	2,550
Painting	173	658	-	4,767
Lighting Repair	34,352	8,518	22,350	21,600
Electricity Expense	198,815	211,357	211,848	235,560
Refuse/Recycling	6,116	6,375	8,076	6,020
Telecommunications	3,964	4,160	4,048	4,120
Water/Sewer	50,511	44,342	49,284	55,221
Gas & Oil	12,820	13,137	12,440	13,852
Professional Fees	9,720	9,538	11,400	18,000
Rentals & Leases	1,672	2,967	5,580	7,780
Printing Expense	124	-	200	2,300
Bank/Merc Acct Fees	-	241	553	551
Landscape Contracts	62,580	48,803	76,890	91,990



**FY14-15 Proposed Budget
Summary of Expenditures
Parks**

Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
General Fund-continued				
ActiveNet Fees	\$ -	\$ 317	\$ 1,175	\$ 695
Office Supplies	23	15	200	200
Cleaning/Janitorial Supplies	6,635	11,923	10,393	12,153
Safety Supplies	863	1,403	1,100	1,100
Operating Supplies	49,180	49,199	64,283	71,683
Food & Beverage Supplies	42	-	120	120
Program Materials	3,367	1,921	1,100	1,700
Uniforms	2,604	1,823	2,368	2,128
Postage & Delivery	-	225	-	-
Small Tools	6,277	3,717	4,950	5,020
Furniture/Appliances	-	-	-	-
Equipment	-	-	-	16,000
Damages/Vandalism	5,805	6,540	2,300	2,100
ISF-Copier Charges	1,075	1,136	733	1,026
ISF-Mail Service Charges	8	2	28	28
ISF-Vehicle Replacement Charge	10,209	12,375	17,003	23,936
ISF-Telecom Charges	973	869	965	925
Transfer Out	-	1,704	-	-
Total Parks	\$ 924,220	\$ 935,176	\$ 1,005,344	\$ 1,115,045



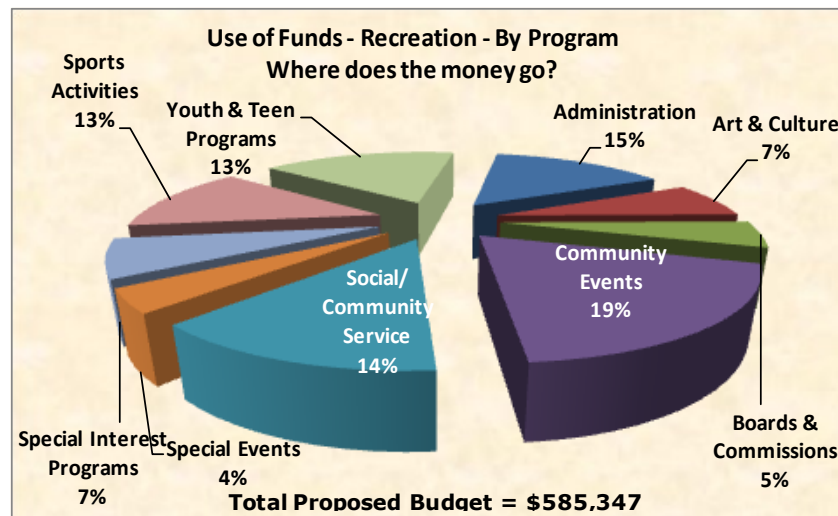
Recreation Division

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.

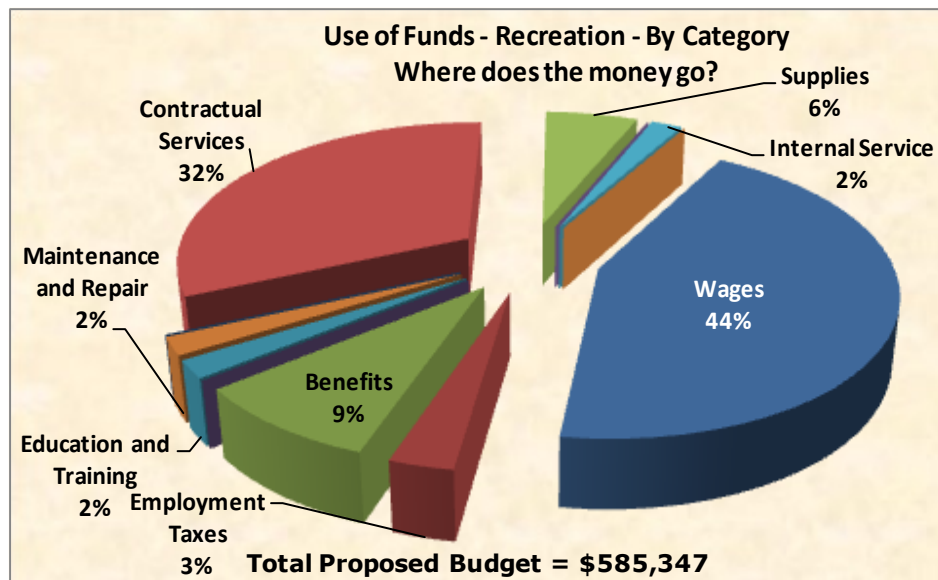
Program Name	Expenditures by Program			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Administration	\$ 93,886	\$ 90,756	\$ 88,832	\$ 88,306
Art & Culture	6,328	7,767	48,159	42,021
Boards & Commissions	28,470	30,571	30,630	30,805
Community Events	83,837	99,136	99,526	106,480
Social/Community Service	84,127	66,363	79,959	78,795
Special Events	26,889	27,364	28,245	25,864
Special Interest Programs	27,979	26,890	36,315	43,025
Sports Activities	58,715	56,901	67,088	78,819
Youth & Teen Programs	31,681	39,001	97,047	91,232
Total	\$ 441,912	\$ 444,749	\$ 575,801	\$ 585,347



Category	Expenditures by Category			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Wages	\$ 252,714	\$ 256,169	\$ 269,636	\$ 256,073
Employment Taxes	13,553	12,447	13,612	19,106
Benefits	51,590	52,487	54,935	51,689
Dues & Memberships	6,343	4,573	2,113	2,413
Education and Training	2,504	4,367	7,050	9,750
Maintenance and Repair	4,624	6,450	9,571	9,000
Utilities	3,126	1,818	2,590	1,908
Contractual Services	64,178	64,946	172,043	189,759
Supplies	29,873	32,549	35,240	36,140
Equipment	4,140	731	-	-
Internal Service	9,267	8,212	9,011	9,509
Transfers	-	-	-	-
Total	\$ 441,912	\$ 444,749	\$ 575,801	\$ 585,347

Variance Explanations:

Employment Taxes: The increase is due to an increase in the Workers' Compensation amount.



Activities/Results

Performance Measures

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
To attain a high overall satisfaction rating (good or better) with the quality of Town recreation programs on program evaluations	N/A	N/A	80%	80%
To achieve a high return rate on recreation program surveys	N/A	N/A	25%	50%

Quality

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Number of individual program participants ¹	1,848	1,641	2,200	2,420
Number of team sports program participants	1,140	585	600	600
Number of hours worked by volunteer staff in support of recreation activities	950	1,000	1,000	1,000
Number of Youth Sports, Boys and Girls Club and School District Facility Bookings	1,658	1,500	1,500	1,500

Productivity

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Net operating costs of recreation programs per capita ²	\$15.60	\$16.37	\$22.06	\$22.94

¹ Does not include participation at special events, drop-in teen programs, or Boys and Girls Club partnerships.

² Populations for FY10-11—FY13-14 are based on the 2010 U.S. Census.



**FY14-15 Proposed Budget
Summary of Expenditures
Recreation**

Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
General Fund				
Salaries-Full Time	\$ 199,236	\$ 201,441	\$ 203,216	\$ 185,681
Salaries-Part Time	50,907	52,650	66,420	70,392
Overtime	2,570	2,077	-	-
FICA	3,396	3,388	4,122	3,939
Medicare	3,595	3,603	3,914	3,615
Workers Compensation	4,181	3,972	4,627	10,850
Unemployment Insurance	2,380	1,484	949	702
Group Health Insurance	26,811	27,431	29,357	27,674
Group Dental Insurance	1,492	1,620	1,683	2,140
Group Vision Insurance	236	236	240	227
Disability Insurance	718	426	716	648
Retirement	21,773	22,200	22,357	20,423
Life Insurance	560	574	582	577
Licenses/Filing Fees	792	497	350	350
Dues, Subscript & Publicat	5,552	4,076	1,763	2,063
Training/Cont Ed	220	560	-	2,700
Meetings & Conferences	2,284	3,807	7,050	7,050
Equipment Maint/Repair	-	-	-	-
Vehicle Maint/Repair	124	435	500	500
Office Equip Maint/ Repair	-	-	100	-
Art Maint/Repair/Install	4,500	4,715	8,971	8,500
Sign Repair & Replacement	-	1,300	-	-
Telecommunications	2,532	1,497	1,690	1,308
Gas & Oil	594	321	900	600
Professional Fees	9,095	8,885	12,405	15,905
Instructor Fees	11,331	8,970	16,884	21,384
Rentals & Leases	19,951	29,431	22,425	23,375
Printing Expense	1,235	443	1,650	2,600
Advertising/Signage	139	104	300	300
Contractual Services	19,300	14,683	11,460	13,400
Constituent Communication	1,680	-	-	25,700
Bank/Merc Acct Fees	1,447	1,786	2,868	2,868
Community Contracts/Events	-	-	99,120	79,296
ActiveNet Fees	-	643	4,931	4,931
Office Supplies	3,828	2,308	5,300	5,300
Cleaning/Janitorial Supplies	-	-	200	200
Operating Supplies	313	904	-	-
Food & Beverage Supplies	749	1,734	450	550
Program Materials	23,726	25,612	28,485	29,285
Uniforms	791	1,991	805	805
Postage & Delivery	267	-	-	-
Miscellaneous Expense	200	-	-	-
Small Tools	297	97	-	-
Peripherals	-	635	-	-
Furniture/Appliances	425	-	-	-
Equipment	3,418	-	-	-
ISF-Copier Charges	3,188	2,935	3,800	4,650
ISF-Mail Service Charges	125	191	230	320
ISF-Vehicle Replacement Charge	2,928	2,825	2,881	2,939
ISF-Motor Pool Charges	289	136	-	-
ISF-Telecom Charges	2,737	2,126	2,100	1,600
Transfer Out	-	-	-	-
Total Recreation	\$ 441,912	\$ 444,749	\$ 575,801	\$ 585,347



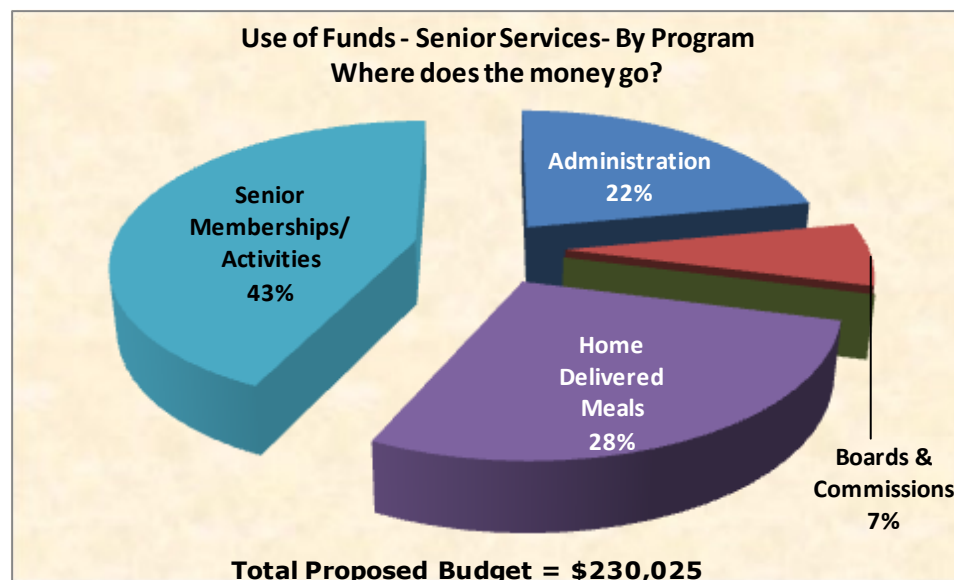


Senior Services Division

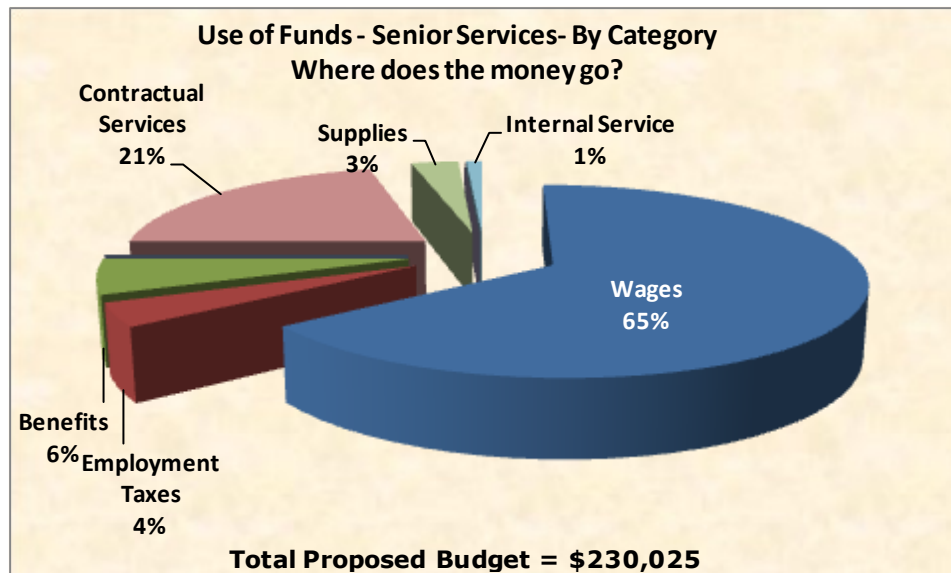
Service Delivery Plan

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			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Administration	\$ 56,369	\$ 51,091	\$ 49,613	\$ 48,682
Boards & Commissions	648	716	15,559	16,969
Community Events	14,599	-	-	-
Home Delivered Meals	94,727	74,521	68,140	65,266
Senior Memberships/Activities	55,985	80,550	94,631	99,108
Total	\$ 222,328	\$ 206,878	\$ 227,943	\$ 230,025



Category	Expenditures by Category			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Wages	\$ 123,310	\$ 125,761	\$ 146,205	\$ 149,119
Employment Taxes	7,250	6,905	7,723	8,548
Benefits	12,042	12,367	13,284	14,040
Dues & Memberships	316	295	295	300
Education and Training	79	-	85	-
Maintenance and Repair	152	12	150	50
Utilities	343	308	360	360
Contractual Services	72,656	53,809	46,363	48,208
Supplies	3,144	4,215	8,148	6,321
Equipment	-	108	1,700	-
Internal Service	3,036	3,098	3,630	3,079
Total	\$ 222,328	\$ 206,878	\$ 227,943	\$ 230,025



Activities/Results

Performance Measures

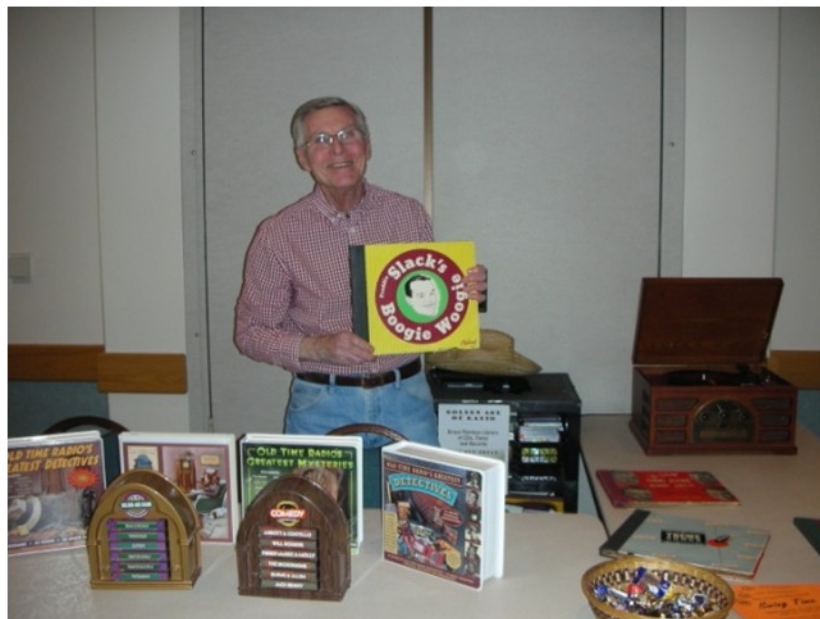
	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Number of members	1,233	1,129	1,200	1,250
Maintain a high overall satisfaction rating (good or better) of meal quality	Good	Good	Good	Good

Quality

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Number of attendees to senior programs and presentations	23,159	20,858	22,000	22,000
Number of days per year meals delivered	365	365	365	365

Productivity

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Number of senior programs offered	42	51	51	50
Number of special presentations offered	41	31	32	30
Number of socialization activities/special events offered	6	10	8	6
Number of attendees at Activities EXPO	525	450	450	450
Number of meals delivered annually	8,419	6,945	5,000	5,000
Number of clients participating in HDM program	68	78	60	60



**FY14-15 Proposed Budget
Summary of Expenditures
Senior Services**

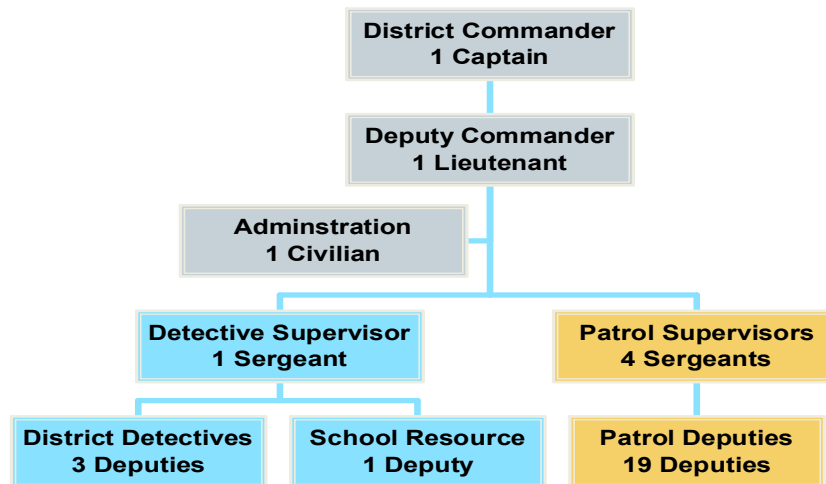
Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
General Fund				
Salaries-Full Time	\$ 68,944	\$ 70,538	\$ 77,236	\$ 78,776
Salaries-Part Time	54,366	55,180	68,969	70,343
Overtime	-	43	-	-
FICA	3,381	3,423	4,278	4,363
Medicare	1,774	1,810	2,122	2,161
Workers Compensation	587	646	769	1,600
Unemployment Insurance	1,507	1,025	554	424
Group Health Insurance	2,775	2,919	2,985	3,567
Group Dental Insurance	1,116	1,212	1,210	1,196
Group Vision Insurance	93	93	95	90
Disability Insurance	276	164	272	276
Retirement	7,566	7,756	8,498	8,665
Life Insurance	216	223	224	246
Licenses/Filing Fees	287	292	295	300
Dues, Subscript & Publicat	30	4	-	-
Training/Cont Ed	68	-	35	-
Meetings & Conferences	11	-	50	-
Office Equip Maint/ Repair	-	-	100	-
Sign Repair & Replacement	152	12	50	50
Telecommunications	343	308	360	360
Gas & Oil	-	-	-	-
Professional Fees	13,219	1,015	2,125	850
Instructor Fees	-	450	600	600
Rentals & Leases	224	273	228	228
Printing Expense	109	139	210	210
Advertising/Signage	65	-	160	160
Contractual Services	56,660	48,594	34,650	33,985
Constituent Communication	1,680	-	-	3,900
Bank/Merc Acct Fees	699	884	3,659	3,659
ActiveNet Fees	-	2,454	4,731	4,616
Office Supplies	1,759	1,984	3,000	2,150
Operating Supplies	637	1,126	3,003	3,046
Food & Beverage Supplies	641	1,087	2,145	1,125
Program Materials	106	-	-	-
Postage & Delivery	-	18	-	-
Small Tools	-	-	-	-
Peripherals	-	108	-	-
Furnitue/Appliances	-	-	1,700	-
ISF-Copier Charges	275	1,060	1,706	1,370
ISF-Mail Service Charges	243	216	204	204
ISF-Motor Pool Charges	7	-	-	-
ISF-Telecom Charges	2,512	1,822	1,720	1,505
Total Senior Services	\$ 222,328	\$ 206,878	\$ 227,943	\$ 230,025



Law Enforcement

District 7 Staffing

Law Enforcement and Community Services



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

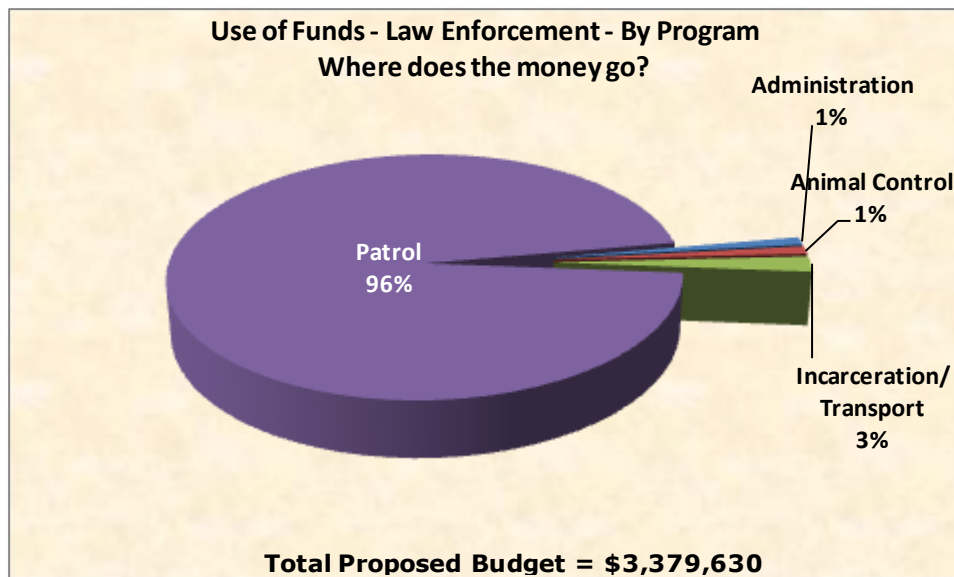
The Maricopa County Sheriff's Office is a fully integrated law enforcement agency committed to being the leader in establishing the standards for providing quality law enforcement, detention and support services to the citizens of Maricopa County and to other criminal justice agencies.

