

ANNUAL BUDGET

City of Surprise, AZ
Fiscal year 2013

FY 2013



SURPRISE
ARIZONA

www.surpriseaz.gov

City of Surprise, Arizona Adopted Budget Fiscal Year 2013

Adopted June 2012

**Prepared by the City of Surprise
Finance Department**

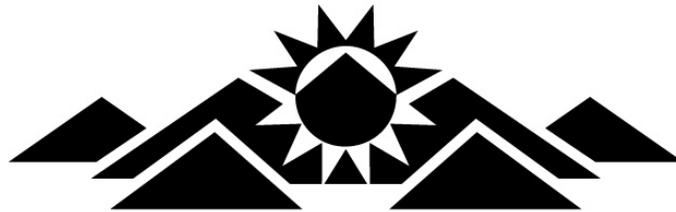


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*City of Surprise
Finance Department
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City of Surprise, Arizona



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FY2013 Adopted Budget



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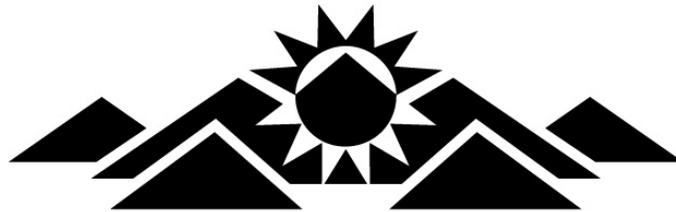
July 1, 2011

Linda C. Danton Jeffrey R. Egan

President

Executive Director

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2013 Adopted Budget



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Format of this Document

This document accounts for the planned activities of the city for the next twelve months. It has been divided by tabs into 12 major sections. The sections are as follows:

The **City Manager's budget message** provides the framework under which financial decisions are based for FY2013. It also gives the reader a summary of major revenue changes. It provides a brief discussion of expenditures including personnel changes, operational changes, and capital projects. Other considerations of note are also included.

The **general information** section contains Mayor and City Council profiles, the City Council districts map, the City Council Strategic Plan summary, a map of Surprise, the city's special planning area map, historical and statistical information, and an organization chart. This information provides the reader with background information on the structure, location, demographics, and strategic vision of the city.

The **budget summary** describes why a budget is prepared, how it is prepared, how it may be amended, and how it is structured. It also provides a summary of the major sources and uses of funds, the budget calendar, and a fund structure chart.

The **revenue** section details the major revenue types for the city of Surprise. It also provides a ten-year view of the city's major revenue accounts. Five years of this view are historical and five years are projected revenues. The schedules present summary information of the revenue projections, trends, and underlying assumptions.

The next six sections including **general government, community development, public safety, community and recreation services, public works, and utilities** present the city's operating budget by service area. Each area may contain multiple departments and funds. The department and fund pages contain a description and a narrative describing major expenditure allocations and changes. Expenditure and personnel tables for each department/operating fund depict FY2010 actual results, FY2011 actual results, FY2012 adopted budget, and FY2013 adopted budget. Department operating pages include accomplishments, goals, objectives, and performance measures.

The **capital improvement plan (CIP)** section contains the FY2013-FY2017 Capital Improvements Plan (CIP), capital fund pages, the vehicle replacement fund, and schedules of operating costs associated with capital improvement plan projects.

The final section, the **appendix**, contains the budget adoption resolution, the official state budget forms, the primary property tax levy resolution, the street light improvement district tax levies, the city's adopted budget transfer policies and procedures, the comprehensive financial management policies, debt service schedules, and personnel schedules. It also contains a glossary that defines terms and acronyms used frequently in this book.

This document serves as a guide to the FY2013 budget of the city of Surprise. It provides insight into the operations of the city and, with a balanced budget, demonstrates the city's commitment to fiscal responsibility and the needs of its residents.

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2013 Adopted Budget

General Information

- Mayor and City Council Members
- District Map
- District Map (after redistricting)
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October 23, 2012

The Honorable Sharon Wolcott, Mayor
Members of the City Council

Dear Mayor Wolcott and Members of the City Council:

I am pleased to present the **City of Surprise Fiscal Year 2013 Budget** for the city of Surprise. Despite limited resources in challenging times, the FY2013 budget continues our commitment to service. It is designed to maintain our safe community, build stronger neighborhoods, and plan for the future. The budget endeavors to maintain existing levels of service and to program public funds in a focused and effective manner based upon desired outcomes identified by the Mayor and City Council and the community.

MAJOR ISSUES

The following issues had a significant impact on the development of FY2013 Budget.

1. The Economy. The state of Arizona is slowly recovering from the economic downturn, which adversely affected government budgets, including ours. Local governments have been carefully considering the services and service levels that add the most value to their residents. A number of factors have led to an improving economic outlook for the city of Surprise. In FY2012, the city realized an increase to state-shared revenues due to an adjustment for recent population growth and the 2010 Census. Local employment opportunities in the city of Surprise are expanding and diversifying slowly. In addition, the city is experiencing steady growth in local sales tax revenues as consumer confidence improves. Economic forecasts show continued slow growth in future years.

2. FY2011 Financial Statement Corrections. The FY2011 Comprehensive Annual Financial Report (CAFR) contains 11 prior period adjustments, some dating back ten years to 2000, totaling millions of dollars. The fund balance of the city's operating budget was reduced to \$0.2 million because cash was transferred to other funds to correct these issues.

BUDGET HIGHLIGHTS

The cornerstone of this budget is the 'Guiding Principles' that determine how limited revenues are allocated to deliver services. It guides us in considering how appropriations add value to the services we seek to provide.

Guiding Principles

- Maintain direct services to residents – We are open for business
- Provide existing city services within the existing tax and fee structure
- Improve financial resiliency
- Enhance financial accountability

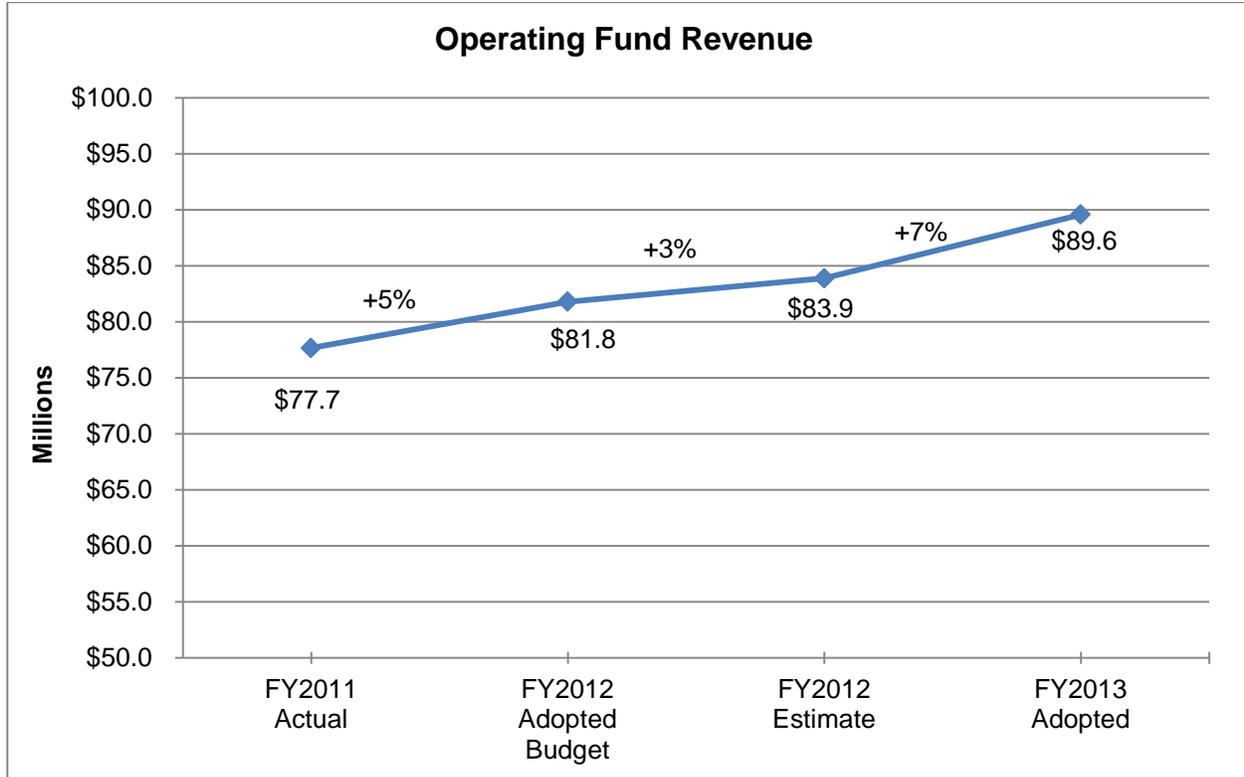
Additionally, the following were identified as financial priorities.

Financial Outcomes

- Replenish the \$13 million operating budget reserve by June 30, 2014
- Conduct a line item review of all budgets
- Implement immediate cost saving ideas
- Identify longer term cost saving ideas

OPERATING FUND REVENUES

Operating fund revenues are projected to increase by \$5.7 million, or 7% in FY2013, mainly the result of increasing sales tax revenues from the improving economy. The projected revenue collections are highly influenced by the economy for which we expect a slow, yet steady recovery that will result in increased consumer spending.



PRIMARY PROPERTY TAXES

The FY2013 budget does not include a primary property tax revenue increase. FY2013 property taxes will be \$6.3 million (including new construction). State law allows the city to increase property tax revenues annually by 2%. This budget does not include the maximum levy.

SALES TAX REVENUES

As consumer spending continues to improve with the economy, sales taxes are expected to increase by 9%, or \$2.6 million.

STATE SHARED REVENUES

In FY2013, this revenue is projected to increase by \$3.0 million, or 10%. The city of Surprise is the tenth largest city and represents 2.3% of the state's entire population.

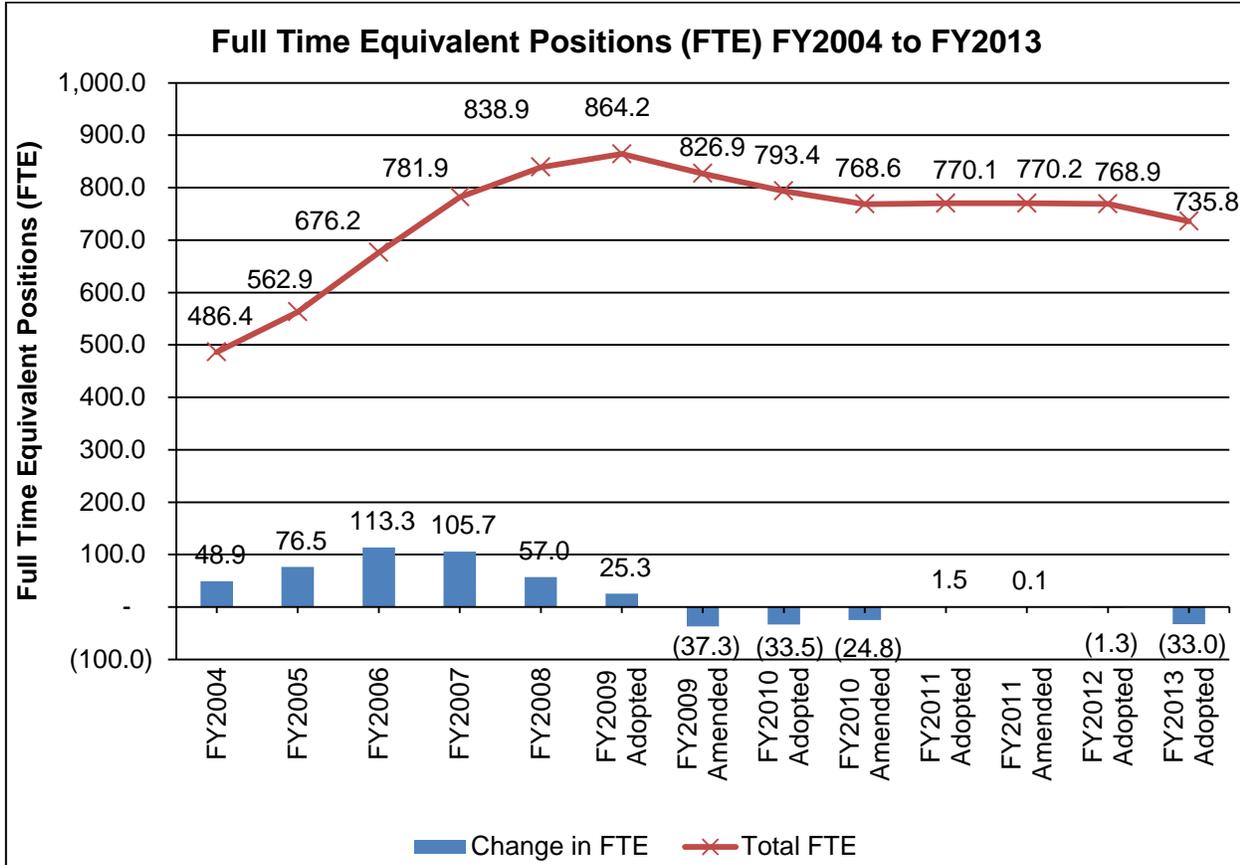
OPERATING EXPENSES

The elimination of the operating budget's reserve, caused by the correction of prior year errors, had a major impact on the development of the FY2013 budget. The Mayor and City Council provided direction to replenish the \$13 million reserve by June 30, 2014 without increasing taxes or fees or reducing direct service levels (i.e. police and fire). As a result, significant expense reductions have been implemented to meet that objective.

PERSONNEL

For FY2013, the budget includes \$3.0 million in personnel cost reductions. The budget contains 735.8 full time equivalent positions (FTE), a net decrease of 33 FTE from the FY2012 adopted budget. FY2013 reductions resulted in the elimination of 34 positions, along with the creation of one new position. In addition, 18 positions were reclassified to a lower pay grade.

The employer share of pension contributions will increase in FY2013 in all four of the pension plans, resulting in an additional \$0.8 million. In addition, the amount both the city and employees pay for medical insurance will increase by a total of \$0.4 million.



OTHER OPERATING EXPENSES

Cost increases to maintain existing levels of service are included in this budget. The major cost increase was a provision in the library service agreement where the city assumed one quarter of the operating cost. Additionally, about \$1.3 million in line item reductions were made citywide.

TARGETED SAVINGS

In every organization that follows a budget, under normal circumstances, there are savings. For example, due to employee turnover, there are savings from vacant positions. In addition, management decisions during the year result in savings, such as reduced energy costs or renegotiating a lower priced contract. Usually, all of these types of actions result in savings between 2% and 4% of the operating budget. As a result, the operating budget includes an estimate of \$1.0 million in savings. This amount was \$2.0 million in FY2012 but was reduced due to reductions made during the line item review.

CONTINGENCY

A \$1.0 million economic development contingency has been added to allow the city to incent economic development projects. In addition, \$70,000 was programmed in the City Manager's Office as a grant match contingency.

FUND BALANCE

FUND BALANCE

The objective is to fund the \$13 million, two-month operating reserve by June 30, 2014. By the end of FY2013, the reserve is expected to be about \$6 million.

CAPITAL IMPROVEMENT PLAN

The Capital Improvement Plan (CIP) is a five-year plan that outlines projects anticipated to fulfill current and future capital and infrastructure needs and contractual requirements.

The CIP is reviewed and updated annually. It is evaluated to ensure the city has the ability to fund all recommended projects through completion. The CIP is funded primarily with construction sales tax and development fees, which have decreased significantly over the last several years. This issue, combined with the millions in outstanding interfund loans (the result of a FY2010 comprehensive review of the funding of growth and non-growth infrastructure), results in a very limited CIP today and for the near future. However, specific to FY2013, it creates fund balance reserves and starts asset replacement programs.

WATER, WASTEWATER, AND SOLID WASTE ENTERPRISE FUNDS

A rate increase is not recommended in FY2013 in any of these funds. However, depending on the results of upcoming rate studies, rate increases may be needed in FY2014.

CONCLUSION AND ACKNOWLEDGEMENTS

Surprise is improving its position in the continuing competition for population growth, economic growth, job creation, and culture. The annual budget priorities reflect the goals of the Mayor and City Council and are the result of team oriented planning.

I would like to thank the Mayor and City Council for their leadership and service to the community. I would also like to personally thank all the departments for their efforts and hard work in achieving a balanced budget under difficult circumstances.

Sincerely,



Chris Hillman
City Manager

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MAYOR SHARON WOLCOTT – Mayor@surpriseaz.gov



Mayor Sharon Wolcott was elected November 2011 on a platform that called for creating more jobs, providing new education options, and addressing traffic congestion in Surprise.

The former District 1 council member also has worked hard to bring about more fiscal accountability and transparency at City Hall; and she intends to continue the fight for taxpayers in her new job.

As Mayor, she has promised to reach out to the community with regular town hall meetings in neighborhoods across Surprise. Sharon believes city government works best when elected officials and senior staff members take time away from City Hall to engage residents on the issues.

In December 2011, she joined several members of the City Council in an initial round of public meetings to discuss what citizens believe the city's priorities should be in 2012 and beyond.

Her hands-on style of leadership is expected to help drive solutions to some of our community's most pressing and important challenges and opportunities.

Sharon discovered Surprise in 2003. Her first opportunity to serve came in 2008, when she was appointed to the Surprise Transportation Commission, serving as Vice-Chair. She was elected to the Surprise City Council in 2009.

Before coming to our community, Sharon previously served on the city council in Newport, Minnesota and as a state legislator in both the Minnesota House and Senate.

Wolcott's term expires in December 2015. She is elected at-large.

VICE MAYOR JOHN WILLIAMS – John.Williams@surpriseaz.gov



John Williams was first elected to the City Council from District 3 (Mesquite) in November 2007. He was re-elected in November 2011. As a teacher, parent, and husband, John brings a community perspective to his commitment to serve as a voice for all residents. John has been in education and sports medicine since he and his wife Melissa bought their home in Surprise in 2000.

A graduate of Hofstra University in New York, John also holds a master's in health science from Towson University in Maryland. His professional career began in sports medicine and transitioned into education when he and Melissa came to Surprise.

For the past seven years, he has been working as a teacher, building the Career and Technical Education Sports Medicine program in the Peoria Unified School District. He has been selected by his peers to be the program lead for the past two years.

John and Melissa have three children, Connor, Ashlyn, and Matthew. Melissa and John are animal lovers and they have opened their home to numerous animals in need including Blaze, the three-legged cocker spaniel whose life was extended for eight years after they took him into their home in 1999.

"I want to give my kids, our kids, the opportunity to be part of the city that is defining vibrant southwest living. In 15 years, I hope my oldest, Connor, can attend the next great university right here in Surprise. I hope when he graduates he will have the option of building his own family here because we will have grown a sustainable economy that offers high quality jobs to our residents. These are my hopes and dreams. I believe working together, we can make them happen."

Williams was re-elected in 2011 and his current term expires in December 2015.

JIM BIUNDO – Jim.Biundo@surpriseaz.gov



City Council member Biundo was appointed District 1 Council member on June 14, 2011 to fill a vacancy. He has been a resident of Surprise since 2003.

Jim served in the United States Marine Corps from 1954 to 1957. Following military service, he attended college in Colorado, received Bachelor of Arts and Master of Arts degrees in English, Speech, and Theatre, and continued studies in a post-graduate doctoral graduate program.

Jim has had a career in education as a high school teacher, associate professor, and administrator at colleges in Colorado, Iowa, Arizona, and Missouri. During that time, he also pursued a parallel track in public service. He has served as a Councilmember at-large and has been on boards of directors of Chambers of Commerce, convention and visitor's bureaus, civic/service organizations, and was on the Board of Directors of BruceMore, Inc., and a National Trust for Historic Preservation property located in Cedar Rapids, Iowa.

Jim is the author of two books, several published poems, and over thirty published articles. He has made over 40 presentations at regional, national, and international conferences. He retired in 2000 from Southeast Missouri State University where he served as Assistant to the President.

Jim and his wife Antoinette have three daughters: Terrilee Day in Del Norte, Colorado; Kimberly Peets in Las Vegas, Nevada; and Tammy Gerstner in Lee's Summit, Missouri. They also have four grandchildren.

Biundo's term expires in December 2013.

RICHARD ALTON – Richard.Alton@surpriseaz.gov

Richard Alton represents the Cottonwood District, 2. The Cottonwood District encompasses the majority of Sun City Grand, the northwest portion of Sun Village, Stonebrook, Summerfield, and Bell West Ranch.



Richard was elected to Council in 2007, and re-elected in 2011. Since arriving in Surprise in 2003, he has served as a member of the Surprise Revitalization Committee, served on the ad hoc committee to analyze and recommend an auto mileage reimbursement method (Alton voted for the IRS standards), and most recently, he served as a Commissioner on the Surprise Planning and Zoning Commission.

His experience on these commissions has given him valuable insight into the complexities and importance of zoning decisions, planning strategies, and redeveloping needy areas. His professional experience in the banking industry gives him a unique understanding of the economic and business development aspects of proper planning, zoning, and revitalization.

Richard brings more than 35 years of banking experience to his post, which will be a valuable asset in the city's budgeting and planning processes. He will address Surprise's urgent transportation needs, and make an impact in economic development strategies and networking. He is committed to enhancing the communications between citizens and the Council regarding Council agenda items.

He and his wife re-located to Surprise from the Seattle, Washington area. He has six children (all grown) and 11 grandchildren.

Alton was re-elected in 2011 and his current term expires in December 2015.



ROY VILLANUEVA – Roy.Villanueva@surpriseaz.gov

As the representative from District 4 (Mulberry), Roy Villanueva brings a combined 25 years of experience as Surprise Mayor, Vice Mayor, and council member. Most recently, he was elected to Council in 2007 and re-elected in 2011.

During his many years of service, Roy has initiated many important improvements in the area of housing rehabilitation, economic development, utilities, police services, fire services, and federal grants.

While serving as chair of the Community Development Block Grant Committee, Roy was instrumental in targeting these important federal dollars to improve housing, roads, streetlights, sidewalks, baseball fields, sewer systems, and other important neighborhood infrastructure around the city.

He was also instrumental in developing important Surprise economic milestones such as the West Point Towne Center, and bringing major league baseball and Surprise stadium to the community.

He is excited and ready to introduce progressive programs and services to all residents of Surprise. His goals for his current term:

- Work with all council members to represent respectfully our city and the residents of District 4.
- Improve transportation.
- Continue to improve and promote businesses in the Original Town Site.
- Continue recreation programs for young people.
- Support public services such as the Fire and Police Departments.
- Explore more job opportunities for Surprise residents.

Roy has lived in Surprise for 32 years; and has been married to Rachel for 39 years. His three grown children, all Dysart High School graduates, were raised in Surprise. He has one grandson.

Villanueva was re-elected in 2011 and his current term expires in December 2015.

MIKE WOODARD – Mike.Woodard@surpriseaz.gov



City Council member Mike Woodard represents District 5 (Palm). District 5 includes the northern half of West Point, Kingswood Parke, The Orchards, Sierra Verde, a portion of the Original Town Site, the Stadium Village complex, and the Civic Center/Recreational campuses.

Mike, a Surprise resident since 1998, is a retired widower and resident of West Point Towne Center. He has been an active citizen in the community since 2001 as co-founder of the group Citizen's for a Better Surprise, a member of the Planning and Zoning Commission, a Sundancer volunteer, an at-large member of the Citizen Bond Committee, and as a senior center volunteer driver. He also volunteers his time and efforts to West Valley Cancer Connections and the H.O.P.E. Team at Cancer Treatment Centers of America.

His involvement in the city combined with over 40 years of accounting and managerial experience in a broad range of industries will be valuable in the city's budgeting and planning processes. He is committed to bringing commuter rail and improving transportation corridors, major factors affecting the city's economic development strategies. Mike believes communication between the citizens and council is of paramount importance and will be a top personal endeavor for him.

Mike has helped raise four children and numerous foster children; and he is grandfather to six and great-grandfather to one great-granddaughter.

Woodard's term expires in December 2013.

SKIP HALL – Skip.Hall@surpriseaz.gov



A resident of Surprise since 2003, Skip served on the Surprise Planning and Zoning Commission for three years and currently serves on the Sun Village Board of Directors as Treasurer.

Skip's goals for the city include additional east-west road crossings over the Aqua Fria River, working with other transportation partners to expand Grand Avenue, and attracting new businesses to Surprise.

He grew up in Idaho and received a business degree from Seattle University. Skip is a Vietnam War Veteran and he was awarded the Bronze Star for his outstanding service 1969-1970.

Skip worked in the restaurant and lodging business for decades, opening restaurants in California, Oregon, and Washington and earning a certification in hotel administration. He was involved in multi-unit management for two lodging chains and achieved the Best Practice Award from American Express and the National Lodging Institute.

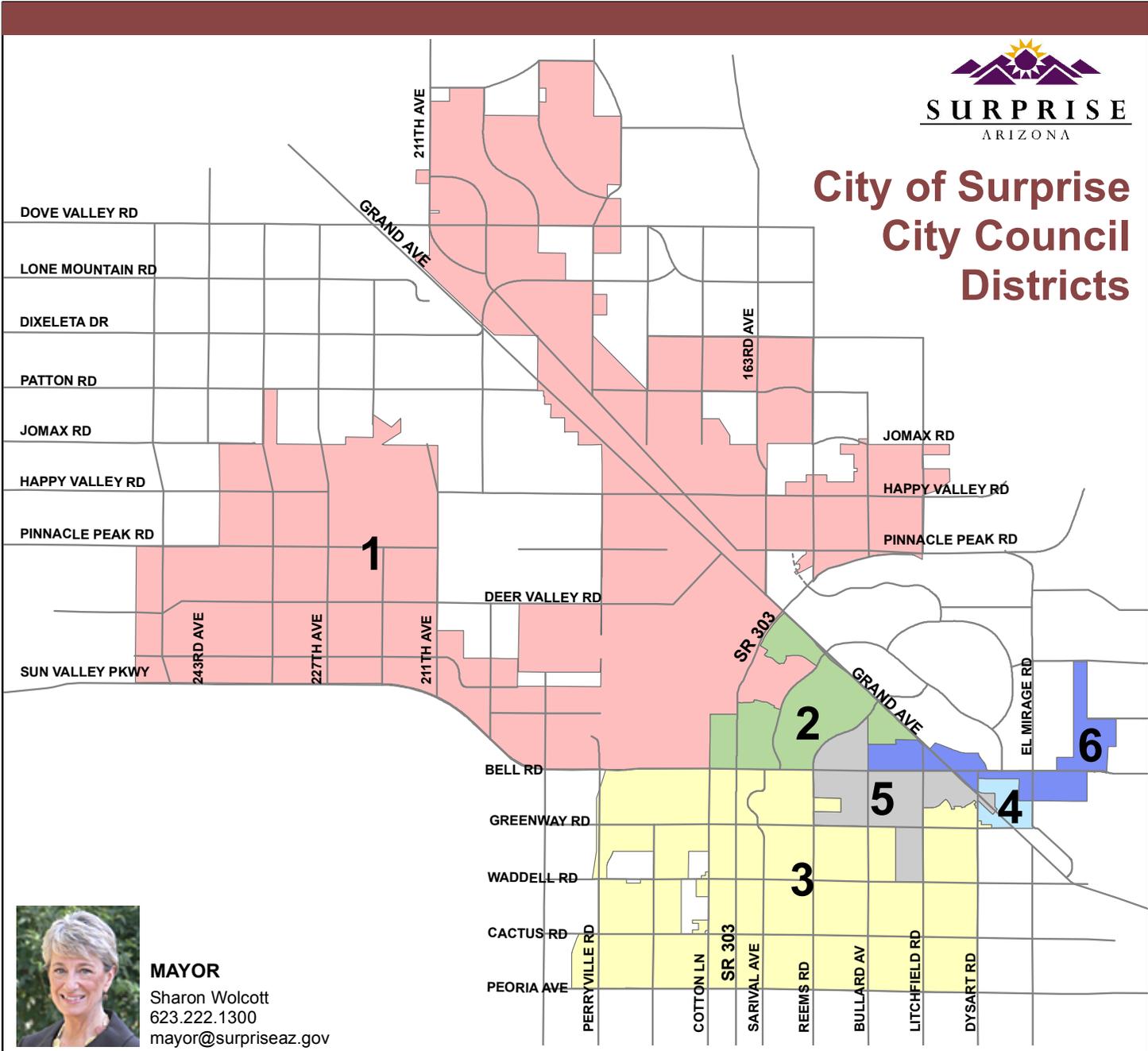
He has worked with Junior Achievement and the Veterans of Foreign Wars. He has also taught community college courses on the hospitality business and restaurant and hotel management.

Skip has two daughters, one son, and five grandchildren.

The Palo Verde District includes Coyote Lakes, Canyon Ridge West, Rose Garden, Sunflower Resort, Sun Village, Fox Hill Run, and the eastern portion of the city's Original Town Site.

Hall's term expires in December 2013.

City of Surprise City Council Districts



MAYOR
Sharon Wolcott
623.222.1300
mayor@surpriseaz.gov



DISTRICT 1
Jim Biundo
623.222-1321
jim.biundo@surpriseaz.gov



DISTRICT 2
Richard Alton
623.222.1322
richard.alton@surpriseaz.gov



DISTRICT 3
John Williams, Vice Mayor
623.222.1323
john.williams@surpriseaz.gov



DISTRICT 4
Roy Villanueva
623.222.1324
roy.villanueva@surpriseaz.gov

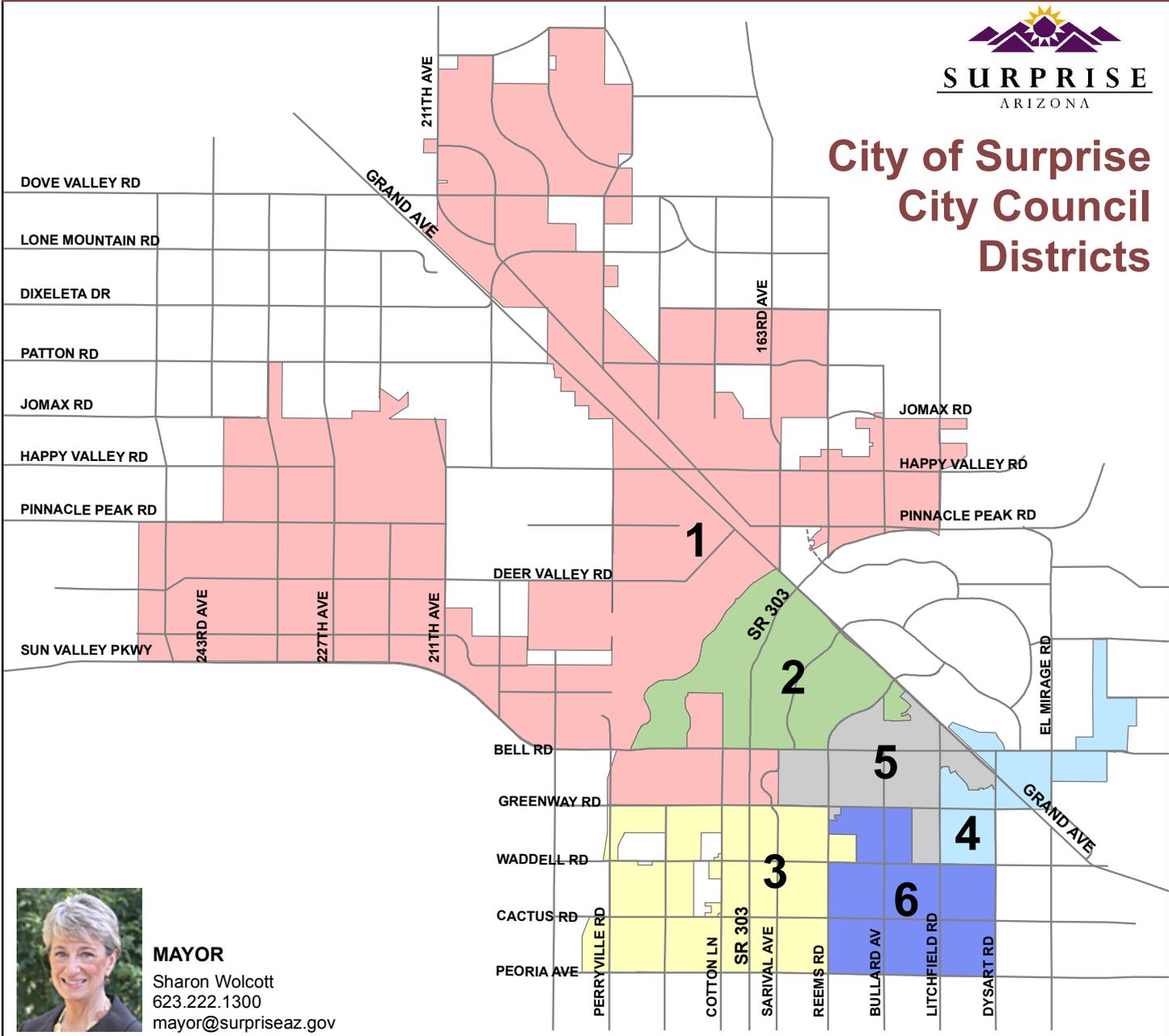


DISTRICT 5
Mike Woodard
623.222.1325
mike.woodard@surpriseaz.gov



DISTRICT 6
Skip Hall
623.222.1326
skip.hall@surpriseaz.gov

City of Surprise City Council Districts



MAYOR
Sharon Wolcott
623.222.1300
mayor@surpriseaz.gov



DISTRICT 1
Jim Biundo
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DISTRICT 2
Richard Alton
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richard.alton@surpriseaz.gov



DISTRICT 3
John Williams, Vice Mayor
623.222.1323
john.williams@surpriseaz.gov



DISTRICT 4
Roy Villanueva
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roy.villanueva@surpriseaz.gov



DISTRICT 5
Mike Woodard
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mike.woodard@surpriseaz.gov



DISTRICT 6
Skip Hall
623.222.1326
skip.hall@surpriseaz.gov

City Council Strategic Plan

The Strategic Plan establishes five priorities to guide decision making, shape partnerships and involve the residents of Surprise in building our future based on a shared vision.

For each priority, a series of action steps are identified. These steps are the result of broad community input from the City Council, appointed Boards and Commissions and the general public.

The strategic plan provides focus to a shared vision of the community's future and a yardstick to measure progress.

Economic Development

Create a robust business environment that creates employment, wealth, capital investment, and enhanced opportunities for investors and residents.

- Attract specialty medical and/or research clinics
- Partner with Regional Chamber of Commerce to promote jobs
- Continue hands on approach with small business start ups and retention/expansion opportunities
- Promote north Surprise as a manufacturing/distribution location
- Free program to post job opportunities within Surprise
- Assist property owners with development of Surprise Center
- Market APS power substation in South Surprise
- Investigate opportunities to attract theme park
- Implement and market Foreign Trade Zone

Transportation

The City of Surprise will have an efficient, cost effective, multi-modal transportation network that provides commuter choice, ease of movement into, within and out of Surprise.

- Access to/from Surprise – i.e. east/west connections
- Commuter rail corridor with multiple stations and transit oriented development
- Local Transit Service
- Intelligent Transportation Systems
- Transportation system operation and maintenance i.e. pavement management
- Internal circulation – i.e. scalloped streets
- Transportation System Capital Program – i.e. CIP funding

Sustainability

Develop sustainability road map and carbon footprint reduction strategy.

- Enhance recycling program & increase residential recycling
- Reduce total energy usage in city-owned facilities, i.e. City Hall, Stadium
- Enhance neighborhoods through community clean-up and community reinvestment programs
- Implement code changes that protect critical wildlife corridors
- Establish partnerships with local business to potentially “turn trash into treasure”
- Identify the city's carbon footprint and establish goals to reduce and maintain future levels (sustainability plan)
- Continue implementation of city revitalization plan

Tourism

Increase economic activity in Surprise by infusing tourism dollars into the local economy by focusing on entertainment, partnerships, resorts, and the White Tank Mountains.

- Develop a Regional Entertainment Corridor Plan
- Discuss partnership with Maricopa County to establish White Tanks desert eco park
- Identify a year-round entertainment attraction to co-locate adjacent to the resort
- Develop an annual festival framework
- Work with Surprise Regional Chamber of Commerce to develop a multi-faceted/interactive visitor center.
- Develop a cost/benefit analysis regarding permanent stadium seating at Tennis Complex
- Develop cost/benefit analysis regarding a new soccer complex

Higher Education

Enhance partnership with all public and private K-12 education providers and higher education opportunities in Surprise that leads to the development of a 4-year university campus with college-life amenities that benefit the entire city.

- Facilitate 4-year college campus development
- Incentivize school programs that focus on sports medicine, training and performance, healthcare disciplines, biosciences, sustainability and technology advancement
- Communication, partnerships, and collaboration with all K-12 education providers



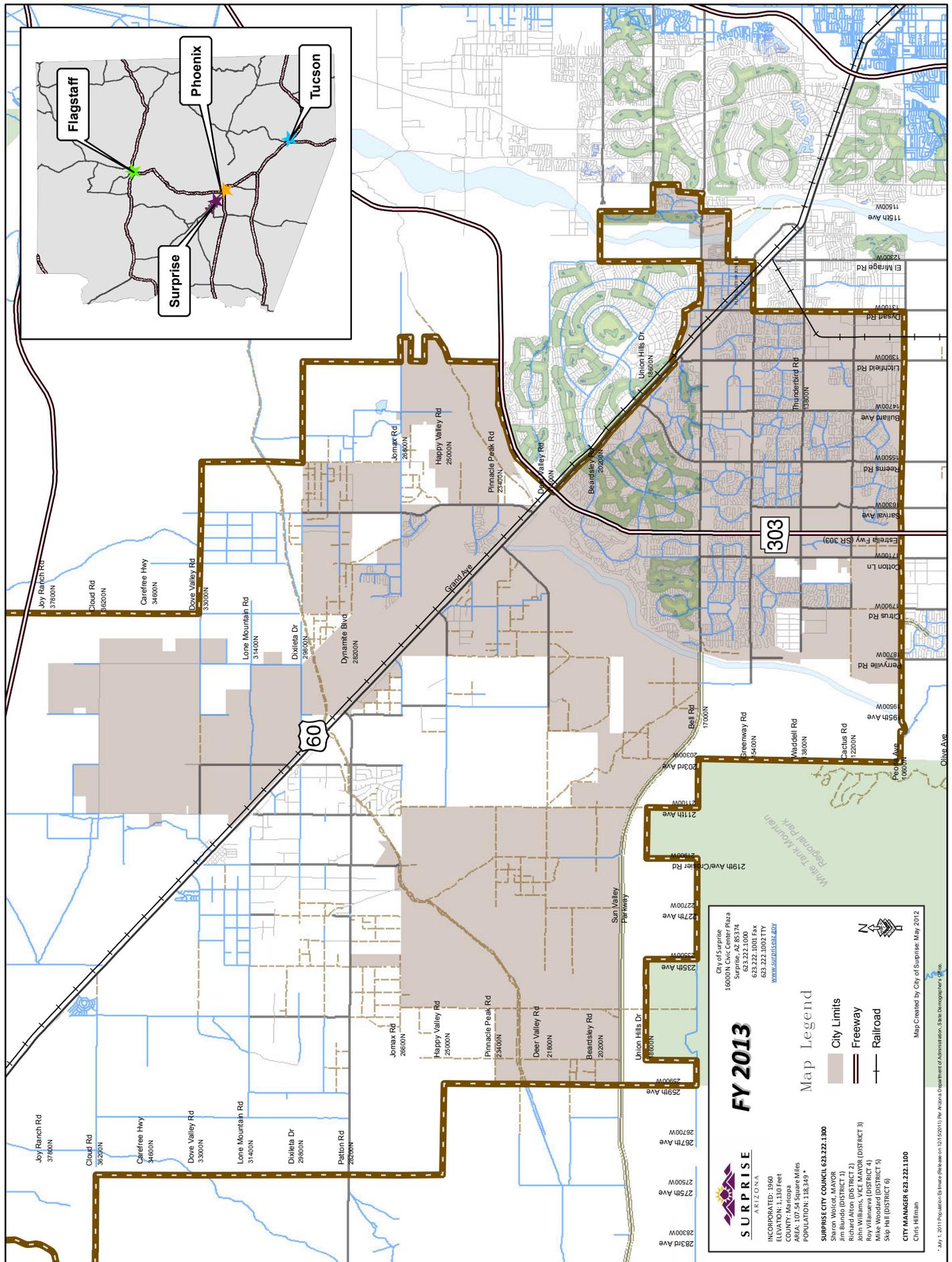
City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2013 Adopted Budget



SURPRISE
ARIZONA

FY 2013

Map Legend

- City Limits
- Freeway
- Railroad

CITY OF SURPRISE
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Surprise, AZ 85374
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623.222.1001 FAX
623.222.1002
WWW.SURPRISE.AZ.GOV

SURPRISE CITY COUNCIL 623.222.1300
Sharon Wolcott, MAYOR
Jim Burdick (DISTRICT 1)
Richard Allen (DISTRICT 2)
Roy Williams (DISTRICT 3)
Mike Woodard (DISTRICT 4)
Skip Hall (DISTRICT 5)
Skip Hall (DISTRICT 6)

CITY MANAGER 623.222.1100
Chris Hillman

Map Created by City of Surprise, May 2012
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History of Surprise

Surprise, located just 45 minutes west of downtown Phoenix along U.S. Route 60/State Highway 93, was founded on May 17, 1938 by Flora Mae Statler who purchased and subdivided the original townsite. The former small farming village now encompasses 108 square miles, including urban and commercial developments, ranches, industrial, and business parks. Surprise strives to achieve a balance between the needs of residential communities and the growth of business and industrial areas. Industrial growth zones are selected to operate competitively, but harmoniously, with the residential community.

Over the past 51 years, Surprise has grown from 500 residents to a city of over 118,000 people, evolving from a small town government to a regional governmental entity. The city offers a broad range of living styles, from small family subdivisions to a number of secluded ranches. Surprise also offers a number of retirement communities that address the needs and lifestyles of active adults.

| Year | End of the Year Population | Percentage Change |
|------|----------------------------|-------------------|
| 2002 | 45,125 | 17% |
| 2003 | 51,885 | 14% |
| 2004 | 64,210 | 23% |
| 2005 | 88,265 | 37% |
| 2006 | 96,425 | 9% |
| 2007 | 98,140 | 1% |
| 2008 | 104,895 | 6% |
| 2009 | 108,040 | 6% |
| 2010 | 117,517 | 9% |
| 2011 | 118,349 | 1% |

Besides year round sunshine and new, clean, safe neighborhoods, bustling Surprise offers excellent opportunities to share our great southwestern lifestyle. You can check out awesome White Tank Mountain Regional Park, where you can puzzle over ancient petroglyphs and hike to a seasonal waterfall, or camp out under twinkling desert stars. Enjoy Spring Training in Surprise, when major leaguers for many of the 12 Cactus League teams visit beautiful Surprise Stadium, home to the Texas Rangers and Kansas City Royals. Play tennis at the Tennis and Racquet Complex featuring 25 tennis courts, racquetball and table tennis. Surprise Aquatic Center is the perfect place to cool off in the one of the pools featuring 2 slides and a zero depth play area for children. Enjoy our eight open to the public golf courses, the region's finest fully accessible community park, and year round events from our fabulous 4th July fireworks to our December community wide Surprise Party, all within an easy drive of the amenities of the Phoenix metro area.

Health and education are top priorities. You will find medical services at nearby Banner Hospitals and several urgent care centers. Kindergarten through twelfth grade schools are run by the rapidly growing Dysart Unified School District. Rio Salado Community College and the Communiversity at Surprise offer collegiate classes in the city. According to the U.S. Census Bureau, 2010 American Community Survey:

- 92% of people 25 years and over had at least graduated from high school and 29% had a bachelor's degree or higher.
- Total school enrollment in Surprise was 26,000
 - Nursery school and kindergarten enrollment was 3,599
 - Elementary or high school enrollment was 22,230 children
 - College or graduate school enrollment was 7,553

Surprise residents are employed in a variety of occupations including management, professional, and related occupations 36%; sales and office occupations 29%; service occupations 17%, natural resources, construction, and maintenance occupations 6%; and production transportation, and material moving occupations 12% (U.S. Census Bureau, 2010 American Community Survey).

Excellence in municipal services is a city of Surprise standard. Surprise is a city that operates under the Council/Manager form of government.

Values

We are Surprise!

- ◆ Integrity ◆ Professional ◆ Accountable ◆ High Quality Services ◆ Customer Focused

Statistical Information

Population Information:

| City of Surprise | | | | Maricopa County | |
|------------------|------------|-------------------|---------------------------------|-----------------|-------------------|
| Year | Population | Percentage Change | Percentage of County Population | Population | Percentage Change |
| 1970 | 2,427 | | 0.25% | 971,228 | |
| 1980 | 3,723 | 53% | 0.25% | 1,509,175 | 55% |
| 1990 | 7,122 | 91% | 0.34% | 2,122,101 | 41% |
| 1995 | 10,737 | 51% | 0.44% | 2,419,394 | 14% |
| 2000 | 30,848 | 187% | 1.0% | 3,072,149 | 27% |
| 2005 | 88,265 | 186% | 2.5% | 3,524,175 | 13% |
| 2012 | 118,349 | 34% | 3.1% | 3,817,117 | 8% |

Source: U.S. Census Bureau

Median Household Income

| Year | Median Household Income | Percentage Change |
|------|-------------------------|-------------------|
| 1990 | \$21,750 | |
| 1995 | \$26,443 | 22% |
| 2000 | \$44,156 | 67% |
| 2005 | \$53,958 | 18% |

Source: U.S. Census Bureau

Median Age

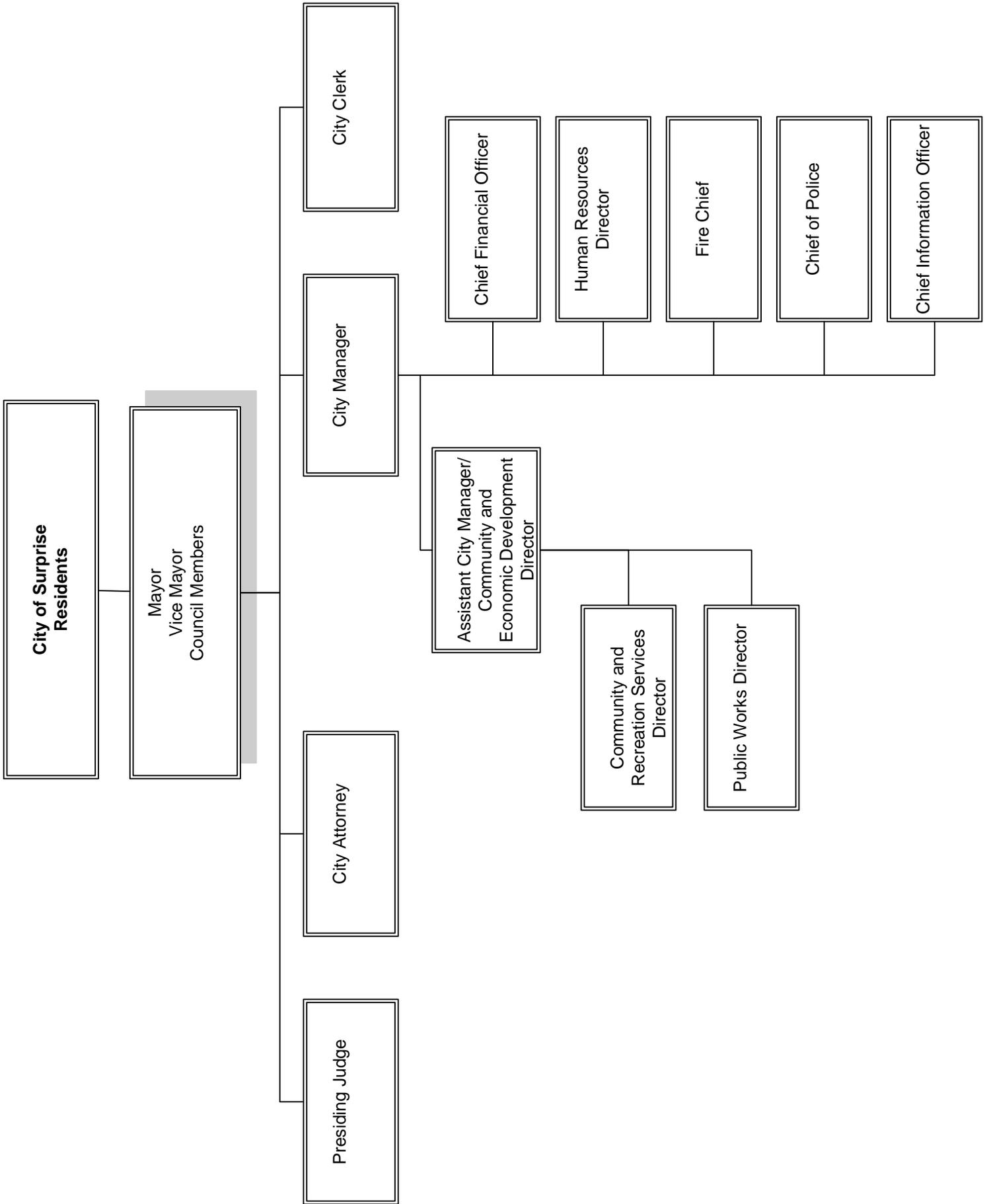
| Year | Median Age | Percentage Change |
|------|------------|-------------------|
| 1980 | 20.3 | |
| 1985 | 24.2 | 19% |
| 1990 | 33.0 | 36% |
| 1995 | 41.7 | 26% |
| 2000 | 46.1 | 11% |
| 2005 | 35.4 | -23% |

Source: U.S. Census Bureau

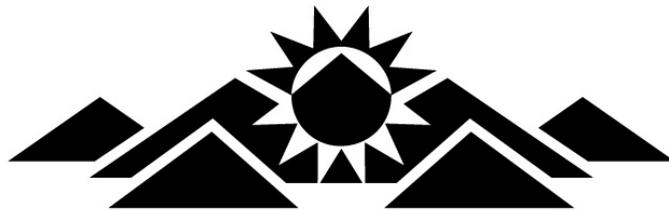
City of Surprise Incorporated Area – Date of Incorporation: December 1960

| Date | Incorporated Square Miles (Approximately) |
|------|---|
| 1960 | 1 |
| 1970 | 1 |
| 1980 | 2 |
| 1990 | 63 |
| 2000 | 72 |
| 2005 | 76 |
| 2007 | 89 |
| 2008 | 103 |
| 2009 | 106 |
| 2010 | 107 |
| 2011 | 107 |
| 2012 | 108 |

Source: City of Surprise



City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2013 Adopted Budget

Budget Summary

- Budget Summary
- Budget Calendar
- Financial Organization Chart
- Summary of Major Revenues and Expenditures

Budget Summary

Why have we prepared a budget?

Prior to the adoption of a city budget, Arizona state law requires the publication of estimates of expenses under A.R.S. §42-17103. This is accomplished with the publication of the state budget forms provided by the Auditor General. Following the publication of these estimates of expenses, the city is required to adopt an annual expenditure budget under A.R.S. §42-17105. With the adoption of the budget, the total budgeted expenditures shall not exceed the total of amounts that were proposed for expenditure in the published estimates. For the city of Surprise, the FY2013 adopted expenditure budget is \$168,394,300. The state forms provided by the Auditor General have been reproduced in the appendix of this document as adopted by the city. The state budget forms include consolidated revenues and expenditures by department, and fund, as well as primary and secondary property tax levy information.

For residents and the general public, the budget reveals the planned activities of the city for the next twelve months. The budget goes beyond a single year planning document, providing a framework for the future with revenue projections and planned capital projects extending five years.

The adopted budget is used as a management tool. It has been programmed to allow as much flexibility as possible while still establishing useful guidelines. The budget is monitored at the departmental level for operating expenditures and at the project level for capital expenditures. Changes to the budget that are deemed reasonable and necessary are made through the budget amendment process.

Budget Amendments

Changes to the adopted budget must be made in accordance with the city's budget amendment policy. This policy specifies the approval levels required for various types of budget transfers. During the fiscal year, transfer requests are submitted to the Finance Department for preparation and processing. Transfers can be made pursuant to the policy only if funds are unencumbered and available. The full transfer policy is included in the appendix of this document.

Budget Basis

All governmental and proprietary funds are generally accounted for using the modified accrual basis of accounting and the current financial resources measurement focus. Under this basis, revenues are recognized in the accounting period in which they become measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the city considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The revenues susceptible to accrual are property taxes, franchise fees, licenses, charges for services, interest income and intergovernmental revenues. Sales taxes collected and held by the state at year end and on behalf of the government are also recognized as revenue.

Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable. All purchases of capital assets are expensed when purchased; as a result, depreciation is not considered for the budget. Payments for debt service are recognized as expenditures when made.

The budget basis used does have a few exceptions to the modified accrual basis of accounting. These exceptions include recording expenditures for prepayments entirely in the period the payment is made and recording expenditures for inventory purchases. The prior year actuals presented within this budget document have been adjusted in order to be presented on a consistent basis with the budgeted amounts. A reconciliation of budgetary and GAAP fund balances is provided each year within the comprehensive annual financial report (CAFR).

State law only requires the appropriation of two funds, the general fund and the highway user revenue fund (HURF). All other funds of the city have been created by agreement, ordinance, contract, or for tracking purposes. Five of the funds presented are considered to be major funds of the budget document. They include the general fund, grants and contingency fund, wastewater operations fund, water operations fund and the self insurance healthcare fund. The following section briefly outlines all of the funds utilized by the city.

City of Surprise
FY2013 Summary of Major Revenues and Expenditures
(in thousands)

| | General Fund | Special Revenue Funds | Debt Service Funds | Capital Project Funds | Fiduciary Funds | Enterprise Funds | Internal Service Funds | Total |
|-------------------------------|--------------------|-----------------------|--------------------|-----------------------|-----------------|---------------------|------------------------|---------------------|
| Beginning Fund Balance | \$ 518 | \$ 3,128 | \$ 14,284 | \$ 29,909 | \$ 100 | \$ 390,827 | \$ 3,299 | \$ 442,065 |
| Revenue | | | | | | | | |
| Sales Tax | 32,396.5 | - | - | 1,981.4 | - | - | - | 34,377.9 |
| State Shared | 25,027.4 | 6,613.6 | - | - | - | - | - | 31,641.0 |
| Charges for Services/Other | 13,008.7 | 14,610.3 | 28.0 | 5,111.8 | 0.6 | 36,175.0 | 10,643.2 | 79,577.6 |
| Property Tax | 6,290.0 | 2,659.5 | - | - | - | - | - | 8,949.5 |
| Franchise Fees | 1,536.3 | - | - | - | - | - | - | 1,536.3 |
| Sub-Total Revenue | \$ 78,258.9 | \$ 23,883.4 | \$ 28.0 | \$ 7,093.2 | \$ 0.6 | \$ 36,175.0 | \$ 10,643.2 | \$ 156,082.3 |
| Transfers In | \$ 4,689.0 | \$ - | \$ 7,221.0 | \$ 1,650.0 | \$ - | \$ - | \$ - | \$ 13,560.0 |
| Other Financing Sources | - | - | - | 2,267.8 | - | - | - | 2,267.8 |
| Total Revenue | \$ 82,947.9 | \$ 23,883.4 | \$ 7,249.0 | \$ 11,011.0 | \$ 0.6 | \$ 36,175.0 | \$ 10,643.2 | \$ 171,910.1 |
| Expenditures | | | | | | | | |
| Current | | | | | | | | |
| Community and Recreation | \$ 12,564.8 | \$ 150.8 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 12,715.6 |
| Community Development | 5,788.3 | 699.0 | - | 1,400.0 | - | 50.0 | 15.1 | 7,952.4 |
| General Government | 12,483.2 | - | - | 140.0 | - | 296.2 | 10,548.5 | 23,467.9 |
| Non-Departmental | (1,000.0) | 6.0 | - | - | - | - | - | (994.0) |
| Public Safety | 35,426.7 | 513.5 | - | - | - | - | - | 35,940.2 |
| Public Works | 5,910.2 | 8,570.8 | - | 2,977.9 | - | - | - | 17,458.9 |
| Utilities | - | - | - | 20.0 | - | 19,992.5 | - | 20,012.5 |
| Capital and Depreciation | 35.0 | 12.5 | 6.6 | 8,983.2 | - | 6,949.0 | - | 15,986.3 |
| Debt Service | 200.0 | - | 7,213.9 | 2,129.6 | - | 3,107.4 | - | 12,650.9 |
| Contingency | 1,070.0 | 15,280.5 | - | 60.8 | 100.9 | 3,313.0 | 3,378.4 | 23,203.6 |
| Sub-Total Expenditures | \$ 72,478.2 | \$ 25,233.1 | \$ 7,220.5 | \$ 15,711.5 | \$ 100.9 | \$ 33,708.1 | \$ 13,942.0 | \$ 168,394.3 |
| Transfers Out | \$ 3,184.7 | \$ - | \$ - | \$ 1,829.6 | \$ - | \$ 8,545.7 | \$ - | \$ 13,560.0 |
| Other Financing Uses | 2,267.8 | - | - | - | - | - | - | 2,267.8 |
| Total Expenditures | \$ 77,930.7 | \$ 25,233.1 | \$ 7,220.5 | \$ 17,541.1 | \$ 100.9 | \$ 42,253.8 | \$ 13,942.0 | \$ 184,222.1 |
| Ending Fund Balance | \$ 5,535.5 | \$ 1,777.9 | \$ 14,312.0 | \$ 23,379.1 | \$ - | \$ 384,748.6 | \$ - | \$ 429,753.1 |

- **General Fund** – The primary operating fund of the city. Any activity that is not accounted for in another fund is placed in the general fund.
- **Special Revenue Funds** – These funds account for specific non-capital and non-debt service revenue sources that are restricted or committed for specific purposes.
 - *Donations* – This fund is set up to monitor revenues and expenditures associated with donated funds. City policy restricts the use of these funds.
 - *Employee Dependant Scholarship Fund* – This fund tracks employee dependant scholarships awarded to the dependents of current city of Surprise employees. A share of vending machine proceeds and interest earnings fund these scholarships. City policy restricts the use of these funds.
 - *Grants and Contingency Fund* – This fund is used to track grant activity and maintains excess budget authority to allow for unforeseen grants that may be received throughout the year.
 - *Highway User Revenue Fund* – This fund accounts for revenues and expenditures that are legally restricted to expenditures for transportation and the construction, repairs, and maintenance of public works and streets.
 - *Municipal Court Enhancement Fund* – This fund tracks revenue associated with fines dedicated to Municipal Court technology improvements. City policy restricts the use of these funds.
 - *Municipal Court FARE Fund* – This fund has been established to track revenue and expenses related to the Surprise City Court’s participation in the Fines and Restitution Enforcement (FARE) program.
 - *Municipal Court JCEF Fund* – This fund has been established to track revenue and expenses related to the Surprise City Court’s participation in the Judicial Collection Enhancement Fund (JCEF) program.

- *Municipal Court MFTG Fund* – This fund has been established to track revenue and expenses related to the Surprise City Court's participation in the Municipal Fill the Gap (MFTG) program.
- *Neighborhood Revitalization Fund* – This fund is used to track all revenues and expenditures associated with the city's neighborhood revitalization program. This program is funded through a combination of federal, state, and local funds. City policy, grant agreements, and contractual obligations restrict the use of these funds.
- *Police Department DEA Fund* – This fund is used to discretely track funds received from the participation on Drug Enforcement Activity (DEA) task forces in the Greater Phoenix area. The use of these funds is limited to approval by the disbursing program manager and is generally related to purchase and maintenance of departmental equipment not included in the general budgets.
- *Police Department RICO Fund* – This fund is used to discretely track funds received from participation in the Maricopa County Attorney's Office Anti-Racketeering Influenced and Corrupt Organizations (RICO) task force.
- *Police Department Towing Fund* – This fund is used to track activity in the Police Department for vehicle impounds. The use of these funds is limited to administrative management of the vehicle impound program.
- *Street Lighting Districts Fund* – Ninety-six Street Light Improvement Districts (SLIDs) have been established by ordinance to provide a centralized location for the collection of taxes from properties located in the district. These proceeds are legally restricted to the payment of electricity to operate the street lights within the district.
- *Tourism Fund* – This fund is used to track all restricted and committed revenues associated with the city's hotel/motel transaction privilege tax (bed tax). These funds are used to support tourism within the city. City policy and state statute restrict the use of these funds.
- Debt Service Funds – The funds were established to account for projects funded through the proceeds of the Municipal Property Corporation (MPC) bond sales of 2000, 2003 (2000 refunding), and 2007. Bond proceeds are to be used for the acquisition or construction of capital assets for general government, public safety facilities, sewer facilities, and recreation facilities.
 - *2000-03 Governmental Debt Service Fund* – This fund tracks the debt service payments made by the Governmental Funds for the 2003 bond refunding.
 - *2000-03 Proprietary Debt Service Fund* – This fund tracks the debt service payments made by the Proprietary Funds for the 2003 bond refunding.
 - *2007 Proprietary Debt Service Fund* – This fund tracks the debt service payments made by the Proprietary Funds for the 2007 bond issuance.
- Capital Project Funds – This fund is used to track the activities related to the collection and expenditure of funds dedicated to capital acquisition.
 - *Fire and EMS Development Fee Fund* – The fund was established to account for the inflow of fire development fees levied on new residential and commercial construction. This fee can only be used for the purchase, construction, financing, and furnishing of new capital or one-time items directly related to the increased demand on fire services caused by growth.
 - *General Government Development Fee Fund* – This fund accounts for revenues and expenditures associated with general government development impact fees assessed to fund infrastructure and other expenditures for growth-related general government projects.
 - *General Capital Projects Fund* – This fund accounts for revenues and expenditures relating to the acquisition of capital items.
 - *Library Development Fee Fund* – This fund has been established to account for the inflow of library development fees levied on new residential construction. This fee can only be used for the purchase, construction, financing, and furnishing of new items directly related to the increased demand on library services caused by growth.
 - *Parks and Recreation Development Fee Fund* – This fund was established to account for the inflow of parks and recreation development fees levied on new residential construction. This fee can only be used for the purchase, construction, financing, and furnishing of new items directly related to the increased demand on parks and recreation services caused by growth.
 - *Police Development Fee Fund* – This fund was established to account for the inflow of police development fees levied on new residential and commercial construction. This fee can only be used for the purchase, construction, financing, and furnishing of new capital or one-time items directly related to the increased demand on police services caused by growth.

- *Public Works Expansion Development Fee Fund* – This fund was established to account for the inflow of public works development fees levied on new residential and commercial construction. This fee can only be used for the purchase, construction, financing, and furnishing of new capital or one-time items directly related to the increased demand on roadways caused by growth.
- *Roads of Regional Significance Special Planning Area 2, 4, and 6 Fund* – The fund for planning areas 2, 4, and 6 was established to account for the inflow of development fees levied on new residential and commercial construction. This fee can only be used for the purchase, construction, financing, and furnishing of new capital or on-time items directly related to the increased demand on roadways caused by growth.
- *Roads of Regional Significance Special Planning Area 3 and 5 Fund* – The fund for planning areas 3 and 5 was established to account for the inflow of development fees levied on new residential and commercial construction. This fee can only be used for the purchase, construction, financing, and furnishing of new capital or on-time items directly related to the increased demand on roadways caused by growth.
- *Transportation Improvement Fund* – This fund accounts for revenues and expenditures that are legally restricted to expenditures of existing roadway corridor improvements and the related costs of the construction of new roadways.
- *Vehicle Replacement Fund* – The fund is used to track amounts that have been set aside for future vehicle replacement costs.
- Enterprise Funds – These funds are used to account for the business-type activities of a government. These are activities which are financed and operated in a manner where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.
 - *Water Operations Fund* – These funds account for the operation of the water treatment and distribution to some of the residents and commercial users of the city.
 - *Water Systems Development Fee Funds* – These funds were established to account for the inflow of water system development fees levied on new residential and commercial construction. The fees can only be used for the purchase, construction, financing, and furnishing of new capital or one-time items directly related to the increased demand on the water system caused by growth.
 - *Water Replenishment Development Fee Funds* – These funds were established to account for the inflow of water replenishment development fees levied on new residential and commercial construction. The fees can only be used for the purchase, construction, financing, and furnishing of new capital or one-time items directly related to the increased demand on the water services caused by growth.
 - *Wastewater Operations Fund* – This fund accounts for sanitary sewer services provided to the residential and commercial users of the city.
 - *Wastewater Systems Development Fee Funds* - These funds were established to account for the inflow of wastewater service development fees levied on new residential, commercial, and industrial development. The fees can only be used for the purchase, construction, financing, and furnishing of new items directly related to the increased demand on wastewater services caused by growth.
 - *Sanitation Operations Fund* – This fund accounts for trash collection services provided to residential and some commercial users of the city.
- Internal Service Funds – These funds are used to report any activity that provides goods or services to other funds, departments, or divisions of the city, or to other governments, on a cost-reimbursement basis. The goal of an internal service fund is to measure the full cost of providing goods or services for the purpose of fully recovering that cost through fees or charges.
 - *Healthcare Self Insurance Fund* – This fund provides a mechanism whereby health insurance related expenses are monitored and health insurance reserves are established. City policy restricts the use of these funds.
 - *Risk Management Fund* – This fund provides a mechanism whereby all risk related expenditures are monitored and insurance reserves are established. City policy restricts the use of these funds.
- Fiduciary Funds – These funds are used to track the city's non-expendable trust activities for outside agencies.
 - *Firefighters Pension Fund* – This fund accounts for the assets of the city's volunteer firefighter pension and trust. The Mayor and City Council act as the governing board and city staff perform all administrative and accounting functions for this fund.

Sources of Funds

The city has three primary sources of funding for its budgeted expenditures. These include fund balances, current year revenues, and borrowing.

Fund balance is the end result of prior year's activity from revenues and debt related financing sources received and expenditures made.

$$\text{Revenues} - \text{Expenditures} = \text{Fund Balance}$$

Although fund balances are available to be spent, these are not a recurring revenue source for the city. They can only be replenished by an excess of revenues over expenditures in a given year. To protect the city's operating fund balance and to ensure that the city has enough funds on hand to continue day to day operations, the city has established a minimum fund balance policy. The full policy can be found in the appendix.

Currently, the city is not meeting the requirements as stated in the minimum fund balance policy. The city is working to increase operating fund balance in the future to be able to meet the policy. So, although the city's has a collective beginning fund balance of \$441.7 million, it is not the city's intention to draw down on these balances in the current year.

The total beginning fund balance presented in this year's budget is significantly larger than that reported in the prior year's budget. This is due to the inclusion of capital assets within the Sewer and Water Funds. These two funds make up a total of \$378.9 million of beginning fund balance. A large portion of this fund balance, approximately \$316 million, is comprised of capital assets and is not available to be used by the City.

Current year revenues are generated by a variety of activities. Such activities include, but are not limited to, local sales tax, state shared revenue, charges for services, property taxes, franchise fees, and development fees. The city is projecting \$158.4 million in revenues from all funds in FY2013. Included in this amount are both one-time and ongoing revenues. It is the city's policy not to use one-time revenues to meet ongoing operational expenditures.

Borrowing can be accomplished through a variety of methods including obtaining loans or issuing bonds. There are various legally separate component units of the city that have issued general obligation bonded (G.O. Bond) debt for the Marley Park Community Facilities District and revenue bonds for the Surprise Municipal Property Corporation. The city has no financial liability for their debt, so it is not included in the debt limit calculation.

The Arizona Constitution provides that the general obligation bonded indebtedness for a city may not exceed twenty percent of the net secondary assessed valuation of the taxable property of the city for projects for purposes of water, wastewater, artificial light, open space preserves, parks and recreational facilities, public safety, law enforcement, fire and emergency services facilities, streets, and transportation facilities. Outstanding G.O. Bond indebtedness for all other purposes may not exceed six percent of the city's net secondary assessed valuation. The following summarizes the city's legal general obligation bonded debt borrowing capacity for the fiscal year ended June 30, 2012 as this is the most recent assessed valuation data available.

Legal General Obligation Bond Capacity

| | | | |
|--------------------------------|----------|----------------------|-----------------------|
| Secondary Assessed Valuation | | \$ 854,683,673 | \$ 854,683,673 |
| Limitation | X | 6% | 20% |
| G.O. Bond Limit | = | 51,281,020 | 170,936,735 |
| Less Outstanding G.O. Debt | - | 0 | 0 |
| Available Debt Capacity | = | \$ 51,281,020 | \$ 170,936,735 |

There is no additional borrowing anticipated for FY2013. The following table details the bond ratings per agency and debt issuance:

| Rating Agency | Debt Issue | Rating |
|-------------------|-------------------------|--------|
| Standard & Poor's | General obligation bond | A |
| Standard & Poor's | 2003 MPC bonds | AA |
| Fitch Ratings | General obligation bond | A+ |
| Fitch Ratings | 2003 MPC bonds | A+ |
| Fitch Ratings | 2007 wastewater bonds | A- |

Uses of Funds

Fund expenditures are broken into five major categories. These include personnel, supplies and services, capital and depreciation, debt service, and contingency.

Personnel is used to record all personnel related expenditures including full-time, part-time, and overtime salaries. Also included are stipends, taxes, and benefits. For FY2013 personnel is budgeted at \$63.5 million or 34% of the budget.

Supplies and services include expenditures for supplies used to continue the operations of the city. Examples of expenditures under this category include office and computer supplies, fuel, and postage. Utilities, service agreements, building maintenance, and general consulting services all fall under the services side of this category. Supplies and services account for 29% of the FY2013 budget at \$54.2 million.

Capital is budgeted in the third category at \$16.0 million, 9% of the FY2013 budget. Vehicle purchases, building and structure purchases, land purchases, and street improvements are all included under capital.

Debt service includes principal and interest payments, and is budgeted at \$14.9 million, 8% of the FY2013 budget. The total outstanding principal is \$90 million with payments scheduled through FY2033.

Budgeted expenditures that are set aside for future fiscal years or unforeseen uses are labeled **contingency**. Contingencies of \$22.2 million, 12% of fund uses, have been budgeted for FY2013.

Inter-fund transfers represent a reallocation of resources between funds. For FY2013 inter-fund transfers have been programmed at \$13.6 million and are detailed in the appendix of this document as part of the required state budget forms.

Changes in Fund Balance

The city is planning on having an increase in its actual ending fund balance. However, the budgeted fund balance for the city shows a \$12.3 million decrease primarily as a result of recording \$22.2 million in contingencies.

The recording of a contingency gives the city budgeted capacity to spend a certain amount; however, the specific use of the funds has not been identified at the time the budget was completed. It is likely that the majority of contingencies programed will not be used by the city during the year. A number of funds show large decreases in fund balance as a result of having budgeted contingency amounts. These funds include the donations fund, employee dependent scholarship fund, municipal court enhancement fund, municipal court FARE fund, municipal court JCEF fund, municipal court MFTG fund, roads of regional significance SPA 3 and 5 Fund, Police Department DEA fund, Police Department RICO Fund, Police Department fund, tourism fund, volunteer firefighters pension and relief fund, healthcare self insurance fund and the risk management fund.

The general fund has a budgeted fund balance increase of \$5.0 million for an ending fund balance of \$5.5 million. This is the result of the city's effort to reduce general fund expenditures in order to be in compliance with the minimum fund balance policy. Over the past year the Mayor, City Council, and City Manager worked to reduce these expenditures while not reducing the services offered to the citizens. Capital projects have been put on hold, supplies and service budgets have been decreased and most notably the city has gone through a reduction in force resulting in the elimination of 33 full time equivalent positions.

The fire and EMS development fee fund, the general government development fee fund, parks and recreation development fee fund, and the police development fee fund have budgeted decreases in fund balance as a result of transfers to the debt service fund for the current year debt service payment. The highway user revenue fund saw an increase in fund balance of \$834,100 in an effort to reach the city's minimum fund balance policy. Both the general capital projects fund and the transportation improvement fund have significant reductions in fund balances resulting from budgeted expenditures in excess of revenues. The funding for the vehicle replacement fund has been temporarily placed on hold and as a result there is a budgeted \$1,829,300 decrease in fund balance. At the current rate of expenditures the fund balance will be exhausted by FY2015. The following schedule provides a detailed look at the changes in fund balance for each of the city's funds.

**City of Surprise
FY2013 Fund Balance Summary
Category Summary by Department**

| Department | Beginning Fund Balance | Revenue | Transfer In | Other Financing Sources | Total Sources | Subtotal Operations | Capital | Debt Service | Development Agreements | Targeted Savings | ED Contingency | Contingency | Subtotal Uses | Transfer Out | Other Financing Use | Beg FB plus Sources less Uses |
|--|------------------------|----------------------|---------------------|-------------------------|----------------------|----------------------|------------------|-------------------|------------------------|-----------------------|---------------------|------------------|----------------------|----------------------|---------------------|-------------------------------|
| Operating Funds | | | | | | | | | | | | | | | | |
| General Fund | | | | | | | | | | | | | | | | |
| Mayor & Council | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 409,700 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 409,700 | \$ - | \$ - | \$ (409,700) |
| City Manager | 0 | 0 | 0 | 0 | 0 | 1,815,900 | 0 | 0 | 0 | 0 | 0 | 70,000 | 1,885,900 | 0 | 0 | (1,885,900) |
| Government Relations | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| City Attorney | 0 | 0 | 0 | 0 | 0 | 1,749,100 | 0 | 0 | 0 | 0 | 0 | 0 | 1,749,100 | 0 | 0 | (1,749,100) |
| City Clerk | 0 | 600 | 0 | 0 | 600 | 411,700 | 0 | 0 | 0 | 0 | 0 | 0 | 411,700 | 0 | 0 | (411,700) |
| Finance | 0 | 1,103,100 | 0 | 0 | 1,103,100 | 2,669,200 | 0 | 0 | 0 | 0 | 0 | 0 | 2,669,200 | 0 | 0 | (1,566,100) |
| Human Resources | 0 | 0 | 0 | 0 | 0 | 1,567,300 | 0 | 0 | 0 | 0 | 0 | 0 | 1,567,300 | 0 | 0 | (1,567,300) |
| Information Services | 0 | 0 | 0 | 0 | 0 | 3,860,300 | 20,000 | 0 | 0 | 0 | 0 | 0 | 3,880,300 | 0 | 0 | (3,880,300) |
| Communications | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Management & Budget | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| General Operations | 515,100 | 68,804,800 | 4,689,000 | 0 | 73,493,800 | 3,415,400 | 0 | 200,000 | 2,372,900 | (1,000,000) | 1,000,000 | 0 | (800,000) | 3,184,700 | 2,267,800 | 69,356,400 |
| Community Development | 0 | 944,700 | 0 | 0 | 944,700 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 6,788,300 | 0 | 0 | (5,843,600) |
| Economic Development | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| City Court | 0 | 1,290,400 | 0 | 0 | 1,290,400 | 1,886,500 | 0 | 0 | 0 | 0 | 0 | 0 | 1,886,500 | 0 | 0 | (596,100) |
| Police | 0 | 679,600 | 0 | 0 | 679,600 | 19,004,800 | 0 | 0 | 0 | 0 | 0 | 0 | 19,004,800 | 0 | 0 | (18,325,200) |
| Fire-Emergency Services | 0 | 838,600 | 0 | 0 | 838,600 | 14,535,400 | 15,000 | 0 | 0 | 0 | 0 | 0 | 14,550,400 | 0 | 0 | (13,711,800) |
| Community & Recreation Services | 0 | 3,817,500 | 0 | 0 | 3,817,500 | 12,564,800 | 0 | 0 | 0 | 0 | 0 | 0 | 12,564,800 | 0 | 0 | (8,747,300) |
| Public Works | 0 | 779,400 | 0 | 0 | 779,400 | 5,910,200 | 0 | 0 | 0 | 0 | 0 | 0 | 5,910,200 | 0 | 0 | (5,130,800) |
| Subtotal General Fund Operating | \$ 515,100 | \$ 78,258,700 | \$ 4,689,000 | \$ - | \$ 82,947,700 | \$ 69,800,300 | \$ 35,000 | \$ 200,000 | \$ 2,372,900 | \$ (1,000,000) | \$ 1,000,000 | \$ 70,000 | \$ 72,478,200 | \$ 3,184,700 | \$ 2,267,800 | \$ 5,532,100 |
| Prasada CFD | \$ 1,600 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,600 |
| Asante CFD | 700 | 100 | 0 | 0 | 100 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 800 |
| WestSide Land CFD | 200 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 200 |
| CyburHill CFD | 700 | 100 | 0 | 0 | 100 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 800 |
| Subtotal Inactive CFDs | \$ 3,200 | \$ 200 | \$ - | \$ - | \$ 200 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,400 |
| Subtotal General Fund CAFR | \$ 518,300 | \$ 78,258,900 | \$ 4,689,000 | \$ - | \$ 82,947,900 | \$ 69,800,300 | \$ 35,000 | \$ 200,000 | \$ 2,372,900 | \$ (1,000,000) | \$ 1,000,000 | \$ 70,000 | \$ 72,478,200 | \$ 3,184,700 | \$ 2,267,800 | \$ 5,535,500 |
| Special Revenue | | | | | | | | | | | | | | | | |
| Donations | \$ 362,400 | \$ 1,900 | \$ - | \$ - | \$ 1,900 | \$ 800 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 363,500 | \$ 364,300 | \$ - | \$ - |
| Employee Dep Scholarship | 8,000 | 1,300 | 0 | 0 | 1,300 | 6,000 | 0 | 0 | 0 | 0 | 0 | 3,300 | 9,300 | 0 | 0 | 0 |
| Highway User Revenue Fund | 0 | 6,625,000 | 0 | 0 | 6,625,000 | 5,790,900 | 0 | 0 | 0 | 0 | 0 | 0 | 5,790,900 | 0 | 0 | 834,100 |
| Municipal Court Enhancement | 344,200 | 106,900 | 0 | 0 | 106,900 | 100,000 | 0 | 0 | 0 | 0 | 0 | 0 | 351,100 | 0 | 0 | 0 |
| Municipal Court FARE | 9,400 | 9,100 | 0 | 0 | 9,100 | 9,000 | 0 | 0 | 0 | 0 | 0 | 0 | 9,500 | 0 | 0 | 0 |
| Municipal Court JCEF | 95,300 | 500 | 0 | 0 | 500 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 95,800 | 0 | 0 | 0 |
| Municipal Court IMFTG | 28,400 | 31,200 | 0 | 0 | 31,200 | 31,000 | 0 | 0 | 0 | 0 | 0 | 0 | 28,600 | 0 | 0 | 0 |
| Neighborhood Revitalization | 0 | 699,000 | 0 | 0 | 699,000 | 699,000 | 0 | 0 | 0 | 0 | 0 | 0 | 699,000 | 0 | 0 | 0 |
| Police DEA | 229,800 | 1,100 | 0 | 0 | 1,100 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 230,900 | 0 | 0 | 0 |
| Police RICO | 510,400 | 2,800 | 0 | 0 | 2,800 | 200,000 | 0 | 0 | 0 | 0 | 0 | 0 | 313,200 | 0 | 0 | 0 |
| Police Tow | 338,300 | 34,600 | 0 | 0 | 34,600 | 32,500 | 0 | 0 | 0 | 0 | 0 | 0 | 340,400 | 0 | 0 | 0 |
| SLIDS | 0 | 2,659,500 | 0 | 0 | 2,659,500 | 2,659,500 | 0 | 0 | 0 | 0 | 0 | 0 | 2,659,500 | 0 | 0 | 0 |
| Tourism | 257,600 | 1,300 | 0 | 0 | 1,300 | 100,000 | 0 | 0 | 0 | 0 | 0 | 0 | 158,900 | 0 | 0 | 0 |
| Transit | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grants and Contingency | 0 | 13,709,200 | 0 | 0 | 13,709,200 | 311,400 | 12,500 | 0 | 0 | 0 | 0 | 0 | 13,385,300 | 0 | 0 | 943,800 |
| Marley Park CFD | 943,800 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Special Revenue | \$ 3,127,600 | \$ 23,883,400 | \$ - | \$ - | \$ 23,883,400 | \$ 9,940,100 | \$ 12,500 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 15,280,500 | \$ 25,233,100 | \$ - | \$ 1,777,900 |

City of Surprise
FY2013 Fund Balance Summary
Category Summary by Department

| Department | Beginning Fund Balance | Revenue | Transfer In | Other Financing Sources | Total Sources | Subtotal Operations | Capital | Debt Service | Development Agreements | Targeted Savings | ED Contingency | Contingency | Subtotal Uses | Transfer Out | Other Financing Use | Beg FB plus Sources less Uses |
|-------------------------------------|------------------------|-----------------------|----------------------|-------------------------|-----------------------|-----------------------|----------------------|----------------------|------------------------|-----------------------|---------------------|----------------------|-----------------------|----------------------|---------------------|-------------------------------|
| Debt Service | | | | | | | | | | | | | | | | |
| Debt Service Fund | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Prop Debt Service 2007 | 1,197,200 | 0 | 2,397,700 | 0 | 2,397,700 | 0 | 4,000 | 2,397,700 | 0 | 0 | 0 | 0 | 2,401,700 | 0 | 0 | 1,193,200 |
| Prop Debt Service 2000-2003 | 1,026,000 | 0 | 1,459,000 | 0 | 1,459,000 | 0 | 800 | 1,456,900 | 0 | 0 | 0 | 0 | 1,457,700 | 0 | 0 | 1,027,300 |
| Gov Debt Service 2000-2003 | 2,365,700 | 0 | 3,364,300 | 0 | 3,364,300 | 0 | 1,800 | 3,359,300 | 0 | 0 | 0 | 0 | 3,361,100 | 0 | 0 | 2,368,900 |
| Prop Construction 2007 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Gov Construction 2000-2003 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Prop Reserve 2007 | 5,124,000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5,124,000 |
| Gov Reserve 2000-2003 | 3,959,000 | 19,500 | 0 | 0 | 19,500 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3,978,500 |
| Prop Reserve 2000-2003 | 1,543,000 | 8,500 | 0 | 0 | 8,500 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1,551,500 |
| Marley Park Debt Service | (531,700) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (531,700) |
| Municipal Property Corporation Fund | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Debt Service | \$ 14,283,500 | \$ 28,000 | \$ 7,221,000 | \$ - | \$ 7,249,000 | \$ - | \$ 6,600 | \$ 7,213,900 | \$ - | \$ - | \$ - | \$ - | \$ 7,220,500 | \$ - | \$ - | \$ 14,312,000 |
| Capital | | | | | | | | | | | | | | | | |
| Fire & EMS Development | \$ - | \$ 247,800 | \$ - | \$ 64,800 | \$ 312,600 | \$ 20,000 | \$ - | \$ 292,600 | \$ - | \$ - | \$ - | \$ - | \$ 321,100 | \$ 121,600 | \$ - | \$ (130,100) |
| General Capital Fund | 1,914,200 | 2,465,300 | 1,650,000 | 0 | 4,115,300 | 1,711,800 | 4,544,600 | 0 | 0 | 0 | 0 | 0 | 6,256,400 | 0 | 0 | (226,900) |
| General Government Development | 0 | 227,100 | 0 | 2,203,000 | 2,430,100 | 20,000 | 0 | 1,837,000 | 0 | 0 | 0 | 0 | 1,885,900 | 667,000 | 0 | (102,400) |
| Library Development | 4,329,900 | 56,900 | 0 | 0 | 56,900 | 20,000 | 0 | 0 | 0 | 0 | 0 | 0 | 28,500 | 0 | 0 | 4,351,300 |
| Parks & Recreation Development | 4,002,700 | 220,700 | 0 | 0 | 220,700 | 20,000 | 0 | 0 | 0 | 0 | 0 | 0 | 28,500 | 795,000 | 0 | 3,999,900 |
| Police Development | 839,100 | 107,300 | 0 | 0 | 107,300 | 20,000 | 0 | 0 | 0 | 0 | 0 | 0 | 28,500 | 246,000 | 0 | 671,900 |
| Public Works Development | 9,317,600 | 90,100 | 0 | 0 | 90,100 | 61,000 | 587,600 | 0 | 0 | 0 | 0 | 0 | 657,100 | 0 | 0 | 8,750,600 |
| Roads of Regional Significance | 2,134,800 | 11,600 | 0 | 0 | 11,600 | 20,000 | 0 | 29,800 | 300,000 | 0 | 0 | 0 | 29,800 | 0 | 0 | 2,116,600 |
| Transportation Improvement | 1,704,800 | 3,444,700 | 0 | 0 | 3,444,700 | 2,345,100 | 1,800,000 | 0 | 0 | 0 | 0 | 0 | 4,445,100 | 0 | 0 | 704,400 |
| Vehicle Replacement | 5,673,100 | 221,700 | 0 | 0 | 221,700 | 0 | 2,051,000 | 0 | 0 | 0 | 0 | 0 | 2,051,000 | 0 | 0 | 3,843,800 |
| Total Capital | \$ 29,909,200 | \$ 7,093,200 | \$ 1,650,000 | \$ 2,267,800 | \$ 11,011,000 | \$ 4,237,900 | \$ 8,983,200 | \$ 2,129,600 | \$ 300,000 | \$ - | \$ - | \$ 60,800 | \$ 15,711,500 | \$ 1,829,600 | \$ - | \$ 23,379,100 |
| Fiduciary | | | | | | | | | | | | | | | | |
| Firefighters Pension Fund | \$ 100,300 | \$ 600 | \$ - | \$ - | \$ 600 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 100,900 | \$ 100,900 | \$ - | \$ - |
| Total Fiduciary | \$ 100,300 | \$ 600 | \$ - | \$ - | \$ 600 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 100,900 | \$ 100,900 | \$ - | \$ - |
| Enterprise | | | | | | | | | | | | | | | | |
| Water Fund | \$ 94,109,600 | \$ 9,942,300 | \$ - | \$ - | \$ 9,942,300 | \$ 7,188,200 | \$ 554,000 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 8,903,200 | \$ 1,763,900 | \$ - | \$ 93,384,800 |
| Water Dev. Impact Fees | 7,179,200 | 438,300 | 0 | 0 | 438,300 | 130,800 | 1,240,500 | 1,300,000 | 0 | 0 | 0 | 0 | 2,689,300 | 0 | 0 | 4,928,200 |
| Wastewater Fund | 277,286,300 | 17,906,800 | 0 | 0 | 17,906,800 | 8,058,700 | 5,154,500 | 735,900 | 0 | 0 | 0 | 0 | 15,282,100 | 2,034,800 | 0 | 277,876,200 |
| Wastewater Dev. Impact Fees | 283,500 | 1,051,800 | 0 | 0 | 1,051,800 | 180,400 | 1,071,500 | 0 | 0 | 0 | 0 | 0 | 3,856,700 | 0 | 0 | (3,782,300) |
| Sanitation Fund | 11,968,800 | 6,835,800 | 0 | 0 | 6,835,800 | 4,780,600 | 0 | 0 | 0 | 0 | 0 | 0 | 5,572,600 | 890,300 | 0 | 12,341,700 |
| Total Enterprise | \$ 390,827,400 | \$ 36,175,000 | \$ - | \$ - | \$ 36,175,000 | \$ 20,338,700 | \$ 6,949,000 | \$ 3,107,400 | \$ - | \$ - | \$ - | \$ - | \$ 33,708,100 | \$ 8,545,700 | \$ - | \$ 384,748,600 |
| Internal Service | | | | | | | | | | | | | | | | |
| Risk Management | \$ 2,022,400 | \$ 1,609,500 | \$ - | \$ - | \$ 1,609,500 | \$ 1,918,600 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,631,900 | \$ - | \$ - | \$ - |
| Employee Healthcare | 1,276,400 | 9,033,700 | 0 | 0 | 9,033,700 | 8,645,000 | 0 | 0 | 0 | 0 | 0 | 0 | 10,310,100 | 0 | 0 | 10,310,100 |
| Total Internal Service | \$ 3,298,800 | \$ 10,643,200 | \$ - | \$ - | \$ 10,643,200 | \$ 10,563,600 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 13,942,000 | \$ - | \$ - | \$ - |
| Grand Total | \$ 442,065,100 | \$ 156,082,300 | \$ 13,560,000 | \$ 2,267,800 | \$ 171,910,100 | \$ 114,880,600 | \$ 15,986,300 | \$ 12,650,900 | \$ 2,672,900 | \$ (1,000,000) | \$ 1,000,000 | \$ 22,203,600 | \$ 168,394,300 | \$ 13,560,000 | \$ 2,267,800 | \$ 429,755,100 |
| Total Operating | \$ 515,100 | \$ 84,883,700 | \$ 4,689,000 | \$ - | \$ 89,572,700 | \$ 75,591,200 | \$ 35,000 | \$ 200,000 | \$ 2,372,900 | \$ (1,000,000) | \$ 1,000,000 | \$ 70,000 | \$ 78,269,100 | \$ 3,184,700 | \$ 2,267,800 | \$ 6,366,200 |

Financial Policies

On June 26, 2012, the Mayor and City Council unanimously approved 43 financial policies that were developed by staff to provide the roadmap to achieve financial resiliency and demonstrate the city's commitment to sound financial management practices. The policies cover the following five areas.

1. Operating Management
2. Capital Management
3. Debt Management
4. Minimum Fund Balance
5. Financial Reporting

While all of the policies contribute to the city's efforts to improve its financial processes, operating management policy #2 relates directly to this budget document.

The budget shall be considered balanced if revenues plus use of fund balance are equal to or exceed total expenses, by fund. The budget process is intended to weigh all competing requests for city resources, within expected fiscal constraints.

The complete list of all 43 financial policies is included in the appendix of this document.

FY2013 Budget Process

The budget is monitored year-round and various informal FY2013 budget meetings and work session presentations to Mayor and City Council members were held through-out the year. A meeting was held on January 25, 2012 with all budget points of contacts for each department to discuss the mechanics of the budget process. The deadline for department submissions as well as the entire budget calendar was discussed during this meeting. The budget database was then opened to allow reallocation of existing base budgets, input of new supplemental requests, update of existing capital projects, and input of new capital projects.

All budget inputs were due by March 5, 2012, at which time the budget database was closed. From March 13, 2012 through April 9, 2012, the City Manager's Office reviewed the base budgets, supplemental requests, capital projects, and available resources with Finance department staff and the individual departments. A key component of the meetings with the City Manager was the comprehensive line items review requested by the Mayor and City Council. Significant reductions were made to department base budgets through this process. The City Manager delivered the recommended budget to the Mayor and City Council on April 26, 2012.

The City Manager's recommended budget was presented to the Mayor and City Council for review and discussion at four work sessions on May 8, 15, 22, and June 5, 2012 and a budget retreat was held on May 29, 2012. During the meetings, city staff presented the recommended budget and was available to address questions from the Mayor and City Council.

As a result of the meetings, revisions were made to the recommended budget, and the tentative budget was presented to the Mayor and City Council for adoption at a regular City Council meeting on May 22, 2012. Following adoption, the tentative budget was published for two consecutive weeks in the local paper. A public hearing was then held on the budget, after which the Mayor and City Council voted on the final budget adoption on June 12, 2012. Budget adoption adheres to all statutory hearings, publications, and requirements. The property tax was levied on June 26, 2012, fourteen days after the final budget.

The budget calendar contained in this section summarizes the steps involved in adopting the budget.

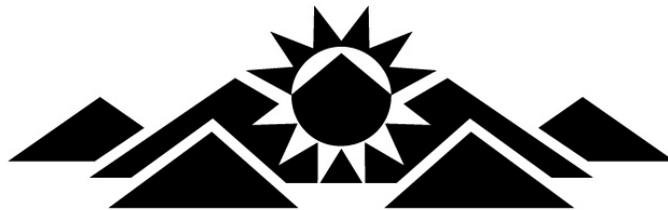
Strategic Planning

In August 2010, the Mayor and City Council initiated a process to bring staff together and focus on the community's priorities in the development of a City Council strategic plan. The initial focus of the strategic plan was accomplished via a series of exercises by the Mayor and City Council on August 17, 2010. These exercises were supported and facilitated by the City Manager and department directors to lend technical expertise. Following this work by Mayor and Council, various Boards and Commissions reviewed and provided input on the initially identified strategic areas during the month of November 2010. In early 2011, the city's Communications department initiated a public outreach program to educate and solicit resident inputs on the strategic plan. Several public meetings were held in the month of January 2011, in addition to online and printed surveys, comment cards and news releases to local media identifying the opportunity for residents to provide input to the strategic planning process.

The 2011 City Council Strategic Plan contains priorities organized in five focus areas:

1. **Transportation:** The City of Surprise will have an efficient, cost effective, multi-modal transportation network that provides commuter choice, ease of movement into, within, and out of Surprise.
2. **Higher Education:** Enhance partnerships with all public and private K-12 education providers and higher education opportunities in Surprise that leads to the development of a 4-yr university campus with college life amenities that benefit the entire city.
3. **Tourism:** Increase economic activity in Surprise by infusing tourism dollars into the local economy by focusing on entertainment, partnerships, resorts, and the White Tank Mountains.
4. **Sustainability:** Develop sustainability road map and carbon footprint reduction strategy.
5. **Economic Development:** Create a robust business environment that creates employment, wealth, capital investment, and enhanced opportunities for investors and residents.