Under the command of Captain Joe Rodriguez, twenty deputies are assigned full-time to the Town of Fountain Hills. Of these, nineteen deputies and three 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 Commander (Captain), one Deputy Commander (Lieutenant), and one administrative assistant.

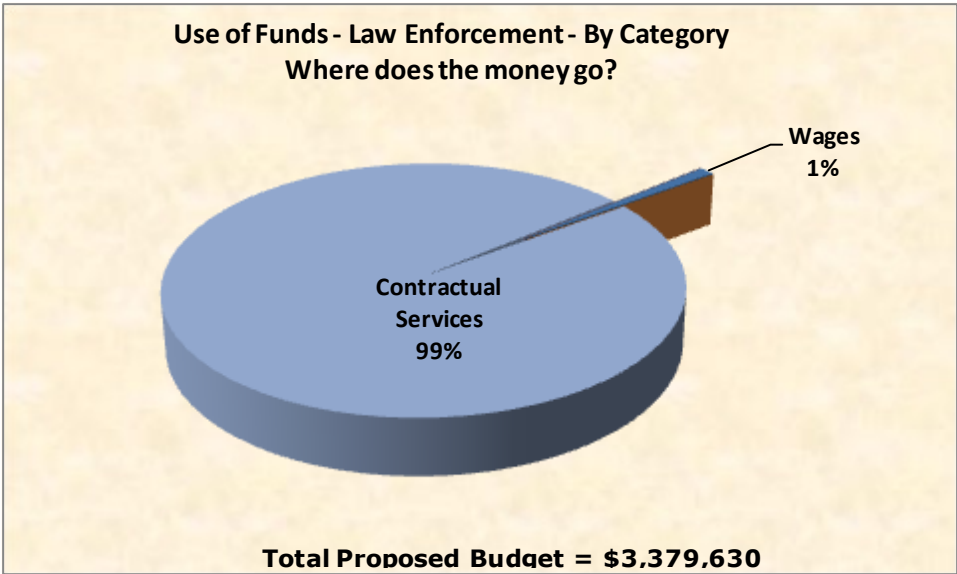
Program Name	Expenditures by Program			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Administration	\$ 7,969	\$ 23,731	\$ 23,086	\$ 23,005
Animal Control	36,675	37,880	67,399	39,825
Incarceration/Transport	54,106	66,434	84,000	67,500
Patrol	2,729,379	2,762,382	2,946,840	3,249,300
Total	\$ 2,828,129	\$ 2,890,427	\$ 3,121,325	\$ 3,379,630

Variance Explanations:

Animal Control: The Town contracts with Maricopa County Rabies and Animal Control for the administration and enforcement of shelter services and animal control. The decrease in the projected expenditure for the program is based on an estimate that is closer to the actual costs for the program over the past three years.



Category	Expenditures by Category			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Wages	\$ 12,991	\$ 13,935	\$ 14,130	\$ 13,353
Employment Taxes	855	801	774	761
Benefits	977	1,247	1,336	1,597
Dues & Memberships	-	1,218	-	-
Maintenance & Repair	-	109	-	-
Utilities	346	-	-	-
Contractual Services	2,809,853	2,869,992	3,101,020	3,359,844
Supplies	1,202	877	1,845	1,845
Equipment	-	-	-	-
Internal Service	1,905	2,248	2,220	2,230
Total	\$ 2,828,129	\$ 2,890,427	\$ 3,121,325	\$ 3,379,630



FY13-14 Department Accomplishments

Initiative	Strategic Value
Text-a-Tip Program resulting in over 70 arrests the first two years	CR1-Foster accessible, responsive Governance
Posted "Raids OnLine" for the public at www.raidsonline.com	CR1-Foster accessible, responsive Governance
Partnered with Fountain Hills Drug Coalition with events to deter drug use among teens	P1-Public Safety
Conducted emergency preparedness training for Fountain Hills Schools	P1-Public Safety
Increased participation in Safe Homes Network	P2-Public Safety
Sponsored 17 Midnight Madness programs for Town Youth	R4-Support community events
Increased visibility through participation in public events	R4-Support community events
Creation of "Power Squad" to target specific issues within the community	P1-Public safety

FY14-15 Objectives

Initiative	Strategic Value	Estimated Cost/ Funding Source
Participate in Town Citizen Academy	CR7-Communicate the role of local government	\$0
Conduct Quarterly Report and Open Houses for Citizens	CR6Solicit public/stakeholder feedback	\$0
Participate in Fountain Hills Coalition	R4-Support community events/ activities to build community and friendship	\$0
Increase Traffic Enforcement	P3-Public Safety	In contract

For the six month period ending December 31:

	July '12 to Dec. '12	July '13 to Dec. '13
Criminal Arrests	222	298
Criminal Citations Issued	140	160
Driving Under Influence (DUI) Arrests	39	23
Interviews	1,503	1172
Juvenile Referrals	1	0
Traffic Arrests	72	122
Traffic Violations	494	852
Traffic Warnings	191	77
Barking Dog Warnings Issued	7	3
False Alarm Warnings Issued	2	5

**FY14-15 Proposed Budget
Summary of Expenditures
Law Enforcement**

Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
General Fund				
Salaries-Full Time	\$ 5,112	\$ 6,041	\$ 6,369	\$ 6,018
Salaries-Part Time	7,880	7,894	7,761	7,335
FICA	488	489	482	456
Medicare	187	200	206	195
Workers Compensation	30	35	37	74
Unemployment Insurance	149	76	49	36
Group Health Insurance	361	519	554	886
Group Dental Insurance	20	31	33	9
Group Vision Insurance	3	5	5	1
Disability Insurance	17	13	23	21
Retirement	562	662	701	662
Life Insurance	13	18	20	18
Licenses/Filing Fees	-	18	-	-
Dues, Subscript & Publicat	-	1,200	-	-
Equipment Maintenance	-	109	-	-
Telecommunications	346	-	-	-
Advertising/Signage	-	65	220	220
Intergovt Agreements	2,809,853	2,854,927	3,085,440	3,344,264
Contractual Services	-	15,000	15,000	15,000
ActiveNet Fees	-	-	360	360
Office Supplies	563	-	40	40
Operating Supplies	-	275	1,205	1,205
Program Materials	639	602	600	600
Postage & Delivery	-	-	-	-
Equipment	-	-	-	-
ISF-Copier Charges	73	104	100	110
ISF-Mail Service Charges	1,833	2,144	2,120	2,120
Total Law Enforcement	\$ 2,828,129	\$ 2,890,427	\$ 3,121,325	\$ 3,379,630

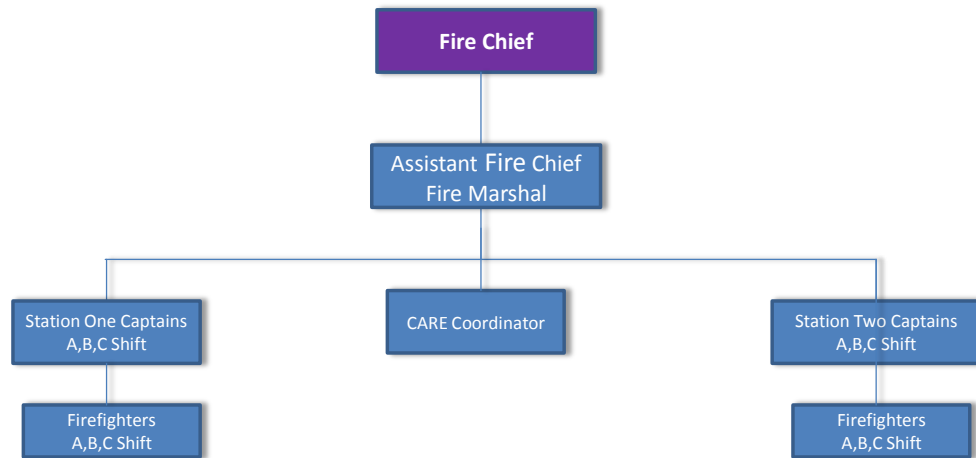




Fire & Emergency Medical



FIRE DEPARTMENT



FIRE & EMERGENCY MEDICAL

Mission Statement

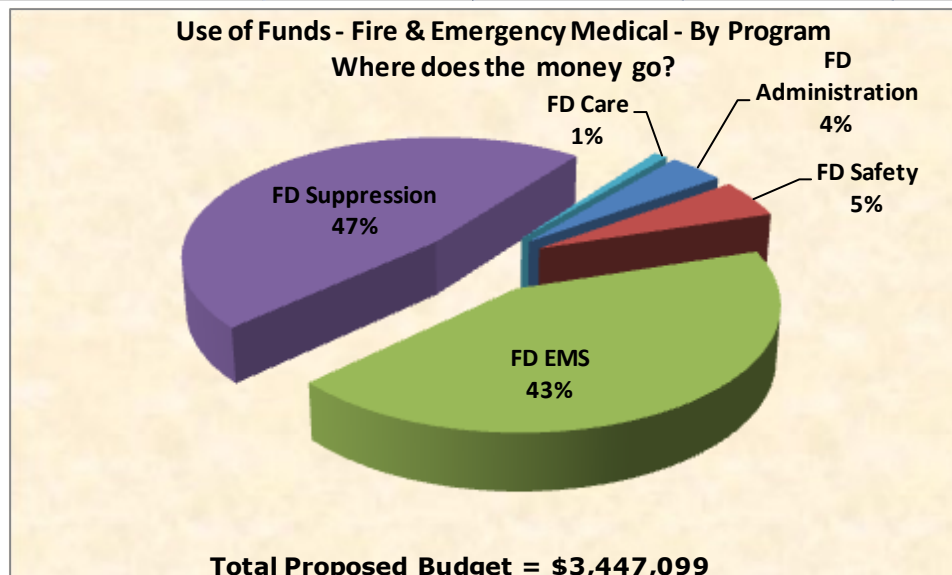
The mission of the Fire Department is to protect the safety and quality of life of residents, visitors and businesses in Fountain Hills. This mission is achieved by a commitment to exceptional service delivery in fire suppression, emergency medicine and rescue, as well as a pro-active approach to fire 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, a Crisis Response Team (CARE), child car seat installations and other safety programs.

Program Name	Expenditures by Program			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
FD Administration	\$ 143,558	\$ 148,968	\$ 155,365	\$ 160,895
FD Safety	142,793	146,535	152,880	157,641
FD EMS	1,358,688	1,377,728	1,420,416	1,468,591
FD Suppression	1,510,388	1,550,938	1,659,508	1,628,240
FD Care	1,013	28,880	30,049	31,732
Total	\$ 3,156,440	\$ 3,253,049	\$ 3,418,218	\$ 3,447,099



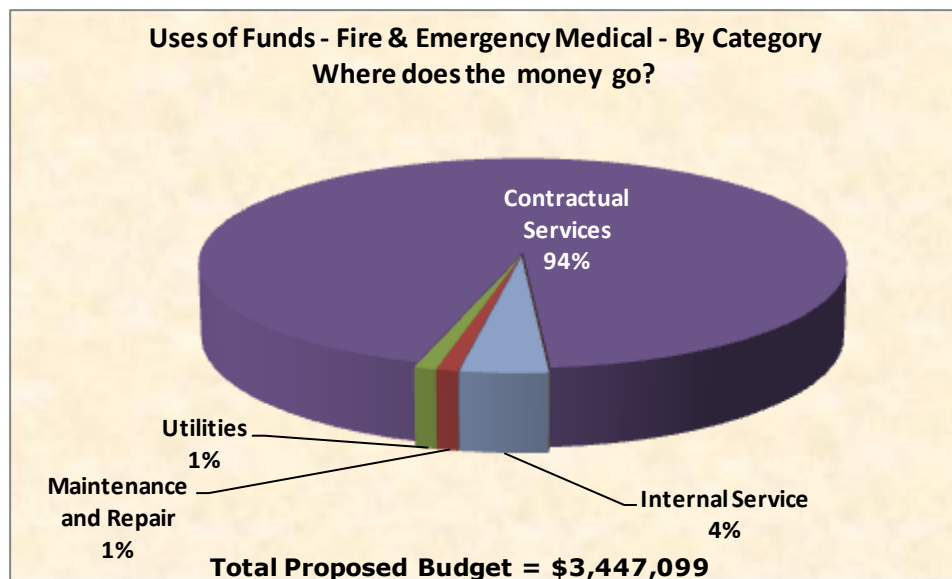
Category	Expenditures by Category			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Dues & Memberships	\$ 214	\$ 185	\$ 750	\$ 750
Maintenance and Repair	47,479	34,105	42,373	42,565
Utilities	23,399	25,687	22,000	22,700
Contractual Services	2,939,345	3,051,706	3,144,080	3,238,678
Supplies	1,645	979	94,125	6,400
Equipment	26,791	13,932	15,777	16,500
Internal Service	117,281	126,455	71,113	107,506
Transfers	286	-	28,000	12,000
Total	\$ 3,156,440	\$ 3,253,049	\$ 3,418,218	\$ 3,447,099

Variance Explanations:

Supplies: This increase was due to a purchase of 20 new Draeger Self Contained Breathing Apparatus (SCBA's) to replace outdated safety equipment.

Internal Service: This change is due to a changed allotment for the Vehicle Replacement Program, subsequent to purchasing a 2014 Crimson Fire Pumper to replace an existing pumper that will be placed into reserve status.

Transfers: Less money is needed to provide matching funds for grants that could be received.



FY13-14 Department Accomplishments

Initiative	Strategic Value
Replace Engine 822	P3-Public Safety, Health and Welfare
Replace Brush 823	P3-Public Safety, Health and Welfare
Replace Self Contained Breathing Apparatus	P3-Public Safety, Health and Welfare
Complete Station #1 Bunkroom	P4-Public Safety, Health and Welfare

FY14-15 Objectives

Initiative	Strategic Value	Estimated Cost/Funding Source
Purchase Dual Band Portable Radios to replace existing	P3-Public Safety, Health and Welfare	\$98,276.21/FEMA Grant \$10,920/Town Match
Relocate Fire Station #2	P3-Public Safety, Health and Welfare	\$2,110,000/Capital Projects



Activities/Results

Performance Measures

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Complete Annual Minimum Company Standards	100%	100%	100%	100%
Emergency Response Times (5 minutes)	72%	70%	70%	75%

Quality

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Child Car Seat installations	66	70	70	70
Public Education Activities	520	500	500	500
Child Bicycle Helmet Program	0	75	150	100

Productivity

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Fire Prevention Inspections	518	520	520	520
Plan Reviews	118	120	120	140



**FY14-15 Proposed Budget
Summary of Expenditures
Fire & Emergency Medical**

Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
General Fund				
Licenses/Filing Fees	\$ 5	\$ -	\$ -	\$ -
Dues, Subscript & Publicat	210	185	750	750
Equipment Maint/Repair	13,478	8,306	11,123	11,315
Vehicle Maint/Repair	33,929	25,799	31,000	31,000
Office Equip Maint/ Repair	-	-	150	150
Sign Repair & Replacement	72	-	100	100
Telecommunications	389	93	100	100
Gas & Oil	23,009	25,593	21,900	22,600
Printing Expense	87	326	1,000	1,000
Advertising/Signage	-	141	-	-
Intergovt Agreements	1,322	1,161	1,500	1,850
Contractual Services	2,937,936	3,050,078	3,141,580	3,235,828
Office Supplies	307	514	600	600
Safety Supplies	-	-	92,525	-
Operating Supplies	-	-	-	4,800
Program Materials	1,326	465	1,000	1,000
Postage & Delivery	12	-	-	-
Small Tools	5,218	4,611	5,777	6,500
Peripherals	-	-	-	-
Equipment	21,573	9,321	10,000	10,000
ISF-Copier Charges	-	4	100	110
ISF-Mail Service Charges	22	48	265	335
ISF-Vehicle Replacement Charge	114,835	121,211	63,823	99,707
ISF-Motor Pool Charges	-	2	-	-
ISF-Telecom Charges	2,424	5,191	6,925	7,354
Transfer Out	286	-	28,000	12,000
Total Fire & Emergency Medical	\$ 3,156,440	\$ 3,253,049	\$ 3,418,218	\$ 3,447,099



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 Users Revenue Fund (HURF) pays for Streets personnel and contract work for street repair.

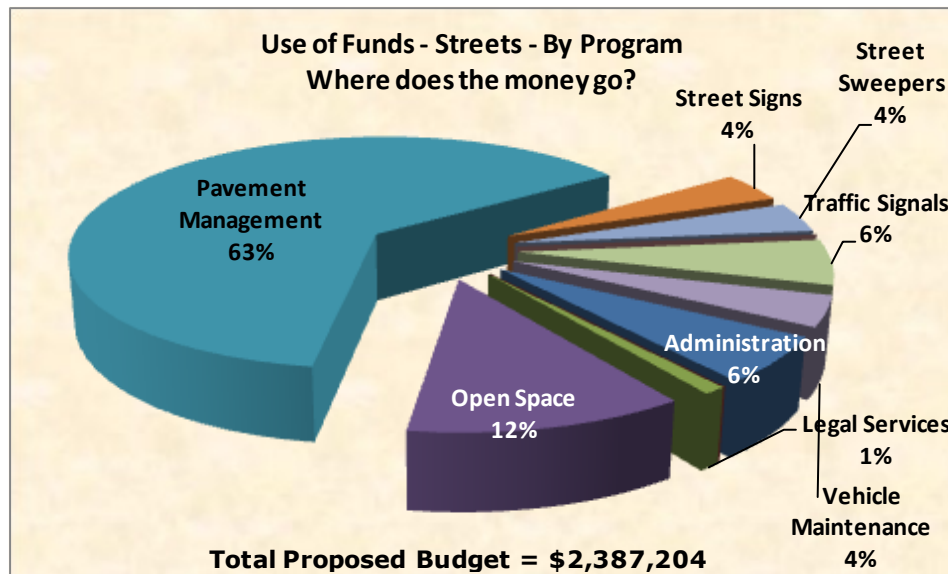
Program Name	Expenditures by Program			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Administration	\$ 119,299	\$ 140,481	\$ 392,727	\$ 170,717
Adopt A Street	3,481	3,164	3,796	4,804
Legal Services	26,247	25,696	21,600	24,000
Open Space	262,956	263,788	272,548	275,863
Pavement Management	139,125	1,225,433	2,218,994	1,493,249
Street Signs	55,452	75,621	83,042	86,798
Street Sweepers	128,883	133,990	81,769	92,563
Traffic Management	93,761	-	-	-
Traffic Signals	144,367	106,317	157,572	152,034
Vehicle Maintenance	75,557	74,934	84,270	87,176
Total	\$ 1,049,128	\$ 2,049,424	\$ 3,316,318	\$ 2,387,204

Variance Explanations:

Administration: The Street Yard modular building was completed in FY13-14.

Pavement Management: No pavement management is scheduled in FY14-15 so that the revenue from the Highway User Revenue Fund (HURF) and Vehicle License Tax (VLT) can accumulate. There will be a one time use of HURF reserves to complete striping and sidewalk repairs.





Category	Expenditures by Category			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Wages	\$ 315,692	\$ 308,823	\$ 272,553	\$ 277,556
Employment Taxes	25,595	23,816	23,324	42,925
Benefits	99,566	94,663	89,382	95,412
Dues & Memberships	1,689	3,029	4,070	4,070
Education and Training	305	-	1,300	1,300
Maintenance and Repair	157,157	1,159,661	2,156,425	1,267,695
Utilities	152,526	148,248	152,564	175,053
Contractual Services	224,680	250,631	333,675	448,325
Supplies	16,784	15,131	20,671	28,816
Equipment	19,659	8,329	9,000	9,000
Damages/Vandalism	6,025	2,632	-	-
Internal Service	29,450	34,461	28,354	37,052
Transfers	-	-	225,000	-
Contingency	-	-	-	-
Total	\$ 1,049,128	\$ 2,049,424	\$ 3,316,318	\$ 2,387,204

Variance Explanations:

Employment Taxes: The increase is due primarily to higher Workers' Compensation rates.

Maintenance and Repair: No pavement management work is scheduled in FY14-15 so that the revenue from the Highway User Revenue Fund (HURF) and Vehicle License Tax (VLT) can accumulate.

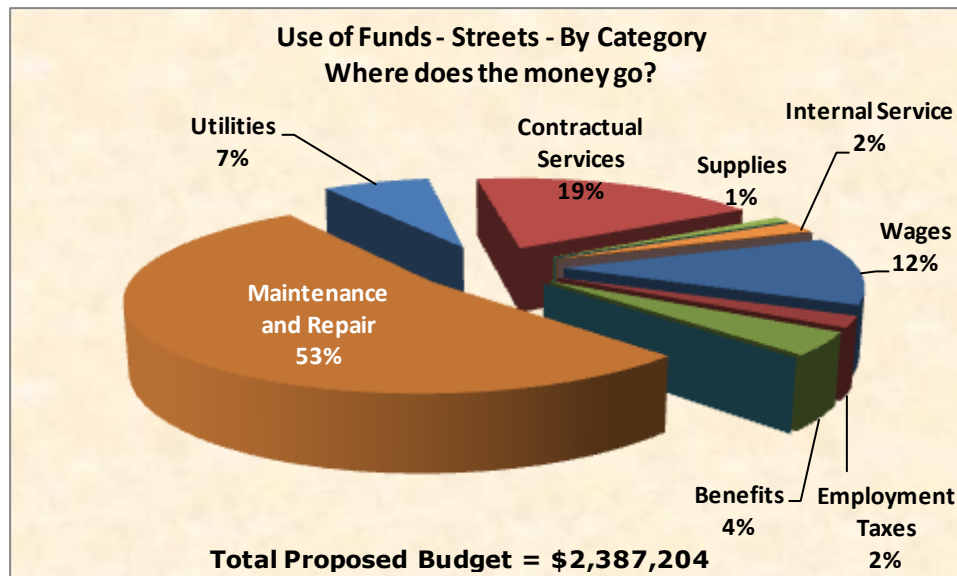
Contractual Services: One time use of HURF reserve funds will be used for drainage parcel cleaning.

Supplies: The increase is the result of the reclassification of other costs previously charged to other accounts.

Variance Explanations (continued):

Internal Service: The increase is the result of higher internal charges for new vehicles placed into service during FY13-14.

Transfers: A one-time transfer was made in the prior year to pay for the new Street Yard facility.



Activities/Results

Performance Measures

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 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%
Percentage of fleet preventive maintenance completed on time	100%	100%	100%	100%

Quality

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Total lane miles on sweeping schedule	336	336	316	316
Total lane miles swept annually	3,456	3,456	2,682	2,682
Total residential lane miles	264	264	264	264
Total arterial lane miles	72	72	72	72
Number of vehicles in fleet	41	39	36	30
Acreage of medians maintained	59	59	59	59
Number of Adopt-a-Street participants	64	64	66	64

Productivity

	FY11-12 Actual	FY12-13 Actual	FY13-14 Estimate	FY14-15 Target
Expenditure for street sweeping*	\$150,188	\$148,181	\$82,599	\$92,084
Expenditure per lane mile of streets swept*	\$43.46	\$42.88	\$30.80	\$34.33

*Contracted street sweeping in FY13-14. Arterial street sweeping changed from once per every two weeks to once every three weeks.

**Outsourced sweeping services to Maricopa County contract.



**FY14-15 Proposed Budget
Summary of Expenditures
Streets**

Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Highway User Revenue Fund				
Salaries-Full Time	\$ 302,955	\$ 282,660	\$ 272,553	\$ 277,556
Salaries-Part Time	5,953	525	-	-
Overtime	2,480	2,795	-	-
On Call Pay	4,303	3,413	-	-
Severance	-	19,430	-	-
FICA	369	33	-	-
Medicare	4,323	4,208	3,957	4,025
Workers Compensation	18,952	18,984	18,653	38,358
Unemployment Insurance	1,952	592	714	542
Group Health Insurance	59,022	55,202	53,380	58,858
Group Dental Insurance	3,671	3,635	3,351	3,269
Group Vision Insurance	523	465	955	953
Disability Insurance	1,175	653	957	969
Retirement	34,235	33,869	29,984	30,533
Life Insurance	940	839	755	830
Licenses/Filing Fees	10	18	1,340	1,340
Dues, Subscript & Publicat	1,679	3,011	2,730	2,730
Training/Cont Ed	305	-	1,300	1,300
Building Main/Repair	683	47	3,500	3,500
HVAC Repair	1,118	839	-	-
Plumbing Repair	650	-	-	-
Electrical Repair/Maint	375	1,926	3,000	3,000
Fire Protection Systems	1,028	953	1,600	2,000
Grounds Maint/Repair	224	415	-	-
Irrigation Repair	6,695	9,203	7,500	7,500
Backflow Testing & Maintenance	5,939	2,532	7,800	7,800
Equipment Maint/Repair	13,112	11,488	33,500	23,000
Vehicle Maint/Repair	36,812	16,443	10,950	14,000
Office Equip Maint/ Repair	-	274	750	1,470
Other Maint/Repair	10,021	8,332	13,800	13,800
Road Repair	31,597	8,769	50,000	100,000
Parking Lot Repair	-	-	-	-
Striping	15,747	4,612	-	-
Sidewalk/Pathway Repair	10,390	22,044	-	75,000
Other Road Related Repair	9,708	5,604	10,000	-
Sign Repair & Replacement	13,058	17,742	20,025	16,625
Pavement Management	-	1,048,366	1,994,000	1,000,000
Painting	-	29	-	-
Lighting Repair	-	43	-	-
Electricity Expense	38,392	38,646	43,500	46,800
Refuse/Recycling	8,854	10,968	7,000	6,200
Telecommunications	3,540	3,809	3,384	3,228
Water/Sewer	71,257	69,244	77,380	96,725
Gas & Oil	30,482	25,580	21,300	22,100
Auditing Expense	6,825	6,960	7,125	7,125



**FY14-15 Proposed Budget
Summary of Expenditures
Streets**

Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Highway User Revenue Fund-continued				
Professional Fees	\$ 4,065	\$ 11,582	\$ 15,500	\$ 140,500
Engineering Fees	-	-	-	-
Legal Fees	26,247	25,696	21,600	24,000
Insurance Expense	51,752	69,701	71,200	71,200
Rentals & Leases	-	-	-	-
Printing Expense	-	-	-	-
Intergovt Agreements	14,847	16,648	25,000	25,000
Contractual Services	1,456	2,145	84,500	94,500
Bank/Merc Acct Fees	50	-	-	-
Landscape Contracts	119,438	117,899	108,750	86,000
Office Supplies	353	475	2,035	1,505
Cleaning/Janitorial Supplies	533	134	1,000	1,000
Safety Supplies	78	1,067	400	350
Operating Supplies	13,250	11,244	14,240	22,765
Food & Beverage Supplies	25	22	-	200
Program Materials	1,773	329	1,500	1,500
Uniforms	547	1,845	1,496	1,496
Postage & Delivery	225	15	-	-
Small Tools	3,853	2,722	7,000	7,000
Software	558	459	2,000	2,000
Hardware	-	4,691	-	-
Furniture/Appliances	-	456	-	-
Equipment	15,249	-	-	-
Damages/Vandalism	6,025	2,632	-	-
ISF-Copier Charges	-	3	-	-
ISF-Mail Service Charges	26	2	194	500
ISF-Vehicle Replacement Charge	27,025	31,759	25,245	33,672
ISF-Telecom Charges	2,399	2,698	2,915	2,880
Transfer Out	-	-	225,000	-
Contingency	-	-	-	-
Total Streets	\$ 1,049,128	\$ 2,049,424	\$ 3,316,318	\$ 2,387,204



Administration Economic Development 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 are 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.

The new fund, Economic Development Fund, will be funded with 60% of the .1% local sales tax and will be available for any economic development purpose.

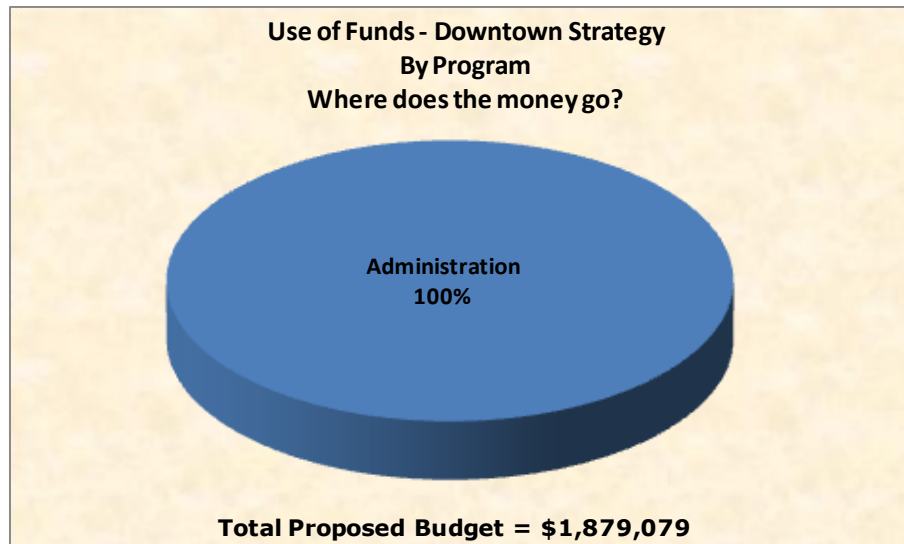


Downtown Strategy Fund

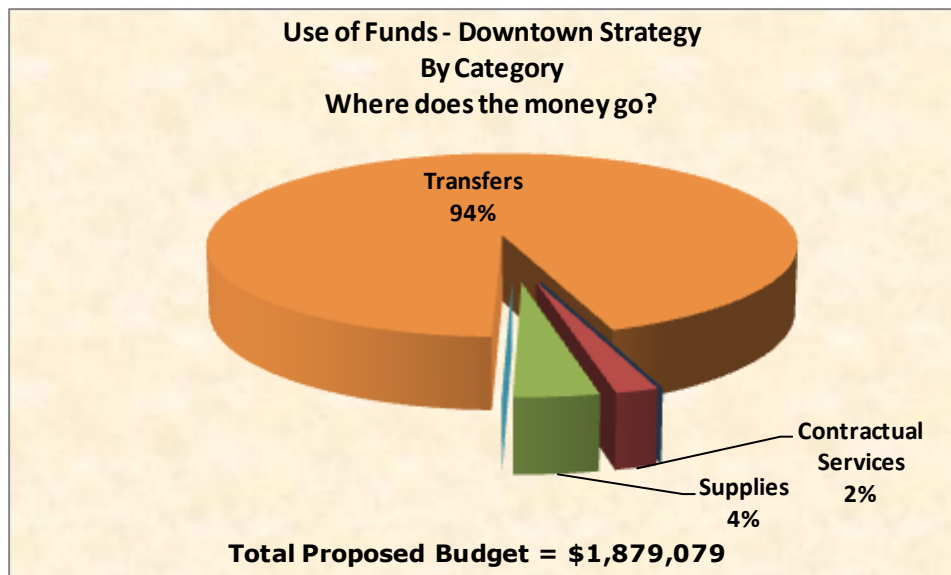
Service Delivery Plan

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			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Administration	\$ 119,121	\$ 176,322	\$ 1,954,079	\$ 1,879,079
Total	\$ 119,121	\$ 176,322	\$ 1,954,079	\$ 1,879,079



Category	Expenditures by Category			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Wages	\$ 37,875	\$ 5,730	\$ -	\$ -
Employment Taxes	739	98	-	-
Benefits	10,324	1,133	-	-
Dues & Memberships	4,370	4,395	-	-
Education and Training	1,559	-	-	-
Maintenance and Repair	-	4,079	-	-
Utilities	395	7	-	-
Contractual Services	56,948	51,937	30,350	30,350
Supplies	54	-	83,729	83,729
Equipment	234	-	-	-
Internal Service	6,623	108,943	-	-
Transfers	-	-	1,840,000	1,765,000
Total	\$ 119,121	\$ 176,322	\$ 1,954,079	\$ 1,879,079



Activities/Results

Performance Measures

Improvements to the downtown area

Quality

Through new businesses or new activities

Productivity

Increased economic activity in the downtown area



**FY14-15 Proposed Budget
Summary of Expenditures
Downtown Strategy Fund**

Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Downtown Strategy Fund				
Salaries-Full Time	\$ 37,876	\$ 1,493	\$ -	\$ -
Salaries-Part Time	-	4,237	-	-
Medicare	518	81	-	-
Workers Compensation	86	17	-	-
Unemployment Insurance	135	-	-	-
Group Health Insurance	5,578	454	-	-
Group Dental Insurance	295	25	-	-
Group Vision Insurance	32	3	-	-
Disability Insurance	142	12	-	-
Retirement	4,166	630	-	-
Life Insurance	110	9	-	-
Dues, Subscript & Publicat	4,370	4,395	-	-
Training/Cont Ed	149	-	-	-
Meetings & Conferences	1,410	-	-	-
Sign Repair & Replacement	-	4,079	-	-
Telecommunications	395	7	-	-
Professional Fees	19,515	1,125	-	-
Management Fees	133	667	-	-
Printing Expense	-	-	-	-
Advertising/Signage	1,169	1,171	-	-
Bank/Merc Acct Fees	13	-	-	-
Community Contracts/Events	-	13,811	-	-
Holiday Lighting	36,118	35,163	30,350	30,350
Office Supplies	54	-	-	-
Food & Beverage Supplies	-	-	-	-
Program Materials	-	-	-	-
Miscellaneous Expense	-	-	83,729	83,729
ISF-Copier Charges	194	-	-	-
ISF-Mail Service Charges	37	-	-	-
ISF-Motor Pool Charges	3	-	-	-
Transfer Out	6,623	108,943	1,840,000	1,765,000
Total Downtown Strategy Fund	\$ 119,121	\$ 176,322	\$ 1,954,079	\$ 1,879,079

Economic Development Fund

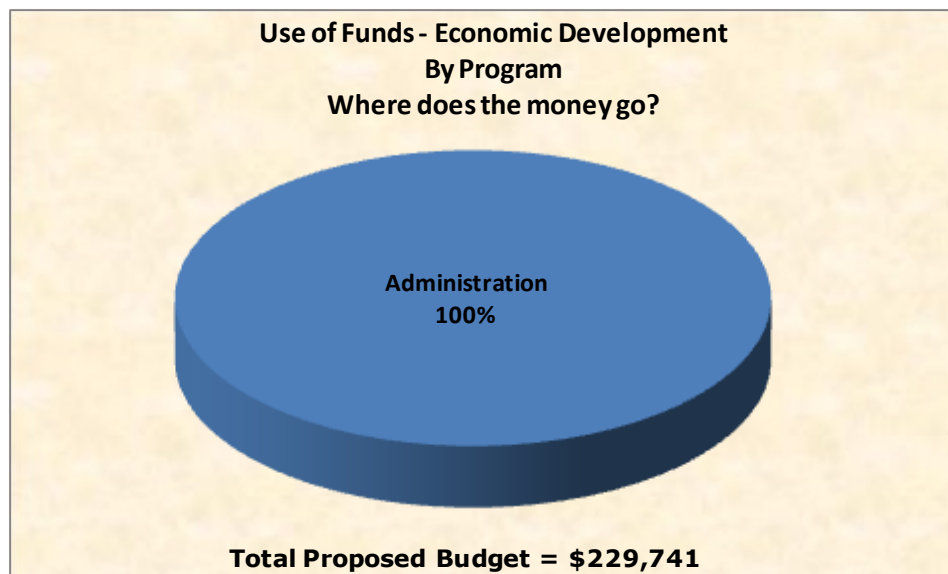
Service Delivery Plan

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. The economic development game plan is a multi-tiered approach to building a strong economic base.

Program Name	Expenditures by Program			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Administration	\$ -	\$ -	\$171,119	\$229,741
Total	\$ -	\$ -	\$ 171,119	\$ 229,741

Variance Explanations:

Administration: The Economic Development Administrator was hired to implement the Economic Development Plan.



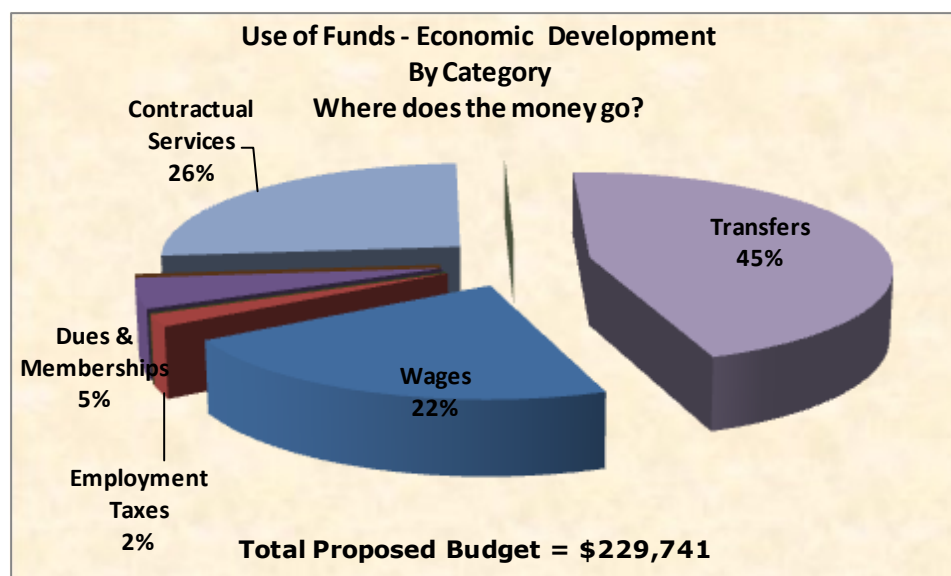
Category	Expenditures by Category			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Wages	\$ -	\$ -	\$ -	\$ 50,449
Employment Taxes	-	-	-	4,206
Benefits	-	-	-	-
Dues & Memberships	-	-	8,844	11,211
Education & Training	-	-	-	-
Utilities	-	-	-	900
Contractual Services	-	-	162,275	59,275
Supplies	-	-	-	-
Internal Service	-	-	-	700
Transfers	-	-	-	103,000
Total	\$ -	\$ -	\$ 171,119	\$ 229,741

Variance Explanations:

Wages: An Economic Development specialist was hired to implement the Economic Development Plan.

Contractual Services: Tourism was previously contracted to the Fountain Hills Chamber of Commerce, but is now part of the Town of Fountain Hills budget.

Transfers: Amount is transferred into the new Tourism Fund, which is now part of the Town's budget.



Activities/Results

Performance Measures

Pending the implementation of the Economic Development Plan with the following objective:

- Grow our Economy
- Maximize our Talent
- Enhance our Community

Quality

Focused approach to achieve economic objectives through the following strategic initiatives:

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

Productivity

Industry sectors that will 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

**FY14-15 Proposed Budget
Summary of Expenditures
Economic Development Fund**

Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Economic Development Fund				
Salaries-Full Time	\$ -	\$ -	\$ -	\$ 50,449
FICA	-	-	-	3,128
Medicare	-	-	-	732
Workers Compensation	-	-	-	274
Unemployment Insurance	-	-	-	72
Retirement	-	-	-	-
Dues, Subscript & Publicat	-	-	8,844	11,211
Telecommunications	-	-	-	900
Professional Fees	-	-	4,500	4,500
Contractual Services	-	-	44,880	44,880
Community Contracts/Events	-	-	9,895	9,895
Tourism	-	-	103,000	-
ISF-Copier Charges	-	-	-	470
ISF-Telecom Charges	-	-	-	230
Transfer Out	-	-	-	103,000
Total Economic Development Fund	\$ -	\$ -	\$ 171,119	\$ 229,741



Tourism Fund

Service Delivery Plan

Implement a comprehensive tourism and recreation development 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. Reestablish Fountain Hills as a Destination Marketing Organization (DMO) with the Arizona Office of Tourism. Continue to foster/improve relationship with Ft. McDowell.

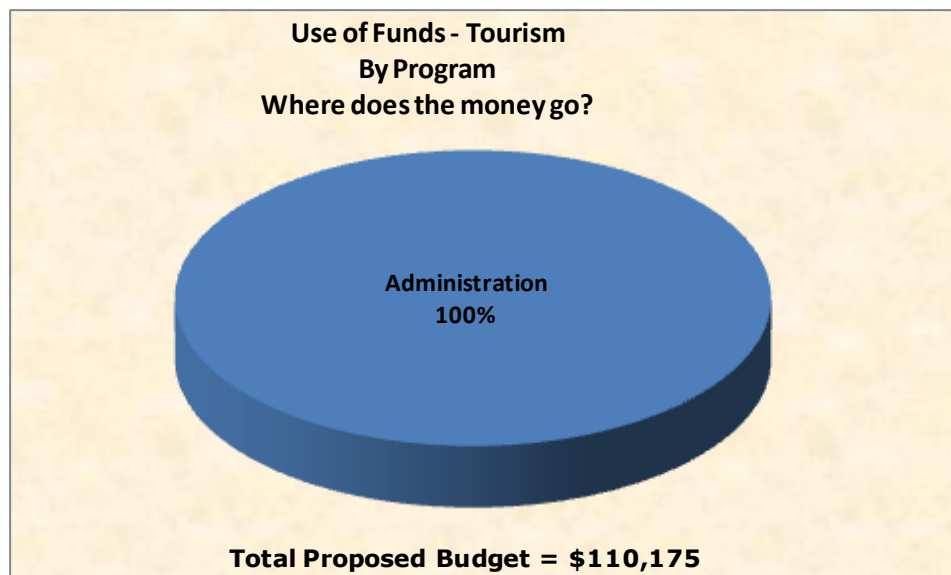
Action Steps:

- a) Actively pursue the Vision Plan's core element of a first class performance venue in Fountain Park as the central attraction component for enhanced downtown vibrancy through non-resident visitation as well as increased resident patronage.
- b) Collaborate with Fort McDowell Yavapai Nation to adequately fund and implement a destination marketing effort focused on niche tourism segments such as golf (Sonoran Desert Golf Trail), weddings, desert/Southwest Experience, Native American Heritage and Old West experience, and arts.
- c) Promote the Community Center and other local venues as viable meeting and event centers.
- d) Explore the feasibility and initiate strategies to expand hospitality facilities in Fountain Hills.
- e) Develop more multi-day major events to Fountain Hills while ensuring long-term viability of existing events.
- f) Implement a program to attract more group tours to Fountain Hills.