City of Surprise, Arizona



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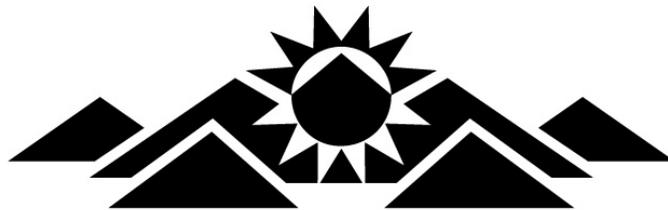
FY2013 Adopted Budget



Budget Calendar

| <u>Date</u> | <u>Activity</u> |
|-----------------------------------|---|
| 1/25/2012 | Budget kick-off – initial meeting with budget contacts (budget process overview, identifying activities, performance measures) |
| 2/1/2012 | Database opened for department input |
| 3/5/2012 | Database closed |
| 3/6 - 3/8/2012 | Information assembled for City Manager's Office |
| 3/13 – 4/9/2012 | Individual departmental budget planning meetings with City Manger's Office |
| 4/26/2012 | City Manager's Recommended Budget delivered to Mayor and City Council |
| 5/8, 5/15, 5/22, 5/29, & 6/5/2012 | Mayor and Council review of the City Manager's recommended budget at Council Work Sessions and a Budget Retreat |
| 5/22/2012 | Public Hearing and Tentative Budget Adoption – City of Surprise |
| 5/29/2012 | Public Notice #1 – Truth in taxation & FY2013 budget estimates |
| 6/5/2012 | Public Notice #2 – Truth in taxation & FY2013 budget estimates |
| 6/12/2012 | Property Tax Hearing – Primary Property Taxes Property Tax Hearing – Street Light Improvement Districts Public Hearing and Final Budget Adoption – City Of Surprise |
| 6/26/2012 | Property Tax Levy Adoption – Primary Property Taxes Property Tax Levy Adoption – Street Light Improvement Districts |

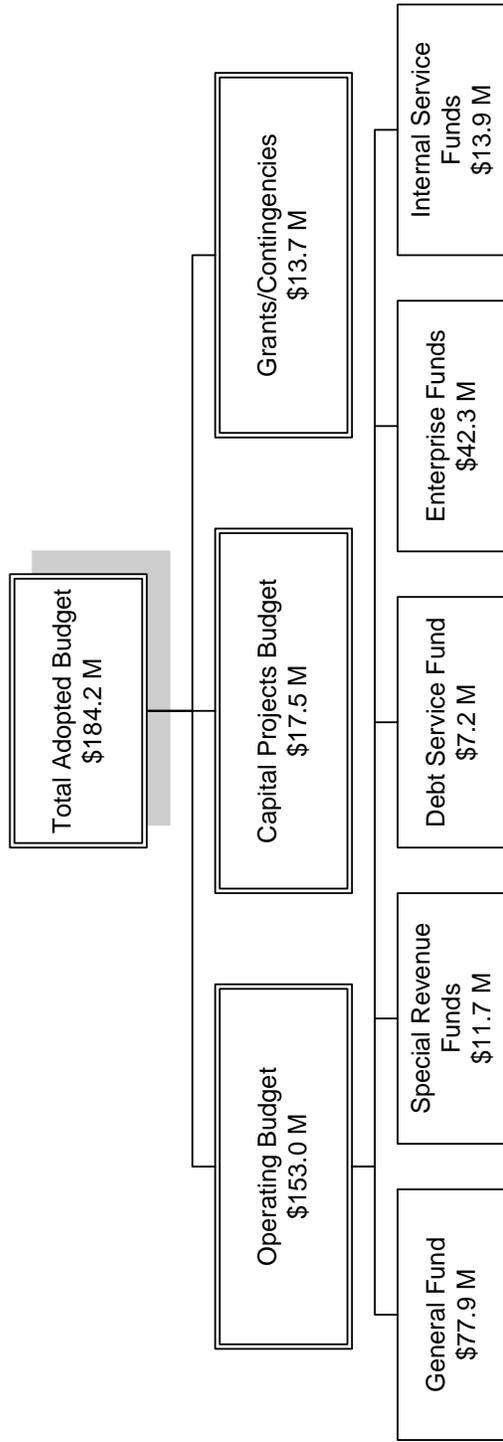
City of Surprise, Arizona



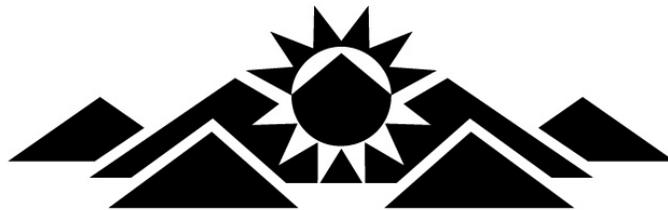
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FY2013 Adopted Budget



City of Surprise, Arizona



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FY2013 Adopted Budget

Summary of Major Revenues and Expenditures

| Fund Name | General Fund | | | Donations Fund | | | Employee Dep Scholarship Fund | | | Fire Development Fee Fund | | |
|--|----------------------|----------------------|----------------------|-------------------|-------------------|-------------------|-------------------------------|------------------|-----------------|---------------------------|-------------------|-------------------|
| | FY2011 Actual | FY2012 Estimated | FY2013 Adopted | FY2011 Actual | FY2012 Estimated | FY2013 Adopted | FY2011 Actual | FY2012 Estimated | FY2013 Adopted | FY2011 Actual | FY2012 Estimated | FY2013 Adopted |
| Revenues | | | | | | | | | | | | |
| Bed tax | \$ 100,398 | \$ 101,500 | \$ 101,500 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Capital contributions | - | - | - | - | - | - | - | - | - | - | - | - |
| Charges for services | 5,598,852 | 5,492,800 | 5,237,900 | - | - | - | - | - | - | - | - | - |
| Development fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Donations | 103,806 | - | - | 323,750 | 209,382 | 1,200 | 1,681 | 1,250 | 1,200 | - | 440,980 | 247,800 |
| Extension fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Fines | 1,341,403 | 1,379,800 | 1,395,000 | - | - | - | - | - | - | - | - | - |
| Franchise fees | 3,822,909 | 3,925,100 | 3,948,000 | - | - | - | - | - | - | - | - | - |
| Grants county | - | - | - | - | - | - | - | - | - | - | - | - |
| Grants federal | - | - | - | - | - | - | - | - | - | - | - | - |
| Grants other | - | - | - | - | - | - | - | - | - | - | - | - |
| Grants state | - | - | - | - | - | - | - | - | - | - | - | - |
| HURF tax | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest | 130,132 | 27,000 | 200 | 4,531 | 1,961 | 1,900 | 100 | 57 | 100 | 1,864 | - | |
| Intergovernmental revenues non-grant county | 129,460 | - | 50,000 | - | - | - | - | - | - | - | - | - |
| Intergovernmental revenues non-grant federal | 111,205 | 145,100 | 202,400 | - | - | - | - | - | - | - | - | - |
| Intergovernmental revenues non-grant local | - | - | - | - | - | - | - | - | - | - | - | - |
| Intergovernmental revenues non-grant state | - | - | - | - | - | - | - | - | - | - | - | - |
| License | 667,755 | 679,100 | 700,600 | - | - | - | - | - | - | - | - | - |
| Local sales tax | 27,462,017 | 29,727,500 | 32,295,000 | - | - | - | - | - | - | - | - | - |
| LTAf | 87,905 | 330,000 | 330,000 | - | - | - | - | - | - | - | - | - |
| Other | 1,538,255 | 1,051,200 | 1,058,300 | - | - | - | 112 | - | - | 2,285 | - | - |
| Property tax | 7,023,619 | 6,243,500 | 6,290,000 | - | - | - | - | - | - | - | - | - |
| Rents | 611,019 | 459,500 | 510,300 | - | - | - | - | - | - | - | - | - |
| State fire insurance premium tax | 260,878 | 293,000 | 414,000 | - | - | - | - | - | - | - | - | - |
| State shared income tax | 8,591,077 | 9,918,900 | 12,003,000 | - | - | - | - | - | - | - | - | - |
| State shared sales tax | 7,158,275 | 9,588,100 | 9,826,800 | - | - | - | - | - | - | - | - | - |
| Vehicle license tax | 2,930,709 | 3,963,000 | 3,895,900 | - | - | - | - | - | - | - | - | 64,800 |
| Other financing source | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfers in | 5,462,018 | 4,623,600 | 4,689,000 | - | - | - | - | - | - | - | - | - |
| Total revenues | 73,155,626 | 77,948,700 | 82,947,900 | 328,281 | 211,343 | 1,900 | 1,893 | 1,307 | 1,300 | 542,968 | 442,844 | 312,600 |
| Expenditures | | | | | | | | | | | | |
| Department | | | | | | | | | | | | |
| City clerk | 405,799 | 660,849 | 411,700 | - | - | - | - | - | - | - | - | - |
| City council | 432,023 | 399,278 | 409,700 | - | - | - | - | - | - | - | - | - |
| City court | 1,992,241 | 1,903,714 | 1,886,500 | - | - | - | - | - | - | - | - | - |
| City manager | 652,154 | 609,768 | 1,815,900 | - | - | - | - | - | - | - | - | - |
| Community development | 4,179,150 | 3,469,159 | 5,788,300 | 68 | - | - | - | - | - | - | - | - |
| Finance | 2,892,741 | 2,655,777 | 2,669,200 | - | - | - | - | - | - | 13,861 | 9,380 | 20,000 |
| Fire | 13,700,456 | 13,865,995 | 14,535,400 | 2,209 | 12,139 | - | - | - | - | 121,256 | - | - |
| General operations | 1,531,102 | 91,291 | 1,567,300 | - | - | - | 3,000 | 7,200 | 6,000 | - | - | - |
| Human resources | 1,216,840 | 1,348,013 | 1,567,300 | - | - | - | - | - | - | - | - | - |
| Information technology | 3,522,027 | 3,288,706 | 3,860,300 | - | - | - | - | - | - | - | - | - |
| Intergovernmental relations | 204,005 | 242,770 | - | - | - | - | - | - | - | - | - | - |
| Legal | 1,545,905 | 1,549,821 | 1,749,100 | - | - | - | - | - | - | - | - | - |
| Parks & recreation | 12,081,492 | 11,862,820 | 12,564,800 | 200,976 | 44,108 | 800 | - | - | - | - | - | - |
| Police | 18,459,281 | 17,746,699 | 19,004,800 | 9,769 | 5,746 | - | - | - | - | - | - | - |
| Public information | 783,821 | 699,346 | - | - | - | - | - | - | - | - | - | - |
| Public works | 6,338,896 | 5,779,610 | 5,910,200 | - | - | - | - | - | - | 45,947 | - | 8,500 |
| Capital outlay | 150,097 | 189,197 | 35,000 | - | - | - | - | - | - | - | - | - |
| Principal | - | - | 200,000 | - | - | - | - | - | - | - | - | - |
| Interest and fiscal charges | 22,640 | - | - | - | - | - | - | - | - | - | - | - |
| Debt issuance costs | - | - | - | - | - | - | - | - | - | - | - | - |
| Contingency | - | - | 1,000,000 | - | - | 363,500 | - | - | 3,300 | - | - | - |
| Economic development contingency | - | - | - | - | - | - | - | - | - | - | - | - |
| Grant match contingency | - | - | 70,000 | - | - | - | - | - | - | - | - | - |
| Targeted savings | - | - | (1,000,000) | - | - | - | - | - | - | - | - | - |
| Other financing use | - | - | 2,267,800 | - | - | - | - | - | - | - | - | - |
| Transfers out | 6,819,717 | 1,382,833 | 3,184,700 | 316,403 | 120,360 | - | - | - | - | 109,460 | 121,600 | - |
| Total expenditures | \$ 76,930,387 | \$ 67,745,646 | \$ 77,930,700 | \$ 529,425 | \$ 182,353 | \$ 364,300 | \$ 3,000 | \$ 7,200 | \$ 9,300 | \$ 195,471 | \$ 118,840 | \$ 442,700 |

Summary of Major Revenues and Expenditures

| Fund Name | General Government Development Fee Fund | | | Grants Fund | | | Highway User Revenue Fund | | | Library Development Fee Fund | | |
|--|---|------------------|------------------|------------------|------------------|-------------------|---------------------------|------------------|------------------|------------------------------|------------------|----------------|
| | FY2011 Actual | FY2012 Estimated | FY2013 Adopted | FY2011 Actual | FY2012 Estimated | FY2013 Adopted | FY2011 Actual | FY2012 Estimated | FY2013 Adopted | FY2011 Actual | FY2012 Estimated | FY2013 Adopted |
| Revenues | | | | | | | | | | | | |
| Bed tax | - | - | - | - | - | - | - | - | - | - | - | - |
| Capital contributions | - | - | - | - | - | - | - | - | - | - | - | - |
| Charges for services | - | - | - | - | - | - | - | - | - | - | - | - |
| Development fees | 455,045 | 397,671 | 227,100 | - | - | - | - | 6,000 | - | 109,001 | 94,718 | 33,300 |
| Donations | - | - | - | - | - | - | - | - | - | - | - | - |
| Extension fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Fines | - | - | - | - | - | - | - | - | - | - | - | - |
| Franchise fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Grants county | - | - | - | - | - | - | - | - | - | - | - | - |
| Grants federal | - | - | - | - | - | - | - | - | - | - | - | - |
| Grants other | - | - | 323,900 | 1,009,017 | 683,992 | 6,613,600 | - | - | - | - | - | - |
| Grants state | - | - | 6,000 | - | - | - | - | - | - | - | - | - |
| HURF tax | - | - | - | - | - | - | - | 5,275,645 | 5,917,000 | 33,136 | 25,555 | 23,600 |
| Interest | - | - | - | 433 | - | - | - | 13,924 | 600 | - | - | - |
| Intergovernmental revenues non-grant county | - | - | - | - | - | - | - | 72,180 | - | - | - | - |
| Intergovernmental revenues non-grant federal | - | - | - | - | - | - | - | - | - | - | - | - |
| Intergovernmental revenues non-grant local | - | - | - | - | - | - | - | - | - | - | - | - |
| Intergovernmental revenues non-grant state | - | - | - | - | - | - | - | - | - | - | - | - |
| License | - | - | - | - | - | - | - | - | - | - | - | - |
| Local sales tax | - | - | - | - | - | - | - | - | - | - | - | - |
| LTAf | - | - | - | - | - | - | - | - | - | - | - | - |
| Other | 13,576 | - | - | - | - | - | - | 27,575 | 11,400 | - | - | - |
| Property tax | - | - | - | - | - | - | - | - | - | - | - | - |
| Rents | - | - | - | - | - | - | - | - | - | - | - | - |
| State fire insurance premium tax | - | - | - | - | - | - | - | - | - | - | - | - |
| State shared income tax | - | - | - | - | - | - | - | - | - | - | - | - |
| State shared sales tax | - | - | - | - | - | - | - | - | - | - | - | - |
| Vehicle license tax | - | - | - | - | - | - | - | - | - | - | - | - |
| Other financing source | - | - | 2,203,000 | - | - | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - | - | - | - | - | - |
| Total revenues | 408,621 | 397,671 | 2,430,100 | 1,009,450 | 689,992 | 13,709,200 | 1,009,450 | 5,395,324 | 5,929,000 | 142,137 | 120,273 | 56,900 |
| Expenditures | | | | | | | | | | | | |
| Department | - | - | - | - | - | - | - | - | - | - | - | - |
| City clerk | - | - | - | - | - | - | - | - | - | - | - | - |
| City council | - | - | - | - | 6,000 | - | - | - | - | - | - | - |
| City court | - | - | - | - | - | - | - | - | - | - | - | - |
| City manager | - | - | - | - | - | - | - | - | - | - | - | - |
| Community development | - | - | - | - | - | - | - | - | - | - | - | - |
| Finance | 13,861 | 14,339 | 20,000 | - | - | - | - | - | - | 13,861 | 9,380 | 20,000 |
| Fire | - | - | - | 44,400 | 21,366 | - | - | - | - | - | - | - |
| General operations | - | - | - | - | - | - | - | - | - | - | - | - |
| Human resources | - | - | - | - | - | - | - | - | - | - | - | - |
| Information technology | - | - | - | - | - | - | - | - | - | - | - | - |
| Intergovernmental relations | - | - | - | - | - | - | - | - | - | - | - | - |
| Legal | - | - | - | 50,000 | - | 50,000 | - | - | - | - | - | - |
| Parks & recreation | - | - | - | 392,089 | 81,096 | 141,000 | - | - | - | - | - | - |
| Police | - | - | - | - | - | - | - | - | - | - | - | - |
| Public information | 665,466 | - | 8,500 | 522,961 | 499,579 | 12,500 | - | 5,545,933 | 5,130,502 | - | - | 8,500 |
| Public works | - | - | - | - | - | - | - | 49,409 | - | - | - | - |
| Capital outlay | - | - | - | - | - | - | - | - | - | - | - | - |
| Principal | 128,947 | - | 1,837,000 | - | - | - | - | - | - | - | - | - |
| Interest and fiscal charges | - | - | - | - | - | - | - | - | - | - | - | - |
| Debt issuance costs | - | - | - | - | - | - | - | - | - | - | - | - |
| Contingency | - | - | - | - | - | 13,385,300 | - | - | - | - | - | - |
| Economic development contingency | - | - | - | - | - | - | - | - | - | - | - | - |
| Grant match contingency | - | - | - | - | - | - | - | - | - | - | - | - |
| Targeted savings | - | - | - | - | - | - | - | - | - | - | - | - |
| Other financing use | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfers out | - | 600,727 | 667,000 | - | - | - | - | 2,071,800 | - | - | - | - |
| Total expenditures | 808,274 | 615,066 | 2,532,500 | 1,009,450 | 608,041 | 13,709,200 | 1,009,450 | 7,667,142 | 5,130,502 | 13,861 | 9,380 | 28,500 |

Summary of Major Revenues and Expenditures

| Fund Name | Municipal Court Enhancement Fund | | | Municipal Court FARE Fund | | | Municipal Court JCEF Fund | | | Municipal Court MFTG Fund | | |
|--|----------------------------------|------------------|----------------|---------------------------|------------------|----------------|---------------------------|------------------|----------------|---------------------------|------------------|----------------|
| | FY2011 Actual | FY2012 Estimated | FY2013 Adopted | FY2011 Actual | FY2012 Estimated | FY2013 Adopted | FY2011 Actual | FY2012 Estimated | FY2013 Adopted | FY2011 Actual | FY2012 Estimated | FY2013 Adopted |
| Revenues | | | | | | | | | | | | |
| Bed tax | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Capital contributions | - | - | - | - | - | - | - | - | - | - | - | - |
| Charges for services | - | - | - | - | - | - | - | - | - | - | - | - |
| Development fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Donations | - | - | - | - | - | - | - | - | - | - | - | - |
| Extension fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Fines | 107,300 | 92,932 | 105,000 | - | 19,308 | - | 21,245 | - | - | - | - | - |
| Franchise fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Grants county | - | - | - | - | - | - | - | - | - | - | - | - |
| Grants federal | - | - | - | - | - | - | - | - | - | - | - | - |
| Grants other | - | - | 9,000 | - | - | - | - | - | - | - | - | - |
| Grants state | - | - | - | - | - | - | - | - | - | - | - | - |
| HURF tax | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest | 2,860 | 2,232 | 1,900 | 106 | 73 | 100 | 819 | 488 | 500 | 386 | 274 | 200 |
| Intergovernmental revenues non-grant county | - | - | - | - | - | - | - | - | - | - | - | - |
| Intergovernmental revenues non-grant federal | - | - | - | - | - | - | - | - | - | - | - | - |
| Intergovernmental revenues non-grant local | - | - | - | - | - | - | - | - | - | - | - | - |
| Intergovernmental revenues non-grant state | - | - | - | 6,540 | - | - | - | - | - | 20,266 | 6,822 | 31,000 |
| License | - | - | - | - | - | - | - | - | - | - | - | - |
| Local sales tax | - | - | - | - | - | - | - | - | - | - | - | - |
| LTAf | - | - | - | - | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - | - | - | - | - |
| Property tax | - | - | - | - | - | - | - | - | - | - | - | - |
| Rents | - | - | - | - | - | - | - | - | - | - | - | - |
| State fire insurance premium tax | - | - | - | - | - | - | - | - | - | - | - | - |
| State shared income tax | - | - | - | - | - | - | - | - | - | - | - | - |
| State shared sales tax | - | - | - | - | - | - | - | - | - | - | - | - |
| Vehicle license tax | - | - | - | - | - | - | - | - | - | - | - | - |
| Other financing source | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - | - | - | - | - | - |
| Total revenues | 110,160 | 95,164 | 106,900 | 6,646 | 73 | 9,100 | 22,064 | 19,796 | 500 | 20,652 | 7,096 | 31,200 |
| Expenditures | | | | | | | | | | | | |
| Department | - | - | - | - | - | - | - | - | - | - | - | - |
| City clerk | - | - | - | - | - | - | - | - | - | - | - | - |
| City council | - | - | - | - | - | - | - | - | - | - | - | - |
| City court | 82,301 | 73,746 | 100,000 | - | - | 9,000 | 53,945 | - | - | 40,950 | - | 31,000 |
| City manager | - | - | - | - | - | - | - | - | - | - | - | - |
| Community development | - | - | - | - | - | - | - | - | - | - | - | - |
| Finance | - | - | - | - | - | - | - | - | - | - | - | - |
| Fire | - | - | - | - | - | - | - | - | - | - | - | - |
| General operations | - | - | - | - | - | - | - | - | - | - | - | - |
| Human resources | - | - | - | - | - | - | - | - | - | - | - | - |
| Information technology | - | - | - | - | - | - | - | - | - | - | - | - |
| Intergovernmental relations | - | - | - | - | - | - | - | - | - | - | - | - |
| Legal | - | - | - | - | - | - | - | - | - | - | - | - |
| Parks & recreation | - | - | - | - | - | - | - | - | - | - | - | - |
| Police | - | - | - | - | - | - | - | - | - | - | - | - |
| Public information | - | - | - | - | - | - | - | - | - | - | - | - |
| Public works | - | - | - | 10,069 | - | - | - | - | - | - | - | - |
| Capital outlay | - | - | - | - | - | - | - | - | - | - | - | - |
| Principal | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest and fiscal charges | - | - | - | - | - | - | - | - | - | - | - | - |
| Debt issuance costs | - | - | - | - | - | - | - | - | - | - | - | - |
| Contingency | - | - | 351,100 | - | - | 9,500 | - | - | 95,800 | - | - | 28,600 |
| Economic development contingency | - | - | - | - | - | - | - | - | - | - | - | - |
| Grant match contingency | - | - | - | - | - | - | - | - | - | - | - | - |
| Targeted savings | - | - | - | - | - | - | - | - | - | - | - | - |
| Other financing use | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - | - | - | - | - | - |
| Total expenditures | 82,301 | 73,746 | 451,100 | 10,069 | - | 18,500 | 53,945 | - | 95,800 | 40,950 | - | 59,600 |

Summary of Major Revenues and Expenditures

| Fund Name | Neighborhood Revitalization Fund | | | Parks and Recreation Development Fee Fund | | | Police Development Fee Fund | | | Public Works Expansion Development Fee Fund | | |
|--|----------------------------------|------------------|----------------|---|------------------|----------------|-----------------------------|------------------|----------------|---|------------------|----------------|
| | FY2011 Actual | FY2012 Estimated | FY2013 Adopted | FY2011 Actual | FY2012 Estimated | FY2013 Adopted | FY2011 Actual | FY2012 Estimated | FY2013 Adopted | FY2011 Actual | FY2012 Estimated | FY2013 Adopted |
| Revenues | | | | | | | | | | | | |
| Bed tax | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Capital contributions | - | - | - | - | - | - | - | - | - | - | - | - |
| Charges for services | - | - | - | - | - | - | - | - | - | - | - | - |
| Development fees | - | - | - | 418,690 | 443,060 | 196,300 | 198,945 | 194,523 | 101,900 | 528,549 | 245,972 | 37,300 |
| Donations | - | - | - | - | - | - | - | - | - | - | - | - |
| Extension fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Fines | - | - | - | - | - | - | - | - | - | - | - | - |
| Franchise fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Grants county | - | - | - | - | - | - | - | - | - | - | - | - |
| Grants federal | 964,661 | 665,603 | 699,000 | - | - | - | - | - | - | - | - | - |
| Grants other | - | 55,200 | - | - | - | - | - | - | - | - | - | - |
| Grants state | - | - | - | - | - | - | - | - | - | - | - | - |
| HURF tax | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest | - | - | - | 14,882 | 3,595 | 24,400 | 11,483 | 15,519 | 5,400 | 55,121 | 57,399 | 52,800 |
| Intergovernmental revenues non-grant county | - | - | - | - | - | - | - | - | - | - | - | - |
| Intergovernmental revenues non-grant federal | - | - | - | - | - | - | - | - | - | - | - | - |
| Intergovernmental revenues non-grant local | - | - | - | - | - | - | - | - | - | - | - | - |
| Intergovernmental revenues non-grant state | - | - | - | - | - | - | - | - | - | - | - | - |
| License | - | - | - | - | - | - | - | - | - | - | - | - |
| Local sales tax | - | - | - | - | - | - | - | - | - | - | - | - |
| LTAf | - | - | - | - | - | - | - | - | - | - | - | - |
| Other | 6,747 | 208,189 | - | 14,945 | - | - | 4,625 | - | - | - | - | - |
| Property tax | - | - | - | - | - | - | - | - | - | - | - | - |
| Rents | - | - | - | - | - | - | - | - | - | - | - | - |
| State fire insurance premium tax | - | - | - | - | - | - | - | - | - | - | - | - |
| State shared income tax | - | - | - | - | - | - | - | - | - | - | - | - |
| State shared sales tax | - | - | - | - | - | - | - | - | - | - | - | - |
| Vehicle license tax | - | - | - | - | - | - | - | - | - | - | - | - |
| Other financing source | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - | - | - | - | - | - |
| Total revenues | 971,408 | 928,292 | 699,000 | 448,517 | 446,655 | 220,700 | 215,053 | 210,042 | 107,300 | 583,670 | 303,371 | 90,100 |
| Expenditures | | | | | | | | | | | | |
| Department | - | - | - | - | - | - | - | - | - | - | - | - |
| City clerk | - | - | - | - | - | - | - | - | - | - | - | - |
| City council | - | - | - | - | - | - | - | - | - | - | - | - |
| City court | - | - | - | - | - | - | - | - | - | - | - | - |
| City manager | - | - | - | - | - | - | - | - | - | - | - | - |
| Community development | 594,237 | 601,243 | 699,000 | - | - | - | 13,861 | - | 20,000 | 13,861 | - | 20,000 |
| Finance | - | - | - | - | - | - | - | - | - | - | - | - |
| Fire | - | - | - | 13,861 | 9,380 | 20,000 | - | 9,380 | - | - | - | - |
| General operations | - | - | - | - | - | - | - | - | - | - | - | - |
| Human resources | - | - | - | - | - | - | - | - | - | - | - | - |
| Information technology | - | - | - | - | - | - | - | - | - | - | - | - |
| Intergovernmental relations | - | - | - | - | - | - | - | - | - | - | - | - |
| Legal | - | - | - | - | - | - | - | - | - | - | - | - |
| Parks & recreation | - | - | - | 833,896 | - | - | - | - | - | - | - | - |
| Police | - | - | - | - | - | - | 245,400 | - | - | - | - | - |
| Public information | - | - | - | - | - | - | - | - | - | - | - | - |
| Public works | 377,172 | - | - | - | - | 8,500 | - | - | 8,500 | 27,883 | 46,868 | 41,000 |
| Capital outlay | - | - | - | - | - | - | - | - | - | 238,881 | 309,774 | 596,100 |
| Principal | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest and fiscal charges | - | - | - | - | - | - | - | - | - | - | - | - |
| Debt issuance costs | - | - | - | - | - | - | - | - | - | - | - | - |
| Contingency | - | - | - | - | - | - | - | - | - | - | - | - |
| Economic development contingency | - | - | - | - | - | - | - | - | - | - | - | - |
| Grant match contingency | - | - | - | - | - | - | - | - | - | - | - | - |
| Targeted savings | - | - | - | - | - | - | - | - | - | - | - | - |
| Other financing use | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - | - | - | - | - | - |
| Total expenditures | 971,409 | 601,243 | 699,000 | 847,757 | 725,214 | 823,500 | 259,261 | 230,906 | 274,500 | 280,625 | 356,642 | 657,100 |

Summary of Major Revenues and Expenditures

| Fund Name | Roads of Regional Significance SPA 2, 4 and 6 Fund | | | Roads of Regional Significance SPA 3 and 5 Fund | | | SPD DEA Fund | | | SPD RICO Fund | | |
|--|--|------------------|----------------|---|------------------|----------------|----------------|------------------|----------------|----------------|------------------|----------------|
| | FY2011 Actual | FY2012 Estimated | FY2013 Adopted | FY2011 Actual | FY2012 Estimated | FY2013 Adopted | FY2011 Actual | FY2012 Estimated | FY2013 Adopted | FY2011 Actual | FY2012 Estimated | FY2013 Adopted |
| Revenues | | | | | | | | | | | | |
| Bed tax | - | - | - | - | - | - | - | - | - | - | - | - |
| Capital contributions | - | - | - | - | - | - | - | - | - | - | - | - |
| Charges for services | - | - | - | - | - | - | - | - | - | - | - | - |
| Development fees | 241,971 | - | - | 2,992 | - | - | - | - | - | - | - | - |
| Donations | - | - | - | - | - | - | - | - | - | - | - | - |
| Extension fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Fines | - | - | - | - | - | - | - | - | - | 357,179 | - | - |
| Franchise fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Grants county | - | - | - | - | - | - | - | - | - | - | - | - |
| Grants federal | - | - | - | - | - | - | 93,646 | 51,015 | - | - | - | - |
| Grants other | - | - | - | - | - | - | - | - | - | - | - | - |
| Grants state | - | - | - | - | - | - | - | - | - | - | - | - |
| HURF tax | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest | 13,426 | 12,392 | 11,500 | 180 | 114 | 100 | 2,092 | 1,189 | 1,100 | 1,200 | 2,800 | |
| Intergovernmental revenues non-grant county | - | - | - | - | - | - | - | - | - | - | - | - |
| Intergovernmental revenues non-grant federal | - | - | - | - | - | - | 11,758 | - | - | 3,073 | - | - |
| Intergovernmental revenues non-grant local | - | - | - | - | - | - | - | - | - | - | - | - |
| Intergovernmental revenues non-grant state | - | - | - | - | - | - | - | - | - | - | - | - |
| License | - | - | - | - | - | - | - | - | - | - | - | - |
| Local sales tax | - | - | - | - | - | - | - | - | - | - | - | - |
| LTAf | - | - | - | - | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - | - | - | - | - |
| Property tax | - | - | - | - | - | - | - | - | - | - | - | - |
| Rents | - | - | - | - | - | - | - | - | - | - | - | - |
| State fire insurance premium tax | - | - | - | - | - | - | - | - | - | - | - | - |
| State shared income tax | - | - | - | - | - | - | - | - | - | - | - | - |
| State shared sales tax | - | - | - | - | - | - | - | - | - | - | - | - |
| Vehicle license tax | - | - | - | - | - | - | - | - | - | - | - | - |
| Other financing source | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfers in | - | - | - | - | - | - | - | - | - | - | - | - |
| Total revenues | 255,397 | 12,392 | 11,500 | 3,172 | 114 | 100 | 107,496 | 52,204 | 1,100 | 357,179 | 4,273 | 2,800 |
| Expenditures | | | | | | | | | | | | |
| Department | - | - | - | - | - | - | - | - | - | - | - | - |
| City clerk | - | - | - | - | - | - | - | - | - | - | - | - |
| City council | - | - | - | - | - | - | - | - | - | - | - | - |
| City court | - | - | - | - | - | - | - | - | - | - | - | - |
| City manager | - | - | - | - | - | - | - | - | - | - | - | - |
| Community development | - | - | - | - | - | - | - | - | - | - | - | - |
| Finance | 6,986 | - | 10,000 | 6,986 | 1,488 | 10,000 | - | - | - | - | - | - |
| Fire | - | - | - | - | - | - | - | - | - | - | - | - |
| General operations | - | - | - | - | - | - | - | - | - | - | - | - |
| Human resources | - | - | - | - | - | - | - | - | - | - | - | - |
| Information technology | - | - | - | - | - | - | - | - | - | - | - | - |
| Intergovernmental relations | - | - | - | - | - | - | - | - | - | - | - | - |
| Legal | - | - | - | - | - | - | - | - | - | - | - | - |
| Parks & recreation | - | - | - | - | - | - | - | - | - | - | - | - |
| Police | - | - | - | - | - | - | 128,685 | 40,616 | - | 35,159 | - | 200,000 |
| Public information | - | - | - | - | - | - | - | - | - | - | - | - |
| Public works | - | - | - | - | - | - | - | - | - | - | - | - |
| Capital outlay | - | - | 4,900 | - | - | 4,900 | - | - | - | - | - | - |
| Principal | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest and fiscal charges | - | - | - | - | - | - | - | - | - | - | - | - |
| Debt issuance costs | - | - | - | - | - | - | - | - | - | - | - | - |
| Contingency | - | - | - | - | - | - | - | - | 230,900 | - | - | 313,200 |
| Economic development contingency | - | - | - | - | - | - | - | - | - | - | - | - |
| Grant match contingency | - | - | - | - | - | - | - | - | - | - | - | - |
| Targeted savings | - | - | - | - | - | - | - | - | - | - | - | - |
| Other financing use | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - | - | - | - | - | - |
| Total expenditures | 6,986 | - | 14,900 | 6,986 | 1,488 | 14,900 | 128,685 | 40,616 | 230,900 | 35,159 | - | 513,200 |

Summary of Major Revenues and Expenditures

| Fund Name | SPD Towing Fund | | | Street Lighting Districts Fund | | | Tourism Fund | | | 2000-03 Governmental Debt Service Fund | | |
|--|------------------|------------------|-------------------|--------------------------------|---------------------|---------------------|----------------|------------------|-------------------|--|-------------------|---------------------|
| | FY2011 Actual | FY2012 Estimated | FY2013 Adopted | FY2011 Actual | FY2012 Estimated | FY2013 Adopted | FY2011 Actual | FY2012 Estimated | FY2013 Adopted | FY2011 Actual | FY2012 Estimated | FY2013 Adopted |
| Revenues | | | | | | | | | | | | |
| Bed tax | | | | | | | | | | | | |
| Capital contributions | | | | | | | | | | | | |
| Charges for services | 103,700 | 113,040 | 32,900 | | | | | | | | | |
| Development fees | | | | | | | | | | | | |
| Donations | | | | | | | | | | | | |
| Extension fees | | | | | | | | | | | | |
| Fines | | | | | | | | | | | | |
| Franchise fees | | | | | | | | | | | | |
| Grants county | | | | | | | | | | | | |
| Grants federal | | | | | | | | | | | | |
| Grants other | | | | | | | | | | | | |
| Grants state | | | | | | | | | | | | |
| HURF tax | | | | | | | | | | | | |
| Interest | 2,100 | 1,817 | 1,700 | 5,941 | 2,667 | 1,300 | 820 | 1,376 | 1,300 | 30,207 | 21,191 | 19,500 |
| Intergovernmental revenues non-grant county | | | | | | | | | | | | |
| Intergovernmental revenues non-grant federal | | | | | | | | | | | | |
| Intergovernmental revenues non-grant local | | | | | | | | | | | | |
| Intergovernmental revenues non-grant state | | | | | | | | | | | | |
| License | | | | | | | | | | | | |
| Local sales tax | | | | | | | | | | | | |
| LTAf | | | | | | | | | | | | |
| Other | | | | 2,285,045 | 3,869 | 2,659,500 | | | | | | |
| Property tax | | | | | 1,788,380 | | | | | 3,356,202 | | |
| Rents | | | | | | | | | | | | |
| State fire insurance premium tax | | | | | | | | | | | | |
| State shared income tax | | | | | | | | | | | | |
| State shared sales tax | | | | | | | | | | | | |
| Vehicle license tax | | | | | | | | | | | | |
| Other financing source | | | | | | | | | | | | |
| Transfers in | | | | | | | | | | | | |
| Total revenues | 105,800 | 114,857 | 34,600 | 2,290,986 | 1,794,916 | 2,659,500 | 153,425 | 93,387 | 1,300 | 3,386,410 | 3,029,698 | 3,364,500 |
| Expenditures | | | | | | | | | | | | |
| Department | | | | | | | | | | | | |
| City clerk | | | | | | | | | | | | |
| City council | | | | | | | | | | | | |
| City court | | | | | | | | | | | | |
| City manager | | | | | | | | | | | | |
| Community development | | | | | | | | | | | | |
| Finance | | | | | | | | | | | | |
| Fire | | | | | | | | | | | | |
| General operations | | | | | | | | | | | | |
| Human resources | | | | | | | | | | | | |
| Information technology | | | | | | | | | | | | |
| Intergovernmental relations | | | | | | | | | | | | |
| Legal | | | | | | | | | | | | |
| Parks & recreation | | | | | | | | 52,328 | 100,000 | | | |
| Police | 67,680 | 63,672 | 32,500 | | | | | | | | | |
| Public information | | | | | | | | | | | | |
| Public works | | | | 2,331,732 | 2,097,035 | 2,659,500 | | | | | | |
| Capital outlay | | | | | | | | | | | | |
| Principal | | | | | | | | | | | | |
| Interest and fiscal charges | | | | | | | | | | 2,148,299 | 665,195 | 2,333,200 |
| Debt issuance costs | | | | | | | | | | 1,214,331 | | 1,027,900 |
| Contingency | | | 340,400 | | | | | | 158,900 | | | |
| Economic development contingency | | | | | | | | | | | | |
| Grant match contingency | | | | | | | | | | | | |
| Targeted savings | | | | | | | | | | | | |
| Other financing use | | | | | | | | | | | | |
| Transfers out | | | | | | | | | | | | |
| Total expenditures | \$ 67,680 | \$ 63,672 | \$ 372,900 | \$ 2,331,732 | \$ 2,097,035 | \$ 2,659,500 | \$ - | \$ 52,328 | \$ 258,900 | \$ 3,362,630 | \$ 665,195 | \$ 3,361,100 |

Summary of Major Revenues and Expenditures

| Fund Name | 2000-03 Proprietary Debt Service Fund | | | 2007 Proprietary Debt Service Fund | | | General Capital Projects Fund | | | Transportation Improvement Fund | | |
|--|---------------------------------------|------------------|------------------|------------------------------------|------------------|------------------|-------------------------------|------------------|------------------|---------------------------------|------------------|------------------|
| | FY2011 Actual | FY2012 Estimated | FY2013 Adopted | FY2011 Actual | FY2012 Estimated | FY2013 Adopted | FY2011 Actual | FY2012 Estimated | FY2013 Adopted | FY2011 Actual | FY2012 Estimated | FY2013 Adopted |
| Revenues | | | | | | | | | | | | |
| Bed tax | - | - | - | - | - | - | - | - | - | - | - | - |
| Capital contributions | - | - | - | - | - | - | - | - | - | - | - | - |
| Charges for services | 1,455,557 | - | - | 2,401,687 | - | - | - | - | - | - | - | - |
| Development fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Donations | - | - | - | - | - | - | - | - | - | - | - | - |
| Extension fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Fines | - | - | - | - | - | - | - | - | - | - | - | - |
| Franchise fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Grants county | - | - | - | - | - | - | 244,593 | - | - | - | - | - |
| Grants federal | - | - | - | - | - | - | 768,445 | 16,087 | 815,000 | - | 432,000 | - |
| Grants other | - | - | - | - | - | - | - | - | - | - | - | - |
| Grants state | - | - | - | - | - | - | - | - | - | - | - | 1,450,000 |
| HURF tax | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest | 12,905 | 9,189 | 8,500 | 144,423 | 36,200 | - | 119,741 | 3,772 | 1,650,300 | 16,053 | 14,551 | 13,300 |
| Intergovernmental revenues non-grant county | - | - | - | - | - | - | - | - | - | - | - | - |
| Intergovernmental revenues non-grant federal | - | - | - | - | - | - | - | - | - | - | - | - |
| Intergovernmental revenues non-grant local | - | - | - | - | - | - | - | - | - | - | - | - |
| Intergovernmental revenues non-grant state | - | - | - | - | - | - | - | - | - | - | - | - |
| License | - | - | - | - | - | - | - | - | - | - | - | - |
| Local sales tax | - | - | - | - | - | - | - | - | - | - | - | - |
| LTAf | - | - | - | - | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | 322,306 | - | - | - | - | - |
| Property tax | - | - | - | - | - | - | - | - | - | - | - | - |
| Rents | - | - | - | - | - | - | - | - | - | - | - | - |
| State fire insurance premium tax | - | - | - | - | - | - | - | - | - | - | - | - |
| State shared income tax | - | - | - | - | - | - | - | - | - | - | - | - |
| State shared sales tax | - | - | - | - | - | - | - | - | - | - | - | - |
| Vehicle license tax | - | - | - | - | - | - | - | - | - | - | - | - |
| Other financing source | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfers in | - | 1,313,955 | 1,459,000 | 130,008 | 2,158,602 | 2,397,700 | 1,050,837 | - | 1,650,000 | - | - | - |
| Total revenues | 1,468,462 | 1,323,144 | 1,467,500 | 2,676,118 | 2,194,802 | 2,397,700 | 2,505,922 | 19,859 | 4,115,300 | 2,096,525 | 1,981,886 | 3,444,700 |
| Expenditures | | | | | | | | | | | | |
| Department | - | - | - | - | - | - | - | - | - | - | - | - |
| City clerk | - | - | - | - | - | - | - | - | - | - | - | - |
| City council | - | - | - | - | - | - | - | - | - | - | - | - |
| City court | - | - | - | - | - | - | - | - | - | - | - | - |
| City manager | - | - | - | - | - | - | - | - | - | - | - | - |
| Community development | - | - | - | - | - | - | 194,804 | - | 1,100,000 | 29,516 | 22,725 | 300,000 |
| Finance | - | - | - | - | - | - | - | - | - | 245,619 | 9,380 | - |
| Fire | - | - | - | - | - | - | - | - | - | - | - | - |
| General operations | - | - | - | - | - | - | - | - | - | - | - | - |
| Human resources | - | - | - | - | - | - | - | - | - | - | - | - |
| Information technology | - | - | - | - | - | - | - | - | - | - | - | - |
| Intergovernmental relations | - | - | - | - | - | - | - | - | - | - | - | - |
| Legal | - | - | - | - | - | - | - | - | - | - | - | - |
| Parks & recreation | - | - | - | - | - | - | 18,528 | - | - | - | - | - |
| Police | - | - | - | - | - | - | - | - | - | - | - | - |
| Public information | - | - | - | - | - | - | - | - | - | - | - | - |
| Public works | - | - | - | - | - | - | 348,697 | 194,768 | 611,800 | 1,181,192 | 48,014 | 2,345,100 |
| Capital outlay | - | - | - | - | - | - | 1,879,796 | 820,205 | 4,544,600 | 1,584,446 | 482,104 | 1,800,000 |
| Principal | - | - | 1,011,900 | - | - | - | - | - | - | - | - | - |
| Interest and fiscal charges | 526,644 | 288,490 | 445,800 | 2,401,688 | 1,438,613 | 2,401,700 | 23,759 | - | - | - | 3,000 | - |
| Debt issuance costs | 83,275 | - | - | - | - | - | - | - | - | - | - | - |
| Contingency | - | - | - | - | - | - | - | - | - | - | - | - |
| Economic development contingency | - | - | - | - | - | - | - | - | - | - | - | - |
| Grant match contingency | - | - | - | - | - | - | - | - | - | - | - | - |
| Targeted savings | - | - | - | - | - | - | - | - | - | - | - | - |
| Other financing use | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfers out | - | - | - | 124,649 | - | - | - | - | - | - | - | - |
| Total expenditures | 609,919 | 288,490 | 1,457,700 | 2,526,337 | 1,438,613 | 2,401,700 | 2,465,584 | 1,014,973 | 6,256,400 | 3,040,773 | 565,223 | 4,445,100 |

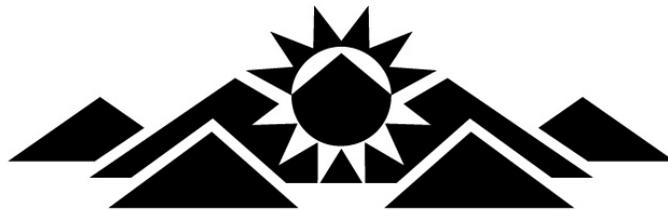
Summary of Major Revenues and Expenditures

| Fund Name | Vehicle Replacement Fund | | | Volunteer Firefighters Pension and Relief Fund | | | Sanitation Fund | | | Sewer Fund | | |
|--|--------------------------|------------------|------------------|--|------------------|----------------|------------------|------------------|------------------|-------------------|-------------------|-------------------|
| | FY2011 Actual | FY2012 Estimated | FY2013 Adopted | FY2011 Actual | FY2012 Estimated | FY2013 Adopted | FY2011 Actual | FY2012 Estimated | FY2013 Adopted | FY2011 Actual | FY2012 Estimated | FY2013 Adopted |
| Revenues | | | | | | | | | | | | |
| Bed tax | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Capital contributions | - | - | - | - | - | - | - | - | - | - | - | - |
| Charges for services | - | - | - | - | - | - | - | - | - | - | - | - |
| Development fees | - | - | - | - | - | - | 6,598,929 | 6,025,192 | 6,784,000 | 15,303,710 | 13,895,439 | 15,479,000 |
| Donations | - | - | - | - | - | - | - | - | - | 1,586,629 | 1,639,057 | 1,050,000 |
| Extension fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Fines | - | - | - | - | - | - | - | - | - | 25,360 | 20,224 | - |
| Franchise fees | - | - | - | - | - | - | - | - | - | - | - | - |
| Grants county | - | - | - | - | - | - | - | - | - | - | - | - |
| Grants federal | - | - | 187,100 | - | - | - | - | - | - | - | - | - |
| Grants other | - | - | - | - | - | - | - | - | - | - | - | - |
| Grants state | - | - | - | - | - | - | - | - | - | - | - | - |
| HURF tax | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest | 2,782 | 37,938 | 34,600 | 786 | 595 | 600 | 64,208 | 55,253 | 51,800 | 263,497 | 108,960 | 1,779,600 |
| Intergovernmental revenues non-grant county | - | - | - | - | - | - | - | - | - | - | - | - |
| Intergovernmental revenues non-grant federal | - | - | - | - | - | - | - | - | - | - | - | - |
| Intergovernmental revenues non-grant local | - | - | - | - | - | - | - | - | - | - | - | - |
| Intergovernmental revenues non-grant state | - | - | - | - | - | - | - | - | - | - | - | - |
| License | - | - | - | - | - | - | - | - | - | - | - | - |
| Local sales tax | - | - | - | - | - | - | - | - | - | - | - | - |
| LTAf | - | - | - | - | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | 41,393 | - | - | 365,944 | - | - |
| Property tax | - | - | - | - | - | - | - | - | - | - | - | - |
| Rents | - | - | - | - | - | - | - | - | - | - | - | - |
| State fire insurance premium tax | - | - | - | - | - | - | - | - | - | - | - | - |
| State shared income tax | - | - | - | - | - | - | - | - | - | - | - | - |
| State shared sales tax | - | - | - | - | - | - | - | - | - | - | - | - |
| Vehicle license tax | - | - | - | - | - | - | - | - | - | - | - | - |
| Other financing source | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfers in | 7,325,896 | - | - | - | - | - | - | - | - | 2,628,287 | - | - |
| Total revenues | 7,328,678 | 37,938 | 221,700 | 786 | 595 | 600 | 6,704,530 | 6,080,445 | 6,835,800 | 24,579,046 | 16,042,975 | 18,958,600 |
| Expenditures | | | | | | | | | | | | |
| Department | - | - | - | - | - | - | - | - | - | - | - | - |
| City clerk | - | - | - | - | - | - | - | - | - | - | - | - |
| City council | - | - | - | - | - | - | - | - | - | - | - | - |
| City court | - | - | - | - | - | - | - | - | - | - | - | - |
| City manager | - | - | - | - | - | - | - | - | - | - | - | - |
| Community development | - | - | - | - | - | - | - | - | - | - | - | - |
| Finance | - | - | - | - | - | - | - | - | - | - | - | - |
| Fire | - | - | - | - | - | - | - | - | - | - | - | - |
| General operations | - | - | - | - | - | - | - | - | - | - | - | - |
| Human resources | - | - | - | - | - | - | - | - | - | - | - | - |
| Information technology | - | - | - | - | - | - | - | - | - | - | - | - |
| Intergovernmental relations | - | - | - | - | - | - | - | - | - | - | - | - |
| Legal | - | - | - | - | - | - | - | - | - | - | - | - |
| Parks & recreation | - | - | - | - | - | - | - | - | - | - | - | - |
| Police | - | - | - | - | - | - | - | - | - | - | - | - |
| Public information | - | - | - | - | - | - | - | - | - | - | - | - |
| Public works | - | - | - | - | - | - | - | - | - | - | - | - |
| Capital outlay | 726,680 | 966,884 | 2,051,000 | - | - | - | 4,307,798 | 4,251,368 | 4,703,000 | 10,465,869 | 6,471,841 | 8,128,900 |
| Principal | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest and fiscal charges | - | - | - | - | - | - | - | - | - | - | - | - |
| Debt issuance costs | - | - | - | - | - | - | - | - | - | - | - | - |
| Contingency | - | - | - | - | - | - | - | - | - | - | - | - |
| Economic development contingency | - | - | - | - | - | - | - | - | - | - | - | - |
| Grant match contingency | - | - | - | - | - | 100,900 | - | - | 792,000 | - | - | - |
| Targeted savings | - | - | - | - | - | - | - | - | - | - | - | - |
| Other financing use | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - | - | - | - | - | - |
| Total expenditures | 726,680 | 966,884 | 2,051,000 | - | - | 100,900 | 888,827 | 5,702,255 | 6,462,900 | 15,080,907 | 14,319,158 | 22,434,500 |

Summary of Major Revenues and Expenditures

| Fund Name | Water Fund | | | Employee Healthcare Fund | | | Risk Management Fund | | | Total | | |
|--|-------------------|------------------|-------------------|--------------------------|------------------|-------------------|----------------------|------------------|------------------|----------------------|----------------------|----------------------|
| | FY2011 Actual | FY2012 Estimated | FY2013 Adopted | FY2011 Actual | FY2012 Estimated | FY2013 Adopted | FY2011 Actual | FY2012 Estimated | FY2013 Adopted | FY2011 Actual | FY2012 Estimated | FY2013 Adopted |
| Revenues | | | | | | | | | | | | |
| Bed tax | | | | | | | | | | | | |
| Capital contributions | 10,344,185 | 101,536 | - | - | - | - | - | - | - | 253,003 | 193,511 | 101,500 |
| Charges for services | 9,841,874 | 8,973,658 | 9,934,000 | - | - | - | - | - | - | 14,749,804 | 480,831 | 650,000 |
| Development fees | 516,861 | 663,215 | 390,000 | 7,560,290 | 6,874,274 | 9,023,300 | 1,157,258 | 1,461,264 | 1,600,000 | 42,835,667 | 48,091,100 | 48,091,100 |
| Donations | - | - | - | - | - | - | - | - | - | 4,598,335 | 4,119,196 | 2,283,700 |
| Extension fees | - | - | - | - | - | - | - | - | - | 429,237 | 210,652 | 1,200 |
| Fines | - | - | - | - | - | - | - | - | - | 25,360 | 20,224 | - |
| Franchise fees | - | - | - | - | - | - | - | - | - | 1,827,127 | 1,492,040 | 1,500,000 |
| Grants county | - | - | - | - | - | - | - | - | - | 3,822,909 | 3,925,100 | 3,948,000 |
| Grants federal | - | - | - | - | - | - | - | - | - | 244,593 | 432,000 | - |
| Grants other | - | - | - | - | - | - | - | - | - | 2,859,703 | 1,416,697 | 2,025,000 |
| Grants state | - | - | - | - | - | - | - | - | - | - | 61,200 | 14,835,300 |
| HURF tax | - | - | - | - | - | - | - | - | - | - | - | 9,000 |
| Interest | 67,547 | 60,631 | 56,600 | - | - | - | - | - | - | 5,275,645 | 5,917,000 | 6,613,600 |
| Intergovernmental revenues non-grant county | - | - | - | 11,161 | 10,674 | 10,400 | 13,264 | 10,502 | 9,500 | 1,040,077 | 526,828 | 3,764,300 |
| Intergovernmental revenues non-grant federal | - | - | - | - | - | - | - | - | - | 129,460 | - | 50,000 |
| Intergovernmental revenues non-grant local | - | - | - | - | - | - | - | - | - | 83,938 | 3,073 | - |
| Intergovernmental revenues non-grant state | - | - | - | - | - | - | - | - | - | 111,205 | 145,100 | 202,400 |
| License | - | - | - | - | - | - | - | - | - | 26,806 | 6,822 | 31,000 |
| Local sales tax | - | - | - | - | - | - | - | - | - | 667,755 | 679,100 | 700,600 |
| LTAf | - | - | - | - | - | - | - | - | - | 29,031,741 | 31,017,902 | 34,276,400 |
| Other | 76,436 | - | - | - | - | - | - | - | - | 87,905 | 330,000 | 330,000 |
| Property tax | - | - | - | - | - | - | - | - | - | 3,524,948 | 1,519,591 | 1,069,700 |
| Rents | - | - | - | - | - | - | - | - | - | 9,308,664 | 8,031,880 | 8,949,500 |
| State fire insurance premium tax | - | - | - | - | - | - | - | - | - | 3,967,221 | 459,500 | 510,300 |
| State shared income tax | - | - | - | - | - | - | - | - | - | 260,878 | 293,000 | 414,000 |
| State shared sales tax | - | - | - | - | - | - | - | - | - | 8,591,077 | 9,918,900 | 12,003,000 |
| Vehicle license tax | - | - | - | - | - | - | - | - | - | 7,158,275 | 9,826,800 | 9,826,800 |
| Other financing source | - | - | - | - | - | - | - | - | - | 2,930,709 | 3,963,000 | 3,895,900 |
| Transfers in | 1,015,542 | 8,732 | - | - | - | - | - | - | - | 17,612,588 | - | 2,267,800 |
| Total revenues | 21,862,445 | 9,807,772 | 10,380,600 | 7,571,451 | 6,884,948 | 9,033,700 | 1,170,522 | 1,471,766 | 1,609,500 | 168,646,820 | 138,721,481 | 171,910,100 |
| Expenditures | | | | | | | | | | | | |
| Department | | | | | | | | | | | | |
| City clerk | - | - | - | - | - | - | - | - | - | 405,799 | 660,849 | 411,700 |
| City council | - | - | - | - | - | - | - | - | - | 432,023 | 405,278 | 409,700 |
| City court | - | - | - | - | - | - | - | - | - | 2,128,487 | 2,026,500 | 2,026,500 |
| City manager | - | - | - | - | - | - | - | - | - | 652,154 | 609,768 | 1,815,900 |
| Community development | 1,770 | 9,122 | 40,000 | - | - | - | - | 4,645 | 15,100 | 4,999,545 | 4,109,340 | 7,952,400 |
| Finance | 27,722 | 2,975 | 118,400 | - | - | - | 1,300,656 | - | 307,100 | 4,577,717 | 2,722,967 | 3,412,500 |
| Fire | - | - | - | - | - | - | - | - | - | 13,868,321 | 13,899,500 | 14,535,400 |
| General operations | - | - | - | - | - | - | - | - | - | 1,534,102 | 98,491 | 6,000 |
| Human resources | - | - | - | 7,614,231 | 5,565,812 | 8,645,000 | 20,000 | 1,400,029 | 1,596,400 | 8,851,071 | 8,313,854 | 11,808,700 |
| Information technology | - | - | - | - | - | - | - | - | - | 3,522,027 | 3,288,706 | 3,860,300 |
| Intergovernmental relations | - | - | - | - | - | - | - | - | - | 204,005 | 242,770 | - |
| Legal | - | - | - | - | - | - | - | - | - | 1,545,905 | 1,549,821 | 1,749,100 |
| Parks & recreation | - | - | - | - | - | - | - | - | - | 13,184,892 | 11,959,256 | 12,715,600 |
| Police | - | - | - | - | - | - | - | - | - | 19,338,063 | 17,937,829 | 19,378,300 |
| Public information | - | - | - | - | - | - | - | - | - | 783,821 | 699,346 | - |
| Public works | 7,523,956 | 6,947,147 | 7,160,600 | - | - | - | - | - | - | 38,737,422 | 30,967,153 | 37,471,400 |
| Capital outlay | (507,503) | 861,421 | 1,812,500 | - | - | - | - | - | - | 5,164,029 | 7,381,603 | 16,067,500 |
| Principal | - | - | - | - | - | - | - | - | - | 2,148,299 | - | 4,951,000 |
| Interest and fiscal charges | 5,471 | 15,897 | 30,000 | - | - | - | 54,419 | - | - | 4,319,151 | 2,411,195 | 7,706,500 |
| Debt issuance costs | 1,256 | - | - | - | - | - | - | - | - | 84,531 | - | - |
| Contingency | - | - | - | - | - | - | - | - | - | - | - | - |
| Economic development contingency | - | - | - | - | - | 1,665,100 | - | - | 1,713,300 | - | - | - |
| Grant match contingency | - | - | - | - | - | - | - | - | - | - | - | 1,000,000 |
| Targeted savings | - | - | - | - | - | - | - | - | - | - | - | 70,000 |
| Other financing use | - | - | - | - | - | - | - | - | - | - | - | (1,000,000) |
| Transfers out | - | - | - | - | - | - | - | - | - | - | - | 2,267,800 |
| Total expenditures | 9,826,934 | 9,461,089 | 13,356,400 | 7,614,231 | 5,565,812 | 10,310,100 | 1,375,055 | 1,404,674 | 3,631,900 | \$144,065,280 | \$120,093,234 | \$184,222,100 |

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2013 Adopted Budget

Revenue

- Revenue Summary
- Revenue Forecast Summary
- Major Revenue Account Detail



Revenue Summary

Operating Revenues

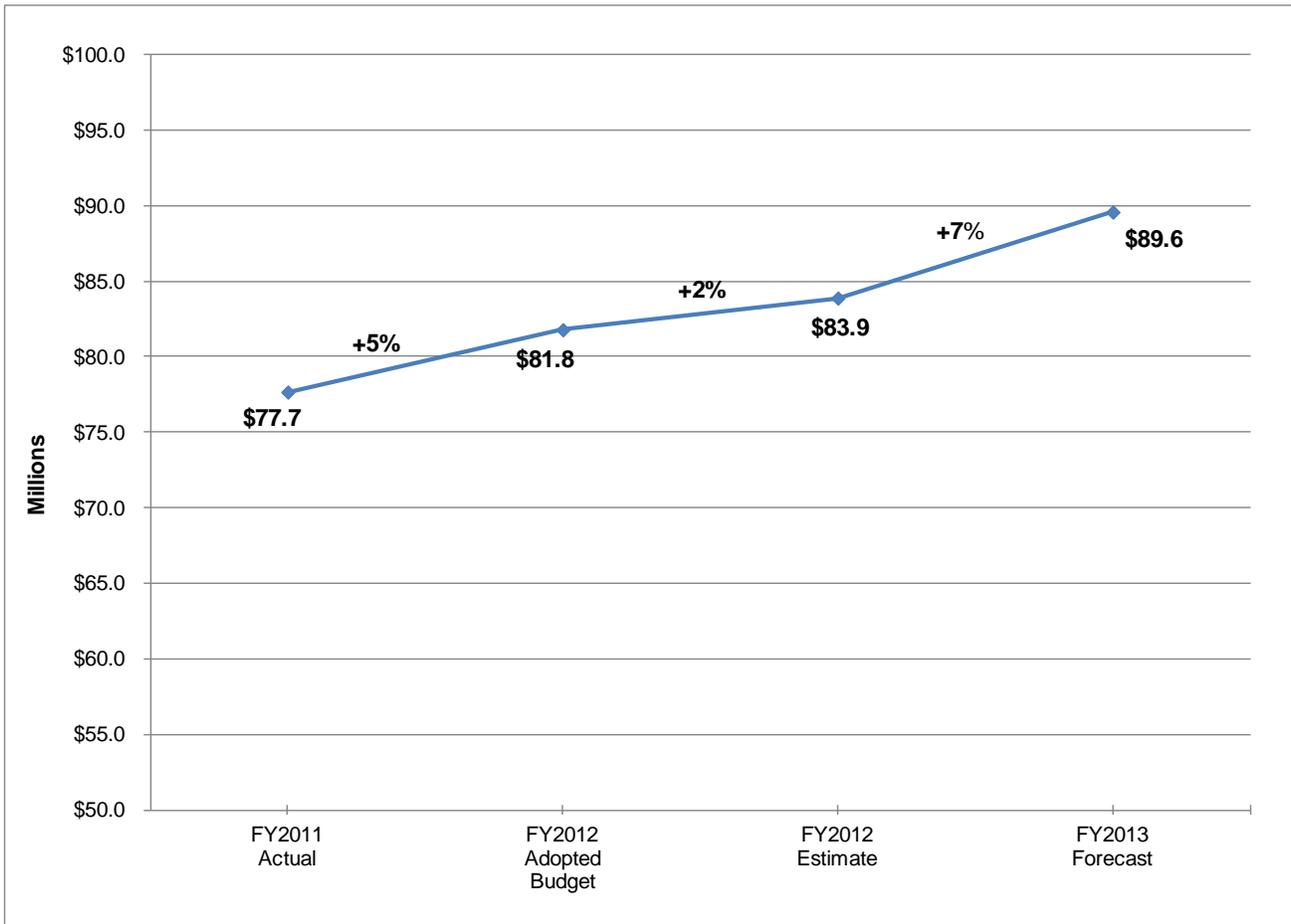
What are Operating Revenues?

Operating revenues are those used to provide core government services (e.g. police, fire, street maintenance, library, parks, etc.) and reflect the activities in the following funds:

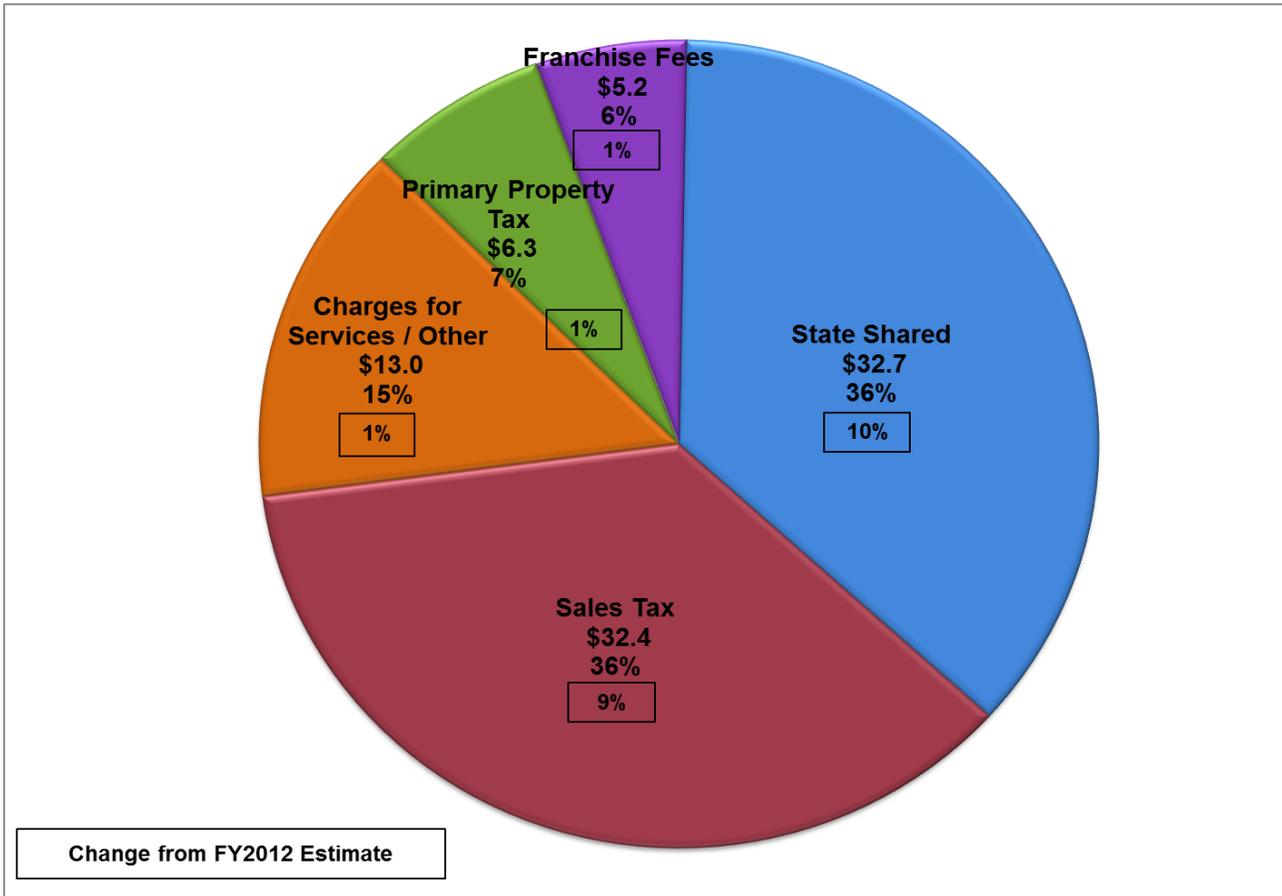
- General Fund: The general fund is the primary operating fund of the city and is used to account for all financial resources not accounted for in the other funds.
- Highway User Revenue Fund (HURF): This fund is used for tracking non-transit transportation related activities. This is the only fund, outside of the general fund, which is required by Arizona state law.

Key Assumptions

A number of assumptions influence the revenue forecast including the character of the economy and the effect of the state budget on the city. The city continues to face a “New Normal” where the economy is different from the recent past. A slow economic recovery from the recent recession is anticipated with a full recovery likely in 2015, eight years from the beginning of the recession.



Additionally, the degree of forecast accuracy varies by revenue source. Some revenue sources, such as state shared income tax, which is based on collections from two years prior, are known to the city in advance and the forecast is completely accurate. Other sources, such as construction sales tax, are much more sensitive to market forces and are more difficult to forecast.



Overview

The operating revenue forecast for FY2013 is \$89.6 million, an increase of \$5.7 million or 7% over the FY2012 estimate, mainly the result of increased state shared revenues due to increased population and improving sales taxes. Operating revenues may be categorized into five major groups:

1. Sales Tax
2. State Shared Revenue
3. Charges for Services/Other
4. Property Tax
5. Franchise Fees

State Shared Revenue

The state shared revenue forecast is \$32.7 million, an increase of 10% over the FY2012 estimate. State shared revenue sources include income tax, state sales tax, highway user revenue funds (HURF), vehicle license taxes (VLT), and local transportation assistance II funds (LTAF II). The changes over the prior year are attributable to the 2010 Census, which reported a population increase of 33% from the 2005 Census, and an improving economy.

The largest state shared revenue source, income taxes, is distributed to the city of Surprise based on census population. The amount is certain because there is a two-year lag in receipts in which FY2013 revenue results from FY2011 activity. Income tax collections of \$12.0 million increase by 21% from the prior year amount of \$9.9 million.

The state sales taxes reflect the city’s portion of statewide collections based on population. State sales taxes are economy driven and are expected to increase 2% to \$9.8 million.

The third source, HURF, is collected from gas taxes that are also distributed based on population. These revenues are restricted for transportation purposes and increase by 12% to \$6.6 million.

Like HURF, the vehicle license tax distribution is population based. Vehicle license taxes are imposed annually in lieu of a personal property tax on automobiles and are anticipated to decrease by 2% to \$3.9 million.

The LTAF II distribution is from state lottery proceeds and is population based. These funds are restricted to transit related uses.

Sales Tax

This category represents the local sales taxes collected for the city of Surprise including construction sales tax. A sales tax projection team comprised of the Chief Financial Officer (CFO), the Deputy CFO and staff prepares and monitors the local sales tax forecast. Forecasts are done individually within each of 11 different categories (industries) using industry specific information (e.g. big box retail, construction, etc).

The FY2013 forecast of \$32.4 million is an increase of 9% over the FY2012 estimate. A number of the sales tax categories are driving the increase including major and auto retailers with new accounts, communications/utilities with increased cell phone activity, the creation of a use tax, and the rebounding of transient lodging, restaurants/bars, and arts/entertainment. The construction sales tax is believed to have reached the bottom and is expected to be flat in FY2013.

Charges for Services/Other

All fees for services charged by city departments are recorded in this category. The four major components include the indirect cost assessment, community and recreation services/campus operations revenue, court revenue, and building/engineering fees. This category increases by 1% from the prior year estimate to \$13.0 million.

The largest component is the community and recreation services/campus operations fee revenue at \$3.8 million. This represents the revenue collected from fees charged to participate in the various recreation programs offered by the city. Also included are the rental fees for the stadium and parks and event sponsorships.

The second largest source of charges for services is the indirect cost assessment charged to the enterprise funds. Costs are incurred in the general fund on behalf of the enterprise funds and the indirect cost assessment is the mechanism through which the enterprise funds repay these costs to the general fund. This is done to ensure that the general fund revenues are not subsidizing the enterprise funds of water, wastewater, and sanitation. The indirect cost assessment is budgeted for \$3.7 million and is unchanged from the prior year.

The next notable category is the court revenue. All fees charged by the court in the city of Surprise are recorded in this category and these fees decrease by 1% for FY2013 to \$1.3 million.

The building/engineering fees recorded in this category are decreasing due to the current economy. This is the combination of community development fees and public works fees. These sources are based on building activity including single-family residential permits and commercial, office, institutional, and industrial square feet.

Property Taxes

The property tax category captures the taxes levied on properties in the city of Surprise and is set at \$6.3 million for FY2013. State law allows the city to increase property tax revenues annually by 2% over the prior year's maximum allowable amount. The tax revenue is computed by multiplying the tax levy rate by the assessed value. The City Manager's recommended budget does not include the 2% increase over the prior year's allowable amount for current taxpayers. The current year property tax revenues do include allowable increases for new construction.

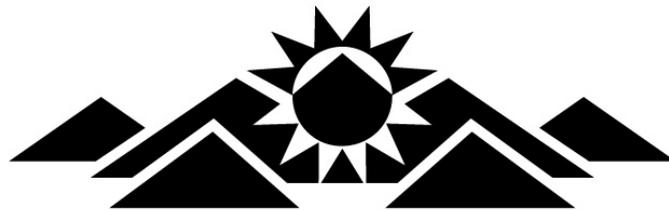
Franchise Fees

The last major category of operating revenues is franchise fees. This revenue source is related to the gross sales from franchised utility companies within the city of Surprise. This includes Arizona Public Service, Cox Communications, Southwest Gas, and American Water. Also included are in lieu franchise fees paid by city operated utilities (water, wastewater, and sanitation).

Forecast of Major Operating Revenue Accounts

The following schedule presents a summary of the major revenue accounts with historical and forecasted revenues.

City of Surprise, Arizona



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FY2013 Adopted Budget

CITY OF SURPRISE OPERATING REVENUE FORECAST

| Major Revenue Accounts | FY2011 Actual | FY2012 Adopted Budget | FY2012 Estimate | Estimate to Prior Year % | FY2013 Adopted | Adopted to PY Estimate % |
|--|--------------------------|--------------------------------------|----------------------------|---|---------------------------|---|
| <u>Operating Funds</u> | | | | | | |
| <u>Local Sales Tax</u> | | | | | | |
| Local Sales Tax | 27,462,017 | 28,937,500 | 29,727,500 | 8% | 32,295,000 | 9% |
| Local Sales Tax-Bed Tax | 100,398 | 152,800 | 101,500 | 1% | 101,500 | 0% |
| Subtotal Local Sales Tax | 27,562,415 | 29,090,300 | 29,829,000 | 8% | 32,396,500 | 9% |
| <u>State Shared Revenue</u> | | | | | | |
| State Shared Income Tax | 8,591,077 | 9,918,900 | 9,918,900 | 15% | 12,003,000 | 21% |
| State Shared Sales Tax | 7,158,275 | 8,890,900 | 9,588,100 | 34% | 9,826,800 | 2% |
| HURF Tax | 5,275,645 | 5,917,000 | 5,917,000 | 12% | 6,613,600 | 12% |
| Vehicle License Tax | 2,930,709 | 3,963,000 | 3,963,000 | 35% | 3,895,900 | -2% |
| LTAF II | 87,905 | 0 | 330,000 | 275% | 330,000 | 0% |
| Subtotal State Shared Revenue | 24,043,611 | 28,689,800 | 29,717,000 | 24% | 32,669,300 | 10% |
| <u>Charges for Services / Other</u> | | | | | | |
| Indirect Cost Assessment | 3,660,700 | 3,660,700 | 3,660,700 | 0% | 3,660,700 | 0% |
| Parks & Rec. Program Fees | 4,389,606 | 3,937,300 | 4,077,000 | -7% | 3,817,500 | -6% |
| Court Revenue | 1,266,929 | 1,405,900 | 1,275,200 | 1% | 1,290,400 | 1% |
| Fire Revenue | 684,647 | 726,000 | 775,000 | 13% | 838,600 | 8% |
| Police Revenue | 638,061 | 617,600 | 655,200 | 3% | 679,600 | 4% |
| Community Development Fees | 1,367,433 | 769,700 | 944,700 | -31% | 944,700 | 0% |
| All Other Operating Revenue | 1,036,957 | 179,700 | 555,600 | -46% | 750,000 | 35% |
| In Lieu Property Tax | 0 | 395,100 | 422,400 | 0% | 479,900 | 14% |
| Interest Income | 143,620 | 165,700 | 27,600 | -81% | 0 | -100% |
| Public Works Fees | 347,309 | 184,900 | 227,000 | -35% | 227,000 | 0% |
| Facilities Revenue | 383,334 | 371,600 | 295,500 | -23% | 303,200 | 3% |
| Transit Fees | 26,073 | 27,600 | 27,600 | 6% | 28,300 | 3% |
| Grant Revenue | 23,934 | 0 | 0 | -100% | 0 | 0% |
| Subtotal Charges for Services / Other | 13,968,603 | 12,441,800 | 12,943,500 | -7% | 13,019,900 | 1% |
| <u>Property Tax</u> | | | | | | |
| Primary Property Tax | 7,023,619 | 6,243,500 | 6,243,500 | -11% | 6,290,000 | 1% |
| Subtotal Property Tax | 7,023,619 | 6,243,500 | 6,243,500 | -11% | 6,290,000 | 1% |
| <u>Franchise Fees</u> | | | | | | |
| Utility Franchise Fees | 4,365,650 | 4,552,900 | 4,440,600 | 2% | 4,471,400 | 1% |
| Business Licenses | 625,705 | 693,500 | 635,500 | 2% | 657,000 | 3% |
| Sanitation Hauler's Licenses | 67,050 | 68,600 | 68,600 | 2% | 68,600 | 0% |
| Subtotal Franchise Fees | 5,058,405 | 5,315,000 | 5,144,700 | 2% | 5,197,000 | 1% |
| Total - Operating Revenue | 77,656,700 | 81,780,400 | 83,877,700 | 8% | 89,572,700 | 7% |

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2013 Adopted Budget

Local Sales Tax (excluding construction and bed tax)

| FY2012 Estimate | FY2013 Forecast | \$ Inc/(Dec) | % Inc/(Dec) |
|--------------------|--------------------|-----------------|----------------|
| 27,027,500 | 29,689,600 | 2,662,100 | 10% |

Description

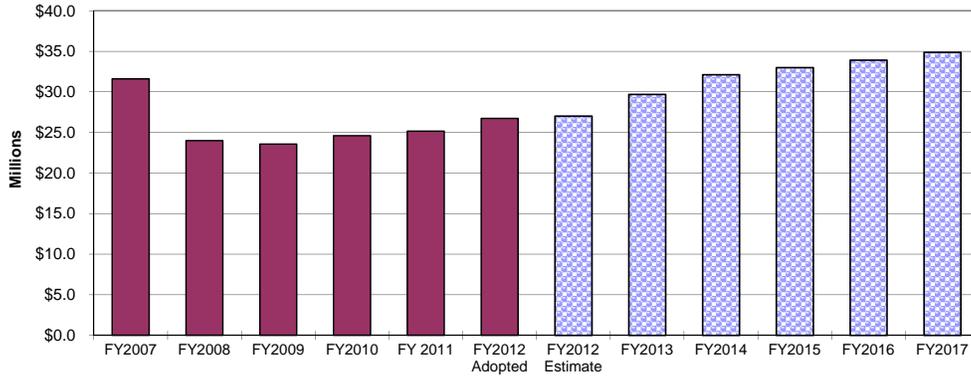
The local sales tax (non-construction sales tax) is the recurring sales tax revenue that is collected by the city on an annual basis through the course of doing business. The construction sales taxes have been separated out and addressed under local sales tax (construction sales tax). These revenues are recorded in the general fund.

| Actuals | FY2007 | FY2008 | FY2009 | FY2010 | FY 2011 | FY2012 Adopted |
|-------------------|------------|------------|------------|------------|------------|-------------------|
| Revenue Collected | 31,597,123 | 23,989,684 | 23,564,635 | 24,605,836 | 25,161,179 | 26,737,500 |

Forecast Assumptions

A sales tax projection team comprised of the Chief Financial Officer, the sales tax audit division, and members of the budget staff was created to forecast and monitor the local sales tax. Forecasts are done individually within each of 12 different categories (industries) using industry specific information (e.g. big box retail, restaurant and bar, etc.). Sales taxes have declined from FY2007 through FY2010. However, this trend appears to have stopped with revenues increasing in FY2011 and projected increases through FY2017 as the economy improves.

| Forecast | FY2012 Estimate | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|-------------------|--------------------|------------|------------|------------|------------|------------|
| Projected Revenue | 27,027,500 | 29,689,600 | 32,125,000 | 32,991,100 | 33,910,700 | 34,886,100 |



Local Construction Sales Tax (Construction Sales Tax)

| FY2012 Estimate | FY2013 Forecast | \$ Inc/(Dec) | % Inc/(Dec) |
|--------------------|--------------------|-----------------|----------------|
| 2,700,000 | 2,605,400 | (94,600) | -4% |

Description

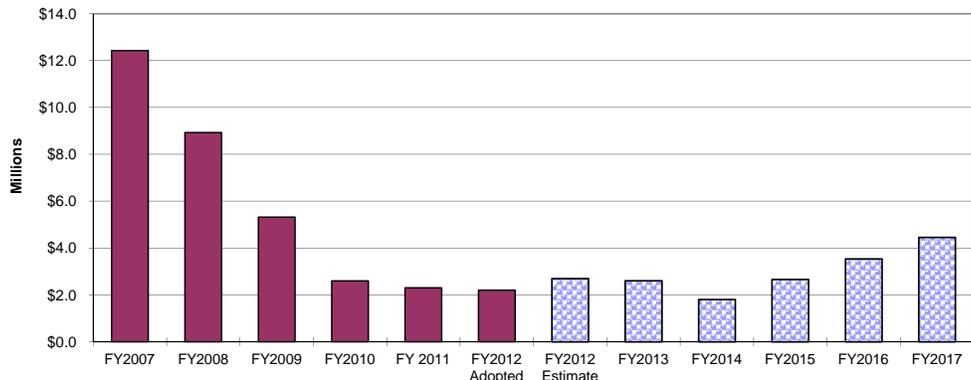
This represents the one-time construction sales tax revenue that is collected by the city of Surprise on an annual basis through the course of doing business. The ongoing sales taxes have been separated out and addressed under local sales tax (non-construction sales tax). These revenues are recorded in the general fund.

| Actuals | FY2007 | FY2008 | FY2009 | FY2010 | FY 2011 | FY2012 Adopted |
|-------------------|------------|-----------|-----------|-----------|-----------|-------------------|
| Revenue Collected | 12,428,725 | 8,926,103 | 5,318,360 | 2,596,472 | 2,300,837 | 2,200,000 |

Forecast Assumptions

The construction sales tax forecast is based on estimates from the Community and Economic Development Department of the number of single family residential permits completed and square feet of non-single family residential permits completed. Non-single family residential permits include multi-family, office/institution, and commercial/customer service. Year-to-date trends are used for the projected revenue per square foot starting in FY2010. Construction sales taxes have declined since FY2006 due to the recessionary economy and reduced construction activity.

| Forecast | FY2012 Estimate | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|-------------------|--------------------|-----------|-----------|-----------|-----------|-----------|
| Projected Revenue | 2,700,000 | 2,605,400 | 1,804,500 | 2,655,700 | 3,540,200 | 4,459,100 |



Local Bed Tax

| | | | |
|--------------------|--------------------|-----------------|----------------|
| FY2012 Estimate | FY2013 Forecast | \$ Inc/(Dec) | % Inc/(Dec) |
| 101,500 | 101,500 | 0 | 0% |

Description

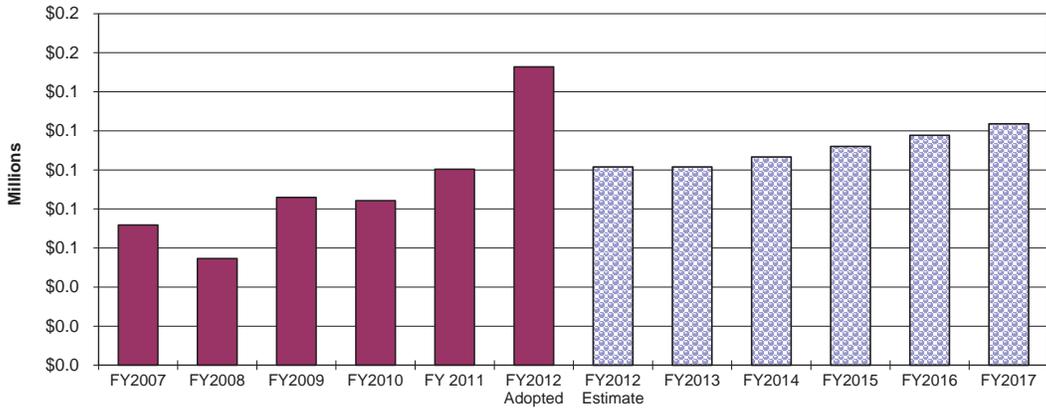
The city currently imposes a 2.52% transient lodging tax. Of the total tax, 1.52% is to be recorded in the Tourism Fund to be used for promoting tourism and 1.0% is to be recorded in the General Fund.

| Actuals | FY2007 | FY2008 | FY2009 | FY2010 | FY 2011 | FY2012 Adopted |
|-------------------|--------|--------|--------|--------|---------|-------------------|
| Revenue Collected | 71,821 | 54,568 | 85,892 | 84,251 | 100,398 | 152,800 |

Forecast Assumptions

During FY2010 the City Council approved an increase in the bed tax rate from 1.52% to 2.52%. Prior to 2010 the bed tax collected was not tracked separately in the GL from the sales tax. The city expects the bed tax revenues to increase in accordance with an increase in transient lodging revenues.

| Forecast | FY2012 Estimate | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|-------------------|--------------------|---------|---------|---------|---------|---------|
| Projected Revenue | 101,500 | 101,500 | 106,600 | 112,000 | 117,700 | 123,600 |



State Shared Income Tax

| | | | |
|--------------------|--------------------|-----------------|----------------|
| FY2012 Estimate | FY2013 Forecast | \$ Inc/(Dec) | % Inc/(Dec) |
| 9,918,900 | 12,003,000 | 2,084,100 | 21% |

Description

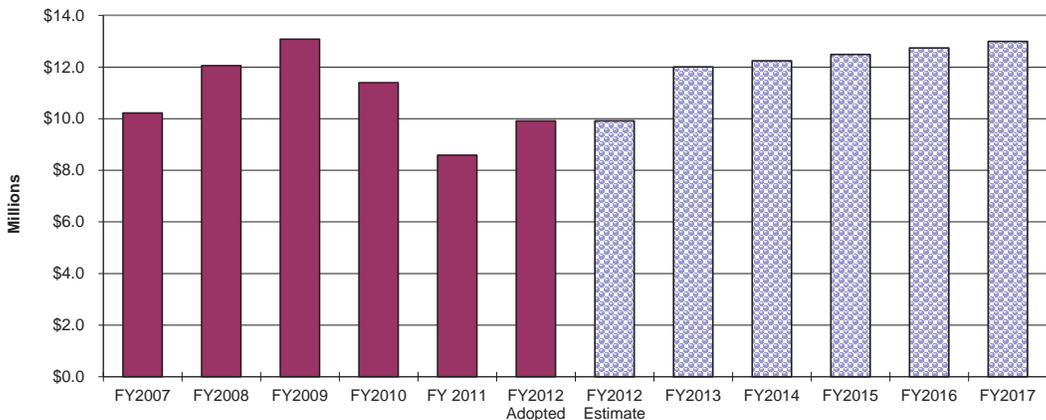
State shared revenues are distributed to cities and towns based generally on the population at the last census or special census. Included in this category is the State Shared Income Tax. These revenues are recorded in the general fund.

| Actuals | FY2007 | FY2008 | FY2009 | FY2010 | FY 2011 | FY2012 Adopted |
|-------------------|------------|------------|------------|------------|-----------|-------------------|
| Revenue Collected | 10,221,108 | 12,055,475 | 13,080,276 | 11,395,938 | 8,591,077 | 9,918,900 |

Forecast Assumptions

The FY2012 and FY2013 forecasts are based on data from the League of Arizona Cities and Towns detailing actual income tax collection from FY2010 and FY2011 respectively. State shared income tax is distributed based on population. The 2010 census completed in FY2011, accounts for the increase in the city's share of state revenues. The 2010 census resulted in increased revenues beginning in FY2012 as the city share of total population increased.

| Forecast | FY2012 Estimate | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|-------------------|--------------------|------------|------------|------------|------------|------------|
| Projected Revenue | 9,918,900 | 12,003,000 | 12,243,100 | 12,488,000 | 12,737,700 | 12,992,500 |



State Shared Sales Tax

| | | | |
|-----------|-----------|-----------|-----------|
| FY2012 | FY2013 | \$ | % |
| Estimate | Forecast | Inc/(Dec) | Inc/(Dec) |
| 9,588,100 | 9,826,800 | 238,700 | 2% |

Description

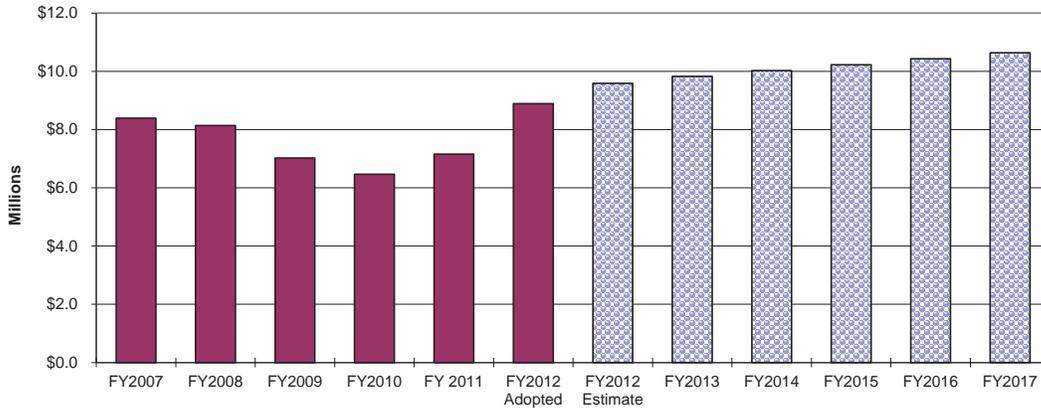
State shared revenues are distributed to cities and towns based generally on the population at the last census or special census. Included in this category is the State Shared Sales Tax. These revenues are recorded in the general fund.

| Actuals | FY2007 | FY2008 | FY2009 | FY2010 | FY 2011 | FY2012 Adopted |
|-------------------|-----------|-----------|-----------|-----------|-----------|-------------------|
| Revenue Collected | 8,390,104 | 8,141,197 | 7,022,643 | 6,464,521 | 7,158,275 | 8,890,900 |

Forecast Assumptions

The FY2012 and FY2013 forecasts are based on year-over-year percent increase data from the League of Arizona Cities and Towns. The forecast for future years is based on population and revenue per capita. State shared sales tax is distributed based on population. The 2010 census resulted in increased revenues beginning in FY2012 as the city share of total population increased.

| Forecast | FY2012 Estimate | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|-------------------|--------------------|-----------|------------|------------|------------|------------|
| Projected Revenue | 9,588,100 | 9,826,800 | 10,023,300 | 10,223,800 | 10,428,300 | 10,636,800 |



Highway Users Revenue Fund (HURF)

| | | | |
|-----------|-----------|-----------|-----------|
| FY2012 | FY2013 | \$ | % |
| Estimate | Forecast | Inc/(Dec) | Inc/(Dec) |
| 5,917,000 | 6,613,600 | 696,600 | 12% |

Description

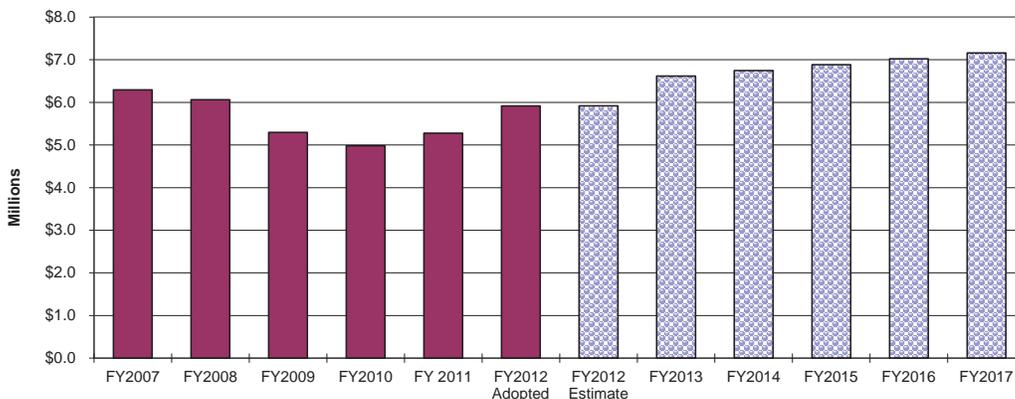
State shared revenues are distributed to cities and towns based generally on the population at the last census or special census. Included in this category is the Highway Users Revenue Fund (HURF). This revenue source consists of state taxes collected on gasoline, vehicle licenses, and a number of other additional transportation related fees. These funds must be used for street and highway purposes. These revenues are recorded in the city's HURF.

| Actuals | FY2007 | FY2008 | FY2009 | FY2010 | FY 2011 | FY2012 Adopted |
|-------------------|-----------|-----------|-----------|-----------|-----------|-------------------|
| Revenue Collected | 6,293,129 | 6,064,115 | 5,295,936 | 4,984,457 | 5,275,645 | 5,917,000 |

Forecast Assumptions

The FY2012 and FY2013 forecasts are based on year-over-year percent increase data from the League of Arizona Cities and Towns. The forecast for future years is based on population and revenue per capita. HURF revenue is distributed based on population. The 2010 census resulted in increased revenues beginning in FY2012 as the city share of total population increased.

| Forecast | FY2012 Estimate | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|-------------------|--------------------|-----------|-----------|-----------|-----------|-----------|
| Projected Revenue | 5,917,000 | 6,613,600 | 6,745,900 | 6,880,800 | 7,018,400 | 7,158,800 |



Vehicle License Tax

| | | | |
|-----------|-----------|-----------|-----------|
| FY2012 | FY2013 | \$ | % |
| Estimate | Forecast | Inc/(Dec) | Inc/(Dec) |
| 3,963,000 | 3,895,900 | (67,100) | -2% |

Description

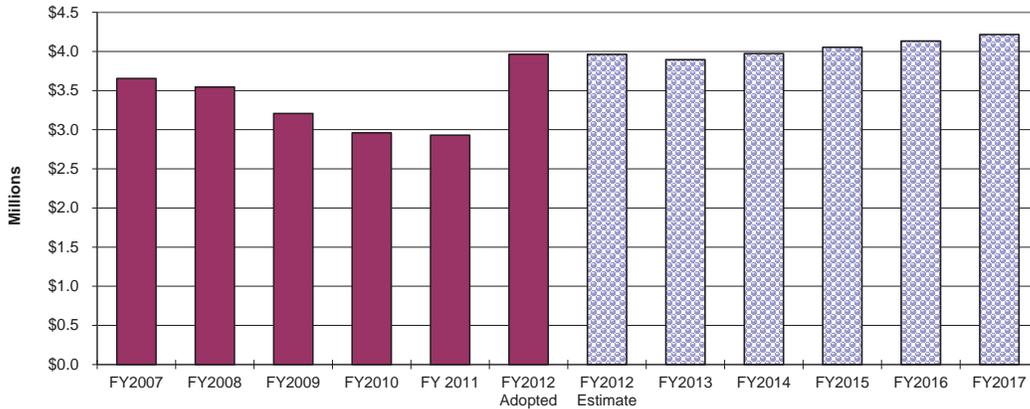
In lieu of a personal property tax on automobiles, the state imposes an annual vehicle license tax (VLT). These are state shared revenues and are distributed to cities and towns based generally on the population at the last census or special census. These revenues are recorded in the general fund.

| Actuals | FY2007 | FY2008 | FY2009 | FY2010 | FY 2011 | FY2012 Adopted |
|-------------------|-----------|-----------|-----------|-----------|-----------|-------------------|
| Revenue Collected | 3,655,491 | 3,545,692 | 3,207,654 | 2,960,716 | 2,930,709 | 3,963,000 |

Forecast Assumptions

The FY2012 and FY2013 forecasts are based on year-over-year percent increase data from the League of Arizona Cities and Towns. The forecast for future years is based on population and revenue per capita. Vehicle license taxes are distributed based on population. The 2010 census resulted in increased revenues beginning in FY2012 as the city share of total population increased. The decrease in FY2013 is attributable to the League's forecasted reduction in vehicle sales.

| Forecast | FY2012 Estimate | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|-------------------|--------------------|-----------|-----------|-----------|-----------|-----------|
| Projected Revenue | 3,963,000 | 3,895,900 | 3,973,800 | 4,053,300 | 4,134,400 | 4,217,000 |



Local Transportation Assistance Fund (LTAF)

| | | | |
|----------|----------|-----------|-----------|
| FY2012 | FY2013 | \$ | % |
| Estimate | Forecast | Inc/(Dec) | Inc/(Dec) |
| 330,000 | 330,000 | 0 | 0% |

Description

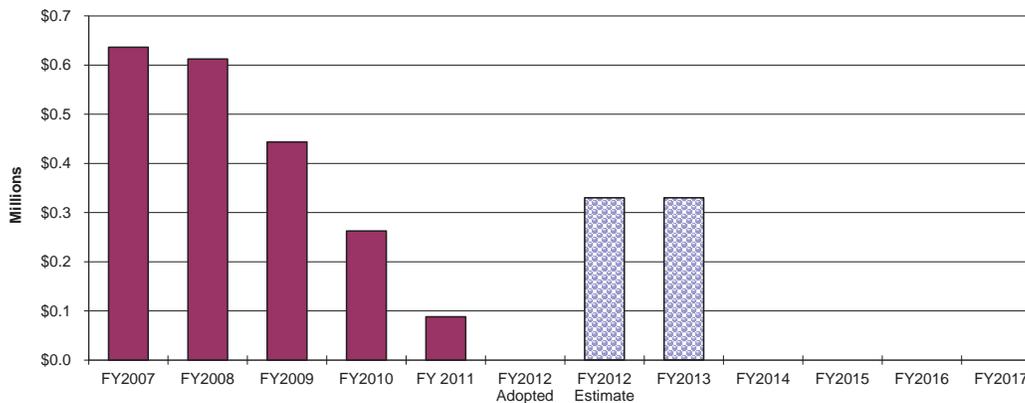
The source of this funding is the Arizona State Lottery and is received from disbursements from the local transportation assistance fund (LTAF). These revenues are recorded in the transit fund, which was established to track all revenues and expenditures associated with providing transit services within the city of Surprise.

| Actuals | FY2007 | FY2008 | FY2009 | FY2010 | FY 2011 | FY2012 Adopted |
|-------------------|---------|---------|---------|---------|---------|-------------------|
| Revenue Collected | 636,007 | 612,270 | 443,564 | 262,631 | 87,905 | 0 |

Forecast Assumptions

In February 2010, the distribution of these funds to the cities was discontinued by the state legislature. This was reversed by the U.S. District Court in of 2011, and the city received a distribution in March 2011 for lottery earnings collected from July 2009 to February 2010. The distribution of these funds has been confirmed for FY2012 and FY013 however, it is uncertain if they will be received after FY 2013.

| Forecast | FY2012 Estimate | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|-------------------|--------------------|---------|--------|--------|--------|--------|
| Projected Revenue | 330,000 | 330,000 | 0 | 0 | 0 | 0 |



Indirect Cost Assessment

| | | | |
|------------------|------------------|------------------|------------------|
| FY2012 | FY2013 | \$ | % |
| Estimate | Forecast | Inc/(Dec) | Inc/(Dec) |
| 3,660,700 | 3,660,700 | 0 | 0% |

Description

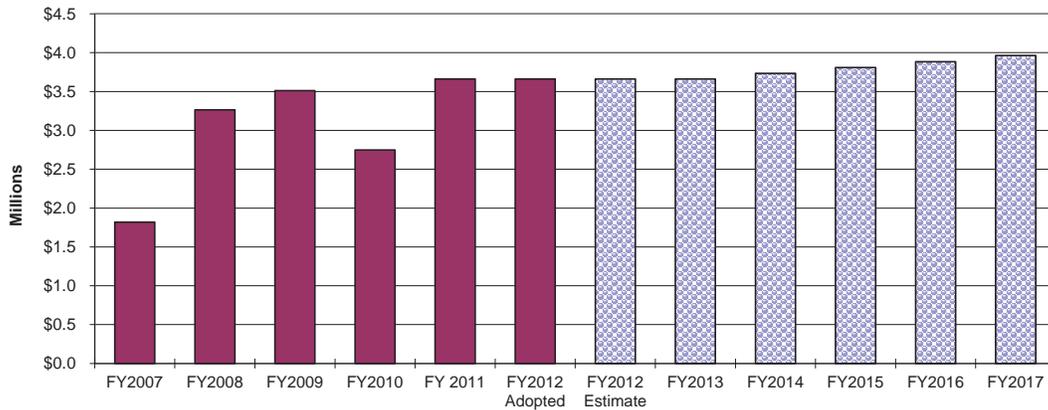
Indirect expenses incurred by the general fund on behalf of the enterprise funds (water, waste water, and sanitation) are recovered through the indirect cost assessment and are recorded as a revenue in the general fund.

| Actuals | FY2007 | FY2008 | FY2009 | FY2010 | FY 2011 | FY2012 Adopted |
|-------------------|-----------|-----------|-----------|-----------|-----------|-------------------|
| Revenue Collected | 1,818,600 | 3,264,900 | 3,511,100 | 2,746,700 | 3,660,700 | 3,660,700 |

Forecast Assumptions

Indirect cost assessments are calculated through the annual update to the Full Cost Central Services Cost Allocation Plan and are based on the last completed fiscal year. A greater portion of the general fund costs were allocated to the general fund during the FY2010 update than in the prior years, leading to the decrease in revenue from the enterprise funds. The study used for the FY2011 and FY2012 indirect allocation, featured an improved allocation basis that more accurately reflected the amount of general fund support of the enterprise funds. FY2013 was budgeted at the FY2012 amount pending completion of an updated cost allocation plan.

| Forecast | FY2012 Estimate | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|-------------------|--------------------|-----------|-----------|-----------|-----------|-----------|
| Projected Revenue | 3,660,700 | 3,660,700 | 3,734,000 | 3,808,700 | 3,885,000 | 3,962,700 |



Parks and Recreation Program Fees

| | | | |
|------------------|------------------|------------------|------------------|
| FY2012 | FY2013 | \$ | % |
| Estimate | Forecast | Inc/(Dec) | Inc/(Dec) |
| 4,077,000 | 3,817,500 | (259,500) | -6% |

Description

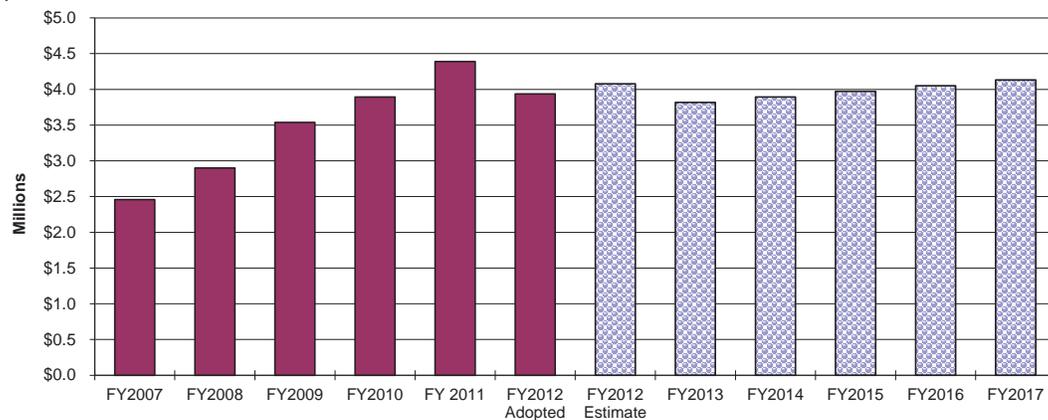
This source reflects revenue collected from fees charged by the Community and Recreation Services Department to participate in the various recreational programs offered by the city. These revenues are recorded in the general fund.

| Actuals | FY2007 | FY2008 | FY2009 | FY2010 | FY 2011 | FY2012 Adopted |
|-------------------|-----------|-----------|-----------|-----------|-----------|-------------------|
| Revenue Collected | 2,456,697 | 2,898,803 | 3,538,989 | 3,892,092 | 4,389,606 | 3,937,300 |

Forecast Assumptions

Forecasts are based on the Community and Recreation Services Department estimates of revenue per participant for recreation programs, aquatics programs, and special events. Special events and recreation participants reflect only revenue generating programs and events.

| Forecast | FY2012 Estimate | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|-------------------|--------------------|-----------|-----------|-----------|-----------|-----------|
| Projected Revenue | 4,077,000 | 3,817,500 | 3,893,900 | 3,971,700 | 4,051,200 | 4,132,200 |



Court Revenue

| FY2012 Estimate | FY2013 Forecast | \$ Inc/(Dec) | % Inc/(Dec) |
|--------------------|--------------------|-----------------|----------------|
| 1,275,200 | 1,290,400 | 15,200 | 1% |

Description

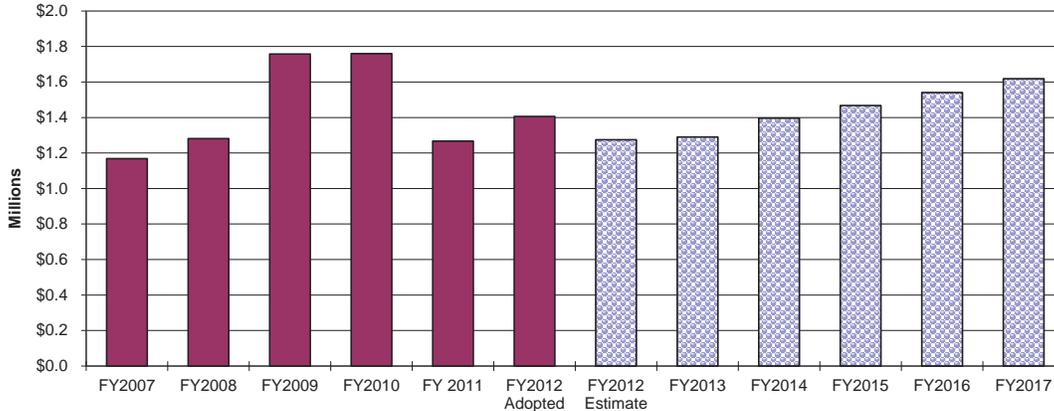
This revenue is generated by all court imposed fines collected by the City Court. These revenues are recorded in the general fund.

| Actuals | FY2007 | FY2008 | FY2009 | FY2010 | FY 2011 | FY2012 Adopted |
|-------------------|-----------|-----------|-----------|-----------|-----------|-------------------|
| Revenue Collected | 1,168,244 | 1,281,739 | 1,757,682 | 1,759,817 | 1,266,929 | 1,405,900 |

Forecast Assumptions

The forecast is based on revenue per court case where the number of court cases is relative to population growth. Population is expected to increase by approximately a half percent in FY2012 and FY2013. For FY2014 and after the population increase has been estimated at 3%.

| Forecast | FY2012 Estimate | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|-------------------|--------------------|-----------|-----------|-----------|-----------|-----------|
| Projected Revenue | 1,275,200 | 1,290,400 | 1,396,400 | 1,467,000 | 1,541,300 | 1,619,200 |



Fire Revenue

| FY2012 Estimate | FY2013 Forecast | \$ Inc/(Dec) | % Inc/(Dec) |
|--------------------|--------------------|-----------------|----------------|
| 775,000 | 838,600 | 63,600 | 8% |

Description

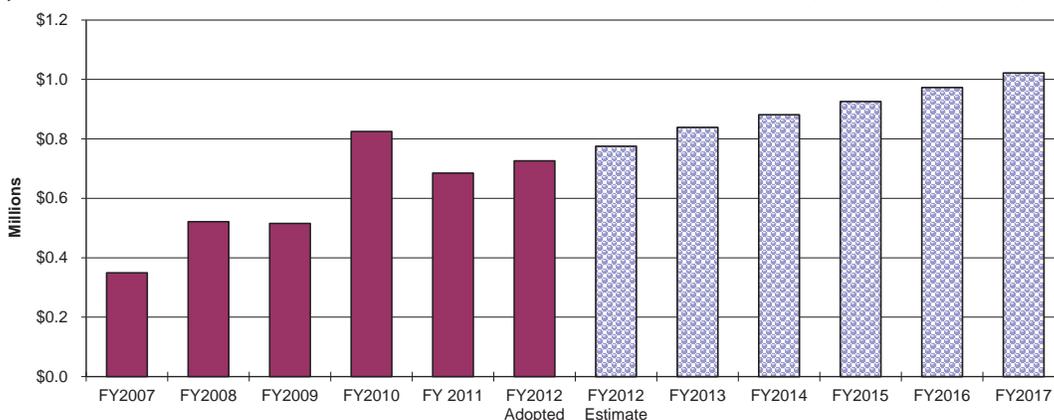
This revenue source reflects revenue related to Fire Department activities. Sources include fire insurance premium tax, wild land fire intergovernmental revenue, and Helicopter Air-Medical and Logistics Operations (HALO) intergovernmental revenue. These revenues are recorded in the general fund.

| Actuals | FY2007 | FY2008 | FY2009 | FY2010 | FY 2011 | FY2012 Adopted |
|-------------------|---------|---------|---------|---------|---------|-------------------|
| Revenue Collected | 349,362 | 521,466 | 515,291 | 824,702 | 684,647 | 726,000 |

Forecast Assumptions

The fire revenue forecast is based on projections of individual revenue sources based on year-to-date trends and known contracts. The revenue increases in FY2010 include the fire insurance premium tax which was previously netted against retirement expenditures. The FY2011 revenues decreased as a result of lower than expected advanced life support paramedic and fire suppression revenues.

| Forecast | FY2012 Estimate | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|-------------------|--------------------|---------|---------|---------|---------|-----------|
| Projected Revenue | 775,000 | 838,600 | 881,000 | 925,600 | 972,500 | 1,021,700 |



Police Revenue

| | | | |
|----------|----------|-----------|-----------|
| FY2012 | FY2013 | \$ | % |
| Estimate | Forecast | Inc/(Dec) | Inc/(Dec) |
| 655,200 | 679,600 | 24,400 | 4% |

Description

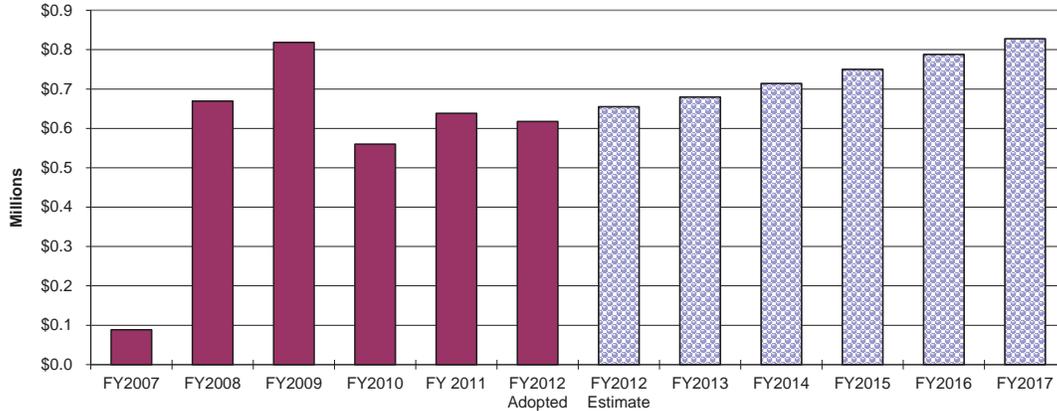
This revenue source reflects the revenue collected by the Police Department, including off-duty fees, finger printing, reimbursement for intergovernmental assignments, and El Mirage dispatch fees. These revenues are recorded in the general fund.

| Actuals | FY2007 | FY2008 | FY2009 | FY2010 | FY 2011 | FY2012 Adopted |
|-------------------|--------|---------|---------|---------|---------|-------------------|
| Revenue Collected | 88,240 | 669,051 | 818,244 | 560,104 | 638,061 | 617,600 |

Forecast Assumptions

The police revenue forecast is based on projections of individual revenue sources based on year-to-date trends and known contracts. In FY2008, the city of Surprise entered in to an intergovernmental agreement with the city of El Mirage and agreed to provide emergency dispatch to the city for a fee. The fee revenue is recorded in this category.

| Forecast | FY2012 Estimate | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|-------------------|--------------------|---------|---------|---------|---------|---------|
| Projected Revenue | 655,200 | 679,600 | 714,000 | 750,100 | 788,100 | 828,000 |



Community Development Revenue

| | | | |
|----------|----------|-----------|-----------|
| FY2012 | FY2013 | \$ | % |
| Estimate | Forecast | Inc/(Dec) | Inc/(Dec) |
| 944,700 | 944,700 | 0 | 0% |

Description

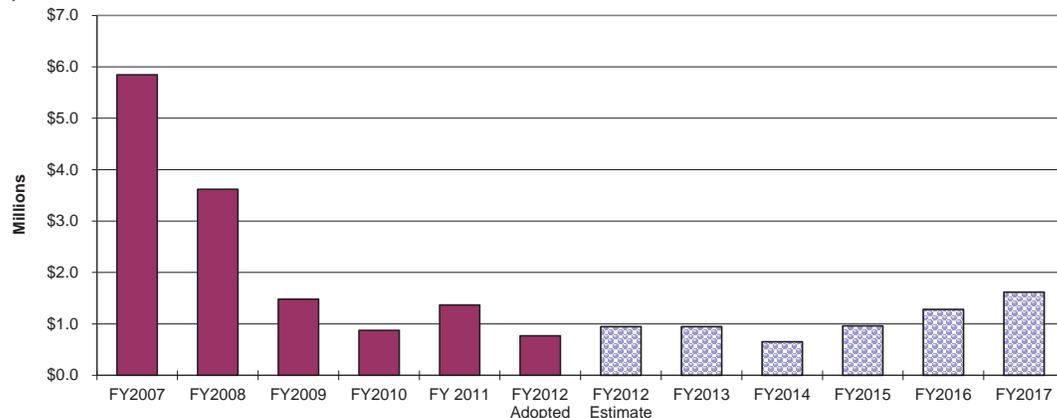
This source reflects fees collected by the city of Surprise including building inspection fees, permit fees, plan review fees, and fire fees related to new construction activities. These revenues are recorded in the general fund.