Variance Explanations:

Program Name	Expenditures by Program			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Administration	\$ -	\$ -	-	\$110,175
Total	\$ -	\$ -	\$ -	\$ 110,175

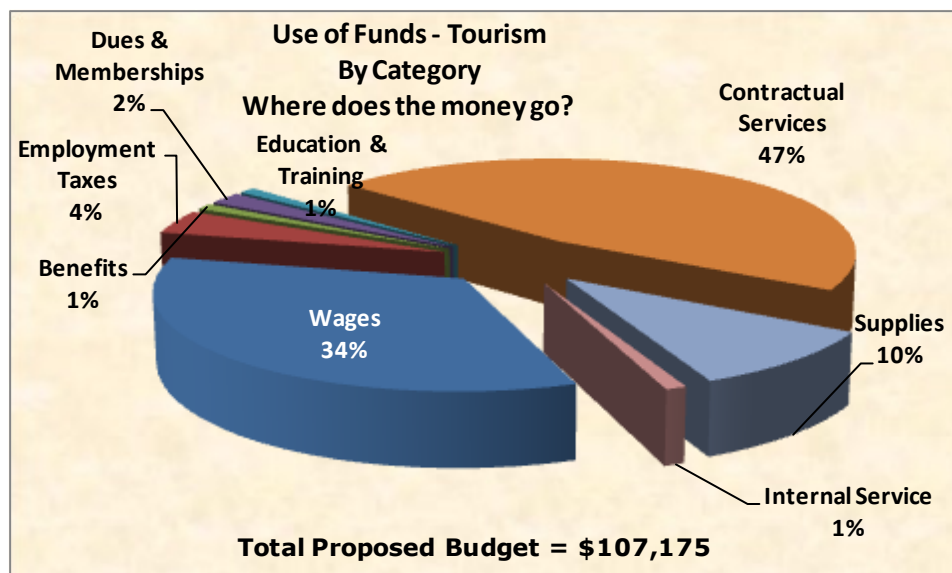
Administration: Cost for new responsibility for Town's tourism effort.



Category	Expenditures by Category			
	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Wages	\$ -	\$ -	\$ -	\$ 36,211
Employment Taxes	-	-	-	4,632
Benefits	-	-	-	1,532
Dues & Memberships	-	-	-	2,350
Education & Training	-	-	-	1,000
Contractual Services	-	-	-	49,250
Supplies	-	-	-	11,000
Internal Service	-	-	-	1,200
Total	\$ -	\$ -	\$ -	\$ 107,175

Variance Explanations:

Wages/Contractual Services/Supplies: Increased as a result of the new responsibilities and the hiring of an intern on staff.



**FY14-15 Proposed Budget
Summary of Expenditures
Tourism Fund**

Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Tourism Fund				
Salaries-Full Time	\$ -	\$ -	\$ -	\$ 6,363
Salaries-Part Time	-	-	-	29,848
FICA	-	-	-	1,850
Medicare	-	-	-	525
Workers Compensation	-	-	-	2,132
Unemployment Insurance	-	-	-	125
Group Health Insurance	-	-	-	738
Group Dental Insurance	-	-	-	45
Group Vision Insurance	-	-	-	6
Disability Insurance	-	-	-	23
Retirement	-	-	-	700
Life Insurance	-	-	-	20
Dues, Subscript & Publicat	-	-	-	2,350
Meetings & Conferences	-	-	-	1,000
Professional Fees	-	-	-	18,000
Printing Expense	-	-	-	4,000
Advertising/Signage	-	-	-	27,250
Office Supplies	-	-	-	500
Program Materials	-	-	-	10,000
Postage & Delivery	-	-	-	500
ISF-Copier Charges	-	-	-	3,000
ISF-Mail Service Charges	-	-	-	900
ISF-Telecom Charges	-	-	-	300
Total Tourism Fund	\$ -	\$ -	\$ -	\$ 110,175





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 FY14-15 is \$83.15 which includes the annual contract cost for landscaping as well as establishing a reserve amount for future exterior wall maintenance.

COTTONWOODS MAINTENANCE DISTRICT

Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Revenues				
Property Tax	\$ 3,335	\$ 3,339	\$ 4,823	\$ 4,823
Interest Income	12	9	-	-
Total Revenues	<u>\$ 3,347</u>	<u>\$ 3,348</u>	<u>\$ 4,823</u>	<u>\$ 4,823</u>
Expenditures				
Grounds Maint/Repair	\$ -	\$ (10,733)	\$ (3,500)	\$ (3,500)
Advertising/Signage	-	(194)	-	-
ISF-Mail Service Charges	-	(106)	-	(100)
Total Expenditures	<u>\$ -</u>	<u>\$ (11,033)</u>	<u>\$ (3,500)</u>	<u>\$ (3,600)</u>

**Cottonwoods Maintenance District
Summary of Tax Levy and Tax Rate Information
Fiscal Year 14-15**

	<u>FY13-14</u>	<u>FY14-15</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	\$	\$
B. Secondary property taxes	<u>4,823</u>	<u>4,823</u>
C. Total property tax levy amounts	\$ <u>4,823</u>	\$ <u>4,823</u>
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$	
(2) Prior years' levies	<u> </u>	
(3) Total primary property taxes	<u> </u>	
B. Secondary property taxes		
(1) Current year's levy	4,823	
(2) Prior years' levies	<u> </u>	
(3) Total secondary property taxes	<u>4,823</u>	
C. Total property taxes collected	\$ <u>4,823</u>	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	\$	\$
(2) Secondary property tax rate	<u>83.1500</u>	<u>83.1500</u>
(3) Total city/town tax rate	\$ <u>83.1500</u>	\$ <u>83.1500</u>

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



Debt Service Funds



Debt Service Funds

The Debt Service Funds provide for the payment of interest, principal, and related costs on General Obligation (GO) bonds (both the Town of Fountain Hills and the Eagle Mountain Community Facilities District) and Municipal Property Corporation (MPC) Revenue bonds.

General Obligation Debt

There have been three 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.

Bonds issued in 2001 (partially refunded in 2005) were for the purchase of mountain preserve land in the McDowell mountains.

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 secondary assessed property valuation for FY14-15 is estimated to be \$402,965,927 for the upcoming year (a 10.0% jump from the prior year) and the estimated levy is \$0.1151 per \$100 of assessed value. The levy is \$.1614 lower than last year as a result of the decrease in the Town's outstanding debt.

GENERAL OBLIGATION DEBT SERVICE

Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Revenues				
Secondary Property Tax	\$ 1,029,242	\$ 998,602	\$ 1,013,040	\$ 474,000
Interest Income	305	372	210	210
Total Revenues	<u>\$ 1,029,547</u>	<u>\$ 998,974</u>	<u>\$ 1,013,250</u>	<u>\$ 474,210</u>
Expenditures				
Principal Payments	\$ (840,000)	\$ (855,000)	\$ (900,000)	\$ (390,000)
Interest Payments	(177,312)	(145,812)	(113,750)	(80,000)
Administrative/Trustee Fees	(250)	(250)	(2,100)	(2,100)
Total Expenditures	<u>\$ (1,017,562)</u>	<u>\$ (1,001,062)</u>	<u>\$ (1,015,850)</u>	<u>\$ (472,100)</u>

Eagle Mountain Community Facilities District (CFD) Debt

There have been three 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.

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. The anticipated rate based on the estimated assessed valuation of \$26,800,905 (an increase of 12.5% from the prior year) is \$1.6095 per \$100 of assessed valuation compared to \$1.84 in the prior year.

EAGLE MOUNTAIN COMMUNITY FACILITIES DISTRICT DEBT SERVICE

Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Revenues				
Property Tax	\$ 425,125	\$ 419,673	\$ 430,248	\$ 430,248
Interest Income	97	122	600	600
Total Revenues	<u>\$ 425,223</u>	<u>\$ 419,796</u>	<u>\$ 430,848</u>	<u>\$ 430,848</u>
Expenditures				
Advertising/Signage	\$ -	\$ (83)	\$ -	\$ -
Principal Payments	(280,000)	(290,000)	(305,000)	(315,000)
Interest Payments	(134,260)	(123,760)	(112,885)	(100,685)
Administrative/Trustee Fees	(7,350)	(7,350)	(7,350)	(7,350)
Total Expenditures	<u>\$ (421,610)</u>	<u>\$ (421,193)</u>	<u>\$ (425,235)</u>	<u>\$ (423,035)</u>

Municipal Property Corporation Debt

There have been three 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.



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 annual debt service payment for the Fountain Hills MPC mountain preserve bonds are paid from a dedicated portion of the local sales tax revenues within the MPC debt service fund. The bonds issued for the Community Center are repaid through the General Fund within the Community Services Department/Community Center Division 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 2005 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.

MUNICIPAL PROPERTY CORPORATION DEBT SERVICE

Description	FY11-12 Actual	FY12-13 Actual	FY13-14 Revised Budget	FY14-15 Proposed Budget
Revenues				
Sales-Excise Tax	\$ 605,213	\$ 611,406	\$ 594,000	\$ 619,800
Interest Income	588	276	500	500
Transfer In	<u>2,463,118</u>	<u>403,454</u>	<u>193,500</u>	<u>236,000</u>
Total Revenues	<u>\$ 3,068,919</u>	<u>\$ 1,015,136</u>	<u>\$ 788,000</u>	<u>\$ 856,300</u>
Expenditures				
License/Filing Fees	\$ (510)	\$ -	\$ -	\$ -
Principal Payments	(845,000)	(895,000)	(955,000)	(995,000)
Interest Payments	(222,099)	(189,675)	(149,400)	(111,200)
Administrative/Trustee Fees	(7,000)	(4,500)	(7,000)	(7,000)
Advance Refunding	(2,732,500)	-	-	-
Issuance Costs	<u>(37,500)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>\$ (3,844,609)</u>	<u>\$ (1,089,175)</u>	<u>\$ (1,111,400)</u>	<u>\$ (1,113,200)</u>

Outstanding Debt

The Schedule below includes an itemization of the outstanding debt as of June 30, 2014, 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	Amount Refunded	Outstanding Principal
GO	Refunding	6/1/2005	4.00	7/1/2019	\$ 7,225,000	\$ 5,225,000	\$ -	\$ 2,000,000
	Total GO				<u>7,225,000</u>	<u>5,225,000</u>	<u>-</u>	<u>2,000,000</u>
Rev	Revenue	12/1/2004	4.25-4.50	7/1/2019	3,645,000	2,000,000	-	1,645,000 *
Rev	Refunding	6/1/2005	3.25-4.00	7/1/2020	<u>5,330,000</u>	<u>2,550,000</u>	<u>-</u>	<u>2,780,000</u>
	Total Rev				<u>8,975,000</u>	<u>4,550,000</u>	<u>-</u>	<u>4,425,000</u>
SA	Eagle Mtn	7/12/2005	4.00-4.125	7/1/2021	<u>4,555,000</u>	<u>2,060,000</u>	<u>-</u>	<u>2,495,000</u>
	Total SA				<u>4,555,000</u>	<u>2,060,000</u>	<u>-</u>	<u>2,495,000</u>
	Grand Total				<u>\$ 20,755,000</u>	<u>\$ 11,835,000</u>	<u>\$ -</u>	<u>\$ 8,920,000</u>

GO General Obligation Bonds
Rev Revenue Bonds
SA Special Assessment Bonds

* Bonds were defeased on 12/28/2011 and funds are currently held in escrow.

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.

Town of Fountain Hills, Arizona Legal Debt Margin Information

	<u>FY10-11</u>	<u>FY11-12</u>	<u>FY12-13</u>	<u>FY14-15</u>
6% Debt Limit				
Debt limit	\$ 27,111,608	\$ 22,651,303	\$ 21,978,160	\$ 24,177,956
Total applicable to limit	-	-	-	-
Legal debt margin	<u>\$ 27,111,608</u>	<u>\$ 22,651,303</u>	<u>\$ 21,978,160</u>	<u>\$ 24,177,956</u>
Total net debt applicable to the limit as a percentage of debt limit	0%	0%	0%	0%
20% Debt Limit				
Debt limit	\$ 90,372,027	\$ 75,504,344	\$ 73,260,534	\$ 80,593,185
Total applicable to limit	<u>4,595,000</u>	<u>3,755,000</u>	<u>2,900,000</u>	<u>2,000,000</u>
Legal debt margin	<u>\$ 85,777,027</u>	<u>\$ 71,749,344</u>	<u>\$ 70,360,534</u>	<u>\$ 78,593,185</u>
Total net debt applicable to the limit as a percentage of debt limit	5%	5%	4%	2%
Secondary Assessed Value	\$451,860,136	\$377,521,718	\$366,302,672	\$402,965,927

**Town of Fountain Hills
Summary of Tax Levy and Tax Rate Information
Fiscal Year 14-15**

	<u>FY13-14</u>	<u>FY14-15</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	\$	\$
B. Secondary property taxes	<u>1,013,040</u>	<u>463,622</u>
C. Total property tax levy amounts	\$ <u>1,013,040</u>	\$ <u>463,622</u>
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$	
(2) Prior years' levies	<u> </u>	
(3) Total primary property taxes	<u> </u>	
B. Secondary property taxes		
(1) Current year's levy	1,000,800	
(2) Prior years' levies	<u> </u>	
(3) Total secondary property taxes	<u>1,000,800</u>	
C. Total property taxes collected	\$ <u>1,000,800</u>	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	\$	\$
(2) Secondary property tax rate	<u>0.2765</u>	<u>0.1151</u>
(3) Total city/town tax rate	\$ <u>0.2765</u>	\$ <u>0.1151</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.

**Eagle Mountain Community Facilities District
Summary of Tax Levy and Tax Rate Information
Fiscal Year 14-15**

	<u>FY13-14</u>	<u>FY14-15</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	\$	\$
B. Secondary property taxes	<u>430,248</u>	<u>430,248</u>
C. Total property tax levy amounts	\$ <u>430,248</u>	\$ <u>430,248</u>
4. Property taxes collected*		
A. Primary property taxes		
(1) Current year's levy	\$	
(2) Prior years' levies	<u> </u>	
(3) Total primary property taxes	<u> </u>	
B. Secondary property taxes		
(1) Current year's levy	430,248	
(2) Prior years' levies	<u> </u>	
(3) Total secondary property taxes	<u>430,248</u>	
C. Total property taxes collected	\$ <u>430,248</u>	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	\$	\$
(2) Secondary property tax rate	<u>1.8400</u>	<u>1.6095</u>
(3) Total city/town tax rate	\$ <u>1.8400</u>	\$ <u>1.6095</u>

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





Capital Improvement Program (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 purchasing 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 2014-17

YEAR PROJECT BEGAN: [Click here to enter text.](#) Example FY 2014-15

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 14-15	FY15-16	FY 16-17	FY 17-18	FY 18-19	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 14-15	FY15-16	FY 16-17	FY 17-18	FY 18-19	Total
Planning							\$0
Design							\$0
Construction							\$0
Other							\$0
Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Operating Impact							
Fund Type		FY 14-15	FY15-16	FY 16-17	FY17-18	FY 18-19	Total
Salaries & Benefits							\$0
Services & Supplies							\$0
Other							\$0
Total		\$0	\$0	\$0	\$0	\$0	\$0

**PROPOSED CAPITAL PROJECTS
FY14-15 THROUGH FY18-19
BY PROJECT BY YEAR**

Project No.	Project Title	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	Five-Year Total
<u>Stormwater Management/Drainage Projects</u>							
D6030	Ashbrook Wash Channelization Improvements- Bayfield to Del Cambre	\$ 1,640,000	\$ -	\$ -	\$ -	\$ -	\$ 1,640,000
D6047	Miscellaneous Drainage Improvements	50,000	-	-	-	-	\$ 50,000
TOTAL		\$ 1,690,000	\$ -	\$ -	\$ -	\$ -	\$ 1,690,000
<u>Downtown Improvement Projects</u>							
E8501	Downtown Vision Master Plan-Phase I (Greening)	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000
E8502	Downtown Vision Master Plan - Phase II (Avenue/Lakeside Project)	200,000	200,000	-	-	-	400,000
E8504	Ave of the Fountains Improvements	1,525,000	-	-	-	-	1,525,000
TOTAL		\$ 1,825,000	\$ 200,000	\$ -	\$ -	\$ -	\$ 2,025,000
<u>Fire & Emergency Medical Projects</u>							
F4005	Fire Station 2 Relocation	\$ 2,510,000	\$ -	\$ -	\$ -	\$ -	\$ 2,510,000
F4027	Assistance To Fire Fighters Grant – Radios	120,000	-	-	-	-	120,000
TOTAL		\$ 2,630,000	\$ -	\$ -	\$ -	\$ -	\$ 2,630,000
<u>General Government Projects</u>							
F4029	Civic Center Improvements	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000
TOTAL		\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000
<u>Parks & Recreation Projects</u>							
P3011	Fountain Park Improvements	\$ 1,394,750	\$ -	\$ -	\$ -	\$ -	\$ 1,394,750
P3022	Fountain Lake Water Quality Improvements	300,000	-	-	-	-	300,000
P3024	Urban Trail Improvements	20,000	20,000	20,000	-	-	60,000
TOTAL		\$ 1,714,750	\$ 20,000	\$ 20,000	\$ -	\$ -	\$ 1,754,750
<u>Street/Sidewalk Projects</u>							
S6003	Unpaved Alley Paving Projects	325,000	190,000	180,000	-	-	\$ 695,000
S6005	Shea Boulevard Widening	4,360,000	-	-	-	-	4,360,000
S6009	Downtown Sidewalk Program	40,000	-	-	-	-	40,000
S6010	Saguaro Blvd Reconstruction	8,200,000	-	-	-	-	8,200,000
S6053	Fountain Hills Blvd Shoulder Paving	296,000	-	-	-	-	296,000
S6054	Highway Safety Improvement Program	57,000	-	-	-	-	57,000
S6056	Shea Blvd. Eastbound Bike Lane	380,000	-	-	-	-	380,000
TOTAL		\$ 13,658,000	\$ 190,000	\$ 180,000	\$ -	\$ -	\$ 14,028,000
<u>Traffic Signal Projects</u>							
T5011	Traffic Signal-Palisades & Saguaro Upgrades	\$ 400,000	\$ -	\$ -	\$ -	\$ -	400,000
TOTAL		\$ 400,000	\$ -	\$ -	\$ -	\$ -	\$ 400,000
<u>Contingency</u>		\$ 190,080	\$ 4,100	\$ 2,000	\$ -	\$ -	196,180
TOTAL PROPOSED CAPITAL PROJECTS		\$ 22,207,830	\$ 414,100	\$ 202,000	\$ -	\$ -	\$ 22,823,930



**PROPOSED CAPITAL PROJECTS
FY14-15 THROUGH FY18-19
BY PROJECT BY FUNDING SOURCE**

Project No.	Project Title	Capital Projects Fund	Grants	Downtown Strategy Fund	General Fund	Development Fees	Developer	Bonds	Total
<u>Stormwater Management/Drainage Projects</u>									
D6030	Ashbrook Wash Channelization Improvements-Bayfield to Del Cambre	\$ 920,000	\$ 720,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,640,000
D6047	Miscellaneous Drainage Improvements	50,000	-	-	-	-	-	-	50,000
TOTAL		\$ 970,000	\$ 720,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,690,000
<u>Downtown Improvement Projects</u>									
E8501	Downtown Vision Master Plan-Phase I (Greening)	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000
E8502	Downtown Vision Master Plan - Phase II (Avenue/Lakeside Project)	-	-	400,000	-	-	-	-	400,000
E8504	Ave of the Fountains Improvements	-	-	1,525,000	-	-	-	-	1,525,000
TOTAL		\$ -	\$ 100,000	\$ 1,925,000	\$ -	\$ -	\$ -	\$ -	\$ 2,025,000
<u>Fire & Emergency Medical Projects</u>									
F4005	Fire Station 2 Relocation	\$ 2,260,000	\$ -	\$ -	\$ -	\$ 250,000	\$ -	\$ -	\$ 2,510,000
F4027	Assistance To Fire Fighters Grant – Radios	108,000	-	-	12,000	-	-	-	120,000
TOTAL		\$ 2,368,000	\$ -	\$ -	\$ 12,000	\$ 250,000	\$ -	\$ -	\$ 2,630,000
F4029	Civic Center Improvements	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000
TOTAL		\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,000
<u>Parks & Recreation Projects</u>									
P3011	Fountain Park Improvements	\$ 1,394,750	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,394,750
P3022	Fountain Lake Water Quality Improvements	300,000	-	-	-	-	-	-	300,000
P3024	Urban Trail Improvements	60,000	-	-	-	-	-	-	60,000
TOTAL		\$ 1,754,750	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,754,750
<u>Street/Sidewalk Projects</u>									
S6003	Unpaved Alley Paving Projects	\$ 695,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 695,000
S6005	Shea Boulevard Widening	927,000	2,958,000	-	-	275,000	200,000	-	4,360,000
S6009	Downtown Sidewalk Program	-	-	40,000	-	-	-	-	40,000
S6010	Saguaro Blvd Reconstruction	-	-	-	-	-	-	8,200,000	8,200,000
S6053	Fountain Hills Blvd Shoulder Paving	41,000	255,000	-	-	-	-	-	296,000
S6054	Highway Safety Improvement Program	-	57,000	-	-	-	-	-	57,000
S6056	Shea Blvd. Eastbound Bike Lane	156,000	224,000	-	-	-	-	-	380,000
TOTAL		\$ 1,819,000	\$ 3,494,000	\$ 40,000	\$ -	\$ 275,000	\$ 200,000	\$ 8,200,000	\$ 14,028,000
<u>Traffic Signal Projects</u>									
T5011	Traffic Signal-Palisades & Saguaro Upgrades	\$ 400,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 400,000
TOTAL		\$ 400,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 400,000
<u>Contingency</u>		\$ 196,180	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 196,180
TOTAL PROPOSED CAPITAL PROJECTS		\$ 7,607,930	\$ 4,314,000	\$ 1,965,000	\$ 12,000	\$ 525,000	\$ 200,000	\$ 8,200,000	\$ 22,823,930