| Actuals | FY2007 | FY2008 | FY2009 | FY2010 | FY 2011 | FY2012 Adopted |
|-------------------|-----------|-----------|-----------|---------|-----------|-------------------|
| Revenue Collected | 5,847,122 | 3,617,438 | 1,481,772 | 873,132 | 1,367,433 | 769,700 |

Forecast Assumptions

The revenue forecast is based on estimates from the Community and Economic Development Department of the number of single family residential permits issued and the square feet of non-single family residential permits issued. Non-single family residential permits include multi-family, office/institution, and commercial/customer service. Revenue is forecast by revenue per square foot based on year-to-date trends. This source has been decreasing due to reduced construction activity from the recession.

| Forecast | FY2012 Estimate | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|-------------------|--------------------|---------|---------|---------|-----------|-----------|
| Projected Revenue | 944,700 | 944,700 | 654,300 | 962,900 | 1,283,600 | 1,616,800 |



All Other Operating Revenue

| FY2012 Estimate | FY2013 Forecast | \$ Inc/(Dec) | % Inc/(Dec) |
|--------------------|--------------------|-----------------|----------------|
| 555,600 | 750,000 | 194,400 | 35% |

Description

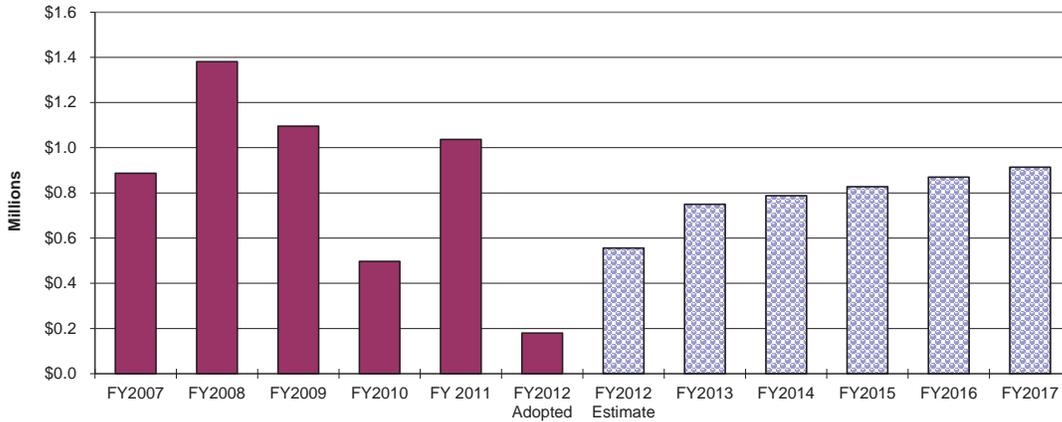
This source includes all other operating revenue collected by the city of Surprise for various programs and services provided on a day to day basis. These revenues are recorded in the general fund and the highway users revenue fund.

| Actuals | FY2007 | FY2008 | FY2009 | FY2010 | FY 2011 | FY2012 Adopted |
|-------------------|---------|-----------|-----------|---------|-----------|-------------------|
| Revenue Collected | 887,109 | 1,381,074 | 1,095,839 | 496,971 | 1,036,957 | 179,700 |

Forecast Assumptions

This forecast is based on estimates of individual revenue sources within this category based on year-to-date trends and known contracts. Forecasts in the out-years are based on population and revenue per capita where population is expected to increase by approximately a half percent in FY2012, FY2013, and 3% per year thereafter. A number of revenue sources that had been recorded in this category in past fiscal years have been eliminated or moved to other categories.

| Forecast | FY2012 Estimate | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|-------------------|--------------------|---------|---------|---------|---------|---------|
| Projected Revenue | 555,600 | 750,000 | 788,000 | 827,800 | 869,700 | 913,700 |



In Lieu Property Tax

| FY2012 Estimate | FY2013 Forecast | \$ Inc/(Dec) | % Inc/(Dec) |
|--------------------|--------------------|-----------------|----------------|
| 422,400 | 479,900 | 57,500 | 14% |

Description

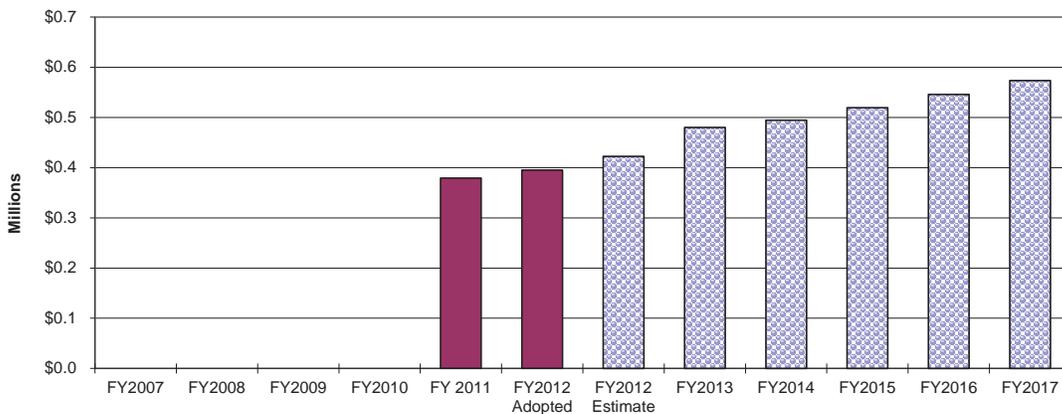
This source reflects a transfer from the enterprise funds (water, wastewater, and sanitation) to the general fund as a payment in lieu of property taxes (PILOT) which was initiated in FY2011.

| Actuals | FY2007 | FY2008 | FY2009 | FY2010 | FY 2011 | FY2012 Adopted |
|-------------------|--------|--------|--------|--------|---------|-------------------|
| Revenue Collected | 0 | 0 | 0 | 0 | 379,077 | 395,100 |

Forecast Assumptions

This source is forecast based on the valuation of water, wastewater, and sanitation property.

| Forecast | FY2012 Estimate | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|-------------------|--------------------|---------|---------|---------|---------|---------|
| Projected Revenue | 422,400 | 479,900 | 494,300 | 519,300 | 545,600 | 573,200 |



Interest Income

| FY2012 Estimate | FY2013 Forecast | \$ Inc/(Dec) | % Inc/(Dec) |
|--------------------|--------------------|-----------------|----------------|
| 27,600 | 0 | (27,600) | -100% |

Description

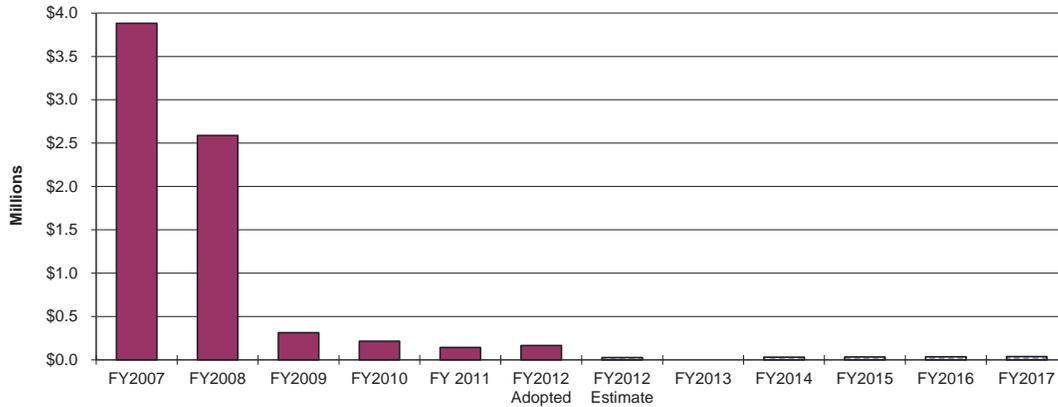
This source includes all interest income earned by the city of Surprise in the operating funds. These revenues are recorded in the general fund, the highway users revenue fund, and the transit fund.

| Actuals | FY2007 | FY2008 | FY2009 | FY2010 | FY 2011 | FY2012 Adopted |
|-------------------|-----------|-----------|---------|---------|---------|-------------------|
| Revenue Collected | 3,883,165 | 2,588,058 | 314,281 | 214,601 | 143,620 | 165,700 |

Forecast Assumptions

The activity reflects the recessionary economy with historically low interest rates. Investments are managed by a professional management firm.

| Forecast | FY2012 Estimate | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|-------------------|--------------------|--------|--------|--------|--------|--------|
| Projected Revenue | 27,600 | 0 | 30,900 | 32,900 | 35,000 | 37,200 |



Public Works Revenue

| FY2012 Estimate | FY2013 Forecast | \$ Inc/(Dec) | % Inc/(Dec) |
|--------------------|--------------------|-----------------|----------------|
| 227,000 | 227,000 | 0 | 0% |

Description

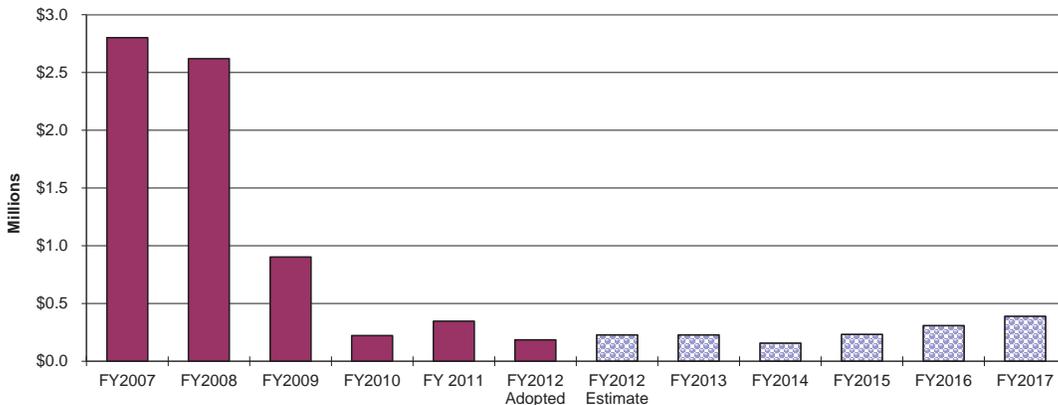
This source reflects revenue collected for engineering and permit fees related to residential and commercial construction activities. These revenues are recorded in the general fund.

| Actuals | FY2007 | FY2008 | FY2009 | FY2010 | FY 2011 | FY2012 Adopted |
|-------------------|-----------|-----------|---------|---------|---------|-------------------|
| Revenue Collected | 2,800,160 | 2,618,248 | 901,247 | 222,009 | 347,309 | 184,900 |

Forecast Assumptions

The revenue forecast is based on estimates from the Community and Economic Development Department of the number of single family residential permits issued and the square feet of non-single family residential permits issued. Non-single family residential permits include multi-family, office/institution, and commercial/customer service. Revenue is forecast by revenue per square foot based on year-to-date trends. This source has been decreasing due to reduced construction activity caused by the recent recession.

| Forecast | FY2012 Estimate | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|-------------------|--------------------|---------|---------|---------|---------|---------|
| Projected Revenue | 227,000 | 227,000 | 157,200 | 231,400 | 308,400 | 388,500 |



Facilities Fees

| FY2012 Estimate | FY2013 Forecast | \$ Inc/(Dec) | % Inc/(Dec) |
|--------------------|--------------------|-----------------|----------------|
| 295,500 | 303,200 | 7,700 | 3% |

Description

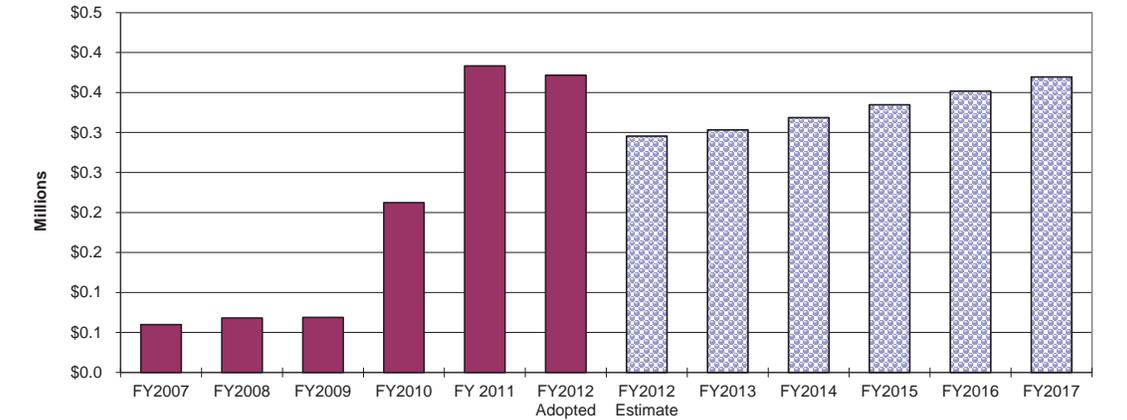
This source includes rent revenue collected by the city of Surprise for the use of city owned facilities. These revenues are recorded in the general fund.

| Actuals | FY2007 | FY2008 | FY2009 | FY2010 | FY 2011 | FY2012 Adopted |
|-------------------|--------|--------|--------|---------|---------|-------------------|
| Revenue Collected | 59,872 | 68,080 | 68,880 | 212,339 | 383,334 | 371,600 |

Forecast Assumptions

This forecast is based on estimates of individual revenue sources within this category based on year-to-date trends and known contracts. Forecasts in the out-years are based on population and revenue per capita where population is expected to increase by approximately a half percent in FY2012, FY2013, and 3% per year thereafter. The FY2011 increase in revenues is attributable to the increased tenant occupancy at the city's former city hall, the AZ Techcelerator.

| Forecast | FY2012 Estimate | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|-------------------|--------------------|---------|---------|---------|---------|---------|
| Projected Revenue | 295,500 | 303,200 | 318,500 | 334,600 | 351,600 | 369,300 |



Transit Fees

| FY2012 Estimate | FY2013 Forecast | \$ Inc/(Dec) | % Inc/(Dec) |
|--------------------|--------------------|-----------------|----------------|
| 27,600 | 28,300 | 700 | 3% |

Description

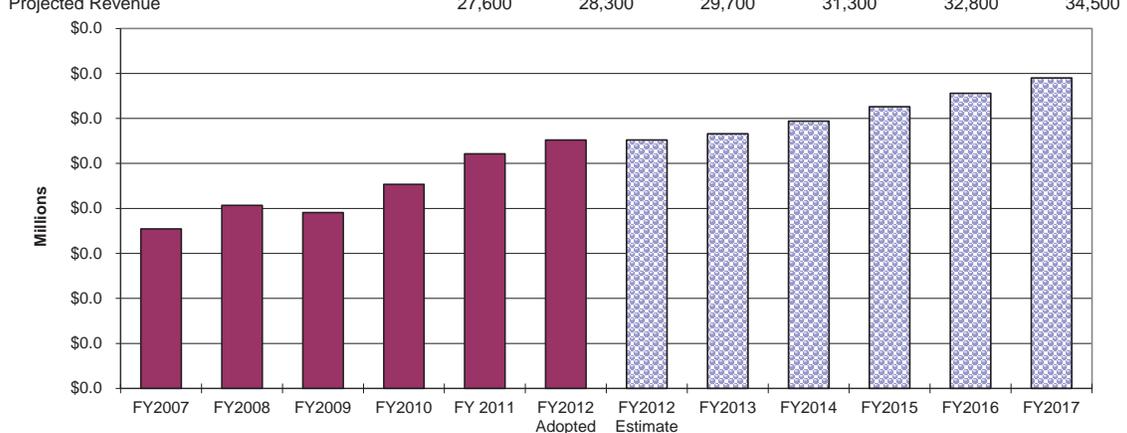
This source includes Dial-a-Ride Transportation (DART) fees. These revenues are recorded in the general fund.

| Actuals | FY2007 | FY2008 | FY2009 | FY2010 | FY 2011 | FY2012 Adopted |
|-------------------|--------|--------|--------|--------|---------|-------------------|
| Revenue Collected | 17,716 | 20,334 | 19,543 | 22,672 | 26,073 | 27,600 |

Forecast Assumptions

DART fees are forecast based on year-to-date trends of monthly revenue.

| Forecast | FY2012 Estimate | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|-------------------|--------------------|--------|--------|--------|--------|--------|
| Projected Revenue | 27,600 | 28,300 | 29,700 | 31,300 | 32,800 | 34,500 |



Primary Property Tax

| | | | |
|-----------|-----------|-----------|-----------|
| FY2012 | FY2013 | \$ | % |
| Estimate | Forecast | Inc/(Dec) | Inc/(Dec) |
| 6,243,500 | 6,290,000 | 46,500 | 1% |

Description

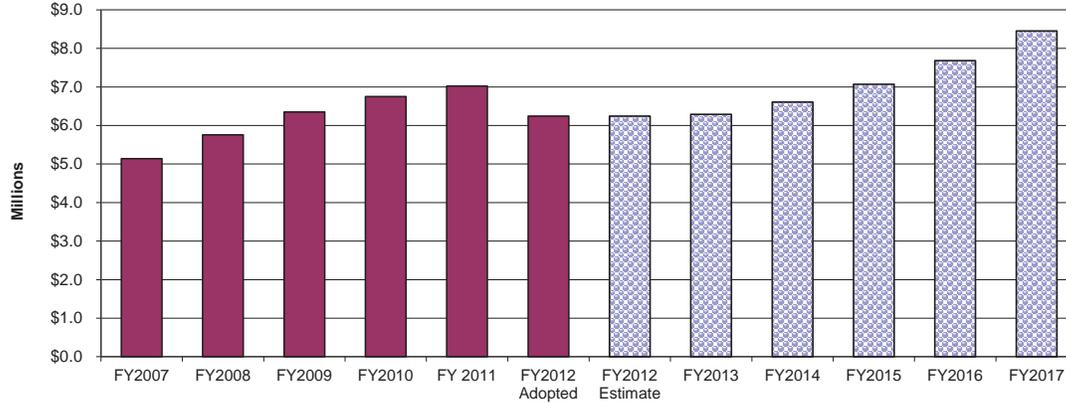
This source reflects the primary property tax levied for general government operations. State statute restricts the total levy to a maximum 2% annual increase plus an increase for any new construction and/or annexation. These revenues are recorded in the general fund. The FY2013 levy rate is \$0.7383 per \$100 of assessed valuation.

| Actuals | FY2007 | FY2008 | FY2009 | FY2010 | FY 2011 | FY2012 Adopted |
|-------------------|-----------|-----------|-----------|-----------|-----------|----------------|
| Revenue Collected | 5,139,517 | 5,759,123 | 6,349,918 | 6,749,926 | 7,023,619 | 6,243,500 |

Forecast Assumptions

The FY2013 amount is based on calculations from data from the Maricopa County Assessor's Office. Revenue increases for FY2013 are the result of new construction. Forecasts in the future years are based on population and revenue per capita.

| Forecast | FY2012 Estimate | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|-------------------|-----------------|-----------|-----------|-----------|-----------|-----------|
| Projected Revenue | 6,243,500 | 6,290,000 | 6,609,400 | 7,070,700 | 7,682,100 | 8,452,100 |



Utility Franchise Fees

| | | | |
|-----------|-----------|-----------|-----------|
| FY2012 | FY2013 | \$ | % |
| Estimate | Forecast | Inc/(Dec) | Inc/(Dec) |
| 4,440,600 | 4,471,400 | 30,800 | 1% |

Description

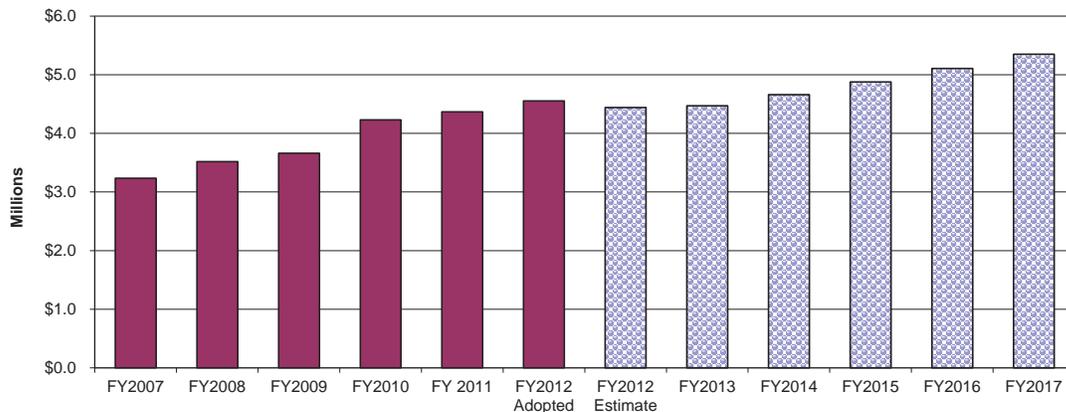
The fee is 2% or 5% of revenue earned by the utility providers operating within the city of Surprise. These revenues are recorded in the general fund.

| Actuals | FY2007 | FY2008 | FY2009 | FY2010 | FY 2011 | FY2012 Adopted |
|-------------------|-----------|-----------|-----------|-----------|-----------|----------------|
| Revenue Collected | 3,234,383 | 3,518,930 | 3,661,495 | 4,231,139 | 4,365,650 | 4,552,900 |

Forecast Assumptions

Forecast revenues are based on demand and rate increases.

| Forecast | FY2012 Estimate | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|-------------------|-----------------|-----------|-----------|-----------|-----------|-----------|
| Projected Revenue | 4,440,600 | 4,471,400 | 4,659,300 | 4,877,000 | 5,107,000 | 5,349,900 |



Business License Revenue

| | | | |
|--------------------|--------------------|-----------------|----------------|
| FY2012 Estimate | FY2013 Forecast | \$ Inc/(Dec) | % Inc/(Dec) |
| 635,500 | 657,000 | 21,500 | 3% |

Description

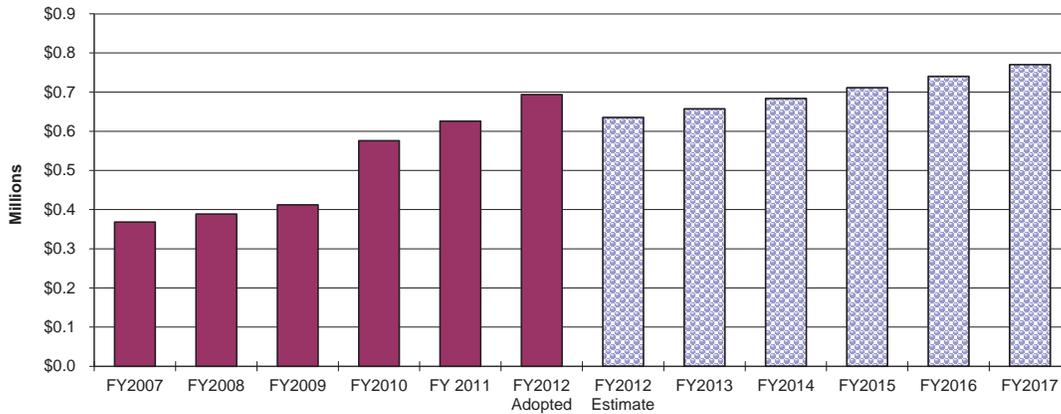
This source reflects the revenue received for licenses permitting businesses to operate within the city of Surprise. These revenues are recorded in the general fund.

| Actuals | FY2007 | FY2008 | FY2009 | FY2010 | FY 2011 | FY2012 Adopted |
|-------------------|---------|---------|---------|---------|---------|-------------------|
| Revenue Collected | 368,332 | 388,847 | 412,276 | 575,825 | 625,705 | 693,500 |

Forecast Assumptions

The forecasted revenue increases are based on estimated increases in the number of business licenses issued.

| Forecast | FY2012 Estimate | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|-------------------|--------------------|---------|---------|---------|---------|---------|
| Projected Revenue | 635,500 | 657,000 | 683,500 | 711,200 | 739,900 | 769,800 |



Sanitation Hauler's Licenses

| | | | |
|--------------------|--------------------|-----------------|----------------|
| FY2012 Estimate | FY2013 Forecast | \$ Inc/(Dec) | % Inc/(Dec) |
| 68,600 | 68,600 | 0 | 0% |

Description

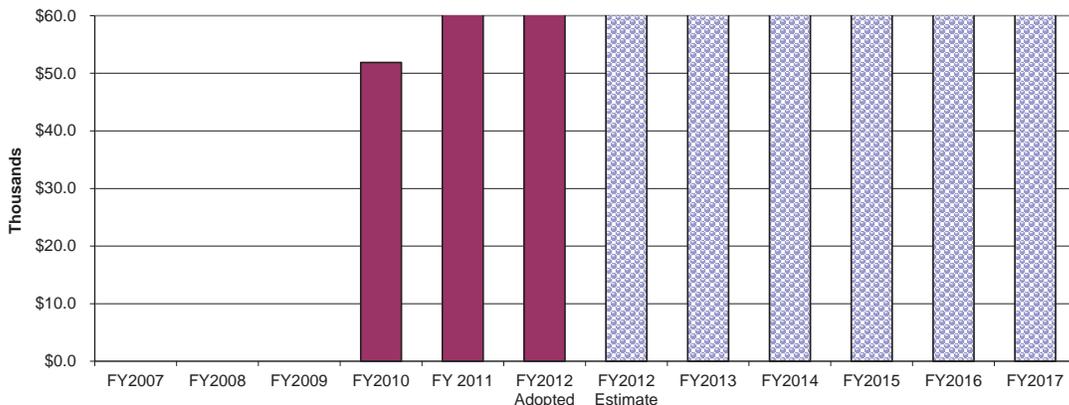
This source reflects the revenue for sanitation hauler's licenses charged per vehicle to all sanitation providers operating within the city of Surprise. These revenues are recorded in the general fund.

| Actuals | FY2007 | FY2008 | FY2009 | FY2010 | FY 2011 | FY2012 Adopted |
|-------------------|--------|--------|--------|--------|---------|-------------------|
| Revenue Collected | 0 | 0 | 0 | 51,900 | 67,050 | 68,600 |

Forecast Assumptions

Nominal growth is expected.

| Forecast | FY2012 Estimate | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|-------------------|--------------------|--------|--------|--------|--------|--------|
| Projected Revenue | 68,600 | 68,600 | 70,000 | 72,000 | 74,000 | 76,000 |



Wastewater Service Fee

| | | | |
|------------|------------|-----------|-----------|
| FY2012 | FY2013 | \$ | % |
| Estimate | Adopted | Inc/(Dec) | Inc/(Dec) |
| 14,769,400 | 15,354,000 | 584,600 | 4% |

Description

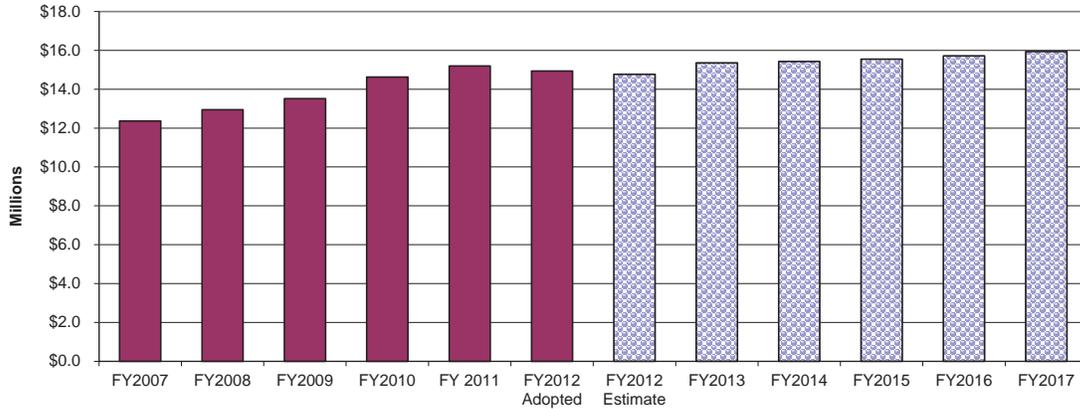
This source reflects the user charges collected from users of the city of Surprise wastewater service. The city is the only wastewater service provider. These revenues are recorded in the wastewater service fee fund.

| Actuals | FY2007 | FY2008 | FY2009 | FY2010 | FY 2011 | FY2012 Adopted |
|-------------------|------------|------------|------------|------------|------------|-------------------|
| Revenue Collected | 12,361,727 | 12,943,202 | 13,519,397 | 14,628,974 | 15,196,067 | 14,933,500 |

Forecast Assumptions

The wastewater service fee forecast is based on estimates of residential customer monthly bills and commercial customer gallons. The monthly service rate for FY2010 is based on a rate increase adopted by the Mayor and City Council effective January 1, 2010. Increases from FY2011 through FY2014 are projected increases based on population and expense increases.

| Forecast | FY2012 Estimate | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|-------------------|--------------------|------------|------------|------------|------------|------------|
| Projected Revenue | 14,769,400 | 15,354,000 | 15,427,600 | 15,550,200 | 15,722,000 | 15,942,700 |



Water Service Fee

| | | | |
|-----------|-----------|-----------|-----------|
| FY2012 | FY2013 | \$ | % |
| Estimate | Adopted | Inc/(Dec) | Inc/(Dec) |
| 9,761,400 | 9,908,000 | 146,600 | 2% |

Description

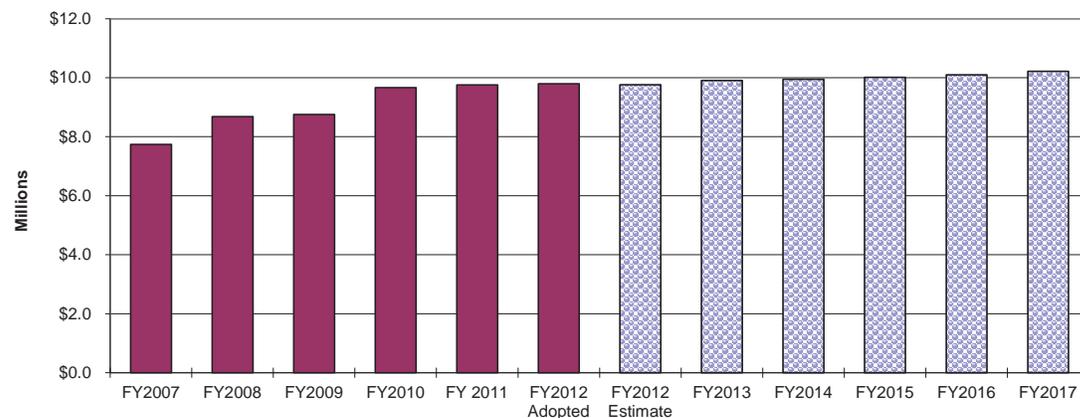
This source reflects the user charges collected from users of the city of Surprise water service in a tiered rate structure. The city serves about one-third of all water customers. These revenues are recorded in the water service fee fund.

| Actuals | FY2007 | FY2008 | FY2009 | FY2010 | FY 2011 | FY2012 Adopted |
|-------------------|-----------|-----------|-----------|-----------|-----------|-------------------|
| Revenue Collected | 7,737,626 | 8,683,420 | 8,751,802 | 9,666,702 | 9,759,186 | 9,796,000 |

Forecast Assumptions

The water service fee forecast is based on estimates of residential customer monthly bills. The monthly service rate for FY2010 is based on a rate increase adopted by the Mayor and City Council effective January 1, 2010. Increases from FY2011 through FY2014 are projected increases based on population and expense increases.

| Forecast | FY2012 Estimate | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|-------------------|--------------------|-----------|-----------|------------|------------|------------|
| Projected Revenue | 9,761,400 | 9,908,000 | 9,946,900 | 10,011,100 | 10,101,000 | 10,216,500 |



Sanitation Service Fee

| | | | |
|-----------|-----------|-----------|-----------|
| FY2012 | FY2013 | \$ | % |
| Estimate | Adopted | Inc/(Dec) | Inc/(Dec) |
| 6,244,400 | 6,585,000 | 340,600 | 5% |

Description

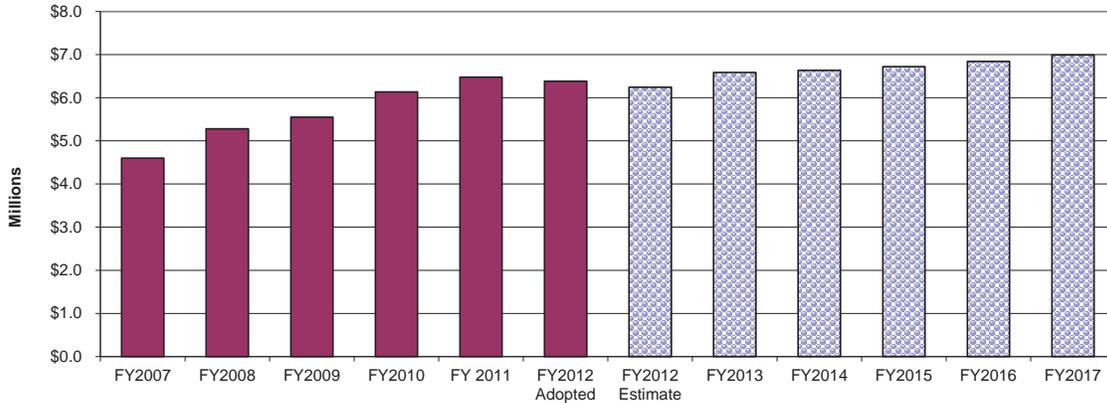
This source reflects the user charges collected from users of the city of Surprise sanitation service. These revenues are recorded in the sanitation service fee fund.

| Actuals | FY2007 | FY2008 | FY2009 | FY2010 | FY 2011 | FY2012 Adopted |
|-------------------|-----------|-----------|-----------|-----------|-----------|-------------------|
| Revenue Collected | 4,599,920 | 5,281,116 | 5,549,225 | 6,134,835 | 6,479,386 | 6,386,000 |

Forecast Assumptions

The sanitation service fee forecast is based on estimates of residential customer monthly bills. Also included is an estimate of recycling revenue based on FY2010 year-to-date trends. The monthly service rate for FY2010 is based on a rate increase adopted by the Mayor and City Council effective January 1, 2010. Increases from FY2011 through FY2014 are projected increases based on population and expense increases.

| Forecast | FY2012 Estimate | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|-------------------|--------------------|-----------|-----------|-----------|-----------|-----------|
| Projected Revenue | 6,244,400 | 6,585,000 | 6,637,900 | 6,723,500 | 6,842,000 | 6,993,600 |



Transportation Improvement Tax

| | | | |
|-----------|-----------|-----------|-----------|
| FY2012 | FY2013 | \$ | % |
| Estimate | Adopted | Inc/(Dec) | Inc/(Dec) |
| 1,991,800 | 1,981,400 | (10,400) | -1% |

Description

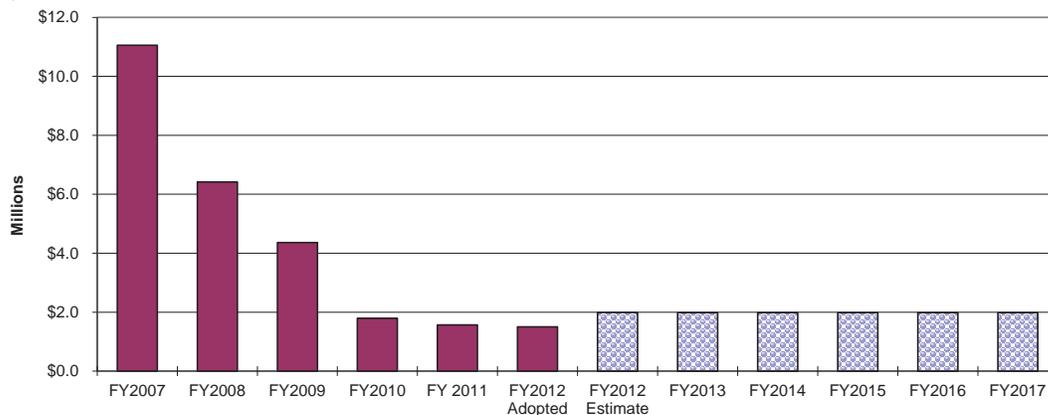
This source reflects a 1.5% local construction transaction tax adopted by the Mayor and City Council. This tax is dedicated for the improvement of existing roadway corridors and costs related to the construction of new roadways. These revenues are recorded in the transportation improvement fund.

| Actuals | FY2007 | FY2008 | FY2009 | FY2010 | FY 2011 | FY2012 Adopted |
|-------------------|------------|-----------|-----------|-----------|-----------|-------------------|
| Revenue Collected | 11,052,892 | 6,420,536 | 4,358,905 | 1,794,618 | 1,569,724 | 1,500,000 |

Forecast Assumptions

The transportation improvement tax represents 68% of the construction sales tax.

| Forecast | FY2012 Estimate | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|-------------------|--------------------|-----------|-----------|-----------|-----------|-----------|
| Projected Revenue | 1,991,800 | 1,981,400 | 1,981,400 | 1,981,400 | 1,981,400 | 1,981,400 |



Wastewater Development Fee

| FY2012 Estimate | FY2013 Adopted | \$ Inc/(Dec) | % Inc/(Dec) |
|--------------------|-------------------|-----------------|----------------|
| 920,800 | 1,050,000 | 129,200 | 14% |

Description

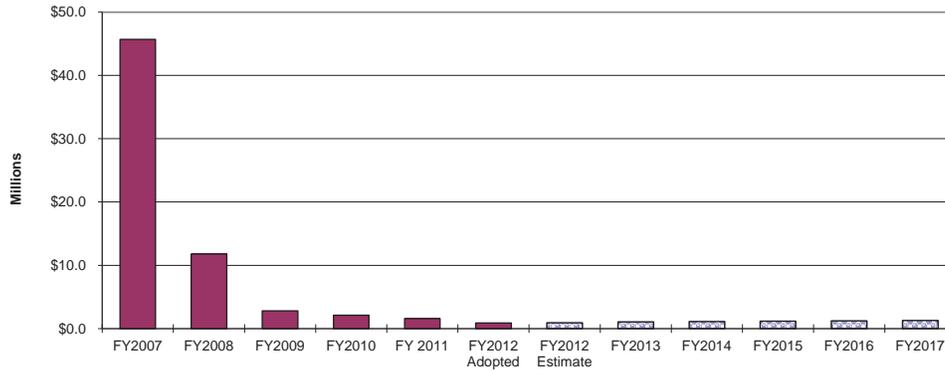
This source reflects one-time impact fees (latest revision effective 01/01/2012) charged to developers to recover costs associated with providing wastewater related facilities and services to the community. This revenue is collected specifically to fund growth related projects and activities. Authorized under A.R.S. 9-463.05 and city ordinance # 07-18. These revenues are recorded in the wastewater development impact fee funds.

| Actuals | FY2007 | FY2008 | FY2009 | FY2010 | FY 2011 | FY2012 Adopted |
|-------------------|------------|------------|-----------|-----------|-----------|-------------------|
| Revenue Collected | 45,692,483 | 11,776,234 | 2,796,143 | 2,130,541 | 1,586,629 | 876,700 |

Forecast Assumptions

The revenue forecast for FY2013 is based on estimates from the Community and Economic Development Department of the number of single family residential permits issued and the square feet of non-single family residential permits issued. The 2014-2016 permits issued for single family residential permits were based on the conservative forecast estimates in the Elliot Pollack - City of Surprise Economic Conditions Report dated March 2012. FY2017 single family residential permits issued was a conservative estimate by the Finance dept based on the growth patterns from the Elliot Pollack Study. Non-single family residential permits include multi-family, office/institution, and commercial/customer service. This source has been decreasing due to reduced construction activity from the current recession. CED estimated FY2013 and years FY2014-2017 were conservative estimates done by Finance based on the FY2013 estimate.

| Forecast | FY2012 Estimate | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|-------------------|--------------------|-----------|-----------|-----------|-----------|-----------|
| Projected Revenue | 920,800 | 1,050,000 | 1,100,000 | 1,160,000 | 1,220,000 | 1,280,000 |



Fire and EMS Development Fee

| FY2012 Estimate | FY2013 Adopted | \$ Inc/(Dec) | % Inc/(Dec) |
|--------------------|-------------------|-----------------|----------------|
| 293,500 | 247,800 | (45,700) | -16% |

Description

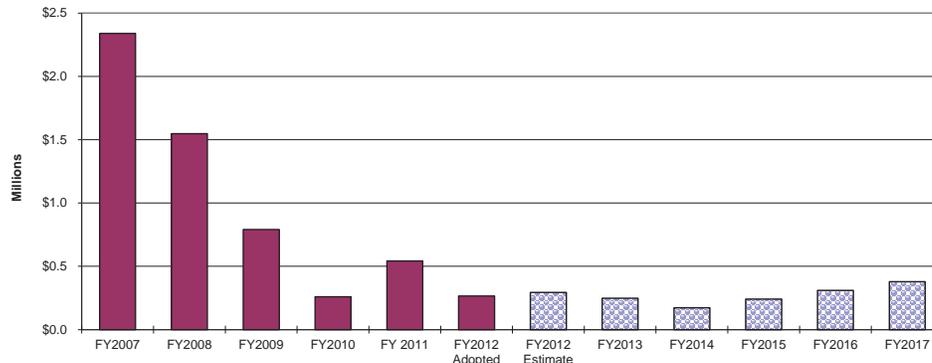
This source reflects one-time impact fees (latest revision effective 01/01/2012) charged to developers to recover costs associated with providing fire and emergency facilities and services to the community. This revenue is collected specifically to fund growth related activities. Authorized under A.R.S. 9-463.05 and city ordinance # 07-22. These revenues are recorded in the fire and EMS development impact fee fund.

| Actuals | FY2007 | FY2008 | FY2009 | FY2010 | FY 2011 | FY2012 Adopted |
|-------------------|-----------|-----------|---------|---------|---------|-------------------|
| Revenue Collected | 2,339,585 | 1,548,612 | 791,619 | 259,683 | 541,937 | 265,800 |

Forecast Assumptions

The revenue forecast for FY2013 is based on estimates from the Community and Economic Development Department of the number of single family residential permits issued and the square feet of non-single family residential permits issued. The 2014-2016 permits issued for single family residential permits were based on the conservative forecast estimates in the Elliot Pollack - City of Surprise Economic Conditions Report dated March 2012. FY2017 single family residential permits issued was a conservative estimate by the Finance dept based on the growth patterns from the Elliot Pollack Study. Non-single family residential permits include multi-family, office/institution, and commercial/customer service. This source has been decreasing due to reduced construction activity from the current recession. CED estimated FY2013 and years FY2014-2017 were conservative estimates done by Finance based on the FY2013 estimate.

| Forecast | FY2012 Estimate | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|-------------------|--------------------|---------|---------|---------|---------|---------|
| Projected Revenue | 293,500 | 247,800 | 172,800 | 241,600 | 310,400 | 379,200 |



Public Works Development Fee

| | | | |
|----------|---------|-----------|-----------|
| FY2012 | FY2013 | \$ | % |
| Estimate | Adopted | Inc/(Dec) | Inc/(Dec) |
| 285,700 | 37,300 | (248,400) | -87% |

Description

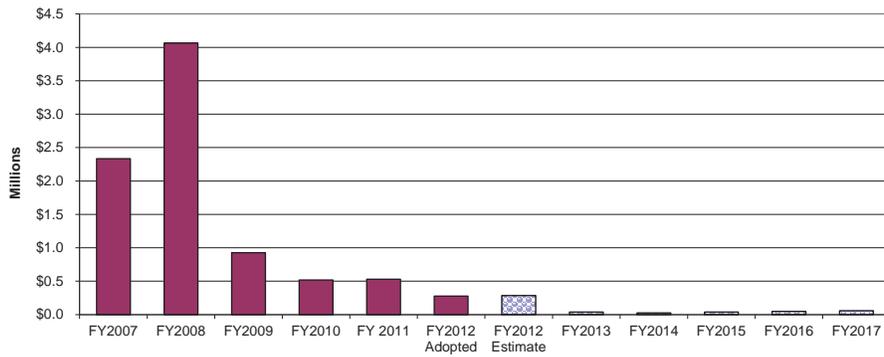
This source reflects one-time impact fees (latest revision effective 01/01/2012) charged to developers to recover costs associated with providing public works facilities and services to the community. This revenue is collected specifically to fund growth related projects and activities. Authorized under A.R.S. 9-463.05 and city ordinance # 07-23. These revenues are recorded in the public works development impact fee fund.

| Actuals | FY2007 | FY2008 | FY2009 | FY2010 | FY 2011 | FY2012 Adopted |
|-------------------|-----------|-----------|---------|---------|---------|-------------------|
| Revenue Collected | 2,334,977 | 4,064,851 | 926,136 | 518,452 | 528,549 | 277,100 |

Forecast Assumptions

The revenue forecast for FY2013 is based on estimates from the Community and Economic Development Department of the number of single family residential permits issued and the square feet of non-single family residential permits issued. The 2014-2016 permits issued for single family residential permits were based on the conservative forecast estimates in the Elliot Pollack - City of Surprise Economic Conditions Report dated March 2012. FY2017 single family residential permits issued was a conservative estimate by the Finance dept based on the growth patterns from the Elliot Pollack Study. Non-single family residential permits include multi-family, office/institution, and commercial/customer service. This source has been decreasing due to reduced construction activity from the current recession. CED estimated FY2013 and years FY2014-2017 were conservative estimates done by Finance based on the FY2013 estimate.

| Forecast | FY2012 Estimate | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|-------------------|--------------------|--------|--------|--------|--------|--------|
| Projected Revenue | 285,700 | 37,300 | 25,600 | 36,500 | 47,400 | 58,300 |



General Government Development Fee

| | | | |
|----------|---------|-----------|-----------|
| FY2012 | FY2013 | \$ | % |
| Estimate | Adopted | Inc/(Dec) | Inc/(Dec) |
| 258,200 | 227,100 | (31,100) | -12% |

Description

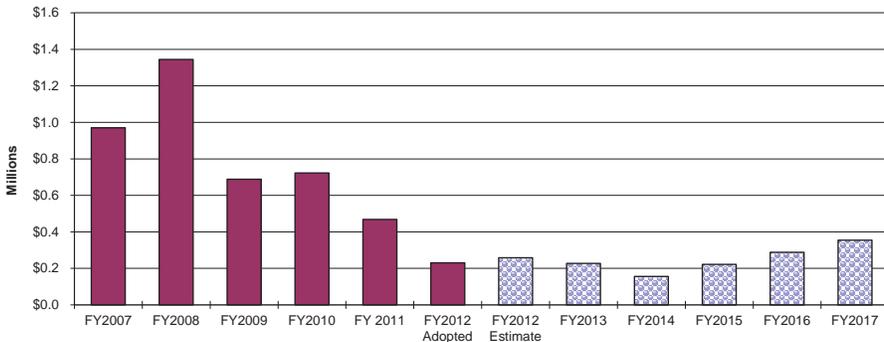
This source reflects one-time impact fees (latest revision effective 01/01/2012) charged to developers to recover costs associated with general government activities. This revenue is collected specifically to fund growth related activities. Authorized under A.R.S. 9-463.05 and city ordinance # 07-24. These revenues are recorded in the general government development impact fee fund.

| Actuals | FY2007 | FY2008 | FY2009 | FY2010 | FY 2011 | FY2012 Adopted |
|-------------------|---------|-----------|---------|---------|---------|-------------------|
| Revenue Collected | 970,094 | 1,344,928 | 688,951 | 723,059 | 468,620 | 230,700 |

Forecast Assumptions

The revenue forecast for FY2013 is based on estimates from the Community and Economic Development Department of the number of single family residential permits issued and the square feet of non-single family residential permits issued. The 2014-2016 permits issued for single family residential permits were based on the conservative forecast estimates in the Elliot Pollack - City of Surprise Economic Conditions Report dated March 2012. FY2017 single family residential permits issued was a conservative estimate by the Finance dept based on the growth patterns from the Elliot Pollack Study. Non-single family residential permits include multi-family, office/institution, and commercial/customer service. This source has been decreasing due to reduced construction activity from the current recession. CED estimated FY2013 and years FY2014-2017 were conservative estimates done by Finance based on the FY2013 estimate.

| Forecast | FY2012 Estimate | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|-------------------|--------------------|---------|---------|---------|---------|---------|
| Projected Revenue | 258,200 | 227,100 | 156,000 | 222,100 | 288,200 | 354,300 |



Parks and Recreation Development Fee

| | | | |
|--------------------|-------------------|-----------------|----------------|
| FY2012 Estimate | FY2013 Adopted | \$ Inc/(Dec) | % Inc/(Dec) |
| 507,400 | 196,300 | (311,100) | -61% |

Description

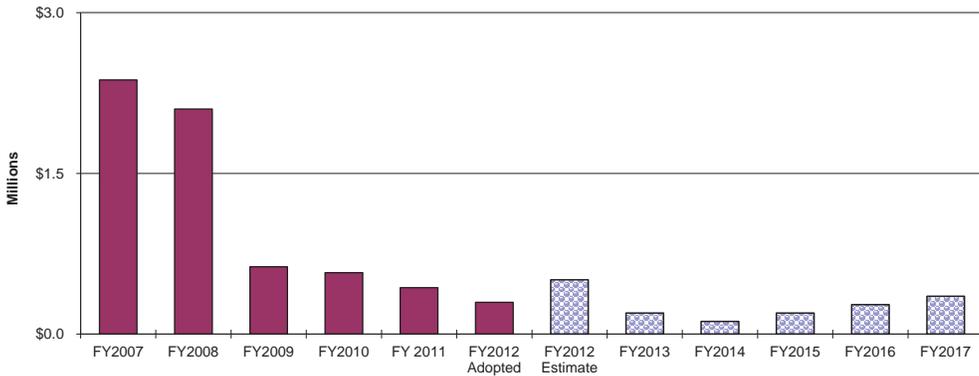
This source reflects one-time impact fees (latest revision effective 01/01/2012) charged to developers to recover costs associated with providing parks and recreation facilities and services to the community. This revenue is collected specifically to fund growth related projects and activities. Authorized under A.R.S. 9-463.05 and city ordinance # 07-20. These revenues are recorded in the parks & recreation development impact fee fund.

| Actuals | FY2007 | FY2008 | FY2009 | FY2010 | FY 2011 | FY2012 Adopted |
|-------------------|-----------|-----------|---------|---------|---------|-------------------|
| Revenue Collected | 2,372,708 | 2,101,227 | 627,627 | 573,541 | 433,635 | 296,000 |

Forecast Assumptions

The revenue forecast for FY2013 is based on estimates from the Community and Economic Development Department of the number of single family residential permits issued. The 2014-2016 permits issued for single family residential permits were based on the conservative forecast estimates in the Elliot Pollack - City of Surprise Economic Conditions Report dated March 2012. FY2017 single family residential permits issued was a conservative estimate by the Finance dept based on the growth patterns from the Elliot Pollack Study.

| Forecast | FY2012 Estimate | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|-------------------|--------------------|---------|---------|---------|---------|---------|
| Projected Revenue | 507,400 | 196,300 | 117,800 | 196,300 | 274,800 | 353,300 |



Water Development Fee

| | | | |
|--------------------|-------------------|-----------------|----------------|
| FY2012 Estimate | FY2013 Adopted | \$ Inc/(Dec) | % Inc/(Dec) |
| 18,700 | 260,000 | 241,300 | 1290% |

Description

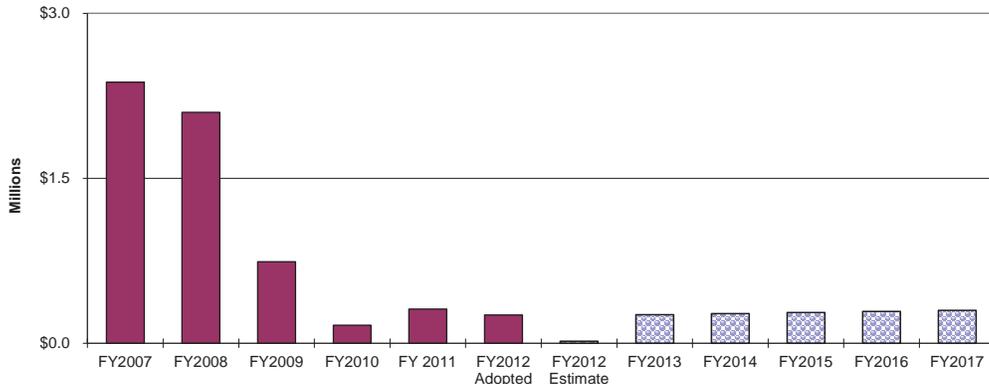
This source reflects one-time impact fees (latest revision effective 01/01/2012) charged to developers to recover costs associated with providing water related facilities and services to the community. This revenue is collected specifically to fund growth related projects and activities. Authorized under A.R.S. 9-463.05 and city ordinance # 07-16. These revenues are recorded in the water development impact fee funds.

| Actuals | FY2007 | FY2008 | FY2009 | FY2010 | FY 2011 | FY2012 Adopted |
|-------------------|-----------|-----------|---------|---------|---------|-------------------|
| Revenue Collected | 2,375,236 | 2,099,090 | 741,095 | 163,278 | 310,527 | 257,300 |

Forecast Assumptions

The revenue forecast is based on estimates from the Community and Economic Development Department of the number of single family residential permits issued and the square feet of non-single family residential permits issued. Non-single family residential permits include multi-family, office/institution, and commercial/customer service. This source has been decreasing due to reduced construction activity from the current recession.

| Forecast | FY2012 Estimate | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|-------------------|--------------------|---------|---------|---------|---------|---------|
| Projected Revenue | 18,700 | 260,000 | 270,000 | 280,000 | 290,000 | 300,000 |



Roads of Regional Significance

| FY2012 | FY2013 | \$ | % |
|----------|---------|-----------|-----------|
| Estimate | Adopted | Inc/(Dec) | Inc/(Dec) |
| 27,400 | 0 | (27,400) | -100% |

Description

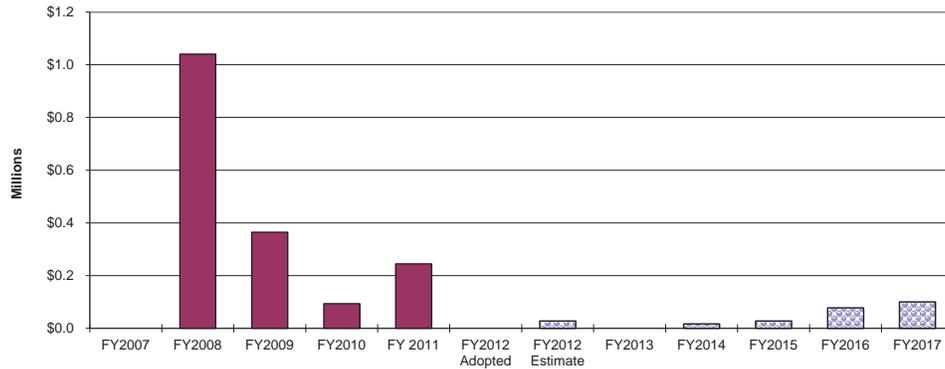
This source reflects one-time impact fees (latest revision effective 01/01/2012) charged to developers to recover costs associated with roads of regional significance. This revenue is collected specifically to fund growth related projects and activities. Authorized under A.R.S. 9-463.05 and city ordinance # 07-25. This fee was initiated in FY2008. These revenues are recorded in the roads of regional significance development impact fee funds.

| Actuals | FY2007 | FY2008 | FY2009 | FY2010 | FY 2011 | FY2012 Adopted |
|-------------------|--------|-----------|---------|--------|---------|----------------|
| Revenue Collected | 0 | 1,040,455 | 364,895 | 93,659 | 244,963 | 0 |

Forecast Assumptions

Based on estimates from the Community and Economic Development Department of the number of single family residential permits issued and the square feet of non-single family residential permits issued, no permit activity is forecasted for FY2013 in SPA's 2,3,4,5, and 6. The 2014-2016 permits issued for single family residential permits were based on the conservative forecast estimates in the Elliot Pollack - City of Surprise Economic Conditions Report dated March 2012. FY2017 single family residential permits issued was a conservative estimate by the Finance Department based on the growth patterns from the Elliot Pollack Study. Non-single family residential permits include multi-family, office/institution, and commercial/customer service. This source has been decreasing due to reduced construction activity from the current recession. CED estimated FY2013 and years FY2014-2017 were conservative estimates done by Finance based on the FY2013 estimate.

| Forecast | FY2012 Estimate | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|-------------------|-----------------|--------|--------|--------|--------|---------|
| Projected Revenue | 27,400 | 0 | 16,700 | 27,800 | 77,800 | 100,000 |



Water Replenishment Development Fee

| FY2012 | FY2013 | \$ | % |
|----------|---------|-----------|-----------|
| Estimate | Adopted | Inc/(Dec) | Inc/(Dec) |
| 3,800 | 130,000 | 126,200 | 3321% |

Description

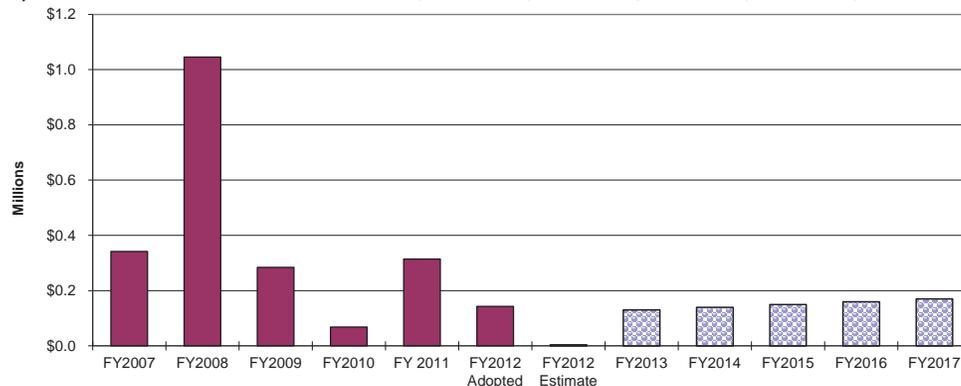
This source reflects one-time impact fees (latest revision effective 01/01/2012) charged to developers to recover costs associated with providing water replenishment related facilities and services to the community. This revenue is collected specifically to fund growth related projects and activities. Authorized under A.R.S. 9-463.05 and city ordinance # 07-15. These revenues are recorded in the water replenishment development impact fee funds.

| Actuals | FY2007 | FY2008 | FY2009 | FY2010 | FY 2011 | FY2012 Adopted |
|-------------------|---------|-----------|---------|--------|---------|----------------|
| Revenue Collected | 341,941 | 1,045,337 | 283,846 | 68,106 | 313,923 | 142,500 |

Forecast Assumptions

The revenue forecast is based on estimates from the Community and Economic Development Department of the number of single family residential permits issued and the square feet of non-single family residential permits issued. Non-single family residential permits include multi-family, office/institution, and commercial/customer service. This source has been decreasing due to reduced construction activity from the current recession.

| Forecast | FY2012 Estimate | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|-------------------|-----------------|---------|---------|---------|---------|---------|
| Projected Revenue | 3,800 | 130,000 | 140,000 | 150,000 | 160,000 | 170,000 |



Police Development Fee

| FY2012 | FY2013 | \$ | % |
|----------|---------|-----------|-----------|
| Estimate | Adopted | Inc/(Dec) | Inc/(Dec) |
| 89,300 | 101,900 | 12,600 | 14% |

Description

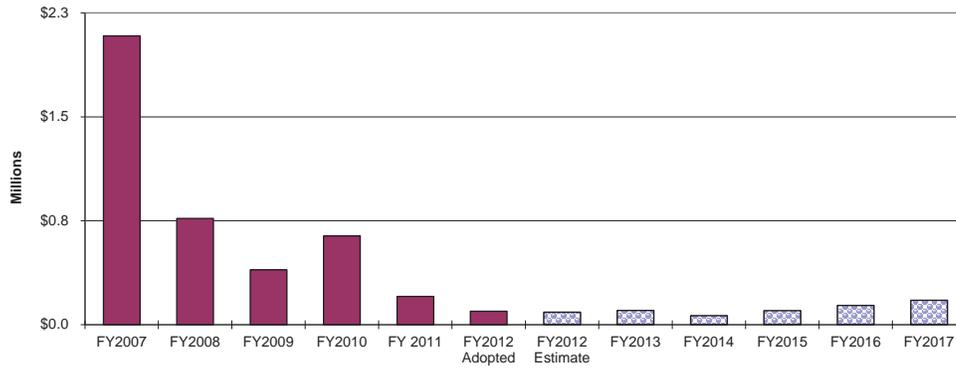
This source reflects one-time impact fees (latest revision effective 01/01/2012) charged to developers to recover costs associated with providing police facilities and services to the community. This revenue is collected specifically to fund growth related activities. Authorized under A.R.S. 9-463.05 and city ordinance # 07-21. These revenues are recorded in the police development impact fee fund.

| Actuals | FY2007 | FY2008 | FY2009 | FY2010 | FY 2011 | FY2012 Adopted |
|-------------------|-----------|---------|---------|---------|---------|----------------|
| Revenue Collected | 2,085,418 | 766,873 | 395,950 | 641,092 | 203,570 | 96,400 |

Forecast Assumptions

The revenue forecast for FY2013 is based on estimates from the Community and Economic Development Department of the number of single family residential permits issued and the square feet of non-single family residential permits issued. The 2014-2016 permits issued for single family residential permits were based on the conservative forecast estimates in the Elliot Pollack - City of Surprise Economic Conditions Report dated March 2012. FY2017 single family residential permits issued was a conservative estimate by the Finance dept based on the growth patterns from the Elliot Pollack Study. Non-single family residential permits include multi-family, office/institution, and commercial/customer service. This source has been decreasing due to reduced construction activity from the current recession. CED estimated FY2013 and years FY2014-2017 were conservative estimates done by Finance based on the FY2013 estimate.

| Forecast | FY2012 Estimate | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|-------------------|-----------------|---------|--------|---------|---------|---------|
| Projected Revenue | 89,300 | 101,900 | 64,100 | 101,200 | 138,300 | 175,400 |



Library Development Fee

| FY2012 | FY2013 | \$ | % |
|----------|---------|-----------|-----------|
| Estimate | Adopted | Inc/(Dec) | Inc/(Dec) |
| 0 | 33,300 | 33,300 | #DIV/0! |

Description

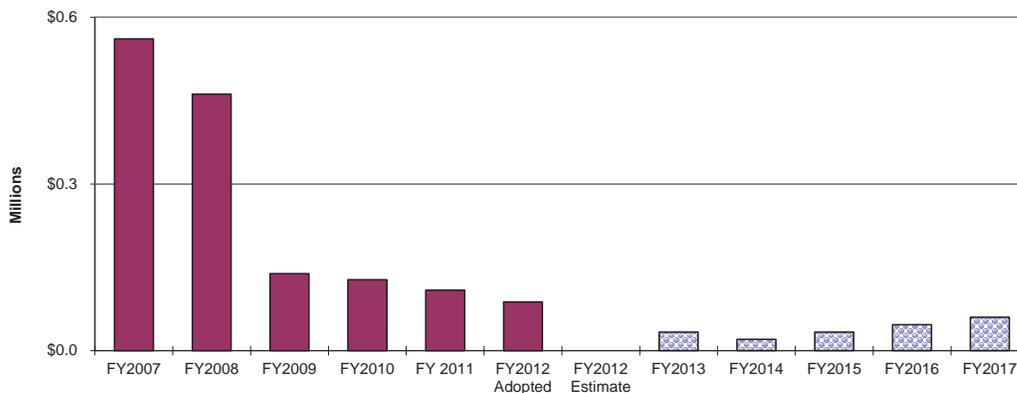
This source reflects one-time impact fees (latest revision effective 01/01/2012) charged to developers to recover costs associated with providing library facilities and services to the community. This revenue is collected specifically to fund growth related projects and activities. Authorized under A.R.S. 9-463.05 and city Ordinance # 07-19.

| Actuals | FY2007 | FY2008 | FY2009 | FY2010 | FY 2011 | FY2012 Adopted |
|-------------------|---------|---------|---------|---------|---------|----------------|
| Revenue Collected | 561,270 | 461,743 | 138,504 | 127,564 | 109,001 | 87,700 |

Forecast Assumptions

The revenue forecast for FY2013 is based on estimates from the Community and Economic Development Department of the number of single family residential permits issued. The 2014-2016 permits issued for single family residential permits were based on the conservative forecast estimates in the Elliot Pollack - City of Surprise Economic Conditions Report dated March 2012. FY2017 single family residential permits issued was a conservative estimate by the Finance dept based on the growth patterns from the Elliot Pollack Study.

| Forecast | FY2012 Estimate | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|-------------------|-----------------|--------|--------|--------|--------|--------|
| Projected Revenue | 0 | 33,300 | 20,000 | 33,300 | 46,600 | 59,900 |



Employee Healthcare Self Insurance Fund

| FY2012 | FY2013 | \$ | % |
|-----------|-----------|-----------|-----------|
| Estimate | Adopted | Inc/(Dec) | Inc/(Dec) |
| 8,225,100 | 8,048,400 | (176,700) | -2% |

Description

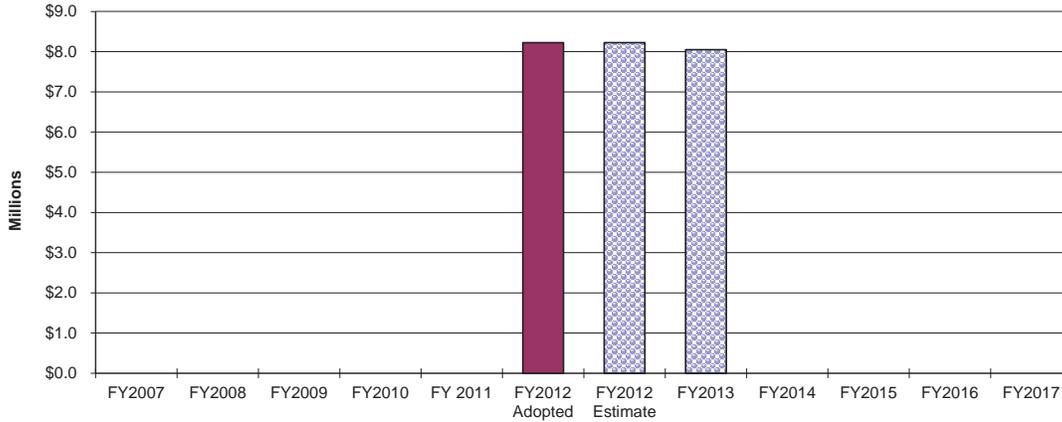
This source includes all other operating revenue collected by the city of Surprise for various programs and services provided on a day to day basis. These revenues are recorded in the general fund, the highway users revenue fund, and the transit fund.

| Actuals | FY2007 | FY2008 | FY2009 | FY2010 | FY 2011 | FY2012 Adopted |
|-------------------|--------|--------|--------|--------|---------|-------------------|
| Revenue Collected | 0 | 0 | 0 | 0 | 0 | 8,225,100 |

Forecast Assumptions

This forecast is based on estimates of individual revenue sources within this category based on year-to-date trends and known contracts. Forecasts in the out-years are based on population and revenue per capita where population is expected to increase by 3.0% in FY2011, 1.25% in FY2012, and 2% per year thereafter. A number of revenue sources that had been recorded in this category in past fiscal years have been eliminated or moved to other categories.

| Forecast | FY2012 Estimate | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|-------------------|--------------------|-----------|--------|--------|--------|--------|
| Projected Revenue | 8,225,100 | 8,048,400 | 0 | 0 | 0 | 0 |



General Government

- Mayor and City Council
- City Manager's Office
- City Attorney's Office
- City Clerk's Office
- Finance Department
- Human Resources Department
- Healthcare Self Insurance Fund
- Risk Management Fund
- Information Technology Department
- Employee Dependant Scholarship Fund
- Donations Fund
- General Operations
- Grants & Contingency Fund

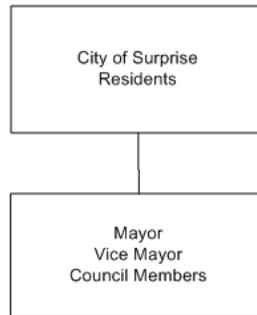


Mayor and City Council

Description

The Mayor and City Council are the legislative body of the city of Surprise. The Council is comprised of seven elected officials: six council members (one of whom is appointed Vice Mayor) and the Mayor.

Organizational Chart



Primary Functions

- Set policy for the city of Surprise

Major Budget Changes

The FY2013 budget of \$409,700 represents a 17% decrease from the FY2012 amended budget of \$495,700. The decrease is due to the movement of one assistant to the Council I position from the Mayor and Council Office to the City Manager's Office. Some of the savings were offset by personnel expenditure increases resulting from a 1.04% increase in the employer contribution for the Arizona State Retirement System and a 5.30% increase in the healthcare premium rates programmed for FY2013.

| | FY2010 Actuals | FY2011 Actuals | FY2012 Amended Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|---------------------|-------------------|-------------------|-----------------------------|-----------------------------|------------------------|
| Expenditures | | | | | |
| <u>By category</u> | | | | | |
| Personnel | \$ 325,766 | \$ 343,519 | \$ 351,500 | \$ 289,600 | -18% |
| Supplies | 37,941 | 23,758 | 38,700 | 18,000 | -53% |
| Services | 34,436 | 64,747 | 105,500 | 102,100 | -3% |
| Total | \$ 398,142 | \$ 432,023 | \$ 495,700 | \$ 409,700 | -17% |
| <u>By division</u> | | | | | |
| General Operations | \$ 398,142 | \$ 432,023 | \$ 495,700 | \$ 409,700 | -17% |
| Total | \$ 398,142 | \$ 432,023 | \$ 495,700 | \$ 409,700 | -17% |

| | FY2010 Amended Budget | FY2011 Amended Budget | FY2012 Adopted Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|-------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|------------------------|
| Personnel | | | | | |
| Mayor | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Vice Mayor | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| City Council | 5.0 | 5.0 | 5.0 | 5.0 | 0.0 |
| Executive Administrative Specialist | 1.0 | 1.0 | 1.0 | 0.0 | -1.0 |
| Total | 8.0 | 8.0 | 8.0 | 7.0 | -1.0 |

Accomplishments, Enhancements, and Efficiencies

- Youth Leadership Summit
- Community Pride Day
- Walmart development agreement

Major Initiatives and Policy Issues

- **Transportation:** The city of Surprise will have an efficient, cost effective, multi-modal transportation network that provides commuter choice, ease of movement into, within, and out of Surprise.
- **Higher Education:** Enhance partnerships with all public and private kindergarten through 12th grade education providers and higher education opportunities in Surprise that leads to the development of a four-year university campus with college life amenities that benefit the entire city
- **Tourism:** Increase economic activity in Surprise by infusing tourism dollars into the local economy by focusing on entertainment, partnerships, resorts, and the White Tank Mountains
- **Sustainability:** Develop sustainability road map and carbon footprint reduction strategy
- **Economic Development:** Create a robust business environment that creates employment, wealth, capital investment, and enhanced opportunities for investors and residents

City Manager's Office

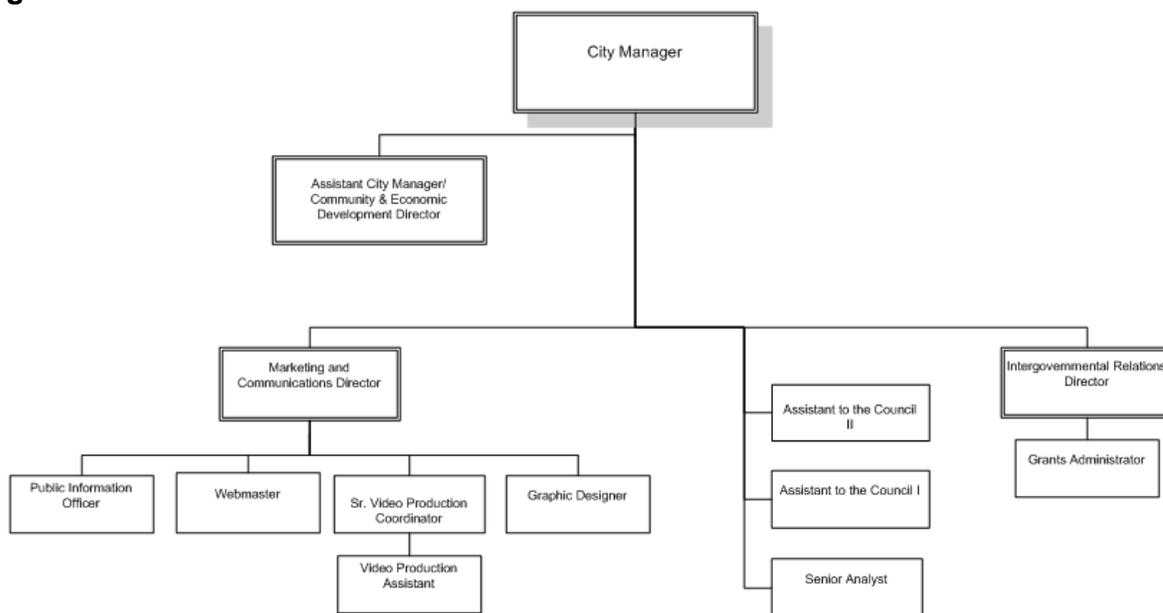
Description

The city of Surprise operates under a Council/City Manager form of government. The Mayor and City Council are responsible for appointing a City Manager who carries out Council adopted policies and directs the day-to-day operations of city government.

The City Manager's Office is responsible for ensuring operations are running effectively throughout the entire organization. The City Manager is responsible for drafting a balanced budget for Mayor and City Council review and approval each year. To that end, the office focuses on funding programs to achieve the Mayor and City Council's goals through strategic planning, process improvement assessments, and improving internal and external customer service.

The Assistant City Manager (ACM) reports directly to the City Manager. The ACM oversees the output and budgets of various city departments, assuring high quality work, and facilitating inter-departmental cooperation on important issues.

Organizational Chart



Primary Functions

- Support the Mayor and City Council
- Provide financial guidance to maintain the city of Surprise as a fiscally sustainable organization
- Provide leadership and direction to staff
- Ensure an enhanced quality of life to citizens
- Operate the "Care line" – a call line for the benefit of citizens who have a question or complaint
- Design and implement strategies to engage and inform the community on important issues
- Design and implement strategies to maximize residents' ease of access to city service and information
- Create, operate, and/or strategically direct city of Surprise official communications such as:
 - News releases, official statements, media remarks
 - The city's internet site www.surpriseaz.gov
 - The city's intranet site "Inside Surprise"
 - The city's social media sites: multiple Twitter and Facebook accounts/pages
 - The city's government access TV station, Surprise 11
 - The quarterly magazine, *Progress*
 - Event planning and management such as ground breaking and ribbon cutting ceremonies, news conferences, and other special events

- The creation (design, writing, and printing) of brochures, programs, fliers, maps, logos, informational signage, advertising, and other public relations collateral,
- The photography required to execute these functions
- Strategically coordinates the communications needs of individual city departments, provides material support, promotion, and publicity of their programs, events, and activities
- Strategically coordinates employee communication and facilitates employee participation so that city employees are informed and engaged
- Liaison to the Mayor, Council, and the City Manager's office on legislative issues at the local, state and federal level
- Monitor and discuss state and federal legislation impacting the city
- Strengthen relationships and partnerships with major regional public policy organizations
- Seek funding opportunities through grants and federal appropriations
- Monitor grants contractual obligations to ensure compliance
- Strengthen relationships and partnerships with local municipalities, non-profits, and private organizations through coordinated efforts that maximize resources and funding leverage

Divisions

Administration - responsible for ensuring operations are running effectively throughout the entire organization and focuses on funding programs to achieve the Mayor and Council's goals through strategic planning, process improvement assessments, and improving internal and external customer service

Marketing and Communications - engage and inform Surprise residents on activities and issues, achieve a positive image of Surprise as a responsive, open government and a community of connection and opportunity, promote the advancement of the city of Surprise Strategic Plan, assist and advise city departments and management in their communication needs, and supervise internal employee communications

Intergovernmental Relations - develops, represents and advocates the interests of the city of Surprise by fostering and maintaining the city's relationships with other governmental entities and the community organizations

Major Budget Changes

The FY2013 general fund budget of \$1,885,900 represents a 163% increase from the FY2012 amended budget of \$716,200. The increase is due to a department reorganization that realigned Communications and Marketing Department and Intergovernmental Relations Department as divisions within the City Manager's Office. In addition, contingency funding was added to be used for grants match purposes.

Combined budgets show an overall increase in the FY2013 budget of \$16,600 or less than 1% from the FY 2012 combined adopted budget of \$1,869,000.

Personnel costs increased primarily due to an increase in salaries, which was caused by the change of an administrative specialist to an assistant to the Council II, the elimination of the assistant city manager and executive administrative specialist, the transfer of an assistant to the Council I position from the Mayor and Council Office, the transfer of a director from Intergovernmental Relations, the transfers from Marketing and Communications of a director, four senior communication specialists, and part time staff of 2.2 FTE's, the addition of a senior analyst position, and a transfer from IT of a senior IT technician position that was changed to a senior financial analyst. In addition, personnel expenditures increased resulting from a 1.04% increase in the employer contribution for the Arizona State Retirement System and a 5.30% increase in the healthcare premium rates programmed for FY2013. The increase was offset by the elimination of one assistant city manager and one executive administrative assistant position.

Non-personnel costs decreased primarily due to decreases in purchases for resale, office and computer supplies, community relations services, and professional and outside services. Some savings were offset by increases in service agreements, software, and the addition of the grants match contingency.

Expenditures

| | FY2010 Actuals | FY2011 Actuals | FY2012 Amended Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|------------------------------|-------------------|-------------------|-----------------------------|-----------------------------|------------------------|
| City Manager's Office | | | | | |
| <u>By category</u> | | | | | |
| Personnel | \$ 761,236 | \$ 507,780 | \$ 567,100 | \$ 1,390,300 | 145% |
| Supplies | 2,303 | 6,518 | 5,500 | 31,700 | 476% |
| Services | 207,516 | 137,856 | 143,600 | 393,900 | 174% |
| Grant Match Contingency | - | - | - | 70,000 | 0% |
| Subtotal | \$ 971,055 | \$ 652,154 | \$ 716,200 | \$ 1,885,900 | 163% |
| <u>By division</u> | | | | | |
| Administration | \$ 971,055 | \$ 652,154 | \$ 716,200 | \$ 667,800 | -7% |
| Communications | - | - | - | 799,600 | 0% |
| Intergovernmental Relations | - | - | - | 418,500 | 0% |
| Subtotal | \$ 971,055 | \$ 652,154 | \$ 716,200 | \$ 1,885,900 | 163% |

Intergovernmental Relations

| | | | | | |
|--------------------|-------------------|-------------------|-------------------|-------------|--------------|
| <u>By category</u> | | | | | |
| Personnel | \$ 232,019 | \$ 140,445 | \$ 137,400 | \$ - | -100% |
| Supplies | 6,548 | 8,845 | 5,100 | - | -100% |
| Services | 150,285 | 54,715 | 146,000 | - | -100% |
| Subtotal | \$ 388,852 | \$ 204,005 | \$ 288,500 | \$ - | -100% |
| <u>By division</u> | | | | | |
| General Operations | \$ 388,852 | \$ 204,005 | \$ 288,500 | \$ - | -100% |
| Subtotal | \$ 388,852 | \$ 204,005 | \$ 288,500 | \$ - | -100% |

Marketing and Communications

| | | | | | |
|--------------------|-------------------|-------------------|-------------------|-------------|--------------|
| <u>By category</u> | | | | | |
| Personnel | \$ 726,926 | \$ 590,184 | \$ 601,400 | \$ - | -100% |
| Supplies | 46,665 | 41,856 | 49,400 | - | -100% |
| Services | 153,179 | 151,781 | 213,500 | - | -100% |
| Subtotal | \$ 926,770 | \$ 783,821 | \$ 864,300 | \$ - | -100% |
| <u>By division</u> | | | | | |
| Broadcast | \$ 186,506 | \$ 158,946 | \$ 175,000 | \$ - | -100% |
| General Operations | 597,625 | 532,876 | 578,600 | - | -100% |
| Web | 142,638 | 91,999 | 110,700 | - | -100% |
| Subtotal | \$ 926,770 | \$ 783,821 | \$ 864,300 | \$ - | -100% |

| | FY2010 Actuals | FY2011 Actuals | FY2012 Amended Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|-----------------------------|---------------------|---------------------|-----------------------------|-----------------------------|------------------------|
| Totals | | | | | |
| <u>By category</u> | | | | | |
| Personnel | \$ 1,720,182 | \$ 1,238,409 | \$ 1,305,900 | \$ 1,390,300 | 6% |
| Supplies | 55,516 | 57,220 | 60,000 | 31,700 | -47% |
| Services | 510,979 | 344,352 | 503,100 | 393,900 | -22% |
| Grant Match Contingency | - | - | - | 70,000 | 0% |
| Total | \$ 2,286,677 | \$ 1,639,980 | \$ 1,869,000 | \$ 1,885,900 | 1% |
| <u>By division</u> | | | | | |
| Administration | \$ 971,055 | \$ 652,154 | \$ 716,200 | \$ 667,800 | -7% |
| Broadcast | 186,506 | 158,946 | 175,000 | - | -100% |
| Communications | - | - | - | 799,600 | 0% |
| General Operations | 986,477 | 736,882 | 867,100 | - | -100% |
| Intergovernmental Relations | - | - | - | 418,500 | 0% |
| Web | 142,638 | 91,999 | 110,700 | - | -100% |
| Total | \$ 2,286,677 | \$ 1,639,980 | \$ 1,869,000 | \$ 1,885,900 | 1% |

Personnel

| | FY2010 Amended Budget | FY2011 Amended Budget | FY2012 Adopted Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|-------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|------------------------|
| City Manager's Office | | | | | |
| Administrative Specialist | 1.0 | 1.0 | 1.0 | 0.0 | -1.0 |
| Assistant City Manager | 1.0 | 1.0 | 1.0 | 0.0 | -1.0 |
| Assistant to the Council I | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 |
| Assistant to the Council II | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 |
| City Manager | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Department Director | 0.0 | 0.0 | 0.0 | 2.0 | 2.0 |
| Executive Administrative Specialist | 1.0 | 1.0 | 1.0 | 0.0 | -1.0 |
| Senior Analyst | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 |
| Senior Communications Specialist | 0.0 | 0.0 | 0.0 | 4.0 | 4.0 |
| Senior Financial Analyst | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 |
| Part Time | 0.0 | 0.0 | 0.0 | 2.2 | 2.2 |
| Subtotal | 4.0 | 4.0 | 4.0 | 13.2 | 9.2 |

Intergovernmental Relations

| | | | | | |
|---------------------|------------|------------|------------|------------|-------------|
| Department Director | 1.0 | 1.0 | 1.0 | 0.0 | -1.0 |
| Manager | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Subtotal | 2.0 | 1.0 | 1.0 | 0.0 | -1.0 |

Marketing and Communications

| | | | | | |
|----------------------------------|------------|------------|------------|------------|-------------|
| Department Director | 1.0 | 1.0 | 1.0 | 0.0 | -1.0 |
| Senior Communications Specialist | 4.0 | 4.0 | 4.0 | 0.0 | -4.0 |
| Part Time | 2.2 | 2.2 | 2.2 | 0.0 | -2.2 |
| Subtotal | 7.2 | 7.2 | 7.2 | 0.0 | -7.2 |

| | | | | | |
|--------------|-------------|-------------|-------------|-------------|------------|
| Total | 13.2 | 12.2 | 12.2 | 13.2 | 1.0 |
|--------------|-------------|-------------|-------------|-------------|------------|

Accomplishments, Enhancements, and Efficiencies

- Conducted the second National Citizens' Survey to determine outcomes the community values most
- Conducted an employee survey to gauge employee attitudes regarding the work place
- Conducted a financial audit to review financial policies and processes
- Produced first city "Welcome to Surprise" marketing video
- Directed implementation and reporting of the National Citizen Survey
- Exceeded 1,000 Twitter followers
- Designed and launched Facebook sites for Police, Fire, and Crisis Response Teams
- Initiated community information strategy and transparency plan regarding city audit findings and subsequent budget adjustments and additional audits
- Televised candidate forums
- Implemented web site, communications outreach/community input strategy regarding Redistricting
- Devised and implemented new "It Could Happen to You" property theft education campaign in conjunction with Police Department
- New/revamped web sites for Economic Development, AZTechCelerator, Community Jobs, Transportation Briefing Book, Elections 2011, 2012 Spring Training, 2011 CTCA, water rate increase issue, glass recycling, "Contact your Legislator", e.g., 2012 session (Intergovernmental), bike lane/sidewalks web input site, and many others
- Increased communication of key state and federal issues to residents and the Mayor and City Council
- Enhanced and expanded citizen involvement in state, regional, and federal issues
- Increased relationships between our state representatives and the Mayor and City Council and City Manager's Office
- Increased relationships between our congressional representatives and the Mayor and City Council and City Manager's Office

Major Initiatives and Policy Issues

- Develop Surprise Progress TV as bi-monthly new Surprise-focused news program and promote as such
- Redesign Inside Surprise intranet site to increase effectiveness for employee communications
- Implement education campaign to inform residents of new voting district boundaries with first election pending in 2013
- Promote opportunities/impact of 303 improvements in advance of 2013 opening through Surprise
- Implement adjustments to Communications approaches per results of 2012 National Citizen Survey
- To secure external funding sources to augment the city of Surprise's capacity to provide quality services
- Create a community and government network that will maintain regional stability through the effective use of local resources and state shared revenue
- To be organizationally effective and provide high-quality service to our constituents
- To improve internal grant monitoring to ensure clean audits and grant transparency
- To increase city presence in the community and at Maricopa Association of Government's meetings

City of Surprise, Arizona



S U R P R I S E

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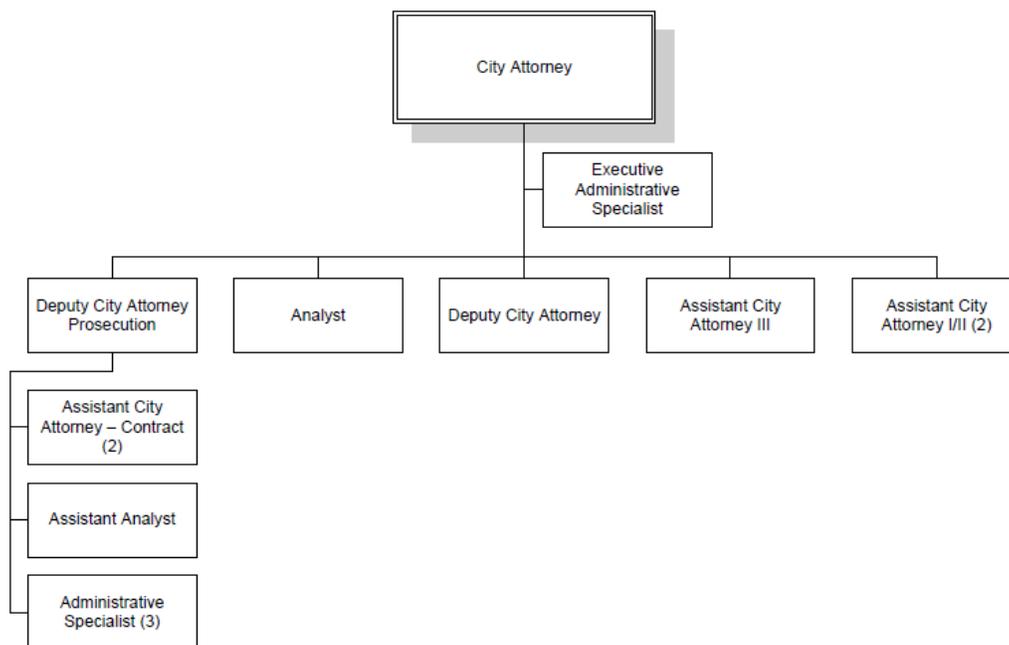
FY2013 Adopted Budget

City Attorney's Office

Description

The City Attorney's Office protects the legal rights and interests of the city at all times; and provides the highest quality legal support to the city of Surprise and its residents, elected officials, management, and employees.

Organizational Chart



Primary Functions

- In-house legal work
- Prompt and knowledgeable legal services
- Advice to the Mayor and City Council and all city departments
- Prepare legal forms for departmental use
- Ensures compliance with applicable laws

Divisions

Civil- The Civil Division of the City Attorney's Office is responsible for providing advisory and transactional legal support, which includes preparing opinions, contracts, deeds, ordinances, and resolutions. The division also defends and prosecutes civil actions on behalf of the city. This division is reflected in the general operations division in the table below.

Criminal- The Criminal Division of the City Attorney's Office is responsible for prosecuting all misdemeanors and civil offenses that occur within the city. The division also provides legal support and training for the city's Police Department.

Major Budget Changes

The FY2013 general fund budget of \$1,749,100 represents less than 1% increase over the FY2012 amended budget of \$1,743,100. The personnel budget increased as a result of a salary increase for contractual personnel, which was funded by an offsetting decrease in services. In addition, personnel expenditure increases resulted from a 1.04% increase in the employer contribution for the Arizona State Retirement System and a 5.3% increase in the healthcare premium rates programmed for FY2013.

| | FY2010 Actuals | FY2011 Actuals | FY2012 Amended Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|---------------------|---------------------|---------------------|-----------------------------|-----------------------------|------------------------|
| Expenditures | | | | | |
| <u>By category</u> | | | | | |
| Personnel | \$ 1,471,641 | \$ 1,406,440 | \$ 1,527,800 | \$ 1,561,600 | 2% |
| Supplies | 14,651 | 25,320 | 37,500 | 27,400 | -27% |
| Services | 417,195 | 114,146 | 177,800 | 160,100 | -10% |
| Total | \$ 1,903,486 | \$ 1,545,905 | \$ 1,743,100 | \$ 1,749,100 | 0% |

| | FY2010 Actuals | FY2011 Actuals | FY2012 Amended Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|--------------------|---------------------|---------------------|-----------------------------|-----------------------------|------------------------|
| <u>By division</u> | | | | | |
| Criminal | \$ 724,888 | \$ 642,431 | \$ 691,200 | \$ 693,800 | 0% |
| General Operations | 1,178,598 | 903,475 | 1,051,900 | 1,055,300 | 0% |
| Total | \$ 1,903,486 | \$ 1,545,905 | \$ 1,743,100 | \$ 1,749,100 | 0% |

| | FY2010 Amended Budget | FY2011 Amended Budget | FY2012 Adopted Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|-------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|------------------------|
| Personnel | | | | | |
| Administrative Specialist | 3.0 | 3.0 | 3.0 | 3.0 | 0.0 |
| Analyst | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Assistant Analyst | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Assistant City Attorney I & II | 1.0 | 1.0 | 2.0 | 2.0 | 0.0 |
| Assistant City Attorney (Contract) | 2.0 | 2.0 | 2.0 | 2.0 | 0.0 |
| Assistant City Attorney III | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| City Attorney | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Deputy City Attorney | 2.0 | 2.0 | 2.0 | 2.0 | 0.0 |
| Executive Administrative Specialist | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Total | 13.0 | 13.0 | 14.0 | 14.0 | 0.0 |

Accomplishments, Enhancements, and Efficiencies

- Increased focus on the arraignment process
- Continued partnership with Phoenix School of Law, accepting one legal intern in the fall and spring semesters
- Implemented Volunteer Services Program to accept legal assistant volunteers and interns
- Update the Request for Legal Services software
- Inclusion of development agreement process in the department
- Enhanced document maintenance

Major Initiatives and Policy Issues

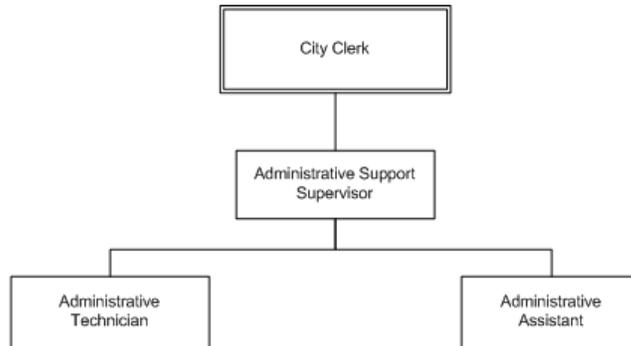
- Close-out of expired development agreements

City Clerk's Office

Description

The City Clerk is appointed by the Mayor and City Council and maintains city records in accordance with Arizona state law. The City Clerk also serves as the City's Chief Elections Officer.

Organizational Chart



Primary Functions

- Official records custodian
- Chief Elections Officer
- City Historian
- Administration of Mayor and City Council meetings
- Posting of meeting notices and advertisement of public hearings

Major Budget Changes

The FY2013 budget of \$411,700 is a 41% decrease over the FY2012 amended budget of \$693,900. This decrease is primarily due to the removal of \$275,600 of election expenses as an election is not scheduled to occur in FY2013. Personnel expenditures were impacted by a 1.04% increase in the employer contribution for the Arizona State Retirement System and a 5.30% increase in the healthcare premium rates programmed for FY2013. The decreases made to the budgeted expenditures of the city clerk's office will not impact the level of service they are able to provide to the city.

| | FY2010 Actuals | FY2011 Actuals | FY2012 Amended Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|---------------------|-------------------|-------------------|-----------------------------|-----------------------------|------------------------|
| Expenditures | | | | | |
| <u>By category</u> | | | | | |
| Personnel | \$ 411,390 | \$ 347,906 | \$ 348,100 | \$ 352,500 | 1% |
| Supplies | 6,201 | 6,582 | 10,700 | 7,000 | -35% |
| Services | 234,759 | 51,311 | 335,100 | 52,200 | -84% |
| Total | \$ 652,350 | \$ 405,799 | \$ 693,900 | \$ 411,700 | -41% |
| <u>By division</u> | | | | | |
| General Operations | \$ 652,350 | \$ 405,799 | \$ 693,900 | \$ 411,700 | -41% |
| Total | \$ 652,350 | \$ 405,799 | \$ 693,900 | \$ 411,700 | -41% |

| | FY2010 Amended Budget | FY2011 Amended Budget | FY2012 Adopted Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|-----------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|------------------------|
| Personnel | | | | | |
| Administrative Assistant | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Administrative Support Supervisor | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Administrative Technician | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| City Clerk | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Total | 4.0 | 4.0 | 4.0 | 4.0 | 0.0 |

Accomplishments, Enhancements, and Efficiencies

- Assisted the Surprise Historical Society with hosting a Marshall Trimble event in celebration of Arizona's Centennial in January 2012
- On-the-road history presentation and book sales through various communities and city events
- Updated the city's history photo gallery in the Mayor's Atrium with new Mayor and City Council history
- Completed election cycle for Mayor and Districts 2, 3, and 4

Major Initiatives and Policy Issues

- Continue working on archiving history documents collected from research for the history book
- Continue towards completing the city's history photo gallery in the Mayor's Atrium, this is a work in progress
- Continue to stay current with the city records retention changes through Arizona State Library and Archives

Goals, Objectives, and Performance Measures

- **Goal:** Provide timely public access to city information
 - **Objective:** Efficient communication of city related information and data and effective management of bi-annual election process

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|---|------------------|------------------|------------------|--------------------|------------------|
| Mayor and City Council agendas | 56 | 65 | 65 | 50 | 50 |
| Posting of all City agendas including all Mayor and Council, and Boards and Commissions | 143 | 150 | 160 | 130 | 130 |
| Mayor and City Council items | 495 | 500 | 500 | 370 | 370 |
| Number of city code updates | 3 | 2 | 4 | 4 | 4 |
| Number of requests for public records | 644 | 700 | 750 | 740 | 740 |
| Percent completed in 3-5 days* | 60% | 75% | 90% | 85% | 90% |

* Some requests require document retrieval from storage.

- **Goal:** Ensure citizen access to elective process
 - **Objective:** Increase registered voters, ballots cast, and percentage of votes cast for city-wide elections

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|---|----------------------|----------------------|----------------------|------------------------|----------------------|
| Number of registered voters | N/A | 60,000 | 58,000 | 58,680 | 59,000 |
| Number of ballots cast in election | N/A | 30,000 | Special Election | Special Election | 10,000* |
| Percent of votes cast in city-wide election | N/A | 50% | 40% | 40% | 30% |

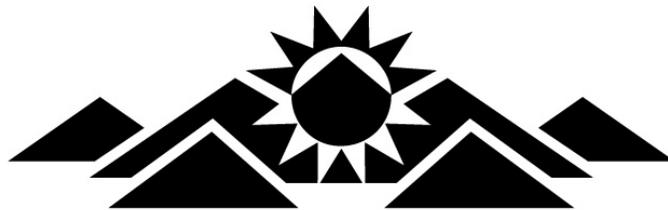
*FY2013 – This election will be for Districts 1, 5 & 6 unless there is a city-wide ballot issue

- **Goal:** Continuation to memorialize and archive the city's history
 - **Objective:** Increase historical documentation collection and educate citizens

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|--|----------------------|----------------------|----------------------|------------------------|----------------------|
| Collecting historic photos (annually) | 400 | 450 | 600 | 400 | 250 |
| Collection of city historic documents (cumulative) | 500 | 600 | 1,000 | 600 | 500 |
| On-the-Road history presentations * | 17 | 3 | 10 | 10 | 5 |

*Totals include presentations at the Surprise Stadium and various neighborhoods throughout Surprise

City of Surprise, Arizona



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FY2013 Adopted Budget



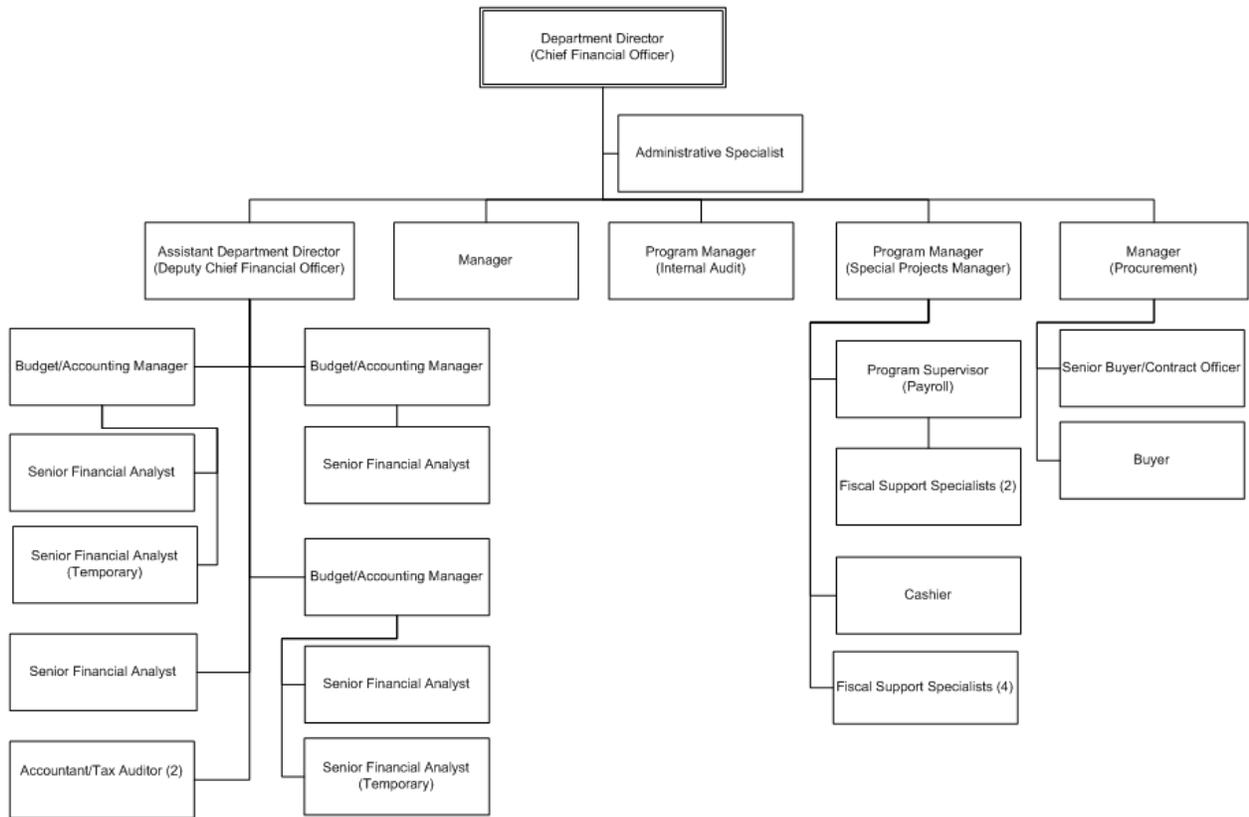
Finance Department

Mission Statement

The city of Surprise Finance Department strives to be proactive leaders, identifying issues, and offering innovative solutions while providing excellent customer service.

Organizational Chart

One manager position and one budget/accounting manager position are jointly funded by the water, wastewater, and solid waste utility funds. Additionally, two temporary senior financial analyst positions are funded by the risk management fund. These positions are managed by the Finance Department and are shown in the Finance Department organizational chart below but are not shown in the expenditure and personnel tables. These positions are included in the detail for the water, wastewater, solid waste, and risk management funds.



Primary Functions

- Financial analysis and general ledger accounting and reporting
- Preparing and monitoring operating and capital budgets to comply with financial policies and legal requirements
- Bi-weekly payroll processing
- Contract and purchasing services and support
- Business license processing, sales tax audits, and city cashing
- Internal audits
- Processing and distribution of city payments
- Fiscal management of city grants

Divisions

- Administration - The Administration Division is primarily responsible for department oversight and policy development.
- Budget & Accounting - The Budget and Accounting Division is responsible for the preparation of the annual budget, the comprehensive annual financial report (CAFR), development agreement assistance, project expense, and fixed assets tracking.
- Procurement & Payroll - The Procurement and Payroll Division is responsible for processing all city payments, employee payroll, and managing the contract and procurement services of the city.
- Audit - The mission of the Internal Audit Division is to provide independent, reliable, accurate, and timely information to management for the purpose of identifying opportunities to minimize risks, maximize efficiency and effectiveness, and strengthen public accountability.
- Revenue - The Revenue Division is responsible for issuing business licenses, managing the cashiering and accounts receivable functions of the city, tracking and auditing transaction privilege tax, and providing investment oversight and reporting.

Major Budget Changes

The FY2013 budget of \$2,669,200 is 10% lower than the FY2012 amended budget of \$2,961,300. This change is primarily the result of reducing personnel costs \$228,800 by eliminating an assistant analyst position, a fiscal support specialist position, and a manager position. These decreases were partially offset by cost increases to reclassify two senior financial analysts to manager positions, increases of 1.04% in the employer contribution for the Arizona State Retirement System, and 5.30% in the healthcare premium rates for FY2013.

Budgeted service expenses have decreased \$54,500 primarily due to a reduction in consultant costs and a general effort to reduce all nonessential service costs. These decreases were partially offset by an increase in the cost of the city’s annual financial audit.

Management and budget operated as a separate department in FY2010. The budget function was included in Finance after a reorganization in early FY2011.

Expenditures

| | FY2010 Actuals | FY2011 Actuals | FY2012 Amended Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|-----------------------|---------------------|---------------------|-----------------------------|-----------------------------|------------------------|
| Finance | | | | | |
| <u>By category</u> | | | | | |
| Personnel | \$ 2,000,136 | \$ 2,377,226 | \$ 2,399,300 | \$ 2,170,500 | -10% |
| Supplies | 32,638 | 30,030 | 37,200 | 28,400 | -24% |
| Services | 188,041 | 485,485 | 524,800 | 470,300 | -10% |
| Subtotal | \$ 2,220,814 | \$ 2,892,741 | \$ 2,961,300 | \$ 2,669,200 | -10% |
| <u>By division</u> | | | | | |
| Accounting | \$ 1,000,451 | \$ 276 | \$ - | \$ - | 0% |
| Administration | 228,975 | 362,831 | 467,600 | 379,300 | -19% |
| Budget & Accounting | - | 1,183,684 | 1,103,500 | 958,700 | -13% |
| Internal Audit | - | 81,404 | 112,900 | 113,400 | 0% |
| Management & Budget | - | 907 | - | - | 0% |
| Revenue | 636,775 | 555,497 | 559,500 | 474,300 | -15% |
| Procurement & Payroll | - | 708,142 | 717,800 | 743,500 | 4% |
| Purchasing | 354,613 | - | - | - | 0% |
| Subtotal | \$ 2,220,814 | \$ 2,892,741 | \$ 2,961,300 | \$ 2,669,200 | -10% |

| | FY2010 Actuals | FY2011 Actuals | FY2012 Amended Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|--------------------------------|-------------------|-------------------|-----------------------------|-----------------------------|------------------------|
| Management & Budget | | | | | |
| <u>By category</u> | | | | | |
| Personnel | \$ 477,434 | \$ - | \$ - | \$ - | 0% |
| Supplies | 503 | - | - | - | 0% |
| Services | 17,317 | - | - | - | 0% |
| Subtotal | \$ 495,253 | \$ - | \$ - | \$ - | 0% |
| <u>By division</u> | | | | | |
| Management & Budget | \$ 495,253 | \$ - | \$ - | \$ - | 0% |
| Subtotal | \$ 495,253 | \$ - | \$ - | \$ - | 0% |

Totals

| | | | | | |
|--------------------|---------------------|---------------------|---------------------|---------------------|-------------|
| <u>By category</u> | | | | | |
| Personnel | \$ 2,477,570 | \$ 2,377,226 | \$ 2,399,300 | \$ 2,170,500 | -10% |
| Supplies | 33,140 | 30,030 | 37,200 | 28,400 | -24% |
| Services | 205,357 | 485,485 | 524,800 | 470,300 | -10% |
| Total | \$ 2,716,067 | \$ 2,892,741 | \$ 2,961,300 | \$ 2,669,200 | -10% |

By division

| | | | | | |
|-----------------------|---------------------|---------------------|---------------------|---------------------|-------------|
| Accounting | \$ 1,000,451 | \$ 276 | \$ - | \$ - | 0% |
| Administration | 228,975 | 362,831 | 467,600 | 379,300 | -19% |
| Budget & Accounting | - | 1,183,684 | 1,103,500 | 958,700 | -13% |
| Internal Audit | - | 81,404 | 112,900 | 113,400 | 0% |
| Management & Budget | 495,253 | 907 | - | - | 0% |
| Revenue | 636,775 | 555,497 | 559,500 | 474,300 | -15% |
| Procurement & Payroll | - | 708,142 | 717,800 | 743,500 | 4% |
| Purchasing | 354,613 | - | - | - | 0% |
| Total | \$ 2,716,067 | \$ 2,892,741 | \$ 2,961,300 | \$ 2,669,200 | -10% |

Personnel

| | FY2010 Amended Budget | FY2011 Amended Budget | FY2012 Adopted Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|--------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|------------------------|
| Finance | | | | | |
| Accountant/Tax Auditor | 3.0 | 3.0 | 3.0 | 2.0 | -1.0 |
| Accounting Supervisor | 3.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Administrative Specialist | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Assistant Department Director | 0.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Budget/Accounting Manager | 0.0 | 0.0 | 0.0 | 2.0 | 2.0 |
| Buyer | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Cashier | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Department Director | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Division Manager | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Fiscal Support Assistant | 2.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Fiscal Support Specialist | 5.0 | 7.0 | 7.0 | 6.0 | -1.0 |
| Manager | 0.0 | 3.0 | 3.0 | 1.0 | -2.0 |
| Program Manager | 0.0 | 2.0 | 2.0 | 2.0 | 0.0 |
| Program Supervisor | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 |
| Purchasing Supervisor | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Purchasing Technician | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Senior Accountant/Senior Tax Auditor | 3.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Senior Buyer/Contract Officer | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Senior Financial Analyst | 0.0 | 6.0 | 6.0 | 4.0 | -2.0 |
| Part Time | 0.2 | 0.0 | 0.0 | 0.0 | 0.0 |
| Subtotal | 24.2 | 27.0 | 27.0 | 24.0 | -3.0 |
| Management & Budget | | | | | |
| Analyst | 2.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Division Manager | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Senior Analyst | 2.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Subtotal | 5.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total | 29.2 | 27.0 | 27.0 | 24.0 | -3.0 |

Accomplishments, Enhancements, and Efficiencies

- Completed update of development impacts fees effective January 1, 2012 to comply with new state law
- Completed self-audit of Arizona State Retirement System contribution.
- Began implementation of accounts payable workflow process to improve efficiency and audit documentation
- Continued to implement improved accounting and budget processes and practices

Major Initiatives and Policy Issues

- Update impact fee analysis to ensure future city growth pays for future city infrastructure
- Update water services (water and wastewater) utility rates to ensure full cost recovery of utility service provision via monthly billings
- Update indirect cost assessment models to ensure full cost recovery of general fund funded positions supporting enterprise activities within the city
- Post FY2011 audit cleanup work
- Implement financial procedures

Goals, Objectives, and Performance Measures

- **Goal:** Establish an environment where we improve employees and services through staff involvement, education, and development
 - **Objective:** Conduct financial management system evaluation and software needs assessment

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|---|---------------|---------------|---------------|-----------------|---------------|
| Number of automated clearing house (ACH) transactions | 2,245 | 2,525 | 3,500 | 2,570 | 2,600 |
| Number of accounts payable transactions | 31,573 | 32,000 | 38,000 | 24,515 | 25,000 |
| Number of checks printed | 6,624 | 6,342 | 5,000 | 6,052 | 6,100 |

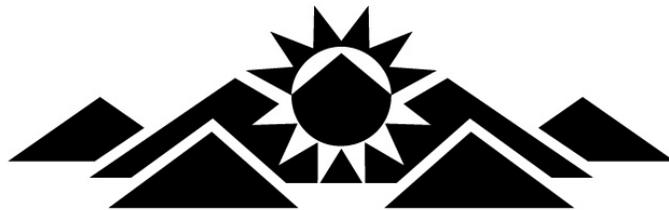
- **Goal:** Strive to enhance the trust and respect of all stakeholders through responsible stewardship of public resources.
 - **Objective:** Improve bond rating

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|----------------------|---------------|---------------|---------------|-----------------|---------------|
| Bond Rating | AA | AA | AA+ | A | A |

- **Goal:** Serve customers through providing accurate, timely information and guidance in a courteous, compassionate and approachable manner
 - **Objective:** Enhance in-house and debt collection process

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|---|---------------|---------------|---------------|-----------------|---------------|
| Percentage of collection on outstanding balance | 12% | 11% | 13% | 12% | 13% |
| Percentage of receivables assigned to outside collections | 3% | 3% | 3% | 3% | 3% |
| Disconnects processed | 12,196 | 9,624 | 10,000 | 6,068 | 7,000 |

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2013 Adopted Budget

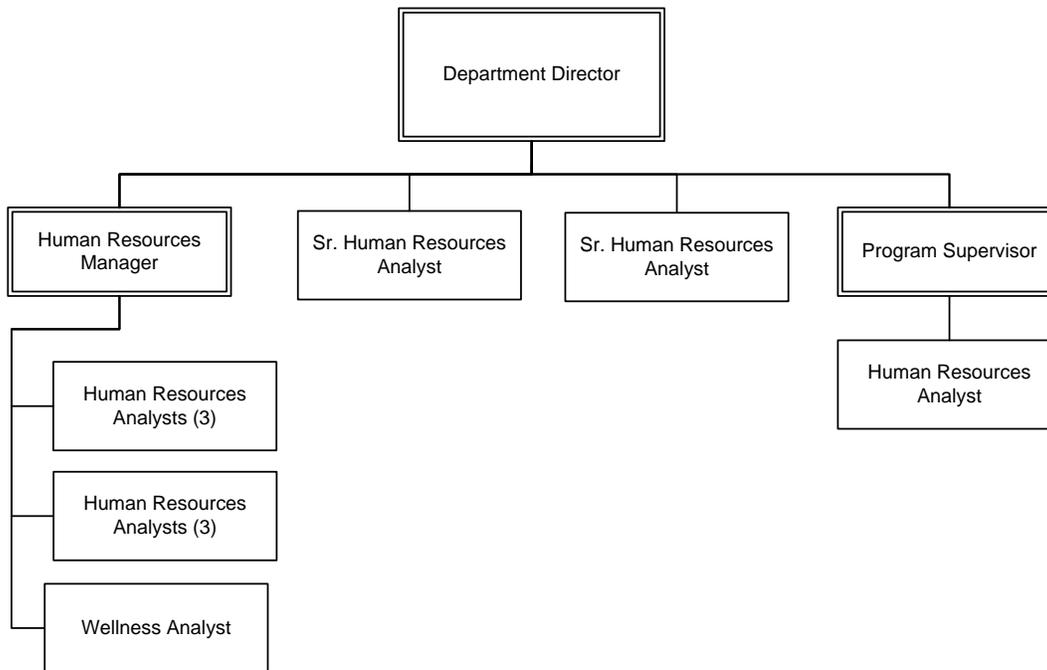
Human Resources Department

Description

The Human Resources Department provides service and support to city departments in recruitment and selection, compensation and benefits, employee and organizational development, and employee relations. The focus of the department budget is the development and revision of effective personnel policies and procedures, effective programs in recruitment and selection, compensation and benefits, and supervisory/management development. Staff will focus activities and provide guidance to management, supervisors, and employees in these target areas to facilitate operational consistency, legal compliance, and accurate employee data.

Organizational Chart

The chart below reflects the organizational structure for the Human Resources Department. Three of the positions shown on the chart, a human resources analyst, a program supervisor, and a senior human resources analyst are funded in the employee healthcare self insurance fund and the risk management fund and are detailed on separate pages of this document. The remaining positions are funded in the general fund and are reflected in the personnel and expenditure tables.



Primary Functions

- Compensation and classification system administration
- Employee benefits administration
- Federal and state regulations compliance
- Employee development and training
- Employment relations
- Workforce planning and development
- Risk management

Major Budget Changes

The FY2013 general fund budget of \$1,567,300 represents a 3% decrease from the FY2012 amended budget of \$1,613,100. Personnel costs decreased primarily due to decreases in salaries and employee related expenses related to the elimination of one human resources analyst. In addition, personnel expenditures increased resulting from a 1.04% increase in the employer contribution for the Arizona State Retirement System and a 5.30% increase in the healthcare premium rates programmed for FY2013.

Non-personnel costs decreased primarily due to reductions in office and computer supplies, food, and advertising. These decreases were offset by increases in service agreements, pre-employment services, and unemployment contributions.

The decreases made to the budgeted expenditures of the Human Resources Department will have a direct impact on the level of service they are able to provide to the city. Staff will have less availability to meet with employees. Dedicated staff member hours will be reduced in the Police Department. Customer service turnaround time will increase from 24 to 48 hours. Public records request turnaround time will increase. The ability to utilize Title V hours is diminishing, requiring an additional 12 hours per week that the front desk needs to be staffed by current full time human resources staff.

| | FY2010 Actuals | FY2011 Actuals | FY2012 Amended Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|---------------------|---------------------|---------------------|-----------------------------|-----------------------------|------------------------|
| Expenditures | | | | | |
| <u>By category</u> | | | | | |
| Personnel | \$ 766,792 | \$ 765,303 | \$ 924,400 | \$ 884,900 | -4% |
| Supplies | 37,281 | 42,082 | 156,600 | 127,600 | -19% |
| Services | 199,412 | 409,455 | 532,100 | 554,800 | 4% |
| Total | \$ 1,003,485 | \$ 1,216,840 | \$ 1,613,100 | \$ 1,567,300 | -3% |

| | | | | | |
|--------------------|---------------------|---------------------|---------------------|---------------------|------------|
| <u>By division</u> | | | | | |
| Administration | \$ 454,119 | \$ 632,405 | \$ 1,613,100 | \$ 1,567,300 | -3% |
| People Development | 232,583 | 213,340 | - | - | 0% |
| People Employment | 316,783 | 371,095 | - | - | 0% |
| Total | \$ 1,003,485 | \$ 1,216,840 | \$ 1,613,100 | \$ 1,567,300 | -3% |

| | FY2010 Amended Budget | FY2011 Amended Budget | FY2012 Adopted Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|--------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|------------------------|
| Personnel | | | | | |
| Administrative Specialist | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Department Director | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Human Resources Analyst | 4.0 | 5.0 | 5.0 | 4.0 | -1.0 |
| Human Resources Specialist | 2.0 | 3.0 | 3.0 | 3.0 | 0.0 |
| Manager | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 |
| Senior Human Resources Analyst | 1.0 | 1.0 | 2.0 | 1.0 | -1.0 |
| Total | 9.0 | 10.0 | 11.0 | 10.0 | -1.0 |

Accomplishments, Enhancements, and Efficiencies

- Increased employee investigations that are conducted in-house
- Administrator for five boards and commissions:
 1. Public Safety Retirement Board - Police
 2. Public Safety Retirement Board - Fire
 3. Personnel Appeals Board
 4. Judicial Selection Advisory Commission
 5. Disability Advisory Board
- Enhanced city-wide training program to include supervisor academy, additional skill-based, and compliance curriculum
- Centralized tuition reimbursement program administration for all city employees
- Transitioned the Disability Advisory Board oversight and management from the Community and Recreation Services Department to the Human Resources Department
- Administer new whistleblower program

Major Initiatives and Policy Issues

- Continued enhancement to existing human resource information systems to leverage self-service efficiencies and automated interfacing with other support software
- Continued enhancement to city-wide training program. Implement department-wide workforce planning to assist departments in identifying required staffing and employee skill sets to ensure departmental goals and objectives are achieved
- City-wide volunteer program policy and administration to continue to augment existing staff's ability to provide quality service to citizens

Goals, Objectives, and Performance Measures

- **Goal:** Provide employee and organizational development
 - **Objective:** Present city-wide annual compliance and skill focused employee training courses

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|---|---------------|---------------|---------------|-----------------|---------------|
| Number of compliance training courses | 2 | 7 | 20 | 31 | 40 |
| Number of employees attending compliance training courses | 310 | 150 | 300 | 529 | 540 |
| Number of skill based training courses | 16 | 8 | 15 | 8 | 10 |
| Number of employees attending skill based training courses | 774 | 150 | 300 | 145 | 165 |
| Number of employee engagement training workshops | --- | --- | 8 | 10 | 15 |
| Number of employees attending engagement training workshops | --- | --- | 60 | 63 | 80 |

**New measure, data not available*

- **Goal:** Effective management of employee relations and compliance matters
 - **Objective:** Successful application of policies/procedures and legal compliance with equal employment opportunity (EEO) related employee matters and legislative requirements

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|-------------------------------------|---------------|---------------|---------------|-----------------|---------------|
| Number of elevated employee matters | 12 | 18 | 74 | 65 | 50 |

**New measure, data not available*

- **Goal:** Conduct workforce analysis of all departments
 - **Objective:** Analyze departments and identify the number of employees and types of employee skill sets required to meet organizational goals and strategic objectives

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|------------------------------|---------------|---------------|---------------|-----------------|---------------|
| Number of analyses completed | 2 | 7 | 3 | 2 | 4 |

**New measure, data not available*

- **Goal:** Excellence in customer service
 - **Objective:** Provide customers with responsive, accurate, and efficient service

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|---|---------------|---------------|---------------|-----------------|---------------|
| Number of HR customer service contacts | 2,739 | 2,695 | 3,300 | 3,350 | 3,400 |
| Customer overall satisfaction rating with HR of excellent or good | 99% | 99% | 95% | 98% | 95% |



Healthcare Self Insurance Fund

Description

The healthcare self insurance fund is an internal service fund established to provide health insurance claims, plan administration, stop loss premiums, and fund reserves. The costs of these services are charged directly back to appropriate funds. Employee health insurance is managed by the Human Resources Department.

Organizational Chart

There is one human resources analyst assigned to the healthcare self insurance fund. This position is managed by the human resources director and is shown on the Human Resources Department organizational chart.

Major Budget Changes

The FY2013 budget of \$10,310,100 represents a 21% increase over the FY2012 amended budget of \$8,531,700. Personnel costs increased due to the addition of a bilingual stipend. In addition, personnel expenditures are expected to increase resulting from a 1.04% increase in the employer contribution for the Arizona State Retirement System and a 5.30% increase in the healthcare premium rates programmed for FY2013.

Non-personnel costs increased primarily due to large increases in claims settlement, wellness programs, professional and outside services, and medical insurance premiums. The increases are due to the city implementing self-insurance of dental and vision insurance in FY2013. These increases were offset by decreases in COBRA.

FY2013 programming includes contingency of \$1,665,100 based on anticipated FY2013 ending fund balance levels. In addition, \$1.3 million in fund balance has been programmed in FY2013.

| | FY2010 Actuals | FY2011 Actuals | FY2012 Amended Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|----------------------|-------------------|---------------------|-----------------------------|-----------------------------|------------------------|
| Expenditures | | | | | |
| <u>By category</u> | | | | | |
| Personnel | \$ - | \$ 68,059 | \$ 84,100 | \$ 86,500 | 3% |
| Supplies | - | 11,623 | - | 25,000 | 0% |
| Services | - | 7,534,549 | 8,251,300 | 8,533,500 | 3% |
| Contingency | - | - | 196,300 | 1,665,100 | 748% |
| Total | \$ - | \$ 7,614,231 | \$ 8,531,700 | \$10,310,100 | 21% |
| <u>By department</u> | | | | | |
| Human Resources | \$ - | \$ 7,614,231 | \$ 8,531,700 | \$10,310,100 | 21% |
| Total | \$ - | \$ 7,614,231 | \$ 8,531,700 | \$10,310,100 | 21% |

| | FY2010 Amended Budget | FY2011 Amended Budget | FY2012 Adopted Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|-------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|------------------------|
| Personnel | | | | | |
| Human Resources Analyst | 0.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Total | 0.0 | 1.0 | 1.0 | 1.0 | 0.0 |

Accomplishments, Enhancements and Efficiencies

- Reduced administrative costs due to self-funding of dental and vision benefits
- Reduced benefit costs due to employees shifting from high to low/moderate risk factors identified by health risk assessment as a direct result from wellness programs
- Recognized as a Fit Friendly Organization by American Heart Association for wellness programs
- Reduced costs by transitioning from a fully insured to self-funded dental and vision plans administered by a third party administrator

Major Initiatives and Policy Issues

- Reduced administrative costs due to self-funding of dental and vision benefits
- Reduced benefit costs due to employees shifting from high to low/moderate risk factors identified by health risk assessment as a direct result from wellness programs
- Continued development of city-wide wellness program with the goal of reducing health insurance premiums through education and training of city employees
- Oversight of city's healthcare plans to ensure continued compliance with federal and state healthcare reform



Risk Management Fund

Description

The risk management fund is established to provide general insurance coverage as well as risk management, loss control, and safety programs citywide. The fund operates as an internal service fund of the city. The costs of these services are charged directly back to appropriate funds. Risk Management is a division under the Human Resources Department.

Organizational Chart

There is one senior human resources consultant and one program supervisor assigned to the risk management fund in FY2013. These positions are shown on the Human Resources Department organizational chart.

Primary Functions

- Research and analysis on exposure to losses
- Assist in procuring insurance coverage for such loss exposures
- Investigate claims made against the city
- Assist the insurance administrator in resolving claims
- Provide on-going safety related training to city employees and citizens

Major Budget Changes

The FY2013 budget of \$3,631,900 reflects a 12% decrease from the FY2012 amended budget of \$4,135,100. Personnel costs increased due to the programming of full time temporary staff to perform work associated with the city's audits of past activity, a 1.04% increase in the employer contribution for the Arizona State Retirement System, and a 5.30% increase in the healthcare premium rates programmed for FY2013.

Budgeted expenditures for supplies were decreased by 8% due to a reduction in claims and settlements. The increase of 39% for services is a combination of the upcoming audit work in the Finance Department and budgeted decreases for professional services and vehicle maintenance in the Human Resources Department.

FY2013 programming includes contingency of \$1,713,300 based on anticipated FY2013 ending fund balance levels.

| | FY2010 Actuals | FY2011 Actuals | FY2012 Amended Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|-----------------------|---------------------|---------------------|-----------------------------|-----------------------------|------------------------|
| Expenditures | | | | | |
| <u>By category</u> | | | | | |
| Personnel | \$ 202,538 | \$ 137,929 | \$ 216,000 | \$ 270,700 | 25% |
| Supplies | 1,315,126 | 1,043,037 | 1,362,400 | 1,253,700 | -8% |
| Services | 59,436 | 139,670 | 283,700 | 394,200 | 39% |
| Capital | 151,110 | 54,419 | - | - | 0% |
| Contingency | - | - | 2,273,000 | 1,713,300 | -25% |
| Total | \$ 1,728,210 | \$ 1,375,056 | \$ 4,135,100 | \$ 3,631,900 | -12% |
| <u>By department</u> | | | | | |
| Community Development | \$ - | \$ - | \$ - | \$ 15,100 | 0% |
| Finance | 147 | 1,355,056 | - | 307,100 | 0% |
| Human Resources | - | 20,000 | 4,135,100 | 3,309,700 | -20% |
| Management & Budget | 1,728,063 | - | - | - | 0% |
| Total | \$ 1,728,210 | \$ 1,375,056 | \$ 4,135,100 | \$ 3,631,900 | -12% |

| | FY2010 Amended Budget | FY2011 Amended Budget | FY2012 Adopted Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|--------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|------------------------|
| Personnel | | | | | |
| Division Manager | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Manager | 0.0 | 0.0 | 1.0 | 0.0 | -1.0 |
| Program Supervisor | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Senior Human Resources Analyst | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 |
| Total | 2.0 | 1.0 | 2.0 | 2.0 | 0.0 |

Accomplishments, Enhancements, and Efficiencies

- Continued interaction between Risk Management and Human Resources concerning OSHA, ADA, and FMLA issues
- Corrected recording process of recordable injury cases
- Developed safety reporting program (EYES) and Circle of Safety backing awareness initiative

Major Initiatives and Policy Issues

- Partner with the Finance Department to evaluate feasibility of implementing a self-insured risk program
- Complete transition of Americans with Disabilities Act (ADA) compliance responsibilities from the Community and Recreation Services Department to the Human Resources Department and interaction with Disability Advisory Commission
- Implement pro-active safety/ADA audit program to mitigate potential workplace hazards and safety issues, and comply with regulations
- Provide OSHA required safety training to employees
- Reduce workers' compensation injury and lost day rates for FY2013 by 10%

Goals, Objectives, and Performance Measures

- **Goal:** Lower the city's experience modifier rate closer to 1.0 by FY2013, thereby lowering city and employee insurance costs, through active management of factors affecting modifier assigned to city
 - **Objective:** Provide workers' compensation training for managers and supervisors explaining their role in controlling costs
 - **Objective:** Focus on incident investigation and remediation of casual factors
 - **Objective:** Encourage timely return to work through expanded modified duty opportunities and better utilization of light duty program
 - **Objective:** Improve relationship with medical providers to control costs and time lost

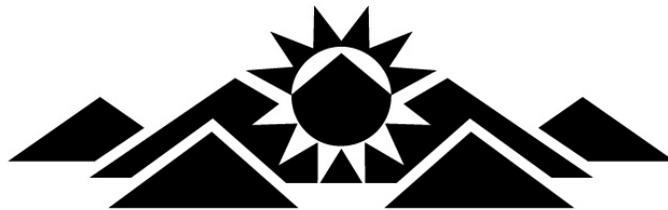
| Performance Measures | FY2009 Actual | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Actual | FY2013 Target |
|---------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Experience modifier rate (Emod) | 0.9 | 0.9 | 0.9 | 1.1 | 1.1 | 1.1 |
| Recordable injury/illness rate | 5.2 | 3.6 | 4.9 | 3.0 | 5.4 | 3.7 |
| Lost workday incident rate | 4.0 | 3.3 | 81.1 | 2.8 | 2.5 | 60.8 |

- **Goal:** Ensure compliance with Occupational Safety and Health Administration (OHSA) regulations and reduce liability through effective safety training
 - **Objective:** Conduct safety program audits to identify areas that need improvement
 - **Objective:** Partner with departments to implement proactive safety training and education

| Performance Measures | FY2009 Actual | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|---|----------------------|----------------------|----------------------|----------------------|------------------------|----------------------|
| Number of program audits conducted | --- | --- | --- | 50 | 50 | 50 |
| Number of employee safety training sessions | --- | --- | --- | 75 | 60 | 75 |

* New measure, data not available

City of Surprise, Arizona



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FY2013 Adopted Budget



Information Technology Department

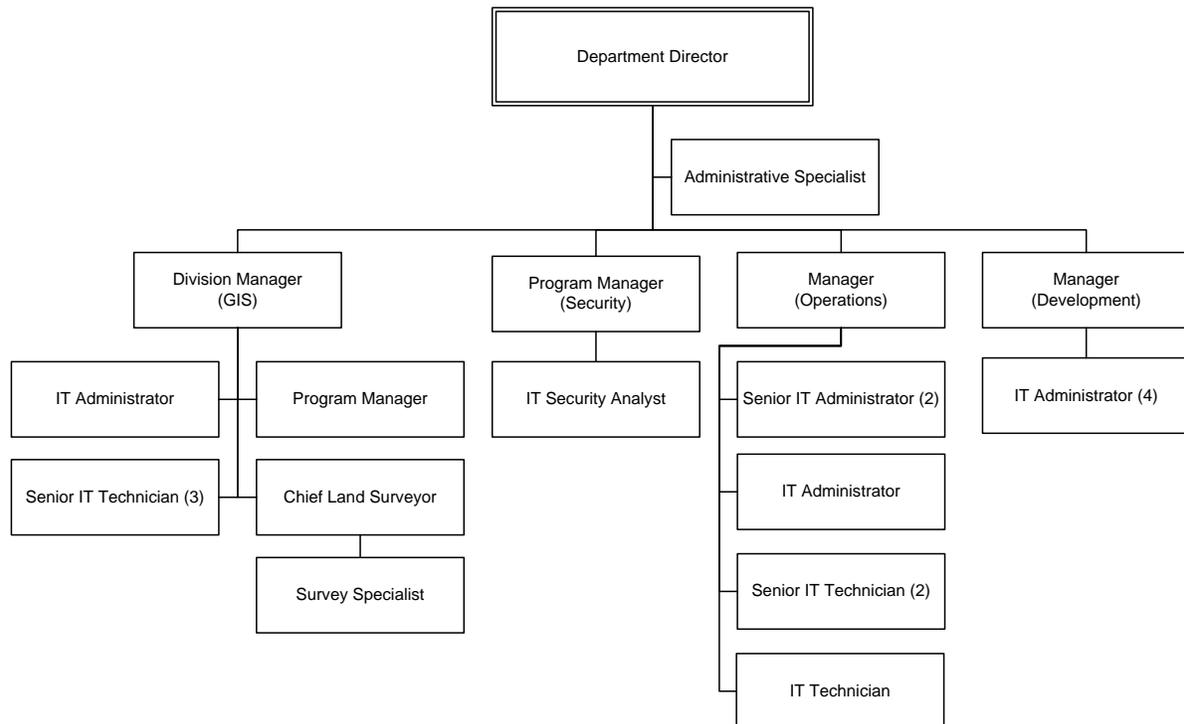
Mission Statement

The Information Technology Department provides world-class, technology-based solutions to effectively manage city assets. The department provides service excellence in the support of internal and external customers, develops highly skilled and knowledgeable staff, and provides training in the effective use of computer technology and applications. The department collaborates with other departments and organizations to provide the delivery of effective and efficient government services.

Description

The Information Technology department is the central technology provider for the city. The services provided include data center operations, network services, end-user support for personal computers, project oversight, telecommunications support, application development/support, geographical information systems, real estate, and survey services. The second responsibility is to provide vision, leadership, strategic planning, and innovative technology that will benefit the city and improve services provided to the residents.

Organizational Chart



Primary Functions

- Provide and support a secure centralized network, telephony, and computer technology
- Integrate and maintain existing applications and development of new applications
- Mitigate risk of loss to the city's information and computer resources, and develop security policies and guidelines
- Provide a spatial data repository, tools, and services for city departments so they can create, maintain, represent, and analyze geographic information
- Provide timely right of way, leasing, property, and land management services
- Provide professional cadastral surveys and research

Divisions

Information Services -

Provides centralized information technology services required by all city departments

Geographical Information Systems (GIS) -

Provides centralized geographical information services, real estate, and surveying services to all city departments

Major Budget Changes

The FY2013 budget of \$3,880,300 is an 10% decrease over the FY2012 amended budget of \$4,335,100. This decrease is due to the following cuts that have been made in budgeted expenditures. Personnel costs decreased \$171,600 as a result of the elimination of an IT technician position, the transfer of a senior IT technician to the City Manager's Office, and the shifting of one position to a lower paying salary class. Personnel expenditures were also impacted by a 1.04% increase in the employer contribution for the Arizona State Retirement System and a 5.30% increase in the healthcare premium rates programmed for FY2013.

A decrease of \$187,800 in budgeted contractual/services expenditures which includes software licenses, telephone services, copier leases, aerial photography, precision positioning data, and property services. A decrease of \$75,100 in capital expenditures budgeted for the replacement of phones, desktops, servers, switches, and routers.

Several of the decreases made to the budgeted expenditures of the IT Department will have a direct impact on the level of service they are able to provide to the city. The elimination of the IT technician, which primarily provides first level support for police, will require IT to automate the City Hall Help Desk to balance the additional workload needed in the field. Second and third level support staff will see increased workloads and city employees may experience a slower response time to help desk requests.

The decrease in budgeted capital expenditures will result in an inability to replace aging equipment per the asset replacement schedule. There is an increase in the risk the city faces that equipment will fail to operate correctly. The decrease in surveying and site assessment expenditures means that the city will have limited resources available to meet upcoming needs.

| | FY2010 Actuals | FY2011 Actuals | FY2012 Amended Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|------------------------|---------------------|---------------------|-----------------------------|-----------------------------|------------------------|
| Expenditures | | | | | |
| <u>By category</u> | | | | | |
| Personnel | \$ 2,185,945 | \$ 2,122,616 | \$ 2,478,800 | \$ 2,307,200 | -7% |
| Supplies | 205,016 | 163,773 | 161,100 | 140,800 | -13% |
| Services | 1,334,533 | 1,235,638 | 1,600,100 | 1,412,300 | -12% |
| Capital | 139,891 | 106,368 | 95,100 | 20,000 | -79% |
| Total | \$ 3,865,386 | \$ 3,628,395 | \$ 4,335,100 | \$ 3,880,300 | -10% |
| <u>By division</u> | | | | | |
| GIS | \$ 1,231,371 | \$ 938,111 | \$ 1,132,700 | \$ 977,300 | -14% |
| Information Technology | 2,634,015 | 2,690,284 | 3,202,400 | 2,903,000 | -9% |
| Total | \$ 3,865,386 | \$ 3,628,395 | \$ 4,335,100 | \$ 3,880,300 | -10% |

| | FY2010 Amended Budget | FY2011 Amended Budget | FY2012 Adopted Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|------------------------|
| Personnel | | | | | |
| Administrative Specialist | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Chief Land Surveyor | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Department Director | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Division Manager | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Information Technology Administrator | 5.0 | 4.0 | 5.0 | 6.0 | 1.0 |
| Information Technology Security Analyst | 0.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Information Technology Supervisor | 1.0 | 1.0 | 1.0 | 0.0 | -1.0 |
| Information Technology Technician Manager | 1.0 | 1.0 | 2.0 | 1.0 | -1.0 |
| Program Manager | 2.0 | 2.0 | 2.0 | 2.0 | 0.0 |
| Senior IT Administrator | 1.0 | 1.0 | 1.0 | 2.0 | 1.0 |
| Senior IT Technician | 2.0 | 2.0 | 3.0 | 2.0 | -1.0 |
| Survey Specialist | 6.0 | 6.0 | 6.0 | 5.0 | -1.0 |
| Survey Technician | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 |
| Total | 1.0 | 1.0 | 1.0 | 0.0 | -1.0 |

Accomplishments, Enhancements, and Efficiencies

- Upgraded the city's badge access for enhanced performance and availability
- Upgraded and facilitated the centralized management of the city's security system
- Evaluated and installed high definition cameras at the recently completed city of Surprise Park and Ride, ensuring a safer and more secure environment for residents
- Infrastructure replacement for the police records management and call dispatch system
- Upgraded/replaced 75 police mobile data computers for police vehicles
- Upgraded financial system to automate several processes
- Developed a mobile web based application that displays all building permit inspection on the map allowing the building inspector to resolve building permit inspections in the field in real time
- Development of citizenry web applications providing services and transparency

Major Initiatives and Policy Issues

- Enhance enterprise asset management/customer service/work order system allowing for personalization, integration and mobility in the field
- Data integration and data warehousing of existing systems to provide improved business analytics
- Evaluate and enhance safety and security at city facilities
- Asset replacement and technology refresh
- Analyze and identify data security compliance
- Analyze and identify an enterprise document management solution

Goals, Objectives, and Performance Measures

- **Goal:** Provide effective and efficient informational technology support to departments
 - **Objective:** Implementation of new technology to support mobility in the workforce

| Performance Measures | FY2009 Actual | FY2010 Actual | FY2011 Actual | FY2012 Actual | FY2013 Estimate |
|----------------------------|------------------|------------------|------------------|------------------|--------------------|
| Department users supported | 1,654 | 1,234 | 1,654 | 1,709 | 1,709 |

- **Goal:** Provide effective and efficient informational technology support to departments.
 - **Objective:** Provide increased controls for network availability and security.

| Performance Measures | FY2009 Actual | FY2010 Actual | FY2011 Actual | FY2012 Actual | FY2013 Estimate |
|---------------------------|---------------|---------------|---------------|---------------|-----------------|
| Network devices supported | 200 | 308 | 580 | 595 | 620 |

- **Goal:** Utilize technology to link transportation and land use planning
 - **Objective:** Develop an active vertical and horizontal control network increasing density by 8% to ensure continuity between existing infrastructure and new construction

| Performance Measures | FY2009 Actual | FY2010 Actual | FY2011 Actual | FY2012 Actual | FY2013 Target |
|---|---------------|---------------|---------------|---------------|---------------|
| Number of vertical and horizontal survey controls | 150 | 102 | 127 | 127 | 127 |

- **Goal:** Update the GIS service
 - **Objective:** Develop and implement an accurate, comprehensive, and up-to-date geographic information system in order to improve department efficiency and decision processes

| Performance Measures | FY2009 Actual | FY2010 Actual | FY2011 Actual | FY2012 Actual | FY2013 Target |
|--------------------------------|---------------|---------------|---------------|---------------|---------------|
| GIS data layers maintained | 157 | 159 | 159 | 159 | 162 |
| New GIS applications developed | 4 | 5 | 10 | 10 | 11 |



Employee Dependent Scholarship Fund

Description

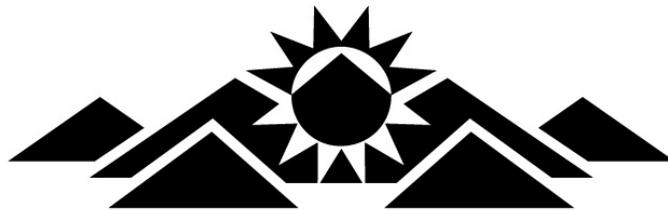
The employee dependant scholarship fund is established to temporarily hold and collect assets for a third party (employees). These assets are then awarded as scholarships to dependants of employees who are attending or plan on attending college. Two scholarships are planned for award to city of Surprise employee dependants on a merit basis prior to the commencement of fall 2012 classes.

Budget Summary

For FY2013, the employee dependent scholarship fund has been programmed with expenditures equal to the anticipated amounts of the two scholarships to be awarded. Additional fund balance is programmed as contingency. Resources for this fund are comprised of a beginning fund balance, investment earnings and revenues from a portion of the vending machine concessions in City Hall. All expenditures are dedicated to scholarships.

| | FY2010 Actuals | FY2011 Actuals | FY2012 Amended Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|----------------------|-------------------|-------------------|-----------------------------|-----------------------------|------------------------|
| Expenditures | | | | | |
| <u>By category</u> | | | | | |
| Services | \$ 2,000 | \$ 3,000 | \$ 6,000 | \$ 6,000 | 0% |
| Contingency | - | - | 10,600 | 3,300 | -69% |
| Total | \$ 2,000 | \$ 3,000 | \$ 16,600 | \$ 9,300 | -44% |
| <u>By department</u> | | | | | |
| General Operations | \$ 2,000 | \$ 3,000 | \$ 16,600 | \$ 9,300 | -44% |
| Total | \$ 2,000 | \$ 3,000 | \$ 16,600 | \$ 9,300 | -44% |

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2013 Adopted Budget



Donations Fund

Description

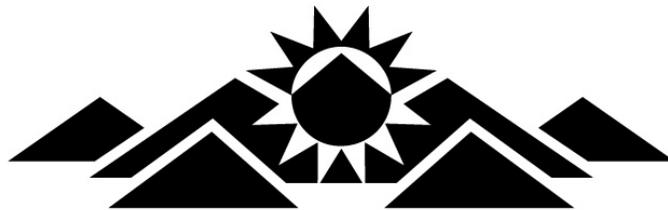
The donations fund is established to temporarily hold and collect assets that have been donated to the city for a specific department or purpose. These assets are expended according to the designated use of the donation. The establishment of a separate fund allows these donations to be carried forward. These funds will be monitored to ensure adequate revenue is available prior to expenditures being approved.

Budget Summary

The FY2013 budget for the donations fund of \$364,300 represents a 39% reduction from the FY2012 amended budget of \$600,800. In FY2011, a significant portion of the fund balance was expended as collected for the CTCA Tennis Tournament.

| | FY2010 Actuals | FY2011 Actuals | FY2012 Amended Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|-----------------------------------|-------------------|-------------------|-----------------------------|-----------------------------|------------------------|
| Expenditures | | | | | |
| <u>By category</u> | | | | | |
| Supplies | \$ 205,231 | \$ 162,203 | \$ 359,800 | \$ 800 | -100% |
| Services | 80,943 | 50,818 | 72,500 | - | -100% |
| Capital | - | - | - | - | 0% |
| Transfer Out | 188,818 | 316,403 | 100,300 | - | -100% |
| Contingency | - | - | 68,200 | 363,500 | 433% |
| Total | \$ 474,992 | \$ 529,425 | \$ 600,800 | \$ 364,300 | -39% |
| <u>By department</u> | | | | | |
| Arts Commission | \$ 29,400 | \$ - | \$ 132,800 | \$ - | -100% |
| Community Development | - | 68 | 6,100 | - | -100% |
| Community and Recreation Services | 240,142 | 517,379 | 412,200 | 180,200 | -56% |
| Fire-Emergency Services | 2,883 | 2,209 | 12,200 | 1,500 | -88% |
| General Operations | 188,818 | - | - | 170,800 | 0% |
| Police | 13,749 | 9,769 | 37,500 | 11,800 | -69% |
| Total | \$ 474,992 | \$ 529,425 | \$ 600,800 | \$ 364,300 | -39% |

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2013 Adopted Budget

General Operations

Description

General operations was established to provide support to the general operating activities of the city. General operating activities are those that cannot be accurately charged to a specific department, or those that serve a city-wide purpose, such as operating fund transfers and contingency planning.

Budget Summary

General operations serves as a clearinghouse for spending not directly associated with a specific department. Included in this budget are funds for debt payments and transfers to other funds, less an estimated amount for planned budget savings.

The FY2013 general fund budget of \$4,652,500 represents a net increase of 761% from the FY2012 budget of \$540,100, due primarily to additional transfers out for capital and debt service as well as \$2,267,800 for new interfund loans with \$64,800 going to the fire development impact fee fund and \$2,203,000 going to the general government development fee fund. There was also a \$1,000,000 decrease in the targeted savings budgeted in FY2013. The targeted savings was reduced due to significant decreases made to department budgets through the City Manager's line item review

| | FY2010 Actuals | FY2011 Actuals | FY2012 Amended Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|---------------------|---------------------|---------------------|-----------------------------|-----------------------------|------------------------|
| Expenditures | | | | | |
| <u>By category</u> | | | | | |
| Debt Service | \$ - | \$ 22,640 | \$ - | \$ 200,000 | 0% |
| Supplies | (130) | - | - | - | 0% |
| Services | 3,003,498 | 1,531,102 | 1,508,800 | - | -100% |
| Targeted Savings | - | - | (2,000,000) | (1,000,000) | -50% |
| Transfer Out | 6,364,228 | 6,590,449 | 1,031,300 | 3,184,700 | 209% |
| Other Financing Use | - | - | - | 2,267,800 | 0% |
| Total | \$ 9,367,596 | \$ 8,144,190 | \$ 540,100 | \$ 4,652,500 | 761% |
| <u>By division</u> | | | | | |
| General Operations | \$ 9,367,596 | \$ 8,144,190 | \$ 540,100 | \$ 4,652,500 | 761% |
| Total | \$ 9,367,596 | \$ 8,144,190 | \$ 540,100 | \$ 4,652,500 | 761% |

Transfers

For FY2013, \$1,650,000 is budgeted for transfer to the general capital fund for construction sales tax in excess of the \$1,250,000 retained in the general fund. In addition, \$1,534,700 is budgeted as a transfer to the 2000-2003 debt service fund for the general fund's share of MPC rental payments.

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2013 Adopted Budget



Grants & Contingency Fund

Description

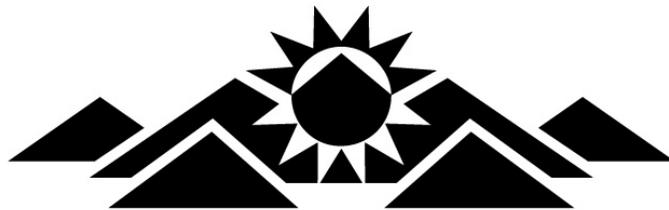
The grants and contingency fund is used to centralize budget appropriation authority for budget contingencies and future grant awards. This budget authority allows the city flexibility to address unplanned expenses and participate in new grant funding opportunities without exceeding the annually established maximum authorized expenditure limit. Use of this budget appropriation authority requires City Council approval of a budget transfer for the specific authorized purpose. For example, as grants are awarded to the city and approved by the City Council, budget transfers from unforeseen revenue and expenses into grant project line items are processed. Previously, these activities were recorded on project line items within the general fund budget under the respective department managing the grant award.

Budget Summary

The FY2013 budget of \$13,709,200 includes \$13,385,300 as contingency plus \$323,900 in planned grant expenditures. This is an 80% decrease from the FY2012 amended budget of \$67,893,400, which included \$17,000,000 for estimated capital project budget carry-forwards, \$10,000,000 for new grants, plus \$41,302,300 as a contingency for unplanned operating and capital expenses.

| | FY2010 Actuals | FY2011 Actuals | FY2012 Amended Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|-----------------------------------|-------------------|---------------------|-----------------------------|-----------------------------|------------------------|
| Expenditures | | | | | |
| <u>By category</u> | | | | | |
| Personnel | \$ - | \$ 88,214 | \$ 74,400 | \$ 164,700 | 121% |
| Supplies | - | 398,275 | 51,900 | 26,300 | -49% |
| Services | - | - | 26,241,800 | 120,400 | -100% |
| Capital | - | 522,961 | 223,000 | 12,500 | -94% |
| Contingency | - | - | 41,302,300 | 13,385,300 | -68% |
| Total | \$ - | \$ 1,009,450 | \$67,893,400 | \$13,709,200 | -80% |
| <u>By department</u> | | | | | |
| Community and Recreation Services | \$ - | \$ 50,000 | \$ - | \$ 50,000 | 0% |
| Fire-Emergency Services | - | 318,793 | 4,000 | - | -100% |
| General Operations | - | - | 67,506,100 | 13,385,300 | -80% |
| Mayor & Council | - | - | 5,000 | - | -100% |
| Police | - | 535,116 | 227,100 | 141,000 | -38% |
| Public Works | - | 105,541 | 151,200 | 132,900 | -12% |
| Total | \$ - | \$ 1,009,450 | \$67,893,400 | \$13,709,200 | -80% |

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2013 Adopted Budget

Community Development

- Community and Economic Development Department
- Neighborhood Revitalization Fund

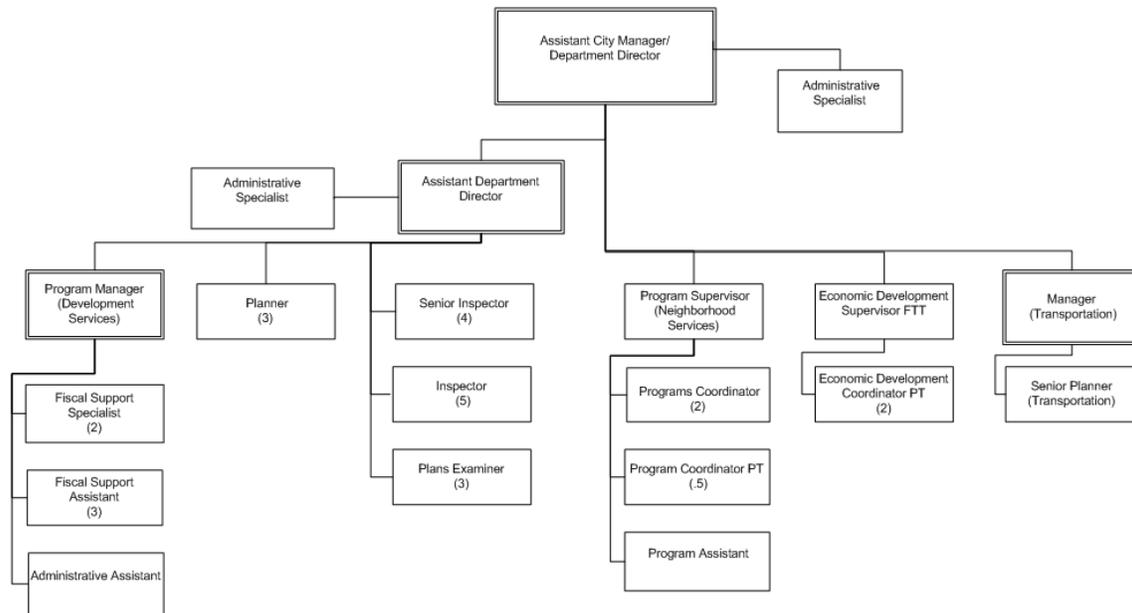
Community and Economic Development Department

Description

The Community and Economic Development Department provides development services, planning and zoning, building safety, code enforcement, neighborhood services, welcome center, and economic development. The department is charged with ensuring responsible planning within the current and future city limits, long range transportation planning, and that new and existing structures are safe for occupancy.

Organizational Chart

One program coordinator position is funded by the neighborhood revitalization fund, which is detailed on a separate page in the Community and Economic Development section of this document. In addition, 36% of a program assistant is funded by the neighborhood stabilization program grant and is depicted in the neighborhood revitalization fund section of this document.



Primary Functions

- Building plan review and approval
- Inspections
- Code enforcement
- Business attraction
- Development center – one stop shop
- Development coordination
- Code administration
- General plan development and implementation
- Development review
- Business retention
- AZ TechCelerator
- Economic development higher education
- Long range transportation planning
- Community clean up
- Revitalization planning and implementation
- Block party trailer
- Welcome Center
- Design development – in house
- Civic education
- Business outreach

Divisions

- Administration - The Administration Division is responsible for the overall coordination of the department's activities and performance in relation to the organization.
- Building Safety - The Building Safety Division reviews, approves, and inspects new developments, tenant improvements, and restorations.
- Code Enforcement - The Code Enforcement Division is charged with ensuring the health and safety of residents as it relates to property maintenance and zoning regulations. These activities are completed through education and enforcement.
- Development Services - The Development Services Division provides a single point of contact for city services to the customer so they may complete their development project in a faster, more cost efficient manner.
- Economic Development - The Economic Development Division provides services for business attraction, retention, and expansion. The division also provides small business assistance and administers the city's business innovation center, the AZ TechCelerator. The Economic Development Division was shown as a separate department in fiscal year 2010.
- Neighborhood Services - Neighborhood Services is committed to improving the condition of neighborhoods through reinvestment. Staff works closely with community members in implementing revitalization programs that include homeownership, housing rehabilitation, social service assistance, community education, and event coordination.
- Planning & Zoning - The Planning Division ensures projects are developed in accordance with city standards to promote a vibrant community. The division fosters long range planning through the creation and implementation of the general plan, village planning, and long-range transportation planning.

Major Budget Changes

The FY2013 budget of \$6,788,300 represents a 63% increase over the FY2012 amended budget of \$4,163,000. The increase is largely due to funding for economic incentives approved by the Mayor and City Council. Specifically, the FY2012 base was increased by \$1,667,900 in FY2013 to account for approved tax and economic incentive development agreements with Prasada and Prasada area businesses. These incentives represent a repayment of a portion of the sales tax collected within the development. In addition, an economic development incentive contingency was established in the amount of \$1,000,000 to enable the city to take advantage of development opportunities that may arise during FY2013. Budget increases due to economic incentives were partially offset by budget reductions made to supplies and services during the FY2013 budget process.

During FY2013, a senior planner will transfer into Community and Economic Development from the Public Works Department to assist with long range transportation planning. In addition, personnel expenditure increases result from a 1.04% increase in the employer contribution for the Arizona State Retirement System and a 5.30% increase in the healthcare premium rates programmed for FY2013.

| | FY2010 Actuals | FY2011 Actuals | FY2012 Amended Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|---|---------------------|---------------------|-----------------------------|-----------------------------|------------------------|
| Community and Economic Development | | | | | |
| <u>By category</u> | | | | | |
| Personnel | \$ 2,622,899 | \$ 2,708,436 | \$ 2,882,100 | \$ 2,948,800 | 2% |
| Supplies | 52,474 | 73,607 | 91,000 | 74,300 | -18% |
| Services | 178,807 | 365,642 | 484,900 | 392,300 | -19% |
| Capital | - | 2,057 | - | - | 0% |
| Development Agreements | - | 1,031,464 | 705,000 | 2,372,900 | 237% |
| Economic Development Contingency | - | - | - | 1,000,000 | 0% |
| Subtotals | \$ 2,854,180 | \$ 4,181,207 | \$ 4,163,000 | \$ 6,788,300 | 63% |
| <u>By division</u> | | | | | |
| Administration | \$ 251,087 | \$ 192,438 | \$ 252,200 | \$ 223,700 | -11% |
| Building Safety | 772,014 | 785,686 | 778,600 | 766,700 | -2% |
| Code Enforcement | 592,608 | 525,273 | 523,100 | 551,800 | 5% |
| Development Services | 453,236 | 480,376 | 495,300 | 485,100 | -2% |
| Economic Development | 3,065 | 1,427,075 | 1,140,900 | 3,797,000 | 233% |
| Neighborhood Services | 215,081 | 186,827 | 291,700 | 303,000 | 4% |
| Planning and Zoning | 567,090 | 583,532 | 681,200 | 661,000 | -3% |
| Subtotals | \$ 2,854,180 | \$ 4,181,207 | \$ 4,163,000 | \$ 6,788,300 | 63% |

Economic Development

| | | | | | |
|------------------------|---------------------|-------------|-------------|-------------|-----------|
| <u>By category</u> | | | | | |
| Personnel | \$ 464,137 | \$ - | \$ - | \$ - | 0% |
| Supplies | 42,679 | - | - | - | 0% |
| Services | 156,091 | - | - | - | 0% |
| Capital | 336,968 | - | - | - | 0% |
| Development Agreements | 321,958 | - | - | - | 0% |
| Subtotals | \$ 1,321,833 | \$ - | \$ - | \$ - | 0% |
| <u>By division</u> | | | | | |
| General Operations | \$ 1,321,833 | \$ - | \$ - | \$ - | 0% |
| Subtotals | \$ 1,321,833 | \$ - | \$ - | \$ - | 0% |

| | FY2010 Actuals | FY2011 Actuals | FY2012 Amended Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|----------------------------------|---------------------|---------------------|-----------------------------|-----------------------------|------------------------|
| Totals | | | | | |
| <u>By category</u> | | | | | |
| Personnel | \$ 3,087,036 | \$ 2,708,436 | \$ 2,882,100 | \$ 2,948,800 | 2% |
| Supplies | 95,152 | 73,607 | 91,000 | 74,300 | -18% |
| Services | 334,898 | 365,642 | 484,900 | 392,300 | -19% |
| Capital | 336,968 | 2,057 | - | - | 0% |
| Development Agreements | 321,958 | 1,031,464 | 705,000 | 2,372,900 | 237% |
| Economic Development Contingency | - | - | - | 1,000,000 | 0% |
| Total | \$ 4,176,013 | \$ 4,181,207 | \$ 4,163,000 | \$ 6,788,300 | 63% |
| <u>By division</u> | | | | | |
| Administration | \$ 251,087 | \$ 192,438 | \$ 252,200 | \$ 223,700 | -11% |
| Building Safety | 772,014 | 785,686 | 778,600 | 766,700 | -2% |
| Code Enforcement | 592,608 | 525,273 | 523,100 | 551,800 | 5% |
| Development Services | 453,236 | 480,376 | 495,300 | 485,100 | -2% |
| Economic Development | 3,065 | 1,427,075 | 1,140,900 | 3,797,000 | 233% |
| General Operations | 1,321,833 | - | - | - | 0% |
| Neighborhood Services | 215,081 | 186,827 | 291,700 | 303,000 | 4% |
| Planning and Zoning | 567,090 | 583,532 | 681,200 | 661,000 | -3% |
| Total | \$ 4,176,013 | \$ 4,181,207 | \$ 4,163,000 | \$ 6,788,300 | 63% |

Personnel

| | FY2010 Amended Budget | FY2011 Amended Budget | FY2012 Adopted Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|------------------------|
| Community and Economic Development | | | | | |
| Administrative Assistant | 2.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Administrative Specialist | 2.0 | 2.0 | 2.0 | 2.0 | 0.0 |
| Administrative Support Supervisor | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Director | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 |
| Assistant Department Director | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Department Director | 1.0 | 1.0 | 1.0 | 0.0 | -1.0 |
| Economic Development Coordinator* | 0.0 | 1.0 | 0.0 | 0.0 | 0.0 |
| Economic Dev. Supervisor* | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 |
| Fiscal Support Assistant | 2.0 | 2.0 | 2.0 | 3.0 | 1.0 |
| Fiscal Support Specialist | 3.0 | 3.0 | 3.0 | 2.0 | -1.0 |
| Inspector | 5.0 | 5.0 | 5.0 | 5.0 | 0.0 |
| Manager | 0.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Planner | 5.0 | 5.0 | 5.0 | 3.0 | -2.0 |
| Plans Examiner | 4.0 | 3.0 | 3.0 | 3.0 | 0.0 |
| Program Assistant | 0.0 | 0.0 | 0.0 | 0.6 | 0.6 |
| Program Coordinator | 0.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Program Manager | 0.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Program Supervisor | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Senior Inspector | 4.0 | 4.0 | 4.0 | 4.0 | 0.0 |
| Senior Planner | 0.0 | 0.0 | 1.0 | 1.0 | 0.0 |
| Part Time | 1.0 | 2.2 | 2.8 | 2.5 | -0.3 |
| Subtotal | 32.0 | 34.2 | 34.8 | 34.1 | -0.7 |
| *Contract Position | | | | | |
| Economic Development | | | | | |
| Administrative Specialist | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Department Director | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Program Manager | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Recreation Coordinator | 2.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Part Time | 0.7 | 0.0 | 0.0 | 0.0 | 0.0 |
| Subtotal | 5.7 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total | 37.7 | 34.2 | 34.8 | 34.1 | -0.7 |

Accomplishments, Enhancements, and Efficiencies

- The successful opening of two new United States headquarters
- The successful opening of a major family entertainment center
- Construction of medical facility in the Surprise City Center
- Encouraging applicants to use “bundled” development review process
- Implemented customer satisfaction survey for the Development Services Division and the Building Safety Division
- Code Enforcement implemented administration and enforcement of recently enacted solicitation ordinance
- AZ TechCelerator tenant is a finalist for statewide innovation grant
- AZ TechCelerator partnership and mentorship program
- Procurement of over \$1 million in grant funding for neighborhood reinvestment
- Initiation of a Summer Youth Employment Program
- Completion of a fair housing plan
- Village 3 plan has been approved and Village 5 plan is in process

Major Initiatives and Policy Issues

- Implement Council’s Strategic Plan initiatives including medical and renewable energy economic development and recruitment of a new four year residential college or university
- Updates to the Surprise Uniform Development Code (SUDC) to provide clear, consistent, yet flexible, development standards
- Implement fair housing plan
- Completion of Village 5 plan
- Completion and adoption of the General Plan 2030
- Adoption of 2012 Building codes
- The department implemented the requirements of SB1598 for permit processing, education, and communication. The bill imposes significant obligations on municipalities regarding applications for permits and licenses, as well as the protocol of compliance inspections.

Goals, Objectives, and Performance Measures

- **Goal:** Provide a single point of contact for city services to the customer so they may complete their development project in a faster, more cost efficient manner
 - **Objective:** Assist 95% of development center customers within 15 minutes of sign in

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Actual | FY2013 Target |
|--|---------------|---------------|---------------|---------------|---------------|
| Number of customers assisted | 8,117 | 7,639 | 7,000 | 8,385 | 8,500 |
| Average time spent per customer | 27 minutes | 11 minutes | 30 minutes | 25 minutes | 20 minutes |
| Percent of customers assisted within 15 minutes of sign in | 95% | 95% | 95% | 81% | 95% |

- **Objective:** Maintain customer wait times for submittal reviews to less than 30 minutes

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Actual | FY2013 Target |
|---|---------------|---------------|---------------|---------------|---------------|
| Number of submittal reviews completed | 4,198 | 4,115 | 3,500 | 4,245 | 4,500 |
| Average time spent per submittal review | 19 minutes | 11 minutes | 20 minutes | 22 minutes | 20 minutes |
| Percent submittal reviews completed within 30 minutes | 92% | 95% | 95% | 84% | 95% |

- **Goal:** The Code Enforcement Division ensures the health and safety of residents as it relates to property maintenance, zoning regulations, education, and enforcement.

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|----------------------------|---------------|---------------|---------------|-----------------|---------------|
| Number of new cases opened | 3,061 | 4,001 | 4,000 | 4,300 | 4,700 |
| Number of cases resolved | 3,072 | 4,000 | 3,900 | 4,200 | 4,620 |
| Number of inspections | 5,924 | 9,006 | 8,500 | 11,600 | 12,050 |

- **Goal:** The Building Safety Division reviews, approves, and inspects new developments, tenant improvements, and restorations.

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|---|---------------|---------------|---------------|-----------------|---------------|
| Average number of inspections performed (per inspector per day) | 12 | 14 | 13 | 14 | 14 |
| Number of building permit inspections performed | 11,349 | 11,106 | 10,000 | 13,236 | 12,200 |
| Number of building plan sheets reviewed | 28,158 | 27,561 | 21,720 | 37,000 | 40,000 |

- **Goal:** The Economic Development Division will increase the growth rate of all types businesses by responding and assisting with requests from entrepreneurs, small companies, and local businesses.
 - **Objective:** Help 25 new companies start a business in Surprise

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|--|---------------|---------------|---------------|-----------------|---------------|
| Small Business Inquiries | 86 | 89 | 82 | 171 | 125 |
| Small Business Technical Assists | 52 | 47 | 45 | 117 | 80 |
| Small Business Start-up successes | 27 | 20 | 22 | 32 | 25 |
| Local Business Retention/Expansion successes | 5 | 4 | 5 | 2 | 3 |

- **Goal:** Increase employment and retail opportunities for Surprise residents
 - **Objective:** Attract one significant employer and one significant retailer to Surprise

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|---------------------------------------|----------------------|----------------------|----------------------|------------------------|----------------------|
| Large business and retail inquiries | 108 | 92 | 100 | 88 | 100 |
| Large business and retail site visits | 8 | 8 | 5 | 7 | 6 |
| Large business and retail successes | 1 | 5 | 2 | 4 | 3 |

- **Goal:** Develop a business incubator that helps start-up companies become commercially viable
 - **Objective:** Build AZ TechCelerator to 16 program tenants with at least 10 tenants meeting goal

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|------------------------------------|----------------------|----------------------|----------------------|------------------------|----------------------|
| AZ TechCelerator inquiries | N/A* | 70 | 60 | 126 | 100 |
| AZ TechCelerator technical assists | N/A* | 45 | 40 | 148 | 90 |
| AZ TechCelerator events/programs | N/A* | 4 | 4 | 5 | 4 |
| AZ TechCelerator program tenants | N/A* | 14 | 16 | 15 | 16 |

**Not applicable: The TechCelerator was started in the fall of FY2010.*

Neighborhood Revitalization Fund

Description

The neighborhood revitalization fund is established to track revenues and expenses associated with the city's neighborhood revitalization program. This special revenue fund includes a combination of federal, state, and local funding sources. The neighborhood services division of the Community and Economic Development Department administers the programs associated with this fund.

Major Budget Changes

The FY2013 budget for the neighborhood revitalization fund of \$699,000 is a 75% decrease from the FY2012 amended budget of \$2,805,000. This is due to reduced forecasts of grant revenue from neighborhood stabilization funds in FY2013. One full time equivalent program coordinator position is financed by this fund and 36% of a program assistant is funded by the neighborhood stabilization program grant. In addition, personnel expenditure increases result from a 1.04% increase in the employer contribution for the Arizona State Retirement System and a 5.30% increase in the healthcare premium rates programmed for FY2013.

| | FY2010 Actuals | FY2011 Actuals | FY2012 Amended Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|---------------------|---------------------|-------------------|-----------------------------|-----------------------------|------------------------|
| Expenditures | | | | | |
| <u>By category</u> | | | | | |
| Personnel | \$ 114,443 | \$ 137,482 | \$ 73,400 | \$ 141,100 | 92% |
| Supplies | - | 1 | - | - | 0% |
| Services | 2,203,587 | 450,616 | 2,731,600 | 557,900 | -80% |
| Capital | - | 377,172 | - | - | 0% |
| Total | \$ 2,318,029 | \$ 965,271 | \$ 2,805,000 | \$ 699,000 | -75% |

| | | | | | |
|-----------------------|---------------------|-------------------|---------------------|-------------------|-------------|
| <u>By department</u> | | | | | |
| Community Development | \$ 2,317,909 | \$ 965,271 | \$ 2,805,000 | \$ 699,000 | -75% |
| Community Initiatives | 120 | - | - | - | 0% |
| Total | \$ 2,318,029 | \$ 965,271 | \$ 2,805,000 | \$ 699,000 | -75% |

| | FY2010 Amended Budget | FY2011 Amended Budget | FY2012 Adopted Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|---------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|------------------------|
| Personnel | | | | | |
| Program Assistant | 0.0 | 0.0 | 0.0 | 0.4 | 0.4 |
| Program Coordinator | 2.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Total | 2.0 | 1.0 | 1.0 | 1.4 | 0.4 |

Accomplishments, Enhancements, and Efficiencies

- Sold 12 properties to qualified buyers with financial assistance under the Neighborhood Stabilization Program
- Completed 12 rehabilitations under the Emergency Repair Program with grant funds awarded through the Community Development Block Grant (CDBG) fund
- Completed a sidewalk connectivity project with Community Development Block Grant-Recovery (CDBG-R) and Community Development Block Grant (CDBG) funding
- Created and implemented a Summer Youth Employment Program that includes participation by 15 income-qualified youth

Goals, Objectives, and Performance Measures

- **Goal:** Increase the number of residents served in neighborhood programs
 - **Objective:** Create neighborhood reinvestment programs that are easily accessible

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|--|----------------------|----------------------|----------------------|------------------------|----------------------|
| Homes improved through grant funds | 14 | 21 | 22 | 26 | 35 |
| Grant amounts awarded for neighborhood revitalization activities | \$2,370,120 | 1,853,432 | \$573,588 | \$445,732 | \$560,000 |

Public Safety

- Fire Department
- Firefighter's Pension Fund
- Police Department
- Police Department DEA Fund
- Police Department RICO Fund
- Police Department Tow Fund
- City Court
- Municipal Court Enhancement Fund
- City Court FARE Fund
- City Court JCEF Fund
- City Court MFTG Fund

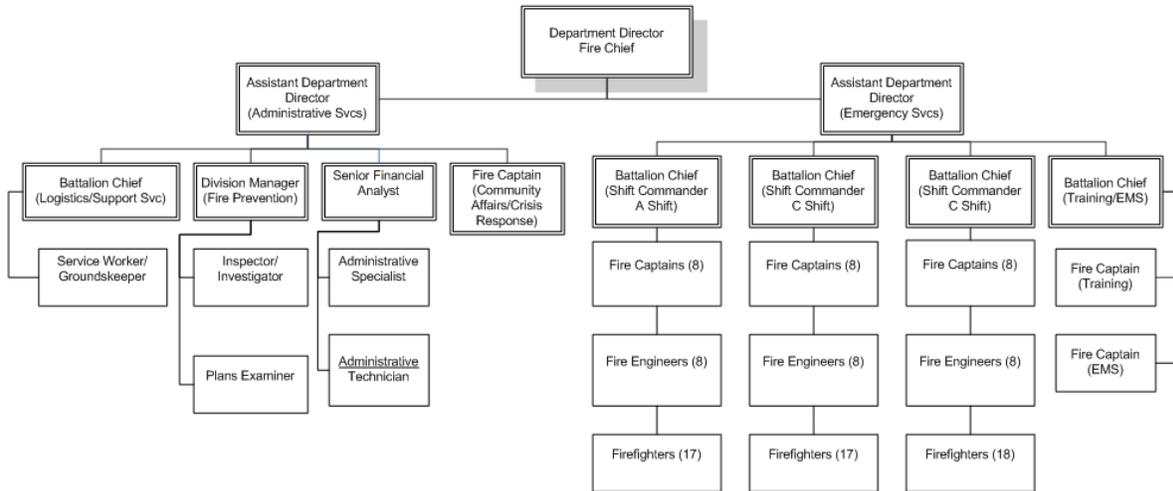


Fire Department

Description

The Fire Department is a full-service organization that provides fire suppression, emergency medical services, hazardous material response, fire prevention services, community educational services, and crisis response services.

Organizational Chart



Primary Functions

- Administrative services
- All hazard emergency response
- Automatic aid consortium participant
- Crisis Response volunteer program
- Community Affairs program
- Emergency Operations Center (EOC)
- Emergency Medical Services (EMS)
- Facility and Apparatus management
- Fire inspections and investigations
- Lockbox Program management
- Personal Protective Equipment (PPE) inspections
- Records management
- Self Contained Breathing Apparatus (SCBA) maintenance and replacement
- Smoke detector installs/replacements
- Training Division management

Divisions

Administration -

Provides leadership, fiscal management, long-range planning, budget development, grant management, payroll, interdepartmental coordination, and administrative support to all divisions

Community Affairs -

Identifies, develops, and provides a variety of needed public education and life safety programs to the citizens of Surprise

Crisis Response -

The division provides a support system to the citizens of Surprise 24 hours a day, seven days a week. Incidents are turned over to Crisis Response putting essential resources back in service, thus decreasing fire and police on scene times

Emergency Medical Services -

Provides basic and advanced life support services to the community 24 hours a day, seven days a week while maintaining compliance with the Arizona Department of Health Services mandates with personnel and equipment resources

| | |
|---------------------------|---|
| <u>Operations</u> - | Responsible for maintaining an all hazards response to the city, its citizens and all regional aid partners while ensuring the safety of operational staff at all times |
| <u>Fire Prevention</u> - | Supports programs designed to reduce the loss of life and property through education, prevention, and code enforcement |
| <u>Support Services</u> - | Provides oversight for all fire facilities, apparatus, and safety equipment maintenance ensuring compliance with federal and state mandates while maintaining the continuity of critical service delivery |
| <u>Training</u> - | Coordinates training programs, inter-agency and multi-company drills, and develops training academy curriculum while maintaining compliance with safety mandates |

Major Budget Changes

The FY2013 budget of \$14,550,400 is less than a 1% increase from the FY2012 amended budget of \$14,544,800. Personnel costs as a whole increased due to a 5.30% increase in the healthcare premium rates programmed for FY2013, a large increase in costs associated with the Arizona Public Safety Retirement plan, and overtime added to allow staff to deploy for the wildland fire season. The wildland fire overtime will be offset by revenue earned for each deployment. The increases were offset by the elimination of a maintenance and operations technician, an administrative technician, a program supervisor, a vacant inspector position, and the reclassification of a program coordinator to an administrative specialist.

Non-personnel costs decreased primarily due to decreases for uniforms, operating tools and supplies, software licenses, dues and memberships, and travel and training.

Several of the decreases made to the budgeted expenditures of the Fire Department will have a direct impact on the service level they provide to the city. The elimination of one fire inspector position will cause a reduction in annual safety inspections, school inspections, and cause delays in arson investigations. The elimination of one maintenance and operations technician position will cause additional constant staffing costs to the department as well as pose a potential risk to the city with less qualified personnel conducting mandatory safety inspections of personal protective equipment (PPE). The elimination of one administrative technician position will cause internal administrative delays in filing and other essential clerical duties and scheduling. The decrease in budgeted capital expenditures will cause a reduction in the availability of supplies and services at community events, block parties, as well as a reduction in supplies for various programs such as car seat, smoke detector, lockbox, high school, senior outreach, Pipes and Drums, and Honor Guard.

| | FY2010 Actuals | FY2011 Actuals | FY2012 Amended Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|---------------------|---------------------|---------------------|-----------------------------|-----------------------------|------------------------|
| Expenditures | | | | | |
| <u>By category</u> | | | | | |
| Personnel | \$11,649,934 | \$12,116,849 | \$12,710,700 | \$12,754,600 | 0% |
| Supplies | 494,881 | 387,503 | 466,000 | 414,400 | -11% |
| Services | 1,070,020 | 1,196,104 | 1,368,100 | 1,366,400 | 0% |
| Capital | 383,379 | 35,210 | - | 15,000 | 0% |
| Total | \$13,598,213 | \$13,735,667 | \$14,544,800 | \$14,550,400 | 0% |

| | | | | | |
|--------------------|---------------------|---------------------|---------------------|---------------------|-----------|
| <u>By division</u> | | | | | |
| Administration | \$ 1,335,270 | \$ 1,559,875 | \$ 1,841,900 | \$ 1,808,100 | -2% |
| Community Services | 65,980 | 80,007 | 180,800 | 115,300 | -36% |
| Crisis Response | 100,418 | 106,305 | 113,700 | 26,400 | -77% |
| EMS | 168,670 | 126,129 | 244,500 | 230,800 | -6% |
| Fire Operations | 10,996,939 | 10,854,412 | 11,141,600 | 11,572,600 | 4% |
| Prevention | 353,614 | 411,387 | 427,700 | 354,400 | -17% |
| Support Services | 412,148 | 417,451 | 409,800 | 268,200 | -35% |
| Training | 165,174 | 180,101 | 184,800 | 174,600 | -6% |
| Total | \$13,598,213 | \$13,735,667 | \$14,544,800 | \$14,550,400 | 0% |

| | FY2010 Amended Budget | FY2011 Amended Budget | FY2012 Adopted Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|-------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|------------------------|
| Personnel | | | | | |
| Administrative Specialist | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 |
| Administrative Technician | 2.0 | 2.0 | 2.0 | 1.0 | -1.0 |
| Assistant Department Director | 2.0 | 2.0 | 2.0 | 2.0 | 0.0 |
| Battalion Chief | 4.0 | 5.0 | 5.0 | 5.0 | 0.0 |
| Department Director - Fire Chief | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Division Manager | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Fire Captain | 25.0 | 27.0 | 27.0 | 27.0 | 0.0 |
| Fire Engineer | 24.0 | 24.0 | 24.0 | 24.0 | 0.0 |
| Firefighter | 54.0 | 52.0 | 52.0 | 52.0 | 0.0 |
| Inspector | 1.0 | 2.0 | 2.0 | 1.0 | -1.0 |
| Maintenance & Operations Technician | 1.0 | 1.0 | 1.0 | 0.0 | -1.0 |
| Plans Examiner | 0.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Program Coordinator | 1.0 | 1.0 | 1.0 | 0.0 | -1.0 |
| Program Supervisor | 1.0 | 1.0 | 1.0 | 0.0 | -1.0 |
| Senior Analyst | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Senior Financial Analyst | 0.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Service Worker/Groundskeeper | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Total | 119.0 | 122.0 | 122.0 | 118.0 | -4.0 |

Accomplishments, Enhancements, and Efficiencies

- The department received two grants from the Arizona Department of Homeland Security in conjunction with the Urban Area Security Initiative (UASI) program. Fire received funding from the Chemical, Biological, Radiological, Nuclear, and Explosive program (CBRNE) for sustainment and enhancement totaling \$64,000 plus an additional \$17,000 for a hazardous material identification library.
- The department re-established the Community Services Division to include more involvement of social media. Community Affairs had 19,476 citizen contacts and attended 534 public events in 2011
- Initiated the videotaping of base hospital continuing education requirements for paramedics and emergency medical technicians to make training available to all personnel using the city's online library
- Five firefighters successfully completed the paramedic program that spanned FY2011 and FY2012.
- Two recruits completed the academy to fill firefighter vacancies from FY2011
- Added a new LifePak 15 cardiac monitor to department's fleet

Major Initiatives and Policy Issues

- A new company officer tactical training program is being developed for larger complex incidents. Phase 1 has been initiated with companies conducting building walk throughs on big box structures. Phase 2 and 3 will involve the development of table top exercises and tactical simulation evaluations using the tactical simulation software that was purchased in FY2012.
- The Fire Department will be procuring a new engine to add to the Fire Department fleet in FY2013-2014.

Goals, Objectives, and Performance Measures

- **Goal:** Annually review existing training curriculum, programs, facilities, inter-agency agreements, and new training opportunities to ensure the department continues to utilize the most effective training delivery plan
 - **Objective:** Ensure department personnel receive sufficient annual training to maintain compliance with applicable National Fire Protection Association national standards

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|--|---------------|---------------|---------------|-----------------|---------------|
| Number of target training hours per fire fighter | 262 | 278 | 250 | 230 | 250 |
| Number of training hours | 28,344 | 32,558 | 27,000 | 26,400 | 27,000 |
| Percent of target hours attained | 109% | 111% | 100% | 92% | 100% |

- **Goal:** Ensure the city of Surprise remains a viable location for new businesses
 - **Objective:** Continue on path of continuous quality improvement with long-range goal of further reducing the Insurance Services Office (ISO) rating from 3 to 2 by FY2016

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|----------------------|---------------|---------------|---------------|-----------------|---------------|
| ISO rating | 3 | 3 | 3 | 3 | 3 |

- **Goal:** Re-establish efficient and timely inspections to Surprise businesses and citizens
 - **Objective:** Inspect all commercial structures

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|---------------------------------|---------------|---------------|---------------|-----------------|---------------|
| Number of inspections completed | 639 | 700 | NA | 1,050 | 800 |

- **Goal:** Improve department emergency response times to better serve the needs of the residents and citizens living and working in Surprise
 - **Objective:** Develop monthly process to review incidents with lengthy response times to determine cause or nature of delay

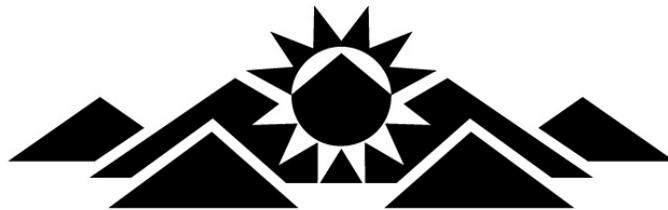
| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|---|----------------------|----------------------|----------------------|------------------------|----------------------|
| Number of total calls | 10,718 | 11,176 | 11,400 | 12,400 | 12,500 |
| Percent of time 5 minute response attained* | 37.9% | 36.7% | 41.0% | 40.0% | 41.0% |
| 90 th percentile response time** | 8:13 | 8:37 | NA | 8:27 | 8:17 |

* % of total calls where an emergency response unit arrived in 5 minutes or less, 1-minute for turn-out and 4-minutes for travel.

** 90% of all calls had an emergency response unit on-scene within the stated timeframe.

Note: Response times are an aggregate of all Fire, Emergency Medical and Special Operations calls (Omega, Fire View, 2012)

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2013 Adopted Budget



Firefighter's Pension Fund

Description

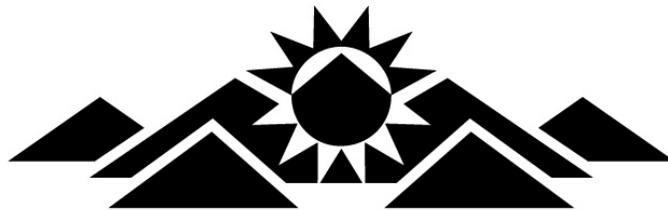
The firefighter's pension fund was established to temporarily hold or collect resources on behalf of a third party (firefighters).

Budget Summary

The firefighter's pension fund has been programmed with contingency equal to anticipated revenues. Revenues for this fund are comprised of a beginning fund balance and investment earnings. Although there are no participants in this plan and no current or future liabilities, state law prevents the city from closing this fund.

| | FY2010 Actuals | FY2011 Actuals | FY2012 Amended Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|----------------------|-------------------|-------------------|-----------------------------|-----------------------------|------------------------|
| Expenditures | | | | | |
| <u>By category</u> | | | | | |
| Contingency | \$ - | \$ - | \$ - | \$ 100,900 | 0% |
| Total | \$ - | \$ - | \$ - | \$ 100,900 | 0% |
| <u>By department</u> | | | | | |
| General Operations | \$ - | \$ - | \$ - | \$ 100,900 | 0% |
| Total | \$ - | \$ - | \$ - | \$ 100,900 | 0% |

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2013 Adopted Budget



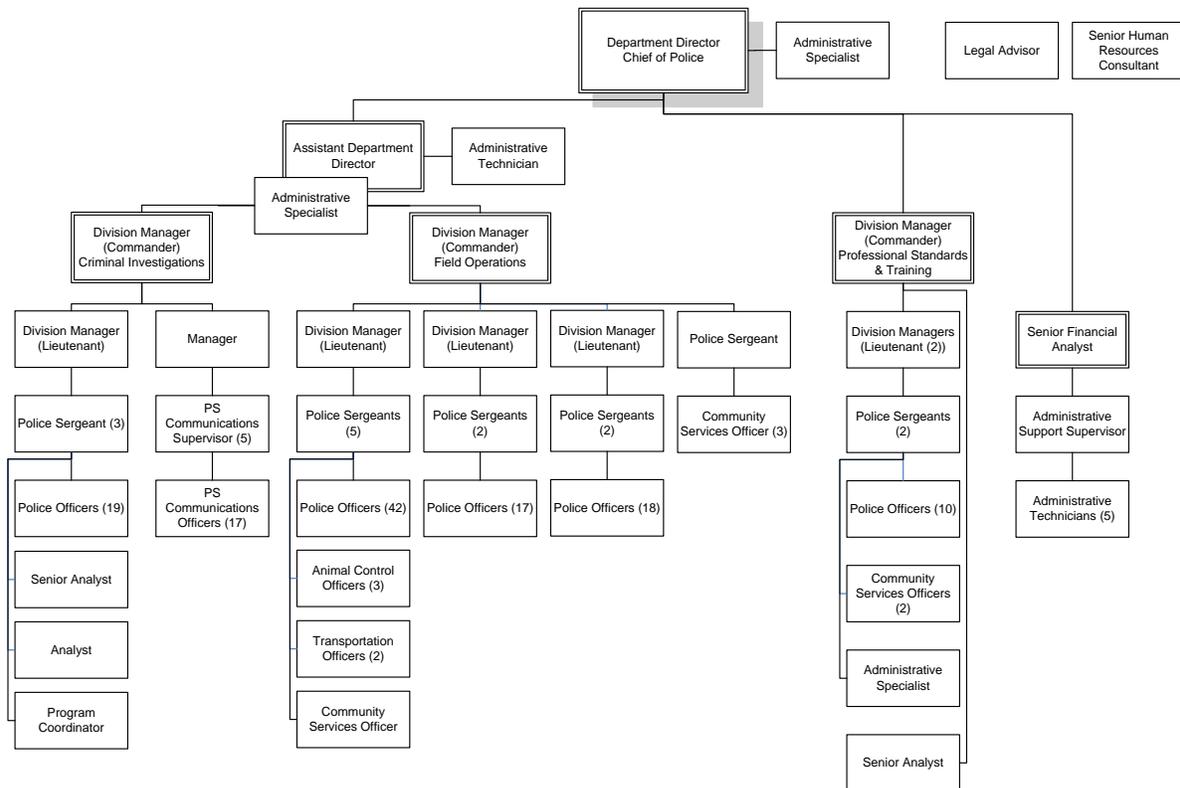
Police Department

Description

The Surprise Police Department, in partnership with the community, provides the delivery of progressive crime prevention and protection. Crime prevention is provided through multiple programs and patrol techniques. Traffic safety is provided through enforcement and education programs. Criminal investigations are conducted for crimes against persons and for property crimes. The department provides proactive patrols and responds to police related calls for service. Calls for service from 911 emergencies/non emergencies are dispatched through the department. Victim support services/sex offender notices are also provided.

Organizational Chart

Two positions shown here report to the City Attorney and Human Resources department. In addition, a portion of two positions are funded by grants and special revenue funds.



Primary Functions

- Administration/professional standards
- Animal control
- Communications
- Community services
- Crime prevention
- Criminal Investigations
- Enforcement and education
- Information to the media and public
- Internal audits and inspections
- Investigations
- Jail transport
- Mandated court transportation and jail booking
- Notifications and referrals
- Park ranger
- Proactive patrols and response to calls for service
- Professional assessments and information

- Property and evidence management
- Public information
- Public notification
- Quality management
- Records
- Recruitment
- Response to police, fire, and medical assistance requests
- Sex offender registration/notification
- Strategic planning and management
- Traffic enforcement
- Training
- Victim advocacy

Divisions

Office of the Chief - The division is responsible for the performance of the Police Department and its commanding officers. The professional standards unit is also a component of this office and is responsible for the internal inspections and investigations. New functions of the division are internal financial review, strategic planning, and quality management. Records management is also included in the division.

Professional Standards - Responsible for recruiting, training, internal investigations, the vehicle impound program, as well as property and evidence management

Criminal Investigations - The investigative arm of the department performs property and violent crime investigations. Also included in the division are dispatch and 911 service, crime and intelligence analysis, crime prevention, citizen patrol volunteers, and victim services.

Field Operations - Responsible for providing patrol and police response services to the community including the beat team program, traffic enforcement, the school resource officer program, animal control, the K-9 program, jail transport, front desk services, and other directed community policing activities

Major Budget Changes

The FY2013 general fund budget of \$19,004,800 represents a less than 1% increase from the FY2012 amended budget of \$18,961,600.

Personnel costs increased by \$6,600 overall. The increase was due to personnel expenditure increases resulting from a 1.04% increase in the employer contribution for the Arizona State Retirement System, a 5.30% increase in the healthcare premium rates programmed for FY2013, and increases in the employer contribution for the Arizona Public Safety Retirement System. The increase was offset by large decreases in salaries and employee-related expenses, in part due to the elimination of two public safety communications officer positions and a forensic technician position.

Non-Personnel costs increased by \$36,600 overall. This was primarily due to increases in the costs associated with booking and housing inmates at Maricopa County jail facilities and federally-mandated upgrades to the wireless communications system. The increase was partially offset by reductions in operational supplies, service agreements, and travel and training.

Several of the budget reductions will have an impact on the department. The elimination of the two public safety communications officers may result in slightly higher overtime due to the necessity for shift coverage during vacation and sick days. The elimination of the forensic technician position requires the city to enter into an intergovernmental agreement with other agencies to provide forensic/evidence collection and processing services at major felony crime scenes. This cost is estimated at approximately \$20,000 annually. The reduction of dispatch overtime will cause a reduction in staffing hours in communications and will result in minimum staffing between the hours of 4:00 am and 8:00 am.

| | FY2010 Actuals | FY2011 Actuals | FY2012 Amended Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|---------------------|---------------------|---------------------|-----------------------------|-----------------------------|------------------------|
| Expenditures | | | | | |
| <u>By category</u> | | | | | |
| Personnel | \$15,572,753 | \$16,338,499 | \$16,865,100 | \$16,871,700 | 0% |
| Supplies | 589,885 | 628,993 | 518,200 | 544,600 | 5% |
| Services | 499,040 | 1,491,789 | 1,578,300 | 1,588,500 | 1% |
| Capital | 22,052 | 10 | - | - | 0% |
| Total | \$16,683,731 | \$18,459,291 | \$18,961,600 | \$19,004,800 | 0% |

| | FY2010 Actuals | FY2011 Actuals | FY2012 Amended Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|--------------------|---------------------|---------------------|-----------------------------|-----------------------------|------------------------|
| <u>By division</u> | | | | | |
| Administration | \$ 2,687,152 | \$ 3,769,066 | \$ 2,825,700 | \$ 3,620,900 | 28% |
| Communications | 1,777,711 | 1,886,165 | 2,070,800 | 1,832,300 | -12% |
| Investigations | 2,409,422 | 2,681,638 | 3,123,000 | 2,729,100 | -13% |
| Patrol | 9,326,162 | 9,548,964 | 10,263,800 | 10,495,700 | 2% |
| Technical Services | 483,284 | 573,458 | 678,300 | 326,800 | -52% |
| Total | \$16,683,731 | \$18,459,291 | \$18,961,600 | \$19,004,800 | 0% |

| | FY2010 Amended Budget | FY2011 Amended Budget | FY2012 Adopted Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|--------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|------------------------|
| Personnel | | | | | |
| Administrative Specialist | 2.0 | 3.0 | 2.0 | 3.6 | 1.6 |
| Administrative Support Supervisor | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Administrative Technician | 6.0 | 6.0 | 6.0 | 6.0 | 0.0 |
| Analyst | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Animal Control Officer | 3.0 | 3.0 | 3.0 | 3.0 | 0.0 |
| Assistant City Attorney I & II | 1.0 | 1.0 | 0.0 | 0.0 | 0.0 |
| Assistant Department Director | 3.0 | 2.0 | 2.0 | 1.0 | -1.0 |
| Community Services Officer | 6.0 | 6.0 | 6.0 | 6.0 | 0.0 |
| Department Director - Police Chief | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Division Manager (Commander) | 0.0 | 2.0 | 2.0 | 3.0 | 1.0 |
| Division Manager (Lieutenant) | 6.0 | 6.0 | 6.0 | 6.0 | 0.0 |
| Forensic Technician | 1.0 | 1.0 | 1.0 | 0.0 | -1.0 |
| Information Technology Administrator | 1.0 | 1.0 | 0.0 | 0.0 | 0.0 |
| Information Technology Technician | 1.0 | 1.0 | 0.0 | 0.0 | 0.0 |
| Manager | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Police Officer | 107.0 | 106.0 | 106.0 | 106.0 | 0.0 |
| Police Sergeant | 15.0 | 15.0 | 15.0 | 15.0 | 0.0 |
| Program Coordinator | 1.0 | 1.0 | 1.0 | 0.4 | -0.6 |
| PS Communications Officer | 19.0 | 19.0 | 19.0 | 17.0 | -2.0 |
| PS Communications Supervisor | 5.0 | 5.0 | 5.0 | 5.0 | 0.0 |
| Senior Analyst | 2.0 | 2.0 | 2.0 | 2.0 | 0.0 |
| Senior Financial Analyst | 0.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Senior Human Resources Consultant | 1.0 | 1.0 | 0.0 | 0.0 | 0.0 |
| Senior IT Administrator | 1.0 | 1.0 | 0.0 | 0.0 | 0.0 |
| Training Coordinator | 1.0 | 1.0 | 1.0 | 0.0 | -1.0 |
| Transportation Officer | 2.0 | 2.0 | 2.0 | 2.0 | 0.0 |
| Total | 188.0 | 190.0 | 184.0 | 181.0 | -3.0 |

Accomplishments, Enhancements, and Efficiencies

- Filled 14 vacant sworn police officer positions (12 officers, 1 lieutenant, 1 commander)
- Filled a vacant communications manager position, two vacant communications supervisor positions, and three communications officer positions
- Implemented an 8th patrol squad in July 2011, resulting in a staffing increase during high call volume periods while enhancing the ability to more effectively employ community policing strategies
- Implemented a Critical Incident Stress Management Team to address the emotional needs of employees as a result of high stress incidents; the Surprise Police Department provided the training to twelve agencies and now has fifteen members on the CISM Team
- Implemented, in conjunction with the city Marketing and Communications Division, the anti-property crime campaign "It Can Happen to You." The campaign includes a billboard and online video aimed to enhance the awareness of citizens on how to protect their property
- Implemented an anti-graffiti and bicycle safety program for area elementary schools
- Implemented a pawn shop ordinance that was adopted by the Mayor and City Council in April 2012
- Developed an RFP and solicited bidders for a new city tow contract; new vendors were selected and a formalized contract took effect May 1, 2012
- Police Department policies will be available online by June 1, 2012, eliminating the need to print thousands of pages of materials annually and creating a more effective, efficient, and timely method to research policy related information

Major Initiatives and Policy Issues

- Develop policing plan (strategic plan) in alignment with city of Surprise values and Strategic Plan by December 31, 2012
- Complete implementation of the CopLink information-sharing capability across jurisdictional boundaries
- Enhance safety and security of citizens of Surprise by maintaining/reducing violent and property crime rates
- Planning and incremental implementation of the Regional Wireless Cooperative (police communications) transition to the federal mandated narrow-banding of all 700 MHz frequencies by January 1, 2017, to include operations and equipment costs
- Continue exploration and evaluation of on-officer camera capabilities
- Create a neighborhood response unit from existing staff to proactively investigate and aggressively pursue those prolific offenders driving our crime rates, focusing on reducing Part 1 Uniform Crime Report (UCR) property crime, assisting the Criminal Investigations Division with violent crime stringers and high-profile cases, and on addressing and resolving identified property crime trends
- Introduce and begin implementation of Quality Management Principles to enhance effectiveness and efficiency throughout the department by December 31, 2012

Goals, Objectives, and Performance Measures

- **Department Goal:** Educate residents and increase community awareness.
 - **Objective:** Increase public awareness of program that allows the community to access crime statistical information.
 - **Objective:** Expand use of social media to share/provide police information
 - **Objective:** Participate in city home owner's association (HOA) programs and interactive community meetings to increase awareness of neighborhood issues.

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|--|---------------|---------------|---------------|-----------------|---------------|
| Number of community/HOA meetings attended | --- | 109 | --- | 150 | 200 |
| Volume of social media informational/alert entries by PD | --- | --- | --- | 240 | 350 |
| Number of times crime mapping website accessed | 5,450 | 2,684 | --- | 8,101 | 8,062 |

**New measure, data not available*

- **Goal:** Maintain Commission on Accreditation for Law Enforcement Agencies (CALEA) accreditation standards
 - **Objective:** Audit policies and procedures to ensure the CALEA standards are met

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|--|---------------|---------------|---------------|-----------------|---------------|
| Reviewed and/or revised policies | 26 | 18 | 46 | 69 | 15 |
| Completed Annual Quality Assurance/Reaccreditation | Met November | August | August | August | August |

- **Goal:** Provide quick response to calls for service, high visibility neighborhood patrols and traffic enforcement in the community
 - **Objective:** Provide directed patrols and respond to police related calls for service

| Performance Measure | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|---|---------------|---------------|---------------|-----------------|---------------|
| Number of calls for service | 41,497 | 42,250 | 42,021 | 43,350 | 44,000 |
| Number of report actions* | 25,084 | 25,771 | 25,000 | 18,904 | 19,000 |
| Average response times for Priority 1 Calls | 4:51 | 4:52 | New Metric | 4:39 | 4:55 |

** Arrests, reports, accident reports, and citations issued*

- **Goal:** Improve Traffic Safety
 - **Objective:** Mitigate traffic concerns (respond to complaints/develop plans within three working days)
 - **Objective:** Conduct focused traffic-related campaigns

| Performance Measure | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|-------------------------------------|---------------|---------------|---------------|-----------------|---------------|
| Number of traffic stops | 28,085 | 19,906 | New Metric | 17,054 | 19,000 |
| Number of traffic citations issued | 13,445 | 8,262 | New Metric | 7,572 | 9,500 |
| Number of traffic-related campaigns | 19 | 25 | New Metric | 15 | 20 |

- **Goal:** Prevent, reduce, and disrupt crime
 - **Objective:** Increase arrests, field interrogations, citizen contacts
 - **Objective:** Maintain/reduce UCR Part 1 crimes

| Performance Measure | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|--|---------------|---------------|---------------|-----------------|---------------|
| Number of arrests* | 4,420 | 3,640 | New Metric | 3,927 | 4,000 |
| UCR Part 1 crimes** | 2,663 | 2,522 | 2,264 | 3,566 | 3,700 |
| UCR Part 1 crimes** per 1,000 population | 24.32 | 21.55 | 19.35 | 30.47 | 30.00 |

*Arrests include bookings, citations, and juvenile referrals

** UCR Part 1 crimes include homicide, sexual assault, robbery, aggravated assault, burglary, larceny, automobile theft, and arson.



Police Department DEA Fund

Description

The Drug Enforcement Agency (DEA) fund is a special revenue fund established in September 2010 to account for revenue from the sale of seized assets, which is shared among all participating agencies. The Police Department is able to use this revenue to supplement services and supplies necessary to support operations.

Organizational Chart

There are no dedicated personnel assigned to this fund.

Budget Summary

The DEA fund was established during the preparation of the FY2010 financial statements for the city's Comprehensive Annual Financial Report (CAFR). The FY2012 budget consisted of programming for DEA Task Force overtime expenditures and operational supplies. These items have been moved to another fund as revenue related to DEA seized assets must be accounted for in a separate fund. The FY2013 budget includes \$230,900 in contingency programming. There are no planned expenditures for FY2013.

| | FY2010 Actuals | FY2011 Actuals | FY2012 Amended Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|----------------------|-------------------|-------------------|-----------------------------|-----------------------------|------------------------|
| Expenditures | | | | | |
| <u>By category</u> | | | | | |
| Personnel | \$ 57,612 | \$ 62,476 | \$ 51,600 | \$ - | -100% |
| Supplies | 16,209 | 54,951 | 50,000 | - | -100% |
| Services | 33,238 | 11,258 | - | - | 0% |
| Capital | 150,000 | - | - | - | 0% |
| Contingency | - | - | 340,200 | 230,900 | -32% |
| Total | \$ 257,059 | \$ 128,685 | \$ 441,800 | \$ 230,900 | -48% |
| <u>By department</u> | | | | | |
| Police | \$ 257,059 | \$ 128,685 | \$ 441,800 | \$ 230,900 | -48% |
| Total | \$ 257,059 | \$ 128,685 | \$ 441,800 | \$ 230,900 | -48% |

City of Surprise, Arizona



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FY2013 Adopted Budget



Police Department RICO Fund

Description

The RICO fund is a special revenue fund established in September 2010 to account for revenue from the sale of seized assets, which is shared among all participating agencies. The Surprise Police Department is able to use this revenue to supplement services and supplies necessary to support operations.

Organizational Chart

There are no dedicated personnel assigned to this fund.

Budget Summary

The RICO fund was established during the preparation of the FY2010 financial statements for the city's Comprehensive Annual Financial Report (CAFR). The FY2012 budget was programmed as contingency only and no expenditures were made. The FY2013 budget includes \$313,200 in contingency programming and \$200,000 in planned expenditures.

| | FY2010 Actuals | FY2011 Actuals | FY2012 Amended Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|----------------------|-------------------|-------------------|-----------------------------|-----------------------------|------------------------|
| Expenditures | | | | | |
| <u>By category</u> | | | | | |
| Supplies | \$ - | \$ 30,835 | \$ - | \$ 200,000 | 0% |
| Services | - | 4,324 | - | - | 0% |
| Contingency | - | - | 113,200 | 313,200 | 177% |
| Total | \$ - | \$ 35,159 | \$ 113,200 | \$ 513,200 | 353% |
| <u>By department</u> | | | | | |
| Police | \$ - | \$ 35,159 | \$ 113,200 | \$ 513,200 | 353% |
| Total | \$ - | \$ 35,159 | \$ 113,200 | \$ 513,200 | 353% |

City of Surprise, Arizona



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FY2013 Adopted Budget



Police Department Tow Fund

Description

The tow fund is a special revenue fund established in September 2010 to account for the program expenses and administrative charges (revenues) related to the vehicle impound requirements as stipulated in ARS §28-3511 and ARS §28-3513. Revenues collected are to be used for the purpose of implementing and managing a vehicle impound program pursuant to ARS §28-872.

Organizational Chart

There is one administrative specialist in the Police Department who is partially dedicated to this fund. This position is shown in the organizational chart included in the Police Department section of this document.

Budget Summary

The tow fund was established during the preparation of the FY2010 financial statements for the city's Comprehensive Annual Financial Report (CAFR). The FY2013 budget includes \$340,400 in programmed contingency and planned expenditures of \$32,500. The planned expenditures include a 1% decrease over the FY2012 budget of \$376,200. This is due to the reallocation of the one full-time equivalent (FTE) administrative specialist and estimated supplies previously programmed for this program. As budgeted in FY2012, the administrative specialist was fully dedicated to the activities of this fund. The position has been partially allocated to general fund activities for FY2013.

| | FY2010 Actuals | FY2011 Actuals | FY2012 Amended Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|----------------------|-------------------|-------------------|-----------------------------|-----------------------------|------------------------|
| Expenditures | | | | | |
| <u>By category</u> | | | | | |
| Personnel | \$ 58,492 | \$ 67,600 | \$ 65,600 | \$ 32,500 | -50% |
| Supplies | 4,150 | - | 52,700 | - | -100% |
| Services | 1,689 | 80 | - | - | 0% |
| Contingency | - | - | 257,900 | 340,400 | 32% |
| Total | \$ 64,331 | \$ 67,680 | \$ 376,200 | \$ 372,900 | -1% |
| <u>By department</u> | | | | | |
| Police | \$ 64,331 | \$ 67,680 | \$ 376,200 | \$ 372,900 | -1% |
| Total | \$ 64,331 | \$ 67,680 | \$ 376,200 | \$ 372,900 | -1% |

City of Surprise, Arizona



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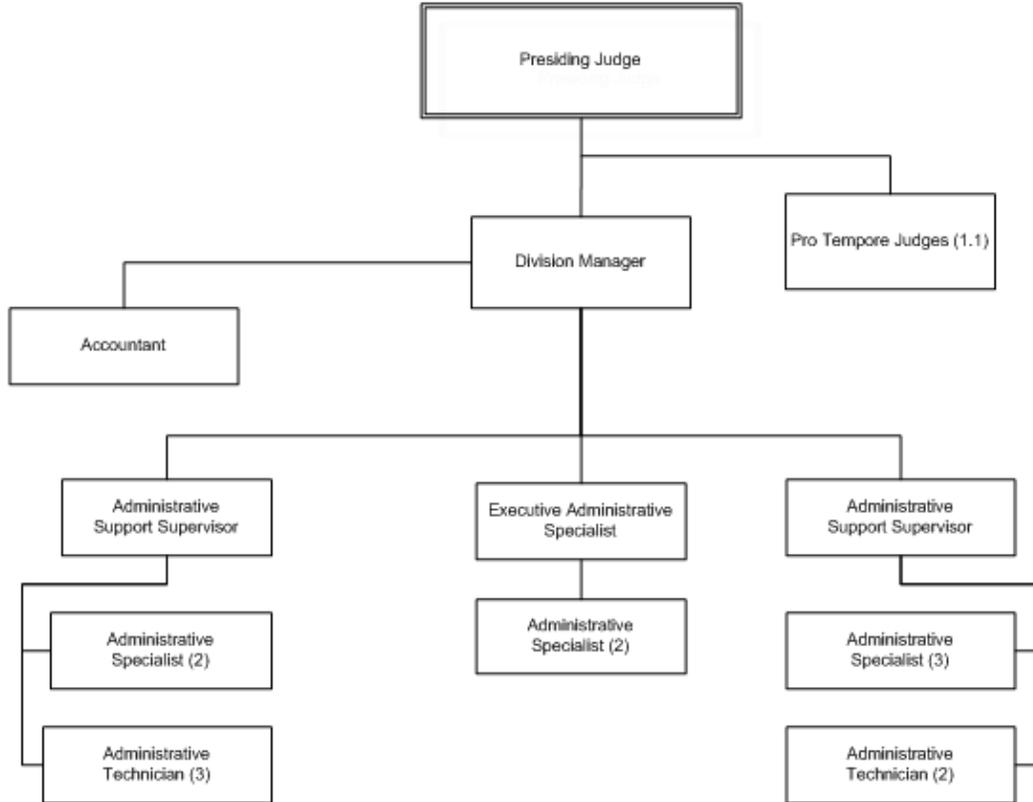
FY2013 Adopted Budget

City Court

Description

The Surprise City Court's primary function is to fairly and impartially adjudicate all cases filed in the court and to ensure proper and timely compliance with judicial and administrative standards as prescribed by law, the Arizona Supreme Court, and the Constitution of the United States. Court staff answers questions from the public, provides assistance to those having business at the court, and ensures accounting for both judicial and financial activities.