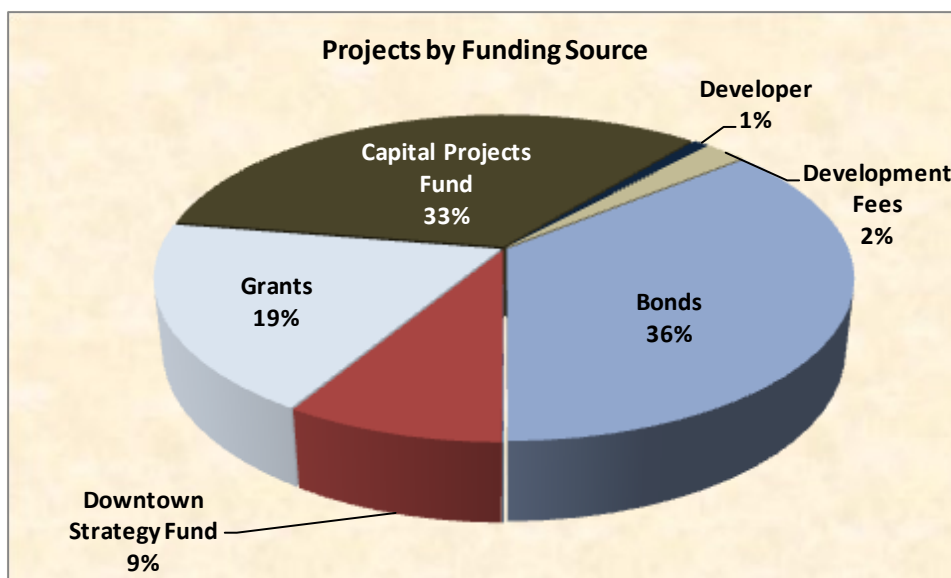
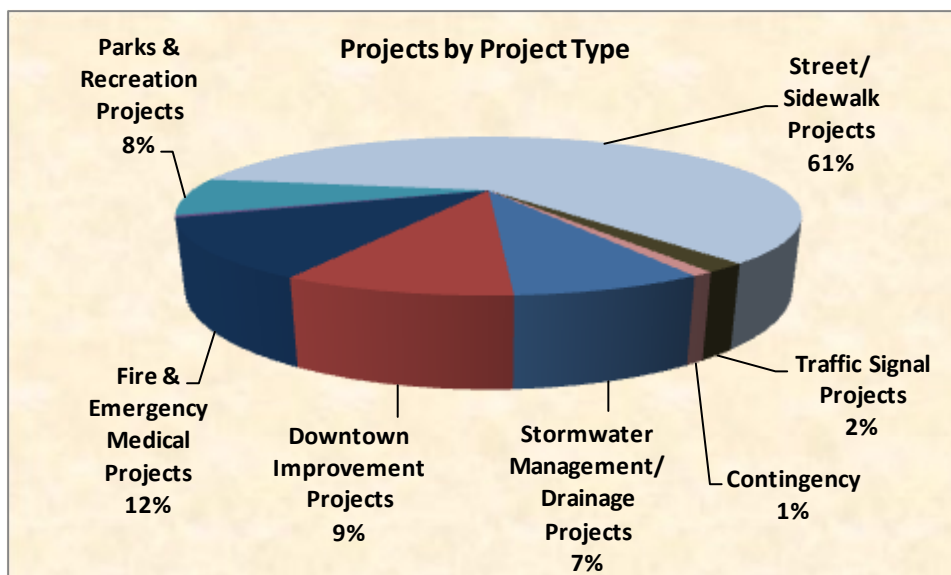
**CAPITAL PROJECTS FIVE-YEAR PROJECTION
REVENUES & PROJECT COSTS**

REVENUES BY SOURCE	FIVE-YEAR AVAILABLE FUNDS	FY14-15 Requested	FY15-16 Requested	FY16-17 Requested	FY17-18 Requested	FY18-19 Requested	TOTAL FIVE- YEAR PROJECTION	SURPLUS/ DEFICIT
General Fund	\$ 12,000	\$ 12,000	\$ -	\$ -	\$ -	\$ -	\$ 12,000	\$ -
Highway User Fund	-	-	-	-	-	-	-	-
Downtown Strategy Fund	3,194,911	1,765,000	200,000	-	-	-	1,965,000	1,229,911
Grants	4,314,000	4,314,000	-	-	-	-	4,314,000	-
Capital Projects Fund	12,671,265	7,191,830	214,100	202,000	-	-	7,607,930	5,063,336
Development Fees:								
Streets	285,000	-	-	-	-	-	-	285,000
Law Enforcement	225,000	-	-	-	-	-	-	225,000
Fire & Emergency Medical	40,157	-	-	-	-	-	-	40,157
Open Space	1,645,000	525,000	-	-	-	-	525,000	1,120,000
Recreation	141,500	-	-	-	-	-	-	141,500
Library/Museum	-	-	-	-	-	-	-	-
General Government	-	-	-	-	-	-	-	-
Bonds	8,200,000	8,200,000	-	-	-	-	8,200,000	-
Developers	200,000	200,000	-	-	-	-	200,000	-
Unfunded	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Total Revenues By Source	\$30,928,833	\$22,207,830	\$ 414,100	\$ 202,000	\$ -	\$ -	\$ 22,823,930	\$ 8,104,904

PROJECT TYPE & COSTS	FY14-15 Requested	FY15-16 Requested	FY16-17 Requested	FY17-18 Requested	FY18-19 Requested	TOTAL FIVE- YEAR PROJECTION
Stormwater Management/Drainage Projects	\$ 1,690,000	\$ -	\$ -	\$ -	\$ -	\$ 1,690,000
Downtown Improvement Projects	1,825,000	200,000	-	-	-	2,025,000
Fire & Emergency Medical Projects	2,630,000	-	-	-	-	2,630,000
Law Enforcement Projects	-	-	-	-	-	-
Library, Art and Museum Projects	-	-	-	-	-	-
General Government Projects	100,000	-	-	-	-	100,000
Open Space Projects	-	-	-	-	-	-
Parks & Recreation Projects	1,714,750	20,000	20,000	-	-	1,754,750
Street/Sidewalk Projects	13,658,000	190,000	180,000	-	-	14,028,000
Traffic Signal Projects	400,000	-	-	-	-	400,000
Vehicle Replacement Program	-	-	-	-	-	-
Contingency	190,080	4,100	2,000	-	-	196,180
Total Project Costs	\$22,207,830	\$ 414,100	\$ 202,000	\$ -	\$ -	\$ 22,823,930



CAPITAL PROJECTS FIVE-YEAR PROJECTION



**PROPOSED CAPITAL PROJECTS
FY14-15 THROUGH FY18-19
BY YEAR AND FUNDING SOURCE**

Project No.	Project Title/Funding Source	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	Source Total	Project Total
D6030	Ashbrook Wash Channelization Improvements-Bayfield to Del Cambre							\$ 1,640,000
	Capital Projects Fund	\$ 920,000	\$ -	\$ -	\$ -	\$ -	\$ 920,000	
	Grants	720,000	-	-	-	-	720,000	
D6047	Miscellaneous Drainage Improvements							50,000
	Capital Projects Fund	50,000	-	-	-	-	50,000	
E8501	Downtown Vision Master Plan-Phase I (Greening)							100,000
	Grants	100,000	-	-	-	-	100,000	
E8502	Downtown Vision Master Plan - Phase II (Avenue/Lakeside Project)							400,000
	Downtown Strategy Fund	200,000	200,000	-	-	-	400,000	
E8504	Ave of the Fountains Improvements							1,525,000
	Downtown Strategy Fund	1,525,000	-	-	-	-	1,525,000	
F4005	Fire Station 2 Relocation							2,510,000
	Capital Projects Fund	2,260,000	-	-	-	-	2,260,000	
	Development Fees	250,000					250,000	
F4027	Assistance To Fire Fighters Grant – Radios							120,000
	Capital Projects Fund	108,000	-	-	-	-	108,000	
	General Fund	12,000	-	-	-	-	12,000	
F4029	Civic Center Improvements							100,000
	Capital Projects Fund	100,000					100,000	
P3011	Fountain Park Improvements							1,394,750
	Capital Projects Fund	1,394,750	-	-	-	-	1,394,750	
P3022	Fountain Lake Water Quality Improvements							300,000
	Capital Projects Fund	300,000	-	-	-	-	300,000	
P3024	Urban Trail Improvements							60,000
	Capital Projects Fund	20,000	20,000	20,000	-	-	60,000	
S6003	Unpaved Alley Paving Projects							695,000
	Capital Projects Fund	325,000	190,000	180,000	-	-	695,000	
S6005	Shea Boulevard Widening							4,360,000
	Capital Projects Fund	927,000	-	-	-	-	927,000	
	Grants	2,958,000	-	-	-	-	2,958,000	
	Reimbursements from Developers	200,000	-	-	-	-	200,000	
	Development Fees	275,000	-	-	-	-	275,000	
S6009	Downtown Sidewalk Program							40,000
	Downtown Strategy Fund	40,000	-	-	-	-	40,000	
S6010	Saguaro Blvd Reconstruction							8,200,000
	Bond	8,200,000	-	-	-	-	8,200,000	
S6053	Fountain Hills Blvd Shoulder Paving							296,000
	Capital Projects Fund	41,000	-	-	-	-	41,000	
	Grants	255,000	-	-	-	-	255,000	
S6054	Highway Safety Improvement Program							57,000
	Capital Projects Fund	-	-	-	-	-		
	Grants	57,000	-	-	-	-	57,000	
S6056	Shea Blvd. Eastbound Bike Lane							380,000
	Capital Projects Fund	156,000	-	-	-	-	156,000	
	Grants	224,000	-	-	-	-	224,000	
T5011	Traffic Signal-Palisesades & Saguaro Upgrades							400,000
	Capital Projects Fund	400,000	-	-	-	-	400,000	
	Contingency							196,180
	Capital Projects Fund	190,080	4,100	2,000	-	-	196,180	
	TOTAL PROPOSED CAPITAL PROJECTS	\$ 22,207,830	\$ 414,100	\$ 202,000	\$ -	\$ -	\$ 22,823,930	\$ 22,823,930

The highlighted rows represent project funding through the Town's Capital Improvement Program (CIP).



**PROPOSED CAPITAL PROJECTS
FY14-15 THROUGH FY18-19
BY YEAR AND FUNDING SOURCE
TOTALS**

	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	Total FY14-15 - FY18-19
Capital Projects Fund	\$ 7,191,830	\$ 214,100	\$ 202,000	\$ -	\$ -	\$ 7,607,930
Grants	4,314,000	-	-	-	-	4,314,000
Reimbursements from Developers	200,000	-	-	-	-	200,000
Downtown Strategy Fund	1,765,000	200,000	-	-	-	1,965,000
Development Fees	525,000	-	-	-	-	525,000
HURF	-	-	-	-	-	-
General Fund	12,000	-	-	-	-	12,000
Bond	8,200,000	-	-	-	-	8,200,000
Total	\$ 22,207,830	\$ 414,100	\$ 202,000	\$ -	\$ -	\$ 22,823,930





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: FY14-15

YEAR PROJECT BEGAN: FY13-14

TOTAL ESTIMATED PROJECT COST: \$1,716,000

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.

Based on this new information, the Town updated and re-submitted its Capital Improvement Program Prioritization Procedure request to the MCFCD. MCFCD staff has recommended approval of the project to their Board of Directors and if approved, the Town and the MCFCD will split the project costs equally with the MCFCD managing the project's design and construction.

FUNDING PRIORITY: High - Prevents Irreparable Damage to Existing Facilities



FUNDING SOURCES

ACTIVITY	Prior Years	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Capital Projects	\$ 38,000	\$ 920,000	\$ -	\$ -	\$ -	\$ -	\$ 958,000
Grant	38,000	720,000					758,000
Excise Tax/Downtown							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ 76,000	\$1,640,000	\$ -	\$ -	\$ -	\$ -	\$1,716,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning	76,000	76,000					152,000
Design							-
Construction		1,564,000					1,564,000
Other Expenses							-
TOTAL	\$ 76,000	\$1,640,000	\$ -	\$ -	\$ -	\$ -	\$1,716,000

OPERATING IMPACT

ACTIVITY	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	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 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: FY14-15

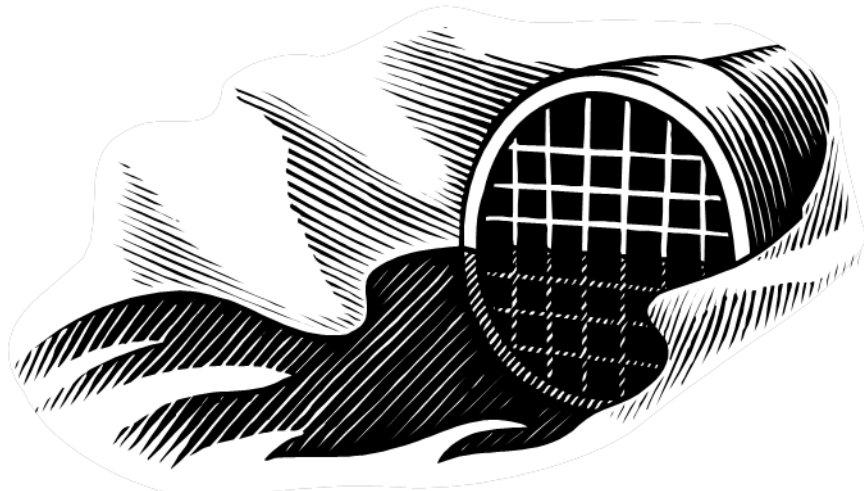
YEAR PROJECT BEGAN: FY14-15

TOTAL ESTIMATED PROJECT COST: \$50,000

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	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Capital Projects	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000
Grant							-
Excise Tax/Downtown							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design							-
Construction		50,000					50,000
Other Expenses							-
TOTAL	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000

OPERATING IMPACT

ACTIVITY	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT TITLE: Downtown Vision Master Plan - Phase I (Greening)

PROJECT NUMBER: E8501

PROJECT DESCRIPTION/SCOPE:

Project is planned to introduce additional trees, and potentially shrubs, to Fountain Park and a number of vacant lots principally in the downtown area. Grant funds and donations will be sought for this work.

TOWN GOALS

TIMEFRAME: FY14-15

YEAR PROJECT BEGAN: FY14-15

TOTAL ESTIMATED PROJECT COST: \$100,000

PROJECT JUSTIFICATION:

The "Greening of Downtown" was one of the recommendations to come from the Downtown Visioning Master Plan. The "Greening of Downtown" envisioned additional trees and shrubbery for Fountain Park to provide additional shade and aesthetic appeal and the planting of greenery in the Town's privately-owned, large vacant lots in the downtown area.

The source of funding is to be donation driven. The project will include a demonstration planting area on the Park's east side, trees along the sidewalks and paths in and around the Park, and more intensely planted "grove" areas, which are envisioned to include both trees and shrubs. Lastly, additional work that is envisioned included naturalization of the Park islands and a desert wildflower area among others.

FUNDING PRIORITY: High - Finishes a Partially Completed Project



Greening of
Downtown

A Private and
Public Cooperative

FUNDING SOURCES

ACTIVITY	Prior Years	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant		100,000					100,000
Excise Tax/Downtown							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design							-
Construction							-
Other Expenses		100,000					100,000
TOTAL	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000

OPERATING IMPACT

ACTIVITY	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT TITLE: 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: FY14-16

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	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant							-
Excise Tax/Downtown		200,000	200,000				400,000
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ 200,000	\$ 200,000	\$ -	\$ -	\$ -	\$ 400,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design							-
Construction							-
Other Expenses		200,000	200,000				400,000
TOTAL	\$ -	\$ 200,000	\$ 200,000	\$ -	\$ -	\$ -	\$ 400,000

OPERATING IMPACT

ACTIVITY	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT TITLE: Avenue of the Fountains Improvements

PROJECT NUMBER: E8504

PROJECT DESCRIPTION/SCOPE:

This project will include improvements to the median along the Avenue of the Fountains from Saguaro Boulevard to La Montana to provide a more vibrant and pedestrian friendly downtown area as well as provide areas for special events.

TOWN GOALS

TIMEFRAME: FY12-15

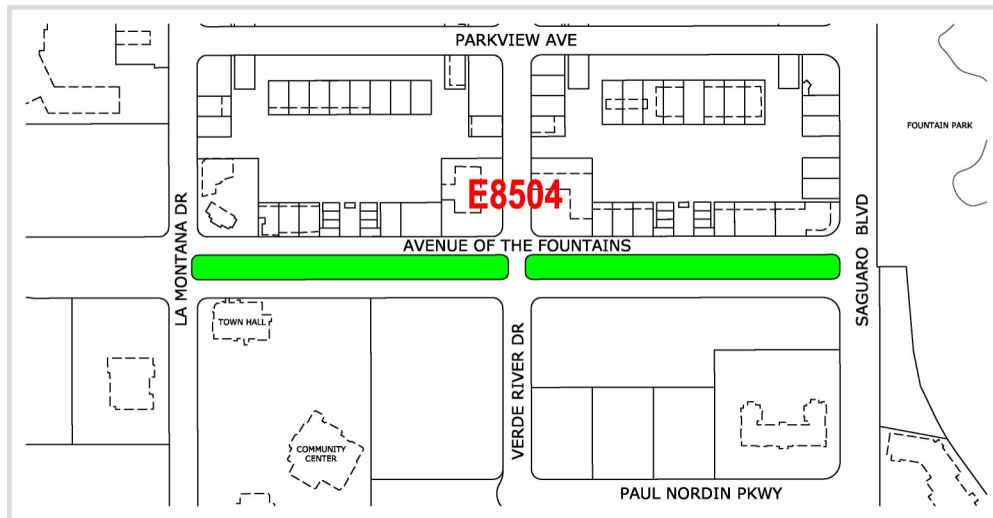
YEAR PROJECT BEGAN: FY11-12

TOTAL ESTIMATED PROJECT COST: \$1,720,000

PROJECT JUSTIFICATION:

The Avenue of the Fountains median between Saguaro Boulevard and La Montana is utilized for numerous community events throughout the year. Due to its age and use, the median area is in need of improvements including, but not limited to, the replacement of trees, curbing, brick pavers, irrigation systems, electrical systems and replacement of the fountains.

FUNDING PRIORITY: Medium - Provides Maintenance of Existing Systems



FUNDING SOURCES

ACTIVITY	Prior Years	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant							-
Excise Tax/Downtown	195,000	1,525,000					1,720,000
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ 195,000	\$1,525,000	\$ -	\$ -	\$ -	\$ -	\$1,720,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design	95,000						95,000
Construction	100,000	1,525,000					1,625,000
Other Expenses							-
TOTAL	\$ 195,000	\$1,525,000	\$ -	\$ -	\$ -	\$ -	\$1,720,000

OPERATING IMPACT

ACTIVITY	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact	50,000	50,000	50,000	50,000	50,000	200,000
TOTAL	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 200,000

PROJECT TITLE: Fire Station #2 Relocation

PROJECT NUMBER: F4005

PROJECT DESCRIPTION/SCOPE:

Construction of a new 6,000 sq. ft. Fire Station on/near Shea Boulevard between Fountain Hills Boulevard and Palisades Boulevard per the Fire Department Master Plan. This station will replace the existing Fire Station on Saguaro Boulevard, south of Shea Boulevard. The project includes engineering, design, and construction.

TOWN GOALS

TIMEFRAME: FY05-15

YEAR PROJECT BEGAN: FY04-05

TOTAL ESTIMATED PROJECT COST: \$2,510,000

PROJECT JUSTIFICATION:

The Fire Department has completed a study of seven sites, two current stations, and five potential locations 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: response times, emergency unit coverage, Town owned property, (cost), and site requiring little or no Planning & Zoning or Council action.

Five minute response 90% (entire town area of the time vs. the standard 4 minutes that all fire departments strive to reach). The current Rural Metro contract calls for 5 and 8 minute response areas. The logic for this decision was based on the Town Fire Sprinkler Ordinance of 1996.

The new Fire Station location on/near Shea Boulevard will afford superior overlapping coverage for both Fire Stations, which will equitably distribute and balance call volume, thus allowing better call support for multiple calls. This station will also enhance the Insurance Service Organization (ISO) station location rating.

Upon completion of this project, the current Station #2 may be retained by the Town for future needs or sold and funds returned to the CIP fund. This Study has been under review and development since 2003.