Organizational Charts



Primary Functions

- Organizational policies, procedures, and reports
- Resolution of all criminal and civil cases filed in the court
- Quality customer service, accurate information, and timely support

Major Budget Changes

The FY2013 general fund budget of \$1,886,500 represents an 11% decrease from the FY2012 amended budget of \$2,122,100.

Personnel costs decreased primarily due to the elimination of an administrative technician, an assistant analyst, and a program manager position. Some of the decrease was offset by personnel expenditure increases resulting from a 1.04% increase in the employer contribution for the Arizona State Retirement System and a 5.30% increase in the healthcare premium rates programmed for FY2013.

Non-personnel costs decreased primarily due to decreases in office supplies and Public Defender costs.

| | FY2010 Actuals | FY2011 Actuals | FY2012 Amended Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|---------------------|---------------------|---------------------|-----------------------------|-----------------------------|------------------------|
| Expenditures | | | | | |
| <u>By category</u> | | | | | |
| Personnel | \$ 1,741,933 | \$ 1,682,843 | \$ 1,739,100 | \$ 1,585,600 | -9% |
| Supplies | 24,942 | 28,241 | 34,100 | 28,900 | -15% |
| Services | 72,328 | 281,157 | 348,900 | 272,000 | -22% |
| Total | \$ 1,839,203 | \$ 1,992,241 | \$ 2,122,100 | \$ 1,886,500 | -11% |
| <u>By division</u> | | | | | |
| General Operations | \$ 1,839,203 | \$ 1,992,241 | \$ 2,122,100 | \$ 1,886,500 | -11% |
| Total | \$ 1,839,203 | \$ 1,992,241 | \$ 2,122,100 | \$ 1,886,500 | -11% |

| | FY2010 Amended Budget | FY2011 Amended Budget | FY2012 Adopted Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|-------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|------------------------|
| Personnel | | | | | |
| Accountant/Tax Auditor | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Administrative Specialist | 8.0 | 8.0 | 8.0 | 7.0 | -1.0 |
| Administrative Support Supervisor | 2.0 | 2.0 | 2.0 | 2.0 | 0.0 |
| Administrative Technician | 6.0 | 6.0 | 6.0 | 5.0 | -1.0 |
| Associate Judge | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Division Manager | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Executive Administrative Specialist | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Presiding Judge | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Program Manager | 1.0 | 1.0 | 1.0 | 0.0 | -1.0 |
| Part Time | 0.8 | 1.1 | 1.1 | 1.1 | 0.0 |
| Total | 22.8 | 22.1 | 22.1 | 19.1 | -3.0 |

Accomplishments, Enhancements, and Efficiencies

- Collaboration with Arizona Superior Court and other local courts to provide in-house training to court staff
- Increasing public awareness of court website and streamlining informational documentation

Major Initiatives and Policy Issues

- Implement online payment system to increase court efficiency and the public's convenience
- Implement various federal and state legislative mandates, rules, and policy initiatives

Goals, Objectives, and Performance Measures

- **Goal:** Maintain an access and fairness rating of the court's accessibility and treatment of customers in terms of fairness, equality, and respect as reported on customer service survey
 - **Objective:** Maintain court access and fairness

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|--|---------------|---------------|---------------|-----------------|---------------|
| Number of court visitors | 63,892 | 48,412 | 55,000 | 48,000 | 48,000 |
| Number of surveys distributed | 500 | 500 | 500 | 500 | 500 |
| Number of surveys returned | 197 | 351 | 200 | 300 | 300 |
| Percent of court users surveyed with a positive experience | 65% | 75% | 80% | 75% | 80% |

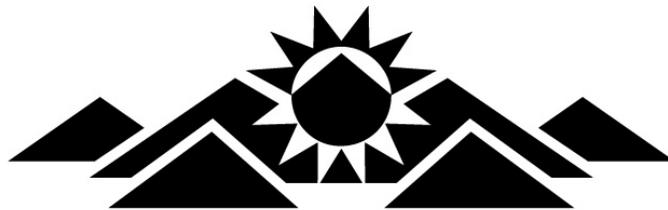
- **Goal:** Improve customer service by ensuring case files meet established standards for completeness and accuracy of contents
 - **Objective:** Maintain reliability and integrity of case files

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|--|---------------|---------------|---------------|-----------------|---------------|
| Total number of filings | 21,919 | 17,057 | 18,000 | 16,000 | 17,000 |
| Number of cases audited | 2,400 | 4,000 | 2,000 | 2,000 | 2,000 |
| Percent of cases meeting conformance criteria for timely retrieval | 87% | 87% | 85% | 85% | 85% |
| Percent of cases accurate and complete | 83% | 80% | 85% | 85% | 85% |

- **Goal:** Improve "Time to Disposition" – the percentage of cases disposed or otherwise resolved within established time frames
 - **Objective:** Resolve DUI cases according to Arizona Supreme Court Standards (Administrative Order 2007-94):
 - 85% of all DUI cases must be resolved within 120 days
 - 93% of all DUI cases must be resolved within 180 days

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|---|---------------|---------------|---------------|-----------------|---------------|
| Number of criminal cases filed | 3,778 | 3,108 | 3,200 | 3,100 | 3,200 |
| Number of criminal cases resolved | 5,197 | 4,305 | 4,000 | 4,000 | 4,000 |
| Percent of criminal cases resolved | 137% | 135% | 125% | 129% | 125% |
| Percent of DUI's resolved within 120 days | 90% | 86% | 85% | 85% | 85% |
| Percent of DUI's resolved within 180 days | 97% | 96% | 93% | 93% | 93% |

City of Surprise, Arizona



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FY2013 Adopted Budget



Municipal Court Enhancement Fund

Description

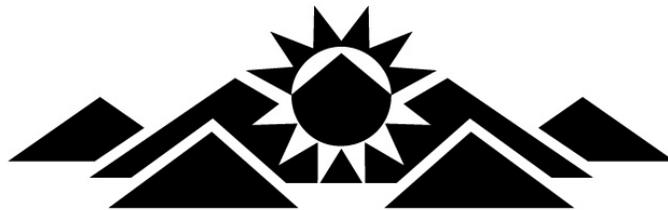
The municipal court enhancement fund is established to account for the inflow of municipal court enhancement fees added to all fines levied by the Surprise City Court. Funds collected by this fee are to be used exclusively for capital acquisitions and court enhancements. Ordinance #02-19 established this fee effective on July 13, 2003, in order to recover the costs of administration and enforcement of court orders.

Major Budget Changes

The proposed FY2013 budget of \$451,100 represents a 2% increase over the FY2012 budget of \$440,800. The total FY2013 budget includes programmed contingency of \$351,100 and planned expenditures of \$100,000. The planned expenditures will be used to pay for courtroom security guards.

| | FY2010 Actuals | FY2011 Actuals | FY2012 Amended Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|----------------------|-------------------|-------------------|-----------------------------|-----------------------------|------------------------|
| Expenditures | | | | | |
| <u>By category</u> | | | | | |
| Supplies | \$ 102 | \$ - | \$ 169,000 | \$ - | -100% |
| Services | 77,277 | 82,301 | 100,000 | 100,000 | 0% |
| Capital | 42,886 | - | - | - | 0% |
| Contingency | - | - | 171,800 | 351,100 | 104% |
| Total | \$ 120,264 | \$ 82,301 | \$ 440,800 | \$ 451,100 | 2% |
| <u>By department</u> | | | | | |
| City Court | 77,378 | 82,301 | 440,800 | 451,100 | 2% |
| Information Services | 42,886 | - | - | - | 0% |
| Total | \$ 120,264 | \$ 82,301 | \$ 440,800 | \$ 451,100 | 2% |

City of Surprise, Arizona



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FY2013 Adopted Budget



City Court FARE Fund

Description

Throughout the year, the City Court may receive funds from the state pursuant to Arizona Supreme Court Administrative Order No. 2003-126 which established the Fines/Fees and Restitution Enforcement Program (FARE). FARE is a private/public partnership between the Arizona Supreme Court, Administrative Office of the Court, and Affiliated Computer Services to provide enhanced collection services to Arizona courts.

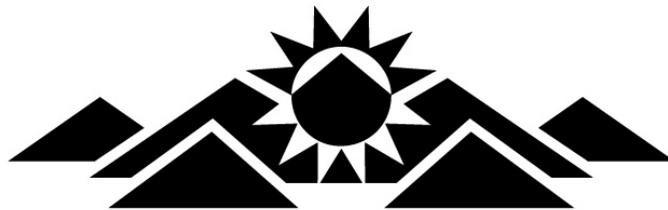
In September 2010, a new special revenue fund was established to manage the funds received through participation in this program. These funds are the remaining balance of any revenues which have been divided between the Administrative Office of the Courts and local courts to recover costs incurred to administer the FARE program. Presently, no restrictions have been issued on the court's use of these funds.

Budget Summary

The FARE Fund was established during the preparation of the FY2010 financial statements for the city's Comprehensive Annual Financial Report (CAFR). The total FY2012 programming of \$12,800 consists of anticipated fund balance programmed as miscellaneous services to establish budget authority. The total FY2013 budget includes programmed contingency of \$9,500 and planned expenditures of \$9,000. The planned expenditures will be used to pay for a portion of the annual maintenance charges for the AZTEC case management system used throughout the court by court staff.

| | FY2010 Actuals | FY2011 Actuals | FY2012 Amended Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|----------------------|-------------------|-------------------|-----------------------------|-----------------------------|------------------------|
| Expenditures | | | | | |
| <u>By category</u> | | | | | |
| Services | \$ - | \$ - | \$ - | 9,000 | 0% |
| Capital | - | 10,069 | - | - | 0% |
| Contingency | - | - | 12,800 | 9,500 | -26% |
| Total | \$ - | \$ 10,069 | \$ 12,800 | \$ 18,500 | 45% |
| <u>By department</u> | | | | | |
| City Court | \$ - | \$ 10,069 | \$ 12,800 | \$ 18,500 | 45% |
| Total | \$ - | \$ 10,069 | \$ 12,800 | \$ 18,500 | 45% |

City of Surprise, Arizona



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FY2013 Adopted Budget

City Court JCEF Fund

Description

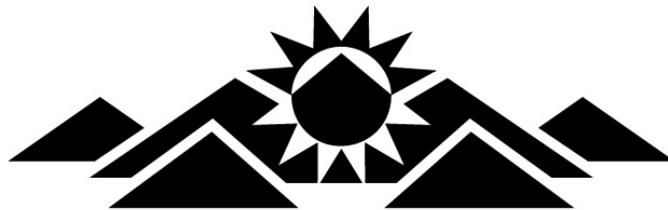
The City Court generates revenue through the collection of monies pursuant to the Judicial Collection Enhancement Fund (JCEF) established in A.R.S. §12-113 et seq. In September 2010, a new special revenue fund was established to manage this revenue source. Revenues generated may be used to improve the administration of justice by enhancing the enforcement of court orders. JCEF funds may also be used to train court personnel, improve, maintain, and enhance the ability to collect and manage monies assessed or received by the courts, and to improve court automation projects likely to improve case processing or the administration of justice.

Budget Summary

The JCEF Fund was established during the preparation of the FY2010 financial statements for the city's Comprehensive Annual Financial Report (CAFR). The total FY2013 budget includes programmed contingency of \$95,800. There are no planned expenditures for FY2013.

| | FY2010 Actuals | FY2011 Actuals | FY2012 Amended Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|----------------------|-------------------|-------------------|-----------------------------|-----------------------------|------------------------|
| Expenditures | | | | | |
| <u>By category</u> | | | | | |
| Personnel | \$ - | \$ 18,945 | \$ 82,700 | \$ - | -100% |
| Services | 35,000 | 35,000 | - | - | 0% |
| Contingency | - | - | 11,700 | 95,800 | 719% |
| Total | \$ 35,000 | \$ 53,945 | \$ 94,400 | \$ 95,800 | 1% |
| <u>By department</u> | | | | | |
| City Court | \$ 35,000 | \$ 53,945 | \$ 94,400 | \$ 95,800 | 1% |
| Total | \$ 35,000 | \$ 53,945 | \$ 94,400 | \$ 95,800 | 1% |

City of Surprise, Arizona



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FY2013 Adopted Budget

City Court MFTG Fund

Description

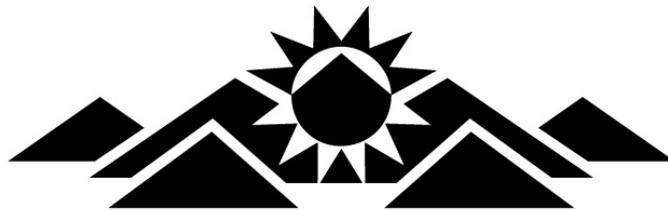
The City Court receives funds from the State of Arizona pursuant to the Municipal Fill the Gap Fund (MFTG) program established by A.R.S § 41-2421(J)(6) and (K). In September 2010, a new special revenue fund was established to manage these funds. Municipal courts may use these funds to improve, maintain, and enhance the ability to collect and manage monies assessed or received by the courts, to improve court automation and to improve case processing or the administration of justice.

Budget Summary

The MFTG fund was established during the preparation of the FY2010 financial statements for the city's Comprehensive Annual Financial Report (CAFR). The total FY2013 budget includes programmed contingency of \$28,600 and planned expenditures of \$31,000. The planned expenditures will be used to pay for a portion of the annual maintenance charges for the AZTEC case management system used throughout the court by court staff.

| | FY2010 Actuals | FY2011 Actuals | FY2012 Amended Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|----------------------|-------------------|-------------------|-----------------------------|-----------------------------|------------------------|
| Expenditures | | | | | |
| <u>By category</u> | | | | | |
| Services | \$ - | \$ - | \$ 55,000 | \$ 31,000 | -44% |
| Contingency | - | - | 17,100 | 28,600 | 67% |
| Total | \$ - | \$ - | \$ 72,100 | \$ 59,600 | -17% |
| <u>By department</u> | | | | | |
| City Court | \$ - | \$ - | \$ 72,100 | \$ 59,600 | -17% |
| Total | \$ - | \$ - | \$ 72,100 | \$ 59,600 | -17% |

City of Surprise, Arizona



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FY2013 Adopted Budget

Community and Recreation Services

- Community and Recreation Services Department
- Tourism Fund



Community and Recreation Services Department

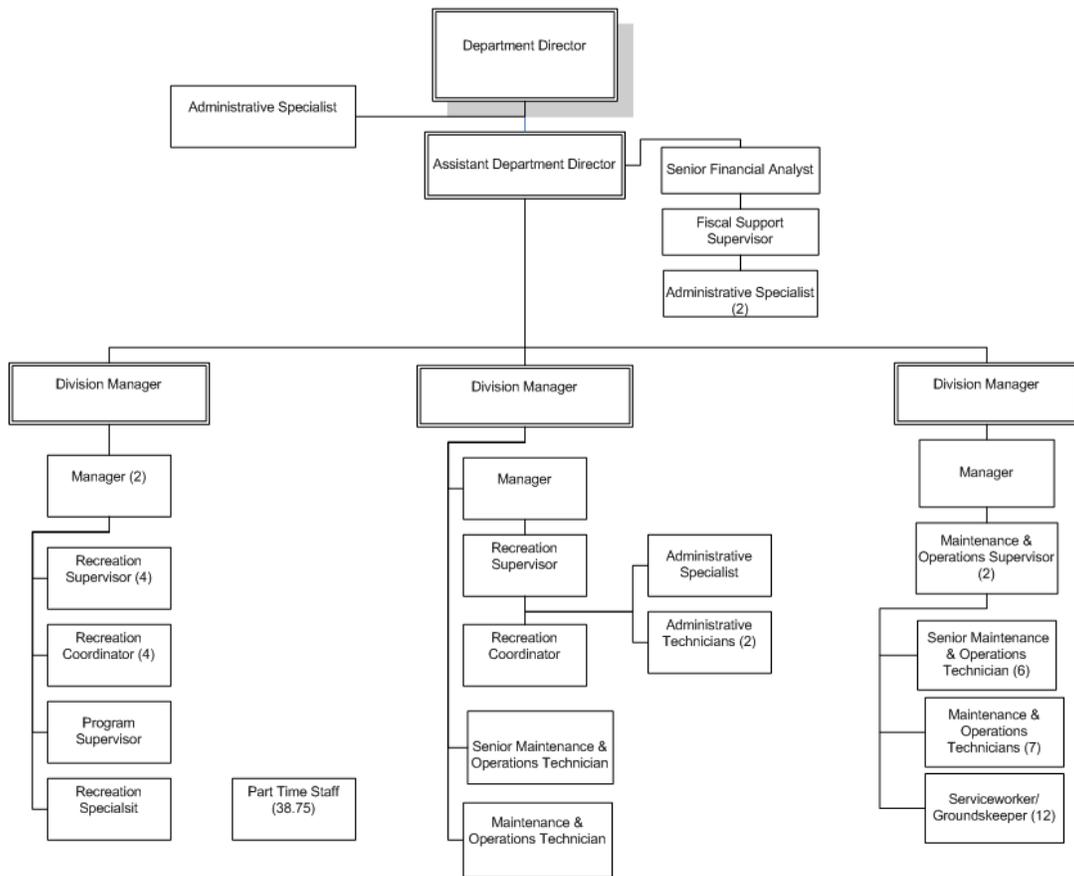
Description

The city of Surprise Community and Recreation Services Department is responsible for recreational programming, sports tourism events, signature and community special events, recreational facility operations, and ground maintenance of city parks. Recreation programming includes aquatics, youth and adult sports, tennis programming, library services, senior programs, teen programming, and adaptive programming. Special event and sports tourism includes spring training, regional and national tennis tournaments, as well as community and signature events such as annual surprise party event and performances in the park.

Mission Statement

The mission of the city of Surprise Community and Recreation Services Department is to enrich and complement the lives of Surprise residents through stewardship of our resources while providing responsive programs which promote and prioritize diversity, cultural, neighborhood, family, education, recreation, and wellness opportunities.

Organizational Chart



Primary Functions

The following services are provided by the department:

- Provide quality, cost-effective and safe recreational programs to the community of Surprise
- Offer safe and clean facilities to the residents of Surprise
- Facilitate quality, affordable special events
- Promotion of community, recreation, and sports tourism programs enhancing and creating quality of life opportunities for the residents in Surprise
- Parks and recreation open space and facility master planning
- Oversight of personnel, budget, resources, program development, and policy development
- Provides human resources support, internal and external customer service, fiscal management, and departmental marketing and promotions
- Operational, organizational, and daily general facility maintenance and parks maintenance
- Staff liaisons for Tourism Advisory Board, CRS Advisory Board, Teen Advisory Board, Arts and Cultural Advisory Board, and Surprise Sundancers Board

Divisions

Administration -

The Administration Division provides leadership and overall department oversight for Community and Recreation Services, including 58 full time employees and 38.75 full time equivalents (FTE) in part time employee support, and five boards and commissions. The division provides fiscal oversight for an operating budget of \$12.6 million and ensures revenue recovery of at least \$3.8 million.

Aquatics -

The Aquatics Division manages the Surprise Aquatic Center and the Hollyhock Community Pool. Water safety, lessons, open swim, special events, swim and dive teams and pool rentals are offered at the pools.

Campus & Park Maintenance -

The Campus and Park Maintenance Division oversee turf and ground maintenance of the 145-acre Surprise Recreation Campus and 400 acres within 15 parks and recreation center grounds. Parks Maintenance supports a variety of recreational activities and provides an overall aesthetically pleasing appearance for the community. Activity includes ramada/private rental support, aquatics and splash pad maintenance, lake quality, special event support, CRS recreation sports and practice leagues support, routine grounds maintenance, maintain parks playground units, dog park, graffiti/vandalism/storm reports and repairs, and capital improvement support.

Library -

The Library Division provides for a service agreement with the Maricopa County Library District which operates the Northwest Surprise Regional Library and the Hollyhock Branch Library.

Recreation -

The Recreation Division manages programming that includes youth and adult sports, adaptive recreation, tennis, senior programs, special interest classes, summer camp, tot time and teens totaling over 1,500 programs.

Sports Tourism & Events -

The Sports Tourism and Events Division is responsible for sports tourism and events as well as the operation and facility maintenance of the 145-acre Surprise Recreation Campus, specifically stadium operations. This division markets, plans, and implements events, as well as acquires sponsorships/donations for the entire department. The primary focus is to bring forward activities and events that provide an economic impact to the city which attracts local, regional, and national participants. Regular activities include Spring Training, year round MLB training operations, Arizona Fall League, six National USTA events, the CTCA Tennis Championships, Surprise Party, Performances in the Park, Memorial Day, Spring Eggstravaganza, and the annual 4 of July celebration.

Support Services

Support Services provides human resources support, internal and external customer service, procurement and contractual services, bookkeeping and departmental support to all divisions of the Community and Recreation Services department. This activity supports the recreation department as a whole.

Recreation Centers

Sierra Montana and Countryside Recreation Centers offer quality, cost-effective, safe, and enjoyable recreational programs and facilities to Surprise residents of all ages and abilities so they can recreate, learn a variety of new skills, improve health and/or self-esteem, and socialize. Activities include facility operations and maintenance, drop-in recreation for youth and teens, special events such as father daughter dance, a variety of special interest classes, preschool programs, and teen dances. Countryside Elementary uses the gym for physical education classes and sports programs as well.

Teens

Teen programs provide quality, cost-effective, safe, and enjoyable teen programs to Surprise Residents age 13 – 17 so they can learn lifelong skills, have a voice in their community, gain leadership skills, showcase their skills, and socialize at teen events and activities. Activities include an 11 member teen advisory board, a youth leadership summit and program for 160 youth, art competitions such as battle of the bands and teen talent, and tournaments.

Major Budget Changes

The FY2013 general fund budget of \$12,564,800 represents a 1% decrease from the FY2012 amended budget of \$12,716,600. The department reduced personnel expenditures by \$554,400 by eliminating 3.8 full-time positions, which included a vacant division manager position and reduced a division manager to a manager position. In addition, a tiered pay structure was established for part-time salaries, and the parks/campus maintenance division was restructured, impacting eight full-time positions. Personnel expenditures were also impacted by a 1.04% increase in the employer contribution for the Arizona State Retirement System and a 5.30% increase in the healthcare premium rates programmed for FY2013.

The department reduced supplies for FY2013. A portion of the reduction was the elimination of purchases for the city store and projected water savings. The increase in services budget is due to an intergovernmental agreement between the city and the Maricopa County Library District to transfer financial responsibility of library operations to the city over a five-year period which increased the departments overall budget. The first year payment is programmed in the Library division in the amount of \$450,000.

The department was granted one time budget authority of \$50,000 for a master plan revision to support the general plan and the city of Surprise Strategic Plan. Revisions will update requirements for future open space, parks, trails, and recreation facility development, and improvements required for existing parks and facilities. Master plan revisions will establish guidelines based on population and national parks and recreation benchmarks.

The Surprise recreation campus was operated under a separate special revenue fund in FY2010. These operations were combined in the general fund beginning in FY2011.

Expenditures

| | FY2010 | FY2011 | FY2012 | FY2013 | FY2013 |
|--|---------|---------|---------|---------|--------|
| | Actuals | Actuals | Amended | Adopted | to |
| | | | Budget | Budget | FY2012 |

Community and Recreation ServicesBy category

| | | | | | |
|-----------------|---------------------|---------------------|---------------------|---------------------|------------|
| Personnel | \$ 4,778,644 | \$ 5,948,957 | \$ 6,218,000 | \$ 5,663,600 | -9% |
| Supplies | 1,407,815 | 1,805,795 | 1,733,500 | 1,722,600 | -1% |
| Services | 3,031,115 | 4,326,740 | 4,765,100 | 5,178,600 | 9% |
| Capital | 341,422 | - | - | - | 0% |
| Transfer Out | - | 55,269 | - | - | 0% |
| Subtotal | \$ 9,558,995 | \$12,136,761 | \$12,716,600 | \$12,564,800 | -1% |

By division

| | | | | | |
|----------------------------------|---------------------|---------------------|---------------------|---------------------|------------|
| Administration | \$ 466,470 | \$ 431,654 | \$ 474,400 | \$ 610,900 | 29% |
| Aquatics | 562,152 | 473,706 | 584,900 | 557,400 | -5% |
| Campus Operations | - | 3,188,140 | 3,202,700 | 3,338,900 | 4% |
| Community Promotions | 141,875 | 170,314 | 140,700 | 129,400 | -8% |
| Countryside Recreation Center | - | - | 169,800 | 183,700 | 8% |
| Library | 158,446 | 119,318 | 162,800 | 587,300 | 261% |
| Park Maintenance | 2,503,019 | 2,274,374 | 2,539,200 | 2,212,100 | -13% |
| Recreation | 3,892,756 | 3,763,587 | 3,488,300 | 3,208,500 | -8% |
| Sierra Montana Recreation Center | - | - | 248,900 | 246,900 | -1% |
| Special Events | 440,398 | 494,821 | 515,400 | 525,700 | 2% |
| Tennis | 1,393,880 | 1,220,847 | 1,189,500 | 964,000 | -19% |
| Subtotal | \$ 9,558,995 | \$12,136,761 | \$12,716,600 | \$12,564,800 | -1% |

Campus OperationsBy category

| | | | | | |
|-----------------|---------------------|-------------|-------------|-------------|-----------|
| Personnel | \$ 1,422,113 | \$ - | \$ - | \$ - | 0% |
| Supplies | 438,720 | - | - | - | 0% |
| Services | 1,241,522 | - | - | - | 0% |
| Capital | - | - | - | - | 0% |
| Subtotal | \$ 3,102,355 | \$ - | \$ - | \$ - | 0% |

By department

| | | | | | |
|-----------------------------------|---------------------|-------------|-------------|-------------|-----------|
| Community and Recreation Services | \$ 3,102,355 | \$ - | \$ - | \$ - | 0% |
| Subtotal | \$ 3,102,355 | \$ - | \$ - | \$ - | 0% |

| | FY2010 Actuals | FY2011 Actuals | FY2012 Amended Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|-----------------------------------|---------------------|---------------------|-----------------------------|-----------------------------|------------------------|
| Totals | | | | | |
| <u>By category</u> | | | | | |
| Personnel | \$ 6,200,757 | \$ 5,948,957 | \$ 6,218,000 | \$ 5,663,600 | -9% |
| Supplies | 1,846,535 | 1,805,795 | 1,733,500 | 1,722,600 | -1% |
| Services | 4,272,637 | 4,326,740 | 4,765,100 | 5,178,600 | 9% |
| Capital | 341,422 | - | - | - | 0% |
| Transfer Out | - | 55,269 | - | - | 0% |
| Total | \$12,661,351 | \$12,136,761 | \$12,716,600 | \$12,564,800 | -1% |
| <u>By division</u> | | | | | |
| Administration | \$ 466,470 | \$ 431,654 | \$ 474,400 | \$ 610,900 | 29% |
| Aquatics | 562,152 | 473,706 | 584,900 | 557,400 | -5% |
| Campus Operations | - | 3,188,140 | 3,202,700 | 3,338,900 | 4% |
| Community and Recreation Services | 3,102,355 | - | - | - | 0% |
| Community Promotions | 141,875 | 170,314 | 140,700 | 129,400 | -8% |
| Countryside Recreation Center | - | - | 169,800 | 183,700 | 8% |
| Library | 158,446 | 119,318 | 162,800 | 587,300 | 261% |
| Park Maintenance | 2,503,019 | 2,274,374 | 2,539,200 | 2,212,100 | -13% |
| Recreation | 3,892,756 | 3,763,587 | 3,488,300 | 3,208,500 | -8% |
| Sierra Montana Recreation Center | - | - | 248,900 | 246,900 | -1% |
| Special Events | 440,398 | 494,821 | 515,400 | 525,700 | 2% |
| Tennis | 1,393,880 | 1,220,847 | 1,189,500 | 964,000 | -19% |
| Total | \$12,661,351 | \$12,136,761 | \$12,716,600 | \$12,564,800 | -1% |

Personnel

| | FY2010 Amended Budget | FY2011 Amended Budget | FY2012 Adopted Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|------------------------|
| Community and Recreation Services | | | | | |
| Administrative Specialist | 3.0 | 4.0 | 4.0 | 4.0 | 0.0 |
| Administrative Technician | 2.0 | 2.0 | 2.0 | 2.0 | 0.0 |
| Analyst | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Assistant Department Director | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 |
| Department Director | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Division Manager | 4.0 | 6.0 | 6.0 | 3.0 | -3.0 |
| Fiscal Support Supervisor | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Maintenance & Operations Supervisor | 0.0 | 2.0 | 2.0 | 2.0 | 0.0 |
| Maintenance & Operations Technician | 9.0 | 14.0 | 14.0 | 8.0 | -6.0 |
| Manager | 2.0 | 2.0 | 2.0 | 4.0 | 2.0 |
| Program Supervisor | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Recreation Aide | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Recreation Coordinator | 6.0 | 6.0 | 6.0 | 5.0 | -1.0 |
| Recreation Specialist | 2.0 | 2.0 | 2.0 | 1.0 | -1.0 |
| Recreation Supervisor | 5.0 | 5.0 | 5.0 | 5.0 | 0.0 |
| Senior Financial Analyst | 0.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Senior Maint & Operations Technician | 9.0 | 13.0 | 13.0 | 7.0 | -6.0 |
| Service Worker/Groundskeeper | 0.0 | 4.0 | 4.0 | 12.0 | 8.0 |
| Part Time | 25.0 | 33.4 | 36.5 | 38.8 | 2.3 |
| Subtotal | 72.0 | 97.4 | 100.5 | 96.8 | -3.8 |
| Campus Operations | | | | | |
| Division Manager | 2.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Maintenance & Operations Supervisor | 2.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Maintenance & Operations Technician | 5.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Sr Maintenance & Operations Techniciar | 4.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Service Worker/Groundskeeper | 4.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Part Time | 5.6 | 0.0 | 0.0 | 0.0 | 0.0 |
| Subtotal | 22.6 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total | 94.6 | 97.4 | 100.5 | 96.8 | -3.8 |

Accomplishments and Enhancements

- The Community and Recreation Services Department delivered over 1,500 recreation and special events programs, servicing nearly 430,000 participants.
- The 2012 Spring Training was the highest grossing season in ten years, generating almost \$4.8 million dollars. Merchandise and concessions sales were amongst the highest increases since opening in 2003 and the Texas Rangers and Kansas City Royals saw their per game attendance increase by 8.1% and 4.6%, respectively. A facility surcharge of \$1 was added to specific ticketing levels which realized an additional \$100,000 in revenue to facilitate development of a fund to be utilized for stadium improvements. With the Texas Rangers signing Yu Darvish, a highly sought after pitcher from Japan, staff strategized how to accommodate an influx of 250-300 Japanese media.

- A grant provided by the Tourism Advisory Board helped fund the first annual Surprise BBQ Fest which was held the day before the first spring training game. The festival drew 6,000 this year.
- The Surprise Tourism Committee provided funds through the transient lodging tax (bed tax) increase that was adopted by the Mayor and City Council in 2011 for increased CTCA promotion in the western market, brought the Surprise BBQ Fest, the Art is Alive in Surprise Art in partnership with the What's Happen'n Arts Movement (WHAM).
- The 4th Annual Cancer Treatment Centers of America Tennis Championships returned to Surprise. Surprise exclusively added another element to the tournament by including a second session which featured a mixed doubles match. The First Annual Surprise Ring of Fire Craft Beer and Local Food Festival was held at the Tennis and Racquet Complex prior to matches on Saturday. Patrons enjoyed samplings from unique specialty Craft beers brewed along the Pacific Ocean's "Ring of Fire" as well as local cuisine.
- The Surprise Youth Leadership Council, which consists of 25 youth from the Teen Advisory Board, collaborated on projects which included working on the Surprise Community Garden, physical fitness/healthy families event, green fair/school recycling program, pool safety, and special needs awareness event.
- The Surprise Stadium hosted two Korean professional baseball teams for spring training; the Kia Tigers and the Nexen Heroes. Both teams contend in the Korean Baseball Organization which is the highest level of baseball in South Korea.
- The first annual 'Art is Alive in Surprise' Art Festival presented by WHAM Art Association in partnership with the Surprise Arts & Cultural Board and Tourism Advisory Board was held. Over 30 artists participated in the event which featured a Plein Air Art contest where artists created their submissions on location.
- Surprise hosted the Cal Ripken 12-year old Pacific Southwest Regional tournament in July featuring teams from California, Nevada, Utah and Arizona. In addition, the Sandy Koufax 14-year old World Series was held at the Recreation Campus for the 4th consecutive year. The event will be replaced in 2012 with two World Series events as we welcome the Gil Hodges (11 year olds) division World Series and the Ken Griffey Jr. (15 year olds) World Series.
- Cost recovery goals for facilities continue to be a goal for the department. The Sierra Montana and Countryside Recreation Centers are in the third year of a three year plan to be 100% cost recoverable; the plan detailed year one at 70% recovery, 85% recovery in year two, and full cost recovery in year three. For FY2012 it is projected the recreation centers will realize 100% cost recovery. The Surprise Tennis and Racquet Complex is in the second year of a three year plan to be 100% cost recoverable; the plan details that year one be at 70% recovery, year two at 85% recovery, and year three 100% cost recoverable. For FY2012, the complex is projected to realize 80% recovery.

Efficiencies

- Recruited and trained over 900 volunteer youth sports coaches totaling 34,400 donated hours (a monetary value of over \$678,000) (based on the 2011 National Average of Independent Sector Dollar Value of a Volunteer Hour in Arizona of \$19.71)
- Continued coordination of over 750 Surprise Sundancer volunteers who contributed 42,500 volunteer hours; a value to the city of over \$827,900 (based on the 2009 National Average of Independent Sector Dollar Value of a Volunteer Hour in Arizona)
- Received continuation of grant funding from the Area Agency on Aging for operation of the Senior Center congregate meals
- Modified use of full time staff and volunteers by staggering schedules to provide coverage in lieu of using part-time salaries or reducing services. Salary savings used to staff and promote additional revenue generating programs
- Final recommendations submitted to reduce part time salary rate via a tiered system to recognize experience and longevity of seasoned and experienced part time staff and realize appropriate compensation levels similar to other valley programs
- CRS collaborated with the Public Works Sustainability Division to utilize ARRA grant funds and APS rebates to initiate a project to reduce the stadium's energy consumption by updating fixtures and adding lighting control measures. The savings will not be fully realized for three to five years

Goals, Objectives, and Performance Measures

- **Goal:** Provide quality sports programs to residents and visitors of Surprise
 - **Objective:** Provide youth sports at a 50% revenue recovery rate or greater

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012* Estimate | FY2013 Target |
|--|---------------|---------------|---------------|------------------|---------------|
| Number of programs offered | 21 | 27 | 30 | 30 | 30 |
| Number of participants | 7,696 | 8,028 | 8,200 | 8,254 | 8,300 |
| Revenue | \$421,221 | \$414,000 | \$430,000 | \$430,000 | \$430,000 |
| Direct expenses of offering the program (per participant) | \$80.64 | \$75.57 | \$70.12 | \$77.53 | \$77.10 |
| Direct cost to the city per participant (after revenues applied) | \$25.91 | \$24.00 | \$17.68 | \$25.43 | \$25.29 |
| Revenue recovery (net revenue less expenses) | 68% | 68% | 75% | 67% | 67% |

**Began paying out-of-pocket costs for use of Dysart Unified School District Facilities*

- **Objective:** Provide signature community events which include 4th of July, Performance in the Park, Surprise Party, College Baseball, Fan Fest, Spring Eggstravaganza, movie nights, and Memorial Day Parade (sports tourism events such as CTCA and Spring Training are not included)

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|-----------------------------|---------------|---------------|---------------|-----------------|---------------|
| Number of Events Offered | 11 | 11 | 11 | 15 | 16 |
| Number of Participants | 47,170* | 69,442 | 75,000 | 76,000 | 80,000 |
| Direct cost per participant | \$4.13 | \$4.13 | \$4.13 | \$6.47 | \$5.40 |

**Spring Eggstravaganza cancelled due to weather*

- **Objective:** Engage the teen community while maximizing use of recreation facilities

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|--------------------------------|---------------|---------------|---------------|-----------------|---------------|
| Number of programs offered | 90 | 90 | 90 | 90 | 90 |
| Number of participants | 20,557 | 21,824 | 22,000 | 31,000 | 31,000 |
| Number of teen volunteers | 146 | 150 | 160 | 142 | 160 |
| Number of teen volunteer hours | 1,327 | 1,400 | 1,500 | 1,879 | 2,200 |

- **Goal:** Provide safe and well-maintained facilities that protect public safety, maximize the usability of facilities, and instill community pride in its parks
 - **Objective:** Maintain parks at an average level of service of 2.5 or better

| Performance Measures | FY2010* Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|-----------------------------------|----------------|---------------|---------------|-----------------|---------------|
| Total park acres | 392.5 | 392.5 | 392.5 | 392.5 | 392.5 |
| Actual hours of parks maintenance | 55,735 | 66,600 | 66,600 | 68,930 | 68,900 |
| Maintenance cost per acre | \$9,427 | \$10,015 | \$10,015 | \$9,913 | \$9,913 |

*Surprise Farms (Full Year), Asante (Mar-Jun) – actual maintenance hours did not increase due to reductions in force. FY2012 Asante full year

- **Objective:** Maximize use of the Surprise Recreation Campus, Surprise Stadium, Practice Fields, and 8 Acre Park

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|--|---------------|---------------|---------------|-----------------|---------------|
| Number of calendar days the surprise recreation campus / stadium is in use | 266 | 272 | 280 | 284 | 285 |
| Attendance (all uses) | 305,375 | 263,106 | 365,800 | 256,946* | 260,000 |
| Total volunteer hours | 35,560 | 39,472 | 43,000 | 36,000 | 38,000 |

*MSBL did not play as many games in the stadium as projected

- **Objective:** Provide Cactus League Spring Training Major League Baseball in the City of Surprise generating an economic impact of over \$30 million dollars (source Arizona Cactus League Association)

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target* |
|-----------------------------|---------------|---------------|---------------|-----------------|----------------|
| Gross Revenue (in Millions) | \$3.7 | \$4.1 | \$4.2 | \$4.8 | \$4.4 |
| Attendance | 169,762 | 176,407 | 180,000 | 180,681 | 180,000 |
| Number of Games | 29 | 31 | 30 | 29 | 29 |

*FY2013 Target projection anticipates one rainout, trend without teams in World Series, potential new concessions and/or merchandise vendor

- **Goal:** Provide quality aquatic programs to residents and visitors of Surprise
 - **Objective:** Provide aquatic programs at a 50% revenue direct recovery rate or greater

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|--|----------------------|----------------------|----------------------|------------------------|----------------------|
| Number of programs offered | 750 | 685 | 750 | 634 | 692 |
| Number of participants | 72,138 | 71,315 | 68,932 | 71,300 | 69,561 |
| Revenue | \$207,368 | \$209,950 | \$193,700 | \$195,000 | \$199,100 |
| Direct expenses of offering the program (per participant) | \$2.85 | \$3.04 | \$4.73 | \$3.08 | \$3.16 |
| Direct cost to the city per participant (after revenues applied) | \$0.00 | \$0.10 | \$1.92 | \$0.35 | \$0.30 |
| Revenue recovery (net revenue less expenses) | 101% | 97% | 59% | 89% | 91% |



Tourism Fund

Description

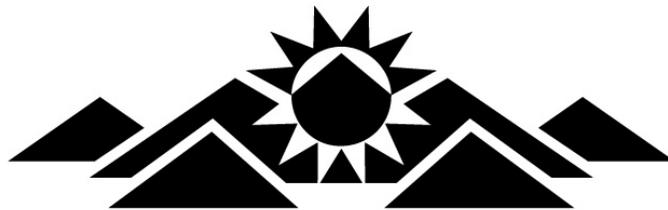
The tourism fund is established to track expenses and revenue associated with the dedicated 1.52% transient lodging tax (bed tax). The fund was a newly established special revenue fund for FY2010. The city of Surprise Tourism Board recommended on January 5, 2010, as part of the on-going strategic plan development, a 1.52% increase to the transient lodging tax. The Mayor and City Council approved the increase on January 28, 2010 with Ordinance No. 2010-04. Its use is restricted to promoting and marketing tourism for the city of Surprise.

Major Budget Changes

The adopted FY2013 budget of \$258,900 represents a 42% decrease over the FY2012 amended budget of \$448,200. Services are programmed at \$100,000 for special events approved by the Mayor and City Council in the prior year. Contingency of \$158,900 is available for expenditure authority if an eligible program is brought before the Tourism Board for consideration.

| | FY2010 Actuals | FY2011 Actuals | FY2012 Amended Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|-----------------------------------|-------------------|-------------------|-----------------------------|-----------------------------|------------------------|
| Expenditures | | | | | |
| <u>By category</u> | | | | | |
| Services | \$ - | \$ - | \$ - | \$ 100,000 | 0% |
| Contingency | - | - | 295,400 | 158,900 | -46% |
| Transfer Out | 84,251 | - | 152,800 | - | -100% |
| Total | \$ 84,251 | \$ - | \$ 448,200 | \$ 258,900 | -42% |
| <u>By department</u> | | | | | |
| Community and Recreation Services | \$ - | \$ - | \$ - | \$ 100,000 | 0% |
| General Operations | 84,251 | - | 448,200 | 158,900 | -65% |
| Total | \$ 84,251 | \$ - | \$ 448,200 | \$ 258,900 | -42% |

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2013 Adopted Budget

Public Works

- Public Works Department – General Fund
- Public Works Department – Highway User Revenue Fund
- Street Light Improvement District Fund

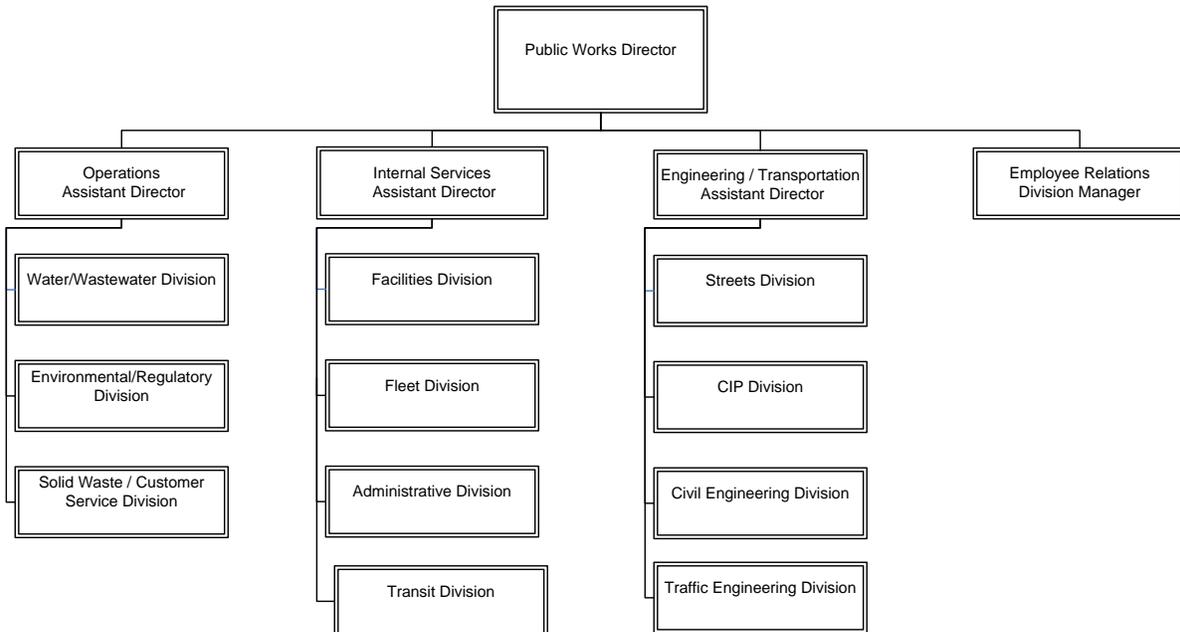
Public Works Department General Fund

Description

The divisions of the Public Works Department funded by the general fund include: vehicle maintenance, facilities management, engineering development, and storm water services. Other divisions and funds managed by the Public Works Department and detailed on separate pages include streets and transportation funded by the highway user revenue fund (HURF), and water, wastewater, and sanitation.

Organizational Chart

Due to the intricacies of the reporting structure within the Public Works Department, a high-level organizational chart, summarized at the division level, is provided below. Actual personnel budgeted in the general fund are detailed in the personnel table under the Major Budget Changes section by position title.



Primary Functions

- Centralized administrative and management services including purchasing, budget, information technology, and management support
- Fuel management plans and salvage and auction services
- Ensuring all fleet vehicles are within required specifications and providing motor pool service
- Vehicle repair, diagnostic services, and preventative and scheduled maintenance
- Engineering development and civil plan reviews, civil inspections, permitting, in-house design, and updates to the engineering design standards
- Construction inspection
- Develop and promote sustainability initiatives citywide, conduct efficiency audits, and manage sustainability related projects
- Manage the planning, architectural, and engineering design and construction of city capital projects and provide infrastructure planning
- Administrative and management services including purchasing, budget, information technology, and management support
- Cleaning of facilities, day porter services, meeting set-ups, compliance checks for exit signage and fire extinguishers, security escorting and minor building maintenance, window washing, parking lot cleaning, and pest control

- Electrical services for all electrical systems and emergency standby systems
- Heating, ventilation, and cooling services to all city facilities
- Maintenance upkeep of city property including carpentry and minor renovations, mechanical systems, card access, security systems, plumbing, and other property and equipment requiring repair or maintenance on a scheduled, emergency, or reactive basis
- Permit administration and reporting to comply with local, state, and federal laws and regulations related to storm water pollution, surface water quality standards, and erosion control
- Regional representation involving storm water management to monitor changes and updates in federal, state, and county regulations
- Perform maintenance and inspections of the municipal separate storm sewer system (MS4) and construction sites, and commercial and industrial properties to ensure proper operations to address storm water pollution prevention, flood control situations, and promptly manage storm recovery efforts
- Monitor the maintenance and effectiveness of privately owned storm water retention basins, drywells, and post-construction erosion control systems to prevent pollutants from entering the city's MS4

Divisions

- Engineering Services - The Engineering Development Services Division provides engineering development review, civil engineering plan review, permit issuance, and construction inspection within the public right of way.
- Facilities Management - The Facilities Management Division is comprised of custodians and building maintenance personnel and is tasked with maintaining city buildings and facilities as well as project management of new construction.
- Vehicle Maintenance - The Vehicle Maintenance Division maintains and repairs the city's fleet of vehicles and equipment.
- Storm Water - The storm water program component of the Environmental Division is responsible for compliance with the Federal Clean Water Act (CWA), the Arizona Pollution Discharge Elimination System (AZPDES), Water Quality Permits, and enforcement of regulations regarding illegal discharges to the MS4.

The departmental operating structure may vary from the budgeted division structure due to current constraints in the budgetary system.

Major Budget Changes

The FY2013 general fund budget of \$5,910,200 represents a 8% decrease from the FY2012 amended budget. Personnel costs decreased \$414,100 through the transfer of a civil engineer to the transportation improvement fund, position changes of division managers to managers, and elimination of a project manager, a utilities analyst, a service worker, and maintenance & operations supervisors. Personnel expenditures were also impacted by a 1.04% increase in the employer contribution for the Arizona State Retirement System and a 5.30% increase in the healthcare premium rates programmed for FY2013. Through continual review of expenditures, additional budgetary operating savings in supplies of \$50,100 and services of \$110,900 are programed in the FY2013 budget.

Expenditures

| | FY2010 Actuals | FY2011 Actuals | FY2012 Amended Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|--|-------------------|-------------------|-----------------------------|-----------------------------|------------------------|
|--|-------------------|-------------------|-----------------------------|-----------------------------|------------------------|

Public WorksBy category

| | | | | | |
|-----------------|---------------------|---------------------|---------------------|---------------------|-------------|
| Personnel | \$ 3,653,720 | \$ 3,478,571 | \$ 3,699,900 | \$ 3,285,800 | -11% |
| Supplies | 590,796 | 643,624 | 754,500 | 736,600 | -2% |
| Services | 1,410,152 | 1,298,036 | 2,098,500 | 1,887,800 | -10% |
| Capital | 284,165 | 6,451 | 100,000 | - | -100% |
| Subtotal | \$ 5,938,833 | \$ 5,426,682 | \$ 6,652,900 | \$ 5,910,200 | -11% |

By division

| | | | | | |
|-------------------------|---------------------|---------------------|---------------------|---------------------|-------------|
| Development Engineering | \$ 1,087,240 | \$ 913,230 | \$ 973,700 | \$ 906,700 | -7% |
| Facilities Management | 3,144,112 | 2,936,637 | 2,993,200 | 2,602,100 | -13% |
| Vehicle Maintenance | 1,613,332 | 1,484,833 | 1,543,500 | 1,405,900 | -9% |
| Storm Water | 94,150 | 90,617 | 141,000 | 23,600 | -83% |
| Transportation | - | 1,365 | 1,001,500 | 971,900 | -3% |
| Subtotal | \$ 5,938,833 | \$ 5,426,682 | \$ 6,652,900 | \$ 5,910,200 | -11% |

TransitBy category

| | | | | | |
|-----------------|-------------------|---------------------|-------------|-------------|-----------|
| Personnel | \$ 503,916 | \$ 521,161 | \$ - | \$ - | 0% |
| Supplies | 67,428 | 69,118 | - | - | 0% |
| Services | 339,392 | 321,720 | - | - | 0% |
| Capital | - | - | - | - | 0% |
| Transfer Out | - | 174,000 | - | - | 0% |
| Subtotal | \$ 910,736 | \$ 1,085,998 | \$ - | \$ - | 0% |

By department

| | | | | | |
|-----------------|-------------------|---------------------|-------------|-------------|-----------|
| Public Works | \$ 910,736 | \$ 1,085,998 | \$ - | \$ - | 0% |
| Subtotal | \$ 910,736 | \$ 1,085,998 | \$ - | \$ - | 0% |

TotalsBy category

| | | | | | |
|--------------|---------------------|---------------------|---------------------|---------------------|-------------|
| Personnel | \$ 4,157,636 | \$ 3,999,732 | \$ 3,699,900 | \$ 3,285,800 | -11% |
| Supplies | 658,223 | 712,741 | 754,500 | 736,600 | -2% |
| Services | 1,749,545 | 1,619,756 | 2,098,500 | 1,887,800 | -10% |
| Capital | 284,165 | 6,451 | 100,000 | - | -100% |
| Transfer Out | - | 174,000 | - | - | 0% |
| Total | \$ 6,849,569 | \$ 6,512,680 | \$ 6,652,900 | \$ 5,910,200 | -11% |

By division

| | | | | | |
|-------------------------|---------------------|---------------------|---------------------|---------------------|-------------|
| Development Engineering | \$ 1,087,240 | \$ 913,230 | \$ 973,700 | \$ 906,700 | -7% |
| Facilities Management | 3,144,112 | 2,936,637 | 2,993,200 | 2,602,100 | -13% |
| Vehicle Maintenance | 1,613,332 | 1,484,833 | 1,543,500 | 1,405,900 | -9% |
| Storm Water | 94,150 | 90,617 | 141,000 | 23,600 | -83% |
| Transportation | - | 1,365 | 1,001,500 | 971,900 | -3% |
| Public Works | 910,736 | 1,085,998 | - | - | 0% |
| Total | \$ 6,849,569 | \$ 6,512,680 | \$ 6,652,900 | \$ 5,910,200 | -11% |

| | FY2010 Amended Budget | FY2011 Amended Budget | FY2012 Adopted Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|--------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|------------------------|
| Public Works | | | | | |
| Administrative Specialist | 3.0 | 3.0 | 3.0 | 3.0 | 0.0 |
| Assistant Department Director | 0.0 | 0.0 | 0.2 | 0.4 | 0.2 |
| Associate Civil Engineer | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Civil Engineer | 2.0 | 2.0 | 2.0 | 1.0 | -1.0 |
| Civil Engineering Supervisor | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Department Director | 1.0 | 1.0 | 0.2 | 0.2 | 0.0 |
| Division Manager | 4.0 | 4.0 | 1.8 | 0.0 | -1.8 |
| Fiscal Support Specialist | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Information Technology Administrator | 1.0 | 1.0 | 1.2 | 1.2 | 0.0 |
| Inspector | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Maintenance & Operations Specialist | 9.0 | 9.0 | 9.0 | 9.0 | 0.0 |
| Maintenance & Operations Supervisor | 2.0 | 2.0 | 3.0 | 0.0 | -3.0 |
| Maintenance & Operations Technician | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Manager | 0.0 | 0.0 | 0.0 | 2.3 | 2.3 |
| Program Assistant | 0.0 | 0.0 | 8.0 | 8.0 | 0.0 |
| Program Supervisor | 0.0 | 0.0 | 1.0 | 1.0 | 0.0 |
| Project Manager | 1.0 | 1.0 | 1.0 | 0.0 | -1.0 |
| Senior Civil Engineer | 1.0 | 1.0 | 0.0 | 0.0 | 0.0 |
| Senior Financial Analyst | 0.0 | 0.0 | 0.2 | 0.2 | 0.0 |
| Senior Inspector | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Senior Maint & Operations Technician | 8.0 | 8.0 | 7.0 | 7.0 | 0.0 |
| Service Worker/Groundskeeper | 6.0 | 6.0 | 6.0 | 5.0 | -1.0 |
| Utilities Analyst | 1.0 | 1.0 | 1.0 | 0.0 | -1.0 |
| Part Time | 0.0 | 0.2 | 1.3 | 1.3 | 0.0 |
| Subtotal | 45.0 | 45.2 | 51.9 | 45.7 | -6.2 |
| Transit | | | | | |
| Program Assistant | 8.0 | 8.0 | 0.0 | 0.0 | 0.0 |
| Program Supervisor | 1.0 | 1.0 | 0.0 | 0.0 | 0.0 |
| Part Time | 1.1 | 1.1 | 0.0 | 0.0 | 0.0 |
| Subtotal | 10.1 | 10.1 | 0.0 | 0.0 | 0.0 |
| Total | 55.1 | 55.3 | 51.9 | 45.7 | -6.2 |

Capital

A one-time operating capital budget of \$170,000 is added for FY2013 for the construction of storm water mitigation at the northwest corner at 163rd Avenue and Pat Tillman Boulevard.

Accomplishments, Enhancements, and Efficiencies

- Realigned the department for more efficient operations and reduce Public Works staff by five positions
- Maximized fleet usage
- Initiated a reduction in non-public safety fleet size with a target of 5%
- Developed an intranet reporting website for performance and finance reports for the department
- Evaluated energy consumption at City Hall, the Public Safety Building, and SPA 1 WRF
- Partnered with Arizona Public Service (APS) for solar public/private partnership at the Northwest Regional Library
- Currently updating the existing storm water management plan to incorporate additional new permits and requirements to ensure a healthier, greener Surprise. The updated plan will incorporate several individual pollution prevention plans into one overall management plan that will streamline the efficient use of city resources in complying with our federal and state permits.
- Participated in two Maricopa County Regional Storm Water and Construction seminars to extend the educational outreach of the storm water program to contractors and builders. Provided permitting and inspection information to those contractors with projects county-wide as well as in Surprise.
- The storm water program participated in the permitting and construction processes for four new industrial facilities completed or currently under construction and therefore helping to provide effective management over pollutant sources with a potential impact to the surface and groundwater resources within the city.
- Prepare and distribute city-wide fuel report
- Create underutilized vehicle report
- Reduction of fleet parts inventory
- Participated in APS Peak Solutions program for a reduction of electrical consumption during peak times resulting in the City receiving approximately \$10,000
- Facilitated the successful completion or near completion of the following tax generating land development projects: Wal-Mart at SR303 and Waddell Road, Marley Park Square at Litchfield Road and Waddell Road, Surprise Medical Plaza in the Surprise Center, Carl's Jr. Restaurant at Bell Road and Grand Avenue
- Completed engineering plans and specifications for Arizona Traditions' outfall drainage channel
- From the National Employee Survey under the Quality of Support Services category, the city as a whole scored the highest at 85% for custodial cleaning services
- From the National Employee Survey under both the Quality of Support Services and Timeliness of Support Services categories , the city as a whole received an overall score of 79% for facility management services
- Managed the following improvement projects: painted exterior of Surprise Regional Chamber of Commerce, carpet replacement at Northwest Regional Library, and break room improvements at the vehicle maintenance yard

Major Initiatives and Policy Issues

- Determine if city intends to pursue a storm water fee or utility.
- Review the engineering development standards for minor edits or updates
- Continue efforts on forming street light improvement districts in all areas
- Regionalize Dial-A-Ride services with Valley Metro
- Participate in MAG Northwest Valley Local Transit Study

Goals, Objectives, and Performance Measures

- **Goal:** Vehicle Maintenance Division – will focus on operational improvement and financial sustainability
 - **Objective:** Complete all work orders and service requests timely and efficiently by improving response times and reducing or maintaining current costs of providing services
 - **Objective:** Reduce non-public safety fleet size by 5%

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|--|---------------|---------------|---------------|-----------------|---------------|
| Work orders completed (includes equipment) | 5,333 | 4,657 | 5,400 | 4,500 | 4,600 |
| Reduce non public safety fleet size | 0% | 0% | -5% | -5% | -2% |
| Average time to respond to emergency call outs | 30 Minutes | 30 Minutes | 30 Minutes | 30 Minutes | 30 Minutes |
| Average time spent on vehicle set-ups | 90 days | 120 days | 120 days | 120 days | 120 days |
| Operating costs per job for preventative maintenance | \$75 | \$75 | \$90 | \$90 | \$90 |

**New measure, data not available*

- **Goal:** Facilities Management Division - focus on operational improvements
 - **Objective:** Perform high quality heat/ventilation/air conditioning (HVAC), electrical, maintenance, custodial requests, work orders, and emergency requests by improving response times and reducing or maintaining current cost levels of providing services

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|--|---------------|---------------|---------------|-----------------|---------------|
| HVAC - major repair services – on time completion | 98% | 98% | 98% | 95% | 99% |
| HVAC - minor repair services – on time completion | 99% | 99% | 99% | 92% | 98% |
| Electrical - work orders completed | 360 | 491 | 360 | 227 | 350 |
| Electrical - on time completion | 98% | 98% | 98% | 94% | 97% |
| Electrical - average response time for emergency requests | 30 minutes | 30 minutes | 30 minutes | 30 minutes | 30 minutes |
| Facility support - turnaround time for work orders completed | 12 days | 16 days | 12 days | 20 days | 10 days |
| Maintenance - work order requests | 2,634 | 2,347 | 2,634 | 1,956 | 2,500 |
| Maintenance - on time completion | 97% | 97% | 97% | 95% | 98% |
| Custodial - cost per square foot for city custodial services | \$0.85 | \$0.85 | \$0.86 | \$0.90 | \$0.88 |
| Custodial - cost per square foot for contracted custodial services | \$0.56 | \$0.56 | \$0.56 | \$0.56 | \$0.54 |

- **Goal:** *Engineering Division - improve public's knowledge of the review process to reduce the number of third and subsequent reviews required, increase the number of approvals upon first review, and maintain staff presence on active construction sites*
 - **Objective:** Reduce the number of "third and subsequent submittals approved" by increasing approvals in the "initial submittal approval"
 - **Objective:** Increase inspector percent of time on construction sites to 67%
 - **Objective:** Increase percentage of active construction sites visited daily to 30%

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|---|----------------------|----------------------|----------------------|------------------------|----------------------|
| Plan review - number of sheets reviewed | 1,811 | 1,322 | 2,000 | 1,325 | 1,800 |
| Inspections – number of permits issued for civil inspection | 269 | 174 | 300 | 305 | 400 |
| Inspection - percent of time on site | 65% | 65% | 67% | 67% | 67% |
| Inspection - percent of sites inspected daily | 26% | 20% | 28% | 35% | 35% |

- **Goal:** Storm Water Division - maintain compliance with the Arizona Department of Environmental Quality storm water program requirements as specified in the city of Surprise storm water management plan, ensure all air quality permit and hazardous material compliance requirements are addressed for citywide facilities, and manage a variety of required programs to ensure compliance with local, state, and federal regulations
 - **Objective:** Develop and manage the city's hazmat program for right-of-way and general fund city facilities
 - **Objective:** Develop and manage the city's air quality program and permits for all general fund city facilities
 - **Objective:** Perform monitor and inspect the MS4 and construction sites ensuring proper operations to address storm water pollution prevention and flood control situations
 - **Objective:** Monitor and inspect the maintenance and effectiveness of privately owned storm water infrastructures within the city's MS4 to include the prevention and detection of pollutants that may enter the city's MS4 through, basins, drywells, and post-construction erosion control systems
 - **Objective:** Regional involvement in drainage master planning to identify areas of existing flooding problems and alternative solutions
 - **Objective:** Plan for and respond to illicit discharges to minimize or eliminate the introduction of pollutants into the city's MS4, the environment, and the waterways of the state

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimated | FY2013 Target |
|--|---------------|---------------|---------------|------------------|---------------|
| Storm Water/Air Quality permits maintained | 3 | 4 | 18 | 18 | 18 |
| Number of new federal, state, and county storm water rules/regulations reviewed and commented on within regulatory timeframe | --- | 15 | 8 | 8 | 10 |
| Number of SWPPPs reviewed and commented on within 14 days | 20 | 10 | 15 | 15 | ** |
| Number of outreach events participated in for storm water public outreach component | 19 | 11 | 15 | 15 | 15 |
| Number of storm water outfalls inspected for Illicit Discharge Detection Elimination (IDDE) component (103 outfalls total) | 20 | 21 | 20 | 20 | 20 |
| Number of IDDEs detected and remedied | 5 | 2 | 3 | 8 | 10 |
| Storm water inspections or site audits performed | * | * | * | * | 12 |

*New measure, data not available.

**Measure no longer applicable due to changes in local, state, or federal requirements

Public Works Department Highway User Revenue Fund

Description

The highway user revenue fund (HURF) is established to track non-transit transportation related activities. HURF is the only fund other than the general fund required by state law. The transportation, traffic engineering workgroups and the streets division of the Public Works Department are funded by HURF. The streets division is structured in eight functions as follows: operations, asphalt, concrete, crack sealing, right of way, street sweeping, striping/signs, and pavement preservation. The transportation division is structured in three primary functions as follows: general operations, traffic management and signals.

Organizational Chart

HURF is managed by the Public Works Department within the Engineering/Transportation Division. This organizational chart can be found on the Public Works Department general fund page of this document. A detailed list of actual positions directly funded by HURF can be found on the following page.

Primary Functions

- Centralized administrative and management services including purchasing, budget, information technology, and management support
- Street maintenance services including asphalt patching, surface repairs and milling, level up and deep patching, pothole repairs, and crack sealing
- Construct, repair, and maintain sidewalks, ramps, curbs, gutters, truncated domes, utility access covers, guardrails, and barricades
- Street preservation including systematically applying a series of preventative maintenance treatments over the life of the pavement areas
- Right of way maintenance including landscaping, weed abatement, graffiti removal, response to road hazards and accidents, and dirt street, shoulder, and alley maintenance
- Street sweeping
- Intelligent Transportation System operation
- Traffic signal service and maintenance
- Traffic signs and markings service and maintenance
- Traffic engineering, planning, management, and control services
- Transportation planning

Divisions

Streets - Responsible for the care and maintenance of dedicated pavement, sidewalks and rights of way including signs and striping within the city of Surprise

Traffic Engineering - Responsible for the traffic engineering operations, signal operations, signing, marking, traffic control, and Intelligent Transportation Systems for the City

The departmental operating structure may vary from the budgeted division structure due to current constraints in the budgetary system.

Major Budget Changes

The FY2013 budget of \$5,790,900 represents a 10% decrease from the FY2012 amended budget. Personnel costs decreased \$381,700 through the transfer of a senior planner to Community and Economic Development, position changes of division managers to managers, and elimination of a service worker, a program supervisor, and maintenance & operations supervisors. Personnel expenditures were also impacted by a 1.04% increase in the employer contribution for the Arizona State Retirement System and a 5.30% increase in the healthcare premium rates programmed for FY2013. Through continual review of expenditures, additional budgetary operating savings in supplies of \$63,800 and services of \$219,000 are programmed in the FY2013 budget.

| | FY2010 Actuals | FY2011 Actuals | FY2012 Amended Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|---------------------|---------------------|---------------------|-----------------------------|-----------------------------|------------------------|
| Expenditures | | | | | |
| <u>By category</u> | | | | | |
| Personnel | \$ 3,082,167 | \$ 2,997,476 | \$ 3,320,900 | \$ 2,939,200 | -11% |
| Supplies | 770,148 | 831,379 | 922,600 | 858,800 | -7% |
| Services | 1,918,254 | 1,716,469 | 2,211,900 | 1,992,900 | -10% |
| Capital | 474,906 | 49,409 | - | - | 0% |
| Contingency | - | - | - | - | 0% |
| Transfer Out | - | 2,071,800 | - | - | 0% |
| Total | \$ 6,245,475 | \$ 7,666,534 | \$ 6,455,400 | \$ 5,790,900 | -10% |

| | | | | | |
|----------------------|---------------------|---------------------|---------------------|---------------------|-------------|
| <u>By department</u> | | | | | |
| Public Works | \$ 6,245,475 | \$ 7,666,534 | \$ 6,455,400 | \$ 5,790,900 | -10% |
| Total | \$ 6,245,475 | \$ 7,666,534 | \$ 6,455,400 | \$ 5,790,900 | -10% |

| | FY2010 Amended Budget | FY2011 Amended Budget | FY2012 Adopted Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|--------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|------------------------|
| Personnel | | | | | |
| Administrative Specialist | 3.0 | 3.0 | 2.4 | 2.4 | 0.0 |
| Assistant Department Director | 1.0 | 1.0 | 0.6 | 0.8 | 0.2 |
| Civil Engineering Supervisor | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Department Director | 0.0 | 0.0 | 0.2 | 0.2 | 0.0 |
| Division Manager | 1.0 | 1.0 | 1.9 | 0.0 | -1.9 |
| Information Technology Administrator | 0.0 | 0.0 | 0.2 | 0.2 | 0.0 |
| Maintenance & Operations Specialist | 2.0 | 2.0 | 2.0 | 2.0 | 0.0 |
| Maintenance & Operations Supervisor | 4.0 | 4.0 | 3.0 | 1.0 | -2.0 |
| Maintenance & Operations Technician | 14.0 | 14.0 | 14.0 | 14.0 | 0.0 |
| Manager | 0.0 | 0.0 | 0.0 | 1.5 | 1.5 |
| Program Coordinator | 2.0 | 2.0 | 2.0 | 3.0 | 1.0 |
| Program Supervisor | 1.0 | 1.0 | 1.0 | 0.0 | -1.0 |
| Senior Financial Analyst | 0.0 | 0.0 | 0.2 | 0.2 | 0.0 |
| Senior Maint & Operations Technician | 8.0 | 8.0 | 8.0 | 8.0 | 0.0 |
| Senior Planner | 1.0 | 1.0 | 1.0 | 0.0 | -1.0 |
| Service Worker/Groundskeeper | 7.0 | 7.0 | 7.0 | 6.0 | -1.0 |
| Total | 45.0 | 45.0 | 44.6 | 40.3 | -4.3 |

Accomplishments, Enhancements, and Efficiencies

- Realigned the signing and striping division activities for better efficiencies
- Placed various surface treatments on 63.9 lane miles or 26.3 center line miles of pavement as part of the annual pavement preservation program
- Retrofitted 32 ramps at 18 arterial intersections to meet Americans with Disabilities Act requirements
- Established an urban forestry activity on Bell Road by removing and replacing 25 deceased or dead trees and trimming / thinning the canopies
- Staff has integrated the Litchfield Road and Peoria Avenue fiber optics with the Traffic Management Center for the Intelligent Transportation System (ITS)
- Connected six existing and two new traffic signals to the ITS network via wireless connections

Major Initiatives and Policy Issues

- Development a city of Surprise urban forest manual
- Develop a tree inventory and removal policy
- Continued administration of a pavement preservation program
- Integrate the ITS fiber optic cable on Bell Road with the four traffic signals west of Loop 303 to the ITS network
- Install two dynamic message signs, one on each entrance to the city on Bell Road
- Complete design of the ITS fiber optic connections on Loop 303 from Waddell Road to Bell Road
- Connect four remaining existing intersections to the ITS network via wireless

Goals, Objectives, and Performance Measures

- **Goal:** Remove graffiti within twenty-four hours of notification
 - **Objective:** Reduce graffiti tag events by responding in a timely manner, thus discouraging repeat episodes by taggers

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|---|---------------|---------------|---------------|-----------------|---------------|
| Number of calls requesting graffiti removal | 41 | 50 | 50 | 40 | 40 |
| Average days to respond to graffiti calls | 1 | 1 | 1 | 1 | 1 |

- **Goal:** Proactively provide cost effective street repair, minor construction, right of way, pavement preservation, and street sweeping services within target time frames
 - **Objective:** Ensure timely responses to service requests and work orders while reducing or maintaining current cost levels for providing services

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|---|---------------|---------------|---------------|-----------------|---------------|
| Turnaround for completed work orders | 16 days | 20 days | 20 days | 20 days | 20 days |
| Percent of streets in satisfactory condition | 78% | 81% | 83% | 83% | 84% |
| Road rehabilitation expenditures per paved lane mile | \$388 | \$15,778 | \$1,254 | \$12,288 | \$10,000 |
| Number of lane miles swept | 22,615 | 30,061 | 24,000 | 25,136 | 25,000 |
| Number of times a cycle of sweeping all residential streets was completed | 22 | 24 | 23 | 23 | 23 |
| Number of times a cycle of sweeping all arterial streets was completed | 23 | 24 | 23 | 23 | 23 |
| Percent of street sweeping work orders completed within 30 days | 100% | 100% | 98% | 100% | 100% |

- **Goal:** Enhance traffic safety and efficiency in the city by utilizing the latest technology and traffic engineering standards to ensure the safest, most efficient and cost effective transportation system possible
 - **Objective:** Analyze traffic impacts of new development and work with developers on mitigation strategies for generated traffic
 - **Objective:** Review traffic control plans within two business days

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|--|---------------|---------------|---------------|-----------------|---------------|
| Number of traffic impact analysis reviewed | 18 | 14 | 20 | 10 | 15 |
| Number of traffic control plans approved | 287 | 206 | 300 | 113 | 200 |
| Percent of traffic control plans reviewed within 2 business days | 95% | 98% | 95% | 100% | 100% |

- **Objective:** Analyze high collision intersections and develop countermeasures to improve traffic safety at these locations

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|--|---------------|---------------|---------------|-----------------|---------------|
| High collision intersections analyzed | 0 | 15 | 30 | 25 | 30 |
| Number of intersection counts performed | 62 | 70 | 70 | 70 | 70 |
| Number of intersection warrants performed | 30 | 15 | 25 | 70 | 70 |
| Number of intelligent transportation system reports reviewed | 120 | 200 | 500 | 500 | 500 |

- **Objective:** Install and replace pavement markings in accordance with department policies and provide traffic signs in a timely and cost effective manner

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|---|---------------|---------------|---------------|-----------------|---------------|
| Lane miles completed | 160 | 175 | 115 | 115 | 115 |
| Number of signs requested by a customer | 463 | 1,250 | 500 | 500 | 500 |
| Number of signs fabricated | 2,686 | 2,500 | 2,500 | 2,500 | 2,500 |
| Cost per fabrication completed | \$27.49 | \$27.50 | \$27.50 | \$27.50 | \$27.50 |



Street Light Improvement District Funds

Description

Street light improvement district (SLID) funds are established by ordinance to provide a centralized location for the collection of taxes from properties directly benefiting from the district. These proceeds are legally restricted to expenditures for a specified purpose (including the payment for electricity to operate the streetlights within the district). The Mayor and City Council serve as the governing board for each of the districts. The city has the authority to levy taxes on properties included in the district.

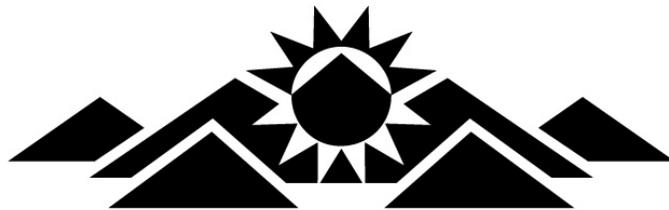
Major Budget Changes

Currently there are 99 SLIDs operated by the city. Additional districts will be added as new subdivisions open. All street light operational costs are paid for through a special district property tax assessment. The city of Surprise assesses up to the maximum levy of \$1.20 per hundred dollars of assessed valuation for each district and has established a separate fund for each district. Actual assessment is based upon estimated expenditures.

| | FY2010 Actuals | FY2011 Actuals | FY2012 Amended Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|----------------------|---------------------|---------------------|-----------------------------|-----------------------------|------------------------|
| Expenditures | | | | | |
| <u>By category</u> | | | | | |
| Services | \$ 2,175,147 | \$ 2,332,341 | \$ 2,439,369 | \$ 2,659,500 | 9% |
| Contingency | - | - | 757,131 | - | -100% |
| Total | \$ 2,175,147 | \$ 2,332,341 | \$ 3,196,500 | \$ 2,659,500 | -17% |
| <u>By department</u> | | | | | |
| Public Works | \$ 2,175,147 | \$ 2,332,341 | \$ 3,196,500 | \$ 2,659,500 | -17% |
| Total | \$ 2,175,147 | \$ 2,332,341 | \$ 3,196,500 | \$ 2,659,500 | -17% |

As homes are constructed and sold within the SLID, the property tax levy should reach a point wherein the funds raised are adequate to cover the operating costs of the street lights. Currently, several districts have negative fund balances. The maximum tax rate is being charged to property owners within each district to the extent warranted by the expenditures of the SLID. As assessed valuation of the district increases, the SLID tax levy rate will generally decrease.

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2013 Adopted Budget

Utilities

- Water Operations Fund
- Water Systems Development Fee Fund SPA 1
- Water Systems Development Fee Fund SPA 2
- Water Systems Development Fee Fund SPA 3
- Water Systems Development Fee Fund SPA 4
- Water Systems Development Fee Fund SPA 5
- Water Systems Development Fee Fund SPA 6
- Water Replenishment Development Fee Fund SPA 1
- Water Replenishment Development Fee Fund SPA 2
- Water Replenishment Development Fee Fund SPA 3
- Water Replenishment Development Fee Fund SPA 4
- Water Replenishment Development Fee Fund SPA 5
- Water Replenishment Development Fee Fund SPA 6
- Wastewater Operations Fund
- Wastewater System Development Fee Fund SPA 1
- Wastewater System Development Fee Fund SPA 2
- Wastewater System Development Fee Fund SPA 3
- Wastewater System Development Fee Fund SPA 4
- Wastewater System Development Fee Fund SPA 5
- Wastewater System Development Fee Fund SPA 6
- Sanitation Operations Fund



Water Operations Fund

Description

The water operations fund is established as an enterprise fund to account for the provision of water services to users. The Public Works Department manages this fund to provide the city and customers water for drinking, irrigation, commercial, and industrial uses in a quantity and quality that meets or exceeds standards. The department also provides water infrastructure that supports a long-term assured water supply and sustainable operations through the planning, implementation, operation, and maintenance of city of Surprise owned water facilities and systems.

The Public Works Department is responsible for oversight of an agreement with Arizona American Water Company for the billing services of city of Surprise water customers. The citizens of Surprise are serviced by several water systems including EPCOR Utilities Inc., the city of El Mirage, the Beardsley Water Company, and the city of Surprise. The city owned system serves about one-third of the total citizens in Surprise.

Organizational Chart

The personnel assigned to the water operations fund are managed by the Public Works Department within divisions under the assistant director of operations. Due to the intricacies of the reporting hierarchy within the Public Works Department, a division level organizational chart showing the Water Operations Division, can be found in the Public Works general fund section of this document. A detailed list of actual positions funded by the water operations fund can be found on the following personnel who are directly funded by the water operations fund are detailed in the personnel table within the Major Budget Changes.

Primary Functions

- Coordinates and provides centralized administrative and management services including purchasing, budget, information technology, and management support
- Oversees maintenance, operation, process engineering, and administrative support services related to the drinking and reclaimed water systems
- Operates and maintains the drinking and reclaimed water pipeline infrastructure systems
- Participates in development reviews and management and planning of architectural and engineering design and construction of city capital projects
- Operates a centralized call center to provide one location for customer services
- Provides utility locating services to ensure legal compliance with the Arizona Blue Stake laws requiring all facility owners to accurately mark all underground facilities within specified time frames
- Ensures environmental regulatory compliance in such areas as drinking water quality, air quality, cross connection controls, water conservation and water resource management, water quality control and assurance, and data administration

Divisions

| | |
|---------------------------|---|
| <u>Administration</u> - | Maintains all the centralized administrative functions |
| <u>Operations</u> - | Oversees all the day-to-day operations and maintenance of the production, treatment, and distribution of drinking water |
| <u>CIP – Utilities</u> - | Responsible for city related water infrastructure construction projects and utility locations |
| <u>Customer Service</u> - | Responds to customer's water service requests, complaints and customer needs. |
| <u>Utility Locating</u> - | Performs utility locating - blue stake activities |
| <u>Environmental</u> - | Oversees compliance and reporting aspects of the government regulations regarding reclaimed water quality, drinking water quality and supply, storm water quality, and air quality relating specifically to the city's water facilities |

The departmental operating structure may vary from the budgeted division structure due to current constraints in the budgetary system.

Major Budget Changes

The FY2013 water operations fund budget of \$10,667,100 due to a 4% decrease from the FY2012 amended budget. Personnel costs decreased \$235,700, position changes of division managers to managers, a project manager to a program supervisor, senior financial analyst to budget/accounting manager, a replacement of a utilities analyst with a manager, and the elimination of an administration technician, a utilities analyst, and maintenance and operations supervisor. Personnel expenditures were also impacted by a 1.04% increase in the employer contribution for the Arizona State Retirement System and a 5.30% increase in the healthcare premium rates programmed for FY2013. Through continual review of expenditures, additional budgetary operating savings in supplies of \$72,700 and services of \$713,000 are programed in the FY2013 budget.

Payments to the general fund in the amount of \$1,453,900 are programmed in FY2013 to cover the indirect costs associated with general fund personnel provided services and support to the water fund. Also programmed in the transfer to the general fund are payments in lieu of property tax (PILOT) assessments of \$96,400, and franchise in lieu of \$213,600.

| | FY2010 Actuals | FY2011 Actuals | FY2012 Amended Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|------------------------|---------------------|---------------------|-----------------------------|-----------------------------|------------------------|
| Expenditures | | | | | |
| <u>By category</u> | | | | | |
| Personnel | \$ 2,259,822 | \$ 2,361,414 | \$ 2,612,100 | \$ 2,376,400 | -9% |
| Supplies | 507,541 | 374,288 | 651,500 | 578,800 | -11% |
| Services | 4,608,002 | 4,615,268 | 4,946,000 | 4,233,000 | -14% |
| Capital | - | 10,685 | 290,900 | 554,000 | 90% |
| Debt Service | - | 5,176 | - | - | 0% |
| Depreciation | 1,844,270 | 2,495,771 | - | - | 0% |
| Contingency | - | - | 804,800 | 1,161,000 | 44% |
| Transfer Out | 1,493,873 | 1,866,309 | 1,827,200 | 1,763,900 | -3% |
| Development Agreements | - | (6,827) | 14,600 | - | -100% |
| Total | \$10,713,508 | \$11,722,085 | \$11,147,100 | \$10,667,100 | -4% |
| <u>By department</u> | | | | | |
| Community Development | \$ - | \$ - | \$ 14,600 | \$ - | -100% |
| Economic Development | 10,828 | - | - | - | 0% |
| Finance | - | - | - | 77,600 | 0% |
| General Operations | - | 1,530,195 | - | - | 0% |
| Information Services | - | - | 39,700 | - | -100% |
| Public Works | 10,702,680 | 10,191,890 | 11,092,800 | 10,589,500 | -5% |
| Total | \$10,713,508 | \$11,722,085 | \$11,147,100 | \$10,667,100 | -4% |

| | FY2010 Amended Budget | FY2011 Amended Budget | FY2012 Adopted Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|--------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|------------------------|
| Personnel | | | | | |
| Accountant/Tax Auditor | 0.3 | 0.0 | 0.0 | 0.0 | 0.0 |
| Administrative Specialist | 0.0 | 0.0 | 0.2 | 0.2 | 0.0 |
| Administrative Technician | 2.0 | 2.0 | 2.4 | 1.4 | -1.0 |
| Analyst | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Assistant Analyst | 0.0 | 0.3 | 0.3 | 0.0 | -0.3 |
| Assistant Department Director | 0.0 | 0.0 | 0.3 | 0.5 | 0.2 |
| Budget/Accounting Manager | 0.0 | 0.0 | 0.0 | 0.3 | 0.3 |
| Department Director | 0.0 | 0.0 | 0.2 | 0.2 | 0.0 |
| Division Manager | 1.0 | 1.0 | 2.4 | 0.5 | -1.9 |
| Information Technology Administrator | 1.0 | 1.0 | 0.2 | 0.2 | 0.0 |
| Inspector | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Lead Utility Technician | 2.0 | 2.0 | 2.0 | 2.0 | 0.0 |
| Maintenance & Operations Specialist | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Maintenance & Operations Supervisor | 1.0 | 2.0 | 2.0 | 1.0 | -1.0 |
| Maintenance & Operations Technician | 3.0 | 3.0 | 3.0 | 3.0 | 0.0 |
| Manager | 1.0 | 1.0 | 1.0 | 2.9 | 1.9 |
| Program Supervisor | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 |
| Project Manager | 2.0 | 2.0 | 2.0 | 1.0 | -1.0 |
| Senior Financial Analyst | 0.0 | 1.3 | 0.5 | 0.2 | -0.3 |
| Senior Maint & Operations Technician | 3.0 | 2.0 | 1.0 | 1.0 | 0.0 |
| Senior Utilities Technician | 3.0 | 4.0 | 4.0 | 4.0 | 0.0 |
| Utilities Analyst | 5.0 | 5.0 | 5.0 | 4.0 | -1.0 |
| Utilities Supervisor | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Utilities Technician | 3.0 | 3.0 | 3.0 | 3.0 | 0.0 |
| Total | 31.3 | 32.7 | 32.6 | 29.4 | -3.2 |

Capital

The water operations fund FY2013 budget includes \$1,018,000 programmed for capital projects.

Accomplishments, Enhancements, and Efficiencies

- Constructing recharge wells to reduce future Central Arizona Project (CAP) costs of \$500,000 annually
- Acquire and manage 15 new air quality permits for water facilities
- Completed the conversion for the Veramonte HOA irrigation system from a potable water source to a reclaimed water source
- Completed the site and security master plan for the city's water facilities

Major Initiatives and Policy Issues

- Development of a safety manual
- Coordinate with Finance Department to update water services utility rates to ensure full cost recovery of utility service provision via monthly billings
- Integrated city IT fiber optic locating within Utility Locating Division

Goals, Objectives, and Performance Measures

- **Goal:** Operations Division - operate and maintain the city's water supply facilities, wells, and water distribution and transmission systems in a safe, efficient, and cost effective manner
 - **Objective:** Operate all water supply systems safely within regulatory requirements, maintain current service levels, and reduce or maintain current cost levels

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|---|---------------|---------------|---------------|-----------------|---------------|
| Millions of gallons of water pumped per day | 6.4 | 6.1 | 6.5 | 5.9 | 6.7 |
| Cost per thousand gallons of drinking water delivered | \$1.53 | \$1.47 | \$1.10 | \$1.47 | \$1.10 |
| Electrical usage (kilowatt-hour) per million gallons of water delivered | 3,985 | 4,078 | 3,300 | 3,959 | 3,300 |
| Millions of gallons of reclaimed water recharged per day* | 4.03 | 3.27 | 5.68 | 4.72 | 5.68 |

* This Performance Measure was modified from reclaimed water reused to recharged. A measurement of recharge water is a significant Performance Measure because recharge water offsets groundwater withdrawal fees.

- **Goal:** Customer Service Division - provide customer service call center, field customer services; water meter installation, testing, maintenance, and replacements
 - **Objective:** Enhance the customer service call center and web page
 - **Objective:** Continue to provide water meter installations, testing, and maintenance programs

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|-------------------------------------|---------------|---------------|---------------|-----------------|---------------|
| Water customers | 14,519 | 14,130* | 14,128 | 14,320 | 14,560 |
| Service requests | 1,547 | 1,335 | 1,700 | 2,295 | 2,000 |
| New water meters installed | 57 | 73 | 92 | 40 | 50 |
| Call center average speed of answer | ** | 0:32 | 1:00 | 1:40 | 2:00 |

*Change in methodology of calculating customer counts

**New measure, data not available

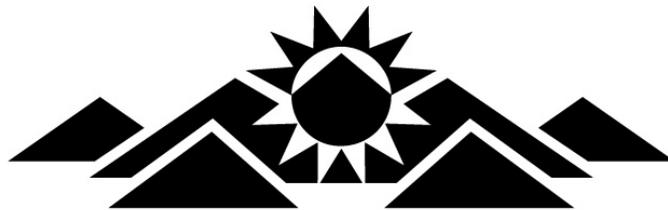
- **Goal:** CIP Utilities and Utility Locating Divisions - on time and on budget construction of all water infrastructure required for the city of Surprise
 - **Objective:** Assist in coordinating the design and construction of all water infrastructure to meet the city requirements to operate and maintain all systems safely within regulatory requirements

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|--|---------------|---------------|---------------|-----------------|---------------|
| Percent of projects that remain on schedule | 97% | 97% | 87% | 94% | 90% |
| Percent of projects that remain on budget | 95% | 98% | 92% | 100% | 95% |
| Percent of utility locating requests completed within 48 hours | 98% | 97% | 99% | 97% | 98% |
| Percentage of master plans reviewed within allotted time | 99% | 100% | 95% | 100% | 95% |

- **Goal:** Environmental Division – to manage a variety of required programs to ensure a high level of quality drinking water is provided from the city’s wells through the water distribution system
 - **Objective:** Develop and manage the city’s water resources portfolio
 - **Objective:** Protect the city’s drinking water system through prevention, detection, and correction of contamination or loss of drinking water or drinking water sources

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|--|---------------|---------------|---------------|-----------------|---------------|
| Central Arizona Project (CAP) water allotment recharged | 100% | 100% | 70% | 51% | 51% |
| Lost and unaccounted for water | 3.2% | 3.2% | <5% | <4% | <4% |
| Water quality data reviews for quality assurance / quality control | 4,330 | 4,541 | 4,768 | 5,644 | 6,000 |
| Backflow devices tracked and regulated | 547 | 576 | 600 | 579 | 585 |
| Water permits maintained | 23 | 22 | 23 | 37 | 37 |

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2013 Adopted Budget

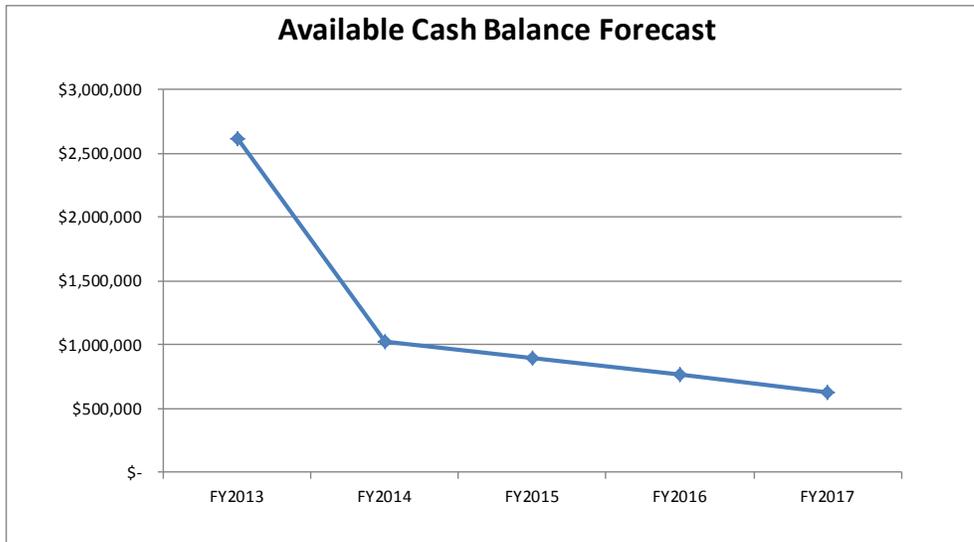


Water System Development Fee Fund SPA 1

Description

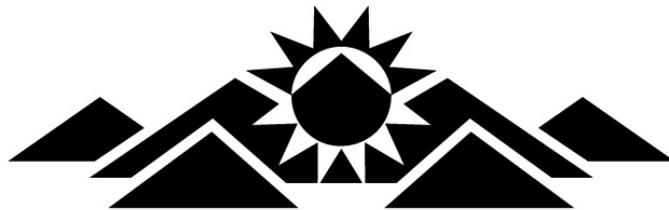
The water system development fee fund is established to account for the inflow of water system development fees levied on new construction. This fee can only be used for the purchase, construction, financing, and furnishing of new items directly related to the increased demand on the water system caused by growth. Development fees cannot be used to subsidize operational needs.

Revenues are based upon an estimated issuance of single family residential permits and the estimated square feet of non-single family residential permits in FY2013. On April 26, 2011 Senate Bill 1525 was signed into law and changed the method the city used to calculate development impact fees. Arizona Revised Statutes §9-463.05.K requires municipalities planning to continue assessing development impact fees complete an interim study effective January 1, 2012 and an updated development impact fee study effective August 1, 2014. The city has revised fees based on the interim study and plans on meeting the requirements of the August, 2014 deadline. The water system development fee that was established July 1, 2007, remains unchanged at \$3,895 for drinking water and \$3,923 for dual water per single family residential permit.



| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|--|----------------|----------------|--------------|--------------|--------------|
| Beginning Cash Balance | \$ 3,565,604 | \$ 2,611,804 | \$ 1,029,804 | \$ 898,204 | \$ 762,104 |
| Sources | | | | | |
| Development Fee Revenue | 260,000 | 270,000 | 280,000 | 290,000 | 300,000 |
| Interest Earnings | 21,600 | 22,000 | 22,400 | 22,800 | 23,300 |
| Total Sources | \$ 281,600 | \$ 292,000 | \$ 302,400 | \$ 312,800 | \$ 323,300 |
| Uses | | | | | |
| Capital Project Expenditures | \$ (1,190,500) | \$ (1,604,000) | \$ (154,000) | \$ (154,000) | \$ (154,000) |
| Developer Reimbursement | (40,000) | (270,000) | (280,000) | (290,000) | (300,000) |
| Development Impact Fee Study | (3,400) | - | - | (3,400) | - |
| Contingency - Development Impact Fee Study | (1,500) | - | - | (1,500) | - |
| Total Uses | \$ (1,235,400) | \$ (1,874,000) | \$ (434,000) | \$ (448,900) | \$ (454,000) |
| Ending Cash Balance | \$ 2,611,804 | \$ 1,029,804 | \$ 898,204 | \$ 762,104 | \$ 631,404 |

City of Surprise, Arizona



S U R P R I S E

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FY2013 Adopted Budget

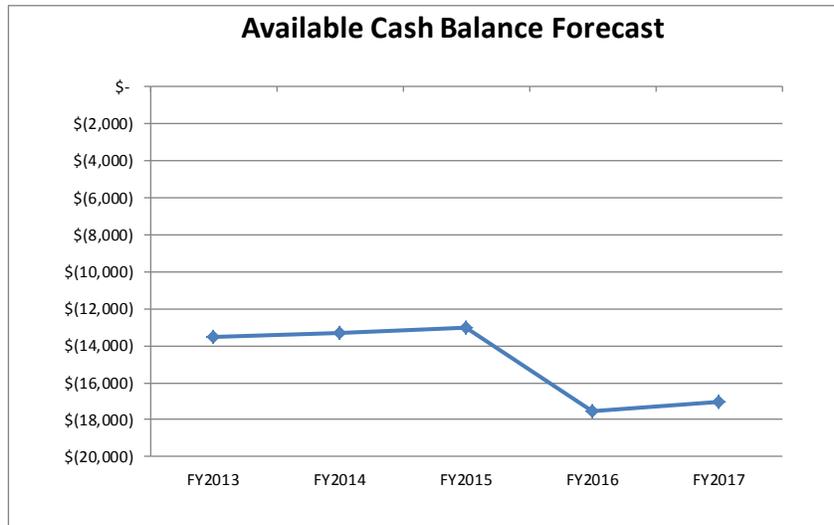


Water System Development Fee Fund SPA 2

Description

The water system development fee fund is established to account for the inflow of water system development fees levied on new construction. This fee can only be used for the purchase, construction, financing, and furnishing of new items directly related to the increased demand on the water system caused by growth. Development fees cannot be used to subsidize operational needs.

Revenues are based upon an estimated issuance of single family residential permits and the estimated square feet of non-single family residential permits in FY2013. On April 26, 2011 Senate Bill 1525 was signed into law and changed the method the city used to calculate development impact fees. Arizona Revised Statutes §9-463.05.K requires municipalities planning to continue assessing development impact fees complete an interim study effective January 1, 2012 and an updated development impact fee study effective August 1, 2014. The city has revised fees based on the interim study and plans on meeting the requirements of the August, 2014 deadline. The water system development fee that was established July 1, 2007, remains unchanged at \$3,895 for drinking water and \$3,923 for dual water per single family residential permit.



| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|--|-------------|-------------|-------------|-------------|-------------|
| Beginning Cash Balance | \$ (8,710) | \$ (13,510) | \$ (13,310) | \$ (13,010) | \$ (17,510) |
| Sources | | | | | |
| Development Fee Revenue | - | - | - | - | - |
| Interest Earnings | 100 | 200 | 300 | 400 | 500 |
| Total Sources | \$ 100 | \$ 200 | \$ 300 | \$ 400 | \$ 500 |
| Uses | | | | | |
| Development Impact Fee Study | \$ (3,400) | \$ - | \$ - | \$ (3,400) | \$ - |
| Contingency - Development Impact Fee Study | (1,500) | - | - | (1,500) | - |
| Total Uses | \$ (4,900) | \$ - | \$ - | \$ (4,900) | \$ - |
| Ending Cash Balance | \$ (13,510) | \$ (13,310) | \$ (13,010) | \$ (17,510) | \$ (17,010) |

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2013 Adopted Budget

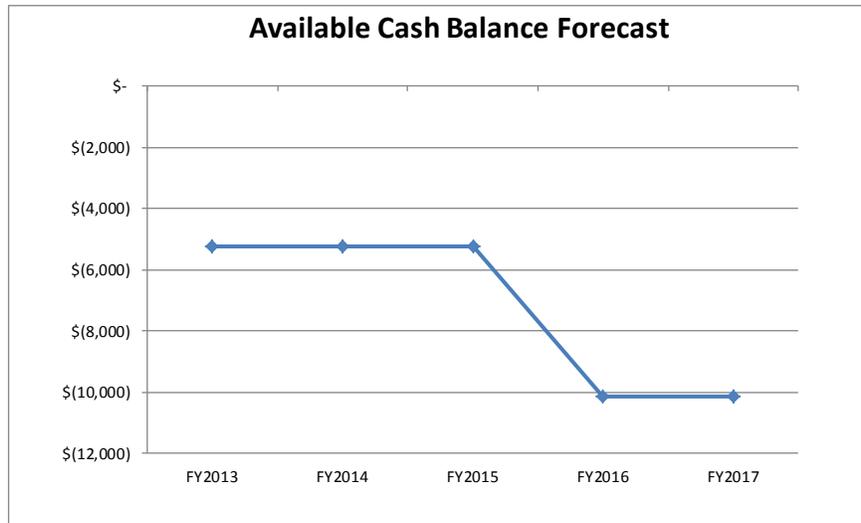


Water System Development Fee Fund SPA 3

Description

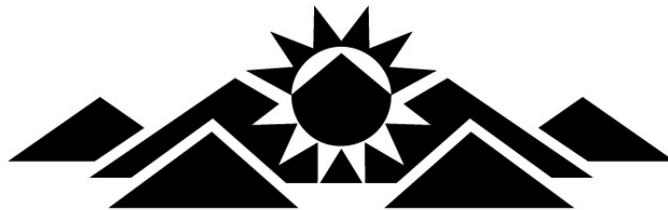
The water system development fee fund is established to account for the inflow of water system development fees levied on new construction. This fee can only be used for the purchase, construction, financing, and furnishing of new items directly related to the increased demand on the water system caused by growth. Development fees cannot be used to subsidize operational needs.

Revenues are based upon an estimated issuance of single family residential permits and the estimated square feet of non-single family residential permits in FY2013. On April 26, 2011 Senate Bill 1525 was signed into law and changed the method the city used to calculate development impact fees. Arizona Revised Statutes §9-463.05.K requires municipalities planning to continue assessing development impact fees complete an interim study effective January 1, 2012 and an updated development impact fee study effective August 1, 2014. The city has revised fees based on the interim study and plans on meeting the requirements of the August, 2014 deadline. The water system development fee that was established July 1, 2007, remains unchanged at \$3,895 for drinking water and \$3,923 for dual water per single family residential permit.



| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|--|-------------------|-------------------|-------------------|--------------------|--------------------|
| Beginning Cash Balance | \$ (337) | \$ (5,237) | \$ (5,237) | \$ (5,237) | \$ (10,137) |
| Sources | | | | | |
| Development Fee Revenue | - | - | - | - | - |
| Total Sources | \$ - | \$ - | \$ - | \$ - | \$ - |
| Uses | | | | | |
| Development Impact Fee Study | \$ (3,400) | \$ - | \$ - | \$ (3,400) | \$ - |
| Contingency - Development Impact Fee Study | (1,500) | - | - | (1,500) | - |
| Total Uses | \$ (4,900) | \$ - | \$ - | \$ (4,900) | \$ - |
| Ending Cash Balance | \$ (5,237) | \$ (5,237) | \$ (5,237) | \$ (10,137) | \$ (10,137) |

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2013 Adopted Budget

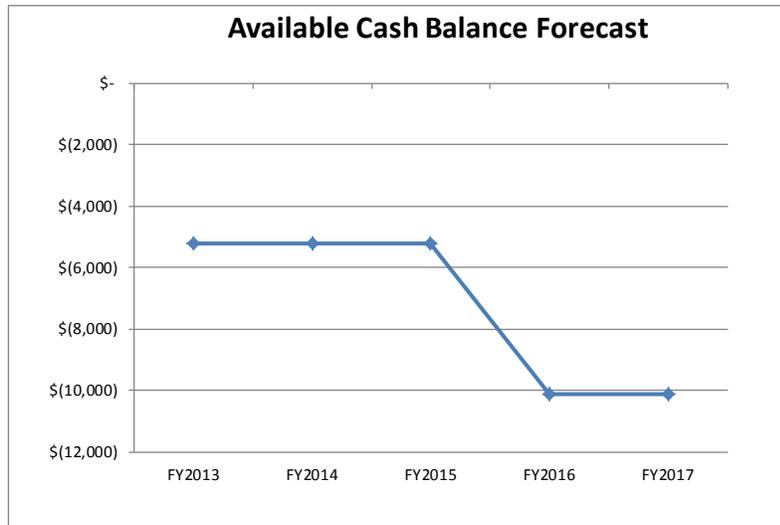


Water System Development Fee Fund SPA 4

Description

The water system development fee fund is established to account for the inflow of water system development fees levied on new construction. This fee can only be used for the purchase, construction, financing, and furnishing of new items directly related to the increased demand on the water system caused by growth. Development fees cannot be used to subsidize operational needs.

Revenues are based upon an estimated issuance of single family residential permits and the estimated square feet of non-single family residential permits in FY2013. On April 26, 2011 Senate Bill 1525 was signed into law and changed the method the city used to calculate development impact fees. Arizona Revised Statutes §9-463.05.K requires municipalities planning to continue assessing development impact fees complete an interim study effective January 1, 2012 and an updated development impact fee study effective August 1, 2014. The city has revised fees based on the interim study and plans on meeting the requirements of the August, 2014 deadline. The water system development fee that was established July 1, 2007, remains unchanged at \$3,895 for drinking water and \$3,923 for dual water per single family residential permit.



| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|--|------------|------------|------------|-------------|-------------|
| Beginning Cash Balance | \$ (337) | \$ (5,237) | \$ (5,237) | \$ (5,237) | \$ (10,137) |
| Sources | | | | | |
| Development Fee Revenue | - | - | - | - | - |
| Total Sources | \$ - | \$ - | \$ - | \$ - | \$ - |
| Uses | | | | | |
| Development Impact Fee Study | \$ (3,400) | \$ - | \$ - | \$ (3,400) | \$ - |
| Contingency - Development Impact Fee Study | (1,500) | - | - | (1,500) | - |
| Total Uses | \$ (4,900) | \$ - | \$ - | \$ (4,900) | \$ - |
| Ending Cash Balance | \$ (5,237) | \$ (5,237) | \$ (5,237) | \$ (10,137) | \$ (10,137) |

City of Surprise, Arizona



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A R I Z O N A

FY2013 Adopted Budget

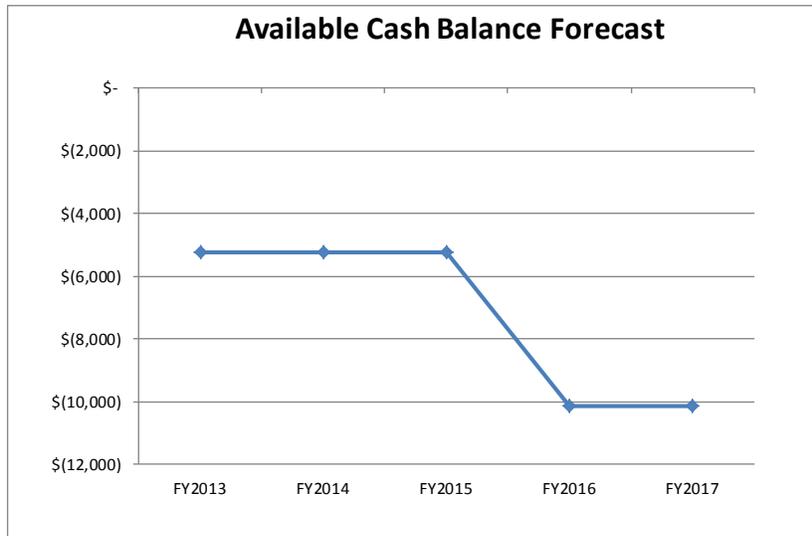


Water System Development Fee Fund SPA 5

Description

The water system development fee fund is established to account for the inflow of water system development fees levied on new construction. This fee can only be used for the purchase, construction, financing, and furnishing of new items directly related to the increased demand on the water system caused by growth. Development fees cannot be used to subsidize operational needs.

Revenues are based upon an estimated issuance of single family residential permits and the estimated square feet of non-single family residential permits in FY2013. On April 26, 2011 Senate Bill 1525 was signed into law and changed the method the city used to calculate development impact fees. Arizona Revised Statutes §9-463.05.K requires municipalities planning to continue assessing development impact fees complete an interim study effective January 1, 2012 and an updated development impact fee study effective August 1, 2014. The city has revised fees based on the interim study and plans on meeting the requirements of the August, 2014 deadline. The water system development fee that was established July 1, 2007, remains unchanged at \$3,895 for drinking water and \$3,923 for dual water per single family residential permit.



| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|--|------------|------------|------------|-------------|-------------|
| Beginning Cash Balance | \$ (337) | \$ (5,237) | \$ (5,237) | \$ (5,237) | \$ (10,137) |
| Sources | | | | | |
| Development Fee Revenue | - | - | - | - | - |
| Total Sources | \$ - | \$ - | \$ - | \$ - | \$ - |
| Uses | | | | | |
| Development Impact Fee Study | \$ (3,400) | \$ - | \$ - | \$ (3,400) | \$ - |
| Contingency - Development Impact Fee Study | (1,500) | - | - | (1,500) | - |
| Total Uses | \$ (4,900) | \$ - | \$ - | \$ (4,900) | \$ - |
| Er Ending Cash Balance | \$ (5,237) | \$ (5,237) | \$ (5,237) | \$ (10,137) | \$ (10,137) |

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2013 Adopted Budget

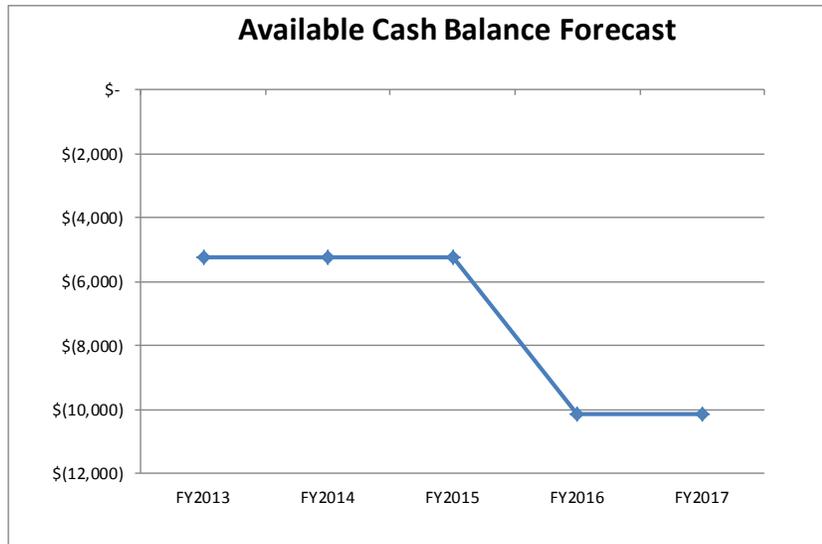


Water System Development Fee Fund SPA 6

Description

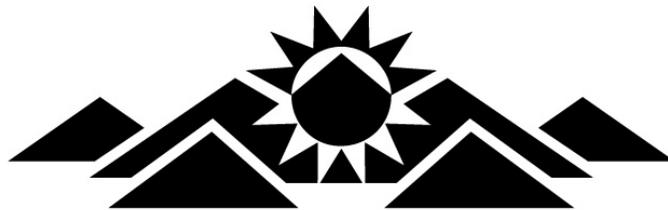
The water system development fee fund is established to account for the inflow of water system development fees levied on new construction. This fee can only be used for the purchase, construction, financing, and furnishing of new items directly related to the increased demand on the water system caused by growth. Development fees cannot be used to subsidize operational needs.

Revenues are based upon an estimated issuance of single family residential permits and the estimated square feet of non-single family residential permits in FY2013. On April 26, 2011 Senate Bill 1525 was signed into law and changed the method the city used to calculate development impact fees. Arizona Revised Statutes §9-463.05.K requires municipalities planning to continue assessing development impact fees complete an interim study effective January 1, 2012 and an updated development impact fee study effective August 1, 2014. The city has revised fees based on the interim study and plans on meeting the requirements of the August, 2014 deadline. The water system development fee that was established July 1, 2007, remains unchanged at \$3,895 for drinking water and \$3,923 for dual water per single family residential permit.



| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|--|------------|------------|------------|-------------|-------------|
| Beginning Cash Balance | \$ (337) | \$ (5,237) | \$ (5,237) | \$ (5,237) | \$ (10,137) |
| Sources | | | | | |
| Development Fee Revenue | - | - | - | - | - |
| Total Sources | \$ - | \$ - | \$ - | \$ - | \$ - |
| Uses | | | | | |
| Development Impact Fee Study | \$ (3,400) | \$ - | \$ - | \$ (3,400) | \$ - |
| Contingency - Development Impact Fee Study | (1,500) | - | - | (1,500) | - |
| Total Uses | \$ (4,900) | \$ - | \$ - | \$ (4,900) | \$ - |
| Ending Cash Balance | \$ (5,237) | \$ (5,237) | \$ (5,237) | \$ (10,137) | \$ (10,137) |

City of Surprise, Arizona



SURPRISE

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FY2013 Adopted Budget

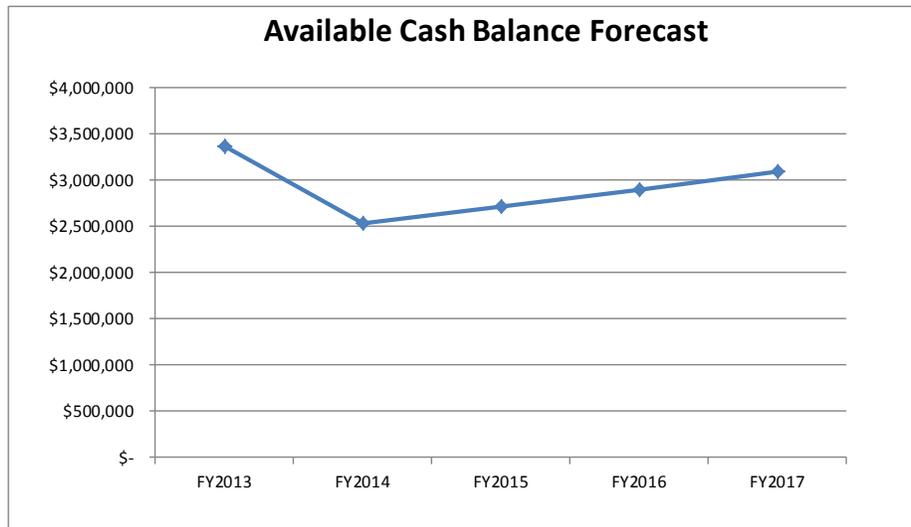


Water Replenishment Development Fee Fund SPA 1

Description

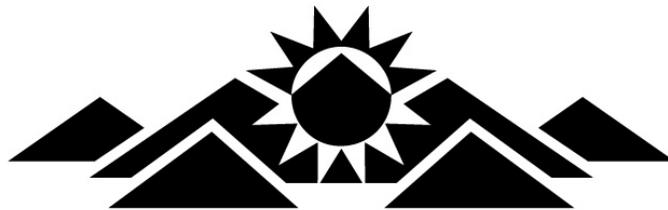
The water replenishment development fee fund is established to account for the inflow of water replenishment development fees levied on new residential and commercial construction. This fee can only be used for the purchase, construction, financing, and furnishing of new capital items directly related to the increased demand on water services caused by growth. Development fees cannot be used to subsidize operational needs. Utilizing water replenishment development fees, the Public Works Department oversees the planning, designing, developing, and operation of recharge facilities throughout the city.

Revenues are based upon an estimated issuance of single family residential permits and the estimated square feet of non-single family residential permits in FY2013. On April 26, 2011 Senate Bill 1525 was signed into law and changed the method the city used to calculate development impact fees. Arizona Revised Statutes §9-463.05.K requires municipalities planning to continue assessing development impact fees complete an interim study effective January 1, 2012 and an updated development impact fee study effective August 1, 2014. The city has revised fees based on the interim study and plans on meeting the requirements of the August, 2014 deadline. The water replenishment system development fee that was established July 1, 2007, remains unchanged at \$2,100 in Special Planning Area (SPA) 1 per single family residential permit.



| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|--|---------------------|-----------------------|---------------------|---------------------|---------------------|
| Beginning Cash Balance | \$ 3,317,146 | \$ 3,367,046 | \$ 2,532,346 | \$ 2,708,246 | \$ 2,889,846 |
| Sources | | | | | |
| Development Fee Revenue | 130,000 | 140,000 | 150,000 | 160,000 | 170,000 |
| Interest Earnings | 24,800 | 25,300 | 25,900 | 26,500 | 27,100 |
| Total Sources | \$ 154,800 | \$ 165,300 | \$ 175,900 | \$ 186,500 | \$ 197,100 |
| Uses | | | | | |
| Capital Project Expenditures | \$ (100,000) | \$ (1,000,000) | \$ - | \$ - | \$ - |
| Development Impact Fee Study | (3,400) | - | - | (3,400) | - |
| Contingency - Development Impact Fee Study | (1,500) | - | - | (1,500) | - |
| Total Uses | \$ (104,900) | \$ (1,000,000) | \$ - | \$ (4,900) | \$ - |
| Ending Cash Balance | \$ 3,367,046 | \$ 2,532,346 | \$ 2,708,246 | \$ 2,889,846 | \$ 3,086,946 |

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2013 Adopted Budget

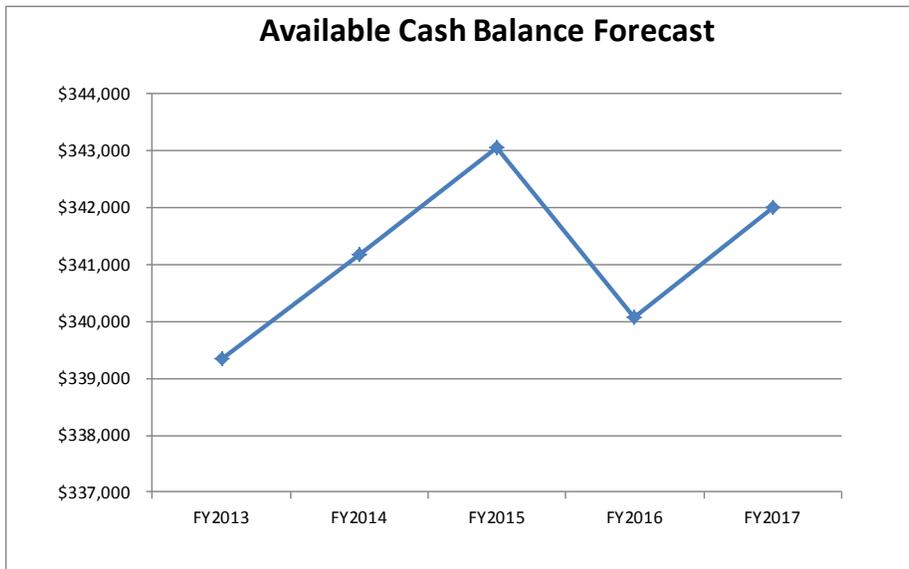


Water Replenishment Development Fee Fund SPA 2

Description

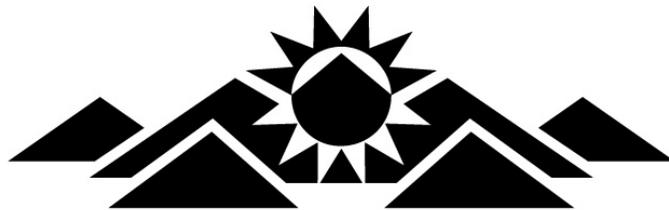
The water replenishment development fee fund is established to account for the inflow of water replenishment development fees levied on new residential and commercial construction. This fee can only be used for the purchase, construction, financing, and furnishing of new capital items directly related to the increased demand on water services caused by growth. Development fees cannot be used to subsidize operational needs. Utilizing water replenishment development fees, the Public Works Department oversees the planning, designing, developing, and operation of recharge facilities throughout the city.

Revenues are based upon an estimated issuance of single family residential permits and the estimated square feet of non-single family residential permits in FY2013. On April 26, 2011 Senate Bill 1525 was signed into law and changed the method the city used to calculate development impact fees. Arizona Revised Statutes §9-463.05.K requires municipalities planning to continue assessing development impact fees complete an interim study effective January 1, 2012 and an updated development impact fee study effective August 1, 2014. The city has revised fees based on the interim study and plans on meeting the requirements of the August, 2014 deadline. The water replenishment system development fee that was established July 1, 2007, remains unchanged at \$796 in Special Planning Area (SPA) 2-6 per single family residential permit.



| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| Beginning Cash Balance | \$ 342,443 | \$ 339,343 | \$ 341,179 | \$ 343,051 | \$ 340,061 |
| Sources | | | | | |
| Development Fee Revenue | - | - | - | - | - |
| Interest Earnings | 1,800 | 1,836 | 1,873 | 1,910 | 1,948 |
| Total Sources | \$ 1,800 | \$ 1,836 | \$ 1,873 | \$ 1,910 | \$ 1,948 |
| Uses | | | | | |
| Development Impact Fee Study | \$ (3,400) | \$ - | \$ - | \$ (3,400) | \$ - |
| Contingency - Development Impact Fee Study | (1,500) | - | - | (1,500) | - |
| Total Uses | \$ (4,900) | \$ - | \$ - | \$ (4,900) | \$ - |
| Ending Cash Balance | \$ 339,343 | \$ 341,179 | \$ 343,051 | \$ 340,061 | \$ 342,010 |

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2013 Adopted Budget

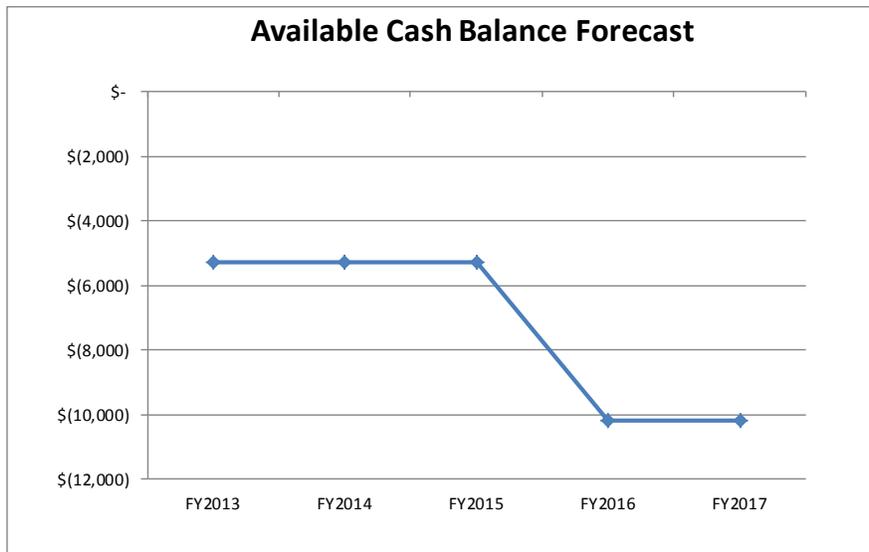


Water Replenishment Development Fee Fund SPA 3

Description

The water replenishment development fee fund is established to account for the inflow of water replenishment development fees levied on new residential and commercial construction. This fee can only be used for the purchase, construction, financing, and furnishing of new capital items directly related to the increased demand on water services caused by growth. Development fees cannot be used to subsidize operational needs. Utilizing water replenishment development fees, the Public Works Department oversees the planning, designing, developing, and operation of recharge facilities throughout the city.

Revenues are based upon an estimated issuance of single family residential permits and the estimated square feet of non-single family residential permits in FY2013. On April 26, 2011 Senate Bill 1525 was signed into law and changed the method the city used to calculate development impact fees. Arizona Revised Statutes §9-463.05.K requires municipalities planning to continue assessing development impact fees complete an interim study effective January 1, 2012 and an updated development impact fee study effective August 1, 2014. The city has revised fees based on the interim study and plans on meeting the requirements of the August, 2014 deadline. The water replenishment system development fee that was established July 1, 2007, remains unchanged at \$796 in Special Planning Area (SPA) 2-6 per single family residential permit.



| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|--|-------------------|-------------------|-------------------|--------------------|--------------------|
| Beginning Cash Balance | \$ (377) | \$ (5,277) | \$ (5,277) | \$ (5,277) | \$ (10,177) |
| Sources | | | | | |
| Development Fee Revenue | - | - | - | - | - |
| Total Sources | \$ - | \$ - | \$ - | \$ - | \$ - |
| Uses | | | | | |
| Development Impact Fee Study | \$ (3,400) | \$ - | \$ - | \$ (3,400) | \$ - |
| Contingency - Development Impact Fee Study | (1,500) | - | - | (1,500) | - |
| Total Uses | \$ (4,900) | \$ - | \$ - | \$ (4,900) | \$ - |
| Ending Cash Balance | \$ (5,277) | \$ (5,277) | \$ (5,277) | \$ (10,177) | \$ (10,177) |

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2013 Adopted Budget

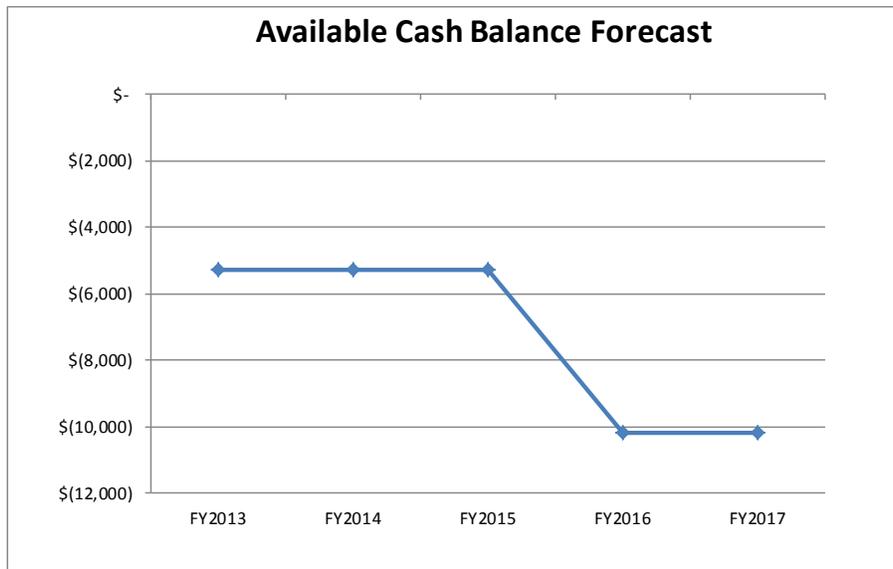


Water Replenishment Development Fee Fund SPA 4

Description

The water replenishment development fee fund is established to account for the inflow of water replenishment development fees levied on new residential and commercial construction. This fee can only be used for the purchase, construction, financing, and furnishing of new capital items directly related to the increased demand on water services caused by growth. Development fees cannot be used to subsidize operational needs. Utilizing water replenishment development fees, the Public Works Department oversees the planning, designing, developing, and operation of recharge facilities throughout the city.

Revenues are based upon an estimated issuance of single family residential permits and the estimated square feet of non-single family residential permits in FY2013. On April 26, 2011 Senate Bill 1525 was signed into law and changed the method the city used to calculate development impact fees. Arizona Revised Statutes §9-463.05.K requires municipalities planning to continue assessing development impact fees complete an interim study effective January 1, 2012 and an updated development impact fee study effective August 1, 2014. The city has revised fees based on the interim study and plans on meeting the requirements of the August, 2014 deadline. The water replenishment system development fee that was established July 1, 2007, remains unchanged at \$796 in Special Planning Area (SPA) 2-6 per single family residential permit.



| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|--|------------|------------|------------|-------------|-------------|
| Beginning Cash Balance | \$ (378) | \$ (5,278) | \$ (5,278) | \$ (5,278) | \$ (10,178) |
| Sources | | | | | |
| Development Fee Revenue | - | - | - | - | - |
| Total Sources | \$ - | \$ - | \$ - | \$ - | \$ - |
| Uses | | | | | |
| Development Impact Fee Study | \$ (3,400) | \$ - | \$ - | \$ (3,400) | \$ - |
| Contingency - Development Impact Fee Study | (1,500) | - | - | (1,500) | - |
| Total Uses | \$ (4,900) | \$ - | \$ - | \$ (4,900) | \$ - |
| Ending Cash Balance | \$ (5,278) | \$ (5,278) | \$ (5,278) | \$ (10,178) | \$ (10,178) |

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2013 Adopted Budget

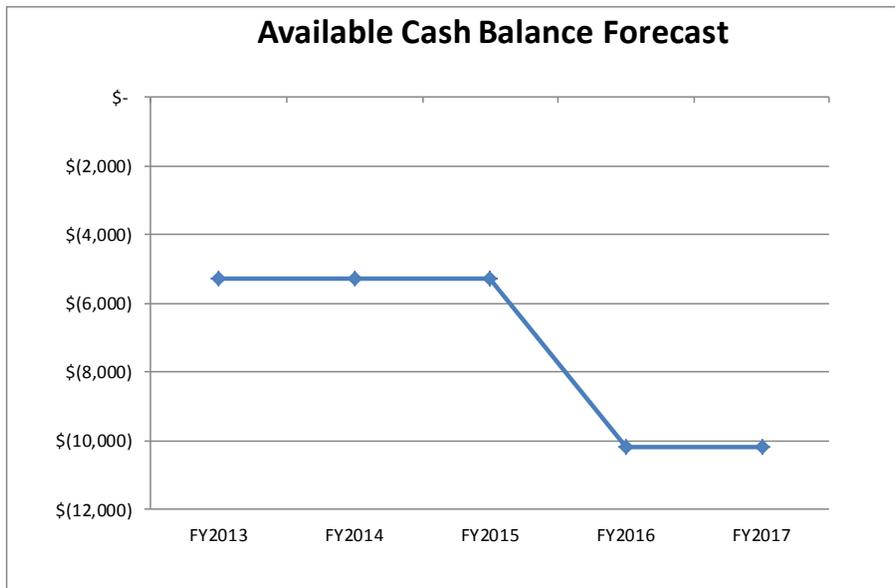


Water Replenishment Development Fee Fund SPA 5

Description

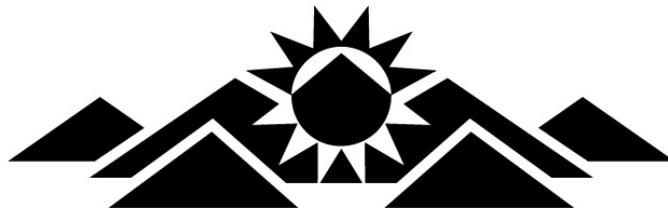
The water replenishment development fee fund is established to account for the inflow of water replenishment development fees levied on new residential and commercial construction. This fee can only be used for the purchase, construction, financing, and furnishing of new capital items directly related to the increased demand on water services caused by growth. Development fees cannot be used to subsidize operational needs. Utilizing water replenishment development fees, the Public Works Department oversees the planning, designing, developing, and operation of recharge facilities throughout the city.

Revenues are based upon an estimated issuance of single family residential permits and the estimated square feet of non-single family residential permits in FY2013. On April 26, 2011 Senate Bill 1525 was signed into law and changed the method the city used to calculate development impact fees. Arizona Revised Statutes §9-463.05.K requires municipalities planning to continue assessing development impact fees complete an interim study effective January 1, 2012 and an updated development impact fee study effective August 1, 2014. The city has revised fees based on the interim study and plans on meeting the requirements of the August, 2014 deadline. The water replenishment system development fee that was established July 1, 2007, remains unchanged at \$796 in Special Planning Area (SPA) 2-6 per single family residential permit.



| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|--|-------------------|-------------------|-------------------|--------------------|--------------------|
| Beginning Cash Balance | \$ (378) | \$ (5,278) | \$ (5,278) | \$ (5,278) | \$ (10,178) |
| Sources | | | | | |
| Development Fee Revenue | - | - | - | - | - |
| Total Sources | \$ - | \$ - | \$ - | \$ - | \$ - |
| Uses | | | | | |
| Development Impact Fee Study | \$ (3,400) | \$ - | \$ - | \$ (3,400) | \$ - |
| Contingency - Development Impact Fee Study | (1,500) | - | - | (1,500) | - |
| Total Uses | \$ (4,900) | \$ - | \$ - | \$ (4,900) | \$ - |
| Ending Cash Balance | \$ (5,278) | \$ (5,278) | \$ (5,278) | \$ (10,178) | \$ (10,178) |

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2013 Adopted Budget

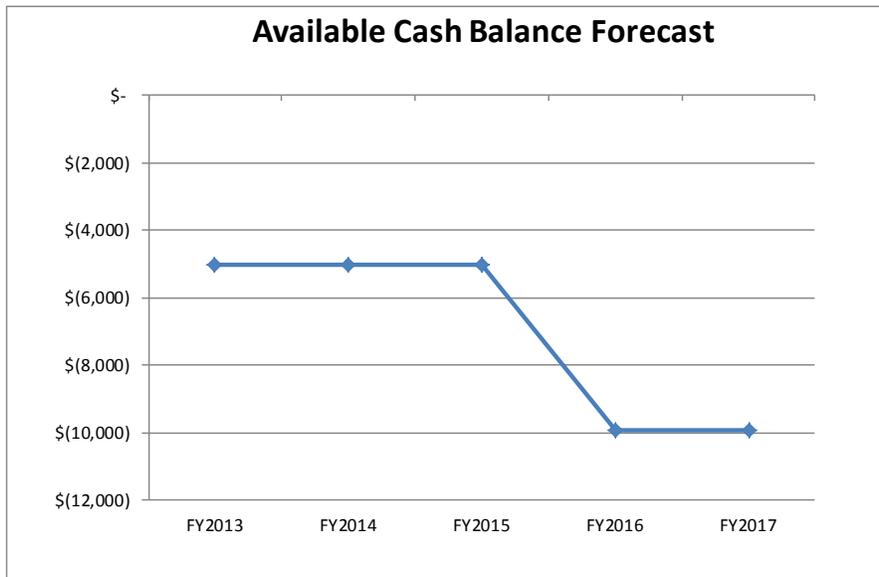


Water Replenishment Development Fee Fund SPA 6

Description

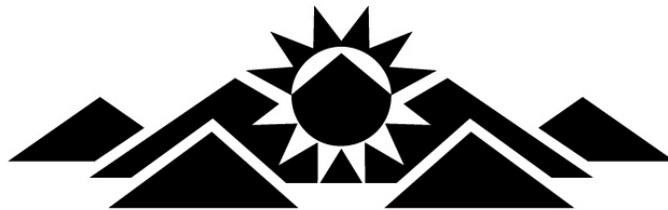
The water replenishment development fee fund is established to account for the inflow of water replenishment development fees levied on new residential and commercial construction. This fee can only be used for the purchase, construction, financing, and furnishing of new capital items directly related to the increased demand on water services caused by growth. Development fees cannot be used to subsidize operational needs. Utilizing water replenishment development fees, the Public Works Department oversees the planning, designing, developing, and operation of recharge facilities throughout the city.

Revenues are based upon an estimated issuance of single family residential permits and the estimated square feet of non-single family residential permits in FY2013. On April 26, 2011 Senate Bill 1525 was signed into law and changed the method the city used to calculate development impact fees. Arizona Revised Statutes §9-463.05.K requires municipalities planning to continue assessing development impact fees complete an interim study effective January 1, 2012 and an updated development impact fee study effective August 1, 2014. The city has revised fees based on the interim study and plans on meeting the requirements of the August, 2014 deadline. The water replenishment system development fee that was established July 1, 2007, remains unchanged at \$796 in Special Planning Area (SPA) 2-6 per single family residential permit.



| | | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|--|-----------|----------------|----------------|----------------|----------------|----------------|
| Beginning Cash Balance | \$ | (130) | (5,030) | (5,030) | (5,030) | (9,930) |
| Sources | | | | | | |
| Development Fee Revenue | | - | - | - | - | - |
| Total Sources | \$ | - | - | - | - | - |
| Uses | | | | | | |
| Development Impact Fee Study | \$ | (3,400) | - | - | (3,400) | - |
| Contingency - Development Impact Fee Study | | (1,500) | - | - | (1,500) | - |
| Total Uses | \$ | (4,900) | - | - | (4,900) | - |
| Ending Cash Balance | \$ | (5,030) | (5,030) | (5,030) | (9,930) | (9,930) |

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2013 Adopted Budget

Wastewater Operations Fund

Description

The wastewater operations fund is established as an enterprise fund to account for the provision of wastewater services for the users and to protect the city and its residents from exposure to health related diseases and issues caused by inadequately treated sewage. The fund is used to plan, design, implement, operate, and maintain the city's wastewater infrastructure in a cost effective and efficient manner. The Public Works Department strives to satisfy all federal, state, county, and local agency permits, regulations, and requirements related to the treatment of wastewater and use of the subsequent effluent. The department is also responsible for the planning, implementation, operation, and maintenance of the city's wastewater facilities and pipes.

Organizational Chart

The personnel assigned to the wastewater operations fund are managed by the Public Works Department within divisions under the assistant director of operations. Due to the complexities of the reporting hierarchy, a division level organizational chart showing the wastewater operations division, can be found in the Public Works general fund section of this document. The personnel who are directly funded by the wastewater operations fund are detailed in the personnel table within the Major Budget Changes.

Primary Functions

- To coordinate and provide centralized administrative and management services including purchasing, budget, information technology, and management support
- Oversight of maintenance, operations, process engineering, laboratory analysis, and administrative support services related to wastewater systems
- Operation and maintenance of the wastewater collections pipeline infrastructure systems.
- Participation in development reviews and management and planning of architectural and engineering design and construction of city capital projects
- Operation of centralized call center to provide efficient customer services
- Provides utility locating services to ensure legal compliance with the Arizona Blue Stake laws requiring facility owners to accurately mark all underground facilities within specified time frames
- Ensures environmental regulatory compliance wastewater treatment and aquifer protection, bio-solids, pretreatment, wastewater quality control and assurance, and data administration

Divisions

| | |
|---------------------------|---|
| <u>Administration</u> - | Maintains all centralized administrative functions |
| <u>Operations</u> - | Responsible for all the day-to-day operations and maintenance activities for the water reclamation facilities |
| <u>CIP – Utilities</u> - | Responsible for city related wastewater infrastructure construction projects and utility locations |
| <u>Customer Service</u> - | Responds customer's wastewater service requests, complaints and customer needs |
| <u>Collections</u> - | Responsible for all the day-to-day operations and maintenance activities for the wastewater collection system |
| <u>Utility Locating</u> - | Performs all the utility locating - blue stake activities |
| <u>Environmental</u> - | Manages permitting, compliance, reporting, auditing, and planning activities for local, state, and federal regulatory requirements regarding reclaimed water quality, drinking water quality supply and distribution, storm water quality, air quality, and hazardous materials management specifically to the city's wastewater collection system, reclaimed water systems, and water reclamation facilities |

The departmental operating structure may vary from the budgeted division structure due to current constraints in the budgetary system.

Major Budget Changes

The FY2013 wastewater operations fund budget of \$17,316,900 represents a 33% decrease from the FY2012 amended budget. The primary reason for the decrease is due to not programming interfund loans to the impact fee funds. The position changes in personnel are a division manager to a manager, a senior utilities technician to a lead utility technician, a senior financial analyst to budget/accounting manager, and the replacement of a utilities analyst with a manager. Personnel expenditures were also impacted by a 1.04% increase in the employer contribution for the Arizona State Retirement System and a 5.30% increase in the healthcare premium rates programmed for FY 2013. Through continual review of expenditures, additional budgetary operating savings in supplies of \$184,700 services of \$389,800 are programmed in the FY2013 budget.

Payments to the general fund in the amount of \$1,349,000 are programmed in FY2013 to cover the indirect costs associated with general fund personnel provided services and support to the wastewater fund. Also programmed in the transfer to the general fund are payments in lieu of property tax (PILOT) assessments of \$376,000, and Franchise in Lieu of \$309,800.

| | FY2010 Actuals | FY2011 Actuals | FY2012 Amended Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|------------------------|---------------------|---------------------|-----------------------------|-----------------------------|------------------------|
| Expenditures | | | | | |
| <u>By category</u> | | | | | |
| Personnel | \$ 2,767,568 | \$ 2,933,209 | \$ 2,877,500 | \$ 2,919,400 | 1% |
| Supplies | 1,505,104 | 835,753 | 1,506,500 | 1,321,800 | -12% |
| Services | 3,675,982 | 2,838,337 | 4,182,300 | 3,817,500 | -9% |
| Capital | - | 31,655 | 1,569,000 | 5,154,500 | 229% |
| Debt Service | (67,748) | (56,288) | 11,766,200 | 735,900 | -94% |
| Depreciation | 5,677,037 | 6,305,168 | - | - | 0% |
| Development Agreements | - | (1,831) | 3,900 | - | -100% |
| Contingency | - | - | 2,221,600 | 1,333,000 | -40% |
| Transfer Out | 1,271,515 | 1,959,971 | 1,885,100 | 2,034,800 | 8% |
| Total | \$14,829,457 | \$14,845,974 | \$26,012,100 | \$17,316,900 | -33% |
| <u>By department</u> | | | | | |
| Economic Development | \$ 2,895 | \$ - | \$ - | \$ - | 0% |
| Finance | - | - | 3,900 | 79,800 | 1946% |
| General Operations | - | 1,645,755 | 11,766,200 | - | -100% |
| Information Services | - | - | 33,300 | - | -100% |
| Public Works | 14,826,562 | 13,200,219 | 14,208,700 | 17,237,100 | 21% |
| Total | \$14,829,457 | \$14,845,974 | \$26,012,100 | \$17,316,900 | -33% |

| | FY2010 Amended Budget | FY2011 Amended Budget | FY2012 Adopted Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|--------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|------------------------|
| Personnel | | | | | |
| Accountant/Tax Auditor | 0.3 | 0.0 | 0.0 | 0.0 | 0.0 |
| Administrative Specialist | 1.0 | 1.0 | 1.2 | 1.2 | 0.0 |
| Administrative Technician | 3.0 | 3.0 | 2.4 | 2.4 | 0.0 |
| Assistant Analyst | 0.0 | 0.3 | 0.3 | 0.0 | -0.3 |
| Assistant Department Director | 1.0 | 1.0 | 0.5 | 0.7 | 0.2 |
| Budget/Accounting Manager | 0.0 | 0.0 | 0.0 | 0.3 | 0.3 |
| Department Director | 0.0 | 0.0 | 0.2 | 0.2 | 0.0 |
| Division Manager | 3.0 | 3.0 | 2.1 | 0.5 | -1.6 |
| Information Technology Administrator | 0.0 | 0.0 | 0.2 | 0.2 | 0.0 |
| Lead Utility Technician | 2.0 | 2.0 | 2.0 | 3.0 | 1.0 |

| | FY2010 Amended Budget | FY2011 Amended Budget | FY2012 Adopted Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|--------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|------------------------|
| Personnel | | | | | |
| Maintenance & Operations Specialist | 3.0 | 3.0 | 3.0 | 3.0 | 0.0 |
| Maintenance & Operations Supervisor | 3.0 | 3.0 | 2.0 | 2.0 | 0.0 |
| Maintenance & Operations Technician | 2.0 | 2.0 | 1.0 | 1.0 | 0.0 |
| Manager | 1.0 | 1.0 | 1.0 | 2.5 | 1.5 |
| Project Manager | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Senior Financial Analyst | 0.0 | 0.3 | 0.5 | 0.2 | -0.3 |
| Senior Maint & Operations Technician | 5.0 | 5.0 | 5.0 | 5.0 | 0.0 |
| Senior Project Manager | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Senior Utilities Technician | 3.0 | 3.0 | 3.0 | 2.0 | -1.0 |
| Service Worker/Groundskeeper | 2.0 | 2.0 | 2.0 | 2.0 | 0.0 |
| Utilities Analyst | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Utilities Supervisor | 1.0 | 1.0 | 2.0 | 2.0 | 0.0 |
| Utilities Technician | 5.0 | 5.0 | 5.0 | 5.0 | 0.0 |
| Part Time | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total | 39.3 | 38.7 | 36.5 | 36.3 | -0.2 |

Capital

The wastewater operations fund FY2013 budget includes \$5,154,500 programmed for capital projects.

Accomplishments, Enhancements and Efficiencies

- Shutdown the thickening and digestion processes saving chemical and electrical expense
- Cross connected SPA1 WRF influent sumps for Plants 3, 4, & 5 and shutdown an odor scrubber unit saving chemical and electrical expenses
- Received a \$1,000,000 grant from the Bureau of Reclamation for the construction of an additional 15 vadose zone recharge wells at the SPA 1 WRF
- Completed the site and security master plan for the city's wastewater facilities
- Achieved clean closure of Desert Oasis temporary WRF Aquifer Protection Permit
- Two new air permits required for the Cortessa and Greenway collection system lift stations
- Addition of two new multi-sector general storm water permits required at the two active water reclamation facilities
- Two new underground storage facility permits that will allow the city to store reclaimed water reducing the replenishment costs and ensures long term sustainability

Major Initiatives and Policy Issues

- Development of a safety manual
- Perform a pilot study with the peracetic acid to reduce the TTHM at the SPA 1 WRF

Goals, Objectives, and Performance Measures

- **Goal:** Operations Division - operate and maintain the SPA 1 and SPA 2 water reclamation facilities in a safe, efficient, and cost effective manner
 - **Objective:** Operate and maintain all wastewater supply systems safely within regulatory requirements, maintain current service levels, and reduce or maintain current cost levels

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|--|------------------|------------------|------------------|--------------------|------------------|
| SPA1 WRF: millions of gallons of wastewater treated per day | 6.9 | 6.4 | 7.0 | 6.5 | 7.0 |
| SPA1 WRF: O&M cost per million gallons of wastewater treated | \$2,388 | \$1,787 | \$1,800 | \$1,850 | \$1,800 |

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|---|---------------|---------------|---------------|-----------------|---------------|
| SPA1 WRF: electrical usage (kilowatt-hour) per million gallons treated | 7,325 | 6,472 | 5,000 | 4,915 | 5,000 |
| SPA1 WRF: percentage of preventative maintenance to total maintenance for process related equipment | 94.1% | 95.6% | 80% | 96.4% | 80% |
| SPA2 WRF: millions of gallons of wastewater treated per day | N/A | .11 | 0.11 | .10 | .11 |
| SPA2 WRF: O&M cost per million gallons of wastewater treated | N/A | \$12,816 | \$10,000 | \$10,218 | \$10,000 |
| SPA2 WRF: electrical usage (kilowatt-hour) per million gallons treated | N/A | 21,766 | 20,119 | 23,209 | 20,119 |

N/A: The SPA2 water reclamation facility will begin operations in FY2011

- **Goal:** Environmental Division - protect the city's groundwater, reclaimed water, the environment, and public health through a variety of programs designed to achieve regulatory compliance with local, state, and federal regulatory requirements associated with the city's wastewater systems and services provided to the citizens of Surprise
 - **Objective:** Reduce, mitigate, and eliminate pollution of the city's wastewater systems through inspection, analysis, and response to potentially hazardous pollutants
 - **Objective:** Maintain and manage the city's reclaimed water permitting program through user agreements, regulatory requirements and education

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|---|---------------|---------------|---------------|-----------------|---------------|
| Wastewater and water reclamation permits maintained | 26 | 26 | 25 | 33 | 27 |
| Wastewater and water reclamation permits modified and responses submitted | * | 13 | * | 13 | 10 |
| Wastewater data reviews for quality assurance / quality control | 1,319 | 1,796 | 1,886 | 1,963 | 2,075 |
| Reclaimed water user agreements maintained | 18 | 19 | 20 | 20 | 21 |
| Reports submitted to regulatory agencies | * | 127 | * | 123 | 125 |
| Site Inspections and/or audits performed | * | 5 | * | 11 | 10 |

*New measure, data not available

- **Goal:** Customer Service Division - provide customer service call center and field customer services
 - **Objective:** Enhance the customer service call center and web page

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|----------------------|---------------|---------------|---------------|-----------------|---------------|
| Wastewater customers | 46,448 | 44,138* | 47,248 | 44,700 | 45,000 |
| Service requests | 77 | 155 | 145 | 160 | 170 |

*Change in methodology

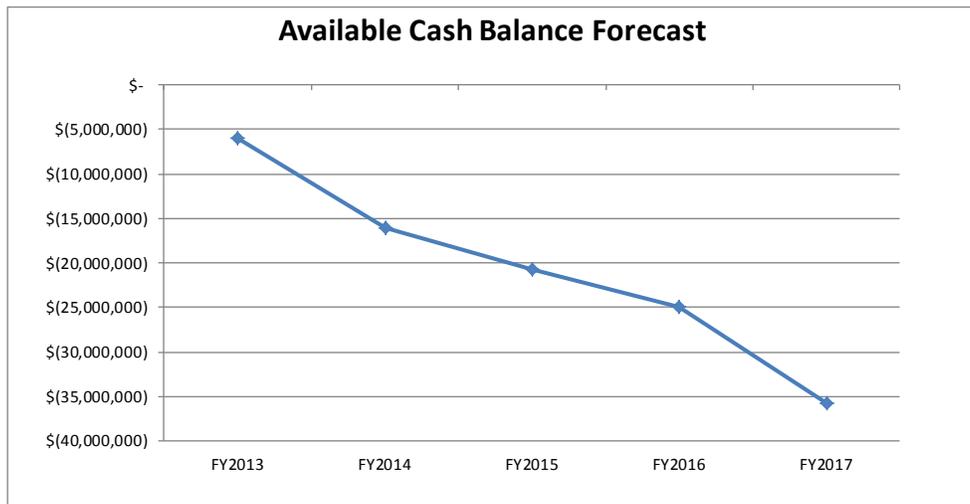


Wastewater System Development Fee Fund SPA 1

Description

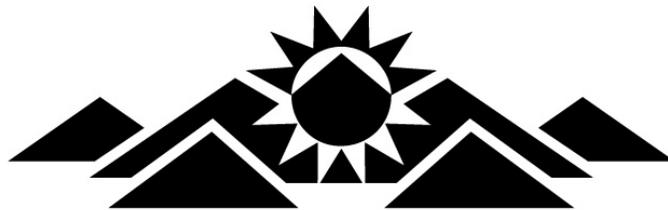
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| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|--|----------------|-----------------|-----------------|-----------------|-----------------|
| Beginning Cash Balance | \$ (2,011,120) | \$ (6,053,520) | \$ (16,073,320) | \$ (20,681,220) | \$ (25,006,320) |
| Sources | | | | | |
| Development Fee Revenue | 1,050,000 | 1,100,000 | 1,160,000 | 1,220,000 | 1,280,000 |
| Total Sources | \$ 1,050,000 | \$ 1,100,000 | \$ 1,160,000 | \$ 1,220,000 | \$ 1,280,000 |
| Uses | | | | | |
| Interfund Loan Interest Expense | \$ (1,070,800) | \$ (1,092,200) | \$ (1,114,000) | \$ (1,136,300) | \$ (1,159,000) |
| Developer Reimbursement | (10,000) | (10,000) | (10,000) | (10,000) | (10,000) |
| Capital Project Expenditures | (150,000) | (750,000) | (250,000) | - | - |
| Development Impact Fee Study | (3,400) | - | - | (3,400) | - |
| Debt | | | | | |
| MPC Rental Payment | (3,856,700) | (8,531,700) | (3,658,000) | (3,658,000) | (10,158,000) |
| Interfund Loan Payment | - | (735,900) | (735,900) | (735,900) | (735,900) |
| Contingency - Development Impact Fee Study | (1,500) | - | - | (1,500) | - |
| Total Uses | \$ (5,092,400) | \$ (11,119,800) | \$ (5,767,900) | \$ (5,545,100) | \$ (12,062,900) |
| Ending Cash Balance | \$ (6,053,520) | \$ (16,073,320) | \$ (20,681,220) | \$ (25,006,320) | \$ (35,789,220) |

City of Surprise, Arizona



S U R P R I S E

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FY2013 Adopted Budget

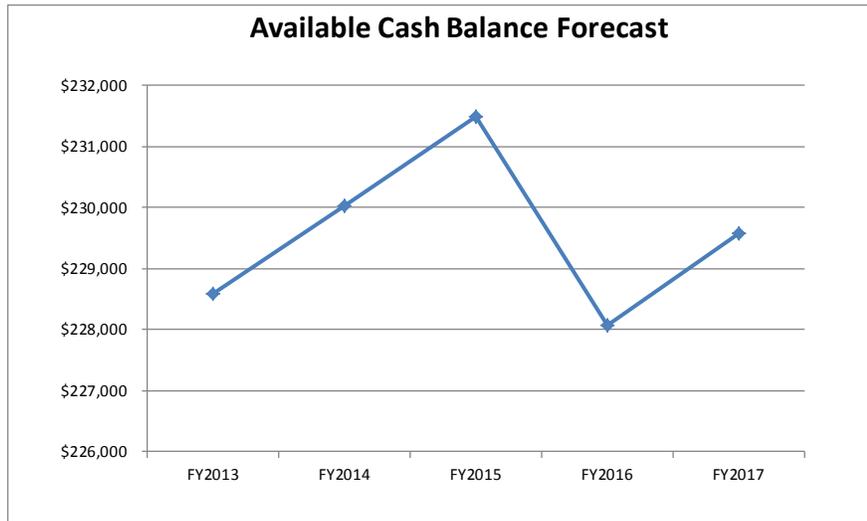


Wastewater System Development Fee Fund SPA 2

Description

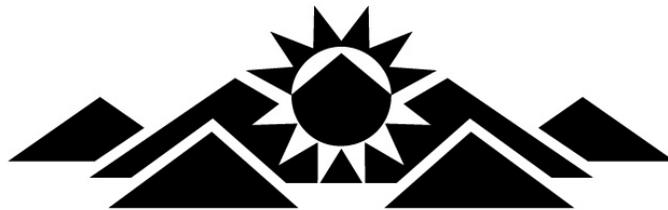
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| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| Beginning Cash Balance | \$ 232,096 | \$ 228,596 | \$ 230,024 | \$ 231,481 | \$ 228,066 |
| Sources | | | | | |
| Development Fee Revenue | - | - | - | - | - |
| Interest Earnings | 1,400 | 1,428 | 1,457 | 1,486 | 1,515 |
| Total Sources | \$ 1,400 | \$ 1,428 | \$ 1,457 | \$ 1,486 | \$ 1,515 |
| Uses | | | | | |
| Development Impact Fee Study | \$ (3,400) | \$ - | \$ - | \$ (3,400) | \$ - |
| Contingency - Development Impact Fee Study | (1,500) | - | - | (1,500) | - |
| Total Uses | \$ (4,900) | \$ - | \$ - | \$ (4,900) | \$ - |
| Ending Cash Balance | \$ 228,596 | \$ 230,024 | \$ 231,481 | \$ 228,066 | \$ 229,582 |

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2013 Adopted Budget

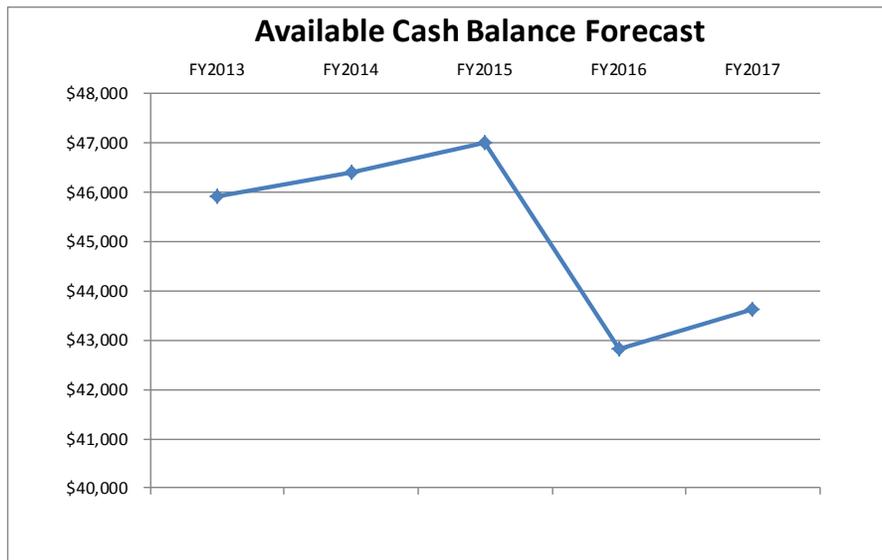


Wastewater System Development Fee Fund SPA 3

Description

The wastewater system development fee fund is established to account for the inflow of wastewater service development fees levied on new residential, commercial, and industrial development. This fee can only be used for the purchase, construction, financing, and furnishing of new items directly related to the increased demand on wastewater services caused by growth. Development fees cannot be used to subsidize operational needs. The city provides these services to the entire city.

Revenues are based upon an estimated issuance of single family residential permits and the estimated square feet of non-single family residential permits in FY2013. On April 26, 2011 Senate Bill 1525 was signed into law and changed the method the city used to calculate development impact fees. Arizona Revised Statutes §9-463.05.K requires municipalities planning to continue assessing development impact fees complete an interim study effective January 1, 2012 and an updated development impact fee study effective August 1, 2014. The city has revised fees based on the interim study and plans on meeting the requirements of the August, 2014 deadline. The wastewater system development fee that was established July 1, 2007, remains unchanged at \$3,039 in Special Planning Area (SPA) 2-6 per single family residential permit.



| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|--|-------------------|------------------|------------------|-------------------|------------------|
| Beginning Cash Balance | \$ 50,415 | \$ 45,915 | \$ 46,415 | \$ 47,015 | \$ 42,815 |
| Sources | | | | | |
| Development Fee Revenue | - | - | - | - | - |
| Interest Earnings | 400 | 500 | 600 | 700 | 800 |
| Total Sources | \$ 400 | \$ 500 | \$ 600 | \$ 700 | \$ 800 |
| Uses | | | | | |
| Development Impact Fee Study | \$ (3,400) | \$ - | \$ - | \$ (3,400) | \$ - |
| Contingency - Development Impact Fee Study | (1,500) | - | - | (1,500) | - |
| Total Uses | \$ (4,900) | \$ - | \$ - | \$ (4,900) | \$ - |
| Ending Cash Balance | \$ 45,915 | \$ 46,415 | \$ 47,015 | \$ 42,815 | \$ 43,615 |

City of Surprise, Arizona



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FY2013 Adopted Budget

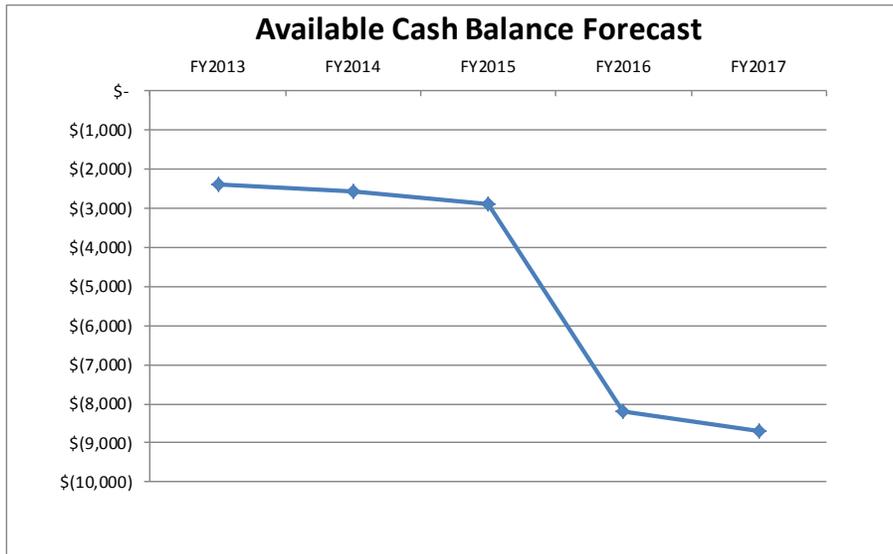


Wastewater System Development Fee Fund SPA 4

Description

The wastewater system development fee fund is established to account for the inflow of wastewater service development fees levied on new residential, commercial, and industrial development. This fee can only be used for the purchase, construction, financing, and furnishing of new items directly related to the increased demand on wastewater services caused by growth. Development fees cannot be used to subsidize operational needs. The city provides these services to the entire city.

Revenues are based upon an estimated issuance of single family residential permits and the estimated square feet of non-single family residential permits in FY2013. On April 26, 2011 Senate Bill 1525 was signed into law and changed the method the city used to calculate development impact fees. Arizona Revised Statutes §9-463.05.K requires municipalities planning to continue assessing development impact fees complete an interim study effective January 1, 2012 and an updated development impact fee study effective August 1, 2014. The city has revised fees based on the interim study and plans on meeting the requirements of the August, 2014 deadline. The wastewater system development fee that was established July 1, 2007, remains unchanged at \$3,039 in Special Planning Area (SPA) 2-6 per single family residential permit.



| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| Beginning Cash Balance | \$ 2,618 | \$ (2,382) | \$ (2,582) | \$ (2,882) | \$ (8,182) |
| Sources | | | | | |
| Development Fee Revenue | - | - | - | - | - |
| Total Sources | \$ - |
| Uses | | | | | |
| Interfund Loan Interest Expense | \$ (100) | \$ (200) | \$ (300) | \$ (400) | \$ (500) |
| Development Impact Fee Study | (3,400) | - | - | (3,400) | - |
| Contingency - Development Impact Fee Study | (1,500) | - | - | (1,500) | - |
| Total Uses | \$ (5,000) | \$ (200) | \$ (300) | \$ (5,300) | \$ (500) |
| Ending Cash Balance | \$ (2,382) | \$ (2,582) | \$ (2,882) | \$ (8,182) | \$ (8,682) |

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2013 Adopted Budget

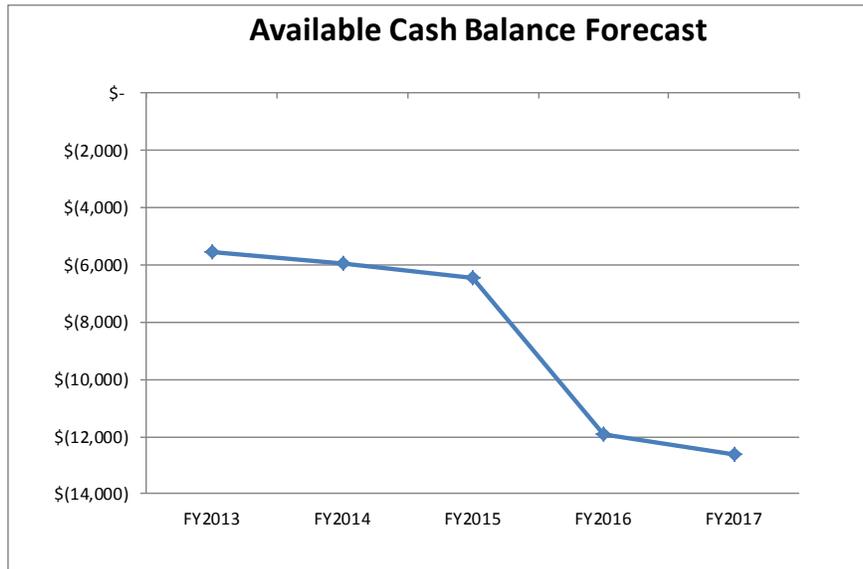


Wastewater System Development Fee Fund SPA 5

Description

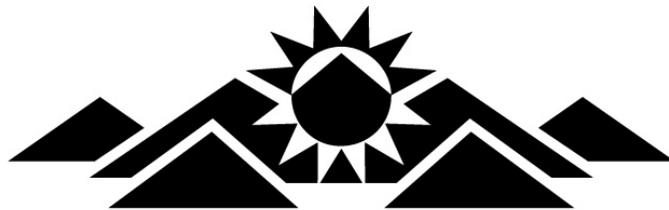
The wastewater system development fee fund is established to account for the inflow of wastewater service development fees levied on new residential, commercial, and industrial development. This fee can only be used for the purchase, construction, financing, and furnishing of new items directly related to the increased demand on wastewater services caused by growth. Development fees cannot be used to subsidize operational needs. The city provides these services to the entire city.

Revenues are based upon an estimated issuance of single family residential permits and the estimated square feet of non-single family residential permits in FY2013. On April 26, 2011 Senate Bill 1525 was signed into law and changed the method the city used to calculate development impact fees. Arizona Revised Statutes §9-463.05.K requires municipalities planning to continue assessing development impact fees complete an interim study effective January 1, 2012 and an updated development impact fee study effective August 1, 2014. The city has revised fees based on the interim study and plans on meeting the requirements of the August, 2014 deadline. The wastewater system development fee that was established July 1, 2007, remains unchanged at \$3,039 in Special Planning Area (SPA) 2-6 per single family residential permit.



| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|--|------------|------------|------------|-------------|-------------|
| Beginning Cash Balance | \$ (337) | \$ (5,537) | \$ (5,937) | \$ (6,437) | \$ (11,937) |
| Sources | | | | | |
| Development Fee Revenue | - | - | - | - | - |
| Total Sources | \$ - | \$ - | \$ - | \$ - | \$ - |
| Uses | | | | | |
| Interfund Loan Interest Expense | \$ (300) | \$ (400) | \$ (500) | \$ (600) | \$ (700) |
| Development Impact Fee Study | (3,400) | - | - | (3,400) | - |
| Contingency - Development Impact Fee Study | (1,500) | - | - | (1,500) | - |
| Total Uses | \$ (5,200) | \$ (400) | \$ (500) | \$ (5,500) | \$ (700) |
| Ending Cash Balance | \$ (5,537) | \$ (5,937) | \$ (6,437) | \$ (11,937) | \$ (12,637) |

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2013 Adopted Budget

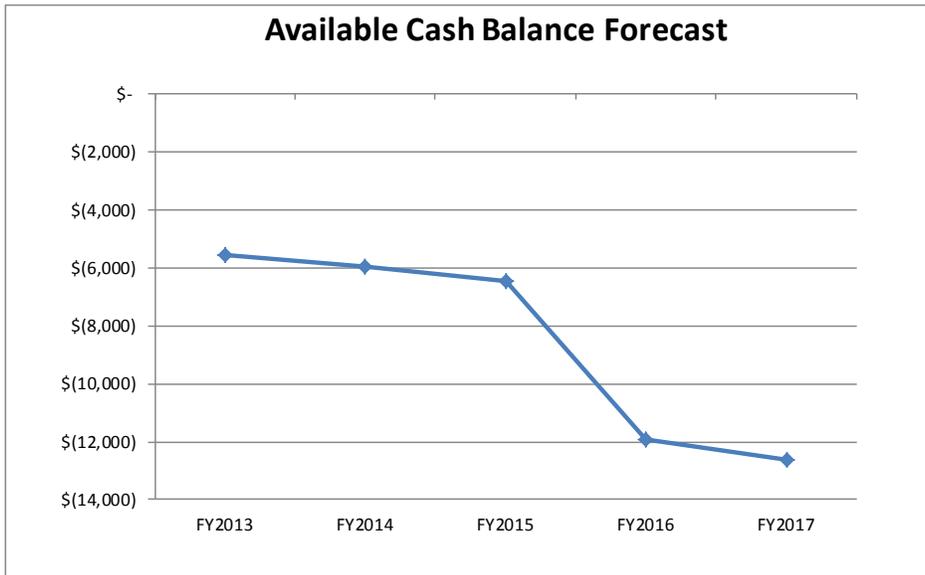


Wastewater System Development Fee Fund SPA 6

Description

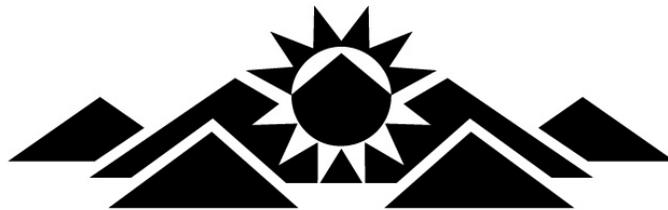
The wastewater system development fee fund is established to account for the inflow of wastewater service development fees levied on new residential, commercial, and industrial development. This fee can only be used for the purchase, construction, financing, and furnishing of new items directly related to the increased demand on wastewater services caused by growth. Development fees cannot be used to subsidize operational needs. The city provides these services to the entire city.

Revenues are based upon an estimated issuance of single family residential permits and the estimated square feet of non-single family residential permits in FY2013. On April 26, 2011 Senate Bill 1525 was signed into law and changed the method the city used to calculate development impact fees. Arizona Revised Statutes §9-463.05.K requires municipalities planning to continue assessing development impact fees complete an interim study effective January 1, 2012 and an updated development impact fee study effective August 1, 2014. The city has revised fees based on the interim study and plans on meeting the requirements of the August, 2014 deadline. The wastewater system development fee that was established July 1, 2007, remains unchanged at \$3,039 in Special Planning Area (SPA) 2-6 per single family residential permit.



| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|--|-------------------|-------------------|-------------------|--------------------|--------------------|
| Beginning Cash Balance | \$ (337) | \$ (5,537) | \$ (5,937) | \$ (6,437) | \$ (11,937) |
| Sources | | | | | |
| Development Fee Revenue | - | - | - | - | - |
| Total Sources | \$ - | \$ - | \$ - | \$ - | \$ - |
| Uses | | | | | |
| Interfund Loan Interest Expense | \$ (300) | \$ (400) | \$ (500) | \$ (600) | \$ (700) |
| Development Impact Fee Study | (3,400) | - | - | (3,400) | - |
| Contingency - Development Impact Fee Study | (1,500) | - | - | (1,500) | - |
| Total Uses | \$ (5,200) | \$ (400) | \$ (500) | \$ (5,500) | \$ (700) |
| Ending Cash Balance | \$ (5,537) | \$ (5,937) | \$ (6,437) | \$ (11,937) | \$ (12,637) |

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2013 Adopted Budget



Sanitation Operations Fund

Description

The sanitation operations fund is established as an enterprise fund to account for the collection of trash and recyclable materials. The Solid Waste Division of the Public Works Department manages this fund to provide solid waste and recycling services within Surprise. Commercial solid waste services and residential service to non-city customers is provided by private companies.

The city provides curbside collections twice per week, once per week for trash and once per week for recyclable materials. Each customer is provided with a 95 gallon trash and recycle container. Customers also receive on-demand curbside bulk trash pickup of up to 20 cubic-yards per year. The city household hazardous waste collection program and recycle drop-off programs are available to all city residents. The Solid Waste Division also provides trash, recycle, and roll-off services to city departments and weekly recycle service to public schools within the city.

Organizational Chart

The Solid Waste Division is managed by the Public Works Department as a division under the assistant director of operations. A division level organizational chart can be viewed on the Public Works Department general fund budget section of this document. The personnel who are directly funded by the sanitation operations fund are detailed in the personnel table within the Major Budget Changes.

Primary Functions

- Residential curbside trash and recycle collection services
- Residential curbside brush and bulk collection services
- Trash, recycle, and roll-off collection services for city departments
- Recycle drop-off centers and residential household hazardous waste drop-off services

Divisions

- Operations - Conducts the residential curbside solid waste collection operations of the division
- Bulk Trash - Handles operations and issues related to bulk trash and roll-off collection services
- Recycling - Conducts the recycling education and waste inspection program for the city as well as the household hazardous waste events

The departmental operating structure may vary from the budgeted division structure due to current constraints in the budgetary system.

Major Budget Changes

The FY2013 sanitation operations fund budget of \$6,462,900 represents a 19% decrease from the FY2012 amended budget. The primary factor of the decrease relates to the sanitation fleet replacements in that were budgeted in FY2012. The net effect of the personnel changes is an increase of \$15,500. The position changes of the fund are division managers to managers, senior financial analyst to budget/accounting manager, and a replacement of a utilities analyst with a manager. Personnel expenditures were also impacted by a 1.04% increase in the employer contribution for the Arizona State Retirement System and a 5.30% increase in the healthcare premium rates programmed for FY2013. Through continual review of expenditures, reductions in services of \$63,000 was offset by the increase in contracted utility billing of \$50,000.

Payments to the general fund in the amount of \$857,800 are programmed in FY2013 to cover the indirect costs associated with general fund personnel provided services and support to the sanitation fund. Additionally, an annual sanitation hauler's license fee of \$1,000 per sanitation vehicle is assessed on all sanitation companies providing service in the city of Surprise, including the Surprise sanitation operations. Also programmed in the transfer to the general fund are payments in lieu of property tax (PILOT) assessments.

| | FY2010 Actuals | FY2011 Actuals | FY2012 Amended Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|---------------------|---------------------|---------------------|-----------------------------|-----------------------------|------------------------|
| Expenditures | | | | | |
| <u>By category</u> | | | | | |
| Personnel | \$ 1,982,437 | \$ 2,052,559 | \$ 2,436,700 | \$ 2,421,200 | -1% |
| Supplies | 745,964 | 836,254 | 873,800 | 882,400 | 1% |
| Services | 1,367,207 | 1,418,986 | 1,490,000 | 1,477,000 | -1% |
| Capital | - | - | 1,485,600 | - | -100% |
| Depreciation | 421,644 | 431,416 | - | - | 0% |
| Contingency | - | - | 769,000 | 792,000 | 3% |
| Transfer Out | 622,750 | 888,827 | 889,000 | 890,300 | 0% |
| Total | \$ 5,140,002 | \$ 5,628,041 | \$ 7,944,100 | \$ 6,462,900 | -19% |

| | | | | | |
|----------------------|---------------------|---------------------|---------------------|---------------------|-------------|
| <u>By department</u> | | | | | |
| Finance | \$ - | \$ - | \$ - | \$ 77,600 | 0% |
| General Operations | 19,250 | 888,827 | - | - | 0% |
| Information Services | - | - | 17,900 | - | -100% |
| Public Works | 5,120,752 | 4,739,214 | 7,926,200 | 6,385,300 | -19% |
| Total | \$ 5,140,002 | \$ 5,628,041 | \$ 7,944,100 | \$ 6,462,900 | -19% |

| | FY2010 Amended Budget | FY2011 Amended Budget | FY2012 Adopted Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|------------------------|
| Personnel | | | | | |
| Accountant/Tax Auditor | 0.3 | 0.0 | 0.0 | 0.0 | 0.0 |
| Administrative Specialist | 0.0 | 0.0 | 0.2 | 0.2 | 0.0 |
| Administrative Technician | 2.0 | 2.0 | 1.2 | 1.2 | 0.0 |
| Assistant Analyst | 0.0 | 0.3 | 0.3 | 0.0 | -0.3 |
| Assistant Department Director | 0.0 | 0.0 | 0.3 | 0.5 | 0.2 |
| Budget/Accounting Manager | 0.0 | 0.0 | 0.0 | 0.3 | 0.3 |
| Department Director | 0.0 | 0.0 | 0.2 | 0.2 | 0.0 |
| Division Manager | 1.0 | 2.0 | 1.8 | 0.0 | -1.8 |
| Information Technology Administrator | 0.0 | 0.0 | 0.2 | 0.2 | 0.0 |
| Maintenance & Operations Supervisor | 2.0 | 2.0 | 2.0 | 2.0 | 0.0 |
| Maintenance & Operations Technician Manager | 20.0 | 20.0 | 21.0 | 21.0 | 0.0 |
| | 0.0 | 0.0 | 0.0 | 1.8 | 1.8 |
| Senior Financial Analyst | 0.0 | 0.3 | 0.5 | 0.2 | -0.3 |
| Senior Maint & Operations Technician | 3.0 | 3.0 | 3.0 | 3.0 | 0.0 |
| Service Worker/Groundskeeper | 4.0 | 3.0 | 3.0 | 3.0 | 0.0 |
| Total | 32.3 | 32.7 | 33.8 | 33.6 | -0.2 |

Accomplishments, Enhancements, and Efficiencies

- Continued cost savings over private contracted service for the transport of refuse and wastewater sludge
- Enhanced (re-routed) several residential trash and recycle collection routes
- Implemented glass and expanded plastics recycling, which increased our diversions from the landfill and increased recycling

Major Initiatives and Policy Issues

- Continued focus on operational efficiencies and cost savings
- Continued focus on exceptional customer service
- Prepare a draft solid waste master plan (prepared by in-house staff) that incorporates the components of the Surprise general plan and strategic plan

Goals, Objectives, and Performance Measures

- **Goal:** Maintain an efficient collections program and expand the recycling and bulk trash programs
 - **Objective:** Increase overall recycling from drop-off locations
 - **Objective:** Continue cost savings as a result of the recycling program
 - **Objective:** Continued bio-solids savings versus using a private contractor
 - **Objective:** Provide excellent customer service and reduce customer complaints

| Performance Measures | FY2010 Actual | FY2011 Actual | FY2012 Target | FY2012 Estimate | FY2013 Target |
|--|---------------|---------------|---------------|-----------------|---------------|
| Collections - customers | 32,644 | 31,756* | 31,832 | 32,200 | 32,600 |
| Garbage - tons collected from curbside | 30,700 | 30,820 | 29,260 | 29,520 | 29,400 |
| Recycling - tons collected from curbside | 6,900 | 7,200 | 8,730 | 7,500 | 7,840 |
| Recycling - tons collected from drop off locations | 350 | 410 | 430 | 430 | 440 |
| Roll Off - tons collected | 7,610 | 11,880 | 12,470 | 12,350 | 13,650 |
| Customer complaints and missed pick-ups | 24 | 16 | 25 | 17 | 20 |

*Change in methodology of calculating customer counts

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2013 Adopted Budget

Capital Improvement Plan

- Capital Improvement Plan Summary
- Summary of Capital Improvement Expenditures by Fund
- General Capital Fund
- Transportation Improvement Fund
- Fire and EMS Development Fee Fund
- General Government Development Fee Fund
- Library Development Fee Fund
- Parks and Recreation Development Fee Fund
- Police Development Fee Fund
- Public Works Development Fee Fund
- Roads of Regional Significance Development Fee Fund SPA 2,4, and 6
- Roads of Regional Significance Development Fee Fund SPA 3 and 5
- Vehicle Replacement Fund
- Capital Improvement Operating Costs

Capital Improvement Plan Summary

FY2013– FY2017

The city of Surprise has transitioned from a small agricultural community to one of the fastest growing communities in the nation. The 2010 census results show a population of 118,349, more than triple the 2000 census tabulation of approximately 30,000 residents. It is estimated that the population will increase slightly to 121,000 by the end of FY2016.

Much of Surprise's infrastructure was developed with a mix of public and private investment. Large master planned communities like Sun City Grand and Marley Park installed local infrastructure (roads, water, and sewer lines) to service the projects while the city provides police, fire, and wastewater treatment infrastructure and services for new residents expected to be added annually.

Management works with the Mayor and City Council and all departments throughout the Capital Improvement Plan (CIP) process to develop the adopted CIP. The CIP process runs in conjunction with the operating budget process and both culminate with the adoption of the recommended budget and CIP by the Mayor and City Council in June.



The Capital Improvement Plan (CIP) is a multi-year plan that outlines projects anticipated to fulfill current and future capital and infrastructure needs. The plan incorporates estimated project costs and associated ongoing operating costs. It addresses both repair and replacement of existing infrastructure, purchase of capital equipment, and construction of new facilities.

The proposed CIP is limited due to limited reduced and minimal growth. During the course of FY 2013, staff will be working with the Mayor and City Council to develop a more comprehensive CIP strategic plan and funding strategies.

Funding

The CIP is broken down into four major functions:

1. General CIP
2. Transportation CIP
3. Development Fee Funds
4. Water and Wastewater Enterprise Funds

1. General Capital Fund

Projects in this fund are paid for primarily by using a portion of construction sales tax and third party funding (e.g. grants). As such, because of the recession, construction sales tax revenues have declined significantly, resulting in fewer projects being funded. As a result, priority has been given to projects that are fully or partially paid for with third party funding (e.g. grants) so as to best leverage the use of city funds. The major projects include:

- Department Asset Replacement: \$3.8 million
- Development Incentive Reimbursements: \$2.3 million
- Traffic Management Center (non-growth): \$1.7 million
- 175th Avenue & Bell Road Drainage Improvements: \$55,000
- Paving Settlement West of 219th Avenue: \$2.3 million
- 107th Avenue & Union Hills Drainage: \$10.0 million
- Bell Road Landscaping/Lighting: \$8.7 million
- Bell Road Sidewalks (East of Grand Avenue): \$2.0 million
- Bell Road Sidewalks (West of Grand Avenue): \$170,000
- Dove Valley Parkway Enhancement: \$1.2 million
- Installation of Fiber Optics (non-growth): \$2.3 million

- Martin Acres Flood Control: \$660,000
- Pave Dirt Shoulders: \$686,310
- SR303 Peoria Avenue to Mt. View Enhancements: \$500,000
- Traffic Signals (non-growth): \$900,000
- NWC 163rd avenue & Pat Tillman Blvd Stormwater Mitigation: \$170,000

2. Transportation Improvement Fund

Projects in this fund are primarily funded by a 1.5% dedicated construction sales tax and third party funding (e.g. grants). Again, because of reduced construction sales taxes, fewer projects can be funded. Projects were also selected based on our ability to match third party funds and best leverage the use of City funds. The major projects include:

- Cactus Road (175th Avenue to Cotton Lane): \$870,000
- El Mirage Road: \$6.3 million
- Peoria Avenue (Sarival Avenue to Reems Road): \$1.6 million
- Mountain View Blvd (West of Grand Avenue): \$100,000
- Street Preservation and Maintenance: \$7.0 million

3. Water and Wastewater Enterprise Funds

These CIP programs are paid for by a combination of user rates and development impact fees. The major projects include:

Water

- Irrigation Line Loop 303 & Peoria for Landscaping: \$965,300
- Site & Security Improvements: \$1.3 million
- SPA 1 Variable Frequency Drives for Plant 4 & 5 Non-Potable Pumps: \$150,000
- Central Arizona Project Allocation: \$770,000
- Integrated Water Master Plan (IWMP) Existing Water System Deficiencies: \$300,000
- SPA 1 Mountain Vista Well #2: \$2.0 million
- SPA 1 Effluent Storage Reservoir Covers: \$1.1 million
- Rancho Gabriella Tank Repairs: \$352,000

Wastewater

- Cortessa Wet Well Re-Coating: \$100,000
- Disinfection Byproduct Reduction: \$1.1 million
- Site & Security Improvements: \$1.1 million
- SPA 1 Happy Trails Utility Access Improvements: \$441,200
- SPA 1 Recharge Wells @ South Plant: \$5,452,600
- SPA 1 South WRT Stabilization , Dust Control & Landscape: \$250,000
- Additional Chlorine Generation Unit: \$850,000
- Integrated Water Master Plan (IWMP) Existing Sewer System Deficiencies: \$300,000
- Sewer Relocation @ the Loop 303 – ADOT: \$600,000
- SPA 2 WRF Overhead Crane for Membrane removal \$300,000
- SPA2 WRF Plant Water System \$200,000

Capital & Operational Finances

In keeping with the city's policy of sustainability, approved capital projects stress continuation of current service levels. Surprise citizens deserve, and have come to expect the high level of service provided by the city. In order to maintain this high level of service, the city has committed many of its one-time sources of funds to pay for capital and infrastructure needs.

The operational costs associated with the massive amount of capital built by the city of Surprise have been felt over the last couple years. With each new completed project there are staffing, maintenance, supply, and other service costs that must be funded on an ongoing basis. The funding of these ongoing operational costs must be determined before a project is approved. By examining operational requirements early in the process, the city is assured that when a public building is completed, there is funding to open and operate the facility without negatively affecting other city services.

The majority of approved capital projects are directly related to maintaining the current level of service. New residents who move to Surprise will be greeted with a high level of service and amenities. The Mayor, City Council, and City Management have pledged to do what is required to ensure this level of service is sustainable.

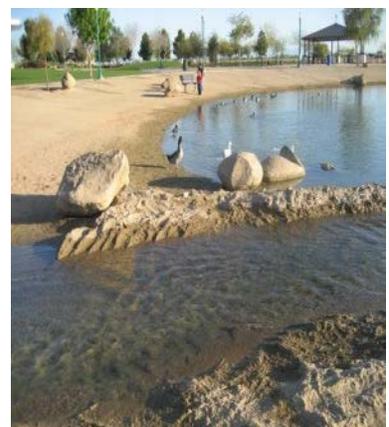
CIP Development

The following section provides information that served as the background for the development of the CIP.

What should be addressed in this planning effort?

- Financial responsibility.
- Improved transportation.
- Expansion of public safety facilities.
- Coordination with utilities.
- Allocation of funding for advanced organizational planning.
- Maintaining the necessary “tools” to provide quality customer service.
- Expansion of parks and recreation facilities.
- Economic development implications.
- Environmental issues.
- Community aesthetics and image.
- Public input.
- Sustainability for Surprise.

Community Park



Capital Project Definition

In order to distinguish between true capital items and operating items, the following capital project definition was developed:

Projects included in the Surprise CIP will be those with a cost of at least \$100,000 with a useful life of at least three years. All other projects shall be included in departmental operating budgets.

The CIP is to be used as a guide in decision-making. The CIP is intentionally developed in the most a-political environment possible with the full knowledge that the final decisions will be made in the political arena. The CIP is an objective basis for making decisions in a very subjective environment.

The process for the CIP's development is divided into three key components, culminating in the presentation of a Capital Improvement Plan to the Mayor and City Council for approval.

1. Needs Assessment. Future needs are outlined utilizing the General Plan and taking growth patterns into consideration.
2. Financial Analysis. Examination of the city's recent revenues, expenditures, current debt, and bonding capacity are included in the financial analysis.
3. Capital Improvement Plan Policies. The plan document includes policies, an implementation section, and outlines how the CIP will be updated on an annual basis.

1. Needs Assessment

The needs assessment encompasses all of the anticipated needs for the community within the definition of capital projects for the next five years.

During the plan development process, an inclusive capital project list is created. However, additional needs will be identified on a continuing basis and will be included in the annual update process. Some unanticipated needs will occur during the budget year and will be weighed against needs already identified in the annually adopted CIP.

Information on each capital project fund includes a fund description, a revenue and expenditure budget summary and fund balances. This information is followed by the capital projects adopted for the Capital Improvement Plan in the five year period. Each project is listed by the responsible department/division name and project expenditures are shown by fiscal year with a total by project for all years.

Following the list of projects in the five year plan is the detail information for each project. Each project page provides cost detail, project description, project location including the City Council district most directly impacted, recommended funding source, and anticipated ongoing operating costs. Below the cost detail section, the timeline of the project is restated by year. These are not in any prioritized order. The project number is for identification purposes only.

2. Financial Analysis

When attempting to determine what resources are available to fund capital improvements, it is important to carefully examine the current financial condition of the city as well as possible funding alternatives. Like most communities, the city of Surprise will most likely always have more needs than financial resources. In developing the CIP, a complete financial analysis is conducted. Funding options, current revenue trends, the community's borrowing capacity, and current debt are reviewed.

Funding Options

The city of Surprise has been funding capital improvement projects for many years. The key to implementing the CIP is consistent, systematic funding. This is becoming more and more difficult with today's political climate, recent legislative changes, shrinking revenue sources, and the demands presented by Surprise's growth potential.

The following options were considered when analyzing potential funding sources for CIP Projects.

- **Pay-As-You-Go Out of Current Revenues.** The city currently receives the bulk of its revenues through local sales taxes, state sales tax, and state income tax. A component of the local sales tax is construction related taxes. The taxes collected on construction activity, \$1,981,400, is dedicated to capital purchases. The city also receives funding from state fuel taxes and the Arizona Lottery. These funds are committed for transportation related expenditures.
- **Municipal Bonds.** The city can issue bonds for capital projects. Municipal bonds are paid back over a period of time with interest. The city's ability to use bond financing is discussed in more detail in the bonding capacity section. The issuance of municipal bonds must be approved by the voters.
- **Certificates of Participation/Municipal Property Corporations.** These are funding mechanisms used by many municipal governments that allow the municipality to borrow funds without voter approval. The debt is paid back much like a bond – over time with interest. The city of Surprise qualifies as having Municipal Property Corporation status, so this option is available.
- **Lease-Purchase Agreements.** A method of financing capital projects that lessens the up-front costs to the municipality. While interest is paid, the payoff period is typically a shorter period than bonds and the municipality will own the project at the termination of the agreement.
- **Improvement Districts.** This financing method is used to raise capital for projects in which the residents, who benefit from the improvements, pay for them over time (e.g. street light improvement district).
- **Development Impact Fees.** Fees imposed on new development to defray the impact and additional costs the development places on municipal infrastructure. The city currently has an Impact Fee Ordinance that applies fees to new development.
- **Development Agreements.** Developers construct infrastructure and convey the asset to the city. According to the terms of the agreement, developers are reimbursed for the infrastructure by the city through collections of development impact fees, permit fees, water and wastewater fees, and/or sales tax revenue.
- **Grants.** Federal, state, and county grants are available to finance capital projects. Many of these grants require the municipality to participate either financially or through "in kind" matches. The city is the recipient of various federal, state, and county grants and pursues grant funding as opportunities arise.
- **User Fees.** Fees paid by service users to maintain existing facilities and meet regulatory requirements. Utilities such as water, sewer and sanitation fall under this category.

Borrowing Capacity

While it is the desired goal of any organization to finance purchases without borrowing (pay-as-you-go), sometimes financing is used to leverage opportunities. Surprise has used various financing methods in the past to purchase vehicles and equipment and finance the development of other municipal services.

The most commonly utilized large project municipal financing method in the United States of America is the General Obligation Bond (G.O. Bond). This is the most inexpensive way to finance projects because the bond's repayment is based on the full taxing authority of the municipality and backed up by real property. Voters have to approve the property taxes (secondary) instituted to pay for the issuance of G.O. Bonds.

The State of Arizona places limits on this type of financing. Under Arizona Law, Article IX, Section 8, municipalities may issue G.O. Bonds for purposes of water, wastewater, artificial light, open space preserves, parks and recreational facilities, public safety, law enforcement, fire and emergency services facilities, streets, and transportation facilities up to an amount not exceeding 20 percent of the secondary assessed value. Based on Surprise's secondary assessed valuation of \$936,730,006, a total of \$187,346,001 could be borrowed utilizing G.O. Bonds. The city currently has no outstanding G.O. Bonds debt in the 20 percent category.

In addition, Arizona law allows municipalities to issue G.O. Bonds for all other purposes not listed above up to an amount not exceeding six percent of the valuation. This would allow Surprise to bond for \$56,203,800 under this category. The city currently has no outstanding G.O. Bonded debt in the six percent category.

Surprise's other debt does not count against these limits; although, the overall financial position of the city would be considered by lending institutions.

Outstanding Debt

As of June 30, 2011, the city of Surprise held the following outstanding long-term debt obligations. The total amount of outstanding debt and year of debt retirement are indicated:

| <u>Outstanding Debt</u> | <u>Debt Retirement Date</u> | <u>Outstanding Balance as of June, 30 2012</u> |
|--|-----------------------------|--|
| Municipal Property Corporation Bonds: 2000-2003 Issuance | 7/1/2020 | \$ 31,870,000 |
| Municipal Property Corporation Bonds: 2007 Issuance | 4/1/2032 | 50,675,000 |
| | <u>Total</u> | <u>\$ 82,545,000</u> |

3. Capital Improvement Plan Policies

Policies

When implementing a plan of this complexity and magnitude, it is important to adhere to operating policies and procedures to ensure success. The following policies have been adopted as part of the Surprise Capital Improvement Plan.

- Regional considerations and intergovernmental relationships will be evaluated as projects are developed.
- Legal mandates will be monitored and projects to satisfy the mandates will be developed.
- The five-year CIP will be updated annually.
- Pay-as-you-go financing will be the preferred funding mechanism of the CIP.

- Should borrowing be necessary, dedicated revenue streams will be accounted for as to not jeopardize the long-term implementation of the CIP.
 - Efforts will be continuously made to maintain and improve the city's credit rating.
 - Capital project and improvement districts financed through debt instruments shall not be financed for more than the anticipated useful life of the project.
 - Department Directors and Managers will meet with the Chief Information Officer as part of the CIP update process to discuss and coordinate purchases in communications equipment and systems and computer hardware and software to ensure citywide compatibility.
 - The city shall periodically review user fees and adjust accordingly to ensure that the fees adequately cover the cost of operation, maintenance, and future expansion.
 - The city shall periodically review development impact fees and adjust accordingly to ensure new growth continues to pay its fair share of impact on the community.
 - The city shall work aggressively with developers to ensure future development pays for itself and is not a burden on existing residents.
 - Projects will be developed to accommodate coordination with economic development efforts.

Implementation

The success of a plan or a planning process is measured by the degree of its implementation. Since resources are limited, it is crucial for the city of Surprise to follow a consistent, objective path to allocate funding for future capital improvements needs.

The following implementation program outlines the specific steps necessary to implement the CIP and perform the annual update.



Trenching

General Implementation Guidelines

- The Surprise five-year CIP is adopted by the Mayor and City Council and is published and widely distributed. The CIP is updated annually and reviewed and adopted by the Mayor and City Council along with the operating budget each year.
- Department directors are responsible for preparing monthly reports on the status of current year capital projects. The reports are posted monthly on the city's website www.surpriseaz.gov.
- Citizen input is sought periodically to determine the desires of the public. Attitudes and circumstances change and informed decision making requires that the city have an up-to-date awareness of what the public's attitudes are toward community facilities and services and how to pay for them.

Update Process

Updating the CIP takes place annually along with the development of the city's annual budget. The annual update includes projects by funding source for presentation to the Mayor and City Council.

The prior year process is reviewed annually to discuss the plan's process and implementation. Project worksheets are updated in the budget database by the responsible department. The project information includes: project name and department, description, council district location, funding source(s), cost detail by category and year, and estimated ongoing operational costs.

Projects are evaluated and prioritized using three funding categories.

1. **Prioritized Funding Category:** Projects competing for general fund and certain dedicated funding sources. The majority of projects are in this category.
2. **Enterprise Fund Category:** Utility Projects funded from a dedicated funding source, which are not able to compete for general fund monies.
3. **Developer Funded:** Projects funded and constructed by developers that do not compete for general fund monies. These projects are included in the 5-year CIP to recognize the vast amount of infrastructure that is being put into the ground which the city will assume responsibility for upon completion.



City Hall

City of Surprise
Summary of Capital Improvement Expenditures by Fund
FY2013 Programmed Projects

| Fund Number | Fund Name | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|--------------------------|---|----------------------|----------------------|---------------------|---------------------|----------------------|
| 21112 | General Capital Fund | \$ 6,256,400 | \$ 4,923,600 | \$ 1,630,000 | \$ 930,000 | \$ 8,630,000 |
| 21418 | Transportation Improvement Fund | 4,025,000 | 1,470,000 | 2,075,000 | 1,000,000 | 1,000,000 |
| 21415 | PW Development Fee Fund | 608,600 | - | - | - | - |
| 21114 | Vehicle Replacement Fund | 2,051,000 | 3,984,258 | - | - | - |
| 22511 | Water Operations Fund | 1,018,000 | 913,300 | 210,000 | 529,500 | - |
| 22512 | Water Development Fee SPA1 Fund | 1,190,500 | 904,000 | 604,000 | 154,000 | 154,000 |
| 22522 | Water Replenishment Development Fee SPA1 Fund | 100,000 | 1,000,000 | - | - | - |
| 22531 | Sewer Operations Fund | 5,154,500 | - | 140,000 | 770,000 | 600,000 |
| 22532 | Sewer Development Fee SPA1 Fund | 150,000 | 750,000 | 250,000 | - | - |
| Total - All Funds | | \$ 20,554,000 | \$ 13,945,158 | \$ 4,909,000 | \$ 3,383,500 | \$ 10,384,000 |

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2013 Adopted Budget



General Capital Fund

Description

The general capital fund is established to provide a centralized location for the acquisition of capital with resources that are not restricted such as a development impact fees. The intent is to remove capital costs from department operating budgets to better analyze the cost of departmental operations as well as the need for capital and infrastructure.

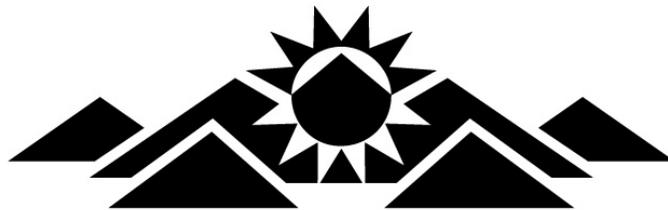
At the direction of the Mayor and City Council, the city of Surprise dedicates the first \$1,250,000 of construction related sales tax collections to operating expenses. The remaining construction sales tax is considered a one-time revenue source and is dedicated for capital expenses in this fund. The dedicated sales tax amount for FY2013 is estimated at \$1,650,000.

Available Cash Balance Forecast



| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|---------------------------------|-----------------------|-----------------------|-----------------------|---------------------|-----------------------|
| Beginning Cash Balance | \$ 1,289,277 | \$ (851,823) | \$ (2,574,955) | \$ (1,104,255) | \$ 1,066,645 |
| Sources | | | | | |
| Construction Sales Tax | \$ 1,650,000 | \$ 1,650,000 | \$ 1,650,000 | \$ 1,650,000 | \$ 1,650,000 |
| Interest on Interfund loans | 1,640,800 | 1,540,768 | 1,440,800 | 1,440,800 | 1,440,800 |
| Intergovernmental Contributions | 815,000 | - | - | - | - |
| Interest Earnings | 9,500 | 9,700 | 9,900 | 10,100 | 10,400 |
| Total Sources | \$ 4,115,300 | \$ 3,200,468 | \$ 3,100,700 | \$ 3,100,900 | \$ 3,101,200 |
| Uses | | | | | |
| Capital Project Expenditures | \$ (6,256,400) | \$ (4,923,600) | \$ (1,630,000) | \$ (930,000) | \$ (8,630,000) |
| Total Uses | \$ (6,256,400) | \$ (4,923,600) | \$ (1,630,000) | \$ (930,000) | \$ (8,630,000) |
| Ending Cash Balance | \$ (851,823) | \$ (2,574,955) | \$ (1,104,255) | \$ 1,066,645 | \$ (4,462,155) |

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2013 Adopted Budget

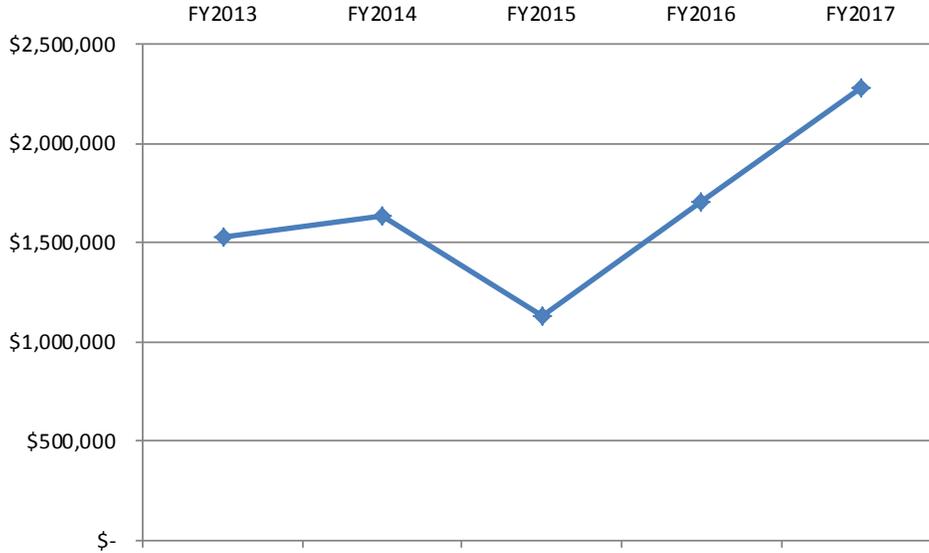


Transportation Improvement Fund

Description

The transportation improvement fund is established to provide for the collection and expenditure of the dedicated 1.5% local construction transaction tax adopted by the Mayor and Council through ordinance 05-13. This tax is dedicated for the improvement of existing roadway corridors and the related costs of the construction of new roadways.

Available Cash Balance Forecast



| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|---------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Beginning Cash Balance | \$ 2,531,918 | \$ 1,531,518 | \$ 1,636,118 | \$ 1,128,918 | \$ 1,703,618 |
| Sources | | | | | |
| Construction Sales Tax | 1,981,400 | 1,981,400 | 1,981,400 | 1,981,400 | 1,981,400 |
| Intergovernmental Contributions | 1,450,000 | - | - | - | - |
| Interest Earnings | 13,300 | 13,300 | 6,500 | 13,400 | 13,300 |
| Total Sources | \$ 3,444,700 | \$ 1,994,700 | \$ 1,987,900 | \$ 1,994,800 | \$ 1,994,700 |
| Uses | | | | | |
| Capital Project Expenditures | \$ (4,025,000) | \$ (1,470,000) | \$ (2,075,000) | \$ (1,000,000) | \$ (1,000,000) |
| Administrative Costs | (120,100) | (120,100) | (120,100) | (120,100) | (120,100) |
| Development Agreement | | | | | |
| Del Webb Sales Tax | (250,000) | (250,000) | (250,000) | (250,000) | (250,000) |
| Surprise Pointe Sales Tax | (50,000) | (50,000) | (50,000) | (50,000) | (50,000) |
| Total Uses | \$ (4,445,100) | \$ (1,890,100) | \$ (2,495,100) | \$ (1,420,100) | \$ (1,420,100) |
| Ending Cash Balance | \$ 1,531,518 | \$ 1,636,118 | \$ 1,128,918 | \$ 1,703,618 | \$ 2,278,218 |

| | FY2010 Amended Budget | FY2011 Amended Budget | FY2012 Adopted Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|------------------------|
| Personnel | | | | | |
| Civil Engineer | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 |
| Total | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 |



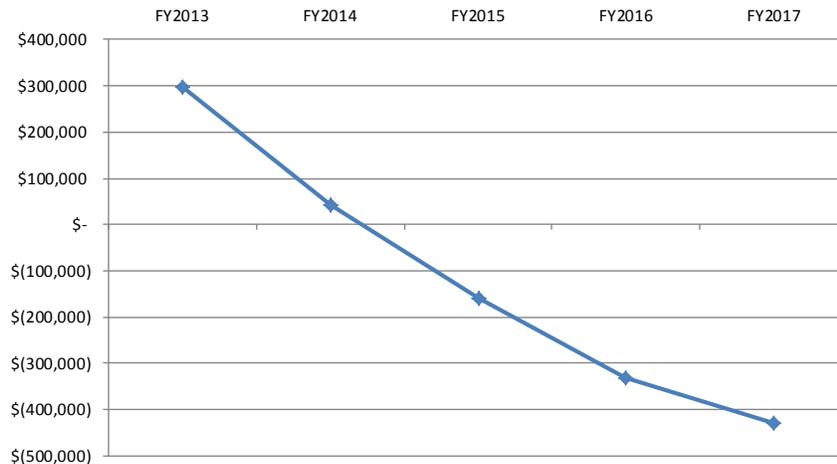
Fire and EMS Development Fee Fund

Description

The fire and emergency medical services (EMS) development fee fund is established to account for the inflow of fire and EMS development fees levied on new residential and commercial construction. This fee can only be used for the purchase, construction, financing, and furnishing of new capital or one-time items directly related to the increased demand on fire and emergency medical services caused by growth. Development fees cannot be used to subsidize operational needs.

Revenues are based upon an estimated issuance of 250 single family residential permits and the estimated square feet of 217,800 non-single family residential permits in FY2013. On April 26, 2011 Senate Bill 1525 was signed into law and changed the method the city used to calculate development impact fees. Arizona Revised Statutes §9-463.05.K requires municipalities planning to continue assessing development impact fees complete an interim study effective January 1, 2012 and an updated development impact fee study effective August 1, 2014. The city has revised fees based on the interim study and plans on meeting the requirements of the August, 2014 deadline. The fire and EMS development fee for single family residential permits was revised from \$706 to \$688 as of January 1, 2012.

Available Cash Balance Forecast



| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| Beginning Cash Balance | \$ 427,559 | \$ 297,459 | \$ 41,459 | \$ (160,841) | \$ (330,841) |
| Sources | | | | | |
| Development Fee Revenue | 247,800 | 172,800 | 241,600 | 310,400 | 379,200 |
| Interfund Loan Proceeds | 64,800 | - | - | - | - |
| Total Sources | \$ 312,600 | \$ 172,800 | \$ 241,600 | \$ 310,400 | \$ 379,200 |
| Uses | | | | | |
| Interfund Loan Interest Expense | \$ (292,600) | \$ (307,300) | \$ (322,700) | \$ (338,900) | \$ (355,900) |
| Development Impact Fee Study | (20,000) | - | - | (20,000) | - |
| Contingency - Development Impact Fee Study | (8,500) | - | - | - | - |
| Debt | | | | | |
| MPC Rental Payment | (121,600) | (121,500) | (121,200) | (121,500) | (121,600) |
| Total Uses | \$ (442,700) | \$ (428,800) | \$ (443,900) | \$ (480,400) | \$ (477,500) |

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2013 Adopted Budget



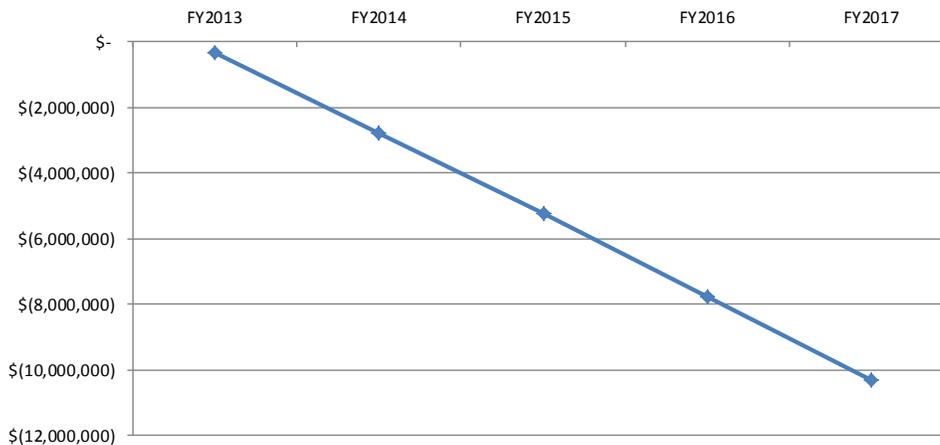
General Government Development Fee Fund

Description

The general government development fee fund is established to account for the inflow of general government development fees levied on new residential and commercial construction. This fee can only be used for the purchase, construction, financing, and furnishing of new capital or one-time items directly related to the increased demand on general government services caused by growth. Development fees cannot be used to subsidize operating needs.

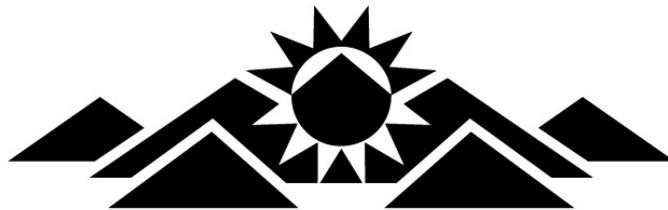
Revenues are based upon an estimated issuance of 250 single family residential permits and the estimated square feet of 217,800 non-single family residential permits in FY2013. On April 26, 2011 Senate Bill 1525 was signed into law and changed the method the city used to calculate development impact fees. Arizona Revised Statutes §9-463.05.K requires municipalities planning to continue assessing development impact fees complete an interim study effective January 1, 2012 and an updated development impact fee study effective August 1, 2014. The city has revised fees based on the interim study and plans on meeting the requirements of the August, 2014 deadline. The general government development fee for single family residential permits was revised from \$661 to \$661 as of January 1, 2012.

Available Cash Balance Forecast



| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|--|----------------|----------------|----------------|----------------|-----------------|
| Beginning Cash Balance | \$ (226,231) | \$ (328,631) | \$ (2,768,031) | \$ (5,236,331) | \$ (7,761,331) |
| Sources | | | | | |
| Development Fee Revenue | 227,100 | 156,000 | 222,100 | 288,200 | 354,300 |
| Interfund Loan Proceeds | 2,203,000 | - | - | - | - |
| Total Sources | \$ 2,430,100 | \$ 156,000 | \$ 222,100 | \$ 288,200 | \$ 354,300 |
| Uses | | | | | |
| Interfund Loan Interest Expense | (1,837,000) | (1,928,900) | (2,025,400) | (2,126,700) | (2,233,100) |
| Development Impact Fee Study | (20,000) | - | - | (20,000) | - |
| Contingency - Development Impact Fee Study | (8,500) | - | - | - | - |
| Debt | | | | | |
| MPC Rental Payment | (667,000) | (666,500) | (665,000) | (666,500) | (667,400) |
| Total Uses | \$ (2,532,500) | \$ (2,595,400) | \$ (2,690,400) | \$ (2,813,200) | \$ (2,900,500) |
| Ending Cash Balance | \$ (328,631) | \$ (2,768,031) | \$ (5,236,331) | \$ (7,761,331) | \$ (10,307,531) |

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2013 Adopted Budget



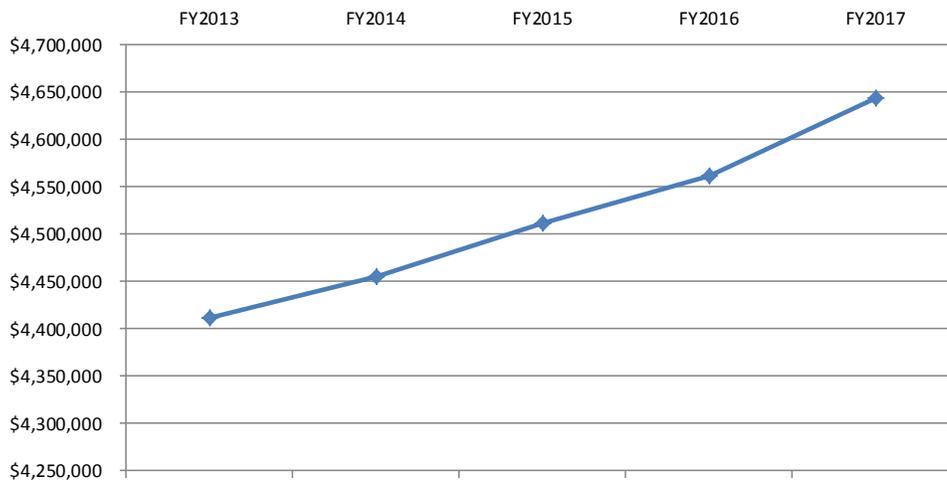
Library Development Fee Fund

Description

The library development fee fund is established to account for the inflow of library development fees levied on new residential construction. This fee can only be used for the purchase, construction, financing, and furnishing of new items directly related to the increased demand on library services caused by growth. Development fees cannot be used to subsidize operational needs.