FUNDING PRIORITY: Medium - Results in Increased Efficiency



FUNDING SOURCES

ACTIVITY	Prior Years	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Capital Projects	\$ -	\$2,260,000	\$ -	\$ -	\$ -	\$ -	\$2,260,000
Grant							-
Excise Tax/Downtown							-
General							-
Developer							-
Development Fees		250,000					250,000
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$2,510,000	\$ -	\$ -	\$ -	\$ -	\$2,510,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design		200,000					200,000
Construction		2,310,000					2,310,000
Other Expenses							-
TOTAL	\$ -	\$2,510,000	\$ -	\$ -	\$ -	\$ -	\$2,510,000

OPERATING IMPACT

ACTIVITY	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT TITLE: Assistance to Firefighters Grant / Radios

PROJECT NUMBER: F4027

PROJECT DESCRIPTION/SCOPE:

Fountain Hills continues to move to a regional automatic aid communication system. The Town has committed, through grants which the Town has received the past three years, to upgrade the VHF portable and mobile radios, and added 800 MHz mobile radios to the apparatus. This grant will purchase 12 portable VHF/700-800 MHz radios, 2 base station radios, and battery chargers. This grant is a 90% Federal grant with a 10% Town match.

TOWN GOALS

TIMEFRAME: FY14-15

YEAR PROJECT BEGAN: FY14-15

TOTAL ESTIMATED PROJECT COST: \$120,000

PROJECT JUSTIFICATION:

This grant will serve a two-fold purpose: better trained firefighters, which will provide each department the ability to protect lives and property in our communities for years to come, and most importantly, better trained firefighters are safer firefighters which in turn could prevent injuries.

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



FUNDING SOURCES

ACTIVITY	Prior Years	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Capital Projects	\$ -	\$ 108,000	\$ -	\$ -	\$ -	\$ -	\$ 108,000
Grant							-
Excise Tax/Downtown							-
General		12,000					12,000
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ 120,000	\$ -	\$ -	\$ -	\$ -	\$ 120,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Acquisition	\$ -	\$ 120,000	\$ -	\$ -	\$ -	\$ -	\$ 120,000
Planning							-
Design							-
Construction							-
Other Expenses							-
TOTAL	\$ -	\$ 120,000	\$ -	\$ -	\$ -	\$ -	\$ 120,000

OPERATING IMPACT

ACTIVITY	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	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: FY14-15

YEAR PROJECT BEGAN: FY14-15

TOTAL ESTIMATED PROJECT COST: \$100,000

PROJECT JUSTIFICATION:

The Library and Civic 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	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Capital Projects	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000
Grant							-
Excise Tax/Downtown							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design		5,000					5,000
Construction		95,000					95,000
Other Expenses							-
TOTAL	\$ -	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000

OPERATING IMPACT

ACTIVITY	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -



PROJECT TITLE: Fountain Park Improvements

PROJECT NUMBER: P3011

PROJECT DESCRIPTION/SCOPE:

Remaining improvements to Fountain Park include renovation of the east parking lot with lights, low level lighting of interior and exterior sidewalks, monument signage, and amphitheater area lighting and staging for day and evening events.

TOWN GOALS

TIMEFRAME: FY14-15

YEAR PROJECT BEGAN: FY13-14

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

PROJECT JUSTIFICATION:

Fountain Park has undergone several phases of improvements since the Town acquired the Park in 1997. All improvements are being done in conjunction with the approved Park master plan and will help keep Fountain Park the signature facility in Fountain Hills. These items represent the final improvements to the Park as outlined in the most recent master plan, which was approved in 1999.

FUNDING PRIORITY: High - Finishes a Partially Completed Project



FUNDING SOURCES

ACTIVITY	Prior Years	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Capital Projects	\$ 105,250	\$1,394,750	\$ -	\$ -	\$ -	\$ -	\$1,500,000
Grant							-
Excise Tax/Downtown							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ 105,250	\$1,394,750	\$ -	\$ -	\$ -	\$ -	\$1,500,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design	105,250						105,250
Construction		1,394,750					1,394,750
Other Expenses							-
TOTAL	\$ 105,250	\$1,394,750	\$ -	\$ -	\$ -	\$ -	\$1,500,000

OPERATING IMPACT

ACTIVITY	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Salaries & Benefits	\$ 22,725	\$ 22,725	\$ 22,725	\$ 22,725	\$ 22,725	\$ 90,900
Services & Supplies	28,300	28,300	28,300	28,300	28,300	113,200
Other Impact						-
TOTAL	\$ 51,025	\$ 51,025	\$ 51,025	\$ 51,025	\$ 51,025	\$ 204,100



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: FY14-15

YEAR PROJECT BEGAN: FY14-15

TOTAL ESTIMATED PROJECT COST: \$300,000

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 even 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 FY13-14.

FUNDING PRIORITY: Medium - Maintains Existing Service Level



FUNDING SOURCES

ACTIVITY	Prior Years	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Capital Projects		\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ 300,000
Grant							-
Excise Tax/Downtown							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ 300,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning		50,000					50,000
Design							-
Construction		250,000					250,000
Other Expenses							-
TOTAL	\$ -	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ 300,000

OPERATING IMPACT

ACTIVITY	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT TITLE: Urban Trail Improvements

PROJECT NUMBER: P3024

PROJECT DESCRIPTION/SCOPE:

Work to include the planning of both Phase II and III of the Urban Trail Plans and the continued implementation of the trails plan. Design work will include the work on Phases II and III. This design will also include work to complete a number of gaps in the Urban Trail Plan where sections of sidewalks are needed and will include street striping and signage along the routes.

TOWN GOALS

TIMEFRAME: FY13-17

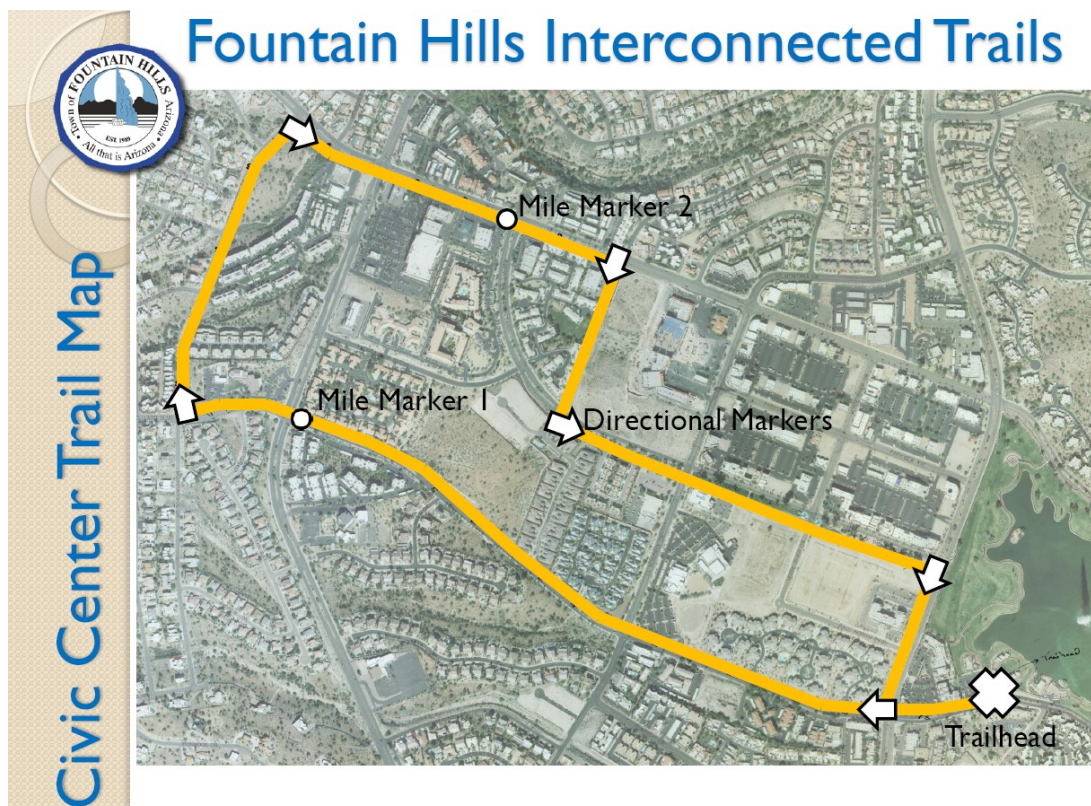
YEAR PROJECT BEGAN: FY12-13

TOTAL ESTIMATED PROJECT COST: \$130,000

PROJECT JUSTIFICATION:

Phase I was implemented in FY11-12. The proposed remaining work will complete the remaining two phases of the Urban Trail Plan. The Urban Trail Plan and its implementation was one of the goals set by the Council in FY11-12. This work will complete the plan.

FUNDING PRIORITY: Low - Provides an Expanded Level of Service



FUNDING SOURCES

ACTIVITY	Prior Years	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Capital Projects	\$ 70,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ -	\$ -	\$ 130,000
Grant							-
Excise Tax/Downtown							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ 70,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ -	\$ -	\$ 130,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design	70,000						70,000
Construction		20,000	20,000	20,000			60,000
Other Expenses							-
TOTAL	\$ 70,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ -	\$ -	\$ 130,000

OPERATING IMPACT

ACTIVITY	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact	1,000	1,000	1,000	1,000	1,000	4,000
TOTAL	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 4,000

PROJECT TITLE: Unpaved Alley Paving Projects

PROJECT NUMBER: S6003

PROJECT DESCRIPTION/SCOPE:

This project involves paving a number of unpaved alleys throughout the Town. The paving project is divided into five phases as follows:

Phase I: 1,400 LF from Panorama to Colony - Completed

Phase II: 870 LF from Tower to Panorama - Completed

Phase III: 890 LF from Panorama to Enterprise in FY14-15

Phase IV: 1,150 LF adjacent to Colony Wash and 770 linear feet from Fountain Hills Blvd to Glenbrook in FY15-16

Phase V: 635 LF from Desert Vista to Saxon Dr. and 410 LF from Tioga south and east of Panorama in FY16-17

TOWN GOALS

TIMEFRAME: FY10-17

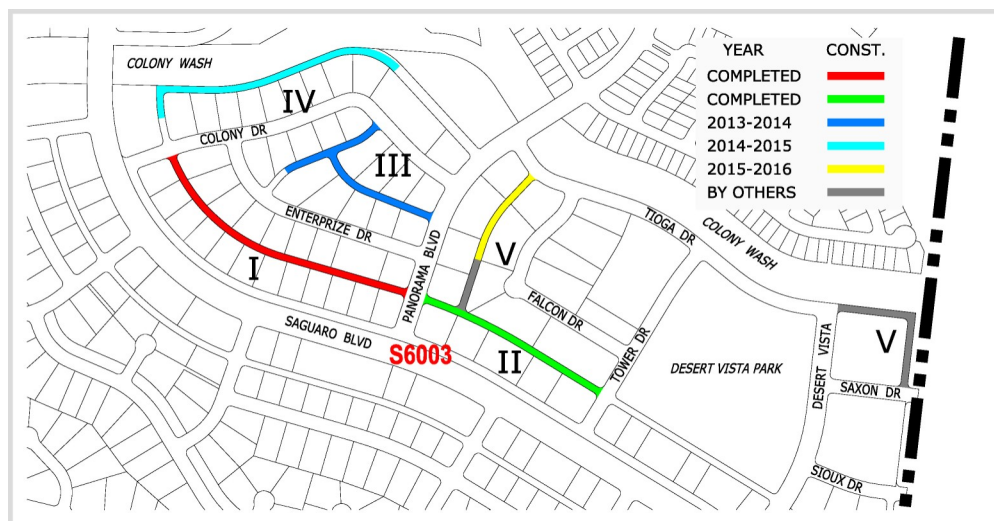
YEAR PROJECT BEGAN: FY09-10

TOTAL ESTIMATED PROJECT COST: \$695,000

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	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Capital Projects	\$ -	\$ 325,000	\$ 190,000	\$ 180,000	\$ -	\$ -	\$ 695,000
Grant							-
Excise Tax/Downtown							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ 325,000	\$ 190,000	\$ 180,000	\$ -	\$ -	\$ 695,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design		15,000	15,000	15,000			45,000
Construction		310,000	175,000	165,000			650,000
Other Expenses							-
TOTAL	\$ -	\$ 325,000	\$ 190,000	\$ 180,000	\$ -	\$ -	\$ 695,000

OPERATING IMPACT

ACTIVITY	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact	2,000	2,000	2,000	2,000	2,000	8,000
TOTAL	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 2,000	\$ 8,000

PROJECT TITLE: Shea Boulevard Widening

PROJECT NUMBER: S6005

PROJECT DESCRIPTION/SCOPE:

This project will widen Shea Boulevard to three lanes in each direction from the east Town boundary to approximately 1,000 feet west of Technology Drive. Also included in the project are improvements to the Shea and Saguaro intersection, a rubberized asphalt overlay of the existing pavement, curb and gutter, sidewalks, traffic signal improvements, traffic signal interconnect conduit, wiring and appurtenances.

TOWN GOALS

TIMEFRAME: FY10-15

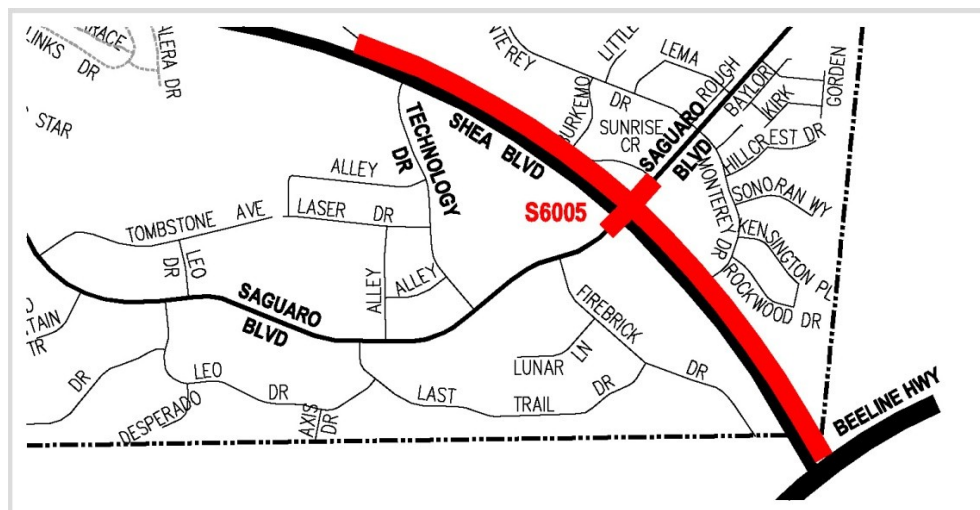
YEAR PROJECT BEGAN: FY09-10

TOTAL ESTIMATED PROJECT COST: \$4,360,000

PROJECT JUSTIFICATION:

Shea Boulevard is a road of regional significance and has an average traffic volume of 25,000 vehicles per day at Saguaro 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 MAG reimbursement in the FY12-13 Arterial Life Cycle Program (ALCP) is a maximum of \$709,000 in FY13-14, \$500,000 in FY14-15 and \$1,594,000 in FY16-17. The Town was also awarded MCDOT Special Project Funds in the amount of \$152,000 to provide for a rubberized asphalt overlay from the Beeline Highway (SR 87) to the eastern Town limit.

FUNDING PRIORITY: High - Leverage Local Funds



FUNDING SOURCES

ACTIVITY	Prior Years	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Capital Projects	\$ -	\$ 927,000	\$ -	\$ -	\$ -	\$ -	\$ 927,000
Grant		2,958,000					2,958,000
Excise Tax/Downtown							-
General							-
Developer		200,000					200,000
Development Fees		275,000					275,000
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$4,360,000	\$ -	\$ -	\$ -	\$ -	\$4,360,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Acquisition	\$ -	\$ 50,000	\$ -	\$ -	\$ -	\$ -	\$ 50,000
Planning							-
Design		150,000					150,000
Construction		4,160,000					4,160,000
Other Expenses							-
TOTAL	\$ -	\$4,360,000	\$ -	\$ -	\$ -	\$ -	\$4,360,000

OPERATING IMPACT

ACTIVITY	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT TITLE: Downtown Sidewalk Program

PROJECT NUMBER: S6009

PROJECT DESCRIPTION/SCOPE:

This project provides for the infill of sidewalks in the downtown area.

TOWN GOALS

TIMEFRAME: FY14-15

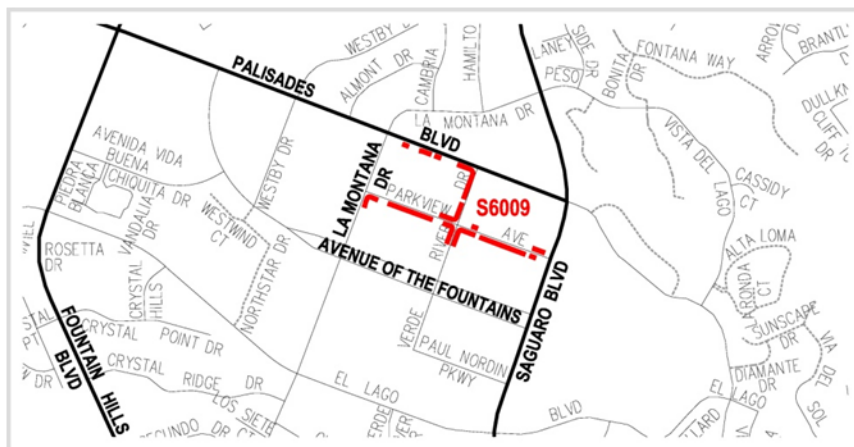
YEAR PROJECT BEGAN: FY14-15

TOTAL ESTIMATED PROJECT COST: \$40,000

PROJECT JUSTIFICATION:

During the FY13-14 budget process, Council identified \$40,000 from the Downtown Strategy Fund to be utilized for the infill of sidewalks in the downtown area. Sidewalk priority locations have yet to be determined.

FUNDING PRIORITY: Low- Provides an Expanded level of Service



FUNDING SOURCES

ACTIVITY	Prior Years	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant							-
Excise Tax/Downtown		40,000					40,000
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ 40,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design							-
Construction		40,000					40,000
Other Expenses							-
TOTAL	\$ -	\$ 40,000	\$ -	\$ -	\$ -	\$ -	\$ 40,000

OPERATING IMPACT

ACTIVITY	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT TITLE: Saguaro Boulevard Reconstruction

PROJECT NUMBER: S6010

PROJECT DESCRIPTION/SCOPE:

This project will reconstruct Saguaro Boulevard from Trevino Drive to Fountain Hills Boulevard including the removal and replacement of subgrade as required. Also included are major drainage improvements at Palisades, minor drainage improvements at various locations, and ADA improvements as required. Coordinate project with Palisades and Avenue of the Fountains traffic signal improvements (T5011).

TOWN GOALS

TIMEFRAME: FY14-15

YEAR PROJECT BEGAN: FY14-15

TOTAL ESTIMATED PROJECT COST: \$8,200,000

PROJECT JUSTIFICATION:

Saguaro Boulevard was one of the first streets constructed in Fountain Hills and is a major truck route. This reconstruction is the first major work performed on the street. There have been some repairs performed in areas over time, however, the overall condition of the asphalt requires reconstruction.

FUNDING PRIORITY: High - Prevents Irreparable Damage to Existing Facilities



FUNDING SOURCES

ACTIVITY	Prior Years	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant							-
Excise Tax/Downtown							-
General							-
Developer							-
Development Fees							-
Bonds		8,200,000					8,200,000
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$8,200,000	\$ -	\$ -	\$ -	\$ -	\$8,200,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design		500,000					500,000
Construction		7,700,000					7,700,000
Other Expenses							-
TOTAL	\$ -	\$8,200,000	\$ -	\$ -	\$ -	\$ -	\$8,200,000

OPERATING IMPACT

ACTIVITY	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	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: FY12-15

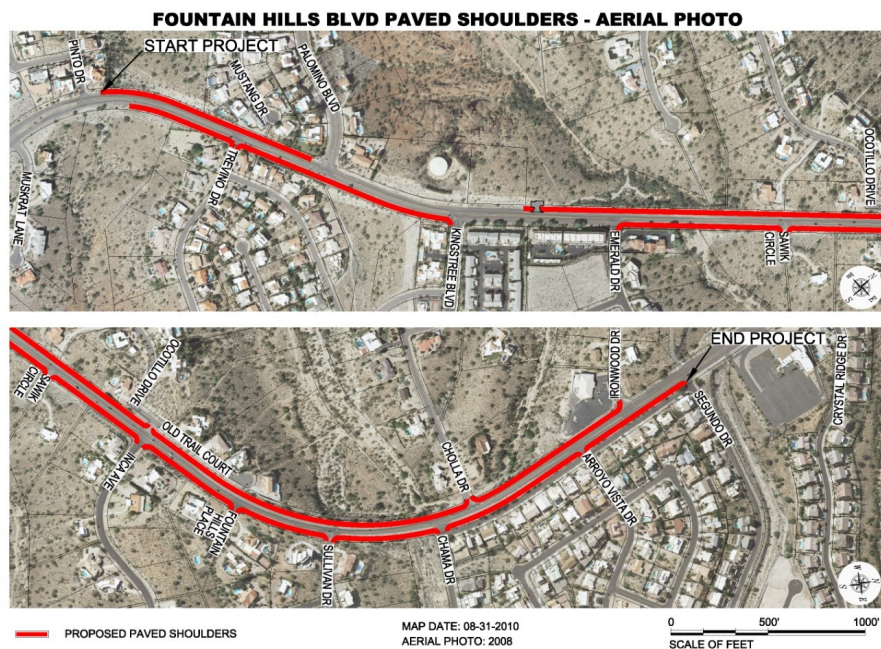
YEAR PROJECT BEGAN: FY11-12

TOTAL ESTIMATED PROJECT COST: \$396,000

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	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Capital Projects	\$ 100,000	\$ 41,000	\$ -	\$ -	\$ -	\$ -	\$ 141,000
Grant		255,000					255,000
Excise Tax/Downtown							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ 100,000	\$ 296,000	\$ -	\$ -	\$ -	\$ -	\$ 396,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design	100,000	25,000					125,000
Construction		271,000					271,000
Other Expenses							-
TOTAL	\$ 100,000	\$ 296,000	\$ -	\$ -	\$ -	\$ -	\$ 396,000

OPERATING IMPACT

ACTIVITY	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies	1,000	1,000	1,000	1,000	1,000	4,000
Other Impact						-
TOTAL	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 4,000

PROJECT TITLE: Highway Safety Improvement Program

PROJECT NUMBER: S6054

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.