Revenues are based upon an estimated issuance of 250 single family residential permits and the estimated square feet of 217,800 non-single family residential permits in FY2013. On April 26, 2011 Senate Bill 1525 was signed into law and changed the method the city used to calculate development impact fees. Arizona Revised Statutes §9-463.05.K requires municipalities planning to continue assessing development impact fees complete an interim study effective January 1, 2012 and an updated development impact fee study effective August 1, 2014. The city has revised fees based on the interim study and plans on meeting the requirements of the August, 2014 deadline. The library development fee for single family residential permits was revised from \$467 to \$133 as of January 1, 2012.

Available Cash Balance Forecast



| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| Beginning Cash Balance | \$ 4,384,055 | \$ 4,412,455 | \$ 4,455,855 | \$ 4,512,355 | \$ 4,561,955 |
| Sources | | | | | |
| Development Fee Revenue | 33,300 | 20,000 | 33,300 | 46,600 | 59,900 |
| Interest Earnings | 23,600 | 23,400 | 23,200 | 23,000 | 22,800 |
| Total Sources | \$ 56,900 | \$ 43,400 | \$ 56,500 | \$ 69,600 | \$ 82,700 |
| Uses | | | | | |
| Development Impact Fee Study | (20,000) | - | - | (20,000) | - |
| Contingency - Development Impact Fee Study | (8,500) | - | - | - | - |
| Total Uses | \$ (28,500) | \$ - | \$ - | \$ (20,000) | \$ - |
| Ending Cash Balance | \$ 4,412,455 | \$ 4,455,855 | \$ 4,512,355 | \$ 4,561,955 | \$ 4,644,655 |

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2013 Adopted Budget



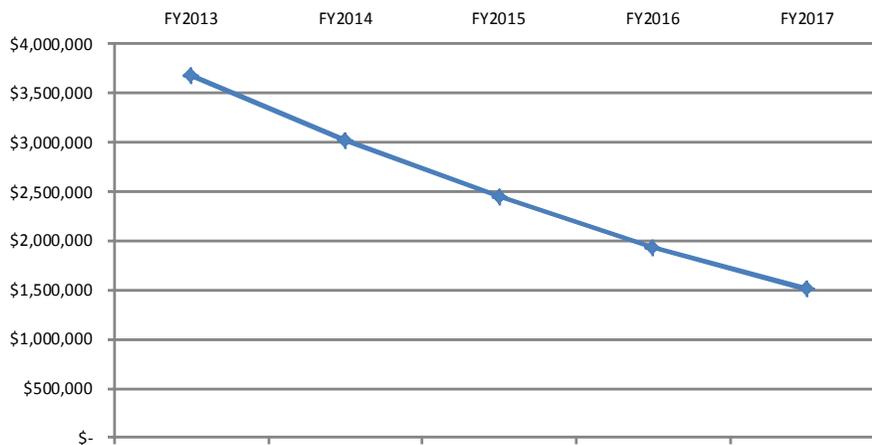
Parks and Recreation Development Fee Fund

Description

The parks and recreation development fee fund is established to account for the inflow of parks and recreation development fees levied on new residential construction. This fee can only be used for the purchase, construction, financing, and furnishing of new items directly related to the increased demand on parks and recreation services caused by growth. Development fees cannot be used to subsidize operational needs.

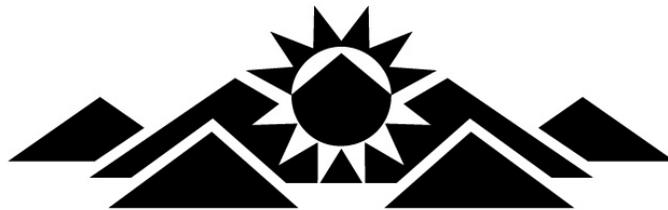
Revenues are based upon an estimated issuance of 250 single family residential permits and the estimated square feet of 217,800 non-single family residential permits in FY2013. On April 26, 2011 Senate Bill 1525 was signed into law and changed the method the city used to calculate development impact fees. Arizona Revised Statutes §9-463.05.K requires municipalities planning to continue assessing development impact fees complete an interim study effective January 1, 2012 and an updated development impact fee study effective August 1, 2014. The city has revised fees based on the interim study and plans on meeting the requirements of the August, 2014 deadline. The parks and recreation development fee for single family residential permits was revised from \$2,114 to \$785 as of January 1, 2012.

Available Cash Balance Forecast



| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| Beginning Cash Balance | \$ 4,275,734 | \$ 3,672,934 | \$ 3,020,534 | \$ 2,446,434 | \$ 1,927,034 |
| Sources | | | | | |
| Development Fee Revenue | 196,300 | 117,800 | 196,300 | 274,800 | 353,300 |
| Interest Earnings | 24,400 | 24,000 | 22,000 | 20,000 | 18,000 |
| Total Sources | \$ 220,700 | \$ 141,800 | \$ 218,300 | \$ 294,800 | \$ 371,300 |
| Uses | | | | | |
| Development Impact Fee Study | \$ (20,000) | \$ - | \$ - | \$ (20,000) | \$ - |
| Contingency - Development Impact Fee Study | (8,500) | - | - | - | - |
| Debt | | | | | |
| MPC Rental Payment | (795,000) | (794,200) | (792,400) | (794,200) | (795,300) |
| Total Uses | \$ (823,500) | \$ (794,200) | \$ (792,400) | \$ (814,200) | \$ (795,300) |
| Ending Cash Balance | \$ 3,672,934 | \$ 3,020,534 | \$ 2,446,434 | \$ 1,927,034 | \$ 1,503,034 |

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2013 Adopted Budget



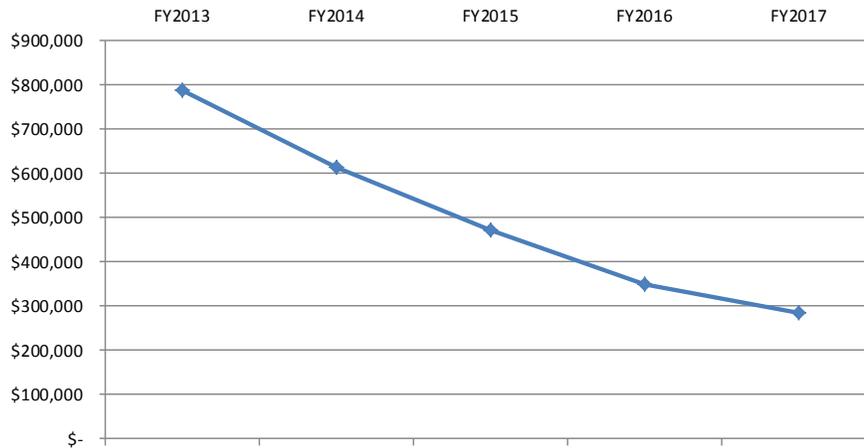
Police Development Fee Fund

Description

The police development fee fund is established to account for the inflow of police development fees levied on new residential and commercial construction. This fee can only be used for the purchase, construction, financing, and furnishing of new capital or one-time items directly related to the increased demand on police services caused by growth. Development fees cannot be used to subsidize operational needs.

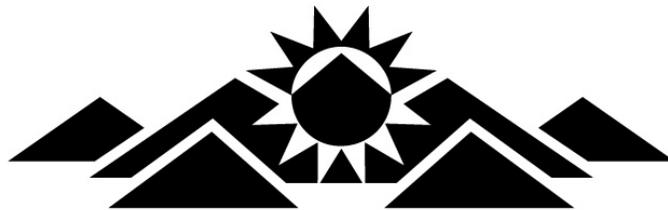
Revenues are based upon an estimated issuance of 250 single family residential permits and the estimated square feet of 217,800 non-single family residential permits in FY2013. On April 26, 2011 Senate Bill 1525 was signed into law and changed the method the city used to calculate development impact fees. Arizona Revised Statutes §9-463.05.K requires municipalities planning to continue assessing development impact fees complete an interim study effective January 1, 2012 and an updated development impact fee study effective August 1, 2014. The city has revised fees based on the interim study and plans on meeting the requirements of the August, 2014 deadline. The police development fee for single family residential permits was revised from \$372 to \$371 as of January 1, 2012.

Available Cash Balance Forecast



| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| Beginning Cash Balance | \$ 956,615 | \$ 789,415 | \$ 612,715 | \$ 473,415 | \$ 350,415 |
| Sources | | | | | |
| Development Fee Revenue | 101,900 | 64,100 | 101,200 | 138,300 | 175,400 |
| Interest Earnings | 5,400 | 5,000 | 4,800 | 4,500 | 4,000 |
| Total Sources | \$ 107,300 | \$ 69,100 | \$ 106,000 | \$ 142,800 | \$ 179,400 |
| Uses | | | | | |
| Development Impact Fee Study | \$ (20,000) | \$ - | \$ - | \$ (20,000) | \$ - |
| Contingency - Development Impact Fee Study | (8,500) | - | - | - | - |
| Debt | | | | | |
| MPC Rental Payment | (246,000) | (245,800) | (245,300) | (245,800) | (246,100) |
| Total Uses | \$ (274,500) | \$ (245,800) | \$ (245,300) | \$ (265,800) | \$ (246,100) |
| Ending Cash Balance | \$ 789,415 | \$ 612,715 | \$ 473,415 | \$ 350,415 | \$ 283,715 |

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2013 Adopted Budget



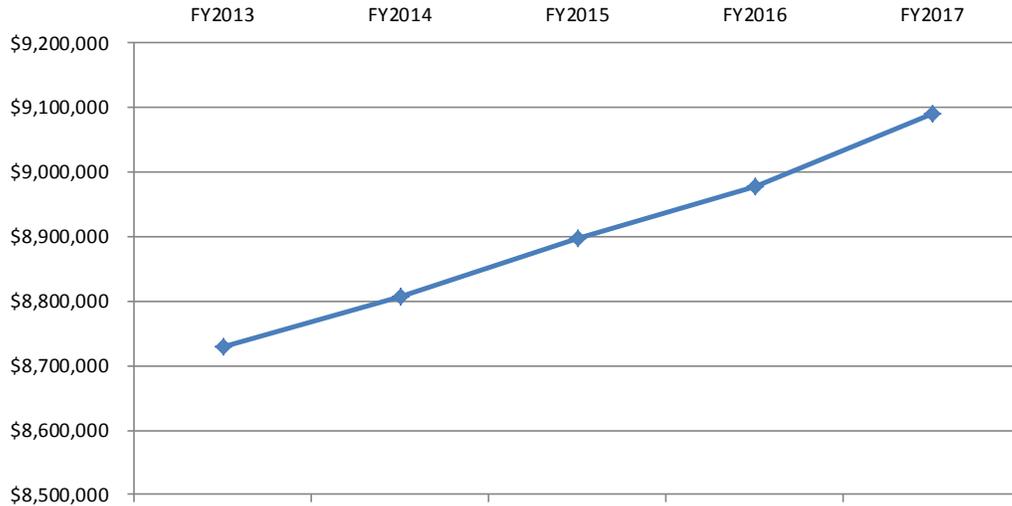
Public Works Development Fee Fund

Description

The public works development fee fund is established to account for the inflow of public works development fees levied on new residential and commercial construction. This fee can only be used for the purchase, construction, financing, and furnishing of new capital or one-time items directly related to the increased demand on public works services caused by growth. Development fees cannot be used to subsidize operational needs.

Revenues are based upon an estimated issuance of 250 single family residential permits and the estimated square feet of 217,800 non-single family residential permits in FY2013. On April 26, 2011 Senate Bill 1525 was signed into law and changed the method the city used to calculate development impact fees. Arizona Revised Statutes §9-463.05.K requires municipalities planning to continue assessing development impact fees complete an interim study effective January 1, 2012 and an updated development impact fee study effective August 1, 2014. The city has revised fees based on the interim study and plans on meeting the requirements of the August, 2014 deadline. The public works development fee for single family residential permits was revised from \$998 to \$109 as of January 1, 2012.

Available Cash Balance Forecast



| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|--|---------------------|------------------|------------------|--------------------|-------------------|
| Beginning Cash Balance | \$ 9,295,522 | \$ 8,728,522 | \$ 8,807,122 | \$ 8,897,122 | \$ 8,978,522 |
| Sources | | | | | |
| Development Fee Revenue | 37,300 | 25,600 | 36,500 | 47,400 | 58,300 |
| Interest Earnings | 52,800 | 53,000 | 53,500 | 54,000 | 54,500 |
| Total Sources | \$ 90,100 | \$ 78,600 | \$ 90,000 | \$ 101,400 | \$ 112,800 |
| Uses | | | | | |
| Capital Project Expenditures | \$ (608,600) | \$ - | \$ - | \$ - | \$ - |
| Development Impact Fee Study | (20,000) | - | - | (20,000) | - |
| Contingency - Development Impact Fee Study | (8,500) | - | - | - | - |
| Sanitation Receptacles Purchase Expenditures | (20,000) | - | - | - | - |
| Total Uses | \$ (657,100) | \$ - | \$ - | \$ (20,000) | \$ - |

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2013 Adopted Budget



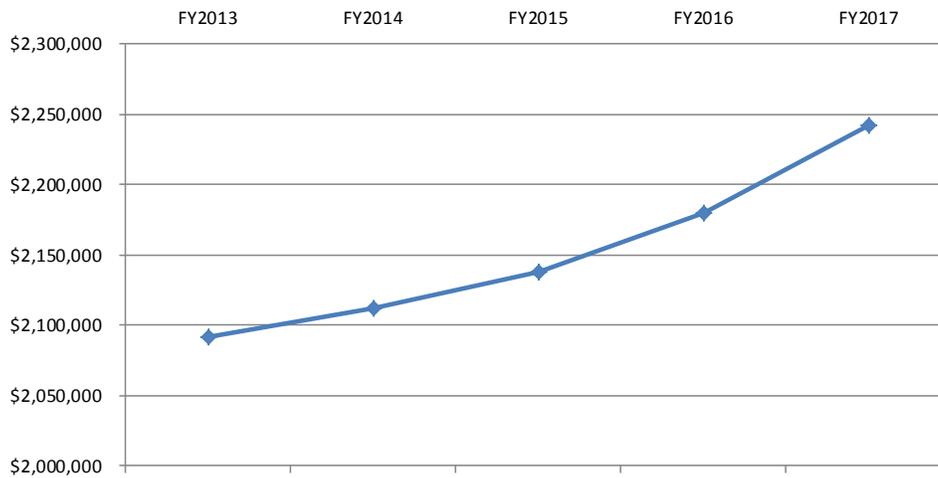
Roads of Regional Significance Development Fee Fund SPA 2, 4, & 6

Description

The roads of regional significance development fund is established to account for the inflow of development fees levied on new residential and commercial construction. This fee can only be used for the purchase, construction, financing, and furnishing of new capital or one-time items directly related to the increased demand on roadways caused by growth. Development fees cannot be used to subsidize operational needs.

Revenues are based upon an estimated issuance of single family residential permits and estimated square feet of non-single family residential permits in FY2013. The roads of regional significance development fee remains unchanged from FY2008 at \$5,715 in Special Planning Area (SPA) 2, 4, and 6 as established July 1, 2007.

Available Cash Balance Forecast



| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| Beginning Cash Balance | \$ 2,095,503 | \$ 2,092,103 | \$ 2,112,203 | \$ 2,138,003 | \$ 2,179,503 |
| Sources | | | | | |
| Development Fee Revenue | - | 8,600 | 14,300 | 40,000 | 51,400 |
| Interest Earnings | 11,500 | 11,500 | 11,500 | 11,500 | 11,500 |
| Total Sources | \$ 11,500 | \$ 20,100 | \$ 25,800 | \$ 51,500 | \$ 62,900 |
| Uses | | | | | |
| Development Impact Fee Study | \$ (10,000) | \$ - | \$ - | \$ (10,000) | \$ - |
| Contingency - Development Impact Fee Study | (4,900) | - | - | - | - |
| Total Uses | \$ (14,900) | \$ - | \$ - | \$ (10,000) | \$ - |
| Ending Cash Balance | \$ 2,092,103 | \$ 2,112,203 | \$ 2,138,003 | \$ 2,179,503 | \$ 2,242,403 |

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2013 Adopted Budget



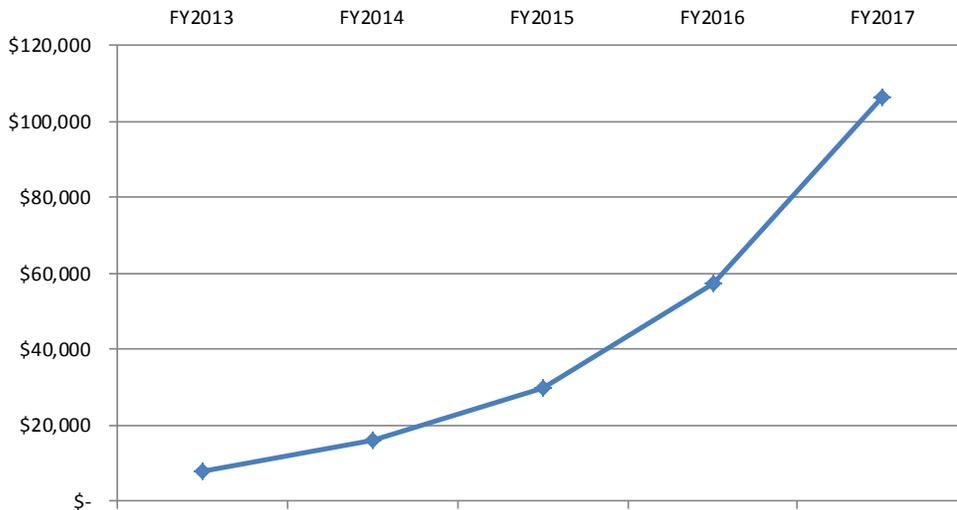
Roads of Regional Significance Development Fee Fund SPA 3 & 5

Description

The roads of regional significance development fund is established to account for the inflow of development fees levied on new residential and commercial construction. This fee can only be used for the purchase, construction, financing, and furnishing of new capital or one-time items directly related to the increased demand on roadways caused by growth. Development fees cannot be used to subsidize operational needs.

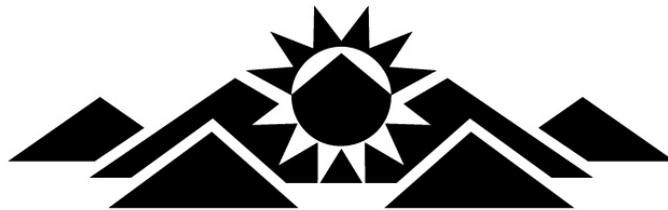
Revenues are based upon an estimated issuance of single family residential permits and estimated square feet of non-single family residential permits in FY2013. The roads of regional significance development fee remains unchanged from FY2008 \$5,396 in SPA 3 and 5 per single family residential permit as established July 1, 2007.

Available Cash Balance Forecast



| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|--|--------------------|------------------|------------------|--------------------|-------------------|
| Beginning Cash Balance | \$ 22,748 | \$ 7,948 | \$ 16,148 | \$ 29,748 | \$ 57,548 |
| Sources | | | | | |
| Development Fee Revenue | - | 8,100 | 13,500 | 37,800 | 48,600 |
| Interest Earnings | 100 | 100 | 100 | - | - |
| Total Sources | \$ 100 | \$ 8,200 | \$ 13,600 | \$ 37,800 | \$ 48,600 |
| Uses | | | | | |
| Development Impact Fee Study | \$ (10,000) | \$ - | \$ - | \$ (10,000) | \$ - |
| Contingency - Development Impact Fee Study | (4,900) | - | - | - | - |
| Total Uses | \$ (14,900) | \$ - | \$ - | \$ (10,000) | \$ - |
| Ending Cash Balance | \$ 7,948 | \$ 16,148 | \$ 29,748 | \$ 57,548 | \$ 106,148 |

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2013 Adopted Budget

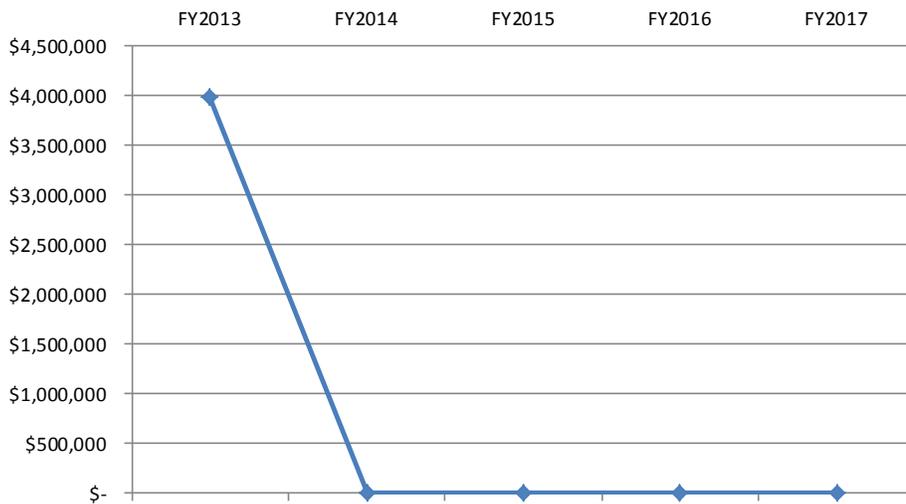


Vehicle Replacement

Description

Vehicle replacement funding was established to allow the city to replace vehicles and equipment as they reach the end of useful life. The Fleet Management Division of the Public Works Department administers the fleet replacement program. The city's capital asset policy is the guideline for the replacement timeline with minor exceptions for reserve vehicles. The fleet manager and department director evaluate vehicles during the budget process and adjustments in the replacement schedule may be made. All vehicles are replaced turn key. Adjustments are made annually for inflation. Replacement funds are not used to upgrade or enhance vehicles.

Available Cash Balance Forecast



| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|---------------------------------|-----------------------|-----------------------|-------------|-------------|-------------|
| Beginning Cash Balance | \$ 5,813,558 | \$ 3,984,258 | \$ - | \$ - | \$ - |
| Sources | | | | | |
| Department Contributions | - | - | - | - | - |
| Intergovernmental Contributions | 187,100 | - | - | - | - |
| Interest Earnings | 34,600 | - | - | - | - |
| Total Sources | \$ 221,700 | \$ - | \$ - | \$ - | \$ - |
| Uses | | | | | |
| Vehicle Purchase Expenditures | \$ (2,051,000) | \$ (3,984,258) | | | |
| Total Uses | \$ (2,051,000) | \$ (3,984,258) | \$ - | \$ - | \$ - |
| Ending Cash Balance | \$ 3,984,258 | \$ - | \$ - | \$ - | \$ - |

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2013 Adopted Budget

Capital Improvement Operating Costs FY2014-FY2018

GENERAL CAPITAL FUND

| <u>Project Name</u> | <u>FY2014</u> | <u>FY2015</u> | <u>FY2016</u> | <u>FY2017</u> | <u>FY2018</u> |
|---|---------------|---------------|---------------|----------------|----------------|
| C&R - Rec Support Services | | | | | |
| Surprise Farms Dog Park | 0 | 0 | 0 | 79,500 | 79,500 |
| Finance - Admin | | | | | |
| Replace Accounting/GL\FMS Software | 0 | 0 | 0 | 500,000 | 500,000 |
| Police - Admin | | | | | |
| Police Substation #1 (non-growth) | 0 | 0 | 0 | 0 | 29,700 |
| Police - Communications | | | | | |
| Police Regional Wireless Cooperative Expansion (non-growth) | 0 | 0 | 0 | 226,900 | 226,900 |
| PW - Project Management | | | | | |
| Police Department Parking Deck/Command Vehicle | 0 | 0 | 0 | 5,000 | 5,000 |
| PW - TE General | | | | | |
| Dove Valley Parkway (163rd to 179th) | 0 | 58,600 | 58,600 | 58,600 | 58,600 |
| Total - GENERAL CAPITAL FUND | 0 | 58,600 | 58,600 | 870,000 | 899,700 |

POLICE DEV FEE FUND

| <u>Project Name</u> | <u>FY2014</u> | <u>FY2015</u> | <u>FY2016</u> | <u>FY2017</u> | <u>FY2018</u> |
|--|---------------|---------------|---------------|----------------|----------------|
| Police - Admin | | | | | |
| Police Substation #1 | 0 | 0 | 0 | 0 | 23,000 |
| Police - Communications | | | | | |
| Police Regional Wireless Cooperative Expansion | 0 | 0 | 0 | 365,600 | 365,600 |
| Total - POLICE DEV FEE FUND | 0 | 0 | 0 | 365,600 | 388,600 |

PARKS & RECREATION DEV FEE FUND

| <u>Project Name</u> | <u>FY2014</u> | <u>FY2015</u> | <u>FY2016</u> | <u>FY2017</u> | <u>FY2018</u> |
|--|---------------|---------------|---------------|---------------|----------------|
| C&R - Rec Support Services | | | | | |
| Surprise Farms Park Development Phase II | 0 | 0 | 0 | 0 | 739,700 |
| Total - PARKS & RECREATION DEV FEE FUND | 0 | 0 | 0 | 0 | 739,700 |

Capital Improvement Operating Costs FY2014-FY2018

PUBLIC WORKS DEV FEE FUND

| <u>Project Name</u> | <u>FY2014</u> | <u>FY2015</u> | <u>FY2016</u> | <u>FY2017</u> | <u>FY2018</u> |
|--|---------------|---------------|----------------|----------------|----------------|
| PW - Project Management | | | | | |
| Public Works Yard - North | 0 | 0 | 370,900 | 370,900 | 370,900 |
| PW - TE Signals | | | | | |
| Traffic Signals | 3,600 | 7,200 | 10,800 | 14,400 | 18,000 |
| Total - PUBLIC WORKS DEV FEE FUND | 3,600 | 7,200 | 381,700 | 385,300 | 388,900 |

FIRE & EMS DEV FEE FUND

| <u>Project Name</u> | <u>FY2014</u> | <u>FY2015</u> | <u>FY2016</u> | <u>FY2017</u> | <u>FY2018</u> |
|--|---------------|---------------|---------------|------------------|------------------|
| Fire - Operations | | | | | |
| Fire Radio Purchase | 0 | 0 | 0 | 200,000 | 200,000 |
| Future Fire Station 7 (District Station) | 0 | 0 | 0 | 3,156,000 | 3,156,000 |
| Total - FIRE & EMS DEV FEE FUND | 0 | 0 | 0 | 3,356,000 | 3,356,000 |

TRANSPORTATION IMPROVEMENT

| <u>Project Name</u> | <u>FY2014</u> | <u>FY2015</u> | <u>FY2016</u> | <u>FY2017</u> | <u>FY2018</u> |
|---|----------------|----------------|----------------|----------------|----------------|
| PW - TE General | | | | | |
| El Mirage Road (Northern Avenue to Bell Road) | 0 | 0 | 75,000 | 75,000 | 75,000 |
| Litchfield Road (Cactus Road to Desert Cove Road) | 0 | 0 | 0 | 84,200 | 84,200 |
| Litchfield Road (Sweetwater Road to Cactus Road) | 0 | 0 | 0 | 100,000 | 100,000 |
| Litchfield Road (Waddell Road to Sweetwater Road) | 0 | 0 | 0 | 25,000 | 25,000 |
| Peoria Avenue (Sarival Avenue to Reems Road) | 137,500 | 137,500 | 137,500 | 137,500 | 137,500 |
| Waddell Road (Loop 303 to Sarival Avenue) | 0 | 0 | 0 | 0 | 81,300 |
| Total - TRANSPORTATION IMPROVEMENT | 137,500 | 137,500 | 212,500 | 421,700 | 503,000 |

WATER FUND

| <u>Project Name</u> | <u>FY2014</u> | <u>FY2015</u> | <u>FY2016</u> | <u>FY2017</u> | <u>FY2018</u> |
|---|---------------|---------------|---------------|----------------|----------------|
| PW - Water Operations | | | | | |
| Irrigation Line Loop 303 & Peoria for Landscaping | 0 | 61,100 | 61,100 | 61,100 | 61,100 |
| Site & Security Improvements - Water | 0 | 0 | 0 | 33,400 | 33,400 |
| SPA 1 3 Distribution System Monitoring Stations | 0 | 0 | 0 | 0 | 5,000 |
| SPA 1 Booster Station Upgrades @ Bell Road Lake | 0 | 0 | 0 | 248,900 | 248,900 |
| SPA 1 Variable Frequency Drives for Plant 4 & 5 Non-Potable Pumps | 5,000 | 5,000 | 5,000 | 5,000 | 5,000 |
| Total - WATER FUND | 5,000 | 66,100 | 66,100 | 348,400 | 353,400 |

Capital Improvement Operating Costs FY2014-FY2018

WATER SYSTEM DEV FEE FUND

| <u>Project Name</u> | <u>FY2014</u> | <u>FY2015</u> | <u>FY2016</u> | <u>FY2017</u> | <u>FY2018</u> |
|--|---------------|----------------|----------------|----------------|----------------|
| PW - Water Operations | | | | | |
| SPA 1 Mountain Vista Well #2 | 0 | 248,900 | 248,900 | 248,900 | 248,900 |
| Total - WATER SYSTEM DEV FEE FUND | 0 | 248,900 | 248,900 | 248,900 | 248,900 |

WATER SYSTEM DEV FEE FUND

| <u>Project Name</u> | <u>FY2014</u> | <u>FY2015</u> | <u>FY2016</u> | <u>FY2017</u> | <u>FY2018</u> |
|--|---------------|---------------|---------------|----------------|----------------|
| PW - Water Operations | | | | | |
| SPA 3 Initial Water System | 0 | 0 | 0 | 226,100 | 226,100 |
| Total - WATER SYSTEM DEV FEE FUND | 0 | 0 | 0 | 226,100 | 226,100 |

WATER SYSTEM DEV FEE FUND

| <u>Project Name</u> | <u>FY2014</u> | <u>FY2015</u> | <u>FY2016</u> | <u>FY2017</u> | <u>FY2018</u> |
|---|---------------|---------------|---------------|----------------|----------------|
| PW - Replenishment | | | | | |
| SPA 1 16-in Reclaimed Line - Parkview Place and Greenway Road | 0 | 0 | 0 | 678,300 | 678,300 |
| SPA 1 Effluent Storage Reservoir Covers | 0 | 4,600 | 4,600 | 4,600 | 4,600 |
| Total - WATER SYSTEM DEV FEE FUND | 0 | 4,600 | 4,600 | 682,900 | 682,900 |

SEWER FUND

| <u>Project Name</u> | <u>FY2014</u> | <u>FY2015</u> | <u>FY2016</u> | <u>FY2017</u> | <u>FY2018</u> |
|---|---------------|----------------|----------------|----------------|----------------|
| PW - Sewer Operations | | | | | |
| Disinfection Byproduct Reduction | 0 | 107,000 | 107,000 | 107,000 | 107,000 |
| Site & Security Improvements - Sewer | 0 | 0 | 0 | 26,300 | 26,300 |
| SPA 1 Happy Trails Utility Access Improvements | 500 | 500 | 500 | 500 | 500 |
| SPA 1 South WRF Stabilization, Dust Control & Landscape | 800 | 800 | 800 | 800 | 800 |
| Total - SEWER FUND | 1,300 | 108,300 | 108,300 | 134,600 | 134,600 |

Capital Improvement Operating Costs FY2014-FY2018

SEWER SYSTEM DEV FEE FUND

| <u>Project Name</u> | <u>FY2014</u> | <u>FY2015</u> | <u>FY2016</u> | <u>FY2017</u> | <u>FY2018</u> |
|--|---------------|---------------|---------------|---------------|---------------|
| PW - Sewer Operations | | | | | |
| Additional Chlorine Generation Unit | 17,400 | 17,400 | 17,400 | 17,400 | 17,400 |
| Total - SEWER SYSTEM DEV FEE FUND | 17,400 | 17,400 | 17,400 | 17,400 | 17,400 |

Appendix

- Budget Adoption Resolution
- Official Budget Forms
- Tax Levy Resolution
- Street Light Improvement Districts
- Budget Transfer Policies and Procedures
- Comprehensive Financial Management Policies
- Debt Service Schedules
- Schedule of Personnel
- Glossary

RESOLUTION 2012-48

**A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY
OF SURPRISE, ARIZONA ADOPTING THE BUDGET FOR FISCAL
YEAR 2012-2013.**

WHEREAS, in accordance with the provisions of Arizona Revised Statute, Sections §42-17101 *et. seq.*, the Council of the City of Surprise (the "City Council") did, on May 22, 2012, make an estimate of the different amounts required to meet the public expenditures/expenses for the ensuing year, an estimate of revenues from sources other than direct taxation, and the amount to be raised by taxation upon real and personal property of the City of Surprise, Arizona, and;

WHEREAS, publication has been duly made as required by law of said estimates together with a notice that the City Council would meet on June 12, 2012, at City Hall, City Council chambers for the purpose of hearing taxpayers and making tax levies as set forth in said estimates, and;

WHEREAS, in accordance with state law and following due public notice, the City Council met on May 22, 2012. Taxpayers were privileged to appear and be heard in favor of or against any of the proposed expenditures/expenses of tax levies, and;

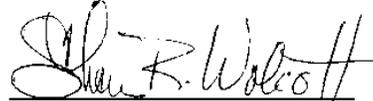
WHEREAS, it appears that the sums to be raised by taxation, as specified therein, do not in the aggregate amount exceed that amount as computed in Arizona Revised Statute § 42-17051 (A).

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of Surprise, Arizona, as follows:

Section 1. That the statements and schedules attached hereto as Exhibit A and incorporated herein by reference are hereby adopted as the budget of the City of Surprise, Arizona for the fiscal year July 1, 2012 through June 30, 2013.

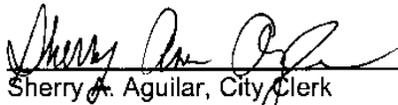
[SIGNATURES ON FOLLOWING PAGE]

APPROVED AND ADOPTED this 12 day of June, 2012.


Sharon R. Wolcott, Mayor

ATTEST:

APPROVED AS TO FORM:


Sherry A. Aguilar, City Clerk


Michael D. Bailey, City Attorney

Yeas: Mayor Wolcott, Vice Mayor Williams, Council Members: Biundo, Alton,
Villanueva, Woodard and Hall

Nays: _____

OFFICIAL BUDGET FORMS
CITY OF SURPRISE, ARIZONA
Fiscal Year 2013

CITY OF SURPRISE, ARIZONA

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Fiscal Year 2013

Resolution for the Adoption of the Budget

Schedule A—Summary Schedule of Estimated Revenues and Expenditures/Expenses

Schedule B—Summary of Tax Levy and Tax Rate Information

Schedule C—Summary by Fund Type of Revenues Other Than Property Taxes

Schedule D—Summary by Fund Type of Other Financing Sources/<Uses> and Interfund Transfers

Schedule E—Summary by Department of Expenditures/Expenses Within Each Fund Type

Schedule F—Summary by Department of Expenditures/Expenses

CITY OF SURPRISE, ARIZONA
Summary Schedule of Estimated Revenues and Expenditures/Expenses
Fiscal Year 2013

| FUND | ADOPTED BUDGETED EXPENDITURES/EXPENSES* 2012 | ACTUAL EXPENDITURES/EXPENSES ** 2012 | FUND BALANCE/NET ASSETS*** July 1, 2012** | PROPERTY TAX REVENUES 2013 | ESTIMATED REVENUES OTHER THAN PROPERTY TAXES 2013 | OTHER FINANCING 2013 | | INTERFUND TRANSFERS 2013 | | TOTAL FINANCIAL RESOURCES AVAILABLE 2013 | BUDGETED EXPENDITURES/EXPENSES 2013 |
|---|--|--------------------------------------|---|-------------------------------------|---|----------------------|--------------|--------------------------|---------------|--|-------------------------------------|
| | | | | | | SOURCES <USES> | | IN | <OUT> | | |
| 1. General Fund | \$ 72,381,000 | \$ 66,362,800 | \$ 518,300 | Primary: \$ 6,290,000 Secondary: | \$ 71,968,900 | \$ | \$ 2,267,800 | \$ 4,689,000 | \$ 3,184,700 | \$ 78,013,700 | \$ 72,503,200 |
| 2. Special Revenue Funds | 88,416,400 | 9,210,100 | 22,800,900 | | 24,844,900 | 2,267,800 | | 1,829,600 | | 48,084,000 | 28,192,100 |
| 3. Debt Service Funds Available | 7,145,700 | 2,392,300 | 15,227,300 | | 28,000 | | | 7,221,000 | | 22,476,300 | 7,220,500 |
| 4. Less: Amounts for Future Debt Retirement | | | | | | | | | | | |
| 5. Total Debt Service Funds | 7,145,700 | 2,392,300 | 15,227,300 | | 28,000 | | | 7,221,000 | | 22,476,300 | 7,220,500 |
| 6. Capital Projects Funds | 8,309,600 | 2,547,100 | 9,292,100 | | 6,131,700 | | | 1,650,000 | | 17,073,800 | 12,752,500 |
| 7. Permanent Funds | | | 100,300 | | 600 | | | | | 100,900 | 100,900 |
| 8. Enterprise Funds Available | 45,887,000 | 21,816,000 | 390,827,400 | | 36,175,000 | | | | 8,545,700 | 418,456,700 | 33,708,100 |
| 9. Less: Amounts for Future Debt Retirement | | | | | | | | | | | |
| 10. Total Enterprise Funds | 45,887,000 | 21,816,000 | 390,827,400 | | 36,175,000 | | | | 8,545,700 | 418,456,700 | 33,708,100 |
| 11. Internal Service Funds | 12,665,800 | 6,970,400 | 3,295,800 | | 10,643,200 | | | | | 13,942,000 | 13,942,000 |
| 12. TOTAL ALL FUNDS | \$ 234,806,500 | \$ 109,298,700 | \$ 442,065,100 | \$ 6,290,000 | \$ 149,792,300 | \$ 2,267,800 | \$ 2,267,800 | \$ 13,560,000 | \$ 13,560,000 | \$ 598,147,400 | \$ 168,419,300 |

EXPENDITURE LIMITATION COMPARISON

| | 2012 | 2013 |
|--|----------------|----------------|
| 1. Budgeted expenditures/expenses | \$ 234,806,500 | \$ 168,419,300 |
| 2. Add/subtract: estimated net reconciling items | (7,194,000) | (7,190,000) |
| 3. Budgeted expenditures/expenses adjusted for reconciling items | 227,612,500 | 161,229,300 |
| 4. Less: estimated exclusions | 12,103,930 | 12,100,000 |
| 5. Amount subject to the expenditure limitation | \$ 215,508,570 | \$ 149,129,300 |
| 6. EEC or voter-approved alternative expenditure limitation | \$ 763,319,536 | \$ 888,445,581 |

* Includes Expenditure/Expense Adjustments Approved in current year from Schedule E.

** Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.

*** Amounts in this column represent Fund Balance/Net Asset amounts except for amounts not in spendable form (e.g., prepaids and inventories) or legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

CITY OF SURPRISE, ARIZONA
Summary of Tax Levy and Tax Rate Information
Fiscal Year 2013

| | 2012 | 2013 |
|--|--------------|--------------|
| 1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A) | \$ 7,759,704 | \$ 7,974,599 |
| 2. Amount received from primary property taxation in the current year in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18) | \$ _____ | |
| 3. Property tax levy amounts | | |
| A. Primary property taxes | \$ 6,243,500 | \$ 6,290,000 |
| B. Secondary property taxes | \$ _____ | \$ _____ |
| C. Total property tax levy amounts | \$ 6,243,500 | \$ 6,290,000 |
| 4. Property taxes collected* | | |
| A. Primary property taxes | | |
| (1) Current year's levy | \$ 6,066,601 | |
| (2) Prior years' levies | 161,703 | |
| (3) Total primary property taxes | \$ 6,228,304 | |
| B. Secondary property taxes | | |
| (1) Current year's levy | \$ _____ | |
| (2) Prior years' levies | \$ _____ | |
| (3) Total secondary property taxes | \$ _____ | |
| C. Total property taxes collected | \$ 6,228,304 | |
| 5. Property tax rates | | |
| A. City/Town tax rate | | |
| (1) Primary property tax rate | 0.6700 | 0.7383 |
| (2) Secondary property tax rate | _____ | _____ |
| (3) Total city/town tax rate | 0.6700 | 0.7383 |

B. Special assessment district tax rates
 Secondary property tax rates - As of the date the proposed budget was prepared, the city was operating 101 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.

SCHEDULE B

CITY OF SURPRISE, ARIZONA
Summary by Fund Type of Revenues Other Than Property Taxes
Fiscal Year 2013

| SOURCE OF REVENUES | ESTIMATED REVENUES 2012 | ACTUAL REVENUES* 2012 | ESTIMATED REVENUES 2013 |
|---|-------------------------------|-----------------------------|-------------------------------|
| GENERAL FUND | | | |
| Local sales tax | | | |
| Bed tax | \$ | \$ 101,500 | \$ 101,500 |
| Local sales tax | 28,937,500 | 29,727,500 | 32,295,000 |
| Intergovernmental | | | |
| State shared income tax | 9,918,900 | 9,918,900 | 12,003,000 |
| State shared sales tax | 8,890,900 | 9,588,100 | 9,826,800 |
| State fire insurance premium tax | 293,000 | 293,000 | 414,000 |
| Vehicle license tax | 3,963,000 | 3,963,000 | 3,895,900 |
| Intergovernmental revenues non-grant local | 231,300 | 145,100 | 202,400 |
| Intergovernmental revenues non-grant county LTAF | | 330,000 | 330,000 |
| Charges for services | | | |
| Charges for services | 4,859,500 | 5,492,800 | 5,237,900 |
| Miscellaneous | | | |
| Fines | 1,461,400 | 1,379,800 | 1,395,000 |
| Franchise fees | 4,032,400 | 3,925,100 | 3,948,000 |
| License | 737,100 | 679,100 | 700,600 |
| Other | 813,100 | 1,051,200 | 1,058,300 |
| Rents | 543,100 | 459,500 | 510,300 |
| Interest on investments | | | |
| Interest | 146,200 | 27,000 | 200 |
| Total General Fund | \$ 64,827,400 | \$ 67,081,600 | \$ 71,968,900 |

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

SPECIAL REVENUE FUNDS

| | | | |
|--|------------|----|------------|
| Donations Fund | | | |
| Interest | \$ | \$ | \$ 1,900 |
| | \$ | \$ | \$ 1,900 |
| Employee Dep Scholarship Fund | | | |
| Donations | 1,700 | | 1,200 |
| Interest | 100 | | 100 |
| | \$ 1,800 | \$ | \$ 1,300 |
| Fire Development Fee Fund | | | |
| Development fees | \$ 265,800 | \$ | \$ 247,800 |
| | \$ 265,800 | \$ | \$ 247,800 |
| General Government Development Fee Fund | | | |
| Development fees | \$ 230,700 | \$ | \$ 227,100 |
| | \$ 230,700 | \$ | \$ 227,100 |

SCHEDULE C

CITY OF SURPRISE, ARIZONA
Summary by Fund Type of Revenues Other Than Property Taxes
Fiscal Year 2013

| SOURCE OF REVENUES | ESTIMATED REVENUES 2012 | ACTUAL REVENUES* 2012 | ESTIMATED REVENUES 2013 |
|--|--|--------------------------------------|--|
| Grants Fund | | | |
| Grants federal | \$ 714,600 | \$ | \$ 323,900 |
| Grants other | 67,433,800 | | 13,385,300 |
| | <u>\$ 68,148,400</u> | <u>\$</u> | <u>\$ 13,709,200</u> |
| Highway User Revenue Fund | | | |
| HURF tax | \$ 5,917,000 | \$ 5,917,000 | \$ 6,613,600 |
| Interest | 19,500 | 600 | |
| Other | 18,900 | 11,400 | 11,400 |
| | <u>\$ 5,955,400</u> | <u>\$ 5,929,000</u> | <u>\$ 6,625,000</u> |
| Library Development Fee Fund | | | |
| Development fees | \$ 87,700 | \$ | \$ 33,300 |
| Interest | 85,300 | | 23,600 |
| | <u>\$ 173,000</u> | <u>\$</u> | <u>\$ 56,900</u> |
| Municipal Court Enhancement Fund | | | |
| Fines | \$ 118,200 | \$ | \$ 105,000 |
| Interest | | | 1,900 |
| | <u>\$ 118,200</u> | <u>\$</u> | <u>\$ 106,900</u> |
| Municipal Court FARE Fund | | | |
| Grants state | \$ 5,600 | \$ | \$ 9,000 |
| Interest | | | 100 |
| | <u>\$ 5,600</u> | <u>\$</u> | <u>\$ 9,100</u> |
| Municipal Court JCEF Fund | | | |
| Fines | \$ 25,000 | \$ | \$ |
| Interest | | | 500 |
| | <u>\$ 25,000</u> | <u>\$</u> | <u>\$ 500</u> |
| Municipal Court MFTG Fund | | | |
| Grants state | \$ 14,600 | \$ | \$ |
| Interest | | | 200 |
| Intergovernmental revenues non-grant state | | | 31,000 |
| | <u>\$ 14,600</u> | <u>\$</u> | <u>\$ 31,200</u> |
| Neighborhood Revitalization Fund | | | |
| Grants federal | \$ 2,805,000 | \$ | \$ 699,000 |
| | <u>\$ 2,805,000</u> | <u>\$</u> | <u>\$ 699,000</u> |
| Parks and Recreation Development Fee Fund | | | |
| Development fees | \$ 296,000 | \$ | \$ 196,300 |
| Interest | | | 24,400 |
| | <u>\$ 296,000</u> | <u>\$</u> | <u>\$ 220,700</u> |
| Police Development Fee Fund | | | |
| Development fees | \$ 96,400 | \$ | \$ 101,900 |
| Interest | 53,100 | | 5,400 |
| | <u>\$ 149,500</u> | <u>\$</u> | <u>\$ 107,300</u> |

SCHEDULE C

CITY OF SURPRISE, ARIZONA
Summary by Fund Type of Revenues Other Than Property Taxes
Fiscal Year 2013

| SOURCE OF REVENUES | ESTIMATED REVENUES 2012 | ACTUAL REVENUES* 2012 | ESTIMATED REVENUES 2013 |
|---|--|--------------------------------------|--|
| Public Works Expansion Development Fee Fund | | | |
| Development fees | \$ 277,100 | \$ | \$ 37,300 |
| Interest | 146,900 | | 52,800 |
| | <u>\$ 424,000</u> | <u>\$</u> | <u>\$ 90,100</u> |
| Roads of Regional Significance SPA 2, 4 and 6 Fund | | | |
| Interest | \$ 30,900 | \$ | \$ 11,500 |
| | <u>\$ 30,900</u> | <u>\$</u> | <u>\$ 11,500</u> |
| Roads of Regional Significance SPA 3 and 5 Fund | | | |
| Interest | \$ 300 | \$ | \$ 100 |
| | <u>\$ 300</u> | <u>\$</u> | <u>\$ 100</u> |
| SPD DEA Fund | | | |
| Grants federal | \$ 51,600 | \$ | \$ |
| Interest | | | 1,100 |
| Intergovernmental revenues non-grant local | 75,000 | | |
| | <u>\$ 126,600</u> | <u>\$</u> | <u>\$ 1,100</u> |
| SPD RICO Fund | | | |
| Interest | \$ | \$ | \$ 2,800 |
| Intergovernmental revenues non-grant local | 15,000 | | |
| | <u>\$ 15,000</u> | <u>\$</u> | <u>\$ 2,800</u> |
| SPD Towing Fund | | | |
| Charges for services | \$ 100,000 | \$ | \$ 32,900 |
| Interest | | | 1,700 |
| | <u>\$ 100,000</u> | <u>\$</u> | <u>\$ 34,600</u> |
| Street Lighting Districts Fund | | | |
| Interest | \$ 7,000 | \$ | \$ |
| Property tax | 2,162,383 | | 2,659,500 |
| | <u>\$ 2,169,383</u> | <u>\$</u> | <u>\$ 2,659,500</u> |
| Tourism Fund | | | |
| Interest | \$ 100 | \$ | \$ 1,300 |
| Local sales tax | 385,000 | | |
| | <u>\$ 385,100</u> | <u>\$</u> | <u>\$ 1,300</u> |
| Total Special Revenue Funds | <u>\$ 81,440,283</u> | <u>\$ 5,929,000</u> | <u>\$ 24,844,900</u> |

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

DEBT SERVICE FUNDS

2000-03 Governmental Debt Service Fund

| | | | |
|----------|---------------------|-----------|------------------|
| Interest | \$ 77,500 | \$ | \$ 19,500 |
| Rents | 4,741,500 | | |
| | <u>\$ 4,819,000</u> | <u>\$</u> | <u>\$ 19,500</u> |

SCHEDULE C

CITY OF SURPRISE, ARIZONA
Summary by Fund Type of Revenues Other Than Property Taxes
Fiscal Year 2013

| SOURCE OF REVENUES | ESTIMATED REVENUES 2012 | ACTUAL REVENUES* 2012 | ESTIMATED REVENUES 2013 |
|---|-------------------------------|-----------------------------|-------------------------------|
| 2000-03 Proprietary Debt Service Fund | | | |
| Interest | \$ _____ | \$ _____ | \$ 8,500 |
| | \$ _____ | \$ _____ | \$ 8,500 |
| 2007 Proprietary Debt Service Fund | | | |
| Interest | \$ 18,900 | \$ _____ | \$ _____ |
| Rents | 2,397,700 | _____ | _____ |
| | \$ 2,416,600 | \$ _____ | \$ _____ |
| Total Debt Service Funds | \$ 7,235,600 | \$ _____ | \$ 28,000 |
| CAPITAL PROJECTS FUNDS | | | |
| General Capital Projects Fund | | | |
| Grants federal | \$ _____ | \$ _____ | \$ 815,000 |
| Interest | 246,500 | _____ | 1,650,300 |
| Intergovernmental revenues non-grant local | 620,000 | _____ | _____ |
| | \$ 866,500 | \$ _____ | \$ 2,465,300 |
| Transportation Improvement Fund | | | |
| Grants county | \$ 1,460,000 | \$ _____ | \$ _____ |
| Grants other | _____ | _____ | 1,450,000 |
| Interest | 3,600 | _____ | 13,300 |
| Local sales tax | 1,500,000 | _____ | 1,981,400 |
| | \$ 2,963,600 | \$ _____ | \$ 3,444,700 |
| Vehicle Replacement Fund | | | |
| Grants federal | \$ _____ | \$ _____ | \$ 187,100 |
| Interest | _____ | _____ | 34,600 |
| | \$ _____ | \$ _____ | \$ 221,700 |
| Total Capital Projects Funds | \$ 866,500 | \$ _____ | \$ 6,131,700 |
| * Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year. | | | |
| PERMANENT FUNDS | | | |
| Volunteer Firefighters Pension and Relief Fund | | | |
| Interest | \$ 800 | \$ _____ | \$ 600 |
| | \$ 800 | \$ _____ | \$ 600 |
| Total Permanent Funds | \$ 800 | \$ _____ | \$ 600 |

SCHEDULE C

CITY OF SURPRISE, ARIZONA
Summary by Fund Type of Revenues Other Than Property Taxes
Fiscal Year 2013

| SOURCE OF REVENUES | ESTIMATED REVENUES 2012 | ACTUAL REVENUES* 2012 | ESTIMATED REVENUES 2013 |
|-------------------------------|-------------------------------|-----------------------------|-------------------------------|
| ENTERPRISE FUNDS | | | |
| Sanitation Fund | | | |
| Charges for services | \$ 6,581,000 | \$ | \$ 6,784,000 |
| Interest | 69,000 | | 51,800 |
| | <u>\$ 6,650,000</u> | <u>\$</u> | <u>\$ 6,835,800</u> |
| Sewer Fund | | | |
| Capital contributions | \$ | \$ | \$ 650,000 |
| Charges for services | 15,032,500 | | 15,479,000 |
| Development fees | 876,700 | | 1,050,000 |
| Interest | 206,800 | | 1,779,600 |
| | <u>\$ 16,116,000</u> | <u>\$</u> | <u>\$ 18,958,600</u> |
| Water Fund | | | |
| Charges for services | \$ 9,821,000 | \$ | \$ 9,934,000 |
| Development fees | 399,800 | | 390,000 |
| Interest | 134,000 | | 56,600 |
| | <u>\$ 10,354,800</u> | <u>\$</u> | <u>\$ 10,380,600</u> |
| Total Enterprise Funds | <u>\$ 33,120,800</u> | <u>\$</u> | <u>\$ 36,175,000</u> |

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

INTERNAL SERVICE FUNDS

| | | | |
|-------------------------------------|-----------------------|----------------------|-----------------------|
| Employee Healthcare Fund | | | |
| Charges for services | \$ 8,228,400 | \$ | \$ 9,023,300 |
| Interest | 4,400 | | 10,400 |
| | <u>\$ 8,232,800</u> | <u>\$</u> | <u>\$ 9,033,700</u> |
| Risk Management Fund | | | |
| Charges for services | \$ 1,987,100 | \$ | \$ 1,600,000 |
| Interest | | | 9,500 |
| | <u>\$ 1,987,100</u> | <u>\$</u> | <u>\$ 1,609,500</u> |
| Total Internal Service Funds | <u>\$ 10,219,900</u> | <u>\$</u> | <u>\$ 10,643,200</u> |
| TOTAL ALL FUNDS | <u>\$ 197,711,283</u> | <u>\$ 73,010,600</u> | <u>\$ 149,792,300</u> |

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

SCHEDULE C

CITY OF SURPRISE, ARIZONA
Summary by Fund Type of Other Financing Sources/<Uses> and Interfund Transfers
Fiscal Year 2013

| FUND | OTHER FINANCING 2013 | | INTERFUND TRANSFERS 2013 | |
|---|-------------------------|--------------|-----------------------------|---------------|
| | SOURCES | <USES> | IN | <OUT> |
| GENERAL FUND | | | | |
| 2003 MPC Rental Payments | \$ | \$ | \$ | \$ 1,534,700 |
| Excess Construction Sales Tax | | | | 1,650,000 |
| Sanitation Hauler's License | | | 25,000 | |
| Franchise Fees | | | 523,400 | |
| Indirect Cost Allocation | | | 3,660,700 | |
| Payments in Lieu of Property Taxes | | | 479,900 | |
| Interfund Loans | | 2,267,800 | | |
| Total General Fund | \$ | \$ 2,267,800 | \$ 4,689,000 | \$ 3,184,700 |
| SPECIAL REVENUE FUNDS | | | | |
| Fire Development Impact Fee Fund | \$ 64,800 | \$ | \$ | \$ 121,600 |
| General Government Development Fee Fund | 2,203,000 | | | 667,000 |
| Parks and Recreation Development Fee Fund | | | | 795,000 |
| Police Development Fee Fund | | | | 246,000 |
| Total Special Revenue Funds | \$ 2,267,800 | \$ | \$ | \$ 1,829,600 |
| DEBT SERVICE FUNDS | | | | |
| 2000-03 Governmental Debt Service Fund | \$ | \$ | \$ 3,364,300 | \$ |
| 2000-03 Proprietary Debt Service Fund | | | 1,459,000 | |
| 2007 Debt Service Fund | | | 2,397,700 | |
| Total Debt Service Funds | \$ | \$ | \$ 7,221,000 | \$ |
| CAPITAL PROJECTS FUNDS | | | | |
| General Capital Projects Fund | \$ | \$ | \$ 1,650,000 | \$ |
| Total Capital Projects Funds | \$ | \$ | \$ 1,650,000 | \$ |
| ENTERPRISE FUNDS | | | | |
| Sanitation | \$ | \$ | \$ | \$ 890,300 |
| Sewer | | | | 5,891,500 |
| Water | | | | 1,763,900 |
| Total Enterprise Funds | \$ | \$ | \$ | \$ 8,545,700 |
| TOTAL ALL FUNDS | \$ 2,267,800 | \$ 2,267,800 | \$ 13,560,000 | \$ 13,560,000 |

SCHEDULE D

CITY OF SURPRISE, ARIZONA
Summary by Department of Expenditures/Expenses Within Each Fund Type
Fiscal Year 2013

| FUND/DEPARTMENT | ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2012 | EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2012 | ACTUAL EXPENDITURES/ EXPENSES* 2012 | BUDGETED EXPENDITURES/ EXPENSES 2013 |
|--|--|--|--|---|
| GENERAL FUND | | | | |
| City Clerk | \$ 693,900 | \$ | \$ 660,800 | \$ 411,700 |
| City Council | 495,700 | | 399,300 | 434,700 |
| City Court | 2,122,100 | | 1,903,700 | 1,886,500 |
| City Manager | 716,200 | | 609,800 | 1,815,900 |
| Community Development | 4,163,000 | | 3,469,200 | 5,788,300 |
| Finance | 2,961,300 | | 2,655,800 | 2,669,200 |
| Fire | 14,544,800 | | 13,866,000 | 14,535,400 |
| Human Resources | 1,613,100 | | 1,348,000 | 1,567,300 |
| Information Technology | 4,240,000 | | 3,288,700 | 3,860,300 |
| Intergovernmental Relations | 288,500 | | 242,800 | |
| Legal | 1,743,100 | | 1,549,800 | 1,749,100 |
| Parks & Recreation | 12,716,600 | | 11,862,800 | 12,564,800 |
| Police | 18,961,600 | | 17,746,700 | 19,004,800 |
| Public Information | 864,300 | | 699,300 | |
| Public Works | 6,536,100 | 16,800 | 5,779,600 | 5,910,200 |
| General Operations | 1,508,800 | | 91,300 | |
| Interest and Fiscal Charges | | | | 200,000 |
| Capital Outlay | 195,100 | | 189,200 | 35,000 |
| Economic Development Contingency | | | | 1,000,000 |
| Grant Match Contingency | | | | 70,000 |
| Targeted Savings | (2,000,000) | | | (1,000,000) |
| Total General Fund | \$ 72,364,200 | \$ 16,800 | \$ 66,362,800 | \$ 72,503,200 |
| SPECIAL REVENUE FUNDS | | | | |
| Employee Dep Scholarship Fund | | | | |
| General Operations | \$ 6,000 | \$ | \$ 7,200 | \$ 6,000 |
| Contingency | 10,600 | | | 3,300 |
| Donations Fund | | | | |
| Arts Commission | 32,500 | | 22,800 | |
| Community Development | 6,100 | | | |
| Fire | 12,200 | | 12,100 | |
| Parks & Recreation | 319,000 | 25,000 | 44,100 | 800 |
| Police | 37,500 | | 5,700 | |
| Contingency | 68,200 | | | 363,500 |
| Fire Development Fee Fund | | | | |
| Finance | 18,300 | | 9,400 | 20,000 |
| Fire | 119,500 | | | |
| Capital Outlay | 7,100 | | | 8,500 |
| Interest and Fiscal Charges | | | | 292,600 |
| General Government Development Fee Fund | | | | |
| Finance | 18,300 | | 14,300 | 20,000 |
| Public Works | 655,800 | | | |
| Capital Outlay | 34,100 | | | 8,500 |
| Interest and Fiscal Charges | 3,000,000 | | | 1,837,000 |
| Contingency | | | | |

SCHEDULE E

CITY OF SURPRISE, ARIZONA
Summary by Department of Expenditures/Expenses Within Each Fund Type
Fiscal Year 2013

| FUND/DEPARTMENT | ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2012 | EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2012 | ACTUAL EXPENDITURES/ EXPENSES* 2012 | BUDGETED EXPENDITURES/ EXPENSES 2013 |
|---|--|--|--|---|
| Grants Fund | | | | |
| City Council | 5,000 | | 6,000 | |
| Fire | 4,000 | | 21,400 | |
| Parks & Recreation | | | | 50,000 |
| Police | 141,200 | | 81,100 | 141,000 |
| Public Works | 14,100 | | | 120,400 |
| General Operations | 26,228,800 | (25,000) | | |
| Capital Outlay | 223,000 | | 499,600 | 12,500 |
| Contingency | 41,312,300 | (10,000) | | 13,385,300 |
| Highway User Revenue Fund | | | | |
| Public Works | 6,455,400 | | 5,130,500 | 5,790,900 |
| Library Development Fee Fund | | | | |
| Finance | 18,300 | | 9,400 | 20,000 |
| Capital Outlay | | | | 8,500 |
| Municipal Court Enhancement Fund | | | | |
| City Court | 269,000 | | 73,700 | 100,000 |
| Contingency | 171,800 | | | 351,100 |
| Municipal Court FARE Fund | | | | |
| City Court | | | | 9,000 |
| Contingency | 12,800 | | | 9,500 |
| Municipal Court JCEF Fund | | | | |
| City Court | 82,700 | | | |
| Contingency | 11,700 | | | 95,800 |
| Municipal Court MFTG Fund | | | | |
| City Court | 55,000 | | 41,000 | 31,000 |
| Contingency | 17,100 | | | 28,600 |
| Neighborhood Revitalization Fund | | | | |
| Community Development | 2,805,000 | | 601,200 | 699,000 |
| Parks and Recreation Development Fee Fund | | | | |
| Finance | 18,300 | | 9,400 | 20,000 |
| Parks & Recreation | 781,400 | | | |
| Capital Outlay | 54,900 | | | 8,500 |
| Police Development Fee Fund | | | | |
| Finance | 18,300 | | 9,400 | 20,000 |
| Police | 241,900 | | | |
| Capital Outlay | | | | 8,500 |
| Public Works Expansion Development Fee Fund | | | | |
| Finance | 18,300 | | | 20,000 |
| Public Works | 186,300 | | 46,900 | 41,000 |
| Capital Outlay | 492,900 | | 309,800 | 596,100 |
| Roads of Regional Significance SPA 2, 4 and 6 Fund | | | | |
| Finance | 9,300 | | | 10,000 |
| Capital Outlay | | | | 4,900 |
| Contingency | | | | |

SCHEDULE E

CITY OF SURPRISE, ARIZONA
Summary by Department of Expenditures/Expenses Within Each Fund Type
Fiscal Year 2013

| FUND/DEPARTMENT | ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2012 | EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2012 | ACTUAL EXPENDITURES/ EXPENSES* 2012 | BUDGETED EXPENDITURES/ EXPENSES 2013 |
|--|--|--|--|---|
| Roads of Regional Significance SPA 3 and 5 Fund | | | | |
| Finance | 9,300 | | 1,500 | 10,000 |
| Capital Outlay | | | | 4,900 |
| SPD DEA Fund | | | | |
| Police | 101,600 | | 40,600 | |
| Contingency | 340,200 | | | 230,900 |
| SPD RICO Fund | | | | |
| Police | | | | 200,000 |
| Contingency | 113,200 | | | 313,200 |
| SPD Towing Fund | | | | |
| Police | 118,300 | | 63,700 | 32,500 |
| Contingency | 257,900 | | | 340,400 |
| Street Lighting Districts Fund | | | | |
| Public Works | 2,439,369 | | 2,097,000 | 2,659,500 |
| Contingency | 757,131 | | | |
| Tourism Fund | | | | |
| Parks & Recreation | | | 52,300 | 100,000 |
| Contingency | 295,400 | | | 158,900 |
| Total Special Revenue Funds | \$ 88,426,400 | \$ (10,000) | \$ 9,210,100 | \$ 28,192,100 |
| DEBT SERVICE FUNDS | | | | |
| 2000-03 Governmental Debt Service Fund | | | | |
| Interest and Fiscal Charges | \$ 1,664,000 | | \$ 665,200 | \$ 1,027,900 |
| Principal | 3,080,000 | | | 2,333,200 |
| 2000-03 Proprietary Debt Service Fund | | | | |
| Interest and Fiscal Charges | | | 288,500 | 445,800 |
| Principal | | | | 1,011,900 |
| 2007 Proprietary Debt Service Fund | | | | |
| Interest and Fiscal Charges | 2,401,700 | | 1,438,600 | 2,401,700 |
| Total Debt Service Funds | \$ 7,145,700 | | \$ 2,392,300 | \$ 7,220,500 |
| CAPITAL PROJECTS FUNDS | | | | |
| General Capital Projects Fund | | | | |
| Community Development | | | | \$ 1,100,000 |
| Parks & Recreation | 120,000 | | | |
| Public Works | 305,400 | | 194,800 | 611,800 |
| Capital Outlay | 3,585,800 | | 820,200 | 4,544,600 |
| Transportation Improvement Fund | | | | |
| Community Development | 286,500 | | 22,700 | 300,000 |
| Finance | | | 9,400 | |
| Public Works | 1,047,900 | (6,800) | 48,000 | 2,345,100 |
| Interest and Fiscal Charges | | | 3,000 | |
| Capital Outlay | 1,560,000 | | 482,100 | 1,800,000 |
| Vehicle Replacement Fund | | | | |
| Capital Outlay | 1,410,800 | | 966,900 | 2,051,000 |
| Total Capital Projects Funds | \$ 8,316,400 | \$ (6,800) | \$ 2,547,100 | \$ 12,752,500 |

SCHEDULE E

CITY OF SURPRISE, ARIZONA
Summary by Department of Expenditures/Expenses Within Each Fund Type
Fiscal Year 2013

| FUND/DEPARTMENT | ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2012 | EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2012 | ACTUAL EXPENDITURES/ EXPENSES* 2012 | BUDGETED EXPENDITURES/ EXPENSES 2013 |
|---|--|--|--|---|
| PERMANENT FUNDS | | | | |
| Volunteer Firefighters Pension and Relief Fund | | | | |
| Contingency | \$ | \$ | \$ | \$ 100,900 |
| Total Permanent Funds | \$ | \$ | \$ | \$ 100,900 |
| ENTERPRISE FUNDS | | | | |
| Sanitation Fund | | | | |
| Finance | \$ | \$ | \$ | \$ 77,600 |
| Public Works | 4,800,500 | | 4,251,400 | 4,703,000 |
| Capital Outlay | 1,485,600 | | 643,500 | |
| Contingency | 769,000 | | | 792,000 |
| Sewer Fund | | | | |
| Community Development | | | 2,400 | 10,000 |
| Finance | 22,200 | | 1,500 | 100,200 |
| Public Works | 13,324,100 | (775,800) | 6,471,800 | 8,128,900 |
| Capital Outlay | 1,584,800 | 9,200 | 2,608,900 | 5,163,500 |
| Interest and Fiscal Charges | | | | 1,471,500 |
| Principal | 11,766,200 | | | 335,900 |
| Contingency | 1,455,000 | 766,600 | | 1,333,000 |
| Water Fund | | | | |
| Community Development | 14,600 | | 9,100 | 40,000 |
| Finance | 36,600 | | 3,000 | 118,400 |
| Public Works | 9,371,200 | (804,800) | 6,947,100 | 7,160,600 |
| Capital Outlay | 1,167,000 | | 861,400 | 1,812,500 |
| Interest and Fiscal Charges | 27,200 | | 15,900 | 30,000 |
| Principal | 63,000 | | | 1,270,000 |
| Contingency | | 804,800 | | 1,161,000 |
| Total Enterprise Funds | \$ 45,887,000 | \$ | \$ 21,816,000 | \$ 33,708,100 |
| INTERNAL SERVICE FUNDS | | | | |
| Employee Healthcare Fund | | | | |
| Human Resources | \$ 8,335,400 | | 5,565,800 | 8,645,000 |
| Contingency | 196,300 | | | 1,665,100 |
| Risk Management Fund | | | | |
| Community Development | | | 4,600 | 15,100 |
| Finance | | | | 307,100 |
| Human Resources | 1,862,100 | | 1,400,000 | 1,596,400 |
| Contingency | 2,273,000 | | | 1,713,300 |
| Total Internal Service Funds | \$ 12,666,800 | \$ | \$ 6,970,400 | \$ 13,942,000 |
| TOTAL ALL FUNDS | \$ 234,806,500 | \$ | \$ 109,298,700 | \$ 168,419,300 |

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

SCHEDULE E

CITY OF SURPRISE, ARIZONA
Summary by Department of Expenditures/Expenses
Fiscal Year 2013

| DEPARTMENT/FUND | ADOPTED BUDGETED EXPENDITURES/ EXPENSES | EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED | ACTUAL EXPENDITURES/ EXPENSES * | BUDGETED EXPENDITURES/ EXPENSES |
|--|--|--|--|--|
| | 2012 | 2012 | 2012 | 2013 |
| Arts commission | | | | |
| Donations Fund | \$ 32,500 | \$ | \$ 22,800 | \$ |
| Department Total | \$ 32,500 | \$ | \$ 22,800 | \$ |
| City Clerk | | | | |
| General Fund | \$ 693,900 | \$ | \$ 660,800 | \$ 411,700 |
| Department Total | \$ 693,900 | \$ | \$ 660,800 | \$ 411,700 |
| City Council | | | | |
| General Fund | \$ 495,700 | \$ | \$ 399,300 | \$ 434,700 |
| Grants Fund | 5,000 | | 6,000 | |
| Department Total | \$ 500,700 | \$ | \$ 405,300 | \$ 434,700 |
| City Court | | | | |
| General Fund | \$ 2,122,100 | \$ | \$ 1,903,700 | \$ 1,886,500 |
| Municipal Court Enhancement Fund | 269,000 | | 73,700 | 100,000 |
| Municipal Court FARE Fund | | | | 9,000 |
| Municipal Court JCEF Fund | 82,700 | | | |
| Municipal Court MFTG Fund | 55,000 | | 41,000 | 31,000 |
| Department Total | \$ 2,528,800 | \$ | \$ 2,018,400 | \$ 2,026,500 |
| City Manager | | | | |
| General Fund | \$ 716,200 | \$ | \$ 609,800 | \$ 1,815,900 |
| Department Total | \$ 716,200 | \$ | \$ 609,800 | \$ 1,815,900 |
| Community Development | | | | |
| Donations Fund | \$ 6,100 | \$ | \$ | \$ |
| General Capital Projects Fund | | | | 1,100,000 |
| General Fund | 4,163,000 | | 3,469,200 | 5,788,300 |
| Neighborhood Revitalization Fund | 2,805,000 | | 601,200 | 699,000 |
| Risk Management Fund | | | 4,600 | 15,100 |
| Sewer Fund | | | 2,400 | 10,000 |
| Transportation Improvement Fund | 286,500 | | 22,700 | 300,000 |
| Water Fund | 14,600 | | 9,100 | 40,000 |
| Department Total | \$ 7,275,200 | \$ | \$ 4,109,200 | \$ 7,952,400 |
| Finance | | | | |
| Fire Development Fee Fund | \$ 18,300 | \$ | \$ 9,400 | \$ 20,000 |
| General Fund | 2,961,300 | | 2,655,800 | 2,669,200 |
| General Government Development Fee Fund | 18,300 | | 14,300 | 20,000 |
| Library Development Fee Fund | 18,300 | | 9,400 | 20,000 |
| Parks and Recreation Development Fee Fund | 18,300 | | 9,400 | 20,000 |
| Police Development Fee Fund | 18,300 | | 9,400 | 20,000 |
| Public Works Expansion Development Fee Fund | 18,300 | | | 20,000 |
| Risk Management Fund | | | | 307,100 |
| Roads of Regional Significance SPA 2, 4 and 6 Fund | 9,300 | | | 10,000 |
| Roads of Regional Significance SPA 3 and 5 Fund | 9,300 | | 1,500 | 10,000 |
| Sanitation Fund | | | | 77,600 |
| Sewer Fund | 22,200 | | 1,500 | 100,200 |
| Transportation Improvement Fund | | | 9,400 | |
| Water Fund | 36,600 | | 3,000 | 118,400 |
| Department Total | \$ 3,148,500 | \$ | \$ 2,723,100 | \$ 3,412,500 |

SCHEDULE F

CITY OF SURPRISE, ARIZONA
Summary by Department of Expenditures/Expenses
Fiscal Year 2013

| DEPARTMENT/FUND | ADOPTED BUDGETED EXPENDITURES/ EXPENSES | EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED | ACTUAL EXPENDITURES/ EXPENSES * | BUDGETED EXPENDITURES/ EXPENSES |
|---|--|--|--|--|
| | 2012 | 2012 | 2012 | 2013 |
| Fire | | | | |
| Donations Fund | \$ 12,200 | \$ | \$ 12,100 | \$ |
| Fire Development Fee Fund | 119,500 | | | |
| General Fund | 14,544,800 | | 13,866,000 | 14,535,400 |
| Grants Fund | 4,000 | | 21,400 | |
| Department Total | \$ 14,680,500 | \$ | \$ 13,899,500 | \$ 14,535,400 |
| General Operations | | | | |
| Employee Dep Scholarship Fund | \$ 6,000 | \$ | \$ 7,200 | \$ 6,000 |
| General Fund | 1,508,800 | | 91,300 | |
| Grants Fund | 26,228,800 | (25,000) | | |
| Department Total | \$ 27,743,600 | \$ (25,000) | \$ 98,500 | \$ 6,000 |
| Human Resources | | | | |
| Employee Healthcare Fund | \$ 8,335,400 | \$ | \$ 5,565,800 | \$ 8,645,000 |
| General Fund | 1,613,100 | | 1,348,000 | 1,567,300 |
| Risk Management Fund | 1,862,100 | | 1,400,000 | 1,596,400 |
| Department Total | \$ 11,810,600 | \$ | \$ 8,313,800 | \$ 11,808,700 |
| Information Technology | | | | |
| General Fund | \$ 4,240,000 | \$ | \$ 3,288,700 | \$ 3,860,300 |
| Department Total | \$ 4,240,000 | \$ | \$ 3,288,700 | \$ 3,860,300 |
| Intergovernmental Relations | | | | |
| General Fund | \$ 288,500 | \$ | \$ 242,800 | \$ |
| Department Total | \$ 288,500 | \$ | \$ 242,800 | \$ |
| Legal | | | | |
| General Fund | \$ 1,743,100 | \$ | \$ 1,549,800 | \$ 1,749,100 |
| Department Total | \$ 1,743,100 | \$ | \$ 1,549,800 | \$ 1,749,100 |
| Parks & Recreation | | | | |
| Donations Fund | \$ 319,000 | \$ 25,000 | \$ 44,100 | \$ 800 |
| General Capital Projects Fund | 120,000 | | | |
| General Fund | 12,716,600 | | 11,862,800 | 12,564,800 |
| Grants Fund | | | | 50,000 |
| Parks and Recreation Development Fee Fund | 781,400 | | | |
| Tourism Fund | | | 52,300 | 100,000 |
| Department Total | \$ 13,937,000 | \$ 25,000 | \$ 11,959,200 | \$ 12,715,600 |
| Police | | | | |
| Donations Fund | \$ 37,500 | \$ | \$ 5,700 | \$ |
| General Fund | 18,961,600 | | 17,746,700 | 19,004,800 |
| Grants Fund | 141,200 | | 81,100 | 141,000 |
| Police Development Fee Fund | 241,900 | | | |
| SPD DEA Fund | 101,600 | | 40,600 | |
| SPD RICO Fund | | | | 200,000 |
| SPD Towing Fund | 118,300 | | 63,700 | 32,500 |
| Department Total | \$ 19,602,100 | \$ | \$ 17,937,800 | \$ 19,378,300 |
| Public Information | | | | |
| General Fund | \$ 864,300 | \$ | \$ 699,300 | \$ |
| Department Total | \$ 864,300 | \$ | \$ 699,300 | \$ |

SCHEDULE F

CITY OF SURPRISE, ARIZONA
Summary by Department of Expenditures/Expenses
Fiscal Year 2013

| DEPARTMENT/FUND | ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2012 | EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2012 | ACTUAL EXPENDITURES/ EXPENSES * 2012 | BUDGETED EXPENDITURES/ EXPENSES 2013 |
|--|---|---|---|---|
| Public Works | | | | |
| General Capital Projects Fund | \$ 305,400 | \$ | \$ 194,800 | \$ 611,800 |
| General Fund | 6,536,100 | 16,800 | 5,779,600 | 5,910,200 |
| General Government Development Fee Fund | 655,800 | | | |
| Grants Fund | 14,100 | | | 120,400 |
| Highway User Revenue Fund | 6,455,400 | | 5,130,500 | 5,790,900 |
| Public Works Expansion Development Fee Fund | 186,300 | | 46,900 | 41,000 |
| Sanitation Fund | 4,800,500 | | 4,251,400 | 4,703,000 |
| Sewer Fund | 13,324,100 | (775,800) | 6,471,800 | 8,128,900 |
| Street Lighting Districts Fund | 2,439,369 | | 2,097,000 | 2,659,500 |
| Transportation Improvement Fund | 1,047,900 | (6,800) | 48,000 | 2,345,100 |
| Water Fund | 9,371,200 | (804,800) | 6,947,100 | 7,160,600 |
| Department Total | \$ 45,136,169 | \$ (1,570,600) | \$ 30,967,100 | \$ 37,471,400 |
| Capital Outlay | | | | |
| Fire Development Fee Fund | \$ 7,100 | \$ | \$ | \$ 8,500 |
| General Capital Projects Fund | 3,585,800 | | 820,200 | 4,544,600 |
| General Fund | 195,100 | | 189,200 | 35,000 |
| General Government Development Fee Fund | 34,100 | | | 8,500 |
| Grants Fund | 223,000 | | 499,600 | 12,500 |
| Library Development Fee Fund | | | | 8,500 |
| Parks and Recreation Development Fee Fund | 54,900 | | | 8,500 |
| Police Development Fee Fund | | | | 8,500 |
| Public Works Expansion Development Fee Fund | 492,900 | | 309,800 | 596,100 |
| Roads of Regional Significance SPA 2, 4 and 6 Fund | | | | 4,900 |
| Roads of Regional Significance SPA 3 and 5 Fund | | | | 4,900 |
| Sanitation Fund | 1,485,600 | | 643,500 | |
| Sewer Fund | 1,584,800 | 9,200 | 2,608,900 | 5,163,500 |
| Transportation Improvement Fund | 1,560,000 | | 482,100 | 1,800,000 |
| Vehicle Replacement Fund | 1,410,800 | | 966,900 | 2,051,000 |
| Water Fund | 1,167,000 | | 861,400 | 1,812,500 |
| Department Total | \$ 11,801,100 | \$ 9,200 | \$ 7,381,600 | \$ 16,067,500 |
| Interest and Fiscal Charges | | | | |
| 2000-03 Governmental Debt Service Fund | \$ 1,664,000 | \$ | \$ 665,200 | \$ 1,027,900 |
| 2000-03 Proprietary Debt Service Fund | | | 288,500 | 445,800 |
| 2007 Proprietary Debt Service Fund | 2,401,700 | | 1,438,600 | 2,401,700 |
| Fire Development Fee Fund | | | | 292,600 |
| General Fund | | | | 200,000 |
| General Government Development Fee Fund | 3,000,000 | | | 1,837,000 |
| Sewer Fund | | | | 1,471,500 |
| Transportation Improvement Fund | | | 3,000 | |
| Water Fund | 27,200 | | 15,900 | 30,000 |
| Department Total | \$ 7,092,900 | \$ | \$ 2,411,200 | \$ 7,706,500 |
| Principal | | | | |
| 2000-03 Governmental Debt Service Fund | \$ 3,080,000 | \$ | \$ | \$ 2,333,200 |
| 2000-03 Proprietary Debt Service Fund | | | | 1,011,900 |
| Sewer Fund | 11,766,200 | | | 335,900 |
| Water Fund | 63,000 | | | 1,270,000 |
| Department Total | \$ 14,909,200 | \$ | \$ | \$ 4,951,000 |

SCHEDULE F

CITY OF SURPRISE, ARIZONA
Summary by Department of Expenditures/Expenses
Fiscal Year 2013

| DEPARTMENT/FUND | ADOPTED BUDGETED EXPENDITURES/ EXPENSES 2012 | EXPENDITURE/ EXPENSE ADJUSTMENTS APPROVED 2012 | ACTUAL EXPENDITURES/ EXPENSES * 2012 | BUDGETED EXPENDITURES/ EXPENSES 2013 |
|--|---|---|---|---|
| Contingency | | | | |
| Donations Fund | \$ 68,200 | \$ | \$ | \$ 363,500 |
| Employee Dep Scholarship Fund | 10,600 | | | 3,300 |
| Employee Healthcare Fund | 196,300 | | | 1,665,100 |
| Grants Fund | 41,312,300 | (10,000) | | 13,385,300 |
| Municipal Court Enhancement Fund | 171,800 | | | 351,100 |
| Municipal Court FARE Fund | 12,800 | | | 9,500 |
| Municipal Court JCEF Fund | 11,700 | | | 95,800 |
| Municipal Court MFTG Fund | 17,100 | | | 28,600 |
| Risk Management Fund | 2,273,000 | | | 1,713,300 |
| Sanitation Fund | 769,000 | | | 792,000 |
| Sewer Fund | 1,455,000 | 766,600 | | 1,333,000 |
| SPD DEA Fund | 340,200 | | | 230,900 |
| SPD RICO Fund | 113,200 | | | 313,200 |
| SPD Towing Fund | 257,900 | | | 340,400 |
| Street Lighting Districts Fund | 757,131 | | | |
| Tourism Fund | 295,400 | | | 158,900 |
| Volunteer Firefighters Pension and Relief Fund | | | | 100,900 |
| Water Fund | | 804,800 | | 1,161,000 |
| Department Total | \$ 48,061,631 | \$ 1,561,400 | \$ | \$ 22,045,800 |
| Economic Development Contingency | | | | |
| General Fund | \$ | \$ | \$ | \$ 1,000,000 |
| Department Total | \$ | \$ | \$ | \$ 1,000,000 |
| Grant Match Contingency | | | | |
| General Fund | \$ | \$ | \$ | \$ 70,000 |
| Department Total | \$ | \$ | \$ | \$ 70,000 |
| Targeted Savings | | | | |
| General Fund | \$ (2,000,000) | \$ | \$ | \$ (1,000,000) |
| Department Total | \$ (2,000,000) | \$ | \$ | \$ (1,000,000) |
| TOTAL ALL DEPARTMENTS | \$ 234,806,500 | \$ - | \$ 109,298,700 | \$ 168,419,300 |

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

SCHEDULE F

RESOLUTION 2012-47

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SURPRISE, ARIZONA, BY ROLL CALL VOTE SET FORTH THE INTENTION TO LEVY PRIMARY PROPERTY TAX IN THE AMOUNT OF \$0.7383 PER EACH ONE HUNDRED DOLLARS (\$100.00) OF ASSESSED VALUATION. SETTING THE PROPERTY TAX LEVY ADOPTION FOR JUNE 26, 2012.

WHEREAS, the City Council is required by Arizona Revised Statutes ARS §42-17253 to adopt an annual tax levy based upon the rate to be assessed per each One Hundred Dollars (\$100.00) of assessed valuation of property within the City, and;

WHEREAS, the primary and secondary tax levy for Fiscal Year 2012/2013 beginning July 1, 2012 must be adopted prior to the third Monday in August, and not less than fourteen days after adoption of the municipal budget, and;

WHEREAS, the municipal budget of the City of Surprise will be adopted at a meeting of the City Council held on June 12, 2012, at least fourteen days prior to the hearing date for the adoption of the property tax levy and;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Surprise, Arizona, as follows.

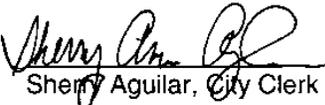
Section 1. By roll call vote set forth the intention to levy primary property tax in the amount of \$0.7383 per each One Hundred Dollars (\$100.00) of assessed valuation. Setting the property tax levy adoption for June 26, 2012.

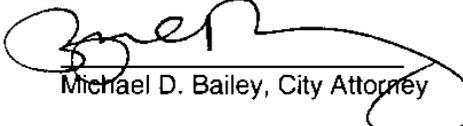
APPROVED AND ADOPTED this 12 day of June, 2012.


Sharon R Wolcott, Mayor

Attest:

Approved as to form:

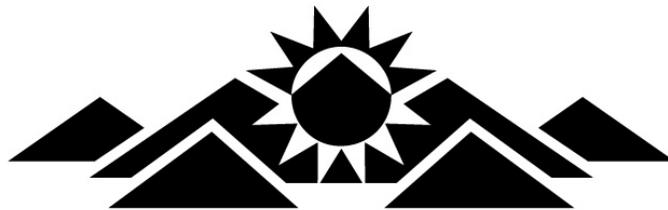

Sherry Aguilar, City Clerk


Michael D. Bailey, City Attorney

Yeas: Mayor Wolcott, Council Member: Williams, Council Members; Biundo, Alton, Villanueva and Woodard

Nays: Council Member Hall

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2013 Adopted Budget

RESOLUTION 2012-45

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SURPRISE, ARIZONA, BY ROLL CALL VOTE TO SET FORTH THE INTENTION TO LEVY PROPERTY TAXES FOR STREET LIGHTING IMPROVEMENT DISTRICTS.

WHEREAS, the provisions of A.R.S. 48-616 require the governing body to levy taxes upon all property in municipal street lighting improvement districts necessary to pay the annual expenses of said districts, and;

WHEREAS, the City Council is required by Arizona Revised Statutes ARS §42-17103 et seq. to hold a public hearing on or before the fourteenth day before the day on which it levies taxes, and;

WHEREAS, the City has computed tax rates for Street Lighting Improvement Districts up to the maximum rate of \$1.20 for each One Hundred Dollars (\$100) of assessed valuation, as set forth on *Exhibit A* attached hereto;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Surprise, Arizona, as follows.

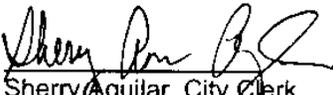
Section 1. By roll call vote set forth the intention to levy property taxes for Street Lighting Improvement Districts as set forth on *Exhibit A* attached hereto, to be collected as provided by law for the purpose provided by law, and set the property tax levy adoption for June 26, 2012.

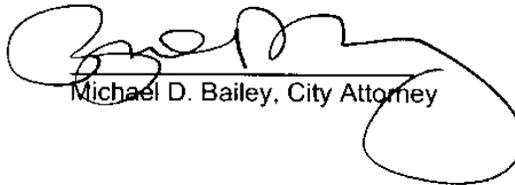
APPROVED AND ADOPTED this 12 day of June, 2012.


Sharon R. Wolcott, Mayor

Attest:

Approved as to form:


Sherry Aguilar, City Clerk


Michael D. Bailey, City Attorney

Yeas: Mayor Wolcott, Vice Mayor Williams, Council Members; Biundo, Alton, Villanueva, Woodard and Hall

Nays: _____

EXHIBIT "A"

Fiscal Year 2013

Street Light Improvement Districts – (SLIDS)

Property Tax Levy Requirements and

Equal Apportionment Districts' Assessor Parcel Numbers

**City of Surprise, Arizona
Street Light Improvement Districts
Property Tax Levy Requirements
Fiscal Year 2013**

City of Surprise, Arizona
Street Light Improvement Districts
Property Tax Levy Requirements
Fiscal Year 2013

| <u>City District Name By Assessment Type</u> | <u>Assessed Value</u> | <u>Levy Amount</u> | <u>Levy Rate*</u> |
|--|-----------------------|--------------------|-------------------|
| <u>Ad Valorem Assessments</u> | | | |
| Asante Parcel 1.16 | \$ 34,080 | \$ 408 | \$ 1.1972 |
| Asante Phase 1 | \$ 2,379,362 | \$ 28,552 | \$ 1.2000 |
| Ashton Ranch I | \$ 2,137,394 | \$ 20,735 | \$ 0.9701 |
| Ashton Ranch II | \$ 2,468,670 | \$ 16,488 | \$ 0.6679 |
| Ashton Ranch III | \$ 2,252,800 | \$ 17,287 | \$ 0.7674 |
| Ashton Ranch IV | \$ 2,240,610 | \$ 12,587 | \$ 0.5618 |
| Autoshow NW #114 SLID (New Slid) | \$ 3,210,689 | \$ 4,835 | \$ 0.1506 |
| Bell Pointe I | \$ 3,981,570 | \$ 10,416 | \$ 0.2616 |
| Bell West Ranch | \$ 1,615,634 | \$ 8,867 | \$ 0.5488 |
| Bell West Ranch 1A | \$ 2,132,080 | \$ 11,885 | \$ 0.5574 |
| Bell West Ranch 1B | \$ 1,342,970 | \$ 8,050 | \$ 0.5994 |
| Bell West Ranch II | \$ 2,351,710 | \$ 11,561 | \$ 0.4916 |
| Bell West Ranch III | \$ 2,174,112 | \$ 10,760 | \$ 0.4949 |
| Canyon Ridge West | \$ 8,537,302 | \$ 14,188 | \$ 0.1662 |
| City @ Surprise Ph 1 | \$ 2,519,717 | \$ 6,446 | \$ 0.2558 |
| Continental at Kingswood Parke | \$ 3,628,234 | \$ 14,729 | \$ 0.4060 |
| Cotton Gin | \$ 2,406,770 | \$ 17,686 | \$ 0.7348 |
| Countryside | \$ 6,419,825 | \$ 36,704 | \$ 0.5717 |
| Desert Oasis Lancer 5 A5B14A | \$ 2,470,312 | \$ 17,940 | \$ 0.7262 |
| Desert Oasis No. 1 | \$ 4,565,660 | \$ 20,364 | \$ 0.4460 |
| Greenway Parc #1 | \$ 2,441,222 | \$ 18,304 | \$ 0.7498 |
| Greenway Parc #2 | \$ 2,238,040 | \$ 16,956 | \$ 0.7576 |
| Greenway Parc #3 | \$ 606,050 | \$ 6,204 | \$ 1.0237 |
| Greer Ranch North Ph1 | \$ 2,585,870 | \$ - | \$ - |
| Greer Ranch North PH2 | \$ 889,030 | \$ 8,226 | \$ 0.9253 |
| Greer Ranch South | \$ 9,085,673 | \$ 47,088 | \$ 0.5183 |
| Johnson Townhomes | \$ 258,860 | \$ 1,251 | \$ 0.4833 |
| Kenly Farms | \$ 2,546,820 | \$ 13,252 | \$ 0.5203 |
| Kingswood Parke | \$ 8,747,339 | \$ 41,307 | \$ 0.4722 |
| Legacy Parc | \$ 4,831,000 | \$ 24,834 | \$ 0.5141 |
| Legacy Parc G,H,I | \$ 2,078,040 | \$ 15,331 | \$ 0.7378 |
| Legacy Parc Parcels e, f, & j | \$ 2,434,560 | \$ 10,727 | \$ 0.4406 |
| Litchfield Manor | \$ 10,984,250 | \$ 57,103 | \$ 0.5199 |
| Marley Park I, p 1-4 | \$ 4,868,517 | \$ 29,028 | \$ 0.5962 |
| Marley Park Ph 1, P 5, 6 | \$ 2,480,370 | \$ - | \$ - |
| Marley Park Ph 1, P 7, 8 | \$ 1,318,884 | \$ - | \$ - |
| Marley Park Ph 2, 9,11,12 | \$ 1,134,280 | \$ 13,611 | \$ 1.2000 |
| Mountain Vista | \$ 5,948,668 | \$ 17,527 | \$ 0.2946 |
| Mountain Vista II | \$ 5,617,920 | \$ 10,336 | \$ 0.1840 |
| Mountain Vista III | \$ 4,100,284 | \$ 12,777 | \$ 0.3116 |
| Northwest Ranch #1 | \$ 3,238,470 | \$ 11,908 | \$ 0.3677 |
| Northwest Ranch II | \$ 4,143,260 | \$ 21,524 | \$ 0.5195 |
| Orchards 1,2,3,4,5 | \$ 6,046,890 | \$ 32,369 | \$ 0.5353 |
| Parke Row | \$ 664,750 | \$ 3,356 | \$ 0.5049 |
| Quick Trip # 410 | \$ 313,380 | \$ - | \$ - |
| Rancho Gabriella - Phase I | \$ 7,214,990 | \$ 28,882 | \$ 0.4003 |
| Rancho Gabriella 2,3,4A-B | \$ 15,262,660 | \$ 63,620 | \$ 0.4168 |
| Rancho Gabriella Ph 2 pcl 11 | \$ 905,000 | \$ 4,061 | \$ 0.4487 |
| Rancho Gabriella PH 3 pcl 17 | \$ 994,690 | \$ 4,019 | \$ 0.4040 |
| Roseview Units 1-6 | \$ 6,630,035 | \$ 38,846 | \$ 0.5859 |
| Roseview Units 5, 5a, 7, 8 | \$ 4,081,585 | \$ 21,327 | \$ 0.5225 |
| Royal Ranch Unit 2, P7 | \$ 1,584,960 | \$ - | \$ - |
| Royal Ranch Unit 2, pcl 8 | \$ 975,930 | \$ 7,584 | \$ 0.7771 |

City of Surprise, Arizona
OTS Market Street #121 Street Light Improvement District
Assessor Parcel Numbers (APN)

50122011B

**City of Surprise, Arizona
Parkview Place # 112 Street Light Improvement District
Assessor Parcel Numbers (APN)**

50398964
50398965
50398965
50398966
50398967
50398968
50398969

City of Surprise, Arizona
Royal Ranch Unit 1 Street Light Improvement District
Assessor Parcel Numbers (APN)

| | | | | | |
|----------|----------|----------|----------|----------|----------|
| 50902943 | 50903040 | 50903082 | 50903120 | 50903158 | 50903196 |
| 50902944 | 50903041 | 50903083 | 50903121 | 50903159 | 50903197 |
| 50903001 | 50903044 | 50903084 | 50903122 | 50903160 | 50903198 |
| 50903002 | 50903045 | 50903085 | 50903123 | 50903161 | 50903199 |
| 50903003 | 50903048 | 50903086 | 50903124 | 50903162 | 50903200 |
| 50903004 | 50903049 | 50903087 | 50903125 | 50903163 | 50903201 |
| 50903005 | 50903050 | 50903088 | 50903126 | 50903164 | 50903202 |
| 50903006 | 50903051 | 50903089 | 50903127 | 50903165 | 50903203 |
| 50903007 | 50903052 | 50903090 | 50903128 | 50903166 | 50903204 |
| 50903008 | 50903053 | 50903091 | 50903129 | 50903167 | 50903205 |
| 50903009 | 50903054 | 50903092 | 50903130 | 50903168 | 50903206 |
| 50903010 | 50903055 | 50903093 | 50903131 | 50903169 | 50903207 |
| 50903011 | 50903056 | 50903094 | 50903132 | 50903170 | 50903208 |
| 50903012 | 50903057 | 50903095 | 50903133 | 50903171 | 50903209 |
| 50903013 | 50903058 | 50903096 | 50903134 | 50903172 | 50903210 |
| 50903014 | 50903059 | 50903097 | 50903135 | 50903173 | 50903211 |
| 50903015 | 50903060 | 50903098 | 50903136 | 50903174 | 50903212 |
| 50903016 | 50903061 | 50903099 | 50903137 | 50903175 | 50903213 |
| 50903017 | 50903062 | 50903100 | 50903138 | 50903176 | 50903214 |
| 50903018 | 50903063 | 50903101 | 50903139 | 50903177 | 50903215 |
| 50903019 | 50903064 | 50903102 | 50903140 | 50903178 | 50903216 |
| 50903020 | 50903065 | 50903103 | 50903141 | 50903179 | 50903217 |
| 50903021 | 50903066 | 50903104 | 50903142 | 50903180 | 50903218 |
| 50903022 | 50903067 | 50903105 | 50903143 | 50903181 | 50903219 |
| 50903023 | 50903068 | 50903106 | 50903144 | 50903182 | 50903220 |
| 50903024 | 50903069 | 50903107 | 50903145 | 50903183 | 50903221 |
| 50903028 | 50903070 | 50903108 | 50903146 | 50903184 | 50903222 |
| 50903029 | 50903071 | 50903109 | 50903147 | 50903185 | 50903223 |
| 50903030 | 50903072 | 50903110 | 50903148 | 50903186 | 50903224 |
| 50903031 | 50903073 | 50903111 | 50903149 | 50903187 | 50903225 |
| 50903032 | 50903074 | 50903112 | 50903150 | 50903188 | 50903226 |
| 50903033 | 50903075 | 50903113 | 50903151 | 50903189 | 50903227 |
| 50903034 | 50903076 | 50903114 | 50903152 | 50903190 | 50903228 |
| 50903035 | 50903077 | 50903115 | 50903153 | 50903191 | 50903229 |
| 50903036 | 50903078 | 50903116 | 50903154 | 50903192 | 50903230 |
| 50903037 | 50903079 | 50903117 | 50903155 | 50903193 | 50903231 |
| 50903038 | 50903080 | 50903118 | 50903156 | 50903194 | 50903232 |
| 50903039 | 50903081 | 50903119 | 50903157 | 50903195 | 50903233 |

City of Surprise, Arizona
Royal Ranch Unit 1 Street Light Improvement District
Assessor Parcel Numbers (APN)

| | | | | | |
|----------|----------|----------|----------|----------|----------|
| 50903234 | 50903275 | 50903316 | 50903356 | 50903394 | 50903434 |
| 50903235 | 50903276 | 50903317 | 50903357 | 50903395 | 50903435 |
| 50903236 | 50903277 | 50903318 | 50903358 | 50903396 | 50903436 |
| 50903237 | 50903280 | 50903319 | 50903359 | 50903397 | 50903437 |
| 50903238 | 50903281 | 50903320 | 50903360 | 50903398 | 50903438 |
| 50903239 | 50903282 | 50903321 | 50903361 | 50903401 | 50903439 |
| 50903240 | 50903283 | 50903322 | 50903362 | 50903402 | 50903440 |
| 50903241 | 50903284 | 50903323 | 50903363 | 50903403 | 50903441 |
| 50903242 | 50903285 | 50903324 | 50903364 | 50903404 | 50903442 |
| 50903243 | 50903286 | 50903325 | 50903365 | 50903405 | 50903443 |
| 50903244 | 50903287 | 50903326 | 50903366 | 50903406 | 50903444 |
| 50903245 | 50903288 | 50903327 | 50903367 | 50903407 | 50903445 |
| 50903246 | 50903289 | 50903330 | 50903368 | 50903408 | 50903446 |
| 50903247 | 50903290 | 50903331 | 50903369 | 50903409 | 50903447 |
| 50903248 | 50903291 | 50903332 | 50903370 | 50903410 | 50903448 |
| 50903249 | 50903292 | 50903333 | 50903371 | 50903411 | 50903449 |
| 50903250 | 50903293 | 50903334 | 50903372 | 50903412 | 50903450 |
| 50903251 | 50903294 | 50903335 | 50903373 | 50903413 | 50903451 |
| 50903252 | 50903295 | 50903336 | 50903374 | 50903414 | 50903452 |
| 50903253 | 50903296 | 50903337 | 50903375 | 50903415 | 50903453 |
| 50903254 | 50903297 | 50903338 | 50903376 | 50903416 | 50903454 |
| 50903255 | 50903298 | 50903339 | 50903377 | 50903417 | 50903455 |
| 50903256 | 50903299 | 50903340 | 50903378 | 50903418 | 50903456 |
| 50903257 | 50903300 | 50903341 | 50903379 | 50903419 | 50903457 |
| 50903258 | 50903301 | 50903342 | 50903380 | 50903420 | 50903458 |
| 50903259 | 50903302 | 50903343 | 50903381 | 50903421 | 50903459 |
| 50903260 | 50903304 | 50903344 | 50903382 | 50903422 | 50903460 |
| 50903261 | 50903305 | 50903345 | 50903383 | 50903423 | 50903461 |
| 50903262 | 50903306 | 50903346 | 50903384 | 50903424 | 50903462 |
| 50903263 | 50903307 | 50903347 | 50903385 | 50903425 | 50903463 |
| 50903264 | 50903308 | 50903348 | 50903386 | 50903426 | 50903464 |
| 50903265 | 50903309 | 50903349 | 50903387 | 50903427 | 50903465 |
| 50903266 | 50903310 | 50903350 | 50903388 | 50903428 | 50903466 |
| 50903267 | 50903311 | 50903351 | 50903389 | 50903429 | 50903467 |
| 50903268 | 50903312 | 50903352 | 50903390 | 50903430 | 50903468 |
| 50903272 | 50903313 | 50903353 | 50903391 | 50903431 | 50903469 |
| 50903273 | 50903314 | 50903354 | 50903392 | 50903432 | 50903470 |
| 50903274 | 50903315 | 50903355 | 50903393 | 50903433 | 50903471 |

**City of Surprise, Arizona
Royal Ranch Unit 1 Street Light Improvement District
Assessor Parcel Numbers (APN)**

| | | |
|----------|----------|----------|
| 50903472 | 50903510 | 50903548 |
| 50903473 | 50903511 | 50903549 |
| 50903474 | 50903512 | 50903550 |
| 50903475 | 50903513 | 50903551 |
| 50903476 | 50903514 | 50903552 |
| 50903477 | 50903515 | 50903553 |
| 50903478 | 50903516 | 50903554 |
| 50903479 | 50903517 | 50903555 |
| 50903480 | 50903518 | 50903556 |
| 50903481 | 50903519 | 50903557 |
| 50903482 | 50903520 | 50903558 |
| 50903483 | 50903521 | 50903559 |
| 50903484 | 50903522 | 50903560 |
| 50903485 | 50903523 | |
| 50903486 | 50903524 | |
| 50903487 | 50903525 | |
| 50903488 | 50903526 | |
| 50903489 | 50903527 | |
| 50903490 | 50903528 | |
| 50903491 | 50903529 | |
| 50903492 | 50903530 | |
| 50903493 | 50903531 | |
| 50903494 | 50903532 | |
| 50903495 | 50903533 | |
| 50903496 | 50903534 | |
| 50903497 | 50903535 | |
| 50903498 | 50903536 | |
| 50903499 | 50903537 | |
| 50903500 | 50903538 | |
| 50903501 | 50903539 | |
| 50903502 | 50903540 | |
| 50903503 | 50903541 | |
| 50903504 | 50903542 | |
| 50903505 | 50903543 | |
| 50903506 | 50903544 | |
| 50903507 | 50903545 | |
| 50903508 | 50903546 | |
| 50903509 | 50903547 | |