TOWN GOALS

TIMEFRAME: FY14-15

YEAR PROJECT BEGAN: FY14-15

TOTAL ESTIMATED PROJECT COST: \$57,000

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 82% through grant funds.

FUNDING PRIORITY: High - Leverage Local Funds



FUNDING SOURCES

ACTIVITY	Prior Years	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Capital Projects	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grant		57,000					57,000
Excise Tax/Downtown							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ 57,000	\$ -	\$ -	\$ -	\$ -	\$ 57,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design							-
Construction		57,000					57,000
Other Expenses							-
TOTAL	\$ -	\$ 57,000	\$ -	\$ -	\$ -	\$ -	\$ 57,000

OPERATING IMPACT

ACTIVITY	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL		\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT TITLE: Shea Boulevard Eastbound Bike Lane

PROJECT NUMBER: S6056

PROJECT DESCRIPTION/SCOPE:

This project will provide an eastbound bike lane on Shea Boulevard from Palisades to Fountain Hills Boulevard.

TOWN GOALS

TIMEFRAME: FY14-15

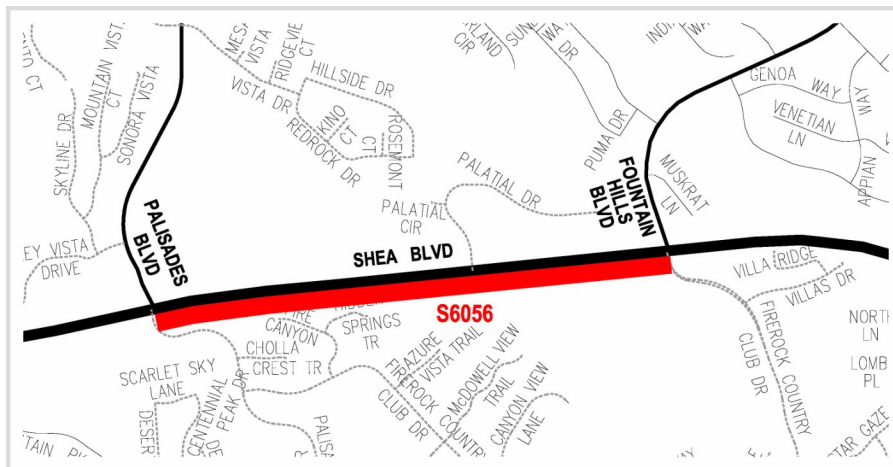
YEAR PROJECT BEGAN: FY14-15

TOTAL ESTIMATED PROJECT COST: \$380,000

PROJECT JUSTIFICATION:

Staff is working with ADOT to reallocate savings from favorable construction bids received for the Shea Gap Project (S6025) to complete the eastbound bike lane from Palisades to Fountain Hills Boulevard. This project will be administered by ADOT.

FUNDING PRIORITY: High - Leverage Local Funds



FUNDING SOURCES

ACTIVITY	Prior Years	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Capital Projects	\$ -	\$ 156,000	\$ -	\$ -	\$ -	\$ -	\$ 156,000
Grant		224,000					224,000
Excise Tax/Downtown							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ 380,000	\$ -	\$ -	\$ -	\$ -	\$ 380,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design		100,000					100,000
Construction		280,000					280,000
Other Expenses							-
TOTAL	\$ -	\$ 380,000	\$ -	\$ -	\$ -	\$ -	\$ 380,000

OPERATING IMPACT

ACTIVITY	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

PROJECT TITLE: Traffic Signal - Palisades and Saguaro Upgrades

PROJECT NUMBER: T5011

PROJECT DESCRIPTION/SCOPE:

Remove and replace existing traffic signal poles, foundations, mast arms, signal heads, and conduits to meet current standards.

TOWN GOALS

TIMEFRAME: FY13-15

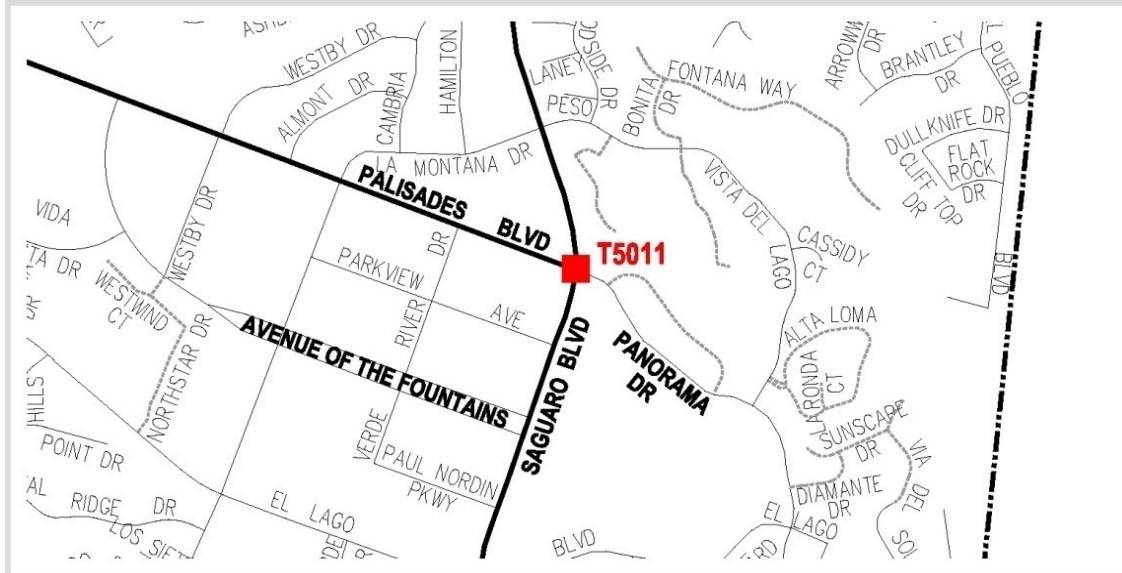
YEAR PROJECT BEGAN: FY13-14

TOTAL ESTIMATED PROJECT COST: \$400,000

PROJECT JUSTIFICATION:

The traffic signal at Palisades and Saguaro was built to Maricopa County standards prior to incorporation of the Town of Fountain Hills. Conditions of the traffic signal will be assessed annually until replacement is warranted.

FUNDING PRIORITY: Medium - Maintains Existing Service Level



FUNDING SOURCES

ACTIVITY	Prior Years	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Capital Projects		\$ 400,000	\$ -	\$ -	\$ -	\$ -	\$ 400,000
Grant							-
Excise Tax/Downtown							-
General							-
Developer							-
Development Fees							-
Bonds							-
Other Sources							-
Unfunded							-
TOTAL	\$ -	\$ 400,000	\$ -	\$ -	\$ -	\$ -	\$ 400,000

PROJECT EXPENSES

ACTIVITY	Prior Years	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Planning							-
Design		40,000					40,000
Construction		360,000					360,000
Other Expenses							-
TOTAL	\$ -	\$ 400,000	\$ -	\$ -	\$ -	\$ -	\$ 400,000

OPERATING IMPACT

ACTIVITY	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	TOTAL
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services & Supplies						-
Other Impact						-
TOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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 Development Services Director and Finance Director will submit an updated VRP to the Town Manager for review in February of each fiscal year. The Town Manager will review the proposal and forward the approved VRP to the Finance Director in March for inclusion in the Town's CIP budget proposal.

B. Format: The Development Services 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 Development Services 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 Development Services 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 Development Services Director, or his/her designee in compliance with the

Town's Purchasing Policy.

F. Amendments: The adopted VRP may be amended upon recommendation of the Development Services 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 Plan. Department Directors may request the addition of a new vehicle or transfer between departments to the VRP by submitting their request to the Development Services Director in January as part of the budget process.

The Development Services 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 Development Services 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 Development Services 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 Development Services 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 Development Services 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 Development Services 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 Development Services Director will be responsible for ensuring that this policy is followed and/or updated as necessary.

Fiscal Year 14-15 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 FY14-15, no vehicles are budgeted for vehicle replacements incorporating the revised schedules.

Vehicle Replacement Program Interfund Charges

Vehicle Replacement Interfund Charges						
Department	Vehicle No.	Description	Mod Year	Replacement Cost	Replacement Schedule	FY14-15
Development Services	148	Ford Escape Hybrid	2008	\$25,947.22	10 years/100,000 miles	\$2,699.55
Development Services	149	Ford Escape Hybrid	2008	\$25,947.22	10 years/100,000 miles	\$2,699.55
Fire	483 (L822)	American LaFrance	1998	\$444,527.00	25 years/120,000 miles	\$18,499.44
Fire	752 (E823)	Crimson	2008	\$369,225.00	15 years/120,000 miles	\$25,609.45
Fire	528 (E822)	American LaFrance	1999	\$396,032.00	15 years/120,000 miles	\$27,468.78
Fire	422 (S822)	Ford F550 4x4 (V0822)	2012	\$95,911.85	12 years/125,000 miles	\$8,315.56
Fire	(S823)	Equipment on Truck	2001	\$20,000.00	12 years/125,000 miles	\$1,700.00
Fire	? (S823)	Ford F550 4x4	2013	\$38,176.75	12 years/125,000 miles	\$1,908.84
Fire	166 (D822)	Ford F150 Supercab	2011	\$28,829.10	10 years/100,000 miles	\$2,999.38
Fire	140	Ford Escape Hybrid	2007	\$29,275.00	10 years/100,000 miles	\$2,839.64
Fire	053(7 (D823))	Ford F-150 4x4 Supercab	2009	\$43,004.00	10 years/100,000 miles	\$4,474.14
Community Services	11	John Deere 4x2 Gator	2013	\$6,590.00	7 years/15,000 hours	\$960.26
Community Services	141	Ford F-150	2007	\$15,174.00	10 years/100,000 miles	\$1,578.70
Community Services	20	Bobcat	2013	\$7,943.04	7 years/15,000 hours	\$1,157.41
Community Services	17	John Deere 4x2 Gator	2012	\$6,248.47	7 years/15,000 hours	\$960.26
Community Services	146	Ford F-150 Pickup	2007	\$18,288.49	10 years/100,000 miles	\$1,902.73
Community Services	SS1	Tenant Sweeper	2013	\$44,372.45	7 years/15,000 hours	\$6,465.70
Community Services	3	Sand Pro 3040	2013	\$21,398.39	7 years/15,000 hours	\$3,118.05
Community Services	16	Bobcat	2012	\$8,965.95	7 years/15,000 hours	\$1,306.47
Community Services	18	Mule	2012	\$8,119.82	7 years/15,000 hours	\$1,183.17
Community Services	14	Kubota KU	2007	\$27,199.30	20 years/15,000 hours	\$1,414.91
Community Services	142	Ford F-250 Pickup	2007	\$19,089.00	10 years/100,000 miles	\$1,986.02
Community Services	147	Ford F-150 Pickup	2007	\$18,288.49	10 years/100,000 miles	\$1,902.73
Community Services	143	Ford Escape Hybrid	2006	\$28,247.00	10 years/100,000 miles	\$2,938.82
Development Services	93	Mobile Tank Unit		\$0.00	non-replaceable	
Development Services	145	Ford F-150 Supercab	2007	\$25,403.00	10 years/100,000 miles	\$2,750.83
Development Services	158	Ford F-250 Pickup W/Liftgate	2014	\$24,089.98	10 years/100,000 miles	\$2,409.00
Development Services	154	Ford F-250 Pickup W/Lights	2013	\$27,293.70	10 years/100,000 miles	\$2,783.96
FUND 100 TOTAL						\$134,033.33
Development Services/Streets	155	Ford F-250 Pickup W/Lights	2014	\$24,047.88	10 years/100,000 miles	\$2,404.79
Development Services/Streets	157	Ford F-250 Supercab W/Lights	2014	\$26,440.10	10 years/100,000 miles	\$2,644.01
Development Services/Streets	20	Caterpillar 426C	1999	\$88,393.00	20 years/15,000 hours	\$4,598.20
Development Services/Streets	135	Freightliner M2106	2005	\$63,170.13	15 years/125,000 miles	\$4,381.48
Development Services/Streets	151	Ford F-450 Pickup	2008	\$52,182.78	12 years/125,000 miles	\$4,524.25
Development Services/Streets	156	Ford F-250 Pickup W/Lights	2014	\$24,047.88	10 years/100,000 miles	\$2,404.79
Development Services/Streets	5085M	John Deere 5085M Tractor	2013	\$59,555.10	20 years/15,000 hours	\$2,977.76
Development Services/Streets	134	Ford F-550 Pickup-Bucket	2005	\$41,994.25	12 years/125,000 miles	\$3,569.51
Development Services/Streets	134A	Aerial Platform-2005 Ford F550	2005	\$36,597	24 years/125,000 miles	\$2,239.74
Development Services/Streets	113	Ford F-150 Pickup	2001	\$23,764.00	10 years/100,000 miles	
Development Services/Streets	138	Ford Escape Hybrid	2006	\$27,748.00	10 years/100,000 miles	\$2,886.90
Development Services/Streets	144	Ford Escape Hybrid	2007	\$29,844.00	10 years/100,000 miles	\$1,040.40
Development Services/Streets	9	1998 John Deere 4x2 Gator	1998	\$10,000.00	7 years/15,000 hours	
FUND 200 TOTAL						\$33,671.82
					Fund 100	\$134,033.33
					Fund 200	\$33,671.82
					Total	\$167,705.15





Comprehensive Fee Schedule

Effective July 1, 2014



Description	Fee - FY14-15
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
E - Mail Document Service	\$0.00
Returned Check Fee	\$30.00
Incoming Wire Transfer Fee	\$35.00
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 (hard copy only)
CD of Council Meeting	\$25.00 ea
Other Materials on CD	\$25.00 ea

Description	Fee - FY14-15
MISCELLANEOUS FEES (CONT.)	
Reports	
License Report (Non - Commercial Use)	\$25.00 (CD or hard copy)
License Report (Commercial Use)	\$50.00 (CD or hard copy)
Maps	
8 1/2" x 11" Street/Index Map "Typical" (B&W)	\$0.50
8 1/2" x 11" Street/Index Map "Typical" (Color)	\$2.00
8 1/2" x 11" Street/Index Map "Typical" (Photo)	\$3.00
11" x 17" Street/Index Map "Typical" (B&W)	\$0.75
11" x 17" Street/Index Map "Typical" (Color)	\$3.00
11" x 17" Street/Index Map "Typical" (Photo)	\$5.00
11" x 17" Aerial Site Plan (Photo)	\$20.00
24" x 36" Street/Final Plat/As Built (B&W)	\$3.00
24" x 36" Street/Final Plat/As Built (Color)	\$20.00
24" x 36" Street/Final Plat/As Built (Photo)	\$30.00
60" x 60" Street/Bldg/Develop/Plat/Plot (B&W)	\$35.00
60" x 60" Street/Bldg/Develop/Plat/Plot (Color)	\$75.00
60" x 60" Street/Bldg/Develop/Plat/Plot (Photo)	\$125.00
Plat Map Book	\$25.00
Adopt A Street	
Fee, per sign	\$30.00
DOG LICENSE	
Non - neutered dog	\$42.00
Spayed/Neutered dog	\$17.00
Over 65 with neutered dog	\$6.00
Service Dog	No fee
Replacement Dog Tag	\$4.00
Late fee neutered dog (per month)	\$2.00
Late fee non - neutered dog (per month)	\$4.00

<u>Description</u>	<u>Fee - FY14-15</u>
<i>BUSINESS LICENSE FEES</i>	
Providers of services, wholesalers and manufacturers with a fixed place of business within the town limits	\$50.00/application and first year fee
Retail merchants, restaurants, bars, contractors and rental of real and personal property with a fixed place of business within the town limits and persons engaging in the sale or rental of rental of real estate	\$50.00/application and first year fee
Wholesalers, manufacturers and providers of services without a fixed place of business within the town limits	\$50.00/application and first year fee
Retail merchants, etc. (as above) without a fixed place of business within the town limits	\$50.00/application and first year fee
Annual renewal fee for business within the town limits	\$35.00
Annual renewal fee for business without a fixed place of business within the town limits	\$50.00
Peddlers, solicitors and mobile merchants	\$250.00/calendar quarter or fraction thereof
Peddler investigation fee (per person)	\$25.00
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



Description	Fee - FY14-15
BUSINESS LICENSE FEES (CONT.)	
Amusement Company, such as ferris wheel, merry - go - round, etc., not part of a circus	\$100.00/day
Tent Show	\$100.00/day
Wrestling Exhibition	\$100.00/day
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
Verification of License Letter	\$10.00
FALSE ALARM SERVICE CHARGES (PER CALENDAR YEAR)	
First and second	None
Third	\$50.00
Fourth	\$75.00
Fifth and Sixth	\$100.00
Seventh or more	\$200.00 each
WIRELESS COMMUNICATIONS (CELL TOWER ON TOWN PROPERTY)	
Application Fee, each location	\$100.00
SPECIAL EVENT PERMITS	
Special Event Permits - Business	
Application Fee - Business	\$100.00
Permit Fee	\$50 per day (not to exceed \$400)
Special Event Permits - Non-Profit	
Application Fee - Charitable Organization	\$50.00
Permit Fee	\$25 per day (not to exceed \$200)
Special Event Permits - Extra Fees	
Special Event Liquor Application Fee	See alcohol license application fees
Utility Fees	Actual cost of usage

Description	Fee - FY14-15
ALCOHOL LICENSE APPLICATION	
Person Transfer Fee	\$150.00
Location Transfer Fee	\$150.00
Probate/Will Assignment/Divorce Decree	\$150.00
Extension of Premise	\$25.00
Sampling Permit	\$25.00
Initial/Interim Application Fee	
01 - In State Producer	\$500.00
02 - Out of State Producer	\$500.00
03 - Domestic Microbrewery	\$500.00
04 - In State Wholesaler	\$500.00
05 - Government	\$500.00
06 - Bar, All Spirituous Liquors	\$500.00
07 - Beer & Wine Bar	\$500.00
08 - Conveyance	\$500.00
09 - Liquor Store	\$500.00
10 - Beer & Wine Store	\$500.00
11 - Hotel/Motel	\$500.00
12 - Restaurant	\$500.00
13 - Domestic Farm Winery	\$500.00
14 - Private Club	\$0.00
15 - Special Event	\$25.00
16 - Wine Festival/Wine Fair	\$25.00
ADULT ORIENTED BUSINESS LICENSE	
Application Fee - Business	\$500.00
Application Fee - Provider	\$100.00
Application Fee - Manager	\$100.00
Application Fee - Employee (per person)	\$50.00
License Fee - annual - Business	\$200.00
License Fee - annual - Provider	\$100.00
License Fee - annual - Manager	\$100.00
CABLE LICENSE	
Initial License Application	\$2,500.00
Transfer of ownership	\$2,000.00
License modification, pursuant to 47 USC Sec 545	\$2,500.00
Other License modification	up to \$2000
License fee - quarterly	5% of gross receipts
Late fee (after 30 days)	5% plus interest of 1 1/2% per mo

Description	Fee - FY14-15
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 600 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 PERMITS	
Base Permit Fee	\$50.00
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.

Description	Fee - FY14-15
ENCROACHMENT PERMITS (CONT.)	
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 Cuts	\$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.
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 600 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.



Description	Fee - FY14-15
PUBLIC WORKS FEES	
Easement or Right - of - Way Abandonment	\$350.00
Revocation Administrative Fee	\$300.00
Engineering Plan Review Fee	\$350 per sheet
Failure to barricade or improper barricading	Up to \$1,000
PLANNING & ZONING FEES	
Area Specific Plans and amendments	\$3,000.00 plus \$ 100.00 per acre ^
General Plan Amendments	Minor \$ 3,000.00 plus \$ 100.00 per acre ^
	Major \$ 5,000.00 plus \$ 100.00 per acre ^
Preliminary Plats	\$2,000.00 plus \$50.00 per lot, unit or tract ^
Time Extension Fee	\$100.00
Final Plats	\$1,500.00 plus \$ 50.00 per lot, unit or tract ^
Replats (lot joins, lot divisions, lot line adjustments)	\$500.00 up to three lots, more than 3 lots use Final Plat fees ^
Plat Abandonments	\$500.00 ^
Condominium Plats	\$1,500.00 plus \$50.00 per unit ^
Cut & Fill Waiver	\$300
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).
Tract Housing	\$500.00 per Standard Plan + \$100 per House Façade Variant
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.