City of Surprise, Arizona
Sierra Montana Phase 1a Street Light Improvement District
Assessor Parcel Numbers (APN)

| | | | | | |
|----------|----------|----------|----------|----------|----------|
| 50287024 | 50287062 | 50287100 | 50287138 | 50287176 | 50287214 |
| 50287025 | 50287063 | 50287101 | 50287139 | 50287177 | 50287215 |
| 50287026 | 50287064 | 50287102 | 50287140 | 50287178 | 50287216 |
| 50287027 | 50287065 | 50287103 | 50287141 | 50287179 | 50287217 |
| 50287028 | 50287066 | 50287104 | 50287142 | 50287180 | 50287218 |
| 50287029 | 50287067 | 50287105 | 50287143 | 50287181 | 50287219 |
| 50287030 | 50287068 | 50287106 | 50287144 | 50287182 | 50287220 |
| 50287031 | 50287069 | 50287107 | 50287145 | 50287183 | 50287221 |
| 50287032 | 50287070 | 50287108 | 50287146 | 50287184 | 50287222 |
| 50287033 | 50287071 | 50287109 | 50287147 | 50287185 | 50287223 |
| 50287034 | 50287072 | 50287110 | 50287148 | 50287186 | 50287224 |
| 50287035 | 50287073 | 50287111 | 50287149 | 50287187 | 50287225 |
| 50287036 | 50287074 | 50287112 | 50287150 | 50287188 | 50287226 |
| 50287037 | 50287075 | 50287113 | 50287151 | 50287189 | 50287227 |
| 50287038 | 50287076 | 50287114 | 50287152 | 50287190 | 50287228 |
| 50287039 | 50287077 | 50287115 | 50287153 | 50287191 | 50287229 |
| 50287040 | 50287078 | 50287116 | 50287154 | 50287192 | 50287230 |
| 50287041 | 50287079 | 50287117 | 50287155 | 50287193 | 50287231 |
| 50287042 | 50287080 | 50287118 | 50287156 | 50287194 | 50287232 |
| 50287043 | 50287081 | 50287119 | 50287157 | 50287195 | 50287233 |
| 50287044 | 50287082 | 50287120 | 50287158 | 50287196 | 50287234 |
| 50287045 | 50287083 | 50287121 | 50287159 | 50287197 | 50287235 |
| 50287046 | 50287084 | 50287122 | 50287160 | 50287198 | 50287236 |
| 50287047 | 50287085 | 50287123 | 50287161 | 50287199 | 50287237 |
| 50287048 | 50287086 | 50287124 | 50287162 | 50287200 | 50287238 |
| 50287049 | 50287087 | 50287125 | 50287163 | 50287201 | 50287239 |
| 50287050 | 50287088 | 50287126 | 50287164 | 50287202 | 50287240 |
| 50287051 | 50287089 | 50287127 | 50287165 | 50287203 | 50287241 |
| 50287052 | 50287090 | 50287128 | 50287166 | 50287204 | 50287242 |
| 50287053 | 50287091 | 50287129 | 50287167 | 50287205 | 50287243 |
| 50287054 | 50287092 | 50287130 | 50287168 | 50287206 | 50287244 |
| 50287055 | 50287093 | 50287131 | 50287169 | 50287207 | 50287245 |
| 50287056 | 50287094 | 50287132 | 50287170 | 50287208 | 50287246 |
| 50287057 | 50287095 | 50287133 | 50287171 | 50287209 | 50287247 |
| 50287058 | 50287096 | 50287134 | 50287172 | 50287210 | 50287248 |
| 50287059 | 50287097 | 50287135 | 50287173 | 50287211 | 50287249 |
| 50287060 | 50287098 | 50287136 | 50287174 | 50287212 | 50287250 |
| 50287061 | 50287099 | 50287137 | 50287175 | 50287213 | 50287251 |

City of Surprise, Arizona
Sierra Montana Phase 1a Street Light Improvement District
Assessor Parcel Numbers (APN)

| | | | | | |
|----------|----------|----------|----------|----------|----------|
| 50287252 | 50287290 | 50287328 | 50287366 | 50287404 | 50287442 |
| 50287253 | 50287291 | 50287329 | 50287367 | 50287405 | 50287443 |
| 50287254 | 50287292 | 50287330 | 50287368 | 50287406 | 50287444 |
| 50287255 | 50287293 | 50287331 | 50287369 | 50287407 | 50287445 |
| 50287256 | 50287294 | 50287332 | 50287370 | 50287408 | 50287446 |
| 50287257 | 50287295 | 50287333 | 50287371 | 50287409 | 50287447 |
| 50287258 | 50287296 | 50287334 | 50287372 | 50287410 | 50287448 |
| 50287259 | 50287297 | 50287335 | 50287373 | 50287411 | 50287449 |
| 50287260 | 50287298 | 50287336 | 50287374 | 50287412 | 50287450 |
| 50287261 | 50287299 | 50287337 | 50287375 | 50287413 | 50287451 |
| 50287262 | 50287300 | 50287338 | 50287376 | 50287414 | 50287452 |
| 50287263 | 50287301 | 50287339 | 50287377 | 50287415 | 50287453 |
| 50287264 | 50287302 | 50287340 | 50287378 | 50287416 | 50287454 |
| 50287265 | 50287303 | 50287341 | 50287379 | 50287417 | 50287455 |
| 50287266 | 50287304 | 50287342 | 50287380 | 50287418 | 50287456 |
| 50287267 | 50287305 | 50287343 | 50287381 | 50287419 | 50287457 |
| 50287268 | 50287306 | 50287344 | 50287382 | 50287420 | 50287458 |
| 50287269 | 50287307 | 50287345 | 50287383 | 50287421 | 50287459 |
| 50287270 | 50287308 | 50287346 | 50287384 | 50287422 | 50287460 |
| 50287271 | 50287309 | 50287347 | 50287385 | 50287423 | 50287461 |
| 50287272 | 50287310 | 50287348 | 50287386 | 50287424 | 50287462 |
| 50287273 | 50287311 | 50287349 | 50287387 | 50287425 | 50287463 |
| 50287274 | 50287312 | 50287350 | 50287388 | 50287426 | 50287464 |
| 50287275 | 50287313 | 50287351 | 50287389 | 50287427 | 50287465 |
| 50287276 | 50287314 | 50287352 | 50287390 | 50287428 | 50287466 |
| 50287277 | 50287315 | 50287353 | 50287391 | 50287429 | 50287467 |
| 50287278 | 50287316 | 50287354 | 50287392 | 50287430 | 50287468 |
| 50287279 | 50287317 | 50287355 | 50287393 | 50287431 | 50287469 |
| 50287280 | 50287318 | 50287356 | 50287394 | 50287432 | 50287470 |
| 50287281 | 50287319 | 50287357 | 50287395 | 50287433 | 50287471 |
| 50287282 | 50287320 | 50287358 | 50287396 | 50287434 | 50287472 |
| 50287283 | 50287321 | 50287359 | 50287397 | 50287435 | 50287473 |
| 50287284 | 50287322 | 50287360 | 50287398 | 50287436 | 50287474 |
| 50287285 | 50287323 | 50287361 | 50287399 | 50287437 | 50287475 |
| 50287286 | 50287324 | 50287362 | 50287400 | 50287438 | 50287476 |
| 50287287 | 50287325 | 50287363 | 50287401 | 50287439 | 50287477 |
| 50287288 | 50287326 | 50287364 | 50287402 | 50287440 | 50287478 |
| 50287289 | 50287327 | 50287365 | 50287403 | 50287441 | 50287479 |

City of Surprise, Arizona
Sierra Montana Phase 1a Street Light Improvement District
Assessor Parcel Numbers (APN)

| | | | | | |
|----------|----------|----------|----------|----------|----------|
| 50287480 | 50287518 | 50287556 | 50287594 | 50287632 | 50287670 |
| 50287481 | 50287519 | 50287557 | 50287595 | 50287633 | 50287671 |
| 50287482 | 50287520 | 50287558 | 50287596 | 50287634 | 50287672 |
| 50287483 | 50287521 | 50287559 | 50287597 | 50287635 | 50287673 |
| 50287484 | 50287522 | 50287560 | 50287598 | 50287636 | 50287674 |
| 50287485 | 50287523 | 50287561 | 50287599 | 50287637 | 50287675 |
| 50287486 | 50287524 | 50287562 | 50287600 | 50287638 | 50287676 |
| 50287487 | 50287525 | 50287563 | 50287601 | 50287639 | 50287677 |
| 50287488 | 50287526 | 50287564 | 50287602 | 50287640 | 50287678 |
| 50287489 | 50287527 | 50287565 | 50287603 | 50287641 | 50287679 |
| 50287490 | 50287528 | 50287566 | 50287604 | 50287642 | 50287680 |
| 50287491 | 50287529 | 50287567 | 50287605 | 50287643 | 50287681 |
| 50287492 | 50287530 | 50287568 | 50287606 | 50287644 | 50287682 |
| 50287493 | 50287531 | 50287569 | 50287607 | 50287645 | 50287683 |
| 50287494 | 50287532 | 50287570 | 50287608 | 50287646 | 50287684 |
| 50287495 | 50287533 | 50287571 | 50287609 | 50287647 | 50287685 |
| 50287496 | 50287534 | 50287572 | 50287610 | 50287648 | 50287686 |
| 50287497 | 50287535 | 50287573 | 50287611 | 50287649 | 50287687 |
| 50287498 | 50287536 | 50287574 | 50287612 | 50287650 | 50287688 |
| 50287499 | 50287537 | 50287575 | 50287613 | 50287651 | 50287689 |
| 50287500 | 50287538 | 50287576 | 50287614 | 50287652 | 50287690 |
| 50287501 | 50287539 | 50287577 | 50287615 | 50287653 | 50287691 |
| 50287502 | 50287540 | 50287578 | 50287616 | 50287654 | 50287692 |
| 50287503 | 50287541 | 50287579 | 50287617 | 50287655 | 50287693 |
| 50287504 | 50287542 | 50287580 | 50287618 | 50287656 | 50287694 |
| 50287505 | 50287543 | 50287581 | 50287619 | 50287657 | 50287695 |
| 50287506 | 50287544 | 50287582 | 50287620 | 50287658 | 50287696 |
| 50287507 | 50287545 | 50287583 | 50287621 | 50287659 | 50287697 |
| 50287508 | 50287546 | 50287584 | 50287622 | 50287660 | 50287698 |
| 50287509 | 50287547 | 50287585 | 50287623 | 50287661 | 50287699 |
| 50287510 | 50287548 | 50287586 | 50287624 | 50287662 | 50287700 |
| 50287511 | 50287549 | 50287587 | 50287625 | 50287663 | 50287701 |
| 50287512 | 50287550 | 50287588 | 50287626 | 50287664 | 50287702 |
| 50287513 | 50287551 | 50287589 | 50287627 | 50287665 | 50287703 |
| 50287514 | 50287552 | 50287590 | 50287628 | 50287666 | 50287704 |
| 50287515 | 50287553 | 50287591 | 50287629 | 50287667 | 50287705 |
| 50287516 | 50287554 | 50287592 | 50287630 | 50287668 | 50287706 |
| 50287517 | 50287555 | 50287593 | 50287631 | 50287669 | 50287707 |

City of Surprise, Arizona
Sierra Montana Phase 1a Street Light Improvement District
Assessor Parcel Numbers (APN)

| | | | | | |
|----------|----------|----------|----------|----------|----------|
| 50287708 | 50287746 | 50287784 | 50287822 | 50287860 | 50287898 |
| 50287709 | 50287747 | 50287785 | 50287823 | 50287861 | 50287899 |
| 50287710 | 50287748 | 50287786 | 50287824 | 50287862 | 50287900 |
| 50287711 | 50287749 | 50287787 | 50287825 | 50287863 | 50287901 |
| 50287712 | 50287750 | 50287788 | 50287826 | 50287864 | 50287902 |
| 50287713 | 50287751 | 50287789 | 50287827 | 50287865 | 50287903 |
| 50287714 | 50287752 | 50287790 | 50287828 | 50287866 | 50287904 |
| 50287715 | 50287753 | 50287791 | 50287829 | 50287867 | 50287905 |
| 50287716 | 50287754 | 50287792 | 50287830 | 50287868 | 50287906 |
| 50287717 | 50287755 | 50287793 | 50287831 | 50287869 | 50287907 |
| 50287718 | 50287756 | 50287794 | 50287832 | 50287870 | 50287908 |
| 50287719 | 50287757 | 50287795 | 50287833 | 50287871 | 50288001 |
| 50287720 | 50287758 | 50287796 | 50287834 | 50287872 | 50288002 |
| 50287721 | 50287759 | 50287797 | 50287835 | 50287873 | 50288003 |
| 50287722 | 50287760 | 50287798 | 50287836 | 50287874 | 50288004 |
| 50287723 | 50287761 | 50287799 | 50287837 | 50287875 | 50288005 |
| 50287724 | 50287762 | 50287800 | 50287838 | 50287876 | 50288006 |
| 50287725 | 50287763 | 50287801 | 50287839 | 50287877 | 50288007 |
| 50287726 | 50287764 | 50287802 | 50287840 | 50287878 | 50288008 |
| 50287727 | 50287765 | 50287803 | 50287841 | 50287879 | 50288009 |
| 50287728 | 50287766 | 50287804 | 50287842 | 50287880 | 50288010 |
| 50287729 | 50287767 | 50287805 | 50287843 | 50287881 | 50288011 |
| 50287730 | 50287768 | 50287806 | 50287844 | 50287882 | 50288012 |
| 50287731 | 50287769 | 50287807 | 50287845 | 50287883 | 50288013 |
| 50287732 | 50287770 | 50287808 | 50287846 | 50287884 | 50288014 |
| 50287733 | 50287771 | 50287809 | 50287847 | 50287885 | 50288015 |
| 50287734 | 50287772 | 50287810 | 50287848 | 50287886 | 50288016 |
| 50287735 | 50287773 | 50287811 | 50287849 | 50287887 | 50288017 |
| 50287736 | 50287774 | 50287812 | 50287850 | 50287888 | 50288018 |
| 50287737 | 50287775 | 50287813 | 50287851 | 50287889 | 50288019 |
| 50287738 | 50287776 | 50287814 | 50287852 | 50287890 | 50288020 |
| 50287739 | 50287777 | 50287815 | 50287853 | 50287891 | 50288021 |
| 50287740 | 50287778 | 50287816 | 50287854 | 50287892 | 50288022 |
| 50287741 | 50287779 | 50287817 | 50287855 | 50287893 | 50288023 |
| 50287742 | 50287780 | 50287818 | 50287856 | 50287894 | 50288024 |
| 50287743 | 50287781 | 50287819 | 50287857 | 50287895 | 50288025 |
| 50287744 | 50287782 | 50287820 | 50287858 | 50287896 | 50288026 |
| 50287745 | 50287783 | 50287821 | 50287859 | 50287897 | 50288027 |

City of Surprise, Arizona
Sierra Montana Phase 1a Street Light Improvement District
Assessor Parcel Numbers (APN)

| | | | | | |
|----------|----------|----------|----------|----------|----------|
| 50288028 | 50288066 | 50288104 | 50288142 | 50288180 | 50288218 |
| 50288029 | 50288067 | 50288105 | 50288143 | 50288181 | 50288219 |
| 50288030 | 50288068 | 50288106 | 50288144 | 50288182 | 50288220 |
| 50288031 | 50288069 | 50288107 | 50288145 | 50288183 | 50288221 |
| 50288032 | 50288070 | 50288108 | 50288146 | 50288184 | 50288222 |
| 50288033 | 50288071 | 50288109 | 50288147 | 50288185 | 50288223 |
| 50288034 | 50288072 | 50288110 | 50288148 | 50288186 | 50288224 |
| 50288035 | 50288073 | 50288111 | 50288149 | 50288187 | 50288225 |
| 50288036 | 50288074 | 50288112 | 50288150 | 50288188 | 50288226 |
| 50288037 | 50288075 | 50288113 | 50288151 | 50288189 | 50288227 |
| 50288038 | 50288076 | 50288114 | 50288152 | 50288190 | 50288228 |
| 50288039 | 50288077 | 50288115 | 50288153 | 50288191 | 50288229 |
| 50288040 | 50288078 | 50288116 | 50288154 | 50288192 | 50288230 |
| 50288041 | 50288079 | 50288117 | 50288155 | 50288193 | 50288231 |
| 50288042 | 50288080 | 50288118 | 50288156 | 50288194 | 50288232 |
| 50288043 | 50288081 | 50288119 | 50288157 | 50288195 | 50288233 |
| 50288044 | 50288082 | 50288120 | 50288158 | 50288196 | 50288234 |
| 50288045 | 50288083 | 50288121 | 50288159 | 50288197 | 50288235 |
| 50288046 | 50288084 | 50288122 | 50288160 | 50288198 | 50288236 |
| 50288047 | 50288085 | 50288123 | 50288161 | 50288199 | 50288237 |
| 50288048 | 50288086 | 50288124 | 50288162 | 50288200 | 50288238 |
| 50288049 | 50288087 | 50288125 | 50288163 | 50288201 | 50288239 |
| 50288050 | 50288088 | 50288126 | 50288164 | 50288202 | 50288240 |
| 50288051 | 50288089 | 50288127 | 50288165 | 50288203 | 50288241 |
| 50288052 | 50288090 | 50288128 | 50288166 | 50288204 | 50288242 |
| 50288053 | 50288091 | 50288129 | 50288167 | 50288205 | 50288243 |
| 50288054 | 50288092 | 50288130 | 50288168 | 50288206 | 50288244 |
| 50288055 | 50288093 | 50288131 | 50288169 | 50288207 | 50288245 |
| 50288056 | 50288094 | 50288132 | 50288170 | 50288208 | 50288246 |
| 50288057 | 50288095 | 50288133 | 50288171 | 50288209 | 50288247 |
| 50288058 | 50288096 | 50288134 | 50288172 | 50288210 | 50288248 |
| 50288059 | 50288097 | 50288135 | 50288173 | 50288211 | 50288249 |
| 50288060 | 50288098 | 50288136 | 50288174 | 50288212 | 50288250 |
| 50288061 | 50288099 | 50288137 | 50288175 | 50288213 | 50288251 |
| 50288062 | 50288100 | 50288138 | 50288176 | 50288214 | 50288252 |
| 50288063 | 50288101 | 50288139 | 50288177 | 50288215 | 50288253 |
| 50288064 | 50288102 | 50288140 | 50288178 | 50288216 | 50288254 |
| 50288065 | 50288103 | 50288141 | 50288179 | 50288217 | 50288255 |

City of Surprise, Arizona
Sierra Montana Phase 1a Street Light Improvement District
Assessor Parcel Numbers (APN)

| | | | | | |
|----------|----------|----------|----------|----------|----------|
| 50288256 | 50288294 | 50288332 | 50288370 | 50288408 | 50288446 |
| 50288257 | 50288295 | 50288333 | 50288371 | 50288409 | 50288447 |
| 50288258 | 50288296 | 50288334 | 50288372 | 50288410 | 50288448 |
| 50288259 | 50288297 | 50288335 | 50288373 | 50288411 | 50288449 |
| 50288260 | 50288298 | 50288336 | 50288374 | 50288412 | 50288450 |
| 50288261 | 50288299 | 50288337 | 50288375 | 50288413 | 50288451 |
| 50288262 | 50288300 | 50288338 | 50288376 | 50288414 | 50288452 |
| 50288263 | 50288301 | 50288339 | 50288377 | 50288415 | 50288453 |
| 50288264 | 50288302 | 50288340 | 50288378 | 50288416 | 50288454 |
| 50288265 | 50288303 | 50288341 | 50288379 | 50288417 | 50288455 |
| 50288266 | 50288304 | 50288342 | 50288380 | 50288418 | 50288456 |
| 50288267 | 50288305 | 50288343 | 50288381 | 50288419 | 50288457 |
| 50288268 | 50288306 | 50288344 | 50288382 | 50288420 | 50288458 |
| 50288269 | 50288307 | 50288345 | 50288383 | 50288421 | 50288459 |
| 50288270 | 50288308 | 50288346 | 50288384 | 50288422 | 50288460 |
| 50288271 | 50288309 | 50288347 | 50288385 | 50288423 | 50288461 |
| 50288272 | 50288310 | 50288348 | 50288386 | 50288424 | 50288462 |
| 50288273 | 50288311 | 50288349 | 50288387 | 50288425 | 50288463 |
| 50288274 | 50288312 | 50288350 | 50288388 | 50288426 | 50288464 |
| 50288275 | 50288313 | 50288351 | 50288389 | 50288427 | 50288465 |
| 50288276 | 50288314 | 50288352 | 50288390 | 50288428 | 50288466 |
| 50288277 | 50288315 | 50288353 | 50288391 | 50288429 | 50288467 |
| 50288278 | 50288316 | 50288354 | 50288392 | 50288430 | 50288468 |
| 50288279 | 50288317 | 50288355 | 50288393 | 50288431 | 50288469 |
| 50288280 | 50288318 | 50288356 | 50288394 | 50288432 | 50288470 |
| 50288281 | 50288319 | 50288357 | 50288395 | 50288433 | 50288471 |
| 50288282 | 50288320 | 50288358 | 50288396 | 50288434 | 50288472 |
| 50288283 | 50288321 | 50288359 | 50288397 | 50288435 | 50288473 |
| 50288284 | 50288322 | 50288360 | 50288398 | 50288436 | 50288474 |
| 50288285 | 50288323 | 50288361 | 50288399 | 50288437 | 50288475 |
| 50288286 | 50288324 | 50288362 | 50288400 | 50288438 | 50288476 |
| 50288287 | 50288325 | 50288363 | 50288401 | 50288439 | 50288477 |
| 50288288 | 50288326 | 50288364 | 50288402 | 50288440 | 50288478 |
| 50288289 | 50288327 | 50288365 | 50288403 | 50288441 | 50288479 |
| 50288290 | 50288328 | 50288366 | 50288404 | 50288442 | 50288480 |
| 50288291 | 50288329 | 50288367 | 50288405 | 50288443 | 50288481 |
| 50288292 | 50288330 | 50288368 | 50288406 | 50288444 | 50288482 |
| 50288293 | 50288331 | 50288369 | 50288407 | 50288445 | 50288483 |

City of Surprise, Arizona
Sierra Montana Phase 1a Street Light Improvement District
Assessor Parcel Numbers (APN)

| | | |
|----------|----------|-----------|
| 50288484 | 50288522 | 50288560 |
| 50288485 | 50288523 | 50288561 |
| 50288486 | 50288524 | 50288562 |
| 50288487 | 50288525 | 50288563 |
| 50288488 | 50288526 | 50288564 |
| 50288489 | 50288527 | 50288565 |
| 50288490 | 50288528 | 50288566 |
| 50288491 | 50288529 | 50288567 |
| 50288492 | 50288530 | 50288568 |
| 50288493 | 50288531 | 50201017J |
| 50288494 | 50288532 | 50902942 |
| 50288495 | 50288533 | |
| 50288496 | 50288534 | |
| 50288497 | 50288535 | |
| 50288498 | 50288536 | |
| 50288499 | 50288537 | |
| 50288500 | 50288538 | |
| 50288501 | 50288539 | |
| 50288502 | 50288540 | |
| 50288503 | 50288541 | |
| 50288504 | 50288542 | |
| 50288505 | 50288543 | |
| 50288506 | 50288544 | |
| 50288507 | 50288545 | |
| 50288508 | 50288546 | |
| 50288509 | 50288547 | |
| 50288510 | 50288548 | |
| 50288511 | 50288549 | |
| 50288512 | 50288550 | |
| 50288513 | 50288551 | |
| 50288514 | 50288552 | |
| 50288515 | 50288553 | |
| 50288516 | 50288554 | |
| 50288517 | 50288555 | |
| 50288518 | 50288556 | |
| 50288519 | 50288557 | |
| 50288520 | 50288558 | |
| 50288521 | 50288559 | |

**City of Surprise, Arizona
Skyway Business Park #92 Street Light Improvement District
Assessor Parcel Numbers (APN)**

| | | |
|----------|----------|-----------|
| 50145882 | 50145920 | 51003753 |
| 50145883 | 50145921 | 51003754 |
| 50145884 | 50915966 | 51003755 |
| 50145885 | 50915967 | 51003756 |
| 50145886 | 50915971 | 51003757 |
| 50145887 | 50915972 | 50143002N |
| 50145888 | 50915973 | 50143002T |
| 50145889 | 50915974 | |
| 50145890 | 50915975 | |
| 50145891 | 50915976 | |
| 50145892 | 50915977 | |
| 50145893 | 50915978 | |
| 50145894 | 50915979 | |
| 50145895 | 50915981 | |
| 50145896 | 50915982 | |
| 50145897 | 50915983 | |
| 50145898 | 50915984 | |
| 50145899 | 50915986 | |
| 50145900 | 50915987 | |
| 50145901 | 50915989 | |
| 50145902 | 50915993 | |
| 50145903 | 50915994 | |
| 50145904 | 50915995 | |
| 50145905 | 50915996 | |
| 50145906 | 50915997 | |
| 50145907 | 50918952 | |
| 50145908 | 50918953 | |
| 50145909 | 50918954 | |
| 50145910 | 50918955 | |
| 50145911 | 50918958 | |
| 50145912 | 50918959 | |
| 50145913 | 50918960 | |
| 50145914 | 50918961 | |
| 50145915 | 51003748 | |
| 50145916 | 51003749 | |
| 50145917 | 51003750 | |
| 50145918 | 51003751 | |
| 50145919 | 51003752 | |

City of Surprise, Arizona
Stadium Village Small A # 107 Street Light Improvement District
Assessor Parcel Numbers (APN)

50912739
50912741
50912806
50912807
50912742B
50912744A
50912744B

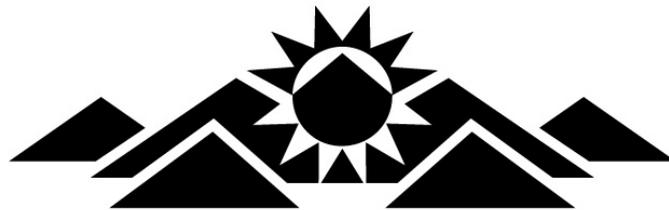
**City of Surprise, Arizona
Stonebrook # 103 Street Light Improvement District
Assessor Parcel Numbers (APN)**

| | | | | |
|----------|----------|----------|----------|----------|
| 23228001 | 23228039 | 23228077 | 23228115 | 23228153 |
| 23228002 | 23228040 | 23228078 | 23228116 | 23228154 |
| 23228003 | 23228041 | 23228079 | 23228117 | 23228155 |
| 23228004 | 23228042 | 23228080 | 23228118 | 23228156 |
| 23228005 | 23228043 | 23228081 | 23228119 | 23228157 |
| 23228006 | 23228044 | 23228082 | 23228120 | 23228158 |
| 23228007 | 23228045 | 23228083 | 23228121 | 23228159 |
| 23228008 | 23228046 | 23228084 | 23228122 | 23228160 |
| 23228009 | 23228047 | 23228085 | 23228123 | 23228161 |
| 23228010 | 23228048 | 23228086 | 23228124 | 23228162 |
| 23228011 | 23228049 | 23228087 | 23228125 | 23228163 |
| 23228012 | 23228050 | 23228088 | 23228126 | 23228164 |
| 23228013 | 23228051 | 23228089 | 23228127 | 23228165 |
| 23228014 | 23228052 | 23228090 | 23228128 | |
| 23228015 | 23228053 | 23228091 | 23228129 | |
| 23228016 | 23228054 | 23228092 | 23228130 | |
| 23228017 | 23228055 | 23228093 | 23228131 | |
| 23228018 | 23228056 | 23228094 | 23228132 | |
| 23228019 | 23228057 | 23228095 | 23228133 | |
| 23228020 | 23228058 | 23228096 | 23228134 | |
| 23228021 | 23228059 | 23228097 | 23228135 | |
| 23228022 | 23228060 | 23228098 | 23228136 | |
| 23228023 | 23228061 | 23228099 | 23228137 | |
| 23228024 | 23228062 | 23228100 | 23228138 | |
| 23228025 | 23228063 | 23228101 | 23228139 | |
| 23228026 | 23228064 | 23228102 | 23228140 | |
| 23228027 | 23228065 | 23228103 | 23228141 | |
| 23228028 | 23228066 | 23228104 | 23228142 | |
| 23228029 | 23228067 | 23228105 | 23228143 | |
| 23228030 | 23228068 | 23228106 | 23228144 | |
| 23228031 | 23228069 | 23228107 | 23228145 | |
| 23228032 | 23228070 | 23228108 | 23228146 | |
| 23228033 | 23228071 | 23228109 | 23228147 | |
| 23228034 | 23228072 | 23228110 | 23228148 | |
| 23228035 | 23228073 | 23228111 | 23228149 | |
| 23228036 | 23228074 | 23228112 | 23228150 | |
| 23228037 | 23228075 | 23228113 | 23228151 | |
| 23228038 | 23228076 | 23228114 | 23228152 | |

City of Surprise, Arizona
Westgate #122 Street Light Improvement District
Assessor Parcel Numbers (APN)

50366980

City of Surprise, Arizona



S U R P R I S E

A R I Z O N A

FY2013 Adopted Budget

Budget Transfer Policies and Procedures

A. Purpose

The following policy and procedures are established to implement a consistent and efficient process by which the adopted city budget may be amended.

B. Policy

Throughout the course of the fiscal year, amendments to the budget are necessary to address new issues, increased prices, and changes in scope of existing projects. This policy applies to all budget amendments initiated by the Mayor and City Council, the City Manager's Office, and/or departments. The Finance Department will process budget amendments in the financial management system, following appropriate authorization by the Mayor and City Council, the City Manager, or a Department Director.

Adopted Level of Budgetary Control

The budget is appropriated by department in the general fund. All other funds are appropriated in total; and the Capital Improvement Plan (CIP) is appropriated by project.

C. Procedure

1. The requesting department shall prepare and submit to the Budget Manager with a copy to the respective budget liaison in the Finance Department:
 - a. The Budget Amendment Request form (must include the department director signature) including the description/background, budget amendment type, Council action information, and financial impact statement,
 - b. The draft Budget Amendment Resolution, and
 - c. The Budget Amendment Entry form.
2. The budget liaison shall review the request for availability of budget to be amended, appropriate authorization level, accuracy, and general reasonableness. The budget liaison shall communicate any questions or comments to the department and recommend revisions as necessary. The budget liaison shall then advance the request to the Budget Manager if approved.
3. The Budget Manager shall review and approve the request by signing the Budget Amendment Request form. The form shall then be advanced for the next approval as appropriate.
 - a. Requests requiring Chief Financial Officer approval shall be reviewed and approved by signing the Budget Amendment Request and returning to the Budget Manager.
 - b. Requests requiring City Manager approval shall be reviewed and approved by signing the Budget Amendment Request form and returning such form to Finance.
 - c. Amendments requiring Mayor and City Council approval shall be returned to the submitting department to initiate a Request for Legal Services and City Council agenda item.
4. Upon approval of the budget amendment request, the Finance Department shall execute the amendment in the financial management system and notify the requesting department of completion.

D. Authorization Levels:

| Type of Amendment | Category | Sub-Category | Authorization |
|--|---|--|-------------------------|
| Between Funds | All | All | Mayor and City Council |
| Between Departments (in general fund) | All | All | Mayor and City Council |
| Grants | Revenue Expense | Establishment of a grant budget | Mayor and City Council |
| | | | |
| Personnel | Full Time Personnel | Between divisions | Department Director |
| | | Between part time and full time (no change in total FTE) | City Manager |
| | | To/from any other category (Change in total FTE) | Mayor and City Council |
| Commodities/Supplies Contractual Services | Within a Department | Between divisions or within a division | Department Director |
| Capital | Non-CIP or minor CIP | Between divisions | City Manager |
| | Major CIP (including change in total amount and/or change in scope) | All | Mayor and City Council |
| Contingency | All | All | Mayor and City Council |
| Targeted Savings | All | All | Chief Financial Officer |

E. Relationship to Previously Established Policy

No qualifying statement, previously established rules or procedures shall be used to negate the spirit or intent of this statement of policy.

City of Surprise, Arizona
Comprehensive Financial Management Policies
FY 2013

Introduction

The City Council's Strategic Plan Framework, goals and objectives provide the foundation for the comprehensive financial management policies. The City's comprehensive financial policies provide the roadmap to achieve financial resiliency and demonstrate the City's commitment to sound financial management practices. As defined by the Government Finance Officers of America (GFOA), the City Council strives to build a financially resilient government through financial policies and long-term financial planning. The GFOA has identified eight characteristics of a financially resilient government:

1. Diversity. Avoid reliance on a single solution.
2. Redundancy: Avoid having only one path of rescue.
3. Decentralization: Centralized systems look strong, but failure is catastrophic.
4. Transparency: Make it easier to figure out where a problem may lie. Share plans and listen when people point out flaws.
5. Collaboration: Working together to become stronger.
6. Fail Gracefully: Failure happens. Make sure failure won't make things worse.
7. Flexibility: Be ready to change when plans aren't working. Don't expect stability.
8. Foresight. Think and prepare.

Financial policies contribute to increased public confidence and trust as well as provide clear direction to City staff concerning the diligence and stewardship with which public monies are to be managed. Adopted financial policies show our citizens, the credit rating industry, and prospective investors (bond buyers) the City's commitment to financial resiliency. These policies are presented in the following five areas:

1. Operating Management
2. Capital Management
3. Debt Management
4. Minimum Fund Balance
5. Financial Reporting

Operating Management Policies

1. All departments will participate in the responsibility of meeting policy goals and ensuring long-term financial resiliency.
2. The budget shall be considered balanced if revenues plus use of fund balance are equal to or exceed total expenses, by fund. The budget process is intended to weigh all competing requests for City resources, within expected fiscal constraints.
3. Long-range financial plans will be prepared to guide the City and ensure the delivery of needed services due to changes in the economy, service demands, and capital improvements.
4. Regional considerations and intergovernmental relationships will be evaluated to fund both operating services and capital projects.
5. The City Council will consider citizen input and review the operating and capital budget recommendations from an outcome and goals perspective.
6. A diversified revenue system will be developed to protect City services.

7. The City Council will set the amount to be received from primary property taxes annually. The amount is limited to 102% of the prior fiscal year's maximum allowable levy plus new construction and reimbursement for the prior calendar year's tort liability payments.
8. To ensure that the City does not become overly reliant on "growth" revenues for operating needs, the first \$1.25 million received in construction sales tax revenues will be retained in the General Fund and any additional amount will be transferred to the General Capital Projects Fund for one-time capital project use (related to Capital Management policy #23).
9. The City currently imposes a 2.52% transient lodging tax. Of the total tax, 1.52% is to be recorded in the Tourism Fund to be used for promoting tourism and 1.0% is to be recorded in the General Fund. Of the 1.52% recorded in the Tourism Fund, 0.52% is restricted by A.R.S. 9-500.06 and 1.0% has been committed by City Council to be used for promoting tourism. Of the amount recorded in the Tourism Fund the Tourism Advisory Board has designated that 60% is spent for special events and 40% is spent for marketing, planning and capital.
10. Water, Wastewater, and Solid Waste user fees and charges will be examined annually to ensure they recover all direct and indirect costs of service and will be approved by the City Council.
11. All user fees (excluding water, wastewater, and solid waste) will be examined periodically to determine the direct and indirect cost of service recovery rate. The acceptable recovery rate and any associated changes to user fees and charges will be approved by the City Council.
12. Grant funding will be considered to leverage City funds and requires City Council approval prior to acceptance. In situations where the timing does not permit City Council approval prior to acceptance, the grant funding will be approved by the City Manager.
13. Cash and investment programs will be maintained in accordance with the State law and the adopted investment policy and will ensure that proper controls and safeguards are maintained. City funds will be managed with an emphasis on safety of principal, liquidity, and financial return on principal, in that order.
14. Employee compensation and benefits will be administered in accordance with the policy given by the City Council. Healthcare costs will be shared between the City and employees and this allocation will be evaluated annually.
15. The City will optimize the efficiency and effectiveness of its services to reduce costs and improve service quality.
16. The City will maintain a methodology for allocating the City's indirect costs to service departments. A consultant will be hired to update the plan during FY 2013.
17. All cash transfers between funds must be approved by City Council (excluding those related capital assets).
18. All interfund loans must be approved by City Council.
19. All use of budgetary contingency accounts must be approved by City Council prior to being expended.

Capital Management Policies

20. The City shall use an integrated approach to capital planning and financing in preparing a five-year Capital Improvement Plan. Only the first year of the plan will be adopted by the City Council.
21. The Capital Improvement Plan will include funding to support repair and replacement of capital equipment and infrastructure. A high priority should be placed on those items where deferring maintenance will result in greater cost to restore or replace.
22. Proposed capital projects will be prioritized based on the City Council's goals and objectives, the General Plan, and master plans.
23. Future operating, maintenance and replacement costs associated with new capital improvements will be included as a schedule within the annual budget document. Capital project contract awards will include a fiscal impact statement disclosing the expected operating impact of the project and when such cost is expected to occur.
24. The annual amount in excess of \$1.25 million received from the City's construction sales tax will be transferred to the General Capital Projects Fund and used to fund the Capital Improvement Plan (related to Operational Policy #8).
25. Effective July 1, 2005, the City implemented a dedicated 1.5% construction sales tax to be used solely for the purposes of paying costs related to new roadways and to refurbish existing transportation corridors.
26. As permitted by State law, the City shall maintain a financial structure to ensure future development pays for itself and is not a burden on existing residents (e.g. "growth pays for growth"). Elements of this financial structure include impact fees, development agreements, Improvement Districts (IDs) and Community Facility Districts (CFDs).
27. Impact fees for infrastructure attributable to new development will be reviewed at least every other year to ensure that fees recover all direct and indirect development-related expenses, as permitted by state law and will be approved by the City Council. The City is currently preparing for the requirements of the new State impact fee law and will be in compliance by its effective date, August 1, 2014.

Debt Management Policies

28. The City will seek to maintain and, if possible, improve our current bond rating in order to minimize borrowing costs and preserve access to credit.
29. An analysis showing how a new debt issue combined with current outstanding debt impacts the City's debt capacity and conformance with City debt policies will accompany every proposal.
30. General Obligation debt, which is supported by property tax revenues, will be utilized as authorized by voters. Other types of voter-approved debt (e.g. water and wastewater) may also be utilized when they are supported by dedicated revenue sources (e.g. fees and user charges).
31. Municipal Property Corporation, trust agreements and contractual debt, all of which are non-voter approved, will be utilized only when approved by City Council.
32. Improvement District (ID) and Community Facility District (CFD) bonds shall be permitted only when there is a general City benefit as defined and approved by the City Council.
33. Utility rates will be established to ensure the ratio of revenue to debt service meets bond indenture requirements.

Minimum Fund Balance Policies

34. Minimum fund balances are not intended to be spent. The purpose of the minimum fund balance is to ensure the City has adequate resources to meet its needs. If the necessity arises to draw down a fund balance below the minimum requirements that have been set, a plan to replenish the minimum fund balance will be presented to the Council for approval.
35. Minimum fund balance requirements will be evaluated annually for long-term adequacy and use requirements.
36. There is no affect on the presentation of fund balance on the fact of the financial statements within the Comprehensive Annual Financial Report (CAFR). The minimum fund balance policy will be disclosed within the notes of the CAFR.
37. The City has formally adopted a minimum fund balance policy for the following governmental funds:
 - a. The minimum fund balance in the General Fund is updated annually by calculating an average of budgeted personnel, supplies and services expenses over a two month period for the operating budget (approximately \$13M).
 - b. General Capital Projects Fund of \$1.0M
 - c. Transportation Capital Improvement Fund of \$0.5M
 - d. Street Light Improvement Districts (SLIDs). SLIDs have a maximum levy limit of \$1.20 per \$100 of assessed valuation in accordance with A.R.S. 48-616. To the extent that the levy limit has not been exceeded, taxes will be levied at a rate that will approach an individual ending fund balance reserve of 10% of its budgeted annual expenses.
 - e. Tourism Fund of \$5,000.
38. The City intends to maintain the following net asset balances for the proprietary funds.
 - a. Within the Water, Sewer, and Solid Waste Funds, net assets are to be maintained at an amount equal to the average budgeted personnel, supplies and services expenses over a two month period. An additional amount will be kept for repair and replacement and will be maintained at a minimum of 2% of all tangible capital assets of the system.
 - b. The Risk Management Fund will maintain net assets at an amount that, together with purchased insurance policies, will adequately indemnify the City. An actuarial evaluation will be performed annually to recommend appropriate funding levels, which will be approved by the City Council.
 - c. The Healthcare Self-Insurance Trust Fund was created under the authority of Arizona Revised Statute Section 11-981. The Board of Trustees is charged with administering the trust fund and "make recommendations to the City Council regarding trust fund programs, including amount of appropriations to assure stability and security of the trust fund.
The Healthcare Self-Insurance Trust Fund will maintain net assets at a level which, together with purchased insurance policies (individual and aggregate stop loss), will adequately indemnify the City. An actuarial evaluation will be performed annually to determine the Incurred but Not Reported (IBNR) claim reserve. This amount is required by accounting practices and represents the cost of unpaid claims (claims run out), assuming the City stops being self-insured.
In addition to the IBNR reserve, the City has established an Adverse Times Reserve. This amount is not required by accounting practices but represents a sound financial practice. The purpose of this reserve is to address cash flow needs caused by periods in which claim payments exceed projections. The target amount of this reserve is at least ten percent of annual claims, or about \$700,000.

Financial Reporting Policies

39. The City's accounting and financial reporting systems will be maintained in conformance with all state and federal laws, generally accepted accounting principles (GAAP) and the standards of the Governmental Accounting Standards Board (GASB).
40. An annual audit will be performed by an independent public accounting firm. The City will prepare a Comprehensive Annual Financial Report (CAFR) with the objective of receiving an unqualified ("clean") audit opinion. The independent auditor will present and discuss audit findings regarding internal controls and operational issues at a public meeting.

CAFR Fund Balance Reporting

1. The hierarchy from least spendable to most spendable fund balance for governmental funds of the City shall be: nonspendable, restricted, committed, assigned and unassigned. When funds are available from multiple classifications of fund balance to meet the City's obligations, it is the City's policy to charge the least spendable fund balance available.
 2. Nonspendable and restricted fund balances are determined solely by the nature of the fund balance itself.
 3. Committed fund balance represents amounts that have been constrained to a specific use by the formal action of the City's highest level of decision-making authority, the City Council. A majority vote of the City Council is necessary to establish, modify or rescind a fund balance commitment.
 4. The City has elected the following commitments of fund balance to be standardized from year to year.
 - a. A commitment for repair and replacement of general government vehicles and other rolling stock will be maintained based upon lifecycle replacement plans prepared annually. This commitment shall be maintained in the General Capital Projects Fund.
 - b. A commitment of a 1.5% construction sales tax to be used solely for the purposes of paying costs related to new roadways and to refurbish existing transportation corridors, to be maintained in the Transportation Improvement Fund (related to Capital Management policy #24; Ordinance No. 05-13).
 - c. In addition to the 0.52% transient lodging tax restricted by state statute a commitment of a 1.0% transient lodging tax will be used to promote tourism and be maintained in the Tourism Fund (related to Operating Management policy #9; Ordinance No. 2010-04).
 5. In order to be reported as committed fund balance in the CAFR the City Council must approve the commitments prior to June 30th. However, the amount of the commitment may be determined after June 30th.
 6. Amounts that have been constrained by the City's intent to be used for a specific purpose and are neither restricted nor committed are reported as assigned fund balance. The City Council has designated the authority to assign amounts to be used for specific purposes to the Chief Financial Officer (CFO).
-
41. The City's CAFR will be submitted to the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting program.
 42. The City's Budget will be submitted to the Government Finance Officers Association (GFOA) Distinguished Budget Presentation program.
 43. A monthly financial report will be presented to and accepted by the City Council.

City of Surprise, Arizona



SURPRISE

ARIZONA

FY2013 Adopted Budget



Debt Service Funds

Description

Municipal Property Corporation (MPC) Debt Service Funds:

The MPC Governmental Debt Service 2000-03 Fund, MPC Proprietary Debt Service 2000-03 Fund and MPC Proprietary Debt Service 2007 Fund were established to account for projects funded through the proceeds of the Municipal Property Corporation (MPC) bond sales of 2000, 2003 (2000 refunding), and 2007. Bond proceeds are to be used for the acquisition or construction of capital assets for general government, public safety facilities, sewer facilities, and recreation facilities.

Debt service funds have been created for each Municipal Property Corporation issue. The charts below summarize each fund.

MPC Governmental Debt Service 2000-03 Fund

| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|----------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Beginning Cash Balance | \$ 2,812,623 | \$ 2,825,823 | \$ 2,837,323 | \$ 2,856,623 | \$ 2,868,523 |
| Sources | | | | | |
| Rental payments | \$ 3,364,300 | \$ 3,364,300 | \$ 3,364,300 | \$ 3,364,300 | \$ 3,364,300 |
| Interest Earnings | 10,000 | 10,200 | 10,500 | 10,800 | 11,100 |
| Total Sources | \$ 3,374,300 | \$ 3,374,500 | \$ 3,374,800 | \$ 3,375,100 | \$ 3,375,400 |
| Uses | | | | | |
| Agency fees | \$ (1,800) | \$ (1,800) | \$ (1,800) | \$ (1,800) | \$ (1,800) |
| Debt: | | | | | |
| MPC Payment | (3,359,300) | (3,361,200) | (3,353,700) | (3,361,400) | (3,365,700) |
| Total Uses | \$ (3,361,100) | \$ (3,363,000) | \$ (3,355,500) | \$ (3,363,200) | \$ (3,367,500) |
| Ending Cash Balance | \$ 2,825,823 | \$ 2,837,323 | \$ 2,856,623 | \$ 2,868,523 | \$ 2,876,423 |

MPC Proprietary Debt Service 2000-03 Fund

| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|----------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Beginning Cash Balance | \$ 1,219,812 | \$ 1,226,112 | \$ 1,231,712 | \$ 1,240,712 | \$ 1,244,612 |
| Sources | | | | | |
| Rental payments | \$ 1,459,000 | \$ 1,459,000 | \$ 1,459,000 | \$ 1,459,000 | \$ 1,459,000 |
| Interest Earnings | 5,000 | 5,100 | 5,300 | 5,500 | 5,700 |
| Total Sources | \$ 1,464,000 | \$ 1,464,100 | \$ 1,464,300 | \$ 1,464,500 | \$ 1,464,700 |
| Uses | | | | | |
| Agency fees | \$ (800) | \$ (800) | \$ (800) | \$ (800) | \$ (800) |
| Debt: | | | | | |
| MPC Payment | (1,456,900) | (1,457,700) | (1,454,500) | (1,459,800) | (1,460,700) |
| Total Uses | \$ (1,457,700) | \$ (1,458,500) | \$ (1,455,300) | \$ (1,460,600) | \$ (1,461,500) |
| Ending Cash Balance | \$ 1,226,112 | \$ 1,231,712 | \$ 1,240,712 | \$ 1,244,612 | \$ 1,247,812 |

MPC Proprietary Debt Service 2007 Fund

| | FY2013 | FY2014 | FY2015 | FY2016 | FY2017 |
|----------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Beginning Cash Balance | \$ 1,077,334 | \$ 1,073,334 | \$ 1,069,334 | \$ 1,065,334 | \$ 1,061,334 |
| Sources | | | | | |
| Rental payments | \$ 2,397,700 | \$ 7,072,700 | \$ 2,199,000 | \$ 2,199,000 | \$ 8,699,000 |
| Interest Earnings | - | - | - | - | - |
| Total Sources | \$ 2,397,700 | \$ 7,072,700 | \$ 2,199,000 | \$ 2,199,000 | \$ 8,699,000 |
| Uses | | | | | |
| Agency fees | \$ (4,000) | \$ (4,000) | \$ (4,000) | \$ (4,000) | \$ (4,000) |
| Debt: | | | | | |
| MPC Payment | (2,397,700) | (7,072,700) | (2,199,000) | (2,199,000) | (8,699,000) |
| Total Uses | \$ (2,401,700) | \$ (7,076,700) | \$ (2,203,000) | \$ (2,203,000) | \$ (8,703,000) |
| Ending Cash Balance | \$ 1,073,334 | \$ 1,069,334 | \$ 1,065,334 | \$ 1,061,334 | \$ 1,057,334 |

**City of Surprise, Arizona
Personnel Detail**

| | FY2010 Final Budget | FY2011 Final Budget | FY2012 Adopted Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|-------------------------------------|---------------------------|---------------------------|-----------------------------|-----------------------------|------------------------|
| Mayor and City Council | | | | | |
| Mayor | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Vice Mayor | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| City Council | 5.0 | 5.0 | 5.0 | 5.0 | 0.0 |
| Executive Administrative Specialist | 1.0 | 1.0 | 1.0 | 0.0 | -1.0 |
| Total | 8.0 | 8.0 | 8.0 | 7.0 | -1.0 |
| City Manager's Office | | | | | |
| Administrative Specialist | 1.0 | 1.0 | 1.0 | 0.0 | -1.0 |
| Assistant City Manager | 1.0 | 1.0 | 1.0 | 0.0 | -1.0 |
| Assistant to the Council I | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 |
| Assistant to the Council II | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 |
| City Manager | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Department Director | 0.0 | 0.0 | 0.0 | 2.0 | 2.0 |
| Executive Administrative Specialist | 1.0 | 1.0 | 1.0 | 0.0 | -1.0 |
| Senior Analyst | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 |
| Senior Communications Specialist | 0.0 | 0.0 | 0.0 | 4.0 | 4.0 |
| Senior Financial Analyst | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 |
| Part Time | 0.0 | 0.0 | 0.0 | 2.2 | 2.2 |
| Total | 4.0 | 4.0 | 4.0 | 13.2 | 9.2 |
| Intergovernmental Relations | | | | | |
| Department Director | 1.0 | 1.0 | 1.0 | 0.0 | -1.0 |
| Manager | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total | 2.0 | 1.0 | 1.0 | 0.0 | -1.0 |
| Marketing and Communications | | | | | |
| Department Director | 1.0 | 1.0 | 1.0 | 0.0 | -1.0 |
| Senior Communications Specialist | 4.0 | 4.0 | 4.0 | 0.0 | -4.0 |
| Part Time | 2.2 | 2.2 | 2.2 | 0.0 | -2.2 |
| Total | 7.2 | 7.2 | 7.2 | 0.0 | -7.2 |
| City Attorney's Office | | | | | |
| Administrative Specialist | 3.0 | 3.0 | 3.0 | 3.0 | 0.0 |
| Analyst | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Assistant Analyst | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Assistant City Attorney I & II | 1.0 | 1.0 | 2.0 | 2.0 | 0.0 |
| Assistant City Attorney (Contract) | 2.0 | 2.0 | 2.0 | 2.0 | 0.0 |
| Assistant City Attorney III | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| City Attorney | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Deputy City Attorney | 2.0 | 2.0 | 2.0 | 2.0 | 0.0 |
| Executive Administrative Specialist | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Total | 13.0 | 13.0 | 14.0 | 14.0 | 0.0 |
| City Clerk's Office | | | | | |
| Administrative Assistant | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Administrative Support Supervisor | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Administrative Technician | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| City Clerk | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Total | 4.0 | 4.0 | 4.0 | 4.0 | 0.0 |

**City of Surprise, Arizona
Personnel Detail**

| | FY2010 Final Budget | FY2011 Final Budget | FY2012 Adopted Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|--------------------------------------|---------------------------|---------------------------|-----------------------------|-----------------------------|------------------------|
| Finance | | | | | |
| Accountant/Tax Auditor | 3.0 | 3.0 | 3.0 | 2.0 | -1.0 |
| Accounting Supervisor | 3.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Administrative Specialist | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Assistant Department Director | 0.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Budget/Accounting Manager | 0.0 | 0.0 | 0.0 | 2.0 | 2.0 |
| Buyer | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Cashier | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Department Director | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Division Manager | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Fiscal Support Assistant | 2.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Fiscal Support Specialist | 5.0 | 7.0 | 7.0 | 6.0 | -1.0 |
| Manager | 0.0 | 3.0 | 3.0 | 1.0 | -2.0 |
| Program Manager | 0.0 | 2.0 | 2.0 | 2.0 | 0.0 |
| Program Supervisor | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 |
| Purchasing Supervisor | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Purchasing Technician | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Senior Accountant/Senior Tax Auditor | 3.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Senior Buyer/Contract Officer | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Senior Financial Analyst | 0.0 | 6.0 | 6.0 | 4.0 | -2.0 |
| Part Time | 0.2 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total | 24.2 | 27.0 | 27.0 | 24.0 | -3.0 |
| Management & Budget | | | | | |
| Analyst | 2.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Division Manager | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Senior Analyst | 2.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total | 5.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Human Resources | | | | | |
| Administrative Specialist | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Department Director | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Human Resources Consultant | 4.0 | 5.0 | 5.0 | 4.0 | -1.0 |
| Human Resources Specialist | 2.0 | 3.0 | 3.0 | 3.0 | 0.0 |
| Manager | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 |
| Senior Human Resources Consultant | 1.0 | 1.0 | 2.0 | 1.0 | -1.0 |
| Total | 9.0 | 10.0 | 11.0 | 10.0 | -1.0 |
| Healthcare Self Insurance | | | | | |
| Human Resources Consultant | 0.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Total | 0.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Risk Management | | | | | |
| Division Manager | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Manager | 0.0 | 0.0 | 1.0 | 0.0 | -1.0 |
| Program Supervisor | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Senior Human Resources Consultant | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 |
| Total | 2.0 | 1.0 | 2.0 | 2.0 | 0.0 |

**City of Surprise, Arizona
Personnel Detail**

| | FY2010 Final Budget | FY2011 Final Budget | FY2012 Adopted Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|--|---------------------------|---------------------------|-----------------------------|-----------------------------|------------------------|
| Information Technology | | | | | |
| Administrative Specialist | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Chief Land Surveyor | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Department Director | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Division Manager | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Information Technology Administrator | 5.0 | 4.0 | 5.0 | 6.0 | 1.0 |
| Information Technology Security Analyst | 0.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Information Technology Supervisor | 1.0 | 1.0 | 1.0 | 0.0 | -1.0 |
| Information Technology Technician Manager | 1.0 | 1.0 | 2.0 | 1.0 | -1.0 |
| Program Manager | 2.0 | 2.0 | 2.0 | 2.0 | 0.0 |
| Senior IT Administrator | 1.0 | 1.0 | 1.0 | 2.0 | 1.0 |
| Senior IT Technician | 2.0 | 2.0 | 3.0 | 2.0 | -1.0 |
| Survey Specialist | 6.0 | 6.0 | 6.0 | 5.0 | -1.0 |
| Survey Technician | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 |
| Survey Technician | 1.0 | 1.0 | 1.0 | 0.0 | -1.0 |
| Total | 23.0 | 23.0 | 26.0 | 24.0 | -2.0 |
| Community and Economic Development | | | | | |
| Administrative Assistant | 2.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Administrative Specialist | 2.0 | 2.0 | 2.0 | 2.0 | 0.0 |
| Administrative Support Supervisor | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Assistant City Manager/Department Director | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 |
| Assistant Department Director | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Department Director | 1.0 | 1.0 | 1.0 | 0.0 | -1.0 |
| Economic Dev. Coordinator (Contract) | 0.0 | 1.0 | 0.0 | 0.0 | 0.0 |
| Economic Dev. Supervisor (Contract) | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 |
| Fiscal Support Assistant | 2.0 | 2.0 | 2.0 | 3.0 | 1.0 |
| Fiscal Support Specialist | 3.0 | 3.0 | 3.0 | 2.0 | -1.0 |
| Inspector | 5.0 | 5.0 | 5.0 | 5.0 | 0.0 |
| Manager | 0.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Planner | 5.0 | 5.0 | 5.0 | 3.0 | -2.0 |
| Plans Examiner | 4.0 | 3.0 | 3.0 | 3.0 | 0.0 |
| Program Assistant | 0.0 | 0.0 | 0.0 | 0.6 | 0.6 |
| Program Coordinator | 0.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Program Manager | 0.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Program Supervisor | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Senior Inspector | 4.0 | 4.0 | 4.0 | 4.0 | 0.0 |
| Senior Planner | 0.0 | 0.0 | 1.0 | 1.0 | 0.0 |
| Part Time | 1.0 | 2.2 | 2.8 | 2.5 | -0.3 |
| Total | 32.0 | 34.2 | 34.8 | 34.1 | -0.7 |
| Economic Development | | | | | |
| Administrative Specialist | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Department Director | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Program Manager | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Recreation Coordinator | 2.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Part Time | 0.7 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total | 5.7 | 0.0 | 0.0 | 0.0 | 0.0 |
| Neighborhood Revitalization | | | | | |
| Program Assistant | 0.0 | 0.0 | 0.0 | 0.4 | 0.4 |
| Program Coordinator | 2.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Total | 2.0 | 1.0 | 1.0 | 1.4 | 0.4 |

**City of Surprise, Arizona
Personnel Detail**

| | FY2010 Final Budget | FY2011 Final Budget | FY2012 Adopted Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|--------------------------------------|---------------------------|---------------------------|-----------------------------|-----------------------------|------------------------|
| Fire | | | | | |
| Administrative Specialist | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 |
| Administrative Technician | 2.0 | 2.0 | 2.0 | 1.0 | -1.0 |
| Assistant Department Director | 2.0 | 2.0 | 2.0 | 2.0 | 0.0 |
| Battalion Chief | 4.0 | 5.0 | 5.0 | 5.0 | 0.0 |
| Department Director - Fire Chief | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Division Manager | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Fire Captain | 25.0 | 27.0 | 27.0 | 27.0 | 0.0 |
| Fire Engineer | 24.0 | 24.0 | 24.0 | 24.0 | 0.0 |
| Firefighter | 54.0 | 52.0 | 52.0 | 52.0 | 0.0 |
| Inspector | 1.0 | 2.0 | 2.0 | 1.0 | -1.0 |
| Maintenance & Operations Technician | 1.0 | 1.0 | 1.0 | 0.0 | -1.0 |
| Plans Examiner | 0.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Program Coordinator | 1.0 | 1.0 | 1.0 | 0.0 | -1.0 |
| Program Supervisor | 1.0 | 1.0 | 1.0 | 0.0 | -1.0 |
| Senior Analyst | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Senior Financial Analyst | 0.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Service Worker/Groundskeeper | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Total | 119.0 | 122.0 | 122.0 | 118.0 | -4.0 |
| Police | | | | | |
| Administrative Specialist | 2.0 | 3.0 | 2.0 | 3.6 | 1.6 |
| Administrative Support Supervisor | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Administrative Technician | 6.0 | 6.0 | 6.0 | 6.0 | 0.0 |
| Analyst | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Animal Control Officer | 3.0 | 3.0 | 3.0 | 3.0 | 0.0 |
| Assistant City Attorney I & II | 1.0 | 1.0 | 0.0 | 0.0 | 0.0 |
| Assistant Department Director | 3.0 | 2.0 | 2.0 | 1.0 | -1.0 |
| Community Services Officer | 6.0 | 6.0 | 6.0 | 6.0 | 0.0 |
| Department Director - Police Chief | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Division Manager (Commander) | 0.0 | 2.0 | 2.0 | 3.0 | 1.0 |
| Division Manager (Lieutenant) | 6.0 | 6.0 | 6.0 | 6.0 | 0.0 |
| Forensic Technician | 1.0 | 1.0 | 1.0 | 0.0 | -1.0 |
| Information Technology Administrator | 1.0 | 1.0 | 0.0 | 0.0 | 0.0 |
| Information Technology Technician | 1.0 | 1.0 | 0.0 | 0.0 | 0.0 |
| Manager | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Police Officer | 107.0 | 106.0 | 106.0 | 106.0 | 0.0 |
| Police Sergeant | 15.0 | 15.0 | 15.0 | 15.0 | 0.0 |
| Program Coordinator | 1.0 | 1.0 | 1.0 | 0.4 | -0.6 |
| PS Communications Officer | 19.0 | 19.0 | 19.0 | 17.0 | -2.0 |
| PS Communications Supervisor | 5.0 | 5.0 | 5.0 | 5.0 | 0.0 |
| Senior Analyst | 2.0 | 2.0 | 2.0 | 2.0 | 0.0 |
| Senior Financial Analyst | 0.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Senior Human Resources Consultant | 1.0 | 1.0 | 0.0 | 0.0 | 0.0 |
| Senior IT Administrator | 1.0 | 1.0 | 0.0 | 0.0 | 0.0 |
| Training Coordinator | 1.0 | 1.0 | 1.0 | 0.0 | -1.0 |
| Transportation Officer | 2.0 | 2.0 | 2.0 | 2.0 | 0.0 |
| Total | 188.0 | 190.0 | 184.0 | 181.0 | -3.0 |

**City of Surprise, Arizona
Personnel Detail**

| | FY2010 Final Budget | FY2011 Final Budget | FY2012 Adopted Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|--|---------------------------|---------------------------|-----------------------------|-----------------------------|------------------------|
| City Court | | | | | |
| Accountant/Tax Auditor | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Administrative Specialist | 8.0 | 8.0 | 8.0 | 7.0 | -1.0 |
| Administrative Support Supervisor | 2.0 | 2.0 | 2.0 | 2.0 | 0.0 |
| Administrative Technician | 6.0 | 6.0 | 6.0 | 5.0 | -1.0 |
| Associate Judge | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Division Manager | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Executive Administrative Specialist | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Presiding Judge | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Program Manager | 1.0 | 1.0 | 1.0 | 0.0 | -1.0 |
| Part Time | 0.8 | 1.1 | 1.1 | 1.1 | 0.0 |
| Total | 22.8 | 22.1 | 22.1 | 19.1 | -3.0 |
| Community and Recreation Services | | | | | |
| Administrative Specialist | 3.0 | 4.0 | 4.0 | 4.0 | 0.0 |
| Administrative Technician | 2.0 | 2.0 | 2.0 | 2.0 | 0.0 |
| Analyst | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Assistant Department Director | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 |
| Department Director | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Division Manager | 4.0 | 6.0 | 6.0 | 3.0 | -3.0 |
| Fiscal Support Supervisor | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Maintenance & Operations Supervisor | 0.0 | 2.0 | 2.0 | 2.0 | 0.0 |
| Maintenance & Operations Technician | 9.0 | 14.0 | 14.0 | 8.0 | -6.0 |
| Manager | 2.0 | 2.0 | 2.0 | 4.0 | 2.0 |
| Program Supervisor | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Recreation Aide | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Recreation Coordinator | 6.0 | 6.0 | 6.0 | 5.0 | -1.0 |
| Recreation Specialist | 2.0 | 2.0 | 2.0 | 1.0 | -1.0 |
| Recreation Supervisor | 5.0 | 5.0 | 5.0 | 5.0 | 0.0 |
| Senior Financial Analyst | 0.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Sr Maintenance & Operations Technician | 9.0 | 13.0 | 13.0 | 7.0 | -6.0 |
| Service Worker/Groundskeeper | 0.0 | 4.0 | 4.0 | 12.0 | 8.0 |
| Part Time | 25.0 | 33.4 | 36.5 | 38.8 | 2.3 |
| Total | 72.0 | 97.4 | 100.5 | 96.8 | -3.8 |
| Campus Operations | | | | | |
| Division Manager | 2.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Maintenance & Operations Supervisor | 2.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Maintenance & Operations Technician | 5.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Sr Maintenance & Operations Technician | 4.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Service Worker/Groundskeeper | 4.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Part Time | 5.6 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total | 22.6 | 0.0 | 0.0 | 0.0 | 0.0 |

**City of Surprise, Arizona
Personnel Detail**

| | FY2010 Final Budget | FY2011 Final Budget | FY2012 Adopted Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|--|---------------------------|---------------------------|-----------------------------|-----------------------------|------------------------|
| Public Works - General Fund | | | | | |
| Administrative Specialist | 3.0 | 3.0 | 3.0 | 3.0 | 0.0 |
| Assistant Department Director | 0.0 | 0.0 | 0.2 | 0.4 | 0.2 |
| Associate Civil Engineer | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Civil Engineer | 2.0 | 2.0 | 2.0 | 1.0 | -1.0 |
| Civil Engineering Supervisor | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Department Director | 1.0 | 1.0 | 0.2 | 0.2 | 0.0 |
| Division Manager | 4.0 | 4.0 | 1.8 | 0.0 | -1.8 |
| Fiscal Support Specialist | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Information Technology Administrator | 1.0 | 1.0 | 1.2 | 1.2 | 0.0 |
| Inspector | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Maintenance & Operations Specialist | 9.0 | 9.0 | 9.0 | 9.0 | 0.0 |
| Maintenance & Operations Supervisor | 2.0 | 2.0 | 3.0 | 0.0 | -3.0 |
| Maintenance & Operations Technician | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Manager | 0.0 | 0.0 | 0.0 | 2.3 | 2.3 |
| Program Assistant | 0.0 | 0.0 | 8.0 | 8.0 | 0.0 |
| Program Supervisor | 0.0 | 0.0 | 1.0 | 1.0 | 0.0 |
| Project Manager | 1.0 | 1.0 | 1.0 | 0.0 | -1.0 |
| Senior Civil Engineer | 1.0 | 1.0 | 0.0 | 0.0 | 0.0 |
| Senior Financial Analyst | 0.0 | 0.0 | 0.2 | 0.2 | 0.0 |
| Senior Inspector | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Sr Maintenance & Operations Technician | 8.0 | 8.0 | 7.0 | 7.0 | 0.0 |
| Service Worker/Groundskeeper | 6.0 | 6.0 | 6.0 | 5.0 | -1.0 |
| Utilities Analyst | 1.0 | 1.0 | 1.0 | 0.0 | -1.0 |
| Part Time | 0.0 | 0.2 | 1.3 | 1.3 | 0.0 |
| Total | 45.0 | 45.2 | 51.9 | 45.7 | -6.2 |

| | | | | | |
|--|-------------|-------------|-------------|-------------|-------------|
| Public Works - HURF | | | | | |
| Administrative Specialist | 3.0 | 3.0 | 2.4 | 2.4 | 0.0 |
| Assistant Department Director | 1.0 | 1.0 | 0.6 | 0.8 | 0.2 |
| Civil Engineering Supervisor | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Department Director | 0.0 | 0.0 | 0.2 | 0.2 | 0.0 |
| Division Manager | 1.0 | 1.0 | 1.9 | 0.0 | -1.9 |
| Information Technology Administrator | 0.0 | 0.0 | 0.2 | 0.2 | 0.0 |
| Maintenance & Operations Specialist | 2.0 | 2.0 | 2.0 | 2.0 | 0.0 |
| Maintenance & Operations Supervisor | 4.0 | 4.0 | 3.0 | 1.0 | -2.0 |
| Maintenance & Operations Technician | 14.0 | 14.0 | 14.0 | 14.0 | 0.0 |
| Manager | 0.0 | 0.0 | 0.0 | 1.5 | 1.5 |
| Program Coordinator | 2.0 | 2.0 | 2.0 | 3.0 | 1.0 |
| Program Supervisor | 1.0 | 1.0 | 1.0 | 0.0 | -1.0 |
| Senior Financial Analyst | 0.0 | 0.0 | 0.2 | 0.2 | 0.0 |
| Sr Maintenance & Operations Technician | 8.0 | 8.0 | 8.0 | 8.0 | 0.0 |
| Senior Planner | 1.0 | 1.0 | 1.0 | 0.0 | -1.0 |
| Service Worker/Groundskeeper | 7.0 | 7.0 | 7.0 | 6.0 | -1.0 |
| Total | 45.0 | 45.0 | 44.6 | 40.3 | -4.3 |

| | | | | | |
|--|------------|------------|------------|------------|------------|
| Public Works - Transportation Improvement | | | | | |
| Civil Engineer | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 |
| Total | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 |

| | | | | | |
|-------------------------------|-------------|-------------|------------|------------|------------|
| Public Works - Transit | | | | | |
| Program Assistant | 8.0 | 8.0 | 0.0 | 0.0 | 0.0 |
| Program Supervisor | 1.0 | 1.0 | 0.0 | 0.0 | 0.0 |
| Part Time | 1.1 | 1.1 | 0.0 | 0.0 | 0.0 |
| Total | 10.1 | 10.1 | 0.0 | 0.0 | 0.0 |

**City of Surprise, Arizona
Personnel Detail**

| | FY2010 Final Budget | FY2011 Final Budget | FY2012 Adopted Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|--|---------------------------|---------------------------|-----------------------------|-----------------------------|------------------------|
| Public Works - Water Operations | | | | | |
| Accountant/Tax Auditor | 0.3 | 0.0 | 0.0 | 0.0 | 0.0 |
| Administrative Specialist | 0.0 | 0.0 | 0.2 | 0.2 | 0.0 |
| Administrative Technician | 2.0 | 2.0 | 2.4 | 1.4 | -1.0 |
| Analyst | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Assistant Analyst | 0.0 | 0.3 | 0.3 | 0.0 | -0.3 |
| Assistant Department Director | 0.0 | 0.0 | 0.3 | 0.5 | 0.2 |
| Budget/Accounting Manager | 0.0 | 0.0 | 0.0 | 0.3 | 0.3 |
| Department Director | 0.0 | 0.0 | 0.2 | 0.2 | 0.0 |
| Division Manager | 1.0 | 1.0 | 2.4 | 0.5 | -1.9 |
| Information Technology Administrator | 1.0 | 1.0 | 0.2 | 0.2 | 0.0 |
| Inspector | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Lead Utility Technician | 2.0 | 2.0 | 2.0 | 2.0 | 0.0 |
| Maintenance & Operations Specialist | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Maintenance & Operations Supervisor | 1.0 | 2.0 | 2.0 | 1.0 | -1.0 |
| Maintenance & Operations Technician | 3.0 | 3.0 | 3.0 | 3.0 | 0.0 |
| Manager | 1.0 | 1.0 | 1.0 | 2.9 | 1.9 |
| Program Supervisor | 0.0 | 0.0 | 0.0 | 1.0 | 1.0 |
| Project Manager | 2.0 | 2.0 | 2.0 | 1.0 | -1.0 |
| Senior Financial Analyst | 0.0 | 1.3 | 0.5 | 0.2 | -0.3 |
| Sr Maintenance & Operations Technician | 3.0 | 2.0 | 1.0 | 1.0 | 0.0 |
| Senior Utilities Technician | 3.0 | 4.0 | 4.0 | 4.0 | 0.0 |
| Utilities Analyst | 5.0 | 5.0 | 5.0 | 4.0 | -1.0 |
| Utilities Supervisor | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Utilities Technician | 3.0 | 3.0 | 3.0 | 3.0 | 0.0 |
| Total | 31.3 | 32.7 | 32.6 | 29.4 | -3.2 |

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|---|-------------|-------------|-------------|-------------|-------------|
| Public Works - Wastewater Operations | | | | | |
| Accountant/Tax Auditor | 0.3 | 0.0 | 0.0 | 0.0 | 0.0 |
| Administrative Specialist | 1.0 | 1.0 | 1.2 | 1.2 | 0.0 |
| Administrative Technician | 3.0 | 3.0 | 2.4 | 2.4 | 0.0 |
| Assistant Analyst | 0.0 | 0.3 | 0.3 | 0.0 | -0.3 |
| Assistant Department Director | 1.0 | 1.0 | 0.5 | 0.7 | 0.2 |
| Budget/Accounting Manager | 0.0 | 0.0 | 0.0 | 0.3 | 0.3 |
| Department Director | 0.0 | 0.0 | 0.2 | 0.2 | 0.0 |
| Division Manager | 3.0 | 3.0 | 2.1 | 0.5 | -1.6 |
| Information Technology Administrator | 0.0 | 0.0 | 0.2 | 0.2 | 0.0 |
| Lead Utility Technician | 2.0 | 2.0 | 2.0 | 3.0 | 1.0 |
| Maintenance & Operations Specialist | 3.0 | 3.0 | 3.0 | 3.0 | 0.0 |
| Maintenance & Operations Supervisor | 3.0 | 3.0 | 2.0 | 2.0 | 0.0 |
| Maintenance & Operations Technician | 2.0 | 2.0 | 1.0 | 1.0 | 0.0 |
| Manager | 1.0 | 1.0 | 1.0 | 2.5 | 1.5 |
| Project Manager | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Senior Financial Analyst | 0.0 | 0.3 | 0.5 | 0.2 | -0.3 |
| Sr Maintenance & Operations Technician | 5.0 | 5.0 | 5.0 | 5.0 | 0.0 |
| Senior Project Manager | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Senior Utilities Technician | 3.0 | 3.0 | 3.0 | 2.0 | -1.0 |
| Service Worker/Groundskeeper | 2.0 | 2.0 | 2.0 | 2.0 | 0.0 |
| Utilities Analyst | 1.0 | 1.0 | 1.0 | 1.0 | 0.0 |
| Utilities Supervisor | 1.0 | 1.0 | 2.0 | 2.0 | 0.0 |
| Utilities Technician | 5.0 | 5.0 | 5.0 | 5.0 | 0.0 |
| Part Time | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Total | 39.3 | 38.7 | 36.5 | 36.3 | -0.2 |

**City of Surprise, Arizona
Personnel Detail**

| | FY2010 Final Budget | FY2011 Final Budget | FY2012 Adopted Budget | FY2013 Adopted Budget | FY2013 to FY2012 |
|--|---------------------------|---------------------------|-----------------------------|-----------------------------|------------------------|
| Public Works - Sanitation Operations | | | | | |
| Accountant/Tax Auditor | 0.3 | 0.0 | 0.0 | 0.0 | 0.0 |
| Administrative Specialist | 0.0 | 0.0 | 0.2 | 0.2 | 0.0 |
| Administrative Technician | 2.0 | 2.0 | 1.2 | 1.2 | 0.0 |
| Assistant Analyst | 0.0 | 0.3 | 0.3 | 0.0 | -0.3 |
| Assistant Department Director | 0.0 | 0.0 | 0.3 | 0.5 | 0.2 |
| Budget/Accounting Manager | 0.0 | 0.0 | 0.0 | 0.3 | 0.3 |
| Department Director | 0.0 | 0.0 | 0.2 | 0.2 | 0.0 |
| Division Manager | 1.0 | 2.0 | 1.8 | 0.0 | -1.8 |
| Information Technology Administrator | 0.0 | 0.0 | 0.2 | 0.2 | 0.0 |
| Maintenance & Operations Supervisor | 2.0 | 2.0 | 2.0 | 2.0 | 0.0 |
| Maintenance & Operations Technician Manager | 20.0 | 20.0 | 21.0 | 21.0 | 0.0 |
| Senior Financial Analyst | 0.0 | 0.3 | 0.5 | 0.2 | -0.3 |
| Sr Maintenance & Operations Technician | 3.0 | 3.0 | 3.0 | 3.0 | 0.0 |
| Service Worker/Groundskeeper | 4.0 | 3.0 | 3.0 | 3.0 | 0.0 |
| Total | 32.3 | 32.7 | 33.8 | 33.6 | -0.2 |
| Total Public Works | 203.1 | 204.3 | 199.3 | 186.3 | -13.0 |
| Grand Total | 768.6 | 770.2 | 768.9 | 735.8 | -33.1 |



Glossary

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| Accrual Basis | A basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent. |
| ADA | Americans with Disabilities Act - A wide-ranging civil rights law that prohibits, under certain circumstances, discrimination based on disability. Disability is defined by the ADA as "a physical or mental impairment that substantially limits a major life activity." |
| ADOT | Arizona Department of Transportation - An Arizona state government agency charged with facilitating mobility within the state. |
| Adoption | Formal action by the Mayor and Council that sets the spending limits for the fiscal year. |
| AOC | Administrative Office of the Courts - The Arizona Constitution authorizes an administrative director and staff to assist the Chief Justice with administrative duties. Under the direction of the Chief Justice, the administrative director and the staff of the AOC provide the necessary support for the supervision and administration of all state courts. |
| Appropriation | Specific amount of monies authorized by the Mayor and Council for the purposes of incurring obligations and acquiring goods and services. |
| APS | Arizona Public Service – A utility provider of retail and wholesale electric services primarily in the state of Arizona. |
| ARRA | American Recovery and Reinvestment Act of 2009 - The primary objective for ARRA was to save and create jobs almost immediately. Secondary objectives were to provide temporary relief programs for those most impacted by the recession and invest in infrastructure, education, health, and 'green' energy. |
| Assessed Valuation | A value set upon real property by the County Assessor for the purpose of levying property taxes. |
| Automatic Aid | In emergency services, mutual aid (automatic aid) is an agreement among emergency responders to lend assistance across jurisdictional boundaries. Resources are dispatched by the nearest fire apparatus, regardless of which side of the jurisdictional boundary the incident is located. |
| AVL | Automatic Vehicle Locator – A device for automatically determining the geographic location of a vehicle. |
| AZPDES | Arizona Pollution Discharge Elimination System – A permit program for all facilities that discharge pollutants from any point source into waters of the United States (navigable waters) and requires the facility to obtain or seek coverage under an AZPDES permit. |
| AZ TechCelerator | A four building, nearly 60,000 square feet campus, serving as a business incubator. Designed to grow businesses by providing affordable space, tools and resources. |

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| Base Budget | The ongoing expense for personnel, contractual services, commodities, to maintain service levels. |
| Bonds | Debt instruments that require repayment of a specified principal amount on a certain date (maturity date), along with interest at a stated rate or according to a formula for determining the interest rate. |
| Budget | Financial plan of estimated expenditures and anticipated resources adopted for a specific period of time outlining a plan for achieving Mayor and Council goals and objectives. |
| CALEA | Commission on Accreditation for Law Enforcement Agencies - The purpose of CALEA's programs is to improve the delivery of public safety services, primarily by: maintaining a body of standards, developed by public safety practitioners, covering a wide range of up-to-date public safety initiatives; establishing and administering an accreditation process; and recognizing professional excellence. |
| CAP | Central Arizona Project – CAP was designed to bring about 1.5 million acre-feet of Colorado River water per year to Pima, Pinal and Maricopa counties. CAP carries water from Lake Havasu near Parker to the southern boundary of the San Xavier Indian Reservation southwest of Tucson. It is a 336-mile long system of aqueducts, tunnels, pumping plants and pipelines and is the largest single resource of renewable water supplies in the state of Arizona. |
| Capital Items | Includes the purchase of land, the purchase or construction of buildings, structures, and facilities of all types, plus machinery and equipment. It includes expenditures that result in the acquisition or addition of a fixed asset or increase the capacity, efficiency, span of life, or economy of operating an existing fixed asset. For an item to qualify as a capital item, it must meet all of the following requirements:(1) have an estimated useful life of greater than two years;(2) typically have a unit cost of \$10,000 or more; and (3) be a betterment or improvement. |
| Capital Projects Budget | The expenditures of revenues for major capital projects and items such as city buildings, parks, acquisition of land, major street construction, and reconstruction, water and sewer lines, and any other project which adds to the capital assets or infrastructure of the city. |
| Capital Project Funds | These funds account for resources providing for the acquisition or construction of capital facilities and items. |
| CAFR | Comprehensive Annual Financial Report - A CAFR is the financial report of a state, municipal or other governmental entity that contains at a minimum, three sections: introductory, financial, and statistical. Additionally, the financial section provides information on each individual fund and component unit. |
| CAWCD | Central Arizona Water Conservation District - The purpose of the CAWCD is to provide a mechanism for landowners and water providers to demonstrate an assured 100-year water supply. |
| CCTV | Closed-Circuit Television - The use of video cameras to transmit a signal to a specific place, on a limited set of monitors. |

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| CD-ED | Community and Economic Development Department – The department provides development services, planning and zoning, building safety, code enforcement, neighborhood services, welcome center, and economic development. The department is charged with ensuring responsible planning within the current and future city limits, long-range transportation planning, and that new and existing structures are safe for occupancy. |
| CDBG | Community Development Block Grant – The grant program is administered by the U.S. Department of Housing and Urban Development and funds local community development activities such as affordable housing, anti-poverty programs, and infrastructure development. |
| CDBG-R | Community Development Block Grant-Recovery- This is the grant portion of the Title XII of Division A of the American Recovery and Reinvestment Act of 2009 and appropriates \$1 billion to carry out the CDBG program under Title I of the Housing and Community Development Act of 1974 on an expedited basis. These funds will be distributed to grantees that received CDBG funding in Fiscal Year 2008 in accordance with the provisions of 42 U.S.C. 5306. The grant program under Title XII is commonly referred to as the CDBG Recovery (CDBG-R) program. |
| CDR | Community Development and Regulation - The rules and regulations governing the activities of community development programs are broken down into three categories: the Laws as enacted by Congress, the Regulations created by HUD to achieve the result prescribed by the Laws, and the Policy Memoranda that address specific instances and questions. |
| CFD | Community Facility District – A special assessment district established by the Mayor and Council to levy taxes to pay for new infrastructure improvements associated with growth. |
| CIP | Capital Improvement Plan – A plan that identifies: (a) all capital improvements which are proposed to be undertaken during a five fiscal year period; (b) the cost estimate for each improvement; (c) the method of financing each improvement; (d) the recommended time schedule for each project; and (e) the estimated annual operating and maintenance costs. |
| CMAQ | Congestion Mitigation and Air Quality – The program is a federally funded program of surface transportation improvements designed to improve air quality and mitigate congestion. |
| COBRA | Consolidated Omnibus Budget Reconciliation Act - COBRA gives workers and their families who lose their health benefits the right to choose to continue group health benefits provided by their group health plan for limited periods of time under certain circumstances such as voluntary or involuntary job loss, reduction in the hours worked, transition between jobs, death, divorce, and other life events. |
| Contingency | Monies which have not been allocated to any specific purpose and may only be utilized after receiving Mayor and Council approval. |
| CTCA | Cancer Treatment Centers of America - CTCA is a private, for-profit operator of cancer treatment hospitals and outpatient clinics which provide both conventional and alternative medical treatments. |

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| CRS | Community and Recreation Services –The department is responsible for recreational programming, sports tourism events, signature and community special events, recreational facility operations and ground maintenance of city parks. |
| CWA | Clean Water Act – The act establishes the basic structure for regulating discharges of pollutants into the waters of the United States and regulating quality standards for surface waters. |
| DEA | Drug Enforcement Administration – The DEA's mission is to enforce the controlled substances laws and regulations of the United States and bring to the criminal and civil justice system of the United States, or any other competent jurisdiction, those organizations and principal members of organizations, involved in the growing, manufacture, or distribution of controlled substances appearing in or destined for illicit traffic in the United States; and to recommend and support non-enforcement programs aimed at reducing the availability of illicit controlled substances on the domestic and international markets. |
| Debt Service | Payment of principal, interest, and related service charges on obligations resulting from the issuance of bonds. |
| Debt Service Funds | Funds that are used to account for the accumulation of resources and the payment of general long-term debt principal and interest. |
| DUI | Driving Under the Influence – The act of a person driving or being in actual physical control of a vehicle while under the influence of intoxicating liquor, any drug, a vapor releasing substance containing a toxic substance or any combination of liquor, drugs or vapor releasing substances if the person is impaired to the slightest degree. |
| DVR | Digital Vehicle Repeater – DVR is a radio system component that provides repeater capability between portable subscribers and the RF base station infrastructure. It extends the portable radio coverage in areas where only mobile radio coverage is available and portable radio coverage is either intermittent or nonexistent. |
| ED7 | Electrical District Number Seven- ED7 is an electrical district formed pursuant to Arizona Revised Statutes for the purpose of providing water and electricity to agricultural, municipal and industrial customers throughout Arizona. |
| Emod | Experience modifier rate - EMOD is a premium modifier that reflects the loss experience of a policyholder compared with payroll exposure during the same time period. The modifier increases or decreases the current premium depending on how the actual exposure and losses, for the past three years, compares with expected losses for the same amount of exposure. |
| EMS | Emergency Medical Services - Provides basic and advanced life support services to the community 24 hours a day, seven days a week while maintaining compliance with the Arizona Department of Health Services mandates with personnel and equipment resources. |

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| Encumbrance | A reservation of funds to cover purchase orders, contracts, or other funding commitments that are yet to be fulfilled. The budget basis of accounting considers an encumbrance to be the equivalent of an expenditure. |
| Enterprise Fund | Funds that are established to account for operations, including debt service that are financed and operated similarly to private businesses - where the intent is the service is self-sufficient, with all costs supported predominantly by user charges. |
| Estimated Revenue | The amount of projected revenue to be collected during the fiscal year. |
| Expenditure | Represents a decrease in fund resources for the acquisition of goods or services. |
| Expenditure Limitation | An amendment to the Arizona State Constitution that limits annual expenditures of all municipalities. The Economic Estimates Commission sets the limit based upon population growth and inflation. All municipalities have the option of Home Rule where the voters approve a four-year expenditure limit based on revenues received. Surprise citizens have approved the Home Rule Option since the inception of the expenditure limitation. |
| FARE | Fines/Fees and Restitution Enforcement – The program is a statewide initiative of the Arizona Judicial branch. The program was developed in 2003 to assist Arizona courts with the compliance of monetary court orders. Courts are given the ability to assign outstanding debt associated to civil traffic, criminal traffic and criminal violations. The program is a public/private partnership between the Administrative Office of the Courts, the Motor Vehicle Division, Arizona Department of Revenue and a private vendor. |
| FFE | Furniture, Fixtures, and Equipment – FFE is movable furniture, fixtures or other equipment that have no permanent connection to the structure of a building. |
| FMS | Financial Management Software – FMS is an information system used for collecting, processing, and reporting data about financial events. |
| FTE | Full Time Equivalent – Represents a conversion of hours worked to a count of positions. 2,080 hours worked annually equates to 1.0 full time equivalent position. The 2,080 hours may represent a single individual working 40 hours per week or the sum of two part time employees each working 20 hours per week. |
| Fiscal Year | Any period of twelve consecutive months that establishes the beginning and the ending of financial transactions. For the city of Surprise this period begins July 1 and ends June 30. |
| FMLA | Family and Medical Leave Act – FMLA is a United States federal law requiring covered employers to provide employees job-protected and unpaid leave for qualified medical and family reasons. Qualified medical and family reasons include: personal or family illness, family military leave, pregnancy, adoption, or the foster care placement of a child. |
| FY | Fiscal Year |

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| Fund | A fiscal and accounting entity with a self-balancing set of accounts. Records cash and other financial resources together with all related liabilities and residual equities or balances and changes therein. These are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. |
| Fund Balance | As used in the budget, the excess of resources over expenditures. The beginning fund balance is residual funds brought forward from the previous fiscal year. |
| GAAP | Generally Accepted Accounting Principles - A collection of rules, procedures, and conventions that define accepted accounting practice; includes broad guidelines as well as detailed procedures. |
| General Fund | Primary operating fund of the City. It exists to account for the resources devoted to finance the services traditionally associated with local government. Included in these services are police and fire protection, parks and recreation, community and economic development, general administration of the City, and any other activity for which a special fund has not been created. |
| GFOA | Government Finance Officers Association - The purpose of the Government Finance Officers Association is to enhance and promote the professional management of governments for the public benefit by identifying and developing financial policies and practices and promoting them through education, training, and leadership. |
| GIS | Geographic Information Systems - is a system of hardware and software used for storage, retrieval, mapping, and analysis of geographic data. |
| GL | General Ledger – The central repository of the accounting information in which the summaries of all financial transactions are recorded. The repository tracks assets, liabilities, revenues, and expenditures. |
| G.O. Bond | General Obligation Bond - A bond that requires voter approval and finance a variety of public capital projects. The bond is backed by the “full faith and credit” of the issuing government. |
| Goal | A statement of broad direction, purpose, or intent on the needs of the community. A goal is general and timeless. |
| GPM | Gallons Per Minute - A unit of measurement that indicates the flow capabilities of a hydraulic component. |
| Grant | A contribution by the state or federal government or other organization to support a particular function. |
| HOA | Homeowners Association –A common interest organization to which all the owners of lots in a planned community or owners of units in a condominium must belong. The defining characteristics of all HOAs are all owners are automatically members, governing documents create mutual obligations, mandatory fees or assessments are generally levied against owners and used for the operation of the association, and owners share a property interest in the community. |

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| HR | Human Resources – HR is the department that provides service and support to city departments in recruitment and selection, compensation and benefits, employee and organizational development, and employee relations. |
| HVAC | Heating, Ventilation And Cooling – The systems control the ambient environment (temperature, humidity, air flow, and air filtering) |
| HURF | Highway Users Revenue Fund - This revenue source consists of state taxes collected on gasoline, vehicle licenses, and a number of other additional transportation related fees. These funds must be used for street and highway purposes. |
| ICMA CPM | International City/County Management Association, Center for Performance Measurement - A results-oriented system that allows local governments to: 1) set appropriate targets and assess whether they are being met, 2) distinguish success from failure, 3) highlight accomplishments, and 4) demonstrate results to win support. |
| IDDE | Illicit Discharge Detection Elimination – The process to locate and resolve instances of discharges into a municipal separate storm sewer that are not composed entirely of stormwater. |
| Infrastructure | The large-scale public systems, services, and facilities that are necessary for economic activity, including water supplies, sewers, public buildings, parks, and roads. |
| IGA | Intergovernmental Agreement – A contract between governmental entities as authorized by State law. |
| Intergovernmental Revenue (Shared) | The funds received from federal, state and other local government sources in the form of grants, shared revenue, and payments in lieu of taxes. (e.g., state sales tax, state income tax, gasoline tax, motor vehicle license) |
| Internal Service Funds | Established to account for the financing of goods or services provided by one department or agency to other departments or agencies of a government, on a cost-reimbursement basis. |
| IS | Information Systems – Any combination of information technology and people's activities that support operations, management and decision making. |
| ISO | Insurance Services Office - ISO collects information on municipal fire-protection efforts in communities throughout the United States. In each of those communities, ISO analyzes the relevant data using our Fire Suppression Rating Schedule. ISO then assigns a Public Protection Classification from 1 to 10. Class 1 generally represents superior property fire protection, and Class 10 indicates that the area's fire-suppression program doesn't meet ISO's minimum criteria. |
| IT | Information Technology - The use of computers and telecommunications equipment to store, retrieve, transmit and manipulate data. |

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| ITS | Intelligent Transportation System – ITS is the application of advanced sensor, computer, electronics, and communication technologies and management strategies to improve the safety and efficiency of the surface transportation. |
| LAN | Local Area Network – A computer network that interconnects computers in a limited area. |
| LIS | Land Information System - A system that designed specifically to create, visualize, analyze, report and publish land-based data such as parcel information, zoning, land use, ownership and general property information. |
| Long Term Debt | Debt with a maturity of more than one year after the date of issuance. |
| LTAf | Local Transportation Assistance Fund—State lottery funds shared with cities for the purposes of transportation and transit. Also included in this funding source is LTAf II which are grants distributed to cities when and if all other funding requirements of state lottery funds are met. |
| MAG | Maricopa Association of Governments - An association of governments that represents the bulk of the metropolitan area of Phoenix, Arizona and is responsible for developing policy in the areas of regional development and transportation, air and water quality, and human services. |
| Maint | Maintenance – The purpose of maintaining equipment and facilities in satisfactory operating condition by providing for systematic inspection, detection, and correction of incipient failures either before they occur or before they develop into major defects. |
| Management Indicators | A measurable means of evaluating impact of budget on achieving stated objects. |
| MCDOT | Maricopa County Department of Transportation - Plans, designs, constructs, and maintains roadways within the county's unincorporated areas. |
| MCT | Mobile Computer Terminal – A mobile computer system that provides full system access through wireless mobile data terminals. |
| Membrane Treatment Process | Membrane technology utilizes a semipermeable membrane for the separation of suspended and dissolved solids from water. |
| MGD | Millions of Gallons per Day – MGD is a rate of flow of water equal to 133,680.56 cubic feet per day, or 1.5472 cubic feet per second, or 3.0689 acre-feet per day. A flow of one million gallons per day for one year equals 1,120 acre-feet (365 million gallons). |
| MHZ | Megahertz - A measurement of transmission frequency, either over the airwaves or through a copper wire; also, a measurement of the clock speed on a computer. One megahertz is one million times a second. |
| MPC | Municipal Property Corporation - A non-profit corporation established for issuing debt to purchase municipal facilities and equipment that it leases to the city. |

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| MS4 | Municipal Separate Storm Sewer System – A system of conveyances (including roads with drainage systems, municipal streets, catch basins, curbs, gutters, ditches, man-made channels, or storm drains). An MS4 is owned by a state, city, town, village, or other public entity that discharges to waters of the U.S., designed or used to collect or convey stormwater (including storm drains, pipes, ditches, etc.), not a combined sewer, and is not part of a publicly owned wastewater treatment plant. |
| MWD | Maricopa Water District - The district was formally organized in 1925, as a political subdivision, and latter an irrigation and water conservation district under Arizona state statutes was successfully completed in 1927. MWD is the only privately financed reclamation project of its kind and provides water and power to service an area of approximately 60 square miles. |
| O&M | Operation and Maintenance - The day-to-day operating and maintenance cost of a municipality including such things as personnel, gas, electric utility bills, telephone expense, reproduction costs, postage, and vehicle maintenance. |
| Operating Budget | A budget for the delivery of ongoing city services, to include expenditures such as personal services, contractual services, commodities, and operating capital items. |
| OSHA | Occupational Safety and Health Administration - OSHA is an agency of the United States Department of Labor. OSHA's mission is to "assure safe and healthful working conditions for working men and women by setting and enforcing standards and by providing training, outreach, education and assistance. |
| P&R | Parks and Recreation Development - The parks and recreation development fee fund was established to account for the inflow of parks and recreation development fees levied on new residential construction. |
| Performance Measures | Measurable means of evaluating the effectiveness of an activity, department, or division in achieving its objectives, goals, or policy. |
| PILOT | Payment in Lieu of Taxes – The payments made to compensate a local government for some or all of the tax revenue that it loses because of the nature of the ownership or use of a particular piece of real property. |
| PM | Particulate Matter - The small, distinct solids suspended in a liquid or gas. |
| PPE | Personal Protective Equipment – PPE refers to protective clothing, helmets, goggles, or other garment designed to protect the wearer's body from injury by blunt impacts, electrical hazards, heat, chemicals, and infection, for job-related occupational safety and health purposes. |
| Primary Property Tax | A limited tax levy used for general government operations. State statute restricts the total levy to a 2% annual increase plus an increase for any new construction and / or annexation. |
| Pro Tempore (Pro Tem) Judge | A pro tempore judge is a judge who serves or expects to serve once or only sporadically on a part-time basis under a separate appointment for each period of service. |
| Property Tax Rate | The amount of tax levied for each \$100 of assessed valuation. |

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| PW | Public Works - The divisions of the Public Works Department funded by the general fund include: vehicle maintenance, facilities management, sustainability, engineering development, and storm water services. Other divisions and funds managed by the Public Works Department and detailed on separate pages include streets and transportation funded by the highway user revenue fund (HURF), transit funded by the transit fund, and water, wastewater, and sanitation. |
| Reserves | Money that has been set aside in the event of revenue shortfalls. |
| Resources | Total monies available for appropriation purposes to include revenues, fund balances, transfers, and other financing services (i.e. bond proceeds). |
| Revenue Bond | Bonds that are backed by revenues from a specific system (i.e. Water and Sewer Revenue Bonds are payable from water and sewer revenues). |
| Revenue | Resources achieved from taxes, user charges/fees, and other levels of government. |
| RFP | Request for Proposal - A RFP is a formal invitation to a potential respondent to submit a proposal to provide a good or service to fulfill a need that the city has identified. |
| ROW | Right of Way - A general term denoting land, property, or interest therein, usually in a strip, acquired for or devoted to transportation purposes. |
| RPTA | Regional Public Transportation Authority - The Arizona Legislature passed a law enabling the citizens of Maricopa County to vote in 1985 on a sales tax increase to fund regional freeway improvements and to provide for the creation of the Regional Public Transportation Authority. |
| SB 1598 | Senate Bill 1598 –This is a “Regulatory Bill of Rights” that grants regulated private parties a series of rights in their dealings with cities, counties, and flood control districts. The bill imposes significant obligations on municipalities regarding applications for permits and licenses, as well as the protocol of compliance inspections. |
| SCBA | Self-Contained Breathing Apparatus - An atmosphere-supplying respirator for which the breathing air source is designed to be carried by the user. |
| SPA | Special Planning Area - Designated areas within a city of Surprise planning area designed to ensure that land resources are utilized efficiently and that the community’s long-term development needs are addressed. The goal of each SPA is to ensure a balanced mix of land uses, adequate support resources, proper ratio of people to jobs, and an efficient and effective multi-modal transportation network. There are six SPAs in the city of Surprise. |
| SPD | Surprise Police Department – The department, in partnership with the community, provides the delivery of progressive crime prevention and protection. |
| Secondary Property Tax | Voter approved tax levy that can only be used to retire general bonded debt obligations. |

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| Special Revenue Funds | Used to record the receipt of funding from specific revenue sources (other than special assessments, trusts, or major capital projects) which are legally restricted to expenditure for specific purposes. |
| SLID | Streetlight Improvement District - Special taxing district established to pay the costs of electricity associated with streetlights within a specific subdivision. Tax rate is limited to a maximum of \$1.20 per \$100 of assessed value. |
| SPM | Street Preservation and Maintenance Program - Road preservation for all city streets including repair, crack sealing, fog seal with seal master, mill and overlay, and reconstruction. |
| SR | State Route - A broad highway designed for high-speed traffic. |
| SWPPP | Stormwater Pollution Prevention Plan - A plan that describes the strategies and steps that will be taken to prevent nonpoint source pollution discharging from a construction/industrial site into a municipal storm sewer system. |
| Tax Levy | The total amount to be raised by general property taxes for purposes specified in the Tax Levy ordinance. |
| TE | Traffic Engineering – The division is responsible for the operations of the intelligent transportation system, traffic signal service and maintenance, traffic signs and markings service and maintenance, and traffic engineering, planning, management, and control services. |
| TTHM | Total Trihalomethanes – Is the total concentration of the four chief constituents (chloroform, bromoform, bromodichloromethane, and dibromochloromethane). Trihalomethanes are formed as a by-product predominantly when chlorine is used to disinfect water for drinking. They represent one group of chemicals generally referred to as disinfection by-products. They result from the reaction of chlorine and/or bromine with organic matter present in the water being treated. |
| Transfer | An inter-fund transaction where one fund contributes resources to another fund where the resources are expended. |
| Trust Fund | Used to account for resources held by the city as a trustee for a private party such as volunteer firefighters' pension boards. |
| Turn key | Supplied, installed, or purchased in a condition ready for immediate use, occupation, or operation. |
| UASI | Urban Areas Security Initiative - UASI provides funding support for target-hardening activities to nonprofit organizations that are at high risk of terrorist attack and are located within one of the specific UASI-eligible Urban Areas. |
| UCR | Uniform Crime Reports – The UCR are official data on crime in the United States, published by the Federal Bureau of Investigation. UCR is a nationwide, cooperative statistical effort of nearly 18,000 city, university and college, county, state, tribal, and federal law enforcement agencies voluntarily reporting data on crimes brought to their attention. |

USTA

United States Tennis Association – The USTA is the national governing body for the sport of tennis and the recognized leader in promoting and developing the sport’s growth on every level in the United States, from local communities to the crown jewel of the professional game, the US Open.

VFD

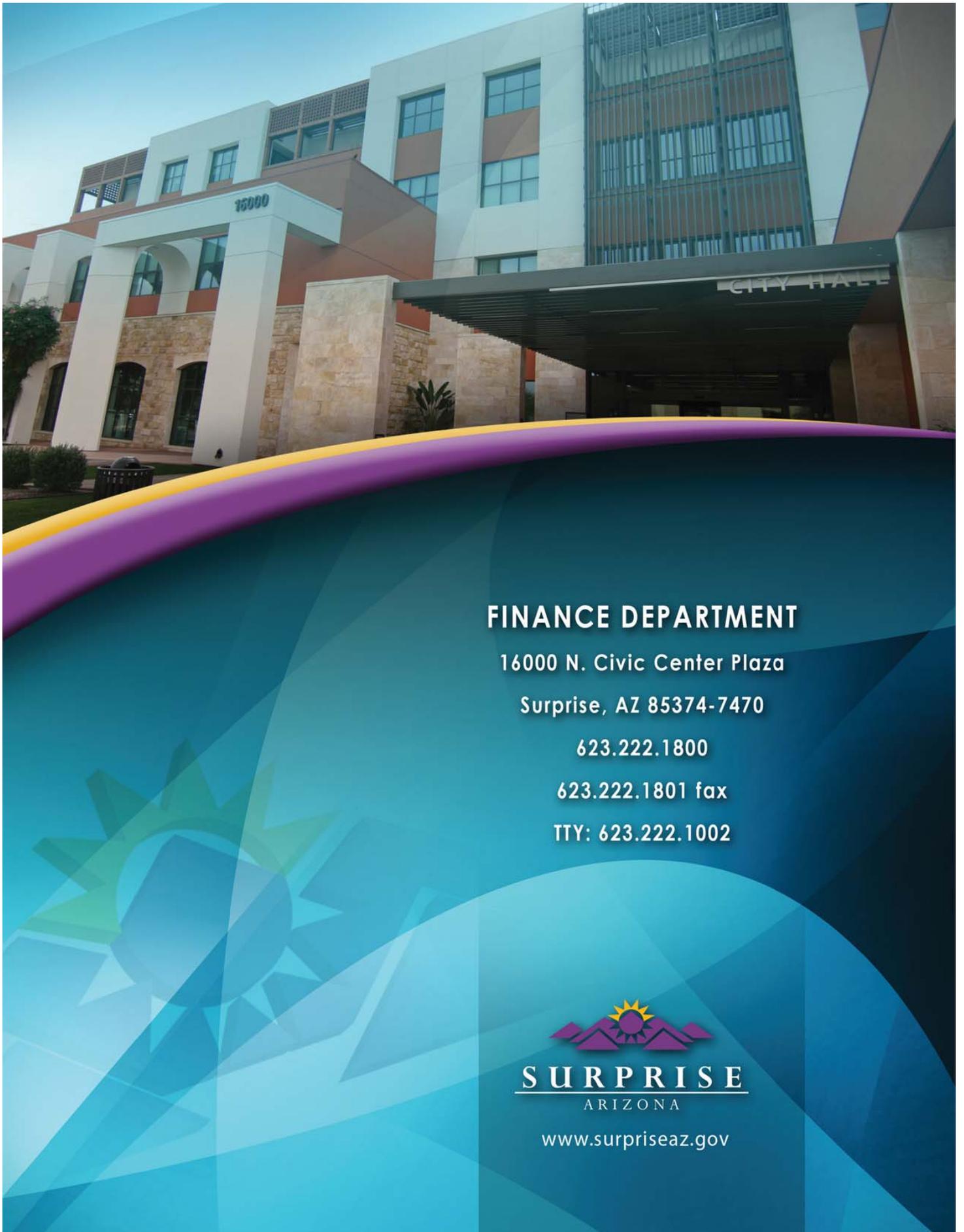
Variable Frequency Drive - a type of adjustable-speed drive used in electro-mechanical drive systems to control alternating current motor speed and torque by varying motor input frequency and voltage.

WRF

Water Reclamation Facility – A facility that utilizes processes to separate, modify, remove, and destroy objectionable, hazardous, and pathogenic substances carried by wastewater in solution or suspension in order to render the water fit and safe for intended uses.

WSF

Water Supply Facility - A facility that provides a source of water for drinking, irrigation, commercial, and industrial uses in a quantity and quality that meets or exceeds standards.



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