Description	Fee - FY14-15
PLANNING & ZONING FEES (CONT.)	
Concept Plans or Design Review	\$500.00 plus \$200.00 for every 5,000 square feet or portion thereof ^
	Time Extension fee \$ 100.00
Site Plan Review	\$500.00 plus \$ 100 per acre or portion thereof
Hillside Protection Easement (HPE)	\$20.00 + applicable recording fees
Land Disturbance Fee	\$10.00 per sq. ft.
Rezoning (Map)	\$2,000.00 plus \$100 per acre or portion thereof plus notification *^
Ordinances (Text Amendments)	\$2,000.00 plus notification *
Planned Unit Developments (PUD)	\$2,000.00 plus \$100 per acre or portion thereof plus notification *
Development Agreements	\$2,500.00 plus \$100 per acre or portion thereof
Zoning Verification Letter	\$200.00
Continuance at Applicant Request	\$250.00
Variances	\$1,000.00 plus \$300.00 for each additional variance plus notification *^
Appeal of a Decision by the Zoning Administrator	\$1,000.00 plus notification *^
Special Use Permits and amendments	\$500.00 plus notification *^
Temporary Use Permits	\$200.00 plus notification *
Time extension Fee	\$100.00
Comprehensive Sign Plans and amendments	\$200.00
Administrative Use Permit/Grand Opening Sign Permit	\$25.00
Landscape Plan Review	\$420.00 plus \$ 2,500.00 refundable deposit **
Saguaro Cactus Permit	\$90.00
Temporary Visitor Permit (RV Parking):	\$25.00
New/Address Change	\$25.00
Notification fee	\$5.00 per mailing label and \$ 60.00 per newspaper posting as appropriate
*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 - FY14-15
DEVELOPMENT FEES	
Single Family Residential	\$8,130
Multi - Family Residential	\$6,458/dwelling
Commercial	\$4.034/s.f.
Office	\$3.034/s.f.
Hotel	\$2.457/s.f.
Industrial	\$1.434/s.f.
Fee Detail (From Above)	
Law Enforcement	
Residential ⁽¹⁾	\$112/dwelling
Non - Residential ⁽²⁾	\$0.070/s.f.
Park & Recreation	
Residential ⁽¹⁾	\$2,118/dwelling
Streets	
SF - Residential	\$5,614/dwelling
MF - Residential	\$3,942/dwelling
Commercial	\$3.835/s.f.
Hotel	\$2.258/s.f.
Industrial	\$1.235/s.f.
Office	\$2.835/s.f.
Fire and Emergency	
Residential ⁽¹⁾	\$207/dwelling
Non - Residential ⁽²⁾	\$0.129/s.f.
Library and Museum	
Residential ⁽¹⁾	\$79/dwelling
⁽¹⁾ Residential includes single and multi - family dwelling units	
⁽²⁾ Non - residential includes commercial and industrial square footage	

Description	Fee - FY14-15
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	\$.75 Sq.ft.
Area non A/C	\$.45 Sq.ft.
Single Family Remodel	\$.23 Sq.ft.
Area non A/C	\$.14 Sq.ft.
Specialized Permits (Includes Permit and Plan Review)	
Solar Photovoltaic	\$140.00
Fence Walls	\$70 plus \$.15 LF (Linear Footage)
Retaining Walls	\$70 plus \$1.53 LF (Linear Footage)
Pools & Spas Attached	\$290 plus \$.90 Sq.ft.
Stand Alone Spas	\$235.00
Landscape Plan Review	\$420.00 plus \$ 2,500.00 refundable deposit **
Miscellaneous Permits (Plan Review Fee Extra)	
One Discipline Permit	\$70.00 (building, plumbing, electrical or mechanical)
Combination Permit	\$210.00
Miscellaneous Plan Review	
Minimum Plan Review	\$70.00 per hour (1 - hour Minimum)
Revisions to Approved Plans	\$70.00 per hour (1 - hour Minimum)
Over the Counter Permits (No Plan Review Fee Required)	
Plumbing - Water heater replacement/solar (minor)	\$70.00
Mechanical - HVAC replacement (minor)	\$70.00
Electrical - panel repair (minor)	\$70.00
Demolition (minor)	\$120.00

Description	Fee - FY14-15
<i>BUILDING PERMIT/PLAN CHECK – SINGLE FAMILY RESIDENTIAL (CONT.)</i>	
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
Penalty for failure to obtain a building permit	50% of Bldg Permit/Plan Review Fee
<i>BUILDING PERMIT/PLAN CHECK - COMMERCIAL</i>	
<i>Commercial Building Permit (Includes Permit and Plan Review)</i>	
Area with A/C	\$.75 Sq.ft.
Covered Area (non A/C)	\$.45 Sq.ft.
<i>Commercial Building Addition</i>	
Area with A/C	\$.75 Sq.ft.
Covered Area (non - A/C)	\$.45 Sq.ft.
<i>Commercial Remodel (Existing)</i>	
Area with A/C	\$145 plus \$.23 Sq.ft.
Covered Area (non - A/C)	\$145 plus \$.14 Sq.ft.

Description	Fee - FY14-15
BUILDING PERMIT/PLAN CHECK – COMMERCIAL (CONT.)	
Shell Only for Commercial & Multi - Family	
Area with A/C	\$205 plus \$.50 Sq.ft.
Covered Area (non - A/C)	\$70 plus \$.45 Sq.ft.
Commercial Tenant Improvement	
Area with A/C	\$145 plus \$.23 Sq.ft.
Covered Area (non - A/C)	\$145 plus \$.14 Sq.ft.
Apartments/Condominiums	
Livable Area with A/C	\$.75 Sq.ft.
Covered Area (non - A/C)	\$.45 Sq.ft.
Apartments/Condominiums with 4 or more units & recurring floor plans (0 - 100,000 livable sq.ft.)	
Livable Area with A/C	\$.60 Sq.ft.
Covered Area (non - A/C)	\$.37 Sq.ft.
Apartments/Condominiums with 4 or more units & recurring floor plans (Over 100,000 livable sq.ft.)	
Livable Area with A/C	\$.53 Sq.ft.
Covered Area (non - A/C)	\$.33 Sq.ft.
Specialized Permits (Includes Permit and Plan Review)	
Solar Photovoltaic	\$140.00
Fence Walls	\$70 plus \$.15 Lf (Linear Footage)
Retaining Walls	\$70 plus \$1.53 LF (Linear Footage)
Pools & Spas Attached	\$290 plus \$.90 Sq.ft.
Stand Alone Spas	\$235.00
Landscape Plan Review	\$420.00 plus \$ 2,500.00 refundable deposit **

<u>Description</u>	<u>Fee - FY14-15</u>
<i>BUILDING PERMIT/PLAN CHECK – COMMERCIAL (CONT.)</i>	
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	
	\$100.00
Refund for cancelled Commercial Building permit (must be done in writing)	
	35% of building permit fee paid

Description	Fee - FY14-15
<i>FIRE SAFETY FEES</i>	
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 effective 1/1/12
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
<i>ABATEMENT FEES</i>	
Inspection fee	\$70.00 per hour (1 - hour minimum)
Reinspection fee	\$150.00 per trip
<i>PARK FACILITY RENTALS</i>	
Park Rental Fees - Resident	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
Open Turn Areas - 3 hour minimum ⁽¹⁾	\$50.00
Performance Pad (Amphitheater) - 3 hour minimum ⁽¹⁾	\$75.00
Tennis Courts - 90 minute reservation	\$5.00 without lighting
Tennis Courts - 90 minute reservation	\$7.00 with lighting

Description	Fee - FY14-15
PARK FACILITY RENTALS (CONT.)	
Park Rental Fee Extras	
Athletic Field Lights (2 hour minimum)	\$10.00 Per Hour
Athletic Field – Prep & Bases	\$25.00 Each
Alcohol Permit with Park Reservation	\$10.00 For 50 Consuming Adults
Fountain Operation	\$265.00 Per Half - Hour
Staff (2 hour minimum)	\$21 - \$38 Per Hour
Park Rental Fees - Non - Resident	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
Open Turf Areas - 3 hour minimum ⁽¹⁾	\$75.00
Performance Pad (Amphitheater) - 3 hour minimum ⁽¹⁾	\$112.50
Tennis Courts - 90 minute reservation	\$10.00 without lights
Tennis Courts - 90 minute reservation	\$14.00 with lights
Park Rental Fee Extras	
Athletic Field Lights - 2 hour minimum	\$10.00 Per Hour
Athletic Field – Prep & Bases	\$25.00 Each
Alcohol Permit with Park Reservation	\$10.00 For 50 Consuming Adults
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 - FY14-15
COMMUNITY CENTER RENTALS	
Community Center Rental - Resident/Non-Profit (Tier 2)	Per Hour
Any Meeting Room - 2 hour minimum	\$15.00 Per Hour
One Ballroom (30 - 90 people)	
Minimum 4 hours	\$32.50
Two Ballrooms *(91 - 160 people)	
Minimum 4 hours ^{(1) (2)}	\$65.00
Minimum 4 hours ^{(1) (2)}	\$97.50
Grand Ballroom *(251 - 450 people)	
Minimum 4 hours ^{(1) (2)}	\$130.00
Lobby	Per Hour
4 hour minimum	\$31.25
Grand Ballroom & Lobby (2)	
All Day Rate (Monday - Thursday 7:00 am to Midnight)	\$1,600.00
All Day Rate (Friday - Saturday 7:00 am to Midnight)	\$2,000.00
Kitchen Usage Fee per Ballroom	\$30.00
Weekend Rates: Friday & Saturday (no rentals on Sunday)	Weekend Rates: Friday-Sunday
Ballroom 3 (includes patio access and views)*	Per Hour
4 hour minimum ^{(1) (2)}	\$37.50
Ballroom 4 (includes patio access and views)	
4 hour minimum ⁽²⁾	\$37.50
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	\$75.00
*Ballroom 3 not available as a standalone rental	



Description	Fee - FY14-15
COMMUNITY CENTER RENTALS (CONT.)	
Community Center Rental - Non-Resident/Commercial (Tier 3)	Per Hour
Any Meeting Room	\$35.00
One Ballroom (30-90 people) 4 hour minimum	\$75.00
Two Ballrooms *(91 - 160 people) 4 hour minimum	\$150.00
Three Ballrooms*(161 - 250 people) 4 hour minimum	\$225.00
Grand Ballroom *(251 - 450 people) 4 hour minimum	\$300.00
Lobby 4 hour minimum	\$62.50
Grand Ballroom & Lobby	
All Day Rate (Monday - Thursday 7:00 am to Midnight)	\$4,000.00
All Day Rate (Friday - Saturday 7:00 am to Midnight)	\$5,000.00
Kitchen Usage Fee per Ballroom	\$60.00
Weekend Rates: Friday & Saturday (no rentals on Sunday)	Weekend Rates: Friday-Sunday
Ballroom 3 (includes patio access and views)* 4 hour minimum	Per Hour \$112.50
Ballroom 4 (includes patio access and views) 4 hour minimum	\$112.50
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	\$112.50
*Ballroom 3 not available as a standalone rental	

Description	Fee - FY14-15
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	
Microphones	
Wireless	\$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



<u>Description</u>	<u>Fee - FY14-15</u>
COMMUNITY CENTER RENTALS (CONT.)	
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
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	
Microphones	
Wireless	\$15.00
Speaker Table (Includes Mixing Board)	\$15.00 each
Conference Phone	\$20.00
Portable Sound System (Includes Mixing Board and/or Portable Speaker)	\$50.00
CD Player	\$20.00
Electricity (per booth)	
110 V	\$25.00
220 V	\$75.00

Description	Fee - FY14-15
COMMUNITY CENTER RENTALS (CONT.)	
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



<u>Description</u>	<u>Fee - FY14-15</u>
<i>COURT FEES</i>	
Non - Sufficient Funds (checks returned to Court)	\$29.00 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	\$25.00 per defaulted charge
Warrant	\$50.00 per warrant issued
Diversion Program Rescheduling	\$25.00
Court Clerk	\$17.00
Court User	\$10.00 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 Position

Position Title	FY10-11 Authorized FTE	FY11-12 Authorized FTE	FY12-13 Authorized FTE	FY13-14 Authorized FTE	FY14-15 Proposed FTE
<u>Municipal Court</u>					
Presiding Judge	1.00	1.00	1.00	1.00	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	2.00	2.00	1.00	1.00
Authorized FTE	5.00	5.00	5.00	4.00	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	1.00	1.00	-
Administrative Services Director					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	1.00	1.00	0.75	-
Volunteer Coordinator	0.75	0.88	0.88	0.88	1.00
Economic Development Administrator	1.00	1.00	1.00	-	-
Economic Development Specialist				0.63	0.63
Information Technology Coordinator	1.00	1.00	1.00	1.00	-
Information Technology Administrator	-	-	-	-	1.00
Information Technology Technician	0.50	0.75	0.75	0.50	-
Finance Director	-	-	-	-	1.00
Accounting Supervisor	1.00	1.00	1.00	1.00	-
Accountant	-	-	-	-	1.00
Financial Services Technician	1.00	0.75	0.75	0.50	1.00
Accounting Clerk	0.50	0.50	0.50	0.50	0.63
Customer Service Representative II	0.50	0.70	0.80	0.80	0.70
Authorized FTE	11.25	11.58	11.68	10.56	10.96



Schedule of Authorized Position

Position – Title	FY10-11 Authorized FTE	FY11-12 Authorized FTE	FY12-13 Authorized FTE	FY13-14 Authorized FTE	FY14-15 Proposed FTE
<u>Development Services</u>					
Developmental Services Director	1.00	1.00	1.00	1.00	1.00
Town Engineer	1.00	1.00	1.00	1.00	1.00
Civil Engineering Inspector	1.00	1.00	1.00	1.00	1.00
Planner - Environmental (Stormwater)	1.00	1.00	-	-	-
Executive Assistant	1.00	1.00	1.00	1.00	1.00
Facilities Supervisor	1.00	1.00	-	-	-
Facilities/Environmental Supervisor	-	-	1.00	1.00	1.00
Facilities Maintenance Tech	1.00	1.00	1.50	1.00	1.00
Custodian	1.25	1.25	1.25	1.25	1.30
Street Superintendent	1.00	1.00	1.00	1.00	1.00
Open Space & Landscape Specialist	1.00	-	-	-	-
Fleet Mechanic/Open Space-Landscape Spec	1.00	1.00	1.00	1.00	1.00
Traffic Signal Technician I	0.50	-	-	-	-
Traffic Signal Technician II	1.00	1.00	1.00	1.00	1.00
Street Maintenance Technician	4.00	3.00	3.00	1.00	1.00
Senior Planner	1.00	1.00	1.00	1.00	1.00
Planner	0.50	-	-	-	-
GIS Technician/CAD Operator	1.00	1.00	1.00	1.00	1.00
Code Enforcement Officer	1.00	1.50	1.00	1.00	1.00
Chief Building Official/Plans Examiner	-	-	1.00	1.00	1.00
Chief Building Official	1.00	1.00	-	-	-
Plans Examiner	1.00	0.50	-	-	-
Building Permit Technician	1.00	1.00	1.00	1.00	1.00
Authorized FTE	23.25	20.25	18.75	16.25	16.30



Schedule of Authorized Position					
Position – Title	FY10-11 Authorized FTE	FY11-12 Authorized FTE	FY12-13 Authorized FTE	FY13-14 Authorized FTE	FY14-15 Proposed FTE
<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
Recreation Assistant	2.35	2.45	2.45	2.45	-
Tourism Assistant	-	-	-	-	0.50
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	3.00	3.00	2.00	1.00	1.00
Park Attendant	-	-	-	-	2.45
Groundskeeper	2.00	2.00	3.00	3.00	3.00
Customer Service Representative II	0.50	0.30	0.30	0.30	0.30
Events Coordinator - Community Center	1.00	1.00	1.00	1.00	-
Events & Operations Supervisor - CC					1.00
Operations Coordinator - Community Center	1.00	1.00	1.00	1.00	1.00
Operations Support Worker	1.50	2.00	1.65	1.65	1.65
Operations Support Assistant	0.50	-	-	-	-
Customer Service Representative I	1.00	1.00	1.00	1.00	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	21.63	21.53	21.18	20.18	20.56
Total Authorized FTE	<u>61.13</u>	<u>58.36</u>	<u>56.61</u>	<u>50.99</u>	<u>51.45</u>

The continued 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.

Compared to the high of 115 FTEs in FY01-02, the current level of 51 FTEs represents a total decrease of 56% over a twelve year period.

Pay Plan



FY14-15 PAY PLAN

Exempt Positions

Position Title	Minimum	Maximum	Previous Range
Finance Director	\$ 83,323	\$ 118,494	\$77,542 - \$ 110,273
Development Services Director	82,044	116,675	82,044 - 116,675
Town Engineer	78,870	112,161	75,283 - 107,060
Administrative Services Director	73,809	104,978	68,082 - 96,819
Community Services Director	73,523	104,557	72,277 - 102,785
Court Administrator	65,864	93,665	65,864 - 93,665
Town Clerk	60,548	86,105	58,419 - 83,078
Chief Building Official/Plans Examiner	58,263	82,856	54,891 - 78,061
Street Superintendent	57,042	81,119	52,056 - 74,029
Senior Planner	56,807	80,785	56,193 - 79,912
Recreation Supervisor	52,906	75,238	52,056 - 74,029
Parks Supervisor	51,106	72,678	51,106 - 72,678
Information Technology Administrator	50,511	71,832	48,610 - 69,128
Facilities/Environmental Supervisor	49,694	70,670	46,000 - 65,417
Events and Operations Supervisor - Comm. Ctr.	46,328	65,883	- -
Executive Assistant to Town Manager/Council	46,000	65,417	46,000 - 65,417
Senior Services Supervisor	44,122	62,746	43,642 - 62,063
Accountant	42,463	60,387	- -
Recreation Program Coordinator	40,111	57,042	39,253 - 55,822
Operations Coordinator - Community Ctr.	37,282	53,019	35,676 - 50,735
Volunteer Coordinator	32,635	46,410	29,536 - 41,995

Non-Exempt Positions

Position Title	Minimum	Maximum	Previous Range
Economic Development Specialist	\$ 28.30	\$ 40.25	\$ - - \$ -
GIS Technician/CAD Operator	22.50	32.00	20.39 - 29.00
Traffic Signal Technician II	21.95	31.22	20.39 - 29.00
Civil Engineer Inspector	19.54	27.79	19.54 - 27.79
Code Enforcement Officer	18.34	26.08	18.16 - 25.83
Executive Assistant	18.34	26.08	17.17 - 24.42
Fleet Mechanic/Open Space-Landscape	17.89	25.44	17.89 - 25.44
Park Operations Lead	17.89	25.44	17.89 - 25.44
Facilities Maintenance Technician	16.56	23.55	16.56 - 23.55
Building Permit Technician	16.13	22.94	16.13 - 22.94
Senior Court Clerk	15.69	22.31	15.47 - 22.00
Street Maintenance Technician	15.69	22.31	15.00 - 21.33
Court Clerk	15.00	21.33	13.75 - 19.55
Financial Services Technician	15.00	21.33	15.00 - 21.33
Accounting Clerk	14.51	20.63	13.75 - 19.55
Customer Service Representative II	14.51	20.63	14.20 - 20.19
Activities Coordinator - Senior Services	14.20	20.19	14.20 - 20.19
Customer Service Representative I	12.93	18.41	11.57 - 16.47
Home Delivered Meals Coordinator	12.65	18.01	11.57 - 16.47
Groundskeeper	12.65	18.01	12.36 - 17.60
Operations Worker - Community Center	12.65	18.01	12.36 - 17.60
Custodian	11.69	16.62	11.16 - 15.87
Park Attendant	11.69	16.62	9.92 - 14.11
Activities Assistant - Senior Services	11.69	16.62	9.92 - 14.11
Tourism Assistant	11.69	16.62	- - -



RESOLUTION NO. 2014-20

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE TOWN OF FOUNTAIN HILLS, ARIZONA, ADOPTING THE TENTATIVE BUDGET AS THE 2014-2015 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 1, 2014, prepare (i) a full and complete statement of the Town's financial affairs for the preceding fiscal year, (ii) an estimate of the different amounts that will be required to meet the Town's public expense for the current fiscal year, including all of the items prescribed by ARIZ. REV. STAT. § 42-17102 and (iii) a summary schedule of estimated expenditures and revenues, which was prepared according to forms supplied by the Auditor General and entered in the Town Council's minutes; and

WHEREAS, in accordance with the Applicable Law, and following due public notice, the Town Council met on May 1, 2014, at which meeting any taxpayer was provided the opportunity to appear and be heard in favor of or against any proposed expenditure or tax levy; and

WHEREAS, publication has been duly made as required by law, of said estimates together with a notice that the Town Council would meet on June 5, 2014, 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, 2014 through June 30, 2015.

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 5, 2014.

FOR THE TOWN OF FOUNTAIN HILLS:


Linda M. Kavanagh, Mayor

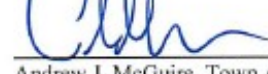
REVIEWED BY:


Kenneth W. Buchanan, Town Manager

ATTESTED TO:


Bevelyn J. Bender, Town Clerk

APPROVED AS TO FORM:


Andrew J. McGuire, Town Attorney

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. Or 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

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

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

In. ft.-Lineal (Linear) Feet

LTAP-Local Technical Assistance Program

LTAF-Local Transportation Assistance Fund

MAG-Maricopa Association of Governments

MCFC-Maricopa County Flood Control District

MCSO-Maricopa County Sheriff's Office

MH-Manhole

MHz-Megahertz

MPC-Municipal Property Corporation

MSRB-Municipal Securities Rulemaking Board

NACSLB-National Advisory Council on State and Local Budgeting

NRPA-National Recreation and Park Association

PC-Portland Cement

PUD-Planned Unit Developments

PTO-Parent Teacher Organization

RFP-Request for Proposal

RFQ-Request for Quotation

RPM-Reflective Pavement Marker

RPTA-Regional Public Transit Agency

SEC-Securities and Exchange Commission

sq. ft.-Square Feet

sq. yd.-Square Yard

SR-State Route

STORM-Stormwater Outreach for Regional Municipalities

V-Volt

VHF-Very High Frequency

VOIP-Voice Over Internet Protocol

VRF-Vehicle Replacement Fund



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